



MINUTES

**Quarterly Meeting of the Investment Committee
of the Board of Trustees of the
State Universities Retirement System
Thursday, February 29, 2024, 9:00 a.m.
1901 Fox Drive – Main Conference Room – Champaign, IL
*Optional Remote Connection for Members of the Public***

This meeting was held in person at State Universities Retirement System, Champaign, IL

The following trustees were present: Dr. Andriy Bodnaruk; Dr. Fred Giertz; Mr. Scott Hendrie, chair; Mr. Pranav Kothari; Mr. John Lyons; Dr. Steven Rock; Mr. Collin Van Meter; Mr. Antonio Vasquez; and Mr. Mitch Vogel.

Others present: Ms. Suzanne Mayer, Executive Director; Mr. Doug Wesley, Chief Investment Officer (CIO); Mr. Michael Schlachter, CIO Designee; Ms. Kim Pollitt, Mr. Joe Duncan and Mr. Shane Willoughby, Sr. Investment Officers; Mr. Brian Deloria and Mr. Alex Ramos, Investment Officers; Ms. Stephany Brinkman, Ms. Stephanie Jeffries, and Mr. Darian Saracevic, Investment Analysts; Ms. Tracy Bennett, Investment Compliance Analyst; Ms. Bianca Green, General Counsel; Ms. Tara Myers, Chief Financial Officer; Ms. Jackie Hohn, Chief Internal Auditor; Ms. Nichole Hemming, Chief Human Resources Officer; Mr. Jefferey Saiger, Chief Technology Officer; Ms. Anna Dempsey, Investment Counsel; Ms. Heather Kimmons, Associate Legal Counsel; Ms. Kristen Houch, Director of Legislative and Stakeholder Relations; Ms. Alicia Route, Legislative Analyst; Ms. Kelly Carson, Ms. Chelsea McCarty and Ms. Annette Ackerman, Executive Assistants; Ms. Bernie Bazile, Mr. Aaron Quach, and Ms. Sally Haskins of Callan; Mr. David Sancewich and Mr. Colin Bebee, of Meketa; and Mr. Michael Calabrese of Foley.

Investment Committee roll call attendance was taken. Trustee Bodnaruk, present; Trustee Figueroa, absent; Trustee Flaherty, absent; Trustee Giertz, present; Trustee Hendrie, present; Trustee Kothari, present; Trustee Lyons, present; Trustee Rock, present; Trustee Van Meter, present; Trustee Vasquez, absent; and Trustee Vogel, absent.

Trustee Vogel physically joined the meeting at 9:09 a.m.

TRUSTEE PARTICIPATION VIA ELECTRONIC MEANS

Trustee Rock made the following motion:

- That Trustee Figueroa be allowed to participate remotely via video or audio conference as allowed by 5 ILCS 120/7 due to the fact he is prevented from physically attending this meeting either because of 1) personal illness or disability, 2) employment purposes or the business of SURS, 3) a family or other emergency, or 4) unexpected childcare obligations.

Trustee Vasquez seconded the motion which passed via the following roll call vote:

Trustee Bodnaruk	-	Aye
Trustee Figueroa	-	Absent
Trustee Flaherty	-	Absent
Trustee Giertz	-	Aye
Trustee Hendrie	-	Aye
Trustee Kothari	-	Aye
Trustee Lyons	-	Aye
Trustee Rock	-	Aye
Trustee Van Meter	-	Aye
Trustee Vasquez	-	Aye
Trustee Vogel	-	Absent

Mr. Richard Figueroa was admitted to participate remotely as a member of the committee.

APPROVAL OF MINUTES

Trustee Hendrie presented the minutes from the Investment Committee meeting of December 7, 2023.

Trustee Rock made the following motion:

- That the minutes from the December 7, 2023 Investment Committee meeting be approved as presented.

Trustee Bodnaruk seconded the motion which passed with all trustees present voting in favor.

APPROVAL OF CLOSED SESSION MINUTES

Trustee Hendrie presented the closed session minutes from the Investment Committee meeting of December 7, 2023.

Trustee Rock made the following motion:

- That the minutes from the December 7, 2023 Investment Committee meeting be approved as presented and remain closed.

Trustee Van Meter seconded the motion which passed with all trustees present voting in favor.

CHAIRPERSON'S REPORT

Trustee Hendrie did not have a formal chairperson's report. Ms. Suzanne Mayer recognized Mr. Doug Wesley's last day at SURS and congratulated him on his retirement by presenting him with a plaque for his 30 years of dedicated service to SURS and its members.

CHIEF INVESTMENT OFFICER'S REPORT

Mr. Wesley thanked the board and staff for all the support he received during his tenure at SURS.

Mr. Michael Schlachter acknowledged Mr. Wesley for his guidance and support during the past three months. Mr. Schlachter provided an update on the status of the SURS portfolio, briefed the board on the investment team structure and introduced new SURS investment staff members. Mr. Schlachter reminded the trustees that February 29, 2024, is the last day to register for "Callan College."

Copies of the staff memorandums titled "Investment Contracts Approved" and "Report from the December 2023 Investment Committee Meeting" are incorporated as part of these minutes as [Exhibit 1](#) and [Exhibit 2](#).

ANNUAL REVIEW OF DEFINED CONTRIBUTIONS PLANS (EDUCATIONAL TOPIC)

Mr. Brian DeLoria along with Mr. Jared Harlin and Ms. Marcia Peters of CAPTRUST provided the annual review of the Retirement Savings Plan (RSP) and the Deferred Compensation Plan (DCP).

The educational session lasted 95 minutes and concluded at 10:45 a.m.

A copy of the presentations titled "DC Review SURS" and "SURS Due Diligence Review Q4" are incorporated as part of these minutes as [Exhibit 3](#) and [Exhibit 4](#).

DEFINED CONTRIBUTION AUTO ENROLLMENT AND ESCALATION (EDUCATIONAL TOPIC)

Mr. DeLoria and Mr. Harlin of CAPTRUST discussed automatic enrollment statistics, auto-enrollment trends, the impacts of automatic escalation, and recommendations relating to the same. They answered questions raised by the trustees.

Trustee Rock made the following motion:

- That based on the recommendation of SURS staff and CAPTRUST the Investment Committee adopt the proposed resolution substantially in the form presented that adopts (1) the proposed auto-escalation schedule for the eligible automatic contribution arrangement in the SURS Deferred Compensation Plan and (2) the Fourth Amendment to the State Universities Retirement System Deferred Compensation Plan.

Trustee Vasquez seconded the motion which passed with all trustees present voting in favor.

The educational session lasted 60 minutes and concluded at 11:45 a.m.

Copies of the presentations titled “DCP Automatic Enrollment Review,” “Amendment Four to DCP” and “SURS Employer Resolution to Adopt” are included as part of these minutes as [Exhibit 5](#), [Exhibit 6](#) and [Exhibit 7](#).

REVIEW OF DEFINED CONTRIBUTION INVESTMENT POLICY

Mr. DeLoria provided a summary of the current Defined Contribution Investment Policy and reviewed the proposed changes presented for the committee’s consideration.

Trustee Giertz made the following motion:

- That based on the recommendation from SURS staff and CAPTRUST, the Investment Committee approve the revised Investment Policy document for the defined contribution plan with technical corrections, as presented.

Trustee Vasquez seconded the motion which passed with all trustees present voting in favor.

A copy of the staff memorandum and updated policy titled “DC IPS Memo,” “2024 DC Investment Policy Update Recommendation - redline” and “2024 DC Investment Policy Update Recommendation - clean” are included as part of these minutes as [Exhibit 8](#), [Exhibit 9](#), and [Exhibit 10](#).

REVIEW OF CY 2024 CAPITAL MARKET ASSUMPTIONS (EDUCATIONAL TOPIC)

Mr. Collin Bebee of Meketa presented a review of capital market assumptions which included a market review, overview of the Capital Market Assumption process and expected returns.

The educational session lasted 25 minutes and concluded at 12:25 p.m.

A copy of the Meketa presentation titled “2024 Market Review and CMA Overview” is incorporated as part of these minutes as [Exhibit 11](#).

INVESTING IN REAL ESTATE HOUSING (EDUCATIONAL TOPIC)

Ms. Bernie Bazile and Mr. Aaron Quach of Callan delivered an educational session on rental housing. The presentation included an overview of U.S. rental housing sectors, current market trends and considerations for implantation regarding the SURS real estate portfolio.

The educational session lasted 50 minutes and concluded at 1:35 p.m.

Copies of the presentation titled “SURS Rental Housing Presentation” and “Callan Office to Residential Conversion” are incorporated as part of these minutes as [Exhibit 12](#) and [Exhibit 13](#).

CLOSED SESSION

Trustee Rock moved that the Investment Committee go into closed session pursuant to §2(c)(7) of the Illinois Open Meetings Act to consider the sale or purchase of securities or investment or to consider an investment contract. Trustee Vasquez seconded the motion which passed via the following roll call vote.

Trustee Bodnaruk	-	aye
Trustee Figueroa	-	absent
Trustee Flaherty	-	absent
Trustee Giertz	-	aye
Trustee Hendrie	-	aye
Trustee Kothari	-	Aye
Trustee Lyons	-	Aye
Trustee Rock	-	Aye
Trustee Van Meter	-	Aye
Trustee Vasquez	-	Aye
Trustee Vogel	-	Aye

RETURN TO OPEN SESSION

The Investment Committee returned to open session at 2:22 p.m.

Trustee Rock made the following motion:

- That based on the recommendation of SURS staff and Callan, the Investment Committee approve a commitment of €50 million to Blackstone Real Estate Partners Europe VII, subject to successful completion of contract negotiations.

Trustee Vasquez seconded the motion which passed via the following roll call vote:

Trustee Bodnaruk	-	Aye
Trustee Figueroa	-	Absent
Trustee Flaherty	-	Absent
Trustee Giertz	-	Aye
Trustee Hendrie	-	Aye
Trustee Kothari	-	Aye
Trustee Lyons	-	aye
Trustee Rock	-	aye
Trustee Van Meter	-	aye
Trustee Vasquez	-	aye
Trustee Vogel	-	aye

Trustee Rock made the following motion:

- That based on the recommendation of SURS staff and Meketa, the SURS executive director have authority to sign any necessary consent documents on behalf of SURS for the Fairview Lincoln Fund I during the next sixty calendar days.

Trustee Kothari seconded the motion which passed via the following roll call vote:

Trustee Bodnaruk	-	aye
Trustee Figueroa	-	absent
Trustee Flaherty	-	absent
Trustee Giertz	-	aye
Trustee Hendrie	-	aye
Trustee Kothari	-	aye
Trustee Lyons	-	aye
Trustee Rock	-	aye
Trustee Van Meter	-	aye
Trustee Vasquez	-	aye
Trustee Vogel	-	aye

CORPORATE GOVERNANCE UPDATE

Ms. Stephany Brinkman presented an update regarding governance activity as of December 31, 2023, that included a quarterly report, Council of Institutional (CII) update and current proxy voting information.

A copy of the staff memorandum titled "Corporate Gov Update 12.31.23" is incorporated as part of these minutes as [Exhibit 14](#).

QUARTERLY PERFORMANCE REVIEW

Mr. David Sancewich provided a brief update to the committee regarding final total fund performance through December 31, 2023.

A copy of the Meketa presentation titled "23Q4 SURS Board Report" is incorporated as part of these minutes as [Exhibit 15](#).

INFORMATIONAL ITEMS NOT REQUIRING COMMITTEE ACTION

1. [Exhibit 16](#) – Executive Summary Risk Memo
2. [Exhibit 17](#) - Executive Summary Risk Report
3. [Exhibit 18](#) – SURS FY24 Private Equity and Private Credit Commitments
4. [Exhibit 19](#) – Supplemental Information

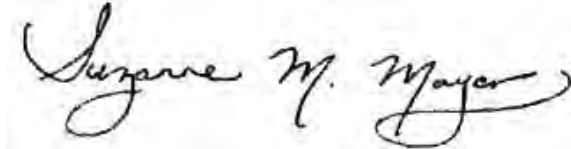
PUBLIC COMMENT

There were no public comments presented to the Investment Committee.

ADJOURN

There was no further business brought before the committee and Trustee Vogel moved to adjourn the meeting. The motion was seconded by Trustee Kothari and passed with all trustees present voting in favor.

Respectfully submitted,

A handwritten signature in cursive script that reads "Suzanne M. Mayer". The signature is written in black ink on a white background.

Ms. Suzanne M. Mayer
Executive Director and Secretary, Board of Trustees

SMM:kc



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Investment Department

To: Suzanne Mayer
From: Michael C. Schlachter, CFA and Anna M. Dempsey
Date: February 16, 2024
Subject: Investment Contracts Approved

The following investment agreements were approved by the Executive Director subsequent to the mailing for the December 7, 2023, Investment Committee meeting.

Crow Holdings Realty Partners X

A consent to the extension of the final closing date to February 15, 2024, for Crow Holdings Realty Partners X, L.P. was executed on December 5, 2023.

Newport Capital Partners Fund III

An email approval consenting to the reduction of the capital commitment of NC III, LLC (an affiliate of the general partner) to Newport Capital Partners Fund III, LP was given on December 13, 2023.

Fiera Capital Inc.

An Investment Management Agreement with Fiera Capital Inc. for the Fiera Capital Small/Mid Cap Growth 2018 option was executed and delivered as of December 5, 2023.

Aksia

Amendment No. 1 to the Investment Management Agreement with Aksia CA LLC establishing new fee rates was executed and delivered as of January 2, 2024.

Pantheon

A letter evidencing SURS' receipt of the fee discount given to clients of Callan LLC that invested in PGIF IV Feeder (US) LP was executed and delivered as of February 2, 2024.

Torchlight Debt Fund VIII

A consent to the extension of the final closing date to December 31, 2024, for Torchlight Debt Fund VIII, LP was executed on February 7, 2024.

Ember Infrastructure Fund II

The documents to effect the investment of the lesser of \$50 million or 10% of total commitments in Ember Infrastructure Fund II through Ember Infrastructure Fund II-B, LP were executed and delivered as of February 8, 2024.



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Investment Department

To: Investment Committee
 From: Douglas C. Wesley, CFA and Michael C. Schlachter, CFA
 Date: February 15, 2024
 Subject: Report from the December 7, 2023, Investment Committee Meeting

Enclosed are the Minutes of the December 7, Investment Committee Meeting. The purpose of this memorandum is to provide a status report on the action items for Investments.

Five motions were approved during the Investment Committee Meeting. These included the approval of the minutes from the October 19, 2023, Investment Committee Meeting. The remaining motions approved by the Board of Trustees required further action by SURS staff. Open motions requiring further action by SURS Staff are listed below.

- 1. That based on the recommendation of SURS staff and Callan, SURS enter the redemption queue by placing a full redemption request for the Strategic Property Fund.**

A full redemption request has been placed for the SURS investment in the fund. A return of capital will be made when JP Morgan sells property in the fund.

- 2. That based on the recommendation of SURS staff and Callan, a commitment of the lesser of \$50 million or 10% of total fund commitments be made to Ember Infrastructure Fund II, subject to successful completion of contract negotiations.**

The agreement to effect the investment were executed and delivered on February 8, 2024. The final size of the SURS commitment to the fund is pending the aggregate commitments of other limited partners.

- 3. That Michael Schlachter, the SURS Chief Investment Officer *Designee*, be given the same authority as the current SURS Chief Investment Officer which will enable him to act on behalf of SURS and give direction to third parties in the same manner as the current SURS CIO.**

SURS legal staff completed notifying all investment managers, consultants, and other service providers regarding the authority granted to the CIO Designee by February 16, 2024.

- 4. That the Investment Committee appoint Mr. Michael Schlachter as the State Universities Retirement System's representative to serve on the Illinois Investment Policy Board.**

IIPB's staff and board members have been notified regarding Mr. Schlachter's appointment.

Open item from April 20, 2023

- 5. That based on the recommendation from SURS staff and CAPTRUST, the Delaware Small-Mid Cap Growth R6 be replaced with the Fiera Capital Small-Mid Cap Growth separate account, as soon as administratively possible with the replacement to include the mapping of the Plans' current assets and future contributions for both the RSP and DCP.**

Participants in the Delaware Small-Mid Cap Growth R6 fund were moved to the Fiera Capital Small-Mid Cap Growth portfolio on February 23, 2024.

Open item from June 2, 2022

- 6. That based on the recommendation from SURS staff and Meketa, the Investment Committee approve the retention of Capstone Investment Advisors to serve as the back-up manager for the tail risk and long volatility mandates, subject to successful contract negotiations.**

SURS staff is in the process of contract negotiations.

Please advise if you have any questions prior to the February 29, 2024, Investment Committee meeting.



**Defined Contribution Plans
Annual Review
February 2024**



Functional Asset Class Review Schedule

Meeting	Functional Asset Class	Strategies
September	Annual Review/Investment Plan	
October	Stabilized Growth, Principal Protection and Inflation Sensitive	Public Liquid Credit, Principal Protection, and TIPS
December	Stabilized Growth and Non-Traditional Growth	Private Credit, Private Equity, and Real Assets
Feb / March	Defined Contribution	SURS DCP and RSP plans
April	Traditional Growth	Public Equity
June	Crisis Risk Offset	Long Duration, Trend Following, Alternative Risk Premia, Long Vol, and Tail Risk



SURS Defined Contribution (DC) Overview

- **SURS has two DC plans, the Retirement Savings Plan and the Deferred Compensation Plan.**
- **The Retirement Savings Plan (RSP) is one of three retirement options that new members must choose from within the first six months of employment.**
 - Option for members since April 1, 1998
 - 401(a) plan type
 - Defined contribution plan where the member decides how their balance is invested
- **The Deferred Compensation Plan (DCP) provides eligible employees with supplemental retirement savings in individual participant accounts through employee contributions, optional employer contributions, and earnings.**
 - Option for members beginning March 2021
 - 457(b) plan type
 - Defined contribution plan where the member decides how their balance is invested



Accomplishments & Initiatives

- **Fiscal Year 2023 / 2024 to date Accomplishments:**
 - **Renewed defined consultant contract with CAPTRUST for a 5-year period, expiring April 1, 2028.**
 - **Recognized with a 2023 NAGDCA Leadership Award in plan design & administration for the rollout of the SURS DCP.**
 - **AllianceBernstein provided Board education on the Lifetime Income Strategy at the March 2023 Investment meeting.**
 - **Worked with SURS' DC recordkeeper, Voya, to successfully implement auto-enrollment for new SURS members into the DCP as of July 1, 2023.**
- **Fiscal Year 2024 Initiatives:**
 - **Potential auto-escalation initiative; would be effective July 1, 2024, if approved.**
 - **Continue to focus education efforts around the importance of supplemental savings through monthly DCP webinars, individual appointments, and targeted quarterly DCP promotional emails.**



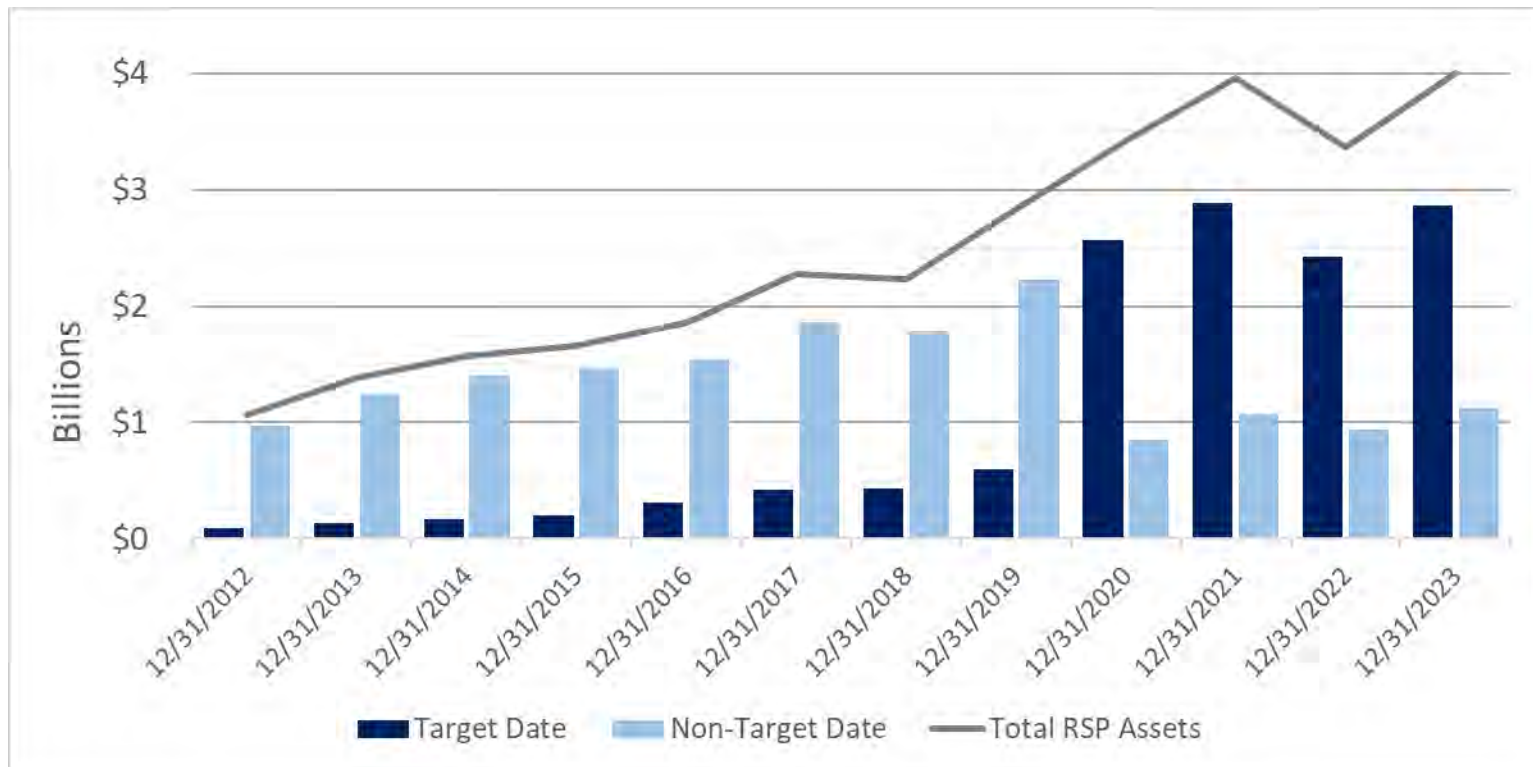
Retirement Savings Plan (RSP) Overview

- **As of December 31, 2023:**
 - Active participants: 14,484
 - Inactive participants: 9,400
 - Assets at Voya Financial: \$3,631.6 million
 - Assets at TIAA (closed to new contributions): \$365.7 million
 - Total RSP Assets (including disability and forfeiture reserves): \$4.2 billion
- **Number of available RSP options:**
 - As of December 31, 2023: 16 investment options, including one custom target date solution; 10 legacy TIAA investment options (closed to new investment).



Target Date Utilization Over Time

- Investments in the SURS Lifetime Income Strategy continue to represent a significant majority of RSP plan assets following the re-enrollment that occurred in fall 2020



- LIS assets account for 72% of SURS' total RSP assets and 79% of RSP assets with Voya.

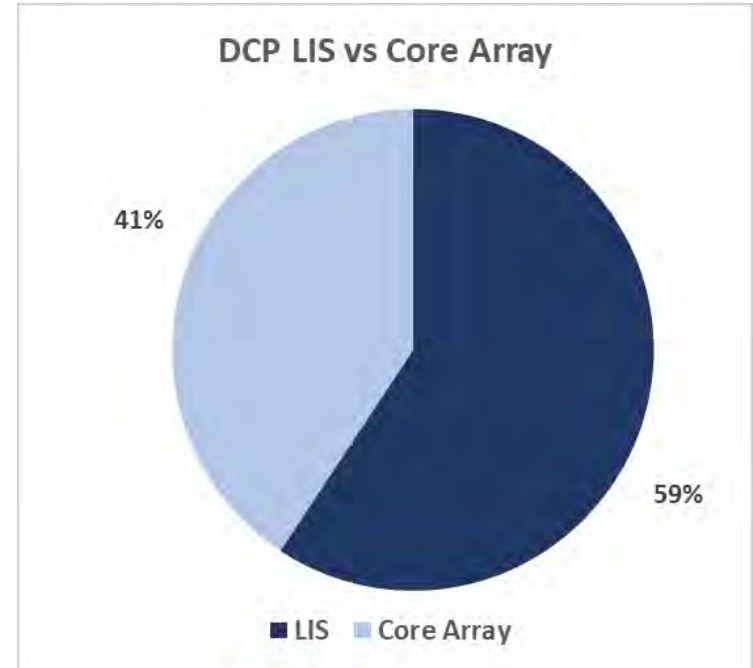
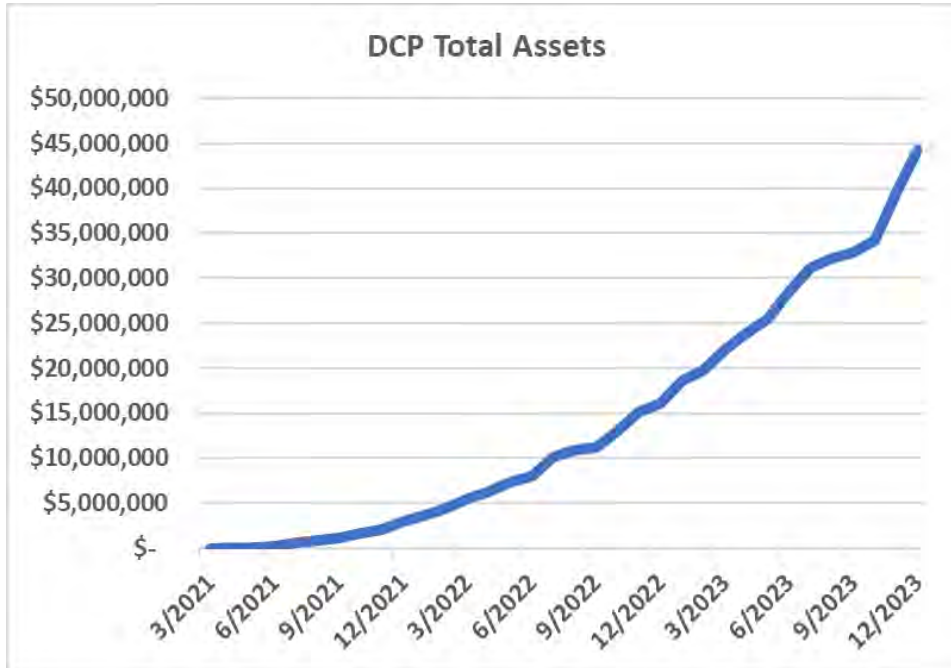


Deferred Compensation Plan(DCP) Overview

- **The DCP has the same recordkeeper (Voya) and investment lineup (LIS plus Core Array) as the RSP**
- **Participation in the DCP is optional**
- **Subject to IRS 457(b) elective deferral limits of \$23,000/year for 2024 (up \$500 from 2023) not including catch-up limit of \$7,500. This limit includes contributions to other 457 plans that a member may be eligible to contribute to, such as the State of Illinois Deferred Compensation Plan.**
- **Member actions in the DCP have no effect on investments in the RSP as the plans are independent. This applies to short term trading restrictions, as well as LIS glide path settings.**
- **Significant increase in member enrollment numbers in the second half of 2023 due to the start of auto-enrollment in July 2023.**



DCP Plan Assets / LIS Utilization



- DCP assets have grown from \$16 million as of 12/31/2022 to \$44 million as of 12/31/2023
- 59% of plan assets were invested in the Lifetime Income Strategy as of 12/31/2023, up from 56% 12 months ago.

STATE UNIVERSITIES RETIREMENT SYSTEM OF ILLINOIS
4TH QUARTER, 2023

**DEFINED CONTRIBUTION
QUARTERLY REVIEW**

CAPTRUST
40 Wall Street, 56th Floor
New York, NY 10005

Our mission is to enrich the lives of our clients, colleagues and communities through sound financial advice, integrity, and a commitment to service beyond expectation.

SURS Retirement Savings Plan
SURS Deferred Compensation Plan

4th Quarter, 2023 Quarterly Review

Executive Summary

Section 1

RETIREMENT INDUSTRY UPDATES

Section 2

MARKET COMMENTARY AND REVIEW

Section 3

PLAN INVESTMENT REVIEW

Section 4

INACTIVE PLAN REVIEW

Section 5

FUND FACT SHEETS

Appendix

EXECUTIVE SUMMARY | PROGRAM OVERVIEW

Period Ending 12.31.23 | Q4 23

State Universities Retirement System

	RETIREMENT SAVINGS PLAN (RSP)	DEFERRED COMPENSATION PLAN (DCP)
Total Program Assets	\$3,997,294,052 (+18.9% YTD)	\$44,247,188 (+175% YTD)
Voya Assets	\$3,631,561,034	\$44,247,188
Frozen Assets - TIAA	\$365,733,018	N/A
Program Expense Overview		
Voya Recordkeeping Fee / Benchmark	\$30 annual fee per participant (\$7.50/quarter)	
Lifetime Income Strategy Overview		
Total LIS Participants	21,261	5,828
Total SIP Participants	6,332	840
Activated Participants (Quarter/Inception)	17 / 289	0 / 0
Avg Activated GLWB % (Quarter/Inception)	3.59% / 3.29%	0.00% / 0.00%
Investment Overview		
Stable Value Crediting Rate	2.25%	
Watchlist	<ul style="list-style-type: none"> Delaware Mid Cap Growth Equity R6 (DFZRX) - Pending Replacement (2/23/2024) 	

CAPTRUST and SURS partnered to complete the following items during 2023:

Fiduciary Process

- Maintained the due diligence process through quarterly reports which included a review of plan assets, investment monitoring and funds highlighted for review, industry updates, and market commentary.
- Conducted an annual review of the Plans with the Investment Committee/Board which included an overview of the RSP and DCP, enrollment and participation statistics, investment utilization, and completed and future initiatives.
- Reviewed the DC Investment Policy to ensure alignment with industry best practices related to fiduciary oversight of the investments.
- Partnered with AllianceBernstein to provide the Investment Committee/Board an in-depth review and education session on the SURS Lifetime Income Strategy covering its suitability to meet SURS' member needs, utilization statistics, investment structure and glidepath design, retirement income determinants, risk mitigation factors, and comparison to other income strategies.
- Held monthly calls with the RSP Manager, Benefits Staff, and internal Investment Staff to discuss plan operational and administrative items, communication initiatives, and investment updates.
- Reviewed various scenarios with SURS internal staff related to the outcomes of the SURS Lifetime Income Strategy to verify when use of the LIS is most appropriate given the member's retirement income needs, account balance, and goals (i.e., to maximize income or minimize risk).
- Negotiated an increase to the interest crediting rate of the SURS Fixed Account effective for the remainder of the recordkeeper's contract term.
- Updated the benchmark of the SURS LIS Real Estate Portfolio to the MSCI US Investable Market Real Estate 25/50 Index to align with the benchmark of the underlying investment strategy.

Plan Design

- Implemented automatic enrollment in the DCP, effective July 1, 2023.
- Reviewed the applicable provisions of SECURE Act 2.0 and monitored the recordkeeper's implementation strategy.

Vendor Management

- Held regular operations and special project update meetings with Voya.
- Monitored the impacts of the MOVEit data security breach on the recordkeeping industry, noting minimal exposure for SURS' Plans.

Participant Engagement

- Prepared/updated member communications related to investment and benchmark changes.

Investment Management

- Maintained fiduciary oversight of the Plans' investment menus through quarterly reports and reviews of investment performance and approval of investment watchlist recommendations.
 - Approved the replacement of Delaware Smid Cap Growth R6 (DFZR6), per the guidelines of the Investment Policy, due to the unexpected shift in portfolio management and subsequent change to the investment's strategy and name.

SURS 2024 FIDUCIARY CALENDAR

Period Ending 12.31.23 | Q4 23

State Universities Retirement System

Review Period	4Q 2023 (February/March)	1Q 2024 (May/June)	2Q 2024 (August/September)	3Q 2024 (November/December)
Standard Topics	<ul style="list-style-type: none"> Industry & Regulatory Trends Fiduciary Training Plan Assets/Allocation Market Update & Investment Analysis 	<ul style="list-style-type: none"> Industry & Regulatory Trends Fiduciary Training Plan Assets/Allocation Market Update & Investment Analysis 	<ul style="list-style-type: none"> Industry & Regulatory Trends Fiduciary Training Plan Assets/Allocation Market Update & Investment Analysis 	<ul style="list-style-type: none"> Industry & Regulatory Trends Fiduciary Training Plan Assets/Allocation Market Update & Investment Analysis
Additional Fiduciary and Educational Topics	<ul style="list-style-type: none"> Annual Summary Report Fiduciary Document Review <ul style="list-style-type: none"> Investment Policy Statement (IPS) Committee Charter, as needed Board Education Session: DCP Plan Design Review <ul style="list-style-type: none"> ❖ Deliverable: Automatic Enrollment Review & Recommendations 	<ul style="list-style-type: none"> Plan Expense Review <ul style="list-style-type: none"> Fee Allocation Philosophy Plan Fee Benchmarking Investment Expense & Share Class Evaluation Plan Expense/Revenue Account Review Total Plan Cost Review ❖ Deliverable: Plan Expense Report 	<ul style="list-style-type: none"> Investment Structure Review <ul style="list-style-type: none"> Investment Vehicle Analysis White-Labeled Funds Discussion LIS Underlying Investment Review & Glidepath Analysis Supplemental Investment Services Discussion 	<ul style="list-style-type: none"> Vendor Management <ul style="list-style-type: none"> Plan Demographics Review Service Level Agreements Review, as applicable Member Survey Discussion Cybersecurity Review and Update RFP Preview Discussion, as needed Frozen Vendor Review
Review Period	Every 1-3 Years (or as needed)		Ad Hoc	
Topics	<ul style="list-style-type: none"> Investment Menu Architecture <ul style="list-style-type: none"> Target Date Evaluation (SURS Lifetime Income Strategy) Capital Preservation / Income Solutions Review Comprehensive Fiduciary Training 		<ul style="list-style-type: none"> New Committee Member Onboarding and Fiduciary Training Recordkeeper RFI/RFP (every 5-7 years) Plan Design Benchmarking Plan Document/Design Changes 	



SECTION 1: RETIREMENT INDUSTRY UPDATES

Period Ending 12.31.23 | Q4 23

SECTION 1: RETIREMENT INDUSTRY UPDATES

Industry Updates.....



2024 PREDICTIONS: NEW OPPORTUNITIES ABOUND

2024 will be shaped by the evaluation and adoption of new retirement plan features, investments, and solutions, plus a renewed focus on service providers, discretion, and financial wellness.



FORWARD FOCUS

- Financial wellness and plan design conversations will merge as discussions around student loan debt, emergency savings, and automatic portability increase.
- Plan sponsors will spend time on the evaluation of retirement income products and solutions designed to meet participant needs in the decumulation phase.
- The use of managed accounts across the industry will increase as the demand for personalization continues, specifically in the qualified default investment alternative (QDIA) space.



SERVICE PROVIDERS IN THE SPOTLIGHT

- SECURE 2.0 Act provisions will gain traction as service providers roll out new processes and services.
- Cybersecurity will be on plan sponsors' minds as they grapple with recent data breaches and litigation.
- The new fiduciary rule will be finalized by the Department of Labor (DOL), potentially impacting the way service providers interact with participants, particularly with regard to rollovers.
- Plan sponsors will continue to outsource retirement plan responsibilities through 3(38) and 3(16) discretionary services.



REGULATION, REGULATION, AND SOME LEGISLATION?

- The DOL will launch a participant lost-and-found database, provide guidance around emergency savings accounts, and focus on increasing the efficiency of participant disclosures.
- IRS guidance will continue. This may include guidance on student loan matching while also finalizing approaches to plan forfeitures and electronic disclosure.
- Collective investment trusts (CITs) in 403(b) legislation will finally cross the finish line.

FIDUCIARY UPDATE

Retirement plan fiduciaries should be mindful of recent regulatory guidance that may be relevant to their plans.



THE DEPARTMENT OF LABOR'S FIDUCIARY RULE

On October 31, the Department of Labor (DOL) issued a proposed rule, the Retirement Security Rule, expanding ERISA's fiduciary protections to more retirement investors. The proposed rule aims to:

- Make rollover advice, including one-time advice, a fiduciary act that must be made in the best interest of the investor.
- Define anyone who gives advice, including one-time advice, to plan sponsors regarding plan investments as *fiduciaries* under ERISA.
- Replace the existing five-part test that defines who is an investment fiduciary under ERISA with a three-part test. The current *regular basis* prong of the five-part test has been a concern for years.

It is clear from the DOL's guidance that the primary target of this rule is advice and sales efforts in the context of retirement plan distributions. The DOL wants to protect retirement plan investors who have accumulated substantial account balances from receiving rollover advice on those assets that is not in their best interest.

The DOL's last effort in this area was overturned by the Court of Appeals in 2018. The proposed rule has a 60-day public comment period. A spirited debate can be anticipated.

FIDUCIARY TRAINING: CYBERSECURITY BEST PRACTICES

Qualified retirement plans have increasingly been targets of cyber criminals. Plan fiduciaries have a responsibility to make prudent decisions regarding the selection of service providers and to follow a process to mitigate future risk. To help plan fiduciaries fulfill these obligations, the DOL developed specific cybersecurity guidance, which recommends the following practices for selecting and monitoring service providers.



ENSURE THE SERVICE PROVIDER IS FOLLOWING DOL GUIDELINES, INCLUDING:

- Maintaining a formal, well-documented cybersecurity program
- Conducting prudent annual risk assessments
- Engaging a reliable third party to annually audit security controls (i.e., SOC reports)
- Clearly defining and assigning information security roles and responsibilities
- Ensuring appropriate security reviews and independent security assessments for any assets or data that are stored or managed by a third-party provider

There are several ways this can be accomplished. Invite a representative from your recordkeeping provider to speak to your committee about their process. Periodically review cybersecurity reports and information on the provider's website. Document these steps as you incorporate them into your process.



REVIEW YOUR SERVICE PROVIDER CONTRACT FOR THE FOLLOWING:

- Specified provisions for information sharing and confidentiality
- An outlined process for notification of security breaches
- Indemnification verbiage in the event of cybersecurity breach or fraud
- References to cybersecurity insurance coverage requirements
- Participant action requirements and indemnification policies
- Requirement for annual independent audit



ADDITIONAL PLAN SPONSOR CONSIDERATIONS

Plan sponsors should confirm that they have implemented internal processes and controls to restrict access to plan data and other sensitive information. They may wish to seek specific cyber insurance policies or create riders to existing policies in the case of a breach.

SECTION 2: MARKET COMMENTARY AND REVIEW

Market Commentary.....

Market Review.....

Asset Class Returns.....

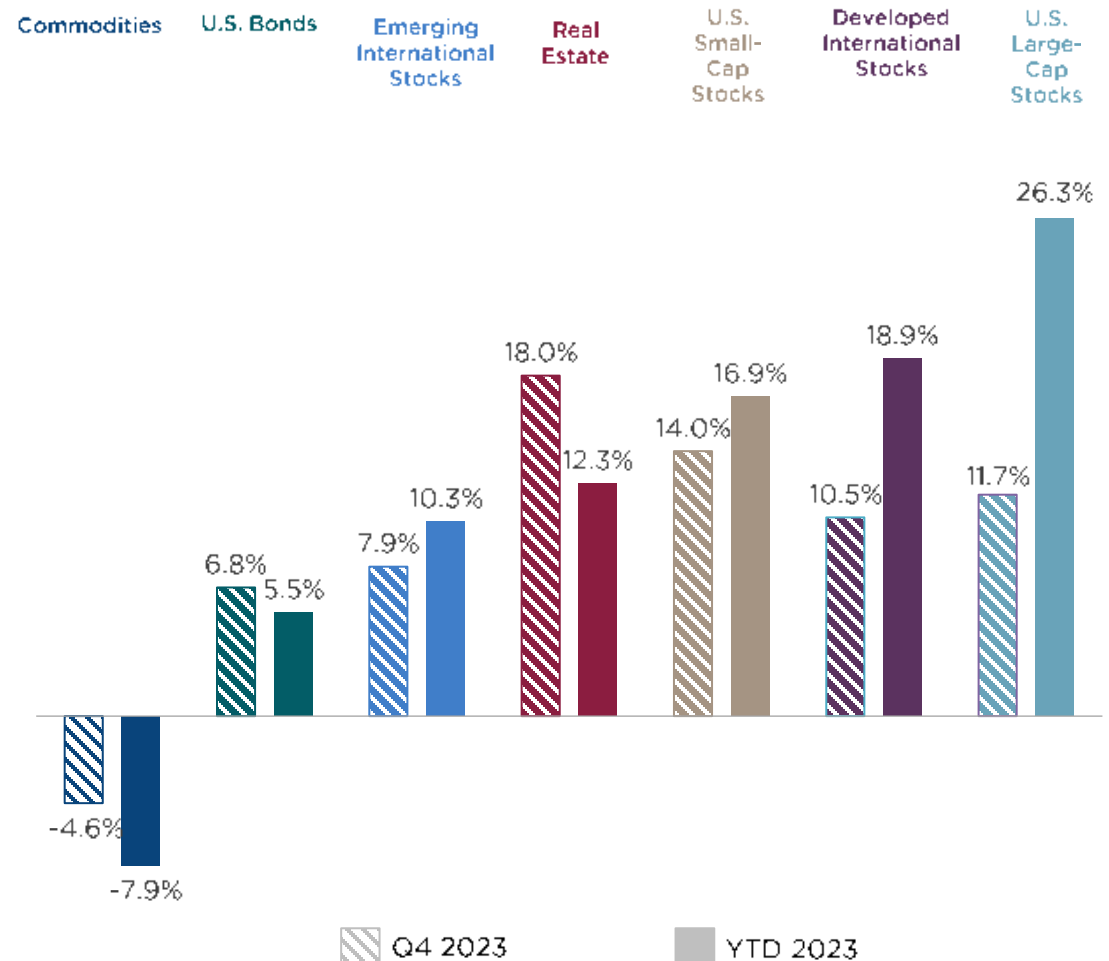
Index Performance.....



RESETTING EXPECTATIONS

The higher-for-longer interest rate message reiterated by the Federal Reserve through the first three quarters of 2023 was essentially dismissed by investors late last year as inflation data showed continued easing. Consequently, expectations for future interest rate changes were reset significantly lower. Nearly all asset classes soared.

- Along the capitalization spectrum, the decline in rate expectations was most impactful to small-cap stocks. The small-cap value segment of the market benefited most, driven by sizable exposure to regional banks.
- Broader large-cap equities also surged, and multiple sectors within the index ended the quarter with double-digit gains. The interest-rate-sensitive real estate sector led the pack. Only the energy sector failed to gain ground, erasing its year-to-date achievements.
- Bond investors also captured the value of falling rate expectations, with fixed income markets recouping their modest year-to-date losses.
- Outside the U.S., international stock market gains were more minimal, but a weakening U.S. dollar filled the gap.
- Declining oil prices weighed heavily on commodity markets.



Asset class returns are represented by the following indexes: Bloomberg U.S. Aggregate Bond Index (U.S. bonds), S&P 500 Index (U.S. large-cap stocks), Russell 2000[®] (U.S. small-cap stocks), MSCI EAFE Index (international developed market stocks), MSCI Emerging Market Index (emerging market stocks), Dow Jones U.S. Real Estate Index (real estate), and Bloomberg Commodity Index (commodities).

DIGGING DEEPER: STOCKS AND BONDS

Equities

	Q4 2023	YTD 2023	Last 12 Months
U.S. Stocks	11.7%	26.3%	26.3%
• Q4 Best Sector: Real Estate	18.8%	12.4%	12.4%
• Q4 Worst Sector: Energy	-6.9%	-1.3%	-1.3%
International Stocks	10.5%	18.9%	18.9%
Emerging Markets Stocks	7.9%	10.3%	10.3%

Fixed Income

	12.31.23	9.30.23	12.31.22
1-Year U.S. Treasury Yield	4.79%	5.46%	4.73%
10-Year U.S. Treasury Yield	3.88%	4.59%	3.88%
	QTD 2023	YTD 2023	Last 12 Months
10-Year U.S. Treasury Total Return	6.87%	3.21%	3.21%

Equities - Relative Performance by Market Capitalization and Style

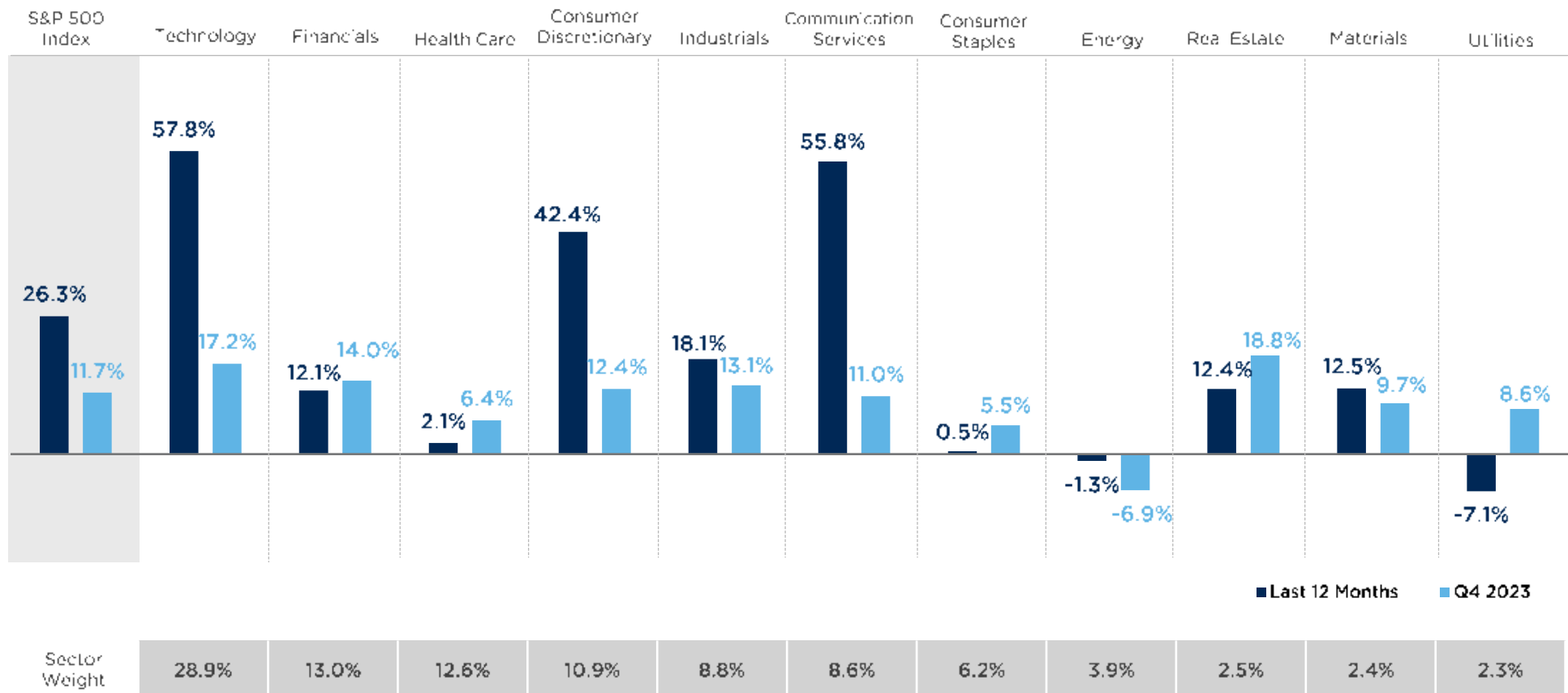
	Q4 2023			YTD 2023			Last 12 Months				
	Value	Blend	Growth	Value	Blend	Growth	Value	Blend	Growth		
Large	9.5%	11.7%	14.2%	Large	11.5%	26.3%	42.7%	Large	11.5%	26.3%	42.7%
Mid	12.1%	12.8%	14.5%	Mid	12.7%	17.2%	25.9%	Mid	12.7%	17.2%	25.9%
Small	15.3%	14.0%	12.7%	Small	14.6%	16.9%	18.7%	Small	14.6%	16.9%	18.7%

Sources: Morningstar, U.S. Treasury, Federal Reserve Bank of St. Louis. Asset class returns are represented by the following indexes: S&P 500 Index (U.S. stocks), MSCI EAFE Index (international developed market stocks), and MSCI Emerging Markets Index (emerging market stocks). Relative performance by market capitalization and style is based upon the Russell US Style Indexes except for large-cap blend, which is based upon the S&P 500 Index.

DIGGING DEEPER: U.S. EQUITY MARKETS

The S&P 500 Index is a market-capitalization-weighted index of U.S. large-cap stocks across a diverse set of industry sectors. The stocks represented in these 11 sectors generated a range of returns for the last 12 months and the most recent quarter.

Returns by S&P 500 Sector



Sources: Morningstar, S&P Global. All calculations are cumulative total return, not annualized, including dividends for the stated period. Past performance is not indicative of future returns.

ASSET CLASS RETURNS

Period Ending 12.31.23 | Q4 '23

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Small-Cap Growth 29.09%	Fixed Income 7.84%	Mid-Cap Value 18.51%	Small-Cap Growth 43.30%	Mid-Cap Value 14.75%	Large-Cap Growth 5.67%	Small-Cap Value 31.74%	Large-Cap Growth 30.21%	Cash 1.87%	Large-Cap Growth 36.39%	Large-Cap Growth 38.49%	Mid-Cap Value 28.34%	Cash 1.46%	Large-Cap Growth 42.68%
Mid-Cap Growth 26.38%	Large-Cap Growth 2.64%	Small-Cap Value 18.05%	Mid-Cap Growth 35.74%	Large-Cap Value 13.45%	Fixed Income 0.55%	Mid-Cap Value 20.00%	International Equities 25.62%	Fixed Income 0.01%	Mid-Cap Growth 35.47%	Mid-Cap Growth 35.59%	Small-Cap Value 28.27%	Large-Cap Value -7.54%	Mid-Cap Growth 25.87%
Mid-Cap Value 24.75%	Large-Cap Value 0.39%	International Equities 17.90%	Small-Cap Value 34.52%	Large-Cap Growth 13.05%	Cash 0.05%	Large-Cap Value 17.34%	Mid-Cap Growth 25.27%	Large-Cap Growth -1.51%	Small-Cap Growth 28.48%	Small-Cap Growth 34.63%	Large-Cap Growth 27.60%	Mid-Cap Value -12.03%	International Equities 18.85%
Small-Cap Value 24.50%	Cash 0.10%	Large-Cap Value 17.51%	Large-Cap Growth 33.48%	Mid-Cap Growth 11.90%	Mid-Cap Growth -0.20%	Small-Cap Growth 11.32%	Small-Cap Growth 22.17%	Mid-Cap Growth -4.75%	Mid-Cap Value 27.06%	International Equities 8.28%	Large-Cap Value 25.16%	Fixed Income -13.01%	Small-Cap Growth 18.66%
Large-Cap Growth 16.71%	Mid-Cap Value -1.38%	Mid-Cap Growth 15.81%	Mid-Cap Value 33.46%	Fixed Income 5.97%	International Equities -0.39%	Mid-Cap Growth 7.33%	Large-Cap Value 13.66%	Large-Cap Value -8.27%	Large-Cap Value 26.54%	Fixed Income 7.51%	Mid-Cap Growth 12.73%	International Equities -14.01%	Small-Cap Value 14.65%
Large-Cap Value 15.51%	Mid-Cap Growth -1.65%	Large-Cap Growth 15.26%	Large-Cap Value 32.53%	Small-Cap Value 5.60%	Small-Cap Growth -1.38%	Large-Cap Growth 7.08%	Mid-Cap Value 13.34%	Small-Cap Growth -9.31%	International Equities 22.66%	Mid-Cap Value 4.96%	International Equities 11.78%	Small-Cap Value -14.48%	Mid-Cap Value 12.71%
International Equities 8.21%	Small-Cap Growth -2.91%	Small-Cap Growth 14.59%	International Equities 23.29%	Small-Cap Value 4.22%	Large-Cap Value -3.83%	Fixed Income 2.65%	Small-Cap Value 7.84%	Mid-Cap Value -12.29%	Small-Cap Value 22.39%	Small-Cap Value 4.63%	Small-Cap Growth 2.83%	Small-Cap Growth -26.36%	Large-Cap Value 11.46%
Fixed Income 5.89%	Small-Cap Value -5.50%	Fixed Income 4.22%	Cash 0.07%	Cash 0.03%	Mid-Cap Value -4.78%	International Equities 1.51%	Fixed Income 3.54%	Small-Cap Value -12.86%	Fixed Income 8.72%	Large-Cap Value 2.80%	Cash 0.05%	Mid-Cap Growth -26.72%	Fixed Income 5.53%
Cash 0.13%	International Equities -11.73%	Cash 0.11%	Fixed Income -2.02%	International Equities -4.48%	Small-Cap Value -7.47%	Cash 0.33%	Cash 0.86%	International Equities -13.36%	Cash 2.28%	Cash 0.67%	Fixed Income -1.54%	Large-Cap Growth -29.14%	Cash 5.01%

Source: Morningstar

- Small-Cap Value Stocks (Russell 2000 Value)
- Small-Cap Growth Stocks (Russell 2000 Growth)
- Large-Cap Growth Stocks (Russell 1000 Growth)
- Large-Cap Value Stocks (Russell 1000 Value)
- Mid-Cap Growth Stocks (Russell Mid-Cap Growth)
- Mid-Cap Value Stocks (Russell Mid-Cap Value)
- International Equities (MSCI EAFE)
- Fixed Income (Bloomberg U.S. Aggregate Bond)
- Cash (Merrill Lynch 3-Month Treasury Bill)

The information contained in this report is from sources believed to be reliable but is not warranted by CAPTRUST to be accurate or complete.



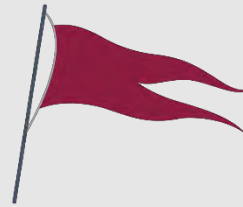
ECONOMIC OUTLOOK

The resolution of pandemic effects and successful monetary policy has led inflation downward toward the Federal Reserve's long-term 2% target. It's likely the Fed will start lowering rates in 2024, supporting an already robust labor market. Still, the lagging effects of rate hikes will be felt as consumers grapple with debt and housing affordability. These challenges could be offset by artificial intelligence-led productivity gains.

HEADWINDS

Consumer Challenges Ahead

- Credit card balances are high, and excess savings have been mostly depleted. Despite higher borrowing costs, consumers continue to spend and are now facing high interest payments on loans.



Housing Market Upended

- In 2023, higher interest rates created an inventory shortage and pushed home prices higher. Although mortgage rates have declined, it will take time for housing affordability to return to historical norms.

Election Uncertainty

- While markets generally perform well in election years, market leadership can be fluid, especially when candidates have fundamentally different policy agendas.

Investor Optimism Creates Risk

- The prospect of lower interest rates has inspired high optimism, which may drive volatility if reality falls short of expectations.

TAILWINDS

Economic Soft Landing

- As inflation wanes to pre-pandemic levels without having spurred a recession, a soft landing seems likely. Fed rate cuts and a lower inflationary environment could drive economic growth.



Inflation-Adjusted Wage Growth

- Real wage growth remained positive in 2023, leaving consumers better positioned to tackle rising debt.

Productivity-Fueled Growth

- The potential for operational efficiency and revenue enhancement has driven heavy investment in artificial intelligence across industries. Widespread implementation over the next decade has the potential to boost productivity growth above long-term averages, thereby increasing gross domestic product (GDP).

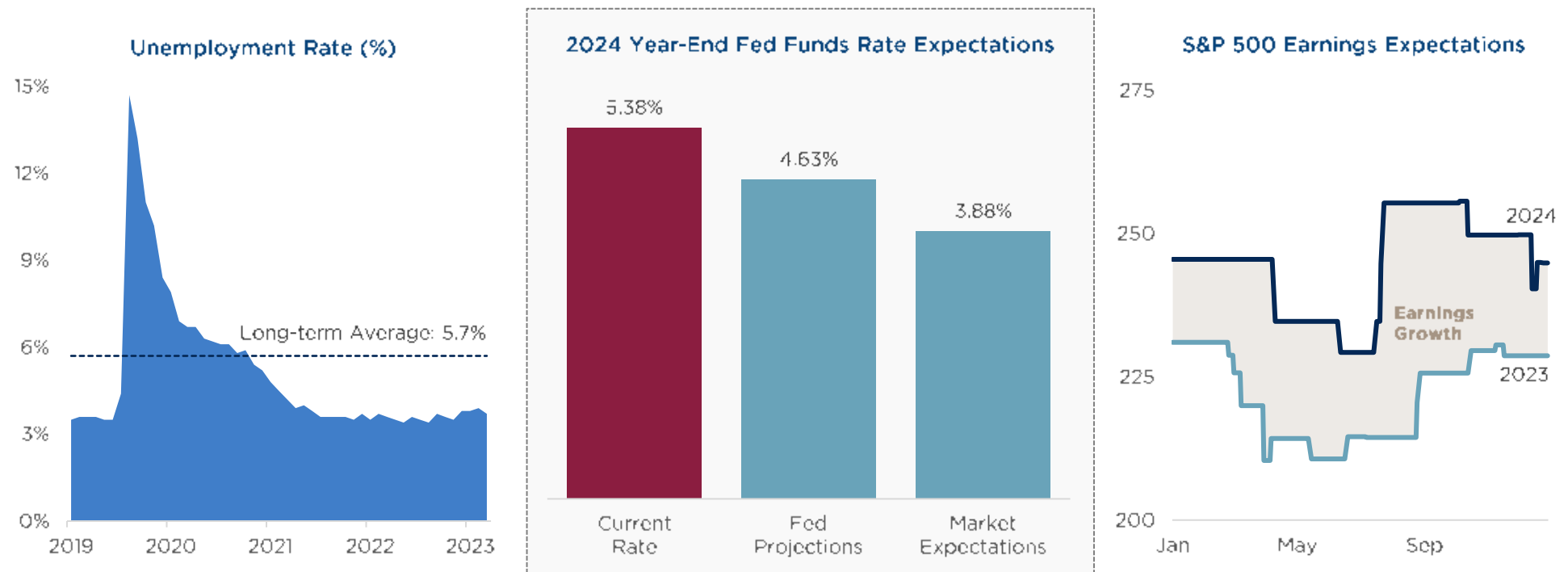
Uptick in Government Funding

- Funds from programs targeting infrastructure and clean energy will be deployed in 2024, adding liquidity to the economy.

While many of the risks faced in 2023 have been resolved positively, it is still prudent for investors to move forward with caution. Investor optimism is near all-time highs and may create disappointment, which is another reason to remain vigilant, diversified, and prepared for volatility.

IS A SOFT LANDING ON THE HORIZON?

As 2023 progressed, economic stability overtook recessionary fears. With inflation now receding, the Federal Reserve's *higher-for-longer* monetary policy stance has eased. Investors now expect an economic soft landing and interest rate cuts in 2024, although the pace remains uncertain. Market expectations and Fed projections are currently misaligned.



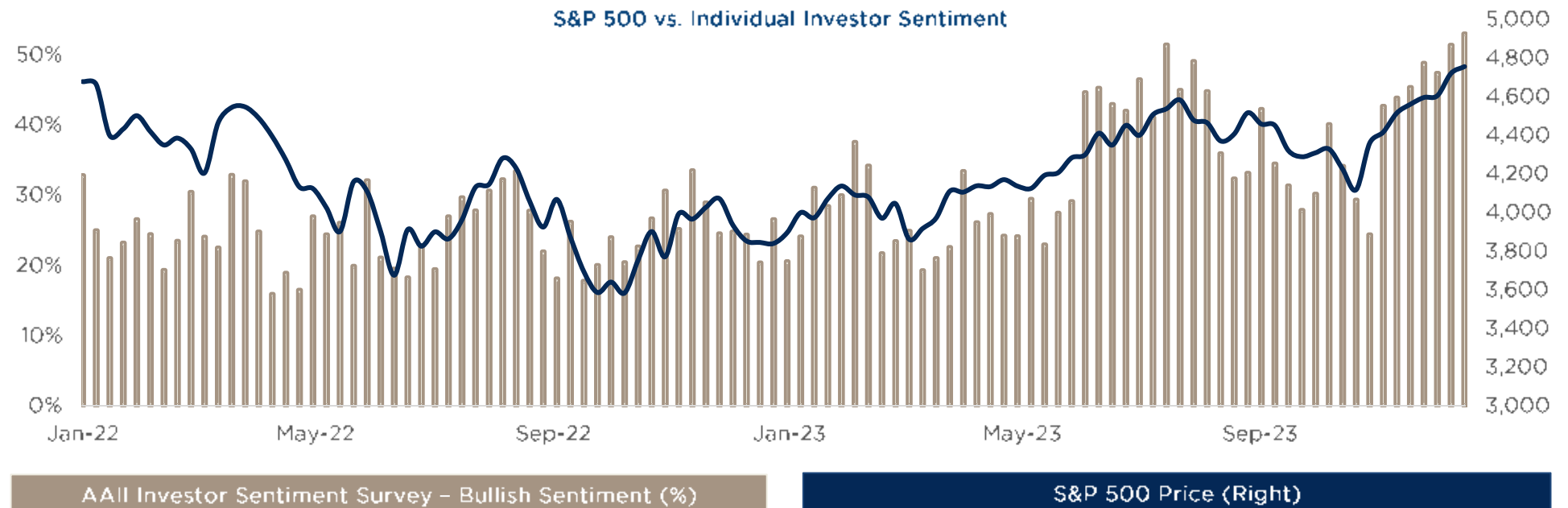
INVESTOR EXPECTATIONS

Generally, the Fed's actions are reactionary, with policies responding to economic outcomes. However, proactive interest rate cuts may be the only way to reconcile market expectations with current economic strength and earnings growth estimates. Despite increased odds of a soft landing, the number and degree of rate cuts could fall short of investor expectations, thereby increasing market volatility.

Sources: U.S. Bureau of Economic Analysis, FactSet, CAPTRUST Research. Data as of 12.29.2023

INVESTOR SENTIMENT BUOYS MARKETS

Market movements are driven primarily by investor expectations. For instance, after a challenging 2022, investors were largely pessimistic, expecting a recession to weigh on stocks in 2023. As the outlook improved, so did investor expectations. Sentiment and equity prices climbed in tandem. Now, the question becomes: Are the markets priced to perfection, or will they falter by expecting perfection?



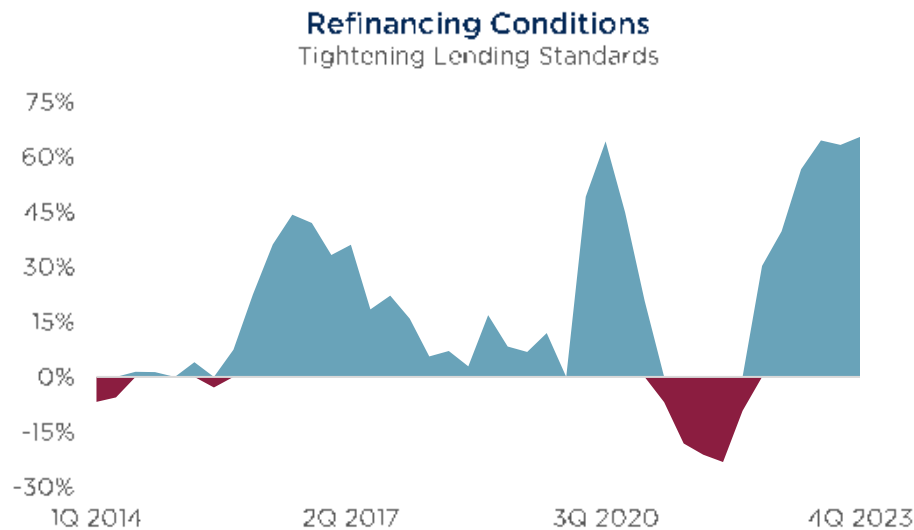
INVESTOR OPTIMISM

Bullish sentiment, as measured weekly by the American Association of Individual Investor (AAll) survey, is the expectation that stocks will rise in the next six months. Sentiment rose steadily in the fourth quarter of 2023, reaching a near-all-time high of 52%. This optimism is fueled by investor expectations for a soft landing and proactive Fed interest rate cuts in 2024. However, with this much conviction in a single outcome, it is possible that any shortfall—in either the pace or magnitude of rate cuts or the glidepath to a soft landing—could create an outsized market response.

Sources: American Association of Individual Investors. FactSet, CAPTRUST Research. Data as of 12.30.2023

2024 KNOWN UNKNOWNNS

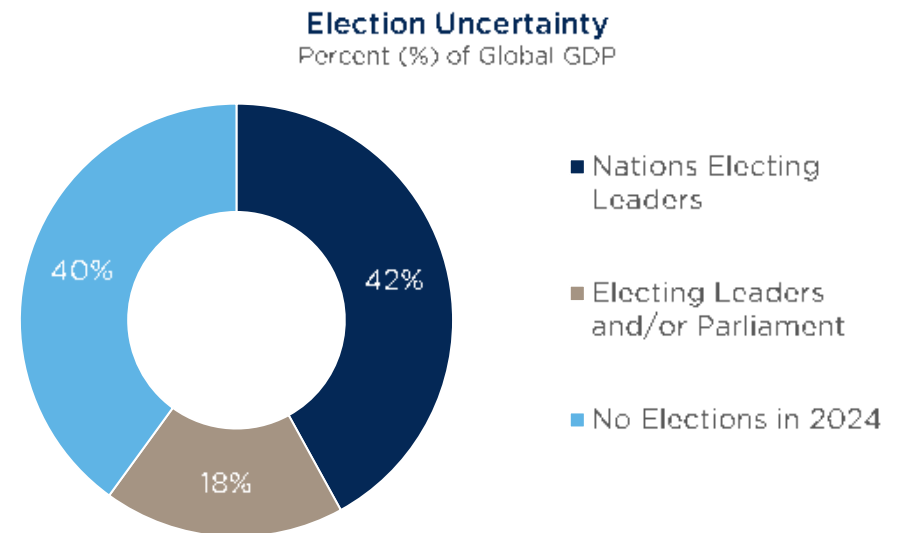
Questions about the U.S. consumer will be the primary focus of 2024, given the rise in credit card debt, the decline in excess personal savings, and the resumption of student loan payments. However, additional known unknowns could have an outsized impact on the economic landscape. Commercial real estate borrowers face a wall of maturities that will likely need refinancing, and national elections are scheduled in 2024 for countries representing 60% of global GDP.



Approximately 65% of respondents to the Fed's "Senior Loan Officer Survey" projected tightening lending standards on multifamily and other commercial real estate loans in 2024.

Nearly \$700 billion in U.S. commercial real estate debt matures in 2024, with banks holding the largest outstanding share.

U.S. regulators note that commercial real estate is the leading risk to financial stability.



While the U.S. presidential election will undoubtedly garner the most attention, pundits predict more voters will participate in national elections in 2024 than any year in history. This uptick has the potential to reshape the global economic and geopolitical landscapes.

Geopolitical hot spots Taiwan, Russia, Ukraine, and Pakistan are all scheduled to elect new leaders in 2024. A national election in Mexico could impact near-shoring and immigration policies.

Sources: Federal Reserve Board, "Senior Loan Officer Opinion Survey on Lending – October 2023;" CRED iQ, Bloomberg, Allianz, CAPTRUST Research

SECTION 3: PLAN INVESTMENT REVIEW

Period Ending 12.31.23 | Q4 23

SECTION 3: PLAN INVESTMENT REVIEW

Plan Assets.....
Investment Policy Monitor.....
Investment Review Select Commentary.....
Investment Performance Summary.....



PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.23 | Q4 23

SURS Retirement Savings Plan

FUND OPTION	CURRENT INVESTMENT NAME	— MARKET VALUE —			
		12.31.2022	(%)	CURRENT	(%)
Money Market	Vanguard Federal Money Market Investor*	\$1,286,589	0.04%	\$979,810	0.03%
Stable Value	Voya Fixed Plus Account III	\$58,217,801	1.93%	\$50,640,687	1.39%
Inflation Protected Bond	Vanguard Inflation-Protected Secs I	\$18,507,081	0.61%	\$16,373,420	0.45%
Intermediate Core Bond	State Street U.S. Bond Index Securities Lending Series Fund Class XIV	\$36,951,550	1.22%	\$44,630,038	1.23%
Intermediate Core Bond	TIAA-CREF Core Impact Bond Instl	\$3,799,626	0.13%	\$4,073,587	0.11%
Multi-sector Bond	PIMCO Income Instl	\$12,188,318	0.40%	\$16,484,467	0.45%
High Yield	PGIM High Yield R6	\$8,667,012	0.29%	\$11,882,665	0.33%
Large Company Blend	BlackRock Equity Index F	\$280,232,536	9.28%	\$381,808,256	10.51%
Medium Company Blend	BlackRock Extended Equity Market F	\$46,923,246	1.55%	\$65,007,494	1.79%
Medium Company Growth	Delaware Mid Cap Growth Equity R6	\$31,372,340	1.04%	\$44,429,738	1.22%
Global Large Stock Blend	BlackRock MSCI ACWI ESG Focus Index Fund F	\$15,600,645	0.52%	\$20,858,522	0.57%
Foreign Large Value	Columbia Trust Overseas Value Fund	\$7,982,767	0.26%	\$9,988,439	0.28%
Foreign Large Blend	State Street Global All Cap Equity Ex-U.S. Index Securities Lending Series Fund Class II	\$25,790,452	0.85%	\$34,519,097	0.95%
Foreign Large Growth	Vanguard International Growth Adm	\$21,982,827	0.73%	\$27,149,320	0.75%
Small Company Value	Earnest Partners SMID Cap Value	\$15,944,469	0.53%	\$18,209,865	0.50%
Specialty-Real Estate	Vanguard Real Estate Index Institutional	\$17,022,473	0.56%	\$18,231,571	0.50%
Target Date	SURS Lifetime Income Strategy Bond Portfolio	\$276,298,303	9.15%	\$279,296,326	7.69%

*This fund is used as the investment for plan-level forfeiture amounts. It is not available for participant-directed investment within the core investment array.

CONTINUED...

Information provided by Record Keeper. For informational purposes. Not a substitute for official statements produced by the plan custodian. Information has been obtained from sources considered reliable but its accuracy and completeness are not guaranteed. This report is not an illustration of investment performance, but rather a historical illustration of asset allocation.

PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.23 | Q4 23

SURS Retirement Savings Plan

FUND OPTION	CURRENT INVESTMENT NAME	— MARKET VALUE —			
		12.31.2022	(%)	CURRENT	(%)
Target Date	SURS Lifetime Income Strategy Cash Portfolio	\$2,140,556	0.07%	\$2,867,809	0.08%
Target Date	SURS Lifetime Income Strategy Equity Portfolio	\$1,313,611,613	43.48%	\$1,493,806,797	41.13%
Target Date	SURS Lifetime Income Strategy Real Asset Portfolio	\$90,965,272	3.01%	\$107,558,498	2.96%
Target Date	SURS Lifetime Income Strategy Secure Income Portfolio	\$735,372,663	24.34%	\$982,764,629	27.06%
TOTALS		\$3,020,858,136	100%	\$3,631,561,034	100%

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ASSET INVESTMENT REVIEW | SUMMARY

Period Ending 12.31.23 | Q4 23

SURS Deferred Compensation Plan

FUND OPTION	CURRENT INVESTMENT NAME	— MARKET VALUE —			
		12.31.2022	(%)	CURRENT	(%)
Stable Value	Voya Fixed Plus Account III	\$873,390	5.43%	\$1,162,630	2.63%
Inflation Protected Bond	Vanguard Inflation-Protected Secs I	\$208,901	1.30%	\$511,680	1.16%
Intermediate Core Bond	State Street U.S. Bond Index Securities Lending Series Fund Class XIV	\$212,999	1.33%	\$504,343	1.14%
Intermediate Core Bond	TIAA-CREF Core Impact Bond Instl	\$34,493	0.21%	\$93,688	0.21%
Multi-sector Bond	PIMCO Income Instl	\$120,568	0.75%	\$356,456	0.81%
High Yield	PGIM High Yield R6	\$170,172	1.06%	\$400,219	0.90%
Large Company Blend	BlackRock Equity Index F	\$2,913,475	18.12%	\$8,585,996	19.40%
Medium Company Blend	BlackRock Extended Equity Market F	\$531,772	3.31%	\$1,343,338	3.04%
Medium Company Growth	Delaware Mid Cap Growth Equity R6	\$416,395	2.59%	\$1,151,807	2.60%
Global Large Stock Blend	BlackRock MSCI ACWI ESG Focus Index Fund F	\$232,212	1.44%	\$609,473	1.38%
Foreign Large Value	Columbia Trust Overseas Value Fund Founders Class	\$164,719	1.02%	\$374,954	0.85%
Foreign Large Blend	State Street Global All Cap Equity Ex-U.S. Index Securities Lending Series Fund Class II	\$341,673	2.13%	\$824,354	1.86%
Foreign Large Growth	Vanguard International Growth Adm	\$252,068	1.57%	\$632,075	1.43%
Small Company Value	Earnest Partners SMID Cap Value	\$249,630	1.55%	\$674,230	1.52%
Specialty-Real Estate	Vanguard Real Estate Index Institutional	\$349,046	2.17%	\$785,755	1.78%

CONTINUED...

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ASSET INVESTMENT REVIEW | SUMMARY

Period Ending 12.31.23 | Q4 23

SURS Deferred Compensation Plan

FUND OPTION	CURRENT INVESTMENT NAME	— MARKET VALUE —			
		12.31.2022	(%)	CURRENT	(%)
Target Date	SURS Lifetime Income Strategy Bond Portfolio	\$1,573,541	9.79%	\$2,692,422	6.08%
Target Date	SURS Lifetime Income Strategy Cash Portfolio	\$28,408	0.18%	\$9,878	0.02%
Target Date	SURS Lifetime Income Strategy Equity Portfolio	\$6,074,904	37.79%	\$16,217,012	36.65%
Target Date	SURS Lifetime Income Strategy Real Asset Portfolio	\$406,883	2.53%	\$1,032,355	2.33%
Target Date	SURS Lifetime Income Strategy Secure Income Portfolio	\$919,808	5.72%	\$6,284,327	14.20%
TOTALS		\$16,075,058	100%	\$44,246,991*	100%

*The total balance excludes the \$197 plan forfeiture/revenue account balance invested in Vanguard Federal Money Market Investor. Forfeitures/revenues are not applicable to the Deferred Compensation Plan and any balance in such an account should be temporary based on plan operational or corrective activity.

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INVESTMENT REVIEW | INVESTMENT POLICY MONITOR

Period Ending 12.31.23 | Q4 23

INVESTMENT	QUANTITATIVE								QUALITATIVE		TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Style		Confidence		Fund Management	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr				
Inflation Protected Bond Vanguard Inflation-Protected Secs I	▼	●	●	●	●	●	▼	▼	●	●	●	86
Intermediate Core Bond TIAA-CREF Core Impact Bond Instl	▼	●	●	▼	●	●	●	●	●	●	●	86
High Yield PGIM High Yield R6	●	●	●	●	●	●	●	●	●	●	●	95
Medium Company Growth Delaware Mid Cap Growth Equity R6* (Pending Replacement on 2/23/2023)	▼	▼	▼	▼	●	●	▼	▼	▼	●	●	52
Medium Company Growth Fiera Capital Small/Mid-Cap Growth** (Pending implementation on 2/23/2023)	●	●	●	●	●	●	●	●	●	●	●	100
Foreign Large Value Columbia Overseas Value Inst3***	●	●	●	●	●	●	●	●	●	●	●	91
Foreign Large Growth Vanguard International Growth Adm	▼	●	▼	●	▼	▼	▼	●	●	●	●	81
Small Company Value Earnest Partners SMID Cap Value	●	●	●	●	●	●	●	●	●	●	●	93

*Current assets and future contributions will be mapped to the Fiera SMID Growth Fund separate account.

**The mutual fund is shown here for comparative purposes.

***The mutual fund is shown here for comparative purposes due to the lack of historical data for the Columbia Trust Overseas Value Fund Founders Class C1.

LEGEND


●	IN GOOD STANDING	▼	MARKED FOR REVIEW	●	CONSIDER FOR TERMINATION
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The CAPTRUST Investment Policy Monitor (Scorecard) is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields for actively managed investment options. Quantitative scoring areas include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; Style Attribution; and Confidence. Qualitative Scoring Areas measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '?' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. This material is for institutional investor use only and is not intended to be shared with individual investors.

INVESTMENT REVIEW | INVESTMENT POLICY MONITOR


Period Ending 12.31.23 | Q4 23

CAPITAL PRESERVATION INVESTMENTS

INVESTMENT	Overall	Commentary
Vanguard Federal Money Market Investor*		This Capital Preservation option is in good standing per the guidelines as established by the Investment Policy Statement.
Voya Fixed Plus Account III		This Capital Preservation option is in good standing per the guidelines as established by the Investment Policy Statement.

*This fund is used as the investment for plan-level forfeiture amounts. It is not available for participant-directed investment within the core investment array.

INVESTMENTS IN DISTINCT ASSET CLASSES

INVESTMENT	Overall	Commentary
PIMCO Income Instl		This fund currently meets the guidelines set forth by CAPTRUST for distinct investments in the Investment Policy Statement. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, excess return, and risk-adjusted performance.

CONTINUED...

The CAPTRUST Financial Advisors Investment Scorecard is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields. Quantitative scoring areas for target date funds include Risk Adjusted Performance (3 & 5 yr), Performance vs. Relevant Peer Group, and Glidepath. Qualitative Scoring Areas for target date funds measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family terms. Qualitative areas of analysis are subjective in nature. Qualitative Scoring for Target Date funds also includes a score for Portfolio Construction and Underlying Investment Vehicles to express CAPTRUST's views on the manager or strategy. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '2s' as a default, but will be updated, if necessary, after the first quarter of monitoring, to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. Capital Preservation options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics, depending on the type of capital preservation option being evaluated, and may include quantitative criteria such as Credit Rating/Yield, Market-to-Book Ratio, Average Credit Quality, Insurer Quality/Diversification, Duration, and Sector Allocations, and/or qualitative criteria such as quality and experience of the Management Team and stewardship of the investment option's parent company. Passively Managed options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics and may include quantitative criteria such as Tracking Error, Fees, and Performance versus relevant peer group, and/or qualitative criteria such as index replication strategy, securities lending practices, and fair value pricing methodology. Distinct Investment options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics. This material is for institutional investor use only and is not intended to be shared with individual investors.



PASSIVE INVESTMENTS

INVESTMENT	Overall	Commentary
State Street U.S. Bond Index Securities Lending Series Fund Class XIV	●	This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
BlackRock Equity Index F	●	This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
BlackRock Extended Equity Market F	●	This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
BlackRock MSCI ACWI ESG Focus Index Fund F	●	This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
State Street Global All Cap Equity Ex-U.S. Index Securities Lending Series Fund Class II	●	This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Vanguard Real Estate Index Institutional	●	This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.

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STRATEGY AND PROCESS

- Canada-based boutique firm that aims to deliver capital appreciation while also providing stability during market downturns.
- Focus is U.S. small and mid-cap growth-oriented companies that exhibit either stable (75%) or emerging growth (25%)
- Process combines bottom-up fundamental stock selection with top-down thematic investing to find companies that are poised to benefit.
- Incorporates ESG considerations with focus on social and governance factors.
- The mutual fund version of this strategy joined New York Life's line of Mainstay boutique funds mid-2023.

Performance and Attribution as of 12.31.23

- While the strategy slightly underperformed the Russell Mid-Cap Growth Index in the short term (due in part to greater small cap focus), the fund outperformed its Russell 2500 Growth Index benchmark by 158 basis points at the end the fourth quarter, 2023.
- The fund performance also beat its benchmark returns across short- and long-term trailing periods, while achieving a lower relative volatility, and provided downside protection in 2022 when the value style of investing outperformed growth.
- Many of the strategies holdings are benefitting from AI, including Entegris (semiconductor manufacturing), MongoDB (a leader in managing unstructured data), Arista Networks (a leader in advanced network technology), and Gitlab (who provides tools where programmers can generate code), which were all top performers in 2023.
- The strategy also benefited from diversification into the consumer discretionary sector; top performers during 2023 also included PulteGroup (new construction homebuilders), Hyatt, and Royal Caribbean, up 162% in 2023 thanks to the resilient traveler and a bullish outlook.

Annualized Performance (net of fee)	4Q23	2023	2022	3-Yr Trailing Return	5-Yr Trailing Return	10-Yr Trailing Return	5-yr Standard Deviation	5-yr Sharpe Ratio
Fiera SMID Growth	14.17%	25.16%	-23.56%	3.82%	16.22%	10.07%	22.76	0.69
Delaware Mid-Cap Growth	14.35%	20.63%	-45.28%	-15.35%	9.88%	8.69%	28.31	0.40
Russell Mid-Cap Growth	14.55%	25.87%	-26.72%	1.31%	13.81%	10.57%	22.30	0.60
Russell 2500 Growth	12.59%	18.93%	-26.21%	-2.68%	11.43%	8.78%	23.39	0.69

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STRATEGY AND PROCESS

- A fundamental, bottom-up investment process; investment decisions focus on the qualities of individual securities while controlling volatility and risk.
- Companies are screened from an ESG perspective and those with unattractive ESG profiles are excluded.
- A second, internally developed screen called Return Pattern Recognition assesses the risk (Downside Deviation) of significant under-performance versus the benchmark.
- The process identifies companies that exhibit financial characteristics consistent with outperformance.

Performance and Attribution as of 12.31.23

- The CIT strategy only has three years of performance history, but over that time the 3-year trailing returns bettered the Russell 2500 Value and Russell Mid-Cap Value Index by 90 and 133 basis points, respectively. Volatility over the last three years was in line with the benchmark.
- In keeping with its process, the fund did offer considerable downside protection in 2022.
- During the fourth quarter of 2023, the strategy underperformed its Russell 2500 Value Index benchmark by 90 basis points but outperformed the Russell Mid-Cap Value Index by 75 basis points.
- For 2023, the underperformance relative to the Russell 2500 Value benchmark was a more modest 41 basis points, while the strategy outperformed the Russell Mid-Cap Value Index by 276 basis points.
- This is not a deep value strategy. Like both indices, the strategy has a lean to the core style of investing. Also, relative to the benchmark, the strategy has an overweight to both mid- and large-cap holdings. Top performance in 2023 came from technology holdings, including Synopsis (an electronic design automation company) and Entegris (semiconductor manufacturing).

Annualized Performance (net of fee)	4Q23	2023	2022	3-Yr Trailing Return	5-Yr Trailing Return	10-Yr Trailing Return	3-yr Standard Deviation	3-yr Sharpe Ratio
Earnest Smid Cap Value	12.86%	15.47%	-8.94%	9.71%	-	-	21.03	0.45
Russell 2500 Value	13.76%	15.98%	-13.08%	8.81%	10.79%	7.42%	20.99	0.39
Russell Mid-Cap Value	12.11%	12.71%	-12.03%	8.36%	11.16%	8.26%	19.58	0.38

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STRATEGY AND PROCESS

- A foreign large growth strategy with a focus on non-U.S. companies with high growth potential.
- Investments are across both developed and emerging markets.
- The process takes an aggressive approach to finding companies that can capitalize on the global economic expansion.
- Typical holdings experience rapid earning growth, which contribute to a portfolio with higher volatility relative to peers.
- The fund is sub-advised by Schroder Investment Management North America Inc. (30%) and Baillie Gifford Overseas Ltd. (70%) which is a more aggressive growth style manager.

Performance and Attribution as of 12.31.23

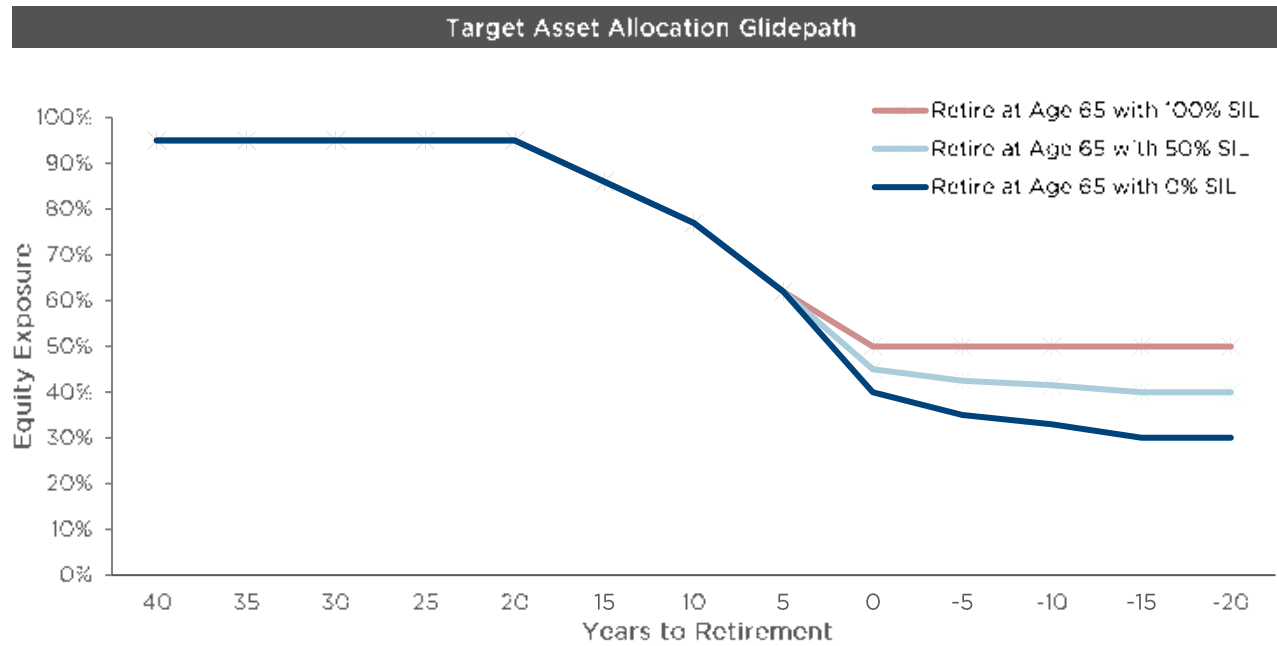
- During Q4 2023, the fund outperformed its MSCI All-Country World Index (ACWI) ex USA benchmark by 162 basis points, as the portfolio's technology and telecom holdings benefited from the expectation of lower interest rates and continued interest in artificial intelligence. Top performers for the period included Mercado Libre (Argentina e-commerce), Spotify, Nvidia, and Taiwan Semiconductor.
- For 2023, the fund underperformed the benchmark by 81 basis points. Holdings based in China (Meituan, an e-commerce platform, and WuXi Biologics, a technology platform for drug development) detracted from performance. The fund ended the year with an overweight to China, which struggled to generate economic growth and consumer demand post pandemic lockdowns.
- The fund underperformed in 2022, as a 10% overweight to both the technology and consumer discretionary sectors detracted from relative returns. It was a year that both sectors struggled as the Federal Reserve took an aggressive approach to raising interest rates.
- Over the long-term, the fund's aggressive approach has contributed to exceptional trailing performance relative to its benchmark.

Annualized Performance (net of fee)	4Q23	2023	2022	3-Yr Trailing Return	5-Yr Trailing Return	10-Yr Trailing Return	5-yr Standard Deviation	5-yr Sharpe Ratio
Vanguard International Growth	11.37%	14.81%	-30.79%	-7.61%	10.62%	7.09%	23.20	0.47
MSCI All Country World Index ex USA	9.75%	15.62%	-16.00%	1.55%	7.08%	3.83%	17.80	0.37

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SURS LIFETIME INCOME STRATEGY

Period Ending 12.31.23 | Q4 23



Dedicated Asset Class/Diversification

Equity	
U.S. Large Cap	P
U.S. Mid Cap	P
U.S. Small Cap	P
International Equity	P
Fixed Income	
U.S. Fixed Income	P
U.S. TIPs	A
High Yield	-
Emerging Markets Debt	-
International Fixed Income	-
Alternative	
Commodities	-
Real Estate	P

A - Active Management
P - Passive Management

Component Portfolio Name	Underlying Fund Name	Allocation
SURS Lifetime Income Strategy Equity Portfolio	State Universities Retirement System Extended Equity Market U/A	11%
	State Universities Retirement System Equity Index U/A	49%
	State Street Global All Cap ex-US Index SL CI II	40%
SURS Lifetime Income Strategy Bond Portfolio	State Street US Bond Index SL CI XIV	65%
	Vanguard Inflation-Protected Securities Institutional	35%
SURS Lifetime Income Strategy Real Asset Portfolio	Vanguard Real Estate Index Institutional	100%
SURS Lifetime Income Strategy Cash Portfolio	Vanguard Federal Money Market Investor	100%
SURS Lifetime Income Strategy Secure Income Portfolio	AB Balanced 50/50 Collective Trust	100%

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SURS LIFETIME INCOME STRATEGY

Period Ending 12.31.23 | Q4 23

INVESTMENT NAME	TOTAL RETURN				
	4Q 2023	YTD 2023	1 Year	3 Year	Since Inception*
SURS Lifetime Income Strategy Equity Portfolio	1.38	22.00	22.00	5.80	8.92
Custom Benchmark	1.31	21.90	21.90	5.69	8.83
SURS Lifetime Income Strategy Real Asset Portfolio	18.14	11.77	11.77	4.99	6.74
Custom Benchmark	17.98	11.36	11.36	5.70	7.08
SURS Lifetime Income Strategy Bond Portfolio	5.91	4.84	4.84	(2.64)	(2.08)
Custom Benchmark	6.08	4.97	4.97	(2.49)	(1.95)
SURS Lifetime Income Strategy Cash Portfolio	1.33	5.03	5.03	2.12	1.90
Custom Benchmark	1.41	5.26	5.26	2.25	2.02
SURS Lifetime Income Strategy Secure Income Portfolio	8.45	12.19	12.19	1.20	3.31
Custom Benchmark	8.84	13.37	13.37	2.33	4.50

TOTAL EXPENSE RATIO (in basis points)					
	SURS LIS Equity Portfolio	SURS LIS Real Asset Portfolio	SURS LIS Bond Portfolio	SURS LIS Cash Portfolio	SURS LIS Secure Income Portfolio
Manager Fees	3.49	10.00	4.53	11.00	5.95
Asset Allocation / Implementation / Ongoing Services Fees	5.93	5.93	5.93	5.93	5.88
Custody Account Fee	0.10	0.10	0.10	0.10	0.10
Benefit Admin / Contract Allocation Fees	-	-	-	-	10.00
Insurance Fees	-	-	-	-	95.00
Total	9.52	16.03	10.56	17.03	116.93

*Inception date is 08/26/2020 except for the Secure Income Portfolio which has an inception date of 9/14/2020.

All portfolio performance calculations are net of fees and are expressed as percentages. Periods of more than one year are annualized. The benchmark for a Lifetime Income Strategy Component is a customized benchmark that has the same target asset allocation as the corresponding component strategy's target asset allocation and uses index returns to represent performance of the asset classes. The benchmark returns were calculated by weighting the monthly index returns of each asset class by the corresponding component strategy's monthly target allocation for each asset class.

The Equity Portfolio is benchmarked against a custom fixed-weight benchmark comprising: 49% S&P 500 Index, 11% Dow Jones US Completion Total Stock Market Index and 40% MSCI ACWI Ex USA IMI Index. The Real Asset Portfolio is benchmarked against the FTSE Nareit All Equity REITs Index. The Bond Portfolio is benchmarked against a custom fixed-weight benchmark comprising: 65% Bloomberg Barclays US Global Aggregate Index and 35% Bloomberg Barclays US TIPS Index. The Cash Portfolio is benchmarked against the FTSE 3 Month US T-Bill Index. The Secure Income Portfolio is benchmarked against a custom benchmark comprising: 25% S&P 500 Index, 8% Russell 2000 Index, 17% MSCI EAFE Index, 30% Bloomberg Barclays US Aggregate Bond Index, and 20% Bloomberg Barclays US TIPS Index.

SURS LIFETIME INCOME STRATEGY

Period Ending 12.31.23 | Q4 23

ACTIVITY SUMMARY – RSP / 401(a) Plan	
Asset Summary	4Q 2023
Total LIS Participants	21,261
Total SIP Participants	6,332
Participant Services	4Q 2023
Estimates – Call Center	489
Estimates – Web	2,094
SIL Changes	29
Retirement Age Changes	44
Benefit Statistics	4Q 2023 / Since Inception
Activated Participants	17 / 289
Avg Activated GLWB %	3.59% / 3.29%
Avg Activation Age	64.8/ 66.6

ACTIVITY SUMMARY – DCP / 457(b) Plan	
Asset Summary	4Q 2023
Total LIS Participants	5,828
Total SIP Participants	840
Participant Services	4Q 2023
Estimates – Call Center	11
Estimates – Web	127
SIL Changes	14
Retirement Age Changes	10
Benefit Statistics	4Q 2023 / Since Inception
Activated Participants	0 / 0
Avg Activated GLWB %	0.00% / 0.00%
Avg Activation Age	0 / 0

SIP (Secure Income Portfolio) is the insured portfolio used to fund the Guaranteed Income Withdrawal Amount. Assets in this portfolio are insured through multiple group-insurance contracts. Allocations among the group-insurance contracts are unique to each participant. If your Secure Income Level is greater than 0%, your assets will be gradually allocated to the Secure Income Portfolio, beginning approximately 15 years before you are scheduled to retire. SIL (Secure Income Level) is the target percentage of your SURS LIS account – between 0% and 100% – that you want allocated over time to the Secure Income Portfolio and used to fund your Guaranteed Income Withdrawal Amount. (The default Secure Income Level is 100%.) GI WB (Guaranteed Lifetime Withdrawal Benefit) is the amount you can withdraw monthly from the Secure Income Portfolio during retirement and the amount that participating insurers will pay you annually for the remainder of your lifetime (or for the remainder of your spouse's or civil union partner's lifetime, if applicable) if the Secure Income Portfolio account balance is exhausted because the Guaranteed Income Withdrawal Amount depleted your account. The amount is recalculated each year on your birthday.

SURS LIFETIME INCOME STRATEGY

Period Ending 12.31.23 | Q4 23

INSURANCE COMPANIES

- LIS uses group contracts to provide guaranteed income withdrawal benefit

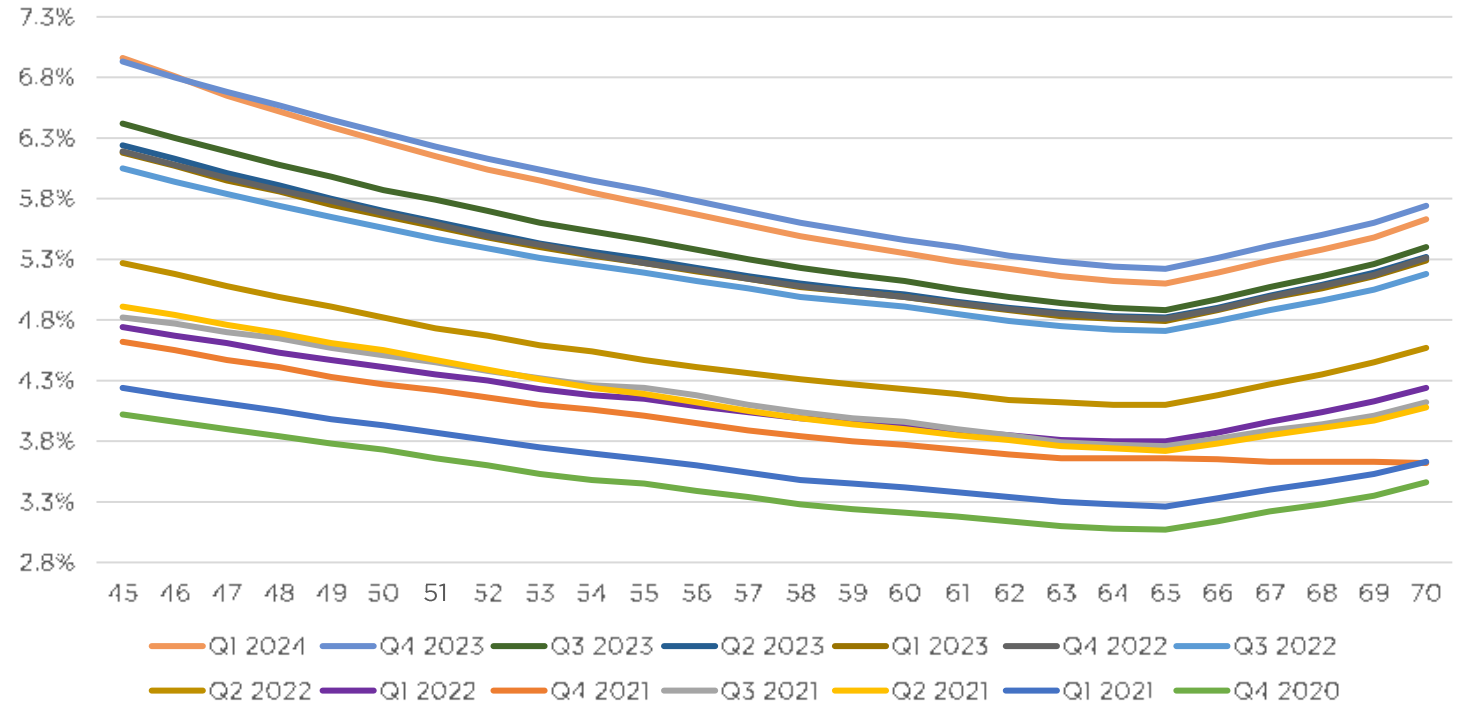
PARTICIPATING COMPANIES

- Jackson National Life Insurance
- Lincoln National Life Insurance Company
- Nationwide Life Insurance Company
- Prudential Retirement Insurance and Annuity Company (Empower Annuity Insurance Co.)

LIS RESTRICTIONS

- At least 90 days must pass between changing elections (secure income level and/or retirement age)
- If members transfer money out of SURS LIS, they cannot transfer funds into SURS LIS for 90 days
- New contributions and rollovers are not affected by the 90-day restriction

BLENDING RATES - ROLLING PERIODS*



FINANCIAL STRENGTH RATINGS AND OUTLOOK

	Jackson		Lincoln		Nationwide		Prudential	
S&P	A (6 th of 20)	Stable	A+ (5 th of 20)	Stable	A+ (5 th of 20)	Stable	AA- (4 th of 20)	Stable
Moody's	A3 (7 th of 21)	Stable	A2 (6 th of 21)	Stable	A1 (5 th of 21)	Stable	Aa3 (4 th of 21)	Stable
Fitch	A (6 th of 21)	Stable	A+ (5 th of 21)	Negative	-	-	AA- (4 th of 21)	Stable
AM Best	A (3 rd of 15)	Stable	A (3 rd of 15)	Stable	A (3 rd of 15)	Stable	A+ (2 nd of 15)	Stable

*Blended Rates include Deferred Retirement Bonus. Assumes a retirement age of 65.



FUND FIRM ITEMS	COMMENTARY
Macquarie Investment Management	<p>Amy Mahony replaced Allison Wood as the firm's chief risk officer. Allison remains with the firm and has assumed a new role in the firm's Enterprise group.</p> <p>Macquarie Asset Management has reorganized its Private Markets and Public Investment divisions into four new divisions: Real Assets, Real Estate, Credit, and Equities & Multi-Asset. These changes should not impact the firm's investment teams.</p>
Nuveen/TIAA-CREF	<p>Mary Beth Ramsey has replaced Trey Stenerson as Nuveen's chief risk officer.</p>
Vanguard Group, Inc.	<p>Vanguard has reached an agreement to sell Vanguard Institutional Advisory Services, its institutional outsourced chief investment officer (OCIO) business, to Mercer. As part of this sale, all Vanguard OCIO clients will transition to Mercer, pending client agreement. With the completion of the sale, Vanguard will exit this business entirely and no longer provide advisory services to traditional institutional accounts, including endowments, foundations, and pension and corporate accounts.</p>
Voya Funds	<p>Matt Toms has been named CEO of Voya Investment Management and will join Voya Financial's Executive Committee. He succeeds Christine Hurtsellers, who will remain with the firm as a strategic advisor until she retires later this year. Mr. Toms will relinquish his responsibilities as CIO, Fixed Income and portfolio manager on the Voya Strategic Income Opportunities strategy to focus on his new role. Eric Stein has joined the firm as head of Investments and will assume the role of CIO, Fixed Income from Matt Toms. Mr. Stein will also serve chair of the Fixed Income Asset Allocation Committee.</p>
Prudential Global Investment Management	<p>PGIM Real Estate appointed Cathy Marcus and Raimondo Amabile as co-chief executive officers. Cathy will retain her responsibilities as global chief operating officer while Raimondo retains his responsibilities as global chief investment officer. However, Soufiana Reigle has assumed Cathy's previous role as head of U.S. Equity. Additionally, Sebastian Ferrante has been promoted to head of Europe, Enrique Lavín has been promoted to head of Latin America, and Christina Hill has been appointed to the newly created role as global head of Asset Management and Sustainability.</p> <p>Michael Lillard, head of PGIM Fixed Income, will retire in April 2024. Effective January 1, 2024, John Vibert will become president and CEO, and Mr. Lillard will transition to an advisory role until his retirement in April. PGIM Fixed Income is a subsidiary of Prudential.</p>

PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 12.31.23 | Q4 '23

INVESTMENT NAME	Q4 '23	YTD '23	2022	2021	2020	2019	2018	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
MONEY MARKET											
Vanguard Federal Money Market Investor	1.34%	5.09%	1.55%	0.01%	0.45%	2.14%	1.78%	5.09%	2.20%	1.83%	1.21%
ICE BoFA ML US Treasury Bil 3 Mon USD	1.37%	5.02%	1.46%	0.05%	0.67%	2.28%	1.87%	5.02%	2.15%	1.88%	1.25%
STABLE VALUE											
Voya Fixed Plus Account III	-	-	Crediting rate: 2.25%					-	-	-	-
ICE BoFA ML US Treasury Bil 3 Mon USD	1.37%	5.02%	1.46%	0.05%	0.67%	2.28%	1.87%	5.02%	2.15%	1.88%	1.25%
Morningstar JS Stable Value GR USD	0.73%	2.85%	1.89%	1.74%	2.26%	2.52%	2.26%	2.85%	2.16%	2.25%	2.07%
INFLATION PROTECTED BOND											
Vanguard Inflation-Protected Secs I	4.64%	3.85%	-11.90%	5.72%	11.05%	8.18%	-1.40%	3.85%	-1.11%	3.05%	2.36%
Bloomberg US Treasury JS TIPS TR USD	4.71%	3.90%	-11.85%	5.96%	10.99%	8.43%	-1.26%	3.90%	-1.00%	3.15%	2.42%
Inflation Protected Bond Universe	4.32%	3.71%	-11.69%	5.25%	9.70%	7.51%	-1.63%	3.71%	-1.13%	2.92%	1.96%
INTERMEDIATE CORE BOND											
State Street U.S. Bond Index Securities Lending Series Fund Class XIV	6.71%	5.61%	-13.13%	-1.62%	7.67%	8.74%	0.03%	5.61%	-3.36%	1.11%	1.81%
TIAA-CREF Core Impact Bond Instl	6.51%	6.04%	-14.01%	-1.03%	7.45%	8.73%	0.33%	6.04%	-3.37%	1.06%	2.30%
Bloomberg US Agg Bond TR USD	6.82%	5.53%	-13.01%	-1.55%	7.51%	8.72%	0.01%	5.53%	-3.32%	1.10%	1.81%
Intermediate Core Bond Universe	6.69%	5.59%	-13.46%	-1.56%	7.85%	8.42%	-0.43%	5.59%	-3.45%	1.06%	1.69%
MULTISECTOR BOND											
PIMCO Income Instl	5.89%	9.32%	-7.81%	2.61%	5.80%	8.05%	0.58%	9.32%	1.12%	3.40%	4.44%
Bloomberg US Agg Bond TR USD	6.82%	5.53%	-13.01%	-1.55%	7.51%	8.72%	0.01%	5.53%	-3.32%	1.10%	1.81%
Multisector Bond Universe	6.34%	8.53%	-10.84%	2.44%	6.32%	10.35%	-1.89%	8.53%	-0.23%	3.14%	2.94%

*ANNUALIZED

CONTINUED...

This summary is intended for "Institutional (Plan Sponsor) Use Only" and only includes historical performance of the funds currently in the plan's fund lineup as compared to the peer group (universe) maintained/developed by CAPTRUST (using Morningstar open-end mutual fund data), which may include other investment types such as collective investment trusts. Fund and peer group returns are shown net of investment management fees, unless otherwise indicated, but gross of CAPTRUST advisory fees. The plan's overall performance will be reduced by CAPTRUST's advisory fees and other plan level fees not contemplated in this summary. Therefore, each participant's account performance will differ substantially. Past performance is not indicative of future results. Information from sources believed to be reliable, but not warranted by CAPTRUST to be accurate or complete.



PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 12.31.23 | Q4 '23

INVESTMENT NAME	Q4 '23	YTD '23	2022	2021	2020	2019	2018	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
HIGH YIELD											
PGIM High Yield R6	6.92%	12.31%	-11.55%	6.47%	5.72%	16.26%	-1.18%	12.31%	1.89%	5.39%	4.83%
Bloomberg US Corporate High Yield TR USD	7.16%	13.45%	-11.19%	5.28%	7.11%	14.32%	-2.08%	13.45%	1.98%	5.37%	4.60%
High Yield Bond Universe	6.45%	12.05%	-10.75%	4.88%	5.26%	13.50%	-2.93%	12.05%	1.76%	4.61%	3.74%
LARGE COMPANY BLEND											
BlackRock Equity Index F	11.69%	26.30%	-18.10%	28.74%	18.48%	31.55%	-4.34%	26.30%	10.02%	15.73%	12.08%
S&P 500 Index	11.69%	26.29%	-18.11%	28.71%	18.40%	31.49%	-4.38%	26.29%	10.00%	15.69%	12.03%
Large Blend Universe	11.64%	24.39%	-18.15%	26.68%	17.20%	29.78%	-5.65%	24.39%	8.92%	14.44%	10.71%
MEDIUM COMPANY BLEND											
BlackRock Extended Equity Market F	15.15%	25.35%	-26.36%	12.45%	32.16%	28.23%	-9.15%	25.35%	1.25%	11.96%	8.64%
Russell Mid Cap	12.82%	17.23%	-17.32%	22.58%	17.10%	30.54%	-9.06%	17.23%	5.92%	12.68%	9.42%
Mid Blend Universe	11.57%	15.87%	-15.19%	24.16%	12.88%	26.88%	-11.30%	15.87%	6.86%	11.98%	8.09%
MEDIUM COMPANY GROWTH											
Delaware Mid Cap Growth Equity R6	14.35%	20.63%	-45.28%	-8.12%	94.51%	35.77%	0.44%	20.63%	-15.35%	9.88%	8.69%
Russell Mid Cap Growth	14.55%	25.87%	-26.72%	12.73%	35.59%	35.47%	-4.75%	25.87%	1.31%	13.81%	10.57%
Mid Growth Universe	12.15%	20.60%	-28.34%	11.92%	35.93%	33.40%	-5.53%	20.60%	-0.69%	12.65%	9.48%
MEDIUM COMPANY GROWTH											
Fiera Capital Small/Mid-Cap Growth Instl	14.17%	25.16%	-23.56%	16.96%	44.48%	31.15%	-9.56%	25.16%	3.82%	16.22%	10.07%
Russell Mid Cap Growth	14.55%	25.87%	-26.72%	12.73%	35.59%	35.47%	-4.75%	25.87%	1.31%	13.81%	10.57%
Mid Growth Universe	12.15%	20.60%	-28.34%	11.92%	35.93%	33.40%	-5.53%	20.60%	-0.69%	12.65%	9.48%
GLOBAL LARGE STOCK BLEND											
BlackRock MSCI ACWI ESG Focus Index Fund F	11.05%	21.88%	-19.13%	18.22%	19.00%	26.87%	-	21.88%	5.22%	11.96%	-
MSCI ACWI NR USD	11.03%	22.20%	-18.36%	18.54%	16.25%	26.60%	-9.41%	22.20%	5.75%	11.72%	7.93%
Global Large Stock Blend	10.74%	18.54%	-17.43%	18.08%	14.15%	26.06%	-9.99%	18.54%	5.51%	10.83%	7.39%

*ANNUALIZED

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 12.31.23 | Q4 '23

INVESTMENT NAME	Q4 '23	YTD '23	2022	2021	2020	2019	2018	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
FOREIGN LARGE VALUE											
Columbia Overseas Value Inst3	7.85%	16.33%	-5.88%	10.97%	-0.06%	22.61%	-16.38%	16.33%	6.71%	8.28%	4.78%
Columbia Trust Overseas Value Fund	7.80%	16.65%	-5.01%	11.05%	-	-	-	16.65%	7.16%	-	-
MSCI EAFE	10.47%	18.85%	-14.01%	11.78%	8.28%	22.66%	-13.36%	18.85%	4.53%	8.69%	4.78%
Foreign Large Value Universe	8.49%	17.85%	-10.44%	11.78%	2.65%	18.23%	-16.50%	17.85%	5.55%	7.40%	3.35%
FOREIGN LARGE BLEND											
State Street Global All Cap Equity Ex-U.S. Index Securities Lending Series Fund Class II	9.79%	15.93%	-16.29%	8.74%	11.36%	22.04%	-14.57%	15.93%	1.81%	7.48%	4.24%
MSCI EAFE	10.47%	18.85%	-14.01%	11.78%	8.28%	22.66%	-13.36%	18.85%	4.53%	8.69%	4.78%
Foreign Large Blend Universe	9.85%	16.13%	-15.91%	10.07%	9.73%	22.04%	-15.23%	16.13%	2.28%	7.79%	3.98%
FOREIGN LARGE GROWTH											
Vanguard International Growth Adm	11.37%	14.81%	-30.79%	-0.74%	59.74%	31.48%	-12.58%	14.81%	-7.61%	10.62%	7.09%
MSCI EAFE	10.47%	18.85%	-14.01%	11.78%	8.28%	22.66%	-13.36%	18.85%	4.53%	8.69%	4.78%
Foreign Large Growth Universe	11.76%	15.84%	-25.10%	8.66%	22.29%	27.95%	-14.46%	15.84%	-2.62%	8.23%	4.66%
SMALL COMPANY VALUE											
Earnest Partners SMID Cap Value	12.86%	15.47%	-8.94%	25.57%	20.23%	-	-	15.47%	9.71%	-	-
Russell 2000 Value	15.26%	14.65%	-14.48%	28.27%	4.63%	22.39%	-12.86%	14.65%	7.94%	10.00%	6.76%
Small Value Universe	12.83%	15.95%	-11.46%	31.17%	3.39%	21.79%	-15.42%	15.95%	9.91%	11.39%	6.93%
SPECIALTY-REAL ESTATE											
Vanguard Real Estate Index Institutional	18.13%	11.82%	-26.17%	40.41%	-4.67%	29.02%	-5.93%	11.82%	5.05%	7.35%	7.38%
Dow Jones US Select REIT	16.35%	13.96%	-25.96%	45.91%	-11.20%	23.10%	-4.22%	13.96%	7.18%	6.12%	7.00%
Specialty-Real Estate Universe	16.42%	11.93%	-26.33%	41.45%	-4.43%	27.87%	-5.92%	11.93%	5.43%	7.40%	7.36%

*ANNUALIZED

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SECTION 4: INACTIVE PLAN REVIEW	
Plan Assets.....	
Investment Monitor.....	
Investment Performance Summary.....	



PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.23 | Q4 23

SURS Self Managed Plan - Frozen

FUND OPTION	CURRENT INVESTMENT NAME	— MARKET VALUE —			
		12.31.2022	(%)	CURRENT	(%)
Money Market:	CREF Money Market R3	\$6,705,935	1.97%	\$6,191,056	1.69%
Stable Value	TIAA Traditional - Retirement Choice	\$146,158,562	42.88%	\$144,576,458	39.53%
Inflation Protected Bond	CREF Inflation-Linked Bond R3	\$7,670,786	2.25%	\$7,514,887	2.05%
Intermediate Core Bond	CREF Core Bond R3	\$15,823,414	4.64%	\$15,628,337	4.27%
Global Allocation	CREF Social Choice R3	\$20,712,173	6.08%	\$22,942,892	6.27%
Specialty-Private Real Estate	TIAA Real Estate Account	\$3,458,066	1.01%	\$2,861,278	0.78%
Large Company Blend	CREF Equity Index R3	\$43,278,055	12.70%	\$51,640,745	14.12%
Large Company Growth	CREF Growth R3	\$253,749	0.07%	\$358,865	0.10%
Global Large Stock B end	CREF Global Equities R3	\$23,098,953	6.78%	\$26,693,872	7.30%
Global Large Stock B end	CREF Stock R3	\$73,708,574	21.62%	\$87,324,627	23.88%
TOTALS		\$340,868,267	100%	\$365,733,018	100%

Information provided by Record Keeper. For informational purposes. Not a substitute for official statements produced by the plan custodian. Information has been obtained from sources considered reliable but its accuracy and completeness are not guaranteed. This report is not an illustration of investment performance, but rather a historical illustration of asset allocation.



INVESTMENT REVIEW | INVESTMENT POLICY MONITOR

Period Ending 12.31.23 | Q4 23

SURS Self Managed Plan - Frozen

INVESTMENT	QUANTITATIVE								QUALITATIVE		TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Style		Confidence		Fund Management	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr				
Inflation Protected Bond CREF Inflation-Linked Bond R3	●	●	●	●	●	●	●	●	●	●	●	100
Intermediate Core Bond CREF Core Bond R3	●	●	●	●	●	●	●	●	●	●	●	100
Global Allocation CREF Social Choice R3	●	●	●	●	●	●	●	●	●	●	●	98
Large Company Growth CREF Growth R3	●	●	●	●	●	●	▼	▼	●	●	●	88
Global Large Stock Blend CREF Global Equities R3	▼	●	▼	●	●	●	▼	●	●	●	●	92

LEGEND

●	IN GOOD STANDING	▼	MARKED FOR REVIEW	●	CONSIDER FOR TERMINATION
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The CAPTRUST Investment Policy Monitor (Scorecard) is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields for actively managed investment decisions. Quantitative scoring areas include Risk-Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; Style Attribution; and Confidence. Qualitative Scoring Areas measure the quality of the Management Team while also considering the stewardship of the investment, options parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '?' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. This material is for institutional investor use only and is not intended to be shared with individual investors.

INVESTMENT REVIEW | INVESTMENT POLICY MONITOR


Period Ending 12.31.23 | Q4 23

SURS Self Managed Plan - Frozen



CAPITAL PRESERVATION INVESTMENTS

INVESTMENT	Overall	Commentary
CREF Money Market R3		This Capital Preservation option is in good standing per the guidelines as established by the Investment Policy Statement.
TIAA Traditional - Retirement Choice		This Capital Preservation option is in good standing per the guidelines as established by the Investment Policy Statement.

PASSIVE INVESTMENTS

INVESTMENT	Overall	Commentary
CREF Equity Index R3		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.

INVESTMENTS IN DISTINCT ASSET CLASSES

INVESTMENT	Overall	Commentary
TIAA Real Estate Account		This fund currently meets the guidelines set forth by CAPTRUST for distinct investments in the Investment Policy Statement. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, excess return, and risk-adjusted performance.
CREF Stock R3		This fund currently meets the guidelines set forth by CAPTRUST for distinct investments in the Investment Policy Statement. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, excess return, and risk-adjusted performance.

The CAPTRUST Financial Advisors Investment Scorecard is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields. Quantitative scoring areas for target date funds include Risk Adjusted Performance (3 & 5 yr), Performance vs. Relevant Peer Group, and Glidepath. Qualitative Scoring Areas for target date funds measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family terms. Qualitative areas of analysis are subjective in nature. Qualitative Scoring for Target Date funds also includes a score for Portfolio Construction and Underlying Investment Vehicles to express CAPTRUST's views on the manager or strategy. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring, to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. Capital Preservation options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics, depending on the type of capital preservation option being evaluated, and may include quantitative criteria such as Credit Rating, Yield, Market-to-Book Ratio, Average Credit Quality, Insurer Quality/Diversification, Duration, and Sector Allocations, and/or qualitative criteria such as quality and experience of the Management Team and stewardship of the investment option's parent company. Passively Managed options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics and may include quantitative criteria such as Tracking Error, Fees, and Performance versus relevant peer group, and/or qualitative criteria such as index replication strategy, securities lending practices, and fair value pricing methodology. Distinct Investment options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics. This material is for institutional investor use only and is not intended to be shared with individual investors.

TIAA REAL ESTATE ACCOUNT

Topic	<p>In line with the broader commercial real estate market trends, the TIAA Real Estate Account encountered a tough return environment in 2023, with a -13.6% return versus the NCREIF ODCE Index's -12.7%¹ (a proxy for core private real estate exposure), and now trails the Index on a trailing 3-year and 5-year basis. Additionally, the strategy experienced elevated redemptions when compared to historical averages – approximately 12% of NAV through the first nine months of 2023.</p>
Attribution	<p>The Account's underperformance was primarily due to property type selection as well as notable valuation declines tied to discount rate and terminal cap rate assumptions. Despite efforts to decrease exposure to the traditional office and retail sectors, the account remains overweight to these areas when compared to the Index. Conversely, the strategy is under-invested in stronger areas of the market including multi-family and industrial. These allocation decisions were the largest driver of underperformance on the year.</p>
Our View	<p>CAPTRUST continues to recommend the strategy and believes the Real Estate Account to be a good diversifier within a balanced portfolio. Few real estate firms have the resources and experience that TIAA can leverage.</p> <p>Private real estate experienced a repricing in 2023 as rate increases and financing hardships put downward pressure on valuations. While the capital markets environment led to write-downs in property valuations, the underlying real estate property fundamentals remained largely intact and improved in many areas. CAPTRUST expects real estate performance to moderate in 2024.</p>

¹ NCREIF returns are estimated and based on the NCREIF preliminary Snapshot Report released on 1/12/2024.

This is not a solicitation to invest, but rather a manager update being delivered to CAPTRUST clients whose assets are invested with the manager who is the subject of this report. The opinions expressed are subject to change without notice. Statistics have been obtained from sources deemed reliable but are not guaranteed to be accurate or complete. Any performance illustrated is past performance and is not indicative of future results.



FUND FIRM ITEMS	COMMENTARY
Nuveen/TIAA-CREF	Mary Beth Ramsey has replaced Trey Stenersen as Nuveen's chief risk officer.

PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 12.31.23 | Q4 '23

INVESTMENT NAME	Q4 '23	YTD '23	2022	2021	2020	2019	2018	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
MONEY MARKET											
CREF Money Market R3	1.31%	4.97%	1.24%	0.00%	0.38%	2.02%	1.46%	4.97%	2.05%	1.71%	1.06%
ICE BoFA ML US Treasury Bil 3 Mon USD	1.37%	5.02%	1.46%	0.05%	0.67%	2.28%	1.87%	5.02%	2.15%	1.88%	1.25%
STABLE VALUE											
TIAA Traditional - Retirement Choice	-	-	-	-	-	-	-	-	-	-	-
ICE BoFA ML US Treasury Bil 3 Mon USD	1.37%	5.02%	1.46%	0.05%	0.67%	2.28%	1.87%	5.02%	2.15%	1.88%	1.25%
Morningstar JS Stable Value GR USD	0.73%	2.85%	1.89%	1.74%	2.26%	2.52%	2.26%	2.85%	2.16%	2.25%	2.07%
INFLATION PROTECTED BOND											
CREF Inflation-Linked Bond R3	3.71%	4.62%	-6.34%	5.28%	8.03%	6.53%	-0.49%	4.62%	1.04%	3.49%	2.45%
Bloomberg US Treasury JS TIPS TR USD	4.71%	3.90%	-11.85%	5.96%	10.99%	8.43%	-1.26%	3.90%	-1.00%	3.15%	2.42%
Inflation Protected Bond Universe	4.32%	3.71%	-11.69%	5.25%	9.70%	7.51%	-1.63%	3.71%	-1.13%	2.92%	1.96%
INTERMEDIATE CORE BOND											
CREF Core Bond R3	6.65%	6.31%	-13.14%	-1.23%	7.92%	9.03%	-0.19%	6.31%	-3.02%	1.42%	2.04%
Bloomberg US Agg Bond TR USD	6.82%	5.53%	-13.01%	-1.55%	7.51%	8.72%	0.01%	5.53%	-3.32%	1.10%	1.81%
Intermediate Core Bond Universe	6.69%	5.59%	-13.46%	-1.56%	7.85%	8.42%	-0.43%	5.59%	-3.45%	1.06%	1.69%
GLOBAL ALLOCATION											
CREF Social Choice R3	9.91%	14.82%	-15.47%	12.64%	13.52%	20.80%	-4.29%	14.82%	3.02%	8.44%	6.43%
60% MSCI World 40% Bloomberg Agg Index	9.36%	15.37%	-16.02%	10.20%	13.49%	19.41%	-5.52%	15.37%	2.21%	7.67%	5.68%
Global Allocation Universe	9.03%	11.64%	-13.46%	10.76%	7.25%	17.22%	-7.55%	11.64%	2.44%	6.35%	4.33%

*ANNUALIZED

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 12.31.23 | Q4 '23

INVESTMENT NAME	Q4 '23	YTD '23	2022	2021	2020	2019	2018	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
SPECIALTY-PRIVATE REAL ESTATE											
TIAA Real Estate Account	-4.88%	-13.62%	8.19%	17.87%	-0.84%	5.51%	4.79%	-13.62%	3.28%	2.88%	4.87%
NCREIF Property Index	-3.02%	-7.94%	5.53%	17.70%	1.60%	6.42%	6.72%	-7.94%	4.57%	4.33%	6.80%
NCREIF GDCE Index	-4.83%	-12.02%	7.46%	22.18%	1.18%	5.34%	8.35%	-12.02%	4.92%	4.25%	7.28%
LARGE COMPANY BLEND											
CREF Equity Index R3	12.04%	25.77%	-19.25%	25.52%	20.63%	30.73%	-5.37%	25.77%	8.43%	14.99%	11.26%
S&P 500 Index	11.69%	26.29%	-18.11%	28.71%	18.40%	31.49%	-4.38%	26.29%	10.00%	15.69%	12.03%
Large Blend Universe	11.64%	24.39%	-18.15%	26.68%	17.20%	29.78%	-5.65%	24.39%	8.92%	14.44%	10.71%
LARGE COMPANY GROWTH											
CREF Growth R3	15.08%	46.09%	-32.34%	20.43%	40.76%	31.66%	-2.46%	46.09%	5.98%	17.15%	13.45%
Russell 1000 Growth	14.16%	42.68%	-29.14%	27.60%	38.49%	36.39%	-1.51%	42.68%	8.86%	19.50%	14.86%
Large Growth Universe	13.91%	38.50%	-30.85%	22.00%	34.85%	32.81%	-1.63%	38.50%	5.41%	15.92%	12.19%
GLOBAL LARGE STOCK BLEND											
CREF Global Equities R3	11.34%	23.94%	-18.49%	15.65%	22.75%	28.28%	-12.36%	23.94%	5.32%	12.97%	8.18%
CREF Stock R3	11.42%	22.37%	-18.45%	18.92%	17.91%	27.45%	-9.65%	22.37%	5.87%	12.26%	8.64%
MSCI ACWI NR USD	11.03%	22.20%	-18.36%	18.54%	16.25%	26.60%	-9.41%	22.20%	5.75%	11.72%	7.93%
Global Large Stock Blend	10.74%	18.54%	-17.43%	18.08%	14.15%	26.06%	-9.99%	18.54%	5.51%	10.83%	7.39%

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SECTION 4: FUND FACT SHEETS

Period Ending 12.31.23 | Q4 23

SECTION 4: FUND FACT SHEETS	
Fund Fact Sheets.....	



VOYA FIXED ACCOUNT PLUS III

Period Ending 12.31.23 | Q4 23

INDUSTRY ANALYSIS

The stable value market continues to operate appropriately and provide the stability and safety investors expect considering continued market volatility. The Federal Reserve continued to prioritize its fight to cool inflation in the fourth quarter. The federal funds rate was unchanged and the target range to end the year remained set between 5.25% and 5.50%. Interest rates across the yield curve declined over the fourth quarter. Many investors believe the quarter-end marked the conclusion of the Federal Reserve's aggressive monetary tightening, and potentially a policy transition into easing. Additionally, the yield curve experienced steepening at the front-end as industry professionals have varying sentiment on when the anticipated easing campaign will begin in 2024. Generally, when setting guaranteed crediting rates applicable to new business, issuers rely on the forward-looking outlook of the interest rate environment, with crediting rates for existing contracts expected to track over time. Looking ahead, in terms of expectations, much will depend on whether the Federal Reserve decides to leave rates higher for longer or if there is a meaningful pivot to an easing monetary policy.

CAPTRUST ANALYSIS

The Voya Fixed Account Plus III is a Voya Retirement Insurance and Annuity Company (VRIAC) group fixed unallocated annuity contract. The product is a "general account" product meaning participant assets are commingled within the insurance general account at Voya. All guarantees are ultimately backed by the financial strength and claims-paying ability of VRIAC.

The rate is declared monthly with interest credited on a daily basis at an annual effective rate. The product credits interest under a portfolio interest crediting method in which all deposits receive the same return regardless of date of initial deposit. This product is only available to Voya recordkeeper clients.

GROSS CREDITING RATE	
SURS Current Crediting Rate is 2.25%	

INVESTMENT DETAILS	
Crediting Rate Details:	New and existing money are credited equally, rates are reset monthly.
Competing Options:	Allowed.
Minimum Rate:	The minimum crediting rate is 1.00%.

LIQUIDITY PROVISIONS	
Plan Sponsor	Participant
Plan sponsor-directed transfers from the Fixed-Interest Option to another investment option would be restricted to 20 percent per year for five years	Benefit Responsive. Transfers to competing options subject to 90-day equity wash

Important Disclosures: This slide is intended solely for institutional use. The opinions expressed in this report are subject to change without notice. The statistics and data have been compiled from sources believed to be reliable but are not guaranteed to be accurate or complete. Any performance quoted represents past performance and does not guarantee future results. Bloomberg Index averages are derived from Morningstar. This material is not a solicitation or an offer to buy any security or to participate in any investment strategy. Any such solicitation must be made by prospectus only. For more information or to obtain a prospectus, please contact your financial advisor at 800.216.8845. CAPTRUST Financial Advisors.



VANGUARD FEDERAL MONEY MARKET INVESTOR

Period Ending 12.31.23 | Q4 23

INDUSTRY ANALYSIS

Although the Federal Reserve left the federal funds rate unchanged, interest rates declined across the yield curve in the fourth quarter. The target range to end the year remained set between 5.25% and 5.50%. With annual inflation cooling, but still at higher than targeted levels, industry professionals expect that interest rates will remain set higher for longer until the target annual inflation rate is met. Short-term interest rates remain elevated, resulting in yields earned on money market funds continuing to be in excess of capital preservation alternatives. Many investors believe the Federal Reserve's aggressive monetary tightening has concluded, and a potential transition into easing is expected to begin at a future time in 2024. Given the potential inflection in policy, investors can expect yields earned on money market funds to remain at elevated levels in the near term as short-term debt securities continue to benefit from the inverted shape of the yield curve.

