



INVESTMENT ADVISORY SERVICES

Los Angeles • New York

Sacramento County Employees' Retirement System Quarterly Performance Review

December 8, 2021

Absolute Return Portfolio Performance Summary – as of September 30, 2021

Growth Oriented Strategies

- The Growth Oriented Portfolio returned 4.14% in Q3 and 27.57% for the one-year period ending September 30, 2021
 - Outperformed the HFRI FoF Index + 1% benchmark by 2.55% in Q3 and 11.57% for the one-year period
 - Outperformed the T-bills + 5% long term objective by 2.86% (annualized) over the 5-year period ending September 30, 2021
 - Outperformed the HFRI FoF Index + 1% benchmark by 2.09% (annualized) over the 5-year period
- Third Point led performance in Q3 (+12.64%), followed by Lakewood (+3.55%)
- All funds generated double-digit returns for the one-year period, led by Third Point (+51.60%) and Lakewood (+49.46%)

Diversifying Strategies

- The Diversifying Portfolio returned 0.72% in Q3 and 11.67% for the one-year period ending September 30, 2021
 - Outperformed the HFRI Conservative FoF Index benchmark by 1 bp in Q3 but trailed by 115 bps for the one-year period
 - Outperformed the T-bills + 2% long term objective by 15 bps (annualized) over the trailing 5-year period
- MW Global Opps led performance in Q3 (+4.05%), followed by LMR (+3.86%) and Elliott (+3.22%)
 - Laurion (-5.08%) and Eisler (-3.28%) were the biggest detractors
- All funds generated positive returns for the 1-year period, with returns ranging from 3.50% (PSquared) to 33.28% (Laurion)

Elevated volatility over the past several quarters has moved some portfolio characteristics above their targeted values

- Growth Oriented Portfolio
 - Target standard deviation < 50% of global equities, with an equity beta < 0.5 and equity correlation < 0.8
 - Standard deviation of 7.72% compared to the ACWI standard deviation of 13.16% since December 2011 (59% ratio)
 - Portfolio equity beta of 0.50 with an equity correlation of 0.84
- Diversifying Portfolio
 - Target standard deviation < 25% of global equities, with an equity beta < 0.1 and equity correlation < 0.1
 - Standard deviation of 3.47% compared to the ACWI standard deviation of 13.16% since December 2011 (26% ratio)
 - Portfolio equity beta of 0.13 with an equity correlation of 0.48

Growth Oriented Absolute Return Portfolio Performance – as of September 30, 2021

Fund	Market Value	Actual %	Returns								Std Dev	Sharpe Ratio	Incep Date
			Sep	QTD	YTD	FYTD	1 Year	3 Year	5 Year	Incep			
Growth-Oriented Portfolio													
Event Driven													
Third Point Partners Qualified L.P.	82,347,605	7.5%	3.60%	12.64%	30.24%	12.64%	51.60%	18.29%	14.28%	12.79%	10.40%	1.12	May-12
Event Driven - HF Total	82,347,605	7.5%	3.60%	12.64%	30.24%	12.64%	51.60%	16.51%	13.53%	11.38%	10.47%	0.99	May-12
Equity Long/Short													
Lakewood Capital Partners, LP	56,978,590	5.2%	0.56%	3.55%	27.22%	3.55%	49.46%	9.59%	7.59%	7.11%	15.09%	0.47	Jul-13
Equity Long/Short - HF Total	56,978,590	5.2%	0.56%	3.55%	27.22%	3.55%	49.46%	9.59%	7.59%	7.11%	15.09%	0.47	Jul-13
Multi-Strategy													
Sculptor Domestic Partners II, L.P.	67,408,158	6.1%	0.74%	1.32%	7.23%	1.32%	13.75%	11.81%	10.63%	8.66%	6.51%	1.17	Jan-12
Multi-Strategy - HF Total	67,408,158	6.1%	0.74%	1.32%	7.23%	1.32%	13.75%	11.81%	10.63%	8.66%	6.51%	1.17	Jan-12
Fund of Funds													
Grosvenor SC Absolute Return Fund LLC (Growth)	93,458,191	8.5%	-1.17%	-0.15%	2.57%	-0.15%	11.78%	4.51%	6.30%	5.89%	6.73%	0.75	Dec-11
Fund of Funds - HF Total	93,458,191	8.5%	-1.17%	-0.15%	2.57%	-0.15%	11.78%	4.51%	6.19%	4.75%	6.92%	0.47	Sep-04
Growth-Oriented Portfolio Total	300,192,544	27.3%	0.86%	4.14%	14.58%	4.14%	27.57%	9.48%	9.02%	5.80%	7.54%	0.57	Sep-04
HFRI FoF Composite + 1%			0.86%	1.59%	7.05%	1.59%	16.00%	7.72%	6.93%	4.80%	5.40%	0.60	Sep-04
3 Month T-Bills+5%			0.42%	1.23%	3.75%	1.23%	5.07%	6.18%	6.16%	6.30%	0.46%	-	Sep-04
Market Indices													
Libor3Month			0.01%	0.03%	0.12%	0.03%	0.17%	1.23%	1.38%	1.61%	0.48%	-	Sep-04
Bloomberg Barclays US Aggregate Bond Index			-0.87%	0.05%	-1.55%	0.05%	-0.90%	5.36%	2.95%	4.06%	3.19%	0.76	Sep-04
Bloomberg Barclays US High Yield Bond Index			-0.01%	0.89%	4.53%	0.89%	11.28%	6.91%	6.52%	7.37%	9.21%	0.64	Sep-04
S&P 500 TR			-4.65%	0.58%	15.92%	0.58%	30.01%	16.00%	16.90%	10.51%	14.48%	0.65	Sep-04
MSCI AC World Index Free - Net			-4.13%	-1.05%	11.12%	-1.05%	27.44%	12.58%	13.20%	8.45%	15.54%	0.50	Sep-04
MSCI EAFE - Net			-2.90%	-0.45%	8.35%	-0.45%	25.73%	7.62%	8.81%	6.24%	16.72%	0.35	Sep-04
MSCI EMF (Emerging Markets Free) - Net			-3.97%	-8.09%	-1.25%	-8.09%	18.20%	8.58%	9.23%	8.88%	21.23%	0.43	Sep-04

