



JUNE 2022

State of ESG

ABOUT US

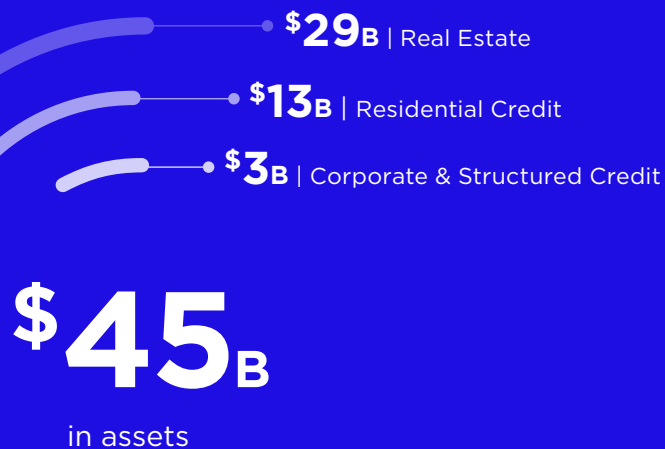
Pretium is a specialized investment firm focused on U.S. residential real estate, residential credit, and corporate credit. Pretium has built an integrated analytical and operational ecosystem within the U.S. housing, residential credit, and corporate credit markets, and believes that its insight and experience within these markets create a strategic advantage over other investment managers and positively contribute to the communities in which Pretium operates. Pretium manages approximately \$45 billion of assets and employs approximately 4,000 people across more than 30 offices globally.



Since our founding, Pretium has identified and implemented best practices to transform the residential housing landscape and uplift the communities in which we operate. Incorporating thoughtful and actionable ESG initiatives has been essential to our long-term growth and critical to our business.

DON MULLEN | Founder & CEO

Assets Under Management



Our Approach to Sustainability

Environmental, Social, and Governance (ESG) principles and practices have positive impact on our investments and stakeholders, from our investors to our employees, residents and the communities in which we operate. As we enter our second decade, we are focused on institutionalizing our founding ESG principles throughout our platform.

We approach new investments and existing ownership across our investment strategies, ownership, and operations with the following principles:

- Regularly engage stakeholders: investors, employees, residents, communities, and policymakers
- Assess material ESG factors across our strategies
- Integration of ESG into investments, ownership and business operations
- Routinely assess ESG strategy impact and drive continuous improvement
- Embrace the opportunity to be an ESG leader within our relevant industries

Our ESG Framework

	Affordable Housing, Vibrant Communities	Environmental Impact, Technology Focused	Diverse Teams, Strong Governance
Now	<ul style="list-style-type: none"> ☑ Direct resident engagement and data-driven, tech-enabled resident response systems ☑ Economic impact of locally sourced renovations ☑ Increasing access to neighborhood quality 	<ul style="list-style-type: none"> ☑ Green Renovation standards: <ul style="list-style-type: none"> • Energy efficiency • Water conservation • Waste reduction ☑ Smart Home deployment 	<ul style="list-style-type: none"> ☑ Robust governance frameworks including ESG and DEI ☑ Workplace DEI programs ☑ ESG integrating into operations & investments
Next	<ul style="list-style-type: none">  Affordable housing & access to communities of opportunity  Social support & standards of care  Collaborative community practices & partnerships 	<ul style="list-style-type: none">  GHG emissions targets & reporting  Environmental management system  Moving towards net zero 	<ul style="list-style-type: none">  DEI benchmarking  GRESB ESG benchmarking  UN PRI signatory

ESG Governance & Oversight

Starting in 2021, to better inform and prioritize our ESG strategy, we have incorporated benchmarking, stakeholder input, and counsel from third parties with ESG expertise. We also focus on where we have the most leverage — as a large professional owner of affordable single-family rental housing, the ESG investments we make have far-reaching positive impact due to our size and scale.

This report covers social impact initiatives launched in 2021 and 2022 for Our Employees, Our Residents and Our Communities. The report also covers our environmental impact mitigation strategies in our Housing portfolio and concludes with our Governance practices. The report includes our efforts across Pretium including at Progress Residential, our pioneering single family rental management services platform.

In 2021, we launched an ESG framework as part of our efforts to proactively build awareness of our initiatives and serve as a basis to further track ESG efforts in our business operations, governance, investment, and ownership. We recognize the importance these factors play in investors' priorities and decision making when selecting partners.

Pretium's ESG program is guided by our Founder and Chief Executive Officer, Don Mullen, who is responsible for setting Pretium's overall strategic direction. The ESG program is overseen and implemented by an ESG committee, which was established in 2021 and is composed of senior executives representing Pretium's various business units. To assist Mr. Mullen and the ESG committee in developing and implementing strategic ESG initiatives, Pretium hired Tatiana Gutierrez, a senior leader with ESG expertise, in 2021. The ESG Policy and Commitments developed and adopted by Pretium in 2022 are available [HERE](#).



With ESG-focused decision making sitting at our core, we can ensure our investments and operations improve the quality of life of our residents and our communities.

