



# 2024 Corporate Sustainability Report





# Table of Contents

A Letter from Our CEO	3
Introduction	4
B Corp™ & Benefit Corporation™	6
A Letter from Our Benefit Director	7
Corporate Sustainability Strategy	8
Materiality	10
Spotlight on Climate	11

Spotlight on Client Experience	14
Spotlight on Mentorship	16
Materiality Map Progress	17
Industry Engagement & Thought Leadership	20
Closing	22
Appendix	23





# A Letter from Our CEO

## *Commitments Upheld; Aspirations Reaffirmed*



Breckinridge Capital Advisors is pleased to provide our annual Corporate Sustainability Report (CSR), which documents our ongoing efforts to achieve greater sustainability in our business.

At Breckinridge, sustainability is not just a side initiative. It is a core part of our identity as a responsible investor, employer, and corporate citizen. We integrate sustainable factor risk analysis into our investment process because we believe the analysis can enhance our traditional fundamental security analysis.

We believe our own advancement of corporate sustainability reflects positively on our firm and upholds our commitment to see beyond short-term results to consider longer-term value creation and resiliency. In 2024, Breckinridge entered our second decade as a certified B Corp and Massachusetts-registered Benefit Corporation, charters that confirm our work towards continuous improvement of social and environmental impacts and a legal commitment to stakeholder governance.

Being committed to a goal means persisting in the journey toward it. Obstacles are inevitable and when needed, course corrections must be made. During 2024, we re-evaluated our memberships as signatories in a handful of collaborative engagement initiatives. Our decision to withdraw our signatures was grounded in our belief that the obstacle we faced required a course correction, ensuring that our unwavering commitment to our mission and values, our goals, and our stakeholders is not compromised. Persistence enables leaders to quickly get back on course, and to inspire others to follow.

I offer my appreciation to our employees and stakeholders who are driving the progress and holding us accountable to our sustainability commitments. Their efforts affirm our best intentions to achieve the positive outcomes and resiliency that the pursuit of sustainability embodies.

All employees across the organization integrate sustainability in all that we do, from analyzing investments, maintaining an ethical culture, continuously innovating, to providing our clients with exceptional service. In addition, I am grateful to our employees for their active participation in educational programs, volunteer efforts, and philanthropic activities that demonstrate our commitment to improving our sustainability performance.

I encourage your attention to the full report for more insights into our practices and progress in 2024. Our actions reaffirm our aspiration to create public benefit for all our stakeholders where we live, work, and invest. As always, I welcome your questions about our results and the progress we still plan to achieve.

Sincerely,

**Ognjen Sosa, CAIA, FRM**

Chief Executive Officer



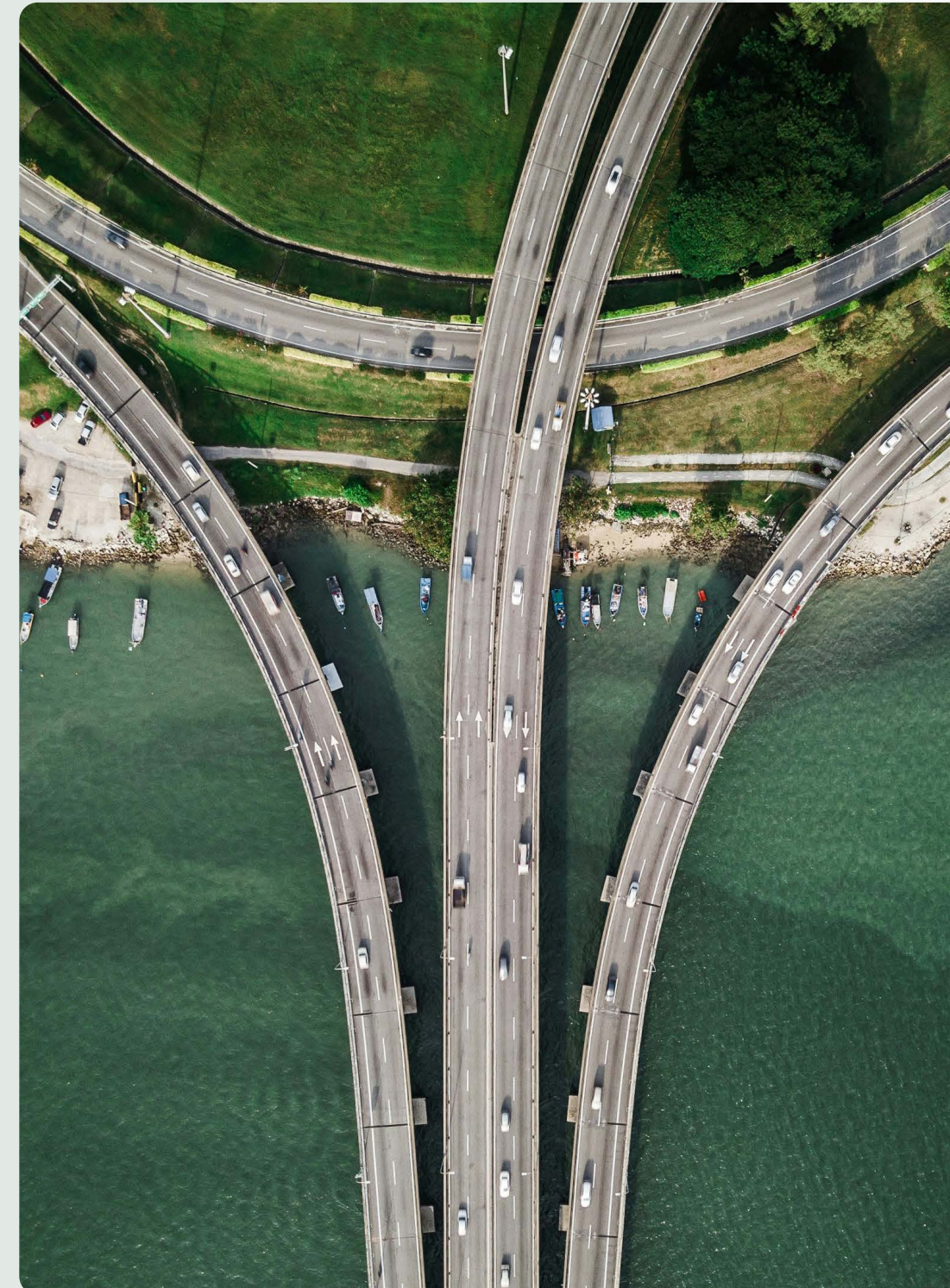


# Introduction

Breckinridge Capital Advisors is a Boston-based, independently owned asset manager working to provide the highest caliber of investment management. We serve high-net-worth individuals and large institutions through a network of financial advisors, consultants, and family offices.

Consistent with our belief in the materiality of sustainable business practices, Breckinridge has always been intentional in our forward-looking governance. Our top-down decision to pursue B Corp certification in 2013 meant we made a commitment to adopt a legal framework as a Benefit Corporation to protect a mission of long-term sustainable value creation through capital raises and new generations of leadership.

Our strong conviction in the merits of sustainable factor integration in our investment approach motivates examination and reporting on our own sustainable business practices, and this report offers an overview of that approach and commitment.



**100%**  
Independently Owned

**1993**  
Year Founded

**\$51B**  
Assets Under Management

**89**  
Employees

**BOSTON & SAN DIEGO**  
Offices

All figures as of December 31, 2024





# Governance of Sustainability

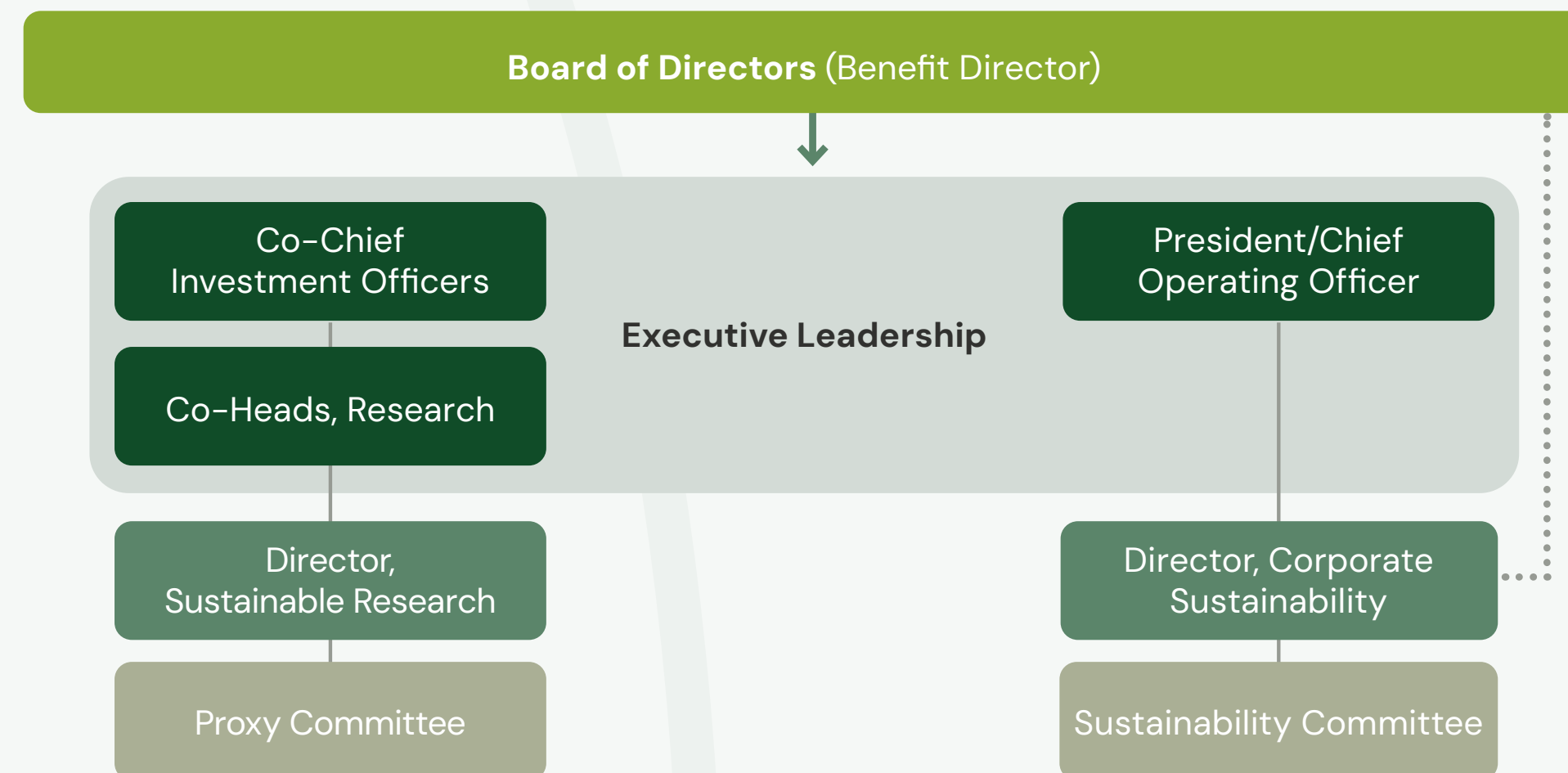
Breckinridge's mission is to provide the highest caliber of investment management, thereby facilitating a sustainable flow of capital from long-term investors to responsible issuers. Our commitment to remaining independent lends itself well to this, as does our Benefit Corporation status, which requires that we consider all stakeholders—including shareholders, employees, clients, communities, vendors and the environment—in our business decisions.

To illustrate, we detail the governance of sustainability within the firm. Our corporate sustainability initiatives are spearheaded by the Director of Corporate Sustainability, who reports directly to the President and the Board of Directors. Supported by a Sustainability Committee, the Director collaborates with departmental heads to implement social and environmental sustainability measures across the business.

