

## SERS Board Governance Policy Manual

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<b>Policy Name:</b>	<b>Insider and Personal Trading Policy</b>
<b>Policy Number:</b>	2020-POL-BD-01
<b>Effective Date:</b>	January 1, 2021, as amended September 26, 2023
<b>Reviewed Date:</b>	September 8, 2020; October 27, 2020; September 19, 2023
<b>Applies To:</b>	Board Members, Designees, and Covered Employees
<b>Contact Person:</b>	SERS Chief Compliance Officer

### **I. Purpose**

It is the general policy of the State Employees' Retirement Board ("Board") that the highest moral and ethical standards shall prevail in the accomplishment of the work of the Board and its employees. The members of the Board serve as trustees of the following:

- A. The State Employees' Retirement Fund, which consists of all balances in separate accounts set apart and to be used under the Board's direction for the sole and exclusive benefit for the members ("Members") of the State Employees' Retirement System ("SERS");
  - B. The State Employees' Defined Contribution Trust ("401(a) Trust"), which is established as part of the State Employees' Defined Contribution Plan ("401(a) Plan"). The 401(a) Trust is comprised of the individual investment accounts, and all assets and money in those accounts, and any assets held by the Board as part of the 401(a) Plan that are not allocated to individual investment accounts established for those state employees who participate in the 401(a) Plan, which the Board administers and manages exclusively for the benefit of the 401(a) Plan participants and their beneficiaries until such time as the funds are distributed to the participants and their beneficiaries in accordance with the 401(a) Plan;
  - C. The Deferred Compensation Plan Trust for Officers and Employees of the Commonwealth of Pennsylvania ("457 Trust"), which is established as part of the Sixth Amended and Restated Deferred Compensation Plan ("457 Plan"). The 457 Trust is comprised of all property and rights purchased with compensation deferred under the 457 Plan, all income attributable thereto, and such other monies or assets as are permitted by law to be transferred to the 457 Plan, which the Board administers and manages exclusively for the benefit of the 457 Plan participants and their beneficiaries until such time as the funds are distributed to the participants and their beneficiaries in accordance with the 457 Plan; and
  - D. The Benefits Completion Plan ("BPC"), which is a retirement benefit plan within the meaning of, in conformity with, and then only to the extent and so long as
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permitted by Internal Revenue Code (“IRC”) § 415(m) for the purpose of providing such retirement benefits as would otherwise have been payable under the State Employees’ Retirement Code to annuitants of SERS on or after July 2, 2001, but for the application of the limitations on benefits of IRC § 415.

The Board, Board member designees (“Designee” or “Designees”), SERS employees (“Employee” or “Employees”), and SERS’ agents (each a “SERS Agent”) stand in a fiduciary relationship to the Members and beneficiaries of SERS, and to the participants and beneficiaries in both the 401(a) Plan and the 457 Plan (hereinafter referred to collectively as the “DC Plans”).

All business of SERS, the BPC, and the DC Plans is to be conducted in the best interests of the Members, the participants in the DC Plans (“Participants”), and their respective beneficiaries, and not for the benefit or profit of any Board member, Designee, Employee, or SERS Agent, or to serve the interest of any third party. The obligations of Board members, Designees, and Employees also include making full and fair disclosure of all relevant facts and any potential or actual conflicts of interest. Board members, Designees, and Employees are to act with loyalty and good faith, and shall place the interests of the Members, Participants, and their respective beneficiaries before their own personal interests. Hereinafter, any reference to SERS shall include a reference to the DC Plans.

Board members, Designees, and Employees are subject to various policies concerning standards of conduct, some of which are either statutory or promulgated by other Commonwealth of Pennsylvania (“Commonwealth”) entities (“Commonwealth Policies”).