TATIANA GUTIERREZ | Head of ESG

KEY HIGHLIGHTS

Increased Investment in ESG Governance and Oversight:



Established an **ESG Committee**



Hired an **ESG Dedicated Leader**



Established a **DEI Committee**



Adopted an **ESG Policy** and a **DEI Statement**

2021 and 2022 Achievements:



Upfront Renovation of ~14,000 Homes in 2021 at ~\$34,000 per Home for Total of **~\$480M**



Provided **\$100M+** in Resident Assistance: **\$60M** ERAP **\$40M** rent forgiveness



Investing **\$1.6B** in build-to-rent communities through strategic partnerships to build **5,000+** homes



Launched a Home **Greening Program**



Partnered with **80+** Housing Authorities



Partnered with **Esusu** to Provide Positive Rent Reporting for **All 85,000 Households**



Issued Our Inaugural SFR **Environmental Report** for 2021



Served **~1100** Lower Income Families



Progress Residential Received **Military Friendly Employer** Designation



Engaged in **27,000** Minutes of DEI training in 2022



Launched Our First **Employee Resource Group**



26% of Pretium Senior Leaders are Women



ESG Added to Quarterly **Town Hall** Agenda



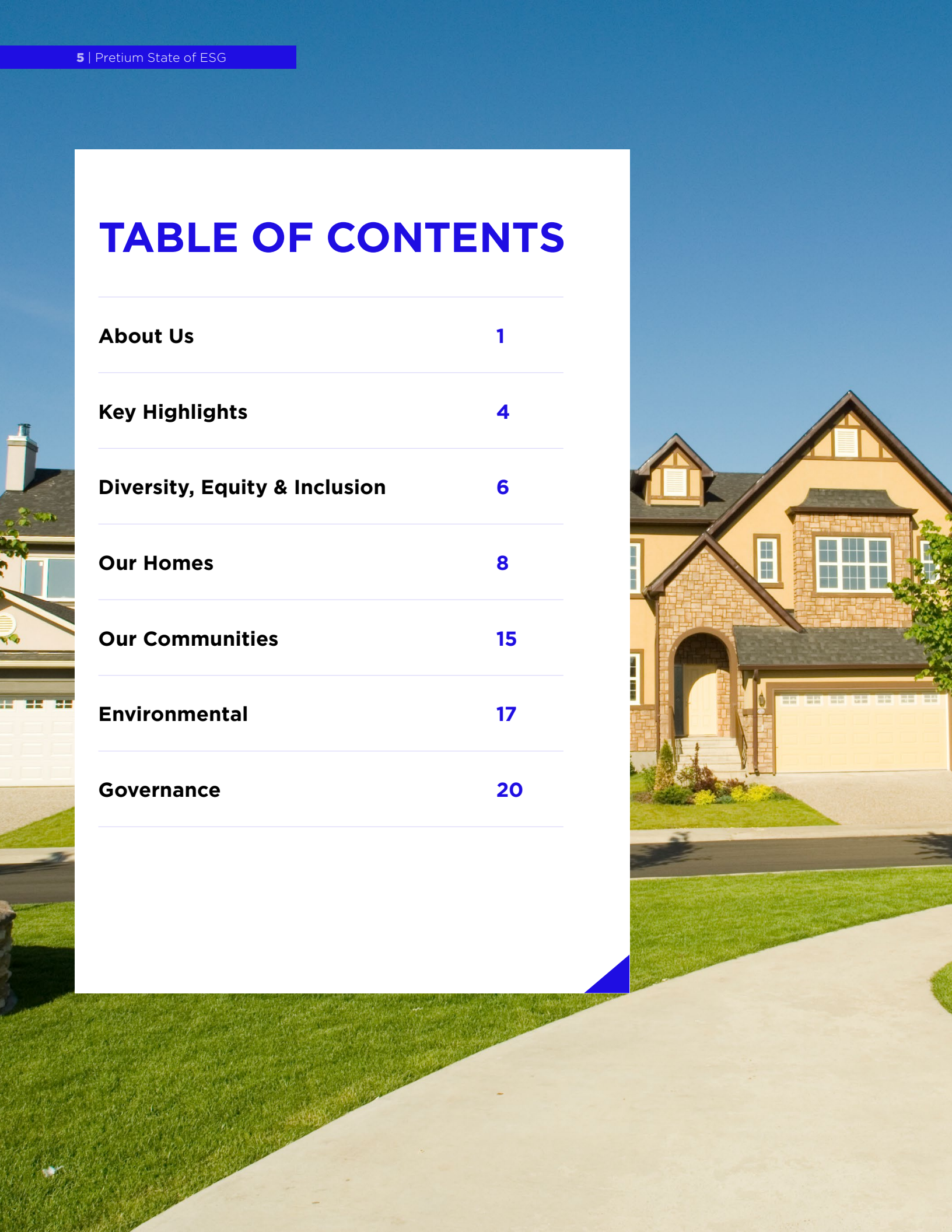
45% of Employees across the Firm are Female