Our Co-Chief Investment Officers lead an investment team that integrates material sustainability issues with fundamental analysis in our investment process. Guided by our Co-Heads of Research and the Director of Sustainable Research, evaluations of sustainability risks, complemented by direct engagement with security issuers, inform our internal opinions and ratings. Additionally, our Proxy Committee oversees the proxy voting process, ensuring sustainable factor integration in applying the proxy voting policy.

We believe this structure, with roles dedicated to managing sustainability risks, supported by committees and reporting to executive leadership and the Board of Directors, underscores the firm's commitment to sustainability.

## HOW SUSTAINABILITY IS GOVERNED AT BRECKINRIDGE



## Standardized Reporting

In this report, you will find disclosure codes on most pages, corresponding to standards and frameworks in the Appendix. Standardized reporting allows for material, consistent, and comparable sustainability disclosures to be provided to stakeholders.

We currently report to the following:

**Global Reporting Initiative (GRI)**

**Sustainable Accounting Standards Board (SASB) Standards**

**Taskforce for Climate-Related Financial Disclosures (TCFD)**

In addition, we complete assessments with the United Nations Principles for Responsible Investment (PRI) on an annual basis and B Lab's B Impact Assessment™ (BIA) every three years.





# B Corp & Benefit Corporation

According to their website, B Lab is “the nonprofit network transforming the global economy to benefit all people, communities, and the planet.”

B Lab created and continues to build upon the standards for measuring positive impact found in its B Impact Assessment (BIA), and passed Benefit Corporation legislation in over 40 states and provinces in the U.S., British Columbia (Canada), and other countries. Beyond the assessment and legislation, B Lab leads a movement of over 9,800 companies in over 105 countries and 159 industries that are collectively working towards the vision of an inclusive, equitable, and regenerative economy.<sup>1</sup>

We have been a proud Certified B Corp for over a decade, with our first certification completed in January 2013. At the same time, we incorporated as a Benefit Corporation in the state of Massachusetts.

Being a Benefit Corporation and a Certified B Corp means balancing profits with purpose and considering the impact of our business decisions on all stakeholders, not just shareholders. We have several engagement approaches across our stakeholder universe to ensure we remain aware of our place in, and our impacts on, the broader ecosystem. Ultimately our goals are to operate a business where our people can thrive, where we limit our negative impacts on the planet, and where our clients and communities can benefit. As investors, we know these goals best position our firm to serve our clients over the long term.

As a requirement of our Benefit Corporation designation, we report on our social and environmental performance assessed against a third-party standard. We use B Lab’s BIA which is a free, confidential platform designed to help measure and manage a company’s impact on workers, community, customers, and environment, and are audited and recertified every three years. Our *last audit* was completed in 2024 with a score of 129.6 out of a possible 200.<sup>2</sup>

The assessment provides a framework for continuous improvement, and we strive to increase our score with each audit. B Lab recently released new standards, which it states, “provide greater clarity and consistency, ensuring companies focus on the most impactful business actions”. We intend to familiarize ourselves with these new standards and take preparatory measures leading up to our next assessment.

Ultimately, these designations are the underpinning of our sustainable culture. They provide direction and accountability to measure and manage our environmental and social impacts and connect us to a global network of companies working towards a better way of doing business.

“  
*Ultimately, our goals are to operate a business where our people can thrive, where we limit our negative impacts on the planet, and where our clients and communities can benefit.*

## Our Stakeholders & How We Engage

### CLIENTS

- E-mail or phone conversations
- In-person meetings
- Reporting
- Thought leadership
- Conferences
- Social media

### INDUSTRY PARTNERS

- Case studies
- Financial support

### COMMUNITY

- Volunteering
- Charitable donations

### EMPLOYEES

- Manager one-on-ones
- Performance assessments
- Quarterly update meetings
- Educational seminars
- Volunteer opportunities

### SUPPLIERS

- Questionnaires
- Direct conversations

### INDUSTRY PEERS

- Conferences
- Panels
- Thought leadership

### ISSUERS

- Engagement

### REGULATORS

- Audits
- Information

### ENVIRONMENT

- Volunteering
- Emissions measurement
- Carbon offsets
- Renewable energy credits

1. As of May 31, 2025.

2. In addition to the assessment, Certified B Corporations must pay annual fees to retain their certification status. Re-certifications also incur a submission fee (every three years). Additional information on the certification process can be found here: <https://usca.bcorporation.net/process-requirements-fees/>.





# A Letter from Our Benefit Director

As the investment industry grapples with challenges to the relevance and materiality of sustainability to both the investment process and operational success, I am pleased to report that Breckinridge remains steadfast in its substantive commitment to the sustainability of the entities it invests in and its own operations. Breckinridge continuously refines practices across its investing and operations based on a fundamental conviction that sustainability matters.

The 2024 Corporate Sustainability Report further elaborates upon developments from this past year of Breckinridge's sustainability investment methodology and corporate sustainability processes. As always, meaningful and authentic sustainability practices require creativity, diligence, and patient implementation. Our accountability to ourselves, our investors, our community, and our industry compel our ongoing efforts to improve these practices and processes. Breckinridge's recertification as a B Corporation in 2024 evidences the firm's ongoing commitment to this work.

In closing, I am pleased to report that, in the opinion of the Board, the company has acted in accordance with its general benefit purpose in all material respects during 2024, and that the directors and officers have complied with the duties of their respective positions in considering the impact of Board and management decisions on Breckinridge's stakeholders.<sup>3</sup>

**Anne Stetson**  
Benefit Director

3. Reference is made specifically to Massachusetts General Laws Chap. 156E, subsection 10(a) and 12(a), which requires that this determination be made annually.







# Corporate Sustainability Strategy

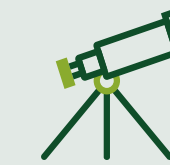
Well aligned with our mission and core values, we've made commitments to:

- 1 Consider all stakeholders through our Benefit Corporation designation.
- 2 Practice transparency and accountability on our sustainable impacts through our B Corp certification and reporting to GRI, SASB Standards, and TCFD.
- 3 Invest responsibly as a signatory to keep aligned with the Principles for Responsible Investment (PRI).

## Our Core Values



We put clients first



We have an eye on the future



We are better together



We are always improving



We are making a difference





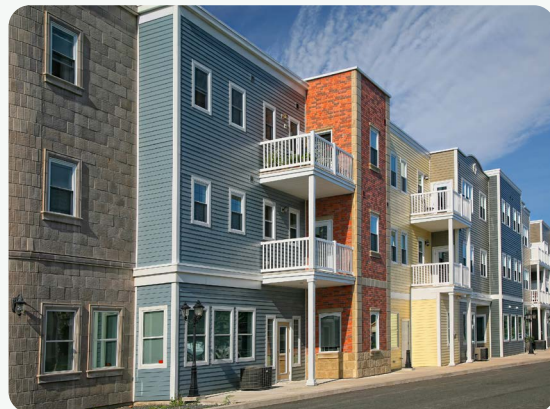
# The Pillars of Our Corporate Sustainability Strategy

The below pillars serve as reminders that economic success should not come at the expense of social well-being or environmental degradation, and that our business has a role to play in creating economic benefits for society broadly.



## ENVIRONMENTAL RESPONSIBILITY

We're committed to environmental responsibility and climate resiliency in our operations and the integration of material climate factors into our investment process.



## SOCIAL RESPONSIBILITY

We believe in considering the impacts our business has on people—including employees and their families, clients, shareholders, suppliers, and our local communities—and integrating material social factors into our investment process.



## ECONOMIC RESPONSIBILITY

We seek to preserve capital and generate income for our clients, as well as to generate revenue as a business. Our revenue allows us to cover operating expenses such as payments to suppliers, create local jobs that pay livable wages, contribute to the local economy, pay taxes, and provide a public benefit through our work.

## Above all, we practice:

### ETHICAL RESPONSIBILITY

We hold ourselves to the highest standards of integrity, transparency, and accountability. Our governance practices are designed to ensure sound decision-making and oversight, and it is because of this focus that we are able to incorporate the other pillars of our strategy.



# Our Sustainability Committee

Our Sustainability Committee is made up of members from various departments across the firm and is chaired by our Director of Corporate Sustainability.

The purpose of the Sustainability Committee is to support management and the Director of Corporate Sustainability in their oversight of our Benefit Corporation commitments. The Committee looks to reduce the organization's carbon footprint, deepen community support, and improve firm culture around sustainability initiatives.

While the Director of Corporate Sustainability leads the overall implementation and execution of the corporate sustainability strategy, the Committee supports idea generation and wider engagement across the organization.

“

*The Committee looks to reduce the organization's carbon footprint, deepen community support, and improve firm culture around sustainability initiatives.*





# Materiality

Our Materiality Map is a roadmap for navigating our sustainability strategy.

It is comprised of a list of material topics—based on SASB Standards for the asset management and custody activities industry—ranked in order of importance by our stakeholders, as gathered from a survey in 2017. Although all seven topics are material to our business, Business Ethics is the most material according to our employees, management, and Board of Directors.

Each year in our report, we spotlight topics to give readers a better understanding of why we feel they are significant to our overall strategy and business resilience. This year, those topics are Climate (Risk Management, Sustainable Factor Integration, and Operations & Supply Chain), Client Experience, and Mentorship (Human Capital Management). We also include a high-level summary of the continuing efforts and progress made in the additional categories later in the report. Taken together, these sections detail the ways in which Breckinridge pursued general public benefit during the year.

“

*Although all seven topics are material to our business, Business Ethics is the most material according to our employees, management, and Board of Directors.*

## Sustainability Factors



**BUSINESS ETHICS**



**HUMAN CAPITAL MANAGEMENT**



**CLIENT EXPERIENCE**



**RISK MANAGEMENT**



**SUSTAINABLE FACTOR INTEGRATION**



**CORPORATE CITIZENSHIP**



**OPERATIONS & SUPPLY CHAIN**



# Spotlight on Climate

As a professional services company, our operational emissions are linked to on-site energy use and activities within our value chain such as business travel and purchased goods and services.

Our firm’s operations are exposed to physical climate risks, such as potential weather-related disruptions to our office buildings and data centers. However, we view both transition and physical risks for our operations to be currently minimal and manageable.

We believe our attention to climate should be focused on our investment process, where physical and transitional risks to our portfolio holdings can be material. By understanding where these hazards are present today and estimating their relevance in the future, we can better manage our climate-related exposure, identify investments for clients interested in the transition to a low-carbon economy, and uphold our commitment to long-term value creation.

4. *Recommendations of the Task Force on Climate-related Disclosures, Final Report*, June 2017.

# Investments

Transition risk is defined as the risks posed by a shift to a lower-carbon economy. They include policy and legal risk, such as when a country or region passes a carbon tax, or reputation risk, which could occur when consumers seek products from companies with lower emissions.

Physical risk takes the form of either an acute or chronic hazard. It is associated with the tangible impacts of a changing climate, such as from persistent and dangerous heat waves.<sup>4</sup>

The two forms of climate risk and examples of impacts from the risks are summarized in Figure 1.

Like many sustainability factors, the relevancy of climate risk or opportunities for a sector may vary. Unlike many other sustainable factors, however, climate risk is pervasive across the economy.

Breckinridge considers climate risks in our research process for five fixed income sectors: corporate bonds, municipal bonds, agency mortgage-backed securities, asset backed securities, and non-agency commercial mortgage-backed securities (CMBS). Our approach to integrate climate risks reflects the unique nature of each sector (Figure 2).

Over time, we believe that a lack of management of climate risks may lead to an uptick in issuer downgrades by credit rating agencies, financial distress, and a devaluation of our investments. Knowing an issuer’s exposure to risks, such as rising sea levels or wildfires, is critical to developing a forward-looking credit profile.

A combination of quantitative and qualitative approaches, along with engagement discussions with issuers helps to further inform our approach. Breckinridge’s evaluation of climate risks is based on materiality and incorporated into our sustainability rating, climate transition risk assessment, and/or internal credit rating, where appropriate (Figure 3).

