



# RI TRANSPARENCY REPORT

2020

StepStone Group LP

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the reporting period specified above. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information.

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Usage restrictions

Public Transparency Reports are the intellectual property of PRI. Under no circumstances, can this report or any of its contents be sold to third parties.

OO 01.1	Select the services and funds you offer
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Select the services and funds you offer	% of asset under management (AUM) in ranges
Fund management	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Other	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Total 100%	

OO 01.2	Additional information. [Optional]
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StepStone is a global private markets firm overseeing more than US\$281 billion of private capital allocations, including approximately US\$58 billion of assets under management. The remaining US\$223 billion represents allocations on which we advise our clients but over which we do not have discretion. The Firm provides comprehensive coverage of private markets (Private Equity, Private Debt, Real Estate, Infrastructure and Real Assets) and creates customized portfolios for many of the world's most sophisticated investors using a highly disciplined, research-focused approach that prudently integrates primary investments, secondaries and co-investments. All the research and underwriting that we conduct for our client, has responsible investment considerations embedded. Our client based is geographically diverse, split relatively equally across the US/Latam, Europe/EMEA, and then Asia/Australia. The nature of the clients include sovereign wealth funds, pension funds, endowments and family offices. Many of our clients are UNPRI signatories and a number have been recognised as leading asset owners by UNPRI. Our ESG approach is heavily evaluated by our clients given their reliance on the quality of our responsible investment approach.

OO 02.1	Select the location of your organisation's headquarters.
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United States

OO 02.2	Indicate the number of countries in which you have offices (including your headquarters).
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- 1
- 2-5
- 6-10
- >10

OO 02.3	Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).
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494

OO 02.4	Additional information. [Optional]
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StepStone employs over 450 professionals across its nineteen offices in Beijing, Charlotte, Cleveland, Dublin, Hong Kong, La Jolla, Lima, London, Luxembourg, New York, Perth, Rome, San Francisco, São Paulo, Seoul, Sydney, Tokyo, Toronto, and Zurich. The Firm leverages the experience and perspective of the entire StepStone team to drive superior decision making and risk management.

OO 03.1	Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.
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- Yes
- No

OO 04.1	Indicate the year end date for your reporting year.
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9/30/2019

OO 04.2	Indicate your total AUM at the end of your reporting year.
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Total AUM  
 56,438,976,950 USD  
 56438976950 USD

OO 04.4	Indicate the assets which are subject to an execution and/or advisory approach. Provide this figure based on the end of your reporting year
	Assets under execution and/or advisory only services 224,435,032,954 USD 224435032954 USD

OO 05	Mandatory to Report, Voluntary to Disclose	Gateway	General
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OO 05.1	Provide an approximate percentage breakdown of your AUM at the end of your reporting year using the following asset classes and investment strategies:
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	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income	0	0
Private equity	26.76	28.86
Property	4.03	6.31
Infrastructure	16.33	5.21
Commodities	0	0
Hedge funds	0	0
Fund of hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Money market instruments	0	0
Other (1), specify	0.1	12.38
Other (2), specify	0	0

	Internally managed "Other (1)" description
	Private Debt

	Externally managed "Other (1)" description
	n/a

OO 06	Mandatory	Descriptive	General
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OO 06.1	Select how you would like to disclose your asset class mix.
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- as percentage breakdown
- as broad ranges

OO 06.3	Indicate whether your organisation has any off-balance sheet assets [Optional].
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- Yes
- No

OO 06.5	Indicate whether your organisation uses fiduciary managers.
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- Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.
- No, we do not use fiduciary managers.

OO 08	Mandatory to Report, Voluntary to Disclose	Peering	General
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Private

OO 09	Mandatory	Peering	General
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OO 09.1	Indicate the breakdown of your organisation's AUM by market.
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96.49

3.31	Developed Markets
.20	Emerging Markets
0	Frontier Markets
	Other Markets

OO 11	Mandatory	Gateway	General
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**OO 11.1** Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

	<b>Private equity</b>
<input checked="" type="checkbox"/>	We address ESG incorporation.
<input type="checkbox"/>	We do not do ESG incorporation.
	<b>Property</b>
<input checked="" type="checkbox"/>	We address ESG incorporation.
<input type="checkbox"/>	We do not do ESG incorporation.
	<b>Infrastructure</b>
<input checked="" type="checkbox"/>	We address ESG incorporation.
<input type="checkbox"/>	We do not do ESG incorporation.
	<b>Other (1)</b>
<input checked="" type="checkbox"/>	We address ESG incorporation.
<input type="checkbox"/>	We do not do ESG incorporation.
	<b>Other (1) [as defined in OO 05]</b>
	Private Debt

**OO 11.2** Select the externally managed assets classes in which you and/or your investment consultants address ESG incorporation in your external manager selection, appointment and/or monitoring processes.

Asset class	ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes										
Private equity	<table border="1"> <tr> <td></td> <td><b>Private equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b></td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>We incorporate ESG into our external manager selection process</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>We incorporate ESG into our external manager appointment process</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>We incorporate ESG into our external manager monitoring process</td> </tr> <tr> <td><input type="checkbox"/></td> <td>We do not do ESG incorporation</td> </tr> </table>		<b>Private equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b>	<input checked="" type="checkbox"/>	We incorporate ESG into our external manager selection process	<input checked="" type="checkbox"/>	We incorporate ESG into our external manager appointment process	<input checked="" type="checkbox"/>	We incorporate ESG into our external manager monitoring process	<input type="checkbox"/>	We do not do ESG incorporation
	<b>Private equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b>										
<input checked="" type="checkbox"/>	We incorporate ESG into our external manager selection process										
<input checked="" type="checkbox"/>	We incorporate ESG into our external manager appointment process										
<input checked="" type="checkbox"/>	We incorporate ESG into our external manager monitoring process										
<input type="checkbox"/>	We do not do ESG incorporation										
Property	<table border="1"> <tr> <td></td> <td><b>Property - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b></td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>We incorporate ESG into our external manager selection process</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>We incorporate ESG into our external manager appointment process</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>We incorporate ESG into our external manager monitoring process</td> </tr> <tr> <td><input type="checkbox"/></td> <td>We do not do ESG incorporation</td> </tr> </table>		<b>Property - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b>	<input checked="" type="checkbox"/>	We incorporate ESG into our external manager selection process	<input checked="" type="checkbox"/>	We incorporate ESG into our external manager appointment process	<input checked="" type="checkbox"/>	We incorporate ESG into our external manager monitoring process	<input type="checkbox"/>	We do not do ESG incorporation
	<b>Property - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b>										
<input checked="" type="checkbox"/>	We incorporate ESG into our external manager selection process										
<input checked="" type="checkbox"/>	We incorporate ESG into our external manager appointment process										
<input checked="" type="checkbox"/>	We incorporate ESG into our external manager monitoring process										
<input type="checkbox"/>	We do not do ESG incorporation										
Infrastructure	<table border="1"> <tr> <td></td> <td><b>Infrastructure - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b></td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>We incorporate ESG into our external manager selection process</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>We incorporate ESG into our external manager appointment process</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>We incorporate ESG into our external manager monitoring process</td> </tr> <tr> <td><input type="checkbox"/></td> <td>We do not do ESG incorporation</td> </tr> </table>		<b>Infrastructure - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b>	<input checked="" type="checkbox"/>	We incorporate ESG into our external manager selection process	<input checked="" type="checkbox"/>	We incorporate ESG into our external manager appointment process	<input checked="" type="checkbox"/>	We incorporate ESG into our external manager monitoring process	<input type="checkbox"/>	We do not do ESG incorporation
	<b>Infrastructure - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b>										
<input checked="" type="checkbox"/>	We incorporate ESG into our external manager selection process										
<input checked="" type="checkbox"/>	We incorporate ESG into our external manager appointment process										
<input checked="" type="checkbox"/>	We incorporate ESG into our external manager monitoring process										
<input type="checkbox"/>	We do not do ESG incorporation										

Other (1)	Other (1) - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes
	<input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation

OO 11.4	Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.
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StepStone incorporates responsible investment considerations into all stages of the investment process, including due diligence, investment decision, and monitoring and reporting. This is true for each of our asset classes (private equity, real estate, infrastructure, private debt) and across strategies (primary investments, secondary transactions and co/direct investments). StepStone has developed an accountability structure which facilitates firm-wide support and commitment to our ESG policy and processes. The following committees and teams take ownership of the responsible investment process as detailed below.

**SELECTION/APPOINTMENT**

The Executive Committee approves StepStone's responsible investment policy and mandates the ESG Committee which is governed by formal charter. The ESG Committee reviews and updates the responsible investment policy annually, provides training (including annual firm-wide trainings and sector specific trainings), responds to responsible investment queries, reviews and approves the quantitative and qualitative responsible investment assessment in investment memos, opines on material ESG issues that arise during due diligence or post-investment, and promotes responsible investment in internal operations. Members of the ESG Committee also sit within one of five ESG Workgroups – a workgroup for each asset class and one at a firmwide level. These workgroups are responsible for ensuring asset class specific tailoring of the process and engagement with the due diligence teams and providing guidance and feedback as the relevant investment teams conduct ESG due diligence.

The investment team that conducts due diligence on any given investment is responsible for a thorough ESG review and the approach follows a clear framework which is embedded in our internal data management system, called SPI. This allows for ease of collection of data and reviewing by the relevant asset class specific ESG workgroup, noted above. Within primary due diligence there is a focus on the GP's ESG policy, governance/accountability, implementation process, ESG related data / KPIs and disclosure/reporting. Additionally, StepStone has been utilizing an ESG GP Scorecard since 2018. In May 2019, this Scorecard became a mandatory component of all primary fund underwriting across all asset classes. The Scorecard is intended to supplement and reflect the qualitative ESG assessment that was already in place.

StepStone is committed to being a responsible steward through its investments across sectors, geographies and investment strategies. A key area of focus is "materiality". To determine materiality, the Firm often utilize SASB's materiality map as a guide to ensure the teams are addressing relevant and material ESG factors. StepStone utilizes SASB Materiality Maps across co-investments and secondaries, as well as a tool in evaluation of track records of primary funds.

Additionally, StepStone is a supporter of the TCFD, and has incorporated their framework of physical and transition risks into its due diligence process and specifically into its analysis of the GP's track record. The Firm looks to explore how/whether the GP is actively implementing strategies around climate change within their respective holdings.

Sector teams conducting a primary due diligence request robust ESG DDQ responses from GPs and cover ESG matters in pre-investment onsite meetings and post-investment update meetings and calls. Every Investment Memorandum has a dedicated ESG section – these are reviewed and approved by the ESG Workgroups and then by the ESG Committee. This is a precursor for an investment to be discussed by the relevant investment committee, where critical ESG issues may again be debated. Our comprehensive approach to investment analysis looks to incorporate ESG considerations as part of the overall process and not as a siloed effort.

For co-investments, StepStone upholds its research-focused approach in its review of the company. Responsible investment matters may be demonstrated in product stewardship, labor practices, corrective behavior (following a regulatory or legal violation), leadership structure or depth and transparency in reporting. In these investments, the Firm completes an ESG assessment of the sponsoring General Partner as well as at the asset level directly. SASB informs the risk focus, which is complemented by the due diligence team's understanding of the investment opportunity. The team focuses on these risks as well as opportunities. This evaluation may encompass climate, diversity, modern slavery concerns.

In the case of secondary investments, StepStone reviews the track record of the manager but also has visibility into the ESG treatment of existing portfolio companies. For secondaries, the Firm utilizes primary due diligence where available or requests completion of DDQ questions. StepStone complements this with an asset level assessment of the material value/risk driving underlying assets.

With regard to GP appointments – where StepStone negotiates LPA's on behalf of our clients or discretionary assets, the Firm requests that ESG commitments are incorporated in documentation. Many of StepStone's clients have extensive sideletter requests that encompass opt-outs and/or specific ESG reporting requirements.