47% of Employees across the Firm are Ethnically Diverse

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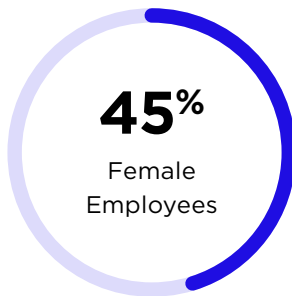


DIVERSITY, EQUITY & INCLUSION

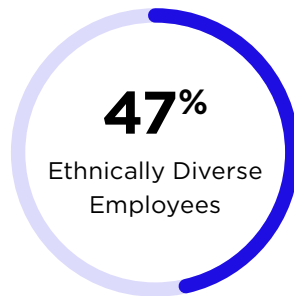
Our Employees

Pretium has nearly 4,000 employees globally. In 2021, the firm started tracking gender and ethnic diversity statistics across our workforce:

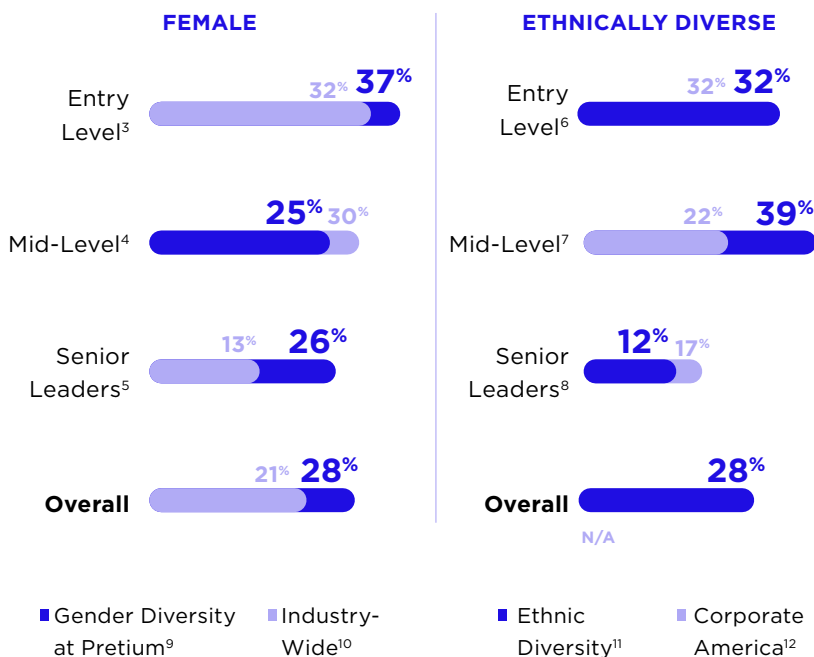
GENDER DIVERSITY¹



ETHNIC DIVERSITY²



At the investment manager level, the firm tracks and reports gender and racial diversity statistics by position type and overall, exceeds industry averages:



Given the large growth in our workforce, the firm:



Launched a **DEI committee** in 2021

Diverse committee ethnically, by gender and seniority level with the purpose of **driving DEI across Pretium**



Adopted a **DEI Statement** available [HERE](#)



We work hard every day to create an inclusive environment at Pretium in order to foster respect for the contribution of each individual team member.

LAURA CAPIELLO
Chief Human Resources Officer



We are committed to developing and enhancing our network of diverse teams across the country.

AMAR KUCHINAD
Head of Quant and Tech Strategies



Pretium's workforce policies reflect our commitment to awareness, inclusivity and respect. We work hard to ensure that our workforce is empowered with a support system that is reflective of our dedication to the communities we serve.

AJ JACKOWSKA
Chief Accounting Officer

Fostering Diversity, Equity & Inclusion

Pretium has established several communication touchpoints to build awareness of DEI among new and existing employees. DEI training is being integrated into our onboarding process, giving new employees an understanding of the priority Pretium places on elevating DEI principles into our work. Starting in 2022, ESG and DEI efforts by employees will be formally reviewed by the Compensation Committee in assessing performance. Accountability, teamwork, and integrity are key tenets to Pretium’s culture and our endeavor to achieve innovation and transparency.



Implemented firm-wide **Translator DEI training and analytics platform**



- **27,000 minutes** of DEI training completed
- **-100% workforce participation** at the investment manager level
- Explored topics on privilege, empathy, self-awareness, equity, micro-inclusions, and stereotypes



Expanded on and created **new DEI recruiting and networking groups**



Charitable contributions to 501(c)(3)s **promoting DEI, social justice, and racial equity**



In 2022, we launched our first employee resource group, the Women’s Resource Group



At Pretium, we know that a talented, diverse and engaged workforce is critical to the success of our business.

ROBERTA GOSS | Co-lead of Pretium’s Women’s Resource Group and Head of the Bank Loan & CLO Platform



Our goal is simple: we want women at the firm to know we are here for them and want to engage with them to build their support system.

