

BROWN   
BROTHERS  
HARRIMAN

2023

# Annual Stewardship Report





# Basis for Report

## Report Scope

This firmwide report includes the aggregate operations and activities of all BBH business lines and offices globally. Any significant differences in approach between the U.S., Europe, and Asia are noted for each topic throughout the report.

In addition to addressing the impact of the firm's direct activities, we also explore the firm's progress in examining the indirect impact of our business partners and investments.

## Reporting Process and Use of Standards

BBH compiled this report using guidelines and standards from multiple leading industry groups and initiatives:

- Global Reporting Initiative (GRI) Report Standards
- The Sustainable Accounting Standards Board (SASB): Financial Sectors (asset management & custody activities; investment banking and brokerage)
- Principles for Responsible Investment (PRI)
- UN Global Compact
- UN Sustainable Development Goals

We reference the topics and disclosures we believe are of material concern to our clients, community, and firm.

## Reporting Period

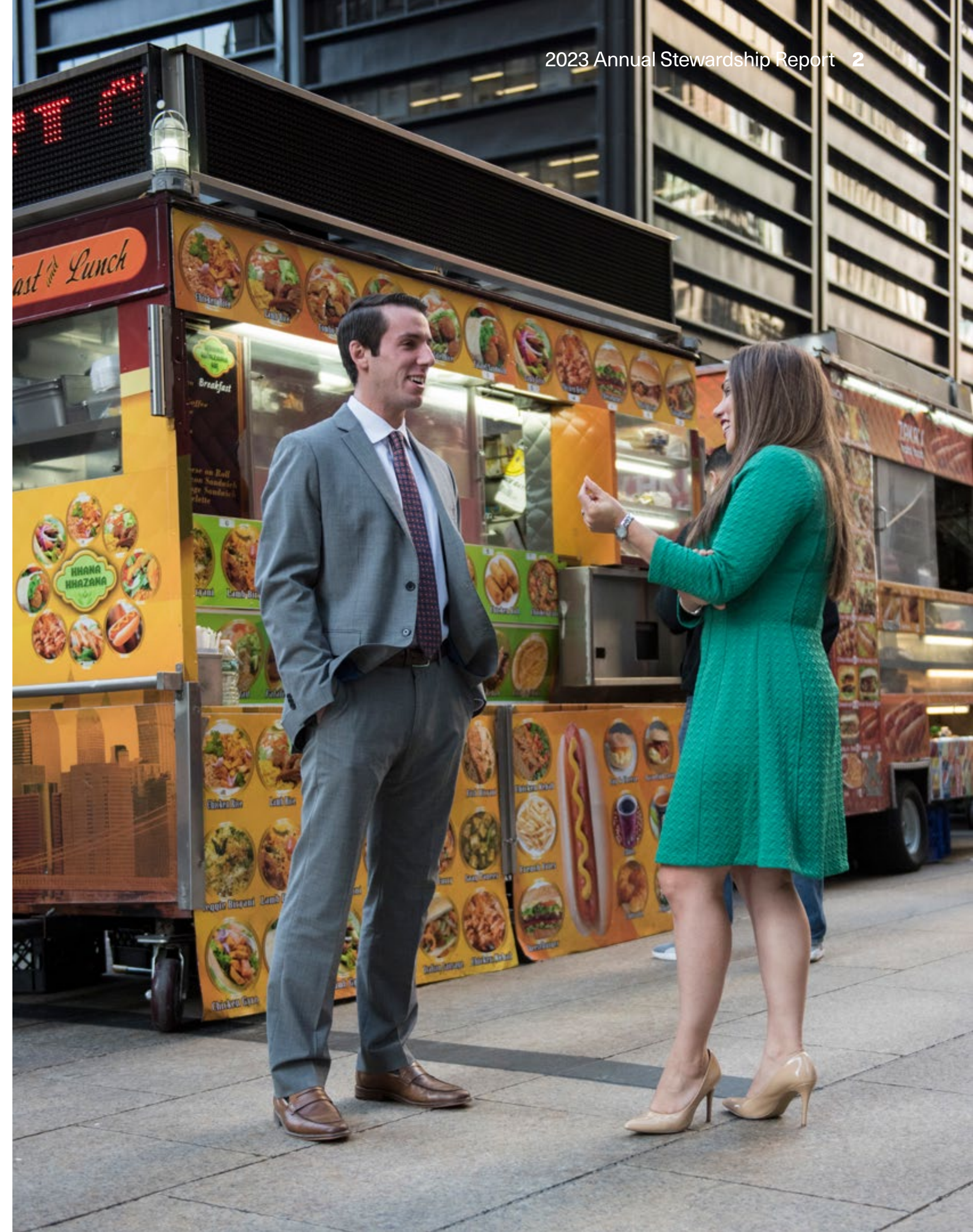
This report covers calendar year 2023. BBH combined its Private Banking and Investment Management lines of business into a single line of business as of January 1, 2024. As such, disclosures and communications made during and after the 2024 reporting year will refer to the two lines of business collectively as Capital Partners.

Additionally, prior environmental data has been restated to account for improved data and updated Greenhouse Gas Protocol calculations.

## Feedback

We welcome your feedback, comments, and questions about this report.

Please contact us at [sustainability@bbh.com](mailto:sustainability@bbh.com). Thank you.





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# Letter from our Managing Partner

I am excited to present our annual Stewardship Report for 2023, which highlights BBH's efforts throughout the year to make a positive impact on, and create enduring value for, our clients, our communities, and all BBHers.

During 2023, our global community became even more divided, as devastating wars and escalating geopolitical tensions sent shockwaves across the globe, disrupting economies, straining resources, and resulting in real humanitarian crises. On the economic front, inflation resulting from the multi-national Covid stimulus, designed to support communities during the pandemic, continues to stubbornly erode the value of goods and services in many developed economies. As a result, central banks are trying to walk a fine line between promoting financial stability and avoiding recession. On a social level, throughout the world the effects of changing climate patterns increasingly threaten life and property in some of our most concentrated population centers. These challenges to global peace and community illustrate the profound interconnectedness of economic, environmental, and social forces on our world.

Amid all this, BBH's commitment to stewarding our clients' financial and personal well-being while running our business according to the highest standards of responsibility and ethics has never been stronger. As such, we are proud to detail the progress the firm has made in each of our ten Sustainability impact areas during 2023, and to reaffirm our ongoing commitment toward a more responsible and sustainable future.

Over the past year, we have witnessed an intensifying political debate and societal backlash regarding the Environmental, Social, Governance (ESG) and Diversity, Equity, Inclusion and Belonging (DEIB) efforts which have been led by institutions and companies. There are strong and complex perspectives on both sides of this debate. However, we believe that from a BBH business perspective, our best efforts on behalf of our clients, employees, and communities will spring from remaining true to our mission, values, and past commitments.

Through our 200-year history, BBH has been a study in sustainability. Our private ownership has allowed us to plan for the long term, rather than follow fads, trends, or business strategies that are fashionable at the moment but not lasting. This has been the key to our long-term success and allowed us to be in a position to innovate to meet the challenges of a changing world. We are proud of the material progress we have made in many of our impact areas in the past year, and recognize that we must continue to evolve and embed sustainability principles throughout the company.

## What progress have we made?

- We believe that leadership is partnership. To help scale and optimize our collective impact, we collaborate closely with philanthropic partners who share our passion for service and who support the wellbeing of the communities where we live and work. Over the course of the year, our community giving efforts have



“We believe that from a BBH business perspective, our best efforts on behalf of our clients, employees, and communities will spring from remaining true to our mission, values, and past commitments.”

exceeded \$3.6 million distributed among over 155 philanthropic partners. We are proud that BBH earned the inaugural Corporate Volunteer Engagement Award from Futures and Options, an organization dedicated to expanding opportunities for New York City youth. Additionally, we added many new philanthropic partners throughout the communities which BBH calls home. One such example that is doing outstanding work is Ballymun Youthreach in Dublin which is a non-profit that offers personal development, education, and job training to teenagers who left school and are seeking a second chance at education.

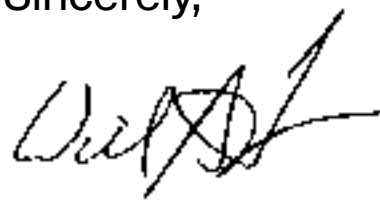
- We made important strides this year towards advancing our DEI efforts, starting with a significant increase in women and people of color hired in 2023. To create a more inclusive environment for employees, in the U.S. we launched Maven, a resource for fertility, adoption, and surrogacy for BBHers hoping to grow their families. We also implemented paid caregiver leave, boosted financial support for adoption and surrogacy, and expanded the number of global events focused on supporting mental health of BBHers and their families. Moreover, we launched a new U.S. LGBTQ+ employee benefit guide that makes it easier to navigate the broad spectrum of LGBTQ+ employee benefits, many of which have been introduced over the last several years.
- Since returning to in-office work in our 3-2 hybrid work environment, we have supported an increase in employee-led, in-person events through our BBH Affinity Network Communities (BANCs) – raising awareness, participation, and enhancing inclusion. We completed a 2-year cycle of our “Breaking Through Bias” training, where BBHers learned how to identify, understand, and react to bias as it occurs. This important training also equipped employees with strategies to “adapt, educate, and engage” to navigate instances of bias in the world around them. To further our impact, we also became a taskforce member of Coqual, a global non-profit dedicated to producing research that addresses bias in the workplace, especially barriers related to gender, race, ethnicity, disability, and LGBTQ+ identities.

- We strengthened our commitment to environmental responsibility in 2023 by substantially reducing firm-wide emissions by 54% compared to our 2019 baseline. Our continued investments in energy efficiency, waste reduction and renewable energy, paired with the impact of our hybrid work policies and greater attention to corporate travel, contributed to this reduction. Our Scope 1 emissions fell 75% and our Scope 2 market-based emissions dropped 45% when compared to our 2019 base year measurements. Interestingly, our Scope 1 and 2 market-based emissions were lower compared to 2022 despite greater use of our facilities as we transitioned from voluntary in office work to full hybrid.

BBH’s Sustainability efforts are built on a foundation of transparency and accountability and are made stronger by the input and counsel of all our stakeholders. In the pages that follow, we invite you to take a comprehensive and holistic look at the progress we made in 2023 and learn how BBH is tapping into its unique market position, skills, and capabilities to create a more sustainable society in collaboration with our clients, our people, and our communities.

Thank you for your interest in Sustainable BBH. We welcome your feedback, comments, and questions about this report.

Sincerely,



William Tyree  
Managing Partner

## Executive Sustainability Council Members

### Council Governance

**Bill Tyree (Chair)**  
Managing Partner, New York

**Beth Maury (Co-Sponsor)**  
Principal, Head of Marketing, Boston

**Marla Barr (Co-Sponsor)**  
Managing Director, Head of DEI, New York

**Emily Mahlman**  
(Program Manager), VP, Head of Firmwide Brand, Boston

**Jake Schwartz**  
AVP, Sustainability Analyst, Boston

**Niamh Bonus**  
Principal, IM, New York

**Chris Brunet**  
Principal, Head of HR, Boston

**Jake Chacko**  
Managing Director, Associate General Counsel, New York

**Marcus Doherty**  
Managing Director, Inserv Compliance, Dublin

**Michael Dow**  
Managing Director, Head of Enterprise Services, Boston

**Josh Fine**  
Principal, Head of Data and Digital, Inserv, Boston

**Orla Foley**  
Principal, Inserv, Boston

**Dan Greifenkamp**  
Principal, IM, New York

**Sarah Holmes**  
Principal, Global Head of Securities Lending, Boston

**Karen Jackson**  
Managing Director, Inserv, London

**Marta Kraszewska**  
Managing Director, Inserv, Krakow

**Denise Mak**  
Managing Director, Inserv, Hong Kong

**Adrienne Penta**  
Principal, Head of Center for Women & Wealth, PB, Boston

**Elizabeth Rand**  
Principal, Head of Risk, New York

**Justin Reed**  
Partner, Co-Head of Investment Research Group, PB, New York

**John Santos**  
Principal, Treasury, New York

**Adrian Whelan**  
Managing Director, Inserv, Dublin

**Kate Wozniak**  
Managing Director, Inserv, Luxembourg



# Sustainable BBH Mission



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## **Our Clients. Our People. Our Communities.**

BBH has been in business for more than 200 years. Sustainability—a steadfast commitment to long-term value and well-being—is core to who we are. We will steward that commitment well into the future—for our clients, our people, and our communities.

Global operations come with global complexities. Building long-term value demands resiliency and the disciplined management of evolving risks. We continue to ensure that our governance contributes to the strength and stability of our industry. We commit not only to ensuring the positive impact of our own business, but also to examining and exerting our broader influence over our suppliers and investments.

Our clients trust us every day with their investments, operations, and financial goals. To sustain their success in the long term, we must provide thoughtful and anticipatory solutions that align with their best interests and values. We must also do our part to ensure our clients can depend on the continuity, security, and stability of our operations—and the financial industry more broadly—over the long term.

Our communities extend far beyond our office walls. We must do our share to minimize threats to a healthy planet and make a positive contribution to the communities in which we do business.

Ultimately, sustainability comes from running our firm responsibly and ethically while contributing positively to our clients, our people, and our communities for generations to come.



# Focus



**ESG Considerations and Sustainable Investing**

We believe that integrating material ESG factors as part of our investment approach helps us to better manage risk and enhance returns.\* Additionally, we partner with our private clients to understand and align their investments and plans with their vision and values, employing BBH and third-party investment strategies which may include Socially Responsible Investing (SRI) and ESG approaches.

**ESG Solutions for Banks and Asset Managers**

Engage with our clients and provide thought leadership to the market on ESG and related regulations and their impact on asset managers and banks. Provide solutions to ESG reporting requirements either directly, or through leading ESG solution providers.

**Cybersecurity**

Continue to adapt cybersecurity practices in the face of an evolving threat landscape, enlisting every BBH employee in the effort to protect the privacy, intellectual property, and data of our clients, employees, and business partners.

**Business Continuity**

Strengthen security, continuity, and connectivity through enterprise-wide incident response.

**Leadership and Technical Skills**

Invest in the leadership and technical skills our people need to be successful in an evolving global marketplace.

**Diversity, Equity, and Inclusion**

Advance diversity and equity at BBH, supported by a strong culture of inclusion, accountability, and employee engagement.

**Employee Well-Being**

Support our employees' financial, physical, and personal well-being through robust educational programs and resources that provide tangible benefits.

**Environmental Responsibility**

Support environmental sustainability by reducing our emissions and resource consumption throughout our facilities and operations.

**Community Engagement**

Increase the reach of our community engagement program, BBHcares.

**Supplier Sourcing**

Conduct comprehensive screening on ESG factors and maintain a Supplier Code of Conduct on material supplier contracts and renewals.

\*ESG criteria is embedded in our investment process for BBH equity strategies, corporate bonds, municipal debt, and structured products.



# 2023 Highlights



155

Charitable partners



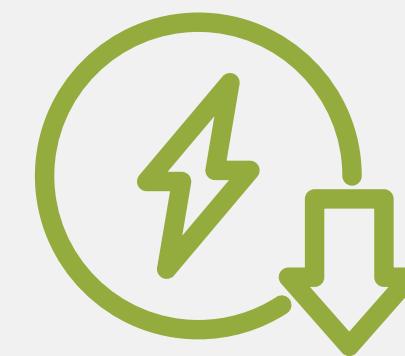
38%

of new hires were  
people of color (U.S.)



