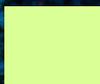


Environmental, Social & Governance Report 2022

In Our Nature



ABOUT THIS REPORT

This report presents an overview of StepStone's Environmental, Social and Governance (ESG) performance from January 1 to December 31, 2022. The information provided in this report follows the guidelines of the Global Reporting Initiative (GRI) Standards: Core Option and the Asset Management & Custody Activities Standard from the Sustainability Accounting Standards Board (SASB). All entities that are part of StepStone Group are included in the Corporate Sustainability section of this report. Any exceptions to this are noted in the GRI Content Index. All monetary figures are in US dollars. Additionally, we have included an overview of our Diversity, Equity & Inclusion (DEI) performance within this ESG report. The information on DEI can also be accessed in a separate [report](#).

To learn more about our commitment to addressing climate change, please refer to our [Task Force on Climate-Related Financial Disclosures \(TCFD\) Report](#).

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Disclaimer

We have prepared this 2022 ESG Report for our stakeholders, including our employees, clients, customers, suppliers, shareholders and the communities where we operate. This 2022 ESG Report and the materials or websites cross-referenced contain statements that are aspirational or reflective of the views of StepStone about our future performance and environmental, social and governance (“ESG”) goals that constitute “forward-looking statements” (within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended). Forward-looking statements are generally identified through the inclusion of words such as “aim,” “anticipate,” “aspire,” “believe,” “commit,” “endeavor,” “estimate,” “expect,” “goal,” “intend,” “may,” “plan,” “seek,” “strive,” “target,” “will” and “work,” or similar statements or variations of such terms and other similar expressions. The forward-looking statements in this 2022 ESG Report and the materials or websites cross-referenced concern StepStone’s goals or expectations with respect to corporate responsibility, sustainability, human capital, environmental matters, policy, procurement, philanthropy, data privacy and cybersecurity, and business risks and opportunities. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted in such statements.

Forward-looking statements are not guarantees or promises that goals or targets will be met. StepStone undertakes no obligation to update any forward-looking or other statements, whether as a result of new information, future events or otherwise, and notwithstanding any historical practice of doing so. In addition, historical, current and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future.

In addition, the information included in, and any issues identified as material for purposes of, this document shall not be considered material for Securities and Exchange Commission (“SEC”) reporting purposes. In the context of this 2022 ESG Report, the term “material” is distinct from, and should not be confused with, such term as defined for SEC reporting purposes. Website references and hyperlinks throughout this 2022 ESG Report are provided for convenience only, and the content on the referenced websites is not incorporated by reference into this 2022 ESG Report, nor does it constitute a part of this 2022 ESG Report.



\$602B Total Capital Responsibility¹

\$134B Assets Under Management¹

\$80B Annual Private Market Allocations²

940+ Professionals

About StepStone Group

StepStone is a global private markets investment firm focused on providing customized investment solutions and advisory data services to clients. Our mission is to be the trusted partner of choice for private markets solutions globally.

FOCUS ON CUSTOMIZATION

Extensive experience in building customized portfolios designed to meet clients' specific objectives

GLOBAL AND LOCAL APPROACH

Global operating platform with strong local teams in 25 cities in 15 countries across 5 continents

PROPRIETARY DATA AND TECHNOLOGY

We believe our valuable information has the potential to generate enhanced private markets insight and improve operational efficiency

INVESTMENT STRATEGIES

Scaled presence across the private equity, infrastructure, private debt and real estate asset classes facilitates ability to execute tailored and complex investment solutions

LARGE AND EXPERIENCED TEAM

Approximately 320+ investment professionals and 620+ other employees dedicated to sourcing, executing, analyzing and monitoring private markets opportunities

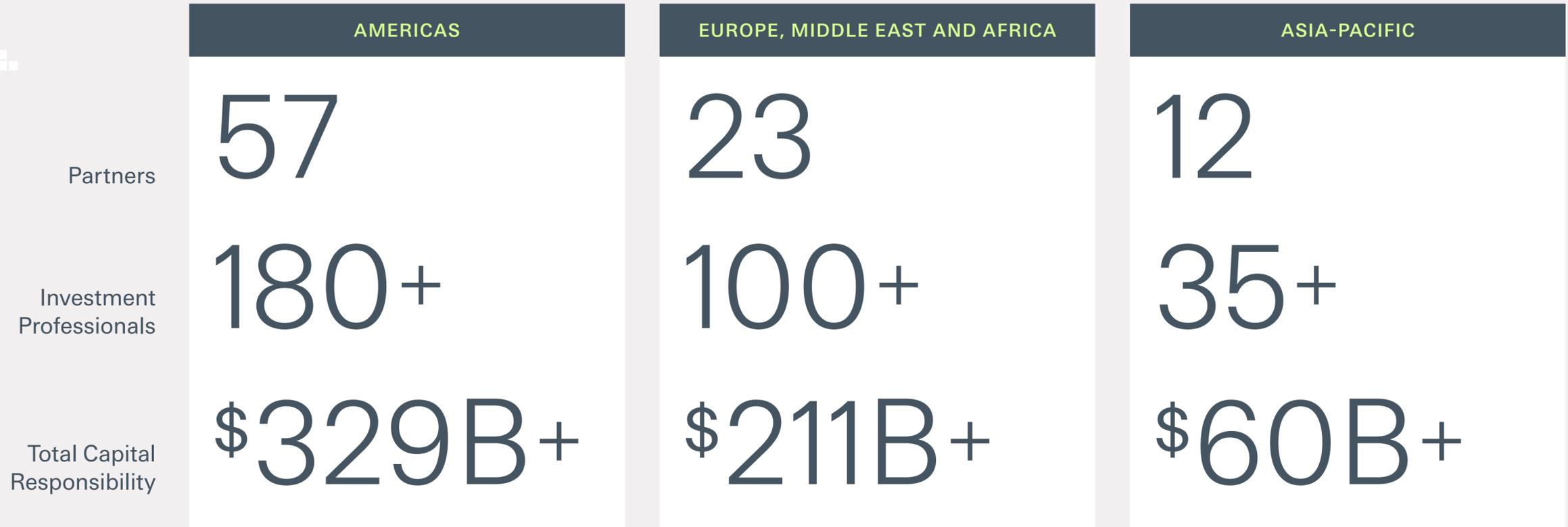
All dollars are USD. Head count as of January 31, 2023. Data includes Greenspring Associates metrics.

¹ Total capital responsibility equals Assets Under Management (AUM) plus Assets Under Advisement (AUA). AUM includes any accounts for which StepStone Group has full discretion over the investment decisions, has responsibility to arrange or effectuate transactions, or custody of assets. AUA refers to accounts for which StepStone Group provides advice or consultation but for which the firm does not have discretionary authority, responsibility to arrange or effectuate transactions, or custody of assets. \$602B in total capital responsibility includes \$134B in AUM and \$468B in AUA. Reflects final data for the prior period (September 30, 2022), adjusted for net new client account activity through December 31, 2022. Does not include post-period investment valuation or cash following September 30, 2022; such NAVs are adjusted for cash activity following the last available reported NAV.

² For the twelve months ended December 31, 2022. Excludes legacy funds, feeder funds and research-only, non-advisory services.



StepStone has strategically grown across 25 offices in 15 countries to build enduring relationships with our clients and GPs.



2007	2010	2014	2016	2018	2019	2021	2022 →
<ul style="list-style-type: none"> • StepStone founded in La Jolla, CA • SPI database launched 	<ul style="list-style-type: none"> • Private Equity team expanded with Citi Private Equity • Beijing & London offices opened 	<ul style="list-style-type: none"> • StepStone Real Estate formed • Offices opened in Hong Kong, Perth, Seoul, São Paulo & San Francisco 	<ul style="list-style-type: none"> • Expanded footprint of Private Debt team in Europe • Grew Infrastructure presence in Australia 	<ul style="list-style-type: none"> • Opened Rome office • Expanded Real Estate Advisory practice 	<ul style="list-style-type: none"> • Deepened investor coverage to include '40 Act distribution • Omni application introduced 	<ul style="list-style-type: none"> • Expanded venture capital & growth equity business • Established offices in Baltimore, Miami & Palo Alto 	<ul style="list-style-type: none"> • Established offices in Frankfurt, Santiago & Mexico City

All head count is presented as of January 31, 2023. Data includes Greenspring Associates metrics. Total capital responsibility equals assets under management (AUM) plus assets under advisement (AUA) and is presented as of December 31, 2022. Reflects final data for the prior period (September 30, 2022), adjusted for net new client account activity through December 31, 2022. Does not include post-period investment valuation or cash activity. Asia-Pacific head count includes professionals with investment-related responsibilities.

Powerful Integrated Platform

We believe our deep platform allows investors to design single or multi-asset class private market exposures to fit their portfolio needs.

CUSTOMIZED SOLUTIONS & STRATEGIES ACROSS ALL PRIVATE MARKETS ASSET CLASSES			
Private Equity	Real Estate Equity	Infrastructure Equity	Private Debt (All Asset Classes) ¹
<p>\$310B+ Total Capital Responsibility</p> <hr/> <p>\$42B 160+ Approved Investment in 2022 Professionals</p>	<p>\$168B+ Total Capital Responsibility</p> <hr/> <p>\$18B 50+ Approved Investment in 2022 Professionals</p>	<p>\$73B+ Total Capital Responsibility</p> <hr/> <p>\$14B 60+ Approved Investment in 2022 Professionals</p>	<p>\$50B+ Total Capital Responsibility</p> <hr/> <p>\$6B 70+ Approved Investment in 2022 Professionals</p>
ASSET MANAGEMENT		ADVISORY	
		RESEARCH	

STEPSTONE'S CORE VALUES AND BELIEFS

Our clients are our partners

We work closely with clients to build the optimal asset allocation. As a result, we aim to deliver competitive service, anticipate changing needs and build relationships that endure.

Customization is paramount

Using all of the tools at our disposal, we build portfolios that can be tailored according to strategy, sector, vintage year or geography.

Committed to responsible investing

We are committed to being responsible stewards of capital in managing our firm and delivering investment solutions to our clients.

Empowered team

We emphasize integrity, transparency, collaboration, entrepreneurialism and respect for all, driving how we interact with one another, our clients and investors, sponsors, vendors and service providers, and the community at large.

Specialization is vital

Organizing our investment teams by asset class, region, strategy and sector allows us to cover private markets thoroughly.

Global reach and local presence

Steeped in local economic and political conditions, our integrated global team provides actionable insights that make sense of changing markets.

Innovation is key

We are constantly searching for novel ways to deliver value to our clients, embracing data and technology to drive new insights into the private markets.

People matter

Our people are our biggest asset. Their enthusiasm, hard work and dedication make everything that we do possible.

As of January 31, 2023. All dollars are USD (unless stated otherwise) and represent StepStone private market exposure by asset class. Data includes Greenspring Associates metrics. Please see Disclosure page for additional information about Greenspring Associates.

Total capital responsibility equals assets under management (AUM) plus assets under advisement (AUA) and is presented as of December 31, 2022. Reflects final data for the prior period (September 30, 2022), adjusted for net new client account activity through December 31, 2022. Does not include post-period investment valuation or cash activity. The Private Debt investment team consists of 46 team members and leverages the debt expertise of the Firm's dedicated Real Estate, Distressed and Infrastructure professionals & partners, which are included in the head count presented above. Approvals are last 12 months (LTM) as of December 31, 2022. Amounts may not sum to total due to rounding. Approved figures represent StepStone-approved investment commitments on behalf of discretionary and non-discretionary advisory clients. Excludes clientele that receive research-only, non-advisory services. Ultimate client investment commitment figures may vary following completion of final GP acceptance/closing processes.

Past performance is not necessarily indicative of future results, and there can be no assurance that the fund will achieve comparable results or avoid substantial losses.

¹ Private Debt includes all asset classes, including Real Estate and Infrastructure debt totaling \$9.1 billion.



“As ESG regulation increases globally, we are taking proactive steps to prepare for emerging regulations by further strengthening and institutionalizing our ESG systems and processes.”

Scott Hart
Partner and Chief Executive Officer

It is with great pleasure that I present to you StepStone’s latest Environmental, Social and Governance (ESG) Report. This report provides a comprehensive overview of our ESG initiatives and achievements, offering an in-depth look at our efforts to promote best practices and maintain our commitment to responsible investment.

Recent events such as the pandemic, coupled with the warnings outlined in the sixth assessment report of the Intergovernmental Panel on Climate Change (IPCC), have reinforced our belief in the importance of incorporating ESG, including climate change considerations, into our firm’s activities and promoting their significance throughout private markets. To that end, the value of collaborating through a range of initiatives across the industry has never been greater. We have been advocates of initiatives such as the United Nations Principles for Responsible Investment (PRI) and TCFD for a long time, and we continually encourage investment managers, or general partners (GPs), to align to best practices. We are pleased to report that 50 percent of GPs across our platform are PRI signatories in 2022, up from 40 percent in 2021, and 20 percent are TCFD supporters, up from 13 percent over the same period. While these are encouraging figures, we will continue to advocate for improvements across the platform.

We understand that ESG factors are an important consideration for our stakeholders and have a direct impact on our long-term success. We place importance on ESG matters during our engagements with GPs, and see significant potential in leveraging our role in private markets to offer advice, guidance and resources to advance the adoption of industry-best ESG practices. To further drive responsible investment practices, in 2022 we developed specialized engagement materials for venture capital GPs, which encompass the unique needs and focus areas for this asset class.

As ESG regulation increases globally, we are taking proactive steps to prepare for emerging regulations by further strengthening and institutionalizing our ESG systems and processes. In 2022, our efforts in this area included the development of a climate policy and a stewardship policy, as well as a range of specific training to enhance our ability to embed responsible practices throughout our operations and investments.

DEI remains a top priority for us, as we work to create a more diverse and inclusive culture both within our organization and across the industry. In 2022, we joined as a founding financial services member supporting Ownership Works, a consortium of organizations dedicated to promoting employee ownership programs in corporate America, alongside 60 organizations from different sectors. This initiative was launched with the goal of developing and deploying new models of shared ownership. I am personally serving on the Pension Fund Leadership Council, and I believe this initiative has the potential to bring financial opportunities for employees of businesses under private ownership.

Across StepStone, we are dedicated to providing support for our employees, including for their mental and emotional health. In 2022, we further demonstrated our commitment to investing in our employees by introducing new benefits designed to support their well-being both within and outside the office. We understand the financial stress that student loan debt can cause, and to alleviate this burden, we introduced a Student Loan Repayment Program.

We also introduced access to the service Modern Health, which provides our employees with the opportunity to create a personalized mental health plan, including goal setting and resources to support them in achieving their well-being objectives.

Alongside driving forward well-being benefits, we believe in investing in the ongoing professional development of our employees. An area of focus for us in 2022 was to further develop the skills of our managers in order to benefit them and their team members. We introduced a framework for managers to utilize in leading and developing their teams, as well as a multiday “manager boot camp” offered globally.

We remain dedicated to transparent reporting on our performance and fostering open communication with our stakeholders. We hope you find the information in this report informative and appreciate any feedback you may have on the topics discussed.

Scott Hart
Partner and Chief Executive Officer

2022 Key Highlights

RESPONSIBLE INVESTMENT (RI)

Implemented a stewardship policy to reflect an emphasis on stewardship practices in our investments

Developed bespoke RI guidance materials for GPs across each of our asset classes

Became a **signatory to the UK Stewardship Code**

Became a **founding member of Ownership Works**, an initiative promoting employee ownership programs

HUMAN CAPITAL

Female employees represented **41 percent of total new hires** in 2022, up from 36 percent in 2021

Racially/ethnically diverse new hires **increased to 38 percent** from 34 percent over the same period

Launched the Student Loan Repayment Program to help reduce the burden of student debt on our full-time employees

Introduced a manager framework featuring concepts of empathy, engagement, empowerment and expectations, and launched a manager boot camp training program to upskill our employees with managerial responsibilities

Responsible @ StepStone encouraged every employee to think about how they can contribute to being more responsible by incorporating this concept into the performance review process

CLIMATE CONSIDERATIONS

Developed a standalone climate policy that considers our TCFD-aligned climate considerations within our investment process and our approach to corporate sustainability

Developed a program to initiate a focus on nature and biodiversity. This included publishing a white paper titled "We Don't Value Nature," which explores our thesis around the potential of investing in nature

Continued our **commitment to carbon neutrality in our operations**, outlined in our [2022 TCFD Report](#)

Continued advocacy for GPs to align with the TCFD, with **formal supporters across our platform reaching 20% in 2022, up from 13% in 2021**

ESG Priorities & Stakeholder Engagement

To maintain alignment with our stakeholders as we expand upon our ESG objectives and initiatives, we engage with them through a variety of channels tailored to each group.

In 2021, prior to developing our inaugural ESG and TCFD reports, we implemented a rigorous materiality analysis¹ in alignment with GRI recommendations. This included stakeholder mapping, peer benchmarking and engagement with our key stakeholders via an online survey and one-on-one interviews. For more information about this process, please refer to page 7 of our [2021 ESG Report](#).

As a result of this analysis, we were able to identify the topics most material to StepStone from an ESG perspective, which form the foundation upon which the content of this report is built.

StepStone's Material Topics:

1. Ethics and Integrity
2. Compliance
3. Investing in the Energy Transition
4. Transparency & Public Disclosure
5. Cybersecurity
6. ESG Integration in Investments
7. Conflict of Interest
8. Talent Attraction, Development & Retention
9. Diversity, Equity & Inclusion



KEY STAKEHOLDER GROUPS

Clients	Shareholders	GPs
Employees	Portfolio Companies	Regulators
Industry Groups	Local Communities	Service Providers

For a detailed overview of how we engage our key stakeholder groups, please refer to page 7 of our [2021 ESG Report](#).

¹ The term "material" is distinct from, and should not be confused with, such term as defined for SEC reporting purposes. Please refer to our disclaimer on [page 3](#) for further information.

Alignment with the United Nations Sustainable Development Goals (SDGs)

The SDGs are one of the most widely recognized frameworks being adopted globally as more actors align with the vision of the UN's 2030 Agenda for Sustainable Development. At StepStone, we are committed to supporting the SDGs that are most in alignment with our core operations:



SDG 5: Gender Equality

We are dedicated to advancing gender equality in the workplace. In 2022, female employees represented 41 percent of total new hires, up from 36 percent in 2021. For a detailed breakdown of our diversity metrics, please refer to [pages 14-15](#).



SDG 7: Affordable and Clean Energy

We are dedicated to promoting the growth of the renewable energy sector by seeking opportunities to invest in the energy transition. For an example of one of our investments in this area in 2022, please refer to [page 9](#) of our [2022 TCFD Report](#) to learn more about our investment with Activate Capital.



SDG 8: Decent Work and Economic Growth

We are dedicated to helping fulfill employment opportunities and work conditions that enable employees to thrive. In line with this, in 2022 we joined as a financial services partner supporting Ownership Works to catalyze the implementation of employee ownership programs to create better work environments and financial opportunities for employees. For further information, please refer to [page 45](#).



SDG 9: Industry, Innovation and Infrastructure

In 2022, we approved \$14 billion in investment commitments¹ within Infrastructure & Real Assets, where we continue to advocate for ESG integration. As of 2022, all of the GPs with whom we invest in this asset class have implemented an RI policy, and 93 percent are signatories to the PRI. For more information, please refer to [page 54](#).



SDG 10: Reduced Inequalities

We prioritize creating a supportive and diverse workplace through the guidance and initiatives of our DEI Committee. Please see our [2022 DEI report](#) for an overview of our DEI performance.

We advocate for DEI in our investment process in numerous ways, including by investing in diverse-owned managers. Please refer to [page 47](#) for a case study on our 2022 investment with Chicago Pacific Founders, a woman-led firm.



SDG 11: Sustainable Cities and Communities

Our Real Estate team seeks ways to support access to adequate, safe and affordable housing and basic services. Please refer to [page 53](#) to read about our investment and engagement with Elevation Advisors, which resulted in an improvement in ESG practices in a portfolio of senior care homes in the UK.



SDG 13: Climate Action

We integrate the consideration of climate risks and opportunities into our investment process and encourage GPs to align with the recommendations of the TCFD. For a comprehensive overview of our climate-related activities, please refer to our [2022 TCFD Report](#).



SDG 15: Life on Land

In 2022, we focused our impact investing research on the potential of natural capital and the emerging themes around investing in nature. For an overview of our thesis on nature and focus on natural capital as an impact investing theme, please refer to [page 58](#).

¹ Approvals are LTM as of December 31, 2022, and represent StepStone-approved investment commitments on behalf of discretionary and nondiscretionary advisory clients. Excludes clientele that receive research-only, non-advisory services. Ultimate client investment commitment figures may vary following completion of final GP acceptance/closing processes.

Human Capital Development

Diversity, Equity & Inclusion
Talent Attraction & Onboarding

Philanthropy

Environmental Responsibility

Ethics, Governance & Compliance

Risk Management

Cybersecurity

Business Continuity



Corporate Sustainability

Human Capital Development

Diversity, Equity & Inclusion (DEI)

Our commitment to DEI is an integral part of our culture at StepStone—bringing together a diverse spectrum of backgrounds and experiences enriches everything that we do.

Our efforts are focused on establishing a hiring process that is equitable. Once onboarded, we help cultivate our new hires into excellent professionals by aiming to provide an environment where individuals can thrive through a variety of learning and development opportunities and a collegial work environment.

Our DEI Guiding Principles

A Level Playing Field

That provides everyone the chance to develop and advance

An Inclusive Culture

Where every colleague is invited to contribute freely

Improved Performance

Through enhanced analysis, debate and decision-making

DEI Committee

Reinforcing our commitment to DEI, we established a dedicated committee in 2017. The committee consists of senior leadership and team members from across our asset classes and geographies. The responsibilities of our committee include finding opportunities to expand our DEI efforts and performance, planning events in alignment with our DEI principles and continuing the integration of these principles throughout our culture.