GIOVANNA LOIOTILE | Co-lead of Pretium’s Women’s Resource Group and Managing Director of Business Development

The Women’s Resource Group is hosting senior female leaders in a talk series and discussion sessions and coordinating smaller group sessions to promote networking and resources for women



Launched quarterly CEO town halls to foster transparency, inclusivity and promote ESG and DEI



Retained a medical advisor from Weil Cornell to consult on all in-office decisions during COVID-19 pandemic



Provided **fully remote or hybrid options** to all employees through 2022

Progress Residential has been awarded the **Military Friendly® Employer Designation**, receiving the **highest possible scores** across multiple aspects of our employment strategies.



We recognize and appreciate the hard work and sacrifices made by the men and women of the U.S. military and we are committed to providing opportunities to our veterans and service members.

TED HUFFMAN | Head of Strategic Development, former Lieutenant, U.S. Navy



As a veteran of military service, I chose to join Progress Residential because they recognize the unique value and skillset that veterans bring to the civilian workforce.

SHANNON LEAHY | Director of Security at Progress Residential, former Aviation Boatswain’s Mate — Aircraft, U.S. Navy Handling (ABH)

OUR HOMES

At Pretium, we believe real estate is local and that our geographies are unique — therefore so is our strategy.

Our goal of contributing through housing is guided by a strong focus on how our business affects the residents we serve and the communities in which we operate. We strive to consider the perspective of the markets we seek and reflect these perspectives in our methods as we seek to engage equitably with residents and communities.

Our core ESG principles orient our approach to be resident and community centric. We understand that all our residents have unique needs, and that understanding their individuality is both the right thing to do and good for business.

PROGRESS RESIDENTIAL ENGAGEMENT ECOSYSTEM



Benefit of Single-Family Living. Our homes have attributes of being in less dense neighborhoods with more accessible green space, shorter commutes to employment centers, and more square footage to accommodate larger households than typical multifamily rental options.

Healthy Homes + Vibrant Communities

From less dense communities to increased access to outdoor space to transportation-adjacent homes, we provide quality of life improvement options to the renter community

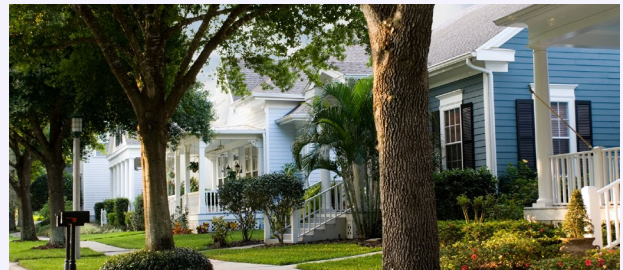


HEALTHY HOMES

Green Space: Our homes have access to **OUTDOOR** areas

More Space: Our homes average **1800+** in square feet to serve families

Air Quality: Pilot Program with **AIR FILTRATION** company to improve air quality



NEIGHBORHOODS OF CHOICE

Lower Density: Our homes are in **SINGLE-FAMILY** communities

Access to Employment Centers: The majority of our homes are within 30-minute commute of **EMPLOYMENT** concentrations

HOA Communities: **85%+** of our homes are located in HOA communities

CONTRIBUTING TO THE SOCIAL WELL-BEING OF OUR BUILD-TO-RENT COMMUNITIES BY PROVIDING INCLUSIVE GREEN SPACES, SUCH AS



ADA-accessible walking paths



Children's play zones



Tree-lined trails and community gardens



Outdoor fitness areas

Studies have shown higher economic mobility for kids growing up in communities with mixed incomes and better schools.¹³

Affordable Housing

~1100

Housing Choice
Voucher homes



Serving predominantly
Very Low and **Extremely
Low Income** families



Providing options for larger homes
for **multi-cultural** and **multi-
generational** households



Partnering with **80+ public
housing authorities** across
the country



And, we're growing



Advocacy for Financial Inclusion. There are 45 million Americans who are “credit invisible”; they have no credit score or a credit history too minimal to be scored. Without a credit score, participation in equitable non-extractive financial services in the United States is difficult or impossible and limits wealth-building opportunities. Credit invisible families are predominantly immigrants and renters. In March of 2022, Progress Residential partnered with Esusu to provide credit-building opportunities to our more than 85,000 homes representing over 250,000 residents. This is the first of its kind partnership bringing Esusu’s landmark credit-building platform to the single-family residential market.

The Esusu platform’s “opt out” function results in ~98 percent participation, illustrating the predictive impact of credit building. The program also includes ethical housing stability loans — 0% APR loans with no fees — for residents who need a short-term safety net. Credit building through the Esusu platform is the first step to supporting the financial well-being and wealth-building of our residents. Other social support programs that acknowledge the key role homes and housing have on social safety nets are in development.



45M

Americans with little or no credit history



23M

single-family rental homes in the United States



85,000+

Progress Residential Homes



250,000+

Progress Residential Residents



At Pretium, we are keenly focused on the “S” in ESG — using the power of private capital to drive transformative social good. Partnerships like Esusu are just the beginning of the technological innovations and collaborations we will invest in to make quality, affordable housing more accessible and to meet the needs of the individuals, families, and communities we serve.

