William Blair

William Blair
December 2025

Approach to Sustainability

Prepared in Alignment with the Recommendations of the Task Force on Climate-Related Financial Disclosures

Introduction

William Blair is a premier global partnership with expertise in investment banking, investment management, private wealth management, institutional sales and trading, and equity research. We provide advisory services, strategies, and solutions to meet our clients' evolving needs.

This report has been developed at the holding company level—WBC Holdings, L.P ("William Blair", "We", "Our", "firm"), incorporating content specific to William Blair & Company, L.L.C. ("WBC") and William Blair Investment Management, L.L.C. ("WBIM"), both wholly owned subsidiaries of William Blair. This report aims to incorporate the William Blair firmwide approach to climate-related financial risk, while capturing unique governance, strategy, and risk management activities specific to William Blair subsidiaries where indicated.

The purpose of this report is to share how we identify and manage climate-related risks and opportunities across our business. This report has been prepared in alignment with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), June 2017.

It reflects our current practices under the four TCFD pillars of Governance, Strategy, Risk Management, and Metrics & Targets. We support the TCFD's belief that better information will enable companies to incorporate climate-related risks and opportunities into their risk management and strategic planning processes.

We recognize that climate change presents both risks and opportunities for our colleagues, clients, and communities. The firm sees the disclosure process as an impetus to evaluate our sustainability practices.

Governance

At William Blair, our governance structure is designed to lead the firm's strategy, execute and amplify our mission and vision, and provide broad oversight of the firm. Our model aligns with our firm's private partnership structure and encompasses teams, business units, and firmwide groups and committees. When working with clients, vendors, counterparties, or intermediaries, we are committed to operating with the utmost integrity in every relationship and transaction.

Executive Committee

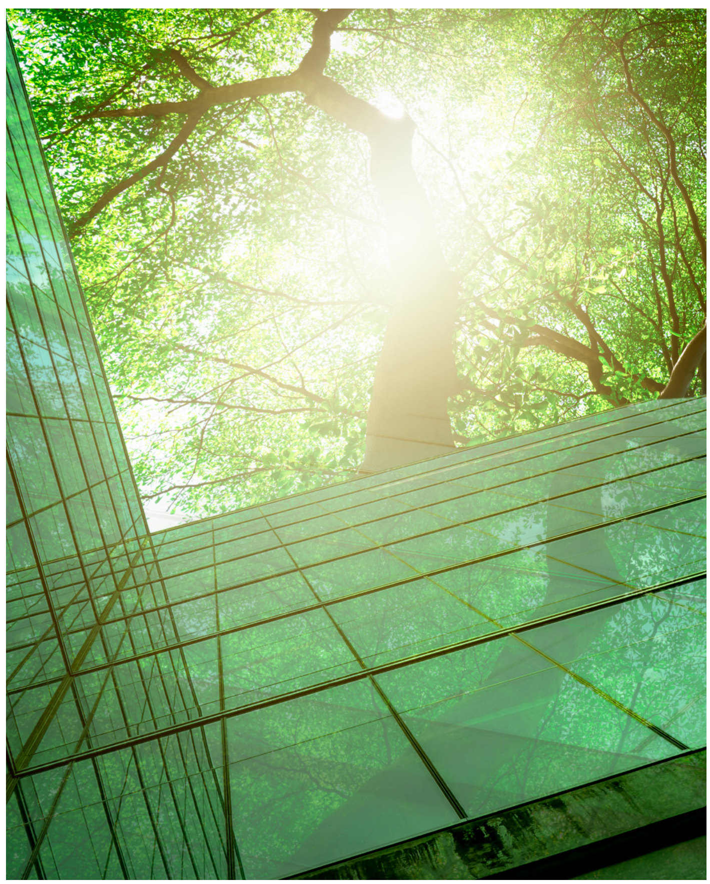
Our Executive Committee serves as the firm's governing body, overseeing overall strategy, operations, and performance. The Executive Committee receives updates on sustainability and climate-related matters through our internal sustainability reporting, which provides visibility into the firm's carbon footprint, renewable energy initiatives, sustainability progress, and regulatory developments. These reports are provided to both the Executive Committee and the Extended Leadership Group, which brings together leaders from across our business units.