Lindsay Creedon
Head of Diversity,
Equity & Inclusion,
Partner
New York



Jose Fernandez
Partner & Co-COO
La Jolla



Scott Hart
Partner & CEO
La Jolla



Jennifer Ishiguro
Partner, Chief Legal
Officer & Secretary
La Jolla



Alesia Dawidowicz
Managing Director
Zurich



Nitin Malik
Managing
Director, Global
Head of Talent
New York



Corey Wilkins
Director
New York



Leyla Holterud
Managing Director
London



Ying Lin
Vice President
New York



Eden Lawrence
Vice President
New York



Serena Mandrile
Vice President
London



Lyn Blithe
Senior Executive
Assistant
Baltimore

2022 Gender and Ethnic Diversity Overview

To remain accountable in regard to our DEI efforts, we monitor the representation of female and racially or ethnically diverse employees in our workforce year over year. We are working to drive this increased diversity against the backdrop of a fast-growing organization, noting our total employee numbers have increased from 567 in 2020 to 941 in 2022. We have included data from the past three years for comparison, and we are pleased to note improvements in many areas.



2022 Diversity Overview

	Board of Directors	Partners	Senior-Level Professionals	2022 Hires	2023 Promoted Employees
Female	22%	16%	33%	41%	41%
Racially/Ethnically Diverse	22%	15%	19%	38%	31%

41%

of new hires in 2022 were female, up from 36 percent in 2021

47%

of our mid-level new hires were female

41%

of our promoted employees were female, up from 35 percent in 2021

Notable improvements in senior-level new hires, with increased percentage of both female and racially/ethnically diverse senior new hires compared to 2021

Diversity Across Employment Levels¹

	2020		2021		2022	
	Female	Racially/ Ethnically Diverse	Female	Racially/ Ethnically Diverse	Female	Racially/ Ethnically Diverse
Junior Level	42%	39%	44%	36%	42%	38%
Mid-Level	32%	24%	31%	25%	36%	30%
Senior Level	33%	22%	30%	20%	33%	19%
Partners	18%	12%	19%	15%	16%	15%
Total	36%	31%	37%	30%	37%	32%
Overall Diversity	51%		52%		54%	

Diversity Among New Hires²

	2020		2021		2022	
	Female	Racially/ Ethnically Diverse	Female	Racially/ Ethnically Diverse	Female	Racially/ Ethnically Diverse
Junior Level	38%	36%	37%	35%	41%	41%
Mid-Level	45%	25%	29%	41%	47%	33%
Senior Level	43%	43%	25%	0%	36%	7%
Partners	50%	0%	N/A	N/A	0%	0%
Total	39%	34%	36%	34%	41%	38%
Overall Diversity	54%		55%		61%	



Diversity Among Our Investment Professionals¹

Total investment team figures for 2022 :

- 21% Female
- 25% Racially or Ethnically Diverse
- 36% Overall Diversity**

Diversity Among Promoted Employees³

	2021		2022		2023	
	Female	Racially/ Ethnically Diverse	Female	Racially/ Ethnically Diverse	Female	Racially/ Ethnically Diverse
	35%	30%	36%	30%	41%	31%
Overall Diversity	50%		54%		55%	

¹ Metrics are shown as of January 31 of the subsequent year and include Greenspring Associates employees onboarded in 2021. Junior level includes entry-level through Senior Associate; mid-level includes Vice President and Director/Principal; Senior level includes Managing Director and Partner. Levels may also include those with equivalent roles and responsibilities.

• The 2020 and 2021 metrics may vary from figures stated in StepStone's 2021 ESG Report due to a recategorization of employees across employment levels.

• In 2022, we started gathering data on our nonbinary employees. At present, fewer than 1 percent of our junior employees identify as nonbinary. We look forward to continuing to make our work environment a place where everyone feels welcome and all gender expressions and identities are celebrated.

• The 2022 Overall Diversity metrics include all employees who identify as female or nonbinary, and/or identify as ethnically/racially diverse. These metrics do not double count any employees who identify as female/nonbinary and ethnically/racially diverse. The 2021 and 2020 Overall Diversity metrics include all employees who identify as female and/or ethnically/racially diverse. These metrics do not double count any employees who identify as both.

² Metrics are shown as of December 31 for each year. The 2021 figures exclude employees who joined as part of the Greenspring acquisition.

³ Metrics are shown as of January 31 of the year and include Greenspring Associates employees onboarded in 2021.

STEPSTONE'S ERGS

StepOut
LGBTQ+**Parents**
New in 2022**Steps 2 Green (S2G)**
New in 2022**UNIDOS**
Formerly LatinX**Pan-Asian**
New in 2022**Launched in 2022:
Pan-Asian, Parents and Steps 2 Green**

Our Employee Resource Groups (ERGs) are employee-led and established with the intention of providing a supportive community for employees of certain affinity groups and their allies. In 2022, our ERGs grew to five, with the addition of the Pan-Asian, Parents and Steps 2 Green (S2G) ERGs.

Throughout the year, our new Pan-Asian ERG celebrated many milestones, including the launch of a newsletter and Mid-Autumn Festival celebrations in various offices. In October 2022, partners Seyonne Kang, Vincent Hsu and Dev Subhash shared their experiences as Asian professionals in private markets during a panel discussion open to all employees. The discussion highlighted their multicultural and multinational perspectives and provided valuable advice for those looking to advance their careers on a global scale.

The Parents ERG was launched to provide an open forum for all parents, or parents-to-be, who are employed at StepStone. The group's mission is to provide a network of support where individuals can share their knowledge, experiences and resources and form a sense of community. In December 2022, the group hosted a roundtable on work-life balance, which was open to all employees. The panel included partners Brian Borton, Margaret McKnight and Jennifer Ishiguro and managing directors Alesia Dawidowicz and Tom Fitzherbert-Brockholes. Guided by moderator Lindsay Creedon, panelists shared their personal challenges and advice with respect to balancing career and parenthood. The ERG also has a Special Needs Subgroup for parents of children with special needs. The subgroup aims to raise awareness and provide support to parents navigating challenges at all ages and stages.

In late 2022, StepStone employees launched the Steps 2 Green ERG focused on environmental causes. The group's mission is to promote environmentally responsible practices such as recycling and utilizing alternative energy sources. Please refer to [page 24](#) to learn more about S2G's focus.

Growth and Evolution: UNIDOS and StepOut

In 2022, we saw StepStone's first ERGs, LatinX and StepOut, continue to thrive, grow and evolve. LatinX relaunched as UNIDOS and welcomed several new members in its kick-off meeting, held during Hispanic Heritage Month. In recognition of Pride Month, StepOut organized several 5K running events across multiple cities to support local LGBTQ+ charities. Learn more on [page 23](#) about the Baltimore office's event, which assembled a team of ERG members, allies, friends and family.

Support for Parents

In addition to the support offered through the Parents ERG group, our generous parental leave policy allows primary caregivers, regardless of gender, to take 16 weeks of paid leave following the birth or the adoption or fostering of a child. Secondary caregivers also have the option to take four weeks of pay continuation. We also offer a coaching program that spans pre-birth through leave and well into the return-to-work period. Understanding the challenges that come with balancing parenthood and employment, we offer additional support such as covering the cost of travel, hotels and meals for new parents who need to travel for work in the first six months after returning from leave. We also reimburse mothers for the cost of sending breast milk home while traveling for business and have established wellness rooms in our key offices.

Talent Attraction & Onboarding

In recent years, many professionals have been examining their values and considering whether their employer's values align with theirs.

This shift in perspective has contributed to the so-called great resignation, which has shown businesses in every industry that fostering strong company culture and values is imperative to attracting and retaining talent. We understand that we need to communicate our values, prioritize investing in the growth of employees, and continue to provide a collegial, supportive and intellectually stimulating environment. When it comes to recruitment, our priority is to bring on board individuals who are intellectually curious and diverse—and who will excel in our dynamic environment.

An Inclusive Approach to Recruitment

At StepStone, we are intentional about sourcing the right candidates. We not only seek talented professionals who are truly passionate about the industry, we have embedded our focus on DEI throughout the hiring process. Two key ways in which we connect with potential candidates are through internal events and recruitment at schools. We include nontraditional schools in our recruiting outreach, host internal events that focus specifically on underrepresented groups, and partner with organizations that are working to support these groups. For example, we are involved with the City University of New York Futures in Finance, where we endeavor to recruit students and support educational sessions to help them learn about careers in private equity. We are also involved in the Women's Association of Venture and Equity (WAVE), a nonprofit organization dedicated to promoting the growth and development of women in private equity and venture capital. This year, we participated in WAVE's discussion panels and networking events, and we remain a committed partner in their ongoing efforts to support and advance women in these industries.

We know that an inclusive approach is required in every part of the hiring process in order to meet our DEI goals. Therefore, we promote diversity in hiring first by inviting a diverse range of candidates to interview for open positions, and second, by selecting interview panel members who represent diverse backgrounds and cultures with the intention of reducing potential bias in the hiring process.

Refining the Hiring Experience

In 2022, the StepStone Human Resources Onboarding team was focused on updating and refining the new-hire experience throughout our global offices. Highlights of this update included standardizing start dates globally, and creating connectivity with new hires across teams and cities through orientation sessions that highlight the history, values and culture of StepStone. We have streamlined and continue to improve the experience for both new hires and managers through automation and 30-, 60- and 90-day surveys to gain feedback from all new employees on their experience at StepStone.

Responsible @ StepStone

Company culture is demonstrated through the principles, values and behaviors that every individual demonstrates when they are engaging with others within the organization. To further instill our company values and responsible culture, we conceptualized Responsible @ StepStone, which aims to promote broad opportunities for our employees to demonstrate behaviors that reflect our commitment to ESG and to being responsible stewards of capital. In order to truly embed the philosophy of responsibility into our culture, this was formally added as part of employees' performance reviews in 2022.



Catalyst Series

Our Catalyst Series, which takes place every spring and fall, was designed to give a space for senior team members to share their professional journeys and milestones to inspire and inform others. In fall 2022, the theme was Responsible @ StepStone. In these sessions, our featured speakers emphasized how they are strengthening responsible culture within the firm.

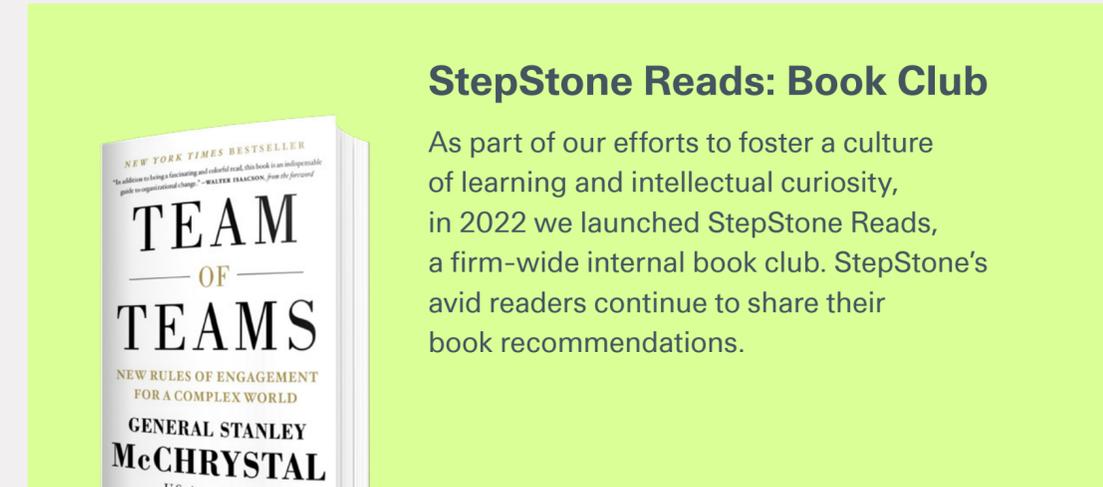
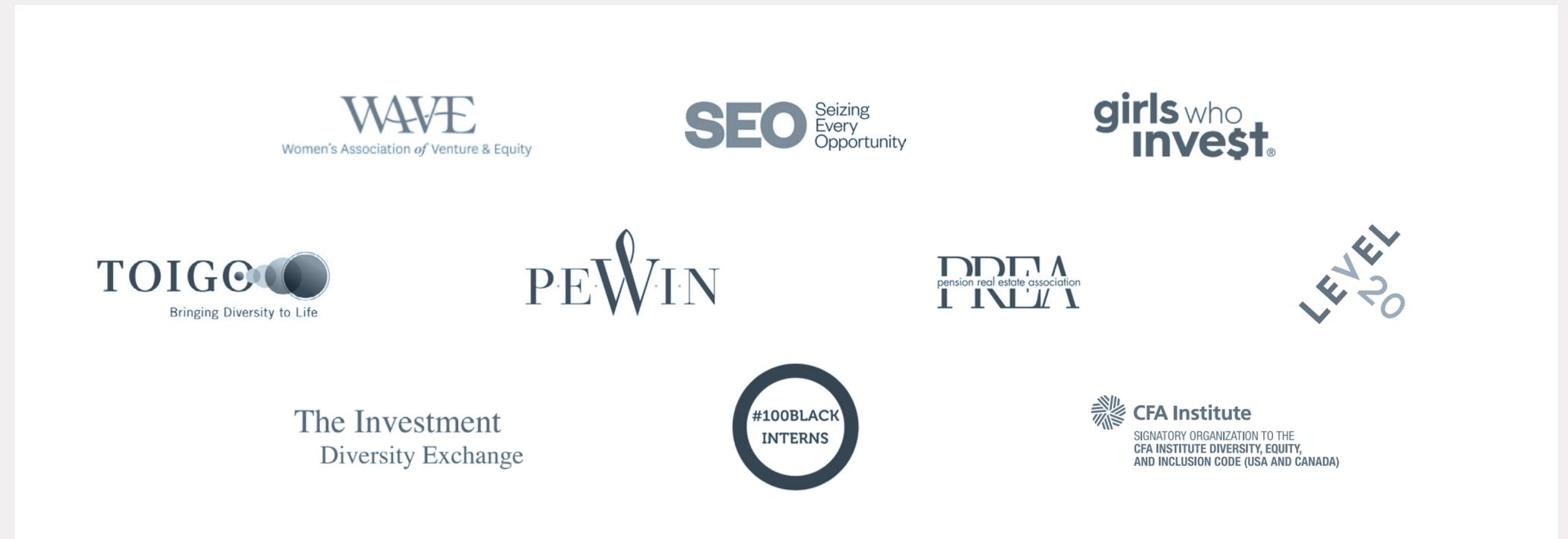


Employee Voice Survey

In 2022, we rebranded our employee engagement survey as “Employee Voice.” We were pleased to see a 91 percent participation rate, up from 82 percent in 2020. The survey covered various important topics including collaboration, engagement, DEI, belonging, growth and workload. The results provide valuable insights into our employees’ perspectives and experiences and will help inform our efforts in continuing to create a positive work environment. To stay attuned to our employees’ needs and to make progress, we will continue to conduct these surveys and welcome ongoing feedback from our employees.

Partnerships to Advance Diversity in the Industry

Acknowledging that our industry still has a considerable way to go in terms of diversity, we have partnered with a number of organizations that share our vision and are dedicated to uplifting underrepresented groups in the investment industry through personal and professional development and networking opportunities. Our current partnerships are listed below:



Talent Development

Once new employees are onboarded, we place a huge emphasis on their personal and professional growth.

We aim to elevate every one of our employees to their full potential as they become outstanding private markets professionals. We offer our employees access to extensive training programs, career-growth road maps, and mentorship and sponsorship opportunities. We have a dedicated Global Head of Talent who oversees the full life cycle of the employee experience and closely partners with the Learning and Development (L&D) Committee consisting of 28 StepStone professionals who provide ongoing feedback and guidance and see that relevant initiatives are adopted throughout our offices across the globe.

Our L&D efforts are broken down into four pillars, which are reflected in the constitution of our L&D Committee. The four pillars are as follows:

Leadership Development	Learning and Growth	Manager Development	Performance Management
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“Learning and growing is part of the human experience; it doesn’t stop once you pass the interview stage. Being a lifelong learner is encouraged at StepStone, and we reassure our new employees that we don’t expect them to know everything when they enter the team. We support them in their ongoing growth and development and always encourage them to be curious and continue being students.”

Nitin Malik
Managing Director, Global Head of Talent

SPOTLIGHT

Reflections on Private Markets Podcast with Nitin Malik: “Developing Your People.”

In the 18th episode of our podcast, *Reflections on Private Markets*, our Global Head of Talent, Nitin Malik, delves into the critical role of culture in today’s labor market and the relationship between learning and development, DEI, and culture. Nitin shares valuable insights and perspectives on how these factors shape our workplace and the impact they have on our employees. [Listen to the full episode.](#)

Nurturing Growth

We recognize the importance of adapting to the need for on-demand information that is increasingly prevalent in today's society. In 2022, we expanded our e-learning resources by offering our employees access to a curated library of courses from top training providers. With the expansion of our e-learning library, our Talent Management team created learning journeys to tailor continuing education experiences for different teams at StepStone.

In addition to e-learning, we have numerous firm-wide learning opportunities tailored to specific teams or offices that take place in person throughout the year. These are delivered by our specialized teams—for example, our RI team or our Operational Due Diligence (ODD) team. We also sponsor our employees through globally recognized certified training programs, including the Chartered Financial Analyst (CFA) and the Chartered Alternative Investment Analyst (CAIA) programs.

In 2022, over 200 mentees were matched with mentors through the StepStone Mentor Program.

The StepStone Mentor Program

StepStone believes that being a lifelong learner goes beyond learning from a textbook or online: it's about being curious, talking to other people and learning from their experiences and guidance. In this regard, we recognize the value of mentorship as both a personal and professional development tool. As part of our strategy to develop best-in-class professionals, we offer a formal six-month mentorship program. The program offers employees seeking career guidance and development opportunities to network with senior members of the firm to find a mentor who can guide them and enhance their personal development and career progression.

In 2022, we expanded our mentorship offering to new hires by introducing the First Year Mentor Program. By deliberately pairing new employees with a colleague, this program gives new hires the opportunity to learn more about their team, their roles and the broader company.

Developing Our People Managers

At StepStone, we understand the crucial role that managers play in the success of an organization and place a strong emphasis on leadership development. We provide our professionals in leadership positions with opportunities to stay up to date and improve their skills. To provide additional support to our managers, in 2022 we introduced the 4E Framework as guidance for any employee with managerial responsibilities. This framework is composed of four capabilities that can be used in combination with one another and applied to a range of situations. The four capabilities are as follows:

4E FRAMEWORK

Empathy
Understand them

Engagement
Connect with them

Empowerment
Develop them

Expectations
Direct them

To complement the framework, we launched a comprehensive training program consisting of both self-paced and live sessions for all managers, both new and experienced. These programs provide managers with the opportunity to sharpen their skills, learn from one another and put into practice these vital behaviors on a daily basis.

During the year, we also offered a series of live workshops tailored to enhancing our managers' performance. The dedication and commitment of our managers was evident, with 119 managers investing over 16 hours each to evolve their management skills. These workshops were well received, with 100 percent of participants who gave feedback reporting that they would recommend the training to others.

For new and mid-level managers, we offer a Leadership Development series that covers topics such as essential skills of leadership, performance management, delegating, communication, managing complaints and resolving conflicts.

MANAGER BASICS

Designed to help employees who are not yet managers understand what it means to be a manager

MANAGER ESSENTIALS

Designed to help new managers understand the operational side of being a manager

MANAGER BOOT CAMP

Suitable for any manager, but targeted at those who are looking to develop critical skills, this boot camp designed as a live five-week immersive experience was completed by 119 employees in 2022

Sponsorship Program

StepStone's Sponsorship Program is a key initiative designed to identify and nurture mid-level professionals who exhibit leadership potential, with a particular focus on underrepresented groups. The program provides participants with access to a partner-level sponsor and an external executive coach who work together to provide guidance, mentorship and opportunities for career advancement. In 2022, nine participants benefited from this program, of which seven were from underrepresented groups.

Benefits and Rewards

Supporting our employees so they have a strong foundation of health and well-being is key to the success of our people and our business. We offer broad-ranging benefits that support the health of our employees and their families, including generous medical, dental and vision plans.

We also believe in promoting healthy habits on a daily basis, which is why we have created a wellness program that includes mental health webinars, wellness challenges and employee assistance programs. One example of this in 2022 was coordinating a Processing Stressful World Events Circle to help team members cope with anxiety and stress related to recent world events. The circle offered a safe group space led by an external provider, Modern Health, where employees could discuss emotions and receive tips on processing grief, anger and other emotions, and learn helpful coping strategies.

New Benefit: Student Loan Repayment Program

In 2022, we introduced a new student loan repayment benefit for full-time employees with at least six months of tenure with StepStone. This new program offers eligible employees a monthly contribution toward their student loans. We recognize the financial burden of student loan debt, and this initiative aims to support our employees in paying off loans through employer contributions.



In 2022, our employees traveled 45,626 miles on foot during our "Reach the Peak" fitness challenge, which encourages employees to team up and virtually summit some of the highest mountains in the world by tracking Wellable Points.

New Benefit: Modern Health Program

We also introduced Modern Health as a new employee benefit, which aims to promote the mental well-being of our employees and their dependents. The goal of this offering is to provide easy access to personalized resources that can help employees maintain a healthy mind and be their best selves in all aspects of their lives. The program begins with a simple assessment to gain insight into participating employees' needs and goals, followed by the creation of a personalized plan to help them build healthy habits and achieve their desired outcomes.

Compensation and Remuneration

Part of our efforts to attract and retain top talent is through our performance-based compensation package. We offer a range of monetary compensation options, including base salary, cash bonuses, contributions to 401(k) plans and revenue share. As a public company, we have also implemented a Long-Term Incentive Plan (LTIP) that allows us to reward qualified employees with a variety of equity-based awards, including restricted stock units.

Philanthropy

As responsible corporate citizens, we recognize the importance of supporting causes that are meaningful for the communities in which we operate. We understand that charitable giving can play a significant role in creating a better world.

Our Charitable Giving Oversight Committee leads this effort with senior representation from across the firm to align giving to key themes. The committee also features a governance structure to find charitable giving opportunities aligned with the themes outlined below, vetting each opportunity accordingly. Through our paid volunteer time-off program and matching charitable contribution initiative, we support our employees to make a difference and lead by example in our commitment to philanthropy. Our program's design is updated annually, with themes revisited every year. In addition to these themes, we may seek to provide support in emergency situations, such as the crisis facing Ukraine.

Themes for 2022

Health Aid



Education



Economic Advancement



KEY DONATIONS IN 2022



In alignment with our philanthropic themes of health aid and economic advancement, in 2022 we donated to GiveWell's Top Charities Fund. The Top Charities Fund allocates donations to organizations and causes where they will have the greatest impact. These top charities are carefully selected by GiveWell based on the highest-priority funding needs and an organization's ability to make a meaningful difference.



In 2022, we made a donation to the International Rescue Committee (IRC). The IRC is a well-established humanitarian organization dedicated to helping people affected by conflict and disaster. The IRC provides crucial support to those in need by restoring health, safety, education, economic well-being and power to communities devastated by crisis. With a history dating back to 1933 and a presence in over 40 countries and 29 US cities, the IRC has a proven track record of providing lifesaving aid and supporting communities as they work toward a better future.

We also continued our support of the following organizations throughout 2022:



World Food Programme



Employee Participation

By volunteering and participating in local initiatives, we have the opportunity to more deeply connect with the needs and challenges of our communities. To encourage employees to make a positive impact, we offer a paid volunteer time-off program that allows every employee to take time away from their usual work duties, up to 16 hours per year. Additionally, we offer a matching charitable contribution initiative, where StepStone will match an employee's donation of up to \$200 per year to a cause of their choice.

In 2022, our employees showcased their commitment to philanthropy and community engagement by volunteering their time and participating in numerous initiatives. Some highlights of group volunteering efforts over the year are featured to the right.



In 2022, we participated in a volunteer activity in partnership with Words Alive, whose mission is to inspire lifelong learners through reading. Our employees packed 300+ Learning Kits based on the story "I Am Not a Chair!" by Ross Burach.



StepStone Real Estate delivered 80 grab-'n'-go and busy bags they assembled for 40 families staying at the Ronald McDonald House Charities of Northeast Ohio. The organization serves families with a child receiving treatment at any Cleveland-area medical center. The initiative enables our employees to support a group focused on enhancing the health care experience of families.



As part of a three-day development program that took place in our New York office in May 2022, 40+ colleagues from across our offices collated care packages to help Ukraine Relief.



StepStone employees participated in Pride Month celebrations by running (or walking) 5K to raise money for Chase Brexton Health Care, a Baltimore-based group providing compassionate, quality health care that honors diversity, inspires wellness and improves its communities. More than 50 StepStone employees participated in this initiative.

Environmental Responsibility

We recognize the immense transformation needed to achieve a truly sustainable future and believe that the investment community has a crucial role to play in this transition. We are actively working toward this goal through a variety of initiatives, as outlined in this chapter.

As supporters of the TCFD and a member of organizations such as the Institutional Investors Group on Climate Change (IIGCC) and initiative Climat International (iCI), we seek to align with global frameworks and collaborate with our stakeholders to drive best practices. In addition, we periodically assess and address our internal operations with a focus on reducing emissions through energy efficiency, responsible supply chain management, waste reduction practices and environmental awareness.

SPOTLIGHT

Fostering a Culture of Environmental Responsibility: Steps 2 Green

- 1 To share information and ideas about sustainability
- 2 To encourage sustainable behaviors within the firm
- 3 To support the StepStone community in making sustainable choices both in the office and at home



An Ongoing Commitment to Carbon Neutrality

Part of our effort to help protect the environment has been operating as a carbon-neutral company within our operations. We understand that maintaining this status requires significant effort, so we enlisted the help of Pathzero, a third-party firm, to conduct an analysis of our carbon footprint annually. Since we made our commitment in 2019 to carbon neutrality in our operations, we have taken action by implementing tailored emissions reduction initiatives across our global offices, including the introduction of recycling protocols and transitioning to a paperless environment.

As part of our commitment to minimizing our environmental impact and reducing our carbon footprint whenever possible, we have also taken steps to make our office buildings more energy efficient and eco-friendly. Our office buildings in Toronto, Beijing, Cleveland, La Jolla, San Francisco, Seoul and Frankfurt have received Leadership in Energy and Environmental Design (LEED) certification, recognizing their energy efficiency and sustainability. The London office has been certified by BREEAM, which sets the standards for sustainable building design, construction and operation. Our Tokyo office meets the standards for ISO 14001, demonstrating commitment to environmental management. The Sydney office has gone a step further by being certified as carbon neutral and receiving a five-star energy rating. These certifications reflect our dedication to reducing our environmental impact and promoting sustainability throughout our operations.

Additionally, as part of our vendor due diligence process, we have added specific climate-related questions to help us understand and evaluate our vendors' environmental efforts. This includes collecting information on any targets and initiatives they have in place to minimize or offset emissions.

Top Three Quantified Emissions (tCO₂e) in 2022

Air Travel	Professional Services	Food & Catering
10,093 tCO ₂ e	2,443 tCO ₂ e	1,065 tCO ₂ e

Greenhouse Gas Emissions (tCO₂e)

	2021	2022
Scope 1: Direct Emissions	0	0
Scope 2: Indirect Emissions	485 tCO ₂ e	313 tCO ₂ e
Scope 3: Other Indirect Emissions	6,353 tCO ₂ e	16,500 tCO ₂ e
Total Emissions	6,838 tCO ₂ e	16,813 tCO ₂ e

We note that our total emissions are materially higher than they were in 2021. The increase is mostly due to air travel this year, which was restricted in 2021 due to the pandemic. Another contributing factor is food and catering service, which was limited in 2021 as we predominantly worked from home. In addition, our offices have grown from 23 in 2021 to 25 this year to accommodate our growing team, which now includes 941 employees, up from 763 last year.

As a global, client-centered organization, StepStone is committed to delivering for our clients and being available to connect with them as they require. Post-pandemic, we have seen an increase in demand for face-to-face meetings. Similarly, we believe it has been important for our staff to reconnect in person through our AGMs and off-sites. We continue to work to balance these needs with emissions management.

- Gases included in the calculation are CO₂, CH₄, N₂O, HFCs, PFCs and SF₆

- The base year is the calendar year 2022

- Pathzero, the carbon footprint consulting partner, uses AR5 in line with the GHG protocol

- Pathzero uses an operational control approach for emissions

- Pathzero platform is created in line with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard and the WRI GHG Protocol Scope 2 Guidance. We provided our electricity consumption for 7 out of 16 locations and the electricity cost for 4 out of 16 locations. The electricity usage was calculated based on environmentally extended input-output (EIO) factors and country-specific electricity grid emissions factors. The electricity usage of 5 locations without electricity data was estimated based on the average electricity usage per floor area of the other StepStone locations.

- The Scope 3 GHG emissions categories included are: purchased goods and services, fuel- and energy-related activities, waste generated, business travel, employee commuting and leased assets. StepStone calculated the Scope 3 greenhouse gas (GHG) emissions inventory with the use of a SaaS platform Pathzero.

- Pathzero platform is created in line with the WRI/WBCSD GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Pathzero follows the relevance test from the GHG Protocol to decide which emissions need to be included in the inventory. Emissions from arts activities and insurance services have been assessed as not relevant to StepStone's operations and are outside of its emissions boundary.

Offsetting Our Emissions

While we continue to reduce our emissions, since 2019 we have been supporting various sustainable development projects to help offset our unavoidable emissions. For our 2022 emissions, we funded the following projects:



Brazilian Landfill Gas (LFG) Project¹

This project is designed to capture, flare and generate electricity from landfill gas (LFG) produced in anaerobic conditions at CTR Macaúbas, located in Sabará, Minas Gerais, Brazil. This will reduce greenhouse gas (GHG) emissions from landfill by burning CH₄ in flares or generators. The electricity generated will be added to the Brazilian national grid, reducing the need for energy from fossil-fueled thermal plants and promoting sustainable development at the regional and national levels.



Anew - North Maine Woods Forestry Project

The North Maine Woods Forestry Project encompasses 86,221 acres of northern hardwood and northern conifer forest located in NW Somerset County, Maine. This project is designed to remove carbon from the atmosphere, with the goal of outcompeting pulp markets through the revenue generated from carbon offsets, enabling forest managers to extend rotation ages across the property. This approach allows forest managers to move away from faster-rotation pulpwood management and toward sustainable forestry practices.

Environmental Responsibility in Our Investment Process

As private markets investors, we have significant potential to drive change through our investment portfolios. To enhance our consideration of environmental and climate risks and opportunities in the investment process, we are stepping up our engagement with GPs and advocating for their participation in the TCFD. For a more in-depth understanding of how we address climate change and the environment in our investment process, please refer to pages 7-11 of our [2022 TCFD Report](#).



Pathzero's mission is to accelerate the decarbonization of the world economy by making the necessary tools and expertise available to every company in the world. StepStone is proud to be certified as Carbon Neutral by Pathzero².

¹ Please note that the image used is a stock photo for illustrative purposes; it is not directly related to the project or its location.

² For the period January 1, 2022 - December 31, 2022.

Ethics, Governance & Compliance

To fulfill our fiduciary duty and achieve our objectives, we must uphold ethical standards and maintain strong governance practices. We are dedicated to maintaining the highest standards of compliance with all applicable laws, regulations and rules wherever we operate and strive to act with integrity and to meet the highest standards of business conduct in all interactions with our stakeholders.

Code of Conduct and Ethics

Our Code of Conduct and Ethics applies to all of our offices worldwide and outlines our approach to ethics, governance and compliance. Since our inception in 2007, we have made these principles a core part of our culture and operations, which include:

- Striving to comply with all relevant laws, regulations and standards
- Encouraging honest and ethical behavior, particularly in addressing conflicts of interest
- Providing clear and transparent communication with regulators and the public
- Establishing mechanisms for reporting any unethical conduct
- Fostering a culture of accountability and integrity throughout our organization

StepStone's Governing Bodies

Our board of directors is the ultimate leadership body in our governance structure. ESG matters are a recurring agenda item at our board meetings, and the directors receive regular updates on our performance across these areas. The board is ultimately responsible for overseeing the development and implementation of our strategies and policies related to responsible investment and sustainability matters relevant to the business, as outlined in our Principles of Corporate Governance, which are reviewed annually. Our nine-member board includes two women and two members from diverse racial or ethnic backgrounds.

Alongside the board, various committees and groups are in place to support our corporate objectives and to see that we meet our obligations and commitments to our stakeholders. Overall, 108 of our employees are members of governing bodies, supporting a culture of good governance across our global offices.



Annual Compliance Training

We conduct mandatory Annual Compliance Training to cascade our governance efforts throughout our entire operation. In 2022, we revamped this training program to make it more interactive and engaging as the subject matter continues to expand. This forms part of our ongoing commitment to providing our employees with the necessary resources to fulfill their compliance responsibilities and support our overall compliance efforts.

The following key committees are all governed by a charter, have clearly defined responsibilities and meet frequently so that we stay on track with our obligations.

	COMMITTEE	PRIMARY ROLE
BOARD COMMITTEES	Nominating and Corporate Governance Committee	A board committee that identifies individuals qualified to become members of our board, consistent with criteria approved by the board, and develops and recommends to the board a set of corporate governance guidelines and principles.
	Audit Committee	A board committee that oversees our financial audits and manages the engagement of our outside auditors, reviews the adequacy of our internal controls over financial reporting and disclosure controls and procedures, and reviews the firm's risk management, including with respect to financial statements, compliance, and information technology and cybersecurity.
	Compensation Committee	A board committee that makes recommendations to the board with respect to the compensation of our CEO, reviews and approves the compensation of other executive officers (other than equity grants, which are recommended for approval to the board), and recommends the amount and form of director compensation to the board.
CORPORATE COMMITTEES	Global Executive Committee	Acts as the consultative body for major StepStone operating decisions and supports the CEO in the day-to-day management of the firm.
	Global Allocation Committee	Oversees the portfolio management process with respect to multi-asset-class mandates managed or advised by StepStone.
	Responsible Investment Committee	Responsible for the oversight and direction of StepStone's RI process, including StepStone's RI policy, ESG integration, stewardship, advocacy and ESG training. Please see page 37 for a more in-depth overview.
	Diversity, Equity & Inclusion Committee	Oversees and supports StepStone's DEI goals and initiatives. Please see page 13 for a more in-depth overview.

Controlled Company Status and Sunset Provision

We are currently considered a controlled company, as per Nasdaq's corporate governance rules, due to over 50 percent of the voting power for the election of directors being held by a group of stockholders under a stockholders agreement, whose vote is controlled by a subset of the Sunset Holders, as defined in the company's amended and restated certificate of incorporation. As of December 31, 2022, this subset of the Sunset Holders collectively controlled approximately 69.7 percent of the aggregate voting power of our outstanding Class A common stock and Class B common stock. Upon the earliest to occur of the holdings or voting power of Sunset Holders falling below a certain percentage, or September 18, 2025, a "Sunset" will occur, whereby each share of Class B common stock will no longer be entitled to five votes but, instead, one vote, and the company will no longer be considered controlled. At that time, the board of directors will be required to be composed of a majority of independent directors and the board's Compensation Committee and Nominating and Governance Committee will also be required to be entirely composed of independent directors, subject to applicable phase-in under the Nasdaq rules.



Risk Management

Portfolio Risk Management

At StepStone, we are committed to meeting the highest standards of risk management, while considering the evolving nature of regulatory, operational, reputational and ESG risks. Our efforts to safeguard our portfolio are led by our Head of Risk who is supported by the Head of Research and Portfolio Management, who work closely together to optimize our data, systems and other resources for both portfolio management and risk management needs. Our Head of Risk is responsible for overseeing and managing all aspects of portfolio risk within the organization, which includes monitoring compliance of portfolios with our risk limit system.

To address the nature, scale and complexity of our business, we have Portfolio and Risk Management Committees (PRMCs) for each of our asset classes. These committees provide oversight so our investment strategies align with the risk tolerance and specific requirements of each vehicle. Our Head of Risk engages in ongoing dialogue with our PRMCs, providing them with relevant information based on periodic reporting from portfolio investments. These engagements take place at a minimum quarterly, and include an evaluation of the effectiveness of the risk management processes in place.

Enterprise Risk Management

Our Chief Legal Officer has overall responsibility for overseeing our enterprise risk efforts, with support from the internal audit team.



Cybersecurity

As technology and cyber threats evolve, we remain vigilant in protecting our systems and data against any potential threats. Our Information Security Policy and Data Privacy Policy outline the processes and procedures we have in place to protect our data.

To stay ahead of emerging threats, our Head of Information Technology (IT) leads our efforts in regularly assessing our cybersecurity protocols, so as to be prepared to address potential risks. Our Legal, Compliance and Risk functions provide additional support to these efforts.

The consequences of a cyber breach can be far-reaching, which is why our board's Audit Committee oversees the firm's cybersecurity risks. This underscores the importance of cybersecurity across the firm's activities.

Monitoring Cyber Risk

We are dedicated to the protection of our data and systems through regular monitoring and assessment. Our IT team works closely with leading cybersecurity providers to stay current on global standards for data privacy and security.

We employ a multilayered approach to managing cyber risks, including real-time monitoring of our systems, periodic external and internal vulnerability management testing and employee phishing tests.

The management of IT and cybersecurity risks is an ongoing priority for StepStone, and regular reports are provided to the board and the Audit Committee on the status and updates of cybersecurity and information security matters. These reports keep the board informed and up to date on the state of our cybersecurity efforts and any incidents or updates.

Risk Training to Safeguard Our Operations

In addition to maintaining robust cybersecurity measures, we place a strong emphasis on employee training and education to reinforce our commitment to protecting sensitive data. As part of our onboarding process, employees receive training on cybersecurity best practices and our security policies and procedures. This enables them to identify potential threats and respond appropriately.

Our IT team is dedicated to educating our employees about best practices for data privacy and security. As part of this ongoing effort, the team is responsible for delivering ongoing training and addressing any new hardware or software changes, as well as increased cyber threats. By keeping our employees informed and educated, we aim to create a culture of cybersecurity awareness and vigilance within StepStone.



Business Continuity

Business continuity is a key component of our risk management approach. Our disaster recovery and business continuity plans outline the procedures we will follow in the event of a disaster or disruptions, so we may maintain our critical operations and core business procedures.

Our employees have the ability to work from any Internet-connected location via secure remote access connections or virtual desktops. We have a “work from home” model to follow in the event any disaster renders one or more of our offices physically inaccessible. Additionally, our technology infrastructure features built-in redundancy and replication across multiple availability zones to secure data and maintain continuous operations with minimal downtime.

We conduct regular IT testing to assess the efficacy of our Disaster Recovery Plan, with the latest exercise taking place in December 2022.

Safeguarding Human Rights across Our Operational Supply Chain

StepStone is focused on modern slavery within our operational supply chain and investment process. We understand that these risks could potentially exist in our own operations and the investments we advise on or manage for our clients. We have adopted a Modern Slavery Statement outlining the measures we are taking across our business and investments.

Our operational supply chain mostly consists of professional service providers and business vendors, such as IT service providers and suppliers of office equipment, and we believe that it is low risk in terms of modern slavery and human trafficking, given the nature of our business. Nonetheless, we expect that our key vendors align with our values and standards and conduct a thorough due diligence process. This includes evaluating their compliance with modern slavery and human rights laws and regulations through specific questions in our due diligence questionnaire. We query vendors on whether they have a Modern Slavery statement (and if so, ask them to provide a copy), whether they use, and have relevant due diligence measures in place to prevent the use of, child labor, forced labor or human trafficking, and whether they have had any allegations, fines or warnings with respect to modern slavery, forced labor, child labor and human trafficking. StepStone continually seeks to improve its vendor and service provider due diligence processes.

Safeguarding human rights is an ongoing process, taking place both at the time of onboarding of key vendors and through periodic evaluations. If we were to discover any vendor incidents related to modern slavery or human trafficking, we would reassess our engagement with the vendor based on a thorough examination of the incident.



Our Approach

**Responsible
Investment Governance**

Responsible Investment Process

Private Equity

Private Debt

Real Estate

Infrastructure & Real Assets

Impact Investing



Responsible Investment

Our Approach

As one of the leading private markets investors and allocators of assets, we consider it our responsibility to promote and adopt responsible practices to enhance investment returns, protect clients' investments and drive real and measurable change.

ESG standards, principles and frameworks are constantly evolving, and we are committed to keeping up with the latest developments, contributing as thought leaders and incorporating new developments into our investment process. We hold the conviction that private markets have a unique opportunity to achieve tangible transformation of industries through their exposure to longer investment terms and a skill set oriented to value enhancement.

As signatories to the PRI, supporters of the TCFD, and members of the SASB Alliance, now part of the International Financial Reporting Standards (IFRS) Foundation, we align our approach with specific principles and recommended disclosures. Please refer to page 26 of our [2021 ESG Report](#) for a detailed breakdown of our RI process.

StepStone's Responsible Investing Journey over a Decade

We have been continually expanding our RI efforts, striving not only to improve our own practices but actively drive change in the industry as a whole. Over the years, we have made significant strides in our RI journey; highlights over the past decade have included:

2013	2014	2018	2019	2020	2021	2022
<ul style="list-style-type: none"> • Became PRI signatory • Created RI Committee 	<ul style="list-style-type: none"> • Adopted RI Policy 	<ul style="list-style-type: none"> • First carbon footprint analysis • Created DEI Committee 	<ul style="list-style-type: none"> • Became TCFD supporter • Became SASB member • Created asset class RI workgroups • Introduced RI scorecard for primaries • Committed to carbon neutrality in our operations 	<ul style="list-style-type: none"> • Became GRESB member • Launched Impact Capabilities • ILPA Diversity in Action Founding Signatory 	<ul style="list-style-type: none"> • Became iCI member • Became IIGCC member • Venture ESG supporter • PRI - Venture Capital Network • Impact Allocators Network • ESG Data Convergence Initiative supporter 	<ul style="list-style-type: none"> • Published Corporate ESG Report, TCFD Report and UK Stewardship Code Report • Ownership Works supporter



Responsible Investing: Market Outlook and Emerging Trends

As organizations around the world increasingly focus on mitigating the negative impact of environmental and societal challenges, the investment industry is evolving in parallel. At StepStone, we closely monitor the latest developments and initiatives related to responsible investing.

As the risks of climate change continue to make headlines and an increasing number of extreme weather events affect countries around the world, there has been movement across the investment industry to measure and report emissions and set climate targets. Across our investment relationships, we are seeing a positive trend in GPs formally embarking on emissions monitoring and reporting journeys, supporting the TCFD and setting tangible targets to align with the urgent need for change in all areas to minimize the risk of more global disasters.

Connected to the climate crisis and its real-world risks lies the much less debated nature crisis. As the climate becomes increasingly inhospitable, ecosystems are in decline and we face unprecedented biodiversity loss. As the investment industry realizes the role it has to play in addressing the climate crisis through the intentional allocation of capital, it is also coming to learn of the opportunity it has to assist in combatting the nature crisis. At present, we see this opportunity best articulated in the framework set out by the Taskforce on Nature-Related Financial Disclosures (TNFD). The TNFD is developing a standardized lexicon and a metric-based framework to manage nature-related risks and opportunities. At StepStone, we are keeping a close eye on this development, and we believe that identifying a company's relationship with nature and measuring its exposure has the potential to change the business community's view of nature. We explore this emerging trend further in our 2022 white paper titled ["We Don't Value Nature."](#)

In 2022, the investment industry continued to drive forward the expectation for investors to endeavor to protect human rights throughout the investment process. The PRI continues to be one of the leading advocates of human rights in the investment industry, setting tangible expectations for investors on why and how they should consider human rights in their investment practices. In particular, the PRI reports on the unique opportunity investors have to influence the value chain and introduced human rights questions into its reporting framework. Initially, this is a voluntary addition, but it is expected that this will become a mandatory expectation for all signatories in years to come, and we expect to see this focus on human rights in the investment process further integrated across the industry in the coming years.

The European Union's (EU) Sustainable Finance Disclosure Regulation (SFDR) is another significant development in responsible investing, with implications not only within the EU but also globally. The regulation, which went into effect in 2021, aims to enhance transparency in financial markets by mandating investment managers to disclose their approach to incorporating sustainability risks into investment decisions, and financial market participants to publish their risk policies and sustainability considerations. This is a crucial step in promoting transparency and accountability in the investment industry. The EU's SFDR is seen as a benchmark for other regulators, and its impact is expected to be far-reaching and long lasting, as other jurisdictions increasingly adopt similar regulations and guidelines.

At StepStone, we continue to monitor emerging frameworks and trends in order to constantly evolve our own ability to integrate responsible investment throughout our processes and to influence the industry. We believe that investors working collaboratively to address global challenges have significant ability to create real-world change. Given the current global landscape, rarely has there been a more important opportunity to use the power of capital as a force for driving positive real-world outcomes.



Collaborating to Drive Responsible Investment throughout Private Markets

We recognize the importance of collaboration to advance responsible investing best practices throughout private markets, which is why we engage with leading organizations that set global standards and frameworks for responsible investing. Our active involvement and

partnership with these organizations is propelled by our desire to drive positive change and promote best practices across the industry. Our key collaborations are as follows:

ORGANIZATION	OUR INVOLVEMENT
 <p>GRESB <i>Member since: 2020</i></p> <p>GRESB provides validated ESG performance data and peer benchmarks for investors and managers to improve business intelligence, industry engagement and decision-making.</p>	<p>We have an investor membership with GRESB, giving us access to quality ESG data and analytics to assess our investments, evaluate ESG risks and opportunities and communicate with managers on their ESG performance. Our investment teams, particularly in Real Estate and Infrastructure & Real Assets, leverage this partnership.</p> <p>By integrating GRESB data into our analysis, we are able to enhance our assessments and promote better-informed engagement through benchmarking performance with the actionable ESG information available on the platform.</p>
 <p>IFRS <i>Member since: 2019</i></p> <p>The IFRS is a global nonprofit organization that offers a comprehensive suite of resources designed to help businesses and investors develop a shared understanding of enterprise value—how it is created, preserved and eroded. In 2022, the IFRS Foundation assumed responsibility of SASB.</p>	<p>We are members of the SASB Alliance and align our annual ESG Report with the SASB Asset Management & Custody Activities Standards.</p> <p>We use the SASB Materiality Map to assess ESG risks at the GP, fund and asset levels and have integrated it systemically into our investment due diligence process through SPI, StepStone's Private Markets Intelligence system.</p>
 <p>TCFD <i>Supporter since: 2019</i></p> <p>The TCFD develops recommendations on what companies should disclose to support investors, lenders and insurance underwriters in assessing and pricing climate change risks. In 2017, the TCFD released climate-related financial disclosure recommendations to help companies provide better information to support informed capital allocation.</p>	<p>Supporting the TCFD aligns with our dedication to monitoring and reducing our carbon footprint and considering the impact of climate change in our investment strategy. Each year, we produce an annual TCFD report that highlights our progress in addressing climate change.</p>
 <p>Institutional Limited Partners Association (ILPA)</p> <p>ILPA engages, empowers and connects limited partners to maximize their performance on an individual, institutional and collective basis. ILPA delivers value to its membership through the following pillars of activity: events, industry affairs, education, research and content.</p>	<p>We are founding members of ILPA's Diversity in Action initiative. The initiative aims to drive industry-wide adoption of best practices. ILPA's Due Diligence Questionnaire (DDQ) and diversity metrics will help standardize investor questions and monitor progress in DEI. We provided feedback on the DDQ and diversity metrics template during its developmental phase.</p> <p>In addition, we are members of the ILPA-supported ESG Data Convergence Initiative, which seeks to create comparable ESG data points in the private markets.</p>

ORGANIZATION	OUR INVOLVEMENT	
 <p>PRI Principles for Responsible Investment</p>	<p>PRI <i>Signatory since: 2013</i></p> <p>The PRI is a leading proponent of responsible investment. It works to understand the investment implications of ESG factors and to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions.</p>	<p>We have been signatories of the PRI since 2013 and actively participate in various initiatives and work groups. In 2022, our Global Head of Responsible Investment, Suzanne Tavill, was selected as one of five signatory representatives to serve on the PRI's Private Equity Advisory Committee.</p>
 <p>INVEST EUROPE</p>	<p>Invest Europe <i>Member since: 2013</i></p> <p>Invest Europe aims to promote a better understanding of private equity that enables members to invest capital and expertise in improving businesses and generating returns for investors, free from unnecessary regulation and constraints. Invest Europe is the world's largest association of private capital providers.</p>	<p>We are members of both the Non-Financial Reporting Directive (NFRD) Workgroup and the Sustainable Finance Disclosure Regulation (SFDR) Workgroup of Invest Europe. By participating in these work groups, StepStone is able to learn and contribute to the ongoing discussions and initiatives related to nonfinancial reporting and sustainable finance. StepStone also provides feedback on the development of guidance modules.</p>
 <p>PENSIONS FOR PURPOSE</p>	<p>Pensions for Purpose <i>Member since: 2019</i></p> <p>Pensions for Purpose exists as a bridge between asset managers, pension funds and their professional advisers to encourage more capital to be allocated toward impact investment.</p>	<p>We are members of Pensions for Purpose and have played an active role in the organization. In 2021, our RI and Investor Relations team delivered educational training on impact investing, aimed at sharing knowledge and contributing to the wider industry. The training focused on topics such as the impact universe, integrating impact considerations into the investment process, and impact measurement and reporting.</p> <p>We were pleased to win the Best Strategy Thought Leadership award for our white paper "Making an Impact: a Guide for Private Market Investors" at the Pensions for Purpose Content Awards 2022.</p>
 <p>Ownership Works</p>	<p>Ownership Works <i>Partner since: 2022</i></p> <p>Ownership Works is a nonprofit organization that partners with companies and investors to provide employees opportunities to build wealth at work.</p>	<p>In 2022, we became a member of a coalition of businesses, philanthropic organizations, financial institutions, labor supporters and pension funds that acknowledge the potential of employee ownership to enhance the success of companies and provide all workers with financial opportunity. Our CEO, Scott Hart, holds a position on the Pension Fund Leadership Council.</p>
 <p>VentureESG/.</p>	<p>VentureESG <i>Member since: 2022</i></p> <p>VentureESG is a global community of 300+ VC funds and 90+ limited partners (LPs), working to make ESG a standard part of due diligence, portfolio management and internal fund management in VC.</p>	<p>We are a member of the Limited Partner (LP) Working Group at VentureESG, where we collaborate with other industry players to share our perspectives on best practices and ESG expectations from the viewpoint of an LP.</p>

We are also committed to international frameworks and partner with a number of leading organizations specifically focused on climate change. Please refer to page 11 of our [2022 TCFD report](#) for an overview of our involvement with iCI, IIGCC, and the Paris Agreement as well as more information on how we incorporate the recommendations of the TCFD itself into our investment process and operations.

Responsible Investment Governance

We have a dedicated governance structure in place as part of our proactive approach to integrating responsible investment and ESG considerations throughout our business. At the forefront of this structure is the Responsible Investment Committee. Chaired by our Head of Responsible Investment, this committee plays a crucial role in overseeing the implementation of our Responsible Investment Policy across our investment activities and operations.

The RI Committee is made up of senior members from all business units and asset classes, with a total of 15 members and 1 observer. The team is committed to driving excellence across our investment activities and sustainable business practices, and they actively work to identify opportunities to align with relevant standards and frameworks and contribute to meaningful RI initiatives. The team utilizes our internal database to post research, new updates and progress in the area. They play a crucial role in promoting new initiatives, setting the standard for responsible investment practices and ensuring that we are always moving forward in our efforts to lead the way in the industry.

Our RI Committee members regularly exercise thought leadership in presentations at global meetings and events. In 2022, some examples included Pension Bridge ESG 2022, Private Equity International's Responsible Investment Forum and the AIF's Annual ESG and Sustainable Investing Symposium, among many others.

RI Committee



Suzanne Tavill
Partner,
Head of Responsible
Investment,
RI Committee Chair
Sydney



Simon Beer
Partner,
Infrastructure
& Real Assets
London/Toronto



John Bohill
Partner, Private Debt
Dublin/London



Jose Fernandez
Partner, Co-COO
Private Equity
La Jolla



Christian Frei
Partner,
Head of Risk
Zurich



Scott Hart
Partner, CEO
Private Equity
La Jolla



Jennifer Ishiguro
Partner, Chief Legal
Officer & Secretary
Legal
La Jolla



David Jeffrey
Partner,
Private Equity
London



Thomas Keck
Partner,
Head of Research
& Portfolio
Management
La Jolla



Lindsay Redfield
Partner,
Venture Capital
Baltimore



Pooja Patel
Managing
Director,
Real Estate
London



Vita Schultz
Managing Director,
Data Science
& Engineering
La Jolla



Vanessa Sloan
Managing Director,
Real Estate
London



Bhavika Vyas
Managing Director,
Impact
New York



Riaan Potgieter
Principal,
Infrastructure
& Real Assets
London



Dawn Powell
(Observer)
Principal,
Impact
New York

KEY RESPONSIBLE INVESTMENT POLICIES

Responsible Investment Policy

Adopted: March 2014
Last updated: October 2022

Our Responsible Investment Policy is the foundation of our commitment to incorporating ESG factors in our investment process and internal operations. This policy is designed to provide a comprehensive assessment of ESG factors throughout the entire investment process, from due diligence to post-investment engagement.

Stewardship Policy

Adopted: October 2022

We have long recognized the crucial role of effective stewardship in the private markets, especially considering the long-term investment relationships and holding periods. Expanding on this, we implemented a stand-alone Stewardship Policy in 2022 to reflect our increased focus on this area. The policy is supported and guided by our core values, which place the fiduciary duty to our clients at the forefront of all operations and decision-making processes.

Our stewardship efforts are driven by the belief that we have a responsibility not only to generate economic value but also to contribute to a more sustainable economy and build an enduring organization.

Climate Policy

Adopted: October 2022

Our Climate Policy sets out our approach to incorporating climate change considerations throughout our investment process, engagement with stakeholders and within internal operations.

StepStone fundamentally believes the integration of climate considerations in our investment process will lead to improved and sustainable risk-adjusted returns, as well as protect value for our clients. Our policy highlights our ongoing commitment to addressing the risks and opportunities that climate change poses.

All RI-related policies are publicly available and can be viewed on our website. The RI Committee, led by our head of Responsible Investment, oversees the implementation of these policies across all of our investment activities and operations. The Committee sees that these policies are reviewed and updated annually to align with best practices and guidelines from organizations such as the PRI and TCFD.

Responsible Investment Work Groups

Our RI governance structure includes five dedicated work groups for each asset class and corporate-level initiatives. These work groups are led by asset class specialists and the Global Head of RI, and they play a vital role in overseeing RI due diligence, monitoring and driving best practices across our investment activities. The work groups have ongoing interactions with our deal teams, meeting regularly to share information and research on ESG-related topics, assisting on how to navigate ESG issues that arise and providing guidance on how to approach key topics during due diligence.

The structure of the work groups is designed to give full support to our investment teams and to see that they are fully equipped to conduct thorough ESG due diligence and align with our RI priorities. Additionally, work groups promote consistency in the implementation of standards across the entire organization. By having a dedicated team of experts in place, we are able to stay at the forefront of the latest industry trends and developments in RI, and make informed decisions that align with our commitment to sustainability.

**Responsible Investment Training**

We believe that it is essential for our investment professionals and staff to be experts in RI-related matters. We have developed a variety of bespoke training modules that are tailored to each asset class and delivered multiple times per year by members of our RI team and supporting work groups, covering a range of topics such as RI governance, ESG integration and evaluation processes for primary, secondary and co-investments and impact investing. In 2022, our teams provided over 25 RI-related trainings across our offices. Additionally, we bring in outside specialists to provide training on specialized ESG topics, which included sessions on cybersecurity and blockchain in 2022. By providing our employees with a thorough understanding of RI, we are better equipped to drive positive change within our business and across the industry.

The Responsible Investing Process

As one of the leading allocators and investors within private markets, we advocate for the adoption of ESG integration that is aligned to best practices throughout the ownership chain.

We believe that assets managed with consideration of ESG issues deliver enhanced risk-adjusted returns, and can be more marketable on sale to the listed market, secondary or strategic buyers. Our investment process extends across four asset classes that are managed by our specialized private markets professionals: Private Equity, Private Debt, Real Estate and Infrastructure & Real Assets. We take every opportunity to advocate for change and to offer GPs a clear road map to improving their ESG performance with a focus on the following three areas:

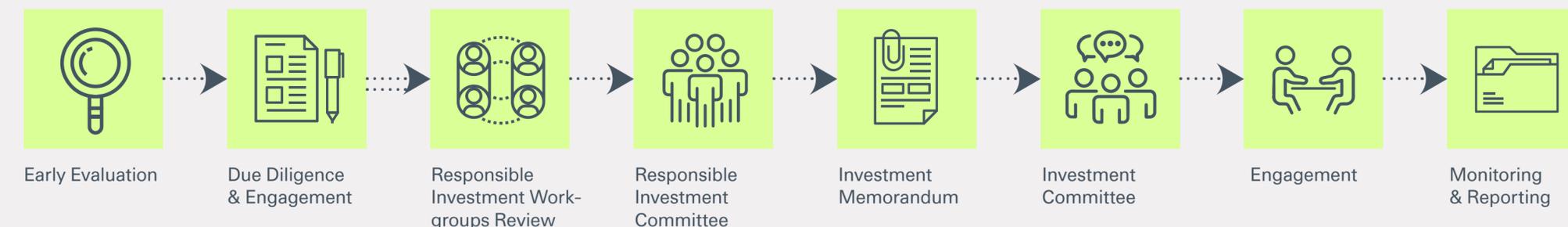
Climate Change

**Diversity,
Equity & Inclusion**

**Human Rights
(including modern
slavery)**

Our RI process reflects our commitment to integrating ESG considerations throughout our entire investment process and ownership life cycle. A detailed breakdown of our process can be found in our [2021 ESG Report](#), pages 26–30.

StepStone Responsible Investing Process



Investment Decisions Backed by Data Science and Engineering

We use advanced technology to inform our investment decisions and track ESG metrics. Our team of data scientists and engineers are committed to maintaining and improving our proprietary software platforms, ensuring that we remain at the forefront of the industry. This dedication to innovation helps us integrate ESG considerations into all aspects of our investment process and fulfill our responsibilities.

SPI

Private Markets Intelligence Database

Comprehensive access to research on all funds StepStone covers includes:

- Fund summaries
- Investment memos
- Track record analysis
- Benchmarks
- Responsible Investment due diligence and scorecard
- Diversity metrics

OMNI

Portfolio Analytics and Reporting

In-depth analysis on portfolio and underlying investments, including:

- J-curve and cash flow analysis
- Time period analysis
- Private market equivalent (PME) analysis
- RI/ESG metrics post-investment

A Comprehensive ESG Engagement Approach

We collaborate with GPs throughout the investment process through various methods such as meetings, on-site visits and questionnaires. Our due diligence and post-investment monitoring questionnaires contain in-depth ESG-related inquiries to evaluate the GPs' ongoing commitment and progress and are aligned with several globally recognized ESG frameworks, including:

- The PRI's Limited Partner Private Equity Due Diligence Questionnaire
- The ILPA Due Diligence Questionnaire
- The TCFD
- The ESG Data Convergence Initiative

The questions included in our questionnaires are categorized as follows:

- A. Policy and Commitment
- B. Pre-Investment
- C. Post-Investment
- D. Reporting and Disclosure
- E. Sustainable Finance Disclosure Regulation

Early Evaluation of Our Investments for ESG Risks

We conduct early evaluations of investments that may be exposed to heightened ESG risks (e.g., modern slavery risks) and/or have heightened sensitivity around certain geographic exposures. Before due diligence commences, our investment team will flag such exposures to the relevant RI work group and the RI Committee in order to determine the appropriate due diligence approach. Investments in sensitive sectors may fail to progress through the due diligence process very early on. In addition to complying with all client-mandated ESG processes, StepStone maintains a list of sensitive sectors that are subject to enhanced evaluation and escalated ESG due diligence in every asset class.

StepStone's ESG Scorecard

We use an ESG scorecard to evaluate primary investments. This scorecard helps with comparing GPs to their peers and tracking progress over time. The scorecard is divided into five areas of focus, each of which is rated on a scale of one to four:

Policy	Accountability	Investment Process	Reporting	Strategy
<ul style="list-style-type: none"> • Adoption of RI/ESG Policy • Alignment with recognized standards (i.e., PRI, TCFD, SASB) • Policy revisions and annual updates • Climate Change and DEI policies 	<ul style="list-style-type: none"> • Integration into responsibilities of investment professionals • Investment Committee oversight • Annual training and capacity building 	<ul style="list-style-type: none"> • ESG due diligence as a standard part of Investment Committee memorandums • Post-investment ESG value creation initiatives, as evidenced by case studies 	<ul style="list-style-type: none"> • ESG regularly addressed at Annual General Meetings and Limited Partner Advisory Committees • Establishment of a critical ESG incidents process • Tracking of ESG metrics and inclusion in periodic reports or separate sustainability reports 	<ul style="list-style-type: none"> • Indication whether sector(s) of focus may generate positive or negative environmental or social outcomes

In 2022, we conducted close to **100 GP engagements** on adopting an ESG policy, becoming a PRI signatory and implementing other ESG improvements.

Managing ESG in the Post-Investment Phase

After investing, we actively help GPs improve performance through our board seat positions, observer roles, participation in Annual General Meetings and Limited Partner Advisory Committee meetings, and over 3,700 annual meetings with GP leadership.

Responsible Investment Guidance Module for GPs

As part of our continuous post-investment engagement with GPs, StepStone created the RI Guidance Module as a resource for GPs, focused on a range of issues from ESG policy adoption and implementation to management of climate change risks and opportunities. In 2022, we updated the existing Private Equity GP RI Guidance Module, further customizing it to address specific improvement areas for each GP. Additionally, Guidance Modules for Venture Capital, Private Debt, Infrastructure & Real Assets and Real Estate GPs were created in 2022. These new modules demonstrate our increased focus on providing tailored support and resources for each asset class, further promoting responsible investing practices. Key elements across all of our guidance modules include:

- Forming/enhancing an ESG policy
- Key ESG frameworks for GPs
- RI governance structures and accountability measures
- Integrating ESG considerations in the investment process
- RI reporting
- Overview of key ESG issues: climate change, DEI and human rights

An Increased Focus on Venture Capital (VC)

Over the course of 2022, there was a focus on ESG integration across VC investments, following StepStone's acquisition of Greenspring Associates. We recognize that VC is relatively early in its ESG journey, and we are dedicated to supporting our investment team and VC GPs in their approach to responsible investing. Key elements of our approach in 2022 included:

- Providing VC-related RI training for our investment teams (e.g., ESG in blockchain) and dedicated ESG training sessions for our VC team
- Adapting our existing RI due diligence processes to address the unique needs of VC investments
- Creating our newly established RI Guidance Module for VC GPs, which addresses the unique differences between VC and other types of investments, such as PE buyout. The new resource is designed to support VC GPs and help them integrate ESG considerations into their investment process.
- Actively participating in and supporting external initiatives, including VentureESG (member of the LP Working Group) and the PRI's Venture Capital Network (providing feedback on the PRI's RI DDQ for VC LPs)



SPOTLIGHT ON OPERATIONAL DUE DILIGENCE (ODD)*Operational Alpha: Supporting Emerging Managers to Enhance Governance Practices*

StepStone's ODD team oversees operational assessments across our global platform, helping enhance clients' overall asset allocation by reducing operational risk. Our dedicated team works with emerging managers to identify, measure and assess all relevant operational risks, and to help put in place an institutional platform to manage risks.

To further our ability to support emerging managers, we have formalized our engagement process through a program titled Operational Alpha. This program aims to optimize emerging managers' operational performance to reduce costs, improve efficiency, meet regulatory requirements and better serve investors. Our ODD team provides tailored recommendations and works with the GP to mitigate risks across the following areas: fraud, operational, regulatory and headline risk.

Example areas of engagement include:

- Fund Operations: people, counterparties, back-office workflows and insurance requirements
- Fund Cash Management: bank account management and cash transfer process
- Valuation: best practices and oversight
- Compliance: key regulatory requirements and background checks
- Technology: IT systems and infrastructure, business continuity and cybersecurity
- Vendor Selection: track key vendors as a resource for emerging managers
- Asset Class Specific Best Practices (e.g., digital assets, VC, private debt)
- Aggregation of data on key industry trends to develop operational benchmarks

We understand that a manager with a solid governance structure in place is better equipped to enhance governance within their portfolio companies. By providing this support, we are not only helping to strengthen the governance aspect of ESG at the manager level, but also strengthening our relationships with these managers.

Our ODD team's work with emerging managers is one example of our responsible investing approach in action. Through our Operational Alpha program, we can provide targeted support to emerging managers and help foster partnerships and improve processes for the benefit of all investors.

"StepStone's ODD team spent hours reviewing each policy, explaining best practices and providing actionable feedback to bring our policies up to that of institutional funds. Not only did it streamline our fundraising process with StepStone, but the policies, procedures and Code of Ethics we've put in place ensured a streamlined process with other current and prospective investors."

—Feedback from an emerging manager

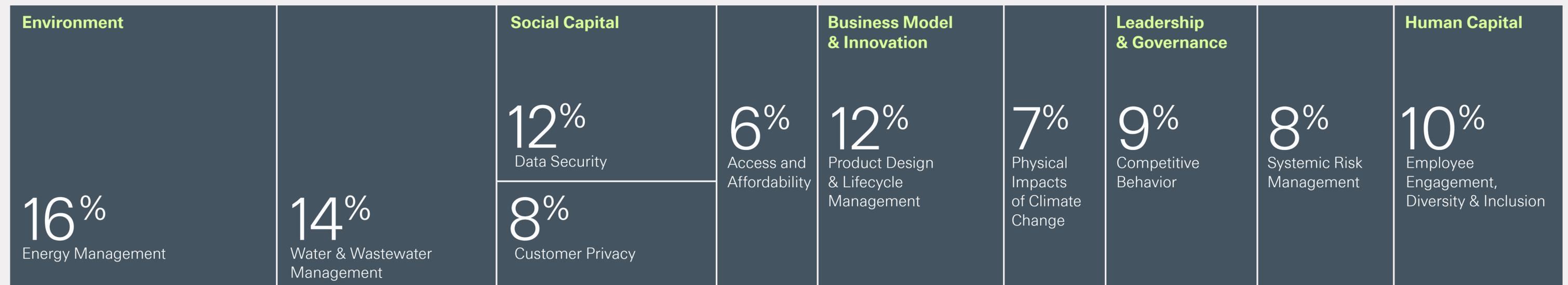
Identifying Potential ESG Risks

At StepStone, we use the SASB Materiality Map to help identify and evaluate sector-specific ESG risks and opportunities for companies across different industries. This tool is fully integrated into our proprietary platform, SPI, allowing us to make well-informed investment decisions and prioritize areas for engagement. Utilizing this map, we are able to identify the most prevalent risk exposures across our platform as outlined below. Our utilization of the SASB Materiality Map enables us to provide our clients with a customized heat map, showing the amount of net asset value (NAV) exposed to each risk. This information allows us to tailor our engagements with GPs and focus on the most prevalent ESG issues in their portfolios.

Human Rights Risks in the Investment Process

As one of our key areas of focus, we raise specific questions about GPs' approaches to human rights, including modern slavery, human trafficking and forced labor during our due diligence process. We ask about their policies and processes for addressing these risks in their investments, their history of critical incidents related to human rights, and whether human rights are a priority focus area for stewardship. For co-investments and direct secondaries, we also are focused on due diligence undertaken at the asset level with respect to exposure to human rights-related risks. This information is then taken into consideration when making investment decisions.

SASB Materiality "Heat Map": Top Ten General Issue Categories across the StepStone Platform



CASE STUDY

Identifying Human Rights & Climate Issues During Due Diligence

In 2021, we had the opportunity to make a co-investment in a farming business with supply chain concerns. The deal team reached out to our RI team to assess the impact of these issues on the feasibility of the investment's long-term performance and sustainability.

Our teams collectively carried out thorough due diligence, which included conducting a media scan of controversies around agricultural production, carrying out reference calls and reviewing third-party ESG due diligence. At the end of this process, the following key risks were highlighted:

Human Rights Concerns

Isolated agricultural sites in emerging markets pose heightened human rights concerns. There was evidence of violations occurring in this investment opportunity, including inadequate working conditions and pay being withheld from workers. Gender-related issues are also prevalent in the supply chain, due to the dominant role that men continue to play in the countries of operation. While our due diligence indicated that the number of gender-based incidents had decreased over time, we could not confirm current levels of occurrence with any certainty.

Climate Change Risk

Studies suggest that the areas suitable for farming will shrink due to climate change, as they will become hotter and drier. Plantations operate at moderate altitudes, and to reach a suitable climate in the future, they may have to increase in elevation and/or implement a different approach to the management of water supply. This can be done through improved irrigation, strain/genomic refinement and other growing procedures, with each solution requiring increased costs. Climate change may also lead to pressures on supply, resulting in revenue being at risk.

The RI team together with the deal team concluded that it would be difficult to fully mitigate the risk of social rights abuses, many of which are exacerbated by the complexity of supply chains. The investment also faces climate-related risks that require significant adaptation costs, particularly against the backdrop of an industry and a region that have historically underinvested in this area. With both human rights and climate change determined as material risks from the ESG perspective at StepStone, this opportunity was declined and stands as an example of our ESG due diligence process in action.



Escalation of Critical ESG Incidents

We consider critical ESG incidents to include violations of ESG policies, breaches of codes of conduct or any incidents that have a significant negative impact on reputation and/or asset value. Examples of such an incident include:

- Serious injuries or deaths of employees and/or customers
 - Workplace accidents: operational health and safety issues
 - Product safety issues
- Pollution beyond big events such as oil spills or any activity out of compliance with regulations governing disposal of hazardous waste or pollutants
- Exposure to modern slavery in the supply chain
- Data breaches
- Litigation
- Fines or warnings
- Whistleblowing

We ask GPs to disclose any significant ESG incidents that have occurred in their portfolio or within their own organization prior to investing. Post-investment, we expect GPs to communicate and report any critical ESG incidents during the holding period. This entails setting up communication channels with portfolio company management.

StepStone has a systematic approach to escalating and addressing ESG incidents when they do occur. Our process involves working with the GP or company management to understand how the issue is being resolved and making improvements to policies and procedures as needed. Incidents are also evaluated to determine if they reflect broader cultural or systemic issues.

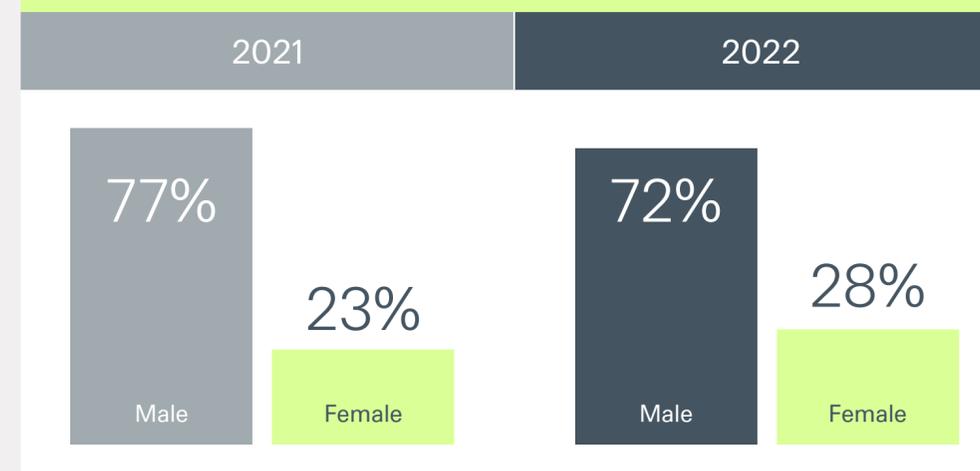
DEI Considerations in the Investment Process

DEI has accelerated as a prominent topic in private markets, as many firms recognize the importance of promoting DEI at both the firm and the portfolio level. At StepStone, we understand the power of DEI in driving strong business decisions and fostering creativity. Therefore, we take a thorough approach to assessing DEI considerations in our investments. We evaluate the GPs' DEI processes and performance at both the firm and investment level during due diligence. As shown in the graph below, GPs are improving in terms of gender diversity, with an average of 28 percent of investment teams reported as female in 2022, up from 23 percent in 2021.

Nonetheless, there remains significant room for improvement in terms of representation, and we continually seek opportunities to engage and support GPs in addressing DEI-related issues after investing. We share our expertise on best practices and assist GPs in designing bespoke DEI strategies that will best drive them forward. We are dedicated to providing GPs and portfolio companies with the resources and support they need to promote DEI in their organizations, through efforts such as helping with the implementation of recruitment and retention initiatives and tracking DEI metrics.

Please also refer to [page 47](#) for information on our investments in diverse managers.

GP Level: Gender Diversity of Investment Professionals¹



SPOTLIGHT

STEPSTONE'S PARTNERSHIP WITH OWNERSHIP WORKS

Ownership Works aims to catalyze a groundswell of interest in employee ownership across corporate America, and develop and implement broad-based employee ownership programs to create better financial opportunities for employees. The organization was launched with the support of over 60 partners across the private, public and nonprofit sectors.

In 2022, StepStone joined a consortium of corporations, foundations, investors, labor advocates and pension funds that recognize the power of employee ownership to unlock new levels of success for companies while creating a pathway to wealth creation for workers. Our CEO, Scott Hart, holds a position on the Pension Fund Leadership Council.

Ownership Works anticipates that by 2030, the shared ownership movement will create hundreds of thousands of new employee-owners and generate at least \$20 billion of wealth for working families. This movement has the potential to extend ownership to millions of lower-income workers and people of color who have been excluded from the wealth-building opportunity for generations.

¹ The group of GPs reported on differs between 2020, 2021 and 2022, and excludes Greenspring GPs pre-acquisition.

Investing in Diverse Managers

Investing in diverse managers brings a broad range of perspectives, experiences and skills to the table, leading to more innovation and reducing the chance of bias in the decision-making process. In our view, to be diverse, funds must have at least one of the following attributes: One-third of ownership counts as diverse; one-third of carry goes to diverse individuals; or one-third of individuals covered by a fund's key-person clause are diverse.

These managers are not only diverse in terms of their leadership teams but funds also tend to be smaller and younger in general. Nearly three-quarters of diverse-managed private equity funds are new or emerging, and 90 percent are smaller than \$1 billion. We endeavor to seek and invest in diverse managers and believe that they have the potential to yield strong returns, and also have the power to drive positive change and promote diversity and inclusion within the industry. By supporting diverse managers, we aim to create more equitable and sustainable outcomes for all.

We have built relationships with diverse managers globally, providing us with unique access and insight into investment opportunities that we believe can generate attractive performance. Our team has a long track record of investing in diverse managers across primaries, co-investments and secondaries, and we are able to offer our clients exposure to this undercapitalized strategy.

Since our inception, StepStone has approved \$32+ billion in primary, co-investment and secondary commitments to diverse-owned GPs across all asset classes.¹



“Diverse teams bring diverse perspectives, which leads to better decision-making, and ultimately, better investments. By investing in diverse managers, we are not only promoting equity and inclusion but also building enduring portfolios and driving long-term outperformance on behalf of our clients.”

Natalie Walker
Partner

SPOTLIGHT WHITE PAPER

Fight the Urge (To Cut Back on Small Buyouts)

In times of economic struggle, institutional investors tend to adjust their portfolios by allocating more to safe options like private debt and real assets. This often comes at the expense of emerging and diverse managers, who are seen as riskier than larger, established managers. At StepStone, we advocate for these small-market buyouts, as they offer a unique opportunity for growth and diversity in the portfolio. We explore this thesis more in our white paper titled [“Fight the Urge \(To Cut Back on Small Buyouts\).”](#)

¹ Since inception through December 31, 2022. Represents commitments to diverse managers across primaries, co-investments and secondaries across private equity, real estate, infrastructure & real assets, and private debt.

CASE STUDY

CHICAGO PACIFIC FOUNDERS

Investing in Diverse Managers with Chicago Pacific Founders

Chicago Pacific Founders is a female-founded, and -owned private equity firm focused on investing in innovative companies within the North American health care sector across specialty health care services, value-based care, and artificial intelligence (AI) and technology-enabled services.

Chicago Pacific Founders invests with a “founder-first” approach where they seek management teams that have strong buy-in and alignment with the firm’s vision before embarking on a transaction. We invested in their third fund in 2022, with our commitment to diversity and inclusion a driving force behind our investment decision.

Chicago Pacific Founders has a diverse team, with over 40 percent of their investment professionals and four out of six investment partners identifying as diverse. Their health-care-centric strategy also aligns with our responsible investing philosophy, with their focus on investing in companies that drive innovation, deliver better health and ultimately improve outcomes for providers and patients.

We consider investing in diverse managers to be important for several reasons. Research has shown that companies with diverse teams tend to outperform their peers, as they are better able to identify and capitalize on new opportunities. StepStone believes that companies with diverse leadership teams will ultimately perform better financially and drive more innovation.

Our investment in Chicago Pacific Founders has been a valuable opportunity for us to support a diverse team driving positive change in the health care industry. At StepStone, we advocate for investing in small market buyouts, like Chicago Pacific Founders, that offer a unique and often undervalued opportunity for growth in times of economic downturn. We will continue our collaboration with Chicago Pacific Founders as a value-added partner as their founder-focused approach continues to help improve the delivery of health care to diverse populations across North America.



OVERVIEW OF ESG INTEGRATION ACROSS ASSET CLASSES

Private Equity

Solutions that beat the benchmarks

StepStone Private Equity creates customized portfolios for clients using a disciplined and research-focused approach, covering the spectrum of private equity opportunities from venture to growth equity, and small to mega buyouts. Through our multifaceted investment approach, we have developed close relationships with many established and emerging managers around the world. Our extensive experience and high-quality investment process drive better-informed decisions on behalf of our clients.

Across private markets, the private equity asset class remains behind with respect to adopting RI policies and becoming PRI signatories and TCFD supporters. In 2022, we enhanced our approach to engaging with private equity GPs, with a focus on VC GPs, by providing new resources and support dedicated to this asset class to increase the adoption of best ESG practices. More information on our efforts in VC can be found on [page 41](#).

Overview of Private Equity GPs' Key Governance Practices¹

Private Equity GPs who	2020	2021	2022
Have a Responsible Investment Policy	76%	84%	81%
Are PRI signatories	26%	28%	36%
Are TCFD supporters ²	1%	5%	8%



"At StepStone, we understand that incorporating ESG considerations in our private equity investments makes good business sense. By taking a long-term outlook, we can identify and invest in companies well positioned for future growth and success."

David Jeffrey
Partner

Total Capital Responsibility	Approved in 2022	Investment Professionals	Partners	Average Overall Private Equity GP ESG Score (1-4 scale) ³
\$310B+	\$42B	160+	32	2.2

All dollars are USD. Head count as of January 31, 2023. Data includes Greenspring Associates metrics. Total capital responsibility equals assets under management (AUM) plus assets under advisement (AUA), and is presented as of December 31, 2022. Reflects final data for the prior period (September 30, 2022), adjusted for net new client account activity through December 31, 2022. Does not include post-period investment valuation or cash activity. Approvals are LTM as of December 31, 2022, and represent StepStone-approved investment commitments on behalf of discretionary and nondiscretionary advisory clients. Excludes clientele that receive research-only, non-advisory services. Ultimate client investment commitment figures may vary following completion of final GP acceptance/closing processes.

¹ The group of GPs reported on differs between 2020, 2021 and 2022, and excludes Greenspring GPs pre-acquisition. In 2022, more VC managers were included in the scoring, which resulted in a decrease in the overall RI score for PE this year.

² Certain GPs have adopted TCFD recommendations but are not formal supporters. Figures exclude these GPs.

³ 2021-22

CASE STUDY

GI PARTNERS

Engagement to Support GI Partners' Responsible Investment Efforts

GI Partners is an alternative investment firm investing on behalf of leading institutional investors through its Private Equity, Real Estate and Data Infrastructure strategies.

We made our first investment in a GI Partners–sponsored fund in 2017 and a subsequent investment in 2020. Furthering our relationship with the firm, we joined GI Partners' Limited Partner ESG Committee in 2021.

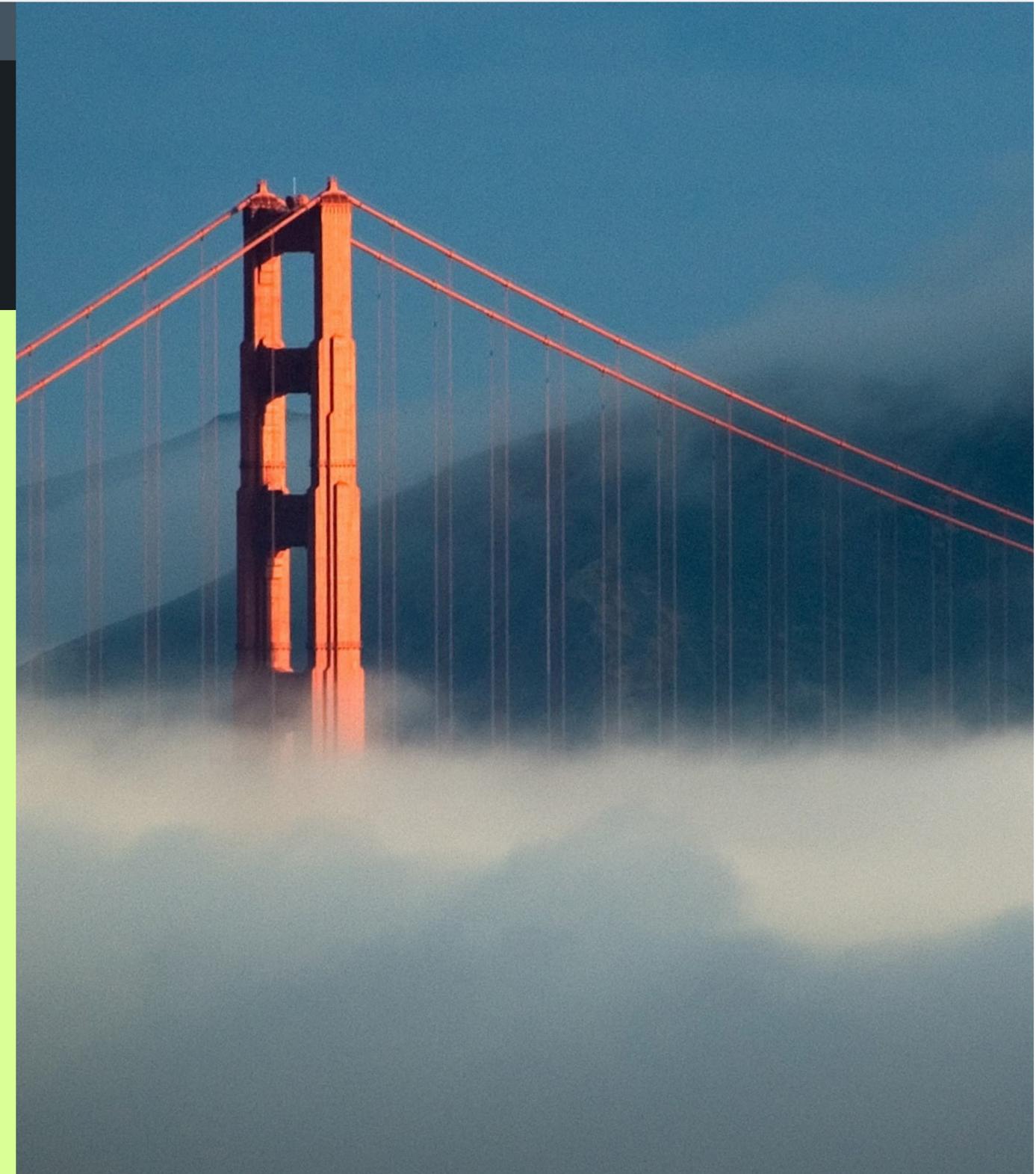
Since our initial investment, we have focused our engagement on supporting GI Partners' goals to continuously enhance their ESG practices. We have provided guidance on best practices for DEI, including DEI policy measures at the firm and portfolio-company level and initiatives around recruitment, retention and promotion. We have also highlighted the importance of transparent ESG reporting that aligns with global and industry standards.

In 2022, GI Partners made significant progress toward achieving their ESG goals. One of their key accomplishments was hiring a Head of ESG to lead the firm's efforts in this area. They also held an inaugural ESG summit for their portfolio companies, bringing together portfolio-company executives to discuss material ESG topics for value creation and risk minimization, such as labor practices, energy management, business ethics and DEI.

In addition to these efforts, GI Partners implemented key DEI initiatives including (1) requiring at least one woman and one underrepresented minority candidate to be interviewed for all open positions within the firm, (2) requiring at least one woman and one underrepresented minority candidate to be interviewed for open executive-level positions at all majority-controlled portfolio companies and (3) having board diversity targets at all majority-controlled portfolio companies. GI Partners also recently became a signatory of ILPA's Diversity in Action (DIA) initiative. DIA brings together GPs and LPs who are committed to advancing DEI in the private equity sector.

GI Partners further demonstrated their commitment to transparency and investment monitoring by submitting annual PRI reports, collecting KPI data from select portfolio companies in line with the ESG Data Convergence Initiative, and submitting GRESB reports for their Real Estate investment vehicles.

The firm has continued to make meaningful improvements to their ESG practices. The firm's efforts, such as participating in ILPA's Diversity in Action initiative, improving their recruiting processes and conducting bottom-up carbon footprint analysis for select portfolio companies, are all notable achievements. We look forward to continued collaboration with GI Partners as they advance their ESG performance and strive to meet their goals.



OVERVIEW OF ESG INTEGRATION ACROSS ASSET CLASSES

Private Debt

Flexible solutions for illiquid debt markets

StepStone Private Debt focuses on privately negotiated transactions in corporate, real estate and infrastructure debt to deliver solutions that can help preserve capital and target attractive risk-adjusted returns.

The percentage of private debt GPs with an RI policy continues to increase year over year, reaching 96 percent in 2022. Similarly, the percentage of GPs that are PRI signatories and TCFD supporters has increased significantly in 2022 compared to 2021. We view these trends positively, reflecting the increasing importance private debt GPs are placing on responsible investment across the market. We will continue to monitor these trends and engage with GPs on their approaches where applicable.



“ESG considerations are an integral part of our private debt investment strategy. We believe that a strong emphasis on ESG factors leads to more sustainable and resilient investments. ESG is integrated into our due diligence and monitoring processes and we aim to construct investment offerings that are in alignment with our clients’ ESG priorities, promoting a responsible approach to our investments.”

Christian Frei
Partner, Head of Risk

Overview of Private Debt GPs’ Key Governance Practices¹

Private Debt GPs who	2020	2021	2022
Have a Responsible Investment Policy	90%	93%	96%
Are PRI signatories	41%	53%	76%
Are TCFD supporters ²	7%	15%	34%

Total Capital Responsibility	Approved in 2022 ³	Investment Professionals	Partners	Average Overall Private Equity GP ESG Score (1-4 scale) ⁴
\$50B+	\$10B	70+	17	2.7

Head count as of January 31, 2023. All dollars are USD. Total capital responsibility equals assets under management (AUM) plus assets under advisement (AUA), and is presented as of December 31, 2022. Reflects final data for the prior period (September 30, 2022), adjusted for net new client account activity through December 31, 2022. Does not include post-period investment valuation or cash activity. Approvals are LTM as of December 31, 2022, and represent StepStone-approved investment commitments on behalf of discretionary and nondiscretionary advisory clients. Amounts may not sum to total due to rounding. Excludes clientele that receive research-only, non-advisory services. Ultimate client investment commitment figures may vary following completion of final GP acceptance/closing processes. The Private Debt investment team consists of 46 team members and leverages the debt expertise of the Firm’s dedicated Real Estate, Distressed and Infrastructure professionals & partners, which are included in the head counts presented above. Private Debt AUM/AUA and approved amounts include both Infrastructure & Real Assets debt and Real Estate debt.

¹ The group of GPs reported on differs between 2020, 2021 and 2022.

² Certain GPs have adopted TCFD recommendations but are not formal supporters. Figures exclude these GPs.

³ Approved amount includes incremental fundings of recycled/reinvested capital above the initial approved amount stemming from the revolving nature of certain Private Debt programs.

⁴ 2021–22

CASE STUDY

PRIVATE DEBT

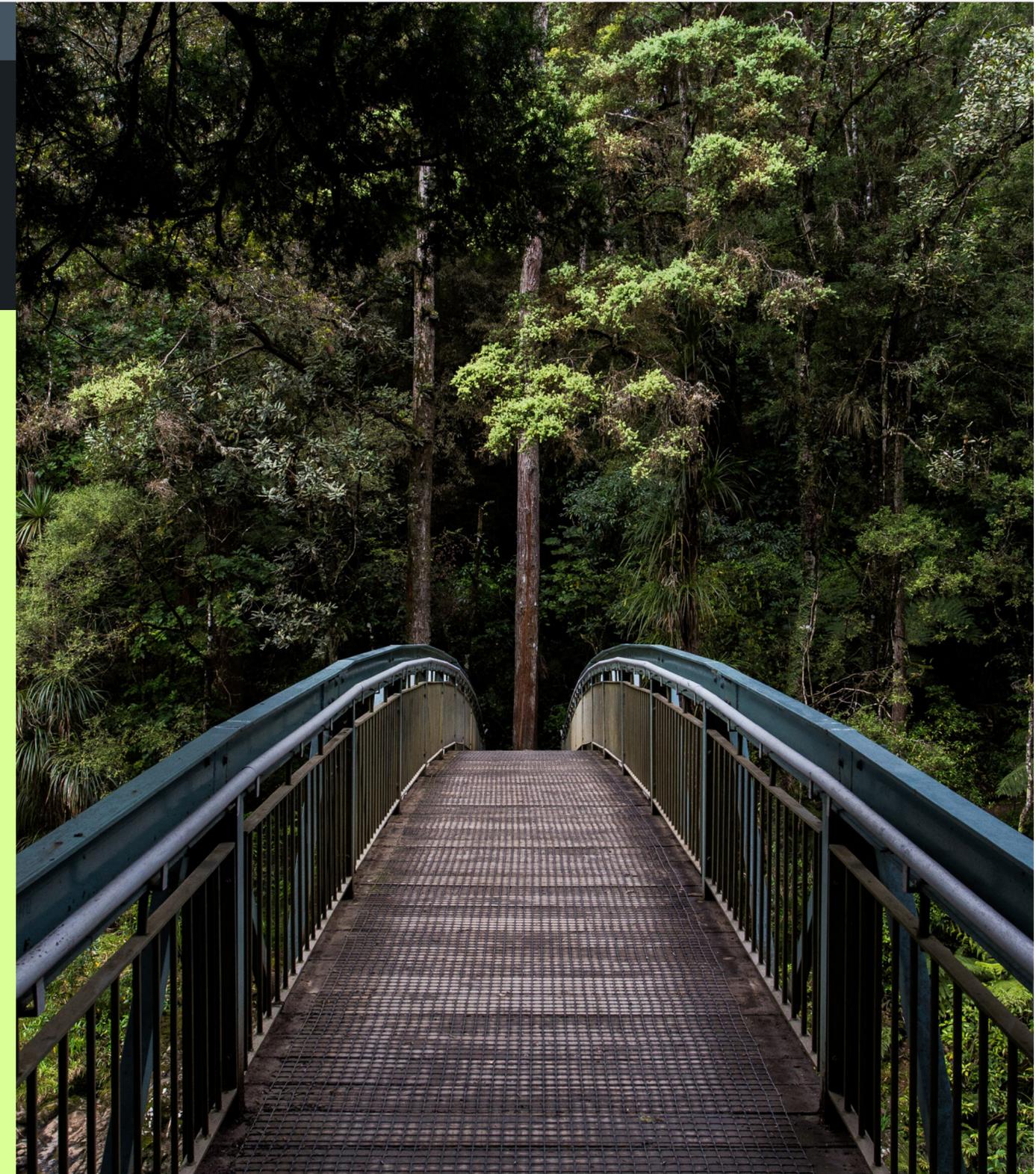
Utilizing ESG Margin Ratchets to Promote Sustainable Practices

ESG-driven loans incorporate margin ratchets as a mechanism to incentivize borrowers to meet ESG performance objectives. This mechanism reduces the interest payable by a predetermined amount if the borrower meets the defined set objectives. Failure to meet these objectives may result in an increase of interest payable, serving as a penalty to encourage the borrower to remain on track.

There has been a growing trend of ESG margin ratchets in direct lending, and StepStone believes that this is a positive development when best practices are followed. By incorporating ESG objectives into loan documentation, lenders are able to influence borrowers in a quantifiable and objective manner, promoting sustainability and responsible business practices.

Over 2022, we closely monitored the development of ESG margin ratchets and engaged with GPs in the United States and Europe that were not incorporating ESG-linked ratchets into their loans. During these engagements, we discussed the benefits of such structures and best practices that could be followed, highlighting the potential of ESG margin ratchets to drive sustainability. These GPs are currently contemplating incorporation of ESG-linked margin ratchets and StepStone will continue to advocate for this and monitor their progress.

ESG margin ratchets are an important tool for driving our responsible investment thesis. We believe that by encouraging the adoption of best practices in ESG margin ratchets, we can in turn promote the responsible and sustainable growth of the direct lending market.



OVERVIEW OF ESG INTEGRATION ACROSS ASSET CLASSES

Real Estate

Solutions to enhance risk-adjusted returns

StepStone Real Estate offers customized exposure to private real estate through our extensive investment expertise, broad research coverage and granular due diligence. We have built deep relationships in the private real estate sector, providing differentiated opportunities from an array of sources. We seek to optimize risk-adjusted returns and diversification by focusing on fund investments, secondaries, co-investments and recapitalization in partnership with managers we believe are best-in-class.

The percentage of real estate GPs with an RI policy increased marginally in 2022. More notable is the increase in PRI signatories, rising from 36 percent of GPs in 2020 to 53 percent in 2022. The percentage of TCFD supporters has likewise grown significantly, reaching a quarter of GPs in 2022.

Overview of Real Estate GPs' Key Governance Practices¹

Real Estate GPs who	2020	2021	2022
Have a Responsible Investment Policy	88%	91%	92%
Are PRI signatories	36%	46%	53%
Are TCFD supporters ²	8%	17%	25%



“We know that the built environment has a significant impact on the environment, local communities and end users. Integrating ESG considerations into our investment decisions not only aligns with our core values, it also helps us to identify potential risks and opportunities that can contribute to a more sustainable sector and long-term value creation.”

Vanessa Sloan
Managing Director

Total Capital Responsibility	Approved in 2022 ³	Investment Professionals	Partners	Average Overall Private Equity GP ESG Score (1-4 scale) ⁴
\$175B+	\$19B+	50+	9	2.6

Head count as of January 31, 2023. All dollars are USD. Total capital responsibility equals assets under management (AUM) plus assets under advisement (AUA), and is presented as of December 31, 2022. Reflects final data for the prior period (September 30, 2022), adjusted for net new client account activity through December 31, 2022. Does not include post-period investment valuation or cash activity. Approvals are LTM as of December 31, 2022, and represent StepStone-approved investment commitments on behalf of discretionary and nondiscretionary advisory clients. Amounts may not sum to total due to rounding. Excludes clientele that receive research-only, non-advisory services. Ultimate client investment commitment figures may vary following completion of final GP acceptance/closing processes. Real Estate AUM / AUA includes both Real Estate equity and debt.

¹ The group of GPs reported on differs between 2020, 2021 and 2022.

² Certain GPs have adopted TCFD recommendations but are not formal supporters. Figures exclude these GPs.

³ Approved amount includes approximately \$0.8B in Real Estate debt.

⁴ 2021-22

CASE STUDY

ELEVATION ADVISORS

Advancing ESG Practices in Health Care

Elevation Advisors is a specialist asset manager and investor focused on the European health care real estate sector. The firm partners with global institutional capital to gain access to this fragmented sector through Core-Plus and Value Add investments in both the credit and equity space. In 2018, StepStone made its first investment with Elevation in a portfolio of over 20 senior housing assets in the UK, which are leased to various health care and senior care home operators on long-term, inflation-linked contracts.

The investment thesis for this opportunity was driven by the significant undersupply of market standard senior housing in the UK, which has an expected shortfall of nearly 300,000 beds with wet-room facilities by 2023, representing 70 percent of care home demand in the UK. Additionally, the investment provides an opportunity to address a highly fragmented market in the UK, where the top operator represents less than 5 percent of total market share and the top 10 operators represent just over 20 percent of total beds. Strong operators are able to consolidate larger portfolios through purpose-built acquisition-leasebacks and forward fundings of new assets, delivering space that is adapted to meet the occupiers' future living and health care needs, as well as care quality standards, which supported the investment strategy.

Given that Elevation was an emerging manager at the time of our investment and given some of the sensitivities of investing in senior housing and health care sectors, StepStone took an active role in shaping Elevation's operations. This included assisting with the formation of the GP's board of directors, which brought more diversified operational, regulatory and governance expertise,

including two professionals with health care operations and capital markets experience, and guiding Elevation in the setup of robust operating policies and systems. This resulted in the formation of internal committees and policies, including developing an ESG policy in alignment with the PRI.

Elevation now plans to partner with its stakeholders to drive ESG improvements across the portfolio over the coming year. This includes conducting property assessments and identifying opportunities to improve energy efficiency, such as obtaining higher EPC ratings, BREEAM in-use certification, and conducting energy and sustainability audits. To enhance these efforts, the GP has hired an internal ESG Director to focus on initiatives such as drafting environmental action plans based on asset-level assessment reports, including outline proposals for capex and resource allocation needed to progress to sustainability-related outcomes and protect the future value of the assets, which are positioned for long-term owners and operators.

We are pleased with Elevation's progress on ESG matters and believe our engagement with the company has positively impacted various stakeholders and ultimately the end occupier. Our assistance with their operating policies and systems has enhanced overall governance and operations, helping them to form a concrete action plan and drive ESG best practices throughout their portfolio, which Elevation is proactively progressing in-house. We believe this has contributed to Elevation's continued growth and reputation in this sector, with AUM reaching £1bn as of February 2023 with a majority of its capital base represented by large institutional clients. StepStone has also continued to grow its relationship with Elevation, investing over £350mn across its various strategies.



OVERVIEW OF ESG INTEGRATION ACROSS ASSET CLASSES

Infrastructure & Real Assets

Innovative solutions for a maturing sector

StepStone Infrastructure & Real Assets provides tailored solutions to meet the needs of institutional investors at any stage of their investment program. We have developed a distinctive global model for sourcing and reviewing opportunities across multiple jurisdictions and investment strategies. We seek opportunities in social and economic infrastructure to deliver solutions that can preserve capital, diversify portfolios and potentially generate stable cash flows.

Infrastructure & Real Assets GPs continue to lead the way in private markets with respect to key governance practices. As of 2022, 100 percent of GPs report having an RI policy and 93 percent report being signatories of the PRI. The percentage of TCFD supporters has increased significantly since 2020, highlighting the rising significance of climate change considerations in this asset class.

Overview of Infrastructure & Real Assets GPs' Key Governance Practices¹

Infrastructure & Real Assets GPs who	2020	2021	2022
Have a Responsible Investment Policy	100%	100%	100%
Are PRI signatories	76%	92%	93%
Are TCFD supporters ²	24%	58%	67%



“Integrating ESG considerations throughout our investment and asset management activities supports driving superior risk-adjusted sustainable returns for our clients. Infrastructure and real assets are inherently linked to the environment and the communities that they operate in and need to manage the short- and long-term impact of their activities to enhance returns.”

Simon Beer
Partner

Total Capital Responsibility	Approved in 2022 ³	Investment Professionals	Partners	Average Overall Private Equity GP ESG Score (1-4 scale) ⁴
\$75B+	\$14B+	60+	11	3.1

Head count as of January 31, 2023. All dollars are USD. Total capital responsibility equals assets under management (AUM) plus assets under advisement (AUA), and is presented as of December 31, 2022. Reflects final data for the prior period (September 30, 2022), adjusted for net new client account activity through December 31, 2022. Does not include post-period investment valuation or cash activity. Approvals are LTM as of December 31, 2022, and represent StepStone-approved investment commitments on behalf of discretionary and nondiscretionary advisory clients. Excludes clientele that receive research-only, non-advisory services. Ultimate client investment commitment figures may vary following completion of final GP acceptance/closing processes. Infrastructure & Real Assets AUM / AUA includes both Infrastructure & Real Assets Equity and Debt.

¹ The group of GPs reported on differs between 2020, 2021 and 2022.

² Certain GPs have adopted TCFD recommendations but are not formal supporters. Figures exclude these GPs.

³ Approved amount includes approximately \$0.7B in Infrastructure & Real Assets debt.

⁴ 2021-22

CASE STUDY

PATRIOT RAIL

Engagement with Patriot Rail to Reduce Their Greenhouse Gas Emissions

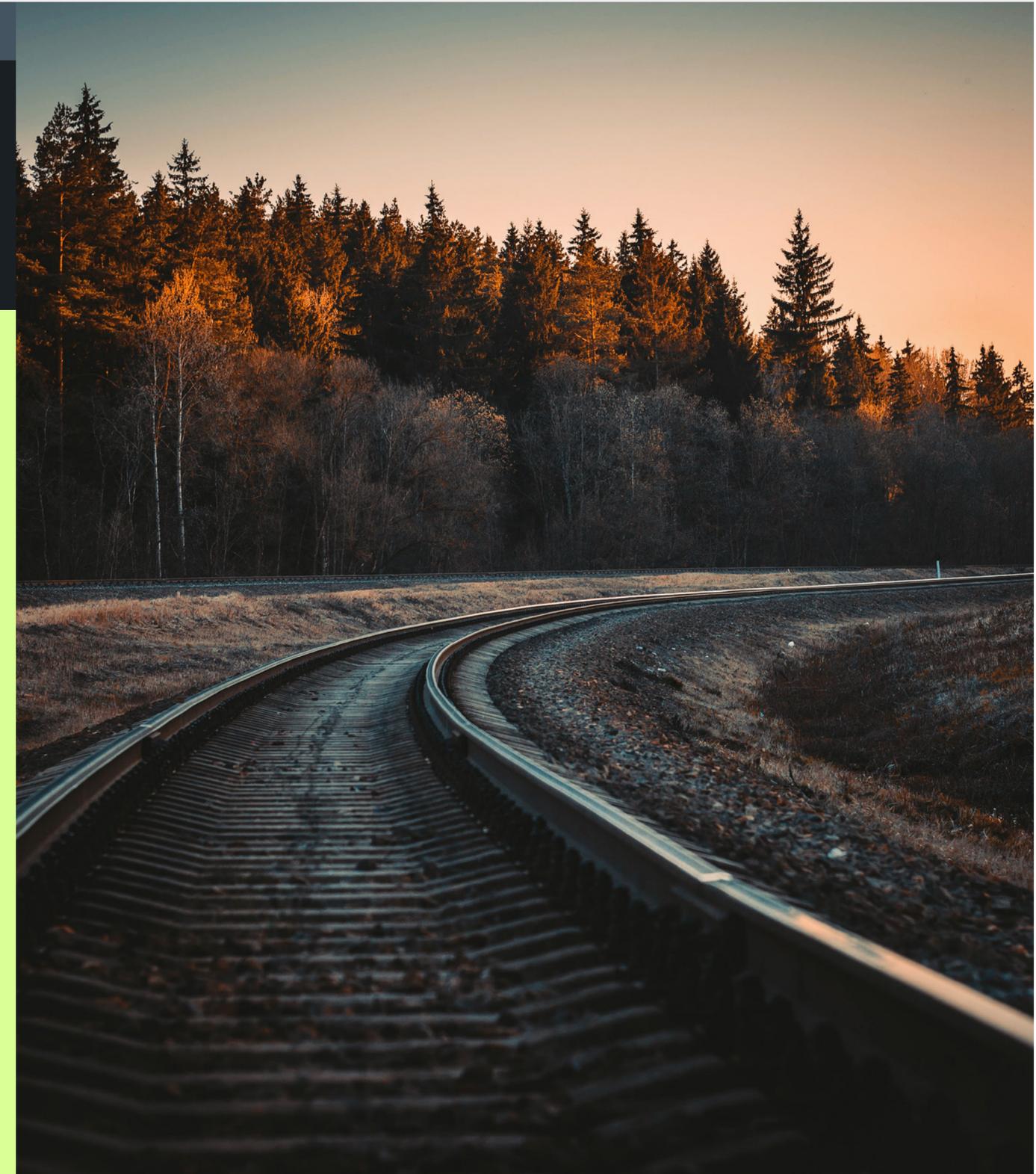
Patriot Rail is a portfolio of short-line railroads and related infrastructure assets that provide transportation and logistics solutions across 23 US states. StepStone invested in Patriot Rail in 2020, managing a meaningful minority interest on behalf of a client. From the onset, we engaged the seller and the management team, and we continue to be involved in both board and management capacities.

Short-line rail operations can be carbon intensive due to the use of heavy diesel locomotives. To address these challenges, Patriot Rail is engaged in several initiatives to lower their GHG inventory. These include piloting an electric locomotive and enacting Green Switch initiatives across properties to eliminate nonrenewable energy sources. Initiatives also include adding locomotive idling controllers that automatically shut down engines to prevent unnecessary fuel consumption and revisiting operations plans to optimize fuel efficiency. Furthermore,

Patriot Rail is also participating in the Environmental Protection Agency's SmartWay transportation initiative, which aims to improve supply chain efficiency in the freight transportation sector by improving fuel efficiency and reducing GHG and air pollution.

As a result of these initiatives, Patriot Rail has reduced their GHG inventory by 5 percent from 2021 to 2022. This achievement was driven by management and the board's desire to positively contribute to a global decarbonization effort and meet the expectations of clients focused on ESG and carbon reduction.

We are supporting Patriot Rail decarbonization initiatives by engaging in quarterly board meetings, a monthly company-level investment committee as well as monthly calls directly with the Chief Financial Officer and other shareholders. Our active involvement has enhanced Patriot Rail's commitment to decarbonization through the discussion of concepts such as LED light switches, support on seeking sustainable fuel and improved movement procedures.



Impact Investing

StepStone's Impact Investing Advantage

StepStone has a unique advantage for impact investing due to our integrated platform, which offers clients exceptional flexibility and access to a wide range of private market opportunities. This platform enables StepStone and our clients to create customized, high-quality investment programs that align with their impact goals. We believe our specialized impact/sector approach allows us to provide our clients assurance that their impact investments will be made with a deep understanding of specific sectors, prioritizing impact and long-term success.

Our specialized impact approach provides the following advantages:

\$17B+

Total Capital
Responsibility
as of 12/31/2022

700+

GP Relationships
as of 12/31/2022

1,100+

Funds in SPI
as of 12/31/2022

Deep Impact Investment Expertise	Team Composition	Access to Proprietary Information	Integrated Investment Approach	ESG and Impact Best Practices	Rigorous Impact Process
StepStone follows a well-structured, research-driven investment strategy that employs sector and impact specialists. Our specialists bring a combination of impact knowledge and investment expertise to the evaluation process, generating added value. We believe this approach sets us apart from other private market managers who use a generalist approach when analyzing the private markets.	StepStone attracts, trains and retains top-tier investment talent who prioritize investment principles. Our senior professionals are actively involved in both impact and investment due diligence, adding credibility and insight from their wealth of experience. Their senior-level involvement often elicits more detailed responses from GPs, whom we believe appreciate the attention they receive from StepStone. Additionally, we have a dedicated impact investing team that evaluates impact opportunities in collaboration with our sector teams.	We leverage our proprietary research and investment database, SPI, to keep track of data from thousands of companies, funds and general partners. Our portfolio analytics and reporting team also tracks comprehensive information on partnerships and GPs using our proprietary reporting database, Omni. By utilizing this information edge, we are able to make well-informed and strategic investment decisions.	We maximize the benefits of our global platform through an impact investment process that blends our proactive sourcing capabilities, analytical and investment expertise, proprietary information access and connections with leading GPs. We believe this integrated approach sets StepStone apart, providing unparalleled access and insights into the top impact investment opportunities in the market.	Our signatory status to PRI, support of TCFD and membership in SASB and GRESB demonstrate our commitment to ESG principles. We engage with GPs pre- and post-investment to address ESG issues and place a platform-wide focus on climate, combating modern slavery and promoting DEI in our investments. Our impact DDQ, monitoring and reporting processes demonstrate the rigor of our impact approach.	Our impact process is designed to tackle impact washing and greenwashing by adhering to industry standards and leading organizations such as the UN SDGs, the Impact Management Project, the Operating Principles for Impact Management and the Global Impact Investing Network's IRIS+ Catalog of impact metrics.