Commonwealth Policies that may apply to Employees, Board members, and Designees include:

- The Pennsylvania Public Official and Employee Ethics Act (65 Pa. C.S. § 1101 *et seq.*), which prohibits a public official or public employee from engaging in “conduct that constitutes a conflict of interest.” 65 Pa. C.S. § 1103(a). A conflict of interest includes using “any confidential information received through his holding public office or employment for the private pecuniary benefit of himself, a member of his immediate family or a business with which he or a member of his immediate family is associated.” 65 Pa. C.S. § 1102.
- The Code of Conduct for Appointed Officials and State Employees, (4 Pa. Code § 7.151 *et seq.*) (the “Governor’s Code of Conduct”), which provides that “[a]n employee, appointee or official in the Executive Branch of the Commonwealth may not do the following:

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- (1) Engage directly or indirectly in business transactions or private arrangement for profit which accrues from or is based upon his official position of authority.
  - (2) Participate in the negotiation of our decision to award contracts, the settlement of claims or charges in contracts, the making of loans, the granting of subsidies, the fixing of rates, or the issuance of permits, certificates, guarantees or other things of value to, with or for an entity in which he has a financial or personal interest.”
- 4 Pa. Code § 7.151.

The Governor’s Code of Conduct further provides that:

“No employe[e], appointee or official in the Executive Branch of the Commonwealth may represent or act as agent for a private interest, whether for compensation or not, in a transaction in which the State has a direct and substantial interest and which could be reasonably expected to result in a conflict between a private interest of the official or employe[e] and his official State responsibility.”

4 Pa. Code § 7.152.

- Board members who are members of the General Assembly and their Designees are subject to the Legislative Code of Ethics (46 P.S. § 143.1 *et seq.*), which provides that “[n]o member shall:
    - (1) Accept employment or engage in any business or professional activity which will require him to disclose confidential information which he has gained by reason of his official position or authority,
    - (2) Improperly disclose confidential information required by him in the course of his official duties nor use such information to further his personal interests,
    - (3) Use or attempt to use his official position to secure unwarranted privileges or exemptions for himself or others.”
- 46 P.S. § 143.4.

As a general policy, Board members, Designees, and Employees shall comply with all laws and regulations, including the Commonwealth Policies, applicable to SERS’ business. On March 6, 2008, the United States (“U.S.”) Securities and Exchange Commission (“SEC”) issued a *Report of Investigation Pursuant to Section 21(a) of the Securities Exchange Act of 1934*, Release No. 57446 (March 6, 2008) (“Report”). In conjunction with that Report, the SEC issued a press release in which then-SEC Chair Christopher Cox stated: “While public pension funds are exempt from most of the federal

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securities laws governing other money managers, they are not exempt from important anti-fraud provisions that prohibit insider trading and other manipulative and dishonest behavior that threatens the integrity of our markets.”

Moreover, members of professional organizations that promulgate standards of conduct are subject to those professional standards, as applicable. For example, members of the Chartered Financial Analyst Institute (the “CFA Institute”) who are responsible for the Board’s investment decisions or who are involved in the management of SERS’ assets are governed by the Code of Ethics and Standards of Professional Conduct established by the CFA Institute (“CFA Institute Code and Standards”) and applicable state statutes, including signing an annual affirmation of compliance with the CFA Institute Code and Standards.

To affirm its intent to comply with applicable laws and regulations, the Board adopts this Insider and Personal Trading Policy (this “Policy”) to safeguard against the misuse of insider information (as defined below).

Each Board member, Designee, and Employee covered by this Policy shall familiarize themselves with the Policy. Strict adherence to this Policy is mandatory. Questions about this Policy should be discussed with the Employee’s supervisor, the Chief Counsel, Executive Director, and/or Chief Compliance Officer of SERS. Violations of this Policy may lead to disciplinary action for Employees, up to and including termination of employment.

Although strict adherence to the specific requirements of this Policy is mandatory, this Policy cannot, and is not intended to, address all circumstances that may arise. Board members, Designees, and Employees must perform their duties in a manner designed to minimize even the appearance of impropriety or a conflict of interest. This Policy is intended to demonstrate to stakeholders and the general public that each Board member, Designee, and Employee is dedicated to transparency, accountability, and the highest ethical behavior, and that adequate controls are in place to ensure compliance with all legal, regulatory, and policy requirements.

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### **II. Coverage**

This Policy applies to: (i) each Employee who holds any of the “SERS Covered Employee Positions” identified in Appendix A (individually a “Covered Employee” or collectively “Covered Employees”) and (ii) Board members and Designees.