Diversifying Absolute Return Portfolio Performance – as of September 30, 2021

Fund	Market Value	Actual %	Returns								Std Dev	Sharpe Ratio	Incep Date
			Sep	QTD	YTD	FYTD	1 Year	3 Year	5 Year	Incep			
Diversifying Portfolio													
Market Neutral													
Aristeia Partners, L.P.	47,881,137	4.4%	1.28%	0.61%	6.40%	0.61%	-	-	-	6.40%	7.26%	-	Jan-21
Laurion Capital, Ltd.	64,933,434	5.9%	4.19%	-5.08%	21.34%	-5.08%	33.28%	18.49%	13.36%	10.83%	9.82%	0.99	Mar-14
LMR Fund Limited	48,755,479	4.4%	1.79%	3.86%	12.76%	3.86%	19.34%	-	-	4.27%	19.84%	0.29	Nov-19
KLS Diversified Fund LP	5,345,473	0.5%	-0.89%	-0.95%	1.79%	-0.95%	6.27%	-	-	-2.01%	12.11%	-0.19	Jan-19
Two Sigma Risk Premia Enhanced Fund, LP	44,918,637	4.1%	-4.37%	1.28%	11.92%	1.28%	18.08%	-	-	-0.09%	11.32%	-0.01	Sep-19
Market Neutral - HF Total	211,834,160	19.3%	0.94%	-0.37%	12.50%	-0.37%	20.15%	6.00%	6.04%	6.05%	6.22%	0.80	Mar-14
Event Driven													
BlackRock Event Driven Equity Fund (BILPX)	53,345,195	4.8%	0.00%	-1.34%	1.27%	-1.34%	8.32%	-	-	6.84%	6.79%	0.96	Mar-20
Davidson Kempner Institutional Partners LP	58,546,814	5.3%	0.27%	-0.30%	6.75%	-0.30%	12.07%	-	-	8.21%	5.78%	1.23	May-19
Elliott International Limited - Class A & B	71,287,545	6.5%	2.10%	3.22%	9.59%	3.22%	13.23%	9.56%	8.79%	8.13%	3.25%	2.12	Apr-12
PSquared US Feeder Fund LP	51,612,558	4.7%	-0.36%	1.46%	1.38%	1.46%	3.50%	-	-	2.94%	4.67%	0.60	Aug-20
Event Driven - HF Total	234,792,112	21.3%	0.61%	0.88%	5.11%	0.88%	9.58%	7.15%	7.35%	7.37%	3.42%	1.82	Apr-12
Equity Long/Short													
Marshall Wace Funds LP - MW Global Opportunities (US) Fund	53,879,885	4.9%	1.50%	4.05%	-3.75%	4.05%	5.11%	-	-	7.40%	8.29%	0.77	Jan-19
Equity Long/Short - HF Total	53,879,885	4.9%	1.50%	4.05%	-3.75%	4.05%	5.11%	7.40%	7.40%	7.40%	8.29%	0.77	Apr-12
Macro-Discretionary													
Eisler Capital Fund LP - Class A	43,524,466	4.0%	-0.46%	-3.28%	-	-3.28%	-	-	-	-3.28%	-	-	Jul-21
Macro-Discretionary - HF Total	43,524,466	4.0%	-0.46%	-3.28%	-3.28%	-3.28%	-12.48%	-0.58%	1.77%	0.48%	4.37%	-0.07	May-12
Macro-Systematic													
Graham Global Investment Fund II SPC Ltd. - Tactical Trend Segregated Por	37,813,259	3.4%	-1.18%	-2.35%	3.94%	-2.35%	12.67%	3.18%	-	1.67%	12.07%	0.08	Feb-17
Macro-Systematic - HF Total	37,813,259	3.4%	-1.18%	-2.35%	3.94%	-2.35%	10.90%	-0.20%	-	0.46%	9.29%	-0.05	Jan-17
Fund of Funds													
Grosvenor SC Absolute Return Fund LLC (Diversifying)	217,952,022	19.8%	1.39%	2.22%	1.98%	2.22%	7.90%	5.07%	3.19%	2.63%	3.78%	0.47	Dec-11
Grosvenor SC Absolute Return Fund LLC Series B	228,052	0.0%	-2.03%	-3.35%	-5.67%	-3.35%	-3.28%	1.49%	0.13%	0.76%	3.60%	-0.03	Feb-13
Fund of Funds - HF Total	218,180,074	19.8%	1.38%	2.22%	1.97%	2.22%	7.86%	5.18%	2.86%	2.50%	3.62%	0.45	Dec-11
Diversifying Portfolio Total	800,023,956	72.7%	0.82%	0.72%	5.62%	0.72%	11.67%	4.19%	3.31%	2.81%	3.47%	0.55	Dec-11
HFRI FOF: Conservative Index			0.40%	0.71%	6.60%	0.71%	12.82%	5.29%	4.82%	3.99%	3.50%	0.87	Dec-11
3 Month T-Bills+2%			0.17%	0.51%	1.53%	0.51%	2.07%	3.18%	3.16%	2.64%	0.25%	-	Dec-11

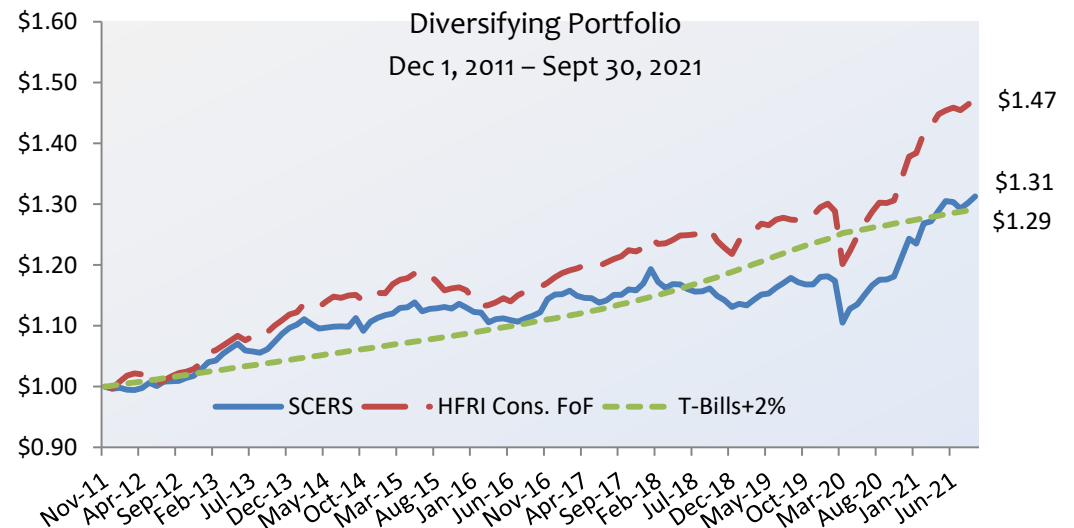
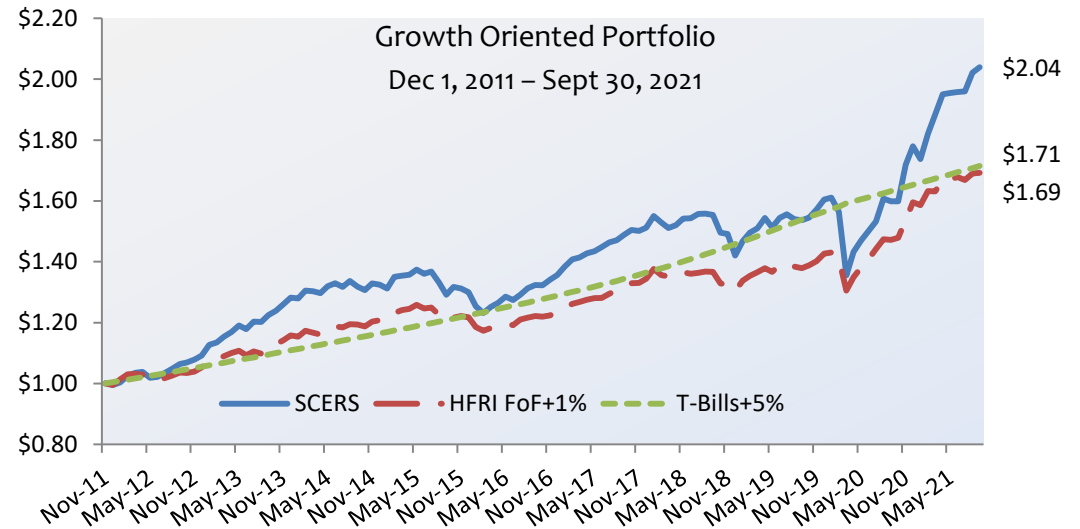
Absolute Return Portfolios Cumulative Performance – December 2011 to September 2021

Despite the sharp downturn in Q1 2020, the Growth Oriented portfolio is again exceeding the T-bills + 5% long term objective; the portfolio remains ahead of the Fund of Funds Index + 1% benchmark

The Diversifying portfolio is above its T-bills + 2% long term objective though continues to trail the HFRI Fund of Funds Conservative Index over this period

Showing cumulative performance (growth of \$1) for each portfolio since the initial restructuring of the Absolute Return portfolio in December 2011

- The prior exposure of the Absolute Return portfolio was only Equity Long/Short fund of funds investments



Private Equity Portfolio – as of June 30, 2021

The Private Equity portfolio's net IRR since inception is 19.54%, versus the Cambridge Associates benchmark IRR of 15.78%

