



# Meeting Materials - IAC Meeting - May 8, 2024

May 8, 2024



**ERICK RUSSELL**  
TREASURER

**State of Connecticut**  
**Office of the Treasurer**

**M E M O R A N D U M**

**TO: Members of the Investment Advisory Council**

**FROM: Erick Russell, State Treasurer, and Council Secretary**

**DATE: May 6, 2024**

**SUBJECT: Investment Advisory Council Meeting – May 8, 2024**

Enclosed is the agenda package for the Investment Advisory Council regular meeting on Wednesday, May 8, 2024, starting at 9:00 A.M. The meeting will be held in-person in Conference Rooms G006D and G007E.

The following subjects will be covered at the meeting:

**Item 1: Approval of the Minutes of the March 13, 2024, IAC Regular Meeting**

**Item 2: Opening Comments by the Treasurer**

**Item 3: Update on the Market and CRPTF Performance**

Ted Wright, Chief Investment Officer, Robert Scully, Investment Officer, and Meketa, General Investment Consultant, will provide an update on the capital market environment and report on performance.

**Item 4: PFM Securities Counsel Classification Salary Range**

Doug Dalena, General Counsel, will present the PFM Securities Counsel Classification level salary range.

**Item 5: Presentation of Fixed Income Structural Review**

Nishant Upadhyay, Principal Investment Officer, and Jorge Portugal, Investment Officer, will provide a Fixed Income Structural Review.

**Item 6: Presentation of Real Estate Structural Review**

Denise Stake, Principal Investment Officer, Olivia Wall, Senior Investment Officer, and Philip Conner, Investment Officer, will provide a Real Estate Structural Review.

**Item 7: Presentation and Consideration of Private Credit/Private Investment Opportunities**

**Item 7a: Presentation and Consideration of Clearlake Capital Partners VIII, L.P.**

Mark Evans, Principal Investment Officer, and Carmen Melaragno, Investment Officer, will present Clearlake Capital Partners VIII, L.P., a Private Investment Fund opportunity.

**Item 7b: Presentation and Consideration of Stellex Capital Partners III, L.P./Stellex Capital Partners III Co-Investment**

Mark Evans, Principal Investment Officer, and Carmen Melaragno, Investment Officer, will present Stellex Capital Partners III, L.P./Stellex Capital Partners III Co-Investment, Private Credit Fund Opportunities.

**Item 7c: Presentation and Consideration of Oaktree Opportunities Fund XII LP**

Mark Evans, Principal Investment Officer, and Kan Zuo, Investment Officer, will present Oaktree Opportunities Fund XII LP, Private Credit Fund opportunity.

**Item 8: Presentation and Consideration of Real Estate Opportunities**

**Item 8a: Presentation and Consideration of Artemis Real Estate Partners Income & Growth Fund II L.P.**

Denise Stake, Principal Investment Officer, and Olivia Wall, Senior Investment Officer, will present Artemis Real Estate Partners Income & Growth Fund II L.P., a Real Estate Fund opportunity.

**Item 8b: Presentation and Consideration of Sterling Value Add Partners IV LP**

Denise Stake, Principal Investment Officer, and Philip Conner, Investment Officer, will present Sterling Value Add Partners IV LP, a Real Estate Fund opportunity.

**Item 9: Other Business**

**Item 10: Comments by the Chair**

**Item 11: Adjournment**

We look forward to reviewing these agenda items with you at the May 8<sup>th</sup> meeting. Please confirm your attendance with Raymond Tuohey ([raymond.tuohey@ct.gov](mailto:raymond.tuohey@ct.gov)) as soon as possible.

ER/rt

Enclosures

**DRAFT VERSION – MINUTES OF THE INVESTMENT ADVISORY COUNCIL REGULAR MEETING  
WEDNESDAY, MARCH 13, 2024 – SUBJECT TO REVIEW AND APPROVAL  
FINAL VERSION OF THESE MINUTES WILL BE POSTED AFTER APPROVAL OF THE INVESTMENT  
ADVISORY COUNCIL AT THE NEXT MEETING, WHICH WILL BE HELD ON  
WEDNESDAY, MAY 8, 2024**

**MEETING NO. 529**

**Members present:** D. Ellen Shuman, Chair  
Treasurer Russell, Secretary  
William Murray  
Harry Arora  
William Myers  
Myra Drucker  
Michael LeClair  
Thomas Fiore, representing Secretary Jeffrey Beckham

Joined at 9:07 am  
Via Zoom

**Members absent:** Patrick Sampson

**Others present:** Sarah Sanders, Deputy Treasurer  
Doug Dalena, General Counsel  
Ginny Kim, Assistant General Counsel  
Ted Wright, Chief Investment Officer  
Mark Evans, Principal Investment Officer  
Peter Gajowskiak, Principal Investment Officer  
Denise Stake, Principal Investment Officer  
Nishant Upadhyay, Principal Investment Officer  
Anastasia Rotheroe, Principal Investment Officer  
Paul Coudert, Interim Principal Investment Officer  
Olivia Wall, Senior Investment Officer  
Pamela Moody, Investment Officer  
Kan Zuo, Investment Officer  
Philip Conner, Investment Officer  
Carmen Melaragno, Investment Officer  
Robert Scully, Investment Officer  
Jorge Portugal, Investment Officer  
Rosalind Nash, Investment Officer  
Jessica Weaver, Deputy Director of Corporate Governance and Sustainable Investments  
Raymond Tuohey, Investment Associate - Legal  
Mary Mustard, Meketa  
Robyn Kaplan-Cho, CEA  
Deirdre Guice, T. Rowe Price  
Matt Balanda, Schroders  
Gordon Nicholson, K2 Advisors  
Dan Elsberry, K2 Advisors  
Cloe Kelley, PIMCO  
Chris Morgan, Franklin Templeton  
Catherine Saunders, BSP

Via Zoom

**INVESTMENT ADVISORY COUNCIL MEETING – DRAFT VERSION  
WEDNESDAY, MARCH 13, 2024**

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**Guests:** Gary Hudepohl, Hudepohl Associates  
Public Line

With a quorum present, Chair D. Ellen Shuman called the Investment Advisory Council (“IAC”) regular meeting to order at 9:06 a.m.

**Approval of the Minutes of the January 10, 2024, IAC Regular Meeting**

Chair Shuman called for a motion to accept the minutes of the January 10, 2024, IAC Regular Meeting. **Mr. Murray moved to approve the minutes. The motion was seconded by Ms. Drucker. There being no further discussion, the Chair called for a vote to accept the minutes of the meeting, and the motion passed.**

**Comments by the Treasurer**

Treasurer Russell welcomed the IAC members and noted that because there had not been any investments presented for consideration during the last IAC meeting, he would not be announcing any investment decisions. The Treasurer opened the meeting by acknowledging the important work the IAC council is doing on behalf of the people of the State of Connecticut and noted that he has had several opportunities in the last few months to talk about the role the IAC plays as it relates to the Office of the Treasurer (OTT). After further brief comments, Treasurer Russell provided an overview of the agenda.

**Update on the Market and CRPTF Performance**

Ted Wright, Chief Investment Officer, Robert Scully, Investment Officer, and Meketa, General Investment Consultant, provided an update on the capital market environment and reported on the fourth quarter performance.

**Connecticut Retirement Plans and Trust Funds Investment Policy Statement Revisions to Appendix G Presentation**

Jessica Weaver, Deputy Director of Corporate Governance and Sustainable Investments, presented proposed revisions to Appendix G, of the Investment Policy Statement for the Connecticut Retirement Plans and Trust Funds.

**Presentation and Consideration of Real Estate and Infrastructure and Natural Resource Asset Class Opportunities**

Denise Stake, Principal Investment Officer, and Philip Conner, Investment Officer, presented Carlyle Realty Partners X, L.P., a Real Estate Fund opportunity.

Denise Stake, Principal Investment Officer, and Olivia Wall, Senior Investment Officer, presented Axiom Infrastructure North America II LP, an Infrastructure and Natural Resources Fund opportunity.

**Roll Call of Reactions for the Real Estate, Infrastructure and Natural Resources Opportunities**

Messrs. Myra Drucker, William Myers, William Murray, Tom Fiore, Harry Arora, Michael LeClair and Chair Shuman provided feedback on the investment opportunities. **There being no further discussion, Chair Shuman called for a motion to waive the 45-day comment period for the respective investment opportunities and agree to allow the Treasurer to invest up to \$300 million in the Carlyle Realty Partners X, L.P real estate opportunity. A motion was made by Ms. Drucker, seconded by Mr. Myers, to waive the 45-day comment period for Carlyle Realty Partners X, L.P. and Axiom Infrastructure North America II LP opportunities and agree to allow the Treasurer to invest up to \$300 million in Carlyle Realty Partners X, L.P. real estate opportunity. The Chair called for a vote, and the motion passed.**

**INVESTMENT ADVISORY COUNCIL MEETING – DRAFT VERSION  
WEDNESDAY, MARCH 13, 2024**

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**Risk Mitigation Strategies Review**

Nishant Upadhyay, Principal Investment Officer, and Jorge Portugal, Investment Officer, provided a Risk Mitigation Strategies Review.

**Presentation of Asset Recovery/Securities Monitoring and Litigation Program**

Karen Grenon, Principal Investment Counsel, provided a presentation on the process and procedures for Security Monitoring and Securities Litigation.

**Approval of the Connecticut Retirement Plans and Trust Funds Investment Policy**

**Statement Revisions to Appendix G**

Messrs. Myra Drucker, William Myers, William Murray, Tom Fiore, Harry Arora, Michael LeClair and Chair Shuman provided feedback on the revisions to Appendix G. **There being no further discussion, Chair Shuman called for a motion to approve the Investment Policy Statement revisions to Appendix G. A motion was made by Ms. Drucker, seconded by Mr. Myers, to approve the Investment Policy Statement revisions to Appendix G. The Chair called for a vote, and the motion passed.**

**Presentation from Chief Investment Officer/Principal Investment Officer regarding an Updated Hiring Plan and Staff Professional Classification**

Ted Wright, Chief Investment Officer, and Peter Gajowiak, Principal Investment Officer, presented a PFM Investment Staff Professional Classification level and salary range for the level, and presented an Updated Hiring Plan.

**Other Business**

Review and Approval of the IAC Meeting Schedule for 2025 Calendar Year

**Approval of the IAC Meeting Schedule for 2025 Calendar Year**



**INVESTMENT ADVISORY COUNCIL MEETING – DRAFT VERSION  
WEDNESDAY, MARCH 13, 2024**

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**There being no further discussion, Chair Shuman called for a motion to approve the IAC Meeting Schedule for 2025 Calendar Year. A motion was made by Ms. Drucker, seconded by Mr. Murray, to approve the IAC Meeting Schedule for 2025 Calendar Year. The Chair called for a vote, and the motion passed.**

**Comments by the Chair**

None.

**Executive Session**

Chair Shuman asked for a motion to move into Executive Session. **A motion was made by Mr. Myers, seconded by Mr. Arora that the IAC enter into Executive Session to discuss the (i) impact of PFM investment staff classification levels and compensation plans on current personnel and (ii) appointment of Principal Investment Officer for the STIF & Liquidity Fund at 12:17 p.m.** The motion passed unanimously. Deputy Treasurer, Sarah Sanders; Doug Dalena, General Counsel; and Ginny Kim, Assistant General Counsel, Chief Compliance and Diversity Officer, Ted Wright, Chief Investment Officer, and Gary Hudepohl, Hudepohl Associates, were invited to attend the Executive Session.

Chair Shuman reconvened the regular session at 12:37 p.m. Chair Shuman noted that no substantive votes or actions were taken during the Executive Session.

**Consent to the appointment of the Principal Investment Officer, STIF & Liquidity Fund**

Chair Shuman called for a motion to consent for Treasurer Russell to appoint the recommended candidate to the Principal Investment Officer, STIF & Liquidity Fund, position. **A motion was made by Mr. Myers, seconded by Mr. Arora, to consent for Treasurer Russell to appoint the recommended candidate to the Principal Investment Officer, STIF & Liquidity Fund, position. The Chair called for a vote, and the motion passed.**

**INVESTMENT ADVISORY COUNCIL MEETING – DRAFT VERSION  
WEDNESDAY, MARCH 13, 2024**

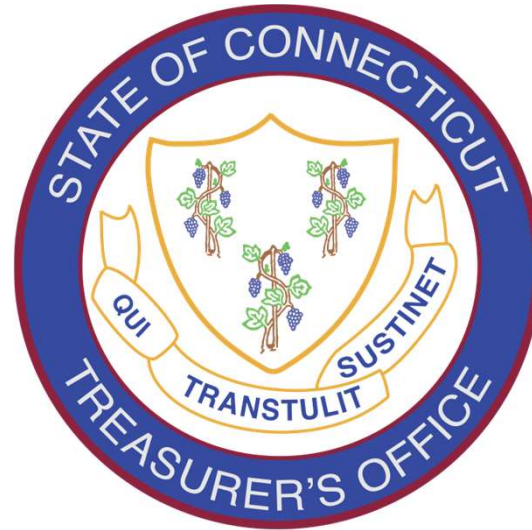
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**Meeting Adjourned**

There being no further business, Chair Shuman called for a motion to adjourn the meeting. **Mr. Murray moved to adjourn the meeting, and the motion was seconded by Mr. Myers. There being no discussion, the motion passed, and the meeting was adjourned at 12:39 p.m.**

DRAFT

# Connecticut Retirement Plans and Trust Funds

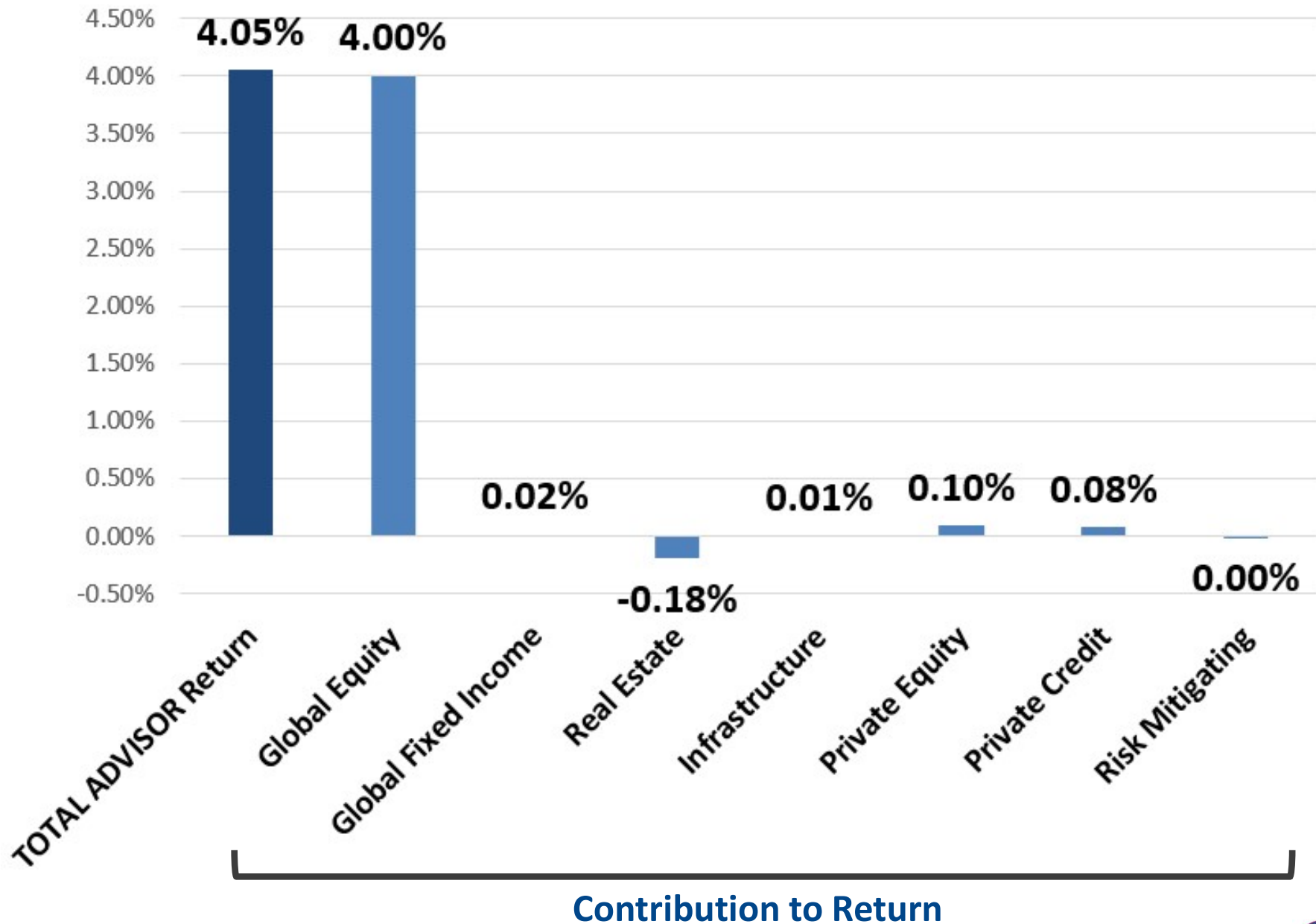


**Performance Analysis  
March 29, 2024**



# Global Equities continue to drive returns in 1Q 2024

Similar themes from 2023 (AI beneficiaries/Mega Cap) continued to power the Equity Market to start the year.



Total CRPTF – 1Q 2024 Performance



# An Overweight to Global Equity as well as Allocation and Manager Selection within the Asset Class added meaningfully to Plan Returns

Asset	Ending Market Value (\$M)	1Q 2024		Group Return	Benchmark Return	Allocation Effect	Selection Effect	Value Add vs. Policy Bench
		Ending Portfolio Allocation						
<b>TOTAL ADVISOR</b>	<b>55,689</b>	<b>100.0%</b>		<b>4.1%</b>	<b>4.8%</b>	<b>0.4%</b>	<b>-1.2%</b>	<b>-0.7%</b>
<b>GLOBAL EQUITY</b>	<b>27,450</b>	<b>49.3%</b>		<b>8.5%</b>	<b>7.7%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.7%</b>
Domestic Equity	16,675	29.9%		10.5%	9.8%	0.4%	0.2%	0.5%
Developed Markets International	7,641	13.7%		5.3%	5.6%	0.0%	0.0%	0.0%
Emerging Markets International	3,135	5.6%		5.6%	2.2%	0.0%	0.2%	0.1%
<b>GLOBAL FIXED INCOME</b>	<b>11,314</b>	<b>20.3%</b>		<b>0.1%</b>	<b>-0.3%</b>	<b>-0.2%</b>	<b>0.0%</b>	<b>-0.2%</b>
Core Fixed Income	8,445	15.2%		-0.5%	-0.6%	-0.1%	0.0%	-0.1%
Non-Core Fixed Income	2,324	4.2%		1.7%	1.5%	-0.1%	0.0%	-0.1%
Emerging Markets Debt	546	1.0%		0.7%	0.0%	0.0%	0.0%	0.0%
<b>TOTAL ALTERNATIVE INVESTMENT</b>	<b>16,226</b>	<b>29.1%</b>		<b>0.0%</b>	<b>4.3%</b>	<b>0.3%</b>	<b>-1.5%</b>	<b>-1.2%</b>
Real Assets	5,005	9.0%		-1.9%	-2.7%	0.5%	0.1%	0.7%
Real Estate	3,507	6.3%		-2.8%	-5.0%	0.4%	0.1%	0.5%
Infrastructure	1,498	2.7%		0.3%	0.6%	0.2%	0.0%	0.2%
Private Equity	6,050	10.9%		0.9%	12.7%	-0.3%	-1.3%	-1.6%
Private Credit	2,642	4.7%		1.8%	3.2%	0.1%	-0.1%	0.0%
Absolute Return / Risk Mitigating	2,529	4.5%		0.0%	5.4%	0.0%	-0.3%	-0.3%
<b>LIQUIDITY FUND</b>	<b>699</b>	<b>1.3%</b>		<b>1.4%</b>	<b>1.3%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

# Equity Manager Performance – 1Q 2024

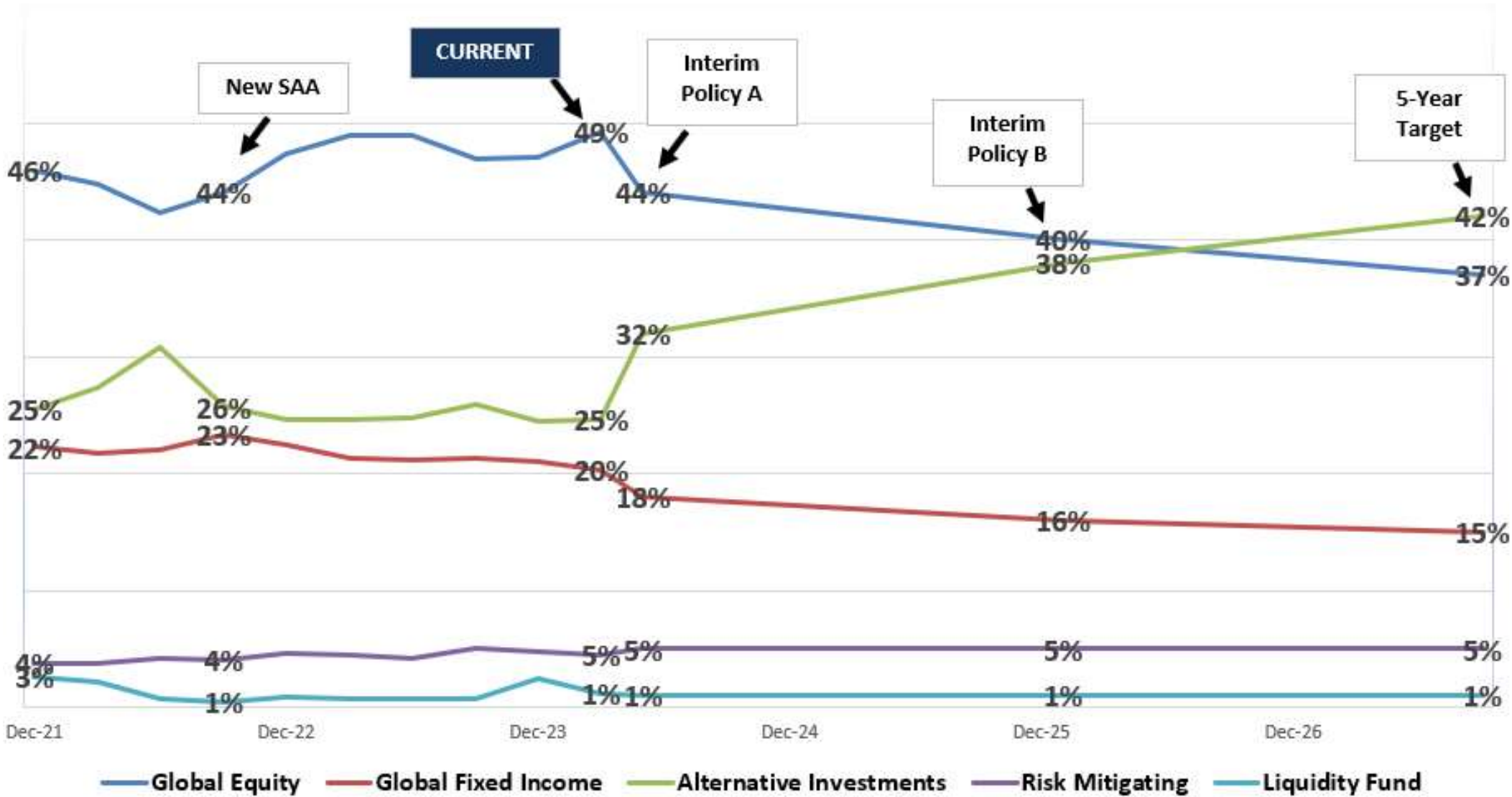
Name	Active / Passive	Benchmark	1Q 2024			Information Ratio
			End Value Total Value (\$M)	Active Cumulative Return	ex-Ante Tracking Error	
<b>TOTAL ADVISOR</b>		<b>Policy Benchmark</b>	<b>\$ 55,689</b>	<b>-0.8%</b>		
<b>GLOBAL EQUITY</b>		<b>MSCI ACWI IMI</b>	<b>\$ 27,450</b>	<b>0.8%</b>	<b>0.89%</b>	<b>0.90</b>
<b>Domestic Equity</b>		<b>MSCI USA IMI</b>	<b>\$ 16,675</b>	<b>0.7%</b>	<b>0.58%</b>	<b>1.12</b>
T ROWE PRICE ASSOC	Enhanced	S&P 500	\$ 7,408	1.1%	0.80%	1.34
CHANNING CAP	Active	Russell 2000 Value	\$ 242	6.5%	6.43%	1.01
ARIEL	Active	Russell 2000 Value	\$ 228	0.9%	7.24%	0.13
WELLINGTON DEF	Active	Russell Microcap	\$ 157	3.5%	6.99%	0.49
RIVERBRIDGE DEF	Active	Russell 2000 Growth	\$ 151	-3.5%	12.03%	(0.29)
LORD ABBETT DEF	Active	Russell 2000 Growth	\$ 143	5.7%	9.76%	0.58
<b>Developed Markets International</b>		<b>MSCI EAFE + Canada</b>	<b>\$ 7,641</b>	<b>-0.3%</b>	<b>1.07%</b>	<b>(0.31)</b>
CAUSEWAY	Active	MSCI EAFE	\$ 1,479	-2.7%	5.65%	(0.48)
PINESTONE CAPITAL	Active	MSCI EAFE	\$ 1,031	1.6%	7.59%	0.21
ACADIAN	Active	MSCI EAFE	\$ 907	1.7%	3.79%	0.44
<b>Emerging Equity</b>		<b>MSCI Emerging Markets IMI</b>	<b>\$ 3,135</b>	<b>3.4%</b>	<b>5.25%</b>	<b>0.65</b>
ARGA INVEST	Active	MSCI Emerging Markets Value	\$ 771	0.2%	7.91%	0.02
SCHRO INVEST	Active	MSCI Emerging Markets	\$ 744	1.7%	3.72%	0.47
GQG PARTNERS	Active	MSCI Emerging Markets	\$ 692	7.8%	10.07%	0.78
DRIEHAUS CAP	Active	MSCI Emerging Markets	\$ 651	5.7%	5.09%	1.13

# Fixed Income Manager Performance – 1Q 2024

1Q 2024				
Name	Active / Passive	Benchmark	End Value	Active
			Total Value (\$M)	Cumulative Return
<b>TOTAL ADVISOR</b>		<b>Policy Benchmark</b>	\$ 55,689	-0.8%
<b>GLOBAL FIXED INCOME</b>		<b>Dynamic weighted CFIF/NCFI/EMI</b>	\$ 11,314	0.1%
<b>Core Fixed Income</b>		<b>50% BBG US Agg/50% Treasury</b>	\$ 8,445	0.1%
TCW	Active	Bloomberg U.S. Agg	\$ 1,103	-0.3%
WELLINGTON	Active	Bloomberg US Securitized	\$ 1,052	0.2%
PINEBRIDGE	Active	Bloomberg U.S. Credit	\$ 604	0.2%
CONNING US CREDIT	Active	Bloomberg U.S. Credit	\$ 571	0.2%
LONGFELLOW	Active	Bloomberg U.S. Agg	\$ 468	0.7%
PUGH CAPITAL MGMT	Active	Bloomberg U.S. Agg	\$ 457	0.1%
<b>Non-Core Fixed Income</b>		<b>BBG U.S. High Yield 2% Cap</b>	\$ 2,324	0.2%
NOMURA HYDF	Active	BBG U.S. High Yield 2% Cap	\$ 741	0.0%
SHENKMAN	Active	BBG U.S. High Yield 2% Cap	\$ 654	-0.1%
COLUMBIA HYDF	Active	BBG U.S. High Yield 2% Cap	\$ 456	-0.3%
DDJ HYDF	Active	BBG U.S. High Yield 2% Cap	\$ 242	0.8%
HYDF ADVENT CAPITA	Active	BofA Global 300 Convert Hedged	\$ 104	0.9%
<b>Emerging Markets Debt</b>		<b>50% JPM EMBI / 50% JPM GBI EM</b>	\$ 546	0.7%
PIMCO EMDF	Active	50% JPM EMBI / 50% JPM GBI EM	\$ 262	0.9%
PAYDEN SA EMD	Active	50% JPM EMBI / 50% JPM GBI EM	\$ 250	0.1%

# Asset Allocation Glide Path

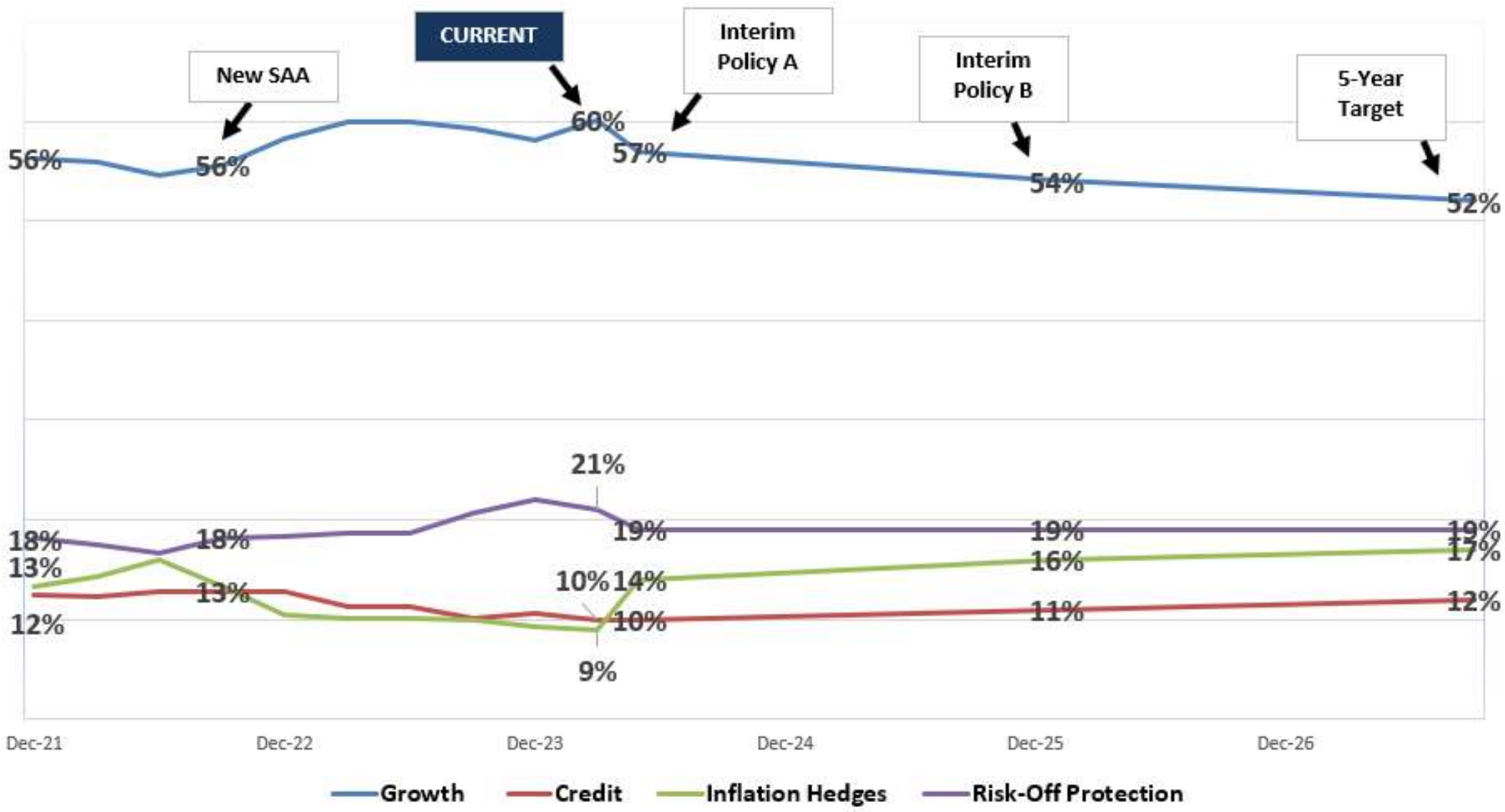
Current: As of March 29, 2024





# Public Proxy used for Thematic Buckets until Private Commitments are Called

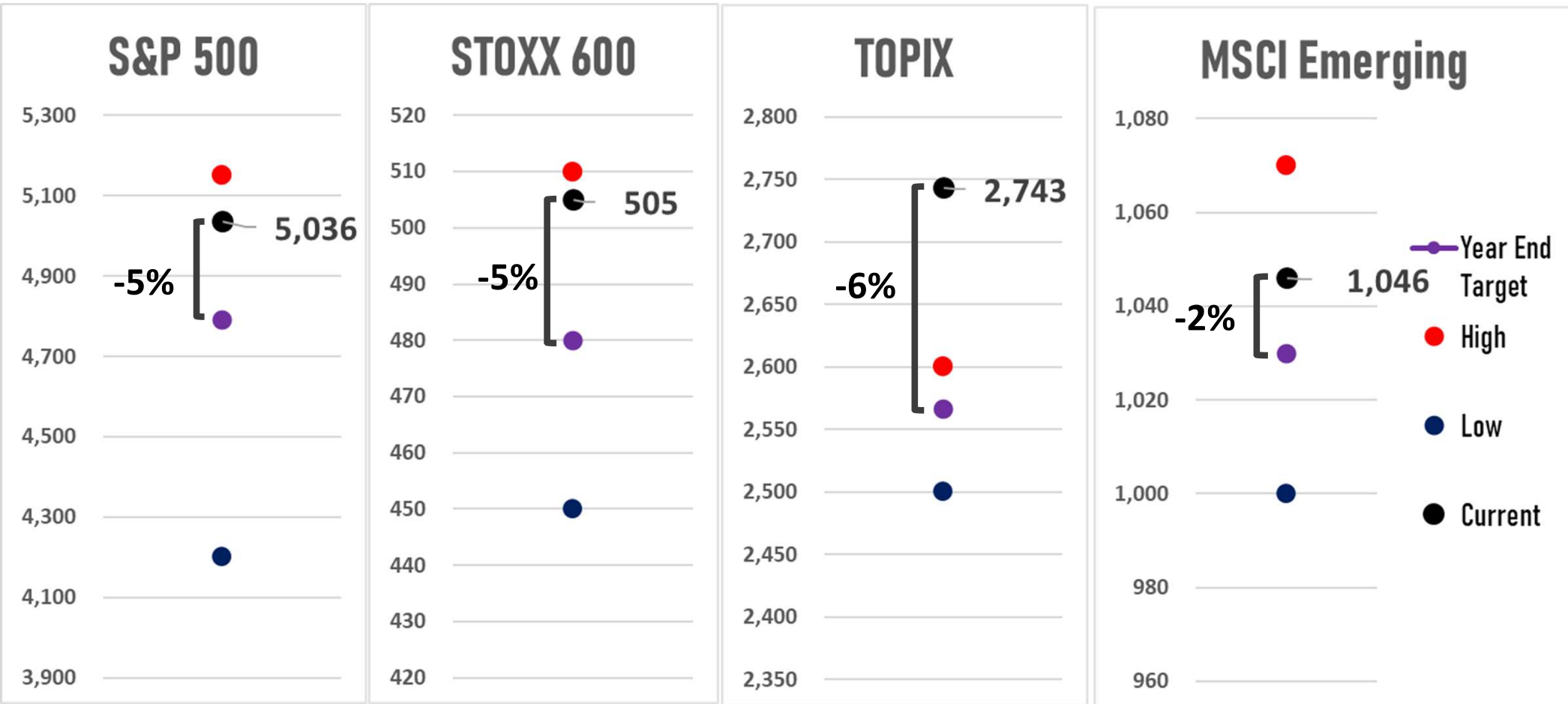
Current: As of March 29, 2024



# Appendix



# 2024 Market Outlook – Public Equity



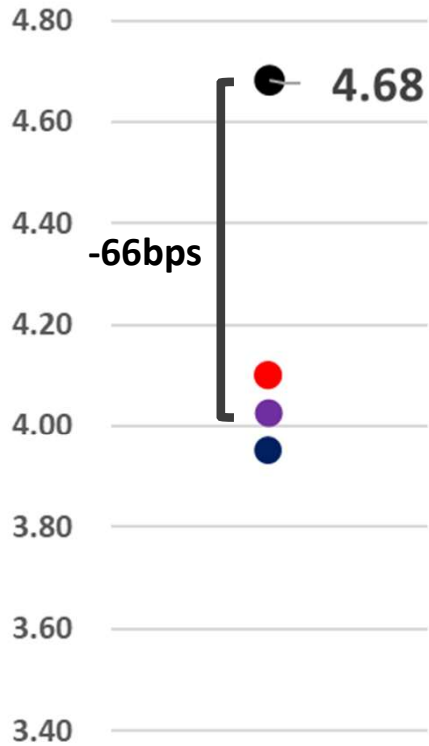
Current: As of 4/30/2024

Source: Morgan Stanley, Deutsche Bank, JPMorgan, UBS & Bank of America

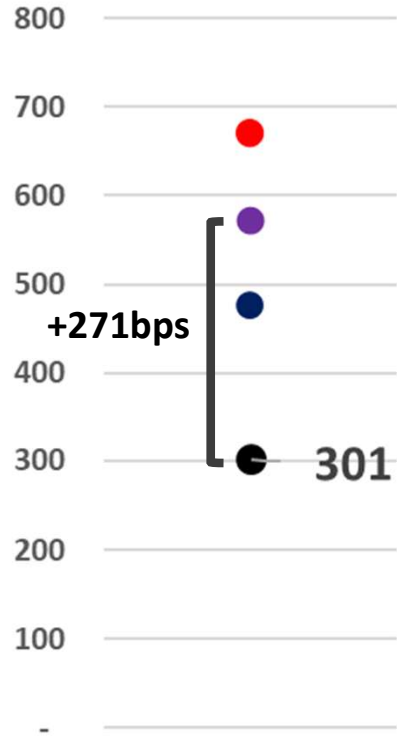


# 2024 Market Outlook – Public Fixed Income

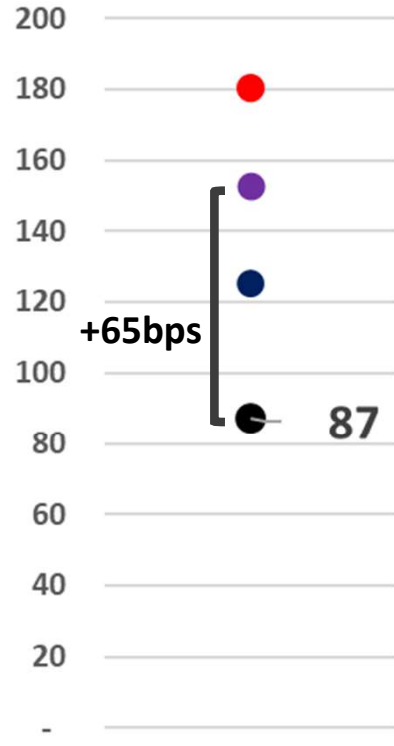
## 10yr Treasury (%)



## US HY Spread (bps)



## US IG Spread (bps)



## EUR/USD Spot (\$)



## First Quarter 2024 Executive Summary

Category	Results	Notes
Total CRPTF Performance	Positive	4.1%
Performance vs. Benchmark	Negative	4.1% vs. 4.8%
Performance vs. Peer Median	N/A	Data unavailable at this time
Attribution Effects	Negative	Weak relative performance in Private Equity
Compliance with Targets	Not in Compliance (Timing)	Due to changes in asset allocation policy, the Emerging Market Debt Fund and Private Credit fund were outside the policy range

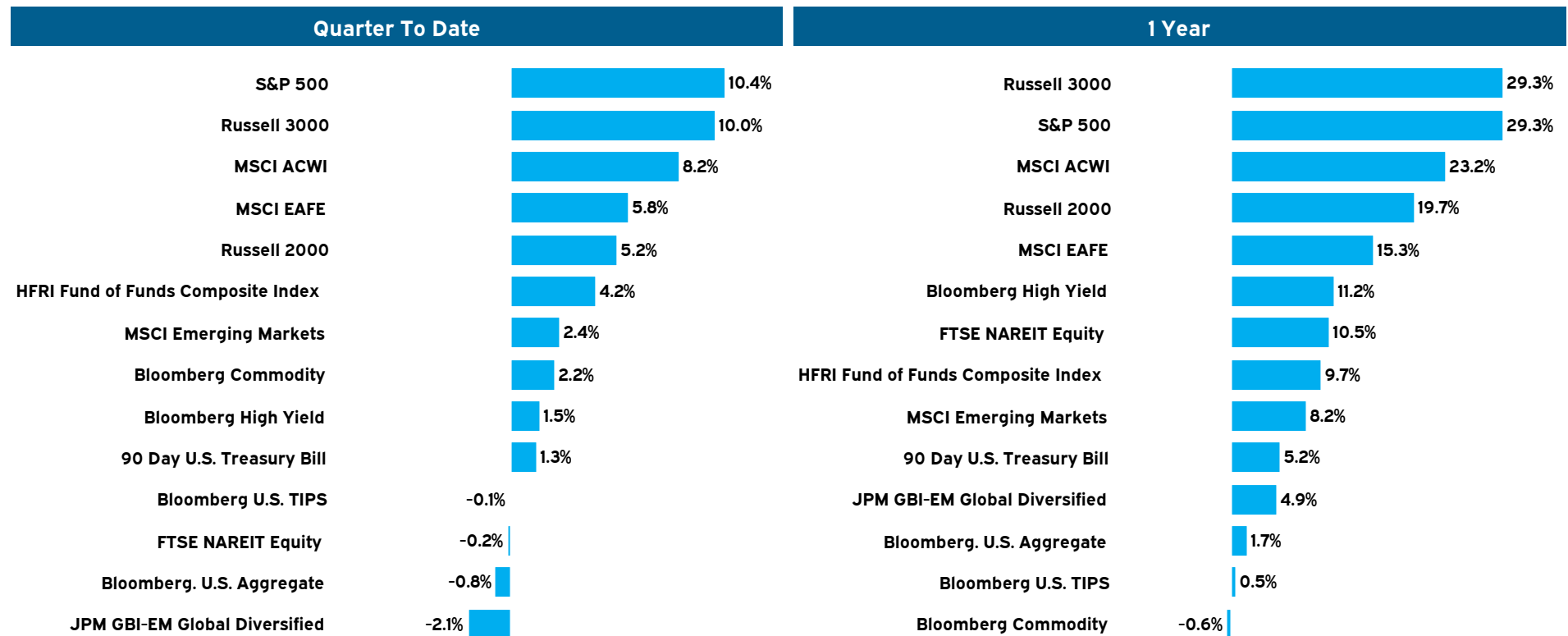
- During the quarter, the CRPTF returned 4.1%, underperforming the Policy Benchmark return of 4.8%.
- An overweight to, and outperformance within global equity was more than offset from weak relative performance in private equity during the quarter. An underweight to, and outperformance within real estate was also helpful during the quarter.
  - Recall, private equity is benchmarked against a public market asset class so tracking error will be higher in the short-term.
- The new asset allocation policy took effect in October 2022, which moved the emerging market debt and private credit outside the policy range.
  - As discussed during the review process, there is a transition plan in place to thoughtfully shift the assets to the new policy.



## State of Connecticut Retirement Plans and Trust Funds

### Executive Summary

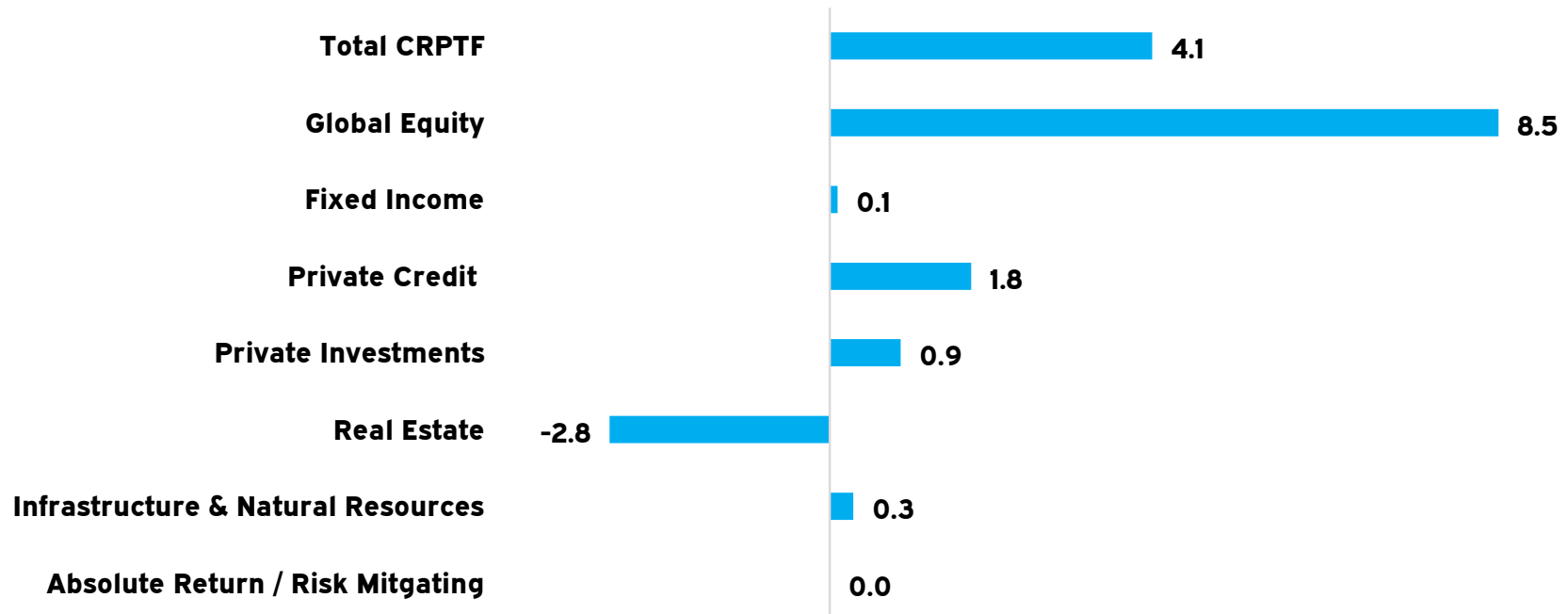
→ Markets have continued to rally, driven by the potential for a soft landing, expectations about coming rate cuts, and technological advances.



## 1Q 2024 CRPTF: Absolute Performance

→ The first quarter of 2024 has been an abnormal time punctuated by a focus on monetary policy, global conflict, and technological advancement.

## Absolute QTD Returns

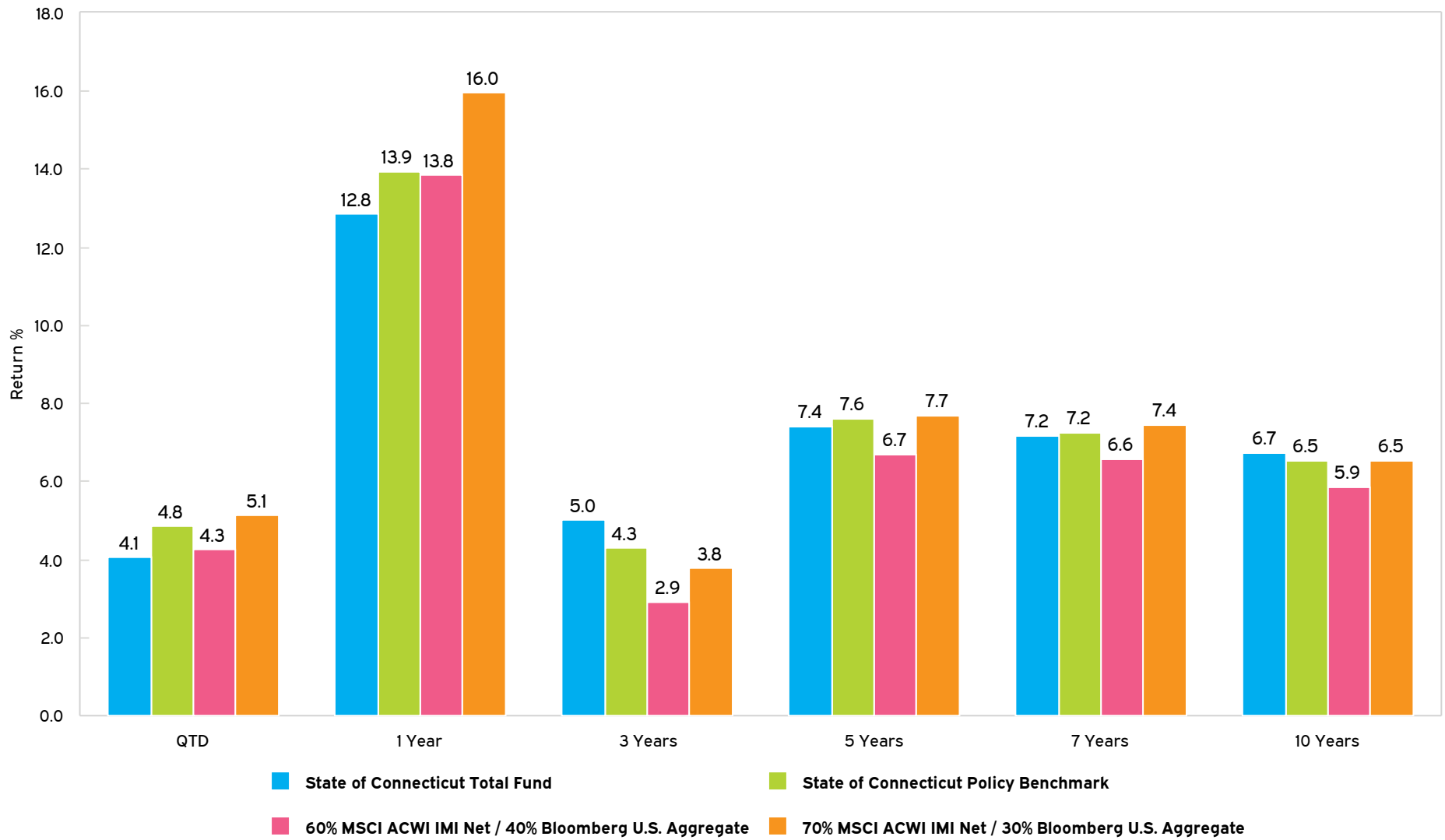




# State of Connecticut Retirement Plans and Trust Funds

## Executive Summary

### Return Summary Ending March 31, 2024



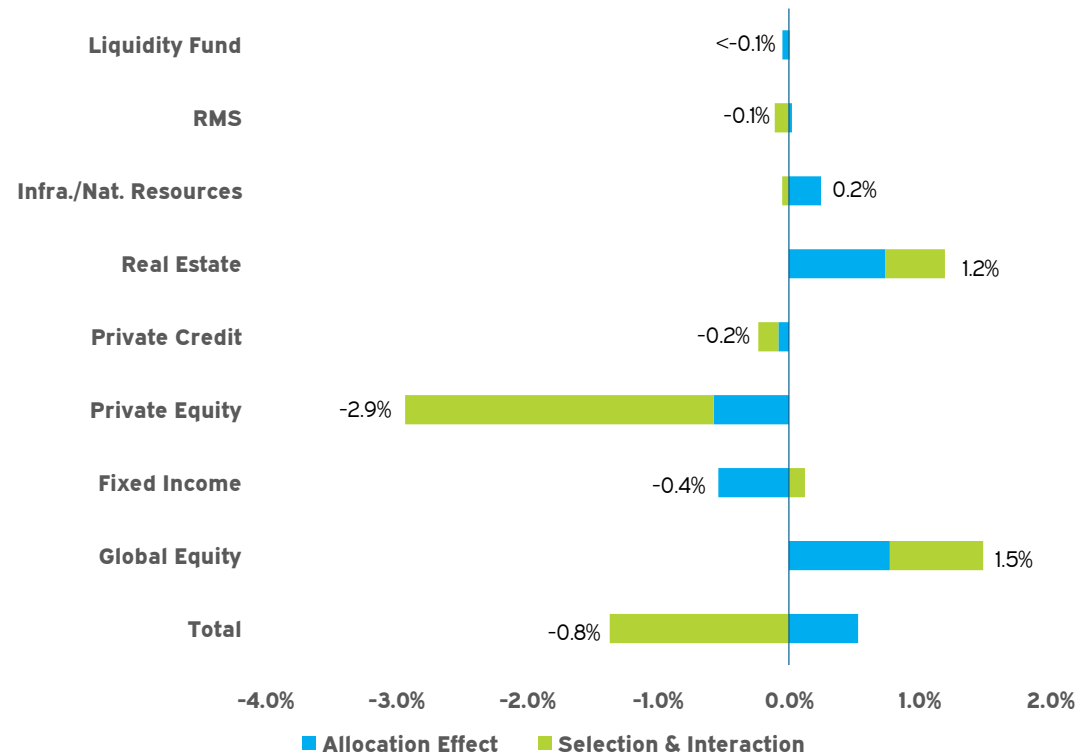




## State of Connecticut Retirement Plans and Trust Funds

State of Connecticut Retirement Plans and Trust Funds | As of March 31, 2024

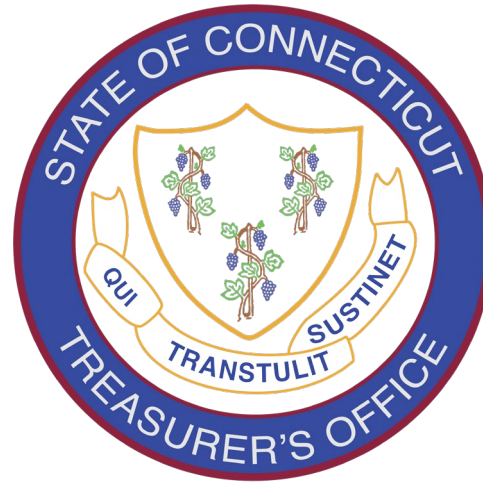
### 1-Year Attribution



→ For the trailing one-year period, the CRPTF was up 12.8% vs. 13.9% for the Policy Benchmark.

→ Positive performance was driven by relative performance within global equity and real estate. An overweight to public and equity and underweight to real estate was also additive. This was more than offset by underperformance within private equity (recall the asset class has a public equity benchmark).

# Connecticut Retirement Plans and Trust Funds

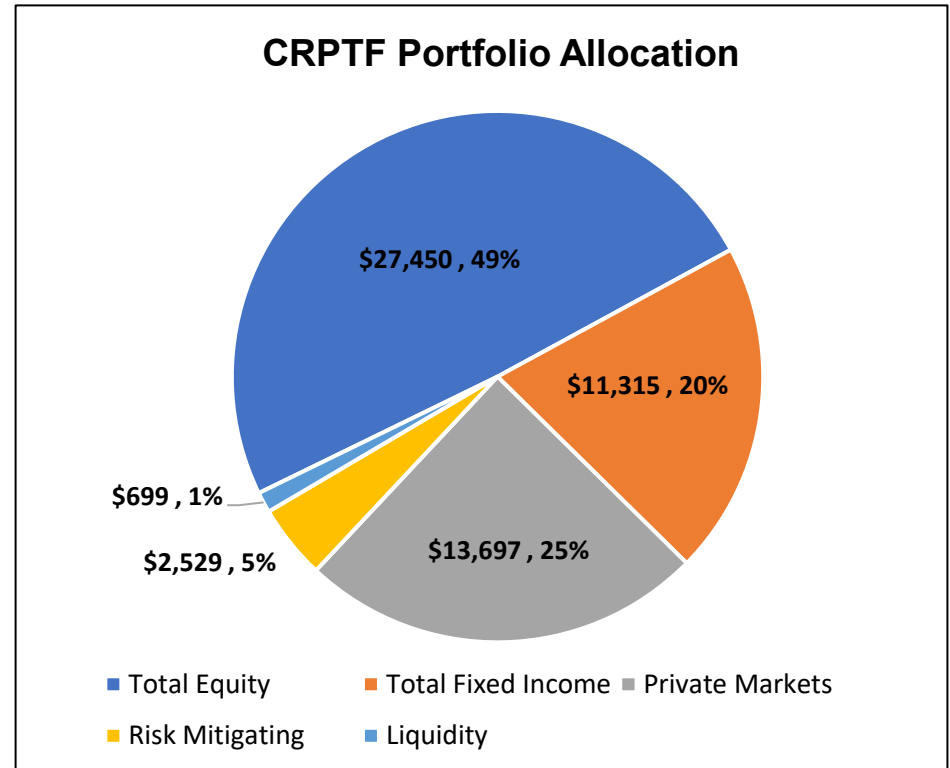


**Global Fixed Income  
Strategic Review  
May 2024**



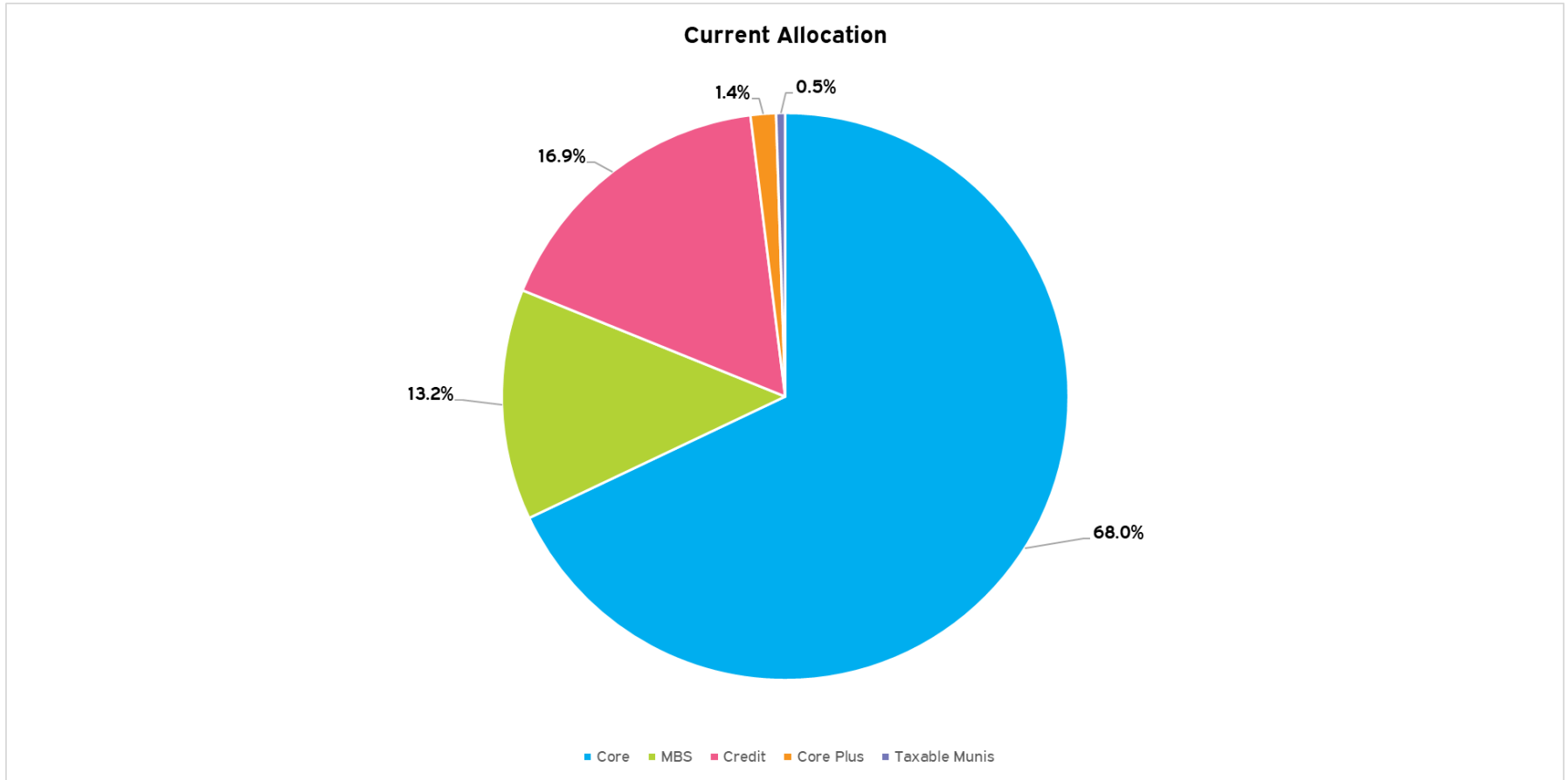
# CRPTF Allocation

Asset Class	Market Value (\$M)	Current Allocation
<b>Public Markets</b>	\$ 38,765	<b>70%</b>
Total Equity	\$ 27,450	49%
Total Fixed Income	\$ 11,315	20%
<b>Private Markets</b>	\$ 13,697	<b>25%</b>
Risk Mitigating	\$ 2,529	5%
Liquidity	\$ 699	1%
<b>\$ 55,690</b>		<b>100%</b>
as of 3/31/2024		



# Current Core Fixed Income Allocation

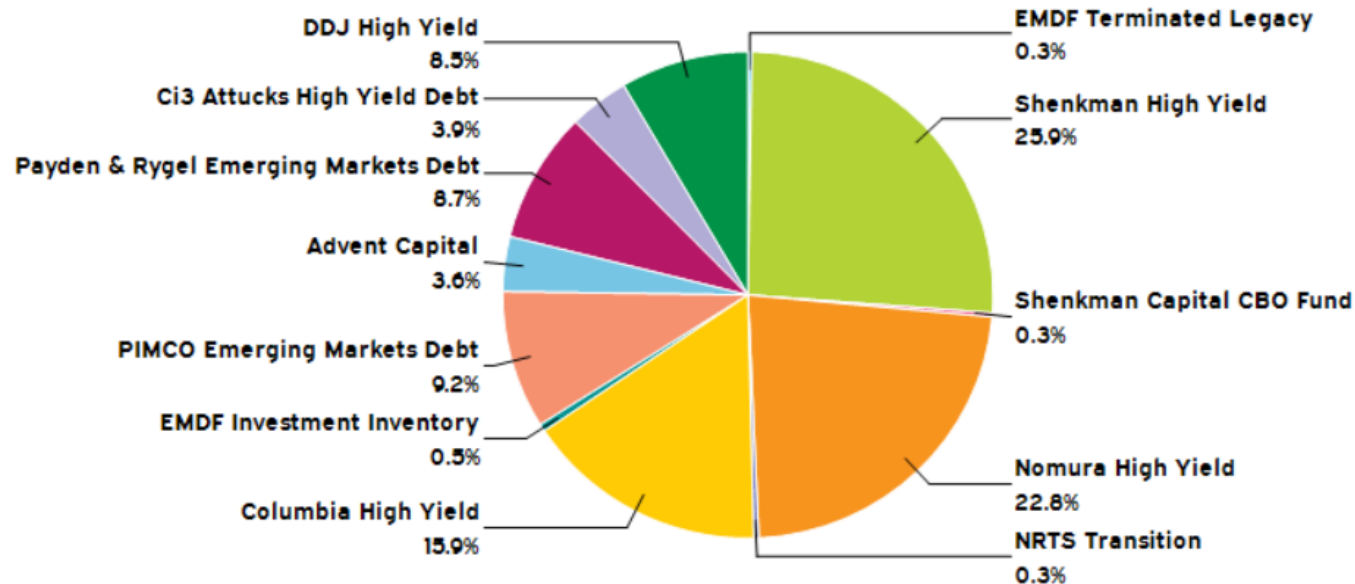
(As of March 31, 2024)



# Current Non-Core Fixed Income Allocation

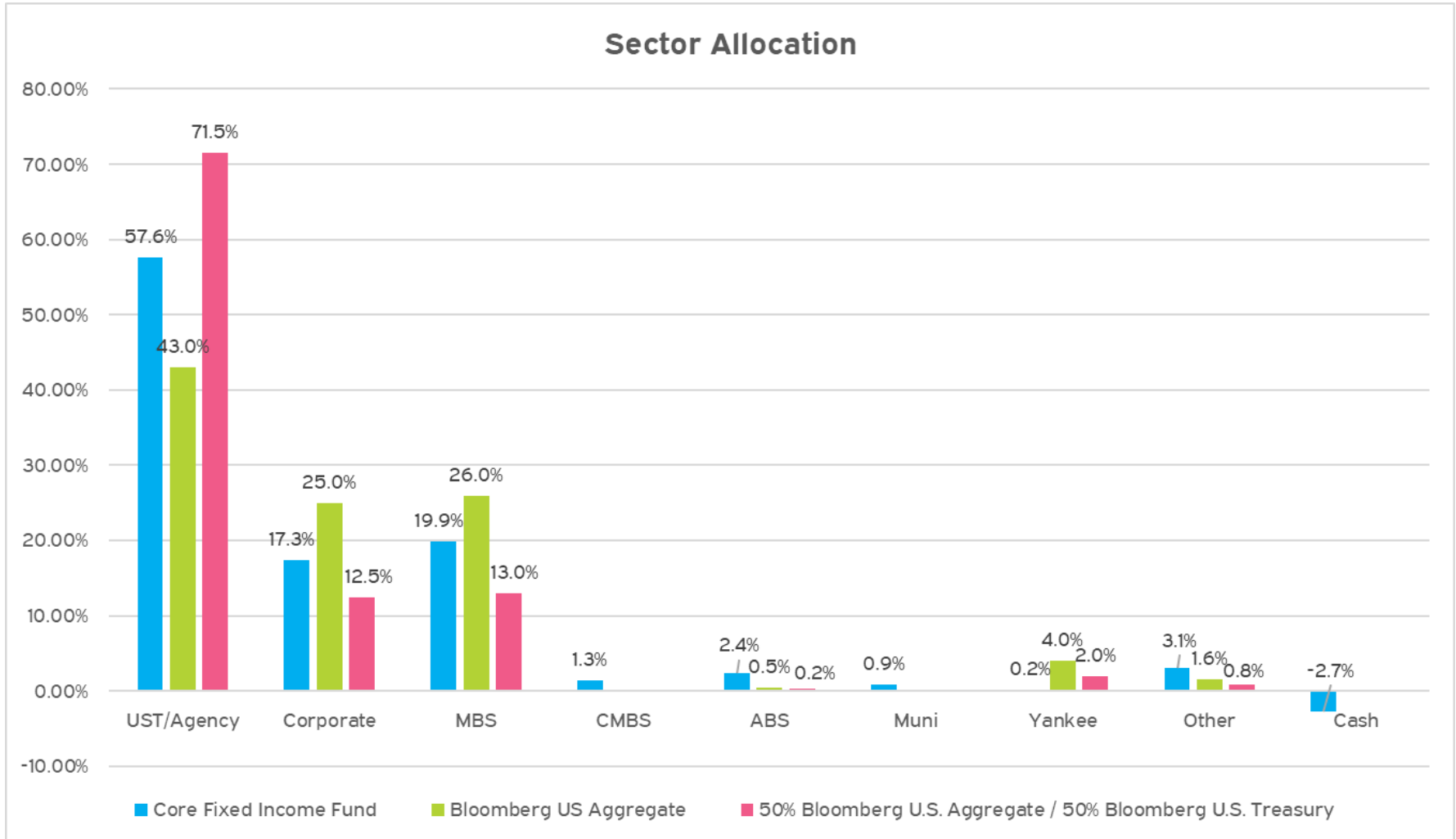
(As of March 31, 2024)

## Current Allocation



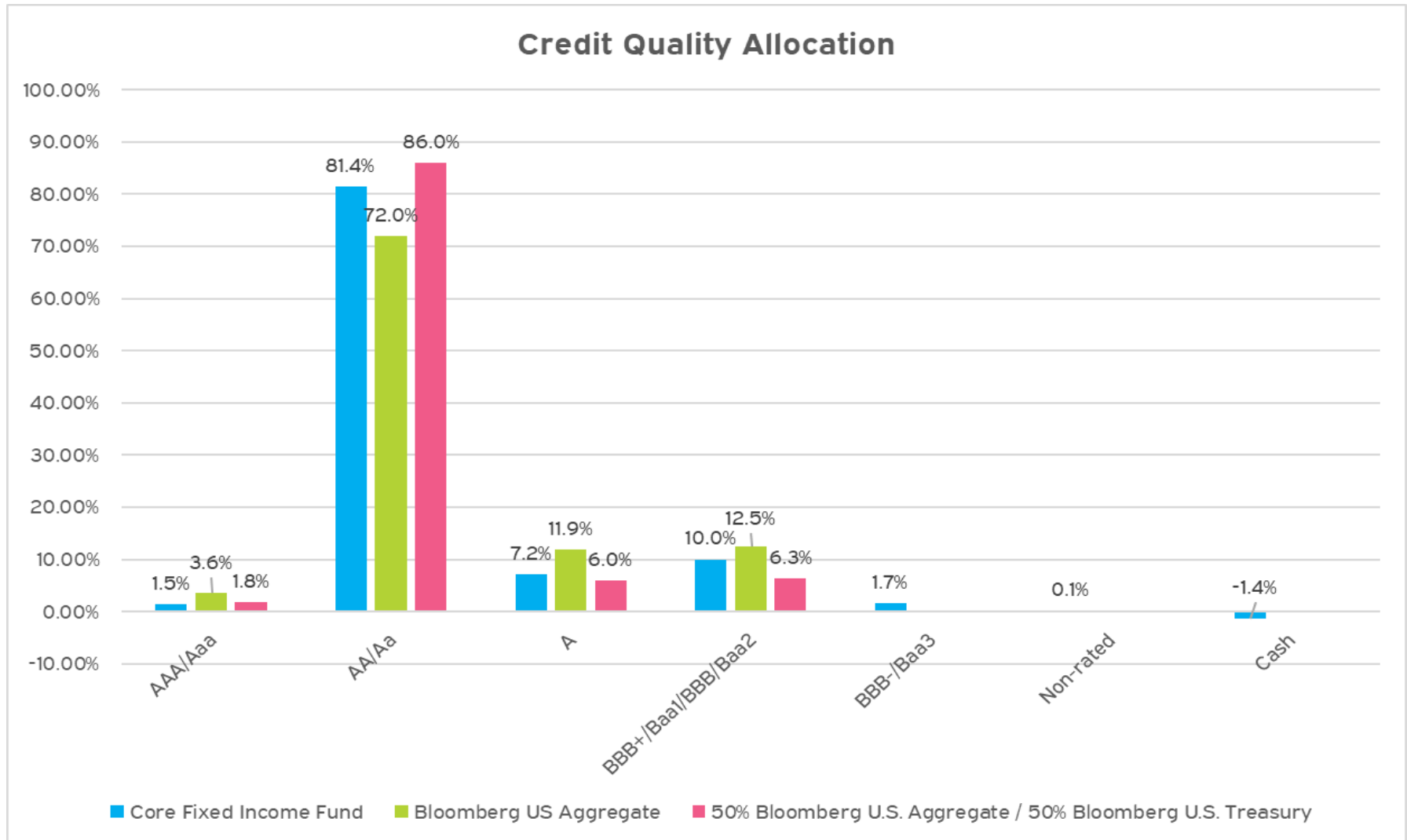
# Core Fixed Income by sector allocation

As of March 31, 2024



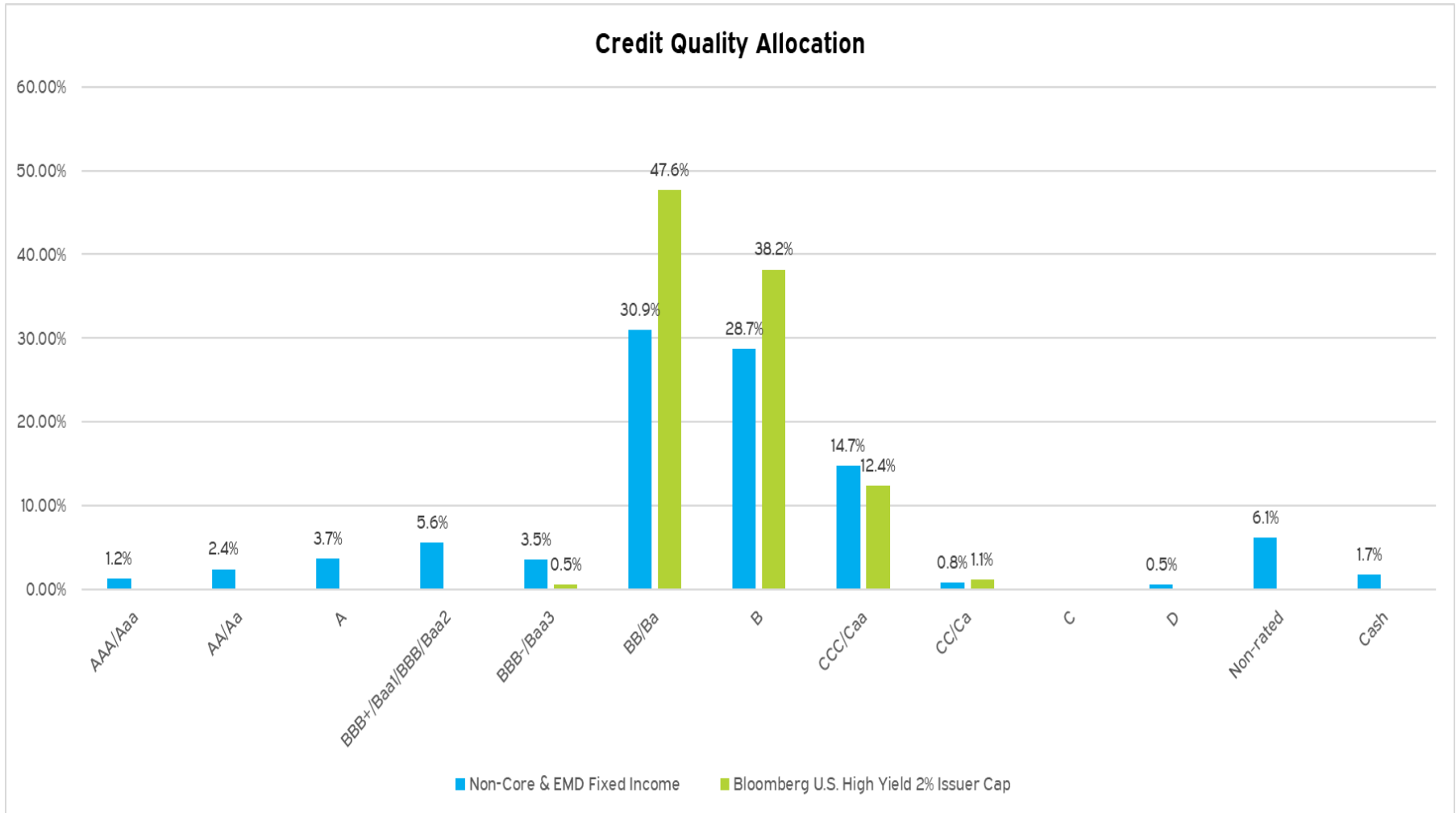
# Core Fixed Income by credit quality allocation

As of March 31, 2024



# Non-Core Fixed Income by credit quality allocation

As of March 31, 2024

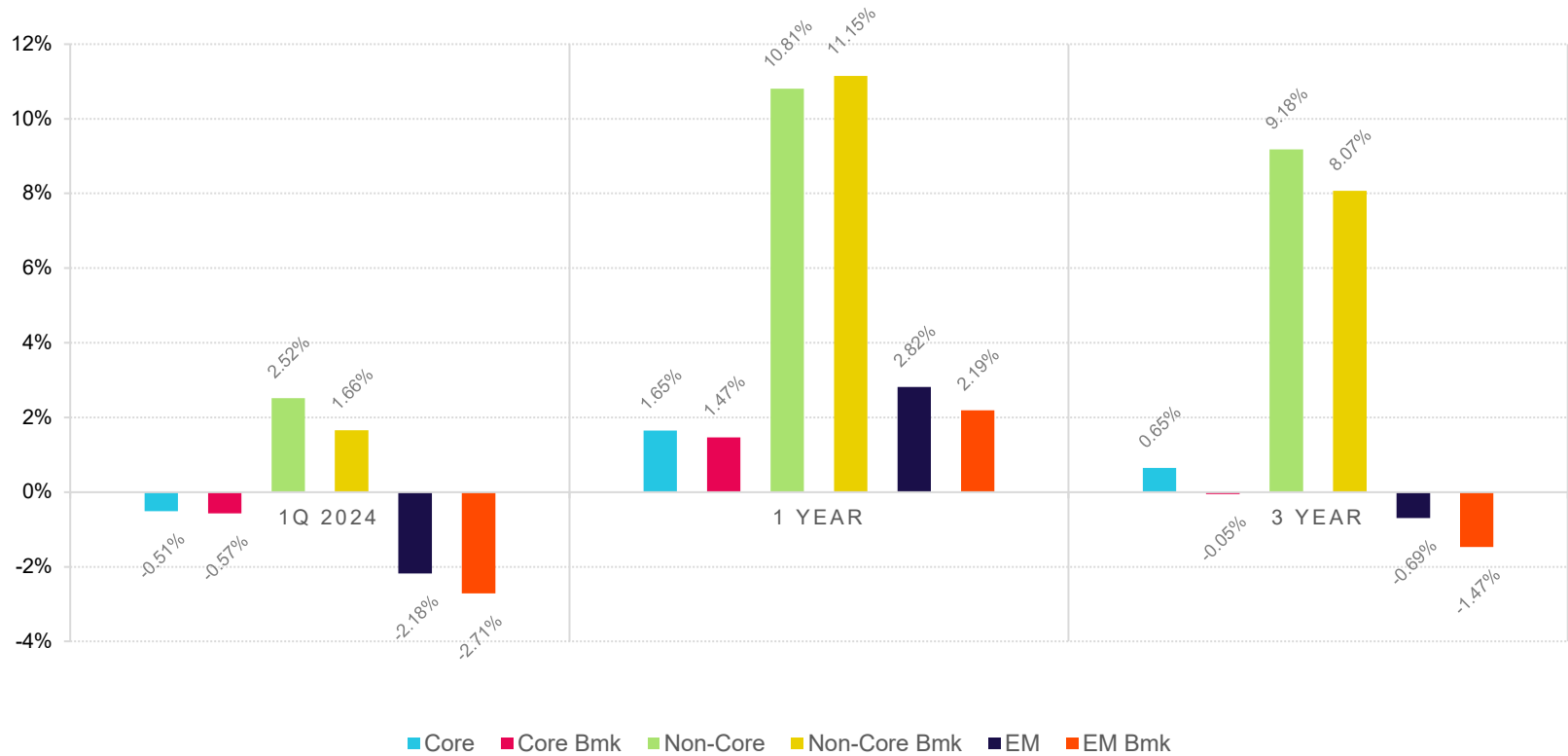




# Global Fixed Income Performance

As of March 31, 2024

## CRPTF Fixed Income Performance



\*Source: Custodian



# Global Fixed Income Performance By Manager

## State of Connecticut Retirement Plans and Trust Funds

Total Fixed Income | As of March 31, 2024

Performance Summary				
	Market Value \$	% of Portfolio	May-2021 To Sep-2022	Oct-2022 To Feb-2024
<b>Total Fixed Income</b>	11,314,280,055	100.0	-10.3	7.5
<i>Custom Fixed Income Benchmark</i>			-10.5	7.1
<b>Core Fixed Income Fund</b>	8,444,870,353	74.6	-9.6	4.2
<i>Core Fixed Income Benchmark</i>			-9.9	3.6
Longfellow	467,673,147	4.1	-9.4	4.7
<i>Bmbg. U.S. Aggregate Index</i>			-9.9	4.0
Pugh Capital Management	456,758,686	4.0	-9.7	4.3
<i>Bmbg. U.S. Aggregate Index</i>			-9.9	4.0
SSgA Passive Core Bond	3,700,269,280	32.7	--	3.1
<i>Bmbg. U.S. Treasury: Intermediate</i>			-6.4	3.1
TCW	1,103,286,857	9.8	--	4.0
<i>Bmbg. U.S. Aggregate Index</i>			-9.9	4.0
Wellington Management	1,051,536,638	9.3	--	3.8
<i>Bmbg. U.S. Securitized: MBS, ABS, and CMBS</i>			-10.0	3.6
Pinebridge	604,487,127	5.3	--	7.0
<i>Bmbg. U.S. Credit Index</i>			-11.6	7.0
Conning US Credit	571,312,687	5.0	--	6.2
<i>Bmbg. U.S. Credit Index</i>			-11.6	7.0
CI3 Attucks Core Fixed Income	473,595,855	4.2	-8.2	6.2
<i>Bmbg. U.S. Aggregate Index</i>			-9.9	4.0
SSGM Transition	311	0.0		
CFIF Terminated Legacy	6,133,475	0.1		
CFF Investment Inventory	9,816,290	0.1		
<b>Non-Core Fixed Income</b>	2,323,624,147	20.5	-7.3	12.6
<i>Bmbg. U.S. High Yield - 2% Issuer Cap</i>			-8.6	12.7
Columbia High Yield	456,029,796	4.0	-7.3	11.9
<i>Bmbg. U.S. High Yield - 2% Issuer Cap</i>			-8.6	12.7
DDJ High Yield	242,232,697	2.1	-2.9	10.8
<i>Bmbg. U.S. High Yield - 2% Issuer Cap</i>			-8.6	12.7

All performance is net of fees.

MEKETA INVESTMENT GROUP

# Global Fixed Income Performance By Manager

## State of Connecticut Retirement Plans and Trust Funds

Total Fixed Income | As of March 31, 2024

	Market Value \$	% of Portfolio	May-2021 To Sep-2022	Oct-2022 To Feb-2024
Nomura High Yield	653,781,508	5.8	-82	138
<i>Bimog. U.S. High Yield - 2% Issuer Cap</i>			<i>-86</i>	<i>127</i>
Shenkman High Yield	741,436,692	6.6	-68	122
<i>Bimog. U.S. High Yield - 2% Issuer Cap</i>			<i>-66</i>	<i>127</i>
Advent Capital	104,293,631	0.9	-147	125
<i>ICE BofA All Convertibles, All Qualities</i>			<i>-147</i>	<i>102</i>
C13 Attucks High Yield Debt	112,924,162	1.0	-61	129
<i>Bimog. U.S. High Yield - 2% Issuer Cap</i>			<i>-66</i>	<i>127</i>
Shenkman Capital CBO Fund	7,746,143	0.1	-	-
Calamos Advisors	134,391	0.0	-	-
SSBT Transition	1,494,336	0.0	-	-
HYDF Terminated Legacy	149,221	0.0	-	-
HYF Investment Inventory	3,401,575	0.0	-	-
Payden & Rygel Emerging Markets Debt	249,731,472	2.2	-153	176
<i>Spliced 50% JPM EMBI Global Diversified / 50% GBI EM Global Diversified</i>			<i>-167</i>	<i>137</i>
PIMCO Emerging Markets Debt	261,925,280	2.3	-144	144
<i>Spliced 50% JPM EMBI Global Diversified / 50% GBI EM Global Diversified</i>			<i>-167</i>	<i>137</i>
Aberdeen Emerging Markets Debt	777,152	0.0	-	-
Eaton Vance	1,310,590	0.0	-	-
C13 Attucks Emerging Markets Debt	432,936	0.0	-	-
NRTS Transition	9,790,147	0.1	-	-
EMDF Terminated Legacy	7,528,960	0.1	-	-
EMDF Investment Inventory	14,289,019	0.1	-	-

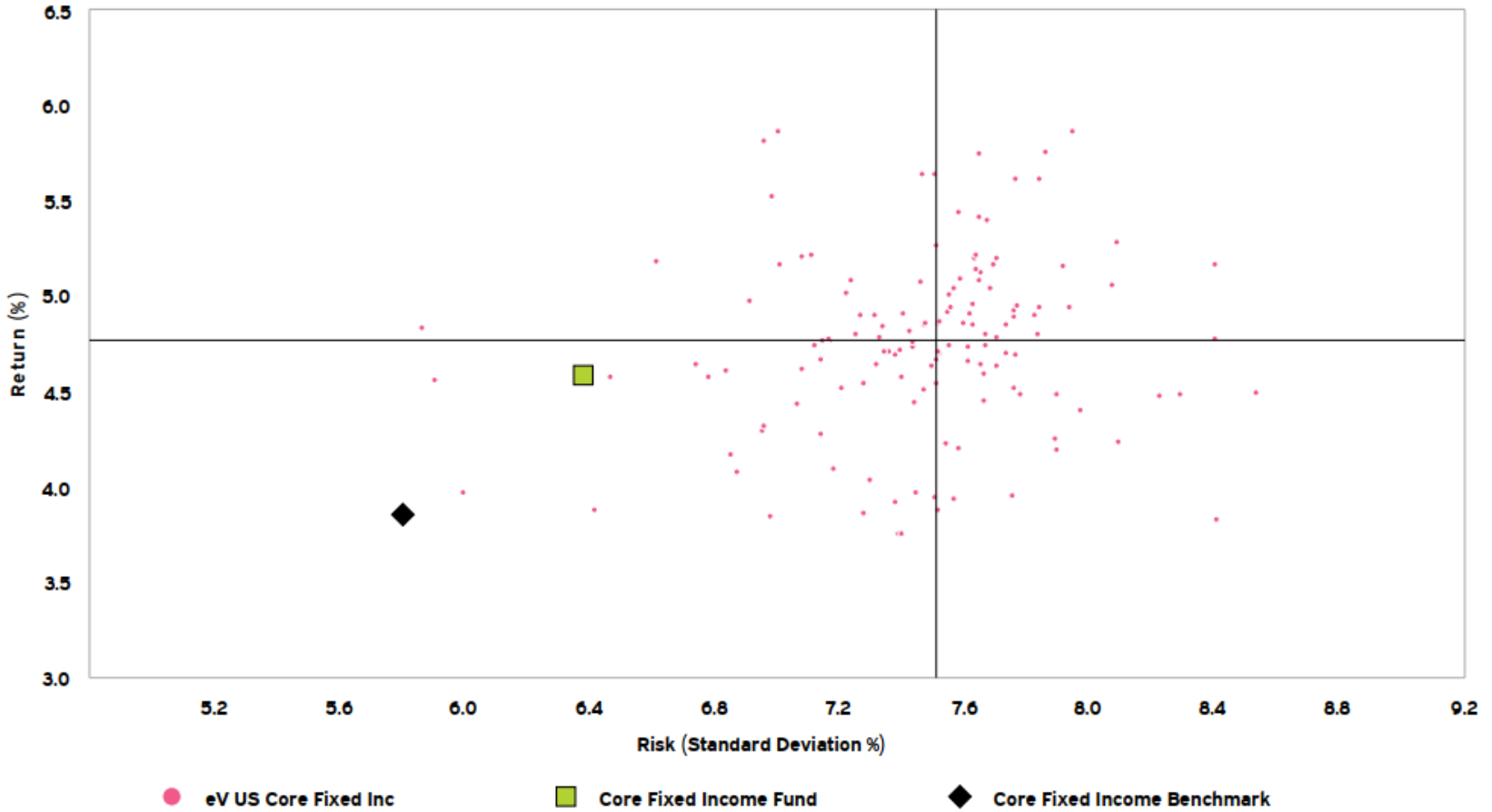
All performance is net of fees

MEKETA INVESTMENT GROUP

# Meketa Manager Style Analysis

Core Fixed Income Fund | As of March 31, 2024

Annualized Return vs Annualized Standard Deviation  
October 1, 2022 To March 31, 2024



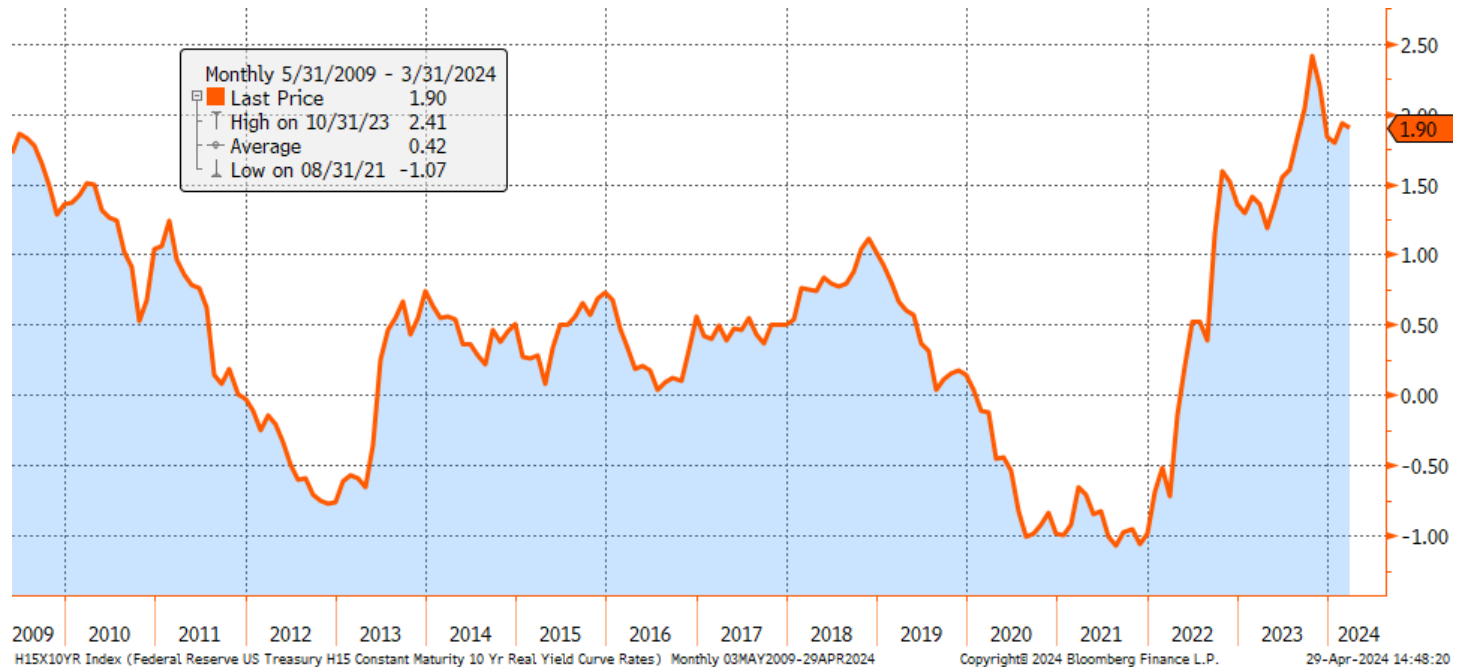
\*Source: Meketa



# Outlook

After having average just about 0.5% since the GFC, real rates are firmly in the positive territory at about 2%

Federal Reserve Constant Maturity 10 yr Real Yield



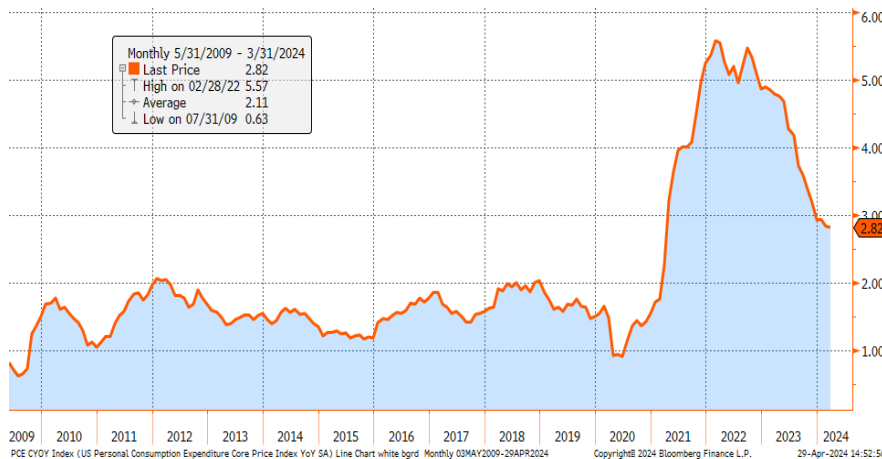
\*Source: Bloomberg



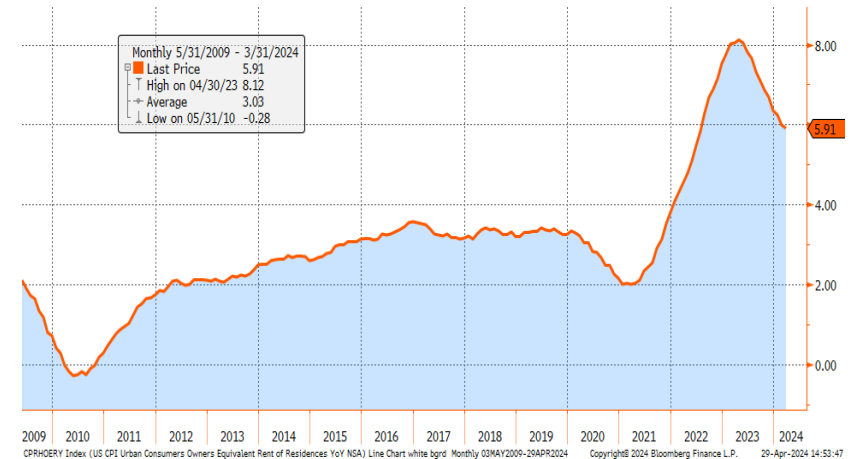
# Outlook

- Overall inflation has trended down significantly as a result of supply side dynamics and FOMC policy
- However, OER remains stubbornly high, being the main culprit in the recent higher than expected inflation readings

## Core PCE YoY

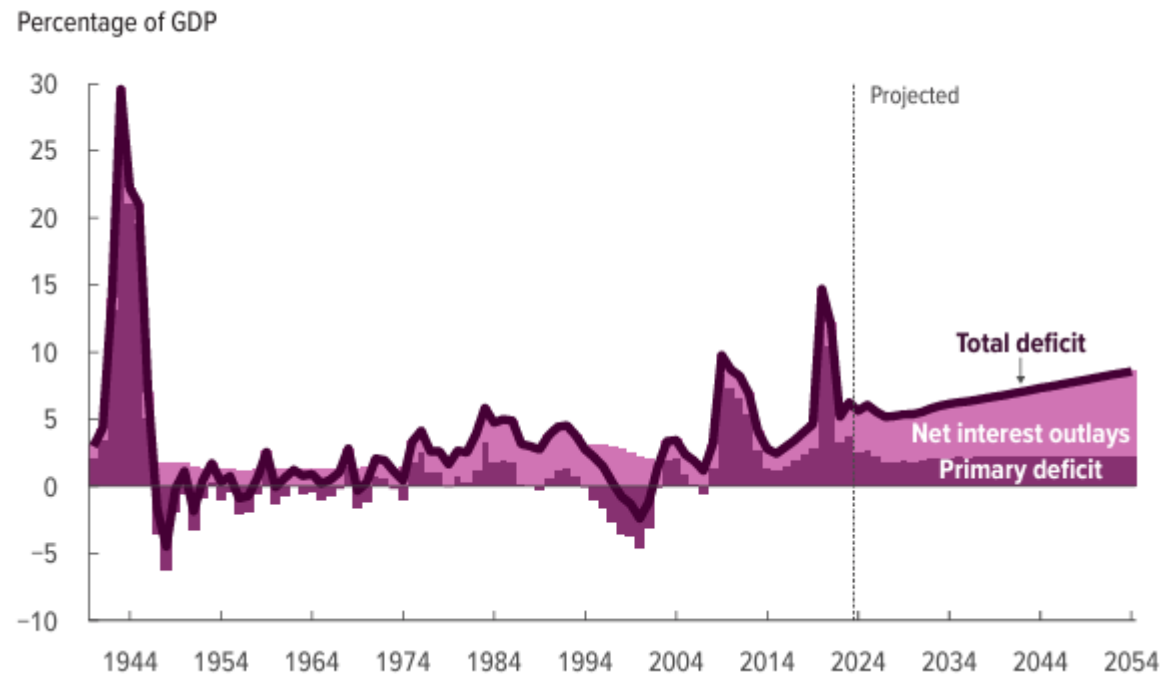


## OER YoY



# Outlook

- Fiscal overhang is a serious issue to resolve, with long term risks of fiscal dominance
- Per CBO, fiscal deficit is likely to remain elevated and is expected to reach 8.5% by 2054 with 6.2% coming from interest expense alone



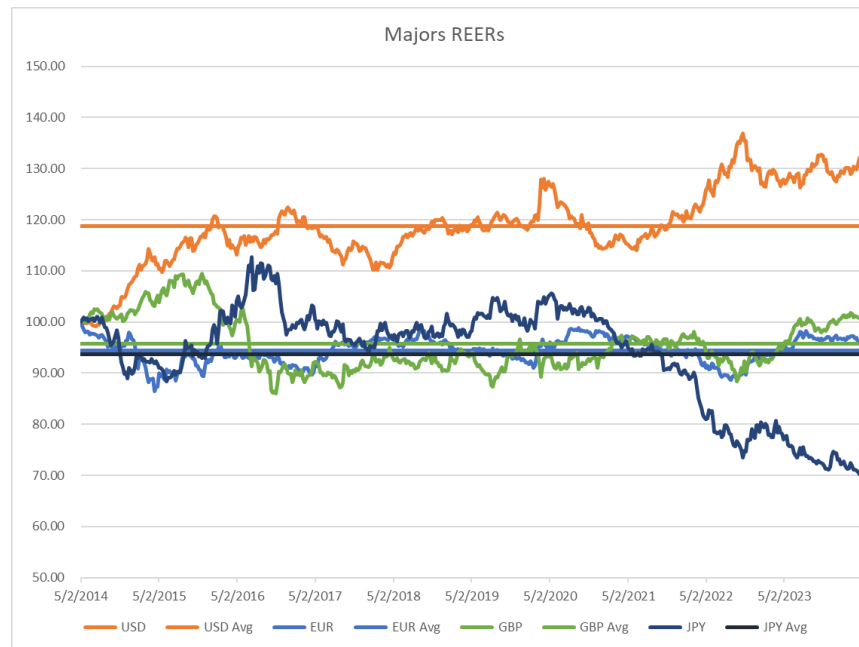
\*Source: CBO Long term budget outlook



# Outlook

- Given growth and Fed policy, the USD has significantly appreciated in real terms

## Major CCY REER

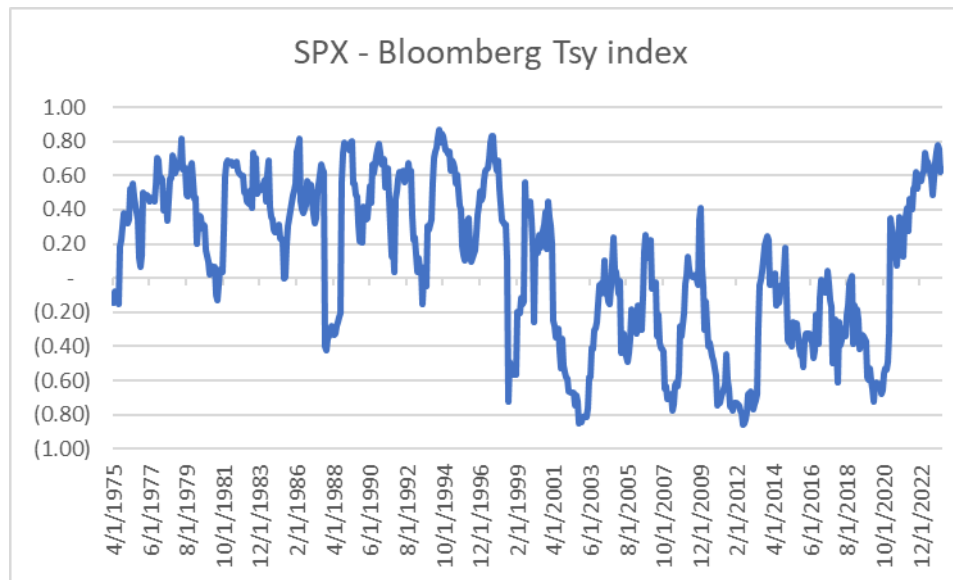




# Outlook

- Equities- Bond correlation is a more nuanced affair

## 12 Month Rolling Correlation



\*Source: Bloomberg



# Outlook

- Overall, on a spread basis, there isn't a particular credit sector that screens cheap

Credit Spread Scoring														
	US IG	US HY	US HY B	US HY BB	Lev Loans	EU IG	EU HY	Asia IG	Asia HY	EM	EM IG	EM HY	MBS	ABS
Max	3.63	10.13	10.25	7.81	976	2.41	8.89	2.74	16.16	6.80	3.33	14.23	1.15	3.18
Min	0.81	2.67	2.66	1.71	385	0.73	2.38	0.82	2.77	2.12	1.02	3.39	0.07	0.22
Avg	1.23	4.24	4.29	2.82	502	1.22	4.00	1.45	6.56	3.24	1.66	6.15	0.36	0.55
Stdev	0.30	1.12	1.09	0.81	77	0.33	0.94	0.28	2.59	0.64	0.40	1.51	0.15	0.25
Z Score	(1.23)	(1.07)	(1.34)	(1.22)	0.25	(0.30)	(0.28)	(2.25)	(0.14)	(1.02)	(1.55)	(0.69)	0.94	(0.08)
Last	0.87	3.04	2.82	1.83	521	1.12	3.74	0.83	6.20	2.59	1.04	5.11	0.50	0.53

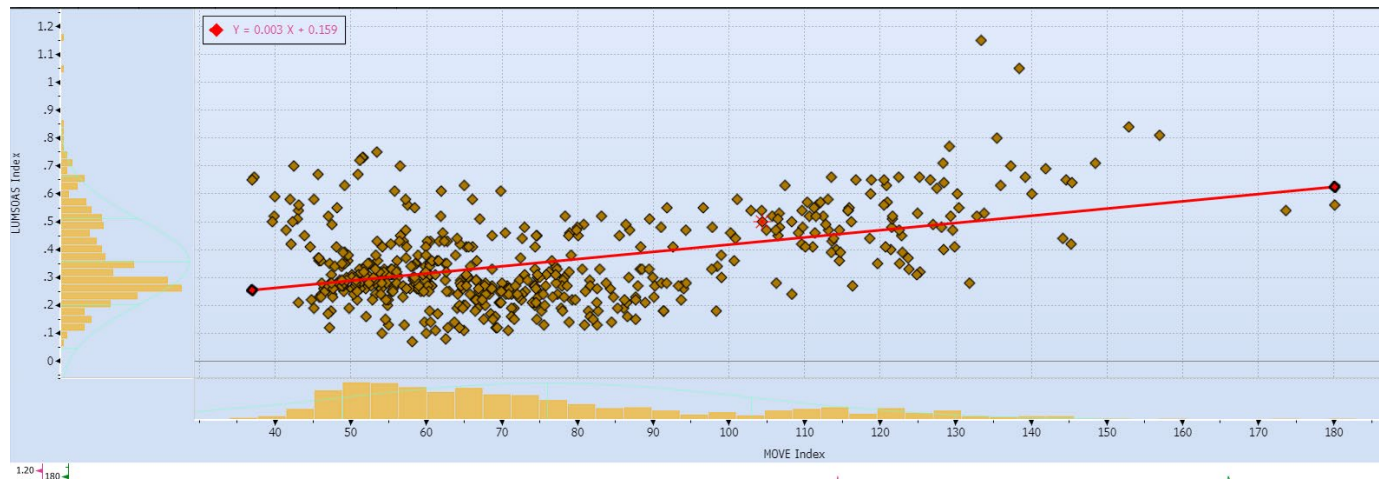
\*Source: CBO Long term budget outlook



# Outlook

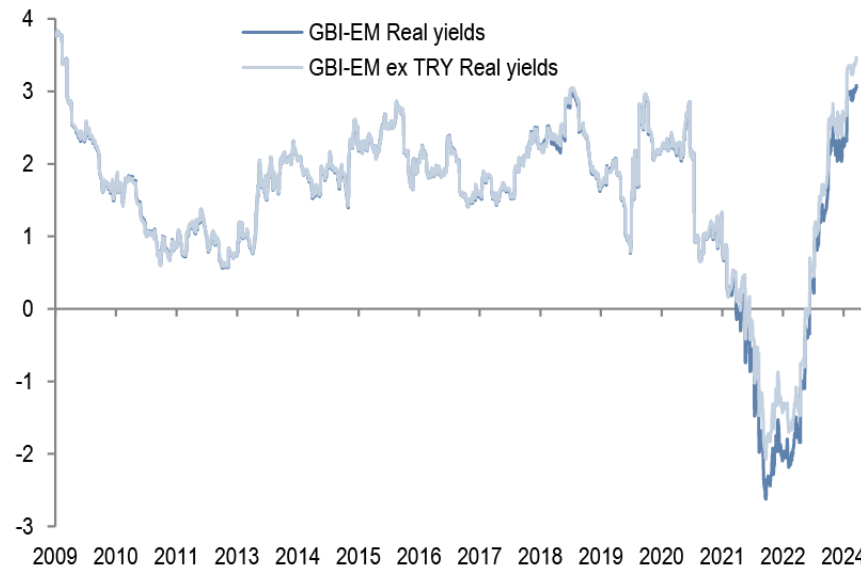
- The one exception is Agency MBS, however even there some cheapness can be attributed to rates volatility

Bloomberg MBS Index OAS v/s MOVE Index



# Outlook

- Emerging markets provide compelling real yields in the local markets space as inflation continues to moderate in EM
- EM hard currency spreads though screen tight, even in the lower rated cohort



# Outlook / Opportunities -Fixed Income

- Overall, high level of real rates supports core fixed income allocations over the long term
- Starting levels of yields matter, and at current levels, one should expect to benefit from negative correlation with equities
- Expect rate volatility to subside from high levels leading to outperformance of MBS sector
- On a spread basis, traditional credit sectors do not screen as particularly attractive, though all in yields above 8% in HY have drawn in flows
- As higher rates finally start to bite, expect there to be opportunities in the stressed/distressed sector



# Recent initiatives

- Periodic rebalancing across sectors to account for market moves and valuations
- Continued rationalizing line-up of managers
- Funded the first capital call for the Shenkman CBO Fund.
- Reduced EMD allocation from >4% to ~1% given the SAA



# For consideration

- We propose revisiting the current 50/50 Bloomberg Aggregate/Intermediate Treasury allocation for the Core portfolio with the aim of improving the long term expected return as well as continue to provide strong downside protection in the event of large equity market corrections

Expected Returns and Risk Statistics

	<b>50% Agg/50% Int Tr</b>	<b>75% Agg/25% Int Tr</b>	<b>75% Agg/25% Long Tr</b>	<b>100% Agg</b>
<b>Investment Grade Bonds</b>	50%	75%	75%	100%
<b>Intermediate Government Bonds</b>	50%	25%	0%	0%
<b>Long-term Government Bonds</b>	0%	0%	25%	0%
<b>Expected Return (20 year)</b>	<b>4.50%</b>	<b>4.60%</b>	<b>4.90%</b>	<b>4.80%</b>
<b>Expected Return (10 year)</b>	<b>4.30%</b>	<b>4.50%</b>	<b>4.60%</b>	<b>4.60%</b>
<b>Standard Deviation</b>	<b>3.40%</b>	<b>3.70%</b>	<b>5.80%</b>	<b>4.00%</b>

# For consideration

## Performance during S&P500 drawdowns

>10% Drawdown Periods					
Period	S&P 500	Agg	50/50 Agg Inter T	75/25 Agg Inter T	75/25 Agg LTT
Apr 81-Sep 81	-12.3%	-4.4%	-2.1%	-3.3%	-5.8%
Dec 81-Jul 82	-11.8%	7.3%	7.4%	7.3%	6.9%
Aug 87-Dec 87	-21.4%	3.0%	3.0%	3.0%	3.0%
Jun 90-Oct 90	-14.7%	3.8%	4.2%	4.0%	3.4%
Jul 98-Sep 98	-9.9%	4.2%	4.5%	4.4%	5.1%
Jan 01-Sep 01	-20.4%	8.4%	8.3%	8.4%	7.9%
Mar 02-Jul 02	-17.1%	3.2%	3.7%	3.5%	3.6%
Oct 07-Mar 08	-12.5%	5.2%	6.7%	6.0%	6.4%
May 08-Mar 09	-41.0%	3.3%	5.7%	4.5%	6.4%
May 11-Sep 11	-16.3%	4.9%	4.8%	4.8%	10.0%
Sep 18-Dec 18	-13.0%	1.0%	1.3%	1.2%	1.0%
Jan 20-Mar 20	-19.6%	3.1%	4.2%	3.7%	7.4%
Dec 21-Jun 22	-16.4%	-10.6%	-8.3%	-9.5%	-13.6%



# Appendix



# For consideration

Risk Return Statistics				
5 Yrs (%)				
Bimbg. U.S. Aggregate Index	50% Bloomberg U.S. Aggregate / 50% Bloomberg Intermediate Treasury	75% Bloomberg U.S. Aggregate / 25% Bloomberg Intermediate Treasury	75% Bloomberg U.S. Aggregate / 25% Bloomberg Long Treasury	
<b>RETURN SUMMARY STATISTICS</b>				
Return	0.4	0.5	0.4	-0.3
<b>RISK/RETURN SUMMARY STATISTICS</b>				
Standard Deviation	6.1	4.8	5.4	8.1
Sharpe Ratio	-0.2	-0.3	-0.3	-0.3
Sortino Ratio	-0.3	-0.4	-0.4	-0.3
Maximum Drawdown	-17.2	-14.1	-15.7	-25.0
<b>CORRELATION STATISTICS</b>				
Actual Correlation	0.5	0.4	0.4	0.4

Risk Return Statistics				
10 Yrs (%)				
Bimbg. U.S. Aggregate Index	50% Bloomberg U.S. Aggregate / 50% Bloomberg Intermediate Treasury	75% Bloomberg U.S. Aggregate / 25% Bloomberg Intermediate Treasury	75% Bloomberg U.S. Aggregate / 25% Bloomberg Long Treasury	
<b>RETURN SUMMARY STATISTICS</b>				
Return	15	14	14	15
<b>RISK/RETURN SUMMARY STATISTICS</b>				
Standard Deviation	4.8	3.8	4.3	6.6
Sharpe Ratio	0.1	0.0	0.0	0.1
Sortino Ratio	0.1	0.0	0.1	0.1
Maximum Drawdown	-17.2	-14.1	-15.7	-25.0
<b>CORRELATION STATISTICS</b>				
Actual Correlation	0.4	0.2	0.3	0.2

Risk Return Statistics				
20 Yrs (%)				
Bimbg. U.S. Aggregate Index	50% Bloomberg U.S. Aggregate / 50% Bloomberg Intermediate Treasury	75% Bloomberg U.S. Aggregate / 25% Bloomberg Intermediate Treasury	75% Bloomberg U.S. Aggregate / 25% Bloomberg Long Treasury	
<b>RETURN SUMMARY STATISTICS</b>				
Return	3.0	2.7	2.8	3.2
<b>RISK/RETURN SUMMARY STATISTICS</b>				
Standard Deviation	4.1	3.5	3.8	5.9
Sharpe Ratio	0.4	0.4	0.4	0.3
Sortino Ratio	0.6	0.5	0.6	0.5
Maximum Drawdown	-17.2	-14.1	-15.7	-25.0
<b>CORRELATION STATISTICS</b>				
Actual Correlation	0.2	0.1	0.2	0.1

# Manager Correlation

## 10-year Geometric Expected Returns Credit

	2024 E(R) (%)	2023 E(R) (%)	Δ From 2023 (%)	Notes
High Yield Bonds	6.5	8.0	-1.5	Tighter spreads
Higher Quality High Yield	6.0	7.1	-1.1	Tighter spreads
Bank Loans	6.5	7.6	-1.1	Tighter spreads
Collateralized Loan Obligations(CLOs)	8.1	8.0	0.1	Slightly higher yields
Convertible Bonds	5.2	6.1	-0.9	Tighter spreads
Emerging Market Bonds (major)	7.0	6.7	0.3	Higher yields
Emerging Market Bonds (local)	6.3	6.4	-0.1	
Private Debt	9.2	9.4	-0.2	Less extreme distressed pricing
Direct Lending	8.2	8.5	-0.3	Lower assumed leverage
Asset Based Lending	9.7	9.4	0.3	Lower average fees
Special Situations Lending	9.7	10.8	-1.1	Less extreme distressed pricing

\*Source: Meketa



# 10 yr Geometric Expected Returns

## 10-year Geometric Expected Returns Rate Sensitive

	2024 E(R) (%)	2023 E(R) (%)	Δ From 2023 (%)	Notes
Cash Equivalents	2.4	3.1	-0.7	Lower projected short-term rates
Short-term Investment Grade Bonds	3.8	3.8	0.0	
Investment Grade (Core) Bonds	4.6	4.8	-0.2	Slightly lower yields
Intermediate Government Bonds	4.0	3.7	0.3	Slightly higher yields
Long-term Government Bonds	4.3	4.3	0.0	
Mortgage-Backed Securities	4.7	4.7	0.0	
Investment Grade Corporate Bonds	5.2	5.6	-0.4	Tighter spreads
Long-term Corporate Bonds	5.2	5.3	-0.1	Tighter spreads
Short-term TIPS	3.8	3.9	-0.1	Slightly lower inflation expectations
TIPS	4.3	4.3	0.0	
Long-term TIPS	4.7	4.7	0.0	
Global ILBs	4.3	4.7	-0.4	Slightly lower inflation expectations
Foreign Bonds	3.1	3.8	-0.7	Slightly lower yields
<i>US Inflation</i>	2.4	2.5	-0.1	<i>Slightly lower near-term economist and market projections</i>

# Manager Correlation

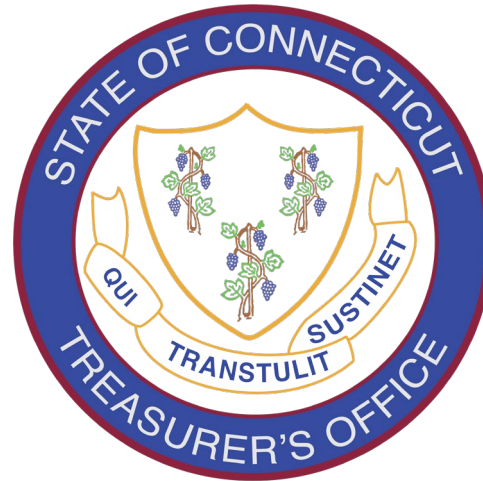
**Actual Correlation Matrix**  
**1 Year Ending March 31, 2024**

	Longfellow	Pugh Capital Management	SSgA Passive Core Bond	TCW	Wellington Management	Pinebridge	Conning US Credit	Columbia High Yield	DDJ High Yield	Nomura High Yield	Shenkman High Yield	Advent Capital
Longfellow	1.00											
Pugh Capital Management	1.00	1.00										
SSgA Passive Core Bond	0.94	0.94	1.00									
TCW	1.00	1.00	0.94	1.00								
Wellington Management	1.00	1.00	0.93	1.00	1.00							
Pinebridge	0.99	0.99	0.91	0.99	0.99	1.00						
Conning US Credit	1.00	1.00	0.93	1.00	1.00	1.00	1.00					
Columbia High Yield	0.93	0.94	0.82	0.94	0.93	0.97	0.96	1.00				
DDJ High Yield	0.73	0.73	0.57	0.73	0.74	0.76	0.74	0.80	1.00			
Nomura High Yield	0.93	0.94	0.81	0.93	0.93	0.97	0.95	1.00	0.82	1.00		
Shenkman High Yield	0.92	0.93	0.79	0.92	0.92	0.95	0.94	0.99	0.83	1.00	1.00	
Advent Capital	0.72	0.72	0.48	0.71	0.73	0.75	0.74	0.80	0.72	0.82	0.85	1.00

\*Source: Meketa



# Connecticut Retirement Plans and Trust Funds



Real Estate Fund  
Structural Review  
May 8, 2024

# Real Estate Asset Class

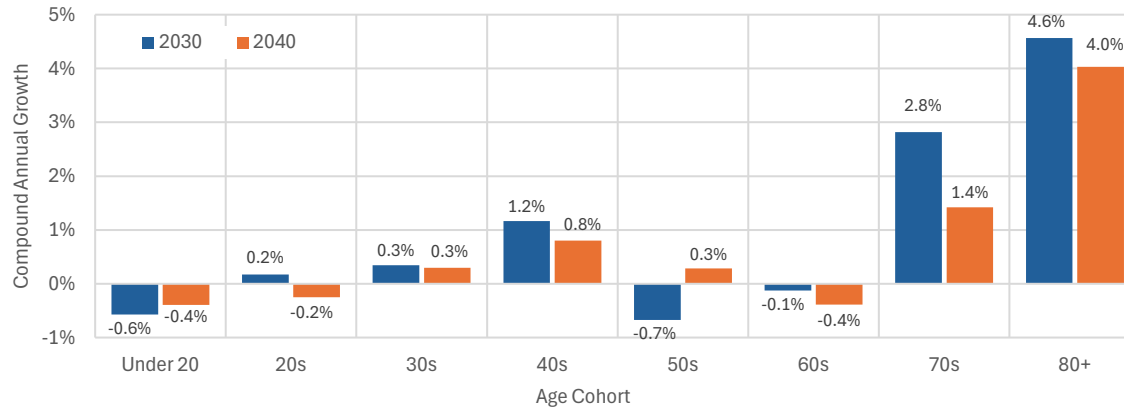
## Investment Policy Statement (“IPS”) – Real Estate Asset Class

- The Real Estate (“RE”) asset class strategic objectives are to provide diversification to the overall CRPTF investment program, preserve investment capital and generate attractive risk-adjusted rates of return. Real estate is also designed to yield an inflation-adjusted or positive “real” return.
- Benchmark: Open End Diversified Core Equity (NFI-ODCE Index), Net
- Target allocation as a percent of CRPTF: 10%
- Strategic objectives of Core vs Non-core investments:
  - Core: i) produce stable current income; and (ii) generate market level returns commensurate with a low to moderate level of risk.
  - Non-core: expected to produce higher returns than the Core Portfolio, subject to an incrementally greater amount of risk, thereby enhancing the overall performance of the real estate portfolio.
- Risk Management is required through prudent leverage and diversification with respect to manager, strategy, vintage year, geography and sector exposure.



