ANNUAL FIDUCIARY REPORT

June 30, 2023

State Universities Retirement System
1901 Fox Drive
Champaign, IL 61820

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

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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's 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's 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's 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.

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. Most 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 7/01/23	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 C.

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. In Fiscal Year 2023, SURS voted in 3,683 meetings and 36,989 proposals. SURS voting history dating back to 2017 can be found on the Corporate Governance page of the SURS website. A FY 2023 Voting Activity Report can be found in Appendix D. A brief analysis of SURS Proxy Voting during FY 2023 can be found below.

Votes Against Management

Votes against management account for 9,872 of the 36,989 proposals, or 26.7% 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 6,684 of the 9,872 votes against management or about 67.7% of the votes against management and 18.1% of the total votes.
    - The top reasons for votes against management were:
        - Insufficient female representation on the board of directors or poor diversity disclosure. These reasons accounted for 3,222 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 for large-cap companies or there is not at least one woman on the board at mid- and small-cap companies.
        - 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 1,535 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.
        - Lack of EE01 Reporting. This accounted for 1,110 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.
    - Company does not report to Disclosure Insight Action/CDP (formerly known as Carbon Disclosure Project) or Sustainability Accounting Standards Board (SASB). This accounted for 499 of the votes against management. The Public Pension Policy will vote against the chair of the board when they have not produced reporting that is aligned with (SASB) or if they have not responded to the CDP's climate survey.

- Ratification of Auditor – Votes on the ratification of auditor account for 941 of the 9,872 against management, or about 9.5% 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 713 of the 9,872 votes against management, or about 7.2% of the votes against management.
    - The top reasons for votes against management are:
        - Concerning pay practices accounts for 239 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 221 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.
        - The Company has pay for performance issues and does not link any long-term incentive grant to sustainability metrics accounts for 187 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.

Shareholder Proposals

During FY2023, there were 807 shareholder proposals (SHPs), accounting for 2.2% of the total proposals. Governance proposals were the most common, accounting for 308 of the 807 SHPs or 38.2% of the SHPs. Overall SURS voted SHPs against management 505 times.

The most common SHPs were:

- **SHP regarding Independent Board Chairman/Separation of Chair and CEO** – accounts for 85 SHPs. The Public Pension Policy will generally support separating the positions of CEO and chair whenever the question is posed in a shareholder proposal, as in the long-term it is in the best interests of the company. In the absence of an independent chair, the Public Pension Policy will support the appointment of a presiding or lead independent director with authority to set the agenda for the meeting and to lead sessions. In the case where the company has neither an independent

chair nor independent lead director, the Public Pension Policy may vote against the chair of the governance committee.

- **SHP regarding Reviewing Political Spending or Lobbying** – accounts for 58 SHPs. The Public Pension Policy is supportive of companies providing disclosure concerning their climate-related risks and opportunities.
- **SHP regarding Report/Action on Climate Change** – accounts for 50 SHPs. The public pension policy is supportive of companies providing disclosure concerning their climate-related risks and opportunities.

Corporate Engagement and Stewardship

Diversity and Inclusion

SURS continues to be strongly committed to diversity throughout the investment program. In total, 38 firms owned by minorities, women, or persons with a disability (MWDB) directly manage a total $10.2 billion, or 44.3% of the Total Fund, as of June 30, 2023. 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.

SURS has partnered with Morningstar to monitor the diversity of SURS' investment managers through annual data collection on Morningstar's platform. The goal of this data collection is to monitor firm's hiring of diverse talent in both a quantitative and qualitative manner.

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 60 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 include: NAIC (National Association of Investment Companies) conference, NASP (National

Association of Securities Professionals) conference, AAAIM (Association of Asian American Investment Managers) Regional Conferences, GCM Grosvenor Small & Emerging Conference, Texas TRS/ERS Emerging Manager Conference, and 100 Women in Finance Week.

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 140 public, union and corporate employee benefit plans, endowments, and foundations with combined assets of approximately $4 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.

Mitch Vogel, a member of SURS' Board of Trustees has served on the CII Board of Directors since 2020.

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.

In 2022, Glass Lewis conducted approximately 1,300 engagement meetings and calls with public companies, dissident shareholders, and shareholder proponents. Glass Lewis aims to better understand the governance practices of these companies as well as foster mutual understanding and promote improved disclosure from companies.

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. In 2022, Glass Lewis published 85 Controversy Alerts on over 217 material ESG issues. 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.

Summary Risk Report

Quarter Ending December 31, 2022

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Appropriation Summary

Month	Amount Due	Amount Received	(Under)/Over	% Received
July	$176,547,250	$176,547,250	-	100%
August	$176,547,250	$176,547,250	-	100%
September	$176,547,250	$176,547,250	-	100%
October	$246,547,250	$176,547,250	$70,000,000	140%
November	$106,547,250	$176,547,250	($70,000,000)	60%
December	$176,547,250	$176,547,250	-	100%
January				
February				
March				
April				
May				
June				
FYTD	**$1,059,283,500**	**$1,059,283,500**	**-**	**100%**

Total appropriation for FY 2023 is $2,118,567,000

Actuarial benefit payments projection for FY 2023: $3,114,392,000

A supplemental amount of $38,759,300 was received in July from the Pension Stabilization Fund and is not included in the table above.

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Cash Account Summary

January 1, 2022 – December 31, 2022				
	Jan 1 – Mar 31	**Apr 1 – Jun 30**	**Jul 1 – Sep 30**	**Oct 1 – Dec 31**
Beginning Balance	$129,653,589	$402,610,004	$386,001,963	$101,904,304
Cash In:				
Partnership Distributions	161,126,077	140,160,145	79,941,958	57,470,494
Transfers	931,044,033	242,549,670	708,674,256	833,915,910
Total Cash In:	1,092,170,110	382,709,815	788,616,214	891,386,404
Cash Out:				
Partnership Capital Calls	(815,671,708)	(223,003,649)	(345,448,990)	(450,599,381)
Transfers	(205,000,532)	(60,000,000)	(378,003,851)	(79,115,414)
Net Contributions (Contributions less Benefit Payments)	(201,458,544)	(116,314,206)	(349,261,032)	(5,013,088)
Total Cash Out:	(819,213,696)	(399,317,855)	(1,072,713,873)	(534,727,883)
Ending Balance	$402,610,004	$386,001,963	$101,904,304	$458,562,824

Net private partnership cash flows were negative $393 million for the quarter

Net contributions (contributions less benefit payments) were negative $5 million for the quarter

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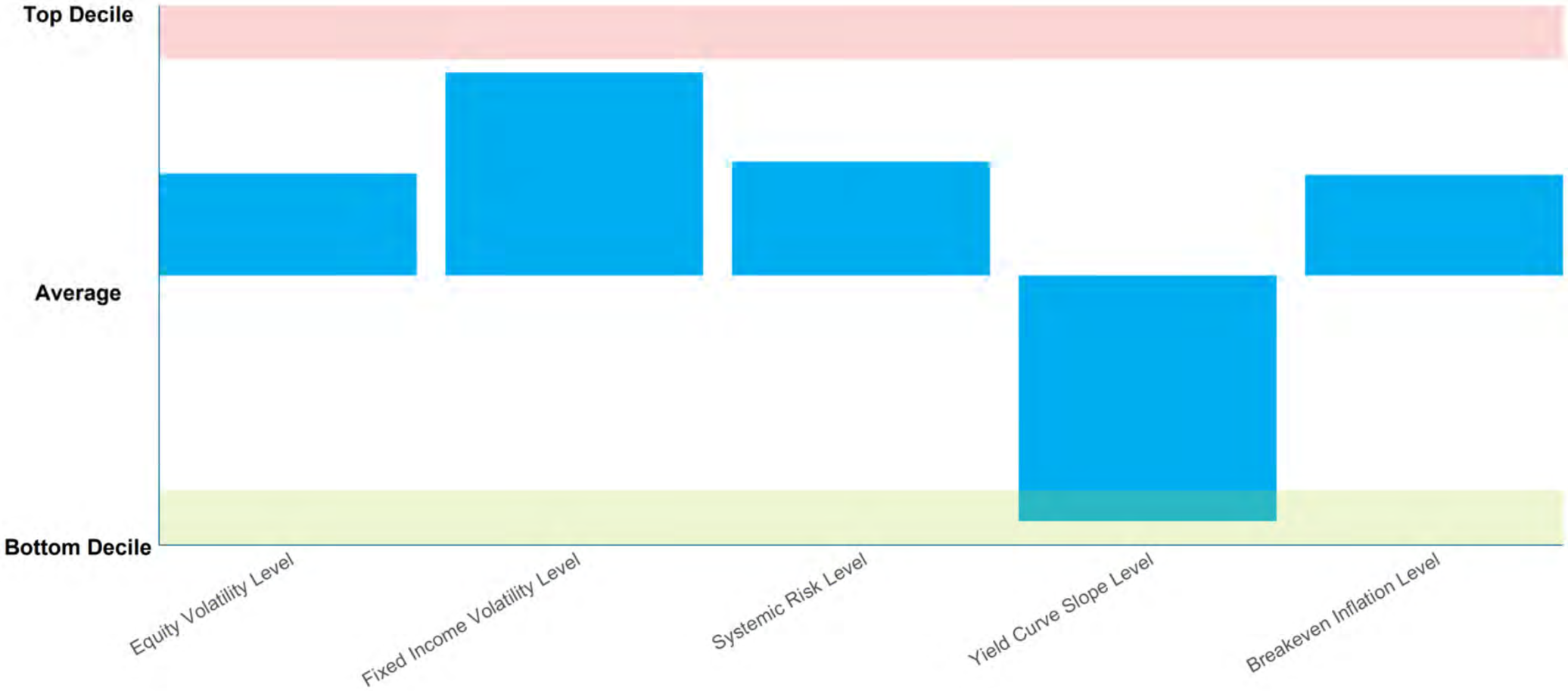
Today's Risk Environment – Risk & Valuation



Market Risk Levels: Current level of each indicator compared to its history.
Increase from last quarter in Systemic Risk Level and Breakeven Inflation Level.
Decrease from last quarter in Equity Volatility Level and Fixed Income Volatility Level.
Yield Curve Slope Level indicator remains in the bottom decile based on historical information.

