

CANDIDATE STATEMENT, BIOGRAPHY, SIGNATORY, AND COMPARATIVE INFORMATION FORM

Full legal name: **Jonathan Grabel**

Job title: **Chief Investment Officer**

Signatory organisation name: **Los Angeles County Employees
Retirement Association**

Signatory organisation(s) seconding your candidacy: **Maryland State
Retirement and Pension System**



CANDIDATE STATEMENT

This is a pivotal moment in the evolution and maturation of responsible investing across global markets. Given my experience and commitment, I would welcome the opportunity to serve on the PRI Board of Directors to further the PRI's mission on behalf of all asset owners and signatories.

My current role as the chief investment officer of a U.S. public pension plan managing over US\$77 billion in assets—along with past experience as a private equity investor, investment banker, and tax accountant—position me to add an informed viewpoint on both macro trends and practical operational matters in financial markets, responsible investing, and organizational governance.

The Los Angeles County Employees Retirement Association (LACERA) has been a committed signatory to the PRI since 2008 and I currently serve on PRI's Asset Owner Technical Advisory Committee. We are pleased to be named a finalist for ESG Investor of the Year by Institutional Investor for our integrated, total fund approach to investment stewardship. With assets invested with external asset managers across diverse asset classes and 65 global markets, we have embedded ESG throughout our investment process. This includes diligently evaluating ESG factors in our strategic asset allocation and asset manager selections, pursuing productive stewardship initiatives, and public policy advocacy. It is my belief that our prudent consideration of ESG financial risks and opportunities has helped better inform our investment process and produce top quartile performance.

It is a critical period for positioning the PRI for sustainable success. PRI's signatory base has grown and now includes signatories with diverse fund sizes, geographic footprints, depth of experience with responsible investing, and local market regulatory environments. Strategies and tools for ESG integration have become more sophisticated. Challenges are equally diverse. They range from effectively navigating a successful energy transition to promoting a regulatory environment across markets that is conducive for asset owners to responsibly steward investments and produce sustainable returns.

In light of these challenges and opportunities, it would be an honor to collaborate with fellow board directors to advance the PRI as the world's leading proponent of responsible investment. My combination of broad market knowledge, deep investment skills, and prudent governance insights

would enable me to be a productive director. If elected, I would actively dedicate time to serve as a director and promote PRI as a robust association serving all signatories.

BIOGRAPHY

Jonathan Grabel is the Chief Investment Officer for the Los Angeles County Employees Retirement Association (LACERA). Having been named CIO in 2017, Mr. Grabel leads LACERA's investment program, which manages over US\$77 billion in assets (including a US\$74 billion defined benefit pension plan and US\$3 billion in other post-employment benefits) on behalf of LACERA's 185,000 active and retired members. Under Mr. Grabel's leadership, LACERA has generated top-quartile returns through the plan's multi-faceted investment framework, inclusive of ESG considerations.

He brings a breadth of asset owner experience, having previously served as the CIO for a statewide pension plan (New Mexico Public Employees Retirement Association) and a local school pension system (Montgomery County Public Schools Employees Pension System near Washington, D.C). He also provides depth of investment insight, as he previously was a general partner at a private equity firm focused on growth-stage investments in technology, networking industries, and digital communications. Earlier in his career, Mr. Grabel was an investment banker and a tax accountant, where he advised non-profit organizations and private entities.

His past governance experience includes serving as a board director of over ten companies, ranging from start-up firms to one publicly listed company. He has also served on philanthropic boards, such as the Santa Fe Community Foundation (Santa Fe, New Mexico) and the Suburban Hospital Foundation Board.

Mr. Grabel received his BS in economics from the University of Pennsylvania Wharton School of Business and his MBA from the University of Chicago Booth School of Business. He is a Certified Public Accountant (CPA) (inactive).

SIGNATORY ORGANISATION INFORMATION

LACERA manages over US\$77 billion in assets on behalf of over 185,000 active and retired Los Angeles County employees. LACERA is the largest county public pension in the United States and serves the country's most populous county with over ten million people.

