

# APPROACH TO ESG INVESTING AND OVERSIGHT

Firm Data as of June 30, 2023

ESG Framework as of September 30, 2023



Weatherbie Capital is a signatory to the PRI and carbon neutral.



Inspired by Change. Driven by Growth.

**At Weatherbie Capital**, we believe that the greatest opportunity for superior returns comes from a portfolio comprised of dynamically changing and fast-growing companies.

We seek to uncover these opportunities through our:

- Dedicated focus on growth investing
- Vibrant, fundamental research-intensive culture
- Consistent process, time-tested for over 25 years

**Founded**

- 1995
- Growth equity specialist

**Ownership by Parent Company, Alger\***

- A private, women-owned investment boutique
- Alger Partners Plan—more than 20% of firm value
- Alger Profit Participation Plan—43% of employees participating

**Employees**

- Total: 8
- Investment Team: 6

**Assets Under Management**

- \$2.9 billion

## Organizational Background

### Firm Identification

**Name of Firm:** Weatherbie Capital, LLC (“Weatherbie”)

**Type of Firm:** Independent Investment Manager

**Registration:** SEC Registered Investment Advisor

**Registration ID:** 105-991

Please click for [Weatherbie’s ADV](#).

### Office Locations

Location	Functions
Fred Alger Management, LLC New York, NY 10004	Headquarters: Investments, Sales, and Administration
Fred Alger Management, LLC Denver, CO 80206	Investments
Weatherbie Capital, LLC* Boston, MA 02110	Investments
Alger Management, Ltd. London, United Kingdom	Sales/Marketing

\*Weatherbie Capital, LLC is a wholly-owned subsidiary of Alger Group Holdings, LLC, which is the direct parent company of Fred Alger Management, LLC. and Alger Management, Ltd.

## Environmental, Social, Governance (“ESG”) as Part of Weatherbie’s Investment Process

### Framework for Incorporating ESG Considerations in Security Analysis

Alger adopted its firm-wide ESG framework to incorporate ESG considerations into its security analysis processes in April 2019. Weatherbie Capital was acquired by Alger in March 2017, and became a signatory to the Principles for Responsible Investment (“PRI”) in August 2021. Since then, Weatherbie investment team members follow this framework for their ESG analysis.

We are confident that analysis of Environmental, Social, and Governance (“ESG”) issues of stocks we own in our clients’ portfolios will lead to a more in-depth and comprehensive understanding of the fundamental value drivers of these companies in the long-term. Furthermore, communication with companies regarding ESG considerations will help foster deeper relationships that may allow Weatherbie to engage with companies on how they might improve their impact and reduce long-term risks. We believe that innovative companies embracing sustainable ESG practices may be able to create value for both shareholders and broader society.

We primarily use the Global Access portal provided by third-party firm, Sustainalytics (a Morningstar company). Its focus is on the makeup and key drivers of covered companies’ ESG Risk Score. We supplement that analysis with other means such as Bloomberg, MSCI ESG Research, ISS, and S&P (all available through the Bloomberg platform used by all Weatherbie investment professionals) to provide further information and guidance on ESG considerations at an industry and security specific level. To assist with our efforts to incorporate ESG considerations in the investment process, our investment professionals also have access to:

- Company-specific ESG reports, which provide detailed information about the company (e.g., overall ESG rating, commentary, key risks, strengths, controversies). Such reports are updated annually and more frequently, if necessary (e.g., due to an event which affects the issuers’ ESG profile).
- A quarterly report that provides ESG rankings (as determined by the third-party provider) for each of the securities Weatherbie owns on behalf of its clients.
- ESG-specific news alerts in FactSet for industries they cover.

Further, our investment team, through Sustainalytics, has access to separate Controversy reports.

In addition, on a weekly basis, when applicable, Alger’s dedicated ESG analyst sends the Weatherbie investment team a summary of noteworthy ESG-related news generated by TruValue. FactSet’s TruValue is a daily collection of the most important positive and negative ESG events impacting a company. Truvalue’s algorithms extract individual events after parsing through content from over 100,000 different sources. Each event is tied to a company and at least one of the categories defined by the Sustainability Accounting Standards Board (“SASB”) including: the environment, human capital, social capital, business model and innovation, and leadership and governance. We may change and expand the sources for such information, including by selecting another third-party firm, using company provided information, or performing internal assessments.

With respect to no less than 75% of the assets under management at Weatherbie, analysts will review the ESG scores of those companies that have been assigned to them. If the company's Sustainalytics ESG rating is 25.0 or below and our research uncovers no other ESG issues, no further ESG analysis is required. If the company is ranked 25.1 or above by Sustainalytics, the Analyst will:

1. Identify drivers of ESG score; review in detail the reporting provided to identify the ESG issues raised.
  
2. Interview management with key questions about ESG issues, progress and evaluate the prospect of positive change. Sample questions could be:
  - Is the company aware of the issues which are negatively impacting its ESG rating?
  - Are the issues temporary or permanent?
  - What is the company doing to address the issues? How many resources are committed to addressing the issues and over what time frame?
  - At what level of the organization are ESG projects managed?
  - Is the management team keeping abreast of the ESG developments of their peers?
  - Additional sample questions by ESG topic are provided in Appendix A.
  