FIGURE 1: CATEGORIES OF CLIMATE RISK

## Transition Risks

- 


**POLICY & LEGAL RISKS**  
Carbon Pricing Regulations
- 


**TECHNOLOGY RISKS**  
Rapid Deployment of Renewable Energy
- 

**MARKET RISKS**  
Shift in Supply or Demand for Certain Commodities
- 

**REPUTATION RISKS**  
Change in Consumer Perceptions

## Physical Risks

- 

**ACUTE RISKS**  
Event-Driven Extreme Weather (i.e., Hurricane)
- 

**CHRONIC RISKS**  
Longer-Term Shift in Weather Patterns





FIGURE 2: CLIMATE RISK EVALUATION ACROSS SECTORS

Sector	Physical Risk (Acute & Chronic)		Transition Risk	
Corporates	High	<ul style="list-style-type: none"><li>Supply chain disruptions</li><li>Capital – intensive locations at risk</li></ul>	High	<ul style="list-style-type: none"><li>Policy risk from new carbon regulations</li><li>Stranded asset risk</li></ul>
Municipals	Medium	<ul style="list-style-type: none"><li>Physical damage to local infrastructure</li><li>Inherent inability to relocate</li></ul>	Medium	<ul style="list-style-type: none"><li>Service area socioeconomic and demographic changes</li><li>Emissions–related regulatory risks</li></ul>
Agency MBS/CMBS	Medium	<ul style="list-style-type: none"><li>Physical damage to collateral may contribute to accelerated buyout–related prepayment speeds and/or lead to isolated defaults</li></ul>	Medium	<ul style="list-style-type: none"><li>Overall Minimal</li></ul>
Asset-Backed Securities	Low	<ul style="list-style-type: none"><li>Overall Minimal</li></ul>	Low	<ul style="list-style-type: none"><li>Overall Minimal</li></ul>
Non-Agency CMBS	Medium	<ul style="list-style-type: none"><li>Physical damage to collateral may sharply reduce asset value and/or lead to isolated defaults</li></ul>	Medium	<ul style="list-style-type: none"><li>Overall Minimal</li></ul>

High

Sustainable research priority and can be material in certain cases

Medium

Not a sustainable research priority but can be material in certain cases

Low

Not a sustainable research priority and unlikely to be material

FIGURE 3: HOW BRECKINRIDGE EVALUATES CLIMATE ACROSS ASSET CLASSES

Corporate Bonds	Municipal Bonds	ABS	Agency MBS & CMBS
Approach			
<ul style="list-style-type: none"><li>Sector-specific material sustainable factors</li><li>Corporate transition risk analysis</li></ul>	<ul style="list-style-type: none"><li>Sector-specific material sustainable factors</li></ul>	<ul style="list-style-type: none"><li>Sector-specific sustainable risk factors</li></ul>	<ul style="list-style-type: none"><li>Physical climate risks to underlying collateral</li></ul>
Sample Climate-Related Metrics & Considerations			
<ul style="list-style-type: none"><li>GHG emissions intensity (per sales)</li><li>Scope 3 emissions reporting</li></ul>	<ul style="list-style-type: none"><li>Built environment risks</li><li>Local economic exposure to industries experiencing transition risk</li></ul>	<ul style="list-style-type: none"><li>Climate change policy</li><li>Renewable electricity target policy</li></ul>	<ul style="list-style-type: none"><li>Hurricanes</li><li>Flooding</li></ul>

Evaluations are subject to change and are based on Breckinridge's analysis. Breckinridge believes that the assessment of sustainable risks, including those associated with climate change, can improve overall risk analysis. When integrating sustainable analysis with traditional financial analysis, Breckinridge's investment team will consider sustainable factors but may conclude that other attributes outweigh the sustainable considerations when making investment decisions. In addition, the investment team can change the sustainable analysis methodology at any time. Breckinridge's sustainable analysis is based on third party data and Breckinridge analysts' internal analysis. Analysts will review a variety of sources such as corporate sustainability reports, data subscriptions, and research reports to obtain available metrics for internally developed sustainable investment risk frameworks. Qualitative sustainable information is obtained from corporate sustainability reports, engagement discussion with corporate management teams, among others. A high sustainability rating does not mean the security will be included in a portfolio, nor does it mean that the investment will provide profits or avoid losses.





# Business Operations

Breckinridge recognizes that climate change can have short and long-term implications on its business operations.

We use several channels to identify risks or opportunities posed by climate change. First, we have a Materiality Map (see page 10), which we use to discuss potential policy and project recommendations. Additionally, we will consider climate change where appropriate when assessing operation risks such as business continuity.

Breckinridge has established programs to address physical climate risks in its operations, anchored by a Business Continuity Plan (BCP), that incorporates a Disaster Recovery Plan.

The BCP is designed to provide uninterrupted service to our clients and minimize downtime in during system or vendor failures, including disruptions caused by extreme weather events linked to climate change.

To support resilience, Breckinridge operates two secure off-site data centers with real-time or nightly data and application redundancy. Additionally, the firm maintains two geographically diverse office locations in Boston and San Diego, either of which can fully support client services in the event of a significant disruption to the other. For vendors who are deemed critical to our business operations, evaluations of their continuity policies are completed to ensure minimal downtimes and that such events are addressed promptly.

Employees are equipped to work remotely should both offices face compromise, and an emergency alert system enables swift communications with all staff during potential business interruptions.

## OUR CARBON FOOTPRINT

We have been measuring key portions of our carbon footprint for several years. Assessing our carbon footprint goes beyond mere reporting: it serves as a vital cornerstone for meaningful climate action. By identifying the key sources of our emissions, we can implement targeted reduction strategies, drive efficiencies, and make data-informed investments in offset projects. Transparent carbon accounting also enables us to meet evolving regulatory requirements, enhance stakeholder trust, and contribute to a healthier planet.

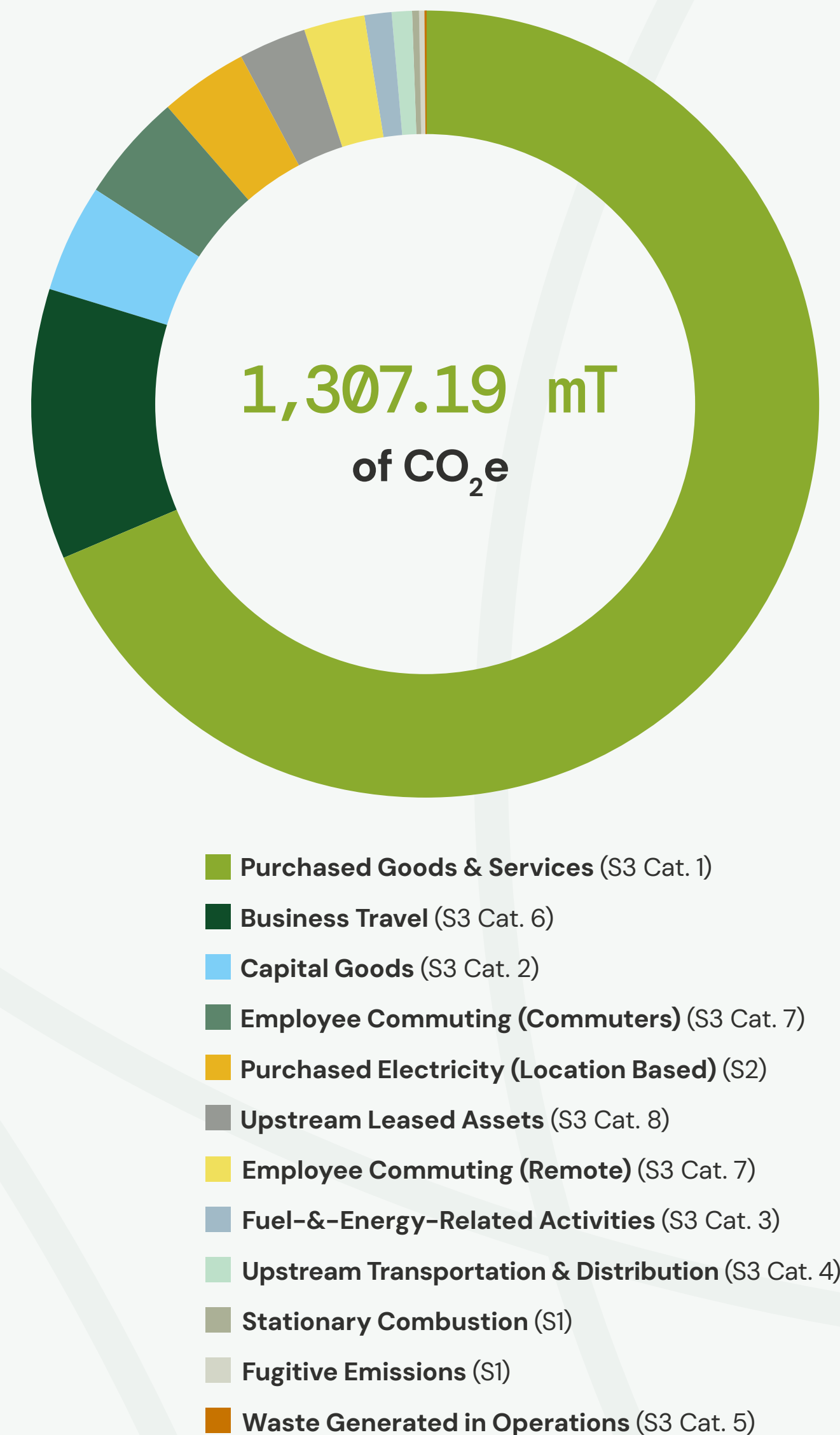
To add accuracy and rigor to this measurement, we have engaged a vendor to help calculate our 2024 Greenhouse Gas (GHG) footprint (Figure 4). This essential step allows us to gain a comprehensive understanding of our environmental impact, covering Scope 1, 2, and 3 emissions (excluding financed emissions).

Our footprint increased for 2024 due to more precise data and emissions factors and additional measurement categories. The measurement process highlighted the importance of collecting primary data for accuracy. For our 2025 process, our goal will be to gather more primary data from our San Diego building (such as HVAC refrigerant refills) and obtain primary distance data for all modes of business travel (this year was a combination of spend-based and distance-based methods).

With the increased precision, we will use the 2024 results as our base year for any targeted reductions. In the meantime, we have purchased renewable energy credits for the entirety of our market-based Scope 2 emissions. We have also invested in offset projects to offset our Scope 1 and some of our Scope 3 emissions (categories 2, 3, 7, and 8). For categories 1, 4, and 6 we are looking to refine data, write policies, and work to reduce.

Measurement is just the beginning of our journey. With the insights gained from this assessment, we look forward to setting clear sustainability goals and making progress toward reducing our environmental impact.

FIGURE 4: BRECKINRIDGE 2024 EMISSIONS PROFILE







# Spotlight on Client Experience

“We Put Clients First” is one of our core values, and a key material issue for the firm.

By prioritizing client experience, we aim to create a deeper, longer-term impact for our clients, our business, and society broadly. As a Benefit Corporation and B Corp, we are legally and ethically committed to operating in a way that delivers public benefit and upholds rigorous standards of social and environmental performance, accountability and transparency. Our dedication to client experience is not separate from these commitments, it is fundamental to achieving them.

We believe that sustainable business is one that builds enduring, trusted relationships. That relationship begins with understanding the diverse goals, values and needs of our clients, and then delivering solutions that reflect those insights with precision, flexibility, and care. As an asset manager, we are uniquely positioned to do just that. Our business model, centered on separate account management, allows us to provide customized portfolios tailored to each client’s individual investment objectives and preferences.

In practice, this means going beyond traditional financial metrics. While we consistently manage portfolios with attention to factors such as credit quality, duration and maturity—which can all be customized—we also partner with our clients when they want to integrate *thematic considerations*. Whether a request is risk-based, faith-based, or environmental/social in nature, our team works with clients to build portfolios that reflect both their financial and personal goals.