125

Wellness events globally



45%

Decrease in energy use  
compared to 2019 baseline



100%

of third-party managers  
engaged on ESG issues through  
manager questionnaire



65%

of IM's AUM with  
ESG intergration



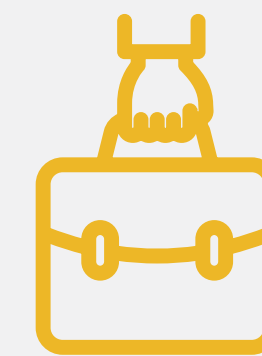
\$3.63M

Community giving

10 Networks

67 Chapters

Number of global BBH Affinity  
Network Communities (BANCs)



75%

of AUM managed  
by PRI signatories



↓ 61%

Decrease in Scope 3  
emissions compared to 2019



# Our Firm

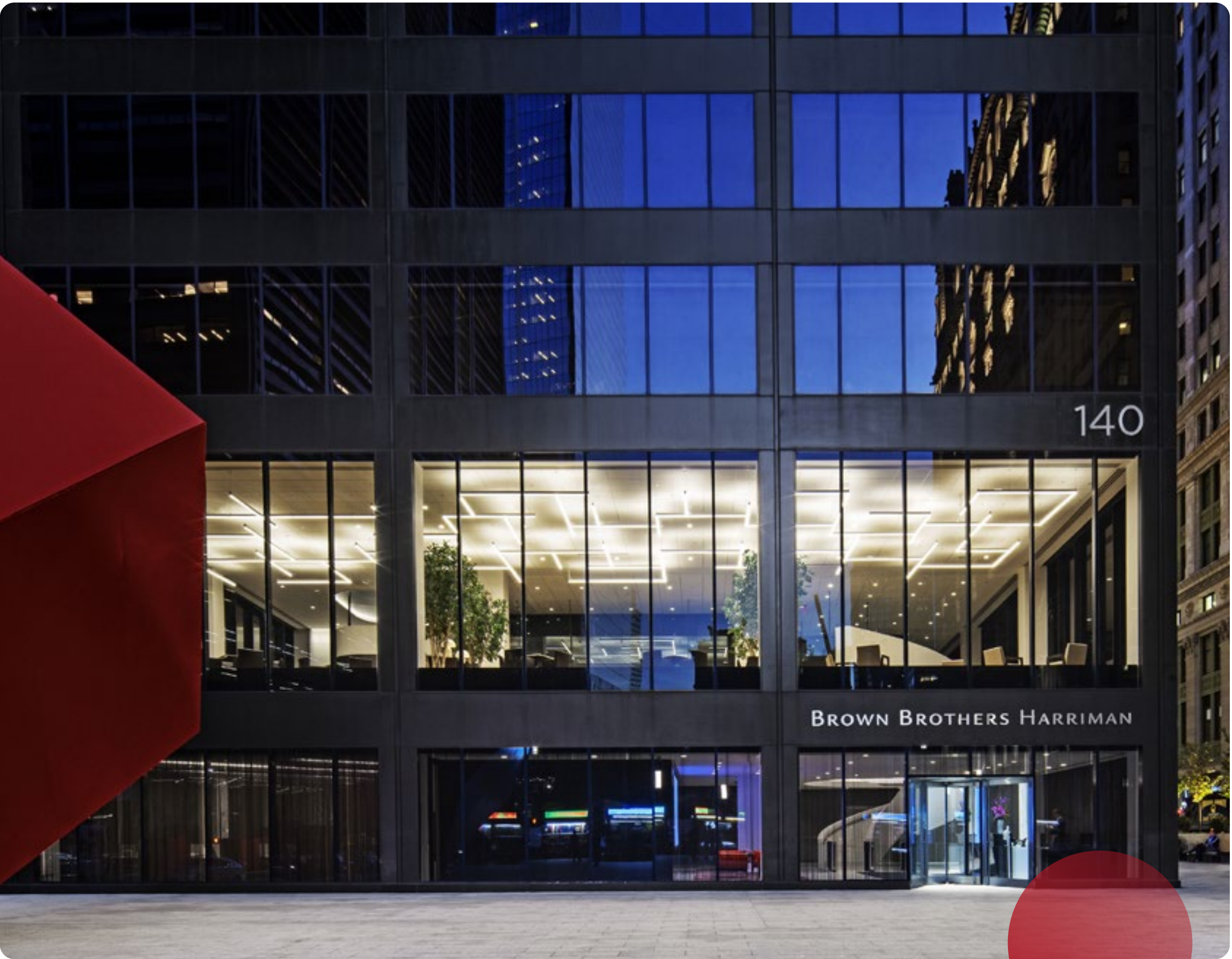
## Firm Overview and Scale

Brown Brothers Harriman & Co. (BBH) is the oldest and largest continuously operating privately owned bank in the United States. Headquartered in New York City, the firm is organized as a New York limited partnership.

**Headquarters:** 140 Broadway, New York, NY 10005

As of December 31, 2023, BBH employed 6,048 full-time professionals and an additional 1,543 consultants in 18 locations throughout North America, Europe, and Asia. These locations were as follows:

North America	Asia	Europe
Philadelphia	Tokyo	Zürich
New York	Hong Kong	London
Boston	Beijing	Luxembourg
Chicago		Dublin
Grand Cayman		Krakow
New Jersey		
Charlotte		
Wilmington		
Nashville		
Houston		







## Services

BBH concentrates our capabilities and offerings into three business lines, all of which operate under the parent brand, Brown Brothers Harriman. Within those business lines, the firm owns a limited list of product, technology, content brands, and trademarks.

**BBH Investor Services** serves global asset managers by providing custody, depositary and trustee services, fund accounting, fund administration, transfer agency and related services such as technology services, global tax and fund solutions, middle office, foreign exchange, currency administration, and securities lending solutions.

Scale of the organization: approximately \$4.7 trillion assets under custody and administration

**BBH Private Banking** helps clients achieve their vision of success for their families, wealth, businesses, and institutions, offering a full suite of family office services, including investment advisory, philanthropic advisory, next generation education and fiduciary services, as well as endowment and foundation management, corporate advisory and banking and private equity solutions, while leveraging our intellectual, relationship, and financial capital.

Scale of the organization: approximately \$52.8 billion assets under management

**BBH Investment Management** manages equity and fixed income investments for a diversified set of clients, including institutional investors, financial intermediaries, sovereign wealth funds, and high net-worth investors around the globe.

Scale of the organization: approximately \$66.4 billion assets under management (including \$32.8 billion in assets managed on behalf of BBH's Private Banking Business)





# Our Clients

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# ESG Considerations and Sustainable Investing



**GOAL:** We believe that integrating material ESG factors as part of our investment approach helps us to better manage risk and enhance returns. Additionally, we partner with our private clients to understand and align their investments and plans with their vision and values, employing BBH and third-party investment strategies which may include Socially Responsible Investing (SRI) and ESG approaches.

## Our Approach

At BBH, we are dedicated to serving our private and institutional clients' distinct ESG, sustainable investing, values-based investing, and SRI needs. For our private clients, we help individuals and families create philanthropic programs and wealth plans rooted in their values. We also maintain a well-defined philosophy and set of investment criteria that guide our manager selection process to support our private clients' investing needs. For our institutional clients, our bottom-up, active managers perform in-depth, fundamental analysis with the belief that the integration of financially relevant ESG factors helps them achieve clients' long-term objectives. We believe this approach is well aligned with successful ESG integration.

## Core Programs, Policies, & Practices

### Direct Investing

We believe that incorporating material ESG factors as part of our proprietary investment research process for our BBH equity strategies, corporate bonds, municipal debt, and structured products enables us to focus on long-term capital preservation and prudent management of risk relative to return when assessing the durability of issuers. In the end, our long-term fundamental investment philosophy aims to narrow a broad investable universe to a select number of businesses that meet rigorous qualitative criteria. This results in portfolios for our institutional and private clients that, in our view, hold durable issuers that are more likely to manage resources efficiently, create value for stakeholders, and protect creditors over the long-term.

Key characteristics of BBH's proprietary, bottom-up approach:

- Our ESG Investment Program serves as a toolbox for us to effectively assess ESG-related risks. It provides two sets of tools: investment analysis of material ESG risks and opportunities and a foundation for a constructive dialogue with issuers that guides proxy votes and engagements and accounts for material ESG drivers and detractors of value.
- Our team of approximately 55 equity and fixed income investment professionals are responsible for incorporating material ESG

considerations into our investment analysis and decision-making process.

- Each investment team employs a tailored approach that is best suited for their specific strategy while remaining consistent with our overall investment philosophy and process.
- We commit ourselves to the careful study of factors that could cause permanent capital impairment. As with any potential risk, if those arising from ESG externalities are not adequately addressed and mitigated, it may inform our investment decision for a given security.
- Through our bottom-up research on issuers and sectors, engagement with stakeholders, and continual efforts to monitor social dynamics, scientific developments, market trends, and the regulatory environment, we continue to evolve our knowledge of how well material ESG factors are being addressed.

Please visit our [ESG webpage](#), [ESG Position Statement](#), and [Investment Stewardship Policy](#) for further information.

A less favorable ESG profile may not preclude a manager from investing in a company, as the consideration of ESG factors is not more influential than the consideration of other investment criteria.



“Great investors who invest in high-quality businesses naturally incorporate assessments of environmental, social, and governance-related risks as part of their overall investment process.”

**Justin Reed**

Chief Investment Officer

Signatory of:



BBH Investment Management\* has been a signatory to the United Nations Principles for Responsible Investment (PRI) since 2021. The PRI and its Signatories work to understand the investment implications of material ESG factors.

\* BBH combined its Private Banking and Investment Management lines of business into a single line of business as of January 1, 2024. As a result of the combined businesses, the BBH signatory to the UN PRI will change in 2025.





## Why assessing material ESG factors matters



**Environmental** – Entities that manage risks stemming from their use of resources, exposure to physical and transition climate change risks, and their environmental impact may gain efficiencies that drive profitability. They could also be less likely to create unforeseen liabilities that erode cashflows.



**Social** – Issuers that mitigate their exposure to frequent and severe incidents affecting suppliers, employees, customers, or communities in which they operate, as well as anticipate shifts in social dynamics and preferences, can be less prone to service or production interruptions and societal backlash.



**Governance** – Leadership teams that keep high standards of business ethics, align pay for performance, and remain independent and objective in seeking the best outcomes for the organizations they oversee, could be more likely to create value for stakeholders over the long-term, protect the rights of creditors, and maintain access to the credit markets.

### Manager Selection

For our private clients, we seek to partner with a select group of investment managers that we believe are best in class. Partnering with only a select roster of managers allows us to perform deep research on both prospective and existing managers, but also increases the importance of making great manager selection decisions. A key component of this is to partner with managers whose philosophies naturally align with ESG integration principles, helping to effectively assess the long-term sustainability and resilience of their underlying investments.

For instance, we monitor how investment managers approach the recruitment and retention of talent. Research suggests that having diversity of thought and experiences enhances discussions and decision-making processes, which is critical for long-term sustainable investment success. We recognize that it also has the potential to create additional societal benefit. Therefore, we spend time to understand if, and how, our prospective and existing managers have sought diverse talent when hiring. We have found that managers who spend time thinking about adding resources with different experiences and perspectives tend to be just as thoughtful when making investment decisions.

### Advisory Services

#### Socially Responsible Investing

An investing approach that incorporates ESG is a “values agnostic” undertaking; however, we recognize that each client’s values should ultimately shape their definition of what it means to invest responsibly. SRI addresses our clients’ desires to incorporate their unique values into their portfolios. Naturally, SRI means different things to different people, and as a result, we begin each client relationship by seeking to identify our clients’ values and understand their unique SRI objectives. We ask our private clients questions like, “What specific causes (e.g., environmental protection, health, human rights, corporate governance) are important to you?” and, “How do you define success in terms of sustainable investing?” With the knowledge gained from these conversations, we collaborate with clients to create a sustainable investment plan in line with their values, execute on that plan, and review results over time.

We also engage with privately held and family-owned businesses on sustainability, providing advice on how to integrate it into their businesses as well as how to communicate their efforts effectively to the marketplace. Through ongoing engagement with clients, we seek to help them achieve their sustainability goals over time and evolve their approach as external circumstances change.

For families and nonprofits concerned about measurable exposure to industries and products in conflict with their values, we leverage an industry-leading, third-party data tool to help meet their sustainable investment objectives. For example, if a private client wishes to invest in a portfolio free from exposure to fossil fuels, BBH will identify all direct and indirect investments (i.e., underlying holdings in a fund) that derive any revenue from fossil fuels, divest from these strategies, and restrict any new investments.

#### Additional Investing Tools and Methodologies

To further support our private clients’ sustainability goals, we use a third-party research tool to measure 15 impact categories and 17 United Nations Sustainable Development Goals within its most commonly implemented taxable and tax-exempt portfolios against applicable benchmarks. Some of the impact categories include carbon, waste, water, social good, and board independence. With this data, we offer clients a view into the impact of BBH portfolios, as well as alignment with certain ESG criteria.

In addition, if our private clients are interested in engaging with the businesses in which they invest, we offer customized proxy voting strategies for individual stock portfolios. Clients can join other like-minded investors and vote in accordance with established public guidelines, or they can cast their own ballot. Importantly, clients can choose to implement some, all, or none of these sustainable portfolio optimization strategies and make changes at any time.





Values-Based Planning

Families who begin their wealth planning by affirming and articulating their core values tend to be more successful at meeting their long-term objectives. Conversations about family, wealth, and values can be daunting to some. To help our private clients navigate this challenge, we developed a proprietary three-step, values-based planning framework that makes the conversation approachable. This helps clients articulate their values to guide decisions about how their wealth is invested, saved, spent, and donated.

Our three-step framework:

- 1. Understand how the family’s history has influenced its values and articulate core values.
- 2. Assess how they spend their time, influence, and money, and then align their plans and actions to express what is most important.
- 3. Create a communication plan to engage family members, especially the next generation. Communication planning is just as important as estate planning or financial planning, as it is a key element for families in establishing an environment of trust.

Next Generation and Intergenerational Planning

Preparing the next generation to steward a family’s sustainability mandate is critical to long-term success. We work with families to create customized programs and demonstrate how their values — including those around sustainability — can drive decision-making on investing, planning, and charitable giving.

Philanthropic Advisory

Philanthropy can be a way to help others, support a community, advocate for change, set an example for family members, or leave a permanent legacy.

The philanthropic journey is always different for each client. Our work to help private clients become strategic philanthropists and successfully make the impact they intend often includes: defining the role of philanthropy during the client’s life and in the estate plan; setting the structure, vehicle, and type of philanthropic investment to help maximize the impact on family and charitable recipients; creating a framework for governance and administration; and crafting a strategic plan to build an effective team and engage the next generation, design grants, and, ultimately, measure impact.

Thought Leadership & Industry Engagement

We create educational thought leadership on sustainability and philanthropy-related topics and trends, including [The Future of Women’s Health](#) and [Navigating the Philanthropic Journey](#). We also hold informative seminars and forums on ESG and sustainable investing-related topics to further engage our clients.

To keep updated on the ongoing advances in the ESG industry, our investment teams and ESG Oversight Committee regularly attend ESG conferences and liaise with specialist research firms, thought leaders, and our international network of investors. We also provide continuing education to our relationship teams and have internal resources — including access to the firm’s subject matter experts and materials on our offerings and approach — so we can provide the best possible advice to our clients on an ongoing basis.

BBH Investment Management strategies that integrate ESG:

Assets	ESG Integration
Equities Strategies	✓
Corporate Fixed Income	✓
Structured Products	✓
Muni Bonds	✓
U.S. Government Securities	—



“BBH’s ESG investment program aims to augment our bottom-up research by identifying long-term megatrends that drive risk and return. It seeks to improve risk-adjusted returns and inform proxy voting and engagement for a pragmatic, investment-focused, and constructive dialogue with issuers.”

Mario López-Alcalá  
ESG Program Manager



BBH ESG Resources:

[ESG Position Statement](#)

[Climate Statement](#)

[Investment Management Investment Stewardship Policy](#)

[BBHCP ESG Policy Statement](#)

[Sustainable Investing and ESG Homepage](#)



## 2023 Review and Spotlight

### ESG Integration in Investing

In 2023, we reaffirmed our active, bottom-up investment approach through our [Investment Stewardship Policy](#). The Policy outlines our stewardship approach, which is primarily designed to further our mission to preserve and grow our clients' capital across economic and full market cycles. In this sense, we believe in investment stewardship as a mechanism in our investment process to manage risk and inform our conviction on the durability of assets for the long-term. The Policy discloses additional details on engagement methods, process, escalation, proxy voting, and avoiding and addressing conflicts of interests.

We also refined our proprietary ESG tool to include industry level analysis, in addition to issuer specific assessments, to evaluate how externalities could materialize across supply chains, operations, and products and provide a holistic view of how industries address material ESG factors.