3. Based on the above research and inquiry, rate the company on three scales of 1 – 5 on the probability and magnitude of the potential for positive ESG change, and the awareness of issues.

<b>Probability of Change</b>	
1	Very low
2	Modest
3	Considerable
4	High
5	Near Certainty

<b>Magnitude of change</b>	
1	Worsening
2	No change
3	Modest
4	Considerable
5	Significant

Awareness of Issues	
1	Is unaware
2	Is low
3	Is Moderate
4	Is Proactively Addressing
5	Is the Leader of ESG Principles

4. Publish a report that summarizes the company’s ESG issues, the results of the meeting/interview with the company, an ESG rating of the company and any other views the analyst may have. To the extent that the ESG review changes an analyst’s overall view of the company or any aspect of the analyst’s view of the company (e.g., buy or sell, price target, etc.), this must be clearly expressed in the report.
5. Meet with PMs as necessary to discuss the ESG report and the impact it may have on their overall view of the company.

If there is an event which causes a more immediate review of a company, the analyst shall follow the steps above as soon as is practicable.

## ESG-Focused Portfolios

Parent company, Alger, has incorporated ESG and socially responsible factors into certain of its strategies since 1987. These portfolios follow client-directed positions on a variety of ESG issues and are known as our Socially Responsible Investing (“SRI”) strategies. They also offer a U.S. registered mutual fund, the Alger Responsible Investing Fund (“the Fund”), which specifically considers ESG issues as part of its investment process. Further, in August 2021, we launched the Enduring Growth strategy, which invests in a focused portfolio of no more than 30 holdings of primarily mid cap growth companies with an environmental, social and governance (ESG) rating of medium or better, at the time of purchase.

- The Alger Weatherbie Enduring Growth strategy – This strategy primarily invests in equity securities of mid cap growth companies with an environmental, social and governance rating of medium or better, as determined by Sustainalytics at the time of purchase. The strategy considers the ESG impact of positions in the portfolio on clients, communities and employees while striving to deliver consistent results for shareholders.
- The Alger Responsible Investing Fund – In the Fund, the portfolio manager draws upon Alger's 55+ year old investment philosophy based upon fundamental, in-depth, proprietary research. We augment this process by identifying dynamic, growth-oriented companies that conduct their business in a responsible manner reflecting positive ESG characteristics. The strategy seeks to generate competitive risk-adjusted returns by incorporating ESG factors to analyze securities. The portfolio manager applies ESG factors with a qualitative and quantitative approach to portfolio construction guidelines. The portfolio is a diversified, ESG-focused portfolio of our highest conviction ideas, and typically holds 75 or fewer securities.

- The Alger SRI Capital Appreciation strategy – This strategy utilizes negative/exclusionary screening. The importance of ESG criteria is directly related to the restrictions or requests made within the client's investment management agreement and primarily centered around “Social” exclusions. Alger uses MSCI ESG Research, whose products and services are designed to provide in-depth research, ratings and analysis of environmental, social and governance-related business practices, for pre-screening based on the following categories: Alcohol, Abortion/Contraceptives, Defense & Weapons, Gambling, Global Sanctions, Global Sanction–Sudan Specific, Nuclear Power, Pork, Tobacco, Global Weapons Production, Global Weapons (Cluster Bomb Specific), Adult Entertainment, Labor Relations and OFAC. Alger has extensive history in this space, managing Socially Responsible portfolios since 1987.

Alger and Weatherbie have a fiduciary duty to its clients to follow their investment policy statements for separate accounts and other similar vehicles, and thus may not apply ESG considerations to all client assets.

### Investment Team & Senior Executives Participation

Alger CEO Dan Chung, CFA, has ultimate oversight for the implementation of both Alger and Weatherbie’s “Framework for Incorporating ESG Considerations in Security Analysis”. In this role, on a regular basis, Dan, in collaboration with the Weatherbie CIO and COO, will:

- Review the ESG rankings of all holdings
- Review the analysis of all holdings rated 25.1 or above, the confirmation that reports have been prepared, and request further research on such holdings as he feels may be necessary
- Make any recommendations he feels may be necessary with respect to any other holdings
- Review Weatherbie’s overall efforts to increase awareness of the Principles for Responsible Investment (“the Principles”) and suggest additional steps to further increase such awareness.

The below listed professionals are members of Alger’s ESG Steering Committee, which meets quarterly to discuss topics such as recent and upcoming ESG stock write-ups, notable meetings with company management specific to ESG, updates on ESG service providers, and details on PRI, among others. Detailed biographies are included beginning on page 13.

*George Dai, Ph.D.* is Chief Investment Officer of Weatherbie Capital, LLC and Senior Portfolio Manager of the Enduring Growth strategy. In addition, he oversees the implementation of the ESG framework at Weatherbie Capital.

*Josh Bennett, CFA* is Chief Operating Officer of Weatherbie Capital, LLC and Senior Portfolio Manager of the Enduring Growth strategy. In addition, he oversees the implementation of the ESG framework at Weatherbie Capital.

*Hal Liebes* is Executive Vice President and Chief Operating Officer and oversees our relationship with the PRI and works closely with the CIO and certain portfolio managers on ESG-related topics.