FIGURE 5: CUSTOMIZATION OPTIONS



## Client-Driven Modifications

- **Duration Options:** Short, Limited, Intermediate, Long, Broad
- Benchmark
- Sector Exposure
- Credit Quality
- Ticker Screens



## Tailored Solutions

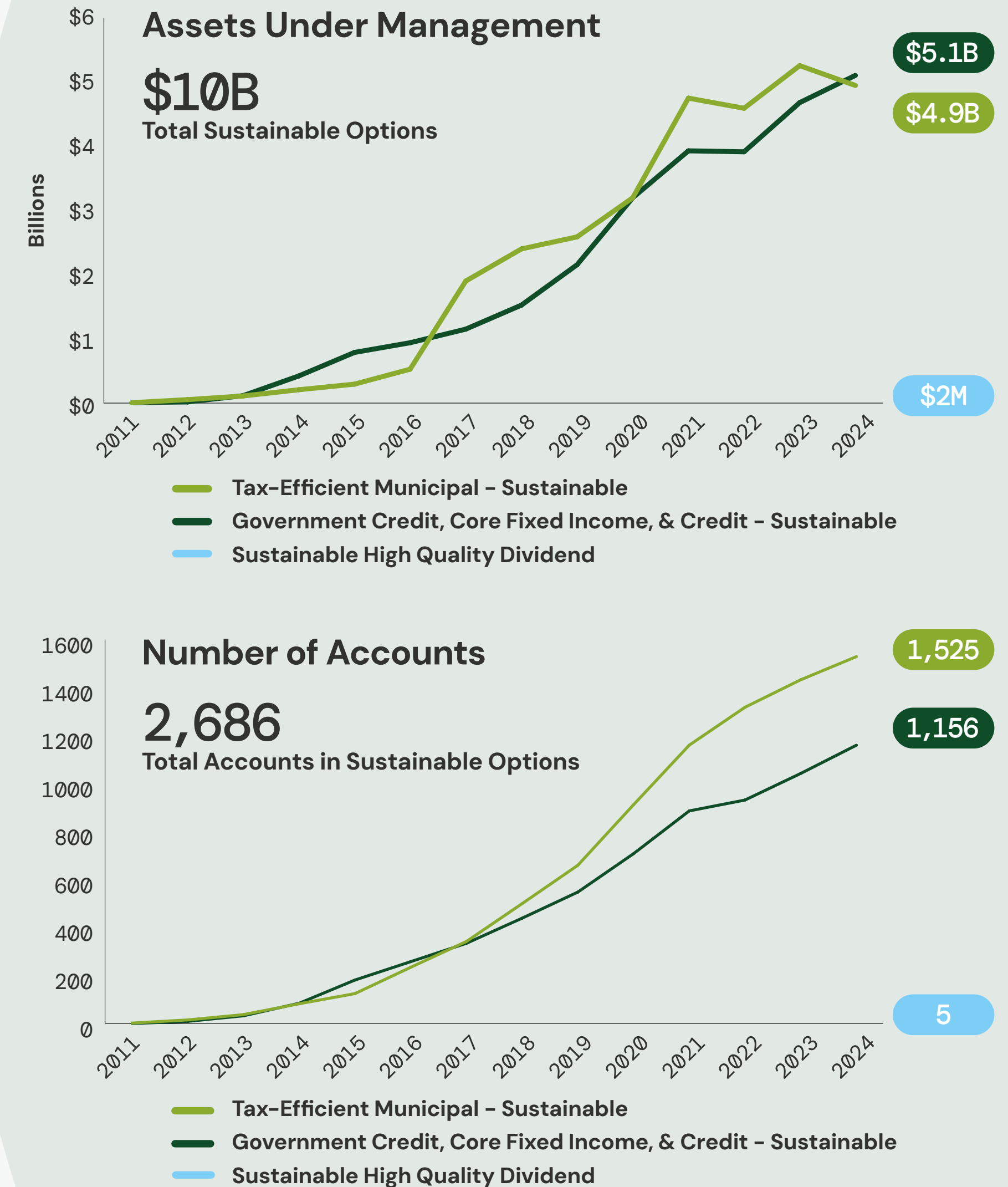
- Target Maturity
- Liquidity Management
- Tax-Aware Crossover
- Liability Driven Investing
- Client Directed Rebalancing



## Thematic Customizations

- Faith-Based | Catholic Values
- Environmental | Social
- Custom Screening Requests

FIGURE 6: SUSTAINABLE OPTIONS



There is no guarantee that the strategies or customizations will achieve their objectives, lower volatility, or be profitable. Client-driven modifications and customizations are subject to review and approval. Some modifications and customizations cannot be combined and/or require higher account minimums. All investments involve risk, including loss of principal. Diversification cannot assure a profit or protect against loss. No investment or risk management strategy can guarantee positive results or risk elimination in any market. Investments in thematic customizations are subject to proportionately higher exposures in certain types of risks.

Sustainable Options AUM and Number of Accounts are as of 12/31/24. Breckinridge’s Sustainable Options selectively invest in issuers with above average sustainability profiles.





Another way we focus on client experience is through our approach to relationship management. Our client-centric and solutions-driven approach includes:



**THOUGHT LEADERSHIP:**

Producing timely and relevant content aligned with client interests and feedback such as quarterly webinars, market commentaries, market insights, and general perspectives.



**DIRECT ACCESS:**

Enabling regular access to investment professionals and subject matter experts.



**TECHNOLOGICAL ENHANCEMENTS:**

Reinvesting in technology to enable a wider variety of products and solutions and to create a more responsive client experience.



**CLIENT REPORTING:**

Creating metric-driven client reporting highlighting characteristics, tax-aware approach, and sustainability summaries to allow for greater portfolio transparency.



This level of relationship management combined with our customization capabilities supports our broader sustainability strategy in several ways:



**ALIGNING CAPITAL WITH PURPOSE:**

Empowering clients to direct capital toward themes and sectors they care about enables alignment in their overall portfolio(s). Our solutions are designed to help clients support affordable housing, align with a net zero pathway, or pursue other mission-aligned outcomes alongside their stated risk and return objectives.



**BUILDING LONG-TERM RELATIONSHIPS:**

Sustainability is a long game. Our client-centric approach fosters enduring relationships that are grounded in trust and transparency. We see this as essential for both client satisfaction and long-term business resilience.



**DRIVING INNOVATION & ACCOUNTABILITY:**

Our commitment to continuous improvement in client experience drives us to explore new product solutions, data sources, reporting tools, and enhancements in customization capabilities. We see this as integral to our fiduciary duty and our role as a Benefit Corporation.

Being a Benefit Corporation means we are measured not only by profit, but by the value we deliver to people and planet. Our client relationships are a direct expression of this philosophy. We do not take a one-size-fits-all approach to portfolio management. Instead, we listen first, build second. The result, we hope, is a more engaged, informed, and satisfied client base that increasingly shares our commitment to sustainability and responsible investment.







# Spotlight on Mentorship

In 2024, we officially launched a formal mentorship program, open to all employees across the firm. Over one third of our staff signed up as either mentors or mentees, with 30 employees completing the one-year program.

As a small company, we believe a formal mentorship program can be a powerful tool for fostering growth and engagement among employees of all levels. The desire for professional development is ever present, and mentorship can provide employees with the guidance, exposure, and encouragement they need to expand their skills, deepen their engagement, and envision long-term value within the company.

As a B Corp, mentorship aligns with our broader commitments to employee well-being and inclusive practices. These values are central to the B Corp ethos, which emphasizes not just profit, but also purpose—particularly in creating workplaces where everyone can thrive, regardless of background.

In organizations with flat hierarchies, where formal promotions may be rare, mentorship can offer an alternative path to growth. Mentees benefit from regular access to someone invested in their development, helping them navigate challenges, build new capabilities, and understand how their contributions connect to the company's goals. Mentors, in turn, gain leadership experience, fresh perspectives, and opportunities to shape company culture.

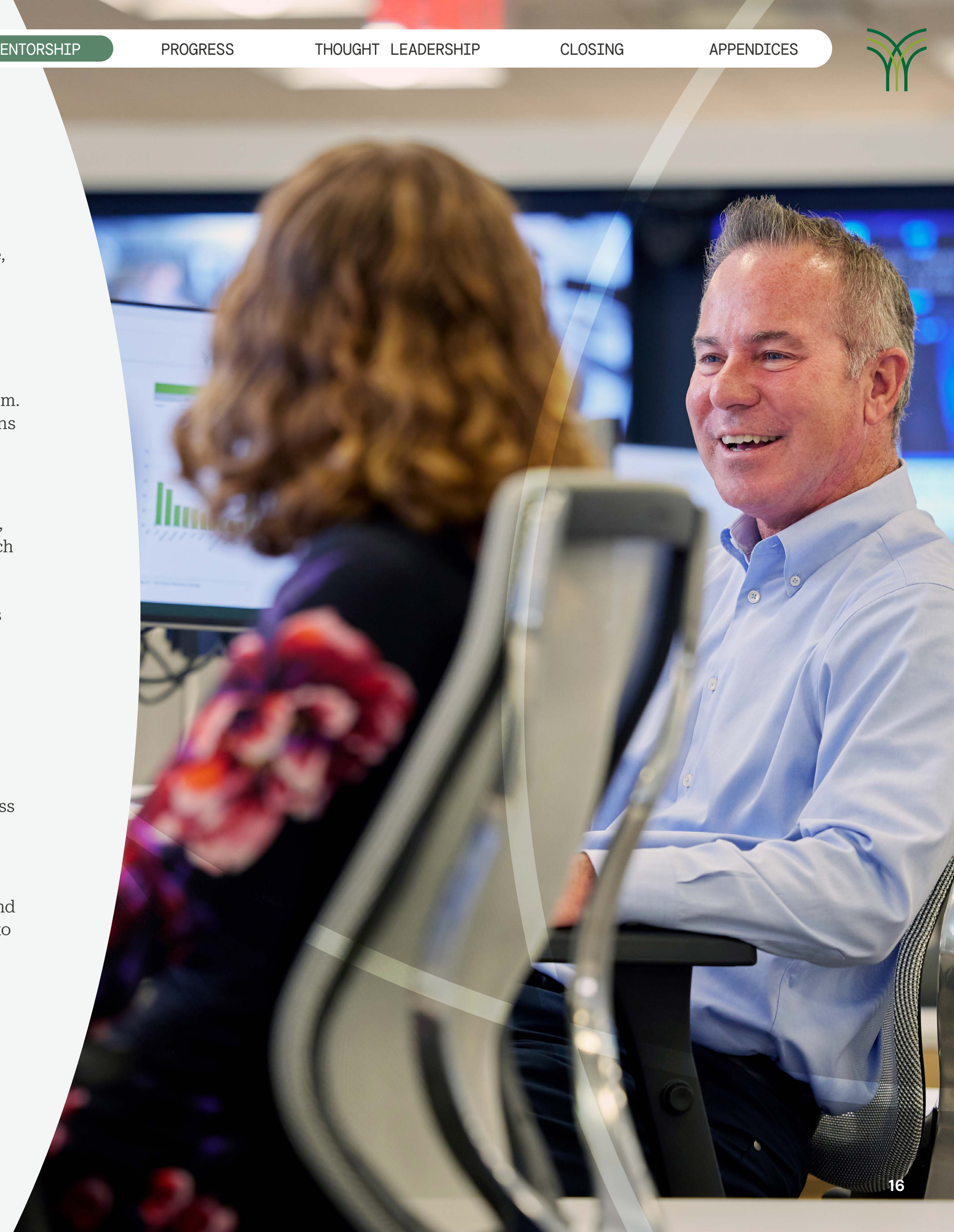
This is especially impactful for employees who have historically had less access to organic mentorship relationships. A formal mentorship program levels the playing field by making connections intentional, accessible, and accountable.

