# ANNUAL FIDUCIARY REPORT

**June 30, 2024**

**State Universities Retirement System**
**1901 Fox Drive**
**Champaign, IL  61820**

As Required by the Illinois Pension Code, 40 ILCS 5/15-177.6

Table of Contents

## Background

The State Universities Retirement System is pleased to present its Annual Fiduciary Report. This comprehensive report provides a detailed overview of SURS' commitment to fulfilling its fiduciary duties, managing investments responsibly, and safeguarding the long-term financial security of our members. The mission of SURS is to secure and deliver the benefits promised to its members. SURS is committed to incorporating, where appropriate, the Sustainability Factors outlined in the Illinois Sustainable Investing Act into its investment process. This fiduciary report seeks to provide a transparent overview of the ways in which SURS fulfills its fiduciary duty by managing risks across its investment portfolio through risk assessment, proxy voting, and stewardship.

## Board Strategy

SURS is governed by an 11-member Board of Trustees. The SURS Board of Trustees has a fiduciary duty to administer the System in compliance with the requirements of the Illinois Pension Code.

SURS' Investment Beliefs were established in September 2018 to serve as a guide to the board's decision-making process and a reference point for future board and staff decisions. The beliefs are periodically reviewed and updated. The full set of Investment Beliefs can be found on the SURS website; please see the below excerpt as it relates to the Sustainable Investing Act:

- **SURS is committed to enhancing diversity by incorporating emerging (minority, woman-owned and disability-owned) investment managers into the portfolio.**
- **SURS believes that addressing material environmental, social and governance related (ESG) issues can lead to positive portfolio and governance outcomes.** To integrate ESG issues into its investment process SURS may apply certain investment and/or engagement strategies/approaches to its portfolio investments. In addition, proxy rights attached to shareholder interests in public companies are also "plan assets" of SURS and represent a key mechanism for expressing SURS' positions relating to specific ESG issues.

In accordance with SURS' Investment Policy, the Board considers the sustainability factors, within the bounds of financial and fiduciary prudence, in evaluating investment decisions. The sustainability factors are considered by the board as it relates to SURS' proxy voting and the selection and ongoing monitoring of managers and mandates, as appropriate. Staff in partnership with consultants perform periodic evaluations of the sustainability factors to ensure their relevance to the portfolio during annual due diligence.

## Assessment of Risks and Opportunities Across the Portfolio

SURS believes that understanding risk is a crucial component to portfolio management. The Board has the following Investment Beliefs that relate to the assessment of risk in the portfolio:

- **SURS believes that an appropriately diversified strategic allocation policy is the primary policy tool for maximizing the investment program's long-term return in light of its risk profile.** The timing and magnitude of projected SURS' employer contributions and future benefit payments (i.e., its funding policy) can have significant cash flow implications and thus should receive explicit consideration during SURS' risk-framing and asset allocation decision-making process.
- **SURS believes that, in order to achieve its objectives, it must incur a certain amount of investment risk that is tied to economic performance.** Exposure to economic growth comes

about primarily through the equity risk premium which, while highly variable, produces a significantly positive long-term return.

- **SURS believes that diversification within strategic classes helps to mitigate the risks of the class.** Appropriate manager diversification helps to maximize the breadth of capturing alpha after accounting for the major biases in a portfolio. As a result, added value consistency should improve.
- **SURS believes disciplined allocation of capital is necessary to manage the systematic risk of the portfolio and maximize the likelihood of achieving its long-term expectations.** Key examples of maintaining disciplined capital allocation includes consistently rebalancing back to strategic targets where appropriate and dollar-cost averaging (and/or pacing) new capital allocations over time into both public-market and private-market portfolios.

The Board of Trustees is charged with the responsibility of managing the assets of SURS with an objective to meet pension obligations in full and on time. To achieve long-term investment objectives, investment risk is undertaken. The Board monitors investment risk and sets guidelines for staff to manage risk within acceptable tolerance levels. The Portfolio experiences risk for several reasons such as changes in: strategic allocation, volatility related to changes in strategic allocation, volatility in asset class/sub-asset class returns, asset class/sub-asset class relationships, and portfolio liquidity. The System also incurs risks associated with the following: appropriation payments, member benefit payments and system obligations, and changes in the System's asset/liability position.

## Strategic Asset Allocation

SURS seeks to effectively manage risk using many different procedures and metrics. One key factor used in determining the overall risk exposure to the portfolio is asset allocation. SURS performs a review of its asset allocation on an annual basis. SURS' general consultant, Meketa, generates capital market assumptions every year to provide estimates of long-term returns, volatilities, and correlations across asset classes and strategies on a forward-looking basis. Additionally, SURS completes an asset-liability study every three to five years, as industry best practice suggests. SURS has completed studies in 2011, 2014, 2018, and 2021. SURS is planning to embark on its next asset-liability study in September 2024.

The 2018 Asset Liability study, in addition to adjusting strategic policy targets, organized SURS' assets within a functional framework rather than the descriptive-oriented asset-based framework. In this approach, assets are grouped by similar risk profiles, rather than asset class name. At the highest level, assets are classified as either *growth-oriented* or *diversifying* strategies. More recently, as a response to the changed market environment in 2022 and 2023, the Board adopted modified Current and Long-term Policy Targets in April 2023, shown in the below table. This asset mix is positioned to generate an expected return in-line with the current actuarial rate and offers an attractive mix of liquidity, drawdown protection, and expected return.

| | Functional Asset Class | Current Policy Target as of 01/01//24 | Long-Term Strategic Policy Target |
|---|---|---|---|
| Growth-oriented | Non-Traditional Growth | 15% | 16% |
| | Traditional Growth | 36% | 35% |
| | Stabilized Growth | 17% | 17% |
| Diversifying | Inflation Sensitive | 5% | 5% |
| | Principal Protection | 10% | 10% |
| | Crisis Risk Offset | 17% | 17% |

## Diversifying Strategies/Crisis Risk Offset

The Board approved the addition of the Crisis Risk Offset (CRO) functional asset class as part of the 2018 asset liability study. The CRO class is designed to provide the System with an improvement in long-term expected return by producing meaningfully positive returns during equity drawdowns, while providing sufficient liquidity to allow for timely rebalancing. The class has expanded since its inception to provide protection during varying market environments. The strategies in the CRO class experience a low correlation to traditional risk factors on average. Its components include Long Duration US Treasuries, Long Volatility/Tail Risk, Trend Following, and Alternative Risk Premia.

Since the implementation of the CRO class, there have been two material market events in which the SURS portfolio remained meaningfully protected. During the sharp equity drawdown at the onset of the COVID 19 pandemic, CRO posted positive returns of 5.2% for Q2 2020, net of fees. Additionally, during the slower, more sustained drawdown during the first 3 quarters of 2022, CRO produced returns of 16.8%, net of fees during that time period, compared to global equity market performance of -25.6%.

## Risk Monitoring

The SURS Board, investment staff, and SURS' general consultant work in concert to monitor risk at the manager, asset class, and portfolio level. Investment staff has also expanded its risk management monitoring with the implementation of BlackRock's Aladdin, a risk analytics tool.

Individual managers are reviewed periodically using risk measures tailored for each asset class. Public market risk metrics include analyzing beta, standard deviation, tracking error, and r-squared. Private market risk monitoring includes analysis of pacing, cash flow, and market conditions by region and sector. For the Portfolio as a whole, risk measures such as target/actual allocation percentages, total portfolio risk, market volatility, market valuation metrics, market sentiment, historical scenario analysis, standard deviation, value at risk, sharp ratios, and liquidity profile are evaluated. System risk metrics include cash flow analysis and asset/liability gap analysis. When any risk thresholds exceed those established by the Board, remedial action is taken.

Blackrock's Aladdin platform has provided SURS staff the opportunity to monitor risk through portfolio modeling, analysis, and reporting. The platform allows for a comprehensive view of SURS portfolio providing security, asset class, and portfolio level risk analytics with concentrations across various themes including sector, issuer, country, rating. The platform provides stress testing and scenario creation as well as an ESG analytics component with several providers including Sustainalytics and Refinitiv. Investment staff evaluates market cap exposure, sector exposure, country exposure, returns analysis, asset allocation and risk contribution at both the strategy and portfolio level.

Meketa, SURS' general consultant, uses a variety of asset allocation and risk management tools to evaluate risk exposures at the total portfolio level. These tools include mean-variance optimization, risk-budgeting, historical scenario analysis, sequence of returns impact, liquidity stress tests, and climate scenario analysis, among many others. Meketa also produces a capital markets outlook and risk metrics report each quarter to assess and analyze these risk factors. SURS staff use components of this report to generate a Summary Risk Report that is presented to the board on a quarterly basis. Please see Appendix A for an example Summary Risk Report.

## Risk and Sustainability Factors

SURS staff works to assess the risk incurred related to the Sustainability Factors outlined in the Illinois Sustainable Investing Act. The Board evaluates ESG risks when reviewing managers for selection to the SURS portfolio.

SURS staff incorporates several different sustainability factors into their due diligence process when reviewing managers each year. Questions that SURS staff ask in yearly due diligence questionnaires include the following:

- Has your firm adopted the Principles for Responsible Investment (if applicable)?
- Is your firm a member of any other institutional investor ESG-related organizations?
- How do you integrate ESG factors into your investment approach?
- Have ESG factors affected your investing? If so, please provide examples.
- What impact have ESG factors had on risk, return, diversification, and performance?
- What reporting on ESG does your firm provide for clients?
- How is your organization staffed regarding ESG for investments?
- Does your firm have an ESG Investment Policy and Guidelines? If so, please provide.

Additionally, SURS' general and specialty consultants evaluate risk when making recommendations to the board. As a part of Meketa's public markets manager due diligence, managers are asked to respond to an in-depth Diversity, Equity, & Inclusion survey as well as firm-level and strategy-level ESG surveys. The firm-level ESG survey looks at various key issues divided into three pillars (Policy and Resources, Active Ownership, and Governance and DE&I) and ten themes: Climate, Physical, Legal, Regulatory, Transition Risk, Proxy Voting, Escalation Strategies, Gender Diversity, Ethnic Diversity, and Internal Material Weaknesses. The strategy-level ESG survey focuses on the strategy's objective, material factors, and assesses key performance indicators. Given manager responses, Meketa's manager research team assigns ESG scores at the firm-level and strategy-level, which are incorporated into manager due diligence efforts.

SURS' real assets consultant, Callan, makes investment recommendations and monitors existing real asset investments. They review the following at both the firm and fund level:

- ESG policies related to firm/fund management,
- Investment beliefs, strategy, and processes and their incorporation of sustainability factors,
- Management of ESG-related risks,
- Methods in which firm/fund uses sustainability to create value,
- Firm participation in organizations with ESG-related goals

# Investment Managers' Incorporation of Sustainability Factors

SURS investment managers consider and incorporate sustainability factors into the investment process when material. SURS has asked each of its investment managers to share how sustainability factors are integrated into the investment process. Managers reported a wide range of considerations regarding the sustainability factors including ESG ratings and screens during the research process, ESG questionnaires, ESG risk rating frameworks, due diligence ESG evaluations, environmental impact minimization, fostering inclusive work environments, and implementing recruiting and retention policies designed to increase the percentage of diverse talent. Additionally, many managers are UN Principles for Responsible Investing (UNPRI) signatories and are aligned with the Sustainability Accounting Standards Board (SASB). The form sent to all SURS managers can be found in Appendix B. Manager responses were compiled into a single document, which can be found in Appendix D.

# Comprehensive Proxy Voting Report

## Proxy Voting

Proxy voting is one important component of SURS Engagement and Stewardship practices. SURS has a proxy voting advisor to vote the proxies of U.S. and non-U.S. shares according to the SURS Public Pension Proxy Guidelines, SURS U.S. Proxy Guidelines, and the SURS International Proxy Voting Guidelines. These guidelines can be found on the SURS Corporate Governance website. SURS' proxy voting advisor, Glass Lewis, votes proxies on SURS' behalf for all separately managed accounts. In addition, SURS utilizes BlackRock's Voting Choice platform, in which BlackRock votes SURS' pro-rata ownership of shares in the BlackRock Global Alpha Tilts commingled fund, using the Glass Lewis Public Pension policy guidelines.

In Fiscal Year 2024, Glass Lewis, voted in 3,471 meetings and 35,096 proposals on SURS' behalf. SURS voting history dating back to 2017 can be found on the Corporate Governance page of the SURS website. A FY 2024 Voting Activity Report can be found in Appendix C, and a brief analysis of SURS' Proxy Voting during FY 2024 can be found below.

### Votes Against Management

Votes against management account for 8,890 of the 35,096 proposals, or 25.3% of the votes. The top categories of votes against management were regarding election of directors, ratification of auditor, and compensation.

- Election of Directors – Votes on election of directors accounted for 6,176 of the 8,890 votes against management or about 69.4% of the votes against management and 17.6% of the total votes.
    - The top reasons for votes against management were[1]:
        - Insufficient gender diversity on the board of directors accounted for 2,547 votes against management. The Public Pension policy on this issue is to vote against the entire nominating committee in instances where the board is comprised of fewer than 30% female directors. However, if local market standards call for a higher level of expected gender diversity, the Public Pension Policy will follow the local market requirement.
        - Lack of reporting to the Sustainability Accounting Standards Board (SASB) accounted for 1855 of the votes against management. For companies included in

[1] The topics listed and their vote counts are not mutually exclusive. This means that one proposal could have been voted against due to several reasons (lack of gender diversity and lack of EEO1 reporting, for example).

the Climate Action 100+ focus list and those that operate in industries where the Sustainability Accounting Standards Board (SASB) has determined that greenhouse gas ("GHG") emissions represent a financially material risk, the Public Pension Policy will vote against the chair of the board in instances where a company has not adopted a net zero emissions targets or when the company has failed to produce reporting that is aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TFCD). For all other companies, the Public Pension Policy will vote against the ESG committee if the company does not produce sufficient sustainability reporting.

    - Lack of EE01 Reporting. This accounted for 1,258 votes against management. U.S. companies listed in the S&P 500 index are evaluated based on disclosure of workforce diversity. In instances where these companies have not disclosed their full EEO-1 reports, the Public Pension Policy will vote against the nominating and governance chair.
    - The company is not a United Nations Global Compact (UNGC) participant or signatory or the Human Rights Policy does not align with versal Declaration on Human Rights (UDHR). This accounted for 606 votes against management. The Public Pension Policy will vote against the chair of the board in instances where companies who are not signatories or participants in the UNGC or that have not adopted a human rights policy that is aligned with the standards set forth by the International Labor Organization (ILO) or the UDHR.

- Ratification of Auditor – Votes on the ratification of auditor account for 948 of the 8,890 against management, or about 10.6% of the votes against management.
  - The top reason for these votes against management is excessive auditor tenure. Rotating auditors is an important safeguard against the relationship between the auditor and the company becoming too close, resulting in a lack of oversight due to complacency or conflicts of interest. Accordingly, the Public Pension Policy will vote against auditor ratification proposals in instances where a company's auditor has not been changed for 20 or more years.

- Advisory Vote on Executive Compensation - Votes on the advisory vote on executive compensation account for 620 of the 8,890 votes against management, or about 7% of the votes against management.
  - The top reasons for votes against management are:
    - The Company has pay for performance issues and does not link any long-term incentive grant to sustainability metrics accounts for 184 of the votes against management. The Public Pension Policy will vote against compensation plans where a company has both failed to provide an adequate link between pay and performance, and the company has neglected to incentivize environmental and social performance.
    - Concerning pay practices accounts for 108 of the votes against management. The Public Pension policy on this issue is to follow the Glass Lewis standard approach.
    - Pay and performance disconnect accounts for 108 of the votes against management. The Public Pension Policy will vote against the approval of a compensation report or policy when there is a significant disconnect between pay and performance.

### Votes Contrary to Glass Lewis' Standard Policy

SURS votes contrary to Glass Lewis' recommendation in cases where the Public Pension Policy is more restrictive than the Glass Lewis Standard Policy Guidelines. Votes against the Glass Lewis standard policy account for 5,568 of the total 35,096 votes or about 15.9% of the votes. The top categories of votes against management were regarding election of directors, ratification of auditor, and compensation. The specific topics in which SURS voted against the Glass Lewis standard policy largely align with the votes against management listed above.

### Shareholder Proposals

During FY 2024, there were 784 shareholder proposals (SHPs), accounting for approximately 2.2% of the total proposals. Overall SURS voted SHPs against management 472 times and against Glass Lewis 209 times.

The most common SHPs were:

- **SHP regarding Reviewing Political Spending or Lobbying** – accounts for 59 SHPs. The Public Pension Policy is supportive of companies providing disclosure concerning their political or lobbying expenditures, including disclosure of how companies' political contributions align with its corporate values. During FY 2024, SURS voted against management in 58 instances related to this topic.
- **SHP regarding Human Capital Management** – accounts for 54 SHPs. The Public Pension Policy is generally supportive of increased reporting on a company's diversity initiatives, disclosure and initiatives regarding gender pay inequity, and disclosure and reporting of worker and stakeholder health and safety issues. During FY 2024, SURS voted against management in 32 instances and against Glass Lewis in 17 instances related to this topic.
- **SHP regarding Supermajority Provisions** – accounts for 45 SHPs. The Public Pension Policy supports a simple majority voting structure unless a supermajority requirement is intended to protect the rights of minority shareholders. During FY 2024, SURS voted against management in 31 votes and against Glass Lewis in 13 votes related to this topic.
- **SHP regarding Report/Action on Climate Change** – accounts for 43 SHPs. The Public Pension Policy supports proposals requesting that companies produce sustainability reports or provide reporting on specific environmental issues. The public pension policy is supportive of companies providing disclosure concerning their climate-related risks and opportunities. On this topic, SURS voted against management on 27 votes and against Glass Lewis on 22 votes.

## Corporate Engagement and Stewardship

### Diversity and Inclusion

SURS continues to be strongly committed to diversity throughout the investment program. In total, 42 strategies with firms owned by minorities, women, or persons with a disability (MWDB) directly manage a total $11.4 billion, or 46.8% of the Total Fund, as of June 30, 2024. SURS employs a multi-strategy approach designed to maximize opportunities for qualified firms.

In addition to being committed to investing in MWDBE firms, SURS has several initiatives aimed at promoting diversity, equity, and inclusion in the portfolio. The Manager Diversity Program (MDP) was implemented in 2004 to identify highly successful MWDBE firms to contract directly with SURS. In addition, SURS has two Manager of Emerging Manager Programs that allocate to diverse emerging firms for potential graduation to direct allocations in the SURS portfolio. SURS has also had a longstanding relationship with Fairview Capital, a leader in diverse and emerging manager investing in the private equity space. Since 2014, SURS has committed $275 million to the Lincoln Fund program which invests exclusively in MWDBE venture capital and private equity partnerships.

Finally, SURS has goals for its utilization of emerging investment managers and minority-owned broker/dealers. Information on investment related DEI initiatives can be found in SURS' Annual Report to the Governor and General Assembly.

### Diverse Manager Outreach

Beginning in 2019, SURS hosted an annual Diverse Manager Week in which staff conducted meetings with diverse firms across different asset classes. SURS' consultant/advisor partners also participated in this event. The growth of the event prompted the creation of the Diverse Manager Outreach Portal in 2023. The Portal allows prospective diverse firms to book introductory meetings with SURS staff throughout the year. This event has resulted in over 140 introductory meetings with MWDBE firms since March 2023.

SURS also partnered with one of its discretionary private equity advisors, Fairview Capital, to host a webinar detailing how emerging and diverse Private Equity firms can gain institutional exposure. This webinar, held in August of 2023, had over 130 attendees. SURS plans to host other webinars in which industry leaders can share their expertise and due diligence practices with other emerging and diverse firms.

## Staff Involvement in Conferences and Initiatives

SURS staff regularly attend diversity themed conferences and webinars to ensure that SURS is a familiar organization for diverse-owned firms in both public and private markets. Some events that SURS has attended in the past include: NAIC (National Association of Investment Companies) conference, NASP (National Association of Securities Professionals) conference, AAAIM (Association of Asian American Investment Managers) Regional Conferences, and GCM Grosvenor Small & Emerging Conference.

## SURS Involvement in Organizations

**Investor Stewardship Group (ISG)**

On October 29th, 2017, SURS became a signatory of the Investor Stewardship Group (ISG), joining more than 70 U.S. and international investors with combined assets in excess of $32 trillion. The ISG establishes a framework comprised of a set of stewardship principles for institutional investors and corporate governance principles for U.S. listed companies. More information can be found on ISG's website.

**Council for Institutional Investors**

SURS has been a long-time member of the Council for Institutional Investors (CII), a nonprofit organization of more than 135 public, union and corporate employee benefit plans, endowments, and foundations with combined assets of approximately $5 trillion. CII promotes effective corporate governance, strong shareowner rights, and sensible financial regulations, promoting policies that enhance long-term shareholder value. The organization educates members and the public, advocates on behalf of its members with companies, legislators, regulators and other stakeholders, and engages with key market participants across the institutional investor landscape.

## Illinois Investment Policy Board

SURS is a member of the Illinois Investment Policy Board (IIPB) which oversees the process of developing the restricted securities list in accordance with Illinois statute. The IIPB works with external providers to identify individual companies as restricted securities. The list of these companies is reviewed by IIPB on a quarterly basis, and SURS reports the restricted securities to its investment managers each quarter to ensure compliance.

Illinois law currently prohibits investment in certain companies that boycott Israel, for-profit companies that contract to shelter migrant children, Iran-restricted companies, expatriated entities, companies that are domiciled or have their principal place of business in Russia or Belarus, and companies that are subject to Russian Harmful Foreign Activities Sanctions. When a company is identified as engaging in any of the above actions, the IIPB sends a written notice to the company indicating that it may qualify for divestiture. If the company does not respond to the IIPB notice or cease the activity, they are placed on the list of restricted securities. SURS' seat on the IIPB board helps ensure that the investment of public money does not occur in entities that are prohibited by Illinois Law.

## Glass Lewis' Engagement Philosophy

Glass Lewis is the proxy voting advisor for SURS and has a long-standing practice of engaging with companies to promote greater disclosure and long-term shareholder value. Glass Lewis covers over 30,000 meetings every year, providing in-depth analysis of companies. Glass Lewis produces in depth research for each company containing annual meeting information, engagement activities in which Glass Lewis has interacted with the company, share ownership profile, company profile, ESG profile, company updates, and ballot information and analysis broken down by proposal.

Glass Lewis conducts approximately 1,300 engagement meetings and calls with public companies, dissident shareholders, and shareholder proponents each year. Glass Lewis' aim is to better understand companies' governance practices, as well as foster mutual understanding and promote improved disclosure.

Glass Lewis also provides its clients Controversy Alerts to help identify the most controversial issues at shareholder meetings, allowing clients to make better informed voting decisions. The alerts cover issues such as Human Capital Management, Community/Stakeholder Relations, Oversight Issues, Board Responsiveness, and Environmental Issues. SURS staff monitor the controversy alerts to ensure that voting remains in line with the SURS public pension policy.

S·U·R·S
STATE UNIVERSITIES RETIREMENT SYSTEM
1901 Fox Drive, Champaign, IL 61820-7333
800-275-7877 • 217-378-8800 • (Fax) 217-378-9800
www.surs.org
Investment Department

To: Investment Committee
From: Investment Staff
Date: February 16, 2023
Re: Summary Risk Report

---

Attached is the Summary Risk Report for the quarter ending December 31, 2023. Highlights for the quarter include:

- Appropriation Summary – FY 2024 state appropriations received were approximately $1.1 billion, or 100% of the anticipated FYTD appropriations due, as of December 31, 2023. The total FY 2024 appropriation is $2,133,335,000. The actuarial benefit payment projection for FY 2024 is $3,249,077,000. The total FY 2023 appropriation of $2,118,567,000 was paid in full as of June 2, 2023.

- Cash Account Summary – Ending cash on hand was approximately $136 million as of December 31, 2023. Net private partnership cash flows during the quarter were negative and approximately $202 million.

- SURS Risk Exposures – 89% of total risk comes from the Non-Traditional Growth, Traditional Growth, and Stabilized Growth classes as of December 31, 2023.

- Total portfolio risk increased from 5.25% to 7.84%.
  - Benchmark risk increased from 6.47% to 7.01%.
  - Active risk fell slightly from 3.65% to 3.21%.

- Liquidity – Assets in Principal Protection, TIPS, CRO, Overlay, Cash, and Transition, the most liquid categories, amount for 30% of assets. Assets in these classes would allow the fund to cover 2.0 years of benefits assuming no contributions to the System or 7.7 years assuming contributions from the state and members. SURS projected annual net cash outflows are between $848 million and $981 million over the next 5 years.

- Risk Environment & Sentiment:
  - Market risk levels are above average for fixed income volatility, while yield curve slope level is in the bottom decile compared to historical numbers.
  - U.S equity and private equity valuations were in the top decile based on historical averages as of 12/31/2023. Real estate vs treasury spreads are also elevated.
  - Market sentiment towards economic growth ended the year in positive territory. This indicator had been negative between June 2022 and June 2023.

- Operational Risk Summary: Shows a snapshot of key contracts and procedures to be reviewed periodically. No issues to report.

Appendix A

S·U·R·S
STATE UNIVERSITIES RETIREMENT SYSTEM

# Summary Risk Report

## Quarter Ending December 31, 2023

# Appropriation Summary

| Month | Amount Received | Amount Due | (Under)/Over | % Received |
|---|---|---|---|---|
| July | $177,777,917 | $177,777,917 | - | 100% |
| August | $177,777,917 | $177,777,917 | - | 100% |
| September | $177,777,917 | $177,777,917 | - | 100% |
| October | $177,777,917 | $177,777,917 | - | 100% |
| November | $177,777,917 | $177,777,917 | - | 100% |
| December | $177,777,917 | $177,777,917 | - | 100% |
| January | | | | |
| February | | | | |
| March | | | | |
| April | | | | |
| May | | | | |
| June | | | | |
| **FYTD** | **$1,066,667,500** | **$1,066,667,500** | **-** | **100%** |

Total appropriation for FY 2024 is $2,133,335,000

Actuarial benefit payments projection for FY 2024: $3,249,077,000

Total FY 2023 appropriation was paid in full in as of June 2, 2023

S·U·R·S
STATE UNIVERSITIES RETIREMENT SYSTEM

# Cash Account Summary

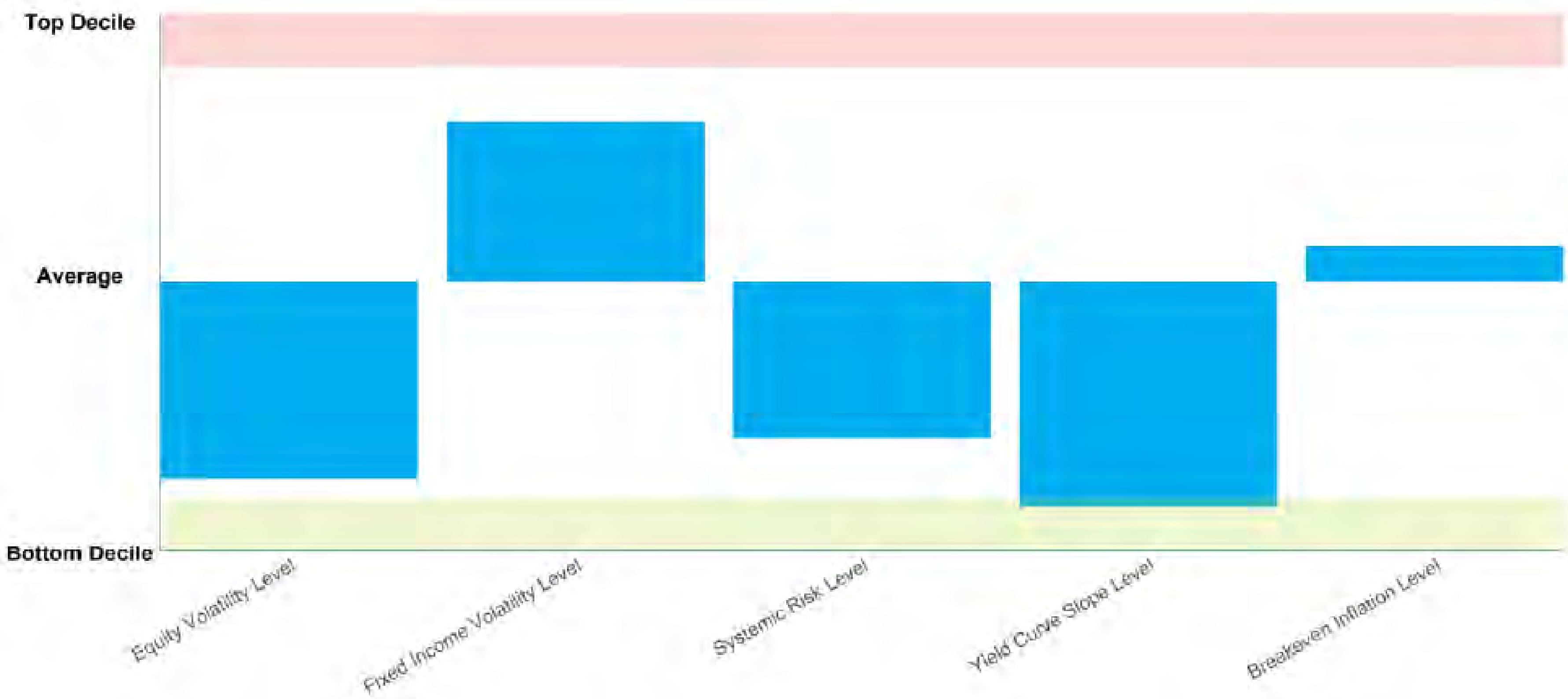
| January 1, 2023 – December 31, 2023 | | | | |
|---|---|---|---|---|
| | **Jan 1 – Mar 31** | **April 1 – June 30** | **July 1 – Sept 30** | **Oct 1 – Dec 31** |
| Beginning Balance | $458,562,824 | $144,795,528 | $94,886,349 | $79,133,186 |
| Cash In: | | | | |
| Partnership Distributions | 122,630,908 | 60,768,880 | 65,549,262 | 110,716,620 |
| Transfers | 454,226,637 | 1,257,409,501 | 320,516,902 | 455,008,658 |
| Total Cash In: | 576,857,544 | 1,318,178,381 | 385,586,163 | 565,725,278 |
| Cash Out: | | | | |
| Partnership Capital Calls | (393,413,557) | (237,382,551) | (249,066,473) | (313,211,310) |
| Transfers | (124,113,511) | (928,825,002) | (8,058,005) | (8,790,505) |
| Net Contributions (Contributions less Benefit Payments) | (373,097,773) | (201,880,008) | (143,734,847) | (186,972,558) |
| Total Cash Out: | (890,624,841) | (1,368,087,560) | (400,859,325) | (508,974,373) |
| Ending Balance | $144,795,528 | $94,886,349 | $79,133,186 | $135,884,091 |

Net private partnership cash flows were negative $202 million for the quarter

Net contributions (contributions less benefit payments) were negative $187 million for the quarter.

Appendix A

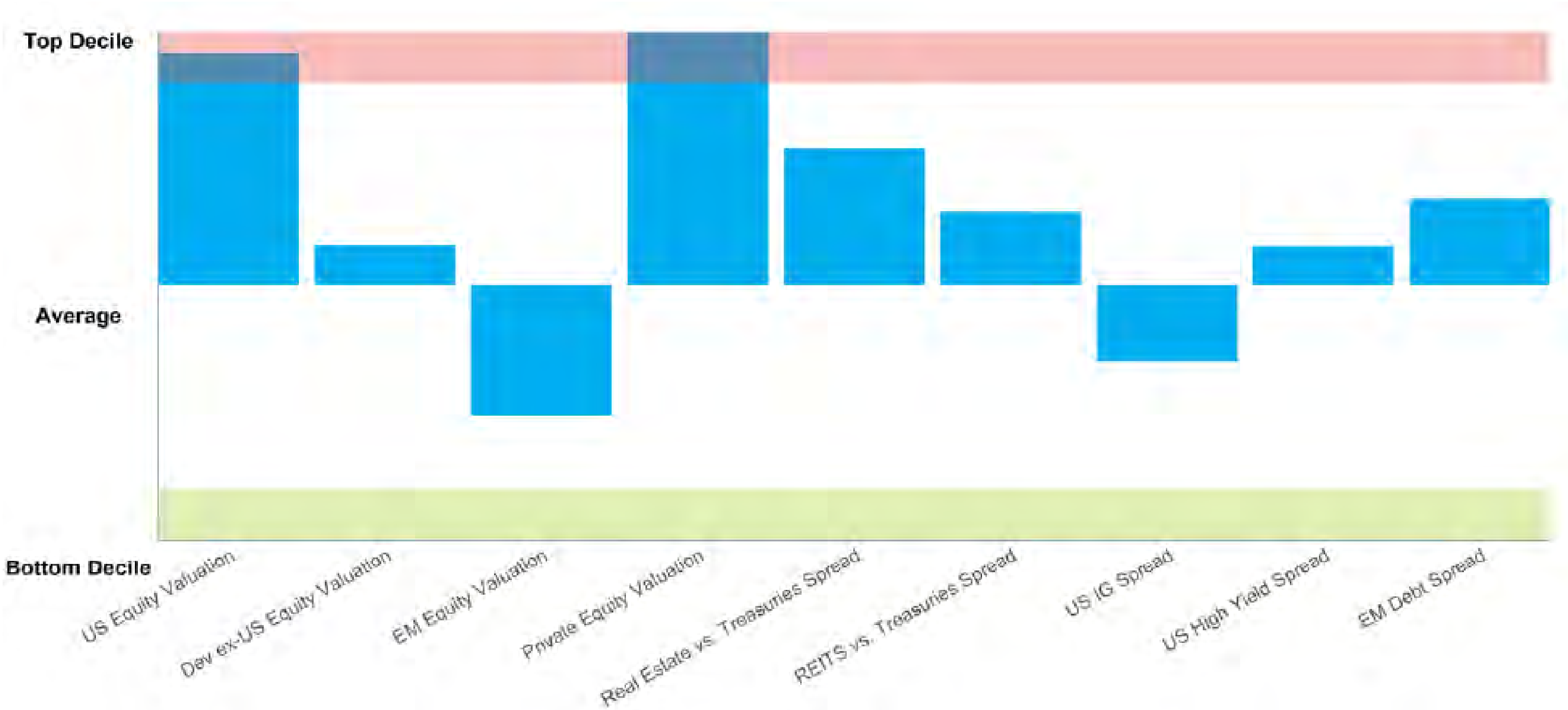
# Today's Risk Environment – Risk & Valuation




**Market Risk Levels:** Current level of each indicator compared to its history.
Systematic risk level remains below average based on historical data.
Equity volatility level decreased from last quarter, moving to below average. Fixed income volatility level remained above average.
Yield curve slope level indicator stayed in the bottom decile based on historical information.

Data as of December 31, 2023

# Today's Risk Environment – Risk & Valuation



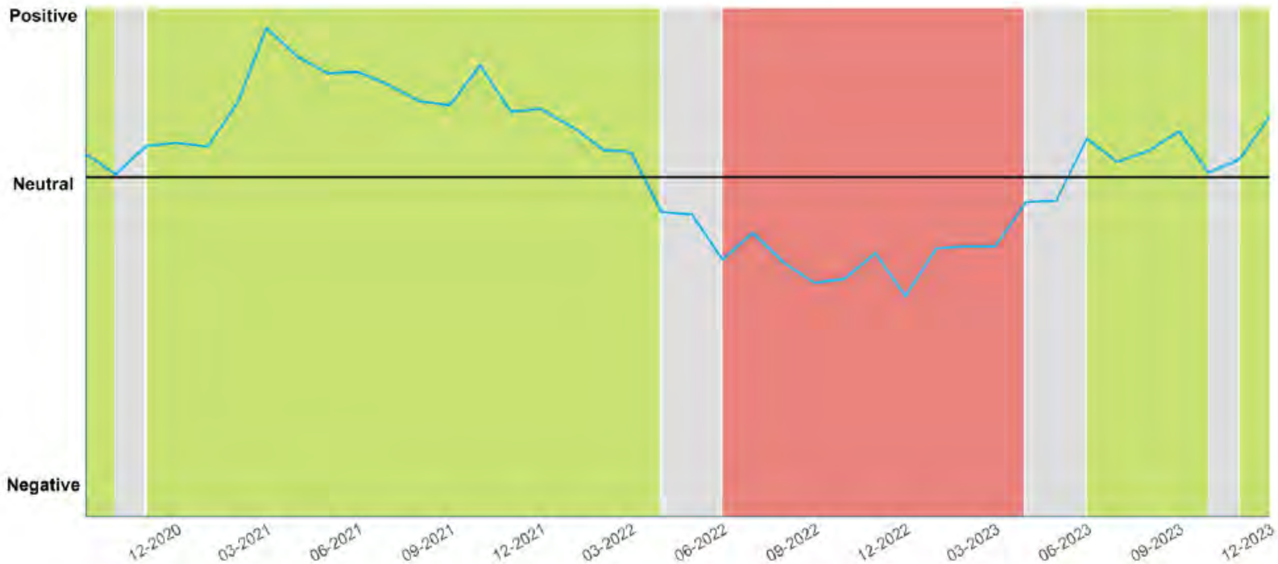

**Market Valuations:** Current state of valuation metrics per asset class relative to their own history.

U.S. equity valuation and private equity valuation are very high and real estate vs treasuries spreads are also elevated. EM equity valuations and US investment grade spreads are below average.