*Greg Adams, CFA* is Senior Vice President, Director of Quantitative & Risk Management, and Portfolio Manager for the Alger Responsible Investing Fund. In addition, he supports the implementation of the “Framework for Incorporating ESG Considerations in Security Analysis”.

*Dan Sheridan, CFA* is Senior Vice President and Senior Analyst, and oversees the process of incorporating the “Framework for Incorporating ESG Considerations in Security Analysis”.

*Anna Gurvich* is Vice President and Analyst supporting the implementation of Alger’s firm-wide framework to incorporate ESG analysis into its investment process. This entails conducting time-series based quantitative analysis and investigating the accuracy of our portfolio and the rating agencies in regard to ESG scores. Additionally, Anna performs thematic analysis on key ESG topics, including Wind, Solar, Labor Relations, among others.

*Jake Lilie* is Senior Vice President and Chief Information Security Officer at Alger. As it relates to ESG, Jake oversees our relationship with third-party ESG service providers and integrates ESG processes into the research management system.

Detailed biographies are included beginning on page 13.

## ESG Initiatives Beyond Security Analysis

Alger and Weatherbie Capital are committed to sustainability. We are long-term investors, seeking to make an impact within our investment companies and our community. Since becoming a signatory to the PRI (Weatherbie in 2021, and Alger in 2015), we have taken steps to integrate the Principles into internal and external processes and to further sensitize our professional staff and clients on ESG issues. Highlights are as follows:

### *Leadership*

Alger CEO Dan Chung, CFA is a board member of The Nature Conservancy and has a long history of supporting charitable and environmental causes around the world. In addition, Alger and Weatherbie’s executive management teams encourage philanthropy and volunteerism across the entire employee base.

### *Diversity & Inclusion*

Since our founding, Weatherbie has taken pride in its diversity, and has sought to maintain an inclusive culture. Presently, two of five portfolio managers are minorities; however, we strive to continue to make progress to improve the diverse composition of its employee base. We believe that individuals from diverse backgrounds bring a broad selection of talents, skills, and experiences that benefit the organization and their work performance in many ways. Diversity leads to increased innovation and creativity when employees bring different perspectives. Having a diverse workforce also helps with recruiting and retention, as employees are more likely to feel accepted and valued for their uniqueness thus improving employee performance, lowering turnover and ultimately contributing to overall firm growth.

Alger’s DEI policy sets the stage for action, and we will regularly seek to identify initiatives to continuously improve DEI at the Firm. It is our plan to identify initiatives that seek to improve our practices and policies in recruitment and selection; compensation and benefits; professional development and training; promotions; transfers; social and recreational programs; layoffs; and terminations. Programs include:

- *Employee Training:* All new employees receive and must read and attest to the Employee Handbook during their onboarding. Alger holds annual mandatory training for all employees, covering topics such as DEI, Unconscious Bias, Micro-Aggressions in the Workplace, and Harassment and Discrimination Prevention. Employees are also required to attend and complete annual Diversity Awareness Training to enhance their knowledge to fulfill this responsibility.
- *Recruiting Efforts:* Alger and Weatherbie Capital seek to attract, develop, promote, and retain top diverse talent through a range of recruitment initiatives. We seek to foster a connected culture within a welcoming, inclusive, and equitable environment. We seek to create a diversified candidate pool by posting to various job boards, colleges and universities, and professional associations which support DEI initiatives and put forth DEI candidates. Moreover, Alger partners with both national and local diversity-focused organizations in an effort to increase our pipeline of diverse candidates.
- *Pay Parity & Pay Equity Study:* Alger and Weatherbie Capital are committed to pay equity in the workplace. We promote pay practices that compensate employees fairly, competitively, and based on performance. We seek to ensure that employees in the same job and location are paid relatively to one another. Alger will conduct an Annual Pay Equity Study to examine for the presence of non-performance-based reasons for differences in compensation, if any.
- *Leadership Policy:* Alger and Weatherbie Capital are committed to promoting employees into leadership roles based on merit. We view future leaders at the Firm as those with a demonstrated ability to lead according to the principles and values of Alger. Leaders will embrace all backgrounds, respect their teammates, and manage and inspire their teams by demonstrating integrity, confidence, and an open mind to various opinions, backgrounds, and perspectives.
- *DEI Committee:* Alger has established a DEI Committee comprised of various employees across departments of the Firm. The Committee works closely with the Chief Operating Officer and Chief Executive Officer to create an environment that fosters diversity, equity, and inclusion, and is also tasked with creating new ways to grow our culture of inclusion. Below are some of its core objectives:
  - To engage a key set of diverse and talented employees from across the Firm to share DEI ideas and solve DEI challenges together.
  - To create programs to further our DEI initiatives.
  - To effectively communicate our priorities and progress to the greater Alger employee base.
  - To foster an inclusive and welcoming culture for all those who join our firm
- *Mentorship Program:* Alger has established a mentorship program which seeks to identify diverse employees who have the potential to be future leaders at the Firm and provide a path for them to develop and enhance leadership skills and behaviors. The mentorship program will pair selected employees with current leaders at Alger. We believe that our mentorship program can improve diversity in leadership by establishing career paths for diverse demographics and helping to retain employees, providing them with a network



within the organization and someone to help them identify and improve skills and knowledge necessary for advancement.