Data as of December 31, 2022

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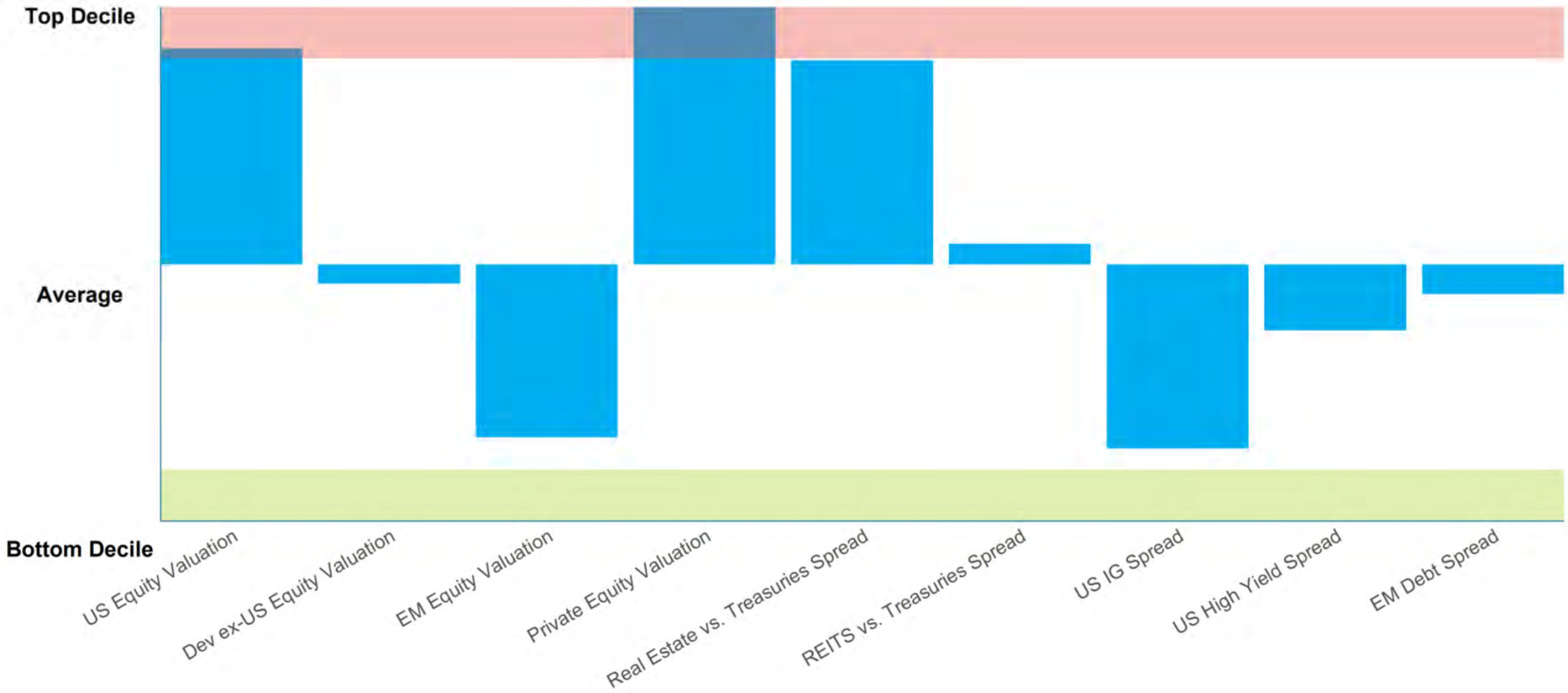
Today's Risk Environment – Risk & Valuation



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

U.S. Equity Valuation, Private Equity Valuation, and Real Estate vs Treasuries Spread are very high. Other valuations remain attractive.

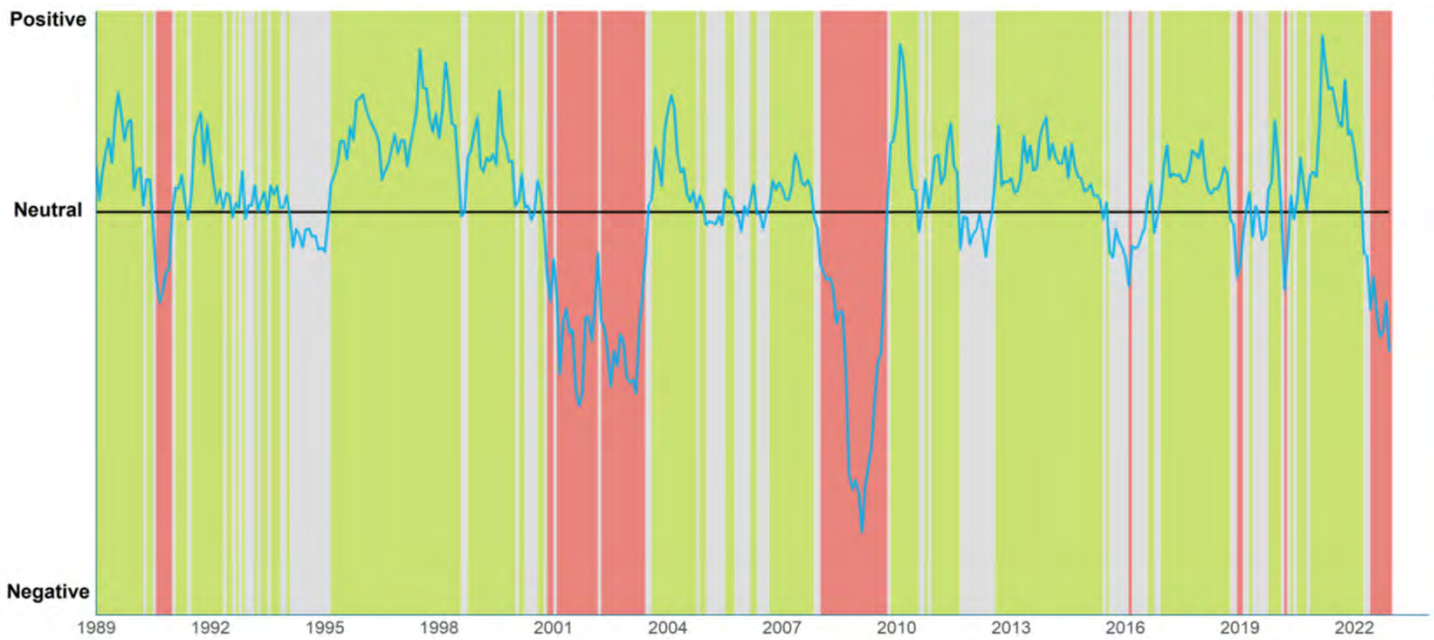
Data as of December 31, 2022

Today's Risk Environment – Sentiment/Concern

Market Sentiment Indicator (Last three years)

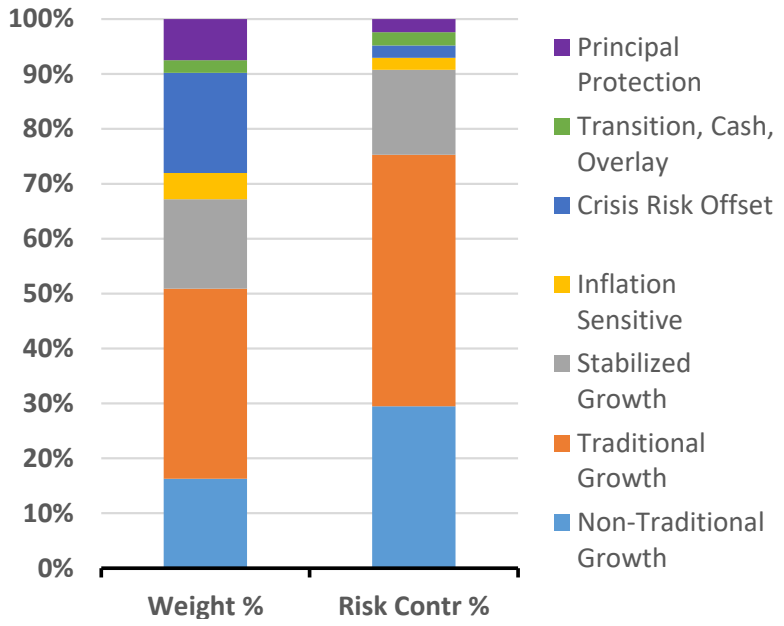
Red indicator indicates that market's sentiment towards growth risk is negative

Market Sentiment Indicator (All History)



Market's sentiment towards growth risk is negative

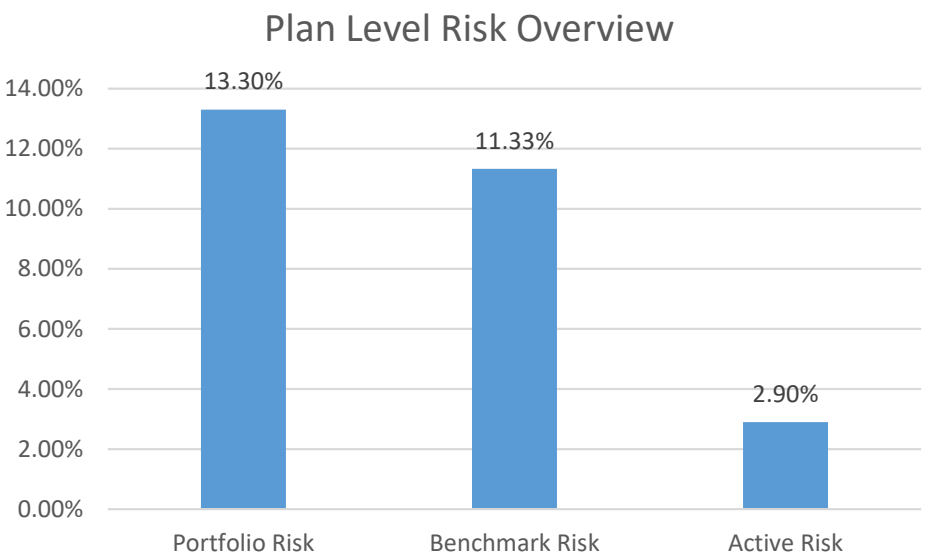
SURS Risk Exposures

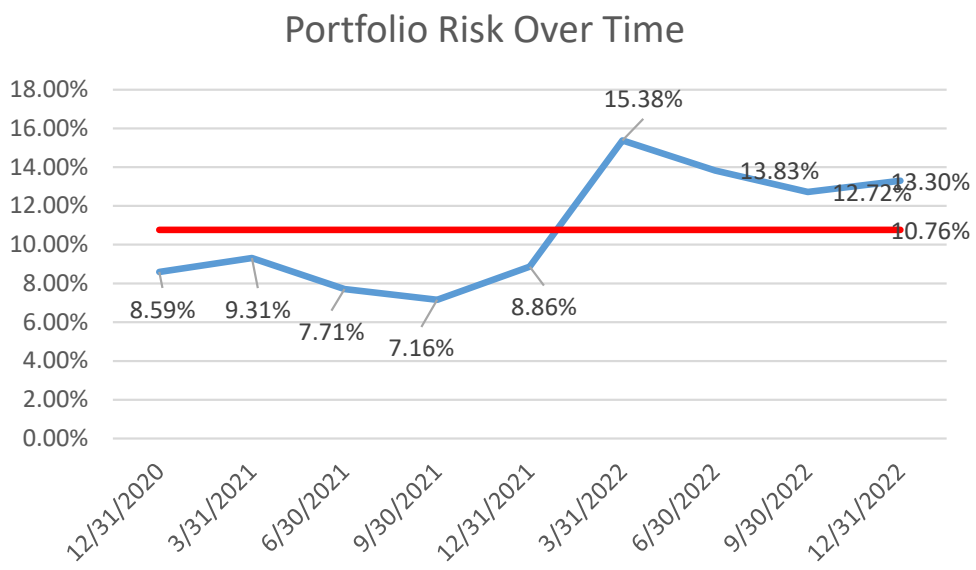


Total Portfolio Risk comes primarily from the Traditional Growth and Non-Traditional Growth asset classes.

