I. Introduction

Siguler Guff & Company, LP and its affiliates ("Siguler Guff" or the "Firm") generally pursues socially responsible investments, and includes environmental, social, and governance ("ESG") considerations during the course of the Firm’s due diligence, investment, and portfolio monitoring processes to the extent practical under the circumstances, subject to the provisions of each account’s limited partnership agreements, private placement memorandums, side letter provisions, and other relevant governing documents (collectively “Governing Documents”), as applicable. Further, Siguler Guff generally believes that understanding and managing ESG and sustainability factors is fundamental to a portfolio company’s well-being and mitigates risk, which may have a direct impact on a portfolio company’s business, financial performance, and market position.

Siguler Guff has adopted a Responsible Investment & ESG Policy ("Policy") to help ensure that it carries out its investment activities with appropriate ESG considerations when permitted or required by an account’s Governing Documents (it being understood that, where appropriate and practicable, a tailored set of enhanced guidelines may be adopted in connection with specific client requests/requirements). Such policies and procedures are designed to assist the Firm’s investment professionals with integrating ESG factors into due diligence, investment, and portfolio company monitoring processes.

As part of its investment process, Siguler Guff considers ESG factors, including in the following contexts:

- whether ESG issues might add risk to an investment (for example, because of the risk of strict government regulation in response to public outcry or publicity, the risk of employee unrest or strikes, or the risk of consumer boycott);
whether ESG issues might pose significant reputational risks to the Firm or its clients; and

whether ESG issues make a potential investment incompatible with the Firm’s values or, in the case of a separate account, the values of the underlying client.

Specific ESG factors, including those relating to Anti-Money Laundering and Foreign Corrupt Practices Act matters, may be addressed in other policy statements of Siguler Guff. Where applicable, such policy statements should also be considered and followed.

Siguler Guff has formed an ESG Committee, comprising key professionals across the Firm’s investment, marketing/ investor relations, legal and compliance teams. The Committee meets at least semi-annually to review the Firm’s implementation of the Policy and the Firm’s management of ESG issues.

II. Examples of ESG Issues

ESG issues can take several forms, including:

- A product or service with significant potential to harm public health or safety, such as the manufacture or sale of tobacco, alcohol or firearms.

- A company or industry that uses child labor, forced labor, modern slavery, human trafficking, or unfair or coercive labor practices.

- A company whose products or services have significant potential to exploit vulnerable populations, such as communities of color and incarcerated persons. Examples include certain consumer finance companies (such as payday loans) and telephone services for incarcerated persons.

- A company or industry that tends to cause significant environmental harm, without appropriate efforts to mitigate the harm.

- A company or industry that historically has been prone to public corruption that has not taken adequate measures to address the problem.

- A company with a history of unlawful behavior that has not taken adequate measures to prevent future recurrence of the problems.
- A company that fails to disclose past incidences of any of the above behaviors that are discovered through independent investigation.

- A company that has a history of complaints relating to discrimination or harassment.

- A company that fails to demonstrate an intention to improve its culture or diversity and inclusion metrics.

- A company that outsources manufacturing but does not have regular independent third party inspections conducted on the outsourcer, provided, however, the Firm would consider an exception for a company that has major reputable customers (e.g., Walmart, Target) that are known to have regular inspections.

Appendix A-1 sets forth general examples of ESG issues that Siguler Guff may consider, as appropriate, in connection with its investments. Appendix A-2 sets forth Siguler Guff’s “Exclusion List”, which is a non-comprehensive list of industries in which the Firm will not invest, absent extraordinary circumstances.

III. United Nations Principles for Responsible Investment (UNPRI) and International Finance Corporation (IFC)

In developing the Policy, Siguler Guff has given consideration to a range of codes and standards, including the United Nations Principles for Responsible Investment. In March 2013, the Firm became a signatory to the UNPRI. Siguler Guff regards the UNPRI as a key framework for implementation of ESG into the Firm’s investment process and, where commercially practicable and consistent with the Firm’s fiduciary duties and contractual obligations and restrictions, it is Siguler Guff’s intention to:

1. Incorporate ESG issues into investment analysis and decision-making processes.

2. Be an active owner and incorporate ESG issues into ownership policies and practices.

3. Seek appropriate disclosure on ESG issues by the entities in which investments are completed.

4. Promote acceptance and implementation of the principles within the
investment industry.

5. Work together to enhance effectiveness in implementing the principles.

6. Report on activities and progress towards implementing the principles.

Siguler Guff also gives considerable weight to the IFC’s Sustainability Policies and Standards, and is working towards incorporating portions of the IFC framework into its processes.