JOCELYN MOORE | Senior Managing Director of Corporate Affairs



With Esusu, Progress Residential provides a meaningful “S” solution that can help renters build better and brighter futures. We are proud to offer this differentiated amenity to every renter in our eco-system, which incentivizes on-time rental payments with credit-building opportunities.

SAMIR GOEL & ABBEY WEMIMO | Co-Founders of Esusu



By joining forces with Esusu to extend their credit reporting platform, we are helping all residents across our single-family rental portfolio build their credit. Working alongside Esusu will enable us to develop new products and programs that remove barriers to housing choice.

MORGAN COLLINS | Chief Customer Officer at Progress Residential

Renovations. By primarily investing in **existing** single-family homes, we provide affordable, quality housing options for families. Preserving housing through thoughtful renovation not only keeps units in the housing inventory, but also provides an opportunity for significant employment and capital spending in the local economy. We are committed to continue renovating existing housing stock in the United States across our expanding portfolio of homes.

Committed to investing in our homes and our communities

Since Founding:

\$1.4B+

invested in our homes

60,000+

home renovations

In 2021:

~\$480M

spent on renovations in 2021

~14,000


home renovations

~\$34,000


invested per home in renovation

Helping to Close the Housing Shortage. In 2021, the firm also launched a Build-to-Rent strategy to contribute to closing the housing shortage across the nation. Pretium partnered with Crescent Communities and Onyx+East to create joint ventures that are committed to new construction of Build-to-Rent communities across Indiana, Ohio, North Carolina, South Carolina, and Florida.


COMMITTED TO INVESTING OVER \$1.6B




Harmon Foxbank
109 townhomes, located **25 miles** from downtown Charleston, South Carolina




Harmon Ballantyne
60-home community in Charlotte, North Carolina



Harmon Legacy Trail
78-home community in Nokomis, Florida



Monterey
24-home community adjacent to midtown Tampa, Florida



Harmon Five Points
76-home community in Charlotte, North Carolina

5,000

new single-family homes planned in these regions

New single-family homes in these regions will target growing suburban communities outside of major metropolitan areas, with access to main freeways, employment centers, desirable retail, and good schools.

Pandemic Support

The pandemic provided an important window into how precarious the financial lives of many Americans are, including our residents. We assisted residents throughout the pandemic by ensuring that meaningful assistance was available to all renters in need. This assistance helped residents navigate the often complex and onerous processes associated with the Emergency Rental Assistance Program (ERAP) to receive the appropriate government support.

<h1 style="margin: 0;">\$100M+</h1> <p style="margin: 0;">in Emergency Rental Assistance Program, rent forgiveness and utility coverage payments</p>	<h2 style="margin: 0;">\$60M+</h2> <p style="margin: 0;">Emergency rental assistance secured for thousands of residents</p>
	<h2 style="margin: 0;">\$40M+</h2> <p style="margin: 0;">Contributed in rent forgiveness, utility bills and other financial assistance</p>

- \$4M+** covered in utility bills for non-paying residents to ensure no interruption of service
- 20+ dedicated employees** hired to assist residents with securing financial and housing resources
- 30,000+** payment plans provided
- English and Spanish** expanded outreach
- 4x** outreach efforts through expanding modes of communication and proactively informing residents of available resources
- No resident sent to collection agency** during the pandemic, with actions taken to ensure no adverse credit reporting
- 2,100+** residents signed up for Fresh Start program

During the pandemic, we moved quickly with local agencies and residents to deploy housing assistance funds and embraced flexibility in payment plans and rent forgiveness



We support initiatives to integrate social support with housing in SFR



We are overhauling resident surveys to better understand our residents



We support the SFR industry setting a Standard of Care for residents

Pretium instituted Comprehensive Crisis Support Practices during the pandemic with payment plans, deferments and extended, flexible lease periods for residents who fall behind on rent payments due to the pandemic. Additionally, Pretium has expanded practices designed to avoid evictions, including increased level of communications and pausing evictions for non-payment of rent beyond the expiration of the moratorium.

Resident-Focused Solutions

In 2021, we created a new division focused on customer advocacy. The customer advocacy program is led by a senior leader with extensive experience in customer service, particularly in nonprofit settings supporting customers with behavioral health and/or disabilities. The customer advocacy program focuses on quality assurance and quality enhancement for our relationship with our residents. The goal of the program is to address resident needs by setting up frameworks that nurture positive solutions-focused relationships with our residents. The program uses existing data platforms and technology to enable internal collaboration and tracking for a clear pathway to resolutions through consistent, straightforward, and individualized communication with our residents.

We also deployed a new position in the Midwest market in 2022 — the Community and Resident Engagement Specialist, who is focused on direct, one-on-one resident engagement. This position focuses on special needs required by Housing Choice residents, households with limited English proficiency, residents with digital literacy limitations, and lower income neighborhoods where our residents need more connections to local supportive service organizations.