Portfolio Risk and Benchmark Risk decreased slightly in the quarter.

Portfolio Risk increased from 12.72% to 13.30% over the past quarter, higher than the 10.76% average over time





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Scenario Analysis

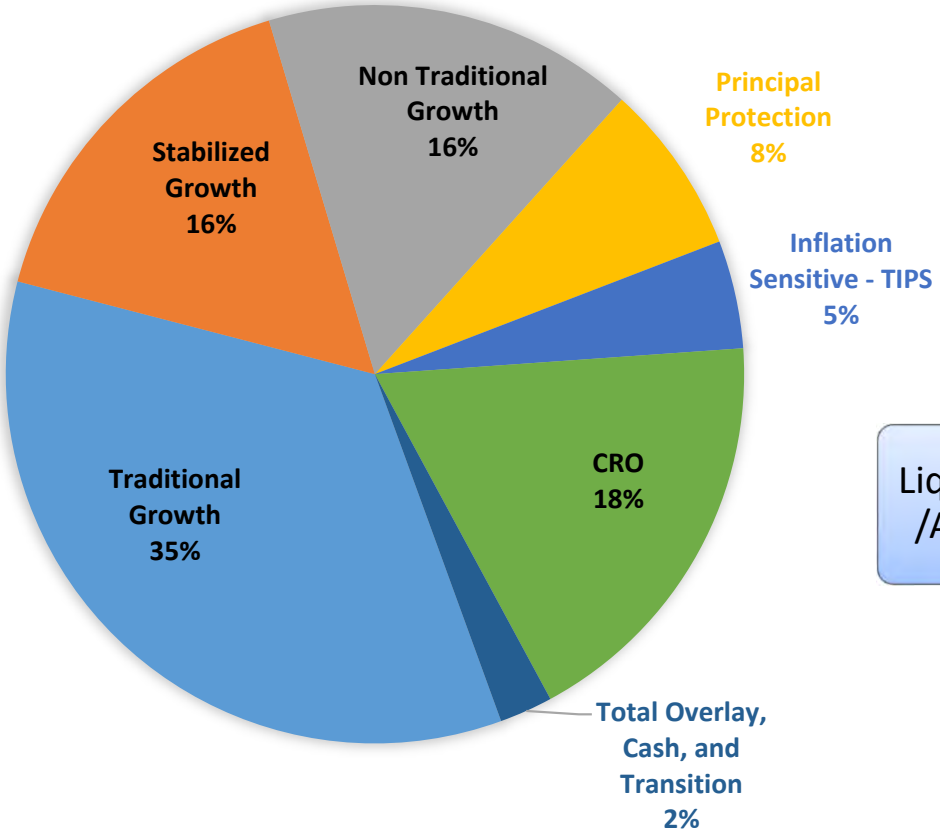
Scenario	Description	% Loss/Gain
Credit ’07	Credit & liquidity crisis stemming from a severe slowdown in the housing market causing significant widening of credit spreads and increased implied volatility.	(10.26%)
Crash ’08	Credit & liquidity crisis and equity market crash set off by Lehman Brothers bankruptcy. Significant credit spreads widening caused by massive deleveraging.	(20.51%)
FOMC Policy Paths-Hike Cycle Force US into Recession	Description: Credit & liquidity crisis stemming from a severe slowdown in the housing market causing significant widening of credit spreads and increased implied volatility. Shocks for DxS Factors are percentages of spread.	(11.88%)
Equity Volatility Increase	1% probability VIX Up movement	(6.79%)
Stock Market Drop Global	1% probability movement of MSCI World Market Down	(6.55%)

Current portfolio stress tested using historical scenarios.

Liquidity Profile

SURS TOTAL PORTFOLIO

Prefer Not to Liquidate



Liquid/Stable /Accessible

7.9 years of net cash outflows

2.1 years of benefits

Liquid/Stable group consists of Principal Protection, Inflation Sensitive – TIPS, CRO and Total Overlay which constitute for 32.8% of SURS portfolio.

SURS Projected Annual Net Contributions: -$827M to -$991M over next 5 years

Operational Risk Summary

Operational Risk	Target Review Cycle	Last Reviewed	Comments
Asset Allocation	3-5 Years	June 2021	
Investment Beliefs	3-5 Years	January 2020	
Investment Policy	Annual	September 2022	
Investment Procurement Policy	Annual	September 2022	
Private Real Assets Pacing and Strategic Plan	Annual	December 2022	
Private Equity Pacing and Strategic Plan	Annual	December 2022	
Private Credit Pacing and Strategic Plan	Annual	February 2023	
Capital Market Assumptions Review	Annual	March 2022	
Custodial Review	Annual	August 2022	
Securities Lending Review	Annual	March 2022	
Proxy Voting Guidelines	Annual	January 2022	2022 U.S., Public Pension and International Guidelines published on SURS website

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Operational Risk Summary

Relationships with Contract Terms	Contracted To	Comments
Northern Trust - Custodian	December 2026	
Meketa - General Consultant	February 28, 2023	Search concluded at December 2022 Investment Committee Meeting with Meketa being retained for another 5 year term, pending successful contract negotiations.
CAPTRUST - DC Specialty	March 31, 2023	Search concluded at Feb 2023 Investment Committee Meeting with Captrust being retained for another 5 year term, pending successful contract negotiations.
Callan - Real Assets Specialty	September 29, 2023	Search Scheduled to conclude in June 2023
Meketa – Private Credit	December 10, 2025	Private Credit Advisor
Aksia TorreyCove	September 1, 2024	Private Equity Advisor
Glass Lewis - Proxy Voting Services	October 1, 2024	
ISBI, TRS, SURS Agreement - Quarterly Restricted Securities	October 31, 2022	ISBI negotiated an annual contract with MSCI to provide the quarterly restricted securities list to October 2022. An agreement with Glass Lewis is still in place to provide the expatriated companies list. Costs for these services are shared equally between SURS, ISBI and TRS.

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www.surs.org

Investment Department

SURS Annual Fiduciary Report

Senate Bill 2152 has passed both chambers of the Illinois General Assembly and is expected to be signed into law. SB2152 includes new language, 40 ILCS 5/15-177.6, requiring SURS to post to its website an Annual Fiduciary Report. 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.

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 (30 ILCS 238/20) are listed below for reference:

"…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."

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.

As part of our in-house ESG evaluations, we recently introduced a new ESG Checklist Workflow Toll which investment teams can use to help analyze material ESG factors during the due diligence process. The checklist leverages the Sustainability Accounting Standards Board (SASB) framework to identify material, industry-specific ESG topics that could be expected to have a material impact on a company's financial performance, as well as overall ESG risk levels based on industry, geography, and/or recent material ESG incidents. Material ESG factors, as applicable based on strategy and/or mandate, which identified as part of these evaluations 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 may, if necessary, be incorporated into relevant limited partner agreement ESG clauses or a side letter agreement.

To help us assess ESG policies and practices of underlying funds, we also conduct annual ESG surveys and ratings of active GPs on our platform. In 2021, Adams Street contracted Apex ESG to conduct our annual ESG/ODD survey, incorporating the data collected within our proprietary ESG Checklist. The latest survey was sent to more than 200 managers and incorporates 38 ESG questions, providing data regarding ESG integration, reporting and performance metrics, as well as an overall ESG rating of our manager.

Adams Street may seek to mitigate exposure to specific industries, including through actively avoiding financing either through direct or indirect investment, where we deem the nature of such industry or business activity to be

incompatible with long-term value creation, including due to potential adverse social or environmental impacts.

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 in the short, medium, and long term 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 people, 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 Funds' 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.

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, International/Global ("I/G"), and Emerging Markets Value ("EMV") 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. Each team integrates their ESG risk ratings 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, I/G, and EMV 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, each investment team (Domestic, I/G, and EMV) assigns a Proprietary ESG-risk rating (Low / Moderate / Elevated / High) for a company. 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 risk ratings 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, ISS, MSCI, Refinitiv, and Sustainalytics, 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.

Our proprietary ESG data platforms are made accessible to the respective investments teams and inform company-specific ESG research. Each investment team maintains a customized approach to setting ESG ratings 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 set their own ESG ratings 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. The I/G 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-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

Our ESG approach is carefully customized. Ativo built and tested a library of more than 2,500 factors and proprietary factor formulations in an effort to extract the maximum possible value from our data set. Because factors behave differently in different regions of the world, we constructed unique ESG components for each of our US, Developed non-US, and Emerging Markets investment universes. The tables provided below list the factors used in each segment.

Developed Ex US ESG Model
Factors Description
Governance Sector Neutral Factor - (Governance Score based on Corporate Governance, Business Ethics, Government Policy and Corporate Behavior)
ESG Materiality Insight Sector Neutral Factor - (Scores based on SASB (Sustainability Accounting Standards Board) Materiality customized to each company).
ESG Weighted Average Score Sector Neutral Factor - (Weighted Average Score using Environmental, Social and Governance Scores).
ESG Insight Sector Neutral Factor - (Scores for each company based on all SASB 26 categories.
4 Factors).

Emerging Markets ESG Model
Factors Description
ESG Final Score - (Weighted Average Score using Environmental, Social and Governance Scores).
Governance Industry Neutral Factor - (Governance Score based on Corporate Governance, Business Ethics Government Policy and Corporate Behavior).
ESG Insight Industry Neutral Factor - (Scores for each company based on all SASB 26 categories).
ESG Materiality Momentum Industry Neutral Factor - (Trailing 12 month change in scores based on SASB Materiality customized to each company).
ESG Weighted Average Score Country Neutral Factor - (Weighted Average Score using Environmental, Social and Governance Scores).
5 Factor

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

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 ESG-related 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 ESG-related 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 2022 here: https://www.flipsnack.com/77595CDD75E/basis-esg-report-2022/full-view.html

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

As an institutional investor and corporate citizen, LM Capital understands that ESG integration and Responsible Investing is necessary and prudent. Our investment philosophy recognizes that integrating ESG factors into our investment process has a potential link to value creation for our clients. The firm has a formal ESG Policy Statement, established in 2016 and is aligned with the values of the UN Principles for Responsible Investing (UNPRI) as a signatory since 2019. In addition, the Sustainability Accounting Standards Board (SASB) has a Materiality Map and a series of 77 different frameworks for the material ESG factors. We are generally aligned with SASB viewpoint on materiality by industry.
Our examination of the long-term implications of social costs is particularly important to corporate fixed income, and LM Capital integrates ESG considerations into our fundamental analysis and security selection process. LM Capital avoids issuers from countries that lack the "rule of law" and will not own an issue that can be taken away by a capricious ruler. The most prominent countries currently avoided are China, Russia and Turkey. In addition, our ESG philosophy imposes a screen for involvement in the production of tobacco and firearms, and includes restrictions on companies that do business in the Sudan, Northern Ireland and Iran, among other countries.
To mitigate against event risk, LM Capital does not hold corporate issuers with direct exposure to casualty insurance, nuclear energy or B27regulated industries that were recently deregulated. To mitigate against event risk, LM Capital does not hold corporate issuers with nuclear energy exposure, regulated industries that were recently deregulated or with 50% or more direct exposure to casualty insurance.
Conversely, the team monitors our current holdings for Cleantech (Green initiative} participation. LM Capital uses fundamental analysis, including ESG integration, to understand the risks facing an issuer as a part of security selection process. The goal is to understand, given the obvious credit metrics and market price, the pressures on management that will change the credit metrics and relative value. The importance of each factor will depend on the particular circumstances facing the issuer. We also evaluate other factors that measure an issuer's vulnerability to those risks. A company with high business diversification, high geographic diversification and high credit ratings will tend to be better insulated from ESG risks.
Although quantifying the ESG impacts on valuations can be a challenge, we believe that ESG performance is often a good proxy for the quality of management. The market often under appreciates the ESG risk that certain companies have, why early in our fundamental analysis, the team recognizes these ESG risks and prohibits that name from our Approved List.