### *Carbon Footprint*

In December 2022, Alger (and all affiliates) affirmed its long-term commitment to supporting environmental conservation and climate action. This is the third consecutive year that the firm has achieved carbon neutral status by reducing its footprint and carbon emissions and securing carbon offset credits. This is one component of Alger's multi-faceted commitment to supporting environmental conservation and climate action in the long-term.

Alger first conducted a comprehensive assessment of its carbon footprint in 2019 and as a result implemented several initiatives to reduce the organization's footprint, including eliminating single-use plastics and reducing food waste, in addition to securing sufficient carbon offset credits through The Nature Conservancy in 2020, 2021 and 2022.

During 2022, we again worked with The Nature Conservancy and the Working Woodlands program to support a New York-based forests management project to secure additional carbon offset credits. Additionally, Alger undertook additional steps to reduce the firm's impact of the environment by consolidating its offices into one headquarters and reducing overall square footage, updating and improving the firm's infrastructure, adding indoor and outdoor green space at the new office, and cutting travel significantly by conducting virtual meetings.

### *Charitable Efforts*

Founded in 2007, the Alger Candlelight Giving Committee is an employee-supported program with the mission of giving back to the community and those less fortunate. The Committee was founded with the goal of creating worthwhile and meaningful volunteer experiences for employees. Our employees proudly support numerous charities and non-profit organizations through donations and active volunteering. We also encourage employees to donate to personal causes of their choosing through Alger's Matching Program.

Beginning in 2020, Alger has made an annual contribution to charities focused on addressing inequality and social justice: \$150,000 + \$57,000 in employee matches in 2020; \$160,000 in 2021; and \$170,000 in 2022. Since we began, Alger and its employees have contributed more than \$940,000 to such organizations. The donations are made in memory of the 35 colleagues the firm lost on September 11th. Alger remains committed to bettering its community as a way of helping our neighbors by targeting our campaign to local chapters of national organizations on the forefront of social justice.

As an example, we donated over \$400,000 for our 2020 Brooklyn Hospital Center Nurses Campaign, which recognized the contributions of frontline workers, and in particular, nurses. Alger partnered with The Brooklyn Hospital, which serves a high-need and low-income community and provides debt assistance for student loans as well as stress management and wellness meditation programs for 400+ nurses and care staff. We are proud of the work that they do for the community and continue to support the Brooklyn Hospital Foundation annually.

Since 2015, we have partnered with Habitat for Humanity® to assist with building new homes for deserving families, from post-Sandy recovery in Coney Island to building a condominium complex from the ground up in Queens. We have also had a long-standing relationship with GrowNYC, whose mission is to improve New York City's quality of life through environmental programs that

transform communities block by block and empower New Yorkers to secure a clean and health environment for future generations.

In 2023, we began working with two organizations committed to improving the environment: the Billion Oyster Project (“BOP”) and Rescuing Leftover Cuisine (“RLC”). BOP is a New York City-based nonprofit organization with a mission to restore one billion oysters to New York Harbor by 2035. Alger’s support of BOP extends through in-person volunteering activities, as well as donations in memory of Alger colleagues. Alger employees assist with BOP’s oyster conservation on Governor’s Island building oyster reef structures, preparing shells for the oyster hatchery, and counting and sorting oyster communities.

RLC is a national 501(c)3 nonprofit food rescue organization, operating across the U.S. and headquartered in New York City, which redistributes excess food to people experiencing food insecurity. RLC targets both the prevention of wasted food and putting an end to hunger. To date, the organization has rescued over seven million pounds of excess food.

Visit Alger’s charitable website to read more about our efforts. (Link: [Alger Candlelight Giving Program](#))

### *PRI Signatory*

Alger’s commitment to sustainability extends across the entire organization. Since 2015, Alger has been a signatory to the Principles for Responsible Investment (“PRI”). This recognizes Alger’s commitment to the Six Principles for Responsible Investment and demonstrates that the firm integrates these values into its investment and decision-making processes. Weatherbie became a signatory to the Principles for Responsible Investment (“PRI”) in August 2021.

### *Accolades and Training*

During 2021, the entire Weatherbie investment team embarked on the [Certificate in ESG Investing](#), awarded by the CFA Institute®. All six investment professionals successfully completed the course of study (approximately 130 hours) and passed the exam (2 hours, 20 minutes). In addition, several members of Alger’s Sales & Distribution Team have completed the program or are expected to take the exam during 2023. Outside of this specific training, our investment professionals immerse themselves in independent study on various ESG related topics.

Additionally, our firm website has a dedicated [“Commitment to Sustainability”](#) hub, which provides a detailed overview of our firm’s efforts, including specific sections on Stewardship, Leadership, Diversity & Inclusion, the PRI, Charitable Giving and Carbon Neutrality. In addition, during 2021, we launched a module named [“ESG In Action: Incorporating ESG Into Our Investment Process”](#). This interactive experience includes sections on: Leveraging our passion for fundamental research, Targeting our analysis to maximize our efforts, Engagement for positive change, Probability and Magnitude Scale, Deep involvement in every level of the firm, and more information about our relationship with the PRI as both a set of principles and our collaboration with the organization.

