CLIFFWATER LLC

INVESTMENT ADVISORY SERVICES

Los Angeles • New York

Sacramento County Employees' Retirement System

Quarterly Performance Review

September 15, 2021

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

Growth Oriented Strategies

- The Growth Oriented Portfolio returned 3.92% in Q2 and 30.41% for the fiscal YTD ending June 30, 2021
  - Outperformed the HFRI FoF Index + 1% benchmark by 1.04% in Q2 and 11.34% for the fiscal YTD period
  - Outperformed the T-bills + 5% long term objective by 2.80% (annualized) over the 5-year period ending June 30, 2021
    - Outperformed the HFRI FoF Index + 1% benchmark by 1.88% (annualized) over the 5-year period
- All funds generated positive returns in Q2, led by Lakewood (+5.90%) and Grosvenor (+4.07%)
- All funds generated double-digit returns for the fiscal YTD, led by Third Point (+51.21%) and Lakewood (+47.19%)

Diversifying Strategies

- The Diversifying Portfolio returned 2.49% in Q2 and 13.24% for the fiscal YTD period ending June 30, 2021
  - Outperformed the HFRI Conservative FoF Index benchmark by 67 bps in Q2 but trailed by 138 bps for the fiscal YTD period
  - Outperformed the T-bills + 2% long term objective by 11 bps (annualized) over the trailing 5-year period
- Two Sigma led performance in Q2 (+12.82%), followed by Laurion (+8.24%)
  - MW Global Opps (-0.15%) and KLS (-0.73%) were the biggest detractors
- All funds generated positive returns for the fiscal YTD, with returns ranging from 5.59% (MW GO) to 36.39% (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 7.78% compared to the ACWI standard deviation of 13.22% since December 2011 (59% ratio)
    - Portfolio equity beta of 0.50 with an equity correlation of 0.85
- Diversifying Portfolio
  - Target standard deviation < 25% of global equities, with an equity beta < 0.1 and equity correlation < 0.1
    - Standard deviation of 3.49% compared to the ACWI standard deviation of 13.22% since December 2011 (26% ratio)
    - Portfolio equity beta of 0.13 with an equity correlation of 0.49

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

Fund	Market Value	Actual %	Jun	QTD	YTD	Returns FYTD	1 Year	3 Year	5 Year	Incep	Std Dev	Sharpe Ratio	Incep Date
Growth-Oriented Portfolio													
Event Driven													
Third Point Partners Qualified L.P.	73,101,278	6.6%	0.40%	3.79%	15.62%	51.21%	51.21%	13.66%	12.68%	11.70%	10.15%	1.05	May-12
Event Driven - HF Total	73,101,278	6.6%	0.40%	3.79%	15.62%	51.21%	51.21%	12.76%	11.94%	10.26%	10.22%	0.92	May-12
Equity Long/Short													
Lakewood Capital Partners, LP	55,025,741	5.0%	-3.05%	5.90%	22.86%	47.19%	47.19%	8.23%	7.75%	6.87%	15.31%	0.45	Jul-13
Equity Long/Short - HF Total	55,025,741	5.0%	-3.05%	5.90%	22.86%	47.19%	47.19%	8.23%	7.75%	6.87%	15.31%	0.45	Jul-13
Multi-Strategy													
Sculptor Domestic Partners II, L.P.	66,566,716	6.1%	1.33%	2.29%	5.89%	18.96%	18.96%	10.95%	11.12%	8.75%	6.59%	1.17	Jan-12
Multi-Strategy - HF Total	66,566,716	6.1%	1.33%	2.29%	5.89%	18.96%	18.96%	10.95%	11.12%	8.75%	6.59%	1.17	Jan-12
Fund of Funds													
Grosvenor SC Absolute Return Fund LLC (Growth)	93,567,440	8.5%	1.14%	4.07%	2.69%	17.85%	17.85%	4.80%	7.15%	6.06%	6.78%	0.77	Dec-11
Fund of Funds - HF Total	93,567,440	8.5%	1.14%	4.07%	2.69%	17.85%	17.85%	4.80%	6.97%	4.82%	6.95%	0.48	Sep-04
Growth-Oriented Portfolio Total	288,261,175	26.2%	0.17%	3.92%	10.03%	30.41%	30.41%	8.25%	8.97%	5.64%	7.57%	0.55	Sep-04
HFRI FoF Composite + 1%			0.37%	2.88%	5.19%	19.07%	19.07%	7.26%	7.09%	4.77%	5.43%	0.58	Sep-04
3 Month T-Bills+5%			0.40%	1.22%	2.49%	5.09%	5.09%	6.34%	6.17%	6.32%	0.46%	-	Sep-04
Market Indices													
Libor3Month			0.01%	0.04%	0.09%	0.20%	0.20%	1.41%	1.41%	1.63%	0.48%	-	Sep-04
Bloomberg Barclays US Aggregate Bond Index			0.70%	1.83%	-1.60%	-0.33%	-0.33%	5.35%	3.03%	4.12%	3.19%	0.77	Sep-04
Bloomberg Barclays US High Yield Bond Index			1.34%	2.74%	3.62%	15.37%	15.37%	7.44%	7.48%	7.43%	9.28%	0.64	Sep-04
S&P 500 TR			2.33%	8.55%	15.25%	40.79%	40.79%	18.68%	17.65%	10.64%	14.51%	0.66	Sep-04
MSCI AC World Index Free - Net			1.32%	7.39%	12.30%	39.26%	39.26%	14.57%	14.61%	8.65%	15.61%	0.51	Sep-04
MSCI EAFE - Net			-1.13%	5.17%	8.83%	32.35%	32.35%	8.27%	10.28%	6.36%	16.82%	0.36	Sep-04
MSCI EMF (Emerging Markets Free) - Net			0.17%	5.05%	7.45%	40.90%	40.90%	11.27%	13.03%	9.56%	21.27%	0.46	Sep-04

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

			Returns									Sharpe	Incep
Fund	Market Value	Actual %	Jun	QTD	YTD	FYTD	1 Year	3 Year	5 Year	Incep	Std Dev	Ratio	Date
Diversifying Portfolio													
Market Neutral													
Aristeia Partners, L.P.	47,595,092	4.3%	0.76%	1.62%	5.77%	-	-	-	-	5.77%	8.56%	-	Jan-21
Laurion Capital, Ltd.	80,306,243	7.3%	-1.70%	8.24%	27.67%	36.39%	36.39%	20.55%	14.65%	11.99%	9.20%	1.16	Mar-14
LMR Fund Limited	46,900,030	4.3%	-0.42%	1.34%	8.47%	20.93%	20.93%	-	-	2.51%	21.28%	0.21	Nov-19
KLS Diversified Fund LP	10,605,340	1.0%	-0.38%	-0.73%	2.77%	11.53%	11.53%	-	-	-1.83%	12.71%	-0.17	Jan-19
Two Sigma Risk Premia Enhanced Fund, LP	44,351,193	4.0%	3.85%	12.82%	10.51%	13.98%	13.98%	-	-	-0.79%	10.78%	-0.09	Sep-19
Market Neutral - HF Total	229,757,897	20.9%	0.16%	5.18%	12.85%	21.19%	21.19%	6.14%	6.22%	6.31%	6.28%	0.83	Mar-14
Event Driven													
BlackRock Event Driven Equity Fund (BILPX)	54,072,430	4.9%	-0.55%	1.93%	2.64%	12.08%	12.08%	-	-	9.27%	7.11%	1.23	Mar-20
Davidson Kempner Institutional Partners LP	58,689,679	5.3%	0.44%	3.11%	7.01%	17.25%	17.25%	-	-	9.32%	6.00%	1.33	May-19
Elliott International Limited - Class A & B	69,046,692	6.3%	1.30%	2.82%	6.15%	12.98%	12.98%	8.13%	8.73%	7.98%	3.25%	2.08	Apr-12
PSquared US Feeder Fund LP	50,869,343	4.6%	-1.21%	0.69%	-0.08%	-	-	-	-	1.95%	4.46%	-	Aug-20
Event Driven - HF Total	232,678,144	21.2%	0.47%	2.62%	5.31%	14.01%	14.01%	7.33%	8.25%	7.72%	3.45%	1.89	Apr-12
Equity Long/Short													
Marshall Wace Funds LP - MW Global Opportunities (US) Fund	51,783,815	4.7%	-0.04%	-0.15%	-7.49%	5.59%	5.59%	-	-	6.47%	8.58%	0.64	Jan-19
Equity Long/Short - HF Total	51,783,815	4.7%	-0.04%	-0.15%	-7.49%	5.59%	5.59%	6.47%	6.47%	6.47%	8.58%	0.64	Apr-12
Macro-Discretionary													
Eisler Capital Fund LP - Class A	45,000,000	4.1%	-	-	-	-	-	-	-	-	-	-	Jun-21
Macro-Discretionary - HF Total	45,000,000	4.1%	0.00%	0.00%	0.00%	0.00%	0.00%	4.95%	3.75%	1.15%	5.07%	0.08	May-12
Macro-Systematic													
Graham Global Investment Fund II SPC Ltd. - Tactical Trend	38,722,963	3.5%	-2.25%	1.64%	6.44%	19.00%	19.00%	5.92%	-	2.32%	12.36%	0.13	Feb-17
Macro-Systematic - HF Total	38,722,963	3.5%	-2.25%	1.64%	6.44%	12.52%	12.52%	1.64%	-	1.02%	9.49%	0.00	Jan-17
Fund of Funds													
Grosvenor SC Absolute Return Fund LLC (Diversifying)	212,991,811	19.4%	-0.31%	0.52%	-0.34%	9.33%	9.33%	4.33%	2.81%	2.45%	3.80%	0.41	Dec-11
Grosvenor SC Absolute Return Fund LLC Series B	568,697	0.1%	-3.24%	-3.72%	-2.46%	2.81%	2.81%	2.51%	0.83%	1.18%	3.53%	0.08	Feb-13
Fund of Funds - HF Total	213,560,508	19.4%	-0.32%	0.51%	-0.34%	9.16%	9.16%	4.33%	2.45%	2.32%	3.64%	0.40	Dec-11
Diversifying Portfolio Total	811,503,328	73.8%	-0.13%	2.49%	4.82%	13.24%	13.24%	3.96%	3.28%	2.80%	3.49%	0.54	Dec-11
HFRI FOF: Conservative Index			-0.02%	1.82%	5.48%	14.62%	14.62%	5.20%	4.99%	3.98%	3.54%	0.86	Dec-11
3 Month T-Bills+2%			0.16%	0.49%	1.02%	2.09%	2.09%	3.34%	3.17%	2.65%	0.25%	-	Dec-11

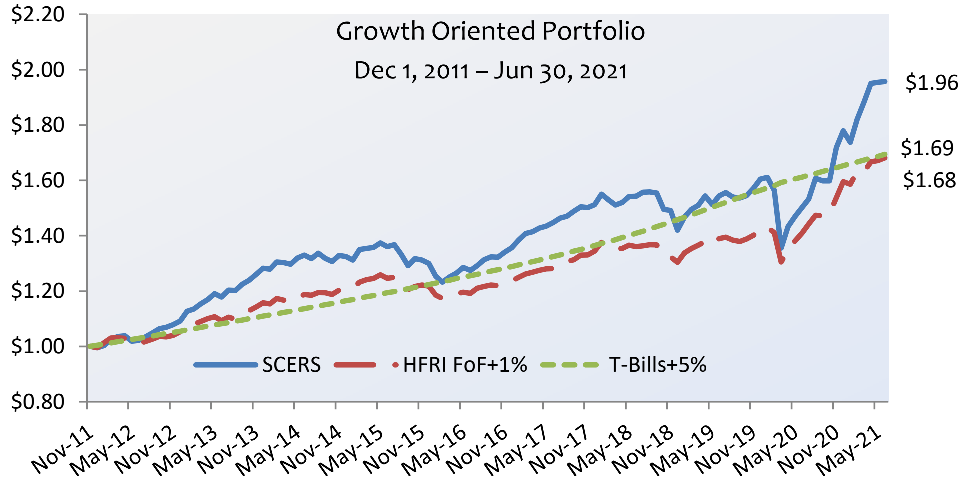
Absolute Return Portfolios Cumulative Performance – December 2011 to June 2021

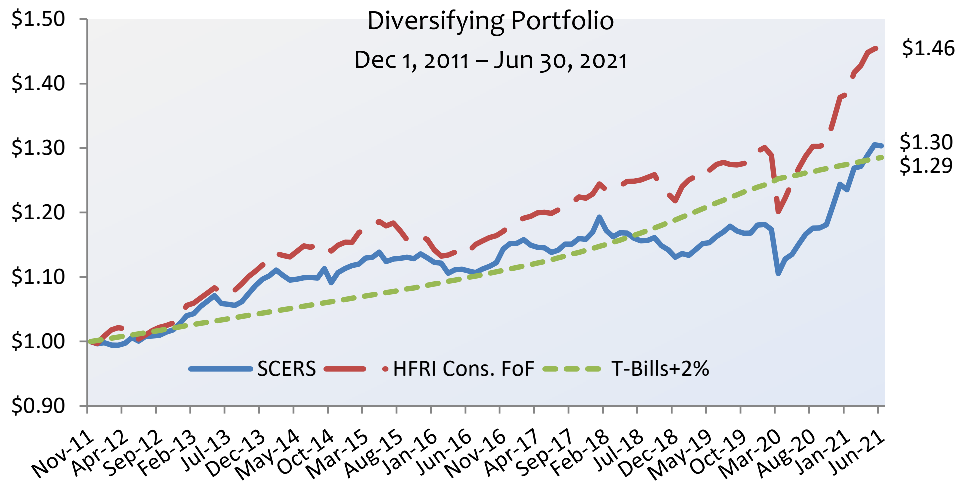
Despite the sharp downturn in Q1 2020, the Growth Oriented portfolio is again exceeding the T-bills + 5% long term objective; the portfolio remains ahead of the Fund of Funds Index + 1% benchmark

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 March 31, 2021

- The Private Equity portfolio's net IRR since inception is 18.76%, versus the Cambridge Associates benchmark IRR of 14.94%
  - The long-term Policy objective (Russell 3000 + 3%) has a 17.52% IRR over this period
- The private equity portfolio gained 17.1% in Q1 as financial markets extended their rally into 2021
  - Gains were once again broad-based and many funds generated returns of more than 25% for the quarter
    - The Venture Capital funds generally led performance (Spectrum VIII, NEA 14, Khosla Ventures V, and Trinity Ventures XII)
    - Accel-KKR Growth Capital Partners II and Capital Partners V were also among the best performing funds in Q1
  - Distributions continued at a strong pace, though down from Q4 2020
    - $51.0 million in distributions, led by Spectrum VIII, Summit VC IV, Thoma Bravo XI, and Marlin IV
- 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
  - Spectrum VII (48.7%), Summit VC IV (48.4%), Trinity Ventures XII (45.8%), Linden III (36.8%), Accel-KKR IV (35.6%), Waterland V (35.3%), and Marlin Heritage (35.0%) are leading performance among SCERS' more mature funds
- The legacy fund of funds also reported material gains during the quarter
  - The HarbourVest funds, Goldman Sachs X, and Abbott Capital VI each generated double-digit gains in Q1
    - The legacy fund of funds distributed $4.8 million during the quarter
  - The legacy fund of funds comprise 8.0% of the current fair value of the Private Equity portfolio
- Changes during the quarter
  - SCERS made no new commitments to private equity funds during Q1
    - SCERS committed $70 million across three funds (two buyout, one venture capital) in Q2 2021
    - All three commitments were made with existing SCERS managers, through re-ups and broadening of strategy relationships
  - $58.3 million in new contributions, $51.0 million in distributions
  - Total portfolio gain increased by $225.9 million while the total portfolio IRR increased by 1.66%

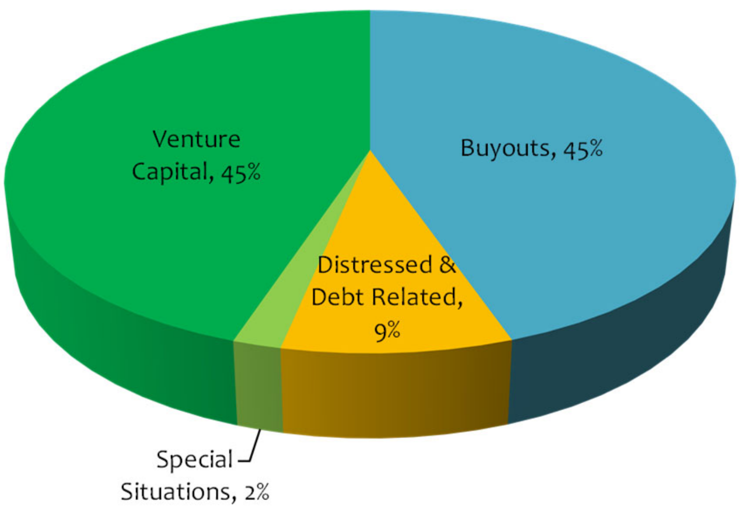
Private Equity Portfolio Characteristics as of March 31, 2021

The SCERS Private Equity portfolio is diversified by strategy and geography

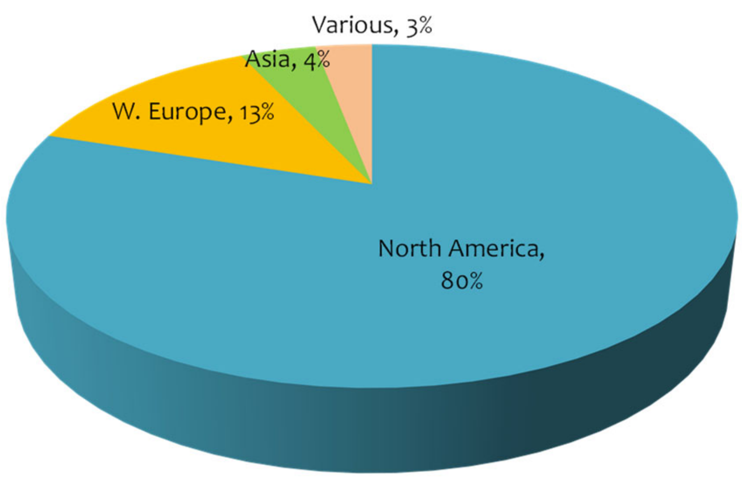
- Investments remain focused in North America, with meaningful exposure to Europe

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 3/31/21.*

Private Equity Portfolio Performance Details – as of March 31, 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%	57,514	7,704	65,218	28,843	10.95%	7.76%	1.79x	1.70x
HarbourVest Partners VIII - Mezzanine and Distressed Debt Fund L.P.	Fund of Funds	5,000	200	4,800	96%	6,095	407	6,502	1,702	6.90%	7.76%	1.35x	1.70x
HarbourVest Partners VIII - Venture Fund L.P.	Fund of Funds	7,500	150	7,350	98%	11,771	4,679	16,451	9,101	12.07%	7.76%	2.24x	1.70x
Vintage Year 2006 Total		50,000	1,475	48,525	97%	75,380	12,790	88,170	39,645	10.87%	7.20%	1.82x	1.48x
Vintage Year 2008													
Abbott Capital Private Equity Fund VI, L.P.	Fund of Funds	75,000	375	74,625	100%	95,910	45,497	141,407	66,782	13.47%	14.07%	1.89x	2.22x
Goldman Sachs Private Equity Partners X, L.P.	Fund of Funds	75,000	13,234	68,958	82%	93,427	25,389	118,816	49,858	11.34%	14.07%	1.72x	2.22x
HarbourVest International Private Equity Partners VI-Partnership Fund L.P.	Fund of Funds	37,841	1,892	37,980	95%	32,805	40,579	73,383	35,403	13.27%	8.43%	1.93x	1.61x
Vintage Year 2008 Total		187,841	15,501	181,563	92%	222,142	111,464	333,606	152,043	12.56%	8.68%	1.84x	1.52x
Vintage Year 2011													
Waterland Private Equity Fund V C.V.	Buyout	18,803	3,252	16,071	83%	30,070	15,179	45,249	29,178	35.31%	10.93%	2.82x	1.53x
Khosla Ventures IV, L.P.	Venture Capital	10,000	190	9,810	98%	18,319	27,929	46,248	36,438	27.51%	19.16%	4.71x	2.68x
Vintage Year 2011 Total		28,803	3,442	25,881	88%	48,389	43,108	91,497	65,617	31.10%	13.23%	3.54x	1.82x
Vintage Year 2012													
Garrison Opportunity Fund III A LLC	Distressed Debt	20,000	0	20,000	100%	10,143	9,758	19,901	-99	-0.09%	15.52%	1.00x	1.61x
New Enterprise Associates 14, L.P.	Venture Capital	25,000	875	24,125	97%	25,210	58,713	83,923	59,798	23.18%	17.64%	3.48x	2.30x
Summit Partners Venture Capital III-A, LP	Venture Capital	16,350	1,913	19,692	88%	37,702	3,246	40,948	21,256	17.73%	17.64%	2.08x	2.30x
Vintage Year 2012 Total		61,350	2,788	63,817	95%	73,054	71,718	144,772	80,955	15.73%	13.72%	2.27x	1.75x
Vintage Year 2013													
Accel-KKR Capital Partners IV, L.P.	Buyout	15,000	318	15,381	98%	25,714	16,304	42,018	26,638	35.61%	15.73%	2.73x	1.78x
H.I.G. Capital Partners V, L.P.	Buyout	14,000	936	13,064	93%	6,120	17,804	23,925	10,861	22.05%	15.73%	1.83x	1.78x
Marlin Equity IV, L.P.	Buyout	20,000	93	19,907	100%	14,397	13,645	28,042	8,135	9.28%	15.73%	1.41x	1.78x
RRJ Capital Master Fund II, L.P.	Buyout	35,000	3,875	35,938	89%	35,708	15,489	51,198	15,260	10.42%	14.74%	1.42x	1.66x
H.I.G. Bayside Loan Opportunity Fund III (Europe-US$), L.P.	Distressed Debt	30,000	5,769	24,231	81%	25,350	6,998	32,348	8,117	7.89%	4.89%	1.33x	1.25x
Wayzata Opportunities Fund III, L.P.	Distressed Debt	30,000	24,103	14,718	20%	8,849	4,510	13,359	-1,359	-2.75%	8.60%	0.91x	1.31x

[1] *Benchmarks:*

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 March 31, 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	1,500	23,500	94%	4,835	45,788	50,624	27,124	15.42%	16.41%	2.15x	2.09x
Vintage Year 2013 Total		169,000	36,596	146,738	78%	120,974	120,539	241,513	94,776	13.42%	14.19%	1.65x	1.69x
Vintage Year 2014													
Dyal Capital Partners II	Buyout	35,000	7,936	31,936	77%	7,900	25,212	33,112	1,175	1.28%	16.61%	1.04x	1.74x
H.I.G. Europe Capital Partners II, L.P.	Buyout	16,453	2,161	14,227	87%	3,902	15,873	19,775	5,548	13.53%	15.81%	1.39x	1.66x
Marlin Heritage Fund	Buyout	10,000	2,226	10,497	78%	15,883	9,622	25,504	15,008	35.04%	16.61%	2.43x	1.74x
Thoma Bravo XI	Buyout	30,000	3,203	32,531	89%	61,926	51,112	113,038	80,507	31.72%	16.61%	3.47x	1.74x
TPG Opportunities Partners III	Distressed Debt	40,000	12,851	49,065	68%	42,549	16,765	59,314	10,249	9.51%	9.03%	1.21x	1.28x
Khosla Ventures V	Venture Capital	20,000	700	19,300	97%	1,013	54,876	55,889	36,589	27.29%	24.07%	2.90x	2.56x
Spectrum Equity Investors VII, L.P.	Venture Capital	25,000	1,625	23,375	94%	37,144	71,905	109,049	85,674	48.65%	24.07%	4.67x	2.56x
Vintage Year 2014 Total		176,453	30,704	180,931	83%	170,317	245,364	415,681	234,750	27.47%	18.73%	2.30x	1.93x
Vintage Year 2015													
* WPEF VI Overflow Fund C.V.	Buyout	7,051	7,041	10	0%	0	0	0	-10	0.00%	16.11%	0.00x	1.57x
RRJ Capital Master Fund III, LP	Buyout	40,000	6,940	36,429	83%	33,507	11,309	44,816	8,386	10.97%	16.11%	1.23x	1.57x
WPEF VI Feeder, L.P.	Buyout	28,204	9,432	20,866	67%	6,092	37,378	43,470	22,604	27.08%	16.11%	2.08x	1.57x
Accel-KKR Growth Capital Partners II	Mezzanine	15,000	735	14,265	95%	9,873	19,158	29,031	14,765	30.38%	8.77%	2.04x	1.27x
New Enterprise Associates 15, L.P.	Venture Capital	35,000	1,925	33,079	95%	9,344	82,414	91,758	58,678	27.93%	20.26%	2.77x	1.99x
Summit Partners Venture Capital Fund IV-A, L.P.	Venture Capital	35,000	29,098	33,388	17%	27,486	42,748	70,234	36,846	48.40%	20.26%	2.10x	1.99x
Vintage Year 2015 Total		160,256	55,171	138,038	66%	86,302	193,007	279,309	141,271	28.23%	17.56%	2.02x	1.74x
Vintage Year 2016													
Accel-KKR Capital Partners V, L.P.	Buyout	25,000	2,675	22,340	89%	7,843	30,092	37,935	15,595	35.48%	19.10%	1.70x	1.60x
Dyal III Pension Investors LP	Buyout	35,000	20,847	23,114	40%	15,852	24,862	40,713	17,600	24.72%	19.10%	1.76x	1.60x
Linden Capital Partners III	Buyout	35,000	4,490	37,510	87%	45,992	51,384	97,375	59,866	36.82%	19.10%	2.60x	1.60x
Marlin Heritage Europe, L.P.	Buyout	15,277	1,885	13,035	88%	0	23,836	23,836	10,801	30.50%	16.24%	1.83x	1.41x
Thoma Bravo Fund XII, L.P.	Buyout	30,000	5,287	39,145	82%	14,433	47,515	61,948	22,803	18.26%	19.10%	1.58x	1.60x
TSG7 A L.P.	Buyout	16,000	3,608	12,392	77%	770	20,769	21,540	9,148	18.33%	19.10%	1.74x	1.60x
TSG7 B L.P.	Buyout	4,000	464	3,710	88%	858	3,784	4,642	932	12.48%	19.10%	1.25x	1.60x

[1] *Benchmarks:*

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 March 31, 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%	27,125	14,847	41,972	13,032	14.44%	8.84%	1.45x	1.19x
Trinity Ventures XII, L.P.	Venture Capital	30,000	4,275	25,725	86%	0	82,608	82,608	56,883	45.80%	26.48%	3.21x	1.82x
Vintage Year 2016 Total		215,277	45,984	205,910	79%	112,872	299,697	412,569	206,659	28.60%	18.19%	2.00x	1.56x
Vintage Year 2017													
Marlin Heritage II	Buyout	10,000	1,674	8,326	83%	0	11,024	11,024	2,698	14.30%	25.42%	1.32x	1.60x
Summit Partners Europe Growth Equity Fund II, SCSP	Buyout	35,256	17,533	31,704	50%	23,120	27,134	50,254	18,550	67.76%	19.99%	1.59x	1.49x
New Enterprise Associates 16, L.P.	Venture Capital	35,000	5,775	29,225	84%	1,062	48,203	49,265	20,040	27.87%	27.08%	1.69x	1.67x
Vintage Year 2017 Total		80,256	24,983	69,255	69%	24,181	86,361	110,543	41,288	34.54%	21.00%	1.60x	1.50x
Vintage Year 2018													
Linden Capital Partners IV LP	Buyout	44,330	20,265	26,621	54%	4,246	25,601	29,847	3,226	12.39%	18.24%	1.12x	1.27x
Marlin Equity V	Buyout	25,000	11,163	15,377	55%	2,386	21,409	23,795	8,417	30.47%	18.24%	1.55x	1.27x
TSG8 L.P.	Buyout	45,000	30,816	14,184	32%	15	13,970	13,985	-199	-1.66%	18.24%	0.99x	1.27x
Davidson Kempner Long-Term Distressed Opportunities Fund IV LP	Distressed Debt	35,000	3,747	31,850	89%	597	36,412	37,009	5,159	8.01%	N/A	1.16x	N/A
TSSP Opportunities Partners IV (A), L.P.	Distressed Debt	35,000	19,899	21,712	43%	7,588	18,462	26,051	4,339	23.65%	N/A	1.20x	N/A
RCP Fund XIII	Fund of Funds	50,000	34,500	15,500	31%	0	17,281	17,281	1,781	11.72%	29.61%	1.11x	1.36x
RCPDirect III	Fund of Funds	25,000	9,864	15,136	61%	386	20,619	21,006	5,869	29.79%	33.31%	1.39x	1.39x
Accel-KKR Growth Capital Partners III	Mezzanine	33,320	21,987	11,333	34%	0	13,087	13,087	1,753	N/M	N/M	1.15x	N/A
Khosla Ventures VI, L.P.	Venture Capital	35,000	10,850	24,150	69%	0	27,919	27,919	3,769	10.60%	32.31%	1.16x	1.51x
Spectrum Equity VIII, L.P.	Venture Capital	25,000	2,500	22,500	90%	13,524	32,916	46,441	23,941	58.42%	32.31%	2.06x	1.51x
Vintage Year 2018 Total		352,650	165,591	198,364	53%	28,743	227,676	256,418	58,055	21.29%	21.15%	1.29x	1.32x
Vintage Year 2019													
Cortec Group Fund VII, L.P.	Buyout	30,000	21,770	11,081	27%	2,856	11,911	14,767	3,685	N/M	N/M	1.33x	1.18x
Gridiron Capital Fund IV, L.P.	Buyout	30,000	15,091	14,852	50%	0	17,827	17,827	2,975	N/M	N/M	1.20x	1.18x
Thoma Bravo Fund XIII, LP	Buyout	45,000	14,101	44,466	69%	23,173	53,713	76,886	32,421	62.93%	17.07%	1.73x	1.18x
New Enterprise Associates 17, L.P.	Venture Capital	25,000	14,750	10,264	41%	0	15,907	15,907	5,643	N/M	N/M	1.55x	1.29x
Threshold Ventures III, L.P.	Venture Capital	20,000	12,050	7,950	40%	0	7,719	7,719	-231	N/M	N/M	0.97x	1.29x
Vintage Year 2019 Total		150,000	77,763	88,613	48%	26,029	107,077	133,106	44,493	52.01%	23.13%	1.50x	1.24x

[1] *Benchmarks:*

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 March 31, 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	28,863	1,137	4%	0	632	632	-506	N/M	N/M	0.56x	N/A
Summit Partners Europe Growth Equity Fund III, SCSp	Buyout	23,504	22,700	684	3%	0	674	674	-10	N/M	N/M	0.99x	N/A
Wynnchurch Capital Partners V	Buyout	20,000	17,459	2,541	13%	0	3,063	3,063	521	N/M	N/M	1.21x	N/A
Davidson Kempner Long-Term Distressed Opportunities Fund V LP	Distressed Debt	30,000	21,727	8,530	28%	257	9,931	10,188	1,658	N/M	N/M	1.19x	N/A
Shamrock Capital Content Fund II, L.P.	Opportunistic Credit	20,000	14,534	5,480	27%	8	5,094	5,103	-377	N/M	N/M	0.93x	N/A
Canvas Ventures 3, L.P.	Venture Capital	20,000	17,712	2,288	11%	0	2,122	2,122	-166	N/M	N/M	0.93x	N/A
OrbiMed Private Investments VIII, LP	Venture Capital	15,000	12,675	2,325	16%	0	2,350	2,350	25	N/M	N/M	1.01x	N/A
Spectrum Equity IX-A, L.P.	Venture Capital	25,000	23,500	1,500	6%	0	1,268	1,268	-232	N/M	N/M	0.85x	N/A
Summit Partners Venture Capital Fund V-A, L.P.	Venture Capital	20,000	20,000	0	0%	0	-78	-78	-78	N/M	N/M	N/A	N/A
Vintage Year 2020 Total		203,504	179,169	24,486	12%	265	25,054	25,320	834	N/M	N/M	1.03x	1.08x
Vintage Year 2021													
CRV XVIII, LP	Venture Capital	20,000	16,600	3,400	17%	0	3,257	3,257	-143	N/M	N/M	0.96x	N/A
Khosla Ventures VII, L.P.	Venture Capital	20,000	19,540	460	2%	0	357	357	-103	N/M	N/M	0.78x	N/A
Vintage Year 2021 Total		40,000	36,140	3,860	10%	0	3,615	3,615	-245	N/M	N/M	0.94x	N/A
Portfolio Total :		**1,875,389**	**675,306**	**1,375,980**	**64%**	**988,649**	**1,547,470**	**2,536,120**	**1,160,140**	**18.76%**	**14.94%**	**1.84x**	

Portfolio Strategy Totals

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.
Buyout	767,878	288,106	569,075	62%	382,763	618,126	1,000,889	431,814	24.67%		1.76x	
Distressed Debt	245,000	90,552	199,046	63%	122,458	117,683	240,141	41,096	7.06%		1.21x	
Fund of Funds	312,841	61,339	260,724	80%	297,908	162,154	460,063	199,338	12.21%		1.76x	
Mezzanine	48,320	22,721	25,599	53%	9,873	32,245	42,117	16,519	28.18%		1.65x	
Opportunistic Credit	20,000	14,534	5,480	27%	8	5,094	5,103	-377	N/M		0.93x	
Venture Capital	481,350	198,053	316,056	59%	175,639	612,168	787,806	471,751	28.36%		2.49x	
Portfolio Total :	**1,875,389**	**675,306**	**1,375,980**	**64%**	**988,649**	**1,547,470**	**2,536,120**	**1,160,140**	**18.76%**	**14.94%**	**1.84x**	

[1] *Benchmarks:*

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 March 31, 2021

The Private Credit portfolio's net IRR since inception is 9.32%, versus the benchmark return of 6.97%

- 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 Q1 and 21.8% for the trailing 1-year period ending Mach 31, 2021
  - Most of the funds were up between 1% and 4% during Q1, though OrbiMed Royalty III declined after posting an outsized Q4 gain
- Longer term performance has also recovered from the Q1 2020 sell-off
  - 8.7% net IRR for the 3-year period and 9.5% net IRR for the 5-year period
  - The portfolio is now generating annualized returns of 8% - 10% over multi-year periods

Changes during the quarter

- SCERS made no new commitments to Private Credit funds in Q1 2021
  - SCERS committed $85 million across three funds, including upsizing an existing fund of one commitment by $25 million, in Q2
- $12.3 million in new contributions, $12.6 million in distributions
- Total portfolio gain increased by $5.0 million while the total portfolio IRR declined by 0.05%

Private Credit Portfolio Details – as of March 31, 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%	26,198	592	26,790	6,094	8.87%	N/A	1.29x	N/A
Vintage Year 2011 Total		20,000	2,125	20,697	89%	26,198	592	26,790	6,094	8.87%	13.23%	1.29x	1.82x
Vintage Year 2014													
Summit Partners Credit Fund II, L.P.	Direct Lending	35,000	3,546	48,551	90%	32,439	24,093	56,532	7,981	6.53%	3.97%	1.16x	N/A
Vintage Year 2014 Total		35,000	3,546	48,551	90%	32,439	24,093	56,532	7,981	6.53%	18.73%	1.16x	1.93x
Vintage Year 2015													
Athyrium Opportunities Fund II	Opportunistic Credit	32,000	3,175	41,928	90%	37,025	14,916	51,941	10,014	10.26%	8.77%	1.24x	1.27x
Vintage Year 2015 Total		32,000	3,175	41,928	90%	37,025	14,916	51,941	10,014	10.26%	17.56%	1.24x	1.74x
Vintage Year 2017													
Athyrium Opportunities Fund III	Opportunistic Credit	25,000	4,642	26,618	81%	8,707	21,573	30,279	3,661	8.15%	8.91%	1.14x	1.17x
Vintage Year 2017 Total		25,000	4,642	26,618	81%	8,707	21,573	30,279	3,661	8.15%	21.00%	1.14x	1.50x
Vintage Year 2018													
Benefit Street Partners Senior Secured Opportunities Fund L.P.	Direct Lending	50,000	6,406	50,953	87%	12,810	46,127	58,937	7,984	5.93%	4.27%	1.16x	N/A
Summit Partners Credit Fund III, L.P.	Direct Lending	50,000	29,166	44,690	42%	23,856	28,841	52,697	8,007	16.23%	4.27%	1.18x	N/A
TCP Direct Lending Fund VIII-S, LLC	Direct Lending	100,000	28,567	71,433	71%	13,398	72,028	85,426	13,993	9.01%	4.27%	1.20x	N/A
Vintage Year 2018 Total		200,000	64,139	167,075	68%	50,064	146,995	197,059	29,984	8.79%	21.15%	1.18x	1.32x
Vintage Year 2019													
BSP Levered US SOF II (Senior Secured Opportunities) Fund L.P.	Direct Lending	50,000	41,506	8,484	17%	19	7,808	7,828	-656	N/M	N/M	0.92x	N/A
OrbiMed Royalty & Credit Opportunities III, LP	Opportunistic Credit	35,000	27,211	11,193	22%	3,411	15,203	18,614	7,421	N/M	N/M	1.66x	1.11x
Vintage Year 2019 Total		85,000	68,717	19,677	19%	3,431	23,011	26,442	6,765	N/M	N/M	1.34x	1.24x
Vintage Year 2020													
MCP Private Capital Fund IV (Feeder) SCSp	Direct Lending	37,136	34,775	2,215	6%	0	2,085	2,085	-130	N/M	N/M	0.94x	N/A
Silver Point Specialty Credit Fund II, L.P.	Opportunistic Credit	40,000	28,020	14,133	30%	5,047	10,551	15,597	1,465	N/M	N/M	1.10x	N/A
Vintage Year 2020 Total		77,136	62,795	16,347	19%	5,047	12,635	17,682	1,335	N/M	N/M	1.08x	1.08x

[1] *Benchmarks:*

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

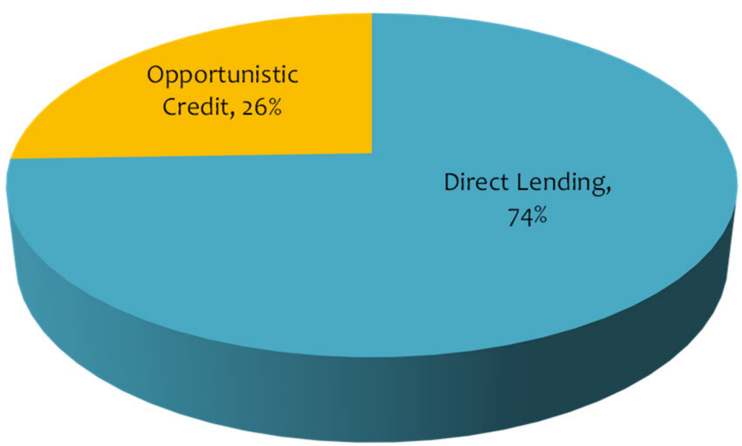
Private Credit Portfolio: Credit Suisse Leveraged Loan Index + 2%

Private Credit Portfolio Details – as of March 31, 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													
IFM USIDF (Offshore) B Feeder	Direct Lending	40,000	40,000	0	0%	0	0	0	0	N/M	N/M	N/A	N/A
Vintage Year 2021 Total		40,000	40,000	0	0%	0	0	0	0	N/M	N/M	N/A	N/A
Portfolio Total :		**514,136**	**249,139**	**340,892**	**52%**	**162,911**	**243,816**	**406,727**	**65,835**	**9.32%**	**6.97%**	**1.19x**	

Portfolio Strategy Totals	(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.
Direct Lending	382,136	186,091	247,021	51%	108,721	181,574	290,294	43,273	8.03%		1.18x	
Opportunistic Credit	132,000	63,048	93,871	52%	54,190	62,243	116,432	22,561	13.48%		1.24x	
Portfolio Total :	**514,136**	**249,139**	**340,892**	**52%**	**162,911**	**243,816**	**406,727**	**65,835**	**9.32%**	**6.97%**	**1.19x**	

*Market Value Strategy Exposure**



** Exposures are based on the market values of investments as of 3/31/21.*

[1] *Benchmarks:*

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 March 31, 2021

The Real Assets portfolio's net IRR since inception is 8.17%, versus the blended benchmark return of 6.24%

- 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 has been materially impacted by significant markdowns in Q1 2020
  - However, several of the upstream (exploration and production) Energy partnerships rebounded sharply in Q4 and Q1 2021
- Infrastructure partnerships saw smaller declines in Q1 2020 and have maintained good performance since inception
- Since inception net IRRs of 10.2% for Infrastructure and 6.9% for Energy

The Real Assets portfolio generated a 2.6% net return in Q1

- The portfolio's Infrastructure funds generally held back performance during the quarter
  - Most of the portfolio's Infrastructure funds reported small gains during Q1
- The Energy funds overall reported good performance during the quarter, led by the EnCap and Tailwater funds

Changes during the quarter

- SCERS committed $35 million to Digital Colony Partners II (global digital infrastructure) during Q1
  - SCERS committed €42 million to a European infrastructure fund and $25 million to a U.S. social infrastructure fund in Q2 2021
- $30.9 million in new contributions, $33.9 million in distributions
- Portfolio IRR increased by 0.17% while the total portfolio gain increased by $15.4 million

Real Assets Portfolio Performance Details – as of March 31, 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	12,724	42,286	4,523	4.32%	2.83%	1.12x
Vintage Year 2013 Total		33,000	1,518	37,762	95%	29,562	12,724	42,286	4,523	4.32%		1.12x
Vintage Year 2014												
Carlyle Power Partners II, L.P.	Energy	40,000	10,101	37,856	75%	8,328	34,606	42,934	5,079	4.98%	5.48%	1.13x
EnCap Flatrock Midstream III	Energy	20,000	1,127	23,295	94%	10,210	16,340	26,550	3,254	6.45%	5.48%	1.14x
Global Energy & Power Infrastructure Fund II	Energy	35,000	1,645	37,345	95%	30,343	20,478	50,822	13,477	20.00%	5.48%	1.36x
Quantum Energy Partners VI, LP	Energy	35,000	8,283	32,647	76%	21,236	33,587	54,822	22,175	22.61%	5.48%	1.68x
Pantheon SCERS SIRF MM, LLC	Infrastructure	100,000	33,968	70,332	66%	33,400	69,478	102,878	32,546	10.78%	8.72%	1.46x
Wastewater Opportunity Fund	Infrastructure	25,000	0	25,007	100%	8,534	16,180	24,714	-293	-0.48%	8.72%	0.99x
Vintage Year 2014 Total		255,000	55,125	226,483	78%	112,052	190,668	302,720	76,237	11.25%		1.34x
Vintage Year 2015												
ArcLight Energy Partners Fund VI	Energy	40,000	5,604	42,665	86%	17,220	26,646	43,866	1,201	0.94%	5.53%	1.03x
EnCap Energy Capital Fund X, L.P.	Energy	40,000	4,045	38,633	90%	12,722	29,561	42,283	3,650	3.11%	5.53%	1.09x
* 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	94,437	117,467	48%	75,043	56,207	131,250	13,783	4.17%		1.12x
Vintage Year 2016												
ACM Fund II, LLC	Agriculture	25,000	2,875	26,271	88%	4,581	17,170	21,752	-4,519	-8.48%	5.48%	0.83x
Brookfield Infrastructure Fund III, L.P.	Infrastructure	40,000	8,365	33,142	79%	10,294	32,375	42,669	9,527	10.04%	N/A	1.29x
IFM Global Infrastructure Fund	Infrastructure	125,053	0	125,053	100%	36,210	133,241	169,450	44,398	11.61%	N/A	1.36x
Vintage Year 2016 Total		190,053	11,240	184,467	94%	51,085	182,787	233,872	49,405	9.32%		1.27x
Vintage Year 2017												
Quantum Energy Partners VII, LP	Energy	40,000	17,835	25,239	55%	3,140	26,677	29,817	4,578	7.90%	3.41%	1.18x
Meridiam Infrastructure North America Fund III	Infrastructure	50,000	45,176	4,824	10%	1	2,824	2,825	-1,999	-36.94%	N/A	0.59x
Vintage Year 2017 Total		90,000	63,011	30,063	30%	3,141	29,501	32,642	2,579	4.08%		1.09x
Vintage Year 2018												
Paine Schwartz Food Chain Fund V, LP	Agriculture	40,000	27,313	12,834	32%	147	11,983	12,129	-705	N/M	N/M	0.95x

[1] *Benchmarks:*

Real Assets Portoflio: 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.

CLIFFWATER LLC

Real Assets Portfolio Performance Details – as of March 31, 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	13,805	9,280	39%	588	9,888	10,476	1,196	6.06%	3.62%	1.13x
Tailwater Energy Fund III, LP	Energy	32,000	3,123	30,932	90%	1,662	25,755	27,416	-3,516	-6.31%	3.62%	0.89x
ISQ Global Infrastructure Fund II	Infrastructure	50,000	19,514	36,789	61%	6,304	39,052	45,356	8,567	15.79%	N/A	1.23x
Vintage Year 2018 Total		144,500	63,755	89,835	56%	8,700	86,678	95,378	5,542	4.06%		1.06x
Vintage Year 2019												
Tailwater Energy Fund IV, LP	Energy	35,000	18,686	16,305	47%	0	15,248	15,248	-1,057	N/M	N/M	0.94x
Brookfield Infrastructure Fund IV	Infrastructure	40,000	19,711	20,507	51%	1,255	20,687	21,942	1,435	N/M	N/M	1.07x
EQT Infrastructure IV (No.2) USD SCSp	Infrastructure	35,000	14,254	22,146	59%	1,448	23,303	24,751	2,605	N/M	N/M	1.12x
Vintage Year 2019 Total		110,000	52,651	58,958	52%	2,703	59,237	61,940	2,983	N/M		1.05x
Vintage Year 2020												
NGP Royalty Partners, L.P.	Energy	40,000	33,400	6,598	16%	4	7,958	7,962	1,363	N/M	N/M	1.21x
Vintage Year 2020 Total		40,000	33,400	6,598	16%	4	7,958	7,962	1,363	N/M		1.21x
Vintage Year 2021												
Digital Colony Partners II, LP	Infrastructure	35,000	35,000	0	0%	0	-265	-265	-265	N/M	N/M	N/A
Harrison Street Social Infrastructure Fund, L.P.	Infrastructure	50,000	50,000	0	0%	0	0	0	0	N/M	N/M	N/A
ISQ Global Infrastructure Fund III (UST), L.P.	Infrastructure	50,000	50,000	0	0%	0	-467	-467	-467	N/M	N/M	N/A
Vintage Year 2021 Total		135,000	135,000	0	0%	0	-731	-731	-731	N/M		N/A
Portfolio Total :		**1,177,553**	**510,137**	**751,633**	**57%**	**282,289**	**625,029**	**907,318**	**155,685**	**8.17%**	**6.24%**	**1.21x**
Portfolio Strategy Totals												
Agriculture		65,000	30,188	39,105	54%	4,728	29,153	33,881	-5,224	-8.91%		0.87x
Energy		412,500	119,171	338,558	71%	135,015	259,467	394,482	55,924	6.87%		1.17x
Infrastructure		600,053	275,990	337,800	54%	97,445	336,409	433,854	96,054	10.16%		1.28x
Real Asset Debt		100,000	84,789	36,169	15%	45,101	0	45,101	8,932	10.27%		1.25x
Portfolio Total :		**1,177,553**	**510,137**	**751,633**	**57%**	**282,289**	**625,029**	**907,318**	**155,685**	**8.17%**	**6.24%**	**1.21x**

[1] *Benchmarks:*

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

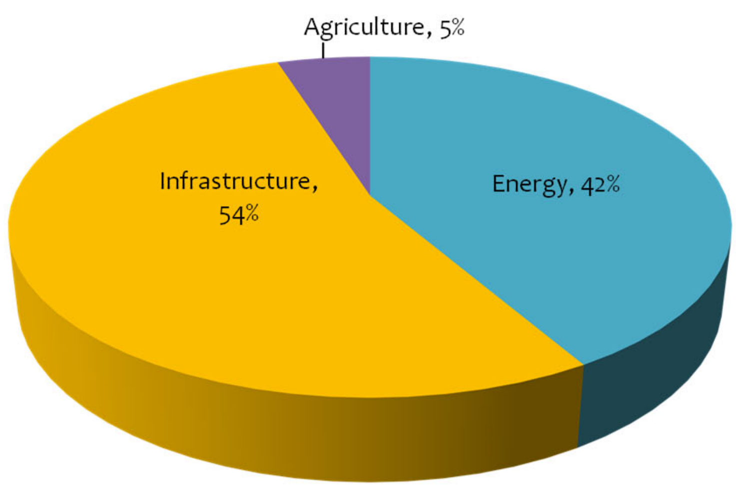
Energy Investments: Cambridge Associates median return for the respective vintage years.

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

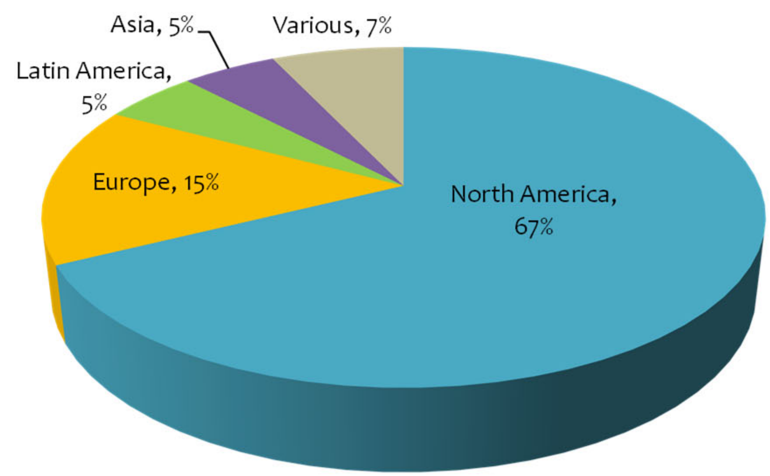
Real Assets Portfolio Characteristics as of March 31, 2021

- 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 3/31/21.*

Opportunities Portfolio – as of March 31, 2021

The Opportunities portfolio's net IRR since inception is 18.31%

- 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
  - 9.58% portfolio IRR v 7.32% 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 8.10% net IRR since inception

Changes during the quarter

- SCERS made no new commitments categorized as Opportunities funds during Q1 2021
- No new contributions, $0.6 million in distributions
- Portfolio IRR decreased by 0.01%, total portfolio gain increased $0.1 million

Opportunities Portfolio Performance Details – as of March 31, 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%	9.76%	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%	12.21%	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%	14.31%	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%	14.31%	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%	26,303	5,637	31,939	7,064	8.10%	8.60%	1.28x
Vintage Year 2013 Total		25,000	1,117	24,875	96%	26,303	5,637	31,939	7,064	8.10%		1.28x
Portfolio Total :		**100,000**	**1,117**	**100,123**	**99%**	**155,650**	**5,637**	**161,287**	**61,165**	**18.31%**	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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