

BUILDING VALUE WHERE IT COUNTS





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About this report

This report aims to highlight advancements to our Sustainability Strategy for the period from mid-2023 through mid-2024 (unless otherwise specified). For more details and case studies, please visit our [sustainability microsite](#).

Creating and protecting value

In last year’s report, we acknowledged the complex geopolitical and economic landscape the world is facing, and the profound impact it is having on individuals, businesses, and communities. Against an ever more complicated backdrop, we remain committed to our sustainability efforts with the goal of protecting and creating value for our investors.

At Warburg Pincus, we approach sustainability across a number of fronts. It governs how we manage our firm’s global footprint; support our employees with an inclusive culture; partner with portfolio companies to seek enduring growth; and engage with a wide range of stakeholders and communities surrounding our business. Our sustainability strategy is built around a global framework that, we believe, is designed to allow us to adapt the most relevant, actionable, and practical elements for our diversified and flexible investing mandate. Through our investing activities across a diverse range of sectors, geographies, and company sizes, we believe, more than ever, that tailored strategies are important to help drive durable value for our companies.

That’s why we called this report *Building Value Where It Counts*. Through internal governance structures and tactical working groups, we have strived to intertwine sustainability topics into our day-to-day business. In our investing, we examine new investments seeking to understand how each company operates today, what markets it serves, and how a range of environmental, social, and governance (ESG) factors may have an impact on its future value. With increasing market and regulatory focus on topics ranging from climate to cybersecurity, we actively deploy data to measure, report, and

drive engagement through our portfolio, adapting our approach to each unique business, sector, and region. By meeting companies where they are on their sustainability journeys, we strive to create durable value that we hope will endure well past our ownership period. And in many cases, such as with our energy transition and sustainability efforts, we are working to build deep expertise on climate and decarbonization, which have supported not only our own firm strategy, but efforts across our portfolio.

We thank you for your interest in our work. As always, we welcome any feedback as we continue to evolve our efforts.

“Our sustainability strategy is built around a global framework that, we believe, is designed to allow us to adapt the most relevant, actionable, and practical elements for our diversified and flexible investing mandate.”

See Endnotes A and H for important disclosures regarding Warburg Pincus’ sustainability strategy and ESG program.



Chip Kaye
Chief Executive Officer

A handwritten signature in blue ink, appearing to read 'Chip Kaye'.



Jeffrey Perlman
President

A handwritten signature in blue ink, appearing to read 'Jeffrey Perlman'.



A Q&A with our Global Head of Sustainability Strategy

To commemorate a decade of reporting, Leela Ramnath reflects on how far we've come and what's ahead for us as we continue our journey.



Leela Ramnath
Global Head of
Sustainability Strategy

What trends have informed how the firm has evolved its sustainability efforts?

Corporate sustainability is not a new concept, but it's risen in focus in private markets across the fund lifecycle from raising, investing, and returning capital to investors. In the last few years, this focus has accelerated across three interrelated themes: a shift from voluntary commitments to regulatory requirements, attention to energy transition and climate risk, and greater demand for data and disclosure. As these themes play out in nuanced ways across the globe, we are taking a local approach to implementing our global framework and working with industry organizations to share best practices.

How has Warburg Pincus evolved its approach to sustainability over the past decade?

Responsible investing has long been a core philosophy for our firm. As growth investors, it's given us an important perspective on how market

dynamics like public policy, consumer preferences, and workforce demographics might impact the durability of business models.

As we scaled our firm's operations, we formalized policies and processes across our firm, seeking to intentionally weave sustainability considerations into how we operate our business and as a lens when we invest. Important to this has been our efforts to build a solid global strategy and framework, appropriate oversight and engagement from senior leaders across the firm, and a right-sized approach to our implementation across the geographies and industries we invest in.

Communicating our progress to our stakeholders has been a key part of this strategy. We began with our first sustainability report to our fund investors in 2014. This evolved to a public report in 2019, and, last year, we launched a [dedicated microsite](#) to communicate our efforts to a broad range of stakeholders on a more frequent basis.

See Endnote H for important disclosures.



10 YEARS OF SUSTAINABILITY REPORTING

What does it mean to apply a sustainability lens to investing?

We take our fiduciary duties seriously and seek to apply a comprehensive approach when evaluating each new investment, accounting for not only financial factors but also broader risks and opportunities that could influence a company's EBITDA and future value.

Generally, our sustainability lens first involves a look at the most material topics for a given investment and how they interplay with risks such as regulatory, reputational, human capital, cybersecurity, or climate during diligence. We work to explore how a company manages (or mismanages) those risks and how those activities could create (or erode) value and calibrate that analysis alongside financial and business risks as we make our investment decision. For those companies we choose to invest in, we seek to partner with management teams—often taking board seats—to support how they manage these risks and, in many cases, find ways to drive incremental value.

What are you most excited about in the coming years?

Across private markets, we're still in early innings, and there's a lot more to do to drive sustainable value and impact at scale. At Warburg Pincus, we have more opportunities to deepen our engagement with portfolio companies and drive progress where it matters as we navigate the next decade and beyond. Our portfolio companies supporting energy transition and other sustainable development themes help give us a deep bench of expertise within our portfolio. And as a founding member of [Ownership Works](#), we are excited to continue exploring broad-based employee ownership in the growing movement across the industry.

From industrials and real estate to technology and services, we've never had so much interest and engagement from management teams on these topics across the globe. Given our broad reach across more than 250 portfolio companies across the Americas, Europe, and Asia, we are excited to engage, with a front-row seat on how sustainability can build value where it counts.



Sustainability issues are an important factor as we strive to build durable and valuable businesses that thrive well beyond our investment horizon.

See Endnote B for important disclosures regarding use of the term "materiality."



Scaling our progress

FIRM-LEVEL STRATEGY

Published our
10th
annual sustainability
report this year

Completed
1st
reporting cycle as an
UN-supported Principles
for Responsible Investment
(UNPRI) signatory

Contributed to
10+
external industry
events, media forums,
and publications

CLIMATE STRATEGY

3rd
year of climate reporting
aligned with the Task Force
on Climate-related Financial
Disclosures (TCFD)

2x
year-over-year increase
in portfolio greenhouse
gas emissions (GHG)
data reporting²

5th
year of measuring and managing
firm-level GHG emissions,
including using carbon credits
as a complementary strategy to
our emissions reduction efforts

ENGAGEMENT WITH PORTFOLIO COMPANIES

Hosted
10+
sustainability-focused
portfolio-facing sessions

Established our
Portfolio Company
**Sustainability
Leadership
Council**

Engaged 1x1 with
30+
portfolio companies
globally

Collected ESG data from
150+
portfolio companies¹

CORPORATE CITIZENSHIP

DE&I:
65%
of the incoming 2024
investment classes in the
U.S. are from historically
underrepresented groups³

Philanthropy:
Donated to over
500
organizations
in more than
20
countries

1 Collected in 2023 for year-end 2022.

2 Across 76 companies that reported ESG data for both year-end 2021 collection and year-end 2022 collection.

3 Refers to analysts, associates, and vice presidents based on internal definitions of historically underrepresented groups.





SUSTAINABILITY STRATEGY

Strengthening our global framework to adapt to an evolving landscape and growing footprint

In this section:

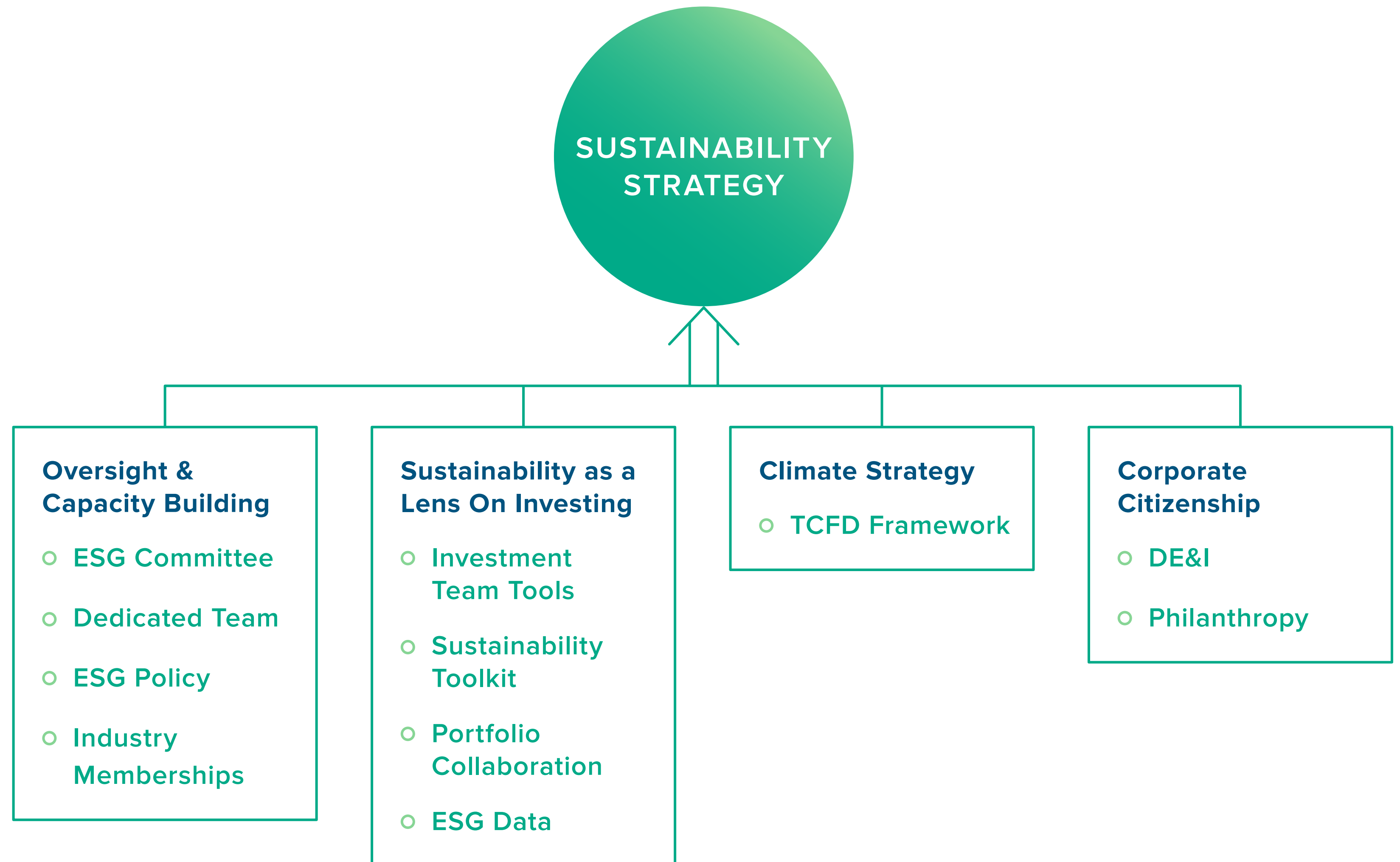
- APPROACH
- OVERSIGHT
- CAPACITY BUILDING

APPROACH

Sustainability is increasingly integral to our business.

At Warburg Pincus, our sustainability strategy is purposefully woven into our firm's operations and global investment business. From our office space and internal governing bodies to resources for our investment teams and portfolio companies in the investment process, we encourage environmental sustainability, social responsibility, and robust corporate governance across the firm.

In our investing activities, this gives us a broad lens on how we calibrate risk and value—an important perspective given the rising focus on sustainability among our investors, regulators, our network of portfolio companies and their customers, and the communities in which we do business.



OVERSIGHT

We ground our approach with a broad range of perspectives and experiences.

ESG Committee

Warburg Pincus has a formal ESG Committee made up of senior leaders who represent key corporate functions and investing teams across the regions and sectors we invest in. Meeting quarterly over the past year, the Committee discussed market trends, evolving regulations, and weighed in on the firm's sustainability initiatives and external engagements, providing rich discussion from a wide range of perspectives across the firm.

[Learn more about our ESG Committee.](#)

Firm policies

Our ESG Policy outlines our firm-wide approach to integrating material sustainability topics in our investment activities, consistent with and subject to any applicable fiduciary duties or legal, contractual, or regulatory requirements, and is reviewed on an annual basis. Additionally, Warburg Pincus has what we believe is a

rigorous Code of Ethics, Compliance Manual, and Personal Trading Policy, as well as an Oversight Committee that assists with internal policies and procedures relating to compliance matters. Our Diversity, Equity, & Inclusion Policy formalizes our commitment to an inclusive culture that we actively promote and strive to achieve for the benefit of all of our colleagues.

Read our [full ESG Policy](#) and [approach to Corporate Governance](#).

An evolving global strategy

As we scale our program from firm-level sustainability policies and practices to more granular applications across our portfolio, we are looking closely at how we apply a sustainability lens across the sectors in which we invest and the funds we deploy using a materiality-based approach in line with our ESG Policy.



CAPACITY BUILDING

We leverage internal and external expertise to scale our sustainability efforts.

Sustainability Strategy team

Our dedicated Sustainability Strategy team takes an active role in aligning our sustainability efforts with broad firm strategy. The team collaborates internally across all levels of the organization and engages externally with portfolio companies and industry organizations to support the ongoing evolution of our sustainability program.

Industry engagements and memberships

Engaging and partnering with industry organizations and policy experts enhances our expertise and helps deepen our commitment to sustainability. Memberships in leading organizations help provide insights into emerging sustainability-related standards, frameworks, and trends and help us scale our reach across our global portfolio.

Thought leadership

We are active contributors across private equity sustainability events and media forums, including participation in over 10 external industry forums in the past year.

- **Invited speaking events:** Senior leaders from across the firm were invited panelists and speakers at a number of sustainability industry conferences and forums, including Private Equity International, SuperReturn International, and [Nasdaq's TradeTalks](#).
- **Podcasts:** Sustainability Strategy team members joined [Proskauer Rose's Private Market Talks](#) to discuss *Driving Value through ESG* and ClimeCo's [ESG Decoded](#) podcast to discuss the latest trends in the sustainability space.