Data as of December 31, 2023

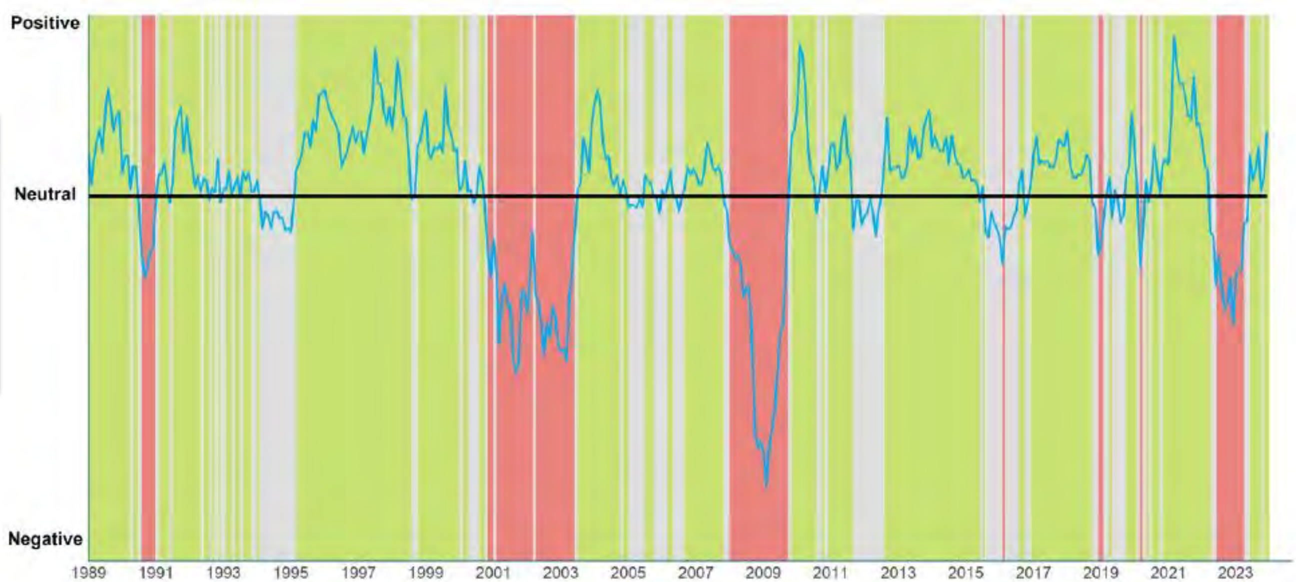
# Today's Risk Environment – Sentiment/Concern

Market Sentiment Indicator (Last three years)



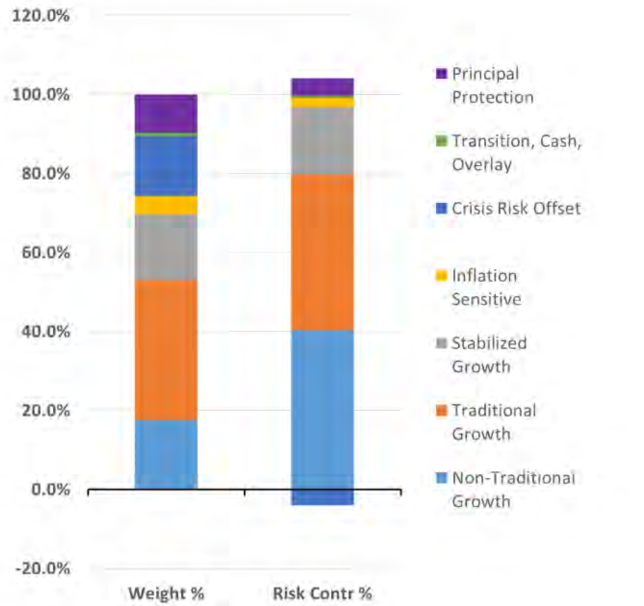

Green indicator shows that market sentiment towards growth risk is currently in positive territory.

Market Sentiment Indicator (All History)




Market's sentiment towards growth has trended up in recent quarters.

# SURS Risk Exposures

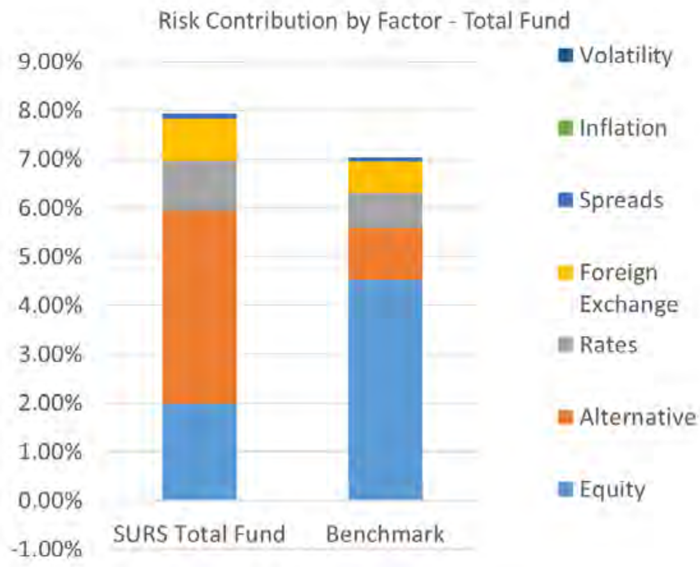


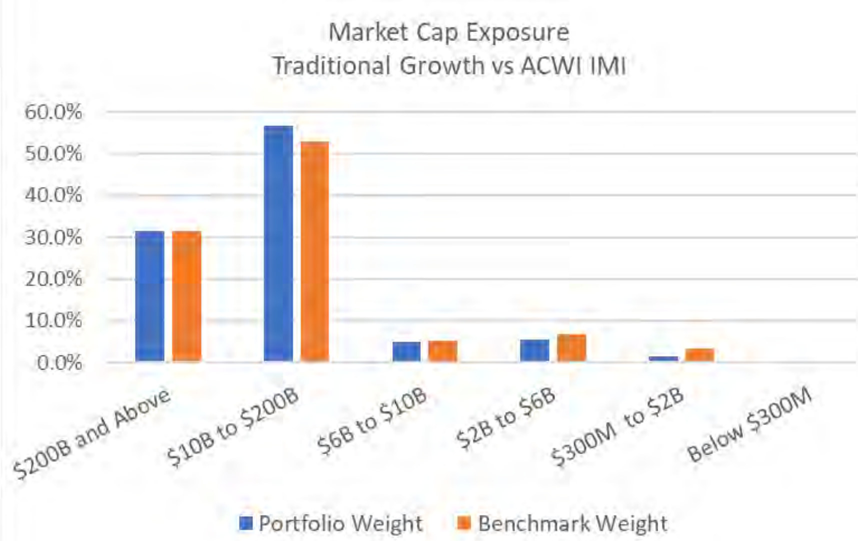

- Total portfolio risk comes primarily from the Traditional Growth and Non-Traditional Growth asset classes.
- Portfolio risk and Benchmark risk both increased in the fourth quarter.
- Portfolio risk increased from 5.25% to 7.84% during the quarter but remained below than the 9.65% average over the trailing three years.

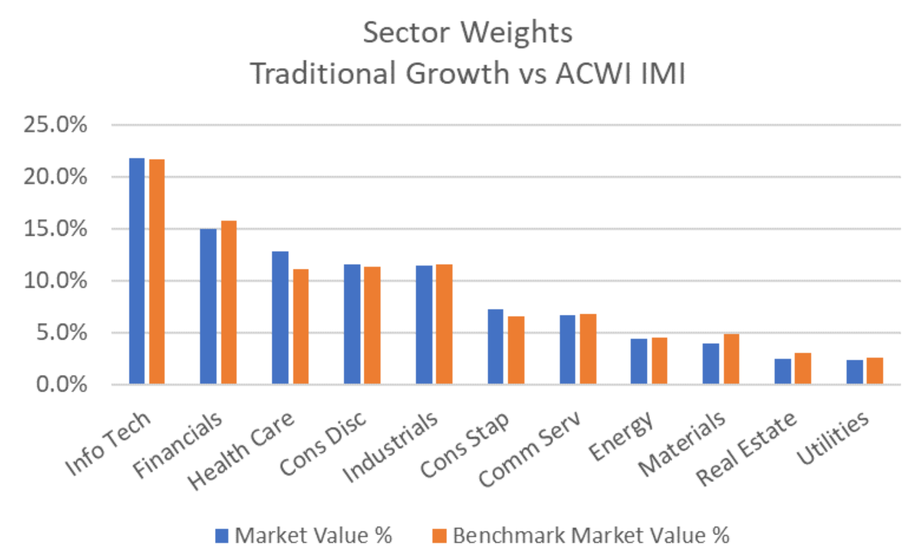

Appendix A

# SURS Risk Exposures

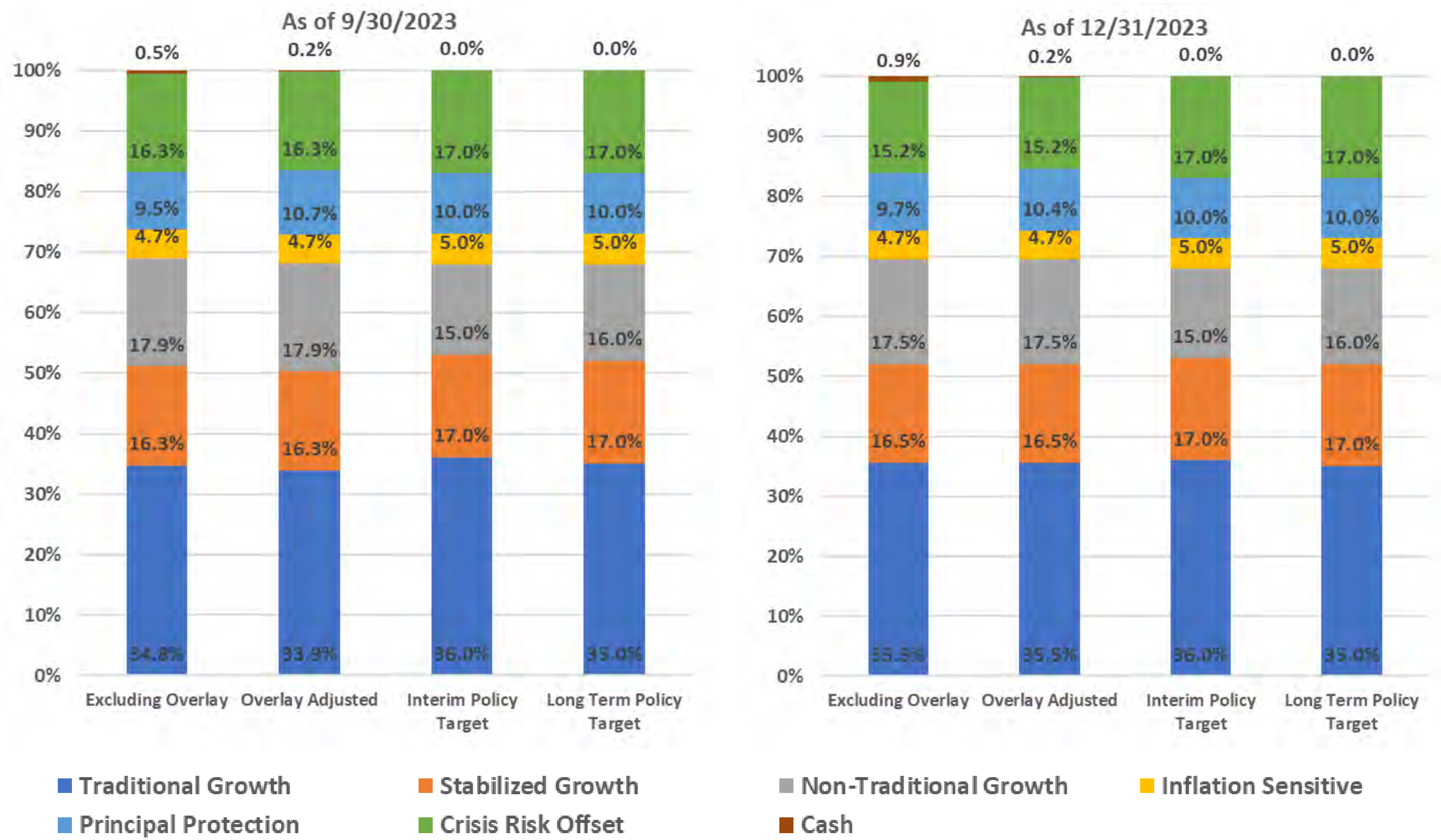
- SURS' risk exposure is higher in alternatives than the benchmark due to our significant private market allocation. Overall risk is slightly higher than the benchmark as of 12/31/2023.
- SURS' public equity market cap allocations are in line with the benchmark, with a slight overweight in large cap and slight underweight in small cap.
- Public equity sector weights are in line with the benchmark, with some expected minor variances due to active investment manager positioning.



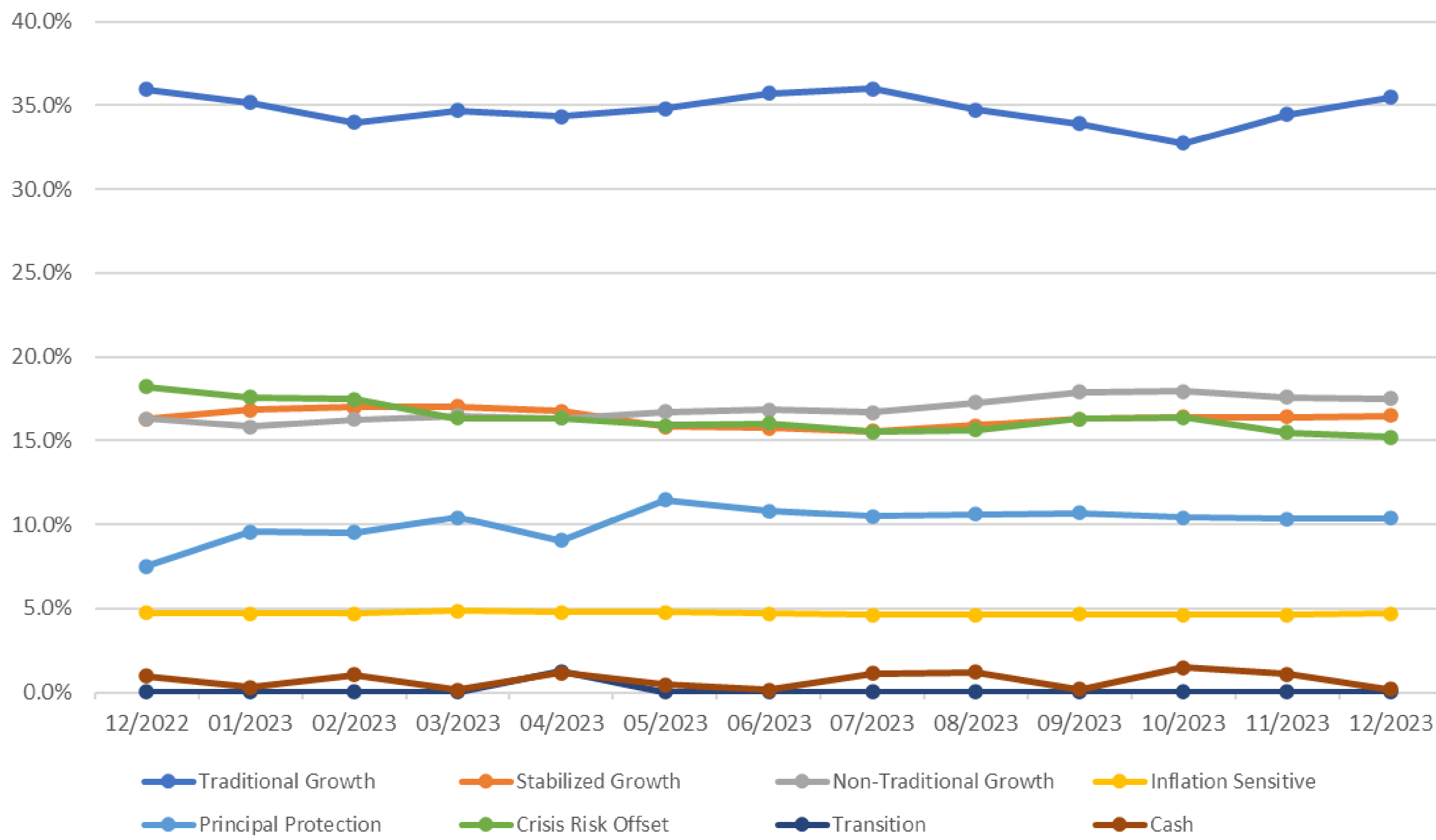
# SURS Asset Allocation vs Targets




- SURS Total Fund allocation is line with policy targets
- A slight overweight to Non-Traditional Growth persists due to market gains in the private equity portfolio in recent years

# SURS Asset Allocation Over Time
# Overlay Adjusted

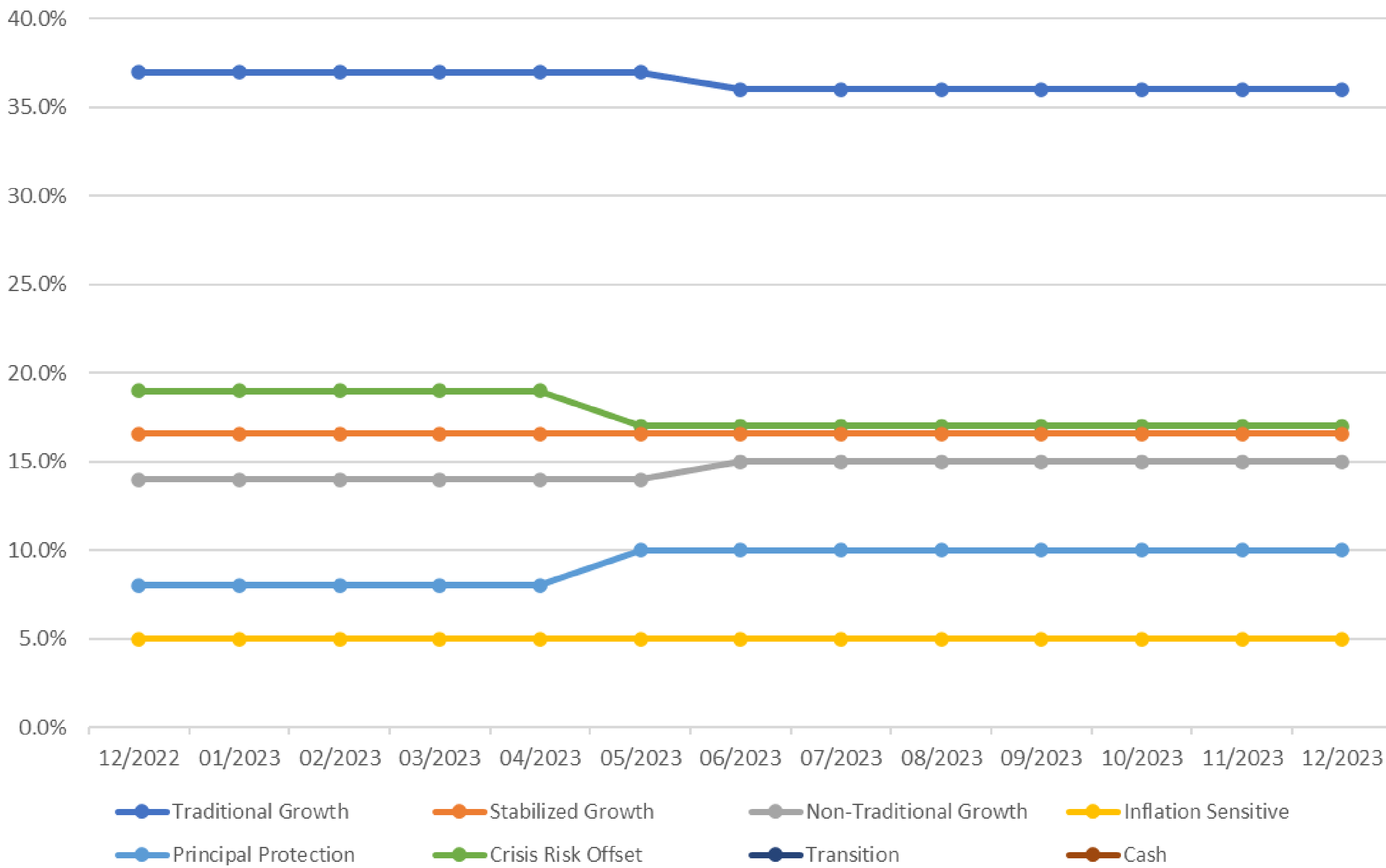





- Asset Allocation among the six functional asset classes has been stable through the past 12 months
- The overlay program has minimized cash drag in the portfolio and kept Traditional Growth and Principal Protection asset classes within acceptable ranges while avoiding transaction associated with physical rebalancing

# SURS Interim Policy Target Over Time

Appendix A




- Changes to SURS' functional asset class target weights occurred in May and June 2023, decreasing the weights to Traditional Growth and Crisis Risk Offset while increasing targets to Principal Protection and Non-Traditional Growth
- Some minor adjustments to sub-asset class targets have occurred over the past 12 months

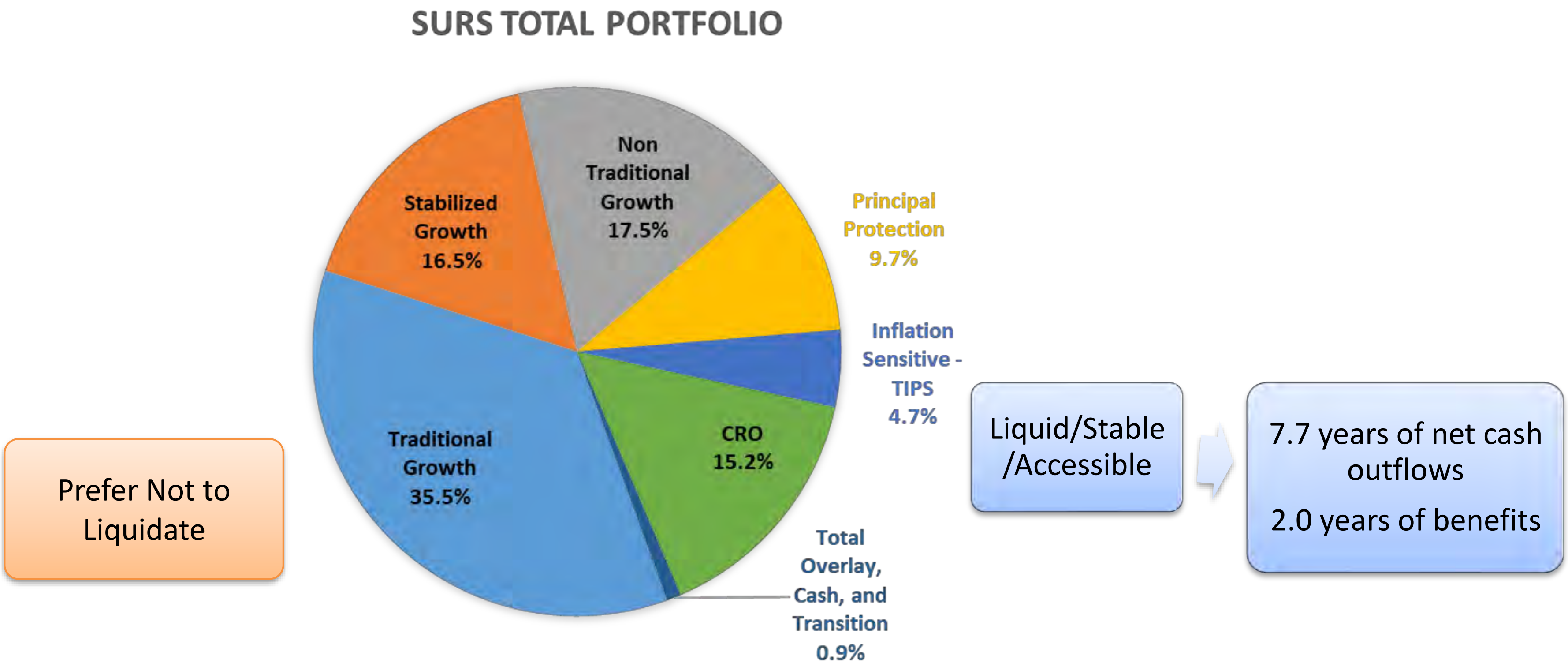
# Scenario Analysis

| Scenario | Description | % Loss/Gain |
|---|---|---|
| Credit '07 | Credit & liquidity crisis stemming from a severe slowdown in the housing market causing significant widening of credit spreads and increased implied volatility. | (7.12%) |
| Crash '08 | Credit & liquidity crisis and equity market crash set off by Lehman Brothers bankruptcy. Significant credit spreads widening caused by massive deleveraging. | (16.29%) |
| FOMC Policy Paths-Lingering Inflation | Lingering inflation proves markets wrong. | (9.42%) |
| FOMC Policy Paths-Fed Engineers a Hard Landing | The effects of the Fed's policy response in 2022-23 are lagged and prove to be more significant than expected. Growth slows and cracks in the labor market begin to show.. Market prices in a significant recession in the US, driving a sizable risk-off reaction. | (8.94%) |
| Equity Volatility Increase | 1% probability VIX up movement. | (4.97%) |
| US Debt Ceiling - Last Minute Agreement | Negotiations are reached close to X-date, with a risk-of in the market. | (4.08%) |
| US Debt Ceiling - Technical Default | Negotiations are not reached in time for the X-date; Government has a technical default | (9.32%) |
| Military Action in the Gulf | Escalating tensions in the Gulf region lead to further military action. | (5.68%) |
| Stock Market Drop Global | 1% probability movement of MSCI World market down. | (5.53%) |

Current portfolio stress tested using historical scenarios.

# Liquidity Profile






Liquid/stable group consists of Principal Protection, Inflation Sensitive – TIPS, CRO and Total Overlay which constitute for 31% of SURS portfolio.

SURS projected annual net contributions: -$848M to -$981M over next 5 years

# Operational Risk Summary

| Operational Risk | Target Review Cycle | Last Reviewed | Comments |
|---|---|---|---|
| Asset Allocation | 3-5 Years | June 2021 | Minor changes to strategic allocation targets approved April 2023 |
| Investment Beliefs | 3-5 Years | January 2020 | |
| Investment Policy | Annual | September 2023 | |
| Investment Procurement Policy | Annual | September 2023 | |
| Private Real Assets Pacing and Strategic Plan | Annual | December 2023 | |
| Private Equity Pacing and Strategic Plan | Annual | December 2023 | |
| Private Credit Pacing and Strategic Plan | Annual | December 2023 | |
| Capital Market Assumptions Review | Annual | March 2023 | |
| Custodial Review | Annual | November 2023 | |
| Securities Lending Review | Annual | January 2024 | |
| Proxy Voting Guidelines | Annual | December 2023 | 2024 U.S., public pension and international guidelines published on SURS website |

# Operational Risk Summary

| Relationships with Contract Terms | Contracted To | Comments |
|---|---|---|
| Northern Trust - Custodian | December 2026 | |
| Meketa - General Consultant | March 1, 2028 | |
| CAPTRUST - DC Specialty | March 31, 2028 | |
| Voya – DC Recordkeeper | August 2025 | One year extension available at SURS discretion |
| Callan - Real Assets Specialty | September 30, 2028 | |
| Meketa – Private Credit Advisor | December 10, 2025 | |
| Aksia – Private Equity Advisor | September 1, 2024 | |
| Glass Lewis - Proxy Voting Services | October 1, 2024 | |
| ISBI, TRS, SURS Agreement - Quarterly Restricted Securities | June 30, 2025 | ISBI negotiated an annual contract with MSCI to provide the quarterly restricted securities list through June 30, 2023, and renews annually through 2025 at the discretion of the parties involved. Costs for these services are shared equally between SURS, ISBI and TRS. |

# SURS Annual Fiduciary Report Form

In accordance with 40 ILCS 5/15-177.6, SURS is required to post an Annual Fiduciary Report to its website each year by September 1. This report shall "disclose how each investment manager serving as a fiduciary to the Board integrates sustainability factors into the investment manager's investment decision-making process". Sustainability factors are defined in the Illinois Sustainable Investing Act. Please fill out the form below for each strategy in which SURS is invested.

Name of Asset Management Firm:____________________________________________

Name of Strategy: ______________________________________________________

Firm Address: __________________________________________________________

Contact Person's Name: _____________________________ Phone:________________________

Please describe how the firm integrates sustainability factors into the investment decision-making process.

Additional information on sustainability factors may be attached as part of this response but will not be included in SURS' published report.

By signing, I acknowledge that the information provided is correct.

Signature of Authorized Official: _______________________________ Date:________________

Name (printed): ____________________________ Title:_________________________________

# Illinois Sustainable Investing Act

The five sustainability factors cited in the Illinois Sustainable Investing Act are listed below for reference (see 30 ILCS 238/20):

"…Sustainability factors may include, but are not limited to, the following:

(1) Corporate governance and leadership factors, such as the independence of boards and auditors, the expertise and competence of corporate boards and executives, systemic risk management practices, executive compensation structures, transparency and reporting, leadership diversity, regulatory and legal compliance, shareholder rights, and ethical conduct.

(2) Environmental factors that may have an adverse or positive financial impact on investment performance, such as greenhouse gas emissions, air quality, energy management, water and wastewater management, waste and hazardous materials management, and ecological impacts.

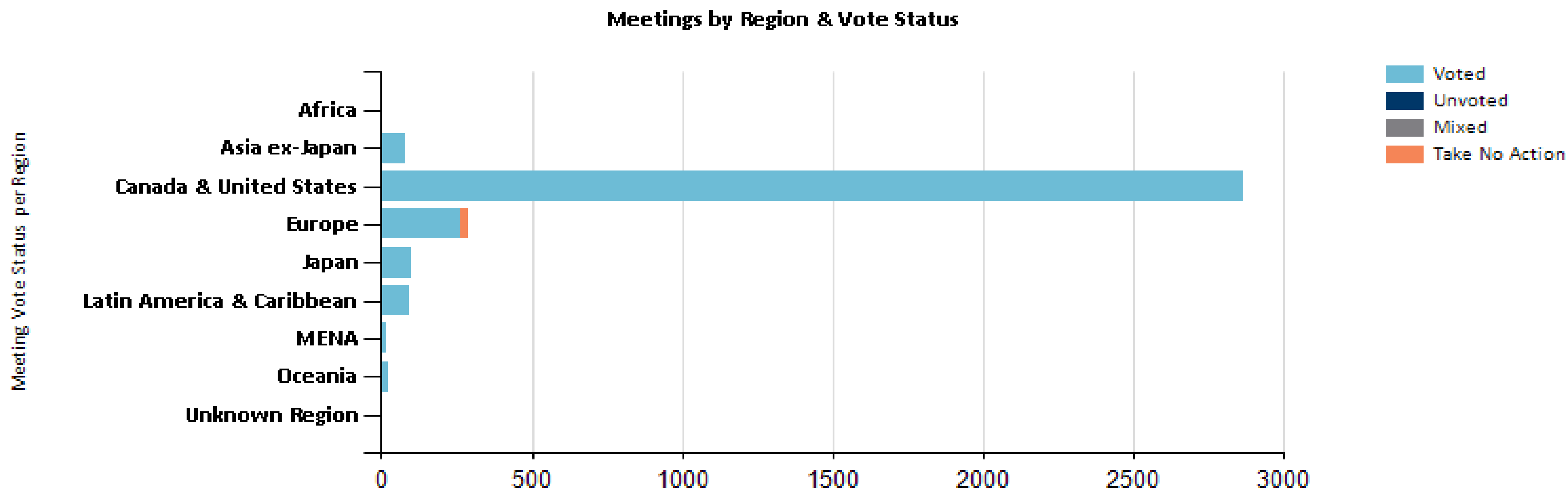
(3) Social capital factors that impact relationships with key outside parties, such as customers, local communities, the public, and the government, which may impact investment performance. Social capital factors include human rights, customer welfare, customer privacy, data security, access and affordability, selling practices and product labeling, community reinvestment, and community relations.

(4) Human capital factors that recognize that the workforce is an important asset to delivering long-term value, including factors such as labor practices, responsible contractor and responsible bidder policies, employee health and safety, employee engagement, diversity and inclusion, and incentives and compensation.

(5) Business model and innovation factors that reflect an ability to plan and forecast opportunities and risks, and whether a company can create long-term shareholder value, including factors such as supply chain management, materials sourcing and efficiency, business model resilience, product design and life cycle management, and physical impacts of climate change."

# Meeting Statistics Report

From 7/1/2023 to 6/30/2024




| Region | Country Of Origin | Voted | Unvoted | Mixed | Take No Action | Total |
|---|---|---|---|---|---|---|
| **Total for all Regions** | | **3446** | **0** | **2** | **23** | **3471** |
| ***Africa*** | | **5** | **0** | **0** | **0** | **5** |
| | Liberia | 1 | 0 | 0 | 0 | 1 |
| | Mauritius | 1 | 0 | 0 | 0 | 1 |
| | South Africa | 3 | 0 | 0 | 0 | 3 |
| ***Asia ex-Japan*** | | **81** | **0** | **0** | **0** | **81** |
| | China | 34 | 0 | 0 | 0 | 34 |
| | Hong Kong | 7 | 0 | 0 | 0 | 7 |
| | India | 3 | 0 | 0 | 0 | 3 |
| | Indonesia | 3 | 0 | 0 | 0 | 3 |
| | Korea, Republic of | 13 | 0 | 0 | 0 | 13 |
| | Singapore | 9 | 0 | 0 | 0 | 9 |

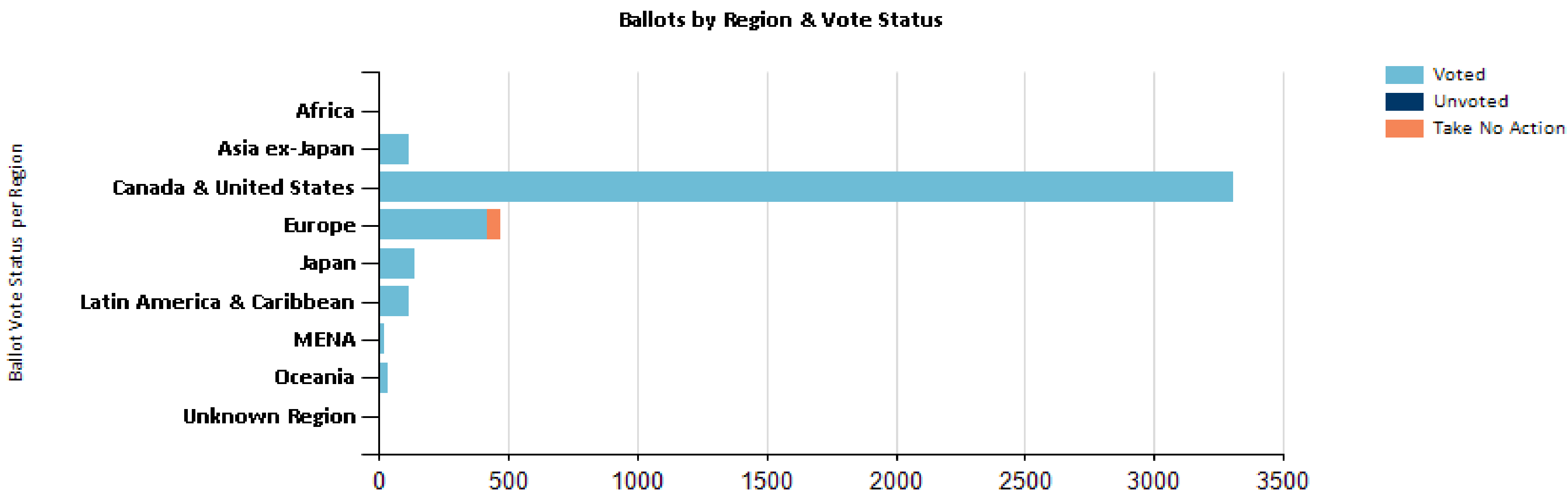
| | | | | | | |
|---|---|---|---|---|---|---|
| | Taiwan | 9 | 0 | 0 | 0 | 9 |
| | Thailand | 3 | 0 | 0 | 0 | 3 |
| ***Canada & United States*** | | **2868** | **0** | **0** | **0** | **2868** |
| | Canada | 40 | 0 | 0 | 0 | 40 |
| | United States | 2828 | 0 | 0 | 0 | 2828 |
| ***Europe*** | | **263** | **0** | **2** | **23** | **288** |
| | Austria | 3 | 0 | 0 | 0 | 3 |
| | Belgium | 6 | 0 | 0 | 0 | 6 |
| | Denmark | 9 | 0 | 0 | 0 | 9 |
| | Finland | 3 | 0 | 0 | 0 | 3 |
| | France | 41 | 0 | 1 | 0 | 42 |
| | Germany | 30 | 0 | 1 | 0 | 31 |
| | Greece | 1 | 0 | 0 | 0 | 1 |
| | Ireland | 25 | 0 | 0 | 0 | 25 |
| | ISLE OF MAN | 1 | 0 | 0 | 0 | 1 |
| | Italy | 12 | 0 | 0 | 0 | 12 |
| | Jersey | 7 | 0 | 0 | 0 | 7 |
| | Luxembourg | 5 | 0 | 0 | 2 | 7 |
| | Netherlands | 32 | 0 | 0 | 0 | 32 |
| | Norway | 4 | 0 | 0 | 0 | 4 |
| | Poland | 1 | 0 | 0 | 0 | 1 |
| | Portugal | 3 | 0 | 0 | 0 | 3 |
| | Spain | 9 | 0 | 0 | 0 | 9 |
| | Sweden | 13 | 0 | 0 | 1 | 14 |
| | Switzerland | 4 | 0 | 0 | 20 | 24 |
| | United Kingdom | 54 | 0 | 0 | 0 | 54 |
| ***Japan*** | | **101** | **0** | **0** | **0** | **101** |
| | Japan | 101 | 0 | 0 | 0 | 101 |
| ***Latin America & Caribbean*** | | **91** | **0** | **0** | **0** | **91** |
| | Bermuda | 28 | 0 | 0 | 0 | 28 |
| | Brazil | 23 | 0 | 0 | 0 | 23 |
| | Cayman Islands | 27 | 0 | 0 | 0 | 27 |
| | Mexico | 6 | 0 | 0 | 0 | 6 |
| | Panama | 1 | 0 | 0 | 0 | 1 |
| | Puerto Rico | 3 | 0 | 0 | 0 | 3 |
| | Virgin Islands (British) | 3 | 0 | 0 | 0 | 3 |
| ***MENA*** | | **14** | **0** | **0** | **0** | **14** |
| | Israel | 12 | 0 | 0 | 0 | 12 |

| | | | | | | |
|---|---|---|---|---|---|---|
| | Turkey | 1 | 0 | 0 | 0 | 1 |
| | United Arab Emirates | 1 | 0 | 0 | 0 | 1 |
| ***Oceania*** | | **22** | **0** | **0** | **0** | **22** |
| | Australia | 17 | 0 | 0 | 0 | 17 |
| | Marshall Islands | 5 | 0 | 0 | 0 | 5 |
| ***Unknown Region*** | | **1** | **0** | **0** | **0** | **1** |
| | Unknown Country | 1 | 0 | 0 | 0 | 1 |

# Ballot Statistics Report



From 7/1/2023 to 6/30/2024




| Region | Country Of Origin | Voted | Unvoted | Take No Action | Total |
|---|---|---|---|---|---|
| **Total for all Regions** | | **4147** | **0** | **52** | **4199** |
| ***Africa*** | | **5** | **0** | **0** | **5** |
| | Liberia | 1 | 0 | 0 | 1 |
| | Mauritius | 1 | 0 | 0 | 1 |
| | South Africa | 3 | 0 | 0 | 3 |
| ***Asia ex-Japan*** | | **111** | **0** | **0** | **111** |
| | China | 38 | 0 | 0 | 38 |
| | Hong Kong | 11 | 0 | 0 | 11 |
| | India | 5 | 0 | 0 | 5 |
| | Indonesia | 3 | 0 | 0 | 3 |
| | Korea, Republic of | 19 | 0 | 0 | 19 |
| | Singapore | 16 | 0 | 0 | 16 |
| | Taiwan | 16 | 0 | 0 | 16 |
| | Thailand | 3 | 0 | 0 | 3 |