# Current Market Environment

Annualized Growth Rates by Age Cohort (from 2022)



Sources: CRPTF, US Census Bureau

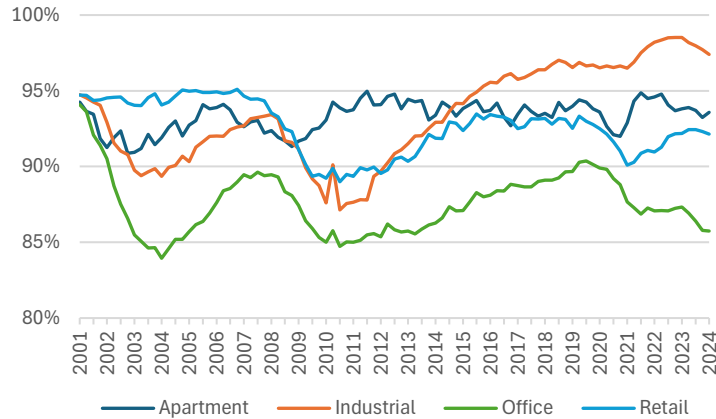
- Key real estate demand drivers remain positive, consistent with the generally healthy U.S. economy
  - Employment growing at a more normalized pace and retail sales resilient despite higher inflation
- Tenant demand has cooled recently across most property types, but outside of the office sector has held up well
- Longer term, demographic trends have important implications for nature and depth of demand across and within different property types, such as:
  - Growth of prime renter and first-time homebuyer cohorts (generally individuals in their 20s, 30s and 40s) will underpin apartment demand but also look to single-family rentals and manufactured housing as a substitutes for homeownership
  - Population aging will drive demand for a range of housing for seniors, medical office and healthcare broadly
- Excess supply will be a near-term headwind in some property types and markets, but the supply pipeline is shutting down as projects underway are completed
- Biggest challenges for real estate today are capital markets related as the rise in interest rates has impacted values





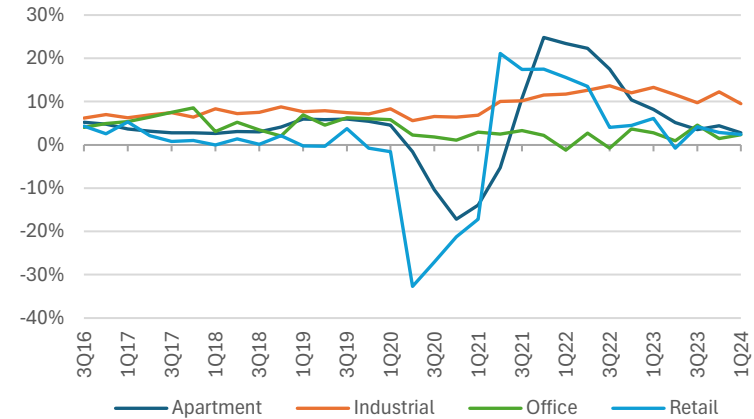
# Current Market Environment

### Occupancy by Sector



Source: NCREIF Property Index (as of Mar 31, 2024)

### Trailing 1-Year NOI Growth by Sector



Source: NCREIF Property Index (as of Mar 31, 2024)

- Property market fundamentals remain healthy in most sectors and markets, with the obvious exception of office
- Occupancy rates have pulled back in recent quarters, but they remain near multi-decade highs (ex office)
- Rent growth has decelerated from elevated levels in recent years but generally remains positive, while property expenses continue to increase, particularly for insurance and property taxes
- Combined effects of slowing demand, moderating rent growth and higher expenses will dampen NOI growth in the near term
  - Sectors with shortest lease durations, like apartments and self-storage, most at risk in the near term
  - Property types with longer-term leases (e.g., industrial, retail) should maintain healthy NOI growth as leases roll to higher market rents
- Select markets and property types will face excess supply in the near term

# Current Market Environment

Annualized Total Returns by Sector

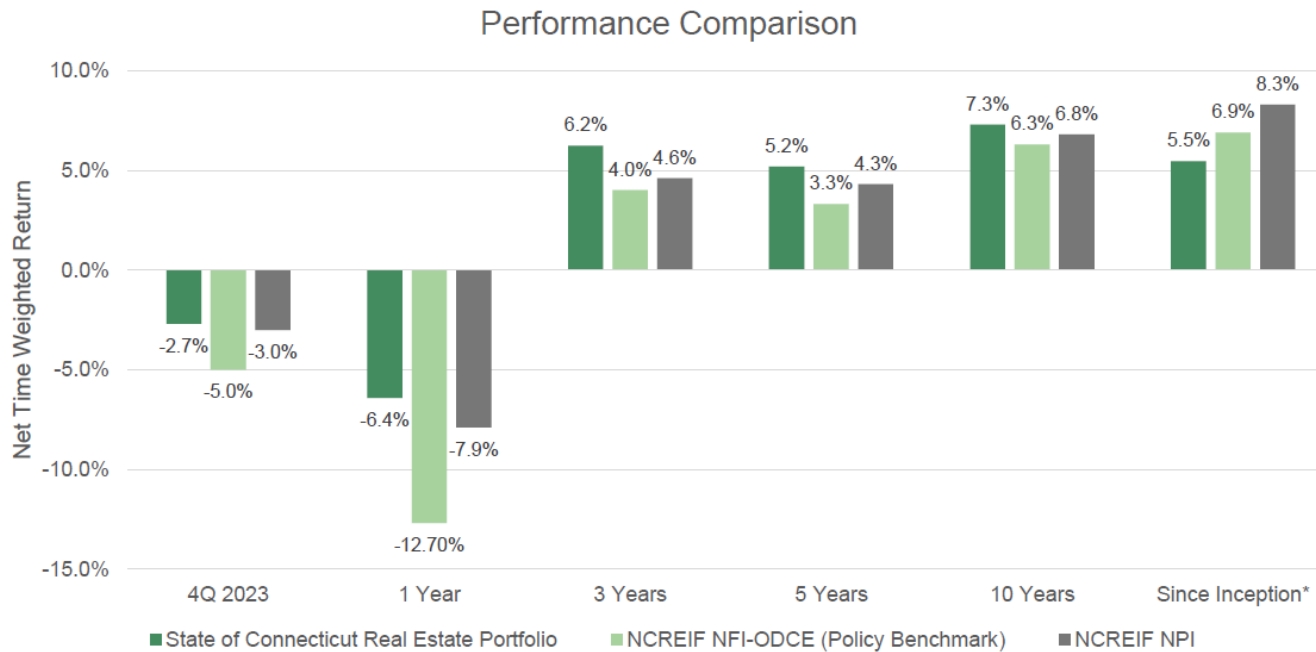


Source: NCREIF Property Index (as of Mar 31, 2024)

- Despite favorable market fundamentals, capital market pressures from sharply higher interest rates have caused valuations to fall across most property types
- Core property performance, as measured by the NCREIF Property Index (NPI), delivered a one-year total return (as of March 31, 2024) of -7.2%, the fifth consecutive quarter of negative one-year returns
  - The capital value component of the NPI has fallen nearly -18% from its peak in 2Q 2022
- Broader market pricing data shows one-year declines ranging from more than -30% for CBD offices, the hardest hit property type, to more than -8% for apartments
- In recent history, Industrial and Apartments have been the clear “winners” among the major property types and remain favored despite near-term headwinds in both sectors from excess new supply, while segments of Retail look attractive again

# Portfolio Performance

While not immune from the repricing, CRPTF Real Estate Fund has outperformed the benchmark over the last 10 years.



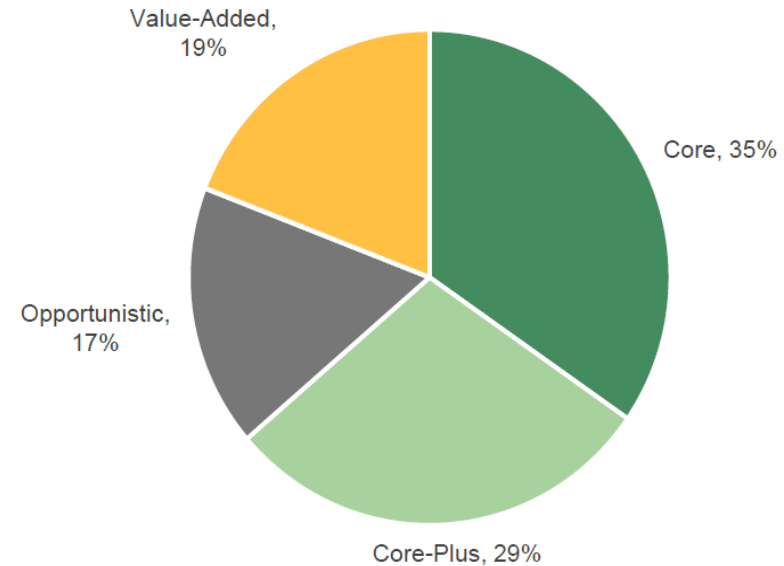
Data as of December 31, 2023. Performance represents net time weighted returns, annualized for periods greater than 12 months. The NCREIF NPI is an unlevered, property-level (composite) index. It is not investable, and excludes the impacts of cash, fees, and partnerships on returns.  
 \*Inception date: 2Q 1998.



# Real Estate Fund Positioning

- As of YE23, the Real Estate portfolio Net Asset Value (“NAV”) is 64% allocated to Core (defined as Core and Core-Plus) and 36% to Non-Core (Value-Add and Opportunistic).
- The current Core allocation is within Investment Policy Statement (“IPS”) Range targets.
- The CRPTF is currently working to bring the overall Core Real Estate allocation down to 40%.

## Exposure by Asset Class (NAV)



\*Estimated values as of December 31, 2023

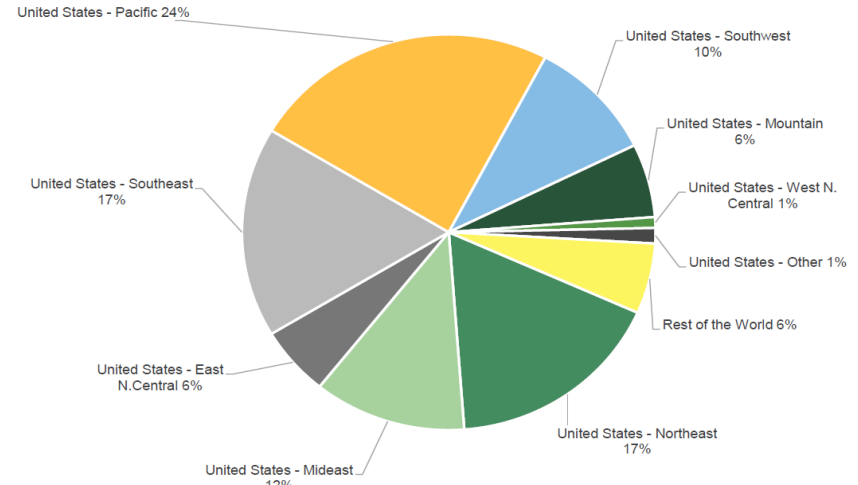
## CRPTF’s IPS Range Targets

Strategy	Lower Target %	Upper Target %
Core Real Estate	30%	100%
Non-Core Real Estate	0%	70%
Publicly Traded Real Estate (REITs)	0%	20%

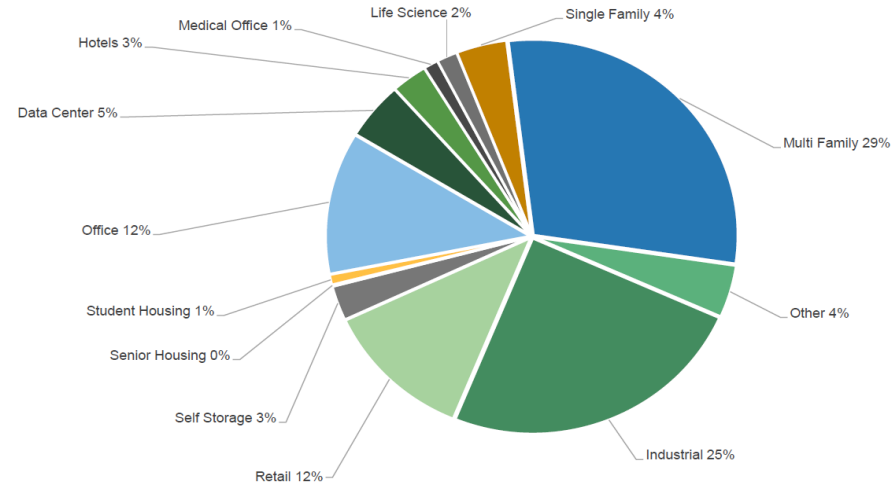
# Real Estate Fund Positioning

- **Geography:** Over a third of NAV is allocated to the southeast and southwest. These regions have experienced above-average growth, particularly in recent years. However, there are pockets of overbuilding in this geographic segment- particularly within multifamily.
- **Property Types:** ~25% of NAV is allocated to Industrial, and ~34% is allocated to Housing (which includes multifamily, single family, and senior and student housing). Both sectors have out-performed in recent years, with industrial being expected to continue performing in the near term.

Geographic Breakout by NAV



Sector Breakdown by NAV

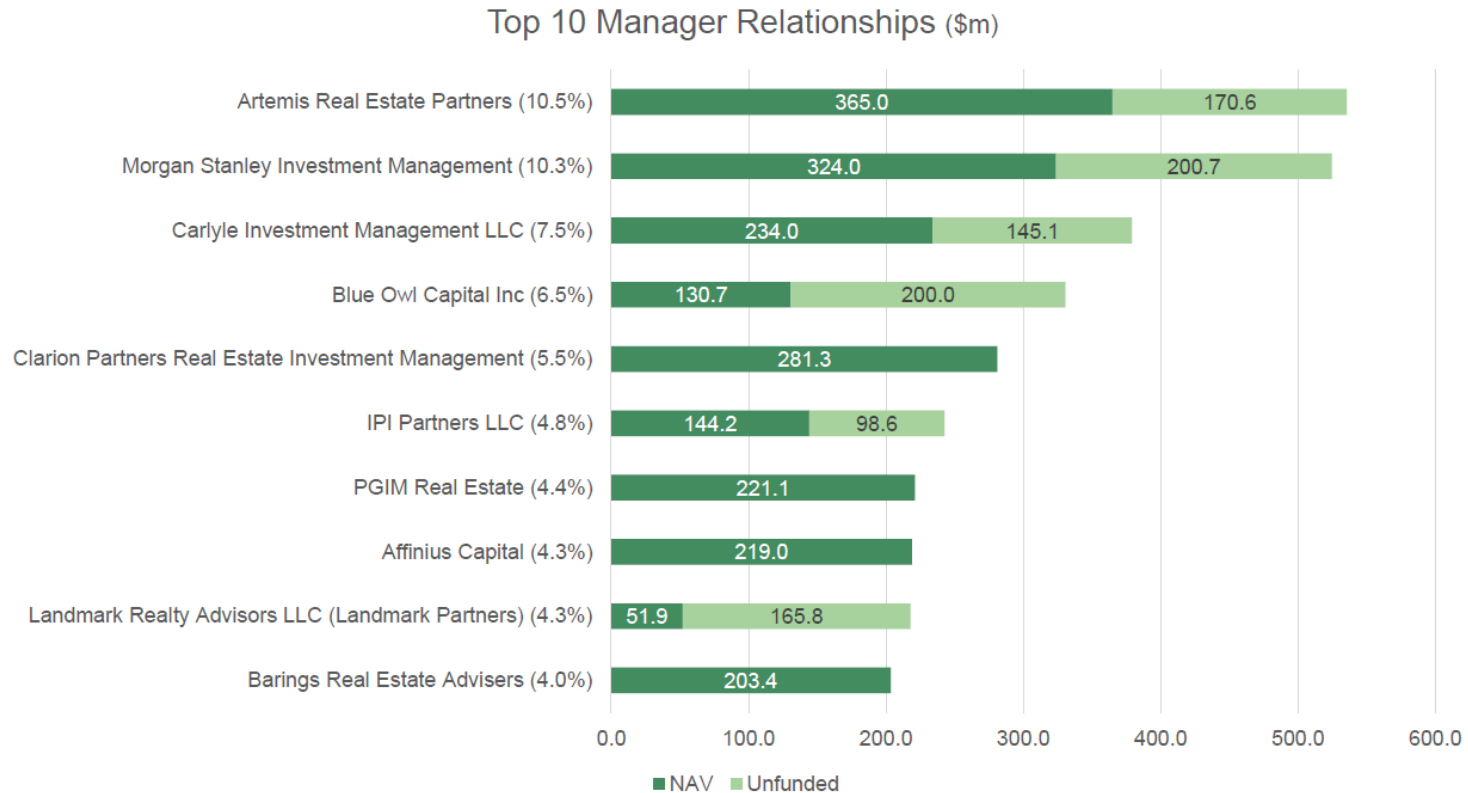


## CRPTF IPS Concentration Range Targets

	Lower Target %	Upper Target %
Individual Property	0%	10%
Country: U.S.	70%	100%
Individual Non-US Country	0%	15%
Individual Metropolitan Area in U.S.	0%	15%
Property Type	0%	40%

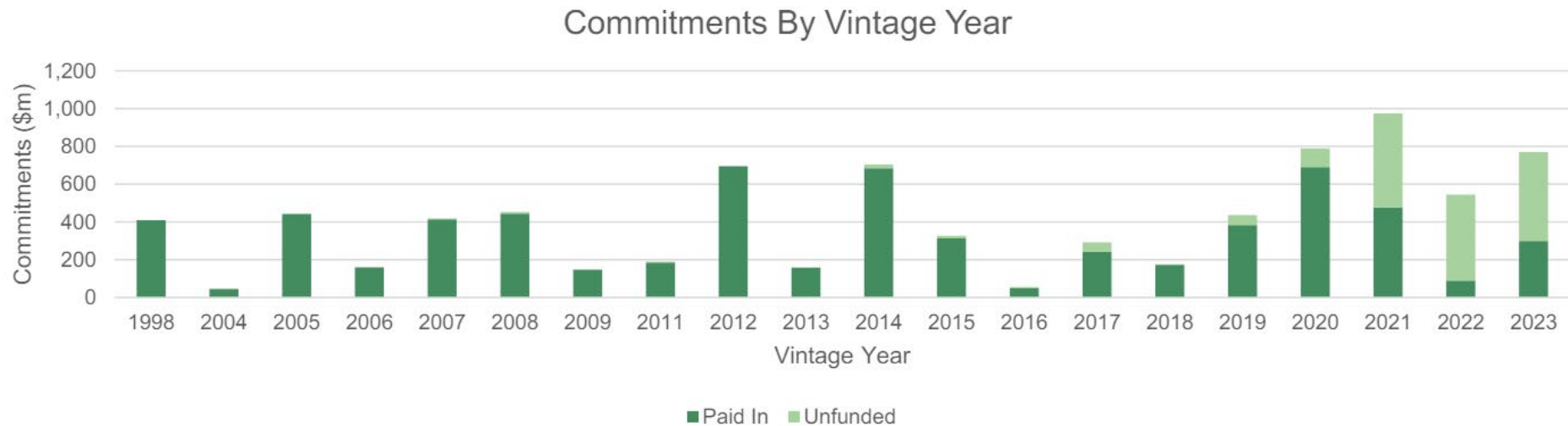
# Real Estate Fund Managers

The top five manager relationships total 43% of total commitments/value, the top ten total 65%.



# Real Estate Fund Commitment History

Commitment pacing has increased over the last four years, with significant unfunded commitments remaining.



# Recent CRPTF Real Estate Fund Highlights

- Real Estate represented approximately 6.6% of the total CRPTF market value as of December 31, 2023, below the strategic asset allocation plan target of 10%.
- The recent underweight to Real Estate was beneficial to the overall CRPTF performance with 1- and 2-year benchmark (NCREIF NFI-ODCE) performance of -12.7% and -3.6%, respectively as of December 31, 2023.
- Real Estate Fund time-weighted performance outperformed the benchmark by 2.2%, 1.9%, and 1.0% nominal percentage points, respectively, on a 3-, 5-, and 10- year basis as of December 31, 2023.
- The portfolio continues to focus on a heavy weighting to Apartments and Industrial, which comprise 28% and 25% of market value, respectively, as of December 31, 2023.
- Manager count reduced from 35 to 28 active managers.
- Open-end Fund redemptions requests made, with \$164 million received, to date. There is \$425 million in redemption requests outstanding, as of March 31, 2024.
- Exited REIT investments in late November 2023.
- Transitioned separate account assets to another existing manager in a transition fund expected to liquidate over the next three years.
- Changed the Real Estate Consultant to Albourne.



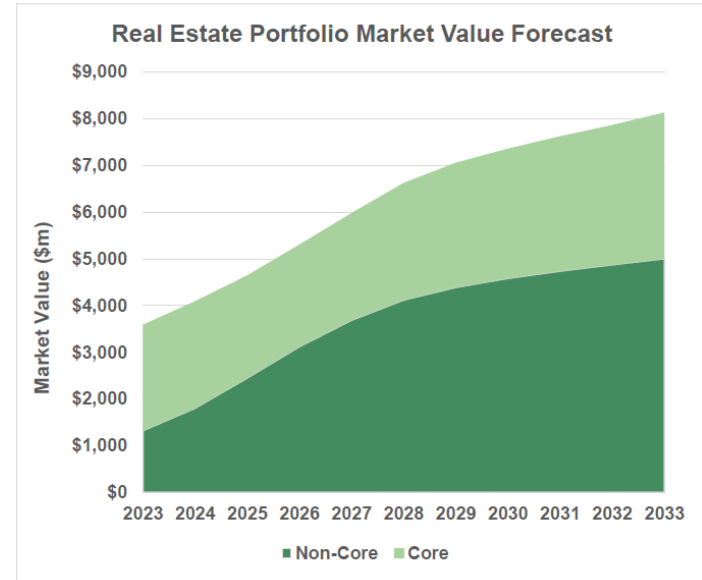
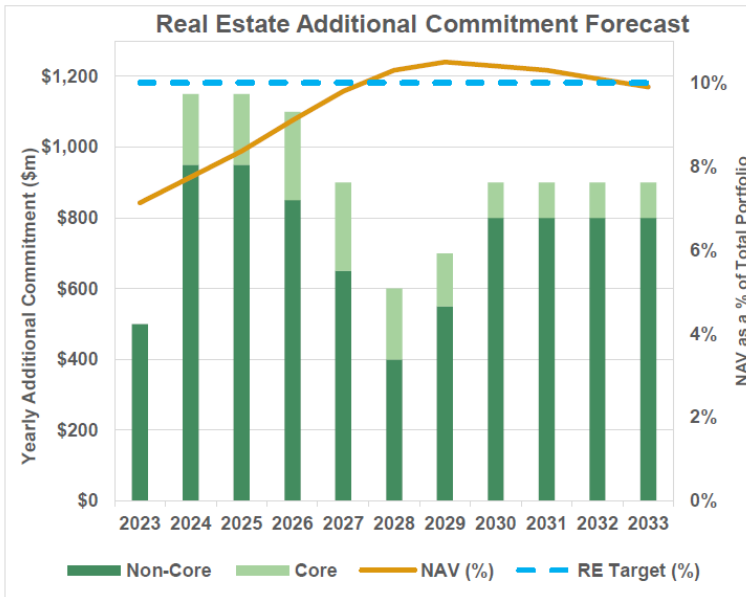


# Near-term Goals

- Make 5-7 fund commitments totaling \$1.1 billion in 2024 to move the portfolio towards the 10% target.
  - The 10% target allocation is expected to be achieved in 2027 per the most recent pacing plan.
- Continue to target manager count reduction through:
  - Redemption of non-strategic open-end fund relationships,
  - Focus on existing managers with compelling strategies/teams through re-ups and additional allocations,
  - Selectively add new managers when new investment themes and/or outperformance versus existing managers is anticipated.
- Continue to move Non-core exposure towards 60% goal.
  - Non-Core real estate market value weighting as of December 31, 2023, was 36% vs. the 60% target.
  - Continue to monitor transition account sales – two asset sales anticipated in 2024 totaling ~\$50.5m in NAV
  - Open-end fund redemptions
  - 2024 investment commitment targets are 85% Non-core and 15% Core.
- Target sectors
  - Maintain portfolio weights to Multifamily/Residential, which is expected to experience further downward pricing pressure due to heightened supply, and anticipated expense increases in the near term, but in the intermediate term is expected to benefit from the current shut down in construction and strong population growth.
  - Increase weighting to Industrial due to favorable tailwinds and relatively attractive pricing, while considering differentiated subsectors and/or geographies.
  - Increase exposure to Retail and some Niche sectors.
  - Maintain underweight to Office.
  - Target limited overlapping strategies between manager/funds invested



# 2024 Pacing Targets (5% Plan Growth Rate)



Year Ending	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>NAV as % of Total Portfolio</b>											
RE Target (%)	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
NAV (%)	7.1%	7.7%	8.4%	9.1%	9.8%	10.3%	10.5%	10.4%	10.3%	10.1%	9.9%
<b>Future Commitment Schedule (\$m)</b>											
Non-Core	\$500	\$950	\$950	\$850	\$650	\$400	\$550	\$800	\$800	\$800	\$800
Core	\$0	\$200	\$200	\$250	\$250	\$200	\$150	\$100	\$100	\$100	\$100
<b>Total Commit.</b>	<b>\$500</b>	<b>\$1,150</b>	<b>\$1,150</b>	<b>\$1,100</b>	<b>\$900</b>	<b>\$600</b>	<b>\$700</b>	<b>\$900</b>	<b>\$900</b>	<b>\$900</b>	<b>\$900</b>
<b>Period Cash Flow (\$m)</b>											
Paid-in Capital	\$818	\$858	\$1,031	\$1,174	\$1,116	\$1,004	\$846	\$762	\$770	\$803	\$856
Distributions	\$549	\$619	\$787	\$835	\$812	\$780	\$884	\$966	\$1,023	\$1,097	\$1,151
Net Cash Flow	(\$269)	(\$239)	(\$244)	(\$339)	(\$304)	(\$223)	\$38	\$204	\$252	\$294	\$295
Unfunded	\$1,720	\$2,010	\$2,062	\$1,951	\$1,697	\$1,298	\$1,176	\$1,338	\$1,489	\$1,602	\$1,656
<b>Real Estate Portfolio Market Value (\$m)</b>											
Non-Core	\$1,323	\$1,806	\$2,449	\$3,124	\$3,687	\$4,122	\$4,393	\$4,581	\$4,740	\$4,874	\$5,004
Core	\$2,267	\$2,288	\$2,196	\$2,185	\$2,298	\$2,506	\$2,667	\$2,782	\$2,888	\$2,994	\$3,132
<b>Total MV</b>	<b>\$3,591</b>	<b>\$4,094</b>	<b>\$4,645</b>	<b>\$5,309</b>	<b>\$5,985</b>	<b>\$6,628</b>	<b>\$7,060</b>	<b>\$7,363</b>	<b>\$7,628</b>	<b>\$7,868</b>	<b>\$8,136</b>
<b>Strategy Percentage</b>											
Non-Core	36.9%	44.1%	52.7%	58.8%	61.6%	62.2%	62.2%	62.2%	62.1%	61.9%	61.5%
Core	63.1%	55.9%	47.3%	41.2%	38.4%	37.8%	37.8%	37.8%	37.9%	38.1%	38.5%

Source: CRPTF, and Albourne as of YE2023

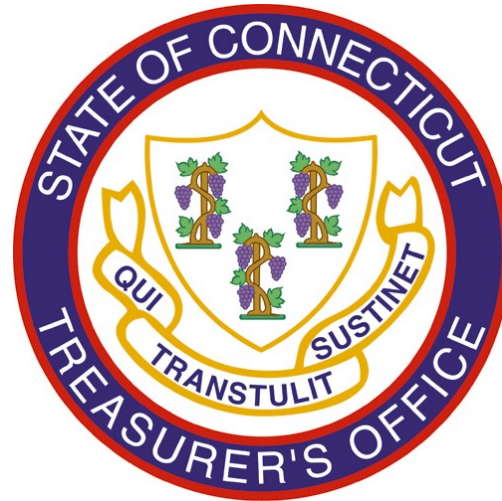


# 2024 YTD Pacing Target Deployment

Real Estate Fund - 2024 Pacing Plan Targets							
Sub-Strategy (\$millions)							
Pacing Plan Target Ranges	Core Real Estate			Non-Core Real Estate			2024
	Low	Target <sup>2</sup>	High	Low	Target	High	Target <sup>2</sup>
Total Commitments	\$0	\$150-200	\$250	\$850	\$950	\$1,100	\$1,100-\$1,150
Commitment Size	\$100		\$200	\$100		\$250	
# Commitments	0		2	4		6	5 to 8
<b>Investment / status</b>							<b>Total</b>
<i>Carlye Realty Partners X - Pending</i>					\$250		\$250
<i>Artemis IG II - Recommendation</i>		\$200					\$200
<i>Sterling IV - Recommendation</i>					\$200		\$200
<b>Capital Commitments YTD</b>		<b>\$200</b>			<b>\$450</b>		<b>\$650</b>
# Commitments		1			2		3
Total Remaining per Pacing Plan <sup>1</sup>		\$0			\$500		\$500

<sup>1</sup> Reflects difference between Targets and Commitments YTD.

<sup>2</sup> The 5% growth model targets \$200m core and \$1,150m total investment. Given the growth of the Plan since the 2024 pacing plan was established, the 5% growth model is most appropriate.



# Private Investment Fund Investment Opportunities Overview

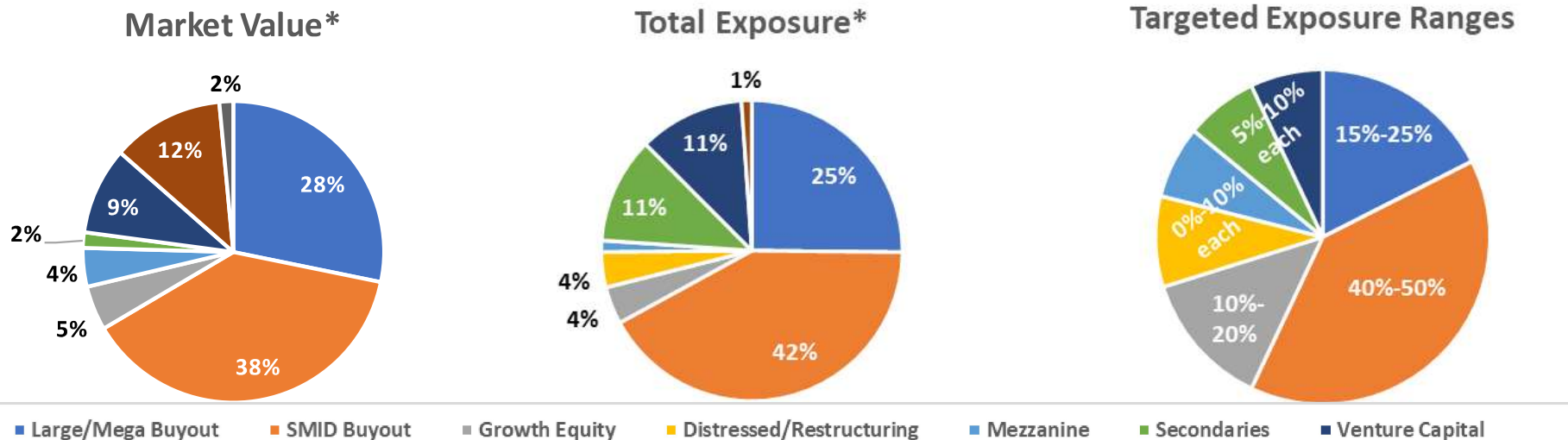
## Investment Advisory Council May 8, 2024



# Private Investment Fund

- The Private Investment Fund's ("PIF") market value represented approximately 11% of the total CRPTF value as of December 31, 2023, inclusive of PIF cash balances.
  - The 2022 strategic asset allocation plan established a target allocation of 15% for private equity.
- The PIF 2024 strategic pacing plan targets \$ 1.7 billion of new capital commitments, with the majority focused on buyout and growth equity strategies and further diversification in Western Europe.
  - PIF's estimated market value was \$5.9 billion with unfunded commitments of \$4.5 billion as of December 31, 2023.
  - Co-investments represented approximately 10% of PIF's total exposure as of December 31, 2023 in line with the long-term objective of having 10% to 20% of the PIF's exposure accessed through fee advantaged co-investments.
- Private equity deal activity in 2023 was down approximately 30% from 2022, although 2023 buyout activity exceeded average annual volumes from 2015 through 2020. Expectations for a stronger start to 2024 fell short with both transaction count and size down from 4Q23. Venture capital investment activity was an estimated \$171 billion in 2023, with deal value down for the third consecutive year. All related investments represented approximately 20% of deal activity and 33% of capital invested.
- The recommended Clearlake and Stellex commitments align with several key strategic objectives, including committing increased capital to existing, well-performing PIF managers with differentiated value creation capabilities.

\*Estimated as of December 31, 2023; excludes PIF cash balances.



# Private Equity Investment Recommendations

## Clearlake Capital Partners VIII \$200 Million Commitment

- The Clearlake VIII investment strategy will be a continuation of the firm's proven, all-weather approach that leverages deep sector knowledge and expertise in distressed credit and traditional private buyout transactions.
- Clearlake's ability to identify attractive investment opportunities with healthy, growth companies as well as those facing operational, financial or other challenges is expected to position the fund well for deployment in the current environment.
- The recommended commitment will build on the CRPTF's long-term, positive partnership with Clearlake, which has delivered consistently strong returns through demonstrated underwriting, structuring and valuation disciplines.

## Stellex Capital Partners III \$150 Million Commitment

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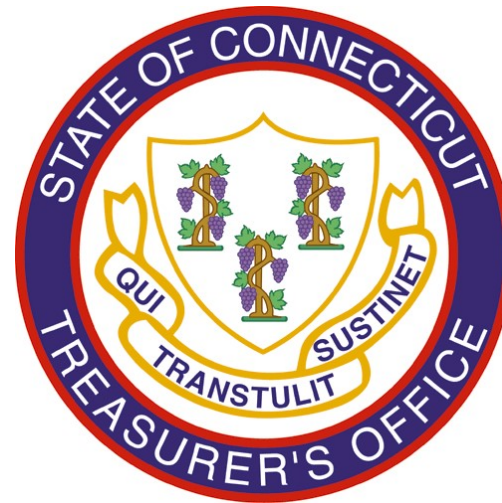
## Stellex Co-Investment Sidecar \$50 Million Commitment

- The Stellex III investment strategy will remain focused on driving operational and strategic improvements at companies that had been underperforming under prior ownership.
- Stellex's deep value strategy provides the opportunity to generate strong investment returns driven by eliminating operational and structural challenges and reestablishing growth plans.
- The recommended commitments would provide the CRPTF the opportunity to expand its relationship with Stellex, a firm that is led by a senior investment team that has successfully executed the Stellex strategy for nearly two decades.

# 2024 Strategic Pacing Plan Overview

- Progress towards the 2024 PIF strategic pacing plan objectives is outlined below.

2024 Strategic Plan															
Target Ranges by Strategy															
	Large / Mega		Small / Mid		Growth Equity		Venture Capital		Secondaries		Mezzanine		Distressed / Restructuring		Total
	Buyout	Buyout	Buyout	Buyout	Buyout	Buyout	Buyout	Buyout	Buyout	Buyout	Buyout	Buyout	Buyout	Buyout	
Total Commitments	\$300	\$400	\$700	\$1,000	\$300	\$450	\$0	\$150	\$150	\$200	\$0	\$150	\$0	\$150	\$1,700
Commitment Size	\$100	\$200	\$150	\$250	\$150	\$200	\$0	\$150	\$150	\$200	\$0	\$200	\$0	\$150	
Number of Commitments	1	3	4	5	2	3	0	1	1	2	0	1	0	1	8 to 16
<b>Investment / Status</b>															
<i>Clearlake Capital Partners VIII - Recommendation</i>	\$200														\$200
<i>Stellex Capital Partners III - Recommendation</i>													\$150		\$150
<i>Stellex Capital Partners III Co-Investment - Recommendation</i>													\$50		\$50
Capital Commitments	\$200		\$0		\$0		\$0		\$0		\$0		\$200		\$400
Number of Commitments	1		0		0		0		0		0		2		3



# Private Credit Fund Investment Opportunity Overview

## Investment Advisory Council

### May 8, 2023

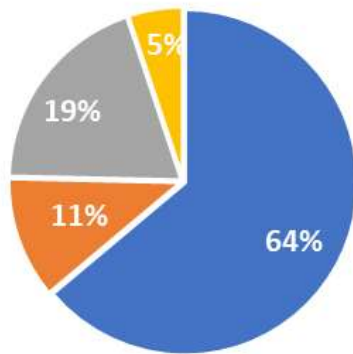




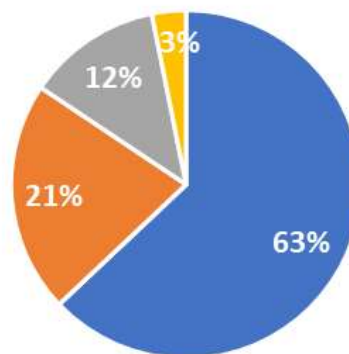
# Private Credit Fund

- The Private Credit Fund’s market value represented approximately 4.3% of the total CRPTF value as of December 31, 2023, 2023, inclusive of PCF cash balances.
  - As of December 31, 2023, the PCF’s estimated market value was \$2.3 billion, with unfunded commitments of \$3.4 billion inclusive of commitments closed year-to-date 2024.
  - The 2022 strategic asset allocation plan established a target allocation of 10% for private credit.
- The 2024 PCF strategic pacing plan targets \$2 billion of new capital commitments, which includes \$0.6 billion approved in 2023 but that closed in 2024.
  - The balance of 2024 new commitment activities will be focused on increasing Senior and Special Situations exposure, with an emphasis on adding complementary diversification and/or allocating more capital to existing managers.
  - Co-investments through fee advantaged vehicles represented approximately 15% and 16% of the PCF’s market value and total exposure, respectively, consistent with the goal of accessing 10% to 20% of the PCF’s exposure through co-investment opportunities.
- Demand for private credit remains healthy with the impact of softer new buyout activities partially offset by the demand for capital for various corporate initiatives, including add-on acquisitions and refinancings.
  - CLO formations were strong and broadly syndicated loan activity levels picked up significantly in the first quarter as many borrowers sought to address debt maturity schedules.
  - Private credit managers reports modest spread compression while troubled and defaulted loan volumes remain relatively muted.
- The recommended Oaktree Opportunities Fund XII commitment will add a leading, global credit manager with long-term success and expertise in special situations and distressed credit investing to the PCF portfolio.

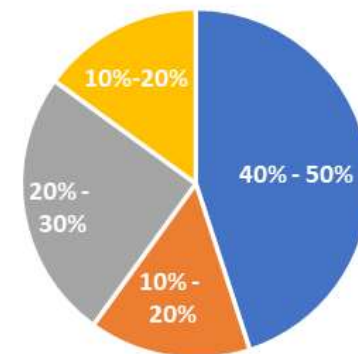
**% Market Value\***



**% Total Exposure\***



**Targeted Exposure Ranges**



■ Senior Credit ■ Mezzanine ■ Special Situations ■ Distressed

\* Estimated as of December 31, 2023; includes subsequent closes and excludes PCF cash balances.



# Private Credit Investment Recommendation

## Oaktree Opportunities Fund XII \$300 Million Commitment

- The Oaktree Opportunities investment strategy focuses on providing flexible credit-oriented, capital solutions to capture attractive investment opportunities resulting from market dislocations as well as companies needing capital to finance growth or to address stresses caused by financial and/or operating challenges.
- Led by an experienced and tenured investment team that leverages the broader Oaktree platform, the Oaktree Opportunities strategy has delivered strong returns through periods of market volatility and expansion.
- The Oaktree Opportunities global investment team utilizes the Fund's size as a competitive differentiator, which is expected to provide complementary exposure to the CRPTF's private credit portfolio.

# 2024 Strategic Pacing Plan Overview

- Progress toward the 2024 PCF strategic pacing plan objectives is outlined below.

2024 PCF Strategic Plan									
Target Ranges by Strategy									
\$Millions	Senior		Mezzanine		Special Situations		Distressed		Total
<b>Total Commitments</b>	\$1,000	\$1,200	\$200	\$400	\$400	\$600	\$200	\$400	<b>\$2,000</b>
<b>Commitment Size</b>	\$150	\$250	\$75	\$200	\$100	\$275	\$75	\$200	
<b>Number of Commitments</b>	5	7	1	2	1	3	1	2	<b>8 to 14</b>
<b>Investment / Status</b>									
<i>ICG -CRPTF Global Multi-Strategy I</i>									
ICG Europe Mid-Market Fund II - Closed <sup>1</sup>			\$162 (€150)						\$162
ICG North American Credit Partners III - Closed <sup>1</sup>			\$125						\$125
ICG-CRPTF Co-Investment Program - Closed <sup>1</sup>			\$162 (€150)						\$162
ICG Global Loan Fund - Closed <sup>1</sup>	\$130								\$130
ICG Total Credit Fund - Closed <sup>1</sup>	\$70								\$70
<b>Oaktree Opportunities Fund XII - Recommendation</b>					<b>\$300</b>				<b>\$300</b>
<b>Capital Commitments</b>	<b>\$200</b>		<b>\$449</b>		<b>\$300</b>		<b>\$0</b>		<b>\$949</b>
<b>Number of Commitments</b>	<b>2</b>		<b>3</b>		<b>1</b>		<b>0</b>		<b>6</b>

1. Commitments were approved in 2023 but closed in 2024 and, therefore, are included in the 2024 pacing plan targets.



ERICK RUSSELL  
TREASURER

**State of Connecticut**  
Office of the Treasurer

SARAH SANDERS  
DEPUTY TREASURER

April 24, 2024

Members of the Investment Advisory Council ("IAC")

Re: **Consideration of Clearlake Capital Partners VIII, L.P.**

Dear Fellow IAC Member:

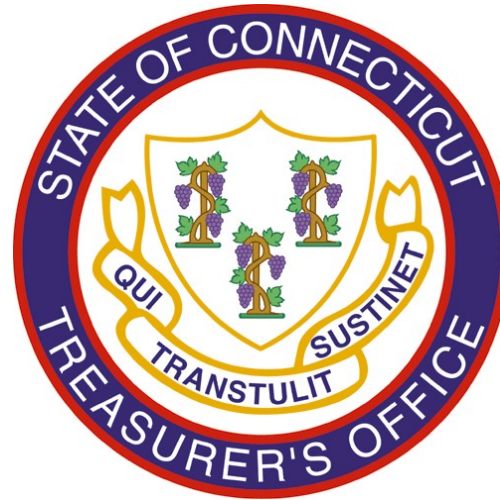
At the May 8, 2024 meeting of the IAC, I will present for your consideration a private equity opportunity for the Private Investment Fund ("PIF") in the Connecticut Retirement Plans and Trust Funds (the "CRPTF"): Clearlake Capital Partners VIII ("CCP VIII"). CCP VIII is being raised by Clearlake Capital Group, L.P. ("Clearlake" or the "Firm"), which is targeting a \$15 billion fund size.

I am considering a commitment of up to \$200 million to CCP VIII, which will primarily pursue control private equity investments in mid-to-large U.S. companies operating in the Firm's core target sectors, including technology, industrial, and consumer. The Clearlake investment strategy benefits from an experienced and cohesive senior leadership team, its post-investment value creation framework, and its strong executive council network developed since the Firm's inception in 2006. The recommended CCP VIII commitment would provide the CRPTF with additional exposure to an existing PIF manager utilizing extensive sector expertise to execute its proven, repeatable, all-weather investment strategy to drive attractive investment returns.

Attached for your review is the recommendation from Ted Wright, Chief Investment Officer, the due diligence report prepared by Hamilton Lane, and a Clearlake presentation. I look forward to our discussion of these materials at next week's meeting.

Sincerely,

Erick Russell  
State Treasurer



**Full Due Diligence Report  
Chief Investment Officer Recommendation  
April 19, 2024**

**Clearlake Capital Partners VIII, L.P.**



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# Executive Summary

## Manager Overview

- Clearlake Capital Group, L.P. (“Clearlake” or the “Firm”)
- Founded in 2006
- Santa Monica, CA headquarters
- Led by José Feliciano and Behdad Eghbali, Co-Founders and Managing Partners
- Over 100 employees, including 39 dedicated Clearlake investment professionals
- Clearlake has approximately \$62 billion of assets under management across its flagship Capital Partners and non-control Opportunities Partners strategies.
- Clearlake also holds a majority interest in WhiteStar Asset Management (“WSAM”), a liquid credit manager specializing in structured credit and CLOs. WSAM has more than \$17 billion of AUM.

## Fund Summary

- Clearlake Capital Partners VIII, L.P. (“Clearlake VIII”, “CCP VIII” or “Fund VIII”)
- Private Equity
- Large/Mega Buyout Fund with a primary focus on North America
- Sector Focus: Technology, Industrials, and Consumer
- Target/Hard Cap: \$15 billion / \$16.7 billion
- GP Commitment: lesser of 2% of aggregate commitment or \$300 million
- Management Fee: 1.65% on committed capital during investment period; thereafter, 1.65% on net invested capital
- Carried Interest/Waterfall: 20%/European (Modified)
- Preferred Return: 8%

## Strategic Fit

- Private Investment Fund (“PIF”)
- Recommended Commitment:
  - \$200 million
- IPS Category: Corporate Finance
  - IPS Range for Corporate Finance: 70% to 100% of total PIF exposure
  - Current Corporate Finance Exposure: approximately 88% as of December 31, 2023
- PIF Strategic Pacing Plan
  - Sub-strategy: Large/Mega Buyout
    - Long-term Large/Mega Buyout targeted exposure: 15% to 25%
    - Current Large/Mega Buyout Exposure: approximately 24% as of December 31, 2023

# Recommendation

## Recommendation

- Based on the strategic fit within the PIF portfolio, as well as due diligence done by Pension Funds Management (“PFM”) investment professionals and Hamilton Lane, the Chief Investment Officer of the Connecticut Retirement Plans and Trust Funds (“CRPTF”) recommends consideration of a commitment of up to \$200 million to CCP VIII.

## Investment Considerations

- Clearlake’s sector expertise and all-weather investment strategy positions the Fund favorably to capture attractive investment opportunities with companies facing favorable growth dynamics as well as those confronting financial, operational or structural complexities.
- The recommended Fund commitment would increase the CRPTF’s exposure to an existing PIF manager with the demonstrated ability to generate strong absolute and relative returns through execution of a disciplined and replicable investment strategy.



# General Partner

## Firm History

- Clearlake was founded in 2006 by José Feliciano, Behdad Eghbali and Steven Chang; subsequently Chang left the Firm in 2015.
- The Firm is currently owned and managed by Feliciano and Eghbali (“Co-Founders”), with Dyal Capital (a Blue Owl entity) and Petershill (a Goldman Sachs entity) holding passive minority interests in the management company.
- The firm is headquartered in Santa Monica, CA with offices in Dallas, TX, and London, UK.

## Organization

- Clearlake has over 100 employees comprised of 39 dedicated investment professionals and over 60 employees supporting the Firm’s legal, compliance, accounting, and client services infrastructure. The Firm has grown by more than a third over the last two years.
  - Clearlake’s Operations, People and Strategy (“O.P.S.”) value-added framework is coordinated and facilitated by four experienced operating professionals.
- The Executive Council, established in 2007, is comprised of 35 executives with significant operating and advisory expertise that provide additional support to the Clearlake investment team and portfolio companies.

## Senior Leadership and Investment Team

- Clearlake’s senior investment team includes the Co-Founders and four Partners; the senior investment team members average 22 years of investment experience, including 15 years tenure at Clearlake.
- There are ten mid-level investment professionals and 23 junior-level associates supporting the senior investment team; mid-level investment professionals average eight years tenure at Clearlake and 16 years of total investment experience.
- Clearlake utilizes an iterative investment opportunity review process, with formal Investment Committee approval subject to the unanimous consent of the Co-Founders.

# General Partner (cont.)

## Complementary Investment Platform

- Clearlake leverages the expertise and market knowledge of one integrated investment team to identify and create attractive investment opportunities for its flagship, control-oriented Clearlake Capital Partners (“CCP”) funds and its Clearlake Opportunities Partners (“COP”) funds, which focus on non-control, structured capital and opportunistic credit investments.
- Furthering its objectives to integrate private equity, credit, special situations, and distressed capabilities, Clearlake acquired a majority stake in WhiteStar Asset Management (“WSAM”) in 2020.
  - WSAM’s team of over 40 professionals manages approximately \$17 billion of capital in liquid and structured credit.
  - While WSAM operates independently, Clearlake benefits from WSAM’s capital markets insights and secondary markets expertise.

## Improved Alignment

- Clearlake’s practice of allocating carried interest across the Firm continues to evolve and improve, supporting stronger alignment beyond the senior investment team.
- The Co-Founders have diluted their carried interest allocations with each fundraise to distribute more carry with non-founders; the passive management company investors hold a static carry allocation.
  - Carry is allocated down to the Vice President level, with participation in a synthetic carry incentive available to Senior Associates.

# General Partner (cont.)

## CRPTF Relationship

- Connecticut has had a long-standing relationship with Clearlake, which started with a commitment to Clearlake Capital Partners III.
- Connecticut's exposure is across several Clearlake funds in the PIF and Private Credit Fund ("PCF") portfolios.
- A summary of Connecticut's commitments to Clearlake funds is provided in the table below.

(US\$ in millions, as of December 31, 2023)

Fund	Vintage Year	Status	Connecticut Commitment	Unfunded Commitment	NAV	Total Exposure	Net		
							IRR	TVM	DPI
<b>Private Investment Fund</b>									
Clearlake Capital III	2012	Harvesting	\$40	\$22	\$2	\$24	41%	2.9x	2.8x
Clearlake Capital IV	2015	Harvesting	\$50	\$22	\$32	\$51	29%	2.0x	1.6x
Clearlake Capital V	2017	Harvesting	\$60	\$16	\$70	\$83	39%	2.1x	1.3x
Clearlake Capital VI	2020	Active	\$75	\$4	\$119	\$123	24%	1.7x	0.2x
Clearlake Capital VII	2021	Investing	\$125	\$53	\$81	\$134	9%	1.1x	0.0x
Clearlake Flagship Plus	2020	Active	\$100	\$24	\$88	\$111	10%	1.2x	0.3x
Icon II	2021	Active	\$38	\$10	\$16	\$43	63%	2.1x	1.5x
Icon III	2021	Active	\$11	\$2	\$6	\$7	-20%	0.6x	0.0x
Icon IV	2021	Active	\$38	\$6	\$32	\$37	0%	1.0x	0.0x
Icon V	2021	Active	\$38	\$9	\$33	\$43	9%	1.2x	0.0x
<b>Clearlake Total in PIF</b>			<b>\$575</b>	<b>\$166</b>	<b>\$478</b>	<b>\$657</b>			
<i>% Total PIF</i>					<i>8%</i>	<i>6%</i>			
<b>Private Credit Fund</b>									
Clearlake Opportunities II	2019	Active	\$75	\$28	\$46	\$74	11%	1.2x	0.3x
Clearlake Opportunities III	2022	Investing	\$125	\$96	\$28	\$125	1%	1.0x	0.0x
<b>Clearlake Total in PCF</b>			<b>\$200</b>	<b>\$125</b>	<b>\$74</b>	<b>\$199</b>			
<i>% Total PCF</i>					<i>4%</i>	<i>4%</i>			

Source: CRPTF returns from Solovis. TVM is total value multiple. DPI is distributions to paid-in-capital.

# Investment Strategy

## Flexible, All-weather Investment Approach

- Consistent with prior CCP funds, the Fund will focus on control investments that are generally accessed through traditional buyout, structured capital, and restructured credit opportunities.
- Clearlake's CCP strategy combines aspects of a traditional private equity firm, such as sector focus and operating improvement practices, with the restructuring and capital markets expertise of a distressed credit investment firm.
- Clearlake utilizes its flexible capital strategy to identify attractive investment opportunities across market cycles with both healthy, growth-oriented companies as well as those that are underperforming, operating in out-of-favor industries or markets, or undergoing complex financial, operational or structural change.

## Disciplined Focus on Target Sectors and Companies

- Fund VIII will generally target mid-to-large U.S. companies with an average enterprise value between \$1 billion and \$3 billion consistent with its predecessor fund.
  - Clearlake has demonstrated its ability to successfully invest in companies of various sizes; the average entry enterprise value has ranged from \$200 million in CCP II to \$2.4 billion in CCP VII.
- The Fund will continue to target companies operating in Clearlake's core sectors, where the team has developed extensive experience, expertise, and networks. Clearlake has de-emphasized energy-related investments since CCP V.
  - Technology – software, data and analytics, tech-enabled businesses, and IT infrastructure.
  - Industrials – industrial technology, specialty manufacturing, services and distribution.
  - Consumer – primarily focused on the food and beverage ecosystem.

## Target Portfolio Profile

- Clearlake will seek to build a diversified portfolio of approximately 20 platform companies with average equity investments between \$500 million and \$1 billion and a 20% max single investment exposure.
- The Fund will continue to utilize Clearlake's practice of making smaller, initial non-control investments in targeted companies as part of a broader strategy to build a control or influential position.
  - Clearlake effectively recycles capital from such toehold investments that are unwound if it cannot build the desired position in the target company; since CCP II, these toe-hold investments have accounted for approximately 22% of each fund, on average.

# Investment Strategy (cont.)

## Intensive and Proactive Origination

- Clearlake's sourcing efforts are integrated across the entire investment platform to leverage the investment team's sector expertise and deep relationships with executives, advisors, and corporations.
  - Clearlake's flexibility to invest across the capital structure allows the Firm to originate transactions that may be overlooked by traditional private equity or credit firms.
- Primary channels for investment ideas are generated through Clearlake's sector-focused private equity approach, its capital markets research and coverage, and the distressed and restructuring community.
- The investment team's origination and sourcing efforts are enhanced by Clearlake's dedicated business development team, WSAM's investment team, and introductions made by Executive Council members.

## Post-Investment Value Creation Framework

- Clearlake's proprietary O.P.S. framework facilitates the value creation plan by coordinating efforts across portfolio company management, Clearlake investment professionals, Executive Council members, and third-party consultants.
  - Clearlake's O.P.S. professionals have expertise in technology, procurement, HR, ESG, legal and compliance.
  - Clearlake anticipates hiring two additional O.P.S. dedicated resources in 2024 to support portfolio company IT and cyber practices.
- Executive Council members most often serve on company boards but may be chosen to lead portfolio companies on an interim or permanent basis when needed.

# Track Record and Performance

- Clearlake Capital Partners II through VII generated a gross total value multiple (“TVM”) of 1.9x and internal rate of return (“IRR”) of 34% on more than \$25 billion of invested capital, as of December 31, 2023.
- The Clearlake Capital Partners Funds have consistently generated attractive absolute and relative returns.
  - The more seasoned CCP II through VI funds ranked as first and second quartile funds when comparing September 30, 2023 performance to the Hamilton Lane benchmarks for the same period, the most recent benchmarks currently available.
  - CCP III through VI all outperformed the PIF’s benchmark (Russell 3000 plus 250 basis points) on a public market equivalent (“PME”) basis through December 31, 2023. CCP II underperformed by just over 1% on a PME basis.
- CCP IV and V had realized 2.0x and 1.5x invested capital, respectively, through December 31, 2023. These funds are in harvest mode, and Clearlake is expected to pursue exits representing the majority of the funds’ remaining companies and unrealized value over the next 18 months.
- CCP VI was fully committed and generated attractive returns as of December 31, 2023, including returning 26% of invested capital.
- CCP VII was still relatively young as of December 31, 2023. Eight of the fund’s nine platform company investments were marked at or above cost as of December 31, 2023, with Clearlake expecting positive outcomes for all investments despite any near-term challenges.
- Clearlake’s strong historical returns have been achieved despite a very low total realized loss ratio of approximately 1% since Fund II, evidencing the Firm’s sector, underwriting, and structuring expertise.
- Clearlake's effective use of recycled capital has resulted in lower effective management fees on committed capital and contributed to higher net returns for CPP investors; Clearlake has invested an average of 1.3x of total capital committed across CCP II though VI as of December 31, 2023.

(\$US in millions, as of December 31, 2023)

Clearlake Capital Group, L.P.													
Investment Performance Summary - Private Equity													
Fund	Vintage Year	Fund Size	# Platform Companies	Invested Capital	Realized Value	Unrealized Value	Total Value	Gross / Net			Quartile Rank		
								TVM	IRR	Net DPI	TVM	IRR	DPI
Clearlake Capital Partners II	2009	\$415	14	\$528	\$999	\$0	\$999	1.9x / 1.6	22% / 16%	1.6x	2nd	1st	2nd
Clearlake Capital Partners III	2012	\$789	20	\$1,178	\$3,865	\$36	\$3,901	3.3x / 2.9	47% / 41%	2.8x	1st	1st	1st
Clearlake Capital Partners IV	2015	\$1,380	25	\$1,979	\$3,889	\$1,081	\$4,970	2.5x / 2.0x	35% / 29%	1.6x	1st	1st	1st
Clearlake Capital Partners V	2017	\$3,623	26	\$5,379	\$7,925	\$5,375	\$13,299	2.5x / 2.1x	45% / 39%	1.3x	1st	1st	1st
Clearlake Capital Partners VI	2020	\$7,068	16	\$8,344	\$2,209	\$12,940	\$15,149	1.8x / 1.7x	29% / 24%	0.1x	1st	1st	2nd
Clearlake Capital Partners VII	2021	\$14,125	9	\$7,815	\$179	\$9,367	\$9,546	1.2x / 1.1x	13% / 9%	n/m	nm	nm	nm
<b>Composite</b>			<b>110</b>	<b>\$25,223</b>	<b>\$19,066</b>	<b>\$28,799</b>	<b>\$47,864</b>	<b>1.9x / 1.7x</b>	<b>34% / 29%</b>	<b>0.6x</b>			

Source: Clearlake Capital Partners, Hamilton Lane Benchmark (Buyout as of September 30, 2023). Quartile Rank based on net returns.

1. Miscellaneous investments are excluded from the number of platform companies but are included in invested capital.



# Strategic Allocation and Pacing Plan

Office Of The State Treasurer  
Pension Fund Management

Clearlake VIII would represent the first private equity commitment for the 2024 pacing period.

2024 Strategic Plan															
\$Millions	Target Ranges by Strategy														
	Large/Mega Buyout		Small/Mid Buyout		Growth Equity		Venture Capital		Secondaries		Mezzanine		Distressed / Restructuring		Total
<b>Total Commitments</b>	\$300	\$400	\$700	\$1,000	\$300	\$450	\$0	\$150	\$150	\$200	\$0	\$150	\$0	\$150	\$1,900
<b>Commitment Size</b>	\$100	\$200	\$150	\$250	\$150	\$200	\$0	\$150	\$150	\$200	\$0	\$200	\$0	\$150	
<b>Number of Commitments</b>	1	3	4	5	2	3	0	1	1	2	0	1	0	1	8 to 16
<b>Investment / Status</b>															
<i>Clearlake Capital Partners VIII - Recommendation</i>	\$200														\$200
<b>Capital Commitments</b>	\$200		\$0		\$0		\$0		\$0		\$0		\$0		\$200
<b>Number of Commitments</b>	1		0		0		0		0		0		0		1

# Strategic Allocation and Pacing Plan (cont.)

Office Of The State Treasurer  
Pension Fund Management

## Clearlake Capital Partners VIII

- The Clearlake Capital Partners Fund VIII large/mega buyout investment strategy falls under the Corporate Finance allocation of the PIF.
- The IPS sets a target allocation of 70% to 100% for Corporate Finance investments within the PIF portfolio based on total exposure, defined as market value plus unfunded commitments.
- Corporate Finance strategies represented approximately 88% of the PIF's total exposure as of December 31, 2023.
- The recommended commitment to Clearlake VIII aligns strongly with PIF strategic pacing plan objectives as noted below.
  - Supports the PIF's targeted long-term exposure to large/mega-market buyouts of 15% to 25%.
    - Large/mega-market buyout fund investments represented approximately 24% of the PIF's total exposure as of December 31, 2023.
  - Partnering with an existing manager that has consistently demonstrated success generating top tier returns through the execution of its disciplined, yet flexible strategy.

The recommended Clearlake Capital Partners VIII commitment is within IPS Compliance thresholds as reflected in the table.

IPS PIF Category	IPS Guidelines	Current PIF Exposure
Corporate Finance	70 - 100%	87.9%
IPS Fund Diversification	IPS Maximum	CRPTF Commitment/Commingled Fund Total Commitments
CRPTF Share of Commingled Fund's Capital Commitments	33%	1.3%
IPS Manager Diversification	IPS Maximum	Exposure w/ Recommended Commitments <sup>1</sup>
CRPTF share of Manager AUM	20%	1.4%
Manager share of CRPTF Private Equity Exposure	25%	8.1%

<sup>1</sup> CRPTF exposure calculations based on NAV plus unfunded commitments as of December 31, 2023, adjusted for 2024 recommendations and any commitments closed since December 31, 2023.



# Strengths and Rationale

## Flexible, Disciplined and Opportunistic Mandate

- The investment team's capabilities and experience across traditional buyouts, special situations, and distressed credit investing allows Clearlake to identify and structure attractive investment opportunities with healthy, growing companies as well as those dealing with financial or operating challenges.
- Clearlake combines its flexible approach to the market with a disciplined focus on its target sectors and consistent due diligence, underwriting, and structuring practices to provide downside protection.
- The Firm has demonstrated its ability to adapt and execute its strategy while increasing the size of its funds and equity investments; the average equity investment has increased from \$20 million in CCP II to \$500 million in CCP VII while investment returns have remained strong.

## Sector Expertise and Network

- Clearlake has developed sector expertise in its targeted markets, with senior investment professionals having invested in the Firm's core markets for over 20 years on average.
- The investment team leverages extensive networks with executives, advisors, and corporates to gain company and sector insights, generate attractive deal flow, and bolster due diligence and underwriting practices.
- The Firm also harnesses the networks and knowledge of the Clearlake Executive Council members to augment the investment team's sourcing, diligence, and value creation practices.

## Consistently Strong Investment Performance

- The Firm has demonstrated an ability to consistently deliver strong investment performance, generating attractive absolute and relative returns across its predecessor funds.
  - Clearlake has generated largely first quartile returns on all metrics across the more mature CCP II through VI funds.
- Clearlake's sharpened sector focus, disciplined approach, and ability to successfully capture attractive investment opportunities across the entire capital stack have allowed the Firm to generate attractive returns with a very low loss experience.
  - CCP II through VII had generated an impressive 1% realized loss ratio as of 12/31/2023.

# Key Risks and Mitigants

## Significant Unrealized Portfolio

- As of December 31, 2023, the CCP IV and V portfolios had a combined \$6.5 billion of unrealized value; the process of executing exit plans for these investments will require a significant portion of the investment team's time.
  - There is approximately a 50% overlap across the remaining CCP IV and V investments, and Clearlake expects to exit a third of these portfolio companies over the next 12 to 18 months, which will free up team capacity as the Fund's new investment activities ramp up.
  - Clearlake has historically grown its investment team in advance of capital raises to ensure the team has sufficient capacity to effectively manage existing and new investments. Based on the size of Clearlake's investment team, PFM investment professionals are confident that Clearlake has the capacity and capability to effectively execute the Fund's strategy.

## Aggressive AUM Growth

- Clearlake's assets under management have grown significantly over the last ten years, through successively larger CCP funds and the addition of the COP funds strategy. The pace of AUM growth may cause concerns of strategy drift through the lack of discipline and focus.
  - The pace of AUM is mitigated by the growth, expertise and cohesiveness of the investment team that has successfully managed a larger asset base.
  - Clearlake has demonstrated its ability to generate attractive returns with larger CCP funds; the expected size of CCP VIII would represent a relatively modest increase from CCP VII.
  - The Firm has constructively reflected on lessons learned and continued to sharpen its focus on its sectors of expertise as CCP fund sizes have grown; for example, Clearlake no longer targets energy related opportunities that might create commodity exposure.

# Fundraising and Key Terms Summary

Target Size / Hard Cap	• \$15 billion / \$16.7 billion
GP Commitment	• A minimum of 2% of the aggregate capital commitments, or \$300 million
Fundraising Status	• The GP has closed on a total of \$7.5 billion of commitments
Target Final Close	• To be determined
Fund Term	• Ten years, with one one-year extension at the discretion of the GP; thereafter, with LPAC consent
Investment Period	• Six years, with one one-year extension at the discretion of the GP; thereafter, with LPAC consent
Management Fee	• 1.65% per annum on committed capital during investment period; thereafter, 1.65% per annum on net invested capital
Fee Discounts & Offsets	• Management fees offset by 100% of any transaction fees
Carry & Waterfall Type	• 20% / Fund-level (modified European)
Preferred Return	• 8%
GP Catch-up	• 100%
Clawback	• Yes
Other Key Provisions	• Key Person on both Co-Founders, José Feliciano and Behdad Eghbali

# Legal and Regulatory Disclosure

## Clearlake Capital Group, L.P. (“Clearlake”)

In its disclosure to the Office of the Treasurer, Clearlake Capital Group, L.P. (“Clearlake”) discusses some litigation matters from the past five years, however, Clearlake has either been dismissed or the matters have settled. These matters primarily involved portfolio companies of Clearlake.

Clearlake states that it has not established an internal audit function but there have not been any control weaknesses identified by the accounting team. Clearlake has a compliance group that reviews and examines, among other things, Clearlake’s portfolio management process, risk control, mitigation procedures and Clearlake’s systems and controls.

# Compliance and Diversity Review

Office Of The State Treasurer  
Pension Funds Management

Clearlake Capital Group, LP (“Clearlake”)

## Compliance Certifications and Disclosures

Clearlake disclosed no campaign contributions, known conflicts, gifts or third-party fees

## Commitment to Diversity

### *Employees*

Clearlake aims to review its recruiting and retention policies to identify methods to expand and/or enhance its efforts to achieve a diverse, respectful and inclusive workplace. Clearlake assesses workforce diversity and inclusion efforts in areas such as applicant tracking, hiring, promotions, separations career development and retention.

### *Industry*

The firm reported a collaboration with Robert Toigo Foundation (TOIGO), sponsors for Educational Opportunity (SEO) Alternative Investments, Association of Asian American Investment Managers (AAAIM), New America Alliance (NAA), National Association of Investment Companies (NAIC), the Posse Foundation, Southern California Minority Supplier Development Council (SCMSDC), Private Equity Women Investor Network (PEWIN) and other asset management firms, to survey municipal on issues relating to racial equity and inclusion, to enable investors who value those issues make more informed investment decisions. The initiative was announced in September 2021, and results are not reported at this time. The firm also participates in the Women’s Private Equity Summit and was a sponsor of the March 2023 conference and is a sponsor of the 2024 conference. Clearlake recently joined a program partnership with Mindr, a diversity-focused, cross-portfolio mentorship program designed to connect high performing, up-and-coming talent with senior professionals across the private equity industry.

### *Vendors*

Clearlake initiated a supplier outreach program amongst the Firm’s principal vendors, suppliers and other thirty party service providers designed to gauge diversity statistics and equal employment opportunities within the various suppliers. Through this program, Clearlake may circulate diversity questionnaires among certain of the Firm’s suppliers in an effort to more accurately benchmark information.

## Nexus to Connecticut

Clearlake reported 1 employee residing in CT.

# Compliance and Diversity Review

Office Of The State Treasurer  
Pension Funds Management

Clearlake Capital Group, LP ("Clearlake")

## Workforce Diversity

Clearlake provided data as of December 31, 2023

- 109 total employees, a 43% increase from 2021
- There are no women Executives
- The proportion of women and minority Managers remained largely consistent
- The proportion of women and minority Professionals decreased significantly but is still strong
- The proportion of minority executives increased slightly and is very strong
- The proportion of minorities across all levels is strong

### WOMEN

	EXEC	MGMT	PROF	FIRM
<b>2023</b>	<b>0%</b> 0 of 8	<b>16%</b> 5 of 32	<b>45%</b> 25 of 56	<b>47%</b> 51 of 109
<b>2022</b>	<b>0%</b> 0 of 8	<b>19%</b> 5 of 27	<b>47%</b> 23 of 49	<b>50%</b> 48 of 96
<b>2021</b>	<b>0%</b> 0 of 7	<b>17%</b> 4 of 24	<b>57%</b> 21 of 37	<b>53%</b> 40 of 76

### MINORITIES<sup>1</sup>

	EXEC	MGMT	PROF	FIRM
<b>2023</b>	<b>75%</b> 6 of 8	<b>50%</b> 16 of 32	<b>66%</b> 37 of 56	<b>61%</b> 67 of 109
<b>2022</b>	<b>75%</b> 6 of 8	<b>52%</b> 14 of 27	<b>69%</b> 34 of 49	<b>64%</b> 61 of 96
<b>2021</b>	<b>71%</b> 5 of 7	<b>50%</b> 12 of 24	<b>78%</b> 29 of 37	<b>67%</b> 51 of 76

<sup>1</sup> 2023 Minority breakdown: 6 exec (2 Hispanic, 1 Asian, 3 Two +); 16 mgmt (7 Hispanic, 5 Asian, 4 Two+); 37 prof (3 Black, 8 Hispanic, 13 Asian, 13 Two+)

Note: Firm totals include administrative staff, which are not included in sub-columns for Exec, Mgmt and Prof; therefore, the Firm totals do not equal the sum of other columns above. Further, Mgmt above includes all Executives.



# Environmental, Social and Governance Analysis

Office Of The State Treasurer  
Pension Funds Management

## Overall Assessment : Evaluation and Implementation of Sustainable Principles

The firm described a comprehensive approach to ESG integration that focuses on the due diligence, investment decision making, and performance monitoring processes. Clearlake's integration emphasizes the consideration of material ESG factors through the investment lifecycle. Alongside internal due diligence, the firm has engaged an ESG consulting firm to enhance portfolio performance monitoring and reporting.

Clearlake became a signatory of the UN Principles for Responsible Investment (UN PRI) and the ESG Data Convergence Initiative (EDCI) in 2023. The firm expects to begin reporting for the UN PRI in May 2024. Clearlake's COO/General Counsel oversees all ESG efforts alongside the ESG team. The ESG and investment teams carry out ESG research. Clearlake ensures ESG training for all investment professionals. The firm offers trainings to all new investment staff, and will engage their ESG consulting firm, Malk Partners, and other third parties for ad hoc ESG trainings and ESG market updates.

The firm does not have a policy specific to civilian firearms because they do not do business with manufacturers or retailers.

Overall, the firm's disclosure demonstrated exemplary ESG integration.

## SCORE

# 1

Criteria	Response
Firm has an ESG policy	Yes
If Yes, firm described its ESG policy	Yes
If Yes, firm provided examples of ESG factors considered in the decision-making process, explained the financial impact of these ESG factors	Yes
Designated staff responsible for sustainability policies and research	Yes
Firm provides training/resources on sustainability issues, explained sources of ESG-related data	Yes
Signatory/member of sustainability-related initiatives or groups	Yes
Policy for evaluating current or prospective relationships with manufacturers or retailers of civilian firearms	No*

Criteria	Response
Policy that requires safe and responsible use, ownership or production of guns	No*
Enhanced screening of manufacturers or retailers of civilian firearms	No*
Enhance screening of any industry/sector subject to increased regulatory oversight, potential adverse social and/or environmental impact	Yes
Merchant credit relationship with retailers of civilian firearms and accessories	No*
If Yes, firm confirms compliance with laws governing firearms sales	N/A





# Clearlake Capital Partners VIII, L.P.

Recommendation Report

March 2024



All information contained within this report has been gathered from sources believed to be reliable, including but not limited to the general partner(s), other industry participants and the Hamilton Lane Investment Database, but its accuracy cannot be guaranteed.

The information contained in this report may include forward-looking statements regarding the fund presented or its portfolio companies. Forward-looking statements include a number of risks, uncertainties and other factors beyond the control of the fund or the portfolio companies, which may result in material differences in actual results, performance or other expectations. The opinions, estimates and analyses reflect our current judgment, which may change in the future.

The past performance information contained in this report is not necessarily indicative of future results and there is no assurance that the fund will achieve comparable results or that it will be able to implement its investment strategy or achieve its investment objectives. The actual realized value of currently unrealized investments will depend on a variety of factors, including future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the current unrealized valuations are based.

Any tables, graphs or charts relating to past performance included in this report are intended only to illustrate the performance of the fund or the portfolio companies referred to for the historical periods shown. Such tables, graphs and charts are not intended to predict future performance and should not be used as the basis for an investment decision.

By accepting receipt of this investment report and in consideration of access to the information contained herein (together with the investment report, the “Confidential Information”), the recipient agrees to maintain the strict confidentiality of any and all Confidential Information in accordance with the terms of this paragraph. The recipient acknowledges that (i) the Confidential Information constitutes proprietary trade secrets, and (ii) disclosure of any Confidential Information may cause significant harm to Hamilton Lane Advisors, L.L.C. (“Hamilton Lane”), its affiliates or any of their respective businesses. Unless otherwise required by law, the recipient shall not disclose any Confidential Information to any third party. If required by law to disclose any Confidential Information, the recipient shall provide Hamilton Lane with prompt written notice of such requirement prior to any such disclosure so that Hamilton Lane may seek a protective order or other appropriate remedy. Prior to making any disclosure of any Confidential Information required by law, the recipient shall use its reasonable best efforts to claim any potential exemption to such requirement and otherwise shall limit disclosure only to such information that is necessary to comply with such requirement.

The calculations contained in this document are made by Hamilton Lane based on information provided by the general partner (e.g. cash flows and valuations), and have not been prepared, reviewed or approved by the general partner.

Stacked bar charts or pie charts presented in the Strategy section in this report may not equate to 100% per the data labels on the charts due to rounding; however, all stacked bar charts and pie charts equate to 100% using exact proportions.

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## Fund Information

Organization Overview	Fund Overview	Portfolio Construction
<p><b><u>General Partner:</u></b> Clearlake Capital Group, L.P. (“General Partner”), (“Clearlake”)</p> <p><b><u>Firm Inception:</u></b> 2006</p> <p><b><u>Team:</u></b> 39 investment professionals, 4 O.P.S. professionals, 75 back-office professionals and 35 Executive Council members</p> <p><b><u>Senior Partners:</u></b> José Feliciano and Behdad Eghbali</p> <p><b><u>Location:</u></b> Santa Monica (headquarters) and Singapore</p>	<p><b><u>Fund:</u></b> Clearlake Capital Partners VIII, L.P. (“Fund”)</p> <p><b><u>Target Size/Hard Cap:</u></b> \$15.0 billion/\$16.7 billion</p> <p><b><u>Asset Class:</u></b> Private Equity</p> <p><b><u>Strategy:</u></b> Buyout</p> <p><b><u>Substrategy:</u></b> Mega</p> <p><b><u>Geography:</u></b> North America</p> <p><b><u>Industries:</u></b> Information technology, industrials and consumer discretionary</p>	<p><b><u>Enterprise Values:</u></b> \$1 billion to \$3 billion</p> <p><b><u>Equity Investments:</u></b> \$500 million to \$1 billion+</p> <p><b><u>Target Number of Investments:</u></b> 18 to 22</p> <p><b><u>Max Single Investment Exposure:</u></b> 20%</p> <p><b><u>Expected Hold Period Per Investment:</u></b> Not provided</p>

## Net Performance and Benchmarks

Clearlake Capital Group, L.P. Prior Investment Performance <sup>1</sup> As of 12/31/23								HL Benchmark Large Cap Buyout As of 9/30/23			PME Benchmark Russell 3000 +250 bps As of 12/31/23	J-Curve Benchmark Large Cap Buyout As of 9/30/23
(\$mm)	Vintage	Fund Size	% Drawn <sup>2</sup>	DPI	TVPI	Net IRR	Quarters to Break J-Curve	Spread vs. Top-Quartile			Spread vs. PME	Comparison to Peers (quarters)
Fund								DPI	TVPI	Net IRR		
Fund II	2009	\$415	117%	1.6x	1.6x	15.5%	2	-0.2x	-0.5x	-100 bps	-102 bps	10 earlier
Fund III	2012	789	142%	2.8x	2.9x	40.7%	3	1.2x	0.7x	+2077 bps	+2656 bps	3 earlier
Fund IV	2015	1,380	154%	1.6x	2.0x	28.8%	5	0.2x	0.1x	+941 bps	+1173 bps	5 later
Fund V	2017	3,623	137%	1.3x	2.1x	39.1%	2	0.4x	0.1x	+1837 bps	+2111 bps	2 earlier
Fund VI	2020	7,086	101%	0.1x	1.7x	24.0%	2	-0.1x	0.3x	+268 bps	+1263 bps	1 earlier
Fund VII	2021	14,125	56%	0.0x	1.1x	9.2%	4	-0.1x	-0.1x	-680 bps	-969 bps	2 later
<b>Total</b>				<b>0.6x</b>	<b>1.7x</b>	<b>28.7%</b>						

## Fundraise Update

- Final close targeted for Q4 2024
- As of March 2024, the General Partner had closed on approximately \$7 billion of aggregate commitments

<sup>1</sup> Capital Drawn, Capital Distributed and NAV are calculated from the cash flows of fee-paying limited partners and exclude any cash flows from the General Partner's commitment; the General Partner provided unaudited, estimated cash flows which are subject to change

<sup>2</sup> Percent drawn is calculated from both the cash flows of the limited partners and the General Partner's commitment

# Executive Summary (cont.)

## Key Terms<sup>1</sup>

Term	Summary
<b>Investment Period</b>	6 years; + 1 one-year extension at the discretion of the General Partner; + 1 one-year extension with advisory board approval
<b>Fund Term</b>	10 years; + 1 one-year extension at the discretion of the General Partner; + additional extensions with advisory board approval
<b>GP Commitment</b>	At least the lesser of 2.0% and \$300 million
<b>Management Fee</b>	1.65% of aggregate commitments stepping down to 1.65% of net invested capital during the post-investment period
<b>Clawback</b>	Yes
<b>Fee Discount</b>	None
<b>Fee Offset</b>	100%
<b>Organization Expenses</b>	0.11% of aggregate commitments
<b>Carry/Preferred Return</b>	20%/8%; full return of contributions with the ability to collect 50% of its carried interest on a deal-by-deal basis
<b>GP Catch-up</b>	100%

<sup>1</sup> Refers to the terms proposed by the General Partner as of June 2023; terms are subject to change during fundraising

## Investment Thesis

### Experienced senior team supported by growing group of investment and operating professionals

- The General Partner is led by José Feliciano and Behdad Eghbali with support from 4 additional Partners & Managing Directors, all of whom together average 14 years of tenure, driving cohesion at the firm
- The investment team is supported by four Operations, People, Strategy (“O.P.S.”) team members, who assist with value creation and strategic initiatives at the portfolio company level
- Clearlake has significantly grown its investment team since the prior fundraise and continues to promote internally, demonstrating its focus on internal development

### Flexible investment approach focused on core sectors

- Clearlake has consistently invested in the technology, industrials and consumer spaces, where its team has developed deep expertise
- The General Partner seeks attractive opportunities to invest through either its Flagship or Opportunities funds, and remains flexible to invest across the capital structure in traditional buyouts, structured equity, senior & junior debt and distressed opportunities, depending on market conditions
- Clearlake targets control-oriented investments in the Fund, where its investment and operating professionals can implement its repeatable value creation playbook

### Attractive performance across prior funds

- The General Partner has demonstrated its ability to generate attractive performance, as evidenced by the strong net IRR performance in Funds II through VII
- The unrealized portfolio remained healthy as of 12/31/23, with the majority of investments held at or above cost
- Clearlake has demonstrated its ability to drive outsized returns

## Investment Considerations

**The General Partner will continue to develop the broader senior team below Messrs. Feliciano and Eghbali**

- Messrs. Feliciano and Eghbali have continued to source and lead the majority of investments while also managing firm operations, despite a growing senior team
- Messrs. Feliciano and Eghbali have been thoughtful in developing the Partner & Managing Director group to lead sector verticals and run the deal process, allowing Messrs. Feliciano and Eghbali to oversee deals and focus on firm management
- Clearlake has not experienced any senior turnover and has expanded its carried interest allocation, emphasizing its focus on retention and internal development

**Clearlake will remain thoughtful regarding its use of leverage**

- The General Partner has historically utilized higher leverage levels in its portfolio companies, raising concerns in current market conditions
- Clearlake expects higher leverage levels for companies undergoing financial distress where it would assist the business in sustaining liquidity and aims to do so at levels where the company can survive periods of underperformance
- The General Partner has recently focused on hedging its positions to ensure a sufficient cushion should rates continue to rise

**The General Partner will continue to generate attractive performance and effectively manage the unrealized portfolio**

- Clearlake maintains a large unrealized portfolio in Funds V through VII
- Funds V through VII remained healthy and are performing in line with expectations as of 12/31/23
- The General Partner has continued to grow its investment and operations resources fund-over-fund in order to manage the unrealized portfolio

## Recommendation

Based on the analysis and information presented herein, Hamilton Lane believes that a commitment to Clearlake Capital Partners VIII, L.P. works towards achieving the goals set forth for the Connecticut Retirement Plans and Trust Funds. A commitment to the Fund will maintain a relationship with a high-quality General Partner. Taking into account the investment strategy and portfolio diversification objectives of the Private Investment Fund, Hamilton Lane recommends a commitment to the Fund.



### Experienced and cohesive senior leadership team

- The General Partner is led by Managing Partners & Co-Founders José Feliciano and Behdad Eghbali, highly experienced investors who have led Clearlake since inception
- Beyond Messrs. Feliciano and Eghbali, Clearlake maintains a well-tenured group of Partners & Managing Directors who are specialized by sector
- The Partner group maintains an average tenure of over 14 years and has largely been investing together since Fund II, driving cohesion

### Investment capabilities augmented by operating resources

- The investment team benefits from its operating resources, including four O.P.S. team members
- The O.P.S. Group works alongside the investment team to drive growth across the portfolio through a repeatable value creation playbook, which includes pursuing add-on acquisitions and implementing organic strategic initiatives
- The Executive Council is a group of operating executives and consultants who augment Clearlake's sourcing, diligence and governance efforts

### Focus on internal development promotes retention

- The General Partner remains focused on growing and retaining talent, as evidenced by minimal turnover and significant promotions in recent years
- Clearlake has been thoughtful about growing the team, increasing the number of investment professionals since the prior fundraise
- The General Partner distributes carried interest broadly across the organization

- The General Partner was founded in 2006 by José Feliciano, Behdad Eghbali and Steve Chang as a sector-focused investment firm specializing in private equity, special situations and opportunistic credit
  - Mr. Chang departed the firm in 2015 to establish Allomer Capital Group; Messrs. Feliciano and Eghbali continue to lead Clearlake today
- In 2018, Dyal Capital Partners and Goldman Sachs Asset Management Petershill acquired a minority, non-voting position of the management company
- In June 2020, Clearlake acquired a majority stake in WhiteStar Asset Management and interests in Trinitas Capital Management (together, “WhiteStar”), a manager of CLOs and other structured products

## Snapshot:<sup>1</sup>

### **Inception/Founders:**

2006/José Feliciano, Behdad Eghbali and Steve Chang (departed)

### **Locations:**

Santa Monica (headquarters) and Singapore

### **AUM:**<sup>2</sup>

\$75 billion

### **Strategies/Product Lines:**

Corporate finance/buyout, special situations, distressed debt, CLOs and structured products

### **Management Company:**

Private

### **Current Leadership:**

José Feliciano and Behdad Eghbali

### **Headcount:**

39 investment professionals, 4 O.P.S professionals, 75 back-office professionals and 35 Executive Council members

<sup>1</sup> As of December 2023

<sup>2</sup> As of 9/30/23

# General Partner (cont.)

- The General Partner’s senior professionals are a highly experienced and well-tenured group, averaging over 20 years of experience and 11 years of tenure
- The investment committee consists of Messrs. Feliciano and Eghbali, and investment decisions require unanimous approval
  - Senior investment professionals attend investment committee meetings, encouraging collaboration from all members throughout the decision-making process
  - There is significant ethnic diversity represented on the investment committee

Name	Title	Tot. Exp. (yrs.)	Tenure (yrs.)	Fund III	2013	2014	Fund IV	2016	Fund V	2018	2019	Fund VI	Fund VII	2022	2023
José Feliciano <sup>1</sup>	Managing Partner & Co-Founder	27	17												
Behdad Eghbali <sup>1</sup>	Managing Partner & Co-Founder	25	17												
Colin Leonard	Partner & Managing Director	19	16												
Prashant Mehrotra	Partner & Managing Director	21	13												
Arta Tabaei	Partner & Managing Director	19	13												
James Pade	Partner & Managing Director	15	10												
Dan Groen	Managing Director	25	8												
Paul Huber	Managing Director	14	8												
Martin Arzac	Managing Director	25	5												
Shalini Blana Subramaniam	Managing Director	18	5												
Nate Mejías	Principal	13	9												

	= Tenure with Clearlake Capital Group, L.P.
	= Total Experience

<sup>1</sup> Denotes members of the investment committee

- Clearlake maintains a lean investment team comprised of 39 professionals, all of whom are based in the General Partner's Santa Monica headquarters
- The investment team is supported by 4 O.P.S. professionals, 35 Executive council members and 75 back-office professionals
  - Additionally, Clearlake leverages over 40 WhiteStar employees for insights across the credit and leveraged loan markets
  - WhiteStar's employees are based in Dallas and specialize in senior performing credit and structured products
  - The WhiteStar team operates largely independently but shares industry and company research with Clearlake
- The Executive Council is comprised of 35 operating executives and consultants who augment Clearlake's sourcing, diligence and governance efforts and, at times, provide corporate leadership at portfolio companies on an interim or full-time basis
  - Executive Council members specialize in a variety of industries and functional roles, which complements the General Partner's targeted investment strategies and O.P.S. growth initiatives
- The O.P.S. Group is comprised of four members, led by Managing Director John Cannon
  - The O.P.S. professionals work alongside the investment team and the firm's Executive Council to drive growth across the portfolio, which includes creating and implementing 100-day plans, analyzing pipelines and backlogs, reconfiguring operating expense budgets, revamping human resources, pursuing add-on acquisitions and implementing organic strategic initiatives
- Clearlake has thoughtfully grown its investment team over time, in line with increasing fund sizes
  - The General Partner maintains a focus on internal development, primarily hiring at the junior level and promoting internally
  - Since the prior fundraising, Clearlake has nearly doubled the investment team

## Consistent focus on both high-growth and operationally-challenged companies operating in core sectors

- The General Partner has pursued a consistent investment strategy, targeting businesses within its core sectors of technology, industrials and consumer
- Within its core sectors, Clearlake maintains the ability to target high-quality, growing businesses as well as companies undergoing complex financial, operational or structural change
- The General Partner's consistent focus has enabled deep sector expertise and broad networks, which augment its sourcing efforts

## Flexible investment approach with ability to invest across the capital structure

- Clearlake employs a flexible approach to investment type and is agnostic regarding entry point, investing across the capital structure to create an attractive risk-return profile
- The General Partner expects to invest in a variety of opportunities, including traditional buyouts, structured equity, senior and junior debt, corporate carve-outs, bankruptcy restructurings, rescue financings and other tactical and special situation opportunities

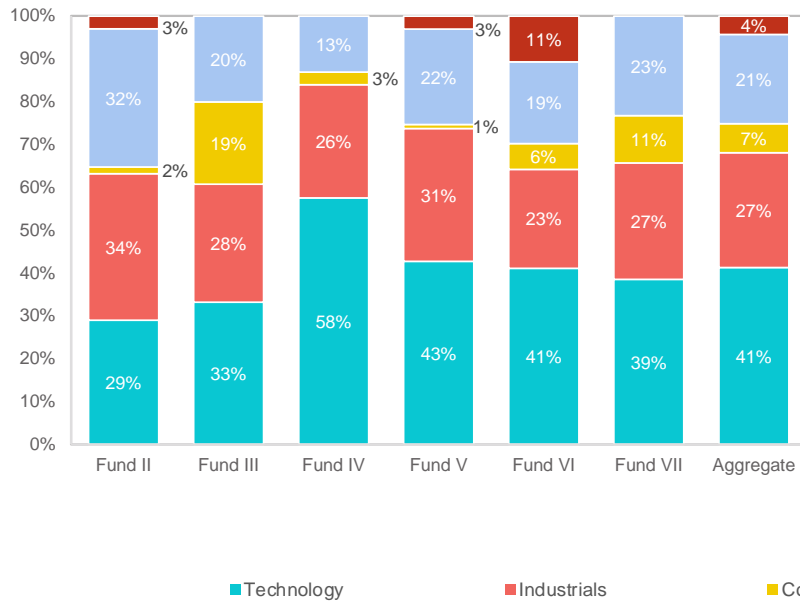
## Value creation initiatives driven by operating resources

- The General Partner targets control investments where it can execute its repeatable value creation approach and drive the growth of portfolio companies
- Clearlake leverages the expertise of both its investment professionals and its O.P.S. professionals to complete key operational improvements at portfolio companies

- Since Fund II, the General Partner has consistently invested in the technology, industrials and consumer spaces, where its senior team has developed deep expertise and broad networks
  - Within technology, Clearlake intends to focus on the software, tech-enabled business & managed services, data and analytics, industrial technology and other IT infrastructure spaces
  - Within industrials, the General Partner targets industrial technology, services & distribution, packaging, specialty materials and manufacturing, building products and automotive value chain investments
  - Within consumer, Clearlake primarily invests in the food & beverage ecosystem, as well as other consumer services and related businesses

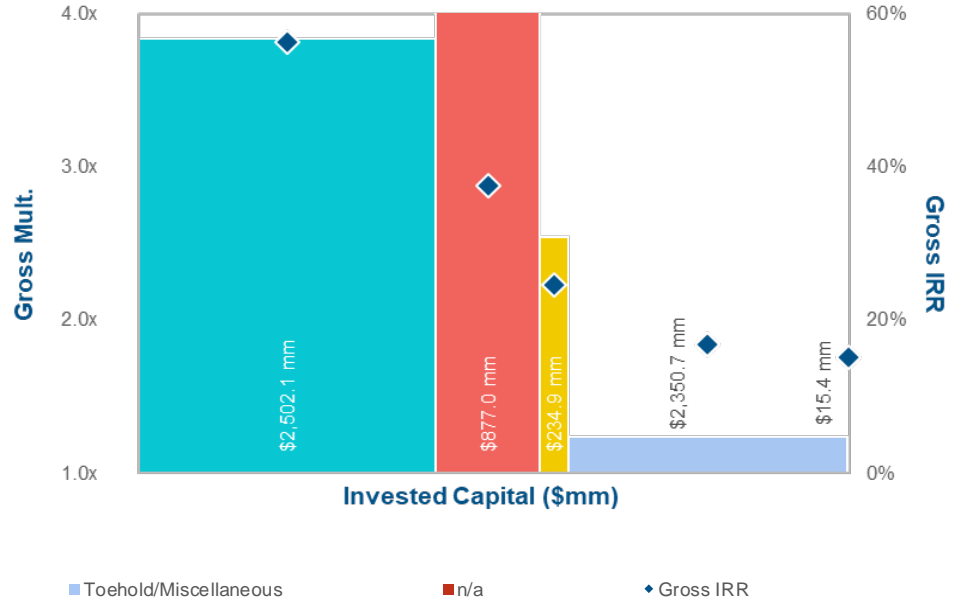
## Prior Investments – % by Sector<sup>1</sup>

As of 12/31/23



## Realized Performance – by Sector<sup>1, 2</sup>

As of 12/31/23



<sup>1</sup> "n/a" represents four investments for which attribution was not provided

<sup>2</sup> Industrials investments generated s 4.3x gross multiple

- Clearlake maintains an all-weather approach to investing, targeting both high-quality, growing businesses as well as companies undergoing complex financial, operational or structural change
  - Depending on market conditions, the General Partner expects to flex between value-oriented buyout and stressed- & distressed-oriented investments, including credit, restructurings, turnarounds or bankruptcies
- The General Partner focuses on middle-market business with enterprise values between \$1.0 billion and \$3.0 billion
- Clearlake expects to complete 18 to 22 core investments in the fund, with check sizes ranging from \$500 million to greater than \$1 billion
  - The General Partner additionally expects to complete a number of toehold investments in the Fund
- With its Flagship and Opportunities fund lines, Clearlake seeks to approach the market with a full capital structure solution to focus first on finding attractive opportunities, then determining the appropriate investment type
  - The General Partner allocates investments with a control-focused structure to its Flagship funds and those with a non-control strategy to its Opportunities funds; any investments split between fund lines will be allocated pro-rata based on available capital
- The General Partner employs a flexible approach to investment type and is agnostic regarding entry point, investing across the capital structure to generate attractive risk-return profiles
  - Clearlake expects to invest in traditional buyouts, structured equity, senior and junior debt, corporate carve-outs, bankruptcy restructurings, rescue financings and other tactical and special situation opportunities
- Clearlake intends to purchase companies at attractive relative multiples and/or at discounts to intrinsic value, but has demonstrated its willingness to pay up in order to acquire high-growth business where it believes it can drive significant operational value

- Clearlake maintains a repeatable value creation playbook focused on value levers such as debt paydown, profit growth initiatives and management team enhancements, as well as solving operational challenges and providing resources to portfolio companies
- The General Partner leverages its operational resources to optimize operations post-investment, ensure the right management team is in place and assist in strategic initiatives



**Attractive net performance in prior funds**

- The General Partner has demonstrated its ability to generate attractive performance, as evidenced by the strong net IRR performance in Funds II through VII
- Clearlake has consistently broken the J-curve ahead of or in line with peers, highlighting its focus on portfolio management

**Healthy unrealized portfolio with additional upside expected**

- The unrealized portfolio remained healthy, with the majority companies held at or above cost as of 12/31/23
- Clearlake expects to capture additional upside in Funds VI and VII as companies mature and value creation efforts are realized

**Demonstrated ability to deploy capital through market cycles while generating an attractive dispersion of returns**

- The General Partner has increased its capital deployment, in line with its increasing fund sizes, and has leveraged its all-weather strategy to invest consistently through market cycles
- The General Partner has been thoughtful in capital preservation, as evidenced by a relatively low historical write off ratio

- The General Partner has demonstrated its ability to generate attractive performance, as evidenced by the strong net IRR performance in Funds II through VII
- As of March 2024, Fund VII was approximately 65% invested and committed

Clearlake Capital Group, L.P. Prior Investment Performance <sup>1</sup> As of 12/31/23									HL Benchmark Large Cap Buyout As of 9/30/23			PME Benchmark Russell 3000 +250 bps As of 12/31/23
(\$mm)	Vintage	Fund Size	Capital Drawn	Capital Distributed	NAV	DPI	TVPI	Net IRR	Top-Quartile			PME IRR
Fund									DPI	TVPI	Net IRR	
Fund II	2009	\$415	\$485.1	\$792.5	\$1.3	1.6x	1.6x	15.5%	1.9x	2.1x	16.5%	16.5%
Fund III	2012	789	1,122.7	3,166.3	35.5	2.8x	2.9x	40.7%	1.6x	2.1x	19.9%	14.1%
Fund IV	2015	1,380	2,131.9	3,476.6	861.9	1.6x	2.0x	28.8%	1.4x	1.9x	19.4%	17.1%
Fund V	2017	3,623	5,158.5	6,880.0	4,134.7	1.3x	2.1x	39.1%	0.9x	2.0x	20.7%	18.0%
Fund VI	2020	7,086	7,224.1	1,066.6	11,014.6	0.1x	1.7x	24.0%	0.2x	1.4x	21.3%	11.3%
Fund VII	2021	14,125	7,925.6	36.7	8,824.1	0.0x	1.1x	9.2%	0.1x	1.2x	16.0%	18.8%
<b>Total</b>			<b>\$24,047.9</b>	<b>\$15,418.6</b>	<b>\$24,872.1</b>	<b>0.6x</b>	<b>1.7x</b>	<b>28.7%</b>				<b>15.8%</b>

<sup>1</sup> Capital Drawn, Capital Distributed and NAV are calculated from the cash flows of fee-paying limited partners and exclude any cash flows from the General Partner's commitment; the General Partner provided unaudited, estimated cash flows which are subject to change

# Track Record (cont.)

- Clearlake has consistently generated attractive gross performance on both a gross multiple and gross IRR basis as of 12/31/23

Clearlake Capital Group, L.P. Prior Investment Performance <sup>1</sup> As of 12/31/23									
(\$mm) Fund	Vintage	# of Inv.		Fund Size	Amount Invested	Amount Realized	Unrealized Value	Gross Mult.	Gross IRR
		Total	Real.						
Fund II	2009	40	40	\$415.0	\$527.4	\$998.6	\$0.1	1.9x	21.9%
Fund III	2012	41	39	789	1,177.7	3,865.0	36.0	3.3x	47.4%
Fund IV	2015	46	34	1,380	1,978.5	3,888.4	1,080.9	2.5x	34.6%
Fund V	2017	75	44	3,623	5,380.9	7,924.5	5,375.0	2.5x	44.6%
Fund VI	2020	60	28	7,086	8,344.3	2,209.5	12,939.6	1.8x	28.7%
Fund VII	2021	27	0	14,125	7,863.1	227.4	9,367.1	1.2x	12.5%
<b>Total</b>		<b>289</b>	<b>185</b>		<b>\$25,271.9</b>	<b>\$19,113.4</b>	<b>\$28,798.7</b>	<b>1.9x</b>	<b>34.1%</b>

Clearlake Capital Group, L.P. Realized Investment Performance <sup>1</sup> As of 12/31/23						Clearlake Capital Group, L.P. Unrealized Investment Performance <sup>1</sup> As of 12/31/23					
(\$mm) Fund	Amount Invested	Amount Realized	Unrealized Value	Gross Mult.	Gross IRR	(\$mm) Fund	Amount Invested	Amount Realized	Unrealized Value	Gross Mult.	Gross IRR
Fund II	\$527.4	\$998.6	\$0.1	1.9x	21.9%	Fund II	\$0.0	\$0.0	\$0.0	n/a	n/a
Fund III	1,112.1	3,847.0	0.6	3.5x	49.2%	Fund III	65.6	18.1	35.4	0.8x	-3.4%
Fund IV	1,155.5	3,502.5	12.9	3.0x	54.6%	Fund IV	823.0	385.8	1,068.0	1.8x	12.0%
Fund V	2,212.3	6,884.1	341.8	3.3x	69.9%	Fund V	3,168.6	1,040.4	5,033.2	1.9x	23.3%
Fund VI	972.9	1,288.6	15.6	1.3x	24.7%	Fund VI	7,371.4	920.9	12,923.9	1.9x	29.0%
Fund VII	0.0	0.0	0.0	n/a	n/a	Fund VII	7,863.1	227.4	9,367.1	1.2x	12.5%
<b>Total</b>	<b>\$5,980.1</b>	<b>\$16,520.8</b>	<b>\$371.1</b>	<b>2.8x</b>	<b>42.2%</b>	<b>Total</b>	<b>\$19,291.8</b>	<b>\$2,592.6</b>	<b>\$28,427.6</b>	<b>1.6x</b>	<b>21.2%</b>

<sup>1</sup> The General Partner provided unaudited, estimated cash flows which are subject to change

- The General Partner is a signatory to PRI and institutes best practices internally around ESG integration into its investment process, decision-making and focuses on mitigating potential ESG risks to its investments through its value creation plan
- Clearlake actively incorporates ESG into its diligence and value-creation processes and has continued to standardize its efforts both internally and across its portfolio
  - In April 2023, the General Partner hired its first full-time dedicated ESG professional, Alison Frey, who works within the O.P.S. team on ESG matters
- The General Partner is committed to ethnic and gender diversity across the platform and has partnered with a variety of organizations to ensure diverse recruitment

## ESG Summary

ESG Policy	Yes	Integration in decision-making	IC memos include ESG requirements
ESG-Dedicated Professionals	1 dedicated ESG Manager	ESG focus – planning	ESG is always included in strategic planning
Signatories	PRI	Monitoring	Monitors KPIs across portfolio companies
Environmental Focus	Portfolio companies report Scope 1 and 2 emissions	Reporting	Annual ESG report
Diversity	78% minority/22% majority across all professionals 49% female/51% male across all professionals	Requirements of portfolio companies	The General Partner encourages all portfolio companies to adopt ESG policies and set goals consistent with its own
ESG in due diligence process	Third party ESG due diligence for all investments		



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# Appendices

Experience of Senior Investment Professionals				
Name	Title	Tot. Exp. (yrs.)	Tenure (yrs.)	Prior Experience
José Feliciano	Managing Partner & Co-Founder	27	17	<ul style="list-style-type: none"> <li>• Tennenbaum Capital Partners</li> <li>• govWorks</li> <li>• Goldman Sachs</li> </ul>
Behdad Eghbali	Managing Partner & Co-Founder	25	17	<ul style="list-style-type: none"> <li>• TPG Capital</li> <li>• Venus Capital Management</li> <li>• Tubolinux</li> </ul>
Colin Leonard	Partner & Managing Director	19	16	<ul style="list-style-type: none"> <li>• HBK Investments</li> <li>• Wells Fargo</li> </ul>
Prashant Mehrotra	Partner & Managing Director	21	13	<ul style="list-style-type: none"> <li>• Silver Lake Partners</li> <li>• Tennenbaum Capital Partners</li> <li>• Goldman Sachs</li> </ul>
Arta Tabaei	Partner & Managing Director	19	13	<ul style="list-style-type: none"> <li>• HIG Capital</li> <li>• TPG Capital</li> <li>• Morgan Stanley</li> </ul>
James Pade	Partner & Managing Director	15	10	<ul style="list-style-type: none"> <li>• TowerBrook Capital Partners</li> <li>• Credit Suisse</li> <li>• Google</li> </ul>
Dan Groen	Managing Director	25	8	<ul style="list-style-type: none"> <li>• Armin Partners</li> <li>• HgCapital</li> <li>• Draper Fisher</li> </ul>
Paul Huber	Managing Director	14	8	<ul style="list-style-type: none"> <li>• Thoma Bravo</li> <li>• Blair &amp; Company</li> <li>• Financial Technology Partners</li> </ul>
Martin Arzac	Managing Director	25	5	<ul style="list-style-type: none"> <li>• Deutsche Bank</li> <li>• UBS</li> <li>• Donald Lufkin &amp; Jenrette</li> </ul>
Shalini Blana Subramaniam	Managing Director	18	5	<ul style="list-style-type: none"> <li>• Deutsche Bank Securities</li> <li>• Bank of America Securities</li> </ul>
Nate Mejías	Principal	13	9	<ul style="list-style-type: none"> <li>• MetalMark Capital</li> <li>• Credit Suisse</li> </ul>

Benchmark Analysis:	An analysis that compares the net IRR of the prior funds to the top-quartile net IRR benchmarks for similar funds (based on strategy and vintage) as reported by the Cobalt LP database. The benchmark data shown is the most recent data available at this time
DPI:	$\text{DPI} = \frac{\text{Amount of Distributions Received}}{\text{Total Amount of Capital Paid-In}}$
ESG:	Environmental, Social and Governance
Gross IRR:	Internal Rate of Return (“IRR”) of investments at the “fund level,” excludes fees paid by LPs to the General Partner such as management fees and carried interest. For investments held less than one year, Hamilton Lane nominalizes the IRR to match the hold period of the investment in order to represent a more meaningful number
Investment Pacing:	An analysis of the total capital invested during the given years. Includes all prior investments, realized or unrealized
J-curve Benchmark:	Peer (median by age) is calculated by taking the median IRR of similar funds (based on strategy and vintage) in Hamilton Lane’s database at each quarter, which are simulated as investing at the same point in time. The length of time to break the J-curve is calculated from inception to the first time each fund generated a positive net IRR
Loss Ratio Analysis:	An analysis of the capital invested in realized transactions generating different multiples of invested capital
Net IRR:	Annualized Internal Rate of Return (“IRR”) of investments at the LP level inclusive of fees such as management fees and carried interest paid to the General Partner
Net Returns to Limited Partners:	The performance of the General Partner’s prior investment vehicles at the net LP level, inclusive of all fees, carried interest and expenses. Performance data is as reported by the General Partner using actual capital contributions, distributions and net asset value for either all limited partners, or a sample set of limited partners, in the respective funds
Outlier Analysis:	An analysis of the gross returns of investments in prior funds, comparing overall performance against the performance when certain ‘outlier’ transactions are excluded. Outliers are defined as transactions that generate exceptionally positive or negative results
PME Analysis:	Calculated by taking the fund’s monthly cash flows and investing them in the relevant Total Return Index (where all dividends are re-invested). Contributions were scaled by a factor such that the ending portfolio balance would be equal to the private equity net asset value (equal ending exposures for both portfolios). This prevents shorting of the public market equivalent portfolio in order to match the performance of an outperforming private equity portfolio. Distributions were not scaled by this factor. The IRRs were then calculated based on these adjusted cash flows. The selected PME represents the most relevant public market benchmark
Realized Attribution Analysis:	Analysis of the capital invested in, and performance of, the prior realized transactions according to the criteria indicated
Realized Investments:	Hamilton Lane classifies investments as “realized” if it has: i) an unrealized value of less than 20% of the total value; ii) a carrying value that has been written to zero or has been previously written-off; or iii) been fully exited and the GP has no remaining interest in the company
RVPI:	$\text{RVPI} = \frac{\text{Current Net Asset Value}}{\text{Total Amount of Capital Paid-In}}$
TVPI:	$\text{TVPI} = \frac{\text{Amount of Distributions Received} + \text{Current Net Asset Value}}{\text{Total Amount of Capital Paid-In}}$

# Definitions (cont.)

Time-Zero IRR:	Represents the gross IRR calculated as if every investment were initiated on the same date
Write-Down Ratio:	The ratio of capital invested in realized investments that have been sold for a value that is less than 1.0x their original cost basis, divided by the total capital invested in all realized investments
Write-Off Ratio:	The ratio of capital invested in realized investments that have been sold for a value that is less than 0.5x their original cost basis, divided by the total capital invested in all realized investments



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**Tel Aviv**

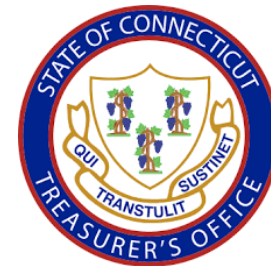
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# Clearlake Capital Group

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## Presentation to State of Connecticut Treasurer's Office

April 2024



**For Professional / Qualified / Institutional Clients only**

It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities herein.