Covered Employees are those Employees who may have access to material, nonpublic information (“MNPI”) about proposed trading, trading strategies, or SERS’ holdings. The term includes individuals involved in recommending or making investment decisions, or who have access to systems containing Confidential SERS Investment-Related Information, as hereinafter defined. The term also includes those working with, or in close proximity to, an Employee involved in decision-making and who regularly has the opportunity to view MNPI written information or hear MNPI discussions regarding SERS’ previous, current, and/or potential investments.

The insider trading and front running prohibitions established in this Policy continue to apply to Board members, Designees, and Covered Employees who are in possession of MNPI or Confidential SERS Investment-Related Information even after: (i) termination of employment for Covered Employees, or (ii) a Board member’s or Designee’s term on the Board concludes. The restrictions set forth in this Policy end when the MNPI or Confidential SERS Investment-Related Information becomes generally available to the public, other than through the direct or indirect actions of the Board member, Designee, or Covered Employee, and SERS Chief Compliance Officer removes the security from the Prohibited Securities List, as explained below.

### **III. Definitions**

The following terms, when used in this Policy, shall have the meanings set forth below:

- A. “**Confidential SERS Investment-Related Information**” shall mean any confidential and/or proprietary commercial and/or financial information relating to SERS’ investments in any asset class, investment management practices, and/or investment strategies that is not generally available to the public, the disclosure of

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which would be detrimental to SERS' investments or potential investments, or to the party to which the information pertains.

- B. “**Exempt Transactions**” shall mean transactions in any of the following:
1. direct obligations of the U.S. government (*e.g.*, Treasury securities);
  2. bankers' acceptances, bank certificates of deposit, commercial paper, and high-quality short-term debt obligations, including repurchase agreements;
  3. shares issued by money market funds;
  4. shares issued by open-end mutual funds;
  5. shares of closed-end funds and exchange-traded funds;
  6. options on index-replicating exchange-traded funds;
  7. normal dividend reinvestment plans limited to the periodic reinvestment of the dividend amount. Note: Additions of capital to a dividend reinvestment plan are reportable;
  8. investment transactions in the DC Plans, excluding, however, Personal Securities Transactions in self-directed brokerage accounts that are not otherwise exempt;
  9. investment transactions in 529 plans (established pursuant to 26 U.S.C. § 529) and the Pennsylvania ABLE Savings Program (established pursuant to 72 P.S. § 4666.101 *et seq.*);
  10. purchases of securities by an exercise of rights issued to the holders of a class of securities pro rata, to the extent those rights are issued with respect to securities of which a Board member, Designee, Covered Employee, or Related Party has beneficial ownership;
  11. acquisitions or dispositions of securities as a result of a stock dividend, stock split, reverse stock split, merger, consolidation, spin-off, or other similar corporate action distributions or reorganization applicable to all holders of a class of securities of which a Board member, Designee, Covered Employee, or Related Party has beneficial ownership;
  12. investment transactions in blind trusts;
  13. broker-controlled or investment advisor-controlled transactions;
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14. investment transactions resulting from automated rebalancing; and
  15. currency transactions.
- C. **“Personal Securities Transaction”** shall mean a discretionary transaction involving the purchase or sale of a security in which a Board member, Designee, or Covered Employee, or any Related Party, had or gained, directly or indirectly, a pecuniary interest, and in which the Board member, Designee, or Covered Employee, or any Related Party had influence or control, directly or indirectly, over the timing of such transaction. Exempt Transactions are not considered a Personal Securities Transaction.
- D. **“Prohibited Securities List”** shall mean a restricted list of companies for which trading of public securities by Board members, Designees, and Covered Employees is restricted.
- E. **“Related Party”** shall mean a spouse, domestic partner, dependent child, or other person related to the Board member, Designee, or Covered Employee residing in the same household as the Board member, Designee, or Covered Employee.