Throughout the year we continued our engagement efforts in both equity and fixed income strategies with in-house-led discussions consistent with our bottom-up approach. Based on our proprietary ESG tool, we developed a priority list of topics to engage issuers that display the highest mismatch between apparent risk management capabilities and risks stemming from their exposure to material externalities.

We've ramped up our ESG integration training sessions led by internal and external subject matter experts. We also offered webinars available on-demand for training purposes from our subscriptions to specialized research, analysis, and news. In addition to explicit

training sessions, we conducted ESG reviews on portfolio holdings across strategies. These review sessions were led by a BBH Partner and the ESG Program Manager. During these sessions, detailed feedback was provided in an iterative way to challenge investment teams' conclusions, invite them to reassess their assumptions, and continue to build capacity in integrating material ESG-risk factors in the investment process.

Every month we issue ESGTrends, an internal bulletin highlighting material environmental, scientific, and societal tendencies to keep investment teams abreast of long-term investment developments.

### Assessing External Managers' ESG Approaches

Our Investment Research Group (IRG) updated our ESG questionnaire in 2023 as we sought to better understand our investment manager partners. We engaged 100% of our investment manager partners on ESG issues through our questionnaire and evaluated 100% of our managers against ESG criteria in our annual reviews. First launched in 2021 to better understand our managers' approach to ESG, corporate social responsibility, and sustainability, the 2023 questionnaire was updated to ask our investment manager partners to describe if and how their firm supports philanthropic programs.

### CENTER FOR WOMEN & WEALTH

The mission of [BBH's Center for Women & Wealth](#), founded in 2015, is to engage and support women in wealth creation and management and to build a dynamic and inclusive environment for conversations about family, wealth, and values. Women have long been underserved by the financial services industry. The CW&W originally developed values-based planning to address this very issue — to truly understand our female clients and their objectives for their wealth. Today, the CW&W continues to innovate tools and service delivery to support and attract female clients; engage and build our robust network of women through events and other engagements; provide our best advice to women business owners; and create an inclusive environment for all clients.



The Owners' Council was created in 2022 to bring together a dynamic and diverse community of women business owners for the purposes of sharing both personal and business insights and experiences, supporting and advocating for each other, and thoughtfully growing our shared ecosystem of women leaders. Hosted by the BBH Center for Women & Wealth and the [BBH Center for Family Business](#), the Council provides members networking opportunities with peers and access to educational materials to help amplify the success of women business owners.



Key Indicators

Indicator	2023	2022	2021	2020	2019
BBH Investment Management (IM)					
% of BBH IM's AUM that integrate the assessment of material ESG factors in the investment process	65%	65%	N/A	N/A	N/A
BBH Private Banking					
% of AUM managed by PRI signatories*	75%	78%	79%	82%	5%
% of AUM managed by investment managers with an ESG policy statement	81%	81%	79%	82%	82%
External Manager AUM % with an ESG Policy	50%	51%	51%	55%	56%
External Manager AUM % that is a UN PRI signatory	44%	48%	49%	38%	11%
% of third-party managers engaged on ESG issues through manager questionnaire	100%	100%	100%	N/A	N/A
% of third-party managers evaluated against ESG criteria in annual reviews	100%	100%	100%	100%	100%

\*We seek to work with world-class investment managers that best meet our needs and those of our clients and we engage with all of them on issues around ESG. Some of our managers are small and boutique, and while they do take ESG factors into consideration in their investment decisions, they may not have the large staffs necessary to support the reporting requirements of being a PRI signatory.

Note: Incremental changes to wealth strategies can be attributed to slight changes in portfolio composition.



“Embracing ESG integration is about building durable portfolios that strive to deliver excellent returns for today and tomorrow. By incorporating material environmental, social, and governance factors, we cultivate sustainable investments that seek to deliver financial value for the long term.”

**Ting Zhou**  
Vice President





# ESG Solutions for Banks and Asset Managers

**GOAL:** Engage with our clients and provide thought leadership to the market on ESG and related regulations and their impact on asset managers and banks. Provide solutions to ESG reporting requirements either directly, or through leading ESG solution providers.



## Our Approach

BBH's approach to supporting our clients' ESG needs is informed by the many challenges asset managers face navigating the rapidly changing ESG landscape. Among these challenges is a lack of high-quality data, evolving standards and regulations, and shifting stakeholder expectations and demand for ESG investing. We are committed to supporting our clients in navigating these challenges as they address environmental and social issues in their investment processes. As part of our client engagement strategy, and supported by our Voice of Client research, we continue to engage and consult with our Investor Services client base to gather feedback so we can better understand how to support our clients' ESG strategies. Through the course of many client discussions, we have discovered that there are three areas where we are best suited to aid our clients in achieving their ESG investment goals: fund administration, ESG reporting and data solutions, and client engagement and education.

## Core Programs, Policies, & Practices

### Fund Administration

We support our asset manager clients through post-trade Socially Responsible Investing (SRI) compliance monitoring and reporting using filters and testing specific to their SRI guidelines. Our Portfolio Compliance Monitoring service within Fund Administration allows our clients to see their current exposure at a granular level to industries such as gambling (internet, casino services, non-hotel), arms (weapons, munitions, military contractors), fossil fuels (oil, gas, coal), etc., to determine if allocations require reweighting. We create rules based on specific security parameters or sector parameters as directed by the client to monitor SRI criteria in their portfolios. These rules are applied to the portfolio and trigger alerts in the event of a breach or potential breach, enabling the client to quickly address a portfolio that falls out of compliance. This ensures the investment product is aligned with its advertised SRI criteria.

### ESG Reporting and Data Solutions

As ESG regulation, industry standards, and stakeholder expectations evolve, BBH is committed to meeting our clients' ESG data needs. A key solution we offer is facilitating relationships between our clients and leading third-party ESG data providers through BBH Connectors. We have surveyed the market to thoroughly understand the ESG data provider ecosystem. Our subject matter expertise, combined with our funds servicing capabilities and data solutions, positions us to provide direct ESG support and more broadly facilitate our clients' ability to work with leading ESG firms. We work with premier providers that enable our clients to generate and access the ESG data they need to accurately consider societal and environmental impact in investment decisions. Using BBH Infomediary Data Services, reports capturing ESG data are delivered directly into third-party data providers' systems, in addition to our clients' technology platforms.

### These third-party providers include:

**IdealRatings®**

An ESG market data provider that sources ESG data points. Specifically, the provider specializes in integrating ESG factors across client operating models to maximize opportunity and governance while building solutions to meet their strategic demands.

**rimes**

An ESG data aggregator that maintains a comprehensive service for sourcing, validating, and distributing ESG data to assist with growing regulatory needs and investor demand for transparency.

### Client Engagement and Education

We maintain our subject matter expertise on the global ESG environment, translating trends and regulatory updates into practical insights for our clients. Our articles, videos, webinars, and events often include third-party expertise to ensure clients and the broader industry attain a holistic understanding of ESG's role in the market as they design their own best practices. Some of our most notable 2023 ESG-related thought leadership pieces include:

- [Final U.K. Rules Bring Ray of Positivity to the ESG Landscape](#)
- [SFDR: Back to the Drawing Board?](#)
- [2023 and Beyond: Investing Into a New Market Paradigm](#)





## This Too Shall Pass: ESG Discord is a Natural Part of its Maturation Cycle

While ESG investing in all its various forms and nomenclatures has existed since the 1960's, only in recent years has it truly caught hold of the global financial markets with the proliferation of ESG products, regulations, data, and ratings.

With such market growth and hype surrounding any novel idea or innovation, it is not unusual that there are some bumps along the way. ESG investing as a concept continues to experience a rough patch through a mix of regulatory uncertainty, lack of common definitions, greenwashing accusations, scepticism around ESG's place within the investment process, and widespread political backlash, leaving many ESG-gazers bemused and disillusioned.

However, the fundamental drivers of ESG integration are stronger now than ever before. Take the provocative and divisive term "ESG" away for a moment and focus on factors such as climate change, biodiversity, supply chain shocks, energy independence, cost of living, and social cohesion – and investors of all types and political beliefs are interested in knowing more.

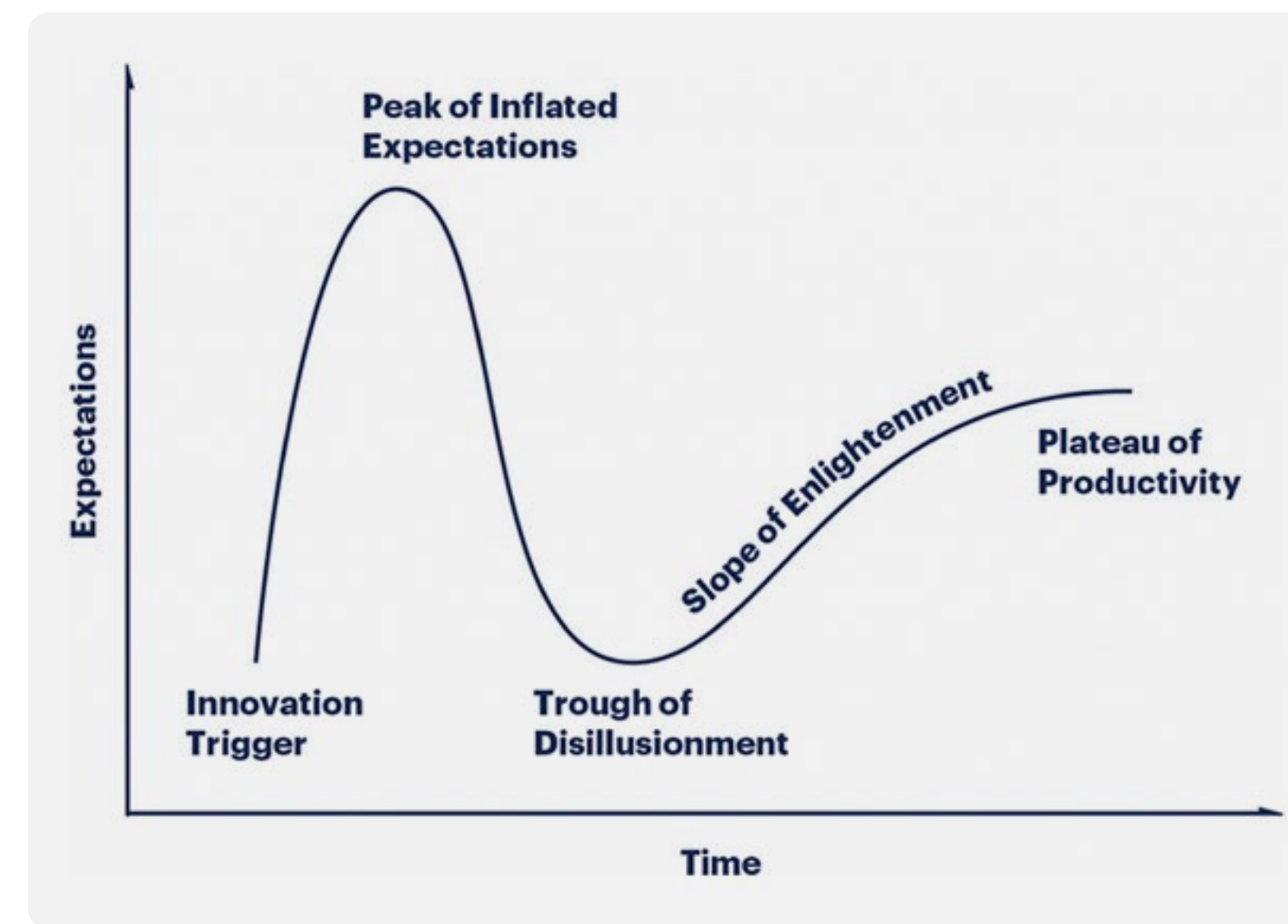
The oft quoted Gartner Hype Cycle developed during the dotcom boom-bust era captures well how a nascent idea or innovation goes through a routine path from inception to maturity, or what they call a "plateau of productivity." It's easy to fall into the hype cycle and get caught up in the near-term undulations and ponder whether a nascent concept is a fad, a hoax, or will ultimately endure.

We are already unquestionably past ESG's peak hype phase where expectations far outweighed reality. It could easily be suggested that for some time now we have been drifting at the bottom of the "*valley of disillusionment*," particularly as ESG has become a political hot button issue globally. However, at the same time, ESG disclosure regulation and

data requirements are normalizing and false claims are dampening for fear of regulatory interventions and societal blowback. As the hype continues to fade, a period of increasingly standardised disclosure, data, and investor expectations will evolve.

As such, the robust ongoing debate about ESG is far from an existential risk to its place in the world. Rather, it is evidence of ESG's maturation as we move toward normalization and standardization, ushering in the plateau of productivity stage of the cycle.

### Gartner Hype Cycle



**Adrian Whelan**  
Managing Director,  
Head of Regulatory Intelligence





# Cybersecurity



**GOAL:** Continue to adapt cybersecurity practices in the face of an evolving threat landscape, enlisting every BBH employee in the effort to protect the privacy, intellectual property, and data of our clients, employees, and business partners.

## Our Approach

As a trusted steward of our clients' financial wellbeing and assets, information security is critical to our success as a business. That is why BBH is committed to protecting the privacy, data, and intellectual property of our stakeholders. We maintain a multi-layered protective environment to safeguard stakeholder assets from external and internal threats, and continuously work to strengthen our controls as attack strategies evolve. We recognize that information security has a social impact that extends beyond our direct business relationships and activities.

As the industry and risk landscape continue to evolve, BBH remains dedicated to vigilantly maintaining a resilient business in the face of cyber threats.

## Core Programs, Policies, & Practices

BBH's cybersecurity program is consistent with applicable global cyber security and data protection laws and regulations. Our core programs are built upon industry best practices and guidance that are used as benchmarks by the cybersecurity team to assess and improve the firm's overall security posture.

Our cybersecurity program includes:

- Written policies and procedures documenting actions required firmwide to mitigate cyber risks.
- A designated Chief Information Security Officer to administer and oversee the program.
- Periodic cyber risk control self-assessments, as well as reviews to monitor the effectiveness of implemented controls and the program as a whole.

Employees are trained on our cybersecurity program and policies when they join BBH and annually. Our cybersecurity policy sets forth the program framework, responsibilities of key personnel, and control requirements for various groups within BBH. The policy is reasonably designed to comply with applicable regulatory requirements.

The program is constructed as a multi-layered protective environment safeguarding BBH assets from external and internal threats.

Security operations supplement the controls via various vulnerability assessments, trend analyses, and continuous security monitoring.

The program's components include but are not limited to third-party risk assessments; identity and access management; infrastructure defense; network, perimeter, and insider threat monitoring; and cyber incident management.

To ensure our cybersecurity team has access to a diversified talent pool and resources, BBH continues to engage with universities/colleges to hire for internship and graduate programs. This effort includes working closely with Drexel University for co-op specific opportunities.

Given the ever-changing cybersecurity landscape, BBH ensures that our cybersecurity staff is well versed in tactics used by bad actors and the latest industry developments. To achieve this dynamic goal, BBH partners with a third-party provider for training and encourages staff to attend relevant trainings and industry conferences including WiCyS (Women in Cybersecurity). These components, combined with a robust communications program, build a more resilient organization.

## Policies And Controls

### Information Security Policies

BBH's systems and policies work in tandem to define fundamental principles for the protection of the firm's information resources, including the proper controls necessary to address the security goals of confidentiality, integrity, and availability. Annually, or as needed, policy owners review firmwide and systems policies and present material updates to the

appropriate oversight committee for its review. Material policy changes are communicated to BBH personnel as appropriate. BBH's Privacy and Confidentiality Policy (PCP) is one of several policies included in every employee's mandatory annual compliance training. It provides a framework for handling sensitive information and requires employees to promptly report any actual or suspected data disclosures to the Privacy Officer. We also maintain a public [Privacy Policy](#), available on our website.

### Infrastructure and Application Security

BBH's Infrastructure Security team maintains an extensive perimeter security technology suite. This includes devices such as firewalls, URL filtering, intrusion detection, and prevention systems to effectively shield the firm from external cybersecurity threats. Additionally, penetration testing, vulnerability, application code scanning, and infrastructure configuration scanning round out this area.