	Last Qtr.	1 Yr	3 Yr	5 Yr	10 Yr
Vanguard Federal Money Market Investor	1.34	5.09	2.20	1.83	1.21
FTSE 3 Month T-Bill	1.41	5.26	2.25	1.91	1.25

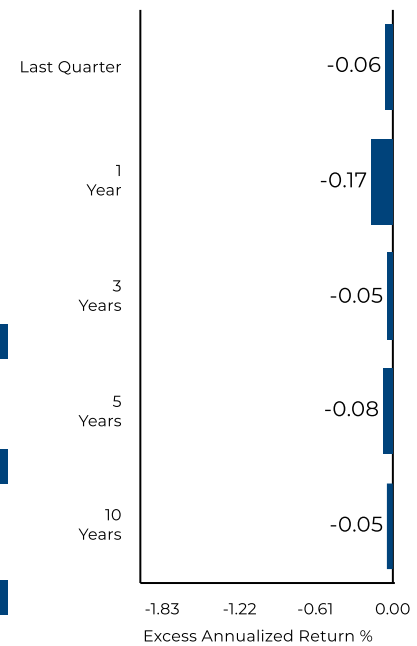
	2022	2021	2020	2019	2018
Vanguard Federal Money Market Investor	1.55	0.01	0.45	2.14	1.78
FTSE 3 Month T-Bill	1.50	0.05	0.58	2.25	1.86

STD DEV / 5 YEAR

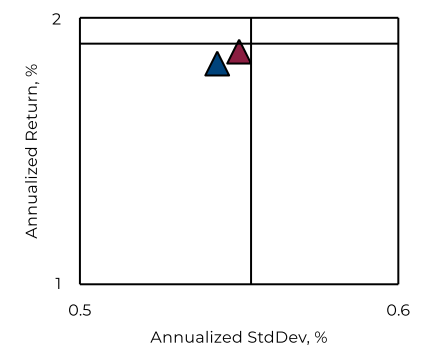
Vanguard Federal Money Market Investor	0.54
FTSE 3 Month T-Bill	0.55

INVESTMENT PROFILE

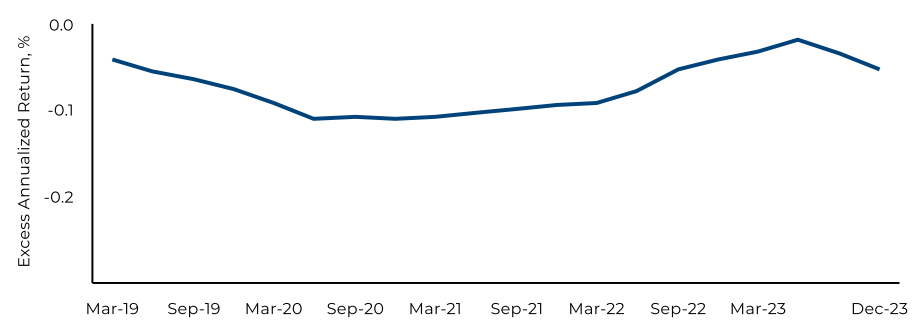
Ticker	VMFXX
Fund Inception Date	1981
Prospectus Expense Ratio	0.11 %
SEC Yield	-



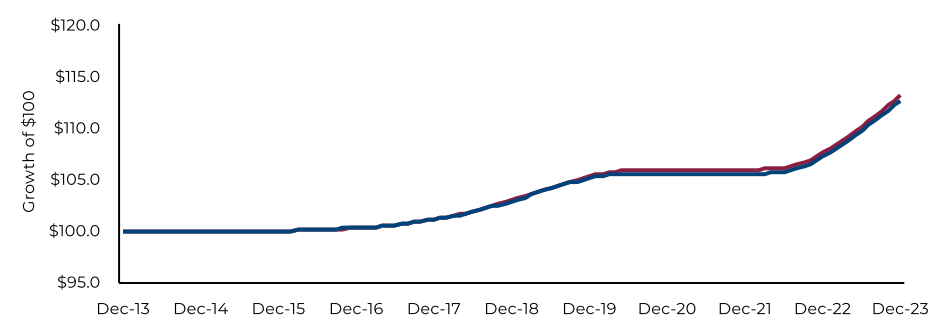
Performance vs Risk - 5 Year



Rolling 3 Year Annualized Excess Return (Mar-19 - Dec-23)



Cumulative Performance (Jan 2014 - Dec 2023)



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VANGUARD INFLATION-PROTECTED SECS I

Period Ending 12.31.23 | Q4 '23

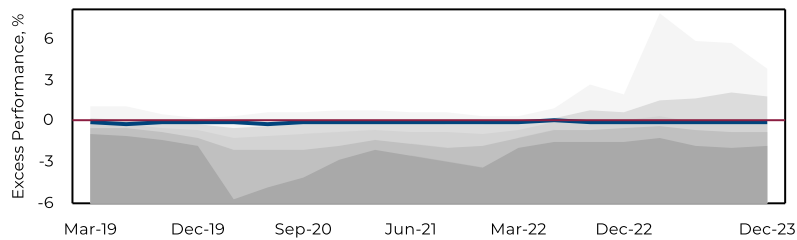
TRAILING AND CALENDAR RETURNS

	Last Quarter	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	2019	2018
Vanguard Inflation-Protected Secs I	4.64	3.85	-1.11	3.05	2.36	-11.90	5.72	11.05	8.18	-1.40
Blmbg. U.S. TIPS Index	4.71	3.90	-1.00	3.15	2.42	-11.85	5.96	10.99	8.43	-1.26
Inflation-Protected Bond Median	4.32	3.71	-1.13	2.92	1.96	-11.69	5.25	9.70	7.51	-1.63
Rank (%)	33	44	49	41	16	57	32	26	30	43
Population	192	192	189	187	177	193	197	198	214	218

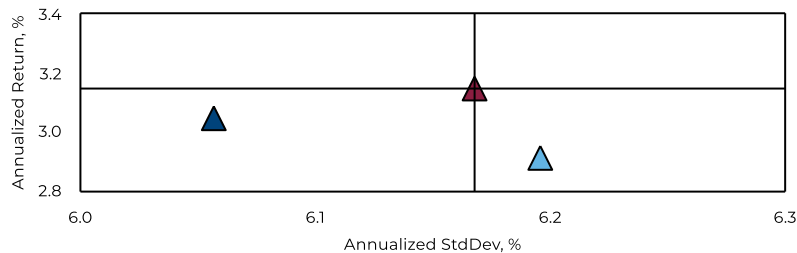
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Vanguard Inflation-Protected Secs I	0.22	-0.04	0.98	0.99	97.51	97.90	-0.22
Blmbg. U.S. TIPS Index	0.23	0.00	1.00	1.00	100.00	100.00	-
Inflation-Protected Bond Median	0.21	-0.08	0.97	0.93	92.66	98.52	-0.14

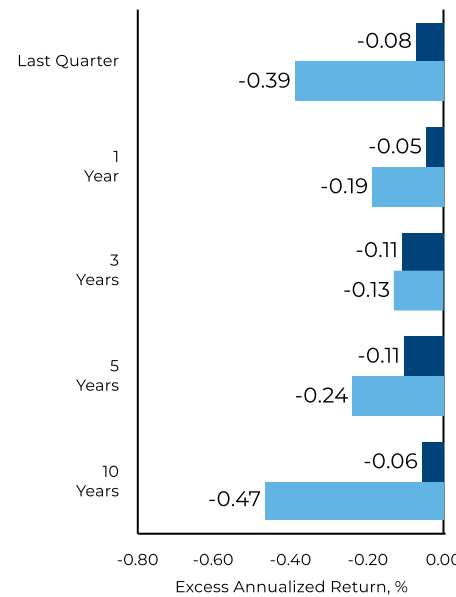
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ Vanguard Inflation-Protected Secs I ▲ Inflation-Protected Bond Median
▲ Blmbg. U.S. TIPS Index



■ Vanguard Inflation-Protected Secs I
■ Inflation-Protected Bond Median

INVESTMENT PROFILE

Ticker	VIPIX
Portfolio Manager	Madziyire,J
Portfolio Assets	\$11,339 Million
PM Tenure	2 Years 1 Month
Net Expense(%)	0.07 %
Fund Inception	2003
Category Expense Median	0.60
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	32.23 %
Number of Holdings	57
Turnover	28.00 %
Avg. Effective Duration	6.48 Years
SEC Yield	2.20 %

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STATE ST US BND INDX SL CL XIV

Period Ending 12.31.23 | Q4 23

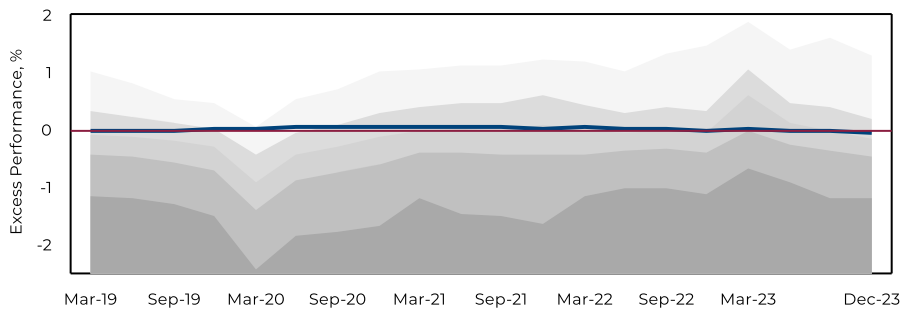
TRAILING AND CALENDAR RETURNS

	Last Quarter	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	2019	2018
State St US Bnd Indx SL Cl XIV	6.71	5.61	-3.36	1.11	1.81	-13.13	-1.62	7.67	8.74	0.03
BImbg. U.S. Aggregate Index	6.82	5.53	-3.31	1.10	1.81	-13.01	-1.55	7.51	8.72	0.01
Intermediate Core Bond Median	6.69	5.59	-3.45	1.06	1.69	-13.46	-1.56	7.85	8.42	-0.43
Rank (%)	47	49	41	46	35	32	52	57	32	26
Population	428	428	412	396	352	427	430	432	450	451

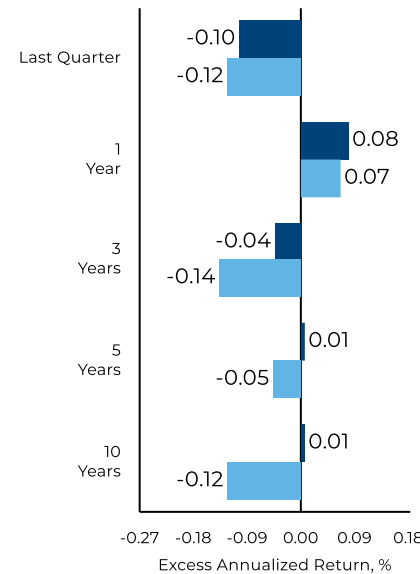
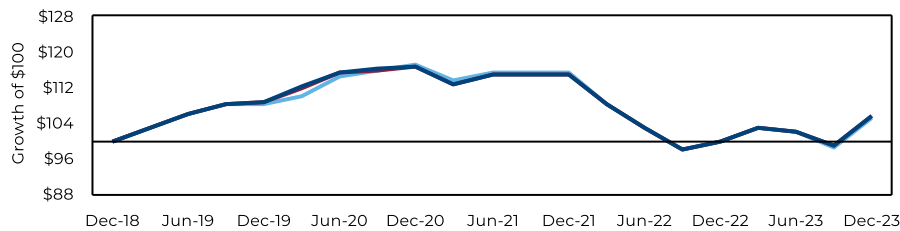
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
State St US Bnd Indx SL Cl XIV	-0.09	0.01	1.00	1.00	100.60	100.60	0.06
BImbg. U.S. Aggregate Index	-0.10	0.00	1.00	1.00	100.00	100.00	-
Intermediate Core Bond Median	-0.10	-0.04	1.01	0.97	102.45	102.38	-0.03

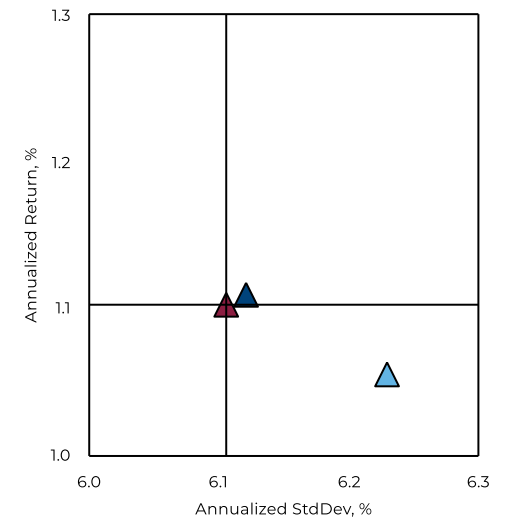
Rolling 3 Year Annualized Excess Return



5 Year Cumulative Performance



Performance vs Risk 5 Year



State St US Bnd Indx SL Cl XIV
Intermediate Core Bond Median

State St US Bnd Indx SL Cl XIV
Intermediate Core Bond Median
BImbg. U.S. Aggregate Index

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TIAA-CREF CORE IMPACT BOND INSTL

Period Ending 12.31.23 | Q4 23

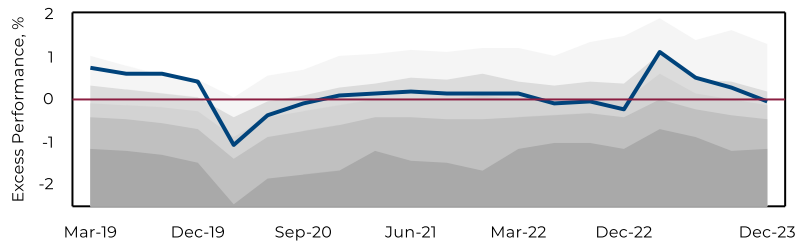
TRAILING AND CALENDAR RETURNS

	Last Quarter	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	2019	2018
TIAA-CREF Core Impact Bond Instl	6.51	6.04	-3.37	1.06	2.30	-14.01	-1.03	7.45	8.73	0.33
Blmbg. U.S. Aggregate Index	6.82	5.53	-3.31	1.10	1.81	-13.01	-1.55	7.51	8.72	0.01
Intermediate Core Bond Median	6.69	5.59	-3.45	1.06	1.69	-13.46	-1.56	7.85	8.42	-0.43
Rank (%)	76	25	42	50	6	72	24	65	33	13
Population	428	428	412	396	352	427	430	432	450	451

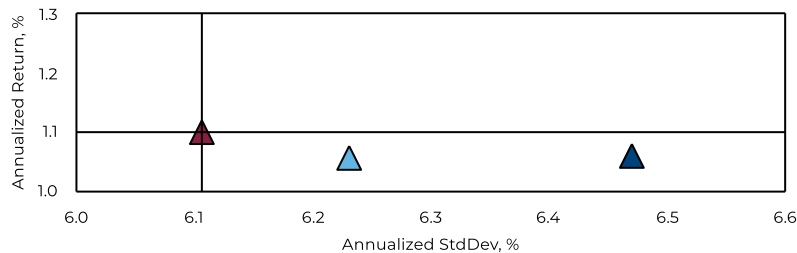
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
TIAA-CREF Core Impact Bond Instl	-0.09	-0.03	1.01	0.91	106.04	107.34	-0.01
Blmbg. U.S. Aggregate Index	-0.10	0.00	1.00	1.00	100.00	100.00	-
Intermediate Core Bond Median	-0.10	-0.04	1.01	0.97	102.46	102.38	-0.03

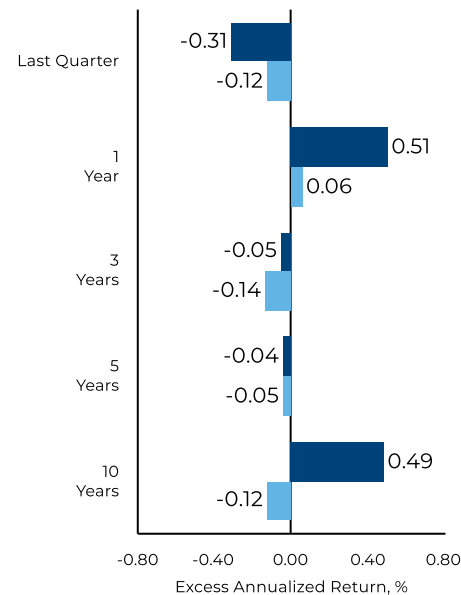
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ TIAA-CREF Core Impact Bond Instl ▲ Intermediate Core Bond Median
▲ Blmbg. U.S. Aggregate Index



■ TIAA-CREF Core Impact Bond Instl
■ Intermediate Core Bond Median

INVESTMENT PROFILE

Ticker	TSBIX
Portfolio Manager	Higgins,J/Liberatore, S/Zarzycki,J
Portfolio Assets	\$4,631 Million
PM Tenure	11 Years 3 Months
Net Expense(%)	0.37 %
Fund Inception	2012
Category Expense Median	0.54
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	13.93 %
Number of Holdings	1037
Turnover	171.00 %
Avg. Effective Duration	6.03 Years
SEC Yield	4.66 %

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PIMCO INCOME INSTL

Period Ending 12.31.23 | Q4 '23

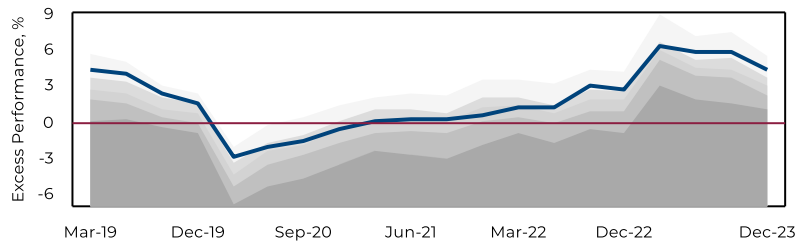
TRAILING AND CALENDAR RETURNS

	Last Quarter	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	2019	2018
PIMCO Income Instl	5.89	9.32	1.12	3.40	4.44	-7.81	2.61	5.80	8.05	0.58
Bloomberg U.S. Aggregate Index	6.82	5.53	-3.31	1.10	1.81	-13.01	-1.55	7.51	8.72	0.01
Multisector Bond Median	6.34	8.53	-0.23	3.14	2.94	-10.84	2.44	6.32	10.35	-1.89
Rank (%)	65	35	16	35	1	19	44	56	79	14
Population	327	327	312	266	198	333	337	335	312	336

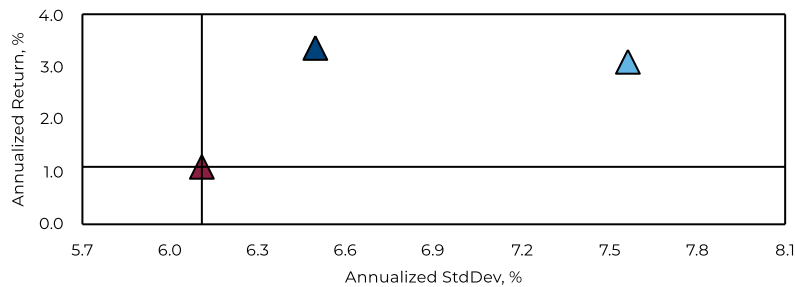
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
PIMCO Income Instl	0.26	2.68	0.72	0.45	89.06	55.90	0.45
Bloomberg U.S. Aggregate Index	-0.10	0.00	1.00	1.00	100.00	100.00	-
Multisector Bond Median	0.20	2.39	0.81	0.43	101.71	76.09	0.35

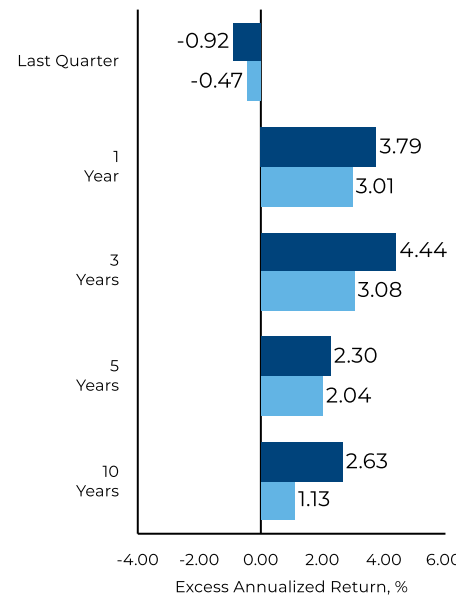
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ PIMCO Income Instl ▲ Multisector Bond Median ▲ Bloomberg U.S. Aggregate Index



INVESTMENT PROFILE

Ticker	PIMIX
Portfolio Manager	Anderson, J/Ivascyn, D/Murata, A
Portfolio Assets	\$81,925 Million
PM Tenure	16 Years 9 Months
Net Expense(%)	0.62 %
Fund Inception	2007
Category Expense Median	0.89
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	42.90 %
Number of Holdings	8757
Turnover	426.00 %
Avg. Effective Duration	4.74 Years
SEC Yield	5.51 %

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PGIM HIGH YIELD R6

Period Ending 12.31.23 | Q4 23

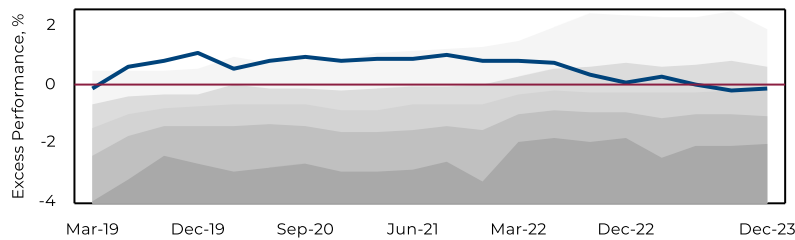
TRAILING AND CALENDAR RETURNS

	Last Quarter	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	2019	2018
PGIM High Yield R6	6.92	12.31	1.89	5.39	4.83	-11.55	6.47	5.72	16.26	-1.18
ICE BofA U.S. High Yield, Cash Pay Index	7.08	13.40	2.01	5.22	4.51	-11.10	5.29	6.21	14.40	-2.26
High Yield Bond Median	6.45	12.05	1.76	4.61	3.74	-10.75	4.88	5.26	13.50	-2.93
Rank (%)	23	42	46	19	6	70	17	40	5	13
Population	604	604	589	573	524	627	644	658	691	709

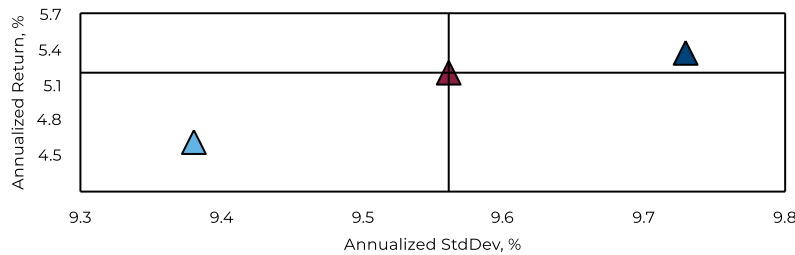
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
PGIM High Yield R6	0.40	0.12	1.01	0.99	101.76	100.81	0.16
ICE BofA U.S. High Yield, Cash Pay Index	0.39	0.00	1.00	1.00	100.00	100.00	-
High Yield Bond Median	0.34	-0.27	0.96	0.98	94.96	97.43	-0.29

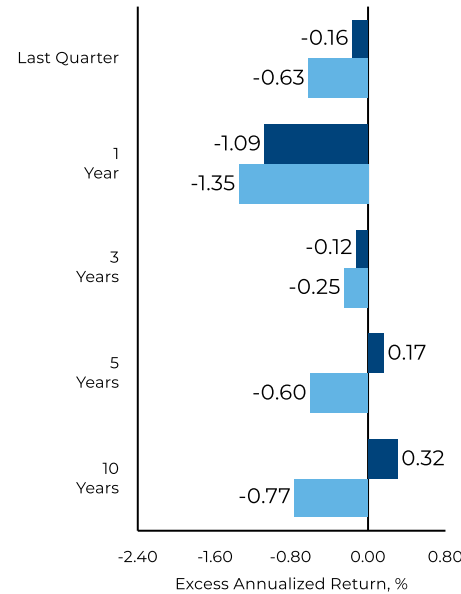
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ PGIM High Yield R6
 ▲ High Yield Bond Median
 ▲ ICE BofA U.S. High Yield, Cash Pay Index



■ PGIM High Yield R6
 ■ High Yield Bond Median

INVESTMENT PROFILE

Ticker	PHYQX
Portfolio Manager	Team Managed
Portfolio Assets	\$8,177 Million
PM Tenure	16 Years 2 Months
Net Expense(%)	0.38 %
Fund Inception	2011
Category Expense Median	0.82
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	11.29 %
Number of Holdings	761
Turnover	22.00 %
Avg. Effective Duration	3.71 Years
SEC Yield	8.61 %

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BLACKROCK EQUITY INDEX F

Period Ending 12.31.23 | Q4 23

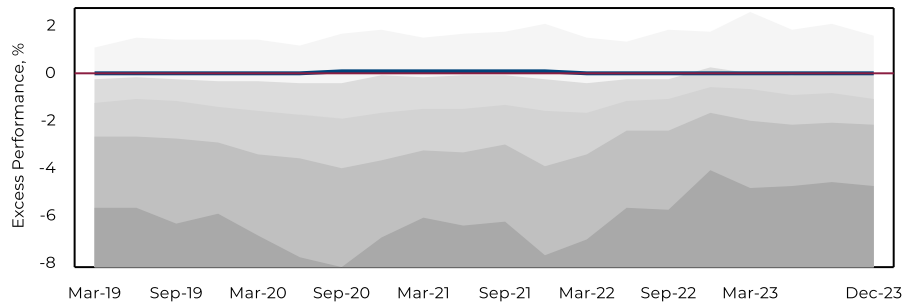
TRAILING AND CALENDAR RETURNS

	Last Quarter	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	2019	2018
BlackRock Equity Index F	11.69	26.30	10.02	15.73	12.08	-18.10	28.74	18.48	31.55	-4.34
S&P 500 Index	11.69	26.29	10.00	15.69	12.03	-18.11	28.71	18.40	31.49	-4.38
Large Blend Median	11.64	24.39	8.92	14.44	10.71	-18.15	26.68	17.19	29.78	-5.65
Rank (%)	46	23	23	16	7	49	20	34	21	22
Population	1,169	1,169	1,118	1,080	972	1,174	1,187	1,219	1,263	1,295

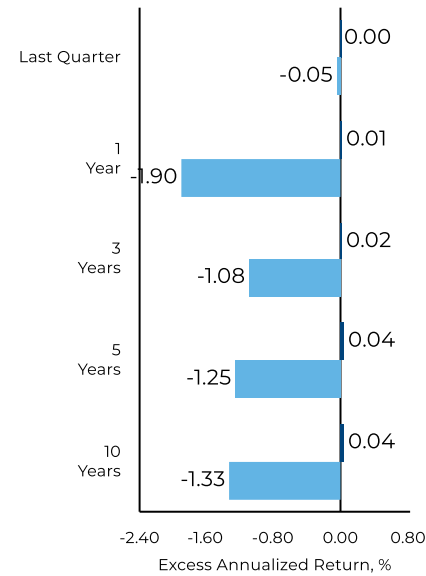
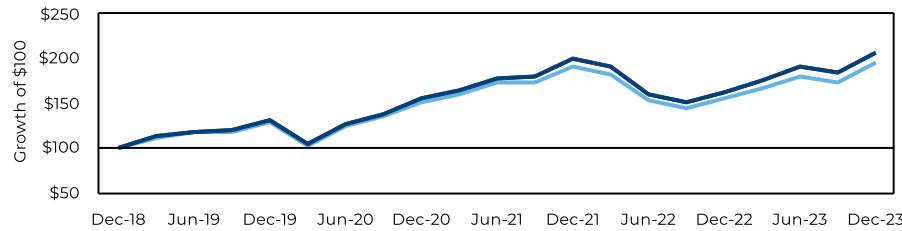
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
BlackRock Equity Index F	0.79	0.03	1.00	1.00	100.07	99.94	1.62
S&P 500 Index	0.79	0.00	1.00	1.00	100.00	100.00	-
Large Blend Median	0.73	-0.78	0.99	0.97	97.22	100.14	-0.46

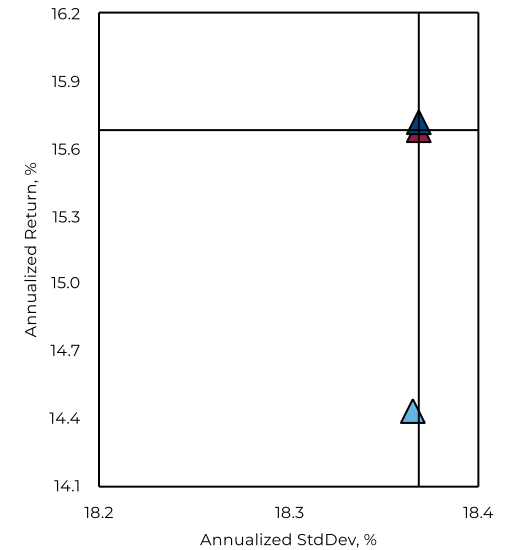
Rolling 3 Year Annualized Excess Return



5 Year Cumulative Performance



Performance vs Risk 5 Year



BlackRock Equity Index F
Large Blend Median

BlackRock Equity Index F
S&P 500 Index
Large Blend Median

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BLACKROCK EXTENDED EQUITY MARKET F

Period Ending 12.31.23 | Q4 23

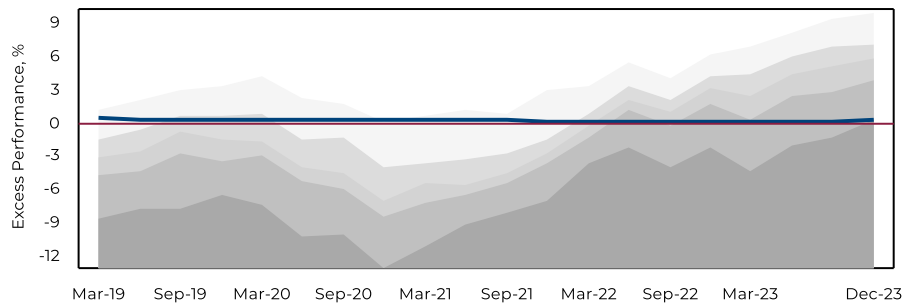
TRAILING AND CALENDAR RETURNS

	Last Quarter	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	2019	2018
BlackRock Extended Equity Market F	15.15	25.35	1.25	11.96	8.64	-26.36	12.45	32.16	28.23	-9.15
Dow Jones U.S. Completion Total Stock Market Indx	14.90	24.97	1.04	11.77	8.41	-26.54	12.35	32.16	27.94	-9.57
Mid-Cap Blend Median	11.57	15.87	6.86	11.98	8.09	-15.19	24.16	12.88	26.88	-11.30
Rank (%)	5	8	96	51	36	98	97	2	41	26
Population	342	342	328	320	259	351	352	362	384	399

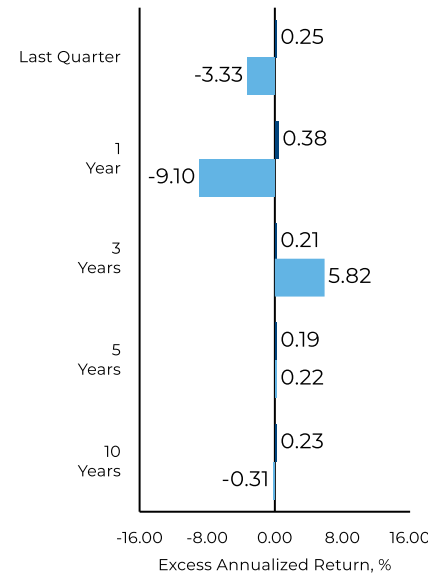
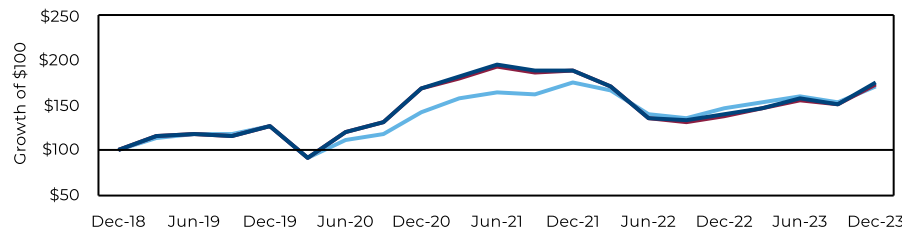
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
BlackRock Extended Equity Market F	0.51	0.16	1.00	1.00	100.40	99.94	1.28
Dow Jones U.S. Completion Total Stock Market Indx	0.51	0.00	1.00	1.00	100.00	100.00	-
Mid-Cap Blend Median	0.55	1.78	0.82	0.90	84.02	79.40	-0.04

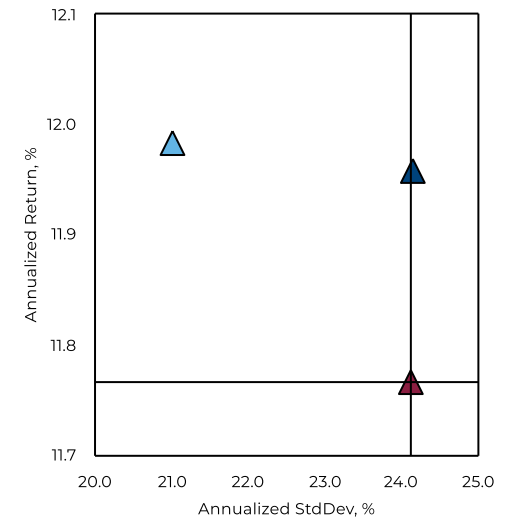
Rolling 3 Year Annualized Excess Return



5 Year Cumulative Performance



Performance vs Risk 5 Year



■ BlackRock Extended Equity Market F
■ Mid-Cap Blend Median

▲ BlackRock Extended Equity Market F
▲ Mid-Cap Blend Median
▲ Dow Jones U.S. Completion Total Stock Market Indx

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DELAWARE MID CAP GROWTH EQUITY R6

Period Ending 12.31.23 | Q4 23

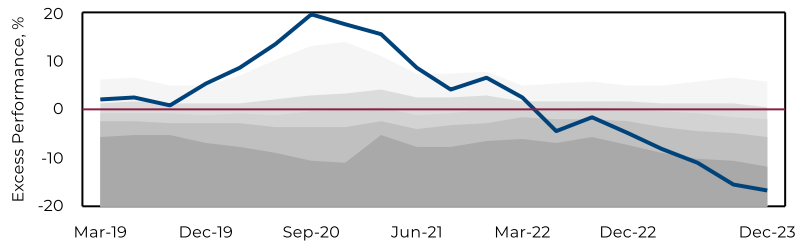
TRAILING AND CALENDAR RETURNS

	Last Quarter	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	2019	2018
Delaware Mid Cap Growth Equity R6	14.35	20.63	-15.35	9.88	8.69	-45.28	-8.12	94.51	35.77	0.44
Russell Midcap Growth Index	14.55	25.87	1.31	13.81	10.57	-26.72	12.73	35.59	35.47	-4.75
Mid-Cap Growth Median	12.15	20.60	-0.69	12.65	9.48	-28.34	11.92	35.93	33.40	-5.53
Rank (%)	18	50	97	85	67	97	97	4	33	11
Population	536	536	528	512	482	551	566	575	588	599

KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Delaware Mid Cap Growth Equity R6	0.41	-4.68	1.18	0.86	111.99	128.84	-0.18
Russell Midcap Growth Index	0.61	0.00	1.00	1.00	100.00	100.00	-
Mid-Cap Growth Median	0.56	-0.62	0.97	0.94	97.74	100.68	-0.17

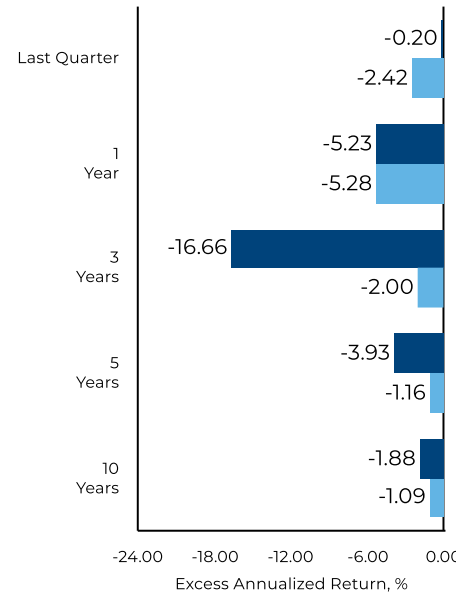
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ Delaware Mid Cap Growth Equity R6 ▲ Mid-Cap Growth Median
▲ Russell Midcap Growth Index



■ Delaware Mid Cap Growth Equity R6
■ Mid-Cap Growth Median

INVESTMENT PROFILE

Ticker	DFZRX
Portfolio Manager	Brown,N/Halverson, B/Scott,K
Portfolio Assets	\$96 Million
PM Tenure	1 Year
Net Expense(%)	0.71 %
Fund Inception	2016
Category Expense Median	1.03
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	27.68 %
Number of Holdings	70
Turnover	133.00 %
Avg. Market Cap	\$17,564 Million
Dividend Yield	0.56 %

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MAINSTAY FIERA SMID GROWTH I

Period Ending 12.31.23 | Q4 '23

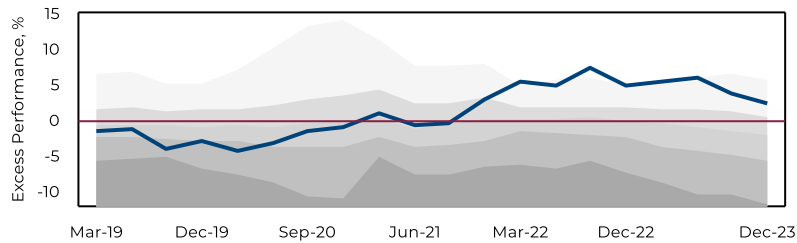
TRAILING AND CALENDAR RETURNS

	Last Quarter	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	2019	2018
MainStay Fiera SMID Growth I	14.17	25.16	3.82	16.22	10.07	-23.56	16.96	44.48	31.15	-9.56
Russell Midcap Growth Index	14.55	25.87	1.31	13.81	10.57	-26.72	12.73	35.59	35.47	-4.75
Mid-Cap Growth Median	12.15	20.60	-0.69	12.65	9.48	-28.34	11.92	35.93	33.40	-5.53
Rank (%)	21	22	15	5	33	18	23	32	69	85
Population	536	536	528	512	482	551	566	575	588	599

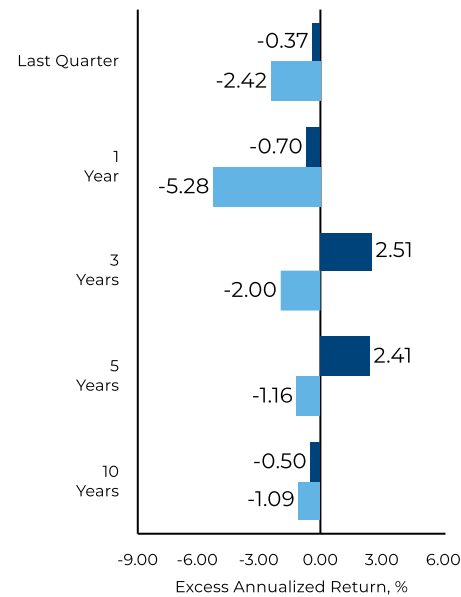
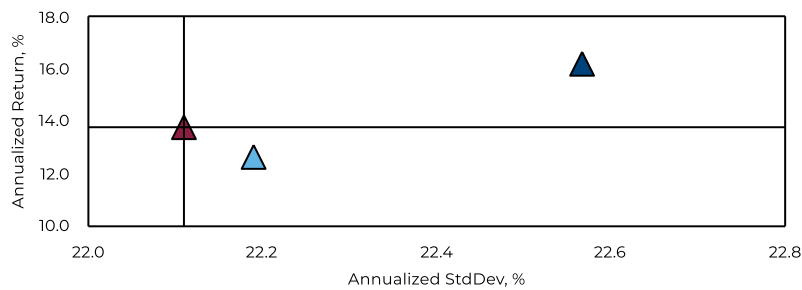
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
MainStay Fiera SMID Growth I	0.70	2.63	0.97	0.91	97.43	86.13	0.32
Russell Midcap Growth Index	0.61	0.00	1.00	1.00	100.00	100.00	-
Mid-Cap Growth Median	0.56	-0.61	0.97	0.94	97.74	100.68	-0.17

Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



INVESTMENT PROFILE

Ticker	APSGX
Portfolio Manager	Cook,D/Reddy,S
Portfolio Assets	\$122 Million
PM Tenure	11 Years 6 Months
Net Expense(%)	0.85 %
Fund Inception	2012
Category Expense Median	1.03
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	27.15 %
Number of Holdings	66
Turnover	24.00 %
Avg. Market Cap	\$10,695 Million
Dividend Yield	0.63 %

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BLACKROCK MSCI ACWI ESG FOCUS INDEX F

Period Ending 12.31.23 | Q4 23

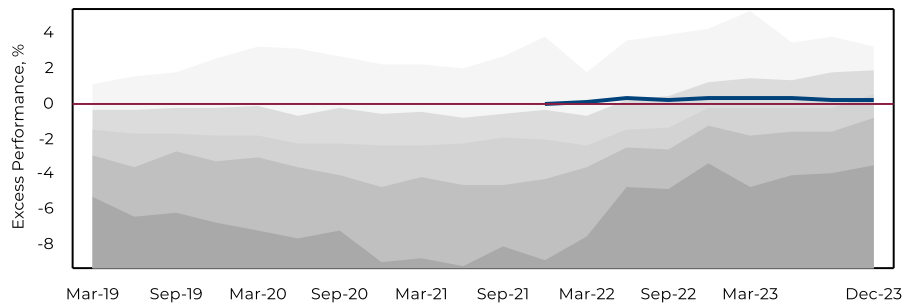
TRAILING AND CALENDAR RETURNS

	Last Quarter	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	2019	2018
BlackRock MSCI ACWI ESG Focus Index F	11.05	21.88	5.22	11.96	-	-19.13	18.22	18.99	26.87	-
MSCI AC World ESG Focus Index (Net)	10.85	21.66	5.01	11.84	8.34	-19.54	18.31	18.55	27.44	-8.69
Global Large-Stock Blend Median	10.74	18.54	5.51	10.83	7.39	-17.43	18.08	14.15	26.06	-9.99
Rank (%)	40	24	54	28	-	76	48	16	39	-
Population	334	334	321	305	241	335	351	347	337	327

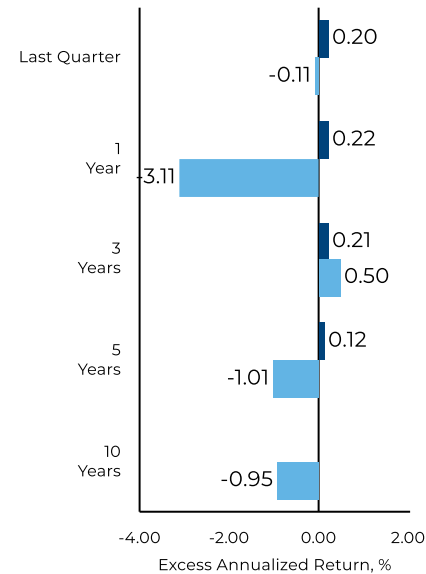
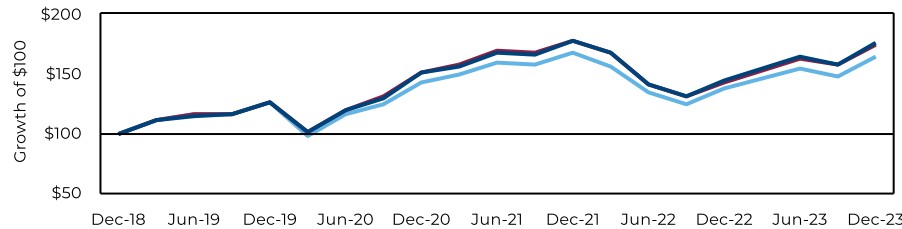
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
BlackRock MSCI ACWI ESG Focus Index F	0.62	0.10	1.00	1.00	100.28	99.89	0.18
MSCI AC World ESG Focus Index (Net)	0.61	0.00	1.00	1.00	100.00	100.00	-
Global Large-Stock Blend Median	0.57	-0.38	0.99	0.96	97.83	98.86	-0.27

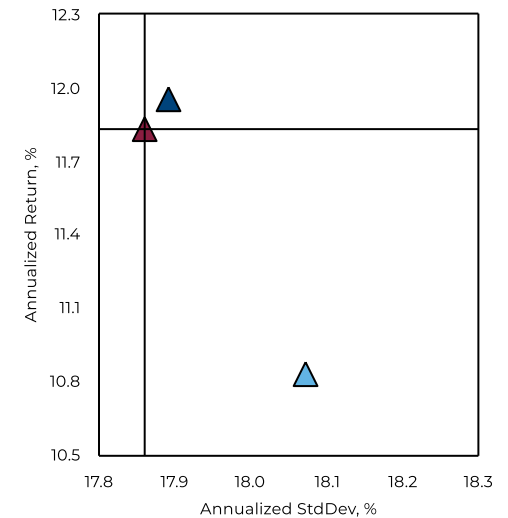
Rolling 3 Year Annualized Excess Return



5 Year Cumulative Performance



Performance vs Risk 5 Year



■ BlackRock MSCI ACWI ESG Focus Index F
■ Global Large-Stock Blend Median

▲ BlackRock MSCI ACWI ESG Focus Index F
▲ Global Large-Stock Blend Median
▲ MSCI AC World ESG Focus Index (Net)

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COLUMBIA OVERSEAS VALUE INST3

Period Ending 12.31.23 | Q4 '23

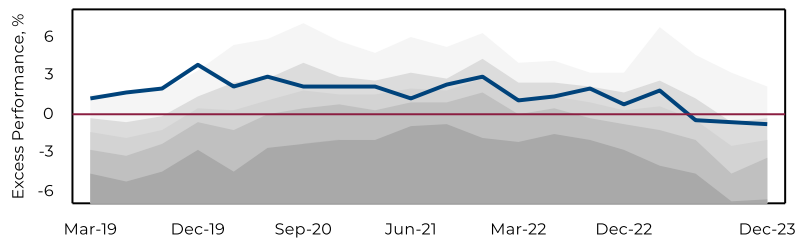
TRAILING AND CALENDAR RETURNS

	Last Quarter	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	2019	2018
Columbia Overseas Value Inst3	7.85	16.33	6.71	8.28	4.78	-5.88	10.97	-0.06	22.61	-16.38
MSCI EAFE Value Index (Net)	8.22	18.95	7.59	7.08	3.16	-5.58	10.89	-2.63	16.09	-14.78
Foreign Large Value Median	8.49	17.85	5.55	7.40	3.35	-10.44	11.78	2.65	18.23	-16.50
Rank (%)	65	61	31	32	7	16	58	73	13	49
Population	321	321	301	287	246	316	322	336	349	344

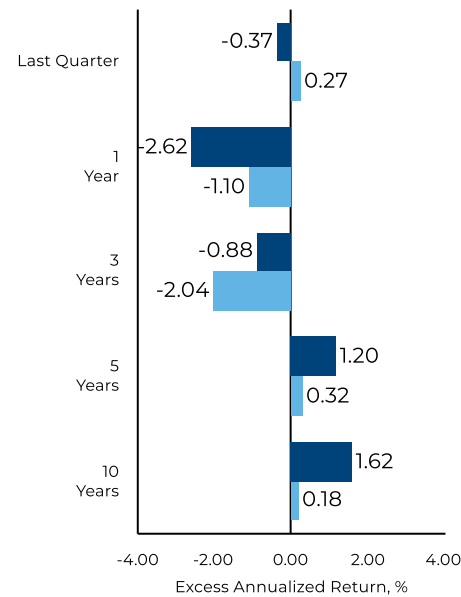
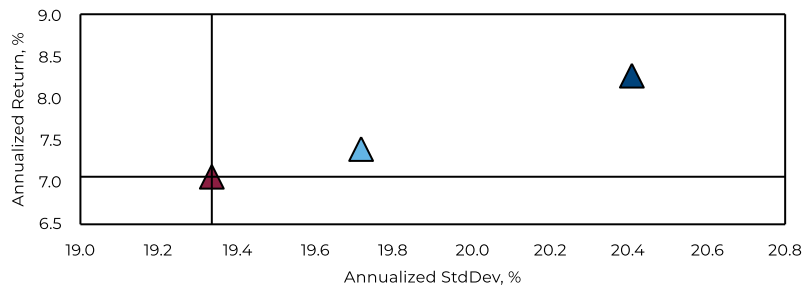
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Columbia Overseas Value Inst3	0.40	1.04	1.04	0.97	108.54	105.68	0.35
MSCI EAFE Value Index (Net)	0.36	0.00	1.00	1.00	100.00	100.00	-
Foreign Large Value Median	0.37	0.66	0.99	0.93	102.21	100.78	0.06

Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



INVESTMENT PROFILE

Ticker	COSYX
Portfolio Manager	Copper,F/Nomoto,D
Portfolio Assets	\$891 Million
PM Tenure	15 Years 9 Months
Net Expense(%)	0.77 %
Fund Inception	2015
Category Expense Median	0.95
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	27.68 %
Number of Holdings	124
Turnover	36.00 %
Avg. Market Cap	\$19,758 Million
Dividend Yield	4.95 %

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COLUMBIA TRUST OVERSEAS VALUE FOUNDERS

Period Ending 12.31.23 | Q4 23

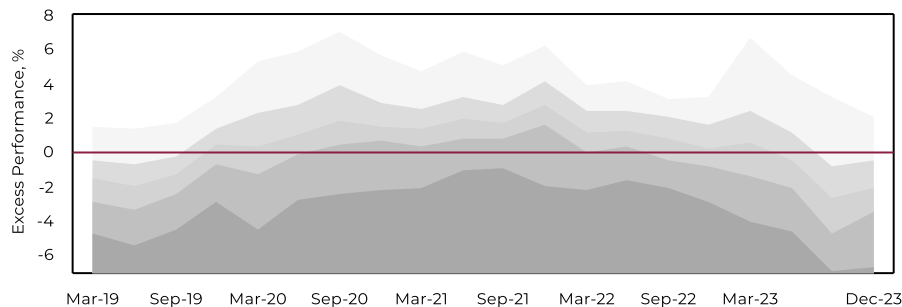
TRAILING AND CALENDAR RETURNS

	Last Quarter	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	2019	2018
Columbia Trust Overseas Value Founders	7.80	16.65	7.16	-	-	-5.01	11.05	-	-	-
MSCI EAFE Value Index (Net)	8.22	18.95	7.59	7.08	3.16	-5.58	10.89	-2.63	16.09	-14.78
Foreign Large Value Median	8.49	17.85	5.55	7.40	3.35	-10.44	11.78	2.65	18.23	-16.50
Rank (%)	65	59	25	-	-	11	56	-	-	-
Population	321	321	301	287	246	316	322	336	349	344

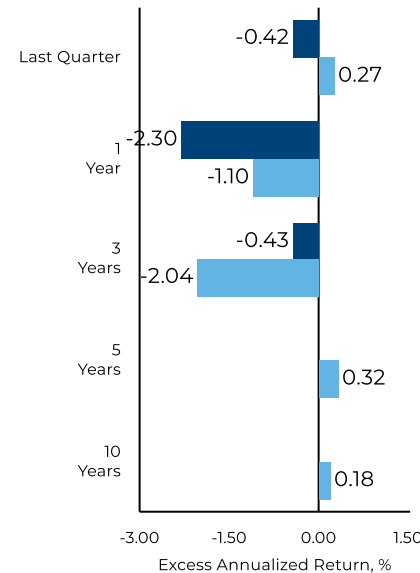
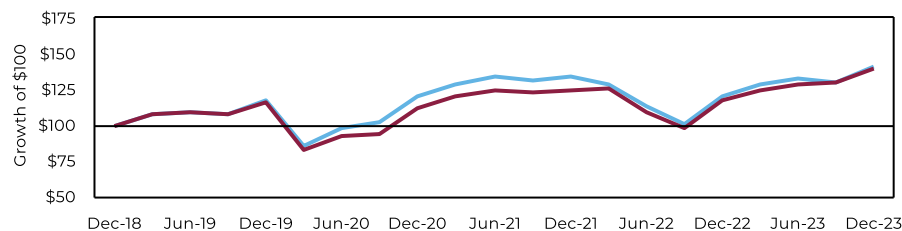
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Columbia Trust Overseas Value Founders	-	-	-	-	-	-	-
MSCI EAFE Value Index (Net)	0.36	0.00	1.00	1.00	100.00	100.00	-
Foreign Large Value Median	0.37	0.64	0.99	0.93	102.21	100.78	0.06

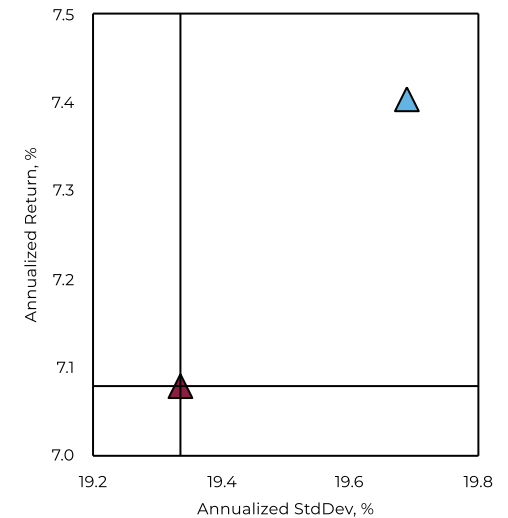
Rolling 3 Year Annualized Excess Return



5 Year Cumulative Performance



Performance vs Risk 5 Year



■ Columbia Trust Overseas Value Founders
■ Foreign Large Value Median

▲ Columbia Trust Overseas Value Founders
▲ Foreign Large Value Median
▲ MSCI EAFE Value Index (Net)

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STATE ST GBL ALLCP EQ EX-US IDX SL CL II

Period Ending 12.31.23 | Q4 23

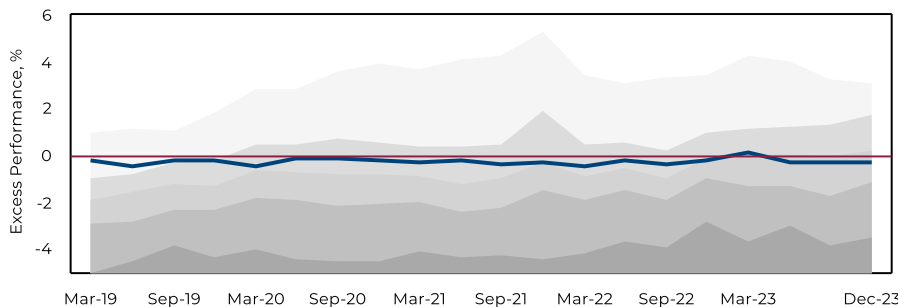
TRAILING AND CALENDAR RETURNS

	Last Quarter	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	2019	2018
State St Gbl AllCp Eq ex-US Idx SL Cl II	9.79	15.93	1.81	7.48	4.24	-16.29	8.74	11.36	22.04	-14.57
MSCI AC World ex USA IMI	9.87	16.21	2.03	7.69	4.45	-16.15	8.99	11.59	22.24	-14.35
Foreign Large Blend Median	9.85	16.13	2.28	7.79	3.98	-15.91	10.07	9.72	22.03	-15.23
Rank (%)	52	53	61	59	35	56	63	40	50	41
Population	653	653	631	606	492	678	709	746	754	750

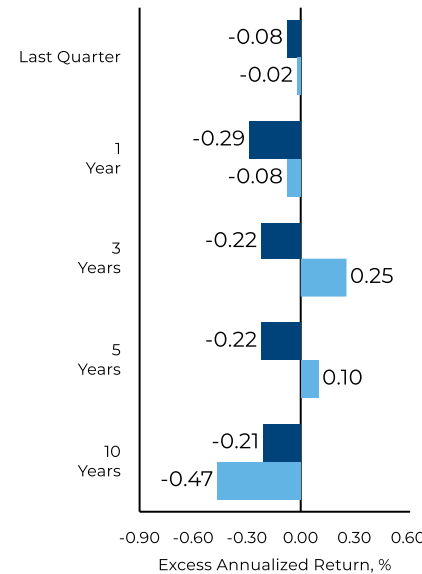
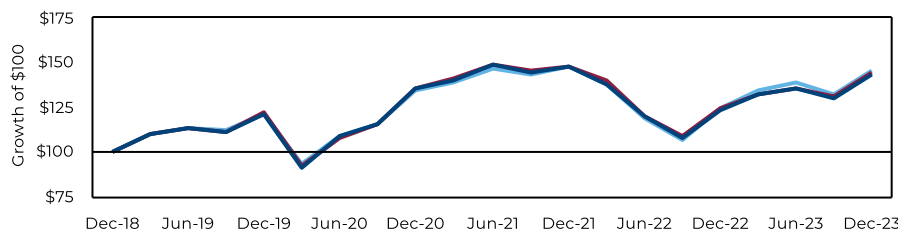
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
State St Gbl AllCp Eq ex-US Idx SL Cl II	0.39	-0.31	1.02	0.99	102.17	103.74	-0.09
MSCI AC World ex USA IMI	0.40	0.00	1.00	1.00	100.00	100.00	-
Foreign Large Blend Median	0.40	0.17	1.00	0.95	102.20	102.57	0.05

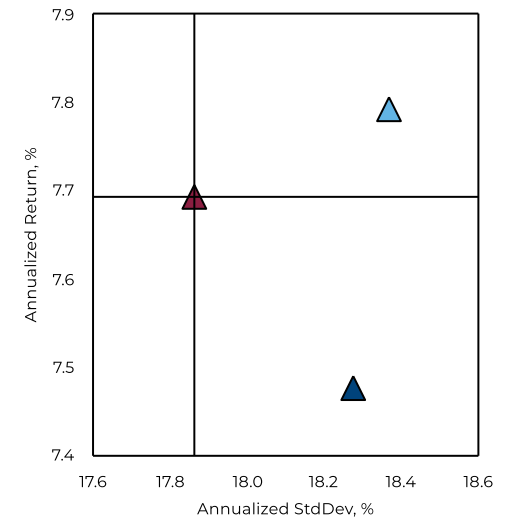
Rolling 3 Year Annualized Excess Return



5 Year Cumulative Performance



Performance vs Risk 5 Year



State St Gbl AllCp Eq ex-US Idx SL Cl II
Foreign Large Blend Median

State St Gbl AllCp Eq ex-US Idx SL Cl II
Foreign Large Blend Median
MSCI AC World ex USA IMI

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VANGUARD INTERNATIONAL GROWTH ADM

Period Ending 12.31.23 | Q4 23

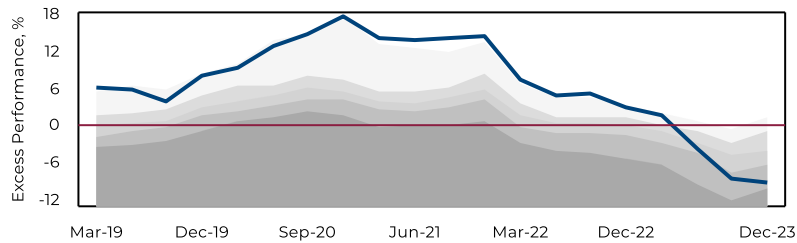
TRAILING AND CALENDAR RETURNS

	Last Quarter	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	2019	2018
Vanguard International Growth Adm	11.37	14.81	-7.61	10.62	7.09	-30.79	-0.74	59.74	31.48	-12.58
MSCI AC World ex USA (Net)	9.75	15.62	1.55	7.08	3.83	-16.00	7.82	10.65	21.51	-14.20
Foreign Large Growth Median	11.76	15.84	-2.62	8.23	4.66	-25.10	8.66	22.29	27.95	-14.46
Rank (%)	57	67	93	12	9	82	89	2	22	34
Population	406	406	391	368	319	426	434	425	430	443

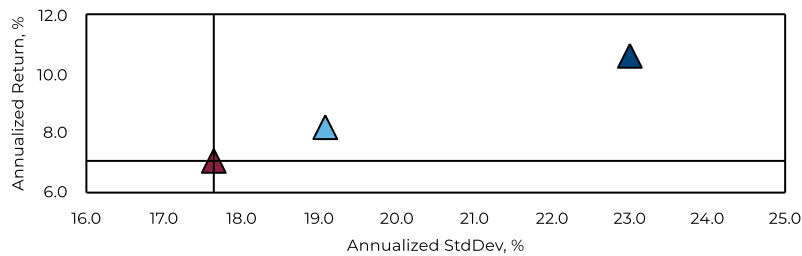
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Vanguard International Growth Adm	0.47	2.83	1.18	0.82	128.31	118.88	0.42
MSCI AC World ex USA (Net)	0.37	0.00	1.00	1.00	100.00	100.00	-
Foreign Large Growth Median	0.41	1.24	1.02	0.87	108.99	105.45	0.20

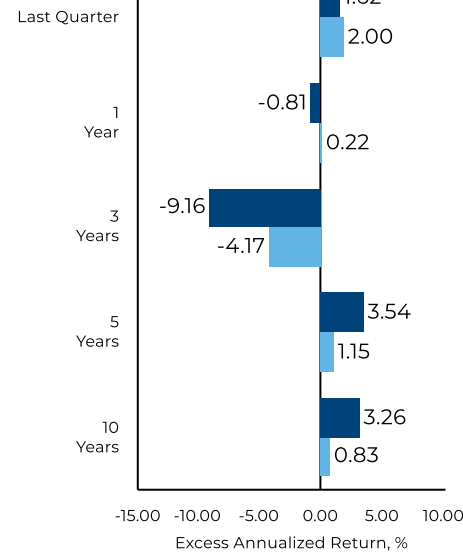
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ Vanguard International Growth Adm ▲ Foreign Large Growth Median
▲ MSCI AC World ex USA (Net)



■ Vanguard International Growth Adm
■ Foreign Large Growth Median

INVESTMENT PROFILE

Ticker	VWILX
Portfolio Manager	Team Managed
Portfolio Assets	\$35,589 Million
PM Tenure	14 Years
Net Expense(%)	0.31 %
Fund Inception	2001
Category Expense Median	0.99
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	30.78 %
Number of Holdings	158
Turnover	14.00 %
Avg. Market Cap	\$54,714 Million
Dividend Yield	1.44 %

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EARNEST PARTNERS SMID CAP VALUE 1

Period Ending 12.31.23 | Q4 '23

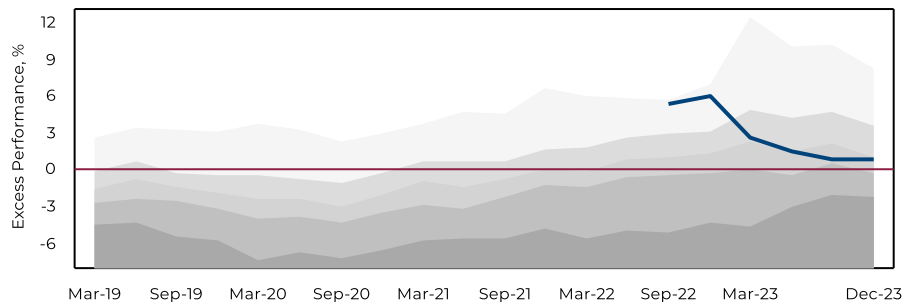
TRAILING AND CALENDAR RETURNS

	Last Quarter	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	2019	2018
EARNEST Partners Smid Cap Value 1	12.86	15.47	9.71	-	-	-8.94	25.57	20.23	-	-
Russell 2500 Value Index	13.76	15.98	8.81	10.79	7.42	-13.08	27.78	4.88	23.56	-12.36
Small Value Median	12.83	15.95	9.91	11.39	6.93	-11.46	31.17	3.39	21.79	-15.42
Rank (%)	50	53	55	-	-	31	83	4	-	-
Population	444	444	426	412	379	449	451	458	489	502

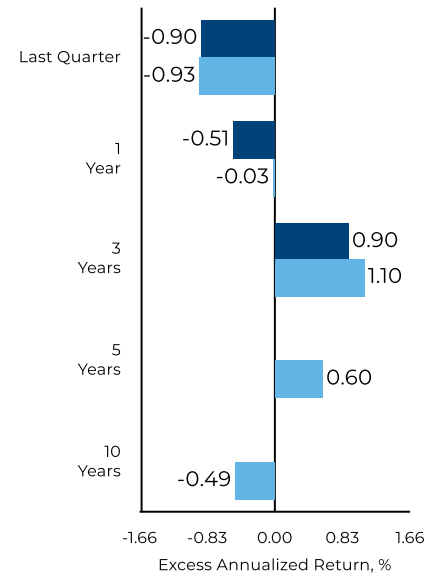
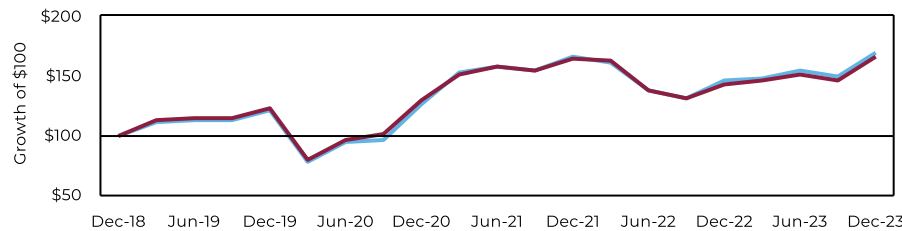
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
EARNEST Partners Smid Cap Value 1	-	-	-	-	-	-	-
Russell 2500 Value Index	0.47	0.00	1.00	1.00	100.00	100.00	-
Small Value Median	0.49	0.66	1.02	0.96	103.19	102.50	0.10

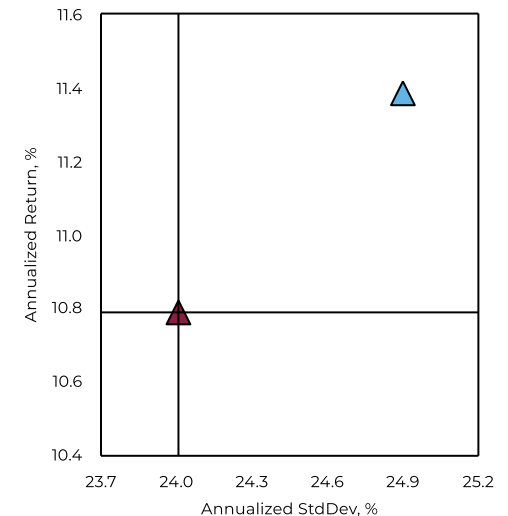
Rolling 3 Year Annualized Excess Return



5 Year Cumulative Performance



Performance vs Risk 5 Year



■ EARNEST Partners Smid Cap Value 1
■ Small Value Median

▲ EARNEST Partners Smid Cap Value 1
▲ Small Value Median
▲ Russell 2500 Value Index

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VANGUARD REAL ESTATE INDEX INSTITUTIONAL

Period Ending 12.31.23 | Q4 '23

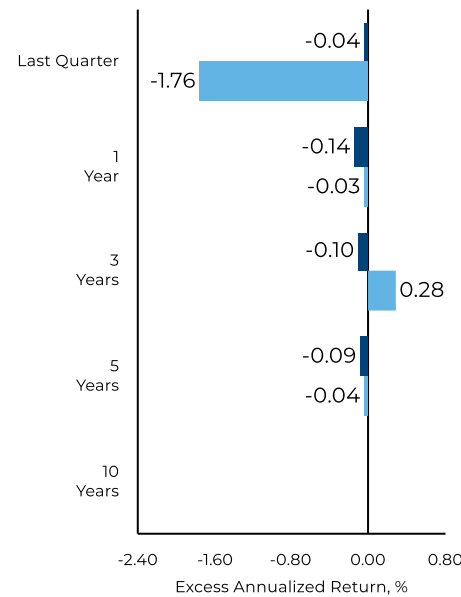
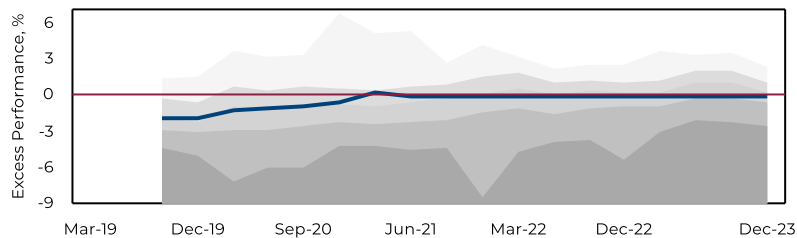
TRAILING AND CALENDAR RETURNS

	Last Quarter	1 Year	3 Years	5 Years	10 Years	2022	2021	2020	2019	2018
Vanguard Real Estate Index Institutional	18.13	11.82	5.05	7.35	7.38	-26.17	40.41	-4.67	29.02	-5.93
MSCI U.S. IMI Real Estate 25/50 Index	18.18	11.96	5.15	7.44	-	-26.12	40.56	-4.55	29.03	-4.59
Real Estate Median	16.42	11.93	5.43	7.40	7.36	-26.33	41.45	-4.43	27.87	-5.92
Rank (%)	12	55	64	52	48	47	64	53	37	51
Population	212	212	208	207	184	221	229	233	251	249

KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Vanguard Real Estate Index Institutional	0.36	-0.08	1.00	1.00	99.82	100.10	-1.12
MSCI U.S. IMI Real Estate 25/50 Index	0.36	0.00	1.00	1.00	100.00	100.00	-
Real Estate Median	0.36	0.31	0.96	0.98	96.72	96.04	-0.06

Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ Vanguard Real Estate Index Institutional
 ▲ Real Estate Median
▲ MSCI U.S. IMI Real Estate 25/50 Index

■ Vanguard Real Estate Index Institutional
■ Real Estate Median

INVESTMENT PROFILE

Ticker	VGSNX
Portfolio Manager	Nejman,W/O'Reilly,G
Portfolio Assets	\$9,412 Million
PM Tenure	27 Years 7 Months
Net Expense(%)	0.10 %
Fund Inception	2003
Category Expense Median	1.00
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	49.08 %
Number of Holdings	167
Turnover	7.00 %
Avg. Market Cap	\$21,921 Million
Dividend Yield	4.37 %

For use with CAPTRUST clients only. Performance summarized here represents past performance and does not guarantee future results. Data has been obtained from Morningstar and is not guaranteed to be accurate or complete. Mutual fund investing involves risk. For a prospectus with a complete description of the risks associated with investing in this fund, please call CAPTRUST at (800)216-0645. For a detailed description of the risks associated with investing by asset class, please visit <https://www.captrust.com/important-disclosures/>.



APPENDIX	
Glossary of Terms.....	
Evaluation Methodology.....	



GLOSSARY

Period Ending 12.31.23 | Q4 23

ALPHA

Alpha measures a manager's rate of return in excess of that which can be explained by its systematic risk, or Beta. It is a result of regressing a manager's returns against those of a benchmark index. A positive alpha implies that a manager has added value relative to its benchmark on a risk-adjusted basis.

BATTING AVERAGE

Batting Average, an indicator of consistency, measures the percentage of time an active manager outperformed the benchmark.

BETA

Beta measures a manager's sensitivity to systematic, or market risk. Beta is a result of the analysis regressing a manager's returns against those of a benchmark index. A manager with a Beta of 1 should move perfectly with a benchmark. A Beta of less than 1 implies that a manager's returns are less volatile than the market's (i.e., selected benchmarks). A Beta of greater than 1 implies that a manager exhibits greater volatility than the market (i.e., selected benchmark).

CAPTURE RATIO

Up Market Capture is the average return of a manager relative to a benchmark index using only periods where the benchmark return was positive. Down Market Capture is the average return of a manager relative to a benchmark index using only periods where the benchmark return was negative. An Up Market Capture of greater than 100% and a Down Market Capture of less than 100% is considered desirable.

INFORMATION RATIO

The Information Ratio measures a manager's excess return over the passive index divided by the volatility of that excess return, or Tracking Error. To obtain a higher Information Ratio, which is preferable, a manager must demonstrate the ability to generate returns above its benchmark while avoiding large performance swings relative to that same benchmark.

PERCENTILE RANK

Percentile Rankings are based on a manager's performance relative to all other available funds in its universe. Percentiles range from 1, being the best, to 100 being the worst. A ranking in the 50th percentile or above demonstrates that the manager has performed better on a relative basis than at least 50% of its peers.

RISK-ADJUSTED PERFORMANCE

Risk-adjusted Performance, or RAP, measures the level of return that an investment option would generate given a level of risk equivalent to the benchmark index.

R-SQUARED

R-squared measures the portion of a manager's movements that are explained by movements in a benchmark index. R-squared values range from 0 to 100. An R-squared of 100 means that all movements of a manager are completely explained by movements in the index. This measurement is identified as the coefficient of determination from a regression equation. A high R-squared value supports the validity of the Alpha and Beta measures, and it can be used as a measure of style consistency.

SHARPE RATIO

Sharpe ratio measures a manager's return per unit of risk, or standard deviation. It is the ratio of a manager's excess return above the risk-free rate divided by a manager's standard deviation. A higher Sharpe ratio implies greater manager efficiency.

STANDARD DEVIATION

Standard Deviation is a measure of the extent to which observations in a series vary from the arithmetic mean of the series. This measure of volatility or risk allows the estimation of a range of values for a manager's returns. The wider the range, the more uncertainty, and, therefore, the riskier a manager is assumed to be.


TRACKING ERROR

Tracking Error is the standard deviation of the portfolio's residual (i.e. excess) returns. The lower the tracking error, the closer the portfolio returns have been to its risk index. Aggressively managed portfolios would be expected to have higher tracking errors than portfolios with a more conservative investment style.

TREYNOR RATIO

The Treynor Ratio is a measure of reward per unit of risk. With Treynor, the numerator (i.e. reward) is defined as the excess return of the portfolio versus the risk-free rate. The denominator (i.e. risk) is defined as the portfolio beta. The result is a measure of excess return per unit of portfolio systematic risk. As with Sharpe and Sortino ratios, the Treynor Ratio only has value when it is used as the basis of comparison between portfolios. The higher the Treynor Ratio, the better.



	QUANTITATIVE EVALUATION ITEMS	QUALITATIVE EVALUATION ITEMS
<p data-bbox="235 397 579 446">  MARKED FOR REVIEW </p> <p data-bbox="123 492 579 602"> The following categories of the Investment Policy Monitor appear “Marked For Review” when: </p> <p data-bbox="123 774 579 829"> CAPTRUST's Investment Policy Monitoring Methodology </p> <p data-bbox="123 846 579 1015"> The Investment Policy Monitoring Methodology document describes the systems and procedures CAPTRUST uses to monitor and evaluate the investment vehicles in your plan/account on a quarterly basis. </p> <p data-bbox="123 1050 579 1131"> Our current Investment Policy Monitoring Methodology document can be accessed through the following link: </p> <p data-bbox="123 1167 579 1190"> captrust.com/investmentmonitoring </p>	<p data-bbox="753 345 1150 368"> 3/5 Year Risk-adjusted Performance </p> <p data-bbox="753 386 1318 467"> The investment option's 3 or 5 Year Annualized Risk Adjusted Performance falls below the 50th percentile of the peer group. </p> <p data-bbox="753 532 1094 555"> 3/5 Year Performance vs. Peers </p> <p data-bbox="753 573 1318 654"> The investment option's 3 or 5 Year Annualized Peer Relative Performance falls below the 50th percentile of the peer group. </p> <p data-bbox="753 735 915 758"> 3/5 Year Style </p> <p data-bbox="753 776 1289 857"> The investment option's 3 or 5 Year R-Squared measure falls below the absolute threshold set per asset class. </p> <p data-bbox="753 914 978 937"> 3/5 Year Confidence </p> <p data-bbox="753 946 1268 1027"> The investment option's 3 or 5 Year Confidence Rating falls below the 50th percentile of the peer group. </p> <p data-bbox="753 1084 995 1107"> Glidepath Assessment </p> <p data-bbox="753 1125 1310 1239"> % of Equity Exposure: The combined percentage of an investment option's equity exposure ranks in the top 20th percentile or bottom 20th percentile of the peer group. </p> <p data-bbox="753 1271 1318 1352"> Regression to the Benchmark: The investment option's sensitivity to market risk - as measured by beta relative to a Global Equity Index - is above 0.89. </p>	<p data-bbox="1413 345 1617 368"> Fund Management </p> <p data-bbox="1413 386 1944 435"> A significant disruption to the investment option's management team has been discovered. </p> <p data-bbox="1413 508 1549 531"> Fund Family </p> <p data-bbox="1413 557 1944 605"> A significant disruption to the investment option's parent company has been discovered. </p> <p data-bbox="1413 695 1654 717"> Portfolio Construction </p> <p data-bbox="1413 735 1965 816"> The investment option's combined Portfolio Construction score is 6 or below out of a possible 15 points. </p> <p data-bbox="1413 889 1755 912"> Underlying Investment Vehicles </p> <p data-bbox="1413 946 1923 1027"> The investment option's combined Underlying Investment Vehicles score is 6 or below out of a possible 15 points. </p>



STATE UNIVERSITIES RETIREMENT SYSTEM

Deferred Compensation Plan:
Automatic Enrollment Review and Recommendations

February 2024

FOR PLANSPONSOR USE ONLY



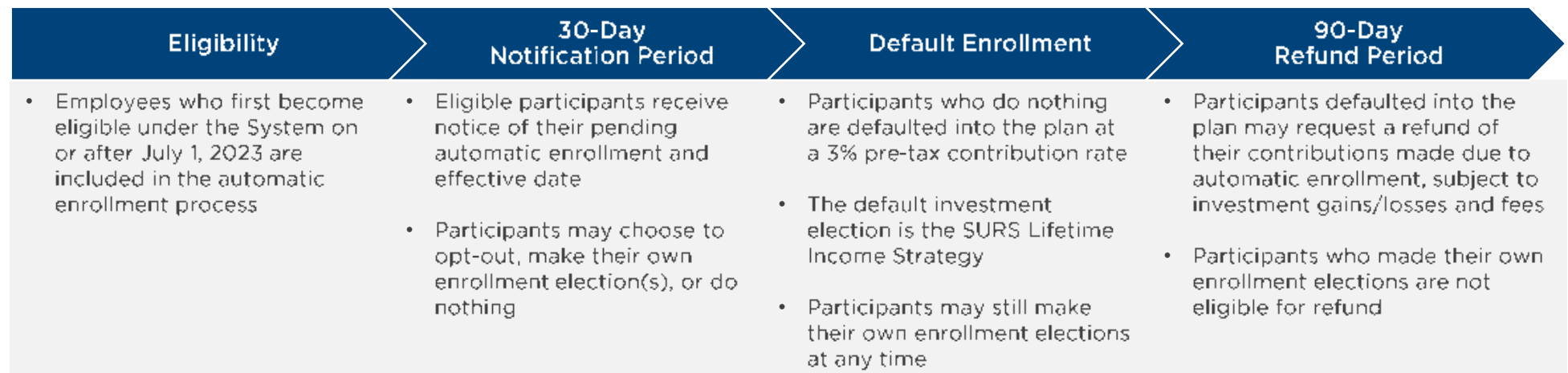
SURS DCP LEGISLATION

40 ILCS 5/15-202

- 40 ILCS 5/15-202 authorized SURS to offer a voluntary savings plan, the SURS Deferred Compensation Plan (DCP), to eligible SURS members. Included in this legislation was the requirement to automatically enroll all newly hired SURS members who first became eligible on or after July 1, 2023.
- The DCP began receiving voluntary member enrollments beginning February 2021 and began automatically enrolling eligible members effective July 2023.
- The DCP is intended to supplement, not replace, the retirement benefits provided by the SURS Traditional Pension Plan, SURS Portable Pension Plan, or SURS Retirement Savings Plan, especially for Tier 2 participants and participants whose SURS contributions are limited by pensionable earnings caps.

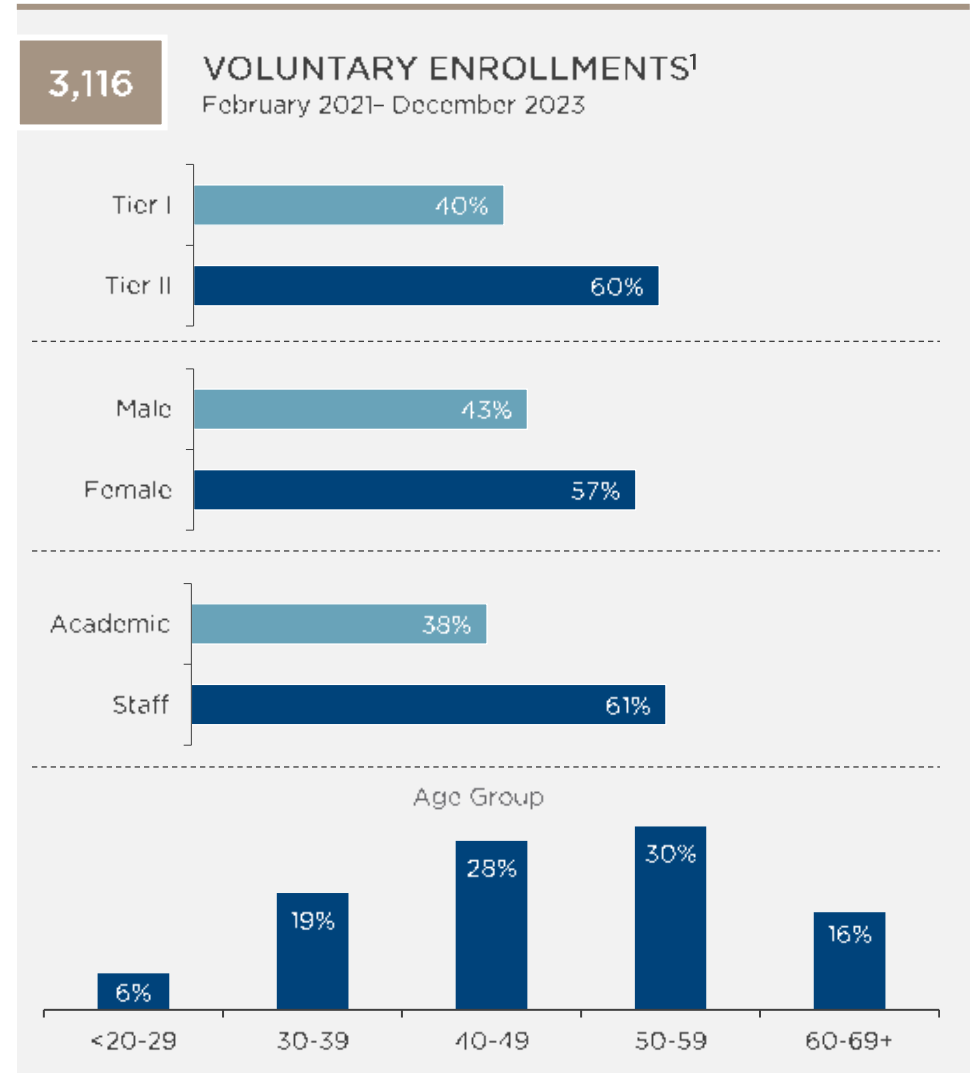
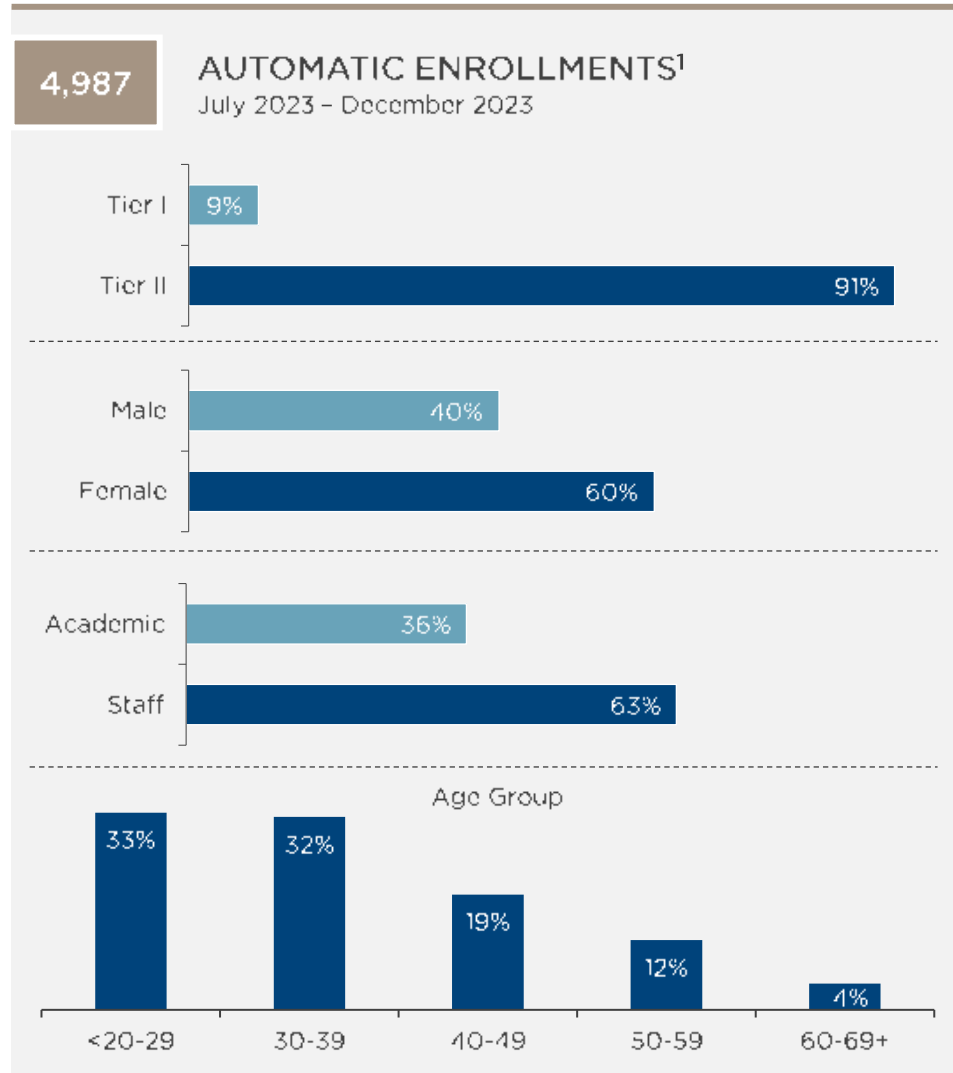
Automatic Enrollment Provisions

- Applicable to employees who first become an eligible member of the System on or after July 1, 2023
- Initial default contribution rate of 3% of eligible compensation to be contributed on a pre-tax basis. The Board may vote to increase the default rate to any amount at any time.
- Optional automatic escalation provision to automatically increase the contribution rate of participants who were defaulted into the DCP through automatic enrollment by no more than 1% per year up to a specified cap (per the plan document)
- Initial 30-day enrollment notification/opt-out period prior to the start of payroll deductions followed by a 90-day refund period



SURS DCP ENROLLMENT STATISTICS

As of December 31, 2023



¹Information provided by Record Keeper. For informational purposes. Not a substitute for official statements produced by the plan custodian. Information has been obtained from sources considered reliable, but its accuracy and completeness are not guaranteed.

SURS DCP AUTOMATIC ENROLLMENT ELECTIONS

Of the 4,987 included in the automatic enrollment process...



ELECTIONS	DEFAULTED		MADE OWN ELECTION		
	#	%	#	%	Average Contribution Rate
CONTRIBUTION RATE ELECTIONS					
Increased Pre-tax %	---	---	62	40%	13%
Decreased Pre-tax %	---	---	14	9%	1%
Changed to 0%	258	6%	7	5%	0%
Defaulted/Confirmed 3%	3,838	94%	15	10%	3%
Changed to Roth %	---	---	25	16%	9%
Changed to Pre-tax and Roth %	---	---	5	3%	5%
Changed to Pre-tax \$	---	---	17	11%	\$4,125
Changed to Roth \$	---	---	7	5%	\$1,499
Changed to Pre-tax and Roth \$	---	---	3	2%	\$294
INVESTMENT ELECTIONS					
100% invested in Default LIS	3,825	99%	99	64%	---
100% Invested in Core Investments	11	<1%	48	31%	---
Invested in Both LIS and Core	2	<1%	8	5%	---
TOTALS	3,838	100%	155	100%	---

Information provided by Record Keeper. For informational purposes. Not a substitute for official statements produced by the plan custodian. Information has been obtained from sources considered reliable, but its accuracy and completeness are not guaranteed.

AUTOMATIC ENROLLMENT TRENDS

FEDERAL PERSPECTIVE

Since the passing of the Pension Protection Act in 2006, the adoption of automatic enrollment and automatic escalation across employer-sponsored plans has significantly increased.

- As of December 2022, 58% of Vanguard plans with employee elective-deferrals had adopted automatic enrollment as compared to only 6% in 2006. Of those plans, 69% automatically increase the default contribution rate annually. *Source: How America Saves 2023, Figure 18.*

As mandated in SECURE Act 2.0, starting in 2025, new private-sector 401(k) and 403(b) plans must automatically enroll employees at a default contribution rate of at least 3% and must auto-increase the rate by 1% each year up to a cap of at least 10%.

STATE-LEVEL ADOPTION

The adoption of automatic enrollment varies state-by-state dependent on their respective anti-garnishment statutes or other such laws:

- **9** states allow automatic enrollment for all public sector plans
- **16** states legally allow automatic enrollment for some public sector plans. This includes the state of Illinois.
- **5** states legally prohibit automatic enrollment unless it is collectively bargained
- **20** states legally prohibit automatic enrollment for all public sector plans

Source: NAGDCA Automatic Enrollment Map

STATE OF ILLINOIS PLANS

State of IL Deferred Compensation Plan

- Began automatically enrolling eligible employees effective July 1, 2020 at a default contribution rate of 3%.
- Legislation passed in 2021 requires auto-escalation of the default contribution rate by 1% each year up to a max of 10%. Also included was the authority to change the default contribution rate.
- The first automatic increase was completed effective January 1, 2024, increasing the contribution rate from 3% to 4% for participants who had been automatically enrolled into the plan for more than 180 days.

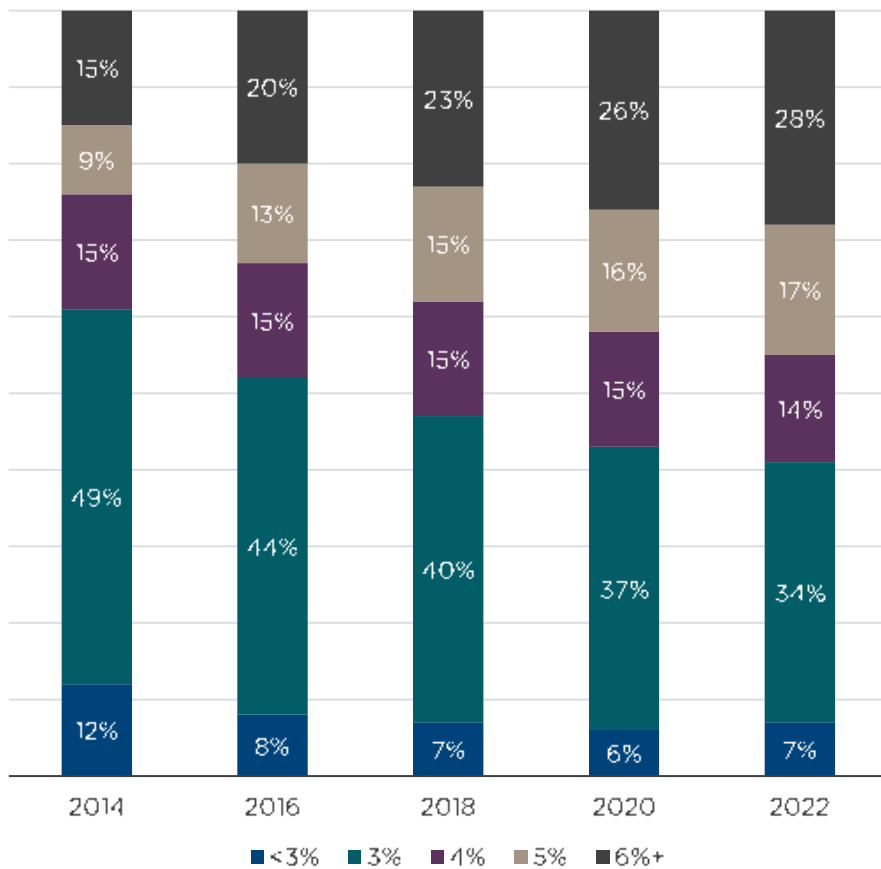
TRS Supplemental Savings Plan

- Began automatically enrolling eligible new and rehired members effective January 1, 2023 at a default contribution rate of 3%
- TRS' automatic enrollment legislation permits an increase to the default contribution rate of up to 2% per year. However, it does not include an automatic escalation provision.

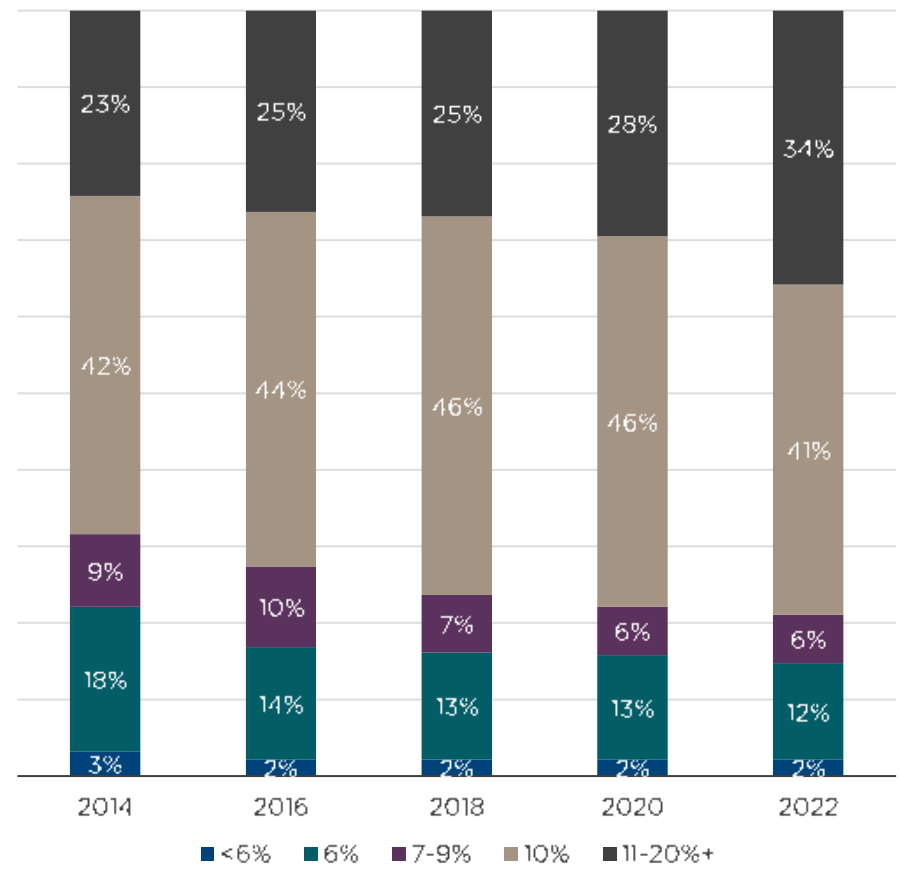
AUTOMATIC ENROLLMENT TRENDS

Commonly, plans with an automatic enrollment feature use a default contribution rate of 3% and, of those who also utilize an automatic increase feature, an escalation contribution rate cap of 10%. However, data shows trends toward increasing these rates to 6%+ and 11-15%+, respectively.

Automatic Enrollment Default Contribution Rates



Automatic Escalation Contribution Rate Caps¹

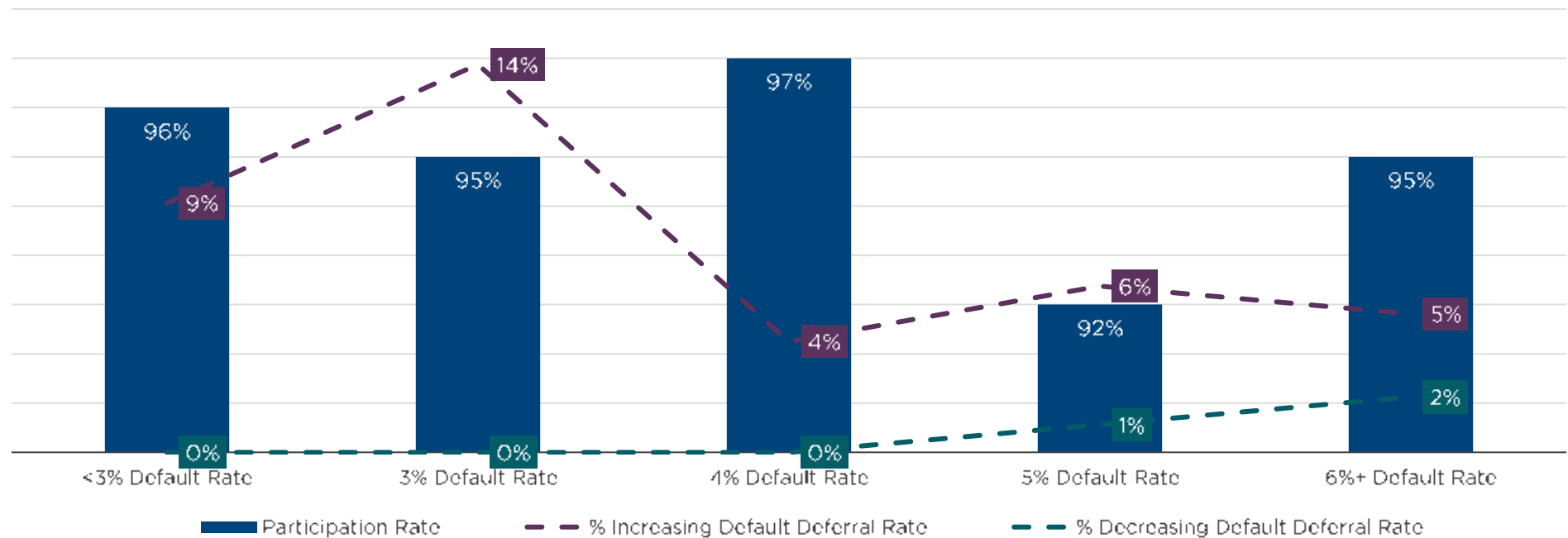


Source: How America Saves 2023, Figure 21. Automatic enrollment design trends
¹Excludes plans reporting no automatic escalation contribution rate cap

AUTOMATIC ENROLLMENT TRENDS

Even at higher percentages, the increase in the default contribution rate has not significantly impacted participant opt-out rates or prompted decreased deferral elections.

Impacts of Default Automatic Enrollment Contribution Rates



Source: T.Rowe Price Reference Point, Defined Contribution Plan Data, Auto-Enrollment Default Deferral Rate Enrollment Percentage With Percent of Participants Increasing or Decreasing Default, as of April 2023

51%

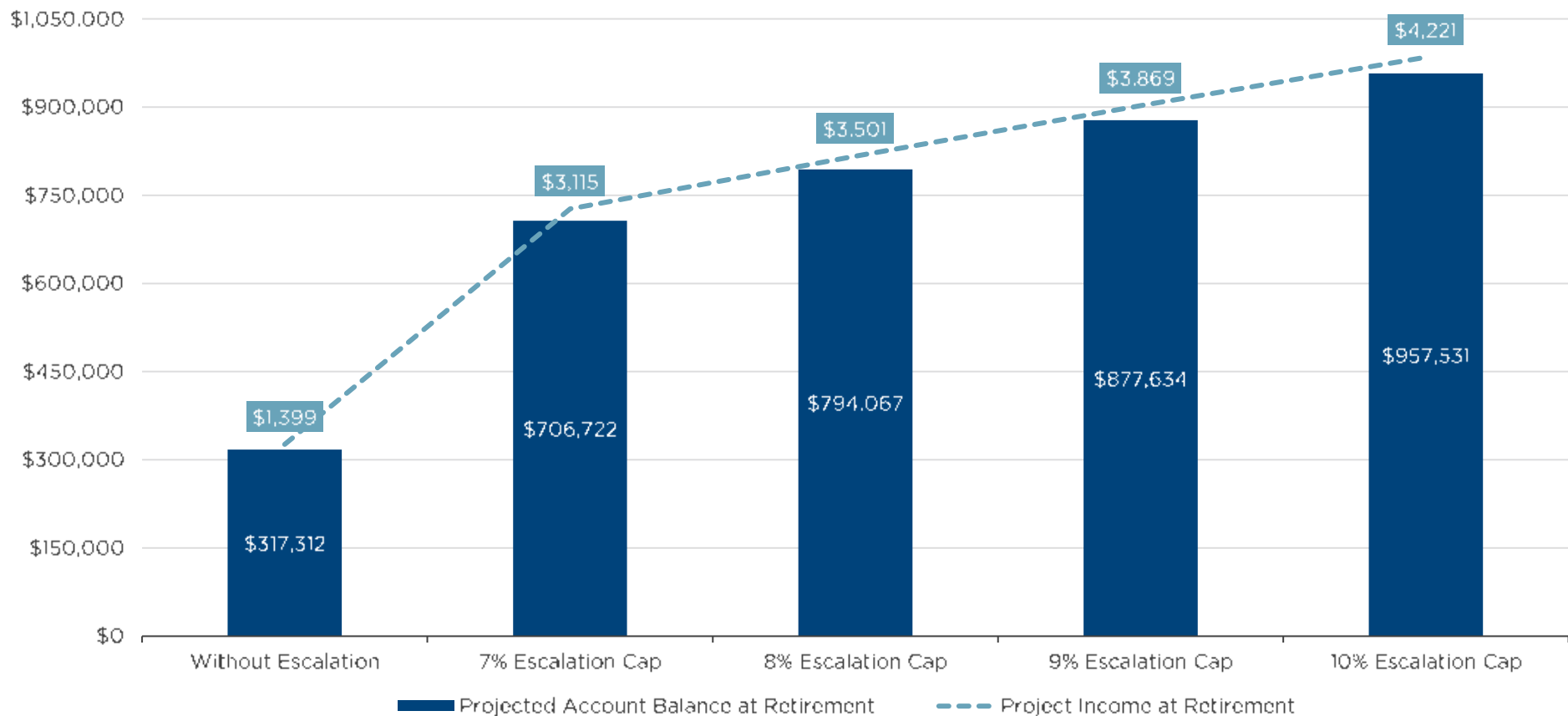
Of SURS DCP automatically enrolled participants who made their own contribution rate election increased their contribution percentage above the default 3%, with an average contribution rate of 12%.

11%

Of SURS DCP automatically enrolled participants who made their own contribution rate election decreased their contribution percentage below the default 3%, with an average contribution rate of 1%.

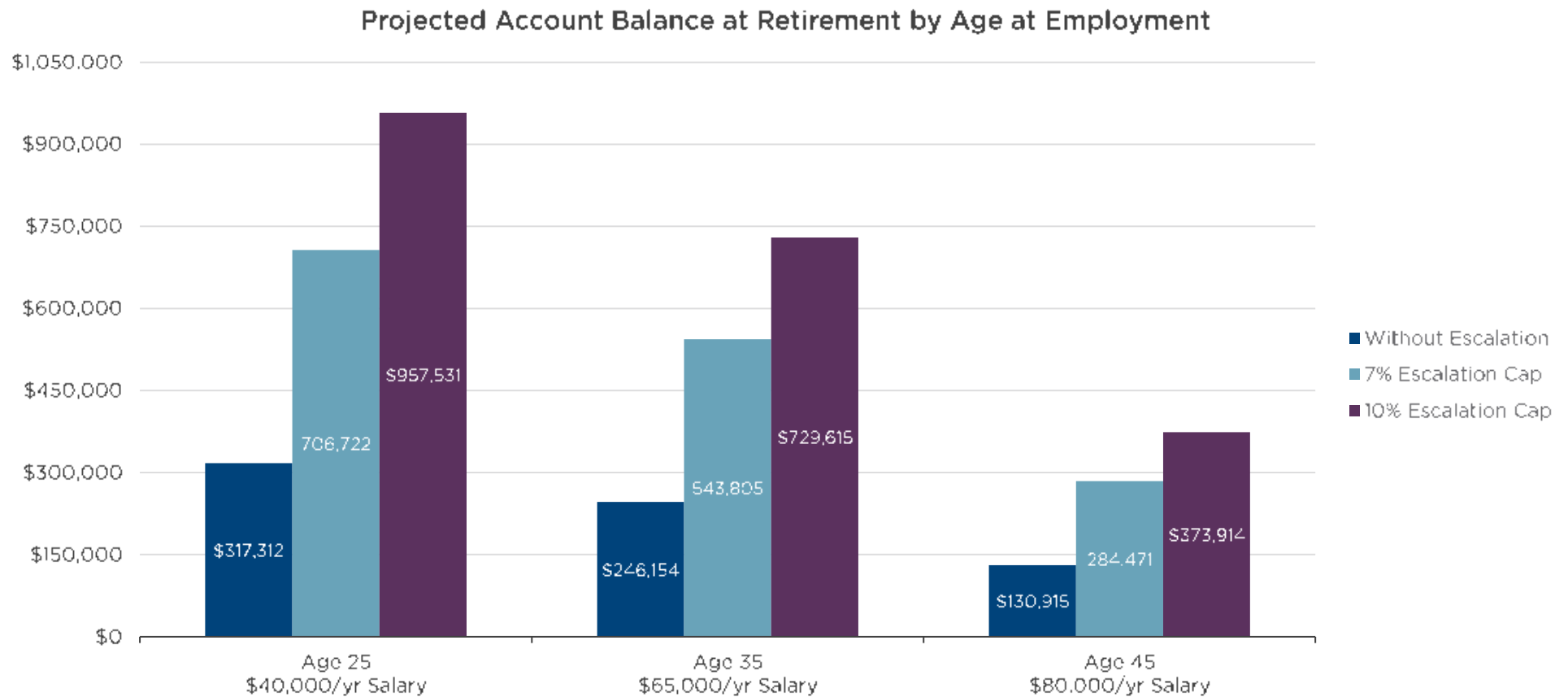
IMPACTS OF AUTOMATIC ESCALATION

Example of – Age 25, Tier 2, Female, Staff Member



Assumptions: Age: 25 upon employment; 67 at retirement; Salary: \$40,000/year upon employment with an average annual increase of 3% (based on actuarial assumption used for the SURS Defined Benefit Plan); Contribution Rate: 3% default automatic enrollment contribution rate beginning 6 months after the employment start date; Average Investment Rate of Return: 6% annually beginning the year after contributions are made up to retirement at age 67; Income: The income estimate is based on SURS Lifetime Income Strategy's current monthly income constant rate of 5.29% (in effect from January-March 2024 for a participant purchasing income at age 67 and beginning income payments immediately) multiplied by the Projected Account Balance at Retirement divided by twelve.

IMPACTS OF AUTOMATIC ESCALATION



Assumptions: *Age:* stated age upon employment; 67 at retirement; *Salary:* stated annual salary upon employment with an average annual increase of 3% (based on actuarial assumption used for the SURS Defined Benefit Plan); *Contribution Rate:* 3% default automatic enrollment contribution rate beginning 6 months after the employment start date; *Average Investment Rate of Return:* 6% annually beginning the year after contributions are made up to retirement at age 67.

AUTOMATIC ENROLLMENT PROGRAM RECOMMENDATIONS

SURS Deferred Compensation Plan

	CURRENT PROCESS	RECOMMENDATION
Automatic Enrollment	Yes	Yes <i>(as required under 40 ILCS 5/15-202)</i>
Default Contribution Rate	3%	Maintain 3%
Automatic Escalation	Not Included	Include
Annual Pre-Tax Contribution Rate Increase Percent (%)	---	1% <i>(as required under 40 ILCS 5/15-202)</i>
Annual Pre-Tax Contribution Rate Increase Cap (%)	---	10%
Timing of Contribution Rate Escalation	---	At the start of each plan year beginning July 1, 2024
Impacted Participants	---	All previously automatically enrolled DCP participants still in default status that have been enrolled for no less than 180 days as of the beginning of each plan year <i>Example: for the plan year beginning July 1, 2024, automatic escalation would apply to all participants in default status that had been automatically enrolled between January 1, 2023 - December 31, 2023</i>

**AMENDMENT NUMBER FOUR TO THE
STATE UNIVERSITIES RETIREMENT SYSTEM
DEFERRED COMPENSATION PLAN**

WHEREAS, the Board of Trustees ("Board") of the State Universities Retirement System Retirement ("SURS") established the State Universities Retirement System Deferred Compensation Plan ("Plan") effective September 1, 2020, and amended the Plan three times thereafter;

WHEREAS, SURS reserved the right to amend the Plan in Article XV; and

WHEREAS, SURS now desires to amend the Plan to make the following changes.

NOW THEREFORE, the Plan is hereby amended effective as stated below, as follows:

1. Effective March 1, 2024, paragraph (l) of Section 2.02 of the Plan, defining Covered Employee, is hereby amended to be and read as follows:

(l) "Covered Employee" means an Employee (i) in an employee classification identified by State law or a Board resolution as being covered under an Automatic Contribution Arrangement or an Eligible Automatic Contribution Arrangement pursuant to Section 4.02 and (ii) who does not have an affirmative election in effect regarding Elective Deferrals.

2. Effective July 1, 2024, paragraph (e)(1)(ii) of Section 4.02 of the Plan, related to Eligible Automatic Contribution Arrangements, is hereby amended to be and read as follows:

(ii) The amount of Automatic Pre-Tax Contributions made for a Covered Employee each pay period shall be equal to the Default Percentage specified in State law or a Board resolution multiplied by the Covered Employee's Compensation for that pay period. To the extent permitted under the Illinois Pension Code and authorized by Board resolution, a Covered Employee's Default Percentage will increase by one percentage point each Plan Year until the Default Percentage reaches the maximum Default Percentage specified in State law or a Board resolution, beginning with the Plan Year following the Plan Year in which the Default Percentage first applies to the Covered Employee or, if later, the Plan Year in which the Covered Employee has been covered under the Eligible Automatic Contribution Arrangement for at least one hundred eighty (180) days. The increase will be effective beginning with the first pay period that begins in such Plan Year.

3. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, SURS has caused to be affixed the signature of its duly authorized representative.

**BOARD OF TRUSTEES OF THE STATE
UNIVERSITIES RETIREMENT SYSTEM**

By: _____

Print: John Lyons

Title: Chairperson

Date: _____

CERTIFIED RESOLUTIONS ADOPTED BY INVESTMENT COMMITTEE OF THE BOARD OF TRUSTEES OF THE STATE UNIVERSITIES RETIREMENT SYSTEM

The undersigned Secretary of the Board of Trustees of the State Universities Retirement System ("Board of Trustees") hereby certifies that the following is a true and correct copy of the resolutions duly adopted by the Investment Committee of the Board of Trustees at a meeting held on February 29, 2024, and that all such resolutions remain in force and effect.

WHEREAS, the State Universities Retirement System Deferred Compensation Plan ("Plan") is an eligible deferred compensation plan under Section 457(b) of the Internal Revenue ("Code") established and administered by the State Universities Retirement System ("SURS") pursuant to Section 15-202 of the Illinois Pension Code, 40 ILCS 5;

WHEREAS, as authorized under 40 ILCS 5/15-202(b), the Plan includes an Eligible Automatic Contribution Arrangement pursuant to which an Employee who first becomes a SURS member on or after July 1, 2023 (a "Covered Employee"), is automatically enrolled in the Plan at a Default Percentage equal to 3% of Compensation, unless the Covered Employee makes an affirmative election regarding Elective Deferrals;

WHEREAS, as authorized under 40 ILCS 5/15-202(d), the Plan provides that the Board of Trustees may authorize an auto-escalation feature under which the Default Percentage for a Covered Employee under the Eligible Automatic Contribution Arrangement will increase by 1% of Compensation each Plan Year following the Plan Year in which the Default Percentage first applies to the Covered Employee up to a maximum Default Percentage specified in State law or a Board resolution;

WHEREAS, SURS desires to implement the auto-escalation feature under the Plan's Eligible Automatic Contribution Arrangement; provided, however, that SURS desires to amend the Plan to provide that the Covered Employee's Default Percentage will increase beginning with the Plan Year following the Plan Year in which the Default Percentage first applies to the Covered Employee or, if later, the Plan Year in which the Covered Employee has been covered under the Eligible Automatic Contribution Arrangement for at least 180 days;

WHEREAS, SURS desires to further amend the Plan to clarify that a Covered Employee does not include an Employee who has made an affirmative election regarding Elective Deferrals; and

WHEREAS, SURS desires to adopt a maximum Default Percentage of 10% of Compensation under the Eligible Automatic Contribution Arrangement.

NOW THEREFORE BE IT RESOLVED THAT, the Investment Committee of the Board of Trustees authorizes the auto-escalation feature under the Plan's Eligible Automatic Contribution Arrangement effective July 1, 2024.

RESOLVED FURTHER THAT, the Investment Committee of the Board of Trustees approves the Fourth Amendment to the State Universities Retirement System Deferred Compensation Plan, in substantially the form attached hereto, effective as set forth therein, to make the desired changes to the Eligible Automatic Contribution Arrangement.

RESOLVED FURTHER THAT, the Investment Committee of the Board of Trustees adopts a maximum Default Percentage of 10% of Compensation under the Eligible Automatic Contribution Arrangement.

RESOLVED FURTHER THAT, the Investment Committee of the Board of Trustees does hereby authorize and direct the Chairman of the Board of Trustees to execute the Fourth Amendment to the State Universities Retirement System Deferred Compensation Plan, in substantially the form attached hereto, effective as set forth therein, on behalf of and in the name of the Board of Trustees, and to take any additional actions that may be necessary or appropriate to implement the foregoing resolutions and administer the provisions of the Plan.

The undersigned Secretary of the Board of Trustees has signed this Certification on the date set out below.

Secretary of Board of Trustees of the
State Universities Retirement System

Date



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800-275-7877 • 217-378-8800 • (Fax) 217-378-9800
www.surs.org

Investment Department

To: Investment Committee
From: Mr. Brian DeLorica
Date: February 16, 2024
Re: SURS' Defined Contribution Investment Policy Statement Review

Summary & Recommendation

SURS' Defined Contribution Investment Policy (DC IPS) is reviewed annually as part of the Defined Contribution review at the February/March Investment Committee meeting, or more frequently, when appropriate. The DC IPS outlines the purpose of SURS' DC plans, specifies the responsibilities of various plan stakeholders (including the Board, SURS Staff, plan participants, and external partners), and summarizes the criteria used for investment option and provider selection and monitoring.

The policy was last updated in March 2021. Significant changes at that time included changing the names of the plans, updating some sections to align more closely with the Defined Benefit IPS, and expanding the section on investment option and provider monitoring.

Subsequent to the March 2021 update, the format of the IPS was revised in September 2022, to match SURS standard policy template. This involved minor changes to the order of the document, some formatting changes, and the addition of a section at the beginning of the document summarizing historical revisions and updates to the policy document. In March 2023, the policy was reviewed by the Board and no revisions were recommended.

SURS staff and DC Consultant, CAPTRUST, have reviewed the policy again ahead of this meeting and are recommending some changes to the document. Notable updates include clarifying that the responsibilities of various stakeholders relating to investment options in SURS' DC plans also apply to the underlying strategies and service providers such as money managers that comprise the respective investment options (for example, a mutual fund or other vehicle that is part of a white labeled or SURS-branded investment option), editing language in section 1.C. of the policy to mirror the language in the relevant state statute, updating references to the RSP Manager role to reflect the new title of the position as Defined Contribution Plan Manager (including updating the reporting structure for the job), and minor grammar and formatting changes.

These proposed policy changes are highlighted in the red-lined version of the policy which follows this memo. A clean version of the recommended policy update is also included in the Board materials. Current versions of this policy, the Defined Benefit policy, and the SURS Procurement policy are published on the SURS website.

SURS Staff and DC Consultant, CAPTRUST, jointly recommend that the revised Investment Policy document for the defined contribution plans be approved, as presented.



OFFICIAL POLICY

Defined Contribution Investment Policy		
Policy Register Part: VI – Investments		Policy Number: 6.2
Approval Authority: Board of Trustees		Originating Department: Investments Responsible Executive Staff Member: Chief Investment Officer
Version:	Effective Date:	Description of Changes and Link(s) to Earlier Version(s):
1	July 2002	N/A – Original
2	September 21, 2007	Sections were added for Investment Options and Manager Selection, Participant Education and Communication, and Coordination with the Plan Document The following sections were updated or revised: Specifications of Responsibilities, Investment Objectives, and Investment Monitoring.

3	September 12, 2008	<p>Investment Objectives section expanded to include an objective to provide cost-efficient investment options</p> <p>Lifecycle category added to the types of investment options listed in the Investment Options and manager Selection section.</p>
4	April 23, 2009	<p>Replaced the terms “recordkeeper” and “investment manager” with the term “Providers” in several places throughout the document.</p>
5	September 3, 2010	<p>Expanded Specifications of Responsibilities section, defining roles for the Board of Trustees, Investment Committee, Executive Director, Assistant Deputy Director of SMP, Internal Investment Staff, External Investment Consultant, Provider, Participants, and General Counsel’s office.</p>
6	September 16, 2011	<p>Added Statement of Purpose for the Self-Managed Plan.</p> <p>Added selection of default investment option(s) to responsibilities of the Board of Trustees.</p> <p>Added mutual fund proxy voting to responsibility of participants.</p> <p>Edited the Investment Option and Provider Monitoring section to include an annual review of investment options fees.</p>
7	October 25, 2012	<p>Edited Provider responsibilities to specify that the providers will be responsible for providing information to participants regarding SMP investment options offered by their firm.</p>
8	September 13, 2013	<p>Minor changes made to wording-.</p>

9	September 19, 2014	Removed the Balanced investment option category from the list of required investment option categories in the Investment Option Provider Selection section.
10	September 11, 2015	Added a section to the document that includes SURS' Quiet Period Policy language.
11	December 9, 2016	<p>Added responsibilities for Lead Administrator and External Council and revised responsibilities for Internal Investment Staff to the Specification of Responsibilities section.</p> <p>Added language to the Investment Option and Provider Selection, Investment Option and Provider Monitoring, and Investment Option/Provider Termination sections to make them more consistent with guidelines in the Defined Benefit Investment Policy.</p>

12	January 30, 2020	<p>Changed name of the document to Defined Contribution Investment Policy to reflect that it will soon cover two DC plans.</p> <p>Added language across the document to incorporate the new Supplemental Plan.</p> <p>Clarified terminology regarding recordkeeper v. provider.</p> <p>Added language to clarify that Board members who are DC participants will not be excluded from voting on votes on DC plan matters.</p> <p>Added language regarding lifetime income allowing participants to qualify for retiree healthcare, if eligible.</p> <p>Revised Investment Option Selection section to reflect investment categories currently offered in the plan, as well as industry best practices.</p> <p>Removed Quiet Period Policy section (now included in SURS Procurement Policies)</p> <p>Revised language in the Investment Option Monitoring section.</p>
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13	March 11, 2021	<p>Updated names of plans throughout document to reflect the name change to Retirement Savings Plan (formerly Self-Managed Plan), and Deferred Compensation Plan (a new plan, but referred to as Supplemental Plan in the prior investment policy).</p> <p>In Specification of Responsibilities section, revised role of Recordkeeper and added roles for Auditors and Consultants.</p> <p>Revised names of investment option categories to align with internal SURS naming conventions.</p> <p>Expanded Investment Option Monitoring section to include monitoring criteria used to evaluate investment options.</p> <p>Reworded Investment Option Termination section in favor of more flexible language.</p> <p>Removed Participant Education and Communication section due to being redundant (covered in Specification of Responsibilities section).</p>
14	August 31, 2022	Formatted to template.
<u>15</u>	<u>February 29, 2024</u>	<p><u>Clarification added to reflect that due diligence processes apply to underlying investment strategies that comprise SURS branded investment options.</u></p> <p><u>Edits to Benefits Staff section to reflect change in title for the Defined Contribution Plan Manager (formerly RSP Manager).</u></p> <p><u>Modified wording in section 1.C. of the policy to conform to the language in the state statute 40 ILCS 5/1-109.</u></p>

1. Policy Statement

- A. The purpose of the State Universities Retirement System (“SURS”) Retirement Savings Plan (“RSP”) is to provide eligible employees with long-term accumulation of retirement savings in individual participant accounts through employee contributions and employer contributions as well as earnings. The purpose of the Deferred Compensation Plan (“DCP”) is to provide eligible employees with supplemental retirement savings in individual participant accounts through employee contributions, optional employer contributions and earnings.
- B. This Policy establishes the standards for the investment and management of the assets of the RSP and DCP. SURS Board of Trustees will review this Policy periodically and may modify this Policy, in whole or in part, at any time. The Board may provide supplemental guidelines for each investment option included in the planplans.
- C. It is the intention of the Board of Trustees that assets of the RSP and DCP shall be maintained in compliance with all applicable state and federal laws. Practices in this regard include, but are not limited to, the following:
1. 1. Investment alternatives options and their underlying strategies and providers shall be selected with the care, skill, prudence, and diligence under the circumstances then prevailing that would be applied by a prudent professional investor, person acting in a like capacity and knowledgeable familiar with such matters would use in the investment conduct of retirement funds an enterprise of a like character with like aims (Prudent Person Expert Standard);
 2. 2. All transactions undertaken on behalf of the RSP and DCP shall be for the sole interest of participants and beneficiaries (Exclusive Benefit); and,
 3. 3. Participants will be provided the opportunity to obtain sufficient information to make informed decisions with regard to the investment alternatives available under the RSP and DCP.

2. Departments and/or Staff Positions Required to Comply with Policy:

The Executive Director, RSP Defined Contribution Plan Manager and Benefits Staff, the Office of General Counsel and all internal Investment staff are required to read and comply with this policy.

3. Directives

Is Policy Internal Only?	Does Policy Include any Reporting Requirements for Stoplight Report?	Citation to Statutory Mandates, if applicable
	See Policy No. 6.1, Defined Benefit Investment Policy, Section 3, Directives, for this Policy's Stoplight Report Reporting Requirements	Statutory Mandates applicable to DC Plan are identified in the DB Policy with the following statement: <i>“*Also applies to DC Policy”</i>

4. Definitions

N/A

5. The Policy

A. Specification of Responsibilities

1. Board of Trustees

- a. The Board of Trustees is responsible for the selection, retention, monitoring, and termination of the investment options and their underlying strategies and providers, including for the default investment option(s), the recordkeeper of the RSP and the DCP, and the external investment consultant, and for establishing and maintaining this Policy. The Board and/or the Investment Committee takes action after considering recommendations made by Staff or consultants.
- b. Trustees shall carry out their functions solely in the interest of the members and benefit recipients and for the exclusive purpose of providing benefits and defraying reasonable expenses incurred in

performing such duties, as required by law. The Trustees shall act in accordance with the provisions of state statute and with the care, skill, prudence and diligence ~~in light of~~under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character ~~and~~ with like aims, by diversifying the available RSP and DCP investment options of SURS so as to minimize the risk of large participant losses, unless in light of such circumstances it is clearly prudent not to do so.

- c. All members of the Board of Trustees shall be indemnified and held harmless by SURS for any reasonable cost or expense incurred as a result of any actual or threatened litigation or administrative proceeding arising out of the performance of the Board member's duties in accordance with 40 ILCS 5/1-107. No member of the Board of Trustees may participate in deliberations or vote on any matter before the Board which will, or is likely to, result in direct, measurable gain to the Board member, to the Board member's immediate family members, or to that Board member's employer. Notwithstanding the foregoing, if a member of the Board of Trustees or such Board member's immediate family member is a participant in the RSP and/or DCP, the Board member would not be excluded from participating in deliberations or vote on any matter before the Board that would result in direct benefit to the Board member or the Board member's immediate family member solely by virtue of such person's participation in the RSP or DCP, provided that such person would benefit in a fashion equal to any other participant in the Plans.

2. Investment Committee

The Investment Committee (the Committee) shall be comprised of all of the members of the Board, and shall be empowered to act as the Board with respect to the broad range of issues covered by this policy, including, but not limited to, the following:

- a. _____ ~~a.~~ the selection, retention, monitoring, and termination of the _____ investment options;
- b. _____ ~~b.~~ the composition of custom and/or white-label investment options, including the selection, retention, monitoring, and termination of the investment options' underlying strategies and investment management providers;
- c. _____ the selection, retention, monitoring, and termination of the annuity — _____ providers;

~~d.~~ ~~e.~~ the selection, retention, monitoring, and termination of the ~~_____~~ recordkeeper; and,

~~e.~~ ~~d.~~ the establishment and maintenance of this Policy.

3. Executive Director

~~a.~~ ~~a.~~ The Executive Director, in connection with such person's duties ~~_____~~ regarding this investment policy, shall be responsible for the ~~_____~~ following, among other things:

~~(1)~~ ~~(1)~~ execution of agreements, amendments or other contracts ~~_____~~ with Board-approved providers, with a report provided to the ~~_____~~ Committee at the next regularly scheduled meeting;

~~(2)~~ ~~(2)~~ monitoring of the performance of approved investment ~~_____~~ options and their underlying strategies and providers;

~~(3)~~ ~~(3)~~ communicating with the Board, its Officers and Committee ~~_____~~ Chair(s); and,

~~(4)~~ ~~(4)~~ studying, recommending, and implementing policy and ~~_____~~ operational procedures that will enhance the defined ~~_____~~ contribution program.

~~b.~~ ~~b.~~ Employees of SURS shall be indemnified and held harmless by ~~_____~~ SURS for actions within the scope of their employment, pursuant to ~~_____~~ 40 ILCS 5/1-107 and 108. This indemnification extends to former ~~_____~~ employees for actions within the scope of their employment at the ~~_____~~ time of employment.

~~c.~~ ~~c.~~ In fulfilling these investment responsibilities, the Executive Director ~~_____~~ relies heavily on the ~~following~~ internal staff identified in sections four through six below and the consultant.

4. RSP Defined Contribution Plan Manager and Benefits Staff

a. a.—The RSP Defined Contribution Plan Manager and benefits staff report directly to the Chief Benefits Officer (“CBO”) Director of Member Engagement who in turn reports to the Executive Director. The CBO, RSP Director of Member Engagement, Defined Contribution Plan Manager and benefits staff are responsible for administration, education and communication related to the RSP and DCP.

b.

b. Responsibilities delegated to the RSP Defined Contribution Plan Manager and benefits staff _____ may include, but are not limited to, the following topics:

- (1) oversight of the RSP and DCP;
- (2) acting as a liaison between SURS and the recordkeeper;
- (3) acting as a liaison between SURS and the annuity provider;
- (4) completing daily administrative duties;
- (5) recommending revisions to recordkeeper agreements with concurrence from the General Counsel required,
- (6) providing plan education, communication and customer-service related functions, and,
- (7) conducting administrative due diligence.

5. General Counsel’s Office

The role of the General Counsel’s office is to oversee internal and external legal services provided to SURS in connection with this investment policy and to ensure compliance with all applicable legal requirements.

6. Internal Investment Staff

a. The internal Investment Staff reports directly to the Chief Investment Officer (“CIO”) who in turn reports to the Executive Director. The internal Investment Staff provides internal investment management and/or consulting services to the Board and Executive Director. In the course of the CIO’s normal functions, the CIO will work directly with the Board, Investment Committee and its Chair(s). The frequency and content of reports to the Board are based on the requirements of the Defined Contribution Policy Statement as well as the directives from the Board and/or its Investment Committee.

b. The primary functions delegated by the Board to internal Investment Staff include, but are not limited to, the following topics:

- (1) implementing the decisions of the Board regarding hiring and termination of the recordkeeper and investment options, (including underlying strategies and providers),
 - (2) oversight of the RSP and DCP investment programs, including conducting due diligence and providing recommendations in the selection and termination of the recordkeeper and investment options, (including underlying strategies and providers),
 - (3) providing technical advice in the selection and monitoring of the recordkeeper and investment options, (including underlying strategies and providers),
 - (4) recommending revisions to recordkeeper agreements with concurrence from the General Counsel required,
 - (5) reviewing and drafting recommendations to the Defined Contribution Investment Policy regularly,
 - (6) monitoring compliance with Board-approved policies for investment options, (including underlying strategies and providers),
 - (7) monitoring performance and asset allocation reports,
 - (8) responding to inquiries from various parties concerning the RSP and DCP investment options (including underlying strategies and providers) in accordance with SURS communication policies,
 - (9) completing other administrative duties related to the RSP and DCP investment program,
- and

~~_____ (10) _____~~
(10) serving as a liaison to the defined contribution community.

- c. SURS Staff will collaborate, as necessary, with the process of providing recommendations in the selection of investment options (including underlying strategies and providers) and providers for, and monitoring and operations of, the DCP. SURS Staff has the responsibility to implement the Board decisions through negotiation, execution and enforcement of the recordkeeper agreement. All recordkeeper agreements and amendments thereto must be executed by the Executive Director or the Executive Director’s designee.
- d. Staff also works closely with the consultant. Recommendations to the Investment Committee will generally be developed jointly by the Staff and the consultant with advice to the Chair(s).

7. External Investment Consultant(s)

a. ~~_____ a. _____~~ The Board shall generally have under contract an investment ~~_____~~ advisor who is a paid, professional consultant and who is qualified ~~_____~~ to provide the Board with investment advice by academic and ~~_____~~ professional training and experience and is considered an expert in ~~_____~~ the field of investment and finance. The consultant’s ~~_____~~ relationship with the Board shall be that of a fiduciary under ~~_____~~ 40 ILCS 5/1-101.2. The consultant(s) should be free of and/or disclose potential conflicts of interest, including those related to the Board or SURS staff, investment managers, or service providers.

~~_____ b. _____~~
b. The consultant is hired by and reports directly to the Board of ~~_____~~ Trustees. The consultant’s duty is to work with the Board, ~~_____~~ Investment Committee and its Chair(s), and Staff, in the ~~_____~~ management of the RSP and DCP investment process. This ~~_____~~ includes regular meetings with the Board to provide an independent ~~_____~~ perspective on the RSP’s and DCP’s goals, structure, performance, ~~_____~~ recordkeeper, and annuity provider. In the course of the ~~_____~~ consultant’s normal functions, the consultant will work directly with ~~_____~~

the Staff to review performance and make recommendations to the Board as appropriate. The consultant will assist Staff and the Committee with recordkeeper, annuity provider, and investment option selection, selection of the investment options' underlying strategies and providers, and discuss the impact of material changes taking place within any current provider's organization. The consultant may also provide fiduciary education to inform the Board and Staff regarding significant trends in the defined contribution industry.

8. Recordkeeper

A recordkeeper will be selected to offer investment options recommended by SURS Staff and External Investment Consultant and approved by the Board of Trustees to fulfill the investment objectives of the RSP and DCP. The recordkeeper's responsibilities, as outlined in the contract for services, may include, but are not limited to, the following topics:

- a. ability to record keep a broad platform of possible investment options;
- b. maintaining and updating individual account balances as well as information regarding plan contributions, withdrawals and distributions;
- c. safekeeping of securities;
- d. settlement of trade;
- e. collection of income;
- f. reporting of investment results on a regular basis;
- g. administrative reporting; and,
- h. providing information to participants regarding RSP and DCP investment options.

9. External Counsel

External counsel may be retained to provide legal services in connection with the review and negotiation of agreements where specialized experience is required or where General Counsel resources are unavailable.

10. Auditors and Consultants

SURS may retain providers who conduct fiduciary or conflict-of-interest auditing and/or monitoring services where specialized experience is required to audit and/or monitor fiduciary duties, data confidentiality, cross-selling, prohibited transactions, and other activities where conflict-of-interest issues may arise regarding any provider that services the RSP and/or the DCP.

11. Participants

Participants are responsible for the allocation of their assets among the investment options of the RSP and DCP. Participants and beneficiaries alone bear the risks and reap the rewards of investment results from the options and asset allocations that they select.

B. Investment Objectives

The objective of the Board of Trustees is to offer a sufficient range of investment options to allow participants to diversify their assets in the RSP and DCP and construct portfolios that reasonably span the risk/return spectrum. The overriding consideration with respect to all decisions is that they shall be made solely in the best interest of participants and beneficiaries. The RSP and DCP investment options will be selected to:

1. Maximize return within reasonable and prudent levels of risk;
2. Provide returns comparable to those of similar investment options;
3. Provide exposure to a diversified range of investment opportunities in various asset classes;
4. Provide cost-efficient investment options as measured by the expense ratio; and,
5. Provide lifetime income option(s) that would allow participants to qualify for retiree healthcare, if eligible.

C. Investment Option and Provider Selection

1. The RSP and DCP investment options should allow participants to construct portfolios consistent with their unique individual circumstances, goals, time horizons and tolerance for risk. In that regard, the RSP and DCP programs may offer investment options including, but not limited to, each of the following categories:
 - a. Lifetime Income;
 - b. Target Date Funds/Asset Allocation Funds;
 - c. Stability of Principal; (Capital Preservation);
 - d. Core and Diversifying Fixed Income;
 - e. U.S. Equity;
 - f. Non-U.S. Equity;
 - g. Global Equity;
 - h. Real Estate; and,
 - i. Environmental, Social, Governance (“ESG” Funds)

_____ Within these categories, the types of options may include active or passive _____ investment options, low- to high-risk options and specialized styles of _____ investment management. The Committee may utilize mutual funds, _____ collective investment funds, separate accounts, and/or various investment vehicles as the providers for the _____ underlying strategies comprising the investment options. The Committee may also consider the use of custom _____ investment options and/or white-label funds. Investment options may vary _____ over time based on participant needs and options offered in the _____ marketplace. The number of investment options available should be _____ managed to provide sufficient choice without overwhelming members with _____ too many options. SURS prohibits any form of payment from any _____ provider or provider of investment products in consideration of its inclusion _____ in the RSP or DCP.

2. Selection of Investment Option(s) Options and Providers

_____ In selecting investment options and underlying providers for the Plan(s), the Committee shall take _____ into account some or all of the following criteria, as the Committee deems _____ appropriate:

- ~~a.~~ ~~a.~~ Performance should be reasonable when compared to the median ~~_____~~ return for an appropriate, style-specific benchmark and/or peer ~~_____~~ group over a specified time period;
- ~~b.~~
- ~~b.~~ Risk measures, including risk-adjusted return, should be ~~_____~~ reasonable when compared to the risk measures for an ~~_____~~ appropriate, style-specific benchmark and/or peer group over a ~~_____~~ specified time period;
- ~~c.~~ ~~The~~
- ~~c.~~ An underlying investment option provider's strategy should demonstrate adherence to the stated ~~_____~~ investment objective of the investment option for which it is selected; and
- ~~d.~~
- ~~d.~~ Fees should be competitive compared to similar investments - with the goal of utilizing the lowest fee share class available, where possible.

3. Selection of Target Date Funds

Understanding that target date suites vary widely, the following steps may be used as general guidelines in the selection process:

- a. Consider what the primary objective is in relation to risk management - whether 1) minimizing equity market risk just before retirement is desired because of market volatility; 2) minimizing interest rate risk just before retirement associated with securing lifetime income; or 3) maximizing return, is more important due to longevity risk.
- b. Consider participant demographics in order to help define overall risk tolerance. Factors that may be considered are average age of population, average age at which population retires, overall investment knowledge, current plan usage of target date, hybrid funds, or asset allocation suites, and participant behavior at retirement,
- c. Review asset class diversification,
- d. Review fees and expenses in comparison to averages and as related to overall plan cost, and
- e. Compare performance relative to other target date funds with similar objectives.

4. Selection of Fixed Interest/Stable Value Options

In selecting any fixed interest/stable value option, the Committee may take into account some or all of the following criteria, as the Committee deems appropriate in its sole discretion (should the Committee choose to offer such an option):

- a. Financial strength ratings of the guarantor provided by the major ratings agencies;
- b. Interest rate history and minimum guaranteed contract rate;
- c. Contract liquidity provisions;
- d. Current and historical market to book value ratio (stable value funds only); and,
- e. Comparison between fixed interest accounts (i.e., those backed by general assets) and stable value accounts (i.e., those backed by separate account).

5. Selection of the Default Investment Options and Providers

The Committee is authorized to designate the RSP and DCP default investment options (i.e., the options into which contributions will be directed on behalf of participants who fail to make affirmative investment elections). In so doing, the Committee will apply the general selection and monitoring principles described in this investment policy.

D. Investment Option and Provider Monitoring

1. _____ 1. The performance of the investment options and their underlying strategies and providers will be reviewed, net of all fees, and compared to _____ reasonable benchmarks on a regular basis. While frequent change is _____ neither expected nor desirable, the process of monitoring investment _____ performance _____ relative to specified guidelines is necessary and ongoing.

2. _____ 2. A review of the underlying provider(s) for each investment option shall be conducted regularly. A review _____ of any available fee reductions will also be conducted periodically. If the _____ Staff or consultant have significant concerns about a provider, the Staff or _____ consultant will communicate to the Investment Committee and a course of _____ action may be determined and initiated. Unusual, notable, or extraordinary _____ events should be communicated by the provider immediately to the Staff, _____

_____consultant, and representatives of the Board of Trustees. Examples of _____such events may include portfolio manager or team departure, violation of _____investment guidelines, material litigation against the firm, or material _____changes in firm ownership structure, or announcements thereof.

3.

3. If overall satisfaction with the investment option and provider is acceptable, no action is _____required. If areas of dissatisfaction exist, the investment provider and the _____Board _____of Trustees may take steps to remedy the deficiency depending on _____the resulting area of underperformance. If over a reasonable period, the _____investment provider is unable to resolve the issue, termination may result.

4.

4. Monitoring of the Investment ~~Option(s)~~Options and Providers.

The Committee shall monitor the investment options and their underlying strategies and providers as circumstances _____warrant. As part of its monitoring process, the Committee may consider _____the following:

Criteria	Measure	Goal(s)
Performance <u>(net-of-fees)</u>	<ul style="list-style-type: none"> 3-year record 5-year record 	<ul style="list-style-type: none"> reasonable vs. peer group and/or benchmark
Risk	<ul style="list-style-type: none"> 3- or 5-year standard deviation 	<ul style="list-style-type: none"> reasonable vs. peer group and/or benchmark
Risk-adjusted performance	<ul style="list-style-type: none"> 3- or 5-year Sharpe ratio 	<ul style="list-style-type: none"> reasonable vs. peer group and/or benchmark
Expense ratios	<ul style="list-style-type: none"> Total expenses 	<ul style="list-style-type: none"> Consistent with peer group median
Investment objective/style	<ul style="list-style-type: none"> Style purity 	<ul style="list-style-type: none"> <u>OptionReturns</u> should maintain reasonable correlation to appropriate benchmark as evidenced by R-squared <u>and/or holdings based style analysis.</u>

5. _____5. The Committee may, from time to time as warranted, modify these criteria _____and goals, or may consider other criteria and goals, all within the _____Committee’s sole discretion as it deems appropriate.

6.

6. Monitoring of Target Date Funds

The monitoring process may include, but is not limited to, the following _____
_____ steps:

- _____ **a.** _____
_____ Review any significant changes (investment strategy, underlying _____
_____ assumptions or management changes) in the
target date offering,
- _____ **b.** _____
_____ Review the glide path to ensure the strategy chosen remains _____
_____ appropriate for participants and the manager is
adhering to the _____ investment process and
performance objective,
- _____ **c.** _____
_____ Review performance relative to custom benchmark, category _____
_____ averages, and other benchmarks,
- _____ **d.** _____
_____ Review the underlying holdings of the target date offering, and
- _____ **e.** _____
_____ Review qualitative factors (key personnel making asset allocation _____
_____ and investment decisions, manager's available
resources and _____ parent organization).

_____ **7.** _____ _____ **7.** _____ _____ **Monitoring of Fixed Interest/Stable Value Option**

The Committee shall monitor any fixed interest/stable value option as _____
_____ frequently as circumstances warrant. As part of its monitoring process, _____
_____ the Committee may take into account some or all of the following
criteria, _____ as the Committee deems appropriate in its sole
discretion:

- _____ **a.** _____
_____ **a.** _____
_____ Financial strength ratings of the guarantor provided by the major _____
_____ ratings agencies;
- _____ **b.** _____
_____ **b.** _____
_____ Current interest rates;
- _____ **c.** _____
_____ **c.** _____
_____ Interest rate history and minimum guaranteed contract rate;
- _____ **d.** _____
_____ **d.** _____
_____ Contract liquidity provisions; and,
- _____ **e.** _____
_____ **e.** _____
_____ Current market to book value ratio (stable value funds only).

_____ **8.** _____

8. Monitoring of the Default Investment Options and Providers

The Committee will apply the general monitoring principles described in _____ this investment policy.

E. Investment Option Provider Termination

1. _____ 1. _____ An investment ~~option~~/provider should be considered for termination when _____ the Staff and Board of Trustees has lost confidence in the investment _____ ~~option's~~/provider's ability to:
 - a. _____ a. _____ Achieve performance and risk objectives as outlined in the fund's _____ prospectus;
 - b. _____ b. _____
 - c. _____ c. _____ Comply with investment guidelines;
 - d. _____ d. _____ Comply with reporting requirements; or,
 - d. _____ d. _____ Maintain a stable organization and retain key relevant investment _____ professionals.
2. _____ 2. _____ If the investment ~~option~~/provider has consistently failed to adhere to one _____ or more of the above conditions, it is reasonable to presume a lack of _____ adherence going forward. Failure to remedy the circumstances of _____ unsatisfactory performance by the investment ~~option~~/provider, within a _____ reasonable time, shall be grounds for termination.
3. _____ 3. _____ Before deciding to remove or substitute an investment ~~option~~provider, however, _____ and in light of its fiduciary responsibilities, the Committee may consider _____ the following:
 - a. _____ a. _____ The investment option's long-term investment performance on a _____ rolling basis;
 - b. _____ b. _____ Recent changes, such as investment option restructurings or _____ management changes designed to correct deficiencies;
 - c. _____ c. _____ The appropriateness or relevance of an investment ~~option's~~option provider's stated _____ peer group, since funds may be misclassified or poorly classified;

- ~~d.~~
- ~~d.~~ The investment ~~option's~~~~option provider's~~ adherence to a stated investment style, ~~whether or not that investment style has been in or out of favor;~~
- ~~e.~~
- ~~e.~~ Unusual market circumstances or volatility;
- ~~f.~~
- ~~f.~~ Prospectus investment constraints, such as socially responsible ~~mandates;~~ and
- ~~g.~~
- ~~g.~~ The degree to which the ~~investment option~~~~provider~~ has reduced or ~~controlled risk, which might constrain the investment option's~~~~strategy's~~ ability ~~to outperform other options~~~~investments.~~
- ~~4.~~

~~4.~~ It is the Board's intention to assure all interested parties that decisions ~~made in carrying out these actions occur in an environment of full disclosure characterized by objective evaluation practices and proper documentation. The overriding consideration with respect to all decisions is that they shall be made solely in the best interest of RSP and DCP participants and beneficiaries and consistent with other legal requirements.~~

~~5.~~

~~5.~~ Prior to the termination decision, the primary and other relevant ~~considerations shall be identified and described. An evaluation covering the quantitative and qualitative issues to be considered may be developed for each case and the relative importance of each evaluation area may be determined. Documentation regarding any such action may include, but is not limited to, the following items:~~

- ~~a.~~
- ~~a.~~ A full description of the reason for the action, including the specific ~~elements, serving as the basis for the evaluation and identification of the relevant issues from the perspective of SURS;~~
- ~~b.~~
- ~~b.~~ The assumptions made in the evaluation, if any; and,
- ~~c.~~
- ~~c.~~ The results considered and/or qualitative issues upon which the ~~action was based.~~
- ~~6.~~

6. An investment ~~option/~~provider to be terminated shall be removed using _____ one of the following approaches:
- ~~a.~~
- a. Remove and replace (map assets) with an alternative investment _____ ~~option/~~provider.
- ~~b.~~
- b. Freeze the assets managed by the terminated investment _____ ~~option/~~provider and direct new assets to a replacement or current _____ investment ~~option/~~provider. _____
- ~~c.~~
- c. Remove the investment ~~option/~~provider and do not provide a _____ replacement ~~investment option/provider~~.
- ~~7.~~
7. Any change to the investment ~~options or~~ provider lineup will be _____ communicated to RSP and DCP participants as soon as practical upon _____ approval by the Board of Trustees.

F. Coordination with the Plan Document

Notwithstanding the foregoing, if any term or condition of this investment policy conflicts with any term or condition in the plan document, the terms and conditions of the plan document shall control.

6. Exhibits

Attached hereto and incorporated herein are the following Exhibits:

N/A

7. Approval

Name	
Title	
Signature	
Date	

THIS POLICY WAS APPROVED BY THE SURS BOARD OF TRUSTEES

on ~~MARCH 11, 2022.~~

FEBRUARY 29, 2024.



OFFICIAL POLICY

Defined Contribution Investment Policy		
Policy Register Part: VI – Investments		Policy Number: 6.2
Approval Authority: Board of Trustees		Originating Department: Investments Responsible Executive Staff Member: Chief Investment Officer
Version:	Effective Date:	Description of Changes and Link(s) to Earlier Version(s):
1	July 2002	N/A – Original
2	September 21, 2007	Sections were added for Investment Options and Manager Selection, Participant Education and Communication, and Coordination with the Plan Document The following sections were updated or revised: Specifications of Responsibilities, Investment Objectives, and Investment Monitoring.

3	September 12, 2008	<p>Investment Objectives section expanded to include an objective to provide cost-efficient investment options</p> <p>Lifecycle category added to the types of investment options listed in the Investment Options and manager Selection section.</p>
4	April 23, 2009	<p>Replaced the terms “recordkeeper” and “investment manager” with the term “Providers” in several places throughout the document.</p>
5	September 3, 2010	<p>Expanded Specifications of Responsibilities section, defining roles for the Board of Trustees, Investment Committee, Executive Director, Assistant Deputy Director of SMP, Internal Investment Staff, External Investment Consultant, Provider, Participants, and General Counsel’s office.</p>
6	September 16, 2011	<p>Added Statement of Purpose for the Self-Managed Plan.</p> <p>Added selection of default investment option(s) to responsibilities of the Board of Trustees.</p> <p>Added mutual fund proxy voting to responsibility of participants.</p> <p>Edited the Investment Option and Provider Monitoring section to include an annual review of investment options fees.</p>
7	October 25, 2012	<p>Edited Provider responsibilities to specify that the providers will be responsible for providing information to participants regarding SMP investment options offered by their firm.</p>
8	September 13, 2013	<p>Minor changes made to wording.</p>

9	September 19, 2014	Removed the Balanced investment option category from the list of required investment option categories in the Investment Option Provider Selection section.
10	September 11, 2015	Added a section to the document that includes SURS' Quiet Period Policy language.
11	December 9, 2016	<p>Added responsibilities for Lead Administrator and External Council and revised responsibilities for Internal Investment Staff to the Specification of Responsibilities section.</p> <p>Added language to the Investment Option and Provider Selection, Investment Option and Provider Monitoring, and Investment Option/Provider Termination sections to make them more consistent with guidelines in the Defined Benefit Investment Policy.</p>

12	January 30, 2020	<p>Changed name of the document to Defined Contribution Investment Policy to reflect that it will soon cover two DC plans.</p> <p>Added language across the document to incorporate the new Supplemental Plan.</p> <p>Clarified terminology regarding recordkeeper v. provider.</p> <p>Added language to clarify that Board members who are DC participants will not be excluded from voting on votes on DC plan matters.</p> <p>Added language regarding lifetime income allowing participants to qualify for retiree healthcare, if eligible.</p> <p>Revised Investment Option Selection section to reflect investment categories currently offered in the plan, as well as industry best practices.</p> <p>Removed Quiet Period Policy section (now included in SURS Procurement Policies)</p> <p>Revised language in the Investment Option Monitoring section.</p>
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13	March 11, 2021	<p>Updated names of plans throughout document to reflect the name change to Retirement Savings Plan (formerly Self-Managed Plan), and Deferred Compensation Plan (a new plan, but referred to as Supplemental Plan in the prior investment policy).</p> <p>In Specification of Responsibilities section, revised role of Recordkeeper and added roles for Auditors and Consultants.</p> <p>Revised names of investment option categories to align with internal SURS naming conventions.</p> <p>Expanded Investment Option Monitoring section to include monitoring criteria used to evaluate investment options.</p> <p>Reworded Investment Option Termination section in favor of more flexible language.</p> <p>Removed Participant Education and Communication section due to being redundant (covered in Specification of Responsibilities section).</p>
14	August 31, 2022	Formatted to template.
15	February 29, 2024	<p>Clarification added to reflect that due diligence processes apply to underlying investment strategies that comprise SURS branded investment options.</p> <p>Edits to Benefits Staff section to reflect change in title for the Defined Contribution Plan Manager (formerly RSP Manager).</p> <p>Modified wording in section 1.C. of the policy to conform to the language in the state statute 40 ILCS 5/1-109.</p>

1. Policy Statement

- A.** The purpose of the State Universities Retirement System (“SURS”) Retirement Savings Plan (“RSP”) is to provide eligible employees with long-term accumulation of retirement savings in individual participant accounts through employee contributions and employer contributions as well as earnings. The purpose of the Deferred Compensation Plan (“DCP”) is to provide eligible employees with supplemental retirement savings in individual participant accounts through employee contributions, optional employer contributions and earnings.
- B.** This Policy establishes the standards for the investment and management of the assets of the RSP and DCP. SURS Board of Trustees will review this Policy periodically and may modify this Policy, in whole or in part, at any time. The Board may provide supplemental guidelines for each investment option included in the plans.
- C.** It is the intention of the Board of Trustees that assets of the RSP and DCP shall be maintained in compliance with all applicable state and federal laws. Practices in this regard include, but are not limited to, the following:
1. Investment options and their underlying strategies and providers shall be selected with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims (Prudent Expert Standard);
 2. All transactions undertaken on behalf of the RSP and DCP shall be for the sole interest of participants and beneficiaries (Exclusive Benefit); and,
 3. Participants will be provided the opportunity to obtain sufficient information to make informed decisions with regard to the investment alternatives available under the RSP and DCP.

2. Departments and/or Staff Positions Required to Comply with Policy:

The Executive Director, Defined Contribution Plan Manager and Benefits Staff, the Office of General Counsel and all internal Investment staff are required to read and comply with this policy.

3. Directives

Is Policy Internal Only?	Does Policy Include any Reporting Requirements for Stoplight Report?	Citation to Statutory Mandates, if applicable
	See Policy No. 6.1, Defined Benefit Investment Policy, Section 3, Directives, for this Policy's Stoplight Report Reporting Requirements	Statutory Mandates applicable to DC Plan are identified in the DB Policy with the following statement: <i>"*Also applies to DC Policy"</i>

4. Definitions

N/A

5. The Policy

A. Specification of Responsibilities

1. Board of Trustees

- a. The Board of Trustees is responsible for the selection, retention, monitoring, and termination of the investment options and their underlying strategies and providers, including for the default investment option(s), the recordkeeper of the RSP and the DCP, and the external investment consultant, and for establishing and maintaining this Policy. The Board and/or the Investment Committee takes action after considering recommendations made by Staff or consultants.
- b. Trustees shall carry out their functions solely in the interest of the members and benefit recipients and for the exclusive purpose of providing benefits and defraying reasonable expenses incurred in performing such duties, as required by law. The Trustees shall act in accordance with the provisions of state statute and with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims, by diversifying the available RSP

and DCP investment options of SURS so as to minimize the risk of large participant losses, unless in light of such circumstances it is clearly prudent not to do so.

- c. All members of the Board of Trustees shall be indemnified and held harmless by SURS for any reasonable cost or expense incurred as a result of any actual or threatened litigation or administrative proceeding arising out of the performance of the Board member's duties in accordance with 40 ILCS 5/1-107. No member of the Board of Trustees may participate in deliberations or vote on any matter before the Board which will, or is likely to, result in direct, measurable gain to the Board member, to the Board member's immediate family members, or to that Board member's employer. Notwithstanding the foregoing, if a member of the Board of Trustees or such Board member's immediate family member is a participant in the RSP and/or DCP, the Board member would not be excluded from participating in deliberations or vote on any matter before the Board that would result in direct benefit to the Board member or the Board member's immediate family member solely by virtue of such person's participation in the RSP or DCP, provided that such person would benefit in a fashion equal to any other participant in the Plans.

2. Investment Committee

The Investment Committee (the Committee) shall be comprised of all of the members of the Board, and shall be empowered to act as the Board with respect to the broad range of issues covered by this policy, including, but not limited to, the following:

- a. the selection, retention, monitoring, and termination of the investment options;
- b. the composition of custom and/or white-label investment options, including the selection, retention, monitoring, and termination of the investment options' underlying strategies and investment management providers;
- c. the selection, retention, monitoring, and termination of the annuity providers;
- d. the selection, retention, monitoring, and termination of the recordkeeper; and,
- e. the establishment and maintenance of this Policy.

3. Executive Director

- a. The Executive Director, in connection with such person's duties regarding this investment policy, shall be responsible for the following, among other things:
 - (1) execution of agreements, amendments or other contracts with Board-approved providers, with a report provided to the Committee at the next regularly scheduled meeting;
 - (2) monitoring of the performance of approved investment options and their underlying strategies and providers;
 - (3) communicating with the Board, its Officers and Committee Chair(s); and,
 - (4) studying, recommending, and implementing policy and operational procedures that will enhance the defined contribution program.
- b. Employees of SURS shall be indemnified and held harmless by SURS for actions within the scope of their employment, pursuant to 40 ILCS 5/1-107 and 108. This indemnification extends to former employees for actions within the scope of their employment at the time of employment.
- c. In fulfilling these investment responsibilities, the Executive Director relies heavily on the internal staff identified in sections four through six below and the consultant.

4. Defined Contribution Plan Manager and Benefits Staff

- a. The Defined Contribution Plan Manager and benefits staff report directly to the Director of Member Engagement who in turn reports to the Executive Director. The Director of Member Engagement, Defined Contribution Plan Manager and benefits staff are responsible for administration, education and communication related to the RSP and DCP.
- b. Responsibilities delegated to the Defined Contribution Plan Manager and benefits staff may include, but are not limited to, the following topics:

- (1) oversight of the RSP and DCP;
- (2) acting as a liaison between SURS and the recordkeeper;
- (3) acting as a liaison between SURS and the annuity provider;
- (4) completing daily administrative duties;
- (5) recommending revisions to recordkeeper agreements with concurrence from the General Counsel required,
- (6) providing plan education, communication and customer-service related functions, and,
- (7) conducting administrative due diligence.

5. General Counsel's Office

The role of the General Counsel's office is to oversee internal and external legal services provided to SURS in connection with this investment policy and to ensure compliance with all applicable legal requirements.

6. Internal Investment Staff

- a. The internal Investment Staff reports directly to the Chief Investment Officer ("CIO") who in turn reports to the Executive Director. The internal Investment Staff provides internal investment management and/or consulting services to the Board and Executive Director. In the course of the CIO's normal functions, the CIO will work directly with the Board, Investment Committee and its Chair(s). The frequency and content of reports to the Board are based on the requirements of the Defined Contribution Policy Statement as well as the directives from the Board and/or its Investment Committee.
- b. The primary functions delegated by the Board to internal Investment Staff include, but are not limited to, the following topics:
 - (1) implementing the decisions of the Board regarding hiring and termination of the recordkeeper and investment options (including underlying strategies and providers),
 - (2) oversight of the RSP and DCP investment programs, including conducting due diligence and providing recommendations in the selection and termination of the

- recordkeeper and investment options (including underlying strategies and providers),
- (3) providing technical advice in the selection and monitoring of the recordkeeper and investment options (including underlying strategies and providers),
 - (4) recommending revisions to recordkeeper agreements with concurrence from the General Counsel required,
 - (5) reviewing and drafting recommendations to the Defined Contribution Investment Policy regularly,
 - (6) monitoring compliance with Board-approved policies for investment options (including underlying strategies and providers),
 - (7) monitoring performance and asset allocation reports,
 - (8) responding to inquiries from various parties concerning the RSP and DCP investment options (including underlying strategies and providers) in accordance with SURS communication policies,
 - (9) completing other administrative duties related to the RSP and DCP investment program, and
 - (10) serving as a liaison to the defined contribution community.
- c. SURS Staff will collaborate, as necessary, with the process of providing recommendations in the selection of investment options (including underlying strategies and providers) and providers for, and monitoring and operations of, the DCP. SURS Staff has the responsibility to implement the Board decisions through negotiation, execution and enforcement of the recordkeeper agreement. All recordkeeper agreements and amendments thereto must be executed by the Executive Director or the Executive Director's designee.
- d. Staff also works closely with the consultant. Recommendations to the Investment Committee will generally be developed jointly by the Staff and the consultant with advice to the Chair(s).

7. External Investment Consultant(s)

- a. The Board shall generally have under contract an investment advisor who is a paid, professional consultant and who is qualified to provide the Board with investment advice by academic and professional training and experience and is considered an expert in the field of investment and finance. The consultant's relationship with the Board shall be that of a fiduciary under 40 ILCS 5/1-101.2. The consultant(s) should be free of and/or disclose potential conflicts of interest, including those related to the Board or SURS staff, investment managers, or service providers.
- b. The consultant is hired by and reports directly to the Board of Trustees. The consultant's duty is to work with the Board, Investment Committee and its Chair(s), and Staff, in the management of the RSP and DCP investment process. This includes regular meetings with the Board to provide an independent perspective on the RSP's and DCP's goals, structure, performance, recordkeeper, and annuity provider. In the course of the consultant's normal functions, the consultant will work directly with the Staff to review performance and make recommendations to the Board as appropriate. The consultant will assist Staff and the Committee with recordkeeper, annuity provider, investment option selection, selection of the investment options' underlying strategies and providers, and discuss the impact of material changes taking place within any current provider's organization. The consultant may also provide fiduciary education to inform the Board and Staff regarding significant trends in the defined contribution industry.

8. Recordkeeper

A recordkeeper will be selected to offer investment options recommended by SURS Staff and External Investment Consultant and approved by the Board of Trustees to fulfill the investment objectives of the RSP and DCP. The recordkeeper's responsibilities, as outlined in the contract for services, may include, but are not limited to, the following topics:

- a. ability to record keep a broad platform of possible investment options;

- b. maintaining and updating individual account balances as well as information regarding plan contributions, withdrawals and distributions;
- c. safekeeping of securities;
- d. settlement of trade;
- e. collection of income;
- f. reporting of investment results on a regular basis;
- g. administrative reporting; and,
- h. providing information to participants regarding RSP and DCP investment options.

9. External Counsel

External counsel may be retained to provide legal services in connection with the review and negotiation of agreements where specialized experience is required or where General Counsel resources are unavailable.

10. Auditors and Consultants

SURS may retain providers who conduct fiduciary or conflict-of-interest auditing and/or monitoring services where specialized experience is required to audit and/or monitor fiduciary duties, data confidentiality, cross-selling, prohibited transactions, and other activities where conflict-of-interest issues may arise regarding any provider that services the RSP and/or the DCP.

11. Participants

Participants are responsible for the allocation of their assets among the investment options of the RSP and DCP. Participants and beneficiaries alone bear the risks and reap the rewards of investment results from the options and asset allocations that they select.

B. Investment Objectives

The objective of the Board of Trustees is to offer a sufficient range of investment options to allow participants to diversify their assets in the RSP and DCP and construct portfolios that reasonably span the risk/return spectrum. The overriding consideration with respect to all decisions is that they shall be made solely in the best interest of participants and beneficiaries. The RSP and DCP investment options will be selected to:

1. Maximize return within reasonable and prudent levels of risk;
2. Provide returns comparable to those of similar investment options;
3. Provide exposure to a diversified range of investment opportunities in various asset classes;
4. Provide cost-efficient investment options as measured by the expense ratio; and,
5. Provide lifetime income option(s) that would allow participants to qualify for retiree healthcare, if eligible.

C. Investment Option and Provider Selection

1. The RSP and DCP investment options should allow participants to construct portfolios consistent with their unique individual circumstances, goals, time horizons and tolerance for risk. In that regard, the RSP and DCP programs may offer investment options including, but not limited to, each of the following categories:
 - a. Lifetime Income;
 - b. Target Date Funds/Asset Allocation Funds;
 - c. Stability of Principal (Capital Preservation);
 - d. Core and Diversifying Fixed Income;
 - e. U.S. Equity;
 - f. Non-U.S. Equity;
 - g. Global Equity;
 - h. Real Estate; and,
 - i. Environmental, Social, Governance (“ESG” Funds)

Within these categories, the types of options may include active or passive investment options, low- to high-risk options and specialized styles of

investment management. The Committee may utilize mutual funds, collective investment funds, separate accounts, and/or various investment vehicles as the providers for the underlying strategies comprising the investment options. The Committee may also consider the use of custom investment options and/or white-label funds. Investment options may vary over time based on participant needs and options offered in the marketplace. The number of investment options available should be managed to provide sufficient choice without overwhelming members with too many options. SURS prohibits any form of payment from any provider or provider of investment products in consideration of its inclusion in the RSP or DCP.

2. Selection of Investment Options and Providers

In selecting investment options and underlying providers for the Plan(s), the Committee shall take into account some or all of the following criteria, as the Committee deems appropriate:

- a. Performance should be reasonable when compared to the median return for an appropriate, style-specific benchmark and/or peer group over a specified time period;
- b. Risk measures, including risk-adjusted return, should be reasonable when compared to the risk measures for an appropriate, style-specific benchmark and/or peer group over a specified time period;
- c. An underlying investment provider's strategy should demonstrate adherence to the stated investment objective of the investment option for which it is selected; and
- d. Fees should be competitive compared to similar investments with the goal of utilizing the lowest fee share class available, where possible.

3. Selection of Target Date Funds

Understanding that target date suites vary widely, the following steps may be used as general guidelines in the selection process:

- a. Consider what the primary objective is in relation to risk management - whether 1) minimizing equity market risk just before retirement is desired because of market volatility; 2) minimizing interest rate risk just before retirement associated with securing

lifetime income; or 3) maximizing return, is more important due to longevity risk.