#### **IV. Prohibition on Insider Trading; Confidentiality of Insider Information**

This Policy is intended to prohibit “insider trading.” Board members, Designees, and Covered Employees may be provided, or have access to, Confidential SERS Investment-Related Information while performing their responsibilities, which might include MNPI about a company. Confidential SERS Investment-Related Information not publicly available must be treated as confidential by Board members, Designees, and Covered Employees even if it is not designated as confidential. Neither MNPI about publicly traded companies acquired through SERS, nor Confidential SERS Investment-Related Information, may be used by Board members, Designees, or Covered Employees for personal gain or to benefit any third party, including without limitation, Related Parties, or friends. In addition, Board members, Designees, and Covered Employees may not undertake Personal Securities Transactions to which such information pertains. If there is uncertainty about whether information is Confidential SERS Investment-Related Information or constitutes MNPI, Board members, Designees, and Covered Employees should consult with the Chief Compliance Officer.

Federal, state, and foreign securities laws, and rules and regulations regarding “insider trading” are constantly changing. The description of “insider trading” below should be used merely as a guide. Board members, Designees, and Covered Employees are encouraged to consult with SERS Chief Compliance Officer when attempting to apply such laws, rules, and regulations to specific circumstances.

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### Insider Trading

“Insider trading” is not defined in the securities laws, but the term is used broadly to refer to buying or selling securities on the basis of MNPI relating to those securities. Any person who possesses MNPI is considered an “insider” as to that information. The scope of insider trading liability has been extended to “controlling persons,” which includes any entity or person with power of influence or control over the management or activities of another person (such as the Board in regard to an Employee) with responsibility for implementing policies to prevent insider trading. Liability has also been extended to “tippees” who receive MNPI from an insider if the “tipper” (the “insider”) breaches a fiduciary duty for his or her personal benefit, and the “tippee” knows, or has reason to know, of the breach. Finally, liability has been imposed on employees who trade securities based on MNPI they misappropriated from their employer (such as a SERS Covered Employee making a Personal Securities Transaction based on insider information obtained during SERS employment). The law provides civil and criminal penalties for insider trading violations.

### Material Information

What constitutes “material” is determined by an examination of all facts and circumstances; however, it generally means information that would be considered important by a reasonable investor in deciding whether to buy, sell, or refrain from any activity regarding that company’s securities. Common examples of “material information” include, but are not limited to: (i) financial results and projections; (ii) news of a merger or acquisition; (iii) stock splits; (iv) public or private securities/debt offerings; (v) changes in dividend policies or amounts; (vi) gain or loss of a major customer or supplier; (vii) major product announcements; (viii) significant changes in senior management; (ix) a change in accounting policies; (x) actions of regulatory agencies; and (xi) major business problems or successes.

### Nonpublic Information

“Nonpublic” information is information that has not achieved broad dissemination to the investing public generally, typically through a press release or SEC filing. Information may be considered “nonpublic” despite early or preferential disclosure to Board members, Designees, and Covered Employees, or financial analysts in the investment industry. Board members, Designees, and Covered Employees should exercise special caution with information provided to SERS under a nondisclosure or confidentiality agreement, or information that has been expressly or impliedly designated as confidential by the individual or entity providing the information. Further, Board members,



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Designees, and Covered Employees must exercise caution with information provided to SERS if the person receiving the information knows, or should know, that the information provider received the information in confidence. Questions regarding nondisclosure or confidentiality agreements should be addressed to the Chief Counsel's Office. After the information becomes public, it loses its status as "insider" information.

Board members, Designees, and Covered Employees must regard MNPI about publicly traded securities as highly confidential and shall use information barriers to protect the information's confidentiality. Further, such information shall not be shared with any other individual, without the written approval of the Chief Counsel and the Chief Compliance Officer. Board members, Designees, and Covered Employees possessing MNPI must take proactive steps to preserve the information's confidentiality and prevent its intentional or inadvertent disclosure.

Federal and state securities laws generally prohibit SERS from trading in a security while possessing MNPI related to the traded security or issuer. Federal securities laws, however, permit institutional investors to trade while one or more of its employees possesses MNPI if the individual or group of individuals making the investment decision on the institutional investor's behalf is unaware of the information.

Further, the institutional investor must have implemented reasonable policies and procedures to ensure that the individual or group of individuals making the investment decision on the institutional investor's behalf is not aware of MNPI related to that investment decision.

