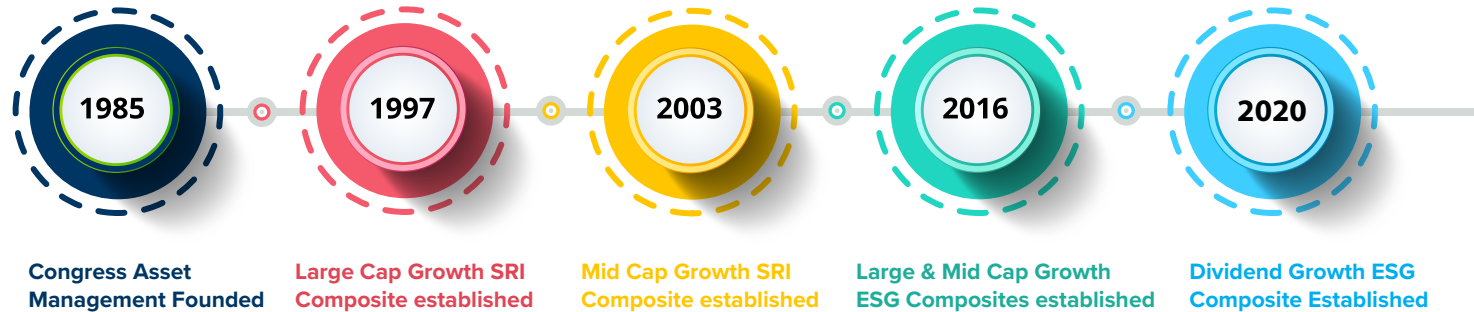




CONGRESS ASSET'S IMPACT INVESTING HISTORY



HISTORY

Congress Asset Management has a history of impact investing beginning with its offering of Socially Responsible Investing (SRI) strategies over two decades ago and adding Environmental, Social, and Governance (ESG) strategies.

ESG & SRI AUM

Congress Asset Management currently manages approximately \$239 million in impact mandates for a range of institutional and individual clients.

STRATEGIES

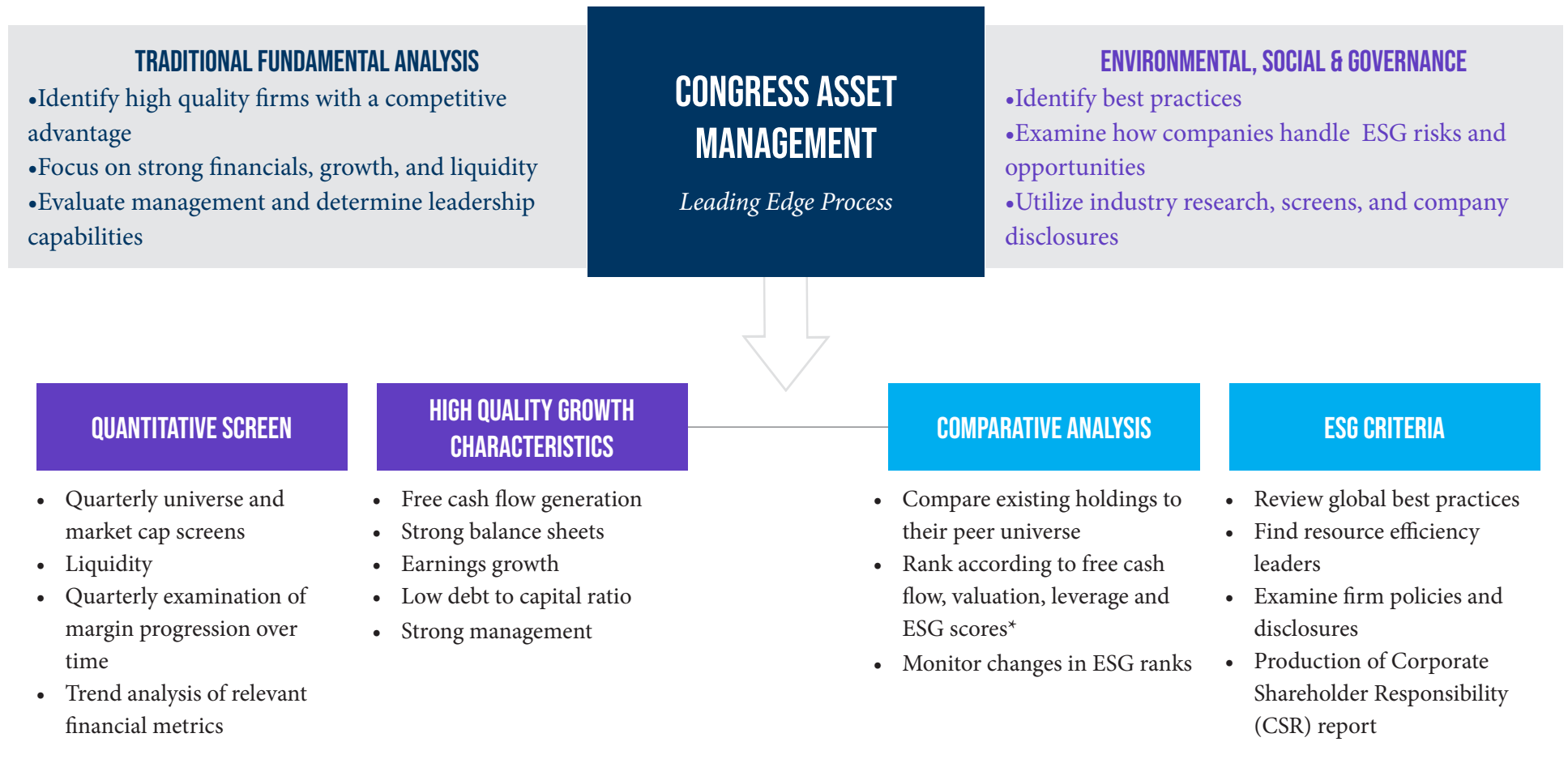
- Dividend Growth ESG
- Large Cap Growth ESG
- Mid Cap Growth ESG
- Large Cap Growth SRI
- Mid Cap Growth SRI

