



*Meeting:* **Investment Subcommittee**

*Date/Time:* **Wednesday, 14 October 2020 at 10.00 am**

*Location:* **Microsoft Teams**

*Contact:* **Miss. C. Tuohy (Tel. 0116 305 5483)**

*Email:* **cat.tuohy@leics.gov.uk**

### **Membership**

Mr. P. C. Osborne CC (Chairman)

Mr. T. Barkley CC    Dr. S. Hill CC  
Cllr. A. Clarke    Mr. Z. Limbada  
Cllr. M. Graham MBE

### **AGENDA**

<u>Item</u>	<u>Report by</u>	
1. Minutes of the meeting held on 16 October 2019.		(Pages 3 - 6)
2. Question Time.		
3. Questions asked by Members under Standing Order 7(3) and 7(5).		
4. Declarations of interest in respect of items on the agenda.		
5. Multi Asset Credit Update.	Director of Corporate Resources	(Pages 7 - 10)
6. Recommended Investment: Adams Street Partners Private Equity Fund and JP Morgan Infrastructure Fund.	Director of Corporate Resources	(Pages 11 - 36)



7. Dates of Future Meetings.

The next meeting of the Subcommittee is scheduled to take place on 16 December 2020 at 10am.

Future meetings of the Investment Subcommittee are scheduled to take place at 10am on the following dates.

Wednesday 31 March 2021  
Wednesday 28 July 2021  
Wednesday 13 October 2021  
Wednesday 15 December 2021

8. Exclusion of the Press and Public.

The public are likely to be excluded during consideration of the remaining items in accordance with Section 100(A)(4) of the Local Government Act 1972 (Exempt Information).

9.	Supplementary information informing Proposed Investment in Adams Street Partners Private Equity Fund and JP Morgan Infrastructure Fund.	Director of Corporate Resources	(Pages 37 - 66)
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10.	Aegon (formally known as Kames) Active Currency Hedge.	Director of Corporate Resources	(Pages 67 - 78)
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*There will be a presentation from Aegon for this item.*

11.	Pending Transitions Update.	Director of Corporate Resources	(Pages 79 - 82)
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12. To advise of any other items which the Chairman has decided to take as urgent elsewhere on the agenda.



**Minutes of a meeting of the Investment Subcommittee held at County Hall, Glenfield on Wednesday, 16 October 2019.**

**PRESENT:**

Leicestershire County Council

Mr. P. C. Osborne CC (Chairman)  
Mr. T. Barkley CC

Dr. S. Hill CC

District Council Representative

Cllr. Malise Graham

Staff Representative

Mr. R. Bone

**31. Minutes.**

The minutes of the meeting held on 3 April 2019 were taken as read, confirmed and signed.

**32. Question Time.**

The Chief Executive reported that no questions had been received under Standing Order 35.

**33. Questions asked by members.**

The Chief Executive reported that no questions had been received under Standing Order 7(3) and 7(5).

**34. Urgent Items.**

There were no urgent items for consideration.

**35. Declarations of interest.**

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

No declarations were made.

**36. Potential Investment with Adam Street Partners.**

The Subcommittee considered a report by the Director of Corporate Resources

which provided members with information in respect of a proposed investment with Adam Street Partners Private Equity product, 2019 Global Fund. A copy of the report marked 'Agenda Item 6' is filed with these minutes.

The Director explained that the investment would ensure the Fund's investment benchmark of 4% for 'Private Equity' was maintained, replacing some of the Fund's existing investments which had matured. It was noted the Fund would consider investing in a pooled product in the asset class once LGPS Central was in a position to re-launch a product.

The Subcommittee noted that Adams Street was committed to responsible investment, with environmental, social and corporate governance (ESG) considerations being considered as part of its investment diligence process. The manager was also signatory to the United Nations supported Principles for Responsible Investment (the PRI), a voluntary initiative promoting the integration of ESG considerations into investment processes and encouraging ongoing engagement with broader ESG issues.

RESOLVED:

That the report be noted.

### **37. Potential Investment with Partners Group.**

The Subcommittee considered a report by the Director of Corporate Resources which provided members with information in respect of a recommended investment in the Partners Group Multi Asset Credit (MAC) V Fund. A copy of the report marked 'Agenda Item 7' is filed with these minutes.

The Subcommittee noted that the proposed investment would ensure that the Fund's 7% asset allocation target for 'Private Debt' was maintained, the current shortfall equated to circa £75 million. Due to the time taken for deployment of funds, the Director recommended that £100 million was invested, in order to address expected future repayments to the Fund.

It was noted that there was not currently a LGPS Central pooled fund available in this asset class. Once a product was established the Fund would consider a future investment.

Members were pleased to note that Partners Group were also signatories to the UN Principals of Investment and had a Responsible Investment Policy which incorporated the Environmental, Social and Corporate Governance factors into its investment process.

RESOLVED:

That the report be noted.

### **38. Exclusion of the Press and Public.**

RESOLVED:

That under Section 100(A) of the Local Government Act 1972 the public be excluded from the meeting for the remaining items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12(A) of the Act.

**39. Change in Order of Business.**

The Chairman requested and obtained the Subcommittee's consent to change the order of business from that set out on the Agenda.

**40. Briefing Notes of the Funds Investment Consultant Concerning Proposed Adams Street Investment.**

The Subcommittee considered a briefing paper produced by the Fund's investment advisors, Hymans Robertson, which was followed by questions from members. A copy of the briefing note is filed with these minutes marked 'Agenda Item 9. The note was not for publication by virtue of Paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the briefing paper be noted.

**41. Briefing Notes of the Funds Investment Consultant Concerning Proposed Partners Group Investment.**

The Subcommittee considered a briefing paper produced by the Fund's investment advisors, Hymans Robertson, which was followed by questions by members. A copy of the briefing note is filed with these minutes marked 'Agenda Item 11'. The presentation was not for publication by virtue of Paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the briefing paper be noted.

**42. Presentation of the Investment Manager - Partners Group.**

The Subcommittee received a presentation from representatives of Partners Group on the proposed investment to the Partners Group MAC V fund which was followed by questions from members. A copy of the presentation is filed with these minutes marked 'Agenda Item 12'. The presentation was not for publication by virtue of Paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That a £100m commitment to invest in the Partners Group MAC V fund be approved.

**43. Presentation of the Investment Manager - Adams Street Group.**

The Subcommittee received a presentation by representatives from Adams Street Partners Group which was followed by questions from members. A copy of the presentation is filed with these minutes marked 'Agenda Item 10'. The presentation was not for publication by virtue of Paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That a £30m commitment to invest in the Adams Street Partners 2019 Global Fund be approved.

**44. Update on Property Investment**

The Subcommittee received an update from the Director of Corporate Resources on the Fund's Property Investment. A copy of the report is filed with these minutes marked 'Agenda Item 13'. The presentation was not for publication by virtue of Paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.

**45. Dates of Future Meetings.**

RESOLVED:

It was noted that the next meeting would be held on 18 December 2019 at 10.00am.

*[This meeting was subsequently cancelled]*

Members also noted that future meetings of the Subcommittee would be held on the following dates at 10.00am in 2020:

1 April 2020

15 July 2020

14 October 2020

16 December 2020

Wednesday, 16 October 2019  
Time Not Specified - Time Not Specified

CHAIRMAN



## **INVESTMENT SUB COMMITTEE – 14 OCTOBER 2020**

### **REPORT OF THE DIRECTOR OF CORPORATE RESOURCES**

#### **MULTI ASSET CREDIT (MAC) UPDATE**

##### **Purpose of the Report**

1. The purpose of this report is to update the Committee on the development of the LGPS Central multi asset credit (MAC) sub fund.

##### **Background**

2. MAC funds can invest across a range of credit asset classes. Investment managers have a wide universe of 'products' available to them and their approach to their use within each mandate can be wide ranging.
3. Assets classes such as cash, emerging market debt including government and corporate company debt instruments are common. These instruments can be global or defined to specific regions or classes e.g. Europe or US and Developed or emerging markets and can cover both commercial and sovereign debt. The inclusion of commercial (company) debt opens up a vast pool of options such as high yield bonds (junk bonds), asset backed loans (loans with asset securing) and more opaque instruments such as Collateralised Loan Obligations (CLO). CLOs are loans that are ranked below investment grade and are initially sold to a CLO manager who bundles multiple loans together. The manager sells stakes in the CLO to outside investors in a structure called tranches. Each tranche is a piece of the CLO, and it dictates who will be paid out first when the underlying loan payments are made. In addition, the mandates can limit the use of the above by weighting limits and further stipulate the use or limit the quality of debt used as rated by the major ratings agencies.
4. The Fund has limited exposure to this asset class via a minor holding totalling 0.5% of the total Fund's value, through JP Morgan's Global Credit fund (c.£28m).
5. The annual asset allocation review approved in January 2020 advised that the Fund should increase the allocation to this class from 0.5% to 4.0%. It is deemed to be attractive for a number of reasons.
  - a. It provides exposure to multi-asset classes through a single investment strategy.
  - b. Managers have the flexibility to move opportunistically between asset sectors, which should allow managers to create excess return by allocating to attractive asset classes. Significant divergence can occur between

individual asset class returns and an effective manager will allocate dynamically between asset classes to add value.

- c. MAC strategies can provide yield enhancement compared to traditional fixed income strategies. This is attractive to investors who may need income streams to meet liabilities in a low interest rate environment
6. The Fund took the opportunity in May 2020 to review with its advisor the Selection Questionnaire (SQ) and advert including the general fund mandate before it was sent to the market. The review allowed the Fund to address areas that would not meet its objectives. Central have now received the responses to the SQ which have now been marked.