- **Industry white papers:** Warburg Pincus contributed to industry white papers, including UNPRI's recent paper [Stewardship in Private Equity: A Guide for General Partners](#) as well as co-authoring [a guide on ESG metrics in private equity](#) as part of the Sustainable Markets Initiative Private Equity Task Force.

[Learn more about our industry memberships.](#)

Warburg Pincus became a signatory to the UN-supported [Principles for Responsible Investment](#) (UNPRI) in 2021 and completed our first year of reporting in 2023—our voluntary reporting year. The firm's ESG Policy is intended to align with the UNPRI principles.

Signatory of:

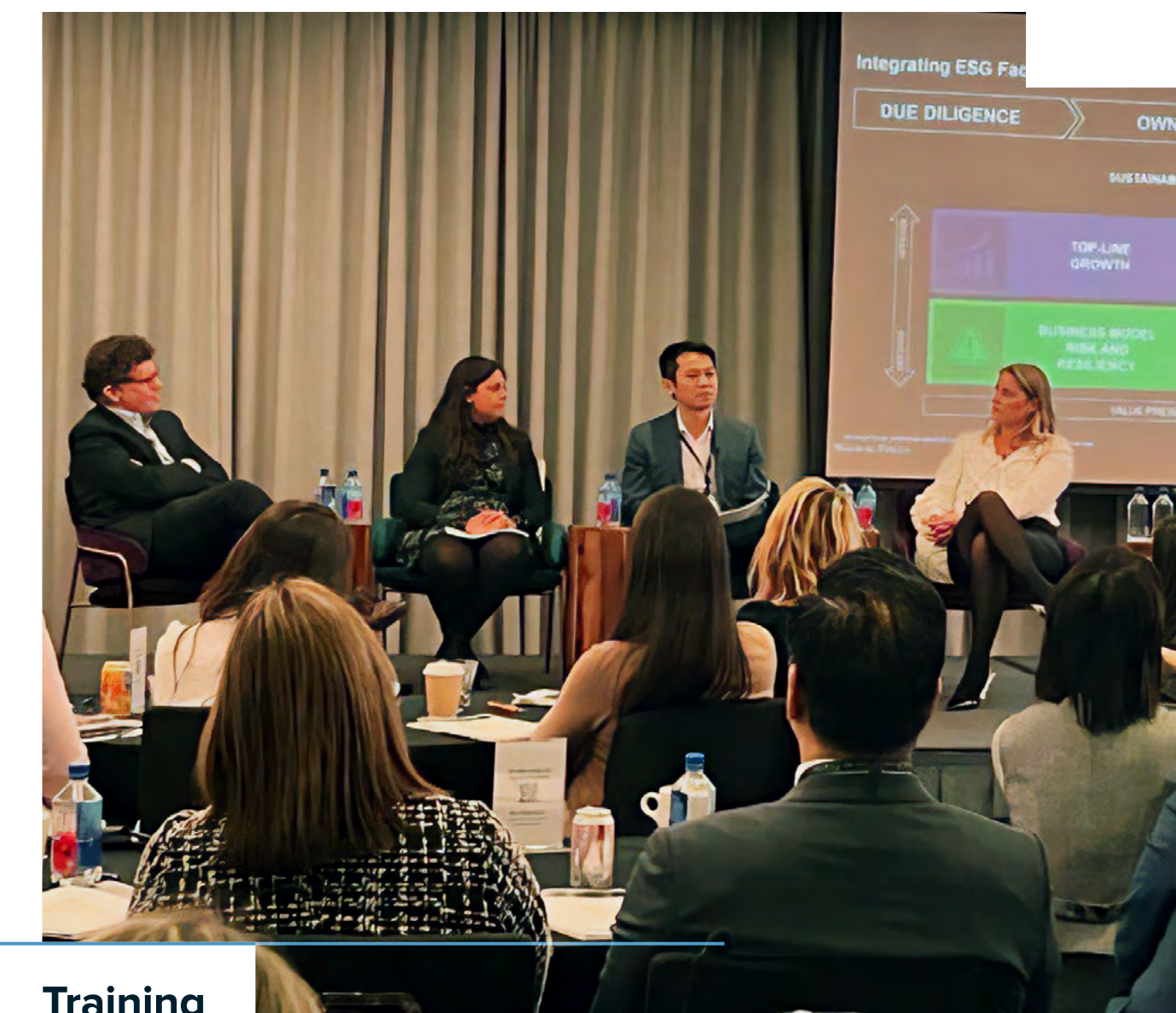
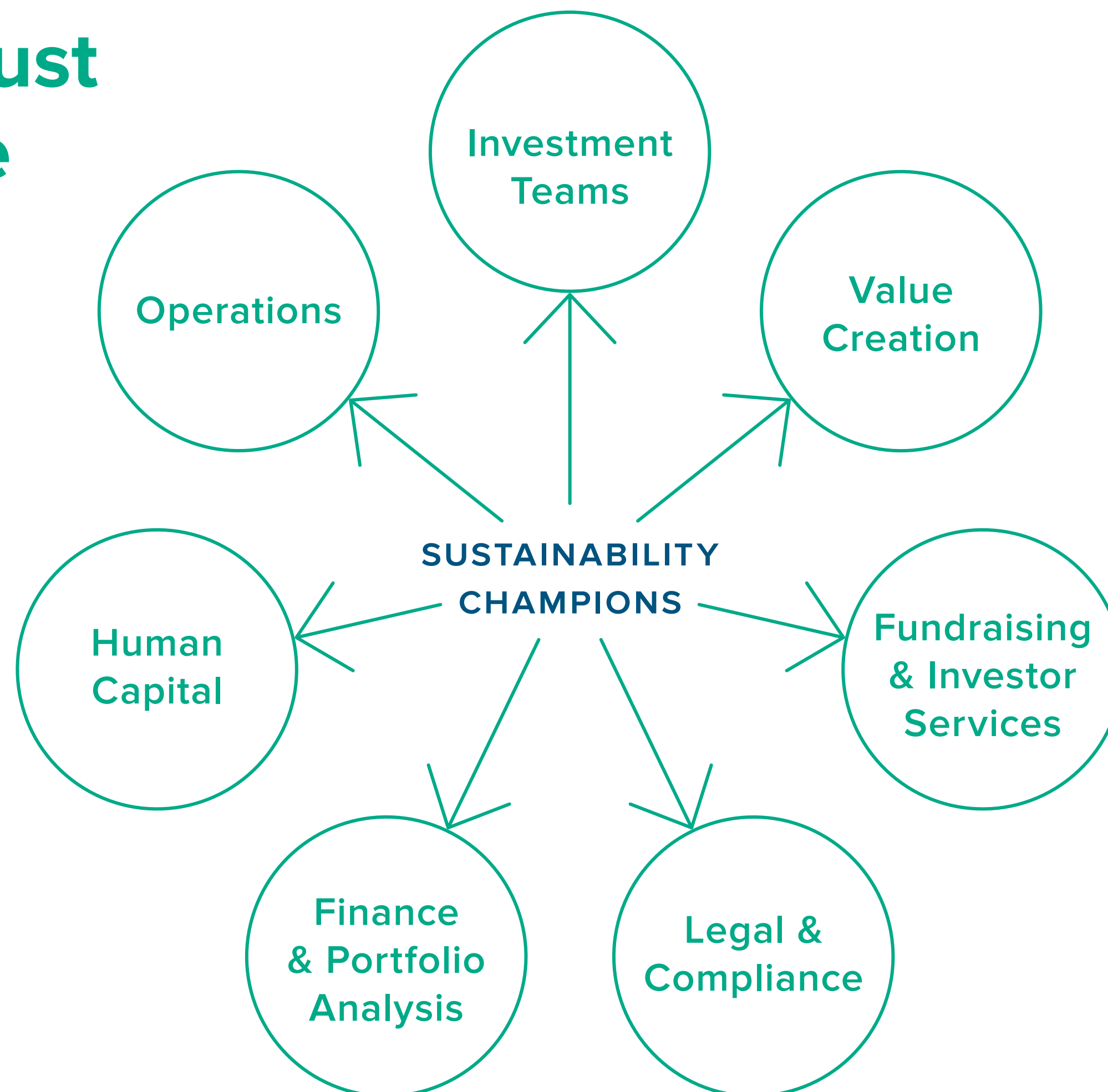


CAPACITY BUILDING

We're building a robust sustainability culture from the ground up.

We're continually seeking to broaden and deepen internal connectivity to integrate sustainability perspectives and best practices into the day-to-day operations of the firm.

In recent years, we have tapped "Sustainability Champions" from our internal teams to act as both ambassadors and cross-functional connectors for our ESG policy and initiatives. These individuals work closely with our Sustainability Strategy team to drive broader engagement on sustainability topics in key functional areas across our organization.



Training

To cultivate a workforce that's informed and can take action on sustainability initiatives relevant to each of their roles, we host a variety of training sessions to help our colleagues deepen their understanding and assessment of sustainability-related topics.

Over the past year, this included presentations at the firm's Global Operating Summit, new analyst, associate, and vice president annual training, and dedicated sessions for our Investment, Fundraising & Investor Services, and Value Creation teams.





SUSTAINABILITY AS A LENS ON INVESTING

Broadening our calibration of material risks
and opportunities to protect and create value

In this section:

- INTEGRATION
- TACTICAL TOOLS

INTEGRATION

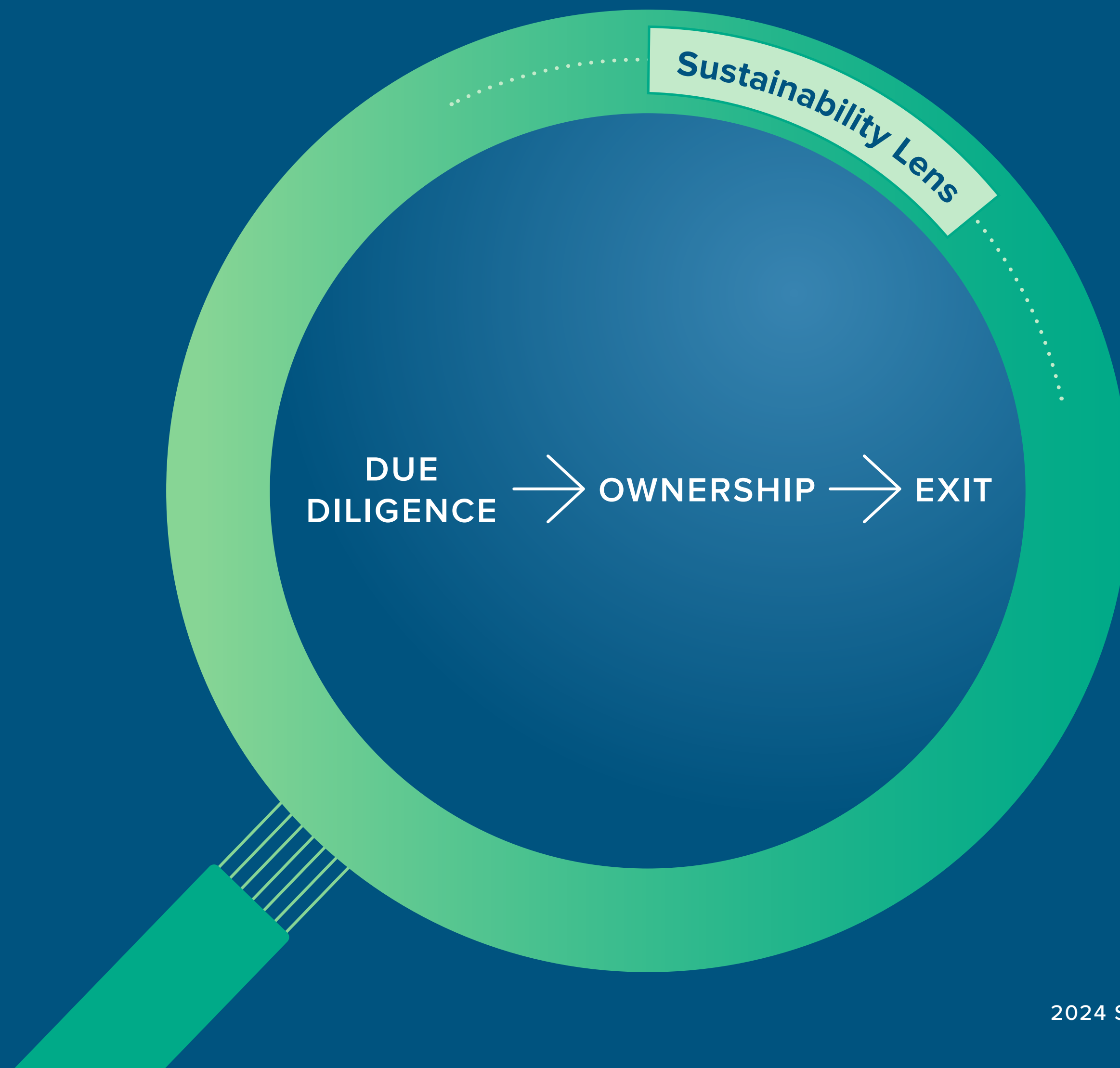
We believe it's critical to integrate material ESG topics across our investment process.

Embedding sustainability in our core business

Warburg Pincus has long sought to think about its investments through a sustainability lens as we strive to build durable companies for the long term. This perspective helps us understand how evolving market trends, public policy, and reputational risk may impact the growth and resilience of our investments.

Throughout the full lifecycle of a deal, we strive to review material ESG factors for each investment to better understand how they may impact financial and business performance.