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In addition, certain information contained herein may have been obtained from companies in which investments have been made by entities affiliated with Clearlake. Although such information is believed to be reliable for the purposes used herein, neither any Fund nor Clearlake assume any responsibility for the accuracy or completeness of such information. Information about individual investments, including unrealized value, may not be representative of, or material to, overall fund performance. Past performance information indicated herein is neither a guarantee nor indicative of the future performance or investment returns of any Fund and actual events or conditions may not be consistent with, and may differ materially from, historical or forecasted events or conditions. Reliance upon information in this material is at the sole discretion of the reader.

# Clearlake Disclaimer

Furthermore, there is no single standard for determining fair value in good faith of private investments and, in many cases, fair value is best expressed as a range of fair values from which a single estimate can be derived. When appropriate, those values are based on estimated preliminary financial information and are derived from a regularly quoted price on a nationally recognized exchange, by averaging suitable broker-dealer bids either received by Clearlake or aggregated through a third-party service provider. Investments where there is no regularly, or reliable quoted price or broker-dealer bid are determined based on the enterprise values at which the investments could be sold in a reasonable period of time. Enterprise values of investments are determined using any combination of valuation approaches deemed relevant by the General Partner including market comparables, discounted cash flow, sum-of-the-parts and other relevant analyses. Consideration is given to such factors as historical and projected financial data for the company, valuations of comparable companies, the size and scope of the company's operations, the strengths and weaknesses of the company, potential market receptivity to an offering of securities by the company, the size of the investment in the company, information regarding transactions or offers for the company's securities (including the transaction effecting the investment and the elapsed period of time since), industry information and assumptions, general economic and market conditions, indicative guidance from potential underwriters and other factors deemed relevant. The valuations that are reviewed by the independent third-party valuation firm and by auditors may not include an audit, review, compilation, information verification, assessment of internal controls or any other form of examination or attestation of the underlying portfolio company and data used to perform the valuation review. While unrealized investments are valued based on assumptions that Clearlake believes are reasonable under the circumstances, whether on a public market basis or an estimated fair market value basis, the actual realized returns on unrealized investments will depend on, among other factors, future operating results (including, without limitation, the implementation of specific strategic and operational initiatives, performance of management and employees and legal, regulatory and other risk factors specific to each portfolio company), the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the valuations used in the prior performance data were based. Accordingly, the actual realized returns on the unrealized investments may differ materially from the unrealized values derived from Clearlake's valuation procedures and there can be no assurance that the investments will be realized at the valuations reported by Clearlake.

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INVESTMENT IN ANY FUND WILL INVOLVE SIGNIFICANT RISKS, INCLUDING RISK OF LOSS OF THE ENTIRE INVESTMENT. BEFORE DECIDING TO INVEST IN ANY FUND, PROSPECTIVE INVESTORS SHOULD PAY PARTICULAR ATTENTION TO THE RISK FACTORS CONTAINED IN THE PPM, INCLUDING, BUT NOT LIMITED TO: (I) THE FUND'S INVESTMENTS IN PORTFOLIO COMPANIES AND ISSUERS OF PORTFOLIO INVESTMENTS MAY RESULT IN A LOSS OF CAPITAL; (II) LEVERAGED INVESTMENTS MAY PRESENT ADDITIONAL CAPITAL STRUCTURE RISK; (III) DEPENDENCE ON KEY PERSONNEL MAY RESULT IN ADDITIONAL OPERATIONAL RISK; (IV) THE FUND WILL BE MANAGED EXCLUSIVELY BY ITS GENERAL PARTNER AND ADVISOR, AND ITS LIMITED PARTNERS WILL NOT HAVE ANY RIGHT TO PARTICIPATE IN THE MANAGEMENT OR BUSINESS OF THE FUND; (V) THE FUND HAS NOT IDENTIFIED ANY SPECIFIC ASSETS THAT IT WILL SEEK TO ACQUIRE AND MANAGE WITH NEW COMMITMENTS; AND (VI) THE FUND'S PERFORMANCE MAY BE ADVERSELY AFFECTED BY A FLUCTUATION IN INTEREST RATES IF IT UTILIZES VARIABLE RATE MORTGAGE FINANCING AND FAILS TO EMPLOY AN EFFECTIVE HEDGING STRATEGY TO MITIGATE SUCH RISKS, INCLUDING ENGAGING IN INTEREST RATE SWAPS, CAPS, FLOORS AND OTHER INTEREST RATE CONTRACTS, AND BUYING AND SELLING INTEREST RATE FUTURES AND OPTIONS ON SUCH FUTURES.

# Clearlake Overview

## Sector-Focused Investment Firm Founded in 2006



### ~\$80B of assets under management

11 Clearlake funds, 22 co-investment / single asset vehicles, and 45+ WhiteStar structured funds<sup>1</sup>



### Sector-focused experience

Technology | Industrials | Consumer



### Integrated multi-product strategy

Private Equity | Special Situations | Credit



### 160+ employees<sup>2</sup> and 35 operating executives

Experienced team of investment and operating professionals



### Operations, People, Strategy (O.P.S.<sup>®</sup>)

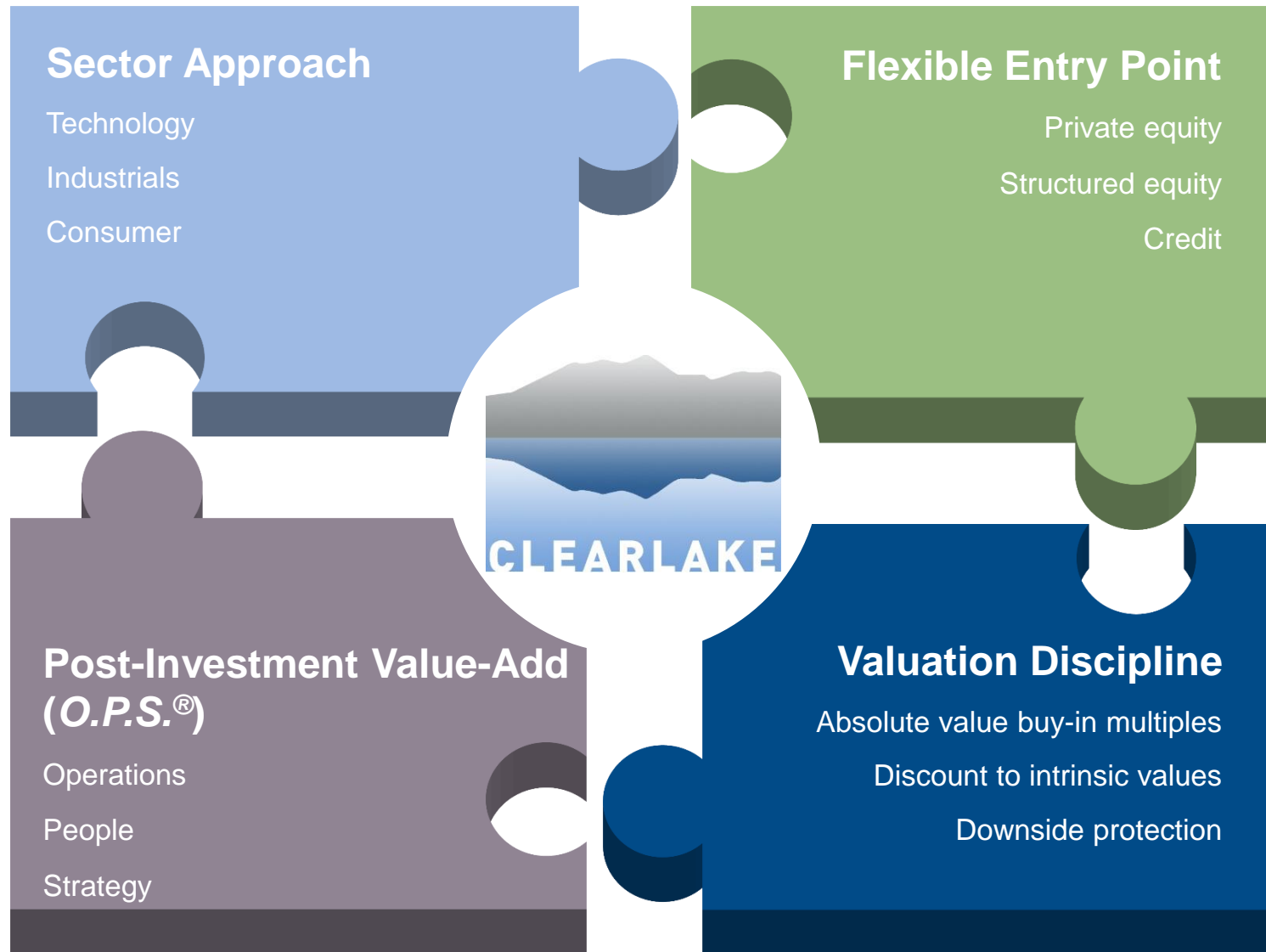
Operational improvement approach to transform and grow companies



1. Includes estimated assets under management ("AUM") as of September 30, 2023 for Clearlake and as of December 31, 2023 for WhiteStar Asset Management, and Trinitas Capital Management. Estimated AUM is adjusted for recently closed capital commitments and/or divestitures, as applicable.

2. Employees at Clearlake and WhiteStar Asset Management.

# Complementary Investment Framework



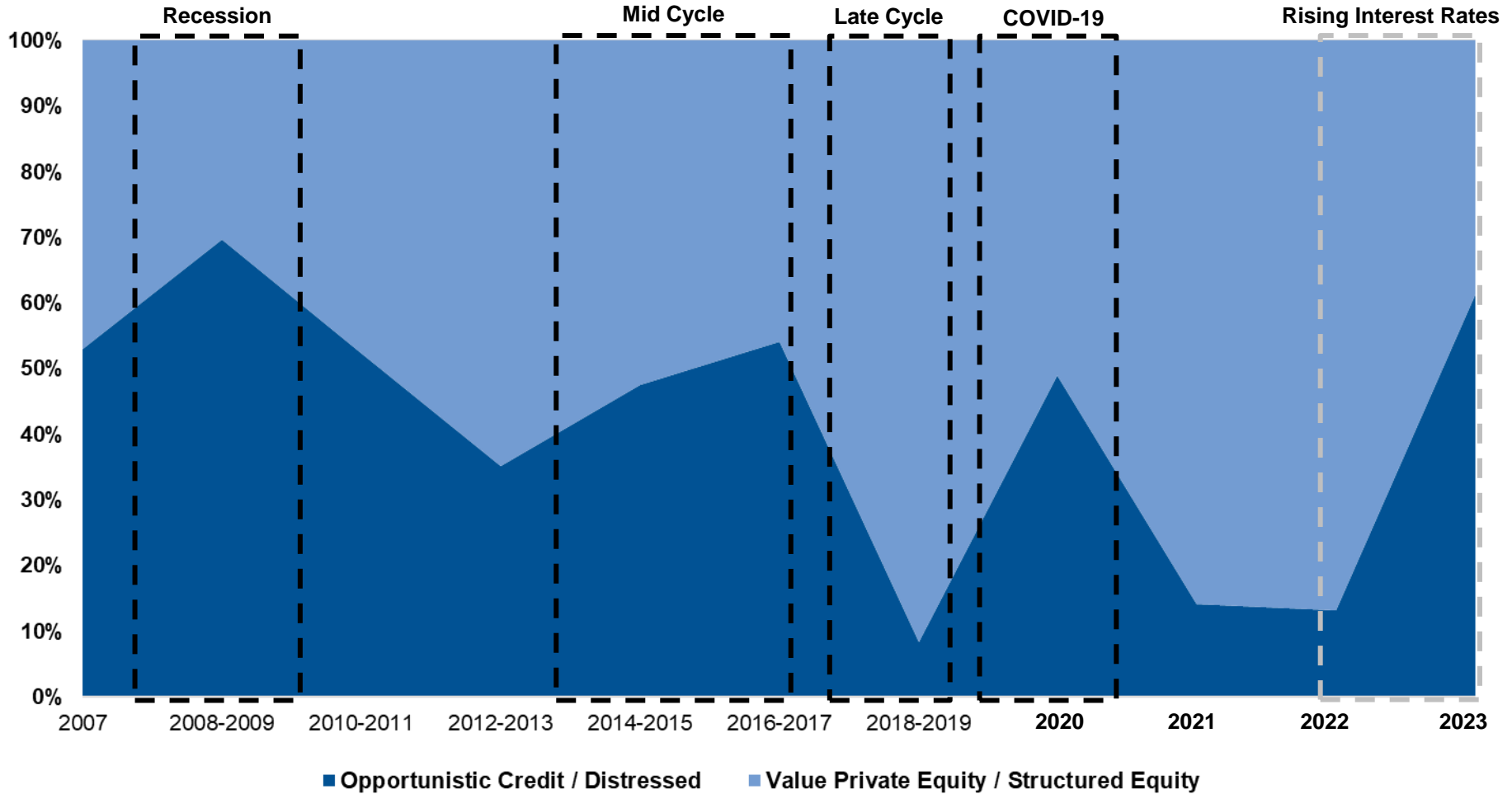
# All Weather Approach & Flexible Capital Deployment

<p>Control Private Equity</p>	
<p>Transformative M&amp;A</p>	
<p>Carve-Out</p>	
<p>Special Situations</p>	
<p>Structured Equity</p>	
<p>Credit / Distressed</p>	

Note: Includes Core investments in which the CCP, COP and Flagship Plus funds invested in over the period June 2013 to April 2024. Excludes minority equity positions. References to portfolio companies are presented to illustrate the application of the relevant investment strategy only, may not be representative of all transactions of a type or types of investments generally and should not be considered a specific recommendation of any particular security or portfolio company. Performance details for CCP I – VII, COP I – III and Flagship Plus are available upon request.

# Investing Across the Cycle

## “All Weather” Approach Across Different Economic and Credit Cycles



Note: Portfolio breakdown has been calculated using amount invested across Funds I-VII, COP I - COP III, and Flagship Plus from inception through December 31, 2023. Excludes amounts from co-investment vehicles, third parties, and reserves for add-on capital. Past performance is not a guarantee or indicator of future results.



# Investment Performance: Clearlake Capital Partners

As of December 31, 2023

## CCP III-VI Top Quartile Performance vs. Cambridge Associates US Private Equity Benchmark<sup>1</sup>

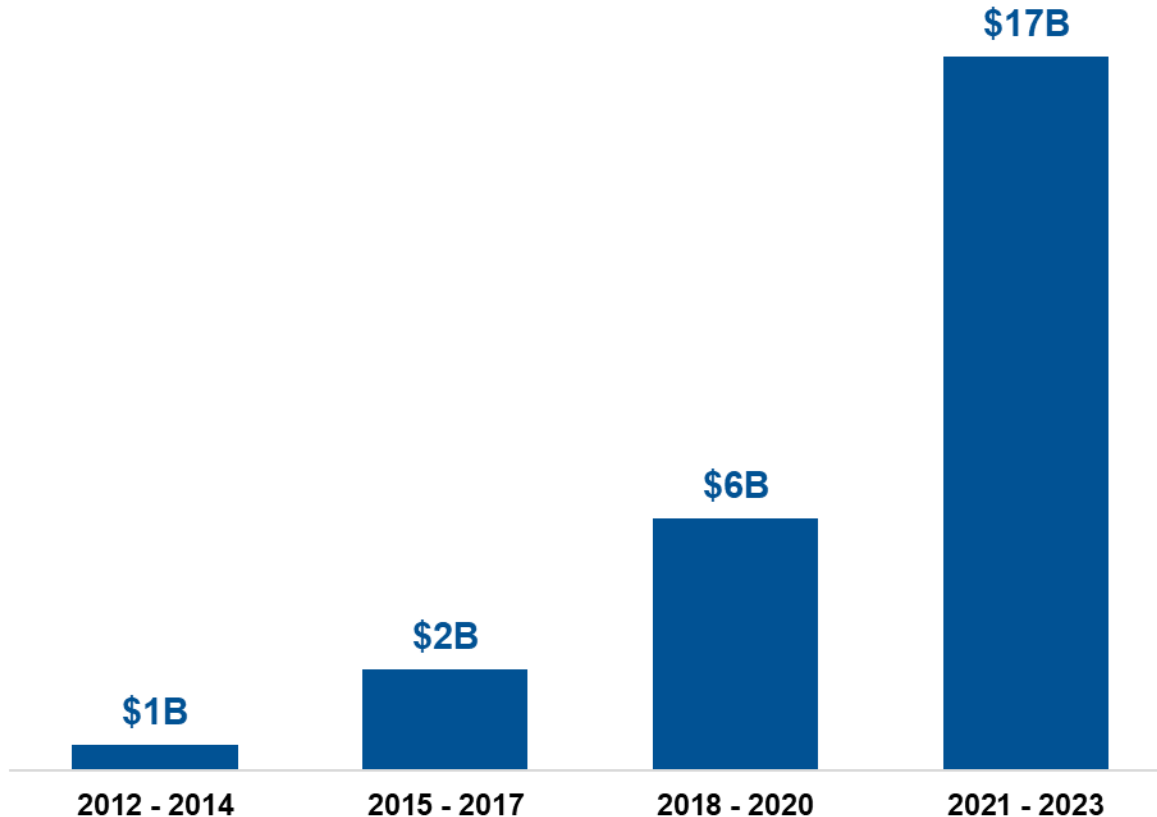
Fund	Vintage Year	Fund Size	Net MOIC (Unlevered)	Gross IRR (Unlevered)	Net IRR (Levered)	Net IRR (Unlevered)	DPI
CCP VII	2021	\$14.1B	1.1x	12.8%	9.5%	9.2%	-
CCP VI	2020	\$7.1B	1.6x	28.7%	23.8%	22.1%	0.2x
CCP V	2017	\$3.6B	2.8x	44.6%	39.1%	36.3%	2.2x
CCP IV	2015	\$1.4B	2.6x	34.7%	28.8%	27.2%	2.5x
CCP III	2012	\$0.8B	3.6x	47.4%	40.7%	39.0%	3.6x
CCP II	2009	\$0.4B	1.8x	21.9%	15.5%	15.3%	1.8x

Note: Past performance is not necessarily indicative of future results. Performance is as of December 31, 2023. For more information on Net MOIC (Unlevered), Gross IRR (Unlevered), Net IRR (Levered), Net IRR (Unlevered) and DPI please reference endnotes (7), (8), (9), (10), (11) and (14) in the Appendix. CCP I has not been included here because it has been fully liquidated and did not operate as a traditional pooled investment vehicle because it had only one limited partner. Detailed information about the portfolio holdings of CCP I is available upon request.

1. As of September 30, 2023 (latest available benchmarking information). For more information on benchmarking please reference endnote (13) in the Appendix. CCP II is not included in this analysis given that it was a hybrid fund focused on both control and non-control investments (including structured equity and senior debt) with an emphasis on capital preservation. CCP I not included for reasons stated above.

# Recent Realizations

***Pace of Gross Realizations Has Increased in Recent Years***



**Select Exits  
Jan 2021 to Present<sup>1</sup>**



**40 credit positions<sup>2</sup>**

*Note: As of December 2023. Past performance is not a guarantee or indicator of future results. Figures in chart above rounded to the nearest billion.*

- 1. Represents fully or partially realized platform investments since January 2021. Examples of exits are intended to be illustrative in nature and should not be construed to assert or imply that any future investment in any particular company, related companies, or securities will achieve similar results.*
- 2. Represents individual credit positions realized since January 2021; may include multiple credit positions within a single company.*

# Clearlake Infrastructure & Team<sup>1</sup>



## Experienced Investment Team<sup>2</sup>

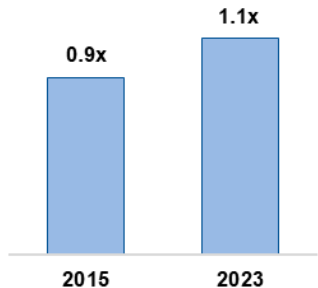
**44**  
investment professionals

**20**  
years of experience on average across senior investment professionals<sup>3</sup>

**50+**  
boards and creditors' committees

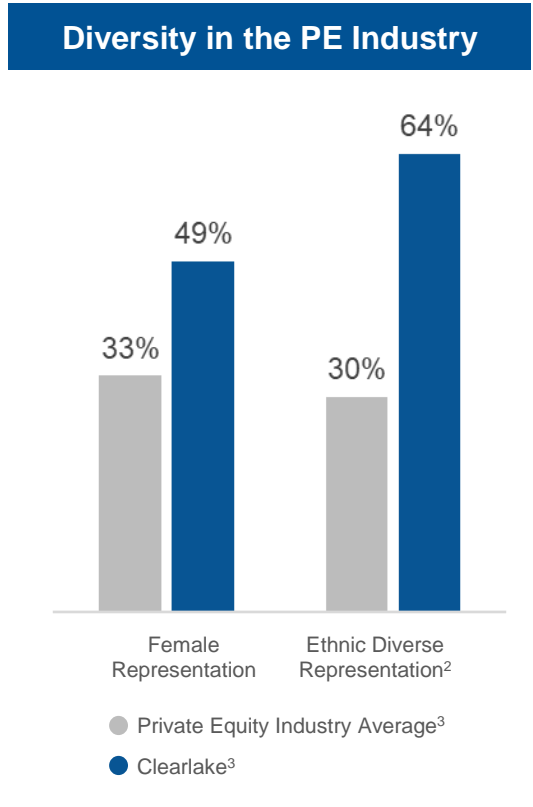
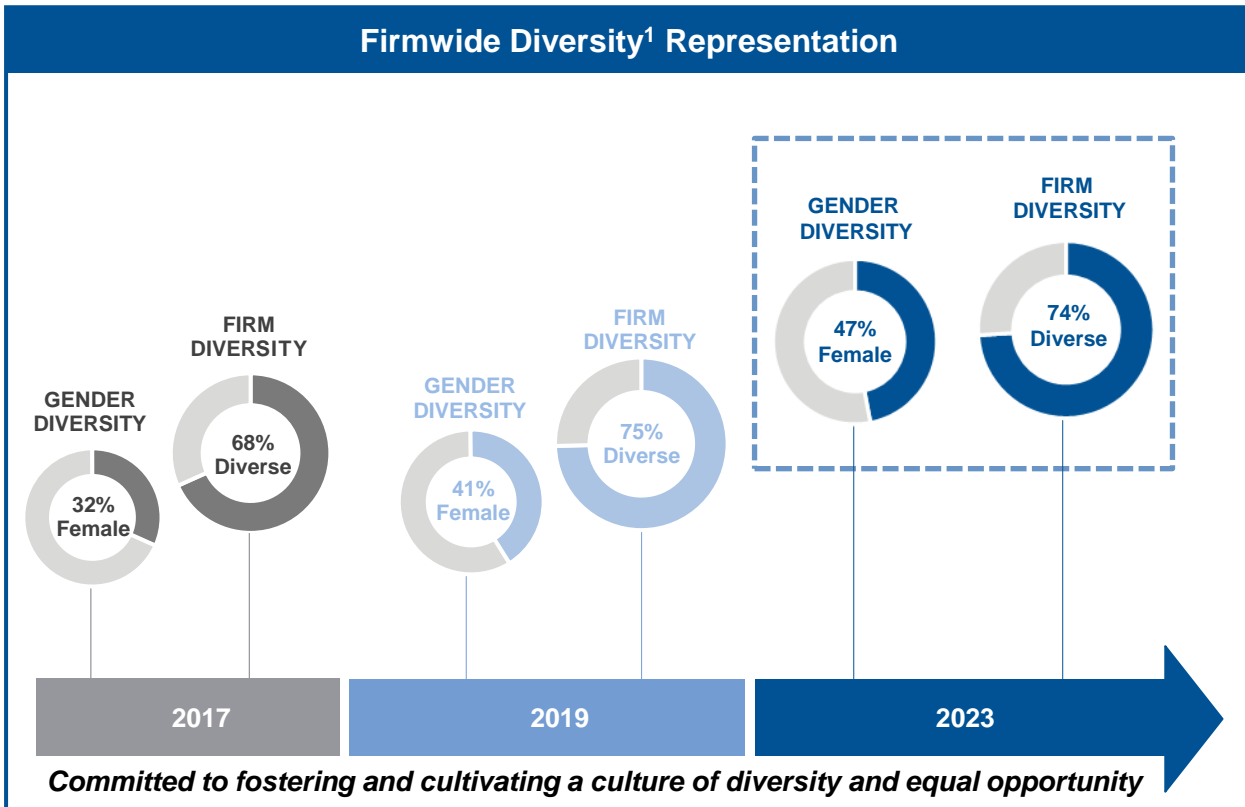
**35**  
operating advisors and execs

### Investment Professional / Portfolio Company<sup>4</sup>



1. Team page and charts herein exclude WhiteStar professionals.  
 2. As of April 2024. Includes investment associate joining in summer 2024.  
 3. Includes investment professionals at the VP-level and above. May include experience at firms prior to Clearlake.  
 4. As of December of each year. Includes portfolio companies where Clearlake either has control or shared control.

# Diversity & Inclusion at Clearlake



- Seeking professionals who have intellectual rigor and diversity of talent, including a broad range of education, life experiences, perspectives, and skills
- Strategic relationships with diverse oriented nonprofit organizations locally, nationally, and internationally



1. As of December 2023. Minorities and/or diverse individuals self-identifying in one or more of the following categories: Female, Hispanic or Latino, Black or African American, Native Hawaiian or Pacific Islander, Asian, American Indian or Alaskan Native, Middle Eastern or North African, Two or More Races, and/or Other Ethnic Group (persons of any racial or ethnic group not categorized by the foregoing). Excludes Clearlake part-time employees and WhiteStar professionals.

2. To compare against the applicable benchmark, Clearlake has excluded non-ethnically diverse females from this figure, as the benchmark defines diverse representation as ethnic and racial minorities in entry-level to managing director roles.

3. Private Equity Industry Average according to McKinsey & Company 2022 Diversity in Global Private Markets Study. Figures above are based on representation as of December 2022.

# ESG at Clearlake

## *Incorporating ESG considerations into due diligence, monitoring, and exit, with a focus on continuous improvement on material ESG issues*



### Diligence<sup>1</sup>

Assess material ESG risks & opportunities in collaboration with third-party ESG advisor

### 100 Day Plan

Formulate roadmap for material ESG initiatives, implementation steps & oversight responsibilities

### Engagement

Partner with management to implement ESG action items & create long term value

### Monitoring

Track progress on material issues through quarterly board reporting & annual assessments

### Reporting

Foster transparency through standardized & company-specific ESG reporting

### Material ESG Issues

- Materiality determined by evaluating each company's *exposure* (frequency and magnitude of risk events) and *capacity* (controls in place to manage risk events)
- Materiality assessed on quarterly and annual basis to benchmark and monitor a particular portfolio company's ESG progress

EXPOSURE	High	High Exposure, High Capacity	High Exposure, Medium Capacity	High Exposure, Low Capacity
	Medium	Medium Exposure, High Capacity	Medium Exposure, Medium Capacity	Medium Exposure, Low Capacity
	Low	Low Exposure, High Capacity	Low Exposure, Medium Capacity	Low Exposure, Low Capacity
		High	Medium	Low
CAPACITY TO MANAGE EXPOSURE				

*Note: ESG goals are aspirational and not guarantees or promises that all goals will be met. There can be no assurance that Clearlake's ESG policies and procedures as described herein will continue throughout the life of any Fund, and Clearlake's ESG policies and procedures could change. To the extent they are identified in the acquisition due-diligence process, material ESG findings can be incorporated into the investment decision-making process. ESG factors may not be specifically evaluated in connection with non-control investment opportunities such as minority equity or debt participation, and, depending on factors such as transaction timeline, ESG specific due diligence may be conducted post-close.*

*1. To the extent they are identified in the acquisition due-diligence process, material ESG findings can be incorporated into the investment decision-making process. Depending on factors such as transaction timeline, ESG specific due diligence may be conducted post-close. ESG factors may not be specifically evaluated in connection with non-control investment opportunities such as minority equity or debt participation.*

## Appendix - Endnotes

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# Endnotes

- 1) *Past performance is not necessarily indicative of future results. Total Value (as defined below) includes unrealized values that vary significantly over time as there is no assurance that reported unrealized values can or will be realized; such values may have been estimated from unobservable inputs, assumptions, and multiple traditional and non-traditional valuation approaches; such assumptions, believed to be reasonable by Clearlake, may nonetheless be inaccurate and/or subject to material differences based on judgment and other subjective measures; and future actual realized returns may differ materially from the unrealized values reflected (please see Note 4, below, for additional information on unrealized values). The information reflected above reflects investment activity that has taken place during various economic cycles and during a period of time when Clearlake has undergone changes in the composition of its investment professionals, including its investment committee, and may undergo further changes from time to time. The Clearlake Funds have historically used short-term capital call facilities to allow for better cash management purposes and to provide interim financing prior to the receipt of capital contributions. The costs associated with such facilities are borne by the Clearlake Funds and are included in the expenses used to calculate the Net Multiple (Unlevered), the Net Multiple (Levered), the Net IRR (Unlevered), and the Net IRR (Levered) across CCP II, CCP III, CCP IV, CCP V, CCP VI, and CCP VII since inception. As a result of these and other various factors, there can be no assurance that the Fund will achieve its investment objectives or avoid losses. Performance data relating to co-investment vehicles managed by Clearlake are not included.*
- 2) *Invested Capital represents the aggregate amount of cash invested and excludes amounts from co-investment vehicles, third parties, and reserves for add-on capital, except where otherwise noted. From time to time, Invested Capital in the security of an investment may be realized and “rolled” into a new security of the same company. Invested Capital listed may only reflect the total Invested Capital invested at any one time and not the amount of the capital originally invested plus the amount that was “rolled” into the new investment.*
- 3) *Realized proceeds are recorded on the dates of receipt by the relevant Clearlake Funds and represent the sum of the cash proceeds generated from dispositions, transaction fees, dividends and interest income, without deducting taxes payable and are recorded prior to deduction of expenses, management fees and carried interest.*
- 4) *Unrealized Values used to calculate performance metrics herein include the unrealized values of underlying investments in the applicable Clearlake Funds. Unrealized values of underlying investments in the applicable Clearlake Funds and other related financial information are based on audited valuations. There is no single standard for determining fair value in good faith of private investments and, in many cases, fair value is best expressed as a range of fair values from which a single estimate can be derived. When appropriate, those values are based on estimated preliminary financial information as of December 31, 2023 and are derived from a regularly quoted price on a nationally recognized exchange, from a third-party pricing service that averages suitable broker-dealer bids either received by Clearlake or aggregated through a third-party service provider, and/or by averaging suitable broker-dealer bids and includes interest/dividends receivable. Investments where there is no regularly or reliable quoted price or broker-dealer bid are determined based on the enterprise values at which the investments could be sold in a reasonable period of time. Enterprise values of investments are determined using any combination of valuation approaches deemed relevant by Clearlake, including market comparables, discounted cash flow, sum-of-the-parts, and other relevant analyses, in accordance with Clearlake’s valuation policy. Consideration is given to such factors as historical and projected financial data for the company, valuations of comparable companies, the size and scope of the company’s operations, the strengths and weaknesses of the company, potential market receptivity to an offering of securities by the company, the size of the investment in the company, information regarding transactions or offers for the company’s securities (including the transaction effecting the investment and the elapsed period of time since), industry information and assumptions, general economic and market conditions, indicative guidance from potential underwriters, and other factors deemed relevant. In accordance with Clearlake’s valuation policy and as part of its portfolio valuation process, these valuations are reviewed by the auditors at year-end and certain valuations are typically reviewed by an independent third-party valuation firm at least semi-annually to determine whether they were reasonable. These valuation review procedures may not include an audit, review, compilation, information verification, or any other form of examination or attestation of the underlying portfolio company and data used to perform the valuation review. While unrealized investments are valued based on assumptions that Clearlake believes are reasonable under the circumstances, whether on a public market basis or an estimated fair market value basis, the actual realized returns on unrealized investments will depend on, among other factors, future operating results (including, without limitation, the implementation of specific strategic and operational initiatives, performance of management and employees, and legal, regulatory, and other risk factors specific to each portfolio company), the value of the assets and market conditions at the time of disposition, any related transaction costs, and the timing and manner of sale, all of which may differ from the assumptions on which the valuations used in the prior performance data contained herein are based. Accordingly, the actual realized returns on these unrealized investments may differ materially from the Unrealized Values included within the Total Value and there can be no assurance that these investments will be realized at the valuations included within the Total Value. The unrealized values of the portfolio companies used to reflect the total fund Unrealized Values as of December 31, 2023 were reviewed by an independent third-party valuation firm and the auditors.*
- 5) *Total Value represents the sum of the realized proceeds and unrealized value (see Note 4, above) of the applicable investments.*

# Endnotes

- 6) *The Gross Multiple (Unlevered) for individual investments is calculated using the Total Value divided by the Invested Capital. At the fund level, the Gross Multiple (Unlevered) is calculated using the Total Value (net of recycled capital) divided by the total or “peak” Invested Capital or the maximum amount of capital at risk while such investment was held (net of recycled capital). The Gross Multiple (Unlevered) does not include fees, carried interest and/or incentive allocation and expenses, including, without limitation, taxes, broken deal expenses, transaction costs, and other expenses of the Fund or portfolio company, which substantially reduce returns to investors. See Note 5, above, for a discussion on the components of Total Value.*
- 7) *The Gross IRR (Unlevered) is the annualized return calculated using the timing of investment inflows and outflows. An IRR is generally a function of the length of time from the initial investment to ultimate realization and, for a given dollar amount realized, the IRR will decrease as the investment holding period increases. Gross IRR (Unlevered) calculations reflect an IRR through December 31, 2023, based on the investment cash outflows, investment cash inflows at the level of the Fund (and not based on the time of investors’ contribution of capital and investors’ receipt of proceeds), and ending unrealized values and are before management fees, carried interest and/or incentive allocation and expenses (including, without limitation, taxes, broken deal expenses, transaction costs and other expenses of the Fund or portfolio company), which substantially reduce returns to investors.*
- 8) *The Net Multiple (Unlevered) represents the respective Gross Multiple (Unlevered) (net of recycled capital) as reduced by management fees, carried interest and/or incentive allocation, and expenses (except that costs associated with each Fund’s subscription-based credit facility have been removed). Net Multiples (Unlevered) calculated using other calculation methodologies may result in different Net Multiples (Unlevered) due to timing of investments, timing of when capital is called/funded, the effect of recycling capital, and various other reasons.*
- 9) *The Fund-level Net IRR (Levered) calculation is computed based on the actual dates of aggregate limited partner capital contributions and distributions and the aggregate limited partners’ capital at the end of the period (Unrealized Value) and reflect the deduction of management fees (net of transaction fee offset), carried interest and/or incentive allocation (assuming the appropriate Fund distribution methodology) and Fund expenses. These performance figures exclude amounts attributable to Clearlake employees and the general partner, who do not pay management fees or carried interest and/or incentive allocation. Individual limited partner IRRs will vary, among other things, on the timing of entering the Fund, use of alternative investment vehicles, taxes related to alternative investment vehicles, tax liability variations among limited partners and other factors such as management fee or carried interest and/or incentive allocation agreements (including applicable discounts or rebates to the General Partner, affiliates and/or other investors).*
- 10) *The Net IRR (Levered) and Net Multiple (Levered) for an investor who paid the full amount of management fees and carried interest in Clearlake Capital Partners VII, L.P., Clearlake Capital Partners VII (Offshore), L.P., and Clearlake Capital Partners VII (USTE), L.P., was 9.5% and 1.0x, 9.5% and 1.0x, and 9.5% and 1.1x, respectively. The Net IRR (Levered) and Net Multiple (Levered) for an investor who paid the full amount of management fees and carried interest in Clearlake Capital Partners VI, L.P., Clearlake Capital Partners VI (Offshore), L.P., and Clearlake Capital Partners VI (USTE), L.P., was 23.9% and 1.7x, 23.7% and 1.7x, and 23.7% and 1.7x, respectively. The Net IRR (Levered) and Net Multiple (Levered) for an investor who paid the full amount of management fees and carried interest in Clearlake Capital Partners V, L.P., Clearlake Capital Partners V (Offshore), L.P., and Clearlake Capital Partners V (USTE), L.P. was 39.2% and 2.1x, 38.9% and 2.1x, and 38.9% and 2.1x, respectively. The Net IRR (Levered) and Net Multiple (Levered) for an investor who paid the full amount of management fees and carried interest in Clearlake Capital Partners IV, L.P. and Clearlake Capital Partners IV (Offshore), L.P. was 28.8% and 2.0x and 28.7% and 2.0x, respectively. The Net IRR (Levered) and Net Multiple (Levered) for an investor who paid the full amount of management fees and carried interest in Clearlake Capital Partners III, L.P. was 40.7% and 2.9x, respectively. The Net IRR (Levered) and Net Multiple (Levered) for an investor who paid the full amount of management fees and carried interest in Clearlake Capital Partners II, L.P. and Clearlake Capital Partners II (Offshore), L.P. was 14.2% and 1.6x and 14.0% and 1.6x, respectively. The Net Multiple (Levered) in the foregoing analysis is calculated using (i) (A) distributions to a limited partner plus (B) such limited partner’s ending capital account value divided by (ii) such limited partner’s total contributions (including deemed contributions). Clearlake Capital Partners I, L.P. had only one non-affiliated investor and therefore, in light of that distinguishing characteristic, has been excluded from the foregoing analysis.*



# Endnotes

- 11) *The Net IRR (Unlevered) is an annualized return calculated using the timing of the draws and paydowns related to each Fund's subscription-based credit facility, the aggregate limited partner capital contributions and distributions, and the aggregate limited partner capital at the end of the period (Unrealized Value) and reflects the deduction of management fees (net of transaction fee offsets), carried interest and/or incentive allocation (assuming the appropriate Fund distribution methodology), and Fund expenses. The limited partners' capital at the end of the period, carried interest and/or incentive allocation, and Fund expenses are adjusted to remove the costs associated with each Fund's subscription-based credit facility. The Net IRR (Unlevered) reported for Fund II is the Net IRR (Unlevered) of the onshore vehicle only because the onshore and offshore vehicles report separately and are not consolidated for financial statement purposes; if such financial statements were consolidated, the Net IRR (Unlevered) for Fund II would be lower than reported herein on account of additional expenses and blocker taxes. These performance figures exclude amounts attributable to Clearlake employees and the general partner, who do not pay management fees or carried interest and/or incentive allocation. Individual limited partner IRRs will vary, among other things, on the timing of entering the Fund, the use of alternative investment vehicles, taxes related to alternative investment vehicles, tax liability variations among limited partners, and other factors such as management fee or carried interest agreements (including applicable discounts or rebates to the General Partner, affiliates, and/or other investors). Fund II and Fund III also had certain investors that were not subject to the same level of carried interest as other limited partners of such funds. Other than the Net IRR (Unlevered) for Fund II, Net IRRs (Unlevered) for the Clearlake Flagship Funds do not account for the foregoing. See Note 10, above, for an illustration of what the Net IRR (Levered) was in each Clearlake Fund for an investor who paid the full amount of management fees and carried interest.*
- 12) *From time to time, capital called by a fund and invested in a portfolio company may be returned to the fund after the exit of such investment. This capital may be redeployed into another portfolio company investment without the need to call additional capital from limited partners. Net of Recycled Capital reflects the effect of capital called and used in more than one portfolio company investment and the "peak" amount of actual limited partners' capital at risk in aggregate portfolio company investments at any one time during life of the Fund.*
- 13) *Benchmarking Performance Source: Cambridge Benchmarks (as of Q3 2023) data compiled from Cambridge selected U.S Private Equity funds, including fully liquidated partnerships, formed between 2012 to 2021; US private equity IRRs and multiples by vintage year. Returns data from Cambridge is net of fees, expenses, and carried interest. For CCP VI (2020 vintage), the data set comprises 67 funds. For CCP V (2017 vintage) the data set comprises 49 funds. For CCP IV (2015 vintage) the IRR data set comprises 66 funds. For CCP III (2012 vintage) the IRR data set comprises 46 funds. Note that the ranking is not indicative of the adviser's future performance. Investors generally cannot invest directly in the Cambridge Benchmarks, which are presented for reference purposes only. The statistical data regarding the Cambridge Benchmarks is based on self-reporting which may be incomplete or unreliable. Clearlake intends for CCP III – VI to pursue a private equity strategy although CCP III – VI may also make investments outside of this strategy from time to time. Further, the Cambridge Benchmarks may contain funds that pursue other strategies which CCP III – VI will not pursue. CCP III – VI will not invest in the funds comprising the Cambridge Benchmarks. In addition, an investment in any of CCP III – VI generally will be subject to expenses, management fees and carried interest charged or payable by the respective Fund, none of which are reflected in these indices. For the foregoing and other reasons, the returns achieved by the CCP III – VI and returns of the Cambridge Benchmarks should not be considered directly comparable. Past performance is not indicative of future results.*
- 14) *Distributions to Paid-in-Capital ("DPI") is calculated using the Total Realizations as reduced by management fees, carried interest and/or incentive allocation paid, expenses, and remaining value no longer at risk divided by total or "peak" Invested Capital (net of recycled capital). For illustrative purposes only, a hypothetical DPI calculated using distributions to a limited partner divided by the limited partner's total contributions (including deemed contributions) would be 1.6x, 2.8x, 1.6x, 1.3x and 0.1x for CCP II, III, IV, V and VI respectively. For purposes of this hypothetical DPI for CCP III, IV, V and VI, the calculation was performed using a limited partner that made contributions from the first capital call and which paid the full amount of management fees and carried interest that could have been applicable to an investment in the Fund. For purposes of this hypothetical DPI for CCP II, the calculation was performed using a limited partner in the onshore vehicle that made contributions from the first capital call and which paid the full amount of management fees and carried interest that could have been applicable to an investment in the Fund.*

## **Investor Relations**

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ERICK RUSSELL  
TREASURER

**State of Connecticut**  
Office of the Treasurer

SARAH SANDERS  
DEPUTY TREASURER

April 24, 2024

Members of the Investment Advisory Council (“IAC”)

**Re: Consideration of Stellex Capital Partners III LP and Stellex Co-Investment Sidecar**

Dear Fellow IAC Member:

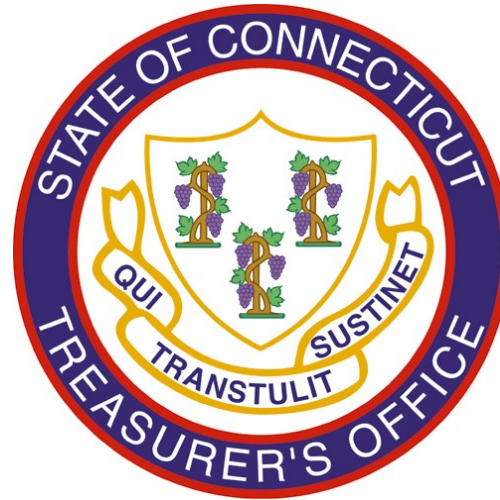
At the May 8, 2024 meeting of the IAC, I will present for your consideration two private equity opportunities for the Private Investment Fund (“PIF”) in the Connecticut Retirement Plans and Trust Funds (the “CRPTF”): Stellex Capital Partners III (“Stellex III”) and Stellex Co-Investment Sidecar (“Sidecar”) Vehicle. Stellex III is being raised by Stellex Capital Management (“Stellex” or the “Firm”), which is targeting a \$2.5 billion fund size.

I am considering commitments of up to \$150 million to Stellex III and \$50 million to Sidecar, which will primarily pursue value-oriented, control private equity investments in middle market companies facing various operating, financial, and structural challenges and complexities. The Stellex investment strategy benefits from an experienced and cohesive senior leadership team, a deep network of operating industry experts, and differentiated sourcing channels focused on the Firm’s core industrial and services sectors. The recommended Stellex III and Sidecar commitments would provide the CRPTF with additional exposure to an existing PIF manager utilizing specialized expertise and access to proprietary investment opportunities to execute its deep-value investment strategy to drive attractive investment returns.

Attached for your review is the recommendation from Ted Wright, Chief Investment Officer, the due diligence report prepared by Hamilton Lane, and a Stellex presentation. I look forward to our discussion of these materials at next week’s meeting.

Sincerely,

Erick Russell  
State Treasurer



**Full Due Diligence Report  
Chief Investment Officer Recommendation  
April 19, 2024**

**Stellex Capital Partners III, L.P.  
Stellex Capital Partners III Co-Investment**

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# Executive Summary

## Manager Overview

- Stellex Capital Management LP (“Stellex” or the “Firm”)
- Founded in 2014
- New York, NY headquarters with affiliate offices in London, Detroit and Pittsburgh
- Led by Ray Whiteman and Michael Stewart, (collectively, the “Founding Managing Partners” or “Co-Founders”)
- Over 40 employees, including 31 investment professionals
- Stellex has approximately \$2.3 billion of assets under management

## Fund Summary

- Stellex Capital Partners III LP (“Stellex III” or “Fund III”)
- Private Equity
- Mid-Market Buyout Fund focused on deep value and underperforming businesses
- Geographic Target Exposure: North America (80%) / Europe (20%)
- Sector Focus: Industrials; Aerospace, Defense & Government; Business Services
- Target/Hard Cap: \$2.5 billion / \$3 billion
- GP Commitment: lesser of 2% of aggregate commitment or \$50 million
- Management Fee: 1.75% on committed capital during investment period; thereafter, 1.75% on net invested capital<sup>1</sup>
- Carried Interest/Waterfall: 20%/Deal-by-Deal
- Preferred Return: 8%

### Stellex III Co-Investment (“Sidecar”)

- To co-invest in certain Stellex III investments at favorable economics

## Strategic Fit

- Private Investment Fund (“PIF”)
- Recommended Commitments:
  - \$150 million to Stellex III
  - \$50 million to Stellex III Sidecar
- IPS Category: Corporate Finance
  - IPS Range for Corporate Finance: 70% to 100% of total PIF exposure
  - Current Corporate Finance Exposure: approximately 88% as of December 31, 2023
- PIF Strategic Pacing Plan
  - Sub-strategy: Distressed/Restructuring
    - Long-term targeted exposure: 5% to 15%
    - Current Exposure: approximately 4% as of December 31, 2023

1. Includes commitment size and potential first close management fee discount.

# Recommendation

## Recommendation

- Based on the strategic fit within the PIF portfolio, as well as due diligence done by Pension Funds Management (“PFM”) investment professionals and Hamilton Lane, the Chief Investment Officer of the Connecticut Retirement Plans and Trust Funds (“CRPTF”) recommends consideration of commitments of up to:
  - \$150 million to Stellex III, and,
  - \$50 million to Stellex III Sidecar

## Investment Considerations

- Stellex III would provide the CRPTF with access to off-the-run, proprietary investment opportunities sourced through Stellex’s non-traditional and less-competitive channels.
- Stellex is led by experienced Co-Founders that have executed the same investment strategy together for more than 20 years and are complemented by an experienced and cohesive team of six senior investment professionals and a deep network of 300+ industry experts.
- The recommended Fund commitment would enable the CRPTF to add exposure to an existing PIF manager with demonstrated success generating strong returns through its deep value-oriented strategy. The Sidecar commitment would provide the CRPTF with the opportunity to generate improved blended net returns through favorable co-investment terms.

# General Partner

## Firm History

- Stellex was founded in 2014 by Ray Whiteman and Michael Stewart who have worked together for over 20 years. Prior to founding Stellex, Whiteman and Stewart were Co-Heads and Managing Directors at Carlyle Strategic Partners, the distressed and special situations group of The Carlyle Group (“Carlyle”).
- The Firm is headquartered in New York, NY with an investment office in London, UK and business development offices in Detroit and Pittsburgh.
  - Stellex is planning to open a business development office in Atlanta, GA in 2024.

## Experienced Senior Leadership

- The Co-Founders are complemented by six experienced senior investment professionals, including Mark Redman and David Waxman who, with the Co-Founders, serve as the four-person investment committee (“IC”).
  - David Waxman has been with Stellex since inception and was previously with Carlyle investing in aerospace, defense & government services; Waxman’s early career experience includes mergers, acquisitions and restructuring at Morgan Stanley.
  - Mark Redman joined Stellex in 2023 to lead its European operations and brings 30+ years of institutional investment experience, including head of global private markets at abrdn, leading European private equity at OMERS, and 13 years as partner at 3i's buyout business.
- The IC is responsible for the evaluation, approval and execution of investments with an IC member generally taking the lead on prospective investments; investments require majority approval of the IC.

## Organizational Growth and Expanding Operating Network

- Stellex has added significant resources with the investment platform growing to 31 professionals from 17 since Stellex II was raised in 2020, including three key senior hires and a fully staffed London investment office.
  - The senior investment team is supported by 23 mid- to junior-level investment professionals and a team of three dedicated business development professionals.
- Stellex continues to institutionalize its back-office with eight experienced professionals, adding dedicated capabilities in legal and compliance, human resources and investor relations.
- Stellex is further complemented by a robust operating network of 300+ industry professionals, which has grown by 50% since 2020.



# General Partner (cont.)

## Improved Alignment

- Stellex continues to improve its overall economic incentives and alignment across the Firm, with carried interest shared down to the Senior Associate level and broader carried interest distribution achieved through the dilution of the Co-Founder's carried interest allocation.
- Carried interest vests over a six-year period, which supports greater alignment and investment professional retention.

## CRPTF Relationship

- Stellex III would represent Connecticut's second commitment with Stellex Capital Management.
- A summary of Connecticut's existing commitment to Stellex funds is provided in the table below.

(US\$ in millions, as of December 31, 2023)

Fund	Vintage Year	Status	Connecticut Commitment	Unfunded Commitment	NAV	Total Exposure	Net		
							IRR	TVM	DPI
Private Investment Fund									
Stellex II	2021	Active	\$100	\$33	\$73	\$107	9%	1.1x	0.1x
<b>Stellex Total in PIF</b>			<b>\$100</b>	<b>\$33</b>	<b>\$73</b>	<b>\$107</b>			
<i>% Total PIF</i>					<i>1%</i>	<i>1%</i>			

Source: CRPTF returns from Solovis. TVM is total value multiple. DPI is distributions to paid-in-capital.

# Investment Strategy

## Value-Oriented Strategy Across Market Cycles

- Consistent with its predecessor funds, Stellex III will focus on acquiring underperforming, complex businesses with the objective of creating value through operational improvements, growth initiatives, and strategic repositioning.
- The Stellex investment strategy seeks differentiated opportunities, acquiring companies faced with financial and operational challenges at significant discounts.
- Stellex will make primarily control-oriented, direct private equity and/or debt investments in middle-market industrial companies that are underperforming, undermanaged and/or undervalued.

## Flexible Capital Solutions Provider Across Target Sectors

- Stellex will invest in businesses across its target sectors, including companies that operate in out-of-favor and over-looked industries, where the senior investment team has years of experience and access to a deep network of industry operating experts.
  - The Stellex senior investment professionals have an average of 22 years of experience investing in asset intensive and cyclical industries.
- The investment strategy is opportunistic and flexible allowing Stellex to structure investments through debt, structured capital, or common equity to achieve targeted returns while also striving to minimize downside risk.

## Disciplined Target Investment Criteria

- Stellex III will target investments between \$75 million and \$150 million in 17 to 23 companies operating in North America and Europe, with Europe representing up to a 20% allocation.
- The Firm generally focuses on companies with annual revenues between \$100 million and \$500 million, which it seeks to acquire at attractive valuations due to transaction complexity or company stress; Stellex II had an average entry multiple of 8x.
- Stellex underwrites investments to a targeted 3x gross multiple, expected to be achieved through operational and strategic improvements, revenue and EBITDA growth, and the modest use of leverage.
  - EBITDA growth across Stellex realized portfolio companies doubled on average during its holds period.
  - Stellex limits the use of leverage to provide its companies the time and flexibility to achieve operational improvement plans.

# Investment Strategy

## Robust and Proprietary Sourcing

- Stellex's differentiated sourcing approach provides advantaged access and first-looks generated through three primary channels, including the senior investment team, regional business development offices, and an extensive operating network.
- The senior investment team averages more than 20 years making value-oriented investments in the Fund's targeted industrial sectors, with their deep networks utilized to generate opportunities.
- Stellex's regional business development offices in Detroit and Pittsburgh source industrial opportunities typically not followed by private equity sponsors.
- Stellex's 300+ industry experts augment the origination effort to identify under-the-radar opportunities and help facilitate connectivity outside of traditional channels and intermediaries.

## Consistent, Disciplined Investment Process and Due Diligence

- Once an opportunity is identified, a deal team is established to perform an initial bottoms-up evaluation of the company's market position, product or services, and industry prospects.
- Operators join the Stellex deal team to conduct due diligence, which includes helping to build rapport with target company management, identifying key operating improvement opportunities, and supporting negotiations, liquidity management and exit planning scenarios.
- Stellex's extensive commercial due diligence is enhanced by accounting, legal, tax and environmental diligence to identify and mitigate potential risks.

## Value Creation

- Stellex seeks to partner with operating partners and executive teams best suited to address the identified operational challenges and lead the value creation process.
- The initial focus is on stabilizing the business and fixing operations, including enhancing fiscal oversight, selling non-core assets, and instituting economic alignment.
- Once stabilized, Stellex and its operators then seek to drive organic growth to improve financial and strategic value.
  - Growth initiatives may include market and product expansion, expanding distribution channels, and pursuing add-on acquisitions.

# Track Record and Performance

- As of December 31, 2023, Stellex had invested more than \$1.8 billion across two funds and 30 portfolio companies and generated a gross 1.8x total value multiple (“TVM”) and 24% internal rate of return (“IRR”).
  - The table below reflects the Stellex I performance as of December 31, 2023 relative to the September 30, 2023 Hamilton Lane benchmarks, which are the most recent available; the fund’s quartile rankings were similar when comparing Q3 2023 performance and benchmarks.
  - Stellex I outperformed the PIF’s benchmark (Russell 3000 plus 250 basis points) on a public market equivalent (“PME”) basis, while Stellex II lagged the PME benchmark as of December 31, 2023.
- Stellex I was ranked as 1st and 2nd quartile performers on a net IRR and net TVM basis, respectively, as of December 31, 2023.
  - Stellex I had realized over 4x gross TVM across five portfolio companies, growing EBITDA an average of 2x during its hold period.
  - Stellex exited one additional investment during April 2024 and is under agreement to exit another company in the near term; these realizations will generate returns of over 3x invested capital.
  - Stellex expects to realize four additional portfolio companies over the next 12 to 24 months, with the balance of the companies earlier on in the value creation plan process.
- Stellex II’s returns as of December 31, 2023 are not reflective of the expected fund returns due to the short average hold time of 1.7 years relative to the time needed for Stellex and management to implement operating and value enhancement plans.
- Stellex II was more than 60% invested as of December 31, 2023, and the Stellex expects to make two or three additional platform company investments.
  - Stellex expects to exit four portfolio companies over the next 12 to 18 months as some of the earlier investments in the fund continue to achieve key investment underwriting objectives.

(\$US in millions, as of December 31, 2023)

Stellex Capital Management, LP													Investment Performance Summary - Private Equity		
Fund	Vintage	Fund	# Platform	Invested	Realized	Unrealized	Total	Gross / Net			Quartile Rank				
	Year	Size	Companies <sup>1</sup>	Capital	Value	Value	Value	TVM	IRR	Net DPI	TVM	IRR	DPI		
Stellex Capital Partners I	2015	\$870	16	\$752	\$984	\$933	\$1,917	2.5x / 2.0x	36% / 24%	1.0x	2nd	1st	3rd		
Stellex Capital Partners II	2021	\$1,780	14	\$1,118	\$97	\$1,337	\$1,435	1.3x / 1.1x	19% / 9%	0.1x	nm	nm	nm		
<b>Composite</b>		<b>\$2,650</b>	<b>30</b>	<b>\$1,870</b>	<b>\$1,082</b>	<b>\$2,270</b>	<b>\$3,352</b>	<b>1.8x / 1.5x</b>	<b>24% / 20%</b>	<b>0.5x</b>					

Source: Stellex Capital Partners, Hamilton Lane Benchmark (Small-Mid Buyout as of September 30, 2023). Quartile Rank based on net returns.

1. Miscellaneous and smaller publicly traded debt and equity investments are excluded from the number of platform companies but are included as part of performance statistics.



# Strategic Allocation and Pacing Plan

Office Of The State Treasurer  
Pension Fund Management

## Stellex Capital Partners III & Stellex III Co-Investment Sidecar

- The Stellex Capital Partners III and Sidecar investment strategy falls under the Corporate Finance allocation of the PIF.
  - The IPS set a target allocation of 70% to 100% for Corporate Finance investments within the PIF portfolio based on total exposure, defined as market value plus unfunded commitments.
  - Corporate Finance strategies represented approximately 88% of the PIF's total exposure as of December 31, 2023.
- The recommended Stellex III and Sidecar commitments align strongly with PIF strategic pacing plan objectives as noted below.
  - Increasing the PIF's long-term exposure to distressed/restructuring to 5% to 15%.
    - Distressed/restructuring investments represented approximately 4% of the PIF's total exposure as of December 31, 2023.
  - Partnering with experienced investment professionals with a proven ability to generate attractive returns.
  - The Sidecar commitment will provide additional exposure to Stellex's differentiated investments through a more efficient fee and carry structure.

The recommended Stellex Capital Partners III and Sidecar commitments are within IPS Compliance thresholds as reflected in the table.

IPS PIF Category	IPS Guidelines	Current PIF Exposure
Corporate Finance	70 - 100%	87.6%
IPS Fund Diversification	IPS Maximum	CRPTF Commitment/Commingled Fund Total Commitments
CRPTF Share of Commingled Fund's Capital Commitments	33%	6.0%
IPS Manager Diversification	IPS Maximum	Exposure w/ Recommended Commitments <sup>1</sup>
CRPTF share of Manager AUM	20%	5.3%
Manager share of CRPTF Private Equity Exposure	25%	2.4%

<sup>1</sup> CRPTF exposure calculations based on NAV plus unfunded commitments as of December 31, 2023, adjusted for recommendations and any commitments closed since December 31, 2023.

# Strategic Allocation and Pacing Plan (cont.)

Office Of The State Treasurer  
Pension Fund Management

Stellex III and Stellex III Co-Investment represent the first recommended commitments as part of the 2024 strategic pacing plan.

2024 Strategic Plan															
Target Ranges by Strategy															
SMillions	Large / Mega Buyout		Small / Mid Buyout		Growth Equity		Venture Capital		Secondaries		Mezzanine		Distressed / Restructuring		Total
<b>Total Commitments</b>	\$300	\$400	\$700	\$1,000	\$300	\$450	\$0	\$150	\$150	\$200	\$0	\$150	\$0	\$150	<b>\$1,900</b>
<b>Commitment Size</b>	\$100	\$200	\$150	\$250	\$150	\$200	\$0	\$150	\$150	\$200	\$0	\$200	\$0	\$150	
<b>Number of Commitments</b>	1	3	4	5	2	3	0	1	1	2	0	1	0	1	<b>8 to 16</b>
<b>Investment / Status</b>															
<i>Stellex Capital Partners III - Recommendation</i>														\$150	\$150
<i>Stellex Capital Partners III Co-Investment - Recommendation</i>														\$50	\$50
<b>Capital Commitments</b>	<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	<b>\$200</b>	<b>\$200</b>
<b>Number of Commitments</b>	0		0		0		0		0		0		2		2

# Strengths and Rationale

Office Of The State Treasurer  
Pension Funds Management

## Differentiated Strategy

- Stellex's strategy is focused on underperforming companies in industrial sectors where significant value creation can be achieved through material operational and strategic improvements.
- The Firm's flexible mandate provides the opportunity to invest across the capital stack, which the investment team utilizes to structure the best risk-reward potential.
- Stellex has demonstrated success executing its disciplined strategy in its target sectors, with realized investments across Funds I and II generating an average gross return on invested capital in excess of 4x.

## Sector Expertise and Network

- The Co-Founders have more than 25 years experience investing in underperforming companies in its target sectors and are complemented by the broader senior investment team members with an average of 21 years of investment experience.
- Stellex has established dedicated business development offices and, along with the deep operating network, can uncover off-market and proprietary opportunities that are not sourced by traditional private equity sponsors, bankers and other intermediaries.
  - Approximately half of the Fund I and II investments were bilateral / proprietary.
- The 300+ operating partners are critical to the investment strategy and help source, diligence, and develop a durable operating improvement plan, which may include being a part of the portfolio company's executive team.

## Organic Growth Drives Value Creation

- Stellex senior investment professionals seek to drive value primarily by supporting operating improvements and growth initiatives, including appropriate capital structuring, enhanced controls and governance, new market and product expansion, expanded distribution channels, and accretive acquisitions.
- Stellex has effectively utilized various value driver levers to generate significant financial improvement across its realized portfolio companies.
  - On average, revenues increased by 25% and EBITDA margin improved by almost a third across its realized portfolio companies during its hold period.

# Key Risks and Mitigants

## Complex, Cyclical and Asset Intensive Businesses

- Stellex makes primarily control investments in underperforming and operationally challenged industrial and related services businesses. The heightened level of complexity and operational challenges may negatively impact Stellex's ability to execute its strategy and cause the Fund to underperform.
  - Stellex Co-Founders have been executing a similar investment strategy for over 20 years, including at Carlyle and since the founding of Stellex in 2014.
  - The Co-Founders are complemented by an experienced senior investment team and 300+ industry operating experts; senior investment professionals have over 20 years of average experience investing in Stellex's target markets.
  - Stellex is disciplined in executing its investment strategy and processes, which maintain a critical focus on implementing controllable operating improvements to stabilize its companies before implementing growth initiatives.
  - Stellex also deliberately limits the use of leverage to provide its companies with the time and flexibility to implement needed operational improvements.
  - Stellex has continued to refine its strategy based on lessons learned, including avoiding businesses operating in the energy and commodity-related industries.



# Fundraising and Key Terms Summary

Target Size / Hard Cap	• \$2.5 billion / \$3 billion
GP Commitment	• A minimum of 2% of the aggregate capital commitments, or \$50 million
Fundraising Status	• First target close date at the end of June 2024; the GP expects to close \$1 billion
Target Final Close	• To be determined
Fund Term	• Ten years, with three one-year extensions at the discretion of the GP with LPAC consent or majority of LP interests
Investment Period	• Five years
Management Fee	• 1.75% per annum on committed capital during investment period; thereafter, 1.75% per annum on net invested capital
Fee Discounts & Offsets	• 1.75% rate includes potential first close discount of 10 bps and 15 bps discount on limited partner commitment size greater than \$100 million; 100% Management fee offset
Carry & Waterfall Type	• 20% / Deal-by-Deal
Preferred Return	• 8%
GP Catch-up	• 100%
Clawback	• Yes
Other Key Provisions	• Key Person provision on either Whiteman and Stewart or at least three Senior Stellex Professionals

Note: Connecticut has been offered an LPAC seat based on recommended commitment size.

# Legal and Regulatory Disclosure

Office Of The State Treasurer  
Pension Funds Management

## Stellex Capital Management LLC (“Stellex”)

In its disclosure to the Office of the Treasurer, Stellex Capital Management LLC (“Stellex”), does not have any material legal or administrative proceedings to report. Further, Stellex states it has no claims under its fidelity, fiduciary or E&O insurance policies, and no ongoing internal investigations to report. Stellex states it has adequate procedures in place to undertake internal investigations of its employees, officers and directors.



# Compliance and Diversity Review

Office Of The State Treasurer  
Pension Funds Management

Stellex Capital Partners III (“Stellex”)

## Compliance Certifications and Disclosures

Stellex disclosed no campaign contributions, known conflicts and no impermissible third-party fees. The firm reports typical management and placement fees for its prior funds, which are permissible under C.G.S. 3-131(b)(1)(2)).

## Commitment to Diversity

### *Employees*

Stellex implemented Unconscious Bias and Inclusion Training for the firm in 2023. The Firm works with recruiters, female focused groups, and executive coaches in an effort to identify and recruit diverse talent at its portfolio companies and seeks to raise diversity and other select ESG-related matters at a majority of its investments’ Board of Directors meeting.

### *Industry*

The firm reported a collaboration with SEO and Out4Undergrad to recruit women and/or minorities. The firm also partners with Howard School of Business and is also a member of the Toigo Foundation and NAIC.

### *Vendors*

The firm does not have a formal vendor diversity program.

## Nexus to Connecticut

Stellex reports no official Nexus to Connecticut.



# Compliance and Diversity Review

Office Of The State Treasurer  
Pension Funds Management

Stellex Capital Partners III ("Stellex")

## Workforce Diversity

Stellex provided data as of December 31, 2023

- 43 total employees, up 39% from 2021
- The proportion of women Executives and Managers remained fairly constant
- The proportion of women Professionals decreased slightly
- The proportion of minority Executives and Professionals decreased substantially
- The proportion of minority Managers increased substantially
- The number of Professionals at the firm nearly doubled, with the proportion of white men Professionals now 78% (up from 60%)

### WOMEN

	EXEC	MGMT	PROF	FIRM
<b>2023</b>	<b>33%</b> 3 of 9	<b>32%</b> 7 of 22	<b>14%</b> 3 of 21	<b>23%</b> 10 of 43
<b>2022</b>	<b>27%</b> 3 of 9	<b>27%</b> 6 of 22	<b>14%</b> 2 of 14	<b>22%</b> 8 of 36
<b>2021</b>	<b>30%</b> 3 of 10	<b>30%</b> 6 of 20	<b>18%</b> 2 of 11	<b>26%</b> 8 of 31

### MINORITIES<sup>1</sup>

	EXEC	MGMT	PROF	FIRM
<b>2023</b>	<b>22%</b> 2 of 9	<b>41%</b> 9 of 22	<b>33%</b> 7 of 21	<b>37%</b> 16 of 43
<b>2022</b>	<b>36%</b> 4 of 11	<b>41%</b> 9 of 22	<b>50%</b> 7 of 14	<b>44%</b> 16 of 36
<b>2021</b>	<b>40%</b> 4 of 10	<b>30%</b> 6 of 20	<b>45%</b> 5 of 11	<b>35%</b> 11 of 31

1 2023 Minority breakdown: 2 exec (1 Black and 1 Asian); 9 mgmt (1 Black, 3 Hispanic, 5 Asian); 7 prof (2 Black, Asian, Two+)

Note: Firm totals include administrative staff, which are not included in sub-columns for Exec, Mgmt and Prof; therefore, the Firm totals do not equal the sum of other columns above. Further, Mgmt above includes all Executives.



# Environmental, Social and Governance Analysis

Office Of The State Treasurer  
Pension Funds Management

## Overall Assessment : Evaluation and Implementation of Sustainable Principles

The firm described good ESG integration into its investment process that emphasizes the use of negative screens and the consideration of ESG risks in formal diligence by the Investment Committee.

Stellex is a signatory of the UN PRI and the Institutional Limited Partners Association DEI Initiative. The firm does not have dedicated staff for oversight of ESG policies and research. Stellex offers some ESG training to staff and is exploring formalizing this and/or supplementing it with external resources.

The firm does not have a policy specific to civilian firearms because it does not do business with civilian firearm manufacturers or retailers.

Overall, the firm has sufficient consideration of ESG factors with room to improve on staff allocation, training, and investment monitoring.

## SCORE

# 3

Criteria	Response
Firm has an ESG policy	Yes
If Yes, firm described its ESG policy	Yes
If Yes, firm provided examples of ESG factors considered in the decision-making process, explained the financial impact of these ESG factors	Yes
Designated staff responsible for sustainability policies and research	No
Firm provides training/resources on sustainability issues, explained sources of ESG-related data	Yes
Signatory/member of sustainability-related initiatives or groups	Yes
Policy for evaluating current or prospective relationships with manufacturers or retailers of civilian firearms	No*

Criteria	Response
Policy that requires safe and responsible use, ownership or production of guns	No*
Enhanced screening of manufacturers or retailers of civilian firearms	No*
Enhance screening of any industry/sector subject to increased regulatory oversight, potential adverse social and/or environmental impact	Yes
Merchant credit relationship with retailers of civilian firearms and accessories	No*
If Yes, firm confirms compliance with laws governing firearms sales	N/A



# Stellex Capital Partners III LP

Recommendation Report  
April 2024



# Important Disclosures

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All information contained within this report has been gathered from sources believed to be reliable, including but not limited to the general partner(s), other industry participants and the Hamilton Lane Investment Database, but its accuracy cannot be guaranteed.

The information contained in this report may include forward-looking statements regarding the fund presented or its portfolio companies. Forward-looking statements include a number of risks, uncertainties and other factors beyond the control of the fund or the portfolio companies, which may result in material differences in actual results, performance or other expectations. The opinions, estimates and analyses reflect our current judgment, which may change in the future.

The past performance information contained in this report is not necessarily indicative of future results and there is no assurance that the fund will achieve comparable results or that it will be able to implement its investment strategy or achieve its investment objectives. The actual realized value of currently unrealized investments will depend on a variety of factors, including future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the current unrealized valuations are based.

Any tables, graphs or charts relating to past performance included in this report are intended only to illustrate the performance of the fund or the portfolio companies referred to for the historical periods shown. Such tables, graphs and charts are not intended to predict future performance and should not be used as the basis for an investment decision.

By accepting receipt of this investment report and in consideration of access to the information contained herein (together with the investment report, the “Confidential Information”), the recipient agrees to maintain the strict confidentiality of any and all Confidential Information in accordance with the terms of this paragraph. The recipient acknowledges that (i) the Confidential Information constitutes proprietary trade secrets, and (ii) disclosure of any Confidential Information may cause significant harm to Hamilton Lane Advisors, L.L.C. (“Hamilton Lane”), its affiliates or any of their respective businesses. Unless otherwise required by law, the recipient shall not disclose any Confidential Information to any third party. If required by law to disclose any Confidential Information, the recipient shall provide Hamilton Lane with prompt written notice of such requirement prior to any such disclosure so that Hamilton Lane may seek a protective order or other appropriate remedy. Prior to making any disclosure of any Confidential Information required by law, the recipient shall use its reasonable best efforts to claim any potential exemption to such requirement and otherwise shall limit disclosure only to such information that is necessary to comply with such requirement.

The calculations contained in this document are made by Hamilton Lane based on information provided by the general partner (e.g. cash flows and valuations), and have not been prepared, reviewed or approved by the general partner.

Stacked bar charts or pie charts presented in the Strategy section in this report may not equate to 100% per the data labels on the charts due to rounding; however, all stacked bar charts and pie charts equate to 100% using exact proportions.

# Table of Contents

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# Executive Summary

## Fund Information

### Organization Overview

**General Partner:**

Stellex Capital Management LLC  
("General Partner"), ("Stellex")

**Firm Inception:**

2014

**Team:**

31 investment professionals

**Senior Partners:**

Ray Whiteman, Michael Stewart and  
Mark Redman

**Location:**

New York (headquarters), London,  
Pittsburgh and Detroit

### Fund Overview

**Fund:**

Stellex Capital Partners III LP ("Fund")

**Target Size/Hard Cap:**

\$2.5 billion/not provided

**Asset Class:**

Private Equity

**Strategy:**

Buyout

**Substrategy:**

Mid Cap

**Geography:**

North America and Western Europe

**Industries:**

Industrials

### Portfolio Construction

**Equity Investments:**

\$75 million to \$150 million

**Target Number of Investments:**

17 to 23

**Max Single Investment Exposure:**

20%

**Expected Hold Period Per Investment:**

3 to 6 years

**Target Returns:**

3.0x gross multiple



# Executive Summary (cont.)

## Net Performance and Benchmarks

Stellex Capital Management LLC Prior Investment Performance <sup>1</sup> As of 9/30/23								HL Benchmark SMID Buyout As of 9/30/23			PME Benchmark Russell 3000 + 250 bps As of 9/30/23	J-Curve Benchmark Small Buyout As of 9/30/23
(\$mm)	Vintage	Fund Size	% Drawn <sup>2</sup>	DPI	TVPI	Net IRR	Quarters to Break J-Curve	Spread vs. Top-Quartile			Spread vs. PME	Comparison to Peers (quarters)
Fund							DPI	TVPI	Net IRR			
Fund I	2015	\$870	98%	1.0x	2.0x	24.7%	6	-0.5x	-0.2x	+403 bps	+1080 bps	1 later
Fund II	2021	1,796	67%	0.1x	1.1x	8.4%	3	0.0x	-0.2x	-1093 bps	+218 bps	2 later
<b>Total</b>				<b>0.5x</b>	<b>1.5x</b>	<b>21.0%</b>					<b>+945 bps</b>	

## Fundraise Update

- First close expected in Q2 2024

<sup>1</sup> Capital Drawn, Capital Distributed and NAV are calculated from the cash flows of fee-paying limited partners and excludes any cash flows from the General Partner's commitment

<sup>2</sup> Percent drawn provided by the General Partner



# Executive Summary (cont.)

## Key Terms<sup>1</sup>

Term	Summary
Investment Period	5 years
Fund Term	10 years; + 3 one-year extensions with advisory board approval
GP Commitment	2.0% (up to \$50 million)
Management Fee	2.0% of aggregate commitments stepping down to 2.0% of net invested capital during the post-investment period
Clawback	Yes
Fee Discount	First close investors will receive a 10 basis point discount and limited partners committing greater than \$100 million will receive a 15 basis point discount
Fee Offset	100%
Organization Expenses	\$6 million
Carry/Preferred Return	20%/8%; deal-by-deal subject to a 120% FMV test
GP Catch-up	100%

<sup>1</sup> Refers to the terms proposed by the General Partner as of February 2024; terms are subject to change during fundraising



# Executive Summary (cont.)

## Investment Thesis

### Cohesive senior investment team with experience in targeted sectors aided by local presence

- The General Partner is led by Managing Partners Ray Whiteman and Michael Stewart, an experienced group of investors that have been investing together since their time at Carlyle Strategic Partners (“CSP”)
- Messrs. Whiteman and Stewart are supported by Mark Redman, who serves as Managing Partner & Head of Europe, as well as six senior investment professionals who maintain sector-specific knowledge
- Stellex utilizes its Business Development & Operational Strategy (“BDOS”) group to augment its industry outreach and value creation capabilities

### Value-oriented approach across target sectors with focus on undermanaged businesses

- Stellex opportunistically targets underperforming and undermanaged middle-market industrial companies, primarily in the U.S. and Western Europe
- The General Partner seeks investments in the aerospace, defense & government, transportation & logistics, manufacturing, real economy & business services, food processing and tech-enabled services sub-sectors, areas the investment professionals possess deep domain expertise
- Stellex targets unique opportunities where it can transact on complexity and purchase at attractive entry multiples, seeking founder- and family-led businesses as well as carveouts and take-privates

### Attractive Fund I performance with Fund II continuing to develop

- As of 9/30/23, the General Partner had generated top-quartile performance in Fund I on a net IRR basis, while Fund II remains nascent in its fund life
- Despite generating limited realizations to date, Stellex maintains a healthy unrealized portfolio and expects to generate realizations in the near term
- The General Partner has demonstrated its ability to drive strong deal-level performance



# Executive Summary (cont.)

## Investment Considerations

**The General Partner will remain thoughtful around growth of the platform**

- Stellex has significantly grown its sizes fund-over-fund and is targeting \$2.5 billion for the Fund, as Messrs. Whiteman and Stewart have shifted their focus towards firm management
- The General Partner has scaled its investment team and is well-staffed to deploy the Fund, having proved its ability to deploy capital in 2021, 2022 and 2023
- The senior team outside of Messrs. Whiteman and Stewart began leading deals in Fund II and are segmented by vertical, enabling them to cultivate industry relationships and drive differentiated deal flow

**Stellex will continue to source attractive opportunities in a more competitive environment**

- The General Partner has historically deployed capital amidst a growth backdrop, creating concerns around their ability to navigate various economic conditions as firms with flexible mandates pivot to more value-oriented opportunities
- Stellex's flexible approach, targeting recapitalizations, carve-outs and debt-for-equity positions, expands its actionable opportunity set and broadens its sourcing efforts, which can be completed across market cycles
- Further, the General Partner benefits from its BDOS offices in Detroit and Pittsburgh, maintaining a local presence in order to source opportunities before they go to broad auctions

**The General Partner will generate realizations at attractive valuations**

- Stellex had generated limited realizations as of 9/30/23, with DPI in Fund I lagging peers
- Given its industrial focus, supply chain disruptions pushed hold periods out for several companies, but Stellex expects to remain focused on generating liquidity over next 12-to-18 months
- The General Partner maintains a healthy unrealized portfolio; in Q2 2024, Stellex generated realizations across two Fund I companies



# Recommendation

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## Recommendation

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Based on the analysis and information presented herein, Hamilton Lane believes that a commitment to Stellex Capital Partners III, L.P. works towards achieving the goals set forth for the Connecticut Retirement Plans and Trust Funds. A commitment to the Fund will maintain a relationship with a high-quality General Partner. Taking into account the investment strategy and portfolio diversification objectives of the Private Investment Fund, Hamilton Lane recommends a commitment to the Fund.



## Cohesive and experienced senior investment team

- Co-Founders Ray Whiteman and Michael Stewart founded Stellex as a spinout of CSP and have 20 years of total experience working together
- The senior investment team consists of Messrs. Whiteman and Stewart, one Managing Partner, one Partner, four Managing Directors and three Principals
- The investment team is split between its New York and London offices, driving cohesion and providing access to its targeted regions

## Strong operational support drives value creation

- The firm's BDOS group possesses significant expertise and experience within its targeted sectors, aiding in sourcing capabilities and expects to add additional members in Europe
- The General Partner maintains a large operating network, further broadening its industry outreach and value add initiatives
- The group of Managing Directors are segmented by sub-sector within the industrials space and are augmented by a group of operating professionals, further driving domain expertise

## Broad distribution of economics promotes retention

- Stellex distributes carried interest broadly among the investment team
- The General Partner has continued to build out its investment team, in line with the growth of fund sizes, ensuring adequate staffing



# General Partner (cont.)

- The General Partner was founded in 2014 by Ray Whiteman and Michael Stewart as a spinout from Carlyle Strategic Partners (“CSP”), the distressed debt investment strategy of The Carlyle Group
  - Messrs. Whiteman and Stewart have worked together since 2003, previously acting as Co-Heads and Managing Directors at CSP
  - Messrs. Whiteman and Stewart are supported by Managing Partner & Head of Europe Mark Redman, an experienced investor who previously served as Global Head of Private Markets at Abrdn

## Snapshot:<sup>1</sup>

### **Inception/Founders:**

2014/Ray Whiteman and Michael Stewart

### **Locations:**

New York (headquarters), London, Pittsburgh and Detroit

### **AUM:**<sup>2</sup>

\$2.3 billion

### **Strategies/Product Lines:**

Buyout

### **Management Company:**

Private

### **Current Leadership:**

Ray Whiteman and Michael Stewart

### **Headcount:**

31 investment professionals and 11 operating professionals

<sup>1</sup> As of February 2024

<sup>2</sup> AUM provided by the General Partner as of 9/30/23







# General Partner (cont.)

- The senior team is highly experienced, averaging 24 years of total experience and 5 of the 8 senior professionals investing together at the firm since inception
  - Messrs. Whiteman and Stewart split their time leading firm-wide initiatives and deal level investment activities
  - The four Managing Directors split their time by industry with David Waxman focused on aerospace, defense and government services, Mike Livanos focused on manufacturing and heavy industrials with an angle on turnaround deals, Irina Krasik focused on business and tech-enabled services and Trey Lee focused on transportation & logistics and food processing
  - Mr. Redman and Karthik Achar oversee activity in Europe, with Mr. Redman focused on services businesses and Mr. Achar primarily focused on manufacturing companies
- The firm's investment committee is comprised of the three Managing Partners and Mr. Waxman, with deals requiring the approval of three of the members
- The investment team possesses moderate ethnic diversity; however, it lacks gender diversity

Name	Title	Tot. Exp. (yrs.)	Tenure (yrs.)	2014	Fund I	2016	2017	2018	2019	2020	Fund II	2022	2023	2024
Ray Whiteman <sup>1</sup>	Managing Partner & Founder	25	10											
Michael Stewart <sup>1</sup>	Managing Partner & Founder	25	10											
Mark Redman <sup>1</sup>	Managing Partner & Head of Europe	25	2											
Karthik Achar	Partner	25	10											
David Waxman <sup>1</sup>	Managing Director	26	10											
Mike Livanos	Managing Director	20	10											
Trey Lee	Managing Director	24	4											
Irina Krasik	Managing Director	19	3											
Michael Cochran	Principal	11	7											
Olivia Zhao	Principal	15	4											
Andy Chetwood	Principal	13	<1											

 = Tenure with Stellex Capital Management LLC  
 = Total Experience

<sup>1</sup> Denotes members of the investment committee



## General Partner (cont.)

- The Managing Partners are supported by a well staffed investment team comprised of 1 Partner, 4 Managing Directors and 23 additional investment professionals
  - The investment team is split between its offices in New York and London, driving cohesion amongst the professionals
    - The General Partner's Pittsburgh and Detroit offices are primarily focused on developing relationships and providing the organization with regional accessibility
- Deal teams are typically comprised of a Managing Director, Vice President, Associate and Analyst, with Messrs. Whiteman and Stewart involved with vetting investment teams
- The General Partner utilizes its BDOS group that aids in deal sourcing, evaluation of opportunities and operational improvements at the portfolio company level
  - The BDOS group is split across its New York, Detroit and Pittsburgh locations, working closely with investment team professionals and allowing for regional expertise
  - Stellex utilizes the local presence of its BDOS offices to build relationships with intermediaries and regional banks to drive opportunities, especially within family-led businesses and broken auctions
- In line with the growth of fund sizes, the General Partner has continued to scale its investment team to ensure it is adequately staffed
- Stellex focuses on developing talent internally and promoting top-performing professionals
  - The General Partner utilizes a summer analyst program to recruit junior investment professionals, with the goal of turning the analysts into full time members of the investment team
  - Stellex has continued to focus on diversity by partnering with organizations focused on finding junior level talent with diverse backgrounds



## Consistent focus on the industrials sector since inception

- In line with prior funds, the General Partner targets undermanaged and underperforming industrial companies across a broad range of subsectors, including aerospace, defense & government, transportation & logistics, manufacturing, real economy & business services, food processing and tech-enabled services
- Stellex pursues primarily North American businesses, while opportunistically seeking investments in Europe, an area with a growing opportunity set

## Flexible mandate enables unique sourcing at attractive entry prices

- Stellex employs a value-based approach, seeking undervalued companies in need of revamped management teams and operations
- The General Partner leverages senior investment professionals' industry knowledge and BDOS professionals' relationships to source attractive opportunities
- Given its focus on undermanaged and complex situations, Stellex is often able to obtain attractive entry multiples

## Control-oriented investor with strong operational capabilities

- The General Partner primarily seeks control positions, allowing them to be a hands-on investor and lead significant portfolio company improvements
- Stellex maintains a BDOS group that aids in sourcing and value add for portfolio companies
- The General Partner also leverages its broader operating network of over 300 industry executives, further driving industry best practices and value creation initiatives

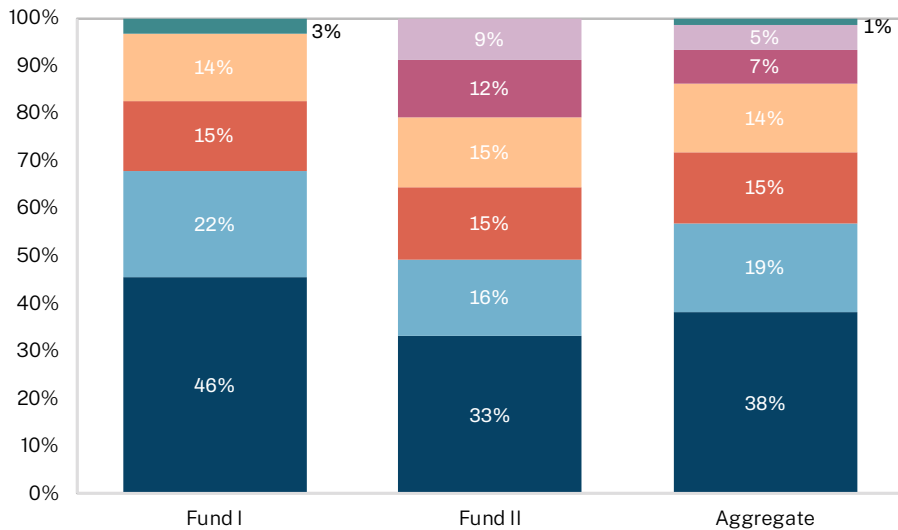


# Investment Strategy (cont.)

- Since inception, the General Partner primarily seeks underperforming businesses in the industrials sector, where it can utilize its operational expertise to drive value
- Within the industrials space, Stellex will target out-of-favor industries, primarily the aerospace, defense & government, transportation & logistics, manufacturing, real economy & business services, food processing and tech-enabled services sub-sectors

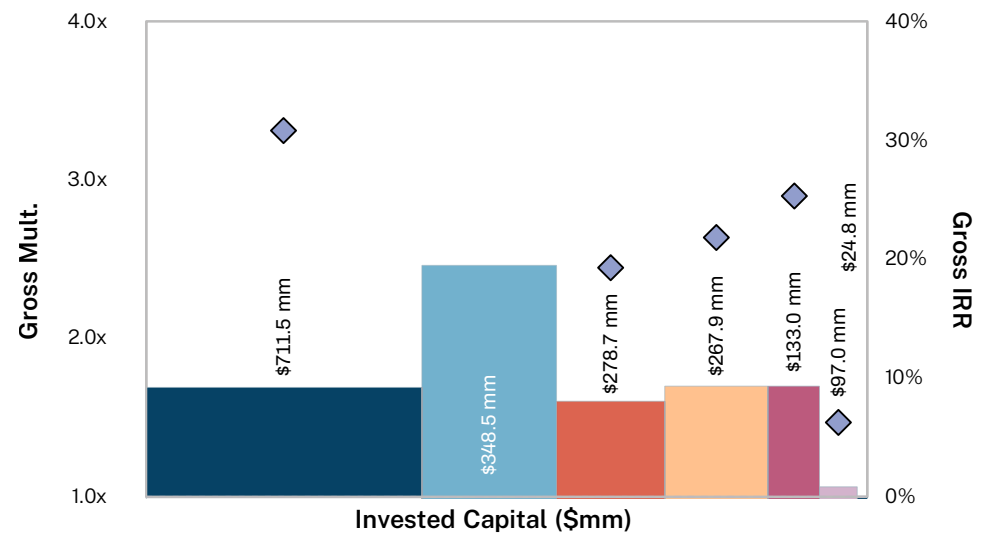
## Prior Investments – % by Industry<sup>1</sup>

As of 9/30/23



## Aggregate Performance – by Industry<sup>1, 2</sup>

As of 9/30/23



■ Manufacturing ■ Aerospace, Defense & Government ■ Transportation & Logistics ■ Business Services ■ Food Processing ■ Tech-enabled Services ■ Out of Strategy ◆ Gross IRR

<sup>1</sup> Out of strategy represents one investment, Dominion Hospitality, in hotels, restaurants and leisure; out of strategy generated a 0.4x gross multiple and -16.1% gross IRR

<sup>2</sup> Aerospace, defense & government investments generated a 72.6% gross IRR



# Investment Strategy (cont.)

- Stellex primarily targets United States and Western European investments in areas where it has established regional sourcing experience and strong operating networks
  - The General Partner opened offices in Detroit and Pittsburgh in 2020 and 2022, respectively, to enhance its regional relationships and sourcing capabilities
- The General Partner intends to allocate approximately 80% of investments in the Fund to the United States
- Stellex expects to construct a portfolio of 17 to 23 investments, with investment sizes ranging from \$75 million to \$150 million
  - The General Partner may additionally look to opportunistically complete a number of toehold investments
- The General Partner employs a flexible mandate to invest in undermanaged and complex situations, targeting underperforming companies in the lower middle-market
  - Funds I and II are more weighted to traditional buyouts given the macroenvironment, with the majority being founder- and/or family-led businesses
  - The General Partner expects the Fund to continue to be heavily weighted towards buyouts but plans to utilize creative structuring when there is dislocation in the market
- Stellex utilizes its relationships and industry-specific knowledge to source attractive opportunities
  - The General Partner maintains an extensive network of operating executives and its BDOS group who aid in sourcing efforts within its targeted sectors
- The General Partner's focus on complexity has led to attractive purchase multiples in its prior funds
- Stellex intends to utilize conservative amounts of leverage, given its emphasis on undermanaged businesses
  - The General Partner does not expect to exceed the 50% LTV threshold with leverage use
- Stellex primarily targets control positions, allowing it to take a hands-on value creation approach
  - In select cases, the General Partner may pursue debt-for-control positions, building toeholds in companies and ultimately obtaining control



## Investment Strategy (cont.)

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- Stellex expects to exit most investments through selling to financial or strategic buyers
- The General Partner utilizes its industry experience to maintain relationships with potential buyers well before its anticipated exit



# Track Record

## Attractive early gross performance

- The General Partner had generated attractive gross performance in both Funds I and II
- Fund II remains early in its development, with an average hold period of 1.3 years, as of 9/30/23

## Healthy unrealized portfolio with additional upside expected

- Stellex has generated attractive gross performance across Funds I and II
- The unrealized portfolio remains healthy with minimal investments held below cost and several investments held at strong carrying values, as of 9/30/23
- The General Partner remains focused on liquidity

## Consistent investment pacing with ability to drive outperformance

- The General Partner has demonstrated its ability to increase deployment in-line with its growing fund sizes
- As of 9/30/23, the General Partner has shown strong deal-level performance



# Track Record (cont.)

- The General Partner has generated attractive net performance in Fund I, while Fund II remains nascent
  - Stellex generated top-quartile performance on a net IRR basis in Fund I, as of 9/30/23
  - Fund II remains early in its development with an average hold period of 1.3 years
  - Stellex may use a line of credit to fund smaller investments and keep investments on the line for typically less than 45 days

Stellex Capital Management LLC Prior Investment Performance <sup>1</sup> As of 9/30/23									HL Benchmark SMID Buyout As of 9/30/23			PME Benchmark Russell 3000 + 250 bps As of 9/30/23
(\$mm)	Vintage	Fund Size	Capital Drawn	Capital Distributed	NAV	DPI	TVPI	Net IRR	Top-Quartile			PME IRR
Fund									DPI	TVPI	Net IRR	
Fund I	2015	\$870	\$841.6	\$834.1	\$872.5	1.0x	2.0x	24.7%	1.5x	2.2x	20.7%	13.9%
Fund II	2021	1,796	1,182.0	81.6	1,232.6	0.1x	1.1x	8.4%	0.1x	1.3x	19.3%	6.2%
<b>Total</b>			<b>\$2,023.6</b>	<b>\$915.7</b>	<b>\$2,105.1</b>	<b>0.5x</b>	<b>1.5x</b>	<b>21.0%</b>				<b>11.6%</b>

<sup>1</sup> Capital Drawn, Capital Distributed and NAV are calculated from the cash flows of fee-paying limited partners and exclude any cash flows from the General Partner's commitment





# Track Record (cont.)

- Stellex has generated strong gross returns in Fund I; however, it has generated limited realizations to date
- The unrealized portfolio remained healthy with a majority of companies held at or above cost, as of 9/30/23
- The General Partner has generated an attractive dispersion of returns, demonstrating its ability to preserve capital

Stellex Capital Management LLC Prior Investment Performance As of 9/30/23									
(\$mm) Fund	Vintage	# of Inv.		Fund Size	Amount Invested	Amount Realized	Unrealized Value	Gross Mult.	Gross IRR
		Total	Real.						
Fund I	2015	20	5	\$870	\$753.6	\$972.8	\$962.5	2.6x	37.3%
Fund II	2021	15	1	1,796	1,107.7	92.6	1,268.3	1.2x	18.2%
<b>Total</b>		<b>35</b>	<b>6</b>		<b>\$1,861.4</b>	<b>\$1,065.4</b>	<b>\$2,230.9</b>	<b>1.8x</b>	<b>33.9%</b>

Stellex Capital Management LLC Realized Investment Performance As of 9/30/23						Stellex Capital Management LLC Unrealized Investment Performance As of 9/30/23					
(\$mm) Fund	Amount Invested	Amount Realized	Unrealized Value	Gross Mult.	Gross IRR	(\$mm) Fund	Amount Invested	Amount Realized	Unrealized Value	Gross Mult.	Gross IRR
Fund I	\$204.1	\$950.1	\$4.4	4.7x	71.6%	Fund I	\$549.5	\$22.7	\$958.1	1.8x	14.5%
Fund II	19.8	73.4	0.0	3.7x	775.9%	Fund II	1,087.9	19.2	1,268.3	1.2x	14.1%
<b>Total</b>	<b>\$223.9</b>	<b>\$1,023.5</b>	<b>\$4.4</b>	<b>4.6x</b>	<b>72.3%</b>	<b>Total</b>	<b>\$1,637.4</b>	<b>\$41.9</b>	<b>\$2,226.5</b>	<b>1.4x</b>	<b>14.4%</b>



- The General Partner is a signatory to PRI and ILPA Diversity in Action and actively incorporates ESG considerations into its due-diligence process to mitigate potential risks
- Stellex conducts annual ESG reporting and requires that its majority-controlled portfolio companies include ESG-related matters at all board meetings
- The General Partner has partnered with SEO and Out4Undergrad to place an emphasis on improving diversity within the organization

## ESG Summary

ESG Policy	Yes	Integration in decision-making	IC memos include ESG components
ESG-Dedicated Professionals	None	ESG focus – planning	ESG is included in strategic planning
Signatories	PRI and ILPA Diversity in Action	Monitoring	Ad hoc monitoring of ESG in portfolio companies
Environmental Focus	None	Reporting	Yearly LP ESG reporting
Diversity	50% minority/50% majority across firm ownership 20% female/80% male across all professionals	Requirements of portfolio companies	The GP requires all portfolio companies to include ESG-related matters at each board meeting
ESG in due diligence process	Internal ESG DD for all prospective investments		

# Appendices



Experience of Investment Professionals				
Name	Title	Tot. Exp. (yrs.)	Tenure (yrs.)	Prior Experience
Ray Whiteman	Managing Partner & Founder	25	10	<ul style="list-style-type: none"> <li>• The Carlyle Group, Partner</li> <li>• Credit Lyonnais, Vice President</li> </ul>
Michael Stewart	Managing Partner & Founder	25	10	<ul style="list-style-type: none"> <li>• The Carlyle Group, Partner</li> <li>• Sunrise Capital Partners, Principal</li> <li>• Houlihan Lokey, Financial Restructuring</li> </ul>
Mark Redman	Managing Partner & Head of Europe	25	2	<ul style="list-style-type: none"> <li>• Abrdn, Global Head of Private Markets</li> <li>• OMERS, Global Head of Private Equity</li> <li>• 3i, Partner</li> </ul>
Karthik Achar	Partner	25	10	<ul style="list-style-type: none"> <li>• Wayzata, Head of European Investments</li> <li>• Morgan Stanley, Executive Director</li> </ul>
David Waxman	Managing Director	26	10	<ul style="list-style-type: none"> <li>• Quadrant Management, Principal</li> <li>• The Carlyle Group, Vice President</li> <li>• Grow Network, Founding Member</li> </ul>
Mike Livanos	Managing Director	20	10	<ul style="list-style-type: none"> <li>• Barclays, Vice President</li> <li>• Houlihan Lokey, Associate</li> <li>• Citigroup, Finance &amp; Corporate Development</li> </ul>
Trey Lee	Managing Director	24	4	<ul style="list-style-type: none"> <li>• Eos Partners, Principal</li> <li>• Kamylon Capital, Vice President</li> </ul>
Irina Krasik	Managing Director	19	3	<ul style="list-style-type: none"> <li>• Bregal Partners, Principal</li> <li>• Wicks Capital Partners, Principal</li> <li>• The Carlyle Group, Associate</li> </ul>
Michael Cochran	Principal	11	7	<ul style="list-style-type: none"> <li>• Greenbriar Equity Group, Associate</li> <li>• Barclays, Analyst</li> </ul>
Olivia Zhao	Principal	15	4	<ul style="list-style-type: none"> <li>• Centre Lane Partners, Vice President</li> <li>• Deutsche Bank, Analyst</li> </ul>
Andy Chetwood	Principal	13	<1	<ul style="list-style-type: none"> <li>• Fremman Capital, Managing Director</li> <li>• Lonsdale Capital Partners, Director</li> </ul>



# Definitions

<b>Benchmark Analysis:</b>	An analysis that compares the net IRR of the prior funds to the top-quartile net IRR benchmarks for similar funds (based on strategy and vintage) as reported by the Cobalt LP database. The benchmark data shown is the most recent data available at this time
<b>DPI:</b>	$\text{DPI} = \frac{\text{Amount of Distributions Received}}{\text{Total Amount of Capital Paid-In}}$
<b>ESG:</b>	Environmental, Social and Governance
<b>Gross IRR:</b>	Internal Rate of Return (“IRR”) of investments at the “fund level,” excludes fees paid by LPs to the General Partner such as management fees and carried interest. For investments held less than one year, Hamilton Lane nominalizes the IRR to match the hold period of the investment in order to represent a more meaningful number
<b>Investment Pacing:</b>	An analysis of the total capital invested during the given years. Includes all prior investments, realized or unrealized
<b>J-curve Benchmark:</b>	Peer (median by age) is calculated by taking the median IRR of similar funds (based on strategy and vintage) in Hamilton Lane’s database at each quarter, which are simulated as investing at the same point in time. The length of time to break the J-curve is calculated from inception to the first time each fund generated a positive net IRR
<b>Loss Ratio Analysis:</b>	An analysis of the capital invested in realized transactions generating different multiples of invested capital
<b>Net IRR:</b>	Annualized Internal Rate of Return (“IRR”) of investments at the LP level inclusive of fees such as management fees and carried interest paid to the General Partner
<b>Net Returns to Limited Partners:</b>	The performance of the General Partner’s prior investment vehicles at the net LP level, inclusive of all fees, carried interest and expenses. Performance data is as reported by the General Partner using actual capital contributions, distributions and net asset value for either all limited partners, or a sample set of limited partners, in the respective funds
<b>Outlier Analysis:</b>	An analysis of the gross returns of investments in prior funds, comparing overall performance against the performance when certain ‘outlier’ transactions are excluded. Outliers are defined as transactions that generate exceptionally positive or negative results
<b>PME Analysis:</b>	Calculated by taking the fund’s monthly cash flows and investing them in the relevant Total Return Index (where all dividends are re-invested). Contributions were scaled by a factor such that the ending portfolio balance would be equal to the private equity net asset value (equal ending exposures for both portfolios). This prevents shorting of the public market equivalent portfolio in order to match the performance of an outperforming private equity portfolio. Distributions were not scaled by this factor. The IRRs were then calculated based on these adjusted cash flows. The selected PME represents the most relevant public market benchmark
<b>Realized Attribution Analysis:</b>	Analysis of the capital invested in, and performance of, the prior realized transactions according to the criteria indicated
<b>Realized Investments:</b>	Hamilton Lane classifies investments as “realized” if it has: i) an unrealized value of less than 20% of the total value; ii) a carrying value that has been written to zero or has been previously written-off; or iii) been fully exited and the GP has no remaining interest in the company
<b>RVPI:</b>	$\text{RVPI} = \frac{\text{Current Net Asset Value}}{\text{Total Amount of Capital Paid-In}}$
<b>TVPI:</b>	$\text{TVPI} = \frac{\text{Amount of Distributions Received} + \text{Current Net Asset Value}}{\text{Total Amount of Capital Paid-In}}$



# Definitions (cont.)

<b>Time-Zero IRR:</b>	Represents the gross IRR calculated as if every investment were initiated on the same date
<b>Write-Down Ratio:</b>	The ratio of capital invested in realized investments that have been sold for a value that is less than 1.0x their original cost basis, divided by the total capital invested in all realized investments
<b>Write-Off Ratio:</b>	The ratio of capital invested in realized investments that have been sold for a value that is less than 0.5x their original cost basis, divided by the total capital invested in all realized investments



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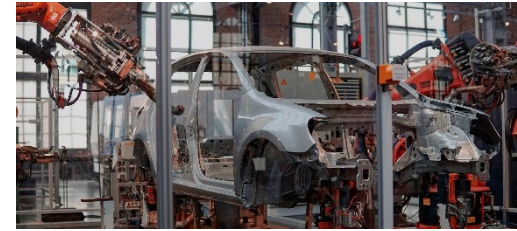
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Value Oriented Private Equity

State of Connecticut – Investment Advisory Council  
May 2024



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*The investment examples included herein are intended solely as illustrative examples of certain strategies employed by Stellex in prior investments,, and were not chosen based on their performance and are not reflective of the likely performance of any Stellex Fund. The selected portfolios, transactions, strategies, and investments presented herein represent, in certain cases, a limited number of investments made by Stellex, do not purport, except where otherwise indicated, to be representative of (or constitute a material portion of) all investments purchased, sold, or recommended for investment by Stellex and are not necessarily indicative of investments that the Stellex Funds will make in the future. Past performance is not indicative of future results and there is no guarantee that any future investments made by Stellex or any Stellex Fund will achieve comparable results.*

*Investments are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond Stellex’s control. Investments are typically illiquid in nature and may not have immediate market value. Matters discussed herein may include forward looking statements. Stellex has tried to identify such statements by use of terminology such as “may,” “will,” “should,” “could,” “would,” “predicts,” “potential,” “continue,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates” and similar expressions. Forward looking statements are subject to risks and uncertainties, which are beyond the control of Stellex, including among other things, the risks listed in the Governing Documents. Any Fund’s actual results, performance, prospects, or opportunities could differ materially from those expressed in or implied by forward looking statements. Actual events are difficult to project and often depend upon factors that are beyond the control of Stellex. Prospective investors should not place reliance on any forward-looking statements. The forward-looking events discussed herein may not occur or occur on the exact terms stated. Stellex undertakes no obligation to update or revise this Presentation.*

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# Disclosure (cont'd)

*An investment in a Stellex Fund involves significant risks, including loss of your entire investment. The interests in Stellex Funds are illiquid. Investors should have the financial ability and willingness to accept the risk characteristics of a Stellex Fund's investments. Recipients of the information should make their own investigations and evaluations of the information contained herein. Each prospective investor should consult its own attorney, business adviser and tax adviser as to legal, business, tax and related matters concerning the information herein. In considering performance information contained herein, recipients should bear in mind that past or projected performance is not indicative of future results and there can be no assurance that any future fund will achieve comparable results as the Stellex Funds referenced herein, that targeted or projected returns will be met or that any future fund will be able to implement its investment strategy or achieve its investment objectives. Unless otherwise indicated, financial information is as of September 30, 2023 and the Stellex Funds may have experienced, in certain instances, negative performance since such date.*

*As used herein, "IRR" means an aggregate, compound, annual, gross or net, as applicable, internal rate of return on investments based on (a) with respect to Gross IRRs (as defined below), the actual capital inflows and outflows from investments on the dates such inflows and outflows occurred, and (b) with respect to Net IRRs (as defined below), the actual capital inflows and outflows from investors on the dates such inflows and outflows occurred, in each case including "unrealized value" as a terminal value using (1) actual daily cash flows for single portfolio company-level reporting, or (2) monthly cash flows for composite or fund-level reporting. Where indicated, multiples of invested capital ("MOICs" or "Multiples") and IRRs (including targeted or projected rates of return) are presented on a "gross" basis (respectively, "Gross MOIC" or "Gross Multiples" and "Gross IRR") (i.e., they do not reflect the management fees, carried interest, taxes and other expenses to be borne by investors, which will reduce returns and which, in the aggregate, may be substantial). MOICs or Multiples and IRRs presented on a "net" basis (respectively, "Net MOIC" or "Net Multiples" and "Net IRR") herein reflect the returns to investors after deducting the management fees, carried interest, transaction costs and other expenses borne by such investors (other than taxes borne, to be borne or deemed borne by investors in such funds, including, for example, certain taxes borne or deemed borne as a result of the investor's domicile or taxes borne or deemed borne by such fund or vehicles, including alternative investment vehicles, through which investors may participate in the fund or its investments).*

*Net performance calculations include usage of a hypothetical model developed by Stellex to simulate investment-level (as applicable) performance of corresponding gross cash flows, reflect assumptions of an annualized 2% fees and expenses (which is intended to be generally representative of aggregate management fees (irrespective of any step-down), organizational expenses and other fund-level expenses) beginning at each investment's respective fund's inception, 20% carried interest on the cumulative portfolio, and a timing shift on investment cash flows simulating the most recent usage of fund credit facilities, and, with respect to investment-level net performance calculations, reflect the allocation of such assumed fees and expenses across the portfolio to the investment. Stellex is available to discuss such hypothetical model upon request. As a result, such net returns are estimates based on subjective assumptions and allocations of fees and expenses that Stellex believes to be reasonable under the circumstances. No investor received any such returns, which are hypothetical and provided for illustrative purposes only to assist investors in their evaluation of the risk-return profile of the investment strategy discussed herein. Certain of the information contained herein, particularly in respect of market data, economic and other forecasts, and performance data, is from third-party sources.*

*With respect to any particular Stellex Fund, differences in timing of an investor's capital commitment to the fund and the economic and other terms applicable to certain investors therein may increase the average Net IRR (calculated as described in the preceding paragraph) for such fund and, accordingly, the actual Net IRR of certain investors in that Stellex Fund to whom such terms do not apply may be higher or lower than such average Net IRR indicated herein. Net IRR and Net MOIC for a particular Stellex Fund are calculated taking into account contributions from, and distributions to, all investors in such Stellex Fund, including the general partner. The respective general partner of the Stellex Funds is not subject to the management fees or carried interest charges, and accordingly, the actual Net IRR of third-party limited partners that are subject to the management fees and carried interest charges would be lower than such average Net IRR indicated herein. Individual investors have experienced Net IRRs and Net MOICs that are higher or lower than those presented herein. Certain Stellex Funds have the ability to borrow funds in advance of capital contributions in a manner that can impact the calculation of returns, in particular IRR, as these calculations generally depend on the amount and timing of capital contributions. Track record information for non-control investments is available upon request. As Net IRR is calculated based on limited partner cash outlays to, and returns from, the Stellex Fund, such returns depend on the amount and timing of limited partner capital contributions. As depicted by Unlevered Net IRR the use of such capital call facilities (and related delay of limited partner capital calls) typically will result in a higher Net IRR than would otherwise be the case if such capital calls had not been delayed, even after taking into account the associated interest expense of the borrowing.*

*Information about investment advisory fees and expenses that reduce the returns to limited partners are described in the Governing Documents of each of the respective Stellex Fund as well as Part 2A of Stellex's Form ADV. Historically, non-fee paying investors have comprised 5% or less of the total invested capital. Certain Stellex Funds have the ability to borrow funds in advance of capital contributions in a manner that can impact the calculation of returns, in particular IRR, as these calculations generally depend on the amount and timing of capital contributions.*

*References to the Stellex Funds' investments should not be considered a recommendation of any particular security or portfolio company. The team of investment professionals responsible for managing the investments of certain Stellex Funds generally differs over time. A complete list of all investments made by Stellex Funds is available at [www.stellexcapital.com](http://www.stellexcapital.com) and is also available, along with additional information about the performance information contained herein, upon request. Each recipient of this document is invited to contact Stellex to ask questions about or request additional information with respect to the information contained herein that may be reasonably necessary to enable the recipient to verify or evaluate the information contained herein.*

# Executive Summary

## Experienced Investment Team

- Stellex's Founding Partners have worked together for 20 years<sup>(1)</sup>, investing in and working with businesses with financial, operational or cyclical complexity
- The Founding Partners are supported by 6 experienced Senior Professionals, responsible for investments in over 25 platform companies since Stellex's inception

## Cycle Agnostic, Value-oriented Strategy

- Disciplined focus on middle-market, value-oriented buyouts and other cycle agnostic capital solutions
- Flexibility to invest across the capital structure in an effort to minimize binary outcomes and seek to maintain downside protection
- Seek to Drive favorable transaction dynamics in complex situations
- Target industries where our team has years of investment expertise, including out-of-favor, often overlooked industries

## Deep Network with Transatlantic Access

- Stellex's well-networked business development team and over 300 operators work to ensure prime access to under-the-radar investment opportunities at attractive terms
- Regional relationships through offices in Detroit and Pittsburgh provide access to opportunities where our capital can provide a solution
- Stellex's office in London and collective language skills provide significant European access

## Extensive Operating Playbook

- Focus on mismanaged, undervalued and underperforming companies that often suffer from flawed or dated strategies
- Draw on team's extensive experience with crisis management – including inventory, working capital, customer, production, pricing and/or labor issues
- Leverage broad operating network in an effort to source C-suite officers, turnaround specialists and industry veterans

## Strong Performance <sup>(2)</sup>

- Fund I (2015, \$870 million)
  - MOIC: 2.6x Gross<sup>(A)</sup> / 2.0x Net<sup>(B)</sup>
  - IRR: 36% Gross<sup>(C)</sup> / 24% Net<sup>(D)</sup> / 23.0% Unlevered Net<sup>(D)</sup>
- Fund II (2021, \$1.78 billion)
  - MOIC: 1.3x Gross<sup>(A)</sup> / 1.2x Net<sup>(B)</sup>
  - IRR: 19% Gross<sup>(C)</sup> / 9.0% Net<sup>(D)</sup> / 7.8% Unlevered Net<sup>(D)</sup>

Note: Please see next page for important notes, and this investment schedule must be read in conjunction with these notes.

Aggregate years of Founding Partners' shared experience across multiple firms, not represented purely by Stellex's track record.<sup>(2)</sup> Data as of December 31, 2023. **Past performance is not indicative of future performance and there is no guarantee any of the investment objectives herein will be achieved.** Figures are provided on a levered, unaudited, and gross basis before taxes and expenses payable by the Fund (including management fees paid to the manager), and carried interest, which may reduce returns substantially. Projected combined returns for Funds I and II are hypothetical in that no investors have achieved such results and due to a variety of factors, including market events, actual gross and net returns will likely vary (in certain instances materially) from the hypothetical gross and net returns shown herein. Such hypothetical gross and net performance figures are provided for illustrative purposes only. Unrealized Values for the Funds' respective investments are determined by the investment manager. The calculation of hypothetical net returns contains subjective assumptions related to the allocation of fund-level fees, including expenses, taxes and carried interest, and generally may not be indicative of net returns an investor may receive. The calculation of these net returns is based on certain fee and expense information and is generally calculated with the methodology set forth in endnotes (B) and (D) on page 5. As is the case with any performance model, there are significant limitations on the application and uses of these hypothetical fees and expenses in calculating performance returns. For endnotes (A), (B), (C) and (D) Please refer to Performance Endnotes on page 5 of the presentation for important information on the calculation of performance.