#### Multi Asset Credit (MAC) mandate

7. The allowable characteristics of the mandate are listed below. The Fund already has an allocation to investment grade credit and emerging market debt and so the Fund engaged Hymans with the view to designing a product that would fit the Fund. As such the current mandate has less than 10% weightings to investment grade corporate bonds and less than 10% weighting to emerging market debt.
  - The portfolios will be actively managed
  - The portfolios will be well-diversified across global, multi-asset credit sectors
  - The portfolios may invest in liquid global fixed and floating rate instruments in markets including but not limited to Government, Investment Grade, High Yield, Emerging Market Debt and Loans
  - The portfolios may use derivative instruments for efficient portfolio management and hedging purposes
  - At least 90% of the portfolio will be hedged back to GBP
8. The limits and risk management parameters are described below.
  - < 10% exposure to Emerging Market Debt (includes both Hard Currency and Local Currency)
  - < 15% exposure to Government Bonds (UK Gilts/US Treasury)
  - < 10% exposure to Investment Grade Corporate Bonds
  - All other sectors will be limited to a maximum of 30% of the portfolio (to include but not limited to: High Yield Securities, Loans, Asset-backed Securities, Convertibles, CLO's, Covered Bonds, Coco's, Hybrids)
  - No single investment above 5% of the active portfolio
  - No single investment to be more than 5% of the issue
  - < 10% non-GBP currency exposure
9. Compared to the recently invested in Investment Grade Corporate Bond product this product is able to invest in a wider pool of securities and therefore has an overall higher risk and expected return. This fund is currently targeted to return 4% net over the benchmark which is 3 month GBP LIBOR (London interbank overnight rate) . At present the LIBOR rate is c0.05%.

#### Next steps

10. Responses to the request for proposal have been received and Central are due to inform a maximum of six managers of the next stage where they will enter into competitive due diligence. Post scoring of these a maximum of three managers will



be selected to run the mandate. Central have advised ideally they would wish to appoint two managers and only in the event a third manager adds diversification that the others cannot would a third manager be considered. The competitive due diligence is due to take place in October.

11. Central are estimating a finalised product to have FCA approval in December 2020 and a transition date and handover to finalised managers of the new fund in spring 2021.
12. The Leicestershire Fund under the current strategic asset allocation have c£150m to invest to reach the target weight with the allocation being taken from the Fund's current targeted return allocation.
13. Once the managers have been finalised officers will instruct Hymans to conduct due diligence and bring a proposal to Committee for approval.

### **Recommendation**

14. It is recommended that the Investment Subcommittee notes the report.

### **Equality and Human Rights Implications**

15. None.

### **Background Papers**

None

### **Officers to Contact**

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**INVESTMENT SUB COMMITTEE – 14<sup>TH</sup> OCTOBER 2020**

**REPORT OF THE DIRECTOR OF CORPORATE RESOURCES**

**RECOMMENDED INVESTMENT: ADAM STREET PARTNERS  
PRIVATE EQUITY & JP MORGAN INFRASTRUCTURE**

**Purpose of the Report**

1. The purpose of this report is to provide information in respect of where the Pension Fund has, or is likely to have, a material difference to the strategic asset allocation and the proposed course of action. In particular a recommended investment into the JP Morgan infrastructure fund and top up investment into Adam Street Partners (ASP) Global Fund 2020.

**Background**

2. As at September 2020 the fund had a cash holding of c£110m with a combination of GBP and USD.
3. At present given the positive cashflow nature of the Fund (the Fund collects more from employer and employee contributions than it pays out in pensions) and the low calls and distributions the Fund is building a cash balance that could be used to rebalance in line with the Fund's strategic asset allocation.
4. The remainder of the paper outlines the areas where the allocation is below target and where additional investment may provide diversification benefit. The table below summarises our current target weight, actual position at June 2020, the variance and actions planned and an expected variance to target all other things remaining equal.

	Target Weight	Actual at Jun 2020	Var to target weight Jun 2020	Planned action	Remaining variance
<b>Equity</b>	<b>47.75%</b>	<b>49.40%</b>	<b>1.65%</b>		
Listed Equity	43.00%	43.90%	0.90%	None, within 40-44% per SAA. Equity is volatile hence the range provided within the SAA	
Private Equity	4.75%	5.50%	0.75%	Covered in paper	1.2%
<b>Real income</b>	<b>24.75%</b>	<b>22.80%</b>	<b>-1.95%</b>		
Property	10.00%	8.40%	-1.60%	Covered in paper	
Infra	9.75%	8.80%	-0.95%	Covered in paper	0.2%
IL bonds	5.00%	5.60%	0.60%	Planned sale to fund future MAC investment	0%
<b>Alternatives/credit</b>	<b>27.50%</b>	<b>24.90%</b>	<b>-2.60%</b>		
Private Debt	10.50%	8.90%	-1.60%	LGPS Central sub fund planning for 2021. Potential to invest in a Partners Group offering in early 2021.	-1.6%, await details of LGPS sub fund or
Targeted Return	7.50%	10.70%	3.20%	Planned sale to fund future MAC investment	0%
Liquid MAC	4.00%	0.60%	-3.40%	Awaiting Central sub fund	0%
Investment Grade Credit	3.00%	2.30%	-0.70%	None at present, initial investment in April 2020, review weight in 2021 with view to rebalance per new SAA.	-0.7%
EMD	2.50%	2.40%	-0.10%		-0.1%
Cash	0.00%	2.30%		2 proposed investments totalling £45m GBP to JP Morgan and Adam Street. Plus to two investment to LGPS Central re Infra and Property indicatively totalling £60m	1.3% with £45m, 0% with £105m spend
Currency hedge		0.60%			
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>			

If a £45m allocation is approved for JP Morgan and Adam Street a 1.3% cash allocation will remain which is marginally ahead of target. This cash may be required for property whilst Colliers are searching and is described later in the paper.

### Infrastructure

- As at 30<sup>th</sup> June 2020 the Fund held c£400m in infrastructure funds between 4 managers. These investments form part the Funds 'real income' allocation. As at the last asset allocation review the infrastructure weight was 9.75% of total fund assets. The current weighting is 8.7% of Fund assets, which is 1.05% short of the target or c£50m.
- The Fund's infrastructure investments are detailed in the table below.

Investment	£m Jun 2020	% of infra assets	Closed / open	Income / accumulation
JPM IIF	92.3	23%	Open	Income
IFM Global infrastructure	105.8	27%	Open	Accumulation
KKR infrastructure	36.2	9%	Closed	Income
Stafford Timberland	143.8	36%	Closed	Accumulation
Infracapital	17.2	4%	Closed	Accumulation

7. The Fund has investments with two managers in open ended funds ie. no end dates, JP Morgan and IFM. These are attractive as there is no need usually to manage reinvestment of capital being returned and the managers would be usually investing into new investment products within their fund. Ideally the Fund would also like to invest into funds where accumulation units are available given the cashflow positive nature of the Fund.
8. The remaining three funds are closed and comprise of Stafford Timberland, which is niche, investing in timber farms globally, the Fund already has a sizeable allocation. Infracapital is reaching the end of its investing period in Jan 2023 at present and is of higher risk due to greenfield projects undertaken. The KKR investment is comprised of three infrastructure funds two of which are fully committed and are returning capital with the third 55% committed, our Fund has outstanding commitment to KKR at present of £33m USD as at 31<sup>st</sup> March 2020.
9. The two managers where the Fund has holdings in open ended investments are detailed below and are the most suitable for further investment.
10. The JP Morgan infrastructure Investments Fund (IFF) invests in core and core plus infrastructure with a focus on diversification, inflation protection and cash yield. Core and core plus represent assets and returns at the safer end of the infrastructure spectrum with value add and opportunistic representing the investments where more risk is taken.
11. The Committee received a presentation at its September meeting where JP Morgan presented their investment strategy during a private session. The cash yield is estimated at 5-7% pa on net asset value (NAV). With the Fund's current holding the cash being returned to the Fund is c£5-6m pa.
12. On balance the JP Morgan fund has a lower management fee, looks to have a safer, more defensive current portfolio and offers a lower timeframe to get capital invested whilst the IFM fund has had a historically higher return. Given the fairly small investment being proposed and the ability to rebalance in the future using income proceeds from the JP Morgan fund we propose an investment to the JP Morgan IIF fund. At present the JP Morgan investment is of smaller size and will also return cash whilst the IFM fund will grow given the Fund is invested in accumulation units.
13. A top up would take around nine months to enact by virtue of the fact there is a queuing system in place for new contributions. The Fund is invested in the LGPS income sleeve which benefits from lower fees Ideally the Fund would simply switch into accumulation units, which automatically reinvest income, but these units are not offered with the LGPS discount.
14. Officers propose an initial top up of £25m which will half the current deficit to target weight. LGPS Central's Infrastructure Fund is currently due to go live before the end of this financial year and the Fund has indicated an interest of £25m. The Central fund will invest in both open and closed ended funds and Central's due diligence has commenced on fund investments that would call capital in early 2021. The Fund would need to instruct Hymans to complete due diligence on the Central product once managers are selected, this would be brought to the Committee for

approval before any investment. This together with the top up with JP Morgan IIF investment would commit the Fund to an additional £50m.

15. Information from JP Morgan is included as Appendix A to this paper and includes their Environmental, Social and Governance procedure..