For our program, we wanted to include the value of one-on-one mentorship with the ability to connect with and learn from peers and a wider network of mentors. Therefore, we wanted to augment individual meetings with two group sessions and a volunteer event during the program. The two group topics were employee driven, and the sessions led by mentors. In 2024, the sessions included an inside look at investment team roles and navigating challenges in the workplace.

In addition to value derived from professional development, mentorship programs can support employee retention, which is a critical driver of human capital strategy. When people feel seen, supported, and invested in, it strengthens team cohesion, helps retain institutional knowledge, and reduces turnover costs.

Through surveys and conversations with participants, we were able to gather insights to improve our program for the future. We found that the greatest benefits of the program came from developing new relationships and gaining fresh perspectives and insights into various departments around the firm. One of the key notes for improvement was to implement more structure and a formal way to track progress towards goals throughout the program, which we have incorporated for our 2025 session.

In short, by implementing a formal and structured mentorship program—one with clear goals, defined roles, and regular check-ins—we hope to demonstrate a commitment to employee development, engagement, and inclusion.







# Our Materiality Map Progress

While we only spotlight three topics in this report, our other materiality topics remain top-of-mind for our business. The following provides a high-level sample of some of the ongoing practices and progress in each of our material categories.



DISCLOSURES: GRI 404 (3-3), SASB FN-AC-270A.3

## BUSINESS ETHICS

Focusing on ethics allows us to be more stakeholder-centric and meet regulatory requirements through:

- Commitment to our core values
- Written policies that include a code of ethics/conduct
- Ongoing employee and client communications
- Disclosure to our clients about our business and practices
- Feedback and reporting

## HUMAN CAPITAL MANAGEMENT

Our people and their intellectual capital are the backbone of our business; we seek to support them by providing an environment where they can thrive through:

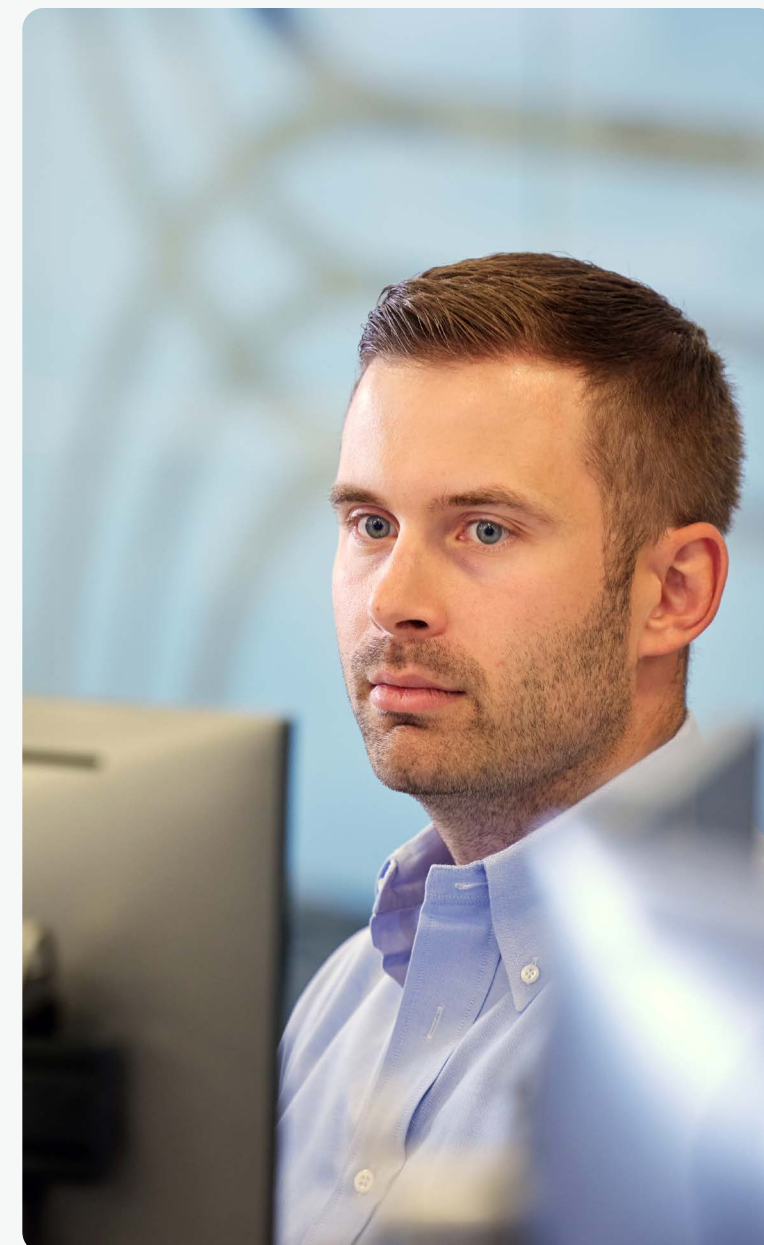
- Low premiums on medical/dental coverage for employees and their families
- Adoption assistance and fully paid parental leave
- Tuition assistance
- 401K contribution matches
- Care provider service to assist families in finding care for child and adult dependents
- Fitness benefit to subsidize a portion of employees' health club memberships
- Cardiopulmonary resuscitation (CPR) and automated external defibrillator (AED) training

## CLIENT EXPERIENCE

We always seek ways to strengthen our client relationships by providing a more tailored client experience through:

- Dedicated relationship management and client service teams
- Relationship management communications based on each relationship's needs
- 24/7 access to online client portal for more efficient account information retrieval
- Client reports that allow for more portfolio analytics and insights





## RISK MANAGEMENT

Governance of risk starts with our Executive Committee's "tone at the top". Appointed committees identify, assess, and address different types of risks across the enterprise through:

- Internal and third-party risk assessments and audits
- Policy reviews and updates
- Regular committee meetings
- Vendor due diligence
- Ongoing training and education for employees
- Business continuity and disaster recovery plans
- Two geographically diverse office locations
- Two secure off-site data centers, offering data and application redundancy

## SUSTAINABLE FACTOR INTEGRATION

We first integrated sustainable factor considerations into our investment process in 2011. Breckinridge integrates material sustainability risk factors into our fundamental credit research process to help us assess and price credit risk of issuers. This approach allows our analysts to gather and evaluate diverse pieces of information to formulate a comprehensive investment thesis. Our process involves:

- Periodically monitoring and updating our proprietary sustainability frameworks
- Engagement efforts with bond issuers and external subject matter experts
- An annual review of our proxy voting guidelines for clients

Our progress this year included:

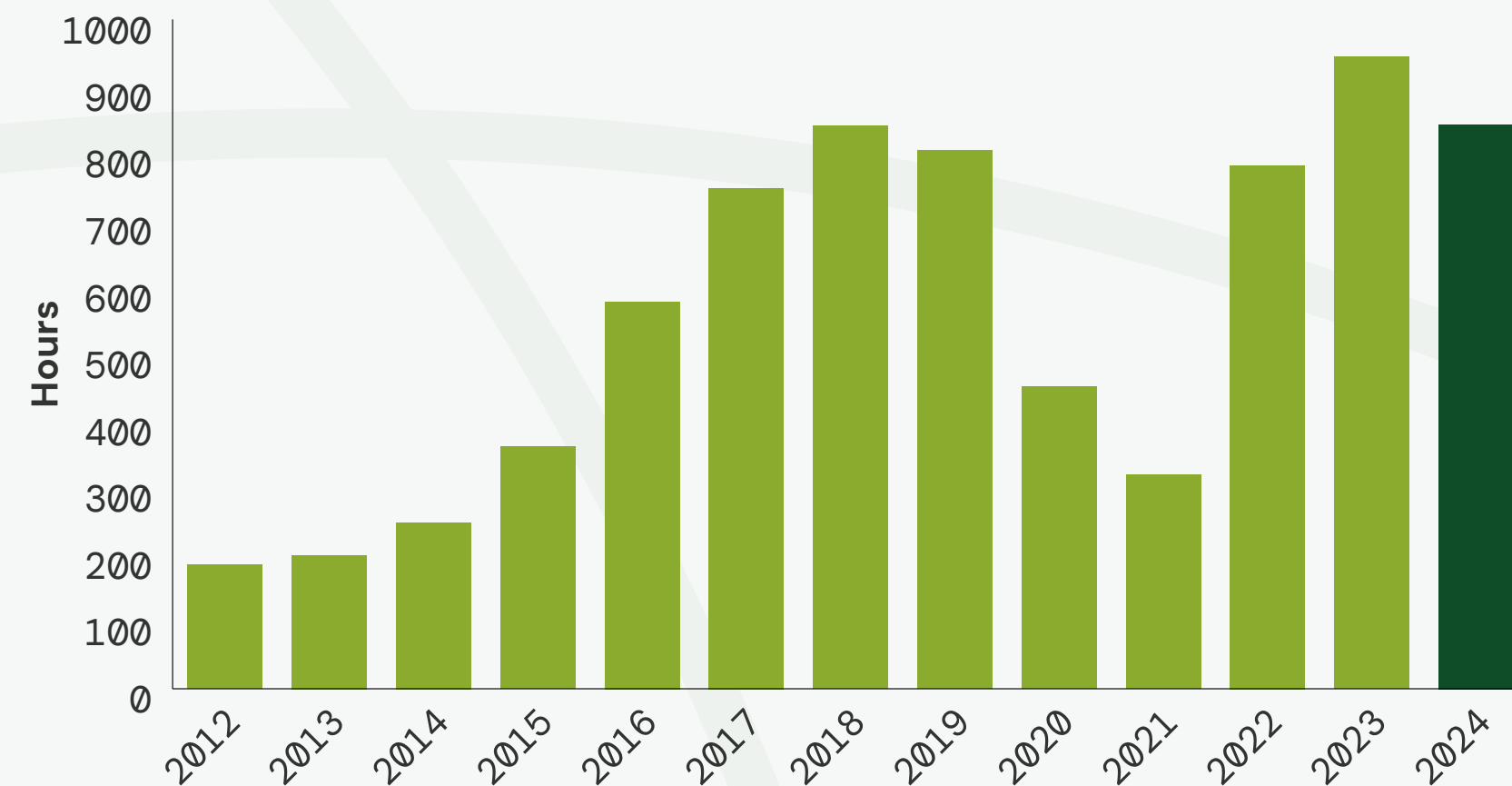
- **Framework Updates:** We refined our water/sewer and state frameworks within the municipal sector, periodically updating the weightings of sustainability factors to reflect their relevance to investment outcomes. These updates are made with a long-term perspective, recognizing that certain risks may evolve over time.
- **Issuer Engagement:** Our team conducted over 149 discussions with bond issuers and external experts. Independent, direct engagement deepens our understanding of credit issues and material sustainability risks and provides an idea generation platform for our investment team. We also encourage enhanced disclosure of material sustainability considerations.
- **Proxy Voting Guidelines:** For clients in our high-quality dividend strategies, we implemented new proxy voting guidelines. This reflects our ongoing efforts to incorporate relevant and material sustainable risk considerations into our stewardship responsibilities.