IV. Initial Scoring

The initial step in the ESG process is to assign a prospective investment a score, which serves as a blunt tool to identify prospective investments whose fundamentals, reputation and/or access to the capital markets are, or might in the future be, at risk of negative impact due to identifiable or potential ESG factors. Siguler Guff uses the initial score to develop a plan for due diligence and engagement with the potential investee company.

The scoring system is as follows:

Score of 1: Low risk. Factors are positive or not likely to impact fundamentals in the near or long term.

Score of 2: Moderate risk. Factors are viewed to be manageable. However, there is either a) the potential for unpredictable/episodic environmental, governance or social issues, b) a past ESG-related violation that Siguler Guff deems to be of low materiality and that have been resolved, c) a manufacturing process that leaves a carbon footprint, d) low or moderately severe risks associated with a business line that is considerably less than the majority of revenues for a specific prospective investment, or that the investee company intends to phase out.

Score of 3: Potential high risk. The investment entails all or some of the following risks: a) high potential for environmental damage, including accidental discharge of hazardous material or airborne emissions beyond regulatory limits, which do not appear to be adequately addressed; b) a moderately severe or severe past ESG-related violation that has been resolved; c) a product or service that causes significant environmental or social harm, particularly harm to vulnerable populations such as communities of color, d) manufacturing processes have a high carbon footprint, e) publicity or public perception that creates short-term
reputational risk for investors, but which will likely abate in time.

Score of 4: *High Risk.* Essentially the same factors as a score of 3, but with greater severity, and no strong commitment by management to correct them. Includes publicity or public perception that creates reputational risk for investors, which is unlikely to abate in time. If Siguler Guff chooses to proceed with evaluating the investment, it will engage an ESG consultant for High Risk companies if the plan sponsor has not done so, and if the consultant is expected to add value. In addition, all High Risk investments must be approved by the ESG Committee.

V. **Application of ESG Issues to Fund Investments**

A. **Selection and Investment**

In contrast to Direct Investments, where the focus is on the portfolio companies, evaluation of Fund investments focuses on internal Fund processes and the GP’s commitment to implementing sound ESG practices. In connection with the selection of Fund investments, where appropriate and practicable, Siguler Guff will:

1. assess if a general partner structurally integrates ESG factors in its investment decisions to identify ESG risks and has an ESG management system in place;
2. assess a general partner’s engagement with portfolio companies and processes to address identified ESG shortcomings;
3. assess the general partner’s level of expertise and training in ESG matters;
4. seek to have the general partner agree to include our exclusion list in its ESG management system, or to limit the percentage of the portfolio invested in exclusion list companies. This may not be practicable if the general partner has its own exclusion list;
5. seek to have the general partner incorporate its ESG policies in its agreements with third parties, where appropriate; and
6. assess a general partner’s periodic and incident reporting on ESG issues to LPs or LPACs.

Appendix B sets forth the questionnaire to be used by the Firm’s investment team(s) in connection with the ESG-related due diligence of a general partner. Responses to the questionnaire shall be ultimately reviewed and assessed by Donald Spencer (or another member of the legal and compliance team.
designated by Mr. Spencer).

B. Monitoring

In monitoring Fund investments, where appropriate and practicable, Siguler Guff will:

1. monitor investee Funds and periodically meet with the management of these Funds;

2. if it has an LPAC seat, use that opportunity to encourage the relevant general partner to report and seek input at LPAC meetings on its ESG procedures and any ESG-related risks and incidents within portfolio companies, as well as the remediating actions that the general partners have taken in this respect; and

3. seek informal discussions with general partners on ESG matters and incidents.