Committees and Working Groups

We have formed several committees and working groups to assist in our firm's governance. Each is tasked with addressing key oversight responsibilities related to our governance practices. Examples include the Executive Committee, Audit Committee, Business Continuity Working Group, and Global Benefits Committee. We also have a Community Impact Working Group to help guide our firm in philanthropic giving and community engagement, and a Sustainability Working Group to build and champion sustainability efforts prioritized by our business and stakeholders.

Philanthropy and Sustainability Team

Our Philanthropy and Sustainability Team reports to the chief operating officer. This team is responsible for coordinating the firm's internal sustainability reporting for the Executive Committee and Extended Leadership Group, as well as external sustainability reporting. It collaborates closely with Legal and Compliance, Finance, and Workplace and Real Estate Management to gather and validate data, understand sustainability priorities and initiatives, and assess regulatory developments.



Sustainability in Our Operations

Prioritizing sustainable practices in our business operations enables us to be productive in our current environment and lays the foundation for sustainable growth in the future.

Resiliency and Risk Management

Physical risks include extreme weather events, floods, power outages, and other climate-related disruptions that could impact office access or business continuity. These types of occurrences can affect our communities, key vendors, and local infrastructure, reinforcing the importance of monitoring and coordination through our crisis management and resiliency programs.

The firm manages climate-related operational risks through an integrated framework that includes business continuity planning, crisis management, emergency response, IT disaster recovery, insurance, and building-level due diligence. These measures support resiliency and continuity of operations during disruptive events. Resilience is embedded across the firm and supported by department- and location-specific plans reviewed periodically and as needed.

The firm does not own any real estate, so our physical exposure for premises relates to temporary operational disruption and related insurance coverage for leasehold improvements, personal property, and business disruption rather than structural damage to premises. Before moving into new office space, a specialized team performs due diligence to understand a prospective building's specifications. From a climate perspective, this due diligence includes evaluating green building accreditations (e.g., LEED, BREEAM), sustainability features, energy sources, and backup systems.

Physical Climate Risk Assessment

To complement the company's qualitative risk identification, management conducted a physical climate risk assessment using First Street Foundation's risk modeling, under the SSP2 "Middle of the Road" scenario, across both current (2025) and long-term (2055, 30-year outlook) time frames. Risks were evaluated for 1% annual probability (100-year event) across the company's physical footprint.

We believe our physical risk exposure at our sites primarily poses potential temporary operational disruptions rather than significant asset impairment. The most pronounced exposures stem from flood risk, particularly in locations situated near coastlines and river-adjacent urban cores. Properties in the mid-Atlantic and Gulf states face potential heavy rainfall and river overflow, while select coastal sites face elevated risk from storm surge and sea level rise. Many of our offices are in larger buildings, however, so the risk of direct flood damage is lower, with access and infrastructure availability as the primary concern following a flood. A smaller subset of properties shows sensitivity to drought and temperature extremes, which may influence cooling costs and local utility reliability.

In 2025, several environmental events, such as regional wildfires and power outages, were among the broader climate-related events monitored by the firm. These occurrences illustrate some of the physical risks that can affect our communities, key vendors, and local infrastructure where we operate, reinforcing the importance of monitoring and coordination through our crisis management and resiliency programs.

Business Continuity

The Business Continuity Program (BCP) managed by the Safety, Security, and Resiliency Department oversees emergency response, crisis management, IT disaster recovery, and business continuity processes.