### **Private Equity**

16. The Fund's current allocation to Private Equity is via Adam Street Partners (ASP) (5.0%) and Aberdeen Standard (0.5%). The target weight is 4.75%. As such the Fund is marginally overweight by 0.75% versus the valuation at 30<sup>th</sup> June. When the 30<sup>th</sup> September valuation is compiled the value of the Adam Street investments is likely to increase versus the prior quarter and with all things being equal a likely increase in weight. Although currently over weight to private equity target weight this isn't anything to be too concerned with as distributions have slowed this year owing to COVID-19. When distributions return to their usual rate this will bring the allocation back towards target. In addition, a proposed investment to private equity using the same manager and strategy to last year will take up to 7 to 8 years to fully invest and hence having a commitment now means not having to invest larger sums in future years.
17. The ASP 2020 Global Fund has a very similar strategy to the 2019 fund with the same preferences to themes previously identified in the last vintage such as software and technology and healthcare. It is a globally diversified core fund of funds program providing further vintage exposure with 60-65% invested in primary strategies (building value over time) and 35-40% in tactical strategies (secondaries, co-investments and direct growth; shorter duration strategies focused on exploiting market inefficiencies). The bulk of the investments will be within North America at 60-70% with 20-30% (mainly western Europe) within developed markets and 10-15% within developing markets, majority in Asia.
18. The Fund invested \$39m into the 2019 Global Fund with a decision taken at the Sub-committee in October 2019, at present just 8% has been called demonstrating the long-term planning required to stay close to target. The 2020 Global Fund is currently taking new investments and is due to close in December 2020.
19. The 2020 Global Fund will invest capital over a 7-8 period, 10% has been invested thus far but given the use of the credit line at the fund level we expect ASP to call c2.5% by the calendar year end.
20. Using a conservative estimate of distributions they are likely to be marginally higher than commitments in the coming 12 months, officers propose an investment of £20m GBP.
21. LGPS Central have recently appointed a head of private markets, which will allow the company to resurrect its Private Equity offer. The Fund made an investment into the Central Private Equity 2019 vintage, whilst Central had a Head of Private Equity. The Fund will consider the relative merits of its current private equity manager and use of LGPS Central's strategy in 2021 given the new Head will need a number of months assess the situation regarding the strategy being adopted at LGPS Central.

22. Appendix B contains a slide outlining Adam Streets approach to integration of Environmental, Social and Governance (ESG) factors into their investment process.

**Other:**

23. The Fund is currently underweight in property by c1.6%. Colliers have been instructed earlier in 2020 to progress the search for direct property. At the time of writing Colliers have three properties they are investigating that would fit the Fund. None of which may result in a purchase given the nature of a competitive bid process and need to negotiate with sellers. As at the time of writing Colliers have engaged with officers regarding the type of asset, location and expected costs. They have full discretionary power on acquisitions as long as they keep the Fund informed. The only restrictions are based on wanting to acquire without prior authorisation on matter of a 'substantial nature'. Colliers already have a house rule in that they do not purchase properties which represent more than 10% of the size of the portfolio at the time of acquisition, if this came about they would seek the Fund's approval beforehand.
24. The Fund has been made aware of the nature of some asset classes (such as industrial warehousing and supermarkets) being attractive in the current environment and consequently the Fund wants to be comfortable with the cost of any potential acquisition.
25. LGPS Central are also progressing with the Direct Property Fund which the Fund has an interest in. The Fund has indicatively committed an amount which leaves the Fund in a comfortable position to reach the target weight later in 2021 with or without Colliers being successful in any of the three opportunities they are assessing.

**Supplementary Information.**

26. An exempt paper which is of a sensitive nature is included elsewhere on the agenda which contains supplementary information on the potential investment in Adams Street Partners 2020 Global Fund and JP Morgan's IIF.

**Recommendation**

27. The Investment Subcommittee is recommended to consider investment into Adams Street Partners 2020 Global Fund and JP Morgan IIF.

**Equality and Human Rights Implications**

28. None

**Appendices**

Appendix A – JP Morgan IIF flipbook Q2 2020  
Appendix B – Adam Street ESG integration

**Background Papers**

29. None

**Officers to Contact**

Mr C Tambini, Director of Corporate Resources

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# Infrastructure Investments Fund (“IIF”) *Established 2006*

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## Leicestershire Pension Fund

September 11, 2020

17



As of June 30, 2020 and in U.S. dollar terms unless otherwise specified.

The manager seeks to achieve the stated objectives. There can be no guarantee the objectives will be met.

FOR INSTITUTIONAL/WHOLESALE/PROFESSIONAL CLIENTS AND QUALIFIED INVESTORS ONLY – NOT FOR RETAIL USE OR DISTRIBUTION

ALTs by

**J.P.Morgan**  
Asset Management

## IIF Purpose – Mission Statement & Values

**We aim to provide our investors stable, sustainable, long-term returns in high quality infrastructure investments by developing and leading exceptional teams made up of individuals who share a common mission and values**

### Mission Statement

#### Fiduciary Standard

We conduct ourselves and make all decisions transparently, and in the best interests of our investors.

#### Focus on Governance

We drive a culture of strong governance at the Fund and portfolio company level to foster sustainable businesses and returns consistent with our long term investment horizon.

#### Operational Excellence and Performance

We strive for excellence in all we do and are accountable for our performance. We drive an agenda of continual improvement at the portfolio companies and at the Fund.

#### Responsible Investment

We prioritize transparency, integrity, fairness and responsibility in all aspects of our business, in all communities in which we serve, and with our personnel, investors, stakeholders and partners.

### Values

#### Integrity

We uphold the highest standards of professional behavior and ethics. We seek to earn and maintain the trust of our stakeholders and teammates by consistently demonstrating and valuing honesty, transparency and fairness.

#### Accountability

We invest the retirement funds of tens of millions of families in assets that employ thousands of employees and serve millions of customers, and we recognize and accept our responsibility to our stakeholders. We are accountable for the safety, sustainability and resilience of our operations, communities and the environment. As owners and partners, we are also accountable to one another as we strive for continuous improvement and the achievement of collective results.

#### Inclusion

We value diversity of opinion and are committed to hiring, developing, retaining and promoting diverse and talented team members. We encourage open and honest dialogue, healthy debate and respectful challenge to consensus opinion. We strive to work collaboratively, communicate clearly, listen effectively and solicit and deliver feedback frequently.

#### Leadership

We are driven, results-oriented and resilient. We are committed to disciplined and efficient decision-making, long-term sustainability and innovative solutions. Through clarity and certainty, we build strong relationships and exercise dynamic and adaptable leadership to achieve appropriate outcomes for all stakeholders.

# Core/Core+ Infrastructure is Essential

Distribution/Regulated Assets	Contracted/Power Assets	GDP-Sensitive Assets
<p>Monopolistic regulatory frameworks give visibility into stable cash flows</p> 	<p>Long-term contracts with volume minimums</p> 	<p>Mature assets with significant demand history often underpinned by contracts</p> 

**Essential services that often operate on a monopolistic basis either by regulatory structure or long-term contract, which drives visibility into strong EBITDA margins & cash yield**



**D Diversification**

- Downside protection and lower volatility

**-0.4 correlation to Global equities<sup>1</sup>**

**I Inflation Protection**

- Inflation is a pass-through under many contractual and regulatory structures

**Strong historic relationship with utilities returns<sup>2</sup>**

**Y Cash Yield**

- Strong cash flow generation

**50%+ EBITDA margins**  
**Majority of return in cash yield**

For illustrative purposes only. Diversification does not guarantee investment returns and does not eliminate the risk of loss.

1. Source: JPMAM Guide to Alternatives Q1-2020. 10 year correlation of MSCI AC World Index vs. MSCI Global Quarterly Infrastructure Asset Index

2. Source JPMAM Guide to Alternatives Q1-2020. U.S. utilities' return on equity and inflation ROE (2-year lagged), CPI % change vs. prior year, 1980-2018

ALTs by

**J.P.Morgan**  
Asset Management

# IIF – Quality Open Ended Core/Core+ Infrastructure Portfolio

## Diversification, inflation protection, stable cash yield (“D.I.Y.”)

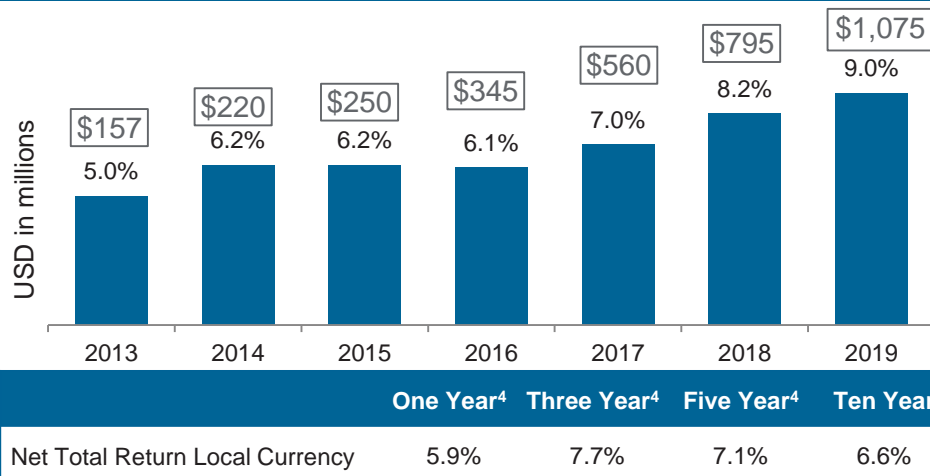
### Summary

- **Long Term:** founded in 2006; open-ended structure
- **Cash Yield:** 7.9% cash yield p.a. over 5 years; 11.3% LTM
- **Governance:** co-largest/controlling owner in close to all companies
- **Platform Investing:** 63% deployed behind current companies since 2013
- **ESG:** strong ESG ratings across external benchmarks
- **Guideline Midpoints :** Regulated: ~40%, Contracted/Power: ~40%, GDP Sensitive: ~20%

