



**TCDRS Code of Ethics
For Trustees and Covered Employees**

Revised March 5, 2026

TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
CODE OF ETHICS for Trustees and Covered Employees
As Amended March 2026

General Principles

This Code of Ethics (this “Code”) sets forth the basic principles and guidelines for Trustees and Covered Employees of the Texas County and District Retirement System (TCDRS). In addition to strict compliance with legal requirements, all Trustees and Covered Employees are expected to be guided by the basic principles of honesty and fairness in the conduct of TCDRS’s affairs and to comply with the policies contained in this Code. It is the policy of TCDRS that a Trustee or Covered Employee may not have a direct or indirect interest, including financial and other interests, or engage in a business transaction or professional activity, or incur any obligation of any nature that is in conflict with the proper discharge of the Trustee’s or Covered Employee’s duties in the interests of TCDRS.

Specific Policy Statement

Although the general principles outlined above shall apply in the conduct of all TCDRS activities, TCDRS’ Trustees and Covered Employees are also bound by the following specific policies.

Definitions

In this Code the following definitions apply unless the context requires otherwise:

- (1) “Associate” means (1) any partner, member, executive officer, or other individual of similar status or function of a TCDRS Service Provider, (2) any employee or consultant of a TCDRS Service Provider who solicits TCDRS, and any person who directly or indirectly supervises such employee or consultant, and (3) any political action committee controlled by the TCDRS Service Provider.
- (2) “Board” means the board of trustees of TCDRS.
- (3) “Chief Investment Officer” means the investment officer of TCDRS appointed by the Board pursuant to Texas Government Code §845.301(b).
- (4) “Covered Employee” means the Executive Director, Deputy Executive Director, Chief Investment Officer, and Investment Staff.
- (5) “Deputy Executive Director” means the deputy executive director of TCDRS.
- (6) “Employee” means a person working for TCDRS in an employer-employee relationship.
- (7) “Executive Director” means the director of TCDRS appointed by the Board pursuant to Texas Government Code §845.202.
- (8) “Investment Staff” means an employee in the investments division of TCDRS.
- (9) “Legal Counsel” means the lawyer or firm of lawyers designated by the Board from time to time to provide legal counsel to TCDRS; provided that when the Legal Counsel is a firm of lawyers, one principal within that firm shall be identified to receive all written and oral communications hereunder.
- (10) “Personal Securities Transactions” means: (1) transactions for a Trustee’s or Covered Employee’s own account, including qualified retirement plan accounts and IRAs, and (2) transactions for an account in which a Trustee or Covered Employee has indirect beneficial ownership, unless the Trustee or Covered Employee has no direct or indirect influence or control over the account. A Trustee or Covered Employee has “indirect beneficial ownership” of an account if: (i) the Trustee or Covered Employee has a beneficial interest (such as a trust of which he or she is an income or principal beneficiary) or (ii) the Trustee’s or Covered

Employee's family (including husband, wife, minor children or other dependent Relatives) has a beneficial interest. A person has a "beneficial interest" in an account if the person: (i) is an income or principal beneficiary or other equity owner of the account or (ii) receives compensation for managing the account for the benefit of people other than such person or his or her family.

- (11) "Political Contribution" means any gift, subscription, loan, advance, or deposit of money, or anything of value made for: (1) the purpose of influencing any election for public office, (2) payment of debt incurred with any such election, or (3) transition or inaugural expenses of the successful candidate for public office.
- (12) "Publicly Traded Securities" means securities of a class that is listed on a national securities exchange or quoted on the NASDAQ national market system in the United States or that is publicly traded on any foreign stock exchange or other foreign market.
- (13) "Relative" means a person related in the third degree by consanguinity (blood relative) or the second degree by affinity (marriage) determined in accordance with Texas Government Code §§573.021-.025. Examples of relatives within the third degree by consanguinity are a child, grandchild, great-grandchild, parent, grandparent, great-grandparent, brother, sister, uncle, aunt, niece or nephew. A person adopted into a family is considered a relative on the same basis as a natural born family member. Examples of a relative within the second degree by affinity are a spouse, any person related to the spouse within the second degree by consanguinity, or any spouse of such person. A person is considered a spouse even if the marriage has been dissolved by death or divorce if there are surviving children of that marriage.
- (14) "TCDRS" means the Texas County and District Retirement System.
- (15) "TCDRS Service Provider" means a person or entity that has been selected by the Board or TCDRS staff, and contracted with TCDRS, to perform services for TCDRS.
- (16) "Trustee" means a member of the Board. For purposes of Article III, A hereof, "Trustee" includes the spouse, minor children, and other dependent Relatives of a member of the Board.