**MONITORING/REPORTING**

StepStone receives quarterly reports from GPs, does one-on-one meetings with GPs regularly, participates in LPAC meetings, and in certain cases, has board representation. These types of meetings and engagements allow for frequent monitoring of investments and ensures any potential ESG risks are continuously supervised. The Firm then reports back on relevant ESG issues to its client in their regular quarterly reporting. If there is a critical ESG incident, it gets reported immediately to clients.

OO 12	Mandatory	Gateway	General
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OO 12.1	Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.
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Core modules
<input checked="" type="checkbox"/> Organisational Overview <input checked="" type="checkbox"/> Strategy and Governance
RI implementation directly or via service providers
Direct - Other asset classes with dedicated modules
<input checked="" type="checkbox"/> Private Equity

- Property
- Infrastructure

RI implementation via external managers

Indirect - Selection, Appointment and Monitoring of External Managers

- Private Equity
- Property
- Infrastructure

Closing module

- Closing module

OO 12.2 Additional information. [Optional]

N/A

OO PE 01 Mandatory Descriptive General

OO PE 01.1 Provide a breakdown of your organisation's internally managed private equity investments by investment strategy.

Investment strategy	Percentage of your internally managed private equity holdings (in terms of AUM)
Venture capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%
Growth capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%
(Leveraged) buy-out	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Distressed/Turnaround/Special Situations	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%
Secondaries	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Other investment strategy, specify (1)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%
Other investment strategy, specify (2)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%
Total 100%	

Other investment strategy, specify (1)

Fund of funds

Other investment strategy, specify (2)

Co-Investments

OO PE 01.2	Additional information. [Optional]		
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StepStone's secondary investments are largely in buyout funds. A small portion (<13%) are in Venture and Growth Equity.

OO PE 02	Mandatory to Report, Voluntary to Disclose	Descriptive	General
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Private

OO PR 01	Mandatory to Report, Voluntary to Disclose	Descriptive	General
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Private

OO PR 02	Mandatory to Report, Voluntary to Disclose	Gateway	General
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Private

OO PR 03	Mandatory to Report, Voluntary to Disclose	Descriptive	General
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Private

OO INF 01	Mandatory to Report, Voluntary to Disclose	Descriptive	General
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Private

OO INF 02	Mandatory to Report, Voluntary to Disclose	Gateway/Peering	General
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Private

OO INF 03	Mandatory to Report, Voluntary to Disclose	Descriptive	General
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Private

OO Checks			Checks
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If there are any messages below, please review them before continuing. If there are no messages below, please save this page and continue.



**SG 01.1** Indicate if you have an investment policy that covers your responsible investment approach.

✓ Yes

**SG 01.2** Indicate the components/types and coverage of your policy.

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input checked="" type="checkbox"/> Fiduciary (or equivalent) duties <input checked="" type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Other, specify (1)  ESG within internal corporate operations <input type="checkbox"/> Other, specify(2)	<input checked="" type="checkbox"/> Applicable policies cover all AUM <input type="checkbox"/> Applicable policies cover a majority of AUM <input type="checkbox"/> Applicable policies cover a minority of AUM

**SG 01.3** Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

**SG 01.4** Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

StepStone believes that incorporating ESG factors into its investment process with the aim of conducting comprehensive risk and opportunity analysis has the potential to (i) enhance the evaluation of forward-looking risk-adjusted returns of an investment opportunity and (ii) protect value for clients.

StepStone's investment strategy includes the following:

- Shared values: Entrust capital with partners/managers we know and have shown alignment to the responsible investment philosophy noted above;
- Risk Adjusted Returns: Outperform the market by focusing on risk-adjusted returns where both risk and return considerations have embedded responsible investment factors. This results in improved asset pricing and enhanced capital allocation decisions;
- Clarity on the investment objectives: Well defined investment objectives that include financial and non-financial factors results in improved outcomes. This should also encompass exclusions/ restrictions;
- Alignment: Seek out investments where GP and LP interests are aligned;
- Sustainability in action: evidence from partners/managers of considered evaluation of environmental, social and governance factors which encompasses climate, diversity and Modern Slavery considerations;
- Active Management: StepStone seeks out active ownership through board seats on primary, secondary and co-investment opportunities, AGM participation and proxy voting of public companies. StepStone seeks partners / managers that will likewise engage with board and company management.

**SG 01.5** Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

Responsible investing is in alignment with StepStone's core values and is reflected in the investment policy of the Firm. As an allocator of over US\$280 billion in private markets, StepStone recognizes its role in promoting the consideration of environmental, social responsibility and corporate governance factors through its investment process, and in our active engagements with our partners/investment manages and clients. Our investment policy includes the following elements of ESG incorporation:

- 1) Commitment: Our firm-wide belief that incorporating ESG risk factors and opportunities across the platform has the potential to (i) enhance the evaluation of forward-looking risk-adjusted returns of an investment opportunity and (ii) protect value for clients.
- 2) Investment Process: As a signatory of UNPRI and TCFD, we systematically include ESG and climate considerations in screening, due diligence and decision making. This policy is applicable globally and its application is tailored to each asset class and investment strategy without exception. Every Investment Memo must contain a dedicated ESG section which includes the consideration of climate change. This ESG Section has to be approved by the ESG Committee prior to being considered by the relevant Investment Committee.
- 3) Monitoring, Reporting and Transparency: Post-investment, StepStone reports on ESG through its quarterly reports as provided by managers or on an ad hoc basis, depending on the nature of the issue. For example, critical incident reporting is included. StepStone also seeks engagement with investment managers to advocate for and support their ESG process improvements. This includes encouraging adoption of PRI, suggestions on process improvements, and identifying relevant resources. Where StepStone sits on an LPAC, then StepStone

advocates for process improvements (for example, improved ESG reporting to clients, disclosures at AGM/LPAC, adoption of UNPRI status, querying on asset specific ESG enhancements). Similarly, StepStone is active in governance considerations such as LPA amendments and proxy voting of portfolio securities. StepStone engages with company level management on assets where it has a board seat. For example, encouraging company level management to engage directly with the global head of responsible investing on an RI process, metrics and reporting.

No

SG 01 CC	Mandatory to Report, Voluntary to Disclose	Descriptive	General
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Private

SG 02	Mandatory	Core Assessed	PRI 6
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SG 02.1	Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.
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Policy setting out your overall approach

URL/Attachment
<input checked="" type="checkbox"/> URL <a href="https://www.stepstoneglobal.com/who-we-are/responsible-investing/">https://www.stepstoneglobal.com/who-we-are/responsible-investing/</a> <input type="checkbox"/> Attachment (will be made public)

- Formalised guidelines on environmental factors
- Formalised guidelines on social factors
- Formalised guidelines on corporate governance factors
- Fiduciary (or equivalent) duties
- Asset class-specific RI guidelines
- Screening / exclusions policy
- Other, specify (1)
- We do not publicly disclose our investment policy documents

SG 02.2	Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.
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Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment
<input checked="" type="checkbox"/> URL <a href="https://www.stepstoneglobal.com/who-we-are/responsible-investing/">https://www.stepstoneglobal.com/who-we-are/responsible-investing/</a> <input type="checkbox"/> Attachment

Your investment objectives that take ESG factors/real economy influence into account

URL/Attachment
<input checked="" type="checkbox"/> URL <a href="https://www.stepstoneglobal.com/who-we-are/responsible-investing/">https://www.stepstoneglobal.com/who-we-are/responsible-investing/</a> <input type="checkbox"/> Attachment

Governance structure of organisational ESG responsibilities

URL/Attachment
<input checked="" type="checkbox"/> URL <a href="https://www.stepstoneglobal.com/who-we-are/responsible-investing/">https://www.stepstoneglobal.com/who-we-are/responsible-investing/</a> <input type="checkbox"/> Attachment

ESG incorporation approaches

URL/Attachment
<input checked="" type="checkbox"/> URL <a href="https://www.stepstoneglobal.com/who-we-are/responsible-investing/">https://www.stepstoneglobal.com/who-we-are/responsible-investing/</a> <input type="checkbox"/> Attachment

Active ownership approaches

URL/Attachment
<input checked="" type="checkbox"/> URL <a href="https://www.stepstoneglobal.com/who-we-are/responsible-investing/">https://www.stepstoneglobal.com/who-we-are/responsible-investing/</a> <input type="checkbox"/> Attachment

Reporting

Climate change

URL/Attachment	
<input checked="" type="checkbox"/> URL	<a href="https://www.stepstoneglobal.com/who-we-are/responsible-investing/">https://www.stepstoneglobal.com/who-we-are/responsible-investing/</a>
<input type="checkbox"/> Attachment	
<input type="checkbox"/> Understanding and incorporating client / beneficiary sustainability preferences	
<input type="checkbox"/> We do not publicly disclose any investment policy components	

SG 03	Mandatory	Core Assessed	General
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**SG 03.1** Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

Yes

**SG 03.2** Describe your policy on managing potential conflicts of interest in the investment process.

StepStone maintains a detailed Global Compliance Manual, Code of Ethics, and Allocation Policy, which the Firm adheres to in order to maintain the highest level of professional service. StepStone's compensation and Firm ownership structure closely aligns the Firm's interests with those of its clients. StepStone treats all clients fairly and equitably. Further, the Firm does not have any financial relationships with affiliated or other organizations; and StepStone does not host any events where fees are collected from managers, clients or third party providers.

StepStone employs a full-time General Counsel and Chief Compliance Officer and 13 additional dedicated legal and compliance team members to help the Firm identify and manage any potential conflicts.

In addition, as registered investment advisers and fiduciaries to its clients, each of StepStone Group LP, StepStone Group Real Assets LP, StepStone Group Real Estate LP, StepStone Conversus LLC, and Swiss Capital Invest Holdings (Dublin) Limited has an affirmative duty to act in the best interests of the client and to make full and fair disclosure of all material facts and circumstances particularly where StepStone's interests may conflict with those of a client.

No

SG 04	Voluntary	Descriptive	General
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Private

SG 05	Mandatory	Gateway/Core Assessed	General
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**SG 05.1** Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

Quarterly or more frequently

Biannually

Annually

Less frequently than annually

Ad-hoc basis

It is not set/reviewed

**SG 05.2** Additional information. [Optional]

StepStone's ESG committee and multiple ESG workgroups each convene on a monthly basis to discuss ongoing ESG objectives and strategy. Each of these meetings is led by StepStone's global head of responsible investing, Suzanne Tavill, Partner. Suzanne ensures that the committee and each workgroup is focused on continuously improving the firm's ESG objectives and developing new approaches to enhance our existing policies and position. In between these monthly discussions, members of the ESG committee and each workgroup are collaborating on ongoing ESG projects and goals, oftentimes on a daily basis.

StepStone's ESG objectives and policy undergo formal review annually to consider the following factors:

- 1) How well is the policy working? Is it achieving the goals the Firm set out for it?
- 2) Are the policies consistent StepStone's investment beliefs?
- 3) Has anything changed? For example, have new market risks emerged that should be addressed and/or monitored or has the Firm expanded into new asset classes that are not yet covered by our policy.
- 4) Are there enhancements to best practice responsible investing that could be added?

SG 06	Voluntary	Descriptive	General
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Private

SG 07	Mandatory	Core Assessed	General
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**SG 07.1** Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.

