

# Envestnet | Portfolio Management Consultants (PMC)

## Summary BCP Disclosure

2024

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## Business Description

Envestnet, through its subsidiaries, is transforming the way financial advice and insight are delivered. Our mission is to empower financial advisors and service providers with innovative technology, solutions, and intelligence. Envestnet is a leader in helping transform wealth management, working towards its goal of expanding a holistic financial wellness ecosystem so that our clients can better serve their clients.

Envestnet's clients include more than 108,000 advisors and approximately 6,900 companies including: 16 of the 20 largest U.S. banks, 48 of the 50 largest wealth management and brokerage firms, over 500 of the largest RIAs and hundreds of FinTech companies, all of which leverage Envestnet technology and services that help drive better outcomes for enterprises, advisors, and their clients.

Through a combination of platform enhancements, partnerships, and acquisitions, Envestnet uniquely provides a financial network connecting technology, solutions, and data, delivering better intelligence, and enabling its customers to drive better outcomes.

Envestnet, a Delaware corporation originally founded in 1999, serves clients from its headquarters in Berwyn, Pennsylvania, as well as other locations throughout the United States, India, and other international locations.

### *Segments*

Envestnet is organized around two business segments based on clients served and products provided to meet those needs.

Our business segments are as follows:

- ***Envestnet Wealth Solutions*** – a leading provider of comprehensive and unified wealth management software, services, and solutions to empower financial advisors and institutions to enable them to deliver holistic advice to their clients.
- ***Envestnet Data and Analytics*** – a leading provider of financial data aggregation, analytics, and digital experiences to meet the needs of financial institutions, enterprise FinTech firms and market investment research firms worldwide.

### ***Envestnet Wealth Solutions***

Envestnet Wealth Solutions empowers financial advisors at broker-dealers, banks, and RIAs with all the tools they require to deliver holistic wealth management to their end clients. In addition, the firm provides advisors with practice management support so that they can grow their practices and operate more efficiently. At the end of 2023, Envestnet Wealth Solutions' platform assets were approximately \$5.8 trillion in over 19.1 million accounts overseen by more than 108,000 advisors.

Services provided to advisors include: financial planning, risk assessment tools, investment strategies and solutions, asset allocation models, research, portfolio construction, proposal generation and paperwork preparation, model management and account rebalancing, account monitoring, customized fee billing, overlay services covering asset allocation, tax management and socially responsible investing, aggregated multi-custodian performance reporting and communication tools and data analytics. We also have access to a wide range of leading third-party asset managers.

Wealth Solutions platforms include: 401kplans.com; AI Labs; ERS (Envestnet Retirement Services); FolioDynamix; Harvest; MoneyGuide; Redi2; Tamarac; and UMP (Unified Managed Platform).



We offer these solutions principally through the Envestnet Unified Managed Platform (UMP), through the following product suites:

- **Envestnet | Enterprise** – provides an end-to-end open architecture wealth management platform, through which advisors can construct portfolios for clients. It begins with aggregated household data which then leads to the creation of a financial plan, asset allocation, investment strategy, portfolio management, rebalancing, and performance reporting. Advisors have access to nearly 23,000 investment products. Envestnet | Enterprise also sells data aggregation and reporting, data analytics and digital advice capabilities to customers.
- **Envestnet | Wealth Analytics** delivers an end-to-end platform experience that transforms data into actionable intelligence that informs our client's next best course of action. The insights foster the acceleration of data-driven strategy with enterprise-level analytics including clients, fees, opportunities, attrition, benchmarking, and firm valuation.
- **Envestnet | Tamarac** provides leading trading, rebalancing, portfolio accounting, performance reporting and client relationship management software, principally to high-end RIAs.
- **Envestnet | MoneyGuide** provides leading goal-based financial planning solutions to the financial services industry. The highly adaptable software helps financial advisors add significant value for their clients using best in-class technology with enhanced integrations to generate financial plans.
- **Envestnet | Workplace Solutions** offers a comprehensive suite of services for advisor-sold retirement plans. Our retirement solutions address the regulatory, data, and investment needs of retirement plans and delivers the information holistically. Workplace Solutions includes a digital 401(k) retirement plan marketplace that streamlines retirement plan distribution and due diligence among financial advisors and third-party administrators. With Envestnet's retirement solutions marketplace, advisors can employ Envestnet's outsourced fiduciary services for investment selection and monitoring in retirement plan portfolios and can access essential information to make investment recommendations and understand the impact of fund changes to the total cost of their plans.
- **Envestnet | PMC®, or Portfolio Management Consultants (PMC)** provides research and consulting services to assist advisors in creating investment solutions for their clients. These solutions include over 5,000 vetted third-party managed account products, multi-manager portfolios and fund strategist portfolios, as well as over 950 proprietary products, such as quantitative portfolios and fund strategist portfolios. PMC also offers portfolio overlay and tax optimization services.
- **Envestnet | Billing Solutions (Redi2)** offers revenue management and hosted fee-billing solutions in the global financial services industry. Redi2's platform enables fee calculation, invoice creation, payouts and accounting, and billing compliance. Redi2 solutions caters to different segments of the market with three different product lines: Revenue Manager which provides client revenue accounting and billing services for asset managers; Wealth Manager which delivers multi-party billing and payouts for broker-dealers and turnkey asset management programs and BillFin™ which offers advisory billing and invoicing for financial advisors.