### Prohibited Securities List and Information Barriers

Any Covered Employee who believes that he or she has obtained MNPI—whether obtained through the Covered Employee's employment with SERS or otherwise—must communicate that information and the circumstances surrounding the Covered Employee's acquisition of MNPI to the Chief Compliance Officer or his or her designee.<sup>1</sup> Upon notification of a Covered Employee's acquisition of possible MNPI, the Chief Compliance Officer will promptly review and reach a determination regarding whether the information constitutes MNPI under applicable laws and regulations. The Chief Compliance Officer will document the determination in writing to the Covered Employee who acquired the information ("Insider Person"). SERS does not anticipate that Board

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<sup>1</sup> If SERS Chief Compliance Officer may have obtained MNPI requiring review, the Chief Compliance Officer shall communicate such information to the Chief Counsel. The Chief Counsel shall: (i) solely determine whether the information is MNPI and if any other information barriers or other actions are warranted; (ii) direct staff assigned to assist the compliance function to add the security to the Prohibited Securities List; and/or (iii) monitor the security's MNPI status.

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members or Designees will regularly receive MNPI; however, Board members and Designees shall notify the Chief Compliance Officer if they acquire or become aware of MNPI other than from Covered Employees and, in such event, the Board members and Designees are deemed to be Insider Persons.

If the Chief Compliance Officer determines that the information is MNPI:

- An Insider Person may not use or disclose MNPI with any other individual, including without limitation, Related Parties or friends—whether the MNPI was obtained as a result of the Insider Person’s position as a Board member or Designee, or due to the Insider Person’s employment with SERS (including information obtained from Advisory Board meetings or materials) and regardless of whether such information was received directly or indirectly—without the Chief Compliance Officer’s written approval.
- The Chief Compliance Officer shall add the security to the Prohibited Securities List. It is anticipated that, with the use of external investment managers, the Prohibited Securities List may contain few or no securities since manager reporting of transactions and Insider Person knowledge typically occurs after the fact.
- The Chief Compliance Officer shall promptly establish an “information barrier” by informing all Insider Persons that they may not participate, directly or indirectly, in investment decisions regarding the security on behalf of SERS, themselves, or others. The Chief Compliance Officer will further advise the Insider Persons that the MNPI may be disclosed only after receiving the Chief Compliance Officer’s written approval. In addition, the Insider Persons shall adhere to the Chief Compliance Officer’s advice, including taking the precautions below to protect the information barrier’s integrity and the MNPI’s confidentiality:
  - Do not discuss confidential information in public places, such as elevators, hallways, or social gatherings;
  - To the extent practical, limit Employee access to areas in SERS’ facilities where confidential information may be observed or overheard;
  - Avoid using speaker phones to discuss or receive confidential information;
  - If appropriate, use code names or numbers for confidential projects;
  - If feasible, excuse persons involved in making investment decisions in securities on SERS’ behalf from meetings or parts of meetings in which confidential information will be discussed; and

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- Avoid placing documents (including electronic documents) with confidential information in places where they may be read by unauthorized persons and store the documents in a secure location.

If MNPI related to a particular security must be disclosed to an Employee who is not an Insider Person, the disclosing Insider Person shall promptly inform the Chief Compliance Officer. The Chief Compliance Officer shall promptly communicate with the new Insider Person and shall establish an information barrier as described above. In the event of an inadvertent disclosure of MNPI to an Employee not previously identified as an Insider Person with regard to a particular security, the Insider Person shall promptly inform the Chief Compliance Officer so the Chief Compliance Officer can protect the MNPI and promptly establish an information barrier as described above.

- The Chief Compliance Officer shall monitor all securities placed on the Prohibited Securities List.
- The Chief Compliance Officer is responsible for determining when the MNPI no longer meets the definition of material, nonpublic information and shall remove the information barrier or trading restrictions at that time.

### **V. Front Running Prohibition**

The following description should be used merely as guidance on what constitutes “front running.” Like insider trading, “front running” may subject Board members, Designees, and Covered Employees to criminal and/or civil proceedings. Front running involves buying or selling securities with advance knowledge of pending orders from SERS or another investor. Front running may occur, for example, when a Board member, Designee, or Covered Employee trades, or facilitates trading by a third party with knowledge that a trade is pending on SERS’ behalf.