### Identity and Access Management

For firm systems and information, we follow the objective of least privileged access, granting appropriate access to employees for their roles and responsibilities both inside and outside of BBH locations. Systems require additional controls such as multi-factor authentication for privileged access to production systems to further reduce risks to sensitive data and operations.



### Network, Perimeter, and Insider Monitoring

BBH conducts 24/7 monitoring of security threats. The firm’s security operations center, supplemented by a managed security service provider, is responsible for detecting all internal and external anomalous activity on our network, providing for quick escalations with appropriate transparency and reporting to the firm’s leadership.

### Employee Vigilance

#### Cybersecurity Training and Awareness

Social engineering remains one of the highest risks posed to any organization. A year-round program, consisting of computer-based training, in-person training, a formal phishing awareness program, and regular firmwide communications about new threats, strives to make our employees more aware and educated on cyber risks.

Our phishing awareness program is designed to test and educate our employees. The program includes sending periodic communications to all employees, which simulate phishing emails imitating real attacks, as well as phone calls to employees simulating vishing attacks. This training is supplemented by firmwide awareness communications.

BBH operates a 24/7 cybersecurity hotline that empowers staff to quickly escalate any related concerns. The hotline directs to the Cyber Security Operations Center for triage and incident management.

### Cyber Incident Management

BBH maintains and employs a robust Cyber Incident Management team that is part of the firm’s overall Enterprise Incident Management group. This team is focused on providing training and awareness for all employees as well as conducting scenario exercises to prepare the organization for actual cyberattacks. BBH uses an incident response plan designed to promptly respond to, and recover from, any cybersecurity event materially affecting the confidentiality, integrity, or availability of our Information Systems or the continuing functionality of any aspect of BBH’s business or operations. We review, escalate, and resolve reported data disclosures according to a defined process based on industry best practices as well as contractual and regulatory requirements.



“We take a holistic approach to cybersecurity to ensure all BBHers contribute to an environment that protects the digital assets of our clients, partners, and employees.”

**Anthony Bonavita**  
Managing Director, Cyber Security Management

### Key Indicators

Indicator	2023	2022	2021	2020	2019
<b>Cybersecurity Strength</b> - BBH attests to compliance with the standards set by the following bodies					
New York State Department of Financial Services – Cybersecurity Requirements for Financial Services Companies	✓	✓	✓	✓	✓
SWIFT Customer Security Programme	✓	✓	✓	✓	✓
SWIFT Shared Infrastructure Programme	✓	✓	✓	✓	✓
<b>Employee Vigilance</b>					
% compliance with mandatory employee training	100%	100%	100%	100%	100%
% participation in Phishing Awareness Program	100%	100%	100%	100%	100%





# Business Continuity



**GOAL:** Strengthen security, continuity, and connectivity through enterprise-wide incident response.

## Our Approach

Planning for the unexpected is a philosophy that not only informs our investment decisions, but also underscores how we think about protecting our people, clients, technology, and assets no matter the circumstance. To that end, BBH maintains business continuity plans (BCP) that comprise detailed policies and procedures for operating during emergencies or significant business disruptions.

To keep business running during BCP events, we continuously test and refine our scenario-based plans, covering every critical area of our business. These include technology, office, and business recovery; communication and escalation protocols; travel and visitor restrictions; remote access by BBH employees; and more.

At a minimum, we review these plans annually, test them regularly, and validate them in the context of current events. While the hope is to avoid all BCP events, each one offers insight, not just in how we can be better prepared for the next uncertainty, but how we can improve our operations in all situations. We now operate in a hybrid environment with employees regularly testing remote access and prepared to support interruptions from multiple locations.

## Core Programs, Policies, & Practices

The objectives of our BCP are to:

- Provide a safe environment for all employees.
- Decrease risk through identifying and implementing preventative measures.
- Reduce disruption to normal processing and mitigate interruption to operations and systems.
- Ensure orderly recovery from a business interruption.
- Minimize potential economic loss.
- Comply with legal and regulatory requirements.

## Organization and Governance

### Enterprise Incident Management

Our Enterprise Incident Management Team consists of our Business Continuity and Cyber Incident Response organizations. The Enterprise Incident Management team works with all areas of the firm to develop consistent policies, procedures, communication, and escalation plans in the event of a business interruption due to acts of nature, malicious attack, or human error. This team is governed by the Business Continuity Planning Executive Committee (BCPEC).

### Continuous Planning And Review

We execute a three-pronged approach to planning: office recovery, business recovery, and systems recovery. The full-time BCP team provides business units with the tools and training to develop their own continuity plans. Business units develop and maintain their business continuity plans, ensuring that they are updated and effective. BBH reviews each plan annually (at a minimum) and subjects the plans to additional examination by the internal audit and compliance departments, the BCP team, and, when appropriate, an external auditor.

We also conduct business impact analysis assessments on a rolling basis to evaluate how unexpected events may affect our operations. To ensure the effectiveness of our program, business units review and approve their business impact assessment annually to determine if updates are necessary. BBH's internal audit team also provides an extra layer of oversight by conducting ongoing reviews and participating in BCP testing exercises.

## Routine Simulations and Testing

We conduct recovery tests annually, at a minimum, at three distinct levels—office, systems, and business unit recovery—with a broad scope of test objectives to provide our clients with assurance that their assets and data are safe. Tests include application and systems contingency testing, by platform and system. Operational contingency testing includes structured walk-throughs of plans and the transfer of business processes from one BBH location to another.

We conduct periodic simulations across multiple teams responding to scenarios, including impacts to our buildings, our business, and cybersecurity threats.

In November 2023, BBH participated in SIFMA's Quantum Dawn VII Cybersecurity Exercise which simulated a scenario at a critical third-party widely used by the global financial sector.

## Rapid Response and Recovery

We have structured our organization to minimize recovery times and continue providing client and operational support. We cross-train BBHers across service teams, products, and departments to position them to fill in as necessary during an event, allowing employees from one department within the bank to serve another on short notice. Our employees receive extensive training to prepare them for a BCP event. New employees are trained when hired and existing employees must fulfill annual training requirements. Plan owners, planners, and Incident Management Team members receive additional BCP tool training and participate in incident response simulations.

When BBH invokes a business continuity event, the BCP team activates the Global Crisis Management Team to centralize communication and coordination. The Global Crisis Management Team provides critical information and status updates to clients following a controlled and carefully managed protocol. Our client relationship teams serve as the primary contacts for communicating with clients and addressing questions.



Key Indicators

Indicator	2023	2022	2021	2020	2019
Planning Compliance					
% of lines of business with updated plans	100%	100%	100%	100%	100%
Business Unit Planners	224	235	237	236	251
Business Unit Recovery Coordinators	150	159	158	159	127
Business Unit Plan Owners	105	109	107	N/A	N/A
Business Unit specific plans	157	157	159	161	127
% of lines of business with updated Assessments (BIAs)	100%			N/A	
Business Unit Assessors	113			N/A	
Business Unit Assessment Owners	156			N/A	
Business Unit specific Assessments (BIAs)	156			N/A	
% participation in Phishing Awareness Program	100%	100%	100%	100%	100%





Indicator	2023 Results	2022	2021	2020	2019
Annual Recovery Tests – All Objectives Met					
Systems Recovery	Designed to simulate the loss of processing functions at our primary Data Center. These tests included systems, site, and operational contingency components. ✓All test objectives were met.	Designed to simulate the loss of processing functions at our primary Data Center. These tests included systems, site, and operational contingency components. ✓All test objectives were met.	Designed to simulate the loss of processing functions at our primary Data Center. These tests included systems, site, and operational contingency components. All test objectives were met in all three test events. In 2021, we ran an extra Systems Recovery test following our data center relocation in July. ✓All test objectives met.	BBH postponed all 2020 Business Unit and Systems Recovery tests due to the global pandemic.	Designed to simulate the loss of processing functions at our primary Data Center. These tests included systems, site, and operational contingency components. All test objectives were met in both test events. ✓All test objectives met.
Remote Access Test	As we have moved to a hybrid environment with our return to office in 2023, our staff are testing remote access and connectivity routinely as part of normal business operations. We have not resumed this test event in 2023.	As we continue with over 80% of our staff working remotely (thus testing remote access and connectivity daily) due to the global pandemic, we have not resumed this test event in 2022.	As we continue with over 90% of our staff working remotely (thus testing remote access and connectivity daily) due to the global pandemic, we have not resumed this test event in 2021.	At the onset of the global COVID-19 pandemic, beginning around mid-March 2020, BBH transitioned approximately 97% of staff to remote working environments (thus testing remote access and connectivity daily). All employees were asked to login remotely during a specific time to test capacity at the onset of COVID. ✓All test objectives met.	All employees are asked to login remotely and attest to accessing their applications. ✓All test objectives met.
Communications Test	U.S. GETS (Government Emergency Telecommunications Service) card holders test their access by making test calls at minimum, annually. ✓All test objectives met.	U.S. GETS (Government Emergency Telecommunications Service) card holders test their access by making test calls at minimum, annually. ✓All test objectives met.	U.S. GETS (Government Emergency Telecommunications Service) card holders test their access by making test calls at minimum, annually. ✓All test objectives met.	U.S. GETS (Government Emergency Telecommunications Service) card holders test their access by making test calls at minimum, annually. ✓All test objectives met.	U.S. GETS (Government Emergency Telecommunications Service) card holders test their access by making test calls at minimum, annually. ✓All test objectives met.
Notifications Test	Designed to familiarize employees with our internal emergency communication system, BBHnotify, which is used to alert our employees to a situation. ✓All test objectives met.	Designed to familiarize employees with our internal emergency communication system, BBHnotify, which is used to alert our employees to a situation. ✓All test objectives met.	Designed to familiarize employees with our internal emergency communication system, BBHnotify, which is used to alert our employees to a situation. ✓All test objectives met.	Designed to familiarize employees with our internal emergency communication system, BBHnotify, which is used to alert our employees to a situation. ✓All test objectives met.	Designed to familiarize employees with our internal emergency communication system, BBHnotify, which is used to alert our employees to a situation. ✓All test objectives met.
External Audit & Testing					
SIFMA Industry-Wide test as well as with CHIPS, BONY, DTCC	✓Test completed successfully; all test objectives met.	✓Test completed successfully; all test objectives met.	✓Test completed successfully; all test objectives met.	✓Test completed successfully; all test objectives met.	✓Test completed successfully; all test objectives met.
Employee Awareness & Training					
% Compliance with Mandatory Training	100%	100%	100%	100%	100%



# Our People

**25** Leadership and Technical Skills

**28** Diversity, Equity, and Inclusion

**35** Employee Well-Being







# Leadership and Technical Skills



**GOAL:** Invest in the leadership and technical skills our people need to be successful in an evolving global marketplace.

## Our Approach

BBH is dedicated to ensuring our employees have the combination of capabilities and emerging expertise needed to stay ahead of the evolving global marketplace, ever-changing technology, and shifting client expectations, while fostering a safe environment to learn and grow their skillsets. Cultivating our employees' professional growth and connecting them to on-the-job, in the classroom, and online learning from leading experts, peers, and mentors is our shared responsibility. Our environment that rewards lifelong learning enables our employees to excel, adapt, and lead in a complex global business environment.

There has always been a relationship between employee well-being, diversity, equity, and inclusion, and exceptional leadership. Over the last few years, these priorities have become intrinsically linked and provide managers a new lens to nurture the potential within people and uncover better ways of working. Looking to the future, we plan to continue approaching leadership and training with an emphasis on understanding and honoring our employees' unique histories, circumstances, aspirations, and capabilities.

## Core Programs, Policies, & Practices

Learning is a critical element to establishing a culture of innovation, creating ongoing value, and encouraging personal growth. Core to our business strategy is helping our employees gain mission-critical skills aligned to our clients' needs and their individual passions. The combination of our programs — designed to support BBHers throughout the arc of their careers — aims to help our employees grow both personally and professionally and be rewarded for the results they deliver.

### Mentoring and Sponsorship

Informal mentoring and sponsorship models are interwoven in our lines of business, departments, and firmwide programs. Each relationship is uniquely determined by its purpose: to learn a new skill, solicit feedback on ideas, build a broader internal network, or support career progression.

### Boosting Self-Development with Mind Tools

In support of nurturing the ongoing development of our employees, BBH launched Mind Tools in 2020 — an on-demand learning platform that provides direct access to 2,000+ articles, videos, podcasts, and workbooks that offer practical guidance for common workplace scenarios. Topics range from leadership and problem solving, to project management and communication skills. Available to all BBHers, Mind Tools delivers diverse learning formats to cater to individual learning preferences. In 2023, 1,670 BBHers leveraged Mind Tools.

### BBH Academy

Our online learning center provides 24/7 access to instructor-led and virtual learning sessions, e-learning courses, and business and technical articles on topics ranging from mandatory compliance and discrete skills specific to financial services to cultural awareness and effective management. In 2023, 1,216 employees participated in virtual programming delivered through BBH Academy, joining sessions such as Leading Hybrid Teams, Developing Others, and Giving & Receiving Feedback.

### BBH Scholars

We encourage employees to enhance their skills and knowledge for a current or future role through professional certifications or formal education, including undergraduate and post-graduate degrees. Approved applicants receive up to \$10,000 USD (or local equivalent) per calendar year.

### Development Roadmap

The Leadership Development Roadmap provides guidance for each stage of leadership — Leads Self, Leads Others, and Leads the Firm. A collection of resources supports each stage, which helps managers and employees identify on-the-job, collaborative, and formal learning opportunities to build greater self-awareness, communication, agility, and influence capabilities.





“I am grateful for the BBH Scholars Program as it encourages and reimburses BBH employees to continue building skills and knowledge related to our current roles. This program supported my journey in pursuing certifications (e.g., Certified Internal Systems Auditor (CISA)) associated with my career, which would have otherwise been financially burdensome. My certificate program allowed me to continue learning about the audit profession, aiding me in my work at BBH.”

**Shane Rein**  
Vice President

## BBH Managerial Habits

Managers are the cornerstone of our talent management strategy, playing a critical role in engagement, retention, development acceleration, and career planning. Managing people effectively is already one of the toughest jobs; getting results from others is increasingly challenging with different work styles and ever-changing technology. To contribute to the continued success of the firm, the BBH managerial habits framework cultivates 16 behaviors that help managers set standards, coordinate resources, drive projects, and — perhaps most importantly — support, engage, and develop their team members.

## JumpStart: How to Lead Others

Complementing our efforts to provide our managers with a framework for effective habits, BBH has continued to upskill new managers with our flagship training collection of resources for new managers, JumpStart. Through six self-paced modules, participants gained skills in the areas of setting expectations, motivating others, delegating work, giving feedback, developing others, and developing themselves. In addition, new managers also have the opportunity to participate in three live sessions on core Jump Start topics.

## Growth Opportunities and Recognition

Our employees routinely take on new challenges and reinvent themselves professionally. Career paths at BBH are increasingly non-linear, with employees focusing less on advancing straight up in one discipline and instead crossing the organization, gaining valuable perspectives, leadership experiences, and a portfolio of transferable skills. Individuals work together with managers to identify stretch assignments and cross-regional, cross-product, and/or cross-functional opportunities.

## Global Mobility

When our business and clients’ needs create the opportunity, the Global Mobility Program provides employees short- and long-term assignments throughout our global offices, creating a chance to work in diverse markets and develop multi-cultural fluency and global leadership skills.

## Quarter Century Club

More than 75 years ago, BBH formed the Quarter Century Club (QCC), which celebrates those who have been with the firm for 25 years or more. To commemorate induction, the firm organizes a formal lunch with the Partners, senior leaders, and colleagues, which includes presentations of fond memories and gifts to commemorate the occasion. Each year, the firm hosts a QCC dinner for all members, active and retired, to foster BBH's culture of community.

## Lateral Growth Opportunities

BBH prides itself on facilitating lateral moves across the firm for our employees to get exposure to different aspects of the business. This helps create well-rounded employees who have a more holistic understanding of how BBH and the financial services industry operate, providing them with critical experience to fuel career growth while producing better results for our clients.