### ***Envestnet Data & Analytics***

Envestnet Data & Analytics is a leading data aggregation, analytics, and digital experiences platform. Envestnet Data & Analytics provides clients and their account holders with data connectivity via open APIs, data enrichment, AI-based analytics, and digital experiences.

Over 1,300 clients, including financial institutions, financial technology innovators and financial advisory firms, including 16 of the 20 largest U.S. banks, subscribe to the Envestnet Data & Analytics platform to underpin personalized financial apps and services for approximately 38 million paid end-users.

Envestnet Data & Analytics serves two primary markets:

- **Open Banking** provides personal financial management, wealth management, payments, credit/lending, business financial management and enterprise business intelligence solutions for retail and commercial banks, credit unions, credit card providers, wealth management firms, FinTech firms, E-commerce, and payment solution providers.



- **Alternative Data** provides de-identified consumer spending insights for investment research and corporate and marketing research clients.

Wealth Solutions platforms include: Abe.ai, AI Labs, FinBit, Truelytics, and Yodlee.

Given our reach in financial services, Envestnet's senior management understands the importance of the services we provide to our clients and that any interruption in service has the potential of severe repercussions to our business partners. As a result of the environment we live and work in, management teams' face increasing regulation and liability surrounding resiliency to any event that can disrupt the business. On an enterprise-level we aim to identify potential impacts that threaten our organization and provide a continuity framework to our employees. This framework has the purpose of building resilience and capability for an effective response that safeguards the interests of our key stakeholders, reputation, brand, and value creating activities.

Business disruptions can range from temporary power outages or severe weather outages to earthquakes, cyber threats, or internal attacks. Whatever the potential disruption, we must be prepared to safeguard our employees and our business, by achieving a state of readiness and resilience to face any adversity or challenge with minimum impacts.

The Enterprise Business Continuity Plan addresses the framework in which a business disruption would be managed to minimize the loss of vital resources throughout the company. This is done by using regulatory and best practice guidelines to identify potential threats and impacts on department, location, and enterprise levels. Envestnet's Business Continuity Program is linked to regulatory controls, good corporate governance, effective risk management and it establishes sound management practice for this important area within the business. This document provides an overview of Envestnet's Business Continuity Program including all Business Continuity Plans maintained by our organization.

## Firm Policy

Our firm's policy is to respond to a significant business disruption by safeguarding employees' health and safety and firm property; making financial and operational assessments; quickly recovering and resuming operations; protecting intellectual property, books and records; and allowing our clients to conduct business.

Our strategy is to manage an approved enterprise-wide Business Continuity Program to maintain the policy and standards while providing a comprehensive education and implementation process. The objective is to create, document, test, and maintain departmental business resumption plans in order to recover critical systems and functions. At least annually, Operations & Service departments with critical business processes test plans to ensure that they are workable, in compliance, and that staff are aware of their roles in the event of a business interruption. A corporate communication and management process exists to ensure critical business processes resume quickly, thereby reducing financial risk.

Annually we provide a Summary Business Continuity Plan Disclosure statement via our corporate website. Our firm creates and documents Business Continuity Plans based on the potential risks of disruption to our employees, workspace, and/or technology in each of our critical locations. Our firm provides this through resumption plans at the department, location, and enterprise-levels.

## Significant Business Disruptions

Our plan anticipates two kinds of significant business disruptions, internal and external. Internal disruptions affect only our firm's ability to communicate and do business, such as a fire in our building. External disruptions disrupt the operations of the securities markets for a number of firms, such as a natural disaster; acts of terrorism; cyber-attacks; equipment or system failures; unexpected loss of a critical service provider / facilities / key personnel; or a wide-scale, regional disruption. Our response to an external disruption relies more heavily on other organizations and systems, especially on the capabilities of Clearing Firms for trade execution for many of our clients.