Sustainability informs every part of the investment lifecycle



INTEGRATION

A deeper focus on materiality

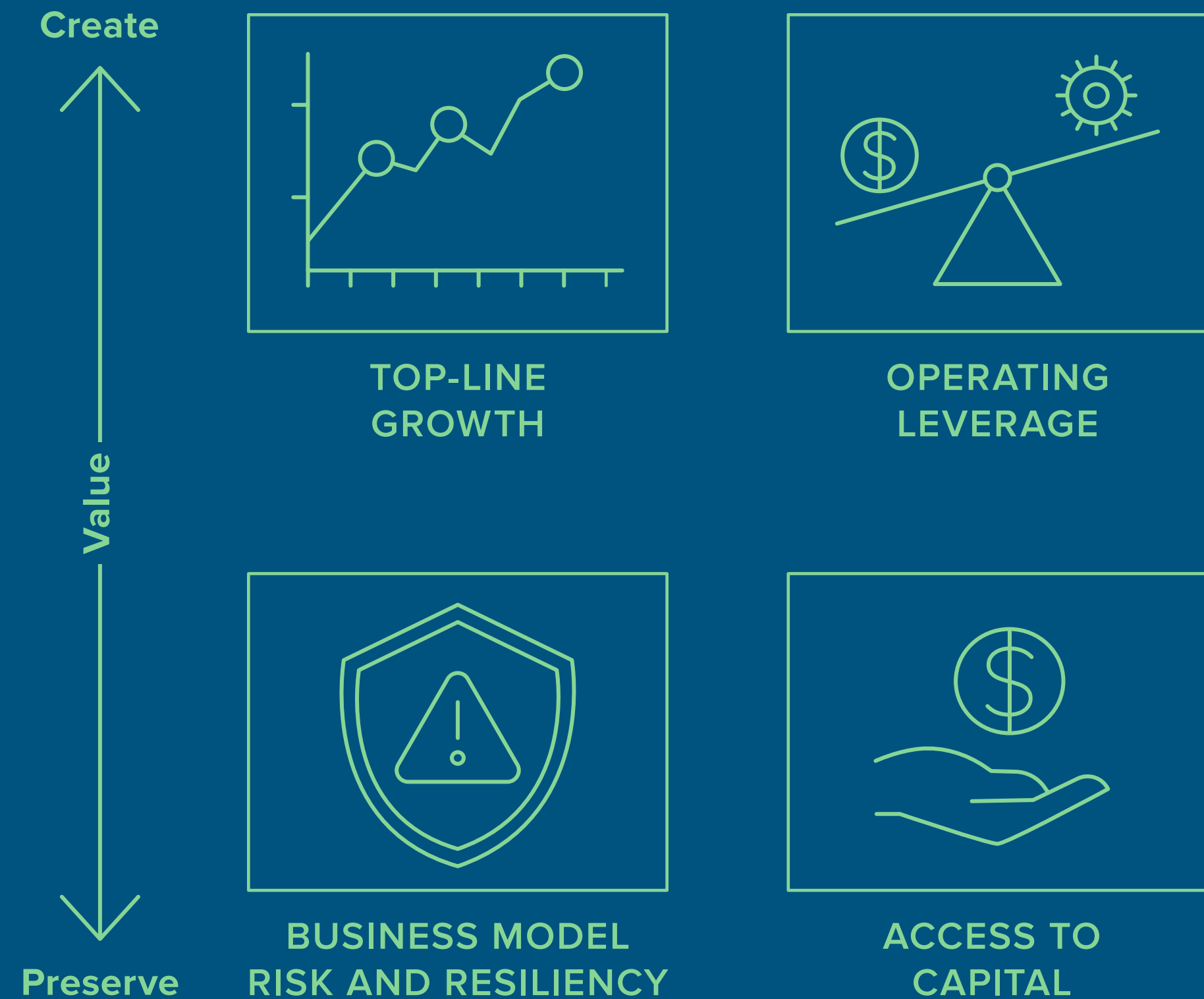
We reframed our long-standing sector materiality-focused ESG due diligence guides to more directly articulate potential risks and opportunities and how they relate to preserving and creating value. This aimed to better align sustainability considerations with how our investment teams calibrate their assessments of investments as a whole—not as a siloed exercise, but instead one that’s well integrated into how we think about future EBITDA and company valuation. This analysis is included in investment memoranda.*

“We believe sustainability can meaningfully impact the EBITDA, multiples, and valuations of our portfolio companies.”

—Jim Neary
Co-Head of U.S. Private Equity

See Endnotes B and H for important disclosures.

Viewing key value levers through a sustainability lens

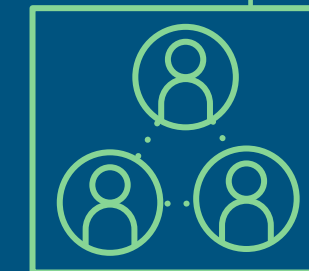
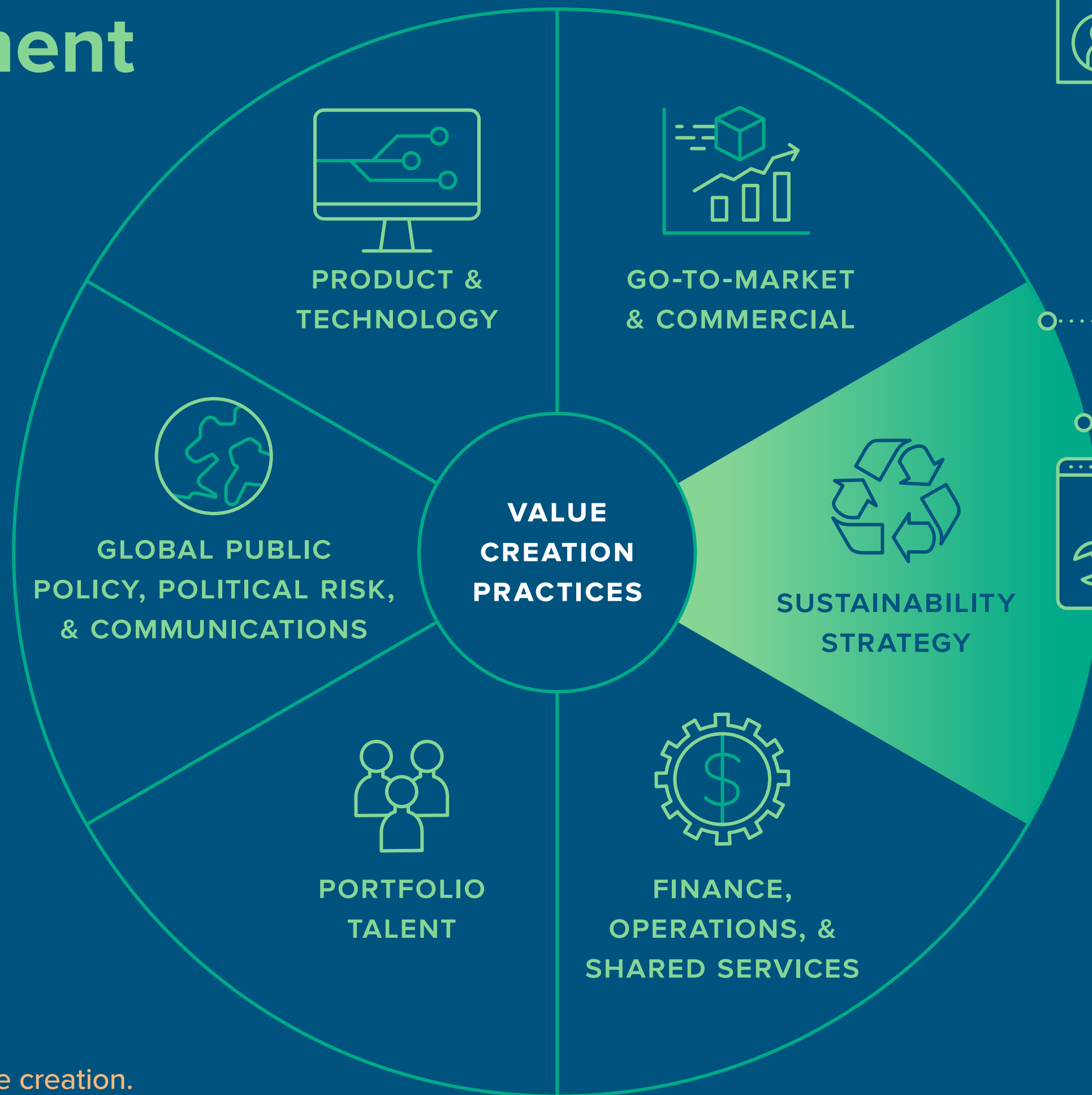


* These investment memoranda form the basis of investment decisions, where relevant and/or material ESG factors may be considered in the broader context of the totality of the investment. This process does not solely drive any investment decisions, value, or price. The firm aims to consider the extent to which such issues could affect the investment, and, in some cases where there are potentially material ESG risks, may determine that a higher risk-reward is required before proceeding with the investment. Where appropriate, the firm may also consider ways that it might be able to mitigate potential ESG risks or seek to leverage ESG opportunities as investors and board members during ownership.

TACTICAL TOOLS

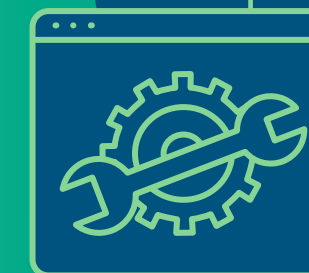
We share practical resources seeking to empower our investment professionals and portfolio company management teams.

Leveraging the breadth and scale of resources we have across the firm, we have built a centralized knowledge hub for investment teams and portfolio company management teams to help drive better understanding of evolving sustainability topics. We continue to add to this growing toolkit.



Enhanced tools for investment professionals and portfolio company board members

- Improved reputational risk tools
- Enhanced due diligence guidance
- Expanded network of third-party experts
- Topic-specific insights



Enhanced tools for portfolio company management teams

- Prioritization frameworks and peer benchmarking
- One-on-one sustainability workshops
- GHG emissions calculator and decarbonization resources
- Updated Diversity, Equity, & Inclusion microsite
- Exit optimization tools

[Read more about our approach to ESG integration and value creation.](#)

DRIVING ENGAGEMENT ACROSS THE PORTFOLIO



Building value one
company at a time

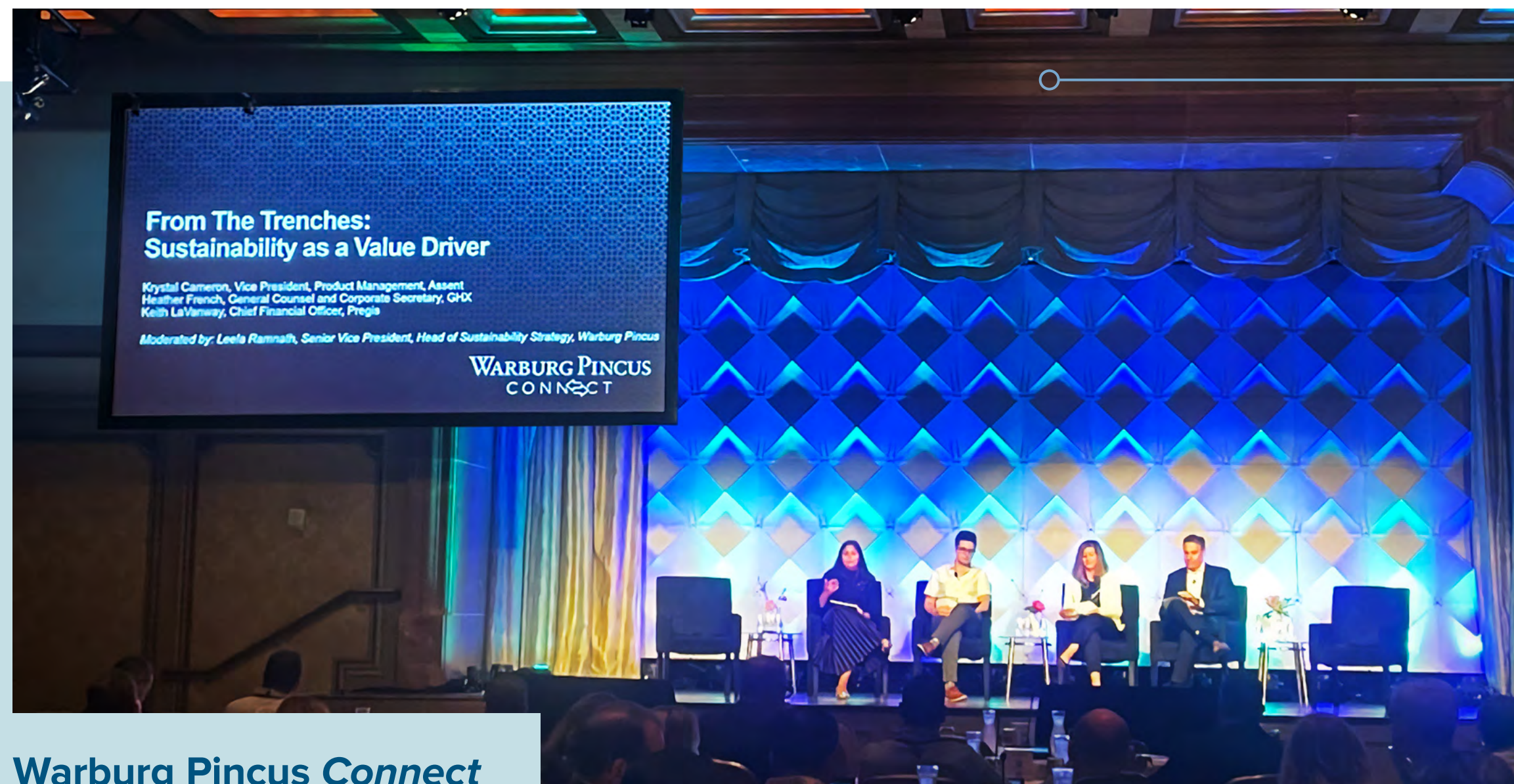
In this section:

- CULTIVATING CONNECTIONS
- ESG DATA AS AN ENGAGEMENT TOOL
- RIGHT-SIZING ENGAGEMENT
- SUPPORTING POSITIVE OUTCOMES

CULTIVATING CONNECTIONS

We offer opportunities for portfolio companies to learn from each other on emerging issues.