- b. Consider participant demographics in order to help define overall risk tolerance. Factors that may be considered are average age of population, average age at which population retires, overall investment knowledge, current plan usage of target date, hybrid funds, or asset allocation suites, and participant behavior at retirement,
- c. Review asset class diversification,
- d. Review fees and expenses in comparison to averages and as related to overall plan cost, and
- e. Compare performance relative to other target date funds with similar objectives.

4. Selection of Fixed Interest/Stable Value Options

In selecting any fixed interest/stable value option, the Committee may take into account some or all of the following criteria, as the Committee deems appropriate in its sole discretion (should the Committee choose to offer such an option):

- a. Financial strength ratings of the guarantor provided by the major ratings agencies;
- b. Interest rate history and minimum guaranteed contract rate;
- c. Contract liquidity provisions;
- d. Current and historical market to book value ratio (stable value funds only); and,
- e. Comparison between fixed interest accounts (i.e., those backed by general assets) and stable value accounts (i.e., those backed by separate account).

5. Selection of the Default Investment Options and Providers

The Committee is authorized to designate the RSP and DCP default investment options (i.e., the options into which contributions will be directed on behalf of participants who fail to make affirmative investment elections). In so doing, the Committee will apply the general selection and monitoring principles described in this investment policy.

D. Investment Option and Provider Monitoring

1. The performance of the investment options and their underlying strategies and providers will be reviewed, net of all fees, and compared to reasonable benchmarks on a regular basis. While frequent change is neither expected nor desirable, the process of monitoring investment performance relative to specified guidelines is necessary and ongoing.
2. A review of the underlying provider(s) for each investment option shall be conducted regularly. A review of any available fee reductions will also be conducted periodically. If the Staff or consultant have significant concerns about a provider, the Staff or consultant will communicate to the Investment Committee and a course of action may be determined and initiated. Unusual, notable, or extraordinary events should be communicated by the provider immediately to the Staff, consultant, and representatives of the Board of Trustees. Examples of such events may include portfolio manager or team departure, violation of investment guidelines, material litigation against the firm, or material changes in firm ownership structure, or announcements thereof.
3. If overall satisfaction with the investment option and provider is acceptable, no action is required. If areas of dissatisfaction exist, the investment provider and the Board of Trustees may take steps to remedy the deficiency depending on the resulting area of underperformance. If over a reasonable period, the investment provider is unable to resolve the issue, termination may result.
4. Monitoring of the Investment Options and Providers.

The Committee shall monitor the investment options and their underlying strategies and providers as circumstances warrant. As part of its monitoring process, the Committee may consider the following:

Criteria	Measure	Goal(s)
Performance (net-of-fees)	3-year record 5-year record	reasonable vs. peer group and/or benchmark
Risk	3- or 5-year standard deviation	reasonable vs. peer group and/or benchmark
Risk-adjusted performance	3- or 5-year Sharpe ratio	reasonable vs. peer group and/or benchmark
Expense ratios	Total expenses	Consistent with peer group median
Investment objective/style	Style purity	Returns should maintain reasonable correlation to appropriate benchmark as evidenced by R-squared and/or holdings based style analysis.

5. The Committee may, from time to time as warranted, modify these criteria and goals, or may consider other criteria and goals, all within the Committee's sole discretion as it deems appropriate.

6. Monitoring of Target Date Funds

The monitoring process may include, but is not limited to, the following steps:

- a. Review any significant changes (investment strategy, underlying assumptions or management changes) in the target date offering,
- b. Review the glide path to ensure the strategy chosen remains appropriate for participants and the manager is adhering to the investment process and performance objective,
- c. Review performance relative to custom benchmark, category averages, and other benchmarks,
- d. Review the underlying holdings of the target date offering, and
- e. Review qualitative factors (key personnel making asset allocation and investment decisions, manager's available resources and parent organization).

7. Monitoring of Fixed Interest/Stable Value Option

The Committee shall monitor any fixed interest/stable value option as frequently as circumstances warrant. As part of its monitoring process, the Committee may take into account some or all of the following criteria, as the Committee deems appropriate in its sole discretion:

- a. Financial strength ratings of the guarantor provided by the major ratings agencies;
- b. Current interest rates;
- c. Interest rate history and minimum guaranteed contract rate;
- d. Contract liquidity provisions; and,
- e. Current market to book value ratio (stable value funds only).

8. Monitoring of the Default Investment Options and Providers

The Committee will apply the general monitoring principles described in this investment policy.

E. Investment Option Provider Termination

1. An investment provider should be considered for termination when the Staff and Board of Trustees has lost confidence in the investment provider's ability to:
 - a. Achieve performance and risk objectives as outlined in the fund's prospectus;
 - b. Comply with investment guidelines;
 - c. Comply with reporting requirements; or,
 - d. Maintain a stable organization and retain key relevant investment professionals.
2. If the investment provider has consistently failed to adhere to one or more of the above conditions, it is reasonable to presume a lack of adherence going forward. Failure to remedy the circumstances of unsatisfactory performance by the investment provider, within a reasonable time, shall be grounds for termination.
3. Before deciding to remove or substitute an investment provider, however, and in light of its fiduciary responsibilities, the Committee may consider the following:
 - a. The investment option's long-term investment performance on a rolling basis;
 - b. Recent changes, such as investment option restructurings or management changes designed to correct deficiencies;
 - c. The appropriateness or relevance of an investment option provider's stated peer group, since funds may be misclassified or poorly classified;

- d. The investment option provider's adherence to a stated investment style, whether or not that investment style has been in or out of favor;
 - e. Unusual market circumstances or volatility;
 - f. Prospectus investment constraints, such as socially responsible mandates; and
 - g. The degree to which the provider has reduced or controlled risk, which might constrain the strategy's ability to outperform other investments.
4. It is the Board's intention to assure all interested parties that decisions made in carrying out these actions occur in an environment of full disclosure characterized by objective evaluation practices and proper documentation. The overriding consideration with respect to all decisions is that they shall be made solely in the best interest of RSP and DCP participants and beneficiaries and consistent with other legal requirements.
 5. Prior to the termination decision, the primary and other relevant considerations shall be identified and described. An evaluation covering the quantitative and qualitative issues to be considered may be developed for each case and the relative importance of each evaluation area may be determined. Documentation regarding any such action may include, but is not limited to, the following items:
 - a. A full description of the reason for the action, including the specific elements, serving as the basis for the evaluation and identification of the relevant issues from the perspective of SURS;
 - b. The assumptions made in the evaluation, if any; and,
 - c. The results considered and/or qualitative issues upon which the action was based.
 6. An investment provider to be terminated shall be removed using one of the following approaches:
 - a. Remove and replace (map assets) with an alternative investment provider.

- b. Freeze the assets managed by the terminated investment provider and direct new assets to a replacement or current investment provider.
 - c. Remove the investment provider and do not provide a replacement.
7. Any change to the investment provider lineup will be communicated to RSP and DCP participants as soon as practical upon approval by the Board of Trustees.

F. Coordination with the Plan Document

Notwithstanding the foregoing, if any term or condition of this investment policy conflicts with any term or condition in the plan document, the terms and conditions of the plan document shall control.

6. Exhibits

Attached hereto and incorporated herein are the following Exhibits:

N/A

7. Approval

Name	
Title	
Signature	
Date	

**THIS POLICY WAS APPROVED BY THE SURS BOARD OF TRUSTEES
on FEBRUARY 29, 2024.**

State Universities Retirement System

February 29, 2024

Market Review and Capital Market
Assumptions Overview



Market Review and Capital Market Assumptions

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1. Introduction
2. Market Review
3. Overview of CMA Process
4. SURS Expected Return

Introduction



Market Review and Capital Market Assumptions

Executive Summary

- We update our capital markets assumptions each year in January.
 - Changes are driven by many factors, including interest rates, credit spreads, cap rates, and equity prices.
- 2023 was a volatile year for most investors, but ultimately most asset classes experienced positive returns, including double-digit gains for many risky assets.
- With the notable exception of China's markets, global bond and equity markets rallied at the end of the year, posting strong gains as inflation pressures eased and central banks appeared to be turning away from tightening policies.
 - Despite short-term interest rates climbing, the yield on most Treasury bonds finished the year near where they started it.
 - Credit spreads tightened, especially for lower quality credit such as high yield. The result is lower expected returns for many credit-oriented assets.
 - Most equity markets rallied in 2023, generally at a much faster pace than the gain in earnings. Hence many equity markets were trading at higher valuations at year-end, thus reducing their forward-looking returns.
- Our 10-year CMAs continue to be lower than our 20-year CMAs for the vast majority of asset classes, partly due to a higher assumed "risk-free" rate in the future.



Market Review and Capital Market Assumptions

Setting Capital Market Assumptions (“CMAs”)

- CMAs are the inputs needed to calculate a portfolio’s expected return, volatility, and relationships (i.e., correlations) to the broader markets.
 - CMAs are also used in mean-variance optimization, simulation-based optimization, asset-liability modeling, and every other technique for finding “optimal” portfolios.
- Consultants (including Meketa) generally set them once per year.
 - Our results are published in January based on December 31 data.
- This involves setting long-term expectations for a variety of asset class/strategy attributes:
 - Returns
 - Standard Deviations
 - Correlations
- Our process relies on both quantitative and qualitative methodologies.



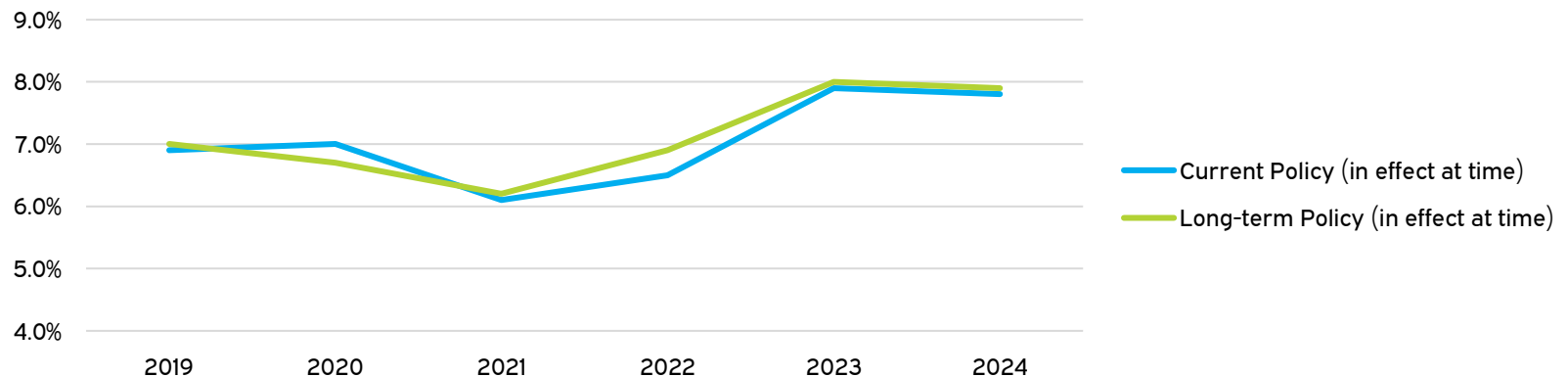
Market Review and Capital Market Assumptions

SURS Expected Return Over Time

→ The following highlights SURS's expected return over time. Of note, beginning in 2023, GRS encouraged Meketa to also provide 10-year assumptions for SURS.

	20-year Assumptions					
	2018/2019*	2020	2021	2022	2023	2024
Current Policy (in effect at time)	6.9%	7.0%	6.1%	6.5%	7.9%	7.8%
Long-term Policy (in effect at time)	7.0%	6.7%	6.2%	6.9%	8.0%	7.9%

SURS 20-year Expected Return



	10-year Assumptions					
	2018/2019*	2020	2021	2022	2023	2024
Current Policy (in effect at time)	---	---	---	---	7.2%	6.7%
Long-term Policy (in effect at time)	---	---	---	---	7.4%	6.8%

*The 2018 Asset-Liability study was completed in the September 2018 with updates (using the same CMAs) provided in 2019.

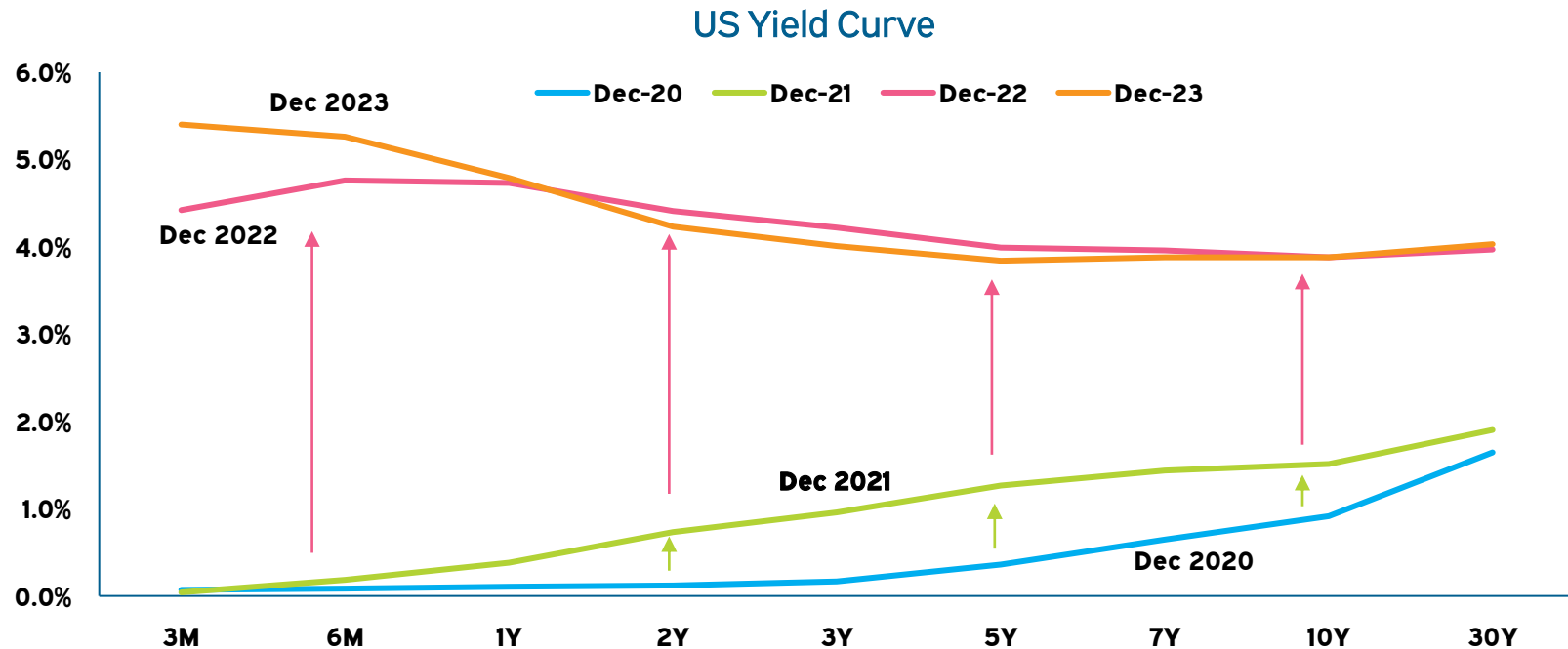
Market Review



Market Review and Capital Market Assumptions

Interest Rate Volatility

- Interest rate changes were a dominant storyline of 2023. While short-term rates increased throughout 2023, intermediate and long-term rates experienced significant volatility but ultimately finished the year at similar yields to where they started.
- Rates remained materially higher as of 12/31/2023 compared to 2020 and 2021.



Source: Bloomberg. Data is as of December 31, 2023.

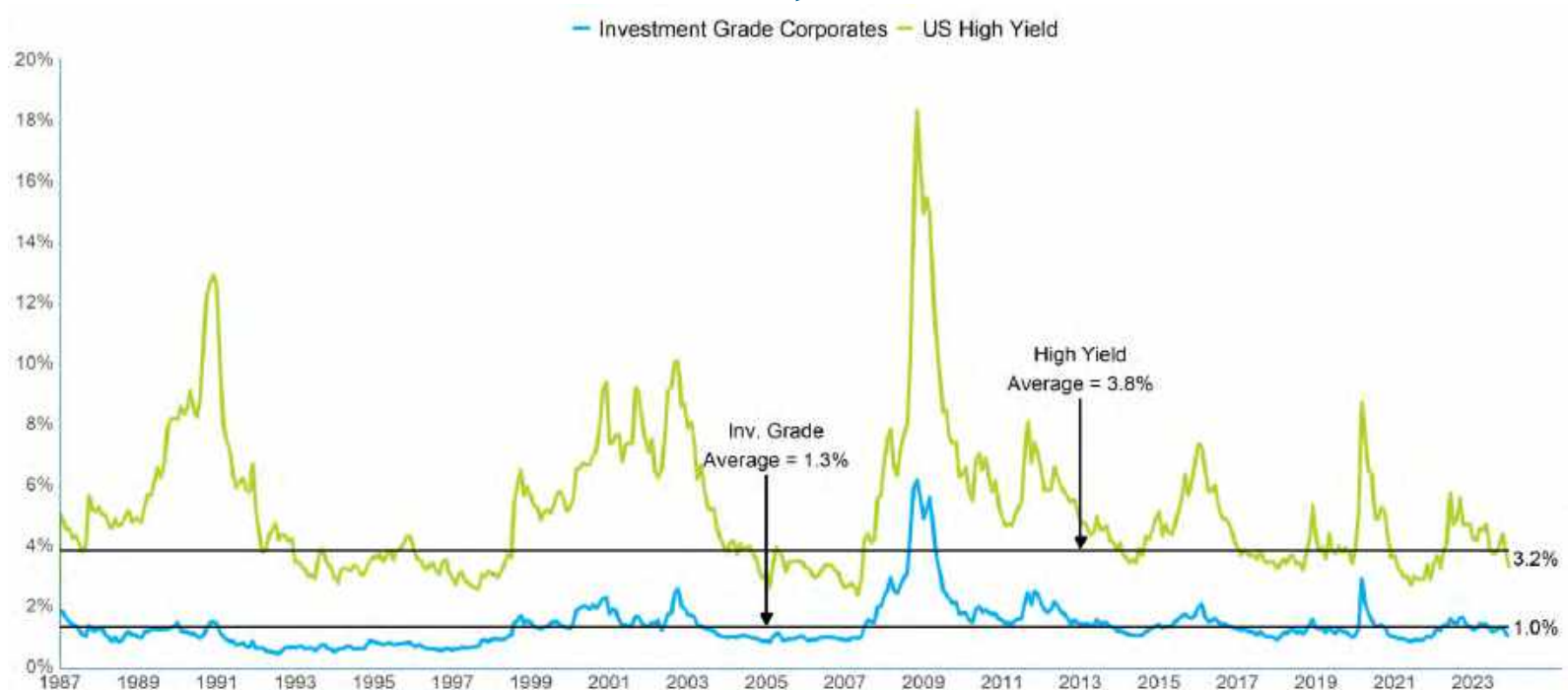


Market Review and Capital Market Assumptions

Narrower Credit Spreads

- Credit spreads tightened slightly in 2023, though they remain close to their long-term averages.
- Lower quality credit spreads experienced a more substantial tightening. The spread for high yield bonds declined from 469 bp to 323 bp.

Credit Spreads



Source: Bloomberg. High Yield is proxied by the Bloomberg High Yield Index and Investment Grade Corporates are proxied by the Bloomberg US Corporate Investment Grade Index. Spread is calculated as the difference between the Yield to Worst of the respective index and the 10-Year US Treasury yield. Data is as of December 31, 2023.



Market Review and Capital Market Assumptions

Similar or Lower Yields (12/23 vs. 12/22)

- Short-term interest rates were higher than one year ago, while the 10-year Treasury yield ended the year where it started it.
- Similar levels of interest rates combined with tighter credit spreads results in slightly lower yields for most sectors of the global bond market.

Index	Yield to Worst 12/31/23 (%)	Yield to Worst 12/31/22 (%)	Yield to Worst 12/31/21 (%)	Yield to Worst 12/31/20 (%)
Fed Funds Rate	5.25-5.50	4.25-4.50	0-0.25	0-0.25
10-year Treasury	3.88	3.88	1.52	0.93
Bloomberg Aggregate	4.53	4.68	1.75	1.12
Bloomberg Corporate	5.06	5.42	2.33	1.74
Bloomberg Securitized	4.72	4.75	1.98	1.25
Bloomberg Global Aggregate	3.51	3.73	1.31	0.83
Bloomberg EM Local Currency Government	4.08	4.42	3.83	3.20
Bloomberg EM Hard Currency Aggregate	6.77	7.26	3.96	3.20
Bloomberg US Corporate High Yield	7.59	8.96	4.21	4.18

Source: Bloomberg.

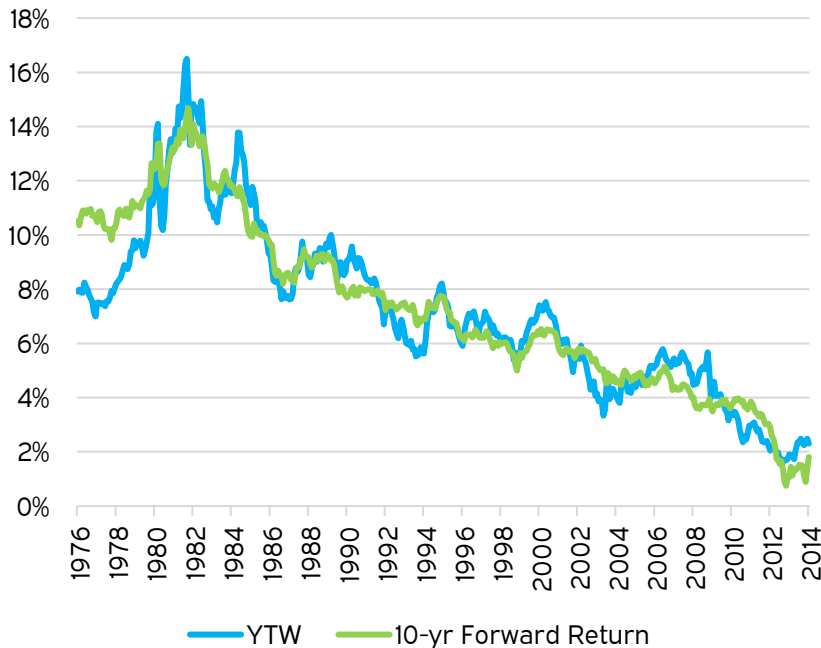


Market Review and Capital Market Assumptions

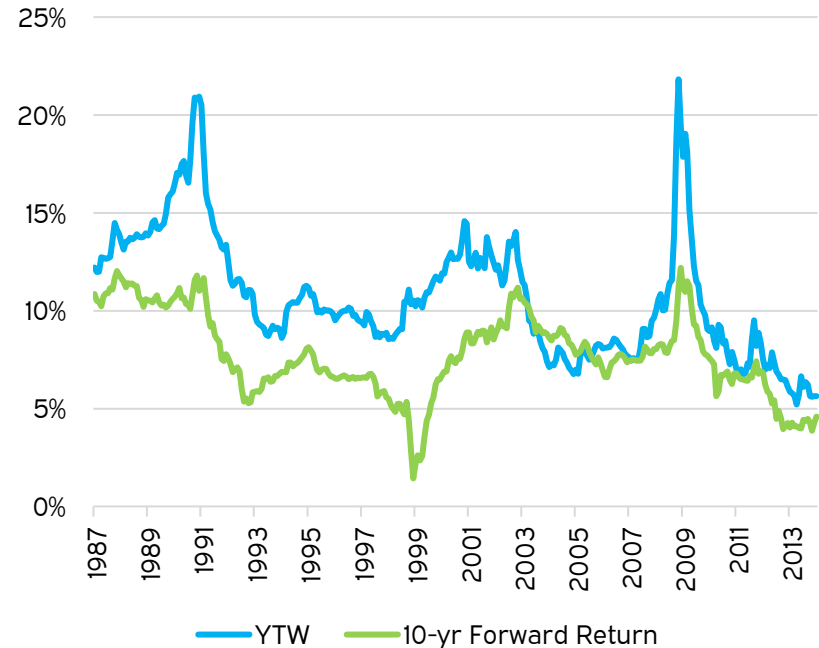
Yields Drive Future Returns

→ Changes in interest rates matter because yields are a very good predictor of future returns for bonds¹, at least over a 10-year horizon.

YTW and Returns for Investment Grade Bonds



YTW and Returns for High Yield Bonds



¹When predicting returns for bonds, default risk should also be taken into account. For example, defaults are why the return for high yield bonds have generally been below the starting yield.

Source: Bloomberg Aggregate and Bloomberg High yield indices. Data is as of December 31, 2023.



Market Review and Capital Market Assumptions

Slightly Lower Inflation Expectations

→ After substantial changes in inflation expectations in recent years, the market's expectations for inflation were little changed at the end of 2023.

- The 10-year BEI rate dropped from 2.3% to 2.2%. The 5-year BEI was slightly lower, at 2.1%.

Ten-Year Breakeven Inflation



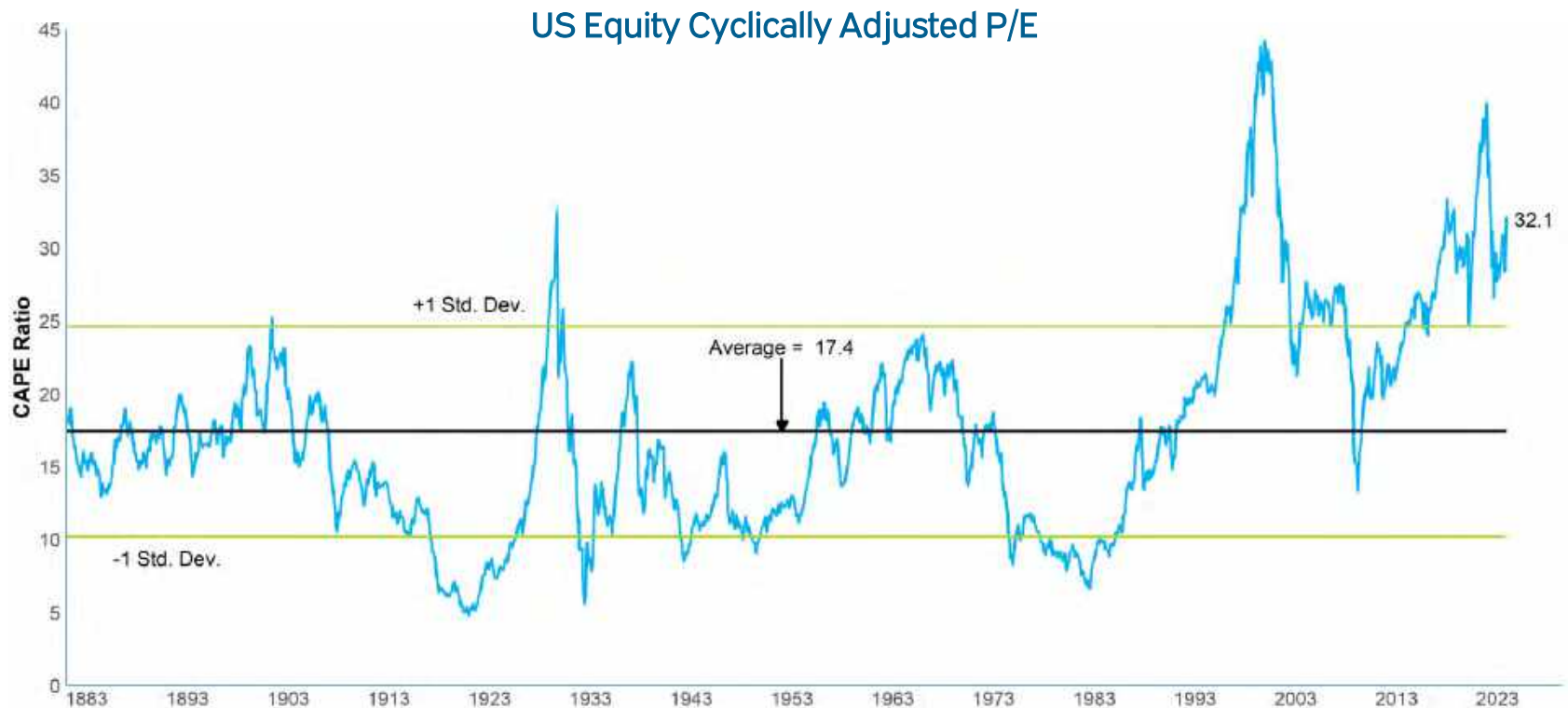
Source: US Treasury and Federal Reserve. Inflation is measured by the Consumer Price Index (CPI-U NSA). Data is as of December 31, 2023.



Market Review and Capital Market Assumptions

Higher Valuations for US Equities

- US stocks had a very good year, with the S&P 500 index gaining 26.3% in 2023.
- Valuations increased and remain elevated relative to their long-term history, though they are much nearer their average for the past 30 years.



Source: Robert Shiller, Yale University, and Meketa Investment Group. Data is as of December 31, 2023.



Market Review and Capital Market Assumptions

Slightly Higher Prices in Non-US Equities, too

- EAFE equities gained 18.2% in USD terms in 2023, benefiting slightly from a currency tailwind.
- Despite increasing from one year ago, EAFE valuations remain close to their 25-year historical average.

Developed International Equity Cyclically Adjusted P/E



Source: MSCI and Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of December 31, 2023.



Market Review and Capital Market Assumptions

And Slightly Higher Prices in Emerging Market Equities

- Emerging market equities gained 9.8% in 2023, despite Chinese equities declining -11.2%.
- EM equity valuations remain well below their long-term average, though there is a significant difference between EM ex-China and China valuations.

Emerging Market Equity Cyclically Adjusted P/E



Source: MSCI and Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of December 31, 2023.

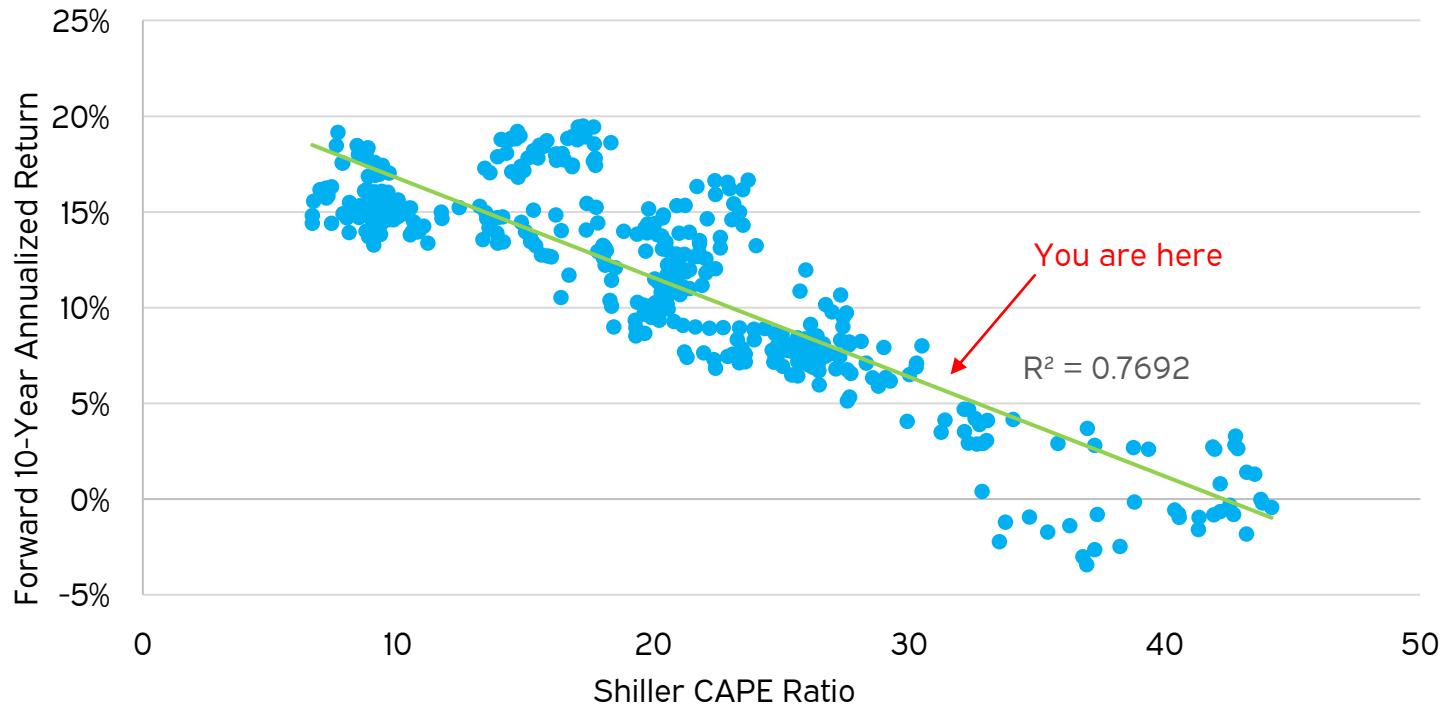


Market Review and Capital Market Assumptions

Higher Prices Imply Lower Returns for Equities

- Relative prices have been indicative of future equity returns.
- Higher prices have led to lower future returns, and vice versa.

US Equities: Shiller CAPE vs. Forward 10-Year Returns



Source: Robert Shiller, Yale University, and Meketa Investment Group. Data is based on monthly returns and Cyclically Adjusted P/E ratio on S&P 500 Index for the period from January 1980 through December 2023.

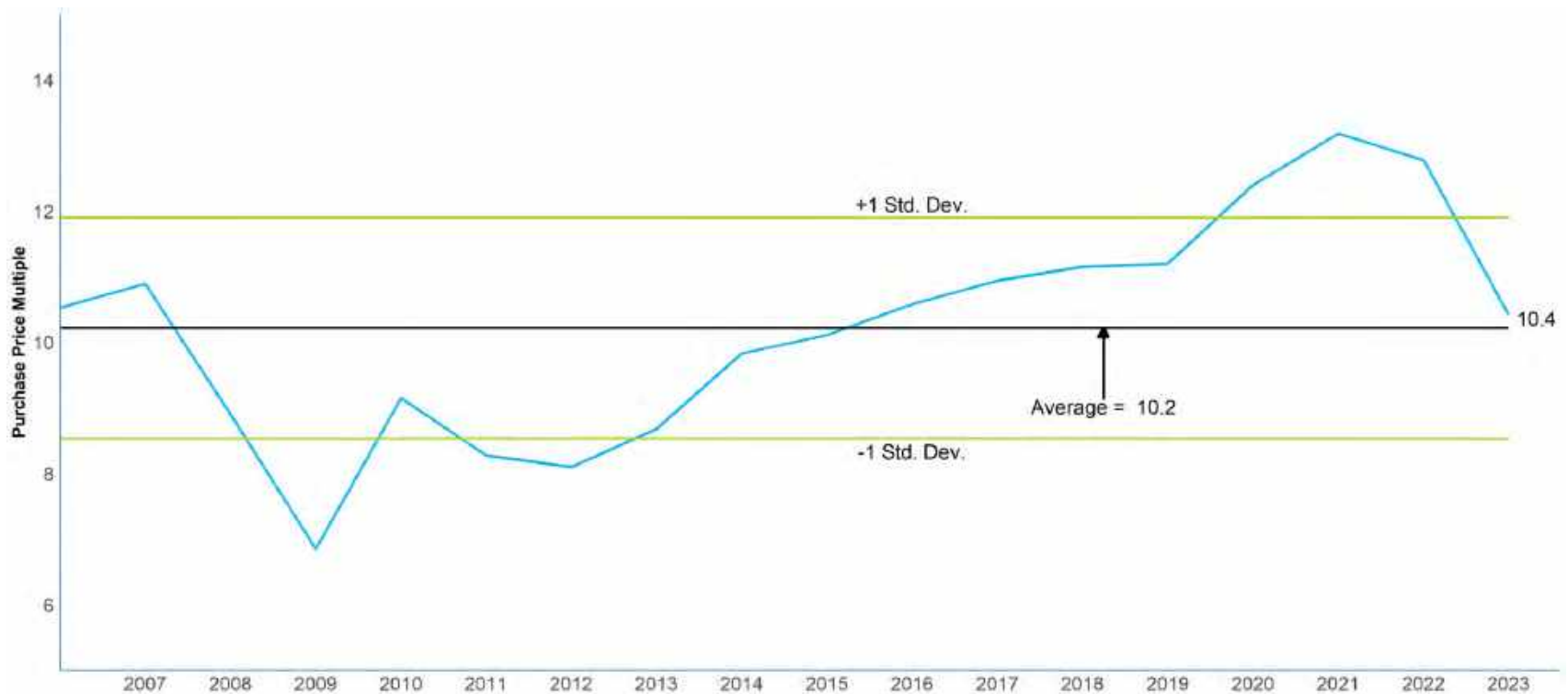


Market Review and Capital Market Assumptions

Private Equity Prices Coming Back Down

- EBITDA multiples fell in the first half of 2023 for buyouts.
- Valuations remained above their post-GFC average.

Private Equity Multiples



Source: Preqin Median EBITDA Multiples Paid in All LBOs, as of June 30, 2023.

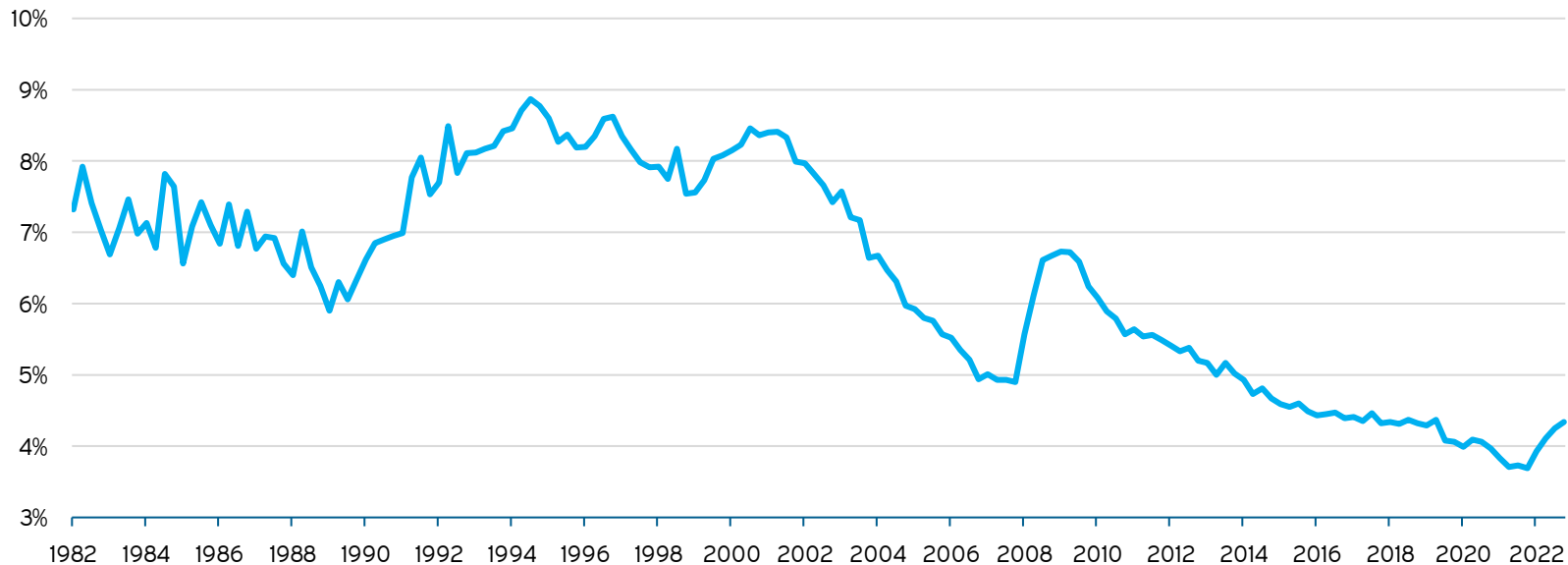


Market Review and Capital Market Assumptions

Increasing Real Estate Yields

- Real estate cap rates are similar to an earnings yield (the inverse of the P/E ratio) for equities.
 - Cap rates are indicative of future returns.
- While cap rates have been gradually declining for decades, they have recently increased largely due to lower core real estate prices.

Core Real Estate Cap Rates



Source: NCREIF NPI value-weighted cap rates. As of September 30, 2023.



Market Review and Capital Market Assumptions

2024 vs. 2023 Summary

- Many investors achieved returns in calendar year 2023 that were above their target return.
 - Much of the strong performance was driven by a rebound in public equity markets.
- Short-term interest rates increased or remained relatively stable in 2023.
- Longer-term interest rates experienced material volatility in 2023 but ended the year at similar yields as they began the period.
 - However, credit spreads for many fixed income assets generally tightened during the year.

- With increasing public equity prices and relatively stable fixed income yields (in aggregate due to offsetting effects), our 2024 CMAs are anticipated to project lower total portfolio returns over the next decade compared to early-2023.
 - Additionally, due to lower private markets activity in 2023 (e.g., real estate transactions, private equity exits, etc.), there is additional uncertainty regarding private markets projections.

Overview of CMA Process



Market Review and Capital Market Assumptions

Our Process

Developing Expected Returns

- Market practitioners generally make use of three methods for developing long-term expected returns:
 - Historical average returns
 - Financial/economic theory (e.g., higher risk = higher returns, capital structures, etc.)
 - Current measures (e.g., starting valuations relative to history)
- In addition to the above, practitioners also incorporate general projections for macroeconomic metrics such as GDP and inflation, among others.
- Meketa's methods are in-line with industry standards and represent a mixture of the three mechanisms.
 - Historical average returns play the smallest role in our assumptions.



Market Review and Capital Market Assumptions

Our Process

Building 10-year Forecasts

→ Our first step is to develop 10-year forecasts based on fundamental models.

- Each model is based on the most important factors that drive returns for that asset class:

Asset Class Category	Major Factors
Equities	Dividend Yield, GDP Growth, Valuation
Bonds	Yield to Worst, Default Rate, Recovery Rate
Commodities	Collateral Yield, Roll Yield, Inflation
Infrastructure	Public IS Valuation, Income, Growth
Natural Resources	Price per Acre, Income, Public Market Valuation
Real Estate	Cap Rate, Yield, Growth
Private Equity	EBITDA Multiple, Debt Multiple, Public VC Valuation
Hedge Funds and Other	Leverage, Alternative Betas

- The common components are income, growth, and valuation.
- Leverage (and cost of debt) is also directly incorporated, where applicable.

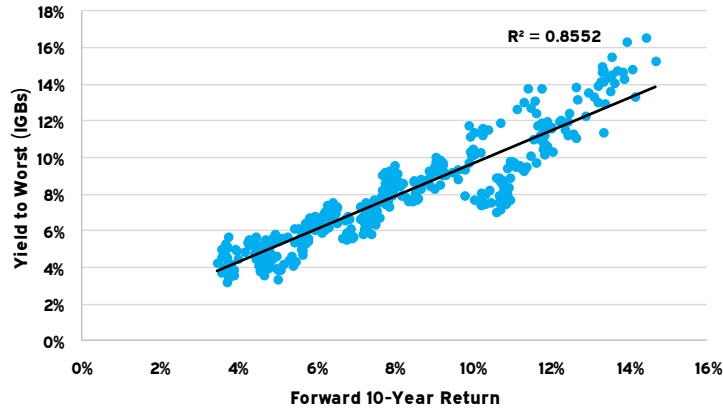


Market Review and Capital Market Assumptions

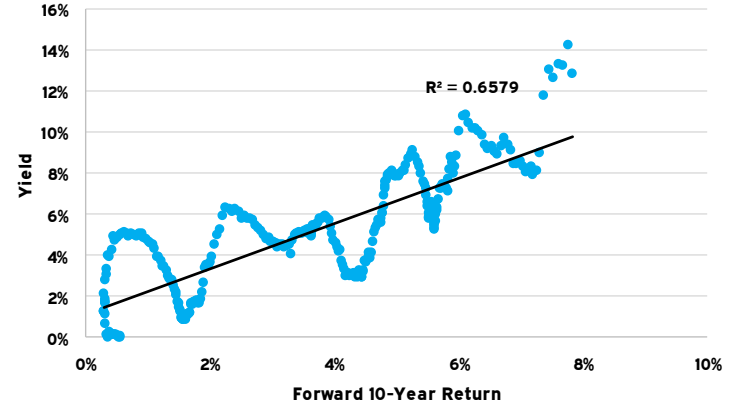
Our Process

Some factors are naturally more predictive than others

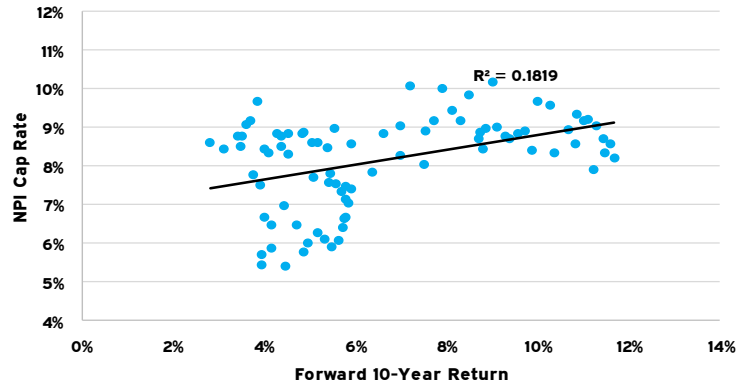
Investment Grade Bonds
Yield to Worst vs. Forward 10-Year Returns



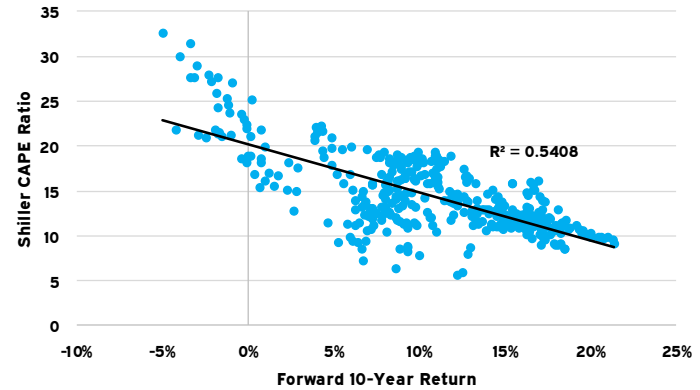
Cash (90-day T-Bill)
Yield vs. Forward 10-Year Returns



Core Real Estate
Cap Rates vs. Forward 10-Year Returns



US Equities
Shiller CAPE vs. Forward 10-Year Returns





CMA Development Example: Public Equities

→ We use a fundamental model for equities that combines income and capital appreciation:

$$E(R) = \text{Dividend Yield} + \text{Price Return} + \text{Currency Effect}$$

$$\text{Price Return} = \text{Earnings Growth} + \text{Multiple Effect}$$

→ We use the current dividend yield on the respective index.¹

→ Earnings growth is a function of real GDP growth, inflation, and exposure to foreign revenue sources.

→ We use three approaches to calculate the multiple effect.

- The models assume reversion to the mean or fair value.

→ We arrive at our preliminary 10-year assumption (in local currency)

$$\text{US Equity } E(R) = 1.5\% + [(1 + 6.4\%) \times (1 - 1.0\%) - 1] = 6.9\%$$

→ For non-US equities, we add the expected currency effect vs. the US Dollar to the local expected return.

¹ The source for dividend yields is S&P 500 for the US and MSCI for non-US equities.



Market Review and Capital Market Assumptions

Our Process

CMA Development Example: Bonds

- The short version for most investment grade bond models is: $E(R) = \text{Current YTW}$ (*yield to worst*)
- The longer version accounts for the expected term structure in the future.
 - If the average duration is roughly five years, we calculate the expected yield in five years.
 - The net effect tends to be minimal, since higher income in years 5 to 10 is offset by price declines in years 1 to 5.
- For corporate bonds, we assume the spread vs. Treasuries will revert most of the way back to their mean since 1990.
- For cash, we use an average of the current rate and the rate suggested by the Taylor Rule (inputs are current & potential GDP, current & desired inflation).
- For TIPS, we add the real yield for the TIPS index to the expected inflation rate used in the equities models.
- As with equities, we also make currency adjustments when necessary.
 - This currently provides a tailwind to foreign and EM local currency debt.



Market Review and Capital Market Assumptions

Our Process

CMA Development Example: Bonds (con't)

→ For anything with credit risk, we also take into account the expected default & recovery rates.

	Inv. Grade Corporate (%)	LT Corporate (%)	Foreign Debt (%)	EM Debt (major) (%)	EM Debt (local) (%)	High Yield (%)	Bank Loans (%)
Default Rate	0.08	0.08	0.09	1.78	0.40	2.50	2.50
Loss Rate	50	50	50	50	50	45	40

→ As a guide, we use Moody's historical global default & recovery data for each bucket as it is currently rated.

- Example: EM Debt (local currency)

Rating	Weighting (%)	Default Rate (%)	Weighted Default (%)
Aa	6.2%	0.06%	0.00%
A	29.3%	0.09%	0.03%
Baa	44.1%	0.27%	0.12%
Ba	18.9%	1.06%	0.20%
B	1.5%	3.40%	0.05%
Total Weighted Average Default Rate:			0.40%



Market Review and Capital Market Assumptions

Our Process

CMA Development Example: Private Equity

- For Buyouts, we start with public equity expected returns.
- We add a premium or discount based on the pricing of buyouts relative to stocks.
 - EBITDA multiples provide an indication of pricing.
 - 2022 and 2023 have seen the first meaningful reduction in multiples since the GFC.
- We add a premia for control (e.g., for greater operational efficiencies) and leverage.
 - We assume leverage of 1.4x - 1.6x.
- We subtract borrowing costs and estimated fees.
 - We assume borrowing costs are consistent with the yield on bank loans.
- We also look at how closely valuations (through September 30) compared to price changes occurring in the public markets, given that buyouts pricing often lags that of public equities.



Market Review and Capital Market Assumptions

Our Process

CMA Development Example: Private Equity (cont.)

- For Venture Capital (VC), we create a public market proxy that we can compare through time.
- The composite is composed of: traditional technology, biotech, pharmaceuticals, life sciences, IT services, internet, and clean tech & environmental stocks.
 - The weighting to each sector varies through time.
 - The data is an imperfect proxy and the correlation with future returns is not high.
 - Still, this proxy provides some indication of pricing relative to small cap stocks.
 - We also look at how VC valuations (through September 30) compared to price changes for public markets.
- For Growth Equity, we infer a return that is between that of buyouts and venture capital.
- The relative weightings place the return closer to that of VC than buyouts.

Aggregate private equity assumption utilizes a weighted average based on a typical institutional allocation to private equity.

Component	Weight	E(R)
Buyouts	65%	9.5%
Growth Equity	10%	10.4%
Venture Capital	25%	10.8%
Private Equity Composite		9.9%



Market Review and Capital Market Assumptions

Our Process

CMA Development Example: Private Credit

- For direct lending and asset-based lending (formerly specialty finance), we use a building blocks approach that is based on income and loss thereof.
 - For income, we make an estimate based on our private credit team's assessment of what the current average coupon rate is.
- We add an upfront fee (paid by the borrower) or original issue discount if applicable.
 - This usually ranges between 1% and 3%.
- We incorporate default and recovery rates.
 - We use a default rate and recovery rate roughly the same as for bank loans.
 - These are subjective, as no long-term data exists on private credit defaults.
- We add leverage (more applicable in direct lending) and subtract the cost of borrowing.
- We subtract management fees and carried interest.



Market Review and Capital Market Assumptions

Our Process

CMA Development Example: Private Credit (cont.)

→ For Special Situations Lending, we use a combination of models for capital solutions and more traditional distressed debt.

- The capital solutions model resembles that for direct lending, but with higher equity kickers, coupons, and default rates.
- The distressed debt model resembles that for public high yield bonds and is based on data for the Bloomberg US CCC and Ca-D indices.
 - It uses a much higher default rate than high yield bonds (often in the range of 15-20%).
- We subtract management fees and carried interest.

→ For aggregate private credit, we take a weighted average based on a mix of the broad opportunity set and a typical client allocation to private debt.

Component	Weight (%)	2023 E(R) (%)
Direct Lending	35	8.2
Asset Based Lending	35	9.7
Special Situations	30	9.7
Private Debt Composite		9.2



CMA Development Example: Real Estate

→ For Core Real Estate, we used two models.

- The first model adds a premium to the Cap Rate¹.
 - Core RE has historically returned approximately 1.0% more than its cap rate at the start of the period over the subsequent ten years.
- The second model combines income with capital appreciation potential.
 - The income for core RE has historically been the cap rate minus 2-3% (for Cap Ex).
 - We assume income (NOI) grows at the rate of inflation.
 - We assume there is some measure of fair value for cap rates relative to bond yields.
 - We make a price adjustment based on the forward yield curve.
- We adjust for leverage, borrowing costs, and fees.

¹ Source: NCREIF.



CMA Development Example: Real Estate (cont.)

- For Non-Core Real Estate, we start with a historical premiums versus core RE.
 - This includes the effect of greater control, development, buying at distress, etc.
- We add a non-US component (e.g., premium for lower cap rates) and a currency effect.
 - We assume 10% to 30% of non-core commitments will be ex-US (majority in Europe).
- We lever the portfolio and then subtract the cost of borrowing.
 - Value-added leverage ranges 50-70% while opportunistic ranges 60-80%.
 - The cost of debt is higher for value added than core, and higher still for opportunistic.
- Finally, we subtracted management fees and carried interest.



The Other Inputs: Standard Deviation and Correlation

→ Standard deviation:

- We review the trailing fifteen-year standard deviation, as well as skewness.
- Historical standard deviation serves as the base for our assumptions.
- If there is a negative skew, we increased the volatility assumption based on the size of the historical skewness.

Asset Class	Historical Standard Deviation (%)	Skewness	Assumption ¹ (%)
Bank Loans	6.5	-2.9	10.0
FI/L-S Credit	5.8	-2.7	9.0

- We also adjust for private market asset classes with “smoothed” return streams.

→ Correlation:

- We use trailing fifteen-year correlations as our guide.
- Again, we make adjustments for “smoothed” return streams.

→ Most of our adjustments are conservative in nature (i.e., they increase the standard deviation and correlation).

¹ Note that we typically round our standard deviation assumptions to whole numbers.



Market Review and Capital Market Assumptions

Our Process

Moving from 10-Year to 20-Year Forecasts

- Our next step is to combine our 10-year forecasts with projections for years 11-20 for each asset class.
- We use a risk premia approach to forecast 10-year returns in ten years (i.e., years 11-20).
 - We start with an assumption (market informed, such as the 10-year forward rate) for what the risk free rate will be in ten years.
 - We then add a risk premia for each asset class.
 - We use historical risk premia as a guide, but many asset classes will differ from this, especially if they have a shorter history.
 - We seek consistency with finance theory (i.e., riskier assets will have a higher risk premia assumption).
- Essentially, we assume mean-reversion over the first ten years (where appropriate), and consistency with CAPM thereafter.
- The final step is to make any qualitative adjustments.
 - The Investment Policy Committee reviews the output and may make adjustments.

SURS Expected Return



Market Review and Capital Market Assumptions

SURS 2024 Long-term Expected Returns

Classes/Strategies	Current Policy Targets (%)	Long-term Policy Targets (%)
BROAD GROWTH	68	68
<u>Traditional Growth</u>	36	35
Public Equity	36	35
<u>Stabilized Growth</u>	17	17
Core Real Assets	8	8
Liquid Credit	6.5	4
Private Credit	2.5	5
<u>Non-Traditional Growth</u>	15	16
Private Equity	11	11
Non-Core Real Assets	4	5
INFLATION SENSITIVE	5	5
PRINCIPAL PROTECTION	10	10
CRISIS RISK OFFSET	17	17
Long U.S. Treasuries	2	2
Systematic Trend Following	10	10
Alternative Risk Premia	3	3
Long Volatility	1.7	1.7
Tail Risk	0.3	0.3
<i>Total</i>	<i>100</i>	<i>100</i>
Expected Return (10-year)*	6.7 (7.2 in 2023)	6.8 (7.4 in 2023)
Expected Return (20-year)*	7.8 (7.9 in 2023)	7.9 (8.0 in 2023)
Annual Volatility	10.5	10.6

For both the Current Policy (which differs slightly from what was in effect in early-2023) and the Long-term Policy, the 10-year and 20-year SURS expected returns declined at the margin with 2024 CMAs compared to 2023 CMAs.

*Expected returns consist of passive management in liquid markets classes and median net performance in illiquid markets classes.

The Tail Risk Hedging program is accounted for comparing simulation output with and without the program and reconciling differences with mean-variance analysis output.

Appendix



Market Review and Capital Market Assumptions

Underlying Return/Volatility Assumptions (2024)

Composite/Asset Class /Strategy	2024 Expected Return: 10-Year Geometric (%)	2024 Expected Return: 20-Year Geometric (%)	2024 Annual Volatility (%)
Traditional Growth			
Public Equity	7.2	8.7	17.0
Stabilized Growth			
Core Real Estate	4.8	6.9	12.0
Core Infrastructure	6.5	8.0	14.0
Investment Grade Credit	5.2	5.4	7.0
Bank Loans	6.5	6.6	10.0
High Yield Credit	6.5	6.8	11.0
EMD – Hard	7.0	6.8	12.0
EMD – Local	6.3	6.2	12.0
Private Credit	9.2	9.2	15.0
Non-Traditional Growth			
Private Equity	9.9	11.2	25.0
Value Add Real Estate	7.3	9.0	20.0
Opportunistic Real Estate	8.4	10.3	26.0
Non-Core Infrastructure	8.0	10.0	22.0
Inflation Sensitive			
TIPS	4.3	4.7	7.0
Principal Protection			
Intermediate Govt Bonds	4.0	4.1	3.0
Crisis Risk Offset**			
Long U.S. Treasuries	4.3	5.0	12.0
Systematic Trend Following	3.8	4.7	15.0
Alternative Risk Premia	4.8	6.4	10.0
Long Volatility	0.7	1.2	9.0



Market Review and Capital Market Assumptions

Underlying Return/Volatility Assumptions (2023)

Composite/Asset Class /Strategy	2023 Expected Return: 10-Year Geometric (%)	2023 Expected Return: 20-Year Geometric (%)	2023 Annual Volatility (%)
Traditional Growth			
Public Equity	8.8	9.2	18.0
Stabilized Growth			
Core Real Estate	4.3	6.5	12.0
Core Infrastructure	6.4	7.8	14.0
Investment Grade Credit	5.6	5.4	7.0
Bank Loans	7.6	7.0	10.0
High Yield Credit	8.0	7.3	11.0
EMD – Hard	6.7	6.4	12.0
EMD – Local	6.4	6.0	12.0
Private Credit	9.4	9.0	15.0
Non-Traditional Growth			
Private Equity	9.7	11.0	27.0
Value Add Real Estate	6.5	8.3	20.0
Opportunistic Real Estate	7.6	9.6	26.0
Non-Core Infrastructure	7.4	9.5	22.0
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TIPs	4.3	4.5	7.0
Principal Protection			
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Systematic Trend Following	3.9	4.8	15.0
Alternative Risk Premia	5.5	5.6	10.0
Long Volatility	1.0	1.1	9.0

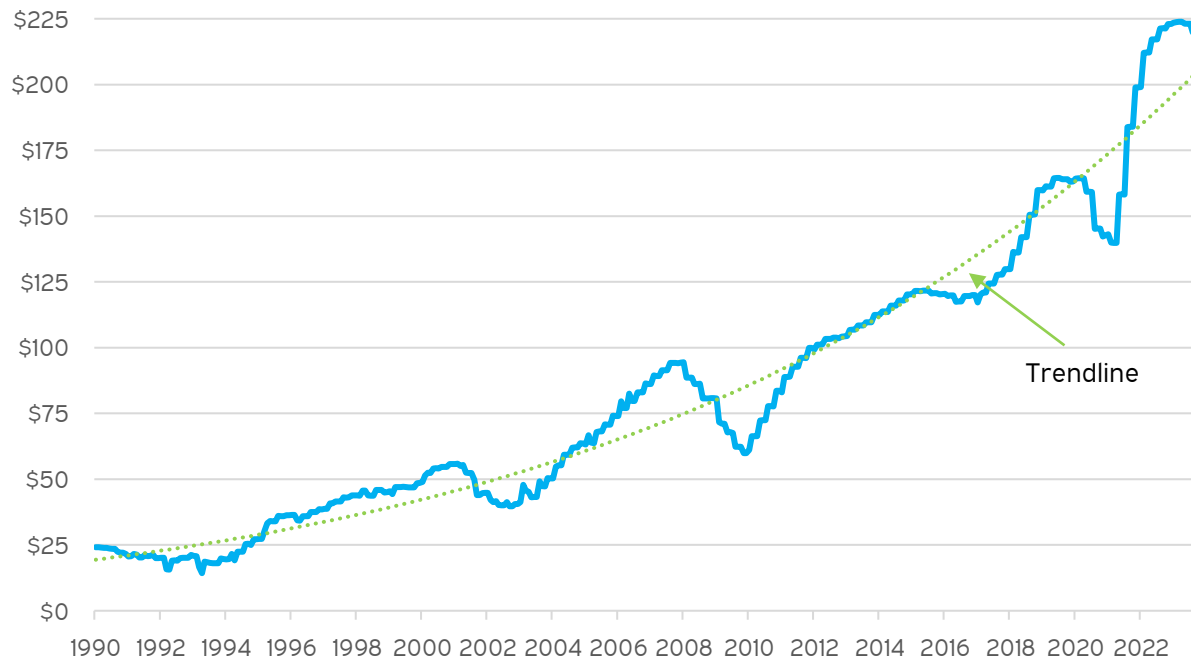


Market Review and Capital Market Assumptions

US Earnings Growth

- S&P 500 earnings (EPS) growth was relatively flat for the year.
 - EPS peaked in 2q23 and appears to have declined slightly since.

S&P 500 Earnings Per Share



Source: S&P 500 Index data from Bloomberg. Represents trailing 12-month "as reported" earnings per share. Data is as of December 31, 2023.



Market Review and Capital Market Assumptions

The Link between Economic Growth and Expected Returns

- We have long assumed that long-term earnings growth is linked to economic growth.
 - However, either one can exceed the other.

	US Nominal GDP Growth Per Annum	US Corporate Earnings Growth Per Annum	S&P 500 EPS Growth Per Annum
Since 1990	4.8%	6.9%	6.8%
Since 2010	4.7%	5.2%	9.9%

- Corporate profits can comprise a higher or lower share of the GDP pie.
 - In the US, corporate profits have grown faster than the rest of the economy.
- Net issuance vs buybacks affects EPS.
 - In the US, net shareholder buybacks have resulted in EPS growing faster than earnings.
- Intervention by the state & structural inefficiencies also affect earnings growth.
 - The degree to which maximizing shareholder wealth is a primary motivation varies by market.
 - This can take many different forms, such as state-owned enterprises, state-controlled enterprises, and direct intervention by the state (see China).
 - Corruption, graft, nepotism, lack of property rights or clear rule of law, can all affect the link between economic growth and earnings growth.

Source: Federal Reserve Economic Data, S&P. Corporate earnings defined as Corporate Profits After Tax (with IVA and CCAAdj). Seasonally Adjusted Annual Rate for Nominal GDP. Data is as of September 30, 2023.



Market Review and Capital Market Assumptions

Earnings Growth

- EPS has grown faster than earnings in the US in recent years, acting as a tailwind.
- This is primarily due to companies using excess cash to buy back their shares.¹

EPS with no change in shares

\$1,578 bil / 10.5 mil shares
= \$150.3 per share

EPS with 2% reduction in shares

\$1,578 bil / 10.3 mil shares
= \$153.2 per share

- Over ten years, this can have a significant compounding effect.

EPS with 2% reduction in shares for ten years

\$1,578 bil / 8.6 mil shares
= \$183.9 per share²

- Data shows that this trend is almost two decades long.³
- This bucks the longer-term trend (still common in non-US markets) of companies being net issuers of shares.

¹ Buying back shares reduces the denominator in the Earnings per Share equation, thus increasing the result of the calculation. The example shown is illustrative.

² Throughout this document, numbers may not sum due to rounding

³ Source: Yardeni research



Market Review and Capital Market Assumptions

US Profitability

- The strong post-2000 growth in US earnings is linked in part to profits consuming a greater proportion of the economic pie.
 - Since 2000, corporate profits averaged 9.1% of GDP, vs 6.1% prior to that.
- Justifying higher future earnings growth implies that profits will continue to comprise a higher percentage of GDP.

Corporate Profits as a % of GDP



Source: Meketa analysis of FRED data. Series uses Seasonally Adjusted Annual Rate for Nominal GDP and Corporate Profits After Tax with Inventory Valuation Adjustment (IVA) and Capital Consumption Adjustment (CCAdj). Data is from 1q1947 through 3q2023.

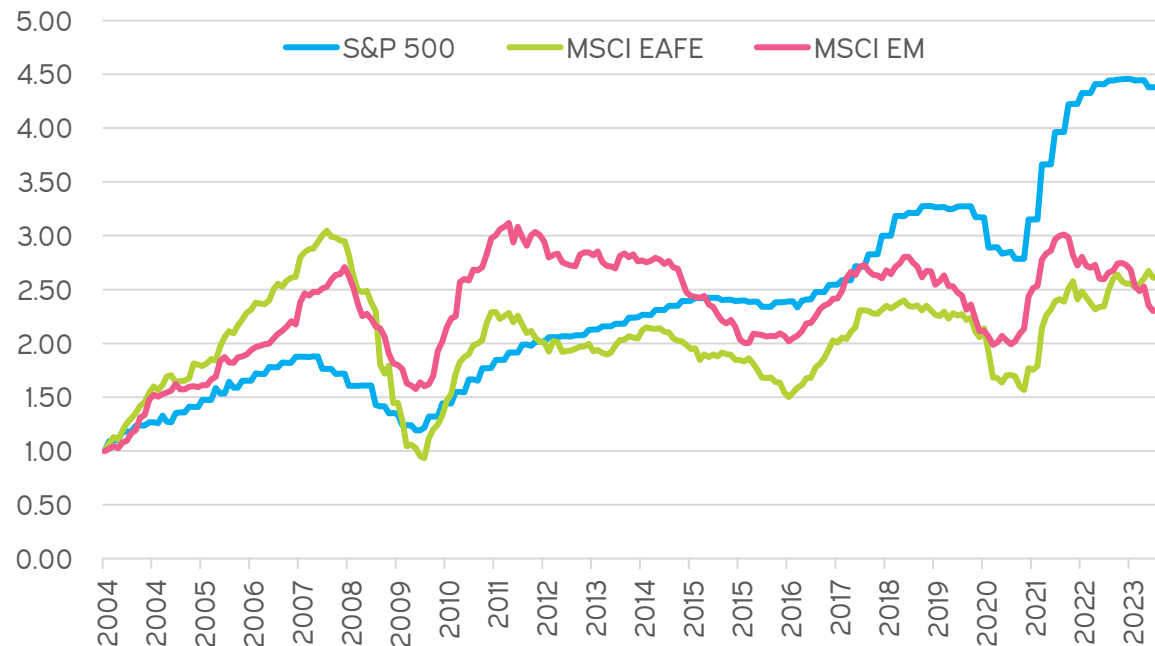


Market Review and Capital Market Assumptions

EPS Growth

- EPS growth for the EAFE and Emerging Markets indices has been essentially zero since 2011.
 - Meanwhile, US EPS growth has been strong over the past two decades.
- There has been a meaningful difference in EPS growth for the US versus other global markets, and it has not been due to a difference in GDP growth.

20-Year EPS Growth, indexed to \$1



Source: Meketa analysis of MSCI and Bloomberg data. Series uses Trailing 12-month earnings per share in local currency. As of December 31, 2023.



Market Review and Capital Market Assumptions

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Callan

February 2024



Rental Housing

Aaron C. Quach
Vice President

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Agenda

Introduction

Overview of U.S. Rental Housing Sectors

Implementation Considerations

SURS Portfolio

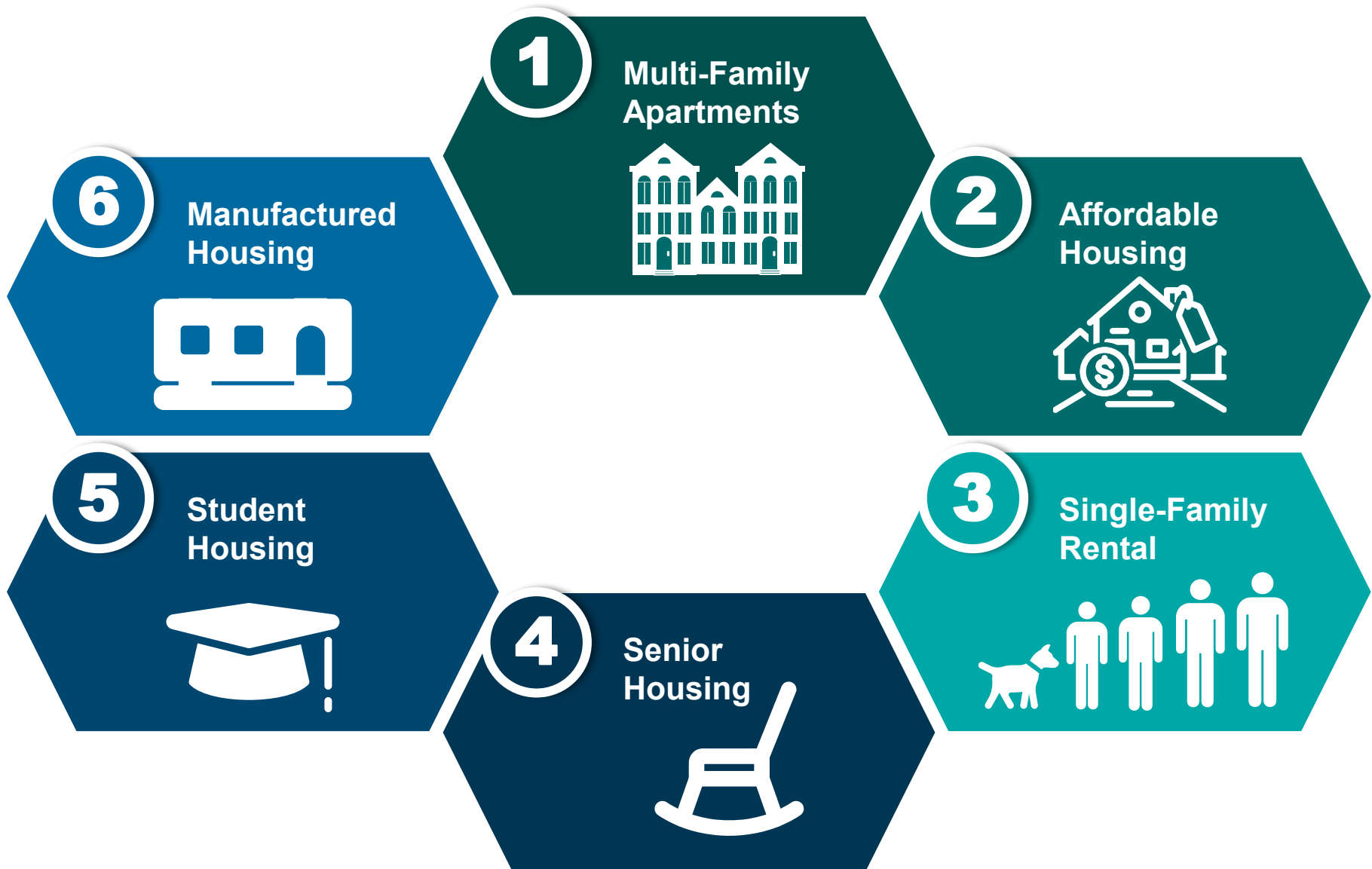
Appendix

Callan








Introduction

Investible Rental Housing Sectors



U.S. Demographic Trends

Rental housing dynamics are heavily influenced by demographic trends

	 Silent Generation	 Baby Boomers	 Generation X	 Millennials	 Generation Z
Born	1928 – 1945	1946 – 1964	1965 – 1980	1981 – 1996	1997 – 2012
Current Age	78 – 95	59 – 77	43 – 58	27 – 42	11 – 26
Percent of population in 2022	5%	21%	20%	22%	21%

Source: Callan research

Callan

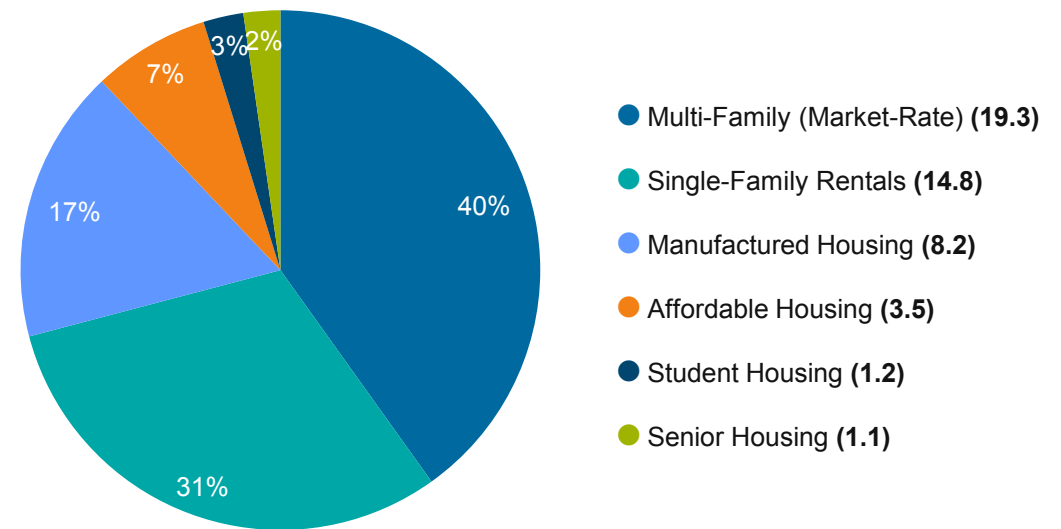
Overview of U.S. Rental Housing Sectors

Overview of U.S. Rental Housing Market

According to the U.S. Census Bureau, there were approximately 146 million housing units in the U.S. as of September 30, 2023. The largest segment of the U.S. housing market (64.8%) is owner-occupied single-family homes.

There are approximately 50 million rental housing units, which includes a variety of sub-types under the rental housing umbrella.

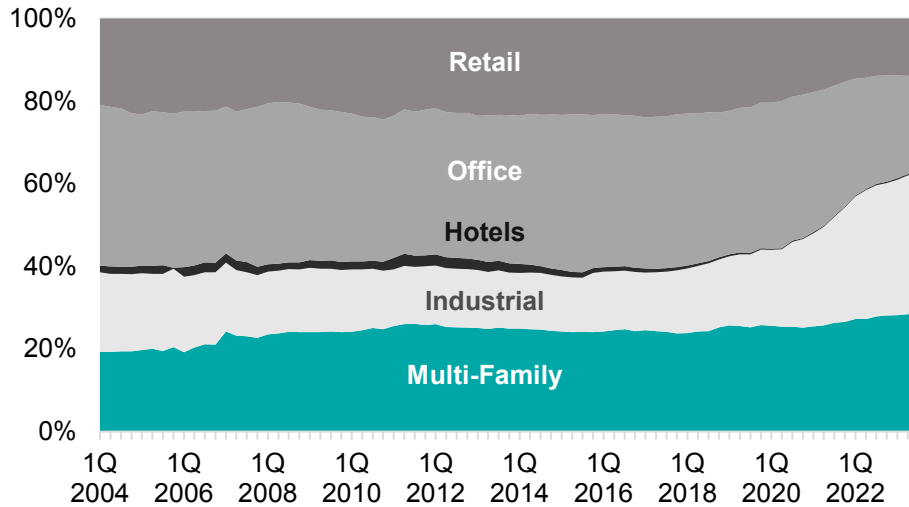
Estimated U.S. Rental Housing Stock by Unit/Bed Count (\$millions)



Source: Callan Research, RealPage, U.S. Census Bureau, Manufactured Housing Institute, NIC

Multi-Family Apartments

NCREIF Property Index Historical Sector Exposures



Historical and Projected Demographic Trends

Prime apartment renter cohort:

- Generation Z
- Millennials
- Individuals aged 20 to 34 years old

Multi-family apartments became an institutional property sector in the late 1980s and early 1990s.

Multi-family apartments have represented an average of 24% of the NCREIF Property Index over the past 20 years.

Currently, the institutional market share for multi-family apartments in the U.S. stands at approximately 40%.

Demographic Data

Year	Size of Prime Apartment Renter Cohort
2012	63.1 million
2017	65.8 million
2022	68.2 million
2030 (Projected)	68.8 million
2035 (Projected)	68.3 million

Source: Callan research, NCREIF, U.S. Census Bureau

Multi-Family Apartment Classifications



Class A

- ▶ Highest tier quality and amenities
- ▶ Relatively new properties (<10 years old)
- ▶ Modern designs, upscale finishes
- ▶ Target higher-income tenants that are renters by choice

Class B

- ▶ Middle tier quality and affordability
- ▶ Generally older (10-20 years) or less recently renovated
- ▶ Comfortable living conditions with adequate amenities
- ▶ Targets a broader range of tenants, including middle-income households

Class C

- ▶ Older buildings or properties that require significant renovations or maintenance
- ▶ Basic amenities and fewer modern features
- ▶ Generally more affordable and cater to lower-income tenants or those seeking more budget-friendly options

Source: Callan research

Affordable Housing

Affordable housing refers to multi-family apartments with some level of rent- or income-restriction that aims to provide units that are affordable to residents earning below 80% of the Area Median Income (“AMI”).

Low Income Housing Tax Credit

- ▶ LIHTC properties are developed or rehabilitated with tax credits provided by the federal government.
- ▶ Investors may acquire LIHTC properties with rent restrictions for 30 to 55 years.

Project-based Section 8

- ▶ Section 8 program administered by HUD allows tenants to pay 30% of their household income towards housing, with the balance paid for by HUD.
- ▶ Institutional investors may acquire and operate these properties, at rents as determined by HUD each year.

Voluntary Regulation

- ▶ Voluntary rent restrictions can be put in place in concert with state and local governments.
- ▶ Owners typically agree to a rent restriction on a certain percentage of units in exchange for some public subsidy such as a property tax abatement.

Source: Callan research

Manufactured Housing



A manufactured home is a factory-built residence that can be placed on a piece of land.

Residents typically (though not always) own their dwelling while leasing the underlying land from the owner of the manufactured housing community.

Resident retention rate averages of 13 years compared to 3 to 5 years for other rentals.

Historical and Projected Demographic Trends

Prime manufactured renter cohort:

Baby Boomers

Individuals aged 55 to 79 years old

Demographic Data

Year	Size of Prime Apartment Renter Cohort
2012	68.7 million
2017	79.1 million
2022	86.7 million
2030 (Projected)	91.3 million
2035 (Projected)	91.5 million

Source: Callan research, NCREIF, U.S. Census Bureau

Single-Family Rentals



Single-family rentals are defined as single-family homes that are rented, rather than owner occupied.

Single-family rentals became an institutional property sector after the Global Financial Crisis.

Institutional investors own approximately 3% to 4% of the 15.1 million single-family homes in the U.S.

Historical and Projected Demographic Trends

Prime single-family renter cohort:

Millennials

Individuals aged 30 to 44 years old

Demographic Data

Year	Size of Prime Apartment Renter Cohort
2012	60.3 million
2017	61.6 million
2022	67.0 million
2030 (Projected)	69.9 million
2035 (Projected)	71.1 million

Source: Callan research, NCREIF, U.S. Census Bureau

Single-Family Rental Strategies

Single-family rental strategies generally take the form of “scattered site” or “build-to-rent” approaches



Scattered Site

- ▶ Scattered-site single-family rentals refers to individual properties across various locations.
- ▶ Property management and operations can be challenging because homes are dispersed.
- ▶ Can be located in suburban sites or urban infill sites

Build to Rent

- ▶ Build-to-rent communities are contiguous portfolios of homes built as rentals, rather than for-sale homes.
- ▶ Property management can be easier as homes are in a single community.
- ▶ Typically located in submarkets that have more affordable and available land for development

Student Housing



Student housing refers to residential accommodations specifically designed for students pursuing higher education.

Student housing is typically rented by the bed, rather than by the unit, and offer a more tailored experience to students.

Historical and Projected Demographic Trends

Prime student housing renter cohort:

Generation Z

Individuals aged 20 to 24 years old

Demographic Data

Year	Size of Prime Apartment Renter Cohort
2012	21.9 million
2017	21.6 million
2022	22.7 million
2030 (Projected)	22.3 million
2035 (Projected)	21.4 million

Source: Callan research, NCREIF, U.S. Census Bureau

Student Housing

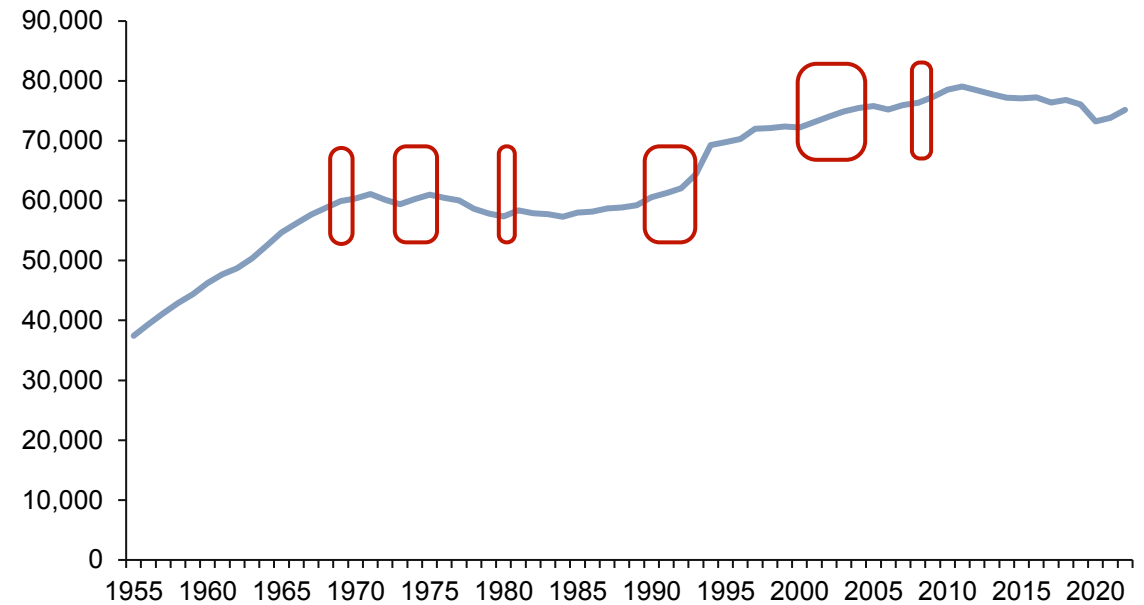
Demand for student housing has historically been considered demand inelastic and recession resilient.

College enrollment has historically increased during each of the last six recessions in the U.S.

Factors to Consider:

- ▶ University campus selection
- ▶ Operator quality
- ▶ Proximity to campus
- ▶ Competitiveness with nearby housing options
- ▶ Market liquidity

Historical College Enrollment



Periods of economic recession indicated include:

- Recession of 1969-1970
- 1973-1975 recession
- 1980 recession
- Early 1990s recession
- Early 2000s recession
- Global Financial Crisis of 2008

Source: Callan research, U.S. Census Bureau

Senior Housing



Senior housing refers to specialized residential accommodations designed to house older adults, typically aged 55 or older.

Amenities or services are tailored for seniors.

Historical and Projected Demographic Trends

Prime senior housing renter cohort:

Baby Boomers

Silent Generation

Individuals aged 55 and older

Demographic Data

Year	Size of Prime Apartment Renter Cohort
2012	79.5 million
2017	90.6 million
2022	99.9 million
2030 (Projected)	110.1 million
2035 (Projected)	114.4 million

Source: Callan research, NCREIF, U.S. Census Bureau

Senior Housing Classifications

The myriad housing options vary based on the level of self-sufficiency and care needed, commonly referred to as acuity. Institutional real estate managers generally focus on lower acuity property types.

Lowest Acuity

Highest Acuity

Senior Apartments

Residents are capable of performing activities of daily living.

No direct patient care provided at the property.

Residents often 55+ years of age or older

Typical length of stay of these renters is five or more years.

Independent Living Facilities

Residents are capable of performing activities of daily living.

Facilities resemble traditional apartments but have common areas that include a kitchen and dining room.

Residents often 75 years of age or older

Typical length of stay is three to four years.

Assisted Living Facilities

Residents can no longer live alone, often as a result of dementia or an event such as a fall or a stroke.

Residents often 80 years of age or older

Typical length of stay is one to two years.

Memory Care Facilities

Residents suffer from memory-related issues, including Alzheimer's.

Residents often 80 years old of age or older

Typical length of stay is one to two years.

Skilled Nursing Facilities

Highest level of care
Residents often suffer from multiple conditions.

Residents often 75 and 95 years old

Typical stay is one year through end of life.
Some short-stay residents who typically stay less than 30 days.

Source: Callan research

Office-to-Residential Conversions

Conversions are complex and opportunities are limited

Opportunities

- ▶ Repurpose a distressed office property
- ▶ Create additional housing supply
- ▶ Reuse existing structure, which is often more environmentally friendly than a new, ground-up development
- ▶ Create attractive investment opportunities

Challenges

- ▶ Pricing of existing building
- ▶ Removing existing office tenants
- ▶ Zoning and permitting processes and regulations
- ▶ Structural issues during construction
- ▶ Finding a property that is a good location with enough market demand for residential units
- ▶ Lighting and air requirements



The Field Building – 135 S. LaSalle St, Chicago, IL

Source: Callan research, Rent Cafe

Planned Office-to-Apartment Conversions

City	2024 Pipeline
Washington, D.C.	5,820 units
New York City, NY	5,215 units
Dallas, TX	3,163 units
Chicago, IL	2,822 units
Los Angeles, CA	2,442 units
Total U.S.	55,339 units

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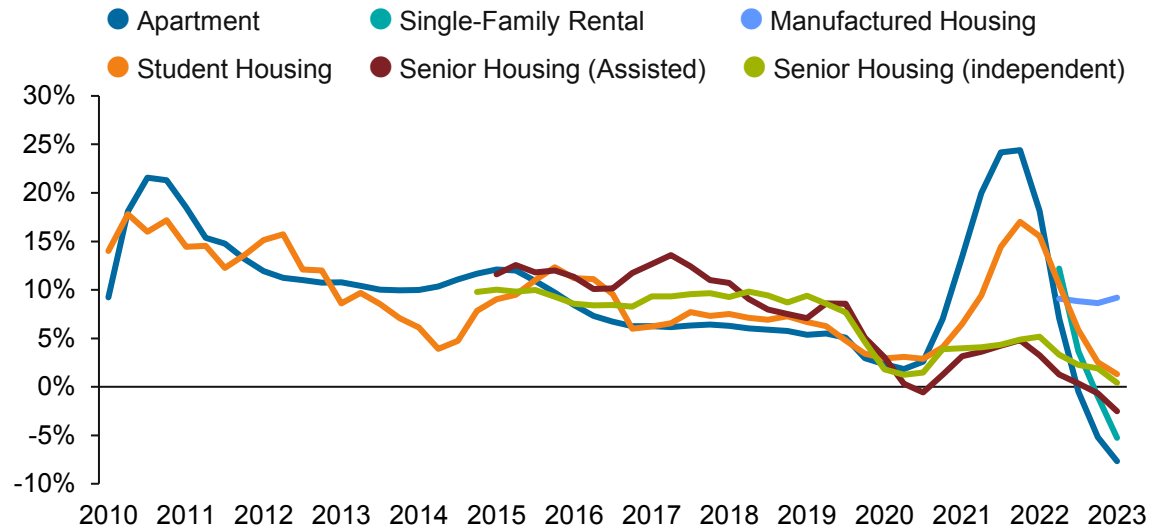
Implementation Considerations

Historical Performance and Correlation Analysis

Diversifying institutional real estate portfolios across one or more rental housing sectors could be advantageous considering these distinct investment attributes.

Each rental housing sector may target a different tenant base by age, income, or geography.

Total Returns by Housing Subsector, Annualized



Apartment	1.00				
Manufactured Housing	0.70	1.00			
Senior Housing	0.78	0.40	1.00		
Single-Family Rental	0.41	0.60	0.23	1.00	
Core Sectors (Apartment, Industrial, Office, Retail)	0.96	0.66	0.88	0.43	1.00
	Apartment	Manufactured Housing	Senior Housing	Single-Family Rental	Core Sectors (Apartment, Industrial, Office, Retail)

Source: Callan Research, Green Street Commercial Property Price Index, S&P CoreLogic Case-Shiller U.S. National Home Price Index, Nuveen Real Estate, NCREIF

Implementation Considerations by Sector

Rental housing sectors have a variety of implementation considerations worth evaluating

Market-Rate Multi-Family

Most mature rental housing sector, with many options including open-end funds, closed-end funds, separate accounts, joint ventures, co-investments, etc. across the risk spectrum.

Affordable Housing

Historically in closed-end funds until 2020, recent shift toward open-end funds.

Definition of the term “affordable” can vary.

Manufactured Housing

Limited dedicated options, with a handful of closed-end funds. Many diversified funds (both open-end and closed-end) offer some exposure.

Some large investors have invested directly via joint ventures with manufactured housing operators.

Single-Family Rental

Limited dedicated options, with a handful of open-end and closed-end funds targeting both scattered-site and built-for-rent.

Many diversified funds (both open-end and closed-end) offer some exposure.

Some large investors have established separate accounts and joint ventures.

Student Housing

Limited dedicated options, with a handful of closed-end funds. Many diversified funds (both open-end and closed-end) offer some exposure.

Senior Housing

Limited dedicated options, with a handful of closed-end funds.

Several health care focused funds target investments across senior housing facilities, medical office buildings, and life science buildings.

Many diversified funds (both open-end and closed-end) offer some exposure.

Source: Callan research

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SURS Portfolio

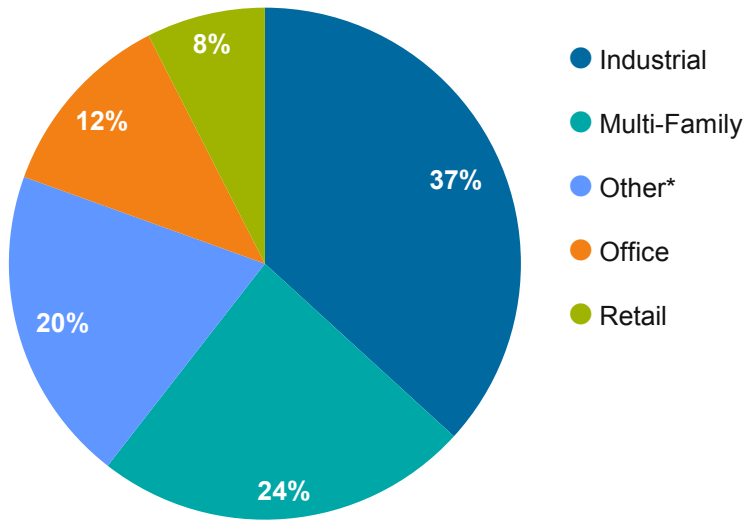
SURS Real Estate Portfolio Rental Housing Exposure

SURS' existing real assets portfolio has exposure to a diverse set of rental housing investments, the majority of which is in market-rate multi-family apartments.

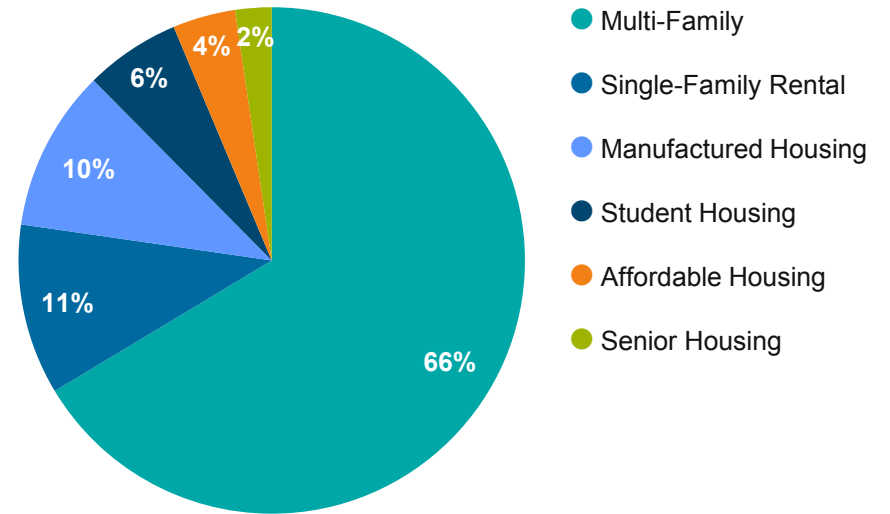
SURS' multi-family exposure was 23.8% as of September 30, 2023, below the NFI-ODCE Index exposure of 27.8%.

Rental housing exposure is represented roughly equally as a percentage of both the Stabilized Growth and Non-Traditional Growth portfolios.

SURS Real Estate Portfolio Diversification



SURS Residential Real Estate Portfolio Diversification



*Other is comprised of hotels (4.7%), storage (3.4%), health care (2.9%), manufactured housing (2.9%), mixed use (1.2%), student housing (1.1%), for sale residential (0.9%), diversified (0.6%), data center (0.6%), mixed use office/industrial (0.3%), and cash (0.4%)

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Appendix

SURS Real Estate Portfolio Rental Housing Exposure

Manager	Residential Market Value (millions, as of 9/30/23)	Multi-Family	Affordable Housing	Manufactured Housing	Single-Family Rental	Student Housing	Senior Housing
Stabilized Growth Funds							
UBS Trumbull Property Fund	\$36.6	X					
Heitman America Real Estate Trust	\$61.0	X					
JP Morgan Strategic Property Fund	\$75.5	X			X		
Carlyle Property Investors	\$130.5	X		X	X	X	X
Blackstone Property Partners	\$67.5	X	X		X		
Prologis US Logistics Fund	\$0.0						
GI Partners Essential Tech+Science Fund	\$0.0						
Clarion Partners Lion Properties Fund	\$54.9	X					
Non-Traditional Growth Funds							
Basis*	\$29.0	X				X	
Blackstone Asia	\$0.1						
Blackstone Europe	\$18.5	X	X			X	
Blue Vista Real Estate	\$3.8	X					X
Brasa	\$8.7	X				X	
Brookfield Strategic Real Estate	\$19.4	X		X	X	X	
Cabot	\$0.0						
Crow Holdings Realty	\$25.6	X		X		X	X
Dune Real Estate Partners	\$17.0	X			X		X
Franklin Templeton Funds	\$2.3	X					X
Longpoint	\$0.0						
Long Wharf	\$6.8	X					
Newport	\$0.0						
Oaktree	\$1.4	X					
StepStone	\$3.8	X					X
Torchlight*	\$17.3	X					
Westbrook	\$8.8	X					

*Debt strategies

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Office-to-Residential Conversions: Vast Opportunity or Unfeasible Challenge?

KEY ELEMENTS

- Office-to-residential conversion strategies may appear to be the perfect solution for two crises in the private real estate industry: office vacancies and housing shortages.
- But the conversions are complex, differ from location to location, and require extraordinary due diligence in terms of selecting managers.
- As pricing, office dynamics, and city zoning and permitting regulations evolve, many market participants anticipate an increasing number of these opportunities.
- This paper will address the complexities involved and provide two case studies on projects in progress.



“Relationships are key in real estate, especially when it comes to complicated projects such as conversions. The manager should have a strong network of contractors, suppliers, and potential tenants.”

Christine Mays and Aaron Quach
Real Assets Consulting Group



Converting office buildings to residential buildings may seem to be an opportunity for the commercial real estate industry, as it could address two major crises: rising vacancies in office buildings and a nationwide housing shortage. However, it is important not to overstate this opportunity as the solution for today's office and residential real estate challenges. Many investment management firms Callan has spoken with are exploring the possibility of converting obsolete, older, and/or vacant office buildings to residential properties, but there are many obstacles to work through before a conversion can even be considered. There are a number of factors and requirements that a building must possess to make an office-to-residential conversion feasible, and every building has distinctive characteristics, presenting unique challenges for each conversion opportunity.

This paper will touch on some of those attributes and nuances but primarily aim to provide investors with an overview of what to keep in mind when considering office-to-residential conversion strategies, which will typically be in an opportunistic or value-add fund in their real estate portfolios.

Some of the primary considerations for an office-to-residential conversion project include:

- Low cost-basis, as the redevelopment project will require significant capital investment
- Favorable supply-and-demand fundamentals for the proposed use in a particular market, sub-market, and location
- Eventually complete vacancy in the building, with either a relatively short lease term to wait out expiring leases, or lease termination agreements with existing tenants
- Small floor plates, which allow for sufficient natural light and outside air in bedrooms to comply with building code requirements or preferences from prospective tenants
- Flexible zoning regulations

Government officials across the U.S. are recognizing the potential benefits of office-to-residential conversions and have taken a variety of approaches to encourage conversion projects, including:

- Pursuing zoning reform to create new zoning categories or modify existing ones to allow for conversions
- Streamlining the permitting process and reducing regulatory barriers that drive up soft costs
- Offering financial incentives such as tax abatements to help offset the costs associated with conversion and make the projects more financially viable
- Waiving and reducing fees that are typically required to help mitigate the impact of new development on public infrastructure and services
- Reducing inclusionary zoning requirements that require developers to include a certain percentage of affordable housing units in new residential developments
- Launching a new initiative at the federal level to fund research and leverage federal funding to support conversions

It's important to note that specific incentives and proposals can vary significantly from one city to another. Developers should be actively engaged with local government agencies, economic development organizations, and planning departments to stay updated on the latest incentives and programs available.

Examples of Recently Proposed Legislative Initiatives

These are examples of legislation across the U.S. which aim to ease some of the challenges that these conversion projects face:

Legislators in Wisconsin proposed bills that would grant interest-free loans to developers that were converting empty malls and office buildings into affordable housing.

Chicago invited proposals for “LaSalle Street Reimagined,” an initiative to create affordable housing within underutilized office spaces in the Loop along Chicago’s LaSalle Street.

In Boston, a new program is designed to offer tax incentives to facilitate the conversion of office buildings to residential. The program offers reduced property tax rates, and the conversion projects would be subject to a streamlined approval process, facilitated by the city.

In California, the proposed Assembly Bill 1532 would fast-track office-to-housing conversions if they include affordable units, and the proposed Assembly Bill 529 aims to modernize state building codes to make it easier to convert office and retail buildings into housing.

In Washington, D.C., lawmakers passed the Housing in Downtown Tax Abatement program in July 2022. The program allows for a 20-year tax break for conversion projects that commit to making 15% of units affordable.

New York City Mayor Eric Adams outlined proposed zoning changes that would allow for office conversions to up to 20,000 units of residential spaces, if passed by the City Council in 2024. Mayor Adams also established an Office Adaptive Reuse Task Force, which issued a report in January 2023 containing 11 specific recommendations to modify state laws and city zoning to create more eligible space for conversion. The task force projected that if the recommended changes were implemented, it would unlock 136 million square feet of office space eligible for conversion. However, one of its key recommendations—lifting the floor-area-ratio cap in the city—did not pass in the state’s legislative session.

But even with some of the initiatives and incentives that attempt to make conversion projects more economically feasible, costs can be prohibitive.

Investors seeking to opportunistically target office-to-residential conversions in their real estate portfolios have the difficult task of selecting investment managers with the expertise to successfully execute a complex project. There are several key attributes that investors should look for, including:

- **Track record:** Investment managers that have successfully executed conversion projects have the benefit of understanding the process, including potential challenges that may arise. Investors should specifically consider a manager's history of delivering similar projects on time and on budget, and with strong realized returns upon exit. Ideally, the manager should be neither an office specialist nor a multi-family specialist, as a successful conversion project requires knowledge of both sectors.
- **Local and specialized expertise and capabilities:** An investment manager and its development partner, if applicable, should possess detailed knowledge of local regulations, building codes, and market dynamics in the specific location of the proposed project(s). A local presence in each target market is necessary. The team of architects, engineers, and project managers should have experience working on similar projects.
- **Strong underwriting expertise:** Underwriting office-to-residential conversion projects can be extremely complex, and financial feasibility relies on a manager's ability to accurately underwrite projected cash flows. Managers should conduct thorough due diligence, employ realistic assumptions, and seek input from industry professionals to ensure accurate underwriting and decision-making throughout the investment process.
- **Network and partnerships:** Relationships are key in real estate, and even more so when it comes to complicated projects such as conversions. The manager should have a strong network of contractors, suppliers, consultants, and potential buyers or tenants. Arguably the most important consideration is lender relationships, as obtaining financing for conversion projects can be extremely difficult, particularly given the current credit market tightening.
- **Alignment of interests:** Consider the alignment of interests between investors and their investment managers and developer partners. This should be reflected in the partnership structure, co-investment, incentive fees, and risk-sharing arrangements.
- **Risk management processes:** Identifying and mitigating potential risks associated with the conversion project are essential, and this relies on formalized processes informed by a manager's experience.
- **References and testimonials:** References from previous investors or partners that have worked with the developer or investment manager can provide valuable insights into a manager's credibility, transparency, and performance.

Office-to-Residential Case Studie

The following case studies provide examples of current office-to-residential conversion projects. These case studies provide valuable insights into the potential considerations, challenges, and creative solutions that can arise with these complex projects.



Case Study: Hines' South Temple Tower in Salt Lake City, UT

Overview: In June 2022, Hines acquired the 217,000-square-foot, Class B office property in an off-market transaction from the prior lender, which had taken over the asset through a foreclosure. The asset was built in the 1960s and was purchased by Hines as a distressed commodity office building with a redevelopment plan to convert it to multi-family product. The building was 50% vacant at the time of Hines' acquisition.

Team Expertise: Hines has a dedicated team called the conceptual construction group within its organization, a collection of employees across

key development and construction areas including electrical, structural, architecture, engineering, HVAC, and landscaping. The group has over 30 people and is involved in every major re-development and development project. For example, it serves as a resource for the Salt Lake City Hines team members for the South Temple project. Additionally, Hines selected a third-party architect with prior office-to-residential conversion experience.

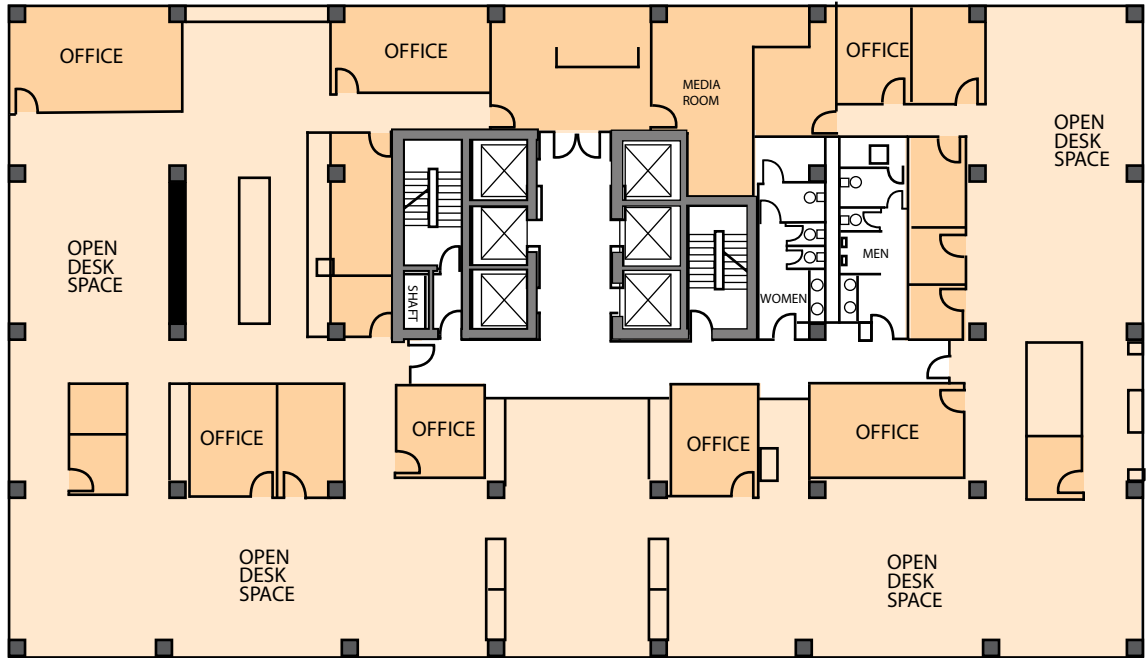
Location and Market Analysis: South Temple Tower is located in downtown Salt Lake City with walkability to retail, restaurants, and other local amenities. The building has unobstructed panoramic views of the surrounding mountains due to lower-density surroundings and is located on a desirable street. Salt Lake City market trends that benefit the project include a supply-demand imbalance for high-rise multi-family units and an influx of skilled workers from higher-cost urban markets. In the current market environment, Salt Lake City is experiencing lower levels of distress compared to other cities, resulting in less urgency for politicians to step in and provide subsidies for office-to-residential conversion projects. The underwritten economics for South Temple Tower do not include any subsidies or tax incentives.

Conversion Project Timeline: The project was acquired in 2022 and delivery is expected in 2025. Hines underwrote approximately one year for design, negotiating lease terminations with existing office tenants, and permitting; two years for construction; and one year for leasing, totaling a four-year hold period. The two-year construction project timeline is not only driven by the time necessary to complete the construction work but also the availability of materials.

Redevelopment Plan and Stabilization Strategy: Hines purchased the asset with a redevelopment strategy that included vacating the 19 office tenants occupying 50% of the building and converting to a 221-unit multi-family building to be delivered in 2025. As of June 2023, all of the 19 office tenants had vacated the building, a process that took a full year. Although this took slightly longer than expected, Hines succeeded at doing so below budgeted costs. The redevelopment plan will progress with floor-by-floor demolition and re-development. The amenity space, lobby, and parking construction will be underway in parallel with the floor-by-floor progress. The physical characteristics of a multi-family building are important as residential tenants base leasing and purchasing decisions on the design factors including the attractiveness of the exterior. South Temple Tower has an existing residential

“look-and-feel” already, and Hines expects the final product to be a loft-style, updated building with floor-to-ceiling windows on two sides of the building. Additionally, the Hines team planned to remove excess parking and convert excess parking spaces to self-storage units for residential tenants. Hines also plans to add tenant amenities including a pool, fitness center, and lounge.

BEFORE:



AFTER:



Underwritten Assumptions: Important underwriting assumptions include lease termination costs for the departure of the office tenants, re-development costs, leasing costs following completion of re-development, operating costs, and rent growth assumptions. Scenario and sensitivity analyses are also an important component of the initial underwriting process, and through this process Hines considered alternative business plans such as a ground-up multi-family development, a condominium conversion, and keeping the building as offices. Invasive due diligence was required for the conversion project as many of the drawings received from the seller were not detailed enough, which is common in an older building.

Feasibility Attributes: Hines pursued the conversion of South Temple Tower for many reasons, including the following physical attributes: small (12,000-square-foot) floor plates, a center core that allows for residential units with natural light all the way around the building and access to all sides of the building from the elevator, an ideal parking ratio, 10-foot ceiling heights, concrete structure, and extra elevator shafts for vertical risers through which the extra mechanicals for residential use could be run. The structural integrity of any conversion project is a major risk factor, and to have an existing center core means the team will not have to carve out a large hole in the center of the building.

Regulatory Considerations: Salt Lake City has flexible zoning and allows for this project's multi-family use already. If the Hines team were to add floors to the existing structure, the city would require additional review and approval. As this approval process would add incremental risk to the investment, Hines chose not to pursue adding additional density. Cities generally want to see more residential developments, and compared to some other cities, Salt Lake City benefits from a streamlined approval process.

Design and Construction Challenges: Some of the more challenging aspects of the conversion project include accurate cost estimates. Until the "guaranteed maximum price" contract is final with the general contractor, all cost estimates are likely to move, and it's important to have a large contingency for unanticipated costs. The Hines team approached estimating costs conservatively and incorporated replacing all building systems regardless of system age. Additionally, Hines brought the general contractor into the process very early following acquisition and worked with it onsite throughout the design process.

Financing Strategy: Hines acquired the investment with a bridge loan from a regional bank and is currently working through construction loan documents with a prominent lender. Given the market environment, Hines will be utilizing a conservative loan of approximately 50% loan-to-cost (LTC).

Sustainability: The sustainability attributes of this project include reusing the existing structure, the elevators, and approximately 60% of the façade. By reusing the existing steel structure, Hines is able to reduce the asset's embodied carbon emissions compared to a new ground-up development that would require newly manufactured steel. Additionally, all of the HVAC systems will be replaced with energy-efficient systems, and the low-emissivity glass installed for windows will reduce energy loss through the windows.

Case Study: Rockwood's 25 Water Street in New York City

Overview: In December 2022, Rockwood Capital acquired a fee simple interest in the 22-story, 1.1 million-square-foot office building. The asset was built in 1969 and was purchased as an obsolete office building with a redevelopment plan to convert it to a Class A multi-family product. The property was previously anchored by JPMorgan (700,000 square feet), and Rockwood negotiated an early termination agreement with JPMorgan and vacated the tenants by January 2023.



Existing office building



Rendering of planned multifamily exterior



Rendering of planned multifamily common area

Team Expertise: Rockwood's project team includes a third-party general contractor and architect. The architect has completed multiple office-to-residential conversion projects, and the general contractor has significant experience with complex redevelopment projects.

Location and Market Analysis: 25 Water Street is located in New York City's Financial District, near transit options and destinations including Stone Street, Battery Park, and the South Street Seaport/ Pier 17.

Conversion Project Timeline: Rockwood is targeting construction completion in 3Q25. The leasing of the property as a multi-family residential building is expected to take more than two years given the size of the project.

Redevelopment Plan and Stabilization Strategy: As of July 2023, the project has commenced the redevelopment of the existing 22-story building plus the construction of a 10-story overbuild. At stabilization, 25 Water Street is projected to be 32 stories with 1,283 multi-family units and 5,100 square feet of ground floor retail space. The property's amenity space will be split between the ground level and the 25th floor and will include an outdoor pool, indoor pool, basketball court, large fitness center, pickleball courts, golf simulators, and spa.

Underwritten Assumptions: Rockwood's primary underwriting assumptions include:

- *Redevelopment costs (hard and soft):* Approximately \$350,000 per unit, equivalent to \$575/ square foot
- *Departure of tenant costs:* Minimal (the project was mostly vacant at the time of acquisition). JPMorgan paid Rockwood a significant termination fee to exit its lease early, which was well above the fee the team initially underwrote.
- *Market Rent Growth:* 3.0% - 3.5%
- *Economic Vacancy:* 6.0%

Feasibility Attributes: The property benefits from a double-wide stretch of Water Street and open space in front of 1 New York Plaza, enabling views towards Battery Park, the New York Vietnam Veterans Park, and the East River / Brooklyn. Compared to other residential conversion projects, two significant items that make the project feasible include (i) the conversion is as-of-right, meaning the project meets the criteria outlined in the zoning code and will not require a public hearing, variance, or special permit/exception, and (ii) the project was mostly vacant at the time of acquisition with a path to fully vacating the building soon thereafter. Additionally, the property was built in 1969, which is within the time period that New York City zoning rules allow for conversions. Any buildings built before 1977 are zoned for possible office-to-residential conversions, although many older office buildings won't be conversion candidates for various other reasons.

Regulatory Considerations: There were no tax subsidies available for this conversion project. Rockwood remains hopeful that New York City will create a tax abatement for residential conversion projects, but no tax abatements are included in the underwritten assumptions. 25 Water Street will be 100% market rate residential units and will not include any affordable housing units. If New York City ultimately creates a tax incentive in exchange for affordable housing, the Rockwood team will consider the program at that time, but the project currently has no affordability requirement. Additionally, the project was as-of-right upon acquisition. Similar to all construction projects in New York City, there are permitting requirements that the team will have to address throughout the project, but the residential conversion is as-of-right.

Design and Construction Challenges: The primary challenges specific to this project are related to floorplates and façade:

- *Floorplates:* The property has approximately 40,000-square-foot floorplates that are too deep for efficient residential use. Rockwood plans to cut out two courtyards / lightwells from the core of the building to solve this issue and is adding 10 additional stories to the existing building by transferring the floor area ratio (FAR) from the removed lightwells.
- *Façade:* The building currently has a brick façade with minimal windows. The redevelopment plan includes removing brick from the façade and adding a combination of punched windows and a new window wall in order to create sufficient light and air.

Financing Strategy: Rockwood closed on the property with a property-level loan in December 2022 that will stabilize at approximately 65% loan-to-cost when fully funded.

Sustainability: In addition to not requiring significant displacement of tenants, and the related environmental costs associated with relocation, the project will expand the space available for housing as part of the building redesign. While the project does not have an affordable housing component, the developer may consider one if New York City offers tax incentives.

Conclusion

There may appear to be a glut of Class B and C office buildings that are viable options for conversion opportunities based on news headlines and rising vacancy rates; however, an extremely small percentage of these assets are actually viable conversion opportunities. But as pricing, office dynamics, and city zoning and permitting regulations evolve, many anticipate an increasing number of opportunities to convert challenged office buildings in the future. Creative solutions such as a mixed ecosystem in one property (e.g., office, residential, and retail) may also help to solve the disparity between demand for housing and lack of housing supply in many U.S. cities.

Cities are actively exploring ways to help foster the conversion from office-to-residential use by proposing streamlined permitting, reduced inclusionary zoning requirements, and offering tax incentives, among other things. Right now the office-to-residential conversion represents an opportunistic play given the various challenges we noted. Those considering this opportunity need to be extremely selective when evaluating potential managers. Investors should look for managers that can underwrite both the timing and costs.

Glossary of Terms

As-of-right	When a zoning ordinance specifically permits a proposed use and development of land without the imposition of special conditions or the necessity of discretionary approval from a local zoning board or commission
Class A, B, C Properties	An informal system for building classification with the consideration of a number of different factors, including age of the building, location/accessibility, infrastructure, technological capabilities, rental rates, market perception, finishes, tenancy, and amenities, with Class A the highest
Fee Simple Interest	Absolute ownership unencumbered by any other interest or estate
Floor Plates	The amount of leasable/rentable area on an entire individual floor of a building
Hard Costs	Costs that are directly related to the actual building of a construction project, including building materials, labor, and other construction costs such as HVAC systems and landscaping
Overbuild	Building over existing assets to create additional square footage on the same land site
Punched Windows	The style of architecture that has a rectangle or square window installation separate from others (as opposed to a string of connected windows or floor-to-ceiling windows)
Soft Costs	Costs that are related to a specific construction project, but not directly related to the physical building of a construction project, including architectural and design fees, legal fees, costs associated with entitlements and permitting, and advertising and marketing fees
Stabilization	The process of achieving the targeted occupancy of a building (The exact occupancy threshold (e.g., 70%, 80%) is not universally agreed upon.)
Zoning	The act or process of partitioning a city, town, or borough into zones reserved for different purposes (such as residential, commercial, or industrial); in some contexts, also refers to the set of ordinances by which such zones are established and regulated

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Investment Department

To: Investment Committee
 From: Investment Staff
 Date: February 16, 2024
 Re: Corporate Governance Update

Below please find a status update of governance activity since our December meeting.

Proxy Voting

- **Quarterly Report**

This summary report offers quarterly analysis of the top agenda items voted against management, top agenda items voted against Glass Lewis standard policy, shareholder proposal trends, and ballot and proposal statistics reports. The “SURS 4Q 2023 Voting Analysis,” is attached to this memo as Exhibit A.

For reference, agenda items voted against Glass Lewis standard policy pertain to topics where SURS’ adopted guidelines offer a more restrictive directive.

- **Election of Directors:** SURS voted in favor of female representation on companies’ boards, as well as sufficient disclosure concerning workforce diversity. SURS voted against the chair of the board in instances where companies were not signatories or participants in the United Nations Global Compact (UNGC) or haven’t adopted a human rights policy aligned with the Universal Declaration on Human Rights (UDHR) or International Labor Organization (ILO).
- **Ratification of Auditor:** SURS voted against the ratification of an auditor when the auditor’s tenure has not changed for 20 years or more.
- **Advisory Vote on Executive Compensation:** SURS voted against compensation plans that do not align pay with performance and do not link compensation to sustainability metrics.

There were 36 shareholder proposals (SHP) during the quarter:

- **SHP Regarding Election of Board Members(s) During a Contested Election – Dissident Nominee:** In general, the Public Pension Policy evaluates the plan presented by the dissident party and how, if elected, it plans to enhance shareholder value. These determinations are made on a case-by-case basis.
- **SHP Regarding Misc. Issues:** SURS voted in support of tax transparency reporting and increased disclosure on issues regarding diversity, and political spending.

- **2024 Proxy Voting Guidelines**

2024 Public Pension Plan, and Global Proxy Voting Guidelines have been released by Glass Lewis and have been published on the SURS website. Various changes have been introduced as part of the 2024 guidelines.

1. Changes to the **Public Pension Guidelines** cover the following topics:
 - Board Gender Diversity
 - Stakeholder Considerations
2. Changes to the **Global Proxy Voting Guidelines** vary by market and include the following topics:
 - Director Accountability for Climate-Related Issues
 - Cyber Risk Oversight
 - Interlocking Directorships
 - Director Attendance
 - Accounts and Reports
 - Human Capital Management
 - Director Commitments
 - Equity-Based Compensation Plans
 - Board Gender Diversity

Council of Institutional Investors (CII)

The 2024 CII's Spring Conference is set to take place in-person on March 4th-6th in Washington D.C. The conference agenda is attached to this memo as Exhibit B. Trustee Mitch Vogel, Trustee Fred Giertz, Mr. Michael Schlachter, and Ms. Stephany Brinkman are scheduled to attend the conference. Ms. Brinkman will provide an update to the Board of Trustees at the June meeting.

Ahead of the Spring meeting, as a member of CII, SURS has been asked to submit votes on various items. Materials to be considered and biographical information for candidates to the CII Board of Directors can be found as Exhibits C and Exhibit D, respectively. Vote recommendations provided by SURS staff are attached to this memo as Exhibit E.

Agenda highlights include:

March 4, 2024

The Changing Landscape for Climate Finance

Triun Takes on Disney

DEI After the Supreme Court Decision on Affirmative Action

March 5, 2024

What's on the Horizon for the SEC

Is ESG Relevant to Long-term Shareholder Value?

AI Policy Update

Exploring the Impacts of AI on Stewardship in 2024

The Promise and Peril of Private Credit

Fireside Chat with Diana Henriques

Member Hosted Meetings:

Investor Expectations on Methane Tracking, Reporting, Mitigation

The High Cost of Poor Human Capital Management

Upping the Ante - Raising Expectations on Board Diversity

Advancing Social Equity Through Public Markets

Highlighting Director Accountability in Proxy Voting

Protecting Long-Term Value by Managing Toxic Chemicals and Pollution

Biodiversity: The Nature of Investing

Spotlight on Private Equity in Healthcare

Widening the Aperture: The Future of Proxy Advice

March 6, 2024

Stewardship Norms Around the World

Recent Shareholder Gains and What's Ahead

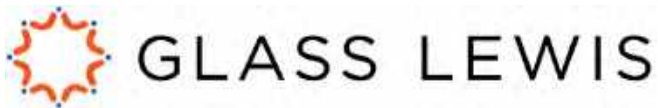
CII Member Lightning Round

Proxy Voter Group Meeting



TO: State Universities Retirement System (SURS)
FROM: Lucas Swertloff, Director, Custom Policy
DATE: January 29, 2024
RE: Review of Vote Activity Report for Fourth Quarter 2023

The Voting Activity Report for the Fourth Quarter 2023 summarizes Glass Lewis' votes for the State Universities Retirement System of Illinois (SURS), of which we highlighted and analyzed the most frequent occurrences of votes against management, votes against Glass Lewis and shareholder proposal trends.



Top Three Agenda Items Against Management – 4Q2023

Votes against management account for 597 of the 2,068 proposals, or 28.87% of the votes. The top categories of votes against management are:

- **Election of Directors** – Votes on the election of directors account for 405 of the 597 votes against management, or about 67.84% of the votes against management, and 19.58% of the total votes.

The top three reasons for votes against management are:

Insufficient gender diversity accounts for 231 votes against management. The Public Pension Policy has strengthened its policy concerning gender diversity on boards. The policy has been updated to provide that, if less than 30% of the board is female, the Public Pension policy will vote against the entire nominating committee.

The company is a UNGC participant or signatory OR the Human Rights Policy does not align with UNDHR accounts for 96 votes against management. The Public Pension Policy will vote against the chair of the board in instances where companies who are not signatories or participants in the United Nations Global Compact (UNGC) or that have not adopted a human rights policy that is aligned with the standards set forth by the International Labor Organization (ILO) or the Universal Declaration on Human Rights (UDHR).

Lack of EEO-1 reporting disclosure accounts for 62 votes against management. For U.S. companies listed in the S&P 500 index, the Public Pension Policy will evaluate whether companies have provided sufficient disclosure concerning their workforce diversity. In instances where these companies have not disclosed their full EEO-1 reports, the Public Pension Policy will vote against the nominating and governance chair.

- **Ratification of Auditor** – Votes on the ratification of auditor account for 46 of the 695 votes against management, or about 7.70% of the votes against management, and 2.22% of the total votes.

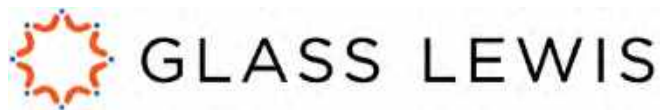
The top reason for votes against management is:

The auditor's tenure is excessive, which accounts for 45 of the votes against management. Rotating auditors is an important safeguard against the relationship between the auditor and the company becoming too close, resulting in a lack of oversight due to complacency or conflicts of interest. Accordingly, the Public Pension policy will vote against auditor ratification proposals in instances where a company's auditor has not been changed for 20 or more years.

- **Advisory Vote on Executive Compensation** – Votes on the advisory vote on executive compensation account for 44 of the 597 votes against management, or about 7.37% of the votes against management, and 2.12% of the total votes.

The top three reasons for votes against management are:

Concerning pay practices accounts for 13 of the votes against management. The Public Pension policy on this issue is to follow the Glass Lewis standard approach.



The Company has pay for performance issues and does not link any long-term incentive grant to sustainability metrics accounts for 9 of the votes against management. The Public Pension policy will vote against compensation plans where a company has both failed to provide an adequate link between pay and performance, and the company has neglected to incentivize environmental and social performance.

Pay and performance disconnect accounts for 7 of the votes against management. The Public Pension policy will vote against the approval of a compensation report or policy when there is a significant disconnect between pay and performance.

Top Three Agenda Items Against Glass Lewis – 4Q2023

Votes against the Glass Lewis standard policy account for 340 of the 2,086 proposals, or about 16.30% of the votes. The top categories for votes against the Glass Lewis standard policy are:

- **Election of Directors** – Votes on the election of directors account for 273 of the 340 votes against Glass Lewis or about 80.29% of the votes against Glass Lewis and 13.09% of the total votes.

The top three reasons for votes against Glass Lewis are:

Insufficient gender diversity on the board of directors accounts for 156 of the votes against Glass Lewis. The Public Pension policy has strengthened its policy concerning gender diversity on boards. The policy has been updated to provide that, if less than 30% of the board is female, the Public Pension Policy will vote against the entire nominating committee.

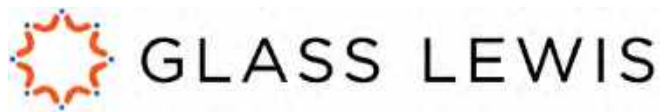
The company is a UNGC participant or signatory OR the Human Rights Policy does not align with UNDHR accounts for 80 votes against Glass Lewis. The Public Pension policy will vote against the chair of the board in instances where companies who are not signatories or participants in the United Nations Global Compact (UNGC) or that have not adopted a human rights policy that is aligned with the standards set forth by the International Labor Organization (ILO) or the Universal Declaration on Human Rights (UDHR).

Lack of EEO-1 reporting disclosure accounts for 35 votes against Glass Lewis. For U.S. companies listed in the S&P 500 index, the Public Pension policy will evaluate whether companies have provided sufficient disclosure concerning their workforce diversity. In instances where these companies have not disclosed their full EEO-1 reports, the Public Pension policy will vote against the nominating and governance chair.

- **Ratification of Auditor** – Votes on the ratification of auditor account for 44 of the 410 votes against Glass Lewis or about 12.94% of the votes against Glass Lewis, and 2.11% of the total votes.

The top reason for votes against Glass Lewis is:

The auditor's tenure is excessive accounts for all 44 votes against Glass Lewis. Rotating auditors is an important safeguard against the relationship between the auditor and the company becoming too close, resulting in a lack of oversight due to complacency or conflicts of interest. Accordingly, the Public Pension policy will vote against auditor ratification proposals in instances where a company's auditor has not been changed for 20 or more years.



- **Advisory Vote on Executive Compensation** – Votes on the advisory vote on executive compensation account for 9 of the 340 votes against Glass Lewis or about 2.65% of the votes against Glass Lewis, and 0.43% of the total votes.

The top reason for votes against Glass Lewis is:

The Company has pay for performance issues and does not link any long-term incentive grant to sustainability metrics accounts for all 9 votes against Glass Lewis. The Public Pension policy will vote against compensation plans where a company has both failed to provide an adequate link between pay and performance, and the company has neglected to incentivize environmental and social performance.

Shareholder Proposals - 4Q2023

During quarter four there were 36 shareholder proposals (SHPs), accounting for 1.72% of the total proposals. Governance proposals were the most common, accounting for 11 of the 36 SHPs or 30.55% of the SHPs. Overall, SURS voted SHPs against management 20 times, while SURS voted SHPs against Glass Lewis 11 times.

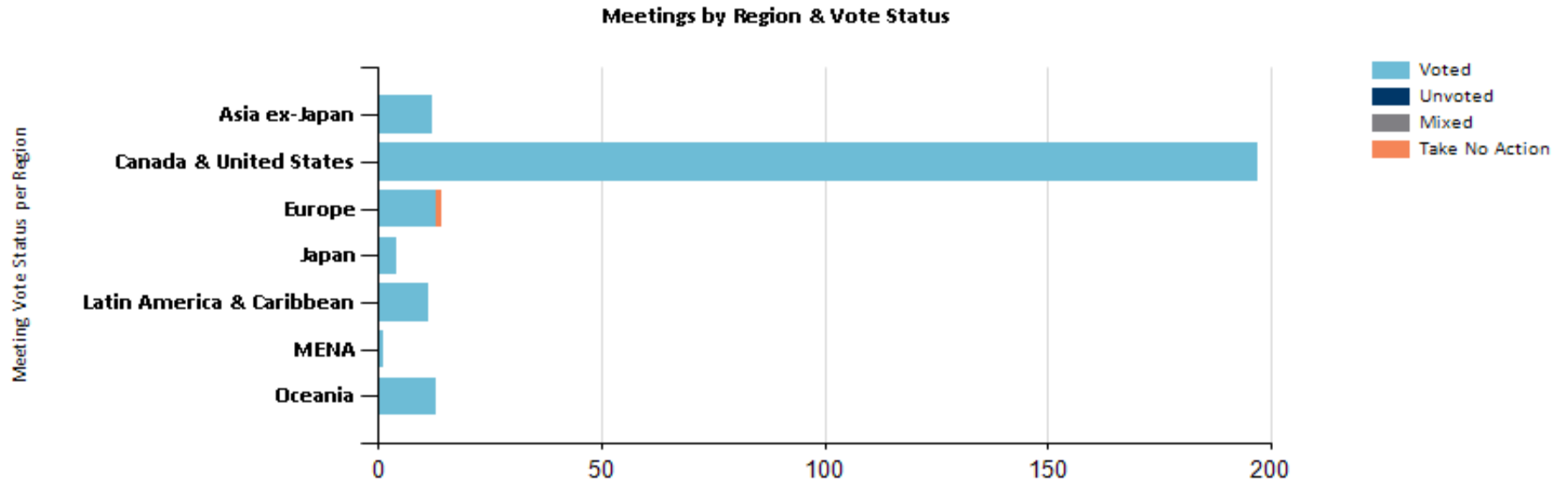
The three most common SHPs are:

- **SHP Regarding Misc. Social Issue** – accounts for 4 of the 36 SHPs, or about 11.11%. The public pension policy on this issue is to follow the Glass Lewis standard policy. Glass Lewis evaluates all shareholder proposals on a case-by-case basis with a view to promoting long-term shareholder value.
- **SHP Regarding Election of Board Member(s) During a Contested Election – Dissident Nominee** – accounts for 3 of the 36 SHPs or 8.33%. In the case of contested merger situations, or board proxy fights, the Public Pension Policy will evaluate the plan presented by the dissident party and how, if elected, it plans to enhance or protect shareholder value. The Public Pension policy will also consider any concerns presented by the board, including any plans for improving the performance of the company, when making the ultimate recommendation. In addition, the Public Pension Policy will support shareholder proposals asking a company to consider the effects of a merger, spin-off, or other transaction on its employees and other stakeholders.
- **SHP Regarding Misc. Issues** – accounts for 3 of the 36 SHPs, or about 8.33%. The public pension policy on this issue is to follow the Glass Lewis standard policy. Glass Lewis evaluates all shareholder proposals on a case-by-case basis with a view to promoting long-term shareholder value.

Meeting Statistics Report

SURS Q4 2023 Reporting

From 10/1/2023 to 12/31/2023



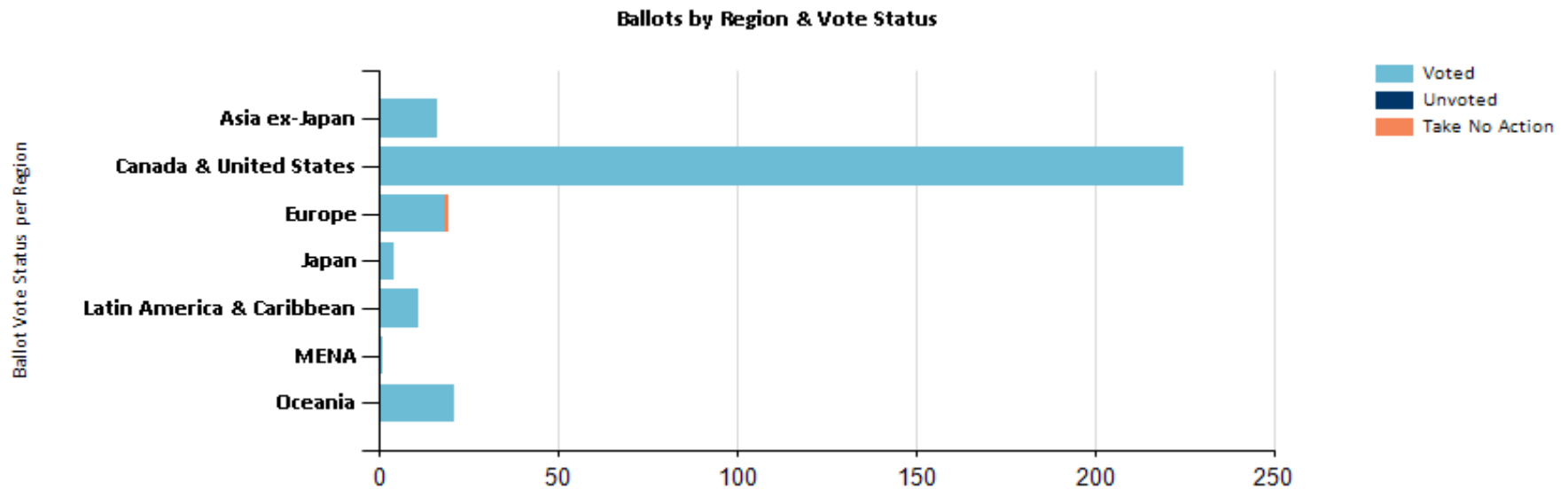
Region	Country Of Origin	Voted	Unvoted	Mixed	Take No Action	Total
Total for all Regions		251	0	0	1	252
Asia ex-Japan		12	0	0	0	12
	China	8	0	0	0	8
	Hong Kong	1	0	0	0	1
	India	1	0	0	0	1
	Singapore	2	0	0	0	2
Canada & United States		197	0	0	0	197
	Canada	1	0	0	0	1
	United States	196	0	0	0	196
Europe		13	0	0	1	14

	Belgium	1	0	0	0	1
	France	2	0	0	0	2
	Ireland	3	0	0	0	3
	Italy	1	0	0	0	1
	Netherlands	2	0	0	0	2
	Sweden	1	0	0	0	1
	Switzerland	0	0	0	1	1
	United Kingdom	3	0	0	0	3
Japan		4	0	0	0	4
	Japan	4	0	0	0	4
Latin America & Caribbean		11	0	0	0	11
	Bermuda	6	0	0	0	6
	Brazil	1	0	0	0	1
	Cayman Islands	3	0	0	0	3
	Mexico	1	0	0	0	1
MENA		1	0	0	0	1
	Israel	1	0	0	0	1
Oceania		13	0	0	0	13
	Australia	13	0	0	0	13

Ballot Statistics Report

SURS Q4 2023 Reporting

From 10/1/2023 to 12/31/2023



Region	Country Of Origin	Voted	Unvoted	Take No Action	Total
Total for all Regions		296	0	1	297
Asia ex-Japan		16	0	0	16
	China	8	0	0	8
	Hong Kong	1	0	0	1
	India	2	0	0	2
	Singapore	5	0	0	5
Canada & United States		225	0	0	225
	Canada	1	0	0	1
	United States	224	0	0	224
Europe		18	0	1	19
	Belgium	1	0	0	1
	France	3	0	0	3
	Ireland	4	0	0	4

	Italy	4	0	0	4
	Netherlands	2	0	0	2
	Sweden	1	0	0	1
	Switzerland	0	0	1	1
	United Kingdom	3	0	0	3
Japan		4	0	0	4
	Japan	4	0	0	4
Latin America & Caribbean		11	0	0	11
	Bermuda	6	0	0	6
	Brazil	1	0	0	1
	Cayman Islands	3	0	0	3
	Mexico	1	0	0	1
MENA		1	0	0	1
	Israel	1	0	0	1
Oceania		21	0	0	21
	Australia	21	0	0	21

Proposal Statistics Report

SURS Q4 2023 Reporting

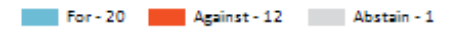
From 10/1/2023 to 12/31/2023

	Mgmt Proposals	SHP Proposals	Total Proposals
For	1340	20	1360
Against	556	12	568
Abstain	1	1	2
1 Year	92	0	92
2 Years	0	0	0
3 Years	0	0	0
Mixed	0	0	0
Take No Action	32	0	32
Unvoted	0	0	0
Totals	2021	33	2054

Management Proposals – Votes Cast

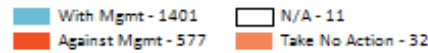


Shareholder Proposals – Votes Cast

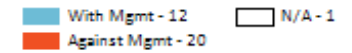


	Mgmt Proposals	SHP Proposals	Total Proposals
With Management	1401	12	1413
Against Management	577	20	597
N/A	11	1	12
Mixed	0	0	0
Take No Action	32	0	32
Unvoted	0	0	0
Totals	2021	33	2054

Management Proposals – Votes versus Management



Shareholder Proposals – Votes versus Management



	Mgmt Proposals	SHP Proposals	Total Proposals
With Policy	1987	33	2020
Against Policy	0	0	0
Manual	2	0	2
N/A	0	0	0
Mixed	0	0	0
Take No Action	32	0	32
Unvoted	0	0	0
Totals	2021	33	2054

Management Proposals - Votes versus Policy

With Policy 1987 Take No Action 32 Manual 2



Shareholder Proposals - Votes versus Policy

With Policy 33



	Mgmt Proposals	SHP Proposals	Total Proposals
With Glass Lewis	1658	22	1680
Against Glass Lewis	329	11	340
N/A	2	0	2
Mixed	0	0	0
Take No Action	32	0	32
Unvoted	0	0	0
Totals	2021	33	2054

Management Proposals - Votes versus Glass Lewis

With GL 1658 N/A 2 Take No Action 32 Against GL 329



Shareholder Proposals - Votes versus Glass Lewis

With GL 22 Against GL 11



Agenda

Press: Members of the press are invited to attend all plenary and breakout sessions on Monday, March 4, and Tuesday, March 5. All sessions on Wednesday, March 6 are closed to press.

March 4, 2024

Member Lounge Sponsored by EY	8:30 AM-6:45 PM
Registration Open	8:30 AM-5:30 PM
Policies Committee Meeting	9:00 AM-10:00 AM
U.S. Asset Owner's Advisory Council Meeting (Private Meeting)	10:00 AM-10:45 AM
CII Corporate Fund Members Constituency Meeting (Private Meeting)	11:00 AM – 11:45 AM
CII Labor Union Fund Constituency Meeting (Private Meeting)	11:00 AM – 11:45 AM
CII Public Pension, Endowment and Foundation Members Constituency Meeting (Private)	11:00 AM – 11:45 AM
CII U.S. Asset Owner Members Business Meeting & Lunch (Private Event)	11:45 AM – 12:45 PM
CII Markets Advisory Council Meeting (Private Meeting)	1:00 PM – 1:45 PM
New Member Icebreaker, Sponsored by MSCI (Private Event, RSVP Required)	2:00 PM – 2:45 PM
CII Associate Member Constituency Meeting (Private Meeting)	2:00 PM – 2:45 PM
Welcome Remarks	3:00 PM – 3:05 PM
<i>Plenary 1: Fireside Chat: The Changing Landscape for Climate Finance</i>	3:05 PM – 3:45 PM
Plenary 2: Trian Takes on Disney	3:45 PM – 4:15 PM
Plenary 3: DEI After the Supreme Court Decision on Affirmative Action	4:30 PM – 5:30 PM
Public Pension Fund Trustee Dinner (Private Event, RSVP Required)	6:45 PM – 8:00 PM

March 5, 2024

Member Lounge Sponsored by EY	8:00 AM-6:30 PM
Registration Open	8:00 AM-5:15 PM
CIO Breakfast (Private Event, RSVP Required)	7:30 AM-8:30 AM
Plenary 4: What's on the Horizon for the SEC	8:50 AM-9:20 AM
Plenary 5: Is ESG Relevant to Long-term Shareholder Value?	9:20 AM – 10:00 AM
Plenary 6a: AI Policy Update	10:00 AM – 10:30 AM
Plenary 6b: Exploring the Impacts of AI on Stewardship in 2024	10:30 AM – 11:00 AM
Breakout 1: Engagement Strategies for Smaller Funds	11:30 AM – 12:30 PM
Breakout 2: The Promise and Peril of Private Credit	11:30 AM – 12:30 PM
Plenary 7 & Luncheon Fireside Chat with Diana Henriques	12:45 PM – 2:00 PM
Member-Hosted Meeting: Investor Expectations on Methane Tracking, Reporting, Mitigation	2:15 PM – 3:00 PM
Member-Hosted Meeting: The High Cost of Poor Human Capital Management	2:15 PM – 3:00 PM
Member-Hosted Meeting: Upping the Ante - Raising Expectations on Board Diversity	2:15 PM – 3:00 PM
Member-Hosted Meeting: Advancing Social Equity Through Public Markets	3:30 PM – 4:15 PM
Member-Hosted Meeting: Highlighting Director Accountability in Proxy Voting	3:30 PM – 4:15 PM
Member-Hosted Meeting: Protecting Long-Term Value by Managing Toxic Chemicals and Pollution	3:30 PM – 4:15 PM
Investor Coalition for Equal Votes -ICEV Meeting (Private Event, RSVP Required)	4:15 PM – 4:45 PM
Member-Hosted Meeting: Biodiversity: The Nature of Investing	4:45 PM – 5:30 PM
Member-Hosted Meeting: Spotlight on Private Equity in Healthcare	4:45 PM – 5:30 PM
Member-Hosted Meeting: Widening the Aperture: The Future of Proxy Advice	4:45 PM – 5:30 PM

March 6, 2024

Member Lounge Sponsored by EY	8:00 AM-11:30 AM
Registration Open	8:00 AM-11:30 AM
What ISSB Means for CII Members: Breakfast Presentation and Q&A with ISSB Board Member Verity Chegar	8:00 AM – 9:00 AM
CII Board of Directors Meeting (Private Event)	8:00 AM – 9:00 AM
Plenary 8: Stewardship Norms Around the World	9:15 AM – 10:15 AM
Plenary 9: Workers' Rights: Recent Shareholder Gains and What's Ahead	10:15 AM – 11:15 AM
Plenary 10: Shareholder Advocacy Committee's Lightning Round	11:30 AM – 12:15 PM
Closing Remarks and Networking Buffet Lunch	12:15 PM – 1:30 PM



U.S. ASSET OWNER MEMBERS' BUSINESS MEETING

**Monday, March 4, 2024
11:45 AM – 12:45 PM ET
Grand Ballroom**

CII U.S. Asset Owner Members' Business Meeting Agenda

Business Meeting Agenda

1. Chair Report (Aeisha Mastagni)
2. Staff Report (Amy Borrus)
[Appendix 1, page 4](#)
3. Financial Report (Katy Hoffman, board treasurer)
[Appendix 2, page 9](#)
4. Policy Ballot Item and Policies Committee Report (Yumi Narita, chair)
[Ballot item in Appendix 3, page 13](#), and [report in Appendix 4 page 15](#)
5. Shareholder Advocacy Committee Report
[Appendix 5, page 16](#)
6. International Governance Committee Report
[Appendix 6, page 17](#)
7. U.S. Asset Owners Advisory Council Report & Request for Nominations for members to serve for 2024-2025 (John Mulé)
[Appendix 7, page 19](#)
8. Corporate Governance Advisory Council Report (Amy Borrus, staff liaison)
[Appendix 8, page 21](#)
9. Markets Advisory Council Report (Jeff Mahoney, staff liaison)
[Appendix 9, page 23](#)
10. Constituency Reports and Introduction of CII Board Members for 2024-2025 (Constituency Co-Chairs Peggy Foran, Michael McCauley and Tejal Patel)

Comments from the Membership

Any member wishing to speak is invited to address the membership.

CII U.S. Asset Owner Members' Business Meeting Agenda

Future CII Conferences

September 9-11, 2024: Brooklyn, NY, New York Marriott at the Brooklyn Bridge

March 10-13, 2025: Washington, D.C., Salamander Hotel

September 8-10, 2025: San Francisco, Westin San Francisco

Fall 2026: Boston (Dates TBD)

Fall 2027: Denver (Dates TBD)

CII U.S. Asset Owner Members' Business Meeting Agenda

APPENDIX 1
STAFF REPORT ON MEMBERSHIP & ADVOCACY

Member Retention

The 2024 membership renewal season began on October 18, with members receiving invoices payable through the grace period of February 14, 2024. As of February 12, 82% of 2023 organizations (U.S. Asset Owner Members and Associate Members) have renewed their membership for 2024, totaling \$2,869,000 in revenue, which is 92% of the \$3,127,000 renewal budget goal. To date, 19 organizations have dropped membership for a loss of \$186,890:

U.S. Asset Owners

Idaho PERS
Iowa PERS
Montgomery County Public Schools
New Hampshire ERS
PA PSERS
Central Laborers Pension Fund
Activision Blizzard
Gilead Sciences

Associate Members

As You Sow
Bleichmar Fonti & Auld
H/ Advisors Abernathy
Lieff, Cabraser, Heimann & Bernstein
Loomis Sayles
Mediant- Merger
Northern Trust Asset Management
PGIM Quantitative Solutions
PSP Investments
United for Respect
Vale

New Members

Early new member conversion is strong. Fourteen new members have joined for 2024, adding a total of \$112,415 in new member dues, which is 51% of the \$220,000 budget goal.

U.S. Asset Owners

AT&T
Netflix
Warner Brothers Discovery
Zomedica

Bernhard Capital Partners
Blue Sky Research
Boston Trust Walden
Janus Henderson Investors
Longacre Square Partners
Trillium Asset Management
UBS Asset Management
Verity

Associate Members

American Century Investments
BEL Capital Advisory

Renewal and new member dues revenues combined total \$2,836,000, which is 85% of the 2024 total membership dues goal of \$3,347,000. Staff is working to convert approximately 20 current sales leads to membership in 2024. That would add an estimated \$220,000 in new member revenues.

Prospects

As of February 12, individuals from the following prospective new member organizations are attending the conference:



Amalgamated Bank
BrightWorld ESG
Capital Dynamics
CVS Health
Davis Polk
Disability:IN
FAIRR
Lafayette Square Management

Radix Pension Manager Ltd
Resona Asset Management
RVK
Santa Barbara County Employees
Retirement System
Loring, Wolcott & Coolidge
Verisk Maplecroft

Please email Melissa@cii.org for a complete list of prospects.