I. General Standards

The following general ethical principles apply to Trustees and Covered Employees:

- A. Pursuant to Texas Government Code §572.051 and Texas Penal Code Chapter 36, Trustees and Covered Employees may not:
 - (1) accept or solicit any gift, favor, or service that might reasonably tend to influence the Trustee or Covered Employee in the discharge of his or her duties for TCDRS, or that the Trustee or Covered Employee knows or should know is being offered with the intent to influence the Trustee's or Covered Employee's conduct on behalf of TCDRS;
 - (2) accept other employment or engage in a business or professional activity that the Trustee or Covered Employee might reasonably expect would require or induce the Trustee or Covered Employee to disclose confidential information acquired by reason of his or her position with TCDRS;
 - (3) accept other employment or compensation that could reasonably be expected to impair the Trustee's or Covered Employee's independence of judgment in the performance of his or her duties for TCDRS;
 - (4) make personal investments that could reasonably be expected to create a substantial conflict between the Trustee's or Covered Employee's private interest and the interests of TCDRS;

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- (5) intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised the Trustee's or Covered Employee's authority or performed the Trustee's or Covered Employee's duties at TCDRS in favor of another; or
 - (6) agree to accept or accept an honorarium in consideration for services because of his or her position with TCDRS. For example, a Trustee or Covered Employee may not accept a speaker's fee for speaking if the Trustee or Covered Employee's position with TCDRS is one of the reasons they were asked to speak. However, a Trustee or Covered Employee is not prohibited from accepting food, transportation and lodging in connection with a speech to the extent such speech is more than merely perfunctory.
- B. Trustees and Covered Employees are fiduciaries with respect to the administration of TCDRS and shall act in accordance with all applicable fiduciary standards. As to the investments of TCDRS assets, Section 67, Article XVI, Texas Constitution provides the Board's overriding standard of care. This section of the Texas Constitution provides, in relevant part, that the Board "shall exercise the judgment and care under the circumstances then prevailing that persons of ordinary prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation, but in regard to the permanent disposition of their funds, considering the probable income therefrom as well as the probable safety of their capital."
- C. Trustees and Covered Employees must be honest in the exercise of their duties and must not take actions which will discredit TCDRS.
- D. Trustees and Covered Employees should be loyal to the interests of TCDRS and avoid personal, employment, or business relationships that create conflicts of interest. Should Trustees or Covered Employees become aware of any conflict of interest, they have an affirmative duty to disclose and to cure the conflict in a manner provided for in this Code.
- E. Trustees and Covered Employees may not use their relationship with TCDRS to seek or obtain personal gain. This prohibition should not be interpreted to forbid properly authorized expense reimbursements from TCDRS to a Trustee for valid and reasonable expenses incurred in the performance of duties or the use of TCDRS as a reference or the communication to others of the fact that a relationship with TCDRS exists, provided that no misrepresentation is involved.
- F. A Trustee or Covered Employee who is an incumbent, candidate, or potential candidate for an elected office or position may not accept or solicit a Political Contribution that is from a current TCDRS Service Provider or its Associates or a person or entity that is under consideration as a TCDRS Service Provider or its Associates. Further, if a Trustee or Covered Employee has accepted a Political Contribution from a potential TCDRS Service Provider during the time such person was a Trustee or Covered Employee, such Trustee or Covered Employee shall have an affirmative duty to disclose such Political Contribution to the Board and to absent himself or herself from relevant deliberations and actions relating to TCDRS contracting with such potential TCDRS Service Provider. (See also Section VI.A of this Code for other restrictions on Political Contributions from TCDRS Service Providers)
- G. Trustees and the Executive Director shall satisfy the educational training requirements established by the Pension Review Board pursuant to Texas Government Code §801.211.

II. Conflict of Interest

- A. *Definition:* A conflict of interest exists for a Trustee or Covered Employee whenever the Trustee or Covered Employee has a personal or private commercial or business relationship that could reasonably be expected to diminish the Trustee's or Covered Employee's independence of judgment in the performance of the Trustee's or Covered Employee's responsibilities to TCDRS. For example, a person's independence of judgment is diminished when the person is in a position to take action or not take action with respect to TCDRS or its business and such act or failure to act is or reasonably appears to be influenced by considerations of personal gain or benefit rather than motivated by the interests of TCDRS.
- B. *Duty to Cure:* Trustees and Covered Employees who become aware, or reasonably should have become aware, of a conflict of interest have a duty to cure it. A person normally cures a conflict of interest by promptly eliminating it. If a conflict of interest cannot be promptly eliminated, a Trustee or Covered Employee may cure a conflict by disclosing the conflict of interest to the Board, not participating in relevant deliberations and withdrawing from any action and not voting on a particular matter in which a conflict exists, but only if:
- (1) the Trustee or Covered Employee may be and is effectively separated from influencing the action taken;
 - (2) the action may properly be taken by others; and
 - (3) the nature of the conflict is not such that the person must regularly and consistently withdraw from decisions which are normally his or her responsibility with respect to TCDRS.