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, do not believe, and do not acknowledge that Blackstone's alternative asset management business 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.

Blue Vista Capital Management

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. We see these policies as ever-evolving over time as ESG continues to become more deeply embedded into the real estate investment process. Currently, Blue Vista's responsible investor policy is aimed mitigating risk and increasing the financial return of assets through the thoughtful integration of energy, water, waste, and resiliency considerations.

Brasa Capital Management

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

Brookfield Strategic Real Estate Partners

Real Assets

We seek to embed material ESG considerations and evaluate risks and value creation opportunities throughout our investment process. We actively look to advance ESG initiatives and improve ESG performance in driving long-term value creation throughout the lifecycle of our investments. Our investment processes align with the PRI.

Due Diligence

During the initial due diligence phase, we proactively identify material ESG risks and opportunities relevant to the particular investment. Guided by Brookfield's ESG Due Diligence Protocol, we leverage our investment and operating expertise and utilize industry-specific principles, which may include the incorporation of SASB guidance and, where applicable, a human rights and modern slavery risk assessment as supported by the related policy. Where warranted, we perform deeper due diligence, working with internal experts and third-party consultants.

Investment Committee Approval

All investments made by Brookfield must be approved by the applicable Investment Committee. Investment Committees are comprised of senior executives across different business groups and geographies, and consider

applicable ESG risks and opportunities when evaluating investment opportunities, including climate change, social, and governance considerations. Investment teams outline for the Investment Committee the merits of the transaction and material risks, mitigants and significant opportunities for improvement, including those related to ESG, such as bribery and corruption risks, health and safety risks, and environmental and social risks. If the investment is approved, the investment team creates a tailored integration plan that includes, among other considerations, strategic and operational plans to address the material risks and opportunities identified.

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

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

To mitigate risks and execute on opportunities, we seek to support the implementation of best practices and development of internal capabilities at our portfolio companies. We aim to achieve this in several ways, including by encouraging training, providing technical expertise on certain ESG related matters, facilitating connections to experts on ESG issues in relevant sectors, sharing of institutional knowledge of best practices and leveraging other firm resources including cross-portfolio collaboration.

Management teams regularly report to their respective boards of directors both from financial and operating perspectives, including key performance indicators ("KPIs") that incorporate material ESG 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, 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 practices to encourage ESG outcomes that are aligned with Brookfield's ESG approach. Where applicable, certain strategies may have Strategic Implementation Guidelines articulating Brookfield's stewardship and engagement process.

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

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.

Below is a summary of the environmental due diligence process we execute, to the extent allowed in each jurisdiction.

Environmental Report (environmental consultant):

Cabot mitigates the ample risks that environmental problems pose (i.e. higher purchase price, significant remediation liability, difficult financing) through conducting a Phase I Environmental Analysis ("Phase I") for all investments. A Phase I examines historic property use, as well as that of the surrounding area, identifying possible on-site or off-site environmental problems.

Depending upon the age of the building, the Phase I may identify asbestos containing materials that could be present as well as possible soil or ground water contamination.

Additional areas of concern include investigation for the presence or radon gas, lead paint, mold, and sick building syndrome. In situations involving new construction in open land areas, the review also might include an examination of the impact of the project on protected biological systems.

If the Phase I analysis indicates that possible problems exist, the environmental consultant usually recommends that further investigation be conducted pursuant to a Phase II Environmental Analysis ("Phase II") which usually involves on-site testing, providing a higher level of analysis and accuracy from which to draw a final conclusion.

It should be noted that a Phase II negative finding does not necessarily disqualify a property from being purchased, provided adequate remediation measures have been adopted. The costs of remediation measures are usually an obligation of the seller.

In addition to conducting an environmental review, Cabot may also purchase environmental insurance on a property with possible environmental issues. Environmental insurance is another tool that mitigates environmental risk to the Company and its investors. Such a policy covers costs associated with environmental cleanup when ordered by a governmental authority. Environmental insurance coverage also can be extended to lenders, who may accept this coverage in lieu of a recourse guarantee for environmental protection. In some situations, environmental insurance may be assigned to successors in interest.

ESG Committee and Board of Directors:
In recognizing that advancement of ESG initiatives requires firmwide involvement, our ESG Committee is comprised of employees across departments and geographic locations, who contribute their subject matter expertise in executing ESG objectives and serve as ambassadors who communicate to their respective teams and mobilize to act. The ESG committee considers policy, initiatives, goals, and reporting on an annual basis. In Q4 2022, Cabot hired Megan Basore as the Director of ESG. Megan brings 15 years of experience at Duke Realty; the second largest US industrial REIT acquired by Prologis in 2022. At Duke, Megan was the Head of ESG for three years and lead company-wide sustainability initiatives. At Cabot, she will work closely with the senior team and regional offices to establish objectives and build a go-forward 'infrastructure to execute' for our sustainability initiatives.

Cabot's Board of Directors is responsible and committed to upholding the standards and conduct in the policy as well as supporting the initiatives advanced by the committee. We have made real progress and are firmly committed to advancing these initiatives. Our work is not complete, however, and we are committed to making continuous progress in alignment with our employees, tenants, communities, and investors.

Campbell & Company
Real Assets

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/sites/default/files/2023-06/Carlyle-ESG-Report-2023.pdf

We do not believe and do not, by virtue of providing information on this form, concede that 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.

Credit Suisse Asset Management

Systematic Trend Following

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

Credit Suisse Asset Management has established a Sustainable Investing Policy that defines how ESG factors are integrated into the investment process in order to identify and manage sustainability-related opportunities and sustainability risks. Material ESG issues and themes are thereby understood as the factors that identify and describe such risks and opportunities. Depending on the investment sector, asset class, and regional investment focus, different ESG issues may be material. The analysis is supported by materiality frameworks that define industry-specific ESG factors deemed material to a company. CSAM identifies the materiality of ESG issues by considering both portfolio and company specific exposure to such ESG factors.

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 ESG 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 ESG analysis as a natural part of our quality-oriented fundamental research and risk management and we examine each company's specific ESG factors. We do not focus on specific ESG factors unless a client specifies, but rather choose to avoid companies that we believe would present a material ESG concern which we believe in turn could impact the sustainability of the company over time. EARNEST Partners believes that long-term sustainable returns depend on well-functioning and well-governed social and environmental systems.

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

"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.

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 HB2460: 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 $5.0 billion in AUM for 21 Illinois public sector accounts (as of June 30, 2023).

Per HB2460, GH&A includes "material, relevant, and decision-useful sustainability factors," as defined in HB2460, in evaluating investment decisions.

INVESTMENT PHILOSOPHY

Since the Firm's founding, GH&A has incorporated material Environmental Social Governance (ESG) considerations into our research process and the management of portfolios in order to avoid unquantifiable risk. 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.

Pecuniary ESG considerations, materiality, and risk are integrated in the assessment of all the Firm's products across its high-quality universe within the top-down macro framework. Thus, the Firm is able to maintain out performance 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.

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- or better by at least two of the three rating agencies. Historically, the Firm has utilized positive and negative screens to identify issuers whose products carry high unquantifiable risk related to material environmental, social, or governance considerations. This has not changed over time and includes risks associated with foreign companies, Yankee bonds, alcohol, tobacco, gambling, and defense contractors. Issuers identified as having a higher risk profile during this stage of the process are subject to further evaluation. The investment team then utilizes traditional financial and quantitative metrics analysis in conjunction with qualitative assessments to integrate ESG risks and opportunities into buy/sell/hold decisions. After this analysis, the investable corporate universe shrinks to approximately 75 issuers.

The investment team's analysis is based partly on the sustainability of an issue's operations and their consideration of a broad range of material "ESG" principles including, but not limited to, pollution, resource utilization, institutional environmental practices, human capital and development, diversity and inclusion measures, board composition, and the responsiveness and commitment of the organization to fair and transparent operations. ESG 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 ESG scale, the team incorporates a relative ranking of corporate issuers into the corporate selection process. All things equal, this process initiates a positive screening methodology to discriminate among securities with comparable conventional relative values. 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 the ESG 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. To create the GH&A proprietary ESG scale, the Firm's Strategist 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 three principal sub-metric factors are then combined to create the GH&A proprietary ESG scale. The S&P Global Ratings ESG Profile Score is given a higher weighting within the Firm's proprietary ESG scale due to the broader range of ESG factors assessed. Those issuers with missing or inadequate ESG disclosures may be eliminated from consideration. The Firm then stratifies the issuer universe scores into five categories within the ESG 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 Firm's Strategist then stratifies the issuer peer groups into the same 5 categories within the ESG scale based on the capitalization weighted scores of the peer group constituents: Exemplary, Satisfactory, Neutral, Lagging, and Unsatisfactory.

The Firm's Strategist 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 Firm's Strategist.

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 a security 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."

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."

GlobeFlex - Hand B&T
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."

Heitman LLC
Real Assets

Laura Craft serves as Head of Heitman's Global ESG Strategy. Laura is supported by Brian Trainor, Assistant Vice President, and McKenna Foy, Associate, and several members of the HART team.