Membership Snapshot – table 1

Member Type	2018	2019	2020	2021	2022	2023	2024*
US Asset Owners							
Public Funds	54	57	55	56	54	56	50
Labor Funds	27	25	23	22	21	20	18
Corporate Funds	52	58	54	58	58	54	55
Others (Foundation/Endowment)	5	6	6	7	7	7	7
Total US Asset Owners	138	146	138	143	140	137	130
Associate Members							
Asset Managers	58	63	61	65	70	77	78
Non-US Asset Owners	9	11	13	13	13	11	10
Service Providers**	85	80	79	86	93	97	93
Total Associate Members	152	154	153	164	176	185	181
Total Membership Organizations	290	300	291	307	316	322	311

*As of 02/08/2024, final numbers not available until April 2024.

**Includes law firms, proxy advisors, NGOs, and other non-profits.

CII U.S. Asset Owner Members' Business Meeting Agenda

Snapshot of Dues and Event Income 2019-2023 – table 2

	2019	2020	2021	2022	2023
Total membership dues	\$3,346,286	\$3,009,252	\$2,920,379	\$3,109,589	\$3,380,246
Conference revenues					
<i>Attendance fees - all</i>	\$84,550	\$271,510	\$62,640	\$490,672	\$510,259
<i>Sponsorship</i>	\$247,896	\$201,850	\$92,446	\$249,852	\$254,668
<i>Member-hosted-meeting fees</i>	\$36,096	\$38,500		\$49,500	\$56,500
<i>Other</i>	\$37,728	\$17,535	\$390	\$1,266	\$210
Total conference revenues	\$406,270	\$529,395	\$155,476	\$791,290	\$821,637
Other event revenues					
<i>CG Bootcamp fees</i>	\$12,800	\$49,735	\$35,947	\$133,959	\$146,510
<i>CG Bootcamp sponsorship</i>		\$5,000			\$5,000
<i>Misc.</i>					\$180
Total other event revenues	\$12,800	\$54,735	\$35,947	\$133,959	\$151,690
Total event income	\$419,070	\$584,130	\$191,423	\$925,249	\$973,327

Discussion

The good news: Total membership dues revenues and event income have been on an upswing, as reflected in table 2. The bad news: The trendlines in the numbers of U.S. Asset Owner Members and Associate Members are diverging, as shown in table 1. U.S. Asset Owner Membership is stagnant, while Associate Membership—especially the ranks of asset managers—is growing. If that trend continues, it could eventually undercut CII's credibility as the voice of U.S. institutional asset owners and prompt a strategic re-think about who CII represents.

U.S. Asset Owner Membership

CII identifies itself as an association of U.S. asset owner institutions, the core of which has long been public pension funds. But U.S. Asset Owner Membership has been flat for several years. It numbered 138 funds in 2018 and 137 in 2023. It currently stands at 130.

U.S. public fund membership fell off a cliff after the financial crisis, dropping from 71 in 2009 to the mid-50s, where it has stayed for the past six years. As of February 8, five public funds have declined to renew membership for 2024, bringing the public fund total to 50. Labor fund membership has declined by about a third since 2018. Membership by foundations and endowments, a tiny cohort, has edged up slightly. The number of corporate funds has milled around the mid-50s and currently stands at 55.

CII revamped its dues structure twice over the past several years, with the aim of retaining and recruiting U.S. Asset Owner Members, particularly public funds.

CII U.S. Asset Owner Members' Business Meeting Agenda

In 2018, we expanded the rate base to include defined contribution assets; reduced the rate for bundled voting members from \$1.30 per \$1 million of assets to \$0.95 per \$1 million of assets; and we created an unbundled option at \$0.65 per \$1 million of assets.

At that time, CII membership included 54 of the top 100 public funds and we expected the proposed changes would help attract up to 50 more from among the top 200 public funds. Unfortunately, that did not happen. While we gained some public fund members, we lost others.

Last year, the board approved another change in U.S. Asset Owner Member dues, introducing a tiered, flat-rate dues structure. We believe the simpler structure is easier for members and prospective members to understand, reduces year-to-year volatility in dues for members and aligns with other membership organizations. As this is the first year of the new structure, we cannot draw any conclusions yet.

Staff believes the drops in public fund membership reflect a combination of factors: belt-tightening by pension systems, turnover in fund staffing and political pressures that have made ESG a flashpoint. CII policy and advocacy focus squarely on corporate governance, shareholder rights and enhancing long-term shareowner value. But many members have a deep interest in environmental and social issues that impact investment decisions, and that is disconcerting to some public funds.

CII staff is ramping up efforts to reverse the decline of our U.S Asset Owner Membership base. We plan to beef up retention and recruitment initiatives by hiring a part-time membership and marketing specialist to handle some of the more routine outreach and processing activities. That will give Melissa Fader more time to focus on growing the membership, especially public funds and foundations and endowments.

Still, we need your help. If you have contacts at public funds and other organizations that are not currently CII members, please encourage them to join or attend a conference to see what CII all is about. Please pass any potential member contacts to Melissa.

Associate Membership

Associate Membership has grown steadily from 152 organizations in 2018 to 185 in 2023. With numerous prospects in the pipeline, staff expects the number of Associate Member firms will continue to grow this year.

Starting in 2020, CII required all Associate Members to pay for dues and conference attendance separately. We lowered the dues rate for Associate Members, betting that eventually we would more than make up for that loss of revenue in attendance fees and additional AMs.

The impact of unbundling was difficult to assess initially because the Covid-19 pandemic reduced attendance at the 2020 spring conference and forced CII to host virtual conferences in the fall of 2020 and the spring and fall of 2021.

CII U.S. Asset Owner Members' Business Meeting Agenda

We now have had two years of in-person conferences (2022 and 2023), and it appears that unbundling Associate Member dues is having a positive impact on CII revenues, while not dampening Associate Members' interest in attending conferences:

	2019	2020	2021	2022	2023
Assoc Member dues	\$ 1,571,187	\$ 1,196,750	\$ 1,175,769	\$ 1,264,637	\$ 1,455,456
Assoc Member attendance fees	\$ -	\$ 232,180	\$ 52,130	\$ 411,517	\$ 435,734
Total AM revenues	\$ 1,571,187	\$ 1,428,930	\$ 1,227,899	\$ 1,676,154	\$ 1,888,190

The growth in asset managers and their active involvement in CII is a positive trend given the sector's large footprint in the corporate governance community. CII Associate Membership includes all four major indexers (BlackRock, Fidelity, State Street Global Advisors and Vanguard) and many leading global active managers. Asset manager member representatives participate enthusiastically in the Corporate Governance Advisory Council (nominations were at a record this year) and the Proxy Voter Group. CII staff will maintain robust efforts to recruit more money managers.

Advocacy Priorities for 2024

The issues CII advocates generally fall into three categories and are grounded in CII's member-approved policies. Below are CII's advocacy priorities for 2024.

Investor Rights & Protections:

- Voting rights in proportion to equity & time-based "sunset" provisions for dual-class stock
- Ensuring that investors have independent proxy research
- Right of shareholders to express their voice via proposals
- Ensuring the right to recover losses under Section 11

Corporate Disclosure - CII generally supports required disclosure of:

- Gaps between ownership and control of dual-class stock companies
- Transparency of executive compensation
- Climate risk metrics
- Diversity of the boards and executive officers
- Key workforce metrics
- Enhanced transparency of share buybacks

Market Systems & Structure:

- End-to-end vote confirmation
- Index provider transparency
- Stock exchange operations and governance.

CII U.S. Asset Owner Members' Business Meeting Agenda

APPENDIX 2
Financial Report Operating Income and Expenses
2023 Budget, Preliminary Unaudited Results & 2024 Budget (In Dollars)

	2023 Budget	2023 projection Jan 9, 2024	2023 projection as % of budget	2024 Budget
INCOME				
Membership Dues				
Renewing Members (all)	3,051,262	3,117,351	102%	3,127,000
<i>Renewing U.S. Asset Owner (Voting) Members</i>	<i>1,818,289</i>	<i>1,843,929</i>	101%	<i>1,744,000</i>
<i>Renewing Associate Members</i>	<i>1,232,973</i>	<i>1,273,422</i>	103%	<i>1,383,000</i>
New Members (all categories)	207,000	262,905	127%	220,000
<i>New U.S. Asset Owner (Voting) Members</i>	<i>83,000</i>	<i>80,862</i>	97%	<i>70,000</i>
<i>New Associate Members</i>	<i>124,000</i>	<i>182,043</i>	147%	<i>150,000</i>
Total Membership Dues	3,258,262	3,380,256	104%	3,347,000
Other Income				
Interest and dividend income	70,000	158,000	226%	70,000
Conference sponsorship/fees/etc.	697,000	821,638	118%	928,000
<i>Sponsorships</i>	<i>249,000</i>	<i>254,668</i>	102%	<i>275,000</i>
<i>Member-hosted meeting fees</i>	<i>48,000</i>	<i>56,500</i>	118%	<i>52,000</i>
<i>Attendance fees</i>	<i>400,000</i>	<i>510,260</i>	128%	<i>601,000</i>
CG Bootcamp	66,000	151,510	230%	130,000
<i>Other conference income</i>		<i>210</i>		
Misc		4,488		
Total Other Income	833,000	1,135,636	136%	1,128,000
Total Income Before Unrealized G/L	4,091,262	4,515,892	110%	4,475,000
OPERATING EXPENSES				
Conference/Meetings	805,000	777,000	97%	912,000
Communication	25,000	18,200	73%	18,000
CG Bootcamp	60,000	50,000	83%	60,000
Depreciation	28,000	20,000	71%	25,000
Dues and subscriptions	85,000	103,500	122%	95,000
Financial fees	50,000	64,400	129%	70,000
Insurance/Life/Health	355,100	300,000	84%	359,000
Legal fees	70,000	20,000	29%	70,000
Maintenance	2,500	1,550	62%	2,000
Marketing overall	10,000	9,400	94%	30,000
Meals and entertainment	10,000	10,000	100%	12,000
Office equipment and furniture	12,000	-	0%	12,000
Office supplies	8,000	4,700	59%	8,000
Postage and delivery	1,000	200	20%	1,000
Professional services	117,000	117,000	100%	126,000
Rent	176,000	180,700	103%	111,000
Retirement plan	515,000	513,300	100%	485,000
Salaries/Payroll taxes	1,998,500	1,903,125	95%	1,990,000
Travel	40,000	32,500	81%	40,000
Total Operating Expenses	4,368,100	4,125,575	94%	4,426,000
Operating Gain/Loss (Before Investments, Pension Plan Changes, Special Items)	\$(276,838)	\$390,317		\$49,000

CII U.S. Asset Owner Members' Business Meeting Agenda

Note: The audit will be conducted in March. Audited financial statements will be available for members on CII's website by the end of April.

The projection shows CII incurred an operating gain of about \$390,000 based on a current review. This compares with a budgeted operating loss of \$276,838.

Revenues

Total revenues were more than \$400,000 above budget (10%). Several factors contributed to the strong income:

- Membership dues were robust—\$122,000, or 4%, above budget overall, due to higher-than-budgeted renewals and exceptionally strong new member dues, particularly new Associate Members. Dues generated from new U.S. Asset Owner Members were slightly below budget.
- Conference revenues were also buoyant, at nearly \$125,000 above budget, helped by a significant increase in attendance fee income.
- Corporate Governance Bootcamp revenues were more than double the \$66,000 budgeted amount. It is important to note that the 2023 budget was drafted and approved before the successful 2022 Bootcamp was held. The 2024 budget has a more up-to-date target for Bootcamp income of \$130,000.
- The financial markets were unusually favorable across the board: Dividend and interest income was \$158,000, more than double what we budgeted.

Expenses

Total expenses were about \$242,000 below budget (6%). Category by category, expenses were mixed. A few of the most significant factors were:

- Payroll, which is 46% of total expenses, was \$95,000 or 5% below budget. Payroll was lower largely because a position was vacant for the first five months of the year.
- Conference expense, which is 19% of total expenses, was \$28,000 below budget due to lower-than-expected attendance at the fall conference (consequently lower food & beverage outlays) and holding the summer board meeting in CII's building shared conference room instead of a hotel meeting room.
- Insurance expense, which is 7% of total expenses, was about \$50,000 below budget. Premiums were lower than the 6% increase we budgeted.
- Legal fees, a relatively small expense category that covers outside legal services, were \$50,000 below budget.
- The \$0 for office equipment and furniture reflects staff's use of American Express card points and amortization of the \$19,000 we spent on new furniture for our new office.

March 4, 2024, U.S. Asset Owner Members' Business Meeting

A few expense categories were above budget. Staff again underestimated financial fees associated with more member payments via credit cards instead of checks. Additional purchases for research bumped up dues and subscriptions expense by \$18,000.

Below the operating line, the rally in equities, coupled with a favorable interest rate environment, boosted our investment portfolio. We expect unrealized gains from investments to total about \$363,000.

CII's balance sheet is strong, with ample reserves and no debt. Total assets as of December 31, 2023, were \$8.4 million before adjustments to be made during the audit. The unaudited CII balance sheet for Dec. 31, 2023, appears below (in U.S.\$).

ASSETS		LIABILITIES AND EQUITY	
Current Assets		Liabilities	
Bank Accounts	3,196,290	Current Liabilities	
		Accounts Payable	4,868
Accounts Receivable	4,810	Credit Cards	2,116
Other Current Assets		Other Current Liabilities	
Acct Receivable - manual	356	Accrued Pension Liability	225,817
Prepaid Expense	49,025	Accrued Vacation	150,965
Equity Funds	1,627,276	Deferred LH Improvement Allowance	591
Escrow Funds	12,876	Deferred Rent	9,052
Interest Receivable	23,457	Deferred Revenue	2,274,524
Treasury Bills	1,067,544	Total Other Current Liabilities	2,660,949
Vanguard Bond	566,931	Total Current Liabilities	2,667,932
Vanguard Int'l Bond	252,205	Total Liabilities	2,667,932
Total Other Current Assets	3,599,669		
Total Current Assets	6,800,770	Equity	
		Board Designated for Reserve	4,282,467
Fixed Assets		Unrestricted Net Assets-General	594,441
Furniture & Equipment	221,817	Net Income	839,505
Accumulated Depreciation	(186,616)	Total Equity	5,716,413
Leasehold Improvements	17,018		
Total Fixed Assets	52,219		
Other Assets			
Technology	34,096		
Accumulated Amortization	(3,526)		
CD's	1,500,787		
Total Other Assets	1,531,357		
TOTAL ASSETS	8,384,345	TOTAL LIABILITIES AND EQUITY	8,384,345

March 4, 2024, U.S. Asset Owner Members' Business Meeting

Outlook for 2024

While it is too early to project 2024 financial performance, membership renewal revenues are on par with recent years at 92% of the budgeted goal as of early February. To date, 19 organizations (8 U.S. Asset Owner Member and 11 Associate Members) have dropped membership for 2024, many asking to temporarily suspend their membership due to travel limitations or budget constraints in 2024. The renewal season officially ends on February 14, with payments trickling in through early March.

Conference attendance revenues are currently at \$195,000 and climbing, and to date, we have registered 477 attendees, and we estimate approximately 520 final attendees, as compared to 490 last spring.

Demand for sponsorship is exceptionally strong, at 113% of the total budget for the year, including more than \$130,000 already committed for the fall conference. CII continues to welcome new members, including 14 already for 2024, with 20 more potential new members to join this year, for a potential \$220,000 in additional dues income. The more moderate trend in inflation this year so far is encouraging. But staff continues to look for ways to prune expenses including maximizing the use of AMEX card points where possible for travel and office supplies, and continuing to streamline conference expenses using AI software to bring some tasks in house, such as graphic design, printing, and the mobile app.

March 4, 2024, U.S. Asset Owner Members' Business Meeting

APPENDIX 3 Policies Ballot Item:

Approve proposed Statement on Index Provider Consultation Processes

The board recommends approval of a proposed Statement on Index Provider Consultation Processes. The proposed statement urges index providers to conduct robust public consultations when contemplating significant methodological changes to major indexes. It would be a stand-alone addition to CII's [Policies on Other Issues](#). The Policies Committee approved the statement at its October 31, 2023, meeting, and the board approved it on January 25, 2024.

Proposed Statement on Index Provider Consultation Processes:

So as to maintain credible public due process that serves the interests of investors and the capital markets generally, the Council of Institutional Investors urges index providers to conduct robust public consultations when contemplating significant methodological changes to major indexes. Robust consultations are characterized by at least the following:

- Notice of the consultation should be broadly disseminated, such as through a press release, and the consultation period should be in line with the 30 to 90 day comment period provided for federal regulations.
- Each response letter should be posted in a timely manner, such as within one week of receipt, excepting responses with reasonable requests for confidentiality.
- Confidential submissions should be discouraged, and exceptions to the public posting of comments should be narrowly interpreted.

Background & Intent

Index providers play a central role in modern capital markets, affecting investment decisions, public company strategies and corporate governance, all on a global scale. Their influence has only increased with the proliferation of passive investment strategies.

The impact of significant changes to methodologies governing security eligibility for major indices can in some cases be more consequential than changes to listing standards for national stock exchanges. Yet unlike national exchanges, which are subject to transparency requirements as self-regulatory organizations (SROs) under Securities and Exchange Commission (SEC) oversight, index providers are largely unregulated.

This renders the robustness of index providers' consultations both critically important and vulnerable to procedural shortfalls that could detract from the benefits of soliciting public input.

March 4, 2024, U.S. Asset Owner Members' Business Meeting

Currently, when an index provider contemplates significant methodological changes, procedures for how to notify the public, obtain input and be transparent with respect to that input are left to the index provider's discretion.

This statement identifies three indicators of well-executed public consultations for consideration by policy makers and index providers. In addition, other financial sector service providers conducting public consultations may benefit from evaluating how these indicators compare with their current practices.

March 4, 2024, U.S. Asset Owner Members' Business Meeting

APPENDIX 4

Policies Committee Report

The Policies Committee, which consists of the non-officer members of CII's board, reviews and recommends updates to CII's official positions on corporate governance and other matters of importance to institutional investors. These positions serve as a foundation for CII's advocacy work with policymakers and market participants.

At the January meeting, the committee considered four topics. First, the committee discussed the potential for companies to disclose proxy vote results on a class-by-class basis as a possible strategy to highlight the disparity between voting rights and economic ownership at dual-class (or multi-class) stock companies. The committee asked CII staff to prepare draft language for a potential policy on this approach. Second, the committee discussed a new platform, the Shareholder Vote Exchange, that allows shareholders to sell their proxy votes directly to others, such as activist investors through an auction process. This vote selling process is distinct from existing share lending markets. The committee asked CII staff to conduct additional research into this platform.

The committee also discussed executive compensation tables in proxy statements and whether current disclosure practices allow investors to ascertain the value of compensation decisions made by the company's board in the last year, as opposed to compensation that was received in the past year but granted by the board in a prior year. The committee will continue consideration of this topic at the March meeting.

Finally, the committee discussed the recent [publication on management succession planning disclosures](#) in proxy statements by the CII Research and Education Fund.

The committee welcomes U.S. Asset Owner Members' input on topics that are important to them, whether through participation in comment periods posted to CII's Comment Opportunity Tracker, involvement in the U.S. Asset Owners Advisory Council or informal outreach to the chair and/or CII staff.

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APPENDIX 5

Shareholder Advocacy Committee Report

The Shareholder Advocacy Committee is a conduit for members to discuss and recommend activities that promote effective corporate governance, increase participation in the advocacy of corporate governance and enhance the value of CII membership. The committee fosters member dialogue through in-person and electronic meetings and email communication. In the past several months, the committee hosted:

- A proxy season preview webinar that 165 CII members logged into on January 16. The webinar featured 10 CII members sharing their plans for the upcoming proxy season on issues ranging from advance notice bylaws for director nominees to freedom of association.
- A plenary session at CII's fall conference examining the effects that the anti-ESG backlash is having on shareholder advocacy. The panel included Courteney Keatinge, senior director of ESG research for Glass Lewis; Phillip Gillespie, a senior counsel at WilmerHale; Simiso Nzima, managing investment director of global equity for CalPERS; and Beth Young, an attorney with Corporate Governance and Sustainable Strategies. It was moderated by UFCW Senior Analyst and Committee Co-Chair Aaron Brenner. Afterward, a roster of CII members discussed their 2023 proxy season initiatives during the committee's popular 'lightning round.'
- A July 10 proxy season wrap up webinar during which 10 CII members shared their accomplishments on topics ranging from civil rights audits to lobbying disclosure and revealed their plans for the 2024 season.
- A panel at CII's spring conference moderated by ValueEdge Advisors Vice Chair Nell Minow and composed of Janine Guillot, special advisor to the ISSB chair, IFRS Foundation; John Skjervem, CIO of the Utah Retirement Systems; and Jonathan Berry, a partner at Boyden Gray & Associates. The panelists examined how to take the politics out of ESG. Once the discussion ended, members lined up at the mic during the popular 'lightning round' to share their accomplishments during the proxy season and offer a glimpse of their plans for the next season.

The discussion during the committee's plenary session on March 6 will focus on "Workers' Rights: Recent Shareholder Gains and What's Ahead." The panel is composed of Stephanie Beers, assistant general counsel of workforce regulation and policy at Microsoft; Casper Borowitz, a Starbucks worker; Deborah Greenfield, a consultant and former deputy director-general for policy at the International Labour Organization; Yumi Narita, executive director of corporate governance for the Office of the New York City Comptroller; and Piers Hugh Smith, head of global stewardship for Franklin Templeton Investments.

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APPENDIX 6

International Governance Committee Report

The International Governance Committee supports efforts to expand CII's geographic scope by educating members and coordinating globally on non-U.S. corporate governance issues. The committee brings CII members global perspectives on areas such as investor-company engagement, shareholder rights, governance codes, exchange listing standards, executive compensation and other market-specific dynamics.

Last year, the CII board appointed Marianne Harper Gow of Baillie Gifford and Massimo Menchini of Italian investor association Assogestioni as the new co-chairs of the committee.

The committee hosts an internationally themed plenary session at each CII conference. The spring 2024 plenary session will explore the variance of stewardship norms in markets around the world. Speakers will include Ed John of the Australian Council of Superannuation Investors; Tara Jane Fraser of APG Asset Management; Tim Goodman of Schroders; and Karin Reichenberg of Sands Capital.

The committee's fall 2023 plenary session explored the emergence of shareholder activism in Japan. Speakers included Alicia Ogawa of Nippon Active Value fund and Columbia University and Aaron Tai of Elliott Investment Management.

Recent international developments followed by the committee and covered in CII's Alert newsletter include:

- In Canada: proposal to eliminate dual-class shares at Vancouver-based Lions Gate Entertainment; proposed bylaw to allow companies to postpone meeting for up to 45 days should an uncontested director be projected not to win majority support.
- In Asia: elevated shareholder activism in Japan, including coverage of proxy contest at 7-11 owner Seven & i; record number of majority-supported Japanese shareholder proposals; new M&A guidelines; improvement in Japan's corporate governance ranking as Hong Kong's rank lowers, per *CG Watch 2023*.
- In Europe: Backsliding in corporate governance and investor rights protections in the U.K., including weakening of reporting requirements on internal controls for large public and private companies; hurdles to U.S. funds launching and operating in the European Union; Dutch parliament's adoption of 17% tax on share repurchases, effective starting in 2025; Italian measure to enable superior voting rights for longstanding investors likely to be approved by parliament.

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- Globally: PwC Australia's adoption of reforms and practices modelled after Australian Stock Exchange's corporate governance code; FSB's progress on climate-related financial disclosures; revised G20/OECD Principles of Corporate Governance with new focus on sustainability; changes to ISS governance benchmark policy for 2024, with focus on Canada, Japan, and broader Asia Pacific markets.

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APPENDIX 7

U.S. Asset Owners Advisory Council Report

The [U.S. Asset Owners Advisory Council](#) advises the CII board and staff on issues, trends, proposed policy development, topics and speakers for CII events and membership benefits and services. CII's board of directors appoints up to 20 members, with a mix of representation from the following constituencies:

- Corporate Fund Asset Owner Members
- Labor Fund Asset Owner Members
- Public Fund Asset Owner Members
- Endowments/Foundations/Other Asset Owner Members

Members are appointed for one-year terms, generally in the spring, with a limit of three consecutive one-year terms. John Mulé, director of legal and policy services, Minnesota State Board of Investment, has chaired the U.S. Asset Owners Advisory Council for the past year. Tara Stacy, director of investment stewardship, Colorado Public Employees' Retirement Association, is vice chair. Amy Borrus and Allie Martin support the work of the U.S. Asset Owners Advisory Council.

At the 2023 fall meeting of the U.S. Asset Owners Advisory Council, members discussed distilling ESG issues for fund trustees and other fiduciaries and potential impacts on companies of the Supreme Court's decision that eliminated affirmative action in college admissions. The advisory council spent considerable time suggesting topics for CII conferences and webinars. Two of the ideas—a deeper dive into diversity, equity and inclusion at U.S. companies in the wake of the Supreme Court decision, and AI and investment/investment stewardship—are on the spring conference agenda.

The U.S. Asset Owners Advisory Council will meet next on March 4 prior to the U.S. Asset Owner Members' business meeting.

The CII board will appoint members of the advisory council for 2024-2025 in the spring.

The members of the 2023-2024 U.S. Asset Owners Advisory Council are:

Public Funds

Jonathan Grabel, CIO, Los Angeles County Employees Retirement Association

Katie Green, deputy CIO, Vermont Pension Investment Commission

Thomas Lee, executive director & CIO New York State Teachers' Retirement System

Kevin Lindahl, executive director, Fire and Police Pension Association of Colorado

Gianna McCarthy, director, corporate governance, New York State Common Retirement System

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John Mulé, director of legal and policy services, Minnesota State Board of Investment (chair)

Andrew Palmer, CIO, Maryland State Retirement and Pension System

Leola Ross, deputy CIO, Seattle City Employees' Retirement System

Tara Stacy, director of investment stewardship, Colorado Public Employees' Retirement Association (vice chair)

Corporate Funds

Kevin Coleman, director & assistant general counsel, Discover Financial Services

Mark Preisinger, director of corporate governance, Coca-Cola

Labor Funds

Jennifer Dodenhoff, research and corporate affairs manager, International Brotherhood of Electrical Workers

Edgar Hernandez, assistant director, Service Employees International Union Pension Fund

Jim Kane, senior pension specialist, National Education Association

Brandon Rees, deputy director, corporations and capital markets, AFL-CIO

Dieter Waizenegger, director, investment stewardship, UAW Retiree Medical Benefits Trust

Endowments, Foundations & Other U.S. Asset Owner Member Funds

Suhel Kanuga, director, investments, Casey Family Programs

Chirag Acharya, senior analyst, sustainable investment stewardship, Wespath Benefits and Investments

March 4, 2024, U.S, Asset Owner Members' Business Meeting

APPENDIX 8 Corporate Governance Advisory Council Report

CII's [Corporate Governance Advisory Council](#) (CGAC) provides insight and advice to the CII board and staff on key developments in corporate governance and CII activities that promote effective corporate governance. The council also advises both on ways to enhance the value of CII membership.

All the members of the Corporate Governance Advisory Council are representatives of non-U.S. asset owner Associate Members or asset manager Associate Members. Peter Reali, Nuveen's global head of stewardship and responsible investment, chairs the advisory council. Nancy Florek, director, corporate governance and proxy voting, is vice chair. Amy Borrus is staff liaison.

At their January 8 meeting, CGAC members discussed trends anticipated in the 2024 proxy season, shareholder proposals, the role of performance-linked shares in executive compensation and impediments to director nominations by activist investors. They also suggested numerous topics for CII conferences and webinars.

At CGAC meetings in 2023, members discussed the anti-ESG backlash, shareholder proposals, pending CII policy updates, how asset managers disclose their rationale for voting intentions to management ahead of annual meetings, heightened scrutiny of investor approaches to ESG and CII's member listserv.

The CGAC will hold its next meeting on March 4 at 1:00 PM ET.

CII received a record number of nominations from Associate Member representatives to serve on the CGAC for 2024. In January, the CII board appointed the individuals below to serve this year:

Mack Abbot, Starboard Value
 Ed Apsey, CIBC US
 Ariel Babcock, Fidelity Investments
 Jason Breeding, ValueAct Capital
 Alex Celesius, Voya Investment Management
 Benjamin Colton, State Street Global Advisors
 Jacqueline Condron, Mellon Investments
 Emily DeMasi, EOS at Federated Hermes
 Kirstin Drake, Dimensional Fund Advisors
Nancy Florek, Putnam Investments (vice chair)
 John Galloway, The Vanguard Group
 Ola Peter Gjessing, NBIM

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Timothy Goodman, Schroders

Bob Herr, AllianceBernstein

Kellie Huennekens, Capital Group

Christopher Jenkins, Sands Capital

Gwen Le Berre, Parametric

Tanya Levy-Odom, BlackRock

Peter Reali, Nuveen (chair)

Bri Scholtz, Elliott Investment

Brian Schorr, Trian Fund Management

David Shammai, Allianz Global Investors

Andrew Shapiro, Lawndale Capital Management

Piers Hugh Smith, Franklin Templeton

Eugenia Unanyants-Jackson, PGIM

John Wilson, Calvert Research and Management

Catherine Winner, Goldman Sachs Asset Management

March 4, 2024, U.S. Asset Owner Members' Business Meeting

APPENDIX 9 Markets Advisory Council Report

CII's [Markets Advisory Council](#) (MAC) provides insight and advice to the CII board and staff on legal, financial reporting and investment market trends, topics and potential speakers for CII meetings and webinars/podcasts. It also recommends current and future CII activities that promote CII's mission and enhance the value of CII membership.

Jeff Mahoney and Allie Martin are CII staff liaisons to the MAC.

During 2023, Stephen Deane, Senior Director, capital markets policy for the Americas, at CFA Institute, served as MAC Chair and Claudia Allen, Senior Advisor, KPMG Board Leadership Center served as Vice Chair.

MAC activities since the last U.S. Asset Owners' business meeting

The MAC last met via Zoom on December 11, 2023. That meeting included a discussion/debate about the merits of "Universal Ownership/Systemic Stewardship." The expert panel of speakers included:

- [Frederick Alexander](#), CEO, The Shareholder Commons, and MAC member
- [Charles Elson](#), Founding Director, Weinberg Center for Corporate Governance, University of Delaware
- [Piers Hugh Smith](#), Head of Stewardship, Franklin Templeton Investments

CII Board MAC appointments

In January 2024 the CII Board appointed Claudia Allen, Senior Advisor, KPMG Board Leadership Center as MAC chair and Robert Zivnuska, Partner at PJT Camberview, as Vice Chair. The following is the complete list of the Board appointed members of the MAC:

David Abel, ISAF Management Company
 Zally Ahmadi, DF King
 Rick Alexander, The Shareholder Commons
Claudia Allen, KPMG (chair)
 Leeann Arthur, Deloitte
 Anne Chapman, Joele Frank
 Susan Choe, Morrow Sodali
 Matt DiGuseppe, PwC
 Max Dulberger, Segal Marco Advisors
 Matt Filosa, Teneo
 Cheryl Gustitus, Glass Lewis

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Elizabeth Kantrowitz, ISS STOXX
Jim Kroll, Aon
Brittini Levinson, BEL Capital Advisory
Robert Main, Sustainable Governance Partners
Bob Marese, MacKenzie Partners
Michael McCreesh, Battea Class Action Services
Jessica McDougall, Longacre Square
Delilah Rothenberg, Predistribution Initiative
Talon Torressen, Georgeson
Harlan Tufford, MSCI
Matthew Winters, CFA Institute
Gabrielle Wolf, Innisfree M&A
Robert Zivnuska, PJT Camberview (vice chair)
Nick Zuiker, Reinhart Boerner van Deuren

March 4, 2024, MAC Meeting

The agenda for the March 4, 2024, in person meeting, includes: (1) a welcome and introduction of new members; (2) a review and discussion of the MAC charter; (3) a presentation and Q&A about the CII staff update memorandum; and (4) a discussion of potential topics and speakers for the remaining MAC meetings for 2024.

2024 Public Fund Nominees for CII's Board of Directors

Name Title Organization	Biography and Statement of Interest
Joe Aguilar <i>Chief Investment Officer</i> Office of the Illinois Treasurer	<ul style="list-style-type: none"> • Current CII Board member • Directs 7 investment portfolios across public and private markets totaling \$56 billion • Leads processes and procedures, asset allocation, sustainable investment strategy, and manager/product selection • Leads investment team and stewardship through all investments and external public and private investment managers • Previously held position of Director of Investment Analysis and Due Diligence with Illinois State Treasury <ul style="list-style-type: none"> ○ Led due diligence, manager selection process, and monitoring of investment managers and co-investments • BS in Finance and Business Commerce from Aurora University and MS in Finance from University of Miami's Herbert Business School • Serves as Board Chair and Chair of Investment Committee for the Field Foundation of Illinois • Adjunct Professor at Aurora University
Drew Hambly <i>Investment Director, Global Equity, Head of Stewardship</i> CalPERS	<ul style="list-style-type: none"> • Joined CalPERS in 2022 as an Investment Director, Global Stewardship <ul style="list-style-type: none"> ○ Oversees proxy voting, engagement, and shareholder campaigns ○ Works on CalPERS' 2030 Sustainable Investment Plan. • Previously held similar Stewardship/Governance roles at Morgan Stanley Investment Management, State Street Global Advisors and Moody's Investor Service. • Has worked in Stewardship/Governance for the past 25 years starting at the Investor Responsibility Research Center. • BA in Economics from American University, MBA from Weatherhead School of Management at Case Western Reserve University <p>“I am honored to be a candidate for election to the CII Board. CalPERS is an active participant in CII through past board memberships, participation on panels and writing and signing onto comment letters. Also, in the last three year I have hosted two member panels and sat on another three plus chaired the CII Corporate Governance Advisory Council.</p> <p>As lead of the Stewardship team, I have seen firsthand how critical CII is in protecting and advancing investors' interests, including public pension funds. It would be my privilege to serve alongside our fellow public funds to support CII and continue this critical work.”</p>
Tracy Harris	<ul style="list-style-type: none"> • Current CII Board Member • Current Trustee with the District of Columbia Retirement Board; Chair of Audit committee and Vice Chair of Investment Committee • Independent Board Director that serves on corporate boards such as Bally's Corporation, Care First Blue Cross Blue Shield <ul style="list-style-type: none"> ○ Qualified audit committee financial expert serving on nominating and governance, audit and investment, ESG committee, and audit chair • Served on the CII asset advisory committee for two years;

<p><i>Trustee</i></p> <p>District of Columbia Retirement Board</p>	<ul style="list-style-type: none"> • 20+ years of experience as a CFO across public corporations and large not-for-profits <p>"I enjoyed serving on the CII board this year and want to continue this service for another term because I have recognized the importance of the organization and its work on behalf of the investment community. As public fund managers, CII drives governance, advocates for shareholder rights, and sets investment standards. I enjoy serving on the board because it allows direct policy shaping and promotes transparency and accountability, and these are areas in which I can contribute the most."</p>
<p>Katy Hoffman</p> <p><i>Chief of Staff</i></p> <p>Teacher Retirement System of Texas</p>	<ul style="list-style-type: none"> • Current CII Board member. • Chief of Staff and member of the Executive Committee leading the Investment Division at Texas TRS • Former Senior Director of the External Public markets team managing investments in the Trust's long-oriented equity strategy, hedge fund portfolios, and opportunistic credit at Texas TRS • MBA from Vanderbilt, BA of Mathematics from Trinity University <p>"Serving on the CII Board this last two years has been an amazing opportunity to see the profound work of this organization firsthand and how they harness our collective views to promote strong shareholder rights and sensible legislation that enhance value to organizations such as TRS. I've sought to bring my passion for good governance, a broad career in investment management as well as questions and candor to each discussion. I expect this coming year to bring many more new topics for CII to address that will again require our deep collaboration across all types of institutional investors to achieve CII's mission. It has been my privilege to work alongside these Board members this past year and I'd welcome to opportunity to serve on the CII board again."</p>

<p>Michael Howard</p> <p><i>Trustee</i></p> <p>Maryland Retirement and Pension System</p>	<ul style="list-style-type: none"> • Founder and Managing Member of MJH Group, a private investment and management consulting firm • Worked at SEC in Division of Corporate Finance where he performed compliance reviews of domestic and foreign companies ranging from small cap to Fortune 500 • Received a distinguished service award from the SEC during his tenure • Served on high technology team at PricewaterhouseCooper leading several complex audit engagements • Recognized by New York Stock Exchange and Corporate Board Member magazine as one of the top diverse corporate board candidates • Former Strategic Advisor to the White House Business Council • Centennial Society Member with Economic Club of New York, serving on Membership Committee since 2014 • BS in Accounting from Morgan State University; Active CPA <p>“My name is Michael J. Howard, CPA and I have dedicated my life to being of service to mission- led organizations. The Council of Institutional Investors is a mission driven organization that continues to have a profound impact on capital markets, shareholder rights, public company disclosures and corporate governance through its member advocacy and education efforts. I believe my professional experience and skill set are a good fit for assisting CII in achieving its mission. My experience as a Staff Accountant with the U.S. Securities and Exchange Commission in the Division of Corporation Finance is consistent with CII’s shareholder advocacy work. My experience as a Senior Auditor with PricewaterhouseCoopers is particularly relevant to exercising fiscal responsibility and effective oversight of CII’s operations. I have more than 30 years of effective leadership and board service with a variety of organizations such as the UM Greenebaum Comprehensive Cancer Center and the Prince George’s County Memorial Library System. As Investment Committee Chair and Vice Chair of the Audit Committee with the Maryland State Retirement and Pension System, I represent the interest of nearly 420,350 beneficiaries with approximately \$65 billion in plan assets. I would be honored to serve as a CII Board Director.”</p>
<p>Kevin Lindahl</p> <p><i>Executive Director</i></p> <p>Fire and Police Pension Association of Colorado</p>	<ul style="list-style-type: none"> • Worked at FPPA of Colorado since 2000 • Chairs Internal Investment Committee <p>• “I have worked with FPPA of Colorado since 2000, first as General Counsel and then as Executive Director. I Chair the Internal Investment Committee. I have represented FPPA as a lead plaintiff in several securities litigation cases including derivative cases against the Boards and Officers of Boeing, Wells Fargo, and United Health - obtaining some of the largest recoveries on record. Our fund in committed to helping to create a investment market where investors demand integrity.”</p>
<p>Aeisha Mastagni</p> <p><i>Portfolio Manager</i></p>	<ul style="list-style-type: none"> • Current CII Board member. • Helps lead the Sustainable Investment & Stewardship Strategies team that seeks to transform financial markets and focus on long-term value creating that fully integrates sustainability considerations. • Director of CII from 2015-2019, Public Fund Co-Chair in 2021, Chair in 2022-2023 • Board Member of International Corporate Governance Network in 2014 • Director of Golden 1 Credit Union since 2012 • BS in Economics from California State University

<p>California State Teachers' Retirement System (CalSTRS)</p>	<p>“Beginning in 2003, when I joined CalPERS and later CalSTRS, I have dedicated my career to advancing stewardship practices around the world. I believe that investors can use their collective influence to promote sustainable business practices at portfolio companies and through public policies.</p> <p>As a collective body, I believe CII is an effective and impactful organization that advances governance standards on behalf of its members. I was honoured to serve on the CII Board for five years, and for a second term as Public Fund Co-chair in 2021 and Chair 2022-2023. I know that my experience, enthusiasm, innovative-thinking and perspective as a major global asset owner will be a value-add to the CII Board.”</p>
<p>Michael McCauley <i>Senior Officer, Investment Programs & Governance</i> Florida State Board of Administration</p>	<ul style="list-style-type: none"> • Current CII Board member • Active participant of CII for over 20 years • Past CII Chair and Treasurer • Past member of CFA Institute’s Global Corporate Governance Task Force • Currently responsible for Global Corporate Governance and non-pension investment programs at SBA. • Previously managed defined contribution plan with the Floria Retirement System. • BA from University of Florida and MPA from Florida State University <p>“As an active participant and staunch supporter of CII activities for over two decades, I’ve been honored to work alongside other CII members and be a strong advocate for desired corporate governance practices. I’ve demonstrated the ability to coordinate activities among CII members aimed at achieving desired governance reforms and have brought a global focus to many different CII initiatives. I continue to be a strong advocate for shareowner rights and believe investors should work to not only keep those rights but also work to strengthen corporate governance features of the firms in which they invest. I offer experience in institutional investment management practices and a wide variety of corporate governance topics.”</p>
<p>John Mulè <i>Director of Legal and Legislative Policy</i> Minnesota State Board of Investment</p>	<ul style="list-style-type: none"> • Active participant in CII for over 7 years • Manages the legal and public policy activities of the Minnesota SBI <ul style="list-style-type: none"> ○ Advises the agency on legal and regulatory requirements, with an emphasis on fiduciary duty ○ Works on drafting and monitoring proposed legislation and working with policy makers on issues related to the SBI’s ESG activities; ○ Participates in the SBI’s stewardship and corporate governance activities, having previously managed the department • Chairs Internal Investment Committee <p>“John strongly believes in CII’s mission of advocating for strong corporate governance practices that will benefit a diverse spectrum of institutional investors and would make an excellent addition to the CII board. His experience in legal, public policy, and corporate governance will be an asset to CII’s board.</p> <p>John has been an active participant in CII for over seven years. As Chair of the U.S. Asset Owner Advisory Council, John has facilitated discussion on a variety of issues aimed at providing feedback to the board on the organization’s activities. John’s experience gives him a unique perspective on the intersection of corporate governance, policy, and the law. His experience will benefit CII as the organization continues to navigate the political and regulatory landscape.”</p>

<p>Yumi Narita</p> <p><i>Executive Director of Corporate Governance</i></p> <p>NYC Comptroller's Office</p>	<ul style="list-style-type: none"> • Current CII Board member • Develops and implements active ownership programs for public equities • Engages portfolio companies on their ESG disclosure and practices, updating proxy voting strategies and advocating for regulatory reforms to strengthen investor rights • Experience includes: <ul style="list-style-type: none"> ○ Global Head of Governance at Alliance Bernstein ○ Vice President of Investment Stewardship at BlackRock ○ CII Governance Advisory Council ○ Broadridge Steering Committee ○ Weinberg Center Advisory Board ○ Investment Company Institute Proxy Issues Working Group ○ SASB Standards Advisory Group and Corporate Engagement Working Group ○ Human Capital Management Coalition Strategy Group ○ ICGN Shareholder Rights Committee <p>“As Executive Director of Corporate Governance at the Comptroller’s Office of New York City, I develop and implement active ownership programs for public equities, including engaging portfolio companies on their ESG disclosure and practices, updating proxy voting strategies, and advocating for regulatory reforms to strengthen investor rights. I’ve worked in the governance field for 20 years – as an asset manager and now an asset owner. CII is an engaged, thoughtful organization and I’d be honored to continue to represent the Public Fund Constituency on its Board of Directors. For the past year, I’ve been chair of the CII Policies Committee and with the help of fellow board members and CII staff, we have made some impactful additions, such as improved transparency on shareholder proponents and on the publication of proxy statements in advance of record dates.”</p>
<p>Leola Ross</p> <p><i>Deputy Chief Investment Officer and Head of ESG</i></p> <p>Seattle City Employees’ Retirement System</p>	<ul style="list-style-type: none"> • Joined SCERS in 2021. Currently head of public equities and second on private equity and infrastructure • Directed and oversaw research projects, strategy development and investment practices at Russell Investments for 23 years; • Prior to Russell Investments, Leola was an assistant professor at Seattle University and East Carolina University <p>“Thanks very much for your consideration! I have been attending CII meetings since September 2021 and am constantly impressed with the rich content and the joining of so many thoughtful colleagues from the pension industry. I have served on the CII AO AC since 2022 and am looking for a new way to serve as I roll off. I look forward to supporting great conferences and contributing in any way I can. My areas of interest are, specifically, private equity governance and accountability, global growth stemming from energy transition and a stable environment, and diversity, equity and inclusion, all with the goal of improving long-term market success for shareholders and universal owners.”</p>
<p>Kyle Seeley</p> <p><i>Head of Stewardship</i></p>	<ul style="list-style-type: none"> • Leads Stewardship Program within the NYSCRF’s internationally recognized Corporate Governance Program • Directs engagement strategy and activities with portfolio companies to protect investment returns and long term value. • Serves on NYSCRF’s Internal Investment Committee and directs proxy voting and leads public policy advocacy • Head of Proxy Voting from 2019-2023 • Corporate Governance Officer from 2017-2019 • Has held various federal, state, and local government positions

<p>New York State Common Retirement Fund</p>	<ul style="list-style-type: none"> • BA from Binghamton University <p>“Through my years of engagement with CII on public policy initiatives, I've witnessed firsthand the significant impact the organization wields in advocating for sensible corporate governance practices. I believe public pension fund members, irrespective of their size or profile, need strong advocates for shareowner rights, who can leverage CII's collective strength, to achieve our common goal of protecting the retirement security of our members. CII's effectiveness lies in its ability to unite differing voices and champion governance practices that enhance investment outcomes and market efficiency. I ask for your support and would be honored to represent public pension fund members on the CII Board.”</p>
<p>Daniel Vasquez <i>Board Trustee</i> Marin County Employees' Retirement System</p>	<ul style="list-style-type: none"> • Nearly 30 years experience working as an economist and institutional investor. <ul style="list-style-type: none"> ◦ Alumni of the US Senate, The Conference Board, Harvard's Institute for Strategy and Competitiveness, Morgan Stanley, and Hamilton Lane • Serves on the Education Committee of the State Association of County Retirement Systems in California, which represents 20 county systems, \$110 billion in retirement assets, and over 500,000 members • BA from UC Berkley, MPP from University of Chicago, and MBA and PGD from Oxford University • Completed Executive Education Programs at Wharton (Investment Strategies & Portfolio Management) and UC Berkley-Hass (Public Pension Investment Management) <p>“...I am a dedicated Board Trustee at the Marin County Employee's Retirement Association (MCERA), overseeing \$3.3 billion in public pension assets for 7,000 members. As a member of the Investment, and Finance & Risk Management Committees, investment stewardship, corporate governance, and fiduciary duty is a moral imperative for me; strengthening the social contract imbedded in my Oath. ... My aim is to leverage and bring this dedication, experience, judgement, and leadership with me to the Council of Institutional Investors in service. I would be honored and humbled for your vote as a Board Director representing public funds.”</p>
<p>Mitchell Vogel <i>Trustee</i> State Universities Retirement System</p>	<ul style="list-style-type: none"> • Current CII Board member. • Served as Illinois SURS trustee since 2005, including 5 years as President • Professor Emeritus from Northeastern Illinois University teaching School Finance • Previously served as President of the University Professionals of Illinois - AFT <p>“It is with great enthusiasm and commitment that I am once again seeking re-election to the Council's Board of Directors.</p> <p>CII has grown in membership and scope in the four years I have served on the Board. Our staff and Directors have worked together to expand our programming despite a pandemic and often chaotic economic and political times. One example of growth has been the expanded Webinar Series. The number of these important educational opportunities has almost doubled this past year. If re-elected I will work cooperatively to continue this progress. It is essential that CII continue its work in advancing the interests of institutional investors. If re-elected my previous experiences on the Board will provide stability and consistency.</p> <p>I have served as an Illinois SURS trustee since 2005, including five years as President. My experiences as a Trustee rather than as a staff person will provide a valuable perspective to CII's Board.”</p>



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Investment Department

To: Investment Committee
 Date: February 16, 2024
 Re: CII General Members 2024 Spring Conference Proxy

The CII Policies Committee presents this item for General Member consideration:

Business Meeting Policies Ballot Item:

1. Approve proposed Statement on Index Provider Consultation Processes

From CII's proposal:

- CII urges index providers to conduct robust public consultations when contemplating significant methodological changes to major indexes. Robust consultations are characterized by at least the following:
 - Notice of the consultation should be broadly disseminated, such as through a press release, and the consultation period should be in line with the 30- to 90 day comment period provided for federal regulations.
 - Each response letter should be posted in a timely manner, such as within one week of receipt, excepting responses with reasonable requests for confidentiality.
 - Confidential submissions should be discouraged, and exceptions to the public posting of comments should be narrowly interpreted.

Analysis:

Currently, when an index provider contemplates significant methodological changes, procedures for how to notify the public, obtain input and be transparent with respect to that input are left to the index provider's discretion.

CII has presented this measure because it sees the robustness of index providers' consultations as both critically important and vulnerable to procedural shortfalls that could detract from the benefits of soliciting public input. However, SURS' staff believes that index providers should be able to constitute their indexes as they see fit. There are multiple alternatives to any index if an investor does not favor a particular methodology.

Recommendation: SURS' staff recommends voting **AGAINST** the approval of the proposed statement on the index provider consultation process.

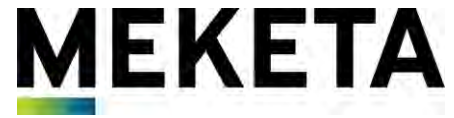
Board of Director Candidates:

As a member of CII, SURS may vote for up to nine candidates. Upon review of biographical information, SURS staff recommends supporting the following candidates for the CII Board of Directors:

- Drew Hambly
- Michael Howard

- Aeisha Mastagni
- Michael McCauley
- John Mulè
- Yumi Narita
- Leola Ross
- Kyle Seeley
- Mitchell Vogel

Please refer to Exhibit D for biographies of all candidates.



Illinois State Universities Retirement System

February 29, 2024

Fourth Quarter 2023
Board Report



Illinois State Universities Retirement System

Agenda

1. Performance Summary
2. Economic and Market Update
3. Total Fund
4. Private Markets Performance
5. US Equity
6. Non US Equity
7. Global Equity
8. Inflation Sensitive
9. Public Credit
10. Principal Protection
11. Crisis Risk Offset ex Tail Risk
12. Appendix

Performance Summary



Illinois State Universities Retirement System

Total Fund | As of December 31, 2023

	Portfolio Valuation		
	Quarter-To-Date	One Year	Three Years
Total Fund			
Beginning Market Value	\$22,634,176,957	\$22,443,461,883	\$21,614,792,954
Net Change	\$812,097,855	\$1,002,812,929	\$1,688,481,858
Ending Market Value	\$23,446,274,812	\$23,446,274,812	\$23,446,274,812

	Performance vs. Policy Benchmark and Median Public Fund						
	QTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)
Total Fund	4.4	8.7	1.0	5.5	8.8	7.0	9.1
SURS Policy Benchmark	4.9	9.7	0.3	4.0	8.0	6.5	8.7
Excess Return	-0.5	-1.0	0.7	1.5	0.8	0.5	0.4
Total Fund	4.4	8.7	1.0	5.5	8.8	7.0	9.1
InvMetrics Public DB > \$1B Median	6.7	11.5	0.0	4.5	8.4	6.6	-
Total Fund Rank	95	91	22	32	35	35	-

Returns are gross of fees.

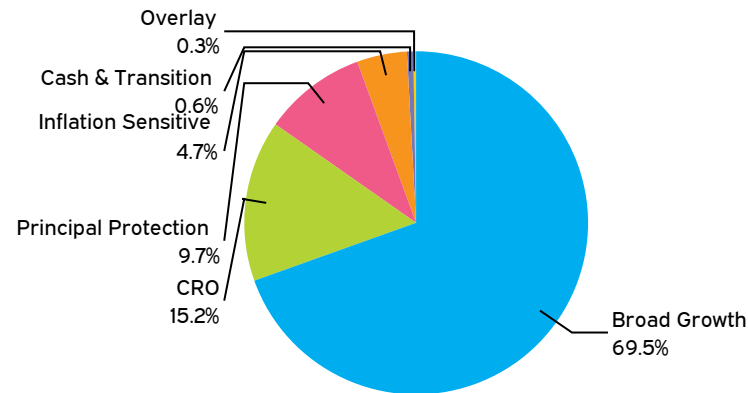
Investment Metrics (IM) Median [Gross of Fees] - Public Fund >\$1Billion Universe includes BNY Mellon Total Public Fund Greater than \$1Billion Universe and IM client data.



Illinois State Universities Retirement System

Total Fund | As of December 31, 2023

Asset Allocation vs. Target As of December 31, 2023				
	Current Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)
Broad Growth	16,303,484,806	69.5	68.0	1.5
Traditional Growth	8,326,141,573	35.5	36.0	-0.5
Stabilized Growth	3,870,918,908	16.5	17.0	-0.5
Non-Traditional Growth	4,106,424,326	17.5	15.0	2.5
Inflation Sensitive	1,102,515,141	4.7	5.0	-0.3
Inflation Sensitive	1,102,515,141	4.7	5.0	-0.3
Principal Protection	2,273,034,097	9.7	10.0	-0.3
Principal Protection	2,273,034,097	9.7	10.0	-0.3
CRO	3,565,406,529	15.2	17.0	-1.8
Crisis Risk Offset	3,565,406,529	15.2	17.0	-1.8
Cash & Transition	137,649,469	0.6	0.0	0.6
Cash & Transition	137,649,469	0.6	0.0	0.6
Overlay	64,184,770	0.3	0.0	0.3
Overlay	64,184,770	0.3	0.0	0.3
Total	23,446,274,812	100.0	100.0	0.0

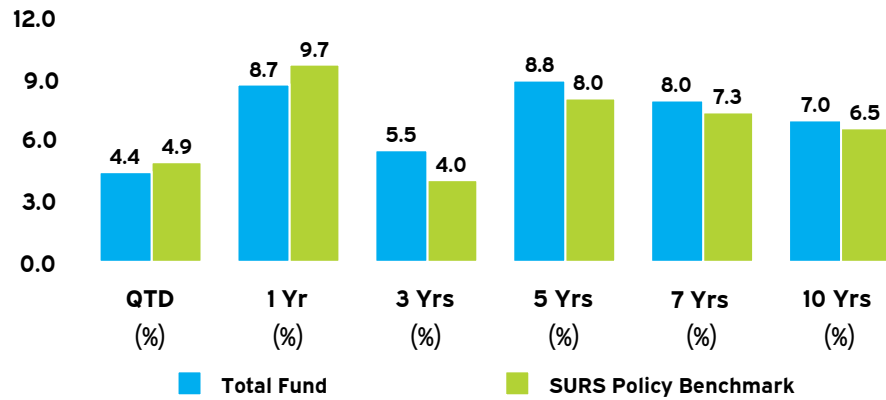




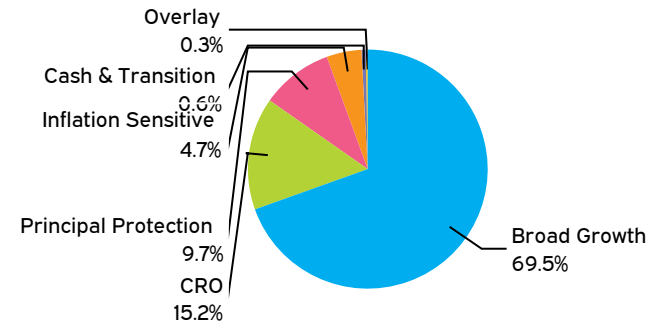
Illinois State Universities Retirement System

Total Fund | As of December 31, 2023

Return Summary

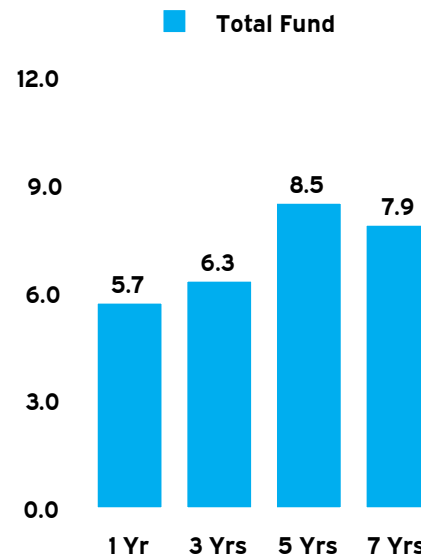


Current Allocation

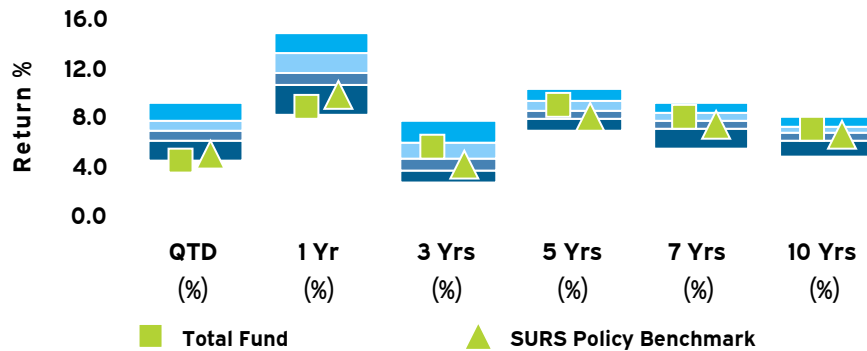
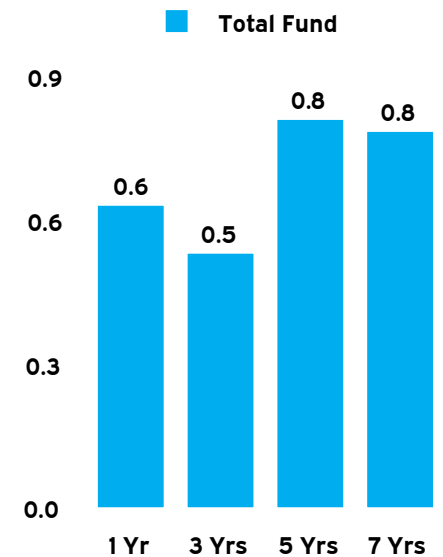


	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Total Fund	4.4	8.7	5.5	8.8	8.0	7.0
SURS Policy Benchmark	4.9	9.7	4.0	8.0	7.3	6.5
Excess Return	-0.5	-1.0	1.5	0.8	0.7	0.5
InvMetrics Public DB > \$1B Median	6.7	11.5	4.5	8.4	7.6	6.6
InvMetrics Public DB > \$1B Rank	95	91	32	35	35	35

Annualized Standard Deviation



Sharpe Ratio



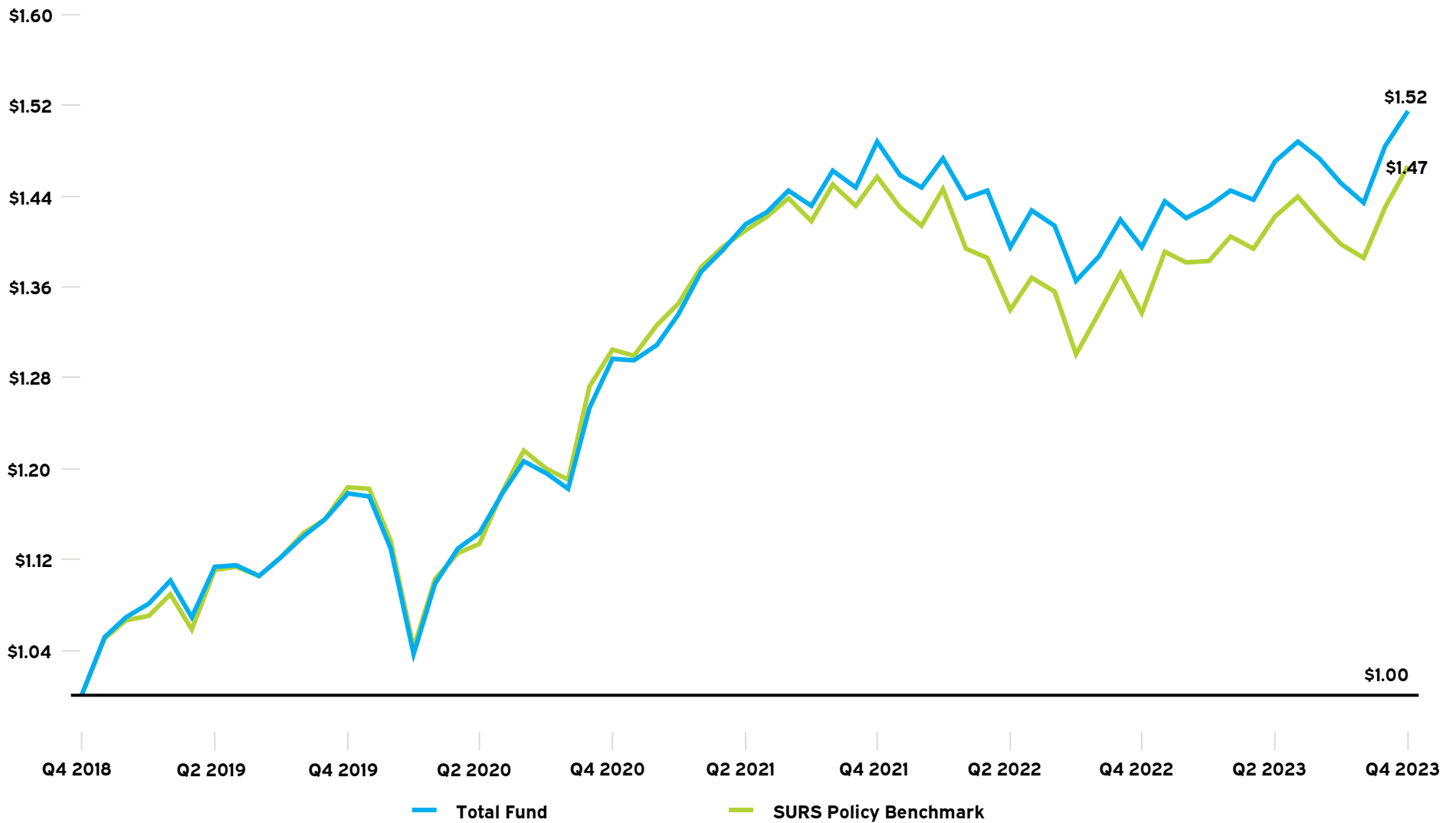
Returns are gross of fees.



Illinois State Universities Retirement System

Total Fund | 5 Years Ending December 31, 2023

Growth of a Dollar 5 Years Ending December 31, 2023



Economic and Market Update

Data as of December 31, 2023

Commentary

→ Most markets rallied in the fourth quarter in anticipation that policy rates cuts were ahead in 2024.

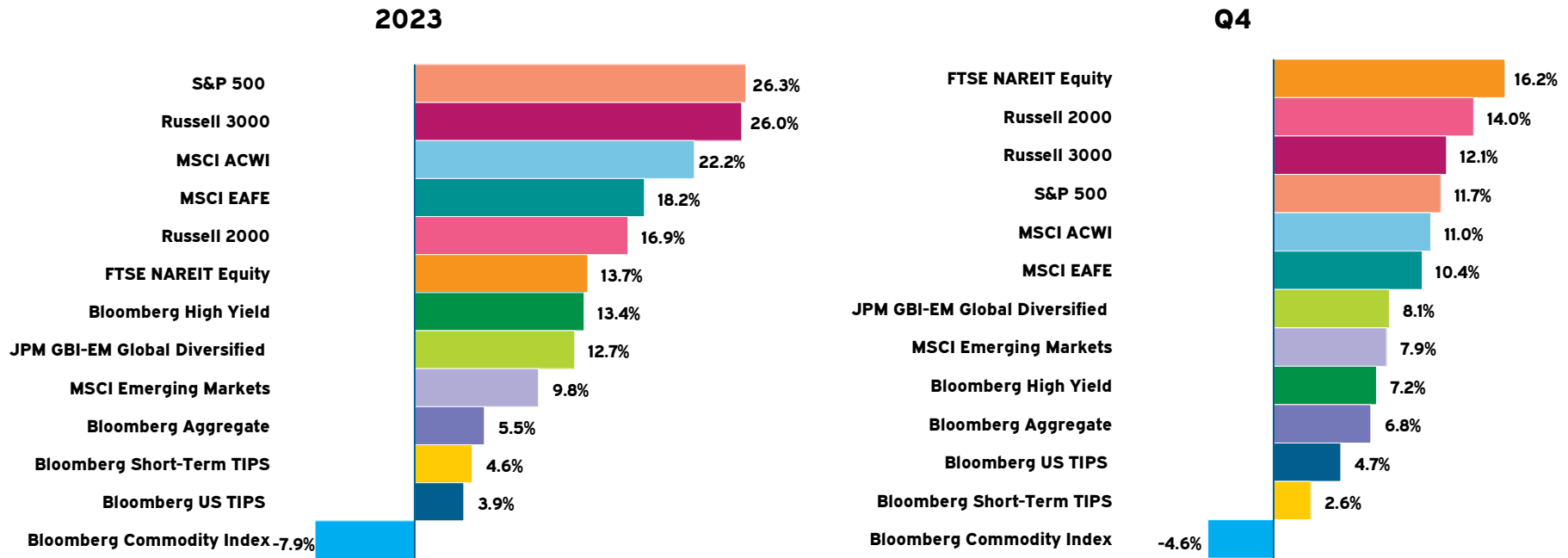
- Major central banks have largely paused interest rates hikes. Markets are now largely expecting the FOMC to maintain interest rates at the current levels and begin cutting rates as soon as Q1 2024.
- Inflation rose in December in the US and Europe, but both finished the year much lower than where they started. China remained in deflationary territory (-0.3%) at year-end.
- US equity markets (Russell 3000 index) posted strong gains for the quarter (12.1%), raising full year results to +26.0%. Most sectors rallied, with more defensive sectors lagging.
- Non-US developed equity markets also rallied in the fourth quarter (MSCI EAFE 10.4%), with the weakening of the US dollar contributing meaningfully (10.4% versus 5.0% ex-US dollar influence). The performance difference between US and international developed equities for the year remained wide (26.0% versus 18.2%).
- Emerging market equities were up 7.9% in the fourth quarter and 9.8% for calendar 2023 but trailed developed markets due to lagging returns in China (-4.2% Q4/-11.2% one-year). Emerging market equities ex-China returned 20% in 2023.
- Interest rates generally fell in the fourth quarter, particularly for longer-dated maturities. The broad US bond market rallied (6.8%) for the quarter, lifting 2023 returns into positive territory (5.5%).

→ Looking to 2024, the paths of inflation and monetary policy, China's economic disorder and slowing economic growth, and the wars in Ukraine and Israel, will be key.



Economic and Market Update

Index Returns¹



→ After a tough start to the quarter on lingering fears that the Federal Reserve might keep interest rates “higher for longer”, markets rallied in November and December. Economic data generally coming in below expectations sparked expectations that the Federal Reserve might really be done raising policy rates for this cycle.

→ Strong results for the quarter built on gains for the year with all asset classes finishing in positive territory in 2023, except commodities.

¹ Source: Bloomberg. Data is as of December 31, 2023.

Domestic Equity Returns¹

Domestic Equity	December (%)	Q4 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	4.5	11.7	26.3	10.0	15.7	12.0
Russell 3000	5.3	12.1	26.0	8.6	15.2	11.5
Russell 1000	4.9	12.0	26.5	9.0	15.5	11.8
Russell 1000 Growth	4.4	14.2	42.7	8.9	19.5	14.9
Russell 1000 Value	5.5	9.5	11.5	8.9	10.9	8.4
Russell MidCap	7.7	12.8	17.2	5.9	12.7	9.4
Russell MidCap Growth	7.6	14.5	25.9	1.3	13.8	10.6
Russell MidCap Value	7.8	12.1	12.7	8.4	11.2	8.3
Russell 2000	12.2	14.0	16.9	2.2	10.0	7.2
Russell 2000 Growth	12.0	12.7	18.7	-3.5	9.2	7.2
Russell 2000 Value	12.4	15.3	14.6	8.0	10.0	6.8

US Equities: The Russell 3000 rallied 5.3% in December, bringing fourth quarter results to +12.1%. US stocks were up 26.0% in 2023.

- US equities had a strong final quarter of the year, driven by expectations that rate cuts may be ahead in 2024.
- Small cap stocks outperformed their large cap peers for the quarter while growth outpaced value with the exception of small cap. Large cap stocks outperformed small cap stocks by a wide margin for the calendar year and growth outpaced value across market caps.
- Calendar year results were clearly driven by large cap technology stocks. Within the S&P 500 index, the “Magnificent 7” stocks generated more than 50% of the total gains.

¹ Source: Bloomberg. Data is as of December 31, 2023. Magnificent Seven stocks include: Apple, Microsoft, Alphabet, Amazon, Nvidia, Tesla, and Meta.

Russell 3000 Sector Returns¹

- All sectors posted gains for the fourth quarter, except for energy (-7.2%) given oil's recent declines. Technology (+16.2%) led the way for the quarter followed by financials (+14.6%).
- In 2023, technology (+64.7%) and consumer discretionary (+35.0%) sectors had the best results, helped respectively by artificial intelligence optimism and a healthy US consumer. Traditionally defensive sectors like utilities (-7.8%) and consumer staples (-5.0%) trailed.

¹ Source: Bloomberg. Data is as of December 31, 2023.

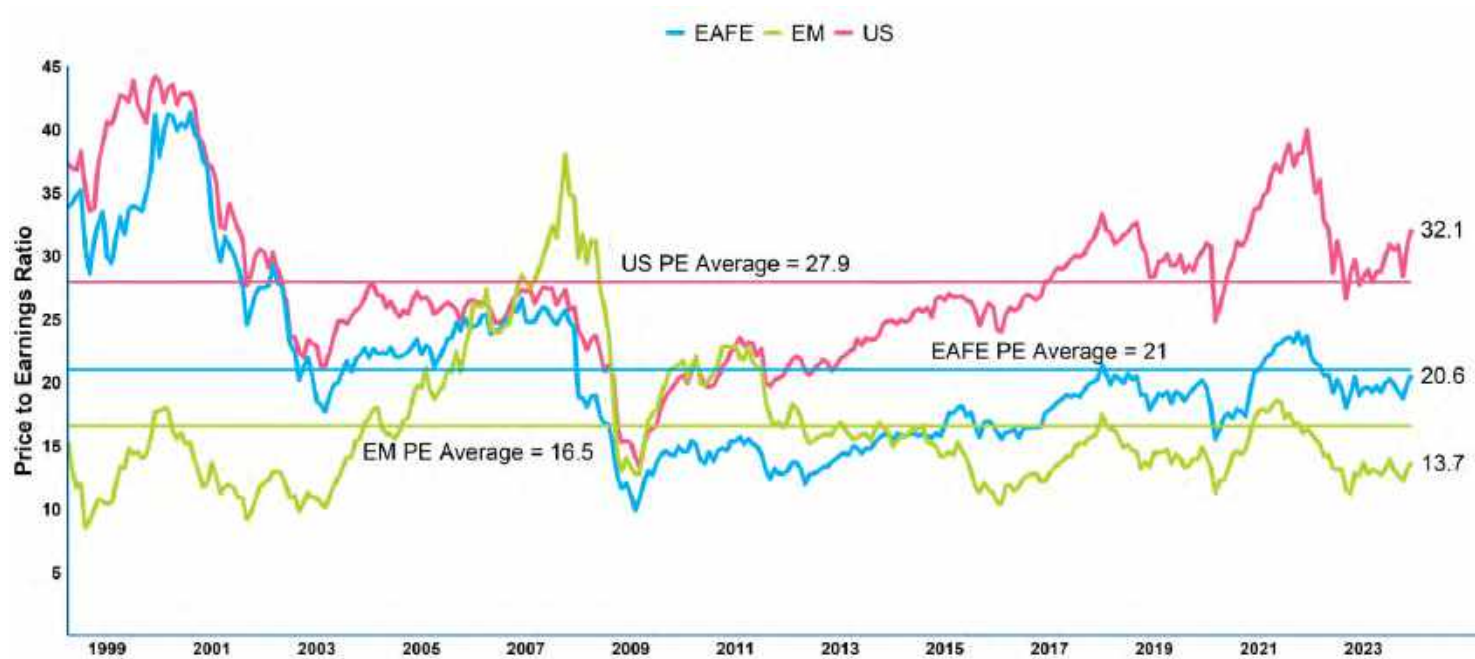
Foreign Equity Returns¹

Foreign Equity	December (%)	Q4 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	5.0	9.8	15.6	1.5	7.1	3.8
MSCI EAFE	5.3	10.4	18.2	4.0	8.2	4.3
MSCI EAFE (Local Currency)	2.9	5.0	16.2	8.7	9.5	6.6
MSCI EAFE Small Cap	7.3	11.1	13.2	-0.7	6.6	4.8
MSCI Emerging Markets	3.9	7.9	9.8	-5.1	3.7	2.7
MSCI Emerging Markets (Local Currency)	3.1	5.6	9.9	-2.5	5.4	5.2
MSCI China	-2.4	-4.2	-11.2	-18.5	-2.8	0.9

Foreign Equity: Developed international equities (MSCI EAFE) gained 5.3% in December and 10.4% in the fourth quarter bringing calendar year results to 18.2%. Emerging market equities (MSCI EM) rose 3.9% in December, 7.9% for the quarter, and 9.8% for the year.

- Optimism around lower inflation and potentially peaking and declining policy rates drove gains in the UK and Europe. Japan had weaker results for the quarter as concerns over a strengthening yen weighed on returns in December. Overall weakness in the US dollar also contributed to quarterly and full year results across developed markets.
- Emerging markets also experienced strong performance in the fourth quarter but trailed developed markets. China weighed on relative results for the quarter and year, declining 4.2% and 11.2%, respectively. Slowing growth, issues in the property sector, and on-going tensions with the US all weighed on results.

¹ Source: Bloomberg. Data is as of December 31, 2023.

Equity Cyclically Adjusted P/E Ratios¹

- Given the strong technology-driven rally last year, the US equity price-to-earnings ratio increased above its 21st century average. Fourth quarter gains brought valuations to their highest level for the year.
- International market valuations also increased in the fourth quarter, but remain below the US. In the case of developed markets, valuations finished the year close to their long-term average, while emerging markets remained well below their average.

¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E – Source: Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years. Data is as of December 2023. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end respectively.

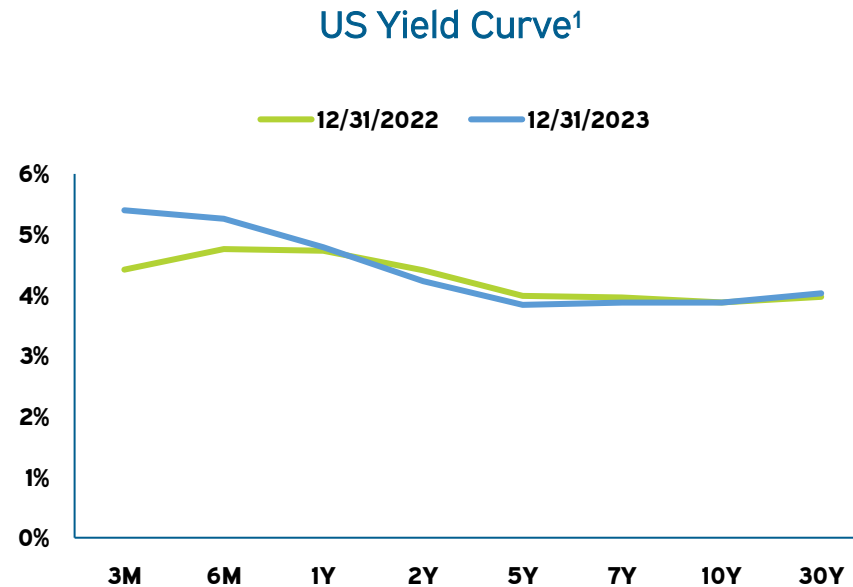
Fixed Income Returns¹

Fixed Income	December (%)	Q4 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	3.8	6.8	6.2	-3.0	1.4	2.1	4.8	6.1
Bloomberg Aggregate	3.8	6.8	5.5	-3.3	1.1	1.8	4.5	6.3
Bloomberg US TIPS	2.7	4.7	3.9	-1.0	3.2	2.4	4.2	6.7
Bloomberg Short-term TIPS	1.1	2.6	4.6	2.3	3.4	2.0	4.5	2.4
Bloomberg High Yield	3.7	7.2	13.4	2.0	5.4	4.6	7.6	3.8
JPM GBI-EM Global Diversified (USD)	3.2	8.1	12.7	-3.2	1.1	0.1	6.5	5.0

Fixed Income: The Bloomberg Universal index rose 3.8% in December, 6.8% for the quarter, and 6.2% for the year.

- Policy rate expectations swung from pessimism to optimism in November and December. Signs of the labor market cooling and improving inflation led investors to bring forward expectations for interest rate cuts to early 2024, leading to one of the best quarterly results in over twenty years.
- The broad US bond market (Bloomberg Aggregate) rallied 6.8% for the quarter, lifting full-year performance into positive territory (+5.5%). The broader TIPS index rose 4.7% for the quarter and 3.9% for the year, while the less interest-rate-sensitive short-term TIPS index rose 2.6% and 4.6% over the same periods.
- High yield bonds rallied on better risk sentiment (+7.2%), as did emerging market bonds (+8.1%). Both asset classes produced double-digit results last year.

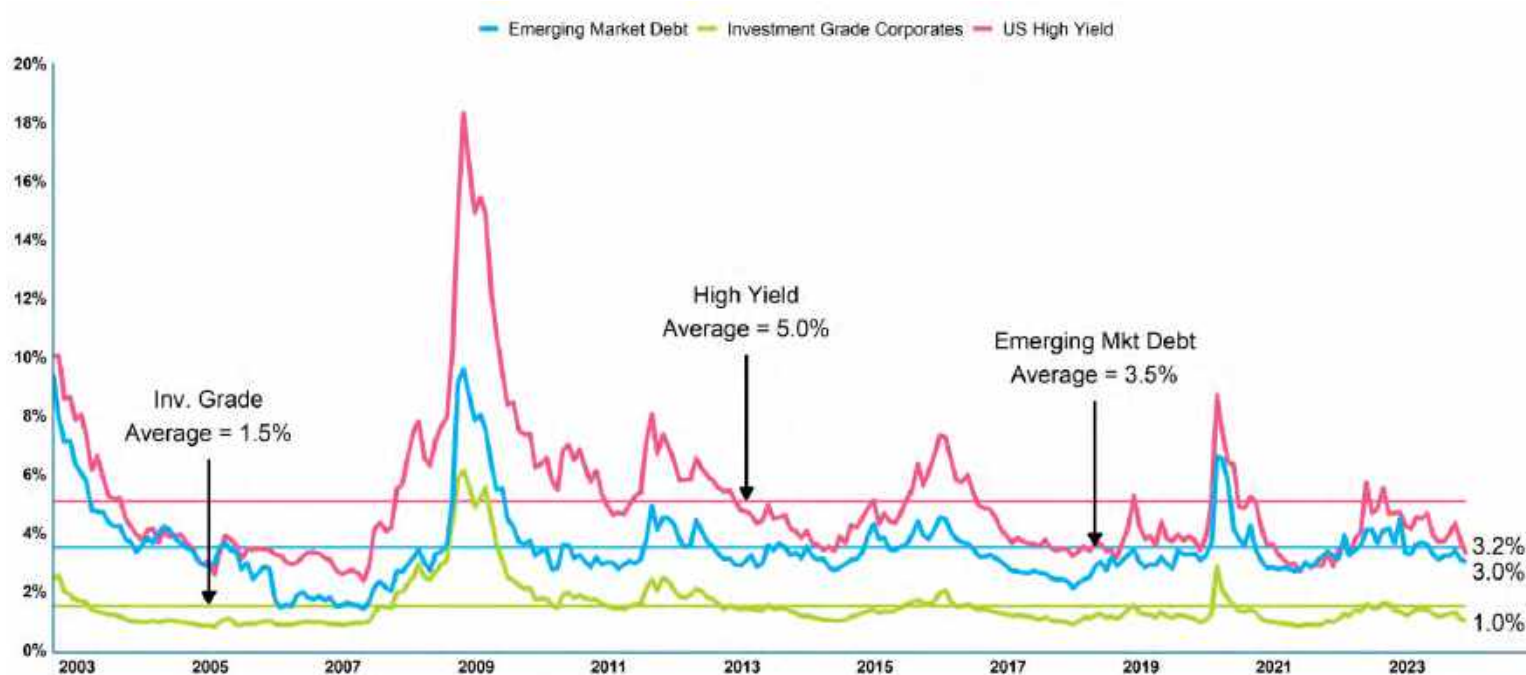
¹ Source: Bloomberg. JPM GBI-EM data is from InvestorForce. Data is as of December 31, 2023. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration respectively.



- The more policy sensitive short-term maturities were higher this year while longer-term maturities finished the year where they started.
- Still, rates declined sharply over the quarter, particularly at the longer end of the yield curve on continued easing of inflation-related risks and speculation that the Federal Reserve is done with their policy rate increases for this cycle.
- For the quarter, two-year Treasury yields fell from 5.05% to 4.24% while ten-year Treasury yields declined from 4.56% to 3.88%.
- The yield curve remained inverted at year-end despite a recent flattening trend. The spread between the 2-year and 10-year Treasury was -0.37% at the end of December.

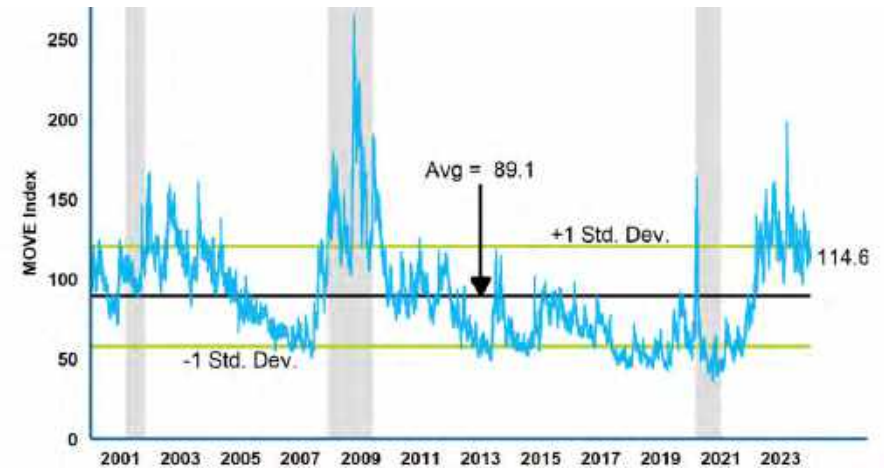
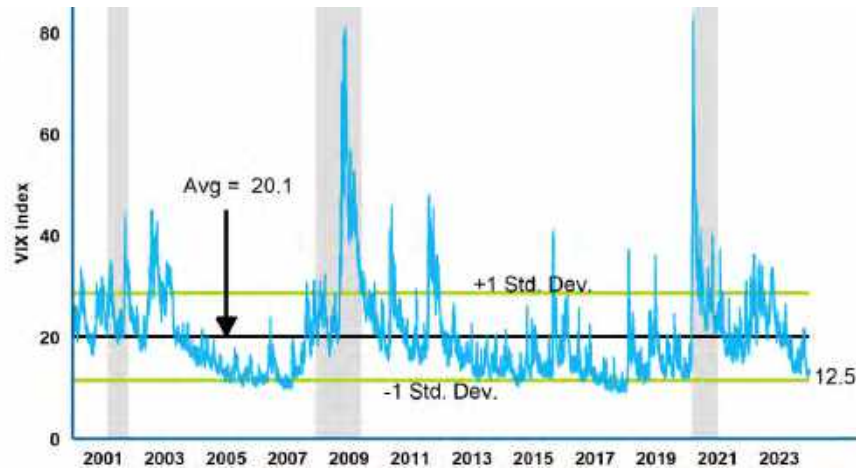
¹ Source: Bloomberg. Data is as of December 31, 2023.

Credit Spreads vs. US Treasury Bonds¹



- Expectations of peaking policy rates and the corresponding increase in risk appetite benefited credit in the fourth quarter with spreads (the added yield above a comparable maturity Treasury) narrowing. All spreads remain below their respective long run averages.
- High yield spreads continue to be the furthest below their long-term average given the overall risk appetite last year and lower duration. Investment-grade corporate and emerging market spreads are also below their respective long-term averages, but by smaller margins.

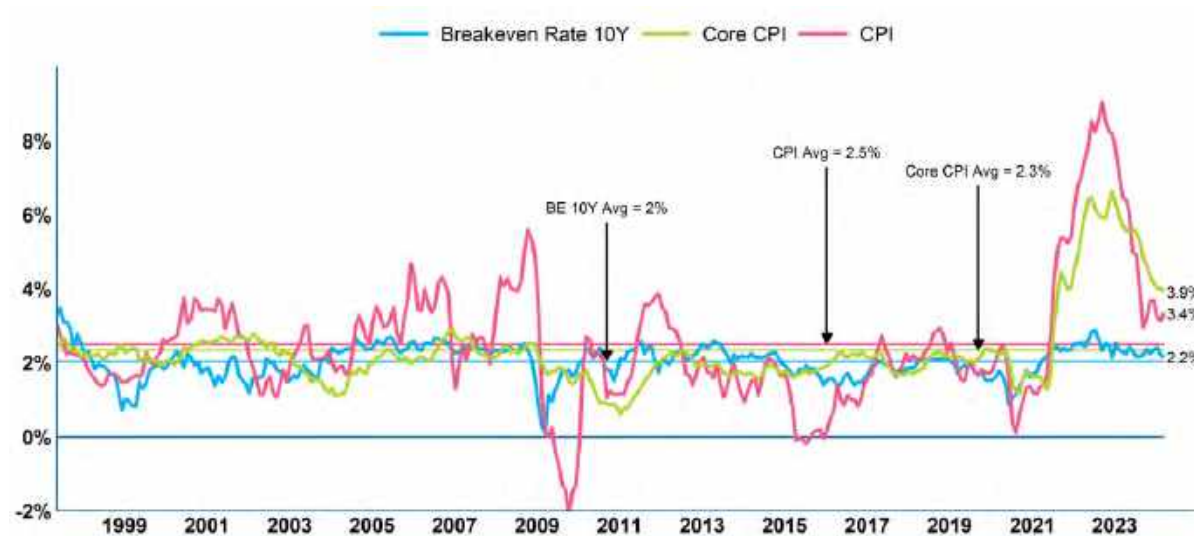
¹ Sources: Bloomberg. Data is as of December 31, 2023. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

Equity and Fixed Income Volatility¹

- Volatility in equities (VIX) finished the year close to its lows, remaining well below the long-term average as the focus shifted to peaking policy rates and the potential for a soft landing.
- Volatility in the bond market (MOVE) remained elevated to close out 2023 and is well above its long-run average (89.1). The bond market remained on edge for most of 2024 largely driven by uncertainty about the ultimate path of monetary policy.

¹ Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of December 2023. The average line indicated is the average of the VIX and MOVE values between January 2000 and December 2023.

US Ten-Year Breakeven Inflation and CPI¹



- Year-over-year headline inflation rose from 3.1% to 3.4% in December, coming in above expectations of 3.2%. An increase in shelter (+6.2%) drove results, with food also increasing from a year prior (+2.7%) and energy prices falling (-2.0%). Month-over-month inflation came in at 0.3%, above expectations of 0.2% and the prior reading of 0.1%.
- Core inflation - excluding food and energy - declined in December (3.9% versus 4.0%) year-over-year, with shelter costs again driving the total core index increase.
- Inflation expectations (breakevens) have remained relatively stable despite the recent significant volatility in inflation.

¹ Source: FRED. Data is as December 2023. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

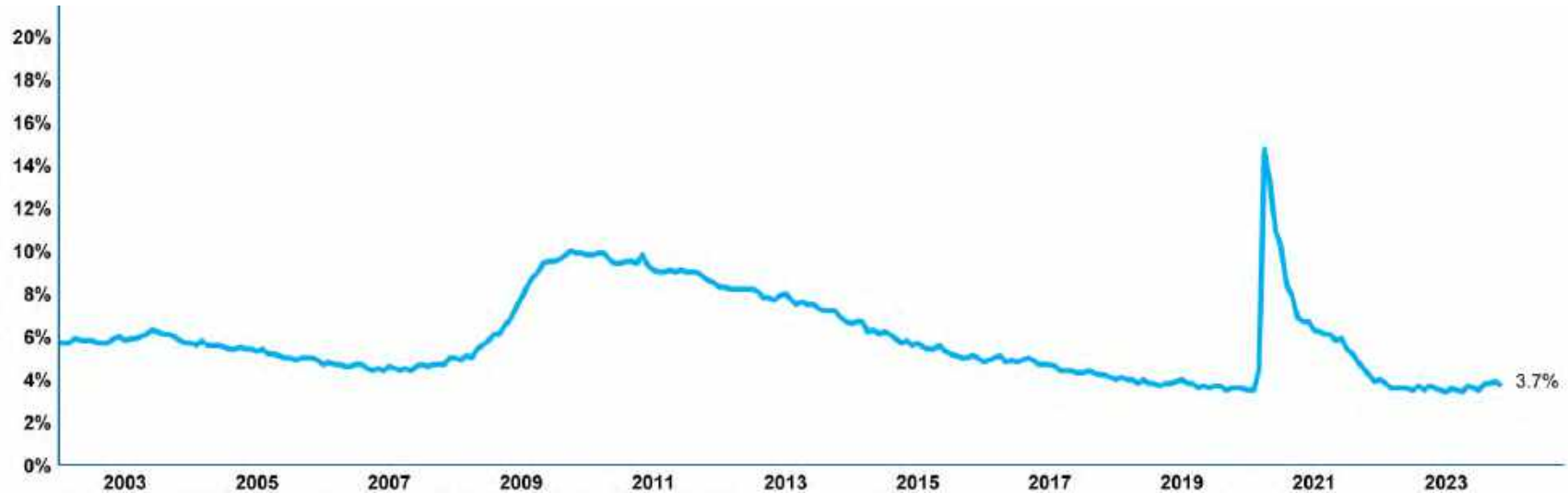
Global Inflation (CPI Trailing Twelve Months)¹



- Outside the US, inflation is also falling across major economies with China slipping into deflation.
- In the eurozone, inflation experienced a dramatic decline last year. Despite a small increase in December (2.9% versus 2.4%) it finished the year below the 3.4% year-over-year reading in the US.
- Inflation in Japan remains near levels not seen in almost a decade, driven by food and home related items.

¹ Source: FRED for United States CPI and Eurozone CPI. Source: Bloomberg for Japan CPI, China CPI, and Eurozone December flash estimate. Data is as December 31, 2023, except Japan which is as of November 30, 2023.

US Unemployment¹

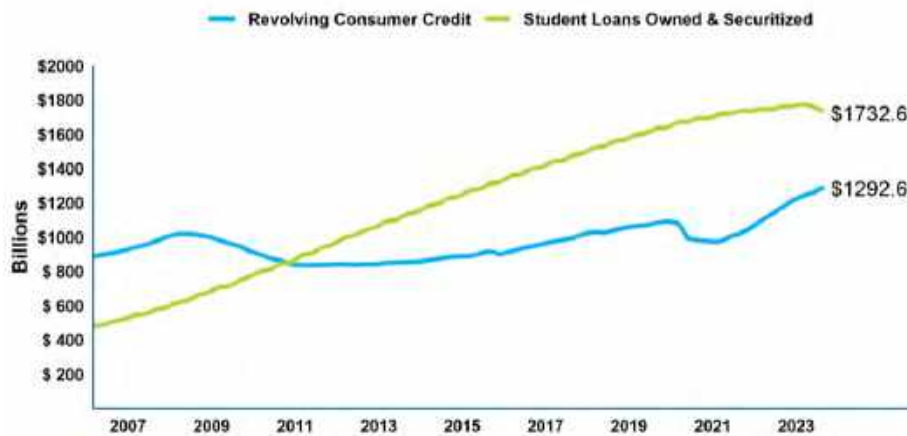


- Overall, the US labor market remains healthy with the unemployment rate relatively low, wage growth now positive in real terms, and initial claims for unemployment staying subdued.
- In December, US unemployment remained unchanged (3.7%) and came in slightly below expectations of an increase to 3.8%. The number of jobs added did come in above expectations (216k versus 175k) though with the most jobs added in the government, leisure and hospitality, and health care sectors.
- The labor force participation remained relatively stable at 62.5%, well off the lows of the pandemic (60.1%) but not back to pre-pandemic levels (63.3%).
- The pace of hourly wage growth has declined from its peak of close to 6.0% finishing 2023 at 4.1% yoy. Wage growth remains positive in real terms though.

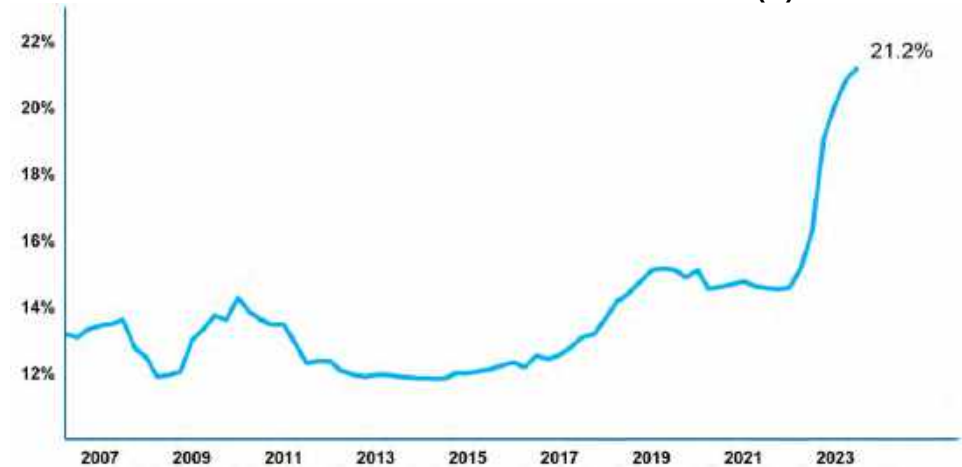
Source: FRED. Data is as December 31, 2023.

US Consumer Under Stress?¹

Revolving Consumer Credit & Student Loans (\$B)



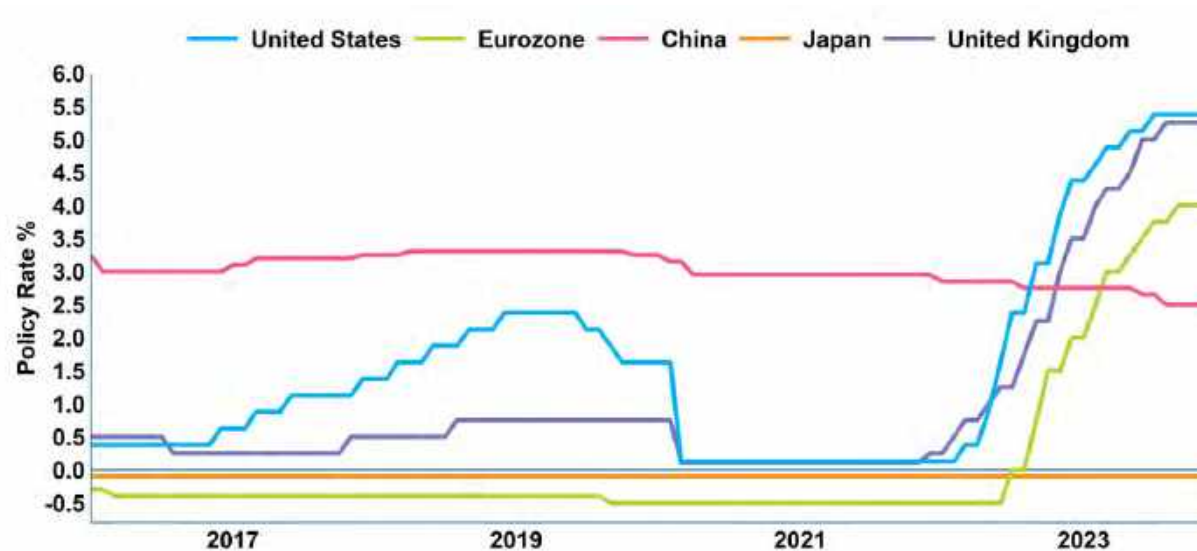
Consumer Credit Card Interest Rates (%)



- Despite the strong labor market and higher wages, pressures have started to build on the US consumer. This is an important consideration as consumer spending has been a key driver of economic growth.
- Revolving consumer credit surged to new highs in 2023 even as credit card interest rates hit levels not seen before (the prior peak was around 19% in the 1980s).
- The return of student loan repayments after a three-year pandemic-related reprieve could add to pressures on consumers' budgets. This might be partially mitigated by recently initiated repayment and forgiveness programs.
- As we look ahead, the strength of the US consumer will remain key as this sector makes up most of the domestic economy (GDP).

¹ Source: FRED. Data is as of September 30, 2023. Revolving Consumer Credit data is seasonally adjusted to remove distortions during the holiday season.

Policy Rates¹



- Slowing inflation and growth have led to expectations for a reduction in the pace of aggressive policy tightening.
- The Fed has been on hold since July 2023 when it raised rates to a range of 5.25%-5.50%. Markets are pricing in six rate cuts next year given the track of economic data and recent comments from the Fed, while the Fed itself is only predicting three. How this discrepancy is resolved will be key this year.
- The European and UK central banks also recently paused their rate increases on slowing inflation. In Japan, the BoJ has further relaxed its yield curve control on the 10-year bond, and expectations for further policy normalization are rising.
- The central bank in China has maintained interest rates at record low levels and continues to inject liquidity into the banking system, as weaker than expected economic data appears to indicate a widespread slowdown.

¹ Source: Bloomberg. Data is as of December 2023.

US Dollar vs. Broad Currencies¹



- The US dollar declined around 5% in the fourth quarter as generally weaker economic data led investors to anticipate the end of FOMC tightening and interest rate cuts in 2024.
- Overall, the dollar finished the year only slightly below where it started but it was a volatile year for the US currency as expectations related to monetary policy evolved.

¹ Source: Bloomberg. Data as of December 31, 2023.

Summary

Key Trends:

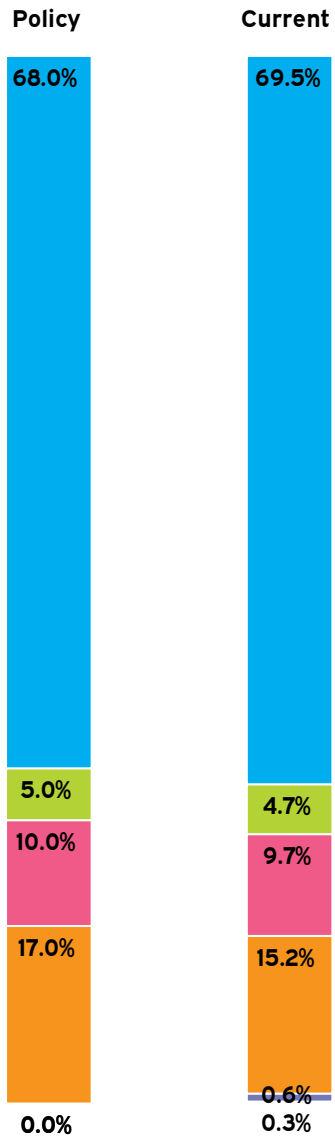
- The impact of inflation still above policy targets will remain important, with bond market volatility likely to stay high.
- Global monetary policies could diverge going forward. The risk of policy errors remains elevated as central banks try to further reduce inflation toward targets while not tipping their economies into recession. In the case of the US the resolution of the disparity between market expectations for the path of interest rates versus the Fed's dot plot will be key.
- Global growth is expected to slow next year, with some economies forecasted to tip into recession. However, optimism has been building that certain economies could experience soft landings. Inflation, monetary policy, and geopolitical issues will remain key in 2024.
- US consumers could feel pressure as certain components of inflation (e.g., shelter), remain high, borrowing costs are elevated, and the job market may weaken.
- A focus for US equities going forward, will be whether earnings can remain resilient if growth continues to slow. Also, the future paths of the large technology companies that have driven market gains will be important.
- Equity valuations remain lower in emerging and developed markets, but risks remain, including the potential for China's economic slowdown and on-going weakness in the real estate sector could spill over into key trading partners' economies. Japan's recent hint at potentially tightening monetary policy along with changes in corporate governance in the country could influence relative results.
- Recent, heightened tensions in Israel could add to overall uncertainty and drive safe haven flows.

Total Fund



Illinois State Universities Retirement System

Asset Allocation Compliance | As of December 31, 2023

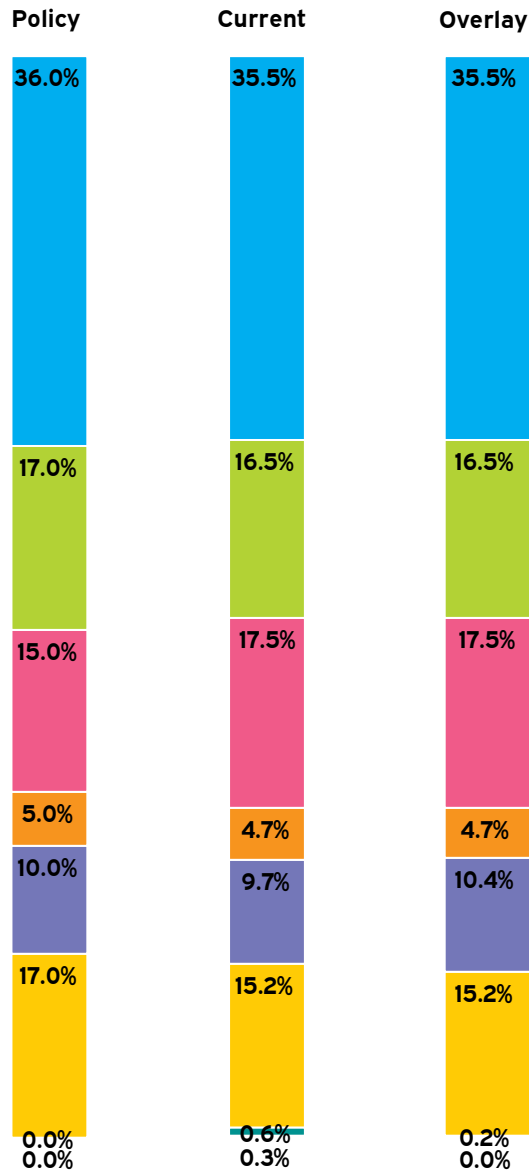


Asset Allocation vs. Interim Policy						
	Current Value	Policy (%)	Current (%)	Difference	Difference (%)	
■ Broad Growth	\$16,303,484,806	68.0	69.5	\$360,017,934	1.5	
■ Inflation Sensitive	\$1,102,515,141	5.0	4.7	-\$69,798,600	-0.3	
■ Principal Protection	\$2,273,034,097	10.0	9.7	-\$71,593,385	-0.3	
■ CRO	\$3,565,406,529	17.0	15.2	-\$420,460,189	-1.8	
■ Cash & Transition	\$137,649,469	0.0	0.6	\$137,649,469	0.6	
■ Overlay	\$64,184,770	0.0	0.3	\$64,184,770	0.3	
Total	\$23,446,274,812	100.0	100.0			



Illinois State Universities Retirement System

Asset Allocation Compliance | As of December 31, 2023



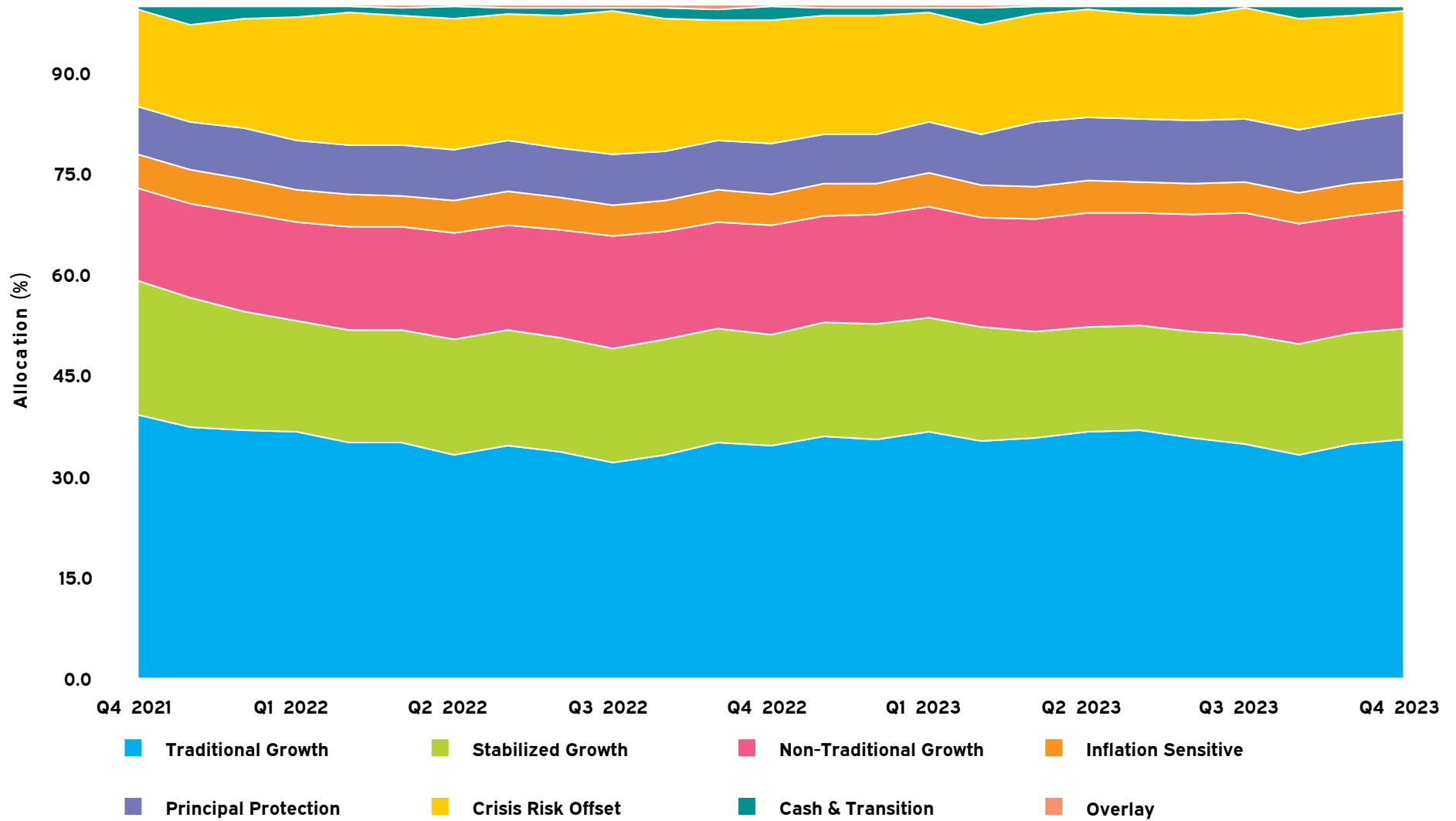
Asset Allocation vs. Interim Policy				
	Current Value	Policy (%)	Current (%)	Overlay (%)
Traditional Growth	\$8,326,141,573	36.0	35.5	35.5
Stabilized Growth	\$3,870,918,908	17.0	16.5	16.5
Non-Traditional Growth	\$4,106,424,326	15.0	17.5	17.5
Inflation Sensitive	\$1,102,515,141	5.0	4.7	4.7
Principal Protection	\$2,273,034,097	10.0	9.7	10.4
Crisis Risk Offset	\$3,565,406,529	17.0	15.2	15.2
Cash & Transition	\$137,649,469	0.0	0.6	0.2
Overlay	\$64,184,770	0.0	0.3	0.0
Total	\$23,446,274,812	100.0	100.0	100.0



Illinois State Universities Retirement System

Historical Asset Allocation | 2 Years Ending December 31, 2023

Asset Allocation History 2 Years Ending December 31, 2023





Illinois State Universities Retirement System

Attribution Summary | As of December 31, 2023

Attribution Summary 1 Quarter Ending December 31, 2023							
	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Traditional Growth	11.2	11.1	0.1	0.0	-0.1	0.0	-0.1
Stabilized Growth	1.8	2.8	-1.1	-0.2	0.0	0.0	-0.2
Non Traditional Growth	0.2	-2.3	2.5	0.4	-0.2	0.1	0.2
Inflation Sensitive	4.7	4.7	0.0	0.0	0.0	0.0	0.0
Principal Protection	5.8	5.5	0.3	0.0	0.0	0.0	0.0
Crisis Risk Offset ex Tail Risk	-3.3	-0.5	-2.8	-0.5	0.0	0.1	-0.4
Total Fund	4.4	4.9	-0.5	-0.3	-0.3	0.1	-0.5

Attribution Summary 1 Year Ending December 31, 2023							
	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Traditional Growth	22.0	21.6	0.4	0.0	-0.2	0.0	-0.1
Stabilized Growth	1.5	0.5	1.0	0.2	0.0	0.0	0.2
Non Traditional Growth	3.9	14.5	-10.6	-1.5	0.2	-0.4	-1.7
Inflation Sensitive	3.9	3.9	0.0	0.0	0.0	0.0	0.0
Principal Protection	4.8	4.7	0.2	0.0	0.0	0.0	0.0
Crisis Risk Offset ex Tail Risk	-1.4	-4.8	3.4	0.6	0.1	0.0	0.7
Total Fund	8.6	9.6	-1.1	-0.7	0.1	-0.4	-1.1



Illinois State Universities Retirement System

Asset Allocation & Performance | As of December 31, 2023

Trailing Asset Class Net Performance							
	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Fund	23,446,274,812	100.0	4.4	8.6	5.3	8.7	6.7
<i>SURS Policy Benchmark</i>			<i>4.9</i>	<i>9.7</i>	<i>4.0</i>	<i>8.0</i>	<i>6.5</i>
Total Fund ex Overlay	23,382,090,042	99.7	4.3	8.4	5.2	8.5	6.6
<i>SURS Policy Benchmark</i>			<i>4.9</i>	<i>9.7</i>	<i>4.0</i>	<i>8.0</i>	<i>6.5</i>
Broad Growth	16,303,484,806	69.5	5.6	12.5	6.8	10.2	7.8
Traditional Growth	8,326,141,573	35.5	11.2	22.0	6.5	12.2	8.6
<i>SURS Traditional Growth Blend</i>			<i>11.1</i>	<i>21.6</i>	<i>5.5</i>	<i>11.6</i>	<i>8.1</i>
US Equity	2,366,387,854	10.1	12.1	25.6	9.4	15.0	11.1
<i>Dow Jones U.S. Total Stock Market Index</i>			<i>12.1</i>	<i>26.1</i>	<i>8.4</i>	<i>15.0</i>	<i>11.4</i>
Passive US Equity	2,366,387,854	10.1	12.1	26.1	9.1	15.4	11.6
<i>Dow Jones U.S. Total Stock Market Index</i>			<i>12.1</i>	<i>26.1</i>	<i>8.4</i>	<i>15.0</i>	<i>11.4</i>
Non US Equity	1,458,450,294	6.2	8.9	16.7	2.9	7.0	4.0
<i>SURS Non US Equity Blend</i>			<i>9.8</i>	<i>15.6</i>	<i>1.5</i>	<i>7.2</i>	<i>3.9</i>
Active Non-US Equity	1,349,215,835	5.8	8.9	16.9	3.8	7.2	4.0
<i>MSCI EAFE (Net)</i>			<i>10.4</i>	<i>18.2</i>	<i>4.0</i>	<i>8.2</i>	<i>4.3</i>
Passive Non-US Equity	109,234,459	0.5	9.8	15.5	0.7	5.7	3.4
<i>MSCI AC World ex USA (Net)</i>			<i>9.8</i>	<i>15.6</i>	<i>1.5</i>	<i>7.1</i>	<i>3.8</i>
Global Equity	4,501,303,424	19.2	11.5	21.8	6.4	13.8	9.8
<i>SURS Global Equity Blend</i>			<i>11.1</i>	<i>21.6</i>	<i>5.5</i>	<i>11.6</i>	<i>7.8</i>
Global Equity - Active	2,801,647,152	11.9	11.3	20.8	5.9	--	--
Global Equity - Passive	1,699,656,272	7.2	11.8	23.1	7.1	--	--
Stabilized Growth	3,870,918,908	16.5	1.8	1.5	2.0	--	--
<i>SURS Stabilized Growth Blend</i>			<i>2.8</i>	<i>0.5</i>	<i>1.3</i>	--	--
Stabilized Real Assets	1,698,709,004	7.2	-2.9	-9.0	7.8	5.2	7.0
<i>SURS Stabilized Real Assets Blend</i>			<i>-0.8</i>	<i>-11.9</i>	<i>6.5</i>	<i>4.9</i>	<i>7.3</i>



Illinois State Universities Retirement System

Asset Allocation & Performance | As of December 31, 2023

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Core	945,585,723	4.0	-5.4	-13.8	6.0	3.7	6.3
<i>NCREIF ODCE Net 1 Qtr Lag</i>			<i>-2.1</i>	<i>-12.9</i>	<i>6.2</i>	<i>4.7</i>	<i>7.3</i>
Core Plus	566,324,753	2.4	-0.2	-5.6	9.2	6.7	--
<i>SURS Real Estate Blend</i>			<i>-2.1</i>	<i>-12.9</i>	<i>6.2</i>	<i>4.7</i>	<i>--</i>
Core Infrastructure	186,798,528	0.8	2.4	12.5	--	--	--
<i>FTSE Developed Core Infrastructure 50/50 Index</i>			<i>11.5</i>	<i>3.2</i>	<i>--</i>	<i>--</i>	<i>--</i>
Public Credit	1,425,856,813	6.1	7.5	11.4	0.2	--	--
<i>SURS Credit Fixed Income Blend</i>			<i>6.5</i>	<i>10.9</i>	<i>-0.9</i>	<i>--</i>	<i>--</i>
Diversified Credit	1,040,957,246	4.4	7.6	12.2	1.0	3.4	3.1
<i>SURS Credit ex EMD Blend</i>			<i>7.1</i>	<i>11.5</i>	<i>0.4</i>	<i>3.5</i>	<i>3.0</i>
Bivium Credit	384,899,568	1.6	7.0	9.5	-0.8	--	--
<i>Bivium Credit Blend</i>			<i>6.6</i>	<i>8.9</i>	<i>-2.3</i>	<i>--</i>	<i>--</i>
Private Credit	743,796,148	3.2	2.6	9.0	9.6	--	--
<i>SURS Private Credit Blend</i>			<i>5.0</i>	<i>14.2</i>	<i>4.4</i>	<i>--</i>	<i>--</i>
Non Traditional Growth	4,106,424,326	17.5	0.2	3.9	16.4	13.6	12.2
<i>SURS Non Traditional Growth Blend</i>			<i>-2.3</i>	<i>14.5</i>	<i>8.5</i>	<i>8.3</i>	<i>11.7</i>
Non-Core Real Assets	1,007,757,139	4.3	0.2	4.7	11.8	7.7	--
<i>SURS Non Core Real Assets Blend</i>			<i>-1.0</i>	<i>-7.3</i>	<i>8.4</i>	<i>6.9</i>	<i>--</i>
Non-Core Real Estate	659,829,592	2.8	-0.1	1.9	11.5	6.4	--
<i>NCREIF ODCE Net Lagged + 1.5%</i>			<i>-1.7</i>	<i>-11.6</i>	<i>7.8</i>	<i>6.3</i>	<i>--</i>
Non-Core Real Estate Debt	89,313,542	0.4	0.2	2.7	5.4	5.4	--
<i>NCREIF ODCE Net Lagged + 1.5%</i>			<i>-1.7</i>	<i>-11.6</i>	<i>7.8</i>	<i>6.3</i>	<i>--</i>
Non-Core Infrastructure	191,953,871	0.8	2.0	16.5	17.2	14.2	9.5
<i>CPI+5% 1 Qtr Lagged</i>			<i>2.1</i>	<i>8.9</i>	<i>11.0</i>	<i>9.2</i>	<i>7.9</i>



Illinois State Universities Retirement System

Asset Allocation & Performance | As of December 31, 2023

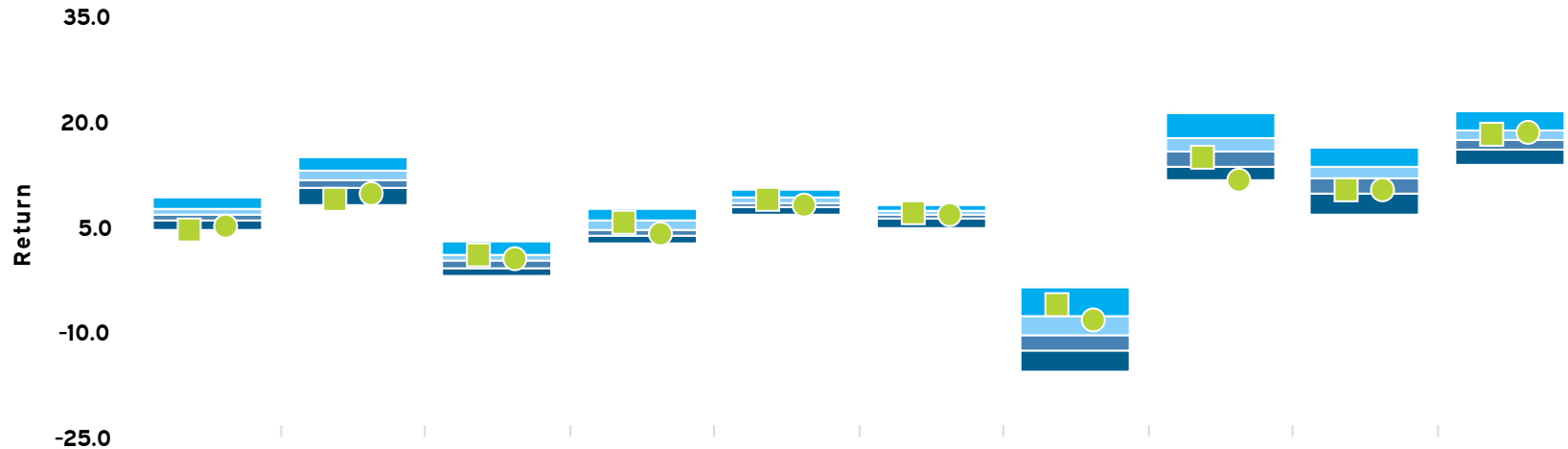
	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Non-Core Farmland	66,660,134	0.3	-0.8	7.4	6.4	--	--
<i>NCREIF Farmland 1 Qtr Lag</i>			-0.3	6.0	7.2	--	--
Private Equity- Fund of Funds	2,046,961,406	8.7	-0.9	0.0	16.1	14.8	12.9
<i>SURS PE Blend</i>			-2.9	21.7	8.8	8.8	12.7
Private Equity- Direct (Aksia)	1,051,705,781	4.5	2.4	12.6	17.0	--	--
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>			-2.9	22.0	8.9	--	--
Inflation Sensitive	1,102,515,141	4.7	4.7	3.9	-1.0	2.8	2.2
<i>SURS Inflation Sensitive Blend</i>			4.7	3.9	-1.0	2.8	1.9
TIPS	1,102,515,141	4.7	4.7	3.9	-1.0	3.1	2.3
<i>Blmbg. U.S. TIPS</i>			4.7	3.9	-1.0	3.2	2.4
Principal Protection	2,273,034,097	9.7	5.8	4.8	-1.9	1.4	2.0
<i>BC US Int Ag x Credit Blend</i>			5.5	4.7	-2.3	1.3	1.9
Crisis Risk Offset ex Tail Risk	3,545,637,973	15.1	-3.3	-1.4	3.2	--	--
<i>SURS CRO Blend</i>			-0.5	-4.8	2.9	--	--
Long Duration	429,555,718	1.8	12.7	3.1	-11.2	--	--
<i>BBgBarc US Govt Long TR</i>			12.7	3.1	-11.3	--	--
Systematic Trend Following	1,998,623,072	8.5	-8.0	-6.7	8.8	--	--
<i>CS Mgd Futures 15% Vol</i>			-3.5	-10.7	10.0	--	--
Alternative Risk Premia	754,478,197	3.2	1.2	11.8	6.5	--	--
<i>90 Day T-Bills +2%</i>			1.9	7.4	4.5	--	--
Long Volatility	362,980,987	1.5	-0.8	-2.1	--	--	--
<i>CBOE Eureka hedge Long Volatility Hedge Fund Index</i>			-3.7	-7.2	--	--	--
Tail Risk	19,768,556	0.1					
Cash Composite	137,649,469	0.6					
Total Overlay	64,184,770	0.3					



Illinois State Universities Retirement System

Plan Sponsor Peer Group Analysis | As of December 31, 2023

InvMetrics Public DB > \$1B Gross Return Comparison Ending December 31, 2023



	QTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)
■ Total Fund	4.4 (95)	8.7 (91)	1.0 (22)	5.5 (32)	8.8 (35)	7.0 (35)	-6.1 (12)	15.0 (57)	10.2 (69)	18.1 (32)
● SURS Policy Benchmark	4.9 (91)	9.7 (86)	0.3 (36)	4.0 (71)	8.0 (71)	6.5 (54)	-8.2 (27)	11.6 (95)	10.3 (69)	18.3 (30)
5th Percentile	9.0	14.7	2.9	7.5	10.2	7.9	-3.7	21.0	16.1	21.2
1st Quartile	7.6	13.0	0.8	5.8	9.1	7.2	-7.9	17.6	13.6	18.7
Median	6.7	11.5	0.0	4.5	8.4	6.6	-10.5	15.7	11.8	17.3
3rd Quartile	5.9	10.6	-0.9	3.6	7.7	6.0	-12.8	13.5	9.6	15.9
95th Percentile	4.4	8.1	-2.2	2.6	6.7	4.6	-15.6	11.5	6.7	13.6
Population	103	94	84	82	79	74	121	158	169	132

Universe is InvMetrics Public DB > \$1B, which includes BNY Mellon Total Public Fund Greater than \$1Billion Universe and IM client data.

Parentheses contain percentile rankings.

Calculation based on monthly periodicity.



Illinois State Universities Retirement System

Total Fund | As of December 31, 2023

Risk-Adjusted Return of SURS vs. Peers					
	Fiscal YTD	1 Year	3 Years	5 Years	10 Years
Total Fund	3.1	8.6	5.3	8.7	6.7
Risk-Adjusted Median ¹	3.0	7.3	3.0	6.3	5.3
Excess Return	0.1	1.3	2.3	2.4	1.4

→ On a risk-adjusted basis, the SURS Total Portfolio has outperformed the Median Public Fund in all trailing time periods. The pursuit of a more efficient (i.e., higher return per unit of risk) portfolio has been an explicit consideration of the SURS Board over the last two asset-liability studies, in particular.

¹ Risk-adjusted median normalizes the median fund to the SURS exhibited volatility. Calculated as: risk-adjusted median = unadjusted median return * (SURS volatility/peer volatility).



Illinois State Universities Retirement System

Benchmark History | As of December 31, 2023

Benchmark History

From Date	To Date	Benchmark
SURS Policy Benchmark		
07/01/2022	Present	37.0% SURS Traditional Growth Blend, 17.0% SURS Stabilized Growth Blend, 5.0% SURS Inflation Sensitive Blend, 14.0% SURS Non Traditional Growth Blend, 19.0% SURS CRO Blend, 8.0% BC US Int Ag x Credit Blend
06/01/2022	07/01/2022	38.0% SURS Traditional Growth Blend, 17.0% SURS Stabilized Growth Blend, 5.0% SURS Inflation Sensitive Blend, 13.0% SURS Non Traditional Growth Blend, 19.0% SURS CRO Blend, 8.0% BC US Int Ag x Credit Blend
01/01/2022	06/01/2022	38.0% SURS Traditional Growth Blend, 21.0% SURS Stabilized Growth Blend, 5.0% SURS Inflation Sensitive Blend, 13.0% SURS Non Traditional Growth Blend, 15.0% SURS CRO Blend, 8.0% BC US Int Ag x Credit Blend
07/01/2021	01/01/2022	39.0% SURS Traditional Growth Blend, 21.0% SURS Stabilized Growth Blend, 5.0% SURS Inflation Sensitive Blend, 12.0% SURS Non Traditional Growth Blend, 15.0% SURS CRO Blend, 8.0% BC US Int Ag x Credit Blend
10/01/2020	07/01/2021	41.0% SURS Traditional Growth Blend, 25.0% SURS Stabilized Growth Blend, 6.0% SURS Inflation Sensitive Blend, 10.0% SURS Non Traditional Growth Blend, 10.0% SURS CRO Blend, 8.0% BC US Int Ag x Credit Blend
07/01/2020	10/01/2020	40.0% SURS Traditional Growth Blend, 25.0% SURS Stabilized Growth Blend, 6.0% SURS Inflation Sensitive Blend, 11.0% SURS Non Traditional Growth Blend, 10.0% SURS CRO Blend, 8.0% BC US Int Ag x Credit Blend
04/01/2020	07/01/2020	44.0% SURS Traditional Growth Blend, 25.0% SURS Stabilized Growth Blend, 6.0% SURS Inflation Sensitive Blend, 11.0% SURS Non Traditional Growth Blend, 6.0% SURS CRO Blend, 8.0% BC US Int Ag x Credit Blend
01/01/2020	04/01/2020	46.0% SURS Traditional Growth Blend, 25.0% SURS Stabilized Growth Blend, 6.0% SURS Inflation Sensitive Blend, 10.0% SURS Non Traditional Growth Blend, 5.0% SURS CRO Blend, 8.0% BC US Int Ag x Credit Blend
12/01/2019	01/01/2020	50.0% SURS Traditional Growth Blend, 24.0% SURS Stabilized Growth Blend, 5.5% SURS Inflation Sensitive Blend, 10.0% SURS Non Traditional Growth Blend, 2.5% SURS CRO Blend, 8.0% BC US Int Ag x Credit Blend
10/01/2019	12/01/2019	52.0% SURS Traditional Growth Blend, 24.0% SURS Stabilized Growth Blend, 6.0% SURS Inflation Sensitive Blend, 10.0% SURS Non Traditional Growth Blend, 8.0% BC US Int Ag x Credit Blend

Private Markets Performance



Illinois State Universities Retirement System

Private Markets Performance¹ | As of September 30, 2023

	Composite Level IRRs				
	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)	Since Inception (%)
Real Assets ^{1,2}	-5.4	8.5	6.0	7.6	6.7
Private Equity	3.8	16.8	15.9	13.5	20.0

	Capital Commitment (\$)	Draw Down (\$)	Distributed (\$)	Market Value (\$)	TVPI Multiple
Real Assets ²	3,498,995,208	3,063,893,479	1,435,879,583	2,677,044,185	1.3
Private Equity	5,599,321,351	4,581,236,464	4,780,741,851	3,118,481,174	1.7

¹ Information provided by Northern Trust.

² Real Assets Composite includes Real Estate, Core, and Non-Core Infrastructure.

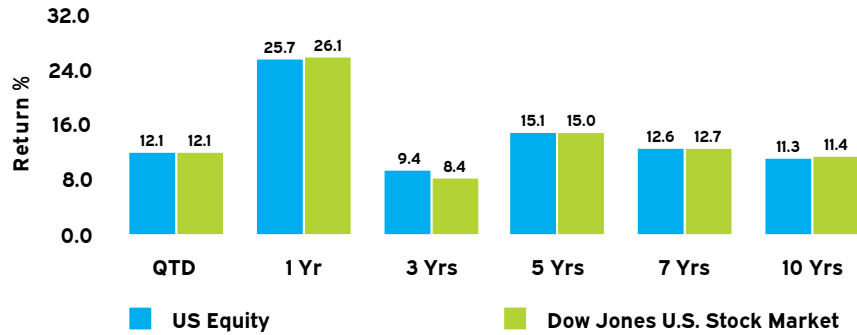
US Equity



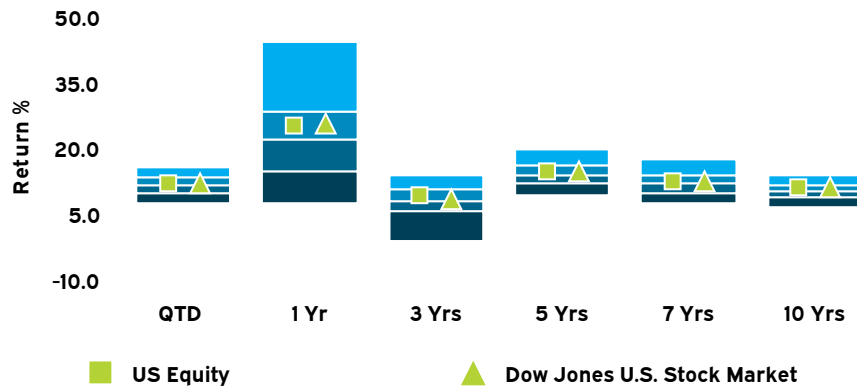
Illinois State Universities Retirement System

US Equity | As of December 31, 2023

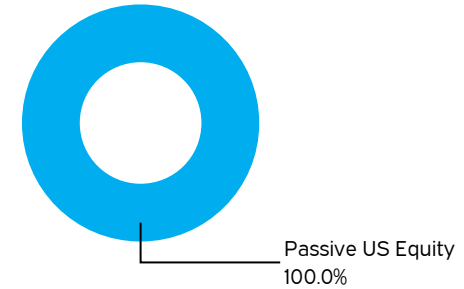
Return Summary



	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
US Equity	12.1	25.7	9.4	15.1	12.6	11.3
Dow Jones U.S. Total Stock Market	12.1	26.1	8.4	15.0	12.7	11.4
Excess Return	0.0	-0.4	1.0	0.1	-0.1	-0.1
eV US All Cap Equity Median	11.6	22.4	8.3	14.2	12.2	10.4
eV US All Cap Equity Rank	44	35	42	39	43	37



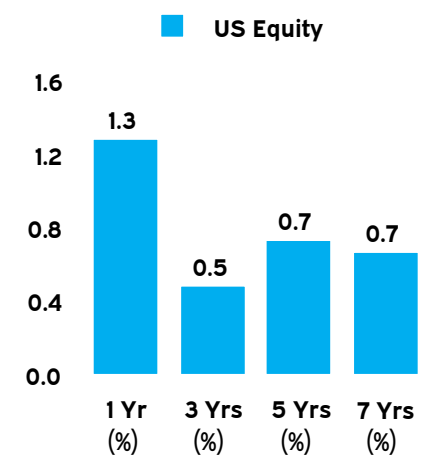
Current Allocation



Annualized Standard Deviation



Sharpe Ratio



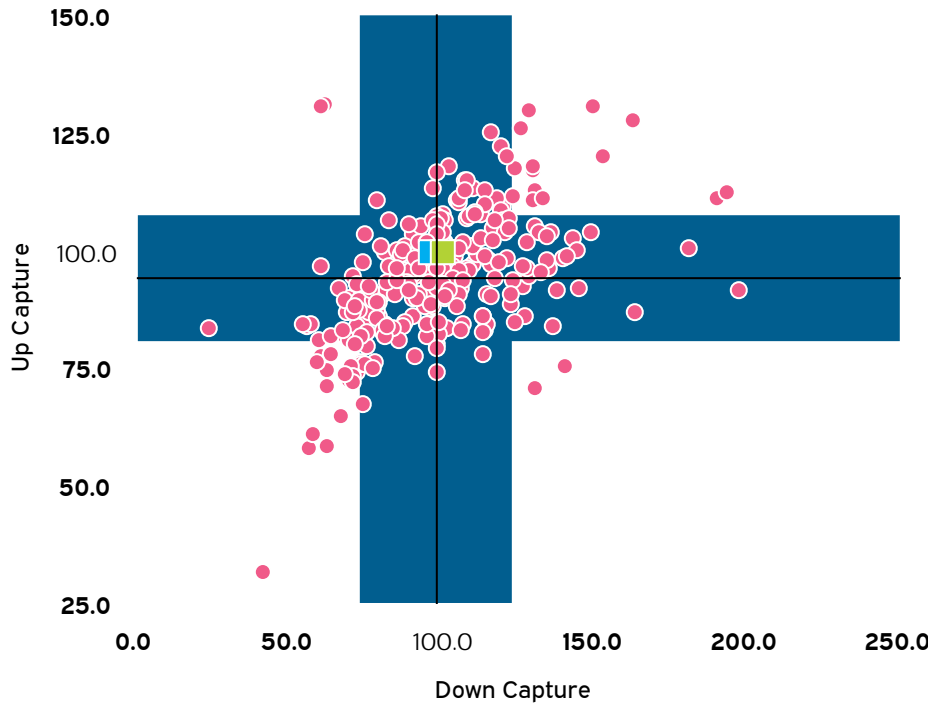
Returns are gross of fees.



Illinois State Universities Retirement System

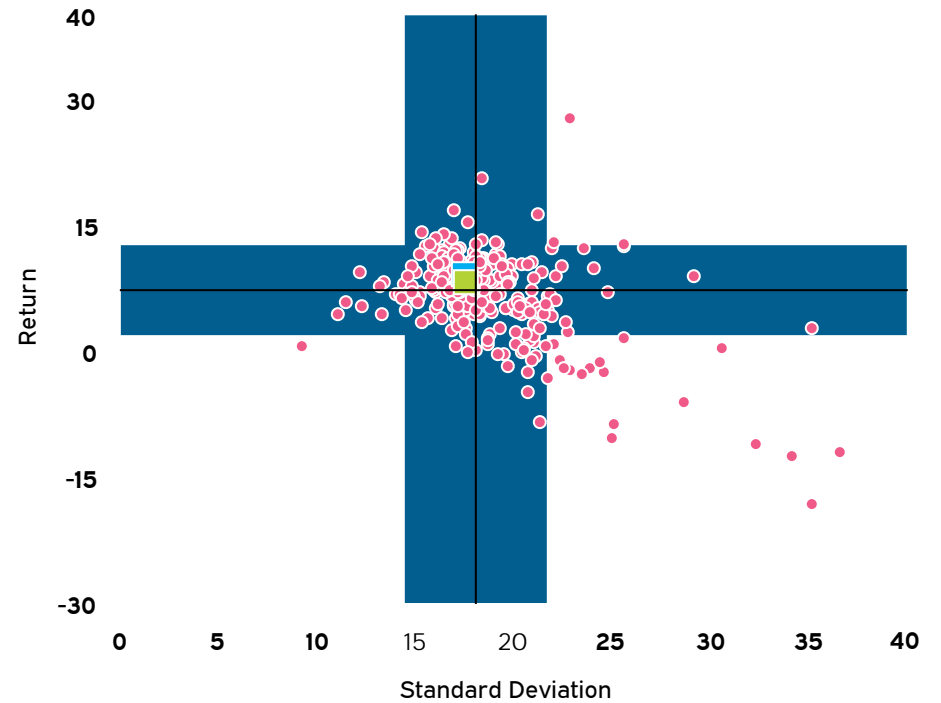
US Equity | As of December 31, 2023

**Upside Capture Ratio vs. Downside Capture Ratio
3 Years Ending December 31, 2023**



	Up Capture	Down Capture
■ US Equity	99.9	95.9
■ Dow Jones U.S. Total Stock Market Index	100.0	100.0
— Median	94.3	97.9
Population	287	287

**Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2023**



	Return	Standard Deviation
■ US Equity	9.4	17.5
■ Dow Jones U.S. Total Stock Market Index	8.4	17.5
— Median	7.4	18.0
Population	287	287

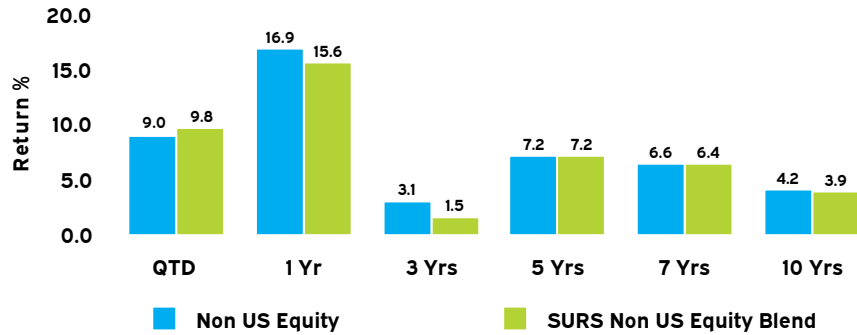
Non US Equity



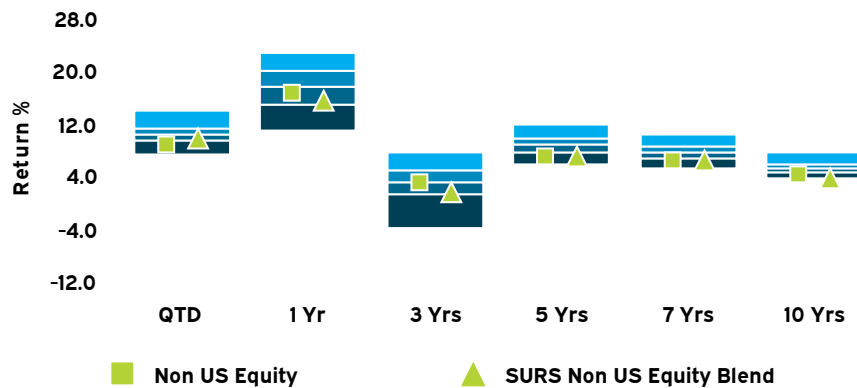
Illinois State Universities Retirement System

Non US Equity | As of December 31, 2023

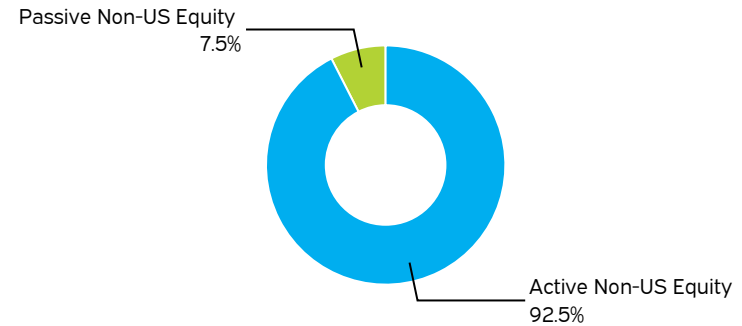
Return Summary



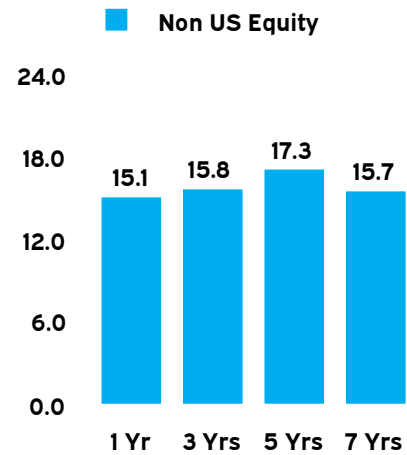
	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Non US Equity	9.0	16.9	3.1	7.2	6.6	4.2
SURS Non US Equity Blend	9.8	15.6	1.5	7.2	6.4	3.9
Excess Return	-0.8	1.3	1.6	0.0	0.2	0.3
eV Non-US Diversified Core Eq Median	10.3	17.6	3.2	8.9	7.7	5.3
eV Non-US Diversified Core Eq Rank	84	58	52	85	84	88



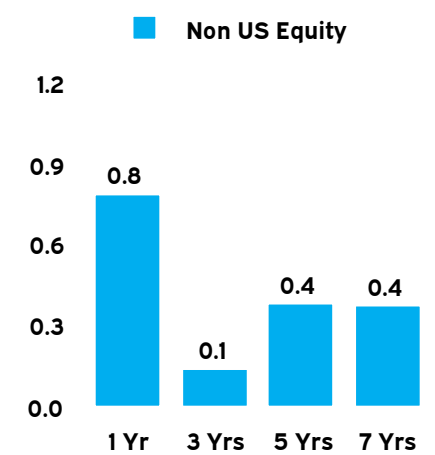
Current Allocation



Annualized Standard Deviation



Sharpe Ratio



Returns are gross of fees.