In the event a conflict cannot be cured as described above, Trustees must still disclose any conflicts of interest regarding matters which are before the Board, absent themselves from any relevant deliberations, and not vote on the matter. Covered Employees must also disclose any conflicts of interest and refrain from giving advice or making decisions about matters affected by the conflict unless the Board, after consultation with the Legal Counsel, expressly waives this prohibition. The disclosure of a conflict of interest or waiver of a conflict of interest must be entered into the minutes of the meeting of the Board.

A Trustee who is required by this Code to absent himself or herself from relevant deliberations and voting with respect to a matter, or a Covered Employee who is required by this Code to refrain from giving advice or making decisions about a matter, may be required to disclose additional relevant information with respect to such matter. More specifically, if such Trustee or Covered Employee has material information, including information regarding potential TCDRS Service Providers, that would be necessary for the other Trustees or Covered Employees to make an appropriate and prudent decision about such matter, then the Trustee or Covered Employee must also promptly inform the deciding Trustees and/or Covered Employees of that information.

A person who cannot or does not wish to eliminate or cure the conflict of interest should terminate his or her relationship with TCDRS as quickly as responsibly and legally possible.

III. Prohibited Transactions and Interests

A. *Investments.*

Trustees or Covered Employees may buy or sell a Publicly Traded Security of an issuer which is held by TCDRS, but may not engage in a Personal Securities Transaction when the Trustees or Covered Employees have actual knowledge that TCDRS is trading such securities. TCDRS is trading securities of an issuer when a buy/sell order has been placed by a TCDRS internal portfolio manager for execution.

B. *Trustees and Covered Employees.* No Trustee or Covered Employee may:

- (1) participate in a matter before TCDRS which involves a business, contract, property or investment held by such person or involves an entity in which the Trustee or Covered Employee has any employment or other beneficial relationship;
- (2) recommend or cause discretionary TCDRS business to be transacted with or for the benefit of a Relative;
- (3) under any circumstances accept offers by reason of their position with TCDRS to trade in any security or other investment on terms more favorable than available to the general investing public;
- (4) borrow from investment managers, TCDRS Service Providers, professional advisors or consultants, banks or other financial institutions with which TCDRS has a business relationship, unless such entities are normally engaged in such lending in the usual course of their business, and then only on customary terms offered to others under similar circumstances to finance proper and usual activities;
- (5) represent any person in any action or proceeding before or involving the interests of TCDRS except as a duly authorized representative or agent of TCDRS;
- (6) use TCDRS information, resources, or facilities, or information or resources paid for by TCDRS, for any reason other than TCDRS official business or incidental purposes; or
- (7) take action personally or on behalf of TCDRS which will result in a conflict of interest. Should there be action which a Trustee or Covered Employee believes to be in the best interest of TCDRS, but which could result in a conflict of interest, the Trustee or Covered Employee must disclose such fact to the chair of the Board.

C. No Covered Employee may engage in outside employment, business, or other activities which detract from the ability to fulfill the full-time responsibilities to TCDRS.

D. *Former Trustees and Covered Employees.*

- (1) Former Trustees or Covered Employees may not communicate with or appear before the Board, a current Trustee, or TCDRS staff before the second anniversary of the date the former Trustee or Covered Employee ceased to be a Trustee or Covered Employee if the communication or appearance is made on behalf of any person with the intent to influence the Board, a current Trustee, or TCDRS staff on official TCDRS matters. A Trustee or Covered Employee will be subject to disciplinary action if they participate in a communication with a former

Trustee or Covered Employee if the communication would cause the former Trustee or Covered Employee to violate this prohibition.

