

Request for Proposal

International Equity Investment Manager

August 3, 2023

Chicago Teachers' Pension Fund
425 Financial Place, Suite 1400
Chicago, IL 60605

Purpose

The Request for Proposal (RFP) has been issued by the Board of Trustees of the Public School Teachers' Pension and Retirement Fund of Chicago ("CTPF" or "Chicago Teachers' Pension Fund"). The Board solicits proposals from all qualified professional firms interested in providing **International Equity Investment Management Services ("Investment Manager")** with an emphasis on international active ACWI ex-US equity strategies offered in a public fund structure. This RFP does not offer a contract, but seeks the submission of proposals from qualified, professional firms. Chicago Teachers' Pension Fund reserves the right to reject any or all proposals and to solicit additional proposals if that is determined to be in the best interest of CTPF. The Fund's Investment Consultant, Callan LLC ("Callan") will be receiving and analyzing all responses along with CTPF investment staff for this investment manager search. **All candidate firms must submit their fund information to the Callan database (including any previous fund performance data, where applicable); there is no charge for this process. CTPF's Investment Policy, Procurement Policy, Administration Rules and Regulations and Code of Ethics, all of which are posted on CTPF's website (www.ctpf.org) and subject to change, are adopted and incorporated by reference.**

Scope of Services

The Investment Manager(s) selected will perform the following services:

1. The Investment Manager will provide CTPF with an active international equity portfolio in three different areas:
 - a. Active Growth (vs. the MSCI ACWI ex-US Growth Index);
 - b. Active Core (vs. the MSCI ACWI ex-US Index); and,
 - c. Active Value (vs. the MSCI ACWI ex-US Value Index).

We seek responses in any or all these segments from qualified candidates. The mandate size will be approximately \$200 million for each of the three segments above (subject to change).

2. The Investment Manager will have independent discretionary authority with respect to the investment of that portion of assets managed by the Investment Manager.
3. The Investment Manager shall provide monthly, quarterly and annual performance (gross and net of fees) and portfolio valuation reports to CTPF and Callan.
4. The Investment Manager shall adhere to the due diligence responsibilities as detailed in the Investment Management Agreement and Investment Guidelines.
5. The Investment Manager shall outperform the peer group median and the benchmark over full market cycles.
6. The Investment Manager will document all investment activity with CTPF's master custodian in accordance with the usual and customary standards of practice and confirm all executed transactions from custodial account records; CTPF's current master custodian is Bank of New York Mellon.

Minimum Qualifications

To be considered for selection as an Investment Manager, the Investment Manager must provide documented proof that the following minimum qualifications listed below are met.

1. The Investment Manager shall qualify as: a) an Investment Manager duly registered with the Securities and Exchange Commission (SEC) pursuant to the Investment Advisors Act of 1940; or b) a bank, as defined by the Investment Advisors Act of 1940 (40 ILCS 5/1-113.14(b)).

2. The Investment Manager or team must have a fully documented three-year track record of managing an international active equity portfolio on behalf of institutional investors.
3. The Investment Manager must be well capitalized and stable.
4. The Investment Manager must have sufficient assets under management to support the professional staff required to successfully manage the strategy. A minimum of \$1 billion in total firm assets under management is preferred, however, smaller firms may be considered.
5. The Investment Manager and its personnel must have all authorizations, permits, licenses and certifications required by federal, state and/or local law.
6. The Investment Manager shall carry errors and omissions insurance, or comparable instruments as determined by CTPF to cover negligent acts or omissions.
7. The Investment Manager must maintain sufficient procedures and capabilities to ensure timely and accurate backup, security and full recovery for all computers and other data storage systems.
8. The Investment Manager must have a company policy and practice of equal employment opportunity and non-discrimination.
9. The Investment Manager must comply with the Fund's MWVDBE brokerage policy.
10. All candidate firms must complete the Callan due diligence questionnaire and submit their fund performance information to the Callan database in addition to submitting a response to this RFP. This must be done prior to or in conjunction with submitting responses to this RFP.
11. Investment services provided by an Investment Manager shall be rendered pursuant to a written contract between the Investment Manager and the Board. The Illinois

Pension Code Section 1-113.14 (c) requires that the contract include all of the following:

- (1) Acknowledgement in writing by the Investment Manager that it is a fiduciary with respect to the pension fund or retirement system.
- (2) The description of the Board's investment policy and notice that the policy is subject to change.
- (3) (i) Full disclosure of direct and indirect fees, commissions, penalties, and other compensation, including reimbursement for expenses, that may be paid by or on behalf of the Investment Manager in connection with the provision of services to the pension fund or retirement system and (ii) a requirement that the Investment Manager update the disclosure promptly after a modification of those payments or an additional payment.
- (4) A requirement that the Investment Manager, in conjunction with the Board's Staff, submit periodic written reports, on at least a quarterly basis, for the Board's review at its regularly scheduled meetings. All returns on investment shall be reported as both gross and net returns after payment of all fees, commissions, and any other compensation.
- (5) Disclosure of the names and addresses of (i) the Investment Manager; (ii) any entity that is a parent of, or owns a controlling interest in, the Investment Manager; (iii) any entity that is a subsidiary of, or in which a controlling interest is owned by, the Investment Manager; (iv) any persons who have an ownership or distributive income share in the Investment Manager that is in excess of 7.5%; or (v) serves as an executive officer of the Investment Manager.
- (6) A disclosure of the names and addresses of all subcontractors, if applicable, and the expected amount of money each will receive under the contract, including an acknowledgment that the contractor must promptly make notification, in writing, if at any time during the term of the contract a contractor adds or changes any subcontractors. For purposes of this

subparagraph (6), “subcontractor” does not include non-investment related professionals or professionals offering services that are not directly related to the investment of assets, such as legal counsel, actuary, proxy-voting services, services used to track compliance with legal standards, and investment fund of funds where the Board has no direct contractual relationship with the Investment Managers or partnerships.

- (7) A description of service to be performed.
- (8) A description of the need for the service.
- (9) A description of the plan for the post-performance review.
- (10) A description of the qualifications necessary.
- (11) The duration of the contract.
- (12) The method for charging and measuring cost.

Submission of Proposal

This RFP is available in the Procurement & Service Providers / Investment Procurements link of the About CTPF tab on the CTPF website at www.ctpf.org and on the Callan website at www.callan.com under the RFP section which is located by clicking on the "For Investment Managers & Advisers" tab on the Callan home page.

Proposal must be received electronically by Callan and CTPF Staff at the following addresses no later than the close of business (4:30 pm CST) on:

Friday, September 1, 2023

Attention: Callan, CTPFInternational@callan.com

Kelly Paulk, paulkk@ctpf.org

Fernando Vinzons, vinzonsf@ctpf.org

CTPF: rfp.invest@ctpf.org

In addition, three (3) hard copies of the proposal must be received by CTPF at the following address no later than close of business on **Friday, September 1, 2023.**

***Chicago Teachers' Pension Fund
425 S. Financial Place
Suite 1400
Chicago, Illinois 60605
Attn: Fernando Vinzons, Chief Investment Officer***

It is the responsibility of the Investment Manager to ensure that its Proposal is delivered in a timely manner and received via email and in the proper office on or before the deadline for responding to this RFP. All proposals must be complete in every respect and must answer concisely and clearly all questions asked in this RFP. Incomplete proposals will be disqualified. Late proposals will not be accepted. All Proposals received will be subject to public disclosures (see below for additional information on disclosure). Proposals may not be modified or withdrawn after the deadline for Proposals has passed. Modifications or a withdrawal of a Proposal after the specified receipt date will not be considered. If it becomes necessary to revise any part of this RFP or if any additional data

is necessary for an exact interpretation of the provisions of this RFP prior to the due date for Proposals, a supplement will be posted by Chicago Teachers' Pension Fund on its website www.ctpf.org. In such an event, Chicago Teachers' Pension Fund reserves the right to extend the deadline date of Proposals to accommodate such interpretations or additional requirements.

All questions regarding this RFP should be submitted via email only to the following addresses no later than the close of business (4:30 pm CST) on:

Thursday, August 10, 2023

Callan: CTPFIInternational@callan.com

CC: Fernando Vinzons: vinzonsf@ctpf.org

CC: Kelly Paulk: paulkk@ctpf.org

CC: rfp.invest@ctpf.org

(In all cases, written communications will override verbal communications)

Evaluation and Selection

All Proposals received by the requested deadline will be reviewed and evaluated. Staff and Consultant shall objectively review the proposals to identify qualified candidates based on the criteria presented in the RFP as supplemented by material provided by the Consultant. Staff and Consultant and members of the Board may interview all, some or none of the RFP respondents, undertake site visits to respondent offices, and conduct such other due diligence as is prudent under the circumstances. Staff and Consultant will prepare a report and present the report to the Board of Trustees during a public meeting of the Board of Trustees.

The Investment Committee may review finalists in preparation for interviews with the Board of Trustees. Interviews and recommendations for the award of a contract will be made to the Board of Trustees. The Board shall then act on the recommendation of Staff, Consultant, and the Investment Committee.

During the selection process all respondents to the RFP will be evaluated and ranked on four primary factors:

People - stability of the organization, ownership structure, documented experience in the management of institutional portfolios, reputation of key professionals, manager tenure, depth of portfolio team and research team and length of team cohesiveness, record of integrity and business ethics.

Process - clearly defined, reasonable, and repeatable investment strategy, consistency of application, risk controls and uniqueness of the process.

Performance - documented ability to meet investment long-term performance relative to benchmarks, risk compared to benchmarks, consistency of performance relative to peers.