# Executive Summary: Performance Endnotes

Data as of December 31, 2023 unless otherwise noted. Past performance is not indicative of future performance and there is no guarantee any of the investment objectives herein will be achieved. Figures are provided on a levered, unaudited, and gross basis before taxes and expenses payable by the Fund (including management fees paid to the manager), and carried interest, which may reduce returns substantially.

- (1) "Invested Capital" includes capital contributions made by all Partners, including the General Partner, and does not include interim borrowings on the Fund's subscription credit facilities, which may be significant and affect returns.
- (2) "Realized Proceeds" equals means the sum of gross proceeds generated from such investment, including, without limitation, through dispositions of such investment or cash dividends and/or interest received in respect of such investment, in each case, prior to payment of advisory fees, performance compensation and other expenses in connection with such investment which, in the aggregate, may be substantial. Total Realized Proceeds will (as applicable) also include the discount or premium received when purchasing a bond or loan.
- (3) "Unrealized Value" means, with respect to each investment, the fair value of the unrealized portion of such investment as determined by Stellex as of the date noted above, which determination may be based on material assumptions. There can be no assurance that the assumptions used by Stellex are correct or that the fair value determined by Stellex for an unrealized portion of an investment will be ultimately realized. The actual realized returns of the unrealized portion of an investment will depend upon, among other factors, future operating results, the value of such unrealized portion and market conditions at the time of disposition of such unrealized portion, any related transaction costs and the timing and manner of sale, each of which may differ from the assumptions on which the values contained herein are based.
- (4) LP NAV equals the sum of Limited Partners NAV of Stellex Capital Partners LP and Stellex Capital Investors LP taken from period-end balance sheets.
- (5) LP Total Value means Cash Distributions plus LP NAV.
- (6) Capital Contributions consists of aggregate capital contributions made by the Limited Partners, excluding amounts drawn down on the Fund's subscription credit facility.

(A) Gross MOIC equals Total Value divided by Invested Capital. Gross MOIC does not reflect reduction of management fees, taxes, partnership expenses, carried interest, benefit of the use of a subscription credit facility and other expenses that are borne by investors, which will reduce returns and in the aggregate are expected to be substantial. For more information on fees and expenses, please see Stellex's Form ADV Part 2A and your respective offering documents.

(B) Hypothetical Net MOIC equals highest fee paying investor Gross MOIC multiplied by highest fee paying investor MOIC gross-net-discount-factor ("GNDF") ratio  $((\text{Fund I GNDF Net MOIC} \times \text{Fund I Commitment} / (\text{Fund I} + \text{Fund II Commitment})) + (\text{Fund II GNDF Net MOIC} \times \text{Fund II Commitment} / (\text{Fund I} + \text{Fund II Commitment})) = \text{Weighted Net MOIC}) / ((\text{Fund I GNDF Gross MOIC} \times \text{Fund I Commitment} / (\text{Fund I} + \text{Fund II Commitment})) + (\text{Fund II GNDF Gross MOIC} \times \text{Fund II Commitment} / (\text{Fund I} + \text{Fund II Commitment})) = \text{Weighted Gross MOIC}) = \text{Weight MOIC Ratio ("WMR")}$ . As is the case with any performance model, there are significant limitations on the application and uses of these hypothetical fees and expenses in calculating performance returns. Actual net returns may differ materially from any hypothetical net returns presented herein.

(C) Gross IRR means an aggregate, annual, compound, gross internal rate of return on investments. Gross IRRs and other gross multiples do not reflect reduction of management fees, taxes, partnership expenses, carried interest, benefit of the use of a subscription credit facility and other expenses that are borne by investors, which will reduce returns and in the aggregate are expected to be substantial. Except if otherwise indicated, IRRs are calculated using internal valuations, which are unaudited and subject to change.

(D) Hypothetical Net IRR equals highest fee-paying investor Gross IRR multiplied by highest fee paying investor IRR GNDF. As is the case with any performance model, there are significant limitations on the application and uses of these hypothetical fees and expenses in calculating performance returns. Actual net returns may differ materially from any hypothetical net returns presented herein. Unlevered Net IRR includes line of credit drawdowns as Capital Contributions, line of credit paydowns as Capital Distributions, and any fees associated with the line of credit as an increase to Net Asset Value.

**The unlevered Net IRR equals 23.0% and 7.8% for Fund I and Fund II, respectively.**

# Organizational Chart

## Firm Leadership



**Raymond Whiteman**   
*Managing Partner,  
 Founder*



**Michael Stewart**   
*Managing Partner,  
 Founder*



**Mark Redman**   
*Managing Partner,  
 Head of Europe*

## Investment Professionals

## Business Development & Operational Strategy



**Karthik Achar**  
*Partner*



**David Waxman**   
*Managing Director*



**Mike Livanos**  
*Managing Director*



**Trey Lee**  
*Managing Director*



**Irina Krasik**  
*Managing Director*



**Shankar Kiru**  
*Managing Director*



**Olivia Zhao**  
*Principal*



**Andy Chetwood**  
*Principal*



**Michael Cochran**  
*Principal*



**Catherine DeMarco**  
*Vice President*



**Michael Ma**  
*Vice President*



**Andrew Arton**  
*Director*



**Enrico Donisi**  
*Vice President*



**Shaan Gurnani**  
*Vice President*



**Eduard Friedman**  
*Vice President*



**Yoni Lipski**  
*Vice President*



**Anton Smaliak**  
*Senior Associate*



**Toby Kreidler**  
*Director*



**Manal Hachimi**  
*Senior Associate*



**Jackson Kinsley**  
*Senior Associate*



**Greg Schwartz**  
*Senior Associate*



**Colin Derdeyn**  
*Associate*



**Kian Starsberg**  
*Associate*



**Justin Wang**  
*Associate*



**Michael Heilweil**  
*Associate*



**Karim Hooda**  
*Associate*



**Warren Chen**  
*Analyst*



**Alex Iafrate**  
*Analyst*



**Danielle Black**  
*Analyst*



**Brendan Many**  
*Analyst*



**Pulast Thaker**  
*Analyst*



IC Member



New York



London



Detroit



Pittsburgh

## Operations



**Amanda Appelbaum**  
*Chief Compliance  
 Officer/Associate GC*



**Amy Alisdairi**  
*Chief Talent  
 Officer*



**Tony Braddock**  
*Chief Financial  
 Officer*



**Courtney Mehrotra**  
*Head of Investor  
 Relations*



**Joe Posillico**  
*Controller*



**Aliza Frazer**  
*HR Analyst*



**Melvin Menye**  
*Assistant  
 Controller*



**Francesca Ferry**  
*IR Analyst*

As of 02/01/2024

Although Stellex believes the success of any strategy is not dependent upon any individual, there can be no assurance that any individual professional will continue to be associated with Stellex. The composition of the professionals working on any Fund may change over time.

# Seeing Value Where Others May Not

## *Applying a thematic lens to sub-sectors*

1

Combined wealth of varying industry experience from deal leads' time investing both at Stellex and previously at other investment firms

2

Sector expertise across broader industrials, business services, government services, and aerospace and defense

3

Additional deal leads have expanded our industry coverage and expertise across the team



Past performance is not indicative of future performance and there can be no guarantee any of the investment objectives described herein will be achieved.

# Generating Proprietary Access to Opportunities

*We take a differentiated approach to sourcing, designed to give us an earlier look at opportunities*

1

## Regional Sourcing

- Our regional relationships, generated through our offices in Detroit and Pittsburgh, strive to provide us with access to opportunities where our capital can provide a solution
- Our office in London and collective language skills across our European team provide us with European access
- We focus on creating relationships in areas that are “underbanked” by typical coverage providers
- We believe our local network, combined with insights from our industry expertise, allow us to generally pre-empt broader processes for investment opportunities

2

## Depth of Team Experience

- Our Managing Partners collectively have over 50 years of combined experience in the sourcing and execution of stressed and distressed investments
- Each senior investment team member has 15+ years of sector expertise within their respective focus and are equipped to handle complex deal dynamics and adverse economic attributes often seen as daunting to other middle-market PE players
- We believe the experience built over this tenure makes the Stellex team a clear and obvious partner for vendors, service providers, and most importantly, companies

3

## Operator Network

- Our senior investment team have built-up extensive networks & relationships across over 75 cumulative years, demonstrated most evidently by the 300+ Operators with whom Stellex works closely and continuously
- These Operator relationships have allowed us to access proprietary, “under the radar” and off-market deal flow and on favorable terms, ultimately acquiring businesses at attractive entry multiples

## Select Stellex I-II Investments<sup>(1)</sup>



(1) Fund I and Fund II investments presented herein are for illustrative purposes only, and have been selected in order to provide examples of (1) deals sourced via Stellex regional offices, (2) deals sourced by senior Stellex team members including deal leads, and (3) deals sourced through Stellex's Operator network, respectively. References to the investments herein should not be construed as a recommendation of any particular investment or security. Past successful sourcing, does not guarantee nor is indicative of future sourcing potential. Additionally there is no guarantee that any pending deals will close and there can be no assurances or guarantees that any investment objectives will be realized or any investment strategy will prove successful. **Past performance is not indicative of future performance and there can be no guarantee any of the investment objectives described herein will be achieved.**

# Versatility of Our Approach

*Investment team can utilize a variety of capital solutions to seek to invest in attractive opportunities*

Scenario	Experience	Fund I and II Example(s)
Buyout & Special Situations	<ul style="list-style-type: none"> <li>Investments with control and/or other rights of significant influence over the strategic direction of the business</li> <li>Family or founder owned businesses</li> </ul>	
Platform	<ul style="list-style-type: none"> <li>Buy and build strategies to capitalize on specific dynamics associated within an industry or sub-industry sector</li> </ul>	
Carve-out	<ul style="list-style-type: none"> <li>Non-core business divestitures</li> <li>Neglected corporate orphans</li> </ul>	
Turnarounds & Corporate Reorganization	<ul style="list-style-type: none"> <li>Situations that will necessitate active involvement in the reorganization process</li> <li>Crisis management expertise</li> <li>Operational overhaul</li> <li>Negative cash flow</li> </ul>	

All of the Funds' prior and current portfolio company investments presented herein are shown for illustrative purposes only to provide examples of capital solutions take by Stellex. Examples list all of the Funds' prior and current portfolio companies as of December 31, 2023, and does not include any new portfolio companies after such date. This slide should not be construed as a recommendation of any particular investment or security. This slide does not reflect subsequent investments or events. Past performance is not indicative of future performance and there can be no guarantee any of the investment objectives described herein will be achieved.



# Striving to Create Value from Entry to Exit

*Utilizing a network of 300+ Operators, aligned to seek success through a two-pronged approach*

## Deal Team

 Sourcing	 Diligence	 Active Management	 Exit
<ul style="list-style-type: none"> <li>Senior team members are expected to use their sector expertise and experience, in conjunction with extensive and deep-rooted networks, to continually assess opportunities</li> <li>Deal Leads generate thematic analyses to develop investment ideas, uncovering opportunities with value creation potential and completing initial analysis</li> </ul>	<ul style="list-style-type: none"> <li>Once in due diligence, the Deal Team is responsible for completing extensive review and collating detailed investment theses, operational and value creation plans, as well as cross-referencing these with other experts</li> <li>A comprehensive memo is presented to the IC by the deal team, with support from Operators</li> </ul>	<ul style="list-style-type: none"> <li>Deal Teams take a ‘hands-on’ role in each company, with majority positions and Board control to ensure implementation and execution of value creation plans</li> <li>Stellex Deal Teams work intensively to execute plans within the first 12-18 months, allowing enough time to see expected results come through in the P&amp;L of the business</li> </ul>	<ul style="list-style-type: none"> <li>Deal leads consistently review market dynamics to ensure the best exit potential, with most investments sold to strategic buyers or financial sponsors</li> <li>We believe Stellex’s known ability to acquire companies favourably, before executing extensive value creation, means companies often receive early inbound interest</li> </ul>

## Operators

<ul style="list-style-type: none"> <li>Stellex’s on-the-ground presence facilitates connectivity with Operators outside of typical Wall Street intermediated processes</li> <li>Operators have a close pulse on opportunities through their networks and prior experience</li> </ul>	<ul style="list-style-type: none"> <li>Operators are expected to be in the trenches conducting due diligence right alongside our deal team</li> <li>Operators may attend IC meetings to present investment opportunity and diligence findings alongside Deal Team</li> </ul>	<ul style="list-style-type: none"> <li>Operators may be encouraged to spearhead “operational diagnostic” evaluation, establishing required changes and improvements for target investments as an integral part of the investment thesis</li> <li>Operators may continue to deliver their industry expertise to portfolio companies by assuming C-suite roles and Board Seats</li> </ul>	<ul style="list-style-type: none"> <li>Operators are expected to remain true partners with Deal Team members, and may manage portfolio companies throughout duration of Stellex ownership through to exit</li> <li>We believe our Operators are additive to our team’s ever evolving industry expertise</li> </ul>
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Past successful sourcing and exits, does not guarantee nor is indicative of future sourcing potential or exits. Past performance is not indicative of future results. Stellex’s Operators are independent of and not exclusive to Stellex. There can be no assurances or guarantees that any investment objectives will be realized or any investment strategy will prove successful.

# Key Levers of Value Creation



## Operations

- **Safety:** Culture, Compliance
- **Quality:** Lean Implementation, Continuous Improvement
- **Delivery:** Capacity Planning
- **Cost:** Fixed and Variable Costs
- **Performance:** Operating System. Operating Efficiency



Transitioned from cost-plus to fixed price contracts



## Human Resources

- **Organization:** Right People on the Bus, Policies and Procedures Handbook
- **Engagement and Retention:** Recruiting, On-Boarding, Incentives, Training
- **Compliance:** 401K, I9, ADA, FCPA
- **Cost:** Health and Benefits, Workers Compensation



Top-graded talent of the organization: CEO and BOD "got the right people on the bus"



## Information Technology

- **Infrastructure:** Updating EOL Hardware, Remote Access / VPNs
- **Applications:** ERP, Software License Management, Business Intelligence
- **Security:** Cyber, Disaster Recovery
- **Scalability:** Training and User Counts, Latency and Response Times



Implemented proprietary and centralized inventory management system



## Supply Chain Management

- **Working Capital Efficiency:** Vendor Managed Inventory, Improve inventory turns
- **Cost Reductions:** Pareto of all direct and indirect costs, annual negotiations, new supplier qualifications
- **Professional Management:** contingency planning, market testing



Close look through all vendor relationships in an effort to improve inefficiencies



## Sales

- **Pricing:** Pricing Strategy, Loss Recovery, Pass Through Positioning
- **Competitive Positioning:** Benchmarking, Reasons for Win / Loss
- **Sales Administration:** Quoting Model, Targeting, Sales Incentives
- **Market:** Trends (Industry / Customer), \$ opportunities Quantified



Targeted price increases based on EOQ (Economic Order Quantities) and part complexity



## Measurement

- **FP&A:** KPI Dashboards, 13-week Cash Rolling Forecasts, Annual Budgets
- **Bookkeeping / Reporting:** Standards Roll, Month End Closing, Audit
- **Profitability Analysis:** SKU rationalization, working capital efficiency



Cost of manufacturing analysis

Past and current portfolio companies referenced on this page were chosen as Stellex believes these companies best illustrate the respective value creation levers listed. References to the investments herein should not be construed as a recommendation of any particular investment or security. The levers and characteristics set forth are aspirational only and should not be considered a guarantee that such results will be achieved. Past performance is not indicative of future performance and there can be no assurances or guarantees that any investment objectives will be realized or any investment strategy will prove successful.

# Fund I: Summary Investment Schedule

## Stellex Capital Partners LP & Stellex Capital Investors LP Summary Investment Schedule (1)

As of December 31, 2023

Amounts in millions of US Dollars

	Invested Capital (2)	Cash Received (3)	Remaining FMV (4)	Total Value (5)	Gross MOIC (6)	Gross IRR (7)	Gross DVPI (8)	Hypothetical Net MOIC (17)	Hypothetical Net IRR (18)
Total Realized Investments	\$ 219.1	\$ 956.4	\$ 19.8	\$ 976.2	4.45x	70.8%	4.36x	3.31x	41.1%
Total Unrealized Investments	\$ 534.5	\$ 29.8	\$ 913.0	\$ 942.9	1.76x	13.3%	0.06x	1.31x	7.7%
<b>Total Investment Activity</b>	<b>\$ 730.8</b>	<b>\$ 983.3</b>	<b>\$ 913.0</b>	<b>\$ 1,896.3</b>	<b>2.59x</b>	<b>36.1%</b>	<b>1.35x</b>	<b>1.93x</b>	<b>21.0%</b>
	Capital Contributions (9)	Capital Distributions (10)	LP NAV (11)	LP Total Value (12)	Net MOIC (13)	Net DVPI (14)	Net IRR (15, 16)	Unlevered Net IRR (15)	
Stellex Capital Partners LP & Stellex Capital Investors LP	\$ 841.6	\$ 849.8	\$ 841.2	\$ 1,690.9	2.01x	1.01x	23.7%	23.0%	

Note: Please see next two pages for important notes, and this investment schedule must be read in conjunction with these notes. Past performance is not indicative of future performance and there is no guarantee or assurances that any investment objectives will be realized or any investment strategy will prove successful. All returns on unrealized investments are estimates based on subjective assumptions and allocations of fees and expenses that Stellex believes to be reasonable under the circumstances. No investor received any such returns, which are hypothetical and provided for illustrative purposes only to assist investors in their evaluation of the risk-return profile of Stellex's investment strategy. Stellex is available to discuss such hypothetical model upon request. Fair value is net of all third-party debt. Investments are and may be funded, even partially, through fund supported debt and (i.e., a line of credit) are not included in all returns. Unlevered returns will be lower than those presented herein, and may be significant. **The unlevered Net IRR equals 23.0%.**

# Fund I: Summary Investment Schedule

(1) **Past performance is not indicative of future performance and there is no guarantee or assurances that any investment objectives will be realized or any investment strategy will prove successful.** All returns on unrealized investments are estimates based on subjective assumptions and allocations of fees and expenses that Stellex believes to be reasonable under the circumstances. Performance figures do not reflect any events subsequent to the as-of date of this schedule, including the continued impact of COVID-19 and any potential or actual deterioration of economic or market conditions. The full impact of COVID-19 and market conditions are particularly uncertain and difficult to predict and may have an adverse effect on the future aggregate investment performance and certain or all of the individual investments described herein. The actual return realized by any investor in the Fund is likely to differ, even materially, from those reflected or contemplated in the data presented herein. Such returns are hypothetical and provided for illustrative purposes only to assist investors in their evaluation of the risk-return profile of Stellex's investment strategy. Stellex is available to discuss such hypothetical model upon request. Fair value is net of all third-party debt. Investments are and may be funded, even partially or to temporarily invest in a portfolio company to bridge liquidity, through fund supported debt and (i.e., a line of credit) are not included in these returns. These unlevered returns will be lower than those presented herein and may be significant. The performance of an individual investor may and likely will differ from fund-level returns due to factors including, but not limited to, (i) the timing of an investor's capital contributions, including as a result of a later subscription and related charges, (ii) various structuring elections, including the use of one or more blocker entities on a particular transaction that were not common to all investors or other tax determinations, (iii) differences in fees or expenses allocable to certain investors as a result of taxes or other considerations, (iv) the excuse or exclusion of an investor for one or more of the Fund's investments and (v) Stellex's use of a subscription credit facility and its effect on returns. In addition, investments made by certain investors are subject to waived or reduced management fees and/or carried interest, and such investors would typically experience higher net returns than investors subject to the full amount of fees and carried interest. Net performance for individual investments cannot be calculated without making arbitrary assumptions including about the allocations of fees and expenses, and for that reason are not included herein. Figures herein are based on valuations calculated by Stellex and are based on certain assumptions and analyses made by Stellex. There is no guarantee that realized performance will be achieved or that an investment will not result in a loss, including a total loss of investment. **The unlevered Net IRR equals 23.0%.**

(2) Invested Capital includes capital contributions made by all Partners, including the General Partner, and does not include interim borrowings on the Fund's subscription credit facilities, which may be significant and affect returns.

(3) Cash Received represents cash proceeds received by Fund I.

(4) Remaining Fair Market Value amounts are determined in accordance with Stellex's internal Valuation Policy, are unaudited and subject to change. The values are based off of the preceding quarter and do not reflect subsequent events, which may be material. Further, these values may not necessarily reflect the value that could be realized upon sale. Such values do not reflect fees, expenses and carried interest that will reduce the value of returns experienced by Stellex investors. Please refer to the Fund's financial statements and Valuation Policy provided in the data room to all Fund I investors.

(5) Total Value means the sum of Total Realized Proceeds and Unrealized Value. "Total Realized Proceeds" means the sum of gross proceeds generated from such investment, including, without limitation, through dispositions of such investment or cash dividends and/or interest received in respect of such investment, in each case, prior to payment of advisory fees, performance compensation and other expenses in connection with such investment which, in the aggregate, may be substantial. Total Realized Proceeds will (as applicable) also include the discount or premium received when purchasing a bond or loan. "Unrealized Value" means, with respect to each investment, the fair value of the unrealized portion of such investment as determined by Stellex as of the date noted above, which determination may be based on material assumptions. There can be no assurance that the assumptions used by Stellex are correct or that the fair value determined by Stellex for an unrealized portion of an investment will be ultimately realized. The actual realized returns of the unrealized portion of an investment will depend upon, among other factors, future operating results, the value of such unrealized portion and market conditions at the time of disposition of such unrealized portion, any related transaction costs and the timing and manner of sale, each of which may differ from the assumptions on which the values contained herein are based.

(6) Gross MOIC equals Total Value divided by Invested Capital. Gross MOIC does not reflect reduction of management fees, taxes, partnership expenses, carried interest, benefit of the use of a subscription credit facility and other expenses that are borne by investors, which will reduce returns and in the aggregate are expected to be substantial. For more information on fees and expenses, please see Stellex's Form ADV Part 2A and your respective offering documents.

(7) Gross IRR means an aggregate, annual, compound, gross internal rate of return on investments. Gross IRRs and other gross multiples do not reflect reduction of management fees, taxes, partnership expenses, carried interest, benefit of the use of a subscription credit facility and other expenses that are borne by investors, which will reduce returns and in the aggregate are expected to be substantial. Except if otherwise indicated, IRRs are calculated using internal valuations, which are unaudited and subject to change.

(8) Capital Contributions consists of aggregate capital contributions made by the Limited Partners, excluding amounts drawn down on the Fund's subscription credit facility.

# Fund I: Summary Investment Schedule (Cont'd)

(9) Capital Distributions consists of aggregate distributions made by the Fund to the Limited Partners, net of any recalled distributions.

(10) LP NAV equals the sum of Limited Partners NAV of Stellex Capital Partners LP and Stellex Capital Investors LP taken from period-end balance sheets.

(11) LP Total Value means Cash Distributions plus LP NAV.

(12) Net MOIC equals LP Total Value divided by Capital Contributions.

(13) Net DVPI equals Capital Distributions divided by Capital Contributions.

(14) Net IRR means an aggregate, annual, compound, internal rate of return on investments net of management fees, taxes, partnership expenses, carried interest and other expenses that are borne by investors in connection with the disposition of unrealized (or partially realized) investments and other expenses that are borne by investors.

(15) In addition to footnote (14), Unlevered Net IRR includes line of credit drawdowns as Capital Contributions, line of credit paydowns as Capital Distributions, and any fees associated with the line of credit as an increase to Net Asset Value.

(16) Hypothetical Net MOIC equals highest fee paying investor Gross MOIC multiplied by highest fee paying investor MOIC gross-net-discount-factor ("GNDF") ratio  $((\text{Fund I GNDF Net MOIC} \times \text{Fund I Commitment} / (\text{Fund I} + \text{Fund II Commitment})) + (\text{Fund II GNDF Net MOIC} \times \text{Fund II Commitment} / (\text{Fund I} + \text{Fund II Commitment})) = \text{Weighted Net MOIC}) / ((\text{Fund I GNDF Gross MOIC} \times \text{Fund I Commitment} / (\text{Fund I} + \text{Fund II Commitment})) + (\text{Fund II GNDF Gross MOIC} \times \text{Fund II Commitment} / (\text{Fund I} + \text{Fund II Commitment})) = \text{Weighted Gross MOIC}) = \text{Weight MOIC Ratio ("WMR")}$ . As is the case with any performance model, there are significant limitations on the application and uses of these hypothetical fees and expenses in calculating performance returns. Actual net returns may differ materially from any hypothetical net returns presented herein.

(17) Hypothetical Net IRR equals highest fee-paying investor Gross IRR multiplied by highest fee paying investor IRR GNDF. As is the case with any performance model, there are significant limitations on the application and uses of these hypothetical fees and expenses in calculating performance returns. Actual net returns may differ materially from any hypothetical net returns presented herein.

# Fund II: Summary Investment Schedule

## Stellex Capital Partners II LP & Stellex Capital Partners II-A LP Summary Investment Schedule (1)

As of December 31, 2023

Amounts in millions of US Dollars

	Invested Capital (2)	Cash Received (3)	Remaining FMV (4)	Total Value (5)	Gross MOIC (6)	Gross IRR (7)	Gross DVPI (8)	Hypothetical Net MOIC (17)	Hypothetical Net IRR (18)
Total Realized Investments	\$ 19.8	\$ 73.4	\$ -	\$ 73.4	3.71x	775.9%	3.71x	3.28x	357.3%
Total Unrealized Investments	\$ 1,097.9	\$ 23.9	\$ 1,337.4	\$ 1,361.2	1.24x	15.2%	0.02x	1.10x	7.0%
<b>Total Investment Activity</b>	<b>\$ 1,117.7</b>	<b>\$ 97.3</b>	<b>\$ 1,337.4</b>	<b>\$ 1,434.6</b>	<b>1.28x</b>	<b>18.7%</b>	<b>0.09x</b>	<b>1.14x</b>	<b>8.6%</b>

	Capital Contributions (9)	Capital Distributions (10)	LP NAV (11)	LP Total Value (12)	Net MOIC (13)	Net DVPI (14)	Net IRR (15, 16)	Unlevered Net IRR (15)
Stellex Capital Partners LP & Stellex Capital Investors LP	\$ 1,194.3	\$ 88.0	\$ 1,283.9	\$ 1,371.9	1.15x	0.07x	9.4%	7.8%

Note: Please see next two pages for important notes, and this investment schedule must be read in conjunction with these notes. Past performance is not indicative of future performance and there is no guarantee or assurances that any investment objectives will be realized or any investment strategy will prove successful. All returns on unrealized investments are estimates based on subjective assumptions and allocations of fees and expenses that Stellex believes to be reasonable under the circumstances. No investor received any such returns, which are hypothetical and provided for illustrative purposes only to assist investors in their evaluation of the risk-return profile of Stellex's investment strategy. Stellex is available to discuss such hypothetical model upon request. Fair value is net of all third-party debt. Investments are and may be funded, even partially, through fund supported debt and (i.e., a line of credit) are not included in all returns. Unlevered returns will be lower than those presented herein, and may be significant. **Unlevered Net IRR equals 7.8%.**

# Fund II: Summary Investment Schedule

- (1) **Past performance is not indicative of future performance and there is no guarantee or assurances that any investment objectives will be realized or any investment strategy will prove successful.** All returns on unrealized investments are estimates based on subjective assumptions and allocations of fees and expenses that Stellex believes to be reasonable under the circumstances. Performance figures do not reflect any events subsequent to the as-of date of this schedule, including the continued impact of COVID-19 and any potential or actual deterioration of economic or market conditions. The full impact of COVID-19 and market conditions are particularly uncertain and difficult to predict and may have an adverse effect on the future aggregate investment performance and certain or all of the individual investments described herein. The actual return realized by any investor in the Fund is likely to differ, even materially, from those reflected or contemplated in the data presented herein. Such returns are hypothetical and provided for illustrative purposes only to assist investors in their evaluation of the risk-return profile of Stellex's investment strategy. Stellex is available to discuss such hypothetical model upon request. Fair value is net of all third-party debt. Investments are and may be funded, even partially or to temporarily invest in a portfolio company to bridge liquidity, through fund supported debt and (i.e., a line of credit) are not included in these returns. These unlevered returns will be lower than those presented herein and may be significant. The performance of an individual investor may and likely will differ from fund-level returns due to factors including, but not limited to, (i) the timing of an investor's capital contributions, including as a result of a later subscription and related charges, (ii) various structuring elections, including the use of one or more blocker entities on a particular transaction that were not common to all investors or other tax determinations, (iii) differences in fees or expenses allocable to certain investors as a result of taxes or other considerations, (iv) the excuse or exclusion of an investor for one or more of the Fund's investments and (v) Stellex's use of a subscription credit facility and its effect on returns. In addition, investments made by certain investors are subject to waived or reduced management fees and/or carried interest, and such investors would typically experience higher net returns than investors subject to the full amount of fees and carried interest. Net performance for individual investments cannot be calculated without making arbitrary assumptions including about the allocations of fees and expenses, and for that reason are not included herein. Figures herein are based on valuations calculated by Stellex and are based on certain assumptions and analyses made by Stellex. There is no guarantee that realized performance will be achieved or that an investment will not result in a loss, including a total loss of investment. **The unlevered Net IRR equals 7.8%.**
- (2) Invested Capital includes capital contributions made by all Partners, including the General Partner, and does not include interim borrowings on the Fund's subscription credit facilities, which may be significant and affect returns.
- (3) Cash Received represents cash proceeds received by Fund II.
- (4) Remaining Fair Market Value amounts are determined in accordance with Stellex's internal Valuation Policy, are unaudited and subject to change. The values are based off of the preceding quarter and do not reflect subsequent events, which may be material. Further, these values may not necessarily reflect the value that could be realized upon sale. Such values do not reflect fees, expenses and carried interest that will reduce the value of returns experienced by Stellex investors. Please refer to the Fund's financial statements and Valuation Policy provided in the data room to all Fund I investors.
- (5) Total Value means the sum of Total Realized Proceeds and Unrealized Value. "Total Realized Proceeds" means the sum of gross proceeds generated from such investment, including, without limitation, through dispositions of such investment or cash dividends and/or interest received in respect of such investment, in each case, prior to payment of advisory fees, performance compensation and other expenses in connection with such investment which, in the aggregate, may be substantial. Total Realized Proceeds will (as applicable) also include the discount or premium received when purchasing a bond or loan. "Unrealized Value" means, with respect to each investment, the fair value of the unrealized portion of such investment as determined by Stellex as of the date noted above, which determination may be based on material assumptions. There can be no assurance that the assumptions used by Stellex are correct or that the fair value determined by Stellex for an unrealized portion of an investment will be ultimately realized. The actual realized returns of the unrealized portion of an investment will depend upon, among other factors, future operating results, the value of such unrealized portion and market conditions at the time of disposition of such unrealized portion, any related transaction costs and the timing and manner of sale, each of which may differ from the assumptions on which the values contained herein are based.
- (6) Gross MOIC equals Total Value divided by Invested Capital. Gross MOIC does not reflect reduction of management fees, taxes, partnership expenses, carried interest, benefit of the use of a subscription credit facility and other expenses that are borne by investors, which will reduce returns and in the aggregate are expected to be substantial. For more information on fees and expenses, please see Stellex's Form ADV Part 2A and your respective offering documents.
- (7) Gross IRR means an aggregate, annual, compound, gross internal rate of return on investments. Gross IRRs and other gross multiples do not reflect reduction of management fees, taxes, partnership expenses, carried interest, benefit of the use of a subscription credit facility and other expenses that are borne by investors, which will reduce returns and in the aggregate are expected to be substantial. Except if otherwise indicated, IRRs are calculated using internal valuations, which are unaudited and subject to change.
- (8) Capital Contributions consists of aggregate capital contributions made by the Limited Partners, excluding amounts drawn down on the Fund's subscription credit facility.

# Fund II: Summary Investment Schedule (Cont'd)

(9) Capital Distributions consists of aggregate distributions made by the Fund to the Limited Partners, net of any recalled distributions.

(10) LP NAV equals the sum of Limited Partners NAV of Stellex Capital Partners II LP and Stellex Capital Partners II-A LP taken from period-end balance sheets.

(11) LP Total Value means Cash Distributions plus LP NAV.

(12) Net MOIC equals LP Total Value divided by Capital Contributions.

(13) Net DVPI equals Capital Distributions divided by Capital Contributions.

(14) Net IRR means an aggregate, annual, compound, internal rate of return on investments net of management fees, taxes, partnership expenses, carried interest and other expenses that are borne by investors in connection with the disposition of unrealized (or partially realized) investments and other expenses that are borne by investors.

(15) In addition to footnote (14), Unlevered Net IRR includes line of credit drawdowns as Capital Contributions, line of credit paydowns as Capital Distributions, and any fees associated with the line of credit as an increase to Net Asset Value.

(16) Hypothetical Net MOIC equals highest fee paying investor Gross MOIC multiplied by highest fee paying investor MOIC gross-net-discount-factor ("GNDF") ratio  $((\text{Fund I GNDF Net MOIC} \times \text{Fund I Commitment} / (\text{Fund I} + \text{Fund II Commitment})) + (\text{Fund II GNDF Net MOIC} \times \text{Fund II Commitment} / (\text{Fund I} + \text{Fund II Commitment})) = \text{Weighted Net MOIC}) / ((\text{Fund I GNDF Gross MOIC} \times \text{Fund I Commitment} / (\text{Fund I} + \text{Fund II Commitment})) + (\text{Fund II GNDF Gross MOIC} \times \text{Fund II Commitment} / (\text{Fund I} + \text{Fund II Commitment})) = \text{Weighted Gross MOIC}) = \text{Weight MOIC Ratio ("WMR")}$ . As is the case with any performance model, there are significant limitations on the application and uses of these hypothetical fees and expenses in calculating performance returns. Actual net returns may differ materially from any hypothetical net returns presented herein.

(17) Hypothetical Net IRR equals highest fee-paying investor Gross IRR multiplied by highest fee paying investor IRR GNDF. As is the case with any performance model, there are significant limitations on the application and uses of these hypothetical fees and expenses in calculating performance returns. Actual net returns may differ materially from any hypothetical net returns presented herein.



# stellex

CAPITAL MANAGEMENT

New York | London | Detroit | Pittsburgh



ERICK RUSSELL  
TREASURER

**State of Connecticut**  
Office of the Treasurer

SARAH SANDERS  
DEPUTY TREASURER

April 23, 2024

Members of the Investment Advisory Council ("IAC")

**Re: Oaktree Opportunities Fund XII, L.P.**

Dear Fellow IAC Member:

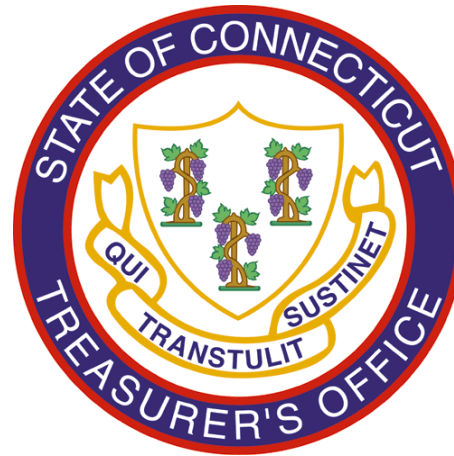
At the May 8, 2024 meeting of the IAC, I will present for your consideration an investment opportunity for the Private Credit Fund ("PCF") in the Connecticut Retirement Plans and Trust Funds (the "CRPTF"): Oaktree Opportunities Fund XII, L.P. ("Fund XII"). Fund XII is being raised by Oaktree Capital Management, L.P., an investment management firm based in Los Angeles.

I am considering a commitment of up to \$300 million to Fund XII, which utilizes a flexible mandate to target investments in durable businesses facing temporary financial or operating stress, well-performing companies needing a structured capital solution, and opportunities that develop through market dislocations. The experienced Oaktree Opportunities team has a long track record of generating strong risk-adjusted returns through both periods of market uncertainty and market expansion. In addition, the breadth and depth of the Oaktree platform will enable Fund XII to build a diversified portfolio and execute larger transactions with limited competition.

Attached for your review is the recommendation from Ted Wright, Chief Investment Officer, the due diligence report prepared by Hamilton Lane, and Oaktree's presentation. I look forward to our discussion of these materials at next week's meeting.

Sincerely,

Erick Russell  
State Treasurer



**Full Due Diligence Report**  
**Chief Investment Officer Recommendation**  
**April 19, 2024**  
**Oaktree Opportunities Fund XII, L.P.**

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# Executive Summary

## Oaktree Opportunities Fund XII

### Manager Overview

- Oaktree Capital Management, L.P. (“Oaktree” or the “Firm”)
- Formed in 1995
- Headquartered in Los Angeles, CA, with offices in 22 cities globally
- Oaktree has more than 1200 employees, including 69 investment professionals dedicated to the Opportunities Fund strategy
- \$189 billion of capital under management
- Brookfield Asset Management holds a 68% interest in the Firm, with the balance owned by current and former Oaktree affiliates.

### Fund Summary

- Oaktree Opportunities Fund XII, L.P. (“Fund XII”)
- Private Credit
- Special Situations
- Target/Hard Cap: \$18 billion / N/A
- GP Commitment: \$1 billion from Oaktree and its affiliates
- Management Fee: 1.6% of net invested capital (after a 0.1% fee discount with \$300mm commitment)
- Carried Interest: 20%
- Waterfall: European
- Preferred Return: 8%

### Strategic Fit

- Private Credit Fund (“PCF”)
- Recommended Commitment: \$300 million
- IPS Category: Special Situations
  - IPS Range for Special Situations: 0% - 40% of total PCF exposure.
  - Special Situations: Exposure: 12.1%, as of December 31, 2023
- PCF Strategic Pacing Plan
  - Long Term Special Situations targeted exposure: 20%-30%

# Recommendation

## Recommendation

- Based on the strategic fit within the PCF portfolio, as well as due diligence done by Pension Funds Management (“PFM”) investment professionals and Hamilton Lane, the Chief Investment Officer of the Connecticut Retirement Plans and Trust Funds (“CRPTF”) recommends consideration of a commitment of up to \$300 million to Oaktree Opportunities Fund XII, L.P.

## Investment Considerations

- The recommended commitment would allow the CRPTF to establish a relationship with and gain exposure to an experienced global manager with demonstrated expertise in special situations and distressed credit.
- With a flexible mandate, Oaktree has delivered strong risk-adjusted returns through its Opportunities Fund strategy through periods of market uncertainty and expansion.

# General Partner

## Background

- Oaktree was founded in 1995 by its five co-founders, Howard Marks, Bruce Karsh, Sheldon Stone, Larry Keele and Richard Masson as a spin-out from the TCW group. The co-founders had worked together since the 1980s.
- In 2024, Bob O’Leary and Armen Panossain were name Oaktree’s Co-CEOs.
- Headquartered in Los Angeles, Oaktree currently has more than 1,100 employees with offices in 22 cities globally.
- Since its formation, Oaktree has set its focus on alternative investments. Currently, Oaktree has \$189 billion under management across private and public credit, private equity, real assets, and public equity.

## Platform

- In September 2019, Brookfield Asset Management acquired an approximately 61.2% interest in the Firm, and anticipates acquiring additional interests annually, with the expectation to own 100% of the Firm over time.
- Oaktree operates independently from Brookfield Asset Management and is managed by its Executive Committee, which consists of Howard Marks, Bruce Karsh, Robert O’Leary, Armen Panossian, Todd Molz, and John Frank.

## Investment Team

- The Fund XII team will be led by Bob O’Leary and Pedro Urquidi and overseen by Oaktree’s Co-Chairman and CIO Bruce Karsh. Investment decisions are typically made through team consensus.
- O’Leary leads the investment team in North America and has been with Oaktree for 22 years. Urquidi leads the investment team in Europe and Asia and has been with Oaktree for 18 years.
- The Opportunities Fund has 69 dedicated investment professionals, which benefit from the broader Oaktree platform as well as from additional deal flow and market insights from the Brookfield platform.

# Investment Strategy

## Investment Approach

- Fund XII will opportunistically seek to invest in durable businesses facing financial or operating stress due to market dislocation, liquidity or leverage challenges, or requiring capital to facilitate an orderly restructuring.
- The Opportunities Funds focuses on non-control investments, while maintaining the capability to managing control situations if needed. Approximately 25% of the Opportunities Funds' historical returns were generated from control investments.
- Approximately two thirds of Opportunities Funds' investments were in North America.
- Over 60% of Opportunities Funds' investments were in senior positions.

## Market Opportunities

- With interest rates potentially staying higher for longer, many companies may encounter challenges in refinancing debts over Fund XII's investment period.
- During period of market expansion, Fund XII will opportunistically adjust its strategy and target structured capital solutions for non-distressed companies.
- The Opportunities Funds strategy deliberately focuses on larger opportunities, where limited competition allows Oaktree to obtain favorable terms by providing unique solutions to borrowers with large and complex capital needs.
  - Nearly 70% of Fund XII's current private pipeline is made up of opportunities larger than \$500 million.

## Portfolio Construction

- The Opportunities Fund strategy targets investments in seven key categories:
  - Distressed: Distressed liquid credit, rescue financings, DIP financings, exit financing.
  - Stressed: Loan portfolio, platform investment, bespoke capital solutions.
- Fund XII will include approximately 150 investments with average position size of \$180 million, targeting unlevered fund-level IRRs of 16% to 21% and TVM of 1.8x to 2.1x.
- The flexible mandate allows the ability to capture attractive investment opportunities across illiquid investments and liquid investments, with significant recycling utilized to generate stronger returns on investor capital.
  - Fund XII is expected to invest approximately 25% in liquid investments and 75% in illiquid investments.



# Track Record and Performance

- Since the inception of the Opportunities strategy in 1988, Oaktree has invested \$62 billion of capital across 26 Opportunistic Funds and had generated an aggregate gross IRR of 22% and net IRR of 16% as of December 31, 2023.
- As of December 31, 2023, the Opportunities Funds had generated attractive returns, with a net TVM of 1.5x in Fund VIII through Fund Xb.
  - The Opportunities strategy had achieved 1st quartile TVM and IRR rankings throughout the past decade and consistently outperformed the PCF benchmark (S&P/LSTA Leveraged Loan Index +150 basis points) on a public market equivalent basis.
  - The investment performance of Fund VIII through Fund XI, as of December 31, 2023, is compared with the Hamilton Lane Q3 2023 benchmark data in the table below, which are currently the latest benchmarks available. The quartile rankings remain the same when comparing Oaktree's September 30, 2023 performance against the Q3 2023 benchmark data.
  - Oaktree recycles and reinvests proceeds through a fund's investment period to drive higher returns on investor capital; the lower DPI ratios and quartile rankings for Fund Xb, for example, are expected to improve as the investment period has ended and the manager begins to fully realize portfolio holdings.
- Fund XI is developing at a steady pace, and the unrealized portfolio is largely held above or at cost.
- As of December 31, 2023, Fund XII has invested \$1.5 billion across 23 investments, with 93% of the investments in senior debt and 81% of the investments in North America.

(US\$ in millions, as of Dec 31, 2023)

Oaktree Opportunities Funds													
Investment Performance Summary													
Fund	Vintage Year	Fund Size	# Deals	Invested Capital	Realized Value	Unrealized Value	Total Value	Gross/Net			Quartile Rank		
								TVM	IRR	DPI	TVM	IRR	DPI
Oaktree Opportunities Fund VIII	2009	\$4,507	93	\$6,583	\$9,527	\$12	\$9,539	1.4x / 1.5x	12.9% / 9.1%	1.4x / 1.5x	2nd	4th	2nd
Oaktree Opportunities Fund VIIIb	2011	\$2,692	60	\$4,398	\$6,124	\$715	\$6,839	1.6x / 1.7x	11.1% / 8.2%	1.4x / 1.5x	2nd	2nd	1st
Oaktree Opportunities Fund IX	2013	\$5,066	109	\$8,439	\$9,594	\$3,622	\$13,216	1.6x / 1.8x	10.2% / 8.0%	1.1x / 1.1x	1st	1st	2nd
Oaktree Opportunities Fund X	2015	\$3,243	165	\$7,263	\$7,964	\$1,959	\$9,923	1.3x / 1.6x	14.6% / 9.3%	1.1x / 1.0x	1st	1st	2nd
Oaktree Opportunities Fund Xb	2018	\$8,563	361	\$18,836	\$13,957	\$10,119	\$24,075	1.3x / 1.5x	18.9% / 13.1%	0.7x / 0.0x	1st	1st	4th
Oaktree Opportunities Fund XI	2020	\$14,335	325	\$19,462	\$7,912	\$15,269	\$23,181	1.2x / 1.2x	17.0% / 11.4%	0.4x / 0.0x	2nd	2nd	4th
Composite		\$38,405	1113	\$64,981	\$55,077	\$31,696	\$86,773	1.3x / 1.5x	12.8% / 9.3%	0.8x / 0.6x			

Source: Oaktree, CRPTF, Quartile Rank based on Hamilton Lane Special Situations and Distressed Credit Benchmarks net returns (as of Sep 30, 2023).



# Strategic Allocation and Pacing Plan

## Oaktree Opportunities Fund XII, L.P.

- The Fund XII investment strategy falls under the Special Situations sub-strategy allocation of the PCF, and the Fund XII opportunity represents the first Special Situation commitment recommendation in 2024.
  - The IPS sets a target allocation of 0% to 30% for Special Situations investments within the PCF portfolio based on total exposure, defined as market value plus unfunded commitments.
  - The Special Situations strategy represented approximately 12.1% of the PCF's total exposure as of December 31, 2023.

### PCF - 2024 Investment Activities & Summary Pacing Plan Targets

Pacing Plan Target Ranges	Substrategy										Total
	Senior		Mezzanine		Special Situations		Distressed		Co-Investments		
Total Commitments	\$1,000	\$1,200	\$200	\$400	\$400	\$600	\$200	\$400	\$0	\$320	\$2,000
Commitment Size	\$150	\$225	\$200	\$300	\$100	\$400	\$200	\$300	\$0	\$320	
Number of Commitments	4	6	1	2	1	3	1	2	1	1	6 to 10
<b>Investment / Status</b>											
CG Europe Mid-Market II - closed			\$159								
ICG North American Credit Partners III - closed			\$125								
ICG CT Co-Investment - closed			\$159								
ICG Liquid Credit Strategies - closed	\$200										
<b>Oaktree Opportunities Fund XII - recommendation</b>					\$300						
Capital Commitments	\$200		\$443		\$300		\$0		\$0		\$943
Number of Commitments	1		3		1		0		0		5

# Strategic Allocation and Pacing Plan (Cont.)

## Oaktree Opportunities Fund XII, L.P.

- The recommended commitment to Fund XII aligns well with several PCF strategic pacing plan objectives as noted below:
  - Increasing the PCF's long-term exposure to Special Situations investments of 20% to 30%.
  - Enhancing diversification of the PCF portfolio with an experienced manager with a robust global platform.
  - The Fund XII strategy presents an opportunity to benefit from strong risk adjusted returns through a strategy providing solid downside protection.

- The recommended Oaktree Opportunities Fund XII commitment is within IPS Compliance thresholds as reflected in the table.

IPS PCF Category	IPS Guidelines	Current PCF Exposure
Special Situations	0 - 40%	12.1%
IPS Fund Diversification	IPS Maximum	CRPTF Commitment/Commingled Fund Total Commitments
CRPTF Share of Commingled Fund's Capital Commitments	33%	1.7%
IPS Manager Diversification	IPS Maximum	Exposure w/ Recommended Commitments <sup>1</sup>
CRPTF share of Manager AUM	20%	<0.1%
Manager share of CRPTF Private Credit Exposure	25%	5.9%

<sup>1</sup> CRPTF exposure calculations based on NAV plus unfunded commitments as of December 31, 2023 adjusted for 2024 recommendations and any commitments closed since December 31, 2023.

# Strengths and Rationale

## Proven Strength in Special Situations and Distressed Credit

- Oaktree is a highly experienced opportunistic and distressed credit manager with a branded global platform, 77 dedicated Opportunities Fund investment professionals, and robust restructuring expertise.
- The Opportunities Fund strategy has been consistently led by the same team, comprised of Bruce Karsh, Bob O’Leary, and Pedro Urquidi, with demonstrated success investing through periods of market and economic disruption, including the global financial crisis and the 2020 market crisis.

## Established Market Differentiation

- With an expected investment size of \$150 million to \$200 million, the capability to execute large tractions allows Fund XII to pursue opportunities with relatively limited competition.
- The breadth and depth of the investment platform will allow Fund XII to build a diversified portfolio of over 150 investments and tactically adjust its investment approaches, as well as capturing attractive opportunities across sectors, geography, and company characteristics.

## Focus on Downside Protection

- The majority of Fund XII investments will be at the top of the capital structure, similar to the investment approach of prior Opportunities Funds.
- Oaktree maintains consistent underwriting discipline, covenant packages, and various structural provisions.
- While the Opportunities strategy is not a loan-to-own strategy, the team has strong expertise in corporate restructuring, which further limits the downside.

# Key Risks and Mitigants

## Inherent Risk Embedded in Distressed Debt Investments

- The majority of investment opportunities Fund XII will target represent higher risks than strategies focused on performing credit.
- The portfolio construction of Fund XII will include substantial first lien and senior secured investments with downside protections.
- The Oaktree team is seasoned in corporate restructuring, with strong experience in capital preservation and loss mitigation.
- Historically, the Opportunities strategy has had a 91% profit-to-loss ratio.

## Risk Related to Market Conditions

- The return profiles of older Opportunities Funds have been impacted by prevailing market conditions, including stronger performance during distressed market cycles and more muted performance during benign credit and macro environments.
- Oaktree has refined the Opportunities Fund strategy to focus on providing flexible capital solutions, allowing the Firm to effectively deploys capital into attractive opportunities across various market conditions.
- The current environment is expected to remain favorable for Fund XII due to the number of companies facing prolonged periods of higher interest rates, dealing with overleveraged balance sheets, and the upcoming debt maturity wall in 2025 and 2026.

# Fundraising and Key Terms Summary

Target Size / Hard Cap	<ul style="list-style-type: none"> <li>\$18 billion /N.A.</li> </ul>
GP Commitment	<ul style="list-style-type: none"> <li>\$1 billion from Oaktree and its affiliates</li> </ul>
Fundraising Status	<ul style="list-style-type: none"> <li>\$10 billion closed and committed</li> </ul>
Target Final Close	<ul style="list-style-type: none"> <li>September 2024</li> </ul>
Fund Term	<ul style="list-style-type: none"> <li>10 years, five one-year extensions at the discretion of the General Partner; additional one-year extension with approval from limited partners.</li> </ul>
Investment Period	<ul style="list-style-type: none"> <li>3 years</li> </ul>
Management Fee	<ul style="list-style-type: none"> <li>1.6% of net invested capital</li> </ul>
Fee Discounts & Offsets	<ul style="list-style-type: none"> <li>0.1% fee discount at the \$300mm commitment level</li> </ul>
Carry & Waterfall Type	<ul style="list-style-type: none"> <li>20% / European waterfall</li> </ul>
Preferred Return	<ul style="list-style-type: none"> <li>8%</li> </ul>
GP Catch-up	<ul style="list-style-type: none"> <li>80%</li> </ul>
Clawback	<ul style="list-style-type: none"> <li>Yes</li> </ul>

## Additional Provisions

An LPAC seat will be provided to Connecticut at the \$300mm commitment level.

# Legal and Regulatory Disclosure

## Oaktree Capital Management, L.P. (“Oaktree”)

In its disclosure to the Office of the Treasurer, Oaktree Capital Management, L.P. (“Oaktree”), states that the SEC initiated a routine examination on November 11, 2021. The investigation concerned potential conflicts relating to the calculation of management fees. The SEC noted two areas where additional disclosure may have been warranted: (i) the restructuring of a portfolio company and (ii) continuing to hold an investment that has been written down to zero (but not written off). Following the SEC’s inquiry, Oaktree has enhanced its disclosures. The examination was closed by the SEC in August 2022. Oaktree states it has no claims under its fidelity, fiduciary or E&O insurance policies, and no ongoing internal investigations to report. Oaktree states it has adequate procedures in place to undertake internal investigations of its employees, officers and directors.

# Compliance and Diversity Review

Oaktree Capital Management, L.P. (“Oaktree”)

## Compliance Certifications and Disclosures

Oaktree disclosed no campaign contributions, known conflicts or gifts and no impermissible third-party fees. The firm reports typical management fees, administrator fees, audit fees, tax preparation fees, legal expenses and consulting fees, which are permissible under C.G.S. 3-131(b)(1)(2).

## Commitment to Diversity

### *Employees –*

The firm reports multiple firm-wide initiatives to enhance recruiting, leadership development, compensation and employee engagement across its workforce such as listing career postings with a number of organizations which include the National Association of Black Accountants, ALPHA, Ascend, Women in Institutional Investing, 100 women in Finance, SEO, MLT, Girls Who Invest and Out for Undergrad. The firm also has a D&I Mentorship Program to pair mentees based on their professional goals.

### *Industry*

The firm is a founding sponsor of AltFinance, a non-profit joint initiative between Oaktree, Ares and Apollo focused on building pathways into alternatives for students at Historically Black Colleges and Universities. The firm supports several other organizations, including Girls Who Invest, Phelps Forward, SEO (Seizing Every Opportunity; MLT (Management Leadership for Tomorrow), Posse Foundation; GAIN (Girls Are Investors), Women’s Awareness Initiative, Women in Institutional Investments Network, Level 20, Pension Real Estate Association Foundation, WAVE and Out for Undergrad. The firm has an early access and education program called the Oaktree Future Leaders program which is a credit intensive two-day boot camp for college juniors and seniors.

### *Vendors*

Oaktree has recently implemented a Vendor Management Program, which includes a supplier diversity initiative which includes selecting a new vendor management system of record capable of categorizing and reporting supplier diversity characteristics.

## Nexus to Connecticut

Oaktree reported 47 employees based in CT.



# Compliance and Diversity Review

Oaktree Capital Management, L.P. ("Oaktree")

## Workforce Diversity

Oaktree provided data as of December 31, 2023

- 874 total employees, a 16% increase from 2021
- The proportion of women and minority Executives and Managers remained fairly constant
- The proportion of women Professionals remained largely consistent, moving closer towards gender parity
- The number of minority Professionals increased slightly
- The proportion of minority Professionals is strong

### WOMEN

	EXEC	MGMT	PROF	FIRM
<b>2023</b>	<b>20%</b> 38 of 189	<b>26%</b> 76 of 298	<b>46%</b> 228 of 498	<b>43%</b> 379 of 874
<b>2022</b>	<b>22%</b> 39 of 189	<b>25%</b> 68 of 272	<b>45%</b> 206 of 456	<b>44%</b> 356 of 817
<b>2021</b>	<b>19%</b> 31 of 165	<b>25%</b> 60 of 244	<b>44%</b> 187 of 423	<b>43%</b> 323 of 751

### MINORITIES<sup>1</sup>

	EXEC	MGMT	PROF	FIRM
<b>2023</b>	<b>29%</b> 55 of 189	<b>34%</b> 100 of 298	<b>58%</b> 290 of 498	<b>51%</b> 442 of 874
<b>2022</b>	<b>30%</b> 54 of 181	<b>33%</b> 90 of 272	<b>58%</b> 264 of 456	<b>50%</b> 412 of 817
<b>2021</b>	<b>30%</b> 49 of 165	<b>34%</b> 84 of 244	<b>54%</b> 230 of 423	<b>48%</b> 363 of 751

1 2023 Minority breakdown: 55 exec (4 Black, 9 Hispanic, 39 Asian, 3 Two+); 100 mgmt (5 Black, 14 Hispanic, 74 Asian, 7 Two+); 290 prof (35 Black, 30 Hispanic, 202 Asian, 23 Two+)

Note: Firm totals include administrative staff, which are not included in sub-columns for Exec, Mgmt and Prof; therefore, the Firm totals do not equal the sum of other columns above. Further, Mgmt above includes all Executives.



# Environmental, Social and Governance Analysis

## Overall Assessment : Evaluation and Implementation of Sustainable Principles

The firm described a comprehensive approach to ESG integration. Each investment strategy is required to have an ESG Integration Plan that describes the implementation of Oaktree’s ESG Policy across the investment lifecycle. The firm focuses on a bottom-up approach that emphasizes risk monitoring, engagement, and data integrity.

Oaktree is a signatory of the UN Principles for Responsible Investment (UN PRI), the Partnership of Carbon Accounting Financials (PCAF), and the ESG Data Convergence Initiative (EDCI). The firm is also a supporter of the Task Force on Climate-related Financial Disclosures (TCFD) and GRESB. Oaktree’s Head of ESG oversees all ESG strategy for the firm, while the ESG Governance Committee ensures regular review and the overall execution of the ESG policy. The firm has hired an ample amount of dedicated ESG staff and offers a substantial breadth of training opportunities staff. Oaktree provides annual firmwide training on the best ESG practices and requires all new staff to complete ESG training as part of the onboarding process. The firm uses a variety of third-party data sources for ESG research including MSCI.

The firm does not have a policy specific to civilian firearms because civilian firearm manufacturers or retailers have not been a major focus area of its investment strategy.

Overall, the firm's disclosure demonstrated exemplary ESG integration.

## SCORE

1

Criteria	Response
Firm has an ESG policy	Yes
If Yes, firm described its ESG policy	Yes
If Yes, firm provided examples of ESG factors considered in the decision-making process, explained the financial impact of these ESG factors	Yes
Designated staff responsible for sustainability policies and research	Yes
Firm provides training/resources on sustainability issues, explained sources of ESG-related data	Yes
Signatory/member of sustainability-related initiatives or groups	Yes
Policy for evaluating current or prospective relationships with manufacturers or retailers of civilian firearms	No*

Criteria	Response
Policy that requires safe and responsible use, ownership or production of guns	No*
Enhanced screening of manufacturers or retailers of civilian firearms	No*
Enhance screening of any industry/sector subject to increased regulatory oversight, potential adverse social and/or environmental impact	Yes
Merchant credit relationship with retailers of civilian firearms and accessories	No*
If Yes, firm confirms compliance with laws governing firearms sales	N/A





# Oaktree Opportunities Fund XII, L.P.

Recommendation Report

March 2024

All information contained within this report has been gathered from sources believed to be reliable, including but not limited to the general partner(s), other industry participants and the Hamilton Lane Investment Database, but its accuracy cannot be guaranteed.

The information contained in this report may include forward-looking statements regarding the fund presented or its portfolio companies. Forward-looking statements include a number of risks, uncertainties and other factors beyond the control of the fund or the portfolio companies, which may result in material differences in actual results, performance or other expectations. The opinions, estimates and analyses reflect our current judgment, which may change in the future.

The past performance information contained in this report is not necessarily indicative of future results and there is no assurance that the fund will achieve comparable results or that it will be able to implement its investment strategy or achieve its investment objectives. The actual realized value of currently unrealized investments will depend on a variety of factors, including future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the current unrealized valuations are based.

Any tables, graphs or charts relating to past performance included in this report are intended only to illustrate the performance of the fund or the portfolio companies referred to for the historical periods shown. Such tables, graphs and charts are not intended to predict future performance and should not be used as the basis for an investment decision.

By accepting receipt of this investment report and in consideration of access to the information contained herein (together with the investment report, the “Confidential Information”), the recipient agrees to maintain the strict confidentiality of any and all Confidential Information in accordance with the terms of this paragraph. The recipient acknowledges that (i) the Confidential Information constitutes proprietary trade secrets, and (ii) disclosure of any Confidential Information may cause significant harm to Hamilton Lane Advisors, L.L.C. (“Hamilton Lane”), its affiliates or any of their respective businesses. Unless otherwise required by law, the recipient shall not disclose any Confidential Information to any third party. If required by law to disclose any Confidential Information, the recipient shall provide Hamilton Lane with prompt written notice of such requirement prior to any such disclosure so that Hamilton Lane may seek a protective order or other appropriate remedy. Prior to making any disclosure of any Confidential Information required by law, the recipient shall use its reasonable best efforts to claim any potential exemption to such requirement and otherwise shall limit disclosure only to such information that is necessary to comply with such requirement.

The calculations contained in this document are made by Hamilton Lane based on information provided by the general partner (e.g. cash flows and valuations), and have not been prepared, reviewed or approved by the general partner.

Stacked bar charts or pie charts presented in the Strategy section in this report may not equate to 100% per the data labels on the charts due to rounding; however, all stacked bar charts and pie charts equate to 100% using exact proportions.

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## Fund Information

Organization Overview	Fund Overview	Portfolio Construction
<p><b><u>General Partner:</u></b> Oaktree Capital Management, L.P. ("General Partner"), ("Oaktree")</p> <p><b><u>Firm Inception:</u></b> 1995</p> <p><b><u>Team</u><sup>1</sup>:</b> 69 dedicated investment professionals</p> <p><b><u>Senior Partners:</u></b> Bruce Karsh, Bob O’Leary and Pedro Urquidi</p> <p><b><u>Locations:</u></b> Los Angeles (headquarters), New York, London, Singapore, Hong Kong and 15 additional offices globally</p>	<p><b><u>Fund:</u></b> Oaktree Opportunities Fund XII, L.P. ("Fund")</p> <p><b><u>Target Size/Hard Cap:</u></b> \$18 billion/not provided</p> <p><b><u>Asset Class:</u></b> Private Credit</p> <p><b><u>Strategy:</u></b> Opportunistic Debt</p> <p><b><u>Substrategy:</u></b> Distressed Non-Control</p> <p><b><u>Geography:</u></b> Global</p> <p><b><u>Industries:</u></b> Diversified</p>	<p><b><u>Target Number of Investments:</u></b> Approximately 150</p> <p><b><u>Max Single Investment Exposure:</u></b> 15%</p> <p><b><u>Expected Hold Period Per Investment:</u></b> 1 to 5 years</p>

<sup>1</sup> As of 12/31/23

## Net Performance and Benchmarks

Oaktree Capital Management, L.P. Prior Investment Performance <sup>1</sup> As of 12/31/23								HL Benchmark Distressed Credit As of 9/30/23			PME Benchmark LSTA US + 150 bps As of 12/31/23	J-Curve Benchmark Distressed Credit As of 9/30/23
(\$mm)	Vintage	Fund Size	% Drawn <sup>2</sup>	DPI	TVPI	Net IRR	Quarters to Break J-Curve	Spread vs. Top-Quartile			Spread vs. PME	Comparison to Peers (quarters)
Fund								DPI	TVPI	Net IRR		
Fund VIII	2009	\$4,507	100%	1.5x	1.5x	9.1%	1	-0.1x	-0.1x	-925 bps	+250 bps	1 earlier
Fund VIII-B	2011	2,692	100%	1.5x	1.7x	8.2%	2	0.1x	-0.1x	-210 bps	+276 bps	Equal
Fund IX	2013	5,066	100%	1.1x	1.8x	8.0%	1	-0.2x	0.4x	+18 bps	+279 bps	1 earlier
Fund X	2015	3,243	93%	1.0x	1.5x	9.3%	3	-0.2x	0.0x	-2 bps	+354 bps	1 later
Fund X-B	2018	8,563	75%	0.0x	1.5x	13.1%	10	-0.9x	0.2x	+15 bps	+538 bps	8 later
Fund XI	2020	14,335	85%	0.0x	1.2x	11.4%	2	-0.5x	-0.1x	-233 bps	+232 bps	1 later
<b>Total</b>				<b>0.6x</b>	<b>1.5x</b>	<b>9.3%</b>					<b>+298 bps</b>	

## Fundraise Update

- As of 3/4/24, the General Partner had closed on approximately \$11 billion of aggregate commitments
- Interim close expected in late April 2024
- The General Partner is seeking final allocation amounts by July 2024 with intent to hold a final close in October 2024

<sup>1</sup> Capital Drawn, Capital Distributed and NAV are calculated from the cash flows of fee-paying limited partners and include any cash flows from the General Partner's commitment

<sup>2</sup> Percent drawn provided by the General Partner as of 12/31/23

# Executive Summary (cont.)

## Key Terms<sup>1</sup>

Term	Summary
<b>Investment Period</b>	3 years
<b>Fund Term</b>	10 years; + 5 one-year extensions at the discretion of the General Partner; + additional one-year extensions with limited partner approval
<b>GP Commitment</b>	5.6% (\$1.0 billion)
<b>Mgmt. Fee Activation</b>	Commensurate with the first investment
<b>Fee Discount</b>	Limited partners participating in the first close will receive a 10% discount
<b>Fee Offset</b>	100%
<b>Organization Expenses</b>	\$18 million
<b>Carry/Preferred Return</b>	20%/8%; full return of contributions
<b>GP Catch-up</b>	80%
<b>Clawback</b>	Yes

<sup>1</sup> Refers to the terms proposed by the General Partner as of March 2023; terms are subject to change during fundraising



## Investment Thesis

**Longstanding, highly experienced credit investor benefiting from a large-scale, global platform**

- Oaktree is a longstanding credit manager, investing in distressed opportunities since its inception in 1995 and developing a strong, global brand
- Portfolio Managers Bruce Karsh, Bob O'Leary and Pedro Urquidi lead the dedicated investment team and are highly experienced credit investors with deep structuring expertise who have been with the General Partner for over 17 years
- The dedicated investment team is robust and further benefits from the broader Oaktree platform, which includes additional investment and operations resources across several global offices

**Opportunistic distressed debt investor with an emphasis on downside protection**

- Oaktree is an opportunistic credit investor, primarily targeting liquid credit instruments and privately negotiated opportunities in financially stressed & distressed businesses with resilient cash flows and tangible asset value
- The General Partner's flexible mandate enables it to adjust its approach based on market conditions, leveraging its scale and global brand recognition to capitalize on distressed opportunities across market cycles
- Oaktree emphasizes downside protection, seeking senior secured positions at the top of the capital structure and adding structural provisions in each investment

**Consistent fund level performance with outsized returns during periods of market uncertainty**

- Oaktree has generated consistent risk-adjusted performance, with funds deployed during periods of market uncertainty and distressed environments outperforming peers
- The General Partner has developed a systematic approach to fund allocation, deployment and recycling, expecting near-term liquidity in Funds X-B and XI as they reach the end of their respective investment periods

## Need to Believe

### A distressed cycle will materialize during the investment period of the Fund

- The General Partner is raising its largest fund to date in anticipation of a sizable market downturn and distressed cycle
- Regardless of market conditions, Oaktree is well-equipped to deploy the larger fund size given its opportunistic approach and global scale
- In addition to stressed opportunities, the General Partner focuses on bespoke capital solutions and businesses facing complex situations and can swiftly adjust its approach based on market conditions

### Oaktree will remain disciplined when investing in distressed opportunities

- Oaktree targets distressed businesses, bankruptcy financings and other complex transactions, a high-risk opportunity set requiring deep structuring expertise
- The General Partner primarily seeks first lien or other senior secured positions in the capital structure and has developed deep expertise in investing in financially distressed opportunities
- Additionally, Oaktree has built out the investment team with experienced legal and restructuring professionals, further underscoring Oaktree's focus on downside protection and strengthening its ability to recover capital and limit losses

### The General Partner will maintain a strong leadership team across global offices

- The General Partner has experienced moderate senior-level turnover since the prior fundraise, primarily within its international offices
- Oaktree maintains a highly cohesive leadership group, and recent senior-level turnover is not expected to impact the Fund
- The General Partner has continued to focus on internal development and has made several thoughtful promotions and select lateral additions since the prior fundraise, positioning Oaktree well to deploy and manage the Fund

## Recommendation

Based on the analysis and information presented herein, Hamilton Lane believes that a commitment to Oaktree Opportunities Fund XII, L.P. works towards achieving the goals set forth for the Connecticut Retirement Plans and Trust Funds. A commitment to the Fund will establish a relationship with a high-quality General Partner. Taking into account the investment strategy and portfolio diversification objectives of the Private Credit Fund, Hamilton Lane recommends a commitment to the Fund.

**Longstanding credit platform with a reputable brand name and extensive resources**

- Oaktree is a highly reputable private markets investor and has developed a well-respected brand within the global private credit space
- The dedicated investment team benefits from the breadth and scale of the General Partner's platform, which is comprised of over 1,000 professionals segmented across private credit, private equity, real estate and public markets investing

**Cohesive senior leadership group supported by a robust investment team**

- The dedicated team is led by Messrs. Karsh, O'Leary and Urquidi, who are well-tenured with Oaktree and have experience investing across multiple market cycles
- The investment team is robust, comprising over 69 professionals that are segmented globally across five offices, enabling deep structuring and underwriting capacity
- Additionally, the investment team is supported by dedicated research, trading and origination professionals as well as several restructuring-focused professionals with legal expertise

**Broad distribution of economics promotes alignment and retention**

- The General Partner distributes carried interest broadly across the organization
- Oaktree primarily focuses on internal development, seeking to promote and retain high-performing individuals and selectively augmenting the team through lateral hires

- The General Partner was founded in 1995 by Howard Marks, Bruce Karsh, Sheldon Stone, Larry Keele and Richard Masson as a spin-out of Trust Company of the West, an asset management firm headquartered in Los Angeles
- Since its inception, Oaktree has significantly expanded its global platform and has established product lines dedicated to private credit, private equity, real assets and public equities
- In 2019, Brookfield Asset Management purchased a meaningful stake in Oaktree
- The Fund is managed by the Opportunities Funds team, which is led by Managing Directors & Portfolio Managers Bob O’Leary and Pedro Urquidi and overseen by Co-Chairman, CIO & Portfolio Manager Mr. Karsh
  - The Fund represents a continuation of Oaktree’s flagship opportunistic credit fund line, which has a 34-year track record
- In March 2024, Mr. O’Leary and Armen Panossain, Head of Performing Credit, assumed the role of Co-CEOs of Oaktree
  - Mr O’Leary expects to continue to spend approximately 85% to 90% of his business time dedicated to the Fund

## **Snapshot:**<sup>1</sup>

### **Inception/Founders:**

1995/Howard Marks, Bruce Karsh, Sheldon Stone, Larry Keele (retired) and Richard Masson (retired)

### **Locations:**

Los Angeles (headquarters), New York, London, Singapore, Hong Kong and 15 additional global locations

### **AUM:**

\$189 billion

### **Strategies/Product Lines:**

Private credit, private equity, real assets and public equities

### **Management Company:**

Public (NYSE: BN)

### **Current Leadership:**

Armen Panossian and Bob O’Leary

### **Headcount:**

69 dedicated professionals and over 1,000 additional employees

<sup>1</sup> As of 12/31/23

- Oaktree has a number of boards and committees across its platform in order to effectively monitor internal and external responsibilities, including the Senior Leadership Council, Product Governance Board, Best Execution & Trading Practices Work Group and Inter-Fund Governance Committee
- The General Partner also maintains other committees, including those dedicated to valuation, management/executive, firm operations, compliance, IT/cybersecurity and ESG, creating additional accountability across the firm
- Day-to-day, the dedicated investment team is led by Messrs. O'Leary and Urquidi, with Mr. Karsh remaining highly involved in investment decision making and the strategic direction of the firm
- The Opportunities Funds team primarily operates out of Oaktree's Los Angeles headquarters and maintains a global presence with professionals located in New York, London, Singapore and Hong Kong
- Additionally, the team benefits from the broader Oaktree platform, which includes over 375 additional investment professionals
- Originally, Oaktree focused primarily on North American high yield, convertible and distressed securities; however, over time, it has significantly expanded its product offerings and geographic scope
- The broader Oaktree platform consists of over 1,000 professionals and includes teams dedicated to research, structuring, trading and origination as well as a robust back-office
- The General Partner also receives support from the broader Brookfield Asset Management ("Brookfield") platform, which provides Oaktree access to its expansive reach across real estate, infrastructure, renewable power, and private equity
  - This partnership provides the General Partner with inbound deal flow from Brookfield, differentiated market insights as well as supplements to underwriting and structuring

# General Partner (cont.)

- The senior investment team is experienced and cohesive, averaging over 22 years of relevant experience and 12 years with the General Partner
- The Fund does not have a formal investment committee and has a highly interactive investment decision making process
  - Messrs. Karsh and O’Leary collectively make all investment decisions, with input from Mr. Urquidi when involving Europe and Asia, as well as receiving input from several Managing Directors on each decision
  - Messrs. Karsh and O’Leary have the final say and veto rights on investment decisions

Name	Title	Tot. Exp. (yrs.)	Tenure (yrs.)	Fund VIII	Fund VIII-B	2012	Fund IX	2014	Fund X	2016	2017	Fund X-B	2019	Fund XI	2021	2022	2023	2024
Bruce Karsh	Co-Chairman, CIO & Portfolio Manager	40	28															
Bob O’Leary	Co-CEO	24	22															
Pedro Urquidi	Managing Director & Portfolio Manager	29	18															
Chris Boehringer	Managing Director and Head of Europe	26	18															
Brook Hinchman	Managing Director & Head of North America	17	13															
Alejandro Cano	Managing Director & Co-Head of Europe	20	11															
Charles Blackburn	Managing Director and Co-Head of Europe	21	8															
Gaurav Parasrampur	Managing Director and Co-Head of Asia	18	6															
Milwood Hobbs	Managing Director & Head of North American Sourcing & Origination	20+	11															
MeI Carlisle	Managing Director & ESG Lead	31	28															
Katherine Ralph	Managing Director	11	11															
Peter Corbell	Managing Director	23	11															
Jordan Mikes	Managing Director	15	11															
David Brown	Managing Director	15	8															
Eric Johnson	Managing Director	28	6															
Allan Wardrop-Szilagy	Managing Director	22	4															
Alex Mackenzie	Managing Director	20	4															
David Matherly	Managing Director	34	3															
Greg Share	Managing Director	27	3															
Mario Shane	Managing Director	26	3															
Ross Rosenfelt	Managing Director	20+	3															
Beau Barron	Managing Director	12	9															
David Nicoll	Managing Director	22	4															
Robert LaRoche	Managing Director	12	9															

■ = Tenure with Oaktree Capital Management, L.P.  
■ = Total Experience

## Market-driven, opportunistic approach focused on distressed positions

- Consistent with prior funds, the General Partner is an opportunistic investor primarily focused on liquid distressed and privately negotiated credit opportunities in businesses facing financial distress, an area in which it has deep expertise
- Oaktree constantly adjusts its approach based on market conditions, seeking to construct a diversified portfolio of primarily senior secured debt instruments supplemented with select equity positions
- Regardless of market conditions, the General Partner seeks durable businesses with tangible asset value

## Portfolio diversification, senior debt focus and structuring expertise contribute to downside protection

- Consistent with prior funds, Oaktree plans to construct a highly diversified portfolio of over 150 opportunities, including liquid opportunities, with exposure across a broad range of sectors and end markets
- The General Partner emphasizes downside protection and maintains strict underwriting criteria for its privately negotiated positions, including covenants and other structural provisions
- Additionally, Oaktree is highly experienced in restructuring and reorganizing businesses, further contributing to downside protection

## Scale and brand name drive deal flow

- The General Partner's large capital base enables it to speak for large allocations and to trade liquid opportunities at a scale that few competitors can replicate, differentiating it from peers and driving deal flow
- Additionally, Oaktree benefits from its strong brand and suite of complementary fund lines and investment strategies, which further contribute to deal flow



- Consistent with prior funds, Oaktree opportunistically invests across a diversified set of sectors targeting businesses that are experiencing pricing dislocation
  - The General Partner noted the recent increased attractiveness of the technology space as securities in large technology businesses have faced price dislocation
- The General Partner seeks to construct a diversified portfolio of primarily debt instruments, as well as opportunistically supplementing the portfolio with select equity positions
- Oaktree expects to pursue seven distinct investment types, leaning in and out of each area of focus as market conditions evolve in order to capitalize on distressed market opportunities
  - The General Partner expects the majority of its portfolio to comprise distressed liquid credit investments, rescue financings and debtor-in-possession financings, given Oaktree expects a distress cycle throughout the investment period of the Fund
- Oaktree typically seeks businesses that are durable and well-positioned in the market but are facing financial stress or distress
- The General Partner's opportunistic approach enables it to constantly adjust its strategy based on current market conditions and capitalize on distressed opportunities during market downturns
  - For example, Fund XI, which was deployed primarily during a period of rapid market expansion, is majority comprised of non-distressed, structured capital solutions in businesses seeking to reconfigure their capital structures or to free up liquidity for strategic reasons
- Oaktree expects to deploy the Fund primarily in distressed opportunities, given its expectation that macroeconomic conditions will result in a distressed cycle
- The General Partner primarily seeks senior debt positions in companies with strong cash flows and substantial hard asset value
  - In select cases, Oaktree will participate in equity or receive equity through restructuring
- Oaktree emphasizes downside protection, seeking positions at the top of the capital structure with strong covenant packages

- Consistent with prior funds, Oaktree primarily seeks non-control investments; however, it is willing to opportunistically enter situations in which it gains control through a reorganization
  - The General Partner seeks to be an active participant in the restructuring or bankruptcy process, often obtaining board seats and installing new management teams
- The General Partner is well positioned to execute control transactions or investments given its restructuring capabilities
- In anticipation of a larger distressed opportunity set, the General Partner has built-out its restructuring capabilities, further contributing to their focus on downside protection
  - Oaktree's restructuring team focuses on workouts and capital structure reorganization, which has become a large source of value in the privately negotiated portion of the portfolio
  - The restructuring team is also heavily involved in the initial underwriting and document formation across Oaktree's privately negotiated transaction, ensuring strict covenant and structural protections are in place to secure the General Partner's seniority in the capital structure, further aiding in downside protection
- Consistent with prior funds, Oaktree expects to primarily focus on North America and opportunistically invest globally
  - The General Partner has completed proportionately more investments in Asia in Funds X-B and XI as it has continued to build out its resources in Hong Kong and Singapore; however, Oaktree expects North America to remain its primary geographic focus
- The General Partner intends to construct a portfolio of at least 150 investments, a significant portion of which will be liquid, publicly traded debt, with average equity checks of approximately \$180 million

**Consistent risk-adjusted returns with recent outperformance in periods of market uncertainty**

- The General Partner has generated consistent risk-adjusted performance across prior funds, performing in line with peers
- Oaktree has demonstrated its ability to capitalize on distressed cycles and generate meaningful outperformance, evidenced by Funds X-B and XI, which were deployed during the onset of COVID-19

**Healthy unrealized portfolio with near-term liquidity expected**

- The unrealized portfolio remains healthy, with the majority of investments held at or above cost, as of 12/31/23
- The General Partner expects to generate near-term liquidity, in Funds X-B and XI as their investment period and recycling windows continue to wind down

**Increased deployment during market dislocations**

- Oaktree has demonstrated its ability to deploy the larger fund size
- During periods of market uncertainty, such as the global financial crisis and the onset of COVID-19, Oaktree has the ability to rapidly scale its deployment, taking advantage of the attractive opportunity set

**Minimal loss ratio demonstrating focus on downside protection**

- Oaktree's focus on capital preservation has limited historical losses as evidenced by a historical realized loss ratio of less than 15%
- The General Partner has remained disciplined in its investment pacing proving its ability to deploy meaningful capital across credit cycles and increasing fund sizes

- The General Partner continues to generate performance in line with distressed debt peers
- Oaktree takes a systematic approach to recycling, reinvesting the proceeds of liquid investments and other refinanced positions throughout the investment period, which may result in an initial DPI lag
  - Funds X-B and XI expect to generate meaningful near-term distributions as their investment period and recycling window, respectively, begin to wind down

Oaktree Capital Management, L.P. Prior Investment Performance <sup>1</sup> As of 12/31/23									HL Benchmark Distressed Credit As of 9/30/23			PME Benchmark LSTA US + 150 bps As of 12/31/23	
(\$mm)	Fund	Vintage	Fund Size	Capital Drawn	Capital Distributed	NAV	DPI	TVPI	Net IRR	Top-Quartile			PME IRR
										DPI	TVPI	Net IRR	
	Fund VIII	2009	\$4,507	\$4,402.6	\$6,437.5	\$13.5	1.5x	1.5x	9.1%	1.5x	1.5x	18.3%	6.6%
	Fund VIII-B	2011	2,692	2,617.5	3,865.7	511.4	1.5x	1.7x	8.2%	1.3x	1.8x	10.3%	5.4%
	Fund IX	2013	5,066	4,955.3	5,269.6	3,523.3	1.1x	1.8x	8.0%	1.3x	1.4x	7.9%	5.3%
	Fund X	2015	3,243	2,933.7	2,804.1	1,599.1	1.0x	1.5x	9.3%	1.2x	1.5x	9.3%	5.8%
	Fund X-B	2018	8,563	6,336.3	19.7	9,736.5	0.0x	1.5x	13.1%	0.9x	1.3x	13.0%	7.7%
	Fund XI	2020	14,335	11,289.1	69.2	13,379.2	0.0x	1.2x	11.4%	0.5x	1.3x	13.7%	9.1%
	<b>Total</b>			<b>\$32,534.5</b>	<b>\$18,465.8</b>	<b>\$28,763.0</b>	<b>0.6x</b>	<b>1.5x</b>	<b>9.3%</b>				<b>6.3%</b>

<sup>1</sup> Capital Drawn, Capital Distributed and NAV are calculated from the cash flows of fee-paying limited partners and include any cash flows from the General Partner's commitment

# Track Record (cont.)

- The General Partner has generated consistent aggregate gross performance across prior funds

Oaktree Capital Management, L.P. Prior Investment Performance As of 12/31/23									
(\$mm) Fund	Vintage	# of Inv.		Fund Size	Amount Invested	Amount Realized	Unrealized Value	Gross Mult.	Gross IRR
		Total	Real.						
Fund VIII	2009	93	90	\$4,507	\$6,582.5	\$9,526.7	\$12.3	1.4x	14.0%
Fund VIII-B	2011	60	58	2,692	4,398.4	6,123.6	715.1	1.6x	11.9%
Fund IX	2013	109	97	5,066	8,438.9	9,594.4	3,622.0	1.6x	10.7%
Fund X	2015	165	135	3,243	7,263.1	7,693.8	1,958.9	1.3x	13.1%
Fund X-B	2018	361	211	8,563	18,836.3	13,956.7	10,118.5	1.3x	15.6%
Fund XI	2020	325	114	14,335	19,462.1	7,912.1	15,269.3	1.2x	13.6%
<b>Total</b>		<b>1113</b>	<b>705</b>		<b>\$64,981.3</b>	<b>\$54,807.3</b>	<b>\$31,696.1</b>	<b>1.3x</b>	<b>12.8%</b>

Oaktree Capital Management, L.P. Realized Investment Performance As of 12/31/23						Oaktree Capital Management, L.P. Unrealized Investment Performance As of 12/31/23					
(\$mm) Fund	Amount Invested	Amount Realized	Unrealized Value	Gross Mult.	Gross IRR	(\$mm) Fund	Amount Invested	Amount Realized	Unrealized Value	Gross Mult.	Gross IRR
Fund VIII	\$6,503.1	\$9,491.5	\$0.0	1.5x	14.3%	Fund VIII	\$79.4	\$35.2	\$12.3	0.6x	-7.9%
Fund VIII-B	4,132.9	5,862.5	92.4	1.4x	11.3%	Fund VIII-B	265.5	261.1	622.7	3.3x	14.7%
Fund IX	6,769.6	8,492.3	135.1	1.3x	7.8%	Fund IX	1,669.2	1,102.1	3,487.0	2.7x	15.4%
Fund X	4,848.5	6,272.9	3.1	1.3x	20.5%	Fund X	2,414.6	1,420.9	1,955.8	1.4x	7.8%
Fund X-B	7,385.0	9,765.1	50.6	1.3x	27.9%	Fund X-B	11,451.4	4,191.6	10,067.9	1.2x	10.9%
Fund XI	3,197.9	3,951.8	3.3	1.2x	28.3%	Fund XI	16,264.2	3,960.4	15,266.0	1.2x	11.9%
<b>Total</b>	<b>\$32,837.0</b>	<b>\$43,836.1</b>	<b>\$284.4</b>	<b>1.3x</b>	<b>13.4%</b>	<b>Total</b>	<b>\$32,144.4</b>	<b>\$10,971.2</b>	<b>\$31,411.7</b>	<b>1.3x</b>	<b>11.9%</b>

- The General Partner is a signatory to PRI, established its ESG policy in 2014 and integrates ESG best practices throughout the organization
- Oaktree's policies and procedures encompass all E, S and G type risks and it has recently developed a DE&I Committee to support efforts in increasing diversity throughout the organization.
  - In 2020, the General Partner established three-year organization diversity targets, further encouraging efforts to increase diversity and inclusion.
  - Oaktree has also appointed two Managing Directors, Mel Carlisle and Mary Knobler, to further lead ESG efforts within their areas of focus
- The General Partner will also consult with a third party, Ramboll Environ, if they are investing in a private company with potential ESG-related risk

## ESG Summary

ESG Policy	Yes	Integration in decision-making	The ESG policy applies to decision making across all investment strategies at Oaktree
ESG-Dedicated Professionals	One Head of ESG and One ESG Lead	ESG focus – planning	ESG is always included in strategic planning
Signatories	PRI	Monitoring	Monitors ESG and impact incidents within their portfolio
Environmental Focus	The General Partner is a member of the TCFD and EDCI	Reporting	Limited Partners can request reporting
Diversity	43% female/57% male firm wide The General Partner recently established a DE&I Committee which have created long term targets to aid in increasing diversity	Requirements of portfolio companies	The General Partner requires all portfolio companies to adopt ESG policies and set goals consistent with their own
ESG in due diligence process	ESG assessment for all investment opportunities		



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# Section 4 | Appendices

## Experience of Senior Investment Professionals

Name	Title	Location	Tot. Exp. (yrs.)	Tenure (yrs.)	Prior Experience
Bruce Karsh	Co-Chairman, CIO & Portfolio Manager	Los Angeles	39	27	<ul style="list-style-type: none"> <li>Trust Company of the West, Managing Director</li> <li>SunAmerica, Inc., Assistant to the Chairman</li> </ul>
Bob O'Leary	Managing Director & Portfolio Manager	Los Angeles	23	21	<ul style="list-style-type: none"> <li>McKinsey &amp; Company, Business Analyst</li> </ul>
Pedro Urquidi	Managing Director & Portfolio Manager	Hong Kong	28	17	<ul style="list-style-type: none"> <li>Morgan Stanley, Executive Director</li> </ul>
Chris Boehringer	Managing Director and Head of Europe	London	25	17	<ul style="list-style-type: none"> <li>Goldman Sachs, Analyst</li> </ul>
Brook Hinchman	Managing Director & Head of North America	Los Angeles	16	12	<ul style="list-style-type: none"> <li>Goldman Sachs, Analyst</li> </ul>
Alejandro Cano	Managing Director & Co-Head of Europe	London	19	10	<ul style="list-style-type: none"> <li>Hellman &amp; Friedman</li> <li>Goldman Sachs</li> </ul>
Charles Blackburn	Managing Director and Co-Head of Europe	London	20	7	<ul style="list-style-type: none"> <li>Deutsche Bank, AGDirector</li> <li>O'Connor Capital Partners, Analyst</li> </ul>
Gaurav Parasrampur	Managing Director and Co-Head of Asia	Singapore	17	5	<ul style="list-style-type: none"> <li>JP Morgan, Vice President</li> <li>Morgan Stanley, Associate</li> </ul>
Milwood Hobbs	Managing Director & Head of North American Sourcing & Origination	Los Angeles	20+	10	<ul style="list-style-type: none"> <li>Natixis Securities</li> <li>Deutsche Bank</li> </ul>
Mel Carlisle	Managing Director & ESG Lead	Los Angeles	30	27	<ul style="list-style-type: none"> <li>Trust Company of the West, Senior Fund Accountant</li> </ul>
Katherine Ralph	Managing Director	London	10	10	<ul style="list-style-type: none"> <li>n/a</li> </ul>
Peter Corbell	Managing Director	Los Angeles	22	10	<ul style="list-style-type: none"> <li>Moelis</li> <li>Chanin Capital Partners</li> </ul>
Jordan Mikes	Managing Director	Los Angeles	14	10	<ul style="list-style-type: none"> <li>Sullivan &amp; Cromwell LLP</li> </ul>
David Brown	Managing Director	Los Angeles	14	7	<ul style="list-style-type: none"> <li>Glendon Capital</li> </ul>
Eric Johnson	Managing Director	Los Angeles	27	5	<ul style="list-style-type: none"> <li>Silver Lake</li> <li>Deutsche Bank</li> </ul>
Allan Wardrop-Szilagyi	Managing Director	Hong Kong	21	3	<ul style="list-style-type: none"> <li>Sidley Austin LLP</li> <li>Hogan Lovells</li> </ul>
Alex Mackenzie	Managing Director	London	19	3	<ul style="list-style-type: none"> <li>Blackstone</li> <li>Deutsche Bank</li> </ul>
David Matherly	Managing Director	Los Angeles	33	2	<ul style="list-style-type: none"> <li>Wazee Street Capital Management</li> <li>J.P. Morgan Asset Management</li> </ul>
Greg Share	Managing Director	Los Angeles	26	2	<ul style="list-style-type: none"> <li>Ambina Partners, Independent Investor</li> <li>Moelis &amp; Company, Partner</li> </ul>
Mario Shane	Managing Director	Los Angeles	25	2	<ul style="list-style-type: none"> <li>Detwiler Fenton &amp; Co.</li> <li>Hoak, Breedlove, Wesneski &amp; Co.</li> </ul>
Ross Rosenfelt	Managing Director	Los Angeles	20+	2	<ul style="list-style-type: none"> <li>Och-Ziff Capital Management</li> <li>Blackrock</li> </ul>
Beau Barron	Managing Director	London	12	9	<ul style="list-style-type: none"> <li>Rockpoint Group</li> <li>JP Morgan</li> </ul>
David Nicoll	Managing Director	Los Angeles	20+	2	<ul style="list-style-type: none"> <li>Aequim Alternative Investmetns</li> <li>Watershed Asset Management</li> </ul>
Robert LaRoche	Managing Director	Los Angeles	12	9	<ul style="list-style-type: none"> <li>Moelis</li> </ul>



Benchmark Analysis:	An analysis that compares the net IRR of the prior funds to the top-quartile net IRR benchmarks for similar funds (based on strategy and vintage) as reported by the Cobalt LP database. The benchmark data shown is the most recent data available at this time
DPI:	$\text{DPI} = \frac{\text{Amount of Distributions Received}}{\text{Total Amount of Capital Paid-In}}$
ESG:	Environmental, Social and Governance
Gross IRR:	Internal Rate of Return (“IRR”) of investments at the “fund level,” excludes fees paid by LPs to the General Partner such as management fees and carried interest. For investments held less than one year, Hamilton Lane nominalizes the IRR to match the hold period of the investment in order to represent a more meaningful number
Investment Pacing:	An analysis of the total capital invested during the given years. Includes all prior investments, realized or unrealized
J-curve Benchmark:	Peer (median by age) is calculated by taking the median IRR of similar funds (based on strategy and vintage) in Hamilton Lane’s database at each quarter, which are simulated as investing at the same point in time. The length of time to break the J-curve is calculated from inception to the first time each fund generated a positive net IRR
Loss Ratio Analysis:	An analysis of the capital invested in realized transactions generating different multiples of invested capital
Net IRR:	Annualized Internal Rate of Return (“IRR”) of investments at the LP level inclusive of fees such as management fees and carried interest paid to the General Partner
Net Returns to Limited Partners:	The performance of the General Partner’s prior investment vehicles at the net LP level, inclusive of all fees, carried interest and expenses. Performance data is as reported by the General Partner using actual capital contributions, distributions and net asset value for either all limited partners, or a sample set of limited partners, in the respective funds
Outlier Analysis:	An analysis of the gross returns of investments in prior funds, comparing overall performance against the performance when certain ‘outlier’ transactions are excluded. Outliers are defined as transactions that generate exceptionally positive or negative results
PME Analysis:	Calculated by taking the fund’s monthly cash flows and investing them in the relevant Total Return Index (where all dividends are re-invested). Contributions were scaled by a factor such that the ending portfolio balance would be equal to the private equity net asset value (equal ending exposures for both portfolios). This prevents shorting of the public market equivalent portfolio in order to match the performance of an outperforming private equity portfolio. Distributions were not scaled by this factor. The IRRs were then calculated based on these adjusted cash flows. The selected PME represents the most relevant public market benchmark
Realized Attribution Analysis:	Analysis of the capital invested in, and performance of, the prior realized transactions according to the criteria indicated
Realized Investments:	Hamilton Lane classifies investments as “realized” if it has: i) an unrealized value of less than 20% of the total value; ii) a carrying value that has been written to zero or has been previously written-off; or iii) been fully exited and the GP has no remaining interest in the company
RVPI:	$\text{RVPI} = \frac{\text{Current Net Asset Value}}{\text{Total Amount of Capital Paid-In}}$
TVPI:	$\text{TVPI} = \frac{\text{Amount of Distributions Received} + \text{Current Net Asset Value}}{\text{Total Amount of Capital Paid-In}}$

# Definitions (cont.)

Time-Zero IRR:	Represents the gross IRR calculated as if every investment were initiated on the same date
Write-Down Ratio:	The ratio of capital invested in realized investments that have been sold for a value that is less than 1.0x their original cost basis, divided by the total capital invested in all realized investments
Write-Off Ratio:	The ratio of capital invested in realized investments that have been sold for a value that is less than 0.5x their original cost basis, divided by the total capital invested in all realized investments

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**OAKTREE**

# **Oaktree Opportunities Fund XII, L.P.**

December 31, 2023



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04/15/2024

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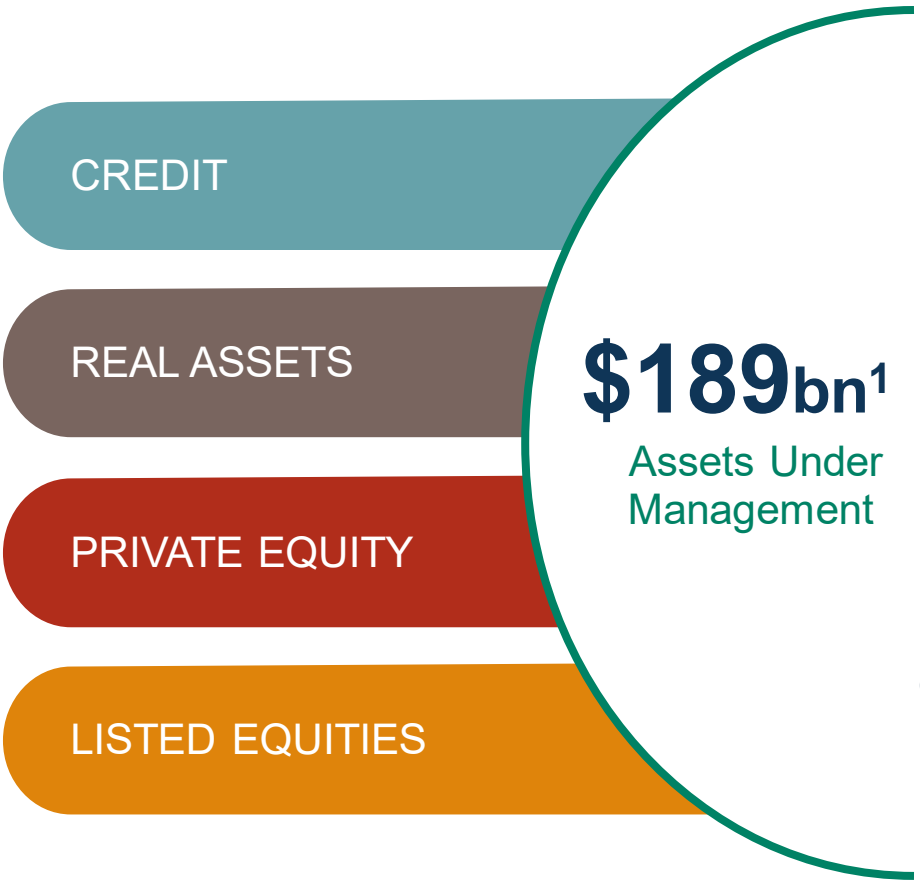


OAKTREE

# Oaktree Overview



# Leading Global Alternative Asset Manager



Founded	Brookfield Investment
<b>1995</b>	<b>2019</b>
Employees	Portfolio Managers
<b>1,200+</b> in 22 cities and 17 countries <sup>2</sup>	<b>52</b> 25 years experience on average



*Oaktree employs a contrarian, value-oriented and risk-controlled approach to investing and offers a comprehensive global platform of alternative investment products.*

As of December 31, 2023

1. Includes Oaktree’s proportionate amount of DoubleLine Capital AUM resulting from its 20% minority interest therein, and 17Capital AUM. See the Legal and Performance Disclosures section for important information regarding Oaktree’s calculation methodology for assets under management.  
 2. Includes offices of affiliates of Oaktree-managed funds. Oaktree is headquartered in Los Angeles.



# Oaktree's Unifying Investment Philosophy

## *Primacy of Risk Control*

If we avoid the losers, the winners take care of themselves

## *Emphasis on Consistency*

A superior record is best built on a high batting average rather than the hope that great years will outweigh dismal ones

## *Importance of Market Inefficiency*

It is only in less-efficient markets that hard work and skill are likely to produce superior returns

## *Benefits of Specialization*

Our team members' experience and expertise give us a substantial advantage

## *Macro-Forecasting Not Critical to Investing*

Superior knowledge of companies and their securities is the best foundation for consistently excellent performance

## *Disavowal of Market Timing*

The ability to correctly time markets is limited at best; we are fully invested whenever we can find attractive investments

***Oaktree's mission is to deliver superior investment results with risk under control  
and to conduct our business with the highest integrity.***

# The Most Important Things

*Our growth and success are byproducts of pursuing these priorities*

## Excellence in Investing

- Emphasis on consistency of returns stemming from our belief that a superior record is best built on consistently good performance rather than a mix of brilliant successes and dismal failures
- Risks kept under control through a focus on downside protection
- Superior performance over full cycles, stemming largely from outperformance in tough times
- We believe that Environmental, Social and Governance (“ESG”) considerations directly and materially impact investment outcomes

## Discipline

- Funds sized appropriately for the opportunity set
- Patient investing when valuations are high, but aggressive deployment when bargains are abundant in stressed markets
- Expansion of our strategies through “step-outs” into adjacent fields

## Client-First Mindset

- Fair, transparent and competitive fee arrangements
- Personnel practices aligned with client objectives, including compensation that rewards team accomplishments and long-term performance
- Candid communications with clients when our markets become less attractive or more attractive

**Only truly superior skill, discipline and integrity are likely to produce consistently high returns in the long run with limited risk.**

– Howard Marks

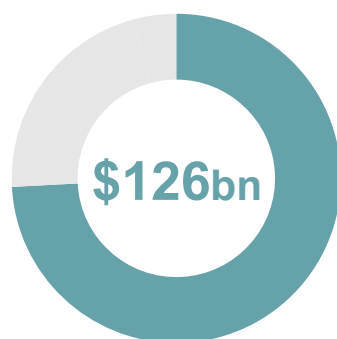
# Broad Yet Specialized Array of Investment Strategies

4 Asset Classes	Individual and Cross-Strategy Solutions	Closed-End, Open-End and Evergreen Structures
-----------------	---	---

## CREDIT

### AUM

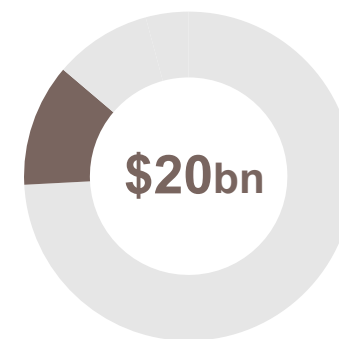
Performing Credit	\$80.4bn
<i>Private Credit<sup>1</sup></i>	\$32.4bn
<i>High Yield Bonds</i>	\$14.9bn
<i>Senior Loans</i>	\$12.6bn
<i>Multi-Asset Credit</i>	\$10.3bn
<i>Investment Grade Solutions</i>	\$3.9bn
<i>Emerging Markets Debt</i>	\$2.8bn
<i>Structured Credit</i>	\$2.0bn
<i>Convertible Securities</i>	\$1.5bn
Opportunistic Credit	\$45.9bn



## REAL ASSETS

### AUM

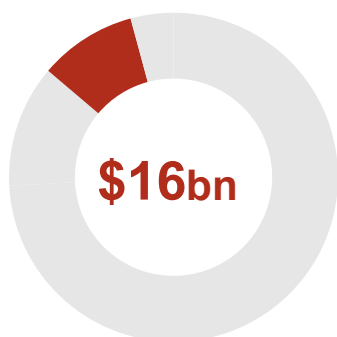
Real Estate	\$16.8bn
Infrastructure	\$3.7bn



## PRIVATE EQUITY

### AUM

Corporate Private Equity	\$9.0bn
Special Situations	\$7.3bn



## LISTED EQUITIES

### AUM

Emerging Markets Equities	\$6.7bn
Value Equities	\$0.5bn



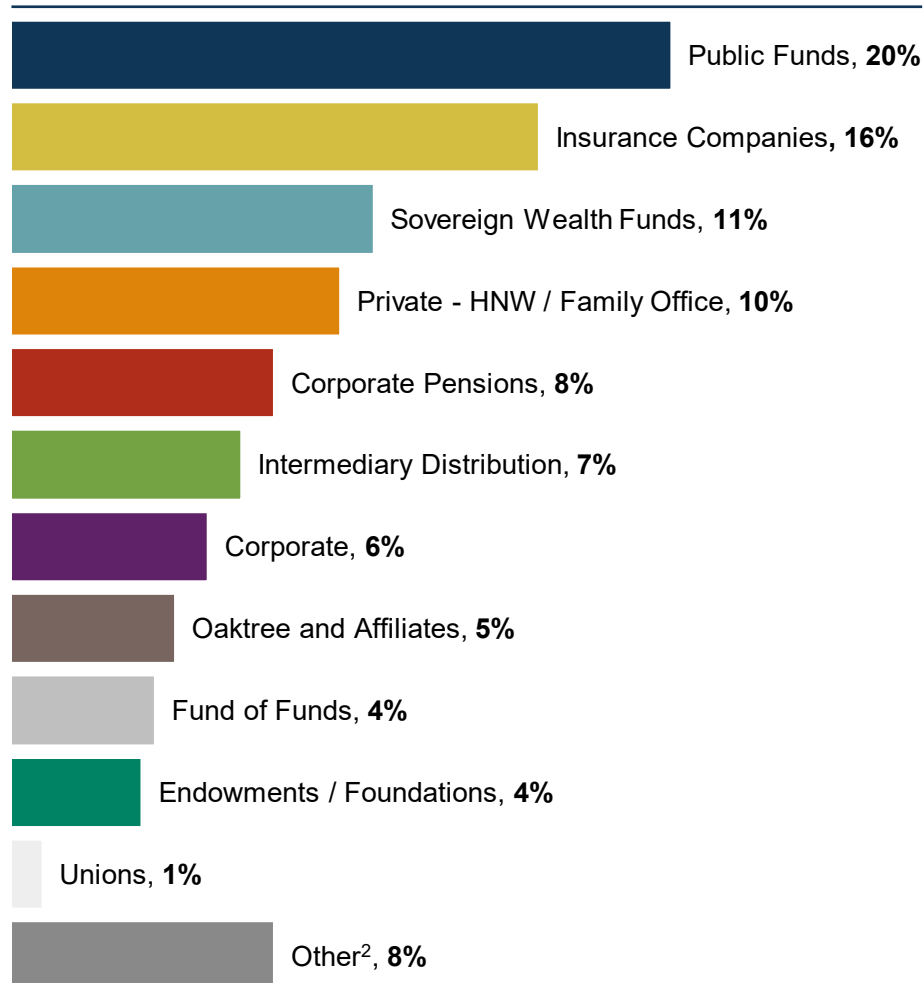
As of December 31, 2023

Note: Excludes proportionate amount of DoubleLine Capital AUM.

1. Includes 17Capital AUM.

# Diverse, Long-Standing, Blue-Chip Client Base

## Investor Type (By AUM<sup>1</sup>)



- **65** of the **100** Largest U.S. Pension Plans
- Pension Funds of **39** U.S. States
- More Than **550** Corporations
- Over **300** Endowments and Foundations
- **18** Sovereign Wealth Funds
- **77%** of Clients Invest in Multiple Strategies<sup>3</sup>

As of December 31, 2023

1. Excludes proportionate amount of DoubleLine Capital AUM and 17Capital AUM.

2. "Other" represents investors of CLO liabilities and other listed vehicles or public securities managed by our funds.

3. Based on the percentage of AUM, excluding Doubleline and 17Capital, CLOs liabilities and listed vehicles managed by our funds, of clients invested in two or more Oaktree strategies.

# Diversity & Inclusion at Oaktree

## Diversity

We are proud of our diversity at Oaktree where 43%<sup>1</sup> of our global colleagues are women and 48%<sup>1,2</sup> of our U.S. colleagues are diverse. Oaktree is committed to increasing representation of women and underrepresented groups across the organization and maintaining an inclusive workplace where all employees can bring their whole selves to work. We aim to do this through enhanced recruitment, retention & development, awareness & education, and accountability to ensure we are attracting, retaining, and promoting the most talented employees.

## Policy

Oaktree is committed to increasing diversity, particularly in our professional ranks, and to ensuring an inclusive workplace that enables individuals to achieve their full potential. We believe that bringing together diverse backgrounds (be it gender, race, ethnicity, nationality, sexual orientation, religion, experience, skills, disabilities or other dimensions of diversity) fosters diverse perspectives and a deeper understanding of the communities in which we operate and invest. In our view, this leads to better insight, increased creativity, more informed risk-taking and, simply put: better business and investment results for our clients and stakeholders.

## Responsibility

We are committed to acting responsibly with our stakeholders and society at large. Oaktree (1) incorporates Environmental, Social and Governance considerations in its investment and business decision-making; (2) fosters an inclusive work environment that embraces diversity; and (3) supports the communities in which we live and operate.

1. As of December 31, 2023.

2. For the purposes of Oaktree internal tracking and goal setting, Divers includes Black, Latino/Hispanic, Native American, Native Hawaiian and two or more races, LGBTQ+, veterans.

# Oaktree Diversity & Inclusion Global Teams

## Councils & Teams: Drive Strategic Initiatives

<b>DIVERSITY &amp; INCLUSION</b>	<b>DIVERSITY &amp; INCLUSION</b>   EMEA	<b>DIVERSITY &amp; INCLUSION</b>   APAC	<b>UNITED GROUPS CONNECT</b>
<b>D&amp;I AWARENESS</b>	<b>D&amp;I RECRUITMENT</b>	<b>WOMEN'S LEADERSHIP</b>	<b>UGC HERITAGE</b>

## Employee Networks: Encourage Inclusivity, Belonging and Employee Engagement

<b>WOMEN CIRCLES</b>	<b>ACORN</b>	<b>ABILITIES</b>	<b>MENTORSHIP PROGRAM</b>	<b>SUSTAINABILITY</b>
<b>TREE TALK</b>	<b>EARLY CAREERS</b>	<b>PRIDE</b>	<b>WELLNESS</b>	<b>VETERANS</b>

# Recruitment & Partnerships

*We seek to expand and support the talent pool throughout the industry by partnering with innovative external programs.*

**50+**

Interns  
Per Year

## Internship Program

Provide early access and pathways for college students via our summer internship program where we share opportunities **with a wide range of diversity-focused organizations and universities**

**400+**

Students  
Per Year

## Future Leaders Program

We invite 400+ students to our Future Leaders Program which includes a credit case competition for seniors and a credit boot camp for freshman, sophomores and juniors

**30+**

Treks  
Per Year

## Education Treks

Host education treks, facilitate research projects, and organize external Women Circles to enable female and underrepresented students to **learn about careers in investment management**

## Partnerships



# AltFinance: HBCU Pathways

*Apollo, Ares and Oaktree are investing \$90 million over ten years in AltFinance, a new joint initiative focused on building pathways for students at Historically Black Colleges and Universities (HBCUs) toward careers in alternative investment management.*



## Fellowship

- Intensive preparation, mentorship and guidance for breaking into alternatives
- ~120 students in fellowship across 8 partnership schools
- Competitive application process for high-potential sophomores and juniors
- Partnership with Management Leadership for Tomorrow (MLT)

## Institute

- Best-in-class virtual educational platform powered by the Wharton School of Business
- New content developed by professionals at Oaktree, Apollo and Ares
- Accessible to any student at the partner HBCUs. Currently students from 20 HBCUs on platform; will eventually get rolled out to include all 100+ HBCUs

## Scholarships

- Need- and merit-based scholarships for AltFinance fellows up to \$15k per year
- Fellows must remain in good standing with the fellowship program and the HBCU partner institution

## Fellowship HBCU Partners





# Oaktree’s ESG Philosophy



Oaktree strives at all times to deliver **superior investment results with risk under control** while conducting our business with the **highest integrity**.

Environmental, Social and Governance (“ESG”) factors can **directly and materially impact investment outcomes**.

As long-term investors, we believe a consistent focus on ESG throughout the investment lifecycle allows us to **better identify valuable opportunities and avoid undue risk**.

Integrating ESG analysis into our investment process helps ensure that we **are aligned with our clients and their beneficiaries**. ESG fits squarely with **our commitment to excellence** in bottom-up investment analysis.