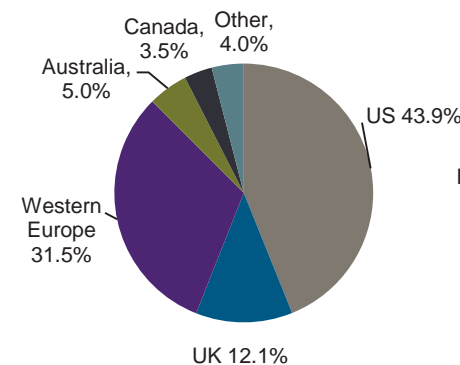
### Summary of Key Strategy Elements

Net Asset Value	■ USD 12.4 billion
Target Return & Cash Yield	■ 8-12% net & 5-7% on NAV respectively <sup>1</sup>
Diversification	■ 17 portfolio companies (541 assets) in 22 countries & 11 subsectors
Leverage	■ 55% LTV, 82% fixed/index <sup>2</sup> , 10.6 avg. life <sup>2</sup>
Team Alignment	■ Significant team investment in addition to incentive fee
Commitment Queue	■ Estimated 6 - 12 months or less from closing

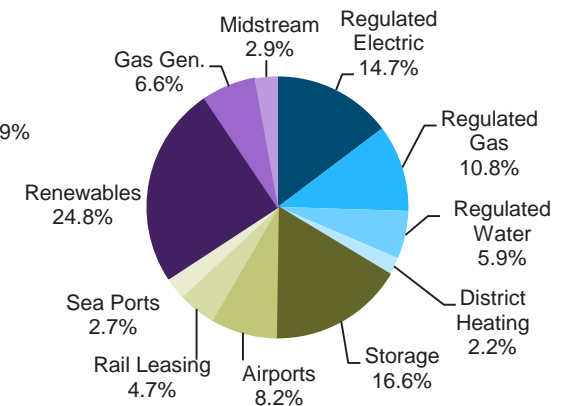
### Cash Yield as Foundation of Total Return (% p.a.)<sup>3</sup>



### Portfolio Geography<sup>5</sup>



### Portfolio Sub-Sectors<sup>5</sup>

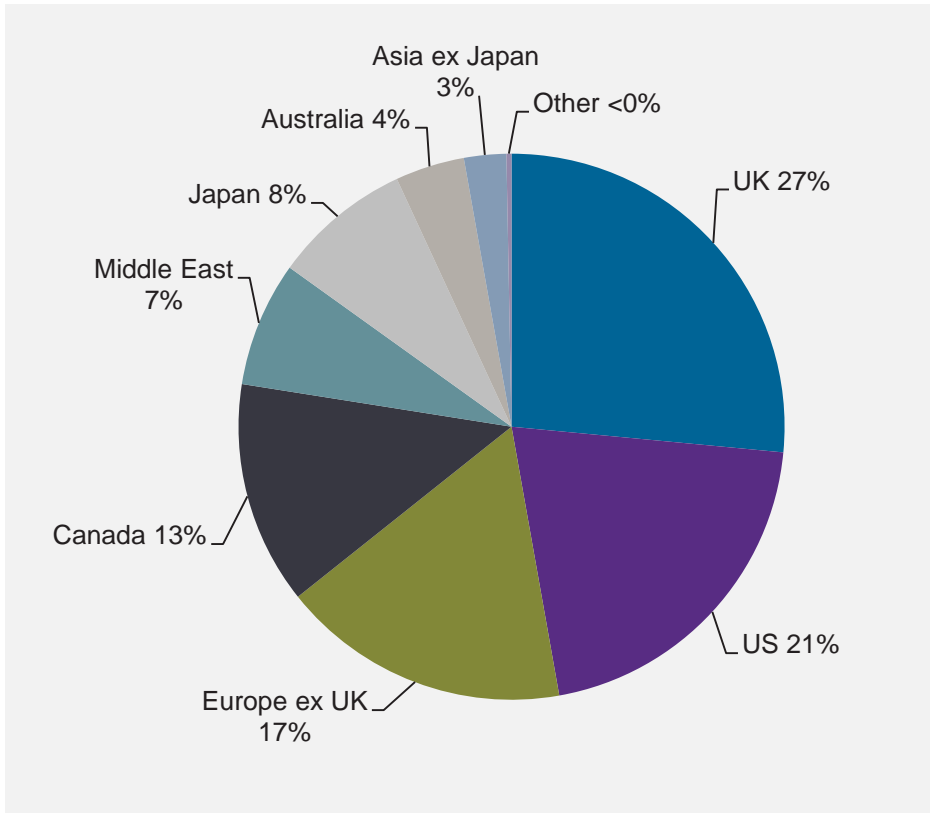


All data as of June 30, 2020 unless otherwise stated. The advisor seeks to achieve the stated objectives. There can be no guarantee the objectives will be met. <sup>1</sup> The target returns and cash yield are for illustrative purposes only and are subject to significant limitations. An investor should not expect to achieve actual returns or yield similar to the targets shown above. Please see the complete Target Return disclosure at the conclusion of the presentation for more information on the risks and limitation of target returns. <sup>2</sup> As of March 31, 2020. <sup>3</sup> Yield on NAV, the one-year cash yields were calculated using individual quarterly cash yields. <sup>4</sup> Performance numbers represent a composite return of the combined fund investor vehicles (FIVs) in existence as of June 30, 2020. Specific FIV and investor returns are shown on the quarterly investor statements. Investment performance does not include hedging gains/(losses) resulting from the Hedging Program. <sup>5</sup> June 30, 2020 NAV pro-forma for the closing in July, 2020 of Mankato Energy Center and El Paso Electric

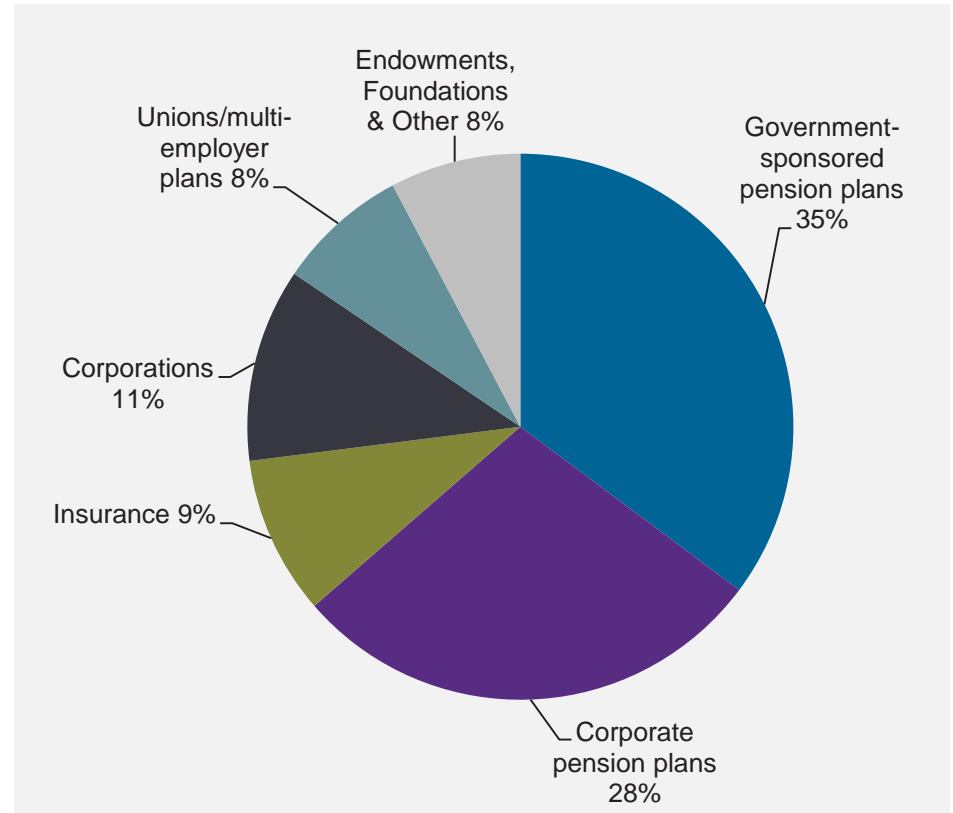
# A Diversified Long Term Investor Base Built Over More Than a Decade