**Roles**

Board members or trustees

Oversight/accountability for responsible investment

Implementation of responsible investment

No oversight/accountability or implementation responsibility for responsible investment

Internal Roles (triggers other options)

Select from the below internal roles	
<input checked="" type="checkbox"/>	Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee
<input checked="" type="checkbox"/>	Oversight/accountability for responsible investment
<input checked="" type="checkbox"/>	Implementation of responsible investment
<input type="checkbox"/>	No oversight/accountability or implementation responsibility for responsible investment
<input checked="" type="checkbox"/>	Other Chief-level staff or head of department, specify
	Head of Strategies
<input checked="" type="checkbox"/>	Oversight/accountability for responsible investment
<input checked="" type="checkbox"/>	Implementation of responsible investment
<input type="checkbox"/>	No oversight/accountability or implementation responsibility for responsible investment
<input checked="" type="checkbox"/>	Portfolio managers
<input checked="" type="checkbox"/>	Oversight/accountability for responsible investment
<input checked="" type="checkbox"/>	Implementation of responsible investment
<input type="checkbox"/>	No oversight/accountability or implementation responsibility for responsible investment
<input checked="" type="checkbox"/>	Investment analysts
<input checked="" type="checkbox"/>	Oversight/accountability for responsible investment
<input checked="" type="checkbox"/>	Implementation of responsible investment
<input type="checkbox"/>	No oversight/accountability or implementation responsibility for responsible investment
<input checked="" type="checkbox"/>	Dedicated responsible investment staff
<input checked="" type="checkbox"/>	Oversight/accountability for responsible investment
<input checked="" type="checkbox"/>	Implementation of responsible investment
<input type="checkbox"/>	No oversight/accountability or implementation responsibility for responsible investment
<input checked="" type="checkbox"/>	Investor relations
<input type="checkbox"/>	Oversight/accountability for responsible investment
<input checked="" type="checkbox"/>	Implementation of responsible investment
<input type="checkbox"/>	No oversight/accountability or implementation responsibility for responsible investment
<input type="checkbox"/>	Other role, specify (1)
<input type="checkbox"/>	Other role, specify (2)
<input type="checkbox"/>	External managers or service providers

**SG 07.2** For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

The ESG Committee is mandated and policy is approved at the Firm's partnership level. The ESG Committee and ESG workgroups assemble policy, provide training, respond to ESG queries, review the ESG section in investment memorandums, and opine on ESG issues and ratings. StepStone's ESG Workgroups also drive ESG focus in their respective market segments, and provide guidance and training for their team members. They check due diligence questionnaire ("DDQ") responses, provide suggestions and solutions for areas of due diligence, review the ESG section of their investment memorandums, and query the ESG Committee. Additionally, the ESG Workgroups, as well as all members of the firmwide Investment team, gather relevant ESG anecdotes from their sector portfolio for internal communication and external reporting, as well as develop sector-specific considerations/projects. StepStone's ESG workgroups consider ESG through the due diligence process, engage with their ESG team leader and with StepStone Partner and global head of responsible investing, Suzanne Tavill, raise queries, make suggestions, and use internal databases to create the ESG-specific section on their investment memorandums.

**SG 07.3** Indicate the number of dedicated responsible investment staff your organisation has.

1

**SG 07.4** Additional information. [Optional]

StepStone Partner and Global Head of Responsible Investment, Suzanne Tavill, is dedicated to Responsible Investment. StepStone works to integrate and embed ESG activities and considerations within the investment teams as such ESG work is undertaken by the investment team. There are 5 ESG Workgroups set up within the firm: PE, Infra & Real Assets, Real Estate, Private Debt, Firmwide (corporate). These individuals spend a substantial amount of time on ESG activities. Finally, there is the ESG Committee which similarly is focused on ESG activities across the firm.

SG 07 CC	Mandatory to Report, Voluntary to Disclose	Descriptive	General
	Private		
SG 08	Voluntary	Additional Assessed	General
	Private		
SG 09	Mandatory	Core Assessed	PRI 4,5
SG 09.1	Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.		
	<input checked="" type="checkbox"/> Principles for Responsible Investment		

Your organisation's role in the initiative during the reporting period (see definitions)
Moderate
Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
<p>StepStone is a member of the Practitioners Workgroup on the EU Taxonomy and will actively be building case studies for this effort.</p> <p>StepStone attended PRI in person as well as sought out opportunities to co-host functions /or host workgroups/meetings with topics aligned to the PRI initiative.</p>

- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AVCA: Sustainability Committee
- France Invest – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity

Your organisation's role in the initiative during the reporting period (see definitions)
Basic
Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
<p>StepStone's many CFA charter holders are involved with the organization to varying degrees.</p>

- Climate Action 100+
- Code for Responsible Investment in SA (CRISA)
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)

Your organisation's role in the initiative during the reporting period (see definitions)
Basic
Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
<p>StepStone incorporated relevant data and evaluation work by GRESB as a tool within relevant sector investment due diligence processes.</p>

- Green Bond Principles
- HKVCA: ESG Committee
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Financial Action in the 21st Century
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
  - Social Impact Investing Taskforce

Your organisation's role in the initiative during the reporting period (see definitions)
Basic
Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
<p>In 2019, StepStone contributed to the work of the Social Impact Investing Taskforce in Australia.</p>

- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify

- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

SG 09.2	Mandatory to Report, Voluntary to Disclose	Descriptive	PRI 1
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Private

SG 10	Mandatory	Core Assessed	PRI 4
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SG 10.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
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Yes

SG 10.2	Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.
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- Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)

Description
-------------

StepStone actively engages with managers and investors with respect to ESG education and training. Various members of the ESG Committee have given ESG keynote and panel presentations at conferences focused on both institutional investors and GPs. In addition, StepStone's regularly engage with managers to help guide them on ESG best practices. We find the need to do so is especially acute in the lower mid market, growth equity, and venture capital markets. StepStone works with them around their ESG Policy development; accountability structure; reviews their investment memos etc. StepStone also advocates strongly for GPs to adopt recognised frameworks such as UNPRI, TCFD and utilise tools such as SASB. StepStone has also published a whitepaper on Responsible Investing that has been heavily used by clients and investment managers. StepStone also responds to queries by peers seeking to enhance their responsible investment processes, for example seeking advice on TCFD incorporation.

Frequency of contribution
---------------------------

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

- Provided financial support for academic or industry research on responsible investment

- Provided input and/or collaborated with academia on RI related work

- Encouraged better transparency and disclosure of responsible investment practices across the investment industry

Description
-------------

Promoted ESG implementation by hosting panels at AGMs, participating in ESG conferences, and utilized our internal ESG accountability structure to encourage transparency and disclosure from investment managers. There is extensive one-on-one work with GPs and underlying companies to assist them develop and disclose on responsible investment practices - from policy development to process enhancements and systems selection.

Frequency of contribution
---------------------------

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

- Spoke publicly at events and conferences to promote responsible investment

Description
-------------

StepStone continued to create greater awareness through presentations and attendance at industry conferences. StepStone annual investor meetings (London and NYC): ESG prominently featured with main stage session featuring overview of SSG ESG plus profiling GP/LP thought leaders in the space. StepStone Partner was the keynote speaker at the PEI Responsible Investing Forum in New York. StepStone Partner was a speaker on an ESG panel at the Milken Institute Asia Summit. StepStone Partner and global head of responsible investing attended PRI in Person conference in Paris. StepStone Director attended Responsible Investor Europe conference in London. StepStone Partner attended and hosted a reception at the Women's Private Equity Summit in California. StepStone sponsored the WAVE (Women's Association of Venture & Equity) conference in New York, and StepStone Partners and the Deputy General Counsel attended. StepStone Director was a speaker at a LEVEL20 Event ("Closing the Gender Gap") at ESSEC Business School in Paris touching on diversity and UN SDG 5. StepStone Partner spoke on ESG at the 2019 Investors' Forum (Invest Europe) conference in Switzerland. StepStone Partner spoke on a diversity panel at the Milken Institute Global Conference in California.

Frequency of contribution
---------------------------

- Quarterly or more frequently
- Biannually

- Annually
- Less frequently than annually
- Ad hoc
- Other

Wrote and published in-house research papers on responsible investment

Description
StepStone published a white paper on Responsible Investment, "Internalizing the Externality" in October of 2019.

Frequency of contribution
---------------------------

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

Encouraged the adoption of the PRI

Description
Our ESG accountability structure ensures investment managers are questioned regarding their PRI status and are actively encouraged to adopt the principles. StepStone communicates to managers that PRI adoption is rated more highly than having an ESG/RI policy and process that is not aligned to any framework. Stepstone regards PRI as the peak body in the RI sector and highlights multiple advantages to GPs and companies to select PRI as the preferred framework.

Frequency of contribution
---------------------------

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)

Wrote and published articles on responsible investment in the media

Description
StepStone published a white paper on responsible investing - "Internalizing the Externality". Additionally, StepStone's global head of responsible investing, Suzanne Tavill, was interviewed in December 2019 for the 2020 issue of the PEI - Responsible Investing magazine.

Frequency of contribution
---------------------------

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

A member of PRI advisory committees/ working groups, specify

Description
In 2019, StepStone joined the Practitioners Working Group on EU Taxonomy.

Frequency of contribution
---------------------------

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

On the Board of, or officially advising, other RI organisations (e.g. local SIFs)

Other, specify

specify description
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Contributor to Social Impact Investing Taskforce (Australia)

	Description
	StepStone's global head of responsible investing, Suzanne Tavill, was a participant in multiple roundtables leading up to publication of materials by the Taskforce.
	Frequency of contribution
	<input type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input checked="" type="radio"/> Ad hoc <input type="radio"/> Other
<input type="radio"/> No	

SG 10.3	Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]
	<p>StepStone proactively identifies opportunities to engage, facilitate relationships with, and provide mentoring to women and minorities interested in private equity and private markets. This process involves internal programs as well as supporting outside organizations which share these goals. StepStone believes that companies undertaking responsible investment need to have relevant diversity in their own workforces. These efforts by StepStone are to address the challenge of creating diverse workforces in finance and build a pipeline of relevant individuals.</p> <p>StepStone has also established a "Diversity and Inclusion Network (SDIN)" that puts on regional and global events for employees to cultivate a positive and cohesive work environment. In 2019, the SDIN hosted 13 events globally that sought to increase diversity and inclusion at the Firm.</p> <p>StepStone is also a sponsor and supporter of various diversity and inclusion organizations such as: PEWIN, Girls Who Invest, SEO, Toigo, Level20, and WAVE.</p> <p>Lastly, StepStone has brought in multiple guest speakers to speak on responsible investing practices. For example, It hosted speakers from HCAP Partners that touched on job creation and impact investing. At the Firm's annual investor conference, StepStone brought in a guest speaker (Mantle 314) to talk about and educate audience members on climate change and how to think about the risk and opportunities this presents to the investment industry.</p>

SG 11	Voluntary	Additional Assessed	PRI 4,5,6
Private			

SG 12	Mandatory	Core Assessed	PRI 4
SG 12.1	Indicate whether your organisation uses investment consultants.		
	<input type="checkbox"/> Yes, we use investment consultants <input checked="" type="checkbox"/> No, we do not use investment consultants.		