The HART team focuses on exceeding 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 ESG 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 ESG 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 ESG 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, Social, and Governance (ESG) 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 assessment for ESG risks, using a comprehensive due diligence (DD) checklist that includes Key Performance Indicators specific to each property's region, crop type, and farming strategy. Tools for this analysis involve 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 ESG risks and opportunities, including climate overview, region labor and demographics, local farming practices, the ESG considerations of the farm's planned operating strategy, and potential environmental value-add opportunities.
Our ESG strategy is intrinsic to our land management strategy, which is tailored for each investment to optimize both environmental stewardship and financial performance. For instance, we have farms operating as wetland and stream mitigation banks in Iowa, where the value of these ESG strategies 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 ESG strategies. ESG-specific value creation is integrated into regular value creation wherever relevant or possible.
As a firm that invests in farmland, we understand the importance of adapting to climate trends. We employ climate-smart farming strategies that improve environmental resilience while still maintaining profitable yields. Downside modeling includes the assumption that the farm might need to be transitioned back to conventional production if necessary. We also track the greenhouse gas (GHG) emissions of many of our investments to assess the positive impacts of climate-smart practices. Actual performance of our ESG strategies is benchmarked against expected performance, allowing us to adjust our approach as necessary to maintain our commitment to sustainable agriculture.
For additional information, please refer to our ESG Policy and Diversity & Inclusion Policy. 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

As an institutional investor and corporate citizen, LM Capital understands that ESG integration and Responsible Investing is necessary and prudent. Our investment philosophy recognizes that integrating ESG factors into our investment process has a potential link to value creation for our clients. The firm has a formal ESG Policy Statement, established in 2016 and is aligned with the values of the UN Principles for Responsible Investing (UNPRI} as a
signatory since 2019. In addition, the Sustainability Accounting Standards Board (SASB) has a Materiality Map and a series of 77 different frameworks for the material ESG factors. We are generally aligned with SASB viewpoint on materiality by industry.
Our examination of the long-term implications of social costs is particularly important to corporate fixed income, and LM Capital integrates ESG considerations into our fundamental analysis and security selection process. LM Capital avoids issuers from countries that lack the "rule of law" and will not own an issue that can be taken away by a capricious ruler. The most prominent countries currently avoided are China, Russia and Turkey. In addition, our ESG philosophy imposes a screen for involvement in the production of tobacco and firearms, and includes restrictions on companies that do business in the Sudan, Northern Ireland and Iran, among other countries. To mitigate against event risk, LM Capital does not hold corporate issuers with direct exposure to casualty insurance, nuclear energy or regulated industries that were recently deregulated.
To mitigate against event risk, LM Capital does not hold corporate issuers with nuclear energy exposure, regulated industries that were recently deregulated or with 50% or more direct exposure to casualty insurance.
Conversely, the team monitors our current holdings for Cleantech (Green initiative} participation. LM Capital uses fundamental analysis, including ESG integration, to understand the risks facing an issuer as a part of security selection process. The goal is to understand, given the obvious credit metrics and market price, the pressures on management that will change the credit metrics and relative value. The importance of each factor will depend on the particular circumstances facing the issuer. We also evaluate other factors that measure an issuer's vulnerability to those risks. A company with high business diversification, high geographic diversification and high credit ratings will tend to be better insulated from ESG risks.
Although quantifying the ESG impacts on valuations can be a challenge, we believe that ESG performance is often a good proxy for the quality of management. The market often under appreciates the ESG risk that certain companies have, why early in our fundamental analysis, the team recognizes these ESG risks and prohibits that name from our Approved List.

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 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's Environmental, Social and Governance Policy ("ESG Policy") for investment activities across infrastructure, renewables, real estate, agriculture, transportation finance, private credit (collectively "Private Markets") outlines its responsible investment approach and provides a robust framework for embedding environmental and social risk management into its business activities.
The ESG Policy requires the identification and management of Environmental, Social and Governance ("ESG") issues in both investment due diligence and ongoing asset management. It provides a robust process to assess, manage, mitigate, monitor and report environmental, social and governance risks and takes a precautionary approach to ESG issues including labour and employment practices, diversity, equity and inclusion, climate change, human rights, resource efficiency, pollution prevention, biodiversity and cultural heritage.
Based on international guidelines including the International Finance Corporation Performance Standards, the ESG Policy provides escalated decision-making and approval processes for material environmental and social risks.

The ESG Policy is aligned to Macquarie's Environmental and Social Risk ("ESR") Policy. A summary of the Macquarie ESR Policy is publicly available online at:
https://www.macquarie.com/assets/macq/impact/esg/policies/Environmental%20and%20Social%20Risk%20Policy.pdf
Coal Restriction
In May 2019, MAM formalised a policy for its managed infrastructure funds restricting investments in coal mining, stand-alone coal-fired electricity generation, and businesses for which coal-fired generation accounts for more than 25% of revenue. In the case of businesses where some coal generation exists, decommissioning must be incorporated into the
acquisition case business plan. In other sectors, such as rail and ports, revenues generated from coal-related activities must not exceed 25% and these investments must assume that coal revenues will diminish sharply over time. Where the policy is unclear or difficult to apply, these opportunities will be considered on a case-by-case basis by MAM's Sustainability team.
Net Zero Commitment
To help address climate change and accelerate the low carbon transition, MAM announced in December 2020 its commitment to invest and manage its portfolio in line with net zero emissions by 2040. In accordance with this commitment, MAM will seek to measure the greenhouse gas emissions of portfolio companies held in its funds, identify pathways to reduce their emissions, and support the development of business plans that contribute to a net zero economy by 2040 or sooner. MAM targeted completion of these steps for portfolio companies where it exercises control or significant influence and which were held at the time of the commitment, by the end of 2022. Details of progress made will be published in investor and external communications in 2023. For newly acquired assets, MAM will seek to complete these steps within 24 months of acquisition. MAM's efforts are complemented by Macquarie's commitment to reach net zero operational emissions by 2025 and to further align its financing activities with net zero emissions by 2050.
Other Materials
The 'ESG – Our Approach' document details MAM's approach to the identification and management of ESG issues throughout the entire investment lifecycle from screening and due diligence through to ongoing asset management of infrastructure businesses. This document is available on request.
In addition, MAM produces an annual Sustainability report that provides an overview of ESG initiatives and outcomes across MAM's business including MAM's Real Assets platform. The latest MAM Sustainability report is publicly available at the following link: https://www.mirafunds.com/au/en/our-approach/sustainability/mam-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
Please refer to the below links for more information:
•https://www.macquarie.com/au/en/about/news/2020/addressing-climate-change-and-accelerating-the-low-carbon-transition.html
• https://www.macquarie.com/uk/en/about/news/2021/macquarie-asset-management-joins-net-zero-asset-managers-initiative.html
• https://www.macquarie.com/br/en/perspectives/climate-change.html
•https://www.macquarie.com/uk/en/perspectives/climate-change/our-commitment-to-tackling-climate-change/supporting-the-transition-to-a-net-zero-economy.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.

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 Methodology (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.

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 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 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 ESG factors is transparent, systematic, and explicit. Our approach to the analysis of 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 portfolio in 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. We are continuing to evaluate and push down environmental ESG considerations as part of our original due diligence, contracting, and active oversight. Our goal is to have investment mangers 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 tie 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 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.

Newport Capital Partners
Real Assets

Newport Capital Partners Fund III's ("Fund III") Investment Committee is responsible for approving all investments made by the Firm, on behalf of its funds and investor accounts, and ensuring that investments and related business plans are executed within the specified investment parameters. It consists of four members including Derrick McGavic (Managing Partner & Chief Investment Officer), Ben Andrews (Partner & Head of Investments), Roseann Morar (Partner & Chief Financial Officer), and Agnes Olejniczak (Managing Director & Head of Asset Management).

A key governance feature of Newport's IC process is that the presenting member does NOT have a vote on the topic presented. Unanimous approval of remaining eligible voting members is required.

The Firm's ESG efforts have largely focused on Diversity & Inclusion with respect to hiring practices, relationship with vendors, and charitable contributions in the communities in which Newport works with and invest in. The Firm has continued to maintain its certification as a Service-Disabled Veteran Owned Business and a Person with Disability Business Enterprise. The Firm has also focused on MWDB hires including 13 women (52%), 3 minorities (12%), and 3 veterans (12%) employees over the past five years. Further, when working with vendors, Newport gives preference to minority-owned vendors when all else is held equal. Each new vendor needs to complete Newport's diversity form prior to payment processing. This policy is supported by a process to verify, track, and report on these minority vendors from the Firm's accounting system, Yardi Voyager.

In addition, Newport strives to deliver quality necessity-based tenants that serve the needs of nearby consumers and driving the convergence of healthcare and well-being to local neighborhoods while generating attractive risk-adjusted returns for its investors. With each acquisition, the opportunity to add value by executing environmentally friendly capital projects is reviewed and if feasible included in the Strategic Plan. The Firm's functional teams evaluate and execute on environmentally conscious capital improvements where the benefit/cost is accretive to property performance (e.g., the addition of electric vehicle supercharging stations; energy minimizing lighting with LED retrofits to parking lot lighting and low flush toilets; as well as, the use of solar efficient roofing materials, etc.). The Fund's neighborhood, convenience retail strategy features an Internet-resistant tenant base, including healthcare, grocers, off-price retail, personal services (hair, fitness, spa), and quick service restaurants ("QSR"). As a result, the Fund retains a strong leased percentage of 85% as of June 30, 2023, which contributes to strong cash flow and income returns. Lastly, four of the seven properties invested in the Fund are in Low to Moderate ("LMI") income neighborhoods.

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.

Northern Trust Asset Management
International Equity

The ACWI ex US IMI fund that SURS is currently invested in is not managed to an ESG mandate.

Oaktree Capital Management
Real Assets

Please see the attached for our ESG Policy.

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 ESG 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.

Our governance structure provides oversight, accountability, and transparency both at the fund level and internally within the Firm. We foster a transparent and communicative culture which aims to offer a high level of transparency and easy access to senior management. We believe that our governance practices are robust and sound and contribute to effective oversight, clear segregation of duties, effective risk and conflict of interest management, and strong accountability. We are committed to transparency in reporting and communications with our investors through 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 seek to ensure that our business operations are environmentally responsible and energy efficient. In line with enhancing the One River culture of respect, thoughtfulness and giving, the firm launched a charitable match and giving initiative via the Groundswell platform.

The Firm maintains a robust Diversity and Inclusion Policy. We seek to hire based on qualification for the position and do not discriminate on the basis of race, religion, or gender. The Firm is an equal opportunity employer and

our staff members come from multicultural backgrounds. We believe this creates a dynamic environment of diverse talent and original thinking, all in a collaborative way. We do not tolerate harassment or bullying in the workplace and operate an employee whistleblowing procedures for reporting of inappropriate behavior. In 2022, we established its Equity and Inclusion Focused Working Group to support the firm as it grows.

We rely on several key service providers to help us deliver our management company services. 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. 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.

Pantheon Ventures
Private Equity

Pantheon is committed to considering Environmental, Social and Governance ("ESG") issues in both the operation of its business and in its investments for the benefit of its stakeholders, including clients, the local communities in which the firm operates, and society as a whole. Many of the challenges we face are global and require all businesses to consider the impact of their activities on society and as a global allocator of investment capital across private markets Pantheon has a role to play in shaping the sustainability of business and the future of the world in which we live. This is a role Pantheon takes seriously and is reflected in our firm being one of the early signatories to the UN Principles for Responsible Investment in 2007.

Pantheon is a signatory of the Principles for Responsible Investment ("PRI") and has used the following six principles as a framework to develop its ESG policy across all its investment activities.

- We will incorporate ESG issues into investment analysis and decision-making processes.
- We will be active owners and incorporate ESG issues into our ownership policies and practices.
- We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- We will promote acceptance and implementation of the Principles within the investment industry.
- We will work together to enhance our effectiveness in implementing the Principles.
- We will each report on our activities and progress towards implementing the Principles.