### *Proxy Voting*

Certain clients authorize Alger to vote the proxies of securities held in the clients’ accounts and permit us to vote proxies on their behalf. For such clients, we receive and consider the recommendations of Institutional Shareholder Services (“ISS”), a leading proxy voting provider. Since June 2014, ISS has issued voting recommendations and casts votes on the proxies based on the pre-determined ESG voting guidelines which have been approved by Alger.

## *Vendor Relationships*

The Alger Vendor Oversight Committee oversees evaluating vendor risk and managing vendor due diligence efforts before and after an agreement has been signed. Such due diligence includes but is not limited to the commitment of the vendor to the DEI principles Alger seeks to promote. Where possible, Alger will seek to have such vendors enhance their DEI practices. In addition to reviewing current vendors, Alger will seek to partner with more diverse suppliers and vendors.

## *General Awareness*

On our firm website, we offer an “[Insights](#)” page, which highlights our latest ideas, perspectives, and knowledge, and showcases timely, actionable views on the markets by experienced investment professionals. Past themes include sustainable production as it relates to global warming, behavioral changes related to the COVID-19 pandemic, a deep dive into strides in A.I., asset allocation discussions amidst market volatility, an interactive module on connected intelligence, and greenhouse emissions, among others. Direct links to ESG and sustainability topics are below:

[Podcast: Aerospace Flies Above the Market](#): Senior Analyst Andrew Gustin describes why the aerospace industry has remained resilient over the past year, and which subsectors may be most interesting to investors.

[Podcast: The Hotbed of Global Innovation](#): International Focus Portfolio Manager Pragna Shere, CFA, discusses the surprising dominance of European innovators and how this knowledge may create opportunities for investors.

[Transition to Zero?](#) Since 2010, innovation within renewable energy has helped dramatically lower the cost of various forms of clean energy. What does this mean for the global economy, and how might investors benefit from the transition to net zero emissions?

[Podcast: Energy Opportunities in Europe](#): Analyst Mark Werner, CFA, takes a look at how some companies are accelerating alternative solutions to Europe's energy crisis.

[Europe's Renovation Wave](#): We believe the Renovation Wave is creating attractive investment opportunities among providers of construction materials and electrical components manufacturers.

[Intro to ESG Investing](#): The first part of this series provides retirement plan sponsors with important information about ESG investing.

[The ESG Premium](#): As investors become increasingly aware of ESG characteristics, we believe valuations of companies with strong ESG scores are climbing, which is driving performance. Is this valuation premium persistent across sectors and is it sustainable?

[Energized](#): During the past 70 years, the U.S. has become better at using less energy to produce more goods and services.

[Sands Through the Hourglass](#): Countries are committed to limiting global warming to 1.5 degrees Celsius per year. Are they on a path to success?

[ESG in Action: Integrating ESG Into Our Investment Process:](#) We believe that as long-term investors, assessing companies for ESG policies and risks can potentially benefit our clients while improving the world.

[Is Plant-Based Just a Trend:](#) The plant-based movement is interesting to Alger because we see new purpose-built companies carving out a market that has been underserved by traditional food manufacturers and there is proliferation of plant-based food production among all players.

[ESG is More Than Three Letters:](#) As shareholders, we are using our ownership to facilitate change. We aim to ensure that our portfolio companies are behaving responsibly in how they treat employees, customers, the environment and the broad global ecosystem that they interact with.

[ESG is Here to Stay:](#) Investors' increased emphasis on ESG practices has inspired many companies to make changes that make the world a better place. Will the collective efforts of investors pay off?

[Podcast: Shareholders Drive ESG Improvements:](#) Senior Analyst Dan Sheridan, CFA discusses how investors' increasing focus on ESG is driving companies to make significant, long-term changes.

[Podcast: ESG Investing Grows Up:](#) Portfolio Manager Greg Adams, CFA describes Alger's ESG review process and how our analysts increasingly use these guidelines in their research.

[Podcast: How Sustainable is Sustainable Growth?](#) Portfolio Manager Amy Zhang, CFA discusses the importance of ESG investing and how it impacts her new Mid Cap ETF portfolio.

## APPENDIX: Biographies of Key Professionals

### **Dan Chung, CFA**

*Chief Executive Officer, Chief Investment Officer, Portfolio Manager*

Dan Chung is Chief Executive Officer, Chief Investment Officer and Portfolio Manager of several Alger strategies. Dan joined Alger in 1994 and has 29 years of investment experience. He was named Chief Investment Officer in September 2001, President in 2003, and CEO in 2006. Dan is also a member of The Alger Partners Plan. Throughout his tenure at Alger, he has made numerous TV appearances on Bloomberg, CNBC, and Fox Business. Dan has also been featured and quoted frequently in Barron's, Citywire, Forbes, Investment News, Pensions & Investments, and USA Today. Prior to joining Alger, Dan was an associate at Simpson Thacher & Bartlett LLP in New York City in 1989 while he earned an LL.M. from New York University. He earned his J.D. magna cum laude from Harvard Law School in 1987, where he was an editor of the Harvard Law Review. After graduating, he served as law clerk for the Honorable Justice Anthony M. Kennedy, United States Supreme Court. Dan graduated from Stanford University with B.A. and B.S. degrees, with Distinction and Phi Beta Kappa, in 1984. Dan is also a CFA charterholder and a member of the CFA Institute. Dan currently serves as a board trustee and former chairman of The Nature Conservancy in the State of New York and is a Global Campaign Committee Member of The Nature Conservancy. He is also actively involved with the Stanford in New York Internship Program, and frequently contributes to and supports various charitable organizations including the Harlem Education Activities Fund (HEAF) and Target Margin Theater.