SG 13	Mandatory	Descriptive	PRI 1
SG 13.1	Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).		
	<input type="checkbox"/> Yes, in order to assess future ESG factors <input checked="" type="checkbox"/> Yes, in order to assess future climate-related risks and opportunities		
	Describe		
	<p>In exploring climate related risks and opportunities, StepStone engages with investment managers on their approach around scenario analysis. StepStone is concerned that strategies at the company / asset level have well considered with respect to various climate scenarios.</p>		
	<input type="checkbox"/> No, our organisation does not currently carry out scenario analysis and/or modelling		

SG 13.2	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.		
	We do the following		
	<input type="checkbox"/> Allocation between asset classes <input type="checkbox"/> Determining fixed income duration <input checked="" type="checkbox"/> Allocation of assets between geographic markets <input checked="" type="checkbox"/> Sector weightings <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not consider ESG issues in strategic asset allocation		

SG 13.3	Additional information. [OPTIONAL]		
	<p>ESG issues feed into geographic and sector exposures. For example with respect to geographic issues - governance issues are an important risk factor which feeds through view of required risk/adjusted return from a given jurisdiction. Similarly for economic sector weightings - certain sectors are demanding elevated hurdles when incorporating ESG considerations. For example, sectors with exposure towards hard fossil fuel value chain; prevalence to water / air pollution etc. Consequently, this approach is focused on allocating capital towards responsible stewards of capital which in turn is creating geographic and sectoral biases.</p>		

SG 13 CC	Mandatory to Report, Voluntary to Disclose	Descriptive	General
Private			



SG 14	Mandatory to Report, Voluntary to Disclose	Additional Assessed	PRI 1
Private			
SG 14 CC	Voluntary		General
Private			
SG 15	Mandatory to Report, Voluntary to Disclose	Descriptive	PRI 1
Private			
SG 16	Mandatory	Descriptive	General
SG 16.1	Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.		
<b>Asset Class</b>	<b>Describe what processes are in place and the outputs or outcomes achieved</b>		
Other (1) [as defined in Organisational Overview module]	<p>StepStone advises on and manages private debt mandates, which include exposure to private debt portfolios managed by institutional private debt investment managers. StepStone conducts ESG due diligence on such managers as per primary due diligence conducted on other asset classes and subject to the same internal reviews and ESG Scoring. A number of the mandates contain specific ESG restrictions. A portion of these mandates include private debt co-investments, in which we are investing directly into a portfolio company's credit. For these co-investments, we implement an ESG assessment and monitoring approach that is very similar to that implemented in our private equity co-investments. During screening and due diligence, we perform both sponsor-level and asset-level ESG assessments. The sponsor-level assessment includes the ESG integration of both the private credit manager as well as any private equity manager that may also be invested in the portfolio company. The asset-level assessment includes documentation of the material E, S, and G risks, mitigating factors and opportunities that are material to the portfolio company. Post investment, we continue to monitor the portfolio company's ESG performance, typically through our relationship with the sponsor. As a debt holder, we hold influence via debt committee and reporting requirements.</p>		
SG 17	Mandatory	Descriptive	General
SG 17.1	Describe how you address ESG issues for externally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.		
<b>Asset Class</b>	<b>Describe what processes are in place and the outputs or outcomes achieved</b>		
Other (1) [as defined in Organisational Overview module]	<p>For these investments, we implement an ESG assessment that is very similar to that implemented across our other asset classes for primary fund investment decisions. We require completion of an ESG-specific DDQ and include ESG in our onsite meetings and portfolio reviews. For private credit, we use a questionnaire that was developed by mapping to ILPA and PRI guidelines and then amended for private credit-specific needs. The DDQ explicitly queries around climate. There is also specific queries on Diversity initiatives and metrics. For hedge funds, we use the AIMA ESG DDQ, which we believe is the most frequently used in the asset class today. In our assessment, we consider the manager's ESG commitment (e.g., policy, PRI signatory status), accountability, process integration (e.g., both pre investment company assessment and post investment monitoring) and reporting and transparency to investors. We include a qualitative ESG assessment in each investment committee memo, accompanied by a quantitative ESG score.</p>		
SG 18	Voluntary	Descriptive	General
Private			
SG 19	Mandatory	Core Assessed	PRI 2, 6
SG 19.1	Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.		
Selection, Appointment and Monitoring			
Do you disclose?			
<input type="radio"/> We do not disclose to either clients/beneficiaries or the public. <input type="radio"/> We disclose to clients/beneficiaries only. <input checked="" type="radio"/> We disclose to the public			
The information disclosed to clients/beneficiaries is the same			
<input type="radio"/> Yes <input checked="" type="radio"/> No			
<b>Disclosure to public and URL</b>		<b>Disclosure to clients/beneficiaries</b>	
Disclosure to public and URL		Disclosure to clients/beneficiaries	
<input checked="" type="checkbox"/> How responsible investment considerations are included in manager selection, appointment and monitoring processes <input type="checkbox"/> Details of the responsible investment activities carried out by managers on your behalf <input type="checkbox"/> E, S and/or G impacts and outcomes that have resulted from your managers' investments and/or active ownership <input type="checkbox"/> Other		<input checked="" type="checkbox"/> How responsible investment considerations are included in manager selection, appointment and monitoring processes <input checked="" type="checkbox"/> Details of the responsible investment activities carried out by managers on your behalf <input checked="" type="checkbox"/> E, S and/or G impacts and outcomes that have resulted from your managers' investments and/or active ownership <input type="checkbox"/> Other	

Quarterly or more frequently	Quarterly or more frequently
<a href="https://www.stepstoneglobal.com/who-we-are/responsible-investing/">https://www.stepstoneglobal.com/who-we-are/responsible-investing/</a>	

**Private equity**

**Do you disclose?**

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

**Disclosure to clients/beneficiaries**

**Disclosure to clients/beneficiaries**

- ESG information in relationship to our pre-investment activities
- ESG information in relationship to our post-investment monitoring and ownership activities
- Information on our portfolio companies' ESG performance
- Other

Quarterly or more frequently

**Property**

**Do you disclose?**

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

**Disclosure to clients/beneficiaries**

**Disclosure to clients/beneficiaries**

- ESG information on how you select property investments
- ESG information on how you monitor and manage property investments
- Information on your property investments' ESG performance
- Other

Quarterly or more frequently

**Infrastructure**

**Do you disclose?**

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

**Disclosure to clients/beneficiaries**

**Disclosure to clients/beneficiaries**

- ESG information on how you select infrastructure investments
- ESG information on how you monitor and manage infrastructure investments
- Information on your infrastructure investments' ESG performance

Quarterly or more frequently

**SG 19.2 Additional information [Optional]**

StepStone has a comprehensive process on ESG evaluation around selection, monitoring and oversight of investments managed by external General Partners. This is communicated to clients and often forms an extensive component of their due diligence of StepStone during an appointment process.

Process information is provided on StepStone's website as is the UNPRI assessment report.

Relevant ESG information is drawn from General Partners and incorporated in quarterly reporting provided to clients. Given that the nature of the underlying assets are private, we cannot disclose such information publically.

SG Checks	Checks
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If there are any messages below, please review them before continuing. If there are no messages below, please save this page and continue.

**SAM 02.1** Indicate what RI-related information your organisation typically covers in the majority of selection documentation for your external managers

	Private equity	Property	Infrastructure
Your organisation's investment strategy and how ESG objectives relate to it	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG incorporation requirements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG reporting requirements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No RI information covered in the selection documentation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**SAM 02.2** Explain how your organisation evaluates the investment manager's ability to align between your investment strategy and their investment approach

#### Strategy

	Private equity	Property	Infrastructure
Assess the time horizon of the investment manager's offering vs. your/beneficiaries' requirements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assess the quality of investment policy and its reference to ESG	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assess the investment approach and how ESG objectives are implemented in the investment process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review the manager's firm-level vs. product-level approach to RI	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assess the ESG definitions to be used	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### ESG people/oversight

	Private equity	Property	Infrastructure
Assess ESG expertise of investment teams	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review the oversight and responsibilities of ESG implementation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review how is ESG implementation enforced /ensured	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review the manager's RI-promotion efforts and engagement with the industry	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### Process/portfolio construction/investment valuation

	Private equity	Property	Infrastructure
Review the process for ensuring the quality of the ESG data used	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review and agree the use of ESG data in the investment decision making process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review and agree the impact of ESG analysis on investment decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review and agree ESG objectives (e.g. risk reduction, return seeking, real-world impact)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review and agree manager's ESG risk framework	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Review and agree ESG risk limits at the portfolio level (portfolio construction) and other ESG objectives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Review how ESG materiality is evaluated by the manager	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review process for defining and communicating on ESG incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review and agree ESG reporting frequency and detail	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**SAM 02.3** Indicate the selection process and its ESG/RI components

- Review ESG/RI responses to RfP, RfI, DDQ etc.
- Review responses to PRI's Limited Partners' Responsible Investment Due Diligence Questionnaire (LP DDQ)
- Review publicly available information on ESG/RI
- Review assurance process on ESG/RI data and processes
- Review PRI Transparency Reports
- Request and discuss PRI Assessment Reports
- Meetings with the potential shortlisted managers covering ESG/RI themes
- Site visits to potential managers offices
- Other, specify

**SAM 02.4** When selecting external managers does your organisation set any of the following:

	Private equity	Property	Infrastructure
ESG performance development targets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ESG score	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG weight	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Real world economy targets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other RI considerations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**SAM 02.5** Describe how the ESG information reviewed and discussed affects the selection decision making process.[OPTIONAL]

StepStone has developed a robust and consistent process for assessing a manager's ESG integration at both the organization and investment process levels. In each due diligence process, we include 20+ ESG-related due diligence questions, largely mirroring the PRI's DDQ. In addition, we engage in in-depth discussions with managers regarding ESG during our onsite due diligence meetings. For the final Investment Committee materials, we include a comprehensive ESG analysis, which includes specific examples from the manager's investment process and portfolio. This analysis has been reviewed by an asset specific ESG Workgroup and approved by the ESG Committee before it is submitted to the asset specific Investment Committee. The relevant Investment Committee will always consider a manager's ESG assessment, including a quantitative score, in determining whether or not to approve an investment. StepStone includes ESG factors in its due diligence of managers and direct investments on behalf of clients that it advises. The ESG Score focuses on i) Commitment, ii) Accountability, iii) Investment Process, from screening through ownership, iv) Training, and v) Reporting and Transparency. There are specific references to Climate and Modern Slavery through the scoring process. Note that, in addition to the asset classes outlined in the above questions, StepStone also fully integrates ESG into its investment process for private credit investments.

**SAM 04** Mandatory Core Assessed PRI 1

**SAM 04.1** Indicate if in the majority of cases and where the structure of the product allows, your organisation does any of the following as part of the manager appointment and/or commitment process

- Sets standard benchmarks or ESG benchmarks
- Defines ESG objectives and/ or ESG related exclusions/restrictions
- Sets incentives and controls linked to the ESG objectives
- Requires reporting on ESG objectives
- Requires the investment manager to adhere to ESG guidelines, regulations, principles or standards
- Other, specify (1)
- Other, specify (2)
- None of the above

**SAM 04.2** Provide an example per asset class of your benchmarks, objectives, incentives/controls and reporting requirements that would typically be included in your managers' appointment.

Asset class								
<input checked="" type="checkbox"/> Private equity <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Benchmark</th> </tr> </thead> <tbody> <tr> <td><input checked="" type="checkbox"/> We do not set benchmarks</td> </tr> </tbody> </table> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>ESG Objectives</th> </tr> </thead> <tbody> <tr> <td><input type="checkbox"/> ESG related strategy, specify</td> </tr> <tr> <td><input checked="" type="checkbox"/> ESG related investment restrictions, specify</td> </tr> <tr> <td>StepStone works to ensure that any client specific investment restrictions are included in relevant mandates. StepStone advises clients on the structure of their investment restrictions and consequences.</td> </tr> <tr> <td><input checked="" type="checkbox"/> ESG integration, specify</td> </tr> <tr> <td>In each side letter, StepStone requests the following: The General Partner acknowledges that StepStone Group LP, as investment manager of the Investor, is a signatory to the United Nations Principles for Responsible Investment Initiative. The General Partner</td> </tr> </tbody> </table>	Benchmark	<input checked="" type="checkbox"/> We do not set benchmarks	ESG Objectives	<input type="checkbox"/> ESG related strategy, specify	<input checked="" type="checkbox"/> ESG related investment restrictions, specify	StepStone works to ensure that any client specific investment restrictions are included in relevant mandates. StepStone advises clients on the structure of their investment restrictions and consequences.	<input checked="" type="checkbox"/> ESG integration, specify	In each side letter, StepStone requests the following: The General Partner acknowledges that StepStone Group LP, as investment manager of the Investor, is a signatory to the United Nations Principles for Responsible Investment Initiative. The General Partner
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confirms that in selecting Investments, it has regard to environmental, social and corporate governance ("ESG") issues and that it will use commercially reasonable efforts to maintain and/or introduce appropriate ESG strategies to the management of Portfolio Companies.

Engagement, specify

StepStone is involved in engagement activities with GPs and the underlying portfolio companies where appropriate. StepStone engagement involves one-to-one meetings (with GP and at Board level); attendance of relevant LPACs for collective engagement.

Voting, specify

StepStone holds numerous board positions in the funds to which it commits whereby StepStone has the opportunity to encourage ESG considerations in strategic decision-making. StepStone seeks out active ownership through board seats on primary, secondary and co-investment opportunities & proxy voting of public companies.