IIF has commitments from 692 client accounts across 29 countries

Commitments By Geography



Commitments by Investor Type

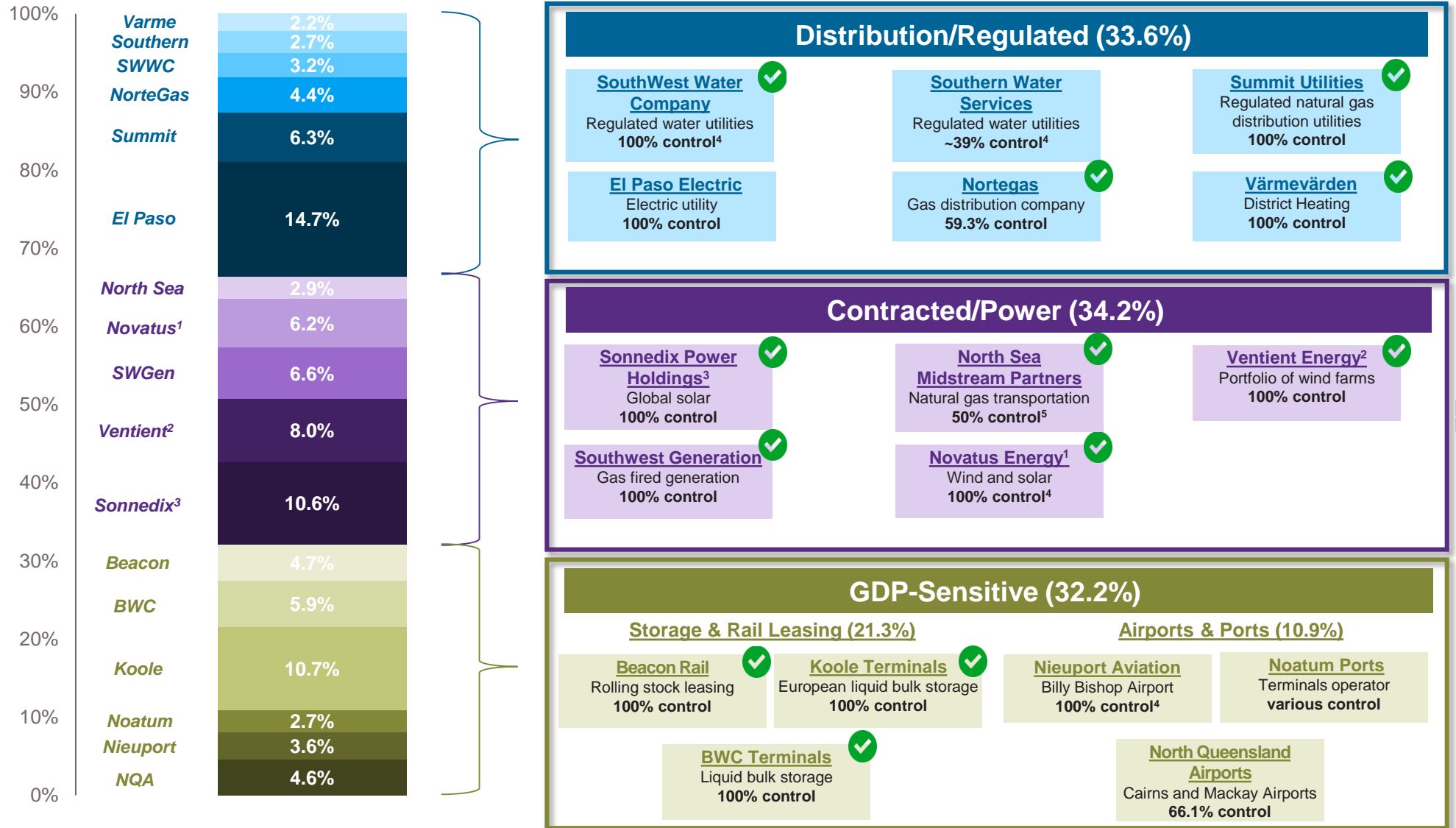


Based on committed client accounts as of June 30, 2020. Opinions, estimates, forecasts, and projections are based on current market conditions, constitute our judgment and are subject to change without notice. There can be no guarantee they will be met. Past performance is no guarantee of comparable future results.

# Strategic Platforms Represent Approximately 70% of Portfolio

## Control positions facilitate our platform investing approach

✔ Denotes Platform Investments



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Note: June 30, 2020 NAV pro-forma for the closing in July, 2020 of Mankato Energy Center and El Paso Electric. Control includes managed co-investment stakes. Diversification does not guarantee investment returns and does not eliminate the risk of loss. There can be no guarantee they will be met. <sup>1</sup> Includes Coastal Winds. Ownership for Coastal includes tax equity interests. <sup>2</sup> Includes the Vision Renewables platform. <sup>3</sup> Comprises many assets. <sup>4</sup> Includes managed stake <sup>5</sup> Split control with financial partner and includes management stake.

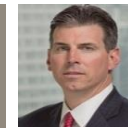
# Diverse Team of 50+ Supported by ~70 Independent Portfolio Company Directors



**Paul Ryan, Managing Director**  
Portfolio Manager  
New York



**Matthew LeBlanc, Managing Director**  
Chief Investment Officer  
New York



**Brian Goodwin, Managing Director**  
Head of Portfolio Asset Management  
New York

## Investment & Asset Management Team — New York



**Landy Gilbert**  
Managing Director



**Andrew Kapp**  
Managing Director



**Hai-Gi Li**  
Managing Director



**Kathleen Lawler**  
Executive Director



**Dan Mitaro**  
Executive Director



**Marko Josipovic**  
Vice President



**Clara Lequin**  
Vice President



**Preston Scherer**  
Vice President



**Michael Karp**  
Associate



**Stephen Leh**  
Associate



**Mauricio Palazzi**  
Associate



**Sophia Sciabica**  
Associate



**Georgina Yea**  
Associate

## Investment & Asset Management Team — London



**Rob Hardy**  
Managing Director



**John Lynch**  
Managing Director



**Mark Walters**  
Managing Director



**Mark Scarsella**  
Executive Director



**Sara Sulaiman**  
Executive Director



**Ben Francis**  
Vice President



**Sneha Sinha**  
Vice President



**Gary Blackburn**  
Associate



**Frederico Correia**  
Associate



**Jack Gillespie**  
Associate



**Alexandru Godoroja**  
Associate



**Michelle van Ryneveld**  
Associate

## Client Strategy



**Nick Moller**  
Executive Director  
New York



**Gilly Zimmer**  
Executive Director  
New York



**Dan Galinko**  
Executive Director  
New York



**Chris Simard**  
Vice President  
New York



**Cassie Winn**  
Vice President  
New York

## Fund Execution



**Amanda Wallace**  
Managing Director  
New York



**Hannah Logan**  
Executive Director  
London



**Hardip Syan**  
Vice President  
London



**Ebru Sert**  
Executive Director  
New York



**Elaine Ashe**  
Analyst  
New York

## Research



**Karthik Narayan**  
Vice President  
New York



**Katarina Roele**  
Associate  
London

## Client Service, Finance & Tax



**Stephen Liu**  
Executive Director



**Manu Miriyagalla**  
Executive Director



**Ed Wu**  
Executive Director



**Esandra Blackwood**  
Vice President



**Esther Cho**  
Vice President



**Simon Choi**  
Vice President



**April Lee**  
Vice President



**Jonathan Schwartz**  
Vice President



**Sara Scoppetuolo**  
Vice President



**Frances Huang**  
Associate



**Nina Maurio**  
Associate

All listed individuals are employees of JPMAM. There can be no assurance that the professionals currently employed by JPMAM will continue to be employed by JPMAM or that the past performance or success of any such professional serves as an indicator of such professional's future performance or success.  
Source: JPMAM, as of July 2020.

# 75 Independent Portfolio Company Directors Provide Governance Best Practices

Expertise, networks and independent oversight regarding audit, risk, health and safety, etc. from these board members are critical to the effective management of portfolio companies and sourcing new investments

## IIF Independent Board (11 total)



**Mike Nagle**  
Extensive experience in law, legal, corporate communications and human resources



**Henry Fayne**  
30+ yrs experience, Former CFO, American Electric Power, an electric utility co.



**Rita Sallis**  
Former Chief Investment Officer of New York City's \$100 billion pension system



**Chris Ward**  
30+ years experience, Port Authority of NY and NJ

## Portfolio Company Boards (64 total)



**Kathy Alexander**  
Summit Utilities  
Extensive experience in utilities and security sectors



**Anne Berner**  
Värmevärden  
Former Finnish Minister of Transport and Communications



**Leanne Bell**  
Ventient Energy, Southwest Generation; 35+ yrs experience investment banking



**Jane Bird**  
Nieuport Aviation  
20+ yrs in infrastructure project management



**Lindsay Brace-Martinez**  
Novatus Energy Inv.  
Experience in sustainability, natural resources



**Randy Daniels**  
SouthWest Water Company, BW Terminals;  
Former NY Secretary of State



**Sherina Edwards**  
SouthWest Water Company  
Extensive experience in Law, government and infrastructure



**Michele Golodetz**  
BW Terminals; U.S.  
20+ yrs in investment and forestry sectors in Chile



**Susan Gonzalez**  
Sonnedix Power Holdings;  
Extensive experience in law, technology and infrastructure



**Keith Howard**  
Beacon Rail Leasing  
20+ yrs in rolling stock owning companies



**Petros Kitsos**  
Sonnedix Power Holdings  
22+ yrs in aerospace, defense & diversified industrials



**Diane Smith-Gander**  
North Queensland Airports  
Former management consultant

- |                 |                |                    |                      |                    |                   |                 |                     |                |
|-----------------|----------------|--------------------|----------------------|--------------------|-------------------|-----------------|---------------------|----------------|
| Anders Dahl     | Armando Pena   | Coby van der Linde | Gillian Guy          | Jean Lucius        | Liz Savage        | Michael Vareika | Niels Von Hombracht | Robert Carroll |
| Andreas Knitter | Art Beattie    | Colette Honorable  | Hans-Peter Villis    | John van den Bergh | Luis Pais Correia | Mikael Kramer   | Paul Hedley         | Rosemary Boot  |
| Andrew Lee      | Åsa Neving     | Colin Storie       | Henk Rottinghuis     | Karen Plessinger   | Mark Mathieson    | Mike Putnam     | Paul Sheffield      | Ross Rolfe     |
| Anne Cleary     | Barry Welch    | David Sobotka      | Hilda Pinnix-Ragland | Keith Lough        | Martin Parkinson  | Mike Quinn      | Paul Warwick        | Steen Stavnsbo |
| Antonio Campoy  | Bob Foster     | Douglas Schultz    | Ingela Lindh         | Ken Tanenbaum      | Marykay Fuller    | Monica Porfilio | Peter Kind          | Susan Howard   |
| Antonio Menezes | Carlos Guinand | Frank Dorjee       | Jabine van Der Meijs | Laurits Haga       | Maximo Buch       | Monique Bachner | Peter Varghese      | Wolfgang Meyer |