FIGURE 7: VOLUNTEERISM &amp; CHARITABLE GIVING IN 2024

## Volunteer Hours



### VOLUNTEERISM:

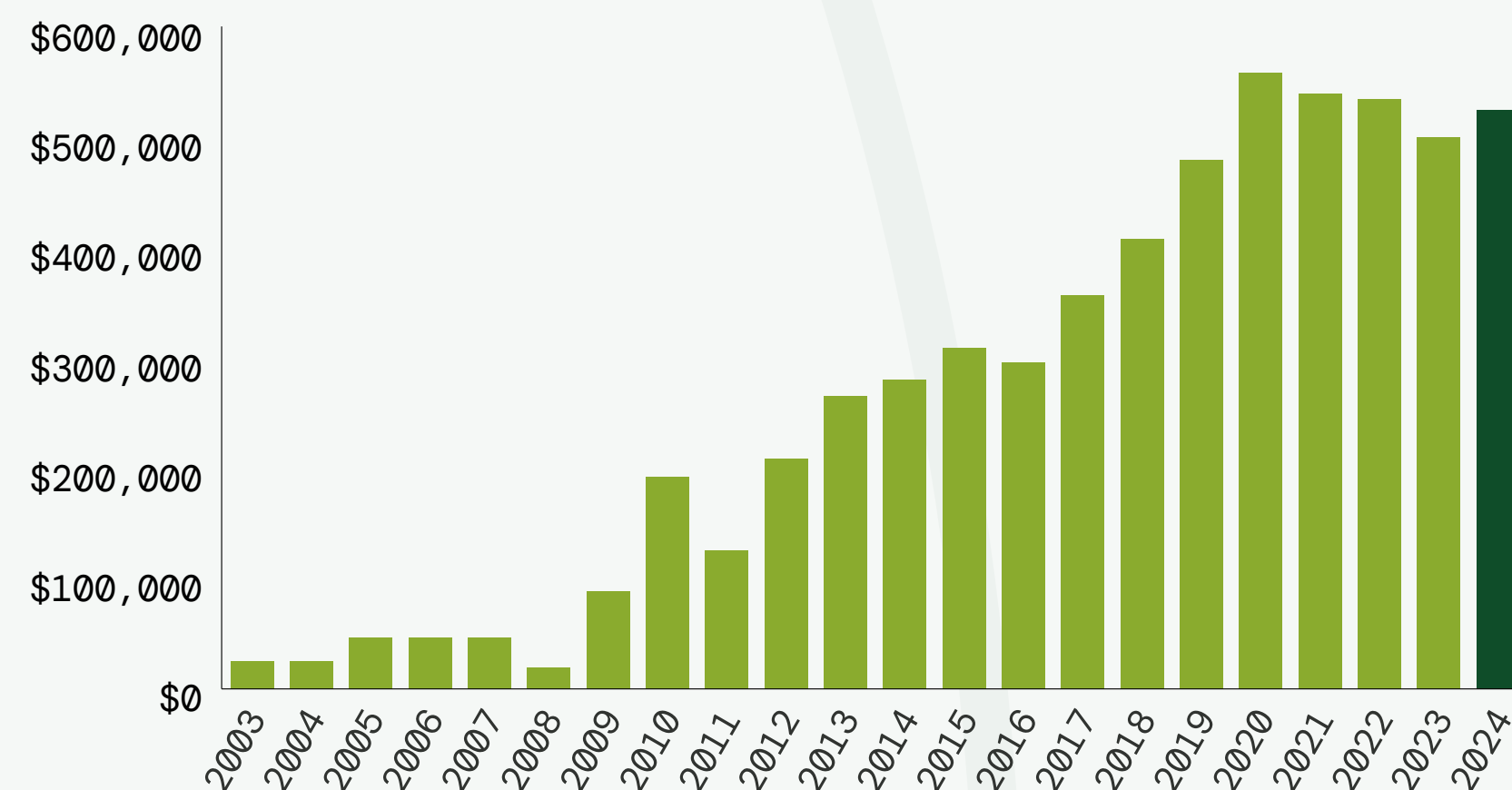
**844 HRS**

Volunteered in 2024

**7,316 HRS**

Volunteered Since 2012

## Donations Year-Over-Year



### PHILANTHROPY:

**\$525K**

Donations Made in 2024

**\$5.9M**

Cumulative-to-Date  
Charitable Giving

### DONATION MATCHING:

**\$3,000**

Donation Match per Employee

**65%**

Participation in 2024

### CORPORATE CITIZENSHIP

Giving back to our communities is engrained in our culture and we believe it creates a sense of purpose, values alignment, and teamwork among our employees through:

- Donations to charitable organizations (aim to donate five percent of our pretax profits)
- Paid volunteer time off (up to three days)
- Individual employee donation match up to \$3,000 per calendar year
- In-kind and monetary support to our partner nonprofit organizations
- Learning and donation opportunities such as our Denim Days Program which offers educational information on a range of diversity topics
- Educational presentations about sustainability to local colleges by our directors of corporate sustainability and sustainable research

### OPERATIONS & SUPPLY CHAIN

We continuously look for ways to operate more efficiently, safely, and in a manner that has the least negative social and environmental impact through:

- Technological enhancements to increase efficiency
- B Corp, sustainable, or local vendors for promotional materials, corporate gifts, shredding services, fruit deliveries, coffee stations, and other office needs
- Composting option in our Boston office (diverted 968 pounds of waste in 2024, doubling our diverted waste since 2022)
- Coffee machines that have fully compostable pods, coffee grounds, and/or recyclable aluminum pods
- Reusable and compostable utensil sets and kitchenware

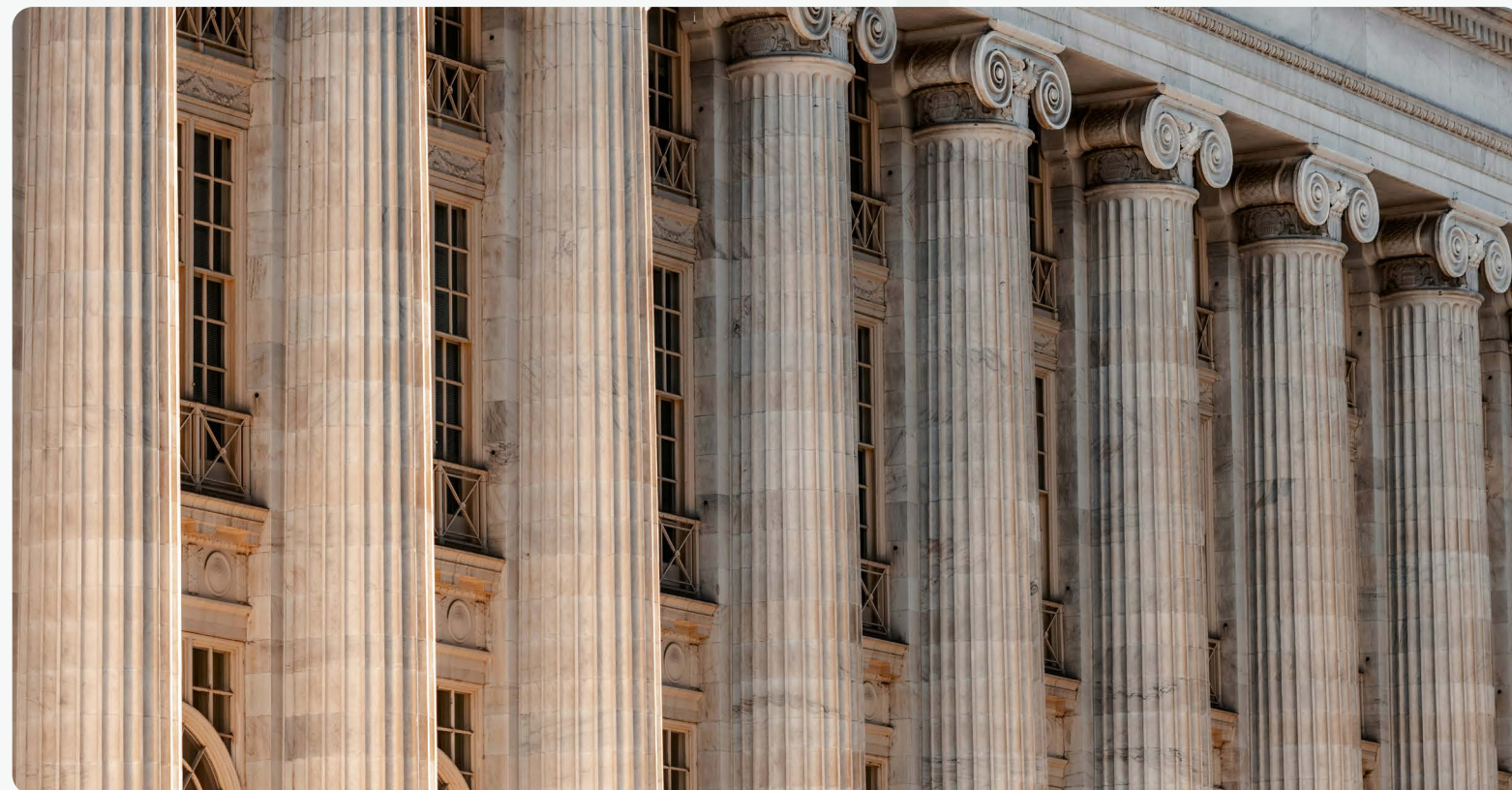




# Industry Engagement & Thought Leadership

We augment our own corporate social responsibility activity by contributing our views and perspectives on relevant sustainability issues to the marketplace.

In addition, we engage with organizations driving progress in sustainability and related fields. Our goal is to advance sustainability practices and research, which are vital to building a culture of sustainability at Breckinridge. Through these efforts, we aim to create long-term value for our clients and the broader investment community. On this page, we highlight the initiatives and member networks we currently support.



## CURRENTLY SUPPORTED INITIATIVES:

### CDP:

CDP is a global non-profit that runs the world's only independent environmental disclosure system for companies, capital markets, cities, states and regions to manage their environmental impacts.

### MIT Sloan Sustainable Business Lab:

Sustainable Business Lab (S-Lab) provides students with a unique opportunity to explore the connection between business, the environment, and society.

### Principles for Responsible Investment:

The PRI is the world's leading proponent of responsible investment.

## MEMBER NETWORKS:

### Ceres Investor Network:

The Ceres Investor Network represents institutional investors interested in responsible investment practices and policies that help protect the planet while also improving portfolio value.

### Certified B Corporation:

B Corp Certification is a designation that a business is meeting high standards of verified performance, accountability, and transparency on factors ranging from employee benefits and charitable giving to supply chain practices and overall business practices.

### Confluence Philanthropy:

Membership-based network of foundations, family offices, and their investment advisors that supports values-aligned investing across asset classes, investment vehicles, and engagement strategies when prudent and feasible.

### Intentional Endowments Network:

The leading mission-aligned investing network for higher education and other endowed institutions.

### ISSB Investor Advisory Group (formerly SASB):

The ISSB Investor Advisory Group (IIAG) is a group of leading asset owners and asset managers in various markets who are committed to improving the quality and comparability of sustainability-related financial disclosures.





# Thought Leadership

Breckinridge's commitment to providing insights to stakeholders proved especially valuable during 2024. A substantive interest-rate environment shift and a U.S. Presidential election were among several events that had investors anxious for perspective.

Each month and quarter, members of our Investment Committee, as well as our portfolio management and research teams provided market commentaries that reviewed key events and trends in the equity and fixed income markets and the broader economy. These timely reports included our annual [Municipal Bond Market Outlook](#), and our quarterly [Corporate Bond Market Outlooks](#).

In addition, personalized account reporting kept clients current on the performance of their investments.

Our quarterly sustainable investing newsletter tracked important news related to corporate stewardship, including environmental and corporate governance topics. Articles provided information on pricing climate risk into municipal bonds, the International Sustainability Standards Board's reporting standards, enhancements of Breckinridge's frameworks for assessing municipal water/sewer bonds and sustainability risks, implications for state and local municipal bonds of California's Fair Access to Insurance Requirements (FAIR) plan, and sustainable bond issuance trends.

During 2024, Breckinridge employees were quoted on investment topics in various investment and sustainability-related articles in *Bloomberg*, *The Bond Buyer*, *Financial Advisor*, *Forbes*, *FundFire*, *ThinkAdvisor*, and *The Wall Street Journal*, for example.



## Leadership Through Participation in Industry Conferences & Events

Our employees also dedicated time at industry conferences focused on investing as sponsors, speakers, or attendees. A partial listing of the hosts of these industry events includes:

- Association of Governing Boards of Universities and Colleges (AGB)
- Chartered Financial Analysts (CFA) Society
- Intentional Endowment Network (IEN)
- Confluence Philanthropy Annual Practitioners Gathering
- Pensions & Investment (P&I)
- Sustainable Fixed Income & Finance Forum
- Financial Times, Future of Asset Management Conference North America
- Ceres at Climate Week Partners Reception
- Philanthropy Southeast







# Looking Forward

As we reflect on 2024, our work reaffirms that embedding sustainability into every facet of our business—our operations, investments, and relationships—is not only possible, but essential.