Operational resilience is managed through a firmwide framework to ensure the sustained delivery of value to our clients. The BCP promotes safety, resilience, and recovery through the alignment of regulatory requirements, process monitoring and recovery capabilities. It has oversight responsibilities for the following:

- Emergency Response—defines the protocols for managing an event or threat that has the potential to impact the life safety of our employees, damage our premises or property, or otherwise disrupt our business
- Crisis Management—framework for decision-making during a crisis event
- Business Continuity—focuses on department-level planning to ensure the continuity of operations following a disruptive event that impacts normal business functions
- Technology Resilience—encompasses both the recovery of applications and system resources after a technology disruption and the protection of critical technology infrastructure, including data centers, core applications, and enterprise software

The BCP works with business teams and operational staff to develop contingency plans to provide reasonable assurance in the event of a loss of the following:

- Workforce
- Workplace
- Business Process or Technology
- Vendor

Through a structured governance model and cross-functional coordination, the BCP ensures that preparedness, response, and recovery activities are integrated across the firm. This comprehensive resilience framework enables the firm to maintain continuity of operations, protect stakeholders, and uphold client commitments under a range of potential disruption scenarios.

Crisis Management

Our firm maintains a formal Crisis Management Team (CMT) composed of executive leadership and key stakeholders across departments. The CMT is responsible for directing the firm's response to disruptive incidents and ensuring alignment with business continuity strategies. Emergency communication and response capabilities include the SendWordNow system, trained emergency response team members in each office, and support from the firm's internal Security Operations Center, as well as Global Guardian, an external security partner. The firm maintains a Crisis Management Plan and quick-reference guides for emergency teams. The CMT convenes regularly and engages in structured exercises to assess and refine the organization's crisis response capabilities. These sessions are designed to simulate various threat scenarios and ensure preparedness across functional areas.

Sustainability in Our Operations (continued)

Sustainable Building Initiatives

We focus on sustainability within our office buildings to reduce both environmental and financial impacts. We strive to use thoughtful planning and innovation to optimize building efficiency, facilitate comfortable and healthy work environments, and decrease waste. Nearly 90% of our leasehold footprint is in LEED[1]- or BREEAM[2]-certified buildings, while more than 70% of our office spaces have their own independent LEED or BREEAM certification. All our offices recycle and 40% compost. Further, as we design our new office spaces, we consider sustainable features to enhance our operational efficiencies and foster innovation. Highlights include:

- Using timber joinery and flooring made from renewable sources
- Sourcing carbon-neutral carpet
- Purchasing recycled glass countertops
- Installing coffee machines that do not use water boilers
- Smart lighting and climate control for monitoring and analyzing energy usage
- Inclusion of urban farms and biophilia walls
- Innovative waste stream and recycling processes and partnerships

By transitioning our largest office, Chicago, to 100% renewable energy, 65% of our leasehold space is now powered by renewable sources. These initiatives are part of our broader efforts to enhance our environmental stewardship and energy efficiency of our offices and will contribute to a reduction in our scope 2 emissions.

Operational Carbon Footprint

Calculating our carbon footprint has been an important step in understanding the impact our business has on the environment. At William Blair, we have taken a data-driven, pragmatic approach to quantifying our operational carbon footprint. Our carbon data will create transparency, focus the firm's sustainability efforts, and be used as a baseline for assessing our environmental impact over time.

The calculation of our operational greenhouse gas (GHG) emissions for 2023 covers scope 2 (indirect emissions from electrical usage in leases) and part of scope 3 (indirect emissions from upstream and downstream operations). A third party conducted a readiness assessment on our carbon footprint analysis. William Blair International, Ltd., a subsidiary of WBC based in London, England, has committed to achieving net-zero scope 1 and scope 2 GHG emissions by 2050.

Annual Firmwide GHG Emissions Summary for 2023*

Emission Source	Emission Scope	GHG Emissions (unit of measurement: MTCO2e)
Purchased Electricity	2	1,299
Purchased Heating and Cooling	2	228
Business Travel	3	3,105
Waste	3	212
Total Firmwide Emissions		**4,844**

*Reference Appendix for information on the firm's methodology, as well as inclusions and exclusions, for the firm's carbon footprint data

1 LEED (Leadership in Energy and Design) is a green building rating system. LEED certification provides a framework for healthy, highly efficient, and cost-saving green buildings and includes rating systems for everything from design to construction, operation and maintenance of homes, buildings and even complete neighborhoods.