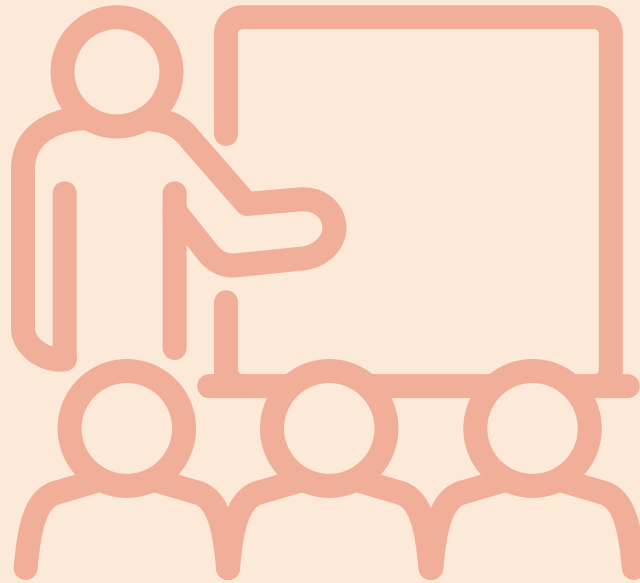


Key Indicators

Indicator	2023	2022	2021	2020	2019
Performance Enablement					
% of employees – performance review (with narrative)	92%	85%	88%	88%	92%
Learning & Development					
% of BBH Scholars applications fully funded	100%	100%	100%	100%	100%
% of employees participating in voluntary online and class-room learning	66%	58%	66%	86%	46%
Growth Opportunities					
% of employees achieving career advancement (i.e., a new role, career progression, or officer title)	20%	20%	24%	20%	20%
% of roles filled internally	24%	39%	24%	37%	21%
Employee Input & Engagement					
% of employees – accessed BBH Academy	100%	100%	100%	100%	100%

66%

of employees participated in voluntary online and classroom learning





# Diversity, Equity, and Inclusion



**GOAL:** Advance diversity and equity at BBH, supported by a strong culture of inclusion, accountability, and employee engagement.

## Our Approach

Our employees' different backgrounds, life experiences, and ways of thinking help us better understand each other and our clients. Our commitment to an equitable, inclusive, and collaborative culture, grounded in independent peer review, helps us avoid groupthink and fosters the highest levels of employee and client satisfaction.

We believe it takes conscious and sustained effort to cultivate a workplace where all employees feel valued, included, and empowered to deliver their best. The norms, power structures, and inequities in society can easily become embedded in any organization. Creating a culture where every individual can contribute their full potential requires investigating systems, processes, and behaviors within an organization to uncover gaps and using that knowledge to ensure an equitable approach. Ultimately, seeking and supporting viewpoints that are informed by different experiences and perspectives leads to better risk management, innovation, employee experiences, and client outcomes.

As we look to the future of work, our continued commitment to welcome and support the diverse backgrounds, viewpoints, and circumstances of our employees will be critical to our success. DEI is a never-ending journey that is measured by improved outcomes and the understanding that there is always more to learn and act upon.

## Core Programs, Policies, & Practices

By focusing our DEI program on three key pillars — workforce, workplace, and marketplace—we're building our capacity of top talent, enhancing our inclusive culture, strengthening cultural dexterity, and leveraging the power of fresh thinking.

The Global Inclusion Council (GIC), a group of senior leaders, serves as a body of advice and consent, working with the Office of DEI to set the firm's DEI agenda and strategy, monitor success, and drive accountability. To ensure firmwide execution of our strategy, BBH Affinity Network Community (BANC) leaders and Culture and Inclusion Councils in each region and line of business advise the GIC on specific local issues and integrate initiatives throughout the firm.

### Workforce

Bringing the best and brightest people to BBH is key to our continued success as a firm over the long term. We're committed to creating a workforce composed of diverse talent by attracting, developing, and retaining individuals through a variety of programs.

### Job Descriptions

We take great care to create gender-neutral job descriptions that properly scope roles — focusing beyond any narrow, specialized requirements to also consider broader capabilities, transferable skillsets, and long-term leadership skills that are beneficial for the team.

### Diverse Candidate Pools

We seek out a diverse slate of candidates for our positions and identify our applicants from a variety of sources. Through partnerships with our BANCs, schools, external partners, and online communities, we work to ensure we have the broadest reach to talent available in the marketplace.

### Competency-Based Interview Process

During our interviews, we leverage competency-based questions that focus on assessing a candidate's ability or experience through actual events. By focusing on job-relevant behaviors, a competency-based approach helps us ensure greater objectivity, accuracy, and consistency when interviewing multiple candidates for a position. To further mitigate unconscious bias, we strive for job candidates to meet with a diverse panel of interviewers.

### BBH Connected

To help expand our reach to additional talent markets and diverse candidate pools, our BBH Connected program welcomes employees to the firm in roles that can be performed completely off BBH premises.

### BANC Ambassadors

To further extend our reach, members of our BANCs are empowered with the tools and resources they need to become extensions of our talent acquisition team.

Leveraging their network, they help cultivate top talent by participating in campus career fairs, speaking at external events, and providing cultural information interviews with candidates.





“Our Self-ID program helps BBH understand its population and positions the firm to better address the evolving needs of our workplace. I believe transparent and destigmatized workplaces make a huge difference in helping everyone deliver their best. I know I am more comfortable if I can bring my authentic self to work, and the program sends a clear signal that we are an inclusive environment.”

**Andrew Hofer**

Diverse Abilities Allies Network

### BBH Undergraduate Mentorship Program

The BBH Undergraduate Mentorship Program provides students who identify as ethnically diverse the opportunity to learn more about a career in financial services while networking with professionals who provide guidance and support with resume building, interview preparation, and developing their leadership skills.

### Explicit Inclusion Performance Management Goals

We count on our leaders and colleagues at all levels through the firm to take a visible role in making our workplace more inclusive. Performance reviews of all employees include a sustainability and inclusion performance goal that clearly indicates actions and behaviors they should demonstrate to foster a culture where all employees can succeed.

### Diverse Slates for Promotions and Advancement

Throughout the year, every area of the firm participates in a talent identification process to ensure we consider a diverse slate of candidates for promotional and advancement opportunities, as well as identify where we have gaps in order to access development needs. These efforts help ensure more equitable representation throughout all levels of the firm.

### Workplace

We know it takes deliberate actions to create a culture where everyone feels like they belong. This starts with paying more attention to what we all say and do on a daily basis and ensuring our processes and policies are inclusive.

### Code of Professional Conduct and Other Policies

To ensure that we maintain a work environment where everyone is free to express different opinions, all employees must adhere to the Diversity, Equity, and Inclusion Policy and the Code of Professional Conduct, as well as other policies pertaining to bullying, discrimination, harassment, e-communications, and workplace violence. We believe it is our collective responsibility to act fairly, honestly, and respectfully and to report any instances of incivility to which we are party to or witness.

BBH's independent reporting system, MySafeWorkPlace, enables all employees to report incidents anonymously. We prohibit any retaliation or threatened retaliatory action for making a good faith report of an apparent or possible violation of the Employee Handbook, Code, or any other BBH policy.



BBH Pride Network, Boston Chapter





## Self-ID Program

The firm's voluntary enhanced Self-ID initiative is designed to increase line of sight into the demographics of our workforce and cultivate a more inclusive experience for all employees. The aggregate data is used to create more impactful programming, initiatives, and resources, as well as evaluate the equity of our policies and procedures.

## DEI Holiday Calendar

The BBH DEI Holiday Calendar assists colleagues in being more inclusive when scheduling meetings by highlighting days our offices are closed, as well as other cultural and religious holidays which colleagues may be out of the office in observance.

## Affinity Networks

Open to all employees, our BANCs provide a forum to develop skills and cultural experiences, network, and support key business initiatives while enhancing our workplace and communities. Employee-driven, these networks foster leadership opportunities and organic collaboration across business lines and locations to strengthen the connections between the firm's internal and external communities. Each network's remit aligns with company values, business practices, and the priorities of the Office of DEI. The network groups are as follows: Asia Link Network, Black Affinity Network, Diverse Abilities Allies Network, Global Employee Network, Latino Cultural Network, Military Veterans Network, Parenting Network, Pride Network, Women's Network, and Young Professionals Network.

## Alternative and Hybrid Work Arrangements

BBH provides our employees with the flexibility to complete their job duties while promoting balance between work and personal commitments. Through a variety of hybrid and flexible work arrangements, including remote, flextime, part-time, job sharing, compressed work week, and gradual transition back to work schedules, BBH provides alternative approaches to getting work done through non-traditional work hours, locations, and/or job structures. Our Hybrid Work Policy, which assigns a schedule of at least three days per week in the office and up to two days per week from home, is the default schedule for the majority of roles across the firm where local jurisdictional requirements allow.

## Learning and Development

Training is a fundamental part of creating a workplace with the skills and abilities to realize the full benefits of our diverse workforce. We host a variety of trainings designed to prevent harassment and discrimination, understand and recognize unconscious bias, drive equitable outcomes, enhance cultural dexterity, and promote inclusive behaviors.

## Annual BANC Leadership Summit

This two-day event brings BANC leaders and executive sponsors across our ten networks and 67 chapters together alongside industry experts to share best practices and develop key leadership skills.







## DEI Corner and Discussion Guides

Available to all employees, this online resource delivers articles, research studies, videos, and discussion guides to help individuals develop the 6 traits ("The 6 Cs") of inclusive leadership: Commitment, Cognizance of Bias, Curiosity, Cultural Intelligence, Collaboration, and Courage. Every month new resources are added to promote discussion between team members and enable individuals to apply new knowledge to their daily interactions.

## Diversity, Equity, and Inclusion Development Programming

Throughout the year, the DEI office and BANCs host educational events on key DEI topics ranging from inclusive leadership and cultural competency to unconscious bias and microaggressions. By amplifying the lived experiences of underrepresented communities and educating on inclusive actions, we foster an environment of belonging for all. We also host trainings designed to prevent harassment and discrimination.

## Mentoring Circles

Sponsored by our various BANCs, these mentoring circles bring small groups of BBHers together to talk about a variety of topics — ranging from career advice and personal branding to intersectionality and unconscious bias. These interactive sessions work to break down barriers and build strong relationships across the firm.

## Marketplace

We identify and pursue initiatives in the marketplace that demonstrate our commitment to DEI and enable us to share best practices across industries to drive broad changes.

## External Partnerships

Our partnerships strengthen relationships with like-minded organizations and individuals to help expand opportunities for all and increase advocacy through education. Our participation enables us to better understand the unique needs of diverse groups, fund critical research, share our experience with other companies, provide philanthropic support to underserved communities, and drive employee development.

## BBHcares

Through our philanthropic partnerships, we work to address systemic barriers to inclusion and drive diversity within financial services. (For more information about our philanthropic initiatives, see Community Engagement on page 44.)

## Center for Women & Wealth

BBH's Private Banking CW&W is committed to engaging and supporting women as they create and manage wealth. (For more information about the CW&W, please visit our [website](#).)



“The BBH Undergraduate Mentorship Program was created to expose more people of color to careers in the financial services industry earlier in their studies. Since its inception three years ago, the personal approach and strong relationships built through this six-week experience have proven to be a success. Our mentee class size has more than doubled and we have received four times the number of applications. I’m proud to co-lead the 70 BBHers dedicating countless volunteer hours to develop the next generation of leaders at BBH and beyond.”

## Makho Nsibandze

Black Affinity Network



## 2023 Review and Spotlight

### Employees Leading Employees

Our BANCs continue to provide a forum to develop skills, participate in cultural experiences, and create personal and professional connections. In 2023, BBH held its 4th Annual BANC Leadership Summit where 150 BANC leaders across Europe and the U.S. joined together to share ideas and drive our DEI efforts forward. The event was designed to recognize BANC leaders' contributions, enhance our collective leadership skills, and provide deeper understanding of what drives belonging in organizations.

### Data-based Learning

BBH became a task force member of Coqual, a global nonprofit think tank and advisory group that was founded in 2004 to address bias and uncover barriers to advancement for underrepresented populations in the workplace. Each year, they produce several research reports that tackle workplace issues related to gender, race, ethnicity, disability, and LGBTQ+ identities, and offer concrete and actionable solutions. For our inaugural partnership event, BBH hosted a learning opportunity on misconceptions about Asian professionals, the impact of Asian culture on leadership styles, and nuances between Western and Eastern leadership practices. The session explored some of the cultural influences reflected in behaviors that can at times be misunderstood and impede professional growth and advancement.

### The Perfect Latino

BBH kicked off our Hispanic Heritage Month celebration with renowned poet and novelist Javier Ávila's one-man show, *The Perfect Latino*—exploring the American Latino Experience expressed through storytelling, poetry, and humor. The show draws on the arts, education, and entertainment to deliver a powerful message about inclusion, antiracism, and representation. Tackling topics ranging from prejudice and stereotypes to family traditions and the awkwardness of being corrected on how to pronounce his own name, Javier shared that you should be able to fit in with those around you as your own person, with your own culture intact - standing in unison as unique individuals.

### Taking Flight – Having the Power to Set Your Own Course

Our DEI office and four of our affinity networks -- Women's, Military Veterans, Parenting, and Black Affinity -- teamed up to co-sponsor a development session featuring Vernice Armour (aka "Flygirl"), the first African-American combat pilot in the U.S. Marine Corp. Speaking to a global audience, she shared the importance of listening to your gut, seizing opportunity, never giving up, and making the most of every opportunity. With the perfect balance of humor, passion, compassion, and no-nonsense advice, Vernice engaged the audience with stories of her time in the military, breaking through barriers, being a pioneer for women, and navigating the many obstacles that presented themselves every step of the way.



"The Perfect Latino presentation invited us to celebrate Hispanic Heritage by understanding what it truly means to be comfortable in your skin and to reflect on how great our tomorrow can be if we hold onto our culture and customs."

**Mirley Jaramillo**

Latino Cultural Network





## National Coming Out Day

In celebration of National Coming Out Day, BBHers came together to better understand how stigma impacts the LGBTQ+ community, learn ways to break-free of binary thinking, and practice using inclusive language. The session shared the importance of avoiding assumptions, why good intent does not always equate to positive impact, and how understanding the differences one might have within their sex assigned at birth, gender identity, gender expression, and gender orientation drives our ability to practice inclusive language and actions.

## New LGBTQ+ Employee Benefits Guide

To promote equitable inclusion and provide valuable information to our LGBTQ+ community, BBH created a custom benefits guide that highlights tools, resources, and benefits to raise awareness and usage of critically important healthcare services. The guide is a vehicle to confidentially identify healthcare treatment options, easily determine points of contact to aid in understanding and accessing healthcare benefits, and access reference links and administrative support.



**38%**  
of new hires were  
people of color (U.S.)





Key Indicators



“I'm very appreciative of the investment BBH has made in the BANC communities and am excited to be a part of BANC leadership. It was my first time being able to interact with so many leaders globally, validating the great impact BANC networks have on BBH!”

Elizabeth Doerr  
Women's Network

Indicator	2023	2022	2021	2020	2019
Hiring					
% of new hires: Female	47.1%	42.8%	45.8%	51.3%	46.9%
% of new hires: People of Color (U.S.)	38.0%	34.3%	34.0%	39.1%	37.0%
Employee Composition By Gender					
% of employees: Female (all levels)	46.5%	46.6%	46.6%	46.2%	45.3%
% of employees: Female (entry level)	50.7%	51.3%	51.7%	51.5%	50.3%
% of employees: Female (mid-level)	41.9%	41.3%	40.7%	40.0%	39.3%
% of employees: Female (senior level)	32.9%	32.3%	32.0%	30.3%	29.4%
By Race (U.S.)					
% of employees: People of Color (all levels)	32.9%	32.4%	32.2%	31.8%	30.4%
% of employees: People of Color (entry level)	39.0%	38.6%	39.0%	38.2%	35.8%
% of employees: People of Color (mid-level)	30.1%	29.6%	29.2%	28.8%	27.7%
% of employees: People of Color (senior level)	15.8%	15.7%	15.4%	15.0%	14.9%
By Age					
% of employees: Under 30 years old	26.1%	24.4%	23.6%	25.1%	26.7%
% of employees: 30-50 years old	55.5%	56.9%	58.7%	58.3%	60.0%
% of employees: Over 50 years old	18.4%	18.6%	17.7%	16.5%	15.3%
Retention by Gender					
Retention rate: Male employees	86.9%	81.1%	82.7%	89.2%	85.0%
Retention rate: Female employees	84.9%	83.6%	84.1%	89.9%	85.5%
Retention by Ethnicity (U.S.)					
Retention rate: White	90.7%	82.3%	84.0%	88.3%	88.5%
Retention rate: People of Color	87.7%	80.4%	83.0%	91.4%	87.7%
Community Building					
Size of BBH Affinity Network Communities (BANC)	10 Networks; 67 Chapters	10 Networks; 66 Chapters	10 Networks; 65 Chapters	10 Networks; 65 Chapters	10 Networks; 65 Chapters
# of large scale BANC events	104	64	90	59	125
Training					
Breaking through Bias/Inclusive Leadership Training	2,877	376 (pilot)	N/A	2,163	150 (pilot)
Manager Competency Based Interview Training	293	70	134	318	107
% of Compliance: Sexual Harassment Training	100%	100%	100%	100%	100%





# Employee Well-being



**GOAL:** Support our employees' financial, physical, and personal well-being through robust educational programs and resources that provide tangible benefits.