C. Funds Governance

Siguler Guff will review the alignment of interest between LPs and the relevant general partner, the governance model and management framework of the relevant general partner and the transparency of the applicable Fund and general partner. Siguler Guff will seek to review Fund governance terms in relation to the ILPA Private Equity Principles.

VI. Application of ESG Issues to Co-Investments/Direct Investments

A. Selection and Investment

In connection with the selection of co-investments and direct investments, where appropriate and practicable, Siguler Guff will (whether directly or through consultation with the relevant general partner):

1. assess a company’s existing ESG policies, management system and reporting in relation to the level of ESG risk the company faces;

2. screen the investment against the exclusion list; and
3. where shortcomings have been identified, agree on an ESG action plan with targets and timelines with the co-investing general partner and the company.

Appendix C sets forth the ESG-related due diligence questionnaire to be used by Firm’s investment team(s) in connection with a proposed co-investment or direct investment. Responses to the questionnaire shall be ultimately reviewed and assessed by Donald Spencer (or another member of the legal and compliance team designated by Mr. Spencer).

B. Monitoring

In monitoring co-investments and direct investments, Siguler Guff will:

1. monitor the companies Siguler Guff invests in and periodically seek to discuss with the management of these companies or the co-investing general partner their ESG performance; and

2. if it has appointed a board member, use that opportunity to encourage disclosure, as part of periodic review meetings, on any ESG-related risks/incidents and remediating actions.

In certain cases where Siguler Guff has very limited governance powers (such as a small position in a public company), direct contact with management will not be possible and monitoring will consist of reviews of reports and filings. In the case of private companies where Siguler Guff has limited governance rights (particularly debt investments), Siguler Guff will seek an arrangement with the equity sponsor to provide regular reports.

VII. Existence of ESG Issues

The existence of an actual or potential ESG issue with respect to a potential Fund investment or direct investment is not an automatic “disqualifier” – however, the Firm will investigate the issue thoroughly and document why the issue is not sufficiently damaging or can be successfully resolved. ESG issues are one set of many considerations. Siguler Guff will not necessarily forego a Fund investment if the relevant general partner does not meet ESG criteria during the due diligence process (except if the general partner is engaged in unethical or highly controversial investments and/or behavior). The Firm may consider making the
investment if it determines that the general partner or sponsor has an acceptable vision or plan relating to material ESG issues and has the willingness and capacity to implement the necessary steps for further improvement early in the life of the applicable Fund. In all cases, the relevant investment committee should be alerted where significant ESG issues exist so that they are properly factored into the investment mix.

However, certain issues are a “no-go” for the Fund regardless of mitigants. Examples include child labor and issues on the Siguler Guff exclusion list.

VIII. Diversity & Inclusion

Siguler Guff believes that diversity and inclusion (“D&I”) is an ESG factor that should be considered in the business analysis and decision making process. Siguler Guff believes that cultivating a diverse and inclusive workplace helps bring strength and effectiveness to the operations of general partners, sponsors and investee portfolio companies. Siguler Guff’s ESG Committee will seek to incorporate, to the extent feasible and appropriate, D&I into its investment review of Funds and portfolio companies by assessing the following factors:

- Whether the nature of business of the portfolio company or underlying Fund investment negatively impacts the physical or social environment of communities of color;
- Whether the Fund or portfolio company considers D&I in its hiring practices, and if women and minorities are represented in key positions;
- Whether the general partner considers D&I in its investment review process and to what extent; and
- Whether the general partner or the portfolio company has policies, committees, or programs in place to promote D&I in the workplace and throughout its business operations.

Additionally, Siguler Guff has formed a Diversity & Inclusion Committee, which is comprised of nine members across different areas of the firm. The purpose of the committee is to provide organization-wide leadership and initiatives focusing on diversity and inclusion at Siguler Guff.
In assessing D&I, Siguler Guff recognizes that past under-representation of diverse talent means that achieving equity might be a prolonged process, and assesses a potential investee target accordingly.

