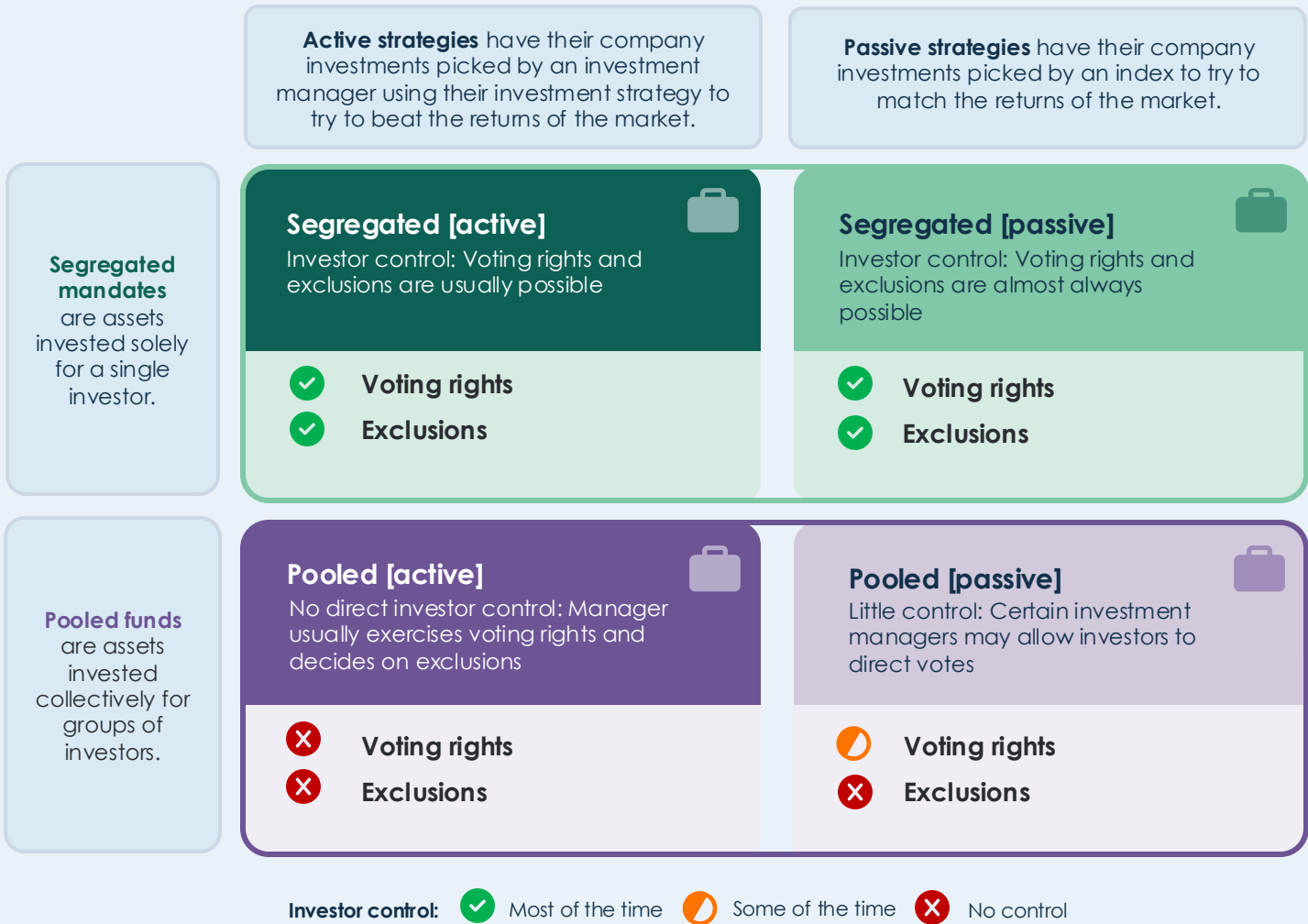


Public Market Investments: Exercising Influence Through Exclusions and Proxy Voting

Our investment decisions are grounded in our responsibility to act in the best long-term financial interests of our members. That's why we consider important environmental, social, and governance factors when managing investments and engaging with companies. We use a range of responsible investing tools—including, but not limited to, proxy voting and investment exclusions—to influence positive outcomes. However, due to the nature of institutional investing and the use of different investment vehicles, some companies may appear in our portfolio even if they are on our investment exclusion list. Similarly, we may be invested in a company, but unable to cast votes at the company's shareholder meetings.

Investment vehicles determine the responsible investing tools that we can exercise

We invest in public markets primarily through two investment vehicles—segregated mandates and pooled funds. Those investments use either active or passive investment strategies. Each combination offers different levels of influence—both in applying **investment exclusions** and in how we exercise **voting rights**.



Why not only segregated mandates?

While segregated mandates offer the most control, they are not always an option. Pooled funds can provide access to specialized strategies, scale advantages, and access to markets that help manage risk and costs effectively. Our approach aims to balance control, diversification, and value for members.

Where we do not have direct control, we exercise strong oversight. We evaluate investment managers stewardship practices, advocate for better integration of material environmental, social, and governance factors, and regularly monitor portfolio holdings. Transparency and alignment with proxy voting and exclusions policies are goals we work toward across all parts of the portfolio.