2 BREEAM (Building Research Establishment Environmental Assessment Methodology) is a method used to assess, rate, and certify a building's sustainability.

Sustainability in William Blair Investment Management

WBIM Governance

WBIM Executive Leadership Team

William Blair Investment Management's executive leadership team consists of senior group leaders across business areas and includes heads of U.S. growth and core equity, global equity, global distribution, international distribution, strategy, operations, and technology. WBIM's leadership team determines its strategic focus, oversees budget and expense management, and ensures appropriate communication with liaisons from information technology, legal and compliance, finance, and human resources, to maintain best practices.

WBIM Sustainability Leadership Team

The director of sustainable investing at William Blair Investment Management leads the sustainability leadership team, which comprises members from WBIM's investment teams. The sustainability leadership team is responsible for developing and directly overseeing policies and practices used to integrate financially material ESG factors in investment processes. As part of its effort to coordinate ESG integration and stewardship across WBIM's investment teams, the members of the sustainability leadership team help build awareness and enhanced analysis of financially material climate risks and opportunities among portfolio managers and research analysts. The sustainability leadership team meets at least quarterly to prioritize and monitor progress on key sustainable investing initiatives for WBIM.

The director of sustainable investing and the sustainability leadership team are responsible for developing climate-related investment standards and practices for WBIM, where applicable, and coordinating the integration of climate factors and climate-related stewardship across investment teams. The sustainability leadership team is composed of investment professionals from William Blair's U.S. equity, global equity, and emerging markets debt teams.

WBIM Strategy

William Blair Investment Management is focused on active management for institutional clients and employs disciplined, analytical research processes across a wide range of strategies, including U.S. equity, global equity, and emerging markets debt. We believe that integrating targeted, financially material ESG factors alongside traditional financial metrics in our fundamental research helps us make a more holistic assessment of investment risks and opportunities and is commensurate with the pursuit of superior risk-adjusted returns on behalf of our clients and their beneficiaries. We recognize that consideration of ESG factors will vary depending on client preferences and directions, as well as the unique attributes of different asset classes, geographies, and investment strategies.

WBIM incorporates financially material climate considerations into its investment strategies mainly through its ESG integration and stewardship efforts. WBIM's approach to ESG integration and stewardship are outlined in policies and reports available on our *website*.

For WBIM's equity strategies, climate-related risk and opportunity considerations are embedded in our ESG integration process from a bottom-up security selection perspective, facilitated by proprietary tools including our industry materiality and ESG ratings frameworks. Our industry materiality framework was developed internally by our analysts, portfolio managers, and sustainability leadership team to serve as a guide for identifying risks and opportunities, and to inform company engagements. Climate change is one of the investment issues within the environmental pillar of our framework, along with natural resources stewardship, pollution, and waste management.

Consistent with TCFD recommendations and subject to financial materiality, we seek to assess the two primary forms of climate risks that may impact our investments: transition risks and physical risks. Climate transition risks, which include market risks, reputational risks, legal risks, and technological risks, impact the ecosystem in which companies operate. Businesses that successfully adapt to these risks may potentially benefit from lower costs of capital and strengthen competitive positioning versus peers, giving us increased confidence in projected future growth, cash flows, and returns.

Projected chronic and acute physical risks may also factor into our investment analysis. Different securities and companies will have varying levels of exposure to physical risk depending on the nature of their businesses, real asset holdings, and locations of key assets. For our equity strategies, in addition to our industry materiality framework, we have created a high-level sustainability categorization methodology to more explicitly identify companies with products or services that promote positive environmental outcomes such as energy efficiency, decarbonization or circularity. These environmental “enabler” designations are applied by the research analysts to help us identify opportunities, including future revenue or profit growth potential, which may be underappreciated by the market.