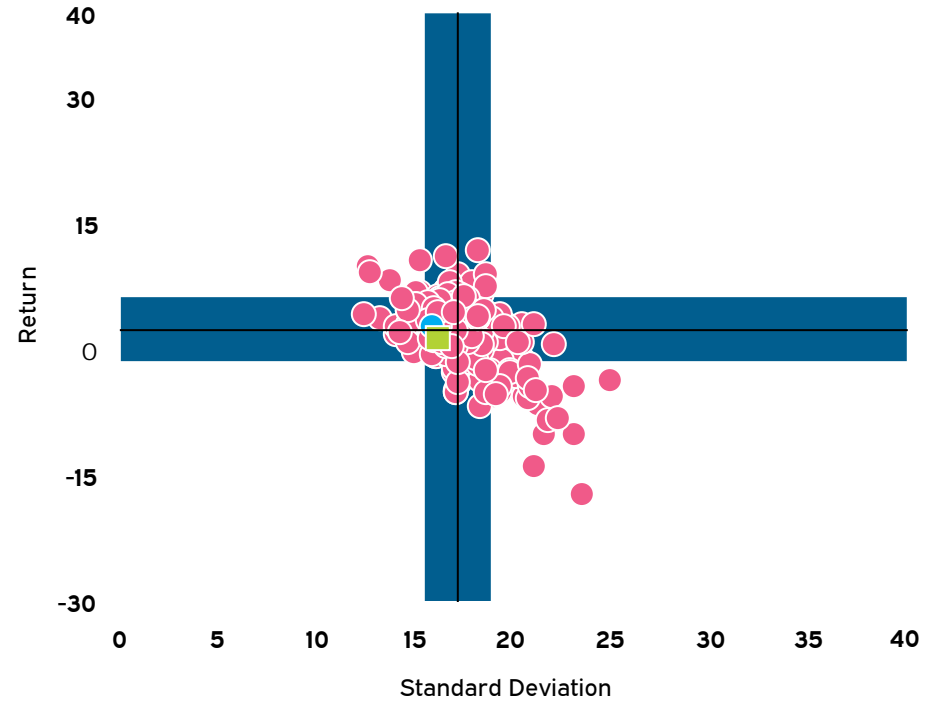
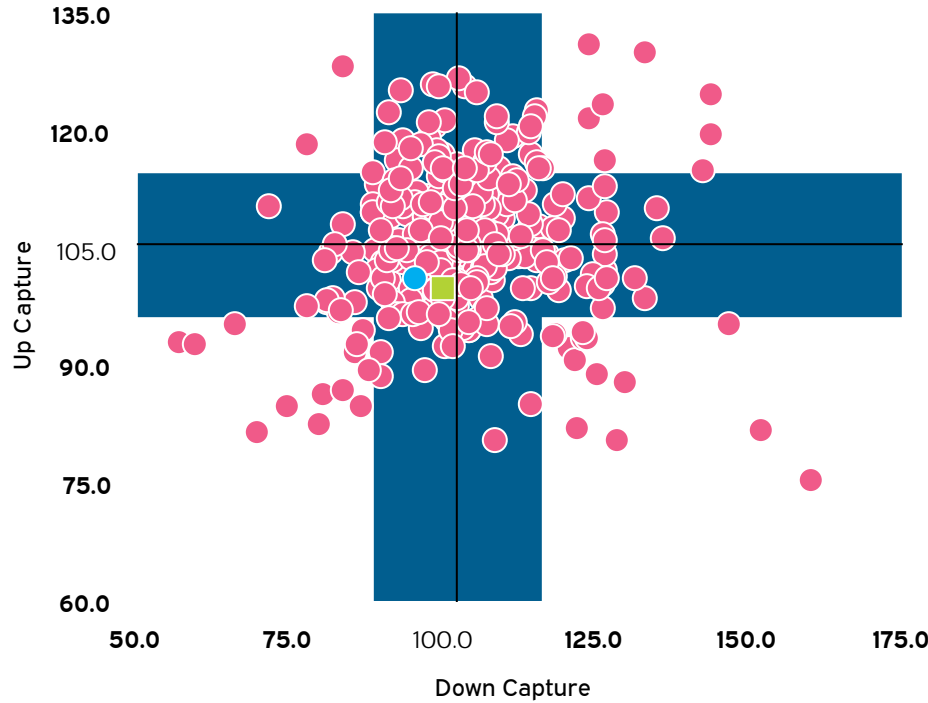


Illinois State Universities Retirement System

Non US Equity | As of December 31, 2023

**Upside Capture Ratio vs. Downside Capture Ratio
3 Years Ending December 31, 2023**

**Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2023**



	Up Capture	Down Capture
● Non US Equity	101.3	95.3
■ SURS Non US Equity Blend	100.0	100.0
— Median	105.5	102.3
Population	351	351

	Return	Standard Deviation
● Non US Equity	2.9	15.8
■ SURS Non US Equity Blend	1.5	16.1
— Median	2.5	17.1
Population	351	351

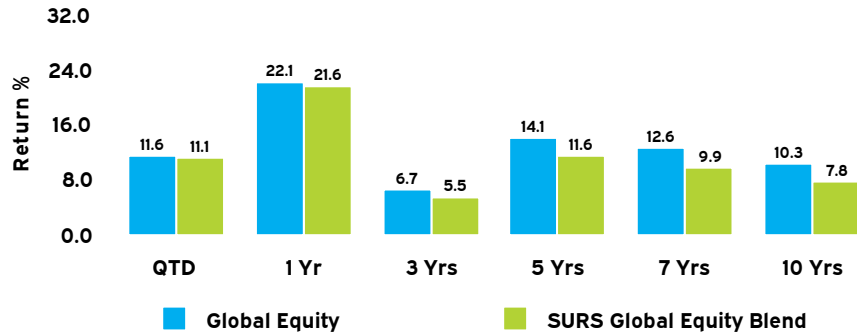
Global Equity



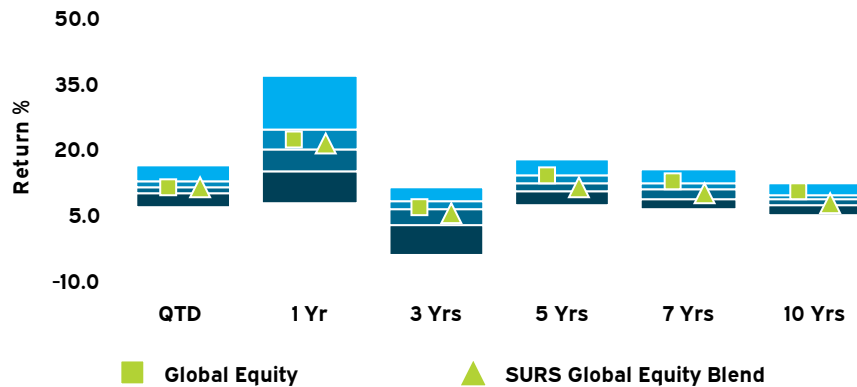
Illinois State Universities Retirement System

Global Equity | As of December 31, 2023

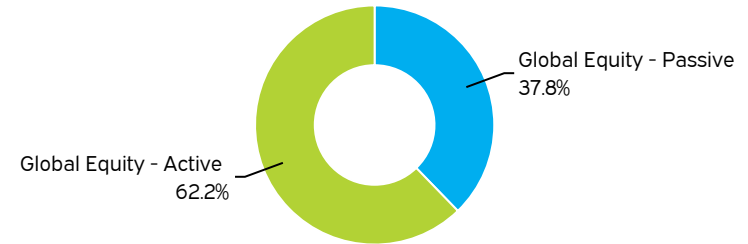
Return Summary



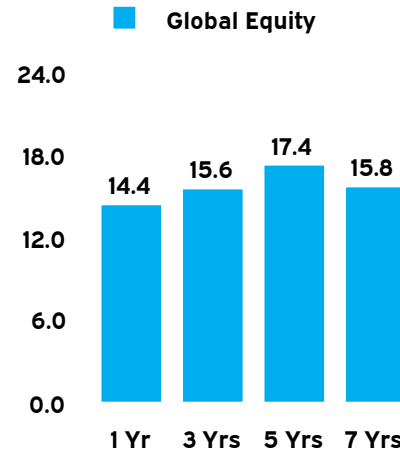
	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Global Equity	11.6	22.1	6.7	14.1	12.6	10.3
SURS Global Equity Blend	11.1	21.6	5.5	11.6	9.9	7.8
Excess Return	0.5	0.5	1.2	2.5	2.7	2.5
eV Global All Cap Equity Median	11.2	19.8	6.2	12.5	10.7	8.4
eV Global All Cap Equity Rank	43	40	44	24	20	17



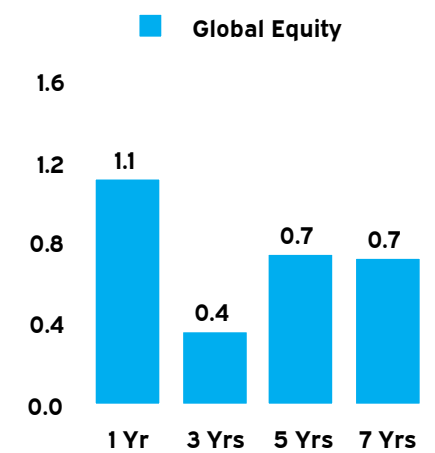
Current Allocation



Annualized Standard Deviation



Sharpe Ratio



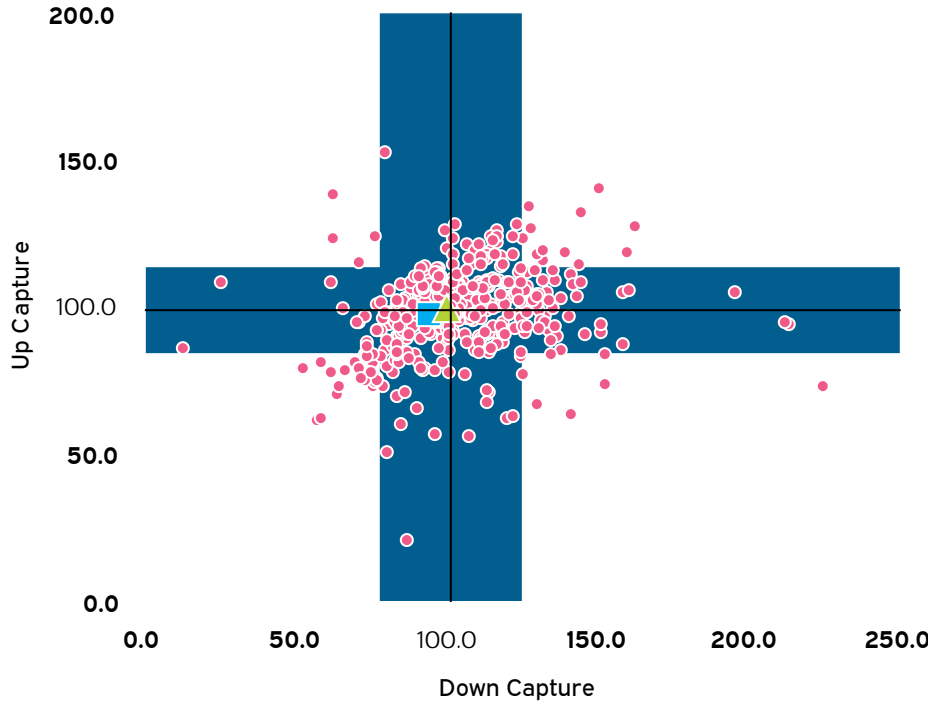
Returns are gross of fees.



Illinois State Universities Retirement System

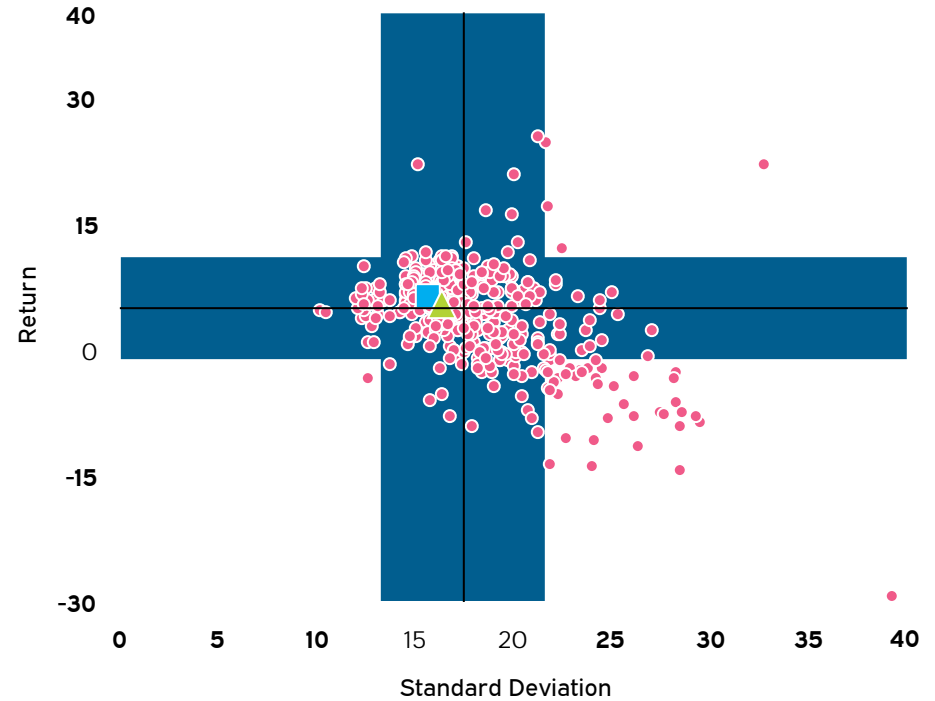
Global Equity | As of December 31, 2023

**Upside Capture Ratio vs. Downside Capture Ratio
3 Years Ending December 31, 2023**



	Up Capture	Down Capture
■ Global Equity	98.2	93.8
▲ SURS Global Equity Blend	100.0	100.0
— Median	99.4	101.3
Population	435	435

**Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2023**



	Return	Standard Deviation
■ Global Equity	6.4	15.6
▲ SURS Global Equity Blend	5.5	16.4
— Median	5.0	17.4
Population	435	435

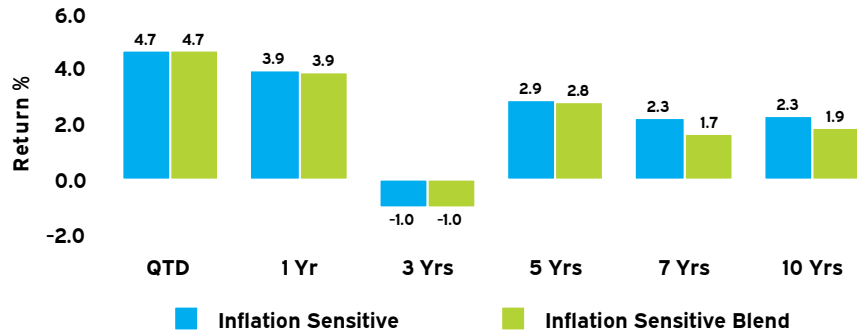
Inflation Sensitive



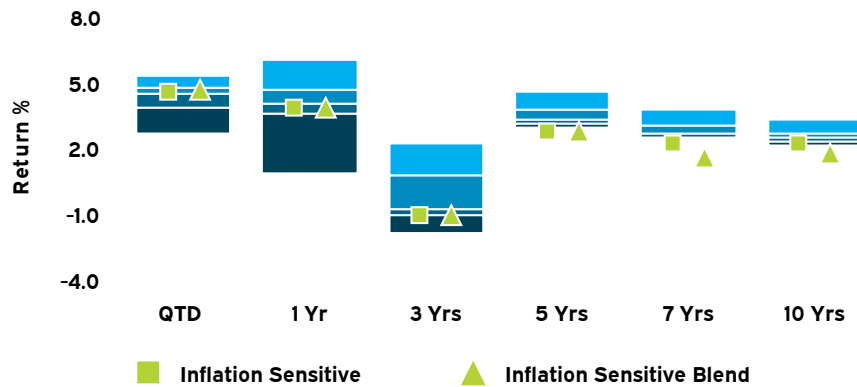
Illinois State Universities Retirement System

Inflation Sensitive | As of December 31, 2023

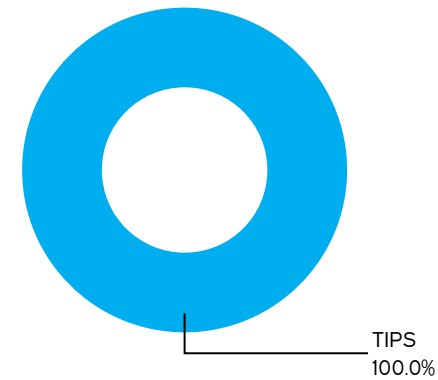
Return Summary



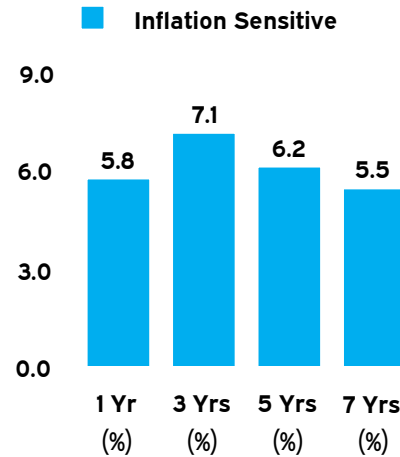
	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Inflation Sensitive	4.7	3.9	-1.0	2.9	2.3	2.3
SURS Inflation Sensitive Blend	4.7	3.9	-1.0	2.8	1.7	1.9
Excess Return	0.0	0.0	0.0	0.1	0.6	0.4
eV US TIPS / Inflation Fixed Inc Median	4.6	4.1	-0.7	3.3	2.7	2.5
eV US TIPS / Inflation Fixed Inc Rank	42	68	69	98	98	90



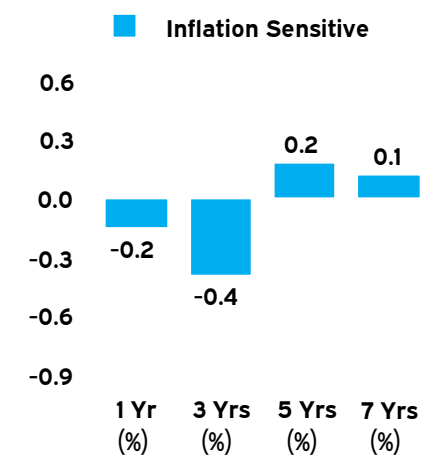
Current Allocation



Annualized Standard Deviation



Sharpe Ratio



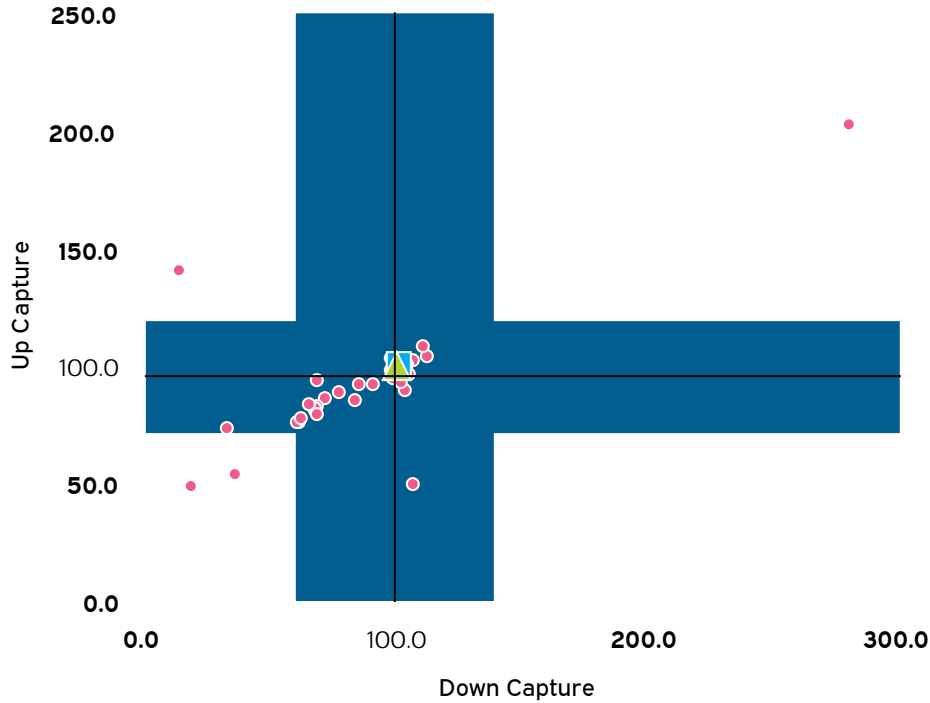
Returns are gross of fees.



Illinois State Universities Retirement System

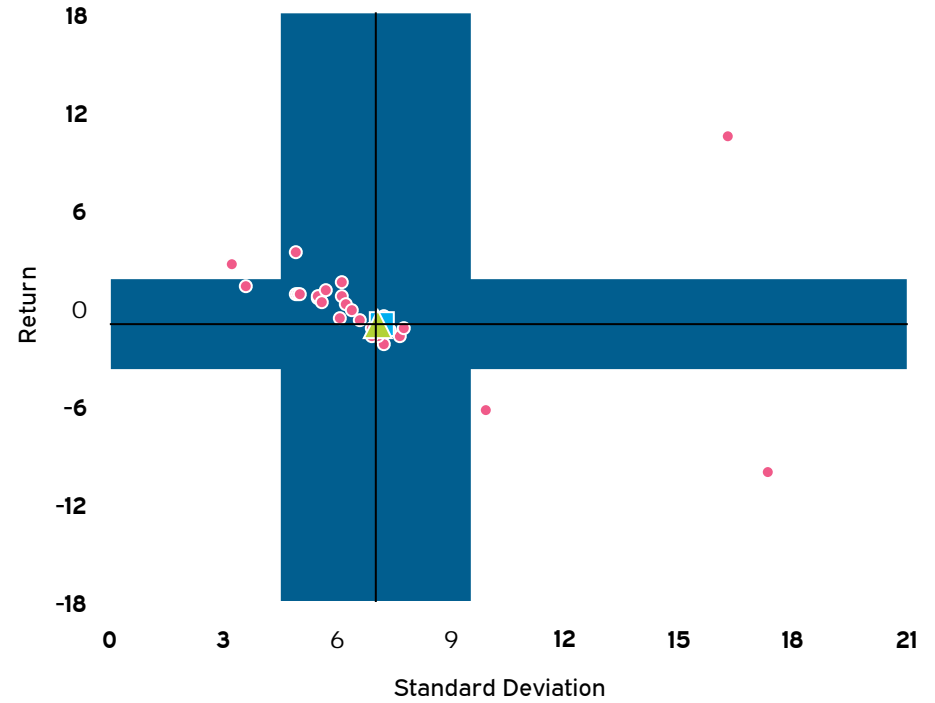
Inflation Sensitive | As of December 31, 2023

**Upside Capture Ratio vs. Downside Capture Ratio
3 Years Ending December 31, 2023**



	Up Capture	Down Capture
■ Inflation Sensitive	101.1	100.8
▲ SURS Inflation Sensitive Blend	100.0	100.0
— Median	95.9	99.1
Population	42	42

**Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2023**



	Return	Standard Deviation
■ Inflation Sensitive	-1.0	7.1
▲ SURS Inflation Sensitive Blend	-1.0	7.1
— Median	-1.0	7.0
Population	42	42

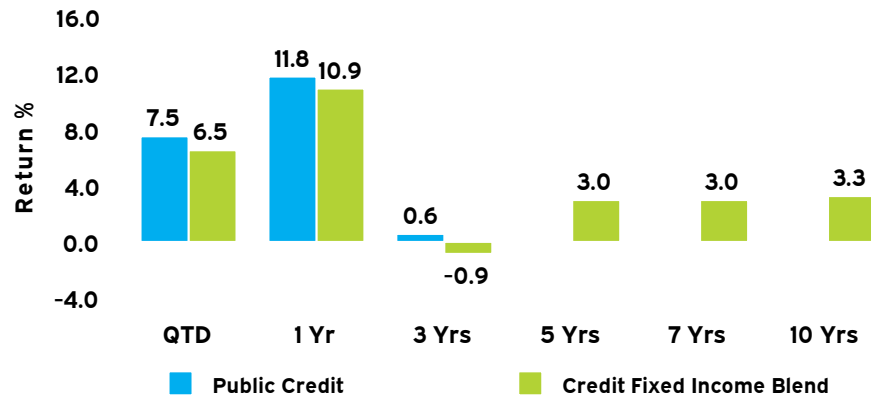
Public Credit



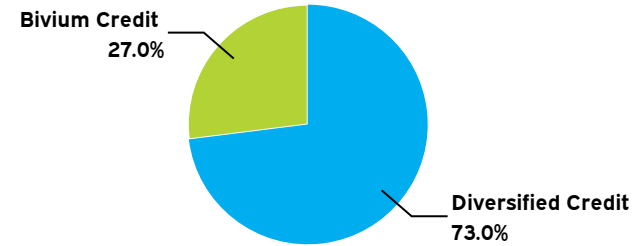
Illinois State Universities Retirement System

Public Credit | As of December 31, 2023

Return Summary

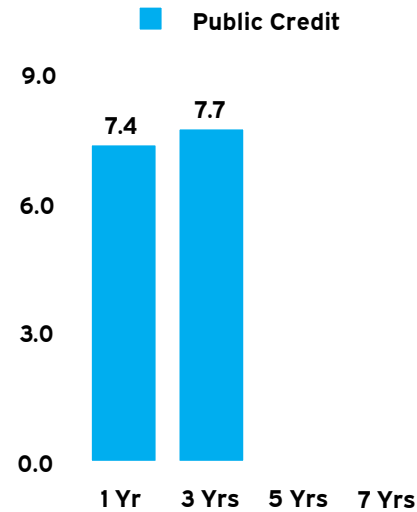


Current Allocation

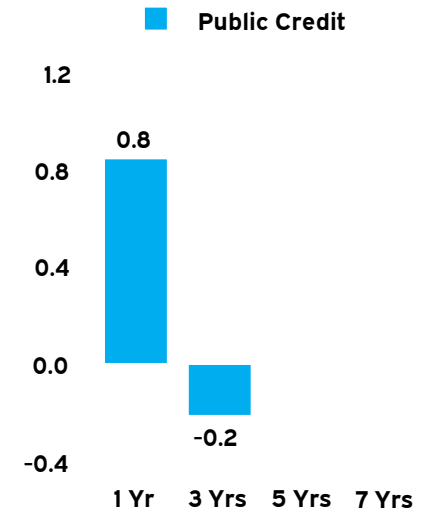


	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Public Credit	7.5	11.8	0.6	-	-	-
SURS Credit Fixed Income Blend	6.5	10.9	-0.9	-	-	-
Excess Return	1.0	0.9	1.5	-	-	-
eV US Corporate Fixed Inc Median	8.3	8.8	-2.9	-	-	-
eV US Corporate Fixed Inc Rank	78	1	3	-	-	-

Annualized Standard Deviation



Sharpe Ratio



Returns are gross of fees.



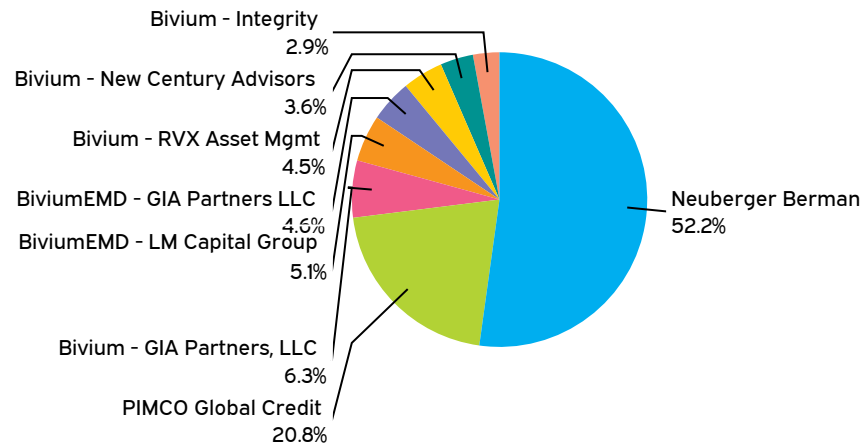
Illinois State Universities Retirement System

Public Credit | As of December 31, 2023

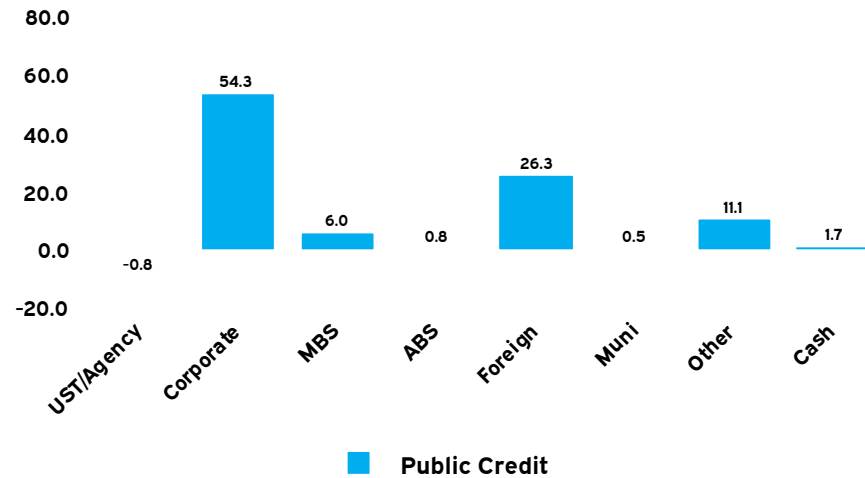
Public Credit Portfolio Characteristics

	Portfolio
Yield To Maturity (%)	7.5
Effective Duration	4.7
Avg. Quality	BB

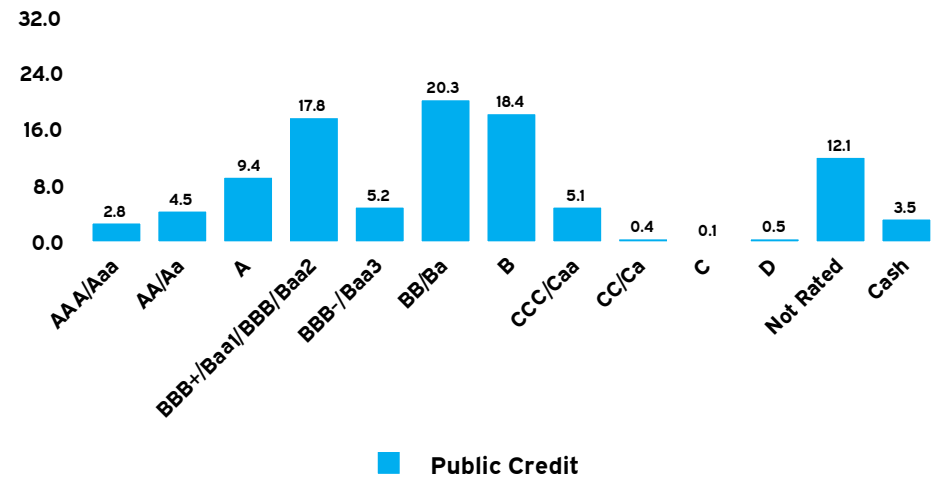
Current Allocation



Sector Distribution (%)



Credit Quality Distribution (%)



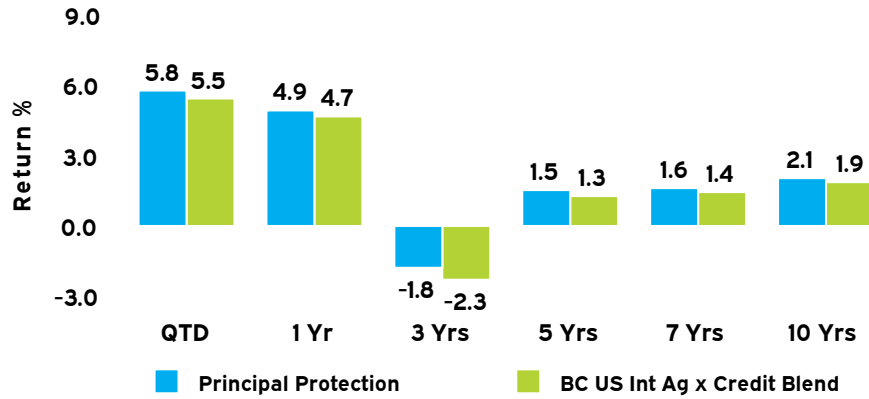
Principal Protection



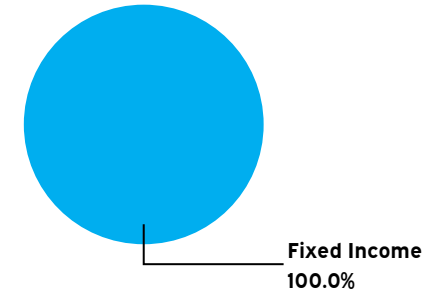
Illinois State Universities Retirement System

Principal Protection | As of December 31, 2023

Return Summary

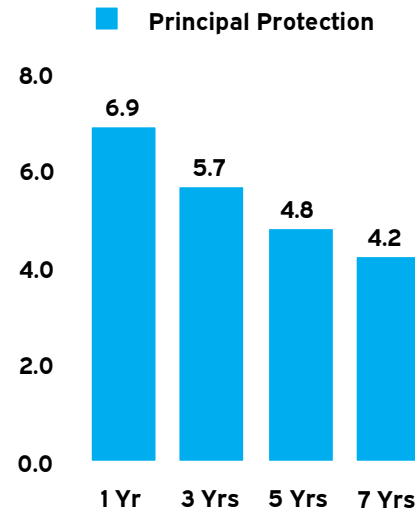


Current Allocation



	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Principal Protection	5.8	4.9	-1.8	1.5	1.6	2.1
BC US Int Ag x Credit Blend	5.5	4.7	-2.3	1.3	1.4	1.9
Excess Return	0.3	0.2	0.5	0.2	0.2	0.2
eV US Interm Duration Fixed Inc Median	4.8	5.8	-1.3	2.0	1.9	2.1
eV US Interm Duration Fixed Inc Rank	19	93	84	91	87	50

Annualized Standard Deviation



Sharpe Ratio



Returns are gross of fees.



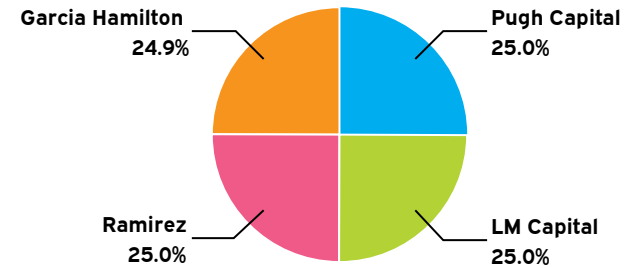
Illinois State Universities Retirement System

Principal Protection | As of December 31, 2023

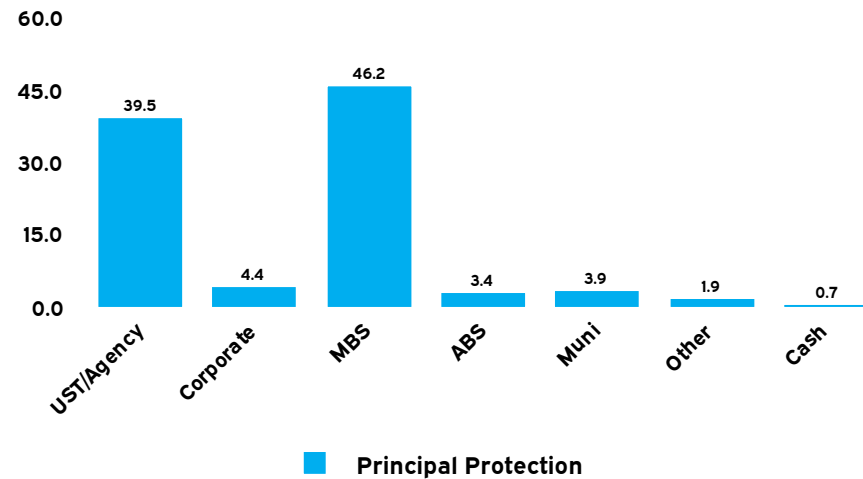
Principal Protection Portfolio Characteristics

	Portfolio
Yield To Maturity (%)	4.5
Effective Duration	4.3
Avg. Quality	AA

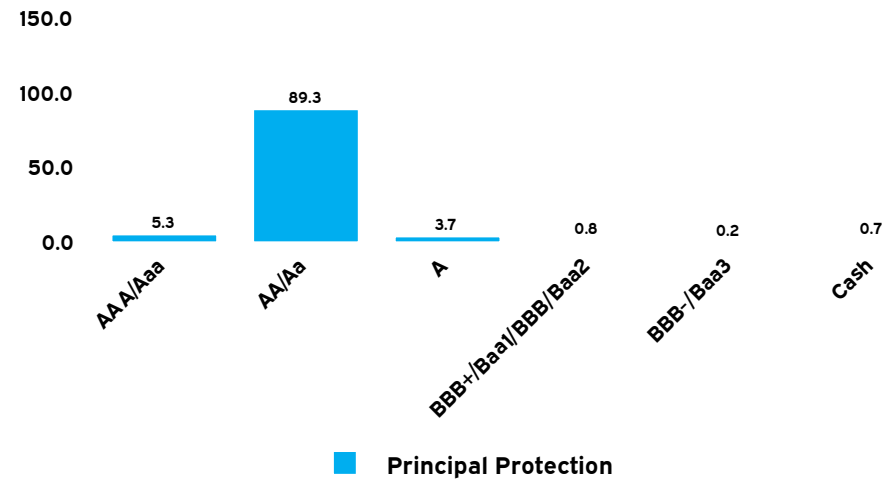
Current Allocation



Sector Distribution (%)



Credit Quality Distribution (%)



Crisis Risk Offset ex Tail Risk

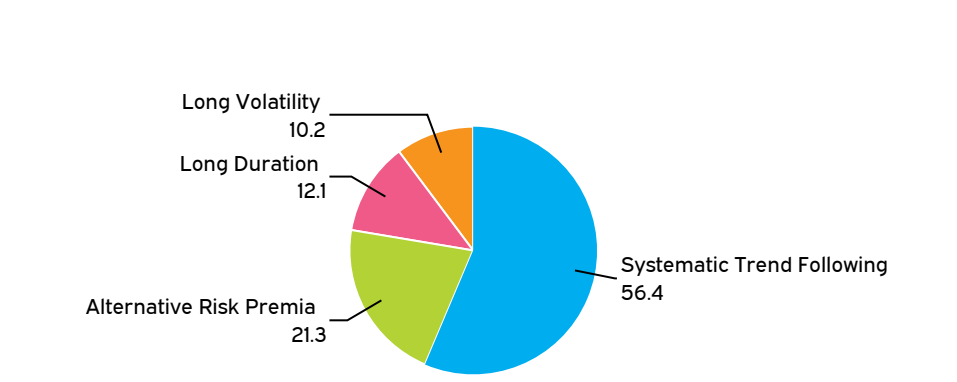
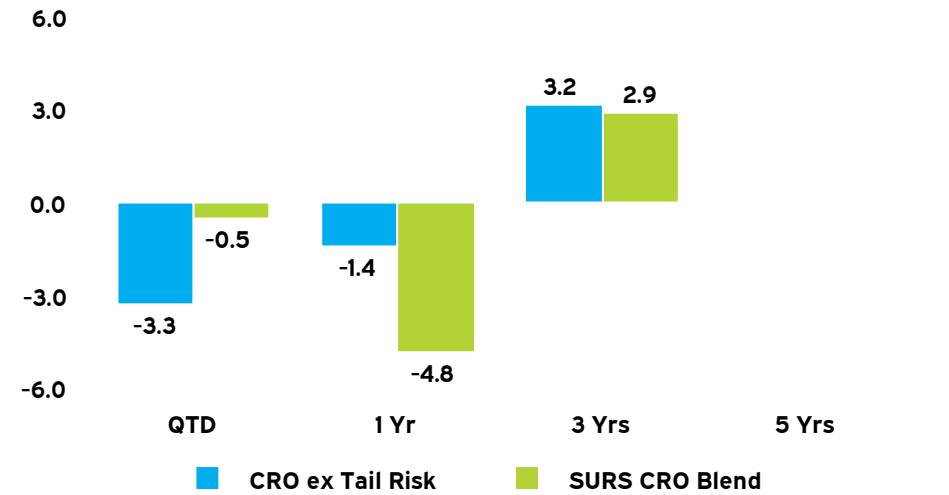


Illinois State Universities Retirement System

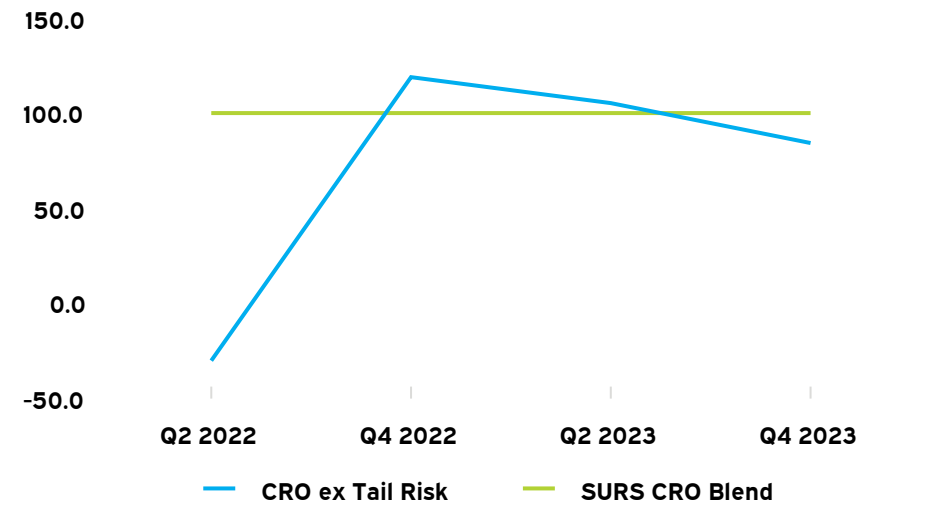
Crisis Risk Offset ex Tail Risk | As of December 31, 2023

Return Summary

Current Allocation



Rolling Down Market Capture



Comparative Performance

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Crisis Risk Offset ex Tail Risk	-3.3	-1.4	3.2	-
SURS CRO Blend	-0.5	-4.8	2.9	-
MSCI AC World Index	11.1	22.8	6.2	12.3
S&P 500 Index	11.7	26.3	10.0	15.7
Blmbg. Intermed. U.S. Government/Credit	4.6	5.2	-1.6	1.6
Blmbg. U.S. Aggregate Index	6.8	5.5	-3.3	1.1
Bloomberg Commodity Index Total Return	-4.6	-7.9	10.8	7.2



Illinois State Universities Retirement System

Crisis Risk Offset ex Tail Risk | As of December 31, 2023

	Risk Return Statistics			
	1 Year		3 Years	
	Crisis Risk Offset ex Tail Risk	SURS CRO Blend	Crisis Risk Offset ex Tail Risk	SURS CRO Blend
RETURN SUMMARY STATISTICS				
Maximum Return	1.6	2.8	4.9	6.0
Minimum Return	-2.6	-4.1	-5.1	-4.1
Return	-1.4	-4.8	3.2	2.9
Excess Return	-6.2	-9.7	1.3	1.1
Excess Performance	3.4	0.0	0.2	0.0
RISK SUMMARY STATISTICS				
Beta	0.4	1.0	0.8	1.0
Up Capture	36.2	100.0	74.1	100.0
Down Capture	32.6	100.0	62.7	100.0
RISK/RETURN SUMMARY STATISTICS				
Standard Deviation	5.0	6.2	7.4	7.8
Sortino Ratio	-1.3	-1.5	0.3	0.2
Alpha	0.6	0.0	1.0	0.0
Sharpe Ratio	-1.2	-1.5	0.2	0.1
Excess Risk	5.1	6.3	7.5	8.0
Tracking Error	5.7	0.0	4.7	0.0
Information Ratio	0.6	-	0.0	-
CORRELATION STATISTICS				
R-Squared	0.3	1.0	0.7	1.0
Actual Correlation	0.5	1.0	0.8	1.0

Appendix



Economic and Market Update
Data as of January 31, 2024

Commentary

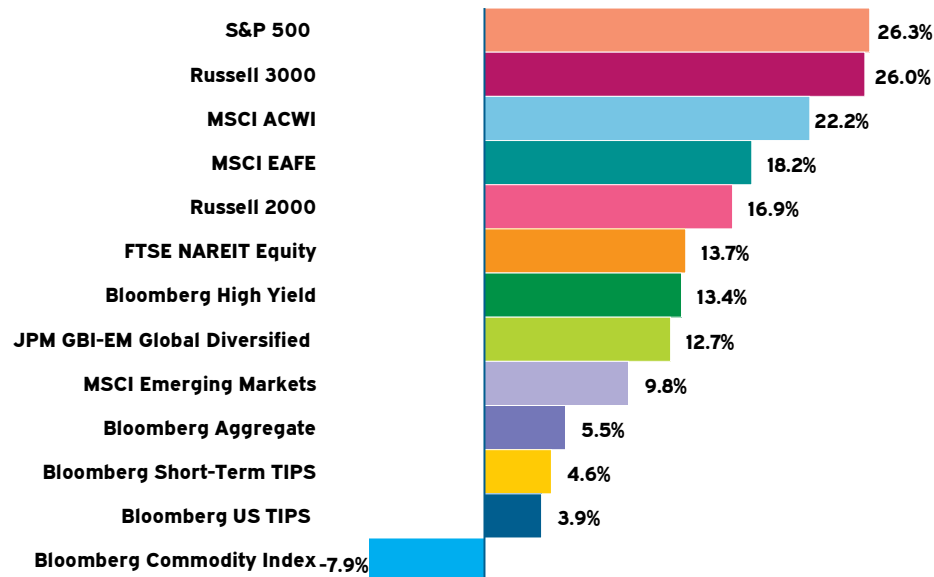
→ Markets were mixed in January after posting strong returns in 2023.

- Major central banks have largely paused interest rate hikes with expectations for many to cut rates this year. During the month there were signs though that many central banks, including the US, might not cut rates as soon as expected given strong economic data.
- In general inflation pressures have receded in most countries, but some uncertainty remains. Headline inflation fell in January in the US, but core inflation remained unchanged and elevated. China moved further into deflationary territory (-0.8%) in January.
- US equity markets (Russell 3000 index) rose 1.1% in January after a very strong 2023 (26.0%). There were mixed results across sectors, but technology continued to do well.
- Non-US developed equity markets gained 0.6% in January but 2.6% in local terms as the US dollar reversed course and strengthened during the month. The appreciation of the dollar was largely driven by strong economic data and related expectations that the Fed may delay policy rate cuts this year.
- Emerging market equity returns were also negatively influenced by the strong US dollar, but the biggest headwind in January was China (-10.6%). Emerging market equities had the weakest results for the month, down 4.6%.
- Bonds experienced selling pressure over the month, but ultimately finished the month nearly unchanged. The broad US bond market (Bloomberg Aggregate) declined (0.3%) in January.

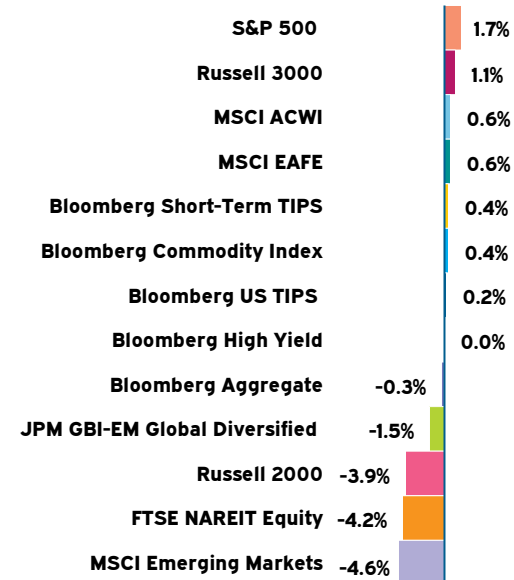
→ Looking to the rest of this year, the paths of inflation and monetary policy, China's economic disorder and slowing economic growth, the many looming elections, and the wars in Ukraine and Israel, will be key.

Index Returns¹

2023



January



→ After a strong market performance in 2023, the start of 2024 saw US large cap growth stocks continue their rally causing the S&P 500 to lead the way. Emerging market equity was the worst performer, dragged down by the continued sell-off of Chinese stocks.

→ Better than expected economic news in the US weighed on bond markets for the month with the broad US bond market (Bloomberg Aggregate) down slightly.

¹ Source: Bloomberg. Data is as of January 31, 2024.

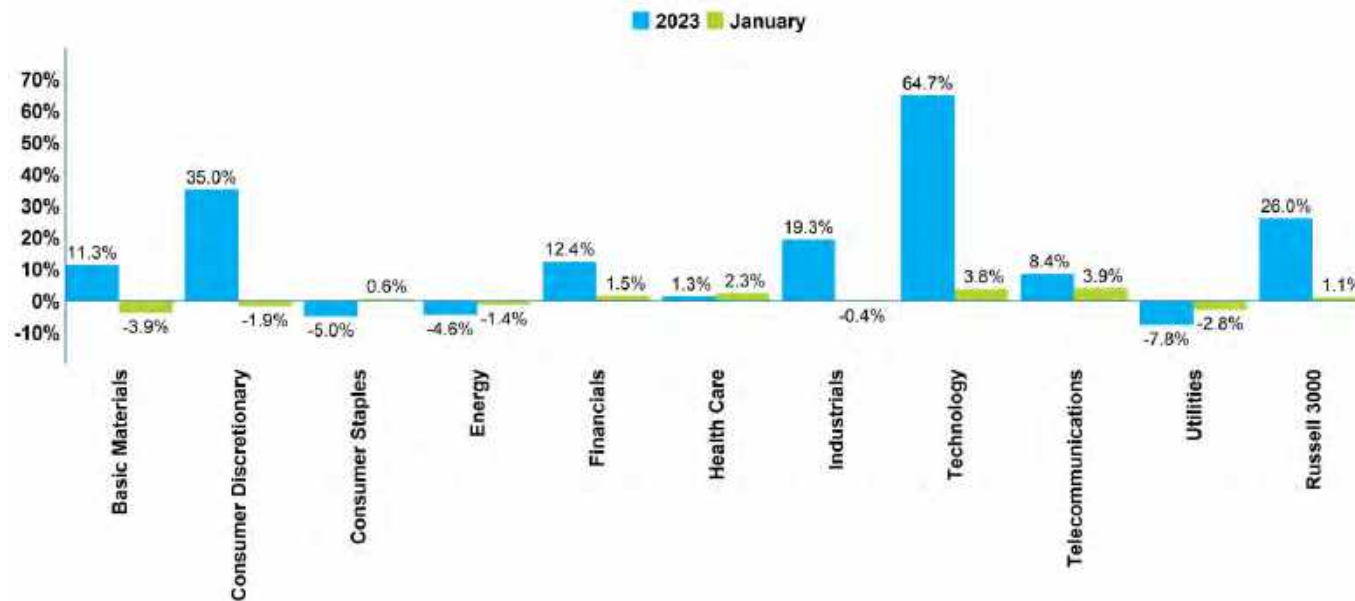
Domestic Equity Returns¹

Domestic Equity	January (%)	Q4 2023 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	1.7	11.7	20.8	11.0	14.3	12.6
Russell 3000	1.1	12.1	19.1	9.1	13.5	12.0
Russell 1000	1.4	12.0	20.2	9.8	14.0	12.3
Russell 1000 Growth	2.5	14.2	35.0	10.0	18.0	15.5
Russell 1000 Value	0.1	9.5	6.1	9.2	9.3	8.8
Russell MidCap	-1.4	12.8	6.7	5.5	10.1	9.5
Russell MidCap Growth	-0.5	14.5	15.1	1.2	11.2	10.7
Russell MidCap Value	-1.8	12.1	2.4	7.8	8.6	8.2
Russell 2000	-3.9	14.0	2.4	-0.8	6.8	7.0
Russell 2000 Growth	-3.2	12.7	4.5	-6.0	6.2	7.0
Russell 2000 Value	-4.5	15.3	-0.1	4.5	6.7	6.7

US Equities: The Russell 3000 increased 1.1% in January with a one-year return of 19.1%.

- US equities built on their large gains from last year in January. Strong corporate earnings, economic data suggesting a soft landing might be achievable, and hopes for significant interest rate cuts (for most of the month) all drove results.
- Large cap stocks accounted for all the US equity market gains in January. NVIDIA, Microsoft, and Meta Platforms made up nearly 90% of the increase in the Russell 1000 index. Growth stocks outperformed value stocks across the market cap spectrum.
- While US equities advanced as a group, small and mid-cap stocks both declined in January. Banks contributed to this dynamic after a surprise loss at New York Community Bancorp rekindled fears regarding the banking system.

¹ Source: Bloomberg. Data is as of January 31, 2024.

Russell 3000 Sector Returns¹

→ In January, telecommunications (3.9%), technology stocks (3.8%), and health care (2.3%) outperformed other sectors. Traditionally defensive sector utilities (-2.8%) trailed along with basic materials (-3.9%) and energy stocks (-1.4%).

→ In 2023, technology (64.7%) and consumer discretionary (35.0%) sectors had the best results, helped respectively by artificial intelligence optimism and a healthy US consumer.

¹ Source: Bloomberg. Data is as of January 31, 2024.

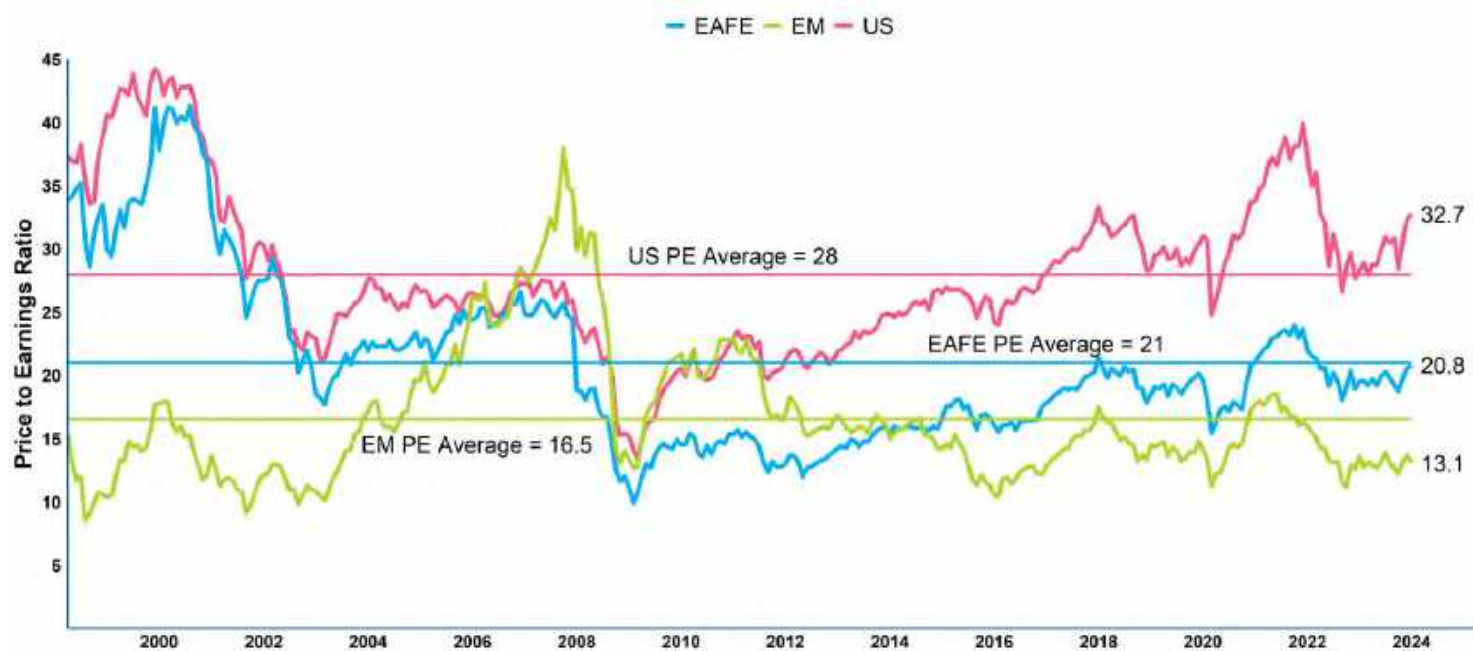
Foreign Equity Returns¹

Foreign Equity	January (%)	Q4 2023 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	-1.0	9.8	5.9	1.1	5.3	4.2
MSCI EAFE	0.6	10.4	10.0	4.6	6.9	4.8
MSCI EAFE (Local Currency)	2.6	5.0	12.1	9.7	8.9	7.2
MSCI EAFE Small Cap	-1.6	11.1	3.6	-1.1	4.6	4.8
MSCI Emerging Markets	-4.6	7.9	-2.9	-7.5	1.0	2.9
MSCI Emerging Markets (Local Currency)	-3.5	5.6	-0.5	-4.9	3.2	5.3
MSCI China	-10.6	-4.2	-29.0	-23.2	-6.9	0.4

Foreign Equity: Developed international equities (MSCI EAFE) gained 0.6% in January and had a one-year return of 10.0%. Emerging market equities (MSCI EM) fell -4.6% in January, and -2.9% for the trailing year.

- International developed equities saw slight gains for the month, while emerging market equities saw large losses for the same period; both were hampered by the US dollar reversing its sell-off from the end of last year. Outside of emerging markets, growth outperformed value for the month.
- Eurozone equities performed well, benefiting from ECB policy expectations, developments in the tech sector, and promising manufacturing data. U.K. equities stalled, as an unexpected increase in inflation pushed out the expected timing of rate cuts. Japan continues to see the highest returns globally over optimism on structural changes, January being no exception.
- EM equities continue to be bogged down by China (-10.6%) despite news of further stimulus by the PBOC.

¹ Source: Bloomberg. Data is as of January 31, 2024.

Equity Cyclically Adjusted P/E Ratios¹

→ In January, the US equity price-to-earnings ratio increased further above its 21st century average.

→ International market valuations were mixed in January and remain below the US. In the case of developed markets, valuations increased slightly to just below their long-term average, while emerging market valuations declined, remaining well below their average.

¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E – Source: Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years. Data is as of January 2023. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end respectively.

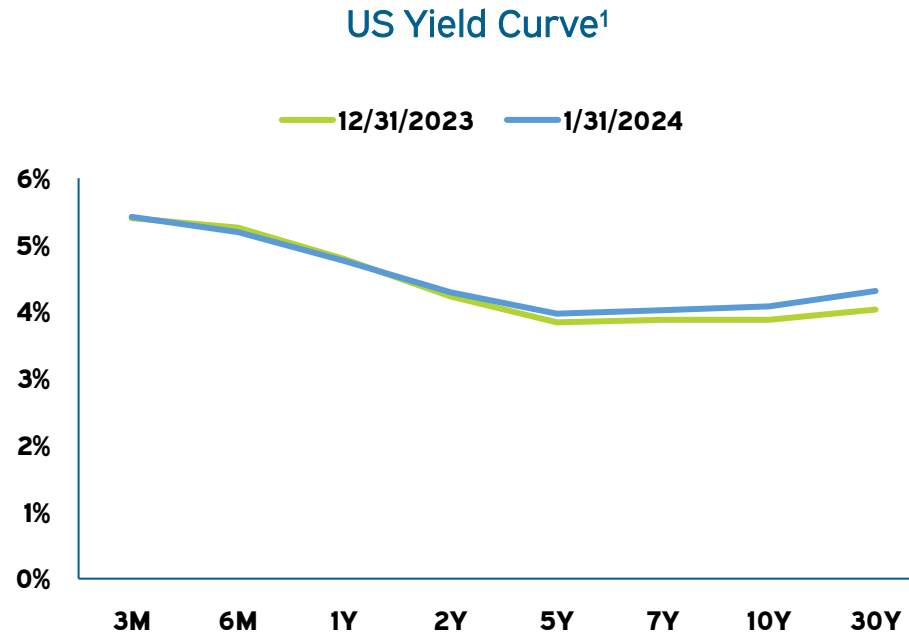
Fixed Income Returns¹

Fixed Income	January (%)	Q4 2023 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-0.2	6.8	2.7	-2.8	1.1	1.9	4.9	6.0
Bloomberg Aggregate	-0.3	6.8	2.1	-3.2	0.8	1.6	4.6	6.2
Bloomberg US TIPS	0.2	4.7	2.2	-1.0	2.9	2.2	4.2	6.9
Bloomberg Short-term TIPS	0.4	2.6	4.3	2.3	3.3	2.0	4.4	2.6
Bloomberg High Yield	0.0	7.2	9.3	1.9	4.4	4.5	7.8	3.7
JPM GBI-EM Global Diversified (USD)	-1.5	8.1	6.4	-3.3	-0.2	0.4	6.3	5.0

Fixed Income: The Bloomberg Universal index fell -0.2% in January but gained 2.7% on a one-year basis.

- Strong economic data in January and comments toward the end of the month by Federal Reserve Chair Jerome Powell hinting that rate cuts were not imminent drove rates up over the month, weighing on bonds.
- The broad US bond market (Bloomberg Aggregate) declined 0.3% for the month. The broader TIPS index rose 0.2%, while the less interest-rate-sensitive short-term TIPS index rose 0.4%.
- High yield bonds ended the month unchanged, while emerging market debt declined by 1.5%. Both asset classes produced double-digit gains last year.

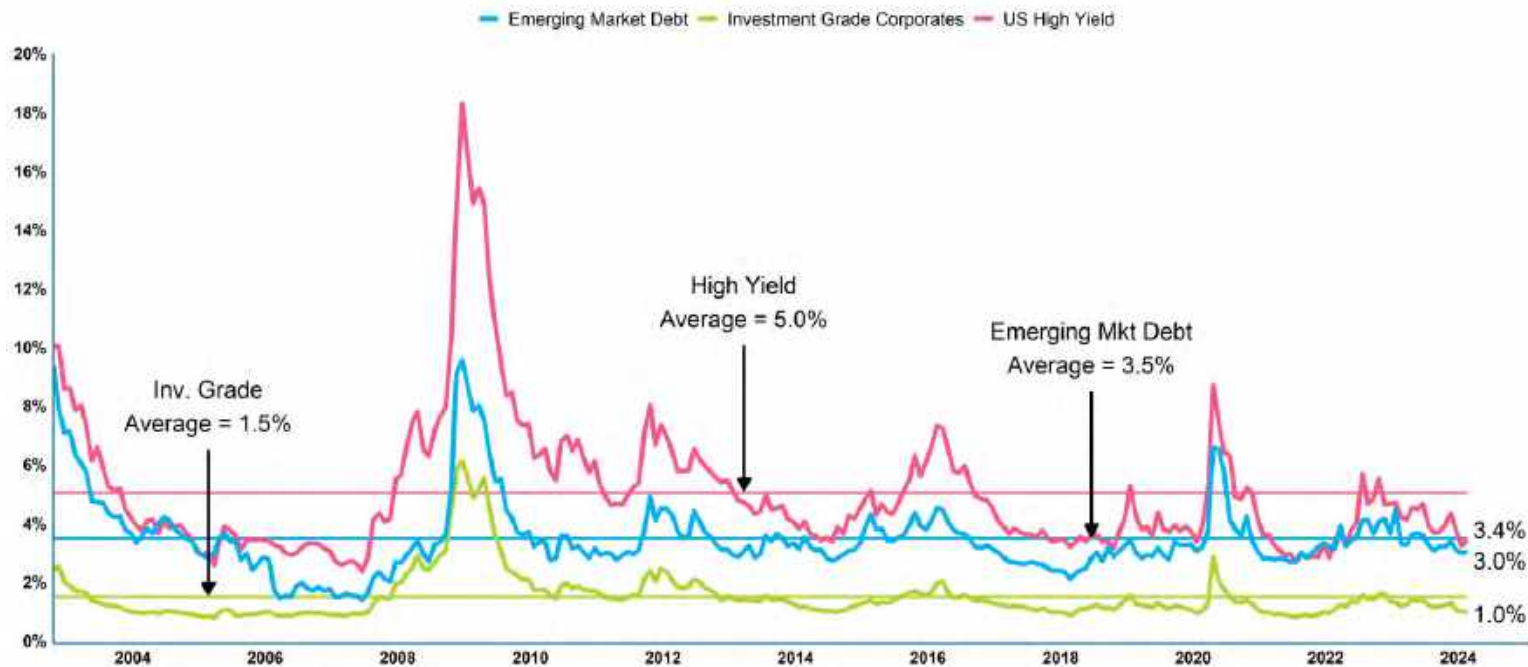
¹ Source: Bloomberg. JPM GBI-EM data is from InvestorForce. Data is as of January 31, 2024. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration respectively.



- Both short-term and longer-term maturities ended the month largely unchanged, however, yields were volatile over the month on surprisingly strong economic data and shifts in monetary policy expectations.
- For the month, two-year Treasury yields ended at 4.2% (around 1% below the peak from October) while 10-year Treasury yields ended at 3.9%.
- The yield curve remained inverted at month-end despite a recent flattening trend. The yield spread between the two-year and ten-year Treasury was -0.3% at the end of January.

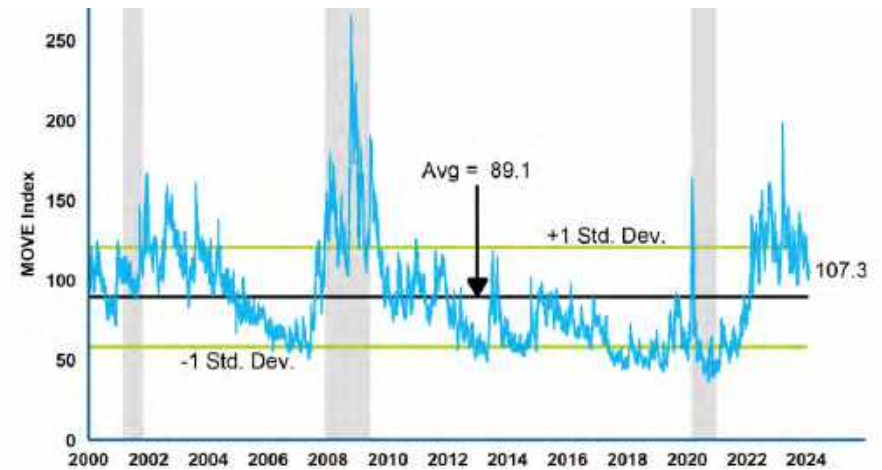
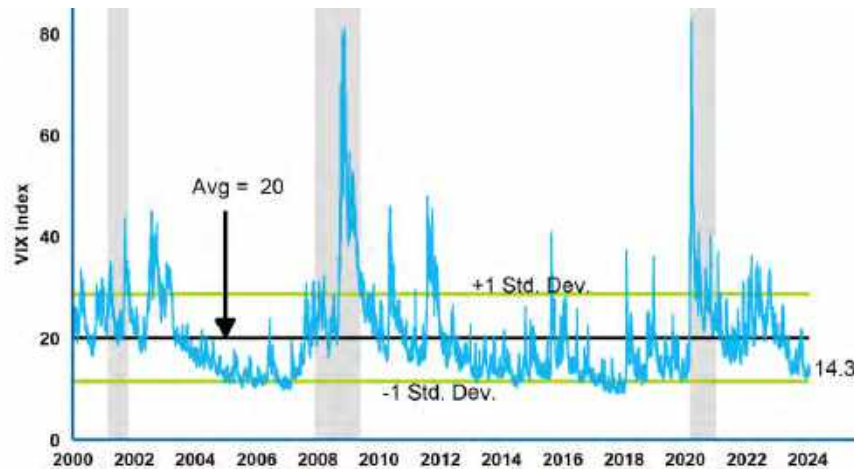
¹ Source: Bloomberg. Data is as of January 31, 2024.

Credit Spreads vs. US Treasury Bonds¹



- Credit spreads widened slightly for high yield in January (3.2% to 3.4%) while spreads for investment grade corporate and emerging market bonds remained the same.
- Expectations of peaking policy rates and the corresponding increase in risk appetite has recently benefited credit, with spreads (the added yield above a comparable maturity Treasury) narrowing.
- All spreads remain below their respective long run averages, particularly within high yield.

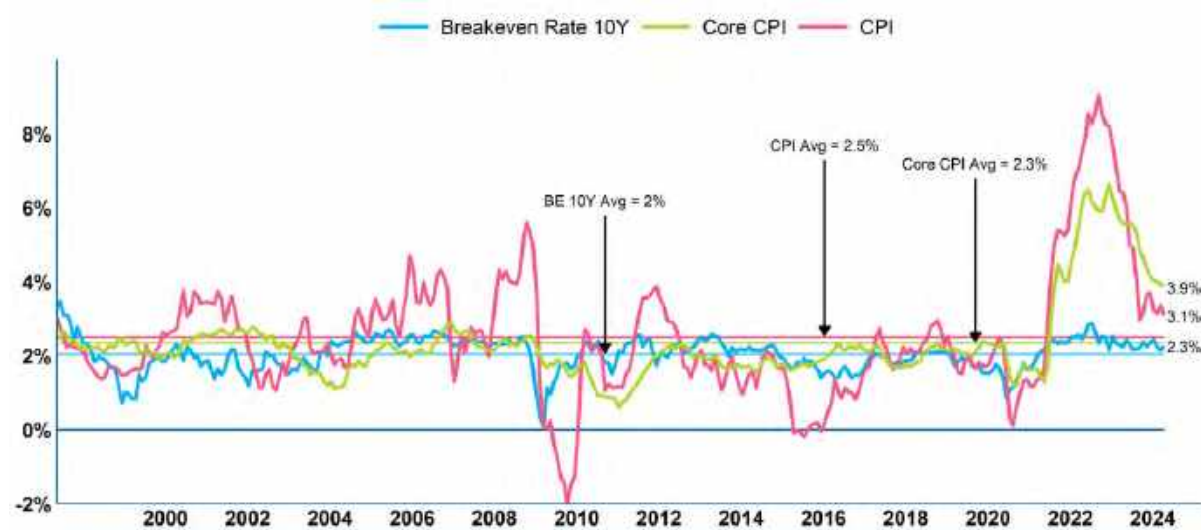
¹ Sources: Bloomberg. Data is as of January 31, 2024. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

Equity and Fixed Income Volatility¹

- Volatility in equities (VIX) remains close to one standard deviation below the long-term average as the focus shifted late last year to peaking policy rates and the potential for a soft landing.
- Volatility in the bond market (MOVE) came down over the month (114.6 to 107.3) but remains elevated and well above its long-run average (89.1). The bond market remained on edge for most of 2023, driven largely by uncertainty about the ultimate path of monetary policy, as well as continued (and surprising) strength in economic data.

¹ Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of January 2024. The average line indicated is the average of the VIX and MOVE values between January 2000 and January 2024.

US Ten-Year Breakeven Inflation and CPI¹



- Year-over-year headline inflation declined in January (3.4% to 3.1%) but not by as much as expected (expectations were for a 2.9% reading). Month-over-month inflation came in at 0.3%, the same as last month and slightly above expectations of 0.2%. Shelter continues to keep inflation elevated, increasing 6.0% from a year prior. Food rose 2.6% over the same period, while downward pressure on energy prices continued, falling 4.6%.
- Core inflation - excluding food and energy - remained unchanged at 3.9% year-over-year (expectations were for a decline to 3.7%), with shelter costs again driving the total core index increase.
- Inflation expectations (breakevens) have remained relatively stable despite the recent significant volatility in inflation.

¹ Source: FRED. Data is as January 2024. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

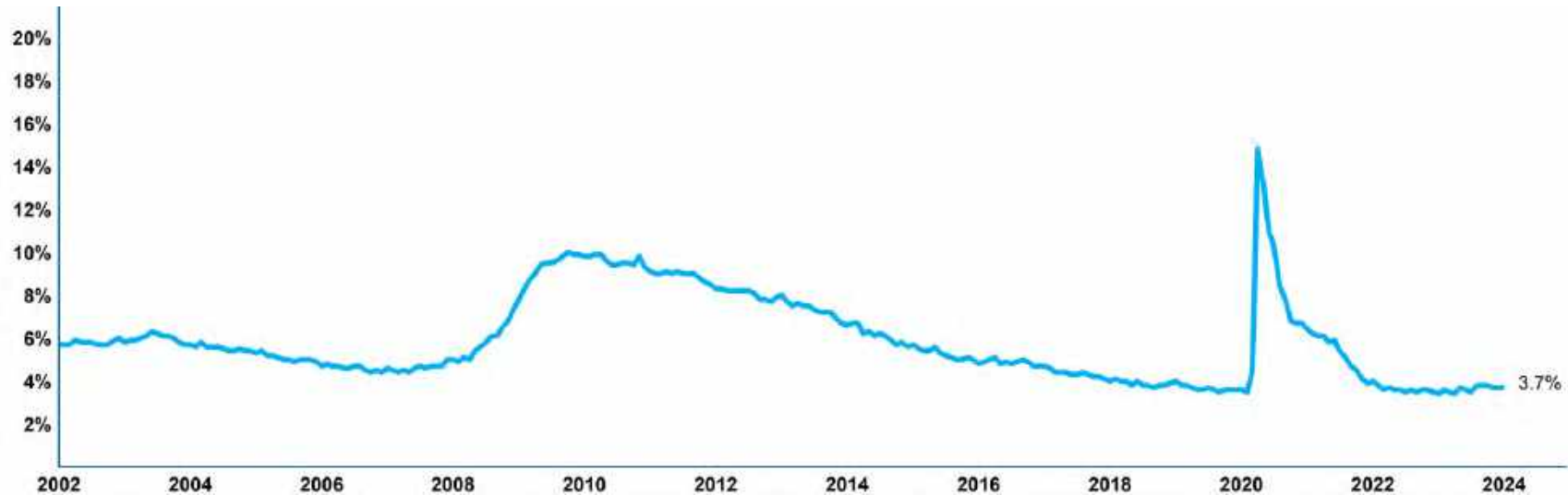
Global Inflation (CPI Trailing Twelve Months)¹



- Outside the US, inflation is also falling across major economies with China slipping further into deflation.
- In the eurozone, inflation experienced a dramatic decline last year. In January inflation rose slightly (2.8% to 2.9%) remaining below the 3.1% year-over-year level in the US.
- Inflation in Japan has slowly declined from the early 2023 peak, but it remains near levels not seen in almost a decade, largely driven by higher food prices.

¹ Source: FRED for United States CPI and Eurozone CPI. Source: Bloomberg for Japan CPI, China CPI, and Eurozone CPI. Data is as January 31, 2024, except Japan which is as of December 31, 2023.

US Unemployment¹

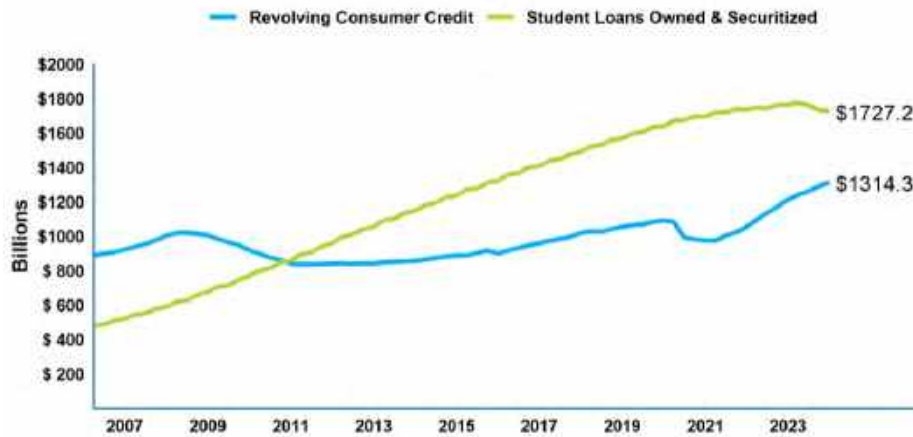


- Overall, the US labor market remains healthy with the unemployment rate relatively low, wage growth now positive in real terms, and initial claims for unemployment staying subdued.
- In January, the number of jobs added in the US were stronger than expected (353,000 versus 185,000) with the unemployment rate remaining at 3.7%. Payrolls from November and December of last year were also revised upward. Business and professional, health care, and retail sales jobs rose the most in January.
- The labor force participation remained relatively stable at 62.5%, well off the lows of the pandemic (60.1%) but not back to pre-pandemic levels (63.3%).
- The pace of hourly wage growth has declined from its peak of close to 6.0% but is above the 3.1% level of inflation. Wage growth rose at 4.5% year-on-year in January, an increase from the 4.1% level in December and above expectations of 4.1%.

¹ Source: FRED. Data is as January 31, 2024.

US Consumer Under Stress?¹

Revolving Consumer Credit & Student Loans (\$B)

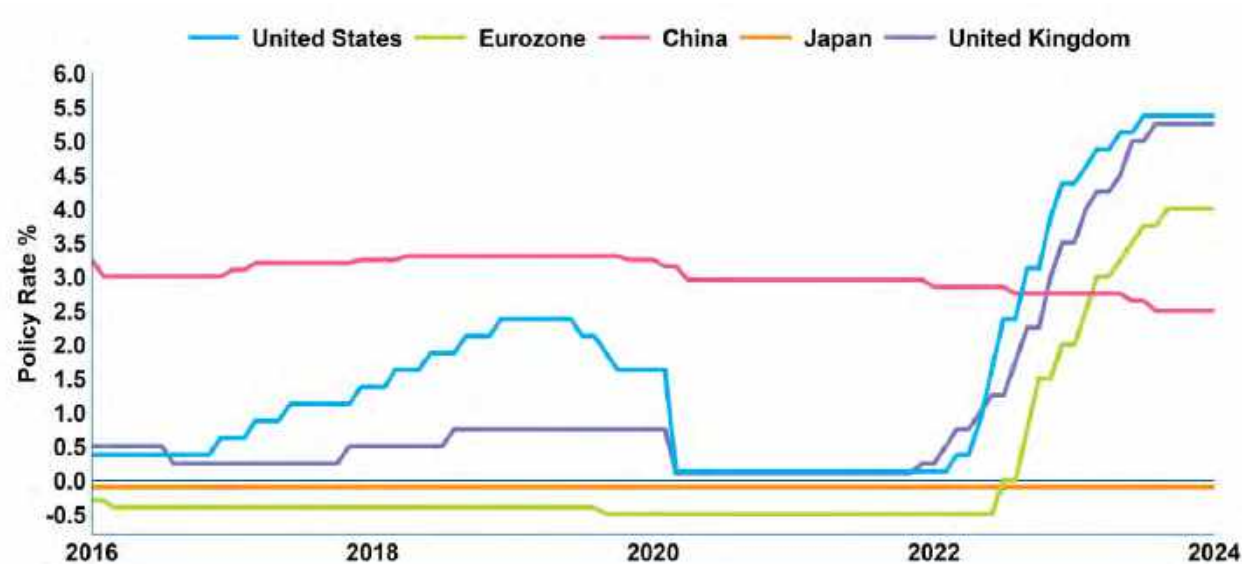


Consumer Credit Card Interest Rates (%)



- Despite the strong labor market and higher wages, pressures have started to build on the US consumer. This is an important consideration as consumer spending has been a key driver of economic growth.
- Revolving consumer credit surged to new highs in 2023 even as credit card interest rates hit levels not seen before (the prior peak was around 19% in the 1980s). Recently we have also seen payment delinquencies on credit cards start to increase.
- The return of student loan repayments after a three-year pandemic-related reprieve could add to pressures on consumers' budgets. This might be partially mitigated by recently initiated repayment and forgiveness programs.
- As we look ahead, the strength of the US consumer will remain key as this sector makes up most of the domestic economy (GDP).

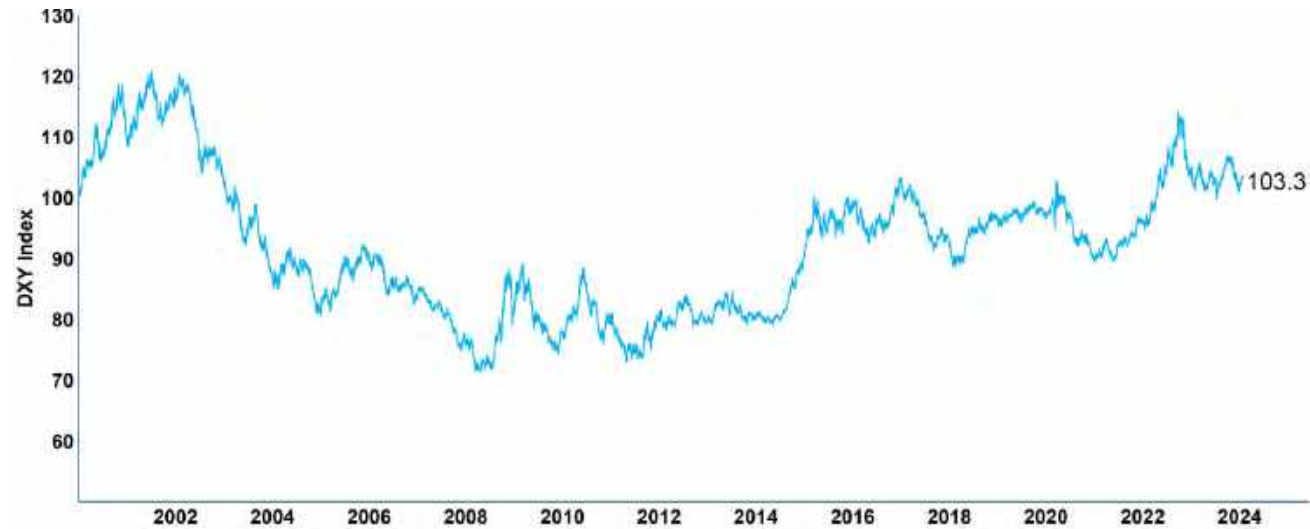
¹ Source: FRED. Data is as of December 31, 2023. Consumer Credit Card Rate data is as of September 30, 2023. Revolving Consumer Credit data is seasonally adjusted to remove distortions during the holiday season.

Policy Rates¹

- The Fed has been on hold since July 2023 when it raised rates to a range of 5.25%-5.50%. Markets are now pricing in around four rate cuts this year down from close to seven late last year as economic data has come in above expectations. There remains a gap between the amount of rate cuts the Fed is predicting compared to the market's expectations, but it has significantly narrowed.
- The European and UK central banks also recently paused their rate increases on slowing inflation with cuts likely to follow there too. In Japan, the BoJ has further relaxed its yield curve control on the 10-year bond, and expectations for further policy normalization are rising.
- The central bank in China has maintained interest rates at record low levels and continues to inject liquidity into the banking system, as weaker than expected economic data appears to indicate a widespread slowdown.

¹ Source: Bloomberg. Data is as of January 2024.

US Dollar vs. Broad Currencies¹



- Overall, the dollar finished last year only slightly below where it started but it was a volatile year for the US currency as expectations related to monetary policy evolved.
- Strong economic data in the US may delay policy rate cuts this year which could contribute to upward pressure on the dollar as other countries pivot to rate cuts.

¹ Source: Bloomberg. Data as of January 31, 2024.

Summary

Key Trends:

- The impact of inflation still above policy targets will remain important, with bond market volatility likely to stay high.
- Global monetary policies could diverge going forward. The risk of policy errors remains elevated as central banks try to further reduce inflation toward targets while not tipping their economies into recession. In the case of the US the resolution of the disparity between market expectations for the path of interest rates versus the Fed's dot plot will be key.
- Global growth is expected to slow this year, with some economies forecasted to tip into recession. However, optimism has been building that certain economies could experience soft landings. Inflation, monetary policy, and geopolitical issues will remain key in 2024.
- US consumers could feel pressure as certain components of inflation (e.g., shelter), remain high, borrowing costs are elevated, and the job market may weaken.
- A focus for US equities going forward, will be whether earnings can remain resilient if growth continues to slow. Also, the future paths of the large technology companies that have driven market gains will be important.
- Equity valuations remain lower in emerging and developed markets, but risks remain, including China's economic uncertainty and on-going weakness in the real estate sector which could spill over into key trading partners' economies. Japan's recent hint at potentially tightening monetary policy along with changes in corporate governance in the country could influence relative results.



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Investment Department

To: Investment Committee
 From: Investment Staff
 Date: February 16, 2023
 Re: Summary Risk Report

Attached is the Summary Risk Report for the quarter ending December 31, 2023. Highlights for the quarter include:

- Appropriation Summary – FY 2024 state appropriations received were approximately \$1.1 billion, or 100% of the anticipated FYTD appropriations due, as of December 31, 2023. The total FY 2024 appropriation is \$2,133,335,000. The actuarial benefit payment projection for FY 2024 is \$3,249,077,000. The total FY 2023 appropriation of \$2,118,567,000 was paid in full as of June 2, 2023.
- Cash Account Summary – Ending cash on hand was approximately \$136 million as of December 31, 2023. Net private partnership cash flows during the quarter were negative and approximately \$202 million.
- SURS Risk Exposures – 89% of total risk comes from the Non-Traditional Growth, Traditional Growth, and Stabilized Growth classes as of December 31, 2023.
- Total portfolio risk increased from 5.25% to 7.84%.
 - Benchmark risk increased from 6.47% to 7.01%.
 - Active risk fell slightly from 3.65% to 3.21%.
- Liquidity – Assets in Principal Protection, TIPS, CRO, Overlay, Cash, and Transition, the most liquid categories, amount for 30% of assets. Assets in these classes would allow the fund to cover 2.0 years of benefits assuming no contributions to the System or 7.7 years assuming contributions from the state and members. SURS projected annual net cash outflows are between \$848 million and \$981 million over the next 5 years.
- Risk Environment & Sentiment:
 - Market risk levels are above average for fixed income volatility, while yield curve slope level is in the bottom decile compared to historical numbers.
 - U.S equity and private equity valuations were in the top decile based on historical averages as of 12/31/2023. Real estate vs treasury spreads are also elevated.
 - Market sentiment towards economic growth ended the year in positive territory. This indicator had been negative between June 2022 and June 2023.
- Operational Risk Summary: Shows a snapshot of key contracts and procedures to be reviewed periodically. No issues to report.



Summary Risk Report

Quarter Ending December 31, 2023



Appropriation Summary

Month	Amount Received	Amount Due	(Under)/Over	% Received
July	\$177,777,917	\$177,777,917	-	100%
August	\$177,777,917	\$177,777,917	-	100%
September	\$177,777,917	\$177,777,917	-	100%
October	\$177,777,917	\$177,777,917	-	100%
November	\$177,777,917	\$177,777,917	-	100%
December	\$177,777,917	\$177,777,917	-	100%
January				
February				
March				
April				
May				
June				
FYTD	\$1,066,667,500	\$1,066,667,500	-	100%

Total appropriation for FY 2024 is \$2,133,335,000

Actuarial benefit payments projection for FY 2024: \$3,249,077,000

Total FY 2023 appropriation was paid in full in as of June 2, 2023



Cash Account Summary

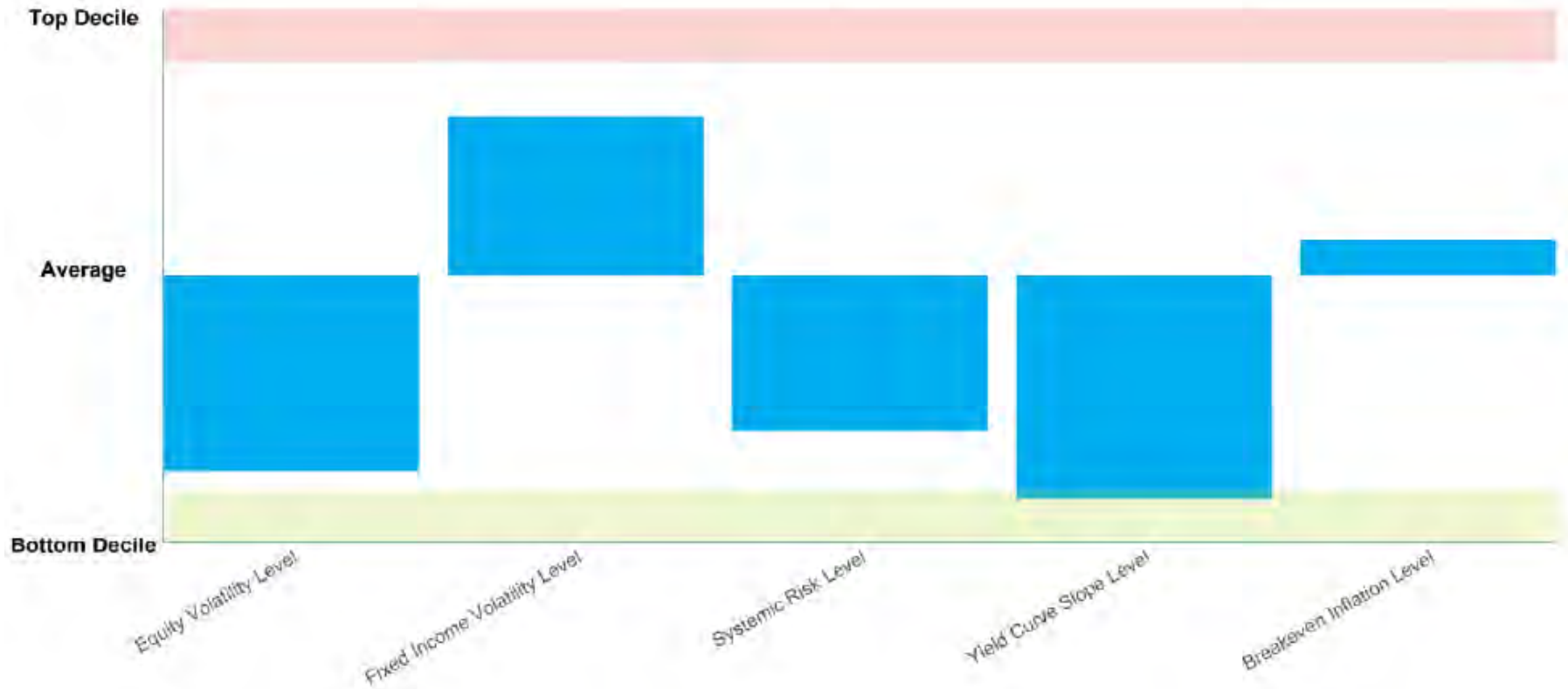
January 1, 2023 – December 31, 2023				
	Jan 1 – Mar 31	April 1 – June 30	July 1 – Sept 30	Oct 1 – Dec 31
Beginning Balance	\$458,562,824	\$144,795,528	\$94,886,349	\$79,133,186
Cash In:				
Partnership Distributions	122,630,908	60,768,880	65,549,262	110,716,620
Transfers	<u>454,226,637</u>	<u>1,257,409,501</u>	<u>320,516,902</u>	<u>455,008,658</u>
Total Cash In:	576,857,544	1,318,178,381	385,586,163	565,725,278
Cash Out:				
Partnership Capital Calls	(393,413,557)	(237,382,551)	(249,066,473)	(313,211,310)
Transfers	(124,113,511)	(928,825,002)	(8,058,005)	(8,790,505)
Net Contributions (Contributions less Benefit Payments)	<u>(373,097,773)</u>	<u>(201,880,008)</u>	<u>(143,734,847)</u>	<u>(186,972,558)</u>
Total Cash Out:	(890,624,841)	(1,368,087,560)	(400,859,325)	(508,974,373)
Ending Balance	\$144,795,528	\$94,886,349	\$79,133,186	\$135,884,091

Net private partnership cash flows were negative \$202 million for the quarter

Net contributions (contributions less benefit payments) were negative \$187 million for the quarter.



Today's Risk Environment – Risk & Valuation



Market Risk Levels: Current level of each indicator compared to its history.

Systematic risk level remains below average based on historical data.

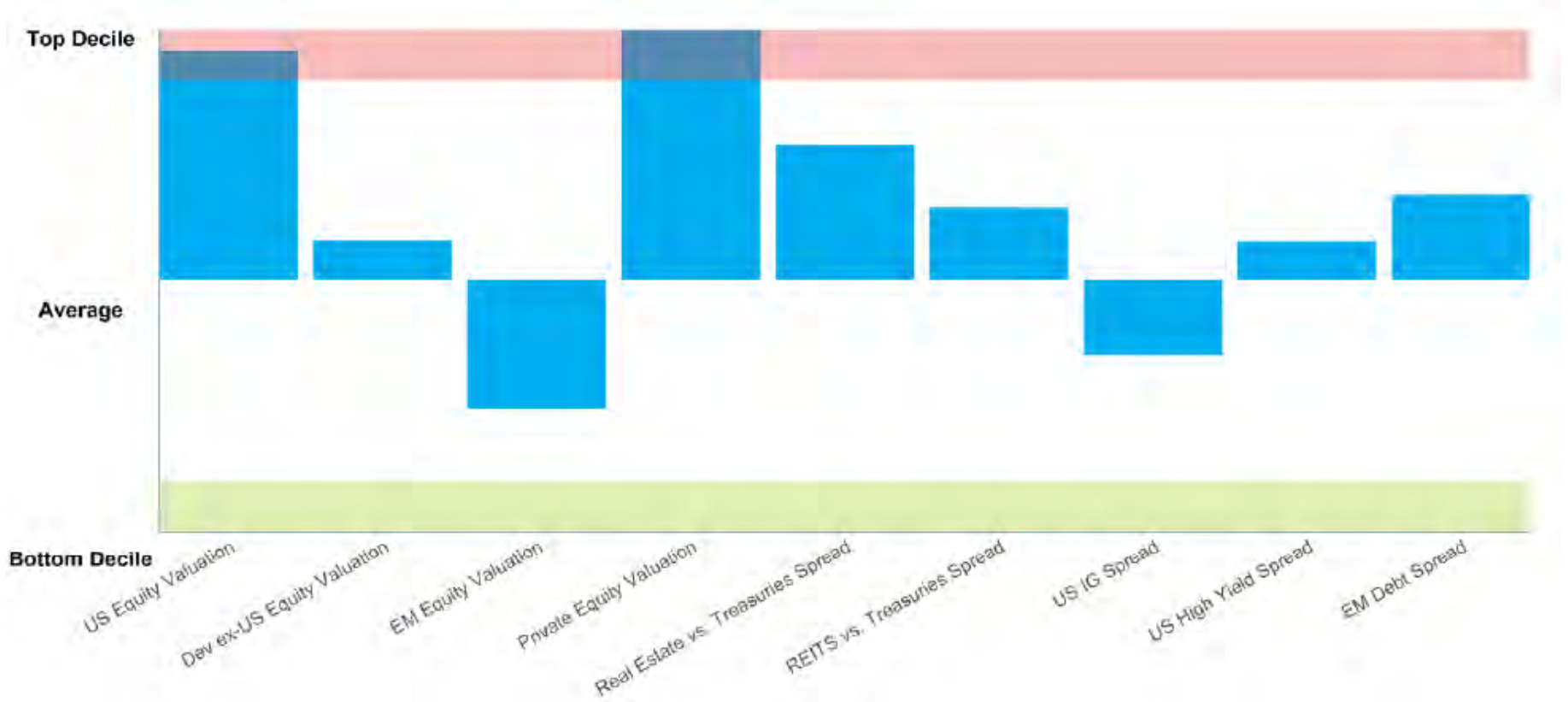
Equity volatility level decreased from last quarter, moving to below average. Fixed income volatility level remained above average.

Yield curve slope level indicator stayed in the bottom decile based on historical information.

Data as of December 31, 2023



Today's Risk Environment – Risk & Valuation



Market Valuations: Current state of valuation metrics per asset class relative to their own history.

U.S. equity valuation and private equity valuation are very high and real estate vs treasuries spreads are also elevated. EM equity valuations and US investment grade spreads are below average.

Data as of December 31, 2023



Today's Risk Environment – Sentiment/Concern

Market Sentiment Indicator (Last three years)



Green indicator shows that market sentiment towards growth risk is currently in positive territory.

Market Sentiment Indicator (All History)

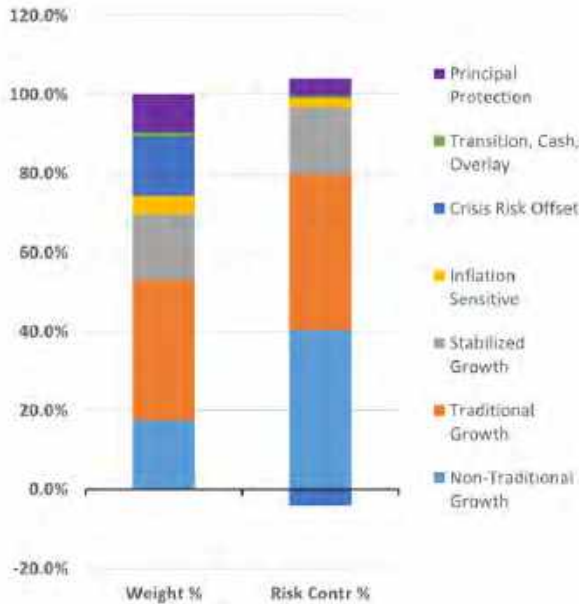


Market's sentiment towards growth has trended up in recent quarters.



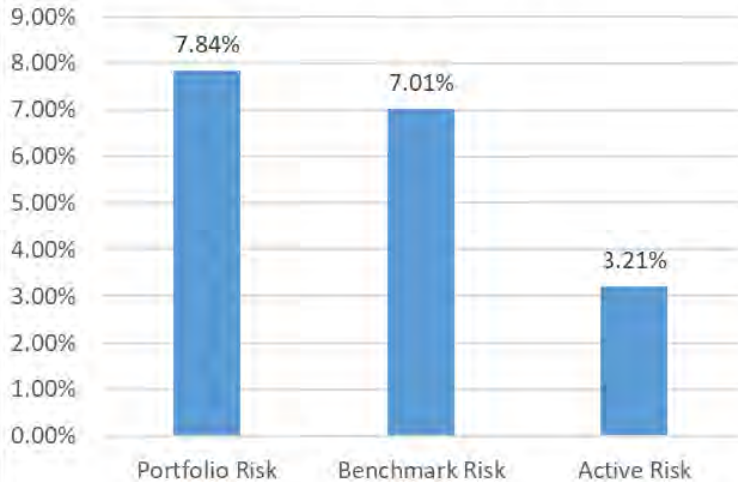


SURS Risk Exposures

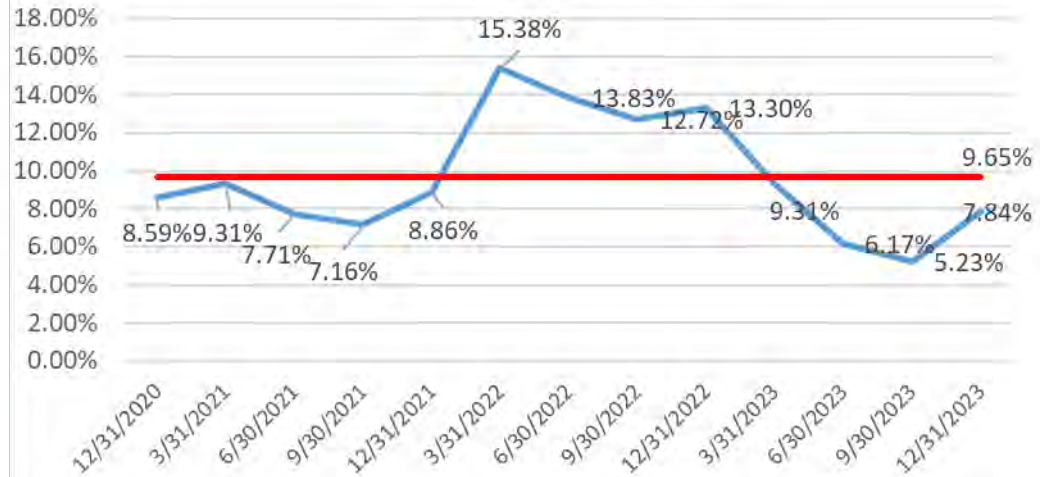


- Total portfolio risk comes primarily from the Traditional Growth and Non-Traditional Growth asset classes.
- Portfolio risk and Benchmark risk both increased in the fourth quarter.
- Portfolio risk increased from 5.25% to 7.84% during the quarter but remained below than the 9.65% average over the trailing three years.

Plan Level Risk Overview



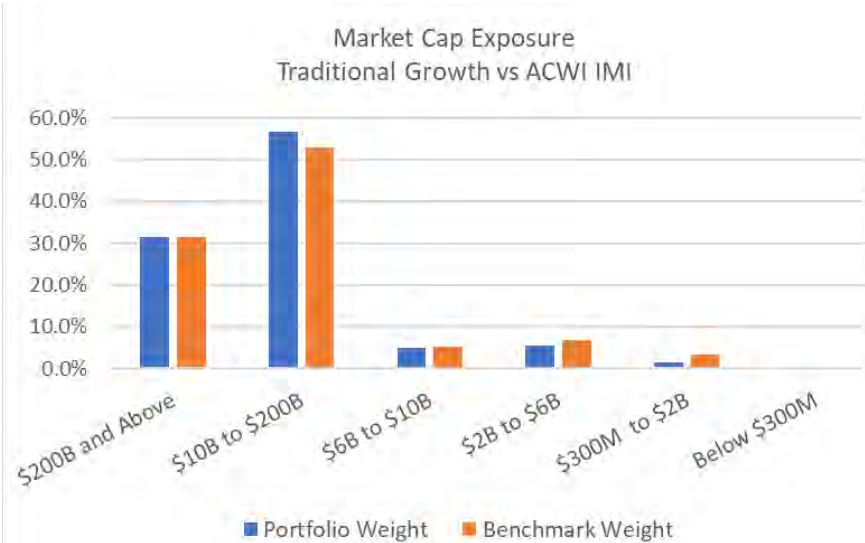
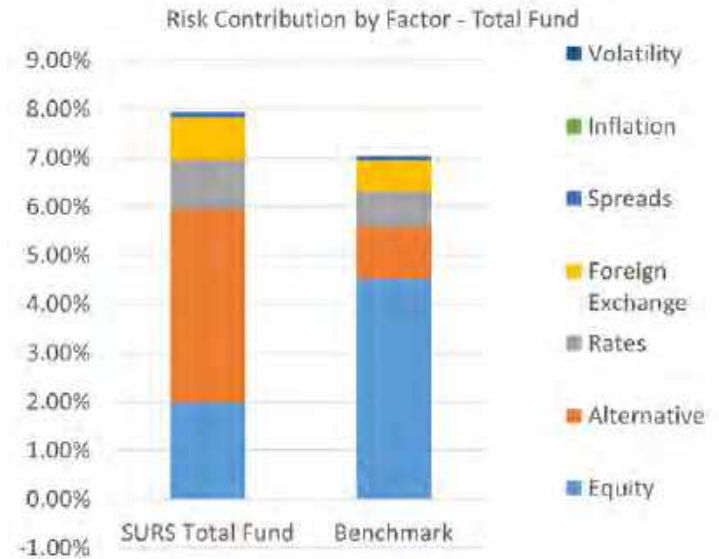
Portfolio Risk Over Time





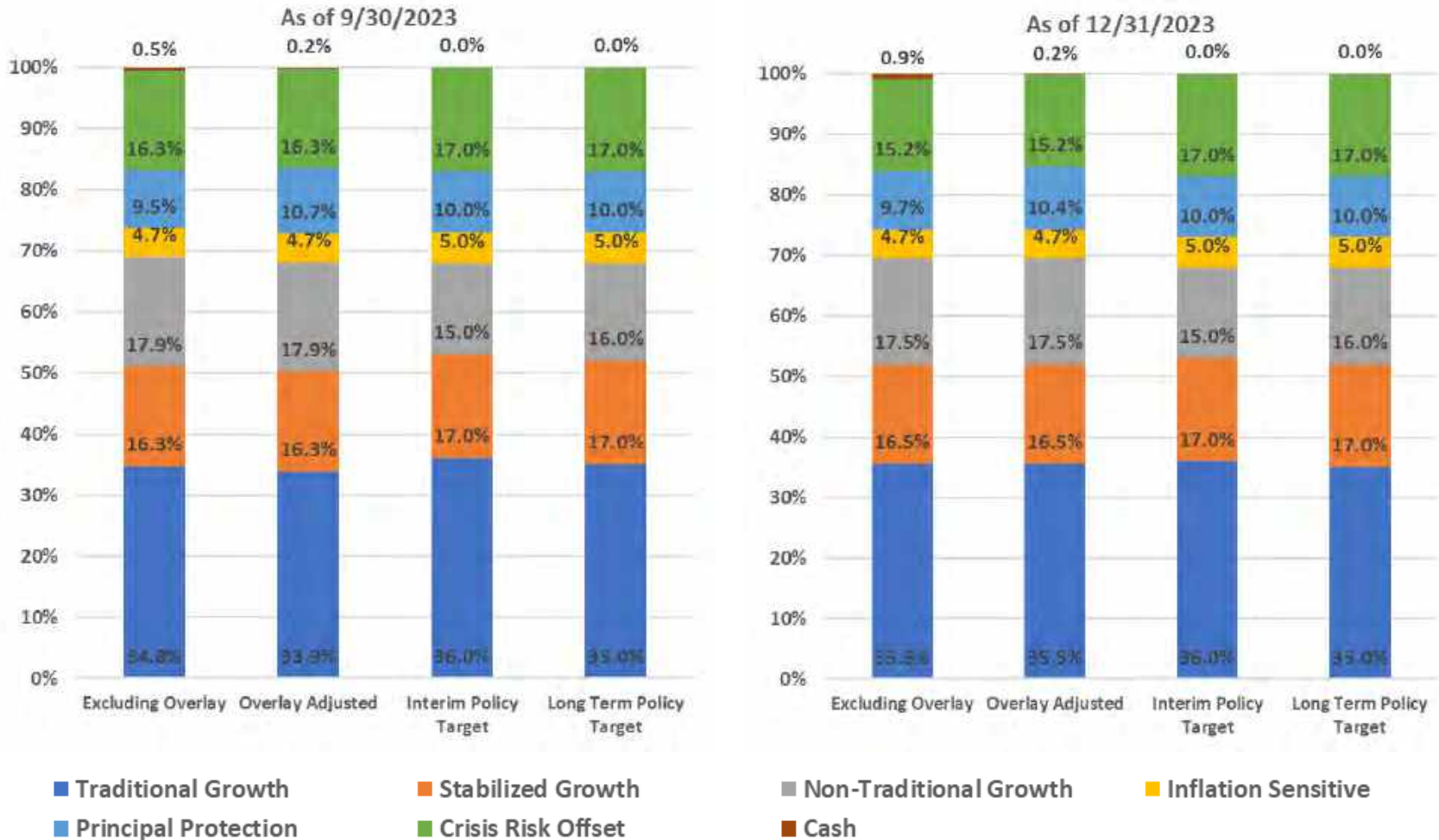
SURS Risk Exposures

- SURS' risk exposure is higher in alternatives than the benchmark due to our significant private market allocation. Overall risk is slightly higher than the benchmark as of 12/31/2023.
- SURS' public equity market cap allocations are in line with the benchmark, with a slight overweight in large cap and slight underweight in small cap.
- Public equity sector weights are in line with the benchmark, with some expected minor variances due to active investment manager positioning.





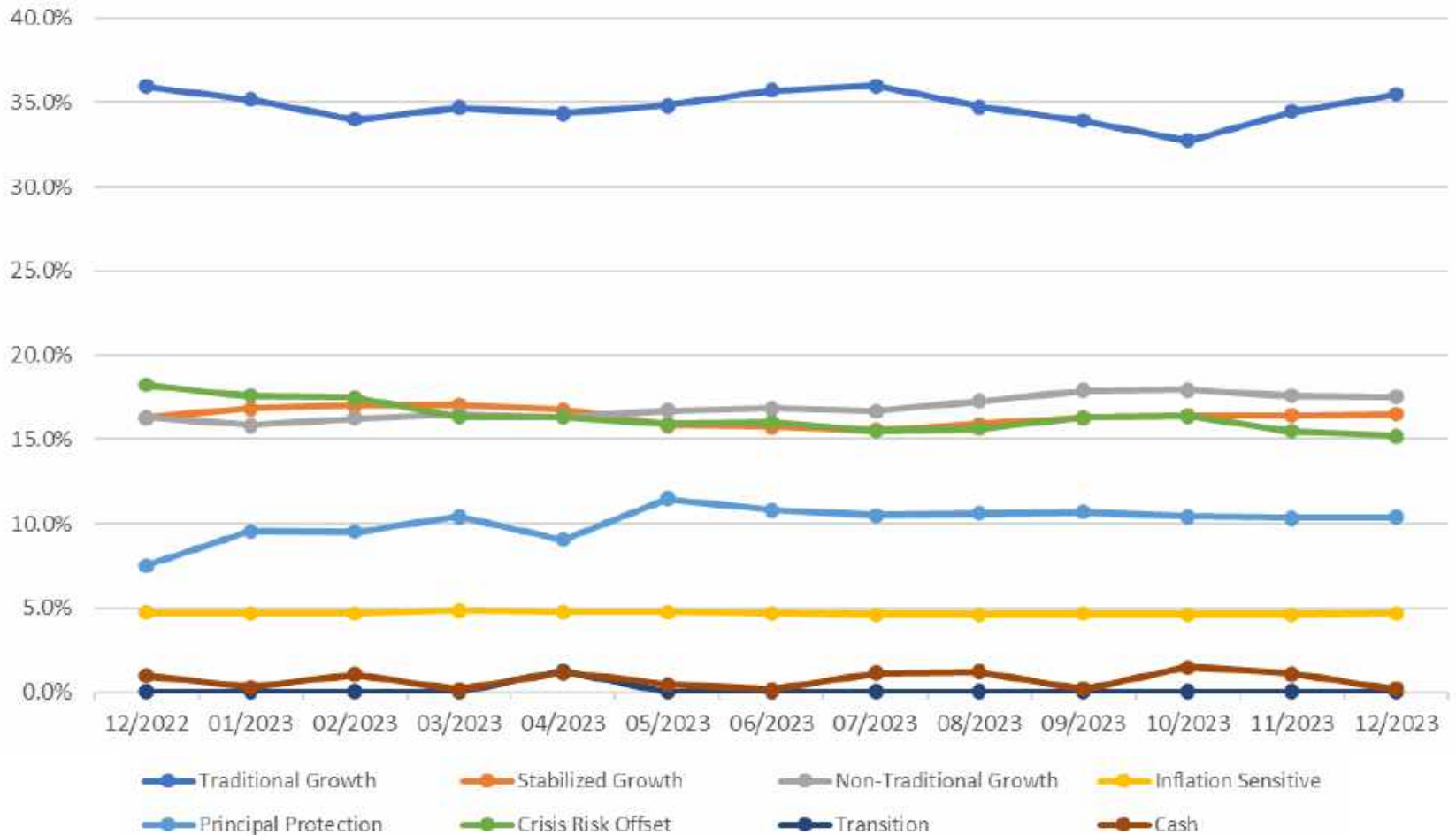
SURS Asset Allocation vs Targets



- SURS Total Fund allocation is line with policy targets
- A slight overweight to Non-Traditional Growth persists due to market gains in the private equity portfolio in recent years



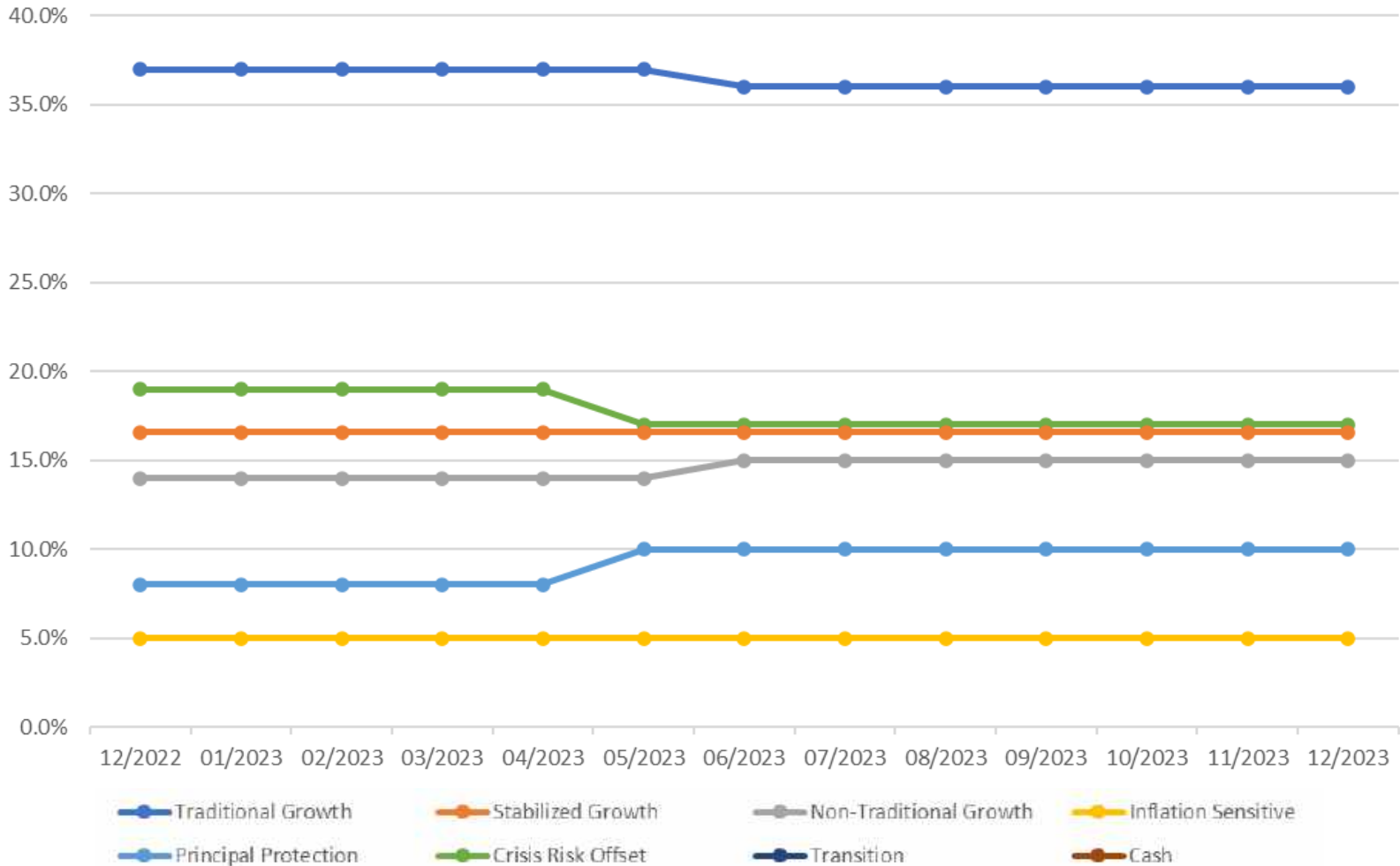
SURS Asset Allocation Over Time Overlay Adjusted



- Asset Allocation among the six functional asset classes has been stable through the past 12 months
- The overlay program has minimized cash drag in the portfolio and kept Traditional Growth and Principal Protection asset classes within acceptable ranges while avoiding transaction associated with physical rebalancing



SURS Interim Policy Target Over Time



- Changes to SURS’ functional asset class target weights occurred in May and June 2023, decreasing the weights to Traditional Growth and Crisis Risk Offset while increasing targets to Principal Protection and Non-Traditional Growth
- Some minor adjustments to sub-asset class targets have occurred over the past 12 months



Scenario Analysis

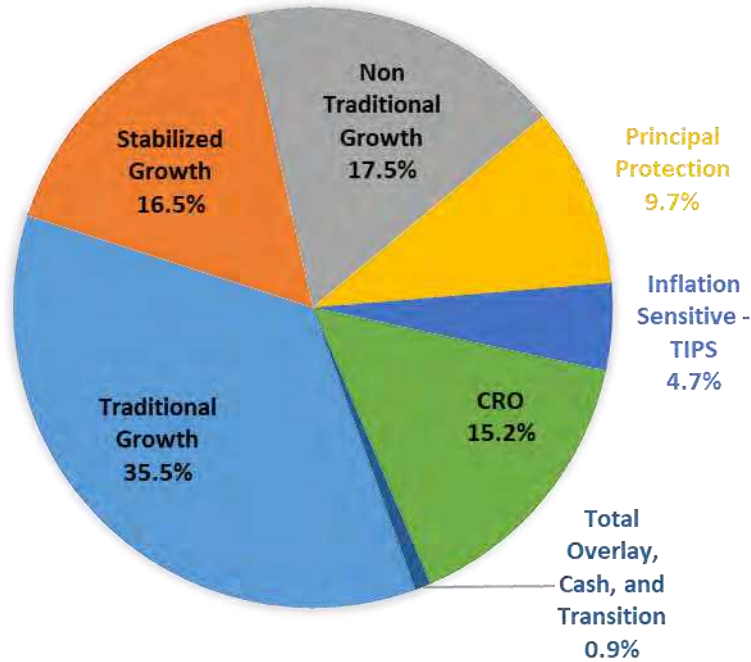
Scenario	Description	% Loss/Gain
Credit '07	Credit & liquidity crisis stemming from a severe slowdown in the housing market causing significant widening of credit spreads and increased implied volatility.	(7.12%)
Crash '08	Credit & liquidity crisis and equity market crash set off by Lehman Brothers bankruptcy. Significant credit spreads widening caused by massive deleveraging.	(16.29%)
FOMC Policy Paths-Lingering Inflation	Lingering inflation proves markets wrong.	(9.42%)
FOMC Policy Paths-Fed Engineers a Hard Landing	The effects of the Fed's policy response in 2022-23 are lagged and prove to be more significant than expected. Growth slows and cracks in the labor market begin to show.. Market prices in a significant recession in the US, driving a sizable risk-off reaction.	(8.94%)
Equity Volatility Increase	1% probability VIX up movement.	(4.97%)
US Debt Ceiling - Last Minute Agreement	Negotiations are reached close to X-date, with a risk-of in the market.	(4.08%)
US Debt Ceiling - Technical Default	Negotiations are not reached in time for the X-date; Government has a technical default	(9.32%)
Military Action in the Gulf	Escalating tensions in the Gulf region lead to further military action.	(5.68%)
Stock Market Drop Global	1% probability movement of MSCI World market down.	(5.53%)

Current portfolio stress tested using historical scenarios.



Liquidity Profile

SURS TOTAL PORTFOLIO



Prefer Not to Liquidate

Liquid/Stable /Accessible

7.7 years of net cash outflows
2.0 years of benefits

Liquid/stable group consists of Principal Protection, Inflation Sensitive – TIPS, CRO and Total Overlay which constitute for 31% of SURS portfolio.

SURS projected annual net contributions: -\$848M to -\$981M over next 5 years



Operational Risk Summary

Operational Risk	Target Review Cycle	Last Reviewed	Comments
Asset Allocation	3-5 Years	June 2021	Minor changes to strategic allocation targets approved April 2023
Investment Beliefs	3-5 Years	January 2020	
Investment Policy	Annual	September 2023	
Investment Procurement Policy	Annual	September 2023	
Private Real Assets Pacing and Strategic Plan	Annual	December 2023	
Private Equity Pacing and Strategic Plan	Annual	December 2023	
Private Credit Pacing and Strategic Plan	Annual	December 2023	
Capital Market Assumptions Review	Annual	March 2023	
Custodial Review	Annual	November 2023	
Securities Lending Review	Annual	January 2024	
Proxy Voting Guidelines	Annual	December 2023	2024 U.S., public pension and international guidelines published on SURS website



Operational Risk Summary

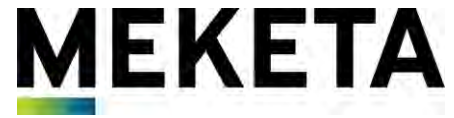
Relationships with Contract Terms	Contracted To	Comments
Northern Trust - Custodian	December 2026	
Meketa - General Consultant	March 1, 2028	
CAPTRUST - DC Specialty	March 31, 2028	
Voya – DC Recordkeeper	August 2025	One year extension available at SURS discretion
Callan - Real Assets Specialty	September 30, 2028	
Meketa – Private Credit Advisor	December 10, 2025	
Aksia – Private Equity Advisor	September 1, 2024	
Glass Lewis - Proxy Voting Services	October 1, 2024	
ISBI, TRS, SURS Agreement - Quarterly Restricted Securities	June 30, 2025	ISBI negotiated an annual contract with MSCI to provide the quarterly restricted securities list through June 30, 2023, and renews annually through 2025 at the discretion of the parties involved. Costs for these services are shared equally between SURS, ISBI and TRS.

SURS FY 2024 Private Equity & Private Credit Commitment Activity

Date Closed	Fund	Vintage Year	Strategy	Sub-Strategy	Geography	Commitment (USD)
Private Equity Commitments						
11/01/2023	SURS PE Co-Investment Fund II	2024	Private Equity	PE Co-Investments	Global	\$ 410,000,000
11/10/2023	MBK Partners Fund VI*	2024	Private Equity	Asian Buyouts	Asia	\$ 30,000,000
12/11/2023	Clearlake Capital Partners VIII*	2024	Private Equity	Special Situations	North America	\$ 50,000,000
FY 2024 Private Equity Commitments						\$ 490,000,000

Private Credit Commitments						
7/3/2023	Sixth Street TAO Global	2023	Private Debt	Opportunistic	North America / W. Europe	\$ 100,000,000
7/28/2023	HPS Specialty Loan Fund VI	2023	Private Debt	Direct Lending	Global Developed	\$ 100,000,000
8/1/2023	Atalaya Asset Income Fund	2023	Private Debt	Specialty Finance	North America	\$ 100,000,000
9/18/2023	ICG Senior Debt Partners Fund V	2023	Private Debt	Direct Lending	Non-U.S.	\$ 100,000,000
10/17/2023	Turning Rock Fund III*	2023	Private Debt	Special Situations	North America	\$ 50,000,000
12/4/2023	Brightwood Fund V*	2023	Private Debt	Direct Lending	North America	\$ 50,000,000
FY 2024 Private Credit Commitments						\$ 500,000,000

*MWDBE-owned firm



Illinois State Universities Retirement System

February 24, 2024

Fourth Quarter 2023
Supplement to the Board Report



Illinois State Universities Retirement System

Agenda

1. Performance Results
2. Private Markets
3. Capital Markets Outlook & Risk Metrics
4. Appendix

Performance Results



Illinois State Universities Retirement System

Asset Allocation & Performance | As of December 31, 2023

	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
US Equity	2,366,387,854	12.1	25.6	9.4	15.0	12.4	11.1	11.2	Oct-80
<i>Dow Jones U.S. Total Stock Market Index</i>		<i>12.1</i>	<i>26.1</i>	<i>8.4</i>	<i>15.0</i>	<i>12.7</i>	<i>11.4</i>	--	
Over/Under		0.0	-0.5	1.0	0.0	-0.3	-0.3	--	
Passive US Equity	2,366,387,854	12.1	26.1	9.1	15.4	13.0	11.6	11.3	Oct-80
<i>Dow Jones U.S. Total Stock Market Index</i>		<i>12.1</i>	<i>26.1</i>	<i>8.4</i>	<i>15.0</i>	<i>12.7</i>	<i>11.4</i>	--	
Over/Under		0.0	0.0	0.7	0.4	0.3	0.2	--	
Rhumblin	2,366,387,854	12.1	26.1	9.1	15.5	13.0	11.7	9.8	Feb-05
<i>Rhumblin Equity Index</i>		<i>12.1</i>	<i>26.1</i>	<i>9.0</i>	<i>15.4</i>	<i>13.0</i>	<i>11.7</i>	<i>9.7</i>	
Over/Under		0.0	0.0	0.1	0.1	0.0	0.0	0.1	



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Non US Equity	1,458,450,294	8.9	16.7	2.9	7.0	6.3	4.0	6.0	May-86
<i>SURS Non US Equity Blend</i>		9.8	15.6	1.5	7.2	6.4	3.9	--	
Over/Under		-0.9	1.1	1.4	-0.2	-0.1	0.1	--	
Active Non-US Equity	1,349,215,835	8.9	16.9	3.8	7.2	6.3	4.0	6.0	Oct-03
<i>MSCI EAFE (Net)</i>		10.4	18.2	4.0	8.2	6.9	4.3	6.3	
Over/Under		-1.5	-1.3	-0.2	-1.0	-0.6	-0.3	-0.3	
Strategic Global Advisors	380,010,495	10.3	21.8	4.4	7.2	6.0	4.8	5.7	Sep-08
<i>MSCI EAFE (Net)</i>		10.4	18.2	4.0	8.2	6.9	4.3	4.2	
Over/Under		-0.1	3.6	0.4	-1.0	-0.9	0.5	1.5	
Ativo	312,798,004	10.3	18.3	2.8	5.7	5.5	3.3	3.8	Aug-08
<i>MSCI ACWI ex US</i>		9.8	15.6	1.5	7.1	6.3	3.8	3.4	
Over/Under		0.5	2.7	1.3	-1.4	-0.8	-0.5	0.4	
GlobeFlex Capital	375,761,096	7.4	14.2	5.8	8.2	7.1	5.0	7.2	Dec-11
<i>MSCI AC World ex USA (Net)</i>		9.8	15.6	1.5	7.1	6.3	3.8	5.6	
Over/Under		-2.4	-1.4	4.3	1.1	0.8	1.2	1.6	
Solstein Capital	99,537,209	8.7	13.0	-0.7	8.7	--	--	5.3	Nov-17
<i>MSCI EAFE (Net)</i>		10.4	18.2	4.0	8.2	--	--	4.5	
Over/Under		-1.7	-5.2	-4.7	0.5	--	--	0.8	
Nipun Emerging Markets	93,217,975	4.6	13.5	--	--	--	--	11.4	Dec-22
<i>MSCI Emerging Markets (Net)</i>		7.9	9.8	--	--	--	--	7.6	
Over/Under		-3.3	3.7	--	--	--	--	3.8	



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
William Blair Emerging Markets Growth	87,887,119	9.3	--	--	--	--	--	10.4	Mar-23
<i>MSCI Emerging Markets (Net)</i>		7.9	--	--	--	--	--	8.8	
Over/Under		1.4	--	--	--	--	--	1.6	
Passive Non-US Equity	109,234,459	9.8	15.5	0.7	5.7	5.6	3.4	6.1	May-86
<i>MSCI AC World ex USA (Net)</i>		9.8	15.6	1.5	7.1	6.3	3.8	--	
Over/Under		0.0	-0.1	-0.8	-1.4	-0.7	-0.4	--	
NTAM ACWI Ex-US IMI	108,742,204	9.8	15.5	1.8	--	--	--	7.2	Aug-20
<i>MSCI AC World ex USA IMI (Net)</i>		9.8	15.6	1.5	--	--	--	6.8	
Over/Under		0.0	-0.1	0.3	--	--	--	0.4	



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Global Equity	4,501,303,424	11.5	21.8	6.4	13.8	12.3	9.8	8.2	May-02
<i>SURS Global Equity Blend</i>		<i>11.1</i>	<i>21.6</i>	<i>5.5</i>	<i>11.6</i>	<i>9.9</i>	<i>7.8</i>	<i>7.3</i>	
Over/Under		0.4	0.2	0.9	2.2	2.4	2.0	0.9	
Global Equity - Active	2,801,647,152	11.3	20.8	5.9	--	--	--	11.0	Nov-20
Wellington	633,373,343	10.8	21.4	5.4	12.6	10.9	9.0	8.2	Jun-02
<i>MSCI AC World Index (Net)</i>		<i>11.0</i>	<i>22.2</i>	<i>5.7</i>	<i>11.7</i>	<i>10.0</i>	<i>7.9</i>	<i>7.5</i>	
Over/Under		-0.2	-0.8	-0.3	0.9	0.9	1.1	0.7	
Mondrian	596,756,830	13.3	25.4	9.4	12.0	10.1	7.8	9.2	Dec-11
<i>MSCI AC World Index (Net)</i>		<i>11.0</i>	<i>22.2</i>	<i>5.7</i>	<i>11.7</i>	<i>10.0</i>	<i>7.9</i>	<i>9.7</i>	
Over/Under		2.3	3.2	3.7	0.3	0.1	-0.1	-0.5	
T. Rowe Price Global	399,121,306	12.8	26.5	0.2	15.6	14.9	12.5	13.4	Nov-08
<i>MSCI AC World Index (Net)</i>		<i>11.0</i>	<i>22.2</i>	<i>5.7</i>	<i>11.7</i>	<i>10.0</i>	<i>7.9</i>	<i>9.9</i>	
Over/Under		1.8	4.3	-5.5	3.9	4.9	4.6	3.5	
Ariel Investments	253,518,805	8.2	12.8	6.4	--	--	--	9.3	Aug-20
<i>MSCI AC World Index (Net)</i>		<i>11.0</i>	<i>22.2</i>	<i>5.7</i>	--	--	--	<i>10.2</i>	
Over/Under		-2.8	-9.4	0.7	--	--	--	-0.9	
Earnest Global	403,708,866	10.3	15.9	5.6	--	--	--	12.2	Aug-20
<i>MSCI AC World IMI (Net)</i>		<i>11.1</i>	<i>21.6</i>	<i>5.5</i>	--	--	--	<i>10.2</i>	
Over/Under		-0.8	-5.7	0.1	--	--	--	2.0	
Strategic Global Advisors	199,681,459	10.9	25.6	9.3	--	--	--	12.4	Aug-20
<i>MSCI World Index (Net)</i>		<i>11.4</i>	<i>23.8</i>	<i>7.3</i>	--	--	--	<i>11.5</i>	
Over/Under		-0.5	1.8	2.0	--	--	--	0.9	



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Xponance Global Equity	315,486,542	11.2	23.4	3.9	--	--	--	3.9	Jan-21
<i>MSCI AC World Index (Net)</i>		<i>11.0</i>	<i>22.2</i>	<i>5.7</i>	--	--	--	<i>5.7</i>	
Over/Under		0.2	1.2	-1.8	--	--	--	-1.8	
Xponance - Arga Inv ACWI	32,013,739	9.6	25.2	10.9	--	--	--	10.9	Jan-21
<i>MSCI AC World Index (Net)</i>		<i>11.0</i>	<i>22.2</i>	<i>5.7</i>	--	--	--	<i>5.7</i>	
Over/Under		-1.4	3.0	5.2	--	--	--	5.2	
Xponance - Channing	15,961,326	11.9	24.9	3.7	--	--	--	3.7	Jan-21
<i>MSCI AC World Index (Net)</i>		<i>11.0</i>	<i>22.2</i>	<i>5.7</i>	--	--	--	<i>5.7</i>	
Over/Under		0.9	2.7	-2.0	--	--	--	-2.0	
Xponance - Frontier GL	16,098,506	15.5	26.7	2.8	--	--	--	2.8	Jan-21
<i>MSCI AC World Index (Net)</i>		<i>11.0</i>	<i>22.2</i>	<i>5.7</i>	--	--	--	<i>5.7</i>	
Over/Under		4.5	4.5	-2.9	--	--	--	-2.9	
Xponance - Fithian	39,366,993	13.0	27.0	--	--	--	--	3.2	Mar-22
<i>MSCI AC World Index (Net)</i>		<i>11.0</i>	<i>22.2</i>	--	--	--	--	<i>4.1</i>	
Over/Under		2.0	4.8	--	--	--	--	-0.9	
Xponance - Foresight	49,899,861	7.8	7.6	--	--	--	--	0.5	Mar-22
<i>MSCI AC World Index (Net)</i>		<i>11.0</i>	<i>22.2</i>	--	--	--	--	<i>4.1</i>	
Over/Under		-3.2	-14.6	--	--	--	--	-3.6	
Xponance - Martin	37,082,622	10.6	18.0	--	--	--	--	0.6	Mar-22
<i>MSCI AC World Index (Net)</i>		<i>11.0</i>	<i>22.2</i>	--	--	--	--	<i>4.1</i>	
Over/Under		-0.4	-4.2	--	--	--	--	-3.5	



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Xponance - Maytech	41,374,157	15.7	60.5	--	--	--	--	8.3	Mar-22
<i>MSCI AC World Index (Net)</i>		<i>11.0</i>	<i>22.2</i>	--	--	--	--	<i>4.1</i>	
Over/Under		<i>4.7</i>	<i>38.3</i>	--	--	--	--	<i>4.2</i>	
Xponance - Centerstone	36,564,382	7.5	11.7	--	--	--	--	11.0	Dec-22
<i>MSCI AC World Index (Net)</i>		<i>11.0</i>	<i>22.2</i>	--	--	--	--	<i>16.0</i>	
Over/Under		<i>-3.5</i>	<i>-10.5</i>	--	--	--	--	<i>-5.0</i>	
Xponance - Promethos	47,119,070	12.7	22.7	--	--	--	--	20.4	Dec-22
<i>MSCI AC World Index (Net)</i>		<i>11.0</i>	<i>22.2</i>	--	--	--	--	<i>16.0</i>	
Over/Under		<i>1.7</i>	<i>0.5</i>	--	--	--	--	<i>4.4</i>	
Global Equity - Passive	1,699,656,272	11.8	23.1	7.1	--	--	--	11.7	Aug-20
BTC Global Alpha Tilts	1,699,656,272	11.8	23.1	7.1	--	--	--	11.7	Aug-20
<i>MSCI AC World IMI (Net)</i>		<i>11.1</i>	<i>21.6</i>	<i>5.5</i>	--	--	--	<i>10.2</i>	
Over/Under		<i>0.7</i>	<i>1.5</i>	<i>1.6</i>	--	--	--	<i>1.5</i>	



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Stabilized Real Assets	1,698,709,004	-2.9	-9.0	7.8	5.2	5.4	7.0	6.9	Jul-13
<i>SURS Stabilized Real Assets Blend</i>		<i>-0.8</i>	<i>-11.9</i>	<i>6.5</i>	<i>4.9</i>	<i>5.5</i>	<i>7.3</i>	<i>7.6</i>	
Over/Under		<i>-2.1</i>	<i>2.9</i>	<i>1.3</i>	<i>0.3</i>	<i>-0.1</i>	<i>-0.3</i>	<i>-0.7</i>	
Core	945,585,723	-5.4	-13.8	6.0	3.7	4.4	6.3	6.2	Jul-13
<i>NCREIF ODCE Net 1 Qtr Lag</i>		<i>-2.1</i>	<i>-12.9</i>	<i>6.2</i>	<i>4.7</i>	<i>5.6</i>	<i>7.3</i>	<i>7.7</i>	
Over/Under		<i>-3.3</i>	<i>-0.9</i>	<i>-0.2</i>	<i>-1.0</i>	<i>-1.2</i>	<i>-1.0</i>	<i>-1.5</i>	
UBS Trumbull Property Fund	85,437,595	-4.1	-15.5	1.2	-0.7	1.0	3.7	3.7	Jun-06
<i>SURS Real Estate Blend</i>		<i>-2.1</i>	<i>-12.9</i>	<i>6.2</i>	<i>4.7</i>	<i>5.6</i>	<i>7.3</i>	<i>5.6</i>	
Over/Under		<i>-2.0</i>	<i>-2.6</i>	<i>-5.0</i>	<i>-5.4</i>	<i>-4.6</i>	<i>-3.6</i>	<i>-1.9</i>	
JP Morgan Strategic	245,536,367	-7.6	-15.0	1.9	2.0	3.3	--	5.3	Jun-14
<i>SURS Real Estate Blend</i>		<i>-2.1</i>	<i>-12.9</i>	<i>6.2</i>	<i>4.7</i>	<i>5.6</i>	<i>--</i>	<i>7.2</i>	
Over/Under		<i>-5.5</i>	<i>-2.1</i>	<i>-4.3</i>	<i>-2.7</i>	<i>-2.3</i>	<i>--</i>	<i>-1.9</i>	
Heitman Hart Fund	265,092,416	-4.4	-11.7	6.3	4.0	4.6	--	6.3	Jul-14
<i>SURS Real Estate Blend</i>		<i>-2.1</i>	<i>-12.9</i>	<i>6.2</i>	<i>4.7</i>	<i>5.6</i>	<i>--</i>	<i>7.1</i>	
Over/Under		<i>-2.3</i>	<i>1.2</i>	<i>0.1</i>	<i>-0.7</i>	<i>-1.0</i>	<i>--</i>	<i>-0.8</i>	
Prologis Target US Logis	166,192,563	-5.4	-11.7	18.5	--	--	--	17.4	Nov-20
<i>SURS Real Estate Blend</i>		<i>-2.1</i>	<i>-12.9</i>	<i>6.2</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>5.9</i>	
Over/Under		<i>-3.3</i>	<i>1.2</i>	<i>12.3</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>11.5</i>	
Clarion Lion Properties Fund, LP	183,299,164	-4.6	-16.3	--	--	--	--	-14.8	Aug-22
<i>SURS Real Estate Blend</i>		<i>-2.1</i>	<i>-12.9</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-6.2</i>	
Over/Under		<i>-2.5</i>	<i>-3.4</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-8.6</i>	



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Core Plus	566,324,753	-0.2	-5.6	9.2	6.7	--	--	6.4	Oct-18
<i>SURS Real Estate Blend</i>		-2.1	-12.9	6.2	4.7	--	--	4.9	
Over/Under		1.9	7.3	3.0	2.0	--	--	1.5	
Blackstone Property Partners	241,205,719	-0.5	-11.3	6.1	--	--	--	4.0	Mar-19
<i>SURS Real Estate Blend</i>		-2.1	-12.9	6.2	--	--	--	4.9	
Over/Under		1.6	1.6	-0.1	--	--	--	-0.9	
Carlyle Property Investors	258,919,850	-0.2	-1.3	12.7	10.2	--	--	9.7	Oct-18
<i>SURS Real Estate Blend</i>		-2.1	-12.9	6.2	4.7	--	--	4.9	
Over/Under		1.9	11.6	6.5	5.5	--	--	4.8	
GI Partners ETS FUND	66,199,184	0.7	4.1	--	--	--	--	2.1	Apr-22
<i>SURS Real Estate Blend</i>		-2.1	-12.9	--	--	--	--	-1.2	
Over/Under		2.8	17.0	--	--	--	--	3.3	
Core Infrastructure	186,798,528	2.4	12.5	--	--	--	--	-1.8	Feb-21
<i>FTSE Developed Core Infrastructure 50/50 Index</i>		11.5	3.2	--	--	--	--	5.3	
Over/Under		-9.1	9.3	--	--	--	--	-7.1	
Blackrock GL Renewable	77,940,572	2.0	20.0	--	--	--	--	0.4	Feb-21
<i>FTSE Developed Core Infrastructure 50/50 Index</i>		11.5	3.2	--	--	--	--	5.3	
Over/Under		-9.5	16.8	--	--	--	--	-4.9	
IFM Global Infrastructure Fund	108,857,956	2.6	8.9	--	--	--	--	8.9	Jan-23
<i>FTSE Developed Core Infrastructure 50/50 Index</i>		11.5	3.2	--	--	--	--	3.2	
Over/Under		-8.9	5.7	--	--	--	--	5.7	



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Public Credit	1,425,856,813	7.5	11.4	0.2	--	--	--	2.0	Oct-19
<i>SURS Credit Fixed Income Blend</i>		6.5	10.9	-0.9	--	--	--	1.5	
Over/Under		1.0	0.5	1.1	--	--	--	0.5	
Diversified Credit	1,040,957,246	7.6	12.2	1.0	3.4	3.2	3.1	3.0	Jul-13
<i>SURS Credit ex EMD Blend</i>		7.1	11.5	0.4	3.5	3.0	3.0	2.9	
Over/Under		0.5	0.7	0.6	-0.1	0.2	0.1	0.1	
PIMCO Global Credit	296,854,780	7.1	10.8	0.6	--	--	--	2.1	Oct-19
<i>SURS Credit ex EMD Blend</i>		7.1	11.5	0.4	--	--	--	2.2	
Over/Under		0.0	-0.7	0.2	--	--	--	-0.1	
Neuberger Berman	744,102,466	7.8	12.8	1.2	--	--	--	2.8	Oct-19
<i>SURS Credit ex EMD Blend</i>		7.1	11.5	0.4	--	--	--	2.2	
Over/Under		0.7	1.3	0.8	--	--	--	0.6	
Bivium Credit	384,899,568	7.0	9.5	-0.8	--	--	--	5.1	Apr-20
<i>Bivium Credit Blend</i>		6.6	8.9	-2.3	--	--	--	2.6	
Over/Under		0.4	0.6	1.5	--	--	--	2.5	
BiviumEMD - LM Capital Group	72,868,601	5.3	7.6	0.3	3.5	3.6	--	3.5	May-15
<i>JPM CEMBI Broad Index</i>		5.4	7.2	-2.9	2.2	2.5	--	2.8	
Over/Under		-0.1	0.4	3.2	1.3	1.1	--	0.7	
BiviumEMD - GIA Partners LLC	65,899,114	6.7	9.9	-0.3	3.9	3.8	--	3.8	May-15
<i>JPM CEMBI Broad Index</i>		5.4	7.2	-2.9	2.2	2.5	--	2.8	
Over/Under		1.3	2.7	2.6	1.7	1.3	--	1.0	



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Bivium - RVX Asset Mgmt	63,658,476	7.0	8.7	-1.3	--	--	--	0.6	Jan-20
<i>JPM CEMBI Broad Index</i>		5.4	7.2	-2.9	--	--	--	-0.4	
Over/Under		1.6	1.5	1.6	--	--	--	1.0	
Bivium - New Century Advisors	51,456,489	8.7	8.3	-4.5	--	--	--	-0.2	Nov-19
<i>BBgBC Global Corp Agg Blend</i>		8.8	9.6	-3.9	--	--	--	-0.3	
Over/Under		-0.1	-1.3	-0.6	--	--	--	0.1	
Bivium - Integrity	41,257,885	7.6	7.2	-3.3	--	--	--	-0.1	Nov-19
<i>Blmbg. U.S. Corporate Investment Grade Index</i>		8.5	8.5	-3.3	--	--	--	0.0	
Over/Under		-0.9	-1.3	0.0	--	--	--	-0.1	
Bivium - GIA Partners, LLC	89,458,042	7.6	13.2	1.9	--	--	--	3.4	Dec-19
<i>ICE/BAML GI HY Const Hedge Blend</i>		6.7	13.0	1.0	--	--	--	2.8	
Over/Under		0.9	0.2	0.9	--	--	--	0.6	
Bivium Cash	431	1.4	4.9	1.9	--	--	--	1.6	Sep-19
<i>ICE BofA 3 Month U.S. T-Bill</i>		1.4	5.0	2.2	--	--	--	1.8	
Over/Under		0.0	-0.1	-0.3	--	--	--	-0.2	
Bivium Fixed Income Transition	5	0.0	0.0	0.0	--	--	--	7.5	Nov-19
<i>Bivium Credit Blend</i>		6.6	8.9	-2.3	--	--	--	0.4	
Over/Under		-6.6	-8.9	2.3	--	--	--	7.1	



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Credit	743,796,148	2.6	9.0	9.6	--	--	--	9.6	Jul-20
<i>SURS Private Credit Blend</i>		5.0	14.2	4.4	--	--	--	6.7	
Over/Under		-2.4	-5.2	5.2	--	--	--	2.9	
PIMCO Disco III	4,885,262	-1.5	-15.7	-0.8	--	--	--	0.6	Jul-20
<i>SURS Private Credit Blend</i>		5.0	14.2	4.4	--	--	--	6.7	
Over/Under		-6.5	-29.9	-5.2	--	--	--	-6.1	
Silver Rock Tactical Allocation Fund, L.P.	134,700,329	4.9	10.3	--	--	--	--	5.9	Feb-21
<i>SURS Private Credit Blend</i>		5.0	14.2	--	--	--	--	4.3	
Over/Under		-0.1	-3.9	--	--	--	--	1.6	
Crayhill Principal Strategies Fund II	35,556,119	-1.4	2.0	--	--	--	--	26.1	Jun-21
<i>SURS Private Credit Blend</i>		5.0	14.2	--	--	--	--	4.0	
Over/Under		-6.4	-12.2	--	--	--	--	22.1	
NB Private Debt Fund IV	141,363,925	2.8	12.3	--	--	--	--	10.8	Oct-21
<i>SURS Private Credit Blend</i>		5.0	14.2	--	--	--	--	3.8	
Over/Under		-2.2	-1.9	--	--	--	--	7.0	
Turning Rock Fund II	39,327,005	1.3	7.0	--	--	--	--	5.4	Feb-22
<i>SURS Private Credit Blend</i>		5.0	14.2	--	--	--	--	4.8	
Over/Under		-3.7	-7.2	--	--	--	--	0.6	
Fortress Lending Fund III	34,643,755	4.2	17.4	--	--	--	--	6.2	Mar-22
<i>SURS Private Credit Blend</i>		5.0	14.2	--	--	--	--	5.7	
Over/Under		-0.8	3.2	--	--	--	--	0.5	



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Ares Pathfinder Core Fund	148,827,011	1.4	7.5	--	--	--	--	5.1	Jul-22
<i>SURS Private Credit Blend</i>		5.0	14.2	--	--	--	--	12.6	
Over/Under		-3.6	-6.7	--	--	--	--	-7.5	
Silver Rock Tactical Allocation Fund 2022	121,401,750	2.8	8.9	--	--	--	--	6.3	Aug-22
<i>SURS Private Credit Blend</i>		5.0	14.2	--	--	--	--	10.6	
Over/Under		-2.2	-5.3	--	--	--	--	-4.3	
Silver Point Specialty Credit Fund III	30,200,831	2.7	--	--	--	--	--	0.8	Mar-23
<i>SURS Private Credit Blend</i>		5.0	--	--	--	--	--	10.8	
Over/Under		-2.3	--	--	--	--	--	-10.0	
Atalaya Asset Income Fund Evergreen	21,202,187								
Sixth Street TAO (C) LP.	3,516,625								
Brightwood Capital Fund V	20,000,000								
Ares Pathfinder Fund II	8,171,349								



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Non-Core Real Estate	659,829,592	-0.1	1.9	11.5	6.4	7.6	--	8.2	Sep-15
<i>NCREIF ODCE Net Lagged + 1.5%</i>		<i>-1.7</i>	<i>-11.6</i>	<i>7.8</i>	<i>6.3</i>	<i>7.2</i>	<i>--</i>	<i>8.0</i>	
Over/Under		1.6	13.5	3.7	0.1	0.4	--	0.2	
Blackstone Re Part Asia	6,415,909	-14.3	-28.8	--	--	--	--	-22.0	Jul-22
<i>NCREIF ODCE Net Lagged + 1.5%</i>		<i>-1.7</i>	<i>-11.6</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-4.4</i>	
Over/Under		-12.6	-17.2	--	--	--	--	-17.6	
Blackstone RE EU VI	63,271,613	6.2	9.1	14.0	--	--	--	8.2	Nov-19
<i>NCREIF ODCE Net Lagged + 1.5%</i>		<i>-1.7</i>	<i>-11.6</i>	<i>7.8</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>6.4</i>	
Over/Under		7.9	20.7	6.2	--	--	--	1.8	
Blue Vista RE Partners IV	11,128,548	-5.9	-23.9	7.3	8.2	8.6	--	5.6	May-16
<i>NCREIF ODCE Net Lagged + 1.5%</i>		<i>-1.7</i>	<i>-11.6</i>	<i>7.8</i>	<i>6.3</i>	<i>7.2</i>	<i>--</i>	<i>7.4</i>	
Over/Under		-4.2	-12.3	-0.5	1.9	1.4	--	-1.8	
Brasa Real Estate Fund II	22,057,189	-0.7	1.5	--	--	--	--	3.0	Mar-22
<i>NCREIF ODCE Net Lagged + 1.5%</i>		<i>-1.7</i>	<i>-11.6</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>4.4</i>	
Over/Under		1.0	13.1	--	--	--	--	-1.4	
Brookfield Fund III	38,024,897	0.4	8.3	13.5	--	--	--	7.4	Apr-19
<i>NCREIF ODCE Net Lagged + 1.5%</i>		<i>-1.7</i>	<i>-11.6</i>	<i>7.8</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>6.2</i>	
Over/Under		2.1	19.9	5.7	--	--	--	1.2	
Brookfield Strategy RE Partners IV	48,132,624	2.4	4.7	--	--	--	--	6.1	Aug-22
<i>NCREIF ODCE Net Lagged + 1.5%</i>		<i>-1.7</i>	<i>-11.6</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-4.8</i>	
Over/Under		4.1	16.3	--	--	--	--	10.9	



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Brookfield Strategy RE Partners II	22,039,000	0.5	-4.4	14.1	12.3	12.1	--	11.2	Feb-16
<i>NCREIF ODCE Net Lagged + 1.5%</i>		-1.7	-11.6	7.8	6.3	7.2	--	7.6	
Over/Under		2.2	7.2	6.3	6.0	4.9	--	3.6	
Cabot Industrial Value VI	50,764,268	1.0	-0.4	15.5	--	--	--	16.1	Sep-20
<i>NCREIF ODCE Net Lagged + 1.5%</i>		-1.7	-11.6	7.8	--	--	--	6.7	
Over/Under		2.7	11.2	7.7	--	--	--	9.4	
CHC Realty Partners IX	40,797,281	-1.8	-6.4	--	--	--	--	11.3	Oct-21
<i>NCREIF ODCE Net Lagged + 1.5%</i>		-1.7	-11.6	--	--	--	--	6.8	
Over/Under		-0.1	5.2	--	--	--	--	4.5	
Dune Fund III	65,968,626	-0.2	1.0	5.5	0.6	4.5	6.2	5.5	Jul-13
<i>NCREIF ODCE Net Lagged + 1.5%</i>		-1.7	-11.6	7.8	6.3	7.2	8.9	9.3	
Over/Under		1.5	12.6	-2.3	-5.7	-2.7	-2.7	-3.8	
Dune Fund II	5,564,079	1.7	7.1	8.7	3.5	4.9	8.4	6.8	Apr-09
<i>NCREIF ODCE Net Lagged + 1.5%</i>		-1.7	-11.6	7.8	6.3	7.2	8.9	7.2	
Over/Under		3.4	18.7	0.9	-2.8	-2.3	-0.5	-0.4	
Dune Fund IV	45,692,228	-1.3	4.7	8.8	--	--	--	1.0	Aug-19
<i>NCREIF ODCE Net Lagged + 1.5%</i>		-1.7	-11.6	7.8	--	--	--	6.3	
Over/Under		0.4	16.3	1.0	--	--	--	-5.3	
Franklin Templeton MDP RE 2015	65,793,958	0.0	11.0	12.9	4.2	2.2	--	-0.6	Sep-15
<i>NCREIF ODCE Net Lagged + 1.5%</i>		-1.7	-11.6	7.8	6.3	7.2	--	8.0	
Over/Under		1.7	22.6	5.1	-2.1	-5.0	--	-8.6	