We review our continued adherence to these principles on an annual basis through evaluating activities we have undertaken in each year and identifying ways in which we can enhance our ESG risk management.

We formally incorporate the consideration of ESG risks into our investment due diligence process. We believe this is crucial to harnessing the potential for value creation through effective ESG procedures, as well as in protecting the interests and reputations of Pantheon and its clients. The ESG due diligence findings are formally documented in investment recommendations, with potential concerns flagged for consideration by Pantheon's investment committees and by clients to whom Pantheon provides investment recommendations.

As part of our due diligence process, we focus on examining the potential for fraud, rogue activities and other unethical behavior of GPs. Our extensive cross referencing of GPs prior to investment, including both on-list and off-list referencing through Pantheon's vast network, means that Pantheon makes every effort to invest, or recommend investments, only with fund managers that are of institutional quality and with managers that understand the importance of reputation in the market place. We will also take into account the time horizon of investments, particularly in infrastructure investing, and the likely impacts that this might have. Finally, we subscribe to RepRisk in order to improve our ESG due diligence and on-going risk monitoring. RepRisk is a global leader in the provision of business intelligence on ESG risk and provides ESG news flow and company ratings based on media reports and other public sources external to the company.

For Pantheon's fund companies, in January 2020, we incorporated a diversity and inclusion section into our

Operational Due Diligence questionnaire which is a required due diligence step for all primary investments. Furthermore, through our position as an advisory board seat member we look to ensure that the issue of diversity is continuously on the GPs' agendas. We believe that this is not only ethical but can also improve performance; our strong belief is that more diverse PE and VC firms make better investment decisions. As a fund of funds investor, it is challenging to probe deeply into the levels of diversity at the underlying company level; however, as part of our due diligence we do ask our managers about diversity in the teams that they invest in.

Pantheon also has a commitment to continuous progress in the workplace with our inclusive policies by sourcing candidates from a wide demographics, establishing a representative for balanced screening and interview processes, and training and supporting our people to deliver an effective hiring process that is in line with our I&D values. We work towards building a united culture fostered by our leadership team that began with all Pantheon managers successfully completing anti-discrimination training led by our HR team, internal committees that acknowledged several awareness initiatives including: US Black History Month, International Womans Day, Women's History Month, and Pride Month. Pantheon also host inclusivity-themed townhall meetings, where employees have shared their own powerful and diverse personal stories, and discussed our progressive global partnerships with third parties that embody our mission in building more inclusive and equitable work force.

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 strategies do incorporate 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.

Our fundamental bottom-up research centers on factors that we believe drive value in security selection. We focus on identifying issuers that have stable to improving credit profiles. As part of the evaluation of creditworthiness, our analysts identify ESG factors, if any, that they believe to be material for the industries and companies they cover. These issues are included in the analysis and discussion that takes place as part of the approval process conducted at Credit Committee.

As a manager of separate accounts, we manage portfolios within guidelines specified to us by our clients, including those related to ESG. Our clients have differentiated approaches to ESG and, to the extent those objectives are consistent with our investment process and strategy, we strive to meet those goals as they are shared with us.

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. 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 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.

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).

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. RAM works with each client to establish customized investment policies incorporating ESG factors and has the capability to apply ESG overlays across the Municipal,

Corporate and Securitized asset classes. These customized strategies can include specific impact goals that will allow RAM to make investment decisions driven by ESG considerations.

RAM analysts conduct both research internally utilizing issuer disclosures and corporate sustainability reports while also having access to ESG specific data and ratings through Bloomberg. Specifically for the municipal asset class, RAM has developed a proprietary internal ratings model that allows for the analysis and presentation of the ESG qualities of issuers.

The Municipal ESG rating model takes into account five main ESG factors that are supported by 17 underlying data points that allow for the creation and continued assessment of the ESG score of an issuer. These factors were chosen due to RAM's belief in their ability to materially impact an issuer. On a client specific basis, these ratings are utilized to provide an ESG rating of the portfolio and to describe any specific attributes that are in-line with the clients ESG goals. As the availability of ESG data evolves, and the relevant disclosures continue to be standardized, RAM further develops the model to ensure that any material metrics relevant to a specific sector of the Municipal asset class are included. This rating model is not currently used for security selection or in a manner where it determines credit quality.

Rhumbline Advisors

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 27 years later. Our customized business accounts for more than one-third of our assets under management as of June 30, 2023.
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.

Solstein Capital

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.

Torchlight Investors
Real Assets

Torchlight believes the evaluation of Environmental, Social and Governance ("ESG") factors can aid the Firm in identification of investment risks and opportunities that are important to the long-term returns on 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:

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 utilizes an underwriting checklist which contains ESG-related items deemed relevant to Torchlight's investments, to better understand relevant ESG risks and opportunities.
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.

Investment Approval - All proposed private investments are presented to the Investment Committee ("IC") for approval. Material risks, including ESG-related risks, are described in a memorandum prepared for, and reviewed by, the IC prior to a final investment decision.

Asset Management - Portfolio assets are monitored on an ongoing basis and are re-evaluated at least quarterly to identify any material changes. Where appropriate, Torchlight actively works with borrowers, property managers and developers, including with respect to ESG factors or potential ESG risks or opportunities.
Please note that Torchlight does not pursue any mission-driven or impact-focused investment strategies. Torchlight utilizes an integration approach, and in certain cases 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; implementing sustainable practices through innovation and the 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) Install renewables (such as solar and wind) where economically feasible, and c) Procure green energy where economically feasible. In addition to reducing transition risk, these initiatives enhance property level returns.

UBS is a founding member of the United Nations Environmental Program Finance Initiative and a member of the United States Green Building Council (Oversees LEED certification) since 2007. In the 2022 PRI Real Estate Assessment, UBS Asset Management received a score of 89/100 on the Real Estate module, significantly better than the average score of 69/100. Finally, we are pursuing LEED (Leadership in Energy and Environmental Design) and other green certification programs wherever cost effective. We continue to observe increased interest from tenants and prospective purchasers in our sustainability initiatives. The Fund's 73 East Lake apartment investment received Fitwel certification, with the highest score of any Multi-Family Residential property in the country during 2022.

Versor Investments
(Formerly ARP INV)
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).

Internally, Versor primarily relies on the Refinitiv ESG database with global coverage for environmental, social and governance factors. The database contains company-reported data and Refinitiv estimates for approximately 6,000 firms across ten categories using 178 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 MWDBE-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.

• Women make up 40% of Investment Advisor employees. Women also make up ~40% of Investment Advisor leadership.

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.

William Blair

Emerging Markets Equity

William Blair Investment Management believes in the importance of integrating key environmental, social, and governance ("ESG") considerations into our investment processes. We believe that integrating targeted, financially

material ESG factors alongside traditional financial metrics in our fundamental research helps us make a more holistic assessment of investment risks and opportunities and is commensurate with the pursuit of superior risk-adjusted returns on behalf of our clients and their beneficiaries.

For additional information, please refer to the following link:

https://www.williamblair.com/-/media/downloads/im/esg-policy.pdf

Westbrook Partners
Real Assets

Westbrook believes that the application of socially responsible behavior, including environmentally 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, environmental, social and governance ("ESG") initiatives are implemented, and 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 Administrative Officer, the Chief Operating Officer and the newly-established Chief Sustainability Officer, who will provide thought leadership 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, and the communities in which it invests and the overall environment in recognition of the overall importance of ESG matters.

Given that Westbrook invests in a variety of asset classes and geographies, the firm has found that potentially meaningful ESG factors and metrics can vary significantly by investment. For example, where environmental factors are relevant to an investment, these findings that were 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.

With respect to social considerations, Westbrook strives to make a positive impact in the communities it invests in as well as with its employees. For example, affordable housing components of residential developments are strictly adhered to, positive community engagement is a focal point when development projects are undertaken, sustainability measures are implemented wherever possible regardless of asset class or jurisdiction, and the firm has adopted and follows a responsible contractor policy encouraging fair wages and labor practices, as well as the hiring of minority/women/veteran owned businesses.

Internally, Westbrook has adopted several policies as part of its Compliance Manual for all employees, including a diversity and inclusion policy reiterating Westbrook's commitment to a diverse and inclusive workplace. Westbrook is also focused on attracting and retaining diverse talent at all levels and is a member of several organizations committed to supporting these areas. The firm also maintains several other employee policies such as an anti-harassment policy, a code of conduct and ethics policy, and a family leave policy. Furthermore, various Westbrook offices often engage in teambuilding and related activities, including local community involvement.

In terms of governance considerations, Westbrook's legal group, which includes a dedicated compliance manager, has developed policies and procedures to monitor all legal and compliance obligations under its fund agreements (fund partnership agreement and investor side letters), the employee Compliance Manual and government regulations, and also oversees all corporate risk management functions. The firm also conducts anti-harassment, annual compliance, as well as annual cybersecurity training for all employees.

Good governance, social responsibility and environmental best practices have always been important factors in Westbrook's pre-deal due diligence and ongoing investment monitoring. While Westbrook believes ESG factors can enhance long-term value, Fund XII will not pursue a specific ESG-based investment strategy or mandate, or limit its investments to those that only meet specific ESG criteria or standards. Any reference herein to environmental or social considerations is not intended to qualify our duty to maximize risk-adjusted returns.

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 related to environmental, social, and governance considerations. ESG factors are treated similarly to any other fundamental factor affecting businesses. ESG risks and opportunities that affect revenue, costs, earnings, product composition, market share etc., that we believe will have a meaningful impact on long-term earnings are deemed material. Material ESG factors are evaluated along with all fundamental factors that are used as inputs into our company Dividend Discount Models (DDM). In this way we integrate ESG into the investment decision-making process.

Key ESG factors vary for each business, and we consider a broad range of metrics including but not limited to:
• 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 appropriate in our fundamental research.

Detailed ESG integration steps include:

Apply ARGA's Global ESG Scoring Framework: Scoring is conducted early in our process, during the initial One Week Research Project. Companies are scored on 13 ESG factors resulting from a larger compilation of ESG metrics.

Factor ESG impacts in forecasts/valuations
Building on the quantitative ESG score, where an ESG issue is deemed material, analysts conduct further fundamental ESG research, seeking to understand:
• How do ESG issues highlighted in the above scoring framework impact a company's long-term earnings potential? Are those impacts direct (e.g., increased costs from oil spill clean-up) or indirect (e.g., reputation damage from human rights violations)?
• What business elements are affected (e.g., volume, pricing, working capital, employee wages, cost of raw materials, marketing spend, etc.)?

• Are ESG impacts quantifiable? ARGA uses a Dividend Discount Model (DDM) to select stocks that trade at a discount to intrinsic value based on long-term earnings power and dividend paying capability. If quantifiable, analysts reflect ESG impacts in DDM base and stress case forecasts. If not, yet raise high uncertainty, they adjust the DDM discount rate.