We partner and engage with leading responsible investment organizations




# ESG Integration & Governance


Investment teams integrate ESG across the investment lifecycle



**Diligence**  
Incorporate material ESG considerations during diligence and when making investment decisions



**Monitoring**  
Regularly monitor risks and opportunities

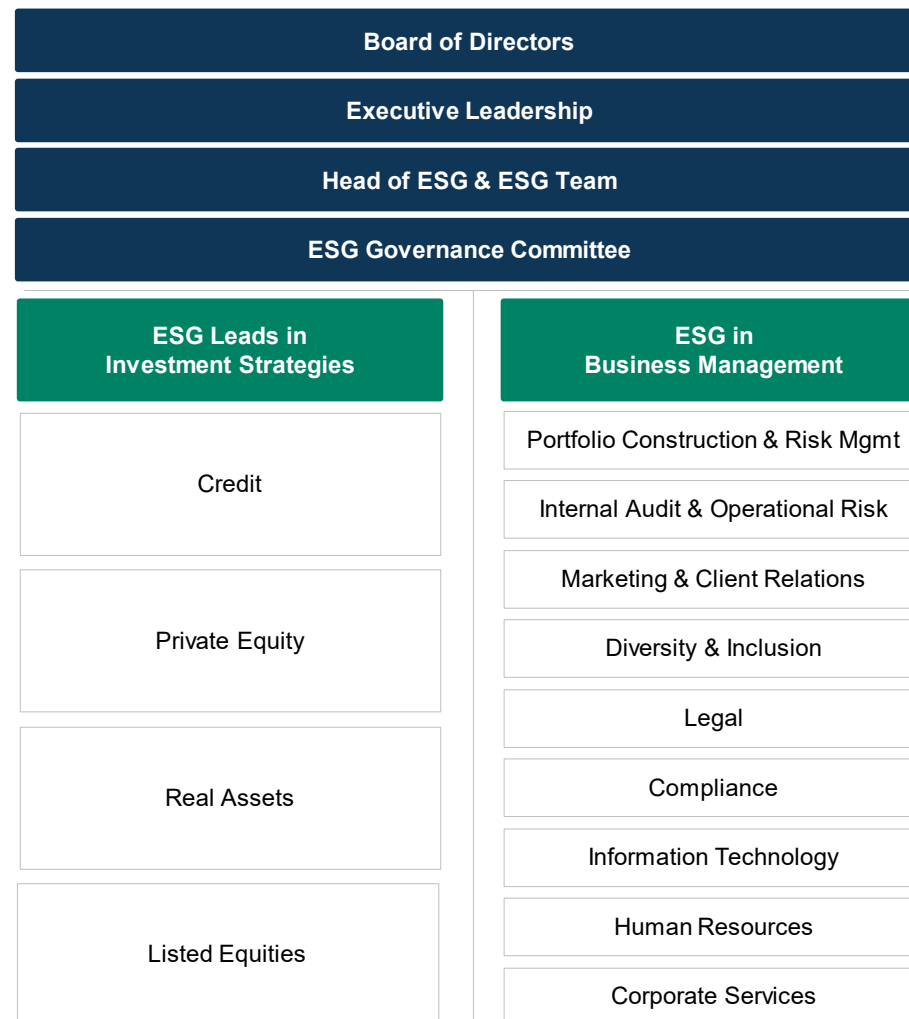


**Active Management**  
Engage with companies to improve practices and create value



**Reporting**  
Report to clients on ESG efforts and outcomes

ESG is a firm-wide focus across functions





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# Global Opportunities Strategy Overview

# Oaktree's Global Opportunities Strategy

- **35-year** track record<sup>1</sup> spanning **26** Opportunities funds
- **22%** Gross / **16%**<sup>2</sup> Net IRR without the use of leverage for strategy composite<sup>2</sup>
- **58%** Gross (47% net) and **10%** Gross (7% net) as the best- and worst-performing fund results
- **16% to 21%** target net IRR for Opps XII without the use of leverage<sup>3</sup>
- **\$35 billion** of realized profits out of **\$50 billion** of total profits<sup>4</sup>
- **91%** profit-to-loss ratio<sup>5</sup>
- **\$74 billion**<sup>6</sup> of distributions vs **\$62 billion** invested
- **77-person** dedicated team and access to **393** investment, sourcing, and trading professionals across the Oaktree platform<sup>7</sup>

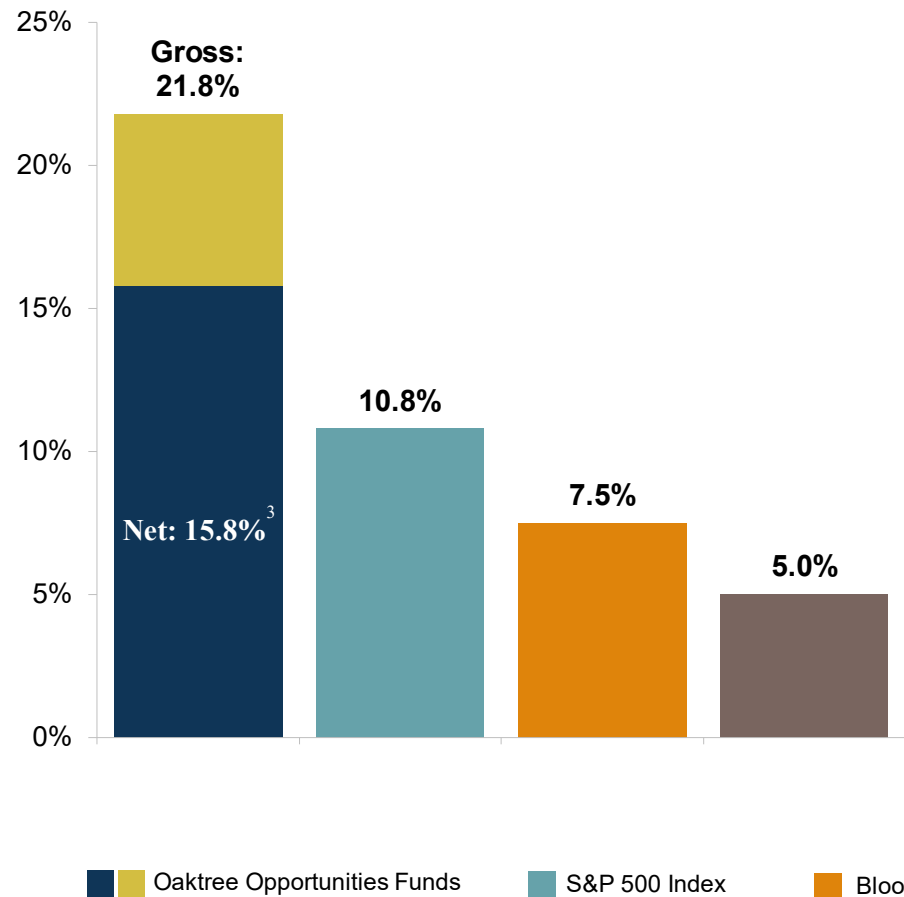
Note: Data from October 15, 1988, through December 31, 2023. Oaktree makes no representation, and it should not be assumed, that past investment performance is an indication of future results. Moreover, wherever there is the potential for profit, there is also the possibility of loss. See "Performance Disclosures" section of the for additional performance related information and disclosures. See Appendix I of the Opps XII brochure for the strategy's full performance track record.

See the Important Information About Target Returns section of the Appendix for important information regarding target returns. Please see appendix endnotes.

# Opportunities Funds’ Track Record of Success

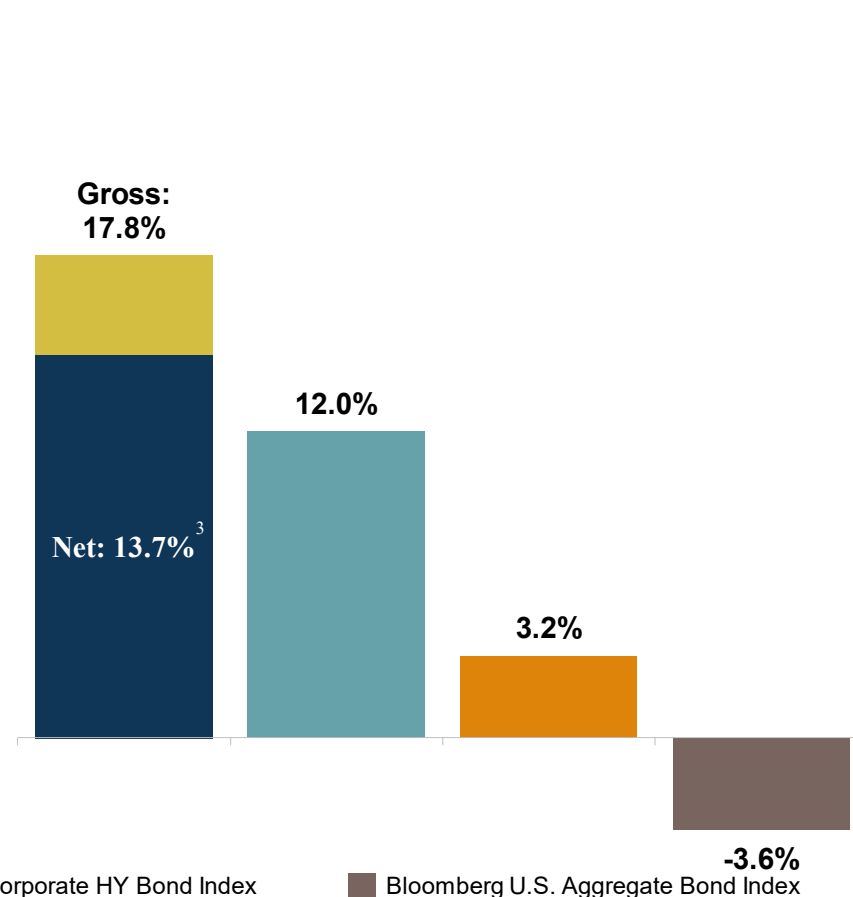
## Since Inception (1988 – Present)<sup>1</sup>

(Since October 1, 1988)<sup>1</sup>



Regulatory pro forma Net IRR: 15.7%<sup>2</sup>

## 2020 – Present



Regulatory pro forma Net IRR: 13.7%<sup>2</sup>

As of December 31, 2023

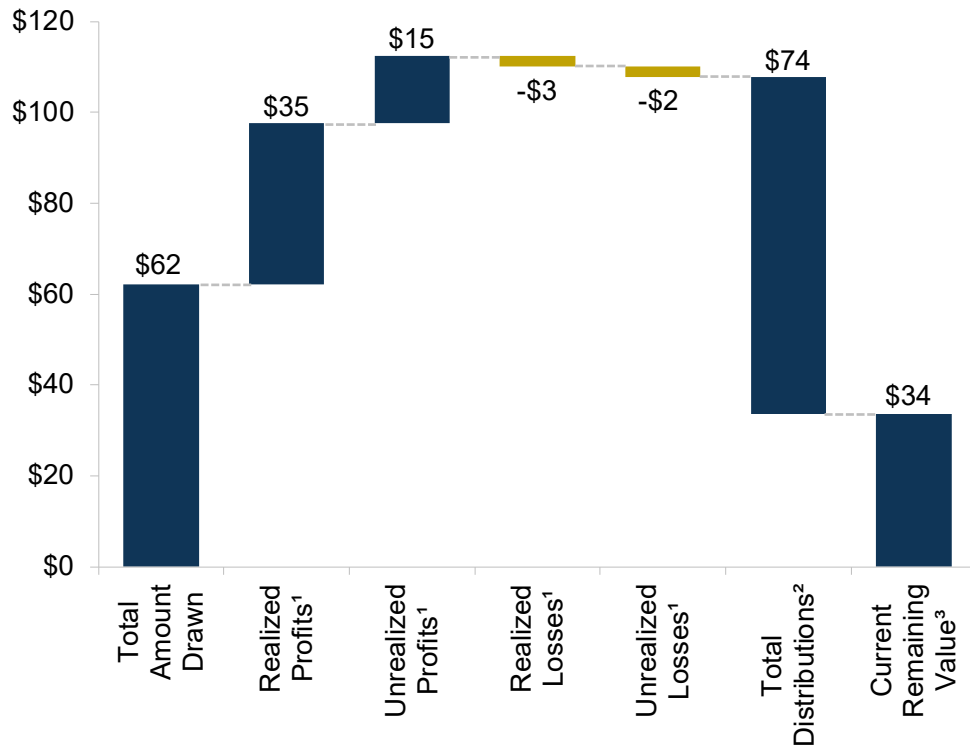
Source: Barclays Capital, Bloomberg

Note: Oaktree makes no representation, and it should not be assumed, that past investment performance is an indication of future results. Moreover, wherever there is the potential for profit, there is also the possibility of loss. See “Performance Disclosures” section of the Appendix for additional performance related information and disclosures. See Appendix I of the Opps XII brochure for the strategy’s full performance track record. Please see appendix endnotes.

# 35 Years of Superior Risk Management

## Opportunities Funds' Investment Results Since Inception

(\$ in billions)



- **\$62 billion** of capital deployed since 1988
- **91%** profit-to-loss ratio<sup>4</sup>
  - Total profits \$50 billion (70% realized)
  - Total losses \$5 billion (52% realized)
  - 123 investments with gains greater than \$100 million
  - Only 17 investments show losses greater than \$100 million (only 5 of the 17 are realized)
- Gross and net returns of **22%** and **16%,<sup>5</sup>** respectively
- Total distributions of **\$74 billion**

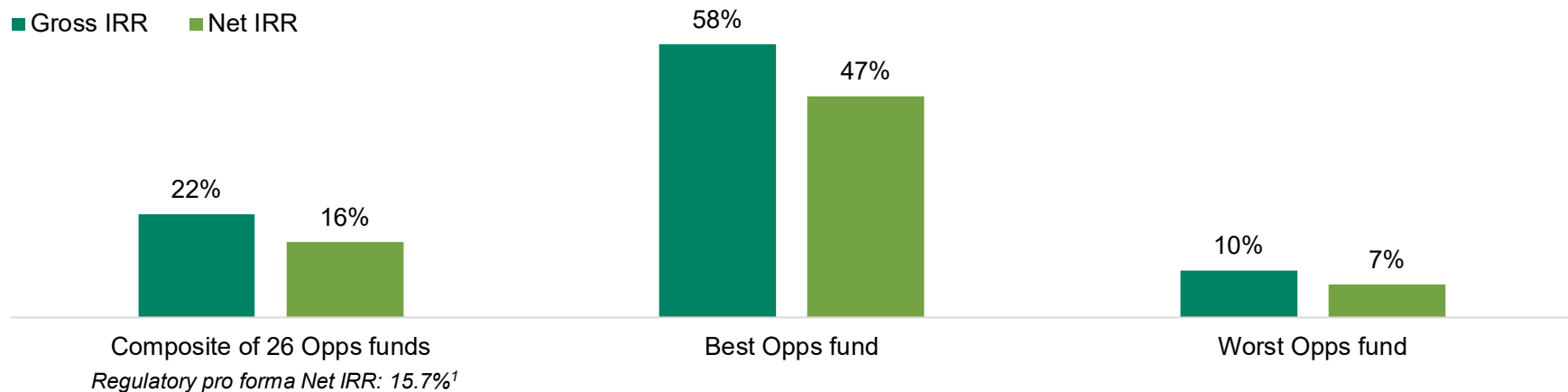
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Please see appendix endnotes.

# We Create Alpha Through Asymmetry

*“Asymmetry shows up in a manager’s ability to do very well when things go her way and not too bad when they don’t. The Opportunities funds’ results have always been good, sometimes great, never terrible.”*

– Howard Marks



## Multiple Ways to Win

- Restructuring
- Change of control
- Refinancing
- Price appreciation
- Hold to maturity

## And Potentially Win Big<sup>2</sup>

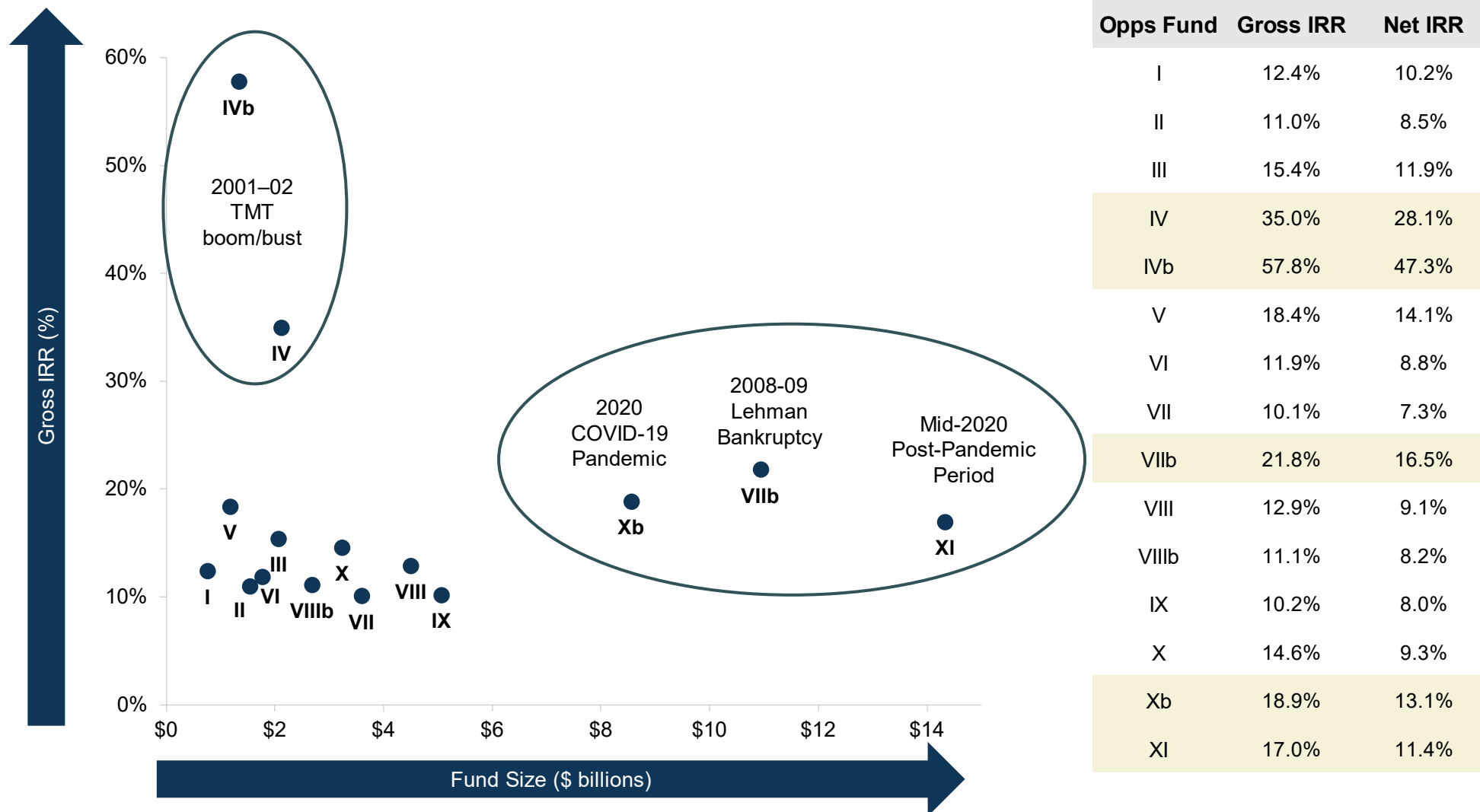
- Equity upside potential through warrants, convertibility features, and equity shares
- Debt-for-equity swap
- Purchase at significant discount to par
- Call protection
- Potential to earn higher rates of contractual interest (e.g., default penalty interest, coupons that ratchet higher over time, etc.)

As of December 31, 2023

Note: Oaktree makes no representation, and it should not be assumed, that past investment performance is an indication of future results. Moreover, wherever there is the potential for profit, there is also the possibility of loss. See “Performance Disclosures” section of the Appendix for additional performance related information and disclosures. See Appendix I of the Opps XII brochure for the strategy’s full performance track record. Please see appendix endnotes.

# Our Biggest Funds in Each Cycle Have Generally Achieved the Highest Returns

## Opportunities Funds' Size and Returns



As of December 31, 2023

Note: Oaktree makes no representation, and it should not be assumed, that past investment performance is an indication of future results. Moreover, wherever there is the potential for profit, there is also the possibility of loss. See "Performance Disclosures" section of the Appendix for additional performance related information and disclosures. See Appendix I of the Opps XII brochure for the strategy's full performance track record.



# Our Competitive Advantages

## Experienced Team

- Pioneers in opportunistic credit investing with demonstrated expertise leading restructurings
- Experience spanning multiple crises: 1990-91, 2001-02, 2008-09, and 2020
- Consistent, continuous leadership by Bruce Karsh, Bob O’Leary, and Pedro Urquidi

## Global Presence

- Dedicated experts located in seven offices across the U.S., Europe, and Asia
- Lack of reliance on any one region for deal flow

## Reputation

- Responsible, thoughtful counterparty that can move quickly; invest in size; effectively lead restructurings; navigate complex capital structures; and structure creative, customized solutions

## Large Funds

- Sourcing benefits as well as opportunities to offer leadership and influence
- Ability to solve big problems

## Oaktree (\$189bn AUM)

- Access to 393 investment, sourcing, and trading professionals across the Oaktree platform
- Significant deal flow driven by firm’s broad network of established industry relationships
- Meaningful sourcing and analytical benefits from partnership with Brookfield

## Flexible Mandate

- Ability to capitalize on attractive investment opportunities in all market environments
- Take advantage of rapid shifts in the market environment

## Speed

- Speed in execution driven by experience, comprehensive pre-work, and an efficient approvals process
- Substantial sourcing and negotiation benefits due to efficient execution

## Best-in-Class Underwriting

- Bottom-up analysis that leverages our group’s deep legal expertise, industry specialization across 8 verticals, and extensive network of relationships

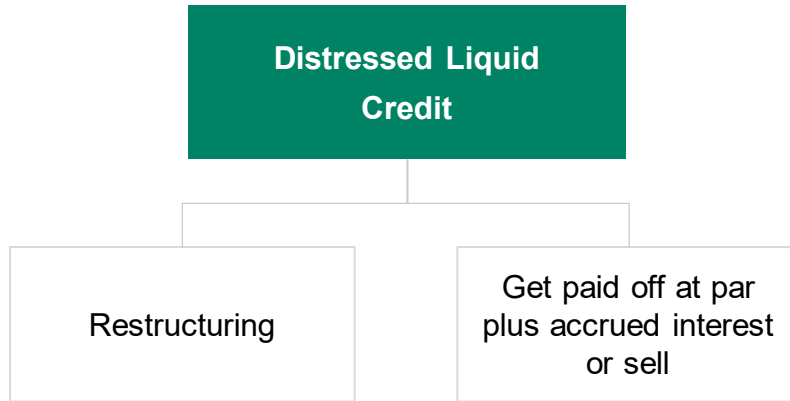



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# Investment Approach


# Opportunities Funds Have Evolved with Global Markets


## Traditional Distressed Debt



- 

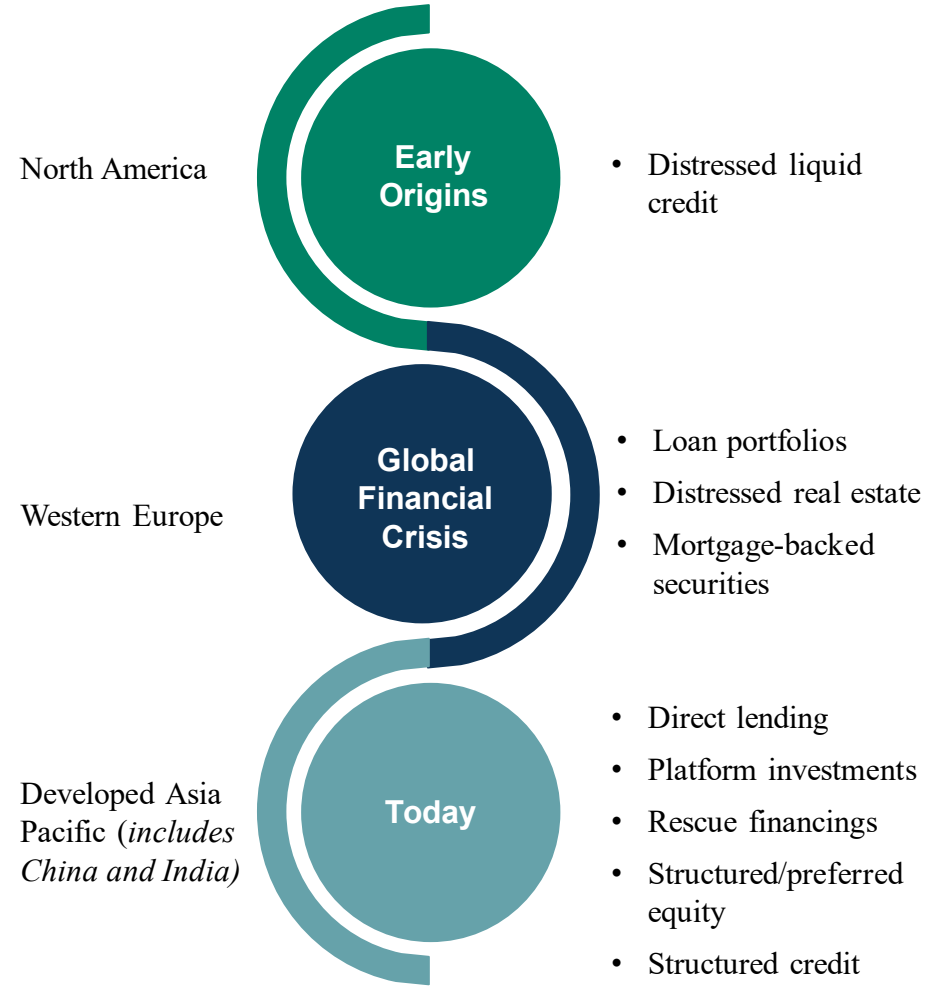
Focus on:

  - Senior or secured debt
  - Regions with judicial efficiency
  - Quality companies with hard assets and/or dependable cash flows
- 

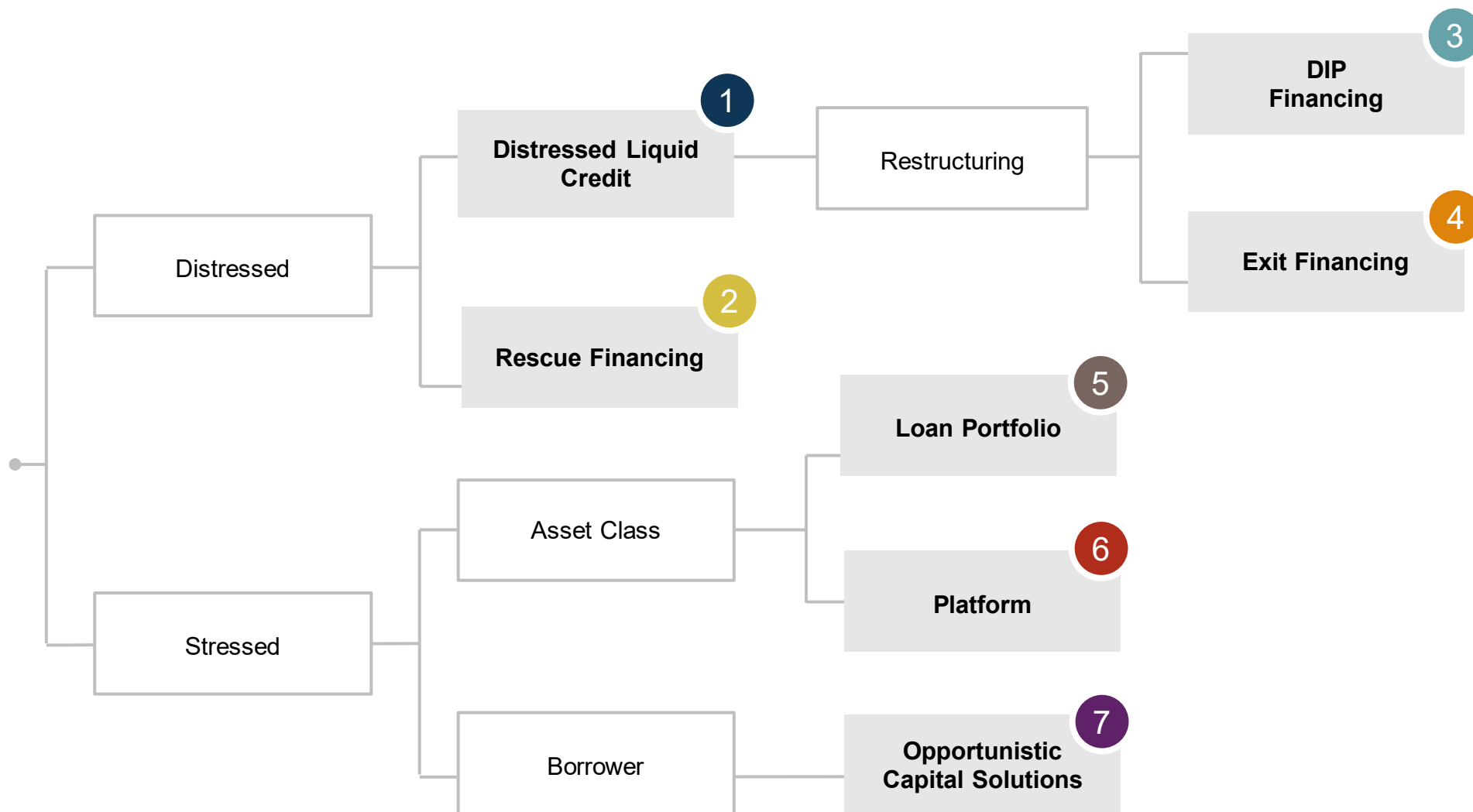
Actively participate in restructurings
- 

Drive value creation following restructurings

## Opportunities Funds Timeline



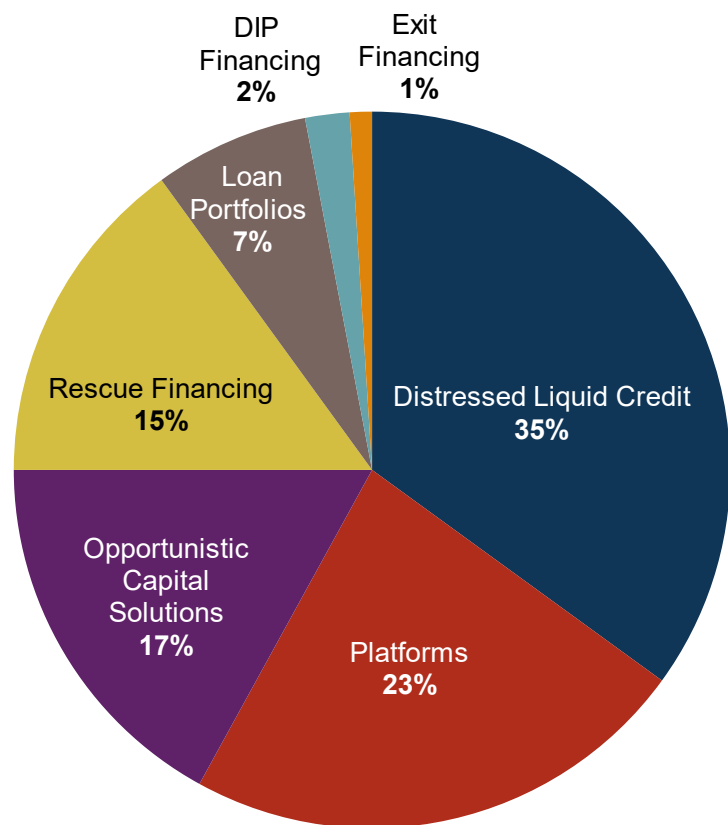
# Today: Seven Key Investment Categories



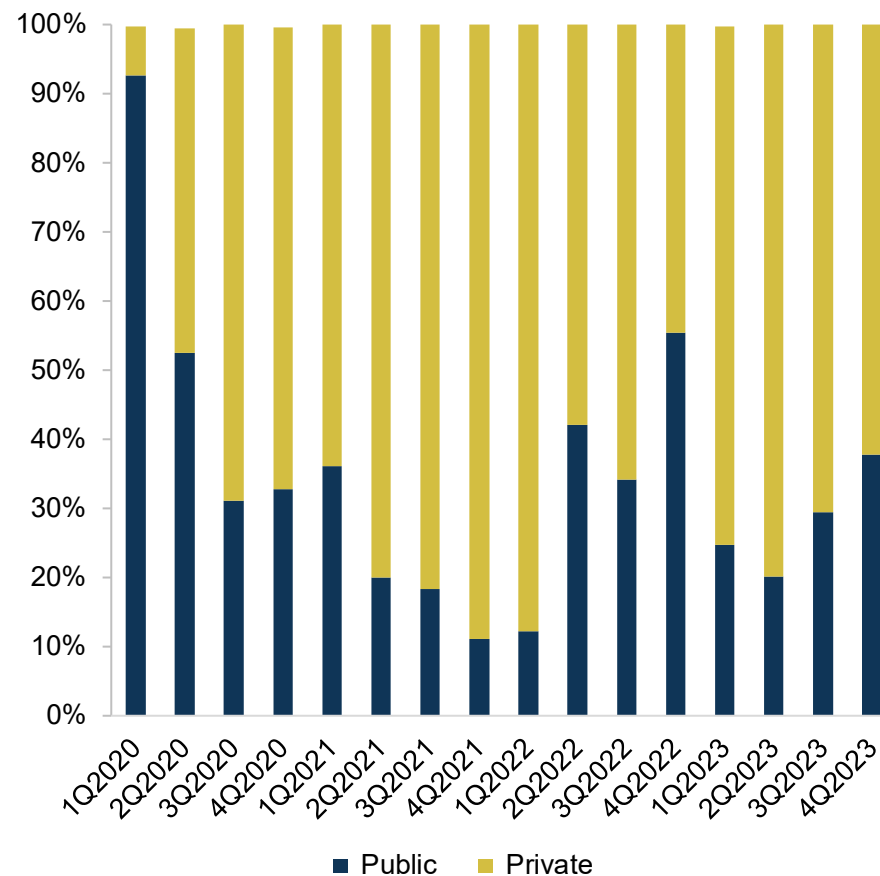
*Focus on opportunities in which having roots in distressed debt is a potential advantage, downside protection is strong, and upside potential is attractive*

# Today: Seven Key Investment Categories (continued)

Opps Xb & XI Investment Categories by Invested Capital



Quarterly Deployment Public vs. Private<sup>1</sup>



As of December 31, 2023

Note: The opinions expressed herein reflect the current opinions of Oaktree as of the date appearing in this material only. There is no guarantee that our investment objective can be achieved. Please see appendix endnotes.



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# Team and Resources

# Opportunities Group's Global Presence



**Robert O'Leary**  
Portfolio Manager



**Bruce Karsh**  
Chief Investment  
Officer and Portfolio  
Manager



**Pedro Urquidi**  
Portfolio Manager

## ● North America

*Los Angeles and New York<sup>1,2</sup>*

Investment Professionals:	42
Restructuring Experts:	2
Trader:	2
Product Specialist:	2

## ● Europe

*London<sup>2</sup>*

Investment Professionals:	13
Restructuring Experts:	1
Trader:	1
Product Specialist:	1

## ● Asia-Pacific

*Hong Kong, Singapore and Mumbai*

Investment Professionals:	14
Restructuring:	1
Trader:	1

- 77 dedicated investment professionals, restructuring experts, and traders<sup>1</sup>
- Global footprint that generates **deal flow from many regions/countries**
- **Home-field advantage** from broad network of local resources with deep relationships and knowledge of local laws and native languages
- **Dedicated restructuring expertise** in each region

*“ Having dedicated experts in key economic regions enables us to effectively originate and capitalize on the most attractive opportunities globally. ”*

– Pedro Urquidi

# Opportunistic Credit Organization Chart

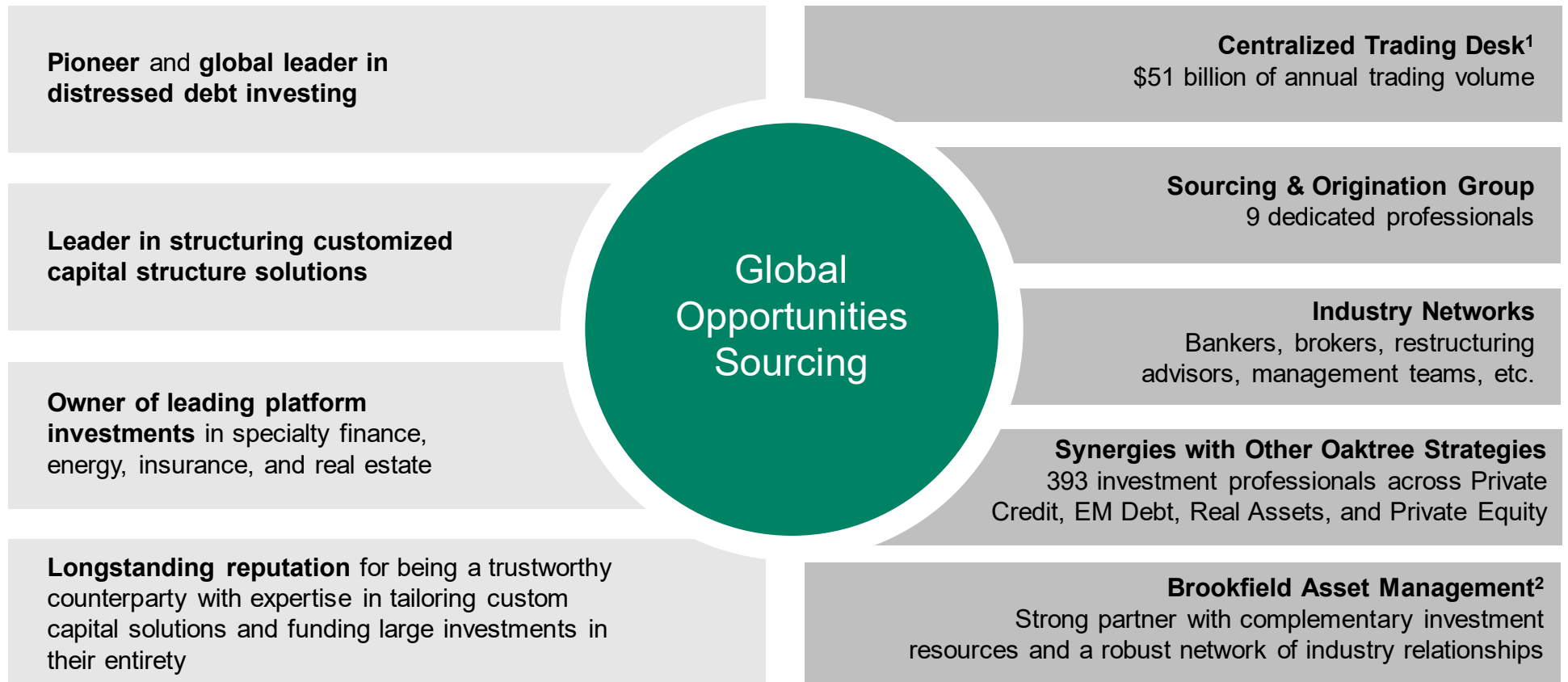
<b>Bruce Karsh</b> Chief Investment Officer & Portfolio Manager									
<b>Robert O'Leary</b> Co-Chief Executive Officer & Portfolio Manager					<b>Pedro Urquidi</b> Managing Director & Portfolio Manager				
<b>Los Angeles</b>				<b>New York</b>	<b>London</b> Oaktree Capital Management (International) Ltd.		<b>Hong Kong</b>		<b>Singapore</b>
<b>Brook Hinchman</b> Managing Director & Head of North America	<b>Nick Basso</b> Managing Director	<b>David Brown</b> Managing Director	<b>Mel Carlisle</b> Managing Director	<b>Jared Parker</b> Managing Director & Co-Head of North America	<b>Chris Boehringer</b> Managing Director & Head of Europe	<b>Charles Blackburn</b> Managing Director & Co-Head of Europe	<b>Edward Han</b> Managing Director	<b>Allan Wardrop-Szilagyi</b> Managing Director	<b>Anup Suresh</b> Senior Vice President
<b>Manish Desai</b> Managing Director	<b>Robert LaRoche</b> Managing Director	<b>Sherman Lau</b> Managing Director	<b>Allen Li</b> Managing Director	<b>Olivia Guthorn</b> Managing Director	<b>Beau Barron</b> Managing Director	<b>Katherine Ralph</b> Managing Director	<b>Gabriel Blehaut</b> Senior Vice President	<b>Yasmin Jiang</b> Senior Vice President	<b>Mumbai</b>
<b>Jordan Mikes</b> Managing Director	<b>David Nicoll</b> Managing Director	<b>Ross Rosenfelt</b> Managing Director	<b>Greg Share</b> Managing Director	<b>Ryan Lee</b> Senior Vice President	<b>Renato Meduri</b> Senior Vice President	<b>Jonas Mitzschke</b> Senior Vice President	<b>Jacky Tian</b> Senior Vice President	<b>Benjamin Wu</b> Vice President	<b>Gaurav Parasrampuria</b> Managing Director & Head of Asia
<b>Evan Kramer</b> Senior Vice President	<b>Dante Quazzo</b> Senior Vice President	<b>Adam Bennett</b> Vice President	<b>Lisa Chang</b> Vice President	<b>Bill Sharp</b> Senior Vice President	<b>Nidhish Mundra</b> Senior Vice President	<b>Adrien Acar</b> Vice President	<b>Jenny Au</b> Senior Associate	<b>Bill Wang</b> Senior Associate	<b>Anirudh Mittal</b> Vice President
<b>Patrick George</b> Vice President	<b>Bronte Golick</b> Vice President	<b>Reed Westerman</b> Vice President	<b>Nick Murray</b> Senior Associate	<b>Zhe Zhao</b> Senior Vice President	<b>Josephine Cheung</b> Vice President	<b>Antoni Musolas Otano</b> Vice President	<b>Natalie Chan</b> Associate		<b>Vaibhav Chandak</b> Senior Associate
<b>Hannah Rollman</b> Senior Associate	<b>Joseph Scheuer</b> Senior Associate	<b>Samuel Williams</b> Senior Associate	<b>Felix Bacchetta</b> Associate	<b>Kendrick Addaman</b> Associate	<b>Bertie Radcliffe</b> Vice President	<b>Carlo Ligori</b> Associate			<b>Raunika Sharma</b> Analyst
<b>Caitlin Gust</b> Associate	<b>Samson Isaacson</b> Associate	<b>Brie Lawson</b> Associate	<b>Charles McDonough</b> Associate	<b>Trevor Lyons</b> Associate	<b>Abishek Naguleswaran</b> Analyst				
<b>Mark O'Meara</b> Associate									
				<b>Houston</b>	<b>Madrid</b>				
				<b>Steve Gudovic</b> Managing Director	<b>Alejandro Cano</b> Managing Director & Co-Head of Europe				
<b>Value Opportunities</b>					<b>Legal</b>	<b>Trading</b>			
<b>Steven Tesoriere</b> Managing Director & VOF Co-Portfolio Manager	<b>Andrew West</b> Managing Director	<b>Pavel Kaganas</b> Senior Vice President	<b>Seth Pippin</b> Senior Vice President	<b>Colin McLafferty</b> Vice President	<b>Henry Orren</b> Senior Vice President	<b>George Leiva</b> Managing Director & Co-Head of Trading	<b>Rob Ackerman</b> Managing Director	<b>Adam Gray</b> Managing Director	<b>Misch Mathes</b> Vice President
<b>Product Specialists</b>			<b>Administration</b>	<b>ESG</b>	<b>Fund Operations &amp; Finance</b>	<b>Sourcing &amp; Origination<sup>1</sup></b>			
<b>Laura Vor Broker</b> Managing Director	<b>Quinn Kuiken</b> Senior Vice President	<b>Justin Miller</b> Senior Vice President	<b>Debra Huber</b> Vice President	<b>Priya Prasad Bowe</b> Managing Director & Head of ESG	<b>Cynthia Kennedy</b> Vice President	<b>Milwood Hobbs, Jr.</b> Managing Director & Head of Sourcing & Origination	<b>Peter Corbell</b> Managing Director	<b>Eric Johnson</b> Managing Director	<b>David Matherly</b> Managing Director
			<b>Maggie Benton</b> Executive Assistant			<b>Suzana Peric</b> Managing Director	<b>Alex Simoes</b> Managing Director	<b>Mario Shane</b> Managing Director	<b>Bill Eisenreich</b> Senior Vice President
						<b>Rahsheed Clarke</b> Analyst			

As of April 1, 2024

1. Serves as a shared resource across multiple investment strategies.



# Sourcing Advantage and Extensive Analytical Support



*“Our success in sourcing builds momentum; deals done attract additional borrowers.”*

– Bob O’Leary



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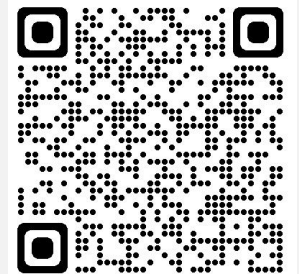
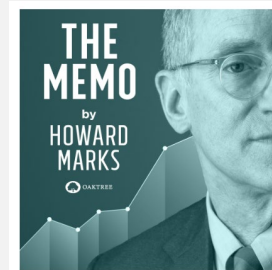
# The Opportunity

# Sea Change in a Fragile World

**sea change (idiom):** a complete transformation, a radical change of direction in attitude, goals....(*Grammarist*)

## SEA CHANGE MEMO FROM HOWARD MARKS

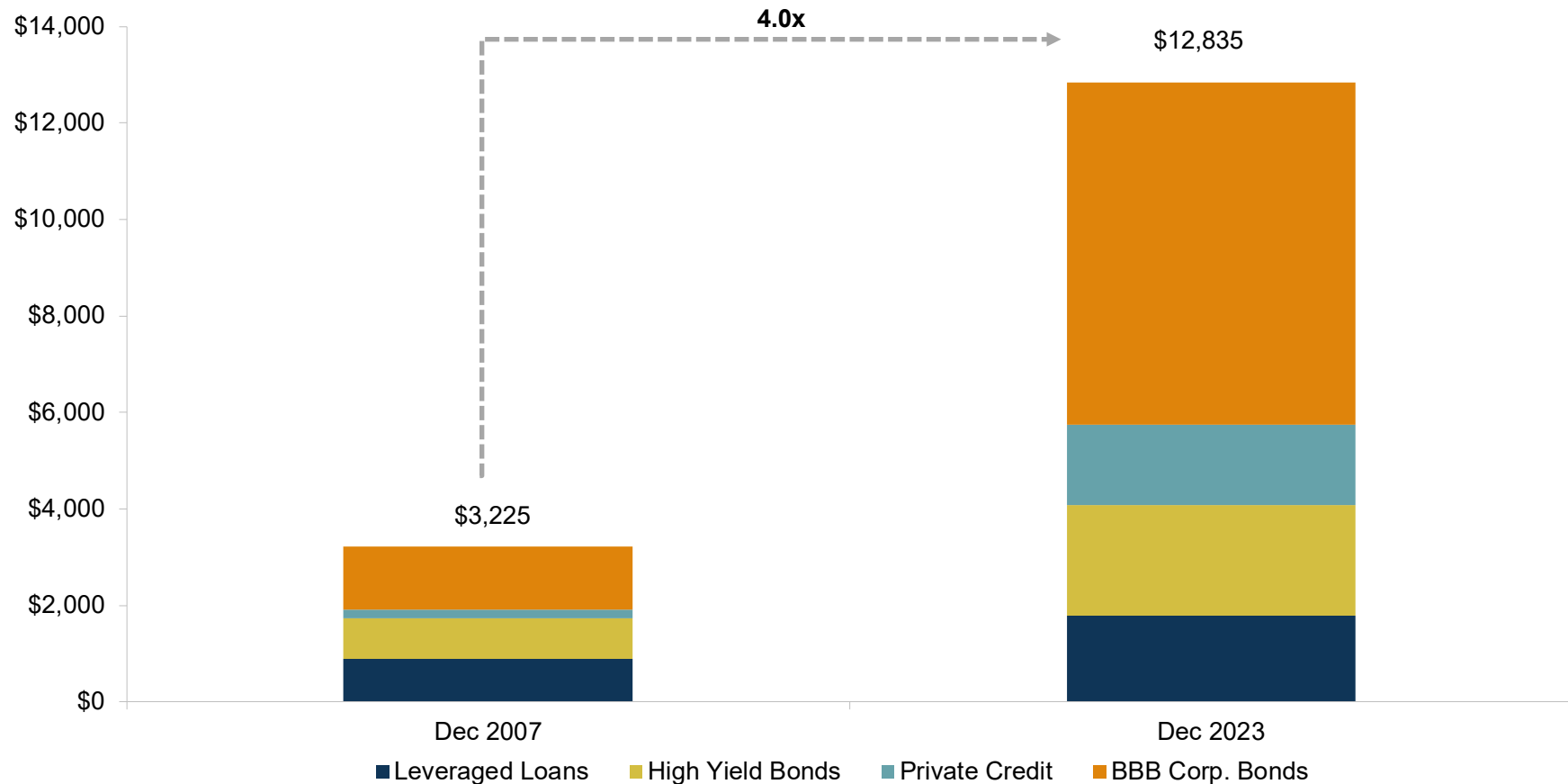
December 13, 2022



# Potential Opportunity Set Has Ballooned

## Leveraged Loan, High Yield Bond, Private Credit, and BBB Bond Growth

(\$ in billions)



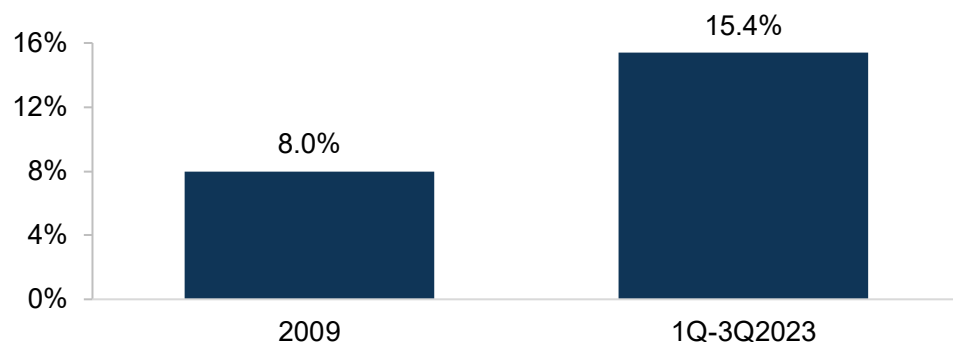
*The amount of non-investment-grade debt and BBBs is up 4x since the Global Financial Crisis. And \$3+ billion of CLO, CMBS, and REIT debt adds to potential supply.*

As of December 31, 2023 unless otherwise noted

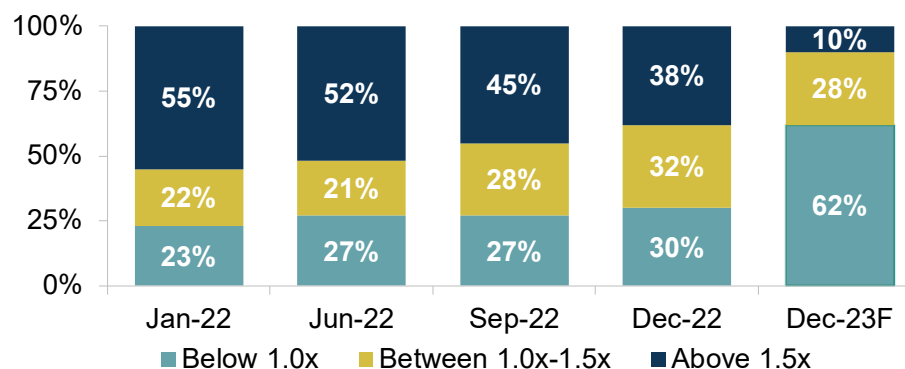
Sources: Leveraged Loan, HY bonds, and BBB data from Bloomberg, Credit Suisse, ICE BofA. Private Credit data from Preqin as of March 2023. CLO, CMBS, and REIT data from J.P. Morgan, Trepp, Bloomberg Finance L.P, Intex, Fannie Mae, and NAREIT.

# Two Catalysts for Distress: Liquidity and Maturities

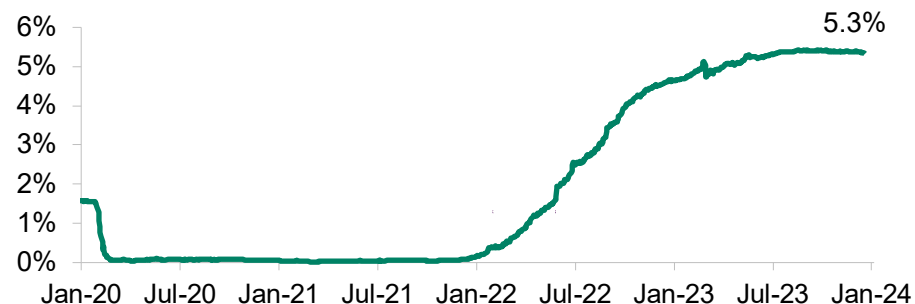
LBO Adjustments as a Percentage of EBITDA<sup>1</sup>



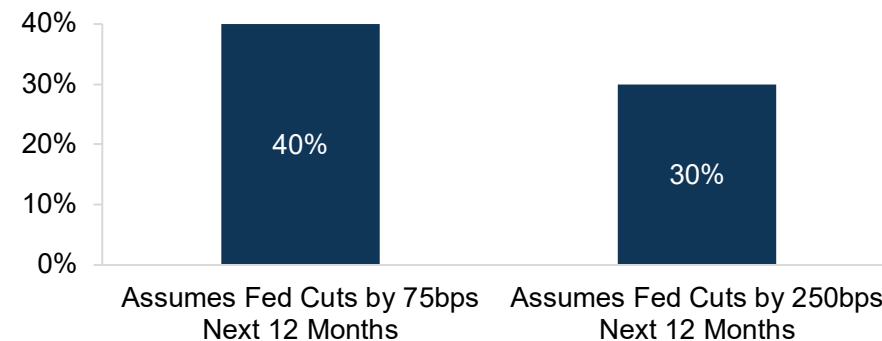
B3-Rated Issuers' Interest Coverage Ratios<sup>3,4</sup>



3-Month SOFR<sup>2</sup>



Private B/CCC Issuers with Negative Free Cash Flow

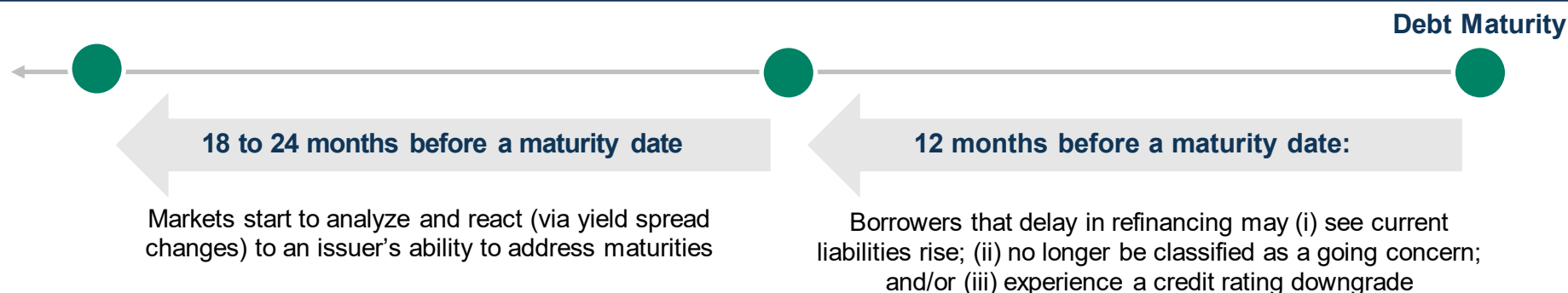


*Most floating-rate borrowers failed to hedge interest rate risk before reference rates rose by more than five percentage points.*

*Debt service coverage ratios are increasingly falling below 1.0x, and free cash flow is trending lower. This is most pronounced with issuers rated B3/B- and below.*

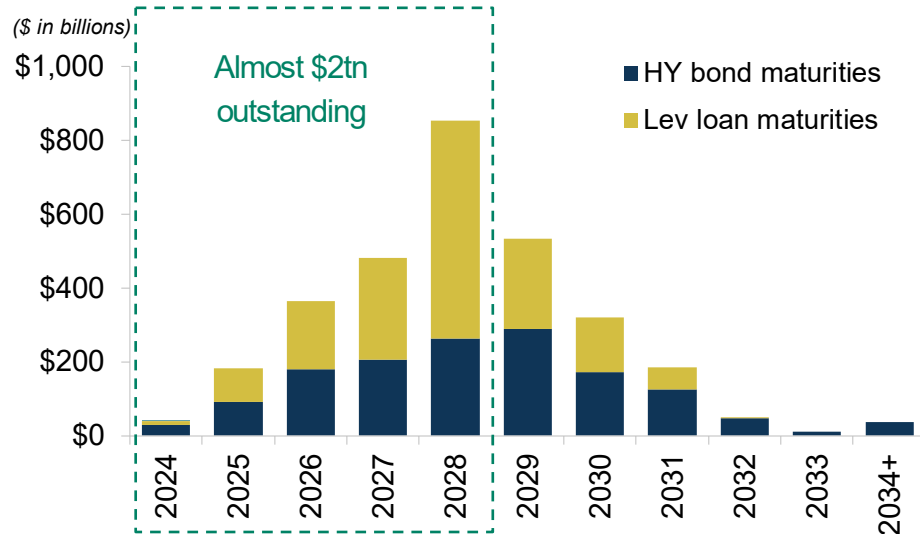
# Two Catalysts for Distress: Liquidity and Maturities

When Do Issuers Need to Address Maturities?

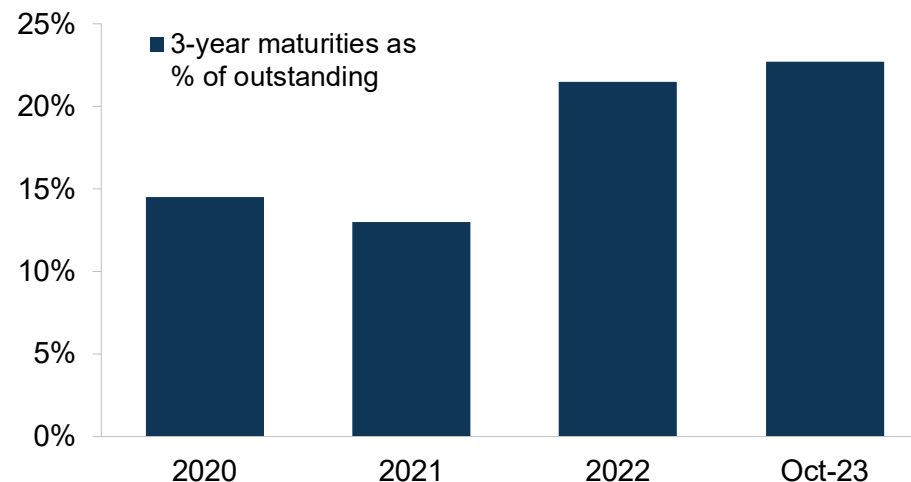


## High Yield Bond and Leveraged Loan Maturity Wall<sup>1</sup>

(As of February 14, 2024)



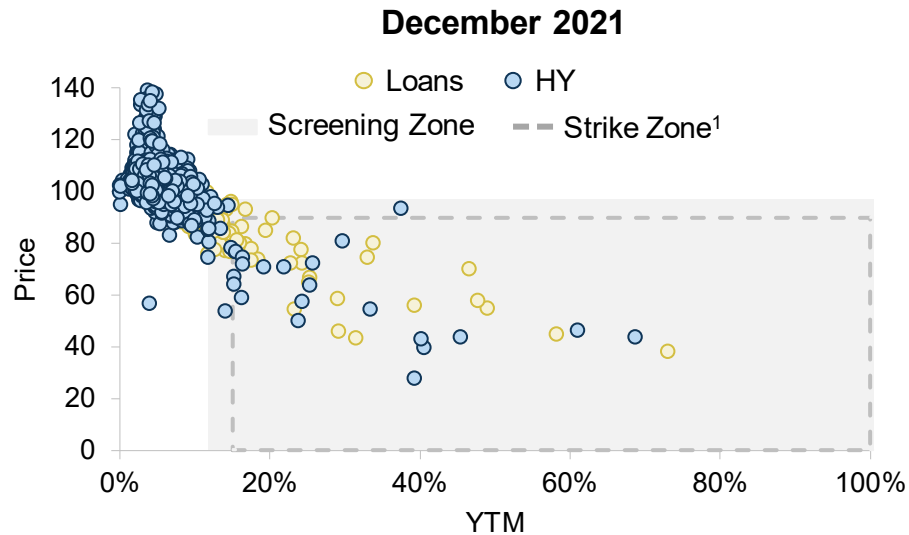
(As of October 31, 2023)



*Most maturities will need to be addressed during Opps XII's 3-year investment period.*

Source: JP Morgan  
 As of December 31, 2023 unless otherwise noted  
 Please see appendix endnotes.

# “Tail” of the Haves and Have Nots



**Total Universe:** \$2.8tn across 2,300 combined issuers

**Leveraged Loans Average Price / Yield:** 98.4 / 5.4%

**HY Bonds Average Price / Yield:** 103.2 / 5.0%

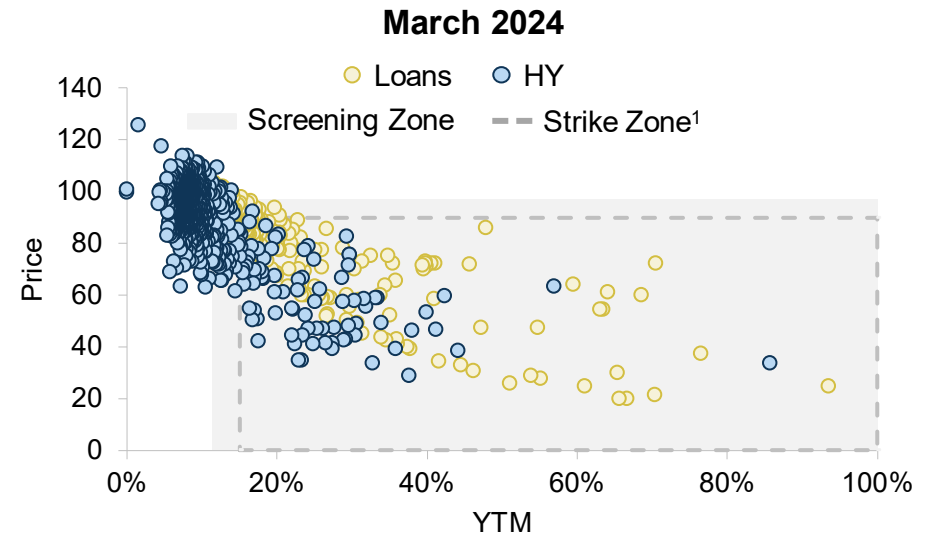
## Strike Zone Breakout

**Strike Zone:** \$32bn across 43 issuers (0.7% of total)

**Instrument:** Leveraged Loans: 42%, HY Bonds: 58%

**Next-Three-Year Maturities:** \$11.2bn

**Top 5 Industries:** Media/Telecom: 27.2%, Energy: 16.0%, Manufacturing: 9.4%, Services: 8.3%, Consumer Non-durables: 5.4%



**Total Universe:** \$2.6tn across 2,100 combined issuers

**Leveraged Loans Average Price / Yield:** 96.3 / 9.6%

**HY Bonds Average Price / Yield:** 93.2 / 8.2%

## Strike Zone Breakout

**Strike Zone:** \$160bn across 190 issuers (6.4% of total)

**Instrument:** Leveraged Loans: 61%, HY Bonds: 39%

**Next-Three-Year Maturities:** \$73.8bn

**Top 5 Industries:** Healthcare: 17.9%, Information Technology: 16.6%, Media/Telecom: 13.6%, Cable & Satellite TV: 14.8%, Services: 4.5%

# Pipeline Already Merits an \$18 Billion Target Fund Size

- **\$12.8tn of sub-investment-grade + BBB debt outstanding**
- **Sea change in financial markets**
- **Burden of unhedged floating-rate debt**

Current public and private pipelines are the largest since the Global Financial Crisis

~\$39bn deployed<sup>1</sup>  
from 2020-2023

Record  
Deployment

Record  
Pipeline...

...With  
Significant  
Potential  
to Grow

As of December 31, 2023

Note: Oaktree makes no representation, and it should not be assumed, that past investment performance is an indication of future results. Moreover, wherever there is the potential for profit, there is also the possibility of loss. See "Performance Disclosures" section of the Appendix for additional performance related information and disclosures.

Please see appendix endnotes.



# Bigger Is Better in Today's Market



**Leadership + Influence**

*Outsized influence when extensive negotiations are required*

Create value in restructuring processes

Thrive in increasingly contentious bankruptcies

Negotiate more advantageous terms



**Speed**

*Flexibility to execute quickly when size is paired with pre-work and an efficient approvals process*

Purchase large block trades

Fewer funding contingencies and less need to coordinate with other investors



**Sourcing Benefits**

*Preferential access to investment opportunities*

Proactively shown offers in secondary market

Borrowers often proactively bring us their biggest problems

Public

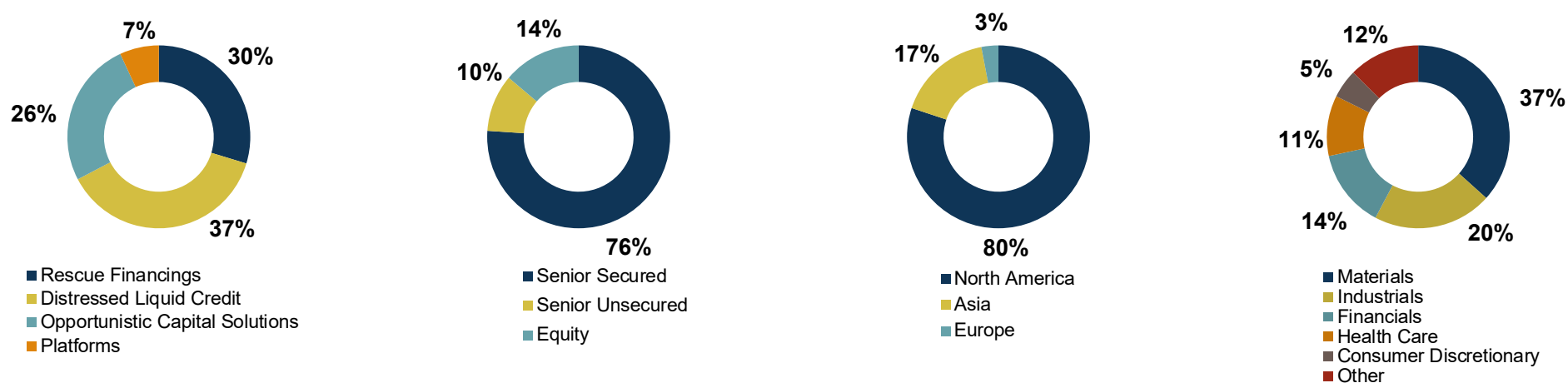
Private

# Opps XII Fund Highlights

## Administrative Facts

Commencement of Operations	6/9/2023
Investment Period End Date	TBD
Fund Type	Closed-end
Total Committed Capital	TBD
% Drawn	n/a
% Distributed	n/a
\$ Invested	\$2,431
\$ Committed for Investment	\$89
Current # of Investments	35

## Invested Capital by Investment Category, Seniority, Geography, and Sector





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# Appendix

# Appendix: Performance Disclosures

The performance information contained herein is provided for informational purposes only. Oaktree makes no representation, and it should not be assumed, that past performance is an indication of future results. There can be no assurance that Oaktree Opportunities Fund XII, L.P. will be able to earn the rates of return indicated herein. Indeed, wherever there is the potential for profit, there is also the possibility of loss. In reviewing the performance information included herein, please note the following:

## Investment Valuations

U.S. GAAP establishes a hierarchal disclosure framework, which prioritizes the inputs used in measuring financial instruments at fair value into three levels based on their market observability. Market price observability is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Financial instruments with readily available quoted prices from an active market or for which fair value can be measured based on actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment inherent in measuring fair value.

Financial assets and liabilities measured and reported at fair value are classified as follows:

- **Level I** – Quoted unadjusted prices for identical instruments in active markets to which the applicable fund has access at the date of measurement. The types of investments in Level I include exchange-traded equities, debt and derivatives with quoted prices.
- **Level II** – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are directly or indirectly observable. Level II inputs include interest rates, yield curves, volatilities, prepayment risks, loss severities, credit risks and default rates. The types of investments in Level II generally include corporate bonds and loans, government and agency securities, less liquid and restricted equity investments, over-the-counter traded derivatives and other investments where the fair value is based on observable inputs.
- **Level III** – Valuations for which one or more significant inputs are unobservable. These inputs reflect the applicable general partner's assessment of the assumptions that market participants use to value the investment based on the best available information. Level III inputs include prices of quoted securities in markets for which there are few transactions, less public information exists or prices vary among brokered market makers. The types of investments in Level III include non-publicly traded equity, debt, real estate and derivatives.

In some instances, an instrument may fall into different levels of the fair value hierarchy. In such instances, the instrument's level within the fair value hierarchy is based on the lowest of the three levels (with Level III being the lowest) that is significant to the value measurement. The assessment of the significance of an input requires judgment and considers factors specific to the instrument. Transfers of assets into or out of each fair value hierarchy level as a result of changes in the observability of the inputs used in measuring fair value are accounted for as of the beginning of the reporting period. Transfers resulting from a specific event, such as a reorganization or restructuring, are accounted for as of the date of the event that caused the transfer.

In the absence of observable market prices, the applicable general partner values Level III investments using valuation methodologies applied on a consistent basis. The quarterly valuation process for Level III investments begins with each portfolio company, property or security being initially valued by the investment or valuation teams. The valuations are then reviewed and approved by the valuation team and the valuation committee of each investment strategy, which consists of senior members of the investment team. All Level III investment values are ultimately approved by the valuation committees and designated investment professionals as well as the valuation officer who is independent of the investment teams and reports directly to Oaktree's Chief Financial Officer. Results of the valuation process are evaluated each quarter, including an assessment of whether the underlying calculations should be adjusted or recalibrated. In connection with this process, the applicable general partner evaluates changes in fair value measurements from period to period for reasonableness, considering items such as industry trends, general economic and market conditions, and factors specific to the investment.

Certain assets are valued using prices obtained from brokers or pricing vendors. The applicable general partner obtains an average of one to two broker quotes. The applicable general partner seeks to obtain at least one price directly from a broker making a market for the asset and one price from a pricing vendor for the subject or similar securities. These investments may be classified as Level III because the quoted prices may be indicative in nature for securities that are in an inactive market, may be for similar securities, or may require adjustment for investment-specific factors or restrictions. Generally, the applicable general partner does not adjust any of the prices received from these sources, and all prices are reviewed by the applicable general partner. The applicable general partner evaluates the prices obtained from brokers or pricing vendors based on available market information, including trading activity of the subject or similar securities, or by performing a comparable security analysis to ensure that fair values are reasonably estimated. The applicable general partner also performs back-testing of valuation information obtained from brokers and pricing vendors against actual prices received in transactions. In addition to on-going monitoring and back-testing, the applicable general partner performs due diligence procedures over pricing vendors to understand their methodology and controls to support their use in the valuation process.

Non-publicly traded debt and equity securities and other securities or instruments for which reliable market quotations are not available, are valued by the applicable general partner using valuation methodologies applied on a consistent basis. These securities may initially be valued at the acquisition price as the best indicator of fair value. The applicable general partner reviews the significant unobservable inputs, valuations of comparable investments and other similar transactions for investments valued at acquisition price to determine whether another valuation methodology should be utilized. Subsequent valuations will depend on facts and circumstances known as of the valuation date and the application of valuation methodologies further described below. The fair value may also be based on a pending transaction expected to close after the valuation date. These valuation methodologies involve a significant degree of management judgment. Accordingly, valuations do not necessarily represent the amounts which may eventually be realized from sales or other dispositions of investments. Fair values may differ from the values that would have been used had a ready market for the investment existed, and the differences could be material to the applicable fund's financial statements.

# Appendix: Performance Disclosures (continued)

## Exchange-Traded Investments

Securities listed on one or more national securities exchanges are valued at their last reported sales price on the date of valuation. If no sale occurred on the valuation date, the security is valued at the mean of the last “bid” and “ask” prices on the valuation date. Securities that are not marketable due to legal restrictions that may limit or restrict transferability are generally valued at a discount from quoted market prices. The discount would reflect the amount market participants would require due to the risk relating to the inability to access a public market for the security for the specified period and would vary depending on the nature and duration of the restriction and the risk and volatility of the underlying securities. Securities with longer duration restrictions or higher volatility are generally valued at a higher discount. Such discounts are generally estimated based on put option models or analysis of market studies. Instances where discounts have been applied to quoted prices of restricted listed securities have been infrequent. The impact of such discounts is not material to the applicable fund’s financial statements.

## Credit-Oriented Investments (including Real Estate Loan Portfolios)

Investments in corporate and government debt which are not listed or admitted to trading on any securities exchange are valued at the mean of the last bid and ask prices on the valuation date based on quotations supplied by recognized quotation services or by reputable broker-dealers.

The market yield approach is considered in the valuation of non-publicly traded debt investments, utilizing expected future cash flows, discounted using estimated current market rates. Discounted cash flow calculations may be adjusted to reflect current market conditions and/or the perceived credit risk of the borrowers. Consideration is also given to a borrower’s ability to meet principal and interest obligations; this may include an evaluation of collateral or the underlying value of the borrower utilizing techniques described below under “Non-Publicly Traded Equity Investments” and “Non-Publicly Traded Real Estate Investments.”

## Non-Publicly Traded Equity Investments

The fair values of private equity investments are determined by using a market approach or income approach. A market approach utilizes valuations of comparable public companies or transactions and generally seeks to establish the enterprise value of the portfolio company using a market multiple approach. This approach takes into account a specific financial measure (such as EBITDA, adjusted EBITDA, free cash flow, net operating income, net income, book value or net asset value) believed to be most relevant for the given company. Consideration may also be given to such factors as acquisition price of the security, historical and projected operational and financial results for the portfolio company, the strengths and weaknesses of the portfolio company relative to its comparable companies, industry trends, general economic and market conditions and other factors deemed relevant. The income approach is typically a discounted cash flow method that incorporates expected timing and level of cash flows. It incorporates assumptions in determining growth rates, income and expense projections, discount rates, capital structure, terminal values and other factors. The applicability and weight assigned to market and income approaches are determined based on the availability of reliable projections and comparable companies and transactions.

The valuation of securities may be impacted by expectations of investors’ receptiveness to a public offering of the securities, the size of the holding of the securities and any associated control, information with respect to transactions or offers for the securities (including the transaction pursuant to which the investment was made and the period of time elapsed from the date of the investment to the valuation date) and applicable restrictions on the transferability of the securities.

## Non-Publicly Traded Real Estate Investments

The fair values of real estate investments are determined by using a cost approach, market approach or income approach. A cost approach is based upon the current cost of reproducing a real estate investment less deterioration and functional and economic obsolescence. A market approach utilizes valuations of comparable properties or transactions and generally seeks to establish the enterprise value of investment property using a market multiple approach. This approach takes into account a specific financial measure (such as free cash flow, net operating income, net income, book value, net asset value, EBITDA or adjusted EBITDA) believed to be most relevant for the given investment property. Consideration may also be given to such factors as acquisition price of investment property, historical and projected operational and financial results for the property, the strengths and weaknesses of the investment property relative to comparable properties, industry trends, geographical factors, general economic and market conditions and other factors deemed relevant. The income approach is typically a discounted cash flow method that incorporates expected timing and level of cash flows. It incorporates assumptions in determining growth rates, income and expense projections, discount and capitalization rates, capital structure, and other factors. The applicability and weight assigned to market and income approaches are determined based on the availability of reliable projections and comparable properties and transactions.

# Appendix: Performance Disclosures (continued)

## Valuation of Unrealized Investments

The performance information set forth herein contains valuations of investments in companies that have not been fully realized as of December 31, 2023. There can be no assurance that any of these valuations will be attained as actual realized returns will depend upon, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions upon which the valuations contained herein are based. Consequently, the actual realized returns may differ materially from the current returns indicated in this brochure. Nothing contained herein should be deemed to be a prediction or projection of future performance.

## Internal Rate of Return

The internal rates of return (“IRR”) are the annualized implied discount rate calculated from a series of investment cash flows. It is the return that equates the present value of all capital invested in an investment to the present value of all returns of capital, or the discount rate that will provide a net present value of all cash flows equal to zero. Gross IRRs represent returns before the allocation of management fees, expenses and any incentive fees or “carried interest” paid, accrued or allocated to the general partner or investment manager of the funds and accounts, but after fund-level leverage costs, if applicable. Net IRRs represent returns to non-affiliated limited partners of the relevant funds after the allocation of management fees, all expenses of the funds and accounts and any incentive fees or “carried interest” paid, accrued or allocated to the general partner or investment manager of the funds and accounts. Fund level net IRRs presented herein exclude returns to the general partners and affiliated limited partners of the relevant funds. Because the “carried interest” allocated to the general partners of the relevant funds is not calculated on an investment-by-investment basis, but on an aggregate fund-by-fund basis only, comparable after-fee IRRs on an investment-by-investment basis are not available. As such, all net IRRs presented herein are on a fund-level basis only. The use of other calculation methodologies including different assumptions or methods may result in different and possibly lower IRRs. Furthermore, IRRs for funds or accounts in existence and investments held for less than one year may not be meaningful.

## Regulatory Pro Forma Net Returns

The Regulatory Pro Forma net IRR and net MOIC are provided for illustrative purposes only, are estimated and do not represent actual performance experienced by investors. The management fee and carried interest of the Oaktree funds included in the composite track record varied across such funds and in certain cases were lower than Oaktree Opportunities Fund XII, L.P. In addition, the management fee base of certain Oaktree funds included in the composite track record vary across such funds, and vary from the management fee base for Oaktree Opportunities Fund XII, L.P. (e.g., the management fee for Oaktree Opportunities Fund XII, L.P. is based on the cost basis of permitted investments while the management fee for certain of the Oaktree funds in the composite was based on lower of cost or contributed capital or committed capital (and varied during different periods in the fund’s lifecycle). The net IRR and net MOIC in the composite track record are calculated by applying fees and carried interest and other expenses to all investments in the composite track record equal to the higher of the fees, carried interest and other expenses (i) expected to be borne by investors in Oaktree Opportunities Fund XII, L.P. and (ii) borne by investors who bore the highest level of fees, carried interest and other expenses that participated in any of the funds included in the composite track record. Certain assumptions have been made to simplify the presentation, and accordingly, actual results will differ from those presented. The preparation of such returns is based on underlying assumptions, and because it does not represent the actual performance of any fund, portfolio or investor, it is subject to various risks and limitations that are not applicable to non-hypothetical performance presentations. For example, because cumulative multi-fund composite performance reflects different funds managed through various economic cycles, it is not, nor intended, to be representative of, the anticipated experience of an investor in a single fund. Any preparation of hypothetical performance involves subjective judgments. Although Oaktree believes any hypothetical performance calculations described herein are based on reasonable assumptions, the use of different assumptions would produce different results. For the foregoing and other similar reasons, the comparability of hypothetical performance to the prior actual performance of a fund is limited, and prospective investors should not unduly rely on any such information in making an investment decision. No representation is made to the reasonableness of the assumptions made.

## Subscription Line Financing

Calculations of net and gross IRRs in respect of investment and performance data included and/or referred to herein are based on the payment date of capital contributions received from limited partners, even in instances where a fund or account utilizes borrowings under a subscription-based credit facility. The use of a subscription-based credit facility (or other fund-level leverage) with respect to investments may result in a higher reported gross IRR and net IRR at the fund-level than if such subscription facility (or other fund-level leverage) had not been used and instead the investors’ capital had been contributed at the inception of each such investment. This is due to the fact that calculations of gross IRR and net IRR are based on the relationship between investment gains and partners’ capital employed. Therefore, if a subscription facility is used to fund an investment, capital may be called more slowly from the limited partners to repay such borrowings, which would shorten the time between such contribution and distribution and consequently increase gross IRR and net IRR. Please see applicable fund’s PPM for additional information.

## No Benchmark

No benchmarks are presented in this presentation, as Oaktree is not aware of any benchmarks that, in Oaktree’s opinion, provide a basis for measuring the performance of the relevant funds, particularly in light of the managers’ investment philosophy, strategy and implementation.

We have presented the below described indices for informational purposes only as a representation of the performance of certain market asset classes during the time periods shown:

The S&P 500 Index is a capitalization-weighted index of the 500 largest U.S. common stocks.

The Bloomberg U.S. High Yield Bond Index measures the USD-denominated high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody’s, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Bloomberg EM country definition, are excluded.

The Bloomberg U.S. Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate pass-throughs), ABS and CMBS (agency and non-agency).

# Appendix: Legal Information and Marketing Disclosures

**An investment in the Fund is speculative and involves a high degree of risk. Such risks include, but are not limited to, those described below. An investment should only be made after consultation with independent qualified sources of investment, tax and legal advice. Prospective investors must review a particular fund's confidential private placement memorandum prior to investing in such fund.**

## **Investments**

The Fund will involve investing in securities and obligations that entail substantial risk. There can be no assurance that such investments will increase in value, that significant losses will not be incurred or that the objectives of the Fund will be achieved. In addition, investing in such securities and obligations may result in the incurrence of significant costs, fees and expenses, including legal, advisory and consulting fees and expenses, costs of regulatory compliance and costs of defending third-party litigation.

## **Investment Environment**

Many factors affect the demand for and supply of the types of investments that the Fund may target and their valuations. Interest rates and general levels of economic activity may affect the value of investments targeted by the Fund or considered for investment. The investing activities of the Fund could be materially adversely affected by instability in global financial markets or changes in market, economic, political or regulatory conditions, as well as by other factors outside the control of Oaktree or its affiliates.

## **Debt Securities**

Investments in debt instruments entail normal credit risks (i.e., the risk of non-payment of interest and principal) and market risks (i.e., the risk that certain market factors will cause the value of the instrument to decline). A default on a loan or a sudden and extreme increase in prevailing interest rates may cause a decline in a portfolio holding such investments.

Fixed income securities may be subject to redemption at the option of the issuer. If a fixed income security is called for redemption, the holder may be required to permit the issuer to redeem the security, which could have an adverse effect on the holder's ability to achieve its investment objectives.

Floating rate instruments such as bank loans pay interest based on EURIBOR or LIBOR. As a result, a significant decline in EURIBOR or LIBOR could negatively impact the expected return on such loans. While loans with EURIBOR or LIBOR interest rates are available at lower prices (ignoring those with EURIBOR or LIBOR floors), there can be no guarantee that such prices will offset losses in current income. Although the prices of floating rate instruments may be less sensitive to interest rate changes than the prices of fixed-rate obligations, interest rates on bank loans only reset periodically and may not perfectly correlate with prevailing interest rates, potentially subjecting floating-rate loans to the same fluctuations as fixed-rate obligations during the period in which their interest rates are fixed.

## **Bank Loans and Participations**

Bank loans and participations are subject to unique risks, including: (a) the possible invalidation of an investment transaction, including the pledging of collateral, as a fraudulent conveyance under relevant creditors' rights laws, (b) lender-liability claims by the issuer of the obligations, (c) environmental liabilities that may arise with respect to collateral securing the obligations, (d) the utilization of a floating interest rate instead of a fixed interest rate and (e) limitations on the ability of the holder to directly enforce its rights with respect to participations. In analyzing each bank loan or participation, Oaktree will compare the relative significance of the risks against the expected benefits of the investment. Some of these risks are also present for fixed income securities. In addition, participation in bank loans may entitle Oaktree to receive material, non-public information which may limit its ability to trade in the public securities of the borrower, including high yield fixed income securities.

## **Investments in Real Estate**

The value of real estate and real estate-related securities and investments can be seriously affected by interest rate fluctuations, bank liquidity and the availability of financing, as well as by regulatory or governmentally imposed factors such as a zoning change, an increase in property taxes, the imposition of height or density limitations, the requirement that buildings be accessible to disabled persons, the requirement for environmental impact studies, the potential costs of remediation of environmental contamination or damage, the imposition of special fines to reduce traffic congestion or to provide for housing, competition from other investors, changes in laws, wars and earthquakes, typhoons, terrorist attacks or similar events. Income from income-producing real estate may be adversely affected by general economic conditions, local conditions such as oversupply or reduction in demand for space in the area, competition from other available properties, inadequate maintenance and inadequate coverage by insurance. Certain significant expenditures associated with real estate (such as mortgage payments (to the extent leveraged), real estate taxes and maintenance costs) have no relationship with, and thus do not diminish in proportion to, a reduction in income from the property. Reductions in value or cash flow could adversely impact the Fund's ability to make distributions to investors, adversely impact its investment policy and reduce overall returns on investments.

## **Leverage of Portfolio Companies**

The Fund's investments are expected to include companies whose capital structures may have significant leverage. Such investments are inherently more sensitive to declines in revenues and to increases in expenses and interest rates, creating a greater possibility of default or bankruptcy of the borrower.

# Appendix: Legal Information and Marketing Disclosures

## (continued)

### **Nature of Bankruptcy Proceedings**

The Fund's investments that could require substantial workout negotiations or restructuring in the event of a default or bankruptcy, which could entail significant risks, time commitments and costs.

### **International Investments**

safer in different countries involve risks and special considerations to which investors may not be accustomed. Such risks include (a) the risk of nationalization or expropriation of assets or confiscatory taxation, (b) social, economic and political uncertainty, including war and revolution, (c) dependence on exports and the corresponding importance of international trade, (d) price fluctuations, market volatility, less liquidity and smaller capitalization of securities markets, (e) currency exchange rate fluctuations, (f) rates of inflation, (g) controls on, and changes in controls on, non-U.S. investments and limitations on repatriation of invested capital and on the ability to exchange local currencies for the Fund's base currency, (h) governmental involvement in and control over the economies, (i) governmental decisions to discontinue support of economic reform programs generally and impose centrally planned economies, (j) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers, (k) less extensive regulation of the securities markets, (l) longer settlement periods for securities transactions, (m) less developed corporate laws regarding fiduciary duties and the protection of investors, (n) less reliable judicial systems to enforce contracts and applicable law, (o) certain considerations regarding the maintenance of the portfolio securities and cash with sub-custodians and securities depositories in different countries, (p) restrictions and prohibitions on ownership of property by foreign entities and changes in laws relating thereto and (q) terrorism. These factors may increase the likelihood of potential losses being incurred in connection with such investments.

### **Currency Risks and Foreign Exchange**

The Fund may make investments denominated in currencies other than the base currency of the Fund. Changes in the rates of exchange between the Fund's base currency and other currencies may have an adverse effect on the value of investments denominated in such other currencies, the performance of the Fund and the amounts of distributions, if any, to be made by the Fund. In addition, the Fund will incur costs in converting investment proceeds from one currency to another. The Fund may or may not attempt to hedge currency risk of the portfolio, but in any event it does not expect that the full risk of currency fluctuations can be eliminated due to the complexity of its investments and limitations in the foreign currency market.

### **Options**

The Fund may sell securities short. A short sale involves the risk of a theoretically unlimited loss from a theoretically unlimited increase in the market price of the security sold short. Furthermore, there can be no assurance that the Fund will be able to purchase the securities necessary to cover a short position.

### **Short Sales**

A short sale involves the risk of a theoretically unlimited loss from a theoretically unlimited increase in the market price of the security sold short. Furthermore, there can be no assurance that the securities necessary to cover a short position will be available for purchase.

### **Swaps**

The Fund may engage in swaps, which may include total return swaps, interest rate swaps and credit default swaps, in which case the Fund will usually have a contractual relationship only with the counterparty of such swap, and not the issuer, and will therefore be subject to the credit risk of the counterparty. In addition, certain swaps may be required to be submitted to a central clearing counterparty, in which case the Fund will be subject to the credit risk of the central clearing counterparty and any Futures Commodity Merchant that the Fund may use to access such central clearing counterparty. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by governmental and judicial action. The effect of any future regulatory change on the Fund could be substantial and adverse.

### **Use of Leverage**

The Fund may engage in certain investment activities that involve the use of leverage, including through swaps. While leverage presents opportunities for increasing the Fund's total return, it has the potential to increase losses as well. Accordingly, any event that adversely affects the value of an investment made by the Fund would be magnified to the extent leverage is used.

### **Contingent Liabilities on Disposition of Investments**

The Fund may be required to indemnify the purchasers of investments that it sells. Investors in the Fund may be required to return amounts distributed to them to fund the Fund's indemnity obligations.

### **Illiquidity of Investments**

The Fund's investments may consist of securities and obligations which are thinly traded, securities and obligations for which no market exists, or securities and obligations which are restricted as to their transferability. These factors may limit the ability to sell such securities at their fair market value.



# Appendix: Legal Information and Marketing Disclosures

## (continued)

### Regulatory Risks

Legal, tax and regulatory changes may adversely affect the Fund's at any time during its term. The legal, tax and regulatory environment for investing in alternative investments is evolving, and changes in the regulation and market perception of alternative investments, including changes to existing laws and regulations and increased criticism of the private equity and alternative asset industry by some politicians, regulators and market commentators, may adversely affect the ability of the Fund to pursue its investment strategy and the value of its investments held by the Fund.

Market disruptions and dramatic increases in capital allocated to alternative investment strategies have led to increased governmental and self-regulatory scrutiny of alternative investments. Greater regulation of the industry has been considered by both legislators and regulators. The effect of any future changes in regulations applicable to the Fund, its general partner, Oaktree, the markets in which the Fund invests or the counterparties with which it does business are impossible to predict, but could be substantial and adverse.

### Market Conditions and Governmental Actions

The securities, futures and certain other derivatives markets are subject to comprehensive statutes, regulations and margin requirements. Government regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. Regulators have the ability to limit or suspend trading in securities, which could result in significant losses. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by governmental and judicial action. The effect of any future regulatory changes could be substantial and adverse.

In recent years, world financial markets have experienced extraordinary market conditions. In reaction to these events, regulators in various countries have undertaken and continue to undertake unprecedented action to stabilize markets. The Fund may be adversely affected by unstable markets and significant new regulations could limit the Fund's activities and investment opportunities or change the functioning of the capital markets. In the event of a severe economic downturn, the Fund could suffer significant losses.

### Institutional Risk

The brokerage firms, banks and other institutions with which the Fund does business, or to which securities will be entrusted for custodial and prime brokerage purposes, may encounter financial difficulties, fail or otherwise become unable to meet their obligations. In addition, legal, regulatory, reputational or other risks affecting such institutions could have a material adverse effect on the Fund.

### Material Non-public Information

In connection with the Oaktree's activities, personnel of Oaktree may acquire confidential or material non-public information or otherwise be restricted from initiating transactions in certain securities. Oaktree will not be free to act upon any such information and may not be able to initiate a transaction that it otherwise might have initiated.

### Potential Conflicts of Interest

Oaktree and its affiliates manage a number of different funds and accounts (and may form additional funds and accounts) that invest in, and in some cases have priority ahead of the Fund with respect to, securities or obligations eligible for purchase by the Fund. This presents the possibility of overlapping investments, and thus the potential for conflicts of interest. To the extent permitted by law, Oaktree reserves the right to cause the Fund to take such steps as it may be necessary to minimize or eliminate any conflict between Oaktree-managed funds and accounts even if that requires the Fund to divest securities that, in the absence of such conflict, it would have continued to hold or otherwise take action that may benefit Oaktree or any other Oaktree-managed fund or account and that may not be in the best interests of another Oaktree-managed fund or account and that may not be in the best interest of the Fund or the investors of the Fund. Oaktree will seek to manage conflicts in good faith.

### Tax Matters

There are a series of complex tax issues related to the investments that will be the focus of the Fund, as well as any investment in the Fund itself. In addition, changes in the tax laws may adversely affect the Fund's ability to efficiently realize income or capital gains and could materially and adversely affect the after-tax returns to investors. There can be no assurance that the Fund's distributions will be sufficient to satisfy any U.S. federal, state or local or non-U.S. income taxes imposed on the investors in respect of their distributive shares of the Fund's taxable income. Prospective investors are urged to consult their own tax advisors regarding the possible tax consequences of an investment in the Fund.

### Lack of Diversification

Other than as set forth in the Fund's governing documents, the Fund will be under no obligation to diversify its investments. Accordingly, the investment portfolio of the Fund may be subject to more rapid changes in value than would be the case if the Fund were required to maintain broad diversification among companies, industries and types of securities.

### Investments in Commingled Vehicles

A potential investor considering an investment in any commingled vehicle will be subject to the risks described above as well as the risks associated with an investment in a commingled vehicle. Interests of a commingled vehicle will generally be an illiquid investment and withdrawals from, and transfers of units of, a commingled vehicle may be subject to restrictions. The portfolio of a commingled vehicle may not be diversified among a wide range of issuers or industries which may make such portfolio subject to more rapid change in value than would be the case if the portfolio was more diversified. Investors also will not have the opportunity to participate in a commingled vehicle's management.

# Appendix: Legal Information and Marketing Disclosures

## (continued)

Certain information contained herein concerning economic trends and performance is based on or derived from information provided by independent third-party sources. Oaktree believes that such information is accurate and that the sources from which it has been obtained are reliable; however, Oaktree cannot guarantee the accuracy of such information and has not independently verified the accuracy or completeness of such information or the assumptions on which such information is based. Moreover, independent third-party sources cited in this brochure are not making any representations or warranties regarding any information attributed to them and shall have no liability in connection with the use of such information in this brochure.

In addition, certain information contained in this presentation is based on Oaktree's assumptions and projections or otherwise constitute "forward looking statements," which can be identified by the use of forward looking terminology such as "may," "will," "should," "expect," "anticipate," "forecast," "estimate," "intend," "continue" or "believe" or the negatives thereof or other variations thereon or other comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of any scenarios or forecasts discussed herein may differ materially from those reflected or contemplated in such forward looking statements. Oaktree cannot offer assurances that any of the scenarios or forecasts described herein will actually transpire or occur, or if any of them do, what impact they will have on the returns of any investment. Prospective investors are cautioned not to put undue reliance on any of the assumptions, projections or other forward looking statements contained herein. No representation or warranty is made as to future performance or such forward looking statements.

Except where otherwise indicated herein, the information provided herein is based on matters as they exist as of the date of preparation of this presentation and not as of any future date. Oaktree does not undertake any obligation to revise or update any information contained herein in light of new information, future developments or otherwise after such date of preparation. This information is intended for informational purposes only. Prospective investors should not rely on it for any other purpose.

# Appendix: Legal Information and Marketing Disclosures

## (continued)

### Important Information About Target Returns

Target returns are purely hypothetical and are not, and should not be considered, a guarantee nor a prediction or projection of future results. The target returns are based on models, estimates and assumptions about performance believed to be reasonable under the circumstances; however, actual returns often differ, in many cases materially, from target returns as a result of many factors, including but not limited to the availability of suitable investments, the uncertainty of future operating results of investments, the timing of asset acquisitions and disposals, the general economic conditions (including interest rates) that prevail during the period that an investment is acquired, held and disposed of and transaction costs. The model performance results have several inherent limitations. Prospective investors should bear in mind that past or targeted returns are not necessarily indicative of future results, and there can be no assurance that the Fund will achieve comparable results, that targeted returns will be met or that the Fund will be able to implement its investment strategy or achieve its investment objectives.

The model performance assumes the use of Fund-level leverage through the use of a subscription line (fully collateralized by limited partners' uncalled capital commitments) to finance some of the Fund's investments. Oaktree makes no representation that such leverage can actually be obtained or that leverage actually obtained will be on the terms assumed. Any borrowing by the Fund will be on market terms at the time such indebtedness is incurred. Expenses will therefore be affected by changes in interest rates, fees and other costs associated with borrowing, the amount borrowed and the period of time for which borrowings remain outstanding, and may cause the actual returns of the Fund to be higher or lower than those shown in the model. While leverage presents opportunities for increasing the Fund's total return, it has the potential to increase losses as well. Accordingly, any event that adversely affects the value of an investment made by the Fund would be magnified to the extent leverage is used. In addition to the Fund's own borrowing to finance investments, the Fund may invest in companies whose capital structures have significant leverage.

The model's output for 16% net target under stable economic conditions relies on the following primary inputs:

- 19% gross investment-level returns. This target represents the investment-level returns we are currently underwriting in today's market environment based on the opportunities currently available. There can be no assurance that any such opportunities will be consummated on the terms presently contemplated, or if contemplated, will lead to investor returns.
- 12% going-in and 14.5% stabilized cash current return: Cash current return represents the cash income we expect our average investments can generate. Our estimate represents what is achievable in today's market based on the opportunities we are presently underwriting. We also include a range of cash current returns (going in and stabilized) to represent slightly higher returns we estimate to generate based on high yield bond yield spreads potentially increasing for the period of time during the Fund's estimated 3-year investment period outside of a larger scale recession or dislocation.
- 5 years investment hold period: For realized investments in the Opportunities strategy, we've have held our investments for approximately 5 years on a weighted average basis.
- 2% subscription line spread over three-month SOFR: This is based upon the terms of the \$1bn of in-place subscription line financing we have already raised for the Fund. We expect to be able to increase the subscription line as needed (however, this isn't guaranteed). In terms of financing costs, we assumed the three-month-SOFR forward curve.

For the 21% net target under worsening economic conditions, the model relies on the same input assumptions as for the 16% net target except as noted below:

- 23% gross investment-level returns. Oaktree believes this is a reasonable estimate of the investment-level returns we believe we can achieve in dislocated markets based on our 35 years of experience and the results we underwrote and achieved during the last four major dislocations (1990-92, 2000-02, 2008-09, and 2020-21).
- 13.5% going-in and 15% Stabilized Cash Current Return: Oaktree believes this is a reasonable estimate of the investment-level returns we believe we can achieve in dislocated markets based on our 35 years of experience and the results we underwrote and achieved during the last four major dislocations (1990-92, 2000-02, 2008-09, and 2020-21) Past performance is not indicative of future results. Actual returns could be materially higher or lower depending on the severity of a recession or market dislocation.

Net target returns are estimated by applying the Fund's stated management and performance fees as well as assumed fund-level expenses, organizational expenses and assumed subscription line terms and usage, among other assumptions around investment hold periods, the pacing of capital calls and distributions, and the Fund's working capital needs, to the gross targeted returns for the Fund. There can be no assurance that the fund-level expenses and subscription line terms and usage will be the same as modelled, which could increase or decrease the gap between gross and net returns. Any changes of any of the assumptions made in the model, as well as changes economic and market conditions, fluctuations in interest rates, changes in law, government policies and regulations, changes in investor preferences and behavior, and changes in the performance of individual securities or asset classes may lead to investment returns that are materially lower than the target returns.

Hypothetical performance such as target returns has been provided for illustrative purposes only, and is not necessarily, and does not purport to be, indicative, or a guarantee, of future results. Hypothetical performance represents performance results that no individual fund, portfolio or investor has actually achieved. The preparation of such information is based on underlying assumptions, and because it does not represent the actual performance of any fund, portfolio or investor, it is subject to various risks and limitations that are not applicable to non-hypothetical performance presentations. Any preparation of hypothetical performances involves subjective judgments. Although Oaktree believes any hypothetical performance calculations described herein are based on reasonable assumptions, the use of different assumptions may produce materially lower returns. For the foregoing and other similar reasons, the comparability of hypothetical performance to the prior (or future) actual performance of a fund is limited, and prospective investors should not unduly rely on any such information in making an investment decision.

The model represents Oaktree's views and assumptions as of July 2023 only, and Oaktree undertakes no obligation to update the model after such date.

# Appendix: Endnotes

## Page 4

1. Includes Oaktree's proportionate amount of DoubleLine Capital AUM resulting from its 20% minority interest therein, and 17Capital AUM. See the Legal and Performance Disclosures section for important information regarding Oaktree's calculation methodology for assets under management.
2. Includes offices of affiliates of Oaktree-managed funds. Oaktree is headquartered in Los Angeles. strategies.

## Page 16

1. Oaktree makes no representation, and it should not be assumed, that past investment performance is an indication of future results. Moreover, wherever there is the potential for profit, there is also the possibility of loss. See "Performance Disclosures" section of the Appendix for additional performance related information and disclosures. See Appendix I for the full performance track record. Performance before April 1995 reflects track record of Oaktree Principals while at Trust Company of the West ("TCW").
2. Both Oaktree's Net IRR and regulatory pro forma Net IRRs round to 16%. See "Performance Disclosures" section of the Appendix for additional information on the regulatory pro forma Net IRR.
3. See Legal Information and Marketing Disclosures for more information on the Fund's target return. Non-use of leverage in that total purchases never exceeded committed capital. The strategy has used, and we expect Opps XII will use, a subscription line that is secured by limited partners' uncalled capital commitments. While this doesn't lever the fund (i.e., we don't invest more than the fund's committed capital), it does have the effect of magnifying the fund's reported IRR and MOIC.
4. Compares the realized gross investment profits to the total strategy gross investment profits. Losses on foreign currency are added back to total profits while gains on foreign currency are added back to total losses due to hedging being performed at the fund-level and not investment-level.
5. Calculated as total investment-level gross profits divided by total investment-level gross profits plus the absolute value of total investment-level gross losses. Losses on foreign currency are added back to total profits while gains on foreign currency are added back to total losses due to hedging being performed at the fund-level and not investment-level.
6. Represents gross distributions of the Opportunities funds including fund expenses, management fees, limited partner distributions and general partner distributions.
7. As of August 5, 2023

## Page 17

1. Oaktree performance from October 15, 1988 through December 31, 2023. Index performance from October 1, 1988 through December 31, 2023. Pre 1995 performance was achieved by the portfolio management team while at TCW. For the periods presented, the aggregate returns of the Opportunities Funds represent dollar-weighted IRRs versus annualized time-weighted returns for the market indices. As such, the returns of the market indices cannot be used as a direct comparison for the returns of the Opportunities Funds given the differing calculation methodologies employed. Additionally, the market indices are being provided for informational purposes only as a representation of the performance of certain market asset classes during the relevant time periods and not as a direct comparison to the performance of the Opportunities Funds. The periods have been selected on the basis of each representing a discrete economic cycle.
2. The Regulatory Pro Forma net IRR is provided for illustrative purposes only, is estimated, and does not represent actual performance experienced by investors. The returns in the pro forma composite track record are calculated by applying fees and carried interest and other expenses to all investments in the composite track record equal to the higher of the fees, carried interest and other expenses (i) expected to be borne by investors in Oaktree Opportunities Fund XII, L.P. and (ii) borne by investors who bore the highest level of fees, carried interest and other expenses that participated in any of the funds included in the composite track record.
3. See Appendix I "Opportunities Funds Performance Table" for subtotal splits of the composite Net IRRs vs regulatory pro forma Net IRRs.

## Page 18

1. Foreign Currency gains and losses are netted due to hedging being performed at the fund level and not the investment level
2. Represents gross distributions of the Opportunities funds including fund expenses, management fees, limited partner distributions and general partner distributions.
3. Represents the net asset value of the Opportunities funds after management fees and expenses, but before potential incentive allocation.
4. Calculated as total investment-level gross profits divided by total investment-level gross profits plus the absolute value of total investment-level gross losses. Losses on foreign currency are added back to total profits while gains on foreign currency are added back to total losses due to hedging being performed at the fund-level and not investment-level.
5. Both Oaktree's Net IRR and regulatory pro forma Net IRRs round to 16%. See "Performance Disclosures" section of the Appendix for additional information on the regulatory pro forma Net IRR.

## Page 19

1. The Regulatory Pro Forma net IRR is provided for illustrative purposes only, is estimated, and does not represent actual performance experienced by investors. The returns in the pro forma composite track record are calculated by applying fees and carried interest and other expenses to all investments in the composite track record equal to the higher of the fees, carried interest and other expenses (i) expected to be borne by investors in Oaktree Opportunities Fund XII, L.P. and (ii) borne by investors who bore the highest level of fees, carried interest and other expenses that participated in any of the funds included in the composite track record.
2. There is no guarantee these strategies will generate gains or avoid losses.

# Appendix: Endnotes (continued)

## Page 25

1. Deployment across all Opportunities Funds Xb and Xi

## Page 28

1. Serves as a shared resource across multiple investment strategies.

## Page 29

1. Trading activity measured from January 1, 2022, through December 31, 2023, and excludes foreign exchange, direct lending and emerging markets equity transactions.
2. Interactions between Oaktree and Brookfield investment professionals are compliance-chaperoned

## Page 33

1. Source: Pitchbook LCD
2. Source: Bloomberg
3. Interest coverage as defined by EBITDA less capex/interest
4. Source: Moody's Investors Service

## Page 34

1. Green box represents volume of debt maturing during the five-year period following the contemplated start of Opps XII's investment period. This includes the Fund's three-year investment period and 24 months following the investment period, during which time we believe the market will begin analyzing upcoming maturities.

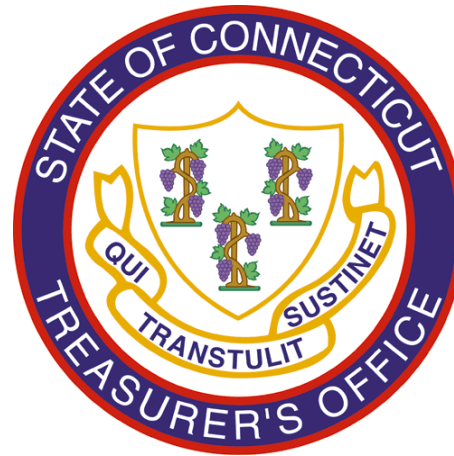
## Page 36

1. See page 25 (rhs) for deployment numbers.



OAKTREE

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# Real Estate Investment Opportunities Overview

Investment Advisory Council  
May 8, 2024

# Real Estate Investment Recommendation

## Sterling Value Add Partners IV, L.P.

- \$500 million target, \$600 million hard cap
- Value-add investments in retail properties, primarily focused on shopping centers in the US
- Sterling Organization is led by an experienced and stable senior leadership team with expertise in investing and managing retail investments through multiple cycles with strong performance, even as the sector underperformed.
- Return Target: 13%-15% Net IRR, and 1.8x-2.0x Net TVPI; 5-7 year holds
- Retail property type has been out of favor for better part of the last decade. Currently new supply is non-existent and unlikely to be material going forward due to the high and more lucrative demand for residential and industrial sites. Investor capital appetite is limited but retailer demand and rent growth has been strong, creating an opportune time to invest.
- An up to \$200 million commitment would provide the CRPTF with timely additional and complementary exposure to retail investment with a manager with deep expertise and market connectivity. This would be a new manager with a differentiated strategy that's not in the current portfolio.

## Artemis Real Estate Partners Income & Growth Fund II L.P.

- \$1 billion target, \$1.5 billion hard cap
- Core-plus investments with a focus on U.S. middle-market (\$10-30 million per transaction) opportunities in top MSAs and across property types.
- Artemis is led by an experienced senior leadership team with expertise in investing and managing institutional real estate funds and separate accounts across the capital stack across a broad array of property types.
- Return Target: 11%-13% Net IRR, and 1.5x Net TVPI; 5-7 year holds
- Investment capital within the Core and Core-plus space is particularly limited currently given the challenged position of many larger, traditional open-ended funds. This environment should allow funds with fresh capital the opportunity to build a portfolio with attractive pricing while avoiding the legacy issues that exist in much of the core fund universe.
- An up to \$200 million commitment would provide the CRPTF with timely additional and complementary exposure to property investments within the lower risk space with an existing, high-conviction manager.



# Real Estate Fund 2024 Pacing Targets

Real Estate Fund - 2024 Pacing Plan Targets							
Sub-Strategy (\$millions)							
Pacing Plan Target Ranges	Core Real Estate			Non-Core Real Estate			2024
	<u>Low</u>	<u>Target</u> <sup>2</sup>	<u>High</u>	<u>Low</u>	<u>Target</u>	<u>High</u>	<u>Target</u> <sup>2</sup>
Total Commitments	\$0	\$150-200	\$250	\$850	\$950	\$1,100	\$1,100-\$1,150
Commitment Size	\$100		\$200	\$100		\$250	
# Commitments	0		2	4		6	5 to 8
<b><u>Investment / status</u></b>							<b><u>Total</u></b>
<i>Carlye Realty Partners X - Pending</i>					\$250		\$250
<i>Artemis IG II - Recommendation</i>		\$200					\$200
<i>Sterling IV - Recommendation</i>					\$200		\$200
<b>Capital Commitments YTD</b>		<b>\$200</b>			<b>\$450</b>		<b>\$650</b>
# Commitments		1			2		3
Total Remaining per Pacing Plan <sup>1</sup>		\$0			\$500		\$500

<sup>1</sup> Reflects difference between Targets and Commitments YTD.

<sup>2</sup> The 5% growth model targets \$200m core and \$1,150m total investment. Given the growth of the Plan since the 2024 pacing plan was established, the 5% growth model is most appropriate.



ERICK RUSSELL  
TREASURER

**State of Connecticut**  
Office of the Treasurer

SARAH SANDERS  
DEPUTY TREASURER

April 25, 2024

Members of the Investment Advisory Council ("IAC")

**Re: Consideration of Artemis Real Estate Partners Income & Growth Fund II L.P.**

Dear Fellow IAC Member:

At the May 8, 2024 IAC meeting I will present for your consideration a Real Estate investment opportunity for the Connecticut Retirement Plans and Trust Funds (the "CRPTF"): Artemis Real Estate Partners Income & Growth Fund II L.P. ("Artemis IG II", or the "Fund"). The Artemis IG II strategy has a target size of \$1.0 billion, with a hard cap of \$1.5 billion, and is being raised by: Artemis Real Estate Partners, LLC.

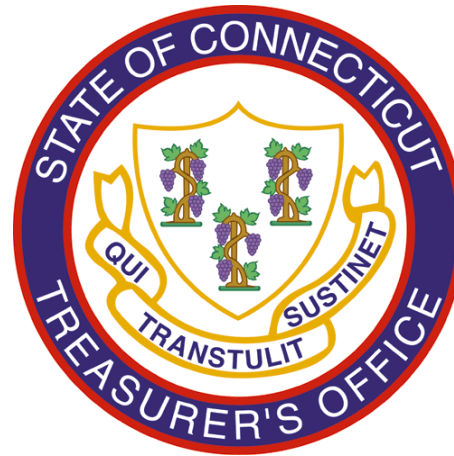
I am considering a commitment of up to \$200 million in the Fund. The closed-end structured, core plus strategy targets diversified real estate investments in U.S. middle-market primarily within the top twenty-five MSAs. The Fund's targeted property types principally include the multifamily, industrial, and certain niche segments. The commitment would provide the CRPTF with additional and complementary exposure to property types with strong structural demand tailwinds with an existing, high-conviction manager. The commitment is also timely given the current dislocation in real estate capital markets, particularly within the middle-market, where assets and operators are currently more constrained than average. Investable capital within the core segment has also been particularly limited given the pullback from core and core plus open-end funds, which remain encumbered with large exit queues and, in some cases, troubled existing assets.

Attached for your review is the recommendation from Ted Wright, Chief Investment Officer, and the due diligence report prepared by Albourne. I look forward to discussing these materials at the next meeting.

Sincerely,

Erick Russell  
State Treasurer

Cc: Ted Wright, Chief Investment Officer



Full Due Diligence Report  
Chief Investment Officer Recommendation  
May 8, 2024

Artemis Real Estate Partners Income & Growth Fund II L.P.