Impact Investing Overview

The size of the impact investing market has grown exponentially, with the global impact investing market exceeding \$1 trillion in 2022, according to a report by the Global Impact Investor Network. At StepStone, we recognize the importance of impact investing in private markets and are committed to providing our clients access to compelling opportunities. This includes emerging managers and funds under \$1 billion, which can be more challenging to identify and access yet have the potential to deliver strong returns and introduce progressive solutions to the market.

This section discusses the various impact themes and strategies that we employ to enable our clients to invest in companies that align with their values and are making a positive impact on society and the environment. To learn more about our Integrated Impact Framework, please refer to page 42 of our [2021 ESG Report](#).

Our Impact Investing Process

With the rise of impact investing, greenwashing or “impact washing” presents a major challenge for the industry, and global standards and practices are emerging to address this issue. At StepStone, we conduct additional due diligence at both the fund and asset level to maintain alignment with our impact approach and to combat impact washing. We utilize our proprietary set of tools to enable deep and consistent impact due diligence, including an Impact Theme Mapping, an Impact DDQ, an Impact Scorecard and an Impact KPI Catalogue. These tools are designed to be aligned with key best practice frameworks across the industry, including the UN SDGs, the Impact Management Project, the Operating Principles for Impact Management and the Global Impact Investing Networks’ (GIIN) IRIS+ metrics catalogue. StepStone works with clients to match their specific nonfinancial investment objectives to the SDGs, and track and report progress on SDG contribution.



“We are seeing a number of opportunities across strategies that are making a positive impact on society and the environment while simultaneously delivering attractive risk-adjusted returns. At StepStone, we believe that impact investing in private markets is only going to expand, so we are committed to leading the way in this space.”

Bhavika Vyas
Managing Director

StepStone Impact Theme Mapping

StepStone has developed a proprietary impact theme mapping process to identify what we believe are the most compelling opportunities to generate positive social and environmental outcomes coupled with commercial financial returns. Our mapping aligns with the UN’s 17 SDGs and captures investments across five themes that are categorized under “Environment” and “Social”:

ENVIRONMENT		SOCIAL		
Energy Transition	Natural Capital	Empowerment	Health	Sustainable Communities

When it comes to primary investments, in addition to the extensive ESG due diligence that we conduct as part of our RI process, we also perform a specific impact evaluation and scoring across five dimensions:

5 DIMENSIONS OF IMPACT EVALUATION AND SCORING				
Impact Potential	GP Alignment	Impact Measurement and Reporting	Impact Management	Impact Performance

For co-investments and secondaries, we perform impact due diligence to assess both the fund and asset level fit with our proprietary Impact Theme Mapping and across our key areas of diligence. We utilize the SASB Materiality map, as outlined in the RI section, to inform our analysis.

In terms of impact monitoring and reporting, our RI reporting is further customized with additional strategy-specific data points that are relevant to the specific themes and meet client reporting requirements. Based on our proprietary mapping methodology, we are also able to report on the likely contribution to the UN SDGs at both the GP and client portfolio level. Additional impact metrics will vary depending on the areas of impact that the investment is targeting.

ALIGNED FRAMEWORKS



SPOTLIGHT ON IMPACT INVESTING

Natural Capital

Nature has the ability to naturally absorb approximately 100 billion tons of carbon per year through processes such as photosynthesis. However, human activities have been reducing the ability of our soil, forests and seas to effectively sequester carbon. We know that we are currently emitting more carbon dioxide than these natural sinks can handle, and to combat climate change, it is crucial to reduce emissions and actively capture and store more carbon.

We at StepStone believe that investing in natural capital is crucial for capturing long-term value and creating sustainable returns. With natural assets still waiting to be correctly valued, we see a huge opportunity for investors that are willing to lean in

on natural capital. The private markets, with their long-term mindset and ability to find arbitrage opportunities in inefficient segments of the market, are uniquely positioned to gain an early-mover advantage in natural capital. This is similar to how the market for climate change evolved as an investment theme, where re-ratings have hurt some assets and helped others. We predict that LPs will see nature introduced into their investment programs either by GPs integrating it into their ESG frameworks and investment decisions, or by LPs carving out a new nature allocation.

Read more about StepStone's stance on investing in natural capital in our [TCFD Report](#) and in our 2022 white paper titled '[We Don't Value Nature.](#)'

Formation of the StepStone Impact Committee

StepStone's Impact Committee was formed to enhance our rigorous approach to impact investing. This committee has the ultimate responsibility of verifying that investments align with our impact investing goals and values.



Suzanne Tavill
Partner, Global Head of
Responsible Investing
Sydney



Darren Friedman
Partner, Private Equity, Co-Invest
New York



David Jeffrey
Partner, Private Equity, Europe
London



John Coelho
Partner, Private Equity, VC/Growth
La Jolla



Seyonne Kang
Partner, Private Equity, VC/Growth
Palo Alto



Jean Daigneault
Senior Managing Director,
Infrastructure & Real Assets
Toronto



Bhavika Vyas
Managing Director,
Responsible Investing
New York

CASE STUDY

AMBIENTA

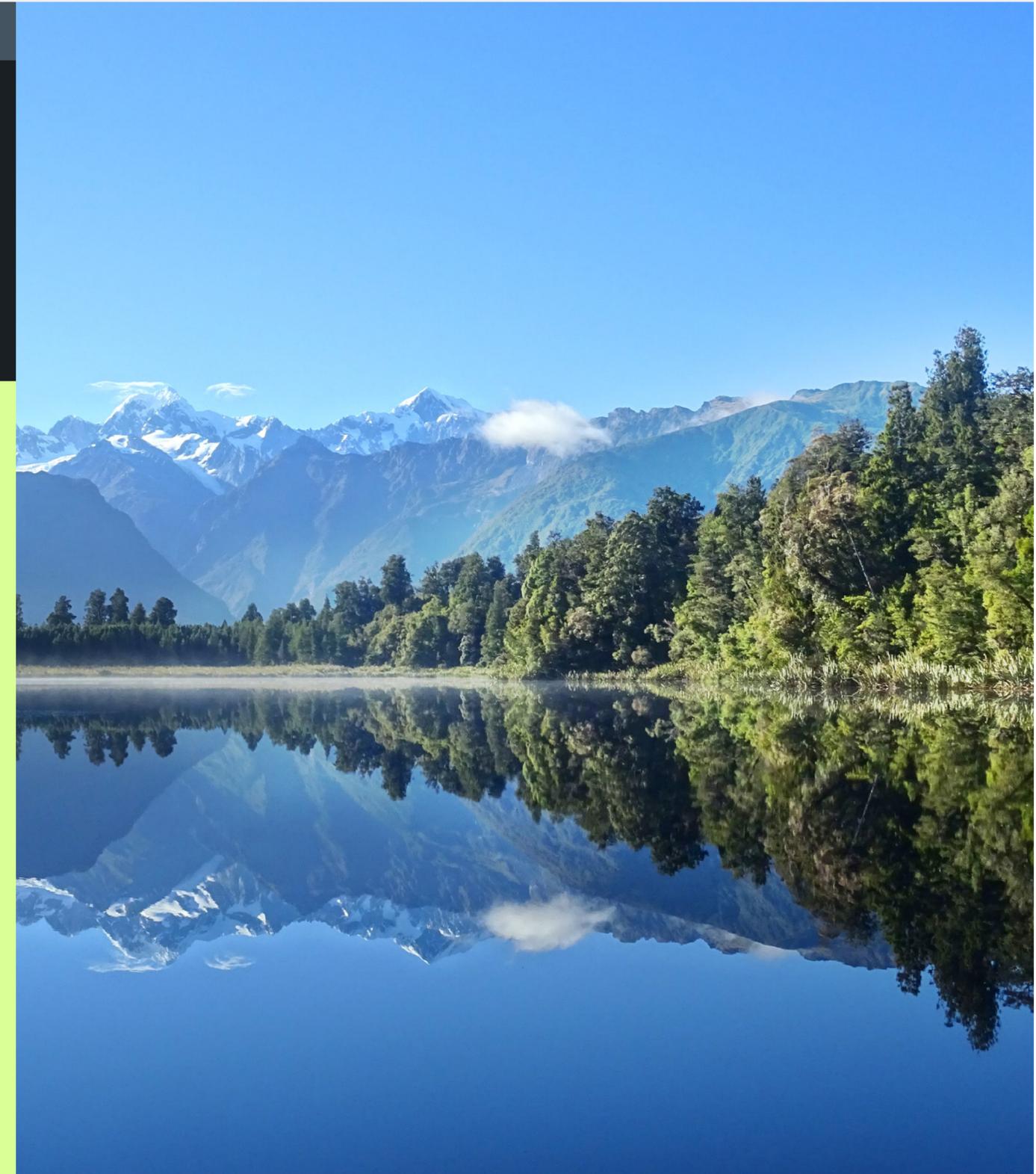
Investing in Alignment with Our Impact Themes: Energy Transition and Natural Capital

Ambienta is a leading asset manager that operates out of Italy, Germany, France and the UK. The firm's investment focus is on businesses driven by environmental sustainability, specifically resource efficiency and pollution control. StepStone first developed a relationship with Ambienta during Fund II in 2014 and most recently invested in Fund IV in 2022, and has built a strong partnership with the GP over the years.

StepStone's investment in Ambienta aligns with our Energy Transition and Natural Capital impact themes. The GP's expertise in identifying niche opportunities within the sustainable products and services sector, in combination with the firm's strong industry networks and experienced team, makes Ambienta a valuable partner in achieving positive environmental and financial outcomes.

With a research-driven investment approach and rigorous impact assessment framework, Ambienta is well positioned to invest in businesses making a real difference in the transition to a more sustainable future. Ambienta's dedicated Sustainability & Strategy team, alongside its industry experts, continuously analyzes the market to understand how resource efficiency and pollution control trends shape industries and create investable opportunities. Across its portfolio, Ambienta has a track record of generating tangible environmental impact and provides detailed reporting on progress. We recognize the GP as a leader in impact measurement and reporting, utilizing its proprietary methodologies to assess its portfolio's contribution to environmental goals through 11 key metrics.

This is one example of how StepStone seeks to invest in opportunities that generate financial returns, support innovation and advance environmental sustainability.





The Way Forward

Looking Ahead

As we move forward in 2023, our aim is to expand upon the impact we have made in our ESG efforts and integrate them more deeply into our business.

As we continue to grow and scale, sharing innovative approaches and solutions across our expanding platform will be key to our success in the face of a growing regulatory environment and increasing overall complexity. Our commitment to collaboration and open communication will be essential in achieving our ESG goals.

As the concept of impact investment evolves, we will remain diligent in our efforts to support our clients in aligning their agendas with their stakeholders' priorities and global frameworks such as the SDGs. We believe that it is essential for the industry as a whole to move beyond theorizing and toward action, and to drive this forward we will be increasing our focus on gathering tangible ESG data from portfolio companies.

We will continue our focus on human rights, and we plan to further broaden our efforts in this area and endeavor to drive more accountability across the private market industry in line with the principles set forth by the PRI and related organizations.

As the urgency of the climate crisis persists and is elevated by an increase in unprecedented natural disasters happening across the globe, we continue to drive this sense of urgency through our platform, advocating for the support of the TCFD and for GPs to not only start reporting on their emissions but set concrete goals and targets to reduce their impact. We are also looking ahead to what lies beyond the climate crisis, to the degradation of the natural world that is happening in parallel. Building upon our research in 2022, we will seek more opportunities to act as stewards of the environment, in particular through natural capital investments. We believe that the investment community has a critical role to play in creating a better future, and we will continue to advocate for the prioritization of the planet and finding more ways to work in harmony with the natural world.

We extend our gratitude to our stakeholders for their continued support and welcome their feedback as we strive to meaningfully progress on our ESG journey.



GRI Content Index

SASB Content Index



GRI & SASB Indices

GRI Content Index

Disclosure	Description	Response & Location
GRI 2: General Disclosures 2021: 1. The organization and its reporting practices		
2-1	Organizational details	<ul style="list-style-type: none"> • Name: StepStone Group Inc. (Nasdaq: STEP) is a global private markets investment firm focused on providing customized investment solutions and advisory, data and administrative services to its clients. "We," "us," "our," "StepStone" and similar terms refer to STEP and its consolidated subsidiaries, including StepStone Group LP, a Delaware limited partnership. • Location of Headquarters: 450 Lexington Avenue, 31st Floor, New York, NY 10017 • Telephone: (212) 351-6100 • Countries of Operation: We operate in 15 countries. Please refer to our webpage • Services and key activities: Form 10-K, Our Company, p. 8-30
2-2	Entities included in the organization's sustainability reporting	All consolidated entities of StepStone Group are included in this report. Please refer to page 80 of our 10-K for information on our business structure.
2-3	Reporting period, frequency and contact point	<ul style="list-style-type: none"> • ESG reporting period: January 1, 2022 - December 31, 2022 • Fiscal year end: March 31st • Publication Date: April 2023 <p>Please contact us at ESGreport@stepstonegroup.com for questions or comments about this report.</p>
2-4	Restatements of Information	None
2-5	External assurance	<ul style="list-style-type: none"> • StepStone did not seek external assurance for the 2022 ESG Report • The annual financial statement is assured by Ernst & Young LLP

Disclosure	Description	Response & Location
GRI 2: General Disclosures 2021: 2. Activities and workers		
2-6	Activities, value chain and other business relationships	<ul style="list-style-type: none"> • About StepStone, p.4 of 2022 ESG Report. • Services and key activities: Form 10-K, Our Company, p. 8-30 • StepStone works with third-party service providers, many of which go through a rigorous due diligence process.
2-7	<p>Employees:</p> <p>(a) permanent employees, and a breakdown by gender, race or ethnicity, and by region;</p> <p>(b) temporary employees, and a breakdown by gender, race or ethnicity, and by region;</p> <p>(c) non-guaranteed hours employees, and a breakdown by gender, race or ethnicity, and by region;</p> <p>(d) full-time employees, and a breakdown by gender, race or ethnicity, and by region;</p> <p>(e) part-time employees, and a breakdown by gender, race or ethnicity, and by region;</p>	<p>Human Capital Development, p.13-21</p> <p>(a) Total: 941</p> <ul style="list-style-type: none"> • Females: 351 (37%), Males: 589 (63%), Nonbinary: 1 (<1%) • White: 605 (64%), Asian: 186 (20%), Hispanic: 59 (6%), African American: 38 (4%), Two or More Ethnicities: 38 (4%), Native American or Alaskan Native: 1 (<1%), Native Hawaiian or other Pacific Islander: 2 (<1%), Did not Disclose: 12 (1%) <p>(b) We do not track this information for temporary employees.</p> <p>(c) There are no non-guaranteed hours employees.</p> <p>(d) Total: 936</p> <ul style="list-style-type: none"> • Females: 347 (37%), Males: 588 (63%), Nonbinary: 1 (<1%) • White: 600 (64%), Asian: 186 (20%), Hispanic: 59 (6%), African American: 38 (4%), Two or More Ethnicities: 38 (4%), Native American or Alaskan Native: 1 (<1%), Native Hawaiian or other Pacific Islander: 2 (<1%), Did not Disclose: 12 (1%) <p>(e) Total: 5</p> <ul style="list-style-type: none"> • Females: 4 (80%), Males: 1 (20%) • White: 5 (100%)
2-8	Workers who are not employees	There are two independent contractors engaged in work related to business development and research.

Disclosure	Description	Response & Location
GRI 2: General Disclosures 2021: 3. Governance		
2-9	Governance Structure	<p>Of the nine members of the board of directors of StepStone Group Inc., three are independent and form the Audit Committee. Additional board committees include a Compensation Committee and the Nominating and Corporate Governance Committee, both of which consist of two members of the board.</p> <p>Five members of the board are executive officers, non-executive officers or partners of the firm, and four members are outside directors (including the three independent directors).</p> <p>The board includes two women and two members of racial or ethnic minorities.</p> <p>Refer to:</p> <ul style="list-style-type: none"> • Board of Directors webpage • Corporate Governance webpage • Principles of Corporate Governance • Board Committee Composition webpage • Management Team webpage • Proxy 2022 Annual Meeting of Stockholders of StepStone Group Inc., p.1-10
2-10	Nomination and selection of highest governance body	<p>As part of the search process for each new director, the Nominating and Corporate Governance Committee charter requires that the committee endeavor to include members of underrepresented groups such as women, ethnically or racially diverse individuals and LGBTQ+ in the pool of candidates (and instruct any search firm the committee engages to do so) and to interview at least one woman and one racial or ethnic minority candidate.</p> <p>Refer to:</p> <ul style="list-style-type: none"> • Principles of Corporate Governance • Nominating and Corporate Governance Committee • Proxy 2022 Annual Meeting of Stockholders of StepStone Group Inc., Procedures for Recommending Individuals to Serve as Directors, p.6
2-11	Chair of the highest governance body	<p>Cofounder Monte Brem is the Chairman of the Board and also serves as Executive Chairman of the company.</p> <p>Scott Hart was named StepStone's sole Chief Executive Officer, effective January 1, 2022.</p> <p>Refer to:</p> <ul style="list-style-type: none"> • Monte M. Brem's biography • Scott Hart's biography

Disclosure	Description	Response & Location
2-12	Role of the highest governance body in overseeing the management of impacts	<p>Management is responsible for approving the organization's mission, vision, values, strategies, policies and due diligence processes related to sustainable development and responsible investments.</p> <p>The board delegates the responsibility of stakeholder engagement to the executive team based on the stakeholder category. The board and its committees meet periodically to review the effectiveness of the organization's processes with respect to ESG. ESG matters are a recurring agenda item at board meetings.</p>
2-13	Delegation of responsibility for managing impact	<p>The core responsibilities of the Board of Directors of StepStone Group Inc. include oversight of ESG matters, including:</p> <ul style="list-style-type: none"> • The shaping of effective corporate governance • Oversight of the firm's strategies and policies relating to human capital management, including with respect to matters such as DEI; workplace environment and culture; and talent development and retention • Oversight of the company's strategies and policies related to responsible investment and sustainability matters relevant to the firm's business <p>ESG at the corporate level is led and managed by senior management at the firm.</p> <p>The Responsible Investment Committee, which oversees ESG across our investment portfolio, is composed of cross-functional senior employees of the company and chaired by the Global Head of Responsible Investment.</p> <p>Refer to:</p> <ul style="list-style-type: none"> • Responsible Investment Policy
2-14	Role of the highest governance body in sustainability reporting	<p>Management delegates the responsibility of reviewing and approving the ESG report to the Responsible Investment Committee, of which the CEO is a member. Note: the RI Committee is not a board committee.</p>
2-15	Conflicts of interest	<p>The board has a process to promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest.</p> <p>Refer to:</p> <ul style="list-style-type: none"> • Code of Conduct and Ethics • Proxy 2022 Annual Meeting of Stockholders of StepStone Group Inc., P.1-10

Disclosure	Description	Response & Location
2-16	Communication of critical concerns	<p>Employees may raise concerns directly with the Chief Compliance Officer or the Chief Legal Officer on any matters of concern under the firm's Global Compliance Manual. In addition, employees may raise with their manager, or a member of the Human Resources Department, or the Chief Human Resources Officer, any matters of concern relating to labor and employment.</p> <ul style="list-style-type: none"> • StepStone maintains a Code of Conduct and Ethics, which is available on the website. Among other things, the code encourages all directors, executive officers and employees to report possible violations of federal securities laws, firm policy, or any other illegal or improper conduct, to the Chief Compliance Officer, the Swiss Capital Chief Compliance Officer, the Chief Legal Officer or the Chief Human Resources Officer, so that the report can be investigated and follow-up action taken. • Directors, executive officers and employees may report anonymously to the firm's whistleblower hotline, which is made available via web and phone, and accessible at any time. • The Audit Committee of the Board of Directors of StepStone Group Inc. has established procedures for receiving, retaining and handling reports of potential misconduct. • Once the firm receives a report of potential misconduct, the Chief Legal Officer and Chief Compliance Officer will jointly evaluate the report to assess the nature, scope and impact of the potential misconduct. The Chief Legal Officer will communicate "significant" reports of potential misconduct to the Chair of the Audit Committee promptly. Other reports are communicated to the Audit Committee at least quarterly, and more often at the discretion of the Chief Legal Officer. The Chief Compliance Officer also has the authority to communicate promptly and directly to the Chair of the Audit Committee about actual and alleged violations of law or the Code of Ethics. The Audit Committee Chair or, at the Chair's election, the full Audit Committee will determine the manner in which each significant report is to be investigated, and has the authority to engage outside counsel, forensic accountants and other advisers to assist in the investigation of a report. Other than for reports where the Audit Committee or its Chair has determined to handle the investigation differently, the Chief Legal Officer is responsible, under the oversight of the Audit Committee, for investigating reports of potential misconduct. • On a regular basis, the Chief Legal Officer communicates to the Audit Committee any material reports of potential misconduct received and summarizing, among other things, the manner in which the reports are being investigated, the status of any investigations, recommended remedial actions, and the disposition of any reports. • Our independent public accounting firm, Ernst & Young, also makes quarterly inquiries as to any reports that would constitute a material concern. • During the reporting period, there were no significant reports presented to the Audit Committee.