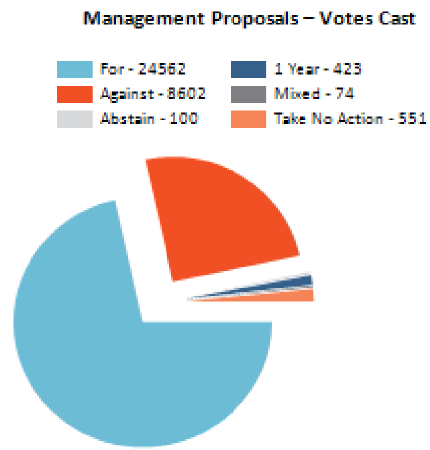
| | | | | | |
|---|---|---|---|---|---|
| ***Canada & United States*** | | **3307** | **0** | **0** | **3307** |
| | Canada | 45 | 0 | 0 | 45 |
| | United States | 3262 | 0 | 0 | 3262 |
| ***Europe*** | | **418** | **0** | **52** | **470** |
| | Austria | 3 | 0 | 0 | 3 |
| | Belgium | 7 | 0 | 0 | 7 |
| | Denmark | 15 | 0 | 0 | 15 |
| | Finland | 5 | 0 | 0 | 5 |
| | France | 71 | 0 | 1 | 72 |
| | Germany | 45 | 0 | 1 | 46 |
| | Greece | 1 | 0 | 0 | 1 |
| | Ireland | 32 | 0 | 0 | 32 |
| | ISLE OF MAN | 1 | 0 | 0 | 1 |
| | Italy | 22 | 0 | 0 | 22 |
| | Jersey | 12 | 0 | 0 | 12 |
| | Luxembourg | 5 | 0 | 3 | 8 |
| | Netherlands | 62 | 0 | 0 | 62 |
| | Norway | 5 | 0 | 0 | 5 |
| | Poland | 1 | 0 | 0 | 1 |
| | Portugal | 3 | 0 | 0 | 3 |
| | Spain | 16 | 0 | 0 | 16 |
| | Sweden | 14 | 0 | 1 | 15 |
| | Switzerland | 6 | 0 | 46 | 52 |
| | United Kingdom | 92 | 0 | 0 | 92 |
| ***Japan*** | | **139** | **0** | **0** | **139** |
| | Japan | 139 | 0 | 0 | 139 |
| ***Latin America & Caribbean*** | | **115** | **0** | **0** | **115** |
| | Bermuda | 35 | 0 | 0 | 35 |
| | Brazil | 26 | 0 | 0 | 26 |
| | Cayman Islands | 38 | 0 | 0 | 38 |
| | Mexico | 8 | 0 | 0 | 8 |
| | Panama | 1 | 0 | 0 | 1 |
| | Puerto Rico | 4 | 0 | 0 | 4 |
| | Virgin Islands (British) | 3 | 0 | 0 | 3 |
| ***MENA*** | | **18** | **0** | **0** | **18** |
| | Israel | 16 | 0 | 0 | 16 |
| | Turkey | 1 | 0 | 0 | 1 |
| | United Arab Emirates | 1 | 0 | 0 | 1 |

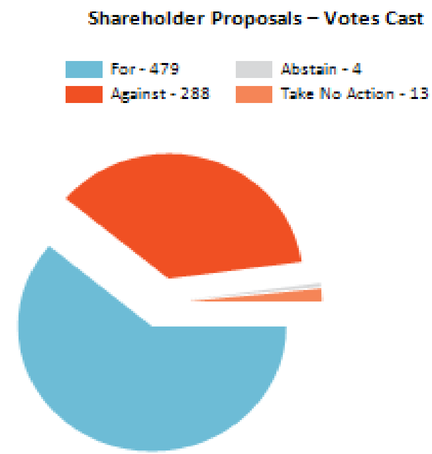
| | | | | | |
|---|---|---|---|---|---|
| ***Oceania*** | | **30** | **0** | **0** | **30** |
| | Australia | 25 | 0 | 0 | 25 |
| | Marshall Islands | 5 | 0 | 0 | 5 |
| ***Unknown Region*** | | **4** | **0** | **0** | **4** |
| | Unknown Country | 4 | 0 | 0 | 4 |

# Proposal Statistics Report

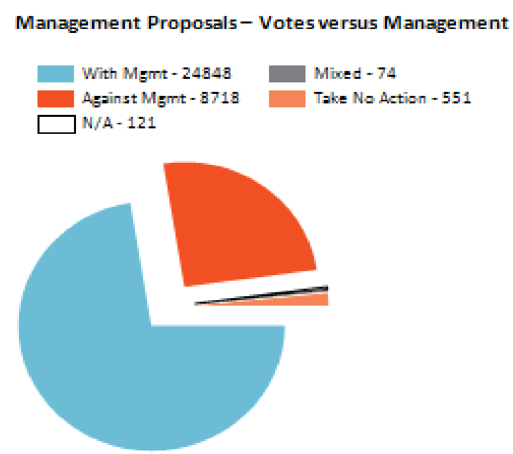
From 7/1/2023 to 6/30/2024

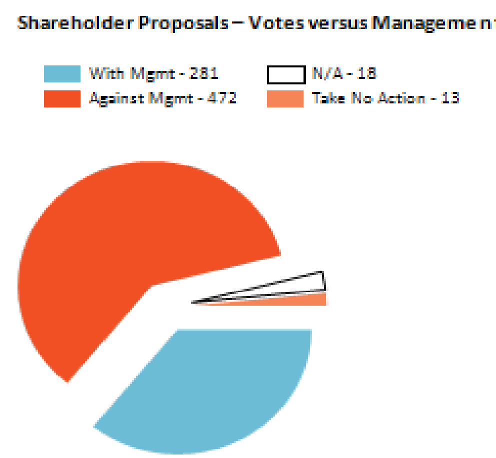
| | Mgmt Proposals | SHP Proposals | Total Proposals |
|---|---|---|---|
| For | 24562 | 479 | **25041** |
| Against | 8602 | 288 | **8890** |
| Abstain | 100 | 4 | **104** |
| 1 Year | 423 | 0 | **423** |
| 2 Years | 0 | 0 | **0** |
| 3 Years | 0 | 0 | **0** |
| Mixed | 74 | 0 | **74** |
| Take No Action | 551 | 13 | **564** |
| Unvoted | 0 | 0 | **0** |
| **Totals** | **34312** | **784** | 35096 |




| | Mgmt Proposals | SHP Proposals | Total Proposals |
|---|---|---|---|
| With Management | 24848 | 281 | **25129** |
| Against Management | 8718 | 472 | **9190** |
| N/A | 121 | 18 | **139** |
| Mixed | 74 | 0 | **74** |
| Take No Action | 551 | 13 | **564** |
| Unvoted | 0 | 0 | **0** |
| **Totals** | **34312** | **784** | 35096 |




| | Mgmt Proposals | SHP Proposals | Total Proposals |
|---|---|---|---|
| With Policy | 33675 | 766 | **34441** |

Management Proposals - Votes versus Policy

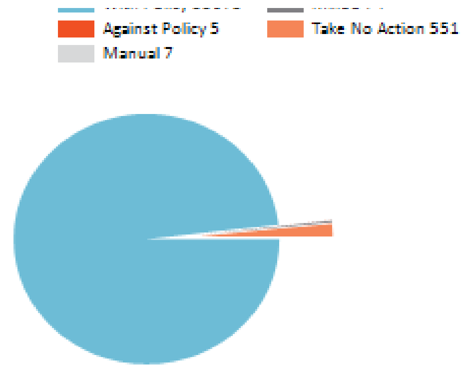
With Policy 33675 Mixed 74

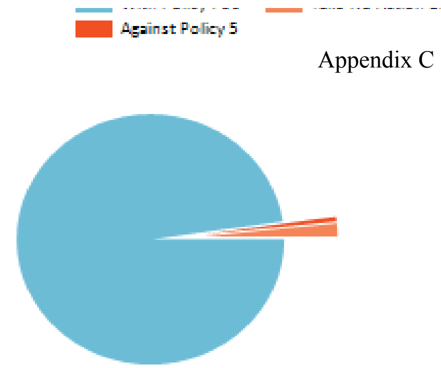
Shareholder Proposals - Votes versus Policy

With Policy 766 Take No Action 13

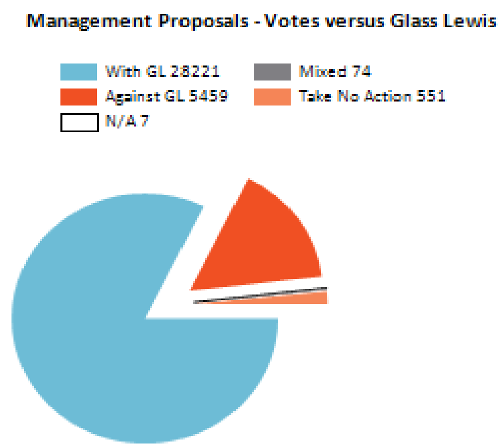
Appendix C

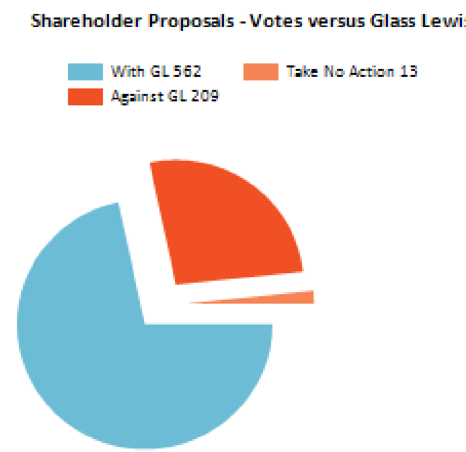
| | | | |
|---|---|---|---|
| Against Policy | 5 | 5 | **10** |
| Manual | 7 | 0 | **7** |
| N/A | 0 | 0 | **0** |
| Mixed | 74 | 0 | **74** |
| Take No Action | 551 | 13 | **564** |
| Unvoted | 0 | 0 | **0** |
| **Totals** | **34312** | **784** | **35096** |




| | Mgmt Proposals | SHP Proposals | Total Proposals |
|---|---|---|---|
| With Glass Lewis | 28221 | 562 | **28783** |
| Against Glass Lewis | 5459 | 209 | **5668** |
| N/A | 7 | 0 | **7** |
| Mixed | 74 | 0 | **74** |
| Take No Action | 551 | 13 | **564** |
| Unvoted | 0 | 0 | **0** |
| **Totals** | **34312** | **784** | **35096** |



# Investment Manager Responses

## Adams Street Partners
### Private Equity

We believe the consideration of material ESG factors as part of investment decision-making can lead to better risk mitigation and long-term value creation. Subject to our reasonable determination based on the attendant facts and circumstances, Adams Street generally seeks to integrate consideration of material ESG factors both pre-investment, at the operational due diligence and investment decision-making stage, as well as post-investment, where a proactive approach to ESG monitoring and evaluation can help ensure ESG factors are managed effectively over the life of an investment.

Adams Street's ESG Framework sets out how material ESG factors are integrated into investment decision-making and post-investment monitoring and reporting. During pre-investment screening and due diligence, our investment teams routinely conduct ESG checks as follows:

- RepRisk screening and background checks of GPs/companies to determine exposure to recent material ESG-related incidents or controversial activities that would contravene Adams Street's ESG Policy, the investment guidelines of specific client mandates, or otherwise constitute a reputational risk to the firm and its investors. Adams Street has contracted with RepRisk, a leading ESG research provider whose coverage includes private companies. RepRisk screens, on a daily basis, over 100,000 public data sources in 23 languages to systematically identify any company or project associated with an ESG risk incident, per RepRisk's research scope.
- In-house ESG evaluations, where appropriate, to determine the overall risk associated with any material ESG factors associated with a new, actionable investment opportunity
- Evaluating third-party diligence reports (e.g., environmental studies, financial and insurance reports, legal reports etc.) to substantiate our assessments
- Material ESG factors, as applicable based on strategy and/or mandate, are routinely captured in the investment memos for consideration by the relevant team's investment committee, prior to making the decision to invest. If necessary, ESG requirements, including any mandates associated with certain fund of one or SMA clients, may also be incorporated into relevant limited partner agreement ESG clauses or a side letter agreement.

Post-investment, we conduct ongoing RepRisk incident monitoring of portfolio companies and annual firm-level ODD/ESG survey and ESG ratings of active GPs.

## Aksia CA LLC
### Private Equity Discretionary Advisor

Aksia maintains a Responsible Investment ("RI") policy which informs our approach to considering RI factors in our research, investment process, and client relationships. In accordance with this policy, Aksia seeks to evaluate the potential effects that RI factors may have on our client portfolios and their performance across the following areas:

- Climate change (including carbon emissions), air and water pollution, loss of biodiversity, and unsustainable resource utilization
- Diversity and inclusion, discrimination, munitions, the exploitation of vulnerable populations, supply chain risks and occupational health and safety
- Business ethics, corporate governance, board independence and data privacy

Aksia's RI analysis includes the following assessments:

- Evaluation of the RI or ESG processes and policies of underlying managers
- Evaluation of managers' approaches to addressing RI/ESG integration and related risks where applicable to strategy
- Assessment of RI factors (both positive and negative) and RI headline risk of investment managers and their Fund's strategies and underlying investments

- Implementation and sourcing of sustainability and impact-focused portfolios as requested for specific client objectives
- Evaluation and reporting of diversity information at investment managers

With regards to client-specific RI needs, Aksia can additionally implement a client's requests regarding RI portfolios, integration, and reporting as follows:
- Tailoring RI-focused investment portfolios
- Providing custom RI-related reporting
- Reviewing RI and Impact investment strategies
- Reporting on diverse and emerging managers

Aksia partners with clients to navigate the evolving alternatives investments landscape by providing integrated solutions tailored towards long-term performance.

## Avance Partners

### Aksia underlying Private Equity Manager

During the deal screening and due diligence phase of each contemplated investment, our investment professionals typically work with third-party ESG advisors and or legal counsel to conduct formal ESG due diligence of the target company to explore opportunities for growth and exposure to risks, in cases which we believe ESG issues exist. Relevant ESG factors are considered at multiple stages of evaluating investments. We seek to conduct formal ESG due diligence on platform investments where the transaction process allows, with the goal of identifying material ESG risks and opportunities and relying on the advice and expertise of a third-party ESG advisor. Material ESG findings and recommendations are generally included as part of investment committee materials and are discussed prior to close. If an investment is successfully completed, the same ESG diligence is included in the post-close value creation plan. The team weighs ESG considerations in conjunction with other investment criteria, opportunities, and risks of portfolio companies. As a part of this policy, Avance and its portfolio companies will seek to be in full compliance at all times with all applicable laws and regulations.

Post-Investment Ownership
After an investment is made, we present results of the diligence process and ESG factors to the management team and the board, if applicable, as a part of an overall risk management and value creation strategy. We expect that the findings and recommendations recorded as part of formal ESG due diligence are a starting point for a portfolio company's process for implementing effective - ESG programs. To evaluate progress against recommendations from formal ESG due diligence and reassess key ESG risks and opportunities throughout an investment's lifecycle, Avance seeks to conduct annual ESG monitoring on its platform investments through an - ESG advisor, where appropriate. Monitoring includes discussions with portfolio company management teams to track progress against goals, reassess risks and opportunities, and build a track record for the Firm and portfolio company of strong ESG management.

Avance is dedicated to conducting its business operations in an environmentally responsible manner. This includes, where appropriate, consideration for reducing pollutants, emissions, usage of scarce resources, and recycling materials and ensuring compliance with applicable environmental laws and regulations. The firm also has mandatory annual firm-wide ESG training performed by its third party consultants, Malk Partners.

The Firm may pursue initiatives to understand long-term impact of sustainability goals, including designating an individual or group at an organization to be responsible for environmental matters and engaging with suppliers to evaluate sustainability considerations as necessary.
Base10 has an ESG Policy that it uses across all aspects of the firm, addressing the role of governance/transparency, sustainable/environmental, and human capital/social factors in investment decision-making and in portfolio management. Base10 goes deeper in its approach to ESG and responsible investing via a proprietary framework we created in 2024 called the Governance Maturity Index. Base10 uses this framework, and the associate Best-Managed Companies Playbook as a diligence tool, an onboarding tool, a portfolio support tool, and an ongoing portfolio monitoring and reporting tool.

## Base 10 Partners

### Aksia underlying Private Equity Manager

Base10 has an ESG Policy that it uses across all aspects of the firm, addressing the role of governance/transparency, sustainable/environmental, and human capital/social factors in investment decision-making and in portfolio management. Base10 goes deeper in its approach to ESG and responsible investing via a proprietary framework we created in 2024 called the Governance Maturity Index. Base10 uses this framework, and the associate Best-Managed Companies Playbook as a diligence tool, an onboarding tool, a portfolio support tool, and an ongoing portfolio monitoring and reporting tool.

## Bregal Sagemount Management L.P.

### Aksia underlying Private Equity Manager

Bregal Sagemount Management, L.P. ("Sagemount" or the "Firm") believes that Environmental, Social, and Governance (ESG) informed initiatives create value and can potentially achieve risk-adjusted returns on investments to us and our portfolio companies in the growing end markets that we engage in. Bregal's Responsible Investing team and Sagemount will seek to engage companies consistently to make progress on relevant sustainability issues and where our governance rights provide us access and ability to do so on sustainability initiatives, and value creation plans including the achievement of portfolio company climate targets.

Deal evaluation:
With respect to the Firm's decision-making process, the Responsible Investing team assesses relevant ESG risks and opportunities during pre-investment due diligence using a principles-based screening criteria. Any significant findings are subsequently raised and discussed during the Investment Committee meetings. ESG factors are therefore an integral part of the Sagemount's investment decision-making to determine the risks and opportunities arising from the investment.

Post investment:
Post investment, we support our management teams to strive for continuous improvements in ESG performance, to move beyond compliance and to embed relevant sustainability considerations in each company's strategy and as applicable in its product proposition. We routinely assess the sustainability performance and progress of portfolio companies and partner with them to achieve the Sagemount Sustainability Standard, a proprietary scoring criteria based on leading industry and regulatory standards which underpins Responsible Investing program. The Sagemount Sustainability Standard is often a component of the value enhancement plan, or the Alpha Plan prepared by the deal team and Growth Factors team. Growth Factors Associates is an independent third-party consulting firm that contracts with individual portfolio companies to provide its services. Management teams are encouraged to implement a detailed company specific sustainability roadmap as part of their value creation plans across three different components. These can include, but are not limited to:

1. Environment
• Carbon footprint assessment
• Energy and carbon reduction in line with Science Based Targets

2. Social
• Employee well-being
• Engaged and diverse workforce
• Social and labor conditions

3. Governance
• Data privacy and cybersecurity
• Ethics and compliance
• Anti-bribery and corruption

In 2024, Sagemount engaged its portfolio for a third year to collect portfolio-wide performance based ESG KPIs. 84% of companies participated in the Sustainability Data Campaign in 2023 with plans to expand coverage in upcoming years. We can provide further company specific ESG results for CY 2023 upon request. Note that the data is as of March 31, 2024, and provided by invested capital covering Sagemount Funds III and IV.

The core sustainability indicators tracked are:
Environmental
• Scope 1 and 2, and relevant Scope 3 emissions (Purchased Goods & Services, Business Travel, Employee Commute)
• % renewable and non-renewable energy use
• % invested capital with science-based target
Social
• Employee engagement survey (Y/N) and response rate
• eNPS score
• Total and voluntary turnover rate
• Gender diversity at Board, C-suite, C-Suite-1, and in workforce
• Unadjusted gender pay gap
Governance
• Board and Operational accountability for ESG
• Business Code of Conduct and other relevant governance policies including but not limited to anti-bribery and corruption, whistleblower policies and procedures, health & safety, employee handbook and DEI policy
• # companies with cyber insurance coverage of at least $5 million
• Data privacy policy
• AI Acceptance Use Policy

The goal of Responsible Investing program is for all companies to achieve the Sagemount Standard during the ownership period. In addition to the Standard, our team performs deep dive assessments on strategic sustainability opportunities which could be related to sustainable product development, investing in capex projects to decrease carbon impacts of operations, etc. Management teams are supported through access to Bregal's Responsible Investing team, provision of tools and resources such as the Bregal Sustainable Development Financing Program, which provides loans at attractive terms to companies to finance sustainability improvement projects and the Bregal Helps Initiative, which supports companies to engage with their local communities and create positive impact.

Exit
Looking ahead, our team will continue to enhance companies exit positioning by showcasing improvement and best practices that were undertaken during the holding period.

## Clearlake Capital Group

### Aksia underlying Private Equity Manager

Clearlake maintains an ESG policy. Clearlake's ESG practices are evolving, and the firm endeavors to support and facilitate the integration of ESG factors in its due diligence, investment decision making, and performance monitoring processes. ESG integration to Clearlake involves assessing and monitoring ESG factors throughout the investment lifecycle. Clearlake aims to do this by incorporating material ESG factors into its analysis of investment risk and performance. The Investment Committee will take material ESG factors under consideration in evaluating whether to approve an investment in a controlled portfolio company. Investment and ESG teams endeavor to assess controlled portfolio company compliance with ESG related goals (including sustainability) through a variety of operational tools which, depending on the portfolio company and situation, may include: board and management team meetings and evaluations; engagement with industry experts; industry best practices; review of compliance and ethics policies and programs; human resource reporting and evaluation; benchmarking to relevant industry standards; review of external assessments and evaluative reports; application of industry specific procedures; and other ad hoc or company-specific assessment means. Investment and ESG teams seek to identify and address topic areas where the portfolio company can improve operational efficiencies, minimize negative environmental effects, and increase revenue, profitability, and market share.

Clearlake endeavors to incorporate ESG considerations into each phase of the investment lifecycle from initial due diligence, to 100-day planning, to monitoring, to exit. When considering potential investments, Clearlake seeks to identify material risks, including ESG issues, during the early phases of opportunity consideration. For control acquisitions, Clearlake typically engages a third-party ESG advisory firm (an "ESG Advisor") to conduct ESG-related diligence. The ESG Advisor generates an ESG Due Diligence Report for the applicable target company which summarizes key findings, risks, and opportunities for improvement in relation to the target company's material ESG practices. In generating the ESG Due Diligence Report, the ESG Advisor typically reviews publicly available information, analyzes documents provided by management and Clearlake, and interviews key personnel. The investment and ESG teams coordinate with other third-party advisors, if applicable, to avoid duplication of efforts between advisors. To the extent they are identified and considered material in the pre-investment due-diligence process, ESG findings will be incorporated into the investment decision making process.
Material ESG factors identified by the investment and ESG teams in consultation with applicable advisors may be incorporated in the Investment Memorandum provided to the Investment Committee, or otherwise may be discussed with the Investment Committee in advance of the ultimate decision to pursue or forgo investment opportunities.

## Cortec Group

### Aksia underlying Private Equity Manager

Please see attached ESG Policy.

## GGV Capital

### Aksia underlying Private Equity Manager

To the extent consistent with the investment objectives of our funds, while at the same time contributing to the creation and growth of sustainable companies, the GGV Fund Entities endeavor to consider relevant sustainability factors and responsible investment principles in its investment analysis, decision-making processes, and post-deal management processes.
During the due diligence process, the funds strive to consider any relevant sustainability factors relating to corporate governance, environmental, social, and responsible business models, when examining prospective portfolio companies. We also intend to engage with our existing portfolio companies on sustainability factors relevant to each company, and to monitor the compliance of our portfolio companies with relevant laws and regulations, as appropriate. GGV takes board seats on a majority of the portfolio companies in which it invests and accordingly, discusses sustainability issues with company leadership to the extent necessary to be consistent with GGV's legal/contractual obligations, policies, and practices.
Potential sustainability risks and opportunities that the GGV Entities have presently determined to consider throughout its investment process include those relating to Corporate Governance (i.e. executive compensation etc.), Environmental (i.e. energy management etc.) and Social factors (i.e. workplace policies, labor etc.), and Business Model factors (i.e. supply chain risks, cybersecurity, etc.). This list is not definitive or exhaustive. Not every issue listed is considered during every investment or exit.

## Great Hill Partners

### Aksia underlying Private Equity Manager

Great Hill Partners' primary objective is to generate attractive risk-adjusted returns for its investors. Consistent with this objective, Great Hill Partners invests in companies and management teams that have integrity, are accountable for their social and environmental impacts, and have governance in place to improve those impacts. We consider Environmental, Social, and Governance ("ESG") factors in our investment process to help improve performance and reduce risks. We recognize that integrating ESG considerations into our investment decisions can benefit our portfolio companies, their employees, and the local communities in which they operate.

Due Diligence: We designed our diligence process to provide a comprehensive understanding of a company's opportunities and risks. As such, we integrate ESG considerations into our due diligence process for all investments. Our objective is to make financial decisions on a full set of risk-reward factors and we view ESG considerations as important inputs into our investment process.

Our diligence review is customized for each target company taking into account company size, industry sector, and geography to identify relevant topics such as environmental (e.g., climate change, environmental footprint), social (e.g., employee health & safety, human rights, diversity & inclusion) and governance (e.g., data privacy & security, intellectual property protection & competitive behavior) factors. For each company, we identify a subset of relevant ESG issues. We incorporate ESG analysis in the Investment Memorandum for every deal and discuss any ESG issues identified as potentially material in our Investment Committee discussions. A representative list of ESG factors considered in the due diligence process is available through our ESG Policy, linked below.

Monitoring and Reporting: We provide all portfolio companies with our ESG Policy, and request that management teams be aware of and advance these principles in their operations. We monitor portfolio company ESG performance and include an ESG section in the Quarterly Reporting documentation.

Governance: The ESG Committee consists of Executive Committee Member & Managing Director Christopher Gaffney, Managing Director & Head of Investor Relations Mary Kate Bertke, Chief People Officer & Growth Partner Tracy Keogh, Investor Relations Vice President Trisha Ryan, and ESG Specialist Paige Shetty. The ESG Committee is responsible for program oversight and annual review. The Executive Committee, consisting of Managing Directors Christopher Gaffney, Michael Kumin, Mark Taber, and Matthew Vettel, maintains ultimate responsibility for determining how to manage significant ESG issues and opportunities at the Firm and investment level, including changes to our ESG Policy. The investment team participates in ESG training annually.

In conclusion, we are committed to staying informed on ESG developments and best practices. We evaluate our ESG Policy annually and consider changes or additions as appropriate to help ensure the way we integrate ESG into our investment process helps us earn exceptional returns. We believe that by investing in companies and management teams with integrity and that are accountable for their impacts on society and the environment, we will achieve superior results for our investors.

For more information, please refer to our ESG Policy, which is publicly available on our website: https://www.greathillpartners.com/ESG-policy

Additionally, we published our first annual ESG Report in 2023, which is also publicly available on our website: https://www.greathillpartners.com/values

## Greenbriar Equity Group

### Aksia underlying Private Equity Manager

Greenbriar Equity Group, L.P. (“Greenbriar” or the “Firm”) recognizes that in the allocation of investment capital, many of its investors seek to understand that their capital will be invested responsibly, with sensitivity to environmental, social, and governance (“ESG”) factors. Investors may also wish to invest in businesses that are operated with due attention to these concerns and are governed in a way that helps achieve this result. Greenbriar also believes that appropriate consideration of ESG factors can contribute positively to an investment portfolio. Greenbriar has established an ESG Policy and intends for the guidelines in the ESG Policy to be taken into consideration in its investment decision-making and oversight practices, subject to its objective of seeking to maximize investment returns.  Please see a copy of Greenbriar’s ESG Policy attached.

## Harvest Partners

### Aksia underlying Private Equity Manager

Harvest typically engages a third party to assist in evaluating certain ESG risks and opportunities related to a potential Private Equity Fund platform investment, and ESG is included in materials presented to the Investment Committee before a new investment is finally approved.

Please note that Harvest's Private Equity ESG Policy applies to its seventh, eighth and ninth Private Equity Funds only.

## Inflexion Private Equity Partners

**Aksia underlying Private Equity Manager**

All new investments are subjected to thorough ESG due diligence, the scope of which is tailored to address the typical risks applicable to the relevant target business, industry and sector. All material ESG issues are notified to the Firms Investment Committee, which considers them when evaluating whether to approve any investment.Where ESG risks are identified in due diligence they will, where necessary, be addressed through thetransaction documentation, either via contractual protection or the implementation of recommendations
following investment in the 100-day post-closing action plan. Important in our decision of any investment is managements willingness to address issues and to see ESG as a value enhancement lever. Inflexion will not invest in tobacco, prostitution, weapons manufacturing, gambling, pornography or the production or trade of illegal drugs. Upon completion of an investment Inflexion will seek to work with the newly acquired portfolio company to:
Implement ESG improvements identified pre-acquisition as part of the agreed 100-day post-closing action plan; Include ESG opportunities in the Value Creation Plan; and Determine the companys Day 1 Tier in the Inflexion ESG Pathway and develop a plan for progression
Broadly, Inflexion aims to ensure that its portfolio companies: Comply with relevant legislation and work to high ESG standards; Understand all material ESG issues across their value chain and have plans to manage associated risks and capitalise on opportunities;Monitor and report performance against relevant ESG KPIs to all necessary stakeholders; and Exit the portfolio in a better position than when they entered.
Specifically, and as appropriate, Inflexion looks to support its portfolio companies to address and/or align the following:

- Climate risk, energy usage and greenhouse gas ("GHG") emissions
- A circular economy, efficient resource use and responsible management of waste
- Promoting diverse and inclusive workforces with zero tolerance for any form of discrimination
- Sound labour practices, workplace health and safety and protecting human rights
- Transparent and responsible dealings with customers and suppliers
- Protection of customer privacy and data security
- Clear governance structures that facilitate accountability, transparency and board effectiveness
- Robust internal control structures and ethical business practices
- Meeting legal requirements with respect to anti-bribery and corruption, competition, anti-money laundering and sanctions
- Accurate and transparent reporting

## MBK Partners

**Aksia underlying Private Equity Manager**

The Firm considers ESG factors in its review of the risks and opportunities that could impact financial performance. MBKP believes that consideration of ESG risk factors can help achieve long-term financial performance by growing the portfolio companies in a sustainable way.

MBKP signed the United Nations-backed Principles for Responsible Investment ("UNPRI") in 2013 in order to re-affirm its commitment to ESG and increase its transparency in ESG disclosure. The Firm's investment teams incorporate ESG risk considerations throughout the entire investment process, from deal sourcing, to portfolio management.

The stages of the investment processes are outlined below:

- Deal sourcing - The Firm initially screens investments based on an exclusion list. The Firm does not invest in companies that: violate applicable local laws and regulations or produce illegal products; are involved in child labor; or pose imminent environmental threats.
- Due diligence -After the screening in the deal sourcing phase, deal teams conduct due diligence to identify material ESG-related risks. As part of the due diligence, deal teams may engage external ESG specialists to identify risks inherent to the target's activities.
- Pre-acquisition - The deal team incorporates findings from ESG review in the investment memorandum. The Investment Committee's approval is required before making an investment decision.
- Post-acquisition - The deal teams execute the 100-day plan, which is developed during due diligence, taking into consideration the issues identified in its ESG review.
- Portfolio management - During the investment holding period, deal teams actively monitor the progress made by portfolio companies on ESG actions and work together with company management to collect data for the Firm's ESG KPI framework, which is aligned with international frameworks such as the ESG Data Convergence Initiative ("EDCi") and the Global Reporting Initiative ("GRI"). Portfolio company performance is monitored against the 100-day action plan.

Please refer to the attached MBKP ESG Policy .

## Nautic Partners

**Aksia underlying Private Equity Manager**

We believe that managing businesses responsibly is key to remaining a partner-of-choice and generating long-term value. As such, Nautic seeks to actively consider material environmental, social, and governance ("ESG") factors in its investment processes to mitigate risk and create value. Nautic's ESG Policy outlines our approach to operationalize our consideration of material ESG factors, consistent with and subject to Nautic's fiduciary duties and applicable legal, regulatory or contractual requirements. Our periodic investor ESG reporting further describes our ESG integration approach.
We do not believe and do not, by virtue of providing information on this form, concede that Nautic Partners, LLC is a "fiduciary" to SURS under the Illinois Pension Code or pursuant to any contractual commitments, including for purposes of the newly introduced reporting requirement under 40 ILCS 5/15-177.6. Nevertheless, we welcome the opportunity to be transparent with our investors on how we seek to integrate sustainability factors into our investment decision-making process.

## Nordic Capital

**Aksia underlying Private Equity Manager**

Sustainability is central to Nordic Capital's investment process; our mission is to find, invest in, and build stronger business through active ownership. Nordic Capital has had a Responsible Investment Policy since 2014, which is continuously updated and available in the electronic data room. Nordic Capital's well-established Responsible Investment Policy and supporting organisational framework ensure high environmental, social and governance standards from sourcing to exit. The investment process is built on a high focus and understanding of impact issues within Nordic Capital's Responsible Investment framework.
Nordic Capital is a signatory of the United Nations Principles of Responsible Investments (PRI) and we are committed to integrating sustainability factors into all stages of our investment process, whilst the Ten Principles of the United Nations Global Compact (UNGC) and the sustainability objectives set out in the United Nations Sustainable Development Goals (SDGs) used as guidelines in our investment process. We also encourage our portfolio companies to consider both the Ten Principles of the UNGC and the SDGs when developing their own business strategies and value creation plans.
In our role as a responsible owner, Nordic Capital makes the following commitment to our business stakeholders:
• We are committed to complying with applicable laws and regulations in the jurisdictions in which we operate.
• We integrate considerations of sustainability risks into our investment process.

• We expect our portfolio companies to continuously sharpen their sustainability performance and improve their sustainability risk mitigation efforts, in line with our commitments. We expect them to comply with applicable laws and regulations.
• We integrate and promote transparency on sustainability matters in our communication to our investors and other business stakeholders.
• We are committed to supporting the transition to a low-carbon economy on firm and portfolio level.
Nordic Capital includes a mandatory assessment of ESG risk and opportunity in all final investment recommendation material that is presented to the GP Board for the investment decision. Nordic Capital considers SFDR PAI indicators and selected UN SDG targets in our investment process and throughout ownership. During 2023, the due diligence process and final bid material was updated to also include an ESG data request list and new templates, allowing for a deeper understanding of data availability and company performance already during due diligence.

## One Equity Partners

### Aksia underlying Private Equity Manager

One Equity Partners ("OEP or "Firm") seeks to incorporate effective ESG management as an integral part of its investment decision-making and the management practices it implements on behalf of its funds to which it provides investment management and advisory services, including by seeking to take material ESG considerations into account throughout the Firm's investment process, consistent with and subject to any applicable fiduciary or contractual duties and regulatory requirements. OEP aspires to evaluate material ESG considerations throughout the entire investment life cycle in order to mitigate material ESG risks and take advantage of value creation opportunities. To help integrate ESG considerations into investment processes, OEP has identified specific ESG focus areas that are often relevant to the healthcare, technology, and industrials sectors in which the Firm invests. Focus areas may include, but are not limited to: Anti-Bribery & Corruption, Social & Labor Conditions, Data Privacy & Cybersecurity, Environmental Management, Diversity & Equal Employment Opportunity, Ethics & Compliance, Worker Health & Safety, Product & Food Safety, Supply Chain Compliance, and Climate Change. OEP may determine that certain of these risks are not likely to be material or that additional ESG risks may be material, based upon the geography or history of an investment target, its particular sub-sector focus or other considerations it deems relevant. Accordingly, the Firm may apply ESG focus area considerations on a company-by-company basis.

## One Rock Capital Partners

### Aksia underlying Private Equity Manager

One Rock's approach to ESG in its business operations and investment process is an evolving one. The firm believes that the review and consideration of ESG factors may (in some cases) ultimately enhance its investment process, subject to the firm's overall fiduciary duty to act in the best interest of its clients.

As part of One Rock's investment process, which generally targets businesses that require strategic and operational expertise, the firm may consider businesses with persuasive ESG propositions linked to value creation. ESG considerations may help to identify opportunities to facilitate top-line growth, reduce costs, and ultimately enhance valuations.

One Rock believes that climate change, in particular, has the potential to pose a threat to supply chains, communities and ecosystems, and can be a driver of investment risk and opportunity as global efforts continue to transition to a lower-carbon economy. The firm seeks to integrate climate-related risks and opportunities into its investment process in line with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD").

Additionally, One Rock acknowledges the importance of social and governance issues including human rights, labor relations, diversity, equity and inclusion, and supply chain management. These factors are considered throughout the investment lifecycle to the extent they may help mitigate risks and drive value for portfolio companies.

The firm continues to review and consider a range of industry ESG standards including (but not limited to) the UN Principles for Responsible Investment ("UNPRI"), the Institutional Limited Partners Association ESG Assessment Framework ("ILPA") and the TCFD.

Please see attached ESG Policy for additional details.

## Orchid Asia Group

### Aksia underlying Private Equity Manager

All sustainability factors including but not limited to: corporate governance, environmental social capital, human capital and business model factors are covered in different stages of our investment decision-making.

Pre-investment stage: A checklist covers the sustainability factors will be completed by our team during the due diligence stage, which helps the investment committee including but not limited to (i) evaluate the investee company current performance from sustainability/ ESG prospective, and (ii) setup target or goal in the transaction agreement for the investee company to achieve from sustainability/ ESG prospective. In the event that the investee company failed to accept certain terms which substantially impact our sustainability/ ESG principle, our investment committee will turn down the investment.

Post-investment stage: The checklist will be revisit by our team on quarterly/semi-annual basis to evaluate the investee company's performance from sustainability/ ESG prospective, and whether the investee company has fulfilled its commitment from sustainability/ ESG prospective as per our transaction agreement. Also, as a significant minority investor in the investee company, we usually have a board seat and our team member. We will provide comment and recommendation from sustainability/ ESG prospective to the investee company during shareholders meeting. In the event if any investee company is unreasonably disregard our comment or recommendation from sustainability/ ESG prospective, we will exercise our right as director of the investee company in order to draw their attention from sustainability/ ESG prospective. In the event that the investee company materially violates our sustainability/ ESG principle, our exit committee may divest the investee company.

## PAI Partners

### Aksia underlying Private Equity Manager

- Screening: PAI applies an Exclusion Policy as described below and duly considers PAI's investor's excuse rights and investment restrictions.

- Origination Committee decision-making: The ESG & Sustainability Team performs a preliminary assessment to identify any material risks and opportunities. If material risks and opportunities are identified, a memo is presented to the Investment Team and the Origination Committee. The preliminary assessment involves sector analysis on trends and regulations, a review of relevant public information, and the use of e-reputation tools.

- Investment Committee decision-making: The ESG & Sustainability Team systematically conducts ESG due diligence and presents a memo to the Investment Committee pre-acquisition. Due diligence is conducted by our dedicated ESG & Sustainability Team, with support from external consultants when necessary. An ESG Team member systematically attends the Investment Committee.

With this rigorous selection process, PAI embeds ESG principles in its investment decision making which are systematically considered for the investment decision. The findings uncovered during due diligence and discussed at the Investment Committee, are then embedded in the stewardship of the firm by PAI. Indeed, material topics and opportunities highlighted during the pre-acquisition phase are integrated from closing in the draft of the investee's Sustainability Strategy, which will be the cornerstone of PAI's stewardship during the ownership period. Also, these topics may be leveraged to structure sustainability-linked financing, which will also impact the ESG KPIs monitored by PAI during the annual Portfoio ESG Reporting Campaign.