Front running may also constitute a misappropriation of SERS’ proprietary information for private or personal gain, in violation of policies governing SERS’ standards of behavior. Accordingly, front running by Board members, Designees, and Covered Employees is prohibited.

Board members, Designees, and Covered Employees may not place an order for a Personal Securities Transaction if they have advance knowledge that a securities transaction on SERS’ behalf (including by a third party) (“SERS Transaction”) is pending in the security that is the subject of the Personal Securities Transaction. Specifically, a Board member, Designee, or Covered Employee may not transact a

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Personal Securities Transaction in the security beginning three (3) business days before the SERS Transaction in that security is executed (commonly known as the “Blackout Period”), unless the commitment to transact the order occurred before the individual had knowledge of the SERS Transaction. The Board member, Designee, or Covered Employee must wait until three (3) business days after the SERS Transaction has been executed before placing an order for a Personal Securities Transaction involving that same security, unless the commitment to transact the order occurred before the individual had knowledge of the SERS Transaction. Additionally, the Board member, Designee, or Covered Employee may not transact a Personal Securities Transaction in the security if the Board member, Designee, or Covered Employee is aware of MNPI regarding such asset.

Similarly, Board members, Designees, and Covered Employees may not knowingly delay, hinder, modify, or cancel any SERS Transaction with the intent of facilitating a Personal Securities Transaction.

### **VI. Compliance, Implementation, and Enforcement**

The Chief Compliance Officer is responsible for developing and maintaining formal procedures, including any forms necessary for compliance with this Policy.

#### **A. Annual Acknowledgment Form**

A copy of this Policy shall be provided to each Board member, Designee, and Covered Employee. To ensure compliance with this Policy, Board members, Designees, and Covered Employees shall familiarize themselves with this Policy. The Chief Compliance Officer will provide training on this Policy for all Board members, Designees, and Covered Employees. To acknowledge the individual’s understanding of and intent to comply with this Policy, each Board member, Designee, and Covered Employee shall execute an acknowledgment (i) for new Covered Employees, within thirty (30) days of hire date or within thirty (30) days after transition from a non-Covered Employee position to a Covered Employee position within SERS, and (ii) for new Board members and Designees, before their commencement of service on the Board, and annually thereafter on or before May 1 for Board members, Designees, and Covered Employees.

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Covered Employees shall complete the acknowledgment through PolicyTech and shall forward their Certificate of Completion (generated through PolicyTech) to SERS Chief Compliance Officer. By completing the acknowledgment, the Covered Employee affirms that failure to adhere to this Policy may lead to disciplinary action, up to and including termination of employment.

Board members and Designees shall complete an Acknowledgment Form substantially in the form attached as Appendix B.

The Chief Compliance Officer shall retain all Certificates of Completion (for Covered Employees) and all Acknowledgment Forms (for Board members and Designees) in the Chief Compliance Officer's files. The Chief Counsel shall retain the Chief Compliance Officer's Certificate of Completion in the Chief Counsel's files.

### B. Personal Securities Transactions by Board members, Designees, and Covered Employees

Board members, Designees, and Covered Employees must comply with the requirements below for Personal Securities Transactions:

1. Board members, Designees, and Covered Employees may not undertake a Personal Securities Transaction involving a security included on the Prohibited Securities List created and maintained by the Chief Compliance Officer under Section IV of this Policy. The Chief Compliance Officer or his or designee will make the Prohibited Securities List available to Board members, Designees, and Covered Employees on an access-controlled repository ("List Repository"). The Chief Compliance Officer or his or her designee shall maintain the List Repository as follows:
  - a. Upon an addition to, or removal of, a security from the Prohibited Securities List, the Chief Compliance Officer or his or her designee shall provide notice via email to Board members, Designees, and Covered Employees of the addition or removal.
  - b. The Prohibited Securities List shall include: (i) the date the security was added to the Prohibited Securities List, (ii) the date the security was removed from the Prohibited Securities List ("Date Removed"), and (iii) the date the Chief Compliance Officer revised the Prohibited Securities List.