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# Executive Summary

## Manager Overview

- Firm: Artemis Real Estate Partners, LLC (“Artemis”, or the “Firm”)
- Fund: Artemis Real Estate Partners Income & Growth Fund II L.P. (“Artemis IG II”, or the “Fund”)
- General Partner: Artemis Real Estate Partners Income and Growth Fund II GP, LLC (the “General Partner” or “GP”)
- Year Founded: 2009
- Led by Deborah Harmon (Co-Founder and Co-CEO) and Alex Gilbert (Co-CEO), along with two Co-Presidents, Rich Banjo and Anar Chudgar (collectively the “Executive Team”). Penny Pritzker is a Co-Founder and an owner, who currently serves in an advisory capacity.
- Firm is principally owned by its founders and senior employees, alongside an outside, passive, non-control, minority interest with InvestCorp, which owns ~25%.
- Offices: Washington, DC (HQ); New York, NY; Los Angeles, CA; and Atlanta, GA
- 85 employees (as of December 2023) including those at affiliate firms Great Falls Advisors LLC and CRE Legal Advisors LLC
- AUM: \$9.6 billion as of January 2024

## Fund Summary

- \$1 billion target (\$1.5 billion hard cap) to the total strategy (strategy includes Fund and two separate accounts that invest pari-passu with the Fund)
- The Fund will seek current income and modest capital appreciation from a diversified portfolio of equity and debt investments in real estate. The strategy mainly centers on multifamily, industrial, and certain niche investments (primarily single-family rentals, student & manufactured housing, and self storage).
- Focus on middle-market diversified real estate, targeting investments alongside diverse and/or emerging managers. Strategy generally targets the top twenty-five Metropolitan Statistical Areas (“MSAs”) in the U.S.
- Return Target: 11-13% net IRR, and 1.5x net TVPI, with a 5% net cash yield.
- GP Commit: at least 1.5% of total capital commitments, up to \$15 million
- Term: 10-years, with two 1-year extensions at LPAC’s discretion
- Management Fees: during commitment period, 75 bps on Committed Capital and 125 bps on Invested Capital; post commitment period, 125 bps on Invested Capital. Discounts based on commitment size.
- 15% carry, 7% preferred return, European Waterfall

## Strategic Fit

- Real Estate Fund (“REF”) allocation
- Recommended Commitment: up to \$200 million
- New/Existing Real Estate Manager: Existing
  - \$100 million commitment in 2019 to Artemis Real Estate Partners Income & Growth Fund I L.P. (“Artemis IG I”), the predecessor closed-end fund
  - \$125 million commitment in 2022 to Artemis Real Estate Partners Fund IV, L.P. (“Artemis VA IV”), part of the Firm’s flagship closed-end value-add fund series
  - \$320 million commitment in 2023 to CRPTF-Artemis Transition Assets, L.P. (“Transition Fund”), a fund-of-one take-over of two former CRPTF separate accounts with the primary purpose of orderly liquidation
- Fund Structure: closed-end
- Real Estate Strategic Pacing Plan:
  - Risk/Return: Core (Core+)
- Current Allocation by Market Value as of the CRPTF’s March 31, 2024 data: 6.3%
- Current Exposure, including Unfunded Commitments, recent and current recommendations as of the CRPTF’s March 31, 2024 data: 10.5%
- Long-Term Real Estate Target Allocation: 10%

# Recommendation

## Recommendation

- Based on the strategic fit within the Real Estate portfolio, as well as the due diligence conducted by Pension Funds Management (“PFM”) investment professionals and real estate consultant Albourne, the Chief Investment Officer of the Connecticut Retirement Plans and Trust Funds (“CRPTF”) recommends a commitment of up to \$200 million to Artemis Real Estate Partners Income & Growth Fund II L.P.
- A \$200 million commitment would provide the CRPTF with timely additional exposure to core+ investments in property sectors, and geographies with strong structural tailwinds, with an existing, high-conviction manager. The current real estate capital market disruption should provide attractive opportunities to take advantage of broad asset re-pricing, leverage related distress, and a sharp pullback in development. Investable capital within the core+ space has been particularly limited given the pullback from traditional open-end funds. Most open-end real estate funds remain encumbered with large exit queues and, in some cases, troubled existing assets.

## Investment Considerations

- Experienced and consistent senior leadership team with expertise in investing and managing institutional core/core+ and value-add real estate funds across multiple funds and market cycles. The four-person Executive Team averages 25 years of experience, with three individuals having been with the Firm during or within a year of the Firm’s founding.
- The team has a deep network of middle-market operating partners, a segment where market inefficiencies exist, particularly in the current capital markets environment.
- Their focus on situational distress and proven ability to invest across property types and the capital stack is timely for the current market conditions.

# General Partner

## Firm Intro/History

- Artemis has four dedicated fund series which include its flagship value-add platform, a dedicated healthcare platform, a core debt platform, and an emerging and/or diverse operating partner overlay focusing on core+ investments (which includes Artemis IG II). Additionally, the Firm has several separate accounts which target a varied set of strategies.
- Artemis' ownership has grown from its co-founders, Deborah Harmon and Penny Pritzker, to also include Artemis' Co-CEO, Alex Gilbert and other senior team members. Presently, Penny Pritzker serves in an advisory capacity. In 4Q2021, the Firm expanded its ownership to include InvestCorp, an outside, passive, non-control, minority owner with a ~25% interest in the Firm. In May 2022, the Firm appointed Alex Gilbert to Co-CEO and promoted Rich Banjo and Anar Chudgar to Co-Presidents of the Firm. Artemis remains a majority woman-/diverse-owned firm.

## Firm Leadership

- Prior to co-founding Artemis, Harmon spent 17 years focusing on real estate principal investing at J.E. Robert Companies Inc ("JER"), during which she was the CIO for ten of those years. Prior to joining Artemis in 2010, Gilbert most recently ran three equity funds and one debt vehicle at JER. Banjo joined Artemis in 2009 and currently leads the west coast office. Most recently Banjo served as Director of the real estate private equity business for JER. Chudgar joined Artemis in 2019 and heads the Income and Growth Fund series as the lead portfolio manager. Most recently, Chudgar served as a Partner for GCM Grosvenor ("GCM"), where she co-led the real estate platform. In 2015, GCM invested in Artemis, and Chudgar was significantly involved in the relationship during her time at GCM.
- Artemis IG II will be led by Chudgar and Jonathan Rainford (Managing Director), with support from the broader Executive Team and Firm. While Rainford is formally new to the Portfolio Management role, he has been with Artemis since 2011, and has focused on acquisition and asset management throughout his tenure for the fund series.

## Firm Governance/Team

- Carried interest in investment vehicles is widely distributed across the Firm to promote alignment of interest between team members and investors. The Firm takes a "Cradle to Grave" philosophy where investment teams work on both the acquisitions and asset management team functions.
- The eight voting members of the Investment Committee ("IC") are Deborah Harmon, Alex Gilbert, Rich Banjo, Anar Chudgar, Jim Smith (Senior Managing Director), Jonathan Rainford, Jim Hurley (Senior Managing Director, General Counsel and CCO), and Chad Patterson (Senior Managing Director and CFO). A majority vote is required which must include at least one vote from Harmon or Gilbert.
- Gina Baker Chambers, the former junior co-portfolio manager of the Income and Growth Fund series, left Artemis in late 2023, with Artemis' support, and went to work at an operating partner that Artemis had invested with in the past. Artemis backfilled Chamber's position with Rainford, with Chambers remaining an Operating Executive to the Firm.

# General Partner (continued)

## CRPTF Relationship

- Artemis is an existing manager in the Real Estate portfolio.
- CRPTF's existing investments with Artemis, summarized below, includes a \$100 million commitment in 2019 to Artemis IG I (the predecessor fund), a \$125 million commitment in 2022 to Artemis VA IV (a value-add strategy), and a \$320 million commitment in 2023 to the Transition Fund, (a fund-of-one, disposition-focused take-over of two former CRPTF separate accounts).
- The recommended investment in Artemis IG II is a continuation of the compelling investment strategy previously undertaken by Artemis IG I.
- According to the GP, Artemis IG I is fully committed (inclusive of reserves) as of 1Q24. The first investment in Artemis IG II will likely be in the 1H2024.

USD, millions

Fund	Vintage	Status	Commitment (\$mil)	Unfunded Commitment <sup>1</sup>	NAV <sup>1</sup>	Total Exposure <sup>1</sup>	December 31, 2023 CRPTF Performance Data		
							Net IRR	Net DPI	Net TVPI
Artemis Real Estate Partners Income & Growth Fund LP	2019	Closed-end	\$100.0	\$23.7	\$69.7	\$93.4	0.8%	0.3x	1.0x
Artemis Real Estate Partners Fund IV LP	2021	Closed-end	\$125.0	\$109.0	\$12.3	\$121.3	NM	NM	0.8x
CRPTF - Artemis Transition Assets LP	2023	Closed-end	\$320.3	\$37.9	\$283.1	\$320.9	NM	NM	1.0x
<b>Manager Total</b>			<b>\$545.3</b>	<b>\$170.6</b>	<b>\$365.03</b>	<b>\$535.7</b>			
<i>% Total Real Estate Portfolio</i>					6.2%	9.1%			

<sup>1</sup> Unfunded Commitment, NAV and Total Exposure as of Dec 31, 2023. The sum of the data in the Manager Total row may be off slightly due to rounding.

Sources: Artemis, Albourne, CRPTF as of December 31, 2023.





# Artemis Real Estate Partners Team

Office Of The State Treasurer  
Pension Funds Management

Co-Founder & Co-CEO Deborah Harmon	Co-CEO Alex Gilbert	Co-President (NY) Anar Chudgar	Co-President (LA) Richard Banjo	CFO (DC) Chad Patterson	General Counsel & CCO (DC) Jim Hurley <sup>(a)</sup>	
<b>Acquisitions &amp; Asset Management</b>						
Sr. Managing Director (DC) Kevin Nishimura	Sr. Managing Director (ATL) Kelly Sheehy	Sr. Managing Director (DC) Michael Vu	Sr. Managing Director (DC) Jim Smith	Sr. Managing Director (NY) Tyson Pratcher	Managing Director (LA) Jonathan Rainford	
Managing Director (DC) Joe Carter	Senior VP (ATL) Courtney Nickels	Senior VP (DC) Andrew Griffin <sup>(b)</sup>	Senior VP (DC) Mike Harrington <sup>(b)</sup>	Senior VP (DC) Michael Stratton	Senior VP (DC) Richard Debo	
Senior VP (DC) Ann Lacey <sup>(b)</sup>	Senior VP (LA) Brianna Rogers	Senior VP (NY) Josh Weiner	VP (DC) Brandon Phillips <sup>(b)</sup>	VP (NY) Skylar Murphy	VP (NY) Ryan Eckert	
VP (NY) Aaron Hancock	VP (DC) Kerry Kartsonis	VP (ATL) Josh Cohen	VP (LA) Shom Sanyal	VP (DC) Alec Sherman <sup>(b)</sup>	VP (DC) Kristen Bennett <sup>(b)</sup>	
Senior Associate (LA) Connor Dobbs	Senior Associate (NY) Dennis Levin	Senior Associate (LA) Brad Rigoli	Senior Associate (ATL) Morgan George	Senior Associate (DC) Jamie Smith	Associate (NY) Ashton Looney	
Associate (NY) Elyshia Geter	Associate (DC) Noah Rickolt	Associate (NY) Phil Demeulenaere	Associate (LA) Alan Vaisberg	Associate (ATL) Justin Hash <sup>(b)</sup>	Associate (ATL) Will Otto	
Associate (LA) Sam Dunbar	Associate (DC) Eric NeCamp <sup>(b)</sup>	Associate (DC) Anisha Thanki	Associate (LA) Reuben Peters	Associate (DC) Phillip Hernandez	Associate (NY) Sean Ninsing	
Associate (DC) Jake Neeb	Analyst (DC) Kamryn Kissinger	Analyst (DC) Will Nuga	Analyst (DC) Summer Thomas	Analyst (DC) Timur Murillo	Analyst (DC) Maddie Niekelski	
Analyst (LA) Lynne Andre						
<b>Operational Support</b>		<b>Finance &amp; Risk Management</b>		<b>Capital Raising &amp; Investor Relations</b>		<b>Legal/Compliance</b>
Senior VP (DC) Liz Manevski	Senior VP (DC) Katie Conover <sup>(b)</sup>	VP (DC) Jordan Abner <sup>(b)</sup>	Senior Advisor (LA) Alison Hawkins	Senior VP (DC) Rachel Salerno	Senior VP (DC) John Jacobsen <sup>(a)</sup>	
VP (DC) Casey Clare Fraser	VP (DC) Alison Conway <sup>(b)</sup>	Senior Associate (DC) Charnell Thweatt <sup>(b)</sup>	Senior Associate (NY) Sarah McDonald	Associate (DC) Alec Cornell <sup>(b)</sup>	Senior VP (DC) Lauren Lefebvre <sup>(a)</sup>	
Program Lead (DC) Amanda Khazem	Analyst (DC) Jason Kornreich <sup>(b)</sup>	Analyst (DC) Saroja Chilakamarri <sup>(b)</sup>	Associate (NY) Olivia Cherry		VP (DC) Stella Edosomwan <sup>(a)</sup>	
11 Administrative Professionals	As of December 2023. (a) Employee of CRE Legal Advisors ("CRE"). (b) Employee of Great Falls Advisors ("GFA").	Analyst (DC) Patrick Brown <sup>(b)</sup>		■ Denotes Senior VP and above	VP (DC) Michelle Ford	



# Investment Strategy

## Sector and Market Selection

- Artemis IG II's strategy includes investment with joint venture operating partners, and direct investments sourced through their network. The Fund seeks to create a tactically diversified portfolio of core+, middle-market real estate and expects to have \$10-30 million of committed equity per transaction.
- The Fund will be comprised predominately of equity and debt investments across the top 25 U.S. metropolitan areas. The Fund will primarily target assets in industrial, residential and certain niche property sectors. Target niche sectors include single-family rental, student & manufactured housing, and self storage. To a lesser extent, the Fund expects to selectively capitalize on opportunities within hospitality, retail and office. Office is formally capped at 15% of investments.
- Within the industrial sector, Artemis favors cold and outdoor storage in smaller warehouses located within in-fill locations, given the ongoing shifts to near-shoring and growth in e-commerce. Artemis favors the conventional and niche residential subtypes given current home unaffordability and a lack of new construction, which are expected to increase the pool of renters.

## Market Opportunity

- The ongoing capital market dislocation and muted banking participation have reduced liquidity and increased the cost of capital. Rising construction costs have caused a sharp pullback in new development activity, which is leading to a period of limited supply in certain geographies and sectors, including areas where long-term demand fundamentals remain healthy.
- This temporary dislocation creates opportunities across all property types to acquire existing assets at discounts to replacement cost, particularly within the middle market where assets and operators are generally less resourced and, therefore, are more likely to face capital pressures. The current environment is also expected to create opportunities for alternative lenders, including Artemis, who provide gap financing.
- Investable capital within the core+ segment has been particularly limited given the pullback from core and core+ open-end funds, which remain encumbered with large exit queues and, in some cases, troubled existing assets. The lack of competing capital and need for those funds to sell assets to meet investor liquidity requests should provide opportunity to the funds with capital.

## Target Investment Characteristics

- The Fund will seek debt and equity investments in high-quality, stabilized and well-located properties in primary and secondary U.S. MSAs. The Fund will focus on investments with favorable demand drivers and high barriers to entry, while also offering an opportunity for higher income and modest capital appreciation. While not currently expressly capped, development is expected to be around 10% of the overall Fund. Artemis has agreed to establish a formal limit on certain development risks prior to a CRPTF investment.
- The Fund will primarily target assets or small portfolios impacted by temporary or minor challenges. Temporary challenges may include an asset's tenancy, physical attributes, capital structure (overleverage and lack of prior owner investment), market position and/or management.
- The Fund expects to invest across the capital stack, including non-equity investments that meet stated return targets.

# Investment Strategy (continued)

## Sourcing

- Investments are primarily sourced from Artemis' network of long-term programmatic relationships with real estate operators, who are often diverse and/or "emerging", and which the Firm believes provides for a differentiated deal flow. Operating partners, even those defined as "emerging," generally have over \$500 million in AUM, established track records, and in-place operating platforms.
- Many of these investments are smaller than the institutional market typically targets, providing less competition, and resulting in attractive pricing relative to the market opportunity. Artemis structures its partnerships to maintain majority control of investment decisions and requires an investment from their partners of 5-10% to ensure alignment.
- While the Fund will target 67% of capital with emerging and/or diverse managers, investment decisions are based on asset performance potential. Within Artemis IG I, over 80% of invested capital as of year-end 2023 was invested with emerging and/or diverse managers.

## Value Creation Strategy

- By focusing on buying discounted assets with temporary challenges, the GP seeks to unlock value through implementing institutional quality asset management and capital restructuring strategies designed to generate stable, long-term cash flows and/or modest capital appreciation. Approximately 40-50% of total returns are expected to come from income with the balance (50-60%) from appreciation, while also utilizing low leverage (55% loan-to-cost).
- Additionally, as deals are principally sourced through operating partners that are less established, Artemis also creates value by providing access to industry relationships, service providers and capital. Given the recent dislocation in the debt capital markets particularly, Artemis' access to debt is viewed as an important aspect of these assets' business plans.

## Exits

- The Fund typically underwrites to a 5-to-7-year hold period prior to exit. Given the COVID-19 Pandemic's impact on the business plans for Artemis IG I, the hold periods will likely be at the higher end of this range for that vehicle. Of the 26 deals in Artemis IG I, three deals have been either fully (two deals) or substantially (one deal) realized as of December 31, 2023. These deals represent approximately 20% of total value as of the same time period and have a weighted average gross TVPI of 1.8x.
- Overall, Artemis seeks to identify multiple exit strategies for each investment. Possible exit strategies may include, selling individual assets and portfolios to institutional buyers, and to a lesser extent, non-institutional buyers. Primary institutional buyers include REITs, insurance companies and other private equity real estate firms.

# Track Record and Performance

## Data as of December 31, 2023

- Artemis IG I and Artemis Real Estate Partners Income & Growth Side Car Fund (“Artemis IG I Sidecar”), collectively, are the predecessor vehicles to Artemis IG II. The Artemis IG I Sidecar was formed to take advantage of the post Covid-19 environment and invests alongside Artemis IG I on a proportionate basis. Importantly, the Artemis IG I Sidecar does not include six assets made prior to its formation, including three office assets, which largely explains the underperformance of Artemis IG I relative to the Sidecar. Based on a pro-forma track record that excludes two underperforming office assets, Artemis IG I estimated performance improves to a gross 1.5x TVPI and a gross IRR of 14% as of December 31, 2023. With Artemis IG I and the Sidecar having deployed ~24% and ~48%, respectively, in 2022 and 2023, further upside is expected as Artemis works to execute business plans. A review of valuation metrics also demonstrates that Artemis’ current valuations are broadly conservative relative to industry standards. Artemis’ current projected net returns for the strategy are 7% IRR/1.4x TVPI for Artemis IG I and 10% IRR/1.5x TVPI for Artemis IG I Sidecar.
- Artemis IG I and Artemis IG I Sidecar target core+ risk/returns (net 9-11% IRR and net 11-13% IRR, respectively) and have a closed-end structure. As there is no broadly recognized closed-end, core benchmark, PFM staff elected to compare the performance of the core+ fund series relative to the NCREIF Open End Diversified Core Equity (“ODCE”) index. Artemis IG I underperforms the total returns for the ODCE index, and Artemis IG I Sidecar outperforms the ODCE index for the reasons described above.
- Additionally, given the short formal track record of the core+ strategy and its position in the j-curve, PFM staff elected to also present Artemis’ value-add track record. As can be seen below, the value-add series, which invests in similar geographies, property types and alongside similar operating partners, has ranked first or second quartile on all relevant metrics with the exception of Artemis VA II (third quartile on an IRR and DPI basis). The sector exposure in Artemis VA II to office, retail, hotel and healthcare (60%) dragged performance during the Pandemic, along with more conservative leverage relative to peers.

Artemis (millions, US\$)														NCREIF <sup>1</sup>	Cambridge Vintage Year <sup>2</sup> Value Add U.S. Real Estate Funds		
Fund	Strategy	Vintage	Fund Size	Fund Status	# Deals	# Deals Realized	Invested Capital	Realized Value	Net Asset Value	Total Value	Net IRR	Net TVPI	Net DPI	NFI-ODCE	IRR Quartile	TVPI Quartile	DPI Quartile
														ODCE TWR			
Artemis IG I	Core+	2019	\$620.0	Investing	26	3	\$540.5	\$137.0	\$418.7	556	1.5%	1.0x	0.3x	4.2%	NA	NA	NA
Artemis IG I Sidecar	Core+	2020	\$182.8	Investing	20	2	\$151.9	\$29.8	\$139.2	169	9.1%	1.1x	0.2x	4.9%	NA	NA	NA
Artemis VA I	Value-Add	2011	\$436.0	Realized	35	35	\$451.2	\$675.1	\$0.0	675	24.0%	1.6x	1.5x	NA	1	1	2
Artemis VA II	Value-Add	2014	\$580.0	Harvesting	42	35	\$581.0	\$650.8	\$73.5	724	8.8%	1.3x	1.1x	NA	3	1	3
Artemis VA III	Value-Add	2018	\$1,010.0	Harvesting	47	20	\$1,085.3	\$786.3	\$689.6	1,476	20.1%	1.3x	0.7x	NA	1	1	1
Artemis VA IV	Value-Add	2021	\$2,168.1	Investing	20	0	\$258.4	\$0.0	\$206.0	206	NM	0.8x	NM	NA	NA	NA	NA

<sup>1</sup> Estimated ODCE benchmark holding period returns. For calculation estimate purposes, the time horizon starts with the quarter-end of the vehicle's first cash flow through Dec. 31, 2023.

<sup>2</sup> Quartiles shown reflect comparison of Artemis fund performance as of September 30, 2023, compared with Cambridge Associates U.S. Value-Add benchmark data as of same date (latest available). Quartile rankings based on net returns using since inception data.

Sources: Artemis; CRPTF; Cambridge Associates; National Council of Real Estate Investment Fiduciaries (NCREIF).

# Strategic Allocation & Pacing Plan

## Real Estate Pacing Update

- Real Estate pacing plan targets for 2024 and investment activity year-to-date are summarized in the table below.
- Real estate is currently underweight the target of 10% of CRPTF. Significant additional real estate investments are required to achieve the target.
- Given the current overweight in Core investments, the 2024 pacing plan allocates a significantly smaller portion of new capital commitments to Core investments, which include Core+ strategies. The commitment to Artemis IG II would represent the only new allocation to Core in 2024, in accordance with the pacing plan.
- The recommended investment would represent a follow-on commitment to a Core+ real estate fund with an existing, high-conviction investment manager.

Real Estate Fund - 2024 Pacing Plan Targets							
Pacing Plan Target Ranges	Sub-Strategy (\$millions)						
	Core Real Estate			Non-Core Real Estate			2024
	Low	Target <sup>2</sup>	High	Low	Target	High	Target <sup>2</sup>
Total Commitments	\$0	\$150-200	\$250	\$850	\$950	\$1,100	\$1,100-\$1,150
Commitment Size	\$100		\$200	\$100		\$250	
# Commitments	0		2	4		6	5 to 8
<b>Investment / status</b>							<b>Total</b>
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<i>Artemis IG II - Recommendation</i>							\$200
<i>Sterling IV - Recommendation</i>							\$200
<b>Capital Commitments YTD</b>	<b>\$200</b>			<b>\$450</b>			<b>\$650</b>
# Commitments	1			2			3
Total Remaining per Pacing Plan <sup>1</sup>	\$0			\$500			\$500

<sup>1</sup> Reflects difference between Targets and Commitments YTD.

<sup>2</sup> The 5% growth model targets \$200m core and \$1,150m total investment. Given the growth of the Plan since the 2024 pacing plan was established, the 5% growth model is most appropriate.

# Strategic Allocation & Pacing Plan (cont'd)

## Portfolio Fit

- CRPTF is currently targeting a 40% weighting to Core in the Real Estate portfolio.
  - A commitment to Artemis IG II would be categorized as Core+ under the Core sub-category of the Real Estate allocation.
- A commitment to Artemis IG II would align with the goal of forming significant relationships with managers with strong track records and differentiated strategies.
  - Artemis is an existing manager with broad expertise across sectors and with a proven ability to invest across the capital stack.
- Artemis IG II would provide additional exposure to middle-market real estate and serve as a complement to the existing Core portfolio, which is primarily comprised of larger investments. The closed-end fund structure also provides the CRPTF with the opportunity to obtain exposure to an unspecified Core+ portfolio, without legacy assets, at current transaction pricing.

## IPS Compliance

- The Investment Policy Statement (“IPS”), adopted September 14, 2022, set the Real Estate allocation and target ranges for Core and Non-Core Real Estate investments within the Real Estate portfolio, and established guidelines regarding Manager and Fund Diversification (see table at right).
- As shown, the CRPTF is currently underweight Real Estate based on existing investments.
- CRPTF is currently overweight to Core investments. The Core target is expected to be reduced through ongoing open-end core redemptions, expected dispositions from the Transition Fund and allocations to Non-Core investments. The recommended allocation to Core was included as part of the 2024 pacing and is required to achieve target allocations.
- The recommended commitment to Artemis IG II is well within the IPS limits with respect to the CRPTF’s share of the Fund and Firm AUM, and the Firm’s share of the CRPTF real estate exposure.

### IPS - Real Estate Investment Guidelines: Recommendation Compliance

Allocation	Policy Range	Target	Current Weight <sup>1</sup>
Real Estate	5%-15%	10%	6%
Core Real Estate	30%-100%	40%	62%
Non-Core Real Estate	0%-70%	60%	38%

Manager/Fund Diversification	IPS Maximum	Current Recommendation
CRPTF share of Fund capital commitments <sup>2</sup>	33%	20%
CRPTF share of Firm AUM (inc unfunded commitments) <sup>3</sup>	20%	7%
Firm share of CRPTF real estate exposure <sup>4,5</sup>	25%	12%

1. Current weight based on Real Estate NAV as of Dec 31, 2023

2. Fund capital commitments based on target fund size

3. Firm AUM adjusted for unfunded commitments (based on target fund size)

4. Firm adjusted AUM as share of CRPTF exposure (see Note 5)

5. Exposure = Real Estate NAV + Unfunded Commitments (inc recommendations and assuming no liquidations)



# Strengths and Rationale

## Direct Investment Capabilities

- While the Fund primarily invests with operating partners, Artemis also possesses strong direct investment capabilities across all targeted asset types. Artemis generally invests directly within the industrial and debt sectors. The Firm only originates debt investments on assets they would be otherwise comfortable investing in as an equity investor.
- This broad skill set is advantageous in operating partner selection and in situations where Artemis needs to manage unforeseen challenges.

## Core+, Middle Market Focus with Investment Flexibility

- Artemis' focus on smaller-sized, middle-market investments provides the opportunity to take advantage of the mispricing of assets in a historically more fragmented and leverage-dependent capital segment. The middle-market segment is currently more constrained than average given the ongoing dislocation in the capital markets.
- The Firm's investment flexibility along the capital stack and across property types also provides ample opportunity to make the most optimal risk-reward investment selections in the current environment.
- Finally, as a core+ fund with a closed-end structure, the Fund has no legacy issues relative to existing open-end core/core+ funds. This is expected to allow the Fund to fully focus on deploying capital in the core+ space with less competition.

## Experienced and Cohesive Team

- The senior team has average management experience of over 20 years. Of the 13 managing directors and above, seven have worked together for the past 15 years. Both the senior and junior levels of the team have sufficient redundancy to ensure resiliency in the event of personnel departures. To further ensure alignment, Artemis utilizes broad promote sharing, with principals and above being required to contribute personal capital.
- Senior level investment team turnover at the Firm has been minimal, with one individual departing over the last five years. Artemis backfilled the position with an experienced internal investment professional. The Firm has significant senior resources due to its focus on talent development.

# Key Risks and Mitigants

## Short Strategy Specific Track Record

- Artemis IG I and Artemis IG I Sidecar are 2019 and 2020 vintages, respectively. As Artemis IG II is only the second vehicle in the fund series, and Artemis IG I and Artemis IG I Sidecar are still within their respective j-curves, one can suggest the presence of new strategy risk, including a broader lack of an executed “proof of concept.”
- The Fund’s new strategy risk is mitigated as Artemis has been investing in a similar core/core+ strategy, albeit without full discretion, for New York State Common Retirement Fund (“NYSCRF”) since 2012 and for New York City Retirement Systems (“NYCRS”) since 2015, across three separate account vehicles. As of Q42023, those separate account vehicles have outperformed the NCREIF Open End Diversified Core Equity (“ODCE”) index. Additionally, Artemis has been investing a fully discretionary, value-add fund series since 2011. As shown on slide 10, the value-add series has demonstrated strong performance.

## Emerging Operating Partner Risk

- Artemis relies heavily on the operating partner model and often works with smaller and emerging operators, which might suggest more start-up risk and a heavier lift on the part of the Artemis investment team. Using an operating partner model can also limit the control of assets under certain structures.
- These concerns are mitigated as Artemis seeks to partner with teams that are more established and are transitioning to managing institutional capital. The AUM of these operators is generally over \$500 million, with established track records and in-place operating platforms. Lack of control risk concerns are also mitigated as Artemis structures its partnerships to maintain majority control of assets. Artemis also generally requires an investment from their partners of 5-10% to ensure alignment.

## Competing Similar Strategies via Separate Accounts

- Artemis utilizes the Artemis Real Estate Partners Income & Growth Fund series and its corresponding separate accounts and a side car, as the primary means of executing its core+ strategy. Additionally, Artemis also manages a few separate accounts outside the fund series that also invest in core+ investments, but with slight variations on the composition of property types, geographies, and operators. Having several core+ vehicles that invest simultaneously suggests the potential for allocation issues and possible “cherry-picking” of investments across vehicles.
- Allocation risks within the Artemis Real Estate Partners Income & Growth Fund series are mitigated as the Fund and the corresponding separate accounts and sidecar invest on a pari-passu basis, with no differing rights between vehicles. Further, with regards to other separate accounts that run similar strategies, per the allocation policy, the core+ closed-end fund series strategy has a first-look right over all other separate accounts.



# Fundraising and Key Terms Summary

Target Size / Hard Cap	<ul style="list-style-type: none"> <li>\$1 billion target (\$1.5 billion hard cap) to the total strategy, which includes the Fund and two pari-passu separate account vehicles.</li> </ul>
GP Commitment	<ul style="list-style-type: none"> <li>At least 1.5% of total capital commitments, up to \$15 million.</li> </ul>
Fundraising Status	<ul style="list-style-type: none"> <li>\$406 million closed as of Feb. 2024 to one of the two separate accounts in the strategy. First closing to Fund expected in May 2024.</li> </ul>
Target Final Close	<ul style="list-style-type: none"> <li>Final Closing to occur no later than 12 months after the date of the first investment. First investment expected in 1H2024.</li> </ul>
Fund Term	<ul style="list-style-type: none"> <li>10-years from final closing, with two 1-year extensions at LPAC's discretion.</li> </ul>
Investment Period	<ul style="list-style-type: none"> <li>Period beginning with the initial closing and ending on the 4th anniversary of the final closing.</li> </ul>
Management Fee	<ul style="list-style-type: none"> <li>During commitment period, 75 bps on Committed Capital &amp; 125 bps on Invested Capital; thereafter, 125 bps on Invested Capital.</li> </ul>
Fee Discounts & Offsets	<ul style="list-style-type: none"> <li>Discounts based on commitment size.</li> </ul>
Carry & Waterfall Type	<ul style="list-style-type: none"> <li>15%, European Waterfall</li> </ul>
Preferred Return	<ul style="list-style-type: none"> <li>7%</li> </ul>
GP Catch-up	<ul style="list-style-type: none"> <li>50/50</li> </ul>
Clawback	<ul style="list-style-type: none"> <li>Yes</li> </ul>
LPAC	<ul style="list-style-type: none"> <li>Yes</li> </ul>

## Additional Provisions

- Fund leverage limit, not to exceed a loan-to-cost ratio of 55%. Subscription line use is limited to 180 days.
- No more than 15% of the Fund may be in office investments.
- Fund defines an "Emerging and/or Diverse Manager" as having less than \$2 billion of equity under management, having raised fewer than four institutional funds (defined as a fund with greater than \$200 million of equity commitments), and/or at least 25% owned directly or indirectly by members of minority groups, LGBTQ+, women, disabled persons and/or by military veterans. The Fund will target 67% of capital with such managers.
- No more than 15% of Capital Commitments may be invested in a single investment, no more than 10% of Capital Commitments may be invested outside the U.S., and no investments in other "blind-pool" funds are permitted.



# Legal and Regulatory Disclosure

## Artemis Real Estate Partners, LLC (“Artemis”)

In its disclosure to the Office of the Treasurer, Artemis Real Estate Partners (“Artemis”), states that it has no material legal or administrative proceedings to report, no claims under its fidelity, fiduciary or E&O insurance policies, and no ongoing internal investigations to report. Artemis states it has adequate procedures in place to undertake internal investigations of its employees, officers and directors.

# Compliance and Diversity Review

Artemis Real Estate Partners, LLC (“Artemis”)

## Compliance Certifications and Disclosures

Artemis disclosed no campaign contributions, known conflicts, gifts or third-party fees

## Commitment to Diversity

### *Employees*

Artemis has held a Summer Enrichment program since 2013, providing career development opportunities to over 216 interns since inception. In 2021, the firm launched an analyst program to increase the diversity pipeline at the entry-level. In 2022, Artemis hired Summer Enrichment Program participants as Analysts following their graduation.

The firm reports multiple firm-wide initiatives to enhance recruiting, leadership development, compensation and employee engagement across its workforce.

### *Industry*

The firm reports a collaboration with Urban Alliance and is in its 13<sup>th</sup> year of hosting an intern, Sponsors for Educational Opportunity (SEO) a partnership Artemis utilizes to source candidates for Artemis’ Summer Enrichment Program, Robert Toigo Foundation which selects top minority MBA candidates passionate about pursuing careers in finance. Artemis is a signatory of PREA Foundation and CFA DEI Code

### *Vendors*

The firm does not have a formal vendor diversity program. However, Artemis seeks to engage diverse service providers where possible (including but not limited to preferred title companies, a web services, and recruitment firms)

## Nexus to Connecticut

Artemis has one administrative professional that resides in Connecticut

# Compliance and Diversity Review

Artemis Real Estate Partners, LLC (“Artemis”)

## Workforce Diversity

Artemis provided data as of December 31, 2023

- 85 total employees, a 32% increase from 2021
- The proportion of women Executives remained constant and at parity with Executive men
- The proportion of women Managers increased slightly
- The proportion of women Professionals dropped significantly, however, even as the total number of Professionals grew
- The proportion of minority Executives increased
- The proportion of minority Managers and Professionals increased significantly

### WOMEN

	EXEC	MGMT	PROF	FIRM
<b>2023</b>	<b>50%</b> 2 of 4	<b>41%</b> 17 of 41	<b>39%</b> 13 of 33	<b>48%</b> 41 of 85
<b>2022</b>	<b>50%</b> 2 of 4	<b>41%</b> 17 of 41	<b>35%</b> 9 of 26	<b>47%</b> 36 of 77
<b>2021</b>	<b>50%</b> 1 of 2	<b>37%</b> 13 of 35	<b>48%</b> 10 of 21	<b>48%</b> 31 of 64

### MINORITIES<sup>1</sup>

	EXEC	MGMT	PROF	FIRM
<b>2023</b>	<b>25%</b> 1 of 4	<b>22%</b> 9 of 41	<b>48%</b> 16 of 33	<b>32%</b> 27 of 85
<b>2022</b>	<b>25%</b> 1 of 4	<b>22%</b> 9 of 41	<b>42%</b> 11 of 26	<b>30%</b> 23 of 77
<b>2021</b>	<b>0%</b> 0 of 2	<b>14%</b> 5 of 35	<b>33%</b> 7 of 21	<b>23%</b> 15 of 64

<sup>1</sup> 2023 Minority breakdown: 1 exec (1 Asian); 9 mgmt (4 Black, 5 Asian); 16 prof (8 Black, 2 Hispanic, 2 Asian, 4 Two+)

Note: Firm totals include administrative staff, which are not included in sub-columns for Exec, Mgmt and Prof; therefore, the Firm totals do not equal the sum of other columns above. Further, Mgmt above includes all Executives.

# Environmental, Social and Governance Analysis

## Overall Assessment : Evaluation and Implementation of Sustainable Principles

The Firm's disclosure described quality integration of ESG factors in its investment processes, with a focus on energy efficiencies. Artemis addresses ESG risks across the investment life-cycle and ensures ESG factors are considered in its ongoing monitoring process.

Artemis became a signatory to the UN PRI in 2022 and is a signatory of the CFA DEI Code. The ESG Committee oversees ESG investment considerations and ESG policy implementation. The Firm holds an annual meeting with all employees to discuss its ESG policy and sources data from the utility-tracking platform, Measurabl. Artemis hired an ESG third-party consultant to assist the firm in its ESG capacity building strategy.

Artemis does not have a formal policy with respect to civilian firearms retailers or manufacturers, given that it does not have any such investments.

Overall, the Firm's disclosure demonstrated continued meaningful ESG integration.

## SCORE

# 1

Criteria	Response
Firm has an ESG policy	Yes
If Yes, Firm described its ESG policy	Yes
If Yes, Firm provided examples of ESG factors considered in the decision-making process, explained the financial impact of these ESG factors	Yes
Designated staff responsible for sustainability policies and research	Yes
Firm provides training/resources on sustainability issues, explained sources of ESG-related data	Yes
Signatory/member of sustainability-related initiatives or groups	Yes
Policy for evaluating current or prospective relationships with manufacturers or retailers of civilian firearms	No*

Criteria	Response
Policy that requires safe and responsible use, ownership or production of guns	No*
Enhanced screening of manufacturers or retailers of civilian firearms	No*
Enhance screening of any industry/sector subject to increased regulatory oversight, potential adverse social and/or environmental impact	Yes
Merchant credit relationship with retailers of civilian firearms and accessories	No*
If Yes, Firm confirms compliance with laws governing firearms sales	N/A

\*No, given that the firm does not invest in civilian firearms manufacturers or retailers.



# State of Connecticut Retirement Plans & Trust Funds (CRPTF)

April 2024

## Fund Summary

The Artemis Income & Growth Fund II, L.P. (“Fund II” or the “Fund”) is managed by Artemis Real Estate Partners (“Artemis” or the “Manager”). The strategy is focused on acquiring high-quality, stabilized, and well-located multi-family and industrial assets with a smaller allocation to self-storage, hospitality, and retail. The Manager will continue to target stabilized and cash-flowing assets that generally exhibit a single risk, creating the opportunity to add value through repositioning, leasing, operations improvements, or resolving capital structure issues. From a market perspective, the Fund will focus its investments in the top 30 Metropolitan Statistical Areas (“MSAs”), placing a greater emphasis on markets benefitting from growing population, low unemployment, and high median income. The Manager will also continue its strategy of partnering with emerging or diverse operating partners, targeting 67% of the Fund to be structured as joint ventures with said partners. The balance will be either wholly owned or through joint venture partnerships with non-diverse or non-emerging operating partners. While most deals are expected to be structured as equity, the Fund can invest across the capital stack, including in mezzanine debt and preferred equity.

Artemis was founded in 2009 and is a majority women-owned business as well as majority privately owned. Artemis manages commingled and separate account vehicles across the risk spectrum, including Core/Core-Plus, Value-Added, debt, and a dedicated healthcare fund.

As part of Albourne’s research process, Albourne’s Real Estate investment due diligence (“IDD”) team spoke with the Manager in January 2024 for an update on the current fund raise, the Manager’s team & capabilities, their investment process, the Manager’s response to current market conditions, their track record, and their currently invested portfolio. A follow up call was held in February, which re-affirmed the research previously performed in 2021. Albourne believes that the Fund may be suitable as a US-based, demographically driven real estate fund in a closed end Core-Plus format.

In February 2024, Albourne’s Operational Due Diligence (“ODD”) team issued an update on the Manager’s operations, which include an assessment of the Manager’s organization, background checks, compliance resources & policy, investment operations, and infrastructure & business continuity. In each of these categories, Albourne’s ODD team believes that the Manager’s operations follow best or acceptable practices. Albourne has also done an ODD assessment of the Fund specifically, reviewing terms & governance, custody & counterparties, valuation, and a review of financial statements. In all of these categories, Albourne’s ODD team believes that the Manager followed best or acceptable practices, with some areas for improvement.

Based on both Albourne’s IDD and ODD research updates, Albourne supports CRPTF’s intent to commit to the Fund.

## Investment Thesis

- **Partner Network:** The Manager has developed its network of over 100 operating partners over the past ten years, which should lead to off-market deal flow and operational capabilities through the planned joint venture structures.
- **Alignment:** Employee ownership is spread across multiple senior individuals with carried interest widely distributed at the Vice President level and above. Principals and above are expected to contribute personal capital to the Fund.
- **Business Stability:** The Manager commenced operations in 2009 and has grown to \$9.6bn in total commitments. The Manager offers four product lines and their business is not overly dependent on a single product. The management company does not have any outstanding debts or guarantees, and their

balance sheet received a capital injection through the sale of a minority passive interest to InvestCorp.

- **Background Checks & Financial Statements:** Albourne's legal, regulatory and media searches did not identify any material findings. Furthermore, there were no material concerns noted from Albourne's review of the audited financial statements.

## Investment Considerations

- **Portfolio Manager changes:** In late 2023, Co-Portfolio Manager Gina Baker Chambers departed the firm. Ms. Baker Chambers was replaced by Jonathan Rainford, who has been with Artemis since 2011. Though Mr. Rainford has tenure with the Manager, he lacks portfolio manager experience. Co-Portfolio Manager, Anar Chudgar, joined Artemis in 2019, leading to short tenure working with the broader Investment Team and Mr. Rainford.
- **Fund Structure:** Similar to the Artemis Income and Growth Fund I, investors should note the Manager has the option to convert the Fund to an open-ended structure with approval of Limited Partners holding more than 75% interest in the fund. While this change requires majority in-interest approval, the actual composition of the investor base is largely unknown at this time. To the extent there is considerable concentration in the investor base, a few select investors may elect to restructure the Fund to an open-ended structure which may not be in the benefit of all investors.
- **Shared Investment Team:** While the investment focus is consistent across the funds managed by Artemis, the Investment Team remains shared across platforms.
- **Investment Restrictions:** The Fund lacks the standard investment restrictions associated with the Core-Plus style to prevent style drift.

## Investment Strategy

The Fund follows a straightforward approach to Core-Plus investing while also seeking to capitalize upon COVID-19 dislocation and repricing. Similar to the prior vintage, the Fund will focus on market-favored property types, such as industrial and multi-family, with secondary focuses on niche property types, such as self-storage and manufactured housing, all of which are expected to be located in top 30 MSAs. The Fund will also seek to capture situational distress or pockets of illiquidity, structuring investments as equity or debt. What differentiates the Fund is the Manager's focus on partnering with diverse and/or emerging operating partners, which are explicitly defined. Artemis' network of more than 100 partners located across the Manager's target markets should aid in off-market deal flow. The Fund's investment restrictions are light compared to Core-Plus peers, particularly the lack of limitation on development activity, which subjects the Fund to possibly unlimited exposure to ground-up, build-to-suit, or forward funding development projects. The strategy is replicable by other managers in the Core-Plus space, with the only key differentiator being the partnership with emerging or diverse operating partners.

## Manager Organization

Founded in 2009, the Manager is a well-resourced organization with four offices and 60 employees managing 14 total vehicles that have raised \$9.6bn as of September 2023. The senior executive team averages 21 years of industry experience and approximately nine years of tenure in working together. The Fund will be led by Co-Portfolio Managers Anar Chudgar and Jonathan Rainford, who are supported by a 49-member Investment Team. While Ms. Chudgar and Mr. Rainford have real estate experience, the pair are relatively new to their roles, as Ms. Chudgar began as a Portfolio Manager when she joined Artemis in 2019, and Mr. Rainford began as a Portfolio Manager when he replaced Gina Baker Chambers following her November 2023 departure from the firm.



Ms. Chudgar has 15 years of experience investing with Artemis as both an LP and as a member of the senior team. Mr. Rainford has spent 11 years at Artemis investing in the core plus space and sourcing new operating partners. Additionally, seven of eight Income & Growth II investment committee members have invested together in the core plus space for over eight years.

## Track Record

The current portfolio, which consists of Income & Growth I, Mach I, and Mach II (separately managed accounts on behalf of a large US Public Pension) is manageable at 38 unrealized or partially realized investments. As expected, the portfolio is comprised of both equity and debt investments and diversified across property type and joint venture partner, the majority of which are emerging or diverse. While the portfolio has been constructed in line with expectations, the volume of investments that have been impaired due to COVID-19 and rising interest rates is considerable. These impacts have required additional time and attention from the Investment Team to work through such investments, particularly with negotiating restructurings or loan modifications with their lenders. While the Manager expects fund level performance will be positive given additional value to be created at the asset level and conservative valuations, the troubled investments appear across multiple accounts and property types.

The fund series track record remains short, with Income & Growth Fund I and the Income & Growth Sidecar serving as the first true commingled fund vehicles executing this strategy. Prior to the launch of Fund I, the Manager invested on behalf of the long-term Core and Core-Plus separately managed accounts, some of which were non-discretionary mandates, rendering the track record not solely that of Artemis. Of the five separately managed accounts, two were discretionary and represent a total of \$680m of equity raised. One of the separately managed accounts, representing \$600m in commitments, is an evergreen structure, a “best ideas” separate account. The second account represents \$180m in commitments and co-invests alongside one of Artemis’ non-discretionary separately managed accounts; this separately managed account targets a 7.5% net IRR and 1.4x net multiple.

Funds	Vintage	Fund Size	Drawn	Realized	IRR	DPI	TVPI
<b>Artemis Income &amp; Growth Sidecar</b>	2020	\$183m	\$139m	\$29m	7%	0.2x	1.1x
<b>Artemis Income &amp; Growth Fund I</b>	2018	\$620m	\$530m	\$138m	0%	0.3x	1.0x

Values above represent since inception returns through 3Q 2023.

Past performance is not indicative of future returns.

Source: Artemis Real Estate Partners

## Fundraise Update

The Manager is targeting commitments of \$1.0bn with a hard cap set at \$1.5bn. The first separate account closed in February 2024, and the first commingled vehicle close is scheduled to occur in May 2024 with a second close in late Q2 2024. Based on conversations with existing and prospective investors, Artemis had roughly \$900mn of capital soft-circled. It is likely the Manager will hold a final close in Q3 2024, though legal documents allow for a 12-month fundraising period ending in 1Q 2025.

The Fund's legal documents state that the Manager has a 12-month fundraising period, assuming a first close in April 2024, the Fund is expected to hard close in 1Q 2025. Investors should be aware that if the Manager is able to successfully raise \$1.2bn in targeted commitments, 66% will likely be attributed to two large investors. Importantly, key changes to terms in the PPM/LPA do not include the voting interests of those two large investors as they are committed through a separate legal entity.

### Key Terms (main fund terms)

<b>Investment Period</b>	4 years after the final closing date
<b>Fund Term</b>	10 years after the final closing date
<b>GP Commitment</b>	Greater than or equal to 1.50% or \$15m
<b>Management Fee</b>	0.75% of committed capital; 1.25% of called capital in harvest period, 1.25% of called capital in extension period
<b>Carry / Preferred Return</b>	7% compounding annually
<b>GP Catch-up</b>	50%

Terms are largely market standard when compared against the US Core-Plus closed end peer group. Management fees are flat, regardless of commitment size. During the commitment period, the management fees are charged as 0.75% on capital commitments and 1.25% on capital invested; following the commitment period, management fees are charged as 1.25% on capital invested. The distribution waterfall is also standard, with a 7% hurdle rate, a 50/50 GP catch-up, and a 15% carried interest split. Investors should note that the Manager has the option to convert the Fund to an open-ended structure at the end of the commitment period, with an approval of Limited Partners holding 75% or more interests in the funds.

### Sustainability Summary

Artemis Real Estate Partners, LLC is a signatory to the United Nations-supported Principles for Responsible Investment. The UN PRI is the world's leading organization promoting responsible investment. Their goal is to understand the investment implications of environmental, social and governance (ESG) factors and to support their international network of investor signatories in incorporating these factors into their investment and ownership decisions.

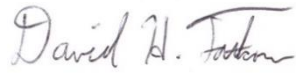
### Recommendation

Based on the analysis and information presented herein, Albourne believes that a commitment to the Artemis Income & Growth Fund II may achieve the goals set forth for the Real Estate portfolio by CRPTF. The Funds may be suitable for investors seeking exposure to US demographically driven real estate in a closed end Core-Plus format, and taking into account the investment strategy and portfolio diversification objectives of CRPTF's Real Estate program, Albourne supports a commitment to the Fund.

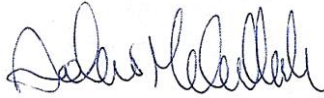
### Disclosure of Potential Conflicts

Based on a review of the compliance records for Albourne Partners Limited and/or its affiliates (the "Albourne Group"), there do not appear to have been any gifts and entertainment between the Albourne Group and the Manager during the past five years.

Sincerely,



**David Tatlow**  
Partner, Portfolio Analyst



**Andrew McCulloch**  
Partner, Portfolio Analyst

**IMPORTANT NOTICE**

The information in this report does not contain all material information about the fund that is the subject of this report, its investment manager, any of their affiliates or any other related entity to which this report relates, including important disclosures and risk factors associated with an investment in the fund. As used herein, the term "Fund" refers to (i) the specific fund that is the subject of this report, (ii) collectively, the specific fund that is the subject of this report, its investment manager, any of their affiliates or any other related entity to which this report relates, or (iii) investment funds generally, as the context requires.

Before making an investment, you should obtain and carefully review the relevant fund offering documents before investing in the Fund mentioned herein, as such documents may contain important information needed to evaluate the investment and may provide important disclosures regarding risks, fees and expenses. Funds are speculative, involve a high degree of risk, and are illiquid. Past performance is not indicative of future results and you could lose all or a substantial amount of any investment it makes in such Funds. Furthermore, Funds may involve complex tax structures and delays in the distribution of important tax information, may have a limited operating history, may be highly volatile, and there may not be a secondary market for Fund interests. There may be restrictions on redemptions and transfers of Fund interests and such interests may otherwise be illiquid. Funds may also be highly leveraged and may have a fund manager with total investment and/or trading authority over the Fund. It should also be noted that, in the case of hedge funds, there may be a single adviser applying generally similar trading programs with the potential for a lack of diversification and corresponding higher risk; hedge funds may also affect a substantial portion of trades on foreign exchanges, which have higher trading costs.

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# Artemis Real Estate Partners Income & Growth Fund II

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State of Connecticut  
Investment Advisory Council (IAC)

May 2024

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All market prices, data, and other information are not warranted as to completeness or accuracy, are subject to change without notice, and will not be updated or otherwise revised to reflect information that subsequently becomes available or for circumstances or changes occurring after the date reflected.

The information in this document does not constitute, or form part of, any offer to sell or issue interests in Artemis Real Estate Partners Income & Growth Fund, L.P. and Artemis Real Estate Partners Income & Growth Fund Sidecar, L.P. (together “Income & Growth Strategy”) or Artemis Real Estate Partners Income & Growth II L.P. or its related vehicles (“Income & Growth II”) or an offer or solicitation for the purchase or sale of any other financial instrument or as an official confirmation of any transaction. In deciding whether to invest in Artemis Real Estate Partners Income & Growth II, prospective investors should read the entire Confidential Private Placement Memorandum of Artemis Real Estate Partners Income & Growth II and all Supplements thereto (if any), including the information about risks associated with an investment in Artemis Real Estate Partners Income & Growth II and the material terms of the Artemis Real Estate Partners Income & Growth II constituent documents. Each potential investor should consult with its independent financial advisor, lawyer, or accountant as to legal, tax, and related matters to which it may be subject under the laws of the country of residence or domicile concerning the acquisition, holding, or disposition of any investment in Artemis Real Estate Partners Income & Growth II or any other Artemis vehicle.

Interests in Artemis Real Estate Partners Income & Growth II will be illiquid, as there is no public market for such interests and no such market is expected to develop in the future. The interests will be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act of 1933 and applicable state securities laws.

In considering any prior performance or investment history information that may be contained in this presentation, prospective investors should understand that such information is neither a guarantee nor indicative of the future performance or investment returns of any Artemis-sponsored investment vehicles, and actual events or conditions that will impact a future vehicle performance may not be consistent with, and may differ materially from, historical events or conditions. Additionally, this document contains certain information about previous real estate investments made by investment vehicles managed by Artemis or its affiliates. This information is included for discussion purposes only solely to illustrate the investment process and strategies which have been used by Artemis. Such information reflects Artemis’ assessment of the respective investments and related investment and improvement initiatives, are not representative of prior investments as a whole, and are not intended to reflect actual performance or project future performance. Similar investment opportunities may not be available to any future Artemis-sponsored investment vehicle.

Please refer to the Endnotes, which contains important explanatory information regarding Artemis-sponsored investment vehicle returns and performance metrics used in this document.

Any targets, forecasts, and projections contained herein have been prepared for illustrative purposes only. Investors should bear in mind that target returns and/or projected performance of Artemis investments or fund performance is not necessarily indicative of future results, and there can be no assurance that these target and/or projected returns will be achieved or that Artemis-sponsored investment vehicles will achieve comparable results or pursue similar investments. Target and/or projected returns are derived from Artemis’ current business plans for each investment, which contain a number of assumptions (including future projections of market rents, capitalization rates, indebtedness and development plans) that Artemis believes are reasonable under the circumstances. Not all relevant events or conditions may have been considered in developing such assumptions. However, the actual realized returns on unrealized investments will depend on, among other factors, future operating results, interest rates, economic and market conditions, and the value of the underlying assets at the time of disposition, any related transaction costs and the timing and manner of disposition, all of which may differ materially from the assumptions on which target returns and / or projections are based. See the Endnotes for more information, including risks related to the hypothetical/projected performance metrics. An investor must realize that he or she could lose all or a substantial amount of his or her investment with Artemis.

There is no guarantee that the objectives or targets of Artemis or its affiliates that may be referenced in this presentation related to investments can be achieved or realized and there can be no assurance that any investment opportunities will materialize.

Statements contained herein (including those relating to current and future market conditions and trends in respect thereof) that are not historical facts are based on current expectations, estimates, forecasts, opinions and beliefs, and may constitute “forward-looking statements,” which can be identified by the use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “anticipate,” “target,” “estimate,” “intend,” “continue,” or “believe,” or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results may differ materially from those reflected or contemplated in such forward-looking statements. Forward-looking statements are not a promise or guaranty about future events. Artemis and its affiliates have no obligation to disseminate any updates or revisions to forward-looking statements in the event of any change in events, conditions or circumstances.

Artemis is a registered investment adviser. Investment adviser’s registration does not imply a certain level of skill, training, or expertise.



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# Artemis Overview

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# EXECUTIVE SUMMARY



## Artemis Real Estate Partners

- Co-founded in 2009 by Deborah Harmon and Penny Pritzker, Artemis is a majority women/diverse owned, real estate investment firm headquartered in Washington, DC, with offices in New York City, Los Angeles and Atlanta
- Fiduciary to investors – SEC registered investment advisor since March 2012<sup>1</sup>
- \$10.0BN+ of equity raised across four primary business lines<sup>2</sup>
- Core management team with three decades of experience investing across the risk spectrum, capital stack, and property type throughout the United States
- Specializes in joint venture partnerships and direct investments in the middle market



## Artemis Income & Growth II

- Since 2011, Artemis has purchased ~\$5BN in total cost basis across its dedicated core plus separate accounts and commingled funds
- Benefitting from an existing platform of middle market operating partners with proven realized outperformance
- Continue strategy to access quality assets with substantial current cash flow and opportunity for capital appreciation at a lower cost of capital
- Targets an 11-13% Net IRR through investments with high current income/occupancy and significant return from cash flow<sup>3</sup>



Data as of April 2024 unless otherwise noted.

1. Registration does not imply a certain level of skill or training.

2. As of April 2024. Inclusive of all Artemis sponsored vehicles, New York Common Separate Account advisory assignment, and NAV + UCC of an account in which Artemis acts as a replacement manager.

3. There is no guarantee that the investment objective or target returns can be achieved. Past performance does not guarantee future results. Actual results may vary. Please see Endnote 1 for more information related to the Target Return calculations. Confidential

## Artemis Executive Team



Deborah Harmon  
Co-Founder & Co-CEO



Alex Gilbert  
Co-CEO



Anar Chudgar  
Co-President



Rich Banjo  
Co-President

### Diverse team of ~90 members across four offices\*

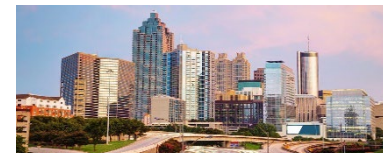
- ✓ Senior executive team has an average investment management experience of ~25 years
- ✓ Majority of the Artemis senior team has worked together for the past 20 years
- ✓ ~65% of employees are women, minorities and/or veterans\*
- ✓ Broad Promote Sharing<sup>1</sup>



Metro Washington, DC



New York, NY



Atlanta, GA



Los Angeles, CA

Data as of April 2024 unless otherwise noted.

\*Includes employees of Artemis Real Estate Partners, Great Falls Advisors and CRE Legal Advisors.

1. Employees senior associate and above are eligible

# ARTEMIS TODAY

Artemis' growth has been disciplined and intentional, all while maintaining a collaborative, diverse, and performance-driven culture.

**13+**  
Year Track  
Record

**\$10BN+**  
Equity  
Raised<sup>1</sup>

**~95%+**  
Investor Re-  
Up Rate<sup>2</sup>

Artemis' diversified portfolios have delivered consistent risk-adjusted performance across four business lines since 2011.

**~\$15BN**  
Gross  
purchase  
price of  
real estate

**350+**  
Transactions  
across US

**~90%**  
Realizations  
exceeding target  
fund gross  
returns<sup>3</sup>

Data as of April 2024 unless otherwise noted. Past performance is not indicative of future results. Actual results may vary.

1. Total amount of capital committed since inception across all Artemis vehicles and includes a \$200MM separate advisory engagement and NAV + UCC of an asset management fund of one.

2. Reflective of institutional investors across all vehicles eligible for re-ups, excludes HNWs and new investors to the Artemis platform within the last 24 months.

3. Calculated by comparing realized gross investment returns against the respective Fund's target gross return (includes realized investments across all Artemis vehicles). Full track record available upon request.

# BROAD NETWORK OF OPERATING PARTNERS

Middle Market Regional and Local Expertise

Benefit from established relationships and proven track record investing alongside 130+ middle market operating partners across the United States.

*60%+ of transactions across all vehicles have been done with repeat operating partners.*



## Artemis Dedicated Core Plus, Middle Market Platform

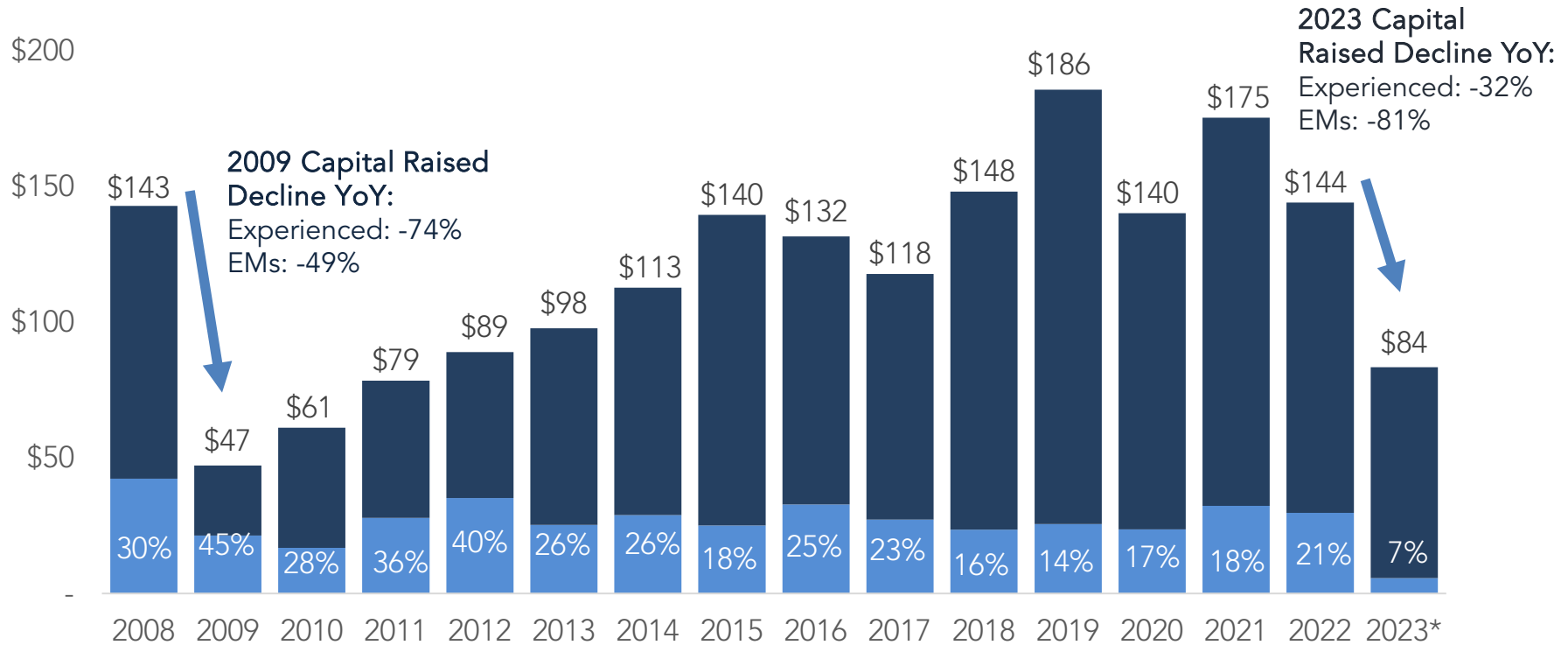
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# DISPROPORTIONATE ACCESS TO OPPORTUNITY

In 2023, 7% of real estate capital went to emerging middle market managers, the smallest share since the GFC<sup>1</sup>

Emerging RE Firm      Experienced RE Firm

*\$ in Billions*



\*As of December 31, 2023

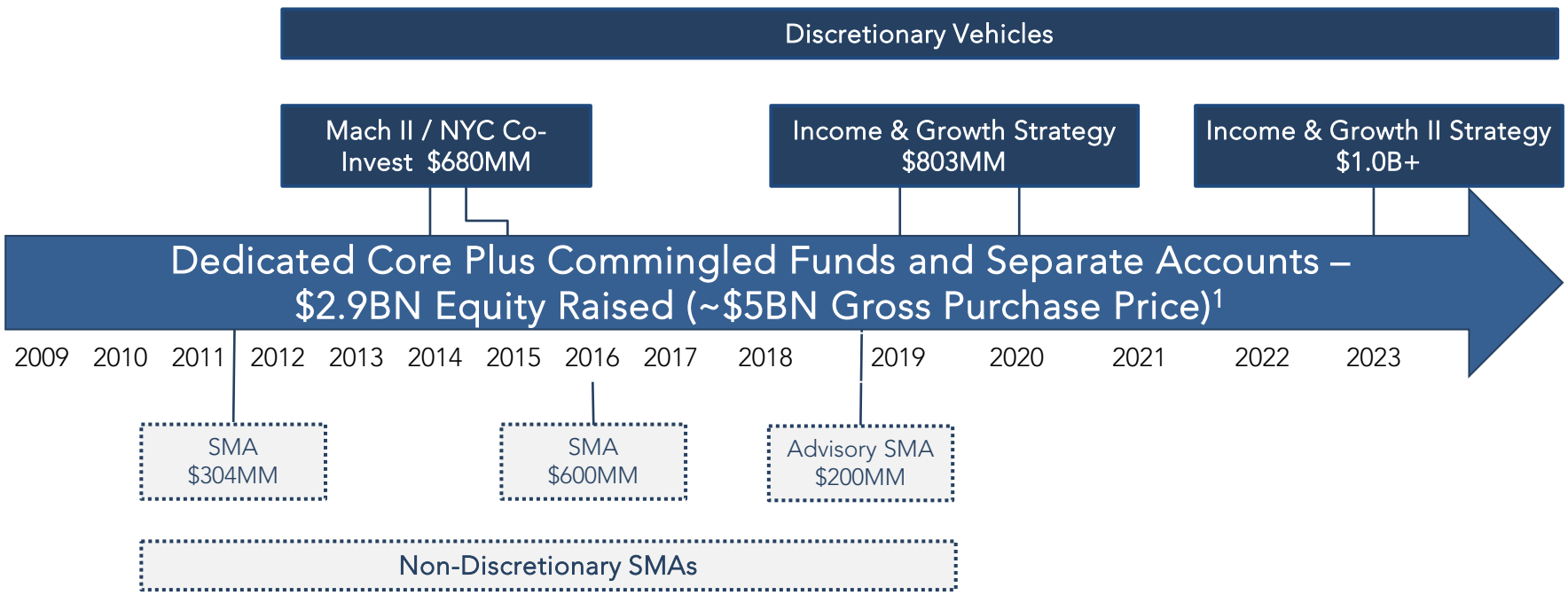
1. Pitchbook defines emerging managers as firms that have launched fewer than four funds.

# MIDDLE MARKET CORE PLUS PROGRAM

## Access to Capital Throughout Cycles



Since 2011 Artemis has invested across product types, geographies and the capital stack in core plus opportunities alongside leading middle market managers.



Data as of December 31, 2023 unless otherwise noted. Please refer to the Endnotes for a complete description of the metrics used herein. There is no guarantee that the investment objective can be achieved. Past performance is not a guarantee of future results. Actual results may vary.

1. \$2.9BN is total equity raised across Artemis dedicated middle market manager vehicles. Total gross purchase price across those vehicles is ~\$5BN.

# Income & Growth II Opportunity

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# INCOME & GROWTH II OVERVIEW

## 11-13%

Target Net IRR<sup>1</sup>

## 5%+

Quarterly Dividends

## 55% LTC

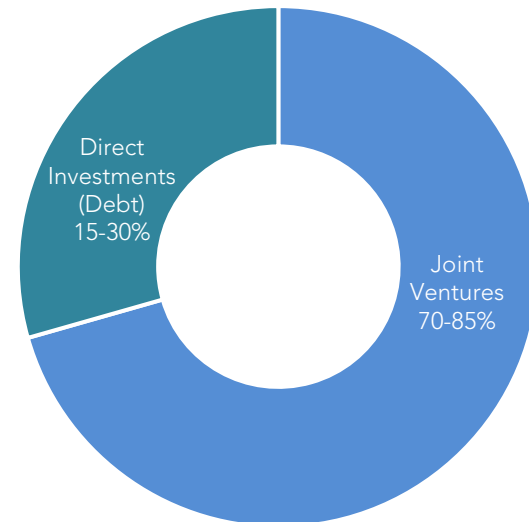
Portfolio Wide  
Leverage

### INVESTMENT STRATEGY

- ✓ Deploy capital across the risk spectrum, leveraging the Artemis operating partner network
- ✓ Make cash flowing middle market investments at attractive risk-adjusted returns
- ✓ Benefit from diversification across product type and geography



### TARGET PORTFOLIO CONSTRUCTION



Past performance is not a guarantee of future results. Actual results may vary. Full track record available upon request.

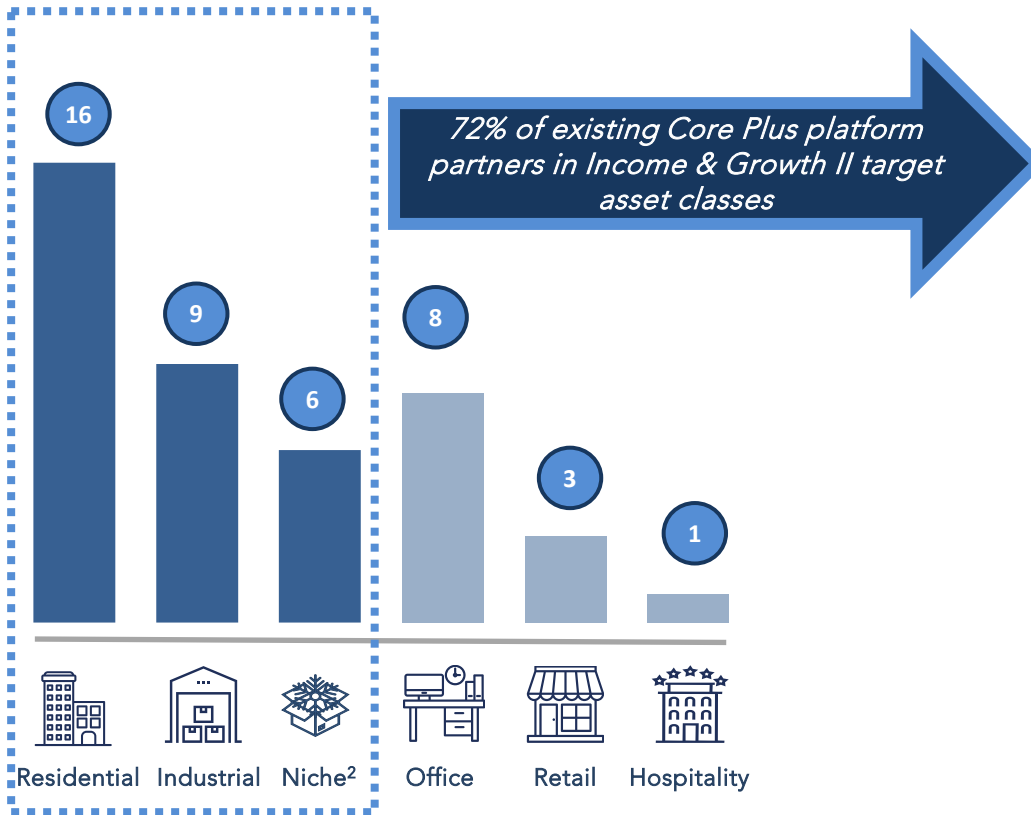
1. Please refer to the endnotes for a complete description of the metrics herein.

# CURRENT MARKET OPPORTUNITIES

Artemis seeks to build a diversified portfolio of high-quality, cash-flowing investments, leveraging its established operating partner network.

## Core Plus Operating Partners<sup>1</sup>

*Existing Network*



## Target Asset Classes



### INDUSTRIAL

Shifting e-commerce demands and long-term logistics markets



### MULTI-FAMILY

High quality, newer vintage assets located in growth markets



### NICHE

Aggregate self-storage, manufactured housing and single-family rental with favorable demographics

Operating Partner data as of December 31, 2023. Past performance is a guarantee of future results. There can be no assurance that future investment opportunities will materialize.

1. Includes operating partners from Frontier Mach I & II, NYCRS Mach II Co-Invest, Income & Growth Strategy and Spruce. Excludes fund investment and debt emerging manager partners.

2. For this analysis, niche includes operating partners across land, manufactured housing, self-storage, student housing and senior housing.

# INCOME & GROWTH II

## Investment Principles

Income & Growth II seeks to capitalize on the market volatility generated by inflation, rising rates, and the global supply chain crisis, while maintaining a defensive investment posture that captures long-term secular trends reflective of the macroeconomy.



### *Income Generation*

- Seek investments with high current income/occupancy
- Significant return from cash flow



### *Target Markets*

- Seek growth markets where population migration patterns (corporate relocation, family formation), high median income and state-level fiscal stability are driving liquidity and cash flow
- High barrier to entry submarkets with strong fundamentals and demand drivers with long-term appreciation potential



### *Flexible Mandate*

- Ability to pivot up and down the capital stack and across product type, geography, lender and transaction size (\$10-\$50MM average) to find the best risk adjusted opportunity



### *Downside Protection*

- Healthy respect for risk; business plan execution does not hinge on singular event
- Modest use of leverage and conservative underwriting with emphasis on capital preservation
- Multiple exit strategies



### *Risk-Adjusted Returns*

- Demonstrated track record executing on the strategy with a robust operating partner network
- Seek to benefit from cross promote structure

# ACTIVE PIPELINE

Amidst the current environment, Artemis maintains a robust pipeline of core plus, cash flowing investment opportunities within its operating partner network. Currently, the team is reviewing \$1.0BN+ pipeline in potential equity commitments

## Industrial



Opportunity to recapitalize 240K SF industrial building in Dallas, TX

## RESIDENTIAL



Opportunity to acquire a 274-unit garden style multifamily community at an attractive basis in Kansas City, MO

## Manufactured Housing



Opportunity to acquire a 771-site, 55+ community in Riverside, CA

## Self Storage



- NYC Metro, NY
- \$45MM of committed equity
- Acquisition of three new-build self-storage assets in infill locations.
- Programmatic JV with repeat operating partner



Leverage Artemis' 100+ middle market operating partner network to generate attractive risk adjusted returns<sup>1</sup>



Reflects the continuation of Artemis' realized track record and established platform for pursuing core plus middle market real estate transactions across the U.S.



Offers investment opportunities at an attractive entry point that are driven by the current inflationary and elevated rate environment



Pursue investments across common equity, preferred equity, mezzanine debt and senior debt, which enable Artemis to source and identify attractive opportunities in competitive markets



Benefit from Artemis' ability to invest across product types to provide a competitive advantage; early mover towards niche property types

## Appendix: Responsible Investing & Corporate Citizenship

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Artemis believes that sustainable solutions create efficiency and maximize building performance, while protecting the environment.

## Established ESG Committee



Environmental Sustainability



Diversity, Equity, and Inclusion



Governance, Ethics, and Risk

## Continuing Our Commitment

- ✓ **UN PRI:** Artemis has applied to be a UN Principles for Responsible Investment signatory to further our commitment to sustainable value creation.
- ✓ **Performance:** Implemented online data management platform, Measurabl, to track energy and water usage, down to an individual asset level, providing a clear snapshot of ESG analytics; ultimately reporting to the Global Real Estate Sustainability Benchmark (GRESB).
- ✓ **Investment Process:** Formalized ESG Guidelines to diligence all aspects of an acquisition; ESG considerations documented in Investment Committee memorandums.



## Environmental Impact Example<sup>1</sup>

173K SF, 1991/2015-vintage, 12-story, LEED gold and Energy Star certified trophy office building in Washington, DC.

  
**\$54K**  
*Annual savings from HVAC chiller installation*

  
**\$25K**  
*Annual savings from lighting retrofit*

  
**\$20K**  
*Annual savings from air compressor removal*

  
**\$18K**  
*Annual savings from restroom upgrades*



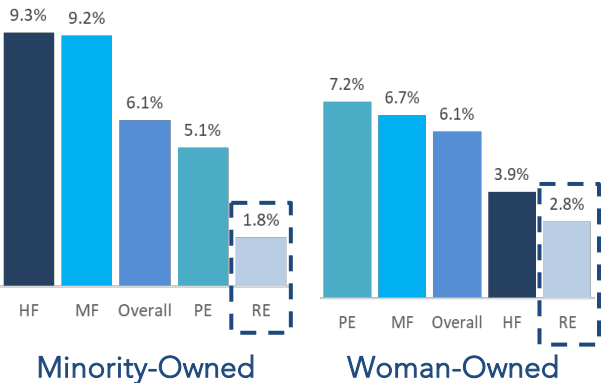
Note: Environmental, Social and Governance type guidelines and policies are considered when making investments and decisions but the same are not determinative in Artemis' investments or decisions and are generally subject to Artemis' duty to maximize returns on investments, the investment strategies for the applicable investment vehicles and other Artemis obligations. Accordingly, not all portfolio investments take into account ESG factors nor comply with ESG guidelines.

1. Represents core plus office investment that recently underwent ESG renovations.

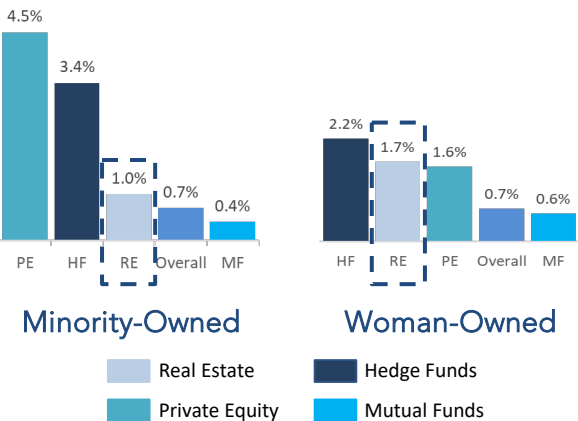
# DIVERSITY, EQUITY, AND INCLUSION

The broader investment community lacks diverse representation; less than 3% of all U.S. Firms and AUM are managed or owned by minorities or women.

## U.S. Firms Owned by Minorities and Woman<sup>1</sup>



## U.S. AUM Managed by Minorities and Woman<sup>1</sup>



■ Real Estate    ■ Hedge Funds  
■ Private Equity    ■ Mutual Funds

## WALKING THE TALK – BUILDING A DIVERSE FIRM



- Approximately 60% of firm team members are women and/or minorities from top to bottom and across function.<sup>2</sup>
- One of the 1<sup>st</sup> majority-woman and diverse-owned real estate investment management firms and remains majority woman-/minority-owned.
- Dedicated analyst program diversifying entry-level talent and hiring undergraduate students.
- Artemis is a signatory to the CFA DEI Code and is committed to its six principles to promote diversity and inclusion both within the firm and industry.

## ENHANCED ACCESS TO CAPITAL AND RESOURCES



- Acquired over ~\$9BN in assets, based on gross purchase price, across product types and the risk spectrum through Artemis’ network of emerging and diverse managers.<sup>3</sup>
- Competitive advantage through scale of emerging and diverse partner network; emerging and diverse partners account for 81% of Artemis’ total operating partner network.

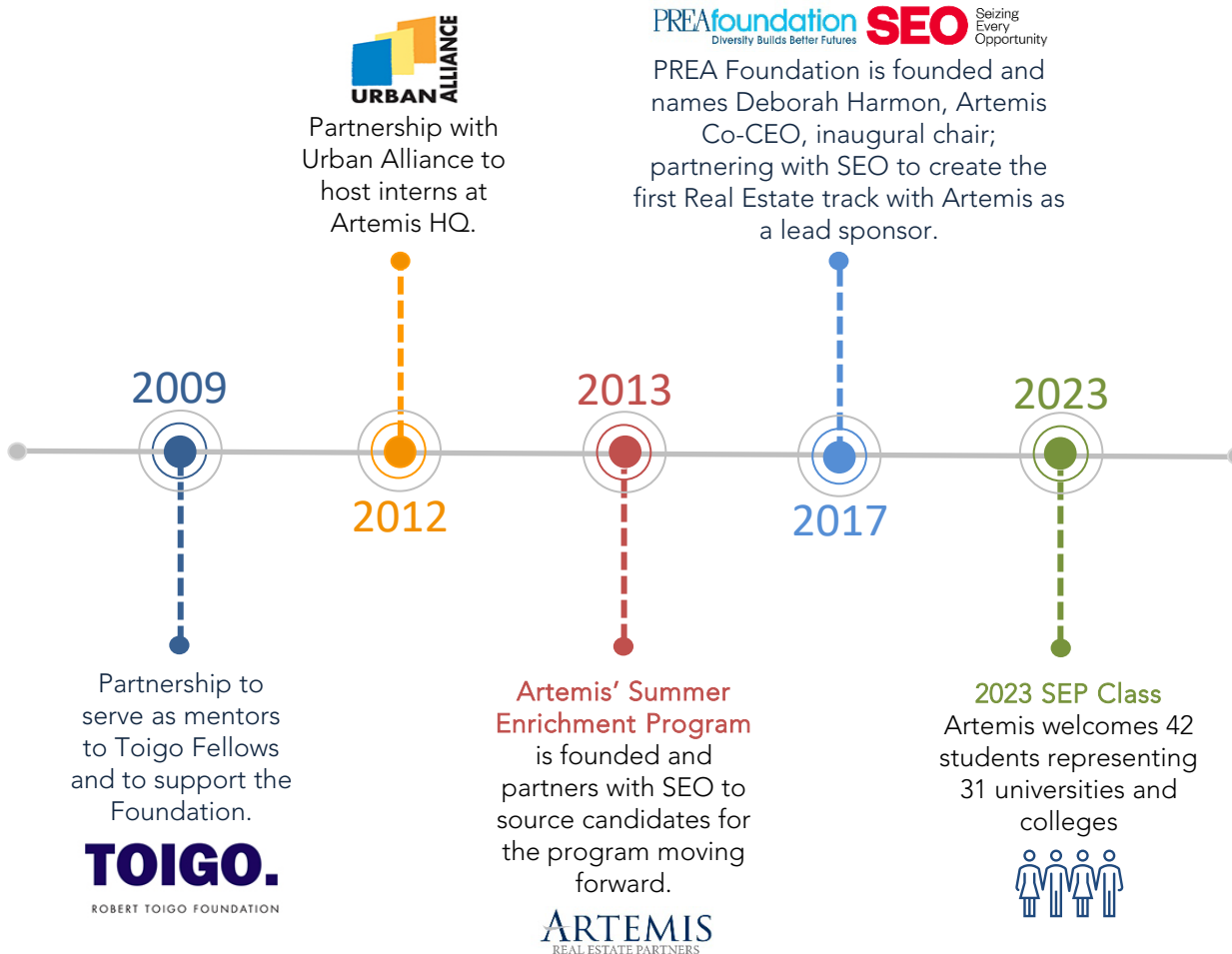
Data as of July 2023 unless otherwise noted. Past performance is not a guarantee of future results. Actual results may vary. Such recognitions are not a guarantee of Artemis’ future performance. The market information contained herein was obtained from sources that Artemis deems reliable and, while thought to be correct, is not guaranteed by Artemis.

1. Knight Foundation and Bella Research Group, Diversity of Asset Managers Research Series, 2021.  
 2. Includes team members of Artemis Real Estate Partners, Great Falls Advisors, and CRE Legal Advisors.  
 3. Gross purchase price inclusive of transactions with emerging and diverse partners across the Artemis platform. Artemis defines MWBE firms as 25% or more MWBE ownership as of September 30, 2023; excluding Artemis direct investments.




# BUILDING A TALENT PIPELINE OF FUTURE LEADERS


Since inception, Artemis has been actively involved in creating leading talent pipeline programs through numerous industry partnerships.




## Artemis Summer Enrichment Program




**258 Interns Since 2013**  
(~80 SEO Students)



**86% representing women and minorities to date**



**100+ students and counting placed in entry-level roles in commercial real estate**



**Artemis has committed \$1.0MM to the PREA Foundation in support of the SEO Real Estate Track**

Past performance is not indicative of future results. Actual results may vary. Such recognitions are not indicative of Artemis' future performance. Partnerships or affiliations do not indicate support of Artemis or its investment strategies.

# RECOGNIZED COMMITMENT TO DIVERSITY

## Expanding Our Impact through Partnerships and Excellence

### NEW YORK STATE COMMON EM PLATFORM PARTNER

Since 2012, New York Common has invested over \$1 billion with Artemis to build the Mach Program.



### IMRF REAL ESTATE EMERGING MANAGER PROGRAM

Established first and only evergreen IMRF partnership for real estate emerging manager program in 2016.



### EXELON DIVERSITY & INCLUSION HONOR ROLL 2022, 2023

Recognized by Exelon for outstanding achievement in diversity and inclusion as an investment manager



### NEW YORK CITY COMPTROLLER'S DIVERSE PRACTITIONER AWARD

Recognized in 2018 by the NYC Comptroller's Office for policies and practices regarding diversity.



### BEST PLACES TO WORK IN MONEY MANAGEMENT 2018, 2019

Recognized two years in a row as one of the best places to work in money management by Pensions & Investments.

### MEMBER OF NATIONAL ASSOCIATION OF INVESTMENT COMPANIES

Active member of the National Association of Investment Companies



After climbing a great hill, one only finds that there are many more hills to climb.

- Nelson Mandela

## Endnotes

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# ENDNOTES

- (1) **Target Returns:** The target returns are based on current market conditions as well as the assumptions about expected cash receipts from the operations and sale of assets, anticipated hold period indicative of Artemis' internal transaction analysis regarding outcome potentials. They are based on Artemis' current view in relation to future events and financial performance of potential investments and various estimations and base case assumptions made by Artemis, including estimations and assumptions about events that have not occurred, and the Fund's ability to deploy cash over time. While Artemis believes that these assumptions are reasonable under the circumstances and consistent with the fund terms, including expected hold period and life of the fund, they are subject to uncertainties and changes, which could impact the target returns presented herein.
- (2) **Committed Equity:** In respect of the investment performance of the prior funds and separate accounts comprising the full Artemis Track Record, Committed Equity represents the aggregate capital invested in, and committed to, such investment as of December 31, 2023, except as noted, and is calculated as the sum of the negative monthly cash flows (actual and projected) over the investment's actual and/or projected hold period, and, to the extent leverage was incurred or projected after acquisition, such leverage is deducted from the sum of the negative monthly cash flows (thereby reducing the investment's overall Committed Equity number).
- (3) Artemis discretion in the Artemis MWBE Spruce Program is limited to transactions with operating partners that are at least 51% owned and controlled by women, minorities and/or persons with disabilities as defined by the Illinois Pension Code. For the first four years of the Artemis MWBE Spruce Program, the vehicle focused on lower risk, more core-like, stabilized small and middle-market opportunities with a cost of capital previously unavailable to many of our existing manager relationships. During this period, the Artemis MWBE Spruce Program made 10 investments, two of which are mezzanine positions that were originated in December 2016 and November 2018, respectively. Consequently, the two mezzanine deals reflect the return profile of a historically core-like portfolio; however, beginning with the 2020 allocation, the Artemis MWBE Spruce program is focused on identifying opportunities with a more core-plus light return profile. On a go forward basis, the Artemis MWBE Spruce Program will target a minimum 11% net IRR while upholding the "best ideas" mandate to make equity and debt investments alongside diverse emerging manager operating partners.
- (4) **Percent realized:** Is calculated as total realized investments over total investments as of December 31, 2023.

# ENDNOTES

## Endnotes

### Risks & Limitations

All hypothetical/projected performance set forth herein is based on assumptions and assessments made by Artemis as it deems reasonable under the circumstances as of the date hereof and is intended only to illustrate hypothetical results under those assumptions. Not all relevant events or conditions may have been considered in developing such assumptions. These assumptions, many of which are beyond the control of Artemis, are necessarily speculative, hypothetical, and inherently uncertain in nature. It can be expected that some or all of the assumptions underlying hypothetical/projected performance contained herein will not materialize and/or that actual events and consequences thereof will vary materially from the assumptions upon which such hypothetical/projected performance has been based. Inclusion of hypothetical/projected performance herein should not be regarded as a representation or guarantee regarding the reliability, accuracy, or completeness of such information and Artemis also does not make any assurance, representation, or warranty as to the accuracy of the underlying assumptions. Artemis is under no obligation to revise the presented hypothetical/projected performance after the date provided to reflect the occurrence of future events, even when any or all of the assumptions underlying such hypothetical/projected performance are later shown to be incorrect. Prospective investors are cautioned not to place undue reliance on hypothetical/projected performance presented herein. Actual events or conditions are unlikely to be consistent with, and may differ materially from, those assumed. Recipients of this presentation are encouraged to contact Artemis' principals to discuss the procedures and methodologies used for any hypothetical/projected performance included herein.

In considering the performance information contained in this presentation regarding investments made by Artemis sponsored investment vehicles, prospective investors should bear in mind that past or expected performance of these investments is not indicative of future results, and there can be no assurance that investment vehicles will achieve similar returns or that the expected returns will actually be achieved.

There can be no assurance that return objectives of Artemis sponsored investment vehicles will be achieved or that substantial losses will be avoided. Gross IRRs as reflected in this presentation consist of actual and estimated internal rates of return presented on a gross basis without reduction for management fees, carried interest distributions or operating and transaction costs. Artemis sponsored investment vehicles expect to pay management fees and general partner carried interest distributions and bear operating and transaction costs that are likely to substantially reduce returns to investors.

All performance results presented herein are unaudited and have been prepared for informational purposes only.

### Awards

New York City Retirement System is a current client of Artemis. Artemis does not believe that any material conflicts of interest on the part of New York City Retirement System exist as a result of its client relationship with Artemis.

Exelon is a current client of Artemis. Artemis does not believe that any material conflicts of interest on the part of Exelon exist as a result of its client relationship with Artemis.

P&I's annual Best Places to Work in Money Management awards recognize top firms in the investment management industry, based on a two-part process: (1) An anonymous employee survey, which aimed to evaluate employee engagement and satisfaction, accounted for 75% of a firm's score; (2) an employer survey, which evaluated workplace policies, practices, benefits and demographics, made up 25%.

# Contact



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ERICK RUSSELL  
TREASURER

**State of Connecticut**  
Office of the Treasurer

SARAH SANDERS  
DEPUTY TREASURER

April 25, 2024

Members of the Investment Advisory Council ("IAC")

**Re: Consideration of Sterling Value Add Partners IV, L.P.**

Dear Fellow IAC Member:

At the May 8, 2024 IAC meeting I will present for your consideration a Real Estate investment opportunity for the Connecticut Retirement Plans and Trust Funds (the "CRPTF"): Sterling Value Add Partners IV, L.P. ("SVAP IV", or the "Fund"). SVAP IV has a target size of \$500 million, with a hard cap of \$600 million, and is being raised by The Sterling Organization.

I am considering a commitment of up to \$200 million in the Fund. The closed-end fund strategy targets value-add retail property investments in segments of the retail market with healthy demand-supply fundamentals, attractive yields and a compelling investment outlook. The commitment would provide the CRPTF with additional, complementary exposure to the retail sector. Sterling would be a new manager to the CRPTF but is a retail specialist with an experienced management team and deep market connectivity.

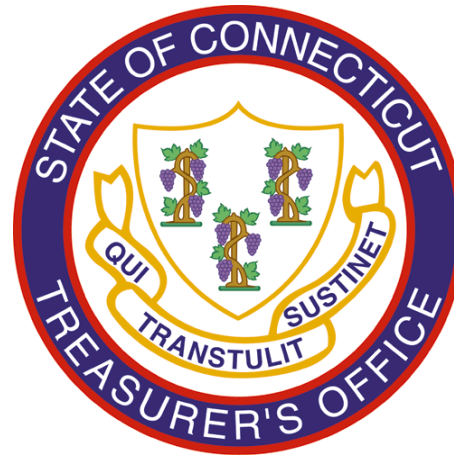
Attached for your review is the recommendation from Ted Wright, Chief Investment Officer, and the due diligence report prepared by Albourne. I look forward to discussing these materials at the next meeting.

Sincerely,

A handwritten signature in black ink that reads "Erick Russell".

Erick Russell  
State Treasurer

Cc: Ted Wright, Chief Investment Officer



Full Due Diligence Report  
Chief Investment Officer Recommendation  
May 8, 2024

Sterling Value Add Partners IV, L.P.



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# Executive Summary

## Manager Overview

- Manager/Parent Organization: Sterling Organization, LLC (“Sterling”, or the “Firm”)
- Fund: Sterling Value Add Partners IV, L.P. (“SVAP IV”, or the “Fund”)
- General Partner: SVAP IV GP, LLC (the “General Partner” or “GP”)
- Year Founded: 2007
- The Sterling Organization is a vertically-integrated real estate private equity firm that specializes in retail property investments
- Offices: West Palm Beach, FL (HQ); Washington, DC; Nashville, TN; Chicago, IL; Minneapolis, MN; San Antonio, TX, Phoenix, AZ; Los Angeles, CA; and Seattle, WA
- 126 total professionals, including 26 investment professionals (as of April 15, 2024)
- AUM: \$1.95 billion as of March 31, 2024

## Fund Summary

- \$500 million target, but likely to hit its \$600 million hard cap
- Final close target: May 30, 2024
- Value-add investments in retail and mixed-use properties (with significant retail component)
- Fund will invest in major U.S. markets
- Return Target: 13%-15% Net IRR, and 1.8x-2.0x Net TVPI
- GP Commit: up to 2.5% or \$5 million
- Term: 13 years, including a 4-year investment period, with two 1-year extension options
- Management Fees: 1.50% on committed capital during the Investment Period, then 1.50% on invested capital thereafter (discount negotiated for \$150 million commitment)
- 20% carry, 6.5% preferred return, European Waterfall with no catch-up and a clawback provision

## Strategic Fit

- Real Estate Fund (“REF”) allocation
- Recommended Commitment: up to \$200 million; expect to be constrained by hard cap
- New/Existing Real Estate Manager: New
- Fund Structure: Closed-end
- Real Estate Strategic Pacing Plan:
  - Risk/Return: Non-core (Value-Add)
- Current Allocation by Market Value as of the CRPTF’s March 31, 2024, data: 6.3%
- Current Exposure, including Unfunded Commitments, recent and current recommendations, as of the CRPTF’s March 31, 2024, data: 10.5%
- Long-Term Real Estate Target Allocation: 10%
- Real Estate Fund retail property type exposure as of September 2023 was 10.6%. Current market fundamentals are attractive for retail investment and CRPTF is targeting an increased weighting.

# Recommendation

## Recommendation

- Based on the strategic fit within the Real Estate portfolio, as well as the due diligence conducted by Pension Funds Management (“PFM”) investment professionals and real estate consultant Albourne, the Chief Investment Officer of the Connecticut Retirement Plans and Trust Funds (“CRPTF”) recommends a commitment of up to \$200 million to the Sterling Value Add Partners IV, L.P. strategy.
- A \$200 million commitment would provide the CRPTF with timely exposure to value-add investment in U.S. retail properties through a new manager with deep expertise and market connectivity in the retail sector.

## Investment Considerations

- Sterling Organization is a vertically-integrated real estate platform led by an experienced senior leadership team with expertise in investing and managing retail investments through multiple cycles, delivering solid relative performance even as the retail sector underperformed.
- Retail has been out of favor with investors for much of the past decade largely due to the growth of e-commerce and shifting shopping patterns among consumers. The resulting lack of investment has created a favorable environment in segments of the market which continue to see strong demand from healthy retailers and consumers, but which have seen almost no new supply in 10+ years.
- Smaller fund provides alignment of interest between the General Partner and investors; however, it will likely limit CRPTF’s investment to less than the \$200 million recommended due to strong investor interest. Commitment will likely be closer to \$150 million.

# General Partner

## Firm Intro/History

- Sterling Organization is a vertically-integrated real estate private equity firm with \$1.95 billion in assets under management (as of March 31, 2024). The firm was founded in 2007 with an exclusive focus on retail real estate by Brian Kosoy and Greg Moross, who left the firm in 2022. Currently, Sterling is 100% owned by Brian Kosoy, Managing Principal and CEO, Adam Munder, Principal, and Jordan Fried, Principal.
- As retail market dynamics evolved, Sterling expanded its platform to include a logistics capability targeting vacant or to-be-vacated infill assets (mostly “big box” stores) for conversion to “last hour” distribution centers.
- Sterling’s corporate structure includes two entities: Sterling Investment Management (SIM), which provides investment and asset management services to the firm’s funds, and Sterling Retail Services (SRS), which provides real estate services (e.g., property management, leasing and construction).

## Firm Leadership

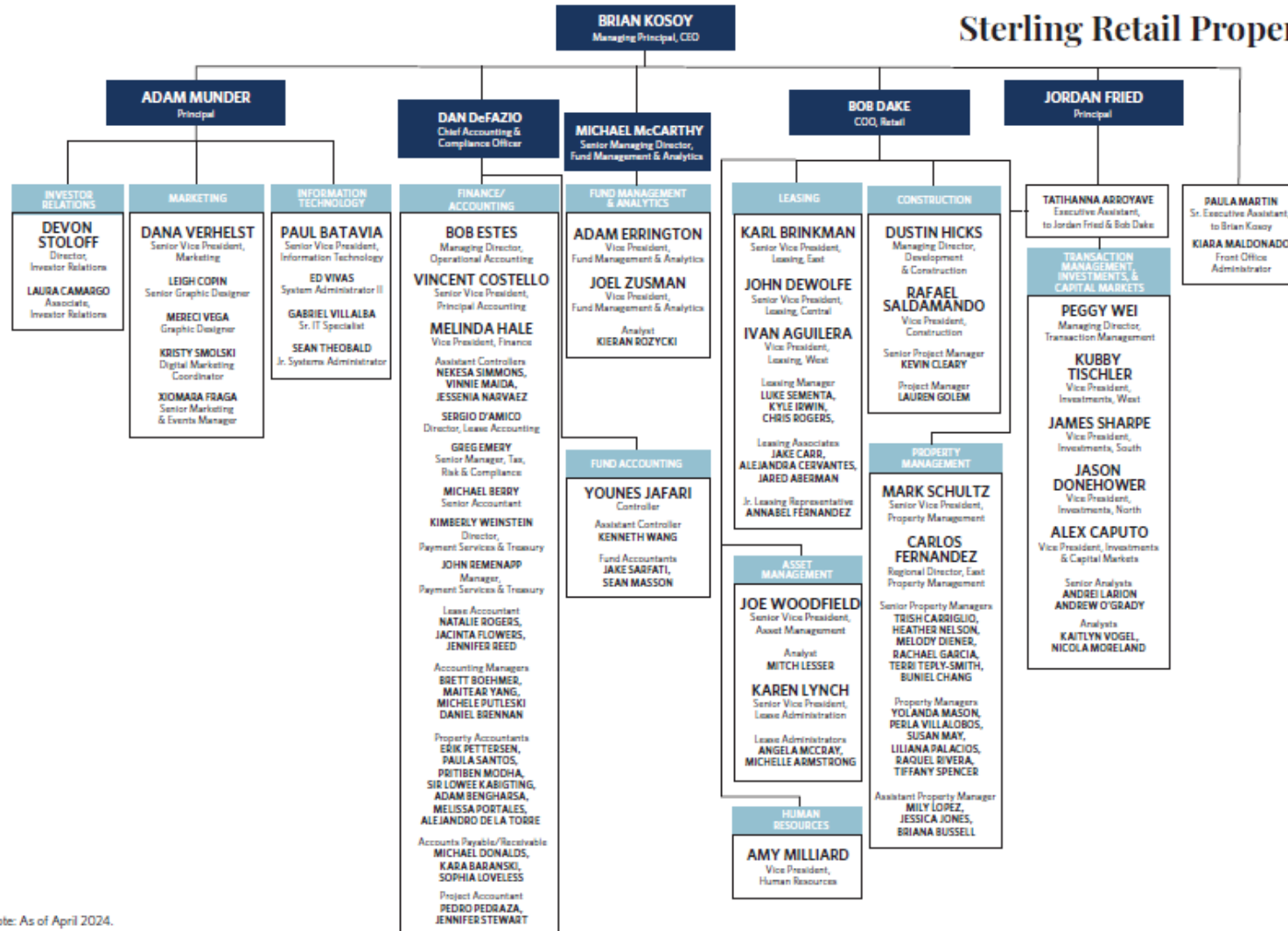
- Sterling is led by an experienced team that includes co-founder and CEO Brian Kosoy; Adam Munder, Chief Marketing Officer; Jordan Fried, Investments & Capital Markets; Bob Dake, Chief Operating Officer, Retail; and Dan DeFazio, Chief Accounting and Compliance Officer. Mr. Munder and Mr. Fried each has 10+ years tenure with the firm.
- Mr. Dake joined Sterling in 2021 after serving as COO of ShopOne, a private retail-focused REIT, and previously held senior positions at Brixmor Property Group and Equity One, Inc., both publicly-traded retail REITs (Equity One has since been acquired by Regency Centers, another listed retail REIT). Mr. DeFazio joined Sterling in 2022 after serving as Chief Accounting Officer at H.I.G. Capital, a global alternative investment firm, and held various financial and accounting roles over his 35+ year career.

## Firm Governance/Team

- Sterling has separate investment committees for the firm’s retail and logistics strategies. The retail investment committee for SVAP IV will include six senior executives: Brian Kosoy, who chairs the IC, Adam Munder, Jordan Fried, Bob Dake, Dan DeFazio and Michael McCarthy (Fund Management and Analytics). Investment committee approvals require unanimous consent by all members.
- Carried interest is allocated at the discretion of Sterling management to promote alignment of interest between team members and limited partners and is distributed broadly to senior individuals on the deal teams, Fund Management & Analytics, Asset Management, Principals and the Investment Committee.

# Sterling Organization Team

## Sterling Retail Properties



Note: As of April 2024.  
\*Does not include all property level employees.  
Detailed employee roster available upon request.

Source: Sterling (as of April 2024)



# Investment Strategy

## Sector and Market Selection

- Since the firm's inception, Sterling has focused on the retail sector as both an investor, with a series of dedicated retail funds managed by Sterling Investment Management, and as an operator through the Sterling Retail Services platform.
- As the retail landscape has shifted, Sterling has narrowed its focus within its retail strategies, redlining malls since 2015, raising the bar for "High Street" retail and targeting grocery-anchored centers.
- SVAP IV will invest in retail properties in U.S. markets, targeting properties located in dense, infill suburban locations within major markets with attractive demographics (e.g., 3-mile population and household income metrics).

## Market Opportunity

- The U.S. retail market has faced multiple challenges since the Global Financial Crisis – e.g., excess supply in the 2000s, growth of e-commerce, and disruption from Covid – that have contributed to weak operating fundamentals, widespread negative investor sentiment toward the sector and greatly reduced liquidity.
- While certain segments of retail continue to struggle (e.g., malls and "High Street" retail in urban areas still struggling to recover from Covid), formats and locations that cater to daily necessities and services are performing well and are benefitting from 10+ years of virtually no new supply and growing demand from healthy retailers seeking to provide an "omni-channel" shopping experience for consumers.
- With going-in yields among the highest of all major property types, low vacancy rates and high barriers to new supply, the outlook for retail real estate fundamentals, performance and liquidity is compelling.

## Target Investment Characteristics

- SVAP IV will target value-add investments in retail and mixed-use properties (with a significant retail component) with a minimum purchase price of \$10 million and expects to construct a portfolio of 20-25 investments over the 4-year investment period.
- The Fund will focus exclusively on open-air formats (i.e., no malls), and will primarily target multi-tenant grocery-anchored and neighborhood shopping centers and may invest selectively in power centers in "under-retailed" markets.
- The Fund will seek underperforming retail properties that require lease-up, re-tenanting and/or provide opportunities to bring below-market leases to market levels.

# Investment Strategy (continued)

## Sourcing

- With a 20+ year track record investing in and managing retail assets, Sterling has deep market connectivity across major U.S. markets through extensive relationships with brokers and owners of shopping centers, including individual private owners, private equity funds and retail-focused REITs.
- The investment team includes senior leadership in the firm's West Palm Beach, FL headquarters and three regional acquisitions officers (East, West and South) who source marketed and off-market opportunities.
- While a relatively large share of acquisitions in Sterling's prior value-add funds have been marketed deals, including about 80% of investments in SVAP II, the firm's extensive brokerage and seller relationships have allowed for a last look at opportunities and exclusive instances of potential deal flow.

## Value Creation Strategy

- Sterling's value-add toolkit includes seven key levers that it may employ in any given investment: (i) recapture and re-tenanting, (ii) mark-to-market rent opportunities, (iii) outparcel cap rate arbitrage, (iv) creative deal structures to solve for unique seller issues, (v) lease-up and tenant quality upgrade, (vi) distressed sellers, and (vii) densification.
- Sterling leverages its in-house leasing and property management capabilities to drive NOI growth and optimize asset performance.
- Sterling does not seek to enhance returns with financial leverage. However, with relatively higher going-in yields, retail is one of the few sectors where investors can still obtain positive leverage in today's interest rate environment. SVAP IV will target 55-60% leverage (LTV), subject to a 70% limit (asset- and fund-level).

## Exits

- The limited liquidity in the retail sector over the past decade has resulted in longer hold periods than initially underwritten and relatively few exits in Sterling's two most recent value-add funds. As of December 31, 2023, the firm has realized 18 of 49 deals (including 1 partial realization) across the first three value-add funds.
- SVAP IV will target holding periods of 3-7 years for each investment depending on the business plan, but Sterling often will dispose of outparcels during an investment's hold period to capture the pricing arbitrage available through sales to 1031 exchange buyers and other private buyers.
- Sterling typically seeks to exit investments through dispositions to core investors once the business plan has been executed but will look to exit early in circumstances where potential remaining business plan objectives do not justify a longer hold.

# Track Record and Performance

## *Sterling Organization as of December 31, 2023*

- Sterling has been investing in U.S. retail properties since the firm was founded in 2007 and launched its first closed-end value-add fund, Sterling Value Add Partners (SVAP I), in 2011. Since then, the firm has raised and invested two follow-on value-add funds, as well as two core grocery-anchored retail funds. Across the three value-add funds, Sterling has raised more than \$900 million in equity and invested more than \$730 million across 49 deals.
- The timing of Sterling's value-add retail fund business coincides with a challenging period for retail real estate during which many institutional investors sought to reduce retail exposure across their portfolios. The negative investor sentiment, together with a generally weak operating environment for brick-and-mortar retailers, has been a significant headwind for retail real estate performance for the better part of the past decade. As a result, retail real estate has materially underperformed most other property types until recently. For example, over the past five years total returns for core retail properties, as measured by the NCREIF Property Index (NPI), have underperformed the overall NPI by more than 430 bps per year despite outperforming the overall NPI by about 700 bps on a trailing 1-year basis.
- The table below presents the track record for the three value-add funds as of December 31, 2023, along with a comparison against the latest available Cambridge Associates' U.S. Value Add Real Estate Fund benchmark (September 30, 2023). As shown, Sterling's value-add funds have generally been second or third quartile performers when compared with the broader value-add fund peer set even as the retail sector they have focused on has underperformed. Limited realizations to date have contributed to the lower DPI rankings in the most recent two funds. However, net IRRs on realizations have ranged from 12.3% for SVAP I to 54.6% for SVAP II and 33.3% for SVAP III.
- The only realized losses to date across the three value-add funds occurred in SVAP I, which sold two assets at a loss. Based on invested capital, the realized loss ratio for SVAP I is 7%, or 1.6% across the three funds. Additionally, SVAP II currently holds one impaired asset that will likely be sold at a loss, which would result in a 4.8% loss ratio for the Fund and would increase the overall loss ratio to 1.7%.

Sterling Organization (millions, US\$)												NCREIF <sup>1</sup>		Cambridge Vintage Year <sup>2</sup>		
Fund	Vintage	Fund Size	Fund Status	# Deals	# Deals Realized	Invested Capital	Realized Value	Net Asset Value	Net IRR	Net TVPI	Net DPI	Property Index		Value Add U.S. Real Estate Funds		
												NPI-All	NPI-Retail	IRR Quartile	TVPI Quartile	DPI Quartile
SVAP I	2012	\$138.3	Harvesting	10	8	\$164.2	\$80.2	\$80.4	7.6%	1.4x	0.8x	7.3%	5.4%	3	2	2
SVAP II	2014	\$285.0	Harvesting	18	4	\$260.8	\$26.8	\$254.7	9.0%	1.5x	0.5x	6.5%	3.8%	2	2	4
SVAP III	2018	\$497.5	Executing BPs	21	6	\$309.9	\$37.2	\$336.4	7.7%	1.2x	0.2x	4.3%	0.0%	3	3	3

<sup>1</sup> NCREIF Property Index unlevered time-weighted returns (TWR) for core properties (Composite All Property Index and Retail Sub-index) for corresponding hold periods for each fund vintage year (data as of December 31, 2023).

<sup>2</sup> Quartiles shown reflect comparison of Sterling fund performance as of September 30, 2023, compared with Cambridge Associates benchmark data as of same date (latest available). Quartile rankings based on net returned using since inception data.

Sources: Sterling Organization; CRPTF; Cambridge Associates; National Council of Real Estate Investment Fiduciaries (NCREIF).





# Strategic Allocation & Pacing Plan

## Real Estate Pacing Update

- Real Estate pacing plan targets for 2024 and investment activity year-to-date are summarized in the table below.
- Real estate is currently underweight the target of 10% of CRPTF. Significant additional real estate investments are required to achieve the target.
- Given the current overweight in Core investments, the 2024 pacing plan allocates most new capital commitments to Non-core investments.
- The recommended investment would represent a commitment to a Non-Core real estate fund with a complementary sector-specific strategy targeting value-add investments in retail properties through a new manager with deep expertise in the retail sector.

Real Estate Fund - 2024 Pacing Plan Targets							
Pacing Plan Target Ranges	Sub-Strategy (\$millions)						
	Core Real Estate			Non-Core Real Estate			2024
	Low	Target <sup>2</sup>	High	Low	Target	High	Target <sup>2</sup>
Total Commitments	\$0	\$150-200	\$250	\$850	\$950	\$1,100	\$1,100-\$1,150
Commitment Size	\$100		\$200	\$100		\$250	
# Commitments	0		2	4		6	5 to 8
<b>Investment / status</b>							<b>Total</b>
<i>Carlye Realty Partners X - Pending</i>					\$250		\$250
<i>Artemis IG II - Recommendation</i>		\$200					\$200
<i>Sterling IV - Recommendation</i>					\$200		\$200
<b>Capital Commitments YTD</b>		<b>\$200</b>			<b>\$450</b>		<b>\$650</b>
# Commitments		1			2		3
Total Remaining per Pacing Plan <sup>1</sup>		\$0			\$500		\$500

<sup>1</sup> Reflects difference between Targets and Commitments YTD.

<sup>2</sup> The 5% growth model targets \$200m core and \$1,150m total investment. Given the growth of the Plan since the 2024 pacing plan was established, the 5% growth model is most appropriate.

# Strategic Allocation & Pacing Plan (cont'd)

## Portfolio Fit

- CRPTF is currently targeting a 60% weighting to Non-Core in the Real Estate portfolio.
  - A commitment to SVAP IV would be categorized as Value-Add under the Non-Core sub-category of the Real Estate allocation, in line with the 2024 pacing goals.
- A commitment to SVAP IV would align with the goal of forming significant relationships with managers with strong track records and differentiated strategies.
  - Sterling is a new manager with specialized expertise and deep market connectivity in retail real estate and a clearly-defined investment strategy.
- SVAP IV would provide complementary exposure to attractive segments of the retail sector with healthy property market fundamentals and attractive cash yields. Current CRPTF Real Estate Fund retail investment totals 10.6%, well below the IPS maximum of 40% to any property type.

## IPS Compliance

- The Investment Policy Statement (“IPS”), adopted September 14, 2022, set the Real Estate allocation and target ranges for Core and Non-Core Real Estate investments within the Real Estate portfolio, and established guidelines regarding Manager and Fund Diversification (see table at right).
- As shown, the CRPTF is currently underweight Real Estate based on existing investments.
- On a total exposure basis, including all unfunded commitments and the current and recent recommendations, Real Estate’s allocation is 10.5% of the CRPTF’s NAV as of December 31, 2023.

### IPS - Real Estate Investment Guidelines: Recommendation Compliance

Allocation	Policy Range	Target	Current Weight <sup>1</sup>
Real Estate	5%-15%	10%	6%
Core Real Estate	30%-100%	40%	62%
Non-Core Real Estate	0%-70%	60%	38%

Manager/Fund Diversification	IPS Maximum	Current Recommendation
CRPTF share of Fund capital commitments <sup>2</sup>	33%	33%
CRPTF share of Firm AUM (inc unfunded commitments) <sup>3</sup>	20%	8%
Firm share of CRPTF real estate exposure <sup>4,5</sup>	25%	3%

1. Current weight based on Real Estate NAV as of Dec 31, 2023

2. Fund capital commitments based on target fund size

3. Firm AUM adjusted for unfunded commitments (based on target fund size)

4. Firm adjusted AUM as share of CRPTF exposure (see Note 5)

5. Exposure = Real Estate NAV + Unfunded Commitments (inc recommendations and assuming no liquidations)

# Strengths and Rationale

## Experienced team with specialized expertise

- Sterling’s senior leadership team is highly experienced in the retail sector with deep industry expertise and market connectivity across the investment and operational sides of the business.
- The investment and operations teams include highly experienced professionals with long tenures in the retail business, including many years collectively working for retail-focused publicly-traded REITs with large portfolios and relationships with national and regional retailers.
- As a long-term investor and operator in the retail sector, Sterling has developed an extensive network of market participants (e.g., lenders, developers, brokers, government agencies), who provide local market intelligence and access to opportunities, often off-market.

## Focused investment strategy

- Sterling has been focused on investing and managing retail assets since the firm’s inception in 2007 and has adapted the firm’s strategy and approach as the retail industry has undergone significant structural change.
- The investment strategy is guided by a clear understanding of the risks the Fund is willing to take, namely on the credit quality and terms of tenants’ leases, and the investment characteristics where the Fund will not compromise (i.e., quality of the real estate and below market rents).
- The strategy also has clearly defined approaches for adding value through seven key “levers” (see “Value Creation Strategy” page 8) and takes a disciplined approach to developing asset business plans and monitoring progress in executing operational improvements.

## Vertically-integrated platform

- Sterling is a vertically-integrated retail real estate platform with a broad set of capabilities spanning investment, financing, operations, management, leasing, construction and development.
- The Firm’s in-house expertise differentiates Sterling and provides a competitive advantage through access to market intelligence and direct relationships with tenants, brokers and retail owners that allows Sterling to source and underwrite attractive opportunities.
- The vertically-integrated platform provides Sterling with direct and immediate feedback at the asset level that allows the firm to manage costs and drive income growth, while promoting an ownership mentality and strong alignment of interests among the leasing and property management team.

