



Commission Meeting Agenda

Thursday, September 14, 2023 at 9:30 a.m.

RSIC Presentation Center and Streaming Online at www.rsic.sc.gov

- I. Call to Order and Consent Agenda
 - A. Adoption of Proposed Agenda
 - B. Approval of June 2023 Minutes

- II. Executive Session to discuss investment matters pursuant to S.C. Code Sections 9-16-80 and 9-16-320, including specific matters related to the Public Equity and Portable Alpha portfolios; to discuss personnel matters pursuant to S.C. Code Ann. Section 30-4-70(a)(1); and to receive advice from legal counsel pursuant to S.C. Code Section 30-4-70(a)(2).

- III. Chair's Report

- IV. Committee Reports

- V. CEO's Report
 - A. Annual Budget Recommendation
 - B. Asset Allocation Review Schedule
 - C. AIP/SIOP Compliance Dashboard
 - D. Agency Business Plan - Update

- VI. CIO's Report
 - A. Investment Performance – Fiscal Year Review

- VII. Delegated Investment Report

- VIII. Executive Session to discuss investment matters pursuant to S.C. Code Sections 9-16-80 and 9-16-320, including specific matters related to the Public Equity and Portable Alpha portfolios; to discuss personnel matters pursuant to S.C. Code Ann. Section 30-4-70(a)(1); and to receive advice from legal counsel pursuant to S.C. Code Section 30-4-70(a)(2).

- IX. Potential Action Resulting from Executive Session

- X. Adjourn

NOTICE OF PUBLIC MEETING

This notice is given to meet the requirements of the S.C. Freedom of Information Act and the Americans with Disabilities Act. Furthermore, this facility is accessible to individuals with disabilities, and special accommodations will be provided if requested in advance.

**South Carolina Retirement System Investment Commission
Meeting Minutes**

June 1, 2023 9:30 a.m.

Capitol Center

1201 Main Street, 15th Floor

Columbia, South Carolina 29201

**Meeting Location: 1201 Main Street, 15th Floor, Ste. 1510 & Streaming Online at
www.rsic.sc.gov**

Commissioners Present:

Mr. William Hancock, Chair

Ms. Melissa Schumpert, Vice Chair

Ms. Peggy Bokyin, PEBA Executive Director

Mr. William J. Condon, Jr.

Mr. Kenneth F. Deon

Mr. Edward Giobbe

Dr. Holley H. Ulbrich

Mr. Reynolds Williams (Via Telephone)

I. Call to Order and Consent Agenda

Chair William H. Hancock called the meeting of the South Carolina Retirement System Investment Commission (“Commission”) to order at 9:32 a.m. Mr. Reynolds Williams made a motion to adopt the agenda as presented. Dr. Holley Ulbrich seconded the motion, which was unanimously approved.

Mr. William J. Condon, Jr., made a motion to approve the minutes of the Commission’s April 20, 2023, meeting. Mr. Williams seconded the motion, which was approved unanimously. A link to the entire meeting is below:

<https://www.youtube.com/watch?v=vaGHb-pBDC8&t=1071s>

II. CEO’s Report

Chair Hancock recognized Mr. Michael Hitchcock, Chief Executive Officer (“CEO”), for his report. Mr. Hitchcock began by updating the Commission on House Bill H.3690 (“Bill 3690”), which is currently pending in the South Carolina General Assembly. He explained that Bill 3690 relates to RSIC’s consideration of environmental, social, and governance factors in its investment decisions. Mr. Hitchcock stated that the South Carolina Senate is considering Bill 3690 but noted that it is unlikely a vote will take place until the next legislative session.

Mr. Hitchcock then turned to a discussion of the South Carolina State Budget (“State Budget”). He explained that the South Carolina House and Senate are still negotiating the State Budget and that both parties have passed continuing resolutions. Mr. Hitchcock asked for questions regarding State Budget negotiations. Mr. Condon asked a question regarding the results of a review of RSIC by the South Carolina Senate’s Legislative Oversight Committee (“Oversight Committee”). Mr. Hitchcock

noted two recommendations from the Oversight Committee and explained how RSIC's operations will be impacted.

After additional discussion with the Commissioners, Mr. Hitchcock concluded his report. A link to the CEO's Report is below:

<https://www.youtube.com/watch?v=vaGHb-pBDC8&t=88s>

III. CIO's Report

Next, Chair Hancock recognized Mr. Geoffrey Berg, Chief Investment Officer ("CIO"), for the quarterly and fiscal year investment performance review. Mr. Berg reported that, during the quarter ended March 31, 2023, the Portfolio underperformed by 7 basis points at the total Plan level, but outperformed the policy benchmark for all other time periods (fiscal year to date, 1 year, 3 years, 5 years, 10 years, and since inception). Mr. Berg, Mr. Hitchcock and the Commissioners discussed the status of the Plan's unfunded liability and the favorable trends with regard to net benefit payments. Mr. Berg noted that the Plan's three-year returns are in the top decile following the Commission's adoption of a more simplified asset allocation. Next, Mr. Berg overviewed the portfolio performance framework and individual asset class performance. He noted that, fiscal year to date, the bonds portfolio had experienced challenges, while the portable alpha hedge funds portfolio had slightly detracted from performance. He then walked the Commission through a detailed attribution analysis of performance for the fiscal year-to-date.

Following additional conversation with the Commissioners, Mr. Berg turned to a discussion regarding compliance with the Consolidated Annual Investment Plan and Statement of Investment Objectives and Policies ("AIP/SIOP"). He reported that the private equity portfolio continued to exceed the upper end of the authorized range, as did the private market notification threshold. He stated that Staff was continuing to address both matters, but reminded the Commission that the process of doing so will take time. After answering additional questions from the Commissioners, Mr. Berg concluded his report. A link to the CIO's Report is below:

<https://www.youtube.com/watch?v=vaGHb-pBDC8&t=682s>

IV. Verus

Chair Hancock then introduced Mr. Mark Brubaker from Verus Advisory, Inc., to provide an educational presentation regarding fiduciary responsibilities as part of the Commission's ongoing training. Mr. Brubaker began by overviewing the proper methods by which fiduciaries invest on behalf of their beneficiaries. He then outlined a number of difficulties other pension plans have faced with their governance structures. Mr. Brubaker underscored that good governance can be achieved by a clearly articulated investment methodology that is rigorously adhered to, which in turn provides a better chance of achieving long-term objectives. He then noted a number of fiduciary best practices, including ongoing training, understanding applicable laws, diversifying the investment portfolio, monitoring expenses, avoiding conflicts, using prudent experts as well as documenting due diligence. Chair Hancock and Mr.

Brubaker then engaged in a discussion regarding appropriate levels of oversight at varying levels of a pension fund.

Mr. Brubaker concluded his presentation by overviewing RSIC's governance structure as well as the relevant standards of care. A link to the presentation given by Verus is below:

<https://www.youtube.com/watch?v=vaGHb-pBDC8&t=2646s>

V. Delegated Investment Report

Chair Hancock then recognized Mr. Berg for the delegated investment report. The following delegated investments were closed by Staff following the April 20, 2023, Commission meeting.

Delegated Investments (April 20, 2023 to May 31, 2023)			
Asset Classes	Investment	Investment Amount	RSIC Commitment Date
Private Equity	Industry Ventures Secondary X, LP	Up to \$75 M	May 15, 2023
Private Equity	Falfurrias Growth Partners I, LP	Up to \$30 M	May 19, 2023

VI. Executive Session

Ms. Melissa Schumpert made a motion to recede into executive session to discuss investment matters and specific private equity investments pursuant to S.C. Code Sections 9-16-80 and 9-16-320; to discuss personnel matters and to receive advice from legal counsel pursuant to S.C. Code Section 30-4-70(a)(1)-(2). Mr. Kenneth Deon seconded the motion, which was approved unanimously. The Commission receded into Executive Session at 11:01 a.m.

VII. Potential Actions Resulting from Executive Session

Upon return to open session, the Commission voted unanimously to adopt the recommendation of the Human Resources and Compensation Committee to approve the proposed amendments to the Compensation Policy as discussed in executive session and authorize Staff to make any technical revisions or formatting edits to the Compensation Policy consistent with the foregoing action taken by the Commission.

VIII. Adjourn

There being no further business, Mr. Edward Giobbe made a motion to adjourn. Ms. Schumpert seconded the motion, which was approved unanimously. The Commission adjourned at 3:00 p.m.

[Staff Note: In compliance with S.C. Code Section 30-4-80, public notice of and the agenda for this meeting were delivered to the press and to parties who requested notice and were posted at the entrance, in the lobbies, and near the 15th Floor Presentation Center at 1201 Main Street, Columbia, S.C. by 8:43 a.m., on May 30, 2023.]

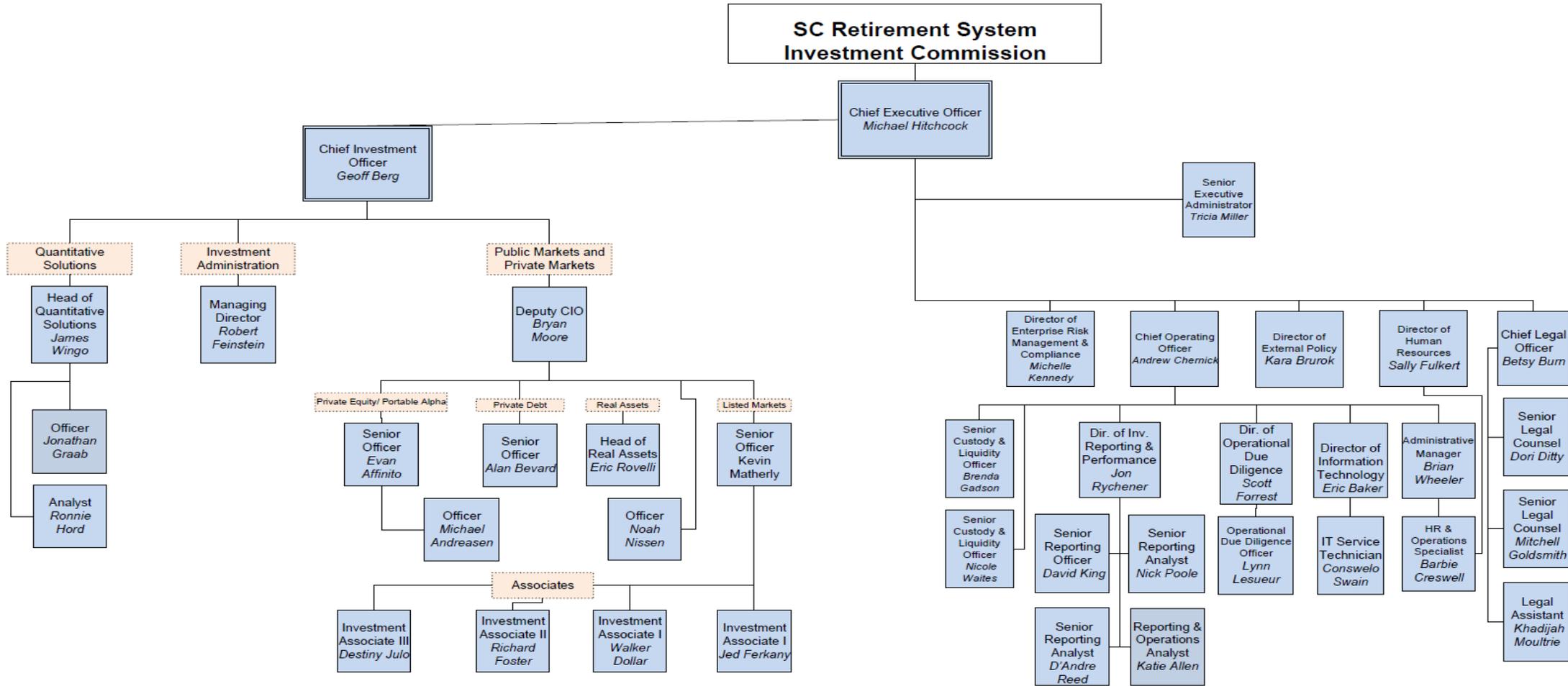
South Carolina Retirement System Investment Commission

FY 2024-2025 Budget Request

Michael Hitchcock, CEO



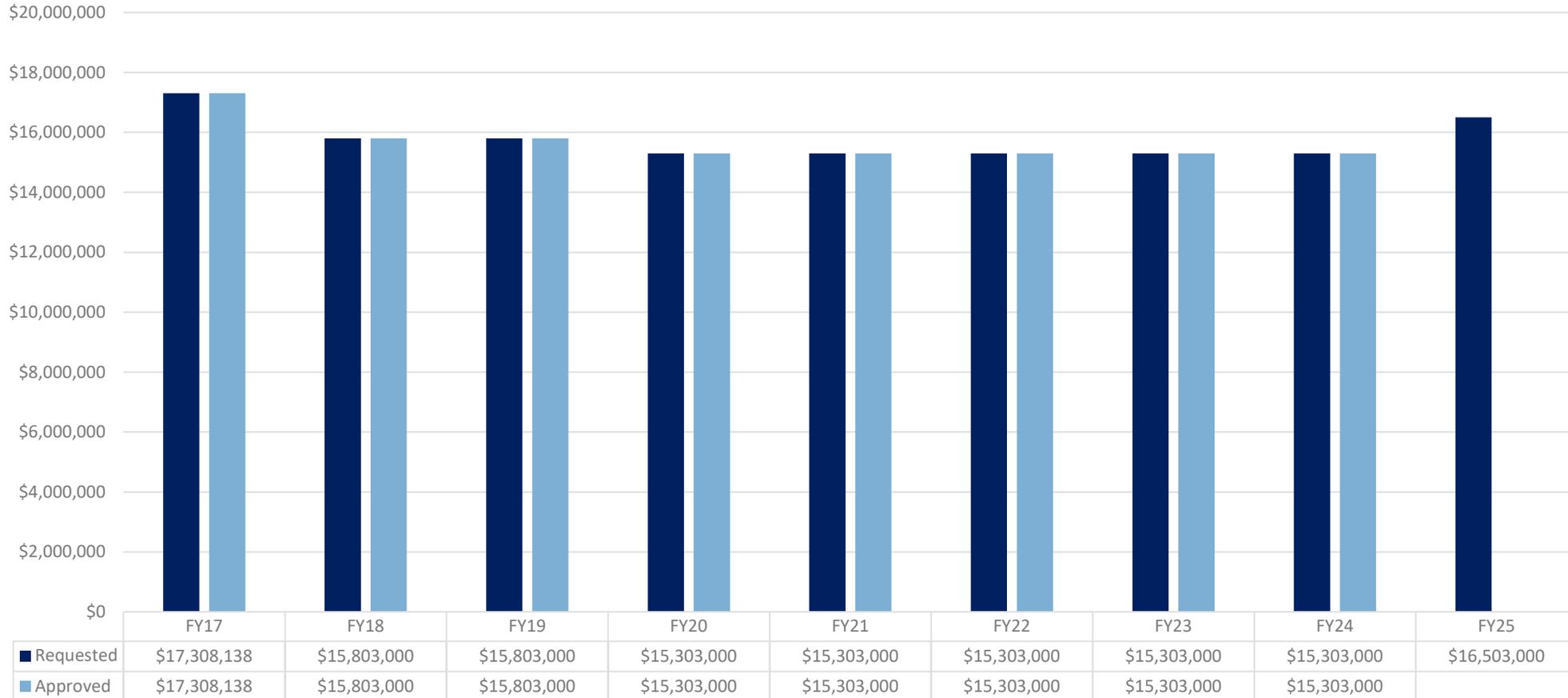
Organizational Chart



As of September 5, 2023



Recent Appropriations History



Total Budget (Other Funds)	
\$16,503,000	
Personal Services	\$8,100,000
Other Operating Expenses	\$6,103,000
Employer Contributions	\$2,300,000

- The Commission is requesting additional Other Fund authorization of \$1,200,000 for the following:
 - \$900,000 – Personal Services
 - To compensate for COLA increases over the past nine years the agency absorbed without additional authorization
 - To remain competitive in the marketplace for talent with other pension funds and the financial industry’s private sector
 - \$300,000 – Employee Benefits
 - Corresponding additional employer contributions resulting from the increase to Personal Services

- Authorized: 51
- Filled: 39
- Vacant: 12
 - 3 Investment Officers
 - 4 Investment Associates
 - 5 Additional Vacancies
- The Commission is not requesting any additional FTEs for FY 2024-2025 and has plans to fill the number of vacant FTEs necessary to best serve the needs of the agency.

117.116 (GP: Retirement System Assets and Custodial Banking Relationship Transfer) *In order to facilitate the transfer of custodianship of the assets of the Retirement System to the Public Employee Benefit Authority and governance of the custodial banking relationship to the Retirement System Investment Commission, all portions of contracts, agreements, and exemptions from the Consolidated Procurement Code providing for and relating to custodial banking, general banking, accounting, or any other ancillary services are transferred to, and devolved upon, the Public Employee Benefit Authority and the Retirement System Investment Commission in accordance with the authority transferred to the respective agency.*

- The Commission is requesting to maintain the current proviso language as written.
 - As management of custodial banking relationship is now fully transitioned to the RSIC, maintenance of these exemptions will allow for any necessary modifications to agreements, including but not limited to, the consolidation of custodial related services with BNYM as a sole provider, in order to create operational and fiscal efficiencies.

NEW (RSIC: Fiduciary Audit) *For Fiscal Year 2024-25, Section 9-16-380 of the 1976 Code regarding the solicitation and bid for a fiduciary audit is suspended.*

- The Commission is requesting a new proviso suspending the solicitation, bid and performance of the fiduciary audit as required in Section 9-16-380.
 - The fiduciary audit was adopted into statute as a part of the 2017 Retirement Reform.
 - Funston Advisory Services performed the audit for 2014, 2018, and 2022.
 - There was only one response to the 2022 RFP.
 - Audit cost - \$400,000
 - RSIC is continuously audited and reviewed. There are at least seven reviews of the agency annually by various firms and legislative committees.

Asset Allocation Review Schedule

September 14, 2023



- Purpose of this discussion is to establish a schedule to review the Strategic Asset Allocation (SAA)
- The Commission has established a discipline of reviewing the SAA every five years
- The Commission adopted the current SAA in April 2020
- Pursuant to its discipline, the Commission would look to adopt a SAA for the subsequent five years in April 2025
- Proposing a framework schedule to consider the various SAA components over the course of three meetings beginning in December 2024

- Establish agreement on our goal
 - What return are we solving for?
 - Does the expected Policy Portfolio return meet the goal?
- A review of the 2020 SAA exercise
 - Adoption of the Reference Portfolio, Policy Portfolio, Ranges, and Benchmarks
 - What, if anything, has fundamentally changed?
 - Higher interest rate environment?
 - Slope of the efficient frontier?
- Review the ALM study
 - Progress towards improving funded status
 - How do the liabilities impact our risk tolerance?

- Consider the impact of various Reference Portfolios
 - 60/40
 - 65/35
 - 70/30
- Review the efficiency of Policy Portfolios that correspond to these equity/bonds mixes
- Reach consensus on the Reference Portfolio
- Narrow Policy Portfolio choices to portfolios that correspond to the consensus Reference Portfolio risk level



- Consider benchmarks to ensure they are encouraging optimal asset class portfolio construction
- Consider the reasonableness of asset class ranges from a total portfolio risk perspective
- Approve:
 - Reference Portfolio
 - Policy Portfolio
 - Benchmarks
 - Ranges
- Incorporate changes into AIP/SIOP

Discussion



SIOP Compliance Dashboard

III. Asset Allocation:						
D. Policy Portfolio	Description	Mtg: 6/1/23 Reported: 3/31/2023	Mtg: 3/3/23 Reported: 12/31/2022	Mtg: 12/1/2022 Reported: 9/30/2022	Mtg: 9/8/2022 Reported: 6/30/2022	Comments
1 D. Policy Portfolio (allocations/exposure)	The Commission believes that long-term investors should resist the temptation to adjust their long-term asset allocation in response to short term volatility in capital market expectations. The Commission will not depart from asset allocation review schedule as established in SIOP III subsection H					Private Equity reported over Allowable Ranges but no change to long-term asset allocation
G. Performance Reporting. Three Major Investment Decisions (provided quarterly):						
2 (1) Diversification	Policy Portfolio Benchmark vs Reference Portfolio Benchmark (the performance differential is an indication of impact of diversification); measured in 5 yr rolling periods					
3 (2) Portfolio Structure	Implementation Portfolio Benchmark vs Policy Portfolio Benchmark (the performance impact of the decisions to structure the portfolio differently than the Policy Portfolio Benchmark); measured in 3 year rolling periods					
4 (3) Implementation	Actual Portfolio vs Implementation Portfolio (oversight of both portfolio structure and investment manager selection decisions); measured in 3 yr rolling periods					

V. Investment Policies:		Mtg: 6/1/23	Mtg: 3/3/23	Mtg: 12/1/2022	Mtg: 9/8/2022	Comments
5 A. 1. IIC & Inv Approval Process	The CIO has the ability to approve those investments which fall within the parameters of this policy, subject to the oversight of the CEO. <i>(Other investments are presented to the Commission for its approval)</i>	✓	✓	✓	✓	
6 A. 2. Due Diligence	Due diligence policies are tested annually by either an Agreed Upon Procedures review by an independent auditor or by the Director of Enterprise Risk Management & Compliance. The results of this review are provided to the Audit and Enterprise Risk Management Committee.				✓	AERMC Mtg. 8/17/2022
7 A. 4. Investment Strategies, Objectives & Performance Standards	i., ii, iii. Iv. Baseline Reviews (Deep Dives)	Private Equity	Bonds	Private Debt	Global Public Equity	
8 A. 7. Portable Alpha	Strategy may not exceed 15 percent of total Plan (IV.8.iv. HF may not exceed 15%)	✓	✓	✓	✓	
9 A. 8. Alternative Investments	lii. Notification to Commission if collective exposure to PE,PD, PRA exceeds 30%	▲	▲	▲	▲	Private Equity over target which skews 30% target
10 A. 9. Equity investments	Equity exposure may not exceed 70% of market value (if exposure exceeds 70% of market value the CIO is required to rebalance the portfolio.	✓	✓	✓	✓	

V. Investment Policies:		Mtg: 6/1/23	Mtg: 3/3/23	Mtg: 12/1/2022	Mtg: 9/8/2022	Comments	
11	A. 11. Risk	Staff provides the Commission with risk reporting as part of the Portfolio Performance Framework to ensure that risk remains within acceptable levels and to judge the value of portfolio structure and manager selection decisions on a risk adjusted basis.	✓	✓	✓	✓	
12	C. Governance and Oversight	1. <u>Performance Standards and Reporting.</u> The Commission receives quarterly performance reports (...incorporating the Portfolio Performance Framework required in Section III).	✓	✓	✓	✓	
13	C. Governance and Oversight	2. <u>Diversification.</u> The Portfolio Reporting Framework required in Sect III provides the Commission the ability to oversee the implementation of the long-term portfolio strategy, as well as the actual implementation of the Commission diversification directives.	✓	✓	✓	✓	
			1Q2023	4Q2022	3Q2022	2Q2022	Comments
14	C. Governance and Oversight	3. <u>Portfolio Rebalancing.</u> Rebalancing is currently performed quarterly unless a case has been made not to rebalance.	✓	✓	✓	✓	

-  Out performing
-  on Target
-  reasonably off Target
-  off Target
-  Pending

FY2024-FY2025 Business Plan

Introduction

Guided by our Beliefs and Core Values, the Executive Leadership team collaboratively developed a Business Plan that captures strategic goals related to back and middle office functions to guide the organization toward better execution of fundamental investment goals and achieving the overall purpose of RSIC. The four strategic goals related to back and middle office functions will be the focus for the FY2024 - FY2025 Business Plan.

Our Purpose

To earn an investment return, that when combined with contributions, fulfills the promise of benefit payments to our current and future retirees and their beneficiaries.

Our Beliefs

Belief 1: We believe that the Policy allocation set by the Commission is the main driver of the investment portfolio’s risk, return, and cost.

Belief 2: We believe that investors must be rewarded for incurring additional risk, cost, and complexity.

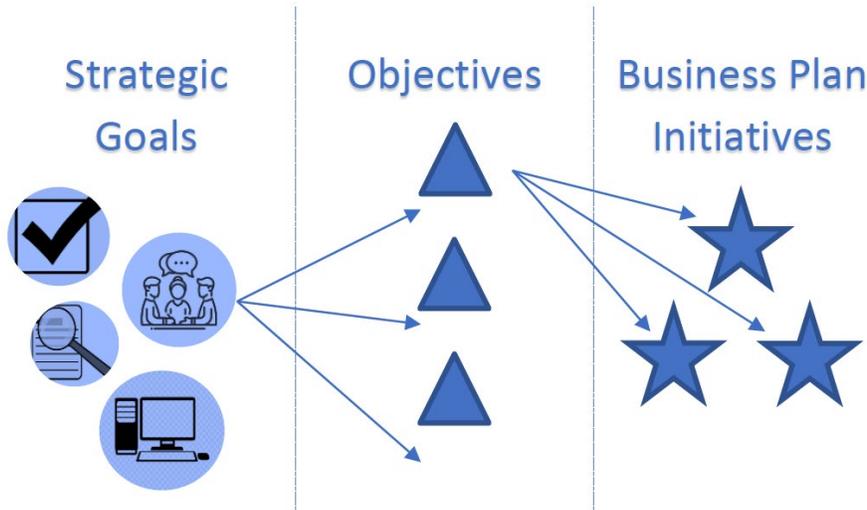
Belief 3: We believe that we are long-term investors which requires us to instill discipline and patience into our investment decision making and assessment process.

Belief 4: We believe that achieving our investment objective requires an organization with strong governance, that maintains core values, and employs talented professionals. In order to do this, RSIC must:

1. establish a governance structure with clear lines of authority and means to assess the quality of decision making and resulting performance;
2. recruit and retain a talented investment and operational staff consistent with our **Core Values** of:
 - a. **Humility,**
 - b. **Intellectual Curiosity, and**
 - c. **Team Player.**
3. achieve a deep understanding of value creation through the investment process;
4. emphasize risk awareness and focus on mitigating investment and enterprise risk; and
5. provide the foundation, infrastructure, and systems necessary to meet the investment objective and mitigate risk.

Each strategic goal contains individual objectives and business plan initiatives, which are captured in our FY2024- FY2025 Business Plan. In conformity with RSIC practice, we will continue to look for ways to improve processes and align with current best practices. As such, this business plan is subject to continuous enhancement and improvement.

The graphic below reflects the flow from strategic goals to business plan initiatives.



	<p><u>TALENT MANAGEMENT</u></p>
	<p>Goal: Recruit, train, and retain a high performing work force to promote firm continuity.</p>
<p>Objective: Promote firm continuity by improving the pipeline of high-quality personnel</p>	
<p>Develop and execute yearly recruiting plan to attract and hire high performing candidates.</p>	
<p>Expand and build relationships with partner schools by visiting campuses, attending career fairs, and meeting with faculty and staff.</p>	
<p>Promote an open, honest, and welcoming culture that respects and values a diversity of experience and perspectives amongst our workforce.</p>	
<p>Objective: Provide training opportunities for all staff</p>	
<p>Provide tailored training opportunities for staff to enhance technical and soft skills to ensure readiness for next role and additional responsibilities.</p>	
<p>Prioritize assimilation plan improvement and enhance onboarding experience for new employees.</p>	
<p>Objective: Initiate and execute plan to retain critical personnel</p>	
<p>Implement development plan for staff identified on succession plan.</p>	
<p>Routinize staff communication regarding compensation plan and individualized career progression opportunities.</p>	

	<p><u>LEVERAGE INDEPENDENT REASSURANCE</u></p>
	<p>Goal: Leverage mature audit program to enhance the continued build-out of enterprise risk management</p>
<p>Objective: Develop a systematic Internal Audit plan based on past audit materiality issues and annual risk assessments.</p>	
<p>Continue developing a relationship with an independent audit and consulting firm through co-sourcing in order to maximize internal audit capabilities.</p>	
<p>Propose amendments to Internal Audit Charter, the Audit and Enterprise Risk Management Committee (AERMC) Charter to streamline meetings and to decrease time lags and improve efficiency.</p>	
<p>Continue build-out of Agreed Upon Procedures test areas.</p>	
<p>Objective: To support the continued build-out of the Enterprise Risk Management (ERM) function</p>	
<p>Engage RSIC Risk Owners to maintain current risk modules, as needed, and no less than an annual basis.</p>	
<p>Monitor and develop top risks, including use of risk metrics and by linking risks to RSIC Business Plan and strategic initiatives.</p>	
<p>Optimize ERM Reporting to Executive Leadership Team and AERMC.</p>	



UPGRADE PERFORMANCE AND LIQUIDITY REPORTING TO ALLOW FOR ENHANCED INSIGHTS INTO PORTFOLIO MANAGEMENT

Goal: Manage existing systems and continue to take advantage of new product offerings to (i) continuously provide intelligence to investment team and commissioners of ex-post portfolio and investment decisions and (ii) to provide more actionable intelligence for portfolio and investment analysis and decision-making.

Objective: Enhance performance reporting team's capabilities and output to enhance actionable intelligence

Work with CEO and CIO to enhance the reporting framework to clearly measure and communicate clear and concise intelligence the Commission needs to exercise its oversight function.

Leverage CAISSAs growing private market capabilities after acquisition by Burgiss and MSCI.

Leverage CAISSA to support the QSG team in enhancing and developing new risk analysis capabilities and identify synergies within internal systems and dataflow.

Streamline fee collection and validation processes to aggregate, validate, and present data as actionable intelligence.

Leverage estimated performance module with BNYM to provide more timely intra-month performance update to CIO and Deputy CIO for non-custodied assets.

Objective: Enhance Plan liquidity analysis and cash flow projections & assess efficacy of Custodial relationship

Assess CAISSA's and other current systems cash flow projection capabilities.

Implement new cash monitoring system and leverage enhancements.

Evaluate offerings and pricing with Custodial firms to ensure awareness of best practices and industry developments.



PROMOTE IT INFRASTRUCTURE AND INFORMATION SECURITY

Goal: Continue to create and maintain technology solutions to meet the needs of the business in order to achieve the investment goals and objectives while also addressing ongoing information security risk.

Objective: Improve investment process efficiency through technology solutions

Execute next steps post the recent onboarding of the CRM solution which will define and execute key documentation requirements for historical due diligence records.

Improve CRM visualization helping both Investment and Operation Teams by listing key investment data using a cleaner interface.

Objective: Ensure availability of data while increasing resiliency of underlying infrastructure

Assess and incorporate additional cloud-based services to increase infrastructure availability and security.

Objective: Advance Information Security program

Minimize agency risk by tailoring information security training initiatives and increasing awareness of the sensitivity of investment data, contracts, and intellectual property.

Enhance technical security controls to reduce risk and loss of sensitive data.

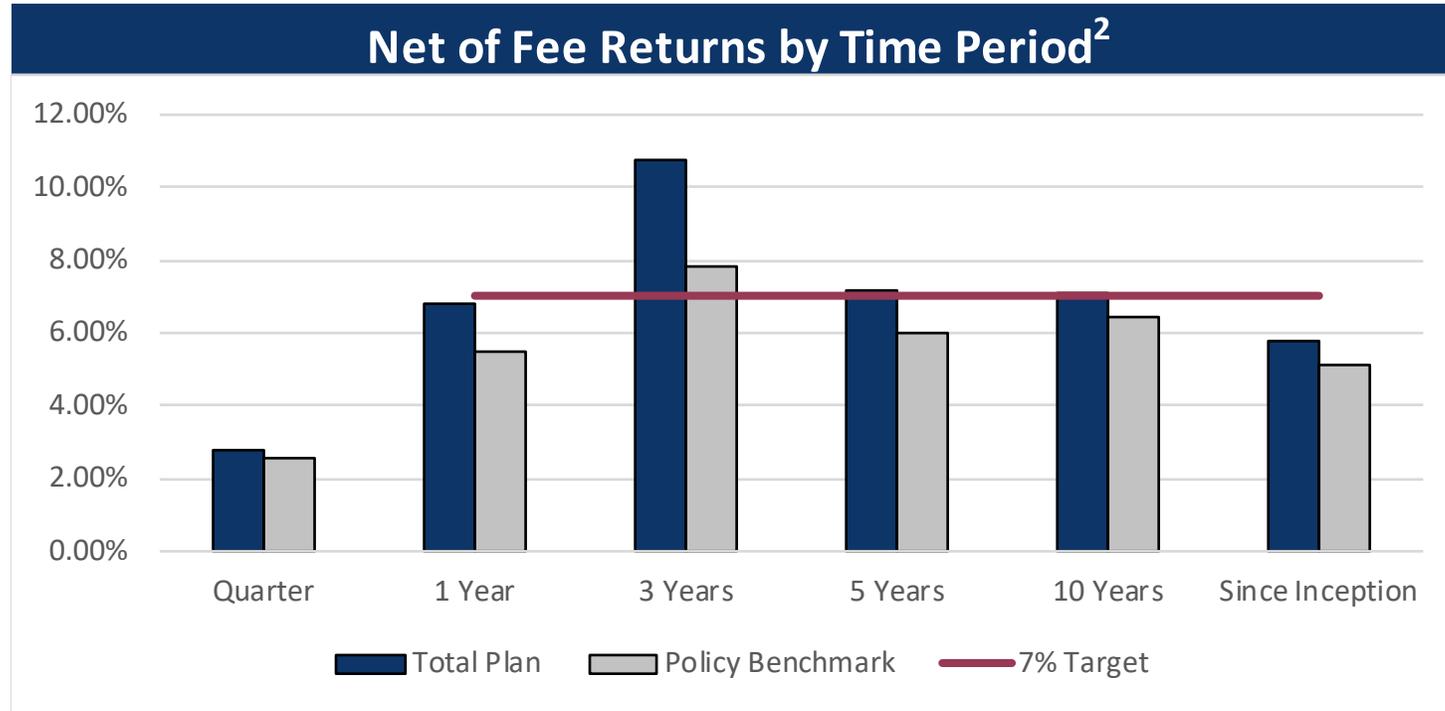
RSIC Performance Analysis

As of June 30, 2023



Performance - Plan & Policy Benchmark²

As of June 30, 2023



Executive Summary	Market Value (millions)	Annualized					
		Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception
Total Plan	\$40,623	2.76%	6.83%	10.79%	7.19%	7.11%	5.82%
Policy Benchmark		2.56%	5.49%	7.83%	5.98%	6.46%	5.13%
Excess Return		0.20%	1.33%	2.96%	1.21%	0.65%	0.69%
Net Benefit Payments (millions)		(\$34)	(\$266)	(\$1,405)	(\$2,973)	(\$8,411)	(\$15,724)



Portfolio Performance Framework

As of June 30, 2023

Reference Portfolio		Policy Benchmark		Implementation Benchmark		Plan Return	
Quarter	3.86%	Quarter	2.56%	Quarter	2.90%	Quarter	2.76%
1-Year	10.94%	1-Year	5.49%	1-Year	5.17%	1-Year	6.83%
3-Years	6.49%	3-Years	7.83%	3-Years	9.21%	3-Years	10.79%

Value from Diversification		Quality of Portfolio Structure		Quality of Manager Selection	
Quarter	-1.30%	Quarter	0.34%	Quarter	-0.14%
1-Year	-5.45%	1-Year	-0.32%	1-Year	1.65%
3-Years	1.34%	3-Years	1.38%	3-Years	1.59%

Actual vs Reference		Actual vs Policy	
Quarter	-1.10%	Quarter	0.20%
1-Year	-4.12%	1-Year	1.33%
3-Years	4.30%	3-Years	2.96%



Asset Class Performance^{1,3,4,5}

As of June 30, 2023

Trailing Performance as of 06/30/2023	Portfolio Weight	Annualized			
		Quarter	1 Year	3 Years	5 Years
Public Equity	44.3%	6.00%	16.59%	11.42%	7.72%
<i>Benchmark</i>		<i>5.89%</i>	<i>16.14%</i>	<i>10.97%</i>	<i>7.55%</i>
Bonds	20.6%	-1.08%	-1.57%	-2.11%	0.41%
<i>Benchmark</i>		<i>-0.84%</i>	<i>-0.94%</i>	<i>-3.96%</i>	<i>-0.04%</i>
Private Equity	13.6%	1.08%	-0.93%	22.97%	13.47%
<i>Benchmark</i>		<i>1.73%</i>	<i>-5.26%</i>	<i>23.80%</i>	<i>13.98%</i>
Private Debt	9.0%	2.62%	5.66%	11.88%	6.37%
<i>Benchmark</i>		<i>3.73%</i>	<i>4.04%</i>	<i>10.02%</i>	<i>5.14%</i>
Real Assets	12.5%	-0.97%	-1.26%	11.77%	9.09%
<i>Benchmark</i>		<i>-2.88%</i>	<i>-10.73%</i>	<i>7.04%</i>	<i>5.98%</i>
Portable Alpha Hedge Funds	12.0%	0.54%	-0.04%	9.27%	5.10%
Total Plan	100.0%	2.76%	6.83%	10.79%	7.19%
<i>RSIC Policy Benchmark</i>		<i>2.56%</i>	<i>5.49%</i>	<i>7.83%</i>	<i>5.98%</i>

*Portable Alpha Hedge Funds are expressed as gross exposure but, as collateral supporting the Overlay program, net to zero when calculating total Plan market value. 5 year Portable Alpha hedge fund returns are considered supplemental information provided by Staff to illustrate performance of these hedge funds even though they were classified under a different asset class during these periods. Performance is expressed net of LIBOR as an estimate for Overlay financing costs.



Policy
Benchmark

- **Policy Benchmark:** The return of the five-asset class target portfolio.

Allocation

- **Allocation effect:** isolates the impact of making overweight or underweight decisions to each of the five asset classes.

Implement-
ation

- **Implementation effect:** measures the impact of decisions to construct each asset class portfolio differently than the benchmark.

Selection

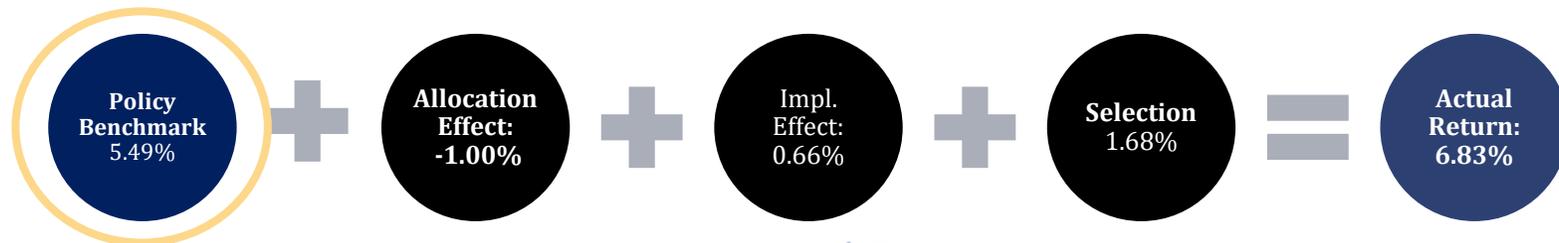
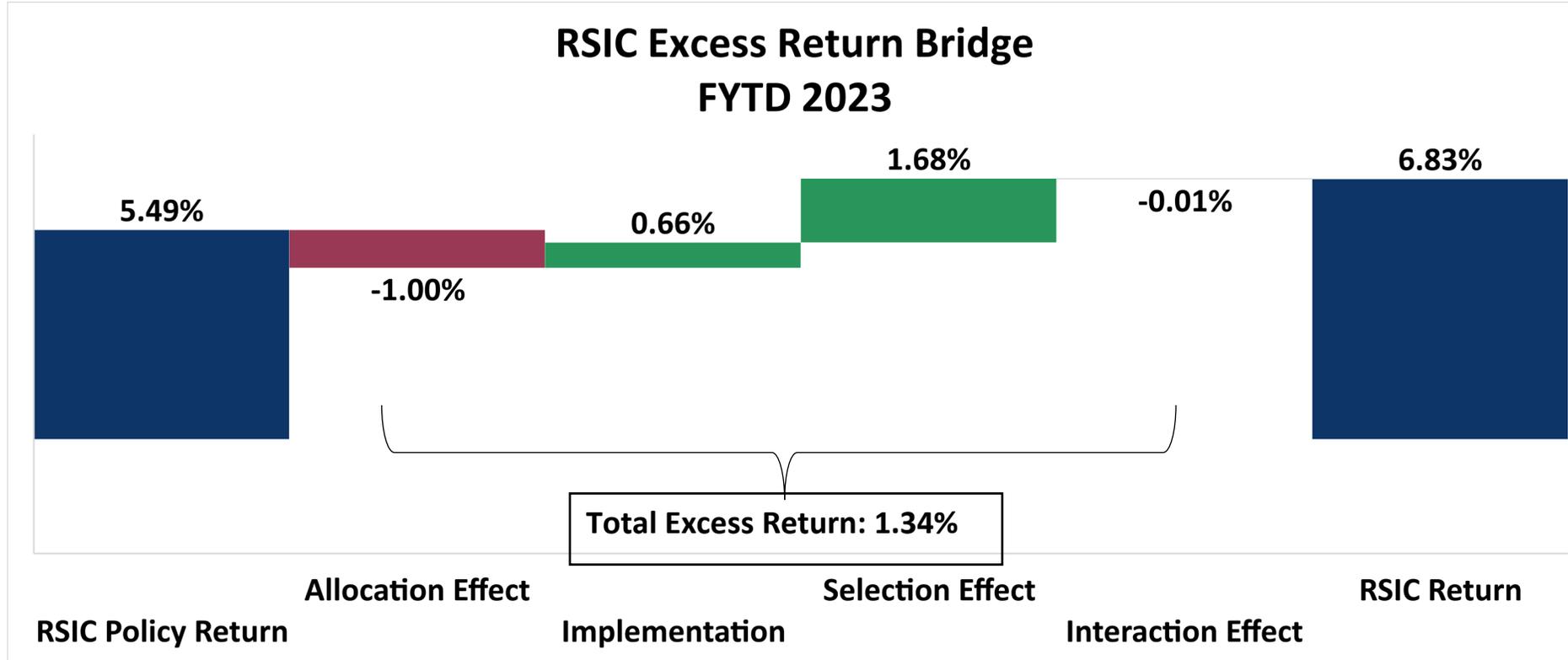
- **Selection effect:** evaluates the impact of manager selection decisions.

Actual
Return

- The **Actual return** reflects the sum of all of these impacts.

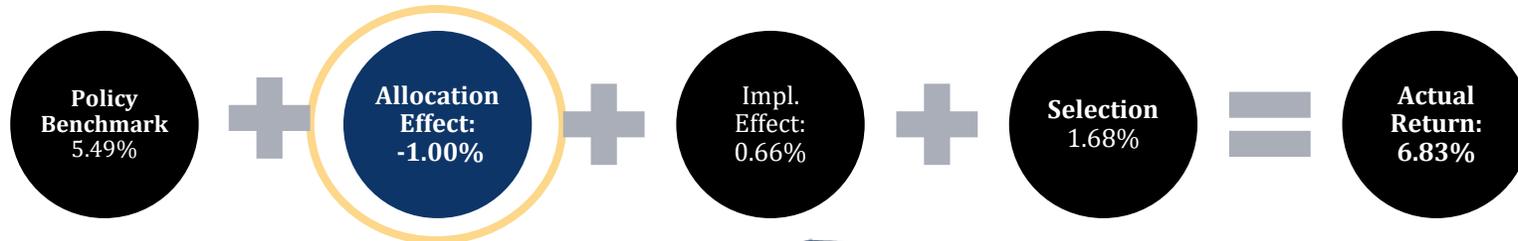
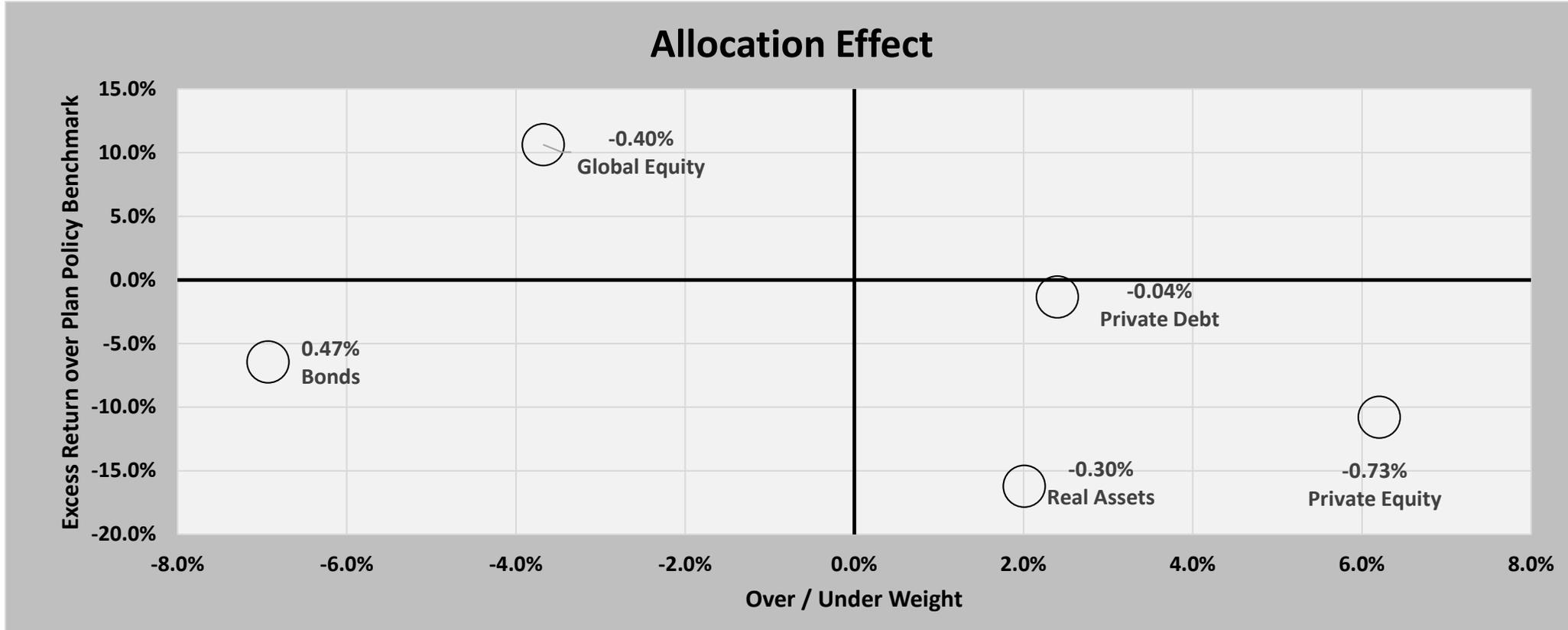
Attribution – FYTD – Return Bridge

As of June 30, 2023



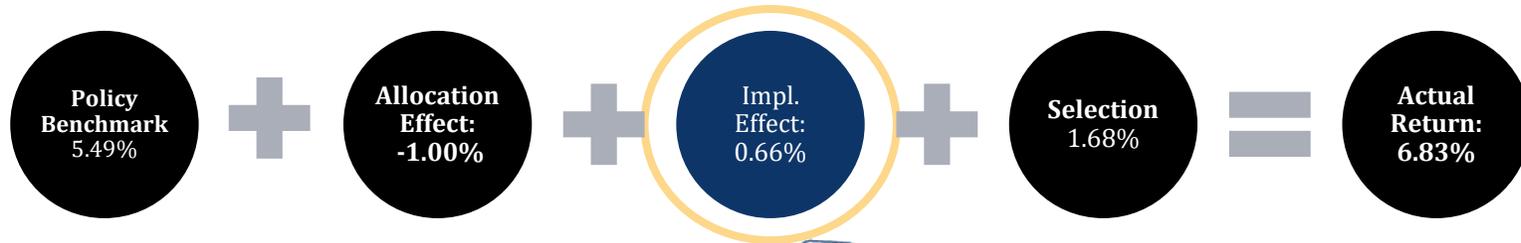
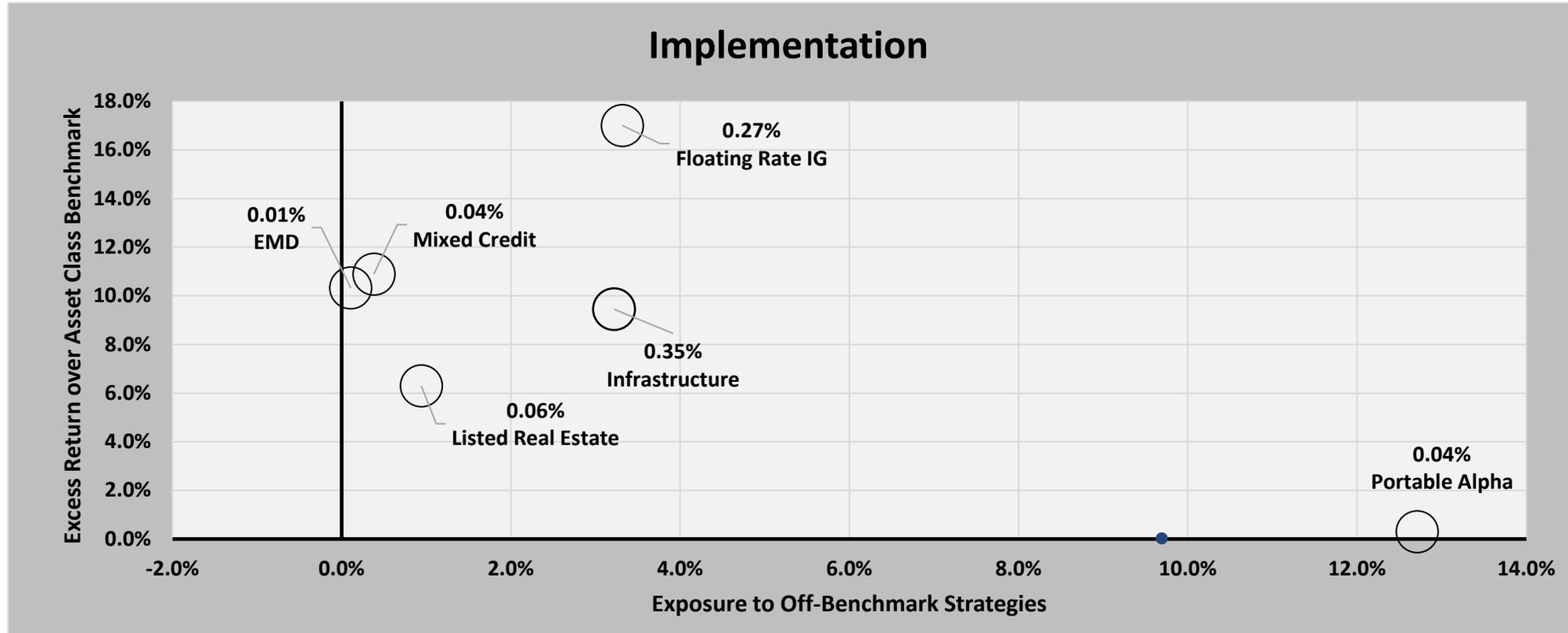
Attribution – FYTD – Allocation:

As of June 30, 2023



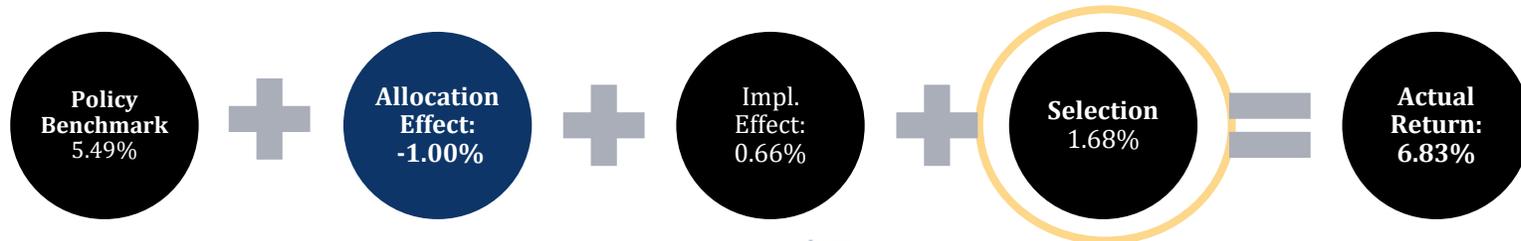
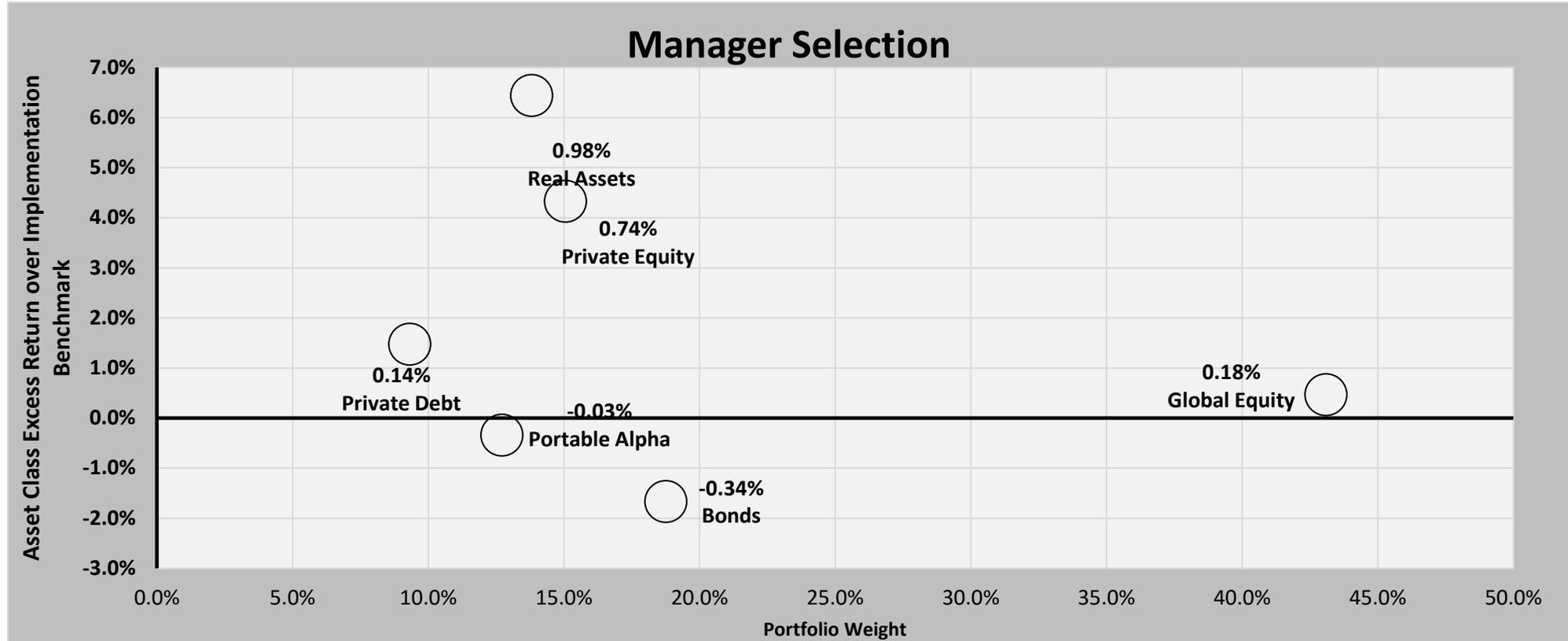
Attribution – FYTD – Implementation:

As of June 30, 2023



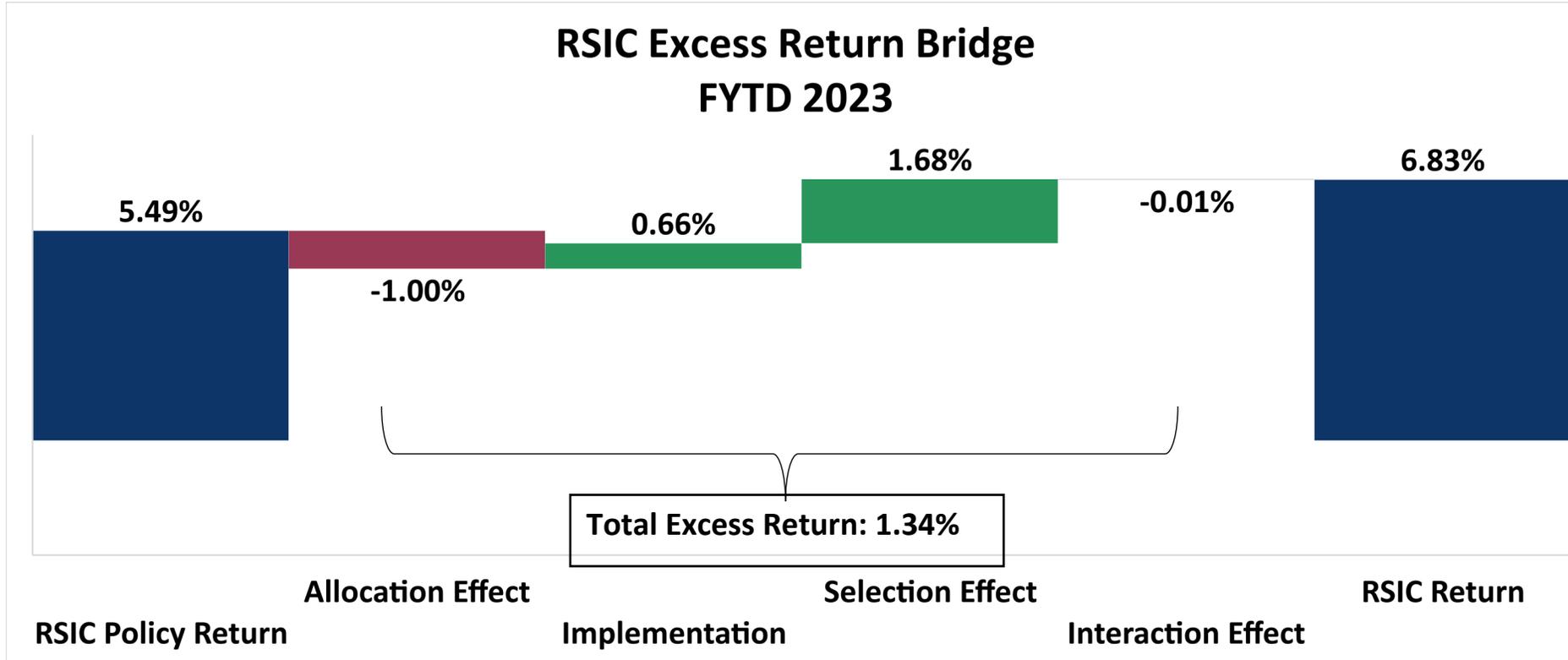
Attribution – FYTD – Selection:

As of June 30, 2023



Attribution – FYTD – Return Bridge:

As of June 30, 2023



Attribution – FYTD – Attribution Heatmap:

As of June 30, 2023

Attribution Table (BPS)	Allocation	Implementation	Selection	Total
Bonds	47	23	-34	36
Private Debt	-4	0	14	10
Global Equity	-40	-1	18	-22
Private Equity	-73	0	74	1
Real Assets	-30	41	98	109
Portable Alpha	n/a	4	-3	1
Total	-100	66	168	134

- Sources of underperformance:
 - Overweight Private Equity
 - Underweight Public Equity
 - Overweight Real Assets
 - Overweight duration*

- Sources of outperformance:
 - Underweight to Bonds
 - Private Markets Selection
 - Infrastructure in Real Assets

Asset Allocation and SIOP Compliance⁵

As of June 30, 2023

Exposure Report as of 06/30/2023	Net Exposure	Policy Targets	Over / Under	Allowable Ranges	SIOP Compliance
Public Equity	44.3%	46.0%	-1.7%	30% - 60%	Yes
Bonds	20.6%	26.0%	-5.4%	15% - 35%	Yes
Private Equity	13.6%	9.0%	4.6%	5% - 13%	No
Private Debt	9.0%	7.0%	2.0%	3% - 11%	Yes
Real Assets	12.5%	12.0%	0.5%	6% - 18%	Yes
Portable Alpha Hedge Funds	12.0%	n/a	12.0%	0% - 15%	Yes
Total Plan	100.0%	100.0%	0.0%	n/a	Yes
Total Private Markets	34.0%	28.0%	6.0%	0% - 30%	No



Risk Estimates¹

As of June 30, 2023

	Reference	Policy ³	Implementation ³	Actual ⁵
Total Risk²	13.5%	12.6%	13.5%	13.6%
Relative Risk⁴	Reference vs Policy	Policy vs Implementation	Implementation vs Actual ⁵	
	1.8%	1.4%	0.5%	

Footnotes:

- 1 Estimates based on an equal weighted (no-decay) model employing three years of monthly data.
- 2 Total risk shown as volatility, or annualized standard deviation of returns based on current positioning
- 3 Private benchmarks proxied with public alternatives
- 4 Relative risk shown as relative volatility, or annualized standard deviation of the excess returns of one portfolio vs the other
- 5 Actual risk and actual vs implementation relative risk estimated from a set of assumptions and exposures



Realized vs Forward Risk Measurements¹

As of June 30, 2023

	Reference	Policy	Implementation	Actual
Forward Risk	13.5%	12.6%	13.5%	13.6%
	↓	↓	↓	↓
Historical Risk^{2,3}	Portfolio 13.5%	Policy ³ 9.7%	Implementation ³ 9.8%	Actual 9.1%

Footnotes:

Historical risk reflects actual historical volatility (rather than expected volatility) for RSIC portfolio, using the past 3 years of monthly data

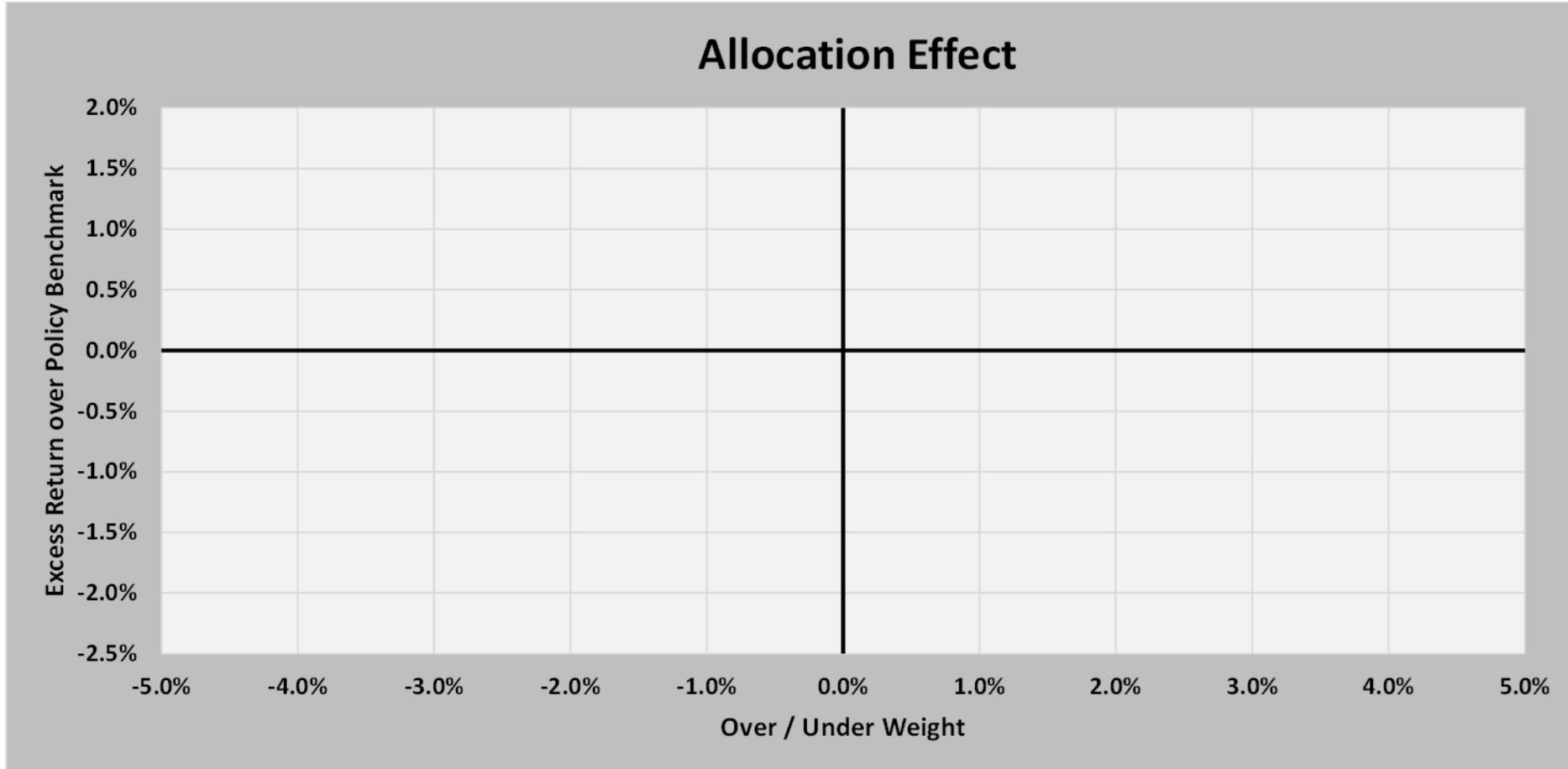
Historical risk reflects actual historical positioning (rather than current positioning)

Policy and Implementation portfolio risk calculated using underlying performance benchmarks (rather than public proxy-based risk benchmarks)

Appendix

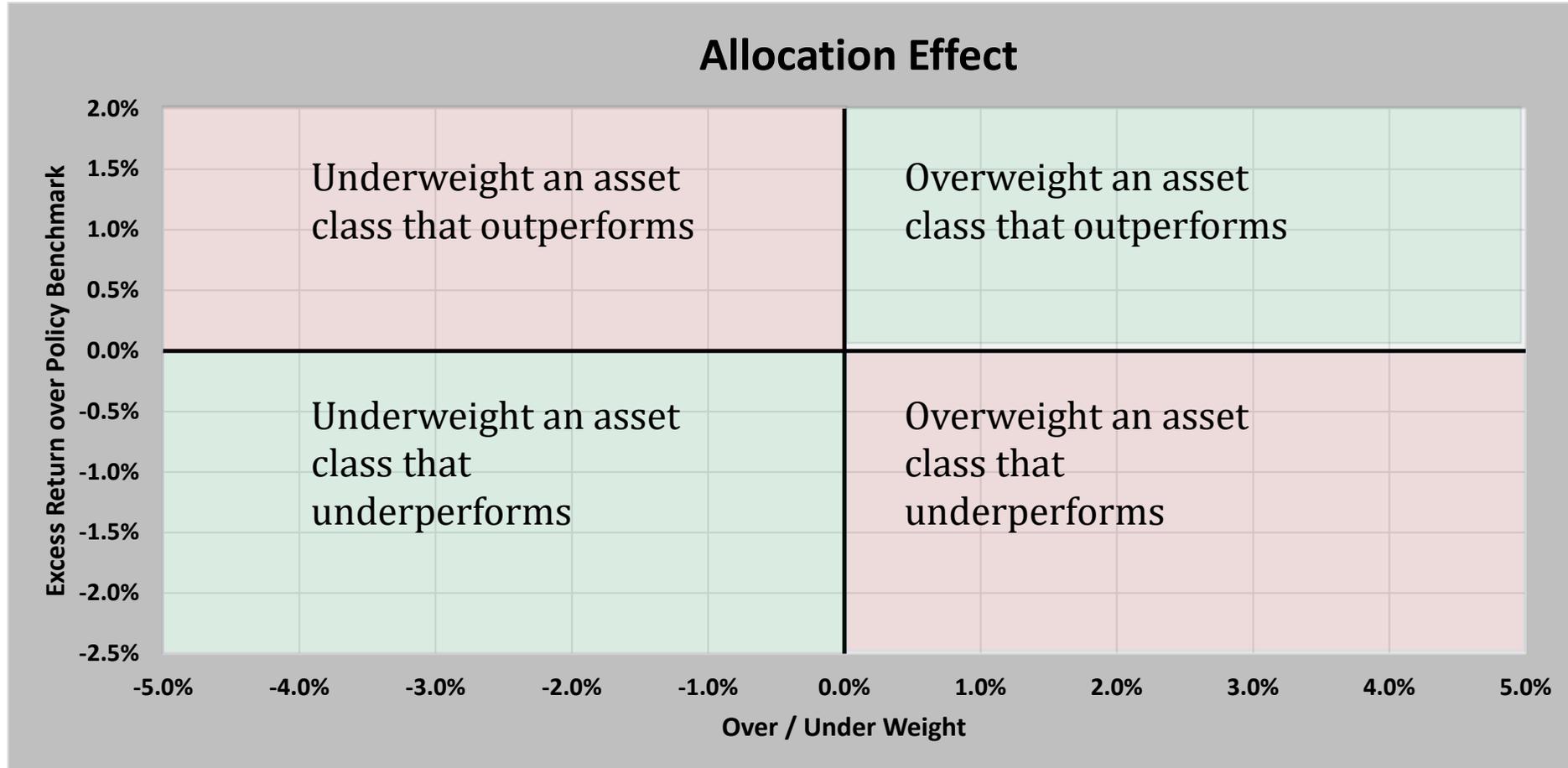
Attribution Analysis – How it works

As of June 30, 2023



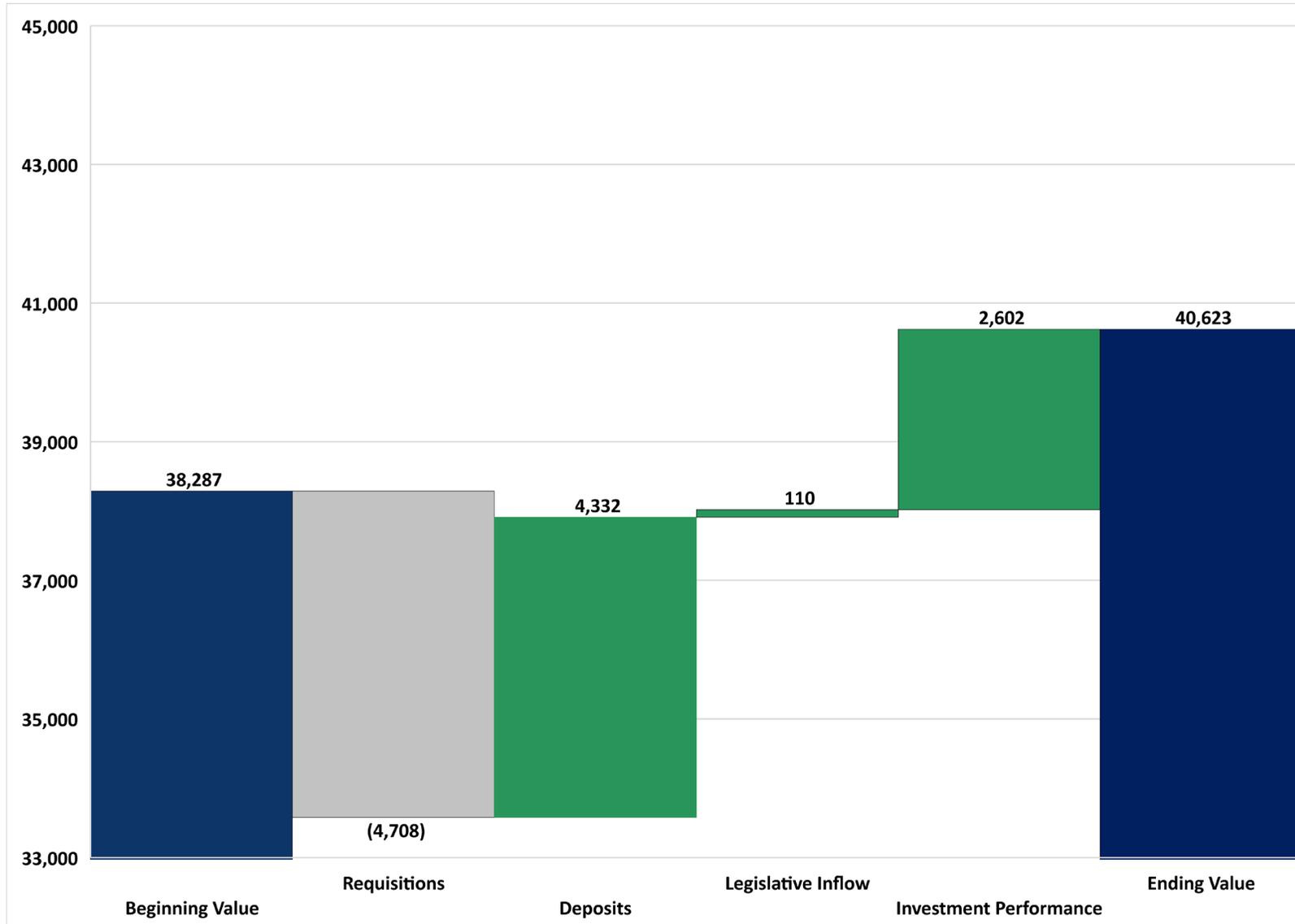
Attribution Analysis – How it works

As of June 30, 2023



FYTD Benefits and Performance

As of June 30, 2023



Asset Allocation and SIOB Compliance⁵

Exposures as of June 30, 2023

Exposure Report as of 06/30/2023	Net Exposure	Policy Targets	Over / Under	Allowable Ranges	SIOB Compliance
Public Equity	44.3%	46.0%	-1.7%	30% - 60%	Yes
Bonds	20.6%	26.0%	-5.4%	15% - 35%	Yes
Investment Grade - Fixed	12.7%	26.0%	-13.3%	10% - 35%	Yes
Investment Grade - Floating	3.1%	n/a	3.1%	0% - 5%	Yes
EMD	0.1%	n/a	0.1%	0% - 6%	Yes
Mixed Credit	0.4%	n/a	0.4%	0% - 8%	Yes
Cash and Short Duration (Net)	4.4%	n/a	4.4%	0% - 7%	Yes
Private Equity	13.6%	9.0%	4.6%	5% - 13%	No
Private Debt	9.0%	7.0%	2.0%	3% - 11%	Yes
Real Assets	12.5%	12.0%	0.5%	6% - 18%	Yes
Private Real Estate	8.5%	9.0%	-0.5%	n/a	Yes
Public Real Estate	0.7%	n/a	0.7%	n/a	Yes
Private Infrastructure	2.9%	3.0%	-0.1%	n/a	Yes
Public Infrastructure	0.4%	n/a	0.4%	n/a	Yes
Portable Alpha Hedge Funds	12.0%	n/a	12.0%	0% - 15%	Yes
Total Plan	100.0%	100.0%	0.0%	n/a	Yes
Total Private Markets	34.0%	28.0%	6.0%	0% - 30%	No

Performance – Plan & Asset Classes^{1,3,4,5}

Exposures as of June 30, 2023

Trailing Performance as of 06/30/2023	Portfolio Weight	Annualized			
		Quarter	1 Year	3 Years	5 Years
Public Equity	44.3%	6.00%	16.59%	11.42%	7.72%
<i>Benchmark</i>		<i>5.89%</i>	<i>16.14%</i>	<i>10.97%</i>	<i>7.55%</i>
Bonds	20.6%	-1.08%	-1.57%	-2.11%	0.41%
<i>Benchmark</i>		<i>-0.84%</i>	<i>-0.94%</i>	<i>-3.96%</i>	<i>-0.04%</i>
IG Fixed	12.7%	-1.89%	-3.20%	-4.31%	0.33%
IG Floating (Hedged)	3.1%	0.32%	4.54%	4.21%	n/a
EMD	0.1%	1.38%	-46.13%	-20.44%	-12.00%
Mixed Credit	0.4%	1.96%	2.76%	7.18%	4.92%
Cash and Short Duration (Ne	4.4%	1.21%	3.75%	1.41%	1.66%
Private Equity	13.6%	1.08%	-0.93%	22.97%	13.47%
<i>Benchmark</i>		<i>1.73%</i>	<i>-5.26%</i>	<i>23.80%</i>	<i>13.98%</i>
Private Debt	9.0%	2.62%	5.66%	11.88%	6.37%
<i>Benchmark</i>		<i>3.73%</i>	<i>4.04%</i>	<i>10.02%</i>	<i>5.14%</i>
Real Assets	12.5%	-0.97%	-1.26%	11.77%	9.09%
<i>Benchmark</i>		<i>-2.88%</i>	<i>-10.73%</i>	<i>7.04%</i>	<i>5.98%</i>
Private Real Estate	8.5%	-1.91%	-5.22%	11.47%	8.90%
Public Real Estate	0.7%	2.94%	0.76%	10.41%	6.75%
Private Infrastructure	2.9%	0.93%	12.49%	9.12%	7.33%
Public Infrastructure	0.4%	-0.46%	-1.20%	6.77%	6.41%
Portable Alpha Hedge Funds	12.0%	0.54%	-0.04%	9.27%	5.10%
Total Plan	100.0%	2.76%	6.83%	10.79%	7.19%
<i>RSIC Policy Benchmark</i>		<i>2.56%</i>	<i>5.49%</i>	<i>7.83%</i>	<i>5.98%</i>

*Portable Alpha Hedge Funds are expressed as gross exposure but, as collateral supporting the Overlay program, net to zero when calculating total Plan market value. 5 year Portable Alpha hedge fund returns are considered supplemental information provided by Staff to illustrate performance of these hedge funds even though they were classified under a different asset class during these periods. Performance is expressed net of LIBOR as an estimate for Overlay financing costs.

Footnotes

1. The Policy Benchmark is calculated quarterly using a blend of asset class policy benchmarks and the policy weights for the respective asset classes. Prior to 12/31/2020 the Policy Benchmark was calculated monthly. Asset class benchmarks represent current policy benchmarks blended with past policy benchmarks which may have changed over time. Some asset class policy benchmarks revise over time and these revisions are reflected in subsequent policy benchmark calculations. See Benchmark Disclosure page for current definitions.
2. Benefit payments are the net of Plan contributions and disbursements.
3. “Bonds” asset class includes Cash and Short Duration market value which is the aggregate cash held at the custodian, Russell Investments, and strategic partnerships, short duration within the portfolio, and hedge funds used in collateral pool for Portable Alpha program, net of the notional exposure in the overlay.
4. Asset class returns include Overlay returns as a blend of physical and synthetic returns. Synthetic returns are provided by Russell Investments gross of financing costs. To accommodate for financing costs, LIBOR is added to the synthetic returns and removed from the collateral return. Asset class returns calculated using Caissa, a third-party multi-asset class analytics system.
5. Asset class weights include Overlay exposures which are net notional exposures provided by Russell Investments. RSIC rebalances quarterly and reported exposures reflect any trades made at quarter end that have not settled yet.

Disclosures

- Plan Returns are provided by BNY Mellon. All returns are time-weighted, total return calculations. Net of fee performance is calculated and presented after the deduction of fees and expenses. Periods greater than one year are annualized. Past performance is no guarantee of future results. Asset class returns are based on values obtained from BNY Mellon and adjusted for overlay exposures provided by Russell Investments. Policy benchmark is the blend of asset class policy benchmarks using policy weights. Asset class benchmarks and policy weights are reviewed annually by the Commission’s consultant and adopted by the Commission and have changed over time. The policy benchmark return history represents a blend of these past policies. Total Plan trailing periods reflect a performance correction that affected the time period 03/31/2015 through 06/30/2022.
- Overlay allocation detail is provided by Russell Investments.
- This report was compiled by the staff of the South Carolina Retirement System Investment Commission and has not been reviewed, approved or verified by the external investment managers. No information contained herein should be used to calculate returns or compare multiple funds, including private equity funds.
- Effective October 1, 2005, the State Retirement System Preservation and Investment Reform Act (“Act 153”) established the Commission and devolved fiduciary responsibility for investment and management of the assets of the South Carolina Retirement Systems upon RSIC.

Allocation / exposure percentages might not add up to totals due to rounding.

Benchmarks

- **Core Fixed Income:** Bloomberg US Aggregate Bond Index
- **Global Public Equity Blend:** MSCI All Country World Index IMI
- **Private Equity Blend:** Burgiss All PE Benchmark
- **Private Debt :** S&P/LSTA Leveraged Loan Index + 150 basis points on a 3-month lag
- **Private Real Estate Blend:** NCREIF-Open Ended Diversified Core (ODCE) Index *Net of Fees*

Benchmarks Displayed in this report represent current policy benchmarks as of the SIOP effective 7/1/2020. Asset class benchmarks and policy weights are reviewed annually by the Commission's consultant and adopted by the Commission and have changed over time. The policy benchmark return history represents a blend of these past policies.

South Carolina Retirement System Investment Commission

Investment Performance Review

Period Ending: June 30, 2023

Verus⁷⁷⁷®

[VERUSINVESTMENTS.COM](https://www.verusinvestments.com)

SEATTLE 206.622.3700

CHICAGO 312.815.5228

PITTSBURGH 412.784.6678

LOS ANGELES 310.297.1777

SAN FRANCISCO 415.362.3484

Total Retirement System
Asset Allocation vs. Policy

South Carolina Retirement System Investment Commission
Period Ending: June 30, 2023

Allocation vs. Targets and Policy								
Quarter Ending June 30, 2023								
	MV at 6/30/2023	Overlay Exposures	Net Position	% of Total System	% of Total System (Net)	Policy Targets	Allowable Ranges	SIOB Compliance?
Total System	40,622,853,054	-	40,622,853,054	100%	100%	100%		
Public Equity	17,235,563,592	750,346,102	17,985,909,694	42%	44%	46%	30% - 60%	Yes
Public Equity	17,235,563,592	750,346,102	17,985,909,694	42%	44%	46%	30% - 60%	Yes
Bonds	4,250,286,355	4,128,518,852	8,378,805,206	10%	21%	26%	15% - 35%	Yes
Investment Grade - Fixed	429,528,608	4,711,856,578	5,141,385,186	1%	13%	0%	10% - 35%	Yes
Investment Grade - Floating	1,272,842,368	-	1,272,842,368	3%	3%	0%	0% - 5%	Yes
Emerging Market Debt	27,856,071	-	27,856,071	0%	0%	0%	0% - 6%	Yes
Mixed Credit	153,646,034	-	153,646,034	0%	0%	0%	0% - 8%	Yes
Cash and Short Duration	2,366,413,273	(583,337,726)	1,783,075,547	6%	4%	0%	0% - 7%	Yes
Private Equity	5,532,236,754	-	5,532,236,754	14%	14%	9%	5% - 13%	No
Private Debt	3,648,650,750	-	3,648,650,750	9%	9%	7%	3% - 11%	Yes
Real Assets	5,077,250,649	-	5,077,250,649	12%	12%	12%	6% - 18%	Yes
Real Estate	3,723,446,188	-	3,723,446,188	9%	9%	9%	5% - 13%	Yes
Infrastructure	1,353,804,461	-	1,353,804,461	3%	3%	3%	0% - 5%	Yes
Portable Alpha Hedge Funds	4,878,864,954	(4,878,864,954)	-	12%	0%	0%	0% - 15%	Yes

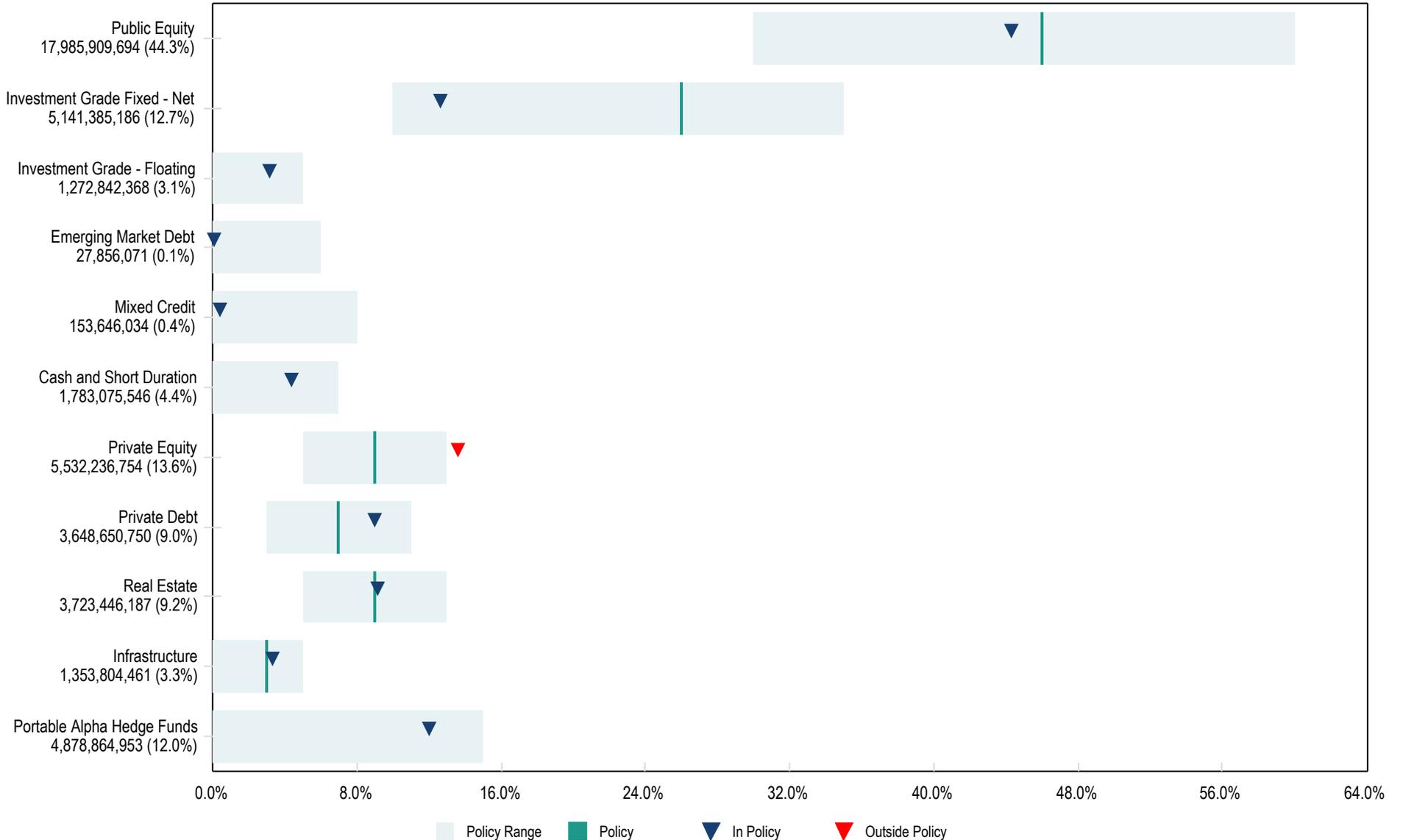
Includes cash in the Russell Overlay separate account

Percentages may not sum to 100% due to rounding

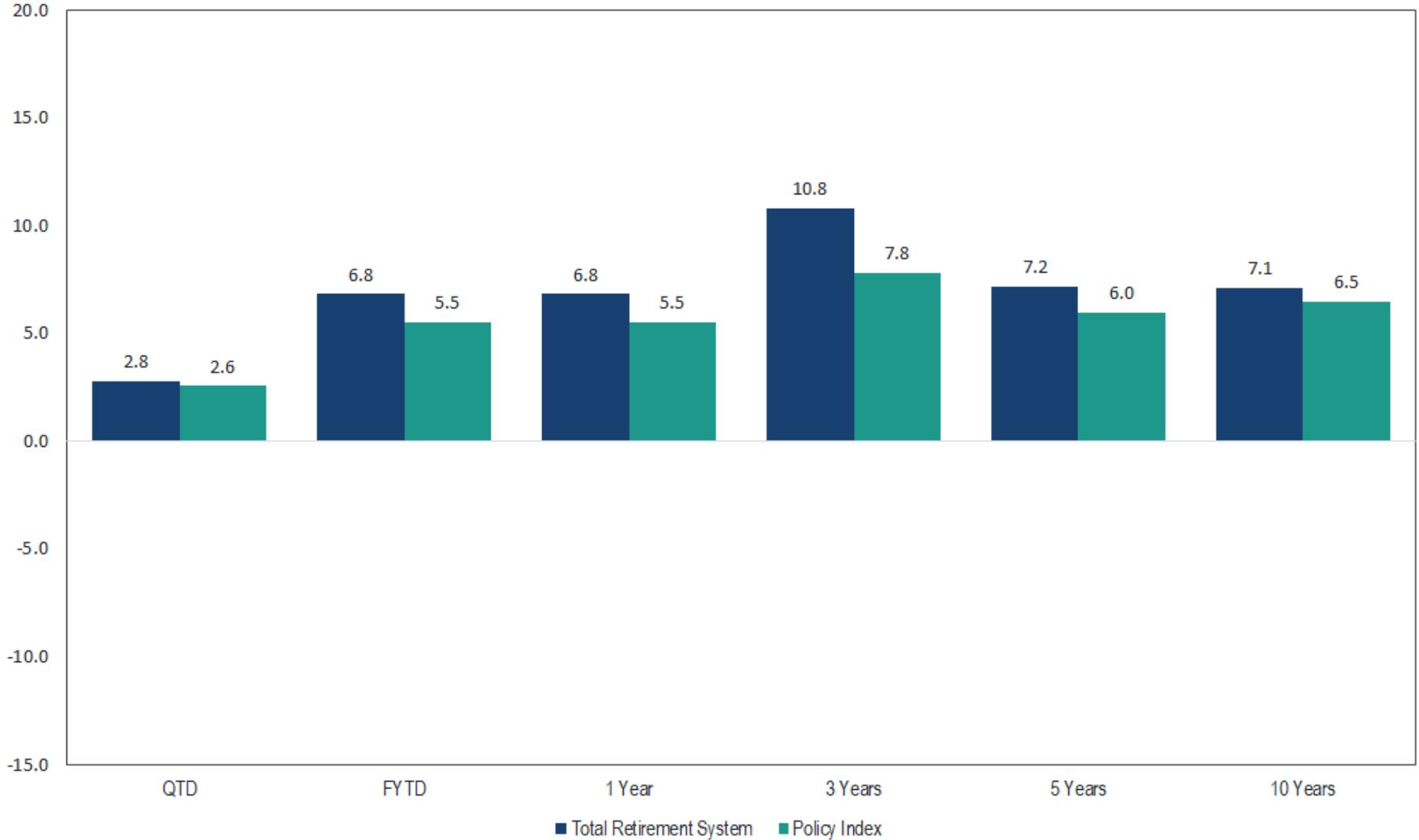
Total Retirement System Asset Allocation Compliance

South Carolina Retirement System Investment Commission Period Ending: June 30, 2023

Actual vs. Policy Ranges:
(Including Overlay)

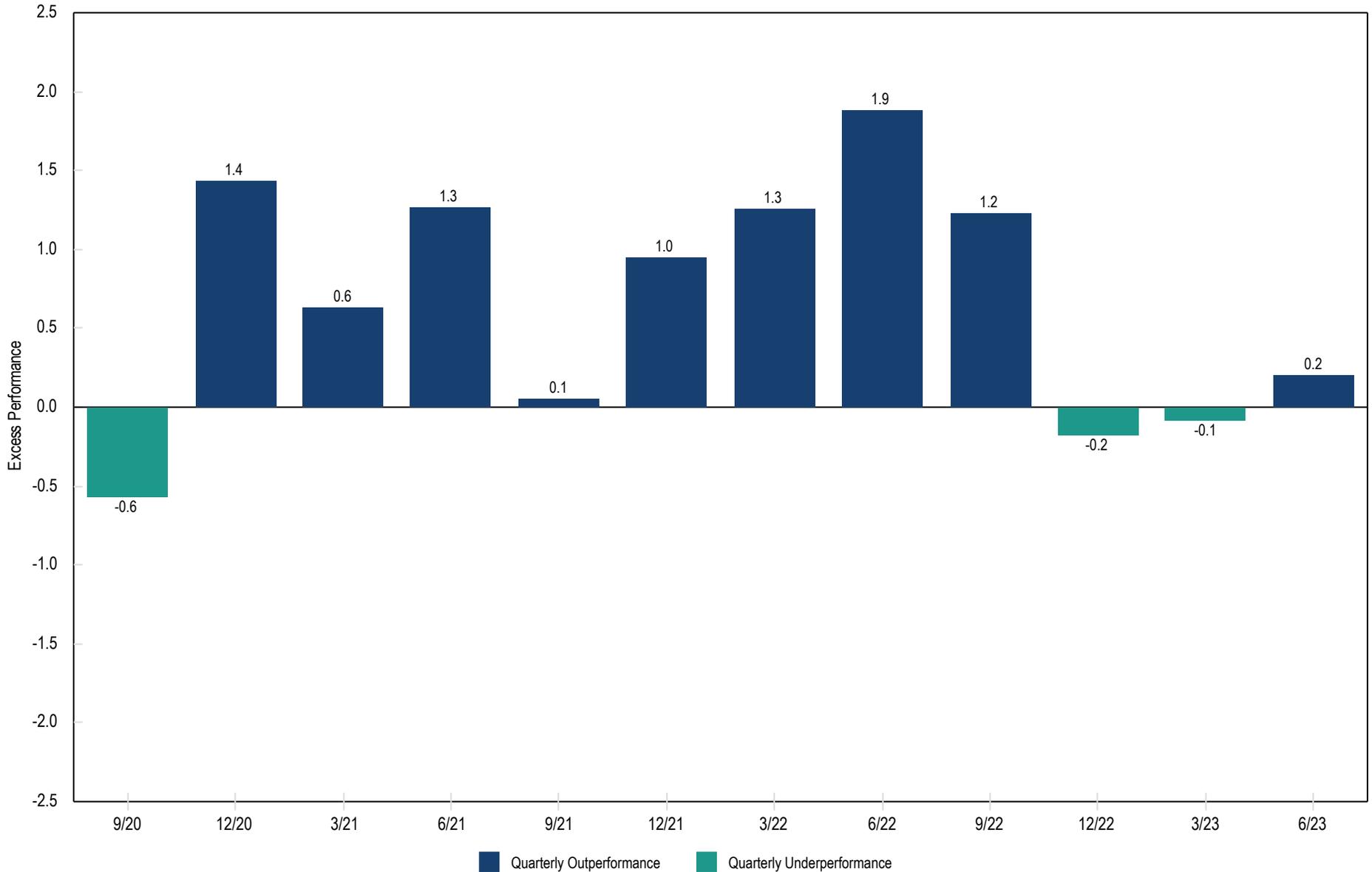


Net Return Summary



Returns for periods greater than one year are annualized.

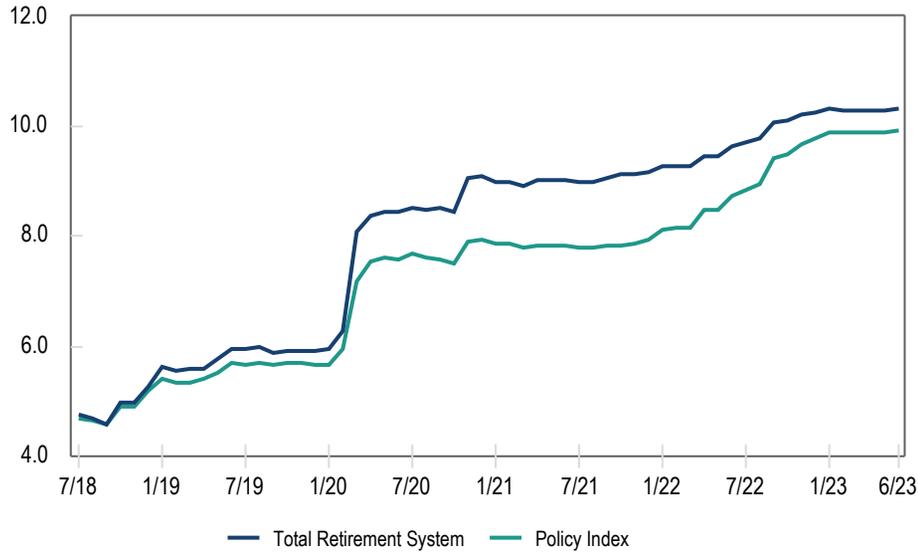
Quarterly Excess Performance vs. Policy Benchmark



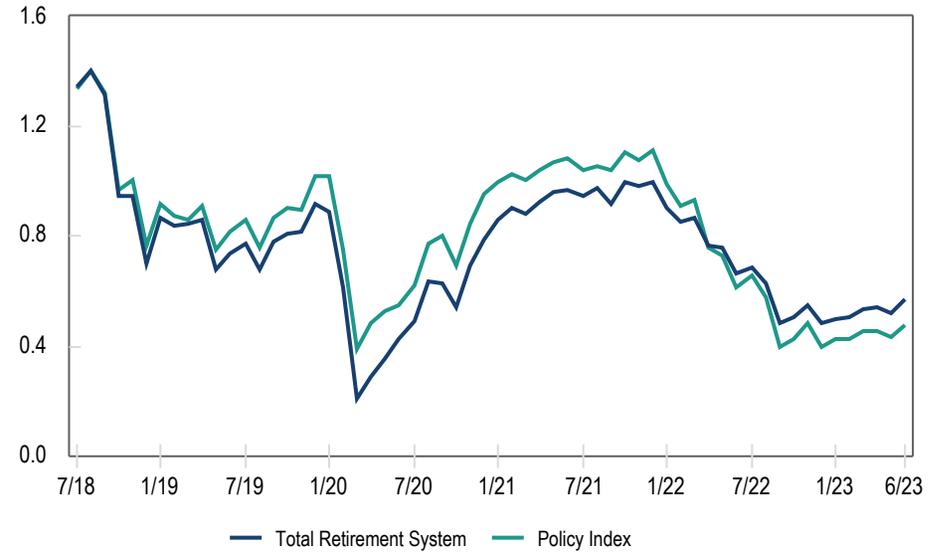
Total Retirement System Risk Analysis - 5 Years (Net of Fees)

South Carolina Retirement System Investment Commission Period Ending: June 30, 2023

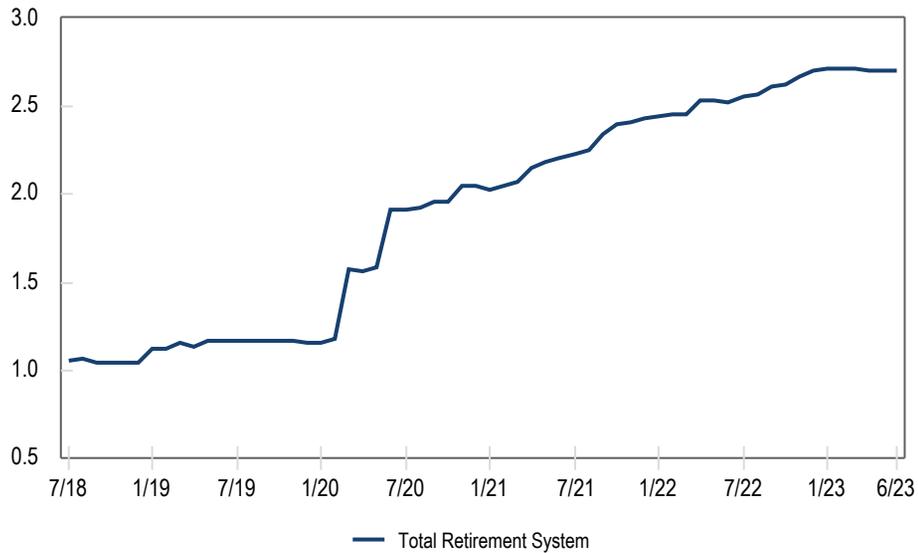
Rolling 5 Year Std. Deviation



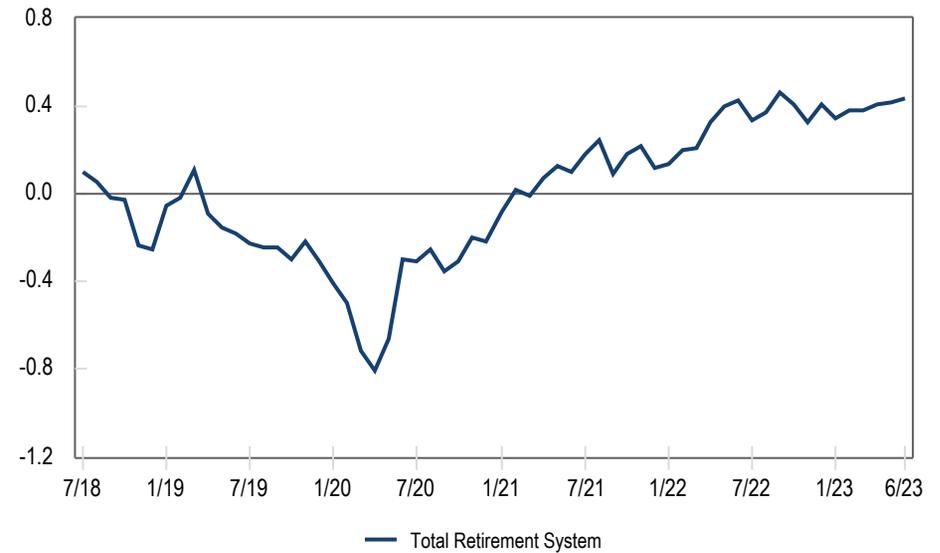
Rolling 5 Year Sharpe Ratio



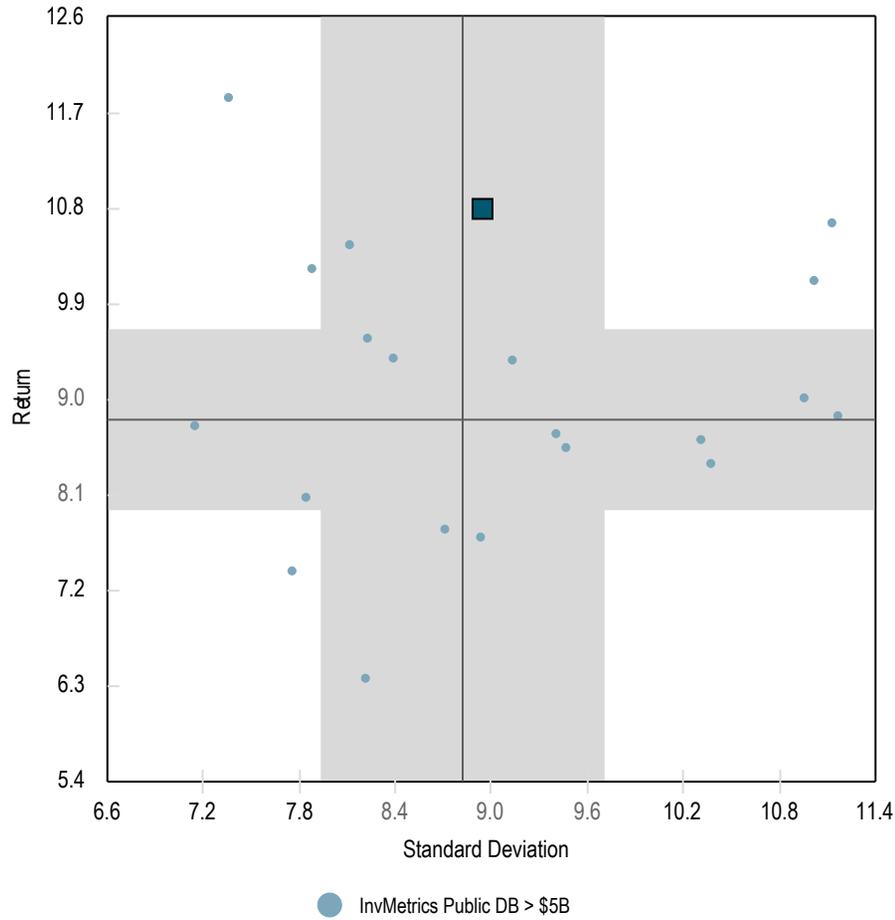
Rolling 5 Year Tracking Error



Rolling 5 Year Information Ratio

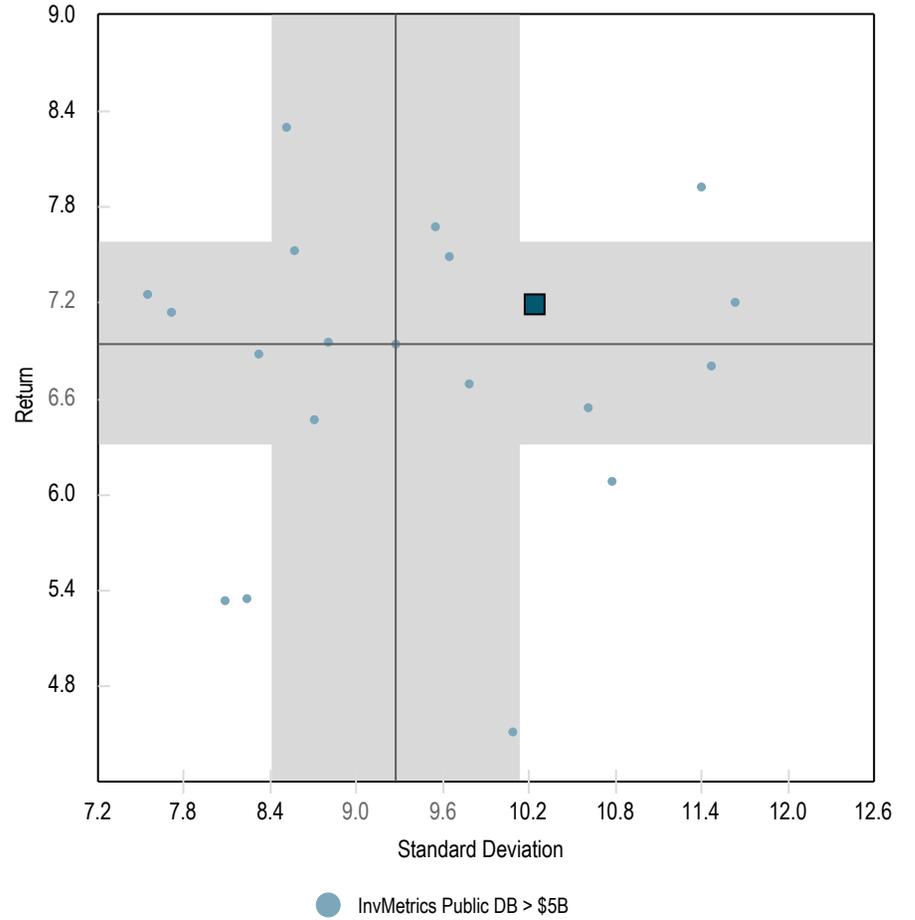


3 Years Return vs. Standard Deviation



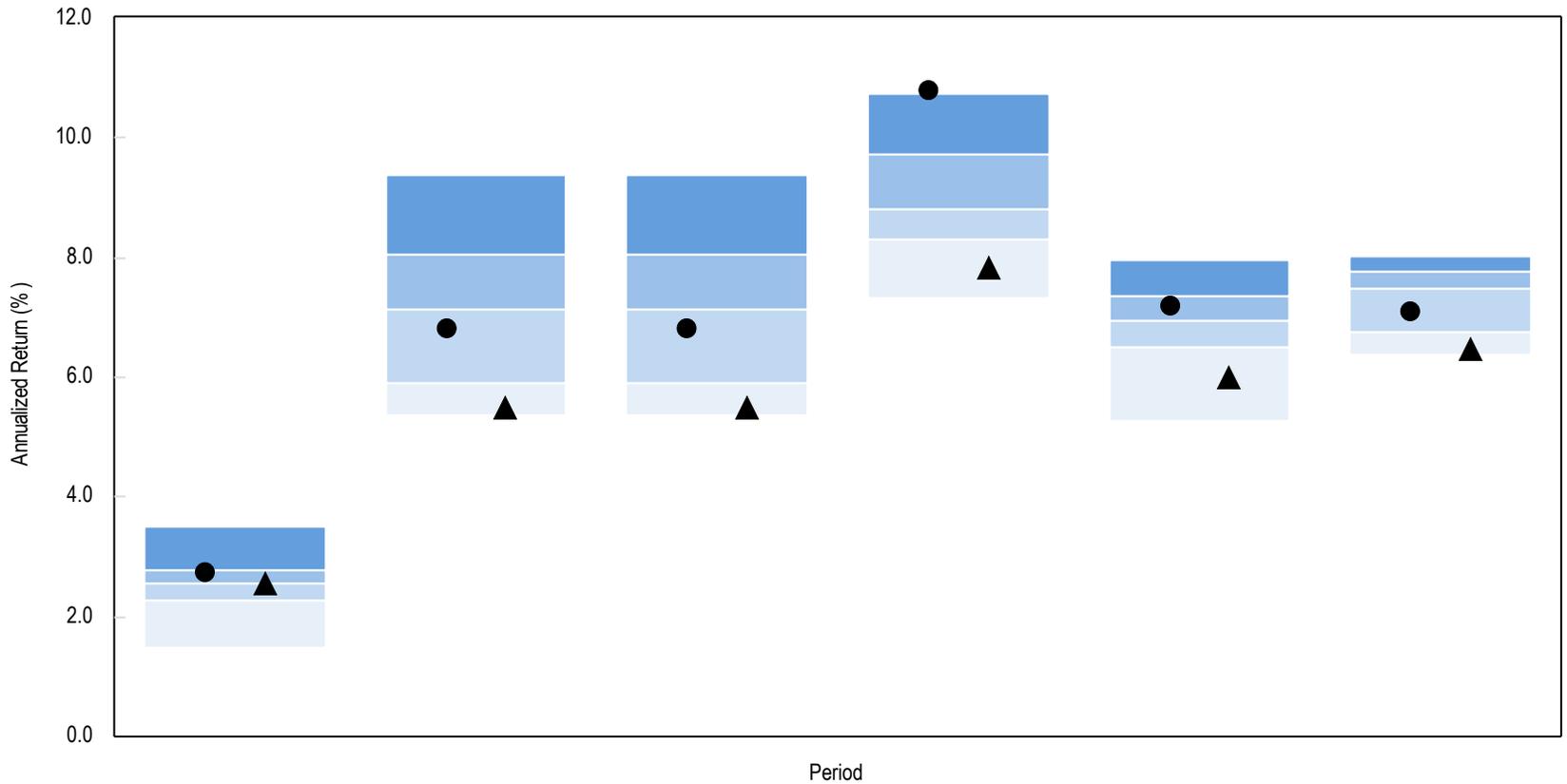
	Return	Standard Deviation
■ Total Retirement System	10.79	8.94
— Median	8.81	8.82
Population	20	20

5 Years Return vs. Standard Deviation



	Return	Standard Deviation
■ Total Retirement System	7.19	10.24
— Median	6.95	9.27
Population	19	19

Total Fund Cumulative Performance vs. InvMetrics Public DB > \$5B

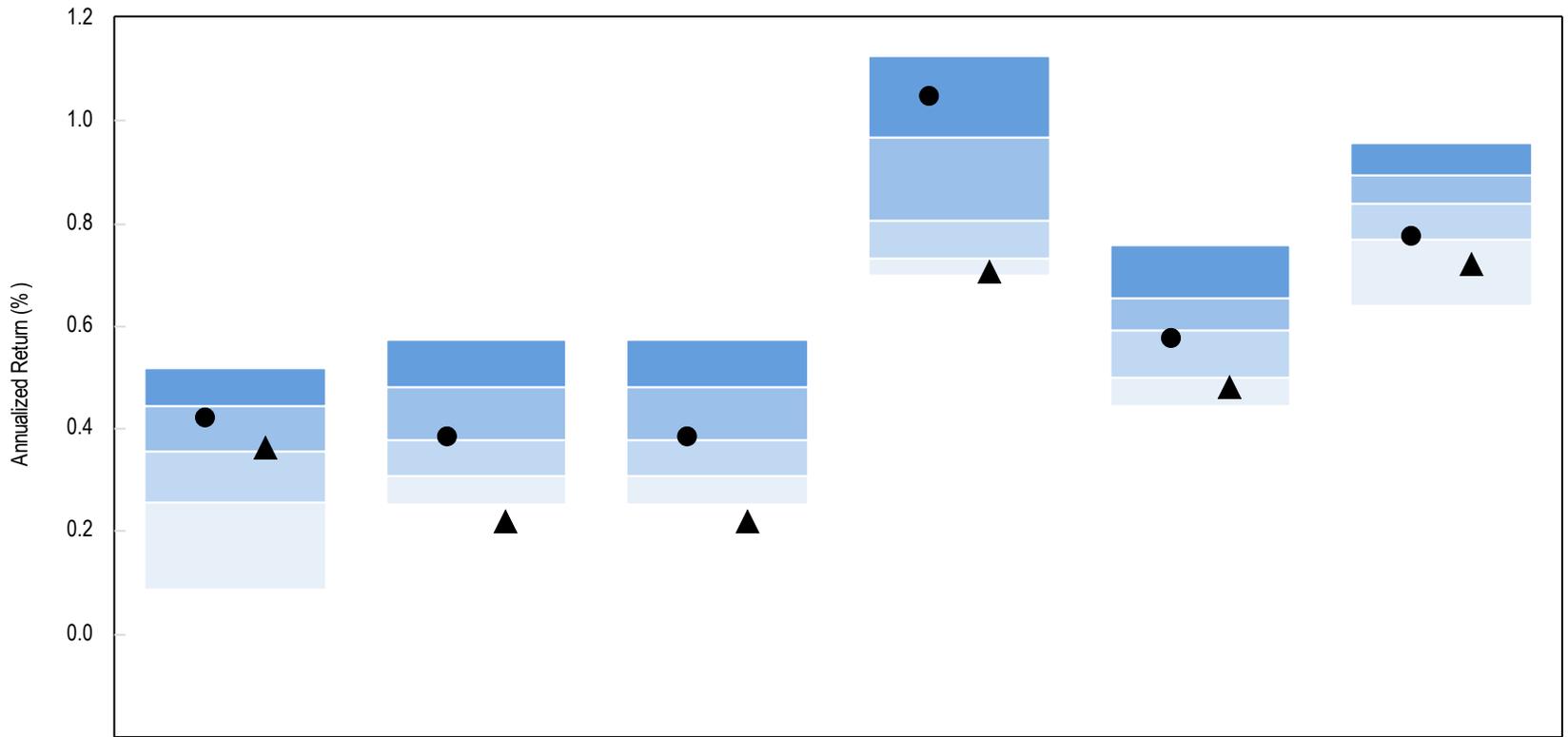


	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
● Total Retirement System	2.76 (27)	6.83 (60)	6.83 (60)	10.79 (5)	7.19 (36)	7.11 (66)
▲ Policy Index	2.56 (50)	5.51 (93)	5.51 (93)	7.84 (84)	5.99 (85)	6.46 (95)
5th Percentile	3.50	9.38	9.38	10.73	7.97	8.04
1st Quartile	2.79	8.06	8.06	9.72	7.37	7.77
Median	2.55	7.15	7.15	8.81	6.95	7.50
3rd Quartile	2.27	5.89	5.89	8.32	6.50	6.77
95th Percentile	1.50	5.38	5.38	7.34	5.26	6.38
Population	29	26	26	20	19	18

Total Retirement System
Peer Universe Comparison: Sharpe Ratio

South Carolina Retirement System Investment Commission
Period Ending: June 30, 2023

Total Fund Sharpe Ratio vs. InvMetrics Public DB > \$5B



Period

	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
● Total Retirement System	0.42 (31)	0.38 (48)	0.38 (48)	1.05 (15)	0.58 (57)	0.78 (74)
▲ Policy Index	0.36 (47)	0.22 (100)	0.22 (100)	0.71 (94)	0.48 (90)	0.72 (85)
5th Percentile	0.52	0.58	0.58	1.13	0.76	0.96
1st Quartile	0.45	0.48	0.48	0.97	0.66	0.89
Median	0.36	0.38	0.38	0.81	0.59	0.84
3rd Quartile	0.26	0.31	0.31	0.73	0.50	0.77
95th Percentile	0.09	0.25	0.25	0.70	0.45	0.64
Population	29	26	26	20	19	18

Total Retirement System

Asset Class Performance Summary

South Carolina Retirement System Investment Commission

Period Ending: June 30, 2023

	Market Value	% of Portfolio	QTD	Fiscal YTD	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception	Inception Date
Total Retirement System	40,622,853,054	100.0	2.8	6.8	6.6	6.8	10.8	7.2	7.1	5.8	Oct-05
<i>Policy Index</i>			2.6	5.5	6.5	5.5	7.8	6.0	6.5	5.1	
Public Equity	17,235,563,592	42.4	6.0	16.5	13.4	16.5	11.4	6.7	7.9	5.9	Oct-05
<i>Public Equity Blended Benchmark</i>			5.9	16.1	13.2	16.1	11.0	7.6	8.6	6.7	
Total Bonds	3,345,568,545	8.2	1.4	2.7	2.5	2.7	1.7	2.2	1.9	3.1	Oct-05
<i>Bonds Blended Benchmark</i>			-0.8	-0.9	2.1	-0.9	-4.0	0.8	1.5	3.0	
Investment Grade - Fixed	429,528,608	1.1	0.5	0.2	3.1	0.2	-1.9	2.1	-	2.2	Jul-15
Investment Grade - Floating	1,272,842,368	3.1	2.1	5.5	4.4	5.5	4.5	-	-	4.5	Jul-20
Mixed Credit	153,646,034	0.4	2.0	2.8	5.9	2.8	7.2	4.9	4.4	5.8	May-08
<i>50% S&P LSTA Leveraged Loan Index/50% Blmbg. High Yield Index</i>			2.4	10.0	5.9	10.0	4.8	3.8	4.3	5.3	
Emerging Market Debt	27,856,071	0.1	1.4	-46.1	-47.2	-46.1	-20.4	-12.0	-5.1	-1.4	Jul-09
<i>50% JPM EMBI Global Div (USD)/50% JPM GBI EM Global</i>			2.3	9.4	5.9	9.4	-2.2	0.5	1.2	3.4	
Cash - Short Duration	1,461,695,463	3.6	1.1	3.4	2.3	3.4	1.2	1.8	1.2	1.7	Oct-05
<i>90 Day U.S. Treasury Bill</i>			1.2	3.6	2.3	3.6	1.3	1.6	1.0	1.3	
Short Duration	182,425,583	0.4	1.1	3.8	2.5	3.8	1.8	2.4	1.9	1.9	Mar-10
<i>Blmbg. 1-3 Year Gov/Credit index</i>			-0.4	0.5	1.1	0.5	-0.9	1.1	1.0	1.1	
Private Equity	5,532,236,754	13.6	1.1	-0.9	1.9	-0.9	23.0	13.5	13.1	9.5	Apr-07
<i>Private Equity Blended Benchmark</i>			1.7	-5.3	2.4	-5.3	23.8	17.5	16.1	12.8	
Private Debt	3,648,650,750	9.0	2.6	5.7	4.6	5.7	11.9	6.4	6.7	7.0	Jun-08
<i>S&P LSTA Leveraged Loan Index + 150 bps 3-mo lag</i>			3.6	4.2	6.8	4.2	10.0	5.1	5.3	5.2	
Real Assets	5,077,250,649	12.5	-1.0	-1.3	-0.8	-1.3	11.8	9.1	11.2	7.7	Jul-08
<i>Real Assets Blended Benchmark</i>			-2.9	-10.7	-6.2	-10.7	7.1	5.7	5.6	3.6	
Private Real Estate	3,434,088,024	8.5	-1.9	-5.2	-4.3	-5.2	11.5	8.9	11.6	7.7	Jul-08
<i>Private Real Estate Blended Benchmark</i>			-2.9	-10.7	-6.2	-10.7	7.1	6.0	8.4	5.4	
Public Real Estate	289,358,164	0.7	2.9	0.0	6.4	0.0	10.1	6.6	-	5.3	Jul-16
<i>FTSE NAREIT Equity REIT</i>			2.6	-0.1	5.4	-0.1	8.9	4.6	6.4	3.5	
Private Infrastructure	1,186,105,014	2.9	1.0	12.5	7.5	12.5	9.0	7.3	-	7.3	Jul-18
<i>Dow Jones Brookfield Global Infrastructure</i>			-1.1	-1.2	1.4	-1.2	6.2	4.9	6.0	4.9	
Public Infrastructure	167,699,448	0.4	-0.5	-1.2	1.4	-1.2	6.8	6.4	-	5.7	Jun-16
<i>Dow Jones Brookfield Global Infrastructure</i>			-1.1	-1.2	1.4	-1.2	6.2	4.9	6.0	5.6	
Hedge Funds Portable Alpha	4,878,864,954	12.0	1.8	4.2	1.7	4.2	11.1	7.0	7.1	8.1	Jul-07
<i>HFRI Conservative Fund of Funds Less LIBOR</i>			-0.2	-0.9	-0.5	-0.9	4.2	2.0	2.1	0.6	
Russell Overlay	904,717,809	2.2									

Return calculations are rounded to the nearest tenth of percent and may differ slightly from BNYM reported returns.

Total Retirement System
Risk Analysis - 5 Years (Net of Fees)

South Carolina Retirement System Investment Commission
Period Ending: June 30, 2023

	Anlzd Return	Anlzd Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Total Retirement System	7.2	10.2	0.4	1.0	0.6	2.7
<i>Policy Index</i>	6.0	9.9	-	1.0	0.5	0.0
Public Equity	6.7	18.5	-0.6	1.0	0.4	1.4
<i>Public Equity Blended Benchmark</i>	7.6	18.1	-	1.0	0.4	0.0
Total Bonds	2.2	4.3	0.2	0.3	0.2	5.4
<i>Bonds Blended Benchmark</i>	0.8	5.4	-	1.0	-0.1	0.0
Mixed Credit	4.9	7.6	0.2	0.7	0.5	5.8
<i>50% S&P LSTA Leveraged Loan Index/50% Blmbg. U.S. Corporate High Yield Index</i>	3.8	7.9	-	1.0	0.3	0.0
Emerging Market Debt	-12.0	23.4	-0.4	0.6	-0.4	22.8
<i>50% JP Morgan EMBI Global Diversified (USD)/50% JP Morgan EMBI Global Diversified</i>	0.5	11.0	-	1.0	0.0	0.0
Cash - Short Duration	1.8	0.8	0.3	0.6	0.3	0.8
<i>90 Day U.S. Treasury Bill</i>	1.6	0.4	-	1.0	-	0.0
Short Duration	2.4	1.7	0.5	0.1	0.5	1.7
<i>90 Day U.S. Treasury Bill</i>	1.6	0.4	-	1.0	-	0.0
Private Equity	13.5	7.4	-0.3	0.0	1.5	15.3
<i>Private Equity Blended Benchmark</i>	17.5	14.1	-	1.0	1.1	0.0
Private Debt	6.4	4.3	0.1	-0.1	1.1	8.8
<i>S&P LSTA Leveraged Loan Index + 150 bps 3-mo lag</i>	5.1	7.1	-	1.0	0.5	0.0
Real Assets	9.1	5.1	0.5	0.4	1.4	6.0
<i>Real Assets Blended Benchmark</i>	5.7	7.8	-	1.0	0.5	0.0
Private Real Estate	8.9	4.6	0.5	0.4	1.5	5.7
<i>Private Real Estate Blended Benchmark</i>	6.0	6.9	-	1.0	0.6	0.0
Public Real Estate	6.6	19.6	0.7	1.0	0.3	2.5
<i>FTSE NAREIT All Equity REITs</i>	4.8	19.7	-	1.0	0.3	0.0
Private Infrastructure	7.3	5.3	0.1	0.0	1.1	17.4
<i>Dow Jones Brookfield Global Infrastructure</i>	4.9	16.8	-	1.0	0.3	0.0
Public Infrastructure	6.4	15.9	0.6	0.9	0.4	2.2
<i>Dow Jones Brookfield Global Infrastructure</i>	4.9	16.8	-	1.0	0.3	0.0
Hedge Funds Portable Alpha	7.0	4.5	1.4	0.7	1.1	3.5
<i>HFRI Conservative Fund of Funds Less LIBOR</i>	2.0	4.5	-	1.0	0.1	0.0

Page excludes managers with less than 5 years of history.

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Delegated Investments (June 1, 2023 to September 13, 2023)

Asset Class	Investment	Investment Amount	RSIC Commitment Date
Private Equity	KPS Special Situations Fund VI	\$100 M	June 20, 2023
Private Equity	KPS Special Situations Mid-Cap Fund II	\$25 M	June 20, 2023
Private Credit	Banner Ridge Secondary Fund V	\$40 M	June 28, 2023
Private Credit	Banner Ridge Secondary Fund V Co	\$13.4 M	June 28, 2023
Private Equity	Varsity Healthcare Partners IV	\$50 M	June 29, 2023
Real Assets	Brookfield Strategic Real Estate Partners V	Up to \$100 M	August 28, 2023