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- c. A Personal Securities Transaction involving a security on the Prohibited Securities List is precluded until the Date Removed.

The Chief Compliance Officer must maintain the Prohibited Securities List confidentially on the List Repository, with access limited to Board members, Designees, Covered Employees, SERS Internal Audit Office, the Chief Counsel, the Chief Compliance Officer and his or her designee, and any other person the Chief Compliance Officer authorizes in writing. Board members, Designees, and Covered Employees may not tip or disclose the Prohibited Securities List to others, including other SERS Employees, unless the recipient is duly authorized to receive this information evidenced by the Chief Compliance Officer's written approval.

This policy is not intended to be punitive. If a Board member, Designee, or Covered Employee currently holds a position in a security at the time the security is placed on the Prohibited Securities List, the Board member, Designee, or Covered Employee may submit a written request to the Chief Compliance Officer or his or her designee for permission to liquidate the position. The written request shall include the reasons justifying the liquidation request. The Chief Compliance Officer or his or her designee shall promptly review the liquidation request and issue a written determination to the Covered Employee.

2. No Covered Employees may engage in any trading activity that interferes with their job responsibilities.

### C. Transaction Report

Except as otherwise provided in this section, each Board member, Designee, and Covered Employee shall file annually with the Chief Compliance Officer a transaction report on the form attached as Appendix C ("Transaction Report"), which shall either: (i) certify that the Board member, Designee, or Covered Employee did not have any Personal Securities Transactions (including Personal Securities Transactions by Related Parties known to the Board member, Designee, or Covered Employee) for the prior calendar year in any securities on the Prohibited Securities List, or (ii) list the Personal Securities Transactions (including Personal Securities Transactions by Related Parties known to the Board member, Designee, or Covered Employee) for the prior calendar year in any securities on the Prohibited Securities List, along with supporting documentation requested by the Chief

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Compliance Officer. The Chief Compliance Officer shall file his/her Transaction Report with the Chief Counsel, along with any supporting documentation requested by the Chief Counsel.

The due date for filing the Transaction Report, with respect to Personal Securities Transactions during the prior calendar year, is May 1 for each year that a Covered Employee is employed at SERS, or a Board member or Designee holds a Board position. Since the Transaction Report covers the prior calendar year, Board members, Designees, and Covered Employees must file a Transaction Report the year after leaving SERS employment or vacating their seat on the SERS Board.

Exempt Transactions are excluded from the reporting requirements. If no securities are included on the Prohibited Securities List during the entire preceding calendar year, the Chief Compliance Officer or his or her designee shall notify Board members, Designees, and Covered Employees at the beginning of the year that Transaction Reports are not required for the prior calendar year.

The Chief Compliance Officer will retain all Transaction Reports, and any supporting documentation submitted with the Transaction Reports, in the Chief Compliance Officer's files. The Chief Counsel will retain the Transaction Report submitted by the Chief Compliance Officer along with any supporting documents.

### D. Application of Right-to-Know Law

Under the Right-to-Know Law, 65 P.S. §§ 67.101-67.3104, Transaction Reports and supporting documentation are "personal financial information," which are exempt from access under 65 P.S. § 67.708(b)(6)(i)(A).

## VII. Additional Information

This Policy should be read in conjunction with applicable federal and state laws, rules, and regulations, as well as other Commonwealth Policies. If this Policy imposes different or greater obligations than those imposed by other governing laws and documents, the requirements of this Policy are deemed to be in addition to, and not in conflict with, these other obligations. Questions about the application of multiple requirements should be addressed to the Chief Compliance Officer.



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### Document Properties

- a. **Document Owner:** SERS Chief Compliance Officer
- b. **Document Author:** Jo Ann P. Collins
- c. **Summary of Changes:**

<b>Date</b>	<b>Version</b>	<b>Author</b>	<b>Summary</b>
September 8, 2020	2020 POL- BD-01	SERS Legal Office	Policy established to create safeguards against the misuse of insider information.
October 27, 2020	2	SERS Legal Office	Revised definition of “Prohibited Securities List”
September 19, 2023	3	Jo Ann Collins	Biennial review. Updated to reflect the current names of SERS’ Business Units and the current version of the 457 plan; technical corrections and revisions for clarity, consistency, and conciseness throughout the document.