To support our portfolio companies in navigating an increasingly complex business landscape, we sponsor an event series, Warburg Pincus *Connect*, that drives connectivity across our portfolio. These events are opportunities for companies to come together and share candid perspectives on what is working—and what’s not working—as it relates to value and scalable growth. Sustainability is an ongoing part of those conversations.



Warburg Pincus *Connect*

In October 2023, we welcomed over 180 leaders from 77 portfolio companies for our annual Warburg Pincus Connect FLT²: Finance, Legal, Technology, and Talent Leadership Conference. The event, which we’ve hosted for more than a decade, is our largest cross-functional event of the year. The agenda included a portfolio company panel discussing tactical examples of sustainability as a value driver, as well as a dedicated session for CFOs on the importance of ESG reporting as a lever to access capital.



CULTIVATING CONNECTIONS

Energy Transition & Sustainability Leadership Retreat

In 2023, [Energy Transition & Sustainability](#) portfolio company CEOs attended a Warburg Pincus-sponsored retreat in Houston focused on today's macro environment, sector dynamics, and how Warburg Pincus is investing in areas to support portfolio company growth.

[Read more about how we engage on climate.](#)

Cybersecurity Summit

Held in New York City, over 20 portfolio company representatives attended Warburg Pincus' Cyber Security Regional Meeting, which covered a diverse range of discussion topics with industry and thought leaders, including board communication, the future of data ownership, and digital transformation.

[Read more about how we engage on cyber.](#)

Diversity, Equity, & Inclusion Seminar

In September 2023, the Warburg Pincus Value Creation and Legal teams co-hosted a virtual session for 120+ U.S.-based CHROs and General Counsels to discuss best practices and legal considerations for company DE&I initiatives.

[Read more about our DE&I initiatives.](#)



CULTIVATING CONNECTIONS

We seek to leverage expertise within our portfolio to accelerate innovation through sustainability.

As our portfolio expands and portfolio companies seek to enhance their sustainability efforts across a broad range of industries, regions, and company sizes, we're growing our bench of specific expertise.

Portfolio Company Sustainability Leadership Council

The Portfolio Company Sustainability Leadership Council is a select group of company leaders across the U.S. and European Warburg Pincus portfolio that is focused on business-aligned sustainability initiatives. The purpose of the Council is to connect more frequently to share tactical learnings among practitioners working on sustainability strategies, driving sustainability-led operating excellence, and workforce wellbeing.



Examples of best practice sharing in our portfolio

Decarbonization

TRC has partnered with several other portfolio companies on avoided emissions calibration, GHG emissions calculations, and decarbonization solutions. [Read more.](#)

Carbon credit development

Eco Material Technologies partnered with **ClimeCo** to develop the first low-carbon cement protocol to generate voluntary carbon credits. [Read more.](#)

Sustainable packaging and operations

Pregis' sustainability initiatives have driven top line and operational improvements, and its leadership have been active thought partners in the portfolio. [Read more.](#)

Supply chain compliance

Assent, a Certified B Corp and member of the UNGC, has driven thought leadership on Product Compliance and ESG, helping companies on topics such as chemical regulations and human rights. [Read more.](#)

Diversity, equity, and inclusion

Infoblox has driven leadership on diversity, equity, and inclusion practices in its own operations and the diversity of its suppliers. The company regularly presents its thought leadership across industry events and has shared expertise with fellow members of the Warburg Pincus portfolio. [Read more.](#)

The select investments presented herein are provided to illustrate the application of Warburg Pincus' ESG strategy. Please see Endnote F for important disclosures regarding the selected investments.



ESG DATA AS AN ENGAGEMENT TOOL

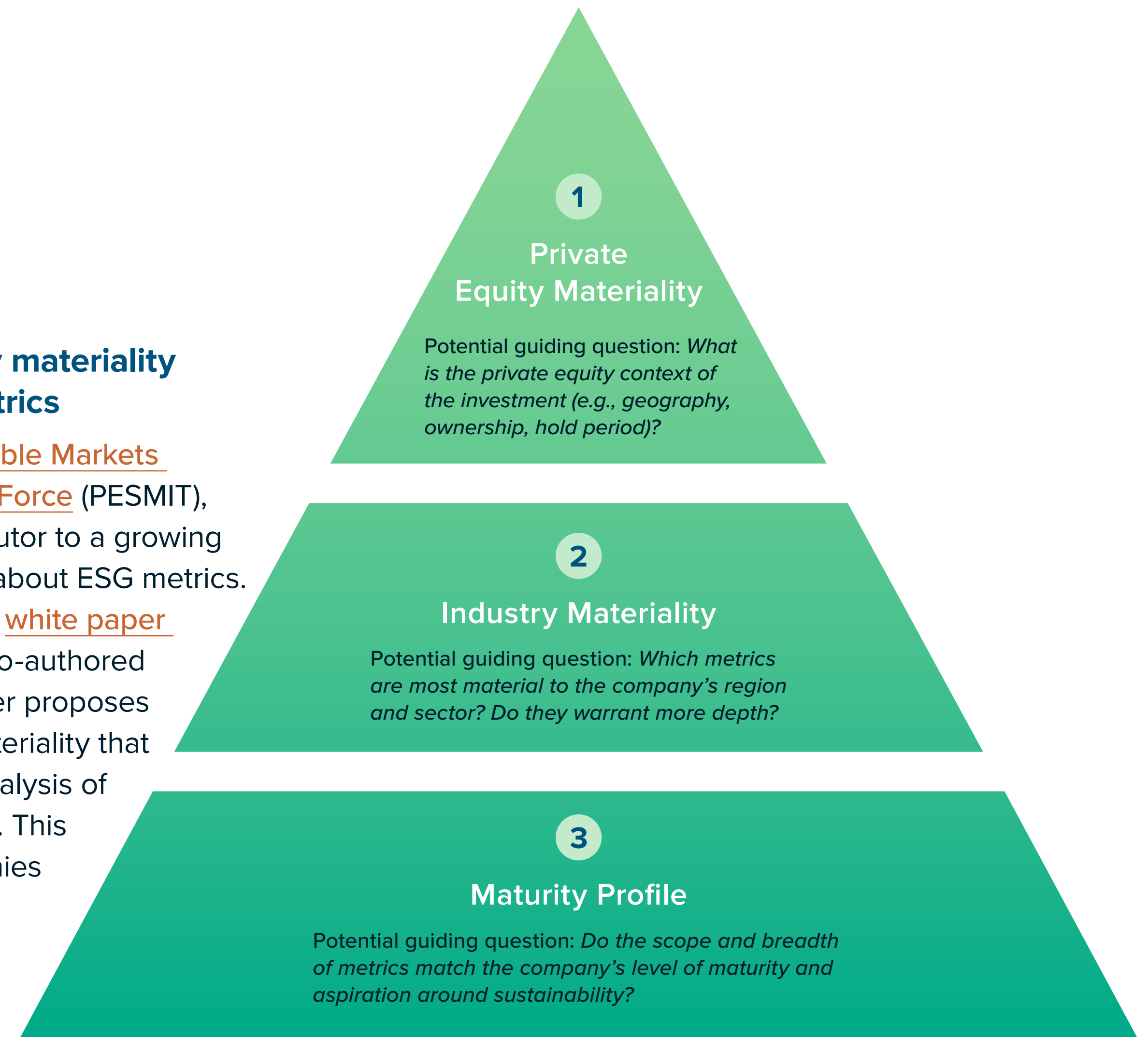
We collect, analyze, and share back insights on material ESG data to help portfolio companies meet sustainability expectations.

We believe in the power of data as a way to set baselines and calibrate progress over time. We have stepped up our efforts not only to collect data from our portfolio companies but to also support them in using this data to drive progress and better tell their story to the market.

In the past year, we collected more than 8,000 data points and prepared sector- and country-specific benchmarking analyses for 150+ companies.

Applying a private equity materiality lens to prioritize ESG metrics

As a member of the [Sustainable Markets Initiative Private Equity Task Force](#) (PESMIT), we have been a core contributor to a growing conversation in the industry about ESG metrics. In 2023, PESMIT published a [white paper on ESG metrics](#), which was co-authored by Warburg Pincus. The paper proposes a three-step approach to materiality that informs the collection and analysis of ESG metrics in private equity. This process aims to help companies prioritize the most important metrics to communicate their sustainability initiatives and aspirations.

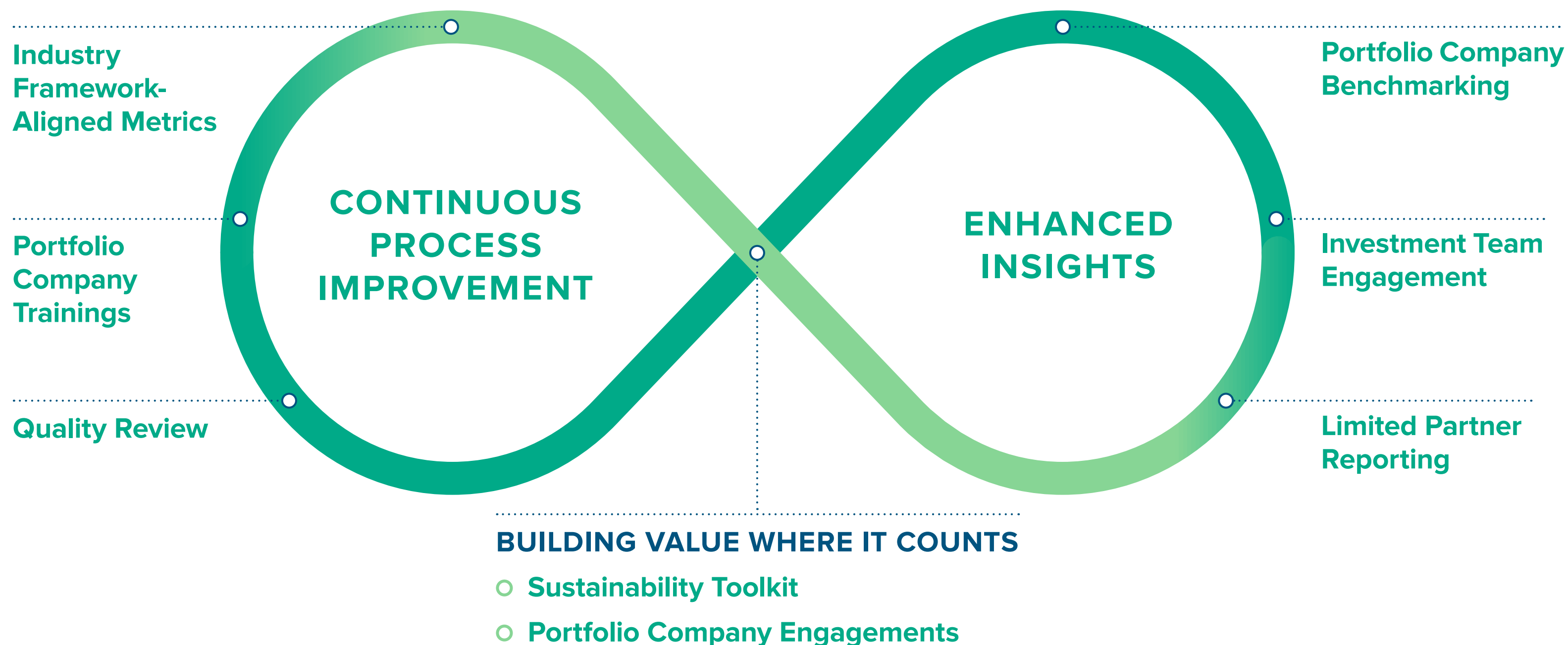


ESG DATA AS AN ENGAGEMENT TOOL

We're continually enhancing our ESG data collection process to best support our portfolio companies and investors.

Warburg Pincus conducts an annual ESG data collection process that looks at about 70 metrics across our portfolio companies, subject to specific ownership, governance, and investment characteristics. In collecting and disseminating ESG data, we are focused on ongoing improvement, and we aim to provide companies with the tools they need to be successful, including targeted training sessions with portfolio companies' CFOs and ESG leads. We are particularly focused on making sure companies can meet customer expectations on ESG data availability and have the ability to tell their sustainability story using data-driven insights.

More data leads to more insight. More insight drives better data.



Creating a robust sustainability toolkit

We regularly look to enhance and expand our sustainability toolkit based on data-driven gaps and portfolio company requests.

Once data is received, we have identified a number of use cases aimed at driving value, including Limited Partner reporting, internal engagement

with investment teams to identify strengths and areas of improvement, and, importantly, portfolio company engagements and benchmarking.

See Endnote E for important disclosures regarding the SFDR and Warburg Pincus' ESG program.

RIGHT-SIZING ENGAGEMENT

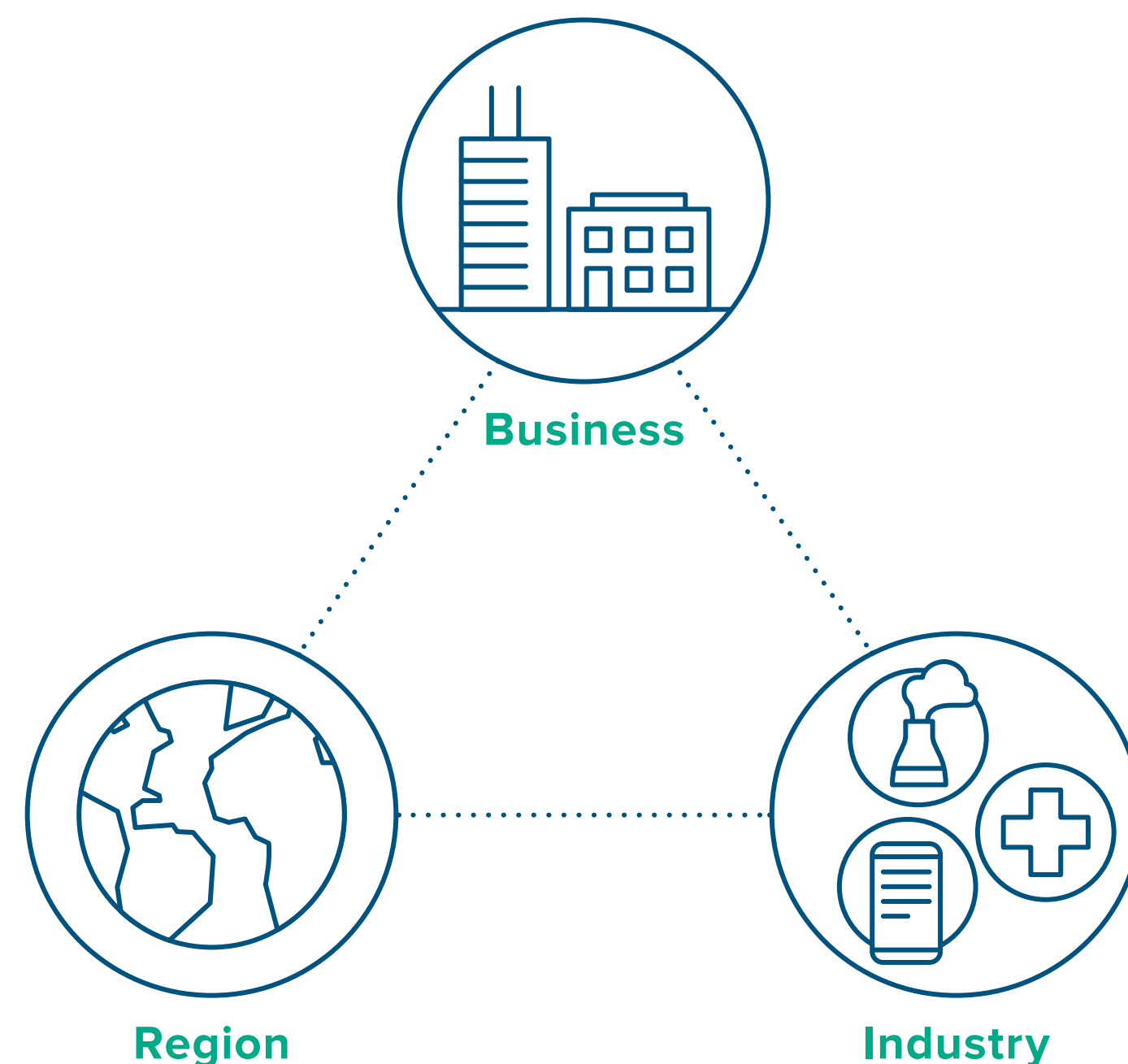
We carefully calibrate our engagements to meet companies where they are—and support them where they need it.

Flexible engagement models

Warburg Pincus believes that an effective sustainability strategy can help its portfolio companies identify opportunities, better manage risk, improve efficiency, reduce environmental impacts, and ultimately build more valuable, competitive and sustainable enterprises.

To build value where it counts, we seek to meet portfolio companies where they are on their unique sustainability journeys. We seek to approach every engagement taking into account the regional, industry, and ownership nuances of each investment and right-sizing our engagement to fit those nuances.

Fine tuning engagement across three dimensions



Adapting to an evolving regional context

Europe

Given significant regulatory requirements across the EU, we worked with a third-party expert to host a webinar for European portfolio companies discussing reporting requirements, practical tips and readiness, and drafted guidance on minimum market expectations for the region related to ESG metrics.

Vietnam

Warburg Pincus started investing in Vietnam in 2013 and, today, is one of the largest and most active global private equity investors in Vietnam. Noting the rising sustainability expectations in the region, our Sustainability Strategy team conducted onsite teach-ins with **MoMo**, a super app focused on financial services, and **BW Industrials**, a logistics and industrial real estate platform.

[Read the MOMO case study.](#)



RIGHT-SIZING ENGAGEMENT

Tailored approaches to suit each industry

Understanding that there is no one-size-fits-all approach, we have developed a library of tactical guides focused on the different phases of the sustainability journey. We have industry-focused engagement tools, including:

- **Industrials Metrics:** Partnering with third-party experts, we drafted guidance on minimum market expectations in the Industrials sector related to ESG metrics.
- **Asia Real Estate Tool:** Working with a third-party expert, we developed an ESG due diligence tool for real estate assets tailored for assessing joint venture partners and various real estate asset classes.
- **Energy:** In August 2023, the firm hosted its annual **Energy Emissions Summit** for current energy exploration and production-focused portfolio company CEOs. Topics included best practices in methane management, reporting, and board oversight.

Business-specific opportunities

We support many of our portfolio companies to communicate their sustainability priorities to their customers through new products or data-driven narratives. A few examples:

- **New product development:** Headquartered in Illinois, **Pregis** is a leading provider of inside-the-box protective packaging, mailing and bagging solutions, and specialty films. The company continues to innovate with new sustainability-focused products to serve a growing market demand for these products. An example is the portfolio of EverTec™ mailers: durable, curbside recyclable mailing solutions designed to right-size e-commerce shipments while making it easier for customers to meet sustainability goals.

[Read more about Pregis' strategy.](#)

- **Customer value proposition:** Headquartered in Arlington, TX, **FlexXray** is a leading provider of foreign material contaminant (FMC) inspection and testing services for food manufacturers in the United States. FlexXray solutions allow its customers to save inventory, costs, and,

importantly, avoid significant food waste from entering landfills. Our Sustainability Strategy team co-hosted a workshop with the company's senior executives to deep-dive on driving additional value through a climate lens.

- **Exit optimization:** We have worked with several of our portfolio companies on sustainability sell-side preparation, including company education on sustainability considerations for IPO, preparing companies for increasing ESG data expectations, and third-party sell-side analyses.



The select investments presented herein are provided to illustrate the application of Warburg Pincus' ESG strategy. Please see Endnote F for important disclosures regarding the selected investments.



RIGHT-SIZING ENGAGEMENT

Our Asia real estate sector investments are being recognized for sustainability leadership.

Warburg Pincus remains committed to progress in sustainability across the wide range of asset classes and growth sub-sectors in which our portfolio companies operate. We believe that our focus on “New Economy” real estate across Asia offers an exciting opportunity to further sustainability strategies in our investments.

“Sustainability is important to our strategy in Asia real estate. We work closely with our portfolio companies to encourage best practices across our diverse range of investments.”

—Ellen Ng
Co-Head of Asia Real Estate

- **Princeton Digital Group** (PDG) is a leading developer and operator of internet infrastructure. Sustainability is a core business focus for the company. In 2024, PDG secured its first green loans for projects in Malaysia and Singapore. These are the first loans aligned with PDG’s green finance framework—aiming to minimize resource consumption and emissions, foster resilience to climate change, and create positive societal impact.

[Read more in PDG’s sustainability report.](#)

- **StorHub** is a leading self-storage platform in Asia. StorHub is focused on achieving green building certification through the adoption of clean and energy-efficient solutions. By analyzing suitable spaces, StorHub aims to maximize the number of solar panels that can be installed and evaluate opportunities where solar panels can

be upgraded to more efficient versions. In 2024, StorHub was awarded the ESG Initiative Award at the 2024 Self Storage Awards Asia Ceremony for the third straight year.

[Read more in StorHub’s sustainability report.](#)

- **Vlinker** is one of China’s leading affordable housing developers and operators, offering large scale affordable housing communities for young professionals. Since the inception in 2021, the Warburg Pincus and Vlinker JVs oversee 10 affordable housing projects in Shanghai and have over 35,000 rooms under management. One project, the Pujiang Center Community redevelopment, converted a set of previously vacant factory dormitories into one of the largest affordable housing communities in Shanghai.

See Endnote H for important disclosures.



SUPPORTING POSITIVE OUTCOMES

We recognize and support companies that make sustainable development integral to their business.

Several of our portfolio companies pursue societal improvements as an intrinsic part of their business strategy. Many of these companies are guided by the United Nations Sustainable Development Goals (UNSDGs) as part of their business models.^{1, 2}



¹ The United Nations Sustainable Development Goals (SDGs) are aspirational in nature. Where a portfolio company is shown alongside a particular SDG, it is indicative that Warburg Pincus considers at least some of the business activities of that portfolio company to make a positive contribution to at least one of the global targets or indicators associated with that SDG. See Endnote G and the Cautionary Statement for more information.

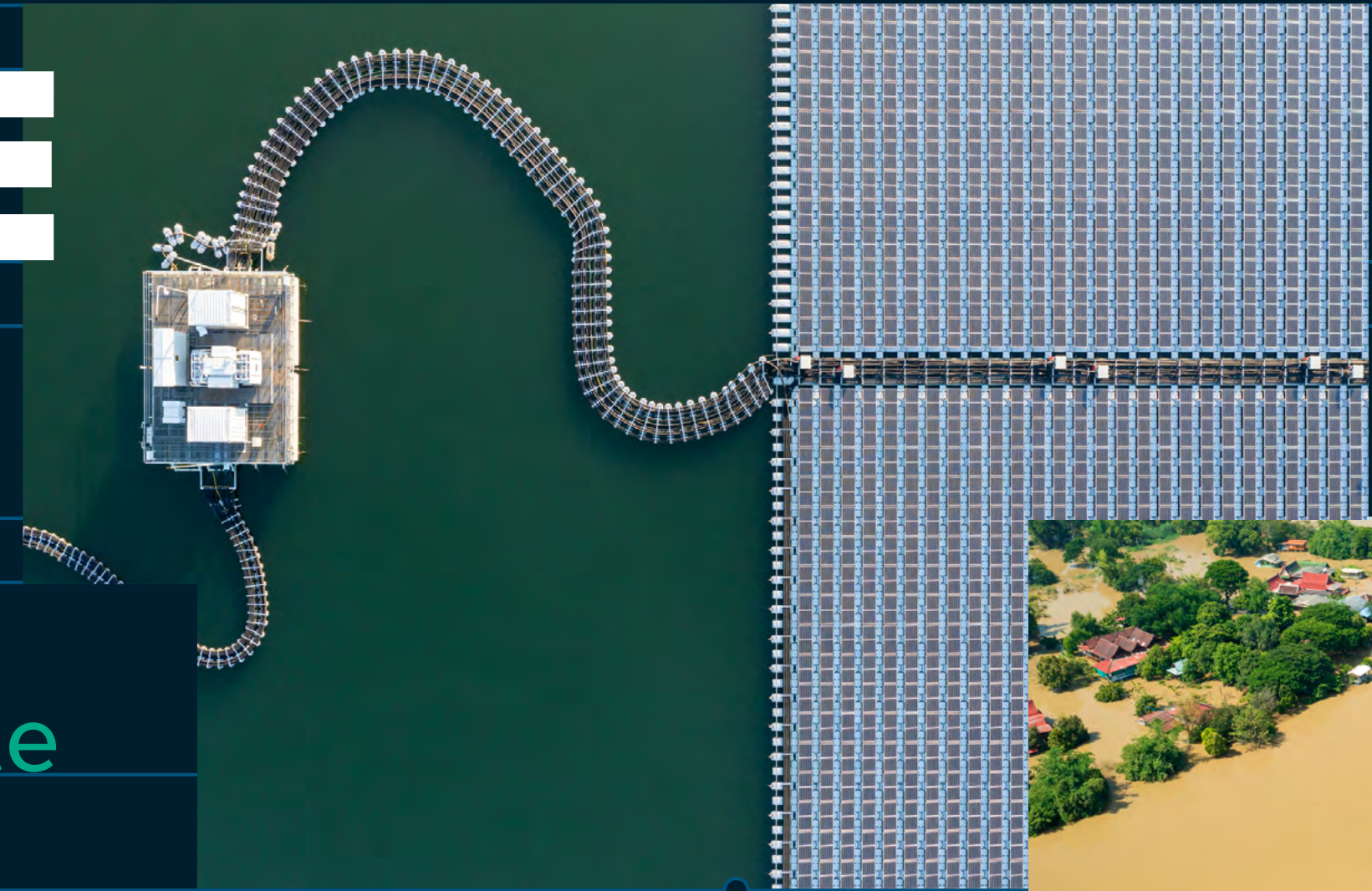
² As of Q2 2024.

³ Cybersecurity is not intended to be a unique SDG but rather a cross-cutting issue across multiple SDGs.

SDG	Companies
3 GOOD HEALTH AND WELL-BEING	Helix, ZSM 珍视明药业, Alignment Health, HTDK 华糖大昌, Insilico Medicine
5 GENDER EQUALITY	Fusion Microfinance
6 CLEAN WATER AND SANITATION	gradient
7 AFFORDABLE AND CLEAN ENERGY	MONOLITH, MOSAIC®, SCALE MICROGRID SOLUTIONS, VIRIDI
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	ECOMATERIAL TECHNOLOGIES, MONTANA RENEWABLES™, SERVICE COMPRESSION
10 REDUCED INEQUALITIES	Varo, GCash, homefirst We'll take you home, ADVANCE INTELLIGENCE GROUP, PAYJOY, momo
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Assent Real depth. Sustainable growth., FLEXRAY
13 CLIMATE ACTION	ClimeCo, TRC, BITSIGT, eSENTIRE, ĀURA, Infoblox
CYBERSECURITY ³	

CLIMATE STRATEGY

Deepening our focus to manage climate impacts across our business



In this section:

- TCFD REPORT
- MANAGING OUR FOOTPRINT

TCFD alignment continues to be a priority.

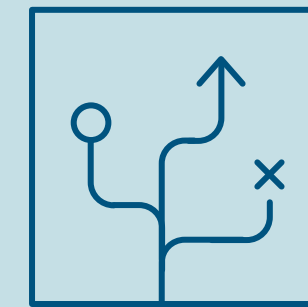
We continue to expand our climate strategy, using the Task Force on Climate-related Financial Disclosures (TCFD) recommendations as a guide. We use this framework to evaluate and disclose climate change-related risks and opportunities and how they may impact our business.

Advancing sustainability across TCFD's four pillars



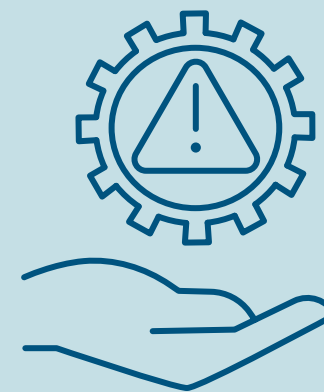
Governance

Disclose the organization's governance around climate-related risks and opportunities.



Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.



Risk Management

Disclose how the organization identifies, assesses, and manages climate-related risks.



Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.

Governance

Giving climate the attention it deserves

Our firm-level climate strategy is managed by our Sustainability Strategy team, which reports into our Global Public Policy and Political Risk functions in close consultation with firm leadership. Climate topics are included in the firm's ESG Policy and ESG due diligence framework, and it is a frequent topic during the quarterly ESG Committee meetings and related working groups. Finally, we provide an update on our climate strategy in our annual presentation to the Limited Partner Advisory Committee.

Raising climate awareness in the private markets

We continue to be active members of Initiative Climat International (iCI) and PESMIT.* Over the past year, we have contributed input into the development of the [Private Markets Decarbonization Roadmap](#) (PMDR), a new tool that supports our efforts to better track progress on climate efforts at the portfolio company level.

As a firm, we have been an active contributor to the growing conversation around climate impacts in the private sector across a range of forums. Examples include the Asia Society, Council on Foreign Relations, U.S. India Partnership Forum, Global Private Capital Association, and various capital markets conferences, among others.



* Please see the Cautionary Statement on Page 39 for important disclosures regarding Warburg Pincus' participation in the Sustainable Markets Initiative.

Strategy

To explore a range of climate-related investment opportunities, the firm established a dedicated Energy Transition & Sustainability investing team. This initiative builds upon our two decades of experience investing in renewables and energy transition, as well as our cross-sectional expertise, deep understanding of business models, and longstanding relationships with major traditional energy companies. Current areas of focus have included opportunities in power and decarbonization such as grid resilience, the renewable energy value chain, decarbonization of industrial processes, and carbon markets.

More broadly, investing teams are increasingly exploring how climate-related trends may influence potential investment themes with a focus on levers such as policy, technology, and market forces. Occasionally, deal teams from different sectors will collaborate on climate-related opportunities. When it's relevant to their business, we engage current portfolio companies on decarbonization strategies to build stronger, more sustainable businesses.

See Endnote C for important disclosures regarding the SFDR and Warburg Pincus' ESG program.

Recent investments in climate opportunities

Examples are selected for illustrative purposes only and are not necessarily representative of all Warburg Pincus investments.

CALB

August 2021

Chinese Aviation Lithium Battery is a global lithium-ion battery supplier for electric vehicle and energy storage.

gradient

September 2021

Gradient is a provider of energy-efficient water treatment solutions for complex industrial and municipal wastewaters, primarily in Asia, Australia, and the Middle East.

TRC

December 2021

TRC provides tech-enabled engineering, consulting, and diversified environmental services to customers in the utility, government, commercial, and industrial end markets.

EH ECOMATERIAL TECHNOLOGIES

February 2022

Eco Material is a provider of sustainable cementitious materials, with an initial focus on decarbonizing the cement and concrete industry.

ClimeCo

April 2022

ClimeCo is a full-service environmental commodity and advisory firm focused on developing, sourcing, and trading high-quality carbon credits and other environmental commodities.

VIRIDI

May 2022

Viridi is a full-service renewable natural gas (RNG) platform with the mission to build, own, and operate RNG with landfill, dairy, and food waste feedstocks.

MONTANA RENEWABLES™

August 2022

Montana Renewables uses waste feedstocks to produce low-emission alternatives that directly replace fossil fuel products.

SERVICE COMPRESSION

January 2024

Service Compression is a provider of compression services to the oil and gas industry and aims to enable its customers to meet their ESG initiatives by accelerating the adoption of electric compression units.



Risk management

Across new and existing investments, we seek to identify climate-related risks where relevant and/or material through ESG due diligence guides and portfolio emissions and physical risk estimation tools. We are increasingly engaging with outside consultants on material environmental and climate-related issues on topics ranging from decarbonization to scenario analysis.

Since 2020, we have partnered with Institutional Shareholder Services (ISS) ESG to conduct an annual estimation of our firm's financed emissions (Scope 1, Scope 2, and Scope 3 GHG emissions of our portfolio holdings at year end). Using this data, we seek to take a risk-based approach by prioritizing portfolio companies in the most GHG intensive sectors for the collection of bottom-up GHG emissions data. For example, for our legacy hydrocarbon-linked portfolio companies, we have collected 45 industry-specific metrics since 2019 and have convened emissions summits over the years to focus on methane management.

Managing transition risk through decarbonization tools

We continue to develop and expand our tools to support portfolio companies in driving their own efforts to manage their footprints and seek to leverage the PMDR alignment scale to articulate those efforts, including:

- **Capturing data**

We have partnered with TRC, a Warburg Pincus portfolio company, to offer a GHG Emissions Tool to portfolio companies as a part of our sustainability toolkit. Through this and other partnerships and engagements, we collaborate with portfolio company management teams on strategies to reduce GHG emissions and set related targets, as relevant for their industries.

- **Preparing to decarbonize**

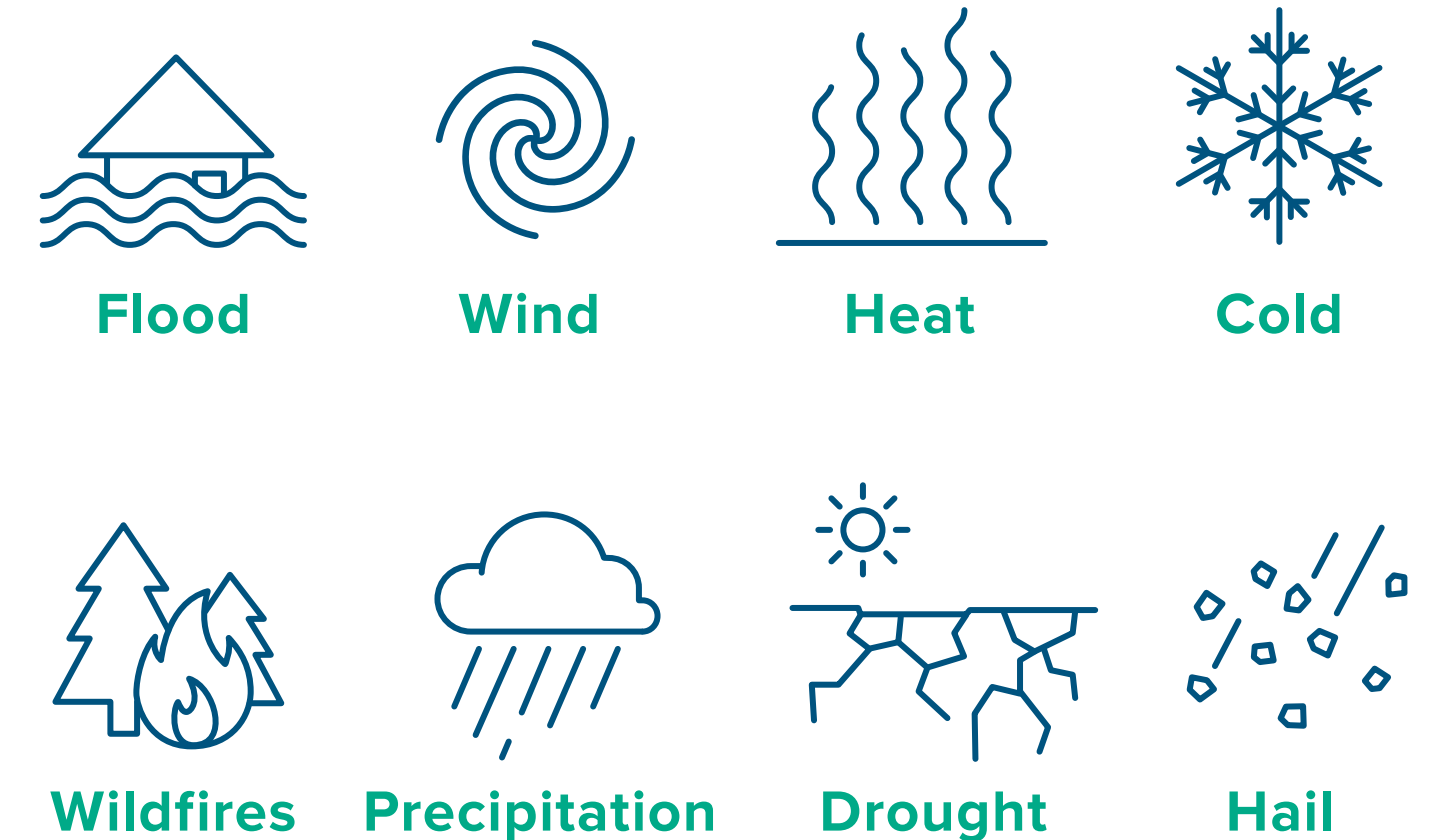
We are developing insights from within the Portfolio Company Sustainability Leadership Council and our external network of third-party experts to help portfolio companies identify opportunities to drive energy efficiency and access renewable energy, electrification, and other decarbonization paths as appropriate.

- **Aligning/Aligned**

We continue to create and develop industry-specific resources to understand what decarbonization alignment pathways mean for portfolio companies that show interest or are ready to begin their decarbonization journey.

Assessing physical risk through scenario analysis

In 2023, we piloted scenario analysis for a subset of our portfolio to evaluate potential exposure and impacts from physical climate risks and are evaluating tools to better understand exposure under eight key climate perils applying the Representative Concentration Pathways scenarios as outlined by the [Intergovernmental Panel on Climate Change](#) (IPCC).



Metrics and targets

An important step in our climate journey is obtaining an accurate, verifiable calculation of our own firm's GHG emissions. At the firm level, we have calculated and externally validated the firm's Scope 1, Scope 2, and select Scope 3 GHG emissions according to [GHG Protocol standards](#) since 2019.

Scope 3 Emissions: Category 15

We have been estimating portfolio emissions since 2020 in collaboration with ISS ESG. Seeking to align with the [Partnership for Carbon Accounting Financials](#) (PCAF) methodology, we aspire to improve data quality by engaging with portfolio companies to collect bottom-up data from portfolio companies. Our annual ESG data collection process includes numerous climate and TCFD-aligned questions.

Firm-level GHG emissions

	2021	2022	2023	Notes
Scope 1	0	62	68	Direct Emissions
Scope 2	1,087	1,165	1,280	Electricity and Chilled Water
Scope 3	4,010	8,762	8,947	Business Travel/ Employee Commute
Total	5,097	9,989	10,295	
Emissions per Employee	6.7	11.9	12.4	

The GHG inventory for Scopes 1 and 2 were based on the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard. For Scope 3, Warburg Pincus completed the GHG inventory using WRI/WBCSD's Greenhouse Gas Protocol Value Chain Accounting and Reporting Standard. An external verification of our carbon footprint was performed by Apex Companies LLC (2019 – 2021) and WAP Sustainability Consulting (2022 – 2023). Verification methodology included interviews with relevant Warburg Pincus personnel, review of documentary evidence and data, information systems, and methodology to determine GHG emissions, and a corresponding audit of sample data. Employee data reflects year-end census data for each respective year. Data reflects calendar year time periods.

Scope 2 emissions were calculated using a market-based approach. For Scope 3, Warburg Pincus completed Categories 6 and 7 of the GHG inventory using WRI/WBCSD's Greenhouse Gas Protocol Value Chain Accounting and Reporting Standard. Starting in 2022, Warburg Pincus began including purchased chilled water as part of its firm-level GHG emissions.

The emissions associated with commercial air flight in the category business travel are calculated with the emission factors published by the UK Department for Environment Food & Rural Affairs (DEFRA). The emission factors do not consider radiative forcing, given the fact that the uncertainty level of measuring the radiative forcing is still relatively high. With the evolution of studies on the indirect effects of air travel, Warburg Pincus may choose to revise the methodology and include the radiative forcing in the inventory calculation in future disclosures.

See Endnote D for important disclosures regarding the GHG Protocol.

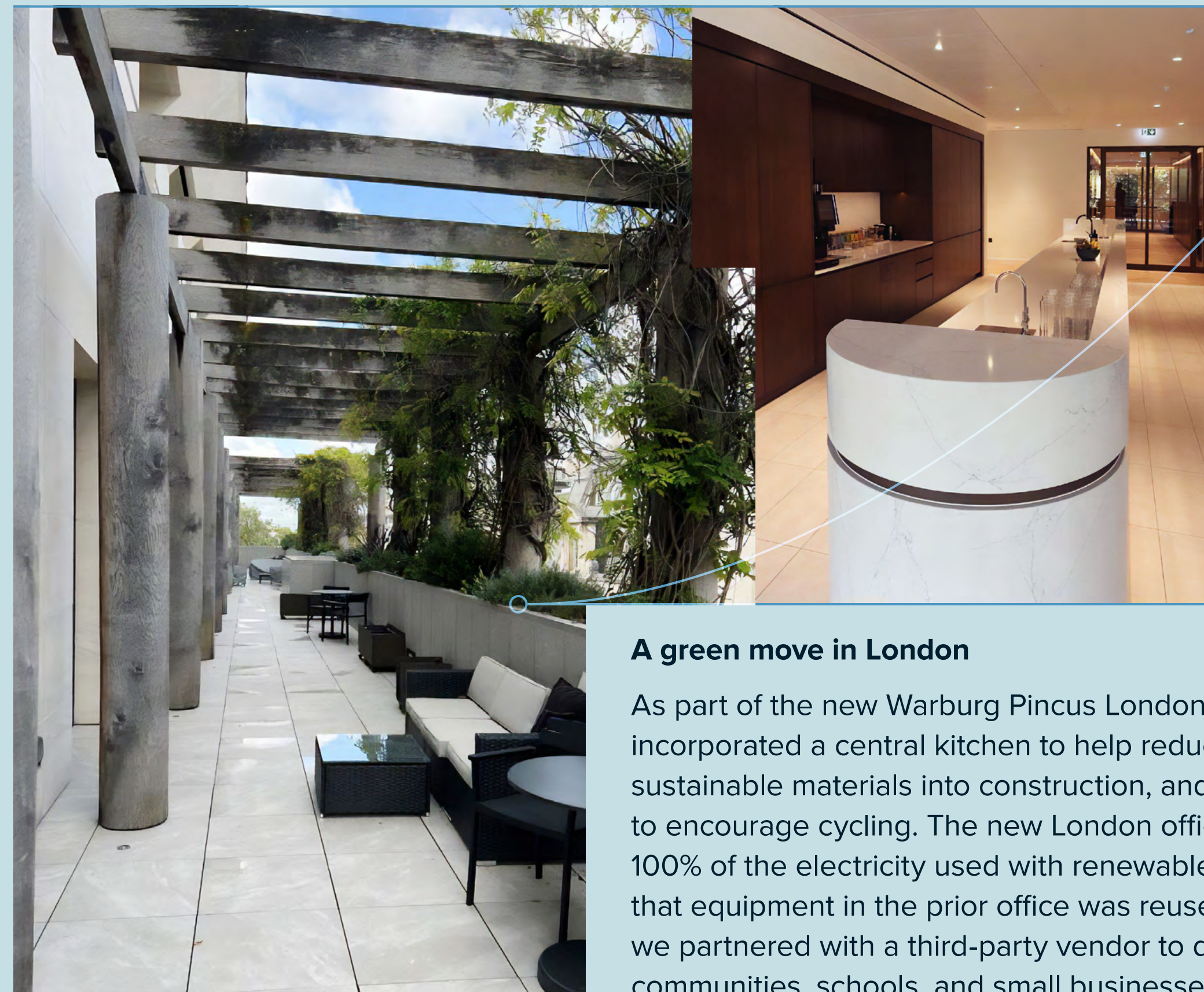


MANAGING OUR FOOTPRINT

We are taking measures to help mitigate our environmental impact.

We view managing the carbon footprint of our operations¹ as a global effort and collaborate across our offices to evaluate opportunities to reduce our firm-level operational impact. A few examples of our firm-level initiatives include renewable energy procurement, energy efficiency measures, incorporating sustainability considerations in new offices, and e-waste recycling.

In 2023, we purchased Renewable Energy Credits (RECs) to match 100% of the electricity consumed in our U.S. office locations.² We view this as a broader extension of our renewable energy procurement strategy in our European offices³, where we currently procure 100% renewable energy. We continue our complementary approach to purchasing third-party verified carbon credits that we believe to be high quality for our remaining emissions.⁴



A green move in London

As part of the new Warburg Pincus London office design, we incorporated a central kitchen to help reduce food waste, implemented sustainable materials into construction, and offered indoor bike racks to encourage cycling. The new London office also continues to match 100% of the electricity used with renewable electricity. To help ensure that equipment in the prior office was reused, repurposed, or recycled, we partnered with a third-party vendor to distribute items to local communities, schools, and small businesses.

¹ Warburg Pincus firm-level emissions include Scope 1, Scope 2, and select Scope 3 emissions (Categories 6 and 7) in accordance with the Greenhouse Gas Protocol (GHG Protocol) standards.

² Warburg Pincus U.S. offices include New York, Houston, and San Francisco.

³ Warburg Pincus European offices include London and Berlin.

⁴ The remaining emissions include the firm-level emissions noted in footnote 1 and excludes the Scope 2 emissions from purchased electricity in Warburg Pincus' U.S. office locations

MANAGING OUR FOOTPRINT

Continued use of high quality credits

For 2023, we continued to partner with ClimeCo, a leader in environmental solutions and a Warburg Pincus portfolio company, to construct a carbon credit portfolio that involves both industrial decarbonization and nature-based solutions. We view purchasing high-quality carbon credits as a bridge between our current emissions profile and the reductions we aspire to achieve over the coming years.

• Abatement through industrial decarbonization

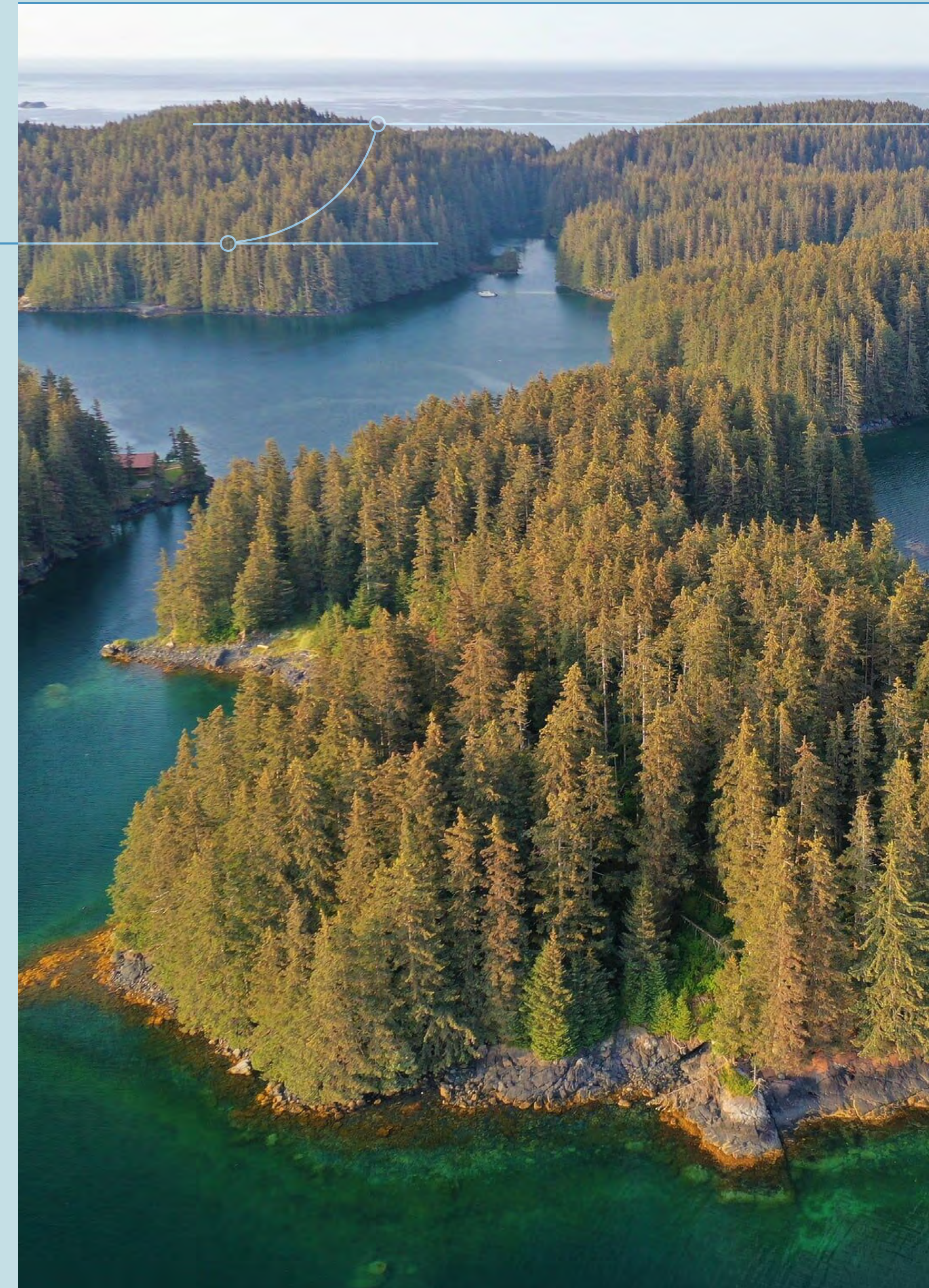
The Ascend Performance Materials N₂O Abatement Project¹, located in Florida, is the largest voluntary nitrous oxide (N₂O) abatement project in North America. N₂O, one of the most potent greenhouse gasses, is a byproduct of the adipic acid used in the production of everyday products—from food packaging to toothbrush bristles to car parts. This project finances industrial abatement technology, which destroys N₂O at the source, preventing the greenhouse gas from entering the atmosphere.

• Protecting forests and biodiversity

The Afognak Island Forest Project², a landmark project in remote Alaska, was established in 2006 and designed to protect over 8,000 acres of a 200-year-old native spruce forest and increase carbon sequestration. The project provides financial incentives for shifting from timber production management to conservation management. The project also includes several co-benefits, including efforts at supporting local indigenous communities and restoring biodiversity.

¹ The Ascend Performance Materials N₂O Abatement Project is registered under the Climate Action Reserve.

² The Afognak Island Forest Project uses Improved Forest Management and Logged Forest to Protected Forest and is registered under the Verified Carbon Standards (VCS) VM0012 v3.0.



CORPORATE CITIZENSHIP

Fostering diversity, equity, and inclusion and supporting communities in which we operate



In this section:

- DIVERSITY, EQUITY, & INCLUSION
- PHILANTHROPY

DIVERSITY, EQUITY, & INCLUSION

We value a rich exchange of perspectives and experiences.

In 2023, our DE&I Council launched two additional employee networks, bringing our total number of employee networks to six. These networks are employee led, and open to all colleagues to help promote a culture of inclusivity, understanding, and respect at the firm.

[Read more about DE&I at Warburg Pincus.](#)



Women@Warburg recognized Women's History Month by hosting an event with Jane Hartley, U.S. Ambassador to the UK. In the spring, the network hosted a clothing drive with [Bottomless Closet](#), a non-profit organization that aims to empower NYC women to enter the workforce and achieve economic self-sufficiency by providing professional attire and ongoing career support.

The **Black@Warburg** network initiated a continuing volunteer series with [Harlem Grown](#), a nonprofit organization based in Harlem, NYC, with a mission to inspire youth to lead healthy and ambitious lives through mentorship and hands-on education. In honor of Black History Month, the firm organized a reception celebration showcasing local Black-owned businesses recommended by network members.

HOLA@Warburg organized a volunteer event with [SuitUp](#), a non-profit whose primary mission is to prepare students from underserved communities for future career success through experiential learning. In honor of Hispanic Heritage Month, the firm featured a breakfast showcasing coffees and cuisine inspired by Hispanic and Latin American traditions.

During its inaugural year, the **Asian@Warburg** network featured a variety of events that focused on philanthropy and building community including museum tours, cultural celebrations, and a non-profit volunteer panel of organizations that support the local Asian American community.

For Pride Month 2023, **Out@Warburg** Executive Sponsor, Cary Davis, hosted a fireside chat with Wall Street pioneer Marty Chavez and partnered with the firm's Human Capital team to host allyship training on pronoun usage. In the summer, the network coordinated a volunteer event with [SAGE](#), a nonprofit that focuses on advocacy and services for LGBTQ+ elders.

New network **Parents@Warburg** hosted a series of child and caregiver mental wellbeing webinars with the [Child Mind Institute](#). They also coordinated a lunch series to help network members to connect on topics of interest and organized a backpack and toy drive with [WiN](#), a nonprofit organization based in NYC that supports women and children who are experiencing homelessness.



PHILANTHROPY

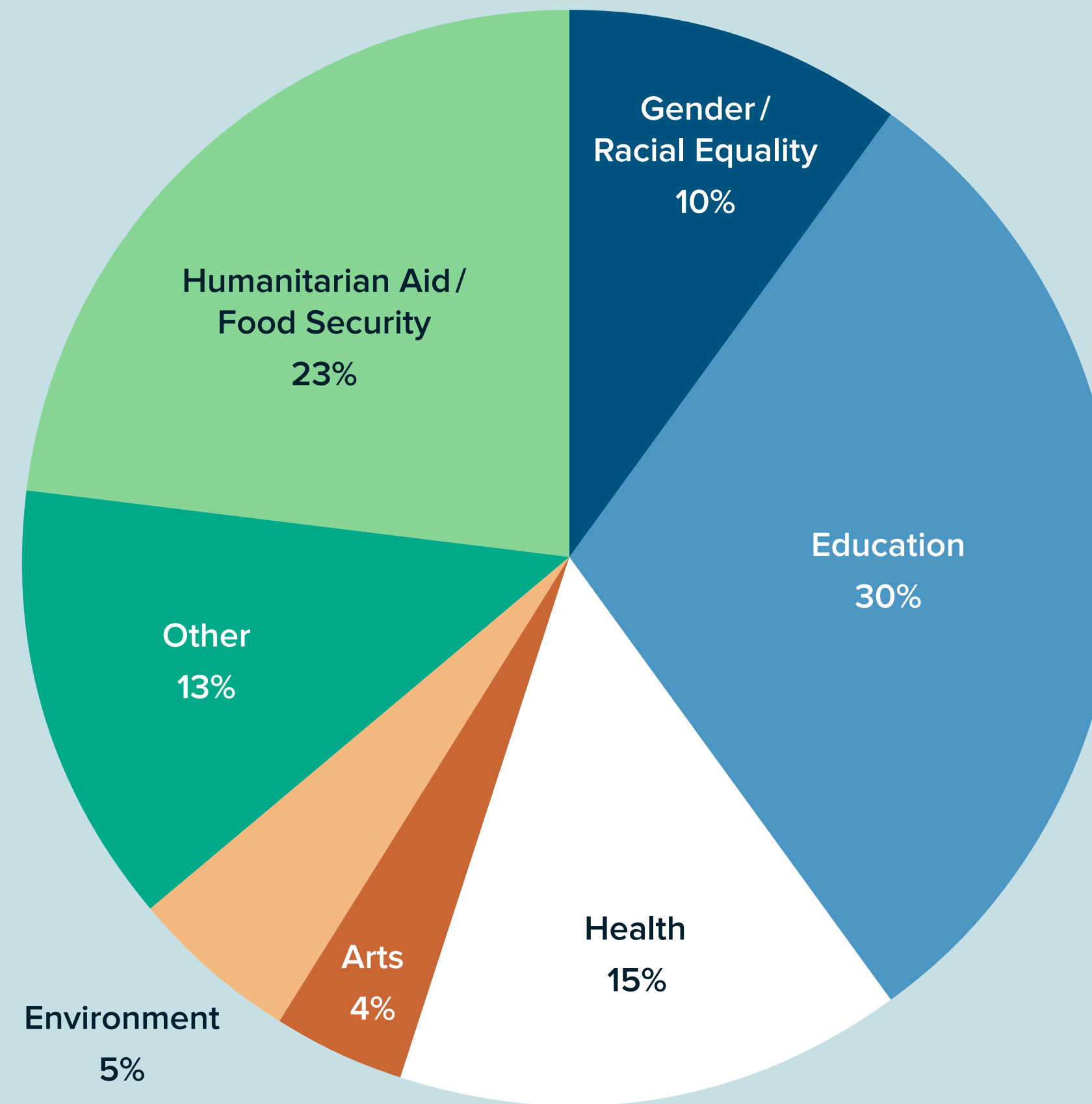
Global giving aimed at making a local impact.