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Long Wharf RE Partners VI	27,455,218	0.6	3.0	23.5	--	--	--	18.3	Sep-19
<i>NCREIF ODCE Net Lagged + 1.5%</i>		-1.7	-11.6	7.8	--	--	--	6.4	
Over/Under		2.3	14.6	15.7	--	--	--	11.9	
Longpoint Realty Partners II	47,232,145	-3.8	-0.3	--	--	--	--	6.2	Dec-21
<i>NCREIF ODCE Net Lagged + 1.5%</i>		-1.7	-11.6	--	--	--	--	7.2	
Over/Under		-2.1	11.3	--	--	--	--	-1.0	
StepStone RE Global Partnership	13,567,970	0.1	-1.3	0.1	0.1	1.8	4.4	3.2	Apr-12
<i>NCREIF ODCE Net Lagged + 1.5%</i>		-1.7	-11.6	7.8	6.3	7.2	8.9	9.5	
Over/Under		1.8	10.3	-7.7	-6.2	-5.4	-4.5	-6.3	
New Cap Partners Fund III	5,777,822								
Westbrook Real Estate Fund XI	53,886,618	0.8	16.6	15.3	--	--	--	14.8	Dec-20
<i>NCREIF ODCE Net Lagged + 1.5%</i>		-1.7	-11.6	7.8	--	--	--	7.7	
Over/Under		2.5	28.2	7.5	--	--	--	7.1	
Long Wharf RE Partners VII	4,186,486								
Cabot Industrial Value VII	7,001,500								



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Non-Core Real Estate Debt	89,313,542	0.2	2.7	5.4	5.4	--	--	6.4	Dec-17
<i>NCREIF ODCE Net Lagged + 1.5%</i>		-1.7	-11.6	7.8	6.3	--	--	7.0	
Over/Under		1.9	14.3	-2.4	-0.9	--	--	-0.6	
Basis Investment Group Fund I	19,866,458	1.3	8.8	9.4	8.8	--	--	8.6	Jan-18
<i>NCREIF ODCE Net Lagged + 1.5%</i>		-1.7	-11.6	7.8	6.3	--	--	7.0	
Over/Under		3.0	20.4	1.6	2.5	--	--	1.6	
Oaktree RE Debt Fund II	11,990,023	-0.7	-11.6	-0.2	1.3	--	--	5.1	Dec-17
<i>NCREIF ODCE Net Lagged + 1.5%</i>		-1.7	-11.6	7.8	6.3	--	--	7.0	
Over/Under		1.0	0.0	-8.0	-5.0	--	--	-1.9	
Basis Investment Group Fund II	25,424,448								
Torchlight Debt Fund VII	26,285,244								
Torchlight Debt Fund VIII	5,747,369								
Non-Core Farmland	66,660,134	-0.8	7.4	6.4	--	--	--	0.9	Nov-20
<i>NCREIF Farmland 1 Qtr Lag</i>		-0.3	6.0	7.2	--	--	--	7.2	
Over/Under		-0.5	1.4	-0.8	--	--	--	-6.3	
Homestead Capital III	62,938,866	-0.6	8.3	6.7	--	--	--	1.2	Nov-20
<i>NCREIF Farmland 1 Qtr Lag</i>		-0.3	6.0	7.2	--	--	--	7.2	
Over/Under		-0.3	2.3	-0.5	--	--	--	-6.0	
Homestead Capital IV	3,721,268								



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Non-Core Infrastructure	191,953,871	2.0	16.5	17.2	14.2	10.7	9.5	8.0	Jan-10
<i>CPI+5% 1 Qtr Lagged</i>		<i>2.1</i>	<i>8.9</i>	<i>11.0</i>	<i>9.2</i>	<i>8.7</i>	<i>7.9</i>	<i>7.7</i>	
Over/Under		-0.1	7.6	6.2	5.0	2.0	1.6	0.3	
Macquarie Inf Partners Fnd III	49,409,082	1.8	40.2	32.2	23.9	21.2	--	15.1	Nov-14
<i>CPI+5% 1 Qtr Lagged</i>		<i>2.1</i>	<i>8.9</i>	<i>11.0</i>	<i>9.2</i>	<i>8.7</i>	<i>--</i>	<i>8.0</i>	
Over/Under		-0.3	31.3	21.2	14.7	12.5	--	7.1	
Macquarie Infra Partners IV	61,719,912	0.8	3.1	11.4	10.1	--	--	2.5	May-18
<i>CPI+5% 1 Qtr Lagged</i>		<i>2.1</i>	<i>8.9</i>	<i>11.0</i>	<i>9.2</i>	<i>--</i>	<i>--</i>	<i>9.1</i>	
Over/Under		-1.3	-5.8	0.4	0.9	--	--	-6.6	
Ember Infrastructure Partners	24,394,856	9.2	-2.3	--	--	--	--	-10.6	Sep-21
<i>CPI+5% 1 Qtr Lagged</i>		<i>2.1</i>	<i>8.9</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>11.2</i>	
Over/Under		7.1	-11.2	--	--	--	--	-21.8	
Pantheon Global Infra Fund IV	56,265,209	0.2	7.3	--	--	--	--	4.9	Mar-22
<i>CPI+5% 1 Qtr Lagged</i>		<i>2.1</i>	<i>8.9</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>11.0</i>	
Over/Under		-1.9	-1.6	--	--	--	--	-6.1	



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Equity- Fund of Funds	2,046,961,406	-0.9	0.0	16.1	14.8	15.0	12.9	14.9	Jul-90
<i>SURS PE Blend</i>		-2.9	21.7	8.8	8.8	12.3	12.7	13.0	
Over/Under		2.0	-21.7	7.3	6.0	2.7	0.2	1.9	
Pantheon Ventures	4,781,678								
Pantheon 2014 Global Fund	131,050,666	-0.3	5.2	17.3	14.5	14.1	--	10.4	Feb-15
<i>SURS PE Blend</i>		-2.9	21.7	8.8	8.8	12.3	--	11.6	
Over/Under		2.6	-16.5	8.5	5.7	1.8	--	-1.2	
Pantheon Europe VI	7,083,204								
Pantheon Europe VII	19,260,565	3.8	1.7	10.8	13.6	16.0	11.6	10.9	Jan-13
<i>SURS PE Blend</i>		-2.9	21.7	8.8	8.8	12.3	12.7	13.7	
Over/Under		6.7	-20.0	2.0	4.8	3.7	-1.1	-2.8	
Pantheon USA IX	58,209,531	0.0	-3.6	14.6	18.8	19.1	16.2	15.4	Jan-13
<i>SURS PE Blend</i>		-2.9	21.7	8.8	8.8	12.3	12.7	13.7	
Over/Under		2.9	-25.3	5.8	10.0	6.8	3.5	1.7	
Pantheon USA VIII	29,157,374								
Fairview Capital	95,448,000	-1.4	-12.5	12.0	14.4	13.7	--	5.8	Apr-14
<i>SURS PE Blend</i>		-2.9	21.7	8.8	8.8	12.3	--	11.9	
Over/Under		1.5	-34.2	3.2	5.6	1.4	--	-6.1	
Fairview Lincoln Fund Series B	38,050,919	-0.7	-8.6	--	--	--	--	4.0	Mar-21
<i>SURS PE Blend</i>		-2.9	21.7	--	--	--	--	5.5	
Over/Under		2.2	-30.3	--	--	--	--	-1.5	



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
M2-EM PE Fund	123,744,754	1.1	2.9	22.5	20.7	13.8	--	13.3	Oct-16
<i>SURS PE Blend</i>		-2.9	21.7	8.8	8.8	12.3	--	12.6	
Over/Under		4.0	-18.8	13.7	11.9	1.5	--	0.7	
Adams Street 2008	31,762,051								
Adams Street 2009	46,277,468								
Adams Street 2012	60,592,496	-3.5	-5.3	10.6	12.6	13.7	12.0	9.2	Apr-12
<i>SURS PE Blend</i>		-2.9	21.7	8.8	8.8	12.3	12.7	14.4	
Over/Under		-0.6	-27.0	1.8	3.8	1.4	-0.7	-5.2	
Adams Street 2013	95,557,437	-4.1	-6.3	11.2	12.0	13.7	11.2	9.4	Mar-13
<i>SURS PE Blend</i>		-2.9	21.7	8.8	8.8	12.3	12.7	14.0	
Over/Under		-1.2	-28.0	2.4	3.2	1.4	-1.5	-4.6	
Adams Street 2014	109,937,470	-2.5	-4.0	13.1	13.9	14.8	--	12.0	May-14
<i>SURS PE Blend</i>		-2.9	21.7	8.8	8.8	12.3	--	12.3	
Over/Under		0.4	-25.7	4.3	5.1	2.5	--	-0.3	
Adams Street 2015 Global Fund	151,152,282	-3.7	-2.7	16.4	16.4	18.6	--	23.1	Sep-15
<i>SURS PE Blend</i>		-2.9	21.7	8.8	8.8	12.3	--	11.4	
Over/Under		-0.8	-24.4	7.6	7.6	6.3	--	11.7	
Adams Street 2016 Global Fund	182,556,665	0.0	3.3	20.5	16.9	20.4	--	20.2	Dec-16
<i>SURS PE Blend</i>		-2.9	21.7	8.8	8.8	12.3	--	12.2	
Over/Under		2.9	-18.4	11.7	8.1	8.1	--	8.0	
Adams Street 2017 Global Fund	114,028,121								
Adams Street 2018 Global	102,282,217								



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Adams Street Secondary Fund 5	5,434,573	-0.1	-7.7	4.2	3.9	5.9	5.0	4.1	Oct-12
<i>SURS PE Blend</i>		-2.9	21.7	8.8	8.8	12.3	12.7	14.1	
Over/Under		2.8	-29.4	-4.6	-4.9	-6.4	-7.7	-10.0	
Pantheon Multi-Strategy 2017	93,079,209								
Mesirow Private Equity	298,419,277								
Mesirow Co-Inv	67,671,058								
Pantheon Access 2018	171,740,414								
Fairview Lincoln Fund Series C	1								



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Equity- Direct (Aksia)	1,051,705,781	2.4	12.6	17.0	--	--	--	9.7	Dec-19
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	8.9	--	--	--	9.9	
Over/Under		5.3	-9.4	8.1	--	--	--	-0.2	
Cortec Group Fund VII	30,650,581	0.2	21.6	25.3	--	--	--	21.7	Dec-19
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	8.9	--	--	--	9.9	
Over/Under		3.1	-0.4	16.4	--	--	--	11.8	
Oceansound Partners Fund	33,255,511	19.8	48.5	21.6	--	--	--	17.0	Feb-20
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	8.9	--	--	--	8.9	
Over/Under		22.7	26.5	12.7	--	--	--	8.1	
Harvest Partners VIII	78,433,386	0.1	6.1	17.6	--	--	--	13.5	Dec-19
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	8.9	--	--	--	9.9	
Over/Under		3.0	-15.9	8.7	--	--	--	3.6	
Bregal Sagemount III	45,452,667	1.1	13.9	0.5	--	--	--	-17.6	Jan-20
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	8.9	--	--	--	9.5	
Over/Under		4.0	-8.1	-8.4	--	--	--	-27.1	
Reverence Capital II (TC)	68,697,649	0.7	15.9	31.2	--	--	--	26.6	Mar-20
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	8.9	--	--	--	8.4	
Over/Under		3.6	-6.1	22.3	--	--	--	18.2	
Clearlake Capital Partners VI	44,938,553	1.8	9.7	22.8	--	--	--	18.7	May-20
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	8.9	--	--	--	8.1	
Over/Under		4.7	-12.3	13.9	--	--	--	10.6	



Illinois State Universities Retirement System

Asset Allocation & Performance | As of December 31, 2023

	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
HG Capital Genesis 9 (TC)	13,687,853	1.1	18.1	--	--	--	--	17.8	Mar-21
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	--	--	--	--	5.6	
Over/Under		4.0	-3.9	--	--	--	--	12.2	
HG Capital Saturn Fund 2	34,541,852	-4.5	16.8	17.9	--	--	--	70.5	Aug-20
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	8.9	--	--	--	12.9	
Over/Under		-1.6	-5.2	9.0	--	--	--	57.6	
HG Capital Saturn Fund 3	10,890,367								
Rubicon Tech Partners 3	32,667,053	2.1	2.8	5.9	--	--	--	1.1	Jul-20
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	8.9	--	--	--	16.0	
Over/Under		5.0	-19.2	-3.0	--	--	--	-14.9	
Torrey Cove Co-Investment Fund	219,894,271	2.5	7.1	16.1	--	--	--	14.3	Sep-20
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	8.9	--	--	--	11.7	
Over/Under		5.4	-14.9	7.2	--	--	--	2.6	
MBK Partners Fund V (TC)	40,829,210	-0.7	62.7	--	--	--	--	24.1	Mar-21
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	--	--	--	--	5.6	
Over/Under		2.2	40.7	--	--	--	--	18.5	
Altaris Health PTR V	18,918,974	4.7	15.6	--	--	--	--	6.7	Apr-21
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	--	--	--	--	3.9	
Over/Under		7.6	-6.4	--	--	--	--	2.8	
Avance Inv Partners	12,192,068	0.0	7.1	--	--	--	--	6.1	Jul-21
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	--	--	--	--	0.3	
Over/Under		2.9	-14.9	--	--	--	--	5.8	



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Asset Allocation & Performance | As of December 31, 2023

	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Base 10 Adv Initiative FD	19,661,143	-0.7	-11.8	--	--	--	--	-5.6	Apr-21
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	--	--	--	--	3.9	
Over/Under		2.2	-33.8	--	--	--	--	-9.5	
GGV Capital VIII	15,041,987	-1.6	-3.3	--	--	--	--	-2.9	Apr-21
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	--	--	--	--	3.9	
Over/Under		1.3	-25.3	--	--	--	--	-6.8	
GGV Discovery III	6,956,887	-0.2	3.4	--	--	--	--	16.0	Apr-21
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	--	--	--	--	3.9	
Over/Under		2.7	-18.6	--	--	--	--	12.1	
Oak HC-FT Partners V-A	6,282,549								
Oak HC-FT Partners IV	27,194,778	9.0	14.2	--	--	--	--	4.1	Apr-21
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	--	--	--	--	3.9	
Over/Under		11.9	-7.8	--	--	--	--	0.2	
Stellex Capital Partners II	17,741,753	2.2	7.1	--	--	--	--	-2.2	Apr-21
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	--	--	--	--	3.9	
Over/Under		5.1	-14.9	--	--	--	--	-6.1	
Thoma Bravo Fund XIV	48,329,664	2.8	26.3	--	--	--	--	2.7	Apr-21
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	--	--	--	--	3.9	
Over/Under		5.7	4.3	--	--	--	--	-1.2	
GGV Capital VIII Plus	2,577,699								
One Rock Capital III	41,224,498	13.2	37.4	--	--	--	--	23.6	Jun-21
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		-2.9	22.0	--	--	--	--	3.1	
Over/Under		16.1	15.4	--	--	--	--	20.5	



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	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Nautic Partners X	10,971,029	8.0	18.0	--	--	--	--	2.8	Jan-22
<i>MSCI ACWI IMI +2% 1 Qtr Lag</i>		<i>-2.9</i>	<i>22.0</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-0.7</i>	
Over/Under		10.9	-4.0	--	--	--	--	3.5	
Orchid Asia VIII	6,378,961								
One Equity Partners VIII	29,173,293								
Base 10 Partners III (TC)	5,573,251								
Clearlake Capital Partners VII	30,151,847								
Thoma Bravo Fund XV	18,565,537								
Inflexion Buyout Fund VI	5,281,394								
Bregal Sagemount IV	2,885,354								
Harvest Partners IX	13,959,387								
HG Capital Genesis 10	2,523,474								
Advent Int'l GPE X	8,266,148								
Rubicon Tech Partners IV Fund	5,044,890								
Great Hill Equity Partners VIII	3,949,607								
Thoma Bravo Discover Fund IV-A	14,723,058								
Base 10 Adv Initiative II	3,549,399								
Cortec Group Fund VIII	3,590,543								
OceanSound Partners Fund II	9,570,789								



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Asset Allocation & Performance | As of December 31, 2023

	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Greenbriar Equity Fund VI	3,004,049								
Nordic Capital Fund XI	4,059,171								
PAI Partners VII	423,648								



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Asset Allocation & Performance | As of December 31, 2023

	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Inflation Sensitive	1,102,515,141	4.7	3.9	-1.0	2.8	2.2	2.2	2.0	Jul-13
<i>SURS Inflation Sensitive Blend</i>		4.7	3.9	-1.0	2.8	1.7	1.9	1.6	
Over/Under		0.0	0.0	0.0	0.0	0.5	0.3	0.4	
TIPS	1,102,515,141	4.7	3.9	-1.0	3.1	2.5	2.3	3.8	Jan-04
<i>Blmbg. U.S. TIPS</i>		4.7	3.9	-1.0	3.2	2.5	2.4	3.6	
Over/Under		0.0	0.0	0.0	-0.1	0.0	-0.1	0.2	
Rhumblin TIPS	1,102,515,141	4.7	3.9	-1.0	3.1	--	--	2.3	Jun-17
<i>Blmbg. U.S. TIPS</i>		4.7	3.9	-1.0	3.2	--	--	2.4	
Over/Under		0.0	0.0	0.0	-0.1	--	--	-0.1	



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Asset Allocation & Performance | As of December 31, 2023

	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Principal Protection	2,273,034,097	5.8	4.8	-1.9	1.4	1.5	2.0	1.9	Jul-13
<i>BC US Int Ag x Credit Blend</i>		5.5	4.7	-2.3	1.3	1.4	1.9	1.9	
Over/Under		0.3	0.1	0.4	0.1	0.1	0.1	0.0	
Garcia Hamilton	566,956,836	7.4	4.9	-1.3	--	--	--	0.1	Oct-19
<i>BC US Int Ag x Credit Blend</i>		5.5	4.7	-2.3	--	--	--	-0.4	
Over/Under		1.9	0.2	1.0	--	--	--	0.5	
Pugh Capital	569,385,740	5.6	4.9	-2.2	--	--	--	-0.5	Oct-19
<i>BC US Int Ag x Credit Blend</i>		5.5	4.7	-2.3	--	--	--	-0.4	
Over/Under		0.1	0.2	0.1	--	--	--	-0.1	
LM Capital	568,465,864	4.8	4.7	-2.0	--	--	--	-0.2	Oct-19
<i>BC US Int Ag x Credit Blend</i>		5.5	4.7	-2.3	--	--	--	-0.4	
Over/Under		-0.7	0.0	0.3	--	--	--	0.2	
Ramirez	568,225,657	5.4	4.8	-2.1	--	--	--	-0.3	Oct-19
<i>BC US Int Ag x Credit Blend</i>		5.5	4.7	-2.3	--	--	--	-0.4	
Over/Under		-0.1	0.1	0.2	--	--	--	0.1	



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Asset Allocation & Performance | As of December 31, 2023

	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Crisis Risk Offset	3,565,406,529	-3.7	-2.8	2.3	--	--	--	2.3	Dec-19
<i>SURS CRO Blend</i>		-0.5	-4.8	2.9	--	--	--	3.7	
Over/Under		-3.2	2.0	-0.6	--	--	--	-1.4	
Long Duration	429,555,718	12.7	3.1	-11.2	--	--	--	-5.0	Jan-20
<i>BBgBarc US Govt Long TR</i>		12.7	3.1	-11.3	--	--	--	-4.9	
Over/Under		0.0	0.0	0.1	--	--	--	-0.1	
Rhumblin Long Duration	429,555,718	12.7	3.1	-11.2	--	--	--	-5.0	Jan-20
<i>BBgBarc US Govt Long TR</i>		12.7	3.1	-11.3	--	--	--	-4.9	
Over/Under		0.0	0.0	0.1	--	--	--	-0.1	
Systematic Trend Following	1,998,623,072	-8.0	-6.7	8.8	--	--	--	6.4	Dec-19
<i>CS Mgd Futures 15% Vol</i>		-3.5	-10.7	10.0	--	--	--	7.5	
Over/Under		-4.5	4.0	-1.2	--	--	--	-1.1	
Credit Suisse Asset Mgmt	520,674,675	-2.8	-10.0	12.1	--	--	--	10.1	Jan-20
<i>CS Mgd Futures 15% Vol</i>		-3.5	-10.7	10.0	--	--	--	7.9	
Over/Under		0.7	0.7	2.1	--	--	--	2.2	
Campbell & Company	487,724,387	-10.4	-7.5	10.9	--	--	--	7.4	Dec-19
<i>CS Mgd Futures 15% Vol</i>		-3.5	-10.7	10.0	--	--	--	7.5	
Over/Under		-6.9	3.2	0.9	--	--	--	-0.1	
Aspect Capital	555,505,279	-5.0	-1.0	13.0	--	--	--	9.5	Dec-19
<i>CS Mgd Futures 15% Vol</i>		-3.5	-10.7	10.0	--	--	--	7.5	
Over/Under		-1.5	9.7	3.0	--	--	--	2.0	



Illinois State Universities Retirement System

Asset Allocation & Performance | As of December 31, 2023

	Market Value (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Longtail Alpha	434,718,731	-14.5	-8.6	-1.6	--	--	--	-0.9	Jan-20
<i>CS Mgd Futures 15% Vol</i>		-3.5	-10.7	10.0	--	--	--	7.9	
Over/Under		-11.0	2.1	-11.6	--	--	--	-8.8	
Alternative Risk Premia	754,478,197	1.2	11.8	6.5	--	--	--	3.2	Dec-19
<i>90 Day T-Bills +2%</i>		1.9	7.4	4.5	--	--	--	4.0	
Over/Under		-0.7	4.4	2.0	--	--	--	-0.8	
PIMCO Commodity Alpha Fund	196,271,183	5.8	24.0	15.4	12.6	11.3	--	12.1	Jun-16
<i>PIMCO Commodity Alpha Fund Benchmark</i>		1.9	7.4	4.5	1.9	-0.1	--	0.3	
Over/Under		3.9	16.6	10.9	10.7	11.4	--	11.8	
Versor	257,786,907	-1.6	5.1	3.3	--	--	--	-3.8	Dec-19
<i>90 Day T-Bills +2%</i>		1.9	7.4	4.5	--	--	--	4.0	
Over/Under		-3.5	-2.3	-1.2	--	--	--	-7.8	
PIMCO Alternative Risk	300,420,107	0.8	11.5	9.6	--	--	--	8.5	May-20
<i>90 Day T-Bills +2%</i>		1.9	7.4	4.5	--	--	--	4.1	
Over/Under		-1.1	4.1	5.1	--	--	--	4.4	
Long Volatility	362,980,987	-0.8	-2.1	--	--	--	--	-2.7	Jul-22
<i>CBOE EurekaHedge Long Volatility Hedge Fund Index</i>		-3.7	-7.2	--	--	--	--	-4.9	
Over/Under		2.9	5.1	--	--	--	--	2.2	
One River	362,980,987	-0.8	-2.1	--	--	--	--	-2.7	Jul-22
<i>CBOE EurekaHedge Long Volatility Hedge Fund Index</i>		-3.7	-7.2	--	--	--	--	-4.9	
Over/Under		2.9	5.1	--	--	--	--	2.2	
Tail Risk	19,768,556								
LongTail Tail Risk	19,768,556								



Illinois State Universities Retirement System

Overlay Performance Detail¹ | As of December 31, 2023

Asset Class	Overlay Exposure (\$)
Traditional Growth	74,791,397
Non-Traditional Growth	0
Principal Protection	157,415,562
Stabilized Growth	0
Inflation Sensitive	0
Crisis Risk Offset	0
Net Exposure	232,206,959

Overlay Performance	Incremental Gain/Loss (\$)(Gross)	Return as a % of Total Fund (Gross)
Quarter	22,030,149	0.10
Since Inception ²	190,449,584	0.11

Index	QTD	YTD	1 Year
S&P 500	11.69%	26.29%	26.29%
MSCI EAFE	10.47%	18.85%	18.85%
Bloomberg Agg.	6.82%	5.53%	5.53%
Bloomberg Commodity Index	-4.63%	-7.91%	-7.91%

¹ Data on this page provided by PARAMETRIC

² Inception Date: September 2014

Private Markets



Illinois State Universities Retirement System

Infrastructure & Real Estate Internal Rates of Return Trailing Periods¹ | As of September 30, 2023

Infrastructure Investments			
Investment Name	3 YR (%)	5 YR (%)	Since Inception (%)
Liquidated			
Macquarie Infrastructure Partners II	21.77	16.72	8.97
Mature			
Alinda Infrastructure II, L.P.	-10.99	-6.99	0.01
Maturing (5-9 Years)			
Macquarie Infrastructure Partners III	29.71	22.08	17.73
Macquarie Infrastructure Partners IV	11.24	11.05	10.63

Real Estate Investments				
Investment Name	3 YR (%)	5 YR (%)	10YR (%)	Since Inception (%)
Liquidated				
RREEF America REIT II	--	--	--	2.97
Mature (10+ Years)				
Dune Real Estate Fund II	7.15	-0.08	10.43	14.28
UBS Trumbull Property Fund	1.59	0.15	6.73	6.23
RREEF America REIT III	0.00	0.00	17.95	-3.78
Franklin Templeton EMREFF	-30.46	-18.13	12.72	12.25
Maturing (5-9 Years)				
Dune Real Estate Fund III	5.79	-1.10	6.08	5.88
Franklin Templeton Private Real Estate Fund	-2.92	8.04	23.48	20.30
Heitman America Real Estate Trust, L.P.	8.54	4.90	--	7.08
JP Morgan Strategic Property Fund	5.24	3.93	--	6.32
MFIRE Global Partnership Fund II, L.P.	0.44	-0.72	6.37	6.33
Franklin Templeton MDP RE 2015, L.P.	15.38	5.80	--	4.61
Blue Vista Real Estate Partners IV	16.64	12.48	--	10.41
Brookfield Real Estate Partners II	16.31	12.92	--	12.35
Crow Holdings Realty Partners VII	11.88	8.80	--	10.87
Crow Holdings VIII	42.67	23.71	--	23.02
Brookfield Strategic Real Estate Partners III	14.69	--	--	11.43
Carlyle Property Investors	9.86	8.84	--	8.84
BIG Real Estate Fund I	9.11	8.84	--	9.20
Oaktree Real Estate Debt Fund II	1.99	2.53	--	3.70

¹ Performance data provided by Northern Trust.



Illinois State Universities Retirement System

Real Estate Tracking Schedule¹ | As of September 30, 2023

Investment Name	Vintage Year	Capital Commitment (\$)	Draw Down (\$)	Distributed (\$)	Market Value (\$)	TVPI Multiple	ITD IRR (%)
Liquidated							
RREEF America REIT II	2005	160,106,290	160,106,291	188,512,381	--	1.2	3.0
Mature (10+ Years)							
RREEF America REIT III	2006	30,719,155	30,719,155	22,215,109	6,688	0.7	-3.8
UBS Trumbull Property Fund	2006	220,000,000	247,509,603	363,769,821	89,272,687	1.8	6.2
Dune Real Estate Fund II	2009	40,000,000	46,650,688	73,152,806	6,514,813	1.7	14.3
Franklin Templeton EMREFF	2011	75,000,000	67,423,459	95,431,548	1,066,392	1.4	12.3
Maturing (5-9 Years)							
Franklin Templeton Private Real Estate Fund	2012	50,000,000	45,649,286	67,010,341	422,378	1.5	20.3
MFIRE Global Partnership Fund II, L.P.	2012	60,000,000	39,300,000	43,478,439	13,170,117	1.4	6.3
Dune Real Estate Fund III	2013	100,000,000	102,132,261	73,759,307	66,027,656	1.4	5.9
Heitman America Real Estate Trust, L.P.	2014	150,000,000	164,478,116	15,283,359	277,233,013	1.8	7.1
JP Morgan Strategic Property Fund	2014	150,000,000	150,000,000	5,381	265,712,418	1.8	6.3
Franklin Templeton MDP RE 2015, L.P.	2015	90,000,000	77,764,553	24,777,862	67,449,148	1.2	4.6
Blue Vista Real Estate Partners IV	2016	35,000,000	35,000,000	41,026,721	11,128,548	1.5	10.4
Brookfield Strategic Real Estate Partners II	2016	35,000,000	26,417,372	28,365,723	22,039,000	1.9	12.4
Crow Holdings Realty Partners VII	2016	35,000,000	35,003,517	46,512,700	1,096,617	1.4	10.9
Oaktree Real Estate Debt Fund II	2017	30,000,000	19,922,393	13,310,316	8,853,151	1.1	3.7
BIG Real Estate Fund I	2018	30,000,000	25,527,010	14,226,874	20,064,309	1.3	9.2
Carlyle Property Investors, L.P.	2018	200,000,000	221,610,725	21,808,966	258,919,850	1.3	8.8
Crow Holdings VIII	2018	20,000,000	19,390,567	29,211,307	708,659	1.5	23.0
Immature (Less than 5 Years)							
Blackstone Property Partners L.P.	2019	200,000,000	200,084,987	84,987	241,205,719	1.2	4.5
Blackstone Real Estate Partners Europe VI	2019	79,406,253	60,933,238	16,857,327	56,067,925	1.3	14.0
Brookfield Strategic Real Estate Partners III	2019	35,000,000	26,852,611	--	37,904,406	1.4	11.4
Dune Real Estate Fund IV	2019	50,000,000	39,136,740	1,800,185	41,750,373	1.1	5.3
Long Wharf Real Estate VI	2019	40,000,000	40,000,797	21,645,193	27,286,276	1.2	18.0

¹ Performance data provided by Northern Trust.



Illinois State Universities Retirement System

Real Estate Tracking Schedule¹ | As of September 30, 2023

Investment Name	Vintage Year	Capital Commitment (\$)	Draw Down (\$)	Distributed (\$)	Market Value (\$)	TVPI Multiple	ITD IRR (%)
Immature (Less than 5 Years)							
Cabot Industrial Fund VI	2020	50,000,000	38,755,970	--	49,677,268	1.3	14.8
Prologis Targeted US Logistics Holdings, L.P.	2020	100,000,000	100,000,000	11,088	165,634,198	1.7	18.6
Westbrook Realty Management XI	2020	75,000,000	51,952,475	14,919,904	45,020,398	1.2	16.0
Homestead Capital USA Farmland Fund III	2020	60,000,000	57,103,561	1,259,210	62,248,100	1.1	6.7
Big Real Estate Fund II, L.P.	2021	48,800,000	27,675,781	4,403,238	25,112,056	1.1	5.6
Brasa Real Estate Fund II, L.P.	2021	40,000,000	22,222,123	--	22,742,371	1.0	1.8
Crow Holdings Realty Partners IX, L.P.	2021	50,000,000	46,330,009	13,839,133	40,797,281	1.2	12.9
Longpoint Realty Fund II, L.P.	2021	50,000,000	45,000,000	373,413	47,232,145	1.1	5.0
Newport Capital Partners Fund III, L.P.	2021	6,055,556	12,489,607	7,529,223	5,745,822	1.1	13.2
Torchlight Debt Fund VII, L.P.	2021	50,000,000	25,000,000	157,250	26,285,244	1.1	3.3
Blackstone Real Estate Partners Asia III	2022	50,000,000	8,148,781	--	6,237,358	0.8	-25.3
Brookfield Strategic Real Estate Partners IV	2022	75,000,000	43,288,025	--	46,433,952	1.1	11.2
CF Clarion Lion Properties Fund	2022	225,000,000	226,493,938	5,459,028	190,725,255	0.9	-15.4
GI Partners ETS Fund, L.P.	2022	75,000,000	63,192,684	--	66,199,184	1.1	6.3
Long Wharf Real Estate Partners VII, L.P.	2023	24,800,000	2,934,106	--	2,431,654	0.8	-22.9
Torchlight Debt Fund VIII, L.P.	2023	50,000,000	6,250,000	--	5,747,369	0.9	-12.1

¹ Performance data provided by Northern Trust.



Illinois State Universities Retirement System

Infrastructure Tracking Schedule¹ | As of December 31, 2023

Investment Name	Vintage Year	Commitment Amount (\$)	Draw Down (\$)	Distributed (\$)	Market Value (\$)	TVPI Multiple	IRR (%)
Liquidated							
Macquarie Infrastructure Partners II	2010	40,000,000	48,263,681	77,498,177	--	1.6	9.0
Mature (10+ Years)							
Alinda Infrastructure II, L.P.	2009	40,000,000	43,098,403	42,971,523	164,812	1.0	0.0
Maturing (5-9 Years)							
Macquarie Infrastructure Partners III	2014	50,000,000	44,300,470	56,458,103	51,287,070	2.4	17.7
Macquarie Infrastructure Partners IV	2018	50,000,000	46,085,644	6,986,729	61,719,912	1.5	10.6
Immature (Less than 5 Years)							
Global Renewable Power III	2021	100,000,000	60,837,186	203,279	70,282,957	1.2	12.4
Ember Infrastructure	2021	34,107,954	20,540,389	80,816	20,327,731	1.0	-0.7
PGIF IV Feeder, L.P.	2022	100,000,000	38,983,149	1,432,816	38,917,824	1.0	6.3
IFM Global Infrastructure, L.P.	2023	100,000,000	100,000,000	--	106,067,481	1.1	6.1

¹ Information provided by Northern Trust.



Illinois State Universities Retirement System

Private Equity Tracking Schedule – Grouped by Manager¹ | As of September 30, 2023

Investment Name	Vintage Year	Capital Commitment (\$)	Draw Down (\$)	Distributed (\$)	Market Value (\$)	TVPI Multiple	ITD IRR (%)
Liquidated							
Adams Street Venture Partnership Acq. Fund II LP	1990	10,000,000	10,000,000	20,658,228	-	2.1	28.1
Muller & Monroe - ILPEFF	2005	25,000,000	21,006,042	18,387,253	-	0.9	-2.5
Private Opportunity Fund	2004	25,000,000	25,000,000	25,050,000	-	1.0	0.0
Mature (10+ Years)							
Adams Street 2007 Global Opportunities Portfolio	2007	100,000,000	91,713,646	148,413,988	1,684,372	1.6	8.1
Adams Street 2008 Global Offering	2008	100,000,000	92,903,014	174,659,375	33,244,022	2.2	14.1
Adams Street 2009 Global Offering	2009	100,000,000	91,572,000	153,862,086	48,057,364	2.2	13.8
Adams Street 2012 Global Fund LP	2012	80,000,000	74,313,968	90,562,763	62,252,018	2.1	13.4
Adams Street Global Opportunities Secondary Fund	2009	25,000,000	22,125,000	36,920,455	265,140	1.7	11.6
Adams Street Global Secondary Fund 5 LP	2012	20,000,000	15,422,938	15,593,956	5,434,573	1.4	6.4
Adams Street Separate Account	1990	901,378,251	885,283,081	1,688,539,410	1,609,824	1.9	28.2
Brinson Non-US Partnership Fund - 1998	1998	79,405,010	76,288,292	130,110,137	2,260,262	1.7	11.6
Muller & Monroe - MPEFF	2003	25,000,000	24,199,726	36,082,976	1	1.5	8.3
Pantheon Europe Fund III LP	2004	87,608,642	83,724,747	151,127,511	1,974,529	1.8	14.6
Pantheon Europe Fund VI LP	2008	39,185,632	37,383,764	59,451,228	7,066,963	1.8	10.1
Pantheon Europe Fund VII LP	2011	36,770,768	33,504,285	46,369,317	18,460,257	1.9	12.7
Pantheon Global Secondary Fund II Ltd	2004	25,000,000	23,750,000	27,354,925	361,512	1.2	3.5
Pantheon USA Fund IX LP	2013	85,444,334	79,231,932	132,183,500	58,032,109	2.4	16.6
Pantheon Separate Account (SURS) LP	2002	599,121,922	570,856,142	956,996,817	5,460,017	1.7	10.2
Pantheon USA Fund VIII LP	2007	103,188,193	96,386,915	178,968,990	30,227,814	2.2	12.8
Progress Venture Capital	1995	19,899,949	19,900,608	17,344,285	275,413	0.9	-2.3

¹ Information provided by Northern Trust. Nominal IRR reported for funds with less than 1 year of data.



Illinois State Universities Retirement System

Private Equity Tracking Schedule – Grouped by Manager¹ | As of September 30, 2023

Investment Name	Vintage Year	Capital Commitment (\$)	Draw Down (\$)	Distributed (\$)	Market Value (\$)	TVPI Multiple	ITD IRR (%)
Maturing (5-9 Years)							
Adams Street 2013 Global Fund LP	2013	100,000,000	92,426,324	95,628,358	98,087,973	2.1	13.6
Adams Street 2014 Global Fund LP	2014	100,000,000	92,180,699	87,933,379	112,772,294	2.2	15.4
Adams Street 2015 Global Fund LP	2015	125,000,000	110,288,965	91,199,850	154,015,070	2.2	21.5
Adams Street 2016 Global Fund LP	2016	150,000,000	133,225,453	66,875,622	180,668,018	1.9	18.5
Adams Street 2017 Global Fund LP	2017	90,000,000	71,890,233	20,372,431	117,922,559	1.9	19.8
Adams Street 2018 Global Fund LP	2018	90,000,000	69,490,251	11,585,629	102,282,217	1.6	20.6
Fairview Capital Lincoln Fund I LP	2014	175,000,000	101,929,446	37,104,627	132,172,863	1.7	13.0
Mesirow Financial Private Equity Fund VII-B LP	2017	40,000,000	39,747,031	43,343,902	69,271,058	2.8	34.6
Mesirow Financial Private Equity Special Fund B, LP	2018	280,000,000	216,760,000	--	306,819,277	1.4	14.2
Muller & Monroe - EPEFF	2016	100,000,000	98,763,074	67,548,983	125,707,675	2.0	21.0
Pantheon Multi-Strat 2014 LP	2014	125,000,000	109,014,358	62,187,500	132,318,925	1.8	14.7
Pantheon Multi-Strat 2017 LP	2017	90,000,000	70,183,643	17,750,517	94,536,219	1.6	18.6
Pantheon Multi-Strat 2018 LP	2018	180,000,000	130,324,011	5,040,000	167,503,131	1.3	13.3
Immature (Less than 5 Years)							
Advent International GPE X Limited Partners	2023	25,000,000	7,500,000	--	6,962,984	0.9	-16.4
Altaris Health Partners V	2021	25,000,000	15,240,050	--	18,918,974	1.2	15.9
Avance Investment Partners, LP	2022	25,000,000	11,295,355	184,652	12,067,082	1.1	6.4
Base10 Advancement Initiative I	2021	25,000,000	21,447,041	255,699	17,950,200	0.9	-7.6
Base10 Advancement Initiative II	2023	25,000,000	3,375,000	--	2,736,104	0.8	-18.9
Base10 Partners III	2022	20,000,000	5,961,344	--	5,104,851	0.9	-15.6
Bregal Sagemount III-B, LP	2020	50,000,000	42,919,650	5,553,529	45,452,667	1.2	11.3
Bregal Sagemount IV-B, LP	2022	25,000,000	3,660,366	--	2,885,354	0.8	-42.7
Clearlake Capital Partners VI	2020	30,000,000	28,843,605	1,711,643	45,608,340	1.6	23.7
Clearlake Capital Partners VII LP	2022	50,000,000	28,845,770	55,317	30,151,847	1.1	4.6
Cortec Group Fund VII LP	2019	35,000,000	30,601,437	18,490,495	30,650,581	1.6	24.9
Cortec Group Fund VIII LP	2023	35,000,000	4,683,206	--	4,035,609	0.9	-16.3

¹ Information provided by Northern Trust. Nominal IRR reported for funds with less than 1 year of data.



Illinois State Universities Retirement System

Private Equity Tracking Schedule – Grouped by Manager¹ | As of September 30, 2023

Investment Name	Vintage Year	Capital Commitment (\$)	Draw Down (\$)	Distributed (\$)	Market Value (\$)	TVPI Multiple	ITD IRR (%)
Immature (Less than 5 Years)							
GGV Capital VIII	2022	21,600,000	13,716,000	--	15,041,988	1.1	5.8
GGV Capital VIII Plus	2022	5,400,000	2,484,000	--	2,577,699	1.0	2.0
GGV Discovery III	2021	9,000,000	4,680,000	--	6,686,887	1.4	22.1
Great Hill Equity Partners VIII	2023	25,000,000	5,207,249	--	3,907,555	0.8	-35.4
Greenbriar Equity Fund VI	2023	22,500,000	3,266,717	--	3,004,049	0.9	-8.0
Harvest Partners IX, LP	2022	50,000,000	15,881,119	--	14,679,028	0.9	-13.6
Harvest Partners VIII, LP	2019	70,000,000	65,888,316	19,192,893	78,433,386	1.5	16.8
Hg Genesis 9A	2021	15,172,501	10,690,474	--	13,119,101	1.2	14.5
Hg Saturn 2A	2020	37,500,000	27,211,801	2,479,330	34,803,418	1.4	21.1
Inflexion Buyout Fund VI	2022	21,860,100	5,348,222	--	4,923,942	0.9	-18.0
MBK Partners Fund V	2021	50,000,000	28,835,579	--	40,829,210	1.4	31.0
Nautic Partners X, LP	2022	25,000,000	8,425,367	--	10,060,360	1.2	15.9
Nordic Capital XI Beta	2023	52,219,449	5,194,085	--	3,890,506	0.8	-25.1
Hg Saturn 3 A LP	2023	35,000,000	10,811,401	--	10,890,367	1.0	5.3
Hg Genesis 10 A LP	2023	12,066,600	2,300,531	--	2,418,619	1.1	27.0
Oak Hc/FT Partners IV	2021	25,000,000	21,398,918	--	26,658,600	1.3	13.3
Oak Hc/FT Partners V	2022	40,000,000	5,785,424	--	6,282,549	1.1	14.1
OceanSound Partners	2020	25,000,000	20,776,443	403,224	38,786,257	1.9	28.2
OceanSound Partners II	2023	25,000,000	10,023,088	--	9,570,789	1.0	-5.0
One Equity Partners VIII, LP	2022	25,000,000	22,713,107	306,747	29,041,042	1.3	30.5
One Rock Capital Partners III, LP	2021	35,000,000	26,914,221	49,744	41,244,253	1.5	33.9
Orchid Asia VIII, LP	2022	30,000,000	8,172,739	135,740	6,060,604	0.8	-27.4

¹ Information provided by Northern Trust. Nominal IRR reported for funds with less than 1 year of data.



Illinois State Universities Retirement System

Private Equity Tracking Schedule – Grouped by Manager¹ | As of September 30, 2023

Investment Name	Vintage Year	Capital Commitment (\$)	Draw Down (\$)	Distributed (\$)	Market Value (\$)	TVPI Multiple	ITD IRR (%)
Immature (Less than 5 Years)							
Reverence Capital Partners Opportunities Fund III	2020	50,000,000	40,568,003	7,424,425	73,247,602	2.0	29.1
Rubicon Technology Partners III LP	2020	32,500,000	29,242,106	--	32,926,271	1.1	5.7
Rubicon Technology Partners IV LP	2022	32,500,000	4,220,339	--	3,083,102	0.7	-29.2
Stellex Capital Partners II	2021	25,000,000	16,576,401	841,427	17,611,034	1.1	8.3
Thoma Bravo Discover Fund IV LP	2023	25,000,000	10,460,555	--	11,237,979	1.1	11.0
Thoma Bravo Fund XIV LP	2021	50,000,000	49,253,099	--	54,841,282	1.1	5.4
Thoma Bravo Fund XV LP	2022	25,000,000	16,969,879	--	17,841,165	1.1	5.6
Torreycove Co-Investment Fund I LP	2020	200,000,000	173,058,870	8,448,986	211,515,468	1.3	16.0
Total		5,599,321,351	4,581,236,464	4,780,741,851	3,118,482,174	1.7	20.0

¹ Information provided by Northern Trust. Nominal IRR reported for funds with less than 1 year of data.



Capital Markets Outlook & Risk Metrics
As of December 31, 2023

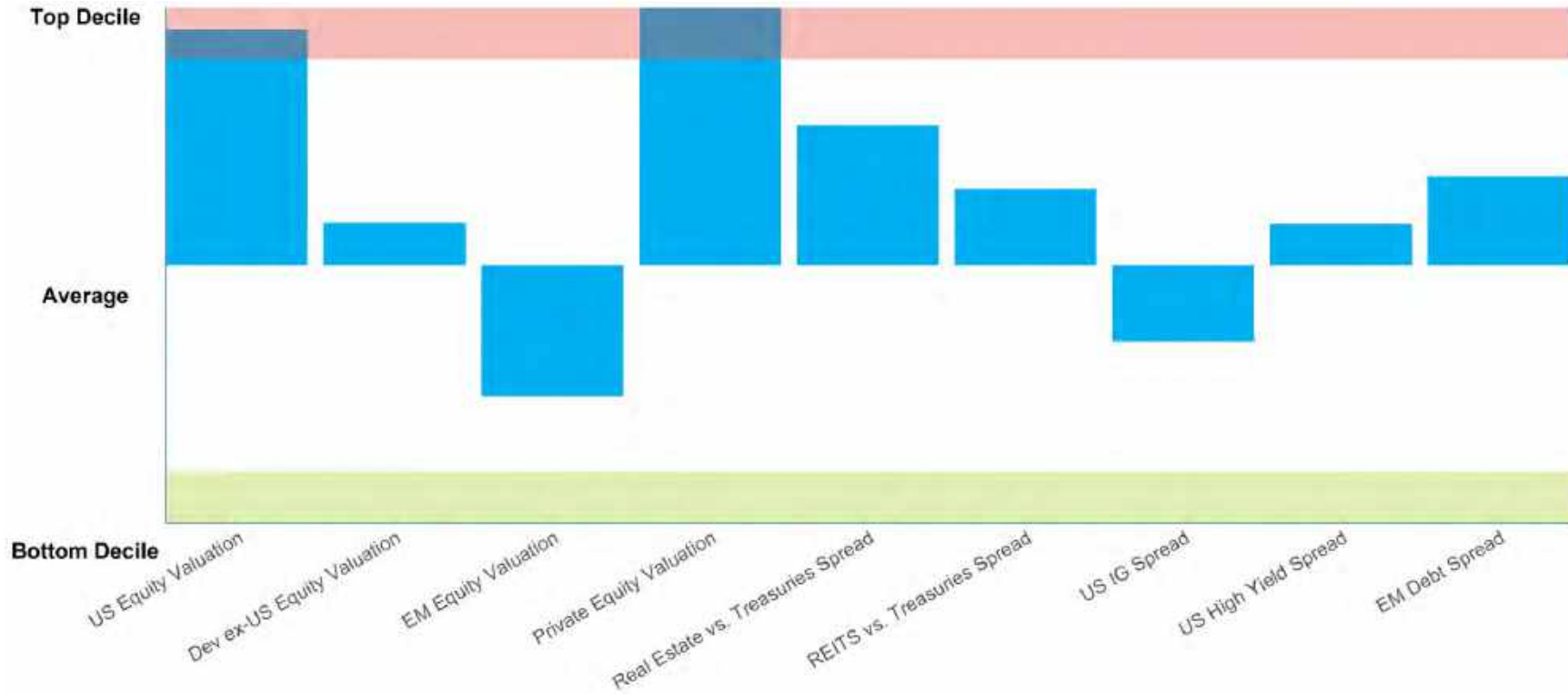
Capital Markets Outlook

- With the notable exception of China's markets, global bond and equity markets rallied at the end of the year, posting strong gains as inflation pressures eased and central banks appeared to be turning more dovish.
- Both the Russell 3000 and the MSCI EAFE gained 5.3% in December. For the year, the broad US market gained 26.0%
- Large cap growth stocks were the big winners for the year, with the Russell 1000 Growth index gaining 42.7%.
- US small cap stocks – both growth and value – posted double digit returns in December, and the Russell 2000 index finished up 16.9% for the year.
- Non-US developed equities benefitted from a slight currency tailwind in 2023, with the MSCI EAFE posting a one-year return of 18.2%.
- While positive, emerging market equities lagged developed markets in December and for the full year. The MSCI EM index returned 9.8% for the year, with Chinese stocks serving as a drag on performance. The MSCI Emerging Market ex-China index returned 20% for the full year.
- China's stock markets were one of very few markets that suffered losses for 2023. The MSCI China index returned -11.2% for the calendar year as investors' lack of confidence in the economy and CCP policies continued to weigh on asset prices.

Capital Markets Outlook

- The Fed's dovish communication at the December FOMC meeting helped to fuel a widespread rally in US bond markets, with the Bloomberg US Aggregate index returning 3.8% in December and finishing up 5.5% for the year. Long-duration government bonds capped a volatile year with an 8.6% gain in December, pushing them into positive territory for the year.
- Public credit finished a solid year, with both the high yield and bank loan indices posting gains of roughly 13%.
- REIT indices returned over 9% in December, leading to double-digit returns for the full year, while natural resource indices experienced more modest gains.
- Commodity indices were an outlier, with negative returns in December (-2.7%) and for 2023 (-7.9%).

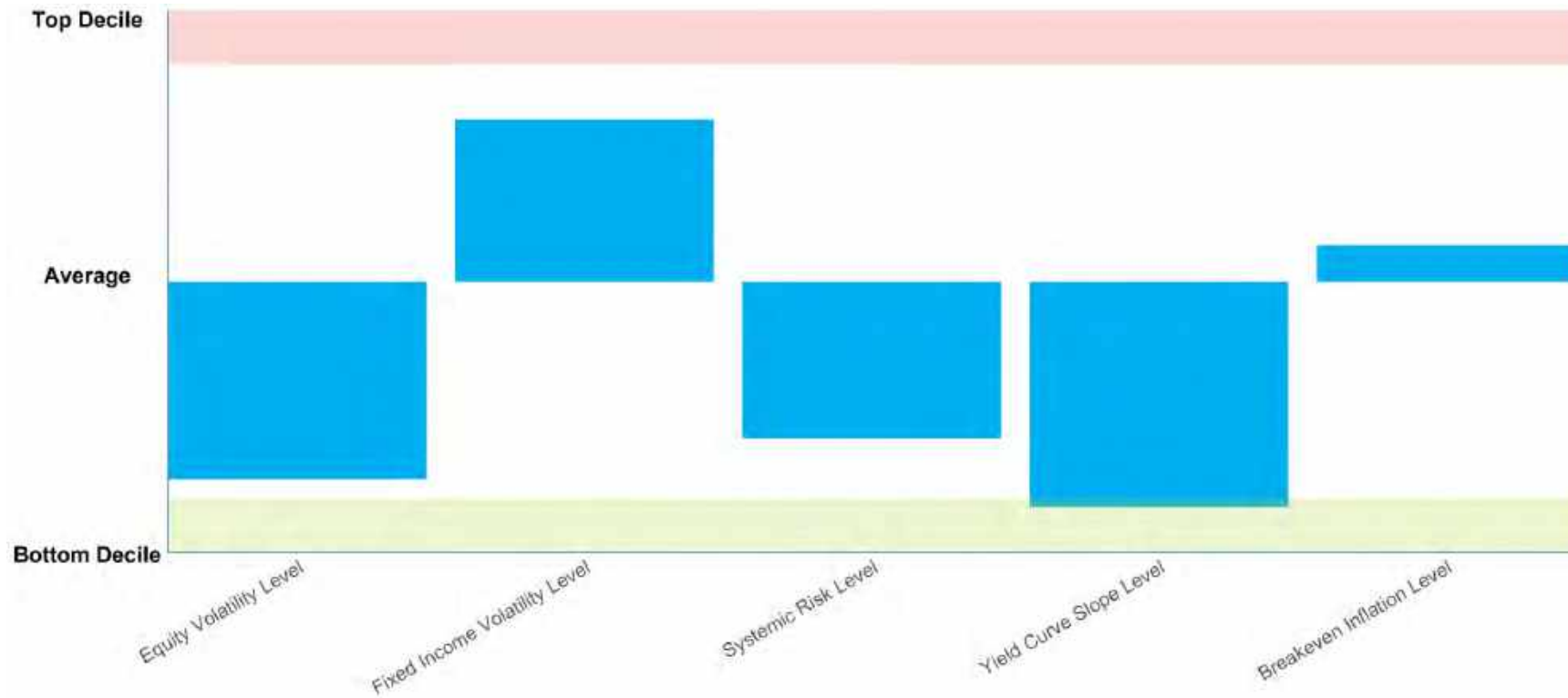
Risk Overview/Dashboard (1)
(As of December 31, 2023)¹



→ Dashboard (1) summarizes the current state of the different valuation metrics per asset class relative to their own history.

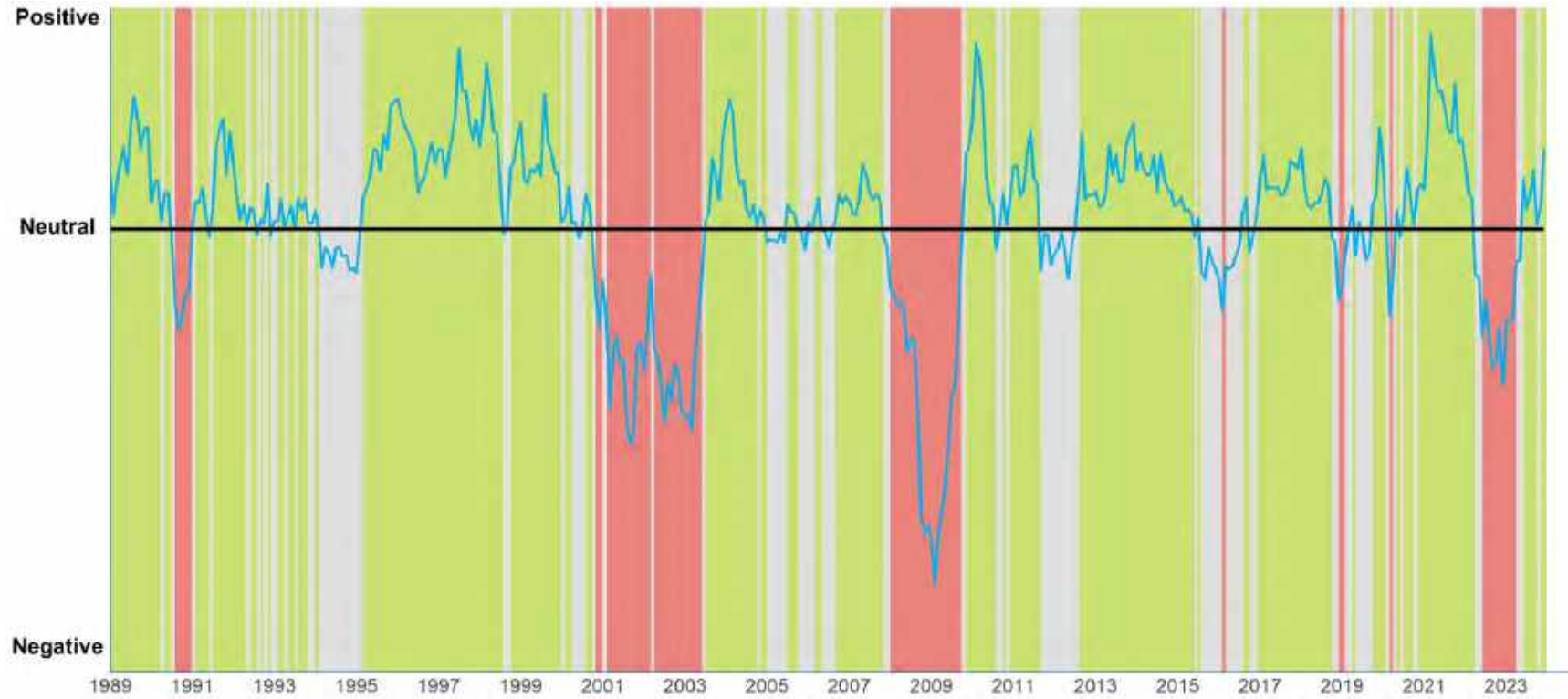
¹ With the exception of Private Equity Valuation, that is YTD as of December 31, 2022.

Risk Overview/Dashboard (2) (As of December 31, 2023)



→ Dashboard (2) shows how the current level of each indicator compares to its respective history.

Market Sentiment Indicator (All History)
(As of December 31, 2023)



Market Sentiment Indicator (Last Three Years)
(As of December 31, 2023)



US Equity Cyclically Adjusted P/E¹ (As of December 31, 2023)



→ This chart details one valuation metric for US equities. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group.

Small Cap P/E vs. Large Cap P/E¹ (As of December 31, 2023)



→ This chart compares the relative attractiveness of small cap US equities vs. large cap US equities on a valuation basis. A higher (lower) figure indicates that large cap (small cap) is more attractive.

¹ Small Cap P/E (Russell 2000 Index) vs. Large Cap P/E (Russell 1000 Index) - Source: Russell Investments and Bloomberg. Prior months unavailable on Bloomberg are backfilled with last reported earnings. Earnings figures represent 12-month "as reported" earnings.

Growth P/E vs. Value P/E¹ (As of December 31, 2023)



→ This chart compares the relative attractiveness of US growth equities vs. US value equities on a valuation basis. A higher (lower) figure indicates that value (growth) is more attractive.

¹ Growth P/E (Russell 3000 Growth Index) vs. Value (Russell 3000 Value Index) P/E - Source: Bloomberg, MSCI, and Meketa Investment Group. Earnings figures represent 12-month "as reported" earnings.

Developed International Equity Cyclically Adjusted P/E¹ (As of December 31, 2023)



→ This chart details one valuation metric for developed international equities. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

¹ Developed International Equity (MSCI EAFE Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years.

Emerging Market Equity Cyclically Adjusted P/E¹ (As of December 31, 2023)



→ This chart details one valuation metric for emerging markets equities. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

¹ Emerging Market Equity (MSCI Emerging Markets Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years.

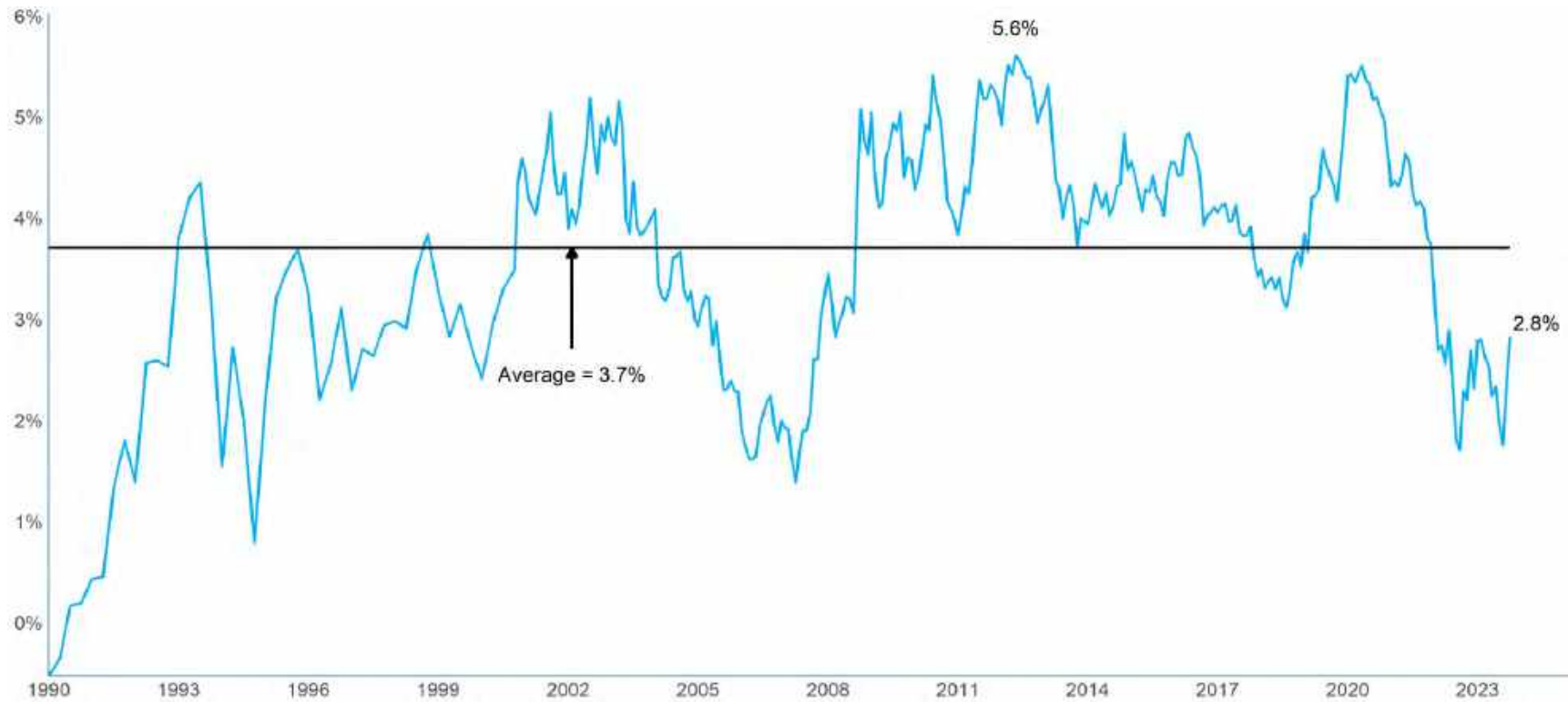
Private Equity Multiples¹ (As of December 31, 2023)



→ This chart details one valuation metric for the private equity market. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

¹ Private Equity Multiples – Source: Prequin Median EBITDA Multiples Paid in All LBOs.

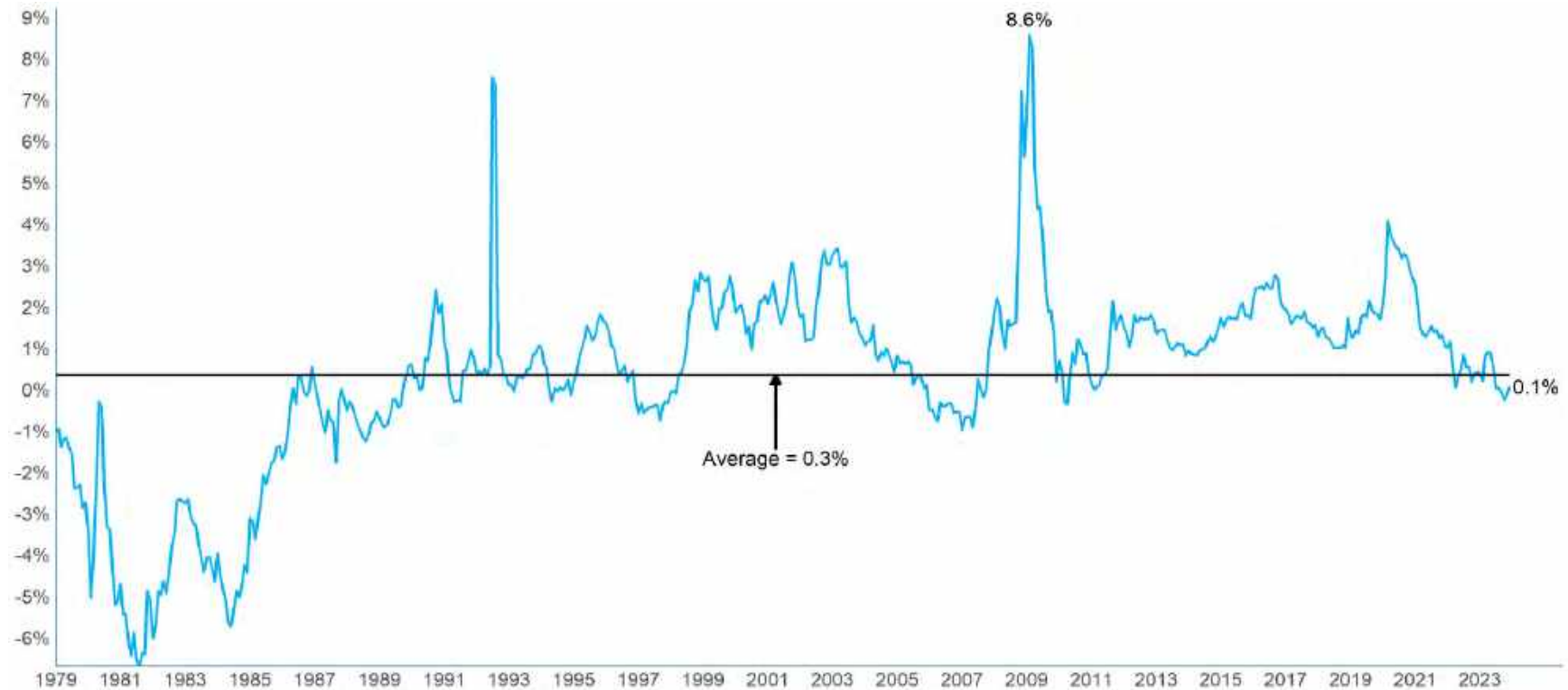
Core Real Estate Spread vs. Ten-Year Treasury¹ (As of December 31, 2023)



→ This chart details one valuation metric for the private core real estate market. A higher (lower) figure indicates cheaper (more expensive) valuation.

¹ Core Real Estate Spread vs. Ten-Year Treasury – Source: Real Capital Analytics, FRED, Bloomberg, and Meketa Investment Group. Core Real Estate is proxied by weighted sector transaction-based indices from Real Capital Analytics and Meketa Investment Group.

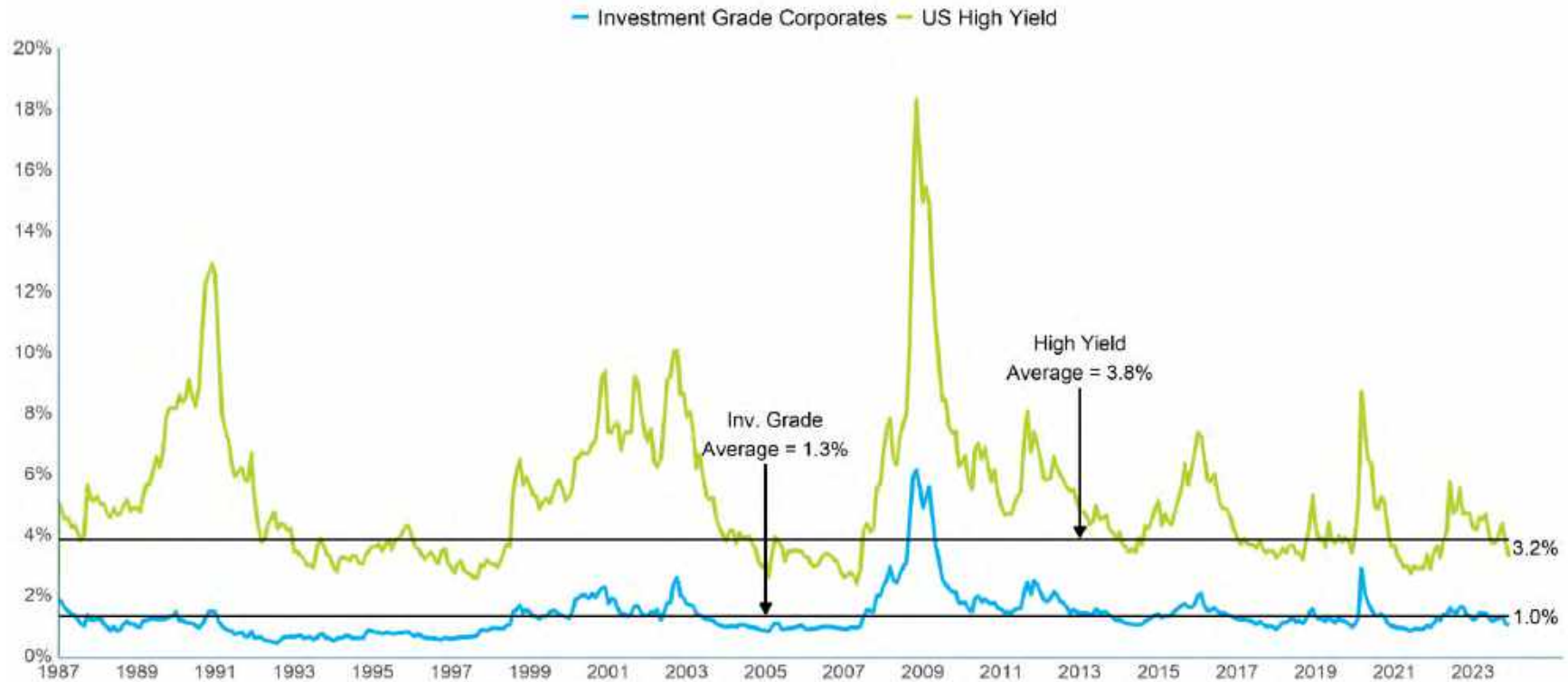
REITs Dividend Yield Spread vs. Ten-Year Treasury¹ (As of December 31, 2023)



→ This chart details one valuation metric for the public REITs market. A higher (lower) figure indicates cheaper (more expensive) valuation.

¹ REITs Dividend Yield Spread vs. Ten-Year Treasury – Source: NAREIT, Bloomberg, US Treasury. REITs are proxied by the yield for the NAREIT Equity Index.

Credit Spreads¹ (As of December 31, 2023)



→ This chart details one valuation metric for the US credit markets. A higher (lower) figure indicates cheaper (more expensive) valuation relative to history.

¹ Credit Spreads – Source: Bloomberg. High Yield is proxied by the Bloomberg High Yield Index and Investment Grade Corporates are proxied by the Bloomberg US Corporate Investment Grade Index. Spread is calculated as the difference between the Yield to Worst of the respective index and the 10-Year US Treasury yield.

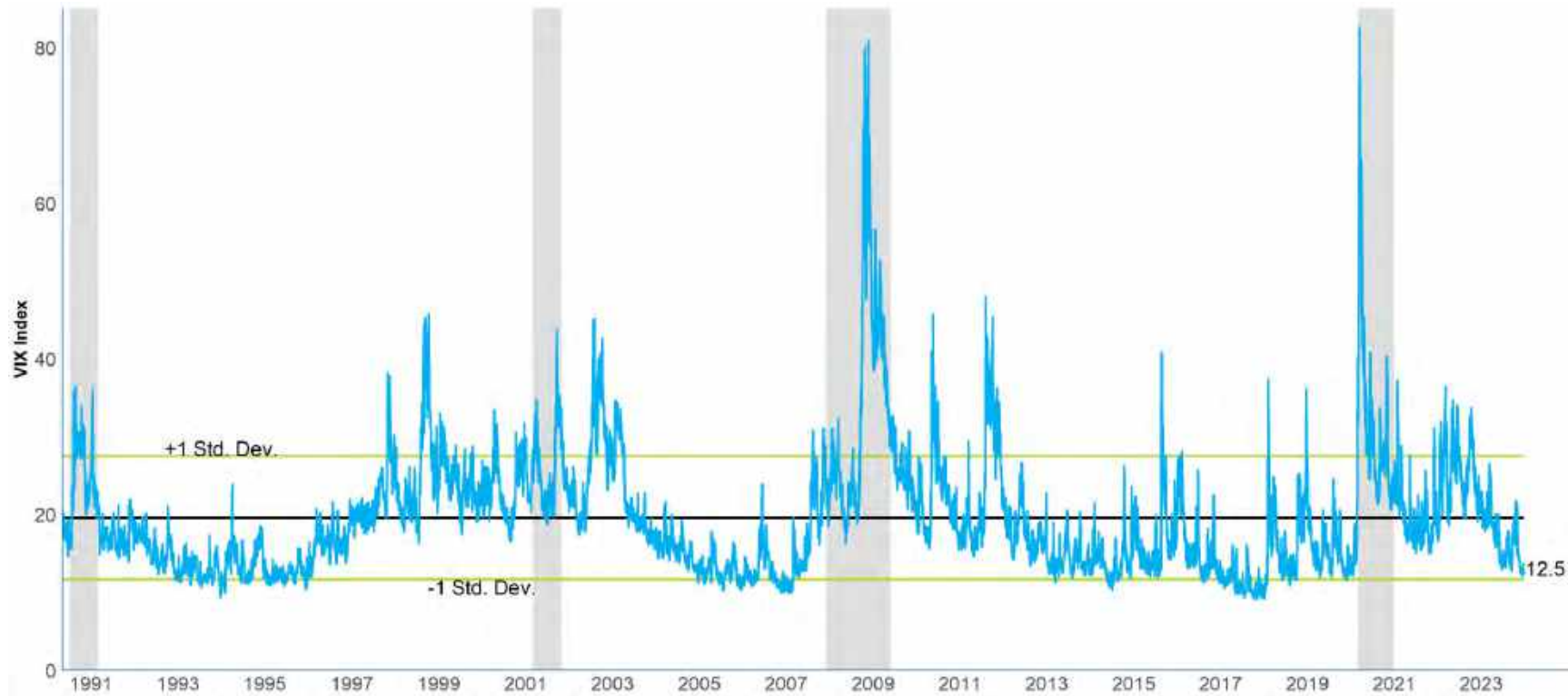
Emerging Market Debt Spreads¹ (As of December 31, 2023)



→ This chart details one valuation metric for the EM debt markets. A higher (lower) figure indicates cheaper (more expensive) valuation relative to history.

¹ EM Spreads – Source: Bloomberg. Option Adjusted Spread (OAS) for the Bloomberg EM USD Aggregate Index.

Equity Volatility¹ (As of December 31, 2023)



→ This chart details historical implied equity market volatility. This metric tends to increase during times of stress/fear and while declining during more benign periods.

¹ Equity Volatility – Source: FRED, and Meketa Investment Group. Equity Volatility proxied by VIX Index, a Measure of implied option volatility for US equity markets.

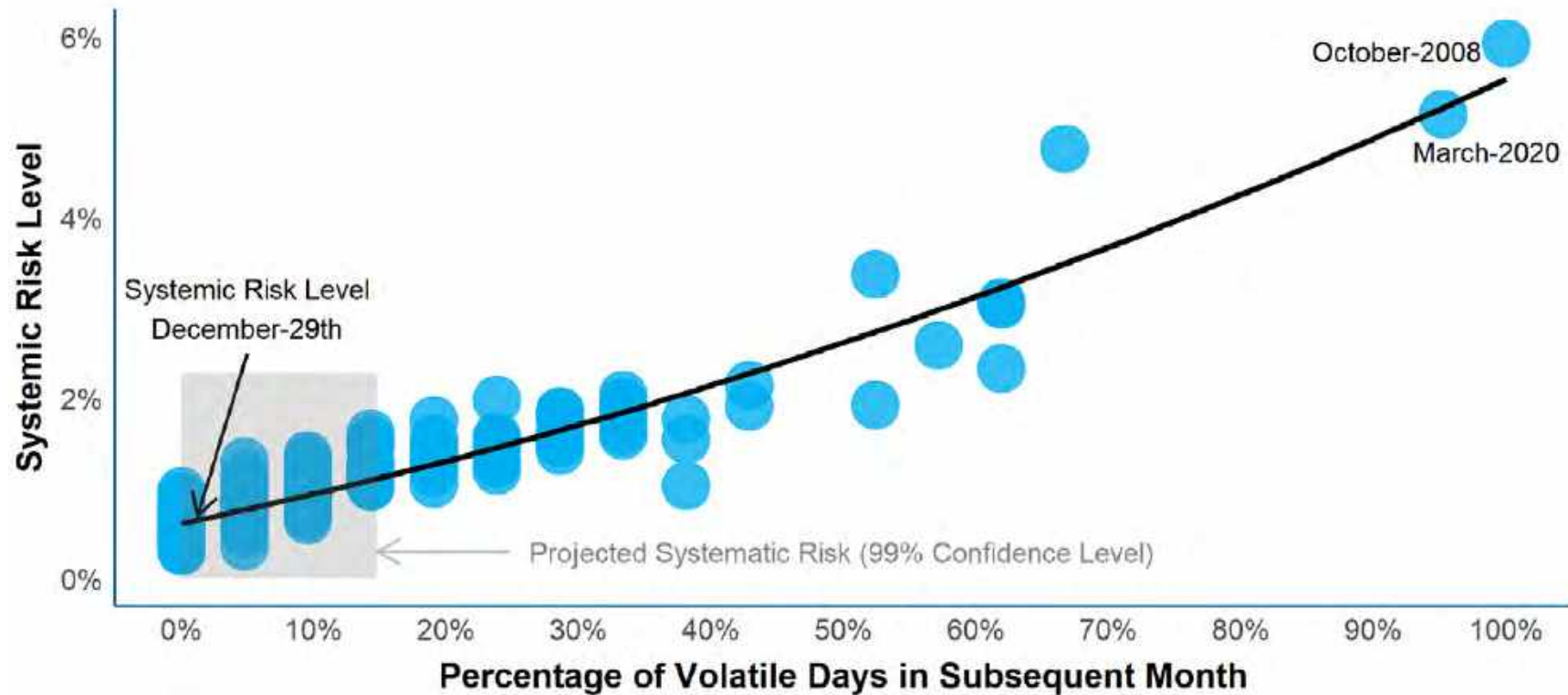
Fixed Income Volatility¹ (As of December 31, 2023)



→ This chart details historical implied fixed income market volatility. This metric tends to increase during times of stress/fear and while declining during more benign periods.

¹ Fixed Income Volatility – Source: Bloomberg, and Meketa Investment Group. Fixed Income Volatility proxied by MOVE Index, a Measure of implied option volatility for US Treasury markets.

Systemic Risk and Volatile Market Days¹ (As of December 31, 2023)



→ Systemic Risk is a measure of 'System-wide' risk, which indicates herding type behavior.

¹ Source: Meketa Investment Group. Volatile days are defined as the top 10 percent of realized turbulence, which is a multivariate distance between asset returns.

Yield Curve Slope (Ten Minus Two)¹ (As of December 31, 2023)



→ This chart details the historical difference in yields between ten-year and two-year US Treasury bonds/notes. A higher (lower) figure indicates a steeper (flatter) yield curve slope.

¹ Yield Curve Slope (Ten Minus Two) – Source: FRED. Yield curve slope is calculated as the difference between the 10-Year US Treasury Yield and 2-Year US Treasury Yield.

Ten-Year Breakeven Inflation¹ (As of December 31, 2023)



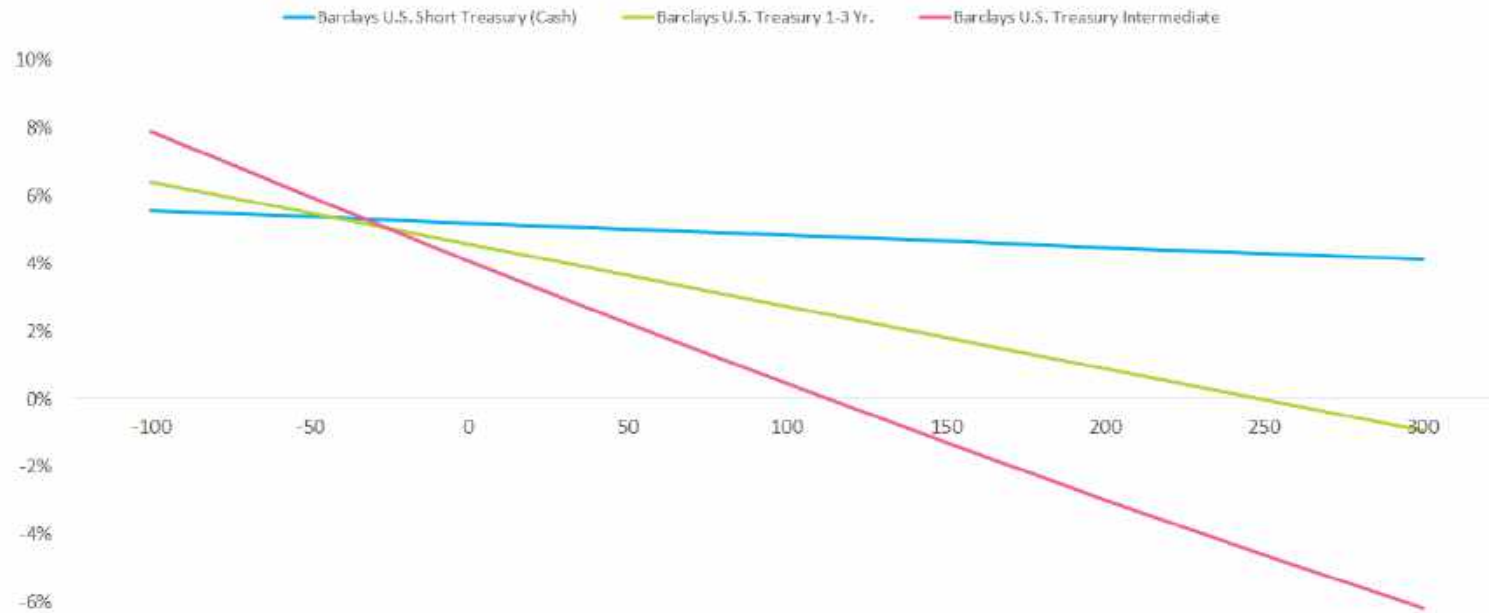
→ This chart details the difference between nominal and inflation-adjusted US Treasury bonds. A higher (lower) figure indicates higher (lower) inflation expectations.

¹ Ten-Year Breakeven Inflation – Source: US Treasury and Federal Reserve. Inflation is measured by the Consumer Price Index (CPI-U NSA).



Capital Markets Outlook & Risk Metrics

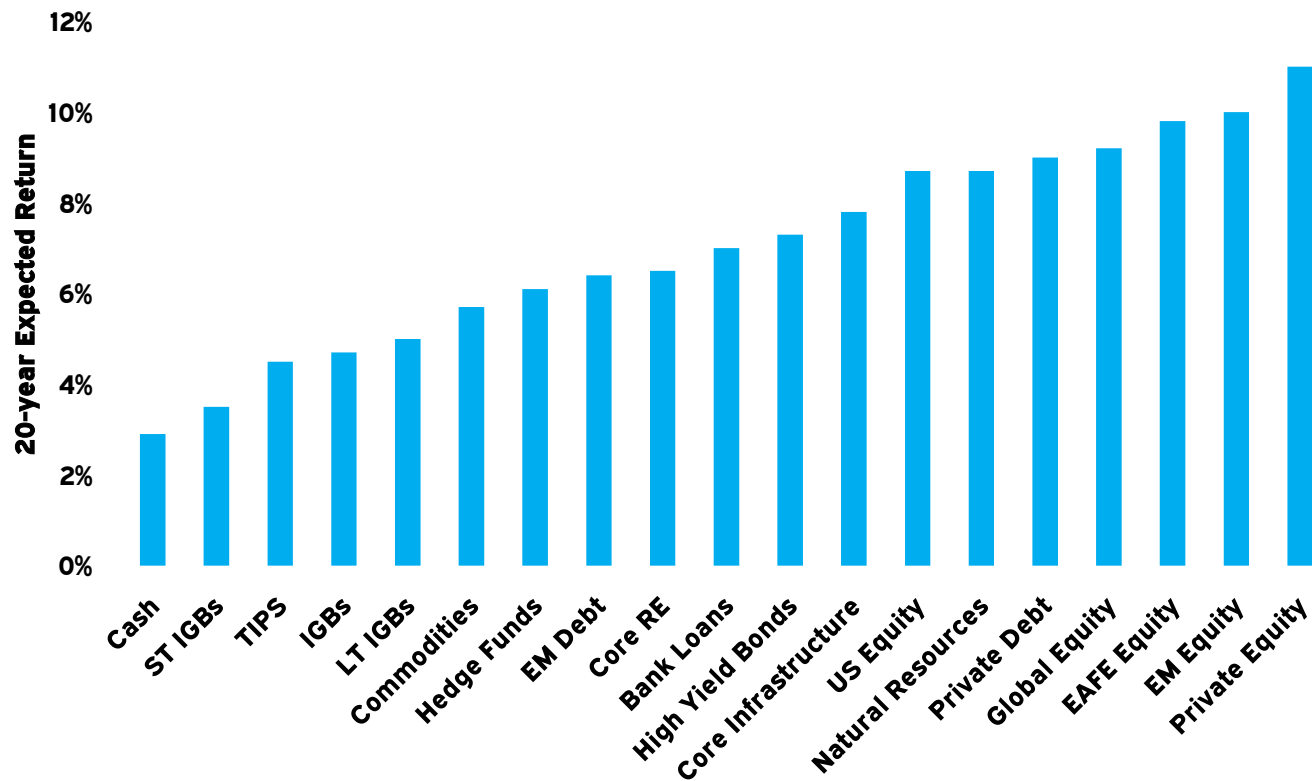
Total Return Given Changes in Interest Rates (bps)¹ (As of December 31, 2023)



	Total Return for Given Changes in Interest Rates (bps)									Statistics	
	-100	-50	0	50	100	150	200	250	300	Duration	YTW
Barclays US Short Treasury (Cash)	5.6%	5.4%	5.2%	5.0%	4.8%	4.7%	4.5%	4.3%	4.1%	0.36	5.20%
Barclays US Treasury 1-3 Yr.	6.4%	5.5%	4.6%	3.7%	2.7%	1.8%	0.9%	0.0%	-1.0%	1.84	4.58%
Barclays US Treasury Intermediate	7.9%	5.9%	4.1%	2.2%	0.4%	-1.3%	-3.0%	-4.6%	-6.2%	3.72	4.06%
Barclays US Treasury Long	21.4%	12.4%	4.1%	-3.3%	-9.9%	-15.8%	-20.8%	-25.0%	-28.4%	15.69	4.14%

¹ Data represents the expected total return from a given change in interest rates (shown in basis points) over a 12-month period assuming a parallel shift in rates. Source: Bloomberg, and Meketa Investment Group.

Long-Term Outlook – 20-Year Annualized Expected Returns¹



→ This chart details Meketa’s long-term forward-looking expectations for total returns across asset classes.

¹ Source: Meketa Investment Group’s 2023 Asset Study.

Appendix

Data Sources and Explanations¹

- US Equity Cyclically Adjusted P/E on S&P 500 Index – Source: Robert Shiller and Yale University.
- Small Cap P/E (Russell 2000 Index) vs. Large Cap P/E (Russell 1000 Index) - Source: Russell Investments. Earnings figures represent 12-month “as reported” earnings.
- Growth P/E (Russell 3000 Growth Index) vs. Value (Russell 3000 Value Index) P/E - Source: Bloomberg, MSCI, and Meketa Investment Group. Earnings figures represent 12-month “as reported” earnings.
- Developed International Equity (MSCI EAFE) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years.
- Emerging Market Equity (MSCI Emerging Markets Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years.
- Private Equity Multiples – Source: S&P LCD Average EBITDA Multiples Paid in All LBOs.
- Core Real Estate Spread vs. Ten-Year Treasury – Source: Real Capital Analytics, US Treasury, Bloomberg, and Meketa Investment Group. Core Real Estate is proxied by weighted sector transaction-based indices from Real Capital Analytics and Meketa Investment Group.

¹ All Data as of December 31, 2023, unless otherwise noted.

Appendix

Data Sources and Explanations¹

- REITs Dividend Yield Spread vs. Ten-Year Treasury – Source: NAREIT, US Treasury. REITs are proxied by the yield for the NAREIT Equity Index.
- Credit Spreads – Source: Bloomberg High Yield is proxied by the Bloomberg High Yield Index and Investment Grade Corporates are proxied by the Bloomberg US Corporate Investment Grade Index.
 - Spread is calculated as the difference between the Yield to Worst of the respective index and the 10-Year Treasury Yield.
- EM Debt Spreads – Source: Bloomberg, and Meketa Investment Group. Option Adjusted Spread (OAS) for the Bloomberg EM USD Aggregate Index.
- Equity Volatility – Source: Bloomberg, and Meketa Investment Group. Equity Volatility proxied by VIX Index, a Measure of implied option volatility for US equity markets.
- Fixed Income Volatility – Source: Bloomberg, and Meketa Investment Group. Equity Volatility proxied by MOVE Index, a Measure of implied option volatility for US Treasury markets.
- Systemic Risk and Volatile Market Days – Source: Meketa Investment Group. Volatile days are defined as the top 10 percent of realized turbulence, which is a multivariate distance between asset returns.
- Systemic Risk, which measures risk across markets, is important because the more contagion of risk that exists between assets, the more likely it is that markets will experience volatile periods.

¹ All Data as of December 31, 2023, unless otherwise noted.

Appendix

Data Sources and Explanations¹

- Yield Curve Slope (Ten Minus Two) – Source: Bloomberg, and Meketa Investment Group. Yield curve slope is calculated as the difference between the 10-Year US Treasury Yield and 2-Year US Treasury Yield.
- Ten-Year Breakeven Inflation – Source: US Treasury and Federal Reserve. Inflation is measured by the Consumer Price Index (CPI-U NSA).

¹ All Data as of December 31, 2023, unless otherwise noted.

Meketa Market Sentiment Indicator

Explanation, Construction and Q&A

Meketa has created the MIG Market Sentiment Indicator (MIG-MSI) to complement our valuation-focused Risk Metrics. This measure of sentiment is meant to capture significant and persistent shifts in long-lived market trends of economic growth risk, either towards a risk-seeking trend or a risk-aversion trend.

This appendix explores:

- What is the Meketa Market Sentiment Indicator?
- How do I read the indicator graph?
- How is the Meketa Market Sentiment Indicator constructed?
- What do changes in the indicator mean?

Meketa has created a market sentiment indicator for monthly publication (the MIG-MSI – see below) to complement Meketa's Risk Metrics.

→ Meketa's Risk Metrics, which rely significantly on standard market measures of relative valuation, often provide valid early signals of increasing long-term risk levels in the global investment markets. However, as is the case with numerous valuation measures, the Risk Metrics may convey such risk concerns long before a market correction take place. The MIG-MSI helps to address this early-warning bias by measuring whether the markets are beginning to acknowledge key Risk Metrics trends, and / or indicating non-valuation-based concerns. Once the MIG-MSI indicates that the market sentiment has shifted, it is our belief that investors should consider significant action, particularly if confirmed by the Risk Metrics. Importantly, Meketa believes the Risk Metrics and MIG-MSI should always be used in conjunction with one another and never in isolation. The questions and answers below highlight and discuss the basic underpinnings of the Meketa MIG-MSI:

What is the Meketa Market Sentiment Indicator (MIG-MSI)?

→ The MIG-MSI is a measure meant to gauge the market's sentiment regarding economic growth risk. Growth risk cuts across most financial assets and is the largest risk exposure that most portfolios bear. The MIG-MSI takes into account the momentum (trend over time, positive or negative) of the economic growth risk exposure of publicly traded stocks and bonds, as a signal of the future direction of growth risk returns; either positive (risk seeking market sentiment), or negative (risk averse market sentiment).

How do I read the Meketa Market Sentiment Indicator graph?

→ Simply put, the MIG-MSI is a color-coded indicator that signals the market's sentiment regarding economic growth risk. It is read left to right chronologically. A green indicator on the MIG-MSI indicates that the market's sentiment towards growth risk is positive. A gray indicator indicates that the market's sentiment towards growth risk is neutral or inconclusive. A red indicator indicates that the market's sentiment towards growth risk is negative. The black line on the graph is the level of the MIG-MSI. The degree of the signal above or below the neutral reading is an indication the signal's current strength.

→ Momentum as we are defining it is the use of the past behavior of a series as a predictor of its future behavior.



How is the Meketa Market Sentiment Indicator (MIG-MSI) Constructed?

- The MIG-MSI is constructed from two sub-elements representing investor sentiment in stocks and bonds:
- Stock return momentum: Return momentum for the S&P 500 Equity Index (trailing 12-months).
 - Bond yield spread momentum: Momentum of bond yield spreads (excess of the measured bond yield over the identical duration US Treasury bond yield) for corporate bonds (trailing 12-months) for both investment grade bonds (75% weight) and high yield bonds (25% weight).
 - Both measures are converted to Z-scores and then combined to get an “apples to apples” comparison without the need of re-scaling.
- The black line reading on the graph is calculated as the average of the stock return momentum measure and the bonds spread momentum measure¹. The color reading on the graph is determined as follows:
- If both stock return momentum and bond spread momentum are positive = GREEN (positive).
 - If one of the momentum indicators is positive, and the other negative = GRAY (inconclusive).
 - If both stock return momentum and bond spread momentum are negative = RED (negative).

¹ Momentum as we are defining it is the use of the past behavior of a series as a predictor of its future behavior.
 “Time Series Momentum” Moskowitz, Ooi, Pedersen, August 2010. <http://pages.stern.nyu.edu/~lpederse/papers/TimeSeriesMomentum.pdf>

What does the Meketa Market Sentiment Indicator (MIG-MSI) mean? Why might it be useful?

→ There is strong evidence that time series momentum is significant and persistent. Across an extensive array of asset classes, the sign of the trailing 12-month return (positive or negative) is indicative of future returns (positive or negative) over the next 12-month period. The MIG-MSI is constructed to measure this momentum in stocks and corporate bond spreads. A reading of green or red is agreement of both the equity and bond measures, indicating that it is likely that this trend (positive or negative) will continue over the next 12 months. When the measures disagree, the indicator turns gray. A gray reading does not necessarily mean a new trend is occurring, as the indicator may move back to green, or into the red from there. The level of the reading (black line) and the number of months at the red or green reading, gives the user additional information on which to form an opinion, and potentially take action.



Capital Markets Outlook & Risk Metrics

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SURS Legacy Accounts | As of December 31, 2023

Manager	Market Value
Adams Street 2007	\$1,684,372
Adams Street Global Op	\$265,140
Adams Street Non-US	\$2,101,517
Adams Street Partners	\$2,219,990
Alinda Capital Partners	\$164,812
BlackRock Intl Equity Fund	\$492,255
CHC RE Fund VIII	\$708,659
Crow Holdings Realty Partners VII	\$874,183
Franklin Templeton EMREFF	\$1,066,392
Franklin Templeton FTPREF	\$422,378
Muller and Monroe MPEFF	\$1
Neuberger Berman S&P 500	\$133,072
Newport Monarch	\$2,423,870
Pantheon Europe III	\$2,068,872
Pantheon Global II	\$361,512
Pantheon One Line Asset	\$21,791
Progress Venture Capital	\$960,781
RREEF Funds	\$27,619
Sanctioned Asset - SUR58	\$148,369
Sanctioned Asset - SUR75	\$152,156
Xponance - Applied Research	\$5,886
Xponance Non-US Equity	\$3,939
Total	\$16,307,565

Legacy accounts include managers with less than \$2.9 million market value and closing accounts.

Glossary Of Terms

Alpha - The premium an investment earns above a set standard. This is usually measured in terms of a common index (i.e., how the stock performs independent of the market). An Alpha is usually generated by regressing a security's excess return on the market's excess return.

Annualized Performance - The annual rate of return that when compounded t times generates the same t-period holding return as actually occurred from period 1 to period t.

Attribution - a means to ascribe values to specific categories based on underlying characteristics.

Batting Average - Percentage of periods a portfolio outperforms a given index.

Beta - The measure of an asset's risk in relation to the Market (for example, the S&P 500) or to an alternative benchmark or factors. Roughly speaking, a security with a Beta of 1.5 will have moved, on average, 1.5 times the market return.

Bottom-up - A management style that de-emphasizes the significance of economic and market cycles, focusing instead on the analysis of individual stocks.

Breakeven Inflation - The difference between the yield of a nominal bond and an Inflation-linked bond of like maturity. It represents the amount of annualized inflation expected over the life of a bond by the marketplace, but it can also be thought of as the amount of annualized inflation required for being indifferent to holding the nominal or the ILB. If actual inflation turns out to be higher (lower) than the breakeven rate, the ILB will have a higher (lower) return than a nominal of like maturity. The market shortcut is to subtract the real yield from the nominal yield: Breakeven Inflation = Nominal Yield - Real Yield.

Breakeven Inflation Curve - The difference between nominal and real yields of like maturities at every available point along the yield curve.

Credit Quality - A measure of a bond issuer's ability to repay interest and principal in a timely manner.

Current Yield - Annual income (interest or dividends) divided by the current price of the security.

Dividend Yield - Annualized dividend rate divided by last closing price.



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Down Market Capture Ratio - Is the portion of the market's performance that was captured by the manager using only periods where the market return is negative. A down market capture of less than 100% is considered desirable.

Duration - A measure of the price sensitivity of a fixed-income security to a change in interest rates. Calculation is based on the weighted average of the present value for all cash flows.

Earnings Growth Rate - rate of change in earnings over the latest 5-year period as expressed in an annual percentage.

Excess Standard Deviation (annualized) - The annualized standard deviation of the difference between the performance of a portfolio and its benchmark. Also referred to as tracking error.

Fair Value Pricing - Is a daily price adjustment made to the value of a security to more accurately reflect the true market value of a security. A fund will use fair value pricing if the value of a security is materially affected by events occurring before the fund's pricing time but after the close of the primary markets or exchanges on which the security is traded. It is an industry-wide practice required by the Securities and Exchange Commission.

Growth Stocks - Common stock of a company that has an opportunity to invest money and earn more than the opportunity cost of capital.

Inflation-linked Bonds (ILBs) - A bond whose principal is increased (decreased) in proportion to the amount of inflation (deflation) from the date of issue to the date of maturity, and whose coupons are paid on the inflation-adjusted principal. At maturity, the inflation-adjusted principal is redeemed. The mechanics of an ILB imply that its cash flows and principal at maturity are unknown and are determined by the path of inflation over its life.

Information Ratio - The ratio of annualized expected residual return to residual risk. A central measurement for active management, value added is proportional to the square of the information ratio.

Market Capitalization - Is calculated as the product of price and shares outstanding.

Median Market Capitalization - The midpoint of market capitalization (market price multiplied by the number of shares outstanding) of the stocks in a portfolio. Half the stocks in the portfolio will have higher market capitalizations; half will have lower.



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Nominal Yield - The interest rate stated on the face of a bond, which represents the percentage of interest to be paid by the issuer on the face value of the bond. (Also known as the coupon rate.)

Price/Book (P/B) Ratio - The price per share of a stock divided by its book value (i.e. net worth) per share. For a portfolio, the ratio is the weighted average price/book ratio of the stocks it holds.

Price/Earnings (P/E) Ratio - The share price of a stock divided by its per-share earnings over the past year. For a portfolio, the weighted average P/E ratio of the stocks in the portfolio. P/E is a good indicator of market expectations about a company's prospects; the higher the P/E, the greater the expectations for a company's future growth.

R-Squared - Square of the correlation coefficient. The proportion of the variability in one series that can be explained by the variability of one or more other series a regression model. A measure of the quality of fit. 100% R-square means perfect predictability.

Real Yield - Return from an investment adjusted for the effects of inflation.

Semi Standard Deviation (Downside) - Is a measure of risk using only the variance of returns below a target rate, such as the benchmark.

Sharpe Ratio - A measure of a portfolio's excess return relative to the total variability of the portfolio. The higher the portfolio's Sharpe Ratio, the better the portfolio's returns have been relative to the risk it has taken on.

Standard Deviation - The square root of the variance. A measure of dispersion of a set of data from its mean.

Style Analysis - A returns-based analysis using a multi-factor attribution model. The model calculates a product's average exposure to particular investment styles over time (i.e., the product's normal style benchmark).

Top-down - Investment style that begins with an assessment of the overall economic environment and makes a general asset allocation decision regarding various sectors of the financial markets and various industries.

Tracking Error - The standard deviation of the difference between the performance of a portfolio and an appropriate benchmark.

Turnover - For mutual funds, a measure of trading activity during the previous year, expressed as a percentage of the average total assets of the fund. A turnover rate of 25% means that the value of trades represented one-fourth of the assets of the fund.



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Up Market Capture Ratio - Is the portion of the market's performance that was captured by the manager using only periods where the market return is positive. An up market capture of greater than 100% is considered desirable.

Unrealized Gain/Loss - The increased or decreased market value of an asset that is still being held compared with its cost of acquisition.

Value Stocks - Stocks with low price/book ratios or price/earnings ratios. Historically, value stocks have enjoyed higher average returns than growth stocks (stocks with high price/book or P/E ratios) in a variety of countries.

Weighted Average Life (WAL) - The average number of years for which each dollar of unpaid principal on a loan or mortgage remains outstanding. Once calculated, WAL tells how many years it will take to pay half of the outstanding principal. The time weightings are based on the principal paydowns - the higher the dollar amount, the more weight that corresponding time period will have. For example, if the majority of the repayment amount is in 10 years the WAL will be closer to 10 years. Let's say there's an outstanding bond with five years of \$1,000 annual payments. The weighted average life would be three years, assuming payment is made at the end of each year. This indicates that after three years over half of the payments will be made.

Yield Curve - A representation on a chart of the [yields](#) on [bonds](#) with identical [credit ratings](#) but different [maturities](#). On the yield curve, the maturities are represented on the x-axis, and the yield is represented on the y-axis. That is, if the yield curve trends upward, it indicates that [interest rates](#) for long-term [debt securities](#) are higher than short-term debt securities; this is called a [normal yield curve](#). A [negative yield curve](#) indicates that interest rates for short-term debt securities are higher, and a [flat yield curve](#) indicates that they are roughly the same. Yield curves are most commonly plotted with [U.S. Treasuries](#) with different maturities; this is used to predict future trends in [interest rates](#).

Yield Curve Management - Any investment strategy that seeks to profit from changes in the yield curve of US Treasury securities. For example, one may buy a bond at a certain interest rate expecting prevailing interest rates to decline. If and when they do, the price of the bond one holds will increase, allowing one to sell the bond for a profit.

Yield to Maturity - The rate of return an investor would receive if the securities held by a portfolio were held to their maturity dates.

Risk Metrics Description – Rationale for Selection and Calculation Methodology**US Equity Markets:**

Metric: P/E ratio = Price / “Normalized” earnings for the S&P 500 Index

To represent the price of US equity markets, we have chosen the S&P 500 index. This index has the longest published history of price, is well known, and also has reliable, long-term, published quarterly earnings. The price= P of the P/E ratio is the current price of the market index (the average daily price of the most recent full month for the S&P 500 index). Equity markets are very volatile. Prices fluctuate significantly during normal times and extremely during periods of market stress or euphoria. Therefore, developing a measure of earnings power (E) which is stable is vitally important, if the measure is to provide insight. While equity prices can and do double, or get cut in half, real earnings power does not change nearly as much. Therefore, we have selected a well-known measure of real, stable earnings power developed by Yale Professor Robert Shiller known as the Shiller E-10. The calculation of E-10 is simply the average real annual earnings over the past 10 years. Over 10 years, the earnings shenanigans and boom and bust levels of earnings tend to even out (and often times get restated). Therefore, this earnings statistic gives a reasonably stable, slow-to-change estimate of average real earnings power for the index. Professor Shiller’s data and calculation of the E-10 are available on his website at <http://www.econ.yale.edu/~shiller/data.htm>. We have used his data as the base for our calculations. Details of the theoretical justification behind the measure can be found in his book *Irrational Exuberance* [Princeton University Press 2000, Broadway Books 2001, 2nd ed., 2005].



Developed Equity Markets Excluding the US:

Metric: $P/E \text{ ratio} = \text{Price} / \text{"Normalized" earnings for the MSCI EAFE Index}$

To represent the price of non-US developed equity markets, we have chosen the MSCI EAFE index. This index has the longest published history of price for non-US developed equities. The price= P of the P/E ratio is the current price of the market index (the average daily price of the most recent full month for the MSCI EAFE index). The price level of this index is available starting in December 1969. Again, for the reasons described above, we elected to use the Shiller E-10 as our measure of earnings (E). Since 12/1972, a monthly price earnings ratio is available from MSCI. Using this quoted ratio, we have backed out the implied trailing-twelve month earnings of the EAFE index for each month from 12/1972 to the present. These annualized earnings are then inflation adjusted using CPI-U to represent real earnings in US dollar terms for each time period. The Shiller E-10 for the EAFE index (10 year average real earnings) is calculated in the same manner as detailed above.

However, we do not believe that the pricing and earnings history of the EAFE markets are long enough to be a reliable representation of pricing history for developed market equities outside of the US. Therefore, in constructing the Long-Term Average Historical P/E for developed ex-US equities for comparison purposes, we have elected to use the US equity market as a developed market proxy, from 1881 to 1982. This lowers the Long-Term Average Historical P/E considerably. We believe this methodology provides a more realistic historical comparison for a market with a relatively short history.

Emerging Market Equity Markets:

Metric: Ratio of Emerging Market P/E Ratio to Developed Market P/E Ratio

To represent the Emerging Markets P/E Ratio, we have chosen the MSCI Emerging Market Free Index, which has P/E data back to January 1995 on Bloomberg. To represent the Developed Markets PE Ratio, we have chosen the MSCI World Index, which also has data back to January 1995 on Bloomberg. Although there are issues with published, single time period P/E ratios, in which the denominator effect can cause large movements, we feel that the information contained in such movements will alert investors to market activity that they will want to interpret.



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US Private Equity Markets:

Metrics: S&P LCD Average EBITDA Multiples Paid in LBOs and US Quarterly Deal Volume

The Average Purchase Price to EBITDA multiples paid in LBOs is published quarterly by S&P in their LCD study. This is the total price paid (both equity and debt) over the trailing-twelve month EBITDA (earnings before interest, taxes, depreciation and amortization) as calculated by S&P LCD. This is the relevant, high-level pricing metric that private equity managers use in assessing deals. Data is published monthly.

US quarterly deal volume for private equity is the total deal volume in \$ billions (both equity and debt) reported in the quarter by Thomson Reuters Buyouts. This metric gives a measure of the level of activity in the market. Data is published quarterly.

US Private Real Estate Markets:

Metrics: US Cap Rates, Cap Rate Spreads, and Transactions as a % of Market Value

Real estate cap rates are a measure of the price paid in the market to acquire properties versus their annualized income generation before financing costs (NOI=net operating income). The data, published by NCREIF, describes completed and leased properties (core) on an unleveraged basis. We chose to use current value cap rates. These are capitalization rates from properties that were revalued during the quarter. This data relies on estimates of value and therefore tends to be lagging (estimated prices are slower to rise and slower to fall than transaction prices). The data is published quarterly.

Spreads between the cap rate (described above) and the 10-year nominal Treasury yield, indicate a measure of the cost of properties versus a current measure of the cost of financing.

Transactions as a % of Market Value Trailing Four Quarters is a measure of property turnover activity in the NCREIF Universe. This quarterly metric is a measure of activity in the market.



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Credit Markets Fixed Income:

Metric: Spreads

The absolute level of spreads over treasuries and spread trends (widening / narrowing) are good indicators of credit risk in the fixed income markets. Spreads incorporate estimates of future default, but can also be driven by technical dislocations in the fixed income markets. Abnormally narrow spreads (relative to historical levels) indicate higher levels of valuation risk, wide spreads indicate lower levels of valuation risk and / or elevated default fears. Investment grade bond spreads are represented by the Bloomberg Barclays Capital US Corporate Investment Grade Index Intermediate Component. The high yield corporate bond spreads are represented by the Bloomberg Barclays Capital US Corporate High Yield Index.

Measure of Equity Market Fear / Uncertainty

Metric: VIX – Measure of implied option volatility for US equity markets

The VIX is a key measure of near-term volatility conveyed by implied volatility of S&P 500 index option prices. VIX increases with uncertainty and fear. Stocks and the VIX are negatively correlated. Volatility tends to spike when equity markets fall.

Measure of Monetary Policy

Metric: Yield Curve Slope

We calculate the yield curve slope as the 10 year treasury yield minus the 1 year treasury yield. When the yield curve slope is zero or negative, this is a signal to pay attention. A negative yield curve slope signals lower rates in the future, caused by a contraction in economic activity. Recessions are typically preceded by an inverted (negatively sloped) yield curve. A very steep yield curve (2 or greater) indicates a large difference between shorter-term interest rates (the 1 year rate) and longer-term rates (the 10 year rate). This can signal expansion in economic activity in the future, or merely higher future interest rates.



Measures of US Inflation Expectations

Metrics: Breakeven Inflation and Inflation Adjusted Commodity Prices

Inflation is a very important indicator impacting all assets and financial instruments. Breakeven inflation is calculated as the 10 year nominal treasury yield minus the 10 year real yield on US TIPS (treasury inflation protected securities). Abnormally low long-term inflation expectations are indicative of deflationary fears. A rapid rise in breakeven inflation indicates an acceleration in inflationary expectations as market participants sell nominal treasuries and buy TIPS. If breakeven inflation continues to rise quarter over quarter, this is a signal of inflationary worries rising, which may cause Fed action and / or dollar decline.

Commodity price movement (above the rate of inflation) is an indication of anticipated inflation caused by real global economic activity putting pressure on resource prices. We calculate this metric by adjusted in the Dow Jones UBS Commodity Index (formerly Dow Jones AIG Commodity Index) by US CPI-U. While rising commodity prices will not necessarily translate to higher US inflation, higher US inflation will likely show up in higher commodity prices, particularly if world economic activity is robust.

These two measures of anticipated inflation can, and often are, conflicting.

Measures of US Treasury Bond Interest Rate Risk

Metrics: 10-Year Treasury Forward-Looking Real Yield and 10-Year Treasury Duration

The expected annualized real yield of the 10 year US Treasury Bond is a measure of valuation risk for US Treasuries. A low real yield means investors will accept a low rate of expected return for the certainty of receiving their nominal cash flows. MEKETA estimates the expected annualized real yield by subtracting an estimate of expected 10 year inflation (produced by the Survey of Professional Forecasters as collected by the Federal Reserve Bank of Philadelphia), from the 10 year Treasury constant maturity interest rate.

Duration for the 10-Year Treasury Bond is calculated based on the current yield and a price of 100. This is a measure of expected percentage movements in the price of the bond based on small movements in percentage yield. We make no attempt to account for convexity.



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Definition of "Extreme" Metric Readings

A metric reading is defined as "extreme" if the metric reading is in the top or bottom decile of its historical readings. These "extreme" reading should cause the reader to pay attention. These metrics have reverted toward their mean values in the past.



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Illinois State Universities Retirement System

Third Quarter 2023

Private Credit Program

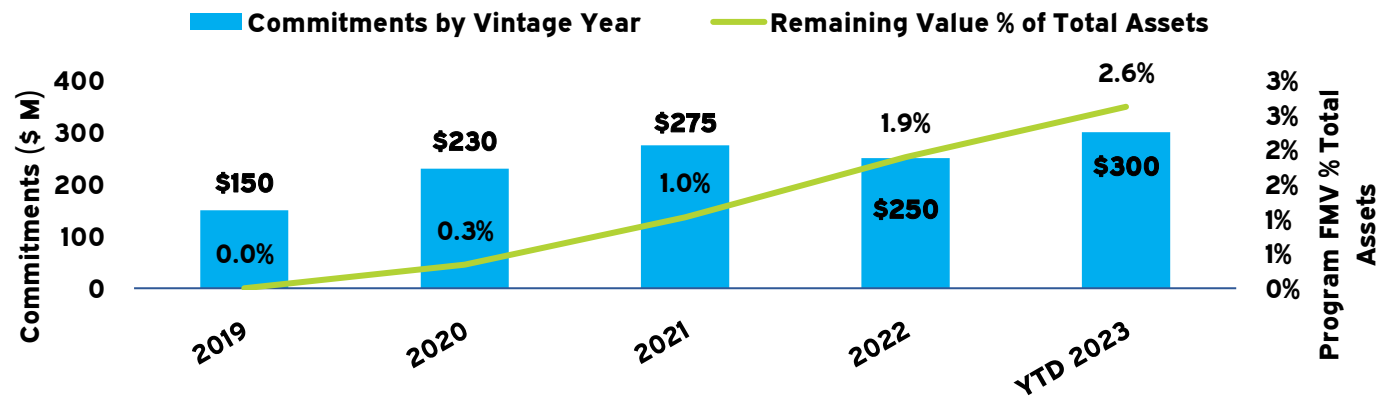


Illinois State Universities Retirement System Private Credit Program

Overview | As of September 30, 2023

Introduction

Illinois State Universities Retirement System (“SURS”) has set a target allocation of 5% of plan net asset value to private credit fund investments within the Stabilized Growth Class. SURS’ private credit program targets a mix of strategies, both yield-oriented and opportunistic, with an emphasis on yield-oriented. The first commitment was approved in June of 2020. As of the end of Q3 2023, fourteen private credit fund commitments totaling \$1.6 billion have been made to the Program.



Program Status

No. of Investments	14
Committed (\$ M)	1,555.0
Contributed (\$ M)	699.1
Distributed (\$ M)	186.5
Remaining Value (\$ M)	592.2

Performance Since Inception¹

	Program	PME ²
DPI	0.27x	---
TVPI	1.11x	---
IRR	10.3%	5.6%

¹ The initial capital call was made on July 9, 2020.

² 50% BB Global High Yield + 50% S&P LSTA Global Leveraged Loan +1%

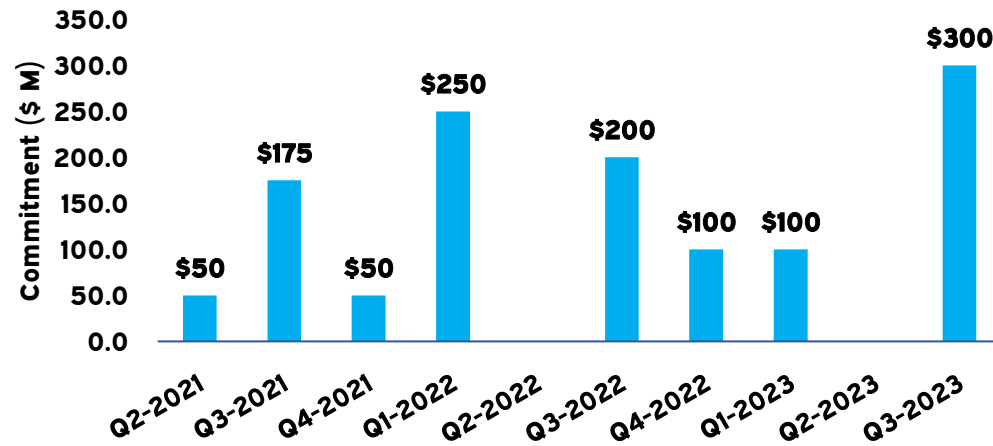


Illinois State Universities Retirement System Private Credit Program

Recent Activity | As of September 30, 2023

Commitments

Recent Quarterly Commitments



Commitments This Quarter

Fund	Strategy	Region	Amount (M)
Sixth Street TAO	Multi-strategy	North America	100.00
Atalaya Asset Fund E	Specialty Lending	North America	100.00
HPS Specialty VI	Direct Lending	North America	100.00



Illinois State Universities Retirement System Private Credit Program

Recent Activity | As of September 30, 2023

Recent Commitment Activity

Fund	Strategy	Amount (\$M)	Date
Turning Rock Fund II	Special Situations	50.00	Q1 2022
Fortress Lending Fund III	Multi-Strategy	50.00	Q1 2022
Ares Pathfinder Core Fund	Specialty Lending	150.00 ¹	Q1 2022
Silver Rock Tactical Allocation Fund – Vintage 2022	Special Situations	200.00	Q3 2022
Silver Point Specialty Credit Fund III	Specialty Lending	100.00	Q4 2022
Ares Pathfinder Fund II	Direct Lending	100.00	Q1 2023
Sixth Street TAO Global	Multi-Strategy	100.00	Q3 2023
Atalya Asset Income Fund	Specialty Lending	100.00	Q3 2023
HPS Specialty Loan Fund VI	Direct Lending	100.00	Q3 2023

Commitments made subsequent to quarter end included:

- \$50 million commitment to Turning Rock Fund III, a special situations fund targeting lower middle market companies
- \$100 million commitment to ICG Senior Debt Partners 5, a European focused direct lending fund
- \$50 million commitment to Brightwood Capital Fund V, a middle-market direct lending fund

¹ Increased commitment by \$50 million in Q3 2022.

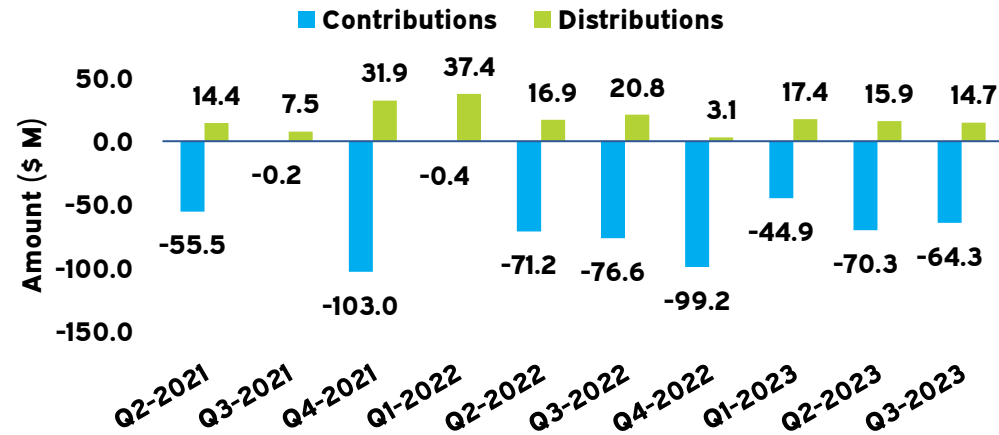


Illinois State Universities Retirement System Private Credit Program

Recent Activity | As of September 30, 2023

Cash Flows

Recent Quarterly Cash Flows



Largest Contributions This Quarter

Fund	Vintage	Strategy	Region	Amount (\$M)
Atalaya Asset Fund E	Open-end	Specialty Lending	North America	23.48
NB Debt Fund IV	2021	Direct Lending	North America	17.50
Silver Rock Tac 2022	2022	Special Situations	North America	13.69

Largest Distributions This Quarter

Fund	Vintage	Strategy	Region	Amount (\$M)
Silver Rock Tactical	2019	Special Situations	North America	5.64
NB Debt Fund IV	2021	Direct Lending	North America	3.61
Turning Rock Fund II	2021	Special Situations	North America	2.14



Illinois State Universities Retirement System Private Credit Program

Performance Analysis | As of September 30, 2023

By Strategy

Group	Number	Committed (\$ M)	Contributed (\$ M)	Unfunded (\$ M)	Distributed (\$ M)	Remaining Value (\$ M)	Exposure (\$ M)	DPI (X)	TVPI (X)	IRR (%)
Direct Lending	3	375.0	142.5	233.6	16.2	148.6	382.2	0.11	1.16	14.1
Multi-strategy	3	330.0	122.6	300.5	105.1	36.6	337.1	0.86	1.16	12.0
Special Situations	4	450.0	291.7	180.2	43.3	275.1	455.4	0.15	1.09	7.3
Specialty Lending	4	400.0	142.1	267.0	21.8	131.9	398.9	0.15	1.08	12.1
Total	14	1,555.0	699.1	981.4	186.5	592.2	1,573.6	0.27	1.11	10.3

By Vintage

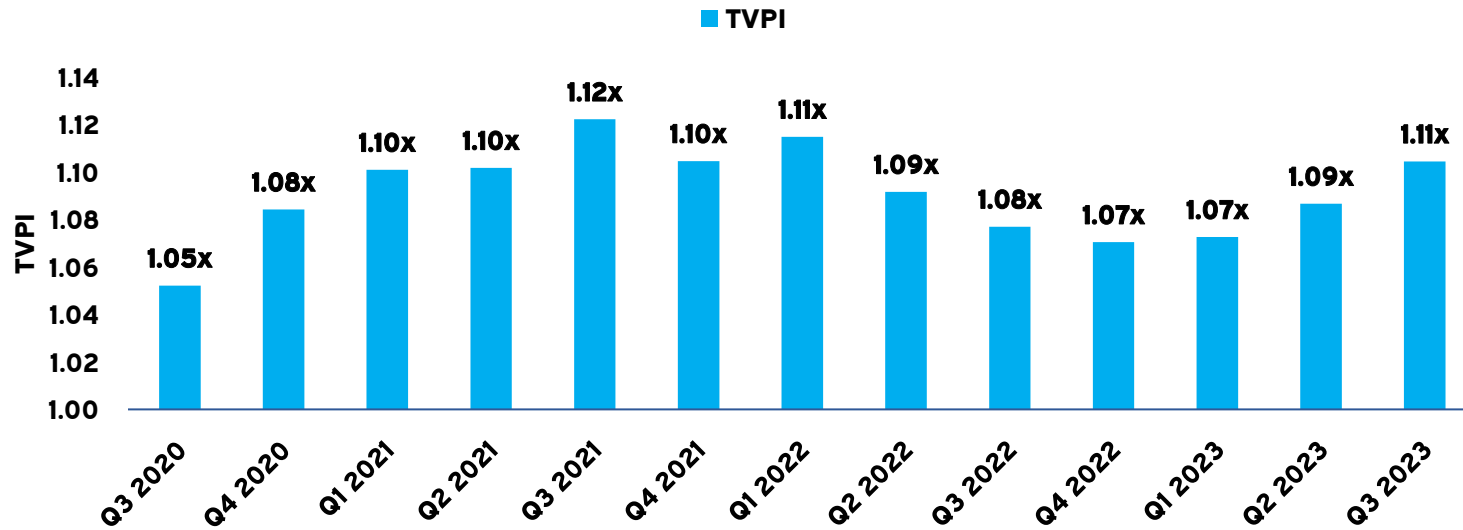
Group	Number	Committed (\$ M)	Contributed (\$ M)	Unfunded (\$ M)	Distributed (\$ M)	Remaining Value (\$ M)	Exposure (\$ M)	DPI (X)	TVPI (X)	IRR (%)
Open-end Fund	3	350.0	99.1	250.9	4.3	100.3	351.1	0.04	1.05	9.3
2019	1	150.0	149.5	12.1	31.1	133.7	145.8	0.21	1.10	5.9
2020	2	230.0	133.4	196.0	118.3	35.9	231.9	0.89	1.16	12.8
2021	3	275.0	179.7	106.9	28.3	177.3	284.2	0.16	1.14	12.5
2022	2	250.0	117.3	135.6	4.3	123.6	259.2	0.04	1.09	NM
2023	3	300.0	20.0	280.0	0.1	21.4	301.3	0.01	1.07	NM
Total	14	1,555.0	699.1	981.4	186.5	592.2	1,573.6	0.27	1.11	10.3



Illinois State Universities Retirement System Private Credit Program

Performance Analysis | As of September 30, 2023

Since Inception Performance Over Time



Horizon IRRs

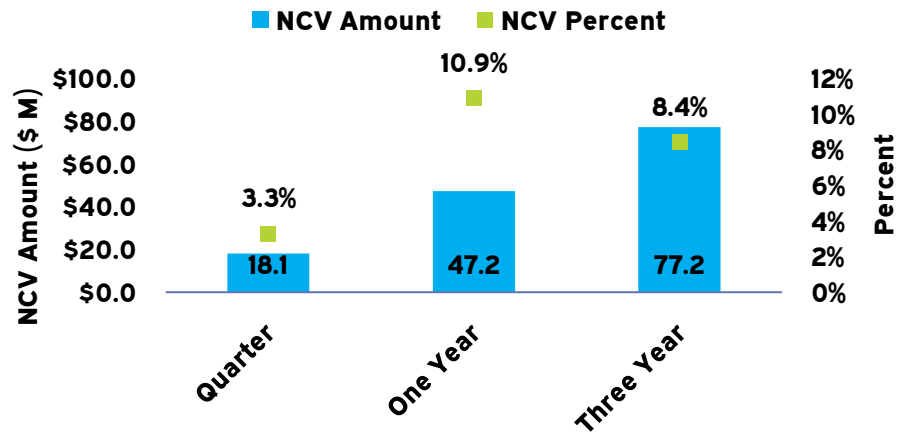
	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception (%)
Aggregate Portfolio	10.7	10.0	NM	NM	10.3



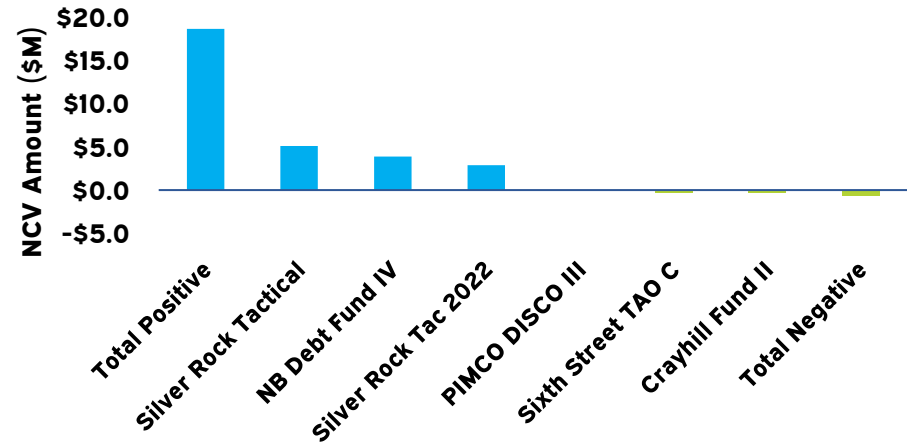
Illinois State Universities Retirement System Private Credit Program

Performance Analysis | As of September 30, 2023

Periodic NCV



1 Quarter Drivers Of NCV





Illinois State Universities Retirement System Private Credit Program

Performance Analysis | As of September 30, 2023

Fund Performance: Sorted By Vintage And Strategy

By Investment	Vintage	Strategy	Committed (\$ M)	Contributed (\$ M)	Unfunded (\$ M)	Distributed (\$ M)	Remaining		
							Value (\$ M)	TVPI (X)	IRR (%)
Atalaya Asset Fund E	Open-End	Specialty Lending	100.0	23.5	76.5	0.0	24.3	1.03	NM
Sixth Street TAO	Open-End	Multi-strategy	100.0	0.2	99.8	0.0	NM	NM	NM
Ares Pathfinder Core	Open-End	Specialty Lending	150.0	75.5	74.5	4.3	76.1	1.07	8.8
Silver Rock Tactical	2019	Special Situations	150.0	149.5	12.1	31.1	133.7	1.10	5.9
PIMCO DISCO III	2020	Multi-strategy	180.0	90.3	180.0	100.8	4.9	1.17	12.6
Crayhill Fund II	2020	Specialty Lending	50.0	43.2	16.0	17.5	31.0	1.12	14.2
NB Debt Fund IV	2021	Direct Lending	175.0	122.5	53.7	16.1	127.7	1.17	14.1
Silver Rock ColInvest	2021	Special Situations	50.0	15.6	39.5	6.2	11.0	1.10	8.7
Turning Rock Fund II	2021	Special Situations	50.0	41.6	13.7	6.0	38.6	1.07	8.0
Fortress Lending III	2022	Multi-strategy	50.0	32.2	20.6	4.3	31.8	1.12	NM
Silver Rock Tac 2022	2022	Special Situations	200.0	85.0	115.0	0.0	91.8	1.08	NM
Ares Pathfinder II	2023	Specialty Lending	100.0	0.0	100.0	0.0	0.5	NM	NM
Silver Point III	2023	Direct Lending	100.0	20.0	80.0	0.1	20.9	1.05	NM
HPS Specialty VI	2023	Direct Lending	100.0	0.0	100.0	0.0	0.0	NM	NM
Total			1,555.0	699.1	981.4	186.5	592.2	1.11	10.3

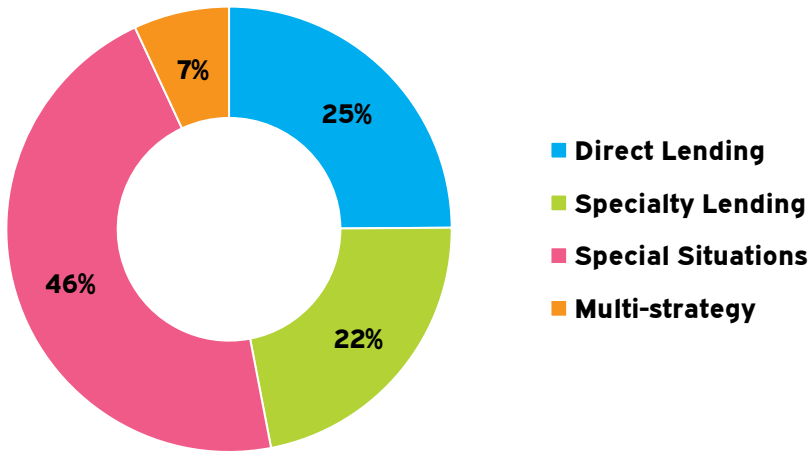


Illinois State Universities Retirement System Private Credit Program

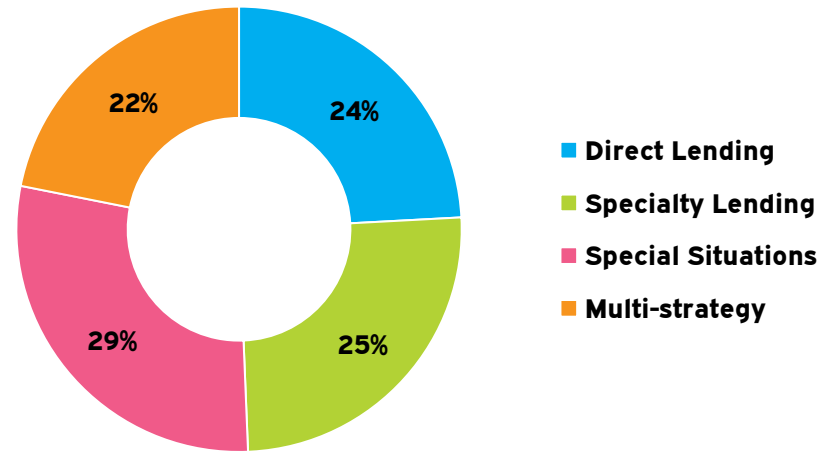
Fund Diversification | As of September 30, 2023

By Strategy

Percent of FMV



Percent of Exposure



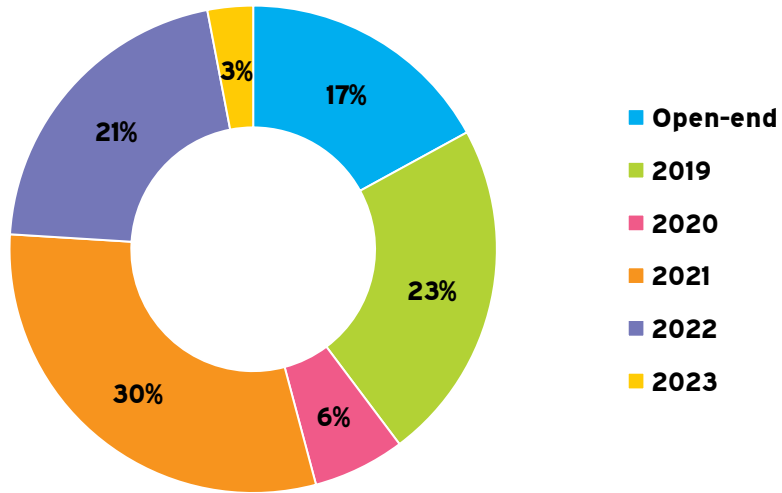


Illinois State Universities Retirement System Private Credit Program

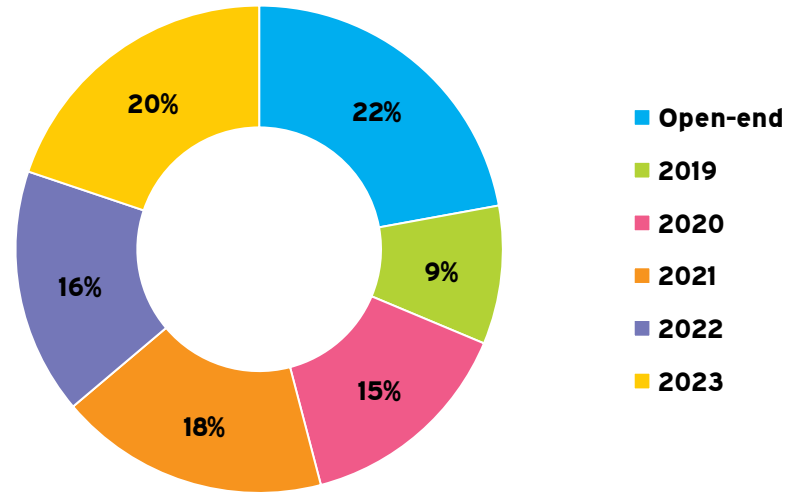
Fund Diversification | As of September 30, 2023

By Vintage

Percent of FMV



Percent of Exposure



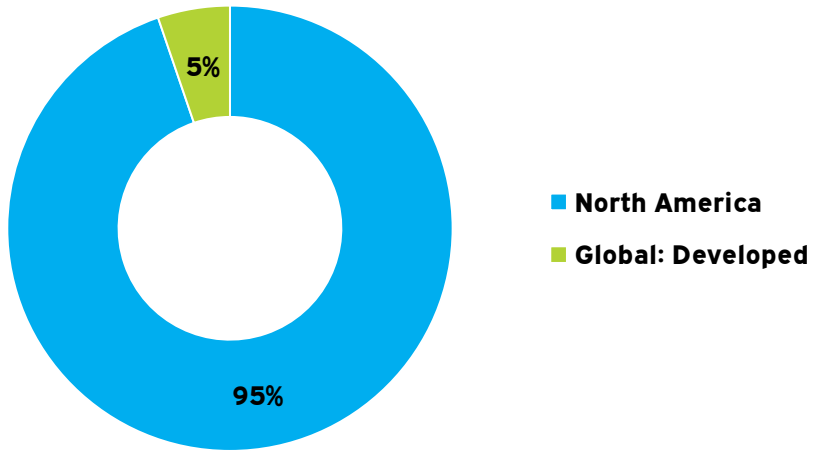


Illinois State Universities Retirement System Private Credit Program

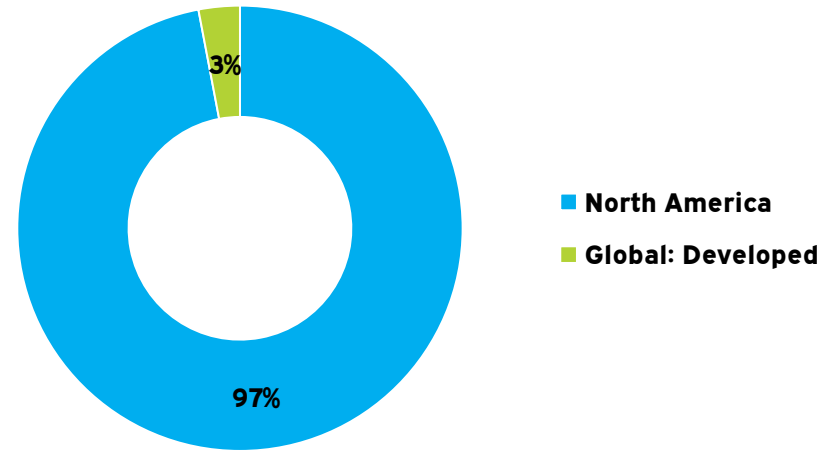
Fund Diversification | As of September 30, 2023

By Geographic Focus

Percent of FMV



Percent of Exposure





Illinois State Universities Retirement System Private Credit Program

Market & Industry Analysis | As of September 30, 2023

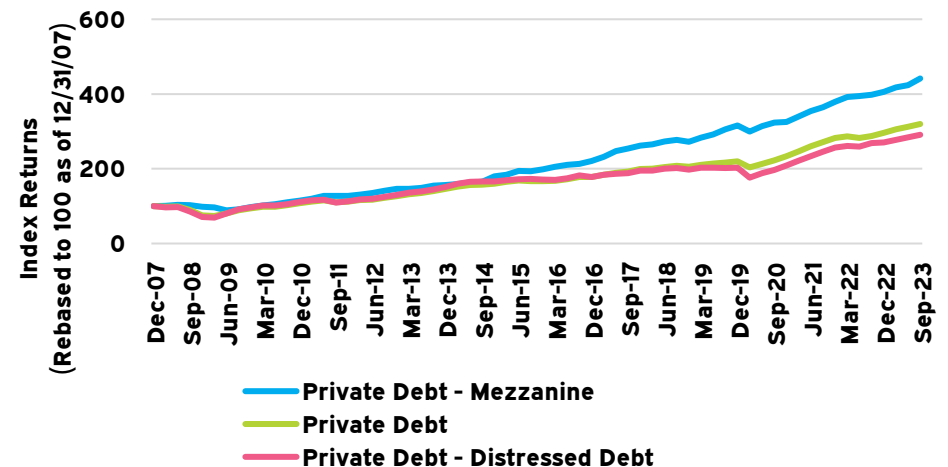
Private Credit: Performance Update (Q3-23)

- The Prequin All Private Debt Index returned 2.3% in Q3 mirroring steady price improvements in the broadly syndicated market.
- Historical Horizon IRRs for the Prequin All Private Debt Index declined markedly, highlighting the impact of the time period sample set and the importance of steady capital deployment.
- Fundraising for Private Credit declined to \$38.8 billion globally, marking a 43% drop from the prior quarter.¹
- Senior Direct Lending, the largest private credit strategy by assets, registered another strong quarter of performance (+3.7%) in Q3 based on the Lincoln Senior Debt Index (LSDI). Yield on the LSDI increased to 11.8% in comparison to 9.5% for the broadly syndicated market.²

Prequin All Private Debt Index (as of 6/30/2023)

Trailing Time Period	Horizon IRR (%)
1 year	7.3
3 years	10.4
5 years	7.1
10 years	7.4

Prequin Private Debt Strategy Index



¹ Bloomberg: "Investors Spent 43% Less on Hot Alternative to Bank Loans Last Quarter" (October 31, 2023)

² Lincoln International: Q3 2023 Lincoln Senior Debt Index



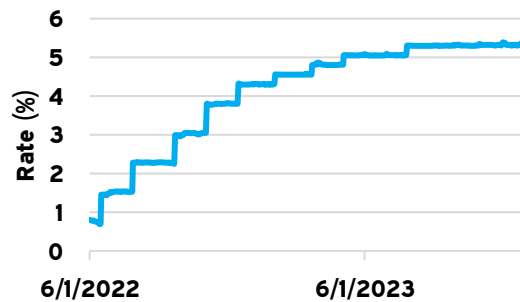
Illinois State Universities Retirement System Private Credit Program

Market & Industry Analysis | As of September 30, 2023

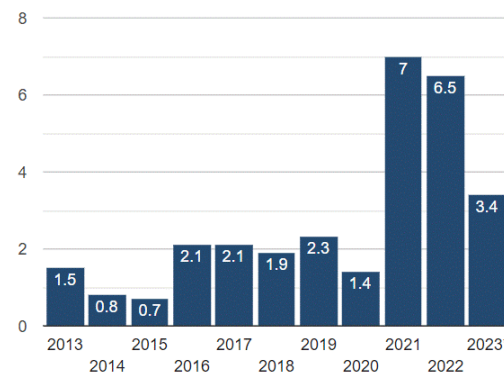
Private Credit: Key Economic Drivers

- Federal Reserve Officials left the federal funds rate unchanged at the September meeting giving little indication of plans to change the higher for longer stance. SOFR remained largely unchanged over the quarter after a small uptick in July 2023.
- Inflation rates declined but the outlook remained unclear against a backdrop of mixed data points such as the continued strength of the U.S. labor market (Chart 2).
- Ratings downgrades outpaced upgrades with an overall negative outlook as the percentage of financial and corporate issuers with a negative outlook reached 9.3% with higher percentages (~30%) for real estate and homebuilders (Chart 3).
- Morgan Stanley noted that defaults rates have risen steadily in 2023 but that distressed exchanges to avoid bankruptcy proceedings have accounted for a larger share of defaults as sponsors have been willing to step-in with additional equity.¹

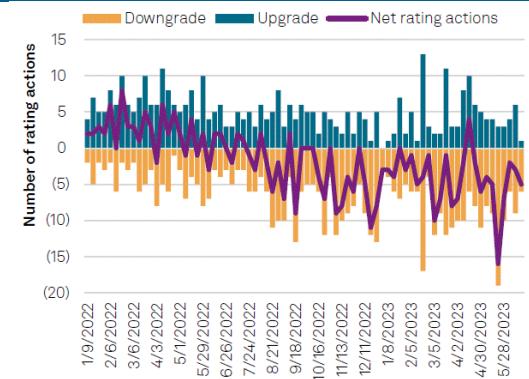
SOFR Rates² (Chart 1)



U.S. Inflation Rates³ (Chart 2)



North American Ratings Actions⁴ (Chart 3)



¹ Morgan Stanley: Leveraged Finance Strategy, "Defaults – Looking Back to Look Forward" (January 16, 2024)

² Source: Federal Reserve Bank of New York

³ Source: www.inflationcalculator.com, United States Annual Inflation Rates (2013 to 2023)

⁴ Source: S&P Global Credit Conditions, Credit Conditions North America (Q3 2023)



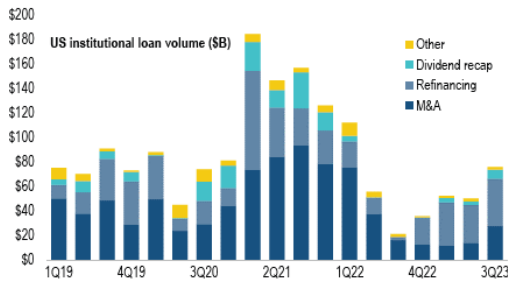
Illinois State Universities Retirement System Private Credit Program

Market & Industry Analysis | As of September 30, 2023

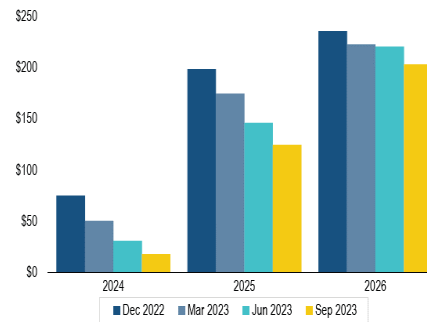
Private Credit: U.S. Senior Direct Lending

- Primary market activity for institutional loans continued to recover in Q3 from the lows seen in 2022. Outside of primary market issuance, extensions where lenders extend a loan maturity, approached a post-Global Financial Crisis peak of \$26.5 billion.¹
- The Broadly Syndicated Loan (BSL) market reopened in Q3 with a mix of buyout and refinancing activity. Deals that cleared the BSL market came from higher rated borrowers.
- Private Credit lenders made headlines for undertaking sizeable deals that would have accessed syndicated markets in the past. These included a \$4.8 billion refinancing of Finastra’s term loan with Vista Equity Partners contributing an additional \$1 billion in preferred equity, and a dollar-for-dollar debt refinancing for Hyland Software, a Thoma Bravo portfolio company.
- Refinancing and extensions reduced the looming 2024 maturity wall for institutional loans by -76% from the end of 2022 to Q3 2023 as captured by the Morningstar LSTA U.S. Leveraged Loan Index.²
- All in new issue spreads came in across issuers from January 2023 levels in the syndicated market with straight spreads for B/B- issuers declining to 400bps from 453bps at the start of the year.