All strategies can be delivered via Congress's composite models or **customized to fit client needs.**

ESG Investing 3rd Quarter 2022

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Environmental, Social & Governance (ESG) Process



*ESG data is based on internal and external research including Sustainalytics and MSCI

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ESG Process: Qualitative/Thematic Analysis



ENVIRONMENTAL

Companies recognizing sustainability benefits, and using them as a competitive advantage.

- » **Climate Change**
Carbon Emissions, Footprint, Toxic Emissions
- » **Natural Resources**
Water Stress, Raw Material Intensity, Land Use
- » **Environmental Opportunities**
Clean Tech, Buildings, Renewable Energy



SOCIAL

Companies with positive social principles and HR policies that enhance employee quality of life and the company's productivity/success.

- » **Human Capital**
Labor, Health & Safety, Supply Chain Standards
- » **Sourcing Raw Materials**
- » **Product Liability**
Safety & Quality, Privacy & Data Security
- » **Social Opportunities**
Corporate Philanthropy, Community Involvement and Partnership, Reinvest in Local Populations



GOVERNANCE

Companies with organizational structure geared towards better aligning executives, shareholders, employees and the larger community.

- » **Board Composition**
Independence, Entrenchment, Board Level ESG Commitment
- » **Executive Pay**
In line with industry / peers, Independent Audit Committee
- » **Shareholder Rights**
Voting Structure, Corporate Behavior
- » **Corporate Behavior**
Corporate Ethics, Whistleblower Programs
- » **Accounting Norms v. Peers**



CONTROVERSIES

Companies that understand the presence of recent material controversies and can help avoid misleading claims put forth.

- » **Operational Interruptions**
Labor Disputes, Unsafe Conditions
- » **Cyber Security/Privacy Breaches**
Lack of Policies, Enterprise Underinvestment vs. Peers
- » **Legal Issues/Regulatory Events**
EEOC, Antitrust, Class Action Claims



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OVERARCHING THEMES ARE CONSIDERED WHEN EVALUATING ESG COMPANIES.

The importance of each theme will vary depending on the investment sector.

CUSTOMIZED ESG PORTFOLIO

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ESG Investing 3rd Quarter 2022

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