WBIM’s approaches to financially material ESG integration and stewardship have been informed by its participation in several industry groups including the Principles for Responsible Investment (PRI), UK Stewardship Code and International Corporate Governance Network.

Appendix

Scope of 2023 Firmwide Carbon Footprint Analysis

The reported emissions were identified and calculated in accordance with applicable standards and guidance from the World Resources Institute and World Business Council for Sustainable Development's Greenhouse Gas Protocol, including the Corporate Accounting and Reporting Standard, Scope 2 Guidance, and Corporate Value Chain (Scope 3) Standard.

Methodology

For facilities related data, due to materiality considerations, the firm elected to obtain actual data for the top four leasehold offices by square footage and headcount, where available, and utilize estimates for the next six leasehold offices in scope. The firm's top four leasehold offices—Chicago, London, New York, and San Francisco—cover 86% of the total leasehold square footage, as of December 31, 2023, and 88% of average headcount in leasehold offices during 2023. This methodology resulted in the following:

- 73% of reported scope 2 total CO2 e emissions being based on actual data and 27% of reported scope 2 total CO2 e emissions being based on estimates
- 75% of scope 3 category 5 total CO2 e emissions being based on actual data and 25% of scope 3 category 5 total CO2 e emissions being based on estimates

For travel related data, usage data for all travel booked via the firm's travel software was utilized for air travel, hotel stays, and rail travel. For rental car and ride share, detailed usage data was provided by the applicable vendor and utilized for emissions. In one instance where a ride share vendor was unable to provide detailed usage data, spend data was utilized. This methodology resulted in the following:

- 100% of scope 3 category 6 total CO2e emissions being based on actual data with 92% being distance based, 7% being average data based and 1% being spend based

Inclusions

- Scope 3, purchased electricity—covered for four leasehold office spaces in Chicago, London, New York, and San Francisco; purchased electricity estimates—covered for remaining six leasehold office spaces
- Scope 2, purchased heating and cooling—cooling covered for one leasehold office space in Chicago and heating deemed immaterial for purposes of this report and therefore not included
- Scope 3, waste generation—covered for four leasehold office spaces in Chicago, London, New York, and San Francisco; waste generation estimates—covered for remaining six leasehold office spaces
- Scope 3, business travel—covered for the workforce who booked travel via the firm's travel software during the reporting year

Exclusions

- Scope 1, fugitive emissions, emissions that escape from leaks or unintended releases, were deemed immaterial for the purpose of this report and therefore not included
- Scope 1, stationary fuel combustion, data applicability and availability are still being investigated for all leasehold offices
- Scope 2, purchased heating and cooling of the remaining nine leasehold office spaces; applicability and data availability are still being investigated
- Scope 3, employee commute and other upstream and downstream purchased goods and services, and emissions from activities in the supply chain not included in scope 1 and 2, as well as financed emissions

Third-Party Engagement

As part of our commitment to transparency and accountability, William Blair engaged a third party to conduct a readiness assessment of its carbon footprint. This assessment included an analysis of quantitative data, as well as an examination of relevant disclosures, which included limitations (inclusions and exclusions) of the carbon footprint analysis, where applicable. This engagement was conducted to ensure that all relevant disclaimers were included, mitigating any potential confusion in interpreting the carbon data.

Cautionary Statement

NO PRESUMPTION OF MATERIALITY

This report has been prepared in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to comply with California's SB 261. It is intended to provide information regarding potential climate-related financial risks that the company may face. The risks and statements described herein are based on current knowledge, assumptions, and available data as of the date of publication.

Nothing in this document is intended to imply, nor should it be construed to indicate, that any specific risk or statement discussed is financially material to the company. The identification or discussion of any particular risk does not constitute an admission or representation regarding its materiality, probability, or potential impact under applicable securities laws or accounting standards. Readers are cautioned not to place undue reliance on forward-looking statements or scenario analyses, which are subject to inherent uncertainties.

The company undertakes no obligation to update any information contained in this report except as required by law.