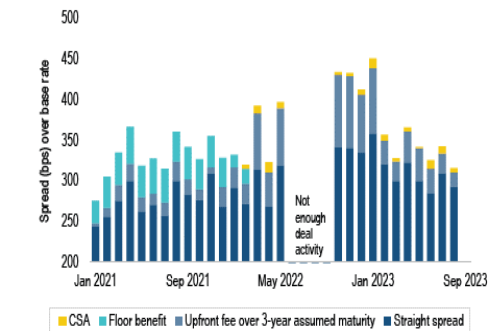
Leveraged Loan Issuance (Q3-23) U.S. Maturity Wall, 2024-2026 Breakout of Yield Composition



Source: Pitchbook LCD (a/o 9/30/23)



Source: Pitchbook LCD (a/o 9/30/23)



Source: Pitchbook LCD (a/o 9/30/23)

¹ PitchBook LCD: "US Credit Markets Quarterly Wrap" (September 30, 2023)

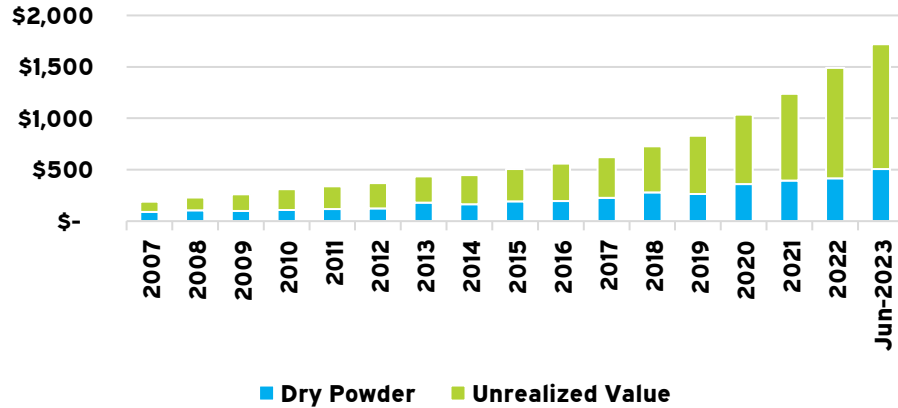
² Pitchbook LCD (a/o 9/30/23)



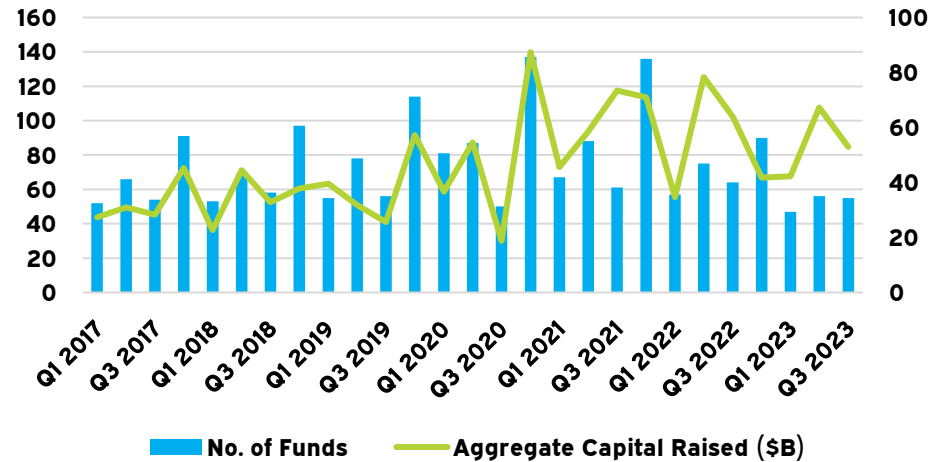
Illinois State Universities Retirement System Private Credit Program

Market & Industry Analysis | As of September 30, 2023

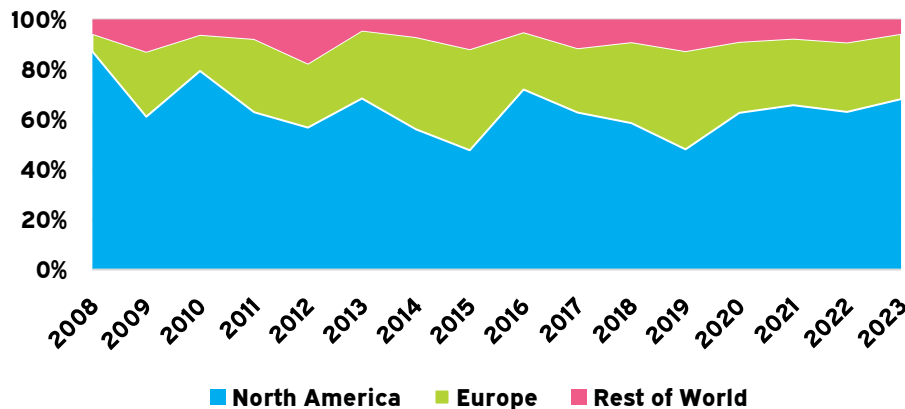
Global Private Debt AUM, as of Year End (\$B)



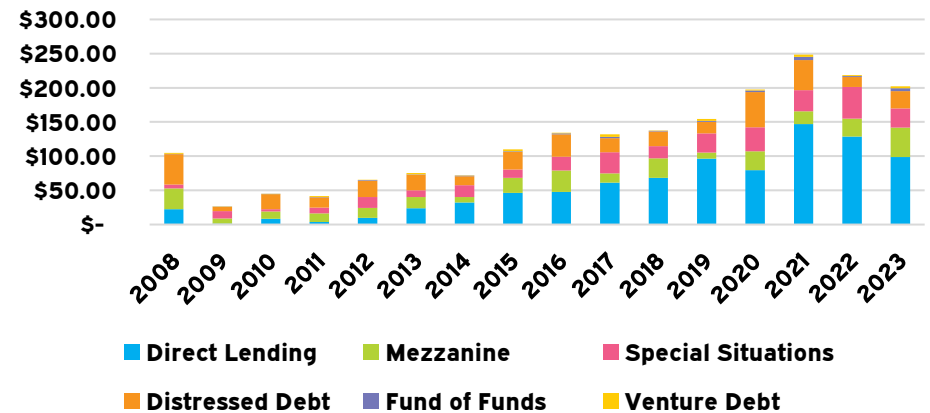
Global Private Debt Fundraising



Global Private Debt Fundraising, by Primary Region



Global Private Debt Fund Raising, by Fund Strategy





Illinois State Universities Retirement System Private Credit Program

Endnotes | As of September 30, 2023

Below are details on specific terminology and calculation methodologies used throughout this report:

Committed	The original commitment amount made to a given fund. Some funds may be denominated in non-USD currencies, and such commitment amounts represent the sum of fund contributions translated to USD at their daily conversion rates plus the unfunded balance translated at the rate as of the date of this report.
Contributed	The amount of capital called by a fund manager against the commitment amount. Contributions may be used for new or follow-on investments, fees, and expenses, as outlined in each fund's limited partnership agreement. Some capital distributions from funds may reduce contributed capital balances. Some funds may be denominated in non-USD currencies, and such aggregate contributions represent the sum of each fund contribution translated to USD at its daily conversion rate.
Distributed	The amount of capital returned from a fund manager for returns of invested capital, profits, interest, and other investment related income. Some distributions may be subject to re-investment, as outlined in each fund's limited partnership agreement. Some funds may be denominated in non-USD currencies, and such aggregate distributions represent the sum of each fund distribution translated to USD at its daily conversion rate.
DPI	Acronym for "Distributed-to-Paid-In", which is a performance measurement for Private Market investments. The performance calculation equals Distributed divided by Contributed. DPIs for funds and groupings of funds are net of all fund fees and expenses as reported to by fund managers to Meketa.
Exposure	Represents the sum of the investor's Unfunded and Remaining Value.
IRR	Acronym for "Internal Rate of Return", which is a performance measurement for Private Market investments. IRRs are calculated by Meketa based on daily cash flows and Remaining Values as of the date of this report. IRRs for funds and groupings of funds are net of all fund fees and expenses as reported by fund managers to Meketa.
NCV	Acronym for "Net Change in Value", which is a performance measurement for Private Market investments. The performance calculation equals the appreciation or depreciation over a time period neutralized for the impact of cash flows that occurred during the time period.
NM	Acronym for "Not Meaningful", which indicates that a performance calculation is based on data over too short a timeframe to yet be meaningful or not yet possible due to inadequate data. Meketa begins reporting IRR calculations for investments once they have reached more than two years since first capital call. NM is also used within this report in uncommon cases where the manager has reported a negative Remaining Value for an investment.



Illinois State Universities Retirement System Private Credit Program

Endnotes | As of September 30, 2023

Peer Universe

The performance for a set of comparable private market funds. The peer returns used in this report are provided by Thomson ONE, based on data from Cambridge Associates as of the date of this report. Program-level peer universe performance represents the pooled return for a set of funds of corresponding vintages and strategies across all regions globally. Fund-level peer performance represents the median return for a set of funds of the same vintage and the program's set of corresponding strategies across all regions globally. Data sets that include less than five funds display performance as "NM". Meketa utilizes the following Thomson ONE strategies for peer universes:

Private Credit: Subordinated Capital, Credit Opportunities, Senior Debt, and Control-Oriented Distressed

Public Market Equivalent ("PME")

A calculation methodology that seeks to compare the performance of a portfolio of private market investments with public market indices. The figures presented in this report are based on the PME+ framework, which represents a net IRR value based on the actual timing and size of the private market program's daily cash flows and the daily appreciation or depreciation of an equivalent public market index. Meketa utilizes the following indices for private market program PME+ calculations:

Private Debt: 50% BB Global High Yield + 50% S&P LSTA Global Leveraged Loan +1%

Remaining Value

The investor's value as reported by a fund manager on the investor's capital account statement. All investor values in this report are as of the date of this report, unless otherwise noted. Some funds may be denominated in non-USD currencies, and such remaining values represent the fund's local currency value translated to USD at the rate as of the date of this report.

TVPI

Acronym for "Total Value-to-Paid-In", which is a performance measurement for Private Market investments. The performance calculations represents Distributed plus Remaining Value, then divided by Contributed. TVPIs for funds and groupings of funds are net of all fund fees and expenses as reported to by fund managers to Meketa.

Unfunded

The remaining balance of capital that a fund manager has yet to call against a commitment amount. Meketa updates unfunded balances for funds to reflect all information provided by fund managers provided in their cash flow notices. Some funds may be denominated in non-USD currencies, and such unfunded balances represent the fund's local currency unfunded balance translated to USD at the rate as of the date of this report.



Illinois State Universities Retirement System Private Credit Program

Disclaimer | As of September 30, 2023

The material contained in this report is confidential and may not be reproduced, disclosed, or distributed, in whole or in part, to any person or entity other than the intended recipient. The data are provided for informational purposes only, may not be complete, and cannot be relied upon for any purpose other than for discussion.

Meketa Investment Group has prepared this report on the basis of sources believed to be reliable. The data are based on matters as they are known as of the date of preparation of the report, and not as of any future date, and will not be updated or otherwise revised to reflect information that subsequently becomes available.

If we manage your assets on a discretionary basis, please contact us if there are any changes in your financial situation or investment objectives, or if you want to impose any reasonable restrictions on our management of your account or reasonably modify existing restrictions.

In general, the valuation numbers presented in this report are prepared by the custodian bank for listed securities, and by the fund manager or appropriate General Partner in the case of unlisted securities. The data used in the market comparison sections of this report are sourced from various databases. These data are continuously updated and are subject to change.

This report does not contain all the information necessary to fully evaluate the potential risks of any of the investments described herein. Because of inherent uncertainties involved in the valuations of investments that are not publicly traded, any estimated fair values shown in this report may differ significantly from the values that would have been used had a ready market for the underlying securities existed, and the differences could be material.

This document may contain certain forward-looking statements, forecasts, estimates, projections, and opinions ("Forward Statements"). No representation is made or will be made that any Forward Statements will be achieved or will prove to be correct. A number of factors, in addition to any risk factors stated in this material, could cause actual future results to vary materially from the Forward Statements. No representation is given that the assumptions disclosed in this document upon which Forward Statements may be based are reasonable. There can be no assurance that the investment strategy or objective of any fund or investment will be achieved, or that the client will receive a return of the amount invested.

In some cases Meketa Investment Group assists the client in handling capital calls or asset transfers among investment managers. In these cases we do not make any representations as to the managers' use of the funds, but do confirm that the capital called or transferred is within the amounts authorized by the client.

Because there is no readily accessible market for private markets assets (companies and partnerships), the values placed on private markets assets are calculated by General Partners using conservative and industry standard pricing procedures. Annually, an independent auditor reviews the pricing procedures employed by the General Partner of each partnership.

The values of companies and partnerships are audited at year-end, and are not audited at other quarter-end periods. While financial information may be audited, there is some discretion as to the method employed to price private companies and, therefore, private markets partnerships. At all times, Meketa Investment Group expects General Partners to utilize conservative and industry standard pricing procedures, and requires the General Partners to disclose those procedures in their reports. However, because of the inherent uncertainty of valuation, these estimated values may differ from the values that would be used if a ready market for the investments existed, and the differences could be significant.

State Universities Retirement System of Illinois

SURS - Private Equity

Portfolio Report

As Of September 2023

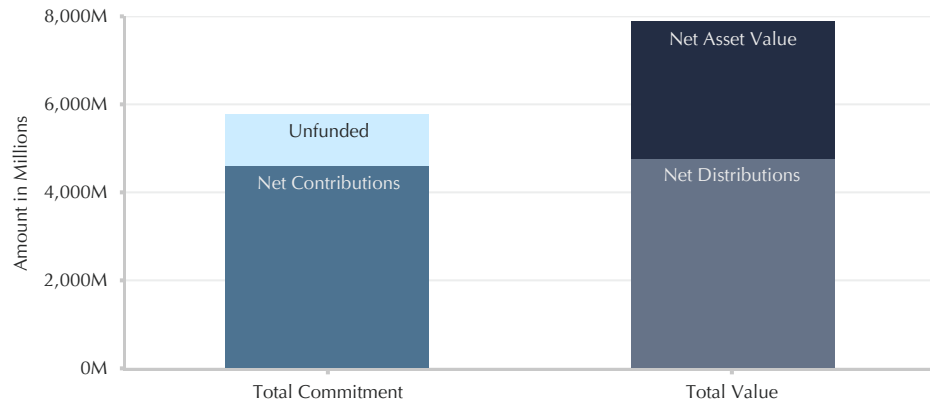
Report created: February 2024

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Portfolio Report

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Summary



Portfolio Summary

Total Pension Assets	\$22.6 bn as of 09/30/2023				
GP Relationships	33				
Holdings	82				
# of Underlying Active Investments	927				
% of Public Companies	2.5%				
Total Commitment Amount	\$5.8 bn				
Net Contributions	\$4.6 bn				
Net Distributions	\$4.8 bn				
Net Asset Value	\$3.1 bn				
Weighted Average Age	15.1Y				
Unfunded Commitment	\$1.2 bn				
Minimum Annual Pacing	375.0 mm				
Maximum Annual Pacing	525.0 mm				
Portfolio Allocation	13.8%				
Minimum Target Allocation	11.0%				
Maximum Target Allocation	11.0%				
1Y IRR	3.9%	2Y IRR	1.7%	3Y IRR	17.0%
5Y IRR	15.8%	7Y IRR	15.8%	10Y IRR	13.4%
ITD IRR*	18.9%	ITD TVPI*	1.7x		

* Jul-1990 - Sep-2023

Position Analytics data based on GP provided information as of Sep-2023

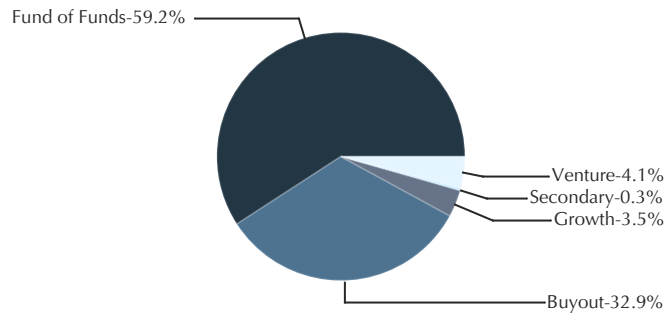
IRR not meaningful for investments held less than 36 months

Weighted Average Age (WAA) is based on net contributions

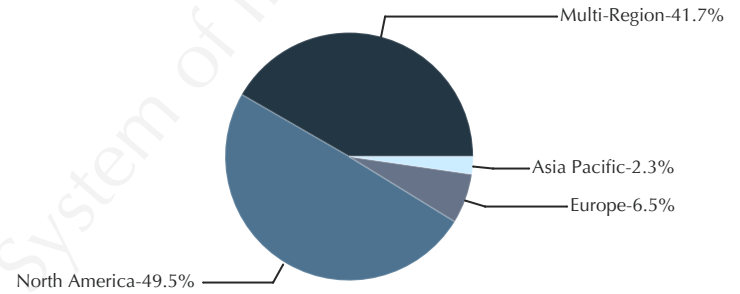
WAA is calculated as the sum of the individual net contributions divided by the overall net contribution and then multiplied by the age

Total Exposure = Unfunded + NAV

Total Exposure by Sector



Total Exposure by Region

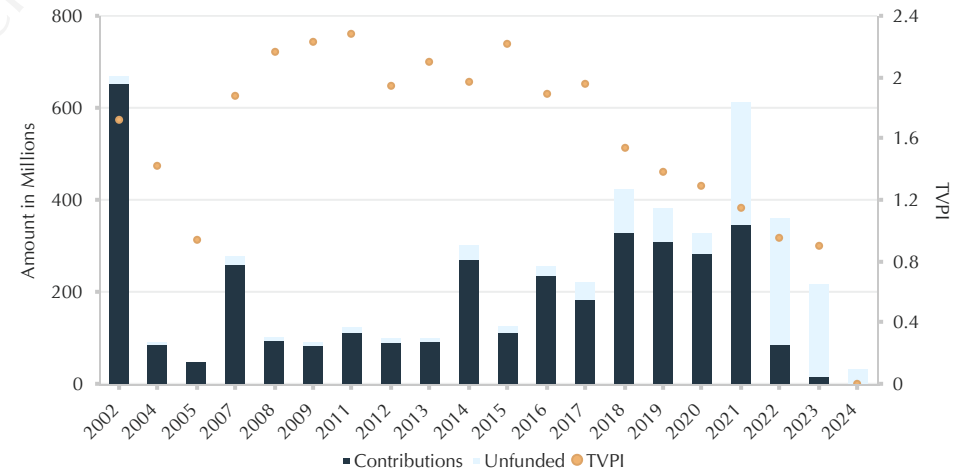
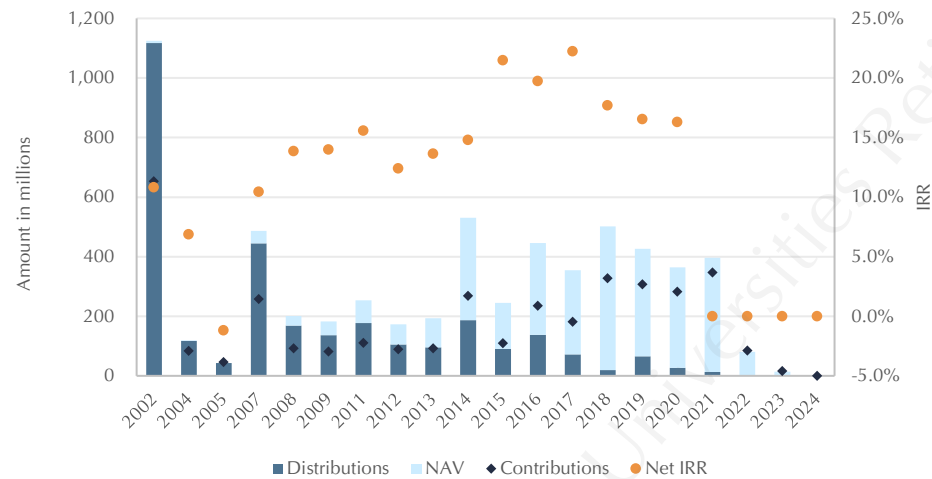


Position Analytics data based on GP provided information as of Sep-2023
 IRR not meaningful for investments held less than 36 months
 Weighted Average Age (WAA) is based on net contributions
 WAA is calculated as the sum of the individual net contributions divided by the overall net contribution and then multiplied by the age
 Total Exposure = Unfunded + NAV

Sector Portfolio Summary

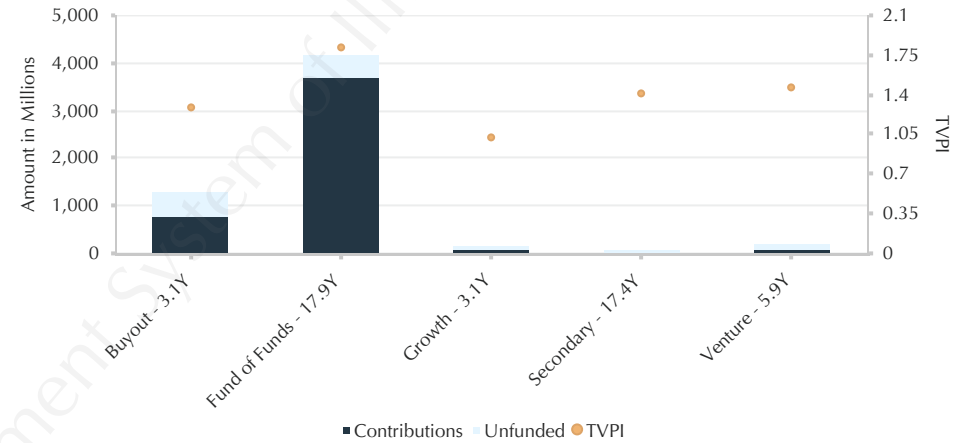
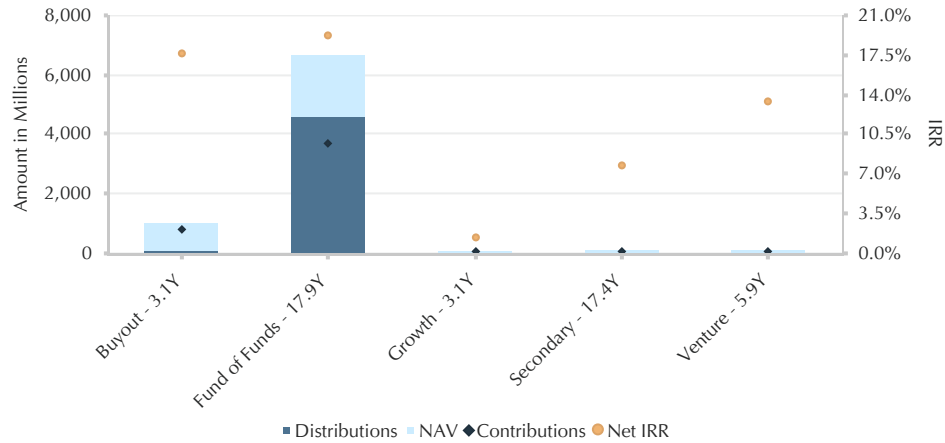
	# Of Funds	Weighted Average Age	NAV (\$mm)	Total Commitment (\$mm)	Unfunded Commitment (\$mm)	Total Exposure (\$mm)	Contributions (\$mm)	Distributions (\$mm)	Net IRR	TVPI
Buyout	32	3.1	910.7	1,241.2	504.7	1,415.4	781.8	103.0	17.7%	1.3x
Fund of Funds	32	17.9	2,063.3	4,129.8	481.5	2,544.8	3,675.4	4,599.5	19.2%	1.8x
Growth	5	3.1	75.8	155.0	75.1	150.9	80.6	6.6	1.4%	1.0x
Secondary	3	17.4	6.1	70.0	8.7	14.8	61.3	80.5	7.7%	1.4x
Venture	10	5.9	68.0	181.0	107.4	175.4	73.7	39.3	13.5%	1.5x
SURS - Private Equity	82	15.1	3,123.9	5,777.0	1,177.4	4,301.3	4,672.8	4,828.8	18.9%	1.7x

Performance Review by Vintage Year

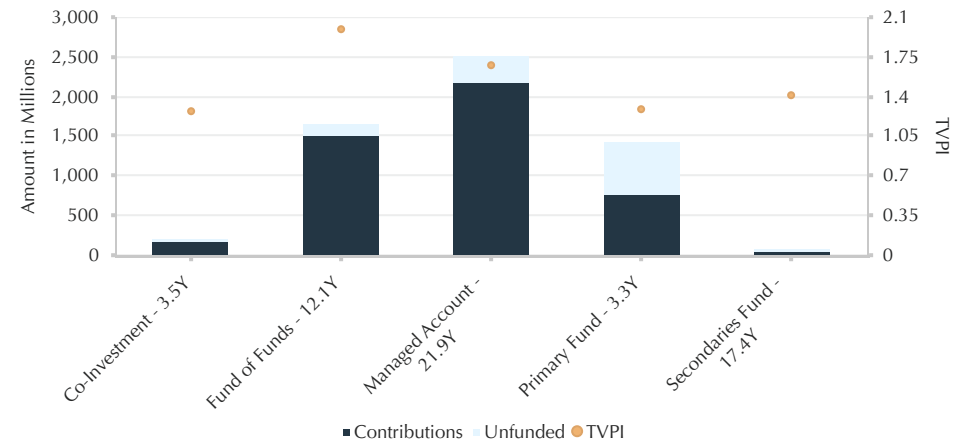
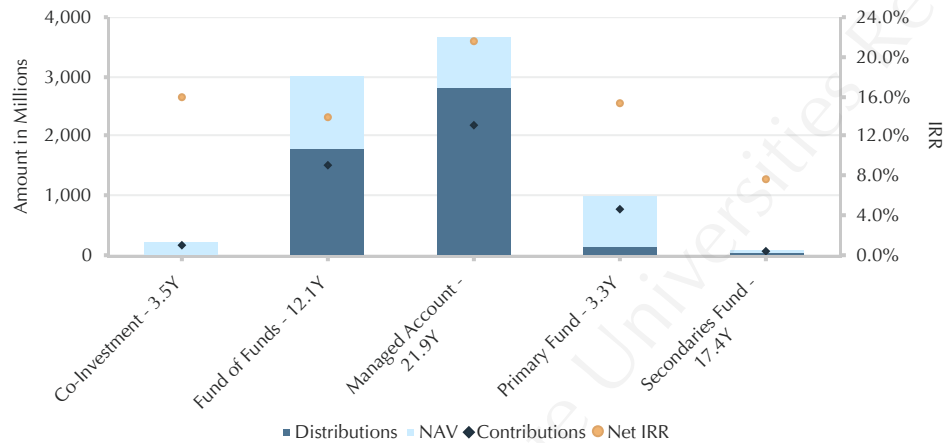


Total Exposure = Unfunded + NAV

Performance Review by Sector

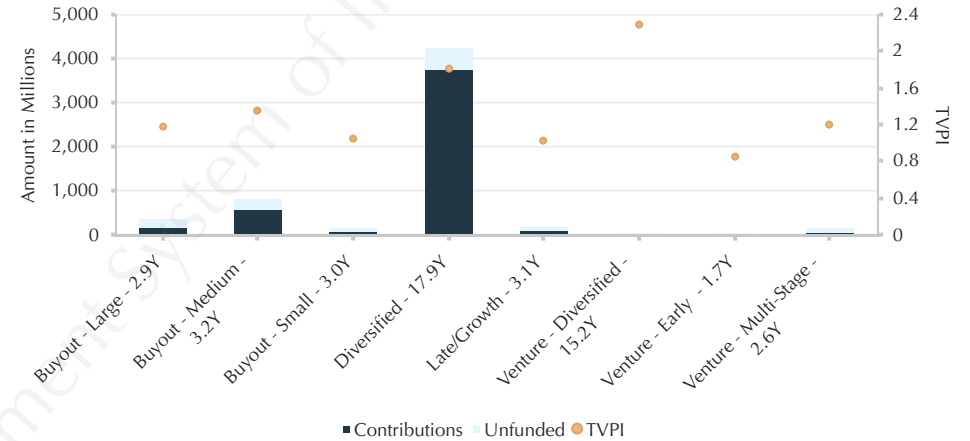
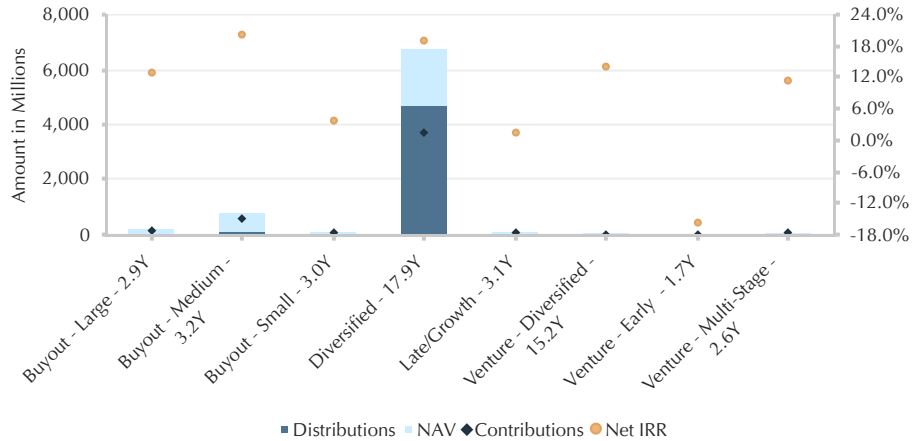


Performance Review by Structure

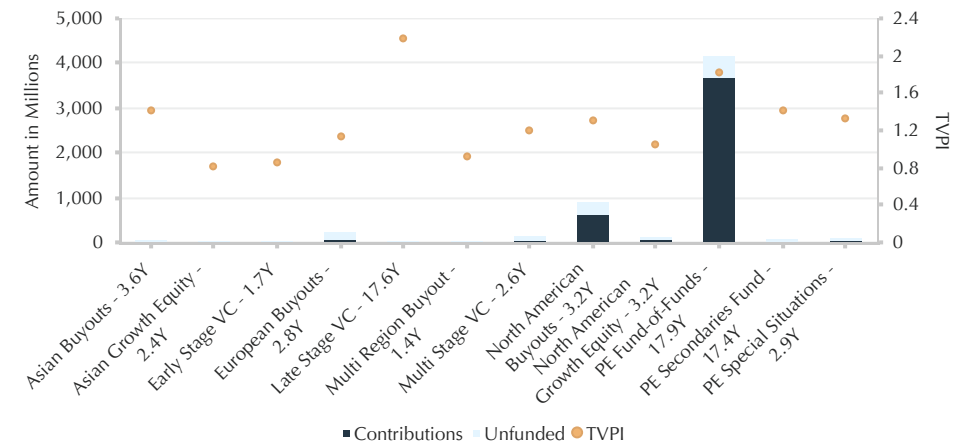
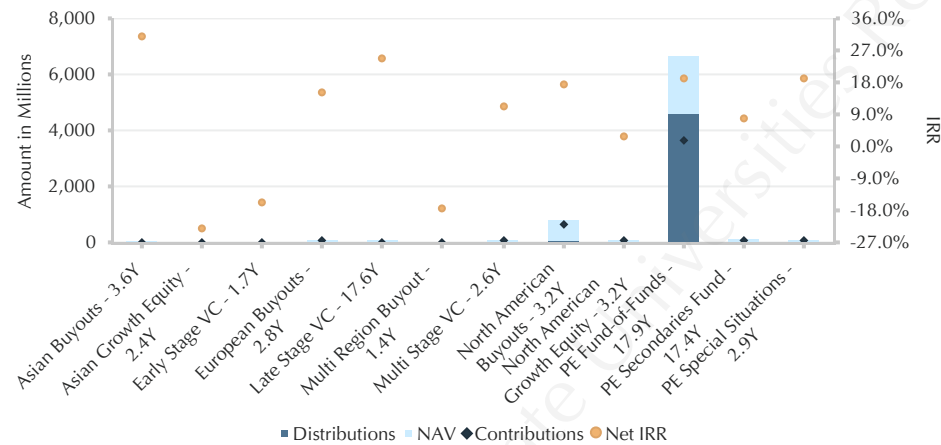


Weighted Average Age (WAA) is based on net contributions
 WAA is calculated as the sum of the individual net contributions divided by the overall net contribution and then multiplied by the age

Performance Review by Strategy



Performance Review by Sub-Strategy



Weighted Average Age (WAA) is based on net contributions
 WAA is calculated as the sum of the individual net contributions divided by the overall net contribution and then multiplied by the age

Performance Statistics

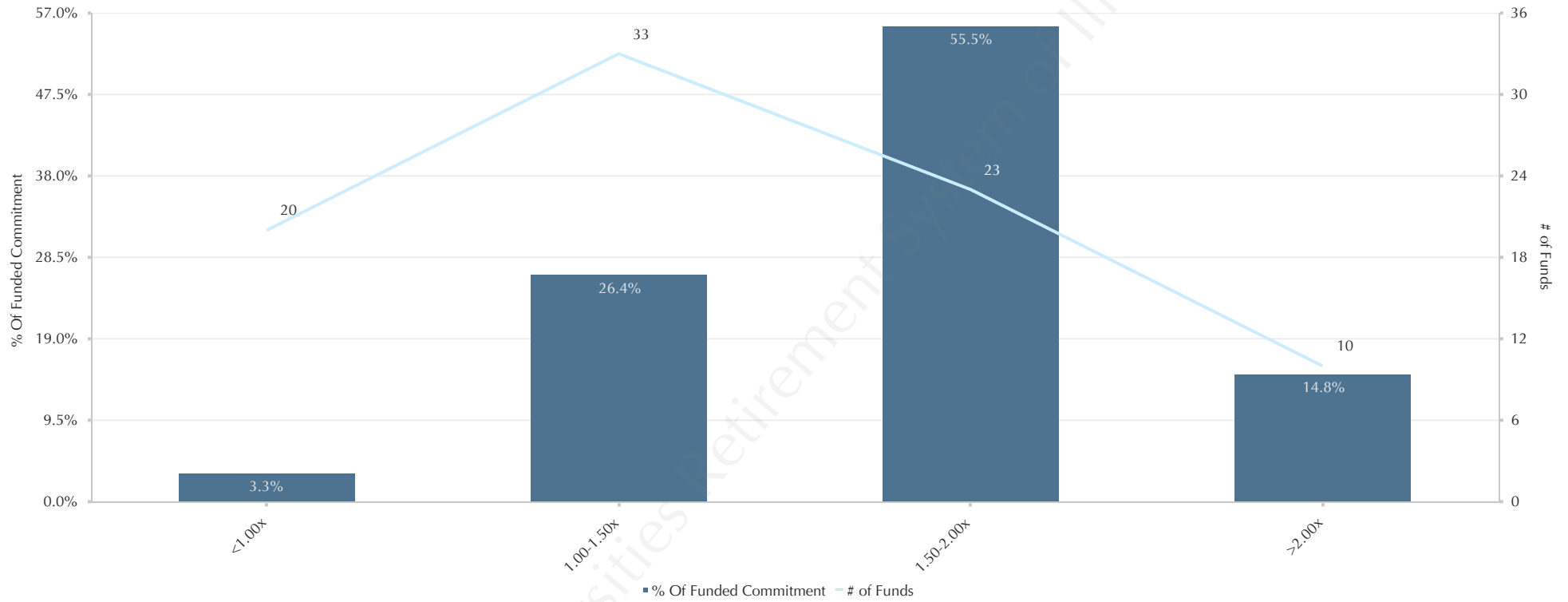
As Of Sep-2023	Sep-2022	Dec-2022	Mar-2023	Jun-2023	Sep-2023	% Change (YTD)	% Change (Quarter)	% Change (Annual)	Sep-2023 Active	Sep-2023 Liquidated
Committed Capital	5,529.5	5,554.5	5,777.0	5,777.0	5,777.0	4.0%	-	4.5%	5,692.0	85.0
Unfunded Commitment	1,302.9	1,215.4	1,367.8	1,285.0	1,177.4	-3.1%	-8.4%	-9.6%	1,177.4	0.0
Net Contributed Capital	4,228.0	4,353.0	4,425.0	4,509.2	4,612.4	6.0%	2.3%	9.1%	4,527.4	85.0
Net Distributed Capital	4,568.6	4,610.6	4,671.0	4,714.5	4,756.2	3.2%	0.9%	4.1%	4,656.3	99.9
Recallable Capital	65.0	67.6	68.6	70.2	72.6	7.3%	3.4%	11.7%	72.6	0.0
Net Asset Value	2,817.2	2,918.5	2,973.3	3,062.1	3,123.9	7.0%	2.0%	10.9%	3,123.9	0.0
Net Gain/Loss	3,164.9	3,185.6	3,230.9	3,278.8	3,279.9	3.0%	0.0%	3.6%	3,260.8	19.0
Total Value	7,385.8	7,529.1	7,644.4	7,776.6	7,880.1	4.7%	1.3%	6.7%	7,780.2	99.9
Total Exposure	4,120.1	4,133.9	4,341.1	4,347.2	4,301.3	4.0%	-1.1%	4.4%	4,301.3	0.0
DPI	1.1x	1.1x	1.1x	1.0x	1.0x	0.0x	0.0x	0.0x	1.0x	1.2x
Total Value to Paid-In (TVPI)	1.7x	1.7x	1.7x	1.7x	1.7x	0.0x	0.0x	0.0x	1.7x	1.2x
Net Internal Rate of Return (IRR)	19.3%	19.2%	19.1%	19.0%	18.9%	-0.3%	-0.1%	-0.4%	19.3%	6.9%

Total Exposure = Unfunded + NAV

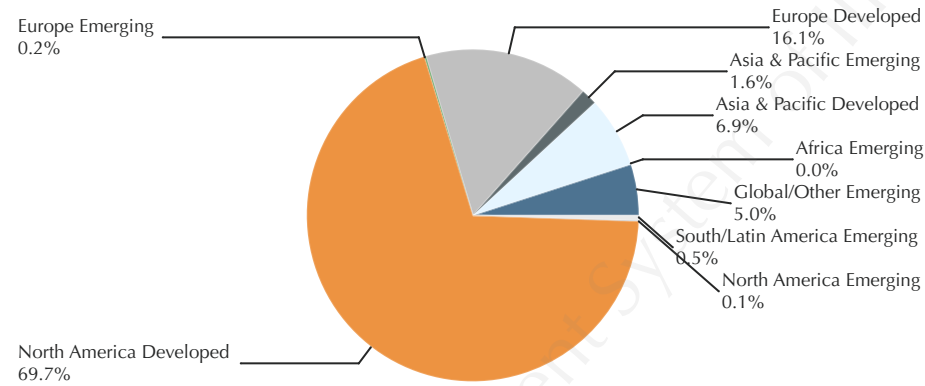
Reporting Period: As Of Sep-2023

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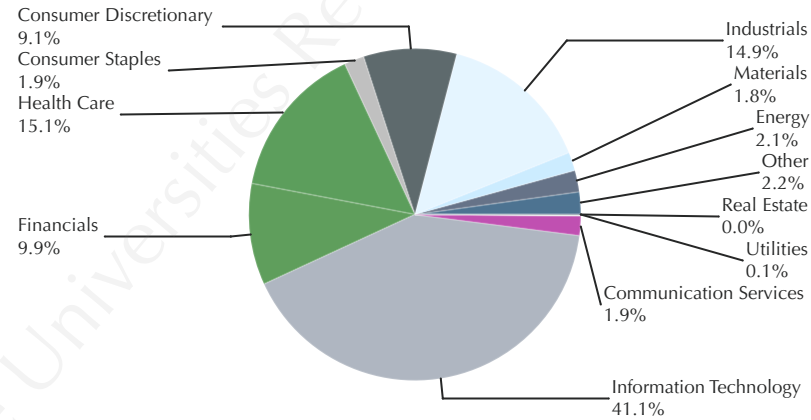
TVPI Distribution



Region - Scaled Gross

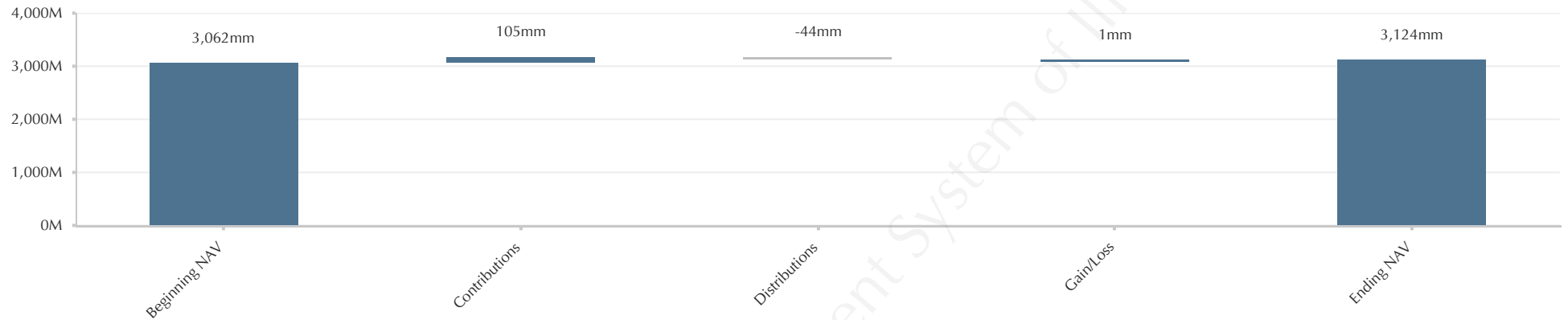


Industry - Scaled Gross

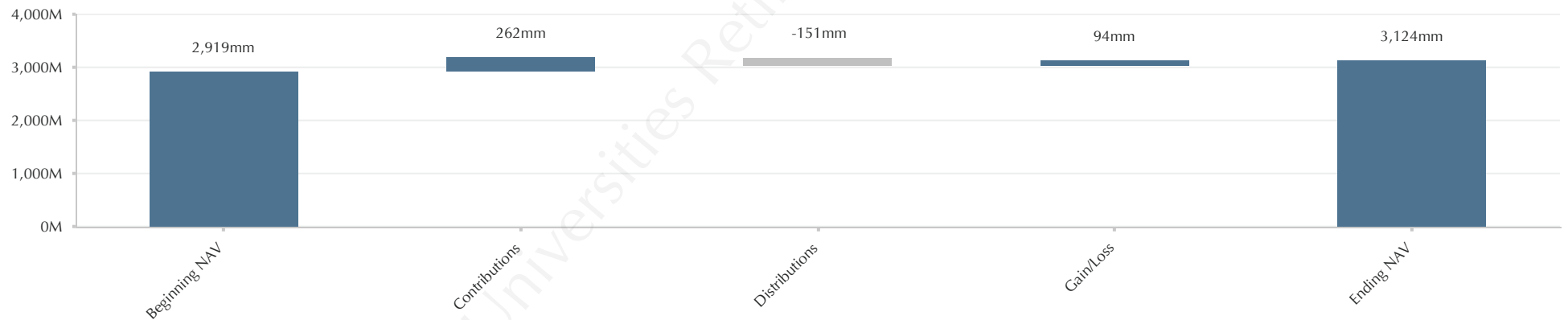


Displaying Asset Class exposures for 100% of total portfolio allocations.
 Displaying Region/Industry exposures for 100% of total portfolio allocations.

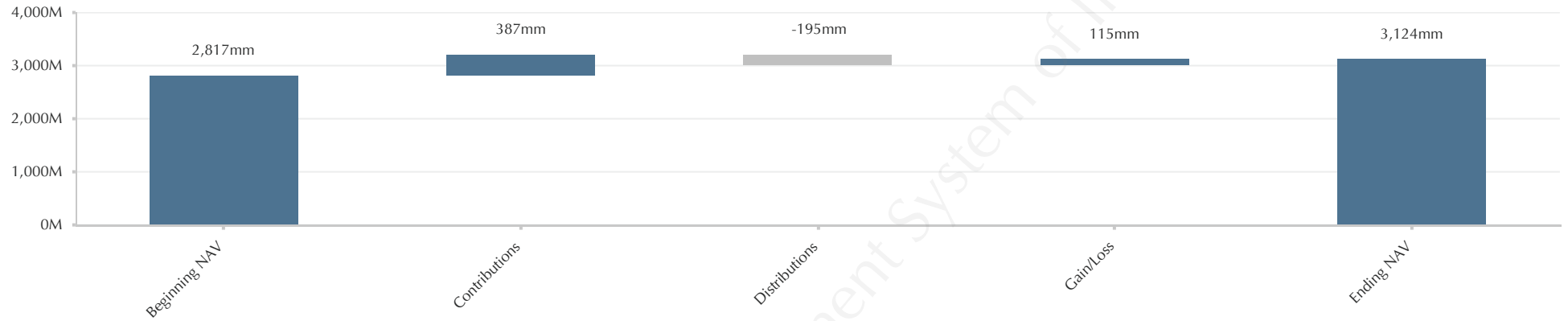
Quarterly Valuation Bridge (Jul-2023 to Sep-2023)



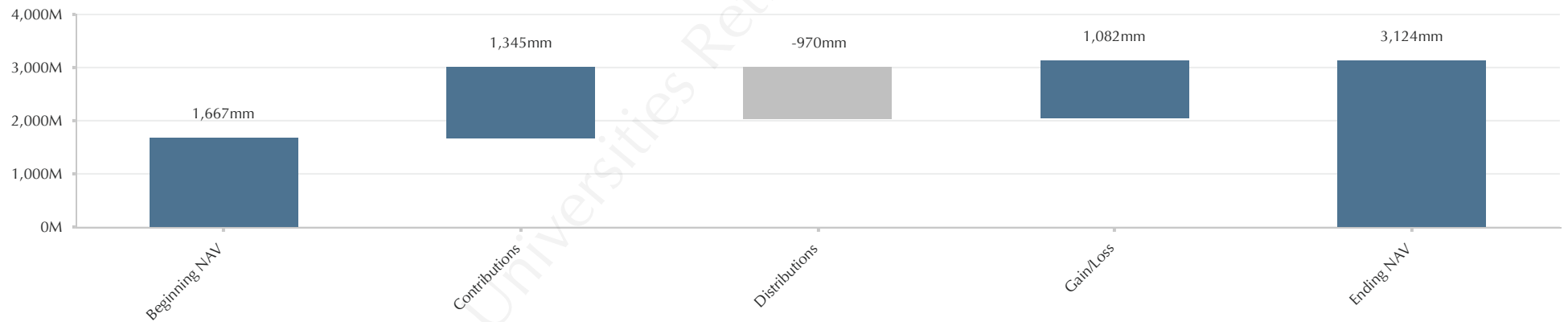
YTD Valuation Bridge (Jan-2023 to Sep-2023)



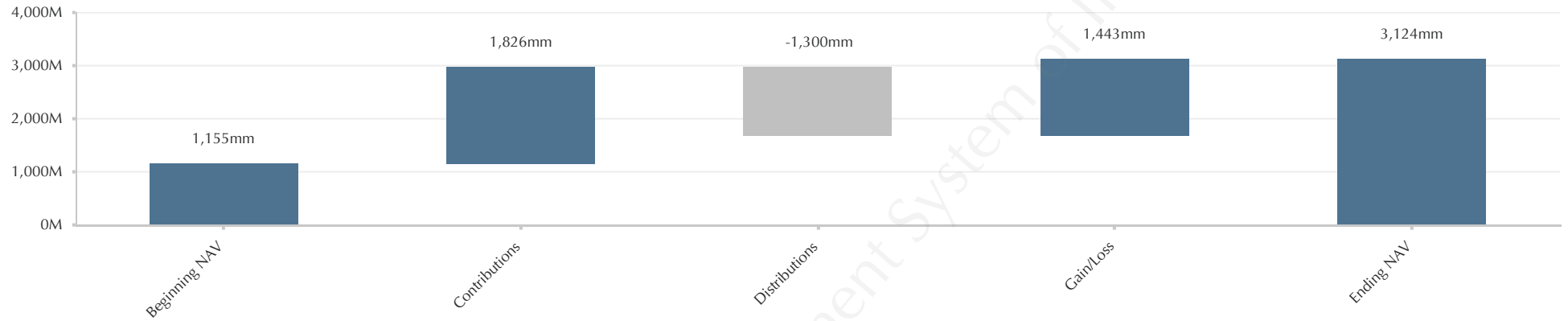
Last 12 Months Valuation Bridge (Oct-2022 to Sep-2023)



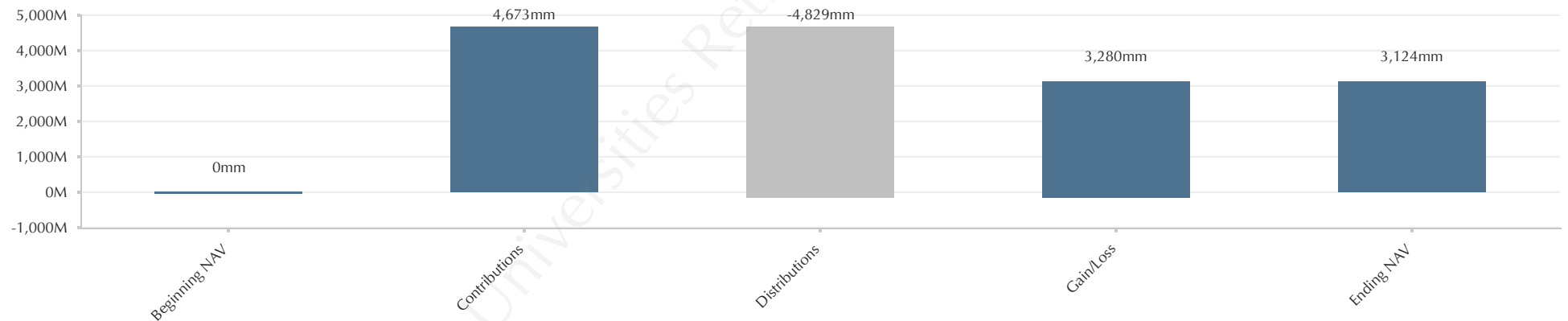
Last 3 Years Valuation Bridge (Oct-2020 to Sep-2023)



Last 5 Years Valuation Bridge (Oct-2018 to Sep-2023)



LTD Valuation Bridge (Jul-1990 to Sep-2023)



SURS - Private Equity

Portfolio Summary

	NAV Weight	Total Commitment (\$mm)	Contributions (\$mm)	Distributions (\$mm)	Unfunded Commitment (\$mm)	Total Exposure (\$mm)	Gain/Loss (\$mm)	NAV (\$mm)	Net IRR	TVPI
Sector										
Buyout	29.2%	1,241.2	781.8	103.0	504.7	1,415.4	231.9	910.7	17.7%	1.3x
Fund of Funds	66.0%	4,129.8	3,675.4	4,599.5	481.5	2,544.8	2,987.3	2,063.3	19.2%	1.8x
Growth	2.4%	155.0	80.6	6.6	75.1	150.9	1.8	75.8	1.4%	1.0x
Secondary	0.2%	70.0	61.3	80.5	8.7	14.8	25.3	6.1	7.7%	1.4x
Venture	2.2%	181.0	73.7	39.3	107.4	175.4	33.6	68.0	13.5%	1.5x
SURS - Private Equity	100.0%	5,777.0	4,672.8	4,828.8	1,177.4	4,301.3	3,279.9	3,123.9	18.9%	1.7x
Strategy										
Buyout - Large	5.3%	335.5	153.0	12.9	191.7	358.0	26.2	166.3	13.0%	1.2x
Buyout - Medium	21.6%	765.7	559.7	86.5	239.4	914.2	201.6	674.8	20.1%	1.4x
Buyout - Small	2.2%	140.0	69.1	3.6	73.6	143.2	4.0	69.6	3.7%	1.1x
Diversified	66.2%	4,199.8	3,736.7	4,680.0	490.2	2,559.6	3,012.6	2,069.4	19.0%	1.8x
Late/Growth	2.4%	155.0	80.6	6.6	75.1	150.9	1.8	75.8	1.4%	1.0x
Venture - Diversified	0.2%	20.0	19.6	39.2	0.4	6.1	25.3	5.7	14.1%	2.3x
Venture - Early	0.2%	20.0	6.0	0.0	14.0	19.1	-0.9	5.1	n.m. ¹	0.9x
Venture - Multi-Stage	1.8%	141.0	48.2	0.1	92.9	150.2	9.2	57.2	n.m. ¹	1.2x
SURS - Private Equity	100.0%	5,777.0	4,672.8	4,828.8	1,177.4	4,301.3	3,279.9	3,123.9	18.9%	1.7x

Sub Strategy	NAV Weight	Total Commitment (\$mm)	Contributions (\$mm)	Distributions (\$mm)	Unfunded Commitment (\$mm)	Total Exposure (\$mm)	Gain/Loss (\$mm)	NAV (\$mm)	Net IRR	TVPI
Asian Buyouts	1.3%	50.0	29.4	0.6	21.2	62.0	12.0	40.8	n.m. ¹	1.4x
Asian Growth Equity	0.2%	30.0	9.1	0.6	21.5	28.2	-1.7	6.8	n.m. ¹	0.8x
Early Stage VC	0.2%	20.0	6.0	0.0	14.0	19.1	-0.9	5.1	n.m. ¹	0.9x
European Buyouts	2.3%	223.7	74.7	14.6	157.6	228.0	10.4	70.4	15.4%	1.1x
Late Stage VC	0.2%	30.0	29.6	58.9	0.4	6.1	35.0	5.7	24.6%	2.2x
Multi Region Buyout	0.2%	25.0	7.5	0.0	17.5	24.5	-0.5	7.0	n.m. ¹	0.9x
Multi Stage VC	1.8%	141.0	48.2	0.1	92.9	150.2	9.2	57.2	n.m. ¹	1.2x
North American Buyouts	22.9%	862.5	610.3	83.8	286.2	1,002.9	190.2	716.7	17.4%	1.3x
North American Growth Equity	2.2%	125.0	71.5	5.9	53.6	122.7	3.4	69.0	2.9%	1.0x
PE Fund-of-Funds	66.0%	4,119.8	3,665.4	4,579.7	481.5	2,544.8	2,977.6	2,063.3	19.0%	1.8x
PE Secondaries Fund	0.2%	70.0	61.3	80.5	8.7	14.8	25.3	6.1	7.7%	1.4x
PE Special Situations	2.4%	80.0	59.9	3.9	22.3	98.1	19.8	75.8	18.9%	1.3x
SURS - Private Equity	100.0%	5,777.0	4,672.8	4,828.8	1,177.4	4,301.3	3,279.9	3,123.9	18.9%	1.7x

SURS - Private Equity

Portfolio Summary

Vintage	NAV Weight	Total Commitment (\$mm)	Contributions (\$mm)	Distributions (\$mm)	Unfunded Commitment (\$mm)	Total Exposure (\$mm)	Gain/Loss (\$mm)	NAV (\$mm)	Net IRR	TVPI
2024	-	40.0	0.0	0.0	40.0	40.0	0.0	0.0	n.m.	0.0x
2023	0.4%	210.0	16.1	0.5	192.4	206.4	-1.7	14.0	n.m. ¹	0.9x
2022	2.6%	362.6	84.9	0.0	275.8	357.1	-3.6	81.3	n.m. ¹	1.0x
2021	12.3%	601.0	347.0	13.4	265.9	649.0	49.5	383.1	n.m. ¹	1.1x
2020	10.8%	313.7	283.3	26.9	44.7	382.7	81.5	338.0	16.3%	1.3x
2019	11.6%	360.0	308.0	65.7	72.7	433.6	118.5	360.8	16.5%	1.4x
2018	15.4%	420.0	327.5	19.8	94.9	577.2	174.6	482.3	17.7%	1.5x
2017	9.1%	220.0	181.8	72.3	38.4	321.2	173.3	282.8	22.2%	2.0x
2016	9.9%	250.0	235.2	137.6	21.7	330.3	211.1	308.6	19.7%	1.9x
2015	4.9%	125.0	110.3	91.2	14.7	168.7	134.9	154.0	21.5%	2.2x
2014	11.0%	300.0	269.3	187.2	30.7	373.9	261.2	343.2	14.8%	2.0x
2013	3.1%	100.0	92.4	95.6	7.6	105.7	101.3	98.1	13.6%	2.1x
2012	2.2%	100.0	89.7	106.2	10.3	78.0	84.1	67.7	12.4%	1.9x
2011	2.4%	124.6	111.0	177.4	11.1	87.6	142.8	76.5	15.6%	2.3x
2009	1.5%	90.0	81.8	137.0	8.2	53.9	100.9	45.7	14.0%	2.2x
2008	1.0%	100.0	92.9	169.1	7.1	39.5	108.6	32.4	13.9%	2.2x
2007	1.4%	280.4	258.6	444.7	18.1	60.4	228.4	42.2	10.4%	1.9x
2005	-	50.0	46.5	43.9	0.0	0.0	-2.6	0.0	-1.2%	0.9x
2004	0.1%	90.0	84.0	117.3	6.0	8.6	35.9	2.6	6.9%	1.4x
2002	0.2%	664.1	653.0	1,117.2	15.5	23.0	471.6	7.4	10.8%	1.7x
1998	0.0%	39.4	42.5	76.6	0.1	0.4	34.3	0.3	12.2%	1.8x
1995	0.0%	20.0	19.8	17.2	0.0	0.9	-1.7	0.9	-1.5%	0.9x

Reporting Period: Jul-1990 - Sep-2023

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SURS - Private Equity

Portfolio Summary

	NAV Weight	Total Commitment (\$mm)	Contributions (\$mm)	Distributions (\$mm)	Unfunded Commitment (\$mm)	Total Exposure (\$mm)	Gain/Loss (\$mm)	NAV (\$mm)	Net IRR	TVPI
1990	0.1%	916.2	937.2	1,712.0	1.3	3.3	776.8	2.0	26.8%	1.8x
SURS - Private Equity	100.0%	5,777.0	4,672.8	4,828.8	1,177.4	4,301.3	3,279.9	3,123.9	18.9%	1.7x
Structure										
Co-Investment	6.8%	200.0	173.1	8.4	26.9	238.5	46.9	211.5	16.0%	1.3x
Fund of Funds	39.1%	1,629.4	1,506.0	1,785.9	146.4	1,368.1	1,501.6	1,221.6	13.9%	2.0x
Managed Account	26.9%	2,500.3	2,169.4	2,813.5	335.0	1,176.7	1,485.8	841.7	21.5%	1.7x
Primary Fund	27.0%	1,377.2	763.0	140.4	660.3	1,503.2	220.3	843.0	15.4%	1.3x
Secondaries Fund	0.2%	70.0	61.3	80.5	8.7	14.8	25.3	6.1	7.7%	1.4x
SURS - Private Equity	100.0%	5,777.0	4,672.8	4,828.8	1,177.4	4,301.3	3,279.9	3,123.9	18.9%	1.7x
Region										
Asia Pacific	1.7%	90.0	47.7	11.7	43.4	98.1	18.7	54.6	11.7%	1.4x
Europe	3.5%	400.4	255.9	312.0	169.4	279.7	166.3	110.3	13.4%	1.6x
Multi-Region	47.8%	1,720.4	1,424.5	963.4	299.3	1,792.4	1,032.0	1,493.1	12.6%	1.7x
North America	46.9%	3,566.1	2,944.7	3,541.7	665.3	2,131.1	2,062.8	1,465.8	21.0%	1.7x
SURS - Private Equity	100.0%	5,777.0	4,672.8	4,828.8	1,177.4	4,301.3	3,279.9	3,123.9	18.9%	1.7x

SURS - Private Equity

Portfolio Summary

Commitment Year	NAV Weight	Total Commitment (\$mm)	Contributions (\$mm)	Distributions (\$mm)	Unfunded Commitment (\$mm)	Total Exposure (\$mm)	Gain/Loss (\$mm)	NAV (\$mm)	Net IRR	TVPI
2023	0.5%	222.5	18.4	0.5	204.5	221.1	-1.4	16.6	n.m. ¹	0.9x
2022	3.4%	415.5	107.4	2.6	309.5	416.1	1.8	106.7	n.m. ¹	1.0x
2021	5.0%	354.5	159.7	5.3	197.0	354.3	2.9	157.3	n.m. ¹	1.0x
2020	18.0%	554.7	456.2	36.9	117.7	681.1	144.1	563.3	17.5%	1.3x
2019	13.0%	390.0	339.0	69.5	73.9	480.3	137.0	406.4	17.2%	1.4x
2018	3.3%	90.0	69.4	11.6	20.6	122.9	44.5	102.3	20.6%	1.6x
2017	18.9%	500.0	398.6	72.3	101.6	691.3	263.3	589.6	18.8%	1.7x
2016	9.9%	250.0	235.2	137.6	21.7	330.3	211.1	308.6	19.7%	1.9x
2015	4.9%	125.0	110.3	91.2	14.7	168.7	134.9	154.0	21.5%	2.2x
2014	11.0%	300.0	269.3	187.2	30.7	373.9	261.2	343.2	14.8%	2.0x
2013	3.1%	100.0	92.4	95.6	7.6	105.7	101.3	98.1	13.6%	2.1x
2012	4.6%	224.6	200.8	283.6	21.4	165.6	227.0	144.2	14.3%	2.1x
2009	1.5%	100.0	91.6	153.9	8.4	56.5	110.3	48.1	13.8%	2.2x
2008	1.1%	100.0	92.8	174.6	7.2	40.4	115.0	33.2	14.1%	2.2x
2007	1.2%	270.4	248.8	422.4	17.9	56.8	212.5	39.0	10.2%	1.9x
2004	0.1%	115.0	105.5	136.1	6.0	8.6	33.3	2.6	5.3%	1.3x
2002	0.2%	664.1	653.0	1,117.2	15.5	23.0	471.6	7.4	10.8%	1.7x
2001	-	25.0	25.0	25.1	0.0	0.0	0.1	0.0	0.0%	1.0x
1998	0.0%	39.4	42.5	76.6	0.1	0.4	34.3	0.3	12.2%	1.8x
1995	0.0%	20.0	19.8	17.2	0.0	0.9	-1.7	0.9	-1.5%	0.9x
1990	0.1%	916.2	937.2	1,712.0	1.3	3.3	776.8	2.0	26.8%	1.8x
SURS - Private Equity	100.0%	5,777.0	4,672.8	4,828.8	1,177.4	4,301.3	3,279.9	3,123.9	18.9%	1.7x

Reporting Period: Jul-1990 - Sep-2023

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Asset Class	NAV Weight	Total Commitment (\$mm)	Contributions (\$mm)	Distributions (\$mm)	Unfunded Commitment (\$mm)	Total Exposure (\$mm)	Gain/Loss (\$mm)	NAV (\$mm)	Net IRR	TVPI
Private Equity	100.0%	5,777.0	4,672.8	4,828.8	1,177.4	4,301.3	3,279.9	3,123.9	18.9%	1.7x
SURS - Private Equity	100.0%	5,777.0	4,672.8	4,828.8	1,177.4	4,301.3	3,279.9	3,123.9	18.9%	1.7x

¹ IRR not meaningful for investments held less than 36 months

* Total figures take into account all current and closed portfolio positions as at Sep-2023

Total Exposure = Unfunded + NAV

State Universities Retirement System of Illinois

	Currency	NAV Weight	Total Commitment (mm)	Contributions (mm)	Distributions (mm)	Unfunded Commitment (mm)	Total Exposure (mm)	Gain/Loss (mm)	NAV (mm)	Net IRR	TVPI
2024											
GGV Capital IX LP	USD	-	32.0	0.0	0.0	32.0	32.0	0.0	0.0 ¹	n.m.	0.0x
GGV Capital IX Plus LP	USD	-	8.0	0.0	0.0	8.0	8.0	0.0	0.0 ¹	n.m.	0.0x
Total 2024	USD	-	40.0	0.0	0.0	40.0	40.0	0.0	0.0	n.m.	0.0x
2023											
Cortec Group Fund VIII	USD	0.1%	35.0	5.1	0.5	30.3	34.3	-0.6	4.0	n.m. ²	0.9x
Lincoln Fund I (Series C)	USD	-	100.0	0.0	0.0	100.0	100.0	0.0	0.0 ¹	n.m.	0.0x
OceanSound Partners Fund II	USD	0.3%	25.0	10.0	0.0	15.0	24.5	-0.5	9.6	n.m. ²	1.0x
PAI Partners VIII-1 SCSp	USD	0.0%	50.0	1.0	0.0	47.2	47.6	-0.6	0.4	n.m. ²	0.4x
Total 2023	USD	0.4%	210.0	16.1	0.5	192.4	206.4	-1.7	14.0	n.m. ²	0.9x

	Currency	NAV Weight	Total Commitment (mm)	Contributions (mm)	Distributions (mm)	Unfunded Commitment (mm)	Total Exposure (mm)	Gain/Loss (mm)	NAV (mm)	Net IRR	TVPI
2022											
Advent International GPE X	USD	0.2%	25.0	7.5	0.0	17.5	24.5	-0.5	7.0	n.m. ²	0.9x
Base10 Advancement Initiative II	USD	0.1%	25.0	3.4	0.0	21.6	24.4	-0.6	2.7	n.m. ²	0.8x
Base10 Partners III	USD	0.2%	20.0	6.0	0.0	14.0	19.1	-0.9	5.1	n.m. ²	0.9x
Bregal Sagemount IV-B	USD	0.1%	25.0	3.7	0.0	21.3	24.2	-0.8	2.9	n.m. ²	0.8x
Greenbriar Equity Fund VI LP	USD	0.1%	22.5	3.3	0.0	19.2	22.2	-0.3	3.0	n.m. ²	0.9x
Hg Saturn 3 A	USD	0.3%	35.0	10.8	0.0	24.2	35.1	0.1	10.9	n.m. ²	1.0x
HgCapital Genesis 10 A	USD	0.1%	13.0	2.3	0.0	10.4	12.9	0.1	2.4	n.m. ²	1.1x
Inflexion Buyout Fund VI	USD	0.2%	24.5	5.3	0.0	16.7	21.6	-0.4	4.9	n.m. ²	0.9x
Nordic Capital XI Beta	USD	0.1%	50.1	5.2	0.0	45.7	49.6	-1.3	3.9	n.m. ²	0.7x
Oak HC-FT Partners V	USD	0.2%	40.0	5.8	0.0	34.2	40.5	0.5	6.3	n.m. ²	1.1x
Rubicon Technology Partners IV	USD	0.1%	32.5	4.2	0.0	28.3	31.4	-1.1	3.1	n.m. ²	0.7x
Thoma Bravo Discover Fund IV	USD	0.4%	25.0	10.5	0.0	14.5	25.8	0.8	11.2	n.m. ²	1.1x
Thoma Bravo Fund XV	USD	0.6%	25.0	17.0	0.0	8.0	25.9	0.9	17.8	n.m. ²	1.1x
Total 2022	USD	2.6%	362.6	84.9	0.0	275.8	357.1	-3.6	81.3	n.m.²	1.0x

SURS - Private Equity

Portfolio Summary by Vintage Year

	Currency	NAV Weight	Total Commitment (mm)	Contributions (mm)	Distributions (mm)	Unfunded Commitment (mm)	Total Exposure (mm)	Gain/Loss (mm)	NAV (mm)	Net IRR	TVPI
2021											
Altaris Health Partners V	USD	0.6%	25.0	15.5	0.2	9.5	28.4	3.7	18.9	n.m. ²	1.2x
Avance Investment Partners	USD	0.4%	25.0	13.5	2.4	13.7	25.8	1.0	12.1	n.m. ²	1.1x
Base10 Advancement Initiative I	USD	0.6%	25.0	21.4	0.3	3.6	21.5	-3.2	18.0	n.m. ²	0.8x
Clearlake Capital Partners VII	USD	1.0%	50.0	28.9	0.1	21.2	51.3	1.4	30.2	n.m. ²	1.0x
GGV Capital VIII	USD	0.5%	21.6	13.7	0.0	7.9	22.9	1.3	15.0	n.m. ²	1.1x
GGV Capital VIII Plus	USD	0.1%	5.4	2.5	0.0	2.9	5.5	0.1	2.6	n.m. ²	1.0x
GGV Discovery III	USD	0.2%	9.0	4.7	0.0	4.3	11.0	2.0	6.7	n.m. ²	1.4x
Great Hill Equity Partners VIII-Pref	USD	0.1%	25.0	5.2	0.0	19.8	23.7	-1.3	3.9	n.m. ²	0.8x
Harvest Partners IX	USD	0.5%	50.0	17.3	1.5	34.1	48.8	-1.2	14.7	n.m. ²	0.9x
Lincoln Fund I (Series B)	USD	1.1%	100.0	33.8	0.0	66.2	100.2	0.2	34.1	n.m. ²	1.0x
MBK Partners Fund V	USD	1.3%	50.0	29.4	0.6	21.2	62.0	12.0	40.8	n.m. ²	1.4x
Nautic Partners X	USD	0.3%	25.0	8.7	0.3	16.6	26.6	1.6	10.1	n.m. ²	1.2x
Oak HC-FT Partners IV	USD	0.9%	25.0	21.5	0.1	3.6	30.3	5.3	26.7	n.m. ²	1.2x
One Equity Partners VIII	USD	0.9%	25.0	25.0	2.6	2.6	31.7	6.6	29.0	n.m. ²	1.3x
One Rock Capital Partners III	USD	1.3%	35.0	30.4	3.6	8.1	49.3	14.4	41.2	n.m. ²	1.5x
Orchid Asia VIII	USD	0.2%	30.0	9.1	0.6	21.5	28.2	-1.7	6.8	n.m. ²	0.8x
Stellex Capital Partners II	USD	0.6%	25.0	17.0	1.2	8.5	26.1	1.8	17.6	n.m. ²	1.1x
Thoma Bravo Fund XIV	USD	1.8%	50.0	49.3	0.0	0.7	55.6	5.6	54.8	n.m. ²	1.1x
Total 2021	USD	12.3%	601.0	347.0	13.4	265.9	649.0	49.5	383.1	n.m.²	1.1x

SURS - Private Equity

Portfolio Summary by Vintage Year

	Currency	NAV Weight	Total Commitment (mm)	Contributions (mm)	Distributions (mm)	Unfunded Commitment (mm)	Total Exposure (mm)	Gain/Loss (mm)	NAV (mm)	Net IRR	TVPI
2020											
Clearlake Capital Partners VI	USD	1.5%	30.0	30.9	3.8	1.2	46.8	18.5	45.6	23.7%	1.6x
Hg Genesis 9	USD	0.4%	13.7	13.0	2.3	3.1	16.2	2.4	13.1	n.m. ²	1.2x
HgCapital Saturn Fund 2	USD	1.1%	37.5	37.1	12.3	10.3	45.1	10.1	34.8	21.0%	1.3x
Rubicon Technology Partners III	USD	1.1%	32.5	29.2	0.0	3.3	36.2	3.7	32.9	5.7%	1.1x
SURS TorreyCove Co-Investment Fund I	USD	6.8%	200.0	173.1	8.4	26.9	238.5	46.9	211.5	16.0%	1.3x
Total 2020	USD	10.8%	313.7	283.3	26.9	44.7	382.7	81.5	338.0	16.3%	1.3x
2019											
Bregal Sagemount III-B	USD	1.5%	50.0	43.0	5.7	7.1	52.6	8.1	45.5	11.3%	1.2x
Cortec Group Fund VII	USD	1.0%	35.0	34.3	22.2	4.4	35.0	18.5	30.7	24.9%	1.5x
Harvest Partners VIII	USD	2.5%	70.0	72.5	25.6	8.1	86.5	31.6	78.4	16.7%	1.4x
OceanSound Partners Fund	USD	1.2%	25.0	27.9	7.2	3.5	42.3	18.1	38.8	27.2%	1.6x
Pantheon Access (US) - SURS 2018	USD	5.4%	180.0	130.3	5.0	49.7	217.2	42.2	167.5	13.3%	1.3x
Total 2019	USD	11.6%	360.0	308.0	65.7	72.7	433.6	118.5	360.8	16.5%	1.4x
2018											
Adams Street 2018 Global Fund	USD	3.3%	90.0	69.4	11.6	20.6	122.9	44.5	102.3	20.6%	1.6x
Mesirow Financial Private Equity Special Fund B	USD	9.8%	280.0	216.8	0.0	63.2	370.1	90.1	306.8	14.2%	1.4x
Reverence Capital Partners Opportunities Fund II	USD	2.3%	50.0	41.4	8.2	11.0	84.3	40.1	73.2	29.1%	2.0x
Total 2018	USD	15.4%	420.0	327.5	19.8	94.9	577.2	174.6	482.3	17.7%	1.5x

SURS - Private Equity

Portfolio Summary by Vintage Year

	Currency	NAV Weight	Total Commitment (mm)	Contributions (mm)	Distributions (mm)	Unfunded Commitment (mm)	Total Exposure (mm)	Gain/Loss (mm)	NAV (mm)	Net IRR	TVPI
2017											
Adams Street 2017 Global Fund	USD	3.8%	90.0	71.9	20.4	18.1	137.1	67.5	119.0	20.0%	1.9x
Mesirow Financial Private Equity Fund VII-B	USD	2.2%	40.0	39.7	43.3	0.4	69.7	72.9	69.3	34.5%	2.8x
Pantheon Access (US) - SURS 2017	USD	3.0%	90.0	70.2	8.5	19.8	114.4	32.9	94.5	13.8%	1.5x
Total 2017	USD	9.1%	220.0	181.8	72.3	38.4	321.2	173.3	282.8	22.2%	2.0x
2016											
Adams Street 2016 Global Fund	USD	5.9%	150.0	133.2	66.9	16.8	199.7	116.6	182.9	18.8%	1.9x
M2 - SURS Emerging Private Equity Fund-of-Funds	USD	4.0%	100.0	102.0	70.8	4.9	130.6	94.5	125.7	21.0%	1.9x
Total 2016	USD	9.9%	250.0	235.2	137.6	21.7	330.3	211.1	308.6	19.7%	1.9x
2015											
Adams Street 2015 Global Fund	USD	4.9%	125.0	110.3	91.2	14.7	168.7	134.9	154.0	21.5%	2.2x
Total 2015	USD	4.9%	125.0	110.3	91.2	14.7	168.7	134.9	154.0	21.5%	2.2x
2014											
Adams Street 2014 Global Fund	USD	3.6%	100.0	92.2	87.9	7.8	120.6	108.6	112.8	15.5%	2.2x
Lincoln Fund I (Series A)	USD	3.1%	75.0	68.1	37.1	6.9	105.0	67.1	98.1	13.9%	2.0x
Pantheon Multi-Strategy Program 2014 (US) - SURS 2014	USD	4.2%	125.0	109.0	62.2	16.0	148.3	85.5	132.3	14.7%	1.8x
Total 2014	USD	11.0%	300.0	269.3	187.2	30.7	373.9	261.2	343.2	14.8%	2.0x
2013											
Adams Street 2013 Global Fund	USD	3.1%	100.0	92.4	95.6	7.6	105.7	101.3	98.1	13.6%	2.1x
Total 2013	USD	3.1%	100.0	92.4	95.6	7.6	105.7	101.3	98.1	13.6%	2.1x

	Currency	NAV Weight	Total Commitment (mm)	Contributions (mm)	Distributions (mm)	Unfunded Commitment (mm)	Total Exposure (mm)	Gain/Loss (mm)	NAV (mm)	Net IRR	TVPI
2012											
Adams Street 2012 Global Fund	USD	2.0%	80.0	74.3	90.6	5.7	67.9	78.5	62.3	13.4%	2.1x
Adams Street Global Secondary Fund 5	USD	0.2%	20.0	15.4	15.6	4.6	10.0	5.6	5.4	6.4%	1.4x
Total 2012	USD	2.2%	100.0	89.7	106.2	10.3	78.0	84.1	67.7	12.4%	1.9x
2011											
Pantheon Europe Fund VII	USD	0.6%	39.6	33.5	46.3	3.2	21.7	31.3	18.4	12.6%	1.9x
Pantheon USA Fund IX	USD	1.9%	85.0	77.5	131.1	7.9	65.9	111.6	58.0	16.7%	2.4x
Total 2011	USD	2.4%	124.6	111.0	177.4	11.1	87.6	142.8	76.5	15.6%	2.3x
2009											
Adams Street Partnership Fund - 2009 Non-U.S. Developed Markets Fund	USD	0.4%	30.0	26.7	40.6	3.3	15.7	26.3	12.4	13.0%	2.0x
Adams Street Partnership Fund - 2009 Non-U.S. Emerging Markets Fund	USD	0.2%	10.0	9.2	10.5	0.8	7.9	8.3	7.0	8.8%	1.9x
Adams Street Partnership Fund - 2009 U.S. Fund	USD	0.8%	50.0	45.9	86.0	4.1	30.3	66.3	26.2	15.6%	2.4x
Total 2009	USD	1.5%	90.0	81.8	137.0	8.2	53.9	100.9	45.7	14.0%	2.2x
2008											
Adams Street 2009 Direct Fund	USD	0.1%	10.0	9.8	16.8	0.2	2.6	9.4	2.4	12.7%	2.0x
Adams Street Partnership Fund - 2008 Non-U.S. Fund	USD	0.5%	40.0	36.5	57.1	3.5	18.1	35.3	14.6	11.1%	2.0x
Adams Street Partnership Fund - 2008 U.S. Fund	USD	0.5%	50.0	46.5	95.1	3.5	18.8	63.9	15.3	16.0%	2.4x
Total 2008	USD	1.0%	100.0	92.9	169.1	7.1	39.5	108.6	32.4	13.9%	2.2x

SURS - Private Equity

Portfolio Summary by Vintage Year

	Currency	NAV Weight	Total Commitment (mm)	Contributions (mm)	Distributions (mm)	Unfunded Commitment (mm)	Total Exposure (mm)	Gain/Loss (mm)	NAV (mm)	Net IRR	TVPI
2007											
Adams Street 2007 Global Opportunities Portfolio	USD	0.1%	100.0	91.3	148.4	8.7	10.4	58.8	1.7	8.1%	1.6x
Adams Street 2008 Direct Fund	USD	0.1%	10.0	9.7	22.3	0.3	3.5	15.8	3.3	15.0%	2.6x
Pantheon Europe Fund VI	USD	0.2%	42.1	37.4	59.4	1.7	8.8	29.1	7.1	10.0%	1.8x
Pantheon USA Fund VIII	USD	1.0%	103.3	95.8	178.3	7.4	37.7	112.8	30.2	12.8%	2.2x
Liquidated Holdings (1)	USD	-	25.0	24.4	36.3	0.0	0.0	11.9	-	8.3%	1.5x
Total 2007	USD	1.4%	280.4	258.6	444.7	18.1	60.4	228.4	42.2	10.4%	1.9x
2005											
Liquidated Holdings (2)	USD	-	50.0	46.5	43.9	0.0	0.0	-2.6	-	-1.2%	0.9x
Total 2005	USD	-	50.0	46.5	43.9	0.0	0.0	-2.6	0.0	-1.2%	0.9x
2004											
Adams Street Global Opportunities Secondary Fund	USD	0.0%	25.0	22.1	36.8	2.9	3.1	15.0	0.3	11.5%	1.7x
Adams Street Partnership Fund - 2004 Non-U.S. Fund	USD	0.1%	40.0	38.1	52.3	1.9	3.9	16.2	2.0	5.9%	1.4x
Pantheon Global Secondary Fund II	USD	0.0%	25.0	23.8	28.1	1.3	1.6	4.7	0.4 ³	4.3%	1.2x
Total 2004	USD	0.1%	90.0	84.0	117.3	6.0	8.6	35.9	2.6	6.9%	1.4x
2002											
Pantheon Europe Fund III	USD	0.1%	65.0	83.7	151.1	3.6	5.6	69.4	2.0	14.6%	1.8x
Pantheon USA Primary Investments	USD	0.2%	599.1	569.2	966.1	11.9	17.4	402.3	5.5	10.3%	1.7x
Total 2002	USD	0.2%	664.1	653.0	1,117.2	15.5	23.0	471.6	7.4	10.8%	1.7x

SURS - Private Equity

Portfolio Summary by Vintage Year

	Currency	NAV Weight	Total Commitment (mm)	Contributions (mm)	Distributions (mm)	Unfunded Commitment (mm)	Total Exposure (mm)	Gain/Loss (mm)	NAV (mm)	Net IRR	TVPI
1998											
Brinson Non-U.S. Partnership Fund Trust Program	USD	0.0%	39.4	42.5	76.6	0.1	0.4	34.3	0.3	12.2%	1.8x
Total 1998	USD	0.0%	39.4	42.5	76.6	0.1	0.4	34.3	0.3	12.2%	1.8x
1995											
Progress Alternative Investment Program	USD	0.0%	20.0	19.8	17.2	0.0	0.9	-1.7	0.9	-1.5%	0.9x
Total 1995	USD	0.0%	20.0	19.8	17.2	0.0	0.9	-1.7	0.9	-1.5%	0.9x
1990											
Adams Street SMA (1990-2007) - SURS	USD	0.1%	906.2	927.2	1,692.3	1.3	3.3	767.1	2.0	27.0%	1.8x
Liquidated Holdings (1)	USD	-	10.0	10.0	19.7	0.0	0.0	9.7	-	25.3%	2.0x
Total 1990	USD	0.1%	916.2	937.2	1,712.0	1.3	3.3	776.8	2.0	26.8%	1.8x
SURS - Private Equity	USD	100.0%	5,777.0	4,672.8	4,828.8	1,177.4	4,301.3	3,279.9	3,123.9	18.9%	1.7x

¹ Adjusted for additional contributions and distributions since last valuation, which is prior to the report date.

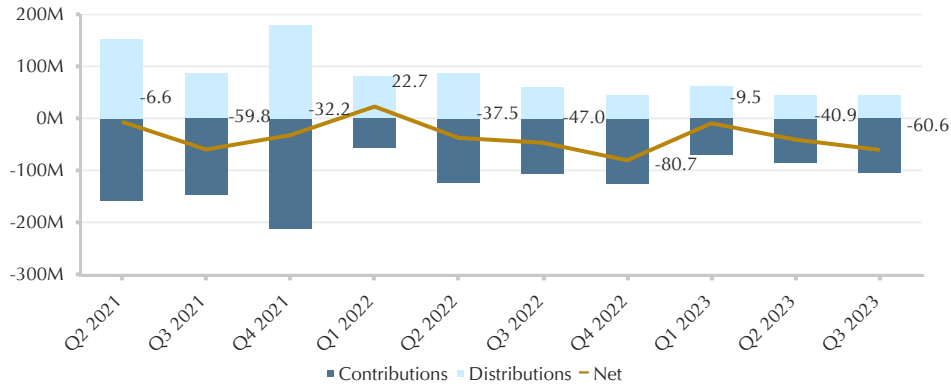
² IRR not meaningful for investments held less than 36 months

³ NAV is not up-to-date: Pantheon Global Secondary Fund II as of Dec-2022

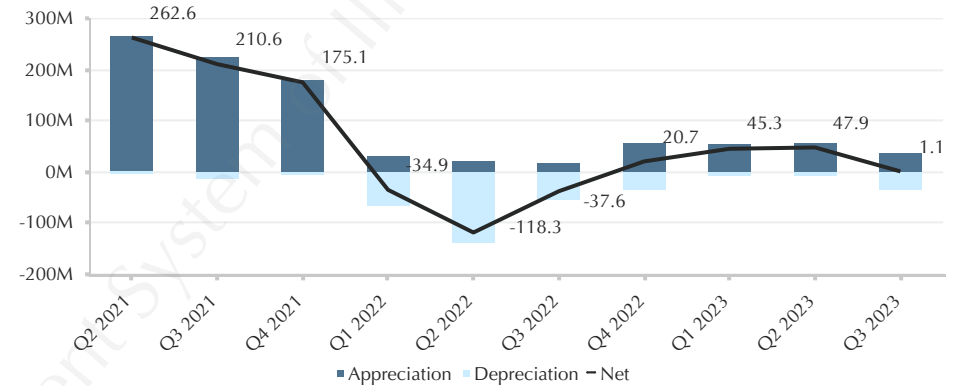
* Total figures take into account all current and closed portfolio positions as at Sep-2023

Total Exposure = Unfunded + NAV

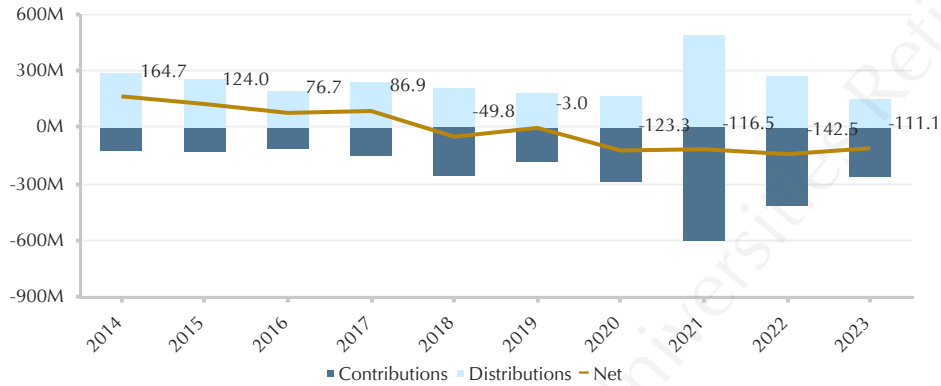
Cash Flows Quarterly



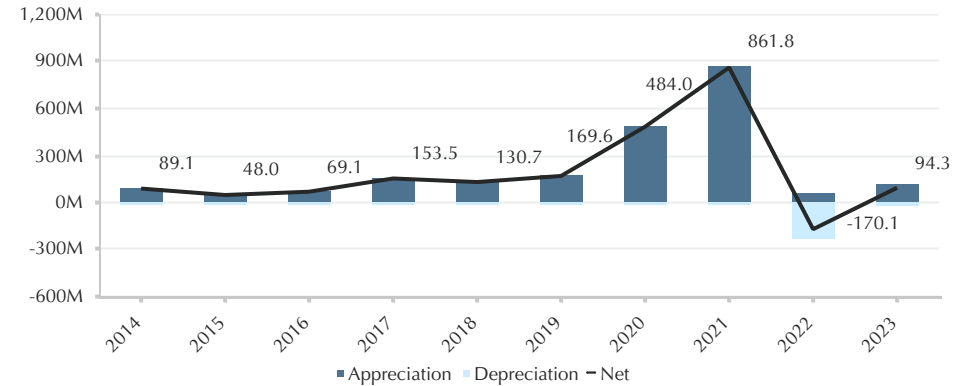
Appreciation/Depreciation Quarterly



Cash Flows Yearly



Appreciation/Depreciation Yearly



SURS - Private Equity

Movement By Sector - QTD

	Gain		Loss		Net Gain/Loss		Distributions		Contributions		NAV (mm)
	Total Millions	# Of Funds	Total Millions	# Of Funds	Net Millions	% Of Total Net	Total Millions	%	Total Millions	%	
Buyout	28.1	19	-3.4	13	24.7	2255.0%	4.0	9.0%	66.8	63.7%	910.7
Fund of Funds	4.2	8	-28.9	23	-24.6	-2253.0%	40.1	91.0%	34.2	32.6%	2,063.3
Growth	0.5	2	-0.5	3	0.0	-1.2%	0.0	-	1.4	1.3%	75.8
Secondary	0.0	0	0.0	2	0.0	-4.0%	0.0	-	0.0	-	6.1
Venture	2.5	3	-1.4	5	1.1	103.2%	0.0	-	2.5	2.3%	68.0
Total	35.3	32	-34.2	46	1.1	100.0%	44.1	100.0%	104.7	100.0%	3,123.9

Above reporting references both active and closed funds

Reporting Period: Jul-2023 - Sep-2023

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	Gain		Loss		Net Gain/Loss		Distributions		Contributions		NAV (mm)
	Total Millions	# Of Funds	Total Millions	# Of Funds	Net Millions	% Of Total Net	Total Millions	%	Total Millions	%	
Buyout	112.6	23	-5.3	9	107.3	93.3%	46.1	23.6%	236.8	61.2%	910.7
Fund of Funds	49.5	18	-43.0	13	6.5	5.6%	142.2	72.8%	113.2	29.3%	2,063.3
Growth	4.8	1	-4.2	4	0.6	0.5%	6.2	3.2%	23.1	6.0%	75.8
Secondary	0.2	1	0.0	2	0.2	0.2%	0.5	0.2%	0.0	-	6.1
Venture	3.6	2	-3.2	6	0.4	0.3%	0.4	0.2%	13.9	3.6%	68.0
Total	170.6	45	-55.7	34	114.9	100.0%	195.3	100.0%	387.0	100.0%	3,123.9

Above reporting references both active and closed funds

SURS - Private Equity

Top QTD Contributors/Detractors

Top Contributors

	Vintage	% Funded Commitment	Total Commitment Amount (\$mm)	Gain (\$mm)	NAV (\$mm)	QTD IRR*	ITD IRR*
OceanSound Partners Fund	2019	86.1%	25.0	6.9	38.8	22.9%	27.2%
SURS TorreyCove Co-Investment Fund I	2020	86.5%	200.0	5.7	211.5	2.9%	16.0%
One Rock Capital Partners III	2021	76.9%	35.0	4.9	41.2	n.m. ¹	n.m. ¹
Oak HC-FT Partners IV	2021	85.6%	25.0	2.5	26.7	n.m. ¹	n.m. ¹
One Equity Partners VIII	2021	89.5%	25.0	2.3	29.0	n.m. ¹	n.m. ¹
Gain	-	-	310.0	22.3	347.2	7.1%	19.7%
Gain (Remaining)	-	-	1,770.5	13.1	1,369.1	1.0%	10.5%
Total Gain	-	-	2,080.5	35.3	1,716.3	2.1%	11.0%

* IRR calculated at portfolio currency. IRR not meaningful for investments held less than 36 months

¹ IRR not meaningful for investments held less than 36 months

Top Detractors

	Vintage	% Funded Commitment	Total Commitment Amount (\$mm)	Loss (\$mm)	NAV (\$mm)	QTD IRR*	ITD IRR*
Adams Street 2015 Global Fund	2015	88.2%	125.0	-5.8	154.0	-3.5%	21.5%
Adams Street 2016 Global Fund	2016	88.8%	150.0	-4.7	182.9	-2.5%	18.8%
Adams Street 2013 Global Fund	2013	92.4%	100.0	-4.1	98.1	-3.9%	13.6%
Adams Street 2014 Global Fund	2014	92.2%	100.0	-2.9	112.8	-2.5%	15.5%
Adams Street 2017 Global Fund	2017	79.9%	90.0	-2.5	119.0	-2.0%	20.0%
Loss	-	-	565.0	-20.0	666.8	-2.9%	17.1%
Loss (Remaining)	-	-	3,131.5	-14.3	740.7	-1.9%	20.7%
Total Loss	-	-	3,696.5	-34.2	1,407.5	-2.4%	20.6%
Total Portfolio(82)	-	79.8%	5,777.0	1.1	3,123.9	0.0%	18.9%

* IRR calculated at portfolio currency. IRR not meaningful for investments held less than 36 months

Reporting Period: As Of Sep-2023

[View this portfolio online](#)

SURS - Private Equity

Top LTM Contributors/Detractors

Top Contributors

	Vintage	% Funded Commitment	Total Commitment Amount (\$mm)	Gain (\$mm)	NAV (\$mm)	1Y IRR*	ITD IRR*
SURS TorreyCove Co-Investment Fund I	2020	86.5%	200.0	14.2	211.5	8.2%	16.0%
Mesirow Financial Private Equity Special	2018	77.4%	280.0	13.8	306.8	4.9%	14.2%
MBK Partners Fund V	2021	57.7%	50.0	13.3	40.8	n.m. ¹	n.m. ¹
OceanSound Partners Fund	2019	86.1%	25.0	12.6	38.8	54.6%	27.2%
Thoma Bravo Fund XIV	2021	98.5%	50.0	11.3	54.8	n.m. ¹	n.m. ¹
Gain	-	-	605.0	65.2	652.8	12.1%	15.2%
Gain (Remaining)	-	-	2,215.1	105.4	1,679.8	6.8%	12.6%
Total Gain	-	-	2,820.1	170.6	2,332.6	8.2%	12.8%

* IRR calculated at portfolio currency. IRR not meaningful for investments held less than 36 months

¹ IRR not meaningful for investments held less than 36 months

Top Detractors

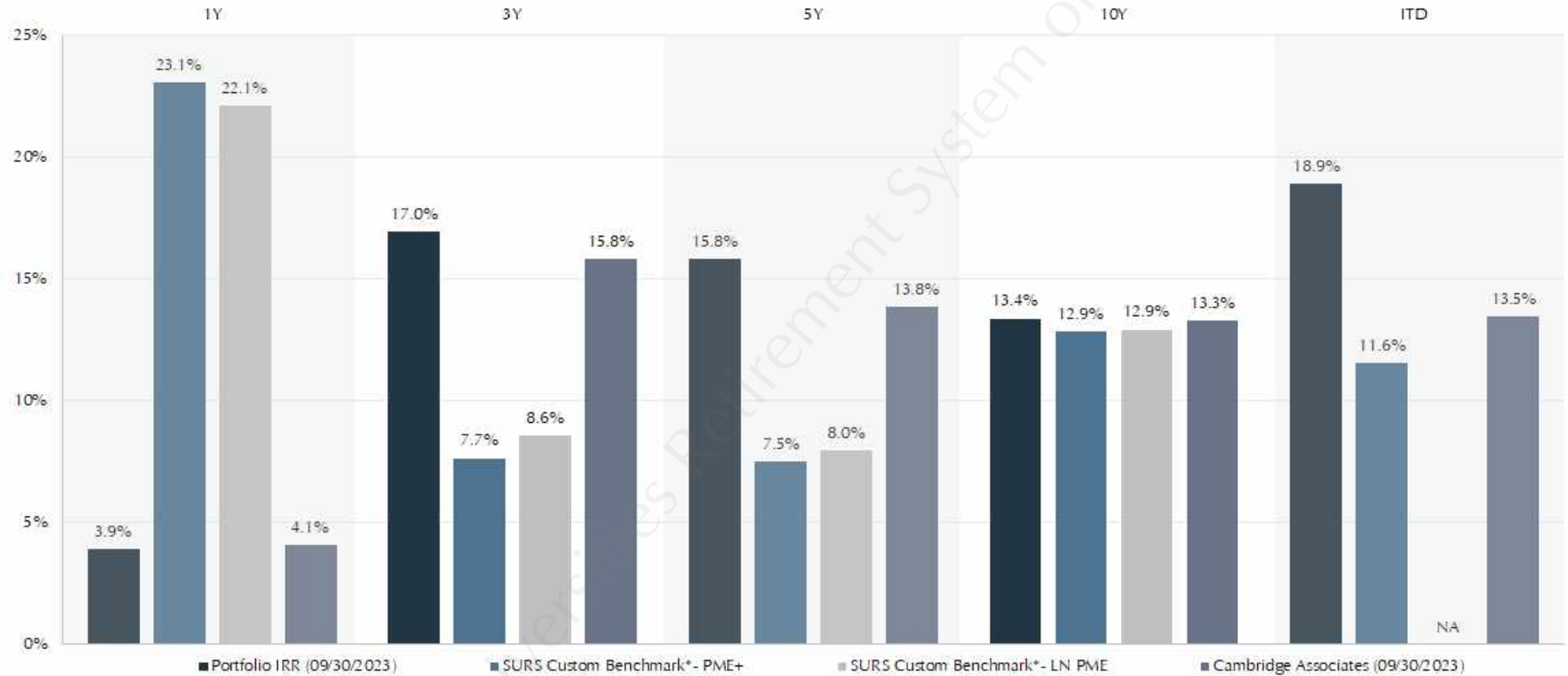
	Vintage	% Funded Commitment	Total Commitment Amount (\$mm)	Loss (\$mm)	NAV (\$mm)	1Y IRR*	ITD IRR*
Lincoln Fund I (Series A)	2014	90.8%	75.0	-13.6	98.1	-12.2%	13.9%
Adams Street 2013 Global Fund	2013	92.4%	100.0	-6.7	98.1	-6.0%	13.6%
Adams Street 2014 Global Fund	2014	92.2%	100.0	-4.7	112.8	-3.8%	15.5%
Adams Street 2015 Global Fund	2015	88.2%	125.0	-4.3	154.0	-2.5%	21.5%
Adams Street 2012 Global Fund	2012	92.9%	80.0	-3.6	62.3	-5.0%	13.4%
Loss	-	-	480.0	-32.9	525.2	-5.6%	15.4%
Loss (Remaining)	-	-	2,476.9	-22.9	266.0	-9.2%	21.9%
Total Loss	-	-	2,956.9	-55.7	791.3	-6.7%	21.6%
Total Portfolio(82)	-	79.8%	5,777.0	114.9	3,123.9	3.9%	18.9%

* IRR calculated at portfolio currency. IRR not meaningful for investments held less than 36 months

Reporting Period: As Of Sep-2023

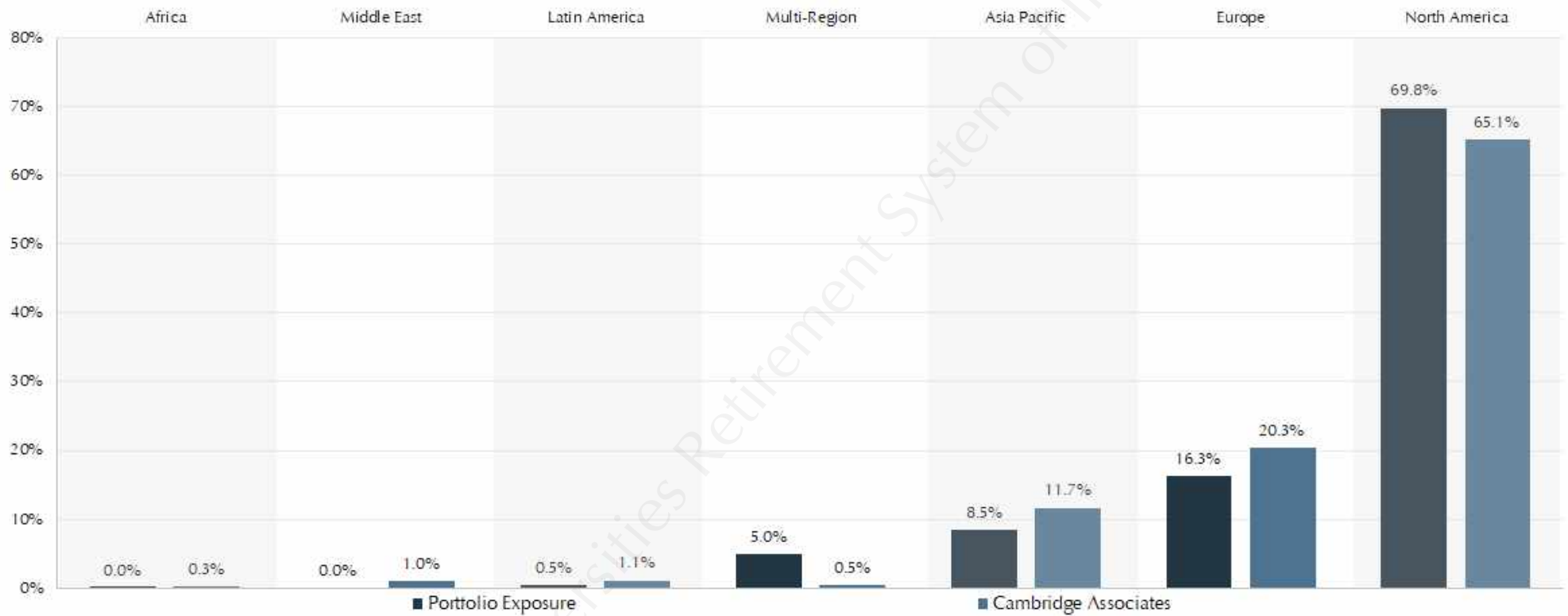
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Portfolio IRR vs Benchmarks



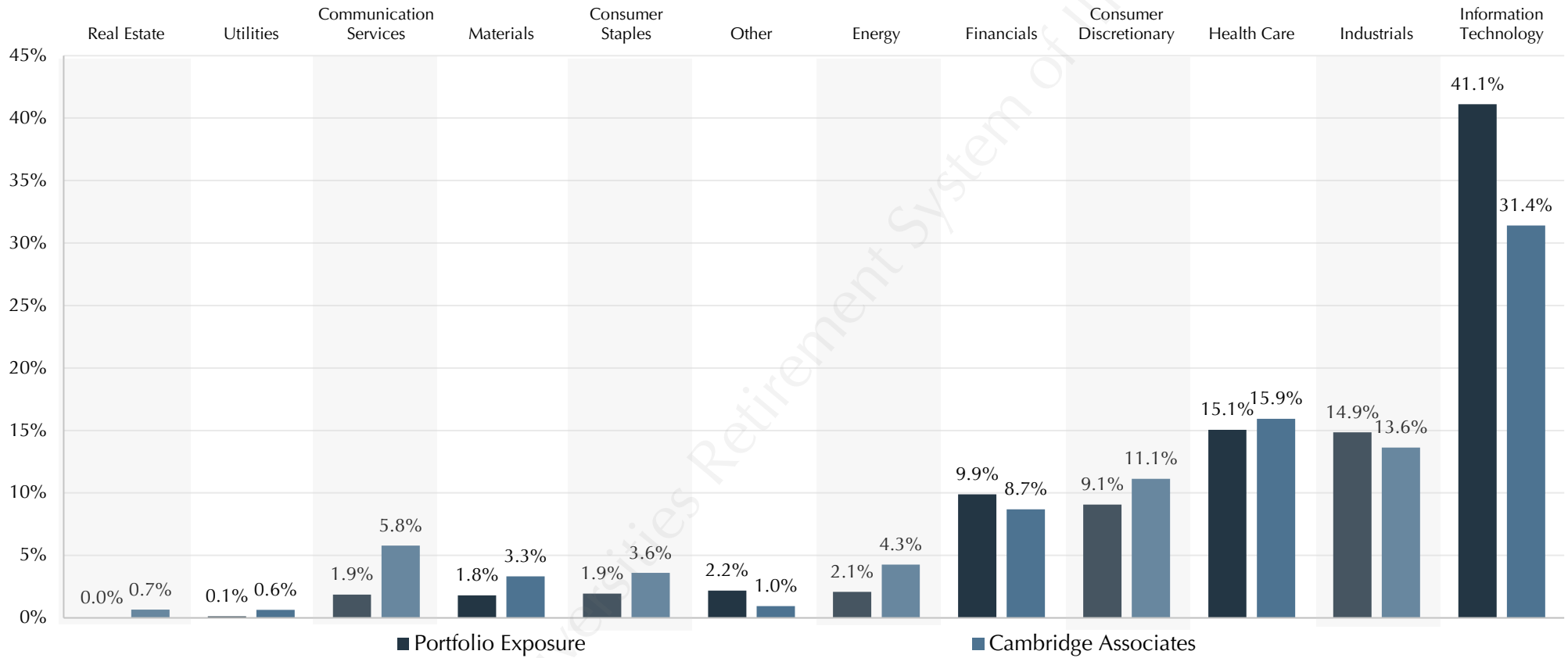
Custom Benchmark is the Wilshire 5000 + 3% (1Q lag) through December 2019 and ACWI IMI + 2% from 2020 on forward. LN PME is a dollar-weighted Long-Nickels calculation of monthly changes in the Custom Benchmark. SURS Private Equity portfolio was activated in July 1990; therefore, inception to date PME was not calculated. Cambridge Associates IRR reflects all Private Equity funds data excluding Real Estate, Timber and Infrastructure.

Portfolio Exposure vs Cambridge Benchmark - Region



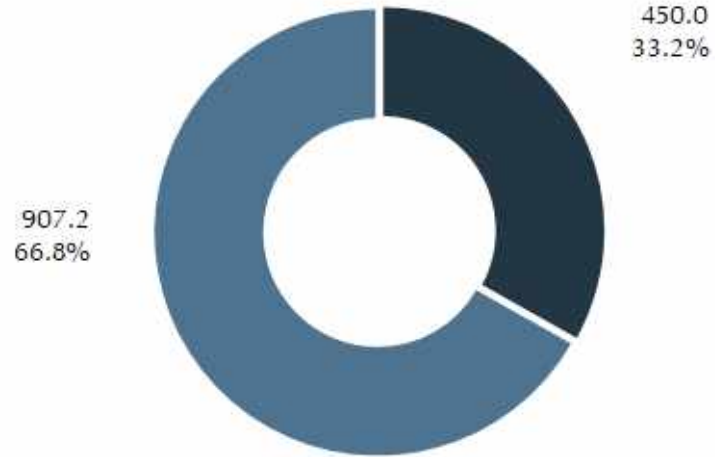
Portfolio Exposure based on Fair Market Value of the portfolio's underlying companies
 Position Analytics data based on General Partner provided information as of Sep-2023

Portfolio Exposure vs Cambridge Benchmark - Industry



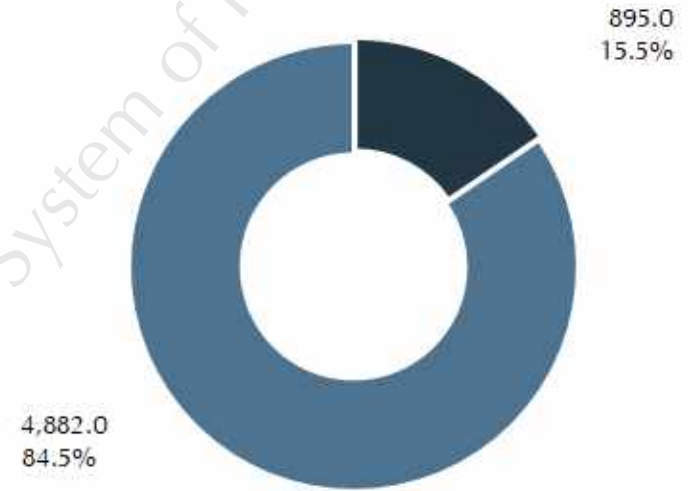
Portfolio Exposure based on Fair Market Value of the portfolio's underlying companies
 Position Analytics data based on General Partner provided information as of Sep-2023

Aksia Commitment



- WMDBE Manager Aksia Committed Capital SURS (\$mm)
- Non-WMDBE Manager Aksia Committed Capital SURS (\$mm)

Total Commitment



- WMDBE Manager Committed Capital (\$mm)
- Non-WMDBE Manager Committed Capital (\$mm)

State Universities Retirement System of Illinois

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Callan

September 30, 2023



**State Universities Retirement
System of Illinois
Real Estate**

**Investment Measurement Service
Quarterly Review**

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September 30, 2023

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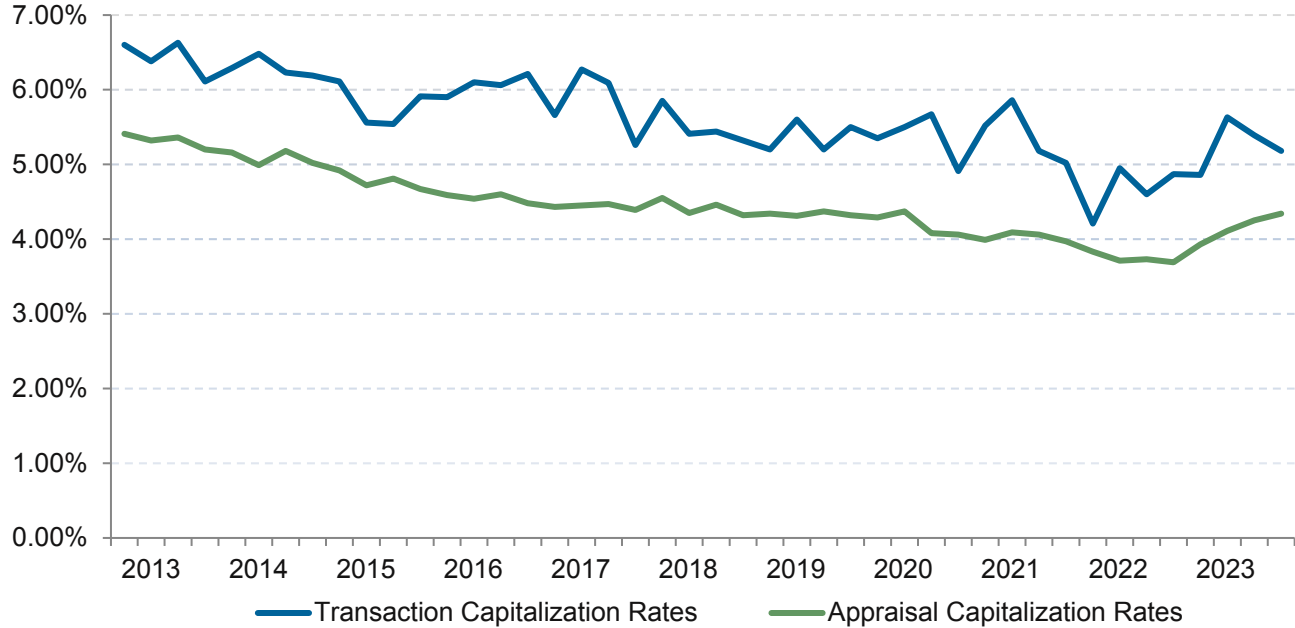
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Commercial Real Estate Market Snapshot Third Quarter 2023

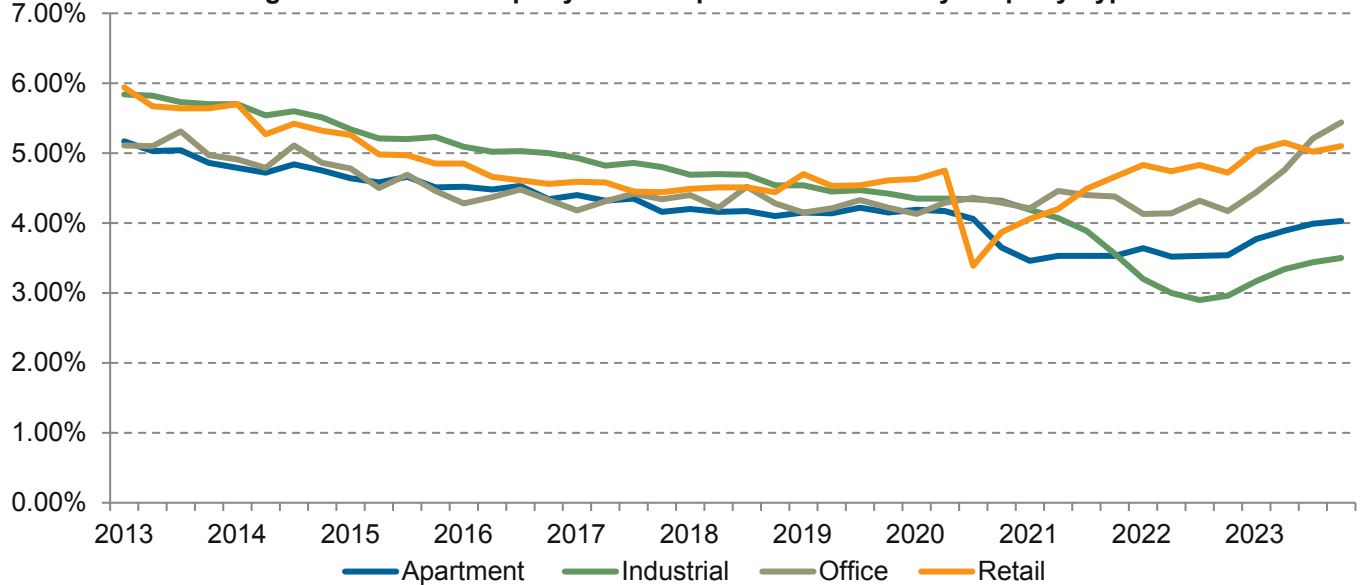
The NCREIF Property Index, a measure of U.S. institutional real estate assets, fell 1.4% during 3Q23. The income return was 1.1% while the appreciation return was -2.4%. Hotels, which represent a small portion of the index, led property sector performance with a gain of 1.9%. Office finished last with a loss of 3.7%. Regionally, the South led with a loss of 0.5%, while the West was the worst performer with a drop of 1.8%. The NCREIF Open-End Diversified Core Equity (ODCE) Index, representing equity ownership positions in U.S. core real estate, fell 1.9% during 3Q, with an income return of 0.9% and an appreciation return of -2.8%.

Figure 1: NCREIF Property Index Transaction and Appraisal Capitalization Rates



As seen in Figure 1, appraisal capitalization rates increased to 4.3% during 3Q, and capitalization rates measured in active trades actually fell by 21 basis points to 5.2%. At quarter end, the 10-year average appraisal capitalization rate was 4.4% and the 10-year average transaction capitalization rate was 5.6%. The spread between the two measures, which reflects pricing expectations between buyers and holders of real estate, remained constant at 118 basis points.

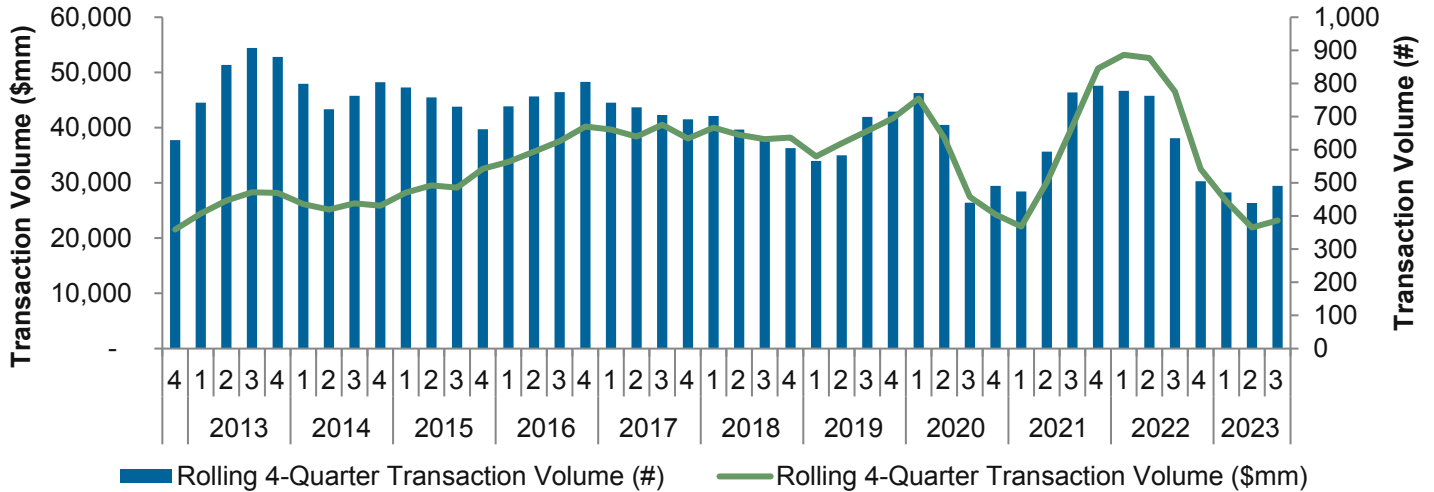
Figure 2: NCREIF Property Index Capitalization Rates by Property Type



Market-weighted capitalization rates by property type increased for Apartment (4.0%), Industrial (3.5%), Office (5.4%), and Retail (5.1%).

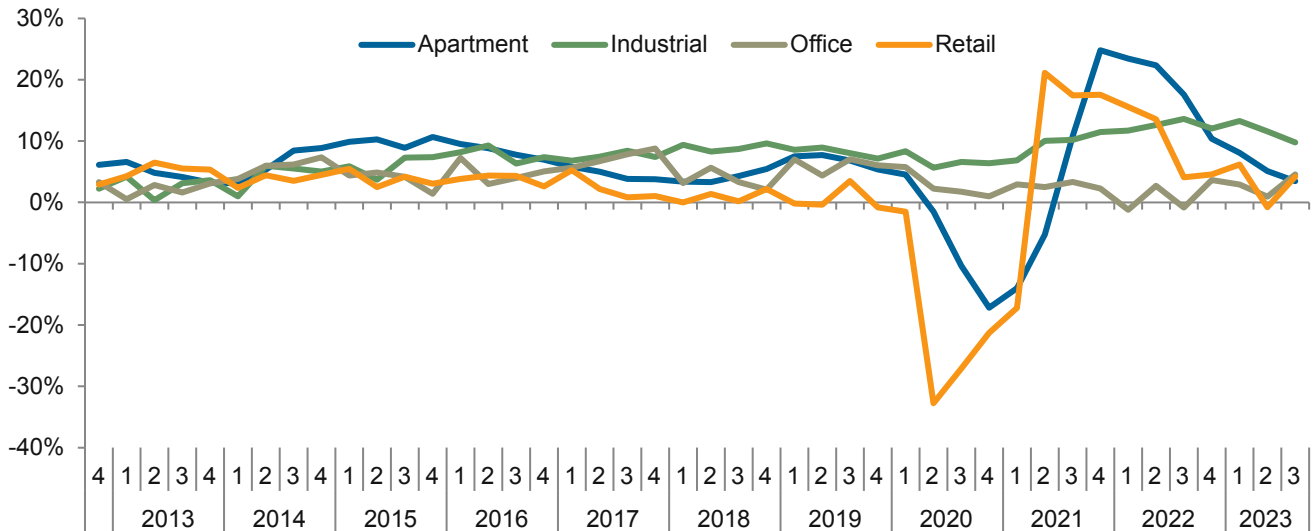
Commercial Real Estate Market Snapshot
Third Quarter 2023

Figure 3: NCREIF Property Index Rolling 4-Quarter Transaction Totals



As shown in Figure 3, rolling four-quarter transaction volume totaled \$23.2 billion across 491 transactions. NCREIF recorded 152 transactions during 3Q, representing \$7.9 billion of value, compared to \$4.4 billion in 2Q. The average transaction size was \$51.9 million, compared to \$42.4 million in 2Q.

Figure 4: NCREIF Property Index Rolling 4-Quarter NOI Growth by Property Type

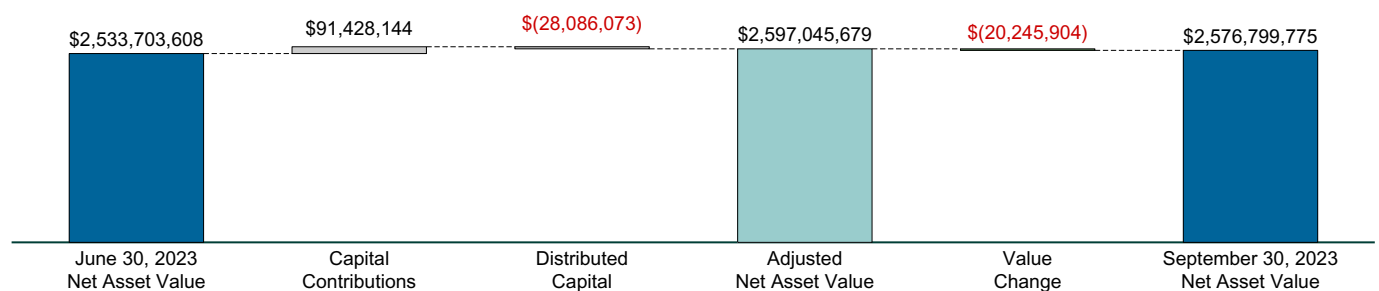


Rolling four-quarter net operating income growth during the quarter remained positive in all sectors and declined on a quarter-over-quarter basis in Apartment (3.5%) and Industrial (9.8%). Rolling four-quarter net operating income growth increased in Office (4.6%) and Retail (4.2%).

**Total Real Assets
Fund Overview
Period Ended September 30, 2023**

Quarterly Position Change	June 30, 2023	Quarterly Change	September 30, 2023
Client Commitment	\$4,566,873,370	\$40,000,000	\$4,606,873,370
Paid-In Capital	\$3,849,621,349	\$91,428,144	\$3,941,049,494
Remaining Commitment	\$885,804,415	\$(49,859,885)	\$835,944,530
Distributions	\$2,590,756,508	\$28,086,073	\$2,618,842,581
Recallable Distributions	\$152,520,147	\$1,092,205	\$153,612,352
Non-Recallable Distributions	\$2,438,236,361	\$26,993,868	\$2,465,230,229
Net Asset Value	\$2,533,703,608	\$43,096,167	\$2,576,799,775
Total Distributed Capital and Net Asset Value	\$5,124,460,115	\$71,182,240	\$5,195,642,356

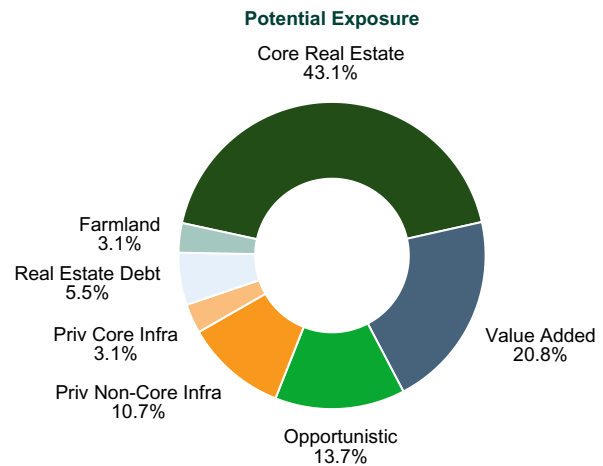
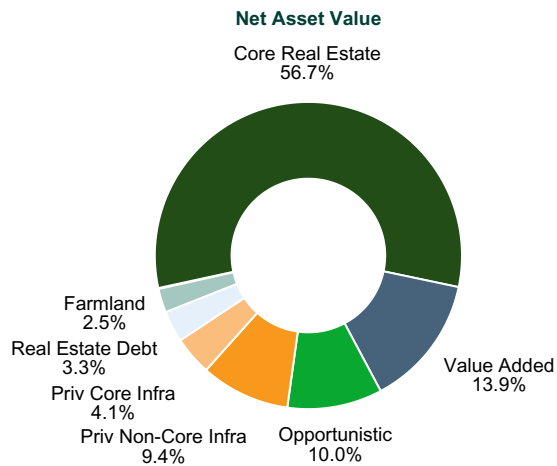
Performance Change	June 30, 2023	Quarterly Change	September 30, 2023
Net Internal Rate of Return, Since Inception	6.80%	(0.22%)	6.58%
Total Value to Paid-in Capital (TVPI)	1.33x	(0.01x)	1.32x
Distributions to Paid-in Capital (DPI)	0.67x	(0.01x)	0.66x
Residual Value to Paid-in Capital (RVPI)	0.66x	(0.00x)	0.65x
% of Commitments Contributed	84.29%	(1.25%)	85.55%



Portfolio Diversification Total Real Assets Period Ended September 30, 2023

The following tables illustrate current and potential exposure by Strategy type as of September 30, 2023 in USD millions.

Portfolio Exposure by Strategy Type	Net Asset Value	%	Unfunded Commitments	%	Potential Exposure	%
Core Real Estate	\$1,460	56.65%	\$13	1.51%	\$1,472	43.14%
Value Added	\$359	13.95%	\$350	41.88%	\$710	20.79%
Opportunistic	\$257	9.99%	\$211	25.22%	\$468	13.72%
Priv Non-Core Infra	\$243	9.42%	\$121	14.46%	\$364	10.65%
Priv Core Infra	\$106	4.12%	\$0	0.00%	\$106	3.11%
Real Estate Debt	\$86	3.34%	\$102	12.21%	\$188	5.51%
Farmland	\$65	2.54%	\$39	4.72%	\$105	3.07%
Global REITs	\$0	0.00%	\$0	0.00%	\$0	0.00%
Total Real Assets	\$2,577		\$836		\$3,413	



Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of September 30, 2023, with the distribution as of June 30, 2023. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Managers

	September 30, 2023			June 30, 2023		
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
Total Private Real Estate	\$2,339,027,725	90.77%	\$45,131,721	\$(18,850,738)	\$2,312,746,742	91.28%
Total Core Funds	\$1,636,129,019	63.49%	\$25,380,646	\$(16,356,455)	\$1,627,104,828	64.22%
BlackRock Global Renewable Power III	70,282,957	2.73%	4,402,323	2,224,948	63,655,686	2.51%
Blackstone Property Partners	241,205,719	9.36%	(556,380)	(648,328)	242,410,427	9.57%
Carlyle Property Investors	163,796,136	6.36%	(311,298)	269,727	163,837,707	6.47%
Clarion Partners Lion Properties Fund	190,725,255	7.40%	(405,151)	(2,046,375)	193,176,781	7.62%
GI Partners ETS Fund	66,199,184	2.57%	24,294,466	658,548	41,246,170	1.63%
Heitman America Real Estate Trust (HART)	277,233,013	10.76%	(505,796)	(4,931,495)	282,670,304	11.16%
IFM Glb Infrac Fund (GIF)	106,067,481	4.12%	(204,104)	1,110,826	105,160,759	4.15%
JP Morgan Strategic Property Fund (SPF)	265,712,389	10.31%	(544,926)	(8,526,993)	274,784,308	10.85%
Prologis US Logistics Fund (USLF)	165,634,198	6.43%	(647,481)	(3,177,637)	169,459,315	6.69%
UBS Trumbull Property Fund (TPF)	89,272,687	3.46%	(141,007)	(1,289,676)	90,703,370	3.58%
Total Non-Core Funds	\$702,898,706	27.28%	\$19,751,075	\$(2,494,283)	\$685,641,914	27.06%
Basis Real Estate Debt Fund I	20,064,309	0.78%	(370,547)	327,020	20,107,836	0.79%
Basis Real Estate Debt Fund II	25,112,056	0.97%	(1,463,725)	421,866	26,153,915	1.03%
Blackstone BREP Europe VI (1)	58,984,795	2.29%	2,608,639	(354,761)	56,730,918	2.24%
Blackstone BREP Asia III	6,237,358	0.24%	497,403	(694,708)	6,434,663	0.25%
Blue Vista Real Estate IV (2)	11,128,548	0.43%	(49,703)	(648,458)	11,826,709	0.47%
Brasa II	22,742,371	0.88%	(141,151)	(27,960)	22,911,482	0.90%
Brookfield Strategic Real Estate II	22,037,502	0.86%	(1,282,346)	(362,011)	23,681,859	0.93%
Brookfield Strategic Real Estate III	37,904,406	1.47%	599,955	336,142	36,968,309	1.46%
Brookfield Strategic RE IV	46,433,952	1.80%	5,457,028	1,077,397	39,899,527	1.57%
Cabot Industrial Value VI (CIVF)	49,677,268	1.93%	899,500	701,074	48,076,694	1.90%
Cabot Industrial Value VII (CIVF)	-1,326,620	(0.05%)	(187,511)	(135,855)	-1,003,254	(0.04%)
Crow Holdings Realty VII	1,096,617	0.04%	0	(43,964)	1,140,581	0.05%
Crow Holdings Realty VIII	708,659	0.03%	(375,427)	(22,667)	1,106,753	0.04%
Crow Holdings Realty IX	40,797,281	1.58%	(108,630)	(618,904)	41,524,815	1.64%
Dune Real Estate Partners II	6,514,813	0.25%	(10,489)	135,440	6,389,862	0.25%
Dune Real Estate Partners III/2022	66,027,656	2.56%	(101,022)	(32,986)	66,161,664	2.61%
Dune Real Estate IV	41,750,373	1.62%	2,041,927	(409,493)	40,117,939	1.58%
Franklin Templeton FTPREF	422,378	0.02%	(13,158)	(24,971)	460,507	0.02%
Franklin Templeton EMREFF	1,066,392	0.04%	(19,899)	(1,313,150)	2,399,441	0.09%
Franklin Templeton MDP RE 2015	64,506,895	2.50%	189,006	169,839	64,148,050	2.53%
Longpoint Realty Fund II	47,232,145	1.83%	(151,581)	(1,727,352)	49,111,078	1.94%
Longpoint Realty Fund III	-1,158,333	(0.04%)	(153,009)	(246,240)	-759,084	(0.03%)
Long Wharf VI	27,286,276	1.06%	(732,921)	398,984	27,620,213	1.09%
Long Wharf VII	2,431,654	0.09%	396,137	23,458	2,012,059	0.08%
Newport Capital Partners Fund III	5,745,822	0.22%	966,400	79,730	4,699,692	0.19%
Oaktree Real Estate Debt Fund II	8,853,151	0.34%	(76,930)	(37,100)	8,967,181	0.35%
StepSt Glb Partner RE II (fka MFIRE) (3)	13,567,970	0.53%	0	0	13,567,970	0.54%
Torchlight Debt VII	26,285,244	1.02%	(332,250)	180,687	26,436,807	1.04%
Torchlight Debt VIII	5,747,369	0.22%	(156,250)	119,846	5,783,773	0.23%
Westbrook XI	45,020,398	1.75%	11,821,628	597,126	32,601,644	1.29%
Total Farmland	\$65,354,701	2.54%	\$9,018,068	\$119,871	\$56,216,762	2.22%
Homestead USA Farmland Fund III	62,248,100	2.42%	5,833,941	124,339	56,289,820	2.22%
Homestead USA Farmland Fund IV	3,106,601	0.12%	3,184,127	(4,468)	-73,058	(0.00%)
Total Private Infrastructure	\$172,417,349	6.69%	\$1,222,128	\$6,092,806	\$165,102,415	6.52%
Alinda Infrastructure Fund II	164,812	0.01%	0	7,093	157,719	0.01%
Ember Infrastructure I	20,327,731	0.79%	6,464,258	2,027,525	11,835,948	0.47%
Macquarie Infrastructure Partners III	51,287,070	1.99%	(11,393,908)	1,018,412	61,662,566	2.43%
Macquarie Infrastructure Partners IV	61,719,912	2.40%	(171,912)	649,194	61,242,630	2.42%
Pantheon Glb Infrac Secondaries IV	38,917,824	1.51%	6,323,690	2,390,582	30,203,552	1.19%
Total Fund (4)	\$2,576,799,775	100.0%	\$55,371,917	\$(12,275,750)	\$2,533,703,608	100.0%

(1) Reported in Euro's by manager and then converted to US \$.

(2) Year end figure is based on estimate. YE audit takes 120 days.

(3) Current market values are those of the prior quarter, adjusted for capital calls and distributions of current quarter.

(4) Values shown are minus accrued incentive fee.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended September 30, 2023. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended September 30, 2023

	Last Quarter	Last Year	Last 3 Years
Total Core Funds	(1.22%)	(10.17%)	8.83%
NCREIF NFI-ODCE Val Wt Nt	(2.10%)	(12.88%)	6.19%
Blackrock Global Renewable Power III	2.98%	26.06%	-
Blackstone Property Partners	(0.50%)	(11.33%)	6.06%
Carlyle Property Investors	(0.05%)	(4.24%)	13.27%
Clarion Partners Lion Properties Fund	(1.26%)	(16.87%)	-
GI Partners ETS Fund	0.99%	4.18%	-
Heitman America Real Estate Trust (HART)	(1.92%)	(12.20%)	8.54%
IFM Gbl Infrast Fund (GIF)	0.86%	-	-
JP Morgan Strategic Property Fund (SPF)	(3.30%)	(12.79%)	5.24%
Prologis US Logistics Fund (USLF)	(2.11%)	(12.19%)	18.44%
UBS Trumbull Property Fund (TPF)	(1.58%)	(16.59%)	1.64%
Total Non-Core Funds	(0.80%)	0.55%	11.45%
NCREIF ODCE + 1.5%	(1.71%)	(11.38%)	7.71%
Basis Real Estate Debt Fund I	1.28%	7.68%	8.93%
Basis Real Estate Debt Fund II	1.03%	8.56%	-
Blackstone European VI (3)	(1.13%)	14.55%	16.49%
Blackstone RE Partners Asia III	(12.94%)	(16.02%)	-
Blue Vista Real Estate IV **	(5.90%)	(23.88%)	4.11%
Brasa II	(0.74%)	1.67%	-
Brookfield Strategic Real Estate II	(1.66%)	(4.19%)	12.49%
Brookfield Strategic RE III	0.55%	8.70%	15.29%
Brookfield Strategic RE IV	1.62%	8.62%	-
Cabot Industrial Value VI (CIVF)	1.06%	(0.40%)	27.20%
Crow Holdings Realty VII	(3.85%)	(8.08%)	(5.05%)
Crow Holdings Realty VIII	(3.54%)	(14.67%)	17.05%
Crow Holdings Realty IX	(1.75%)	(6.67%)	-
Dune Real Estate Partners II	1.96%	7.33%	5.44%
Dune Real Estate Partners III/2022	(0.20%)	0.98%	5.36%
Dune Real Estate Partners IV	(1.29%)	6.08%	10.52%
Franklin Templeton FTPREF	(8.28%)	(26.14%)	(7.14%)
Franklin Templeton EMREFF	(55.56%)	(62.85%)	(36.66%)
Franklin Templeton MDP RE 2015	0.14%	(2.65%)	12.92%
Longpoint Realty Fund II	(3.83%)	0.23%	-
Long Wharf VI	1.11%	2.53%	36.50%
Long Wharf VII	(3.46%)	-	-
Newport Capital Partners Fund III	1.02%	(11.20%)	-
Oaktree Real Estate Debt Fund II	(0.79%)	(11.61%)	(0.43%)
StepSt Partner RE II (fka MFIRE) (2)	0.00%	(0.19%)	0.98%
Torchlight Debt VII	0.02%	2.39%	-
Torchlight Debt VIII	(0.63%)	(18.46%)	-
Westbrook XI	0.97%	8.86%	26.81%
Total Private Real Estate	(1.09%)	(7.34%)	9.51%
Total Farmland	(0.33%)	7.11%	-
NCREIF Farmland Index	(0.26%)	5.81%	7.17%
Homestead USA Farmland Fund III	(0.08%)	7.51%	4.74%
NCREIF Farmland Index	(0.26%)	5.81%	7.17%
Total Private Infrastructure	3.14%	16.14%	16.11%
CPI + 5%	2.07%	8.70%	10.75%
FTSE Dev Core Inf 50/50 N	(8.75%)	0.38%	2.44%
Ember Infrastructure I	11.78%	2.12%	-
Macquarie Infrastructure Partners III	1.46%	37.23%	29.67%
Macquarie Infrastructure Partners IV	0.78%	3.03%	11.10%
Pantheon Gbl Infrast Secondaries IV	6.38%	5.79%	-
Total Real Assets	(0.79%)	(5.79%)	9.92%
Total Real Assets Benchmark*(1)	(1.65%)	(10.87%)	7.01%

* Current Quarter Target = 64.0% NCREIF NFI-ODCE Val Wt Nt, 27.0% NCREIF NFI-ODCE Val Wt Nt+1.5%, 7.0% CPI-W+5.0% and 2.0% NCREIF Farmland Index.

(1) The quarterly Total Real Asset Benchmark returns are calculated by weighting the benchmark return for each asset class.

(2) Current market values are those of the prior quarter, adjusted for capital calls and distributions of current quarter.

All returns are shown net of fees.

(3) Reported in Euro's by manager and then converted to US \$.

** Year end figure is based on estimate. YE audit takes 120 days.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended September 30, 2023. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended September 30, 2023

	Last 5 Years	Last 10 Years	Since Inception	
Total Core Funds	5.78%	7.28%	4.94%	(4/05)
NCREIF NFI-ODCE Val Wt Nt	4.72%	7.19%	6.17%	(4/05)
Blackrock Global Renewable Power III	-	-	4.37%	(1/21)
Blackstone Property Partners	-	-	4.14%	(1/19)
Carlyle Property Investors	10.87%	-	10.32%	(7/18)
Clarion Partners Lion Properties Fund	-	-	(13.74%)	(7/22)
GI Partners ETS Fund	-	-	11.20%	(1/22)
Heitman America Real Estate Trust (HART)	4.90%	-	6.89%	(4/14)
IFM Glb Infrast Fund (GIF)	-	-	6.07%	(1/23)
JP Morgan Strategic Property Fund (SPF)	3.93%	-	6.21%	(4/14)
Prologis US Logistics Fund (USLF)	-	-	16.91%	(7/20)
UBS Trumbull Property Fund (TPF)	0.10%	3.96%	4.03%	(4/06)
Total Non-Core Funds	6.06%	9.56%	8.14%	(4/09)
NCREIF ODCE + 1.5%	6.24%	8.70%	8.27%	(4/09)
Basis Real Estate Debt Fund I	11.93%	-	11.90%	(10/17)
Basis Real Estate Debt Fund II	-	-	3.36%	(4/21)
Blackstone European VI (3)	-	-	6.06%	(10/19)
Blackstone RE Partners Asia III	-	-	(20.69%)	(4/22)
Blue Vista Real Estate IV **	6.47%	-	(0.45%)	(10/15)
Brasa II	-	-	1.63%	(1/22)
Brookfield Strategic Real Estate II	11.23%	-	11.87%	(1/16)
Brookfield Strategic RE III	10.37%	-	8.96%	(1/18)
Brookfield Strategic RE IV	-	-	20.01%	(7/22)
Cabot Industrial Value VI (CIVF)	-	-	24.86%	(7/20)
Crow Holdings Realty VII	(0.15%)	-	3.90%	(10/15)
Crow Holdings Realty VIII	15.68%	-	14.88%	(7/18)
Crow Holdings Realty IX	-	-	13.04%	(7/21)
Dune Real Estate Partners II	0.75%	6.56%	6.70%	(4/09)
Dune Real Estate Partners III/2022	(0.58%)	5.50%	4.59%	(4/13)
Dune Real Estate Partners IV	3.06%	-	2.55%	(10/17)
Franklin Templeton FTPREF	(9.97%)	4.96%	5.29%	(4/12)
Franklin Templeton EMREFF	(29.07%)	(10.01%)	(6.84%)	(7/11)
Franklin Templeton MDP RE 2015	4.05%	-	2.39%	(7/15)
Longpoint Realty Fund II	-	-	7.58%	(10/21)
Long Wharf VI	-	-	16.27%	(7/19)
Long Wharf VII	-	-	(3.46%)	(7/23)
Newport Capital Partners Fund III	-	-	24.02%	(7/21)
Oaktree Real Estate Debt Fund II	(1.99%)	-	1.64%	(10/17)
StepSt Partner RE II (fka MFIRE) (2)	(0.26%)	4.55%	4.61%	(1/12)
Torchlight Debt VII	-	-	2.73%	(4/21)
Torchlight Debt VIII	-	-	(18.46%)	(10/22)
Westbrook XI	-	-	26.81%	(10/20)
Total Private Real Estate	5.88%	7.95%	5.39%	(4/05)
Total Farmland	-	-	9.99%	(1/21)
NCREIF Farmland Index	6.13%	7.99%	7.23%	(1/21)
Homestead USA Farmland Fund III	-	-	4.74%	(10/20)
NCREIF Farmland Index	6.13%	7.99%	7.17%	(10/20)
Total Private Infrastructure	14.09%	9.29%	8.94%	(10/09)
CPI + 5%	9.05%	7.78%	7.57%	(10/09)
FTSE Dev Core Inf 50/50 N	2.97%	5.19%	7.28%	(10/09)
Ember Infrastructure I	-	-	(10.00%)	(7/21)
Macquarie Infrastructure Partners III	23.51%	-	15.56%	(1/15)
Macquarie Infrastructure Partners IV	10.33%	-	6.70%	(1/18)
Pantheon Glb Infrast Secondaries IV	-	-	5.17%	(1/22)
Total Real Assets	6.99%	7.98%	5.24%	(4/05)
Total Real Assets Benchmark*(1)	6.03%	7.30%	5.93%	(4/05)

* Current Quarter Target = 64.0% NCREIF NFI-ODCE Val Wt Nt, 27.0% NCREIF NFI-ODCE Val Wt Nt+1.5%, 7.0% CPI-W+5.0% and 2.0% NCREIF Farmland Index.

(1) The quarterly Total Real Asset Benchmark returns are calculated by weighting the benchmark return for each asset class.

(2) Current market values are those of the prior quarter, adjusted for capital calls and distributions of current quarter.

All returns are shown net of fees.

(3) Reported in Euro's by manager and then converted to US \$.

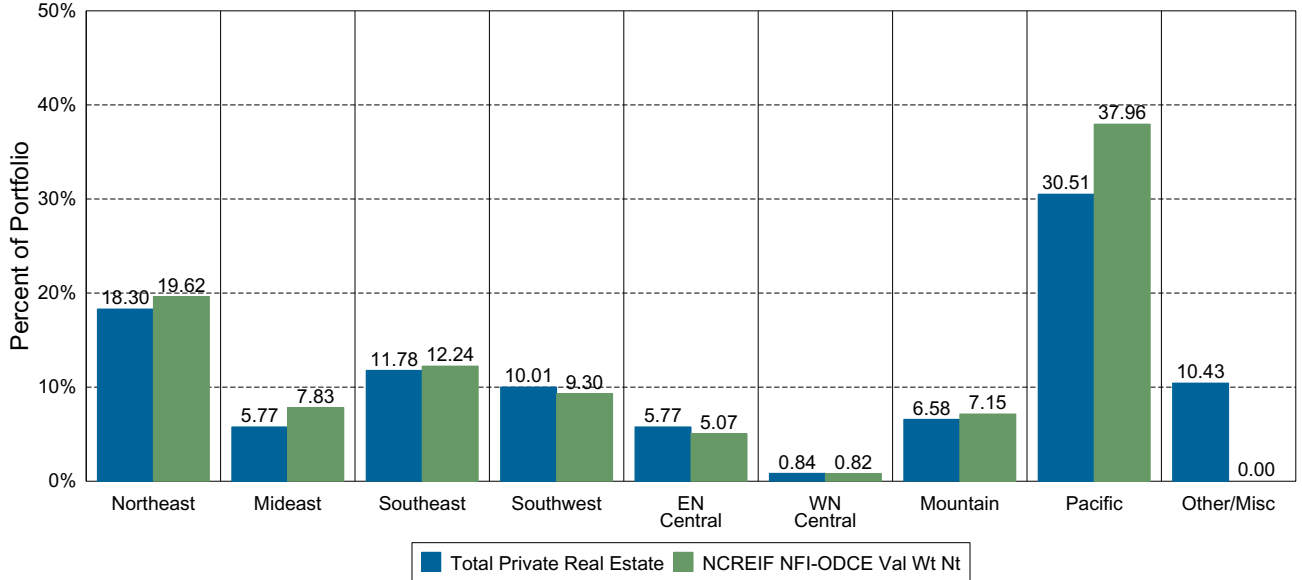
** Year end figure is based on estimate. YE audit takes 120 days.

Total Private Real Estate Diversification Analysis as of September 30, 2023

Diversification Analysis

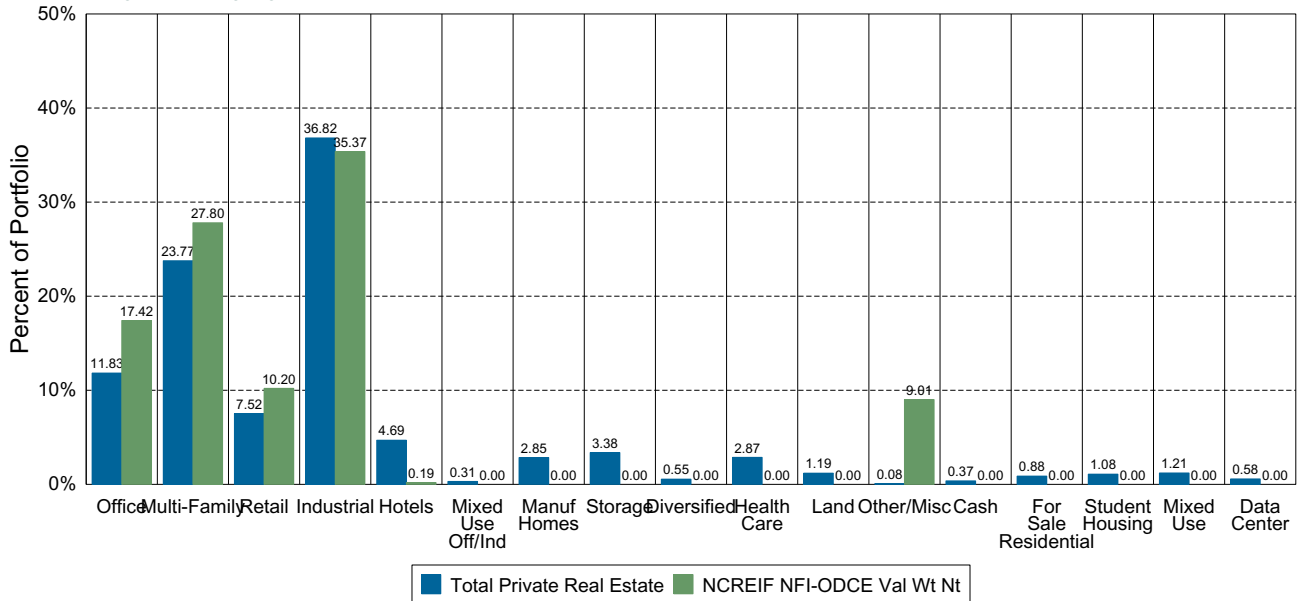
The following charts provide information on the diversification of the portfolio with regards to both Geographic Region and Property Type. Similar information is provided on the relevant market index for comparison.

Diversification by Geographic Region as of September 30, 2023



Total Private Real Estate	18.30%	5.77%	11.78%	10.01%	5.77%	0.84%	6.58%	30.51%	10.43%
NCREIF NFI-ODCE Val Wt Nt	19.62%	7.83%	12.24%	9.30%	5.07%	0.82%	7.15%	37.96%	0.00%

Diversification by Property Type as of September 30, 2023



Total Private Real Estate	11.83%	23.77%	7.52%	36.82%	4.69%	0.31%	2.85%	3.38%	0.55%	2.87%	1.19%	0.08%	0.37%	0.88%	1.08%	1.21%	0.58%
NCREIF NFI-ODCE Val Wt Nt	17.42%	27.80%	10.20%	35.37%	0.19%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	9.01%	0.00%	0.00%	0.00%	0.00%	0.00%

These charts do not include IFM and BlackRock Global Renewable Power III portfolio exposure, which are reflected in the infrastructure portfolio section of this document.

