

# StepStone Group Stewardship Policy

Adopted: October 2022

Last Updated: April 2025

## I. Introduction

StepStone Group (“StepStone” or the “Firm”) is a global private markets investment firm focused on providing customized investment solutions and advisory and data services to our clients. Our clients include some of the world’s largest public and private defined benefit and defined contribution pension funds, sovereign wealth funds and insurance companies, as well as prominent endowments, foundations, family offices and private wealth clients, which include high-net-worth and mass affluent individuals. We partner with our clients to develop and build private markets portfolios designed to meet their specific objectives across the private equity, infrastructure, private debt and real estate asset classes. These portfolios utilize several types of synergistic investment strategies with third-party fund managers, including commitments to funds (“primaries”), acquiring stakes in existing funds on the secondary market (“secondaries”) and investing directly into companies (“co-investments” and “direct investments”).

StepStone recognizes the role that effective stewardship activities can play in private markets in maximizing risk-adjusted returns, particularly given the prevalence of influential ownership stakes and extended holding periods for investments. This policy is implemented by the Responsible Investment (“RI”) Committee and applied globally across the firm’s asset classes and investment strategies.

## II. Stewardship in our Investment Process

StepStone recognizes our responsibility to engage for greater adoption of relevant RI practices through the ownership chain from asset owners / limited partners (“LPs”) to investment managers / general partners (“GPs”) and their underlying portfolio assets, and across the investment holding period from due diligence through to ownership, engagement, and post-investment monitoring and reporting.

Our active approach to engagement with GPs and assets is achieved through the following methods (where applicable):

- Board seats
- Observer roles on boards
- Participation in Annual General Meetings (“AGMs”)
- Participation in Limited Partner Advisory Committee (“LPAC”) meetings
- Dedicated engagement meetings
- Site visits

- Sharing resources

We seek to engage with GPs and assets on relevant and material RI considerations that can drive risk-adjusted returns. Examples of support that we have provided include: helping GPs to develop and/or enhance their RI policies; helping GPs with RI integration in the investment process aid by asset-class specific guidance materials; supporting GPs to align with global frameworks (e.g., the PRI); and helping to address RI risks and opportunities at the portfolio company level (e.g., through company policy development, strategy planning and support on carbon footprinting).

### **Escalation**

Escalation is not a concept that naturally aligns with private markets given GPs are controlling or influential shareholders, and the illiquid nature makes timely divestment difficult. However, escalation can be used to raise concerns to senior individuals within GPs, particularly relating to critical incidents. StepStone has developed a structured approach to investigate potential incidents on behalf of our clients. StepStone considers critical incidents to include material violations of a GP's stated RI policy, breaches of code of conduct, as well as any incident that has a material negative impact on the GP/LP's reputation and/or asset/portfolio value.

Upon identifying a critical incident, we seek to work with the GP to mitigate or resolve issues. StepStone reviews whether the issue is isolated or symptomatic of broader cultural or systemic issues. Every incident provides an opportunity to evaluate a GP or company's policies and procedures and see whether there is potential for improvement. Findings are incorporated into future RI due diligence tied to the GP/asset and presented to the relevant Investment Committee upon subsequent investment decisions. We report to clients on critical incidents in separate discussions where warranted, and we may provide dedicated memos for a given incident.

### **Selecting and Prioritizing Engagements**

Across asset classes, we select and prioritize RI engagements based on various factors. A key consideration is the materiality of issues that have been identified, which is informed by our RI due diligence and post-investment monitoring. We also take into consideration the level of influence we may have. Furthermore, we would typically focus on engagements earlier in the investment cycle instead of close to exit. We believe this approach enables us to address complex, long-term risks and opportunities and to engage in greater detail than short or one-off engagements. Generally, as a predominantly indirect investor, we are focused on engaging with our GPs to assess their approach to managing material RI risks and opportunities. Given that GPs ultimately take positions of influence in their portfolio companies, we believe this to be an effective approach.

### **Public Securities**

While StepStone engages in private markets, there are certain situations when exposure to listed securities occurs for limited time periods (e.g., following the IPO of a private company). In such cases, StepStone reviews and votes on shareholder resolutions on behalf of our clients for investments over which we have custody. As a matter of policy and fiduciary duty to our discretionary clients, where we have the responsibility for voting proxies for portfolio company securities, we vote in a manner that we believe is consistent with the best economic interest of the client. We monitor corporate actions, receive and vote client proxies, and disclose any potential conflicts of interest. If any material conflict of interest arises, the Chief Compliance Officer ("CCO"),

among others, will determine what actions are the most appropriate to follow. Our policy on proxy voting is contained within our Global Compliance Manual.

### III. Collaborative Stewardship

StepStone contributes to industry working groups and collaborative engagement efforts, and may engage directly with policymakers through consultation processes where relevant. These efforts include providing formal letters of support and feedback on policy/regulatory issues to contribute to specific policy developments. Further, StepStone collaborates with many industry working groups who, in turn, work directly with policymakers.

We also maintain ongoing engagement with our stakeholders, using a variety of channels. Public stewardship channels include our website, social media, our “Reflections on Private Markets” podcast and white papers.

### IV. Reporting & Transparency

As a signatory to the UK Stewardship Code since 2022, StepStone endeavors to provide disclosures in line with the associated principles on an annual basis, embedded within our corporate RI Report. This reporting details ongoing stewardship initiatives and engagement highlights from the most recent completed calendar year. The firm also provides tailored RI reporting, addressing stewardship, to select clients as agreed on a case-by-case basis.

StepStone also communicates the results of stewardship efforts internally within the Firm to enable improved investment decision making. This is generally carried out through various methods, including formal RI training and periodic updates to the research team, sharing results and key lessons learned.

### V. Conflicts of Interest

As a registered investment advisor, it is our fiduciary duty to act solely in the best interests of our clients and to make full and fair disclosure of any conflicts of interest. We maintain a [Code of Conduct and Ethics](#) where our policy on conflicts of interest is outlined. Our policy and practice include the responsibility to monitor corporate actions, receive and vote client proxies, and disclose any potential conflicts of interest. If any material conflict of interest arises, including any in relation to stewardship, the CCO, among others, will determine what actions are the most appropriate to follow.

### VI. Governance and Accountability

The Stewardship Policy, including the execution of the broader initiatives included within the policy, is reviewed and adopted by the RI Committee, which is governed by a charter approved by the StepStone Global Executive Committee. Periodic updates are provided to the StepStone Board of Directors on stewardship-related matters, underscoring the commitment of leadership oversight on these issues. The RI Committee is chaired by the Head of Responsible Investment and comprises management team members and senior professionals across asset classes, geographies and functional areas within the Firm.

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## **VII.     Reviewing and Amending the Policy**

This policy is scheduled to be reviewed annually by the Head of Responsible Investment and the RI Committee and updated as necessary.