Disclosure	Description	Response & Location
2-17	Collective knowledge of the highest governance body	<p>The board is engaged through multiple channels and receives regular business updates including ESG-related matters such as governance, compliance, DEI and other critical issues.</p> <p>ESG matters are a recurring agenda item at board meetings.</p>
2-18	Evaluation of performance of the highest governance body	<p>The board and each of its committees conduct an annual self-evaluation to assess their respective performance. The ability of individual directors to contribute to the board is considered in connection with the renomination process. The Nominating and Corporate Governance Committee is responsible for developing, administering and overseeing processes for conducting evaluations.</p> <p>Refer to:</p> <ul style="list-style-type: none"> • Principles of Corporate Governance • Nominating and Corporate Governance Committee Charter
2-19	Remuneration policies	<p>The Compensation Committee annually reviews the compensation of directors. Director compensation is set by the board based on the recommendation of the Compensation Committee. Compensation consists of a combination of cash and equity. Outside directors do not receive compensation for service on the board. The board is responsible for setting annual and long-term performance goals for the CEO, evaluating the CEO's performance against those goals, and setting the CEO's compensation.</p> <p>Refer to:</p> <ul style="list-style-type: none"> • Compensation Committee Charter • Code of Conduct and Ethics • Proxy for 2022 Annual Meeting of Stockholders of StepStone Group, Executive Compensation, p.20
2-20	Process to determine remuneration	<ul style="list-style-type: none"> • The process is detailed in the Compensation Committee Charter.

Disclosure	Description	Response & Location
GRI 2: General Disclosures 2021: 4. Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Refer to: • Introduction, Letter from the CEO, p.8
2-23	Policy commitments: (a) policy commitments for responsible business conduct (b) policy commitment to respect human rights	(a) The Responsible Investment Committee's mandate is to develop StepStone's RI Policy, approach to ESG analysis and advocacy, and to provide firm-wide training. This committee is supported by a series of RI work groups. The RI policy addresses clauses related to human rights. (b) Material StepStone vendors complete a Vendor Due Diligence Questionnaire that has questions on human rights and ethical business relations.
2-24	Embedding policy commitments for responsible business conduct	The RI Committee is supported by a series of RI work groups. These work groups have specialist assets or functional knowledge and engage closely with the investment teams to effectively implement StepStone's RI processes. RI work groups review RI due diligence conducted by the investment teams before it is escalated for approval to the RI Committee. Research is carried out by StepStone's investment professionals, who are organized by sector and geography to promote broad and deep coverage of the private markets. The RI Committee approves ESG-focused due diligence in our investment memoranda before they are submitted to the relevant investment committee. RI training is conducted multiple times per year.
2-25	Processes to remediate negative impact	Refer to: • Code of Conduct and Ethics, Conflicts of Interest, p.2 - 4, Whistleblowers, p.5, and Administration and Enforcement, p.6 • Disclosure 2-16
2-26	Mechanisms for seeking advice and raising concerns	Refer to: • Code of Conduct and Ethics, Conflicts of Interest, p.2 - 4, Whistleblowers, p.5, and Administration and Enforcement, p.6 • Disclosure 2-16
2-27	Compliance with laws and regulations	During the reporting period, no fines or nonmonetary sanctions were incurred for noncompliance with laws or regulations. Additionally, during the reporting period, the SEC issued initial findings from an examination of Greenspring Associates, which covered a period prior to StepStone's acquisition of it in 2021. StepStone responded in 2022, and the examination is still ongoing. As a publicly traded company, we are required to disclose any material litigation and regulatory proceedings to which we are subject in our filings with the SEC, which filings are publicly available. There is no such proceeding reported for the reporting period for this report.

Disclosure	Description	Response & Location
2-28	Membership association	<ul style="list-style-type: none"> • PRI signatory. Member of the Private Equity Advisory Committee (2022), LP ESG DDQ Working Groups for PE and VC (2021/2022), Global Policy Reference Group, Practitioners Workgroup on the EU Taxonomy (2019/2020) • TCFD signatory • SASB Alliance member (now part of the IFRS Foundation) • GRESB member • Institutional Investors Group on Climate Change (IIGCC) • Member of Private Equity and Infrastructure Workgroups • initiative Climat International (iCI). Member of LP-GP Disclosure Workgroup • Invest Europe. Member of Responsible Investment Roundtable (2019/2020), work groups on NFRD and SFRD • ILPA Diversity in Action Initiative founding signatory • Pensions for Purpose influencer • ESG Data Convergence Initiative. Investment Manager member • Ownership Works. Member of the Pension Fund Leadership Council • VentureESG. Member of the LP Working Group <p>StepStone Real Estate is a member of the following real estate organizations:</p> <ul style="list-style-type: none"> • National Council of Real Estate Investment Fiduciaries (NCREIF) • Investors in Non-Listed Real Estate Vehicles (INREV) • Asian Association for Investors in the Non-Listed Real Estate Vehicles (ANREV) • National Association of Real Estate Investment Managers (NAREIM) • Pension Real Estate Association (PREA) • Urban Land Institute (ULI) • State Association of County Retirement Systems (SACRS) • Real Estate Limited Partner Institute (RELPI) <p>StepStone supports the below organizations to promote DEI:</p> <ul style="list-style-type: none"> • Girls who Invest • 100 Black Interns • Level 20 • PE WIN • PREA Foundation • Sponsors for Educational Opportunity (SEO) • Toigo Foundation • WAVE • TIDE (The Investment Diversity Exchange) • CFA Institute DEI Code

Disclosure	Description	Response & Location
GRI 2: General Disclosures 2021: 5. Stakeholder engagement		
2-29	Approach to stakeholder engagement	Please refer to page 7 of the 2021 ESG Report for an overview of our stakeholder engagement efforts.
2-30	Collective bargaining agreements	Currently, there are no employees covered by collective bargaining agreements. StepStone does not prevent any employee from participating in any collective bargaining efforts.
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	To establish which ESG priorities to include in this report, we implemented a materiality analysis in alignment with GRI recommendations in 2021. Stakeholders were asked to provide feedback via an online survey and through interviews with select participants. As a result of this approach, nine material topics that matter most to our stakeholders were identified. Please refer to page 7 of the 2021 ESG Report for an overview of our stakeholder engagement efforts and materiality analysis
3-2	List of material topics	(1) Ethics and Integrity (2) Compliance (3) Investing in the Energy Transition (4) Transparency and Public Disclosure (5) Cybersecurity (6) ESG Integration in Investments (7) Conflict of Interest (8) Talent Attraction, Development and Retention (9) Diversity, Equity & Inclusion
3-3	Management of material topics	The 2022 ESG Report and the GRI Content Index aim to cover the management approach of all material topics.
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed (EVG&D)	Refer to: • Form 10-K, p.125-132 • Form 10-Q, p.513
201-2	Financial implications and other risks and opportunities due to climate change	Refer to: • 2022 TCFD Report Risk Management section, p.12-14

Disclosure	Description	Response & Location
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	StepStone Infrastructure & Real Assets (SIRA) represents \$75B+ in Total Capital Responsibility as of December 31, 2022. Our investments support infrastructure projects that create direct and indirect positive impact on local communities through several sectors including clean energy, power and utilities, telecommunications, transport, asset leasing strategies, agriculture and timber. Our investments impact communities across Asia, Australia, Europe, Latin America and North America. Through our philanthropic activities, we support causes that are meaningful for the communities in which we operate. We have partnerships with a number of charities for which we donate, and encourage our employees to volunteer with. Refer to: • StepStone Group website, Asset Classes, Infrastructure & Real Assets • Philanthropy p.22-23
GRI 205: Anti-corruption 2016		
205-2	Communication and training about anti-corruption policies and procedures	• All board members are required to comply with the StepStone Code of Conduct and Ethics. The Chief Compliance Officer also provides updates on compliance to the board of StepStone Group Inc. • Anti-corruption training is delivered to all employees globally, as part of the firm's annual compliance training. All employees must pass a knowledge check on the training materials and attest to completion of the training module. In addition to the firm's Global Compliance Manual, the Code of Conduct and Ethics also requires high standards of integrity, honesty and ethical conduct and covers, among other topics, anti-bribery, political contributions, and gifts and entertainment. Our anti-corruption policies and procedures are communicated to our clients. Refer to: • Code of Conduct and Ethics • Audit Committee Charter
205-3	Confirmed incidents of corruption and actions taken	During the reporting period, no instances of confirmed incidents in which employees were dismissed or disciplined for corruption were identified. There were no instances where contracts with business partners were terminated or not renewed due to violations related to corruption, or public legal cases brought against the company or its employees due to corruption.

Disclosure	Description	Response & Location
GRI 302: Energy 2016		
302-1	<p>Energy consumption within the organization:</p> <p>(a) Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used.</p> <p>(b) Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used.</p> <p>(c) In joules, watt-hours or multiples, the total:</p> <ol style="list-style-type: none"> electricity consumption; heating consumption; cooling consumption; steam consumption. <p>(d) In joules, watt-hours or multiples, the total:</p> <ol style="list-style-type: none"> electricity sold; heating sold; cooling sold; steam sold. <p>(e) Total energy consumption within the organization, in joules or multiples.</p> <p>(f) Standards, methodologies, assumptions and/or calculation tools used.</p> <p>(g) Source of the conversion factors used.</p>	<p>(a) We have no direct fuel consumption as a part of our operations</p> <p>(b) We have no direct fuel consumption from renewable sources as a part of our operations</p> <p>(c) Total electricity consumption is 4,710 GJ. This includes both Scope 2 and Scope 3 electricity consumption</p> <p>(d) We have no electricity, heating, cooling or steam sold</p> <p>(e) Total energy consumption is 4,710 GJ. This includes both Scope 2 and Scope 3 electricity consumption</p> <p>(f) The Scope 1 and 2 GHG emissions inventory was calculated with the use of a SaaS platform Pathzero. Pathzero platform is created in line with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard and the WRI GHG Protocol Scope 2 Guidance.</p> <p>We provided the kWh consumption cost for 7 out of 16 locations and the spend on electricity for 4 out of 16 locations. The electricity usage was calculated based on environmentally extended input-output (EEIO) factors and country-specific electricity grid emissions factors. The electricity usage of 5 locations without electricity data was estimated based on the average electricity usage per floor area of the other 11 StepStone locations.</p> <p>(g) Conversion factors used: Ecoinvent Association 2021. Greenhouse Accounts (NGA) Factors 2020. Australian IELab EEIO Factors. Pathzero multi-region input-output (MRIO) emissions factors. Pathzero US EEIO Factors.</p>

Disclosure	Description	Response & Location
302-3	<p>Energy intensity:</p> <p>(a) Energy intensity ratio for the organization.</p> <p>(b) Organization-specific metric (the denominator) chosen to calculate the ratio.</p> <p>(c) Types of energy included in the intensity ratio, whether fuel, electricity, heating, cooling, steam or all.</p> <p>(d) Whether the ratio uses energy consumption within the organization, outside of it, or both.</p>	<p>(a) 5.01 GJ of energy used per full-time employee</p> <p>(b) Number of full-time employees</p> <p>(c) Electricity is included in the intensity ratio (includes both Scope 2 and 3)</p> <p>(d) The ratio includes only energy consumed within the organization</p>

Disclosure	Description	Response & Location
GRI 305: Emissions 2016		
305-1	<p>Direct (Scope 1) GHG emissions:</p> <p>(a) Gross direct (Scope 1) GHG emissions in metric tons of CO₂ equivalent.</p> <p>(b) Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃ or all.</p> <p>(c) Biogenic CO₂ emissions in metric tons of CO₂ equivalent.</p> <p>(d) Base year for the calculation, if applicable, including:</p> <ol style="list-style-type: none"> the rationale for choosing it emissions in the base year the context for any significant changes in emissions that triggered recalculations of base year emissions. <p>(e) Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</p> <p>(f) Consolidation approach for emissions; whether equity share, financial control or operational control.</p> <p>(g) Standards, methodologies, assumptions and/or calculation tools used.</p>	We have no Scope 1 emissions as a part of our operations.

Disclosure	Description	Response & Location
305-2	<p>Energy indirect (Scope 2) GHG emissions:</p> <p>(a) Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent.</p> <p>(b) If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent.</p> <p>(c) If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃ or all.</p> <p>(d) Base year for the calculation, if applicable, including:</p> <ol style="list-style-type: none"> the rationale for choosing it; emissions in the base year; the context for any significant changes in emissions that triggered recalculations of base year emissions. <p>(e) Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</p> <p>(f) Consolidation approach for emissions; whether equity share, financial control or operational control.</p> <p>(g) Standards, methodologies, assumptions and/or calculation tools used.</p>	<p>(a) 313 tCO₂e</p> <p>(b) N/A</p> <p>(c) CO₂, CH₄, N₂O, HFCs, PFCs and SF₆ gases are included in the calculation</p> <p>(d) The base year is CY2022</p> <p>(e) Pathzero uses AR5 in line with the GHG Protocol</p> <p>(f) Pathzero uses an operational control approach for emissions</p> <p>(g) The Scope 2 GHG emissions inventory was calculated with the use of a SaaS platform Pathzero. Pathzero platform is created in line with the <i>WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard and the WRI GHG Protocol Scope 2 Guidance</i>.</p> <p>We provided the kWh consumption for 7 out of 16 locations and the spend on electricity for 4 out of 16 locations. The electricity usage was calculated based on environmentally extended input-output (EEIO) factors and country-specific electricity grid emissions factors. The electricity usage of 5 locations without electricity data was estimated based on the average electricity usage per floor area of the other 11 StepStone locations.</p>

Disclosure	Description	Response & Location
305-3	<p>Other indirect (Scope 3) GHG emissions:</p> <p>(a) Gross other indirect (Scope 3) GHG emissions in metric tons of CO₂ equivalent.</p> <p>(b) If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃ or all.</p> <p>(c) Biogenic CO₂ emissions in metric tons of CO₂ equivalent.</p> <p>(d) Other indirect (Scope 3) GHG emissions categories and activities included in the calculation.</p> <p>(e) Base year for the calculation, if applicable, including:</p> <ol style="list-style-type: none"> the rationale for choosing it; emissions in the base year; the context for any significant changes in emissions that triggered recalculations of base year emissions. <p>(f) Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</p> <p>(g) Standards, methodologies, assumptions and/or calculation tools used</p>	<p>(a) 16,500 tCO₂e</p> <p>(b) CO₂, CH₄, N₂O, HFCs, PFCs and SF₆ gases are included in the calculation</p> <p>(c) N/A</p> <p>(d) The Scope 3 GHG emissions categories included are:</p> <ol style="list-style-type: none"> Purchased goods & services Fuel and energy-related activities Waste generated Business travel Employee commuting Leased assets <p>(e) The base year is CY2022</p> <p>(f) Pathzero uses AR5 in line with the GHG Protocol</p> <p>(g) The Scope 3 GHG emissions inventory was calculated with the use of a SaaS platform Pathzero. Pathzero platform is created in line with the <i>WRI/WBCSD GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard</i>. Pathzero follows the relevance test from the GHG Protocol to decide which emissions need to be included in the inventory. Emissions from arts activities and insurance services have been assessed as not relevant to StepStone's operations and are outside of its emissions boundary. These emissions are not part of the carbon neutral claim.</p>

Disclosure	Description	Response & Location
305-4	<p>GHG emissions intensity:</p> <p>(a) GHG emissions intensity ratio for the organization.</p> <p>(b) Organization-specific metric (the denominator) chosen to calculate the ratio.</p> <p>(c) Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2) and/or other indirect (Scope 3).</p> <p>(d) Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃ or all.</p>	<p>(a) 17.87 tCO₂e per full-time employee</p> <p>(b) Number of full-time employees</p> <p>(c) Scope 1, Scope 2 and Scope 3 GHG emissions are included in the intensity ratio</p> <p>(d) CO₂, CH₄, N₂O, HFCs, PFCs and SF₂ gases are included in the calculation</p>

GRI 401: Employment 2016

401-1	<p>New employee hires and employee turnover:</p> <p>(a) Total number and rate of new employee hires by age group, gender and region;</p> <p>(b) Total number and rate of employee turnover by age group, gender and region</p>	<p>(a) Total New Hires: 279</p> <ul style="list-style-type: none"> Females: 115, Males: 163, Nonbinary: 1 Racially or ethnically diverse: 106 <p>(b) Total Turnover: Average employment: 846, Termed: 118, Average Turnover: 14%</p> <ul style="list-style-type: none"> Females: Average employment: 312, Termed: 53, Average Turnover: 17% Males: Average employment: 532, Termed: 65, Average Turnover: 12% Racially or ethnically diverse: Average employment: 463, Termed: 58, Average Turnover: 13% Ages 30 years and below: Average employment: 273, Termed: 60, Average Turnover: 22% Ages between 30–50 years: Average employment: 479, Termed: 51, Average Turnover: 11% Ages 50+ years: Average employment: 94, Termed: 7, Average Turnover: 7% <p>Figures cited are as of December 31, 2022.</p>
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Disclosure	Description	Response & Location
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	We offer several benefits including medical, dental, vision, retirement, life, long- and short-term disability, AD&D and critical illness and parental leave. In addition to our standard benefits we offer a wellness program that includes a mental health benefit through Modern Health and group fitness challenges. <ul style="list-style-type: none"> • Benefits vary across different countries • Parental leave is offered across all countries, but varies based on local legislation
401-3	Parental leave	We offer Parental Leave to all employees, regardless of gender. Due to varied legislation due to our global workforce, the time-off policy differs by location. <p>In the United States, the Parental Leave Policy is broken into Primary Caregiver and Non-Primary Caregiver, but any employee regardless of gender is able to take time off as either type of caregiver. The designation is self-identified by the employee.</p> <ul style="list-style-type: none"> • Took leave: Female: 9, Male: 27 • Returned from leave: Female: 9, Male: 27
GRI 404: Training and Education 2016		
404-2	Programs for upgrading employee skills and transition assistance programs	Refer to: <ul style="list-style-type: none"> • Human Capital Development, p.20-21
404-3	Percentage of employees receiving regular performance and career development reviews	100% of eligible employees.

Disclosure	Description	Response & Location
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees: <p>(a) Percentage of individuals within the organization's governance bodies in gender, age group, and racial or ethnic diversity;</p> <p>(b) Percentage of employees per employee category in gender, age group, and racial or ethnic diversity</p>	<p>(a) Total Members in StepStone Group Inc.'s Board of Directors: 9</p> <ul style="list-style-type: none"> • Females: 2, Males: 7 • White: 7, Hispanic or Latinx: 1, Two or More Races or Ethnicities: 1 (Alaskan Native or Native American and White) • Ages between 30–50 years: 2, Ages over 50 years: 7 <p>Total Employees in Governance Bodies Across Asset Classes: 108</p> <ul style="list-style-type: none"> • Females: 20, Males: 88 • White: 86, Asian: 16, Hispanic or Latino: 3, Two or More Races or Ethnicities: 2, Alaskan Native or Native American: 1 • Ages between 30–50 years: 67, Ages over 50 years: 40, Not collected: 1 • Members of Governance Bodies include members of the Board of Directors, C-suite, Executive Committees, Investment Committees and the entire Partner group of StepStone <p>(b) Check page 15 and Disclosure 2-7 for StepStone's employee data.</p> <p>Refer to:</p> <ul style="list-style-type: none"> • Proxy 2022 Annual Meeting of Stockholders of StepStone Group Inc., Board Qualifications & Diversity, page 6
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were zero substantiated breaches during the reporting period. StepStone adheres to our Data Privacy Policy.

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Disclosure	Description	Response & Location
Transparent Information & Fair Advice for Customers		
FN-AC-270a.1	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations or other regulatory proceedings	During the reporting period, no instances of confirmed incidents in which employees were dismissed or disciplined for corruption were identified. There were no instances where contracts with business partners were terminated or not renewed due to violations related to corruption, or public legal cases brought against the company or its employees due to corruption.
FN-AC-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers	During the reporting period, there were no monetary losses resulting from legal proceedings associated with marketing and communication of financial product-related information to new or returning customers.
FN-AC-270a.3	Description of approach to informing clients	We engage our clients through various communication channels including meetings, email updates, the Annual General Meeting, periodic reporting, white papers, podcasts and our SPI system and Omni database. In addition, each client has a dedicated account manager who works with them closely to keep them informed on all relevant products and services.
Employee Diversity and Inclusion		
FN-AC-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals and (4) all other employees	Refer to: <ul style="list-style-type: none"> Human Capital Development, Diversity, Equity & Inclusion, p.15

Disclosure	Description	Response & Location
Incorporation of Environmental, Social and Governance Factors in Investment Management and Advisory		
FN-AC-410a.1	Amount of assets under management, by asset class, that employ (1) integration of environmental, social and governance (ESG) issues, (2) sustainability-themed investing and (3) screening	<ul style="list-style-type: none"> 100% of AUM (\$134B) integrates ESG considerations in the due diligence process. \$17B+ of Total Capital Responsibility is categorized as "impact investments."
FN-AC-410a.2	Description of approach to incorporation of environmental, social and governance (ESG) factors in investment and/or wealth management processes and strategies	Refer to: <ul style="list-style-type: none"> Responsible Investment Process, p.33-35
FN-AC-410a.3	Description of proxy voting and investee engagement policies and procedures	We have the responsibility for voting proxies consistent with the best economic interest of our clients, as a matter of policy and as a fiduciary to our discretionary clients. StepStone generally does not have the legal authority to vote proxies on behalf of advisory clients.

Disclosure	Description	Response & Location
Business Ethics		
FN-AC-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anticompetitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations.	During the reporting period, there were no monetary losses resulting from legal proceedings associated with fraud, insider trading, antitrust, anticompetitive behavior, market manipulation, malpractice or other related financial industry laws or regulations.
FN-AC-510a.2	Description of whistleblower policies and procedures	Refer to: <ul style="list-style-type: none"> • Code of Conduct and Ethics, Conflicts of Interest, p.2-4, Whistleblowers, p.5, and Administration and Enforcement, p.6 • GRI Content Index, Disclosure 2-16
Activity Metrics		
FN-AC-000.A	(1) Total registered and (2) total unregistered assets under management (AUM)	\$602B total capital responsibility, which includes \$134B assets under management.
FN-AC-000.B	Total assets under custody and supervision	See Disclosure FN-AC-000.A above.