## Our Approach

We believe that the well-being of our businesses cannot be separated from the well-being of our employees. Our global well-being program, Thrive, provides education, support, and incentives that help employees make positive lifestyle choices and better long-term decisions—physically, financially, and personally. Well-being can mean different things to different people at different stages in their lives. As such, our program encompasses tangible benefits—from overall compensation to healthcare and retirement programs—as well as more personal elements, such as those focused on culture, leadership, and belonging.

In 2023, some of our highest-priority areas included: mental health, household support, physical engagement, addressing race-based traumatic stress, and educational initiatives that fostered empathy and compassion. Each approach required an inclusive lens to ensure our solutions met the diverse needs of our workforce.

## Core Programs, Policies, & Practices

The lines between well-being, thoughtful leadership, and inclusion often overlap. Although it is difficult to quantify employee well-being, we have long understood that employees who feel physically, emotionally, and financially healthy tend to be more engaged and productive in their work.

This outcome often has a multiplier effect on our employees: it enhances interactions with colleagues and clients and improves lives in their homes and communities.

## Thrive Financially

### Compensation Philosophy and Practice

BBH structures its compensation programs to be market competitive through a total compensation philosophy—salary (base pay or fixed pay) and discretionary bonus (variable incentives). BBH distributes rewards to employees based on firm, line of business, and individual performance—linking an employee's pay to the combination of these factors. In addition to fair pay and performance bonuses, our competitive compensation framework includes profit-sharing awards and retirement plans, as well as subsidized life and disability insurance coverage.

We believe in the principle of equal pay for comparable work, not only because it is the law, but also because it is a core value of our firm and a key principle of our compensation philosophy. Through rigorous governance, we strive to execute our compensation programs fairly and consistently across the firm. Each year, we assess pay competitiveness relative to the market through various external sources. BBH regularly trains managers on the firm's compensation philosophy to ensure they are well informed about how to fairly set pay for comparable work and bonuses based on performance.

### The BBH Employee Relief Fund

A 501(c)(3) non-profit organization funded by contributions from BBH Partners and employees, the BBH Employee Relief Fund helps eligible employees and their immediate family members defray some of the costs and basic living expenses associated with a catastrophic event or unforeseen emergency.

### The Undergraduate Fund

BBH's Undergraduate Fund was launched more than 50 years ago through a gift made by our Partners to help offset the cost of attending a four-year college for employees' children. Based on academic performance and financial need, scholarships are determined by an independent consultant and are awarded annually.

## Thrive Personally

### BBH Assist

Mental health is essential to well-being. BBH supports employees in developing and maintaining the healthy habits needed to manage stress, anxiety, depression, and other issues. In 2023, we were motivated to provide a deeper and more meaningful experience to our employees that emphasized a sense of connectedness. In addition to the many events and communications we provide our employees, BBH offers a global Employee Assistance Program through Lyra, which provides private coaching and counseling sessions to employees and their dependents. The Employee Assistance Program was expanded to include a fully virtual alcohol recovery program designed to help reduce or eliminate alcohol use.





**Hugh Bolton**  
Principal



**Chris Gothard**  
Partner

“In recent years, events such as the Covid-19 pandemic, along with geopolitical conflict and socioeconomic inequalities, have dramatically increased the need to amplify investment in mental health resources for our colleagues and their families. At BBH, we are committed to prioritizing mental health and recognize it as an integral part of our colleague’s general health and well-being. We strive to invest deeply in our BBH community through myriad and evolving resources that reflect the critical significance of mental health.”

### Transitioning to Hybrid Work

Understanding the importance and flexibility that remote work provided to BBHers during the Covid-19 pandemic, BBH transitioned to a hybrid work schedule in the spring of 2023. To help support employees through this transition, we provided a “Returning to the Workplace” webinar. Due to the increased negative impact the pandemic had on adolescent mental health, BBH introduced Brightline, a virtual mental health platform offering therapy, psychiatry, and coaching to kids and teens in the United States.

### Adoption and Surrogacy Assistance

BBH provides financial support to eligible employees globally when having a child through adoption or surrogacy. In 2023, BBH increased this support to \$30,000 from \$20,000.

### Maven

In 2023, BBH introduced Maven in the United States, a family planning resource for opposite sex, single sex, and single parents across the parenthood spectrum. Maven is a leader in delivering family planning-related digital content, on demand 24/7 access to specialized clinical coaching, and personalized provider navigation specific to reproductive health needs. Maven’s approach is holistic, which resonates with the varying needs of the BBH population. It supports employees as they work towards building their families for both birth and non-birth parents. In all cases, Maven aims to deliver exceptional outcomes while also helping users navigate appropriate care to reduce the likelihood of costly services. BBH plans to further expand services through Maven to include breast milk shipping and menopause support in 2024.

### Back Up Childcare

BBH provides access to back-up childcare centers and in-home childcare for U.S.-based employees when their regular arrangements are unavailable.

### Paid Caregiver Leave

In 2023, BBH introduced a new plan to provide U.S. based employees with five consecutive business days of paid leave to care for eligible family members with plans to extend to 10 days in 2024.

## Thrive Physically

### Online Well-Being Platform

Virgin Pulse is a seasoned market leader in the well-being space, and delivers a program designed to drive BBH member engagement. The platform delivers the content and digital navigation that powers the BBH Thrive program. Through the platform, BBH offers well-being focused events and challenges that address all dimensions of wellbeing, which are incentivized with tangible rewards customized to BBH’s well-being objectives and priorities. Virgin Pulse is available on a global scale, allowing BBH to offer culturally relevant and specific content meant to not only address geographically appropriate wellness needs, but also provide an engaging method of social connectedness for employees. In 2023, 49% of BBH staff enrolled in our Virgin Pulse program and received regular engagement from 38% of our staff globally.

### Included Health

BBH’s expert medical opinion partner, Included Health, connects members in the U.S. to high quality second opinion resources to receive personalized health care support from top-rated physicians. Included Health’s organizational mission is rooted in creating equity through transforming care for underserved and vulnerable populations.





## 2023 Review and Spotlight

### Removing Barriers to Improving Mental Health

We seek to further destigmatize mental health and create a work environment where people feel more comfortable talking about their emotional, psychological, and social well-being. In 2023, we held approximately 125 events, locally and globally, around the topics of employee well-being and continued our global #LetsTalk campaign targeting employee and family health. We held our two annual #LetsTalk events with topics related to healthy social media habits, self-care, adult and child mental health, nutrition, and longevity.

Since 2020, BBH has partnered with Lyra to provide behavioral health and work life support services to BBHers across the U.S. and globally. Lyra continues to deliver on an expansive network of behavioral health professionals, both virtually and “in person”, offering immediate access to relevant mental health services. Lyra is also focused on meeting BBH needs related to diversity, equity, and inclusion, ensuring equitable care access. BBH members can conduct provider searches based on racial, ethnic, social, and cultural identities on an online platform that combines technology, proven therapeutic methods, and a diverse network of therapists and coaches, to remove barriers to high-quality care.

For our efforts, BBH maintained the Platinum Bell Seal of Workplace Mental Health. Mental Health America’s (MHA) Bell Seal for Workplace Mental Health is a national certification program to recognize employers committed to creating mentally healthy workplaces.

### Global Step Challenge

In June and December of 2023, more than 400 BBH teams joined together in the Food Around the Globe and Striding for Connection step challenges to stay physically fit and to combat social isolation. The ultimate goals of the fitness challenges, aside from some healthy competition, were to inspire BBHers to stay active and prove firsthand the impact physical exercise can have on our overall well-being. Our annual challenges have been an especially important component of fostering a strong sense of community for BBHers around the globe.





## Key Indicators

Indicator	2023	2022	2021	2020	2019
<b>Wellness Engagement</b>					
# wellness events – global total	<b>125</b>	87	135	75	90
% employee participation in online wellbeing platform	<b>39%</b>	49%	49%	51%	56%
<b>Employee Support</b>					
The Undergraduate Fund – year of report	<b>19</b> scholarships (\$33,855)	26 scholarships (\$83,255)	25 scholarships (\$74,650)	24 scholarships (\$71,250)	21 scholarships (\$70,800)
Employee Relief Fund – year of report	<b>8</b> new grants (\$86,000)	13 new grants (\$119,718)	5 new grants (\$48,417)	12 new grants (\$112,737)	11 new grants (\$150,925)
Employee Relief Fund – since inception (2012)	<b>117</b> grants (\$890,472)	109 grants (\$804,472)	96 grants (\$684,746)	92 grants (\$636,337)	80 grants (\$523,600)





# Our Communities

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# Environmental Responsibility



**GOAL:** Support environmental sustainability by reducing our emissions and resource consumption throughout our facilities and operations.

## Our Approach

Here at BBH, our offices are an extension of our culture. The guest, client, and employee experience in our offices should be reflective of the thoughtful and responsible way we service and deliver our products. As a financial services firm, our greatest impact on the environment is how we operate our 1.09 million square feet of office space in our 18 global locations. How we build and outfit our offices, how those offices collectively consume resources, particularly electricity, and how our employees behave day-to-day add up to significant change.

BBH looks at the sustainability of our facilities from many different angles, from top-down decisions on office location and design to resource use and programs focused on individual behaviors such as educating our employees on practices and habits that will have a lasting effect on the planet.

## Core Programs, Policies, & Practices

### Central Facilities Management

With our global department structure, Enterprise Services maintains a clear line of sight over our operation's collective impact. By sharing ideas and improvements across our facilities, all BBH sites adopt newer, efficient practices more quickly.

### Long-Term Tenancy

BBH builds our offices for long-term tenancy, using practical architectural standards that can flex to ever-changing business needs without having to tear down and rebuild. We make upfront investments in high-quality or refurbished materials, technology, and equipment that last longer with less impact than typical fit outs.

### LEED and BREEAM Certification

When undertaking construction projects, we follow the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) and the Building Research Establishment Environmental Assessment Method (BREEAM)<sup>®</sup> standards. We include qualified consultants, engineers, and designers to help us make thoughtful decisions during design and construction.

Our facilities managers also maintain an open dialogue with our landlords on environmental topics to advocate for renewable energy, more efficient base building systems, environmentally friendly cleaning practices and products, transparency in waste removal and recycling, and building-wide environmental sustainability education campaigns.

### Renewable Energy Offices

Our Boston, Dublin, Krakow, London, Luxembourg, and Zurich offices use renewable energy sources and/or renewable energy credits to offset our associated greenhouse gas emissions.

### Control Systems

We fit our largest sites with building management and lighting control systems that allow for continuous seasonal and sensor-based fine adjustments to support the dynamic needs of our business operations.

### Variable Frequency Drives

At our newer sites, we installed Variable Frequency Drives (VFD) as part of our heating, ventilation, and air conditioning (HVAC) system. With VFDs, the HVAC can be adjusted more finely and run according to demand, rather than running constantly.

### Employee Education and Awareness

In cooperation with Thrive, BBH's employee wellness program, Enterprise Services regularly conducts engagement programs to remind employees of their contribution to our environmental responsibilities. An employee-managed SharePoint site publishes articles and newsletters, provides updates on key environmental sustainability projects, and keeps colleagues informed on local and global initiatives, as well as current topics in environmental sustainability. Our carbon emissions and consumption of energy, waste, plastic, paper, and water are also communicated to employees as part of the efforts noted below.





Recycling and Shredding Program

Working with our landlords and local communities, we maintain guidelines for our business units and employees regarding recycling and shredding of documents. Protecting our clients' data is paramount to our business. Therefore, we shred all paper containing sensitive information and require that the shredding services we contract to recycle the shredded paper.

Commercial Composting

Although composting for commercial buildings remains rare in U.S. offices, our Boston and New Jersey offices participate in local programs. As composting becomes available in an office's location, we actively implement a program.

Plastic Use Reduction in Our Cafes and Canteens

For our BBH-operated food services and catering, we have moved away from single-use plastic as much as possible, in favor of compostable options. For instance, beverages with plastic packaging are not available to our employees.

Travel Impact Reductions

Key investments in meeting technology, including video conferencing, allow us to be more selective in the business travel we choose to take. While in-person meetings will remain a cornerstone to serving our clients, as well as leading our cross-region teams, we encourage each employee to plan travel efficiently and seek alternative modes of transportation by reporting—at the time of booking—the specific carbon output related to their travel.

Environmental Sustainability Champions

A key means of spreading our environmental message and influencing change is our employee network of "Sustainability Champions." This group provides grassroots support to identify and promote environmental improvements, helping their fellow employees make behavioral changes more seamlessly than a top-down mandate could alone. In recent years, their efforts helped set new norms for communal trash cans, reusable coffee mugs and water bottles, paperless meetings, elimination of plastic bottles in our vending machines, and more.



“Sustainability is important to me because the planet is shared by us all, and what we enjoy today is threatening the prosperity of future generations. As a BBH Environmental Sustainability Champion, I am proud to support my company’s mission to become a better steward of the environment.”

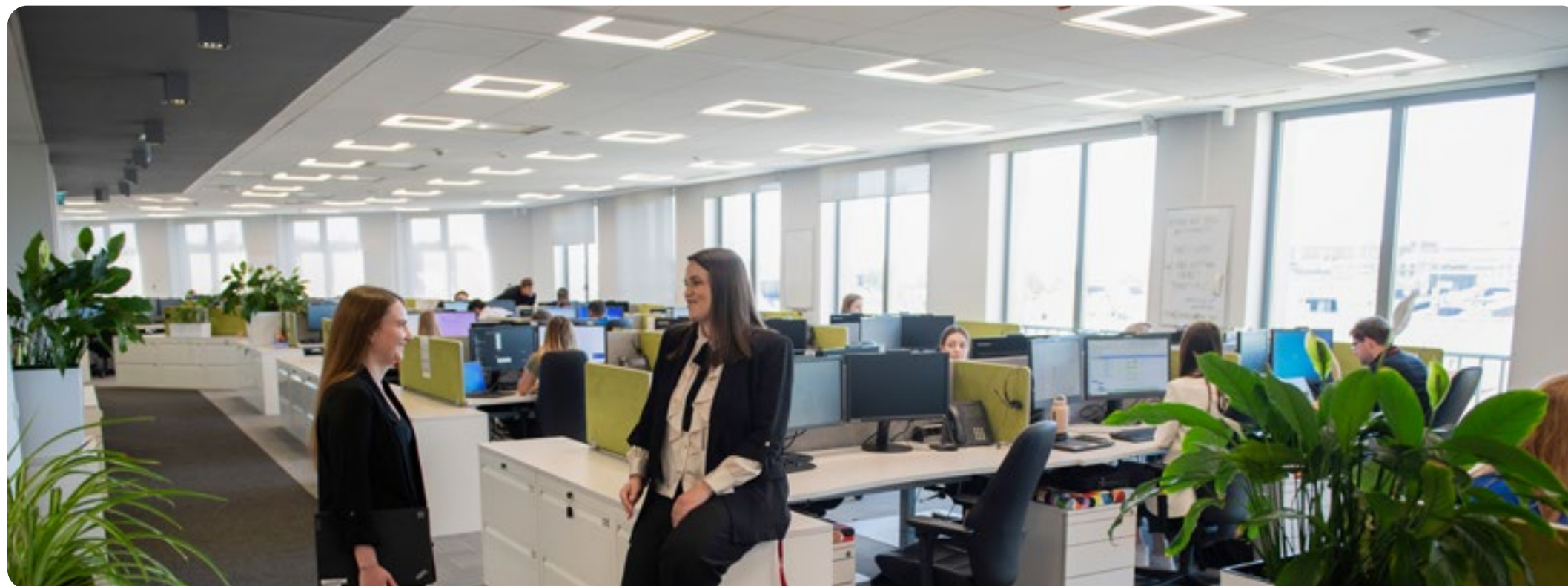
Christia Wong  
AVP, Enterprise Services

↓ 61%

Decrease in Scope 3 emissions compared to 2019 due to reduced consumption, business travel, and employee commuting\*

\*BBH currently tracks employee business travel, commuting and ground transportation, office supplies and paper, leased technology assets, solid waste from operations, recycling, water consumption, and data center energy





## 2023 Review and Spotlight

### Facility Sustainability Enhancements

#### Luxembourg

In 2023, we completed a project to replace all light fixtures in our open-office space with LED lighting, which consume far less energy than traditional lighting. Early observations show that this upgrade has reduced our average consumption from 117KWh to 82KWh daily, or about 30%.