Total Private Real Estate Real Estate Portfolio Quarterly Changes in Market Value

	Beg. of Period Market	+ Capital Contri- butions	+ Accounting Income	- Mgmt. Fees	+ Appre- ciation	- Income & Real. Gains	- Return of Capital	- Dist. of Recallable Capital	= End of Period Market
06/2005	0	42,173,431	0	0	(0)	123,467	0	0	42,049,963
09/2005	42,049,963	34,412,979	0	0	2,932,432	852,473	0	0	78,542,902
12/2005	78,542,902	48,535,080	0	0	(2,207,961)	1,217,584	0	0	123,652,438
03/2006	123,652,438	1,679,008	0	0	7,754,988	1,679,008	0	0	131,407,426
06/2006	131,407,426	154,313,912	17,260	0	62,225	1,829,427	0	0	283,971,396
09/2006	283,971,396	6,538,259	1,719,275	0	(379,023)	1,882,915	0	0	289,966,992
12/2006	289,966,992	7,421,001	1,708,539	334,414	6,091,615	1,887,109	0	0	302,966,624
03/2007	302,966,624	6,918,111	1,675,293	348,138	13,086,106	3,690,165	0	2,458,173	318,149,659
06/2007	318,149,659	1,842,480	1,807,242	359,826	14,785,736	1,842,480	0	0	334,382,812
09/2007	334,382,812	2,265,946	1,724,761	380,988	10,156,598	1,826,121	0	0	346,323,006
12/2007	346,323,006	1,956,882	1,690,561	388,418	6,336,475	5,689,851	0	0	350,228,655
03/2008	350,228,655	1,988,386	1,674,352	663,376	1,569,797	1,988,386	0	0	352,809,428
06/2008	352,809,428	8,831,700	1,822,454	128,447	(17,340,577)	2,918,708	0	0	343,075,849
09/2008	343,075,849	3,142,415	1,822,648	376,323	(2,083,408)	3,142,415	0	0	342,438,766
12/2008	342,438,766	3,143,110	1,881,551	286,163	(45,400,090)	3,143,110	0	0	298,634,064
03/2009	298,634,064	3,043,682	1,823,223	273,693	(44,893,159)	4,264,862	0	0	254,069,254
06/2009	254,069,254	3,600,000	1,840,942	592,300	(23,368,122)	1,989,933	0	0	233,559,843
09/2009	233,559,843	0	1,703,642	575,906	(12,246,283)	2,003,491	0	0	220,437,804
12/2009	220,437,804	0	1,788,774	566,083	(10,965,797)	1,965,752	0	0	208,728,946
03/2010	208,728,946	25,000,000	2,015,326	210,612	734,572	2,061,158	0	0	234,207,074
06/2010	234,207,074	27,040,000	3,097,524	239,447	5,875,693	2,456,070	0	0	267,524,774
09/2010	267,524,774	25,000,000	2,907,443	294,552	19,471,475	2,727,021	0	0	311,882,119
12/2010	311,882,119	26,840,000	3,525,226	487,973	8,701,428	3,289,692	0	0	347,171,108
03/2011	347,171,108	6,169,856	3,049,562	672,479	8,721,683	3,328,279	0	0	361,111,450
06/2011	361,111,450	4,373,333	3,139,247	663,418	14,060,049	4,205,243	0	0	377,815,419
09/2011	377,815,419	2,222,095	2,938,893	679,965	15,992,933	3,423,940	0	0	394,865,435
12/2011	394,865,435	16,655,942	2,952,521	703,273	(6,843,995)	3,396,014	0	0	403,530,615
03/2012	403,530,615	5,777,016	3,237,093	712,989	10,670,378	3,528,506	0	0	418,973,609
06/2012	418,973,609	12,851,428	3,070,176	811,541	6,466,680	6,007,837	0	544,391	433,998,123
09/2012	433,998,123	12,453,309	3,465,912	821,801	8,311,113	5,430,310	0	1,560,625	450,415,721
12/2012	450,415,721	21,304,116	2,985,126	836,210	7,740,575	5,848,715	0	1,311,525	474,449,087
03/2013	474,449,087	8,924,696	3,361,755	842,722	9,867,263	4,936,044	0	5,912,217	484,911,819
06/2013	484,911,819	13,690,142	3,408,964	813,391	9,856,009	130,555,101	0	35,883	380,462,559
09/2013	380,462,559	28,876,958	3,159,030	1,277,279	6,839,123	12,324,318	0	1,719,937	404,016,136
12/2013	404,016,136	62,878,607	3,041,081	1,020,951	7,460,729	4,845,993	0	250,445	471,279,164
03/2014	471,279,164	8,361,763	3,496,147	1,123,862	18,364,484	13,093,727	0	1,444,640	485,839,330
06/2014	485,839,330	168,387,475	4,380,689	1,207,697	10,271,773	10,045,299	0	20,362,045	637,264,227
09/2014	637,264,227	101,636,642	6,181,480	1,409,298	13,167,818	11,957,185	0	449,945	744,433,739
12/2014	744,433,739	77,116,484	6,866,500	1,267,082	15,668,216	9,096,964	0	22,718,143	811,002,750
03/2015	811,002,750	21,635,146	7,674,697	1,760,301	20,980,550	15,152,959	0	2,674,991	841,704,892
06/2015	841,704,892	22,866,436	7,861,829	1,820,086	22,507,085	12,887,424	0	1,339,019	878,893,713
09/2015	878,893,713	11,216,301	7,918,911	1,780,676	22,613,392	20,089,832	0	827,939	897,943,868
12/2015	897,943,868	20,871,212	7,874,144	2,481,710	21,862,704	13,671,377	0	388,596	932,010,245
03/2016	932,010,245	20,295,944	8,143,230	1,988,116	13,286,274	16,368,188	0	225,653	955,153,736
06/2016	955,153,736	31,896,620	8,292,447	2,190,974	13,707,723	10,963,886	0	183,426	995,712,241
09/2016	995,712,241	14,378,035	8,174,346	2,185,457	15,342,583	24,149,725	0	86,935	1,007,185,087
12/2016	1,007,185,087	27,586,682	8,235,734	2,364,750	15,926,218	28,938,749	0	1,810,102	1,025,820,120

Total Private Real Estate Real Estate Portfolio Quarterly Changes in Market Value

	Beg. of Period Market	+ Capital Contri- butions	+ Accounting Income	- Mgmt. Fees	+ Appre- ciation	- Dist. of Income & Real. Gains	- Return of Capital	- Dist. of Recallable Capital	= End of Period Market
03/2017	1,025,820,120	11,467,605	8,016,983	2,109,415	6,876,693	11,830,339	0	329,195	1,037,912,453
06/2017	1,037,912,453	18,021,595	8,891,970	2,168,112	11,363,646	22,346,158	0	655,280	1,051,020,114
09/2017	1,051,020,114	15,302,424	8,886,731	2,100,113	12,667,629	8,101,029	0	31,875	1,077,643,881
12/2017	1,077,643,881	17,510,963	9,161,490	2,130,216	19,482,853	19,827,764	0	665,618	1,101,175,590
03/2018	1,101,175,590	33,732,281	9,803,113	2,442,601	13,309,923	16,417,883	930,000	678,961	1,137,551,462
06/2018	1,137,551,462	22,164,160	9,952,779	2,632,871	10,651,214	9,158,610	135,685,504	162,915	1,032,679,716
09/2018	1,032,679,716	28,558,458	9,640,728	2,696,531	10,205,147	13,635,013	64,763,357	3,584,690	996,404,457
12/2018	996,404,457	20,147,456	9,929,615	2,533,802	11,192,031	7,728,893	70,230,672	6,146,684	951,033,509
03/2019	951,033,509	133,117,644	13,792,179	2,593,684	2,441,843	10,093,011	39,731,922	0	1,047,966,557
06/2019	1,047,966,557	206,631,091	10,768,865	2,615,134	(2,815,011)	11,698,784	18,155,661	6,170,196	1,223,911,726
09/2019	1,223,911,726	25,114,818	10,550,915	3,992,533	4,049,074	12,945,652	23,690,852	620,309	1,222,377,188
12/2019	1,222,377,188	19,441,272	12,989,793	3,298,225	299,675	10,011,050	11,871,388	1,980,829	1,227,946,436
03/2020	1,227,946,436	30,094,014	9,862,632	3,273,348	(24,719,577)	10,909,231	17,644,036	1,437,607	1,209,919,283
06/2020	1,209,919,283	20,755,150	7,696,750	3,418,980	(43,185,497)	7,121,328	1,923,758	167,748	1,182,553,872
09/2020	1,182,553,872	21,920,519	8,651,977	3,833,535	4,045,070	8,566,129	7,202,553	983,605	1,196,585,616
12/2020	1,196,585,616	120,321,194	10,436,634	3,900,012	21,340,128	10,379,146	5,891,878	0	1,328,512,536
03/2021	1,328,512,536	41,191,888	10,377,413	5,714,627	29,055,048	15,947,023	14,595,748	758,311	1,372,121,176
06/2021	1,372,121,176	47,073,322	14,944,024	5,029,301	58,606,094	17,227,986	12,296,108	6,232,702	1,451,958,520
09/2021	1,451,958,520	49,754,843	12,868,413	5,464,391	100,490,984	18,376,344	15,029,201	1,465,038	1,574,737,786
12/2021	1,574,737,786	83,289,038	15,766,726	7,536,957	117,834,400	32,823,752	35,002,390	0	1,716,264,851
03/2022	1,716,264,851	74,059,704	13,270,922	6,390,117	125,045,822	17,023,197	5,722,495	3,658,085	1,895,847,405
06/2022	1,895,847,405	54,640,844	11,792,176	6,730,458	57,248,280	32,699,220	27,290,138	16,007,371	1,936,801,519
09/2022	1,936,801,519	105,079,152	11,288,094	6,697,575	(2,432,948)	16,115,366	12,991,125	2,732,850	2,012,198,902
12/2022	2,012,198,902	155,114,229	12,201,479	6,460,818	(68,549,560)	14,269,841	13,525,955	3,168,406	2,073,540,029
03/2023	2,073,540,029	281,939,859	13,469,815	7,102,133	(59,913,519)	18,088,047	9,611,075	336,967	2,273,897,962
06/2023	2,273,897,962	79,713,355	13,002,119	7,253,440	(33,000,648)	10,444,572	894,922	2,635,424	2,312,384,431
09/2023	2,312,384,431	68,077,106	14,286,925	6,972,898	(32,775,352)	11,557,648	3,439,450	975,389	2,339,027,725
	0	2,942,346,608	461,456,808	155,034,514	590,329,523	824,059,829	548,120,187	127,890,683	2,339,027,725

Returns

Net Since Inception IRR = 6.14%

Ratios

Capital Account = \$2,339,027,725

Total Value = \$3,839,098,424

Committed Capital = \$3,520,777,576

Paid In Capital = \$2,942,346,608

Remaining Commitment = \$713,951,218

PIC Multiple (Paid In Capital/Committed Capital) = 83.57%

Total Economic Exposure (Capital Account + Remaining Commitment) = \$3,052,978,943

TVPI Investment Multiple (Total Value/Paid In Capital) = 1.30x

DPI Realization Multiple (Distributions/Paid In Capital) = 0.51x

RVPI Residual Multiple (Capital Account/Paid In Capital) = 0.79x

Capital commitments reflects the sum of: (i) aggregate capital contributions translated to U.S. Dollars as of the date of each capital contribution transaction; and (ii) reported uncalled capital commitments translated to U.S. Dollars as of quarter end date.

State Universities Retirement System of Illinois Manager Detail as of September 30, 2023

The following table summarizes changes in each manager's aggregated cash flows and valuation information as of September 30, 2023.

Manager	Vintage Year	Capital Commitments (\$000s)	Paid-In Capital (\$000s)	Uncalled Capital (\$000s)	% Paid-In	Distributed Capital (\$000s)	Net Asset Value (\$000s)	DPI	RVPI	TVPI	Net IRR
Stabilized Growth Funds											
UBS Trumbull Property Fund (TPF)***	2006	\$285,565	285,565	-0	100.00%	401,698	89,273	1.41x	0.31x	1.72x	6.20%
Heitman America Real Estate Trust***	2014	\$212,230	212,230	0	100.00%	62,230	277,233	0.29x	1.31x	1.60x	7.03%
JP Morgan Strategic Property Fund (SPF)	2014	\$150,000	150,000	0	100.00%	0	265,712	0.00x	1.77x	1.77x	6.32%
Carlyle Property Investors***	2018	\$122,632	122,632	-0	100.00%	23,471	163,796	0.19x	1.34x	1.53x	11.05%
Blackstone Property Partners***	2019	\$221,066	221,066	0	100.00%	21,066	241,206	0.10x	1.09x	1.19x	4.46%
Prologis US Logistics Fund (USLF)***	2020	\$110,486	110,486	0	100.00%	11,044	165,634	0.10x	1.50x	1.60x	18.72%
BlackRock Global Renewable Power III	2020	\$100,000	65,242	39,247	65.24%	4,760	70,283	0.07x	1.08x	1.15x	12.64%
GI Partners ETS Fund	2022	\$75,000	62,355	12,645	83.14%	0	66,199	0.00x	1.06x	1.06x	8.17%
IFM Glb Infrac Fund (GIF)***	2022	\$100,920	100,920	0	100.00%	920	106,067	0.01x	1.05x	1.06x	6.11%
Clarion Partners Lion Properties Fund***	2022	\$229,909	229,909	0	100.00%	6,277	190,725	0.03x	0.83x	0.86x	(16.38%)
Non-Traditional Growth Funds											
Mature (10+ years)											
Dune Real Estate Partners II	2008	\$40,000	40,458	0	101.15%	66,998	6,515	1.66x	0.16x	1.82x	14.30%
Macquarie Infrastructure Partners II	2008	\$40,000	48,268	-0	120.67%	75,686	0	1.57x	0.00x	1.57x	8.38%
Alinda Infrastructure Fund II	2009	\$40,000	53,410	1,174	133.52%	53,562	165	1.00x	0.00x	1.01x	0.13%
Franklin Templeton FTPREF	2010	\$50,000	58,489	4,581	116.98%	79,951	422	1.37x	0.01x	1.37x	20.49%
Franklin Templeton EMREFF	2012	\$75,000	80,038	7,244	106.72%	106,812	1,066	1.33x	0.01x	1.35x	11.66%
StepSt Partner RE II (fka MFIRE) (2)	2012	\$60,000	39,413	20,587	65.69%	43,663	13,568	1.11x	0.34x	1.45x	6.48%
Dune Real Estate Partners III/2022	2013	\$100,000	142,791	0	142.79%	112,388	66,028	0.79x	0.46x	1.25x	5.44%
Macquarie Infrastructure Partners III	2013	\$50,000	53,140	357	106.28%	64,577	51,287	1.22x	0.97x	2.18x	17.29%
Maturing (5-9 years)											
Crow Holdings Realty VII	2014	\$35,000	32,877	2,123	93.93%	44,249	1,097	1.35x	0.03x	1.38x	11.00%
Blue Vista Real Estate IV **	2015	\$35,000	35,000	-0	100.00%	41,360	11,129	1.18x	0.32x	1.50x	10.61%
Brookfield Strategic Real Estate II	2015	\$35,000	40,870	395	116.77%	41,790	22,038	1.02x	0.54x	1.56x	11.90%
Franklin Templeton MDP RE 2015	2015	\$90,000	88,294	1,706	98.10%	35,122	64,507	0.40x	0.73x	1.13x	3.68%
Crow Holdings Realty VIII	2017	\$20,000	17,483	2,517	87.41%	27,473	709	1.57x	0.04x	1.61x	23.36%
Oaktree Real Estate Debt Fund II	2017	\$30,000	22,590	8,848	75.30%	16,071	8,853	0.71x	0.39x	1.10x	3.85%
Basis Real Estate Debt Fund I	2016	\$30,000	44,670	4,633	148.90%	35,379	20,064	0.79x	0.45x	1.24x	12.11%
Brookfield Strategic Real Estate III	2018	\$35,000	35,084	2,363	100.24%	8,258	37,904	0.24x	1.08x	1.32x	11.45%
Dune Real Estate IV	2018	\$50,000	39,903	10,855	79.81%	2,558	41,750	0.06x	1.05x	1.11x	5.29%
Macquarie Infrastructure Partners IV	2018	\$50,000	53,624	2,950	107.25%	14,063	61,720	0.26x	1.15x	1.41x	10.32%

** Year end figures is based on estimate. YE audit takes 120.

(2) Current EMV are those of the prior quarter, adjusted for capital calls and distributions of current quarter.

***Dividends reinvested are included in the commitment amount.

State Universities Retirement System of Illinois Manager Detail as of September 30, 2023

The following table summarizes changes in each manager's aggregated cash flows and valuation information as of September 30, 2023.

Manager	Vintage Year	Capital Commitments (\$000s)	Paid-In Capital (\$000s)	Uncalled Capital (\$000s)	% Paid-In	Distributed Capital (\$000s)	Net Asset Value (\$000s)	DPI	RVPI	TVPI	Net IRR
Immature (Less than 5 years)											
Homestead USA Farmland Fund III	2019	\$60,000	57,209	2,814	95.35%	1,687	62,248	0.03x	1.09x	1.12x	7.03%
Long Wharf VI	2019	\$40,000	40,000	-0	100.00%	21,645	27,286	0.54x	0.68x	1.22x	17.86%
Blackstone European VI (3)	2020	\$89,217	67,734	32,887	75.92%	24,185	58,985	0.36x	0.87x	1.23x	14.51%
Cabot Industrial Value VI (CIVF)	2019	\$50,000	39,130	10,870	78.26%	375	49,677	0.01x	1.27x	1.28x	14.63%
Crow Holdings Realty IX	2020	\$50,000	44,072	5,928	88.14%	12,011	40,797	0.27x	0.93x	1.20x	13.61%
Longpoint Realty Fund II	2021	\$50,000	45,000	5,000	90.00%	373	47,232	0.01x	1.05x	1.06x	5.00%
Westbrook XI	2019	\$75,000	56,939	18,061	75.92%	21,042	45,020	0.37x	0.79x	1.16x	18.64%
Torchlight Debt VII	2020	\$50,000	25,031	24,969	50.06%	188	26,285	0.01x	1.05x	1.06x	3.30%
Brookfield Strategic Real Estate IV	2021	\$75,000	45,773	29,227	61.03%	2,468	46,434	0.05x	1.01x	1.07x	11.11%
Ember Infrastructure I	2020	\$34,108	20,626	13,482	60.47%	112	20,328	0.01x	0.99x	0.99x	(1.00%)
Basis Real Estate Debt Fund II	2021	\$50,000	43,855	19,835	87.71%	20,241	25,112	0.46x	0.57x	1.03x	4.42%
Newport Capital Partners Fund III	2021	\$30,000	8,748	24,826	29.16%	3,714	5,746	0.42x	0.66x	1.08x	13.51%
Pantheon Glb Infrast Secondaries IV	2021	\$100,000	38,023	63,629	38.02%	1,357	38,918	0.04x	1.02x	1.06x	10.04%
Blackstone RE Partners Asia III	2022	\$50,000	8,127	41,873	16.25%	0	6,237	0.00x	0.77x	0.77x	(24.63%)
Brasa II	2021	\$40,000	23,274	17,819	58.18%	1,093	22,742	0.05x	0.98x	1.02x	1.88%
Crow Holdings Realty X	2022	\$50,000	0	50,000	0.00%	0	0	-	-	-	0.00%
Cabot Industrial Value VII (CIVF)	2022	\$50,000	0	50,000	0.00%	0	-1,327	-	-	-	0.00%
Torchlight Debt VIII	2022	\$50,000	6,250	43,750	12.50%	0	5,747	0.00x	0.92x	0.92x	(17.63%)
Longpoint Realty Fund III	2022	\$60,000	0	60,000	0.00%	0	-1,158	-	-	-	0.00%
Homestead USA Farmland Fund IV	2022	\$40,000	3,334	36,666	8.34%	0	3,107	0.00x	0.93x	0.93x	(22.14%)
Long Wharf VII	2023	\$40,000	2,920	37,080	7.30%	0	2,432	0.00x	0.83x	0.83x	(23.50%)
Brasa III	2023	\$50,000	0	50,000	0.00%	0	0	-	-	-	0.00%
Brookfield Strategic RE V	2023	\$75,000	0	75,000	0.00%	0	0	-	-	-	0.00%
Total Real Assets (3)	2005	\$4,606,873	3,941,049	835,945	85.55%	2,618,843	2,576,800	0.66x	0.65x	1.32x	6.58%

(2) Current EMV are those of the prior quarter, adjusted for capital calls and distributions of current quarter.

(3) Capital commitments reflects the sum of: (i) aggregate capital contributions translated to U.S.

Dollars as of the date of each capital contribution transaction; and (ii) reported uncalled capital

commitments translated to U.S. Dollars as of quarter end date. ** Year end figures is based on estimate. YE audit takes 120.

State Universities Retirement System of Illinois Real Estate Portfolio Snapshot - Subreturn Breakdown As of September 30, 2023

Subreturn Breakdown	Last Quarter			Last Year			Last 3 Years			Last 5 Years		
	INC	APP	TNET	INC	APP	TNET	INC	APP	TNET	INC	APP	TNET
Total Core Funds	0.44%	(1.65%)	(1.22%)	1.73%	(11.75%)	(10.17%)	2.06%	6.68%	8.83%	2.36%	3.36%	5.78%
BlackRock Glb Renewable Power III (0.31%)	3.29%	2.98%	2.98%	(1.44%)	27.78%	26.06%	-	-	-	-	-	-
Blackstone Property Partners (0.00%)	(0.49%)	(0.50%)	(0.50%)	0.43%	(11.73%)	(11.33%)	0.25%	5.80%	6.06%	-	-	-
Carlyle Property Investors (0.02%)	(0.03%)	(0.05%)	(0.05%)	(0.02%)	(4.22%)	(4.24%)	1.92%	11.23%	13.27%	-	-	10.87%
Clarion Partners Lion Properties Fund 0.71%	(1.96%)	(1.26%)	(1.26%)	2.45%	(18.96%)	(16.87%)	-	-	-	-	-	-
GI Partners ETS Fund (0.73%)	1.72%	0.99%	0.99%	(1.62%)	5.84%	4.18%	-	-	-	-	-	-
Heitman America Real Estate Trust 0.80%	(2.72%)	(1.92%)	(1.92%)	3.04%	(14.89%)	(12.20%)	3.26%	5.15%	8.54%	3.44%	1.42%	4.90%
IFM Glb Infrast Fund (GIF) 0.28%	0.58%	0.86%	0.86%	-	-	-	-	-	-	-	-	-
JP Morgan Strategic Property Fund 0.66%	(3.96%)	(3.30%)	(3.30%)	2.28%	(14.82%)	(12.79%)	2.48%	2.73%	5.24%	2.65%	1.26%	3.93%
Prologis US Logistics Fund (USLF) 0.70%	(2.82%)	(2.11%)	(2.11%)	2.50%	(14.40%)	(12.19%)	2.65%	15.49%	18.44%	-	-	-
UBS Trumbull Property Fund (TPF) 0.85%	(2.43%)	(1.58%)	(1.58%)	3.00%	(19.14%)	(16.59%)	3.17%	(1.48%)	1.64%	3.30%	(3.12%)	0.10%
Total Non-Core Funds	0.03%	(0.83%)	(0.80%)	(0.35%)	0.91%	0.55%	0.17%	11.28%	11.45%	0.88%	5.16%	6.06%
Basis Real Estate Debt Fund I 3.11%	(1.83%)	1.28%	1.28%	13.65%	(5.41%)	7.68%	13.26%	(3.94%)	8.93%	10.75%	0.86%	11.93%
Basis Real Estate Debt Fund II 3.45%	(2.41%)	1.03%	1.03%	12.08%	(3.25%)	8.56%	-	-	-	-	-	-
Blackstone European VI (0.56%)	(0.57%)	(1.13%)	(1.13%)	(2.95%)	17.87%	14.55%	(3.32%)	20.28%	16.49%	-	-	-
Blackstone RE Partners Asia III (3.56%)	(9.38%)	(12.94%)	(12.94%)	(15.56%)	(0.82%)	(16.02%)	-	-	-	-	-	-
Blue Vista Real Estate IV (0.47%)	(5.43%)	(5.90%)	(5.90%)	0.19%	(24.08%)	(23.88%)	1.51%	2.66%	4.11%	1.79%	4.67%	6.47%
Brasa II (1.36%)	0.62%	(0.74%)	(0.74%)	(5.71%)	7.65%	1.67%	-	-	-	-	-	-
Brookfield Strategic Real Estate II 4.64%	(6.30%)	(1.66%)	(1.66%)	5.25%	(9.29%)	(4.19%)	4.82%	6.94%	12.49%	4.63%	6.06%	11.23%
Brookfield Strategic RE III (0.26%)	0.81%	0.55%	0.55%	(1.47%)	10.28%	8.70%	(1.43%)	16.75%	15.29%	-	-	10.37%
Brookfield Strategic RE IV (0.86%)	2.49%	1.62%	1.62%	(3.67%)	12.59%	8.62%	-	-	-	-	-	-
Cabot Industrial Value VI (CIVF) 0.65%	0.41%	1.06%	1.06%	2.00%	(2.36%)	(0.40%)	(6.08%)	34.09%	27.20%	-	-	-
Crow Holdings Realty VII (0.10%)	(3.75%)	(3.85%)	(3.85%)	1.06%	(9.15%)	(8.08%)	2.54%	(7.45%)	(5.05%)	2.48%	(2.59%)	(0.15%)
Crow Holdings Realty VIII (1.88%)	(1.66%)	(3.54%)	(3.54%)	(2.83%)	(12.14%)	(14.67%)	1.56%	15.48%	17.05%	0.58%	15.12%	15.68%
Crow Holdings Realty IX (0.28%)	(1.47%)	(1.75%)	(1.75%)	(0.23%)	(6.45%)	(6.67%)	-	-	-	-	-	-
Dune Real Estate Partners II (0.26%)	2.21%	1.96%	1.96%	(1.20%)	8.61%	7.33%	(1.17%)	6.68%	5.44%	(1.14%)	1.91%	0.75%
Dune Real Estate Partners III/2022 (0.19%)	(0.01%)	(0.20%)	(0.20%)	(1.05%)	2.04%	0.98%	(0.79%)	6.19%	5.36%	-	-	(0.58%)
Dune RE IV (0.48%)	(0.81%)	(1.29%)	(1.29%)	(2.79%)	9.05%	6.08%	(4.66%)	15.77%	10.52%	-	-	3.06%
Franklin Templeton FTPREF (5.54%)	(2.74%)	(8.28%)	(8.28%)	1.35%	(28.17%)	(26.14%)	8.05%	(15.23%)	(7.14%)	21.60%	(35.99%)	(9.97%)
Franklin Templeton EMREFF (1.92%)	(53.64%)	(55.56%)	(55.56%)	(4.97%)	(59.93%)	(62.85%)	0.63%	(36.64%)	(36.66%)	5.54%	(32.64%)	(29.07%)
Franklin Templeton MDP RE 2015 0.05%	0.09%	0.14%	0.14%	0.89%	(3.52%)	(2.65%)	2.34%	10.43%	12.92%	2.88%	1.20%	4.05%
Longpoint Realty Fund II (0.09%)	(3.73%)	(3.83%)	(3.83%)	(2.05%)	2.27%	0.23%	(54.11%)	48.84%	-	-	-	-
Long Wharf VI 0.39%	0.72%	1.11%	1.11%	0.86%	1.66%	2.53%	(1.17%)	37.79%	36.50%	-	-	-
Long Wharf VII (3.46%)	0.00%	(3.46%)	(3.46%)	-	-	-	-	-	-	-	-	-
Newport Capital Partners Fund III 1.25%	(0.23%)	1.02%	1.02%	(3.25%)	(7.74%)	(11.20%)	-	-	-	-	-	-
Oaktree Real Estate Debt Fund II 1.26%	(2.05%)	(0.79%)	(0.79%)	5.10%	(16.06%)	(11.61%)	5.98%	(6.11%)	(0.43%)	5.75%	(7.42%)	(1.99%)
Torchlight Debt VII 1.02%	(1.00%)	0.02%	0.02%	3.82%	(1.38%)	2.39%	-	-	-	-	-	-
Torchlight Debt VIII (1.90%)	1.27%	(0.63%)	(0.63%)	-	-	(18.46%)	-	-	-	-	-	-
StepSt Partner RE II (fka MFIRE) (2) 0.00%	0.00%	0.00%	0.00%	(0.90%)	0.71%	(0.19%)	(1.10%)	2.09%	0.98%	(1.07%)	0.81%	(0.26%)
Westbrook XI (1.23%)	2.19%	0.97%	0.97%	(5.01%)	14.41%	8.86%	-	-	26.81%	-	-	-
Total Private Real Estate	0.31%	(1.41%)	(1.09%)	1.15%	(8.42%)	(7.34%)	1.53%	7.91%	9.51%	1.95%	3.88%	5.88%
Total Non-C w/ Infrastructure	0.01%	(0.03%)	(0.02%)	0.29%	3.05%	3.34%	0.49%	11.82%	12.35%	0.80%	7.08%	7.91%
Total Farmland	(0.30%)	(0.02%)	(0.33%)	0.22%	6.88%	7.11%	(1.92%)	6.65%	-	-	-	-
Homestead USA Farmland Fund III (0.05%)	(0.03%)	(0.08%)	(0.08%)	0.62%	6.87%	7.51%	(1.79%)	6.65%	4.74%	-	-	-
Total Private Infrastructure	(0.06%)	3.20%	3.14%	3.08%	12.83%	16.14%	1.93%	14.00%	16.11%	0.76%	13.27%	14.09%
Ember Infrastructure I (0.59%)	12.37%	11.78%	11.78%	(8.42%)	11.42%	2.12%	-	-	-	-	-	-
Macquarie Infrastructure Partners III (0.02%)	1.48%	1.46%	1.46%	10.70%	25.31%	37.23%	6.17%	22.61%	29.67%	3.44%	19.67%	23.51%
Macquarie Infrastructure Partners IV (0.01%)	0.79%	0.78%	0.78%	(0.66%)	3.71%	3.03%	0.61%	10.39%	11.10%	(1.85%)	12.26%	10.33%
Pantheon Glb Infrast Secondaries IV 0.02%	6.36%	6.38%	6.38%	(0.49%)	6.12%	5.79%	-	-	-	-	-	-
Total Real Assets	0.27%	(1.06%)	(0.79%)	1.23%	(6.96%)	(5.79%)	1.46%	8.37%	9.92%	1.78%	5.15%	6.99%

State Universities Retirement System of Illinois Real Estate Portfolio Snapshot - Subreturn Breakdown As of September 30, 2023

Subreturn Breakdown	Last 10 Years			NET IRR	TVPI
	INC	APP	TNET		
Total Core Funds	3.08%	4.11%	7.28%	5.34%	1.34x
BlackRock Glb Renewable Power III	-	-	-	12.64%	1.15x
Blackstone Property Partners	-	-	-	4.46%	1.19x
Carlyle Property Investors	-	-	-	11.05%	1.53x
Clarion Partners Lion Properties Fund	-	-	-	(16.38%)	0.86x
GI Partners ETS Fund	-	-	-	8.17%	1.06x
Heitman America Real Estate Trust	-	-	-	7.03%	1.60x
IFM Glb Infrast Fund (GIF)	-	-	-	6.11%	1.06x
JP Morgan Strategic Property Fund	-	-	-	6.32%	1.77x
Prologis US Logistics Fund (USLF)	-	-	-	18.72%	1.60x
UBS Trumbull Property Fund (TPF)	3.55%	0.41%	3.96%	6.20%	1.72x
Total Non-Core Funds	0.09%	9.45%	9.56%	9.55%	1.25x
Basis Real Estate Debt Fund I	-	-	-	12.11%	1.24x
Basis Real Estate Debt Fund II	-	-	-	4.42%	1.03x
Blackstone European VI	-	-	-	14.51%	1.23x
Blackstone RE Partners Asia III	-	-	-	(24.63%)	0.77x
Blue Vista Real Estate IV	-	-	-	10.61%	1.50x
Brasa II	-	-	-	1.88%	1.02x
Brookfield Strategic Real Estate II	-	-	-	11.90%	1.56x
Brookfield Strategic RE III	-	-	-	11.45%	1.32x
Brookfield Strategic RE IV	-	-	-	11.11%	1.07x
Cabot Industrial Value VI (CIVF)	-	-	-	14.63%	1.28x
Crow Holdings Realty VII	-	-	-	11.00%	1.38x
Crow Holdings Realty VIII	-	-	-	23.36%	1.61x
Crow Holdings Realty IX	-	-	-	13.61%	1.20x
Dune Real Estate Partners II	(0.66%)	7.26%	6.56%	14.30%	1.82x
Dune Real Estate Partners III/2022	-	-	5.50%	5.44%	1.25x
Dune RE IV	-	-	-	5.29%	1.11x
Franklin Templeton FTPREF	11.26% (12.30%)	-	4.96%	20.49%	1.37x
Franklin Templeton EMREFF	3.03% (12.55%)	(10.01%)	-	11.66%	1.35x
Franklin Templeton MDP RE 2015	-	-	-	3.68%	1.13x
Longpoint Realty Fund II	-	-	-	5.00%	1.06x
Long Wharf VI	-	-	-	17.86%	1.22x
Long Wharf VII	-	-	-	(23.50%)	0.83x
Newport Capital Partners Fund III	-	-	-	13.51%	1.08x
Oaktree Real Estate Debt Fund II	-	-	-	3.85%	1.10x
Torchlight Debt VII	-	-	-	3.30%	1.06x
Torchlight Debt VIII	-	-	-	(17.63%)	0.92x
StepSt Partner RE II (fka MFIRE) (2) (1.36%)	-	5.96%	4.55%	6.48%	1.45x
Westbrook XI	-	-	-	18.64%	1.16x
Total Private Real Estate	2.26%	5.59%	7.95%	6.14%	1.30x
Total Non-C w/ Infrastructure	0.11%	9.21%	9.33%	9.28%	1.29x
Total Farmland	-	-	-	6.77%	1.11x
Homestead USA Farmland Fund III	-	-	-	7.03%	1.12x
Total Private Infrastructure	0.19%	9.09%	9.29%	8.70%	1.43x
Ember Infrastructure I	-	-	-	(1.00%)	0.99x
Macquarie Infrastructure Partners III	-	-	-	17.29%	2.18x
Macquarie Infrastructure Partners IV	-	-	-	10.32%	1.41x
Pantheon Glb Infrast Secondaries IV	-	-	-	10.04%	1.06x
Total Real Assets	2.04%	5.86%	7.98%	6.58%	1.32x

State Universities Retirement System of Illinois Real Estate Portfolio Snapshot - Quarterly Cashflows As of September 30, 2023

Quarterly Cash Flow Activity (\$)	Beginning	Capital	Accounting	Mgmt. Fees	Appreciation	Distributions	Ending	LTV
	Market Value	Contribution	Income				Market Value	
BR Glb Renewable (GRP) III	\$63,655,686	\$4,638,612	\$32,629	\$236,289	\$2,192,319	\$0	\$70,282,957	3.78%
Blackstone Property Partners	\$242,410,427	\$1,216,785	\$550,465	\$556,380	\$-1,198,793	\$1,216,785	\$241,205,719	47.00%
Carlyle Property Investors	\$163,837,707	\$885,661	\$320,818	\$357,825	\$-51,091	\$839,134	\$163,796,136	50.00%
Clarion Partners LPF Fund	\$193,176,781	\$1,733,507	\$1,751,944	\$385,243	\$-3,798,319	\$1,753,415	\$190,725,255	25.27%
GI Partners ETS Fund	\$41,246,170	\$24,493,661	\$-140,541	\$199,195	\$799,089	\$0	\$66,199,184	42.95%
Heitman (HART)	\$282,670,304	\$1,824,706	\$2,769,250	\$505,796	\$-7,700,745	\$1,824,706	\$277,233,013	24.11%
IFM Glb Infrac Fund (GIF)	\$105,160,759	\$920,266	\$502,724	\$204,104	\$608,102	\$920,266	\$106,067,481	34.60%
JP Morgan (SPF)	\$274,784,308	\$0	\$2,370,675	\$544,926	\$-10,897,668	\$0	\$265,712,389	28.39%
Prologis US Logistics Fund	\$169,459,315	\$730,160	\$1,607,433	\$409,638	\$-4,785,070	\$968,002	\$165,634,198	16.30%
UBS (TPF)	\$90,703,370	\$686,002	\$913,702	\$141,007	\$-2,203,378	\$686,002	\$89,272,687	20.50%
Total Core Funds	\$1,627,104,828	\$37,129,360	\$10,679,099	\$3,540,403	\$-27,035,554	\$8,208,311	\$1,636,129,019	
Basis Real Estate Debt Fund I	\$20,107,836	\$62,986	\$693,584	\$70,620	\$-366,564	\$362,913	\$20,064,309	42.00%
Basis Real Estate Debt Fund II	\$26,153,915	\$0	\$1,035,616	\$157,534	\$-613,750	\$1,306,191	\$25,112,056	-
Blackstone BREP Europe VI	\$56,730,918	\$2,915,350	\$-17,884	\$306,712	\$-336,878	\$0	\$58,984,795	69.00%
Blackstone RE Partners Asia III	\$6,434,663	\$684,903	\$-42,087	\$187,500	\$-652,621	\$0	\$6,237,358	-
Blue Vista Real Estate IV	\$11,826,709	\$0	\$-4,439	\$49,703	\$-644,019	\$0	\$11,128,548	63.90%
Brasa II	\$22,911,482	\$0	\$-168,319	\$141,151	\$140,358	\$0	\$22,742,371	32.60%
Brookfield Strategic Real Estate II	\$23,681,859	\$1,609,138	\$1,107,624	\$24,416	\$-1,469,635	\$1,288,585	\$22,037,502	60.00%
Brookfield Strategic RE III	\$36,968,309	\$873,369	\$37,080	\$133,417	\$299,062	\$16,570	\$37,904,406	51.00%
Brookfield Strategic RE IV	\$39,899,527	\$6,510,440	\$62,011	\$413,890	\$1,015,386	\$320,627	\$46,433,952	59.00%
Cabot Industrial Value VI	\$48,076,694	\$1,087,000	\$502,725	\$187,500	\$198,349	\$0	\$49,677,268	43.10%
Cabot Industrial Value VII	\$-1,003,254	\$0	\$-140,912	\$187,511	\$5,057	\$0	\$-1,326,620	-
Crow Holdings Realty VII	\$1,140,581	\$0	\$-1,136	\$0	\$-42,828	\$0	\$1,096,617	64.98%
Crow Holdings Realty VIII	\$1,106,753	\$0	\$-9,923	\$3,647	\$-12,744	\$0	\$708,659	60.60%
Crow Holdings Realty IX	\$41,524,815	\$0	\$-8,682	\$108,630	\$-610,222	\$0	\$40,797,281	40.00%
Dune Real Estate Partners II	\$6,389,862	\$0	\$-5,841	\$10,489	\$141,281	\$0	\$6,514,813	-
Dune Real Estate Partners III/2022	\$66,161,664	\$0	\$-27,283	\$101,022	\$-5,703	\$0	\$66,027,656	-
Dune Real Estate Partners IV	\$40,117,939	\$2,173,110	\$-70,593	\$131,183	\$-338,900	\$0	\$41,750,373	48.80%
Franklin Templeton FTPREF	\$460,507	\$43,357	\$-12,013	\$13,158	\$-12,958	\$43,357	\$422,378	45.00%
Franklin Templeton EMREFF	\$2,399,441	\$0	\$-16,234	\$19,899	\$-1,296,916	\$0	\$1,066,392	80.00%
Franklin Templeton MDP RE 2015	\$64,148,050	\$992,016	\$109,831	\$80,049	\$60,008	\$353,387	\$64,506,895	56.00%
Longpoint Realty Fund II	\$49,111,078	\$0	\$108,316	\$151,581	\$-1,835,668	\$0	\$47,232,145	42.70%
Longpoint Realty Fund III	\$-759,084	\$0	\$-211,726	\$153,009	\$-34,514	\$0	\$-1,158,333	-
Long Wharf VI	\$27,620,213	\$475,719	\$204,475	\$98,629	\$194,509	\$432,718	\$27,286,276	50.00%
Long Wharf VII	\$2,012,059	\$489,901	\$23,458	\$93,764	\$0	\$0	\$2,431,654	-
Newport Capital Partners Fund III	\$4,699,692	\$993,900	\$91,397	\$27,500	\$-11,667	\$0	\$5,745,822	58.83%
Oaktree Real Estate Debt Fund II	\$8,967,181	\$0	\$146,416	\$33,802	\$-183,516	\$43,128	\$8,853,151	63.90%
StepSt Partner RE II (fka MFIRE)	\$13,567,970	\$0	\$0	\$0	\$0	\$0	\$13,567,970	32.00%
Torchlight Debt VII	\$26,436,807	\$0	\$442,787	\$175,000	\$-262,100	\$157,250	\$26,285,244	53.71%
Torchlight Debt VIII	\$5,783,773	\$0	\$48,112	\$156,250	\$71,734	\$0	\$5,747,369	85.47%
Westbrook XI	\$32,601,644	\$12,036,558	\$-268,535	\$214,930	\$865,661	\$0	\$45,020,398	37.90%
Total Non-Core Funds	\$685,279,603	\$30,947,747	\$3,607,826	\$3,432,495	\$-5,739,798	\$4,324,726	\$702,898,706	
Homestead USA Farmland III	\$56,289,820	\$6,094,665	\$143,871	\$171,907	\$-19,532	\$88,817	\$62,248,100	30.00%
Homestead USA Farmland Fund IV	\$-73,058	\$3,334,127	\$-5,121	\$150,000	\$653	\$0	\$3,106,601	30.00%
Total Farmland	\$56,216,762	\$9,428,792	\$138,750	\$321,907	\$-18,879	\$88,817	\$65,354,701	
Alinda Infrastructure Fund II	\$157,719	\$0	\$-4,286	\$0	\$11,379	\$0	\$164,812	-
Macquarie Infrastructure III	\$61,662,566	\$182,433	\$117,506	\$127,365	\$900,906	\$30,217	\$51,287,070	39.00%
Macquarie Infrastructure IV	\$61,242,630	\$86,600	\$166,330	\$171,912	\$482,864	\$86,600	\$61,719,912	35.00%
Ember Infrastructure I	\$11,835,948	\$6,613,480	\$55,126	\$149,222	\$1,972,399	\$0	\$20,327,731	0.00%
Pantheon Glb Infrac Second IV	\$30,203,552	\$7,039,732	\$234,704	\$226,849	\$2,155,878	\$162,329	\$38,917,824	39.00%
Total Private Infrastructure	\$165,102,415	\$13,922,246	\$569,380	\$675,349	\$5,523,426	\$279,146	\$172,417,349	
Total Portfolio	\$2,533,703,608	\$91,428,144	\$14,995,055	\$7,970,154	\$-27,270,805	\$12,901,000	\$2,576,799,775	

Total Core Fund Period Ended September 30, 2023

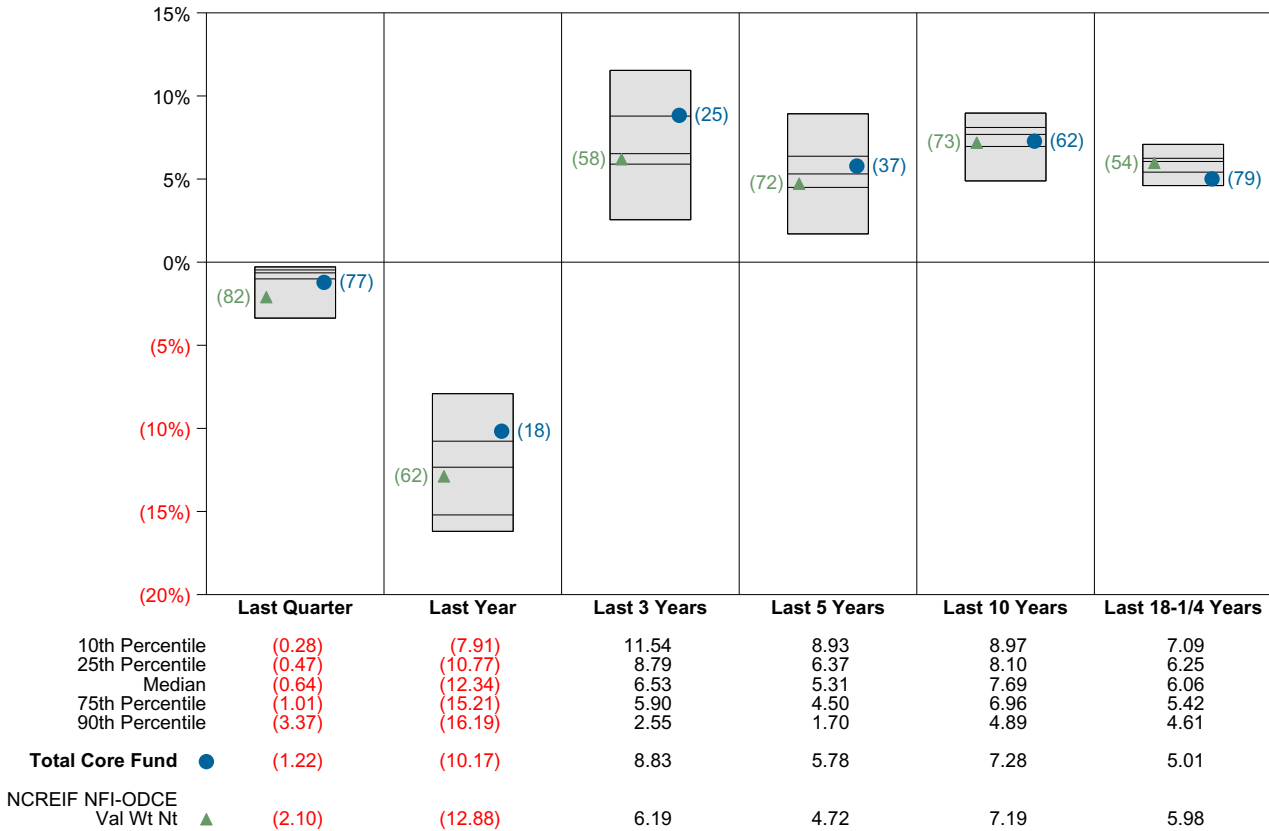
Quarterly Summary and Highlights

- Total Core Fund's portfolio posted a (1.22)% return for the quarter placing it in the 77 percentile of the Callan Real Estate ODCE group for the quarter and in the 18 percentile for the last year.
- Total Core Fund's portfolio outperformed the NCREIF NFI-ODCE Val Wt Nt by 0.89% for the quarter and outperformed the NCREIF NFI-ODCE Val Wt Nt for the year by 2.71%.

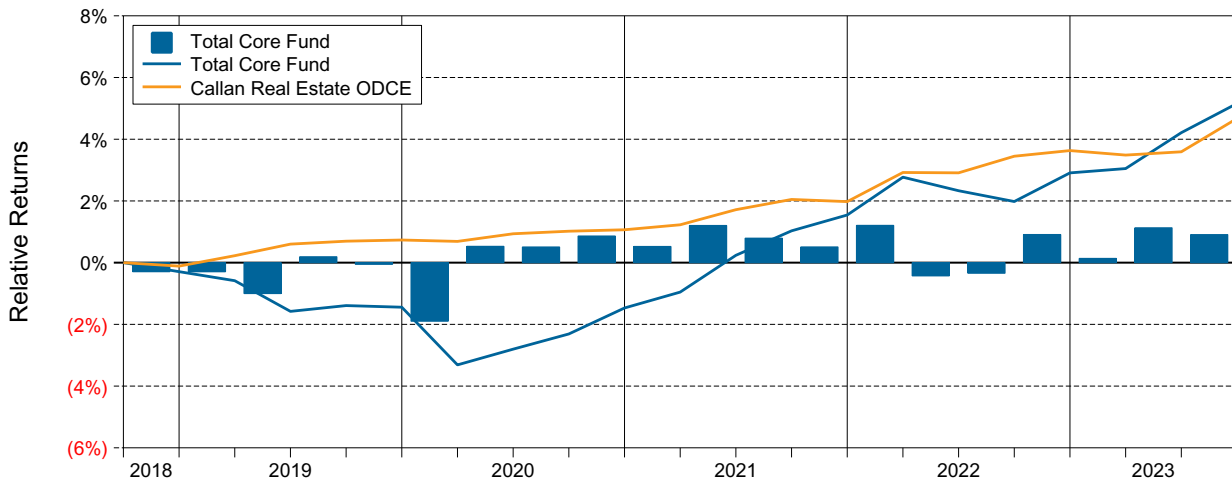
Quarterly Asset Growth

Beginning Market Value	\$1,627,104,828
Net New Investment	\$28,921,049
Investment Gains/(Losses)	\$-19,896,858
Ending Market Value	\$1,636,129,019

Performance vs Callan Real Estate ODCE



Cumulative and Quarterly Relative Returns vs NCREIF NFI-ODCE Val Wt Nt

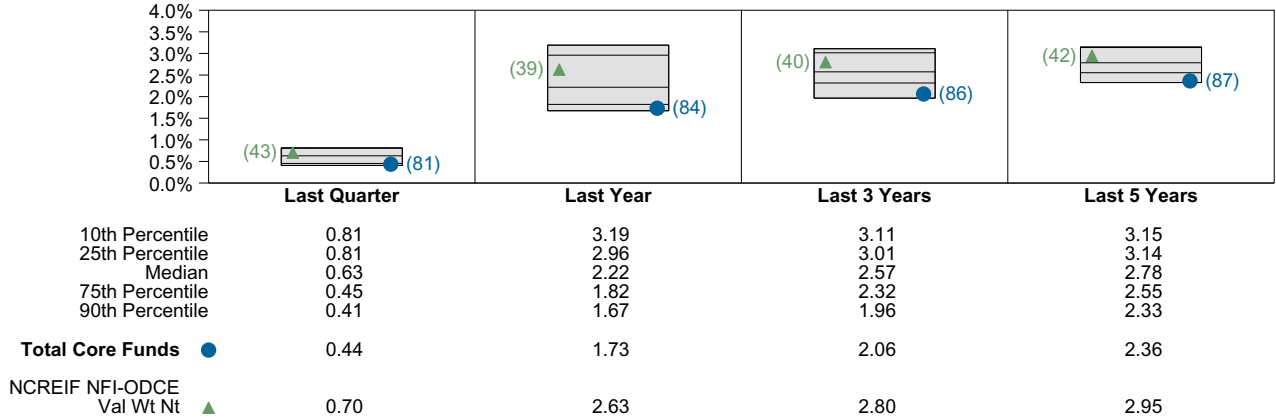


Total Core Funds Return Analysis

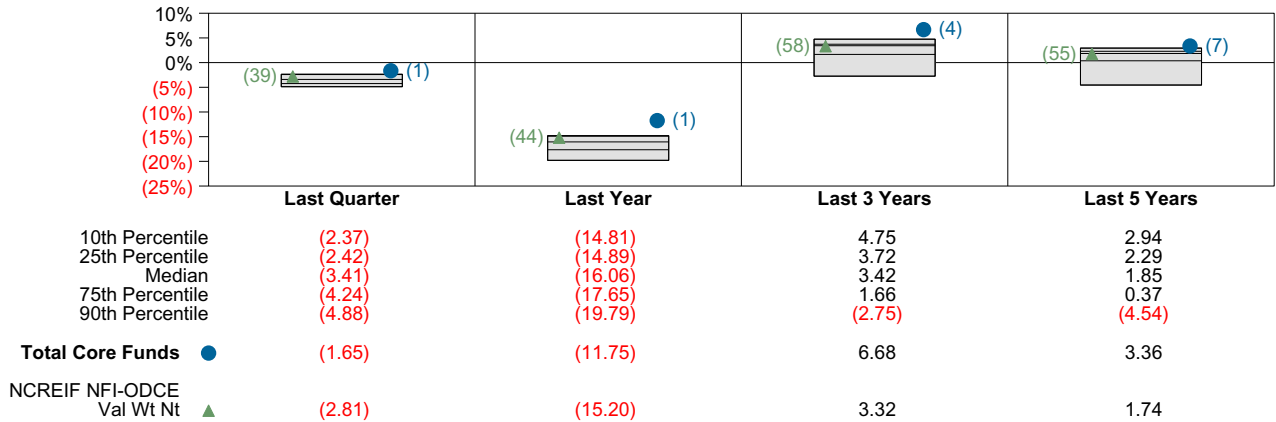
Return Analysis

The graphs below give a detailed analysis of the portfolio's return by decomposing it into component subreturns. The first chart shows the portfolio's income return ranked against the income returns of the appropriate peer group. The second chart performs the same comparison using appreciation returns. The bottom graph illustrates the historical composition of total return on an income versus appreciation basis.

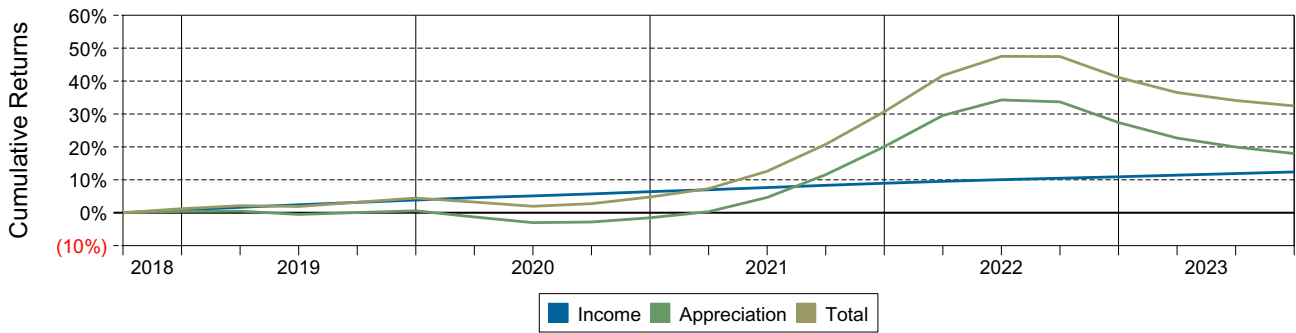
Income Rankings vs Callan Real Estate ODCE Periods ended September 30, 2023



Appreciation Rankings vs Callan Real Estate ODCE Periods ended September 30, 2023



Cumulative Return Composition by Income/Appreciation



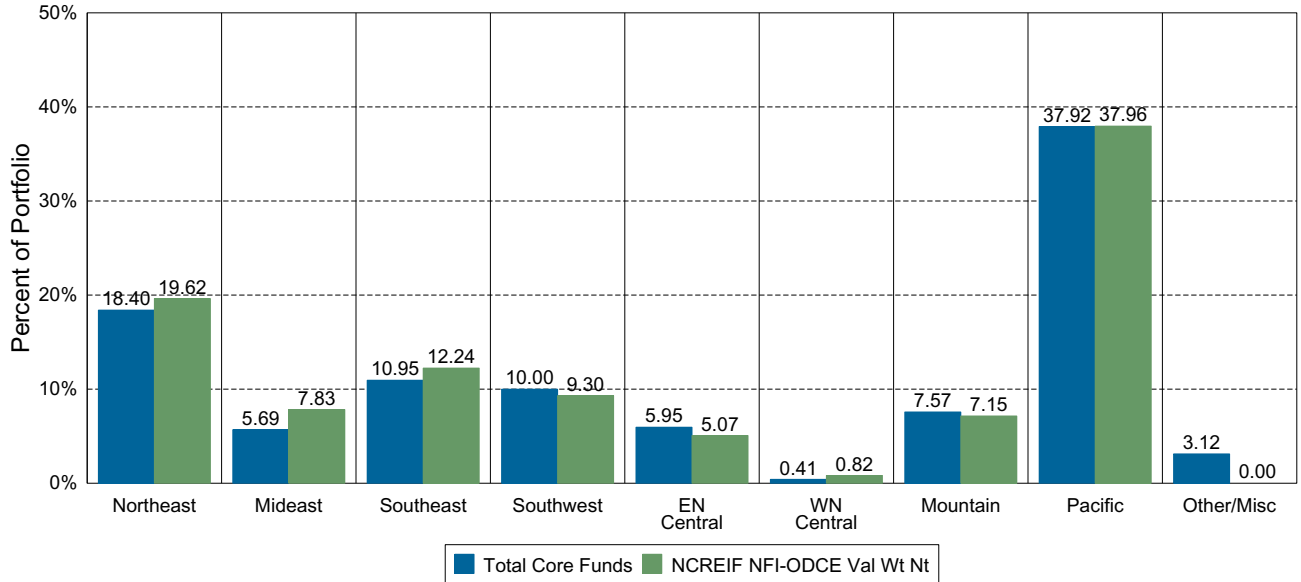
	Last Quarter	Last Year	Last 3 Years	Last 5 Years
Income	0.44%	1.73%	2.06%	2.36%
Appreciation	(1.65%)	(11.75%)	6.68%	3.36%
Total	(1.22%)	(10.17%)	8.83%	5.78%

Total Core Funds Diversification Analysis as of September 30, 2023

Diversification Analysis

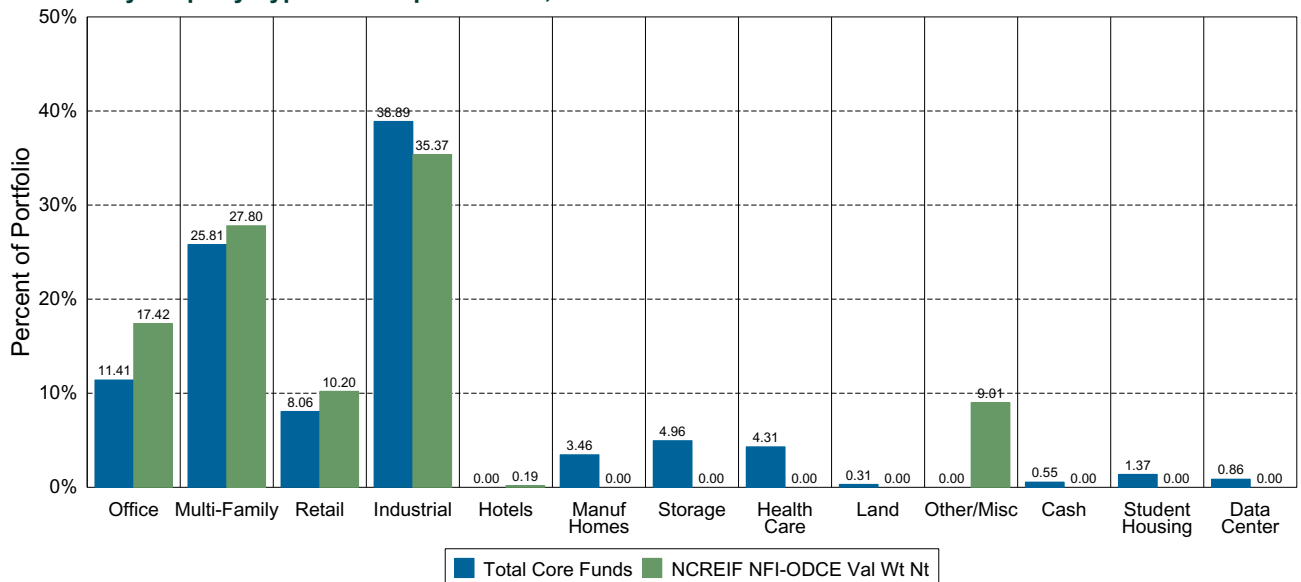
The following charts provide information on the diversification of the portfolio with regards to both Geographic Region and Property Type. Similar information is provided on the relevant market index for comparison.

Diversification by Geographic Region as of September 30, 2023



Total Core Funds	18.40%	5.69%	10.95%	10.00%	5.95%	0.41%	7.57%	37.92%	3.12%
NCREIF NFI-ODCE Val Wt Nt	19.62%	7.83%	12.24%	9.30%	5.07%	0.82%	7.15%	37.96%	0.00%

Diversification by Property Type as of September 30, 2023



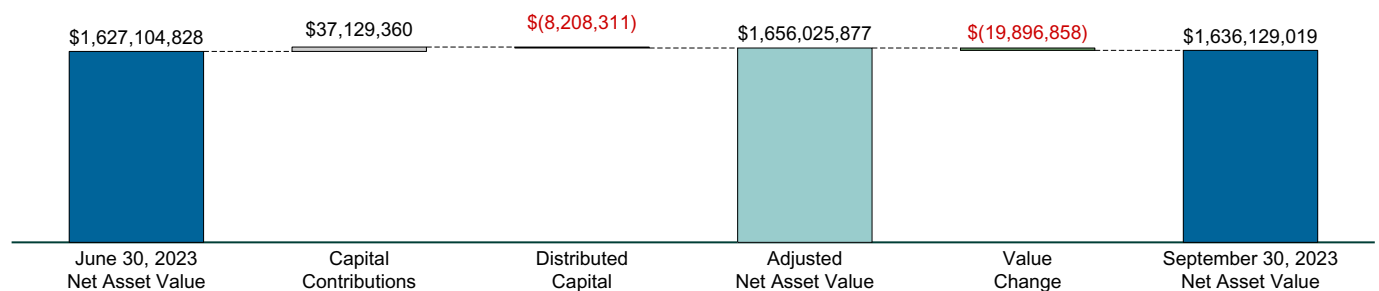
Total Core Funds	11.41%	25.81%	8.06%	38.89%	0.00%	3.46%	4.96%	4.31%	0.31%	0.00%	0.55%	1.37%	0.86%
NCREIF NFI-ODCE Val Wt Nt	17.42%	27.80%	10.20%	35.37%	0.19%	0.00%	0.00%	0.00%	0.00%	9.01%	0.00%	0.00%	0.00%

These charts do not include IFM and BlackRock Global Renewable Power III portfolio exposure, which are reflected in the infrastructure portfolio section of this document.

Total Core Funds Fund Overview Period Ended September 30, 2023

Quarterly Position Change	June 30, 2023	Quarterly Change	September 30, 2023
Client Commitment	\$1,812,480,602	\$0	\$1,812,480,602
Paid-In Capital	\$1,730,403,927	\$37,129,360	\$1,767,533,286
Remaining Commitment	\$89,023,814	\$(37,129,360)	\$51,894,454
Distributions	\$722,455,128	\$8,208,311	\$730,663,439
Recallable Distributions	\$6,947,139	\$0	\$6,947,139
Non-Recallable Distributions	\$715,507,990	\$8,208,311	\$723,716,301
Net Asset Value	\$1,627,104,828	\$9,024,191	\$1,636,129,019
Total Distributed Capital and Net Asset Value	\$2,349,559,956	\$17,232,502	\$2,366,792,458

Performance Change	June 30, 2023	Quarterly Change	September 30, 2023
Net Internal Rate of Return, Since Inception	5.60%	(0.26%)	5.34%
Total Value to Paid-in Capital (TVPI)	1.36x	(0.02x)	1.34x
Distributions to Paid-in Capital (DPI)	0.42x	(0.00x)	0.41x
Residual Value to Paid-in Capital (RVPI)	0.94x	(0.01x)	0.93x
% of Commitments Contributed	95.47%	(2.05%)	97.52%



Total Core Funds Real Estate Portfolio Quarterly Changes in Market Value

	Beg. of Period Market	+ Capital Contri- butions	+ Accounting Income	- Mgmt. Fees	+ Appre- ciation	- Income & Real. Gains	- Return of Capital	- Dist. of Recallable Capital	= End of Period Market
06/2005	0	42,173,431	0	0	(0)	123,467	0	0	42,049,963
09/2005	42,049,963	34,412,979	0	0	2,932,432	852,473	0	0	78,542,902
12/2005	78,542,902	48,535,080	0	0	(2,207,961)	1,217,584	0	0	123,652,438
03/2006	123,652,438	1,679,008	0	0	7,754,988	1,679,008	0	0	131,407,426
06/2006	131,407,426	154,313,912	17,260	0	62,225	1,829,427	0	0	283,971,396
09/2006	283,971,396	6,538,259	1,719,275	0	(379,023)	1,882,915	0	0	289,966,992
12/2006	289,966,992	7,421,001	1,708,539	334,414	6,091,615	1,887,109	0	0	302,966,624
03/2007	302,966,624	6,918,111	1,675,293	348,138	13,086,106	3,690,165	0	2,458,173	318,149,659
06/2007	318,149,659	1,842,480	1,807,242	359,826	14,785,736	1,842,480	0	0	334,382,812
09/2007	334,382,812	2,265,946	1,724,761	380,988	10,156,598	1,826,121	0	0	346,323,006
12/2007	346,323,006	1,956,882	1,690,561	388,418	6,336,475	5,689,851	0	0	350,228,655
03/2008	350,228,655	1,988,386	1,674,352	663,376	1,569,797	1,988,386	0	0	352,809,428
06/2008	352,809,428	8,831,700	1,822,454	128,447	(17,340,577)	2,918,708	0	0	343,075,849
09/2008	343,075,849	3,142,415	1,822,648	376,323	(2,083,408)	3,142,415	0	0	342,438,766
12/2008	342,438,766	3,143,110	1,881,551	286,163	(45,400,090)	3,143,110	0	0	298,634,064
03/2009	298,634,064	3,043,682	1,823,223	273,693	(44,893,159)	4,264,862	0	0	254,069,254
06/2009	254,069,254	0	1,993,364	245,510	(23,744,888)	1,989,933	0	0	230,082,288
09/2009	230,082,288	0	1,856,064	229,116	(12,623,050)	2,003,491	0	0	217,082,695
12/2009	217,082,695	0	1,941,196	219,293	(10,579,600)	1,965,752	0	0	206,259,246
03/2010	206,259,246	25,000,000	2,015,326	210,612	734,572	2,061,158	0	0	231,737,374
06/2010	231,737,374	25,000,000	3,097,524	239,447	5,875,693	2,456,070	0	0	263,015,074
09/2010	263,015,074	25,000,000	2,907,443	294,552	19,481,662	2,727,021	0	0	307,382,606
12/2010	307,382,606	25,000,000	3,508,214	352,327	8,301,755	3,289,692	0	0	340,550,556
03/2011	340,550,556	729,856	3,075,967	536,833	8,039,725	3,328,279	0	0	348,530,991
06/2011	348,530,991	373,333	3,164,967	532,587	13,112,189	3,312,655	0	0	361,336,239
09/2011	361,336,239	0	2,826,761	548,964	8,061,155	3,423,940	0	0	368,251,251
12/2011	368,251,251	2,742,886	2,951,718	573,696	326,262	3,370,782	0	0	370,327,638
03/2012	370,327,638	0	3,151,595	584,466	10,096,537	3,371,343	0	0	379,619,962
06/2012	379,619,962	0	3,284,552	593,560	5,820,257	3,614,621	0	0	384,516,590
09/2012	384,516,590	0	3,281,072	602,425	7,045,754	3,538,911	0	0	390,702,080
12/2012	390,702,080	0	3,203,843	617,047	5,101,569	3,618,228	0	0	394,772,217
03/2013	394,772,217	1,877,167	3,134,604	623,802	4,126,592	3,511,370	0	0	399,775,408
06/2013	399,775,408	2,020,815	3,306,339	620,069	2,839,703	126,297,490	0	0	281,024,706
09/2013	281,024,706	2,021,583	3,486,244	640,041	4,041,332	2,021,583	0	0	287,912,241
12/2013	287,912,241	2,019,211	3,327,480	662,689	2,876,014	2,019,211	0	0	293,453,046
03/2014	293,453,046	2,026,127	3,498,662	675,676	4,092,666	3,108,944	0	0	299,285,881
06/2014	299,285,881	152,141,703	4,330,563	673,661	6,068,365	5,473,448	0	0	455,679,403
09/2014	455,679,403	84,701,781	6,614,316	876,265	9,483,935	2,558,418	0	0	553,044,752
12/2014	553,044,752	70,384,249	7,193,542	1,046,808	8,474,091	4,609,954	0	0	633,439,872
03/2015	633,439,872	3,519,884	7,666,902	1,388,073	13,754,118	4,602,702	0	0	652,390,002
06/2015	652,390,002	3,717,568	7,928,194	1,412,134	15,151,776	6,632,846	0	0	671,142,561
09/2015	671,142,561	3,867,915	8,024,405	1,460,732	14,216,218	6,783,192	0	0	689,007,175
12/2015	689,007,175	4,272,921	8,040,970	1,514,522	14,635,278	5,272,445	0	0	709,169,378
03/2016	709,169,378	4,167,510	8,208,628	1,549,352	6,593,212	4,750,566	0	0	721,838,810
06/2016	721,838,810	4,335,126	8,472,874	1,572,576	5,759,930	4,335,126	0	0	734,499,038
09/2016	734,499,038	4,434,732	8,241,544	1,601,396	5,820,143	5,684,137	0	0	745,709,924
12/2016	745,709,924	4,710,518	8,183,833	1,636,823	6,081,369	4,710,518	0	0	758,338,303

Total Core Funds Real Estate Portfolio Quarterly Changes in Market Value

	Beg. of Period Market	+ Capital Contri- butions	+ Accounting Income	- Mgmt. Fees	+ Appre- ciation	- Income & Real. Gains	Dist. of Return of Capital	- Dist. of Recallable Capital	= End of Period Market
03/2017	758,338,303	4,510,381	8,202,553	1,650,585	2,387,989	4,510,381	0	0	767,278,261
06/2017	767,278,261	4,717,467	8,561,851	1,575,382	1,672,771	4,717,467	0	0	775,937,501
09/2017	775,937,501	4,811,873	8,668,062	1,517,962	4,301,622	4,811,873	0	0	787,389,223
12/2017	787,389,223	4,884,337	8,737,135	1,548,066	8,037,307	5,140,413	0	0	802,359,524
03/2018	802,359,524	5,077,191	8,571,446	1,504,409	7,825,050	5,077,191	0	0	817,251,610
06/2018	817,251,610	1,549,715	7,467,734	1,596,780	5,913,199	4,879,789	119,628,173	0	706,077,517
09/2018	706,077,517	1,775,347	6,915,587	1,365,857	4,780,026	4,114,053	50,284,018	0	663,784,548
12/2018	663,784,548	6,947,898	6,338,602	1,313,594	2,391,377	3,735,032	63,423,650	0	610,990,149
03/2019	610,990,149	113,654,176	6,846,065	1,423,701	623,660	4,342,627	34,576,819	0	691,770,903
06/2019	691,770,903	186,146,039	6,736,636	1,420,271	(6,944,894)	4,106,202	7,168,475	0	865,013,736
09/2019	865,013,736	4,158,572	7,923,305	1,892,184	4,841,562	5,174,187	10,884,652	0	863,986,152
12/2019	863,986,152	3,933,949	7,829,458	1,892,887	4,499,919	4,918,291	7,853,492	0	865,584,807
03/2020	865,584,807	4,168,567	7,771,540	1,839,350	(15,901,831)	5,117,692	5,425,695	0	849,240,346
06/2020	849,240,346	3,989,577	6,171,756	1,809,652	(14,857,456)	4,689,952	0	0	838,044,620
09/2020	838,044,620	3,218,928	6,672,844	1,837,097	1,702,352	3,881,575	0	0	843,920,072
12/2020	843,920,072	105,111,015	8,036,584	2,037,822	12,382,967	5,698,577	0	0	961,714,239
03/2021	961,714,239	14,313,574	8,280,655	3,000,546	18,139,004	5,548,240	0	0	993,898,686
06/2021	993,898,686	10,013,547	8,463,402	2,307,488	42,933,308	5,759,845	0	2,007,955	1,045,233,656
09/2021	1,045,233,656	5,952,143	9,097,047	2,432,976	69,286,716	6,028,209	0	0	1,121,108,377
12/2021	1,121,108,377	12,048,110	9,173,401	2,624,972	85,960,962	6,279,645	0	0	1,219,386,232
03/2022	1,219,386,232	10,019,442	9,313,885	2,808,874	96,683,476	6,958,964	0	0	1,325,635,197
06/2022	1,325,635,197	26,451,741	9,327,206	3,160,547	48,834,343	6,933,806	0	1,283,269	1,398,870,866
09/2022	1,398,870,866	45,011,576	8,765,689	3,147,851	(6,040,575)	7,017,913	0	953,372	1,435,488,419
12/2022	1,435,488,419	126,475,615	9,410,773	3,347,924	(72,760,983)	7,194,279	0	244,370	1,487,827,250
03/2023	1,487,827,250	220,955,058	11,336,583	3,585,255	(62,950,618)	8,028,667	0	0	1,645,554,350
06/2023	1,645,554,350	18,236,823	10,711,171	3,510,323	(36,713,370)	7,173,824	0	0	1,627,104,828
09/2023	1,627,104,828	37,129,360	10,679,099	3,540,403	(27,035,554)	8,208,311	0	0	1,636,129,019
	0	1,767,533,286	387,295,933	87,567,595	299,528,416	424,468,910	299,244,974	6,947,139	1,636,129,019

Returns

Net Since Inception IRR = 5.34%

Ratios

Capital Account = \$1,636,129,019

Total Value = \$2,366,790,041

Committed Capital = \$1,711,560,336

Paid In Capital = \$1,767,533,286

Remaining Commitment = \$(49,025,812)

PIC Multiple (Paid In Capital/Committed Capital) = 103.27%

Total Economic Exposure (Capital Account + Remaining Commitment) = \$1,587,103,207

TVPI Investment Multiple (Total Value/Paid In Capital) = 1.34x

DPI Realization Multiple (Distributions/Paid In Capital) = 0.41x

RVPI Residual Multiple (Capital Account/Paid In Capital) = 0.93x

Total Non-Core Fund Period Ended September 30, 2023

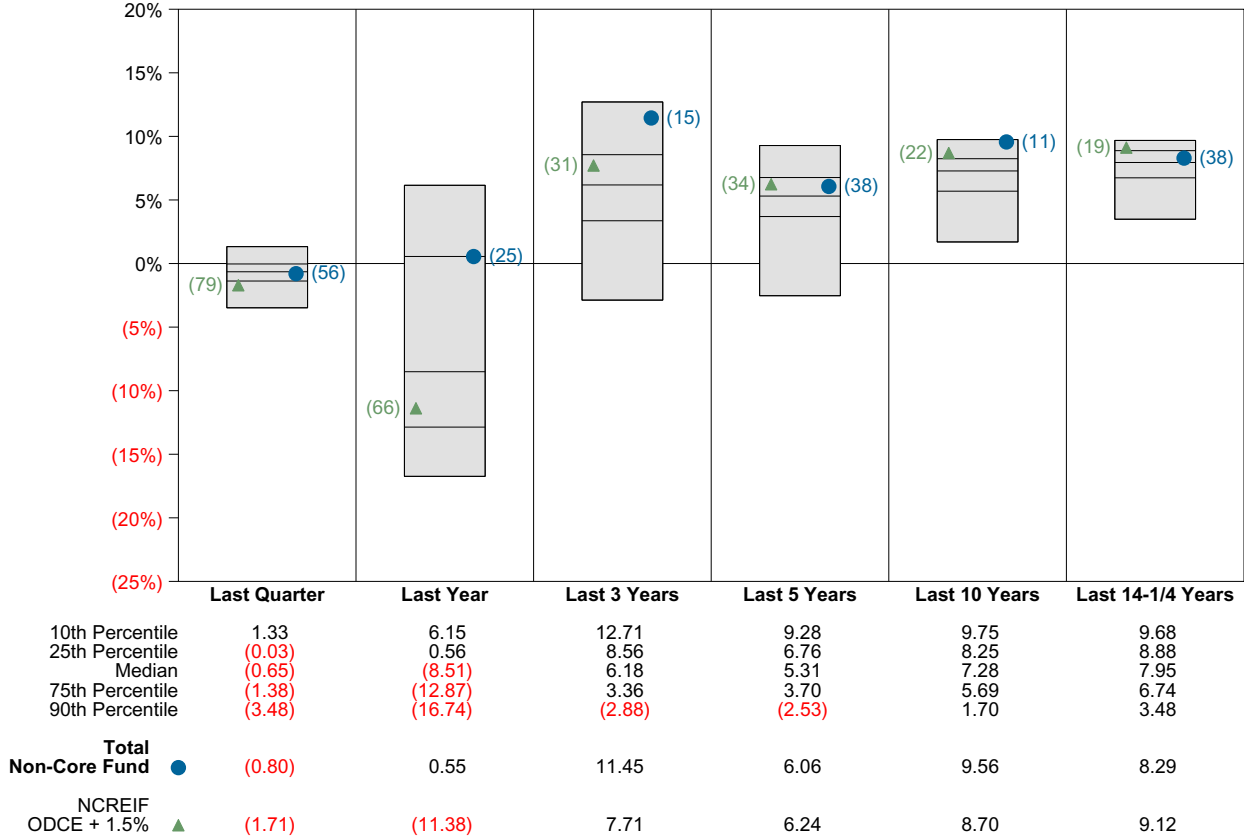
Quarterly Summary and Highlights

- Total Non-Core Fund's portfolio posted a (0.80)% return for the quarter placing it in the 56 percentile of the Callan Total Domestic Real Estate DB group for the quarter and in the 25 percentile for the last year.
- Total Non-Core Fund's portfolio outperformed the NCREIF ODCE + 1.5% by 0.91% for the quarter and outperformed the NCREIF ODCE + 1.5% for the year by 11.93%.

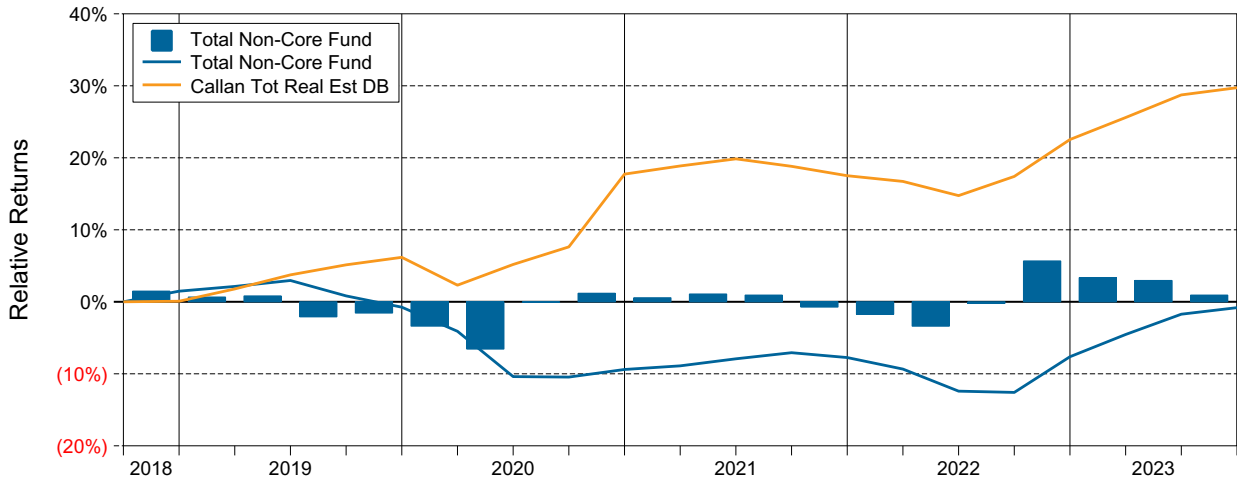
Quarterly Asset Growth

Beginning Market Value	\$685,641,914
Net New Investment	\$23,183,570
Investment Gains/(Losses)	\$-5,926,778
Ending Market Value	\$702,898,706

Performance vs Callan Total Domestic Real Estate DB



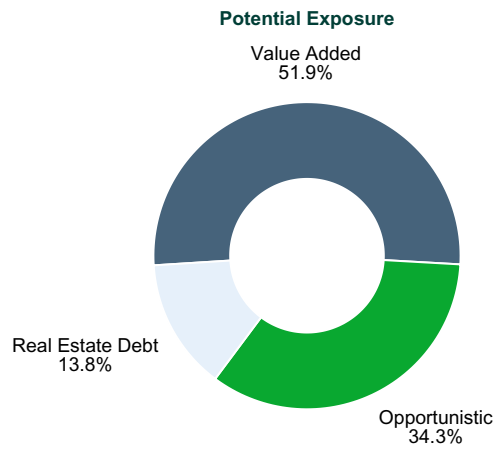
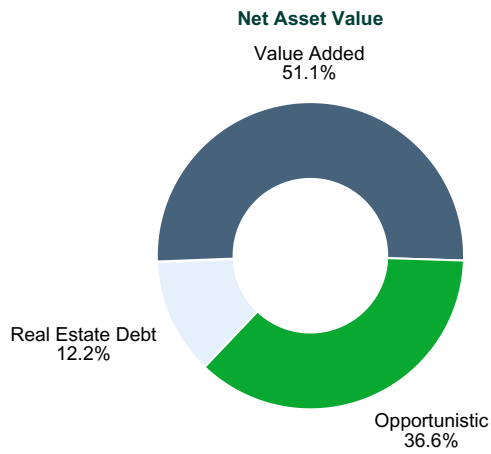
Cumulative and Quarterly Relative Returns vs NCREIF ODCE + 1.5%



**Portfolio Diversification
Total Non-Core Funds
Period Ended September 30, 2023**

The following tables illustrate current and potential exposure by Strategy type as of September 30, 2023 in USD millions.

Portfolio Exposure by Strategy Type	Net Asset Value	%	Unfunded Commitments	%	Potential Exposure	%
Value Added	\$359	51.14%	\$350	52.81%	\$710	51.95%
Opportunistic	\$257	36.62%	\$211	31.80%	\$468	34.28%
Real Estate Debt	\$86	12.24%	\$102	15.39%	\$188	13.77%
Total Non-Core Funds	\$703		\$663		\$1,366	

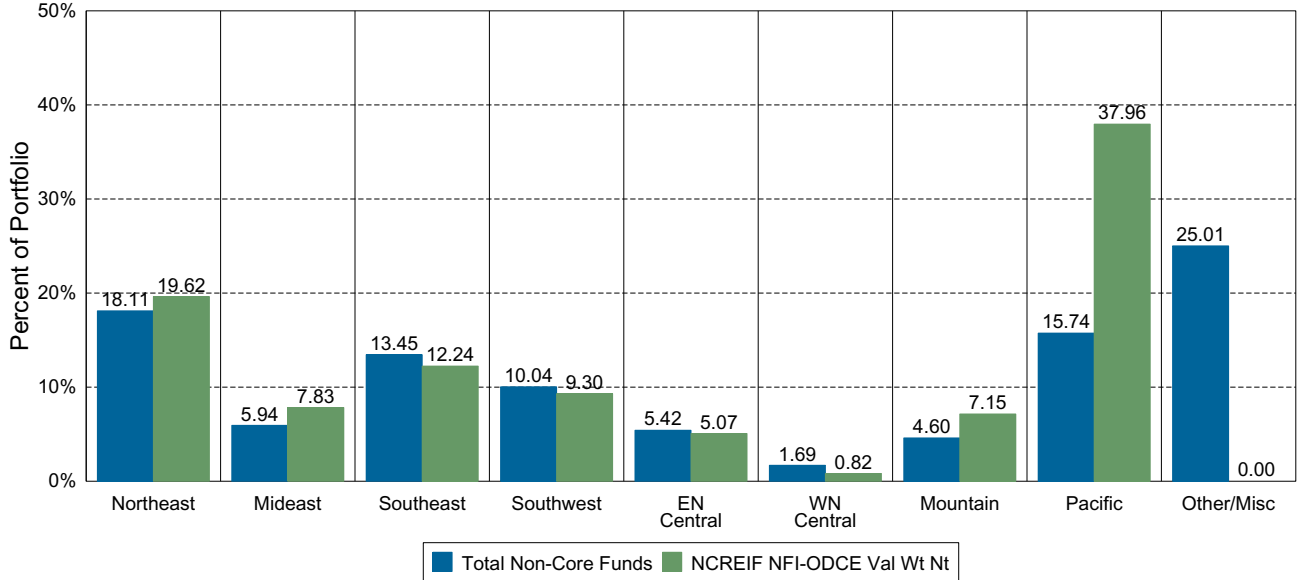


Total Non-Core Funds Diversification Analysis as of September 30, 2023

Diversification Analysis

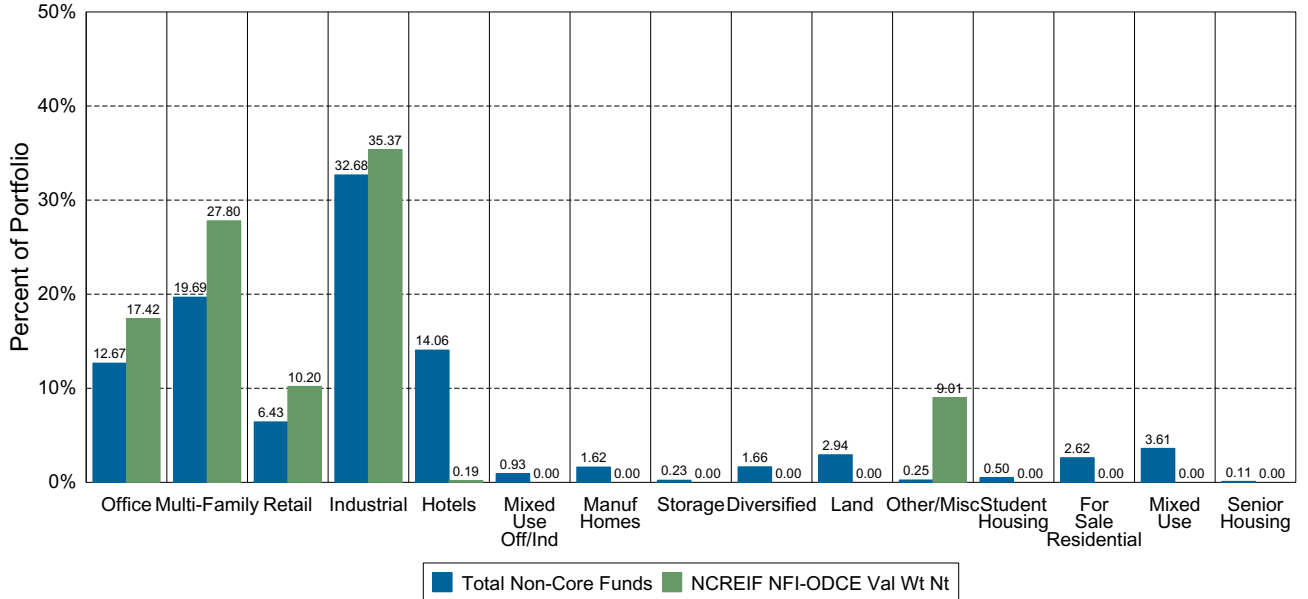
The following charts provide information on the diversification of the portfolio with regards to both Geographic Region and Property Type. Similar information is provided on the relevant market index for comparison.

Diversification by Geographic Region as of September 30, 2023



Total Non-Core Funds	18.11%	5.94%	13.45%	10.04%	5.42%	1.69%	4.60%	15.74%	25.01%
NCREIF NFI-ODCE Val Wt Nt	19.62%	7.83%	12.24%	9.30%	5.07%	0.82%	7.15%	37.96%	0.00%

Diversification by Property Type as of September 30, 2023

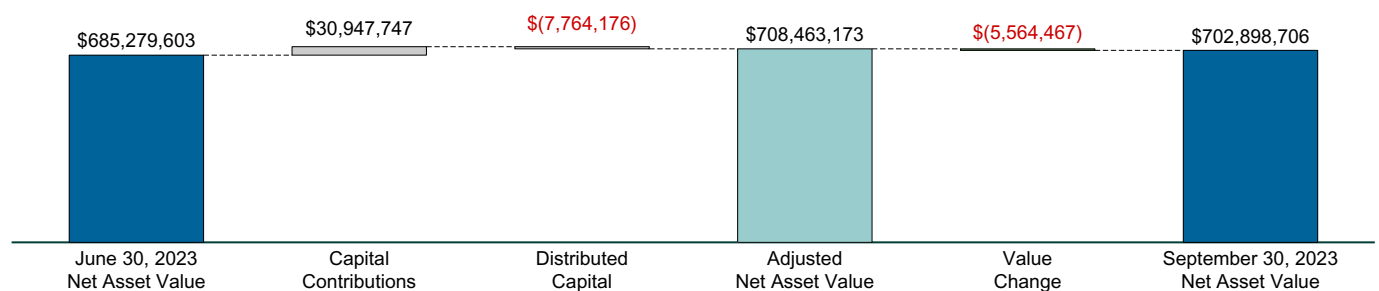


Total Non-Core Funds	12.67%	19.69%	6.43%	32.68%	14.06%	0.93%	1.62%	0.23%	1.66%	2.94%	0.25%	0.50%	2.62%	3.61%	0.11%
NCREIF NFI-ODCE Val Wt Nt	17.42%	27.80%	10.20%	35.37%	0.19%	0.00%	0.00%	0.00%	0.00%	0.00%	9.01%	0.00%	0.00%	0.00%	0.00%

**Total Non-Core Funds
Fund Overview
Period Ended September 30, 2023**

Quarterly Position Change	June 30, 2023	Quarterly Change	September 30, 2023
Client Commitment	\$1,709,217,240	\$0	\$1,709,217,240
Paid-In Capital	\$1,143,865,575	\$30,947,747	\$1,174,813,322
Remaining Commitment	\$692,700,183	\$(29,723,153)	\$662,977,029
Distributions	\$761,645,501	\$7,764,176	\$769,409,677
Recallable Distributions	\$119,968,156	\$975,389	\$120,943,545
Non-Recallable Distributions	\$641,677,345	\$6,788,788	\$648,466,133
Net Asset Value	\$685,279,603	\$17,619,103	\$702,898,706
Total Distributed Capital and Net Asset Value	\$1,446,925,104	\$25,383,280	\$1,472,308,384

Performance Change	June 30, 2023	Quarterly Change	September 30, 2023
Net Internal Rate of Return, Since Inception	10.04%	(0.49%)	9.55%
Total Value to Paid-in Capital (TVPI)	1.26x	(0.01x)	1.25x
Distributions to Paid-in Capital (DPI)	0.67x	(0.01x)	0.65x
Residual Value to Paid-in Capital (RVPI)	0.60x	(0.00x)	0.60x
% of Commitments Contributed	66.92%	(1.81%)	68.73%



**Total Non-Core Funds
Real Estate Portfolio
Quarterly Changes in Market Value**

	Beg. of Period Market	+ Capital Contri- butions	+ Accounting Income	- Mgmt. Fees	+ Appre- ciation	- Income & Real. Gains	- Return of Capital	- Dist. of Recallable Capital	= End of Period Market
06/2009	0	3,600,000	(152,422)	346,790	376,767	0	0	0	3,477,555
09/2009	3,477,555	0	(152,422)	346,790	376,767	0	0	0	3,355,109
12/2009	3,355,109	0	(152,422)	346,790	(386,197)	0	0	0	2,469,700
03/2010	2,469,700	0	0	0	0	0	0	0	2,469,700
06/2010	2,469,700	2,040,000	0	0	0	0	0	0	4,509,700
09/2010	4,509,700	0	0	0	(10,187)	0	0	0	4,499,513
12/2010	4,499,513	1,840,000	17,012	135,646	399,673	0	0	0	6,620,552
03/2011	6,620,552	5,440,000	(26,405)	135,646	681,958	0	0	0	12,580,459
06/2011	12,580,459	4,000,000	(25,720)	130,831	947,860	892,588	0	0	16,479,180
09/2011	16,479,180	2,222,095	112,132	131,001	7,931,778	0	0	0	26,614,184
12/2011	26,614,184	13,913,056	803	129,577	(7,170,257)	25,232	0	0	33,202,977
03/2012	33,202,977	5,777,016	85,498	128,523	573,841	157,163	0	0	39,353,647
06/2012	39,353,647	12,851,428	(214,376)	217,981	646,423	2,393,217	0	544,391	49,481,533
09/2012	49,481,533	12,453,309	184,840	219,376	1,265,359	1,891,400	0	1,560,625	59,713,641
12/2012	59,713,641	21,304,116	(218,717)	219,163	2,639,006	2,230,488	0	1,311,525	79,676,870
03/2013	79,676,870	7,047,529	227,151	218,920	5,740,672	1,424,674	0	5,912,217	85,136,411
06/2013	85,136,411	11,669,328	102,625	193,322	7,016,306	4,257,611	0	35,883	99,437,853
09/2013	99,437,853	26,855,375	(327,214)	637,238	2,797,791	10,302,735	0	1,719,937	116,103,895
12/2013	116,103,895	60,859,397	(286,399)	358,262	4,584,715	2,826,783	0	250,445	177,826,118
03/2014	177,826,118	6,335,636	(2,515)	448,186	14,271,818	9,984,783	0	1,444,640	186,553,449
06/2014	186,553,449	16,245,772	50,126	534,036	4,203,408	4,571,851	0	20,362,045	181,584,824
09/2014	181,584,824	16,934,861	(432,836)	533,033	3,683,883	9,398,767	0	449,945	191,388,987
12/2014	191,388,987	6,732,235	(327,042)	220,274	7,194,125	4,487,010	0	22,718,143	177,562,878
03/2015	177,562,878	18,115,262	7,795	372,228	7,226,431	10,550,257	0	2,674,991	189,314,890
06/2015	189,314,890	19,148,867	(66,365)	407,952	7,355,309	6,254,578	0	1,339,019	207,751,152
09/2015	207,751,152	7,348,386	(105,494)	319,945	8,397,174	13,306,640	0	827,939	208,936,693
12/2015	208,936,693	16,598,291	(166,826)	967,189	7,227,426	8,398,932	0	388,596	222,840,867
03/2016	222,840,867	16,128,434	(65,398)	438,764	6,693,062	11,617,622	0	225,653	233,314,926
06/2016	233,314,926	27,561,495	(180,427)	618,398	7,947,793	6,628,760	0	183,426	261,213,203
09/2016	261,213,203	9,943,302	(67,198)	584,061	9,522,440	18,465,588	0	86,935	261,475,163
12/2016	261,475,163	22,876,164	51,901	727,927	9,844,850	24,228,231	0	1,810,102	267,481,817
03/2017	267,481,817	6,957,225	(185,570)	458,830	4,488,704	7,319,959	0	329,195	270,634,192
06/2017	270,634,192	13,304,128	330,119	592,730	9,690,874	17,628,691	0	655,280	275,082,613
09/2017	275,082,613	10,490,552	218,669	582,151	8,366,006	3,289,156	0	31,875	290,254,658
12/2017	290,254,658	12,626,626	424,355	582,150	11,445,546	14,687,351	0	665,618	298,816,066
03/2018	298,816,066	28,655,090	1,231,667	938,192	5,484,873	11,340,691	930,000	678,961	320,299,852
06/2018	320,299,852	20,614,445	2,485,045	1,036,091	4,738,015	4,278,821	16,057,331	162,915	326,602,199
09/2018	326,602,199	26,783,111	2,725,141	1,330,674	5,425,121	9,520,960	14,479,339	3,584,690	332,619,909
12/2018	332,619,909	13,199,558	3,591,013	1,220,208	8,800,654	3,993,860	6,807,022	6,146,684	340,043,360
03/2019	340,043,360	19,463,468	6,946,114	1,169,984	1,818,183	5,750,384	5,155,104	0	356,195,654
06/2019	356,195,654	20,485,053	4,032,229	1,194,863	4,129,883	7,592,582	10,987,186	6,170,196	358,897,990
09/2019	358,897,990	20,956,246	2,627,610	2,100,348	(792,488)	7,771,465	12,806,200	620,309	358,391,036
12/2019	358,391,036	15,507,323	5,160,335	1,405,338	(4,200,243)	5,092,759	4,017,896	1,980,829	362,361,628
03/2020	362,361,628	25,925,447	2,091,093	1,433,998	(8,817,746)	5,791,539	12,218,341	1,437,607	360,678,937
06/2020	360,678,937	16,765,573	1,524,993	1,609,328	(28,328,041)	2,431,376	1,923,758	167,748	344,509,252
09/2020	344,509,252	18,701,590	1,979,133	1,996,439	2,342,718	4,684,554	7,202,553	983,605	352,665,544
12/2020	352,665,544	15,210,179	2,400,050	1,862,190	8,957,161	4,680,569	5,891,878	0	366,798,297

Total Non-Core Funds Real Estate Portfolio Quarterly Changes in Market Value

	Beg. of Period Market	+ Capital Contri- butions	+ Accounting Income	- Mgmt. Fees	+ Appre- ciation	- Dist. of Income & Real. Gains	- Return of Capital	- Dist. of Recallable Capital	= End of Period Market
03/2021	366,798,297	26,878,314	2,096,758	2,714,081	10,916,044	10,398,783	14,595,748	758,311	378,222,490
06/2021	378,222,490	37,059,776	6,480,622	2,721,813	15,672,786	11,468,140	12,296,108	4,224,747	406,724,864
09/2021	406,724,864	43,802,700	3,771,366	3,031,415	31,204,268	12,348,134	15,029,201	1,465,038	453,629,409
12/2021	453,629,409	71,240,929	6,593,325	4,911,985	31,873,438	26,544,107	35,002,390	0	496,878,619
03/2022	496,878,619	64,040,262	3,957,036	3,581,243	28,362,347	10,064,233	5,722,495	3,658,085	570,212,208
06/2022	570,212,208	28,189,103	2,464,970	3,569,911	8,413,937	25,765,414	27,290,138	14,724,102	537,930,653
09/2022	537,930,653	60,067,576	2,522,405	3,549,724	3,607,628	9,097,452	12,991,125	1,779,478	576,710,483
12/2022	576,710,483	28,638,614	2,790,706	3,112,894	4,211,423	7,075,562	13,525,955	2,924,036	585,712,779
03/2023	585,712,779	60,984,801	2,133,231	3,516,877	3,037,099	10,059,380	9,611,075	336,967	628,343,613
06/2023	628,343,613	61,476,532	2,290,947	3,743,117	3,712,722	3,270,749	894,922	2,635,424	685,279,603
09/2023	685,279,603	30,947,747	3,607,826	3,432,495	(5,739,798)	3,349,337	3,439,450	975,389	702,898,706
	0	1,174,813,322	74,160,875	67,466,920	290,801,107	399,590,919	248,875,213	120,943,545	702,898,706

Returns

Net Since Inception IRR = 9.55%

Ratios

Capital Account = \$702,898,706

Total Value = \$1,472,308,384

Committed Capital = \$1,709,217,240

Paid In Capital = \$1,174,813,322

Remaining Commitment = \$662,977,029

PIC Multiple (Paid In Capital/Committed Capital) = 68.73%

Total Economic Exposure (Capital Account + Remaining Commitment) = \$1,365,875,736

TVPI Investment Multiple (Total Value/Paid In Capital) = 1.25x

DPI Realization Multiple (Distributions/Paid In Capital) = 0.65x

RVPI Residual Multiple (Capital Account/Paid In Capital) = 0.60x

Capital commitments reflects the sum of: (i) aggregate capital contributions translated to U.S. Dollars as of the date of each capital contribution transaction; and (ii) reported uncalled capital commitments translated to U.S. Dollars as of quarter end date.

Total Farmland Period Ended September 30, 2023

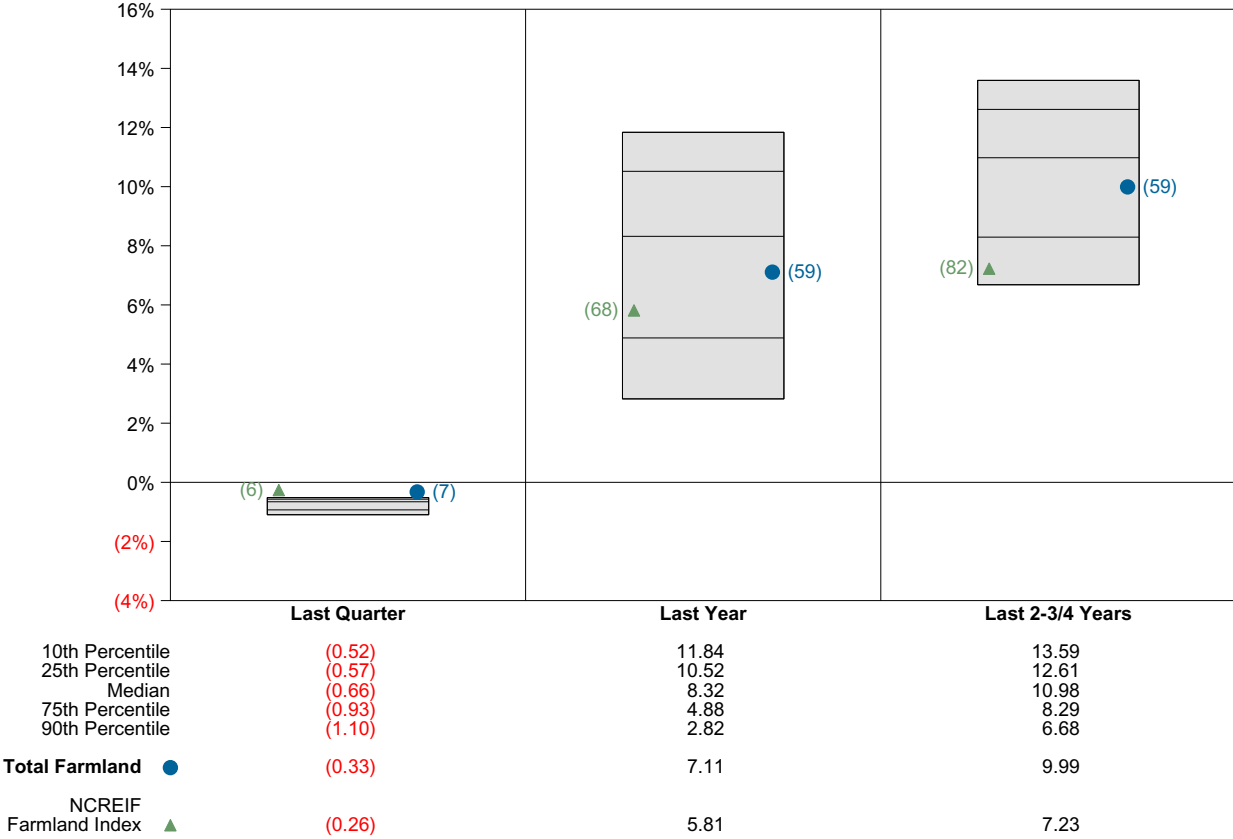
Quarterly Summary and Highlights

- Total Farmland's portfolio posted a (0.33)% return for the quarter placing it in the 7 percentile of the Callan Real Estate Agriculture Funds group for the quarter and in the 59 percentile for the last year.
- Total Farmland's portfolio underperformed the NCREIF Farmland Index by 0.06% for the quarter and outperformed the NCREIF Farmland Index for the year by 1.29%.

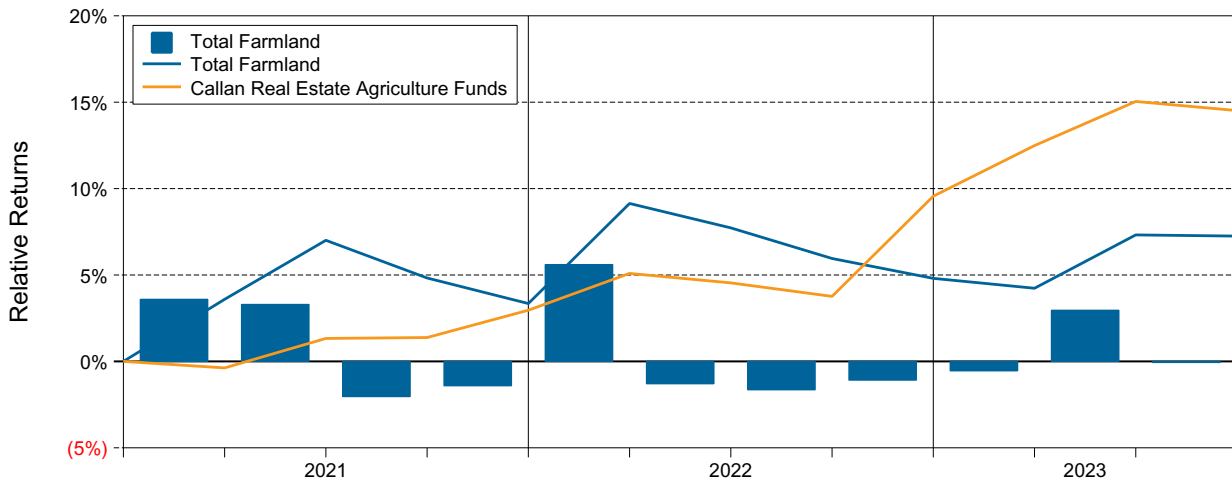
Quarterly Asset Growth

Beginning Market Value	\$56,216,762
Net New Investment	\$9,339,975
Investment Gains/(Losses)	\$-202,036
Ending Market Value	\$65,354,701

Performance vs Callan Real Estate Agriculture Funds



Cumulative and Quarterly Relative Returns vs NCREIF Farmland Index

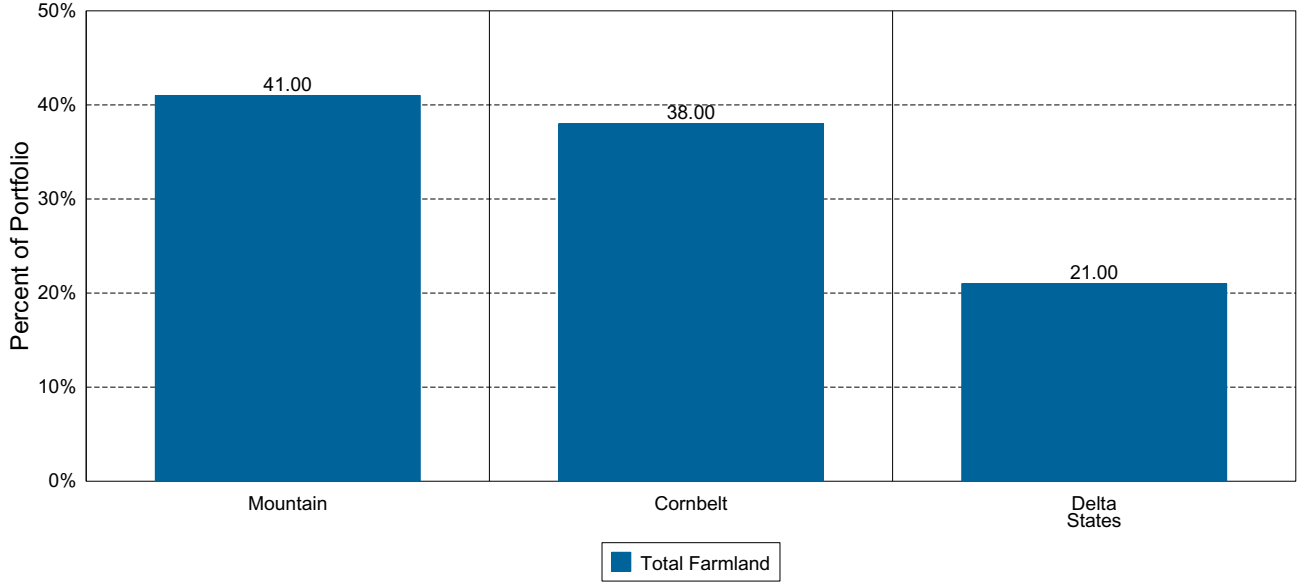


Total Farmland Diversification Analysis as of September 30, 2023

Diversification Analysis

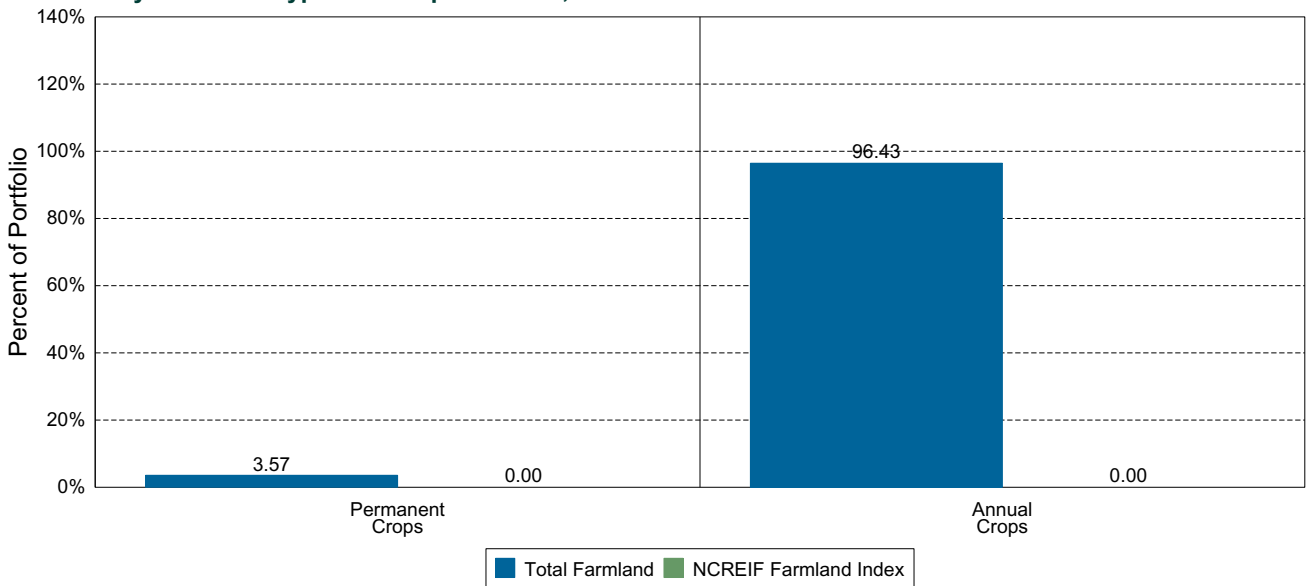
The following charts provide information on the diversification of the portfolio with regards to both Geographic Region and Farmland Type. Similar information is provided on the relevant market index for comparison.

Diversification by Geographic Region as of September 30, 2023



Total Farmland **41.00%** **38.00%** **21.00%**

Diversification by Farmland Type as of September 30, 2023

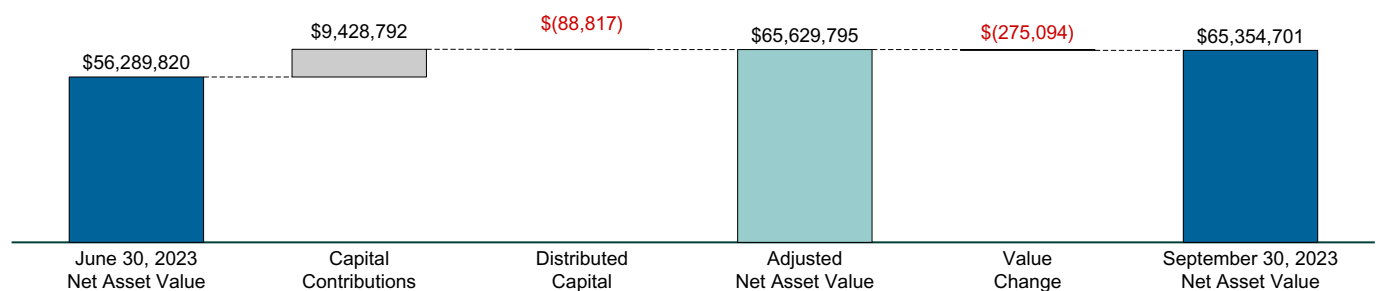


Total Farmland **3.57%** **96.43%**

Total Farmland Fund Overview Period Ended September 30, 2023

Quarterly Position Change	June 30, 2023	Quarterly Change	September 30, 2023
Client Commitment	\$60,000,000	\$40,000,000	\$100,000,000
Paid-In Capital	\$51,114,824	\$9,428,792	\$60,543,616
Remaining Commitment	\$8,908,946	\$30,571,208	\$39,480,154
Distributions	\$1,598,201	\$88,817	\$1,687,018
Recallable Distributions	\$23,770	\$0	\$23,770
Non-Recallable Distributions	\$1,574,431	\$88,817	\$1,663,248
Net Asset Value	\$56,289,820	\$9,064,881	\$65,354,701
Total Distributed Capital and Net Asset Value	\$57,888,021	\$9,153,698	\$67,041,719

Performance Change	June 30, 2023	Quarterly Change	September 30, 2023
Net Internal Rate of Return, Since Inception	8.26%	(1.49%)	6.77%
Total Value to Paid-in Capital (TVPI)	1.13x	(0.03x)	1.11x
Distributions to Paid-in Capital (DPI)	0.03x	(0.00x)	0.03x
Residual Value to Paid-in Capital (RVPI)	1.10x	(0.02x)	1.08x
% of Commitments Contributed	85.19%	24.65%	60.54%



Total Farmland Real Estate Portfolio Quarterly Changes in Market Value

	Beg. of Period Market	+ Capital Contri- butions	+ Accounting Income	- Mgmt. Fees	+ Appre- ciation	- Dist. of Income & Real. Gains	- Return of Capital	- Dist. of Recallable Capital	= End of Period Market
12/2020	0	12,658,888	157,999	1,526,906	(76,196)	173,154	220,183	23,770	10,796,678
03/2021	10,796,678	1,186,700	(10,200)	208,432	715,874	0	0	0	12,480,620
06/2021	12,480,620	3,377,979	152,390	222,455	739,401	171,141	0	0	16,356,794
09/2021	16,356,794	2,785,988	(16,698)	214,347	138,648	0	0	0	19,050,385
12/2021	19,050,385	11,334,417	86,414	215,619	696,054	114,866	0	0	30,836,785
03/2022	30,836,785	5,480,956	375,825	187,563	2,464,765	400,268	0	0	38,570,500
06/2022	38,570,500	0	(18,876)	207,177	277,361	0	0	0	38,621,808
09/2022	38,621,808	2,783,357	(40,387)	225,000	384,489	0	0	0	41,524,267
12/2022	41,524,267	6,661,463	458,147	217,081	629,956	290,514	54,746	0	48,711,492
03/2023	48,711,492	2,848,679	135,541	202,817	828,470	0	0	0	52,321,365
06/2023	52,321,365	1,996,397	337,755	274,750	1,985,554	149,559	0	0	56,216,762
09/2023	56,216,762	9,428,792	138,750	321,907	(18,879)	88,817	0	0	65,354,701
	0	60,543,616	1,756,660	4,024,054	8,765,497	1,388,319	274,929	23,770	65,354,701

Returns

Net Since Inception IRR = 6.77%

Ratios

Capital Account = \$65,354,701

Total Value = \$67,041,719

Committed Capital = \$100,000,000

Paid In Capital = \$60,543,616

Remaining Commitment = \$39,480,154

PIC Multiple (Paid In Capital/Committed Capital) = 60.54%

Total Economic Exposure (Capital Account + Remaining Commitment) = \$104,834,855

TVPI Investment Multiple (Total Value/Paid In Capital) = 1.11x

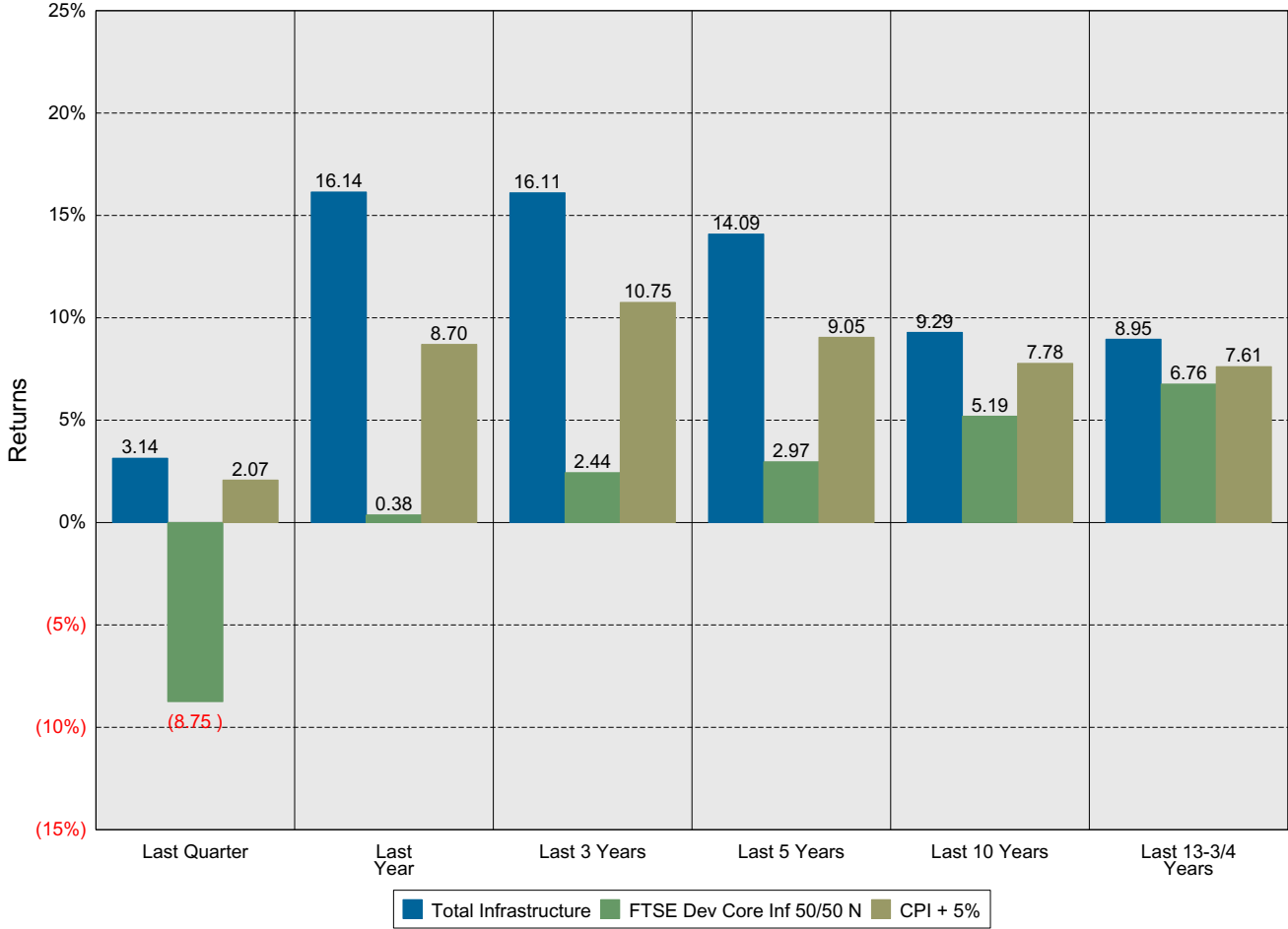
DPI Realization Multiple (Distributions/Paid In Capital) = 0.03x

RVPI Residual Multiple (Capital Account/Paid In Capital) = 1.08x

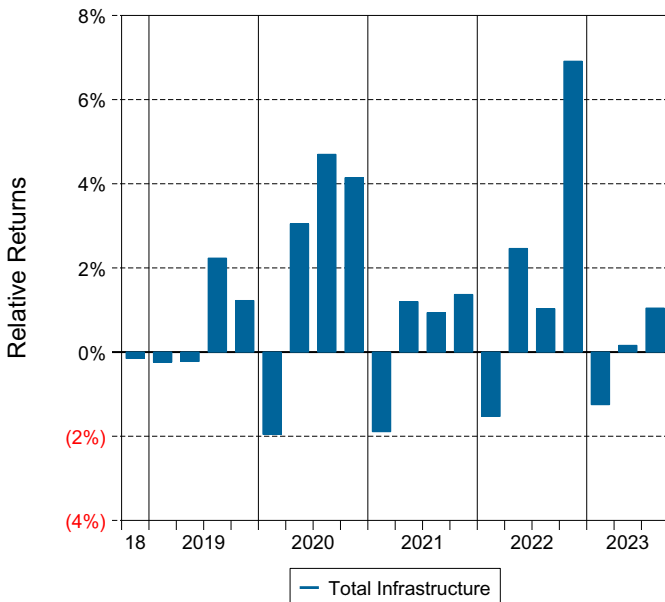
Total Infrastructure Period Ended September 30, 2023

Quarterly Summary and Highlights

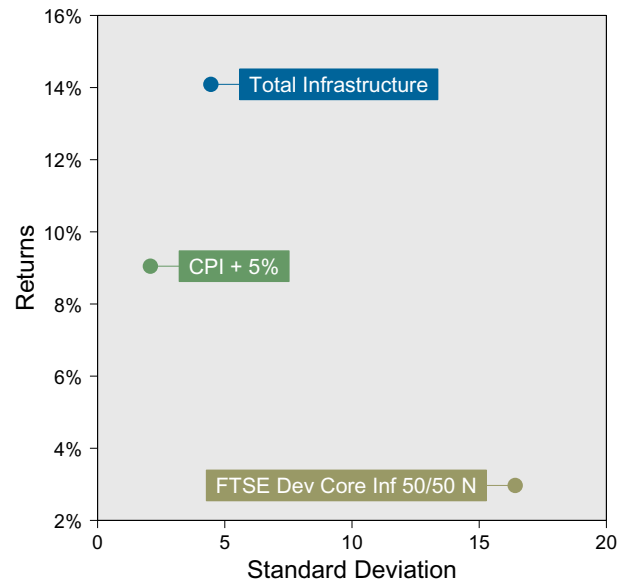
- Total Infrastructure's portfolio outperformed the CPI + 5% by 1.07% for the quarter and outperformed the CPI + 5% for the year by 7.44%.



Relative Return vs CPI + 5%



Annualized Five Year Risk vs Return

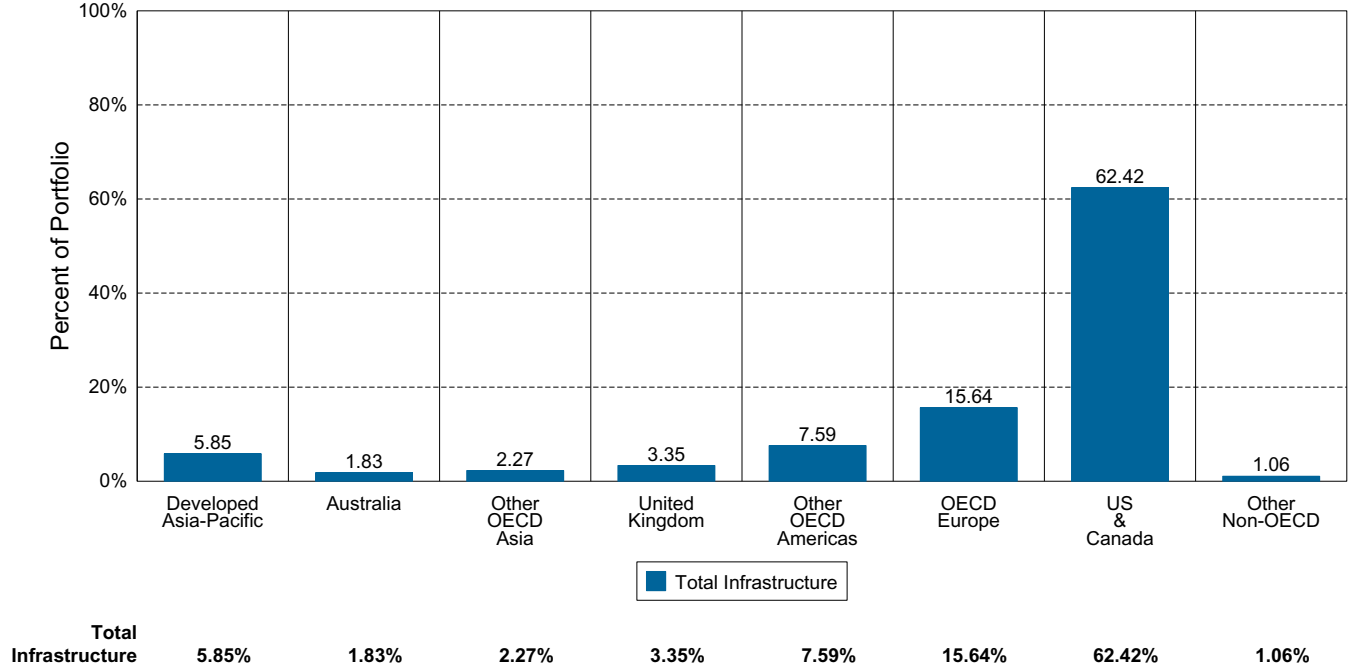


Total Infrastructure Diversification Analysis as of September 30, 2023

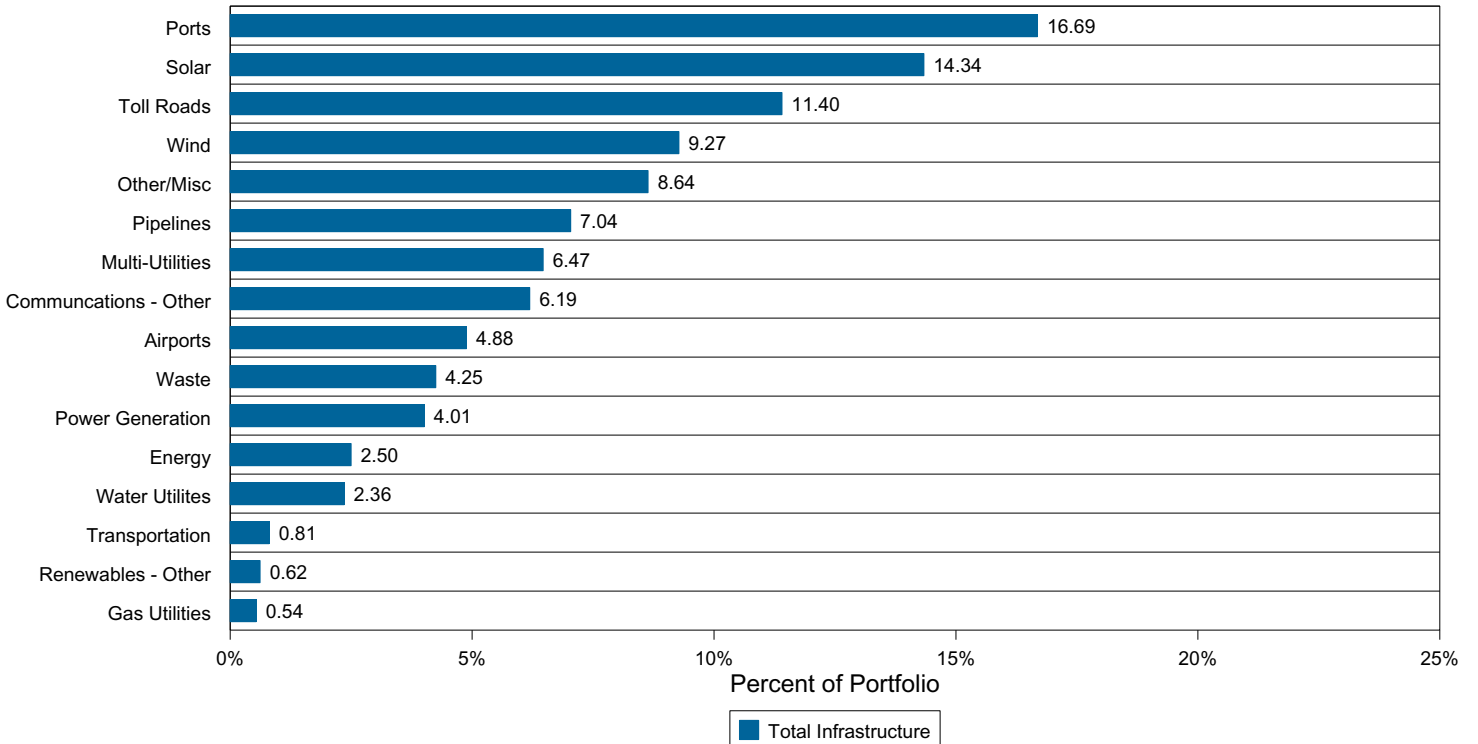
Diversification Analysis

The following charts provide information on the diversification of the portfolio with regards to both Geographic Region and Infrastructure Type. Similar information is provided on the relevant market index for comparison.

Diversification by Geographic Region as of September 30, 2023



Diversification by Infrastructure Type as of September 30, 2023

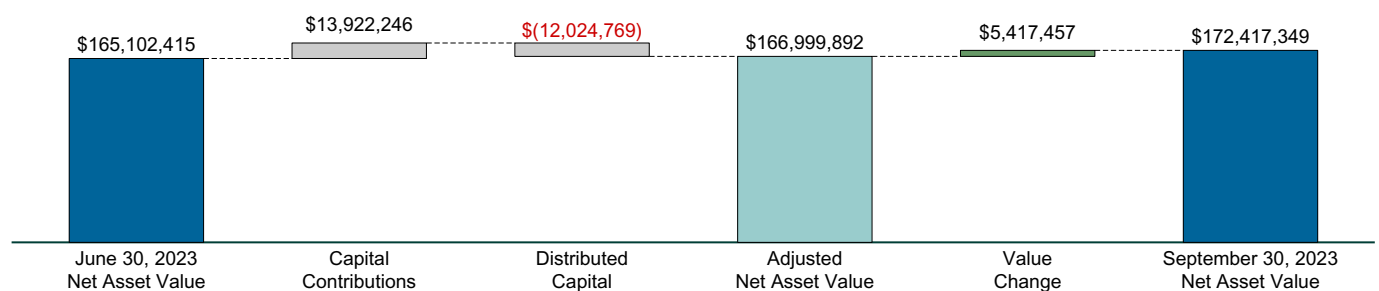


These charts do include IFM and BlackRock Global Renewable Power III portfolio exposure, which are reflected in the core real estate portfolio for return purposes.

Total Private Infrastructure Fund Overview Period Ended September 30, 2023

Quarterly Position Change	June 30, 2023	Quarterly Change	September 30, 2023
Client Commitment	\$314,107,954	\$0	\$314,107,954
Paid-In Capital	\$253,169,450	\$13,922,246	\$267,091,696
Remaining Commitment	\$95,171,472	\$(13,578,580)	\$81,592,892
Distributions	\$197,331,147	\$12,024,769	\$209,355,916
Recallable Distributions	\$25,581,082	\$116,817	\$25,697,899
Non-Recallable Distributions	\$171,750,065	\$11,907,952	\$183,658,018
Net Asset Value	\$165,102,415	\$7,314,934	\$172,417,349
Total Distributed Capital and Net Asset Value	\$362,433,562	\$19,339,703	\$381,773,265

Performance Change	June 30, 2023	Quarterly Change	September 30, 2023
Net Internal Rate of Return, Since Inception	8.62%	0.09%	8.70%
Total Value to Paid-in Capital (TVPI)	1.43x	(0.00x)	1.43x
Distributions to Paid-in Capital (DPI)	0.78x	0.00x	0.78x
Residual Value to Paid-in Capital (RVPI)	0.65x	(0.01x)	0.65x
% of Commitments Contributed	80.60%	(4.43%)	85.03%



Total Infrastructure Infrastructure Portfolio Quarterly Changes in Market Value

	Beg. of	Capital	Accounting	Mgmt.	Appre-	Dist. of	Return	Dist. of	End of
	Period	+ Contri-	+ Income	- Fees	+ ciation	- Income &	- of	- Recallable	= Period
	Market	butions				Real. Gains	Capital	Capital	Market
12/2009	0	7,848,586	78,175	1,035,616	1,113,909	458,762	0	16,597	7,529,695
03/2010	7,529,695	604,661	2,420	350,000	305,337	0	0	585,224	7,506,889
06/2010	7,506,889	22,373,970	100,792	2,215,084	704,795	0	0	277,003	28,194,359
09/2010	28,194,359	673,974	168,948	161,710	2,260,461	0	0	644,134	30,491,898
12/2010	30,491,898	4,032,951	32,558	161,710	1,186,244	0	0	0	35,581,941
03/2011	35,581,941	3,632,210	145,903	164,100	770,475	0	0	229,698	39,736,731
06/2011	39,736,731	3,161,617	146,130	164,100	934,848	0	0	345,169	43,470,057
09/2011	43,470,057	5,011,352	161,229	132,058	1,237,961	0	0	149,002	49,599,539
12/2011	49,599,539	8,891,407	(42,712)	132,058	1,020,407	0	0	469,436	58,867,147
03/2012	58,867,147	6,731,784	159,082	115,311	478,344	0	0	0	66,121,046
06/2012	66,121,046	47,824	280,821	115,311	1,273,290	0	0	211,978	67,395,692
09/2012	67,395,692	420,388	86,608	173,950	1,640,428	0	0	680,410	68,688,756
12/2012	68,688,756	4,588,704	46,818	170,673	3,330,945	0	0	702,613	75,781,937
03/2013	75,781,937	2,752,906	156,175	312,126	1,265,278	0	0	3,492,782	76,151,388
06/2013	76,151,388	832,318	103,778	319,475	(35,314)	777,982	0	481,746	75,472,967
09/2013	75,472,967	3,105,050	(10,413)	272,070	2,155,584	501,392	0	1,866,413	78,083,313
12/2013	78,083,313	4,420,671	106,410	195,348	(296,065)	22,295,109	0	309,940	59,513,932
03/2014	59,513,932	8,585,708	185,692	166,570	3,186,654	1,489,341	0	2,896,277	66,919,798
06/2014	66,919,798	740,153	126,600	137,238	2,450,569	775,008	0	527,844	68,797,029
09/2014	68,797,029	778,185	17,847	238,275	(800,247)	56,231	0	267,296	68,231,012
12/2014	68,231,012	2,312,635	(195,503)	764,548	826,326	184,720	0	1,046,792	69,178,411
03/2015	69,178,411	8,134,342	94,546	381,562	1,837,269	85,533	0	485,777	78,291,696
06/2015	78,291,696	1,276,086	11,054	340,700	1,558,044	34,806	0	1,253,253	79,508,121
09/2015	79,508,121	458,868	443,191	354,681	1,788,364	427,677	0	431,192	80,984,994
12/2015	80,984,994	1,439,368	435,839	352,106	1,668,634	473,310	0	1,241,461	82,461,958
03/2016	82,461,958	4,006,958	270,850	353,464	1,146,414	149,385	0	212,193	87,171,138
06/2016	87,171,138	10,885,041	750,789	359,408	1,088,386	137,959	0	586,453	98,811,534
09/2016	98,811,534	7,111,855	221,669	425,145	365,192	175,491	0	865,857	105,043,757
12/2016	105,043,757	11,448,295	548,069	414,798	(3,089,524)	1,666,632	64,272	304,620	111,500,276
03/2017	111,500,276	1,853,672	472,995	400,300	6,754,926	1,381,714	0	581,377	118,218,478
06/2017	118,218,478	399,048	755,664	402,809	(1,857,523)	7,967,095	0	260,931	108,884,831
09/2017	108,884,831	213,489	338,024	387,816	926,380	2,679,673	0	161,822	107,133,414
12/2017	107,133,414	454,311	775,254	380,978	(2,160,339)	1,775,100	0	141,874	103,904,688
03/2018	103,904,688	307,740	149,259	751,823	1,448,049	134,276	0	201,398	104,722,238
06/2018	104,722,238	4,992,602	(135,177)	469,301	2,881,352	12,440,017	5,040,451	0	94,511,247
09/2018	94,511,247	2,289,864	117,514	388,630	615,817	409,948	0	0	96,735,863
12/2018	96,735,863	6,472,515	87,866	422,957	939,865	930,019	139,450	0	102,743,683
03/2019	102,743,683	10,733,092	423,561	408,556	2,277,961	719,459	1,519,068	0	113,531,215
06/2019	113,531,215	5,584,716	44,826	380,840	2,127,179	700,080	17,412,920	58,226	102,735,870
09/2019	102,735,870	10,769,066	294,824	423,008	4,057,204	1,704,669	2,043,897	182,563	113,502,827
12/2019	113,502,827	15,535,595	(279,484)	395,393	3,629,217	3,186,687	11,442,770	290,599	117,072,705
03/2020	117,072,705	1,693,654	253,449	366,811	(274,087)	71,357	138,791	0	118,168,762
06/2020	118,168,762	93,795	12,605	367,804	5,305,358	93,795	0	0	123,118,921
09/2020	123,118,921	2,425,028	146,289	369,830	8,795,977	206,452	368,001	0	133,541,932
12/2020	133,541,932	408,317	28,457	348,985	6,887,031	14,806,420	14,737,219	394,552	110,578,563
03/2021	110,578,563	711,013	389,784	311,556	900,818	4,959,772	2,319,555	202,646	104,786,648
06/2021	104,786,648	1,585,576	2,229,130	304,619	3,018,540	40,690	8,975,817	0	102,298,769

Total Infrastructure Infrastructure Portfolio Quarterly Changes in Market Value

	Beg. of Period Market	+ Capital Contri- butions	+ Accounting Income	- Mgmt. Fees	+ Appre- ciation	- Income & Real. Gains	Dist. of Return of Capital	- Dist. of Recallable Capital	= End of Period Market
09/2021	102,298,769	5,653,567	360,628	765,451	3,573,710	88,800	1,327,832	201,589	109,503,000
12/2021	109,503,000	1,498,761	(12,281)	406,260	4,987,011	3,836,645	0	225,743	111,507,843
03/2022	111,507,843	3,935,806	224,517	829,218	3,590,387	408,010	0	565,504	117,455,822
06/2022	117,455,822	8,322,026	3,314,300	771,015	5,358,024	30,921	2,826,094	404,426	130,417,716
09/2022	130,417,716	3,773,934	875,446	676,370	2,976,674	0	1,025,687	0	136,341,713
12/2022	136,341,713	1,917,686	4,507,872	678,834	7,274,383	1,147,735	12,241,637	458,386	135,515,063
03/2023	135,515,063	4,063,113	1,068,115	664,803	1,775,035	673,582	0	17,279	141,065,662
06/2023	141,065,662	21,173,597	674,490	671,017	3,555,040	44,350	0	651,008	165,102,415
09/2023	165,102,415	13,922,246	569,380	675,349	5,523,426	162,329	11,745,623	116,817	172,417,349
	0	267,091,696	22,320,673	23,899,525	116,260,422	90,288,934	93,369,084	25,697,899	172,417,349

Returns

Net Since Inception IRR = 8.70%

Ratios

Capital Account = \$172,417,349

Total Value = \$381,773,265

Committed Capital = \$180,000,000

Paid In Capital = \$267,091,696

Remaining Commitment = \$(52,515,062)

PIC Multiple (Paid In Capital/Committed Capital) = 148.38%

Total Economic Exposure (Capital Account + Remaining Commitment) = \$119,902,287

TVPI Investment Multiple (Total Value/Paid In Capital) = 1.43x

DPI Realization Multiple (Distributions/Paid In Capital) = 0.78x

RVPI Residual Multiple (Capital Account/Paid In Capital) = 0.65x

Definitions

Style Groups

Total Domestic Real Estate Database: The Total Domestic Real Estate Funds Database consists of both open and closed-end commingled funds managed by real estate firms that report to the Callan Database and invest in private domestic real estate.

Open-End Core Commingled RE: The Open-End Real Estate Database consists of all open end real estate funds that report to the Callan Database.

Real Estate REIT: The Real Estate REIT Database consists of products investing in domestic equity real estate through portfolios consisting primarily of equity Real Estate Investment Trusts (REIT). The Database is comprised of returns for both separate account composites and commingled vehicles as reported to Callan by the managers of those products.

*The above groups are based on time-weighted returns.

Vintage Year Database Groups: The Vintage Year Groups are comprised of closed end funds that report to the database. The groups are based on IRRs derived from cash flows submitted to the Callan Database by the managers of those funds. A fund is placed in a vintage year based on the year the initial drawdown of capital was made for the fund.

Indices

NAREIT Equity Index: This is an index of Equity Real Estate Investment Trust returns reflecting the stock value changes of REIT issues as determined through public market transactions.

The NFI-ODCE Value-Weight Index is a time-weighted return Index with an inception date of 12/31/1977. The Index is comprised of 33 open-end commingled funds, in which 24 are still actively investing. Inclusion within the Index requires (a) minimum of 80% of net fund assets invested in the multifamily, retail, industrial, office, or hotel property type, (b) maximum of 20% of net fund assets invested in real estate debt or private/public company equity, (c) at least 80% of net assets invested in properties with a minimum occupancy of 60%, (d) no more than 70% of real estate net assets invested in a single property type or region, (e) maximum of 40% leverage, and (f) at least 95% of net real estate assets invested within the U.S. market.

NCREIF Region Map



Notes

Information in the report is based on qualitative and quantitative data submitted to Callan directly by the client's real estate investment managers. It is not based on custodian data nor has it been reconciled to custodian data.

Quarterly Highlights

The Callan Institute provides research to update clients on the latest industry trends and carefully structured educational programs to enhance the knowledge of industry professionals. Visit www.callan.com/research-library to see all of our publications, and www.callan.com/blog to view our blog. For more information contact Barb Gerraty at 415-274-3093 / institute@callan.com.

New Research from Callan's Experts

[3Q23 Real Assets Reporter: Office-to-Residential Conversions](#)

This paper discusses issues surrounding office -to-residential conversions and the key elements that institutional investors need to understand about these challenging projects.

[Real Estate Indicators: Too Hot to Touch or Cool Enough to Handle? 2Q23](#)

Callan's Real Assets Consulting group identifies seven indicators—based on spreads in real estate and fixed income markets—that, combined with an understanding of prevailing market dynamics, have helped signal when the institutional real estate market is overheated or cooled.

Blog Highlights

[Our First Private Credit Fees and Terms Study: What We Found in 2023](#)

Callan's 2023 Private Credit Fees and Terms Study is our inaugural study in the private credit space. The study is intended to help institutional investors better evaluate private credit funds.

[An Investor's Guide to the Nasdaq-100's Special Rebalance](#)

Over the summer, the Nasdaq-100 Index implemented a "Special Rebalance" to reduce the influence of a few key stocks, which had grown to have a large effect on the index.

[Callan Discount Rate Reporter](#)

These blog posts from our Corporate DB Plan Focus Group are monthly updates about the impact of interest rates on corporate defined benefit (DB) plans, designed to highlight trends in the market.

[How Your Public DB Plan's Returns Compare](#)

These blog posts provide context for public defined benefit (DB) plans about their returns over time, from our Public DB Plan Focus Group.

Quarterly Updates

[Private Equity Update, 2Q23](#) | A high-level summary of private equity activity in the quarter through all the investment stages

[Active vs. Passive Charts, 2Q23](#) | A comparison of active managers alongside relevant benchmarks over the long term

[Market Pulse, 2Q23](#) | A quarterly market reference guide covering trends in the U.S. economy, developments for institutional investors, and the latest data on the capital markets

[Capital Markets Review, 2Q23](#) | Analysis and a broad overview of the economy and public and private markets activity each quarter across a wide range of asset classes

[Hedge Fund Update, 2Q23](#) | Commentary on developments for hedge funds and multi-asset class (MAC) strategies

[Real Assets Update, 2Q23](#) | A summary of market activity for real assets and private real estate during the quarter

[Private Credit Update, 2Q23](#) | A review of performance and fundraising activity for private credit during the quarter

[Callan Target Date Index™, 2Q23](#) | Allows plan sponsors, managers, and participants to track the performance and asset allocation of available target date mutual funds and collective trusts.

[Callan DC Index™, 2Q23](#) | Provides underlying fund performance, asset allocation, and cash flows of more than 100 large defined contribution plans representing approximately \$400 billion in assets

Events

A complete list of all upcoming events can be found on our website: callan.com/events-education.

Please mark your calendar and look forward to upcoming invitations:

Webinar: Callan's Retirement Conundrum

Nov. 15, 2023 – Virtual

Webinar: Callan's 2024 Capital Markets Assumptions

Jan. 17, 2024 – Virtual

2024 National Conference

April 8-10, 2024 – San Francisco

For more information about events, please contact Barb Gerraty: 415-274-3093 / gerraty@callan.com

Education: By the Numbers

50+

Unique pieces of research the Institute generates each year

525

Attendees (on average) of the Institute's annual National Conference

3,700

Total attendees of the "Callan College" since 1994

Education

Founded in 1994, the "Callan College" offers educational sessions for industry professionals involved in the investment decision-making process.

Alternative Investments

Feb. 21-22, 2024 – Virtual

Alternative investments like private equity, hedge funds, and real estate can play a key role in any portfolio. In our "Callan College" on Alternatives, you will learn about the importance of allocations to alternatives, and how to consider integrating, evaluating, and monitoring them.

Introduction to Investments

March 5-7, 2024 – Virtual

This program familiarizes institutional investor trustees and staff and asset management advisers with basic investment theory, terminology, and practices. This course is designed for individuals with less than two years of experience with asset-management oversight and/or support responsibilities.

Our virtual sessions are held over two to three days with virtual modules of 2.5-3 hours, while in-person sessions run either a full day or one-and-a-half days. Virtual tuition is \$950 per person and includes instruction and digital materials. In-person tuition is \$2,350 per person and includes instruction, all materials, breakfast and lunch on each day, and dinner on the first evening with the instructors.

Additional information including registration can be found at: callan.com/events-education



"Research is the foundation of all we do at Callan, and sharing our best thinking with the investment community is our way of helping to foster dialogue to raise the bar across the industry."

Greg Allen, CEO and Chief Research Officer

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