# Key Risks and Mitigants

## Key person risk

- Sterling is led by Brian Kosoy, a key decision maker and source of deal flow who has been instrumental in developing the Firm's investment philosophy and culture. His departure would clearly be disruptive to the firm.
- The Key Person provision in the LPA would be triggered if Mr. Kosoy left the firm or ceased to devote a substantial share (two-thirds) of his time to the value-add retail fund business, which helps to mitigate the risk of his departure during the investment period.
- Further, Sterling has a deep bench of experienced investment professionals and an in-house retail property services business that could provide continuity beyond the investment period if the LPAC approves, mitigating the potential impact of Mr. Kosoy's departure on the Fund over the remaining term after the investment period.

## Broad investment guidelines

- The LPA for SVAP IV contains relatively few restrictions on permitted investment activities, most notably with respect to explicit limits on development and investing in publicly-traded retail companies.
- Historically, and consistent with the stated strategy, Sterling has engaged in no ground up development, only limited development and redevelopment projects. Specifically, across Sterling's three predecessor value-add funds, development has consisted largely of relatively small retail outparcels on existing properties, which often can then be sold at a premium without diminishing the value of the remaining larger property.
- Likewise, Sterling has only acquired listed shares on two occasions, both during the extreme dislocation in the public equities market during the initial stages of the Covid pandemic, when public REITs were trading at steep discounts to the value of the underlying assets. The REIT strategy is limited to retail companies, would be subject to the 20% single investment limit, and is targeted to only execute when these dislocations exist.

## Fund size

- SVAP IV is targeting a total fund size of \$500 million, roughly the same size as SVAP III, but is likely to hit its \$600 million hard cap. Most dedicated retail funds reviewed by PFM staff during our search for a retail specialist were smaller funds, typically in the \$100-\$300 million range. The larger fund size increases the risk of a prolonged capital deployment with potential pressure to take on larger, more complicated investments, and burdening the firm's resources.
- The Fund has already made its first investment, a grocery-anchored center in the Washington, DC MSA that was acquired in December 2023 (\$11 million equity), and has a deep pipeline of opportunities that are consistent with the Fund's strategy, which includes targeting investments in the \$25-\$50 million range (based on expected 20-25 deals at a \$500 million fund size and assuming average LTV of ~60% LTV).
- Sterling expects the pace of dispositions from earlier funds will accelerate in 2024 as liquidity returns after a year of depressed transaction volume and already has at least 3 assets under contract for sale and another has been awarded.

# Fundraising and Key Terms Summary

Target Size / Hard Cap	<ul style="list-style-type: none"> <li>\$500 million target, \$600 million hard cap.</li> </ul>
GP Commitment	<ul style="list-style-type: none"> <li>Up to 2.5% or \$5 million.</li> </ul>
Fundraising Status	<ul style="list-style-type: none"> <li>\$213 million in closed commitments with \$385 million soft-circled, inclusive of \$150 million for CRPTF.</li> </ul>
Target Final Close	<ul style="list-style-type: none"> <li>June 1, 2024</li> </ul>
Fund Term	<ul style="list-style-type: none"> <li>13-years, with one 1-year extension at GP's discretion and one 1-year extension with LPAC consent.</li> </ul>
Investment Period	<ul style="list-style-type: none"> <li>4 years from Investment Period Commencement Date (December 1, 2022).</li> </ul>
Management Fee	<ul style="list-style-type: none"> <li>1.5% on committed capital during the investment period, then 1.5% on invested capital.</li> </ul>
Fee Discounts & Offsets	<ul style="list-style-type: none"> <li>Discount offered for commitment size.</li> </ul>
Carry & Waterfall Type	<ul style="list-style-type: none"> <li>20%, European (whole fund) waterfall with clawback provision.</li> </ul>
Preferred Return	<ul style="list-style-type: none"> <li>6.5%</li> </ul>
GP Catch-up	<ul style="list-style-type: none"> <li>None</li> </ul>
Clawback	<ul style="list-style-type: none"> <li>Yes</li> </ul>
LPAC	<ul style="list-style-type: none"> <li>Yes</li> </ul>

## Additional Provisions

- Fund will invest in retail real estate and mixed-use investments with a significant retail component.
- No more than 20% of aggregate capital commitments in any single investment (including listed REITs).
- No investments outside U.S.
- Asset- and fund-level leverage capped at 70% loan-to-value (unless debt is assumed at time of acquisitions). Subscription line use is limited to 270 days.

# Legal and Regulatory Disclosure

## Sterling Organization (“Sterling”)

- In its disclosure to the Office of the Treasurer, the Sterling Organization (“Sterling”), discloses one legal matter relating to a take-private transaction involving Sterling Centrecorp Inc. (“SC Inc.”), a Canadian company. Following the take-private transaction in June 2007, the U.S. government and the State of California began an action under the Comprehensive Environmental Response, Compensation and Liability Act, against SC Inc. related to SC Inc.’s prior operation and ownership of a mine. In March 2018, the U.S. government obtained a final judgment against SC Inc. in an amount equal to \$30,849,603.70. In April 2021, the U.S. government commenced an action against SC Inc. in Ontario to enforce the judgment in Canada. The case has been dormant since November 2021. Sterling does not foresee any impact from this action on any potential investment by the State of Connecticut.
- The Company states that it has no claims under its fidelity, fiduciary or E&O insurance policies, and no ongoing internal investigations to report. Sterling states it has adequate procedures in place to undertake internal investigations of its employees, officers and directors.

# Compliance and Diversity Review

Sterling Organization (“Sterling”)

## Compliance Certifications and Disclosures

Sterling disclosed no campaign contributions, known conflicts, gifts or third-party fees.

## Commitment to Diversity

### *Employees*

The firm does not have a formal recruitment program. The firm aims to promote from within based on merit and performance.

### *Industry*

The firm hosts an internship program on an annual basis for Undergraduate Students. The program aims to provide a comprehensive understanding of real estate and partners with ICSC Launch Academy to identify diverse, underrepresented students and provide them access to opportunities in the real estate industry.

### *Vendors*

The firm does not have a formal vendor diversity program.

## Nexus to Connecticut

Sterling reported 1 employee residing in Connecticut.

# Compliance and Diversity Review

## Sterling Organization ("Sterling")

### Workforce Diversity

Sterling provided data as of December 31, 2023

- 108 total employees, up 12.5% from 2021
- There are no women or minority Executives
- The proportion of women Managers has increased slightly, approaching gender parity
- The proportion of women Professionals dropped significantly, however, even as the total number of Professionals grew
- The proportion of minority Managers decreased slightly while the proportion of minority Professionals remained the same

#### WOMEN

	EXEC	MGMT	PROF	FIRM
<b>2023</b>	<b>0%</b> 0 of 9	<b>43%</b> 25 of 58	<b>37%</b> 15 of 41	<b>45%</b> 49 of 108
<b>2022</b>	<b>0%</b> 0 of 9	<b>37%</b> 22 of 59	<b>43%</b> 18 of 42	<b>44%</b> 47 of 108
<b>2021</b>	<b>0%</b> 0 of 12	<b>39%</b> 19 of 49	<b>45%</b> 17 of 38	<b>46%</b> 44 of 96

#### MINORITIES<sup>1</sup>

	EXEC	MGMT	PROF	FIRM
<b>2023</b>	<b>0%</b> 0 of 9	<b>31%</b> 18 of 58	<b>34%</b> 14 of 41	<b>35%</b> 38 of 108
<b>2022</b>	<b>0%</b> 0 of 12	<b>32%</b> 19 of 59	<b>26%</b> 11 of 42	<b>30%</b> 32 of 108
<b>2021</b>	<b>0%</b> 0 of 12	<b>35%</b> 17 of 49	<b>34%</b> 13 of 38	<b>34%</b> 33 of 96

1 2023 Minority breakdown: 0 exec; 18 mgmt (3 Black, 13 Hispanic, 2 Asian); 14 prof (1 Black, 11 Hispanic, 2 Asian)

Note: Firm totals include administrative staff, which are not included in sub-columns for Exec, Mgmt and Prof; therefore, the Firm totals do not equal the sum of other columns above. Further, Mgmt above includes all Executives.



# Environmental, Social and Governance Analysis

## Overall Assessment : Evaluation and Implementation of Sustainable Principles

The firm described a solid approach to ESG integration. While Sterling is limited in control over day-to-day property management, the firm emphasizes green lease language agreements, greater energy efficiency through EV charging and solar panels, and community stakeholder engagement. Sterling leadership emphasized the firm’s focus on all ESG factors with particular attention to the consideration of social factors at the firm. The firm has outlined an ambitious ESG Roadmap that seeks improvement on disclosure, reporting, and ongoing monitoring methods.

Sterling is not a signatory of any sustainability-oriented organizations but has partnered with the National Forest Foundation on reforestation efforts. The firm’s ESG Committee oversees all ESG strategy for the firm and ensures regular review and the overall execution of the ESG policy and goals. Sterling does not offer formal training on the best ESG but has articulated this as a stated goal for 2025. The firm uses a variety of third-party data sources for ESG research, including Resource Energy for energy-use data tracking.

The firm does not have a policy specific to civilian firearms because it does not have any direct investments in civilian firearm manufacturers or retailers.

Overall, the firm's disclosure demonstrated quality ESG integration with room to improve on trainings and external partnerships.

## SCORE

2

Criteria	Response
Firm has an ESG policy	Yes
If Yes, Firm described its ESG policy	Yes
If Yes, Firm provided examples of ESG factors considered in the decision-making process, explained the financial impact of these ESG factors	Yes
Designated staff responsible for sustainability policies and research	Yes
Firm provides training/resources on sustainability issues, explained sources of ESG-related data	No
Signatory/member of sustainability-related initiatives or groups	No
Policy for evaluating current or prospective relationships with manufacturers or retailers of civilian firearms	No*

Criteria	Response
Policy that requires safe and responsible use, ownership or production of guns	No*
Enhanced screening of manufacturers or retailers of civilian firearms	No*
Enhance screening of any industry/sector subject to increased regulatory oversight, potential adverse social and/or environmental impact	Yes
Merchant credit relationship with retailers of civilian firearms and accessories	No*
If Yes, Firm confirms compliance with laws governing firearms sales	N/A

\*No, given that the firm does not invest in civilian firearms manufacturers or distributors.



# State of Connecticut Retirement Plans & Trust Funds (“CRPTF”)

April 2024

## Fund Summary

Sterling Value Add Partners IV ("SVAP IV" or the "Fund") is the fourth vintage in The Sterling Organization's ("Sterling," "TSO," the "Firm," or the "Manager") flagship North American Value-Added fund series. The Fund's investment strategy focuses on acquiring underperforming retail properties located across dense, infill, and affluent submarkets across the US. The Fund will deploy most of its capital in grocery-anchored, neighborhood, and power centers, with little to no exposure expected in street retail and enclosed malls. From a value creation standpoint, the Manager has identified seven levers to create value; these include re-tenant, re-leasing, mark-to-market opportunities, individual outparcel dispositions, situations of seller distress, densification, and select redevelopment, with efforts geared toward improving the property's overall net operating income. The Fund's investment restrictions are limited, while expected leverage use is in line with peers at 60% loan-to-value ("LTV").

Sterling was founded in 2007 by Brian Kosoy and is a vertically integrated real estate investment firm with a material focus on retail investing. The Manager is owned by three Principals, and, as of September 30, 2023, had roughly \$2bn in assets under management. As of the same date, there were 115 employees, 25 of whom are investment professionals, across nine US offices.

As part of the research process, Albourne's Real Estate investment due diligence ("IDD") team held video conference calls with the Manager and published an IDD Report in April 2024. The IDD Report included SVAP IV's fundraising, the Manager's team & capabilities, their investment process, investment strategy, response to current market conditions, track record, and portfolio, and terms. Albourne believes that the Fund may be suitable for investors seeking North American Value-Added retail exposure.

In April 2024, Albourne's Operational Due Diligence ("ODD") team initiated coverage of the Manager's operations, which includes an assessment of the Manager's organization, background checks, compliance resources & policy, disclosure, and investment operations. In each of these categories, Albourne's ODD team believes that the Manager's operations follow best or acceptable practices. Albourne has also done an ODD assessment of the Fund specifically, reviewing terms & governance, custody & counterparties, valuation, and a review of financial statements. In each of these fund-specific categories, Albourne's ODD team believes that the Manager's operations follow best or acceptable practices.

Based on both Albourne's IDD and ODD research updates in 2024, Albourne supports CRPTF's intent to commit to the Fund.

## Investment Thesis

- **Clearly defined strategy:** The strategy is clearly defined in terms of what it seeks to accomplish and how the team will execute.
- **Transparency:** The Manager is very transparent with investors which has been consistently confirmed.
- **Dedicated retail investor:** The large majority of the Investment Team, including all senior professionals, are fully dedicated to retail investing. Senior Investment Team members average over 11 years of retail real estate experience, which has also led to robust relationship networks with owners as well as local and national tenants.
- **Alignment:** Employees are aligned with the Fund through broad participation in the GP commitment and as well participation in the Fund's carried interest.

## Investment Considerations

- **Key-person risk:** While not expected, the departure of Brian Kosoy would be detrimental to the ongoing

business, execution abilities, and future of the fund series.

- **Investment restrictions:** The Fund lacks the standard investment restrictions associated with the Value-Added style that help to prevent style drift and taking excess risk.
- **Turnover:** Sterling has experienced high levels of senior turnover over the past five-year period, including former Chief Operating Officer Greg Moross, who had been an employee for 26 years. While a concern, in some cases, the turnover has been positive; however, it remains something to monitor going forward.

## Investment Strategy

The Fund's investment strategy is consistent with that of prior vintages, and execution and its value creation strategies are clearly articulated. At a high level, the Fund will focus on investing in retail with resilient characteristics, including dense, infill locations of major markets with affluent populations. The Fund's value creation tools are well defined, and the Manager's proactive approach to sourcing and leasing has led to a number of off-market transactions and strong relationships with national tenants. The team's investment process has remained consistent over time, while the composition of the Investment Committee has evolved due to recent turnover. Lastly, the Fund's investment restrictions are limited compared to Value-Added peers, particularly the lack of limitation on development. The Manager does not pursue ground-up development; however, they have expressed a willingness to develop outparcels on existing sites and redevelopment, which is among the riskiest forms of development. Despite the potential excess risk, the Fund's clearly articulated and sound investment strategy and process, coupled with the team's vast relationship network and execution abilities are viewed positively.

The Fund's investment strategy is similar to prior funds in the series, focused on acquiring well-located retail or mixed-use assets where the Manager will add value through seven primary levers and ultimately sell stabilized properties to a lower cost of capital. The Fund will primarily acquire assets through an equity position; however, per the Fund's legal documents, the Manager may acquire debt secured by retail property or invest in publicly traded securities or private companies. Importantly, prior funds have primarily invested in traditional, direct equity transactions. The Fund will seek to capitalize on opportunities stemming from rising interest rates, which are likely to lead to an increased number of distressed or motivated sellers, complicated transactions, and underperforming assets. That said, the Manager generally focuses on acquiring high-yielding and cash-flowing opportunities where the underlying property can be improved through increasing the quality of tenants, increasing rents to market, and extending term.

Similar to SVAP III, the Fund is expected to be diversified across sub-property types though it is likely that the majority of SVAP IV's equity will be in grocery-anchored and neighborhood retail centers. The balance of equity is likely to be deployed into power centers and mixed-use opportunities, both of which are expected to be in dense, infill locations where current rents are significantly below market; such properties have the opportunity for densification and increasing net operating income through re-leasing and mark-to-market rent strategies. Street retail is not likely to comprise a significant portion of the Fund's equity and the Manager is not actively pursuing enclosed malls; notably, the last investment Sterling made in an enclosed mall was in March 2015.

The Fund will focus on investing in US submarkets that exhibit at least one of the following: barriers to entry, infill locations, constrained retail supply, high population density, above-average household income, and high pedestrian or vehicle traffic. The Manager does not necessarily quantify these criteria; instead, they rely heavily on their experience, and the Investment Team and on-the-ground property management teams assess the quality of location via namely traffic flows, parking quantity, sight lines, bay depth, and visibility of the center. This generally results in a portfolio of coastal and Sun Belt markets, with investments in sub-markets within major

metropolitan statistical areas ("MSAs"), such as Atlanta, Boca Raton, Los Angeles, New York City, San Antonio, San Francisco, Washington, DC, Fort Lauderdale, Dallas/Fort Worth, Minneapolis, Nashville, and Chicago. Importantly, the Manager does not intend to invest in Chicago on a go-forward basis due to lessons learned in prior funds. In addition to location, the Manager will also assess the current tenant credit profile and remaining lease term of the asset. Contrary to the focus on acquiring assets in high-quality locations, the Manager is willing to take credit and term risk, recognizing the upside potential in marking rents to market when credit quality declines or lease terms expire.

## Manager Organization

TSO was founded in June 2007 by Brian Kosoy, while the property management and real estate services platform, Sterling Retail Services ("SRS") was established in April 2007. Between 2007 and 2011, TSO and SRS were responsible for management of over 4msf of real estate on behalf of the Principals and their immediate families. In 2012, Sterling Investment Management ("SIM") was formed to service institutional funds and client capital. SIM is owned in their entirety by three Principals, including the Founder, Managing Principal, and CEO, Brian Kosoy (80%), Principal, Adam Munder (15%), and Principal, Jordan Fried (5%). Over time, the Manager intends to expand ownership.

At the formation of SIM, Sterling raised their first institutional fund, Sterling Value Add Partners, with \$138m in commitments. In 2014, the Manager raised a successor fund, which had commitments nearly double that of Fund I. A third vehicle was raised in 2018 with \$497m in commitments. In 2016, the Manager launched a grocery-anchored Core fund, Sterling United Properties I, which totaled \$160m in commitments; a successor vehicle was raised in 2019 with \$267m in total commitments. Lastly, during the COVID-19 pandemic, the Manager began to see opportunities in the logistics space, primarily through the acquisition and conversion of vacant, free standing retail to last-mile logistics at attractive cap rates. In doing this, the Manager launched a closed end fund series, Sterling Consumer Logistics Properties I ("SCLP") with \$225m in commitments. Given the difficulty in deploying capital, the Manager is uncertain of the future of this fund series and is likely to roll last-mile industrial investments in the next flagship fund vintage. Importantly, SCLP and all logistics investments are managed by a nine-person dedicated team, led by Jerry "Joe" Dykstra.

As of December 31, 2023, Sterling is a vertically integrated organization with 115 employees, 25 of whom are investment professionals, across nine US offices. Most employees are based in the Manager's West Palm Beach, Florida headquarters with roughly 40 employees across offices in Washington, DC, Nashville, Chicago, Minneapolis, Seattle, Los Angeles, Phoenix, and San Antonio. As of the same date, the Manager had roughly \$2.0bn in assets under management across the flagship Value-Added fund series, grocery-anchored Core fund series, and SCLP.

## Track Record

As part of Albourne's IDD review in April 2024, Albourne reviewed the Fund's track record as of September 2023 for Funds I, II, and III. Albourne reviewed data for each of these prior funds, including fund size, drawn capital, Internal Rate of Return ("IRR"), Distributed to Paid-In Capital ("DPI"), and Total Value to Paid-In Capital ("TVPI").

The fund series' track record begins in 2011 with the launch of SVAP I and consists of 49 investments totaling \$749m of invested equity through September 30, 2023. Performance of the three prior funds is mixed on an absolute and relative basis with all three vintages trailing target returns on a net IRR basis, while largely performing above expectations from a net multiple perspective. Investors should expect such results when compared against diversified peers who had little to no retail exposure and benefited from the strong returns exhibited in multi-family and industrial over the past 10 years.

On an absolute basis, the fund series' track record falls below expectations on a net IRR basis, while the net multiple remains positive. This is largely attributed to longer than expected holds of select assets remaining in SVAP I and limited realizations to date in SVAP II and SVAP III. On a relative basis, investors should expect the fund series to trail diversified peers, given the run-up and strong performance seen in the industrial and multi-family property types and limited amounts of capital invested in retail during the last cycle.

The Manager also notes the impact of COVID-19 was damaging to the returns of SVAP I as business plans were nearing completion at the start of 2020, with many assets marketed for sale, under contract, or in process of refinancing. The pandemic had less of an impact on SVAP II and III; however, these portfolios were not immune to the impacts of rising interest rates. Sterling notes a handful of lessons learned throughout their experience investing the past 12 years, including an avoidance of enclosed malls, assets located in Chicago, acquiring redevelopment opportunities that require undertaking significant redevelopment as the primary business strategy, and a focus on exiting investments upon 80% completion of the business plan, as early in the fund series investments were held too long.

Performance as of 9/30/23 (\$ in millions)							
Fund	Year	Fund Size	Drawn Capital	Realized Capital	IRR	TVPI	DPI
Fund III	2017	\$498	\$341	\$406	7%	1.4x	0.2x
Fund II	2014	\$285	\$249	\$387	10%	1.6x	0.5x
Fund I	2011	\$138	\$148	\$221	9%	1.5x	0.8x

Past performance is not indicative of future returns.

## Fundraise Update

The Fund is targeting \$500m in commitments with a hard cap set at \$600m. A first close was held in October 2022, and over rolling closes, the Manager has raised \$213m in commitments to date. A final close is scheduled to occur on June 1, 2024; based on current discussions with prospective LPs, the Manager anticipates the final fund size will be near the hard cap of \$600m.

## Key Terms (main fund terms)

The Fund's terms are mostly market standard. The Fund follows a whole-fund waterfall with an 80%/20% carried interest split, a 6.5% preferred return, which is low compared to Value-Added peers with GP catch-ups; however, the Fund does not have a GP catch-up, which is to the favor of LPs and offsets the low preferred return. Management fees are flat at 1.5% and are charged on committed capital during the investment period and on equity invested thereafter.

<b>Investment Period</b>	4 years after the first investment date
<b>Fund Term</b>	9 years after the first investment date
<b>GP Commitment</b>	Lesser of 2.5% or \$5m
<b>Management Fee</b>	1.5% of committed capital during investment period

<b>Carry / Preferred Return</b>	20% / 6.5%
<b>GP Catch-up</b>	None
<b>Clawback</b>	Yes

## Sustainability Summary

<b>Investment Stage</b>	<b>Sustainability Factors</b>	<b>Assessment</b>
<b>Sourcing</b>	Negative Screen	The Manager does not have a negative screen and includes investments in higher risk sustainability areas in its portfolio.
<b>Sourcing</b>	Positive Screen (on investments or investee company products / services)	Investments are typically not chosen due to their potential to benefit from sustainability return drivers.
<b>Sourcing</b>	Due Diligence	The potential impacts of sustainability on risk and return are not systematically considered during the investment process.
<b>Ownership</b>	Management of sustainability risks and value creation initiatives	Limited. Most investments appear to have limited exposure to sustainability-related risks. There is no clear reporting structure to monitor sustainability risks.
<b>Ownership</b>	Training, assistance, or additional resources provided to portfolio companies	None
<b>Exit</b>	Incorporation of sustainability considerations into preparations for exit (e.g. vendor due diligence)	None

Sterling does not currently maintain a socially responsible investing policy nor are sustainability initiatives a material component of the fund series' investment strategy. Sterling does maintain an ESG Committee comprised of Jordan Fried (Principal), Bob Dake (COO), Dana Verheist (Marketing), Amy Milliard (HR), James Sharpe (Investments), Carlos Fernandez (Property Management), and Devon Stoloff (IR) that focuses on addressing all relevant aspects of the business, including the investment and property level to ensure individuals are qualified to contribute to the Manager's guidelines and goals. Sterling also engages an external ESG consultant to set and execute on corporate goals to align sustainability and ESG standards, disclosure platforms, and certifications.

While the Manager appears to be moving forward in formalizing various sustainability initiatives and objectives, there are no formal commitments made in the Fund's legal documents. At the property level, the Manager may consider various sustainability factors during the diligence process, including an environmental assessment. The investments' business plans may also include the addition of LED lighting and electric vehicle parking; however, the Manager does not track or monitor sustainability performance indicators in their investments.

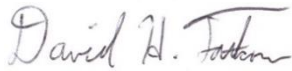
## Recommendation

Based on the analysis and information presented herein, Albourne believes that a commitment to SVAP IV may work towards achieving the goals set forth for CRPTF. The Fund may be suitable for investors seeking an allocation to North American Value-Added retail-focused real estate, and taking into account the investment strategy and portfolio diversification objectives of CRPTF's Real Estate program, Albourne supports a commitment to the Fund.

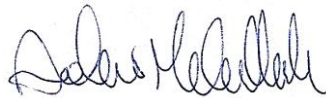
## Disclosure of Potential Conflicts

Based on a review of the compliance records for Albourne Partners Limited and/or its affiliates (the "Albourne Group"), there do not appear to have been any gifts and entertainment between the Albourne Group and the Manager during the past five years.

Sincerely,



David Tatkov  
Partner, Portfolio Analyst



Andrew McCulloch  
Partner, Portfolio Analyst



**IMPORTANT NOTICE**

The information in this report does not contain all material information about the fund that is the subject of this report, its investment manager, any of their affiliates or any other related entity to which this report relates, including important disclosures and risk factors associated with an investment in the fund. As used herein, the term “Fund” refers to (i) the specific fund that is the subject of this report, (ii) collectively, the specific fund that is the subject of this report, its investment manager, any of their affiliates or any other related entity to which this report relates, or (iii) investment funds generally, as the context requires.

Before making an investment, you should obtain and carefully review the relevant fund offering documents before investing in the Fund mentioned herein, as such documents may contain important information needed to evaluate the investment and may provide important disclosures regarding risks, fees and expenses. Funds are speculative, involve a high degree of risk, and are illiquid. Past performance is not indicative of future results and you could lose all or a substantial amount of any investment it makes in such Funds. Furthermore, Funds may involve complex tax structures and delays in the distribution of important tax information, may have a limited operating history, may be highly volatile, and there may not be a secondary market for Fund interests. There may be restrictions on redemptions and transfers of Fund interests and such interests may otherwise be illiquid. Funds may also be highly leveraged and may have a fund manager with total investment and/or trading authority over the Fund. It should also be noted that, in the case of hedge funds, there may be a single adviser applying generally similar trading programs with the potential for a lack of diversification and corresponding higher risk; hedge funds may also affect a substantial portion of trades on foreign exchanges, which have higher trading costs.

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# Sterling Value Add Partners IV Presentation for Connecticut Retirement Plans and Trust Funds

April 2024



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This package is intended for discussion purposes only. It is not an offer to sell, or a solicitation of any offer to buy, an interest in Sterling Value Add Partners IV, L.P. (together with any parallel funds, the “Fund”), nor does it purport to be a complete description of the terms of or the risks or potential conflicts of interest inherent in any actual or proposed security or transaction.

An investment in the Fund will be illiquid. No secondary market exists for the interests in the Fund and none is expected to develop. Any investor interested in purchasing an interest in the Fund must be prepared to hold such interest until the dissolution of the Fund.

Potential investors must completely and carefully read the Confidential Private Placement Memorandum of the PPM (the “PPM”) and the governing and subscription documents of the Fund before investing in the Fund. The contents of this package are subject to the legends and disclaimers in the PPM. The Fund will be subject to material risks which will be set forth in detail in the PPM. There is no guarantee that the Fund will be able to meet its investment objectives.

Nothing contained herein shall be deemed to be binding against, or to create any obligations or commitment on the part of Sterling. Sterling reserves the right, in its sole and absolute discretion with or without notice, to alter the language in this package and/or to alter or terminate the potential investment opportunity described herein. Potential investors are not to construe this package as investment, legal, tax or other advice. Prior to making any potential investment, potential investors should consult with their own legal, investment, accounting, regulatory, tax and other advisors to determine the consequences of the potential investment opportunity described herein and to arrive at an independent evaluation of such potential investment opportunity.

This package may contain “forward-looking statements” as that term is defined in the U.S. Private Securities Litigation Reform Act of 1995. Words such as “anticipate”, “estimate”, “expects”, “projects”, “intends”, “plans”, “believes”, “will”, and words and terms of similar substance typically indicate forward-looking statements which are speculative in nature. All forward-looking statements represent Sterling’s views and expectations regarding future events as of the date hereof, based on information then available (but not necessarily all such information which might be reasonably available) and on certain assumptions and estimates, and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Additional information, including additional statistical data and/or further descriptions of proposed transactions, may be provided subsequently, but none of Sterling undertakes to update the enclosed information or any forward-looking statement made herein, except as may be required by any express agreements. In addition, this package contains information, both attributed and unattributed, obtained from third-party sources and public reports. Sterling has not independently verified any such information obtained from third-party sources and public reports, assumes no responsibility for the accuracy or completeness of such information, and does not undertake to update any such information.

It should not be assumed that forward looking projections or future investments will be profitable or yield results that are consistent or comparable to those of the securities outlined in this package.

The prior investments described herein are intended solely as illustrative examples of the strategies employed by Sterling in prior investments that are generally consistent with the investment themes contemplated for the Fund, but will not be made by the Fund. In considering the prior performance information contained herein, recipients should bear in mind that past performance is not necessarily indicative of future results, and there can be no assurance that the Fund will achieve comparable results or that targeted returns will be met. Actual realized returns on unrealized investments described herein will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs, and the timing and manner of disposition, all of which may differ from the assumptions and circumstances on which the valuations used in the performance data contained herein are based.

Potential investors should have the financial ability and willingness to accept the risk (including without limitation the risk of loss and lack of liquidity) characteristic of investments in entities such as the Fund, and interests therein are intended for sale only to sophisticated investors who are capable of understanding and assuming the risks involved. Before deciding to invest in the Fund, prospective investors should pay particular attention to the risk factors contained in the PPM.

## CONTACT INFO

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### Adam Munder

Principal  
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amunder@sterlingorganization.com

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## About Sterling

- The Sterling Organization was founded in 2007.
- Assets Under Management stood at approximately \$2.0 billion as of 12/31/23.
- Currently operating seven institutional funds across multiple, distinct, yet synergistic retail real estate strategies.
- Nine offices strategically located from coast to coast across the U.S.
- Manages a real estate portfolio consisting of 74 properties totaling over 12 million square feet when including legacy and all fund-owned properties as of 12/31/23.<sup>1</sup>
- 120+ team members.
- Registered Investment Advisor with the U.S. Securities and Exchange Commission (SEC).<sup>2</sup>

1. Includes 100% of properties owned and/or managed by Sterling Organization and its affiliates (including seven legacy investments).

2. Registration does not imply a certain level of skill or training.

# Sterling History

## 2007

The Sterling Organization (TSO) and Sterling Retail Services (SRS) are established. Sterling manages more than 2 million square feet of real estate on behalf of TSO principals and their partners.

## 2008

Surpasses 3 million square feet of real estate under management.

## 2011

Surpasses 4 million square feet of real estate under management.

## 2012

Forms Sterling Investment Management (SIM) to provide asset management services to TSO's institutional funds and other institutional clients.

Surpasses 5 million square feet of real estate under management.

Holds the final close of Sterling Value Add Partners (SVAP) Fund with \$138 million of equity commitments.

## 2014

Holds the final close of SVAP II with \$311 million of equity commitments.

Surpasses 6 million square feet of real estate under management.

## 2015

Sterling Organization is granted status as a SEC Registered Investment Advisor.

Surpasses 7 million square feet of real estate under management.

## 2016

Surpasses 8 million square feet of real estate under management.

Holds the final close of core grocery-anchored Fund Sterling United Properties I (SUP I) with \$160 million of equity commitments.

## 2017

Surpasses 9 million square feet of real estate under management.

## 2018

Holds final close of SVAP III with \$497 million of equity commitments.

Surpasses 10 million square feet of real estate under management.

## 2019

Surpasses 11 million square feet of real estate under management.

## 2020

Surpasses 12 million square feet of real estate under management.

Holds final close of SUP II with \$267 million of equity commitments.

## 2021

Establishes Sterling Retail Properties and Sterling Logistics Properties.

## 2022

Holds final close of Sterling Consumer Logistics Properties I (SCLP I) with \$225 million of equity commitments.



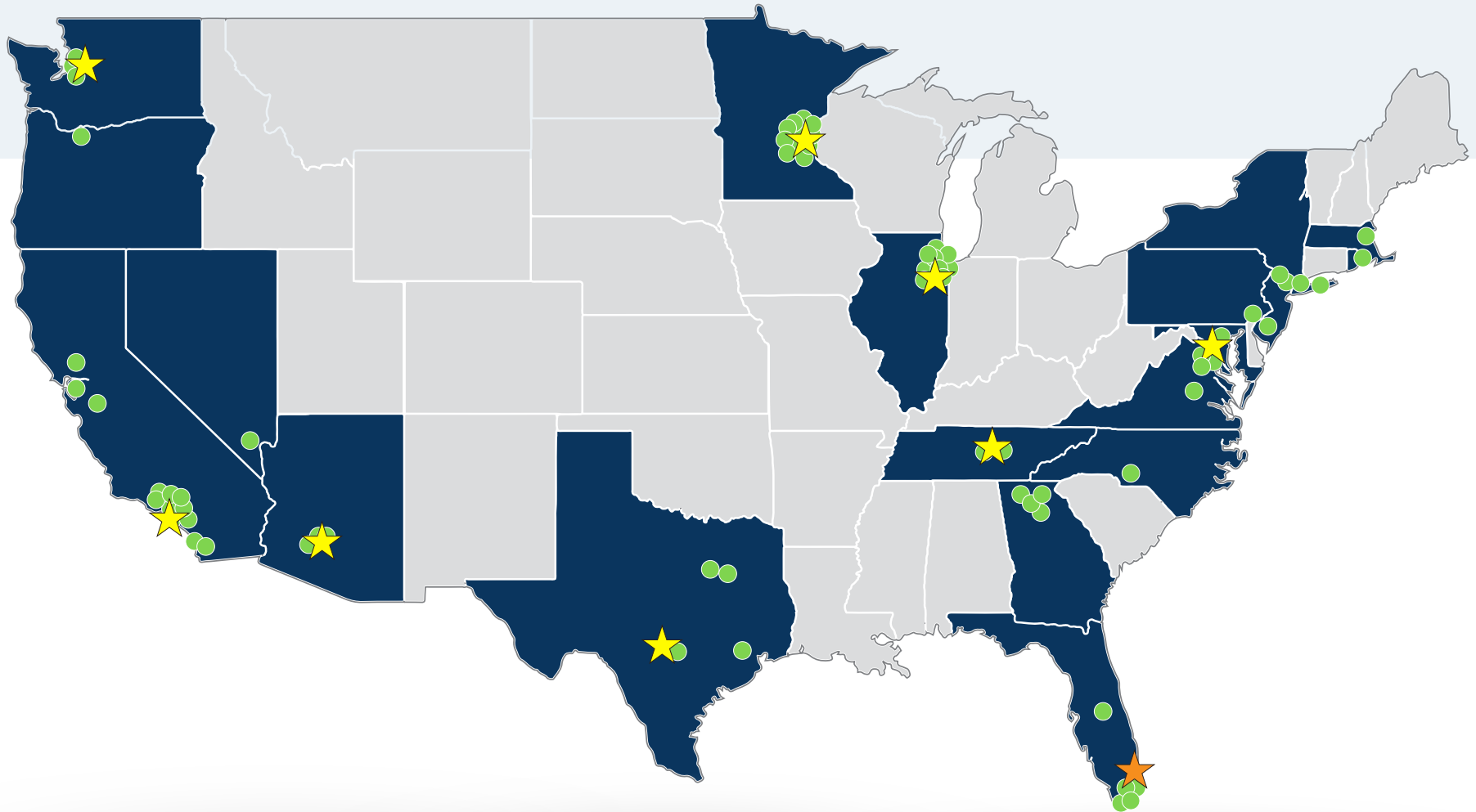
# Sterling's Geographic Presence<sup>1</sup>

**74**  
PROPERTIES

**12MM+**  
OWNED SQ. FT.

**9**  
OFFICE LOCATIONS

- ★ STERLING HQ OFFICE LOCATION
- ★ STERLING OFFICE LOCATION
- STERLING ASSET LOCATION



1. As of 12/31/23.  
Note: Includes 100% of properties owned or managed by Sterling Organization and its affiliates (including seven legacy investments).

# Sterling Performance Summary

## VALUE ADD FUND REALIZED RETURNS - Q4 2023\*

### SVAP (2012) \$138 million Fund

(10 existing and realized fund investments totaling 3,256,560 square feet)<sup>1,2</sup>

**16.4%**  
Gross IRR

**1.70x**  
Gross Multiple

**12.3%**  
Net IRR<sup>4</sup>

**1.61x**  
Net Multiple<sup>4</sup>

### SVAP II (2014) \$311 million Fund<sup>3</sup>

(18 existing and realized fund investments totaling 2,740,346 square feet)<sup>1,5</sup>

**61.0%**  
Gross IRR

**3.85x**  
Gross Multiple

**54.6%**  
Net IRR<sup>4</sup>

**3.62x**  
Net Multiple<sup>4</sup>

### SVAP III (2018) \$498 million Fund

(21 existing and realized fund investments totaling 2,511,369 square feet)<sup>1,6</sup>

**41.0%**  
Gross IRR

**2.01x**  
Gross Multiple

**33.3%**  
Net IRR<sup>4</sup>

**1.81x**  
Net Multiple<sup>4</sup>

\*Unaudited. The realized performance data set forth herein represents past outcomes of value-add profile investments and does not predict future performance and/or outcomes. In addition to the funds listed above, Sterling manages the following fund products: (a) a series of funds which invest in "core" or "stabilized" properties and (b) a series of funds which invest in industrial/logistics properties. Performance information for such properties and funds are available upon request. Sterling's affiliates also manage a legacy portfolio of properties with a value-add risk profile which is generally similar to the contemplated risk profile of the Fund. 1. For the full track record detail, see Appendix A. 2. Includes eight investments that were sold between August 2015 and May 2023, which account for 100% of the realized investments in the Fund, as of December 2023. 3. Original committed capital. Due to the expedited sale of 456 N. Rodeo Drive, capital commitments were released. The current committed capital is \$285 million. 4. Net IRR and Net Multiple are calculated to take into account fund organizational or operational expenses, taxes, an assumed 1.5% asset management fee and any 20% carried interest distributions; and Net IRR is based on cash flows at the fund-level. 5. Includes four investments that were sold between March 2018 and January 2023, which account for 100% of the realized investments in the Fund, as of December 2023. 6. Includes six investments that were sold between November 2020 and July 2023, which account for 100% of the realized investments in the Fund, as of December 2023.



# Sterling's ESG Overview

## MISSION STATEMENT

Sterling Organization is committed to environmental, social, and governance (ESG) principles that are vital in developing a strong and resilient organization. We believe these principles will contribute to delivering long-term value for our stakeholders, while improving the communities in which we serve through local partnerships and the operation and enhancement of LAST HOUR® consumer distribution and fulfillment focused real estate assets.

## COMMITTEE



**Jordan Fried**  
Principal



**Bob Dake**  
COO, Retail



**Dana Verhelst**  
SVP, Marketing



**James Sharpe**  
VP, Investments



**Amy Milliard**  
VP, Human Resources

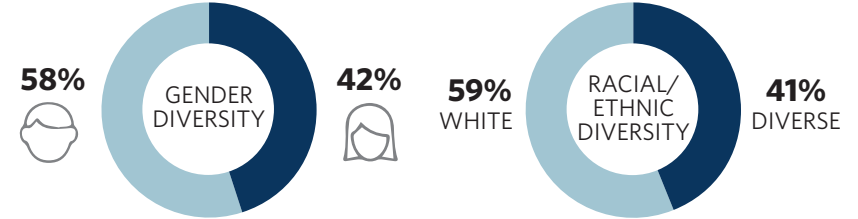


**Devon Stoloff**  
Director, Investor Relations



**Carlos Fernandez**  
Regional Director,  
Property Management

## STERLING EMPLOYEES



## 2023 ACHIEVEMENTS

### ENVIRONMENTAL

- Continued our relationship with the National Forest Foundation, whereby contributions from Sterling facilitated the planting of trees in accordance with each acre of real estate acquired by the firm, and committed to planting no less than 15,000 trees annually
- Added LED lighting to 12 Sterling shopping center parking lots
- Added "green lease" language into more than 40% of Sterling's new and renewal leases that created certain covenants and limitations for tenants that are consistent with ESG principles
- Added 5 more EV charging stations in Sterling's shopping centers

### SOCIAL

- Committed at least 350 hours of volunteer work in our local communities
- Leveraged partnerships with ICSC Launch Academy and HBCU's to cultivate future talent with a focus on racially diverse undergraduate students within our annual internship program
- Hosted 14 community outreach events across Sterling properties
- Established an employee health and wellness program
- Announced two award winners for Company-wide recognition of excellence

### GOVERNANCE

- Provided timely and comprehensively transparent investor reporting consistent with fund mandates
- Maintained a comprehensive system of compliance and reporting while engaging employees in interactive training programs, such as cybersecurity and sexual harassment training, to increase the awareness and necessity security protocols
- Implemented IT systems and security protocols following CIS guidelines, NIST Cybersecurity Framework, and utilized third-party consultants for annual audits to ensure industry best practices in safeguarding company and investor data at Sterling Organization.

# Sterling's ESG Overview

## TO DATE ACHIEVEMENTS & HIGHLIGHTS

# 20

EV charging stations installed/in progress

# 49

properties installed LED lighting in parking lots

# 34

properties enrolled in a Green Program

# 92k+

Trees planted with the National Forest Foundation

# 16

Summer interns hosted

# 700+

hours of Volunteer Time logged



2023 Summer Intern Class Group Photo (Top) and Lunch & Learn Session with industry Professional (Bottom).

Feeding Palm Beach County - Food Bank Volunteer Even

EV Charging Installation

# Executive Summary – SVAP IV

## ESTABLISHED PLATFORM - COMPETITIVE ADVANTAGES

- Established institutional manager with a 20+ year track record, seasoned management team and seven retail-focused private equity real estate funds
- Institutional investor base
- National platform
- True operator rather than capital allocator
- Vertically integrated firm with in-house real estate services platform
- In-depth understanding of all top major markets with 70+ owned assets, encompassing more than 12 million square feet, and boots on the ground
- Strong, direct and longstanding relationships with national and regional retail tenants
- Primary focus on grocery-anchored, neighborhood and open-air power centers
- Proven ability to identify and close off-market transactions

## INVESTMENT OBJECTIVE

SVAP IV is being formed by Sterling Organization to primarily acquire, manage, improve and sell value-add investments in retail real estate, each with a purchase price of at least \$10,000,000.

## STERLING VALUE ADD PARTNERS IV

**Fund Type:** Closed-end private equity real estate fund

**Fundraising Target:** \$500 million (Hard Cap: \$600 million)

**Final Close Date:** May 2024

**Target Returns:** 13-15% Net IRR, ±1.8-2.0x Net Multiple

**Target Leverage:** 60%



# SVAP IV Primary Opportunities

- Rise of demand for space and rental growth in first and second ring suburbs in major markets resulting from the hybrid work trend
- Underperforming assets
- Distressed sellers resulting from challenged debt markets
- Motivated sellers
- Institutions selling labor intensive assets
- Potential for positive leverage
- High-yield/cash-flowing opportunities
- “Complicated” transactions
- Portfolio transactions with diversified geographic and/or asset risk
- Densification opportunities



**123,917 SF Grocery-Anchored Center**  
**Bluffs Square Shoppes, SVAP III Realized (West Palm Beach MSA)**



**245,656 SF Grocery-Anchored Center**  
**Town Center Colleyville, SVAP III Owned (Dallas/Fort Worth MSA)**



**172,312 SF Grocery-Anchored Center**  
**Silver Lake Village, SVAP III Owned (Minneapolis MSA)**

# Not All Retail Is Created Equal



Each property subset presents a varying degree of opportunity and challenges.

- **Grocery-Anchored** – Benefits from its daily necessity, value and service uses, which are resistant to e-commerce penetration. Often features predictable cash flow with the ability to grow income through lease up and growing rents. Strong SVAP IV Focus.
- **Neighborhood** – “Everyday” retail that focuses on convenience and internet resistant daily needs such as service, food, healthcare and fitness. Strong SVAP IV Focus.
- **Power Centers** – Inflation has changed the story making Power Centers more attractive. Focus should be on dense, infill locations in under-retailed markets where existing box rents are well below current market. SVAP IV Focus.
- **Mixed-Use** – Place-making opportunities as well as densification. SVAP IV will selectively pursue.
- **Street Retail** – Value in walk-ability, branding, visibility and authenticity. Tourist locations vs. business center locations should have materially different futures. SVAP IV will selectively pursue only tourist-focused locations not business center locations.
- **Malls** – Significant long-term macro challenges resulting in decline. Redevelopment of Mall sites has proven expensive, risky and complicated resulting in unattractive risk reward paradigm. SVAP IV will not be actively pursuing.

1. Excludes any investments in public REITs.

## SVAP Series of Funds Historical Asset Composition

### SVAP I - \$138 million of Equity

GROCERY-ANCHORED: **50%**  
 NEIGHBORHOOD CENTER: **0%**  
 POWER CENTER: **20%**  
 MIXED-USE: **0%**  
 STREET RETAIL: **10%**  
 MALL: **20%**

3-MILE AVERAGES (2023)	
POPULATION	AVG. HH INCOME
133,288	\$105,917

### SVAP II - \$311 million of Equity

GROCERY-ANCHORED: **44%**  
 NEIGHBORHOOD CENTER: **22%**  
 POWER CENTER: **11%**  
 MIXED-USE: **0%**  
 STREET RETAIL: **17%**  
 MALL: **6%**

3-MILE AVERAGES (2023)	
POPULATION	AVG. HH INCOME
147,586	\$111,579

### SVAP III - \$497 million of Equity<sup>1</sup>

GROCERY-ANCHORED: **47%**  
 NEIGHBORHOOD CENTER: **21%**  
 POWER CENTER: **11%**  
 MIXED-USE: **11%**  
 STREET RETAIL: **11%**  
 MALL: **0%**

3-MILE AVERAGES (2023)	
POPULATION	AVG. HH INCOME
141,838	\$139,683

**THE SVAP SERIES OF FUNDS TYPICALLY INVEST IN PROPERTIES LOCATED IN DENSE, IN-FILL LOCATIONS WITHIN MAJOR MARKETS WITH A NEARBY AFFLUENT POPULACE.**

# Sterling’s Hyper Focus on Grocery-Anchored Shopping Centers

## GROCERY-ANCHORED RETAIL OVERVIEW

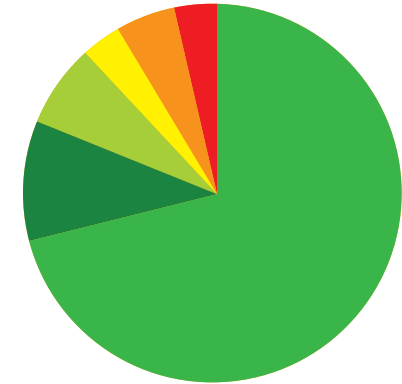
- Grocery store retail sales reached an all-time high of **\$74B** in Q4 2022.<sup>1</sup>
- Capitalizing on their last-mile advantage, grocers continue to reinvest capital into their stores to create “shoppable” micro-fulfillment centers that facilitate buy-online, pick-up in store transactions. These transactions now account for half of U.S. online grocery sales.<sup>2</sup>
- The delivery of groceries cannot be completed cost-effectively, resulting in households turning to their local brick and mortar stores more often.<sup>3</sup> Of note, **online grocery sales in the U.S. decreasing over 10%** year-over-year in February 2024.<sup>4</sup>
- With average grocery-anchored retail cap rates at 6.99% nationally<sup>5</sup> (Q4 2023), the **asset class exhibits the potential for positive leverage at acquisition.**

### SVAP IV: GROCERY-ANCHORED FOCUS

- Major Markets
- Dense, Infill Suburban Locations
- Defensive Rents with Potential Upside
- Strong Foot Traffic & Healthy Demographics

## STERLING’S RETAIL FUND PORTFOLIO (SVAP & SUP)<sup>6</sup>

GROCERY-ANCHORED	42
NEIGHBORHOOD CENTER	6
POWER CENTER	4
MIXED-USE	2
STREET RETAIL	3
MALL	2
<b>TOTAL</b>	<b>59</b>



## GROCER TENANTS IN PORTFOLIO



1. St. Louis Fed, Retail Sales: Grocery Stores. 2. CBRE, Food & Beverage Tomorrow: Online Grocery Order Fulfillment Goes Local, November 6, 2023. 3. Sisson, Patrick, “Grocery-Anchored Retail Lures Investors Coming out of Covid,” Commercial Observer, May 23, 2023. 4. Haleem, Abbas, “Online grocery sales drop in February behind shrinking order value,” Digital Commerce 360, March 14, 2024. 5. 2024 MSCI Real Assets. 6. As of Q4 2023.

# Retail Resilience: End of The Retail Apocalypse 2009–2022 (Supply)

The U.S. is **no longer “over retailled”** as the slack has been taken in with total GLA (supply) of power centers, neighborhood centers, and strip centers **decreasing nearly 1% since Q3 of 2019**.<sup>1</sup> Additionally, new deliveries (development) of retail space since 2009 continue to remain low,<sup>2</sup> which is a trend that we expect to continue over the next decade.

## IN THE NEWS

WSJ

**The decline of the five day commute is a boon to suburban retail** - May 9, 2023

**Never mind the delivery, more online consumers are turning to store pickup** - July 14, 2023

**The hottest real estate play is in your neighborhood** - July 27, 2023

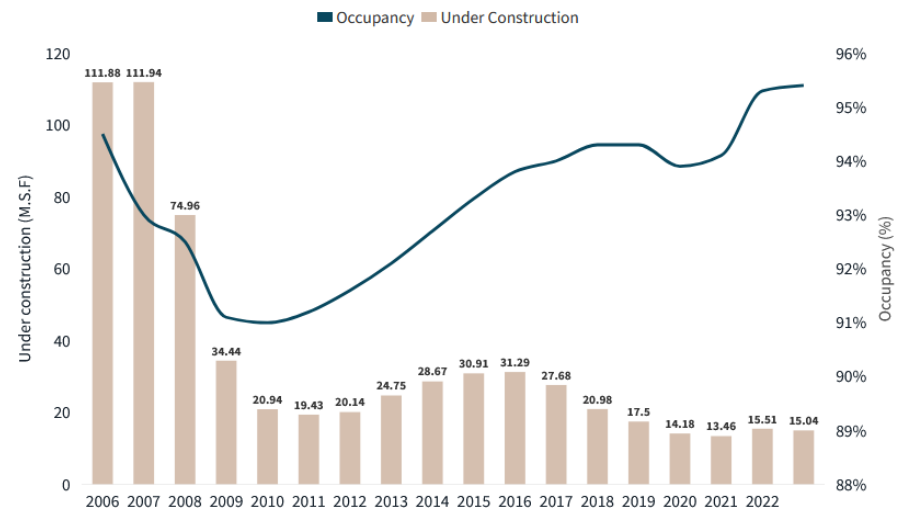
**Strip Malls Are the New King of Retail Real Estate** - October 30, 2023

JLL

**Strong retail fundamentals fuel continued rent growth and long-term value for investors. According to JLL, retail occupancies are over 95%, and anchored shopping centers are currently trading at 55% replacement costs.** - September 27, 2023

## STRONG RETAIL FUNDAMENTALS FUEL CONTINUED RENT GROWTH AND LONG-TERM VALUE FOR INVESTORS

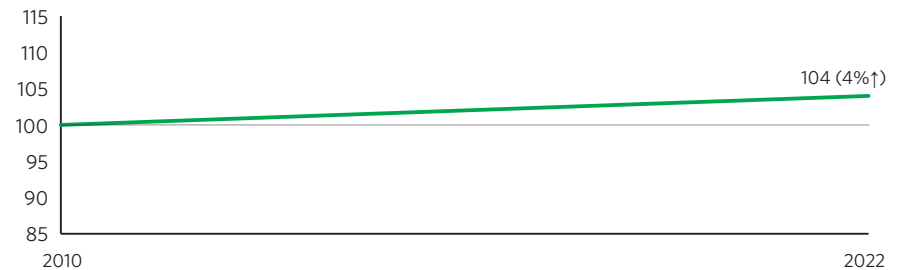
Multi-tenant construction vs occupancy ('06 - '23)



\*Denotes YTD figures through Q2 2023. Note: Data pertains to non-mall multi-tenant retail. (Excl: single-tenant/net lease, malls) Source: JLL Research, CoStar (Neighborhood center, power center, and strip center) 2 | © 2023 Jones Lang LaSalle IP, Inc. All rights reserved.

## TOTAL SUPPLY OF U.S. RETAIL SPACE

Total U.S. Retail SF (2010=100)<sup>1</sup>

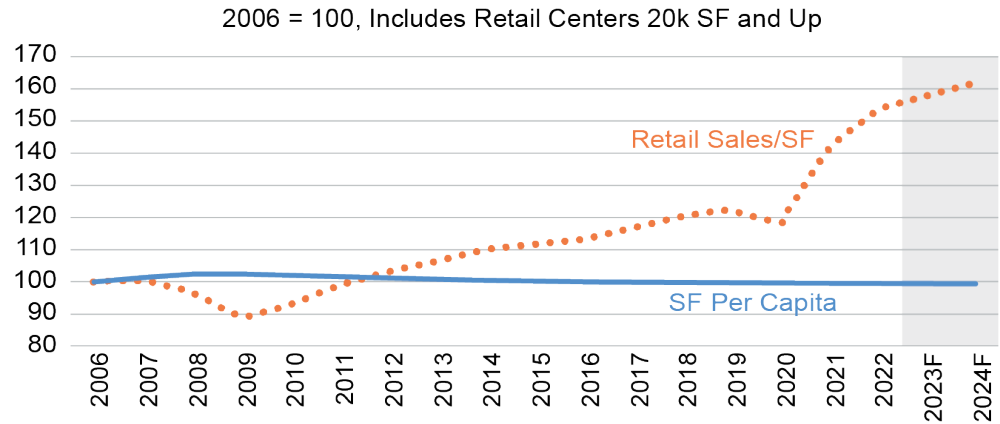


1. JLL.  
2. Piper Sandler, March 3, 2022.

# Retail Resilience: End of The Retail Apocalypse 2009–2022 (Demand)

**Retail sales** have grown **5% annually on average** over the past thirteen years, increasing **90% over that time span**.<sup>1</sup> Historically high sales growth in recent years **underscores the resilience of the American consumer** (who drive 70% of the U.S. economy). We learned during Covid-19 that even during lockdown the U.S. consumer needs to spend...and not just on “necessities” or “essentials.” As a result, demand for existing space has increased dramatically post-pandemic, with more than four out of every five retail dollars still spent in physical stores.<sup>2</sup> **WHEN ADJUSTING FOR E-COMMERCE’S SHARE OF RETAIL SALES, BRICK-AND-MORTAR SALES PER SQUARE FOOT ARE UP APPROXIMATELY 57% FROM 2009.**<sup>3</sup>

**U.S. ANNUAL RETAIL SALES/SF AND SF PER CAPITA INDEX<sup>5</sup>**



**Consumer spending grew nearly 5.3% year over year in 2023** despite the Federal Reserve continuing to increasing interest rates.<sup>4</sup>



1. U.S. Census Bureau, Retail Sales (excluding Auto and Gas). 2. U.S. Census Bureau; ICSC Research. 3. U.S. Census Bureau, Retail Sales (excluding Auto and Gas) adjusted by e-commerce retail sales as a percent of total sales. CBRE Research, 4% GLA growth in retail real estate in the U.S. 4. Kleinhenz, Jack, “Monthly Economic Review: December 2023,” National Retail Federation, December 8, 2023. 5. CoStar, St. Louis FRED, CBRE Research, as of Q4 2022. The above chart includes forward looking information. Actually results may be materially different.

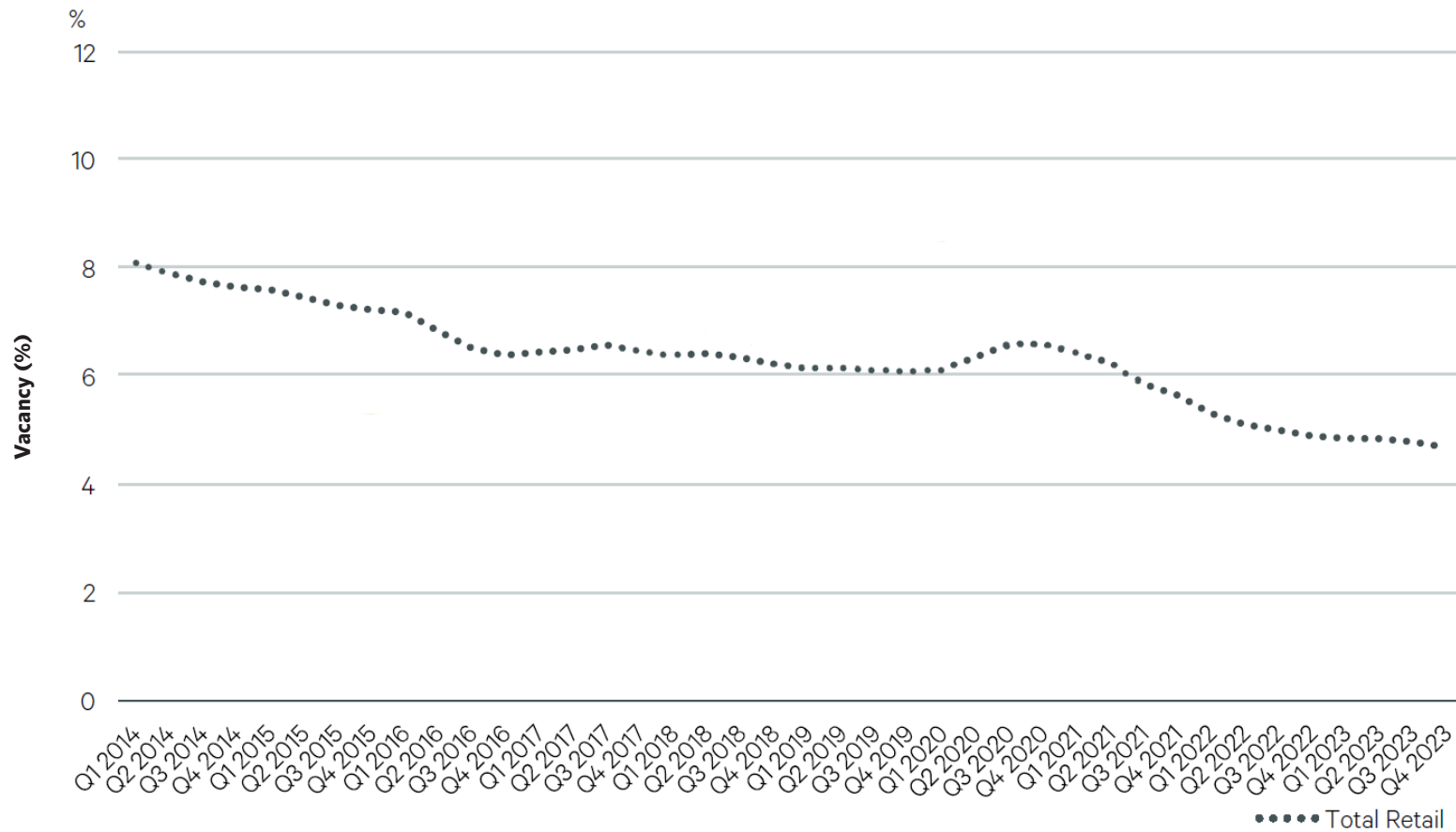


# U.S. Shopping Center Resilience: Rebounding Occupancy

Following the Covid-19-induced store closures in 2020, **brick-and-mortar retail occupancy has experienced eight consecutive quarters of positive absorption**. The **shopping center vacancy rate** in the U.S. at the end of the fourth quarter of 2023 was at its **lowest level in over ten years**.<sup>1</sup>

As the occupancy rate for malls declines, **open-air, suburban shopping centers are benefiting from an influx of tenants** vacating dying malls.

## RETAIL SPACE AVAILABILITY



1. CBRE Econometric Advisors, Q4 2023.

# Organic Rent Growth: Portfolio Rent Spread

## STERLING OVERALL PORTFOLIO (2023)<sup>1</sup>

TOTAL PORTFOLIO GLA: 11,824,284 SF

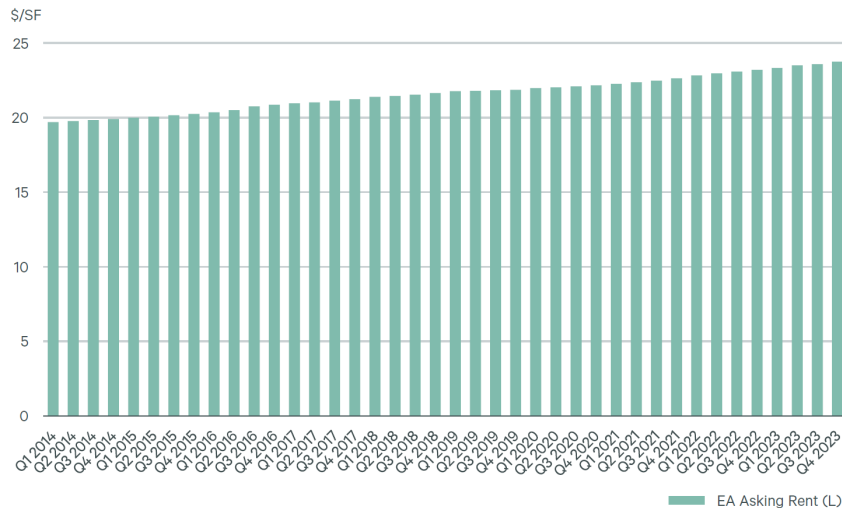
New & Renewal Leases		
# Leases	Square Feet	Annual Base Rent
267	1,259,258	\$27,266,488

2023 AVERAGE RENT SPREAD<sup>2,3,4</sup>

# 18.9% ↑

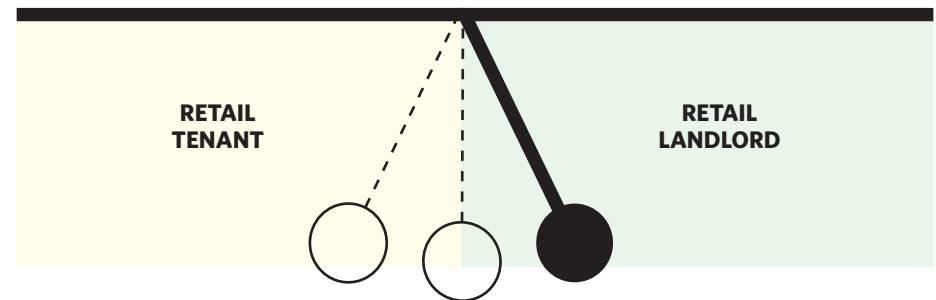
## Retail Rents Continue to Climb

### AVERAGE U.S. RETAIL ASKING RENTS



Source: CBRE Econometric Advisors, Q4 2023.

**Rent growth shows no sign of stopping** due to the dearth of new supply and increased demand from expanding retailers, with **asking rents continuing to rise and renewal spreads of 10% becoming commonplace in Q2 2023.**<sup>5</sup> Recent market dynamics have **shifted the balance of power towards landlords** for the first time in over 15 years in most metro areas.

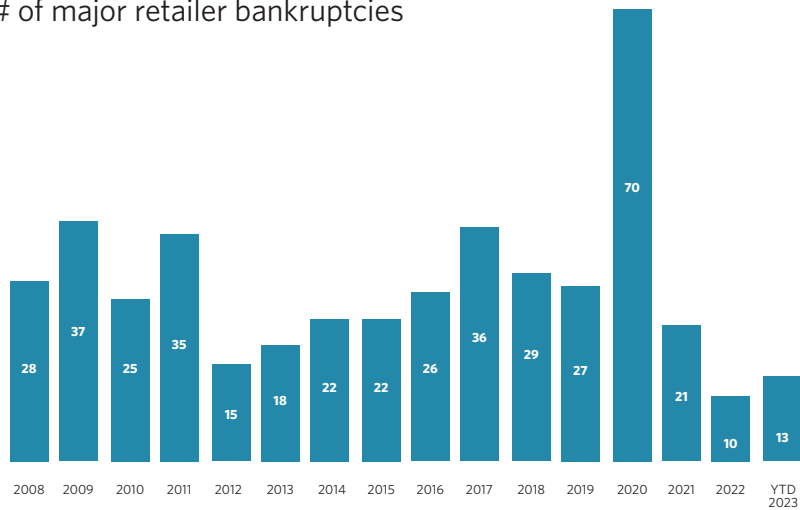


1. Includes retail properties owned or managed by The Sterling Organization and its affiliates.
2. Rent spread depicts the change in the first year base rent of a new lease compared to the last year base rent of the previous tenant in the same unit or change in base rent in the first year of a renewal or option term compared to the last year of the previous term. The rent spread for executed new leases, renewals and options is calculated based upon a weighted average (by Annual Base Rent) of the new leases, renewals and options. Please note that these calculations are based solely on a comparison of nominal base rents and that there are situations where other factors may need to be considered (e.g., in the event of free rent or tenant improvements that could be an additional delivery cost of the landlord).
3. Rent Spread calculation excludes new leases, renewals and options where the prior tenant's rent information is unavailable. The new lease and renewals spreads exclude deals (i) where the square footage of the unit changed by more than 5%, (ii) the term is less than 12 months, or (iii) the base rent of either the new or prior base rent was percent rent.
4. Renewal rent spread excludes the 36-month Best Buy renewal at Huntington Plaza (SUP I) executed in August 2023 and the 14-month Dillard's renewal at Stones River Town Centre (SVAP II) as both deals are short-term placeholder renewals while Sterling markets the space for new tenants and are not indicative of typical renewals.
5. Battisti, Fred. "The Retail Leasing Rally Of 2023 And Why It's Not Over," Forbes, October 25, 2023.

# Healthy Retailers

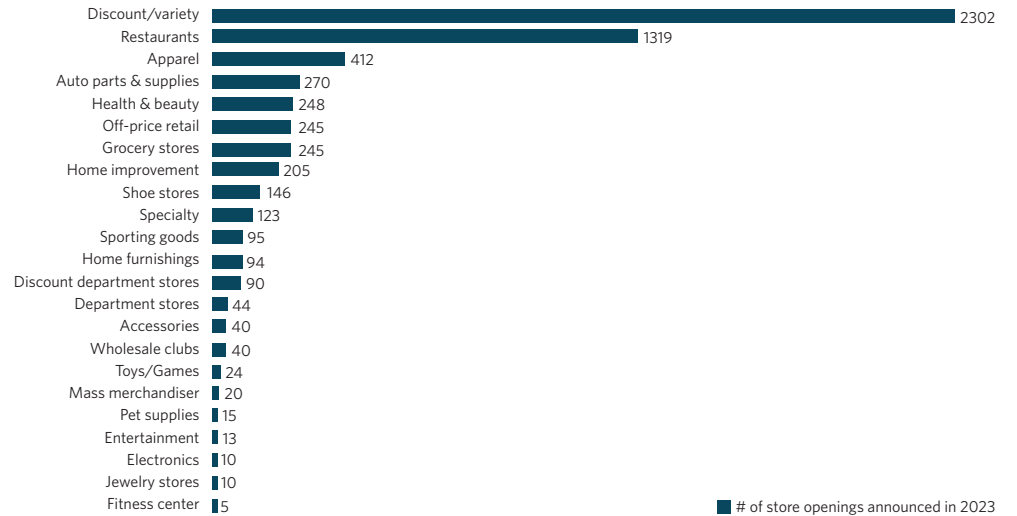
## ANNOUNCED RETAIL BANKRUPTCIES

# of major retailer bankruptcies



Source: JLL Research, CreditIntell, PNC

## STORE OPENINGS SUSTAIN MOMENTUM IN 2023



Source: JLL Research, CreditIntell, PNC



# Brick-and-Mortar Stores Now Play The Central Role in Omni-Channel

Omni-channel retail is a **multi-channel sales approach that best services the consumer** with an integrated experience whereby the consumer can seamlessly shop online from a computer, cellphone, and/or physically in-store. **Buy online, pick-up in store (BOPIS)**, particularly, has **proven to be an excellent way for retailers to drive in-store foot traffic** and bridge the gap between the **traditional brick-and-mortar and online shopping experiences.**

## SAMPLING OF MAJOR RETAILERS GETTING OMNI-CHANNEL RIGHT:



**More than 95% of Target's first quarter 2022 sales were fulfilled by its stores,<sup>1</sup> resulting in a 37% increase in sales per square foot since 2019.<sup>2</sup>**



**More than 45% of Home Depot's online orders were fulfilled at stores in Q1 2023.<sup>4</sup>**



**Expanded its Pickup (BOPIS) service to 2,257 locations, covering 98% of Kroger's customers.<sup>3</sup>**



**Launched 30-Minute "Flash" Grocery Pickup (BOPIS) service to 2,000+ locations in 2023, covering 99% of Albertson's customers.<sup>6</sup>**



**Physical stores fulfilled approximately 65% of all online sales.<sup>5</sup>**



**Stores enabled over 90% of total sales in Q2 2022, serving both in store and providing over 800 forward points of distribution for omni-channel fulfillment.<sup>7</sup>**



**Dedicated to an omni-channel experience, Walmart has ~4,600 curbside pickup locations and more than 3,500 same-day delivery locations.<sup>8</sup>**

1. Target Corporation 1Q22 Earnings Press Release, May 18, 2022.

2. Cornell, Brian, Target Corporation 2023 Investor Day, February 28, 2023.

3. The Kroger Company Form 10-K 2021, March 29, 2022.

4. Home Depot 1Q23 Earnings Call Transcript, May 16, 2023.

5. Best Buy 4Q22 Earnings Call Transcript, March 2022.

6. Albertsons Companies Press Release, September 13, 2023.

7. Dick's Sporting Goods 1Q22 Earnings Press Release, May 25, 2022.

8. Walmart Fiscal 2022 Annual Report, March 18, 2022.

# Operations: Bright Outlook for Brick-and-Mortar Retail Real Estate

## Shopping Centers: Here to Stay and Thrive



### Demographics Favor Shopping Centers

- Migration towards suburbs and millennials moving out of the cities
- Flexible work-from-home means more shopping closer to home



### Stores Proven to Drive Growth and Brand Awareness

- Immersive customer experience
- Reduced customer acquisition costs compared to e-commerce
- Builds longer lasting consumer relationships



### Record Low Supply

- Very little new retail development in major MSA suburban neighborhoods
- Retailer resilience demonstrated through bounce back following Covid-19



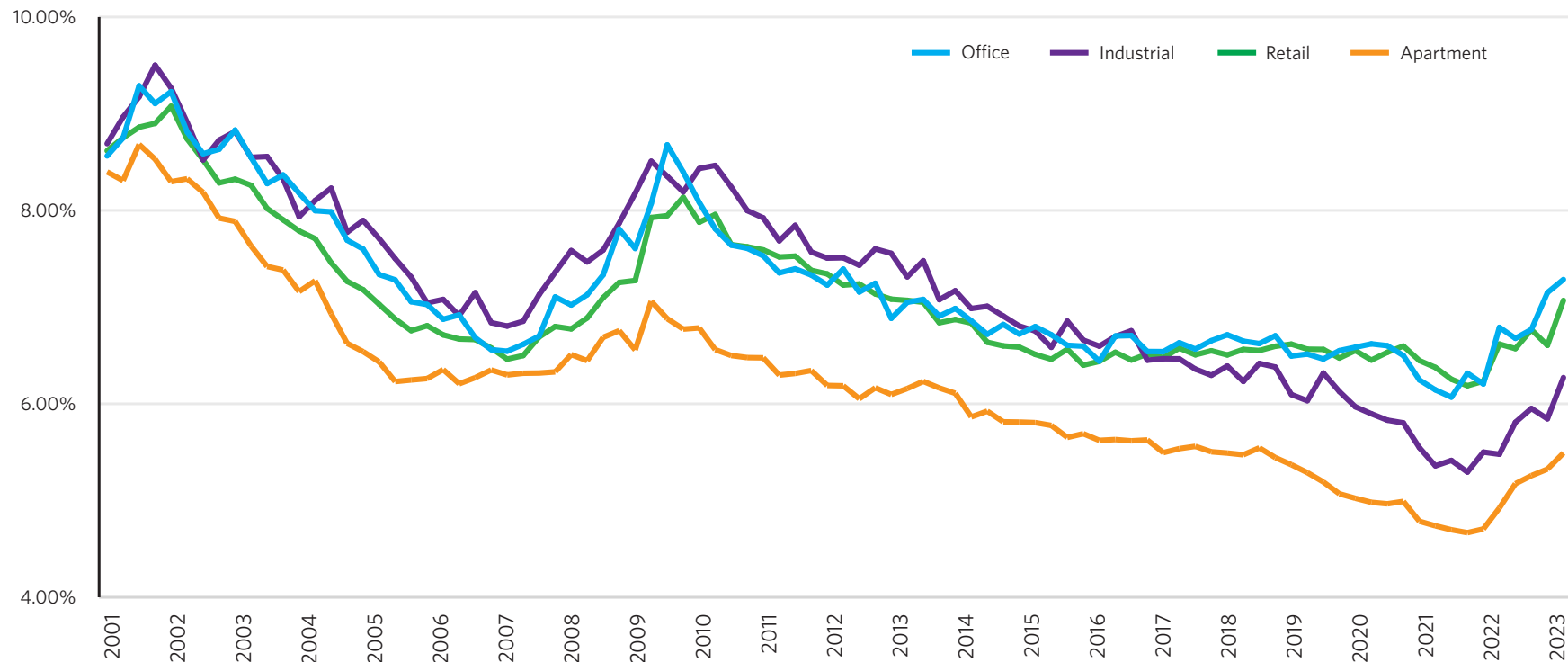
402,036 SF Grocery-Anchored Center  
Plaza Mexico, SVAP III Owned (Los Angeles MSA)

# Retail Real Estate: Shunned By Investors No More?

**Retail's share of overall real estate investment transaction activity in the U.S. dropped to a historic low of 9% in 2021.<sup>1</sup>**

Investment in the retail sector began to lag other property types in 2010 due to the global financial crisis, and by 2012 the fear of e-commerce's impact on brick-and-mortar retail ("Retail Apocalypse") continued the trend. The resulting capital flow migration led to a property pricing gap between retail and other property types of 32% as of 2020.<sup>2</sup> Viewed through a 2024 lens, we believe investors will continue to reallocate capital back toward shopping centers and, as a result, cap rates should tighten relative to other real estate asset classes.

## COMMERCIAL REAL ESTATE CAP RATES



Source: RCA 2024.

1. Diebel, Daniel, "Retail Sector Provides Strong Value-Add Investment Opportunity," CBRE, December 2021.

2. Cushman and Wakefield, "U.S. Retail Market Outlook," March 2021.

# The Rise of Retail Real Estate

## U.S. Real Estate Performance by Subsector

2018	2019	2020	2021	2022	2023
Industrial 14.3%	Industrial 13.4%	Industrial 11.8%	Industrial 43.3%	Industrial 14.6%	Nghbrhd Retail 0.0%
Garden Apart. 8.9%	Sub Office 8.0%	Garden Apart. 5.2%	Garden Apart. 28.9%	Garden Apart. 11.0%	Super Reg Mall -1.7%
Sub Office 7.4%	Garden Apart. 8.0%	Sub Office 3.1%	NCREIF 17.7%	NCREIF 5.5%	Garden Apart. -3.5%
NCREIF 6.7%	NCREIF 6.4%	NCREIF 1.6%	High Rise Apart. 15.5%	Nghbrhd Retail 5.1%	Regional Mall -3.6%
CBD Office 6.5%	CBD Office 5.6%	CBD Office 0.5%	Sub Office 10.0%	High Rise Apart. 5.0%	Industrial -4.0%
Nghbrhd Retail 5.5%	Nghbrhd Retail 4.4%	High Rise Apart. 0.1%	Nghbrhd Retail 8.5%	Super Reg Mall 0.5%	High Rise Apart. -6.2%
High Rise Apart. 4.7%	High Rise Apart. 4.3%	Nghbrhd Retail -0.8%	CBD Office 3.3%	Sub Office -0.4%	NCREIF -6.6%
Super Reg Mall 0.6%	Super Reg Mall 1.3%	Regional Mall -10.2%	Super Reg Mall 2.7%	Regional Mall -2.1%	Sub Office -10.8%
Regional Mall -1.5%	Regional Mall 1.2%	Super Reg Mall -10.7%	Regional Mall -0.2%	CBD Office -5.7%	CBD Office -17.6%

Note: 2023 data reflects the trailing 12 months

Source: NCREIF as of June 30, 2023

# Sterling's Value Creation Strategies

Note: The investments shown in this section are intended solely as illustrative examples of the strategies employed by the Sponsor in prior investments that are generally consistent with the investment themes discussed in the broader presentation. Please see Appendix A for the complete Liquidated Track Records. The following properties include "Selected Case Studies," and although these are examples of successful or projected investment outcomes, investments in general are subject to varying levels of risk and external factors that could result in less successful situations, including losses on individual investments.



# Case Study: SVAP II – Owned Asset

## FRIDLEY MARKET - FRIDLEY, MN (MINNEAPOLIS MSA)



### PROPERTY HIGHLIGHTS

- Sterling acquired Fridley Market from a joint venture between Equity Group and Tri-Land Properties.
- Fridley Market is a **grocery-anchored center** anchored by Cub Foods, the #1 grocer by market share in Minneapolis.
- Fridley Market is located in Fridley, MN, where there is approximately 102,000 people within a three-mile radius of the property with an average annual household income of approximately \$81,000.

### BUSINESS PLAN & EXECUTION

- Sterling initially identified the opportunity to **lease up the property and improve tenant quality**, and by doing so, ultimately **increased occupancy from 79% to 100%**.
- Sterling **increased the property's NOI from \$1.4 million at acquisition to \$2.3 million, a 65% increase.**<sup>1</sup>
- Sterling **attracted high-quality tenants** such as Boot Barn, Pet Supplies Plus, H&R Block and The Original Mattress Factory to the property.
- Sterling also completed the **sale of the McDonald's outparcel in 2017 for \$1.9 million, at a compressed cap rate of 4.12%**, which is approximately 200 basis points below the anticipated exit cap rate of a grocery-anchored shopping center in Minneapolis, such as Fridley Market.

1. As of Q3 2023 and includes net operating income from McDonald's outparcel sold in 2017.

## VALUE-ADD LEVER #1

### Primary Strategy:

LEASE-UP & TENANT QUALITY UPGRADE

### ASSET INFORMATION

Property Type:	Grocery-anchored
GLA:	132,594 SF
Year Built/Renovated:	1967/2013 & 2016
Leased at Acquisition/4Q2023:	79%/100%
Current FMV:	\$33.0 million

### INVESTMENT SNAPSHOT

Acquisition	
Date:	December 22, 2016
Price:	\$26.75 million
Cap Rate:	5.26%

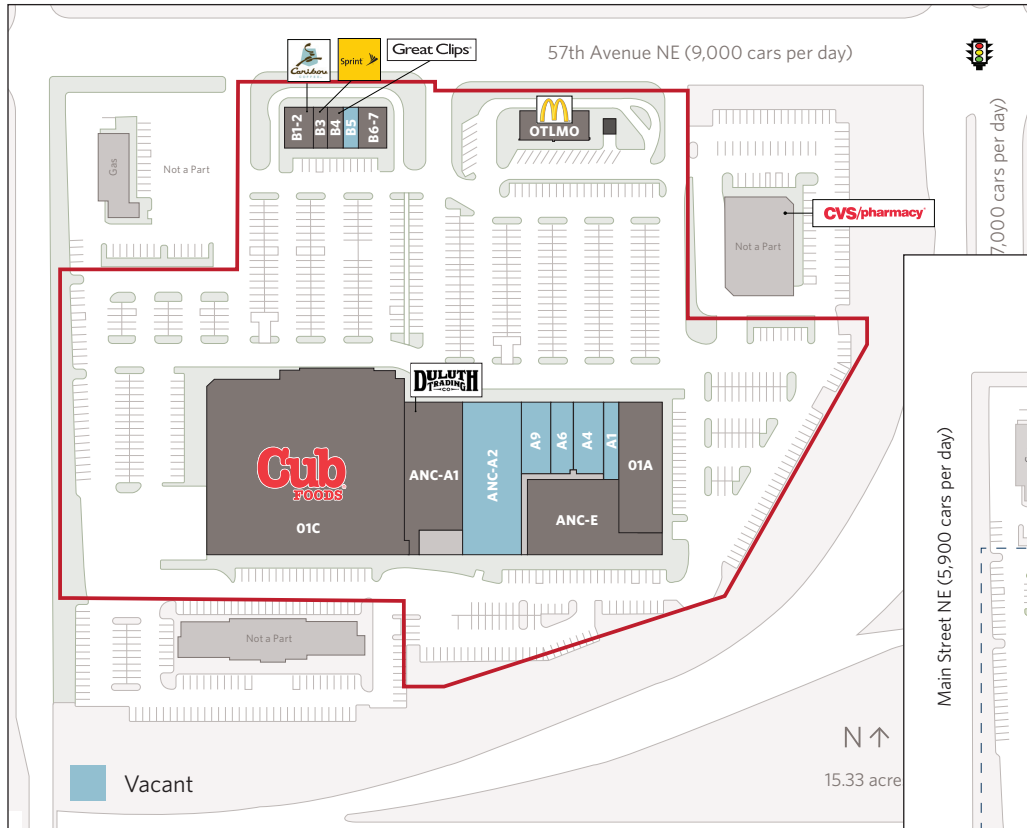


# Case Study: SVAP II - Owned Asset

FRIDLEY MARKET - FRIDLEY, MN (MINNEAPOLIS MSA)

**VALUE-ADD LEVER #1**  
**Primary Strategy:**  
 LEASE-UP & TENANT QUALITY UPGRADE

**AT ACQUISITION - OCCUPANCY: 79% ▼**



**65%**  
**Growth in NOI since acquisition<sup>1</sup>**

**CURRENT - OCCUPANCY: 100% ▼**



1. As of Q3 2023 and includes net operating income from McDonald's outparcel sold in 2017.

# Case Study: SVAP II – Realized Asset

PEACHTREE PARKWAY PLAZA - NORCROSS, GA (ATLANTA MSA)



## PROPERTY HIGHLIGHTS

- Peachtree Parkway Plaza, located in a suburb of Atlanta, is a **neighborhood shopping center** anchored by Goodwill and Dollar General, both of which were paying well below market rents with limited term and no remaining options.
- Sterling acquired the property from DLC Management Corporation in an **off-market transaction**.
- The property is located in an area that has a population of approximately 70,000 people within a three-mile radius with an average household income of approximately \$125,000.

## BUSINESS PLAN & EXECUTION

- Sterling identified the opportunity to dramatically increase the NOI of the property by **increasing the rents of the two anchor tenants to market rates** upon lease expiration with limited associated costs.
- Sterling successfully increased Goodwill's (76% increase in base rent) and Dollar General's (63% increase in base rent) rents to market within four years of ownership, in addition to executing a small shop leasing strategy, which materially increased occupancy. Sterling **grew the property's NOI since acquisition** by 73%, as of Q3 2022.
- Sterling **executed the disposition of the Taco Bell outparcel in 2017 for \$1.2 million at a compressed cap rate of 4.87%**, a more than 300 basis point arbitrage to the exit cap rate of the entire property.

## VALUE-ADD LEVER #2

Primary Strategy:  
MARK-TO-MARKET RENT OPPORTUNITIES

### ASSET INFORMATION

Property Type:	Neighborhood Center
GLA:	94,117 SF
Year Built/Renovated:	1986
Leased at Acquisition/Disposition:	83%/95%

### INVESTMENT SNAPSHOT

<b>Acquisition</b>	
Date:	October 13, 2015
Price:	\$12.25 million
Cap Rate:	7.00%
<b>Disposition</b>	
Date:	January 20, 2023
Price: <sup>1</sup>	\$19.5 million
Cap Rate:	7.71%
<b>Hold Period:</b>	7.3 years
<b>Total Equity Invested:</b>	\$6.57 million

1. Excludes the sale price of the Taco Bell outparcel, which was sold in 2017 for \$1.2 million (4.87% cap rate).

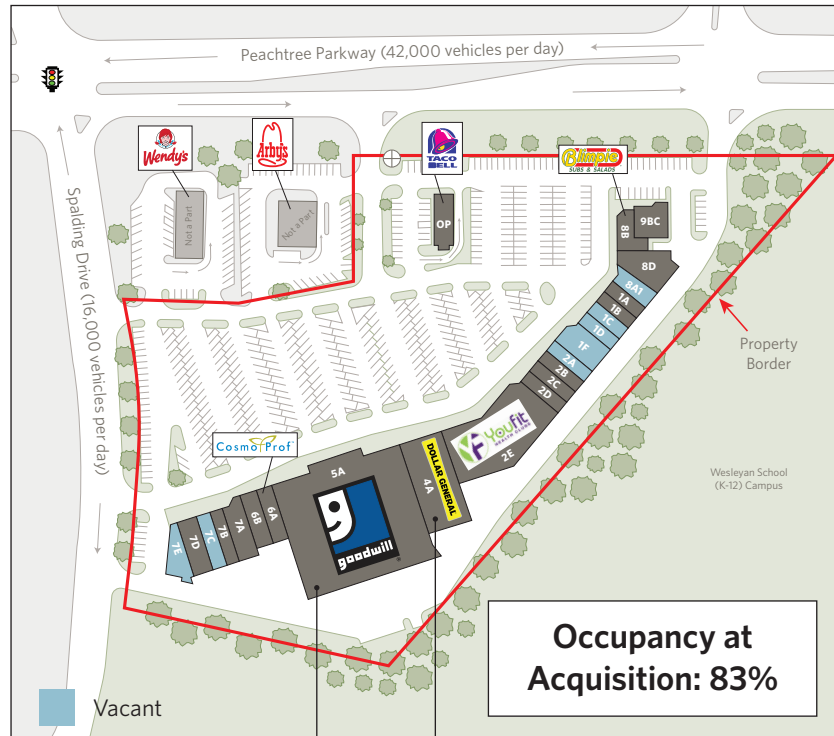


# Case Study: SVAP II – Realized Asset

PEACHTREE PARKWAY PLAZA - NORCROSS, GA (ATLANTA MSA)

**VALUE-ADD LEVER #2**  
**Primary Strategy:**  
 MARK-TO-MARKET RENT OPPORTUNITIES

## AT ACQUISITION - \$858K IN NOI ▼



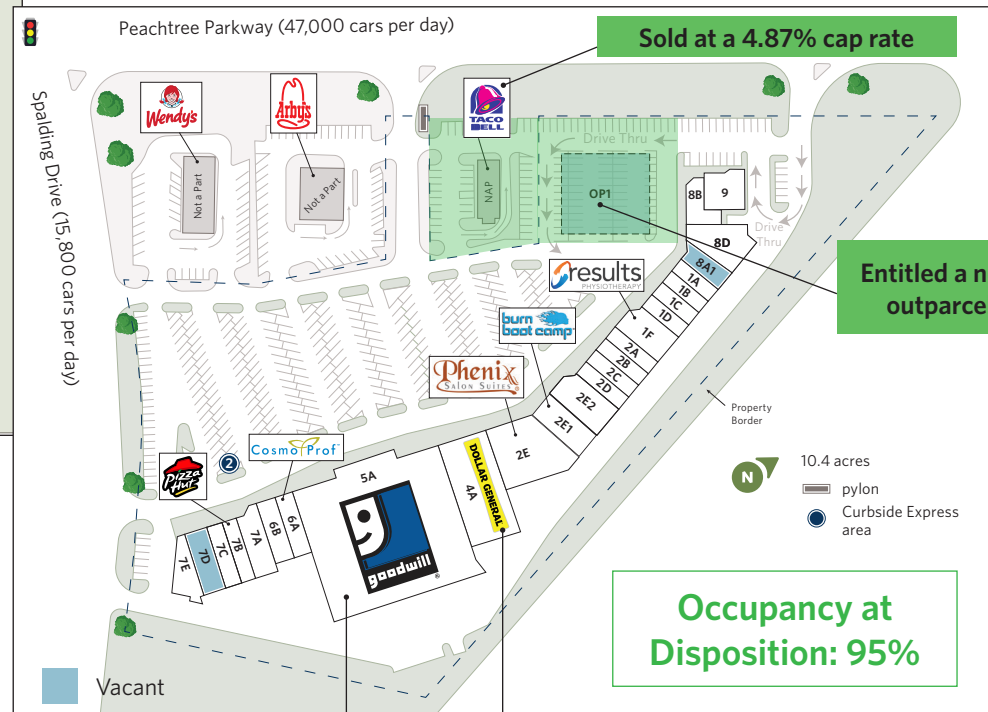
\$8.50 base rent PSF

\$8.00 base rent PSF

**ANCHOR SPACES MARKED-TO-MARKET**

Tenant:	Square Feet	Acquisition Rent:	Disposition Rent:	% Increase to Base Rent:
Goodwill	35,928	\$8.50	<b>\$15.00</b>	<b>76%</b>
Dollar General	8,640	\$8.00	<b>\$13.00</b>	<b>63%</b>

## AT DISPOSITION<sup>1</sup> - \$1.5M IN NOI ▼



\$15.00 base rent PSF

\$13.00 base rent PSF

# Case Study: SVAP III – Realized Asset

PRAIRIE MARKET - OSWEGO, IL (CHICAGO MSA)

## VALUE-ADD LEVER #3

Primary Strategy:  
OUTPARCEL CAP RATE ARBITRAGE



## PROPERTY HIGHLIGHTS

- Sterling acquired Prairie Market, located in the Chicago MSA, from Blackstone in a marketed transaction.
- At the time of acquisition, Prairie Market was a 101,466-square-foot **grocery-anchored shopping center with a total of 10 owned outparcels**.
- Prairie Market is located in a densely populated, affluent western suburb of Chicago with excellent visibility with over 109,000 people earning over \$102,000 annually within a three-mile radius.

## BUSINESS PLAN & EXECUTION

- Sterling identified the opportunity to invest in a grocery-anchored shopping center that included 10 separate **outparcels that could be divested of individually at compressed cap rates**, a financially accretive but operationally arduous task Blackstone was unwilling to undertake.
- In less than four years, Sterling successfully **sold all 10 outparcels separately for a total sale price of \$28.15 million at an average cap rate of 5.91%**, well below the 8.01% acquisition cap rate of the property. After the sale of the outparcels, Sterling owned an approximately 54,000-square-foot grocery-anchored center and over half of an acre of expansion land at essentially no basis.

## ASSET INFORMATION

Property Type:	Grocery-Anchored
GLA:	101,466 SF
Year Built/Renovated:	2009
Leased at Acquisition/Disposition:	98%/89%

## INVESTMENT SNAPSHOT

<b>Acquisition</b>	
Date:	September 21, 2018
Price:	\$28.25 million
Cap Rate:	8.01%
<b>Disposition</b>	
Date:	June 21, 2022
Total Price:	\$36.25 million
Cap Rate:	5.91%
Hold Period:	3.8 years
Total Equity Invested:	\$4.27 million



# Case Study: SVAP III - Realized Asset

PRAIRIE MARKET - OSWEGO, IL (CHICAGO MSA)

## VALUE-ADD LEVER #3

Primary Strategy:  
OUTPARCEL CAP RATE ARBITRAGE

Cap Rate at Acquisition:  
**8.01%**

Average Cap Rate at Disposition:  
**5.91%**

### Panda Express

Sale Date: Dec. 2018  
Sale Price: \$1.96M  
Cap Rate: 4.12%

### Firestone

Sale Date: Jul. 2019  
Sale Price: \$1.98M  
Cap Rate: 5.71%

### Burger King

Sale Date: Oct. 2019  
Sale Price: \$1.85M  
Cap Rate: 5.23%

### Fifth 3rd Bank

Sale Date: Dec. 2020  
Sale Price: \$3.53M  
Cap Rate: 7.04%

### Raising Cane's

Sale Date: Feb. 2021  
Sale Price: \$2.93M  
Cap Rate: 4.44%

### Chase Bank

Sale Date: Apr. 2021  
Sale Price: \$4.98M  
Cap Rate: 4.50%

### Olive Garden

Sale Date: Aug. 2021  
Sale Price: \$2.93M  
Cap Rate: 6.00%

### Aspen Dental

Sale Date: Jan. 2022  
Sale Price: \$3.0M  
Cap Rate: 5.15%

### Vacant Outparcel

Sale Date: Mar. 2022  
Sale Price: \$1.9M  
Cap Rate: N/A

### TGI Fridays

Sale Date: Jun. 2022  
Sale Price: \$3.17M  
Cap Rate: 5.75%



# Case Study: SVAP I – Realized Asset

## CENTER OF WINTER PARK - WINTER PARK, FL (ORLANDO MSA)



### PROPERTY HIGHLIGHTS

- At the time of acquisition, Center of Winter Park was a 258,885-square-foot **power center** that Sterling acquired in an **off-market transaction** from a private seller.
- Center of Winter Park is located in an affluent submarket in Orlando at a major intersection, where the average household income exceeded \$110,000 within a three-mile radius of the property.

### BUSINESS PLAN & EXECUTION

- At acquisition, the property was capital starved and presented an opportunity to realize significant upside through the potential **recapturing and re-tenanting** of the 91,611-square-foot Kmart and a portion of the oversized Office Depot box, both of which were paying well below market rents.
- Sterling was able to gain control of the Kmart box and upgraded the tenancy with the addition of a Marshalls/HomeGoods combination store, Ross Dress for Less, DSW, Petco and Five Below, which complemented the existing co-anchors LA Fitness, Michaels and Office Depot.
- The **new anchors paid a combined 180% increase in base rent** compared to the previous tenant, Kmart. Additionally, Sterling executed a new lease at a 46% higher rental rate per square foot for a downsized Office Depot.
- With a new and best-in-class anchor lineup and widespread aesthetic improvements to the property, Sterling was also able to drive material shop rent increases and attract higher quality small shop tenants.
- NOI at the property increased by 108%** during Sterling's five-year ownership period, which subsequently resulted in **the sale yielding a lower exit cap rate due to the high-quality tenancy**.

## VALUE-ADD LEVER #4

Primary Strategy:  
RECAPTURE & RETENANT

### ASSET INFORMATION

Property Type:	Power Center
GLA:	244,977 SF
Year Built/Renovated:	1964/2004/2017
Leased at Acquisition/Disposition:	94%/97%

### INVESTMENT SNAPSHOT

Acquisition	
Date:	February 28, 2013
Price:	\$27.65 million
Cap Rate:	7.79%
Disposition	
Date:	August 2, 2018
Price:	\$72.75 million
Cap Rate:	6.15%
Hold Period:	5.4 years
Total Equity Invested:	\$14.97 million



# Case Study: SVAP I - Realized Asset

CENTER OF WINTER PARK - WINTER PARK, FL (ORLANDO MSA)

## VALUE-ADD LEVER #4

Primary Strategy:  
RECAPTURE & RETENANT

AT ACQUISITION - \$2.2M IN NOI ▼



**Average Rent PSF**  
At Acquisition: \$9.94  
At Disposition: \$17.23

AT DISPOSITION - \$4.5M IN NOI ▼



**Entry vs. Exit Price**  
Purchase Price: \$27.65M  
Sale Price: \$72.75M



# Case Study: SVAP II – Realized Asset

456 N. RODEO DRIVE - BEVERLY HILLS, CA (LOS ANGELES MSA)



## PROPERTY HIGHLIGHTS

- At the time of acquisition, 456 N. Rodeo Drive was a **high-street retail** property that Sterling acquired in a highly structured, **off-market transaction** from a family trust.
- The 6,200-square-foot vacant building boasted 50 feet of frontage along the world-renowned Rodeo Drive in the Beverly Hills shopping district known as the Golden Triangle, which is one of the world's most desirable high-street retail corridors.

## BUSINESS PLAN & EXECUTION

- To acquire this unique property located on the famed Rodeo Drive, Sterling **creatively structured a 35-year master lease with both a "put" and "call" option exercisable upon the occurrence of certain preconditions**. The deal was structured in such a manner so as to satisfy certain estate and tax requirements of the seller.
- Upon the occurrence of a precondition, the seller exercised its "put" right, obligating Sterling to purchase the property. During the closing period, Sterling negotiated the sale/flip of the property to LVMH, a French-based luxury goods conglomerate, and, ultimately, **executed the sale of the property one day after acquiring the asset at exactly double Sterling's acquisition price**.
- The sale of the property after the one-day ownership period resulted in **\$55 million of profit**.

## VALUE-ADD LEVER #5

### Primary Strategy:

CREATIVELY STRUCTURE DEALS TO SOLVE FOR UNIQUE "SELLER" ISSUES

## ASSET INFORMATION

Property Type:	High Street Retail
GLA:	6,200 SF
Year Built/Renovated:	1948
Leased at Acquisition/Disposition:	0%/0%

## INVESTMENT SNAPSHOT

Acquisition	
Date:	March 27, 2018
Price:	\$55.0 million
Disposition	
Date:	March 28, 2018
Price:	\$110.0 million
Hold Period:	1 day
Total Equity Invested:	\$0.6 million



# Case Study: SVAP II – Realized Asset

456 N. RODEO DRIVE - BEVERLY HILLS, CA (LOS ANGELES MSA)

## VALUE-ADD LEVER #5

### Primary Strategy:

CREATIVELY STRUCTURE DEALS TO SOLVE FOR UNIQUE “SELLER” ISSUES

# IN THE NEWS

**SHOPPING CENTER  
BUSINESS**

Rodeo Drive Retail Property Sells for \$110 Million, Double the Purchase Price from 24 Hours Earlier

**WSJ**

LVMH Pays High Price for Rodeo Drive Property

**COMMERCIAL OBSERVER**

Sterling Flips High-End Rodeo Drive Property in \$110M Sale to LVMH

 **connectcre**

Rodeo Drive Property Sells Twice in 24 Hours, Purchase Price Doubles to \$110M

**Purchase Date: March 27, 2018**  
**Purchase Price: \$55M**



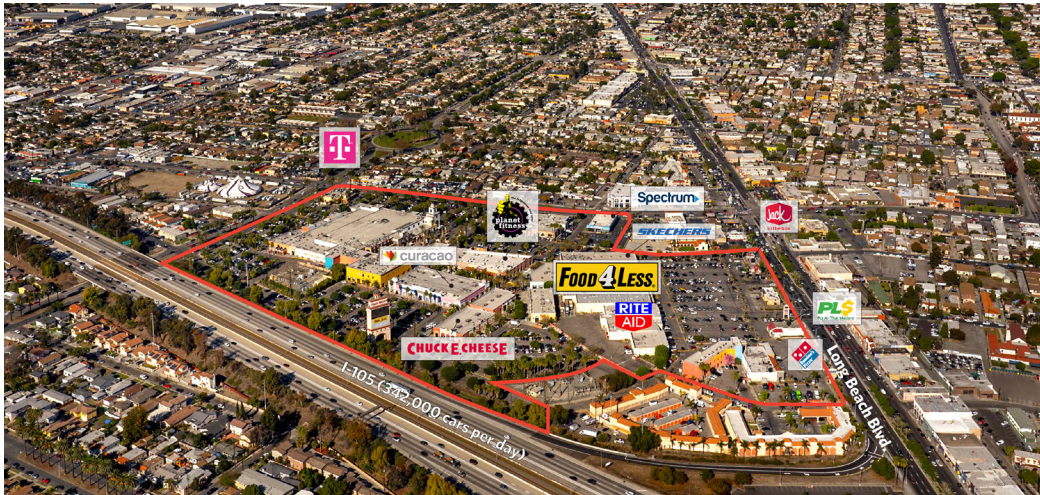
**Sale Date: March 28, 2018**  
**Sale Price: \$110M**

# Case Study: SVAP III – Owned Asset

PLAZA MEXICO - LYNWOOD, CA (LOS ANGELES MSA)

## VALUE-ADD LEVER #6

Primary Strategy:  
DISTRESSED SELLER



### ASSET INFORMATION

Property Type:	Grocery-anchored
GLA:	402,270 SF
Year Built/Renovated:	1972/1996 & 2005
Leased at Acquisition/4Q2023:	85%/91%
Current FMV:	\$178.4 million

### INVESTMENT SNAPSHOT

Acquisition	
Date:	June 30, 2022
Price:	\$164.6 million
Cap Rate:	5.36%



### PROPERTY HIGHLIGHTS

- Plaza Mexico, located in the Los Angeles Area community of Lynwood, is a **grocery-anchored shopping center** anchored by Food 4 Less (Kroger). Sterling acquired the asset out of a bankruptcy process.
- The property is located on nearly 33 acres in a dense, infill city in Los Angeles County at the intersection of Interstates 105 and 710, with a population of 397,434 people and an average household income of approximately \$69,389 within a three-mile radius of the property.

### BUSINESS PLAN & EXECUTION

- As a result of Plaza Mexico's cumbersome bankruptcy process, the sale garnered only two potential bidders willing or able to participate, as the process required the ability and capital to pre-diligence the property and close the transaction all cash.
- Given the property was **acquired out of bankruptcy, previous ownership was clearly distressed** and had capital starved the asset for years, in addition to not investing the requisite capital to secure high-quality, credit tenants at market rental rates.
- Sterling has identified the opportunity to **institutionalize property operations and add value through targeted capital improvements** leading to leasing improvements, both in rent and tenant quality, as well as multiple outparcel value-add opportunities.

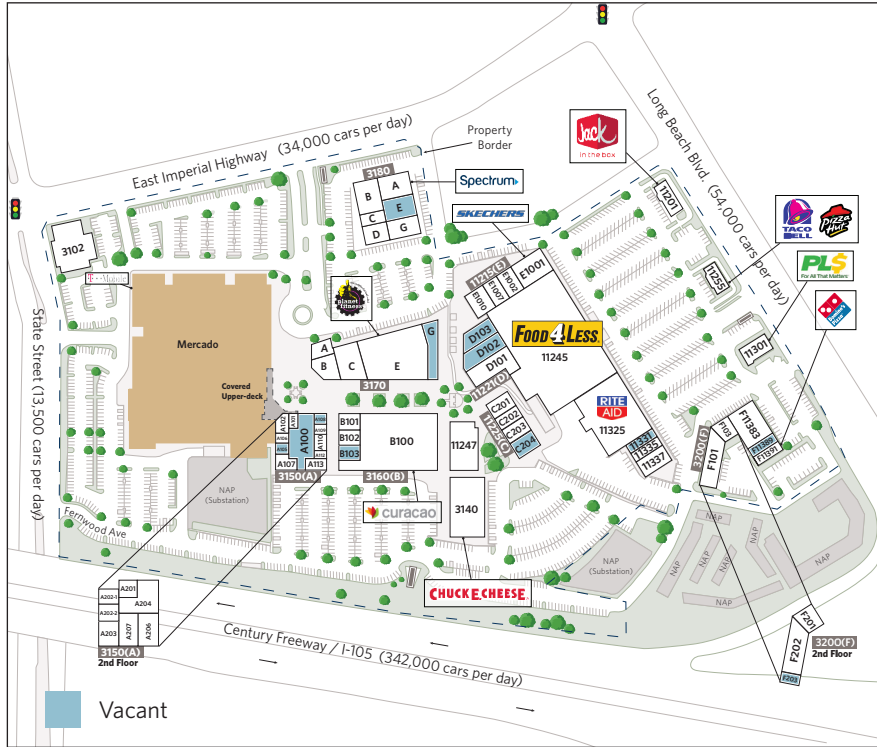
# Case Study: SVAP III - Owned Asset

PLAZA MEXICO - LYNWOOD, CA (LOS ANGELES MSA)

## VALUE-ADD LEVER #6

Primary Strategy:  
DISTRESSED SELLER

### AT ACQUISITION ▼



### CURRENT/OPPORTUNITIES ▼



- Vacant
- Potential Outparcel Redevelopment Area
- Potential Credit Enhancement Opportunity
- Potential Food 4 Less Expansion
- Opportunity to Materially Increase Outparcel Rent, Term and Tenant Quality

# Case Study: SVAP III – Owned Asset

## GLADES PLAZA - BOCA RATON, FL (BOCA RATON MSA)



### PROPERTY HIGHLIGHTS

- Glades Plaza, located in Boca Raton, FL, is a **mixed-use** retail and office property, which is situated on 23.3 acres of irreplaceable real estate less than a half mile from I-95 along Glades Road and across the street from Town Center at Boca Raton. The property was acquired in a marketed transaction.
- The property is comprised of three parcels: (i) a 117,955-square-foot parcel called The Commons; (ii) a 98,655-square-foot twin tower office building; and (iii) a 65,809-square-foot collection of retail buildings known as Glades Plaza.
- The property is located in a dense, infill part of Boca Raton, FL, where the population is over 96,000 with an average household income of approximately \$132,000.

### BUSINESS PLAN & EXECUTION

- Sterling identified the opportunity to own a **centrally located retail asset in South Florida with a plan to execute a large scale redevelopment and densification** of The Commons portion of the property, which is approximately 12 acres of land.
- As part of the first stage of moving towards redevelopment, in 2022, Sterling successfully unencumbered The Commons at Town Center by executing termination agreements and relocating tenants to the neighboring and owned Glades Plaza.
- During the on-going design and entitlement process, Sterling continues to increase rents and lease-up vacancy at Glades Plaza and the twin tower office components of the asset.
- **The contemplated site plan consists of more than 500,000-square-feet of additional GLA versus acquisition**, and includes high-end retail, residential and office components.

Note: Any statements or graphics relating to the execution of Glades Plaza's business plan are forward-looking and contingent upon associated costs being in-line with projections and the successful entitlement and redevelopment of the asset.

## VALUE-ADD LEVER #7

Primary Strategy:  
DENSIFICATION

### ASSET INFORMATION

Property Type:	Mixed-Use
GLA:	281,377 SF
Year Built/Renovated:	1979/2010
Leased at Acquisition/4Q2023:	69%/61%
Current FMV:	\$164.6 million

### INVESTMENT SNAPSHOT

Acquisition	
Date:	December 17, 2019
Price:	\$121.7 million
Cap Rate:	3.60%



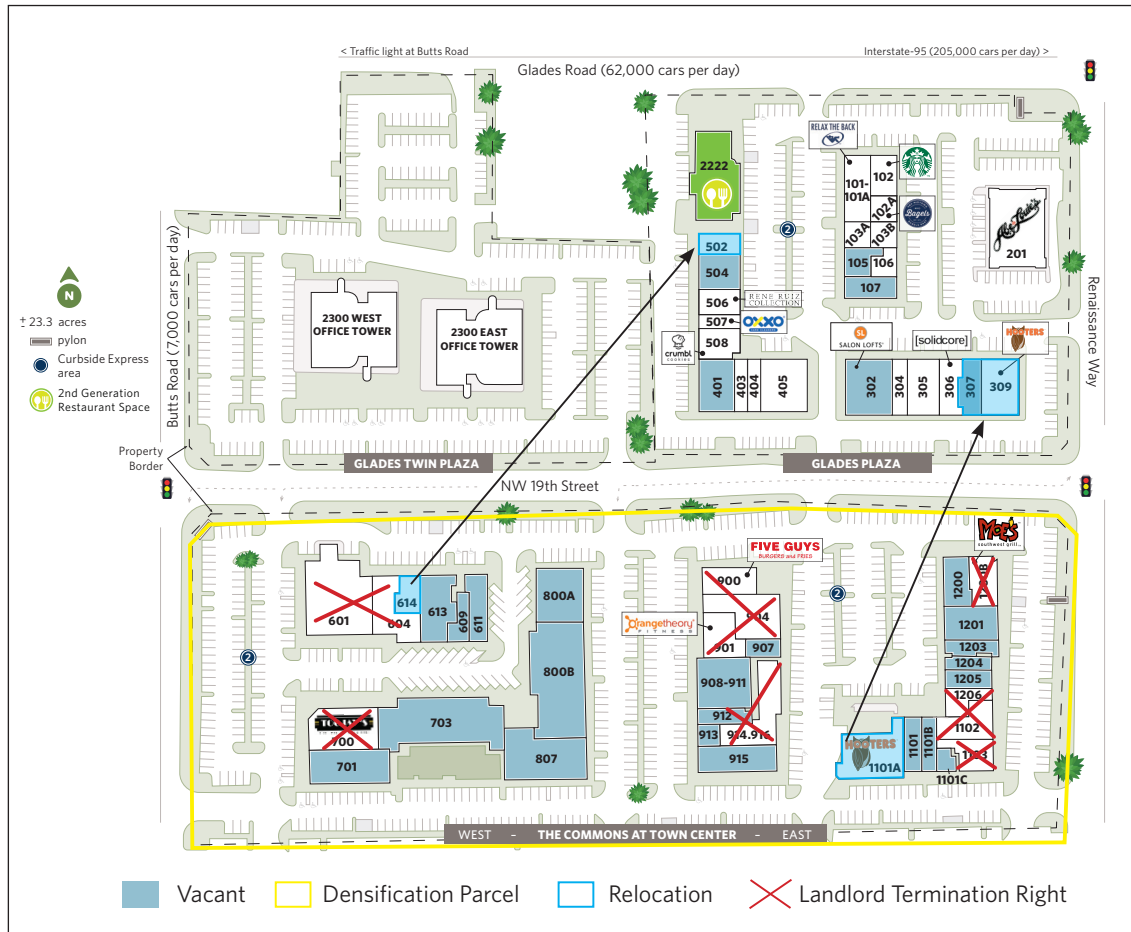
# Case Study: SVAP III - Owned Asset

GLADES PLAZA - BOCA RATON, FL (BOCA RATON MSA)

## VALUE-ADD LEVER #7

Primary Strategy:  
DENSIFICATION

AT ACQUISITION - 280,833 SF ▼



POTENTIAL - UP TO 900,000 SF ▼



Note: Any statements or graphics relating to the execution of Glades Plaza's business plan are forward-looking and contingent upon associated costs being in-line with projections, approval from government officials, and the successful entitlement and redevelopment of the asset.