### **George Dai, Ph.D.**

*Chief Investment Officer, Senior Portfolio Manager - Weatherbie Capital, LLC*

George Dai, Ph.D. is Chief Investment Officer and Senior Portfolio Manager of Weatherbie Capital, LLC. George is a Portfolio Manager on the Weatherbie Specialized Growth Strategy, the Weatherbie Long/Short Strategy, the Alger Dynamic Opportunities Strategy and the Enduring Growth Strategy. Additionally, he maintains research responsibilities in the diversified business services, healthcare, and technology areas. George joined Weatherbie Capital in March 2001 and has 24 years of investment experience. During his tenure at Weatherbie, he has been featured and quoted in several publications such as: The New York Times, Investor's Business Daily, Barron's, Reuters, Business Insider and Bloomberg. Prior to joining Weatherbie, he was an equity analyst with 1838 Investment Advisors. George received his M.B.A. from the Wharton School, University of Pennsylvania, (Director's List), and his Ph.D. in chemistry from Johns Hopkins University. Previously, he earned a B.S. from the University of Science and Technology of China and was a pharmaceutical research scientist at Procter & Gamble. George is a prized Bridge player, and he holds four U.S. patents. George was issued the Certificate in ESG Investing by the CFA Institute.

### **Josh Bennett, CFA**

*Chief Operating Officer, Senior Portfolio Manager - Weatherbie Capital, LLC*

Josh Bennett, CFA is Chief Operating Officer and Senior Portfolio Manager of Weatherbie Capital, LLC. Josh is a Portfolio Manager on the Weatherbie Specialized Growth Strategy, the Weatherbie Long/Short Strategy, the Alger Dynamic Opportunities Strategy and the Enduring Growth Strategy. He also has research responsibilities in the consumer, industrials, technology and diversified business services areas. Josh joined Weatherbie Capital in July 2007 and has 23 years of investment experience. During his tenure at Weatherbie, he has been featured and quoted in several publications such as: The New York Times, Investor's Business Daily, InvestmentNews,

Barron's and MarketWatch. Prior to joining Weatherbie, he was an Equity Research Analyst at MFS Investment Management in Boston where he focused on the Aerospace/Defense and Transportation sectors. Josh also has previous experience with Fidelity Investments as a High Yield research associate. Josh received his M.B.A. from the Tuck School of Business at Dartmouth (Edward Tuck Scholar with Distinction), and he earned a B.A. in Economics (Summa Cum Laude) from Wheaton College (IL). Josh is a CFA charterholder and is a member of both the CFA Society Boston and the CFA Institute. Josh was issued the Certificate in ESG Investing by the CFA Institute. He is a Trustee at Lexington Christian Academy (Lexington, MA) and a member of the Investment Committee of Christian Camps & Conferences.

### **Hal Liebes**

*Executive Vice President, Chief Operating Officer*

Hal Liebes is Executive Vice President and Chief Operating Officer. He joined Alger in 2005 and has 29 years of experience. In his role, he is directly responsible for financial, legal/compliance, administrative, and operational matters for Alger. In addition, he is involved in strategic matters affecting the firm. Hal is also a member of the Alger Partners Plan. Prior to joining Alger, Hal was Global Chief Compliance Officer at Invesco PLC, where he coordinated the compliance functions for that group of companies. Previously, Hal served as Global General Counsel at Credit Suisse Asset Management, where he held a series of legal positions within Credit Suisse and its predecessor entities. He also held a position in the broker-dealer enforcement division of the Securities and Exchange Division (New York office) and was a private practice attorney in New York. Hal has a B.A. from Columbia University and J.D. from Northwestern University School of Law.

### **Greg Adams, CFA**

*Senior Vice President, Portfolio Manager, Director of Quantitative & Risk Management*

Greg Adams, CFA is Senior Vice President, Portfolio Manager of the Alger Dynamic Opportunities strategy, the Alger Responsible Investing Fund, the Alger Growth and Income strategy, and Director of Quantitative & Risk Management. Greg joined Alger in 2006 and has 36 years of experience. Previously, he was Director of Quantitative Research at Lord Abbett & Co. and was responsible for portfolio construction simulation and quantitative stock selection. Over the course of his career, Greg was Managing Director and Portfolio Manager at Deutsche Asset Management and The Chase Manhattan Bank. At Deutsche, where he managed over \$10 billion in assets, he was the lead Portfolio Manager for the U.S. Large Cap Core Funds, including Scudder's flagship Growth & Income Fund. Greg began his tenure at Chase in 1987 as an equity analyst and was promoted to Co-Manager of the Chase Vista Balanced Fund and the Chase Vista Growth & Income Fund, managing over \$2 billion during his tenure. In 1994, Greg was named Manager of the Chase Vista Large Cap Equity Fund. Greg earned a B.A. in American History from the University of Pennsylvania's School of Arts & Sciences and a B.S. in Economics and Finance from The Wharton School. Greg is a CFA charterholder and a member of the CFA Institute.