Pricing - fee schedule and associated costs

Staff is required to identify all minority and female-owned firms and firms owned by persons with a disability in the report presented to the Board of Trustees. Staff must specify the reasons when these firms are not brought forward as finalists.

The Board will select the manager(s) they determine, in their sole discretion, to be fully qualified and best suited among those submitting proposals on the basis of the evaluations. Once the Board has selected an Investment Manager, negotiations for contract terms and conditions will be finalized. The Board may also reject all candidates and begin a new search or seek other candidates from the respondents of the original RFP.

Timeline

- A. Requests for Proposal will be publicized by CTPF on www.ctpf.org (under About CTPF, Procurement & Service Providers / Investment Procurements) and on the Callan website www.callan.com on **August 3, 2023**.
- B. Inquiries for interpretation must be received by **August 10, 2023**.

C. Responses to inquiries will be posted to www.ctpf.org (under About CTPF, Procurement & Service Providers / Investment Procurements) website by **August 18, 2023**.

D. Proposals must be received by close of business day (4:30 pm CST) on **September 1, 2023**.

While there is no fixed date for the selection of an investment management firm(s), it is anticipated that the finalist presentations will occur on **December 14, 2023**. Following the selection process, it is expected that contract negotiations will be completed by **January 31, 2023**.

Disclosure of Proposal Content

The laws of Illinois require that at the conclusion of the selection process, the contents of all proposals be placed in the public domain and be open to inspection by interested parties. Trade secrets or proprietary information must be clearly identified as such in the proposal and will not be released to the extent permitted by law.

Disposition of Proposals

All proposals become the property of CTPF and will not be returned to the respondent. CTPF reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between CTPF and the firm selected.

Signature of Respondent Agent

The tendered proposal, and any clarifications to the proposal, shall be signed by an officer of the responding firm or a designated agent empowered to bind the firm in a contract. All proposals submitted electronically must be submitted by an officer of the responding firm.

Quiet Period

The following guidelines shall apply during the RFP process. A “quiet period” will commence as of **August 3, 2023**, and end when a contract is executed with the Investment Manager. The objectives of the quiet period policy are to ensure that:

- Prospective investment managers have equal access to information regarding the search parameters;
- Communications related to the selection are consistent and accurate;
- The process of selecting the investment manager is efficient, diligent, and fair.
- The initiation, continuation and conclusion of the quiet period shall be publicly communicated to prevent inadvertent violations.

Policy Guidelines

The following guidelines and CTPF’s Code of Ethics shall apply to the Board, to the Consultant, to CTPF’s staff, and to the candidates during a search for an investment manager:

- Except as provided in the Procurement Policy, all Board members and Staff shall refrain from communicating with candidates regarding any product or service related to the search offered by the candidate throughout the quiet period;
- Board members, CTPF’s staff, and the Consultant shall refrain from accepting meals, travel, lodging, entertainment or any other good or service of value from the candidates;
- Throughout the quiet period, if any Board member or staff member is contacted by a candidate, the Board member or staff member shall refer the candidate to CTPF’s Chief Investment Officer, Fernando Vinzons, CTPF’s Executive Director, Carlton Lenoir, or Callan;
- All authority related to the search process shall be exercised solely by the Board as a whole and not by individual Board Members;

- All information related to the search process shall be communicated by CTPF's Consultant and Staff to the relevant Committee or Board as a whole, and not to individual Board Members; and
- The quiet period does not prevent Board approved due diligence, client conference attendance or communications with an existing investment manager that happens to be a candidate in the ordinary course of services provided by such investment manager; however, discussions related to the pending selection shall be avoided during those activities.

The provisions of this policy will apply to investment manager candidates throughout the quiet period and are hereby communicated to candidates in conjunction with this Request for Proposal.

A candidate may be disqualified from a search process for a willful material violation of this policy.

Firm Name

Firm Primary Location

Primary Contact Name

Contact Number/Email Address

Product Name

Strategy Description

Date of first close/final close (if applicable)

Total assets under management within the proposed strategy as of 06/30/2023

\$ _____

Total value of fully realized investments as of 06/30/2023 (if applicable)

\$ _____

Is your firm a certified MWDBE firm? (If you mark yes please provide certification)

Yes

No

Request for Information

Firm Information:

Please provide an overview of your firm including the following:

- a. EEOC Chart (please use attached template also available on CTPF website)
- b. Vendor EEOC Chart (please use attached template also available on CTPF website)
- c. Ownership Structure, per certifications below
- d. All related and affiliated firms, per certifications below
- e. Organizational chart, with brief biographies of all key personnel
- f. Number of institutional clients
- g. Number of public plan clients

Fees and Disclosure Information:

Please provide a detailed description of:

- a. The method for charging and measuring any fees;
- b. The direct and indirect fees including commissions, penalties, and other compensation, including reimbursement for expenses, that may be paid by or on behalf of the candidate Investment Manager in connection with the provision of Investment services to the Fund;
- c. The names and addresses of any subcontractors, including third party marketers or individuals that an Investment Manager uses to market its products, if applicable, and the expected amount of money each will receive under the contract. The term subcontractor, as used herein, does not include non-investment related professionals or professionals offering

services that are not directly related to the investment of assets, such as legal counsel, actuary, proxy-voting services, and services used to track compliance with legal standards;

- d. The names and addresses of any entity that is a parent of, or owns a controlling interest in, the candidate; any entity that is a subsidiary of, or in which a controlling interest is owned by, the candidate; any persons who have an ownership or distributive income share in the candidate that is in excess of 7.5%; or serves as an executive officer of the candidate;
- e. Any direct or indirect payments made by the candidate, any executive officer of the candidate, any parent entity, the executive officers of any entity that is a parent of, or owns a controlling interest in, the candidate, and any Shareholder of candidate, in excess of \$1,000 per calendar year within the prior five (5) calendar years and/or formal involvement with any Illinois-based community or not-for-profit organization relating to public education; and any involvement by candidate, any executive officer of the candidate, or by any executive officer of any entity that is a parent of, or owns a controlling interest in, the candidate, and any Shareholder as a member or director of a charter school that contributes to the Fund. For purposes of this Section (e) and (f), “Shareholder” shall mean any person who has an ownership or distributive income share in the candidate;
- f. Any direct or indirect financial support made by the candidate, any parent entity, the executive officers of any entity that is a parent of, or owns a controlling interest in, the candidate, and any Shareholder of candidate, in excess of \$1,000 per calendar year within the prior five (5) calendar years and/or formal involvement with any community or not-for-profit organization with a central purpose of influencing public policy related to budgetary and fiscal policy which directly or indirectly relates to the continued availability and long-term viability of defined benefit pensions

in the public sector, education policy, and retirement security policy. For purposes hereof, an organization has a “central purposes” of influencing policy if it is understood with the exercise of reasonable due diligence, including but not limited to the examination of the organization’s IRS filing and other publicly-available statements of purpose, that the organization intends to affect policy or engage in lobbying or other advocacy activity. A candidate is not required to disclose conditions to organizations that engage in such activities in furtherance of providing medical research, aid to the poor, disaster relief, or other such tangible goods and service. The Trustees have determined that the organizations listed in Exhibit A to the Fund’s Procurement Policy presently fall under this required disclosure policy;

- g. The candidate and any parent, controlling entity, subsidiary, or affiliate have disclosed any direct or indirect financial relationships, transactions, investments, investment related agreements, or investment related contracts with the Board of Education of the City of Chicago entered into within the five (5) year period prior to the execution of this Agreement. Any such direct or indirect financial relationships, transactions, investments, investment related agreements, or investment related contracts with the Board of Education of the City of Chicago entered into on or after the execution of this Agreement shall be identified in an amended candidate disclosure pursuant to (i) below within thirty (30) days of any new relationship, transaction, investment, agreement, or contract with the Board of Education of the City of Chicago;
- h. Pursuant to Section 1-113.21 of the Illinois Pension Code, the candidate shall annually disclose on or about each September 1st, the number of its investment and senior staff and the percentage of that staff that are a minority person, a female, a veteran, and a person with a disability. Further, the candidate shall disclose the number of contracts for

investment, consulting, professional, and artistic services the candidate has with a minority or female owned business, a veteran owned small business, or a business owned by a person with a disability. The candidate shall also disclose the number of contracts for investment, consulting, professional, and artistic services which the candidate has with a business other than a minority or female owned business, a veteran owned small business, or a business owned by a person with a disability, if more than 50% of the services performed pursuant to that contract are performed by a minority person, a female, a veteran, or a person with a disability. For the purposes of this subsection, the terms “minority person”, “female”, “person with a disability”, “minority owned business”, “female owned business”, and “business owned by a person with a disability” have the same meaning as those terms have in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act. For the purposes of this subsection, the terms “veteran” and “veteran owned small business” shall have the same meanings as those terms have in 30 ILCS 500/45-57. For the purposes of this subsection, the terms “professional service” and “artistic service” have the same meanings as those terms have in 30 ILCS 500/1-15.60;

- i. All Fund required disclosures and representations made by the candidate during the procurement and selection process are affirmed and adopted and incorporated herein by reference (the “Disclosures”; attached as Exhibit B.) The candidate further agrees that it will promptly notify the Fund, in writing, if at any time the information contained in the candidate Disclosures changes in a material way.

Please note that contingent and placement fees are prohibited.

CTPF Due Diligence Questionnaire

Please complete the components of CTPF's Due Diligence Questionnaire.

The Questionnaire on the following pages must be returned electronically and in hard copy to CTPF and Callan at the following address no later than the close of business (4:30 CST) on:

Friday, September 1, 2023

Attention: Callan, CTPFInternational@callan.com

Kelly Paulk, paulkk@ctpf.org

Fernando Vinzons, vinzonsf@ctpf.org

rfp.invest@ctpf.org

All documents submitted as part of this RFP, including the responses by prospective Investment Managers, shall be considered public records and shall be made available for inspection and copying as provided in Section 3 of the Illinois Freedom of Information Act, 5 ILCS 140/1, et seq.

CTPF QUESTIONNAIRE FOR INTERNATIONAL EQUITY

ORGANIZATION SUMMARY

1. Please indicate your firm's fiduciary classification:

- ☐ Bank
- ☐ Insurance Company
- ☐ Registered Investment Advisor (Investment Advisers Act of 1940)
- ☐ Affiliate of Fiduciary
- ☐ Other: _____

2. If you have not registered as an investment advisor or are exempt, please describe the exemption. Do you plan to register?

3. Please acknowledge that your firm, if chosen, will act as a fiduciary with respect to the Fund.

☐ Yes ☐ No

4. Does your firm qualify as a minority-owned business, a female-owned business, or as a business owned by a person with a disability as these terms are defined in the Illinois Business Enterprise for Minorities, Females, and Persons with Disabilities Act? If so, please provide a copy of the firm's certification. (Attach as Appendix A.)

☐ Yes ☐ No

5. Please describe the history of the firm, and if appropriate, the history of the parent organization including:

- i. Year the firm was founded and/or year the parent was founded.
- ii. Ownership percentages and names.
- iii. Year the firm began providing international equity investment management service to U.S. tax-exempt clients, and the nature of the firm's ownership and specific details with regard to any affiliated companies or joint ventures.
- iv. Whether investment management capabilities were developed in-house or derived through acquisition of talent from another firm. If the latter, indicate when this occurred.
- v. Any material changes in your organization (including personnel changes) in the past five years. Please include prior names and the length of time your organization has been in business under its present name and ownership.

6. Please provide the latest organization chart which diagrams the ownership structure and interrelationships between the parent-subsidiary, affiliate, or joint venture entities. (Attach as Appendix B.)
7. Please provide the location, function, and number of professionals in each of your firm's offices as follows:

| Headquarters or Regional Office | Location | Function | No. of Professionals |
|---------------------------------|----------|----------|----------------------|
| | | | |

8. Which of your firm's offices would service this account? Which specific services would be provided by which offices? Describe in which office investment decisions are made for the proposed product and where the offices are located.
9. Please list your firm's lines of business and the approximate contributions of each business to your organization's total revenue. If you are an affiliate or subsidiary of an organization, what percentage of the parent firm's total revenue does your subsidiary or affiliate generate?
10. What is the role of your parent firm in resource allocation and investment decisions? Please describe other relationships or affiliated transactions.
11. Please discuss the overall business objectives of your firm with respect to future growth. Comment on any present or planned areas of emphasis over the near future. Be sure to include in your response:
 - i. Total assets or client relationships that will be accepted.
 - ii. Maximum amount of clients or assets per portfolio manager.
 - iii. Plans to develop and expand resources.
12. Does your firm provide investment management services to U.S. tax-exempt investors? If so, to what extent?
13. Please discuss the breakeven assets under management and fee revenue that is required for your firm or business line to be profitable. Is your firm currently profitable and if not, what is required to reach profitability? Has your firm been unprofitable in any prior year in the past 10 years? If so, please provide details.

FIRM PERSONNEL

14. Please fill out the following table listing the number of individuals in each job function based on the most recent data available. If individuals hold multiple job functions or responsibilities, only count them once under their main responsibility and please detail this in the “Notes” section at the bottom of the table.

| Job Function | Number of Employees |
|--|----------------------------|
| Portfolio Management | |
| Compliance | |
| Research Analysts | |
| Economists | |
| Client Service | |
| Senior Management | |
| Sales/IR | |
| Legal/Compliance | |
| Accounting/Reporting | |
| Operations | |
| Trading | |
| System/IT | |
| Other (Add rows to list categories) | |
| Total Firm Employees | |

Notes: _____

15. Please list all principal officers, portfolio managers, analysts, and client service personnel in the table format below. Highlight the person(s) who would be responsible for the Fund account. Provide a biographical summary profile including their related experience and academic background. (Attach as Appendix C.) Describe their functional responsibility (including title) for this program using the following table:

| Name | Office Location | Title | Duties | Yr. Started in Industry | Yr. Started with Firm | Education Degree/ College¹ | Percentage of Firm Ownership | Minority Classification |
|-------------|------------------------|--------------|---------------|--------------------------------|------------------------------|--|-------------------------------------|--------------------------------|
| | | | | | | | | |
| | | | | | | | | |

¹ Most advanced degree only.

16. Please provide personnel additions, terminations, and departures over the past five years. Please note which personnel are related to this product.
17. Describe the succession plan for key investment professionals and the firm’s senior leadership.

CLIENT SERVICE

18. Please indicate the scope of services that will be provided for this account. Please include a description of how client servicing/communication responsibilities are divided between portfolio managers and client service/marketing personnel and how often portfolio managers meet with clients to review the portfolio.
19. How often would the primary contact for the Fund account be available for client meetings?
20. Please describe the client reporting process. How frequently are reports made available? What other communications, materials, reports, and resources are made available to clients? Please describe and provide samples. (Attach as Appendix D.)
21. Please discuss any annual investor conferences, seminars, institutional events, or email/conference call communications that your firm makes available for market updates and educational opportunities.

PRODUCT PERSONNEL

22. Describe the compensation structure for the investment professionals that are involved with the proposed strategy.
23. What distinguishes your team from the competition? What are your competitive advantages?
24. Please provide a list of all key personnel involved in the management of this product (i.e., dedicated to the product), including the lead portfolio manager, client service, investment committee, and research analysts. For each individual, please answer in the format below and attach biographies as part of Appendix B.

| Name | Title | Education | Role at Firm | Yr. Started in Industry | Yr. Started with Firm | % Time Dedicated to this Product |
|------|-------|-----------|--------------|-------------------------|-----------------------|----------------------------------|
| | | | | | | |

PROPOSED PRODUCT

25. Please provide the specific name and the inception date of the product under consideration.

26. What is the investment objective of this product?
27. What benchmark is most appropriate for this product and why?
28. Does the stated target benchmark influence portfolio construction?
29. What is the market capitalization range considered in the portfolio construction process?
30. What is the stated maximum cash position this strategy/vehicle can hold? What is the highest cash position the proposed strategy held over the past five years?
31. Are there circumstances where the portfolio would hold more than 10% cash? If so, please explain.
32. What is the capacity for this product?
33. When would you consider closing the strategy to all investors? Under what circumstances would you consider re-opening the strategy to new investors?
34. Specify the product's:
 - a. Expected volatility range
 - b. Excess return range over a full market cycle
 - c. Expected or targeted tracking error range
 - d. Expected or targeted information ratio

INVESTMENT PHILOSOPHY AND PROCESS

35. Please briefly describe your firm's investment philosophy.
 - i) How has it changed since the inception of this product?
 - ii) How does your process add value?
 - iii) Explain what makes your philosophy and process unique.

Please describe the role of top-down economic, thematic, and/or sector allocation decisions in your investment process, and how these decisions are made and implemented.
 - iv) Please discuss your firm's investment strategy, screening process, research process, and portfolio construction methodology. Please be specific in your discussion of your research process, including the use of fundamental, technical, and quantitative analysis. Please provide any additional comments that are unique to your firm.

36. If you currently manage multiple vehicles for this strategy, please describe any differences between the mutual fund, commingled fund, or separate accounts.
37. Do any of the proposed vehicles participate in securities lending? If so, please detail.
38. Does the strategy utilize any of the following instruments: derivatives, international securities, ADR's, Fixed Income and/or IPO's? If yes, please detail the use and rules regarding these instruments.
39. What limits exist with regards to over/underweights (security, sector, or industry) relative to the stated benchmark?
40. What is the historical range of portfolio holdings?
41. What is the maximum position size an individual security can represent in the portfolio?
42. What percentage of the portfolio is represented in the top 10 holdings?
43. Please list the annual portfolio turnover for the past three calendar years. Would you expect future portfolio turnover to be in-line with past results?
44. Please describe how your firm measures portfolio risk. How is it monitored and controlled? State whether it is on an absolute or relative basis.
45. How does your firm currently measure/track risk for this product (e.g., standard deviation, other?)
46. Do you stress test your portfolios? If so, how do you stress test your portfolios?
47. Describe under what market conditions you expect your product to do well and to do poorly.
48. Briefly describe your trading process. How do you ensure best execution? How are trades allocated?
49. Please discuss if you have other public plan clients who require your firm to trade with MWDBE broker dealers. If so, please provide detail on the targets/level of trading such clients require. Are these targets or levels required to be met annually?
50. Please discuss how your firm plans to meet the Fund's MWDBE broker dealer international equity target of **25% on an annual basis**.

51. Please provide a list of MWDBE broker dealer firms that you have traded with over the past 3 years for your core product using the table below. For each MWDBE broker dealer, please provide the total par value amount traded by year.

| MWDBE Broker Name | Par Value Amount Traded | | |
|-------------------|-------------------------|------|------|
| | 2020 | 2021 | 2022 |
| | | | |

ASSETS UNDER MANAGEMENT

52. Please fill out the following tables for the proposed product:

| Account Type | Asset in Millions as of 6/30/23 | Number of Accounts as of 6/30/23 |
|----------------------------|---------------------------------|----------------------------------|
| Corporate | | |
| Public fund | | |
| Union/multi-employer | | |
| Foundation and endowment | | |
| Insurance | | |
| High-net-worth individuals | | |
| Wrap accounts | | |
| Sub-advised assets | | |
| Other, please explain | | |
| Total | | |

| Vehicle Type | Assets in Millions as of 6/30/23 | Number of Accounts as of 6/30/23 |
|----------------------------------|----------------------------------|----------------------------------|
| Separate account | | |
| Commingled fund | | |
| Mutual fund: institutional class | | |
| Mutual fund: retail class | | |

| | Accounts Gained | | | Accounts Lost | | |
|----------|-----------------|--------------------|---------------------|---------------|--------------------|---------------------|
| | # of Accounts | Assets in Millions | % of Product Assets | # of Accounts | Assets in Millions | % of Product Assets |
| YTD 2023 | | | | | | |
| 2022 | | | | | | |
| 2021 | | | | | | |
| 2020 | | | | | | |
| 2019 | | | | | | |
| 2018 | | | | | | |
| | | | | | | |
| | | | | | | |
| 2013 | | | | | | |

53. Please discuss the reasons for the lost accounts indicated in the table above (please indicate plan terminations).

54. Please provide a representative client list for this product. (Attach as Appendix E.)
55. Please list major U.S. tax-exempt plan sponsors currently managed, including all public and ERISA fund clients, in the international equity product.
56. Please identify any and all Illinois-based public plan clients of your firm and the proposed product, including AUM.
57. Please provide three U.S. tax-exempt plan sponsors invested in the international equity product available for reference checks. Please provide the names, addresses, telephone numbers, size of the accounts, and dates the accounts commenced. (Attach as Appendix F.)
58. Please provide three U.S. tax-exempt plan sponsors that terminated your firm's international equity product. Please provide the names, addresses, telephone numbers, size of the accounts, and dates the accounts commenced and ended. (Attach as Appendix G.)

COMPLIANCE

59. List the insurance carriers supplying the coverage for Securities and Exchange Commission (SEC) required (17g-1) fidelity bonds, errors and omissions coverage, and any other fiduciary coverage which your firm carries. Please describe the coverage amounts and attach evidence of coverage. (Attach as Appendix H.)
60. Does your firm have a Chief Compliance Officer? If not, who is responsible for compliance?
61. Please describe the compliance assessment process, including the time period covered, testing methods, and frequency. When was the last compliance assessment?
62. Please provide a short biography of the person(s) who is (are) responsible for the overall risk management of your firm and describe their individual functions.
63. Is your firm registered as an investment advisor under the Investment Advisors Act of 1940? If so, please provide a copy (electronic only) of your most recent ADV Part 1, Part 2, and 2B. If you have not registered as an investment advisor or are exempt, please describe the exemption. Do you plan to register? If your firm is domiciled outside of the U.S. please describe the regulatory authorities governing your activities and your registration status.
64. Has your firm ever been audited by the Securities and Exchange Commission (SEC) or by any regulatory agency in the last ten years? Has any regulatory

body or market authority issued any orders or other sanctions against your firm in the last five years? If yes, please provide a description or summary of findings.

65. Is your firm or any affiliate the focus of any pending or ongoing litigation, formal investigation, or administrative proceedings related to money management activities? If yes, please describe.
66. Have the principals of your firm been under investigation related to money management activities in the last five years? If yes, please explain.
67. Please disclose all direct and indirect fees, commissions, penalties, and other compensation paid by or on behalf of your firm in connection with the provision for services rendered to the Fund. If selected, your firm will be required to sign a disclosure form which shall include the date and amount of each payment and the name and address of each recipient of a payment. Your firm must also promptly update this disclosure after any modification of these payments or after making additional payments or new payments not previously reported.
68. Does your firm or parent company run or have an interest in a securities brokerage firm? Does your firm trade for client accounts through this broker/dealer? If so, to what extent?
69. Describe internal controls for risk management and portfolio compliance. Be sure to include the firm's policy on portfolio managers trading for their own accounts.

GOVERNANCE

70. Please provide a summary of your firm's governance or internal control structure.
71. Please provide your firm's Conflict of Interest Policy and a description of policy enforcement procedures. (Attach as Appendix I.)
72. Please describe any potential conflicts of interest your firm and/or any individuals may have in the management of this account. If there are conflicts, please describe how they are addressed.

FEES AND ACCOUNT MINIMUMS

73. Please list your fee schedule for this product. The following table may be used to indicate break points and other fees:

| | Base Fee | Break Pt. 1 | Break Pt. 2 | Break Pt. 3 | Incentive Fee | Other Fees |
|--|-------------|----------------|----------------|----------------|------------------|---------------|
|--|-------------|----------------|----------------|----------------|------------------|---------------|

| | | | | | | |
|---------|--|--|--|--|--|------------|
| | | | | | | (describe) |
| Product | | | | | | |

74. What is your billing frequency?
75. What is the minimum account your firm will accept? Does your firm charge a minimum annual fee? If so, what is that fee? Will it stay the same or change in the future based on some set formula?
76. What would be your “all-in” fee proposal for a separately managed \$200 million account? What would be your “all-in” fee proposal for a separately managed \$500 million account?

APPENDIX TO QUESTIONNAIRE

Appendix A – MWDBE Certification (if available)

Appendix B – Organizational Charts

Appendix C – Biographies/Resumes

Appendix D – Sample Client Reports

Appendix E – Representative Client List

Appendix F – References – Current Clients (3)

Appendix G – References – Past Clients (3)

Appendix H – Proof of Insurance

Appendix I – Conflict of Interest Policy / Enforcement Procedures

Appendix J - Minimum Qualifications Certification (See Exhibit B)

Exhibit A

High Risk Home Loan Act Certification

Under Public Act 095-0521, for an Illinois finance entity to be eligible to invest or deposit CTPF funds, it must annually certify that it complies with the High Risk Home Loan Act.

An Illinois financial entity is defined in Public Act 095-0521 as any entity chartered under the Illinois Banking Act, the Savings Bank Act, the Illinois Credit Union Act or the Illinois Savings and Loan Act of 1985, and any person or entity licensed under the Residential Mortgage License Act of 1987, the Consumer Installment Loan Act or the Sales Finance Agency Act.

Using the definition of an Illinois financial entity given above, please advise us of your status by checking the appropriate box on the certification page.

High Risk Home Loan Act Certification

- ☐ **Yes, we are an Illinois finance entity** as defined in Public Act 095-0521.
(Please complete the Certification of Compliance *Illinois High Risk Home Loan Act* form below.)
- ☐ **No, we are not an Illinois finance entity** as defined in Public Act 095-0521.
(Please skip the Certification of Compliance *Illinois High Risk Home Loan Act* form below.)

| |
|---|
| INVESTMENT MANAGER / CONSULTANT: |
| Company Name: |
| Signature: |
| Printed Name |
| Title: |
| Dated: |

Public Act 095-0521

Chicago Teachers Pension Fund

Certification of Compliance *Illinois High Risk Home Loan Act*

I, _____, serving in the capacity of _____, on this ____ day of _____, 20 ____, being duly sworn and having knowledge of all matters set forth herein, state, affirm and certify as follows:

1. I represent _____, and I am duly authorized to provide this certificate on its behalf.
2. I am aware of the requirements of Section 1-110.10 of the Illinois Pension Code (40 ILCS 5/1-110.10), as well as the requirements of the High Risk Home Loan Act, (Act), and any rules adopted pursuant thereto.
3. Under the terms of the Illinois Pension Code, _____ is deemed an Illinois Finance Entity.
4. I am aware that no pension fund assets may be handled by the Illinois Finance Entity if it is not in compliance with the provisions of the High Risk Home Loan Act, including the filing of a completed certification with the Chicago Teachers Pension Fund.
5. I certify that _____ is in compliance with all the requirements of the High Risk Loan Act and the rules adopted pursuant to the Act.

(Firm)

(Signature)

(Name of Officer)

(Title)

Subscribed and sworn before me by _____ on this ____ day of _____, 2014.

Notary

My Commission Expires: _____

(Seal)

(Firm)

State of _____

County of _____

Exhibit B – Minimum Qualifications Certification

By submitting this proposal, I certify that the following statements and the information and representations submitted by the candidate are true:

Regarding: _____
(Investment Manager Name)

The product that I am submitting for review is an active international ACWI ex-US equity product in which the management team has a three-year track record of investing under the proposed strategy for this mandate

All of the firms' personnel have all the authorizations, permits, licenses and certifications required by federal, state and local law

The firm that I represent is duly registered with the Securities and Exchange Commission (SEC) pursuant to the Investment Advisors Act of 1940 or is otherwise qualified to manage assets on behalf of Chicago Teachers' Pension Fund

The firm carries errors and omissions insurance to cover negligent acts or omissions

The firm has a company policy and practice of equal employment opportunity and non-discrimination

The firm hereby warrants and attests that no finder's fee was paid, or will be paid, to any outside entity or person *or* any persons employed or affiliated with CTPF

The firm will act as a fiduciary to the pension fund or retirement system

All requested information, including the Callan Due Diligence Questionnaire, has been completed and submitted to Callan and Chicago Teachers' Pension Fund's staff

The firm understands and will be able to comply with the Chicago Teachers' Pension Fund quarterly and annual reporting requirements

The firm understands and will comply with the Chicago Teachers' Pension Fund Procurement Policy and Code of Ethics.

The firm understands that Chicago Teachers' Pension Fund accepts no obligation for costs incurred by the candidate in anticipation of being awarded a contract

The firm understands that Chicago Teachers' Pension Fund is exempt from federal, state and local taxes and will not be responsible for any taxes levied on the Investment Manager as a result of any contract resulting from this RFP

Signature

Name

Date

Title