Exclusion Policy:
Responsible stewardship is an integral part of our investing approach. Hence, as part of this commitment, we avoid making any investments which we or our clients deem unsuitable. To ensure this, an Exclusion Policy is applied with respect to our investment activities (1). Prospective portfolio investments that are substantially involved (2) in the activities listed below and/or in breach of international conventions, internationally recognised frameworks and applicable sanction laws or other regulations, are excluded from consideration for investment. This policy is reviewed annually by the Sustainability Committee and Management Committee.

Sectors and products subject of our exclusion policy:
1. Production of chemical weapons, pesticides/herbicides, or ozone depleting substances (ODS) subject to international phase out or bans (3)
2. Production of munitions or other weapons (cluster munitions and bombs, antipersonnel mines, biological and nuclear weapons)
3. Production of tobacco (including vaping, snus, cigars, and e-cigarettes)
4. Production of cannabis, except for medical use
5. Pornography
6. Production of fossil fuels

PAI's sustainability priorities (Decarbonisation, Diversity & Inclusion, and Biodiversity), amongst sector-specific considerations, are incorporated throughout PAI's investment cycle, from initial screening to exit:
1. Screening: screening potential targets against PAI's Exclusion Policy and excuse rights and investment restrictions from our investors
2. Origination Committee decision-making: preliminary assessment to flag any material ESG risks and opportunities
3. Investment Committee decision-making: completion of an ESG due diligence to assess ESG risks and opportunities
4. Signing to closing: inclusion of ESG topics within the Value Creation Plan (VCP), assessment of the feasibility of establishing sustainability-linked financing and preparation for carve out implications (where relevant).

## Rubicon Technology Partners

### Aksia underlying Private Equity Manager

Rubicon invests in enterprise software companies, which is deemed low risk relating to detrimental sustainability factors. Please see attached Rubicon's ESG Guidelines for general factors impacting the investment decision-making process.

## Thoma Bravo L.P.

### Aksia underlying Private Equity Manager

To integrate ESG considerations into the pre-investment phase of private equity investments, and subject to the Firm's determination of what is reasonable and appropriate for each potential investment, the Firm endeavors to:
• Undertake ESG due diligence:
Conduct, as part of the due diligence process, an assessment of certain ESG risks and opportunities for the potential investment in a portfolio company. If material ESG risks or opportunities are identified, they may be included in discussions with the applicable investment

committee, and external advisors may be engaged to carry out additional ESG-related due diligence as needed. In cases where ESG-related issues are considered during the due diligence process, the Firm will seek to document, for internal use, the issues considered, findings, and next steps, if any.

• Formulate a plan:
Where an ESG risk or opportunity is identified, Thoma Bravo may work with the prospective portfolio company management team to develop an action plan to address the risk or opportunity.

There was an instance where the Firm declined to invest in a portfolio company in part because of an ESG issue. ESG was one area of concern, but that was not the only potential issue related to this particular investment. With respect to ESG, the company had a line of business that could present a "headline risk" issue. The Firm explored options to acquire the company while excluding the concerning line of business, but that was not possible. Accordingly, the company was not acquired.

To manage ESG risks and opportunities in portfolio company investments, and subject to the Firm's determination of what is reasonable and appropriate for each investment, the Firm may:

• Monitor progress:
Where ESG risks and opportunities are identified during the due diligence process, include the management of these issues in a plan post-close, or otherwise monitor ongoing progress on addressing these ESG risks and opportunities, as applicable. This may include working with a portfolio company's management to support the development of a plan to address the risk or opportunity. In cases where the material ESG-related risks and opportunities are being monitored, the Firm may document, for internal use, the issue, progress and next steps, if any.

• Engage during investment:
The Firm may encourage a portfolio company's management team to identify and raise ESG risks and opportunities to the relevant decision-makers, including, where appropriate, portfolio company board members. Where appropriate, the Firm may assist a portfolio company in the development of an action plan to address the identified ESG risks and opportunities. Where appropriate and reasonable, the Firm may also support a portfolio company's efforts to report externally and internally on their ESG approach and performance group.

Thoma Bravo measures and assesses material environmental, social and governance KPIs across our portfolio companies that include greenhouse gas emissions, diversity metrics and cybersecurity and data privacy policies and procedures. Please visit the Environmental, Social & Governance web-page at thomabravo.com for more information. Please also see Thoma Bravo's ESG Policy and ESG Report (Data Room Documents 8.10 Thoma Bravo ESG Policy 2023 and 8.11 Thoma Bravo 2022 ESG Report) as well as our SFDR Website Disclosures (Data Room Documents 8.21- 8.24 SFDR Website Disclosures).

## Ariel Investments
## Global Equity Manager

Ariel Investments ESG Policy is as follows:

1. Objective
Our tailored approach to investing recognizes ESG issues as potentially material to business outcomes and views management teams as collaborative partners in strengthening ESG performance. As part of our bottom-up fundamental research process, our Domestic and Global Equities investment teams assign a Proprietary ESG Risk Rating for a company based on the team's assessment of industry exposure, disclosure and management of material industry-specific ESG risk factors. The Emerging Markets Value (EMV) investment team develops a

proprietary ESG view factoring in a company's risks and opportunities. The teams integrate their ESG assessments into their financial valuations. Such financial modeling and valuation work can directly impact portfolio construction. Ariel seeks to engage with management teams on ESG topics. As long-term investors we understand that many interactions do not fit neatly into short-term binary outcomes, but rather are part of a longer-term dialogue.

2. Governance

The ESG Committee (the "Committee") is responsible for reviewing Ariel Investments ESG policies annually. The Committee meets quarterly and documents its proceedings in the form of agendas and meeting minutes. The Committee is chaired by the Director of ESG Investing and is comprised of senior investment professionals from the Domestic, Global Equities and Emerging Markets research teams. The Committee also includes senior leaders from Client Relations, Consultant Relations, and Legal & Compliance. In addition, the Committee is responsible for reviewing the ESG policies of Ariel Investments' affiliate, Ariel Alternatives, and includes a representative from Ariel Alternatives.

The Committee facilitates reporting and communication among its members and the broader Ariel Investments community regarding ongoing ESG-related investing and engagement topics, third party research, training opportunities, trends in the marketplace, and the regulatory landscape. In addition, the Committee facilitates an annual review of each investment team's ESG approach by Ariel Investments' board of directors and the Ariel Investment Trust board of trustees.

The Committee's other responsibilities include:

• Coordinating disclosure practices;
• Assessing firm-wide current and prospective commitments including but not limited to Principles for Responsible Investment, affiliations, and policy/advocacy statements relevant to ESG investing;
• Reviewing recommendations identified from third party or internal compliance reviews.

The Committee recognizes each strategy's chief investment officer has the responsibility for executing ESG integration activities into the respective investment processes. Our compliance team conducts periodic reviews of our ESG processes and disclosure practices to ensure compliance with applicable legal and regulatory requirements.

3. ESG in the Investment Process

As part of our bottom-up fundamental research process, the Domestic and Global Equities investment teams assign a Proprietary ESG Risk Rating (Low / Moderate / Elevated / High) for a company. The EMV investment team develops a proprietary ESG view factoring in a company's risks and opportunities. Such assessments can be based on objective data or subjective judgment, including industry risk exposure, quality of ESG disclosure, forward-looking assessments of management performance, as well as other factors.

Each team integrates their ESG assessments into financial valuations. As a result, ESG factors incorporated into our financial modeling and valuation work can directly impact portfolio construction. ESG is one of many factors that may impact an investment decision. In addition, our portfolio-level dashboards monitor ESG issues across our strategies, which can help to inform our overall ESG risk management, future research priorities and continued learning and engagement opportunities.

Our ESG analysis is supported by Ariel's proprietary ESG platforms, providing decision-useful insights obtained from third-party sources, such as Bloomberg, Institutional Shareholder Services, Inc. (ISS), MSCI, and Refinitiv, alongside data points from our proprietary research. Our proprietary research is informed by company disclosures such as company websites, sustainability reports, and SEC filings, direct dialogue with management teams, and other ESG-focused organizations, such as SASB.

Each investment team maintains a customized approach to structuring ESG assessments as well as curating and integrating ESG data into their respective investment processes. In general, we view individual data points on a case-by-case basis as part of a broader mosaic approach. There may be variation among the teams' ESG risk assessments and ESG data integration (even for similar or the same companies), as the investment teams create their own ESG assessments and approach to integrating ESG data into their investment decisions.

The primary objective of integrating ESG into investment analysis and decisions is to manage potential risks and opportunities which may have a material financial impact on clients' investment portfolios. This aligns with the overall investment objectives of the strategies that Ariel manages, as disclosed in the applicable governing documents of each portfolio, as well as our fiduciary duty to protect client assets and act in the best interest of investors. In addition, considering ESG factors helps us to develop a deeper understanding of sustainability issues and potentially reduces detrimental sustainability outcomes.

4. ESG Considerations
The relevance and materiality of ESG factors varies by industry and geography and their impact on our investment thesis. We therefore do not have a "one-size-fits-all" approach but a case-by-case assessment of materiality and relevance, as determined by the investment teams. For example, we may consider the Social factors to be highly relevant for a financial services company with a retail client base, while Environmental issues may be more relevant for a utility or energy services company because they enable the transition to a low-carbon economy. Finally, corporate Governance is relevant if management engages in behavior or decision-making that would harm shareholders over the long-term. As patient investors who invest with a long-term investment horizon, we consider the materiality of ESG exposures from both a short- and long-term point of view.

We consider a wide range of ESG-related factors to better understand a company's risk exposure, risk management, quality of disclosure, performance, and potential for improvement.

Climate Change
Ariel Investments, as a company, is committed to assessing and managing our exposure to climate-related risks and opportunities. Our investment teams incorporate physical or transition climate risk and opportunity assessments into their analysis and/or direct company engagement when relevant and material as part of the broader review of an investment. In addition, we perform a quarterly climate risk analysis across our strategies to monitor carbon footprint and carbon intensity metrics relative to the strategies' respective benchmarks. At the firm level, we track metrics related to the firm's overall environmental footprint. Ariel Investments supports the primary goal of the Paris Agreement – to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels.

Human Rights
Our investment teams incorporate human rights considerations into their analysis and/or direct company engagement when relevant and material as part of the broader review of an investment. We recognize the direct and indirect impacts portfolio companies may have on human rights, and we seek to mitigate any potential significant harm or adverse impact on human rights. In general, we support the goals of the UN Principles on Business and Human Rights.

Diversity, Equity, and Inclusion
At Ariel, diversity is not aspirational, it's foundational. Our culture was built on the conviction that diverse perspectives lead to better decision-making which we believe leads to better outcomes. The wide range of experiences, backgrounds and viewpoints across our teams gives us a competitive advantage that enhances the financial futures of our clients. Our investment teams incorporate diversity, equity, and inclusion assessments when relevant and material as part of the broader review of an investment. In general, we encourage portfolio companies to embrace diversity practices to strengthen their businesses.

Other ESG Issues
Examples of other sustainability-related issues include the following:

Environmental

Air Quality
Energy Management
Ecological Impacts
Greenhouse Gas (GHG) Emissions
Physical Impacts of Climate Change
Waste and Hazardous Materials Management
Water and Wastewater Management

Social
Access and Affordability
Customer Privacy
Customer Welfare
Data Security
Diversity and Inclusion
Employee Engagement
Employee Health and Safety
Human Rights and Community Relations
Labor Practices
Materials Sourcing and Efficiency
Product Design and Lifecycle Management
Product Quality and Safety
Selling Practices and Product Labeling
Supply Chain Management

Governance
Business Ethics
Business Model Resilience
Competitive Behavior
Critical Incident Risk Management
Management of the Legal and Regulatory Environment
Systemic Risk Management

5. Exclusions
Ariel's portfolio managers are responsible for investing each client's portfolio in accordance with the client's respective investment guidelines and in accordance with regulatory restrictions communicated to them by clients and/or the legal and compliance department. While Ariel does not employ strict exclusionary practices across all strategies, our domestic strategies avoid companies whose primary (greater than 50%) source of revenue is derived from the production or sale of tobacco products, the manufacture of firearms, or the operation of for-profit prisons. The portfolio managers of these strategies believe these industries are more likely to face shrinking growth prospects, draining litigation cost and legal liabilities that cannot be quantified. As an additional risk guideline, the Ariel Fund, Ariel Appreciation Fund, Ariel Small Cap Value, Ariel Small Cap Value Concentrated, Ariel Small/Mid Cap Value, and Ariel Mid Cap Value strategies do not initiate new positions in High ESG Risk companies according to our proprietary research process. The Global Equities and EMV teams consider exclusions of certain sectors or securities, for ESG or other regulatory reasons, at client request.

6. Engagement and Active Ownership
Our approach to ESG engagement is grounded in principles of inclusion and improvement via engagement and dialogue. Our primary stewardship objective is to maximize overall value to our clients. We engage with the goal of preserving or enhancing value over the long term. Ariel seeks dialogue with management teams to encourage improvement on ESG disclosure and performance across financially material ESG issues. The materiality of ESG factors varies by industry, geography, and impact on our investment thesis. In general, as part of our ESG engagement, we seek to focus our discussions on key ESG improvements that will drive the greatest financial

impact and/or where our efforts or support can have a higher probability of success, such as instances in which we are large and/or long-standing investors.

Our investment teams employ a variety of methods in ESG engagements. For example, direct engagement typically includes conversations and other interactions with management teams, board members, and key business unit or organizational leaders on specific issues, letters on thematic ESG topics, company-tailored recommendations for diverse board members, and other forms of direct dialogue. Individual investment teams may also engage in dialogue with subject matter experts, regulators, suppliers, and third-party vendors. The engagement method and frequency of interaction varies depending on the individual context for a given investment portfolio company.

We track our interactions with portfolio companies. As long-term shareholders we understand that many engagements do not fit neatly into short-term binary outcomes, but rather are part of a longer-term dialogue.

While our approach to ESG engagement typically focuses on supporting or partnering with management teams on their efforts to strengthen management and disclosure of material and relevant ESG issues, we may employ escalation tactics on a case-by-case basis when we believe material ESG issues are not being adequately addressed by management teams. We do not employ a formulaic approach to escalation. While stewardship is not mandatory, approaches will vary depending on the relationship and history with management, the industry or business model, and/or the nature and materiality of the ESG issue. As long-term investors, we recognize that meaningful change does not happen overnight. Our forms of engagement may vary from identifying and engaging with key business unit or organizational leaders with responsibility for a given topic, articulating or sending a letter to management outlining our concern, vote against management on a proxy voting proposal, and/or consider selling a position.

On occasion, we may consider participation in 'collaborative engagement' initiatives, such as through joint letters, in partnership with other investors or third-party organizations. Such opportunities are evaluated on a case-by-case basis and executed in a manner consistent with applicable laws and regulations.

We integrate ESG considerations into our proxy voting decisions. Ariel's proxy voting guidelines for its investment strategies are detailed in our Proxy Voting Guidelines which are made available upon request to ClientserviceIR@arielinvestments.com.

In general, the investment teams seek to promote positive sustainability outcomes and avoid adverse sustainability outcomes. While we focus on outcomes that are relevant and material to the investment thesis, sustainability outcomes are not our primary driver or objective.

7. Collaboration
Ariel Investments, as a company, plays an active role in the broader ESG community to encourage greater adoption of ESG best practices among investors and corporations. We participate in or support various investor initiatives and partnerships.

8. Reporting
Ariel produces an annual publicly available ESG Report detailing our approach to ESG integration, engagement activities, participation in industry groups, policy discussions, and leading ESG performance as a firm.

9. Conflicts of Interest
Ariel has adopted a Code of Ethics and other compliance policies and procedures, inclusive of conflicts of interest and proxy voting policies and procedures, to preserve the independence of its investment advice to its clients. Ariel's proxy voting policy addresses how Ariel manages and mitigates conflicts of interest with respect to voting its clients proxies.

## Aspect Capital
## Systematic Trend Following

Sustainability factors are not currently integrated into the investment process for the Aspect Core Diversified Programme.

We believe that there is no one-size-fits-all approach to ESG integration, and the means by which and extent to which ESG issues/sustainability factors can be incorporated into investment analysis and decision-making will vary depending on the investment strategy adopted and asset classes traded, among other things. Our approach to ESG integration is therefore guided by a set of overarching principles and beliefs, rather than being something that is mandated for inclusion in all of Aspect's investment programmes.

Currently, we believe that there is limited scope for the integration of ESG factors into the investment process across the asset classes currently traded by the Aspect Core Diversified Programme, taking into account both the nature of the instruments and of the investment strategy itself. We engage actively with the PRI and relevant industry bodies (such as AIMA and the SBAI) to contribute to the discussion on ESG integration in the context of derivative trading and systematic investment strategies.

## Ativo Capital Management
## International Equity

Ativo's proprietary Q-ESG investment process is meticulously tailored to enhance alpha in our client portfolios by favoring equities with superior ESG ratings. Ativo has developed and rigorously evaluated an extensive library of over 2,500 factors and unique factor formulations to maximize the value extracted from our ESG dataset. The variation in ESG rating calculations by different vendors underscores the importance of selecting the most appropriate data for successful ESG investment strategies. Ativo has invested significant effort in assessing data providers to ensure access to timely and high-quality ESG ratings, employing diverse methodologies. Recognizing that factors exhibit distinct behaviors across various global regions, we have crafted bespoke ESG components for each of our investment universes, including the United States, Developed non-US, and Emerging Markets.

The following are the ESG metrics that Ativo considers to be of paramount importance:
- Corporate Governance
- Business Ethics
- Government Policy and Corporate Behavior
- SASB (Sustainability Accounting Standards Board) Materiality Factors
- ESG Momentum
- Environmental and Social Factors

The Portfolio Management team additionally undertakes rigorous due diligence on firms with lower ESG ratings to identify and address any significant concerns prior to initiating exposure in such entities. Furthermore, Ativo proactively engages with the management of companies within our client portfolios to address and resolve any outstanding ESG issues through a collective engagement process alongside other asset owners. We believe that our Q-ESG process aligns closely with the Illinois Sustainable Investing Act and takes into consideration "material, relevant, and decision-useful sustainability factors" as laid out in HB2460.

## Basis Investment Group
## Real Assets

Our investment process embeds environmental, social and governance (ESG) considerations and we apply proactive measures before and after investing to assess and monitor ESG risks and opportunities. For every fund investment that Basis considers and approves, the Investment Committee investment memos include an Opportunities and Risk analysis of the subject property, which includes assessment of ESG criteria.

In 2022, we further integrated our ESG into our investment process through our ESG Sponsor Questionnaire and our proprietary ESG Risk Rating Framework. This framework is a comprehensive, materiality-based, real estate focused analysis to evaluate each transaction holistically. The analysis addresses ESG factors at the investment sponsor corporate and subject property-level. In the case of our debt investments, we do not have a direct investment in any particular property; therefore, we strive to use our influence to raise awareness and encourage our partners and sponsors to adopt environmental programs that promote sustainable building and renovation practices, improve their environmental footprint, and reduce operational costs. On the equity side, given our direct ownership of the property, we are able to implement sustainable practices and programs at the property to reduce expenses and improve net operating income, which in turn has a positive effect on property valuation, and makes it more desirable from a tenant perspective. At the underwriting stage, our investments are subject to an extensive baseline environmental assessment and the Appendix C recommendations from these specialists are considered when structuring our investments, including evaluating potential environmental risks. We also examine whether the business plan includes any environmental considerations. This includes assessing their commitment to sustainability through the implementation of environmental measures during construction and operations, addressing climate physical and transition risks that are local to the subject property, energy/water and GHG emission tracking and reduction efforts both at the corporate and property-level, and green building certifications.

Social considerations in our investment process focus on generating long-term benefits for stakeholders and communities throughout our value chain. Our due diligence process reviews the social impact that investment properties may have on the surrounding community, including ensuring the property is operating in compliance with all applicable laws, mitigating tenant displacement, preserving affordable and workforce housing, and furthering local hiring and diversity commitments. Through our ESG Sponsor Questionnaire, we also collect racial/ethnic and gender diversity metrics at the corporate level, including firm and supplier diversity.

Governance is essential to upholding our accountability, driving positive outcomes for stakeholders, and ensuring our investments and the communities they impact are protected. Our due diligence process emphasizes ESGrelated issues to ensure we work with the best quality sponsors, investments, and partners. We perform detailed credit and background checks on sponsors and key personnel partaking in transactions, examining factors such as judgment liens, bankruptcy filings, fraud claims, housing and/or employee discrimination cases, unethical landlord practices, and money-laundering. Furthermore, we search the Office of Foreign Assets Control (OFAC) database to verify any history of incidents connected to sanctions, terrorism, and money-laundering. Through this approach, we strive to align ourselves with companies that share similar governance standards. Our ESG Sponsor Questionnaire includes governance topics such as whether the firm has an ESG policy, if there are control procedures in place to ensure compliance with ESG-related policies, and a description of the firm's ESG-related priorities and strategies. Our investment memos incorporate key governance-related criteria, and we hold quarterly Know Your Customer (KYC) compliance training for our employees, designed to help them identify ESGrelated risks among partners, including identifying partners that may face litigation or create reputational harm through association. We review the underlying businesses operating at subject properties (which provide cash flow to support the investment) to assess their impact on the environment and the community, and the potential for any litigation or reputational incidents that may directly or indirectly impact Basis and its stakeholders.

If ESG risks or opportunities identified in the underwriting process are beyond the scope of the factors systematically included in the analysis, underwriters have the autonomy to deduct or add points based on supplemental information, to produce the overall adjusted ESG Risk Score. Each transaction is rated on a scale from “Very Low Risk” to “High Risk”. The Opportunities and Risk analysis in our investment memos incorporates ESG, including the ESG Risk Score and detailed discussion of risks and mitigants, and opportunities, at both the property and sponsor corporate level. If ESG risks exceed our tolerance threshold, the Investment Committee is notified, so that it can factor the risk into its investment decision. For more information on how ESG is incorporated in our operations and investment portfolio, please read our latest ESG report for 2023 which can be found published on our website.

## Bivium Capital

### Public Credit

As an emerging manager of mangers, Bivium implements ESG considerations into our investment processes through our RFIs and Due Diligence processes, as well as when conducting ongoing dialogues with sub-managers.

As a manager of managers, the responsibility for assessing ESG issues in company evaluations is delegated to the underlying sub-managers in the portfolio. From investment due diligence perspective, we have taken steps to incorporate more explicitly the assessment of ESG factors into our diligence process. This includes the incorporation of ESG questions into our diligence questionnaires and a periodic review of sub-manager procedures. As part of
Bivium's initial and ongoing due diligence, the team evaluates the sub-managers' ESG/SRI policies and assesses their ability to provide an ESG-based product for our clients. This includes a comprehensive review of their investment process and how the sub-manager implements this process in light of their stated ESG/SRI policies.

While we do not dictate how our managers address the climate risks or the potential of policy changes, we do expect them to understand the risk exposures that may come from implicit or explicit exposure to those ESG risk factors. We seek to assess the extent that our managers incorporate ESG considerations and the risk factors into their assessment of current and potential investments in their portfolios.

Many of our sub-managers utilize global ESG frameworks such as Sustainability Accounting Standards Board (SASB) Materiality Map, the UN PRI Sustainable Development Goals, or Impact Management Project in assessing the materiality of risk across industries/sectors, and in integrating ESG both quantitatively and qualitatively in their investment processes. Additionally, Bivium is a signatory to both the Impact Management Project and the UN PRI. We seek to follow these principles in sourcing our sub-managers for our clients.

## GIA Partners

## Bivium Manager of Managers Program

Sustainability factors are integrated into GIA's credit analysis. As part of our analysis of a company, we review disclosures on ESG, where available, although absence of ESG disclosure does not automatically eliminate an investment from consideration. The ESG review culminates in an ESG rating that enables us to measure a company's or sovereign's trajectory on sustainability. The factors and sub-factors are monitored continuously, along with the company's financial results and business developments to ensure the company continues to qualify for investment.

Our ESG rating methodology starts with the major factors (E, S, and G) which are broken down into relevant sub-factors. We weight the ESG factors differently depending on industry. For example, the environmental factor weighs more heavily in a utility company than in a media company. For each ESG factor, our analyst/managers have identified relevant sub-factors that affect their industries. For each sub-factor we identify meaningful measures that apply for each industry so that we can assess each company's commitment to sustainability, rank against its peers and a relevant global universe, and make each analyst/manager's ratings comparable within industries and across them.

## Integrity

## Bivium Manager of Managers Program

Integrity Fixed Income Management is an institutional investment management firm that specializes in fixed income investing using a separately managed account format.

Integrity Fixed Income Management is able to screen for sustainability factors using an ESG function on our Bloomberg terminals. We take into consideration how these factors will impact a company's economic prospects which ultimately has a direct impact on investment returns. In addition to screens, we look for opportunities to invest in Green or Sustainability rated debt when the issues are attractively priced.

Beyond our internal processes, we are able to work with our clients to customize portfolios that align with the their objectives regarding sustainability factors. We are able to accommodate client mandates that prohibit investment in
sectors or specific issuers that do not meet the standards expected with respect to corporate governance,

environmental, social capital, human capital or business models designed for long term success.

**LM Capital**

**Bivium Manager of Managers Program**

LM Capital Group, LLC recognizes the importance of social, environmental and governance factors and their potential link to value creation for our clients. As fixed income investors, we understand that the circumstances and risks facing issuers change over time. We understand that sometimes history moves slowly, and that sometimes it moves quickly. We look back on history and see that societies and governments prosper and fall, based on environmental, social and governance factors. In the same way that societies and governments prosper and fall, smaller organizations within those societies are often especially sensitive to these same factors. It is imperative to understand the factors that are developing and receding around us to fully understand the investment risks in the fixed income universe and to fulfill our fiduciary duties to our clients.

Our approach to responsible investment is consistent with our overall investment approach. As globalization evolves, the world' s capital markets are becoming increasingly interrelated and interdependent, with political and social events often playing a significant role in economies around the world.

One facet of our ESG Integration is that we consider the social costs that issuers and their customers impose on society. As time passes and society recognizes these costs, we expect the costs to be pushed back onto the issuer. This process will affect the credit profile of issuers, as we have seen as the social costs of fossil fuels are pushed back onto issuers and their customers.

Other facets of our approach include avoiding issuers in countries that lack sufficient Rule of Law, avoiding issuers with material involvement in tobacco and firearms production, avoiding issuers that are particularly vulnerable to low probability-high cost event risk and seeking issuers that we expect to benefit from the transition away from fossil fuels.

LM Capital utilizes a global, macroeconomic approach when examining fixed-income markets. With every investor in the markets having the same access to financial statements, the key to successful investment is understanding the factors and pressures on issuers and their management that will affect how the market perceives their risk.

LM Capital uses ESG factors across all of our assets under management. We believe that ignoring ESG factors is an unacceptable way to conduct fundamental investment analysis. We can better understand the risks facing fixed income issuers if we use all of the relevant information available to us.

**New Century**

**Bivium Manager of Managers Program**

NCA recognizes that environmental, social, governance and (ESG) factors are important drivers of an issuer' s risk profile and the expected return of its securities. Identifying, evaluating and monitoring ESG risks is an integral part of
our investment process. ESG integration adds rigor to our investment analysis and enables us to make better buy, sell and hold decisions.

The NCA investment team considers ESG risks alongside financial and business risks when evaluating and monitoring investments, particularly ESG risks that are likely to have a financial impact on a sector or issuer Sometimes we uncover investment opportunities that may not be obvious after combing through financial statements and company research alone.

After identification, NGA assesses materiality. Material ESG factors are those that are likely to have a meaningful impact on a sector or issuer's:
Revenues
Costs
Value of assets
Value of liabilities
Cost of capital

NCA assesses the valuation of an issuer's securities relative to the materiality of the ESG risks. We may buy or hold a security if ESG issues exist, if we determine the bond is attractively valued given the risk or if we believe the ESG risk is abating or improving. We will sell a security (or not buy it) if we identify material ESG risks that are likely to cause a deterioration in credit quality and a decline in valuation. ESG risks can also drive the maturity decision. While good governance is important across all maturities, in some industries environmental and social risks are longer term and grow over time, making shorter maturities more appealing for certain issuers.

We also look for ESG opportunities. Issuers that have positive trends in ESG factors should be ones that are well-managed and other investors would likely favor exposure.

**RVX**

**Bivium Manager of Managers Program**

As part of our investment research, we conduct a thorough analysis of companies' management styles, with a primary focus on Emerging Markets. These markets, being less developed than their counterparts in the developed world, offer unique opportunities for poorer and less developed borrowers to grow their businesses through increased access to capital. The potential improvement in per capita GDP in these countries can significantly enhance the quality of life in regions that may have previously faced economic challenges.

Despite the fact that many emerging market companies may be involved in environmentally unfriendly activities, such as natural resource extraction, our investment process is geared towards identifying businesses that are actively striving to enhance their practices and minimize negative environmental impacts.

For example, we actively reward companies that demonstrate progress in improving their production processes. An illustrative case is a steel mill that transitions from an open-hearth method to a more modern smelter, effectively reducing its carbon footprint. We passionately believe that instead of outright excluding certain industries from our investment portfolio, a more effective approach lies in incentivizing and rewarding companies that actively pursue positive environmental, social, and governance (ESG) improvements.

Through our support of companies that strive for positive change and sustainable practices, we aim to create a meaningful, long-term impact. We also acknowledge the essential role that certain industries play in our day-to-day lives, and by encouraging positive changes within these sectors, we can bring about substantial and lasting benefits for both the companies and the communities they serve.

**BlackRock**

**Global Equity**

BlackRock's role is to offer choice to help meet our clients' objectives, transparency into how those choices could impact portfolios, and our research-based perspective on how structural trends could impact asset prices and investments over time. We continue to innovate for and with clients. Our firmwide ESG integration statement details BlackRock's approach to integrating environmental, social and governance data or information into our firmwide processes, and outlines the foundation, ownership, and oversight mechanisms which underpin our approach. To read more, please visit:

https://www.blackrock.com/corporate/literature/publication/blk-esg-investment-statement-web.pdf

**Blackstone**

**Real Assets**

Attached please find Blackstone’s Environmental, Social, and Governance Policy. In submitting our response, we do not believe, and do not acknowledge that Blackstone Inc. (or any of its affiliates) is a “fiduciary” to SURS under the Illinois Pension Code or pursuant to any contractual commitments, including without limitation, any side letters entered into with SURS or other Illinois state entities, and including for purposes of the newly introduced reporting requirement under 40 ILCS 5/15-177.6.

**<u>Blue Vista Capital Management</u>**

**Real Assets**

Blue Vista takes the view that utilizing appropriate environmental, social, and governance (ESG) initiatives can optimize the financial and environmental performance of our assets, and bring additional value to our stakeholders. We aim to implement policies that are economically feasible in relation to return objectives and business plan execution.

Blue Vista's sustainability factors are embedded into our investment underwriting process through our proprietary risk rating tool, which takes into account a variety of major risk factors including: 1) Market supply/demand, 2) Asset quality, 3) Execution risk, 4) Leverage requirements, 5) return on cost opportunity, 6) return profile for appreciation and cash flow, 7) the liquidity in a given market and 8) climate risk. ESG considerations are typically are embedded into this process across multiple categories and addressed through physical, environmental and climate risk assessment portion of the underwriting. The risk rating tool produces an overall risk rating for each investment, which is incorporated into the final Investment Committee memo for each asset.

**<u>Brasa Capital Management</u>**

**Real Assets**

Brasa has developed an ESG policy that integrates sustainability factors into the investment process. Please see the attached addendum for Brasa's full ESG policy and investment process.

In connection with its real estate investments and subject to the scope described in the Core Values and Mission Statement sections of the ESG policy, Brasa seeks to:

1. Where appropriate, consider environmental, public health, safety, and social issues associated with target investments when evaluating whether to invest in a particular opportunity, as well as during the period of ownership
2. Be accessible to, and engage with, relevant stakeholders either directly or through representatives of investments, as appropriate
3. Use governance structures that provide appropriate levels of oversight in the areas of audit, risk management, and potential conflicts of interest
4. Implement compensation and other policies that align the interests of owners and management
5. Respect the human rights of those impacted by Brasa's investment activities and seek to confirm that the firm does not invest in companies that utilize child labor, forced labor, or maintain discriminatory policies
6. When necessary, provide timely information to Brasa's Limited Partners on the matters addressed herein and foster transparency about the firm's activities
7. Encourage Brasa's Partners to advance these same principles in a way that is consistent with their fiduciary duties
8. Work with and invest in companies and people that uphold themselves to the values included in this document
9. Conduct internal ESG training conducted by leading experts and commit to further education and training for team members

**<u>Brookfield Strategic Real Estate Partners</u>**

**Real Assets**

We seek to embed material sustainability considerations and evaluate risks and value creation opportunities throughout our investment process. Following acquisition, we actively look to advance sustainability initiatives and improve sustainability performance in driving long-term value creation throughout the investment's life cycle. Our investment processes align with the PRI.

Due Diligence

As part of investment due diligence*, Brookfield seeks to assess sustainability-related opportunities and risks and factor them into the overall investment decision. This includes leveraging leading industry guidance to identify sustainability factors most likely to materially impact the financial condition or operating performance of companies in a sector. As part of our Sustainability Due Diligence Protocol, Brookfield provides specific guidance to investment teams on assessing bribery and corruption, cybersecurity, health and safety, human rights, modern slavery and climate-related risks. Where warranted, Brookfield performs deeper due diligence, working with internal and third-party experts as appropriate.

Investment Committee Approval
All investments must be approved by the applicable Investment Committee. Investment teams outline for the Investment Committee the merits of the transaction and the material risks, mitigants and significant opportunities for improvement, including those related to sustainability and its implications for investment returns.

Ongoing Management
As part of each acquisition*, investment teams create a tailored integration plan that includes, among other things, material sustainability-related matters for review or execution. We believe there is a strong correlation between managing these considerations appropriately and enhancing investment returns.

Consistent with our management approach, it is the responsibility of the management teams within each portfolio company to manage sustainability risks and opportunities through the investment's life cycle, supported by the applicable investment team within Brookfield. The combination of local accountability and expertise along with Brookfield's investment and operating experience and insight is important when managing a wide range of asset types across jurisdictions. We leverage these capabilities in collaborating on sustainability initiatives, where appropriate, to drive best practices and assist with any remediation. Where appropriate, we encourage our portfolio companies to organize training on a variety of sustainability functions for relevant staff.

Management teams regularly report to their respective boards of directors from both financial and operating perspectives, including key performance indicators that incorporate material sustainability factors, such as health and safety, environmental management, compliance with regulatory requirements, and, increasingly, GHG emissions.

For investments where Brookfield has a non-controlling interest, (for example, where we are a debt holder or in other circumstances where Brookfield does not have the ability to exercise influence through its contractual rights), Brookfield actively monitors the performance of its investments and, where appropriate, utilizes its stewardship and engagement practices to encourage sustainability outcomes that are aligned with Brookfield's sustainability approach.

Exit
When preparing an asset for divestiture, we seek to outline potential value creation deriving from several different factors, including relevant sustainability considerations. Where applicable, we also prepare both qualitative and quantitative data that summarize the sustainability performance of the investment and provide a holistic understanding of how we have managed the investment during the holding period.

___________

*Refers to investments where Brookfield has control or significant influence.

## Cabot Properties
## Real Assets

The investment due diligence phase begins once the purchase agreement or heads of terms has been negotiated and agreed by the parties and the initial cash deposit has been posted pursuant to the purchase agreement.

From a fiduciary liability perspective, due diligence is the most critical period in the investment process and one which requires the utmost attention of everyone involved. This legal exposure is compounded by the fact that the time allowed for due diligence is relatively short (usually 30 days) and receipt and evaluation of due diligence materials requires the simultaneous involvement of a wide variety of technical specialists. As a result, due diligence activities must be intensively managed by the company and those members of management engaged in the process. Our investment due diligence process is thorough, and includes processes such as: vetting contractors, producing various building inspection reports, legal due diligence, titling, government approvals, building maps and aerials, lease entitlements, tenant estoppels, and tenant interviews.

From an ESG perspective, we include an ESG Scorecard in our due diligence reports that includes high level overview and audit of the building with estimated costs for sustainable improvements and considerations. This report is included in investment committee materials and specific ESG components are part of our Investment Committee memo and discussed at presentations.

Please see our 2023 ESG Annual Report for additional information on our initiatives.

## Campbell & Company
## Systematic Trend Following

At Campbell, we know that embracing diversity and inclusion is critical to the long-term success of our firm. The diverse backgrounds, perspectives, and experiences of our employees ensure we deliver the best solutions to our clients. To enable this work, we foster an inclusive environment where the ideas and contributions of all employees are welcomed. We believe our human capital is the most valuable asset we have. The collective sum of the individual differences, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities and talent that our employees invest in their work represents a significant part of not only our culture, but our reputation and company's achievement as well. Our employees are empowered to collaborate, engage in dialogue, and participate fully in moving our business forward.

Campbell has committed to increasing the percentage of diverse employees through specific recruiting and retention strategies. As a boutique manager with a relatively small staff, we recognize that we need to be strategic in placing key diverse hires across the firm but also understand that targeting specific metrics at a department or even firm level may be impractical. Therefore, our commitment is made at the executive level and supported by the full management, HR and recruiting team to ensure we foster more diversity and inclusion across the firm and community over time.

Beyond our ongoing focus on recruiting and retaining diverse talent, we've also initiated efforts to develop finance and S.T.E.M. skillsets in diverse youth in our own community. This includes supporting the Stocks in our Future charitable program which allows Campbell to sponsor financial education in Baltimore's underprivileged school districts, while also allowing our employees to develop and teach specific courses to eligible students. Campbell has also initiated formal relationships with local Historically Black Colleges and Universities (HBCUs), including Morgan State University, to provide guest lecturers and support for their finance and quant research focused programs. We believe this focus on developing diverse talent early in the educational process will lead to more diversity in financial services broadly, not just in Campbell's own talent pool.

## Carlyle Property Investors
## Real Assets

Please see the Carlyle ESG policy and latest Carlyle ESG report for information on how ESG is integrated as part of our investment processes.

ESG Policy: https://www.carlyle.com/sites/default/files/2021-02/2020_Carlyle_ESG-Policy.pdf

ESG Report: https://www.carlyle.com/impact/esg-report-archive

We do not believe and do not, by virtue of providing information on this form, concede Carlyle Property Investors GP, L.L.C., or any of its affiliates, is a “fiduciary” to SURS under the Illinois Pension Code or pursuant to any contractual commitments, including for purposes of the newly introduced reporting requirement under 40 ILCS 5/15-177.6. Nevertheless, we welcome the opportunity to be transparent with our investors on how we seek to integrate sustainability factors into our investment decision-making process.

## Clarion Partners
### Real Assets

Clarion's ESG policies and program are integrated into our business practices through our investment processes and lifecycle. As necessary, we evaluate ESG risks and performance of assets during the due diligence process. We actively manage owned assets with the goal of increasing value and minimizing risk, and we strive to improve the ESG performance of our portfolios.