At Progress, we recognize that our work is not just a product, it is a home — it is where children grow, and families make memories. That is why we promise to put our residents first and we do just that through our data driven and human centric approach, focusing on meeting the needs of our residents with compassion and empathy.

RAMA BAAJ | Director, Customer Advocacy at Progress Residential



Having one-on-one relationships with residents through my role as a Community & Resident Engagement specialist helps build trust and a sense of teamwork with our residents. We are focused on ensuring that they feel cared for and heard throughout the resident experience.

VALENTINA ADVULOV | Community & Resident Engagement Specialist at Progress Residential

Resident Engagement

As the Global Pandemic shone light on the importance of housing in the social fabric and the needs of different population groups, including renters, we were listening



Resident Surveys

- Survey all service experiences
- Online move-in orientation
- Mid-lease resident survey



Responsive

- Auto escalation of negative surveys for case management
- Improve processes based on survey review

OUR COMMUNITIES

We are dedicated to providing well-maintained and affordable rental homes while being actively involved in our communities and supporting local municipalities and HOAs.

We are also committed to supporting causes in our communities through impactful donations to charities and philanthropic organizations at the local, state, and national levels, including supporting housing, hunger and social justice causes, and providing funding for schools, local programs and broader community initiatives.

Workforce Development Program. A highly trained and skilled workforce is essential to successfully providing our services to our residents and communities. We recognized the lack of support and room for improvement in the advancement of the skilled trades workforce and launched new technical school and college partnerships to provide a platform to create new talent streams of trained skilled workers. The goal of the program is to provide meaningful career pathways and opportunities with dedicated learning and development programs as we develop the next generation of skilled tradespeople in residential housing. Our pilot program is underway in Orlando, Florida.



Our people are our most valuable asset and nothing we do is more important than hiring and developing our team. We know the Progress Residential team is behind our success serving our residents and communities.

MIKE STEIGERWALD | Director of Workforce Development at Progress Residential



\$50,000

Average direct investment in homes over 5-year period

\$350M

paid in taxes to communities and various HOAs in 2020-2021

80%

Service requests completed on first visit

Charitable and Strategic Partnerships. Our social impact strategy extends to supporting communities and community-based groups in markets in which we operate through charitable contributions and strategic partnerships.

In 2022, we launched a charitable strategy to work with **local community**-based affordable housing nonprofits working to support affordable homeownership in the communities in which we operate. The firm:

- Supports Housing Partnership Network’s (HPN) Building Neighborhoods Fund (BNF) that partners with nonprofit member CDFIS’s and single-family homeownership developers to increase single family home supply. BNF provides mission-aligned nonprofits a source of ready capital to acquire and renovate or build new affordable for-sale housing.
- Supports Atlanta Neighborhood Development Partnership, Inc., an HPN and NeighborWorks affiliate, in its “Closing the Gap” campaign to add 750 single family homeownership homes in Atlanta, Progress Residential’s largest market. Pretium is supporting the development of 75 affordable homeownership units in the Atlanta area for 2022.

In addition to SEO, NAACP and Equal Justice, we also support Habitat for Humanity, Rainforest Fund, and local groups in New York and New Jersey that focus on domestic violence and the needs of disabled individuals, as well as the National Court System in our ongoing efforts to promote eviction diversion.

To further expand the scope of giving by Pretium, we launched a Matching Gifts Program in April of 2022 to match employee donations to eligible 501(c)(3) organizations every calendar year as well as providing employees with two (2) days of Volunteer Time-Off to give time to the organizations that mean the most to our employees.

In 2021, we supported Feeding America, the nation’s largest domestic hunger-relief organization, in the wake of the food insecurity caused by the pandemic in the following communities:



Atlanta Community Food Bank

Atlanta



Second Harvest Food Bank of Metrolina

Charlotte



St. Mary’s Food Bank

Phoenix



Second Harvest Food Bank of Middle Tennessee

Nashville



Food Bank of Central & Eastern North Carolina

Raleigh



Second Harvest Food Bank of Central Florida

Orlando



Three Square Food Bank

Las Vegas



North Texas Food Bank

Dallas



Houston Food Bank

Houston



Feeding Tampa Bay

Tampa



Feeding Northeast Florida

Jacksonville



Mid South Food Bank

Memphis

ENVIRONMENTAL

We are committed to environmental sustainability practices in our home renovations as well as our Build-to-Rent programs.

We know that by focusing on durability and increasing energy efficiency, we are making a lasting investment in our business and building a sustainable future in the communities in which we operate.

By renovating existing housing stock and building new high-quality housing, we are providing durable homes for our residents and communities over the long-term. In addition, our homes minimize climate change effects by replacing outdated appliances and materials with energy efficient, water conserving, durable home components. As we continue to buy and build more homes, we will continue to invest in each one to ensure a sustainable future for our business, our stakeholders, and our world.

More information on our 2021 Greening Renovation program is available in our 2021 Environmental Report, available [HERE](#).



In 2021, we renovated

~14,000

existing homes as well as thousands of “turns” and stand-alone appliance replacements in accordance with our green renovation standards, including purchasing:



16,000+

Energy Star refrigerators



~16,000

Energy Star dishwashers



1,000+

Highly rated SEER HVAC systems



1,000+

Highly relate SEER heat pumps



\$48M+

Spent on long life cycle products

Existing Housing: Greening & Smart Homes

Our sustainability plan reduces energy use and waste plus promotes water conservation



Energy Star-Certified Appliances



Above Median Seasonal Energy Efficiency Rating HVAC Systems



Programmable Thermostats



LED Light Fixtures



Durable Countertops, Flooring and Roofing



Lo-Flo Shower Heads & Faucets



Drought Resistant Landscaping



Programmable Irrigation Controls

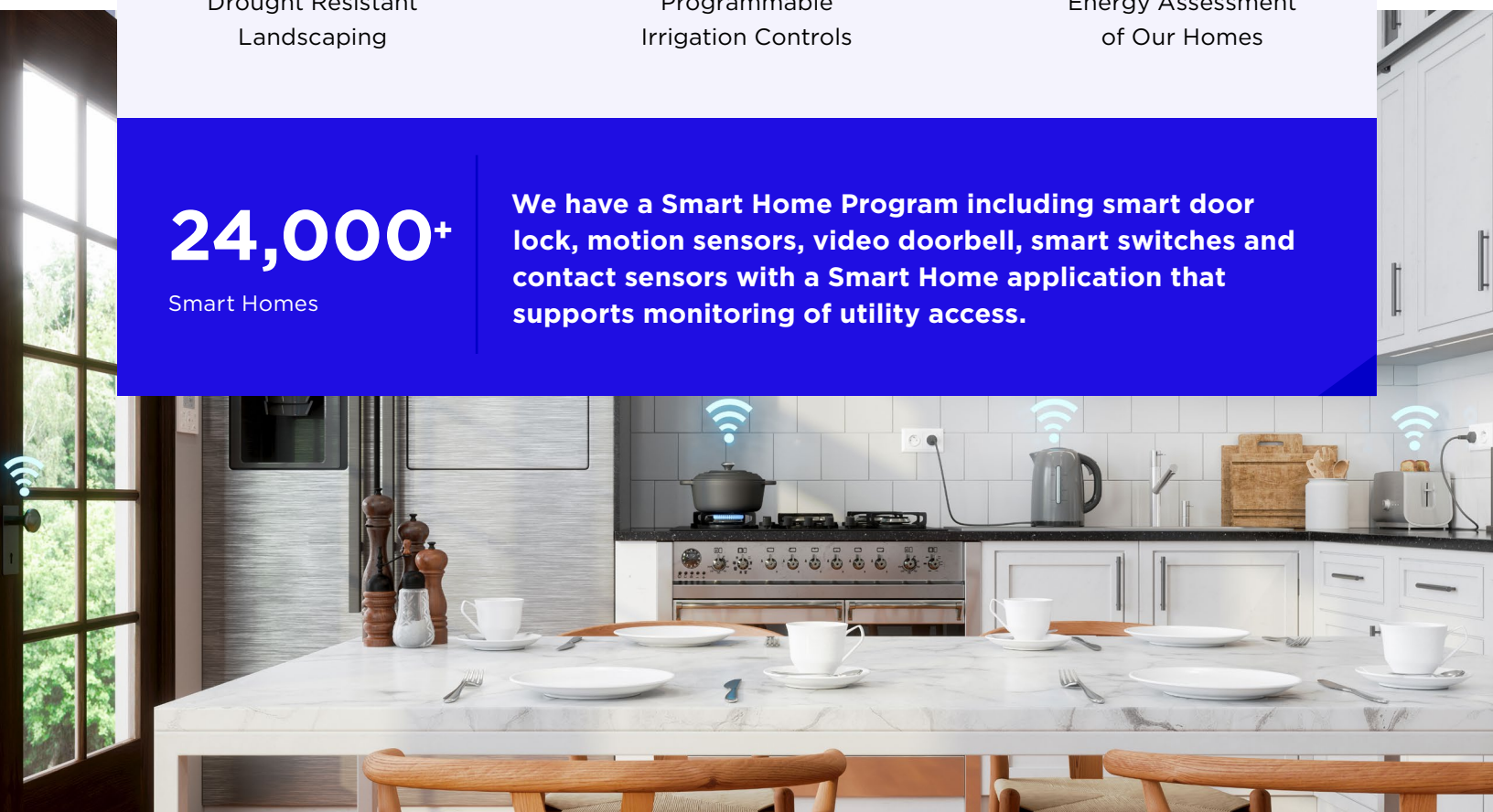


Energy Assessment of Our Homes

24,000+

Smart Homes

We have a Smart Home Program including smart door lock, motion sensors, video doorbell, smart switches and contact sensors with a Smart Home application that supports monitoring of utility access.



Sustainability is a core feature of our build-to-rent portfolio. These new, modern homes will encompass many of the same sustainability measures as our existing properties, including Smart Home features and ENERGY STAR rated appliances. They will also use sustainable and durable Hardie exterior sidings and LVP floor.

In 2022, we will begin to benchmark our ESG data in our single-family home portfolio with the Global Real Estate Sustainability Benchmark (GRESB) and commence to estimate our

greenhouse gas emissions. One of our most impactful policies to reduce energy consumption is by installing smart thermostats in all our Smart Home properties. According to experts, heating and cooling consume more energy than any other appliance in the home, and smart thermostats can significantly reduce daily consumption by automatically reducing heating and cooling when it's not needed. We have also begun installing smart thermostats in our vacant properties to reduce energy consumption during property turns.

Green Homes Program in Build-to-Rent

Build-to-Rent includes sustainable materials, waste reduction, energy efficiency and green and inclusive spaces



ENVIRONMENTAL SUSTAINABILITY FEATURES

- Sustainable and durable Hardie exterior sidings
- Recyclable and durable LVP flooring
- Energy-Star rated appliances
- Smart home technologies to monitor and reduce energy usage



GREEN, HEALTHY, ENGAGED COMMUNITIES

Multiple inclusive community green spaces and programming

- ADA-accessible walking paths
- Children's play zones
- Tree-lined trails + community garden
- Outdoor fitness area available for all residents



Making new construction homes accessible to workforce communities

GOVERNANCE

Good corporate governance supports well-informed decision-making while mitigating risk. Pretium has implemented strict companywide guidelines for operational, reputational, legal, and regulatory governance to ensure that we address stakeholder expectations in terms of oversight, alignment, performance, and reputation. We strive to establish alignment of interest through a variety of measures that include, but are not limited to, a “do the right thing” culture, conscious corporate governance practices and procedures, and use of independent advisors. Pretium governance constructs support our ability to adhere to the highest standards of governance. In 2021, we expanded our Governance framework to include our ESG Committee and our DEI Committee.



Governance provides transparency and accountability, which are critical to building long-term value.

JEFFREY MERIGGI | Chief Business Affairs & Legal Officer

ESG Integration within our SFR Investments and Ownership



Monitoring Frameworks to Ensure Comprehensive Assessments



ESG Screens & Checklists at Sourcing & Due Diligence



Due Diligence & Investment Committee



Capture & Communicate ESG Data for Investors and Stakeholders



Develop New ESG & Impact Initiatives



ESG Training Development

Governance Structures Platform Wide

The firm has established different committees and processes to ensure sound decision-making

Governance Committees, Divisions and Processes



ESG Committee

Senior professionals representing all aspects of the firm, that promotes the use of sound ESG business principles and practices and supports the firm's ongoing commitment to ESG



Compensation Committee

Long established firm committee whose mission is to align firm culture and drivers with socially responsible oversight



DEI Committee

Composed of diverse group of professionals with purpose of creating focus and intentionality around diversity, equity and inclusion programs and perspectives



Cash Management Process

Robust control framework across cash and capital activity as well as financial reporting



Executive Committee

Senior leaders and the CEO meet regularly to discuss the direction of the firm, ESG is part of the agenda



Compliance & Regulatory

Established legal and compliance department monitoring conflict procedures, Code of Ethics and more



Risk Management Committee

Responsible for overseeing enterprise risk management for funds and separately managed accounts



Valuation Committee

Senior professionals across the firm, not directly responsible for valuation, who coordinate clear valuation policies and methodologies across investment strategies

21%

of all Due Diligence Questionnaires completed since 2021 pertained to ESG and DEI

FOOTNOTES

1 Excludes employees who chose not to identify by gender

2 Excludes employees who chose not to disclose racial diversity

3 Analyst and Associate class

4 Vice Presidents and Directors

5 Managing Directors and Senior Managing Directors

6 Average of 34% entry and 29% manager

7 Average of 24% senior manager/director and 20% vice president

8 Average 17% for senior Vice Presidents and 17% c-suite

9 Excludes employees who chose to not disclose gender

10 Compared to industry average of 32.1% for entry level, 30% mid-level and 12.9% senior leaders. Preqin's "Women in Alternative Assets" Report (2022).

11 Excludes employees who chose not to disclose racial diversity

12 McKinsey "Women In the Workplace 2021" reporting on corporate America.

13 "Where is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States," June 2014.

Data as of June 2022 unless otherwise noted. Numeric amounts should be viewed as approximations unless otherwise noted. The terms "Pretium," "we" or "our" used herein mean either Pretium individually or Pretium, together with one or more of its managed companies, as the context may imply.

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We are committed to furthering our ESG impact through our priority focus areas informed by our stakeholders and centered where we can make the greatest impact. We aspire to become a signatory of the United Nations' Principles for Responsible Investment by 2023 to further guide our work and demonstrate our commitment to responsible investment.

For more information,
please contact:
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ESG@pretium.com