Engage with stakeholders
ARGA engages with company management and other stakeholders primarily to enhance our DDM inputs. Secondarily we use our ESG research to communicate to companies on potential ESG outcomes. ARGA is not an activist investor. Yet we place much importance on understanding potential risks to a firm ahead of investing, then incorporating these risks in our valuation models. ARGA also systematically engages with companies on data transparency and addresses missing data issues.

Reflect ESG in portfolio construction
For those companies where ESG impacts are deemed material, these will be reflected in company DDM inputs, and ultimately the valuation. A company's DDM valuation upside/downside in turns informs the stock selection and portfolio sizing decision. We do not use ESG exclusion screens, which can be arbitrary. We may accommodate ESG exclusions at clients' requests.

Monitor ESG
Analysts, with support from our ESG and Climate Transition Teams, regularly monitor key factors, including ESG, where material:
• Analysts reflect any new, pertinent information, in a company's DDM inputs. When facts change, we may change our view.
• The CIO, Director of Research and Research Team members, regularly review ESG portfolio metrics.

Regular reviews of ESG factors and risks are included in multiple analyst reports:
• Investment thesis and company presentations - Include assessment of key ESG risks for the company and industry, and analysis of impacts on company valuation where impact is deemed material.
• Company engagement notes reflecting emails, calls, and meetings with companies – Include ESG Questionnaires to gather company ESG data and steps taken to address ESG issues.
• DDM models - Reflect effects of ESG risks and opportunities on company inputs, where material and quantifiable.

Climate Transition Initiative
ARGA's Climate Transition Team (CTT) supports our ESG commitment in the key area of decarbonization.

ARGA views climate transition as an area of meaningful corporate capital deployment over the next two decades, with potential to considerably build or diminish stakeholder value. ARGA CTT develops technical climate transition insights to enhance research.

Specific CTT goals to support ARGA's research process include:
• Analyze climate transition opportunities and risks.
• Evaluate alternate decarbonization technologies and effects.
• Forecast global climate transition costs.

Centerstone

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, environmental, social, and governance (ESG) factors 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.

Investment-Research Process & ESG Integration
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 recognized third-party providers.

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 also by industry. We have developed a due-diligence checklist, centered on corporate governance, to screen companies before evaluating the environmental and social considerations that may be unique to the company or industry. The Firm's Investment Team is responsible for overseeing that the ESG guidelines in place are observed in the first instance.

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 financial risk a company may present. We generally have not taken an activist stance with regard to the three pillars of ESG.

Shareholder Engagement/Stewardship
Regarding proxies and shareholder engagement, Channing Global endeavors to discuss with corporate management any ESG-related concerns we may have either during one-on-one meetings or during corporate presentations.

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 33 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

MayTech Global Investments, LC ("MayTech") is an independently owned asset manager, focused upon long-term, deeply researched fundamental analysis and equity portfolio management for our institutional and private clients. Forecasting companies' prospects on a long-term time horizon and the identification of the surviving companies from disruptive technological innovation is a key activity of our investment team. ESG issues and their management can have a significant impact upon company earnings and long-term valuations and consideration of these issues is a part of our investment process.
Our policies on ESG are developed using the principles set out in the Principles for Responsible Investment (www.unpri.org).

OUR FIDUCIARY DUTY
MayTech Global Investments recognizes that it has a fiduciary duty to act in the best interests of its clients. Part of this responsibility involves ensuring that assets under our stewardship are managed in a way which maximizes shareholder value.

ESG APPROACH
Our approach is pragmatic and necessarily flexible given differences between countries in terms of regulation and the individual circumstances of the company involved. Our assessment of the quality of our portfolio holdings in the areas of environmental considerations, social responsibility and corporate governance is a part of our investment process. In practice, evaluating these responsibilities includes analysis of financial statements, company policies, history of lawsuits and consideration of all proposals and resolutions requiring a shareholder vote.
All these actions are used to make assessments for corporate governance, socially responsible investment and environmental factors which feed into the ultimate investment decision. As our investment process is driven primarily by long-term earnings potential, all our analysis of ESG factors is undertaken with a view to their

potential impact on earnings and valuation.

ESG INTEGRATION
We perform extensive fundamental research as part of our investment process. Through deep fundamental research our team looks at a wide range of factors, which may include ESG factors, that they determine are meaningful to the investment opportunity. As part of our ongoing analysis of companies, we monitor their performance on ESG factors. The starting point for such monitoring will be statutory financial or other statements. We may also engage directly with management where we feel it is necessary.

Key areas:
Company Information
We expect financial statements reports and other publications to meet legal and accounting standards and to be timely, transparent, and objective. Such information should enable us to evaluate the performance of management as well as of the company in relation to stated objectives and to understand future strategy. It may also support a consideration of the impact of company performance in the areas of social and environmental responsibility on future sales, margins and valuations.

Board and Management
We believe in effective boards, comprising individuals sufficiently experienced in the business and other relevant matters, with a balance between executive and independent non-executive members. Boards must take responsibility for corporate performance and be accountable to shareholders. Our starting point is that the Chairman should be responsible for running the board and the Chief Executive should be responsible for running the business and, accordingly, that these roles generally be split. A successful
and open working relationship between the board and executive management is vital.

Compensation
The board's responsibilities should include evaluation and control of service contracts and compensation. The structure 4f these arrangements should balance the business need to attract and incentivize the required quality of individual and the need to avoid excess, which is judged in the context of the company's performance and market standards. We are generally in favor of share and share option elements in compensation packages for executives provided these do not significantly dilute shareholders and are properly linked to performance against meaningful individual and corporate targets. Share and option awards should be phased over at least three years to encourage loyalty and on-going performance.
We may engage with investee companies when we feel it is necessary and where we believe we can be effective. Our primary concern will always be the potential impact of any issues on a company's long-term valuation. We believe that a company's management should be best placed to manage the company's affairs effectively, but we may seek to discuss certain issues where we have concerns or where we require greater clarity. Examples of such issues might be:
- Operational performance
- Company strategy
- Strategy regarding acquisitions or disposals
- Inappropriate remuneration, incentive, or severance packages
- Shareholder structure
- Environmental issues
- Social issues

If we subsequently believe we have received an unsatisfactory response from a company and we believe that the issue is likely to have a detrimental impact on shareholder return and thus on our clients' interests, then there are a number of courses of action available. These might include:
• Entering a more active dialogue with company management
• Writing to the company management to explain our concerns and action proposed
• Voting against company management
• Selling our holding
• Collaborative action

A more detailed account of our investing approach is available on our website and upon request.

PROXY VOTING
MayTech aims to vote all shares where possible and where we have been given discretion by our clients. In exercising voting authority provided to us by clients we follow the relevant applicable regulatory and legislative requirements. The guiding principle in performing this service is to make proxy voting decisions which favor proposals designed to maximize a company's shareholder value and are free from the influence of conflicts of interest.
This policy does not apply in any instance where a client has not granted MayTech discretionary voting authority either because the client has retained voting discretion, granted voting discretion to a third party or directed us to vote proxies in a particular manner.
MayTech retains the following records in relation to our exercise of discretionary voting authority for our clients:
• Proxy voting policies and procedures as amended from time to time
• Client requests for proxy voting information
• Documentation material to the voting decision for a client proxy or that reflects the basis for that decision
• All ballots and voting history

Promethos

Xponance Manager of Managers Program

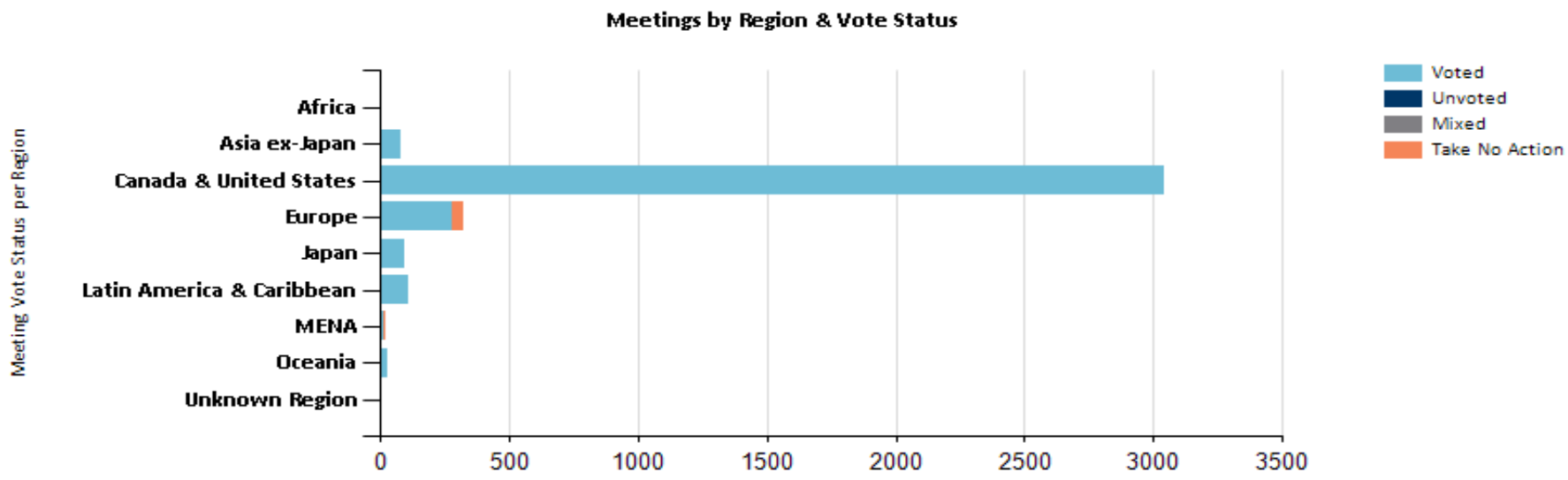
Our first steps are always to understand if a company will fundamentally work as a position in the portfolio. As part of this analysis, we always want to understand the complete picture, which includes the externality risks that a company creates and faces. We use sustainability factors as a proxy for 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 CO2 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 CO2 intensity, lower implied temperature rise, and higher gender diversity.