LACERA's mission is "to produce, protect, and provide the promised benefits for LACERA members." LACERA aims to fulfil its mission through prudent investment and conservation of plan assets. Responsible stewardship is key to our investment process. We have a dedicated board committee and stewardship team. We have elevated ESG considerations throughout our investment policy statement and investment beliefs. We have updated our stewardship principles and take actionable steps to advance our investment program through these principles. We vote proxies at over 6,500 companies in 65 global markets. We assess ESG in all investment mandates, including upfront and ongoing diligence. Our strategic asset allocation aims to be climate aware, as we stress test our capital market expectations for the potential impact of various climate scenarios to inform our asset allocation and portfolio positioning. In addition, we publish an annual corporate governance and stewardship report.

A key component of our stewardship program is collaborating with peers to advance common objectives and amplify our collective voice. LACERA staff recently chaired the Council of Institutional Investors and we are active supporters of the IFRS' newly established International Sustainability Standards Board to enhance the availability and quality of ESG data in financial markets. LACERA has endorsed the Taskforce on Climate-related Financial Disclosures, the CFA Institute's DEI Code of Conduct, and the Institutional Limited Partner Association's Diversity in Action Initiative. We participate in the Climate Action 100+ and the Global Real Estate Sustainability Benchmark. We participated on PRI's Western

North America Advisory Committee and previously contributed to PRI's Private Equity Advisory Committee.

SPECIFIC EXPERTISE

LEADERSHIP AND GOVERNANCE EXPERIENCE

I currently lead and manage all aspects of LACERA's investment program, including working with LACERA's Board of Investments to establish strategic plans and objectives, and managing the investment division to align staffing and resources, and measure progress against stated goals.

I would bring to the PRI broad experience working for and with boards of directors in both non-profit and for-profit settings. As a partner at a private equity firm, I served on many boards and understand key aspects of positioning an organization for strategic success. My corporate experience ranged from small, start-up entities seeking to establish growth plans and align resources to achieve their goals, to one publicly-listed corporation navigating public market company expectations and markets. I have also served on several local philanthropic boards, including in health care and community development. And as a certified public account (inactive), I provided professional advice and counsel to non-profit boards and entities.

As the CIO for US public pension plans in Maryland, New Mexico, and now California, I now have routine experience working with and for boards.

Across my experience serving on or working for boards, as well as leading LACERA's investment program, I understand the critical need to listen to constituents to develop workplans that reflect the views of multiple constituents. I also embrace the soft skills necessary to be a successful leader. These include active listening, the willingness to be challenged, conflict resolution, delegation, emphasis on education, and the capacity to implement repeatable processes. This holistic view would position me to support the PRI to enter the next phase of its development.

GENERAL

DEMONSTRATED LEADERSHIP WITHIN RESPONSIBLE INVESTMENT, ESG EXPERTISE AND OTHER EXPERIENCE RELEVANT TO THE LONG-TERM SUCCESS OF THE PRI

Mr. Grabel is an active proponent of advancing effective strategies to incorporate ESG considerations into investment management. Under Mr. Grabel's leadership, LACERA developed and LACERA's board of investments adopted a 5-point multi-year strategic plan to advance a holistic approach to produce and protect investment returns. One of the five core pillars of LACERA's strategic plan is to maximize stewardship rights and considerations across all asset classes, investment fund structures, and investment decision points. He has expanded LACERA's dedicated focus and resources to support consideration of ESG factors throughout LACERA's investment program, including working with LACERA's board and dedicated stewardship staff on program development and education and expanding resources and data analytics to support consideration of ESG factors in portfolio monitoring and investment analysis.

Outside of LACERA, Mr. Grabel is active in supporting industry initiatives to expand consideration of ESG factors in investment management and promote sustainable financial markets. He serves on the PRI Asset Owner Technical Advisory Committee, the Council of Institutional Investors U.S. Asset Owners Advisory Council, and the Institutional Investor Advisory Group of the International Financial Reporting Standards' recently-established International Sustainability Standards Board (the successor entity to the SASB Standards).