**Dan Sheridan, CFA***Senior Vice President, Senior Analyst*

Dan Sheridan, CFA is Senior Vice President and Senior Analyst covering the Alger Capital Appreciation and Alger Spectra strategies, which include Alger Focus Equity. He joined Alger in 2019 and has 26 years of investment experience, most recently as Founder, Managing Principal and Portfolio Manager at Hinoki Capital Management, a long/short equity fund. Previously, he was a Partner, Portfolio Manager, Risk Manager and Analyst at CastleRock Management. He covered multiple sectors as a generalist but began his career with a specialty focus on technology and energy. He was also responsible for building and managing a quantitative and qualitative risk management framework. Daniel earned his B.S. in Management from Geneseo State University of New York. Daniel is also a CFA charterholder and a member of the CFA Institute.

**Jake Lilie***Senior Vice President, Chief Information Security Officer*

Jake Lilie, Senior Vice President, is Chief Information Officer and leads Alger's technology, information security and data privacy initiatives. He joined Alger in 2015 and has 23 years of industry experience. Prior to joining Alger, Jake served as Director of IT Operations at The Riverside Company, a global Private Equity firm. He was responsible for managing the global Infrastructure and Desktop Support teams. Jake was also a founding member of the Riverside Information Security Office, which developed and implemented information security standards across the firm and their portfolio companies. Prior to Riverside, Jake started and ran the New York branch of an IT services consulting firm, Dynamic Data, which focused on the financial services industry. Jake received his B.A. from Kent State University and holds the Series 99 securities registration.

## Appendix A

### Environmental questions

#### *Climate risk*

- Is company monitoring its greenhouse gas and/or carbon emissions? Are there plans to either improve monitoring or decrease emissions?
- If lacking, when does the company plan to implement a climate change policy?

#### *Resource efficiency*

- Is company monitoring its water usage? Are there plans to either improve monitoring or decrease water waste? How much water is being recycled?
- If lacking, when does the company plan on implementing biodiversity and water policies?

#### *Emissions*

- If relevant, is the company monitoring nitrogen oxides and sulfur oxides emissions?
- If relevant (energy / industrials), is the company engaged in risk assessment of spills or gas flares?

### Social questions

#### *Human Capital Management*

- If lacking, when does the company plan to implement policies regarding equal opportunity, anti-bribery ethics, and whistleblower protection?
- Does the company have plans to decrease employee turnover?
- Does the company have initiatives to improve recruiting and retention of women in the workforce and management? Are any near-term changes expected?

#### *Health and Safety*

- If lacking, when does the company plan to implement a policy regarding health and safety?
- If relevant, how is the company planning to track and reduce the number of workplace fatalities?
- If relevant, how is the company planning to track and reduce the lost productivity associated with workplace incidents?

#### *Supply Chain*

- If lacking, when does the company plan to implement policies regarding human rights, child labor, and fair remuneration?
- Does the company track how many of its suppliers have been audited for ESG risk? If not, are there plans to do so?

### Governance questions

#### *Remuneration*

- Are there plans to change policies around golden parachutes or claw back provisions?
- If not conducted annually, are there plans to hold more shareholder “Say on Pay” votes?



- Will the board of directors be paid going forward more in stock?

*Independence*

- Are there plans to increase board independence?

*Audit*

- Are there plans to change the Audit Committee (in terms of board members, meeting frequency or attendance)?
- Are there any planned changes to the audit process?

*Other*

- *Shareholder Rights:* Evaluate prospects around dual share classes, poison plans, and classified boards
- *Diversity:* Consider the ages, genders, and racial makeups of the members of the management team and board relative to peers
- *Entrenchment:* Evaluate the tenure of the management team and board
- *Overboarding:* Consider all of the board positions held by the management team and board members, paying particular attention to directors who serve on a large number of boards or unusual boards

The views expressed are the views of Fred Alger Management, LLC (“FAM”) and its affiliates as of September 2023. These views are subject to change at any time and may not represent the views of all portfolio management teams. These views should not be interpreted as a guarantee of the future performance of the markets, any security or any funds managed by FAM. These views are not meant to provide investment advice and should not be considered a recommendation to purchase or sell securities. Holdings and sector allocations are subject to change.