- The long-term Policy objective (Russell 3000 + 3%) has a 18.13% IRR over this period

The private equity portfolio gained 10.8% in Q2 as financial markets extended their rally further into 2021

- Gains were once again broad-based and many funds generated returns of more than 20% for the quarter
 - The Buyout funds generally led performance (AKKR IV, TSG 7B, Summit Europe Growth II, Cortec VII, and Linden III)
 - Threshold Ventures III and Trinity Ventures XI and XII were also among the best performing funds in Q2
- Distributions accelerated again during the quarter, continuing their strong pace
 - \$115.3 million in distributions, led by Waterland VI, Trinity Ventures XII, Linden III, Spectrum VII, and AKKR V

Longer-term performance remains quite strong across most of the private equity funds

- Double-digit net IRRs for all vintage years prior to 2020, with all but one vintage year exceeding peer universes
- Trinity Ventures XII (50.0%), Summit VC IV (49.1%), Spectrum VII (47.0%), Accel-KKR IV (39.2%), Linden III (38.7%), Waterland V (35.4%), Accel-KKR V (35.1%), and Marlin Heritage (34.7%) are leading performance among SCERS' more mature funds

The legacy fund of funds also reported material gains during the quarter

- Goldman Sachs X and Abbott Capital VI each generated double-digit gains in Q2
 - The HarbourVest funds were mostly up 7 – 9% in Q2
 - The legacy fund of funds distributed \$6.9 million during the quarter
- The legacy fund of funds comprise 7.9% of the current fair value of the Private Equity portfolio

Changes during the quarter

- SCERS committed \$70 million across three funds (two buyout, one venture capital) during Q2
 - All three commitments were made with existing SCERS managers, through re-ups and broadening of strategy relationships
 - SCERS also committed \$30 million to a distressed debt fund in Q3 2021
- \$64.6 million in new contributions, \$115.3 million in distributions
- Total portfolio gain increased by \$164.8 million while the total portfolio IRR increased by 0.80%

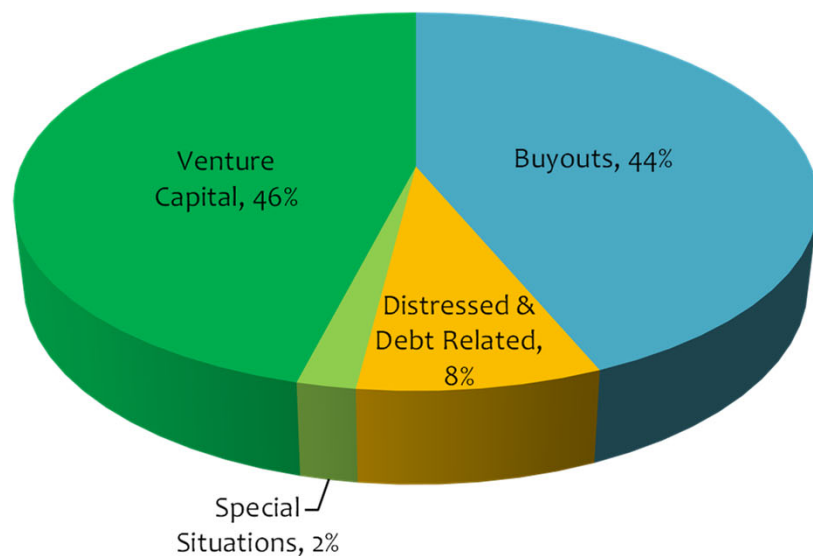
Private Equity Portfolio Characteristics as of June 30, 2021

The SCERS Private Equity portfolio is diversified by strategy and geography

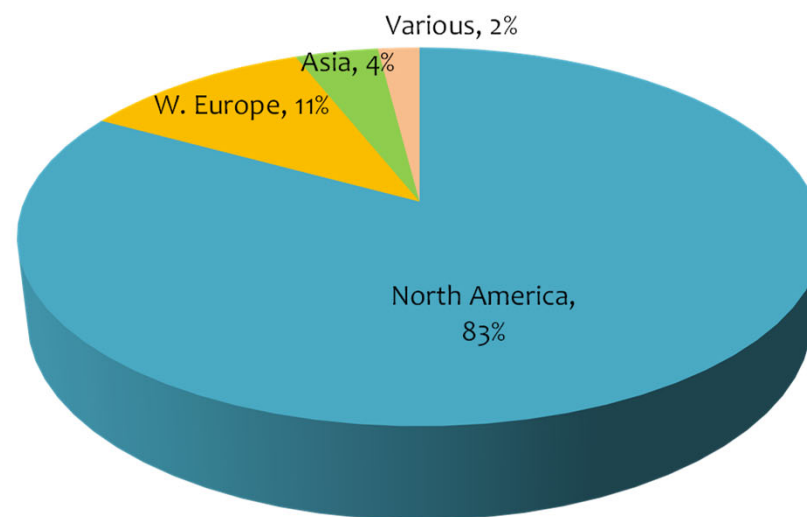
- Investments remain focused in North America, with meaningful exposure to Europe

Portfolio strategy and geographic allocations, based on fair market value of invested capital, shown below

Market Value Strategy Exposure*



Market Value Geographic Exposure*



* Exposures are based on the market values of investments as of 6/30/21.

Private Equity Portfolio Performance Details – as of June 30, 2021

Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI	TVPI Bench.
Vintage Year 2006													
HarbourVest Partners VIII - Buyout Fund L.P.	Fund of Funds	37,500	1,125	36,375	97%	59,014	6,731	65,745	29,370	11.01%	7.67%	1.81x	1.72x
HarbourVest Partners VIII - Mezzanine and Distressed Debt Fund L.P.	Fund of Funds	5,000	200	4,800	96%	6,095	419	6,514	1,714	6.91%	7.67%	1.36x	1.72x
HarbourVest Partners VIII - Venture Fund L.P.	Fund of Funds	7,500	150	7,350	98%	12,233	4,625	16,858	9,508	12.24%	7.67%	2.29x	1.72x
Vintage Year 2006 Total		50,000	1,475	48,525	97%	77,342	11,774	89,117	40,592	10.95%	7.29%	1.84x	1.50x
Vintage Year 2008													
Abbott Capital Private Equity Fund VI, L.P.	Fund of Funds	75,000	375	74,625	100%	99,285	48,171	147,456	72,831	13.97%	15.92%	1.98x	2.54x
Goldman Sachs Private Equity Partners X, L.P.	Fund of Funds	75,000	13,234	68,958	82%	93,427	29,506	122,933	53,975	11.74%	15.92%	1.78x	2.54x
HarbourVest International Private Equity Partners VI-Partnership Fund L.P.	Fund of Funds	38,187	1,909	37,980	95%	34,430	42,172	76,603	38,623	13.70%	1.39%	2.02x	1.08x
Vintage Year 2008 Total		188,187	15,518	181,563	92%	227,142	119,849	346,991	165,428	13.01%	8.72%	1.91x	1.52x
Vintage Year 2011													
Waterland Private Equity Fund V C.V.	Buyout	18,975	3,282	16,071	83%	30,070	16,611	46,681	30,611	35.38%	11.36%	2.90x	1.60x
Khosla Ventures IV, L.P.	Venture Capital	10,000	190	9,810	98%	23,073	22,363	45,436	35,626	26.72%	19.09%	4.63x	2.88x
Vintage Year 2011 Total		28,975	3,472	25,881	88%	53,142	38,975	92,117	66,237	30.75%	13.59%	3.56x	1.88x
Vintage Year 2012													
Garrison Opportunity Fund III A LLC	Distressed Debt	20,000	0	20,000	100%	12,094	8,847	20,941	941	0.78%	15.96%	1.05x	1.60x
New Enterprise Associates 14, L.P.	Venture Capital	25,000	875	24,125	97%	25,210	65,613	90,822	66,697	23.87%	18.75%	3.76x	2.47x
Summit Partners Venture Capital III-A, LP	Venture Capital	16,350	1,913	19,692	88%	37,702	3,162	40,864	21,172	17.63%	18.75%	2.08x	2.47x
Vintage Year 2012 Total		61,350	2,788	63,817	95%	75,005	77,622	152,627	88,810	16.30%	14.27%	2.39x	1.78x
Vintage Year 2013													
Accel-KKR Capital Partners IV, L.P.	Buyout	15,000	318	15,501	98%	26,913	24,482	51,395	35,894	39.21%	17.26%	3.32x	1.92x
H.I.G. Capital Partners V, L.P.	Buyout	14,000	936	13,064	93%	7,654	18,670	26,324	13,260	23.87%	17.26%	2.02x	1.92x
Marlin Equity IV, L.P.	Buyout	20,000	93	19,907	100%	16,662	11,838	28,500	8,593	9.44%	17.26%	1.43x	1.92x
RRJ Capital Master Fund II, L.P.	Buyout	35,000	3,875	35,938	89%	36,104	14,221	50,325	14,387	9.82%	15.20%	1.40x	1.70x
H.I.G. Bayside Loan Opportunity Fund III (Europe-US\$), L.P.	Distressed Debt	30,000	5,769	24,231	81%	26,443	6,383	32,827	8,596	8.15%	3.04%	1.35x	1.12x
Wayzata Opportunities Fund III, L.P.	Distressed Debt	30,000	24,103	14,718	20%	8,849	4,791	13,640	-1,078	-2.09%	8.65%	0.93x	1.34x

¹Benchmarks:

Private Equity Investments: Cambridge Associates median return for the respective strategies and vintage years

Vintage Year Comparison: Cambridge Associates Global Private Equity & Venture Capital median return for the respective vintage years

Private Equity Portfolio: Cambridge Associates Global Private Equity & Venture Capital pooled internal rate of return

Private Equity Portfolio Performance Details – as of June 30, 2021 (continued)

Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI	TVPI Bench.
Trinity Ventures XI, L.P.	Venture Capital	25,000	875	24,125	97%	4,835	56,066	60,902	36,777	18.15%	18.19%	2.52x	2.37x
Vintage Year 2013 Total		169,000	35,971	147,483	79%	127,460	136,451	263,911	116,428	15.00%	14.97%	1.79x	1.73x
Vintage Year 2014													
Dyal Capital Partners II	Buyout	35,000	8,683	32,400	75%	8,363	29,509	37,872	5,472	5.17%	19.41%	1.17x	1.90x
H.I.G. Europe Capital Partners II, L.P.	Buyout	16,603	1,377	15,054	92%	5,591	16,378	21,969	6,915	15.08%	17.82%	1.46x	1.81x
Marlin Heritage Fund	Buyout	10,000	2,215	10,508	78%	17,311	8,549	25,860	15,352	34.71%	19.41%	2.46x	1.90x
Thoma Bravo XI	Buyout	30,000	3,203	32,531	89%	61,926	54,853	116,779	84,248	31.73%	19.41%	3.59x	1.90x
TPG Opportunities Partners III	Distressed Debt	40,000	12,851	49,719	68%	43,629	18,621	62,250	12,531	10.81%	9.39%	1.25x	1.29x
Khosla Ventures V	Venture Capital	20,000	700	19,300	97%	6,409	55,891	62,300	43,000	28.58%	25.98%	3.23x	2.80x
Spectrum Equity Investors VII, L.P.	Venture Capital	25,000	1,625	23,375	94%	45,274	63,589	108,864	85,489	47.00%	25.98%	4.66x	2.80x
Vintage Year 2014 Total		176,603	30,655	182,888	83%	188,504	247,389	435,893	253,006	27.67%	20.53%	2.38x	2.11x
Vintage Year 2015													
* WPEF VI Overflow Fund C.V.	Buyout	7,116	7,105	10	0%	0	0	0	-10	0.00%	18.78%	0.00x	1.70x
RRJ Capital Master Fund III, LP	Buyout	40,000	6,358	37,011	84%	33,857	13,042	46,899	9,888	12.17%	18.78%	1.27x	1.70x
WPEF VI Feeder, L.P.	Buyout	28,462	15,583	21,495	45%	20,404	24,125	44,529	23,034	26.06%	18.78%	2.07x	1.70x
Accel-KKR Growth Capital Partners II	Mezzanine	15,000	617	14,383	96%	15,129	17,324	32,453	18,070	32.84%	9.70%	2.26x	1.33x
New Enterprise Associates 15, L.P.	Venture Capital	35,000	1,925	33,079	95%	13,664	84,540	98,204	65,125	28.29%	22.52%	2.97x	2.29x
Summit Partners Venture Capital Fund IV-A, L.P.	Venture Capital	35,000	28,027	34,459	20%	27,486	49,436	76,922	42,463	49.08%	22.52%	2.23x	2.29x
Vintage Year 2015 Total		160,578	59,615	140,438	63%	110,539	188,468	299,007	158,570	28.91%	19.32%	2.13x	1.85x
Vintage Year 2016													
Accel-KKR Capital Partners V, L.P.	Buyout	25,000	2,162	22,838	91%	15,097	25,369	40,466	17,628	35.08%	21.15%	1.77x	1.75x
Dyal III Pension Investors LP	Buyout	35,000	21,404	22,721	39%	16,041	26,309	42,350	19,630	25.31%	21.15%	1.86x	1.75x
Linden Capital Partners III	Buyout	35,000	4,490	37,510	87%	56,284	50,483	106,768	69,258	38.66%	21.15%	2.85x	1.75x
Marlin Heritage Europe, L.P.	Buyout	15,417	1,902	13,035	88%	0	26,892	26,892	13,858	33.16%	15.10%	2.06x	1.50x
Thoma Bravo Fund XII, L.P.	Buyout	30,000	5,287	40,766	82%	16,054	50,457	66,511	25,745	18.79%	21.15%	1.63x	1.75x
TSG7 A L.P.	Buyout	16,000	3,521	12,479	78%	1,754	22,793	24,547	12,068	21.21%	21.15%	1.97x	1.75x
TSG7 B L.P.	Buyout	4,000	242	3,931	94%	866	6,015	6,880	2,949	29.01%	21.15%	1.75x	1.75x

¹Benchmarks:

Private Equity Investments: Cambridge Associates median return for the respective strategies and vintage years

Vintage Year Comparison: Cambridge Associates Global Private Equity & Venture Capital median return for the respective vintage years

Private Equity Portfolio: Cambridge Associates Global Private Equity & Venture Capital pooled internal rate of return

Private Equity Portfolio Performance Details – as of June 30, 2021 (continued)

Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI	TVPI Bench.
Atalaya Special Opportunities Fund VI, L.P.	Distressed Debt	25,000	2,454	28,940	90%	32,622	9,987	42,609	13,669	14.62%	8.43%	1.47x	1.22x
Trinity Ventures XII, L.P.	Venture Capital	30,000	4,275	25,725	86%	13,803	86,386	100,189	74,464	50.07%	29.80%	3.89x	2.04x
Vintage Year 2016 Total		215,417	45,738	207,943	79%	152,521	304,692	457,213	249,270	30.63%	21.14%	2.20x	1.70x
Vintage Year 2017													
Marlin Heritage II	Buyout	10,000	1,582	8,418	84%	2,110	9,449	11,558	3,140	14.81%	28.07%	1.37x	1.78x
Summit Partners Europe Growth Equity Fund II, SCSP	Buyout	35,578	14,648	34,770	59%	23,120	39,724	62,844	28,074	78.29%	21.99%	1.81x	1.58x
New Enterprise Associates 16, L.P.	Venture Capital	35,000	5,425	29,575	85%	1,062	49,464	50,525	20,950	25.75%	33.26%	1.71x	1.88x
Vintage Year 2017 Total		80,578	21,655	72,763	73%	26,291	98,636	124,927	52,165	36.85%	25.25%	1.72x	1.64x
Vintage Year 2018													
Linden Capital Partners IV LP	Buyout	44,330	19,130	28,124	57%	4,246	29,584	33,830	5,706	17.32%	23.41%	1.20x	1.36x
Marlin Equity V	Buyout	25,000	9,769	15,377	61%	7,748	16,587	24,335	8,957	28.67%	23.41%	1.58x	1.36x
TSG8 L.P.	Buyout	45,000	30,610	14,390	32%	79	14,104	14,183	-207	-1.33%	23.41%	0.99x	1.36x
Davidson Kempner Long-Term Distressed Opportunities Fund IV LP	Distressed Debt	35,000	2,400	33,198	93%	597	39,784	40,382	7,184	9.67%	N/A	1.22x	N/A
TSSP Opportunities Partners IV (A), L.P.	Distressed Debt	35,000	16,644	27,092	52%	9,714	22,511	32,225	5,133	22.55%	N/A	1.19x	N/A
RCP Fund XIII	Fund of Funds	50,000	32,000	18,872	36%	872	21,049	21,922	3,049	15.39%	33.40%	1.16x	1.48x
RCPDirect III	Fund of Funds	25,000	6,739	18,261	73%	386	23,970	24,356	6,095	24.89%	10.36%	1.33x	1.17x
Accel-KKR Growth Capital Partners III	Mezzanine	33,320	19,583	13,737	41%	0	18,339	18,339	4,602	N/M	N/M	1.34x	N/A
Khosla Ventures VI, L.P.	Venture Capital	35,000	7,805	27,195	78%	0	32,921	32,921	5,726	13.19%	39.96%	1.21x	1.72x
Spectrum Equity VIII, L.P.	Venture Capital	25,000	2,500	22,500	90%	17,040	29,810	46,850	24,350	52.92%	39.96%	2.08x	1.72x
Vintage Year 2018 Total		352,650	147,180	218,746	58%	40,682	248,660	289,342	70,596	21.60%	27.30%	1.32x	1.50x
Vintage Year 2019													
Cortec Group Fund VII, L.P.	Buyout	30,000	21,770	11,081	27%	2,856	15,354	18,210	7,128	N/M	N/M	1.64x	1.33x
Gridiron Capital Fund IV, L.P.	Buyout	30,000	15,091	14,852	50%	0	20,074	20,074	5,222	N/M	N/M	1.35x	1.33x
Thoma Bravo Fund XIII, LP	Buyout	45,000	14,101	44,466	69%	23,173	56,407	79,581	35,115	57.54%	23.34%	1.79x	1.33x
New Enterprise Associates 17, L.P.	Venture Capital	25,000	12,875	12,139	49%	712	18,875	19,587	7,448	N/M	N/M	1.61x	1.41x
Threshold Ventures III, L.P.	Venture Capital	20,000	9,300	10,700	54%	0	15,647	15,647	4,947	N/M	N/M	1.46x	1.41x
Vintage Year 2019 Total		150,000	73,138	93,238	51%	26,741	126,357	153,098	59,860	54.61%	31.97%	1.64x	1.33x

¹Benchmarks:

Private Equity Investments: Cambridge Associates median return for the respective strategies and vintage years

Vintage Year Comparison: Cambridge Associates Global Private Equity & Venture Capital median return for the respective vintage years

Private Equity Portfolio: Cambridge Associates Global Private Equity & Venture Capital pooled internal rate of return

Private Equity Portfolio Performance Details – as of June 30, 2021 (continued)

Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI	TVPI Bench.
Vintage Year 2020													
Accel-KKR Capital Partners VI, LP	Buyout	30,000	28,494	1,506	5%	0	839	839	-667	N/M	N/M	0.56x	1.16x
Summit Partners Europe Growth Equity Fund III, SCSp	Buyout	23,718	19,901	3,740	16%	0	3,613	3,613	-128	N/M	N/M	0.97x	N/A
Wynnchurch Capital Partners V	Buyout	20,000	15,941	4,059	20%	0	5,191	5,191	1,133	N/M	N/M	1.28x	1.16x
Davidson Kempner Long-Term Distressed Opportunities Fund V LP	Distressed Debt	30,000	17,227	13,050	43%	277	15,144	15,421	2,371	N/M	N/M	1.18x	N/A
Shamrock Capital Content Fund II, L.P.	Opportunistic Credit	20,000	14,081	6,098	30%	173	5,729	5,902	-196	N/M	N/M	0.97x	1.13x
Canvas Ventures 3, L.P.	Venture Capital	20,000	16,470	3,530	18%	0	3,212	3,212	-317	N/M	N/M	0.91x	1.14x
OrbiMed Private Investments VIII, LP	Venture Capital	15,000	11,325	3,675	25%	0	3,901	3,901	226	N/M	N/M	1.06x	1.14x
Spectrum Equity IX-A, L.P.	Venture Capital	25,000	21,250	3,750	15%	0	3,408	3,408	-342	N/M	N/M	0.91x	1.14x
Summit Partners Venture Capital Fund V-A, L.P.	Venture Capital	20,000	18,936	1,064	5%	0	954	954	-110	N/M	N/M	0.90x	1.14x
Vintage Year 2020 Total		203,718	163,625	40,472	20%	450	41,992	42,442	1,971	N/M	N/M	1.05x	1.14x
Vintage Year 2021													
Linden Capital Partners V LP	Buyout	30,000	30,000	0	0%	0	0	0	0	N/M	N/M	N/A	N/A
Shamrock Capital Growth Fund V, L.P.	Buyout	20,000	20,000	0	0%	0	-172	-172	-172	N/M	N/M	N/A	N/A
CRV Select Fund I, LP	Venture Capital	20,000	8,050	11,950	60%	0	11,847	11,847	-103	N/M	N/M	0.99x	0.98x
CRV XVIII, LP	Venture Capital	20,000	13,100	6,900	35%	0	6,863	6,863	-37	N/M	N/M	0.99x	0.98x
Khosla Ventures VII, L.P.	Venture Capital	20,000	17,880	2,120	11%	0	2,182	2,182	62	N/M	N/M	1.03x	0.98x
Vintage Year 2021 Total		110,000	89,030	20,970	19%	0	20,720	20,720	-250	N/M	N/M	0.99x	0.98x
Portfolio Strategy Totals													
Buyout		819,199	333,078	583,551	59%	434,282	651,351	1,085,633	502,082	25.83%		1.86x	
Distressed Debt		245,000	81,449	210,948	67%	134,226	126,068	260,294	49,346	7.88%		1.23x	
Fund of Funds		313,187	55,731	267,221	82%	305,743	176,642	482,385	215,164	12.56%		1.81x	
Mezzanine		48,320	20,200	28,120	58%	15,129	35,663	50,792	22,672	32.32%		1.81x	
Opportunistic Credit		20,000	14,081	6,098	30%	173	5,729	5,902	-196	N/M		0.97x	
Venture Capital		501,350	185,322	348,787	63%	216,268	666,132	882,401	533,613	29.03%		2.53x	
Portfolio Total :		1,947,055	689,861	1,444,725	65%	1,105,821	1,661,586	2,767,407	1,322,682	19.54%	15.78%	1.92x	

¹Benchmarks:

Private Equity Investments: Cambridge Associates median return for the respective strategies and vintage years

Vintage Year Comparison: Cambridge Associates Global Private Equity & Venture Capital median return for the respective vintage years

Private Equity Portfolio: Cambridge Associates Global Private Equity & Venture Capital pooled internal rate of return

Private Credit Portfolio – as of June 30, 2021

The Private Credit portfolio's net IRR since inception is 9.37%, versus the benchmark return of 7.00%

- The benchmark is the Credit Suisse Leveraged Loan Index + 2%

The Private Credit funds reported another quarter of solid gains, following the recovery from the Q1 2020 downturn

- The portfolio returned 2.0% in Q2 and 18.3% for the trailing 1-year period ending June 30, 2021
 - Most of the funds gained between 1% and 4% during Q2, though OrbiMed Royalty III declined after posting an outsized Q4 gain
 - Summit Partners Credit Fund II also reported a modest decline (-2.8%) in Q2
- Longer term performance has also recovered from the Q1 2020 sell-off
 - 9.7% net IRR for the 3-year period and 9.6% net IRR for the 5-year period
 - The portfolio is now generating annualized returns of 9% - 10% over multi-year periods

Changes during the quarter

- SCERS committed \$85 million across three funds, including upsizing an existing fund of one commitment, in Q2 2021
 - The new commitments included a European Direct Lending fund and an Opportunistic Credit fund focused on entertainment IP
 - The upsizing was an additional \$25 million committed to TCP Direct Lending Fund VIII-S
 - SCERS made no new commitments to Private Credit funds in Q3 2021
- \$31.9 million in new contributions, \$19.9 million in distributions
- Total portfolio gain increased by \$5.0 million while the total portfolio IRR declined by 0.07%

Private Credit Portfolio Details – as of June 30, 2021

Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI	TVPI Bench.
Vintage Year 2011													
Summit Partners Credit Fund, LP	Direct Lending	20,000	2,125	20,697	89%	26,391	404	26,795	6,098	8.87%	N/A	1.29x	N/A
Vintage Year 2011 Total		20,000	2,125	20,697	89%	26,391	404	26,795	6,098	8.87%	13.59%	1.29x	1.88x
Vintage Year 2014													
Summit Partners Credit Fund II, L.P.	Direct Lending	35,000	3,546	48,551	90%	37,088	18,855	55,943	7,392	5.89%	4.04%	1.15x	N/A
Vintage Year 2014 Total		35,000	3,546	48,551	90%	37,088	18,855	55,943	7,392	5.89%	20.53%	1.15x	2.11x
Vintage Year 2015													
Athyrium Opportunities Fund II	Opportunistic Credit	32,000	3,007	42,141	91%	37,819	14,289	52,108	9,968	9.95%	9.70%	1.24x	1.33x
Vintage Year 2015 Total		32,000	3,007	42,141	91%	37,819	14,289	52,108	9,968	9.95%	19.32%	1.24x	1.85x
Vintage Year 2017													
Athyrium Opportunities Fund III	Opportunistic Credit	25,000	4,198	27,062	83%	10,816	20,149	30,966	3,904	7.84%	11.05%	1.14x	1.23x
Vintage Year 2017 Total		25,000	4,198	27,062	83%	10,816	20,149	30,966	3,904	7.84%	25.25%	1.14x	1.64x
Vintage Year 2018													
Benefit Street Partners Senior Secured Opportunities Fund L.P.	Direct Lending	50,000	10,580	50,953	79%	21,161	38,547	59,708	8,755	6.02%	4.39%	1.17x	N/A
Summit Partners Credit Fund III, L.P.	Direct Lending	50,000	28,637	45,219	43%	23,856	30,652	54,508	9,289	16.49%	4.39%	1.21x	N/A
TCP Direct Lending Fund VIII-S, LLC	Direct Lending	125,000	53,567	71,433	57%	14,998	72,593	87,591	16,158	9.33%	4.39%	1.23x	N/A
Vintage Year 2018 Total		225,000	92,784	167,605	59%	60,014	141,792	201,806	34,201	9.07%	27.30%	1.20x	1.50x
Vintage Year 2019													
BSP Levered US SOF II (Senior Secured Opportunities) Fund L.P.	Direct Lending	50,000	31,644	18,303	37%	5	19,854	19,859	1,556	N/M	N/M	1.09x	N/A
OrbiMed Royalty & Credit Opportunities III, LP	Opportunistic Credit	35,000	26,335	13,818	25%	5,160	14,114	19,274	5,456	N/M	N/M	1.39x	1.19x
Vintage Year 2019 Total		85,000	57,979	32,121	32%	5,165	33,968	39,133	7,012	N/M	N/M	1.22x	1.33x
Vintage Year 2020													
MCP Private Capital Fund IV (Feeder) SCSp	Direct Lending	37,475	31,989	5,346	15%	0	5,129	5,129	-218	N/M	N/M	0.96x	N/A
Silver Point Specialty Credit Fund II, L.P.	Opportunistic Credit	40,000	22,352	17,737	44%	1,318	19,396	20,714	2,978	N/M	N/M	1.17x	1.13x
Vintage Year 2020 Total		77,475	54,341	23,083	30%	1,318	24,525	25,843	2,760	N/M	N/M	1.12x	1.14x

¹Benchmarks:

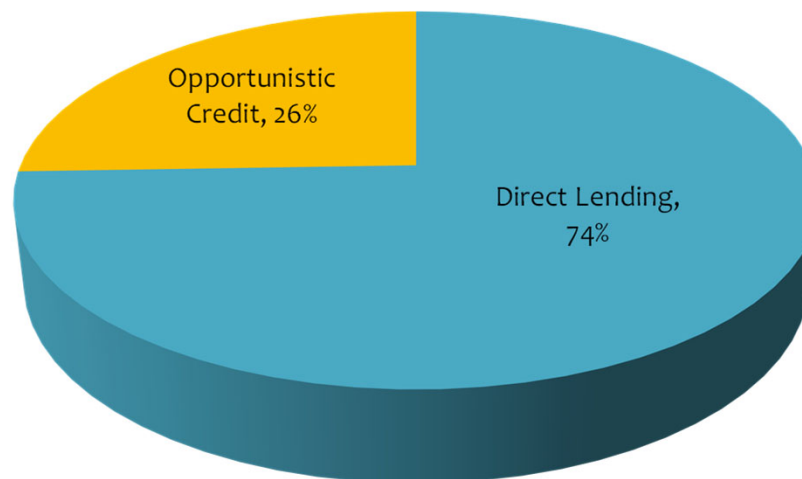
Private Credit Investments: Cambridge Associates median return for the respective debt strategies and vintage years

Private Credit Portfolio: Credit Suisse Leveraged Loan Index + 2%

Private Credit Portfolio Details – as of June 30, 2021 (continued)

Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI	TVPI Bench.
Vintage Year 2021													
Ares Capital Europe V	Direct Lending	40,000	35,304	4,696	12%	0	5,096	5,096	400	N/M	N/M	1.09x	N/A
IFM USIDF (Offshore) B Feeder	Direct Lending	40,000	38,403	1,597	4%	0	1,663	1,663	66	N/M	N/M	1.04x	N/A
Shamrock Capital Debt Opportunities Fund I, L.P.	Opportunistic Credit	20,000	20,000	0	0%	0	0	0	0	N/M	N/M	N/A	N/A
Vintage Year 2021 Total		100,000	93,707	6,293	6%	0	6,759	6,759	466	N/M	N/M	1.07x	0.98x
Portfolio Total :		599,475	311,686	367,552	48%	178,612	260,741	439,353	71,800	9.37%	7.00%	1.20x	
Portfolio Strategy Totals													
Direct Lending		447,475	235,794	266,795	47%	123,499	192,792	316,291	49,496	8.42%		1.19x	
Opportunistic Credit		152,000	75,892	100,757	50%	55,113	67,948	123,062	22,304	12.48%		1.22x	
Portfolio Total :		599,475	311,686	367,552	48%	178,612	260,741	439,353	71,800	9.37%	7.00%	1.20x	

Market Value Strategy Exposure*



* Exposures are based on the market values of investments as of 6/30/21.

¹Benchmarks:

Private Credit Investments: Cambridge Associates median return for the respective debt strategies and vintage years

Private Credit Portfolio: Credit Suisse Leveraged Loan Index + 2%

Real Assets Portfolio – as of June 30, 2021

The Real Assets portfolio's net IRR since inception is 9.80%, versus the blended benchmark return of 6.71%

- The Real Assets portfolio includes private Infrastructure, Energy, and Agriculture, Timber and Other
- Real Assets is part of the broader Real Return asset category

The Real Assets portfolio is primarily Infrastructure and Energy partnerships

- Performance of the Energy partnerships was materially impacted by significant markdowns in Q1 2020
 - However, several of the upstream (exploration and production) Energy partnerships have rebounded sharply since Q3 2021
- Infrastructure partnerships saw smaller declines in Q1 2020 and have maintained good performance since inception
- Since inception net IRRs of 10.9% for Infrastructure and 9.6% for Energy

The Real Assets portfolio generated an 8.1% net return in Q2

- The portfolio's Energy funds led performance during the quarter, with a wide dispersion across funds
 - Most of the upstream funds reported returns of more than 30% in Q2 as oil prices continued to strengthen
 - The remaining Energy funds generally reported returns of 4% to 10% in Q2
- The Infrastructure funds also reported good performance during the quarter, generally returning 3% to 7% in Q2

Changes during the quarter

- SCERS committed €42 million to a European infrastructure fund and \$25 million to a U.S. social infrastructure fund in Q2
 - SCERS made no new commitments to Real Assets funds in Q3 2021
- \$40.7 million in new contributions, \$17.9 million in distributions
- Portfolio IRR increased by 1.57% while the total portfolio gain increased by \$50.6 million

Real Assets Portfolio Performance Details – as of June 30, 2021

Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI
Vintage Year 2013												
EnCap Energy Capital Fund IX, L.P.	Energy	33,000	1,518	37,762	95%	29,562	17,030	46,592	8,830	7.35%	2.62%	1.23x
Vintage Year 2013 Total		33,000	1,518	37,762	95%	29,562	17,030	46,592	8,830	7.35%		1.23x
Vintage Year 2014												
Carlyle Power Partners II, L.P.	Energy	40,000	10,630	37,856	73%	8,328	35,266	43,595	5,739	5.18%	5.31%	1.15x
EnCap Flatrock Midstream III	Energy	20,000	1,134	23,357	94%	10,365	16,968	27,333	3,976	7.21%	5.31%	1.17x
Global Energy & Power Infrastructure Fund II	Energy	35,000	1,645	37,461	95%	30,575	18,962	49,536	12,075	17.63%	5.31%	1.32x
Quantum Energy Partners VI, LP	Energy	35,000	8,283	32,647	76%	21,236	45,021	66,257	33,610	28.21%	5.31%	2.03x
Pantheon SCERS SIRF MM, LLC	Infrastructure	100,000	32,668	71,632	67%	43,400	62,806	106,206	34,574	10.87%	9.84%	1.48x
Wastewater Opportunity Fund	Infrastructure	25,000	1,754	25,190	93%	8,717	16,495	25,212	22	0.03%	9.84%	1.00x
Vintage Year 2014 Total		255,000	56,115	228,143	78%	122,621	195,519	318,139	89,997	12.21%		1.39x
Vintage Year 2015												
ArcLight Energy Partners Fund VI	Energy	40,000	5,604	42,665	86%	17,220	25,436	42,656	-9	-0.01%	7.32%	1.00x
EnCap Energy Capital Fund X, L.P.	Energy	40,000	3,089	39,589	92%	13,809	34,901	48,710	9,122	6.87%	7.32%	1.23x
* Atalaya Real Assets SMA	Real Asset Debt	100,000	84,789	36,169	15%	45,101	0	45,101	8,932	10.27%	N/A	1.25x
Vintage Year 2015 Total		180,000	93,482	118,423	48%	76,130	60,338	136,467	18,045	5.13%		1.15x
Vintage Year 2016												
ACM Fund II, LLC	Agriculture	25,000	2,875	26,271	88%	4,581	16,800	21,382	-4,890	-8.47%	5.50%	0.81x
Brookfield Infrastructure Fund III, L.P.	Infrastructure	40,000	7,926	33,803	80%	11,207	33,647	44,854	11,051	10.67%	8.11%	1.33x
IFM Global Infrastructure Fund	Infrastructure	125,053	0	125,053	100%	36,210	141,893	178,103	53,050	12.61%	8.11%	1.42x
Vintage Year 2016 Total		190,053	10,801	185,127	94%	51,998	192,341	244,339	59,211	10.18%		1.32x
Vintage Year 2017												
Quantum Energy Partners VII, LP	Energy	40,000	17,065	27,181	57%	7,545	33,919	41,464	14,283	19.76%	7.46%	1.53x
Meridiam Infrastructure North America Fund III	Infrastructure	50,000	43,863	6,137	12%	1	4,477	4,478	-1,659	-23.60%	9.28%	0.73x
Vintage Year 2017 Total		90,000	60,928	33,318	32%	7,545	38,397	45,942	12,624	15.99%		1.38x
Vintage Year 2018												
Paine Schwartz Food Chain Fund V, LP	Agriculture	40,000	28,163	12,302	30%	465	12,548	13,013	711	N/M	N/M	1.06x

¹Benchmarks:

Real Assets Portfolio: 45% Cambridge Infrastructure, 35% Cambridge Energy, 10% NCREIF Timberland, 10% NCREIF Farmland

Energy Investments: Cambridge Associates median return for the respective vintage years.

Infrastructure Investments: Cambridge Associates median return for the respective vintage years.

Real Assets Portfolio Performance Details – as of June 30, 2021 (continued)

Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI
EnCap Flatrock Midstream IV, L.P.	Energy	22,500	13,676	9,409	39%	588	10,174	10,761	1,353	6.10%	4.73%	1.14x
Tailwater Energy Fund III, LP	Energy	32,000	3,123	30,932	90%	2,133	26,531	28,664	-2,268	-3.56%	4.73%	0.93x
ISQ Global Infrastructure Fund II	Infrastructure	50,000	18,213	38,091	64%	6,304	41,577	47,881	9,790	15.44%	12.74%	1.26x
Vintage Year 2018 Total		144,500	63,175	90,733	56%	9,490	90,830	100,320	9,586	6.00%		1.11x
Vintage Year 2019												
Tailwater Energy Fund IV, LP	Energy	35,000	18,686	16,305	47%	0	16,515	16,515	211	N/M	N/M	1.01x
Brookfield Infrastructure Fund IV	Infrastructure	40,000	17,826	23,189	55%	2,839	23,529	26,368	3,179	N/M	N/M	1.14x
EQT Infrastructure IV (No.2) USD SCSp	Infrastructure	35,000	13,310	23,090	62%	1,448	25,664	27,112	4,022	12.80%	9.12%	1.17x
Vintage Year 2019 Total		110,000	49,823	62,583	55%	4,287	65,708	69,995	7,412	10.05%		1.12x
Vintage Year 2020												
NGP Royalty Partners, L.P.	Energy	40,000	26,050	13,902	35%	191	15,920	16,111	2,209	N/M	N/M	1.16x
Vintage Year 2020 Total		40,000	26,050	13,902	35%	191	15,920	16,111	2,209	N/M		1.16x
Vintage Year 2021												
Digital Colony Partners II, LP	Infrastructure	35,000	23,888	11,112	32%	0	11,123	11,123	11	N/M	N/M	1.00x
Harrison Street Social Infrastructure Fund, L.P.	Infrastructure	75,000	63,292	11,708	16%	0	11,840	11,840	131	N/M	N/M	1.01x
ISQ Global Infrastructure Fund III (UST), L.P.	Infrastructure	50,000	50,000	0	0%	0	-663	-663	-663	N/M	N/M	N/A
Meridiam Sustainable Infrastructure Europe IV	Infrastructure	49,809	49,809	0	0%	0	0	0	0	N/M	N/M	N/A
Vintage Year 2021 Total		209,809	186,988	22,820	11%	0	22,300	22,300	-520	N/M		0.98x
Portfolio Total :		1,252,362	548,879	792,812	56%	301,823	698,382	1,000,205	207,393	9.80%	6.71%	1.26x
Portfolio Strategy Totals												
Agriculture		65,000	31,038	38,573	52%	5,046	29,349	34,395	-4,178	-6.14%		0.89x
Energy		412,500	110,502	349,065	73%	141,551	296,644	438,195	89,130	9.63%		1.26x
Infrastructure		674,862	322,550	369,004	52%	110,125	372,389	482,514	113,510	10.92%		1.31x
Real Asset Debt		100,000	84,789	36,169	15%	45,101	0	45,101	8,932	10.27%		1.25x
Portfolio Total :		1,252,362	548,879	792,812	56%	301,823	698,382	1,000,205	207,393	9.80%	6.71%	1.26x

¹Benchmarks:

Real Assets Portfolio: 45% Cambridge Infrastructure, 35% Cambridge Energy, 10% NCREIF Timberland, 10% NCREIF Farmland

Energy Investments: Cambridge Associates median return for the respective vintage years.

Infrastructure Investments: Cambridge Associates median return for the respective vintage years.

Real Assets Portfolio Characteristics as of June 30, 2021

The SCERS Real Assets portfolio is primarily Infrastructure and Energy

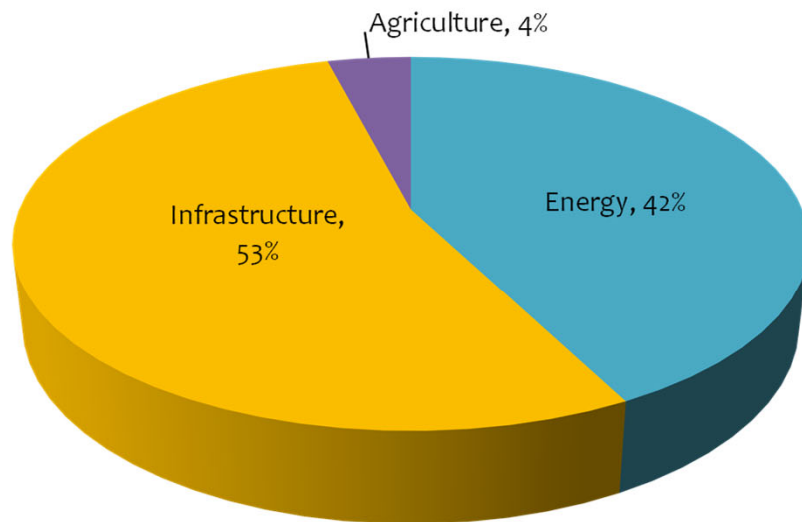
- Other strategies such as Agriculture represent much smaller allocations in the portfolio

The portfolio is focused on North America, though is diversified globally

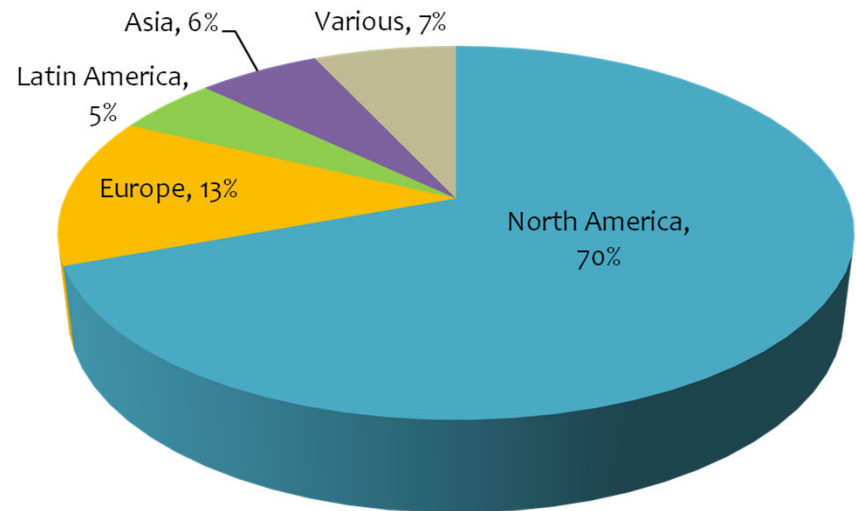
- The portfolio has exposure to Europe, Latin America, and Asia

Portfolio strategy and geographic allocations, based on fair market value of invested capital, shown below

*Market Value Strategy Exposure**



*Market Value Geographic Exposure**



* Exposures are based on the market values of investments as of 6/30/21.

Opportunities Portfolio – as of June 30, 2021

The Opportunities portfolio's net IRR since inception is 18.30%

- The long-term benchmark is SCERS' 6.75% total portfolio actuarial return objective
- Also tracking the portfolio's 3-year IRR versus an intermediate-term benchmark
 - 8.16% portfolio IRR v 8.43% IRR for the SCERS' total portfolio policy weighted benchmark over the last 3 years
- The portfolio only includes legacy distressed debt funds (fully liquidated) and one post-2009 distressed fund (Atalaya V)
 - The 3-year comparison, for example, reflects only the performance of Atalaya V

The legacy distressed funds performed very well, the current fund is performing at expectations

- SCERS' earlier vintage distressed debt funds are liquidated and have distributed significant capital back to SCERS
 - Stone Tower, MetWest TALF, and PIMCO have distributed \$129.3 million
- Atalaya SOF V, a vintage 2013 fund, has produced an 8.02% net IRR since inception

Changes during the quarter

- SCERS made no new commitments categorized as Opportunities funds during Q2 2021
- No new contributions, \$0.4 million in distributions
- Portfolio IRR decreased by 0.01%, total portfolio gain was nearly unchanged

Opportunities Portfolio Performance Details – as of June 30, 2021

Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/Loss	Net IRR	IRR Bench.	TVPI
Vintage Year 2007												
* PIMCO Distressed Mortgage Fund, LP	Distressed Debt	18,000	0	18,000	100%	25,384	0	25,384	7,384	8.96%	9.73%	1.41x
Vintage Year 2007 Total		18,000	0	18,000	100%	25,384	0	25,384	7,384	8.96%		1.41x
Vintage Year 2008												
* PIMCO Distressed Mortgage Fund II, L.P.	Distressed Debt	12,000	0	12,000	100%	35,277	0	35,277	23,277	34.39%	11.94%	2.94x
Vintage Year 2008 Total		12,000	0	12,000	100%	35,277	0	35,277	23,277	34.39%		2.94x
Vintage Year 2009												
* MetWest Enhanced TALF Strategy Fund LP	Distressed Debt	20,000	0	20,000	100%	25,304	0	25,304	5,304	11.21%	14.29%	1.27x
* Stone Tower Structured Credit Recovery Fund LP	Distressed Debt	25,000	0	25,248	100%	43,383	0	43,383	18,135	25.30%	14.29%	1.72x
Vintage Year 2009 Total		45,000	0	45,248	100%	68,687	0	68,687	23,439	19.71%		1.52x
Vintage Year 2013												
Atalaya Special Opportunities Fund V, L.P.	Distressed Debt	25,000	1,117	24,875	96%	26,720	5,233	31,953	7,078	8.02%	8.65%	1.28x
Vintage Year 2013 Total		25,000	1,117	24,875	96%	26,720	5,233	31,953	7,078	8.02%		1.28x
Portfolio Total :		100,000	1,117	100,123	99%	156,068	5,233	161,301	61,179	18.30%	6.75%	1.61x

* Liquidated partnership

¹ Benchmarks:

Opportunities Investments: Cambridge Associates median return for the respective strategies and vintage years

Opportunities Portfolio: 7.00% actuarial return objective

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