Promoting responsible investment

In addition to hosting prominent ESG panels at both our U.S. and European AGMs, StepStone members participate and/or speak regularly at conferences, events, meetings, summits, webcasts, and other panels.

ESG specific improvements

StepStone encourages other organizations to consider becoming signatories to the UNPRI and TCFD and asks questions as to the organizations existing ESG policy and process. StepStone advocates for specific RI Process improvement at the GPs where relevant. StepStone offers to engage with relevant persons at the GPs to assist in this improvement. StepStone monitors for any acute ESG-related infractions post-investment.

Other, specify

ESG guidelines/regulation, principles/standards, specify

StepStone queries and monitors whether the GP has membership of a recognised body e.g., UNPRI. StepStone will exclude investments that do not comply with the rules and regulations of the country in which they operate. StepStone will also exclude investments based on client requirements (e.g., no tobacco, gambling, etc.).

#### Incentives and controls

We do not set incentives and controls

#### Reporting requirements

Ad-hoc/when requested

Annually

Bi-annually

Quarterly

Monthly

Property

#### Benchmark

We do not set benchmarks

#### ESG Objectives

ESG related strategy, specify

ESG related investment restrictions, specify

StepStone works to ensure that any client specific investment restrictions are included in relevant mandates. StepStone advises clients on the structure of their investment restrictions and consequences.

ESG integration, specify

In each side letter, StepStone requests the following: The General Partner acknowledges that StepStone Group LP, as investment manager of the Investor, is a signatory to the United Nations Principles for Responsible Investment Initiative. The General Partner confirms that in selecting Investments, it has regard to environmental, social and corporate governance ("ESG") issues and that it will use commercially reasonable efforts to maintain and/or introduce appropriate ESG strategies to the management of Portfolio Companies.

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ESG specific improvements

StepStone encourages other organizations to consider becoming signatories to the UNPRI and asks questions as to the organizations existing ESG policy. StepStone monitors for any acute ESG-related infractions post-investment.

Other, specify

ESG guidelines/regulation, principles/standards, specify

StepStone queries and monitors whether the GP has membership of a recognised body e.g., UNPRI. StepStone will exclude investments that do not comply with the rules and regulations of the country in which they operate. StepStone will also exclude investments based on

client requirements (e.g., no tobacco, gambling, etc.).

#### Incentives and controls

- We do not set incentives and controls

#### Reporting requirements

- Monthly  
 Quarterly  
 Bi-annually  
 Annually  
 Ad-hoc/when requested

- Infrastructure

#### Benchmark

- We do not set benchmarks

#### ESG Objectives

- ESG related strategy, specify  
 ESG related investment restrictions, specify

StepStone works to ensure that any client specific investment restrictions are included in relevant mandates. StepStone advises clients on the structure of their investment restrictions and consequences.

- ESG integration, specify

In each side letter, StepStone requests the following: The General Partner acknowledges that StepStone Group LP, as investment manager of the Investor, is a signatory to the United Nations Principles for Responsible Investment Initiative. The General Partner confirms that in selecting Investments, it has regard to environmental, social and corporate governance ("ESG") issues and that it will use commercially reasonable efforts to maintain and/or introduce appropriate ESG strategies to the management of Portfolio Companies.

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StepStone is involved in engagement activities with GPs and the underlying portfolio companies where appropriate. StepStone engagement involves one-to-one meetings (with GP and at Board level); attendance of relevant LPACs for collective engagement.

- Voting, specify

StepStone holds numerous board positions in the funds to which it commits whereby StepStone has the opportunity to encourage ESG considerations in strategic decision-making. StepStone seeks out active ownership through board seats on primary, secondary & co-investment opportunities & proxy voting of public companies.

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- ESG specific improvements

StepStone encourages other organizations to consider becoming signatories to the UNPRI and asks questions as to the organizations existing ESG policy. StepStone monitors for any acute ESG-related infractions post-investment.

- Other, specify

- ESG guidelines/regulation, principles/standards, specify

StepStone queries and monitors whether the GP has membership of a recognised body e.g., UNPRI. StepStone will exclude investments that do not comply with the rules and regulations of the country in which they operate. StepStone will also exclude investments based on client requirements (e.g., no tobacco, gambling, etc.).

#### Incentives and controls

- We do not set incentives and controls

#### Reporting requirements

- Ad-hoc/when requested  
 Annually  
 Bi-annually  
 Quarterly  
 Monthly

#### SAM 04.3

Indicate which of these actions your organisation might take if any of the requirements are not met

- Discuss requirements not met and set project plan to rectify  
 Place investment manager on a "watch list"  
 Track and investigate reason for non-compliance  
 Re-negotiate fees  
 Failing all actions, terminate contract with the manager  
 Other, specify  
 No actions are taken if any of the ESG requirements are not met

<b>SAM 04.4</b>	<b>Provide additional information relevant to your organisation's appointment processes of external managers. [OPTIONAL]</b>
<p>When picking external managers, StepStone conducts a very thorough due diligence process. Ms. Suzanne Tavill, Partner, is Global Head of Responsible Investing at StepStone. She chairs the ESG Committee that is composed of senior investment professionals located in varied regions and representing a cross-section of asset classes and functional areas. The ESG Committee's mandate is to develop StepStone's ESG policy, approach to ESG analysis, advocacy and provide training across the firm. Importantly, the ESG effort is supported by the entire Partner group, across 19 offices in 13 countries, who all have responsibility for policy implementation. Research is carried out by the more than 150 investment professionals, who are organized by sector and geography to ensure broad and deep coverage of the private markets. The team that conducts the due diligence is responsible for the fact finding through review of ESG data and sustainability reports. Each asset class has an ESG Workgroup that spans regions and investment strategies. These workgroups are responsible for the oversight of ESG due diligence and monitoring across the various sector team's investment activities and driving best practice within their respective business. Every Investment Memorandum has a dedicated ESG section – these are reviewed by the relevant ESG workgroup and ESG Committee. During this process, there is active feedback between the workgroups and the due diligence team to ensure that the ESG section is completed in full. Approval is required by the ESG Committee before the investment goes to the Investment Committee for review. Then, as part of the investment process, the information is discussed in the Investment Committee meetings. Our comprehensive approach to investment analysis looks to incorporate ESG considerations as part of the overall process.</p>	

<b>SAM 05</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1</b>
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<b>SAM 05.1</b>	<b>When monitoring managers, indicate which of the following types of responsible investment information your organisation typically reviews and evaluates</b>
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	Private equity	Property	Infrastructure
ESG objectives linked to investment strategy (with examples)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Evidence on how the ESG incorporation strategy(ies) affected the investment decisions and financial / ESG performance of the portfolio/fund	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Compliance with investment restrictions and any controversial investment decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG portfolio characteristics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How ESG materiality has been evaluated by the manager in the monitored period	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Information on any ESG incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Metrics on the real economy influence of the investments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PRI Transparency Reports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PRI Assessment Reports	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
RI-promotion and engagement with the industry to enhance RI implementation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Changes to the oversight and responsibilities of ESG implementation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other general RI considerations in investment management agreements; specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<b>SAM 05.2</b>	<b>When monitoring external managers, does your organisation set any of the following to measure compliance/progress</b>
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	Private equity	Property	Infrastructure
ESG score	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG weight	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ESG performance minimum threshold	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Real world economy targets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other RI considerations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<b>If you select any 'Other' option(s), specify</b>
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Post investment, StepStone will monitor managers to ensure they are meeting their stated objectives/plans related to ESG integration. These could include, but are not limited to, i) development/refinement of an ESG policy, ii) inclusion of ESG in LP reporting, iii) holding internal training sessions.

StepStone Infrastructure performs an annual Health Check on managers and funds, which includes a review of ESG performance and UNPRI scores. Any deterioration in ESG performance will trigger an action to engage with the manager on required steps to recover performance.

<b>SAM 08</b>	<b>Mandatory to Report, Voluntary to Disclose</b>	<b>Descriptive</b>	<b>PRI 1</b>
Private			

<b>SAM 09</b>	<b>Mandatory</b>	<b>Additional Assessed</b>	<b>PRI 1,6</b>
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**SAM 09.1** Provide examples of how ESG issues have been addressed in the manager selection, appointment and/or monitoring process for your organisation during the reporting year.

Add Example 1

Topic or issue	Driving improvements to ESG reporting during manager selection and monitoring
Conducted by	Internal staff
Asset class	Infrastructure
Scope and process	StepStone identified the need to drive improvements in ESG reporting, performance measurement, and building a better understanding of climate-related risk from our managers.
Outcomes	<p>During the year StepStone implemented the following actions:</p> <ul style="list-style-type: none"> <li>• Included new sections dealing with climate related risks and measures into our due diligence process, including improved reporting and adoption of the TCFD recommendations. We worked with managers to build a clearer view of the implementation timeline for these key measures</li> <li>• Engaged with our existing managers to encourage adoption of the TCFD recommendations and build an understanding of their progress towards implementing its key recommendations</li> <li>• Became a member of GRESB and started using GRESB reports to provide further insight into ESG performance during due diligence</li> </ul>

Add Example 2

Topic or issue	Notable ESG event at a portfolio company
Conducted by	Internal staff
Asset class	Infrastructure
Scope and process	During the due diligence process of an infrastructure fund, the manager communicated the existence of a robust ESG policy and practice. However, one of their assets recently had a notable ESG event that raised questions on its implementation.
Outcomes	Our team indicated the need for more involved conversations with the manager, understanding what went wrong and the mitigating actions put in place, in order to proceed with the process of approving the investment.

Add Example 3

Topic or issue	Quality of RI process implementation in Real Estate manager
Conducted by	Internal staff
Asset class	Property
Scope and process	As part of StepStone's standard due diligence process we requested our DDQ to be completed. The responses on RI were inconsistent - for example, the investment manager had a very comprehensive policy but were unable to support this with any examples of implementation such as examples of responses to Investment manager's due diligence process; investment memos focused on ESG issues. StepStone engaged with the investment manager at both regional and headquarter levels to ensure we had understood their process correctly.
Outcomes	<p>The Investment Manager admitted that their implementation was lacking and that many of the issues we had highlighted were on their "to do" list.</p> <p>StepStone required the following: minimum levels of building certification compliance in acceptable building standards; investment manager to submit to GRESB; when the investment manager chose to subcontract to another investment manager then minimum standards of UNPRI assessment were required; Stepstone client to have right of opt-out on all investments post review of due diligence; comprehensive reporting framework agreed upon</p>

Add Example 4

Topic or issue	Investment Manager's lead portfolio manager accused of criminal infraction.
Conducted by	Internal staff
Asset class	Property
Scope and process	StepStone staff reviewed all available legal documentation; engaged with the Head of HR and Head of Legal at the relevant Investment Manager as well as conducted meetings with the specific person. The Firm worked to understand the infraction, how the investment manager had identified this issue or not, and how the investment manager had communicated and managed this issue.



Outcomes	Investment Manager undertook to amend their process of vetting staff and communicating issues with existing and potential clients.
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Add Example 5

Topic or issue	Investment Manager did not have a responsible investment policy
Conducted by	Internal staff
Asset class	Private equity
Scope and process	StepStone engaged with the investment manager explaining the importance of having an RI policy and the steps the GP should take to establish a policy and related internal governance structure. StepStone works to engage with senior leaders of the investment manager to ensure appropriate buy-in.
Outcomes	Investment Manager set up a Responsible Investment policy

Add Example 6

Topic or issue	Investment Manager did not incorporate climate considerations
Conducted by	Internal staff
Asset class	Private equity
Scope and process	StepStone worked to explain to the investment manager why climate was an important consideration for their strategy and importance of TCFD framework.
Outcomes	Investment manager has moved to incorporate a climate focus in their investment process - specifically a focus on climate risks and opportunities and labelling them as such.

Add Example 7

We are not able to provide examples

SAM Checks	[Empty]	Checks
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If there are any messages below, please review them before continuing. If there are no messages below, please save this page and continue.

PE 01	Voluntary	Descriptive	PRI 1-6
Private			
PE 02	Mandatory	Core Assessed	PRI 2
PE 02.1	Indicate whether your organisation's investment activities are guided by a responsible investment policy / follow responsible investment guidelines.		
<input checked="" type="checkbox"/> Our investment activities are guided by a responsible investment policy			
PE 02.2	Describe how your organisation outlines expectations on staff and portfolio companies' approach towards ESG issues in investment activities.		
<p>StepStone fundamentally believes that the integration of ESG considerations will lead to improved and sustainable risk-adjusted returns. As such, we have a RI policy which is reviewed annually and adopted across the firm. We have fully integrated an ESG process across all asset classes, including Private Equity. Part of the ESG Committee's mandate is to provide training across the firm, and this effort is supported by the entire Partner group at StepStone, who all have responsibility for policy implementation. Additionally, each asset class has an ESG Workgroup that spans regions and investment strategies. The Private Equity workgroup numbers five investment professionals from four different offices.</p> <p>The team conducting investment diligence is responsible for fact finding through review of ESG data and sustainability reports. Through this process we inquire whether the manager is a signatory of the UN PRI and TCFD, whether the ESG policy has been implemented, and a host of additional ESG-related inquiries. We discuss responses and our findings during onsite diligence meetings and seek examples. Finally, StepStone seeks out active ownership through board seats on primary, secondary, and co-investment opportunities, AGM participation, and proxy voting of public companies.</p>			
<input type="checkbox"/> Our investment activities are not guided by a responsible investment policy			
<input type="checkbox"/> We do not have a responsible investment policy			
PE 03	Mandatory	Core Assessed	PRI 1,4,6
PE 03.1	Indicate if your most recent fund placement documents (private placement memorandums (PPM) or similar) refer to responsible investment.		
<input checked="" type="checkbox"/> Yes			
PE 03.2	Indicate how your most recent fund placement documents (PPM or similar) refer to the following responsible investment:		
<input checked="" type="checkbox"/> Policy and commitment to responsible investment <input checked="" type="checkbox"/> Approach to ESG issues in pre-investment processes <input checked="" type="checkbox"/> Approach to ESG issues in post-investment processes <input checked="" type="checkbox"/> Approach to ESG reporting			
<input type="checkbox"/> No			
<input type="checkbox"/> Not applicable as our organisation does not fundraise			
PE 04	Voluntary	Additional Assessed	PRI 4
Private			
PE 05	Mandatory	Gateway	PRI 1
PE 05.1	During due-diligence indicate if your organisation typically incorporates ESG issues when selecting private equity investments.		
<input checked="" type="checkbox"/> Yes			
PE 05.2	Describe your organisation's approach to incorporating ESG issues in private equity investment selection.		
<p>StepStone has developed an accountability structure which facilitates firm-wide support and commitment to our ESG policy and processes. The following teams take ownership for their part in the ESG process, as detailed below.</p> <p>The ESG Committee assembles and updates ESG policy, provides training, responds to ESG queries, reviews the ESG section in investment memos, opines on ESG issues and rating, and promotes ESG consideration throughout the firm, as well as outwardly. The Executive Committee approves StepStone's ESG policy and mandates the ESG committee.</p> <p>Members of the Private Equity ESG Workgroup drive ESG focus and provide guidance and training, review ESG due diligence responses, provide suggestions for areas of due diligence, review ESG sections of investment memos, liaise with the ESG committee, document ESG-relevant examples from portfolio investments, and develop sector-specific considerations and projects.</p> <p>The Sector Deal Teams assess ESG throughout the due diligence process, engage with each ESG Workgroup, inquire and make suggestions, and create the ESG section for Investment Committee memos.</p> <p>When considering a primary investment, StepStone looks at the manager's approach and commitment to ESG. StepStone will inquire if the manager is a UNPRI and TCFD signatory, whether an ESG Policy exists and has been implemented, in addition to a host of additional ESG-related inquiries. Sector Deal Teams will review each fund manager's ESG policy, climate policy, and monitoring framework. We'll assess their level of commitment, level of partner/management involvement and advocacy, approach to ESG training, use of external resources in diligence, and monitoring and reporting of ESG compliance. We will discuss questionnaire responses during on-site diligence meetings, and assess the manager's approach through individual portfolio company reviews, as examples. We seek diligence and monitoring examples regardless of policy status. We also consider GP-level topics, such as governance, economics, alignment, diversity, and retention in our assessment. In addition to a qualitative assessment, StepStone will award the GP a quantitative score based on our internally developed, GP-level quantitative scoring framework to assist us in tracking a manager's responsible investment focus and evolution over time.</p> <p>Every Investment Memorandum has a dedicated ESG section which is reviewed by the relevant ESG workgroup and ESG Committee who must approve it before submission to IC is permitted. Once approved by the ESG Committee, the Investment Committee takes the ESG section into consideration for final approval. StepStone's IC may turn down an investment if the target fund/company lacks sufficient commitment to responsible investment/operations.</p>			

For co-investments, as with all of our investments, StepStone upholds its research-focused approach in its review of the company. In addition to considering the fund manager's ESG practices and commitment discussed above, StepStone considers the asset level ESG risks and opportunities throughout the diligence process, starting with investment screening, and documents this assessment in its IC materials. ESG matters may be demonstrated in approach to climate considerations, product stewardship, labor practices, corrective behavior (following a regulatory, legal, or other violation), leadership structure or depth and transparency in reporting. As certain sectors and businesses will have different types of relevant risks and opportunities, StepStone's evaluation will make use of the SASB Materiality Maps. StepStone also considers GP provided materials and external consultant reports and assessments. StepStone reviews how the GP has isolated ESG related risks and mitigated them including the use of deal structuring, ring-fencing, insurance, repricing of the asset.

With respect to secondary transactions, StepStone utilizes full primary ESG assessments where available along with an evaluation of the ESG risks and opportunities of the key, value-driving assets.

StepStone is dedicated to identifying the risks and opportunities that drive value and continues to evolve the ESG program toward exceeding the highest standards of responsible investment and objectives of clients.

No

PE 06	Mandatory	Core Assessed	PRI 1,3
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**PE 06.1** Indicate what type of ESG information your organisation typically considers during your private equity investment selection process.

- Raw data from target company
- Benchmarks against other companies
- Sector level data/benchmarks
- Country level data/benchmarks
- Reporting standards, industry codes and certifications
- International initiatives, declarations or standards
- Engagements with stakeholders (e.g. customers and suppliers)
- Advice from external resources
- Other, specify
- We do not track this information

**PE 06.2** Describe how this information is reported to, considered and documented by the Investment Committee or similar.

ESG information is reported to the Investment Committee through inclusion in the investment memorandum of an investment presented for consideration. This information has been reviewed by the ESG workgroup, which is an asset specific workgroup composed of investment team individuals drawn from around the globe. The workgroup is focused on reviewing ESG due diligence and providing feedback to the Sector Deal Team before the investment is submitted to the Investment Committee.

The Sector Deal Teams assess ESG throughout the due diligence process, engage with the ESG Workgroup, inquire and make suggestions, and create the ESG section for Investment Committee memos. In every case, the Sector Deal Teams are responsible for including asset-class specific due diligence questions and providing those responses to the ESG Committee and ESG Workgroup which oversees the process and provides feedback and support.

The ESG Committee reviews the ESG section in investment memos, opines on ESG issues and rating, and promotes ESG consideration throughout the firm, as well as outwardly. Once approved by the ESG Committee, the Investment Committee takes the ESG section into consideration for final approval.

PE 07	Voluntary	Additional Assessed	PRI 1,2
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Private

PE 08	Voluntary	Additional Assessed	PRI 1
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Private

PE 09	Mandatory	Gateway/Core Assessed	PRI 2
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**PE 09.1** Indicate whether your organisation incorporates ESG issues in investment monitoring of portfolio companies.

Yes

**PE 09.2** Indicate the proportion of portfolio companies where your organisation included ESG performance in investment monitoring during the reporting year.

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies

**PE 09.3** Indicate ESG issues for which your organisation typically sets and monitors targets (KPIs or similar) and provide examples per issue.

- Environmental
- Social
- Governance
- We do not set and/or monitor against targets

No

PE 09.4	Additional information. [Optional]		
<p>Again, please note that we are a co-investor in these companies and never the "lead GP" in a direct investment. Therefore, our ability to set targets is limited. That said, StepStone regularly engages with the GP sponsor to discuss ESG performance and/or issues, along with response plans. Similarly, where StepStone holds board seats similar engagement occurs. StepStone is focused on advocating for greater focus and structure on ESG issues which may in turn lead to the board adopting targets.</p>			
PE 10	Mandatory	Core Assessed	PRI 2
PE 10.1	Indicate if your organisation tracks the proportion of your portfolio companies that have an ESG/sustainability-related policy (or similar guidelines).		
<p><input type="radio"/> Yes</p> <p><input checked="" type="radio"/> No</p>			
PE 10.3	Additional information. [Optional]		
<p>StepStone tracks this at the GP level but not at the portfolio company level, given our role as a co-investor. StepStone works to ensure that the GP's process covers reviewing ESG and sustainability related policies at the company level.</p>			
PE 11	Voluntary	Additional Assessed	PRI 2
<i>Private</i>			
PE 12	Voluntary	Descriptive	PRI 2,3
<i>Private</i>			
PE 13	Voluntary	Additional Assessed	PRI 2
<i>Private</i>			
PE 14	Voluntary	Additional Assessed	PRI 1,2
<i>Private</i>			
PE 15	Mandatory to Report, Voluntary to Disclose	Descriptive	PRI 1,2
<i>Private</i>			
PE 16	Mandatory to Report, Voluntary to Disclose	Descriptive	PRI 6
<i>Private</i>			

PR 01	Mandatory	Core Assessed	PRI 1-6
PR 01.1	Indicate if your organisation has a Responsible Property Investment (RPI) policy.		
	<input checked="" type="checkbox"/> Yes		
PR 01.2	Provide a URL or attach the document		
	<input type="checkbox"/> URL <input checked="" type="checkbox"/> Attach Document StepStone ESG Policy July 2019.PDF		
	<input type="checkbox"/> No		
PR 01.3	Provide a brief overview of your organisation's approach to responsible investment in property, and how you link responsible investment in property to your business strategy. [Optional]		
	<p>StepStone Real Estate ("SRE") and its investment activities are governed by StepStone's firm-wide ESG policy. SRE believes that considering ESG factors in investment decision-making is critical to managing investment risk and enhancing value. As a result, ESG factors are considered in its selection of secondary investments and co-investments as well as post-investment asset management decisions. Each investment memo presented to the SRE Active Investment Committee contains a dedicated ESG section that has been completed by the investment team and reviewed by the SRE ESG Workgroup, a committee that includes representatives from various investment teams and geographies within SRE, including two members of StepStone's global ESG Committee. The ESG section includes an analysis of both the sponsor's policies and track record on ESG issues (during due diligence and post investment), as well as ESG merits and risks specific to the investment, utilising SASB materiality measures where appropriate.</p>		
PR 02	Mandatory	Core Assessed	PRI 1,4,6
PR 02.1	Indicate if your most recent fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.		
	<input checked="" type="checkbox"/> Yes		
PR 02.2	Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:		
	<input checked="" type="checkbox"/> Policy and commitment to responsible investment <input checked="" type="checkbox"/> Approach to ESG issues in pre-investment processes <input type="checkbox"/> Approach to ESG issues in post-investment processes		
	<input type="checkbox"/> No <input type="checkbox"/> Not applicable as our organisation does not fundraise		
PR 03	Voluntary	Additional Assessed	PRI 4
	Private		
PR 04	Mandatory	Gateway/Core Assessed	PRI 1
PR 04.1	Indicate if your organisation typically incorporates ESG issues when selecting property investments.		
	<input checked="" type="checkbox"/> Yes		
PR 04.2	Provide a description of your organisation's approach to incorporating ESG issues in property investment selection.		
	<p>SRE is investing in private market assets, as such it has a long term investment perspective. SRE believes that this long term perspective is aligned to responsible investment as the timeframe allows for value enhancement to be implemented at the asset level with respect to various ESG initiatives.</p> <p>In the case of secondary investments and co-investments, SRE evaluates both the manager/sponsor it is investing alongside as well as specific ESG risks and opportunities related to the specific transaction or assets and related post investment asset management plans.</p> <p>When evaluating the manager's approach to ESG, SRE leverages the primary fund ESG due diligence that has been undertaken where available. This is a comprehensive evaluation of the manager's approach across environmental, social, and governance considerations. StepStone's approach also embeds consideration of climate change as guided by the TCFD framework, with a focus on climate-related risks and opportunities. There are also Diversity and Modern Slavery considerations. If no pre-existing primary diligence has been conducted, then SRE will undertake a similar approach to evaluating the manager's commitment to ESG and formal policies, implementation (including a review of prior case studies) and accountability, and reporting. The ESG due diligence process includes an analysis of a manager's responses to a series of questions based on the UN PRI's Limited Partners' Responsible Investment Due Diligence Questionnaire. SRE also requests to review the manager's existing ESG and related policies as applicable. This will be supplemented by one-on-one discussions with the manager as well as reviews of prior investment case studies/proposals.</p> <p>When evaluating the ESG risks and opportunities related to the specific transaction or assets pre-investment, SRE focuses on material issues, which are guided by the Sustainability Accounting Standard Board ("SASB")'s Materiality Map. Risks and opportunities within those material issues are explored. This evaluation feeds into the proposed asset management plan post investment and relevant deal structuring and pricing.</p> <p>The ESG analysis is completed by the investment team and reviewed by the SRE ESG Workgroup prior to being approved by the ESG Committee. This ESG analysis is integrated into the investment memo that is considered by the SRE Active Investment Committee when making a decision on whether to make the investment. Approval by the ESG Committee is a pre-condition to any investment being considered by the SRE Active Investment Committee. This process is conducted for all investments irrespective of jurisdiction or strategy.</p>		
PR 04.3	Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process, and list up to three examples per issue.		
	<input checked="" type="checkbox"/> Environmental Energy efficiency		
	<input type="checkbox"/> Environmental example 1, description		

Datacenter investment - a review of historical electricity usage identified that significant energy was required to operate the assets; however electricity came from renewable sources and is certified as 100% coming from hydraulic power. In addition, assets have cooling systems that use external cold air to save energy.

Contamination

Environmental example 2, description

Land investment - contamination of the land site due to its previous use as a maintenance area for the city rail operator; a third-party consultant was engaged to review the environmental reports and assess the potential cost of remediation, which was incorporated into the investment team's underwriting.

Waste management

Environmental example 3, description

Science park investment - leases were reviewed for specific provisions related to disposal of hazardous or biohazardous waste and site managers interviewed to understand enforcement of such requirements.

Social

Occupier Satisfaction

Social example 1, description [OPTIONAL]

Multifamily redevelopment - redevelopment work required vacating tenants from existing units; however, redevelopment plan was phased such that tenants could be moved to alternative units on the same site (at rents in-line with tenants' existing obligations) to minimize displacement.

Building safety and materials

Social example 2, description [OPTIONAL]

New construction - manager was working with a third-party contractor, who would be overseeing physical laborers on-site. Although the manager would not have direct oversight of working conditions and employment practices, the manager only contracts with organizations that comply with the Universal Declaration of Human Rights and Core Conventions of the International Labour Organization.

Socio-economic

Social example 3, description [OPTIONAL]

Multifamily in a supply-constrained market - in order to obtain planning from the local government for construction of new multifamily units, business plan involved 17% of the development being dedicated social housing units at rents that are 40% below market-rate units but are identical in quality.

Governance

Anti-bribery & corruption

Governance example 1, description

Co-investment with a manager with historical compliance and anti-corruption incident - reviewed the firm's response to the incident and how problem individuals were addressed; and the implementation of polices to prevent a similar situation from happening again. The actions included immediately firing the individuals involved, restructuring of the compliance department, hiring a number of ex-SEC officials and the implementation of new policies including creation of a new Business Risk Committee, which reviews all new transactions. SRE engaged with the manager and advocated for specific actions which were adopted.

Board structure

Governance example 2, description

Investment in a newly-formed healthcare real estate manager - although key principals had significant experience related to the investment strategy, they had limited experience running an asset management business; as a result, SRE required that the manager bring in required expertise to join the board and take an ownership position in the GP, including individuals with private equity, public market company and healthcare experience; SRE also required a seat on the board to continue to monitor the manager's actions and advocate for enhancements as required.

Shareholder structure & rights

Governance example 3, description

SRE requires control rights in accordance with its ownership interest in various investments, ranging from control over major decisions where it is the majority owner to minority protection rights, including vetos over decisions that negatively impact its interests, in situations where it is a minority investor.

No

PR 05	Voluntary	Additional Assessed	PRI 1,3
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Private

PR 06	Mandatory	Core Assessed	PRI 1
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PR 06.1 Indicate if ESG issues impacted your property investment selection process during the reporting year.

- ESG issues helped identify risks and/or opportunities for value creation
- ESG issues led to the abandonment of potential investments
- ESG issues impacted the investment in terms of price offered and/or paid
- ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ESG issues were considered but did not have an impact on the investment selection process
- Other, specify
- Not applicable, our organisation did not select any investments in the reporting year
- We do not track this potential impact

PR 06.2	Indicate how ESG issues impacted your property investment deal structuring processes during the reporting year.
<input checked="" type="checkbox"/> ESG issues impacted the investment in terms of price offered and/or paid <input checked="" type="checkbox"/> ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants <input type="checkbox"/> ESG issues were considered but did not have an impact on the deal structuring process <input type="checkbox"/> Other, specify <input type="checkbox"/> Not applicable, our organisation did not select any investments in the reporting year <input type="checkbox"/> We do not track this potential impact	

PR 08	Mandatory	Gateway	PRI 2
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PR 08.1	Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.
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Yes

PR 08.2	Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.
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- We consider ESG issues in property monitoring and management
- We consider ESG issues in property developments and major renovations.
- We consider ESG issues in property occupier engagements
- We consider ESG issues in community engagements related to our properties
- We consider ESG issues in other post-investment activities, specify

PR 08.3	Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets.
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Given much of the active asset management in SRE's secondary and co-investments is done through its investment partners, SRE first establishes a regular reporting process with its investment partners for reporting, which is regularly reviewed against industry norms and guidance from respected bodies. SRE reviews this reporting for (1) the partners' ongoing responsible investing practices, (2) progress on ESG opportunities identified for the specific investment during the due diligence process and (3) any ESG risks and opportunities that have arisen post-investment. SRE actively engages with its investment partners on any major deviations from the initial business plan, including as related to ESG issues. For investments in which SRE has a significant ownership interest, it also seeks out active ownership through board seats. Through active participation, SRE seeks to effectively manage any ESG-related incidents that may occur within its investments and pro-actively implement initiatives that are both beneficial from an ESG perspective and create economic value.

Examples of SRE's management of ESG issues include:

- SRE made an investment alongside a diversified real estate manager in the Nordics with a heavy development component. As an active asset manager and developer, the GP has been focused on both efficiency as it relates to resource usage as well as opportunities to refine its construction process for new developments. For example, it is developing new properties with recycled concrete, which has shown to be just as cost effective as conventional concrete.
- When evaluating a US skilled nursing portfolio which was 100% leased to one tenant, SRE hired a third-party consultant to evaluate the cause and trend of its relatively low ratings (only 19% of facilities had high ratings during the diligence period). The sector carries significant liability and reputational risk as it relates to the treatment of residents and quality of care. As a result, quality of care is a key focus area for the government and residents and is highly regulated. It was discovered through diligence that low ratings resulted from instability and management changes. To address this, the company hired a new Chief Nursing Officer, which led to a decrease in the number of deficiencies and gave SRE confidence to make the investment in anticipation of improved ratings. Three years after the investment was made, over 70% of the portfolio had high ratings.
- SRE was invested in a manager whose board members were active participants in other aspects of the market and therefore could have differing incentives creating potential conflicts of interest. SRE identified the issue in diligence and worked with management to design a conflict-management policy that was ultimately adopted by the board.

No

PR 09	Mandatory	Core Assessed	PRI 2,3
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PR 09.1	Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.
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- >90% of property assets
- 51-90% of property assets
- 10-50% of property assets
- <10% of property assets

PR 09.2	Indicate which ESG targets your organisation and/or property managers typically set and monitor
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Environmental

Target/KPI	Progress Achieved
Green building certifications (achieved and progress for properties in development), such as LEED, BREEAM, Energy Star, etc.	20% of SRE's portfolio has or is targeting green building certifications

Social

Target/KPI	Progress Achieved

Care quality rating of good or outstanding (or equivalent) for healthcare assets	Greater than 75% of SRE's portfolio is rated good or outstanding
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Governance

Target/KPI	Progress Achieved
Investment partners are scored based on StepStone's ESG scorecard (which assesses partners' approach to ESG)	Completed for all new investments as part of SRE's ESG evaluation
Diversity of skill-set and background on company boards	Assessed in SRE's ESG evaluation; if changes required, SRE takes steps with the manager to do so (completed for one, in-process for another)

We do not set and/or monitor against targets

**PR 09.3** Additional information. [Optional]

Given much of the active asset management in SRE's secondary and co-investments is done through its investment partners, SRE undertakes significant due diligence of ESG practices and risks at the outset of an investment. As part of the initial due diligence process, StepStone conducts an ESG evaluation. As part of this evaluation, an ESG scoring is completed. This ESG scoring is a mechanism for StepStone to evaluate how the GP is performing relative to peers and overtime with respect to their ESG practice.

Post-investment, SRE first establishes a regular reporting process with its investment partners for annual reporting, which is regularly reviewed against industry norms and guidance from respected bodies. SRE reviews this reporting for (1) the partners' ongoing responsible investing practices, (2) progress on ESG opportunities identified for the specific investment during the due diligence process and (3) any ESG risks that have arisen post-investment. SRE actively engages with its investment partners on any major deviations from the initial business plan, including ESG issues. For investments in which SRE has a significant ownership interest, it also seeks out active ownership through board seats. Through active participation, SRE seeks to effectively manage any ESG-related incidents that occur within its investments and pro-actively implement initiatives that are both beneficial from an ESG perspective and create economic value.

PR 10	Voluntary	Descriptive	PRI 2
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Private

PR 11	Mandatory	Core Assessed	PRI 2
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**PR 11.1** Indicate the proportion of active property developments and major renovations where ESG issues have been considered.

- >90% of active developments and major renovations
- 51-90% of active developments and major renovations
- 10-50% of active developments and major renovations
- <10% of active developments and major renovations
- N/A, no developments and major renovations of property assets are active

**PR 11.2** Indicate if the following ESG considerations are typically implemented and monitored in your property developments and major renovations.

- Environmental site selection requirements
- Environmental site development requirements
- Sustainable construction materials
- Water efficiency requirements
- Energy efficiency requirements
- Energy generation from on-site renewable sources
- Waste management plans at sites
- Health and safety management systems at sites
- Health and wellbeing of residents
- Construction contractors comply with sustainability guidelines
- Resilient building design and orientation
- Other, specify

PR 12	Mandatory	Core Assessed	PRI 2
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**PR 12.1** Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.