ESG risks and performance evaluated during due diligence may include physical climate risk, regulatory risk, or existing sustainability features at an asset. Where necessary, third party inspections and analysis may occur.

For operational assets, key ESG metrics and performance indicators are tracked on at least an annual basis, with some being tracked more frequently. These metrics include energy, water, waste, greenhouse gas emissions, efficiency projects, technical assessments and audits, certifications, ENERGY STAR score, and others. Based on the performance of each asset, improvement recommendations are made.

## Crow Holdings Realty Partners
### Real Assets

CHC's approach to Sustainability is non-concessionary and its primary investment objective is to maximize returns to its investors on a risk-adjusted basis. Within this context, CHC strives to consider a variety of environmental, social, and governance ("ESG") issues related to CHC's business, fund assets, and the communities in which CHC works and invests. CHC has implemented measures to monitor ESG factors for investments in the funds it manages. CHC continues to monitor industry standards and best practices towards ESG integration.

## Dune Real Estate Partners
### Real Assets

Dune Real Estate Partners LP is the investment adviser and fiduciary to the funds in which SURS is invested as a limited partner. Dune may, from time to time, address certain ESG considerations as described in the attached appendix.

## EARNEST Partners
### Global Equity

The foundation of our approach to sustainable investing is our belief that sustainable, long-term investing extends beyond the evaluation of quantitative factors and traditional fundamental analysis of conventional financial metrics. We see environmental, social, and governance analysis as a natural part of our quality-oriented fundamental research and risk management and we will examine the relevant factors with respect to each company.

The firm will assess the materiality of the sustainability factor as it relates to latent assets and latent liabilities. If the factor being considered will have a material effect on the company's ability to execute its business plan it will likely be a prime factor for consideration..

## Ember Infrastructure Partners
### Real Assets

At Ember, we look for investment opportunities that can deliver attractive risk-adjusted returns on the basis of their business strategy and commercial arrangements. However, given the very nature of the sectors we invest in, positive impact is a byproduct of our portfolio. Each investment we make is intended to promote sustainability, including by reducing carbon intensity, increasing resource efficiency, or enhancing climate resilience, and thus furthers one or more United Nations Sustainable Development Goal (UN SDG). This approach determines what sectors we target, which investments we make, how our portfolio companies are operated, what information we monitor, and, ultimately, the breadth of available exit opportunities. Over time, we believe the sustainability and

ESG monitoring and reporting capabilities Ember seeks to build at the asset and portfolio company level will be an important value driver. Companies that pay attention to sustainability and ESG issues are better prepared to respond to the regulatory and market challenges and opportunities of the future that may otherwise negatively impact their profitability. We also believe that businesses with a demonstrable record of sustainable impact and ESG compliance and transparency can broaden the range of investment exit options to parties already adhering to strict ESG policies.

## Fairview Capital
### Private Equity

Fairview's investment strategy and philosophy align with the sustainability factors cited in the Illinois Sustainable Investing Act (30 ILCS 238/20). The Firm believes that sustainable approaches to corporate governance, environmental, social, human capital, and business model and innovation factors are correlated to higher investment performance potential, as well as performance persistence over time.

As an investor in venture capital and private equity partnerships Fairview does not have the ability to directly influence factors at underlying portfolio companies. Nonetheless, the Firm's decision-making process integrates the review of sustainability factors of the partnerships and their investment strategies at several points, including through both its investment and operational due diligence processes. It is the Firm's to incorporate these considerations into the investment due diligence phase for all potential investments. Fairview's robust due diligence and manager selection process gives the Firm comfort that it will consider the sustainability risk and opportunities in the Firm's investment making process. During the operational due diligence process, Fairview looks to ensure managers have given thought to sustainability issues and whether they have established sustainability-related policies. Information is documented for internal use within the operational due diligence questionnaires for each potential partnership investment. Fairview will utilize this information when responding to Limited Partner requests for information.

In order to ensure continued adherence to the Firm's policy, it is the responsibility of the Fairview investment team to monitor the sustainability initiatives made by the fund managers in which it invests. Issues should be evaluated in light of their ability to be remedied or improved and the potential harm to the reputation of the Firm and its investors. If a Fairview professional considers any issues to be significant, they shall report them to Fairview's Investment Committee.

## Franklin Templeton
### Real Assets

As a global investment manager with a rich history of over 70 years as a fiduciary, Franklin Templeton is committed to supporting and strengthening the consideration of ESG opportunities and risks across our entire platform. These Sustainable Investment Policies and Principles recognize the ESG integration practices that have been in place for many years and which are supported by the dedicated ESG resources and Investment Risk Management Group. FRAA's dedicated Sustainable Investment Policies and Principles for real estate reflect a deeper more integrative approach to impact investing that extends well beyond traditional ESG screening and analysis. We consider ESG factors alongside traditional financial measurements to provide a comprehensive view of an investment and help identify those investments that have the potential to deliver sustainable returns.
Key tenets of the firm's ESG approach:

• Client investment goals and objectives always comes first: Consistent with the client/strategy investment goals and objectives, and where material to a particular investment opportunity, Franklin Templeton seeks to consider environmental, social and/or governance factors as an integrated element of our investment research and decision making, where we believe these factors may influence the risks and rewards in the portfolio

• Independent groups, unique investment processes: Franklin Templeton is committed to maintaining the independence of each of investment groups, which includes unique approaches to considering and managing portfolio risks, including ESG- related risks.

• Led by the portfolio managers in partnership with the Investment Risk Management Group (IRMG): Consistent with IRMG's mission of integrating investment risk management into the investment processes at Franklin

Templeton, IRMG's objective is to ensure ESG related risks are recognized and intentional during the various steps of the investment cycle.
The support from the Impact Management and ESG teams as well as the Investment Risk Management Group allows our portfolio managers to gain a deeper and more comprehensive understanding of the potential ESG risks and rewards associated with each investment.
ESG in the Investment Process
Our fully integrated ESG approach leverages Franklin Templeton's investment research teams and risk management framework. This approach applies across our investment groups and has the flexibility to accommodate distinct approaches to the analysis of ESG issues, consistent with each group's individual investment style.

## Garcia Hamilton & Associates
## Principal Protection

ESG & SUSTAINABLE INVESTING

At Garcia Hamilton & Associates, L.P. (GH&A), we understand that the role of fixed income, more specifically Core Fixed Income, is to anchor the portfolio so the client can take risks elsewhere. Therefore, our goal is three-fold. First, to outperform our benchmarks net-of-fees with a higher credit profile than the index. Second, to provide our clients with best-in-class service. Third, to set an example as an industry leader in fixed income solutions for institutional clients as well as a leader in corporate diversity and inclusion.

Since inception, we have utilized an active, top-down investment approach to provide safety, liquidity, and return on investment to our institutional, primarily public sector, clients. Our high-quality philosophy prevents the Firm from taking unnecessary or unquantifiable risk.

ILLINOIS SUSTAINABLE INVESTING ACT

GH&A's investment philosophy is aligned with the State of Illinois's bold and forward-looking action through the passing of the Illinois Sustainable Investing Act, requiring every retirement fund subject to the Illinois Pension Code to incorporate sustainability factors into their written investment policy. GH&A has been managing Illinois public sector accounts since 2005 with ESG/SI considerations and currently manages $5.4 billion in AUM for 22 Illinois public sector accounts (as of May 31, 2024).

GH&A is able to satisfy the requirements of the bill. Per the Illinois Sustainable Investing Act, GH&A includes "material, relevant, and decision-useful sustainability factors" in evaluating investment decisions.

"Sustainability factors" may include:

a) Corporate governance and leadership factors, such as the independence of boards and auditors, the expertise and competence of corporate boards and executives, systemic risk management practices, executive compensation structures, transparency and reporting, leadership diversity, regulatory and legal compliance, shareholder rights, and ethical conduct.

b) Environmental factors that may have an adverse or positive financial impact on investment performance, such as greenhouse gas emissions, air quality, energy management, water and wastewater management, waste and hazardous materials management, and ecological impacts.

c) Social capital factors that impact relationships with key outside parties, such as customers, local communities, the public, and the government, which may impact investment performance. Social capital factors include human rights, customer welfare, customer privacy, data security, access and affordability, selling practices and product labeling, community reinvestment, and community relations.

d) Human capital factors that recognize that the workforce is an important asset to delivering long-term value, including factors such as labor practices, responsible contractor and responsible bidder policies, employee health and safety, employee engagement, diversity and inclusion, and incentives and compensation.

e) Business model and innovation factors that reflect an ability to plan and forecast opportunities and risks, and whether a company can create long-term shareholder value, including factors such as supply chain management, materials sourcing and efficiency, business model resilience, product design and life cycle management, and physical impacts of climate change."

INVESTMENT PHILOSOPHY

Since the Firm's founding, GH&A has incorporated material environmental, social, and governance ("ESG") considerations into our research process and the management of portfolios in order to mitigate unquantifiable risk.

Within the Firm's top-down macro framework, pecuniary ESG risks and opportunities are integrated along with relative value and liquidity factors into the assessment of all the Firm's products across our high-quality universe. Thus, the Firm is able to maintain outperformance net of fees as a primary investment goal and avoid unnecessary volatility while mitigating traditional fixed income risk and unwanted risk across a spectrum of material ESG issues in the portfolio.

This investment approach is simple, and its simplicity gives it its power. The Firm does not manage targeted or thematic RI strategies and follows a consistent investment philosophy that focuses on the preservation of principal while maintaining high current income.

GH&A is a Principles for Responsible Investment (PRI) signatory and Task Force on Climate-related Financial Disclosures (TCFD) supporter. In addition to supporting the PRI and TCFD, the Firm is aligned with the principles set out by the Sustainability Accounting Standards Board (SASB), which identify the subset of ESG-related issues most relevant to financial performance across industries. The Firm is also a signatory to the CFA Institute's Diversity, Equity, and Inclusion Code.

RESEARCH & INVESTMENT PROCESS

In selecting investment grade securities within the corporate sector, the Firm first focuses on the largest U.S. issuers and companies rated A-/A3 or better by at least two rating agencies. Historically, the Firm has utilized screens to define its corporate universe and to identify issuers that carry high levels of unquantifiable risk, including risks associated with environmental, social, and/or governance considerations, that could have a financial impact on the issuers. This has not changed over time and includes, but is not limited to, risks associated with foreign companies, Yankee bonds, alcohol, tobacco, gambling, and defense contractors. Issuers identified as having a higher risk profile during this stage are subject to further evaluation to determine their inclusion in the investable universe. The investment team then utilizes research and/or rankings provided by one or more third parties to analyze and scale the remaining issuers based on the sustainability of their operations and their consideration of ESG principles as an integrated part of the team's evaluation and investment process. After this analysis, the investable corporate universe shrinks to approximately 75 issuers.

These investment considerations are not solely determinative in any investment decision. The investment team addresses these factors during the final phase of vetting investment ideas and potential holdings using a proprietary issuer risk scale. Thereafter, should the investment team deem securities to be comparable from an investment perspective, the team generally expects to select the securities with the highest rankings consistent with Firm's proprietary scale methodology.

The Firm utilizes third-party research from industry experts to evaluate individual issuers within its universe and peer groups including the S&P Global Ratings ESG Profile Score, the ISS QualityScore, and the CDP Climate Score. The three principal sub-metric factors are then combined to create the GH&A proprietary issuer risk scale. The investment team first assigns weights to these third-party metrics according to internal priorities and then calculates a weighted average (0-1) for each issuer and industry. The S&P Global Ratings ESG Profile Score is given a higher weighting within the Firm's proprietary scale due to the broader range of relevant factors assessed. Issuers with missing or inadequate disclosures may be eliminated from consideration. The Firm then stratifies the issuer universe into five categories within the scale: Exemplary, Satisfactory, Neutral, Lagging, and Unsatisfactory.

It is also important to know where these issuers stand in relation to their industry peer group. The same methodology used to evaluate individual issuers within the investable universe is applied to a broad group of issuers in each of the Bloomberg Industrial Classification System (BICS) industrial categories to create the relevant peer group scale for each issuer. The investment team then stratifies the issuer peer groups into the same 5 categories within the scale: Exemplary, Satisfactory, Neutral, Lagging, and Unsatisfactory.

The investment team monitors all 75 issuers on an ongoing basis, analyzing a combination of issuer and peer group sub-metrics. This analysis includes reviewing the current level of sector spreads and ratio of sector spreads to Treasuries versus historical levels, individual corporate bond spreads, issuer CDS spreads, and stock price performance to determine the relative value of potential investments. Thus, the GH&A research process consists of the Firm's risk control reports such as duration buckets, duration contribution, and option adjusted spread analysis as well as a range of macroeconomic analysis specific to the current economic cycle. The Firm also utilizes reports and data from the proprietary reports and investment tools maintained by the investment team.

SELL DISCIPLINE

GH&A would not direct clients to sell an individual or group of securities in order to achieve a goal that is not primarily investment related.

We typically sell securities for one of several reasons. First, we may sell a security to make a duration or yield curve adjustment in the portfolio. Second, we may sell a security to make an overall sector allocation change. Third, we place securities on our own internal watch list when negative news develops or when their credit rating deteriorates. Thus, we often sell securities when the headline risk outweighs the incremental yield to the portfolio. Lastly, we may sell a security when prepayment or negative convexity concerns develop. When an ESG metric is deemed to have a material impact that could jeopardize the safety, liquidity, or financial performance of an issuer or security, the investment will be evaluated and may trigger further credit review.

TRAINING & OVERSIGHT

The Firm's entire investment team is engaged in and committed to ensuring the proper implementation of the Firm's philosophy and process, including the integration of environmental, social, and governance factors in the investment process. The team sits on an open trading floor, which cultivates a continuous dialogue regarding research and information related to our universe of securities. Additionally, the investment team formally meets once a week to discuss the portfolio and receive updated information on issuers as it pertains to the Firm’s investable universe. During this meeting, the team discusses topics such as macroeconomic conditions, market trends, market outlook, headline news, portfolio performance, individual securities, and potential developments pertaining to our risk analysis, and other critical topics. An additional key component of this weekly meeting is the review and discussion of target portfolio characteristics.

The Firm's Strategist plays an integral part of the investment process, providing high-level insight into the economy to help the Firm formalize its economic outlook and portfolio construction. Additionally, the Firm’s Chief Risk Officer (CRO) oversees the risk management process of the Firm’s assets and is involved in the development of the strategic asset allocation strategy within the investment process. The CRO documents traditional credit risk along with sustainability risk and opportunities in the Firm’s proprietary issuer risk worksheet, which is updated weekly. The investment team utilizes the worksheet to determine and define risks and opportunities across a broad spectrum of credit and sustainability metrics.

REPORTING

GH&A is a signatory to the United Nation’s Principles for Responsible Investment (PRI) and supports the Task Force on Climate-related Financial Disclosure (TCFD) framework. As a PRI signatory and TCFD supporter, the Firm regularly evaluates ESG reporting trends and related legislation and provides its clients, prospective clients, and consultants with reporting that is consistent and compliant with industry standards.

GH&A become a signatory to the PRI June 2019. The Firm filed its most recent Transparency Report in September 2023 for the 2021 reporting year. The Firm scored higher than the median scores across all modules. A copy of GH&A’s most recent PRI Transparency Report and/or PRI Assessment is available upon request.

Since 2020, PRI signatories have been required to report to the PRI on several indicators regarding their management of risks and opportunities related to climate change. These indicators are modelled on the disclosure framework of the Financial Stability Board's Task Force on Climate-related Disclosures (TCFD).

TCFD disclosures, in addition to the Firm’s traditional financial and quantitative metrics analysis and qualitative assessments, allow the investment team to identify ESG risks and opportunities to inform buy/sell/hold decisions. These disclosures increase transparency around climate-related risks, which are incorporated considerations in the assessment of all the Firm’s products across its high-quality universe.

ENGAGEMENT & STEWARDSHIP

The Firm does not engage directly with portfolio companies on ESG matters, as it only manages fixed income assets and does not hold any direct ownership or material control of any of the investments in the portfolio. However, as a PRI signatory, GH&A participates in engagement on ESG issues such as corporate governance and diversity and inclusion (D&I) that impact invested companies. Additionally, Firm professionals participate in collaborative engagements as well as stewardship activities with policy makers that continue to progress corporate transparency and D&I within the financial investment industry. To learn more about how Firm employees engage with organizations within the industry and the communities in which we live in, request a copy of the Firm's Diversity and Inclusion Policy and Quarterly Report.

Accounts managed by GH&A are comprised solely of fixed income and cash equivalent holdings and these holdings are very rarely associated with proxies. As a matter of policy, GH&A will only vote client proxies in the following instances:

• Instances when the client has specifically assigned voting authority to GH&A for securities held in the account, and

• When GH&A receives proxy material pertaining to the account. In these instances, proxies would be evaluated and voted on a case-by-case basis.

DIVERSITY AND INCLUSION

GH&A implements a wide range of D&I-focused initiatives geared towards more fully engaging diversity and inclusion in all its forms and strengthening outcomes for its clients. These include expanding ownership, ensuring our policies support D&I at all levels, and partnering with Minority Women and Disadvantaged Business Enterprise (MWDBE) service providers.

Fundamentally, the Firm believes that diverse solutions lead to better, more competitive results for institutional clients. GH&A practices what it preaches to ensure sustainable development is reflected in Firm professionals, vendor relationships, operations, and community engagements in addition to investments. The Firm prioritizes owner and employee diversity and inclusion, and the success of its diversity efforts speak for themselves – GH&A is a 100% employee-owned and MBE/HUB certified Firm with 85% of Firm Partners, 69% of investment professionals, and 87% of all Firm employees being minorities and/or women.

The contribution of the Firm's women and minority team members has been profound, both to GH&A's success and to the industry as a whole. The Firm actively seeks a pipeline of diverse candidates for each employment opportunity through advertising on targeted, diverse networks as well as broadening position experience and education requirements. Additionally, the Firm seeks to include ethnic or gender diverse candidates in each applicant pool.

GH&A trains and prepares women and minorities for promotion through mentorship and pairing employees with senior team members to educate them on the industry. The Firm actively challenges junior team members by assigning a diverse set of both client and investment-facing projects and continually providing opportunities and tools to succeed. These efforts have led to 12 of 16 Firm Partners and six of ten Portfolio Managers being minority or women.

## GI Partners
## Real Assets

"GI Partners (together with its affiliates, "GI Partners", the "Firm") is committed to being a responsible steward of our investors' capital. As part of this commitment, the Firm believes that applying a set of investment criteria, including with respect to environmental, social, and governance (“ESG”) topics, has the potential to mitigate risk and support building financial value across our investments. The Firm intends for its ESG policy (the “ESG Policy”) to serve as a guide throughout the investment process for our affiliated Private Equity, Data Infrastructure and Real Estate funds (each, a “Fund” and together, the “Funds”). The Firm intends for the ESG Policy to help guide the Firm in considering material ESG risks, as well as, where appropriate, ESG-related opportunities, in making investment decisions and implementing portfolio company ownership practices on behalf of the Funds. Notwithstanding anything in the ESG Policy to the contrary, the Firm does not expect to subordinate any Fund’s or investor’s investment returns or increase any Fund’s or investor’s investment risks as a result of (or in connection with) the consideration of any ESG risks or ESG-related opportunities.

We do not believe and do not, by virtue of providing information on this form, concede that GI Partners is a “fiduciary” to SURS under the Illinois Pension Code or pursuant to any contractual commitments, including for purposes of the newly introduced reporting requirement under 40 ILCS 5/15-177.6. Nevertheless, we welcome the opportunity to be transparent with our investors on how we seek to integrate sustainability factors into our investment decision-making process."

**<u>GlobeFlex - Hand B&T</u>**
**International Equity**

"GlobeFlex Capital, a long-only global equity asset manager, is the sub-adviser to the Hand Benefits & Trust Co. GlobeFlex ACWI ex-U.S. Equity CIF, in which SURS is a participant. Therefore, since GlobeFlex is managing the underlying equity portfolio, this response is from GlobeFlex's viewpoint.

GlobeFlex’s investment philosophy is centered on identifying companies that are characterized by business improvement, management quality, and compelling valuation. We define our investment process as systematic. It incorporates the best of our qualitative, fundamental bottom-up judgments into quantitative methods, to ensure a consistent, repeatable delivery of alpha.

Our Alpha Model, our proprietary and primary stock selection tool, is combined with portfolio construction techniques and risk management considerations to form our total investment approach across all investment strategies. As we determine the fundamental profile of a company, we analyze and evaluate a wide array of metrics, combining traditional fundamental factors with non-financial elements.

Within the Alpha Model, our Materially Relevant Quality (""MRQ"") factor integrates financially material, industry-specific ESG data that could influence a company’s potential financial sustainability. Importantly, we focus only on the issues that our research has determined are material and relevant to a specific company and/or a specific sub-industry: those that have the potential to enhance alpha and/or minimize risks."

**<u>Heitman LLC</u>**
**Real Assets**

Laura Craft serves as Heitman’s Global Head of Portfolio Sustainability Strategies. She is supported by Brian Trainor, Vice President, Mckenna Foy, Associate, Minerva Lopez, Associate, and several members of the HART team.

The HART team aims to continue to exceed peers on industry-recognized global fund-level investment objectives, and implementation of certifications and ratings. After the closing of each acquisition, the written investment summary that was originally presented to the Investment Committee is updated to detail specific asset management strategies including Sustainability concerns, capital improvement, and leasing objectives. The updated investment summary also includes the final underwriting assumptions and return projections for the transaction. We assess both transition and physical climate risk during due diligence and throughout the hold period of the asset.

In 2021, all assets within HART completed our comprehensive HALO (Heitman Assessment of Locations & Operations) Evaluation. This is a proprietary strategy used to integrate and track the firm's progress on implementing Sustainability principles. Heitman asset managers annually complete a sustainability attribute survey that identifies progress made in the year on the following categories: Energy, Carbon, Water, Waste, Health & Well-Being, Certifications/Ratings, Transportation, Occupant Satisfaction, & Social Engagement.

HART's Sustainability targets were developed to align with industry best practices. In an effort to achieve these targets, Heitman may seek to employ the following strategies at certain HART properties:

- Energy initiatives: Energy retro-commissioning, onsite solar and fuel cells installations, LED lighting installations, renewable energy source and green roofs installations, energy consumption tracking and reporting, new electric car charging stations for residents and retail guests, and photocells for parking lot lighting.

- GHG Initiatives: Expanding solar installations, acquiring renewable energy from the grid where regionally available, and purchase of renewable energy credits (RECs) and carbon off-sets.

- Water initiatives: Drip and smart water irrigation system upgrades, high-efficiency plumbing fixtures, storm water reuse, and drought tolerant landscaping.

- Waste initiatives: Recycling program improvements, composting program development, tenant engagement and training on recycling/waste management, and green cleaning standards for tenants and janitorial staff.

## Homestead Capital
### Real Assets

At Homestead, sustainability is a fundamental consideration of our investment decision-making process. As investors in the farmland asset class, we believe that environmental considerations not only mitigate risk but also drive positive environmental outcomes, long-term value, and performance for our investors, our farming partners, and the communities we serve.

All our potential farmland acquisitions undergo rigorous assessments for sustainability risks, using a comprehensive due diligence (DD) checklist with items specific to each property's region, crop type, and market analysis. Tools for this analysis include soil analysis, water analysis, climate and water availability modeling, habitat assessments, third-party environmental and water consulting, carbon analysis, and satellite tools. The results of these assessments are consolidated into Investment Memoranda, providing a comprehensive overview of potential sustainability risks and opportunities, local farming practices, and the farm's planned operating strategy.

As a firm that invests in farmland, we understand the importance of adapting to climate trends. Sustainability is intrinsic to our land management strategy, which is tailored for each investment to optimize both environmental stewardship and financial performance. We employ climate-smart farming strategies that improve environmental resilience while still maintaining profitable yields. We employ financial modeling that assumes that the farm might need to be transitioned back to conventional farming. We have farms operating as wetland and stream mitigation banks in Iowa, where the value of environmental regeneration is assessed against the possibility of having to transition back to conventional farming. In all cases, we model potential downside scenarios during due diligence, including potential failure of sustainability strategies. Environmental value creation is integrated into regular value creation modeling wherever relevant or possible.

For additional information, please refer to our Responsible Investment Policy, Commitment to Impact, and Statement on Diversity, Equity, and Inclusion. Our commitment to integrating sustainability factors into our investment decision-making process demonstrates our firm's dedication to responsible investment and sustainable agriculture.

## IFM Investors (US), LLC
### Real Assets

We believe we have an important role to play as responsible stewards of working people's retirement savings. We seek to act in their best interests by pursuing financial returns that aim to protect and grow the long term value of their investments, and contribute to the social, economic and environmental wellbeing of the communities in which they live.

Our responsible investment approach is outlined in our policies and public reporting.

We do not believe and do not, by virtue of providing information on this form, concede that IFM Investors Pty Ltd is a "fiduciary" to SURS under the Illinois Pension Code or pursuant to any contractual commitments, including for purposes of the newly introduced reporting requirement under 40 ILCS 5/15-177.6. Nevertheless, we welcome the opportunity to be transparent with our investors on how we seek to integrate sustainability factors into our investment decision-making process.

## JP Morgan Asset Management
### Real Assets

JPMAM integrates ESG+R into investment decisions and our sustainability objectives into our overall business strategy. We believe integration of sustainability into our investment process is key to mitigating risk associated with the transition to a low carbon economy. As the platform is invested in these assets for the long-term and we focus our attention on measuring, monitoring, and improving environmental performance at the assets to help meet our ESG+R objectives. Our ESG Taskforce sets the overall objectives for REA. Portfolio management sets the fund strategy and the acquisition officers and asset managers work to review and implement the objectives.

Our specific sustainability objectives are to: (1) Always act in the highest fiduciary interest of our clients by maintaining institutional quality assets, improving operating performance and maximizing value; (2) Act as a responsible landlord, reducing costs for tenants and improving occupant experience; and (3) Act as a responsible corporate citizen and foster similar pursuits in our tenants.

## LM Capital Group
### Principal Protection

LM Capital Group, LLC recognizes the importance of social, environmental and governance factors and their potential link to value creation for our clients. As fixed income investors, we understand that the circumstances and risks facing issuers change over time. We understand that sometimes history moves slowly, and that sometimes it moves quickly. We look back on history and see that societies and governments prosper and fall, based on environmental, social and governance factors. In the same way that societies and governments prosper and fall, smaller organizations within those societies are often especially sensitive to these same factors. It is imperative to understand the factors that are developing and receding around us to fully understand the investment risks in the fixed income universe and to fulfill our fiduciary duties to our clients.

Our approach to responsible investment is consistent with our overall investment approach. As globalization evolves, the world' s capital markets are becoming increasingly interrelated and interdependent, with political and social events often playing a significant role in economies around the world.

One facet of our ESG Integration is that we consider the social costs that issuers and their customers impose on society. As time passes and society recognizes these costs, we expect the costs to be pushed back onto the issuer. This process will affect the credit profile of issuers, as we have seen as the social costs of fossil fuels are pushed back onto issuers and their customers.

Other facets of our approach include avoiding issuers in countries that lack sufficient Rule of Law, avoiding issuers with material involvement in tobacco and firearms production, avoiding issuers that are particularly vulnerable to low probability-high cost event risk and seeking issuers that we expect to benefit from the transition away from fossil fuels.

LM Capital utilizes a global, macroeconomic approach when examining fixed-income markets. With every investor in the markets having the same access to financial statements, the key to successful investment is understanding the factors and pressures on issuers and their management that will affect how the market perceives their risk. LM Capital uses ESG factors across all of our assets under management. We believe that ignoring ESG factors is an unacceptable way to conduct fundamental investment analysis. We can better understand the risks facing fixed income issuers if we use all of the relevant information available to us.

## Long Wharf
## Real Assets

At Long Wharf, we believe honesty and transparency are the foundation of any investment relationship and as such, we look for opportunities to advance an environmentally sustainable future. Long Wharf's dedication to integrating environmental, social, and governance (ESG) practices into our business operations has a direct impact on the Firm's investment decisions, strategic planning, and risk management. Our key sustainability objectives include:

-Integrating environmental, social, and governance considerations into our investment process, from the start of the due diligence process and continuing throughout the life of the investment;
-Ensuring that our organization and the groups we invest with operate according to the highest legal and ethical standards;
-Tracking environmental metrics and improving efficiency across our portfolio;
-Building a diverse workforce and inclusive culture;
-Aiming to align future ESG disclosures with GRESB, SASB, and TCFD frameworks.

To work towards achieving these goals, we have formally integrated ESG topics into our acquisitions due diligence checklist, adopted our Responsible Contractor Policy, and furthering programs to continue enhancing diversity and inclusion at Long Wharf. We also monitor property-level ESG-related issues through our ESG Initiatives Survey, which identifies energy, water, and waste management policies, green building certifications, risk assessments, community engagement, and health and safety policies at each property. This survey helps identify best practices, promote engagement, and accelerate the implementation of these practices throughout our portfolio to meet our sustainability objectives.

## Longpoint Realty Partners
## Real Assets

Longpoint is committed to pursuing a robust corporate responsibility program that embeds environmental, social, and governance (ESG) strategies throughout the real estate investment, asset management, risk management, and human resource management processes. Longpoint believes this commitment to responsible investing has the potential to help increase both the sustainability and the value of the portfolio.

Longpoint considers sustainability to be a key driver of value creation in commercial real estate, and is dedicated to minimizing its ecological footprint through environmentally sustainable practices and resource conservation . The Company has a comprehensive ESG (environmental, social, governance) policy that entails sharing sustainability practices with all third-party service providers and tenants, and which focuses on the retrofitting of fixtures for water use, using technology systems to reduce resource consumption, weather-stripping exterior portals, installing LED lights, creating recycling programs, using green cleaning products, and integrating pest management, site management, and landscaping policies. Asset-level improvements are generally planned with sustainability in mind, and use environmentally responsible products where feasible. Longpoint's real estate strategies include expense reductions via lighting upgrades, solar roofs, and other energy efficient measures,

helping the Company reduce its occupancy costs.
Furthermore, Longpoint seeks to partner with its tenants to improve the operational efficiency of their leased premises. Each tenant is thus provided with a brochure detailing sustainability ideas and best practices, and which offers tips for energy efficiency, water efficiency, waste reduction, green cleaning, and general health and wellness practices.

Longpoint is a participating member of Global Real Estate Sustainability Benchmark (GRESS) in 2020. GRESB is at the forefront of standardizing and benchmarking ESG performance with respect to real assets and corporate policy. GRESB is a corporate initiative that encourages employers and tenants to achieve continual asset performance attending to ESG concerns, while boosting the values of real estate assets and helping to build better long-term communities.

A copy of Longpoint's ESG policy is being provided with this response.

## LongTail Alpha
## Systematic Trend Following and Tail Risk

Long Tail Alpha as part of its portfolio management process looks at a number of factors, however, sustainability is not a factor that is reviewed or used in the analysis at the present time, as this strategy invests primarily in futures, options and other derivatives on broad markets.

## Macquarie Infrastructure Partners
## Real Assets

The following response refers to Macquarie Asset Management ("MAM"), the division of Macquarie Group Limited ("Macquarie") in which the respective funds sit. MIP III and MIP IV are managed by Macquarie Infrastructure Partners Inc.

MAM assess a range of commercial factors, including material environmental, social and governance ("ESG") risks and opportunities, before actively investing in companies and managing its portfolios over the holding period. This is part of MAM's fiduciary responsibility to clients. From MAM's experience in the sectors in which it operates, ESG integration can improve operational performance and contribute towards reduced risk, improved productivity, increased cash flow and better long-term value. As such, a disciplined approach to ESG is fundamental.

MAM's approach is materiality-based, where we focus on ESG matters that are most important to each company, its employees and customers, alongside the jurisdictions, industries and communities in which it operates. This commercial focus means there's no compromise between our fiduciary obligations and seeking out attractive, sustainable investments. Once invested, we often engage with company management to enhance value creation and manage risk, focusing on the most material impacts to the business model.

Our Private Markets ESG Policy and supporting guidance set out a framework for systematic due diligence, management and reporting of material ESG risks and opportunities associated with the operations of our Private Markets businesses – across Real Assets, Real Estate, Private Credit and Asset Finance. The policy defines ESG-related escalation requirements, related policies, processes and minimum sustainability standards for the businesses in which we invest and allows us to monitor sustainability and ESG outcomes. Through this framework, ESG considerations are embedded in our investment decision-making process and integrated throughout the investment lifecycle.

For our private infrastructure equity investments specifically, using our proprietary System 7 Asset Management Framework, we work closely with the management of our infrastructure portfolio companies to drive ESG and sustainability performance. We apply minimum sustainability standards that are initially established during the transition of the asset to MAM management and which are enhanced over the asset management lifecycle to ensure assets integrate appropriately high ESG and sustainability standards and objectives. We also ask that our infrastructure portfolio companies complete annual GRESB assessments.

Our approach to private infrastructure equity, which outlines our ESG approach in respect of our direct private markets infrastructure equity where MAM is appointed as discretionary investment manager. This document is available upon request.
For further details of MAM's ESG approach, please refer to:
• MAM's Our Approach to Sustainability document, publicly available at: https://mim.fgsfulfillment.com/download.aspx?sku=MAM-SUSTAIN-APPROACH;
• Additionally, MAM produces an annual Sustainability report that provides an overview of ESG initiatives and outcomes across MAM's businesses. The latest MAM Sustainability report is publicly available at the following link: https://www.macquarie.com/au/en/about/company/macquarie-asset-management/fy23-sustainability-report.html;
• In 2022, MAM was accepted as a signatory to the Financial Reporting Council's UK Stewardship Code 2020, and the latest Stewardship report is publicly available at the following link: https://www.mirafunds.com/assets/mira/our-approach/sustainability/MAM-2022-Stewardship-Report.pdf; and
• For further information and links to Macquarie Group's policies, please refer to Macquarie's Environmental, Social and Governance webpage: https://www.macquarie.com/au/en/about/company/environmental-social-and-governance.html.

## Meketa Private Credit

### Private Credit Discretionary Advisor

Meketa is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and are committed to working together with this network of international investors to put the six Principles of Responsible Investment into practices. We incorporate sustainability and other ESG considerations in our investment decision-making and incorporate an assessment of a General Partner's (GP) approach to ESG as part of our due diligence process. We additionally assess a GP's approach to diversity in our investment process. Furthermore, Meketa makes a strong commitment to identifying and underwriting minority-owned, women-owned and disabled-owned business enterprise ("MWDBE") investment managers to assist with SURS's 20% program goal. To expand Meketa's professional relationships with MWDBE managers we have hosted twelve emerging and diverse manager research events over the last seven years.

## Ares Management

### Meketa underlying Private Credit Manager

Firm
In recognition of the importance of considering environmental, social and governance ("ESG") factors in its investment process, Ares Management adopted a Responsible Investment Program to guide its ESG integration activities across the investment platform and has updated its policy as practices evolve. Ares believes that integrating ESG factors into the investment and portfolio management processes across our platform helps enable us to not only seek to generate attractive and differentiated risk adjusted returns across our investment strategies, but also help drive positive change in our local communities and the world at large. Ares enhanced its Responsible Investment Program in October 2021 to convey our objectives for integrating ESG factors, the principles behind our approach, the governance framework to help ensure continuous improvement, and the implementation steps that bring our approach to life throughout the investment lifecycle in a more formalized and scalable structure. Additionally, Ares published a Climate Change Addendum in 2022.

Ares' Responsible Investment Program is publicly available on our website at: https://www.aresmgmt.com/about-ares-management-corporation/esg

Through our tailored approach to Responsible Investment, we strive to create better investment outcomes and leave a lasting positive impact on our portfolio companies and assets as well as their stakeholders. Given the scale of potential impact, integrating ESG into our investment platform is our most material sustainability issue. In October 2021, we enhanced our firm's Responsible Investment Program, taking a holistic and decentralized approach to incorporating responsible investment into the investment decision-making process. Two primary objectives drive us: 1) identify value-creation opportunities – and their potential risks – as part of seeking to make better investment decisions and enhance returns, and 2) strive to ensure our portfolio companies and investments act responsibly toward their stakeholders and communities at large.

Additionally, we have established eight principles that guide our approach to ESG integration: 1) engage stakeholders, 2) focus on materiality, 3) implement systematically, 4) tailor to each strategy, 5) avoid harm, 6) improve ESG performance, 7) provide leadership and 8) disclose transparency & drive adoption.

We challenge our strategies to meet what we consider the hallmarks of a leading ESG integration plan:
• Local Ownership: Mobilize "ESG champions" in our investment teams, across both tenure and geographies, to take the lead in adapting platform-wide objectives to the local dynamics of each team's culture and investment strategies.
• Map Your Terrain: Define each strategy's landscape from an ESG perspective. Identify the levers of potential influence for promoting ESG objectives in the companies/assets we invest in.
• Set Clear Objectives: Based on the levers of influence and flowing from platform-wide goals, define clear objectives that speak to the different dynamics of the investment strategy.
• Build Your Process: With clear objectives defined, build consistent and repeatable ESG integration steps across the investment lifecycle, in line with, but more specific and tailored than the platform-wide objectives.
• Make it Measurable: Build the process in a way that generates data, where possible, so that internal and external stakeholders can feel confident that we are following through with implementation and intended impact.

Not all of the initiatives or activities above will be implemented for every strategy or all investments in a strategy. In addition, for stakeholders interested in formal commitments relating to ESG, we have the capability (as applicable to strategies) to incorporate and have incorporated limited exclusions and restrictions via side letter provisions that may be of particular importance to a specific client.

As a registered Investment Adviser, we have a fiduciary obligation to place the interests of our clients ahead of our own, and our policies and procedures such as, among others, our Responsible Investment Program, are designed to ensure that our clients' interests come first1.

Strategy
The consideration of relevant ESG factors forms part of the investment process and is the responsibility of the Ares Alternative Credit Team (the "Team"). Investments are made following a rigorous diligence process designed to identify attractive risk-adjusted opportunities that fit within the investable universe of a given fund's guidelines, with a significant focus on risk assessment, including relevant and material ESG-related criteria and downside protection2. As is the case with the comprehensive evaluation of all prospective investments, the consideration of relevant ESG factors is embedded into the Team's investment process. Prior to making an investment, members of the Team complete a comprehensive evaluation of prospective investments, taking into account all applicable considerations, ESG and otherwise.
Although materiality thresholds for ESG issues vary significantly by counterparty/manager, sector, industry and geography, some examples of ESG issues that are routinely considered are:
• Environmental: environmental practices and track record, resource management/usage (e.g. energy, water) and climate change-related risks
• Social: workplace health and safety, labor-management relations, supply chain/sourcing practices and community impacts
• Governance: control, oversight and risk management practices; board structure, composition
Ares' screening framework guides investment professionals in top-of-funnel decision-making by identifying both products / services and practices requiring a more proactive ESG evaluation as outlined on page 4 of our Responsible Investment Program. Investment professionals maintain responsibility and accountability for an investment over its entire life, from diligence to realization. The Team actively monitors and manages a given investment and maintains dialogue with the manager / counterparty on a wide variety of topics (ESG or otherwise) specifically relevant to that investment.