**Risk Disclosures - Investing in the stock market involves risks, including the potential loss of principal.** Growth stocks may be more volatile than other stocks as their prices tend to be higher in relation to their companies’ earnings and may be more sensitive to market, political, and economic developments. Local, regional or global events such as environmental or natural disasters, war, terrorism, pandemics, outbreaks of infectious diseases and similar public health threats, recessions, or other events could have a significant impact on investments. The environmental, social and governance (“ESG”) investment criteria may limit the number of investment opportunities available, and as a result, returns may be lower than vehicles not subject to such considerations. Additionally, the ESG investment criteria may provide opportunities for long-term rather than short-term returns and may result in the selection or exclusion of securities for reasons other than financial performance. The Enduring Growth strategy may forego opportunities to buy or sell certain securities when it might be otherwise advantageous or disadvantageous to do so and investment returns may underperform strategies that do not utilize an ESG investment strategy. In evaluating a particular issuer’s ESG rating, Weatherbie Capital relies exclusively on an ESG rating agency and, therefore, is dependent upon information and data from the ESG rating agency that may be incomplete or inaccurate, or that may present conflicting information and data with respect to an issuer than other third party ESG data providers utilized throughout the industry. Investing in new issues involves special risks including lack of trading history, limited information and availability, and volatility. Cash positions may underperform relative to equity and fixed-income securities. A significant portion of assets may be invested in securities of companies in related sectors, and may be similarly affected by economic, political, or market events and conditions and may be more vulnerable to unfavorable sector developments. Investing in companies of medium capitalizations involves the risk that such issuers may have limited product lines or financial resources, lack management depth, or have limited liquidity. Assets in the Enduring Growth strategy may be focused in a small number of holdings, making them susceptible to risks associated with a single economic, political or regulatory event than a more diversified portfolio. Active trading may increase transaction costs, brokerage commissions, and taxes, which can lower the return on investment. Prior to December 29, 2016, the Alger Responsible Investing Fund followed a different strategy and was managed by different portfolio managers.

**Past performance is not indicative of future performance.** Investors whose reference currency differs from that in which the underlying assets are invested may be subject to exchange rate movements that alter the value of their investments.

**Important Information for US Investors:**

This material must be accompanied by the most recent fund fact sheet(s) if used in connection with the sale of mutual fund and ETF shares. Fred Alger & Company, LLC serves as distributor of the Alger mutual funds.

**Important Information for UK and EU Investors:**

This material is directed at investment professionals and qualified investors (as defined by MiFID/FCA regulations). It is for information purposes only and has been prepared and is made available for the benefit investors. This material does not constitute an offer or solicitation to any person in any jurisdiction in which it is not authorised or permitted, or to anyone who would be an unlawful recipient, and is only intended for use by original recipients and addressees. The original recipient is solely responsible for any actions in further distributing this material and should be satisfied in doing so that there is no breach of local legislation or regulation.

Certain products may be subject to restrictions with regard to certain persons or in certain countries under national regulations applicable to such persons or countries.

Alger Management, Ltd. (company house number 08634056, domiciled at 85 Gresham Street, Suite 308, London EC2V 7NG) is authorised and regulated by the Financial Conduct Authority, for the distribution of regulated financial products and services. FAM and/or Weatherbie Capital, LLC, U.S. registered investment advisors, serve as sub-portfolio manager to financial products distributed by Alger Management, Ltd.

Alger Group Holdings, LLC (parent company of FAM and Alger Management, Ltd.), FAM, Weatherbie Capital, LLC and Fred Alger & Company, LLC are not authorized persons for the purposes of the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA") and this material has not been approved by an authorized person for the purposes of Section 21(2)(b) of the FSMA.

**Important information for Investors in Israel:**

This material is provided in Israel only to investors of the type listed in the first schedule of the Securities Law, 1968 (the "Securities Law") and the Regulation of Investment Advice, Investment Marketing and Investment Portfolio Management Law, 1995. The Fund units will not be sold to investors who are not of the type listed in the first schedule of the Securities Law.

Sustainalytics is an independent ESG and corporate governance research, ratings, and analysis firm. The Sustainalytics' ESG Risk Ratings are categorized across five risk levels: negligible, low, medium, high and severe. Ratings scale is from 0-100, with 100 being the most severe. PRI is an independent organization supported by the United Nations that promotes the integration of ESG issues into investment decision making and ownership practices. As a signatory, a firm is required to complete a detailed questionnaire with information about their sustainable investment practices in manager selection, securities research, engagement with shareholders, proxy voting and other areas. Each answer is awarded 0, 1, 2 or 3 points by PRI's assessment team based on key activities or practices that PRI deems favorable. The total points awarded within each section of the report determines the recipient's letter grade. The highest letter grade is A+ and the lowest letter grade is E for each section.

**Before investing, carefully consider the Fund's investment objective, risks, charges, and expenses. For a prospectus and summary prospectus containing this and other information or for the Fund's most recent month-end performance data, visit [www.alger.com](http://www.alger.com), call (800) 992-3863 or consult your financial advisor. Read the prospectus and summary prospectus carefully before investing. Distributor: Fred Alger & Company, LLC. NOT FDIC INSURED. NOT BANK GUARANTEED. MAY LOSE VALUE.**

## About Our Firm

Founded in 1964, Alger is widely recognized as a pioneer of growth-style investment management. Headquartered in New York City with affiliate offices in Boston, London, and Singapore. Alger provides U.S. and non-U.S. institutional investors and financial advisors access to a suite of growth equity separate accounts, mutual funds, and privately offered investment vehicles. The firm's investment philosophy, discovering companies undergoing Positive Dynamic Change, has been in place for over 50 years. In March 2017, Weatherbie Capital, LLC, a Boston-based investment adviser specializing in small and mid-cap growth equity investing, became a wholly-owned subsidiary of Alger. For more information, please visit [www.alger.com](http://www.alger.com).