Source: JPMAM, as of June 2020. There can be no assurance that the professionals listed will continue to be associated with IIF and **past performance is not a reliable indicator of current and future results.**

ALTs by

**J.P.Morgan**  
Asset Management



# ESG in Practice — *Engagement vs. Exclusion*

**We believe a focus on ESG, safety and diversity/inclusion is critical to optimizing resilient risk-adjusted returns. JPMorgan Chase has offset 100% of employee air travel for the past 10+ years through the purchase of Verified Emission Reduction credits**

<b>Governance</b>	<ul style="list-style-type: none"> <li>■ <b>Majority Control</b> – key for implementation of sustainable practices</li> <li>■ <b>Independent Boards of Directors</b> – provides diversity of thought, relationships and experience</li> </ul>
<b>Stakeholders</b>	<ul style="list-style-type: none"> <li>■ <b>Stakeholder engagement</b> is critical for maintaining social license to operate</li> <li>■ <b>Proactive approach to managing relationships</b>, including customers, employees, communities and regulators</li> </ul>
<b>UN PRI &amp; SDG</b>	<ul style="list-style-type: none"> <li>■ <b>“A” rating</b> for Direct Infrastructure on the 2020 UN PRI annual assessment report<sup>1</sup></li> <li>■ More than <b>two-thirds of the IIF portfolio</b> contributes to the achievement of the United Nations Sustainable Development Goals</li> </ul>
<b>GRESB</b>	<ul style="list-style-type: none"> <li>■ Global Real Estate Sustainability Benchmark (GRESB) member<sup>2</sup> and Fund ranked <b>5th out of 28</b> in its peer group in 2019</li> <li>■ 2nd out of 107 in overall Fund score</li> </ul>
<b>Diversity &amp; Inclusion</b>	<ul style="list-style-type: none"> <li>■ ~40% of IIF Team is female</li> <li>■ ~30% of IIF appointed Independent Directors are female</li> <li>■ ~88% of IIF portfolio companies are involved in efforts to promote an inclusive environment<sup>3</sup></li> </ul>



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As of June 30, 2020. <sup>1</sup>JPMAM is the signatory to UN PRI. For more information regarding the PRI assessment methodology or to view the 2020 JPMAM RI Transparency Report, please go to [www.unpri.org](http://www.unpri.org). The 2020 JPMAM assessment Report is available upon request. <sup>2</sup>JPMAM is a member of GRESB Infrastructure. <sup>3</sup> From 2019 D&I survey results where 16 IIF portfolio companies participated.

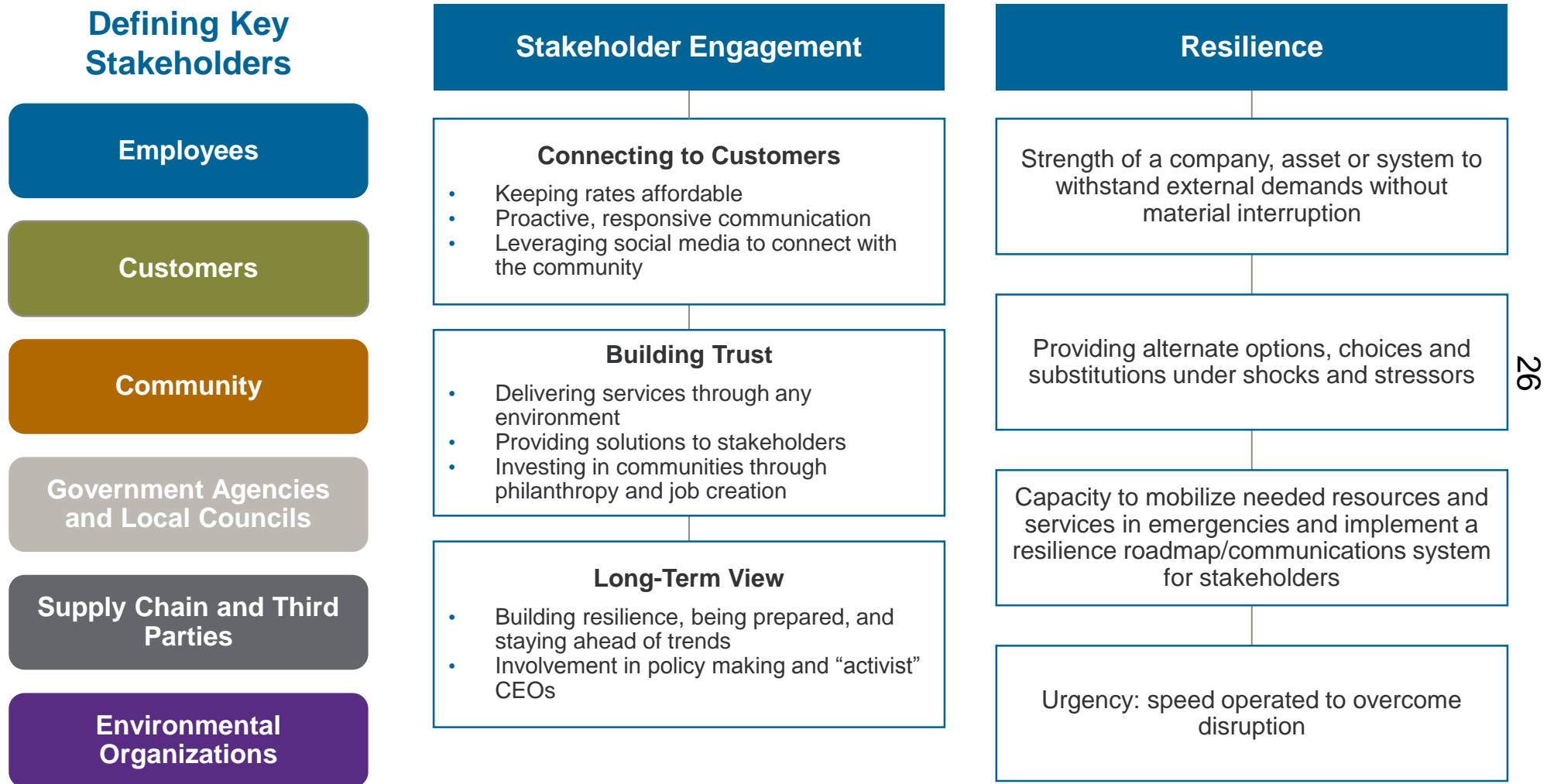
UNPRI and GRESB ratings are not reliable indicators of current and/or future results and **past performance is not a reliable indicator of current and future results**. ESG considerations are one aspect of our decision making process. We continue to only make investments that we believe will be return-enhancing and accretive to our clients' portfolios.

ALTs by

**J.P.Morgan**  
Asset Management

# Playing Offense and Defense to Invest and Manage for the Long-Term

*Implementation of strong ESG practices, with an emphasis on the “S” via stakeholder engagement, is critical for a long-term, sustainable investment.*



For illustrative purposes only.

## IIF Historical Return & Yield Summary

**The portfolio is currently being held at a 10.1% weighted average equity discount rate which reflects the diversity and long-term business plans of the underlying portfolio companies**

### Annualized Returns for Period Ended June 30, 2020<sup>1</sup>

<i>Since July 1<sup>st</sup>, 2007</i>	Quarter	One Year <sup>2</sup>	Three Year <sup>2</sup>	Five Year <sup>2</sup>	Ten Year <sup>2</sup>	Inception <sup>2</sup>	5-yr Vol.
Gross Asset Performance (Local Currency)	2.3%	6.9%	9.4%	8.9%	8.9%	8.2%	
<b>Net Total Return Local Currency</b>	<b>1.8%</b>	<b>5.9%</b>	<b>7.7%</b>	<b>7.1%</b>	<b>6.6%</b>	<b>5.8%</b>	<b>1.5%</b>
Net Total USD <i>Unhedged</i> Return	3.2%	4.6%	6.8%	5.7%	5.8%	3.4%	4.2%
<b>Cash Yield (Distributions / NAV)</b>	<b>1.6%</b>	<b>11.3%</b>	<b>9.2%</b>	<b>7.9%</b>	<b>6.7%</b>	<b>5.8%</b>	

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All data as of June 30, 2020 unless otherwise stated.