As an example, the Team's investment process for directly originated lender finance investments typically includes a review of the company's lending practices, policies and procedures, marketing materials and form of contract with specialized third-party counsel. The focus of such due diligence is both compliance with law and a review of the applicable business and assets in the context of industry best practices. The Team will generally engage in discussions with such counterparties regarding best practices and may require changes to a counterparty's policies, procedures, marketing materials or form of contract.
To provide additional examples of the various ESG-related factors which are incorporated into the investment process, we document asset eligibility criteria which prescribe the inclusion / exclusion of certain assets as collateral in our transactions, excluding for example any receivables due from an obligor engaged in an industry related to firearms, drug paraphernalia, legalized marijuana, adult entertainment or pornography.

We also include below additional detail on how the Team integrates regulatory and diligence reviews throughout the investment process, as well as how we structure additional protections into each of our investments.

Pre-Closing
- Background Checks – run on key personnel
- Regulatory Review – review of underwriting and servicing policies, contracts/licenses, origination practices
- Field Exam – review compliance with policies and data integrity
- ESG Review – review compliance with Ares' ESG policies as well as the Team's ESG policies
- Investment Committee Approval – required on all investments

Post-Closing
- Background Checks – run on any new key personnel
- Ongoing Regulatory Reviews
- Ongoing Field Exams
- Asset Management Oversight
- Ongoing ESG assessment and scoring

Additionally, we have detailed below certain sectors / types of loans that the Fund will not pursue.
- Consumer
  - Payday Loans
- Commercial
  - Financing to an industry related to firearms, drug paraphernalia, legalized marijuana (including medical marijuana), adult entertainment or pornography

1 APC Management, L.P., a Delaware limited partnership (the "General Partner") serves as the General Partner of the Fund. The General Partner is controlled by an affiliate of Ares Management Corporation. The General Partner recognizes it has a fundamental fiduciary duty to act in the best interests of our clients and primarily to achieve the expected investment returns; as such, we have a responsibility to ensure assets under our stewardship are managed in a way which maximizes stakeholder value. We therefore seek to implement our investment activities, ESG or otherwise, in line with our fiduciary duty to the Fund.
2 References to "downside protection" or similar language are not guarantees against loss of investment capital or value.

## <u>Atalaya Capital Management</u>

### Meketa underlying Private Credit Manager

Atalaya's private credit investment focus, sustainability factors may be identified and characterized in a wide range of contexts, including in situations where Atalaya has very limited visibility, control or ability to exercise influence. Nevertheless, the following factors tend to be the most relevant sustainability considerations applicable to Atalaya's investment strategy:
- Utility of Financial Products: Atalaya avoids payday, title and pawnshop lending platforms which have the high potential of creating debt traps that hurt the long-term viability of the consumer and are generally at higher risk

for regulatory scrutiny. We believe companies that provide their customers with products and services that provide utility tend to generate superior risk adjusted returns.
• Company Governance: Atalaya avoids investments in companies and/or platforms with track records of misrepresentation, regulatory violations, and/or unethical business activities. We believe alignment with potential counterparties with respect to principles such as transparency, internal controls, risk management, accounting techniques, conflicts of interest and legal and regulatory compliance is necessary.
In addition to the specific considerations above, Atalaya considers other sustainability factors, but those factors are evaluated on a case-by-case basis in the context of the Firm's fiduciary duty.

## Brightwood

### Meketa underlying Private Credit Manager

ICG has been a signatory to the United Nations sponsored Principles of Responsible Investing ("UN PRI") since 29 April 2013, and is committed to the UN PRI's six principles.
Brightwood maintains an ESG Policy that was last updated in May 2023. The Firm will conduct a periodic review (i.e., every 2-3 years) of the policy and make updates as necessary or advisable. Brightwood has a governance policy in place that requires investment professionals to take into account ESG issues during the due diligence process. In addition, as part of the compliance testing, the Firm may review portfolio company's adherence to the ESG Policy.
On deals in which Brightwood is the lead arranger and/or the Brightwood commitment is over $75 million, immediately after underwriting staffing, underwriters are to engage the third-party ESG advisor, Malk Partners ("Malk"), to perform an opportunity-specific "screen," to determine whether there are any salient ESG "red flags" that could be an impediment to the opportunity, such as a track record of repeat significant employee safety events. For opportunities in which the Brightwood commitment is over $75 million and/or the red flag screen comes back with material findings as dictated by the third-party advisor, underwriters are to solicit a more holistic asset-level ESG diligence review from the third-part advisor, to maintain an objective, unbiased perspective on the opportunity's ESG merits and risks, to supplement the findings from the red flag screen.
At Brightwood, all matters related to ESG are subject to the primary oversight of the Head of Investor Relations and ESG, Zakira Ralling, as well as other members of various teams, including origination, underwriting, and portfolio monitoring groups. Christopher Warren is an Investment Director and oversees ESG during the investment diligence process. Brightwood also has an ESG & DEI Committee comprised of the following professionals:

- Sengal Selassie, Managing Partner & CEO
- Zakira Ralling, Director, Investor Relations & ESG
- Sachin Goel, Managing Director, Head of Capital Markets
- Frank Cross, Managing Director, Origination
- Jamie Allen, Managing Director, Underwriting
- Arlene Shaw, Managing Director, Head of Treasury

## Crayhill Capital Management

### Meketa underlying Private Credit Manager

Crayhill's integration of sustainability factors is governed by its Environmental, Social, Governance ("ESG") Policy. The ESG policy sets forth several industries and sectors that Crayhill will not invest in, including ones with negative environmental impacts. Separately, Crayhill conducts ESG diligence, pre-investment and annually on an ongoing basis, on each of its borrowers to understand what sustainability principles and practices are conducted. Finally, one of Crayhill's core themes is in the Renewable Energy space with investment experience and activity spanning solar, battery storage and wind power.

## Fortress Investment Group

### Meketa underlying Private Credit Manager

The Fortress Credit and Real Estate Funds have adopted an ESG policy, a portion of which is excerpted below. The full policy is available on the Fortress website.
"Fortress' mission is to deliver superior risk-adjusted returns to its investors. Fortress manages its investment funds and accounts through entities that are registered as investment advisers under the Investment Advisers Act

of 1940 (the “Advisers Act”) and through entities that operate under a single set of policies and procedures that are designed to comply with the requirements of the Advisers Act. Each such entity is a statutory fiduciary under the Advisers Act. In this fiduciary role, we recognize that environmental, social, and corporate governance (ESG) issues can affect the performance of our investment portfolios (to varying degrees across companies, sectors, regions, asset classes and through time). Accordingly, Fortress regularly assesses such factors as part of its investment process in a manner consistent with Fortress’s fiduciary obligations to its investors under the Advisers Act.

ESG issues present regulatory, market, reputational and operational risks and opportunities that should be considered when analyzing the prospective returns of an investment. We believe that long- term value may be enhanced if we assess relevant ESG risks and help our investee companies identify appropriate areas for improving ESG matters. The purpose of this policy is to outline how Fortress incorporates ESG issues into the investment and asset management processes across asset classes in its mandate.

In evaluating an existing or prospective investment, Fortress investment professionals may generally seek to (a) identify material ESG issues that may affect the investment, (b) analyze the relative importance of, and risk posed by, any such identified ESG issue, (c) consider the costs and benefits of potential remedial measures, and (d) assess Fortress’s ability to influence change in the context of overall investment performance. Based on the foregoing analysis, Fortress may seek to foster change in some circumstances or to forego investments in others. Because Fortress is a global investment manager, it invests on behalf of clients in a wide range of asset classes, including distressed debt, asset-backed securities, orphaned assets, corporate debt, convertible securities, real estate and listed equities. However, our ability to assess and influence ESG issues in practice will vary significantly by strategy and investment. Strategies where we have access to full due diligence and where we obtain majority equity ownership or control may allow us to better detect and address ESG issues relative to strategies where we may be limited to publicly available information or have a non-controlling investment. In addition, because Fortress primary investment focus is the generation of superior risk-adjusted returns, we may make or maintain investments even in the face of ESG issues as we deem appropriate for our investors.

This policy is informed by principles that are principally consistent with those set forth in the U.N. Principles for Responsible Investment (the “UN PRI”). Our goal is to apply the fundamental principles of the UN PRI in the context of Fortress’ investment strategies and taking into account our mission.

Specific ESG guidelines

1. In considering a potential investment, the responsible investment professionals may conduct a high- level assessment of the investment’s ESG profile. A high-level assessment of a potential investment’s ESG profile is not expected to involve a formal process or documentation, but rather a general review of material factors that may be relevant to ESG risk. Investment professionals should use their best judgment in identifying such issues and are encouraged to consult with their colleagues and the Fortress Legal and Compliance Department if they have questions or concerns. A descriptive list of relevant ESG considerations is set forth below, although investment professionals are encouraged to use their judgment and think analytically about ESG issues and not be limited to a checklist of particular items:

A. Environmental Issues. These issues include a company’s profile with respect to CO2 emission and climate change, waste generation and mitigation practices, utilization of renewable fuels, commitment to resource conservation, energy efficiency and chemical safety.

B. Social Issues. These issues include a company’s profile with respect to compliance with applicable law and regulation relating to bribery, political contributions, money laundering, equal employment and labor laws (including child labor), fair compensation, worker health and safety, terrorism and combat weapons.

C. Governance Issues. These issues include a company’s profile with respect to transparency, internal controls, risk management, executive compensation, shareholder rights, accounting techniques, independent oversight, conflicts of interest and legal and regulatory compliance.”

Additional note: Fortress has engaged with IFRS and is in the process of integrating use of the SASB materiality map into its due diligence and investment decision making process.

## <u>HPS</u>

**Meketa underlying Private Credit Manager**

HPS maintains an ESG Framework, which the Firm uses to employ an ESG integration strategy to its investment risk management by seeking to identify and assess material risk factors as part of the deal due diligence process. HPS formally implemented its ESG Framework in October 2016 and most recently made enhancements to the Framework in January 2023.

In connection with the majority of HPS private credit investments, ESG issues are generally considered as part of the due diligence process and are incorporated into the Investment Committee memos and approval process. As such, ESG factors are an input into HPS's investment process. HPS is also a subscriber to RepRisk, a third-party system which tracks regulatory and legal filings relating to certain ESG issues on over 200,000 companies. For private credit investments, RepRisk is generally used as a complement to the ESG assessments performed by the respective investment team. For both private credit and liquid credit investments, a review of RepRisk may be part of the initial due diligence process as well as part of regular updates on ESG issues that HPS endeavors to conduct. Furthermore, HPS recognizes that businesses in certain sectors and sub-sectors may inherently have enhanced ESG risks. As a result, HPS has a pre-defined list of "High-Risk Areas of Concern" that automatically trigger enhanced due diligence for private credit investments in those sectors. Examples of those high-risk areas of concern include but are not limited to, adult entertainment, coal, controversial weapons and firearms, gambling, hydraulic fracturing, mining and extraction, nuclear energy, payday lending, private prison operators and tobacco and nicotine.

The Chief Administrative Officer ("CAO") is primarily responsible for maintaining and operationalizing the ESG Framework at the Firm-level, while all HPS investment professionals are jointly responsible for considering and analyzing ESG factors throughout the investment process. Furthermore, HPS has an ESG Forum (chaired by the CAO) that aims to convene quarterly to provide guidance concerning the Firm's ESG Framework and periodically review certain investments identified as having heightened ESG risks. In addition to the CAO, the ESG Forum comprises senior investment and infrastructure professionals including the Firm's CFO/CRO, General Counsel, CCO.

## ICG

### Meketa underlying Private Credit Manager

ICG's Responsible Investing Policy covers 100% of ICG's assets under management and was initially established in 2013. All investment teams within ICG utilize a responsible investment approach throughout the life of an investment. Pre-investment, all strategies screen potential companies across the Firm's exclusion list before performing an ESG assessment through strategy-specific checklists that includes a climate risk assessment. Standard practice across the Firm is to include ESG findings in investment proposals. ICG will also utilize third-party ESG due diligence expertise that also incorporates a climate risk assessment.

ICG has a firm-wide exclusion list and will not make investments in companies that do not align with ICG's corporate values and ESG objectives. The exclusion list includes: i) business that manufacture, distribute or sell anti-personnel landmines, nuclear, chemical or biological weapons, or cluster bombs or munitions; ii) businesses that use harmful or exploitative forms of forced or child labor; and iii) businesses whose principal activity is the direct manufacturing of arms, ammunition or tobacco, or coal and/or oil upstream. ICG also does not invest in sanctioned countries.

During the investment period, ICG teams will at a minimum engage regularly with assets or General Partners and perform annual monitoring of ESG matters through surveys and portfolio reviews. When necessary, the Firm will engage with portfolio companies by raising ESG-related issues to boards or Limited Partner Advisory Committees (LPACs), implementing ESG action plans and targets, establishing ESG key performance indicators (KPIs), and assessing the carbon footprint of portfolios.

Investors in SDP 5 will receive a quarterly ESG update that incorporates the outcomes of the Firm's proprietary ESG rating, latest results of the ESG survey, climate metrics, and relevant Sustainable Finance Disclosure Regulation (SFDR) disclosure requirements.

## Neuberger Berman

### Meketa underlying Private Credit Manager

Firm Level ESG Integration

Individual research analysts and portfolio managers are responsible for implementing ESG integration in their portfolios and investment research for funds and accounts that incorporate financially material ESG factors. We believe that this bottom-up approach encourages strategy-specific innovation while allowing each portfolio management team to learn from best practices.

For all ESG integrated strategies, each portfolio management team selects an approach from our ESG Integration Framework: Assess, Amplify, Aim for Impact or Avoid. In building their portfolios, portfolio managers consider whether to:

• Assess - reach a more holistic understanding of risk and return
• Amplify - tilt the portfolio to best-in-class issuers
• Aim for Impact - invest in issuers that are intentionally generating positive social/environmental impact
• Avoid - or simply exclude particular companies

We believe our approach to integrating ESG factors into our investment processes is consistent with our fiduciary duty to investors. Our focus on material ESG factors, as one investment input alongside many other traditional factors, could enable our identification of key risks that individual issuers may face in the near term or over the long haul. We also recognize that certain clients may desire a more outcomes-based approach, which is why we also offer Amplify, Aim for Impact and Avoid strategies. Amplify and Aim for Impact strategies are appropriately labelled in the product name as either “sustainable” or “impact” products.

We formalized our Product Labelling System to help communicate our approach to integration and to meet client demand:

• For “ESG Integrated” (used in description of strategy and fund offering documents, but not in the fund names): Portfolio managers consider one or more financially material ESG factors alongside traditional factors in their investment decisions. However, these ESG factors are generally no more significant than other factors in the investment selection process. Therefore, ESG factors may or may not be determinative in deciding to include or exclude any particular investment in the portfolio.

• For “Sustainable” (in name of strategy and offering documents): Portfolio managers use their judgment to actively seek to identify high-quality, well-positioned issuers with leadership on relevant ESG factors. For corporates, portfolio managers seek to identify issuers with either sustainable business models and practices or sustainable products or services. Where possible, engagement with issuers serves to inform portfolio manager judgment around the trajectory of the issuer and its commitment to continuous improvement. All issuers must exceed minimum levels of good governance, not violate global standards, and not be involved in certain activities as defined by our Sustainable Exclusion Policy.

• For “Impact” (in name of strategy and offering documents): Portfolio managers seek to achieve measurable positive social and environmental outcomes for people and the planet alongside a market-rate financial return. The core business, products, services or use of proceeds of each investment contributes to solutions of pressing environmental and social issues. Furthermore, all holdings meet the same minimum levels of good governance, global standards and business activities as in our Sustainable Exclusion Policy.

The approach to integration can be customized by type of investment vehicle: for example, to implement client-specific avoidance criteria, to tilt toward specific ESG characteristics valued by the client or to seek certain types of positive impact that are meaningful to the client.

In keeping with our belief that ESG integration must be based on the principle of materially impacting performance or risk and be appropriate for the specific investment process, our teams do not simply rely on a third-party ESG research provider for ESG analysis. Instead, portfolio managers and research analysts have access to a wide range of ESG data sources and research providers, including our Neuberger Berman Industry Materiality Matrix, as well as the advanced analytics capabilities of our Data Science team and the insights we glean from engaging directly with investee company management teams. We combine this work and resources into the NB ESG Quotient, an industry-relative rating for many companies covered by our central equity and credit analysts on ESG characteristics. The ratings are available for all investment professionals at Neuberger Berman. The underlying data is updated weekly, and the rating methodology is reviewed at least annually by sector analysts.

In addition, we integrate climate risk analysis into our portfolios where applicable. We have implemented climate scenario analysis for all listed equity and corporate bond portfolios. This security analysis results in an aggregate Climate Value-at-Risk at the portfolio level based on a range of scenarios, including those aligned with a 2° Celsius and a 1.5° Celsius transition. Climate VaR is reviewed at least annually for each investment strategy and the security-specific Climate VaR helps prioritize engagement with issuers. We have published an independent TCFD report.

Our internally managed registered funds follow our Thermal Coal Involvement Policy which subjects new direct investments in companies with >25% of revenue from thermal coal mining or are expanding new thermal coal power generation to formal review and approval by Neuberger Berman's Environmental, Social and Governance ("ESG") Committee before the initiation of any new investment positions in the securities of such companies. Registered funds include commingled U.S. mutual, exchange traded and closed-end funds, and international UCITS portfolios. The Thermal Coal Involvement Policy does not apply to sub-advised funds. All UCITS apply a formal Neuberger Berman UCITS Controversial Weapons Exclusion Policy, which defines specific exclusion criteria.

Each portfolio management team determines how best to achieve its ESG integration objective and lays out how ESG analysis is conducted in an effort to mitigate risk and enhance opportunity, how ESG issuers are analyzed and measured at the security level, and how they influence portfolio construction.

Multi-Sector Credit ESG Integration:

Neuberger Berman's Fixed Income Platform (the "Platform") incorporates ESG factors in our sector research and security selection. We believe that the consideration of material ESG factors is critical to our credit underwriting process. We believe that systematic integration of these considerations combined with our engagement activities can help us reduce the overall credit risk of our portfolios and enhance our analysis. As such, we have developed a proprietary ESG scoring system, called the NB ESG Quotient, for our corporate holdings across Global Developed Markets Credit, both Investment Grade and Non-Investment Grade, as well as for Emerging Market Debt (Local Rates, FX, Sovereign Credit and Corporate Credit). We also integrate ESG factors into our Municipal research process.

The Platform's Multi-Sector Fixed Income capabilities bring these sector-specific ESG processes together through a suite of multi-sector fixed income investment strategies. Please see below for a summary of how ESG factors are incorporated into our research process.

ESG analysis is an important component of the Global Investment Grade Credit and Global Non-Investment Grade Credit teams' (the "Teams") fundamental credit research, which is overseen by respective Credit Committee (Committees comprised of the Global Investment Grade and Global Non-Investment Grade teams' most senior investment professionals, respectively). The Teams believe these factors can help identify business risks, which could cause deterioration in an issuer's credit profile. The Teams have integrated ESG issues into their Credit Best Practices framework since the inception of the framework and have more recently formalized the framework in the form of a proprietary ESG scoring system, the NB ESG Quotient. The Teams are directly engaged in the ESG research process – it is not outsourced to a third party or a different group within the firm – and derives ESG Quotients as part of their credit underwriting process. Importantly, these proprietary scores are assigned to all covered issuers, even those not scored by third party services and including privately owned companies, which the Teams believe is unique to the market. Further, the ESG Quotient is a key component of the Teams' internal credit ratings, which can be raised or lowered depending on our view of the ESG profile of the issuer. By integrating proprietary ESG analysis into their internal credit ratings, the Teams establish a direct link between their analysis of material ESG factors and their portfolio construction activities across strategies.

The NB ESG Quotient is built around the concept of sector specific criteria, which focuses on the ESG issues that we believe are the largest drivers of credit risk in each industry. The Sustainability Accounting Standards Board ("SASB") framework for sector specific criteria are used as a starting point, but the Teams customize each set of sector criteria based on their judgment, leveraging their significant sector/industry expertise. The Teams also assign weightings to E, S and G which vary by sector and are aimed at enhancing their credit risk assessment.

Private Debt IV Integration:

NB Private Markets believes that incorporating ESG considerations throughout its investment process can potentially lead to more consistent and better investment outcomes by helping to identify both material risks and opportunities to drive value. We are focused on long-term partnerships and engaging with our partners to promote ESG integration best practices.

• Oversight and Responsibility - NB Private Debt deal teams are responsible for conducting the ESG analysis and the Investment Committee is responsible for considering ESG factors as a part of their overall investment evaluation. Deal teams can leverage the firm's broader ESG capabilities and resources, including firm ESG policy and climate strategy, and ESG data and analytics.
• Due Diligence and Selection – ESG analysis is generally a part of the investment due diligence process and is included in the Investment Committee memos. ESG due diligence focuses on assessing industry-specific material ESG factors, ESG factors specific to the business and an ESG assessment of the lead sponsor.
• When conducting due diligence on companies, NB Private Debt investment teams can utilize the proprietary NB Materiality Matrix to assess industry specific ESG factors that are likely to be financially material (informed by the firm's research analysts) as well as the lead GP's level of ESG integration based on our Manager ESG Scorecard.
• In January 2023, NB Private Debt began seeking to collect carbon footprint and intensity data, to the extent companies were already reporting such information.
• NB Private Debt investment teams are able to utilize our proprietary Manager ESG Scorecard to assess the lead GP's level of ESG integration at both the firm and the fund strategy level based on industry best practices. Our Manager ESG Scorecard assesses the GP's commitment to ESG by evaluating the firm's ESG policy and governance, ESG objectives and how well ESG is incorporated into the investment process (due diligence and selection, ownership, and ongoing monitoring and reporting)
• Monitoring and Ownership – Investments are monitored for ESG violations and real-time risks by leveraging big data capabilities. Additionally, where applicable, NB Private Equity shares results from ongoing GP engagements.
• Real Time ESG Risk Alerts – NB Private Debt utilizes analytics in partnership with RepRisk to track publicly available information to flag significant ESG-related issues. NB Private Debt tracks certain companies and GPs to identify key ESG risks such as United Nations Global Compact violations and safety issues via a watchlist and alert system on a real-time basis.
• Ongoing Dialogue with GPs – As part of its post-approval process, NB Private Equity monitors investments through periodic review of portfolios and underlying investments, driven by regular and ad-hoc communication with GPs. Where applicable, NB Private Equity will share this information with NB Private Debt.
• Annual Monitoring Questionnaire - NB Private Equity distributes a monitoring questionnaire via a third-party software platform to collect data from GPs on at least an annual basis but often more frequently for specific client programs. Where applicable, NB Private Equity will share this information with NB Private Debt.
• Benchmarking - NB Private Markets has the ability to assess a GP's progress on ESG integration over time as well as compared to peers according to our Manager ESG Scorecard benchmarking.

NB Private Debt employs several tools in its ESG due diligence:
• Checklist – To document alignment with the Private Markets Avoidance Policy and note potential risk incidents or controversial exposures.
• Manager ESG Scorecard – To assess GP level of ESG integration at firm and strategy levels based on industry best practices, deriving a quantitative score (1-4).
• NB Materiality Matrix – To identify industry-specific ESG factors that are likely to be financially material for a given asset/company. This is a product of collaboration between NB Equity Research and ESG Investing over

multiple years. Based on industry standards as a starting point (Sustainability Accounting Standards Boards) and enhanced with sector expertise and judgement.

## PIMCO

### Meketa underlying Private Credit Manager

PIMCO seeks to consider Environmental, Social, and Governance ("ESG") factors in its investment analysis and business management processes in order to help identify credit risks or tailwinds associated with any particular business model. PIMCO has a dedicated ESG Leadership Team responsible for leading firm-wide ESG integration and enhancing ESG capabilities integrated across all functions of the Firm. The Firm consistently evaluates ESG risk factors from both a macro (top-down) and security-specific (bottom-up) perspective. This process emphasizes analysis of broad secular trends affecting both global ESG trends and long-term asset returns.

PIMCO is constantly looking to improve proprietary research with specific ESG-related attributes and dedicated scoring methods. The Firm hosts training sessions for analysts on available scoring methodologies, ESG systems, data and tools. PIMCO also organizes annual Secular Forums devoted to identifying and analyzing longer-term trends and the analysis of ESG-related issues that will affect the global economy and financial markets.

The proposed Fund is not a dedicated ESG strategy and does not include explicit ESG screens during the investment process. However, internal and external ESG data and analysis remains readily available to all portfolio managers, traders, and research analysts across the Firm. The investment process incorporates aspects including but not limited to industry specific factors, regulatory risks, reputational risks, governance structure, environmental considerations, legal risks and structural risks. These aspects may overlap, to varying degrees, with factors also relevant in the context of ESG analysis.

In addition to ESG integration during the investment process, PIMCO requests that temporary employees and consultants attend their compliance training and expect vendors to adhere to the Firm's EEO policy. However, PIMCO does not maintain a formal responsible contractor policy.

## Silver Point

### Meketa underlying Private Credit Manager

Silver Point maintains an environmental, social, and governance ("ESG") policy which defines the Firm's approach to integrating ESG considerations into the evaluation of investment opportunities. The Firm believes ESG must be taken into consideration as issues related to ESG can impact investment risk and returns. The compliance department within Silver Point is responsible for facilitating the implementation of this policy and for maintaining and updating the policy as necessary.

The Firm's ESG committee is currently working on formalizing a more structured process which will be integrated into the investment diligence procedures. The committee intends to create a standardized list of questions for all investment due diligence across strategies. The responses to these questions will be included in investment memorandums in the future. ESG risks will be clearly stated in all investment memorandums as part of this more formal structured process. The ESG committee is currently comprised of seven members. Each business unit within the Firm is represented on the ESG committee.

## Silver Rock

### Meketa underlying Private Credit Manager

Silver Rock has a policy that describes our approach to identifying, evaluating, and integrating material environmental, sustainability, social, and governance factors within our investment and portfolio management processes. These principles are woven into Silver Rock's investment process and broad organizational processes as we seek to create long-term value for our investors, investments, and the broader communities in which we live. Silver Rock Capital Partners LP, a relying adviser of Silver Rock Financial LP self-certifies that it meets the requirements to be considered a minority-, woman-, person with a disability-owned business as defined by the Illinois Statute 30-ILCS-575 Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

## Sixth Street TAO

### Meketa underlying Private Credit Manager

Sixth Street became a signatory to the United Nations-supported Principles for Responsible Investment ("UNPRI") in 2020. Sixth Street has a Responsible Investment Policy that aligns with and is informed by six principles set forth by the UNPRI. The Firm's compliance with this policy is continually monitored by the ESG Oversight Committee, which comprises Adrienne von Schulthess (ESG Lead), Jennifer Gordon (Partner), Ahsha Haggart (Partner), Steven Pluss (Partner), David Stiepleman (Partner), Josh Peck (General Counsel), and Patrick Clifford (Managing Director). The policy was last reviewed in August 2022 and will be reviewed again in August 2023. While formal reviews are conducted annually, Sixth Street intends to continually update the policy on an as needed basis to reflect the needs of its platforms and evolving expectations of its stakeholders. Internal policy sponsors include the Firm's CRO, CCO, and GC, as well as key stakeholders from the Core Investment Committee. Sixth Street regularly provides training and other tools to its employees to ensure that they understand the policy and can identify, assess, and raise relevant ESG issues where appropriate.

As a credit investor, Sixth Street often has limited access to ESG-related information and a limited ability to influence the activities of portfolio companies. The Firm's ability to access this information and influence outcomes at the portfolio company level varies based on its level of control. Sixth Street may have either full control, influence through governance rights, or no control. However, irrespective of the Firm's degree of control, ESG considerations and risks (as well as any potentially significant impacts thereof) are assessed to the fullest extent possible based on the information available and factored into the credit underwriting process. Deal teams are expected to present these findings to the ESG Oversight Committee throughout the deal underwriting process. The Firm may decide not to move forward with a particular investment if there are significant ESG risks present.

Sixth Street provided two examples of dealing with ESG matters at the portfolio company level. Brief summaries of each are provided below.

Crisis Response Efforts in Ukraine - Project Santa Rosa: In July 2021, Sixth Street invested in Project Santa Rosa, a provider of data integration, AI-powered automation offerings, business analytics, and consulting services to the healthcare industry. Sixth Street's More Than Capital team is supporting the company's efforts to source supplemental development talent outside of Ukraine. Additionally, it is assisting in actively monitoring the health and safety of the employee base in the region as well as monitoring critical security and client satisfaction metrics as part of the company's business continuity plan. The company continues to navigate ongoing geopolitical tensions due to a significant amount of its offshore development personnel being Ukraine based.

Water Management in Agriculture - Project Gumball: In 2022, Sixth Street transitioned 1,140 acres of flood irrigated farmland in Arizona to Subsurface Drip Irrigation. Subsurface Drip Irrigation is reportedly 30%-35% more efficient than flood irrigation, as it eliminates surface water evaporation and runoff. Sixth Street utilizes a variety of advanced water-saving technologies in its agriculture portfolio, including Variable Frequency Drives (VFDs), sensors, and weather stations. In addition, the Firm is also evaluating several variations of Subsurface Drip Irrigation in vineyards, along with overhead fogging systems in apple orchards for cooling rather than traditional overhead sprinklers that require greater water volumes.

## Turning Rock

### Meketa underlying Private Credit Manager

"Corporate Governance and Leadership Factors

Turning Rock Partners (herein referred to as the "Firm" or "Turning Rock") makes a significant effort to identify and appoint diverse Directors and Board Observers when given such rights. Any Board-level engagement Turning Rock makes with its portfolio companies is inherently mindful of diversity objectives, which we strongly support and promote. An example of this was seen in one of our portfolio companies which lacked diversity in its corporate board - Turning Rock identified and nominated a diverse candidate to its governance constituency. This individual now Chairs the company's Audit Committee and sits on the Board of Directors.

Turning Rock is a founding signatory of the ILPA Diversity in Action initiative, and conforms to ILPA's reporting framework, which includes specific ESG reporting on a quarterly basis. Turning Rock has not made formal commitments or contributions to climate-related standards or reporting; the Firm may consider various approaches to climate change in the future.

Turning Rock's investment professionals are all generally responsible for the implementation of our ESG integration strategy. Different investment professionals will take leading roles in managing ESG risks and opportunities, including those related to climate (if applicable), on a case-by-case basis, depending on their level of involvement and the investment structure related to a specific deal. Turning Rock views its investment professionals as the most qualified persons to evaluate deal related ESG risks and opportunities given the nature of the Firm's investment strategy, their unique industry expertise, and their on-going involvement in managing the portfolio. The founding partners of Turning Rock, in conjunction with members of the Firm's operations and compliance team, are responsible for oversight of the Firm's ESG policy. The founding partners are qualified for this role given both the seniority of these professionals at the Firm and the significant appreciation and knowledge of how the Firm and its counterparties can collaborate to ensure adherence to policy statements. When engaging with portfolio companies, Turning Rock generally engages with third-party ESG consultants who carry out certain of the Firm's ESG implementation responsibilities (e.g., initial ESG diligence).

Turning Rock views our ESG and DEI programs as integral to the Firm's success and considers these as factors in performance reviews for relevant professionals.

Turning Rock monitors and tracks ESG key performance indicators for the investments we make. Turning Rock tracks a company's ESG progress using guidance from the Institutional Limited Partner Association (ILPA) Diversity and ESG Reporting templates. In addition, identified ESG factors are reviewed by the relevant investment team member on a periodic basis as part of the Firm's portfolio management activities.

The KPIs we track across all portfolio companies may include: revenue, job creation (net change in employees), total number of employees, and diversity of gender and race across management and employees (where disclosed or made available). On an individual company basis, we will track material KPIs identified during the diligence phase and highlighted by the investment committee, as a means to track progress on mitigating ESG risks or capitalizing on ESG opportunities.

Environmental Factors
When applicable, the Firm encouraged relevant portfolio companies to evaluate their climate/environmental risk, as well as their direct and indirect impact on increasing climate risk in the industry in which they operate. As part of this effort, Turning Rock encouraged portfolio companies to evaluate their environmental risk on a regular basis; to explore carbon offset opportunities where appropriate; and monitor key environmental KPIs where practicable (e.g., electricity and water usage, and increase use of renewable power sources).
Certain of our portfolio companies track GHG emissions and we encourage all portfolio companies to consider environmental impact, including carbon emissions.
Turning Rock undertakes various activities as a Firm, including environmentally focused initiatives (e.g., recycling efforts), philanthropic initiatives (e.g., donations to local organizations and crisis relief contributions) and employee engagement initiatives (e.g., Firm-wide activities) that further align the Firm's corporate practices with this ESG Policy.

Social Capital Factors
Within the Firm's fund documents, Turning Rock has clearly established "no-fly" zones for certain industry sectors which are in keeping with its ESG Policy and preferred value framework. Turning Rock has an inherent awareness and appreciation for ESG priorities. Turning Rock has established a set of guidelines to evaluate ESG related matters as part of the Firm's due diligence on potential investment opportunities, which generally considers environmental, public health, safety and social issues. With respect to environmental impact across its portfolio, Turning Rock generally avoids companies or assets that are producers or miners of oil & gas, minerals or scarce resource sectors. Other sectors that Turning Rock avoids for investment include tobacco, cannabis, pornography and weapons-related products or services.

Human Capital Factors
The Firm actively trains and promotes both investment and operational talent to encourage and to promote talent towardsleadership and partnership roles. We engage members of the Firm with proactive career development. We also provide supplemental training where necessary to refine and hone professional skills at the Firm's expense. The Firm offers professional coaching with outside parties covering management or soft skills training or more informal coaching on an ad hoc basis for existing employees in an effort to foster the next generation of Turning Rock leaders. Finally, Turning Rock extends its deep network to its employees to foster professional development,

to promote industry networking and to enhance career-building opportunities. Employees and partners have an opportunity to network and to attend events sponsored by these counterparties and others as a means to expand professional networks and to develop as a buy-side ambassador for the Firm.

In March 2022, Turning Rock enacted flexible work policies, which includes the ability to work in a hybrid mode between the office and remotely. In addition, Turning Rock provides healthcare to all employees (including coverage of healthcare premiums). Please refer to the company's policy statements on compensation, benefits, family leave and other emergency backup services described above.

Turning Rock Partners created a Family Leave Policy in 2022 that provides job protected time off to bond with a newly-born child, care for a family member and assist loved ones when a family member is deployed abroad on active military service.

In 2023, we are reviewing an additional annual training segment for employee awareness.
The firm actively promotes DEI / ESG training and has implemented an annual training platform for all employees. Managers are required to take an additional course to ensure that they are educated in managing a diverse team.

Business Model and Innovation Factors
ESG-specific value creation plans are not developed by Turning Rock; however, if a material ESG risk or opportunity is identified as part of diligence, and Turning Rock determines to move forward with a prospective portfolio company, Turning Rock will generally address such factor as part of the Firm's portfolio monitoring process.
As an example, in Q3 2021, the Firm conducted diligence, and ultimately invested in, a food processing and manufacturing firm. In the course of diligence, the Firm's investment professionals, along with the ESG Consultant, identified gaps in the portfolio company's HR and governance policies. As part of Turning Rock's engagement with the company post-investment, such identified gaps were monitored as key areas for improvement. Turning Rock then collaborated with the company to identify a provider to assist with the update of such policies. In 2022, the Firm introduced a new portfolio company investment to a recruiting-based service provider who can assist with identifying diverse talent."

## Mesirow Financial
## Private Equity

An ESG analysis is conducted to broaden the view of potential risks that could impact a general partner's organization and their portfolio. This ESG analysis supports a more refined understanding of an investment. Specifically, when evaluating general partners for inclusion in the Firm's private equity fund-of-funds program, the deal team reviews several ESG factors, including: 1) Evidence that ESG factors were considered during investment due diligence and as part of the underwriting process to assess value, 2) Whether the general partner is a signatory to PRI or other ESG initiatives and frameworks, such as the ESG Data Convergence Project, TCFD, the United Nation's Sustainable Development Goals {SDGs) or the International Sustainability Standards Board's (ISSB) standards, 3) How a manager engages with portfolio companies to address ESG deficiencies or issues post-investment, 4) Evidence that ESG factors are being regularly monitored {at least annually), and 5) Publication of an ESG annual report, detailing the relevant metrics for investments. Underlying managers' ESG policies are reviewed for completeness. Any questions or concerns are directed to the manager. If a manager does not have a formal ESG policy, we discuss their general consideration of these risks and attempt to influence a more formal approach. Furthermore, we actively review all prior private equity investments in a prospective manager's relevant track record prior to any new capital commitment. Based on materials provided to us by the prospective managers and information included in the offering materials, we screen prior portfolio companies for obvious ESG risks or lapses. As appropriate, we discuss identified ESG factors with the prospective managers to better understand their risk mitigation strategy. Qualitative and quantitative data is tracked in Mesirow Private Equity's ESG Scorecard, a proprietary tool to track and assess risk factors related to the environment (i.e. managers' consideration of climate-related risks, tracking of sustainability-related KPls at the portfolio company level, firmwide sustainability initiatives); society (i.e. diversity and inclusion metrics, worker safety, community engagement) and corporate governance (i.e. compliance policies and procedures, transparency, formalization of ESG oversight). ESG analyses are formally documented in investment memos, which are presented to the Investment Committee. Any question of integrity, evidence of ESG negligence, or otherwise questionable conduct by a manager would generally result in rejection from our investment process. Our partnership investment selection process specifically emphasizes commitments to established managers with leading industry reputations. We believe that effectively managing ESG risk factors ensures sound governance {alignment of interests, ownership and compensation structures, accounting practices, transparency and accountability), and is the bedrock of best-in-class general partners. Therefore, most of the managers selected for inclusion in our portfolio have formally incorporated ESG principles into their investment and ownership practices.

## Mondrian
### Global Equity

Mondrian takes a value-oriented, risk-based approach to equities investment management utilizing a long-term Dividend Discount Model (DDM). Our focus is on generating alpha for our clients and providing a rate of return meaningfully greater than our clients' domestic rate of inflation with strategies that seek to preserve capital during protracted market declines. In pursuit of these investment benefits, Mondrian employs a long-term, fundamental approach to research in which financially material environmental, social and governance issues play a role when valuing markets and companies for potential investment.

Since the firm's inception, Mondrian has aimed to consider all material factors that could influence the future cash flows of companies, incorporating the analysis of environmental, social and governance risks and opportunities as a normal part of the valuation process. We believe that the forward–looking, long-term nature of our investment methodology (DDM) lends itself to incorporating financially material ESG considerations into our analysis that are themselves often long-term in nature. By considering this broader range of issues that can impact a company, we are better positioned to assess a company's risk adjusted returns. In addition, we have an active engagement process, with regular interactions with companies, helping us to better understand the financially material ESG risks and opportunities that may impact the cash flow profiles of the businesses in which we invest.