As cybersecurity incidents have the potential to contribute to a significant business disruption, Envestnet's Business Continuity / Disaster Recovery planning controls complement the firm's Information Security program that leverages elements from NIST CSF, NIST Standards, ISO 27001:2013, and other relevant industry best practices. Under the direction of the firm's Information Security Officer, the program includes a threat-driven risk-based, information security policy and risk management framework, a dedicated security function, while performing independent attestations and internal assurance activities to ensure program alignment.

## Plan Location and Access

Our firm will maintain copies of its Business Continuity Plan(s), including the annual reviews and approvals in accordance with our Records Management policy, along with any changes that have been made to it for inspection. Copies of plans are available to plan owners and plan approvers via the 'Envestnet Community' within the Fusion Risk Management platform. Optionally, plan owners and plan approvers may maintain copies of plans in either hardcopy or electronic form using a secure medium of their choosing - Network Shared Drive; Microsoft Office 365; etc. These secondary copies shall be maintained and securely destroyed in accordance the Global Information Security Policy – Information Classification and Handling Policy and Compliance Manual – Records Retention Schedule.

## Office Locations

Our firm headquarters is located in Berwyn, PA and has US offices in Boston, MA; Denver, CO; Powhatan, VA; and Raleigh, NC. In addition, international locations exist in London, United Kingdom; Sydney, Australia; and Trivandrum, India. Some of the referenced locations are dedicated to specific service offerings provided by other Envestnet entities and thus have separate Business Continuity Summaries to cover individual operations. We engage in order taking and entry in Berwyn, PA.

| # | <u>US Office Locations</u>            | <u>Address</u>   | <u>Envestnet Platform Support</u>      |
|---|---------------------------------------|--|--|
| 1 | Berwyn, PA<br>COMPANY HEADQUARTERS    | 1000 Chesterbrook Blvd, Suite 250<br>Berwyn, PA 19312  | ERS<br>Tamarac<br>UMP<br>WDP<br>Yodlee |
| 2 | Boston, MA                            | 205 Portland St, Suite 202<br>Boston, MA 02114   | Redi2                                  |
| 3 | Denver, CO                            | 1801 California Street, 23rd Floor<br>Denver, CO 80202   | UMP<br>Yodlee                          |
| 4 | Powhatan, VA                          | 1588 Oakbridge Terrace<br>Powhatan, VA 23139   | MoneyGuide                             |
| 5 | Raleigh, NC                           | 621 Hillsborough St, 10 <sup>th</sup> Floor<br>Raleigh, NC 27603                                     | Redi2<br>Tamarac<br>UMP<br>Yodlee      |
| # | <u>International Office Locations</u> | <u>Address</u>   | <u>Envestnet Platform Support</u>      |
| 6 | London, United Kingdom                | Level39, One Canada Square<br>Canary Wharf<br>London, United Kingdom E14                             | Yodlee                                 |
| 7 | Sydney, Australia                     | Level 4/11 York Street<br>Sydney NSW 2000 AU   | Yodlee                                 |
| 8 | Trivandrum, India<br>(Techno Park)    | First Floor, Bhavani Building<br>Technopark Campus, Karyavattom<br>Trivandrum 695 581, Kerala, India | ERS<br>FolioDynamix<br>Tamarac<br>UMP  |



## Alternative Physical Location(s) of Employees

Envestnet does not maintain specific 'hot site' recovery facilities for operational failover. In the event of a significant business disruption, Envestnet will move our staff from affected locations to the relevant predetermined workspace failover site assigned to each employee record within their Department Resumption Plan and maintained in our Business Continuity Planning system.

Envestnet's overall Business Continuity and Disaster Recovery strategies have been designed to complement each other and to address not only worst-case scenario in the event of a significant business disruption, but also disruptions of a lesser magnitude.

Envestnet maintains stop-gap measures for business continuity, some of which are outlined below:

- *To address loss of platform technology*, Envestnet and its affiliates have an established presence in geographically dispersed primary and disaster recovery data center facilities for their platform technologies, resulting in the ability to support business out of either facility, should one of these locations be compromised by a natural disaster. Both data centers are hardened with redundant HVAC systems, electrical systems with battery backup and diesel generators, and temperature and environmental monitors. Access to the data centers is secured by cameras and card key access with biometric scanners. Data centers are staffed 24x7x365.
- *To address contingency arrangements for loss of key personnel due to a pandemic or other limited event*, Envestnet maintains an Employee Unavailability Plan as a supplemental document to the Firm's Enterprise, Location-Specific and Departmental Business Resumption Plans. Long-term or permanent arrangements would be made in conjunction with Human Resources Succession Plans.
- *To reduce key man risk*, most critical Operations & Service departments work in a distributed fashion, meaning that they have multiple locations that perform the same production work. In instances of weather issues or regional disasters, these distributed locations can continue processing, and unaffected Envestnet locations can serve as a relocation point for critical employees should the significant business disruption timeframe be extended.
- *All employees are assigned a workplace strategy to be employed in the event of a significant business disruption* – work from home; relocate to an alternate Envestnet facility; on hold; etc. In order to support these strategies:
  - US-based employees have been issued Envestnet laptops to support working in a remote fashion and utilizing secure VPN capabilities and our web-enabled systems to access our custom platforms in order to support critical business processes in a remote fashion.
  - India-based employees have been issued Envestnet laptops to support working in a remote fashion using a laptop / thin client. In order to maintain security, the thin clients connect to our VDI interfaces and secure VPN in order to access our web-enabled systems.
  - Periodic testing of these strategies is required for critical Operations & Service departments.

## Clients' Access to Funds and Securities

Envestnet does not maintain custody of clients' funds or securities; custody is maintained at third-party Custodians designated by our clients. In the event of an internal or external significant business disruption, if telephone, email, or fax service is available, our registered persons will take client orders or instructions and contact our Clearing Firms on their behalf; and if our web access is available, clients may access their funds and securities by contacting their Custodian directly. Envestnet will provide alternative phone numbers and will make the Custodian contact information available to clients as required.

## Data Backup and Recovery (Hard Copy and Electronic)

Our firm maintains its primary copy of books and records at its Berwyn, PA and Denver, CO offices. Our firm maintains the documents required by Rule 204-2, SEC Rule 17a-3 and SEC Rule 17a-4.

Our firm maintains its backup hard copy books and records through various third-party storage vendors. Hard copy records are sent to offsite storage as needed.



Our firm maintains its backup electronic books and records through strategic partnerships with various parties for our platform technology and backup vendors. The data vaulting / managed backup service and data center providers, which house our production and disaster recovery sites, are hosted in the United States, and do not have direct access to Envestnet data or client Personally Identifiable Information (PII). Data center providers only provide physical space, security, and environmental controls; Envestnet manages the equipment. Backup vendors only store data on behalf of Envestnet; Envestnet encrypts data before transmission, vendors do not have access to encryption keys. We have a defined data protection strategy to cyclically back up our electronic records to meet the Recovery Time Objectives and Recovery Point Objectives of our various mission critical systems.

In the event of an internal or external significant business disruption that causes the loss of our paper records, we will access electronic versions of these records in our various systems and platforms. If our primary site is inoperable, we will continue operations from our backup site or an alternate location. For the loss of electronic records, we will recover the electronic data from our backup records stored in the disaster recovery site, or, if our primary site is inoperable, continue operations from our backup site.

## Financial and Operational Risk Assessments

Envestnet has an enterprise-wide Risk Management program with which we manage our proprietary risk inventory, related controls, mitigation plans, and risk treatment consistent with industry best practices and regulatory guidance. Envestnet risks are reviewed and assessed on an ongoing basis within the organization to support various initiatives and compliance programs including, but not limited to ISO 22301; Sarbanes-Oxley Act (SOX); SEC Rule 206(4)-7; Internal Audit; Business Continuity; and Risk Management.

Envestnet's Risk Management program is facilitated by a cross-functional Risk Management Committee (RMC) responsible for supervising the Enterprise Risk Framework of the Company. The RMC, chaired by the Chief Compliance Officer and co-chaired by the Principal Director, Business Continuity & Risk, is comprised of over 25 senior-level management representatives from various disciplines within the firm that meet formally to review, assess, and discuss any significant risks or exposure and to review the steps taken to minimize identified risks or exposures. The Risk Management program is managed using a corporate risk management tool and facilitated through established policies, procedures, and training that raise awareness and provide a means of reporting and addressing potential problem and risk areas within the organization.

As a public company, Envestnet is required to produce a 10-K each year and file it with the U.S. Securities and Exchange Commission (SEC). Risks related to our business are disclosed within the 'Risk Factors' section of the 10-K. In practice, this section focuses on the risks themselves, not how Envestnet addresses those risks.

Envestnet's risk assessments, risk inventory, meeting minutes, and other Committee materials are considered confidential and may not be shared externally.

Envestnet's Risk Management Program includes the following:

- The RMC meets formally on a scheduled basis throughout the calendar year to review, assess and discuss any significant risks or exposure and steps taken to minimize identified risks or exposures.
- The RMC is responsible for ensuring that sound policies, procedures, and practices are in place for the enterprise-wide management of the Company's material risks and to report the results of the Committee's activities to Senior Management and Board of Directors.
- The RMC is responsible for designing and implementing a risk management framework to:
  - Provide ongoing guidance and support for the overall risk management framework ensuring that best practices are incorporated.
  - Ensuring that risk assessments are performed periodically and that results are communicated to relevant stakeholders, Senior Management, and the Board of Directors.
  - Ensuring that management understands and accepts its responsibility for Identifying Hazards; Assessing and Categorizing the Risk; Evaluating Existing Controls; Recommending Additional Risk Controls;



Establishing Risk Acceptance Criteria; and for ongoing Monitoring and Reviewing of Risk.

- The RMC is responsible for executing and monitoring risk management practices and may engage with independent firms as needed.

### Operational Risk

Our firm recognizes that operational risk includes the firm's ability to maintain communications with clients and to retrieve key activity records through its mission critical systems. In the event of a significant business disruption, we will immediately identify what means will permit us to communicate with our clients, employees, critical business constituents, critical banks, critical counterparties, and regulators. Although the effects of a significant business disruption will determine the means of alternative communication, the communication options we will employ will include our web site, telephone, voicemail, and secure email. In addition, we will retrieve our key activity records as described in the section above, Data Backup and Recovery (hard copy and electronic).

### Financial and Credit Risk

In the event of a significant business disruption, we will determine the value and liquidity of our investments and other assets to evaluate our ability to continue to fund our operations and remain in capital compliance. To the extent that we have financing requirements at the time of a significant business disruption above and beyond considerations that are already contemplated through insurance coverage, we will request additional financing from our bank or other credit sources in order to remain in compliance with any applicable capital requirements. If we cannot remedy a capital deficiency, we will file appropriate notices with our regulators and immediately take the appropriate steps.

### Mission Critical Systems

Our firm's mission critical systems are those that ensure prompt and accurate reporting of securities holdings and the processing of securities transactions, including order implementation, reconciliation, comparison, allocation, clearance and settlement of securities transactions, the maintenance of client accounts and the delivery of funds and securities. More specifically, these systems include the custom platforms that support our core business offerings. In addition, our mission critical systems include any corporate applications that support our communication needs surrounding remote working, internet, phone, and email.

We have primary responsibility for establishing and maintaining our business relationships with our clients and have sole responsibility for our mission critical functions of order implementation, reporting, billing, reconciliation, comparison, and allocation. In addition, we provide execution, clearance, and settlement of securities transactions. Our Custodians provide through contract execution, clearance, settlement of securities transactions, and the delivery of funds and securities.

Clearing Firms utilized by our clients represent that they maintain a business continuity plan and the capacity to execute that plan. The Clearing Firms represent that they will advise us of any material changes to plans that might affect our ability to maintain our business and they have presented us with an executive summary of their plans. In the event any of the Clearing Firms execute their plan, the firms represent that they will notify us of such execution and provide equal access to services as its other clients. If we reasonably determine that the Clearing Firm has not or cannot put its plan in place quickly enough to meet our needs or is otherwise unable to provide access to such services, the Clearing Firm represents that it will assist us in seeking services from an alternative source.

The Clearing Firms represent that backup of our records are taken at a remote site. Each Clearing Firm represents that it operates a backup operating facility in a geographically separate area with the capability to conduct the same volume of business as its primary site. Each Clearing Firm has also confirmed the effectiveness of its back-up arrangements to recover from a wide scale disruption by testing.

Recovery Time Objectives provide concrete goals to plan for and test against. They are not, however, hard and fast deadlines that must be met in every emergency situation, and various external factors surrounding a disruption, such as time of day, scope of disruption, and status of critical infrastructure—particularly telecommunications—can affect actual recovery times.



Recovery refers to the restoration of clearing and settlement activities after a wide-scale disruption; resumption refers to the capacity to accept and process new transactions and payments after a wide scale disruption.

## Business Impact Analysis

Envestnet defines critical business processes as those that support market and customer agreements and include the people and technology that support these processes, ensure compliance with requirements, and maintain customer relationships.

As a part of Envestnet's annual review and update of our Business Continuity Program and Plans, Envestnet performs a Business Impact Analysis to account for any changes in our operations, structure, business and/or locations to ensure that our planning effort encompasses the entire organization. The Business Impact Analysis reflects on the potential impact from a Financial; Legal / Compliance; Operational; Market Share; Reputational; and Strategic perspective a disruption would have on Envestnet.

Through the Business Impact Analysis, Envestnet has identified critical departments, critical business processes, inter-dependencies, and recovery priorities for both technology and resources. The Business Impact Analysis process is supported through our Business Continuity Management Tool, Fusion Risk Management and assists the firm in analyzing the following criteria for each critical business process:

- Building a criticality profile, outlining personnel resource requirements, as well as mitigation strategies.
- Assessing the potential financial, operational, legal/compliance, reputational, market share, and strategic impacts over several points in time ranging from 1 day to 30 days or more during a significant business disruption.
- Identifying and prioritizing critical business processes and associated Recovery Time Objectives.
- Providing visibility for upstream and downstream dependencies between critical business processes across the firm.
- Providing visibility for system and technology resources for both internal systems and external service providers.
- Identifying key personnel that support processes in either a primary or secondary role.
- Naming alternate processing facilities where work is processed in a distributed fashion.
- Outlining dependencies on key documents and vital records.
- Identifying critical strategic partners / third-party vendors required to support our business.

In addition to the Business Impact Analysis performed at the critical business process level, Envestnet performs an annual Location Threat Assessment for each brick-and-mortar location to assess location-specific risks and subsequent risk treatment plans under the categories - Health Disasters, Man-Made Disasters, Facility Disasters, and Natural Disasters.

## Our Firm's Mission Critical Systems

### Order Implementation

Currently, our firm receives orders from clients via Envestnet's Trading platform, email, phone, and fax. During either an internal or external significant business disruption we will continue to take orders through any of these methods that are available and reliable, and in addition, as communications permit, we will inform our clients when communications become available to tell them what alternatives they have to send their orders to us.

Clients will be informed of alternatives by email, Envestnet website and/or telephone. If necessary, we will advise our clients to place orders directly with their Clearing Firm or an alternative.

We currently implement orders by sending them to the clients' Clearing Firm.

### Other Services Currently Provided to Clients

In addition to those services listed above in this section we also provide our clients with rebalancing, reconciliation, portfolio management, reporting, overall account information, and the ability to withdraw or deposit funds into their accounts. In the



event of an internal or external significant business disruption, we would continue to provide these services through unaffected locations or through our Clearing Firms.

## Mission Critical Systems Provided by Our Clearing Firms

Our firm relies, by contract, on our Clearing Firms to provide order execution, order comparison, order allocation, and the maintenance of client accounts and the delivery of funds and securities.

## Alternate Communications between the Firm and Clients, Employees, and Regulators

### Clients

We communicate with our clients using our platform technology, telephone, email, our web site, fax, U.S. mail, and in person visits at our firm or at the other locations. In the event of a significant business disruption, we will assess which means of communication are still available to us and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party. For example, if we have communicated with a party by email, but the Internet is unavailable, we will call them on the telephone and follow up where a record is needed with paper copy in the U.S. mail. In addition, we may also utilize our automated marketing capabilities as a means to reaching select contacts at our client home office locations quickly during a significant business disruption to provide disruption notification, procedures, and contingency arrangements.

### Employees

We communicate with our employees using the telephone, email, and in person. In the event of a significant business disruption, we will assess which means of communication are still available to us and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party. We will also employ a call tree and/or our automated Emergency Notification System, AlertMedia, so that senior management can reach all employees quickly during a significant business disruption to provide disruption notification, procedures, and contingency arrangements.

### Key Service Providers / Strategic Partners

We communicate with our key service providers / strategic partners using the telephone, email, fax, U.S. mail. In the event of a significant business disruption, we will assess which means of communication are still available to us and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party.

### Regulators

We communicate with our regulators using the telephone, email, fax, and U.S. mail. In the event of a significant business disruption, we will assess which means of communication are still available to us and use the communication closest to those we have used before the disruption.

## Regulatory Reporting

Our firm's Registered Investment Advisor business is subject to regulation by the US Securities Exchange Commission (SEC) and the particular states in which we are registered. We file reports with our regulators using paper copies through the U.S. mail and electronically using fax, email, and the Internet. In the event of a significant business disruption, we will check with the SEC and other regulators to determine which means of filing are still available to us and will use the means closest in speed and form (written or oral) to our previous filing method. In the event that we cannot contact our regulators, we will continue to file required reports using the communication means available to us.

### Investnet Solutions

|   |   |
|---|---|
| US Securities Exchange Commission (SEC) | US Securities Exchange Commission (SEC) |
|---|---|

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|---|---|
| <b>Headquarters</b><br>100 F Street, NE<br>Washington, DC 20549<br>Phone: +1 (202) 942-8088<br>E-mail: help@sec.gov | <b>Chicago Regional Office</b><br>175 W. Jackson Boulevard, Suite 900<br>Chicago, IL 60604<br>Phone: +1 (312) 353-7390<br>E-mail: chicago@sec.gov |
| <b>US Department of Labor</b><br>200 Constitution Ave NW<br>Washington, DC 20210                                    |   |

Our firm's Data & Analytics business is subject to regulation by the Office of the Comptroller of the Currency (OCC); the Federal Reserve System (FRS); and the Federal Deposit Insurance Corporation (FDIC). We file reports with our regulators using paper copies through the U.S. mail and electronically using fax, email, and the Internet. For our United Kingdom (UK) branch we file reports with the Financial Conduct Authority (FCA) using their online service RegData. In the event of a significant business disruption, we will check with the OCC, FRS, FDIC, and other regulators to determine which means of filing are still available to us and will use the means closest in speed and form (written or oral) to our previous filing method. In the event that we cannot contact our regulators, we will continue to file required reports using the communication means available to us.

#### Investnet Data & Analytics

|   |  |
|---|--|
| <b>Office of the Comptroller of the Currency (OCC)</b><br>101 South Tryon Street, Suite 400Charlotte,<br>NC 28280Phone: +1 (704) 350-4800 | <b>Financial Regulatory Services (FRS)</b><br>530 East Trade Street Charlotte, NC<br>28202Phone: +1 (704) 358-2100           |
| <b>Federal Deposit Insurance Corporation (FDIC)</b><br>Raleigh, NC<br>Phone: +1 (919) 787-8727  | <b>Financial Conduct Authority (FCA)</b><br>12 Endeavour Square<br>London, UK E20 1JN<br>Phone: +44 207 066 1000             |
| <b>Australian Competition and Consumer Commission (ACCC)</b><br>Level 27   135 King Street<br>Sydney NSW 2000<br>Phone: +61 2 9230 9133   | <b>Office of the Australian Information Commissioner (OAIC)</b><br>GPO Box 5218<br>Sydney NSW 2001<br>Phone: +61 2 9942 4272 |
| <b>US Department of Labor</b><br>200 Constitution Ave NW<br>Washington, DC 20210  |  |

#### **Communications with Law Enforcement / Federal Bureau of Investigation (FBI)**

In the event of a security-related incident which requires assistance from external agencies, Investnet will communicate with local FBI authorities regarding the nature and extent of the incident.

Below is our contact information for the FBI Chicago and San Francisco Field Offices. Investnet's Information Security Department will coordinate all communications.

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| <b>Federal Bureau of Investigation (FBI)</b><br><b>Chicago Field Office</b><br>2111 W. Roosevelt Rd | <b>Federal Bureau of Investigation (FBI)</b><br><b>North Carolina Field Office</b><br>7915 Microsoft Way |
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|   |   |
|---|---|
| Chicago, IL 60608<br>Phone: +1(312) 421-6700<br>Fax: +1 (312) 8295732/38<br>Email: Chicago@ic.fbi.gov | Charlotte, NC 28273<br>Phone: +1 (704) 672-6100 |
|---|---|

## Critical Business Constituents and Counterparties

Envestnet has an enterprise-wide vendor management program through which Envestnet has identified dependencies on several key service providers. As a result, Envestnet follows a formalized risk-based strategy for performing vendor due diligence and oversight. Envestnet works with the business to identify vendors that support their critical business processes and performs due diligence on the vendor and their service offerings at the onset of the relationship. The due diligence review is tailored to the specific service provided by the vendor, and typically includes information and physical security, regulatory compliance, business continuity and disaster recovery, and enterprise risk management.

For vendor onboarding, Envestnet's Legal department, along with Envestnet's Information Security team, requires that all vendors are subject to strict confidentiality, non-use and non-disclosure restrictions, and that all contracts contain appropriate language to specifically address issues related to Information Security, Data Security, Confidentiality, and Service Level Agreements (as applicable to the specific vendor engagement), as specified within Envestnet's Information Security in Supplier Relationships Policy and further supported within Envestnet's Compliance Manual. Both policies are reviewed during annual, external ISO and Compliance Audits.