- (2) Former Trustees or Covered Employees may not represent any person or receive compensation for services rendered on behalf of any person regarding a particular matter in which the former Trustee or Covered Employee participated during the period of his service or employment, either through personal involvement or because the matter was within the Trustee's or Covered Employee's official responsibility.
- (3) Former Trustees or Covered Employees who during the period of TCDRS service or employment participated on behalf of TCDRS in a procurement or contract negotiation involving a person may not accept employment from that person before the second anniversary of the date the contract is signed or procurement is terminated or withdrawn.
- (4) For purposes of this Article III, D, "person" means an individual or business entity, but not including any governmental body transacting official business with TCDRS.

IV. Confidential Information

- A. Trustees and Covered Employees may not disclose confidential information, except when duly authorized personnel determine such disclosure is either permitted or required by law. Confidential information must be used by Trustees and Covered Employees for TCDRS purposes and not for their own personal gain or for the gain of third parties.
- B. Information derived from a relationship with TCDRS which might reflect favorably or adversely upon the value of any investment or contemplated investment may not be used by Trustees and Covered Employees in any manner for the purpose of personal advantage or to provide advantage to others.

V. Nepotism

- A. Trustees and Covered Employees may not cause TCDRS to employ a person who is a Relative of a Trustee. This does not prevent the continued employment of a person who has already been working for TCDRS for thirty consecutive days prior to the date of the related Trustee's appointment.
- B. Trustees and Covered Employees may not cause TCDRS to employ a person who is a Relative of (1) a Covered Employee, (2) a TCDRS Service Provider, or (3) any owners or officers of a TCDRS Service Provider. This does not prohibit the continued employment of a person who has already been working for TCDRS for thirty consecutive days at the time of the selection of a new Covered Employee or TCDRS Service Provider. Nor does this prevent the continued employment of persons who have been working for TCDRS for thirty days prior to becoming Relatives.
- C. No Covered Employee may exercise discretionary authority to hire, evaluate or promote a Relative. No Covered Employee may supervise a Relative, either directly or indirectly. As used herein, "supervise" means to oversee with the powers of direction and decision-making the implementation of one's own or another's intentions. Supervision normally involves assigning duties, overseeing and evaluating work, and approving leave.

VI. TCDRS Service Providers

- A. A current or potential TCDRS Service Provider is prohibited from performing services for TCDRS for two years after such current or potential TCDRS Service Provider or its Associate makes a Political Contribution to a Trustee or Covered Employee who is an incumbent, candidate, or potential candidate for an elected office or position. In addition, all investments of TCDRS with or through TCDRS Service Providers will comply with the TCDRS policy relating to placement agents and Political Contributions as set forth in the TCDRS Investment Policy.
- B. If TCDRS has commenced a formal review of a TCDRS Service Provider, such TCDRS Service Provider should not communicate with any Trustee or Covered Employees except as necessary to perform the on-going services related to TCDRS or as required in connection with the formal review. If TCDRS has commenced a formal search by issuing a request for proposal or qualifications for services to be performed for TCDRS, any person or entity that is a potential candidate should not communicate directly with Trustees or Covered Employees during the search process, except, in the case of a current TCDRS Service Provider that is a potential candidate, as necessary to perform the on-going services related to TCDRS. No gifts, whether or not prohibited under Section IX of this Code, should be made to Trustees or Covered Employees during the period of a formal review or search process.
- C. The review or evaluation of a TCDRS Service Provider that is an existing investment manager in connection with (1) a new investment in a strategy, product, fund, or other investment opportunity of such TCDRS Service Provider in which the assets of TCDRS are not currently invested or (2) a possible adjustment in the amount of a current investment to such a TCDRS Service Provider is not considered a formal review for purposes of Article VI, B.
- D. Potential TCDRS Service Providers that are investment managers may not contact or solicit Trustees directly regarding investment management services, funds or products. All solicitations and inquiries with respect to investment management opportunities should be directed to the Chief Investment Officer or appropriate investment consultant of TCDRS. Direct contact or communication with Trustees for the purpose of soliciting business opportunities may disqualify an investment manager from consideration.

VII. Decision-Making Based on Merit

TCDRS business transactions are to be based on professional integrity and competence, financial merit and benefit to TCDRS and, whenever required or prudent, on a competitive basis. Trustees and Covered Employees may not base any TCDRS business decisions on family or personal relationships.

VIII. Observance of TCDRS Controls and Policies

Trustees and Covered Employees will observe the accounting and operating controls established by law and TCDRS policies, including restrictions and prohibitions on the use of TCDRS property for personal or other non-TCDRS purposes.