Mondrian has developed a proprietary ESG evaluation framework (the ESG Summary Report) for documenting ESG considerations applicable to stocks in all equity products; our analysis of financially material ESG considerations is transparent, systematic, and explicit. Our approach to the analysis of financially material ESG risks and opportunities in the portfolio occurs at the fundamental level, and while we reference third-party ESG research, we are not dependent on third-party ESG scores or ratings.

Except as required by law, Mondrian does not have any firm-wide investment exclusions.

## Muller & Monroe
### Private Equity

M2's investment program is exclusively focused on private equity investments in the lower middle market.
("LMM") Corporate Governance:
We invest with a core focus on "PSEA"--People, Strategy, Execution, and Alignment of Interests. Our corporate governance focus is centered on alignment of interests among all parties throughout the investment relationship. Alignment from SURS to M2 to each manager and to each portfolio company. Since the SURS mandate has an MWBDE focus, the managers are diverse and naturally embrace diversity in their portfolio companies.
Environmental:
While M2 builds diversified portfolios including many of the S&P 500 sectors, we do not focus on managers who invest in Cap-Ex-intensive manufacturing, which is often associated with environmental risk. As a UNPRI signatory, we are continuing to evaluate and push down environmental ESG considerations as part of our original due

diligence, contracting, and active oversight. Our ESG policy reflects our goal to have investment managers who are good environmental stewards.
Social:
The Social Capital Factors delineated in the Act are operating considerations that are part of our core due diligence and directly tied to our assessment of the underlying value proposition of the investment.
Human Capital:
M2's focus on People in PSEA underscores the critical role that human capital plays in our whole investment program and philosophy. Since the SURS mandate is focused on MWBDE managers, diversity and inclusion are hardwired in the DNA of our investments for SURS. Business Model:
While we do not invest in early-stage venture for SURS, we do investment aggressively with managers who are targeting opportunities to innovate and make profits by improving our world. Examples would be growth equity healthcare companies that use technology to aid the transition of healthcare from hospitals to the patient, or companies using technology to enhance reimbursements to lower administrative costs. Service-oriented businesses that use technology to increase efficiency, anecdotally are assumed to improve logistical efficiencies in the supply chain of their businesses thereby lowering costs and possibly environmental impact. Our predominant focus on the LMM is based on the premise that smaller companies in the LMM are less efficient and can be made more profitable and efficient with the aid of professional investor operators.

## Neuberger Berman
## Public Credit

Firm Level
Neuberger Berman believes that financially material ESG characteristics are an important driver of long-term investment returns from both an opportunity and a risk mitigation perspective.

We are committed to strengthening and refining our ESG approach — enhancing the dialogue with industry peers, augmenting our ESG-related reporting and research processes, and documenting existing activities. At the core, we believe that the Principles for Responsible Investment ("PRI") are consistent with our heritage as a fundamentals- and research-focused investment firm. We work diligently for their acceptance and relevance, consistent with our focus on serving the interests of our clients.

1. Introduction and Philosophy: Since the inception of the firm in 1939, Neuberger Berman has remained singularly focused on delivering attractive investment results for our clients over the long term. As an active manager, we have a long-standing belief that material environmental, social and governance (ESG) factors are an important driver of long-term investment returns from both an opportunity and a risk-mitigation perspective. Therefore, we take a comprehensive approach toward managing client assets, including the integration of ESG criteria into our investment process. We also understand that for many clients the impact of their portfolios is an important consideration in conjunction with investment performance.

Since the launch of our U.S. Sustainable Equity team in 1989, Neuberger Berman has been at the forefront of integrating ESG factors into investment processes.

Today, we continue to innovate, driven by our belief that ESG factors, like any other factor, should be incorporated in a manner consistent with the specific asset class, strategy and style of each investment strategy. ESG factors can be employed in a variety of ways to seek to generate enhanced returns, as well as to meet specific client objectives within a portfolio. We believe our approach not only benefits our clients but can also support better-functioning capital markets and have a positive impact for people and the planet.

2. Scope: The firm's ESG Policy applies to capabilities across our investment platform and is intended to provide a broad framework for our approach to ESG integration. The specific approach to ESG integration in any given investment strategy depends upon multiple elements, including the objectives of the strategy, asset class, investment time horizon, as well as the specific research and portfolio construction, philosophy and process used by the portfolio manager. The approach to integration can be customized by type of investment vehicle.

3. Oversight: The ESG Committee ("Committee") is responsible for reviewing the ESG Policy annually and amending it as needed. The Committee is chaired by the Global Head of ESG and Impact Investing and is comprised of senior investment professionals across all asset classes, including the Chief Investment Officer (CIO) for equities, senior portfolio managers from the fixed income and private investment teams, and the heads of research for equities and fixed income. The Committee also includes senior professionals from client coverage, client service, legal, marketing, operations, and risk management.

Our dedicated ESG Investing team is responsible for driving the firm's ESG strategy in collaboration with the Committee and after consultation with portfolio managers, CIOs and our CEO. The ESG strategy is reviewed by the firm's Partnership Committee and Board of Directors on an annual basis.

4. Integration: Individual research analysts and portfolio managers are responsible for implementing ESG integration in their portfolios and investment research for funds and accounts that incorporate financially material ESG factors. We believe that this bottom-up approach encourages strategy-specific innovation while allowing each portfolio management team to learn from best practices across the investment platform.

For all ESG integrated strategies, each portfolio management team selects an approach from our ESG Integration Framework: Assess, Adapt, Amplify, Aim for Impact or Avoid. In building their portfolios, portfolio managers consider whether to:

• Assess: Portfolio managers consider financially material ESG factors alongside traditional factors in their investment decisions.  ESG factors are generally no more significant than other factors in the investment selection process.
• Adapt: Seek to achieve social and/or environmental outcomes through engagement with issuers while also achieving a financial goal.
• Amplify: Seek to achieve a financial goal by investing in high-quality issuers with sustainable business models, practices, products or services and leadership on relevant ESG factors.
• Aim for Impact: Seek to achieve positive social and environmental outcomes for people and the planet alongside a market rate financial return, by investing in issuers whose core business, products, services or use of proceeds of each investment contributes to solutions of pressing environmental and social issues.
• Avoid: Ability to exclude particular issuers or whole sectors from the investable universe to meet regulatory requirements and accommodate client demands.

We believe our approach to integrating ESG factors into our investment processes for “Assess” strategies, which focuses on financially material and pecuniary ESG factors as one investment input alongside many other traditional factors, could enable our identification of key risks that individual issuers may face in the near term or over the long haul. We also recognize that certain clients may desire a more outcomes-based approach, which is why we also offer Adapt, Amplify, Aim for Impact and Avoid strategies. Adapt, Amplify and Aim for Impact strategies are labelled in the product name as either “transition” or “SDG engagement” (Adapt), “sustainable” (Amplify) or “impact” (Aim for Impact) products for ease of client choice.

We formalized our Product Labelling System to help communicate our approach to integration and to meet client demand:

• For “ESG Integrated” (used in description of strategy and fund offering documents, but not in the fund names): Portfolio managers consider one or more financially material ESG factors alongside traditional factors in their investment decisions. However, these ESG factors are generally no more significant than other factors in the investment selection process. Therefore, ESG factors may or may not be determinative in deciding to include or exclude any particular investment in the portfolio.

• For “Sustainable” (in name of strategy and offering documents): Portfolio managers use their judgment to actively seek to identify high-quality, well-positioned issuers with leadership on relevant ESG factors. For corporates, portfolio managers seek to identify issuers with either sustainable business models and practices or sustainable products or services. Where possible, engagement with issuers serves to inform portfolio manager judgment around the trajectory of the issuer and its commitment to continuous improvement. All issuers must exceed minimum levels of good governance, not violate global standards, and not be involved in certain activities as defined by our Sustainable Exclusion Policy.

• For “Impact” (in name of strategy and offering documents): Portfolio managers seek to achieve measurable positive social and environmental outcomes for people and the planet alongside a market-rate financial return. The core business, products, services or use of proceeds of each investment contributes to solutions of pressing environmental and social issues. Furthermore, all holdings meet the same minimum levels of good governance, global standards and business activities as in our Sustainable Exclusion Policy.

The approach to integration can be customized by type of investment vehicle: for example, to implement client-specific avoidance criteria, to tilt toward specific ESG characteristics valued by the client or to seek certain types of positive impact that are meaningful to the client.

In keeping with our belief that ESG integration must be based on the principle of materially impacting performance or risk and be appropriate for the specific investment process, our teams do not simply rely on a third-party ESG research provider for ESG analysis. Instead, portfolio managers and research analysts have access to a wide range of ESG data sources and research providers, including proprietary tools such as the Neuberger Berman Industry Materiality Matrix, as well as the advanced analytics capabilities of our Data Science team and the insights we glean from engaging directly with investee company management teams. We combine this work and resources into the NB ESG Quotient, an industry-relative rating for many companies covered by our central equity and credit analysts on ESG characteristics. The ratings are available for all investment professionals at Neuberger Berman. The underlying data is updated weekly, and the rating methodology is reviewed at least annually by sector analysts.

In addition, we integrate climate risk analysis into our portfolios where applicable. We have implemented climate scenario analysis for all listed equity and corporate bond portfolios. This security analysis results in an aggregate Climate Value-at-Risk at the portfolio level based on a range of scenarios, including those aligned with a 2° Celsius and a 1.5° Celsius transition. Climate VaR is reviewed at least annually for each investment strategy and the security-specific Climate VaR helps prioritize engagement with issuers. We have published an independent TCFD report.

Our internally managed registered funds follow our Thermal Coal Involvement Policy which subjects new direct investments in companies with >25% of revenue from thermal coal mining or are expanding new thermal coal power generation to formal review and approval by Neuberger Berman’s Environmental, Social and Governance (“ESG”) Committee before the initiation of any new investment positions in the securities of such companies. Registered funds include commingled U.S. mutual, exchange traded and closed-end funds, and international UCITS portfolios. The Thermal Coal Involvement Policy does not apply to sub-advised funds. All UCITS also apply a formal Neuberger Berman UCITS Controversial Weapons Exclusion Policy, which defines specific exclusion criteria. In addition, we have also established “The Global Standards Policy” which excludes violators of (i) the United Nations Global Compact Principles (“UNGC”), (ii) the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (“OECD Guidelines”), (iii) the United Nations Guiding Principles on Business and Human Rights (“UNGPs”) and (iv) the International Labour Standards Conventions (“ILO”). This applies to our UCITS funds that are classified as Article 8 and Article 9 under SFDR.

Each portfolio management team determines how best to achieve its ESG integration objective and lays out how ESG analysis is conducted in an effort to mitigate risk and enhance opportunity, how ESG issuers are analyzed and measured at the security level, and how they influence portfolio construction.

5. Engagement and active ownership: We believe that engaging with issuers is an essential part of being a long-term active owner, and that engaging with issuers on financially material ESG topics can improve their

performance and reduce their risk profile. We utilize several methods of engagement in our stewardship efforts including, but not limited to, company meetings, written communication, proxy voting, advance vote disclosure and industry collaboration. The method and frequency of engagement are determined by a host of factors that include our history of engagement with the company, the relevant issue and asset class.

The Neuberger Berman Governance and Proxy Voting Committee oversees our active ownership for equities, and is responsible for the proxy voting process, our Proxy Voting Policy Procedures and Proxy Voting Policy Guidelines. We believe that proxy voting is an integral aspect of investment management and must be conducted with the same degree of prudence and loyalty accorded any fiduciary or other obligation of an investment manager. Additionally, through our NB Votes initiative, we publish our vote intentions and rationale in advance of select shareholder meetings.

NB ESG Quotient and Materiality Matrix

In keeping with our belief that ESG integration must be based on the principle of materially impacting performance or risk and be appropriate for the specific investment process, our teams do not simply rely on a third-party ESG research provider for ESG analysis. Instead, portfolio managers and research analysts have access to a wide range of ESG data sources and research providers, including proprietary tools such as the Industry Materiality Matrix, as well as the advanced analytics capabilities of our Data Science team and the insights we glean from engaging directly with investee company management teams. Our Neuberger Berman Industry Materiality Matrix spans more than 75 different industries, under 11 sectors and across 33 ESG factors.

The matrix allows us to develop forward-looking views by industry, guiding ESG investment analysis and engagement in a consistent and comparable way, and accommodating real-time insights from sector experts. The matrix is available to all investment teams to use as a starting point for further ESG analysis, and can be applied to asset classes, including private markets. The result of this work is an industry-relative rating for each company under coverage on separate Environmental & Social (ES) and Governance (G) characteristics that are available for all investment professionals at Neuberger Berman throughout the research environment. The underlying data is updated weekly and the rating methodology is reviewed at least annually with the sector analysts. These resources are integrated by our central equity and credit research analysts into proprietary ratings for sovereigns and corporates that have been developed specifically for each asset class, namely the NB ESG Quotient.

These custom ratings cover over 4,000 equities and 2,700 credit issuers while incorporating the analysts' extensive industry experience to make decisions on qualitative categories that may be hard to measure. Given limited disclosure of ESG data in some markets and for some types of issuers, many ratings include significant qualitative judgment from analysts themselves. Those ratings are used by portfolio managers as part of their approach to ESG integration, for example, by adjusting internal credit ratings up or down based on the NB ESG Quotient.

Multi-Sector Credit ESG Integration:
Our platform integrates ESG factors at a sector and security level. The consideration of material ESG factors is critical to our credit underwriting process. Our proprietary ESG scoring system, Neuberger Berman ESG Quotient, is detailed below.

Neuberger Berman's Fixed Income Platform incorporates financially-material ESG factors in our sector research and security selection. We believe that the consideration of financially-material ESG factors is critical to our credit underwriting process. We believe that integration of these considerations combined with our engagement activities can help us reduce the overall credit risk of our portfolios and enhance our analysis. As such, we have developed a proprietary ESG scoring system (the NB ESG Quotient) for our corporate holdings across Global Developed Markets Credit, both Investment Grade and Non-Investment Grade, as well as for Emerging Market Debt (Local Rates, FX, Sovereign Credit and Corporate Credit). We also integrate financially-material ESG factors into our Municipal research process. Whilst the individual materiality drivers of ESG risk differ in each underlying sector, the fundamental process in identifying the most financially-material risks and converting them to an internal NB ESG Quotient (proprietary ESG score) are the same.

ESG analysis is an important component of the Multi-Sector Credit team's fundamental credit research process, and the sector-specific teams believe these financially-material factors can help to identify business risks, which could cause deterioration in an issuer's credit profile. Proprietary scores are assigned to all issuers, even those not scored by third party services including privately owned companies. Additionally, the investment teams are directly involved in the research and company engagement process – it is not outsourced to a third party or a different group within the firm. The ESG Quotient is derived as part of this holistically informed credit underwriting process, and internal credit ratings are adjusted up or down depending on our view of the ESG profile of the issuer, under the oversight of the Credit Committee (the Committee is comprised of the teams' most senior investment professionals). By integrating proprietary ESG analysis into their internal credit ratings, the teams establish a direct link between their analysis of material ESG factors and their portfolio construction activities across strategies.

Whilst the overall philosophy of ESG risks is consistent, given the nature of the asset classes used in multi sector portfolios, nuances do exist in the application.

## Newport Capital Partners
### Real Assets

Newport Investment Management's ("Newport") neighborhood and community center-focused investment strategy has provided social benefits to the neighborhoods it has invested in since 2004. The combination of the Firm's corporate diversity, partnerships with MWBE service providers, investments in LMI communities and on-going commitment to implementing ESG initiatives across its properties differentiates Newport from its peers and we strongly believe translates into better investment performance for our LPs.

The following are some of the examples of Newport actions that span the ESG spectrum:
- Drive environmental sustainability and resiliency through operational and capital improvements aimed at increasing energy efficiency and minimizing waste;
- Provide tenant incentives to use green dry cleaning process, installation of electric vehicle (EV) charging stations, LED retrofit, and xeriscaping; and
- Proactively managed replacement of HVAC equipment and roofing materials to increase energy efficiency.

Newport believes the combination of population density, lack of new supply dynamics, consumer trends and preferences, and fundamentals within its Target and Covered Metro Areas serve as the catalyst for investing in compelling neighborhood / community retail properties. Factors that contribute to the attractive positioning of neighborhood / community retail center assets for space include:
- Lack of new supply since 2007 is resulting in significant supply constraints and rising rental rates;
- Resiliency of necessity-based, non-cyclical tenants, which are "battle tested" after the pandemic, continue to grow their footprint leading to increasing tenant demand for limited space alternatives while also contributing to rising rental rates;
- Confluence of health, fitness, and wellness with convenience benefiting local neighborhood consumers;
- Consumer preference for convenient locations, omnichannel, and personal service offerings;
- Densely populated infill submarkets which possess significant barriers to entry for new supply and in low to moderate income neighborhoods underserving the community;
- Undercapitalized sellers facing refinancing risk providing mis-priced investment opportunities generating higher investor returns; and
- Pricing and risk / return dislocations for middle market investments as these properties are frequently overlooked by larger managers looking to deploy more capital per transaction prior to value creation.

## Nipun Capital, LP
### Emerging Markets Equity

Nipun Capital, L.P. has an Environmental, Social, and Governance (ESG) policy that is designed to be read in conjunction with our Sustainability Statement that outlines our motivation and approach to RI and ESG integration. In addition, we have completed the AIMA Responsible Investment DDQ which outlines (in four sections) our:

policy, governance, investment process, and monitoring and reporting.

ESG factors are explicitly integrated into the investment decision-making process in our stock selection, risk management and portfolio construction process. More information below:

We take a holistic approach towards sustainability, incorporating it in our stock selection framework, our risk management framework and the portfolio construction process. Our definition of sustainability is broad, encompassing ESG factors in the following categories:
• Environmental: including emissions and resource usage
• Social: with a focus on workforce diversity, employee satisfaction, human rights, community development
• Governance: measuring management's commitment to best practices, board structures, and treatment of shareholders

Disclosure and quality of these metrics can vary significantly by country. We expend significant resources on buying commercially available sustainability data and metrics, collecting and cleansing proprietary data and developing proprietary insights.

Our research shows that some of these metrics, specifically those related to governance, can predict a company's future fundamentals. These metrics are embedded in our stock selection process, subject to the same rigorous analysis as any of our other return prediction models. Once approved by our Investment Committee, these metrics are incorporated into our stock selection framework and become part of our systematic investment process. The metrics incorporated into our stock selection framework directly impact our forecast of a security's expected return and hence its position and size in our portfolio.

In our current implementation, we view social and environmental factors as representing material risks. These risk may translate into financial risk when key events occur. Subject to data availability, we rank every stock in our investment universe on these factors. We adjust our expected risk forecasts for stocks that have a high degree of environmental and social risk. In our portfolio construction process, the portfolio takes smaller positions in stocks with a higher expected risk forecast (all other things being equal). Hence, these social and environmental factors directly impact the position size of stocks in our portfolio.

In addition, we monitor stocks that have been involved in recent controversies on any of ESG topics. Our view is that these also represent material risks.

The end result is that our portfolio takes smaller or no positions in stocks that rank poorly on our defined ESG metrics. In parallel, this frees up capital to deploy in higher ranking stocks, which is in line with our philosophy of rewarding companies that are engaged in sustainable practices.

## Oaktree Capital Management

### Real Assets

Please refer to Exhibit 1 - Oaktree ESG Policy and Exhibit 2 - Oaktree Real Estate ESG Integration Plan.

## One River Asset Management

### Long Volatility

We are guided by the leading market practices in social responsibility when developing our own approach to responsible investment and business practices. We believe that a sustainable and responsible investment strategy adds to the long-term value creation for all stakeholders; however, we also have to accept that certain investment strategies and asset classes offer a more effective opportunity than others to implement sustainable considerations. The instruments that we trade include, but are not limited to, futures, options, swaps, and ETFs across all asset classes. We do not typically invest in individual companies (or names); accordingly, have little or no opportunity to effect change through shareholder engagement.

We are committed to transparency in reporting and communications with our investors. We provide our investors with detailed monthly and quarterly written reports and investor letters as well as conduct frequent update meetings and investor calls. The Firm maintains a detailed Due Diligence Questionnaire; we also provide responses to, and meet with our investors individually to answer, any investor due diligence questions. We welcome feedback from all of our investors regarding the content and format of our reports and disclosures based on industry best practices.

We rely on several key service providers to help us deliver our management company services. We are committed to promoting ethical and sustainable business practices among our vendors, including diversity, environmental impact, and seeking to ensure that modern slavery does not form a part of our supply chain. We encourage our service providers to use ESG factors to inform their corporate activities and their services offering. As a part of our on-boarding process for service provider, we conduct due diligence on the vendor's business and any red flags, such as unethical or illegal business practices, or weak data security controls.

Culture is taken very seriously at One River. Our culture includes the treatment of all individuals with respect and compassion. All individuals are given support needed to thrive at their independent roles and are provided opportunity to be part of the overall success of the firm. One River has continued to search for and hire individuals that meet our high standards.

We work continuously to find new ways of integrating sustainability factors into our process, and we remain open to feedback and ideas from our clients, employees, and counterparties on how to do so.

## Pantheon Ventures

### Private Equity

Pantheon's sustainability approach is based on a commitment to invest with purpose and lead with expertise to build secure futures centers on generating strong, long-term investment returns through an investment discipline focused on financial value creation and risk mitigation. We take a systematic and strategic approach to integrating material sustainability considerations into our assessment of investment risks and opportunities, embedding this as a core element across all our investment processes.

Pantheon's ethos and approach is encapsulated in our enhanced sustainability framework, "TIES". The four aspects of this framework are:
1) Transparency: We seek to enhance transparency through improved practices, tools and resources.
2) Integration: We aim to integrate consideration of sustainability factors into each stage of the investment process.
3) Engagement: We collaborate with our clients, fund investors, managers and peers to develop and share best practice on assessing sustainability factors.
4) Solutions: We endeavor to develop innovative investment solutions to meet our clients' requirements.

Pantheon operates a group wide Sustainability Policy the objective of which is to ensure that, wherever possible, we take a systematic and strategic approach to integrating material sustainability considerations into our assessment of investment risks and opportunities, embedding this as a core element across all of our investment processes.

Pantheon has developed a range of tools and processes, which are integrated in our investment due diligence to (i) help inform our Investment Committees' assessment of sustainability risks, opportunities and value creation that may apply to such investments, and (ii) protect the interests and reputations of Pantheon and its clients, including:

• Sustainability Scorecards: Pantheon has developed its own Sustainability Scorecards to provide a comprehensive review of each investment opportunity. To populate this Scorecard, Pantheon uses various data sources, including (i) the GP's answers from the annual sustainability survey, for good governance test and to better understand the

GP's approach to sustainability, and (ii) climate risk assessment references tools such as ThinkHazard!, Climate Change Performance Index and the World Bank Carbon Pricing Dashboard. The output of each scorecard is based on our assessment of the following criteria:
- GP rating: Oversight & Implementation; Reputation; Climate; Diversity, Equity & Inclusion; and Biodiversity
- Fund rating: track record, sustainability commitments, climate and sustainability reporting
- Company & transaction rating: industry sector, reputation, country, biodiversity and sustainability maturity.

When implemented, the scorecards aim to identify whether there are any material sustainability issues associated with potential investments that may impact financial value or reputation. The ratings provided are also used to benchmark managers and portfolio companies and increase our engagement with the GPs.
- RepRisk: We use the RepRisk system to enhance our sustainability due diligence on the GPs or underlying assets to be acquired. RepRisk is a global leader in the provision of business intelligence on sustainability risk and provides news flow and company ratings based on media reports and other public sources external to the company. In primary and co-investment due diligence, we can also use RepRisk to search for sustainability related incidents in the GP's prior funds, and therefore we can proactively and independently investigate how such incidents were dealt with, and not rely on case studies volunteered by the GP. We also use RepRisk in secondary and co-investment due diligence to check for adverse sustainability-related publicity relating to the underlying assets in a specific deal.
- AML screening: Following the investment team's sustainability assessment (i.e., scorecards and RepRisk), Pantheon uses an outsourced AML service provider (ID Register) to further assess if there are any AML risks to which the investment could be exposed.

Together with other due diligence items, sustainability related findings are documented in investment recommendations, with potential concerns flagged for consideration by Pantheon's investment committees to help provide a more global view on the investment opportunity and its risk exposure.

Pantheon's due diligence and post-investment monitoring processes provide the foundation of our active approach to stewardship, as we seek to manage risk and maximize long-term value of our portfolio companies. As such, Pantheon has adopted various initiatives to enhance regular sustainability monitoring such as:

•Annual GP sustainability survey, aiming at tracking and rating (i.e. Sustainability Maturity Rating) each of our GPs based on the following categories: Oversight & Implementation; Reputational Risk; Climate; Diversity, Equity & Inclusion; and Biodiversity. Pantheon is publishing the rating by asset class, where Infrastructure managers outscored other asset classes with 97% of managers scoring 4 stars or above, and 43% receiving 5 stars (out of 5).

•Annual KPI data gathering of our portfolio's sustainability factors, aiming at tracking at individual asset levels various aspects such as: GHG emissions, diversity KPIs, renewable energy consumption, and work related incidents

•Utilizing a third-party incident tool (RepRisk) to assist us in monitoring sustainability or sustainability- related incidents and risks across our portfolios

• Consistent engagement with GPs through advisory board seats (when applicable) and various other interactions (i.e., update meetings, deal due diligence sessions, 1-1 engagement etc.), with Pantheon being an influential large primary infrastructure investor.

Following the monitoring results, we assess whether we need to further engage with the GPs to help them improve their sustainability approach / processes.

Additionally, Pantheon is committed to the Principles for Responsible Investing ("PRI") and was one of the first private markets fund investors to support this initiative, becoming a signatory in 2007. Pantheon reports to the UNPRI on the activities undertaken and most recently in 2023, was awarded four out of five stars in the "Policy Governance and Strategy", "Private Equity", "Infrastructure", and "Confidence building measures" modules of the PRI assessment.

Please refer to Pantheon's Sustainability Policy for additional information.

## Parametric
## Cash Overlay

Parametric's approach to ESG incorporation is designed to allow each client to implement their own specific views on responsible investing in a very effective, customized manner - rather than accepting a uniform approach - within a separately managed account. The firm's research providers supply them with a full range of responsible investing metrics: environmental, social or governance ratings; carbon data; and controversies, sanctions, and business involvement indicators. Equity exposure options range from a full slate of global indexes, as well as Parametric's own active strategies. Decades of portfolio construction experience and technology infrastructure investment allow the investment team to seamlessly integrate these multiple components into a transparent, separately managed account that strives to deliver the desired equity exposure. This comprehensive, flexible tool kit enables them to be responsive to client needs while remaining on the forefront of environmental, social and governance issues.

When requested by a client, Parametric approaches integration from a quantitative perspective, using ESG metrics as a portfolio construction method by which securities with better characteristics (as defined by the client) are overweighted and those with worse characteristics are underweighted, within constraints. This is in contrast to integration approaches that use these characteristics to adjust forecasted financials for each company. Parametric's objective in a quantitative integration process is two-fold: (1) enhance the portfolio's overall ESG characteristics and (2) build a portfolio with comparable risk factors as the benchmark. This is largely a client-driven exercise with Parametric using its available data and construction expertise to help deliver a portfolio that meets both objectives. Successful implementation is defined by delivering benchmark-like returns while holding a portfolio of companies with attractive ESG characteristics. In the firm's experience, this is generally achievable over longer time periods but there may be deviations in the short run.

Active ownership is generally a separate decision making process at Parametric that would apply to any holdings that result from the portfolio construction process. Proxy voting guidelines are designed to encourage high environmental, social and governance standards and safeguard investor capital over the long-run by supporting qualified, independent boards that show accountability and responsiveness to shareholders and shareholder proposals that are prudent and relevant. Clients may choose to delegate voting authority to Parametric or retain it for themselves. For clients who would like to file a shareholder resolution, the firm can help facilitate that process.

## PIMCO
## Public Credit
## Alternative Risk Premia

At the firm level, PIMCO integrates material ESG factors into the investment research process where applicable to better assess issuer risks. Our process emphasizes rigorous analysis of broad secular trends, which are at the core of both global ESG trends and long-term asset returns. PIMCO has developed a robust platform specialized in supporting ESG-focused investment solutions based on our belief that ESG integration is essential to optimizing outcomes over the long-term. For this reason, our investment process evaluates ESG risk factors from both the top-down (i.e. macro) and bottom-up (i.e. security specific) where applicable.
From the top-down, the first and most important step in PIMCO's process is to correctly identify the major long-term themes that will impact the global economy and financial markets. PIMCO believes that such analysis is fundamental to making sound investment decisions. The firm's annual Secular Forums are devoted to identifying and analyzing these longer-term trends and the analysis of ESG-related issues fits directly into that process. PIMCO blends its macro analysis with detailed bottom-up work. From a top-down perspective, PIMCO invites speakers including Nobel Prize winners, heads of state, renowned academics, and global central bankers to participate in their annual Secular Forum process. Themes discussed in this forum include climate change, geopolitics, corporate governance, inequality, demographic trends, and cybersecurity. The firm's global research teams aim to evaluate ESG-related issues as part of their bottom-up analysis through asset class- and sector-

specific frameworks as well as implementation for specialty desks and credit analysts.
PIMCO aims to consider relevant risks and opportunities that could affect particular issuers or industries where appropriate, including those that are ESG-related. To facilitate the integration of ESG risk factors in our analysis and help to monitor ESG related risks, we are continually enhancing our proprietary research with specific ESG related attributes and dedicated scoring. In addition, we have hosted training sessions for our analysts on available scoring methodologies, ESG systems, data and tools.
ESG data and analysis, both internal and external, are readily available to all portfolio managers, traders and research analysts across the firm, which enables portfolio managers to make trading decisions that incorporate the material ESG risks of a given issuer.
[Multi-Sector Credit] Please note the Illinois SURS Multi-Sector Credit account is not an ESG dedicated portfolio.
[ARP] At the Fund level, the Fund does not disclose ESG objectives. Therefore, the Fund does not seek to optimize for ESG metrics and while we can provide ESG metrics for the Fund upon request, they do not reflect the Fund's objectives.
We do not monitor the impact of ESG factors on the performance of the Fund, given that the Fund does not disclose any ESG-related objectives. However, we do monitor ESG risks at the single issuer level, with the view of making investment decisions in which we are adequately compensated for those risks.
[Commodity Alpha] PIMCO Commodity Alpha Fund does not pursue a specified ESG-objective however, ESG is integrated across our investment process as detailed herein.

## Prologis

### Real Assets

Prologis integrates the fundamental principles of ESG when considering investment decisions and managing our investments.

Prologis' actions include:
• Integration. We incorporate ESG principles into investment due diligence and analysis; decision-making processes; and ownership policies and practices. This includes the inclusion of ESG issues, such as our net-zero commitment, within our standard Investment Committee evaluation process for all significant developments, acquisitions and dispositions. Prologis has updated our design standards for new buildings and retrofits: Every eligible development or redevelopment will be rooftop-solar ready. In addition, where feasible, we require the installation of more efficient lighting and the electrification of onsite equipment. For new constructions, a lifecycle analysis of the Greenhouse Gas ("GHG") impacts of the building must be completed and the building must be made EV-charging ready.
• Operation. We operate established assets efficiently to help our customers reduce costs, attract qualified workers and reduce negative environmental impacts. Our climate strategy is driven by our focus on customer centricity. Our customers want to reduce their impact and emissions. We help them do this by operating our facilities as efficiently as possible. This includes providing a suite of sustainability, renewable energy and mobility solutions. In many cases, this work supports local communities by providing the local utility with additional energy and energy storage to support grid resilience. As part of our alignment with Task Force on Climate-Related Financial Disclosures ("TCFD"), we consider the threats/risks and opportunities within our operations/investments in the following manner:
-Acute and chronic climate-related risks are evaluated at an asset and portfolio level. Through a collaboration between our ESG, risk management and research teams, we are developing risk assessment tools that leverage future climate-related scenario data from Munich Re to provide a good understanding of our risks, allowing for preventative risk mitigation where appropriate.
-Global risk management and ESG teams work with our local market teams to consider risks and opportunities and ensure our portfolio remains resilient over the term of our ownership through robust capital expenditure planning.
-Climate risks are considered within the company's annual risk mapping and comprehensive Dynamic Risk Oversight strategy.
-ESG-related opportunities are part of our global business strategy, including our efforts to achieve net-zero emissions across our operations and value chain (Scopes 1, 2 and 3) by 2040, have 100% of our global portfolio

utilize LED lighting by 2025, as well as our goal to have 1 GW of installed solar capacity across our global portfolio by 2025. These opportunities are evaluated at the portfolio and individual asset levels but are part of a global strategy aligned with our ESG goals and targets.
• Transparency. We disclose our own ESG policies and performance and seek appropriate disclosure of ESG policies and performance by the entities in which we invest. This includes the evaluation and disclosure of sustainability risks in accordance with Articles 3(1), 4(1)a and 5 of the EU Sustainable Finance Disclosure Regulation (2019/2088). Prologis and the Prologis managed vehicles have aligned with Article 8 under the EU Sustainable Finance Disclosure Regulation (2019/2088). For additional information on USLF's alignment with Article 8 under the EU Sustainable Finance Disclosure Regulation (2019/2088), please reference: https://www.prologis.com/eu-sustainable-finance-disclosure-regulation-USLF
• Industry leadership. We promote acceptance and implementation of ESG principles within our industry and across our value chain (i.e. suppliers, customers, employees, communities, etc.). As of November 24, 2022, Prologis became an official signatory of the Principles for Responsible Investment ("PRI"), further demonstrating our ESG leadership among peers and alignment with investor expectations.

Prologis' global ESG policy, which also applies to USLF given our approach to using our centralized, global ESG platform, can be found here: https://www.prologis.com/sites/corporate/files/documents/2021/06/prologis-esg-policy-statement.pdf. It is Prologis' policy to operate the Prologis Portfolio on an ownership-blind basis irrespective of whether a property is wholly owned by Prologis or owned by one of the ventures managed by Prologis. Therefore, it is Prologis' intention that all properties in the Prologis portfolio will participate in all programs established for the operation of the Prologis portfolio.

## Pugh Capital Management
### Principal Protection

Pugh Capital's approach to ESG
We do not have any current goals related to ESG considerations at this time, nor does Pugh Capital have a specific ESG policy or plans to adopt a responsible investment policy. However, at Pugh Capital, we consider ESG in our investment processes, recognizing ESG's significant social and economic implications and ability to serve as a catalyst for change. Our focus with respect to ESG considerations is to surface those that are material to the securities we evaluate for inclusion in our clients' portfolios. Pugh Capital manages client assets solely on a separate account basis and does not utilize negative ESG screens unless directed by a client to do so. Pugh Capital's strategies utilize ESG factors in the credit process, but our strategies do not seek to achieve specific ESG objectives that may be separate from our investment and risk objectives. In our experience, ESG considerations and how those should be represented in an investment portfolio can be highly specific to each client. As such, where specific ESG goals are desired by a client, we will work with that client to assess how best to reflect that in their portfolio. Typically, this is achieved through a negative screen at the direction of the client. Please see below for more information on our ESG scoring process and how that is incorporated into our investment process.
DISCLOSURES:
Pugh Capital manages client assets solely on a separate account basis and does not utilize negative ESG screens unless directed by a client to do so. While we do not have a formal ESG policy, Pugh Capital's strategies utilize ESG factors in the credit process, but our strategies do not seek to achieve specific ESG objectives that may be separate from our investment and risk objectives. Only corporate and sovereign bond issuers are assigned an ESG score; other fixed income security types are not scored. From time to time, Pugh Capital may purchase securities of an issuer who has not been formally approved by the Credit Committee and thus may not have undergone an ESG analysis. New positions purchased between the credit analysts' industry review periods that do not have an associated analyst issuer report will undergo analysis at the next review period, which will include an ESG score.
As a part of our research process, we have incorporated various tools that assist in the analysis of the ESG factors. We utilize our internal team's research, third-party research, and public company disclosures.

## Ramirez Asset Management
### Principal Protection

At Ramirez Asset Management (RAM), we believe that sustainable and responsible investing principles can help provide long-term benefits for our clients and our communities. As a signatory of the United Nations Principles of Responsible Investing (UN PRI) RAM is firmly committed to furthering and adhering to the six principles of responsible investing. At RAM, our experienced investment team is responsible for our ESG and responsible investing initiatives. On a client customized basis, RAM's investment team incorporates our tailored ESG overlay which is specific to each of the fixed income sectors that make up our investible universe (Corporate Credit, Municipal, and Securitized Product).

On a client customized basis, RAM's investment process incorporates ESG factors into our bottom-up fundamental security analysis and security selection process. RAM's investment team takes into consideration a range of qualitative and fundamental factors when forming an outlook on the ESG challenges facing issuers and companies. Considerations include, but are not limited to, demographic and socioeconomic data, climate policy, minority and gender diversity in leadership roles and the employee base, and strength of ESG programs.

Further, RAM works with each client individually to ensure their ESG requirements and goals are met. RAM's investment portfolios are fully customized to meet the ESG standards for responsible investing and any other environmental or social parameters set by our clients.

**<u>Rhumbline Advisors</u>**
**US Equity**
**TIPS**
**Long Duration**

As a passive investment manager, Rhumbline's investment objective is to closely track a designated index. As such, Rhumbline does not independently make the determination to exclude index constituents based on ESG principals. We do, however, customize portfolios to exclude securities at the direction of our clients. In fact, since the firm's inception, flexibility and responsiveness to client needs has been the cornerstone of our success. Rhumbline has the ability to customize our investment approach for each client based upon their specific requirements. We opened our first customized account in 1994; it is still open 30 years later. Our customized business accounts for more than one-third of our assets under management as of June 30, 2024.

We have significant experience in many areas including SRI , SRI/Catholic, Tobacco, Sandy Hook, South Africa Free, Sudan Free, Carbon Underground 200 and specific credit quality constraints. We are able to track any ESG index. When managing a customized or restricted portfolio, the client or a third party provides Rhumbline with the list of restricted securities. We do not independently research companies' adherence to ESG principles. We use the client's list of restrictions or a list from an independent third party. Please refer to our attached ESG Policy/Mission Statement for more details.