The vendor due diligence process is tracked and monitored throughout the lifecycle of the vendor relationship and includes the following: Business Impact Analysis; Risk Rating; Information Gathering Questionnaire; Risk Remediation; Development of Relevant Contract Terms for Information Security and Privacy; and Final Review and Approval. Based on specified risk criteria Envestnet may also conduct periodic due diligence reviews and/or site visits for critical service providers.

Envestnet defines outsourced / subcontracted work as leveraging a third-party vendor for operational support. Envestnet does not use outsourced operational support for any of its core functionalities (i.e. technology support, reconciliation activities, client support, etc.). However, Envestnet engages in strategic partnerships with several third-party vendors to leverage certain capabilities. These strategic partners do not have access to Envestnet's data or client Personally Identifiable Information (PII), apart from Custodians, Clearing Firms, Recordkeepers, and Statement Providers *that are used at the direction of our clients*.

The following are examples of our strategic partners; a comprehensive list can be made available upon request:

- **Data Center Providers** only provide physical space, security, and environmental controls; Envestnet manages the equipment.
- **Electronic Vaulting / Backup Vendors** encrypted copies of web, application code and database data are backed up; The data does not leave Envestnet owned infrastructure at any given point in time.
- **Shredding Vendors** are supervised onsite and throughout the shredding process.
- **Data Feeds** are one-way to Envestnet.
- **Custodians, Clearing Firms, and Statement Providers** are known directly to our Advisor clients, and RIAs enter into a tri-party agreement, *thus the Registered Investment Advisor has the ability to conduct direct reviews and ability to approve the relationship. Additionally, Custodians and Clearing Firms are regulated and bound to laws and rules related to data security.*

## Business Constituents

We have contacted our critical business constituents defined as those businesses with which we have an ongoing commercial relationship in support of our operating activities, such as vendors providing us critical services and have determined the extent to which we can continue our business relationship with them in light of the internal or external significant business disruption. We will quickly establish alternate arrangements if a business constituent can no longer provide the needed goods or services when we need them because of an significant business disruption to them or our firm.

## Counterparties

We have contacted our critical counterparties, such as our disaster recovery providers, Clearing Firms, and Custodians to determine if we will be able to carry out our transactions with them in light of the internal or external significant business disruption. Where the transactions cannot be completed, we will work with our Clearing Firm or contact those counterparties directly to make alternative arrangements to complete those transactions as soon as possible.

## Testing

Business Continuity tests are completed with critical business resources and Business Continuity Teams at least annually to provide Envestnet Management and our stakeholders with the assurance that the business will successfully recover following a business disruption.

Below is an overview of Envestnet Business Continuity Testing:

- Testing is a major component of Envestnet's Business Continuity Program, tests ensure that plans are repeatable, consistent and that staff are able to fulfill roles and responsibilities.
- The test schedule is created annually in Q4 by Business Continuity Teams. Considerations are made for employee participation and preparedness levels along with the current risks and impacts to the business.
- Success is measured ultimately by achievement in meeting business requirements such as communication and the Recovery Time Objective.
- As needed, Business Continuity Plans are updated to account for findings and/or feedback received from test participants.
- Quarterly program and test summary reports are provided to management for review and action, as well as, to clients if requested.

## Maintenance

Envestnet reviews plans on an annual basis with all owners to ensure plans are accurately maintained and fit for purpose. At the time of review, business changes and best practices are reviewed and reflected within plans.

Location-specific Business Resumption Plans are reviewed by location level owners and Department Business Resumption Plans are reviewed by department level owners. All Business Continuity Plans are reviewed by the Business Continuity Manager. It is the responsibility of the plan owners to ensure the plans have been reviewed, are accurate and complete.

The Business Continuity Program is approved by the Chief Financial Officer, or their designee.

## Updates and Annual Review

Our firm will update this plan whenever we have a material change to our operations, structure, business, or location or to those of our Clearing Firms.

In addition to the annual Business Continuity Program review process, key areas that trigger review and potential revisions include:

- Business Continuity Plan test results
- Significant business / location / department changes or incidents
- Laws & Regulations
- Best Practice Guidelines



## Senior Manager Approval

The approval for the Enterprise Business Continuity Plan and Program is managed and tracked through an automated approval workflow process within our Business Continuity Planning system, Fusion Risk Management's 'Investnet Community'.

I have reviewed and determined that this plan is reasonably designed to enable our firm to meet its obligations to customers in the event of a significant business disruption.

**By:** Joshua Warren  
**Title:** Chief Financial Officer  
**Date:** February 21, 2024