- >90% of occupiers
- 50-90% of occupiers
- 10-50% of occupiers
- <10% of occupiers

**PR 12.2** Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.

- Distribute a sustainability guide to occupiers
- Organise occupier events focused on increasing sustainability awareness
- Deliver training on energy and water efficiency
- Deliver training on waste minimisation
- Provide feedback on energy and water consumption and/or waste generation



- Provide feedback on waste generation
- Carry out occupier satisfaction surveys
- Health and wellbeing of residents
- Offer green leases
- Other, specify

PR 13	Voluntary	Additional Assessed	PRI 2
<i>Private</i>			
PR 14	Voluntary	Additional Assessed	PRI 2
<i>Private</i>			
PR 15	Voluntary	Additional Assessed	PRI 1,2
<i>Private</i>			
PR 16	Voluntary	Descriptive	PRI 1,3
<i>Private</i>			

INF 01	Voluntary	Descriptive	PRI 1-6
Private			
INF 02	Mandatory	Core Assessed	PRI 1-6
INF 02.1	Indicate if your organisation has a responsible investment policy for infrastructure.		
<input checked="" type="checkbox"/> Yes			
INF 02.2	Provide a URL if your policy is publicly available.		
<a href="http://www.stepstoneglobal.com/who-we-are/responsible-investing/">http://www.stepstoneglobal.com/who-we-are/responsible-investing/</a>			
<input type="checkbox"/> No			
INF 02.3	Additional information. [Optional]		
<p>StepStone has a Firm wide ESG policy that covers all asset classes, including Infrastructure. Further, StepStone has a formalized ESG Committee, which is governed by charter and includes senior representatives across asset classes and functional areas, including Simon Beer (Partner) and Suzanne Tavill (Partner and StepStone's Global Head of Responsible Investing), both of whom represent our Infrastructure team.</p>			
INF 03	Mandatory	Core Assessed	PRI 1,4,6
INF 03.1	Indicate if your most recent fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.		
<input checked="" type="checkbox"/> Yes			
INF 03.2	Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:		
<input checked="" type="checkbox"/> Policy and commitment to responsible investment <input checked="" type="checkbox"/> Approach to ESG issues in pre-investment processes <input checked="" type="checkbox"/> Approach to ESG issues in post-investment processes			
INF 03.3	Describe how your organisation refers to responsible investment for infrastructure funds in fund placement documents (PPMs or similar). [Optional]		
<p>Please note that StepStone does not currently raise commingled infrastructure products. However, we do manage separate accounts for clients. We refer to ESG and RI in our Infrastructure-related marketing and client communications.</p>			
<input type="checkbox"/> No <input type="checkbox"/> Not applicable as our organisation does not fundraise			
INF 04	Voluntary	Additional Assessed	PRI 4
Private			
INF 05	Mandatory	Gateway	PRI 1
INF 05.1	Indicate if your organisation typically incorporates ESG issues when selecting infrastructure investments.		
<input checked="" type="checkbox"/> Yes			
INF 05.2	Describe your organisation's approach to incorporating ESG issues in infrastructure investment selection.		
<p>ESG factors are of the utmost importance in StepStone's due diligence process. However, if there are any ESG red flags in potential investments, the investment does not make it through to our due diligence process. Once we have established that there are no immediate and valid concerns, StepStone's approach is as follows:</p> <p>StepStone's ESG diligence methodology for direct infrastructure investments is differentiated from that used on primary infrastructure investments and assesses the business in a greater level of detail. Its key elements are outlined below:</p> <ul style="list-style-type: none"> <li>• ESG questionnaire: StepStone Infrastructure and Real Assets (SIRA's) internal questionnaire, currently consisting of 138 questions, serves as a guide to ensure the deal team assesses all material ESG considerations. The questionnaire is continuously revised and updated to ensure it stays up to date.</li> <li>• External input: VDD and management Q&amp;A are used as primary sources to support the ESG diligence. However, the questionnaire supports the scoping of top-up diligence work or identify materials that could provide insight on ESG performance. For example, in past transactions we found that a GRESB report, an external ESG benchmark, can be a valuable resource.</li> <li>• Sustainable Development Goals ("SDGs"): In addition to assessing ESG risks, SIRA mapped existing ESG initiatives against the UN Sustainable Development Goals. In the future, the diligence work will be expanded to include an SDG maturity assessment.</li> </ul> <p>The SIRA Investment Committee serves as the approval body for ESG diligence outcomes given the detailed knowledge required for the assessment.</p>			
<input type="checkbox"/> No			
INF 06	Voluntary	Descriptive	PRI 1,4
Private			
INF 07	Mandatory	Core Assessed	PRI 1,3
INF 07.1	Indicate which E, S and/or G issues are typically considered by your organisation in the investment selection process and list up to three typical examples per issue.		
<input checked="" type="checkbox"/> Environmental <p>Measurement of GHG Emissions, including efforts to reduce such emissions</p>			

Waste generation and recycling, e.g. single use plastics at airports, wastewater, spoil

Compliance with Environmental laws, standards, and regulations

Social

Health and Safety performance, including compliance, measurement, and continuous improvement

Stakeholder engagement on issues that affect them. E.g. residents living around an airport, and utility customers

Labour practices, including fair working conditions, diversity, and fair pay

Governance

Business Integrity, code of ethics, and corporate governance

Risk management systems and processes, including consideration of ESG issues

Strong Board processes and procedures, internal controls, and internal audit

**INF 07.2 Additional information. [Optional]**

StepStone follows a holistic approach during due diligence, which includes considerations of asset geography and sector to refine the range of potential ESG concerns. The Firm explores a multitude of ESG factors to make sure that all potential red flags are pinpointed and makes sure that every unique investment is approached with careful analysis. This allows the Firm to better fully identify potential risk factors relating to ESG issues.

INF 08	Voluntary	Additional Assessed	PRI 1,3
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Private

INF 09	Voluntary	Additional Assessed	PRI 1
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Private

INF 11	Mandatory	Gateway	PRI 2
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**INF 11.1 Indicate whether your organisation and/or operators consider ESG issues in post-investment activities relating to your infrastructure assets.**

Yes

**INF 11.2 Indicate how your organisation, and/or operators, considers ESG issues in the following post-investment activities relating to your infrastructure assets.**

- We consider ESG issues in the monitoring and operation of infrastructure
- We consider ESG issues in infrastructure maintenance
- We consider ESG issues in stakeholder engagements related to our infrastructure
- We consider ESG issues in other post-investment activities, specify

**INF 11.3 Describe how your organisation, and/or operators, considers ESG issues in post-investment activities related to your infrastructure investments. [Optional]**

StepStone's asset management approach includes a multi-layered process of considering and addressing ESG issues during ongoing asset management:

- **Investment partners:** we engage and support our investment partners in promoting continuous improvement of ESG practices
- **Board participation:** we use our board positions to engage management on ESG issues, promote performance measurement and continuous improvement
- **Reporting:** we provide our clients with ongoing reports on ESG issues through quarterly reporting, which includes updates on ESG activity, as well as ad-hoc reports on any emerging issues
- **Asset Health Check:** We perform an annual strategic review of all of our assets, which involves considering factors that may impact the asset and which could represent risks and/or opportunities. Part of this review includes an ESG review, which provides a forward look at ESG priorities, objectives, and improvement initiatives

No

INF 12	Mandatory	Core Assessed	PRI 2
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**INF 12.1 Indicate the proportion of infrastructure assets for which your organisation and/or operators included ESG performance in investment monitoring during the reporting year.**

- >90% of infrastructure assets
- 51-90% of infrastructure assets
- 10-50% of infrastructure assets
- <10% of infrastructure assets

**INF 12.2 Indicate ESG issues for which your organisation, and/or operators, typically sets and monitors targets (KPIs or similar) and provide examples per issue.**

- Environmental
  - Energy consumption
  - GHG emissions
  - Water leakage
- Social
  - Comprehensive health and safety metrics, including supporting metrics such as training compliance

- Customers / Stakeholder complaints
- Data security - as assessed by security agencies or advisers
- Governance
  - Company board structured to comply with good corporate governance practices
  - Maintenance of an up to date risk register
  - Internal and external audit reports on controls and accuracy of financial information
- We do not set and/or monitor against targets

INF 13	Mandatory	Additional Assessed	PRI 2
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INF 13.1	Indicate whether you track the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).
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Yes

INF 13.2	Indicate the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).
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- >90% of infrastructure investees
- 51-90% of infrastructure investees
- 10-50% of infrastructure investees
- >0% and <10% of infrastructure investees
- 0% of infrastructure investees

INF 13.3	Describe how your organisation, and/or your operators, contribute to the infrastructure investees' management of ESG issues. [Optional]
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The board of directors monitor ESG performance. StepStone works with management teams to improve ESG tracking and reporting, (e.g. implementing KPIs and adopting UN Sustainable Development Goals).

StepStone is a member of GRESB and we encourage our assets to participate in annual or biennial performance assessments.

No

INF 14	Voluntary	Descriptive	PRI 2,3
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Private

INF 15	Mandatory	Core Assessed	PRI 2
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INF 15.1	Indicate the proportion of active infrastructure maintenance projects where ESG issues have been considered.
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- >90% of active maintenance projects
- 51-90% of active maintenance projects
- 10-50% of active maintenance projects
- <10% of active maintenance projects
- N/A, no maintenance projects of infrastructure assets are active

INF 15.2	Describe your approach to ESG considerations for infrastructure maintenance projects. [Optional]
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StepStone considers health and safety for all projects, including employees, contractors, and the public.

Additionally, recently StepStone was involved in the planning and execution of a port expansion project that included a comprehensive impact assessment on the local wildlife. Part of the works included the acquisition of land, creation of a new habitat, and relocation of sensitive species.

INF 16	Voluntary	Additional Assessed	PRI 2
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Private

INF 17	Voluntary	Additional Assessed	PRI 1,2
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Private

INF 18	Voluntary	Descriptive	PRI 1-3
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Private

INF 19	Mandatory to Report, Voluntary to Disclose	Descriptive	PRI 6
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Private

CM1 01	Mandatory	Additional Assessed	General		
CM1 01.1	Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:				
<input type="checkbox"/> Third party assurance over selected responses from this year's PRI Transparency Report <input type="checkbox"/> Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year <input type="checkbox"/> Third party assurance or audit of the correct implementation of RI processes (that have been reported to the PRI this year) <input type="checkbox"/> Internal audit of the correct implementation of RI processes and/or accuracy of RI data (that have been reported to the PRI this year) <input checked="" type="checkbox"/> Internal verification of responses before submission to the PRI (e.g. by the CEO or the board) <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Whole PRI Transparency Report has been internally verified</li> <li><input type="checkbox"/> Selected data has been internally verified</li> </ul> <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above					
CM1 02	Mandatory	Descriptive	General		
CM1 02.1	We undertook third party assurance on last year's PRI Transparency Report				
<input type="radio"/> Whole PRI Transparency Report was assured last year <input type="radio"/> Selected data was assured in last year's PRI Transparency Report <input checked="" type="radio"/> We did not assure last year's PRI Transparency report <input type="radio"/> None of the above, we were in our preparation year and did not report last year.					
CM1 03	Mandatory	Descriptive	General		
CM1 03.1	We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:				
<input type="checkbox"/> We adhere to an RI certification or labelling scheme <input type="checkbox"/> We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report <input type="checkbox"/> ESG audit of holdings <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> None of the above					
CM1 04	Mandatory	Descriptive	General		
CM1 04.1	Do you plan to conduct third party assurance of this year's PRI Transparency report?				
<input type="radio"/> Whole PRI Transparency Report will be assured <input type="radio"/> Selected data will be assured <input checked="" type="radio"/> We do not plan to assure this year's PRI Transparency report					
CM1 07	Mandatory	Descriptive	General		
CM1 07.1	Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed				
<input checked="" type="checkbox"/> CEO or other Chief-Level staff <table border="1" style="margin-left: 20px;"> <tr> <td>Sign-off or review of responses</td> </tr> <tr> <td> <input checked="" type="checkbox"/> Sign-off  <input checked="" type="checkbox"/> Review of responses           </td> </tr> </table> <input type="checkbox"/> The Board <input type="checkbox"/> Investment Committee <input checked="" type="checkbox"/> Compliance Function <input checked="" type="checkbox"/> RI/ESG Team <input checked="" type="checkbox"/> Investment Teams <input checked="" type="checkbox"/> Legal Department <input type="checkbox"/> Other (specify)				Sign-off or review of responses	<input checked="" type="checkbox"/> Sign-off <input checked="" type="checkbox"/> Review of responses
Sign-off or review of responses					
<input checked="" type="checkbox"/> Sign-off <input checked="" type="checkbox"/> Review of responses					