**<u>Solstein Capital</u>**
**International Equity**

Solstein considers ESG criteria as potentially meaningful components of the investment opportunity identification and risk mitigation processes and utilizes different ESG rating systems in identifying such opportunities and risks across all existing and potentially new securities. Solstein considers fundamental factors in its due diligence process. Solstein endeavors to invest (in long positions) in high-quality businesses led by shareholder-oriented management teams with sustainable business models, operating in attractive areas of growth and innovation. The team values companies that embrace a long-term perspective and are thoughtful stewards of financial and non-financial resources that can include environmental and social aspects of the business. In particular, the team believes that effective governance and responsible corporate strategy are key components for long-term value creation. For short positions, the team may consider the opposite factors. Examples that may be considered include: Quality of the Management team, Executive compensation and alignment of incentive structures with long-term objectives and shareholder value creation, Board independence, skills and experience, Capital structure, ownership control, and shareholder protections and rights, Human capital management, Supply chain management, Product safety and impact, Environmental policy and water intensive industries, Sensitivity to regulation, and Quality of disclosures and transparency into financial and non-financial matters. Solstein's internal team also reviews independent, external ratings to complement its analysis. The team utilizes MSCI Ratings, Bloomberg Ratings, S&P Ratings, and other ratings from its data providers. Solstein values a variety of technical and ratings-based factors when considering an overall assessment of a company. It produces a Solstein Score which incorporates (i) the absolute scores of a company across ESG factors from multiple sources, (ii) whether the company is improving its overall score, (iii) how its score compares to that of peer companies, (iv) whether the company scores particularly well in one of Environmental, Social or Governance categories on an absolute or a relative basis to peers, and (v) whether a company is improving its score in at least two of the three categories. Solstein recognizes that responsible investing factors extend to the firm as well. The firm's Responsible Investment Policy is overseen by the Managing Members of the firm, and it is reviewed and reported on annually per calendar year, although updates may be made and approved throughout the year. As a UNPRI signatory, the firm is required to report on its status annually.

## StepStone
## (Formerly Courtland & MFIRE)
## Real Assets

StepStone has an established Responsible Investment ("RI") policy which encompasses environmental, social, and governance ("ESG") and impact investing considerations, as a core tenet of our operating and investment philosophies. StepStone believes that full integration of ESG factors in both our investment process and internal operations will improve long-term, risk-adjusted returns for our clients. As one of the leading allocators of private capital, StepStone recognizes its role in promoting the consideration of ESG factors through its investment process and in engagement with its stakeholders. Furthermore, StepStone commits to considering ESG factors in its internal operations. StepStone has been a signatory to the Principles for Responsible Investment ("PRI") from 2013 and to the Taskforce for Climate-related Financial Disclosures ("TCFD") from 2019, publishing firm-wide ESG, TCFD and Diversity, Equity and Inclusion ("DEI") reports annually which detail ongoing initiatives and performance across all asset classes. From 2021, StepStone has reported under the UK Stewardship Code and has been accepted as a signatory from 2023. Further details can be found on StepStone's website.

StepStone has robust ESG due diligence processes that are applied across all investments and are tailored for each strategy. We utilize the internationally recognized PRI and TCFD frameworks, alongside the SASB Materiality Map—a framework intended to link ESG issues with the potential impact on financial or operating performance—to assist in the identification of financially material ESG risks and opportunities, as well as incorporation of sector-specific frameworks such as the GRESB Standards. We also take into consideration any client requirements, as applicable for the investment program. During due diligence, we look to see how the various ESG risks and opportunities have been evaluated by investee managers. It is often a point of discussion with each manager to understand how the material issues have been included in their own approach, placing emphasis on both financial and non-financial metrics. Assessment is carried out and both the manager and fund or investment level, as relevant for the strategy. At the manager level, StepStone conducts due diligence on the quality of the manager's policies and working practices, including with respect to governance structures, business ethics, employee engagement and well-being, DEI and transparency. At the investment level, StepStone seeks to evaluate the quality of the manager's assessment of ESG factors and how related performance targets are incorporated in business plans and reported to investors. Specifically, at the real estate asset level, considerations include climate risk and resiliency analysis, green building certifications and performance, supply chain circularity, health and safety, construction practices, human rights, occupier engagement and local community impacts.

StepStone's governance structure ensures leadership and ownership of ESG issues across the firm, with the RI Committee composed of senior members across all asset classes and functional areas, supported by RI Workgroups for each asset class, composed of asset class and RI specialists. Workgroups are responsible for the oversight of RI due diligence, engagement, and monitoring, while driving best ESG practice across their team's investment activity. For each sector, the investment team that conducts due diligence on any given investment is ultimately responsible for conducting ESG evaluation and due diligence on the opportunity, with support from the RI Workgroup, seeking to ensure consistent quality of due diligence across the platform and share learnings. The results of due diligence are then subject to review by the RI Committee for approval, which is a precondition before any investment can be taken to the relevant Investment Committee ("IC"). Due diligence results are formally documented in every Investment Memorandum presented to the relevant Investment Committee, to allow members to have full information at their disposal when considering their votes.

Post-investment, investment teams closely monitor ESG performance, as part of overall investment performance, including through regular engagement and as part of established quarterly and annual reporting processes, through to exit. Further, all managers are required to provide StepStone with critical incident reporting and annual ESG reporting.

How RI Factors Affect Investment Decision-Making
Throughout the due diligence process, the team may uncover financially material ESG risks and opportunities at the General Partner and/or asset level. Where risks are identified, our preferred approach is to engage with managers to address these issues, which may involve delaying deal progression until they are appropriately addressed. This focuses on identifying appropriate actions that StepStone can implement or advocate for, such as through deal structure, pricing, or remedial actions, or working with the manager to implement an ESG policy within a certain timeframe, or see an asset adopt certain processes/measures to address issues. However, during the course of due diligence, we may also choose to decline an investment if we believe risks cannot be mitigated. This may happen at any stage of the process, from early evaluation to Investment Committee discussion. Importantly, given the breadth of our client mandates and investment activity, StepStone does not follow a formulaic approach; each investment will need to be debated by our experienced investment team members, who draw on their collective experience to come to an investment conclusion and this is carried through into post-investment monitoring over the hold period.

## Strategic Global Advisors
**International Equity**
**Global Equity**

Strategic Global Advisors, LLC ("SGA") is committed to responsible investing and promoting responsible practices while enhancing economic outcomes for our clients. SGA integrates sustainability and environmental, social, and governance ("ESG") factors into its investment practices through fundamental analysis in conjunction with ESG research provided by third parties, such as Institutional Shareholder Services, MSCI and others. It should be noted, in our investment process, we do not exclude companies or industries from consideration, but rather seek to partner with companies to enhance economic outcomes for our clients. SGA is committed to engaging with companies where ESG concerns are relevant and work to make positive change through that engagement.

SGA's fundamental research team considers ESG factors in the investment decision-making process when reviewing securities suggested by our quantitative model. Fundamental research analysts consider ESG factors in conjunction with business risk, credit risk, etc. and take a holistic approach in analyzing companies from a fundamental perspective, weighing the pros of the investment versus the risks. The firm considers whether companies are prioritizing short-term gains for the benefit of management over the long-term well-being of shareholders when evaluating investment opportunities and seeks to understand the long-term sustainability of a company's business model, and how factors, including ESG factors, can impact an investment opportunity's risk and return characteristics.

ESG considerations include environmental, social, and corporate governance factors that investors, asset owners, and managers often consider in the context of corporate behavior. Certain examples of such factors can include those related to energy efficiency, waste management, labor standards, workplace safety, customer privacy, executive compensation, conflicts of interest and disclosure amongst numerous others.

SGA is committed to facilitating and improving dialogue with companies, and values partnering with other investors to share resources and improve the chances of successfully pushing for positive change, when we believe such will enhance long-term shareholder value.

## T Rowe Price
### Global Equity

The Global Focused Growth Equity Strategy uses ESG integration as part of its investment process. This means incorporating environmental, social and governance factors to enhance investment decisions. Our philosophy is that ESG factors are a component of the investment decision—meaning that they are not the sole driver of an investment decision, nor are they considered separately from more traditional analysis.

The process of ESG integration takes place on two levels: first, with our research analysts as they incorporate environmental, social, and governance factors into company valuations and ratings; and, second, with the portfolio manager as he balances these ESG factor exposures at the portfolio level. Both the analysts and portfolio manager are able to leverage dedicated, in-house resources to assist them in analyzing ESG criteria.

Our ESG specialist teams provide investment research on ESG issues at the company level and on thematic topics. Additionally, they have built tools to help pro-actively and systematically analyze the environmental, social and governance factors that could impact our investments. The foundation of the analysis is a proprietary flagging tool called the Responsible Investing Indicator Model (RIIM). It covers around 15,000* companies and pulls from data sets that are not in the wheelhouse of traditional financial analysis. These data sets include:

- ESG performance data (e.g., number of accidents, carbon emissions, strength of whistle-blower programs, etc.)
- ESG targets (e.g., plans to reduce carbon emissions, increase diversity, etc.)
- ESG incidents and controversies (e.g., environmental fines paid, local community controversies/protests against a company, etc.)

The companies we buy will typically have high quality characteristics as well, with this qualitative assessment based on our analysis of their future economic relevance. Our primary emphasis is on company fundamentals, which include the consideration of environmental, social and governance factors. We find this process yields an ESG-friendly set of companies; however, we also screen the portfolio using T. Rowe Price's proprietary RIIM analysis at regular intervals. This helps us understand the ESG characteristics of the portfolio and makes us aware of any elevated exposures to specific ESG factors.

* As of January 2023

ESG considerations form a part of our overall research process, helping us alongside other factors to identify investment opportunities and manage investment risk. At T. Rowe Price, this is known as ESG integration. However, we may conclude that other attributes of an investment outweigh ESG considerations when making investment decisions.

For more information, please review our ESG Policy available at troweprice.com/esg.

## Torchlight Investors
### Real Assets

Torchlight believes the consideration of Environmental, Social and Governance ("ESG") factors can aid the Firm in identifying and evaluating material investment risks and opportunities that are important to the long-term value of our investments. ESG considerations are incorporated as part of Torchlight's investment decision-making process. Torchlight generally undertakes the following in its review of ESG risks and opportunities:

Sponsor Review: Investment Partners and Borrowers
As part of the Firm's onboarding process, Torchlight will provide its ESG Policy to borrowers and investment partners to communicate its ESG priorities, as appropriate. Further, Torchlight evaluates its potential borrowers and partners to ensure potential conflicts of interest and risks are identified. If a material risk or conflict is identified, it will be communicated to the Investment Committee to determine the appropriate course of action.

Real Estate Level Review - Torchlight's fundamental real estate analysis typically involves, and is not limited to, submarket and demographic research, site inspections, credit and financial analysis, review of third-party reports, and other appropriate diligence as determined on an asset-by-asset basis. During this review, Torchlight's Credit and Underwriting team utilizes the Firm's Underwriting Checklist which contains ESG-related items deemed relevant to Torchlight's investments, to better understand relevant ESG risks and opportunities.

Torchlight generally makes use of third-party experts to perform topic-specific diligence, including Phase I Environmental Site Assessments, and other specialized reviews, as applicable. Additionally, Torchlight will commission a "Property Condition Assessment" for investments that the Firm originates. This report may include, and is not limited to, details related to the physical condition of the property, including compliance with local laws and regulations, such as fire and safety codes.

Legal Review - Torchlight reviews pertinent legal documents with counsel to ensure the targeted transaction's governance framework is sound and provides adequate investor protections and control rights. This is accomplished by drafting appropriate affirmative and negative covenants, representations and warranties, and recourse guaranties/indemnities for each private transaction, in each case based on the results of legal and credit due diligence. Examples may include obtaining an environmental indemnity and covenants regarding the operation of the property in compliance with all applicable environmental laws, rules and regulations; covenants to complete operation and maintenance plans, property renovations or any other action items identified during due diligence in a compliant and timely manner; representations/covenants as to the borrower's source of funds and organizational structure at closing and during the investment term (backstopped by a recourse carve-out guaranty); and covenants regarding the application of property proceeds (backstopped by a recourse carve-out guaranty).

Investment Approval - All proposed investments are presented to the Investment Committee for approval. For private investments, upon the completion of due diligence, the Credit and Underwriting team prepares an investment committee memorandum ("IC Memo") to state the findings of the Sponsor, Real Estate Level, and Legal Reviews described above, as well as the objectives, other material risks, and investment terms of the investment.

During the Investment Committee's evaluation, any material risks, including ESG-related risks, are presented as part of the IC Memo and reviewed prior to a final investment decision. Investment Committee approvals must be unanimous.

Torchlight does not currently pursue or manage any ESG mission-driven or impact-focused investment strategies or funds, nor are its investment strategies or funds focused on making a particular type of investment in pursuit of achieving specific ESG goals.

Torchlight expects that it will make certain investments where it will have limited or no ability to engage on ESG Factors.

## UBS

### Real Assets

Our corporate sustainability mission consists of delivering superior risk-adjusted investment performance by integrating sustainability considerations into our investment processes. We do this through innovation, sharing of best practices and addressing environmental impacts while enhancing property operations and values.

TPF currently has several important initiatives underway to reduce the Fund's carbon footprint while also reducing transition risk (the risks associated with moving to a low carbon economy such as regulatory requirements and potential reduced buyer and tenant demand for high carbon buildings). The Fund's primary reduction strategies will focus on: A) Implementing improvement measures to reduce demand and improve energy efficiency, B) Installing renewables (such as solar and wind) where economically feasible and C) Procuring green energy where economically feasible. In addition to reducing transition risk, these initiatives enhance property level returns. TPF has been a member of GRESB (Global Real Estate Sustainability Benchmark) since 2012, and consistently ranks in the top quartile of its peer group.

## UBS

### Systematic Trend Following

Currently, AM QIS does not consider ESG criteria in the investment process of the Portfolio. While ESG investing has been a growing initiative within UBS Asset Management (UBS AM) in recent years, this is a futures only mandate managed to SURS' specification as outlined in the IMA. Please see UBS AM's overall ESG process below.

UBS AM's Sustainable Investment policy sets the firm's common vision on the integration of ESG material factors in investment decisions and stewardship activities across asset classes globally. The policy summarizes the general approach to ESG factors across each of the investment areas, subject always to any client-specific instructions or restrictions and following any local laws or standards applicable in the domiciles of assets or funds.

The investment teams drive ESG integration within their investment processes and engagement activities linked to value drivers. The extent of ESG integration may vary given our diverse range of investment capabilities.

Portfolio managers and analysts have access to a variety of ESG data, proprietary internal data, as well as external data. They are supported by the Sustainable Investing and Impact team (SI team), a global team of sustainability experts dedicated to research, stewardship activities, and product innovation. The SI team collaborates with the investment teams, educating them on best practices in using ESG material data to inform forward-looking analysis and preparing corporate engagement activities. In addition, the SI team is responsible for proxy voting, thematic engagements, governance and controversies engagements, and the design of SI characteristics of SI products.

Please find the UBS Sustainable Investment policy as well as other reports and policies here:
https://www.ubs.com/global/en/assetmanagement/capabilities/sustainable-investing.html

## Versor Investments

### Alternative Risk Premia

Versor is signatory of the UN-supported Principles for Responsible Investment since 2018. Versor Investments works with individual clients to implement their ESG policies for their accounts. For example, Versor can use ESG factors in screening the investible universe or in portfolio construction. These approaches can exclude certain firms outright (e.g., firms manufacturing chemical weapons) or limit portfolio exposures to certain ESG factors (e.g., carbon intensity as a measure of greenhouse gas emissions).

Versor Investments publicly discloses its Responsible Investment Policy on its website -
https://www.versorinvest.com/responsible-investment-policy/

Internally, Versor leverages the help of the ESG databases to meet these goals. The database covers companies globally. Based on the company reported data, relative ESG performance is measured for each firm across several categories using multiple indicators under the environment, social and governance pillars:

- Environment: resource use, emissions and innovation
- Social: workforce, human rights, community and product responsibility
- Governance: management, shareholder, and CSR strategy

As a Minority owned business, Versor is committed to implementing a strong ESG program for its team and internal operations. This includes environmentally friendly operations, a diverse team, and operating standards that put client interests first.

At Versor, we believe sourcing talent and expertise regardless of race, color, religion, sex (including pregnancy, gender identity, and sexual orientation), national origin, disability, age, or genetic information helps to place our firm at the forefront of innovation. We have seen this come to fruition since Versor’s founding and we will continue to pursue this objective.

Diversity and inclusion are intrinsic to Versor Investments’ architecture.

• 60% of Versor's Founding Partners come from ethnically diverse backgrounds. This includes 20% African American.
• Over 80% of the Firm's ownership is held by ethnic and racial minority groups.
• Versor is committed to gender diversity.
• Versor regularly conducts firm wide diversity and inclusion training.

While Versor may consider ESG factors when making investment decisions, Versor does not pursue an ESG based investment strategy or limit its investments to those that meet specific ESG criteria or standards
It should not be assumed that any ESG initiatives, standards, or metrics described herein will apply to each asset in which Versor invests or that any ESG initiatives, standards, or metrics described herein have applied to Versor's prior investments ESG is only one of many considerations that affect Versor's investment decisions Other considerations outweigh ESG considerations in certain circumstances The information provided herein is intended solely to provide an indication of the ESG initiatives and standards that Versor applies when seeking to evaluate and/or improve the ESG characteristics of its investments as part of the larger goal of maximizing financial returns on investments Any ESG initiatives described herein will be implemented with respect to a portfolio investment only to the extent Versor determines these initiatives to be consistent with its broader investment goals and applicable laws Accordingly, certain investments may exhibit characteristics that are inconsistent with the ESG initiatives, standards, or metrics described herein.

## Wellington Management

### Global Equity

At Wellington Management, we believe environmental, social, and governance (ESG) considerations as one set of factors among many that should be weighed appropriately to inform investment decision making. The firm's leadership team believes that material ESG issues are strategic business concerns that can affect the value of assets we invest in on behalf of our clients. We view the analysis and integration of ESG considerations as both return enhancing and risk mitigating. Our objective is to provide investment teams with the information and resources
they need to integrate ESG as appropriate into their individual investment philosophy and process (P&P). Our north
star is the belief that material ESG issues can affect the long-term value of assets we invest in; therefore, it is in our clients' best interest for us to analyze them.
Global Research Equity
ESG research is integrated into the Global Research Equity security selection decisions by the Global Industry Analysts (GIAs) that manage the approach. GIAs conduct deep fundamental research within the industries they cover to support both the research agenda of the firm and the management of the Global Research Equity approach.
The research foundation to the role gives the GIAs the time, focus and incentive to explore industry specific ESG issues in their work. GIAs are supported by and partner with Wellington Management s team of ESG Analysts and Climate Researchers who help assess the materiality of ESG issues for a particular industry, develop engagement strategies, engage directly with companies, and support proxy voting decisions. Similar to our GIA team, our ESG analysts have sector coverage responsibilities and they set sector based ESG research agendas that help shape where we choose to focus our engagement efforts with companies.
The ability to integrate the breadth and depth of deep fundamental research led by our GIAs with the sustainability expertise of our ESG and Climate Research teams puts our investment platform in a unique position to explore ESG issues across a large component of the public equity market.
Our ESG research efforts are focused on identifying material ESG issues for each sector/industry and ultimately the company we are researching. The work is a blend of input from the GIAs who have company specific coverage and the ESG and Climate Research Teams who focus more broadly on a sector and or ESG risk while also researching company specific ESG matters. This collaborative effort helps our researchers agree on the ESG issues that matter the most and ultimately focus research and engagement efforts on ESG issues with the highest potential impact to our security selection decisions. Views on material issues are incorporated into the research and security selection decisions by GIAs. ESG issues are explored on a continued basis in the day-to-day work that exists across our

investment platform and in regular management team engagements our GIA and ESG analysts lead.
Additional information on sustainability factors may be attached as part of this response but will not be included in SURS' published report.
We have provided our 2023 Sustainability Report for reference.

## William Blair
## Emerging Markets Equity

ESG factors are inextricably linked with our fundamental assessment of company management and long-term value creation, as well as the sustainability of competitive strengths. Our research analysts provide a qualitative summary of what they view as each company's relevant ESG-related risk exposures and opportunities. These issues are documented within our company recommendation reports and discussed by the analysts and portfolio managers.

ESG insights are primarily informed by proprietary research, including company meetings and data aggregation from multiple internal and external resources. Our assessment of potential ESG risks and opportunities for different industries and companies is supported by a proprietary materiality framework that was developed internally by the investment teams. Building on this framework, we developed a proprietary qualitative ratings system that is fully aligned with our views on the ESG factors that affect company performance by industry.

In addition to our proprietary ESG research, third-party ESG company ratings are systematically incorporated into our internal research platform, Summit, to provide additional context. William Blair currently utilizes MSCI as its primary third-party ESG research provider, and routinely monitors the research vendor landscape for additional ESG research inputs. We also continually seek expanded universe coverage and data quality improvement from our existing research providers.

From a governance perspective, our key focus is on board composition, minority shareholder treatment, management incentives, and corporate culture. Environmental areas of focus include climate change, natural resources stewardship, and pollution and waste management. Social considerations include human capital management, customer well-being, supply chain management, and community relations. The materiality of these issues varies by country, industry, and company.

To learn more about our ESG Integration Philosophy, please refer to the following link:

https://www.williamblair.com/Institutional-Investment-Management/ESG-Integration

The significance of environmental and social factors varies according to the materiality of issues across different industries and companies, whereas corporate governance considerations are more consistently material to our decision making given the universal importance of governance and culture. Through our holistic approach to ESG integration, sustainability-related risks and opportunities are among many investment considerations and implicitly incorporated in our assessment of risk/reward, which is the basis for investment decisions.

## Westbrook Partners
## Real Assets

Westbrook Real Estate Fund XI, L.P. is a fully committed and/or invested fund. As part of its investment strategy, Westbrook believes that the application of conscious investing and good governance procedures within the firm and at the properties in which we invest is a core principle. Therefore, Westbrook takes an active approach to ensuring, wherever practicable, that environmental, social and governance ("ESG") initiatives are implemented. Westbrook has incorporated varying levels of oversight, monitoring and compliance related to these efforts regardless of the jurisdiction where investments are made. These initiatives include the creation of an ESG sub-committee of the Investment Committee comprised of the Chief Operating Officer and General Counsel, the Chief Financial Officer, the Chief Sustainability Officer, a dedicated ESG Associate and a consultant on retainer who advises on DEI and ESG matters. The ESG sub-committee meets to discuss ESG-related risks and opportunities facing the firm and formulates policies and provides thought leadership and training on ESG matters to the firm and to investment teams as they address ESG factors on their investments.

Westbrook's ESG policy identifies its approach and commitment to responsible investing and assessment of ESG issues in both pre-and post-investment processes. This policy is available upon request. Westbrook addresses ESG issues at the fund-level with respect to its investors, at the investment-level with respect to its assets and joint venture partners, and at the firm-level with respect to its employees. This approach supports Westbrook's commitment to its investors, employees, joint venture partners, the communities in which it invests and the environment, in recognition of the overall importance of ESG matters.

Westbrook's ESG objective is to preserve, maximize, and enhance risk-adjusted returns so that our investments compete effectively in the local markets in which we invest. By properly executing our business plans, including the ESG elements of those plans, we can implement improvements in a manner that enables our investors to meet their objectives while benefitting our tenants, employees, the communities in which we invest, and the environment. Westbrook's initiatives include the following:

Acquisition:
- Where environmental factors are relevant to an investment, any findings identified during the due diligence process are presented to the Investment Committee for further discussion, and issues are weighed with a focus on protecting against downside risk while preserving the ability to generate positive returns.
- As part of its due diligence process when considering an acquisition, Westbrook reviews available information to assess the current energy performance of an asset (e.g. energy and water consumption date, existing use of renewable sources of energy, etc.) and the potential to improve this performance through the investment hold period. Westbrook also looks at the availability of data (e.g. existing energy metering arrangements) and the engagement and obligations of tenants.
- Westbrook evaluates the potential long-term benefits that may arise, e.g. by pursuing LEED/BREEAM or equivalent certifications. Westbrook evaluates the potential operational improvement and cost savings that may occur by pursuing certain certifications and the potential competitive benefits that may arise from obtaining such certifications.
- Westbrook's sustainability initiatives are incorporated as part of the business plan and, therefore, its asset management process going forward.

Asset Management initiatives:
- Westbrook actively manages its assets and, in implementing its business plans and asset management strategies, seeks to follow sustainable practices wherever possible and appropriate. Westbrook looks to use environmentally friendly materials, adopt sustainable construction techniques and practices in its projects where possible, and to identify construction partners that align with these goals. Westbrook closely monitors its asset-level service providers to track and improve sustainability practices wherever possible. This could include the use of green cleaning materials, water reclamation and energy conservation efforts, recycling programs for tenants, ride-sharing options offered to tenants, and many more.
- Westbrook has incorporated various levels of oversight, monitoring and compliance related to its sustainability initiatives. These efforts support our commitment to our investors, employees, partners, the communities in which we invest, and the environment. With respect to the environment, Westbrook maintains a database on its current investments to track those investments that have either obtained or are in the process of obtaining third-party "green" certifications, including Energy Star, LEED, BREEAM, CASBEE, or similar. Westbrook also tracks those assets in respect of which it has adopted green/sustainable operational, design and building practices. Westbrook believes this practice assists with its sustainability efforts in recognition of the potential implications of climate change.
- Where possible, Westbrook aims to give back to the communities in which our assets are located. For example, Westbrook planned, designed and built a 25,000 square foot roof farm on a residential building in California, which provides employment for farmers and activity days for residents and locals. The farm is managed and run by a WOC-led non-profit organization that distributes all produce to nearby charities.

With respect to social considerations, Westbrook strives to make a positive impact in the communities in which it invests, as well as with its employees. For example, positive community engagement is a focal point when development projects are undertaken, sustainability measures are implemented wherever possible regardless of asset class or jurisdiction. The firm has adopted and follows a responsible contractor policy encouraging fair wages and labor practices, as well as engaging minority/women/veteran-owned businesses. Westbrook shows its commitment to social inclusion by sponsoring organizations such as SEO (Sponsors of Educational Opportunity) since 2015. SEO is a non-profit organization dedicated to providing educational and career support to young people from underserved communities. Westbrook runs workshops, career advancement sessions, industry-specific skills, case study education, mentorships and internships for students in the SEO program. Westbrook has contributed knowledge, materials and time to all of these offerings. In addition to contributing financially to SEO, Paul D. Kazilionis, Westbrook's Chief Executive Officer, also participates at the SEO Alternative Investment conferences in New York City.

Westbrook is a contributor to the Toigo Foundations, whose mission is to foster career advancement and increased leadership of underrepresented talent by creating mechanisms for greater inclusion from the classroom to the boardroom.

The firm recognizes the workforce as an important asset to delivering long-term value and therefore allows 10 hours of Volunteer Time Off for all Westbrook employees annually so they may give time to causes close to their hearts.

## Xponance

## Global Equity Manager of Managers

Xponance became a UNPRI Signatory in May, 2021. The firm actively seeks to integrate sustainability factors, consistent with the mission and values of our clients, in the investment decision-making process. The sustainability factors defined in the Illinois Sustainable Investing Act are closely aligned with those of Xponance's ESG Policy. A copy of which which is available upon request. Manager selection in Xponance's multi-manager platform considers these factors. Sub-Managers are surveyed periodically on their adherence to and compliance with certain sustainability criteria as defined in the Act.

## Arga

## Xponance Manager of Managers Program

ARGA defines sustainability factors as those likely to have a significant impact on a company's long-term earnings, cost structure and/or business sustainability. ARGA analysts reflect ESG factors, where quantifiable, in company analysis inputs. This allows focus on those ESG issues that are material to each business.

Key ESG factors vary for each business. We do not pre-define material ESG factors but consider a broad range of metrics including:

- Environmental factors: emissions intensity, impact of climate change risks (physical and transition), resource intensity, waste management (including hazardous waste), environmental impact, biodiversity loss.
- Social factors: employee retention, diversity, employee health and safety, community impact.
- Governance factors: board independence, composition and diversity, employee incentives, supply chain management, policies around bribery, corruption, and ethics.

We note that several of the factors above are aligned to those considered as sustainability factors under the Illinois Sustainable Investing Act.

Additionally, many of the factors considered under point (5) of the Illinois Sustainable Investing Act, such as materials sourcing and efficiency, business model resilience, product design and life cycle management are addressed where material and quantifiable in our fundamental research.

Detailed ESG integration steps include:

Flag ESG Risks: ARGA Global ESG Scoring Framework
Companies are scored on 13 ESG factors stemming from a larger compilation of ESG metrics. Scoring is done early in our process, during the One Week Research Project.
• Metric weightings, developed by ARGA, are tailored to sectors - e.g., low Emissions score is weighted more for an Energy company than is weighted for a Technology company.
• Company scores are compared to corresponding MSCI ACWI sector ESG scores.
• Three key metrics apply across companies: GHG Emission Intensity, Water Usage and Employee Turnover. Company rankings below those of its peers require follow up.
• Quantitative inputs and automation reduce bias and provide global consistency.

Incorporate Material ESG Impacts in Company Forecasts and Valuations
ESG issues are evaluated for material impacts on companies' long-term earnings and valuations. ARGA uses a Dividend Discount Model (DDM) to select stocks that trade at a discount to intrinsic value. Analysts seek to understand:
• How will ESG issues impact a company's long-term earnings potential? Are those impacts direct (e.g., increased costs from oil spill) or indirect (e.g., reputation damage from human rights violations)? Temporary or permanent?
• What business elements are affected (e.g., volume, pricing, working capital, employee wages, raw material costs, marketing spend, etc.)?
• Are ESG impacts material and quantifiable? If yes, analysts reflect ESG impacts in DDM base and stress case forecasts. If not, yet raise high uncertainty, analysts adjust the DDM discount rate.

Engage With Company Management
ARGA engages with company managements primarily to enhance our DDM inputs. Secondarily, we use our ESG research to communicate with companies on potential ESG outcomes. ARGA is not an activist investor. We seek to understand risks ahead of investing, then incorporate risks in our valuation models. We routinely engage with companies on data transparency and address missing data issues. If needed, we may escalate engagement via proxy voting and communication with board members, third-party institutions, and other shareholders.

Reflect ESG in Portfolio Construction
ESG impacts, where material and quantifiable, are reflected in company DDM inputs, which determine intrinsic valuation. DDM valuation upside/downside (intrinsic vs market valuation) strictly drives stock selection and portfolio sizing. We do not use ESG exclusion screens, which appear arbitrary. We may accommodate ESG exclusions at client request.

Climate Transition Team (CTT)
CTT deepens ARGA's ESG expertise in the key area of decarbonization. ARGA views climate transition as a major driver of future capital deployment with potential to build or diminish corporate values. CTT professionals develop technical insights to enhance research by:
• Analyzing climate transition opportunities and risks.
• Evaluating alternate decarbonization technologies and effects.
• Forecasting global climate transition costs.

Research Team members integrate CTT results, where material and quantifiable, in Global Industry Models, forecasts and DDM valuations.

## <u>Centerstone</u>

## Xponance Manager of Managers Program

Centerstone Investors has a long-term investment horizon and assesses the long-term earnings power of its companies. Centerstone analyzes management's capital allocation decisions. Assessing management's attitude towards their shareholders is an important part of our process. We also review sustainability factors in judging their attitude toward shareholders. Along with creating financial value for shareholders, management should also focus on developing solutions and services that maximize the environmental and economic performance of their products/services. Many of the companies in our portfolio have developed sustainability strategies that place great importance on environmental, social, and corporate governance issues. In many cases, their sustainability reports are available on their website and they solicit feedback from shareholders. At Centerstone, we recognize that one of the long-term challenges that the world faces is climate change. Our investments include companies developing more environmentally conscious products and services. We value their efforts on innovation and sustainability, accelerating the transition to a zero-carbon world. Countries with a history of poor human rights records are normally avoided.

## Channing

## Xponance Manager of Managers Program

To a degree, ESG factors do inform certain parts of Channing Global's investment processes. Our investment philosophy emphasizes high-quality companies and we seek evidence of good corporate governance, in particular, in our analysis of potential investments. In certain instances, the firm also assesses the environmental and social track records of the companies in which we may invest, primarily to evaluate the potential legal and/or regulatory risks they might face.

Channing Global incorporates certain aspects of ESG analysis into its multi-faceted investment processes. The firm's investment-research team reviews reliable external sources of market intelligence on the subject, including ESG scores compiled by Bloomberg.

We approach ESG integration on a case-by-case basis and the metrics used or the mix of factors considered may vary by investment strategy and industry. In addition to reviewing ratings by third-party providers, we also incorporate ESG criteria into our diligence process, centered on corporate governance, to screen companies before evaluating the environmental and social considerations that may be unique to the company or industry.

We recognize that perceptions of what constitutes an ESG policy can vary, and we seek to be as transparent as possible about how we incorporate ESG considerations into our investment process and strategies. Our primary objective is to evaluate the potential material risks these factors may present. We generally have not taken an activist stance with regard to the three pillars of ESG.

We view the ESG risk in our portfolio as manageable. Most is related to governance risks in some of our emerging-market holdings. Several of our investments have founding shareholders or large family shareholders with many relatives involved in the business. In some cases, these governance structures are not aligned with best practices. Nonetheless, such companies can create significant value for independent shareholders such as us. Moreover, we anticipate that these structures will gradually trend toward best practices.

## Fithian

## Xponance Manager of Managers Program

Fithian LLC manages client portfolios with the aim of delivering positive financial performance and maximizing shareholder value over the long term.

Recognizing the increasing significance of sustainability factors to our clients and communities, we have treated the formation of our perspective on sustainable investing and stewardship as we would any other research project. Following an extensive review and reflection on our collective experience, we have sought to integrate thoughtful sustainability analysis more formally into our investment research process.

We believe that integrating financially material sustainability factors into our research is additive to our fiduciary duties and may mitigate investment risk and enhance financial returns. We take a balanced, case-by-case approach to integrating sustainability analysis in our research process. Sustainability analysis is an important component of the modern investment toolkit, but one best deployed in combination with traditional fundamental analysis, rigorous primary research, and disciplined valuation. Weighing sustainability factors is an active decision for each business in our portfolio as part of a mosaic approach.

We endeavor to integrate sustainability analysis at multiple points in our investment research and risk management processes. We may incorporate relevant sustainability analysis both prior to initiating a new position and as part of our ongoing maintenance research. While we believe that a case-by-case approach to sustainability analysis is most appropriate for our investment strategy, we have taken a proactive stance towards risk management by incorporating third party sustainability data and analytics as a robustness check.

## Foresight

## Xponance Manager of Managers Program

Foresight follows our client's ESG frameworks/ restrictions. Additionally, we look at ESG rankings on Bloomberg (which incorporate Bloomberg and S&P data) to get a sense as to how our investments/ potential investments screen on an absolute and relative basis.

On a more granular level, the firm looks at primary source documents (annual report/ proxy) to identify board independence and diversity as well as management incentive structures. From a corporate governance standpoint, we are looking for separation of roles between the Chairman and CEO, absence of poison pills, non-stagerred boards, dual share class etc. Beyond these issues, we also look to glean information regarding gender / diversity issues at the firm. As a practice, we take a holistic view of value creation for firms to include all stakeholders.

We actively avoid companies that have predatory business practices which disproportionately impact the environment or the social compact. Historically this has positioned our client portfolios into companies / industries which are more ESG friendly than our benchmarks. In aggregate, Foresight has observed that ESG factors can impact company returns and share prices over time leading us to incorporate these factors into our investment process.

We do not engage with the companies directly regarding ESG issues. When clients instruct Foresight to vote per their policy, we follow it per Glass Lewis. We don't vote proxies for SURS.

## Frontier

## Xponance Manager of Managers Program

The only sustainability/ESG consideration that is an explicit part of our fundamental analysis when researching companies to include in our portfolios is governance. Specifically, we review diversity of management, board member and board chair independence. While we do not use ESG factors to drive buy or sell decisions within our portfolios, our analysis does extend to sustainability risk factors as they pertain to potential government expenditures and/or changes with existing industry regulations. Companies are, however, excluded from the investable universe if they fail to meet the governance criteria (board independence, board and management diversity, etc.) the investment team has found representative of the types of high-quality companies we look to include in our portfolios.

While many sustainability factors are not part of our quantitative analysis, the qualitative research we conduct involves understanding all risks, both financial and non-financial, associated with a given company. Serving as a fiduciary to our clients, we monitor and measure governance issues (board independence, board and management diversity, major shareholders) for all companies in which we invest, and we monitor environmental and social issues where appropriate to impact company performance.

For example, when investing in RWE (German utility) or Vestas Wind Systems (Danish wind equipment manufacturer and wind farm operator), environmental factors were considered to determine the future potential for the companies to meet and exceed analyst expectations. This included research on proposed expenditures by governments on environmental and social initiatives. Another example would be our investments in the auto sector, where a transition to electric vehicles is driving investment in the industry.

## Martin

## Xponance Manager of Managers Program

Martin Investment Management, LLC has identified five building blocks to integrate sustainability factors into our fundamental investment management decision making process: governance factors, professional industry reports, customized portfolios, technology, and research depth.

(1) As the investment landscapes become increasingly complex, the firm believes that trust hugely impacts the bottom line of a company. The firm uses professional and proprietary research databases to incorporate governance data into its portfolio decisions and to determine the value of a company's transparency and reporting. We believe corporate management must navigate patchy disclosure data to address gaps in the workforce, such as gender pay, as well as to understand the importance of environmental sustainability through the products/service offerings.
(2) Opportunities and risks are assessed by using company specific expert industry reports in addition to the fundamental and macro research databases. Reviews include specific environmental factors such as companies' commitment to air and water quality and efficient use of resources.
(3) We provide strategy customization, which allows us to align our clients' values with their investing. The firm also incorporates the restricted list of countries and governments that negatively impact intangible risk factors in its equity investment selection process. The firm's trading system maintains an active list of the present restrictions to ensure implementation of the constraints. The firm is committed to following client guidelines and has demonstrated that it can include SRI considerations and restrictions based on client preferences in its investment process. The firm can comply with restricted lists of stocks provided by clients, including not buying equities from Northern Ireland, Sudan, Iran, and/or restricting gun, tobacco, and alcohol stocks in a portfolio.
(4) We are dedicated to continuously improving systems and technology at the same time adhering to our long-term investment process with a long track record of over 35 years.
(5) Since 2000 the firm's active internship program provides an opportunity for our firm to have additional company specific research dedicated not only to sustainability risk factors but also to uncovering positive corporate behavior.
As long term investors, we attempt to navigate the changing market environments with expert portfolio construction and comprehensive risk management. Our disciplined investment approach, proprietary research process, and investing with a purpose enables us to craft an innovative and efficient portfolio of global stocks with the opportunity to deliver positive investment outcomes.

## MayTech
## Xponance Manager of Managers Program

Please refer to MayTech's ESG Policy below.

## Promethos
## Xponance Manager of Managers Program

Our first steps are always to understand if a company will fundamentally work as a position in the portfolio. As part of this analysis, we always want to understand the complete picture, which includes the externality risks that a company creates and faces. We use sustainability factors as a proxy for externality risk.

We look for sustainability data that is well-populated across our universe, since we believe we can manage risks we can measure. We believe that all measurable sustainability factors and risks MAY be material to investment returns at some point in time, because investors can use these factors when selecting among similar securities. We use this data as part of our screening, stock selection, portfolio construction, and measurement of the sustainable characteristics of our portfolios versus the benchmark.

We do utilize SASB material matrix as one guide, but it is based on more contemporaneous financial materiality, as opposed to future/sentiment materiality, which also drive security returns. The most material sustainability risks currently in our portfolios are $CO_2$ emissions, embedded business model temperature rise impact, and gender diversity (gender diversity is a well populated data point and used as a proxy for diversity). These are well-reported at the benchmark level, and therefore we can construct our portfolio to reflect lower $CO_2$ intensity, lower implied temperature rise, and higher gender diversity.