Meeting Statistics Report

From 7/1/2022 to 6/30/2023



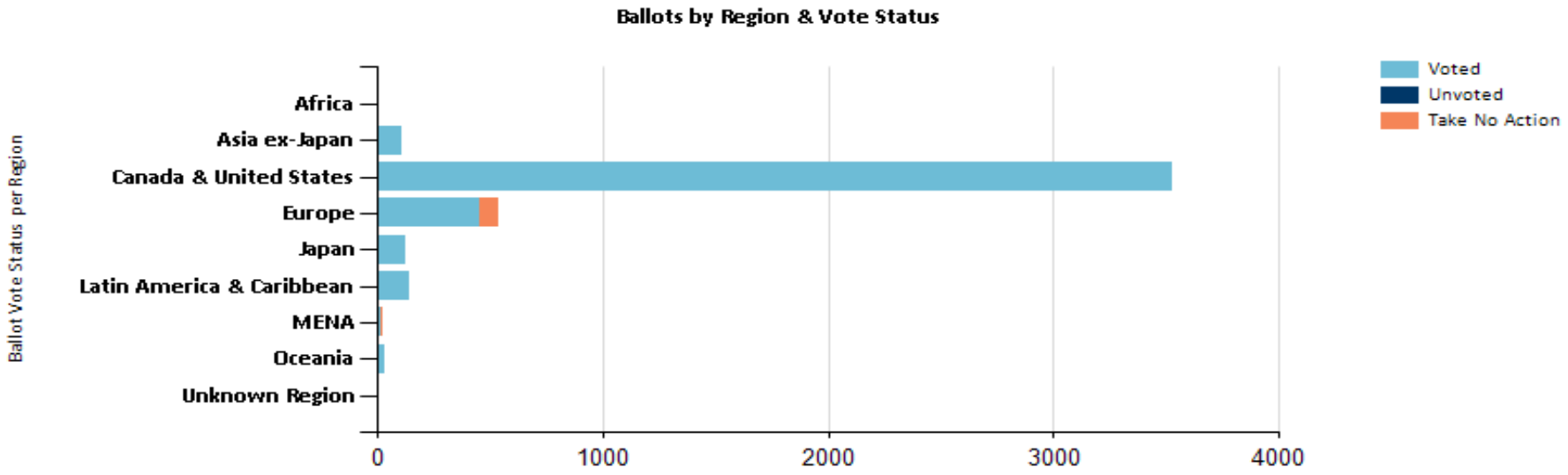
Region	Country Of Origin	Voted	Unvoted	Mixed	Take No Action	Total
Total for all Regions		**3639**	**0**	**1**	**43**	**3683**
Africa		**7**	**0**	**0**	**0**	**7**
	Liberia	1	0	0	0	1
	South Africa	6	0	0	0	6
Asia ex-Japan		**76**	**0**	**0**	**0**	**76**
	China	26	0	0	0	26
	Hong Kong	10	0	0	0	10
	India	3	0	0	0	3
	Indonesia	3	0	0	0	3
	Korea, Republic of	10	0	0	0	10
	Singapore	8	0	0	0	8
	Taiwan	12	0	0	0	12
	Thailand	4	0	0	0	4

Canada & United States		**3040**	**0**	**0**	**0**	**3040**
	Canada	47	0	0	0	47
	United States	2993	0	0	0	2993
Europe		**277**	**0**	**1**	**42**	**320**
	Austria	4	0	0	0	4
	Belgium	11	0	0	0	11
	Denmark	9	0	0	0	9
	Finland	3	0	0	0	3
	France	36	0	1	0	37
	Germany	33	0	0	0	33
	Greece	2	0	0	0	2
	Ireland	24	0	0	0	24
	ISLE OF MAN	1	0	0	0	1
	Italy	13	0	0	0	13
	Jersey	8	0	0	0	8
	Luxembourg	11	0	0	0	11
	Netherlands	34	0	0	0	34
	Norway	0	0	0	9	9
	Poland	2	0	0	0	2
	Portugal	2	0	0	0	2
	Spain	11	0	0	0	11
	Sweden	3	0	0	10	13
	Switzerland	3	0	0	22	25
	United Kingdom	67	0	0	1	68
Japan		**95**	**0**	**0**	**0**	**95**
	Japan	95	0	0	0	95
Latin America & Caribbean		**110**	**0**	**0**	**0**	**110**
	Bermuda	30	0	0	0	30
	Brazil	29	0	0	0	29
	Cayman Islands	33	0	0	0	33
	Chile	2	0	0	0	2
	Mexico	9	0	0	0	9
	Panama	1	0	0	0	1
	Puerto Rico	3	0	0	0	3
	Virgin Islands (British)	3	0	0	0	3
MENA		**10**	**0**	**0**	**1**	**11**
	Egypt	0	0	0	1	1
	Israel	9	0	0	0	9

	Turkey	1	0	0	0	1
Oceania		**23**	**0**	**0**	**0**	**23**
	Australia	18	0	0	0	18
	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 7/1/2022 to 6/30/2023



Region	Country Of Origin	Voted	Unvoted	Take No Action	Total
Total for all Regions		**4416**	**0**	**81**	**4497**
Africa		**8**	**0**	**0**	**8**
	Liberia	2	0	0	2
	South Africa	6	0	0	6
Asia ex-Japan		**105**	**0**	**0**	**105**
	China	31	0	0	31
	Hong Kong	14	0	0	14
	India	4	0	0	4
	Indonesia	3	0	0	3
	Korea, Republic of	18	0	0	18
	Singapore	12	0	0	12
	Taiwan	19	0	0	19
	Thailand	4	0	0	4
Canada & United States		**3529**	**0**	**0**	**3529**
	Canada	50	0	0	50

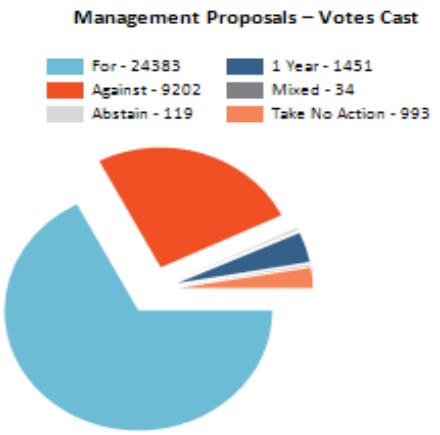
	United States	3479	0	0	3479
Europe		**452**	**0**	**80**	**532**
	Austria	5	0	0	5
	Belgium	15	0	0	15
	Denmark	14	0	0	14
	Finland	4	0	0	4
	France	76	0	1	77
	Germany	46	0	0	46
	Greece	2	0	0	2
	Ireland	32	0	0	32
	ISLE OF MAN	2	0	0	2
	Italy	20	0	0	20
	Jersey	15	0	0	15
	Luxembourg	11	0	0	11
	Netherlands	61	0	0	61
	Norway	0	0	15	15
	Poland	2	0	0	2
	Portugal	2	0	0	2
	Spain	18	0	0	18
	Sweden	4	0	12	16
	Switzerland	4	0	50	54
	United Kingdom	119	0	2	121
Japan		**125**	**0**	**0**	**125**
	Japan	125	0	0	125
Latin America & Caribbean		**143**	**0**	**0**	**143**
	Bermuda	38	0	0	38
	Brazil	33	0	0	33
	Cayman Islands	51	0	0	51
	Chile	2	0	0	2
	Mexico	10	0	0	10
	Panama	1	0	0	1
	Puerto Rico	4	0	0	4
	Virgin Islands (British)	4	0	0	4
MENA		**17**	**0**	**1**	**18**
	Egypt	0	0	1	1
	Israel	16	0	0	16
	Turkey	1	0	0	1
Oceania		**33**	**0**	**0**	**33**

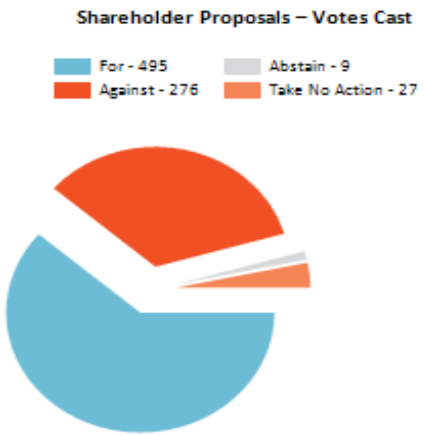
	Australia	28	0	0	28
	Marshall Islands	5	0	0	5
Unknown Region		**4**	**0**	**0**	**4**
	Unknown Country	4	0	0	4

Proposal Statistics Report

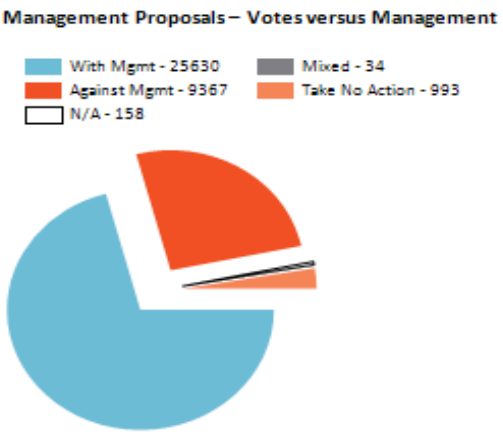
From 7/1/2022 to 6/30/2023

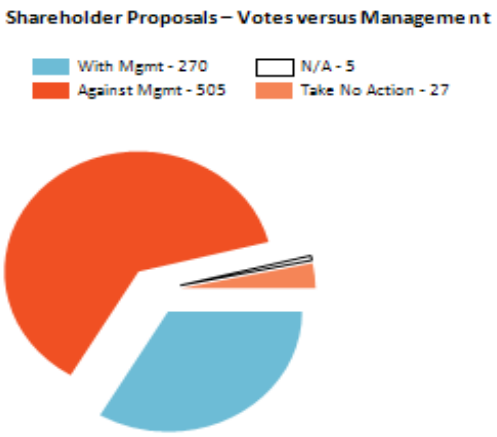
	Mgmt Proposals	SHP Proposals	Total Proposals
For	24383	495	**24878**
Against	9202	276	**9478**
Abstain	119	9	**128**
1 Year	1451	0	**1451**
2 Years	0	0	**0**
3 Years	0	0	**0**
Mixed	34	0	**34**
Take No Action	993	27	**1020**
Unvoted	0	0	**0**
Totals	**36182**	**807**	**36989**



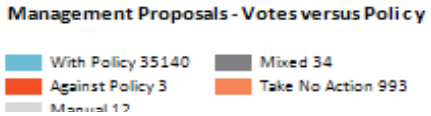


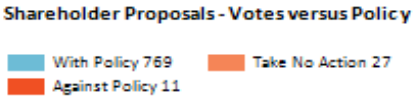
	Mgmt Proposals	SHP Proposals	Total Proposals
With Management	25630	270	**25900**
Against Management	9367	505	**9872**
N/A	158	5	**163**
Mixed	34	0	**34**
Take No Action	993	27	**1020**
Unvoted	0	0	**0**
Totals	**36182**	**807**	**36989**



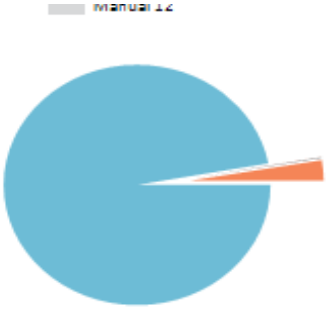


	Mgmt Proposals	SHP Proposals	Total Proposals
With Policy	35140	769	**35909**
Against Policy	3	11	**14**





Manual	12	0	**12**
N/A	0	0	**0**
Mixed	34	0	**34**
Take No Action	993	27	**1020**
Unvoted	0	0	**0**
Totals	**36182**	**807**	**36989**



Appendix D

	Mgmt Proposals	SHP Proposals	Total Proposals
With Glass Lewis	29359	577	**29936**
Against Glass Lewis	5784	203	**5987**
N/A	12	0	**12**
Mixed	34	0	**34**
Take No Action	993	27	**1020**
Unvoted	0	0	**0**
Totals	**36182**	**807**	**36989**