The Warburg Pincus Foundation supports a wide variety of charitable, educational, and community organizations through a combination of time and financial contributions.

The Foundation directs giving through colleague and portfolio company matching programs, firm-level charitable giving by region, and directed giving through DE&I partnerships and employee networks. From innovative grassroots groups to the largest global charities, the organizations we support reach nearly every region of the world—from Asia to Africa, across Europe, and in North and South America.

In 2023, Warburg Pincus donated to over 500 organizations in more than 20 countries.

Giving across a broad range of sustainability and humanitarian themes



Data reflects 2023 calendar year.

In 2023, Warburg Pincus employees held over 65 non-profit board seats.



New Asia Charitable Giving Committee

In 2023, we established the Asia Charitable Giving Committee to expand our philanthropic efforts and deepen our community engagement in Asia. Of note, the firm supported local education-focused projects in partnership with the [Adream Foundation](#) and [Room to Read](#) to commemorate the firm's 30- and 10-year anniversaries of investing in China and Vietnam, respectively.



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APPENDICES

In this section:

- ENDNOTES
- CAUTIONARY STATEMENT

Endnotes

A. ESG goals are aspirational and not guarantees or promises that all goals will be met. There can be no assurance that Warburg Pincus' sustainability strategy or ESG policies and procedures as described herein will continue, and Warburg Pincus' sustainability strategy or ESG policies and procedures could change, even materially. ESG factors are only some of the many factors Warburg Pincus considers in making an investment, and there is no guarantee that Warburg Pincus will make investments in companies that create positive ESG impact or that consideration of ESG factors will enhance long-term value and financial returns for limited partners. To the extent Warburg Pincus engages with portfolio companies on ESG-related practices and potential enhancements thereto, there is no guarantee that such engagements will improve the financial or ESG performance of the investment. There can be no assurance that the operations and/or processes of Warburg Pincus as described herein will continue, and such processes and operations may change, even materially. The actual investment process used for any or all of Warburg Pincus' investments may differ materially from the process described herein. Actual results may differ materially from any forward-looking statements.

B. ESG goals are aspirational and not guarantees or promises that all goals will be met. In this report, we are not using such terms "material" or "materiality" as they are used under the securities or other laws of the U.S. or any other jurisdiction, or as they are used in the context of financial statements and financial reporting. For purposes of this report, consistent with

our ESG Policy, "material" ESG issues are defined as those issues that Warburg Pincus, in its sole discretion, determines have, or have the potential to have, a direct and substantial impact on a respective company's ability to create or preserve economic value, as well as environmental and social value for itself and its stakeholders, and/or reputational risk for Warburg Pincus.

C. ESG goals are aspirational and not guarantees or promises that all goals will be met. Investments in climate-related opportunities were not binding elements of investment decisions.

D. ESG goals are aspirational and not guarantees or promises that all goals will be met. Scope 1 covers direct GHG emissions from the firm's owned or controlled sources. Starting in 2022, Warburg Pincus began including stationary combustion and refrigerant fugitive emissions as part of our firm level GHG emissions. Scope 2 covers indirect GHG emissions from electricity, steam, heating and cooling purchased or acquired by the firm. Starting in 2022, Warburg Pincus began including purchased chilled water as part of our firm-level GHG emissions. Scope 3 includes all other indirect GHG emissions that occur in the firm's value chain. For the periods presented in this report, our calculations of firm-level Scope 3 GHG emissions is limited to Category 6 (Business Travel) and Category 7 (Employee Commuting) of the GHG Protocol. We also note that, when we refer to financed emissions, we are referring to Scope 3 GHG emissions associated with the firm's portfolio

company investments that are not already included in the firm's Scope 1 or Scope 2 emissions figures.

E. The development and implementation of ESG tools, policies, and processes to support portfolio companies is not a binding component of the investment process. Readers should refer to documentation and marketing materials for information on binding elements of the investment strategy and decision-making process.

F. ESG goals are aspirational and not guarantees or promises that all goals will be met. The select investments presented herein are provided to illustrate the application of Warburg Pincus' sustainability strategy and ESG program with respect to its portfolio investments only, may not be representative of all transactions of a type or types of investments generally and should not be relied on in any manner as legal, tax, regulatory or investment advice and should not be considered a specific recommendation of any particular security or portfolio company. There can be no assurance that any historical practices will continue. ESG goals are aspirational and not guarantees or promises that all goals will be met. Actual results may differ materially from any forward looking statements. Please see the Cautionary Statement's section on Third Party Sources on Page 41 for important disclosures regarding the use of ESG information from portfolio companies. those issues that Warburg Pincus, in its sole discretion, determines have, or have the potential to have, a direct and substantial

impact on a respective company's ability to create or preserve economic value, as well as environmental and social value for itself and its stakeholders, and/or reputational risk for Warburg Pincus.

G. The select SDG-aligned investment themes presented in this Report were defined using internal analysis, are presented for illustrative purposes only, and have been selected in order to provide an example of Warburg Pincus' ESG efforts. These select investment themes may not be the subject of investment and do not purport to be a complete list of Warburg Pincus' investment themes. Please refer to the Cautionary Statement on Page 38 of this report for more information.

H. Endorsements presented herein are made by current or former employees of Warburg Pincus and its portfolio companies, over which Warburg Pincus may have ability to exercise discretion on compensation, promotion and other employment decisions, and may also be investors in Warburg Pincus funds.



Cautionary Statement

The data and information in this report (“Report”), which has been prepared by Warburg Pincus, are presented for informational purposes only. This Report shall not constitute an offer to sell or the solicitation of any offer to buy any interest, security, or investment product. The information in this Report is only as current as the date indicated and may be superseded by subsequent market events or for other reasons, and Warburg Pincus assumes no obligation to update the information herein. Nothing contained herein constitutes investment, legal, tax, or other advice nor is it to be relied on in making an investment or other decision. This Report should not be viewed as a current or past recommendation or a solicitation of an offer to buy or sell any securities or to adopt any investment strategy.

Certain of the information contained in this Report contains “forward-looking statements” or information. Any statements that are not statements of historical facts may be deemed to be forward-looking statements. When used in this Report, the words “may,” “could,” “anticipate,” “target,” “plan,” “continue,” “goal,” “commit,” “achieve,” “project,” “intend,” “estimate,” “believe,” “expect” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such words. Furthermore, any projections or other estimates in this Report are “forward-looking statements” and are based upon certain assumptions that may change. Forward-looking statements are subject to a number of certain risks and uncertainties that could cause actual results to differ materially

from our historical experience and our present expectations or anticipated results. These risks and uncertainties, include, but are not limited to: continued uncertainties related to the impact of the COVID-19 pandemic on our business and operations, financial performance and liquidity, our portfolio companies, and on the global economy; changes in general economic conditions, in the U.S. or internationally; significant competition on a local, regional, national and international level; changes in the regulatory environment in the U.S. and/or internationally; increased and/or more complex physical or data security requirements; legal, regulatory or market responses to global climate change; our ability to attract and retain qualified employees; breaches in data security; disruptions to the Internet or our technology infrastructure; interruptions in or impacts on our business from natural or man-made events or disasters including terrorist attacks, epidemics or pandemics; our ability to accurately forecast our future capital or operating investment needs; exposure to changing economic, political and social developments in international and/or emerging markets; changes in business strategy, government regulations, or economic or market conditions that may result in impairment of our assets; increases in our expenses or funding obligations relating to employee health, retiree health and/or pension benefits; potential additional U.S. or international tax liabilities; potential claims or litigation related to labor and employment, personal injury, property damage, business practices, environmental liability and

other matters; and other risks. The forward-looking statements speak only as of the date of this Report and undue reliance should not be placed on these statements. Warburg Pincus disclaims any obligation to update any forward-looking statements as a result of new information, future events or otherwise. In addition, unless the context otherwise requires, the words “include,” “includes,” “including,” and other words of similar import are meant to be illustrative rather than restrictive.

Except where opinions and views are expressly attributed to individuals, general discussions contained within this Report regarding the market or market conditions represent the view of either the source cited or Warburg Pincus. Nothing contained herein is intended to predict the performance of any investment. There can be no assurance that actual outcomes will match the assumptions or that actual returns will match any expected returns.

Goals are aspirational and not guarantees or promises that all goals will be met. Certain information contained herein relating to any goals, targets, intentions, outcomes or expectations, including with respect to net-zero targets and related timelines, is subject to change, and no assurance can be given that such goals, targets, intentions, outcomes or expectations will be met. Statistics and metrics relating to ESG factors or sustainability risks or impacts may be estimates and subject to assumptions or developing standards (including Warburg Pincus’ internal standards and policies). The ESG or impact

goals, targets, commitments, incentives, initiatives or outcomes contained herein are purely voluntary and are not binding on investment decisions and/or Warburg Pincus’ management or stewardship of investments. Warburg Pincus may in the future, establish certain ESG or impact goals, targets, commitments, incentives, initiatives or outcomes.

Any ESG or impact goals, targets, commitments, incentives, initiatives or outcomes referenced in any information, reporting or disclosures published by Warburg Pincus or the Private Equity Sustainable Markets Initiative Task Force are not being marketed to investors or promoted and do not bind any investment decisions made in respect of, or stewardship of, any funds managed by Warburg Pincus for the purposes of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (“SFDR”). Any measures implemented in respect of such ESG or impact goals, targets, commitments, incentives, initiatives or outcomes may not be implemented or immediately applicable to the investments of any funds managed by Warburg Pincus and any implementation can be overridden or ignored at the sole discretion of Warburg Pincus. Where a portfolio company or its activities are described as “sustainable”, that is not intended to imply that the portfolio company is a “sustainable investment” within the meaning of SFDR.

Disclaimer for page 25: The United Nations Sustainable Development Goals (SDGs) are aspirational in nature. Where a portfolio company



Cautionary Statement

is shown alongside a particular SDG, it is indicative that Warburg Pincus considers at least some of the business activities of that portfolio company to make a positive contribution to at least one of the global targets or indicators associated with that SDG. The analysis involved in determining whether and how certain initiatives may contribute to the SDGs is inherently subjective and dependent on a number of factors. There can be no assurance that reasonable parties will agree on a view as to whether certain projects or investments contribute to a particular SDG. Accordingly, readers should not place undue reliance on Warburg Pincus' interpretation or application of the SDGs, as such interpretation or application is subject to change at any time and in Warburg Pincus' sole discretion. Further, statistics and metrics relating to ESG factors or sustainability risks or impacts may be estimates and subject to assumptions or developing standards (including Warburg Pincus' internal standards and policies).

Similarly, there can be no assurance that Warburg Pincus' ESG initiatives, policies and procedures as described in this Report, including policies and procedures related to responsible investment or the application of ESG-related criteria or reviews to the investment process, will continue to be applied in the manner described; such ESG initiatives, policies and procedures could change, even materially, or may not be applied to a particular investment. Warburg Pincus is permitted to determine in its discretion that it is not feasible or practical to implement or complete certain of its ESG initiatives, policies,

and procedures based on cost, timing, or other considerations; such ESG initiatives, policies and procedure are not necessarily (and are not purported to be) deployed in connection with each investment. Statements about ESG initiatives or practices related to portfolio companies do not apply in every instance and depend on factors including, but not limited to, the relevance or implementation status of an ESG initiative to or within the portfolio company; the nature and/or extent of investment in, ownership of or, control or influence exercised by Warburg Pincus with respect to the portfolio company; and other factors as determined by investment teams, corporate groups, asset management teams, portfolio operations teams, companies, investments, and/or businesses on a case-by-case basis. ESG factors, sustainability risks or impacts are only some of the many factors Warburg Pincus considers in making an investment, and there is no guarantee that Warburg Pincus will make investments in companies that create positive ESG impact or that consideration of ESG factors will enhance long-term value and financial returns for limited partners. To the extent Warburg Pincus engages with portfolio companies on ESG-related practices and potential enhancements thereto, there is no guarantee that such engagements will improve the financial or ESG performance of the investment. Additionally, there can be no assurance that Warburg Pincus or its investments will be able to achieve any ESG-related objectives (in the time or manner set forth in this Report or at all), that their actions will not result in outcomes that could be viewed as having a

negative ESG effect, or that any historical trends will continue to occur.

This Report includes information on Warburg Pincus' program for incorporating ESG considerations across its operations, strategies and funds. Such a program is subject to Warburg Pincus' fiduciary duties and applicable legal, regulatory, and contractual requirements and is expected to change over time. In addition, the act of selecting and evaluating material ESG factors is subjective by nature, and there is no guarantee that the criteria utilized or judgment exercised by Warburg Pincus will reflect the beliefs or views, internal policies or preferred practices of investors, other asset managers or with market trends. There are a variety of ESG principles, frameworks, methodologies and tracking tools; Warburg Pincus' adoption and adherence to those discussed in this Report or to any others is expected to vary over time as ESG practices evolve. There is no guarantee that Warburg Pincus will remain a signatory, supporter, or member of any ESG initiatives or other similar industry frameworks.

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Warburg Pincus is proud of and committed to its sustainability initiatives.

We will continue to look for opportunities to expand our sustainability network—both the initiatives we have undertaken and the work we have done with our portfolio companies on these issues. We would be pleased to discuss these matters further with interested parties.

Contact us at esg@warburgpincus.com.

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