IX. Gifts and Entertainment

- A. A Trustee or Covered Employee is prohibited from soliciting or accepting a gift because of or through use of the Covered Employee's or Trustee's position with TCDRS if the gift is from a person other than an Employee or a Trustee and the Covered Employee or Trustee knows or should have known that the gift would not have been solicited, offered, or given had the Covered Employee or Trustee not held

his or her position as a Covered Employee or Trustee. This prohibition applies not only to gifts solicited or given for the personal benefit of the Trustee or Covered Employee but also to gifts to third parties.

- B. The prohibitions in this article do not apply to the following gifts, provided that acceptance of such gifts violates no law:
- (1) gifts given on special occasions between Covered Employees, Employees, and/or Trustees;
 - (2) books, pamphlets, articles or other such materials which contain information directly related to the job duties of an Covered Employee or Trustee and are accepted by the Covered Employee or Trustee on behalf of TCDRS for use in performing his or her job duties;
 - (3) gifts from Relatives of Covered Employees or Trustees which are based solely on a personal relationship between the Trustee or Covered Employee and his or her Relative;
 - (4) business meals and receptions when the donor or a representative of the donor is present;
 - (5) transportation and lodging in connection with business meetings, meals, or receptions;
 - (6) seminar or conference fees when the seminar relates to the Trustee's or Covered Employee's job duties and is sponsored by TCDRS Service Providers, potential TCDRS Service Providers, or persons or entities whose interests may be affected by TCDRS;
 - (7) items with a value of less than \$50, excluding cash or negotiable instruments, and other gifts of nominal value. Examples of gifts of nominal value are (a) modest items of food and refreshments on infrequent occasions and (b) unsolicited advertising or promotional material such as plaques, certificates, trophies, paperweights, calendars, note pads, pencils, and other items of nominal intrinsic value; or
 - (8) meals, lodging, receptions, or transportation in connection with educational training events attended to fulfill educational standards required by the Pension Review Board.
- C. Attendance by Trustees or Covered Employees at meetings, seminars or conferences sponsored and paid for by TCDRS Service Providers, potential TCDRS Service Providers, or persons or entities whose interests may be affected by TCDRS, including, without limitation, annual meetings or advisory committee meetings of existing investment managers, that involve entertainment or recreation may in some cases be in the best interest of TCDRS. Nevertheless, in order for Trustees or Covered Employees to accept entertainment or recreation associated with a meeting, conference or seminar, an officer or employee of the TCDRS Service Provider, potential TCDRS Service Providers, or such other person or entity who is sponsoring or paying for the meeting, seminar or conference must be present at the activity.
- D. Under no circumstances may Trustees or Covered Employees accept a gift if the source of the gift is not identified or if the Trustee or Covered Employee knows or has reason to know that the gift is being offered through an intermediary.
- E. If a prohibited gift is received by a Trustee or Covered Employee, he or she should return the gift to its source. If that is not possible or feasible, the gift should be

donated to charity.

- F. Gifts (including entertainment, transportation and lodging, and food and beverages) from a lobbyist are governed by Texas Government Code Chapter 305. If a lobbyist offers a Trustee or a Covered Employee a gift, such Trustee or Covered Employee should promptly contact the Legal Counsel or the General Counsel of TCDRS before accepting such gift, regardless of the monetary value of the offered gift and regardless of whether the donor of the offered gift is present. A list of registered lobbyists may be found on the Texas Ethics Commission's website at ethics.state.tx.us.

X. Financial Disclosure

Trustees and the Executive Director must file financial disclosure statements with the Texas Ethics Commission, in the form and within the time prescribed by law for such disclosure statements.

XI. Compliance and Enforcement

- A. The Board will enforce this Code with respect to the Executive Director and Chief Investment Officer. The Executive Director will enforce this Code with respect to the Deputy Executive Director, and the Chief Investment Officer will enforce this Code with respect to the Investment Staff.
- B. The full range of disciplinary options under TCDRS personnel policies and practices may be used with respect to Covered Employees who violate this Code, up to and including termination.
- C. The Board is responsible for the enforcement of this Code with respect to violations by individual Trustees through resolutions of reprimand, censure, or other appropriate parliamentary measures, including requests for resignation.
- D. Trustees or Covered Employees with knowledge of a violation of this Code must report such violation to the Legal Counsel or the General Counsel of TCDRS. No retaliatory action will be taken against the reporting person for any such report involving another person made in good faith.

XII. Ethical Standards for Employees

The Executive Director and Chief Investment Officer will ensure that all employees under his or her respective control and supervision are subject to and comply with ethical standards that are consistent with this Code, even if such employees are not Covered Employees subject to this Code. Such standards shall be provided in writing and set forth in the personnel policies of TCDRS, including the TCDRS Employee Handbook.