**Past performance is not indicative of future returns. Returns include the re-investment of income. All performance numbers have been calculated in US dollar terms. Please refer to the Fund's return snapshot and quarterly reporting for more information and detail.**

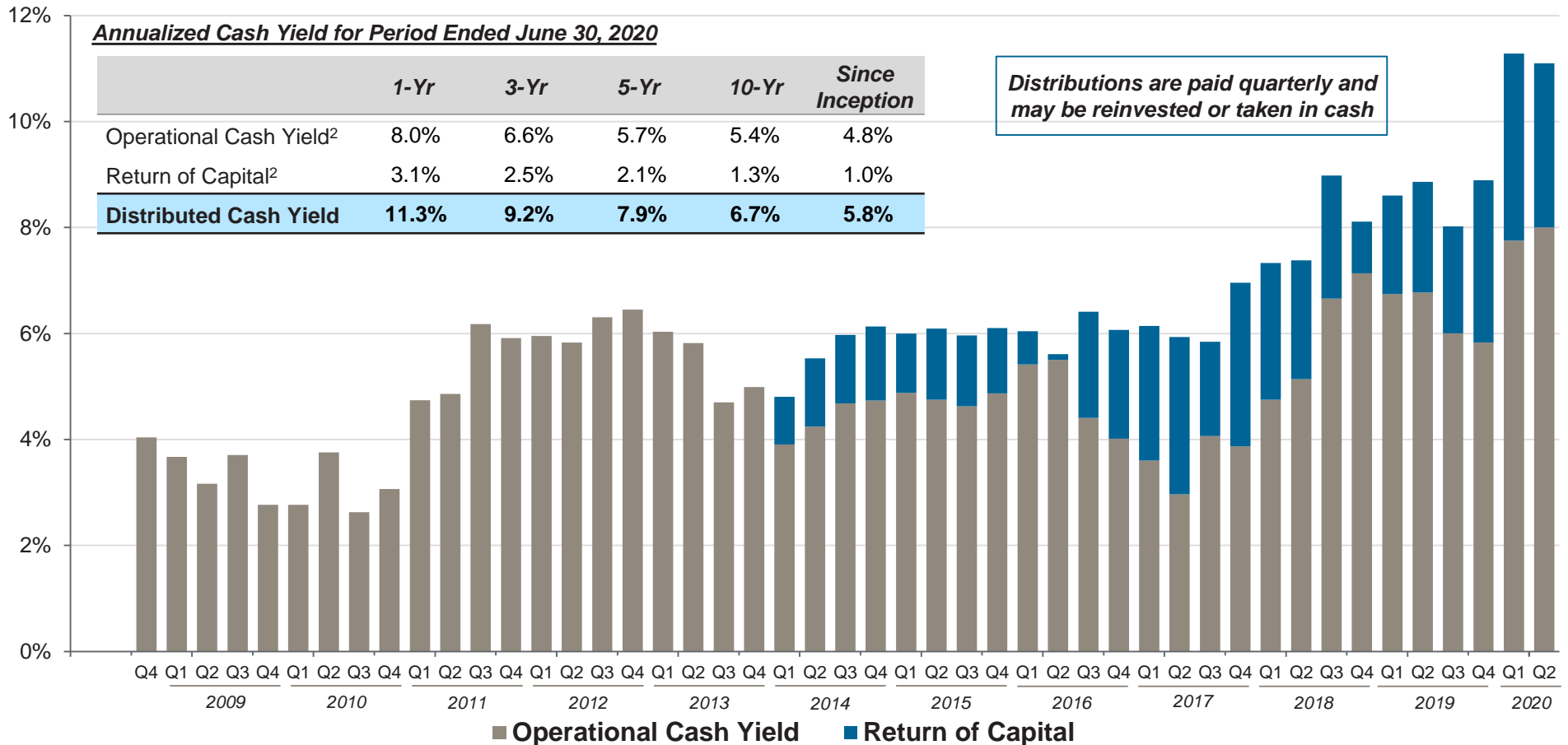
<sup>1</sup> Performance numbers represent a composite return of the combined fund investor vehicles (FIVs) in existence as of June 30, 2020. Specific FIV and investor returns are shown on the quarterly investor statements. Investment performance does not include hedging gains/(losses) resulting from the Hedging Program.

<sup>2</sup> Returns for periods greater than one quarter are time-weighted rates of return calculated by linking quarterly returns. Returns of greater than one year are annualized.

# Cash Generation is Foundational to Total Return

**A sustainable cash yield reflects the risk profile of an infrastructure portfolio, is the key diversifier away from traditional asset classes and provides liquidity to investors particularly in economic downturns**

## Fund Cash Yield on NAV Since Inception (% p.a.) - 12 month trailing<sup>1</sup>



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All data as of June 30, 2020. The advisor seeks to achieve the stated objectives. There can be no guarantee the objectives will be met. Past performance is not a reliable indicator of current and future results. <sup>1</sup> 12 month trailing data represents linking of quarterly yields on an annualized basis. <sup>2</sup> Return of Capital represents the cost basis of the sale of any investments or the cost basis of any refinancing proceeds. Any other proceeds are included in Operational Cash Yield.

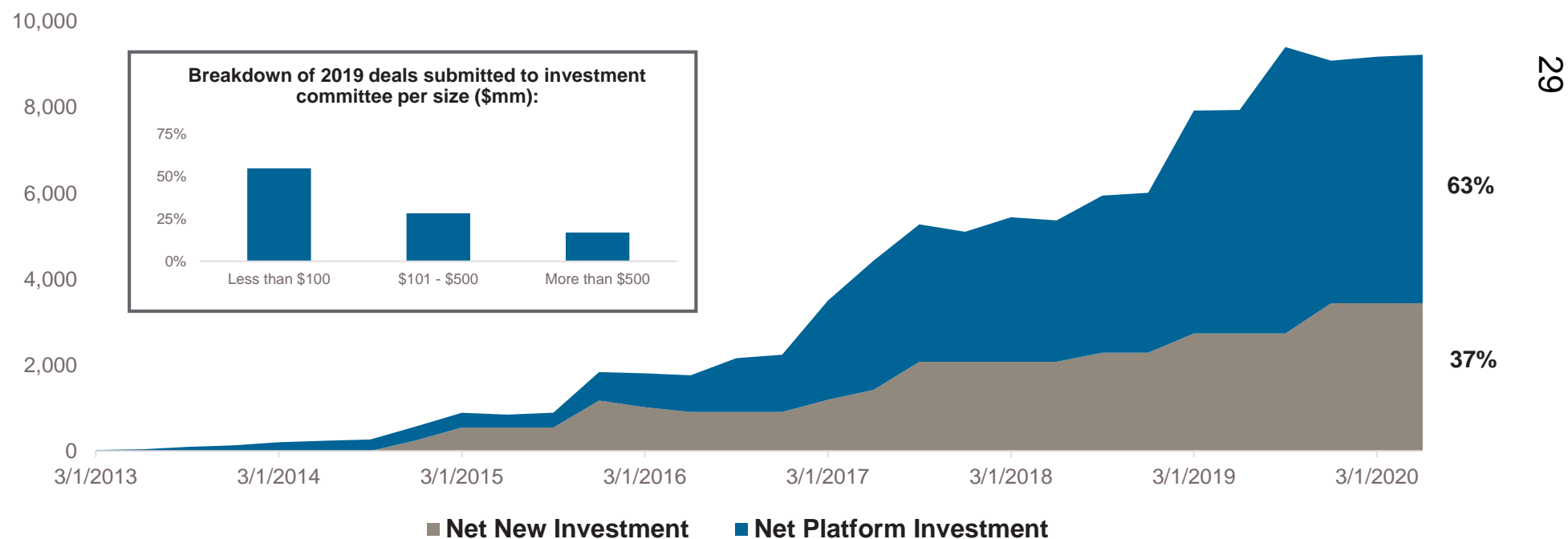
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Asset Management

## Demonstrated Strategic Platform Investment Strategy

- Platform add-ons to existing portfolio companies expected to allow for a more efficient and de-risked capital deployment strategy
- Strategic Platforms represent approximately 70% of portfolio by NAV
- Since 2013, approximately **two-thirds** of the Fund's capital has been deployed behind platform investments
  - More than 160 separate investments with average equity check size of ~\$60mm
  - Many of these investments are **non-competitive** processes
- EBITDA margin, a foundation of cash yield, has improved from ~45% in 2013 to approx. 58% in Q1 2020

### Cumulative Net Investment 2013 – Q2 2020 – Platform vs. New



Note: Net Investment includes the sale and co-investments at the asset level.

Source: JPMAM. All data as of June 30, 2020 unless otherwise stated. Net capital invested into platforms includes (a) IIF equity provided to portfolio companies for acquisitions and capital improvements and (b) IIF equity used for the acquisition of portfolio company ownership interests from co-shareholders.

Past performance is not a reliable indicator of current and future results.

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## El Paso Electric – US Electric Utility

- During July 2020 the Infrastructure Investments Fund (“IIF”) closed on the acquisition of El Paso Electric Company (“EPE”)
- ~\$2.2bn equity investment by IIF increasing exposure to both the US and to regulated utilities

### ACQUISITION HIGHLIGHTS

- Vertically integrated electric utility serving ~424,000 residential, commercial, industrial, public authority and wholesale customers in Texas and New Mexico
- ~2,085 MW of owned generation capacity and ~1,100 employees
- Environmentally-favorable (coal-free) generation asset base, with close proximity to high-quality, and underutilized, renewable resources
- Regulatory regimes which are well understood by market participants
- Service territory with strong economic development plan and consistently increasing and above industry-average customer and load growth
- IIF is aligned with EPE and its mission to support the growth and success of EPE, its employee base, customers and communities
- IIF is making a significant investment in EPE’s service territory with a \$100 million commitment to regional economic development



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These examples are included solely to illustrate the investment process and strategies which have been utilized by the investment advisor. It should not be assumed that investments within the portfolio have or will perform in a similar manner to the investment above. Please note that this investment is not necessarily representative of future investments that the investment advisor will make. There can be no guarantee of future success. As of 7/31/2020.

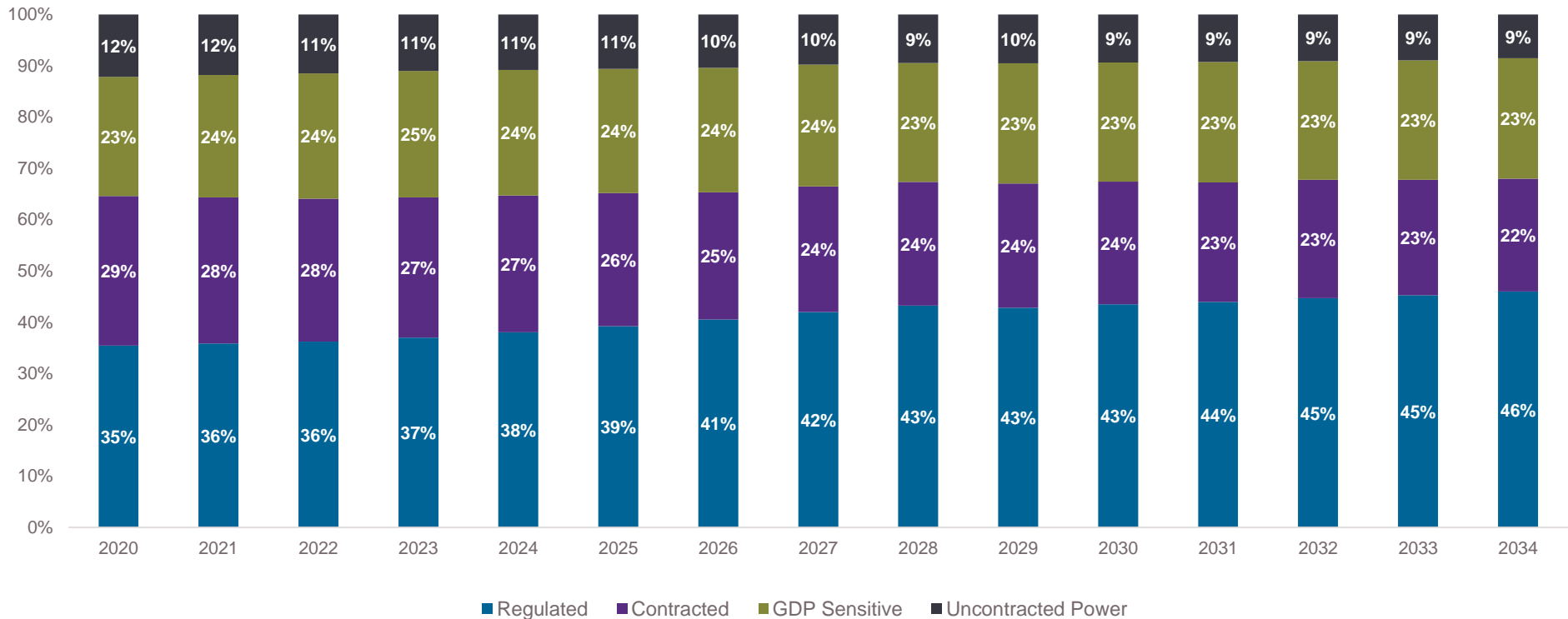
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# Quality Portfolio Construction Underpins Reliable Long-Term Cash Flows and Returns

- 15-year projection of IIF’s NAV by underlying exposure illustrates our base case portfolio construction over the long term
- IIF’s NAV is underpinned by core essential services anticipated to have strong and stable cash flow generation through market cycles
- Long-term contracted/regulated exposures projected to grow from 64% in 2020 (includes El Paso Electric) to nearly 70% of IIF’s NAV over the next 15 years
- Beyond 2020, forecast does not assume any material acquisitions/divestments expected to improve the current portfolio construction

## IIF Forecast NAV Breakdown by Underlying Cash Flow Risk Profile



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Source: J.P. Morgan Asset Management. Data as of 1Q 2020 and assumes acquisition of El Paso Electric is finalized in 2020. Opinions, estimates, forecasts, and projections are based on current market conditions, constitute our judgment and are subject to change without notice. There can be no guarantee they will be met. **Past performance is not a reliable indicator of current and future results.**

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# Appendix

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## Risk and Disclosures

**NOT FOR RETAIL DISTRIBUTION: This communication has been prepared exclusively for institutional, wholesale, professional clients and qualified investors only, as defined by local laws and regulations.**

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In Switzerland, JPMorgan Asset Management (Switzerland) LLC, Dreikönigstrasse 37, 8002 Zurich, acts as Swiss representative of the funds and J.P. Morgan (Suisse) SA, 8 Rue de la Confédération, 1204 Geneva, as paying agent of the funds. JPMorgan Asset Management (Switzerland) LLC herewith informs investors that with respect to its distribution activities in and from Switzerland it receives commissions pursuant to Art. 34 para. 2bis of the Swiss Collective Investment Schemes Ordinance dated 22 November 2006. These commissions are paid out of the management fee as defined in the fund documentation. Further information regarding these commissions, including their calculation method, may be obtained upon written request from JPMorgan Asset Management (Switzerland) LLC.

Investors should note that there is no right to cancel an agreement to purchase shares under the Rules of the Financial Conduct Authority, the normal protections provided by the UK regulatory system do not apply and compensation under the Financial Services Compensation Scheme is not available. J.P. Morgan Asset Management or any of its affiliates and employees may hold positions or act as a market maker in the financial instruments of any issuer discussed herein or act as the underwriter, placement agent or lender to such issuer. The investments and strategies discussed herein may not be suitable for all investors and may not be authorized or its offering may be restricted in your jurisdiction, it is the responsibility of every reader to satisfy himself as to the full observance of the laws and regulations of the relevant jurisdictions. Prior to any application investors are advised to take all necessary legal, regulatory and tax advice on the consequences of an investment in the products.

Investing in infrastructure assets or debt associated with infrastructure involve a variety of risks, not all of which can be foreseen or quantified, and which include, among others: the burdens of ownership of infrastructure; local, national and international economic conditions; the supply and demand for services from and access to infrastructure; the financial condition of users and suppliers of infrastructure assets; risks related to construction, regulatory requirements, labor actions, health and safety matters, government contracts, operating and technical needs, capital expenditures, demand and user conflicts, bypass attempts, strategic assets, changes in interest rates and the availability of funds which may render the purchase, sale or refinancing of infrastructure assets difficult or impracticable; changes in environmental laws and regulations, investments in other funds, troubled infrastructure assets and planning laws and other governmental rules; changes in energy prices; negative developments in the economy that may depress travel activity; force majeure acts, terrorist events, under-insured or uninsurable losses; and other factors which are beyond the reasonable control of the Fund or the Investment Adviser. Many of these factors could cause fluctuations in usage, expenses and revenues, causing the value of the Investments to decline and negatively affecting the Fund's returns.

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# Integration of ESG Into Adams Street’s Investment Process

Signatory to Principles for Responsible Investment (“PRI”) since 2010

- ü We have adopted an ESG Policy, established an ESG Committee and conducted firm-wide training regarding integration of ESG considerations
- ü Adams Street integrates ESG Considerations into the investment process focusing on character and integrity of the leadership of the fund or portfolio company; the quality, sustainability and transparency of operations; and impacts of the fund’s investments or portfolio company’s business
- ü Although focus has been on ESG-related identification/mitigation, we have identified the 17 SDG’s\* as an emerging area of interest

## Interacting with GPs/Sponsors/Portfolio Companies

### Pre-investment diligence

- § Evaluate applicable policies/approach to ESG
- § Identify potential ESG risks
- § Consider mitigation of ESG risks and/or positive ESG factors

### Post-investment monitoring

- § Alert to ESG issues that arise
- § Make inquiries with GPs/deal sponsors/ portfolio companies
- § Note material ESG concerns and follow up as warranted

## RepRisk\*\* Monitoring

- § Continuous ESG monitoring of underlying portfolio companies
- § Proactive approach to potential ESG risks

## Examples of ESG Considerations

	Risks 	Opportunities 
<b>Environmental</b> 	<ul style="list-style-type: none"> <li>§ Climate change</li> <li>§ Natural resource depletion</li> <li>§ Environmental damage</li> </ul>	<ul style="list-style-type: none"> <li>§ Clean tech</li> <li>§ Technologies enhancing safety/efficiency of dangerous or harmful processes</li> </ul>
<b>Social</b> 	<ul style="list-style-type: none"> <li>§ Violations of labor laws</li> <li>§ Labor relations problems</li> <li>§ Poor safety practices</li> <li>§ Abuse of human rights</li> </ul>	<ul style="list-style-type: none"> <li>§ Creation of quality jobs</li> <li>§ Development of tech and medicines that enhance quality of life</li> <li>§ Improve working conditions</li> <li>§ Increase diversity and education</li> </ul>
<b>Governance</b> 	<ul style="list-style-type: none"> <li>§ Lack of transparency and disclosure</li> <li>§ Mismanagement of finances</li> <li>§ Corruption/bribery</li> <li>§ Violations of laws</li> <li>§ Conflicts of interest</li> </ul>	<ul style="list-style-type: none"> <li>§ Promotion of transparency and disclosure</li> <li>§ Education on effective management techniques</li> <li>§ Monitoring of finances</li> </ul>

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\* SDG: United Nations Sustainable Development Goals.

\*\* Adams Street has contracted with RepRisk, an ESG research provider whose coverage includes private companies.

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By virtue of paragraph(s) 3, 10 of Part 1 of Schedule 12A of the Local Government Act 1972.

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By virtue of paragraph(s) 3, 4, 10 of Part 1 of Schedule 12A of the Local Government Act 1972.

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