We also overhauled our rainwater tank, which is part of our grey water system. This increases the amount of recycled water used in our secondary domestic consumption, helping to reduce overall water consumption.

#### Krakow

In 2023, we updated the oldest section of our Krakow office with LED lighting, upgrading existing light fixtures from CFL to LED technology, which reduces energy consumption by up to 50%. This upgrade was done retaining 80% of the original fixture, ultimately reducing the amount of waste going to landfill to zero. All other parts were fully recycled through a certified steel and plastic recycling process.

#### New York

In response to a need for more capacity in New York, we leased an additional floor in our headquarters and completed a fit-out using the same level of commitment to sustainability as the office renovation that was completed in 2022. This renovation included energy efficiency enhancements from LED upgrades, creative reuse of the building's prior furnishing to reduce our waste production, electric steam energy/chiller improvements, and UV films applied to all exterior windows for passive heating.

This fit-out, as with the original which received LEED and was accounted for in our Silver LEED certification.

### Office Sustainability Initiatives

While we recognize the following do not have quantitatively substantial impacts on the environment, it has a significant influence on our firm's culture, reinforcing behavioral change whereby small initiatives, when added together, materially reduce our environmental impact.

As part of decommissioning a backup hot site in Boston, we made a commitment to limit the amount of waste sent to landfill. We have successfully donated 150 workstation desks to the New Life Furniture Bank of Massachusetts and 150 office chairs to Habitat for Humanity.

In addition to building operations and physical office renovations, it is important that we engage our employees in behavioral change to reduce our waste production and greenhouse gas emissions as a firm. In our Boston office, we provided reusable travel coffee cups to all employees and asked that they keep and reuse the cup in lieu of using single-use plastic and non-recyclable paper cups. BBH London made the transition away from plastic milk containers, allowing only for milk delivered in paper cartons and glass bottles. In July of 2023, we joined the "Safe Disposal of Unused Medication" program organized by the Junior Chamber International Hong Kong. Since then, about 300 unwanted or unused pills were collected and sent to a designated point for proper disposal instead of contaminating the ecosystem.



Key Indicators

Indicator	2023	2022	2021	2020	2019
Firm-wide Facilities Management					
Industry Certification					
LEED	Boston (Silver - 2013)	Boston (Silver - 2013)	Boston (Silver - 2013)	Boston (Silver - 2013)	Boston (Silver - 2013)
	Dublin (Gold -2014)	Dublin (Gold -2014)	Dublin (Gold - 2014)	Dublin (Gold - 2014)	Dublin (Gold - 2014)
BREEAM	Krakow (2014)	Krakow (2014)	Krakow (2014)	Krakow (2014)	Krakow (2014)
Resource Consumption					
kWh use – total across sites with > 100 employees	8,373,566 (↓ 45%)	8,124,532 (↓ 49%)	9,575,630 (↓ 39%)	11,842,187 (↓ 22%)	15,202,737
kWh use – per ft²	6.7 (↓ 42%)	7.5 (↓ 35%)	7.8 (↓ 33%)	8.8 (↓ 24%)	11.6
% of total kWh consumption generated by renewable sources or offsets	60% (↑ 25%)	49% (↑ 2%)	72% (↑ 50%)	83% (↑ 73%)	48%
Paper Consumption (millions of pieces)	2.96 (↓ 82%)	2.4 (↓ 86%)	1.5 (↓ 91%)	4 (↓ 76%)	16.5
Travel					
CO <sub>2</sub> attributed to BBH travel – air (total tonnes)	1,584T (↓ 69%)	723 (↓ 86%)	450 (↓ 92%)	579 (↓ 89%)	5,049
CO <sub>2</sub> attributed to BBH travel – air (tonnes per FTE)	0.25T (↓ 72%)	0.13 (↓ 86%)	0.077 (↓ 91%)	0.096 (↓ 89%)	0.9
Education					
# of articles published internally	13	8	15	11	N/A
Total Scopes*					
SCOPE 1 Total Emissions	238 CO <sub>2</sub> e (mt) (↓ 75%)	514 CO <sub>2</sub> e (mt) (↓ 45%)	347 CO <sub>2</sub> e (mt) (↓ 63%)	766 CO <sub>2</sub> e (mt) (↓ 18%)	938 CO <sub>2</sub> e (mt)
SCOPE 2 Market-Based Emissions (CO <sub>2</sub> e mt)	2,398 CO <sub>2</sub> e (mt) (↓ 45%)	2,677 CO <sub>2</sub> e (mt) (↓ 38%)	1,969 CO <sub>2</sub> e (mt) (↓ 55 %)	1,522 CO <sub>2</sub> e (mt) (↓ 65%)	4,328 CO <sub>2</sub> e (mt)
SCOPE 2 Location-Based Emissions (CO <sub>2</sub> e mt)	2,843 CO <sub>2</sub> e (mt) (↓ 45%)	3,066 CO <sub>2</sub> e (mt) (↓ 41%)	2,541 CO <sub>2</sub> e (mt) (↓ 51%)	3,227 CO <sub>2</sub> e (mt) (↓ 38%)	5,178 CO <sub>2</sub> e (mt)
SCOPE 3 Total Emissions (CO <sub>2</sub> e mt)	10,136 CO <sub>2</sub> e (mt) (↓ 61%)	8,848 CO <sub>2</sub> e (mt) (↓ 66%)	9,003 CO <sub>2</sub> e (mt) (↓ 65%)	15,788 CO <sub>2</sub> e (mt) (↓ 39%)	25,742 CO <sub>2</sub> e (mt)

\*Prior data has been restated to account for improved data and updated Greenhouse Gas Protocol calculations

Note: percent changes are compared to the 2019 baseline.





# Community Engagement



**GOAL:** Increase the reach of our community engagement program, BBHcares.

## Our Approach

Throughout our history, BBH has actively engaged with the communities where we do business by sharing our talent, time, and financial resources with those in need. It's not only the right thing to do; it ultimately provides more equitable access to education and workplaces, broadens our perspective, and improves the quality of life in the cities and neighborhoods where we live and work.

In 1994, BBH formalized our longstanding tradition of community engagement into our BBHcares philanthropic program. BBHcares marshals our employees' time and talents to provide support to charities around the globe. With a mission to partner with non-profits that provide basic needs (food, clothing, shelter) and education, our philanthropic focus areas enable low-income individuals and families to take control of their finances, gain independence, and achieve economic sustainability and success.

## Core Programs, Policies, & Practices

BBHcares marshals our employees' time and talents to provide practical, visible support to a growing number of charities around the globe and the people they serve

### BBHcares Champions

Employee leaders spearhead many of our volunteer projects and giving campaigns, infusing their passion for the cause into each initiative. In addition to the satisfaction that comes from helping others, BBHcares activities build personal and professional skills such as leadership, strategic planning, communication, project management, time management, and networking. Employees often identify new needs at partner agencies, such as educational curriculum development, and galvanize BBH teams to design and execute a solution.

### Unlimited Employee Volunteer Hours

All employees are eligible to receive paid time-off to volunteer during work hours through our BBHcares program, subject to their manager's discretion. In addition, employees are also afforded a paid Community Service Day to support organizations or programs important to them.

### Central Events Calendar and Communications

We advertise all activities on a central corporate calendar and through office-wide emails. Activities are also highlighted by senior leaders during town halls and other high-level meetings. Volunteer events are scheduled at a variety of times with varying frequency and differing populations to create the most opportunities for employees to participate. We celebrate volunteer impact monthly through an internal newsletter and with top billing on our intranet home page.

### BBH Community Giving

Employee fundraising happens across our offices in Europe and Asia at various times throughout the year, with a focus on supporting our charitable partners. In the U.S., a voluntary employee contribution campaign, powered by the United Way, occurs annually and complements our many volunteer projects.

### The 1818 Employee Giving Circle

The 1818 Employee Giving Circle is a centralized place to share personal charitable interests beyond the BBHcares program with other BBHers. Whether employees are looking for donations, volunteers, or other support, the Giving Circle is the place for employees to communicate their service interests to like-minded individuals.

### Board Service and Grant Reviews

BBHcares partners with United Way to provide U.S.-based employees with the opportunity to gain the skills needed to serve on nonprofit boards and be placed with charities in need of their management and financial expertise. Many of our employees are also asked by partner charities to serve on boards, young leader councils, and friends committees. These engagements deepen our volunteer and financial commitments with local organizations.

### BBH Charitable and Philanthropic Contributions Policies

By approving and processing all contributions made on behalf of the firm through a single department, BBH is careful to ensure our charitable contributions benefit the community and do not influence the business judgment of others. This department ensures all philanthropic activities comply with industry and local regulations and best practices.





## 2023 Review and Spotlight

### The BBH Employee Relief Fund

A 501(c)(3) non-profit organization funded by contributions from BBH Partners and employees, the BBH Employee Relief Fund helps eligible employees and their immediate family members defray some of the costs and basic living expenses associated with a catastrophic event or unforeseen emergency.

### The Undergraduate Fund

BBH's Undergraduate Fund was launched more than 50 years ago through a gift made by our Partners to help offset the cost of attending a four-year college for employees' children. Based on academic performance and financial need, scholarships are determined by an independent consultant and are awarded annually.



### Partnering to Support our Communities

Partnerships extend beyond those with our clients. Since the late 1800's, BBHers have supported programs and community agencies that provide resources and skills to position young people for success.

In May 2023, we were honored to receive [Futures and Options](#)' inaugural Corporate Volunteer Engagement Award. This award recognizes the outstanding commitment of BBH volunteers who hosted career panels, conducted mock interviews and resume review sessions, assisted with college essays, and more for the students involved with Futures and Options.

Globally, employees leverage custom curriculums and share best practices to expand our work with young people across varied demographics. Employees in Dublin launched a new partnership in 2023 with [Ballymun Youthreach](#) (BYR), which works with local teenagers who have dropped out of school to help them restart their education or begin a career path. BYR and corporate partners support and encourage these young people through a suite of programs covering personal development, education, and training. BYR students ventured to BBH every other week to learn more about the firm and our business before working in small groups with BBHers to craft their CV's, begin mapping potential career paths, prepare for and practice interview techniques, and work on presentation, public speaking, and other professional skills.

### Ongoing Collections

In addition to our educational work with children and young adults, annual back-to-school and holiday gift collections have been popular staples in our BBHcares program for decades. As with all of our projects, these drives have evolved over time. Buying new backpacks and school supplies each autumn is always fun, but as collections of school supplies for children became more prevalent, some offices worked with local schools to furnish other items that help children be confident and successful.

Each year as winter holidays approach, employees across our offices add children and families in need to their shopping lists. BBHers in Boston, Jersey City, and New York fulfill the wishes of specific children while teams of employees in Krakow "adopt" families through [Slzachetna Paczka](#) (the Noble Gift Project).

In 2023, wish lists came from local, school-based programs, too. Employees in Wilmington and Philadelphia – along with their own children – set out to shop for children associated with the Carrcroft Elementary School. Each wish list is an opportunity to spread holiday cheer and bring joy to those in need. Regardless of the requests or needs, BBHers ensured that all wishes were granted, packages were carefully wrapped, and all was delivered in time for the holidays.



"BBH colleagues divided the gift list to ensure that the holidays were truly magical and joyous. Not only did we provide gifts for children, but also necessities such as hygiene products, toiletries, laundry supplies, and more. This project definitely put me in the holiday spirit!"

**Tressa Catalina**  
Wilmington Office Manager





Over the last decade, BBH has partnered with organizations like Futures and Options (FAO) that encourage young people through career exploration and skill development opportunities in New York City. Through a combination of virtual panel discussions, case study sessions, in-person career day “field trips” to our offices, mock interviews, and more, we have impacted hundreds of students from schools across the city. While BBH volunteers span multiple generations and disciplines, many members of our Young Professionals Network (YPN) have rallied around this organization, lending time and energy toward creating unique programs that help young people develop an understanding of finance. Furthering our partnership with the organization, BBH YPN member Jay Park has advocated for Futures and Options programming in- and outside of BBH as a member of their Junior Board.



“Having worked at the career development center of my alma mater, I always enjoyed helping younger members within my community think about their aspirations and goals. Futures and Options gave me the perfect opportunity to continue to pursue my passion of giving back. I am delighted to be part of FAO's Junior Board and look forward to developing more ways to support their amazing students.”

**Jay Park**  
Investment Management







"I connected my peers in our Charlotte office with a local elementary school and developed a new back-to-school program through a wish list of school uniform pieces and other basic clothing necessities for children. The wish list is permanently posted, meaning employees can support this project as children head back to school or at any time of the year.

School uniforms help promote equality and a sense of belonging among students. They also help children get the most out of their education – focusing on what is happening in the classroom versus who has the "coolest" sneakers.

The majority of the children at Winding Springs Elementary School (WSE) come from very low-income, but hard-working families. The principal and staff at WSE have created a positive culture and caring environment you see as soon as you enter the building. The children take pride in their uniforms and know that WSE is a supportive place."

**Heather North**  
Trust Officer



Key Indicators

Indicator	2023	2022	2021	2020	2019
# Total Volunteer Hours	2,264 hrs	1,725 hrs	1,330 hrs	2,300 hrs	8,500 hrs
Community Giving (Firm donations, Employee Giving Campaign, and BBH Employee Relief Fund Donations)	\$3.63 million	\$2.50 million	\$2 million	\$4.72 million	\$4.08 million
Annual Charitable Partners	155	149	123	153	133
Employees who Serve on Charitable Boards	304	308	272	320	225
Employee Relief Fund – year of report	8 new grants (\$86,000)	13 new grants (\$119,718)	5 new grants (\$48,417)	12 grants (\$112,737)	11 grants (\$150,925)
Employee Relief Fund – since inception (2012)	117 new grants (\$890,472)	109 grants (\$804,472)	96 grants (\$684,754)	92 grants (\$636,337)	80 grants (\$523,600)
BBH Undergraduate Fund Awards (total)	19 scholarships (\$67,655)	26 scholarships (\$83,255)	25 scholarships (\$74,650)	24 scholarships (\$71,250)	21 scholarships (\$70,800)

304

Employees who Serve on  
Charitable Boards





# Supplier Sourcing



**GOAL:** Conduct comprehensive screening on ESG factors and maintain a Supplier Code of Conduct for material supplier contracts and renewals.

## Our Approach

As a global organization with thousands of business relationships, we recognize that our sustainability impact includes not just the work we do directly but also the work that is done on our behalf. We seek to enter into relationships with suppliers who share our values, including ethical dealings, environmental stewardship, human rights, and labor practices that support dignity and inclusion. We believe that all companies that provide products and services to BBH should align their guidelines, policies, and practices with ours, which are in turn aligned with those of our clients and employees.

BBH maintains a global supplier management process and conducts comprehensive due diligence on each supplier with which we engage. We enhanced our ESG screening and maintain a Supplier Code of Conduct (the “Code”) to provide further clarity as to how BBH holds its suppliers accountable for ESG risk and sustainable business practices. As of January 2020, BBH requires all suppliers who meet a materiality threshold to commit to the Code.