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### **Appendix A - SERS COVERED EMPLOYEE POSITIONS**

#### **INSIDER AND PERSONAL TRADING**

##### **POLICY**

- A. All Investment Office Personnel
- B. All Executive Office and Office of Administration Personnel
- C. All Internal Audit Office Personnel
- D. All Communications and Policy Office Personnel
- E. All Office of Financial Management Personnel
- F. All Office of Chief Counsel's Personnel
- G. Office of Member and Participant Services Personnel as follows:
  - a. Deputy Executive Director for Member and Participant Services
- H. Human Resources Office Personnel as follows:
  - a. Human Resource Director
- I. Bureau of Information Technology Personnel as follows:
  - a. Chief Information Officer
  - b. Chief Information Security Officer
  - c. Director of Applications Division
  - d. Director of Technical Support Division
  - e. Director of Database Administration Division

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### **Appendix B – ACKNOWLEDGMENT FORM**

#### **INSIDER AND PERSONAL TRADING POLICY**

I acknowledge that:

1. I have read and understand the Insider and Personal Trading Policy (“Policy”) and agree to adhere strictly to the Policy.
2. I have had the opportunity to speak with, and ask questions to, the Chief Compliance Officer about any provisions of the Policy that are unclear to me.
3. If I am a current SERS employee, I further understand that failure to act in strict conformance with the Policy may lead to disciplinary action, up to and including termination of employment.

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

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### **Appendix C** **TRANSACTION REPORT** **INSIDER AND PERSONAL TRADING POLICY**

Per the *Insider and Personal Trading Policy (2020-POL-BD-01)* (the “Policy”), for each year that securities are included on the Prohibited Securities List, you must either: (i) certify that you did not have any Personal Securities Transactions (including Personal Securities Transactions known to you of your Related Parties) for the prior calendar year in any securities on the Prohibited Securities List, or (ii) list the Personal Securities Transactions (including Personal Securities Transactions known to you of your Related Parties) for the prior calendar year of any securities included on the Prohibited Securities List, along with any supporting documentation requested by the Chief Compliance Officer.

This report must be submitted on this form to the Chief Compliance Officer annually, no later than May 1, with respect to Personal Securities Transactions during the prior calendar year. Capitalized terms used but not defined in this form have the meanings given to them in the Policy.

1. Name: \_\_\_\_\_

2. Job Title: \_\_\_\_\_

3. Reporting Period: 20\_\_\_\_

**I.**

**II. Check ONE of the two boxes below and sign where applicable:**

I certify that, during the calendar year specified above, there were no reportable Personal Securities Transactions engaged in by me or any reportable Personal Securities Transactions known to me of my Related Parties in any securities on the Prohibited Securities List.

Signature:

\_\_\_\_\_

Printed Name:

\_\_\_\_\_

Date:

\_\_\_\_\_

The following is a list of all reportable Personal Securities Transactions engaged in by me or any reportable Personal Securities Transactions known to me of my Related Parties in any securities

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on the Prohibited Securities List during the calendar year specified above.

Security (name, type, ticker, or trading symbol, as applicable)	Buy / Sel	Date of Transaction (Trade Date) (Month/Day/)	Number of Shares or other Units	Price	Aggregate Market Value of Securities

\*Attach additional sheets as necessary.

**PLEASE DO NOT SIGN BELOW UNLESS YOU CHECKED THE BOX ABOVE INDICATING THAT YOU HAVE REPORTABLE PERSONAL SECURITIES TRANSACTIONS FOR THE YEAR IN QUESTION. (If you checked the box on the first page of this form indicating that you did not have any reportable Personal Securities Transactions during the prior calendar year, you do not need to complete the remainder of the form and you do not need to sign below.)**

I certify that this report constitutes all of the reportable Personal Securities Transactions engaged in by me or any reportable Personal Securities Transactions known to me of my Related Parties in any securities on the Prohibited Securities List during the calendar year specified above.

Signature:

\_\_\_\_\_

Printed Name:

\_\_\_\_\_

Date: