

## **SURS Sustainability Disclosure**

In accordance with 30 ILCS 238, the following disclosure is required of any potential investment manager hired by SURS.

Name of Asset Management Firm: \_\_\_\_\_

Name of Strategy: \_\_\_\_\_

Firm Address: \_\_\_\_\_

Contact Person's Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Please **attach** a response to the following:

Describe how the firm integrates sustainability factors into the investment decision-making process, investment analysis, portfolio construction, due diligence, and investment ownership in order to maximize anticipated risk-adjusted returns, identify projected risk, and execute the firm's fiduciary duties.

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

Signature of Authorized Official: \_\_\_\_\_ Date: \_\_\_\_\_

Name (printed): \_\_\_\_\_ Title: \_\_\_\_\_

### **Illinois Sustainable Investing Act**

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

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

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

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

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

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

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