While we are proud of the progress we’ve made this year, we acknowledge the work that lies ahead. We are committed to continuous improvement, innovation, and dedication to meet the challenges of a business operating in this ever-evolving world.

Looking forward, we remain focused on deepening our impact within our communities, investing in our employees, strengthening relationships with our stakeholders, and advancing a business model that creates value not just for our clients, but for our communities and our planet. The pursuit of sustainable business is a journey, and one that we undertake with integrity, urgency, and optimism.

We thank you, our stakeholders, for your continued trust and partnership as we pursue this work and we welcome your thoughts and feedback. We look forward to reporting on our continued progress in the year ahead.





# Appendix



GRI CONTENT INDEX

Breckinridge has reported in accordance with the GRI Standards for the period 1/1/24 – 12/31/24 (GRI 1: Foundation 2021).

Disclosure	Description	Report Location / Direct Answer
General Disclosures		
GRI 2: General Disclosures 2021	2-1 Organizational details	See <a href="#">Breckinridge Form ADV Part 2A</a> .
	2-2 Entities included in the organization's sustainability reporting	Breckinridge does not own or have interest in any subsidiaries, joint ventures, or affiliates, including minority interests.
	2-3 Reporting period, frequency and contact point	This report is as of 12/31/24 for the calendar year 2024 unless otherwise noted. We publish the report annually. Contact Kelly Silva at <a href="mailto:ksilva@breckinridge.com">ksilva@breckinridge.com</a> for questions regarding this report.
	2-4 Restatements of information	None.
	2-5 External assurance	Breckinridge's report has not been externally assured.
	2-6 Activities, value chain and other business relationships	Sector: Private, financials, asset management & custody activities. See <a href="#">Our Clients</a> . See <a href="#">Strategies</a> . See <a href="#">CSR Supplement</a> .
	2-7 Employees	See Introduction, <a href="#">pg 4</a> . 89 permanent full time U.S.-based employees. 69% male, 31% female. Based on headcount of FT employees as of 12/31/24 collected in an optional self-identifying survey.
	2-8 Workers who are not employees	We employed three interns in 2024.
	2-9 Governance structure and composition	See Introduction, Governance of Sustainability, <a href="#">pg 5</a> .
	2-10 Nomination and selection of the highest governance body	Nominations for election, typically from the chair of the Board, are presented for a vote at the annual shareholder meeting.
	2-11 Chair of the highest governance body	The Board is chaired by Executive Chair, Peter Coffin.
	2-12 Role of the highest governance body in overseeing the management of impacts	See Introduction, Governance of Sustainability, <a href="#">pg 5</a> .
	2-13 Delegation of responsibility for managing impacts	See Introduction, Governance of Sustainability, <a href="#">pg 5</a> .
	2-14 Role of the highest governance body in sustainability reporting	See <a href="#">B Lab Benefit Corporation</a> , Additional Information, reference to Benefit Director.
	2-15 Conflicts of interest	The Board has a Conflicts of Interest policy and members provide annual confirmation of any conflicts.
	2-16 Communication of critical concerns	Concerns will be communicated to the Board by management in quarterly meetings or on an ad hoc basis. No critical concerns were elevated to the Board during the reporting period.
	2-17 Collective knowledge of the highest governance body	See <a href="#">CSR Supplement</a> .
	2-18 Evaluation of the performance of the highest governance body	Performance of the Board is assessed by the chair on an annual basis.
	2-19 Remuneration policies	Board members receive fixed pay per quarter, and variable pay for participation in meetings.

	2-20 Process to determine remuneration	Remuneration of the Board is reviewed by the chair on an annual basis.
	2-21 Annual total compensation ratio	See <a href="#">CSR Supplement</a> .
	2-22 Statement on sustainable development strategy	See Letter from Our Chief Executive Officer, <a href="#">pg 3</a> . See Letter from Our Benefit Director, <a href="#">pg 7</a> .
	2-23 Policy commitments	See <a href="#">CSR Supplement</a> .
	2-24 Embedding policy commitments	We maintain compliance and information security policies and a Code of Ethics. Employees attest to receipt and review of the documents.
	2-25 Processes to remediate negative impacts	Our Compliance Manual defines client complaints and mechanisms to report, resolve and monitor them.
	2-26 Mechanisms for seeking advice and raising concerns	Our Code of Ethics covers reporting of concerns by employees, and specifically mentions seeking the advice of the Chief Compliance Officer.
	2-27 Compliance with laws and regulations	For the year ended December 31, 2024, we have not identified incidents of non-compliance with laws and regulations.
	2-28 Membership associations	See Industry Engagement and Thought Leadership, <a href="#">pg 20</a> .
	2-29 Approach to stakeholder engagement	See B Corp & Benefit Corporation Designations, <a href="#">pg 6</a> .
	2-30 Collective bargaining agreements	0% of Breckinridge employees are covered by collective bargaining agreements as labor unions are not prevalent in the asset management industry.
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	See Materiality Map, <a href="#">pg 10</a> .
	3-2 List of material topics	See Materiality Map, <a href="#">pg 10</a> .
GRI 201: Economic Performance 2016	3-3 Management of material topics	See <a href="#">About Us</a> .
	201-1 Direct economic value generated and distributed	See <a href="#">CSR Supplement</a> .
	201-2 Financial implications and other risks and opportunities due to climate change	See Spotlight on Climate, <a href="#">pg 11</a> .
	201-3 Defined benefit plan obligations and other retirement plans	See <a href="#">CSR Supplement</a> .
	201-4 Financial assistance received from government	See <a href="#">CSR Supplement</a> .
GRI 202: Market Presence 2016	3-3 Management of material topics	See <a href="#">CSR Supplement</a> .
	202-2 Proportion of senior management hired from the local community	See <a href="#">CSR Supplement</a> .
GRI 204: Procurement Practices 2016	3-3 Management of material topics	See <a href="#">CSR Supplement</a> .
	204-1 Proportion of spending on local suppliers	See <a href="#">CSR Supplement</a> .
GRI 205: Anti-corruption 2016	3-3 Management of material topics	Our approach to anti-corruption is outlined within our Code of Ethics and Compliance Manual and overseen by our Chief Compliance Officer.
	205-2 Communication and training about anti-corruption policies and procedures	Employees must comply with quarterly certification processes, follow the rules set out in the Code of Ethics, and participate in ongoing compliance training.

	205-3 Confirmed incidents of corruption and actions taken	For the year ended December 31, 2024, we have not identified incidents of corruption and therefore have not taken any corrective action.
GRI 305: Emissions 2016	3-3 Management of material topics	See <a href="#">CSR Supplement</a> .
	305-1 Direct (Scope 1) GHG emissions	See Spotlight on Climate, <a href="#">pg 13</a> .
	305-2 Energy indirect (Scope 2) GHG emissions	See Spotlight on Climate, <a href="#">pg 13</a> .
	305-3 Other indirect (Scope 3) GHG emissions	See Spotlight on Climate, <a href="#">pg 13</a> .
	305-5 Reduction of GHG emissions	See Spotlight on Climate, <a href="#">pg 13</a> . See Materiality Map Progress, Operations & Supply Chain, <a href="#">pg 19</a> .
GRI 404: Training and Education 2016	3-3 Management of material topics	See <a href="#">CSR Supplement</a> . See Spotlight on Mentorship, <a href="#">pg 16</a> . See Materiality Map Progress, Human Capital Management, <a href="#">pg 17</a> .
	404-2 Programs for upgrading employee skills and transition assistance programs	See <a href="#">CSR Supplement</a> . See Spotlight on Mentorship, <a href="#">pg 16</a> .
	404-3 Percentage of employees receiving regular performance and career development reviews	See <a href="#">CSR Supplement</a> .
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	See <a href="#">CSR Supplement</a> .
	405-1 Diversity of governance bodies and employees	See <a href="#">CSR Supplement</a> .
	405-2 Ratio of basic salary and remuneration of women to men	See <a href="#">CSR Supplement</a> .
GRI 406: Non-discrimination 2016	3-3 Management of material topics	See <a href="#">CSR Supplement</a> .
	406-1 Incidents of discrimination and corrective actions taken	For the year ended December 31, 2024, we have not identified incidents of discrimination, and no corrective action was needed.
GRI 413: Local Communities 2016	3-3 Management of material topics	See <a href="#">Sustainability Initiatives</a> .
	413-1 Operations with local community engagement, impact assessments, and development programs	See Our Materiality Map Progress, Corporate Citizenship, <a href="#">pg 19</a> .
GRI 415: Public Policy 2016	3-3 Management of material topics	Our political contributions policy complies with the <a href="#">SEC rule</a> regulating political contributions by investment advisors and their employees.
GRI 417: Marketing and Labeling 2016	3-3 Management of material topics	See <a href="#">CSR Supplement</a> .
	417-2 Incidents of non-compliance concerning product and service information and labeling	For the year ended December 31, 2024, we have not identified incidents of non-compliance concerning product and service information and labeling.
	417-3 Incidents of non-compliance concerning marketing communications	For the year ended December 31, 2024, we have not identified incidents of non-compliance concerning marketing communications.
GRI 418: Customer Privacy 2016	3-3 Management of material topics	See <a href="#">Privacy Notice</a> .
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	For the year ending December 31, 2024, we have not identified substantiated complaints concerning breaches of customer privacy and losses of customer data.



SASB STANDARDS INDEX

Breckinridge has been a longstanding supporter of the SASB Standards (now part of IFRS Foundation) and their mission of standardized and material corporate sustainability reporting. To advance our commitment, we adopted their recommended reporting standards for the Asset Management & Custody Activities Industry for the first time in 2018. The following index provides readers with our 2024 answers or reference locations where they can find disclosure information within this report. Please visit the [SASB website](#) for information on the SASB standards.

Topic	Accounting Metric	Category	Code	Response
Transparent Information & Fair Advice for Customers	(1) Number and (2) percentage of licensed employees and identified decision-makers with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings¹	Quantitative	FN-AC-270a.1	(1) 0 (2) 0%
	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers²	Quantitative	FN-AC-270a.2	\$0
	Description of approach to informing customers about products and services	Discussion and Analysis	FN-AC-270a.3	General information is available on our <a href="#">website</a> . More specific information is available via the <a href="#">Investment Adviser Public Disclosure</a> section of the U.S. Securities and Exchange Commission (SEC) website. Detailed information is provided to clients initially and updates are provided as a part of ongoing relationship management. See <a href="#">Our Clients</a> on our website, Spotlight on Client Experience ( <a href="#">pg 14</a> ) and Our Materiality Map Progress, Client Experience ( <a href="#">pg 17</a> ).
Employee Diversity and Inclusion	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) professionals, and (d) all other employees³	Quantitative	FN-AC-330a.1	Due to legal/compliance reasons, we only publish demographic breakdowns as aggregate firm-level information. (1) 31% of employees identify as female (2) 20% of employees identify as people of color.
Incorporation of Environmental, Social and Governance Factors in Asset Management	Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability themed investing and (3) screening	Quantitative	FN-AC-410a.1	(1) \$50,893M Fixed Income, \$6M Equity (2) \$10,039M Fixed Income, \$1.7M Equity (3) \$2,772M Fixed Income  Note: (1) contains all AUM, (2) contains AUM in sustainable options, (3) contains AUM in client-driven screening and customizations including Animal Welfare, Catholic Values, Climate Vulnerability, Community Needs, Fossil Fuel Free, Environmental, Gender Lens, and Vice Free.
	Description of approach to incorporation of environmental, social and governance (ESG) factors in investment or wealth management processes and strategies	Discussion and Analysis	FN-AC-410a.2	See <a href="#">Breckinridge Capital Advisors Sustainable Investing Policy</a> .
	Description of proxy voting and investee engagement policies and procedures	Discussion and Analysis	FN-AC-410a.3	See <a href="#">Breckinridge Capital Advisors, Inc. Firm Brochure Form ADV Part 2A: Voting Client Securities</a> for our approach to proxy voting.  See Spotlight on Climate, <a href="#">pg 11</a> .  See Materiality Map Progress, Sustainable Factor Integration, <a href="#">pg 18</a> .