IX. Implementation of ESG Policy

The ESG Committee, alongside the senior members of Siguler Guff’s investment and compliance teams, will:

A. Distribute this Policy and related ESG information to all applicable Siguler Guff employees.

B. Instruct Siguler Guff investment professionals in the identification and management of ESG risks and provide them with appropriate support and assistance.

C. Regard implementation of this Policy as an ongoing project. The ESG Committee and the Firm’s legal and compliance team will review the Policy’s effectiveness and implementation on a regular basis and will report relevant findings and recommendations to the Firm’s Compliance Committee.

D. Encourage dialogue on how the Firm can accommodate ESG issues in a way that is consistent with the Firm’s limited partners’ and other stakeholders’ initiatives in these areas.

It is noted that certain investments, as determined by the ESG Committee, such as certain trade finance transactions, may be subject to separate ESG procedures given the nature of the transaction (i.e., timing, liquidity, limited ability of Siguler Guff to influence ESG factors, investment duration).

This Policy document will be reviewed and amended from time to time, as appropriate.
Appendix A-1: Examples of ESG Issues

Environmental issues

- Air and water pollution
- Biodiversity
- Climate change
- Deforestation
- Destruction / defragmentation of natural habitats
- Ecosystems services
- Energy efficiency
- Hazardous materials
- Land degradation
- Resource depletion
- Waste management
- Water scarcity

Social issues

- Data protection and privacy
- Diversity and equal opportunities
- Employee attraction and retention
- Government and community relations
- Human capital management
- Human rights
- Indigenous rights
- Labor standards (including OSHA\textsuperscript{1}, minimum wage, OHSAS, work time & overtime tracking and payment)
- Labor management relations, including unfair labor practices, or “union busting”
- Marketing communications
- Modern slavery, including domestic workers and others deprived of passports “Company store” practices whereby workers are trapped by debt,
- Product mis-selling
- Product safety and liability

\textsuperscript{1} Including similar regulations outside the US, or the application of OSHA standards to a non-US company.
Governance issues

- Accounting standards
- Anti-competitive behavior
- Audit committee structure
- Board composition
- Bribery and corruption
- Business ethics
- Compliance
- Executive remuneration
- Greenwashing
- Lobbying
- Political contributions
- Risk management
- Separation of chairman and CEO
- Stakeholder dialogue
- Succession planning
- ESG governance standards
- Whistleblower schemes
Appendix A-2: Exclusion List

Siguler Guff Exclusion List

Siguler Guff’s Exclusion List defines the types of sectors that Siguler Guff generally does not invest in. This list is not all-inclusive, and may be expanded and updated from time to time.

Siguler Guff avoids investments in any company or entity whose core business activity* involves the production and/or assembly, direct sale, distribution, and/or marketing of the following products and/or services:

- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements.
- Production or trade in alcoholic beverages (excluding beer and wine)
- Production or trade in tobacco.
- Gambling, casinos and equivalent enterprises (excluding those that include a hospitality component - consult ESG team)
- Adult entertainment.
- Privately operated correctional facilities, or private sector services such as phone or video conferencing to public correctional facilities. We would consider certain services such as food service and medical services.
- Certain consumer financial services, such as payday loans or installment loans. Highly regulated financial services to low income customers can be considered.
- Any enterprise which has demonstrated a lack of concern for worker rights or safety, such as a major contamination or fire incident at an assembly plant.
- Trade in wildlife or wildlife products regulated under CITES.
- Production or trade in radioactive materials.
- Production or trade in or use of unbonded asbestos fibers.
- Purchase of logging equipment for use in primary tropical moist forest.
- Production or trade in pharmaceuticals subject to international phase outs or bans.
- Production or trade in pesticides/herbicides subject to international phase outs or bans.
- Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.

With respect to munitions:

- No civilian munitions or accessories to civilian munitions
- We will consider sales to US military and close allies depending on the weapon.
  - No antipersonnel weapons, such as land mines and cluster munitions
  - No weapons of mass destruction

* Generally, a "core business" is one that accounts for 10% or more of a company’s revenue derived from the objectionable products and/or services and discontinuing the activity would materially change the nature of the company’s operations. Different thresholds may apply for other sectors, as determined by Siguler Guff’s ESG Committee.