## Core Programs, Policies, & Practices

BBH continues to expand its core programs, policies, and practices to ensure that companies providing services and products to BBH represent a diverse population of people and conduct their own business in a sustainable manner.

### Vendor Management Policy, Process, and Oversight

BBH maintains a comprehensive global vendor management process that governs the firm’s vendor risk management controls and sets forth requirements for managing external supplier relationships, including onboarding, due diligence, monitoring, and offboarding. This process is subject to the BBH Global Vendor Management Policy, which applies to all engagements with external suppliers and is designed to comply with industry best practices and applicable laws and regulations.

The BBH Vendor Management Steering Committee oversees this policy and process. All BBH supplier engagements, whether with new or existing suppliers, require the review and pre-approval of the Vendor Management Committee (VMC), which is responsible for assessing the potential risks of the engagement while confirming the appropriate level of due diligence is conducted before we agree to a supplier engagement. The risk review process also includes screening for material ESG risk factors.



### Supplier Code of Conduct

All BBH suppliers that meet a minimum materiality threshold must agree to BBH’s Code, which describes BBH’s expectations for how suppliers conduct their business. In some cases, BBH will accept an equivalent Code of Conduct that meets or exceeds the provisions of BBH’s Code.

While adherence to the Code is not a contractual commitment, BBH makes existing and potential suppliers aware that the firm takes their willingness to comply with the Code into account as part of our regular supplier review and selection process.

### Vendor Technology Assessment

BBH’s Vendor Technology Assessment (VTA) program exists to protect the confidentiality, integrity, and availability of BBH and client data when using a supplier. The VTA includes a risk analysis to determine if the supplier has appropriate IT controls in place, that contractual requirements are considered, and that the supplier and BBH monitor those IT controls for the life of the relationship.

### ESG and Sustainability Screening

BBH asks our largest suppliers for details and reporting on their ESG and sustainability programs, not only to assess the strength of their oversight and controls, but also as an assessment mechanism for our own Sustainable BBH program.



## 2023 Review and Spotlight

After launching our Supplier Code of Conduct program in early 2020, our vendor management team received signed copies of the Code (or equivalent) from 115 new vendors that met the materiality threshold and those existing vendors that went through regularly scheduled reviews. In 2022, 26% of new vendors met the threshold, and 17 new or existing vendors committed to the Code. This leveling off continued in 2023, as 10% of new vendors met the materiality threshold and 16 new or existing vendors committed to the code. The trend is as expected and is a sign of the maturation of our program.



“As an organization committed to sustainability, we recognize the importance of the work done on our behalf in addition to the work we do directly. For this, we seek out ethical suppliers who maintain an excellent track record of environmental and social responsibility.”

**Dan Becker**  
Principal, Chief Compliance Officer

## Key Indicators

Indicator	2023	2022	2021	2020	2019
# of suppliers contracted	2,609	2,456	2,100	2,700	1,800
# of suppliers assessed by the Vendor Technology Assessment — 3-Year Rolling View	245	234	185	167	150
% of total spend: new suppliers who meet materiality threshold for ESG screening	10%	26%	24%	91%	94%
# new supplier signatures to BBH Supplier Code of Conduct (or equivalent)	16	17	59	115	n/a*

\* program launch January 2020



# Our Firm

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# Governance

This section addresses the firm’s approach to governance, business ethics and professional integrity, and risk management. For more information about how BBH addresses similar topics in our supply chain or investments, please read the report sections on Supplier Code of Conduct (page 49), ESG Considerations and Sustainable Investing (page 12), and Community Engagement (page 44).

## Benefits Of Partnership

A well-governed partnership like BBH’s is collaborative, transparent, and flat — an organizational structure where the best ideas and collective concerns rise quickly to the top.

Because our Partners are personally liable for the firm’s obligations, we make careful and thoughtful long-term decisions in an unusually aligned spirit of collaboration and trust to manage the relationships and risks inherent in everything we do. Our Partners remain well-informed of the firm’s activities and are directly involved in daily management and decision-making.

As a private partnership, our firm is not beholden to external shareholders, debt or equity analysts, corporate activists, or potential acquirers. This private status relieves us from the distractions of short-term or public market expectations and empowers us to make investments in the relationships, technologies, products, and people which we believe are in the best long-term interests of our clients and firm.

Furthermore, being relatively small allows us to stay close to our clients and to one another. This helps us understand where we have common interests and values, including economic, social, and environmental issues.

## Ownership & Officers

The BBH Partners and Principals own and manage the firm, under the direction of Managing Partner William (Bill) B. Tyree.

General Partners	32
Limited Partners	20
Principals	78

As of December 31, 2023







## Governance Committee Framework

The BBH Partnership delegates supervisory oversight, business management responsibility, and decision-making authority to the BBH Executive Committee, our senior-most committee (our Board of Directors equivalent), as well as a framework of BBH Senior Committees with well-defined roles and responsibilities. BBH Senior Committees are generally global in scope and include:

- Firmwide Governance and Oversight Committees
- Line of Business Oversight Committees
- BBH Subsidiary-Level Boards of Directors and Governance Committees

As a partnership, our overall operating and decision-making model is based on peer review, and our committee structure supports this approach. This is why, in determining committee membership, we purposefully bring together individuals with a wide range of viewpoints and diverse experience across different business and functional areas. Our committees have global representation from BBH Partners and senior executives across business lines, as well as individuals from our control and oversight functions. This allows for a sharing of perspectives by individuals with an expansive understanding of BBH's businesses, activities, best practices, and control infrastructure.

### Where Responsibility for Economic, Environmental, and Social Topics fits in the BBH Governance Framework

The tone and priorities for our firm are set by our Managing Partner, Bill Tyree. Recognizing the importance of ESG topics to our stakeholders and the role these factors play in assessing long-term value and sustainability, Bill chairs the firm's Executive Sustainability Council. The council's mandate is to further integrate business and revenue growth with positive, non-financial impacts and is overseen by the BBH Executive Committee.

Given the breadth of economic, environmental, and social topics that are material to BBH and our stakeholders, every committee within our governance structure touches at least one, though often multiple, sustainable impact areas. We believe it's the role of every employee at BBH to help achieve the goals outlined in this report.

BBH commits executive attention to key sustainability issues:

- Each of our ten sustainability goal areas has a Partner charged with oversight
- Each sustainability goal has at least one executive-level officer appointed and accountable for progress

Every goal's accountable officer either directly reports to or is one degree of separation from a Partner or Principal and is accountable to one of the firm's top-level governance committees.

This accountability — ensuring attention from the highest levels of the organization — reflects both our commitment to Sustainable BBH and the nature of our flat organizational structure.





## Business Ethics and Professional Integrity:

### Code of Ethics

The foundation of Brown Brothers Harriman & Co. is the reputation that we have built over the last two centuries and the trust that our clients and communities have in the firm and our employees. This foundation has been built upon our values and standards. Acting with integrity, accountability, and respect is key to maintaining BBH’s reputation and ultimately its success. While we care about the results we achieve, we care just as much about how we achieve them.

For BBH employees, the Code of Ethics and Professional Conduct (“Code of Ethics”), together with our BBH policies such as our Compliance Manual and Employee Handbook, sets forth our standards for appropriate workplace conduct and the regulatory requirements to which BBH is subject. The Code of Ethics does not cover every issue that may arise, but it sets out basic principles to guide all BBHers on how to conduct themselves and avoid even the appearance of unethical or improper behavior and to ensure that we do the right thing.

All newly hired BBH employees receive comprehensive training on our Code of Ethics and our policies and procedures. Each year, every full-time employee must attest to their compliance with and understanding of the Code of Ethics and each of its underlying policies, including:

- |   |  |
|---|--|
| ▪ Whistleblower policy                            | ▪ Public communications compliance policy              |
| ▪ Anti-money laundering policy                    | ▪ Outside business activities and directorships policy |
| ▪ Information barriers and insider trading policy | ▪ Records management policy                            |
| ▪ Personal trading policy                         | ▪ Vendor management policy                             |

Our Human Resources department in collaboration with our Compliance department maintains the Code of Ethics and these underlying policies, reviewing and updating annually based upon regulatory and industry changes and expectations, as well as input from our Governance, Risk, & Compliance Oversight Committees.

This section addresses the firm’s direct efforts on governance, business ethics and professional integrity, and risk management.

### The Code of Ethics’ Statement of Principles

BBH personnel are required to comply with all laws and regulations applicable to BBH’s business activities and are subject to the following Statement of Principles intended to provide guidance for handling a broad spectrum of matters.

BBH personnel shall:

- Place the interest of clients first
- Conduct all of their personal securities transactions in a manner consistent with this Code and associated policies
- Avoid inappropriate conflicts of interest or any abuse of a position of trust and responsibility
- Refrain from taking inappropriate advantage of their BBH position
- Ensure that client information is kept confidential, including the identity of clients’ security holdings and financial circumstances
- Ensure that they maintain independence in the investment decision-making process
- Act professionally while on BBH premises or conducting BBH business

### Whistleblower Protections and the Mechanisms for Advice and Concerns

The Code of Ethics offers BBHers practical guidelines to help assess whether a violation of the Code of Ethics may have occurred and escalate issues when they arise. It specifically directs employees to report immediately any questionable or improper business practices or fraud, offering four different channels through which to log a concern, including a confidential, independent reporting system reachable online or by hotline. Any reported concern must be reported ultimately to the firm’s Chief Compliance Officer.

The firm also maintains a Whistleblower Policy to encourage BBH personnel, agents, and vendors to report and escalate possible violations of law, the Code of Ethics, and Compliance policies and procedures. BBH is committed to responding to any such claims and does not tolerate retaliation in connection with any such escalation.





## Anti-Corruption, Public Policy, and Political Contributions

BBH designed our anti-corruption policy to establish standards of conduct for compliance with anti-bribery laws that govern the firm's activities. These laws include, without limitation, the U.S. Foreign Corrupt Practices Act (FCPA), the U.S. Foreign Extortion Prevention Act (FEPA), and the U.K. Bribery Act, which impose civil and criminal penalties for violation of the law. It is a crime under applicable laws to make a corrupt payment, including those which lead to an improper performance to a government official (as the policy clearly defines).\*

Accordingly, the anti-corruption policy incorporates the following key principles:

- The firm may not, either directly or through an agent, provide anything of value to government officials as a quid-pro-quo for any favorable government action or treatment
- BBH personnel must treat all interactions with government officials with heightened scrutiny and should err on the side of caution when a course of action is not clear
- Expenditures including business entertainment involving government officials require pre-approval and must comply with BBH's Gifts and Entertainment Policy, as well as local law

The Political Contributions Policy, in turn, provides for proper vetting of political contributions and events by BBH personnel in light of applicable pay-to-play laws and firm policy. Prior to making contributions to state/local political candidates, parties, committees, or government officials, BBH personnel must submit such contributions to Compliance for review. Similarly, prior to sponsoring events on behalf of all political candidates, parties, committees, or government officials, BBH personnel must submit such events to BBH's Managing Partner and Compliance for review.

## Risk Excellence and Compliance

BBH's partnership structure is a significant driver in our risk management culture and infrastructure. The Partners are committed to preserving the long-term value of the firm, have active involvement in daily management activities, and continuously communicate a conservative risk tolerance, appetite, and approach. In addition, the Partners are personally liable for the firm's business activities. This leads to a balanced, informed, and efficient decision-making structure.

We expect all BBH personnel to act in a principled manner in alignment with our Risk Appetite Statement and our Core Values (teamwork, integrity, excellence, and sustainability). Our Risk Appetite Statement and Core Values reflect our unique culture and are reasonably designed to protect BBH from legal, financial, operational, and reputational risks.

We work diligently to cultivate an environment that instills in all employees their responsibility for proactively identifying, assessing, and mitigating operational, cyber, regulatory, and other business risks. Our culture and infrastructure emphasize compliance and the escalation and mitigation of issues. Risk, control, and compliance are key elements in the employee's performance evaluation process. In fact, we consider each employee to be a "risk manager," and our employees work together to make sure that our activities and processes are executed in accordance with best practices and regulatory expectations and that they are continuously monitored, evaluated, and enhanced.

Although the responsibility for compliance and risk management rests directly with the lines of business, we have dedicated Compliance and Enterprise Risk Management functions, which operate independently from the lines of business to strengthen and protect the firm and its clients by:

- Advising and educating BBH personnel on laws and regulations applicable to their businesses
- Providing risk insights and supporting the lines of business in identifying, anticipating, measuring, and managing risks to the firm
- Driving a culture of risk awareness, transparency, and escalation
- Conducting periodic assessments to ensure the firm's compliance program continues to remain effective

\*An improper performance is a breach of an expectation that a person will act in good faith, impartially, or in accordance with a position of trust.





Training and Awareness

Training and awareness are key components of our compliance and risk management programs. Our training and awareness program is designed to educate BBH personnel about compliance and risk management obligations and expectations. Our program includes training on cybersecurity, fraud, information security and physical security, BCP, privacy and data protection, compliance and ethics, workplace harassment, anti-bribery, and political contributions and lobbying. Employees also receive specialized risk-related training to reflect changes in law, best practices, lessons learned, as well as industry and market trends.

BBH’s comprehensive compliance and risk management frameworks support the business’ ongoing identification, escalation, assessment, and mitigation of risks, as well as management’s understanding of the inter-relationship among various risks and the overall control environment.

How ESG Risks are Changing the Industry and BBH Approach to Risk Management

Our view is that risk management is not only about the identification, measurement, and reporting of risk metrics and trends, but about doing the right thing, speaking up when something does not feel right, and taking into consideration the social and ethical ramifications of our decision making.

As part of BBH’s risk management program, we continuously evaluate the most significant risks that BBH and our stakeholders face. We take into consideration shifting environmental, social, and governance factors, evolving regulatory expectations, emerging technologies, and internal and external threats including geopolitical, social, and market considerations.

Key risks we are focused on today include:

- **Business Interruption Risk** – Risk resulting from an unanticipated disruption of normal operations or systems, including any physical disruption of business or system outage or slowdown, which could lead to missed client deadlines, severe client dissatisfaction, or possible client loss
- **Credit/Counterparty Risk** – Risk resulting from financial or operational exposure to counterparties, customers, and vendors
- **Cyber Risk** – Risk resulting from a breach of, or attack on, our information systems (internal and external)
- **Fraud Risk** – Risk resulting from an intentional act, omission, or statement designed to deceive BBH (internal and external)
- **Legal/Regulatory/Fiduciary/Investment Risk** – Risk arising under law or contract, including the risk of not satisfying a fiduciary responsibility or other standard of care
- **Operational Risk** – Risk from inadequate or failed internal processes, people, systems, or adverse external events
- **Strategic and Competitive Risks** – Risk that our products or services do not stay apace with market and competitive conditions
- **Technology and Data Management/Privacy Risk** – Risk associated with our technical infrastructure or our use of technology, including the inability of technology to meet business needs, unreliable data, or storing, using, transmitting, managing, destroying, and securing firm, customer, and third-party data
- **Workforce and Conduct Risk** – Risk of workforce issues impacting the delivery of business outcomes and outputs, including potential unethical employee behavior

2023 from a Risk Manager’s Perspective

In 2023, BBH officially closed out our COVID-19 business continuity event and transitioned to a fully hybrid work environment. As BBHers around the world returned to our offices, we continued our focus on workforce and operational resiliency in coordination with the BCP, anti-fraud, technology, cybersecurity, and Human Resources teams. We were also faced with the industry-wide impacts of high-profile bank collapses and a U.S. regional bank crisis, cooling yet persistent inflation, emerging climate legislation, as well as risks and ethical questions around advancements in artificial intelligence.

All this occurred in an environment of continued political and social divisions in which corporations, particularly financial institutions, were under intense scrutiny for actions related to social and environmental matters.



“We embed robust risk management practices throughout each component of our business and empower each BBHer to act as a risk manager to protect our clients’ assets and maintain a culture of resilience as we stay ahead of a rapidly evolving landscape.”

Elizabeth Rand  
Principal, Head of Risk



Thank you for your interest in our stewardship efforts and for reading our report.  
We welcome your thoughts and observations as we continue our progress.

✉ [sustainability@bbh.com](mailto:sustainability@bbh.com)



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