Topic	Accounting Metric	Category	Code	Response
Financed Emissions	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	Quantitative	FN-AC-410b.1	Gross financed emissions of our corporate bond holdings in tons is 236,361 and this is inclusive of Scope 1 and 2 financed emissions. We do not currently disaggregate by Scope 1/Scope 2 and we do not capture Scope 3 emissions because the vast majority of the data is estimated and not company-reported. The financed emissions carbon intensity is 43.45 CO2e per \$1 million invested.
	Total amount of assets under management (AUM) included in the financed emissions disclosure	Quantitative	FN-AC-410b.2	\$5,441,507,614 in corporate market value
	Percentage of total assets under management (AUM) included in the financed emissions calculation	Quantitative	FN-AC-410b.3	10.6%
	Description of the methodology used to calculate financed emissions	Discussion and Analysis	FN-AC-410b.4	We calculate financed emissions in line with methodology outlined by Partnership for Carbon Accounting Financials (PCAF). We take the market value exposure of a particular holding and divide it by Enterprise Value Including Cash (EVIC). We then take that value and multiply it by the emissions reported by the company. We sum up the total to aggregate corporate financed emissions across the firm.
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations⁴	Quantitative	FN-AC-510a.1	\$0
	Description of whistleblower policies and procedures	Discussion and Analysis	FN-AC-510a.2	As part of Breckinridge's Code of Ethics and overall compliance program, employees are encouraged to report any actual or suspected violations of applicable laws or policies, as well as any fraud or illegal activity involving our business, to the firm's CCO. All reports are treated confidentially to the extent permitted by law and investigated promptly. Breckinridge will use best efforts in keeping the employee's identification confidential and will only disclose the identity when necessary. While we encourage employees to report violations to the firm, they also have an option to report violations to the applicable regulatory agencies, such as the <a href="#">Securities and Exchange Commission's Office of the Whistleblower</a> .

Activity Metric	Category	Code	Response
Total assets under management (AUM)	Quantitative	FN-AC-000.A Presentation currency	\$50,989M
Total assets under custody and supervision	Quantitative	FN-AC-000.B Presentation currency	\$21,545M*

\*Accounts we electronically debited our fees from (active/frozen accounts) as of 12/31/24.

1. Note to **FN-AC-270a.1** – Compliance works with the supervisor and employee to ensure licensing requirements are filed and completed within the designated timeframe. Once the employee is registered and licensed, the employee is required to notify Compliance of certain changes that would necessitate an amendment. In addition, we maintain a policy pertaining to licensing and registration requirements. Employees certify to their compliance of this policy every quarter.
2. Note to **FN-AC-270a.2** – There were no monetary losses, so we are unable to discuss the nature, context or corrective action taken.
3. Note to **FN-AC-330a.1** – Breckinridge is committed to fostering a diverse and inclusive workforce. Our employee handbook outlines our Equal Employment Opportunity and Nondiscrimination policies, and we're committed to a biannual compensation analysis. We host internal conversations around diversity topics and have created a mentorship program for all employees that launched formally in Q1 2024.
4. Note to **FN-AC-510a.1** – There were no monetary losses, so we are unable to discuss the nature, context or corrective action taken.



TCFD CONTENT INDEX

We prepared this index in accordance with the framework of the Task Force on Climate-related Financial Disclosures, which is now monitored by IFRS Foundation. Our intention is to shift reporting to the IFRS S1 and S2 frameworks in the coming years, since TCFD recommendations have been incorporated into them. The following index provides readers with our answers or reference locations where they can find disclosure information within this report. Please visit the [TCFD website](#) for information on the TCFD reporting framework.

Disclosure Focus Area	Recommended Disclosure	Report Location/Direct Answer
Governance		
Disclose the organization’s governance around climate-related risks and opportunities.	a) Describe the board’s oversight of climate-related risks and opportunities.	See Introduction, Governance of Sustainability, <a href="#">pg 5</a> .
	b) Describe management’s role in assessing and managing risks and opportunities.	See Introduction, Governance of Sustainability, <a href="#">pg 5</a> . See Spotlight on Climate, <a href="#">pg 11</a> .
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	See Spotlight on Climate, <a href="#">pg 11</a> . As an examples, see: <a href="#">Heating Up: The Muni Market Inches Closer to Pricing Climate Risk</a> . <a href="#">In Evaluating Risks from Weather Extremes, Insurers and Bond Investors Share Strategies and Goals</a> . <a href="#">California’s FAIR Plan and Potential Implications for State and Local Municipal Bonds</a> .
Incorporation of Environmental, Social and Governance Factors in Asset Management	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. <sup>4</sup>	See Spotlight on Climate, <a href="#">pg 11</a> . See <a href="#">Rigorous Bottom-up Research</a> . See <a href="#">Fossil Fuel Free</a> , <a href="#">Environmental</a> , and <a href="#">Climate Vulnerability Customizations</a> .
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	We incorporate climate scenarios at an investment level, but not at the organization level.
Risk Management		
Disclose how the organization identifies, assesses, and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks. <sup>5</sup>	See Spotlight on Climate, <a href="#">pg 11</a> . See <a href="#">Rigorous Bottom-up Research</a> . See Our Materiality Map Progress, Risk Management, <a href="#">pg 18</a> . See <a href="#">Breckinridge Capital Advisors Sustainable Investing Policy</a> .
	b) Describe the organization's processes for managing climate-related risks. <sup>6</sup>	See Spotlight on Climate, <a href="#">pg 11</a> . See <a href="#">Rigorous Bottom-up Research</a> . See <a href="#">Using Muni SMAs to Assist Climate-Vulnerable Communities</a> . See <a href="#">Enhanced Breckinridge Water/Sewer Framework Flows from Continuous Improvement Focus</a> . See Our Materiality Map Progress, Operations & Supply Chain, <a href="#">pg 19</a> .
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	See Spotlight on Climate, <a href="#">pg 11</a> . See Our Materiality Map Progress, Risk Management, <a href="#">pg 18</a> .
Metrics & Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. <sup>7</sup>	See Spotlight on Climate, <a href="#">pg 11</a> . See SASB Content Index, Financed Emissions, <a href="#">pg 25</a> . See B Corp & Benefit Corporation Designations, <a href="#">pg 6</a> .
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. <sup>8</sup>	See Spotlight on Climate, <a href="#">pg 11</a> . See SASB Standards Index, Financed Emissions, <a href="#">pg 25</a> .
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	At the firm-level, we don’t currently manage to any climate-related targets.

SUPPLEMENTAL GUIDANCE FOR ASSET MANAGERS:

4. Asset managers should describe how climate-related risks and opportunities are factored into relevant products or investment strategies. Asset managers should also describe how each product or investment strategy might be affected by the transition to a low-carbon economy.
5. Asset managers should describe, where appropriate, engagement activity with investee companies to encourage better disclosure and practices related to climate-related risks in order to improve data availability and asset managers’ ability to assess climate-related risks. Asset managers should also describe how they identify and assess material climaterelated risks for each product or investment strategy. This might include a description of the resources and tools used in the process.
6. Asset managers should describe how they manage material climate-related risks for each product or investment strategy.
7. Asset managers should describe metrics used to assess climate-related risks and opportunities in each product or investment strategy. Where relevant, asset managers should also describe how these metrics have changed over time.
8. Asset managers should disclose GHG emissions for their assets under management and the weighted average carbon intensity (WACI) for each product or investment strategy, where data and methodologies allow. These emissions should be calculated in line with the Global GHG Accounting and Reporting Standard for the Financial Industry developed by the Partnership for Carbon Accounting Financials (PCAF Standard) or a comparable methodology (See Table 2, p. 50). In addition to WACI, asset managers should consider providing other carbon footprinting metrics they believe are useful for decision-making. See Table 3 (p. 52) for additional carbon footprinting and exposure metrics.





# Benefit Corporation Supplemental Information

The following information, which is required to be provided by benefit corporations, is intended to supplement the information contained in our annual sustainability report. Other required elements have been addressed in the sustainability report.

## BENEFIT DIRECTOR (SECTION 15.3)

*The name of the benefit director and the benefit officer, if any, and the address to which correspondence to each of them may be directed.*

Anne Stetson  
  
c/o Breckinridge Capital Advisors, Inc.  
125 High Street, Suite 431  
Boston, Massachusetts 02110

## DIRECTOR COMPENSATION (SECTION 15.4)

Director	2024 Compensation
Andrew Meyers	CONFIDENTIAL
Anne Stetson	CONFIDENTIAL
Anthony Greco	CONFIDENTIAL
Cameron Read	CONFIDENTIAL
Dominica Ribeiro	CONFIDENTIAL
George Beal	CONFIDENTIAL
Hannah Coffin	CONFIDENTIAL
Martha Hodgman	CONFIDENTIAL
Ognjen Sosa	CONFIDENTIAL
Peter Coffin	CONFIDENTIAL
Phillip Newell	CONFIDENTIAL

## MATERIAL SHAREHOLDERS (SECTION 15.5)

*As of the close of the company’s fiscal year, December 31, 2024, the following shareholders own 5% or more of the outstanding shares of the benefit corporation either: (i) of record; or (ii) beneficially, to the extent known to the benefit corporation without investigation.*

Peter Coffin

## STATEMENT OF CONNECTION WITH THIRD-PARTY STANDARD (SECTION 15.7)

*A statement of any connection between the organization that established the third-party standard, or its directors, officers or any holder of 5 per cent or more of the governance interests in the organization, and the benefit corporation or its directors, officers or any holder of 5 per cent or more of the outstanding shares of the benefit corporation, including any financial or governance relationship which might materially affect the credibility of the use of the third-party standard.*

Breckinridge is committed to act with the highest standards of purpose, accountability and transparency for all its stakeholders. In order for us to observe our company on the continuum – that is, measuring and challenging our corporate sustainability efforts – it is imperative to us that the third-party standard remain independent and free of any material conflicts that could affect the credibility of the standard. To that end, we selected to become a certified B Corp because there is no connection between Breckinridge and B Lab, the non-profit organization that created and awards B Corp certifications to for-profit organizations.

Other than the company’s use of the B Impact Assessment, there are no material connections between B Lab and its directors, officers, or material owners and the company or its directors, officers, and material owners.

## DISCRETION OF POWERS (SECTION 15.8.1, 15.8.2)

*If the benefit corporation has dispensed with, or restricted the discretion or powers of, the board of directors, a description of: (i) The persons that exercise the powers, duties and rights and who have the immunities of the board of directors, and (ii) The benefit director, as required by subsection (d) of section 11.*

Our Board of Directors is accountable to all stakeholders as defined by our benefit corporation designation. As such, they supervise how we conduct ourselves and manage our business. Breckinridge has not dispensed or restricted the discretion or powers of the Board so that they can act for the benefit of all stakeholders.



# DISCLOSURES

6/25/2025

DISCLAIMER:

This report contains Breckinridge’s opinions and views and forward–looking statements about Breckinridge’s operations and corporate sustainability plans. These statements, along with any policies or initiatives discussed in this report, are current as of the publication date of this report and are subject to change. Many of the standards and metrics used in preparing this report, including third party standards, continue to evolve. Thus, they should not be considered guarantees. They are intended to represent Breckinridge’s good faith effort in addressing sustainability across our enterprise. There is no assurance that we will continue to meet the standards, despite our ongoing efforts.

Nothing contained in this report should be construed as an offer or solicitation of Breckinridge services or products.