# SVAP IV First Investment



# Braemar Village Center

Bristow, VA (Washington, D.C. MSA)

Purchase Price:  
\$31,420,000





# Braemar Village Center

Washington, D.C. MSA

**Value-Add Levers:** i) "Last Look" ii) Lease-up and Tenant Quality Upgrade, iii) Mark-to-Market Rent Opportunities, iv) Outparcel Cap Rate Arbitrage & v) Vacant Land for Sale, Lease or Development

## PROPERTY OVERVIEW

<b>Status:</b>	Closed: Owned by SVAP IV
<b>Est. Purchase Price:</b>	\$31,420,000

## ASSET INFORMATION

<b>Property Type:</b>	Grocery-anchored
<b>GLA:</b>	111,635 SF
<b>Year Built/Renovated:</b>	2003
<b>% Leased:</b>	91%
<b>Cap Rate:</b>	7.46%
<b>Deal Sourcing:</b>	Marketed

## DEMOGRAPHICS<sup>1</sup>

	1 Mile	3 Mile	5 Mile
<b>Population:</b>	13,415	50,106	125,112
<b>Avg. HH Income:</b>	\$210,446	\$190,037	\$155,202
<b>Median HH Income:</b>	\$175,286	\$163,882	\$138,718

**Traffic Count:** 41,000 cars per day

1. Source: Regis



# Braemar Village Center

Washington, D.C. MSA

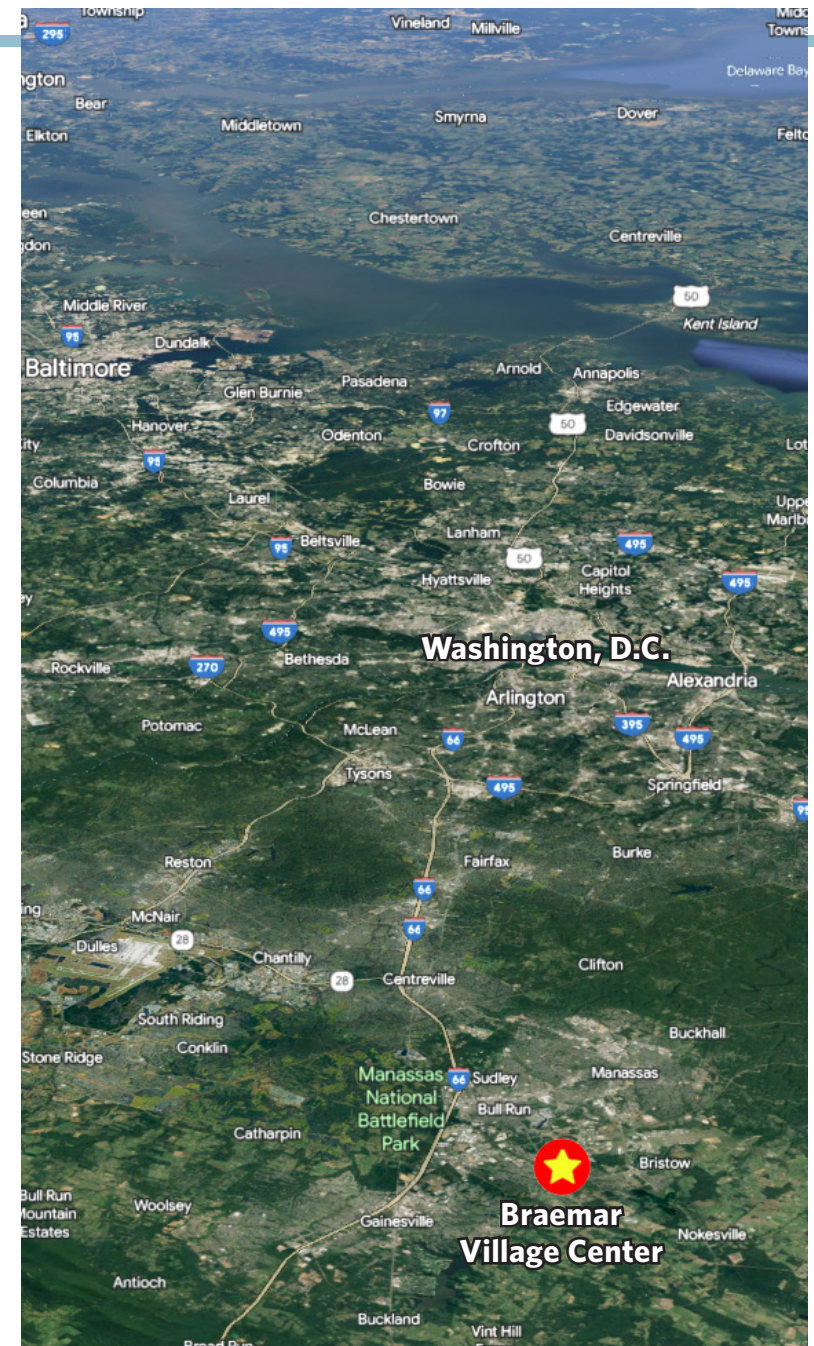
## ACQUISITION

**Braemar Village Center was sold by Regency Centers, with whom Sterling has a longstanding relationship and has transacted with many times.**

BUSINESS PLAN	Done	In Progress	Potential Opportunity
Lease-up small shop vacancy			•
Increase shop rents to market rental rates and improve tenant quality			•
Spin out outparcels at attractive cap rates			•
Develop, ground lease and/or sell vacant land parcels		•	

## HIGHLIGHTS & OPPORTUNITIES

- **Anchored by Safeway** (including fuel station) with three additional freestanding outparcels, Braemar Village Center is a neighborhood shopping center that benefits from a **prime location in the growing (+26% in the last decade) town of Bristow, VA**, an affluent suburb in the Northern Virginia sub-market of Washington, D.C. This property is located off Linton Hall Road (29,356 VPD) and Sudley Manor Drive (20,656 VPD) with **over 50,000 residents within a 3-mile radius boasting average household incomes over \$190,000**.
- **Safeway**, who has been operating at the property since its opening in 2003 and **recently** exercised an extension option. **Their sales (as reported by Safeway) most recently increased over 10% YOY in 2022 to \$28M (\$485 psf), followed by trending to \$30 million (\$520 psf) in 2023.**
- Sterling acquired Braemar Village Center at a going-in **cap rate of 7.46%**, which allowed for **positive leverage at acquisition**.
- With **nearly 9,500 SF of high-quality vacant space, there is an opportunity to grow NOI and enhance value** through lease up, notably including the vacant pad (former Capital One). Additionally, **several shop tenants have upcoming lease expirations and pay below market rent**, which provides further upside potential and the ability to upgrade tenant quality.
- The property features **four separately parceled pads, whose rents and lease terms can be blended and extended and sold off at accretive cap rates (200 basis point spread between going-in and disposition cap rate)** relative to expected pricing for the property. In addition, **vacant land at the hard-corner of Linton Hall Road and Sudley Manor Drive provides the opportunity to add two additional outparcels in the future.**



# Braemar Village Center

Washington, D.C. MSA

## LOAN OVERVIEW<sup>1</sup>

<b>Lender:</b>	Mutual of Omaha
<b>Est. Original Principal Balance:</b>	\$19,200,000
<b>Est. Leverage:</b>	61%
<b>Interest Rate:</b>	6.74%
<b>Amortization:</b>	I/O
<b>Maturity Date:</b>	3/1/2031

1. 1% prepayment penalty after year 3.

## NOTABLE LEASE EXPIRATIONS

Tenant	Sq. Ft.	Rent/Sq. Ft.	Expiration	Options
<b>Safeway</b>	61,860	\$15.50	Jun-29	7 x 5
<b>Bank of America</b>	4,500	26.62	Jan-25	2 x 5
<b>Arby's</b>	3,500	30.11	Jun-25	2 x 5



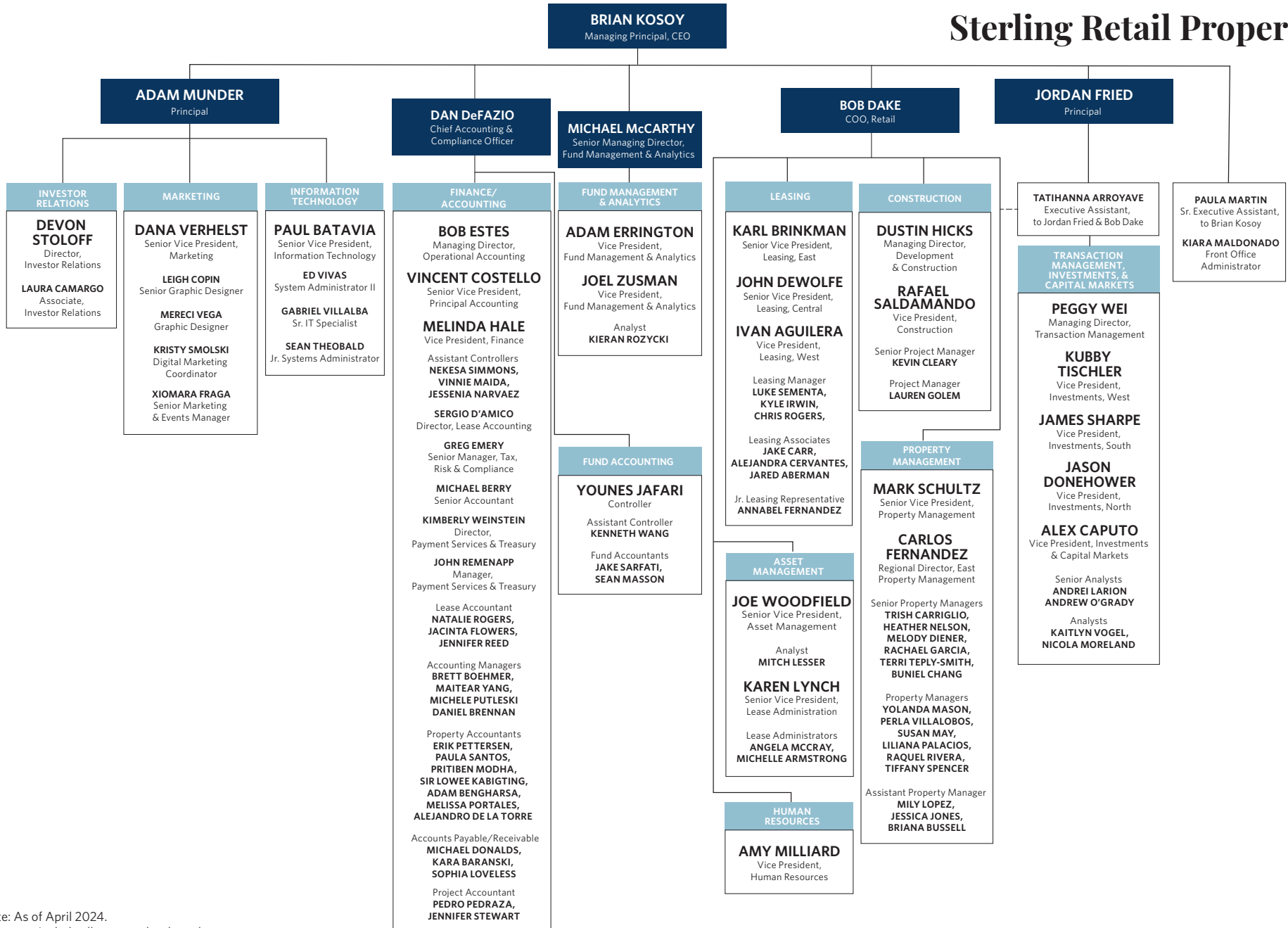
# Sterling Value Add Partners IV – Summary of Terms

<b>Investment:</b>	Sterling Value Add Partners IV, L.P. (together with any parallel funds, the “Fund”)
<b>General Partner:</b>	SVAP IV GP, LLC
<b>Investment Manager:</b>	Sterling Investment Management, LLC
<b>Target Fund Size:</b>	\$500 million, Hard Cap \$600 million
<b>Sponsor Capital Commitment:</b>	The Manager will invest 2.5% of total capital commitments up to \$5 million
<b>Investment Strategy:</b>	SVAP IV is being formed by Sterling Organization to acquire, manage and dispose of value-add investments in retail real estate and mixed-use properties (with a significant retail component), each with a purchase price of at least \$10,000,000, either through a direct investment in real property, the acquisition of debt or debt like instruments secured by real property, or the acquisition of equity securities issued by public or private companies that are primarily engaged in investing in and/or operating retail real estate assets.
<b>Investment Period:</b>	Fourth Anniversary of the Investment Period Commencement Date (December 1, 2022)
<b>Term:</b>	The Fund will terminate upon the ninth anniversary of the expiration of the Investment Period. The General Partner, in its sole discretion, may extend the Term for one additional year. The Term may also be extended for a second additional one-year period upon the consent of the Advisory Committee.
<b>Risk/Return:</b>	Value Add
<b>Preferred Return:</b>	6.5% per annum, cumulative, compounded annually (no catch up)
<b>Promoted Interest:</b>	20%
<b>Management Fees:</b>	1.5% on committed, then invested capital (upon the conclusion of the investment period)
<b>Other Fees<sup>1</sup>:</b>	Fund may hire a Sponsor-related entity to provide property-level real estate services upon substantially the same material terms and conditions charged to other value-add funds managed by Sterling
<b>Advisory Board/Governance:</b>	The Fund shall have an Advisory Committee comprised of representatives from certain of the LPs

Note: See disclaimer on page 2.

1. Sterling is a vertically integrated private equity real estate company. Sterling believes the Fund benefits from the in-house capability to manage and lease properties, oversee construction projects, and execute LOI's and leases. Property-level fees including property management, construction management, leasing and lease administration may be paid to Sterling affiliates. Please see the PPM for a detailed explanation of all fees and specifically “Schedule A” which outlines these property level fees.

# Sterling Retail Properties



Note: As of April 2024.  
 \*Does not include all property level employees.  
 Detailed employee roster available upon request.

# Presenter Biographies



**BRIAN KOSOY**  
*Managing Principal & Chief Executive Officer*

Mr. Kosoy serves as the Managing Principal and Chief Executive Officer for Sterling Organization and its related companies, which he founded in 2007.

His primary responsibilities are to formulate and oversee the firm's vision and to implement its strategy. Mr. Kosoy spearheads the investment activities and capital allocation for the firm and chairs the Investment

Committees for all of the firm's investment vehicles. Along with the firm's Senior Management team, Mr. Kosoy also oversees the firm's operations, asset management and fundraising activities.

Prior to Sterling and its preceding entities, Mr. Kosoy practiced law in New York City at the law firms of Moskowitz, Altman & Hughes and, thereafter Anderson, Kill & Olick P.C., specializing in Real Estate, Corporate and Securities Transactions.

Mr. Kosoy and his wife Andrea are involved in numerous charitable organizations which include the establishment of both the Kosoy Women in Business program at Georgetown University McDonough School of Business and The Brian and Andrea Kosoy Mobile Dimensions in Testimony Fund at the University of Southern California Shoah Foundation.

Mr. Kosoy graduated with a B.A. in Political Science from The University of Western Ontario in Canada and received his law degree from Touro College's Jacob D. Fuchsberg Law Center in New York.



**ADAM MUNDER**  
*Principal*

Mr. Munder is a Principal for Sterling Organization and its related companies. Mr. Munder's responsibilities include sourcing and aligning equity partners for appropriate investment opportunities and raising institutional capital for Sterling's investment funds. Additionally, he oversees investor relations, marketing, and information technology for the firm. Mr. Munder sits on the Investment

Committees for all of the firm's investment vehicles.

Prior to joining Sterling in 2010, Mr. Munder served as the Managing Director of Rednum Capital Partners where he managed a portfolio of retail, office, and multifamily assets. Prior to his work at Rednum Capital Partners, Mr. Munder was an Institutional Product Specialist at Johnson and Johnson and served as the Institutional Sales Director at Lee Munder Capital Group.

Mr. Munder holds a B.A. from Boston College and an M.S. in Real Estate Development from New York University.

## Appendix A\*

\*See full disclaimer on page 2.

Retained investments described herein have not been realized, and actual realized returns on unrealized investments will depend on a variety of factors (including, without limitation, future operating results, market conditions, asset value at the time of disposition, related transaction costs, and timing and manner of sale), all of which may differ either positively or negatively from the assumptions on which the estimates are based. Accordingly, the actual realized returns on unrealized investments may differ materially from Sterling's current estimates.

Note: In addition to the funds in Appendix A, Sterling manages the following fund products: (a) a series of funds which invest in "core" or "stabilized" properties and (b) a series of funds which invest in industrial/logistics properties. Performance information for such properties and funds are available upon request. Sterling's affiliates also manage a legacy portfolio of properties with a value-add risk profile which is generally similar to the contemplated risk profile of the Fund.

# Appendix A - Track Record

## RETAINED AND REALIZED SHOPPING CENTER ACQUISITIONS - STERLING VALUE ADD PARTNERS

as of December 31, 2023

Project	GLA	Anchors	Purchase		Sale			Gross Returns <sup>3,5</sup>				Net Returns <sup>3,5</sup>					
			Date	Price <sup>1</sup>	Date	Price <sup>2</sup>	Equity Invested <sup>3,4</sup>	Distributions <sup>3,4</sup>	NAV <sup>3,4</sup>	DPI	RVPI	TVPI	IRR	DPI	RVPI	TVPI	IRR
<b>Pompano Citi Centre Pompano Beach, FL (Fort Lauderdale MSA)</b>	562,567	JCPenney, Ross Dress For Less, Big Lots, PetSmart, Burlington, T.J. Maxx	Apr-12	\$27,750,000	N/A	N/A	\$42,398,780	\$21,073,887	\$36,314,739	0.50x	0.86x	1.35x	12.1%	0.33x	0.93x	1.26x	8.1%
<b>Golf Mill Shopping Center<sup>6</sup> Niles, IL (Chicago MSA)</b>	1,103,175	JCPenney, Burlington, Target, AMC Theaters, Ross Dress for Less	Aug-14	65,000,000	N/A	N/A	41,626,001	2,366,405	44,106,195	0.06x	1.06x	1.12x	2.0%	(0.11x)	1.13x	1.03x	(2.0%)
<b>RETAINED TOTAL<sup>7</sup></b>	<b>1,665,742</b>			<b>\$92,750,000</b>	<b>N/A</b>	<b>N/A</b>	<b>\$84,024,781</b>	<b>\$23,440,292</b>	<b>\$80,420,934</b>	<b>0.28x</b>	<b>0.96x</b>	<b>1.24x</b>	<b>5.5%</b>	<b>0.11x</b>	<b>1.03x</b>	<b>1.15x</b>	<b>1.4%</b>
<b>Barclay Square Largo, FL (Tampa MSA)</b>	99,054	Walmart Neighborhood Market, Get Fitness, Tuesday Morning	Aug-12	10,829,000	Aug-15	18,900,000	5,084,000	13,035,774	\$-	2.56x	0.00x	2.56x	41.9%	2.40x	0.08x	2.48x	37.9%
<b>Market at Opitz Crossing Woodbridge, VA (Washington, D.C. MSA)</b>	157,724	Price Rite	Nov-13	17,750,000	May-17	29,250,000	7,653,029	20,515,803	-	2.68x	0.00x	2.68x	41.7%	2.52x	0.08x	2.59x	37.6%
<b>Grandview Shopping Center San Antonio, TX</b>	102,954	Sprouts Farmers Market, Dollar General	Dec-12	11,125,000	Sep-17	21,868,000	6,315,334	15,329,510	-	2.43x	0.00x	2.43x	27.8%	2.26x	0.08x	2.34x	23.8%
<b>Center of Winter Park Winter Park, FL (Orlando MSA)</b>	244,977	Michaels, Office Depot, LA Fitness, DSW, Marshalls/HomeGoods, Ross Dress for Less	Feb-13	27,650,000	Aug-18	72,750,000	14,965,621	33,829,329	-	2.26x	0.00x	2.26x	23.1%	2.10x	0.08x	2.17x	19.0%
<b>North DeKalb Mall<sup>8</sup> Decatur, GA (Atlanta MSA)</b>	622,297	Burlington, AMC Theaters, Marshalls	May-14	25,500,000	Sep-21	43,000,000	10,375,820	18,093,381	-	1.74x	0.00x	1.74x	10.3%	1.58x	0.08x	1.66x	6.3%
<b>Cheshire Station Dale City, VA (Washington, D.C. MSA)</b>	105,054	Safeway, Petco	Nov-13	22,250,000	May-22	29,100,000	8,586,577	19,613,142	-	2.28x	0.00x	2.28x	13.5%	2.12x	0.08x	2.20x	9.5%
<b>Hoffman Plaza Hoffman Estates, IL (Chicago MSA)</b>	146,263	Jewel-Osco, Burlington	Oct-12	14,600,000	Jul-22	29,450,000	16,820,244	15,273,747	-	0.91x	0.00x	0.91x	(1.8%)	0.74x	0.08x	0.82x	(5.8%)
<b>209-227 S. State Street Chicago, IL</b>	112,495	N/A	Jul-14	17,350,000	May-23	15,750,000	10,383,788	441,346	-	0.04x	0.00x	0.04x	NM <sup>9</sup>	(0.12x)	0.08x	(0.05x)	NM <sup>9</sup>
<b>REALIZED TOTAL<sup>7</sup></b>	<b>1,590,818</b>			<b>\$147,054,000</b>	<b>\$260,068,000</b>	<b>\$80,184,412</b>	<b>\$136,132,033</b>	<b>\$-</b>	<b>\$-</b>	<b>1.70x</b>	<b>0.00x</b>	<b>1.70x</b>	<b>16.4%</b>	<b>1.53x</b>	<b>0.08x</b>	<b>1.61x</b>	<b>12.3%</b>
<b>FUND TOTAL<sup>10</sup></b>	<b>3,256,560</b>			<b>\$239,804,000</b>	<b>\$260,068,000</b>	<b>\$164,209,193</b>	<b>\$159,572,325</b>	<b>\$80,420,934</b>	<b>0.97x</b>	<b>0.49x</b>	<b>1.46x</b>	<b>11.6%</b>	<b>0.81x</b>	<b>0.57x</b>	<b>1.37x</b>	<b>7.6%</b>	

CONTINUED ON NEXT PAGE



# Appendix A - Track Record

## RETAINED AND REALIZED SHOPPING CENTER ACQUISITIONS - STERLING VALUE ADD PARTNERS

as of December 31, 2023

### Footnotes:

1. Purchase Price includes all post-acquisition capital investments, as applicable.
2. Sale Price includes partial realizations prior to final sale date.
3. Equity Invested and Distributions include all equity actually invested and all distributions actually made through December 31, 2023 and, with respect to Retained Investments, NAV, or Net Asset Value, includes estimated amounts that would have been distributed if the Retained Investments had been hypothetically realized on December 31, 2023 at valuations determined by the Investment Manager utilizing its internal valuation policies based on either (i) the current net operating income of the property, which includes all signed leases, divided by the prevailing market capitalization rate for similar assets as reasonably determined by the Investment Manager, and/or (ii) the most recent third party appraisal of the property or third-party Broker Opinion of Value ("BOV") received with respect to the property, adjusting for any significant capital expenditures resulting in value creation or material changes in income following the appraisal or BOV. Distributions do not take into consideration any tax liability that SVAP I, and/or its limited partners, or affiliates, may or may not have. Because certain return figures included herein are based on a hypothetical liquidation of unrealized investments as of December 31, 2023, these figures do not account for actual target holding periods, the ultimate impact of ongoing business plans or the potential for appreciation and/or depreciation after December 31, 2023. The actual realized returns on the investments included in the track record will depend on, among other factors, the timing and manner of sale, future operating results, market conditions, the value of assets at the time of dispositions, any related transaction costs, and adverse impacts on economic and market conditions, the extent of which is not currently known. Any hypothetical performance has been provided for illustrative purposes only, and is not necessarily, and does not purport to be, indicative, or a guarantee, of future results and, because it does not represent the actual performance of any fund, portfolio or investor, is subject to various risks and limitations that are not applicable to non-hypothetical performance presentations. Any preparation of hypothetical performances involves subjective judgments and is based on underlying assumptions.
4. Equity Invested excludes short-term borrowings from any line of credit and inter-property loans that were or are expected to be repaid in the normal course of business. However, Distributions and NAV are after any outstanding borrowings from any line of credit or inter-property loans were, or will be, repaid.
5. DPI refers to Distributed to Paid-In Capital which compares actual Distributions to actual Equity Invested through December 31, 2023. RVPI refers to Residual Value to Paid-in Capital based on the valuations of the Retained Investments as of December 31, 2023 as described in Note 3 above to Paid-In Capital. TVPI refers to Total Value to Paid-In Capital, which equals DPI plus RVPI. IRR refers to the internal rate of return on Equity Invested using excel XIRR formula based on Equity Invested, Distributions, and NAV through December 31, 2023 and, with respect to Retained Investments, the valuations of the Retained Investments as of December 31, 2023 as described in Note 3 above. Property level Gross DPI, RVPI, TVPI, and IRR are calculated before certain fund-level expenses including, but not limited to, fund organizational or operational expenses, taxes, asset management fees and any carried interest distributions. Property level Net DPI, RVPI, TVPI, and IRR are reduced by the hypothetical impact of certain expenses including management fees and carried interest by calculating the amount of the gross-to-net spread of the Fund Total Gross returns to the Fund Total Net Returns as described in Note 10 below, and applying that amount to the Property level Gross returns. Property level net returns are presented for informational purposes to provide an illustration of the potential impact of fund-level fees and expenses and carried interest on the gross returns. However, such property-level net returns have been calculated on a hypothetical pro forma basis, and therefore reflect certain implicit assumptions that may not be accurate in all cases.
6. Golf Mill Shopping Center was purchased in a 65/35 Co-Investment structure with existing SVAP I investors where the Fund owns 65% and Co-investors own 35%. Equity Invested, Distributions, NAV, and return metrics reflect SVAP I's proportionate share. The Purchase Price for this asset includes \$5.0 million for the acquisition of the Sears parcel in December 2017. The Purchase Price for this asset is presented at 100%.
7. Retained Total investment performance and Realized Total investment performance represent a composite performance result only. The Retained Total composite is comprised of the performance of all unrealized investments, and the Realized Total composite is comprised of the performance of all realized investments. Gross returns and Net returns for each composite has been calculated in a manner consistent with the Property level returns described in Note 5 above, with Net returns reduced by the hypothetical impact of management fees and carried interest by calculating the ratio of the gross-to-net spread of the Fund Total Gross returns to the Fund Total Net Returns as described in Note 10 below, and applying that ratio to the gross returns for each composite.
8. North DeKalb Mall was purchased in a 50/50 joint venture. Equity Invested, Distributions, NAV, and return metrics reflect SVAP I's proportionate share. The Purchase Price for this asset includes \$10.0 million for the acquisition of the Macy's parcel in November 2015. The Purchase Price for this asset is presented at 100%.
9. "NM" (Not Meaningful) is used when IRR calculations are not reliable due to a short holding period for the relevant investment, or are otherwise incalculable in Excel. For the avoidance of doubt, cash flows and capital attributable to any investment listed as "NM" is included in the fund-level totals. Additional information about each applicable investment, including information regarding cash inflows and outflows, is available upon request.
10. Gross returns, including Fund Total Gross DPI, RVPI, TVPI, and IRR are calculated before certain fund-level expenses, including, but not limited to, fund organizational or operational expenses, taxes, asset management fees and any carried interest distributions. Net returns with respect to Fund Total Net DPI, RVPI, TVPI, and IRR are net of said fees and expenses (and calculated using a "blended" management fee and carried interest structure, which is determined with reference to the actual economic terms agreed upon with the limited partners of SVAP I). Accordingly, no investor has actually received these net returns; an individual investor's returns will vary based on differing fee rates, the timing of investment and other factors. The calculations include reduced or no-fee capital, and performance results would be lower if such amounts were excluded. Fund Total Gross IRR is based on the cash flows of all properties included in the SVAP I portfolio. Fund Total Net IRR is based on the cash flows of SVAP I at the fund level. A portion of the initial acquisitions and operating liquidity of some real estate assets in the fund may have utilized the subscription line of credit or short-term borrowings; had the subscription line not been used, the returns may have been different due to the increased time the capital was at risk.

# Appendix A - Track Record

## RETAINED AND REALIZED SHOPPING CENTER ACQUISITIONS - STERLING VALUE ADD PARTNERS II

as of December 31, 2023

Project	GLA	Anchors	Purchase		Sale		Equity Invested <sup>3,4</sup>	Distributions <sup>3,4</sup>	NAV <sup>3,4</sup>	Gross Returns <sup>3,5</sup>				Net Returns <sup>3,5</sup>			
			Date	Price <sup>1</sup>	Date	Price <sup>2</sup>				DPI	RVPI	TVPI	IRR	DPI	RVPI	TVPI	IRR
<b>Roswell Village Shopping Center Roswell, GA (Atlanta MSA)</b>	150,211	Crunch Fitness, Marshalls, Ross Dress for Less	Oct-14	\$10,550,000	N/A	N/A	\$11,646,514	\$5,596,583	\$14,912,595	0.48x	1.28x	1.76x	11.2%	0.25x	1.28x	1.53x	4.8%
<b>Stones River Town Centre Murfreesboro, TN (Nashville MSA)</b>	487,334	JCPenney (NAP), AMC Theatres, Strike and Spare Family Entertainment Center	Mar-15	46,640,000	N/A	N/A	26,760,787	15,830,194	32,516,901	0.59x	1.22x	1.81x	11.1%	0.37x	1.21x	1.58x	4.8%
<b>Roswell Market Center Roswell, GA (Atlanta MSA)</b>	82,029	Autozone	Mar-15	8,628,650	N/A	N/A	5,443,949	2,267,000	10,820,497	0.42x	1.99x	2.40x	15.1%	0.19x	1.98x	2.17x	8.8%
<b>Oceanside Town &amp; Country Oceanside, CA (San Diego MSA)</b>	86,890	Smart & Final Extra!, Crunch Fitness	Sep-15	15,700,000	N/A	N/A	10,291,584	9,871,989	8,855,513	0.96x	0.86x	1.82x	15.3%	0.73x	0.86x	1.59x	8.9%
<b>Lodi Marketplace Lodi, NJ (New York City MSA)</b>	121,664	Amazon Fresh, Aldi, Blink Fitness	Sep-15	16,150,000	N/A	N/A	21,017,530	430,000	27,829,651	0.02x	1.32x	1.34x	6.8%	(0.21x)	1.32x	1.12x	0.5%
<b>Herndon Centre I Herndon, VA (Washington, D.C. MSA)</b>	84,619	Sprouts Farmers Market, LA Fitness	Aug-16	7,000,000	N/A	N/A	12,849,048	2,905,946	12,619,960	0.23x	0.98x	1.21x	4.6%	0.00x	0.98x	0.98x	(1.7%)
<b>Park North Shopping Center San Antonio, TX</b>	635,313	Target, Alamo Drafthouse Cinema, Cost Plus World Market, Pinstack	Sep-16	81,000,000	N/A	N/A	42,859,572	29,171,919	53,198,445	0.68x	1.24x	1.92x	14.8%	0.45x	1.24x	1.69x	8.4%
<b>315 - 319 N. Beverly Drive Beverly Hills, CA (Los Angeles MSA)</b>	14,045	N/A	Nov-16	23,500,000	N/A	N/A	24,315,534	285,000	14,358,848	0.01x	0.59x	0.60x	(10.6%)	(0.21x)	0.59x	0.37x	(17.0%)
<b>Fridley Market Fridley, MN (Minneapolis MSA)</b>	132,594	Cub Foods, Duluth Trading Company	Dec-16	26,750,000	N/A	N/A	10,928,232	9,135,736	16,452,271	0.84x	1.51x	2.34x	17.0%	0.61x	1.50x	2.11x	10.7%
<b>Oak Park Plaza Blaine, MN (Minneapolis MSA)</b>	105,561	Cub Foods, Ace Hardware	Dec-16	16,175,000	N/A	N/A	9,100,135	7,534,249	6,798,884	0.83x	0.75x	1.58x	9.9%	0.60x	0.74x	1.35x	3.5%
<b>Burnsville Market Burnsville, MN (Minneapolis MSA)</b>	137,396	Cub Foods	Dec-16	10,000,000	N/A	N/A	11,257,745	1,913,490	21,262,221	0.17x	1.89x	2.06x	27.8%	(0.06x)	1.89x	1.83x	21.5%
<b>Creekwalk Village Plano, TX (Dallas MSA)</b>	174,484	Barnes & Noble, Old Navy, Petco, DSW, Michaels	Apr-17	24,500,000	N/A	N/A	9,467,597	5,342,037	9,837,601	0.56x	1.04x	1.60x	10.5%	0.34x	1.04x	1.37x	4.2%

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# Appendix A - Track Record

## RETAINED AND REALIZED SHOPPING CENTER ACQUISITIONS - STERLING VALUE ADD PARTNERS II

as of December 31, 2023

Project	GLA	Anchors	Purchase		Sale		Equity Invested <sup>3,4</sup>	Distributions <sup>3,4</sup>	NAV <sup>3,4</sup>	Gross Returns <sup>3,5</sup>				Net Returns <sup>3,5</sup>			
			Date	Price <sup>1</sup>	Date	Price <sup>2</sup>				DPI	RVPI	TVPI	IRR	DPI	RVPI	TVPI	IRR
<b>Pavilion Plaza West Garden Grove, CA (Orange County/Los Angeles MSA)</b>	62,828	Sprouts Farmers Market, Ulta Beauty	May-17	11,000,000	N/A	N/A	18,368,746	-	18,222,751	0.00x	0.99x	0.99x	(0.3%)	(0.23x)	0.99x	0.76x	(6.7%)
<b>110 E. Pearson Street Chicago, IL</b>	9,463	N/A	Mar-18	15,100,000	N/A	N/A	19,738,057	-	7,040,558	0.00x	0.36x	0.36x	(59.1%)	(0.23x)	0.35x	0.13x	(65.4%)
<b>RETAINED TOTAL<sup>6</sup></b>	<b>2,284,431</b>			<b>\$312,693,650</b>		<b>N/A</b>	<b>\$234,045,030</b>	<b>\$90,284,144</b>	<b>\$254,726,696</b>	<b>0.39x</b>	<b>1.09x</b>	<b>1.47x</b>	<b>9.2%</b>	<b>0.16x</b>	<b>1.09x</b>	<b>1.24x</b>	<b>2.9%</b>
<b>456 N. Rodeo Drive<sup>7</sup> Beverly Hills, CA (Los Angeles MSA)</b>	6,200	N/A	Mar-18	\$55,000,000	Mar-18	\$110,000,000	\$642,339	\$52,023,380	\$-	80.99x	0.00x	80.99x	NM <sup>8</sup>	80.76x	0.00x	80.76x	NM <sup>8</sup>
<b>Pasadena Crossroads Pasadena, MD (Baltimore/Washington, D.C. MSA)</b>	308,027	Sprouts Farmers Market, LA Fitness, T.J. Maxx, HomeGoods, Hobby Lobby, DSV, Ulta Beauty, Ashley Furniture	Nov-15	31,635,000	Oct-21	71,070,000	14,049,286	25,145,175	-	1.79x	0.00x	1.79x	13.1%	1.56x	0.00x	1.56x	6.8%
<b>Olivera Crossing Concord, CA (San Francisco MSA)</b>	47,571	Planet Fitness	May-16	11,987,000	Mar-22	17,650,000	5,527,005	11,064,429	-	2.00x	0.00x	2.00x	18.9%	1.78x	0.00x	1.77x	12.6%
<b>Peachtree Parkway Plaza Norcross, GA (Atlanta MSA)</b>	94,117	Goodwill, Dollar General	Oct-15	12,250,000	Jan-23	20,730,000	6,568,101	14,907,595	-	2.27x	0.00x	2.27x	18.5%	2.04x	0.00x	2.04x	12.1%
<b>REALIZED TOTAL<sup>6</sup></b>	<b>455,915</b>			<b>\$110,872,000</b>		<b>\$219,450,000</b>	<b>\$26,786,731</b>	<b>\$103,140,579</b>	<b>-</b>	<b>3.85x</b>	<b>0.00x</b>	<b>3.85x</b>	<b>61.0%</b>	<b>3.62x</b>	<b>0.00x</b>	<b>3.62x</b>	<b>54.6%</b>
<b>FUND TOTAL<sup>9</sup></b>	<b>2,740,346</b>			<b>\$423,565,650</b>		<b>\$219,450,000</b>	<b>\$260,831,761</b>	<b>\$193,424,723</b>	<b>\$254,726,696</b>	<b>0.74x</b>	<b>0.98x</b>	<b>1.72x</b>	<b>15.4%</b>	<b>0.52x</b>	<b>0.97x</b>	<b>1.49x</b>	<b>9.0%</b>

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# Appendix A - Track Record

## RETAINED AND REALIZED SHOPPING CENTER ACQUISITIONS - STERLING VALUE ADD PARTNERS II

as of December 31, 2023

### Footnotes:

1. Purchase Price includes all post-acquisition capital investments, as applicable.
2. Sale Price includes partial realizations prior to final sale date.
3. Equity Invested and Distributions include all equity actually invested and all distributions actually made through December 31, 2023 and, with respect to Retained Investments, NAV, or Net Asset Value, includes estimated amounts that would have been distributed if the Retained Investments had been hypothetically realized on December 31, 2023 at valuations determined by the Investment Manager utilizing its internal valuation policies based on either (i) the current net operating income of the property, which includes all signed leases, divided by the prevailing market capitalization rate for similar assets as reasonably determined by the Investment Manager, and/or (ii) the most recent third party appraisal of the property or third-party Broker Opinion of Value ("BOV") received with respect to the property, adjusting for any significant capital expenditures resulting in value creation or material changes in income following the appraisal or BOV. Distributions do not take into consideration any tax liability that SVAP II, and/or its limited partners, or affiliates, may or may not have. Because certain return figures included herein are based on a hypothetical liquidation of unrealized investments as of December 31, 2023, these figures do not account for actual target holding periods, the ultimate impact of ongoing business plans or the potential for appreciation and/or depreciation after December 31, 2023. The actual realized returns on the investments included in the track record will depend on, among other factors, the timing and manner of sale, future operating results, market conditions, the value of assets at the time of dispositions, any related transaction costs, and adverse impacts on economic and market conditions, the extent of which is not currently known. Any hypothetical performance has been provided for illustrative purposes only, and is not necessarily, and does not purport to be, indicative, or a guarantee, of future results and, because it does not represent the actual performance of any fund, portfolio or investor, is subject to various risks and limitations that are not applicable to non-hypothetical performance presentations. Any preparation of hypothetical performances involves subjective judgments and is based on underlying assumptions.
4. Equity Invested excludes short-term borrowings from any line of credit and inter-property loans that were or are expected to be repaid in the normal course of business. However, Distributions and NAV are after any outstanding borrowings from any line of credit or inter-property loans were repaid.
5. DPI refers to Distributed to Paid-In Capital which compares actual Distributions to actual Equity Invested through December 31, 2023. RVPI refers to Residual Value to Paid-in Capital based on the valuations of the Retained Investments as of December 31, 2023 as described in Note 3 above to Paid-In-Capital. TVPI refers to Total Value to Paid-In Capital, which equals DPI plus RVPI. IRR refers to the internal rate of return on Equity Invested using excel XIRR formula based on Equity Invested, Distributions, and NAV through December 31, 2023 and, with respect to Retained Investments, the valuations of the Retained Investments as of December 31, 2023 as described in Note 3 above. Property level Gross DPI, RVPI, TVPI, and IRR are calculated before certain fund-level expenses including, but not limited to, fund organizational or operational expenses, taxes, asset management fees and any carried interest distributions. Property level Net DPI, RVPI, TVPI, and IRR are reduced by the hypothetical impact of certain expenses including management fees and carried interest by calculating the amount of the gross-to-net spread of the Fund Total Gross returns to the Fund Total Net Returns as described in Note 9 below, and applying that amount to the Property level Gross returns. Property level net returns are presented for informational purposes to provide an illustration of the potential impact of fund-level fees and expenses and carried interest on the gross returns. However, such property-level net returns have been calculated on a hypothetical pro forma basis, and therefore reflect certain implicit assumptions that may not be accurate in all cases..
6. Retained Total investment performance and Realized Total investment performance represent a composite performance result only. The Retained Total composite is comprised of the performance of all unrealized investments, and the Realized Total composite is comprised of the performance of all realized investments. Gross returns and Net returns for each composite has been calculated in a manner consistent with the Property level returns described in Note 5 above, with Net returns reduced by the hypothetical impact of management fees and carried interest by calculating the ratio of the gross-to-net spread of the Fund Total Gross returns to the Fund Total Net Returns as described in Note 9 below, and applying that ratio to the gross returns for each composite.
7. Distributions and NAV with respect to 456 N. Rodeo Drive are before any taxes incurred by the Fund and certain investors. If the returns were calculated after taxes, the returns shown would be reduced.
8. "NM" (Not Meaningful) is used when IRR calculations are not reliable due to a short holding period for the relevant investment, or are otherwise incalculable in Excel. For the avoidance of doubt, cash flows and capital attributable to any investment listed as "NM" is included in the fund-level totals. Additional information about each applicable investment, including information regarding cash inflows and outflows, is available upon request.
9. Gross returns, including Fund Total Gross DPI, RVPI, TVPI, and IRR are calculated before certain fund-level expenses, including, but not limited to, fund organizational or operational expenses, taxes, asset management fees and any carried interest distributions. Net returns with respect to Fund Total Net DPI, RVPI, TVPI, and IRR are net of said fees and expenses (and calculated using a "blended" management fee and carried interest structure, which is determined with reference to the actual economic terms agreed upon with the limited partners of SVAP II). Accordingly, no investor has actually received these net returns; an individual investor's returns will vary based on differing fee rates, the timing of investment and other factors. The calculations include reduced or no-fee capital, and performance results would be lower if such amounts were excluded. Fund Total Gross IRR is based on the cash flows of all properties included in the SVAP II portfolio. Fund Total Net IRR is based on the cash flows of SVAP II at the fund level. A portion of the initial acquisitions and operating liquidity of some real estate assets in the fund may have utilized the subscription line of credit or short-term borrowings; had the subscription line not been used, the returns may have been different due to the increased time the capital was at risk.

# Appendix A - Track Record

## RETAINED AND REALIZED SHOPPING CENTER ACQUISITIONS - STERLING VALUE ADD PARTNERS III

as of December 31, 2023

Project	GLA	Anchors	Purchase		Sale		Equity Invested <sup>3,4</sup>	Distributions <sup>3,4</sup>	NAV <sup>3,4</sup>	Gross Returns <sup>3,5</sup>				Net Returns <sup>3,5</sup>			
			Date	Price <sup>1</sup>	Date	Price <sup>2</sup>				DPI	RVPI	TVPI	IRR	DPI	RVPI	TVPI	IRR
<b>North Ranch Gateway Westlake Village, CA (Los Angeles MSA)</b>	86,695	T.J.Maxx	Aug-18	\$35,000,000	N/A	N/A	\$12,581,793	\$2,256,482	\$16,592,014	0.18x	1.32x	1.50x	8.8%	0.08x	1.21x	1.30x	1.1%
<b>Elliot Plaza Bellevue, WA (Seattle MSA)</b>	50,678	AAA	Dec-18	11,650,000	N/A	N/A	5,648,574	731,411	7,699,148	0.13x	1.36x	1.49x	9.9%	0.03x	1.26x	1.29x	2.2%
<b>Poway Crossings Poway, CA (San Diego MSA)</b>	109,477	LA Fitness, Big 5 Sporting Goods, Dollar Tree	Jun-19	27,000,000	N/A	N/A	9,653,762	2,650,337	12,562,771	0.27x	1.30x	1.58x	12.2%	0.18x	1.20x	1.38x	4.5%
<b>8378-8384 Melrose Avenue Los Angeles, CA</b>	21,379	N/A	Jul-19	20,250,000	N/A	N/A	10,535,856	196,640	12,986,730	0.02x	1.23x	1.25x	6.6%	(0.08x)	1.13x	1.05x	(1.1%)
<b>Glades Plaza Boca Raton, FL (Boca Raton MSA)</b>	281,377	N/A	Dec-19	121,700,000	N/A	N/A	78,905,257	6,058,763	108,982,075	0.08x	1.38x	1.46x	14.6%	(0.02x)	1.28x	1.26x	6.9%
<b>Town Center Colleyville Colleyville, TX (Dallas/Fort Worth MSA)</b>	245,656	Market Street, LOOK Dine-In Cinemas	Feb-20	52,600,000	N/A	N/A	25,851,971	2,207,138	24,253,519	0.09x	0.94x	1.02x	0.7%	(0.01x)	0.83x	0.82x	(6.9%)
<b>Silver Lake Village St. Anthony, MN (Minneapolis MSA)</b>	172,312	Cub Foods, North Memorial Health Clinic, Anytime Fitness	Mar-20	34,910,000	N/A	N/A	11,974,925	4,422,493	19,154,207	0.37x	1.60x	1.97x	23.5%	0.27x	1.49x	1.77x	15.8%
<b>Riverdale Commons Coon Rapids, MN (Minneapolis MSA)</b>	231,312	Five Below, Total Wine & More, Petco, Sportsman's Warehouse, Michaels, HomeGoods	Mar-20	27,600,000	N/A	N/A	9,999,761	6,022,325	13,398,382	0.60x	1.34x	1.94x	24.6%	0.51x	1.23x	1.74x	16.9%
<b>Caton Crossing Plainfield, IL (Chicago MSA)</b>	83,792	Tony's Fresh Market	Mar-20	12,000,000	N/A	N/A	4,606,989	1,466,749	8,634,640	0.32x	1.87x	2.19x	25.7%	0.22x	1.77x	1.99x	18.0%
<b>Stuart's Crossing St. Charles, IL (Chicago MSA)</b>	85,602	Jewel-Osco	Mar-20	12,000,000	N/A	N/A	4,229,271	1,297,252	8,962,833	0.31x	2.12x	2.43x	30.9%	0.21x	2.01x	2.23x	23.2%
<b>39 Stockton Street San Francisco, CA (San Francisco MSA)</b>	10,387	N/A	Dec-21	11,000,000	N/A	N/A	5,258,365	-	2,317,095	0.00x	0.44x	0.44x	(38.2%)	(0.10x)	0.34x	0.24x	(45.9%)

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# Appendix A - Track Record

## RETAINED AND REALIZED SHOPPING CENTER ACQUISITIONS - STERLING VALUE ADD PARTNERS III

as of December 31, 2023

Project	GLA	Anchors	Purchase		Sale		Equity Invested <sup>3,4</sup>	Distributions <sup>3,4</sup>	NAV <sup>3,4</sup>	Gross Returns <sup>3,5</sup>				Net Returns <sup>3,5</sup>			
			Date	Price <sup>1</sup>	Date	Price <sup>2</sup>				DPI	RVPI	TVPI	IRR	DPI	RVPI	TVPI	IRR
<b>Coral Landings III Coral Springs, FL (Fort Lauderdale MSA)</b>	171,490	Aldi, HomeGoods, Best Buy, Jo-Ann Fabrics & Crafts, Five Below	May-22	37,400,000	N/A	N/A	14,083,773	1,436,108	16,095,069	0.10x	1.14x	1.24x	16.2%	0.01x	1.04x	1.04x	8.5%
<b>Plaza Mexico Lynwood, CA (Los Angeles MSA)</b>	402,270	Food 4 Less, Planet Fitness, La Curacao, Rite Aid	Jun-22	164,625,000	N/A	N/A	52,671,793	-	58,440,007	0.00x	1.11x	1.11x	7.3%	(0.10x)	1.00x	0.91x	(0.4%)
<b>The Pointe at Bridgeport Tualatin, OR (Portland MSA)</b>	48,556	Jared, The Galleria of Jewelry	Jul-22	31,500,000	N/A	N/A	12,434,954	-	12,216,130	0.00x	0.98x	0.98x	(1.3%)	(0.10x)	0.88x	0.78x	(8.9%)
<b>Fremont Town Center Fremont, CA (San Francisco MSA)</b>	117,068	Safeway	Apr-23	40,450,000	N/A	N/A	14,251,263	64,000	13,982,704	0.00x	0.98x	0.99x	(2.7%)	(0.09x)	0.88x	0.78x	(10.4%)
<b>RETAINED TOTAL<sup>6</sup></b>	<b>2,118,051</b>			<b>\$639,685,000</b>		<b>N/A</b>	<b>\$272,688,307</b>	<b>\$28,809,698</b>	<b>\$336,277,324</b>	<b>0.11x</b>	<b>1.23x</b>	<b>1.34x</b>	<b>12.0%</b>	<b>0.01x</b>	<b>1.13x</b>	<b>1.14x</b>	<b>4.3%</b>
<b>Public REIT Investment A</b>	N/A	N/A	Apr-20	\$1,869,564	Nov-20	\$3,376,267	\$1,874,764	\$3,368,477	\$-	1.80x	0.00x	1.80x	233.6%	1.70x	(0.11x)	1.60x	226.0%
<b>Hillside Town Center Hillside, IL (Chicago MSA)</b>	164,837	Ross Dress For Less, HomeGoods, Petco, Michaels, dd's Discount	Sep-18	20,000,000	Aug-21	26,775,000	6,053,707	12,135,044	-	2.00x	0.00x	2.00x	32.9%	1.91x	(0.11x)	1.80x	25.2%
<b>8379 Melrose Avenue Los Angeles, CA</b>	3,275	Casper	Jul-19	14,750,000	Apr-22	19,200,000	5,146,403	8,487,892	-	1.65x	0.00x	1.65x	23.9%	1.55x	(0.11x)	1.45x	16.2%
<b>Prairie Market Oswego, IL (Chicago MSA)</b>	101,466	Aldi, PetSmart	Sep-18	28,250,000	Jun-22	36,246,000	4,288,180	12,005,809	-	2.80x	0.00x	2.80x	81.1%	2.70x	(0.11x)	2.60x	73.4%
<b>Public REIT Investment B</b>	N/A	N/A	May-22	11,737,626	Jun-23	14,823,552	11,752,379	15,423,622	-	1.31x	0.00x	1.31x	40.7%	1.22x	(0.11x)	1.11x	33.0%
<b>Bluffs Square Shoppes Jupiter, FL (West Palm Beach MSA)</b>	123,917	Publix, Walgreens	Oct-19	25,775,000	Jul-23	39,050,000	8,086,597	23,248,563	102,033	2.87x	0.01x	2.89x	36.3%	2.78x	(0.09x)	2.69x	28.6%
<b>REALIZED TOTAL<sup>6</sup></b>	<b>393,495</b>			<b>\$102,382,190</b>		<b>\$139,470,819</b>	<b>\$37,202,030</b>	<b>\$74,669,407</b>	<b>\$102,033</b>	<b>2.01x</b>	<b>0.00x</b>	<b>2.01x</b>	<b>41.0%</b>	<b>1.91x</b>	<b>(0.10x)</b>	<b>1.81x</b>	<b>33.3%</b>
<b>FUND TOTAL<sup>7</sup></b>	<b>2,511,546</b>			<b>\$742,067,190</b>		<b>\$139,470,819</b>	<b>\$309,890,337</b>	<b>\$103,479,105</b>	<b>\$336,379,357</b>	<b>0.33x</b>	<b>1.09x</b>	<b>1.42x</b>	<b>15.4%</b>	<b>0.24</b>	<b>0.98x</b>	<b>1.22x</b>	<b>7.7%</b>

# Appendix A - Track Record

## RETAINED AND REALIZED SHOPPING CENTER ACQUISITIONS - STERLING VALUE ADD PARTNERS III

as of December 31, 2023

### Footnotes:

1. Purchase Price includes all post-acquisition capital investments, as applicable.
2. Sale Price includes partial realizations prior to final sale date.
3. Equity Invested and Distributions include all equity actually invested and all distributions actually made through December 31, 2023 and, with respect to Retained Investments, NAV, or Net Asset Value, includes estimated amounts that would have been distributed if the Retained Investments had been hypothetically realized on December 31, 2023 at valuations determined by the Investment Manager utilizing its internal valuation policies based on either (i) the current net operating income of the property, which includes all signed leases, divided by the prevailing market capitalization rate for similar assets as reasonably determined by the Investment Manager, and/or (ii) the most recent third party appraisal of the property or third-party Broker Opinion of Value ("BOV") received with respect to the property, adjusting for any significant capital expenditures resulting in value creation or material changes in income following the appraisal or BOV. Distributions do not take into consideration any tax liability that SVAP III, and/or its limited partners, or affiliates, may or may not have. Because certain return figures included herein are based on a hypothetical liquidation of unrealized investments as of December 31, 2023, these figures do not account for actual target holding periods, the ultimate impact of ongoing business plans or the potential for appreciation and/or depreciation after December 31, 2023. The actual realized returns on the investments included in the track record will depend on, among other factors, the timing and manner of sale, future operating results, market conditions, the value of assets at the time of dispositions, any related transaction costs, and adverse impacts on economic and market conditions, the extent of which is not currently known. Any hypothetical performance has been provided for illustrative purposes only, and is not necessarily, and does not purport to be, indicative, or a guarantee, of future results and, because it does not represent the actual performance of any fund, portfolio or investor, is subject to various risks and limitations that are not applicable to non-hypothetical performance presentations. Any preparation of hypothetical performances involves subjective judgments and is based on underlying assumptions.
4. Equity Invested excludes short-term borrowings from any line of credit and inter-property loans that were or are expected to be repaid in the normal course of business. However, Distributions and NAV are after any outstanding borrowings from any line of credit or inter-property loans were repaid.
5. DPI refers to Distributed to Paid-In Capital which compares actual Distributions to actual Equity Invested through December 31, 2023. RVPI refers to Residual Value to Paid-in Capital based on the valuations of the Retained Investments as of December 31, 2023 as described in Note 3 above to Paid-In-Capital. TVPI refers to Total Value to Paid-In Capital, which equals DPI plus RVPI. IRR refers to the internal rate of return on Equity Invested using excel XIRR formula based on Equity Invested, Distributions, and NAV through December 31, 2023 and, with respect to Retained Investments, the valuations of the Retained Investments as of December 31, 2023 as described in Note 3 above. Property level Gross DPI, RVPI, TVPI, and IRR are calculated before certain fund-level expenses including, but not limited to, fund organizational or operational expenses, taxes, asset management fees and any carried interest distributions. Property level Net DPI, RVPI, TVPI, and IRR are reduced by the hypothetical impact of certain expenses including management fees and carried interest by calculating the amount of the gross-to-net spread of the Fund Total Gross returns to the Fund Total Net Returns as described in Note 7 below, and applying that amount to the Property level Gross returns. Property level net returns are presented for informational purposes to provide an illustration of the potential impact of fund-level fees and expenses and carried interest on the gross returns. However, such property-level net returns have been calculated on a hypothetical pro forma basis, and therefore reflect certain implicit assumptions that may not be accurate in all cases.
6. Retained Total investment performance and Realized Total investment performance represent a composite performance result only. The Retained Total composite is comprised of the performance of all unrealized investments, and the Realized Total composite is comprised of the performance of all realized investments. Gross returns and Net returns for each composite has been calculated in a manner consistent with the Property level returns described in Note 5 above, with Net returns reduced by the hypothetical impact of management fees and carried interest by calculating the ratio of the gross-to-net spread of the Fund Total Gross returns to the Fund Total Net Returns as described in Note 7 below, and applying that ratio to the gross returns for each composite.
7. Gross returns, including Fund Total Gross DPI, RVPI, TVPI, and IRR are calculated before certain fund-level expenses, including, but not limited to, fund organizational or operational expenses, taxes, asset management fees and any carried interest distributions. Net returns with respect to Fund Total Net DPI, RVPI, TVPI, and IRR are net of said fees and expenses (and calculated using a "blended" management fee and carried interest structure, which is determined with reference to the actual economic terms agreed upon with the limited partners of SVAP III). Accordingly, no investor has actually received these net returns; an individual investor's returns will vary based on differing fee rates, the timing of investment and other factors. The calculations include reduced or no-fee capital, and performance results would be lower if such amounts were excluded. Fund Total Gross IRR is based on the cash flows of all properties included in the SVAP III portfolio. Fund Total Net IRR is based on the cash flows of SVAP III at the fund level. A portion of the initial acquisitions and operating liquidity of some real estate assets in the fund may have utilized the subscription line of credit or short-term borrowings; had the subscription line not been used, the returns may have been different due to the increased time the capital was at risk.



**S T E R L I N G**  
O R G A N I Z A T I O N

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# State of Connecticut Retirement Plans and Trust Funds

Performance Report  
As of March 31, 2024

Fund Evaluation Report



## State of Connecticut Retirement Plans and Trust Funds

### Agenda

## Agenda

1. Executive Summary
2. Performance Report as of March 31, 2024
3. Appendix
  - Economic and Market Update as of March 31, 2024
  - Disclaimer, Glossary, and Notes

# Executive Summary



## State of Connecticut Retirement Plans and Trust Funds

### Executive Summary

#### First Quarter 2024 Executive Summary

Category	Results	Notes
Total CRPTF Performance	Positive	4.1%
Performance vs. Benchmark	Negative	4.1% vs. 4.8%
Performance vs. Peer Median	N/A	Data unavailable at this time
Attribution Effects	Negative	Weak relative performance in Private Equity
Compliance with Targets	Not in Compliance (Timing)	Due to changes in asset allocation policy, the Emerging Market Debt Fund and Private Credit fund were outside the policy range

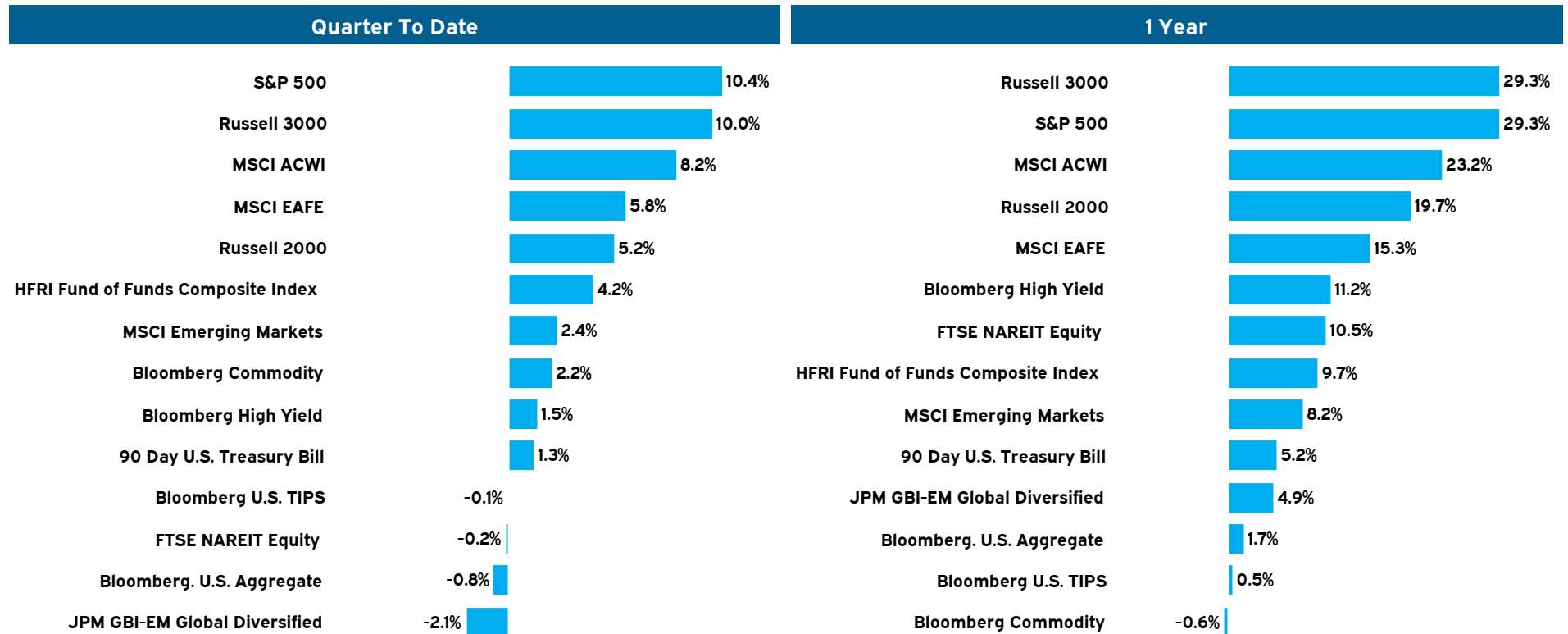
- During the quarter, the CRPTF returned 4.1%, underperforming the Policy Benchmark return of 4.8%.
- An overweight to, and outperformance within global equity was more than offset from weak relative performance in private equity during the quarter. An underweight to, and outperformance within real estate was also helpful during the quarter.
  - Recall, private equity is benchmarked against a public market asset class so tracking error will be higher in the short-term.
- The new asset allocation policy took effect in October 2022, which moved the emerging market debt and private credit outside the policy range.
  - As discussed during the review process, there is a transition plan in place to thoughtfully shift the assets to the new policy.



## State of Connecticut Retirement Plans and Trust Funds

### Executive Summary

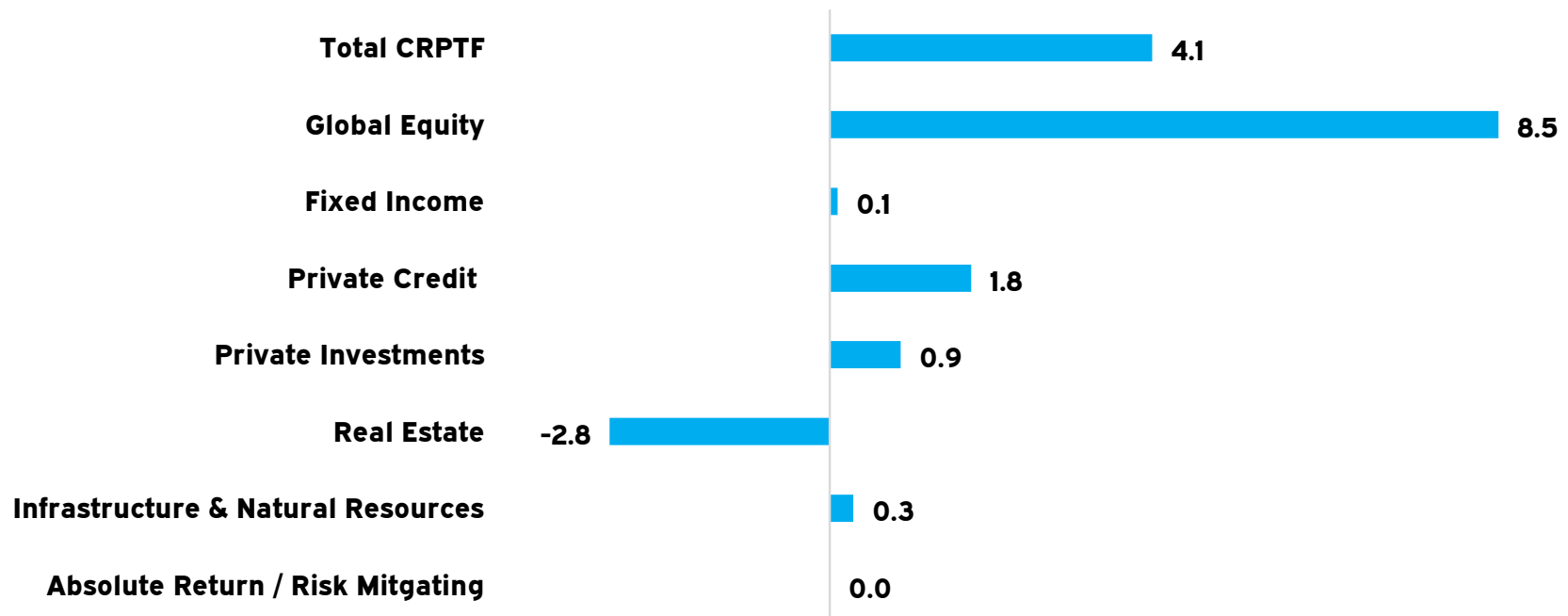
→ Markets have continued to rally, driven by the potential for a soft landing, expectations about coming rate cuts, and technological advances.



## 1Q 2024 CRPTF: Absolute Performance

→ The first quarter of 2024 has been an abnormal time punctuated by a focus on monetary policy, global conflict, and technological advancement.

## Absolute QTD Returns





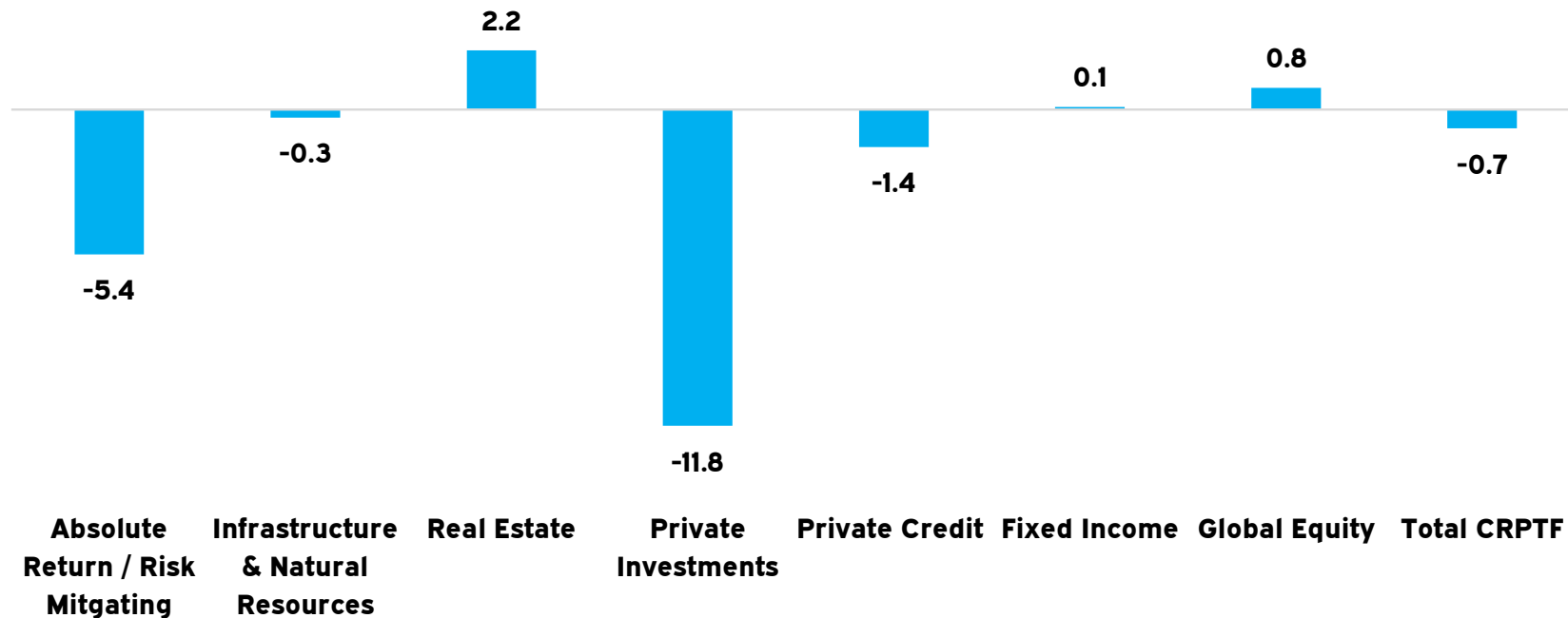
## State of Connecticut Retirement Plans and Trust Funds

### Executive Summary

#### 1Q 2024 CRPTF: Relative Performance

- Respective to each asset class benchmark, real estate was the best performer (+2.2%) and private investments performed the worst (-11.8%).
- Recall, the private investments benchmark is a public index, such that there will be higher tracking error in the short-term.

#### Relative QTD Returns

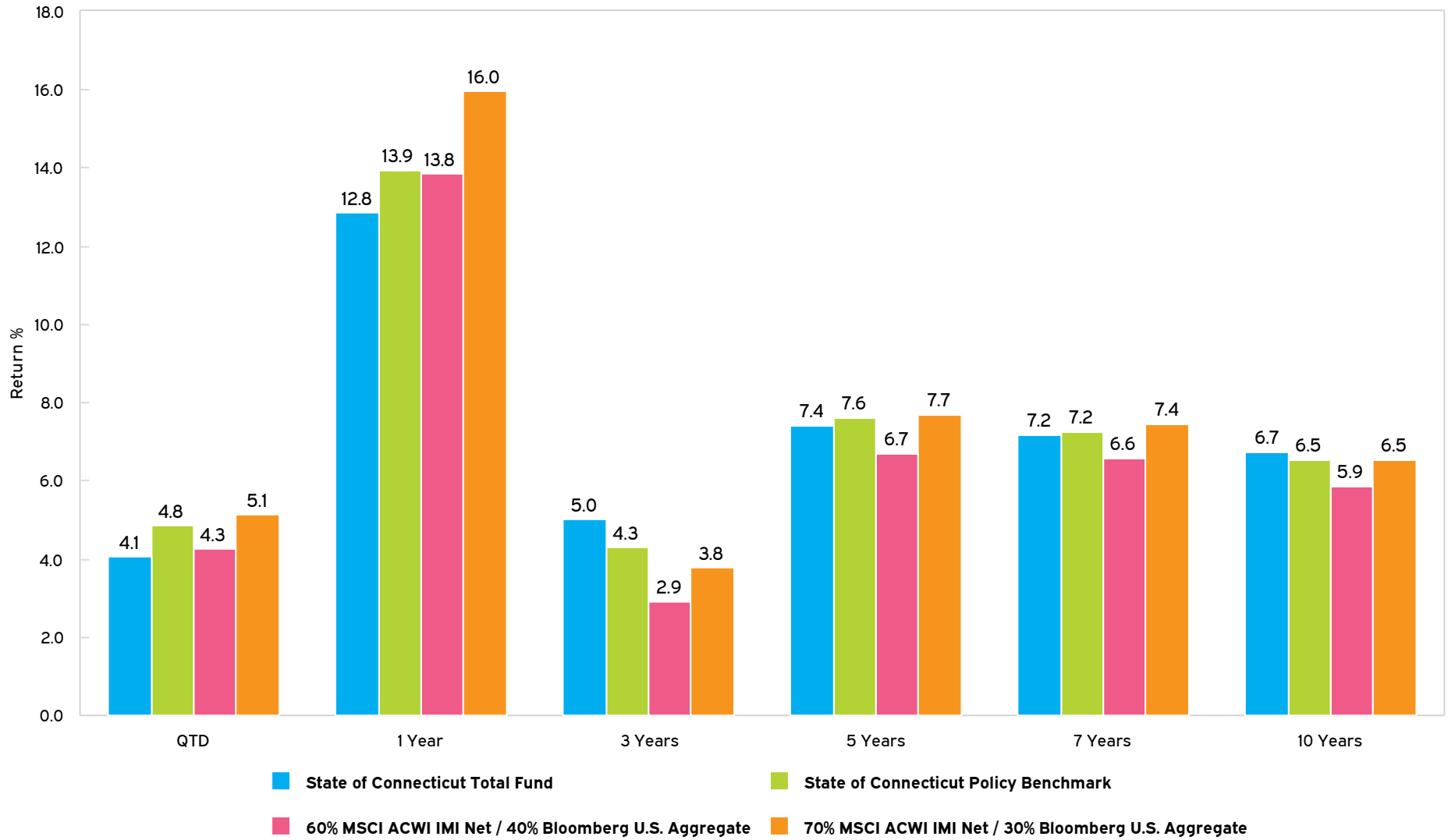




# State of Connecticut Retirement Plans and Trust Funds

## Executive Summary

### Return Summary Ending March 31, 2024



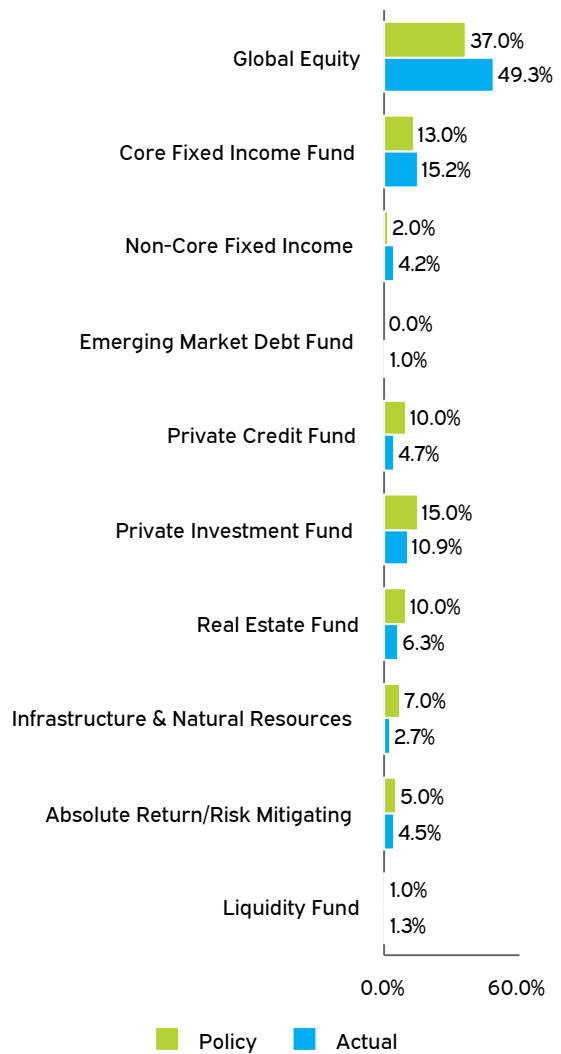


**Performance Report  
As of March 31, 2024**

## State of Connecticut Retirement Plans and Trust Funds

Performance Update | As of March 31, 2024

### Actual vs. Target Allocation



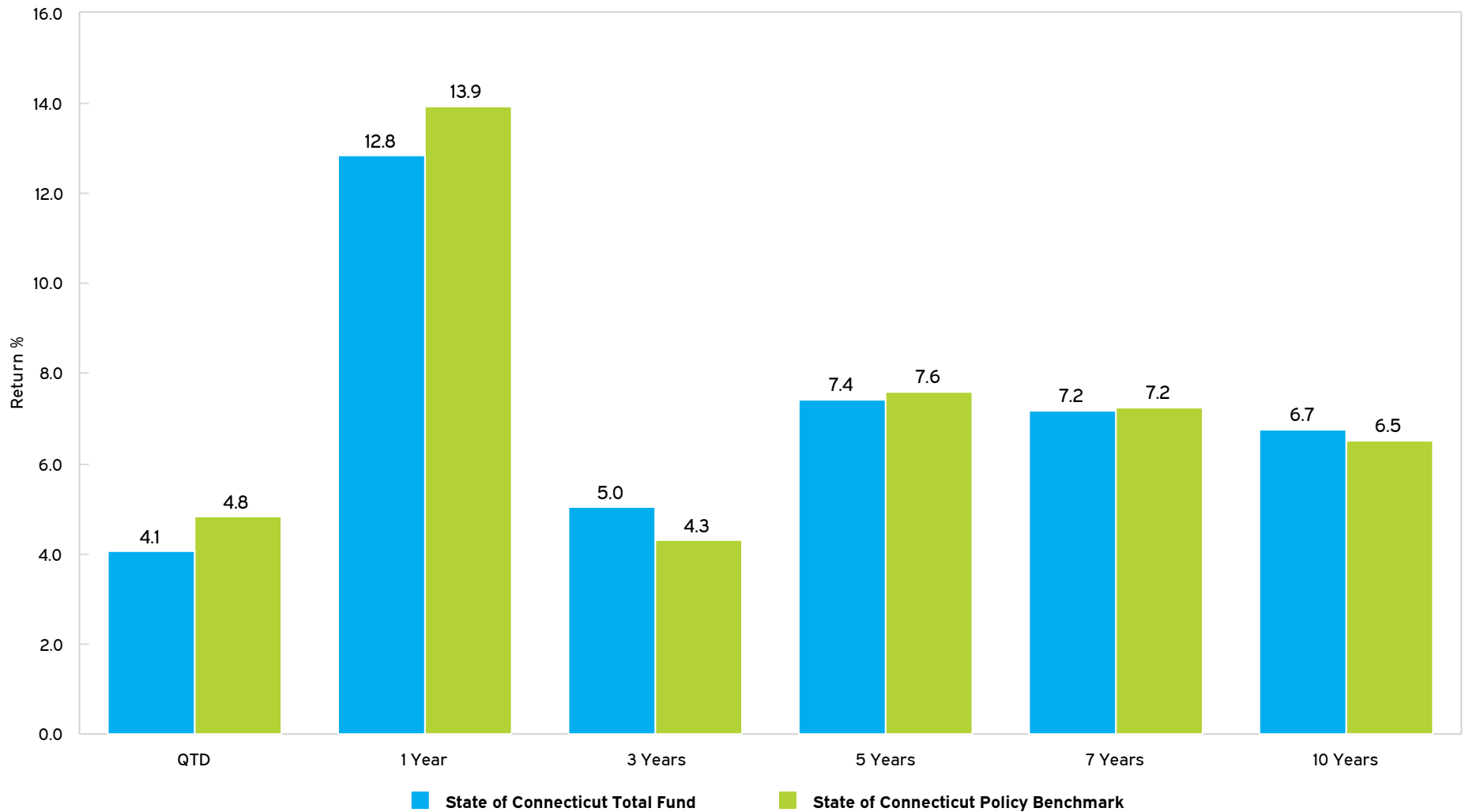
### Allocation vs. Targets and Policy

	Current Balance	Current Allocation (%)	Policy (%)	Difference (%)
Global Equity	\$27,450,254,692	49.3	37.0	12.3
Core Fixed Income Fund	\$8,444,870,353	15.2	13.0	2.2
Non-Core Fixed Income	\$2,323,624,147	4.2	2.0	2.2
Emerging Market Debt Fund	\$545,785,555	1.0	0.0	1.0
Private Credit Fund	\$2,642,200,367	4.7	10.0	-5.3
Private Investment Fund	\$6,049,655,048	10.9	15.0	-4.1
Real Estate Fund	\$3,506,909,575	6.3	10.0	-3.7
Infrastructure & Natural Resources	\$1,498,367,147	2.7	7.0	-4.3
Absolute Return/Risk Mitigating	\$2,529,023,117	4.5	5.0	-0.5
Liquidity Fund	\$698,644,623	1.3	1.0	0.3
<b>Total</b>	<b>\$55,689,334,624</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>

# State of Connecticut Retirement Plans and Trust Funds

Comparative Performance | As of March 31, 2024

## Return Summary Ending March 31, 2024

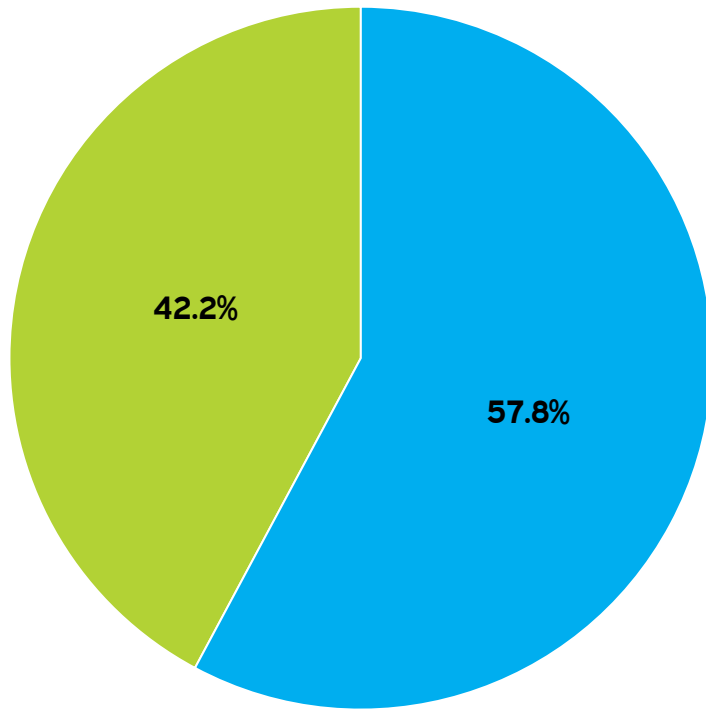


CRPTF performance is calculated by the custodian bank: State Street. The Policy Benchmark is a weighted index calculated using the respective asset class targets and corresponding benchmarks.

## State of Connecticut Retirement Plans and Trust Funds

### Asset Allocation by Style | As of March 31, 2024

#### Total CRPTF



■ Active    ■ Passive

	Active		Passive & Enhanced	
	(\$B)	(%)	(\$B)	(%)
Global Equity	8.6	31	18.9	69
US Equity	1.1	7	15.6	93
Intl Developed	4.3	57	3.3	43
Intl Emerging	3.1	100	0.0	0
Fixed Income	7.6	67	3.7	33
Alternatives	16.2	100		
Liquidity Fund	0.7	100		

The passive allocation includes enhanced index strategies.

## State of Connecticut Retirement Plans and Trust Funds

### Asset Allocation & Performance | As of March 31, 2024

Performance Summary							
	Market Value \$	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
<b>Global Equity</b>	<b>27,450,254,692</b>	<b>100.0</b>	<b>8.5</b>	<b>24.3</b>	<b>6.8</b>	<b>11.3</b>	<b>9.1</b>
<i>Global Equity Benchmark</i>			7.7	22.5	6.6	10.7	8.6
Over/Under			0.8	1.8	0.2	0.6	0.5
<i>MSCI AC World IMI Index (Net)</i>			7.7	22.5	6.3	10.6	8.4
Over/Under			0.8	1.8	0.5	0.7	0.7
<i>eV All Global Equity Median</i>			7.0	18.8	5.7	10.3	8.2
eV All Global Equity Rank			34	29	39	38	37
<b>Domestic Equity Fund</b>	<b>16,674,625,159</b>	<b>60.7</b>	<b>10.5</b>	<b>29.8</b>	<b>10.0</b>	<b>14.4</b>	<b>12.4</b>
<i>Domestic Equity Benchmark</i>			9.8	28.7	9.6	14.2	12.3
Over/Under			0.7	1.1	0.4	0.2	0.1
<i>MSCI USA IMI (Net)</i>			9.8	28.7	9.5	13.9	11.8
Over/Under			0.7	1.1	0.5	0.5	0.6
<i>eV All US Equity Median</i>			8.8	23.2	7.6	11.9	9.9
eV All US Equity Rank			31	24	28	24	22
<b>Developed Markets International Stock Fund</b>	<b>7,640,838,012</b>	<b>27.8</b>	<b>5.3</b>	<b>15.8</b>	<b>5.2</b>	<b>7.9</b>	<b>6.3</b>
<i>Developed Markets Benchmark</i>			5.6	15.3	3.8	7.2	6.0
Over/Under			-0.3	0.5	1.4	0.7	0.3
<i>MSCI EAFE + Canada (Net)</i>			5.6	15.3	4.9	7.5	4.8
Over/Under			-0.3	0.5	0.3	0.4	1.5
<i>eV All EAFE Equity Median</i>			5.1	14.0	3.4	7.2	4.9
eV All EAFE Equity Rank			49	31	23	32	15
<b>Emerging Markets International Stock Fund</b>	<b>3,134,791,521</b>	<b>11.4</b>	<b>5.6</b>	<b>15.2</b>	<b>-2.8</b>	<b>5.6</b>	<b>4.6</b>
<i>Emerging Markets Benchmark</i>			2.2	9.8	-3.9	3.0	3.2
Over/Under			3.4	5.4	1.1	2.6	1.4
<i>MSCI Emerging Markets IMI (Net)</i>			2.2	9.8	-3.9	3.0	3.2
Over/Under			3.4	5.4	1.1	2.6	1.4
<i>eV Emg Mkts Equity Median</i>			3.0	9.8	-3.7	3.6	3.7
eV Emg Mkts Equity Rank			14	25	46	29	28

Global Equity Benchmark: 10/1/2022 to present: 100% MSCI ACWI IMI, prior to this it was a weighted calculation using the respective regional equity asset targets and corresponding benchmarks.

Domestic Equity Benchmark: 10/1/2022 to present: 100% MSCI USA IMI, prior to this it was the Russell 3000 Index.

Developed Markets Benchmark: 10/1/2022 to present: MSCI EAFE + Canada; from 4/1/2019 to 9/30/2022, it was the MSCI EAFE IMI, prior to this it was the MSCI EAFE IMI 50% Hedged Index.

Emerging Markets Benchmark: MSCI EM IMI.

## State of Connecticut Retirement Plans and Trust Funds

### Asset Allocation & Performance | As of March 31, 2024

Performance Summary							
	Market Value \$	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
<b>Total Fixed Income</b>	11,314,280,055	100.0	0.1	5.0	-1.0	1.2	2.1
<i>Custom Fixed Income Benchmark</i>			0.0	4.4	-1.4	1.1	2.2
Over/Under			0.1	0.6	0.4	0.1	-0.1
<b>Core Fixed Income Fund</b>	8,444,870,353	74.6	-0.5	2.5	-2.2	0.6	1.5
<i>Core Fixed Income Benchmark</i>			-0.6	1.7	-2.7	0.2	1.5
Over/Under			0.1	0.8	0.5	0.4	0.0
<i>50% Bbg U.S. Aggregate / 50% Bbg Intermediate Treasury</i>			-0.6	1.7	-1.9	0.5	1.4
Over/Under			0.1	0.8	-0.3	0.1	0.1
<i>eV US Core Fixed Inc Median</i>			-0.5	2.2	-2.2	0.7	1.8
eV US Core Fixed Inc Rank			51	33	46	65	81
<b>Non-Core Fixed Income</b>	2,323,624,147	20.5	1.7	10.8	2.8	4.7	4.3
<i>Blmbg. U.S. High Yield - 2% Issuer Cap</i>			1.5	11.2	2.2	4.2	4.4
Over/Under			0.2	-0.4	0.6	0.5	-0.1
<i>eV US High Yield Fixed Inc Median</i>			1.5	10.4	2.3	4.0	4.1
eV US High Yield Fixed Inc Rank			44	32	33	23	37
<b>Emerging Markets Debt Fund</b>	545,785,555	4.8	0.7	8.4	-0.9	0.4	1.6
<i>Spliced 50% JPM EMBI Global Diversified / 50% GBI EM Global Diversified</i>			-0.1	8.1	-1.5	0.5	1.4
Over/Under			0.8	0.3	0.6	-0.1	0.2
<i>eV Emg Mkts Fixed Inc - Blended Currency Median</i>			1.3	10.5	-0.4	1.5	2.1
eV Emg Mkts Fixed Inc - Blended Currency Rank			69	77	70	83	67

Custom Fixed Income Benchmark: Dynamic weights of the Core Fixed Income, Non-Core Fixed Income, and Emerging Markets Debt composites multiplied by their respective benchmarks.  
 Core Fixed Income Benchmark: 10/1/2022 to present: 50% Bloomberg U.S. Aggregate / 50% Bloomberg U.S. Treasury Intermediate, prior to this it was the Bloomberg U.S. Aggregate.

## State of Connecticut Retirement Plans and Trust Funds

### Asset Allocation & Performance | As of March 31, 2024

Performance Summary							
	Market Value \$	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
<b>Total Alternative Investment</b>	16,226,155,254	100.0	0.0	2.0	7.5	7.1	8.0
<b>Private Credit Fund</b>	2,642,200,367	16.3	1.8	10.8	9.5	--	--
<i>S&amp;P/LSTA Leveraged Loan + 150bps 1Q Lagged</i>			3.2	15.0	7.3	7.4	6.0
Over/Under			-1.4	-4.2	2.2	--	--
<b>Private Investment Fund</b>	6,049,655,048	37.3	0.9	5.6	14.7	15.8	14.4
<i>Russell 3000 + 250bp 1Q Lagged</i>			12.7	29.0	11.1	17.7	13.3
Over/Under			-11.8	-23.4	3.6	-1.9	1.1
<b>Real Estate</b>	3,506,909,575	21.6	-2.8	-6.7	5.8	4.7	7.0
<i>Real Estate Benchmark</i>			-5.0	-12.7	4.0	3.4	6.3
Over/Under			2.2	6.0	1.8	1.3	0.7
<i>NCREIF ODCE (Net) (1Q Lag)</i>			-5.0	-12.7	4.0	3.3	6.3
Over/Under			2.2	6.0	1.8	1.4	0.7
<b>Infrastructure &amp; Natural Resources</b>	1,498,367,147	9.2	0.3	5.4	7.9	--	--
<i>CPI + 400bp 1Q Lagged</i>			0.6	7.5	9.7	--	--
Over/Under			-0.3	-2.1	-1.8	--	--
<b>Absolute Return/Risk Mitigating</b>	2,529,023,117	15.6	0.0	-1.0	-0.2	0.8	1.8
<i>Absolute Return/Risk Mitigating Benchmark</i>			5.4	5.3	1.0	2.3	1.7
Over/Under			-5.4	-6.3	-1.2	-1.5	0.1
<i>90-day T-Bills +3%</i>			2.0	8.4	5.7	5.1	4.4
Over/Under			-2.0	-9.4	-5.9	-4.3	-2.6
<i>HFR1 FOF: Diversified Index</i>			4.1	9.2	3.4	5.2	3.7
Over/Under			-4.1	-10.2	-3.6	-4.4	-1.9

Real Estate Benchmark: 4/1/2019 to present: 100% NCREIF ODCE 1Q Lag, prior to this it was the NCREIF Property Index.

Absolute Return/Risk Mitigating Benchmark: Dynamic Weighted Strategy HFRX Blend.

## State of Connecticut Retirement Plans and Trust Funds

### Asset Allocation & Performance | As of March 31, 2024

Fiscal Year Performance									
	Market Value \$	% of Portfolio	Fiscal 2023 (%)	Fiscal 2022 (%)	Fiscal 2021 (%)	Fiscal 2020 (%)	Fiscal 2019 (%)	Fiscal 2018 (%)	Fiscal 2017 (%)
<b>State of Connecticut Total Fund</b>	<b>55,689,334,624</b>	<b>100.0</b>	<b>8.5</b>	<b>-7.6</b>	<b>24.3</b>	<b>1.9</b>	<b>5.9</b>	<b>7.0</b>	<b>14.2</b>
<i>State of Connecticut Policy Benchmark</i>			5.9	-6.9	23.8	3.1	6.5	7.2	12.6
<b>Global Equity</b>	<b>27,450,254,692</b>	<b>49.3</b>	<b>17.4</b>	<b>-16.4</b>	<b>41.7</b>	<b>1.9</b>	<b>4.4</b>	<b>9.7</b>	<b>22.1</b>
<i>Global Equity Benchmark</i>			15.9	-15.8	39.3	2.1	5.7	10.7	18.8
<i>MSCI AC World IMI Index (Net)</i>			16.1	-16.5	40.9	1.2	4.6	11.1	19.0
<b>Domestic Equity Fund</b>	<b>16,674,625,159</b>	<b>29.9</b>	<b>19.8</b>	<b>-14.0</b>	<b>43.7</b>	<b>6.8</b>	<b>8.4</b>	<b>14.8</b>	<b>19.3</b>
<i>Domestic Equity Benchmark</i>			18.7	-13.9	44.2	6.5	9.0	14.8	18.5
<i>MSCI USA IMI (Net)</i>			18.6	-14.1	43.8	6.1	8.3	14.3	17.7
<b>Developed Markets International Stock Fund</b>	<b>7,640,838,012</b>	<b>13.7</b>	<b>20.3</b>	<b>-18.1</b>	<b>35.0</b>	<b>-4.9</b>	<b>0.4</b>	<b>6.6</b>	<b>24.8</b>
<i>Developed Markets Benchmark</i>			17.1	-18.7	33.6	-3.9	1.8	8.3	22.4
<i>MSCI EAFE + Canada (Net)</i>			17.4	-16.8	33.6	-5.4	1.3	7.0	19.5
<b>Emerging Markets International Stock Fund</b>	<b>3,134,791,521</b>	<b>5.6</b>	<b>6.2</b>	<b>-25.4</b>	<b>46.1</b>	<b>0.0</b>	<b>2.9</b>	<b>4.7</b>	<b>23.0</b>
<i>Emerging Markets Benchmark</i>			3.2	-24.8	43.2	-4.0	0.5	7.9	22.8
<i>MSCI Emerging Markets IMI (Net)</i>			3.2	-24.8	43.2	-4.0	0.5	7.9	22.8
<b>Total Fixed Income</b>	<b>11,314,280,055</b>	<b>20.3</b>	<b>3.7</b>	<b>-13.0</b>	<b>5.9</b>	<b>3.2</b>	<b>6.8</b>	<b>0.7</b>	<b>5.9</b>
<i>Custom Fixed Income Benchmark</i>			2.5	-12.4	2.7	6.4	8.2	-0.2	2.2
<b>Core Fixed Income Fund</b>	<b>8,444,870,353</b>	<b>15.2</b>	<b>-0.3</b>	<b>-10.9</b>	<b>0.5</b>	<b>8.7</b>	<b>6.7</b>	<b>-0.9</b>	<b>1.9</b>
<i>Core Fixed Income Benchmark</i>			-1.8	-10.3	-0.3	8.7	7.9	-0.4	-0.3
<i>50% Bbg U.S. Aggregate / 50% Bbg Intermediate Treasury</i>			-1.0	-8.3	-0.8	7.9	7.0	-0.6	-0.8
<b>Non-Core Fixed Income</b>	<b>2,323,624,147</b>	<b>4.2</b>	<b>9.8</b>	<b>-11.4</b>	<b>17.2</b>	<b>-0.8</b>	<b>5.8</b>	<b>2.6</b>	<b>12.6</b>
<i>Blmbg. U.S. High Yield - 2% Issuer Cap</i>			9.1	-12.8	15.3	0.0	7.5	2.6	12.7

Fiscal year ends June 30th.



## State of Connecticut Retirement Plans and Trust Funds

### Asset Allocation & Performance | As of March 31, 2024

	Market Value \$	% of Portfolio	Fiscal 2023 (%)	Fiscal 2022 (%)	Fiscal 2021 (%)	Fiscal 2020 (%)	Fiscal 2019 (%)	Fiscal 2018 (%)	Fiscal 2017 (%)
<b>Emerging Markets Debt Fund</b>	<b>545,785,555</b>	<b>1.0</b>	<b>9.1</b>	<b>-20.1</b>	<b>10.1</b>	<b>-5.1</b>	<b>10.1</b>	<b>-1.8</b>	<b>9.1</b>
<i>Spliced 50% JPM EMBI Global Diversified / 50% GBI EM Global Diversified</i>			<i>9.4</i>	<i>-20.2</i>	<i>7.1</i>	<i>-1.1</i>	<i>10.8</i>	<i>-1.9</i>	<i>6.3</i>
<b>Private Credit Fund</b>	<b>2,642,200,367</b>	<b>4.7</b>	<b>3.4</b>	<b>12.2</b>	<b>17.0</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>S&amp;P/LSTA Leveraged Loan + 150bps 1Q Lagged</i>			<i>4.1</i>	<i>4.8</i>	<i>22.5</i>	<i>-7.8</i>	<i>4.5</i>	<i>6.0</i>	<i>11.4</i>
<b>Private Investment Fund</b>	<b>6,049,655,048</b>	<b>10.9</b>	<b>-2.0</b>	<b>26.9</b>	<b>46.1</b>	<b>4.0</b>	<b>15.6</b>	<b>15.6</b>	<b>11.0</b>
<i>Russell 3000 + 250bp 1Q Lagged</i>			<i>-6.3</i>	<i>14.2</i>	<i>65.0</i>	<i>-6.6</i>	<i>11.3</i>	<i>14.4</i>	<i>17.9</i>
<b>Real Assets Fund</b>	<b>5,005,276,722</b>	<b>9.0</b>	<b>-1.2</b>	<b>10.4</b>	<b>6.5</b>	<b>2.1</b>	<b>6.4</b>	<b>8.7</b>	<b>7.4</b>
<i>Real Assets Benchmark</i>			<i>-2.5</i>	<i>14.8</i>	<i>4.2</i>	<i>5.0</i>	<i>6.4</i>	<i>7.1</i>	<i>7.3</i>
<b>Real Estate</b>	<b>3,506,909,575</b>	<b>6.3</b>	<b>-2.8</b>	<b>21.2</b>	<b>6.5</b>	<b>2.6</b>	<b>6.4</b>	<b>8.7</b>	<b>7.4</b>
<i>Real Estate Benchmark</i>			<i>-3.9</i>	<i>27.3</i>	<i>1.5</i>	<i>3.9</i>	<i>6.6</i>	<i>7.1</i>	<i>7.4</i>
<i>NCREIF ODCE (Net) (1Q Lag)</i>			<i>-3.9</i>	<i>27.3</i>	<i>1.5</i>	<i>3.9</i>	<i>6.5</i>	<i>7.1</i>	<i>7.4</i>
<b>Infrastructure &amp; Natural Resources</b>	<b>1,498,367,147</b>	<b>2.7</b>	<b>11.3</b>	<b>5.2</b>	<b>4.9</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>CPI + 400bp 1Q Lagged</i>			<i>9.2</i>	<i>12.7</i>	<i>6.6</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
<b>Absolute Return/Risk Mitigating</b>	<b>2,529,023,117</b>	<b>4.5</b>	<b>-1.1</b>	<b>-1.4</b>	<b>9.6</b>	<b>-3.8</b>	<b>3.8</b>	<b>4.7</b>	<b>8.5</b>
<i>Absolute Return/Risk Mitigating Benchmark</i>			<i>-0.5</i>	<i>-2.1</i>	<i>2.6</i>	<i>5.3</i>	<i>5.3</i>	<i>1.4</i>	<i>0.5</i>
<b>Liquidity Fund</b>	<b>698,644,623</b>	<b>1.3</b>	<b>4.3</b>	<b>0.3</b>	<b>0.1</b>	<b>1.6</b>	<b>2.5</b>	<b>1.6</b>	<b>1.0</b>
<i>Liquidity Fund Benchmark</i>			<i>2.6</i>	<i>-1.7</i>	<i>0.1</i>	<i>2.7</i>	<i>3.1</i>	<i>0.7</i>	<i>0.2</i>
<i>ICE BofA 3 Month U.S. T-Bill</i>			<i>3.6</i>	<i>0.2</i>	<i>0.1</i>	<i>1.6</i>	<i>2.3</i>	<i>1.4</i>	<i>0.5</i>

Fiscal year ends June 30th.

## State of Connecticut Retirement Plans and Trust Funds

MPT Stats By Group | As of March 31, 2024

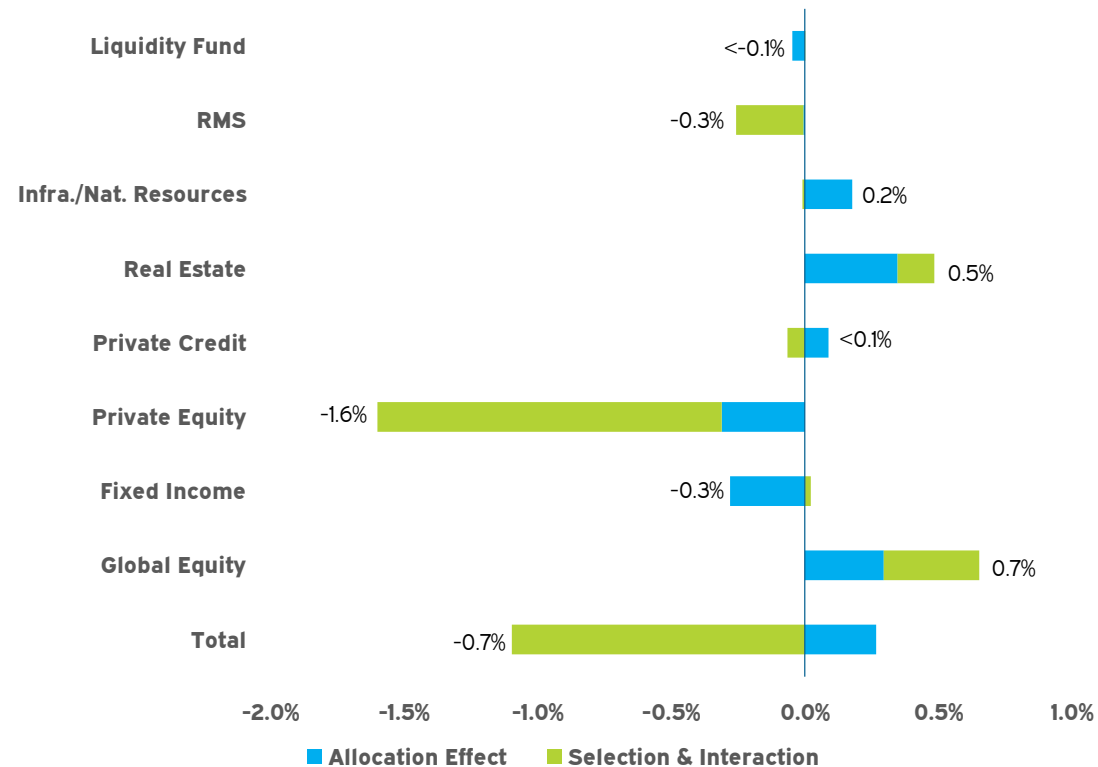
Risk Return Statistics		
	3 Yrs (%)	5 Yrs (%)
	State of Connecticut Total Fund	State of Connecticut Total Fund
<b>RETURN SUMMARY STATISTICS</b>		
Maximum Return	5.1	6.2
Minimum Return	-5.4	-10.5
Return	5.0	7.4
Excess Return	2.8	5.7
Excess Performance	0.7	-0.2
<b>RISK SUMMARY STATISTICS</b>		
Beta	1.1	1.1
Upside Risk	6.9	7.7
Downside Risk	5.7	6.8
<b>RISK/RETURN SUMMARY STATISTICS</b>		
Standard Deviation	8.8	10.0
Sortino Ratio	0.5	0.8
Alpha	0.5	-0.8
Sharpe Ratio	0.3	0.6
Excess Risk	8.7	10.0
Tracking Error	3.2	3.6
Information Ratio	0.2	0.0
<b>CORRELATION STATISTICS</b>		
R-Squared	0.9	0.9
Actual Correlation	0.9	0.9

The 90 Day U.S. Treasury Bill is being used as the risk free rate.

## State of Connecticut Retirement Plans and Trust Funds

State of Connecticut Retirement Plans and Trust Funds | As of March 31, 2024

### First Quarter 2024 Attribution



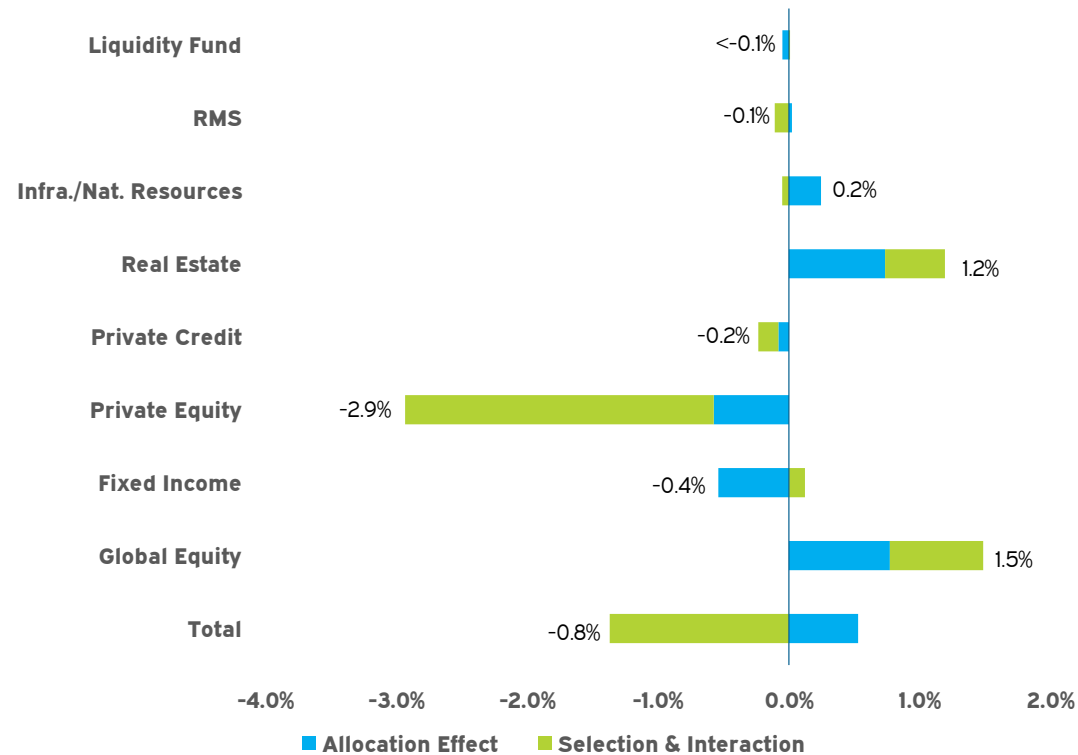
→ In the first quarter, the CRPTF returned 4.1%, underperforming the Policy Benchmark by 0.7%.

→ An overweight to, and relative performance within global equity was additive but relative performance in private equity more than offset this. An underweight to, and relative performance within real estate was also additive.

## State of Connecticut Retirement Plans and Trust Funds

State of Connecticut Retirement Plans and Trust Funds | As of March 31, 2024

### 1-Year Attribution



→ For the trailing one-year period, the CRPTF was up 12.8% vs. 13.9% for the Policy Benchmark.

→ Positive performance was driven by relative performance within global equity and real estate. An overweight to public and equity and underweight to real estate was also additive. This was more than offset by underperformance within private equity (recall the asset class has a public equity benchmark).



## State of Connecticut Retirement Plans and Trust Funds

### Benchmark Definitions | As of March 31, 2024

#### Benchmark Definitions

The below descriptions reflect the asset class indices as of July 2017 through today. Prior to this, they may have been different.

**State of Connecticut Policy Benchmark:** The Policy Benchmark is a weighted index calculated using the respective asset class targets and corresponding benchmarks.

**Global Equity Benchmark:** 10/1/2022 to present: 100% MSCI ACWI IMI, prior to this it was a weighted calculation using the respective regional equity asset targets and corresponding benchmarks.

**Domestic Equity Benchmark:** 10/1/2022 to present: 100% MSCI USA IMI, prior to this it was the Russell 3000 Index.

**Developed Markets Benchmark:** 10/1/2022 to present: MSCI EAFE + Canada; from 4/1/2019 to 9/30/2022, it was the MSCI EAFE IMI, prior to this it was the MSCI EAFE IMI 50% Hedged Index.

**Emerging Markets Benchmark:** MSCI EM IMI.

**Custom Fixed Income Benchmark:** Dynamic weights of the Core Fixed Income, Non-Core Fixed Income, and Emerging Markets Debt composites multiplied by their respective benchmarks.

**Core Fixed Income Benchmark:** 10/1/2022 to present: 50% Bloomberg U.S. Aggregate / 50% Bloomberg U.S. Treasury Intermediate, prior to this it was the Bloomberg U.S. Aggregate.

**Real Assets Benchmark:** Dynamic weights of the Real Estate and Infrastructure composites multiplied by their respective benchmarks.

**Real Estate Benchmark:** 4/1/2019 to present: 100% NCREIF ODCE 1Q Lag, prior to this it was the NCREIF Property Index.

**Absolute Return/Risk Mitigating Benchmark:** Dynamic Weighted Strategy HFRX Blend.

**Liquidity Fund Benchmark:** 10/1/2022 to present: 100% ICE BofA 3-Month U.S. Treasury TR USD, prior to this it was 50% 3 Month T-Bills / 50% Barclays 1-3 Year Treasury Bond Index.

# Appendix



**Economic and Market Update**  
Data as of March 31, 2024

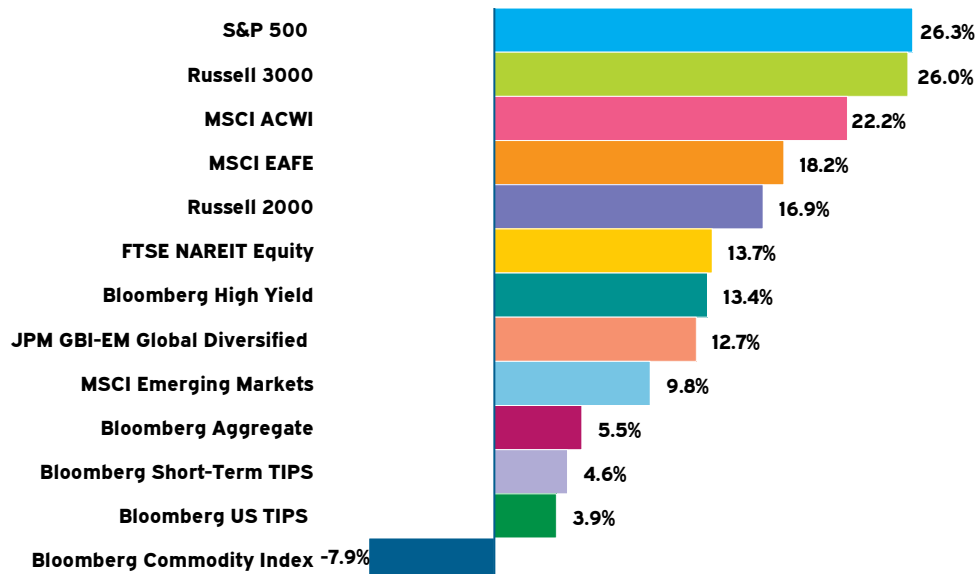
## Commentary

- Resilient economic data drove global equities higher and pushed out the timing of the expected first Fed rate cut, weighing on bonds.
- Major central banks have largely paused interest rate hikes with expectations that many will still cut rates, but the uneven pace of falling inflation and economic growth could desynchronize the pace of rate cuts.
  - In general, inflation pressures have eased in most countries from their pandemic peaks, but some uncertainty remains and levels are still above most central bank targets. Headline inflation in the US rose in March (3.2% to 3.5%) by more than expected, while core inflation was unchanged (3.8%) when it was predicted to decline to 3.7%. Notably, prices in China were up only slightly in March, as the impacts of the recent holiday faded.
  - US equity markets (Russell 3000 index) rose 10.0% in the first quarter after a very strong 2023 (+26.0%). The technology sector continued to perform well, with energy gaining on geopolitical tensions.
  - Non-US developed equity markets increased 5.8% in the quarter, helped by Japanese equities which hit multi-decade highs. A strengthening US dollar drove the weaker relative results for US investors with returns in local currency terms 4.2% higher (10.0% versus 5.8%).
  - Emerging market equities (+2.4%) had the weakest equity returns, depressed by China (-2.2%). While policy efforts to support mainland stock prices helped to stabilize Chinese equities, recent efforts by the US to discourage investments in China weighed on results. The stronger dollar also hurt performance in emerging markets for US investors with returns in local currency terms 2.1% higher.
  - Rising interest rates weighed on bonds with the broad US bond market declining 0.8% for the quarter.
- Looking to the rest of this year, the paths of inflation and monetary policy, China's economic disorder and slowing economic growth, the many looming elections, and the wars in Ukraine and Israel will be key.

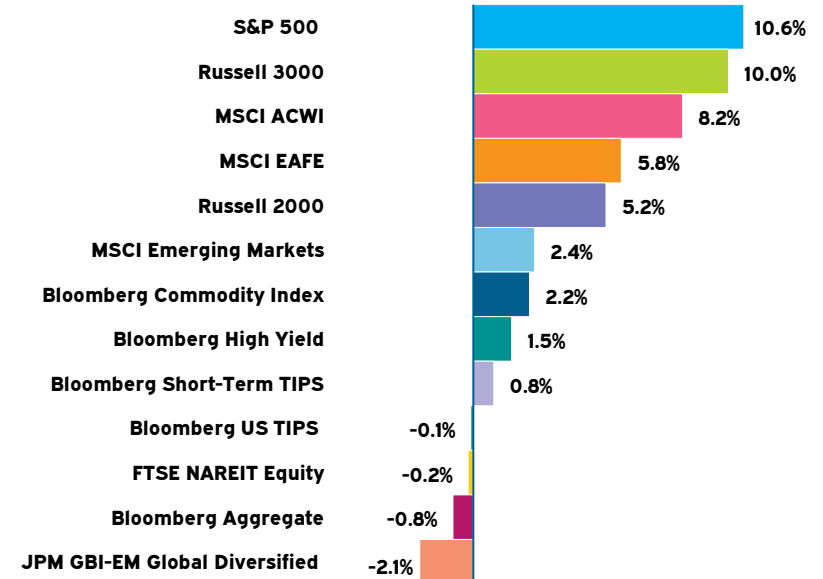


Index Returns<sup>1</sup>

2023



Q1 2024



→ In the first quarter, global equity markets continued their strong performance from 2023 with the US leading the way.

→ Resilient economic data weighed on bond markets domestically and dashed hopes of a near-term cut in interest rates.

<sup>1</sup> Source: Bloomberg. Data is as of March 31, 2024.

### Domestic Equity Returns<sup>1</sup>

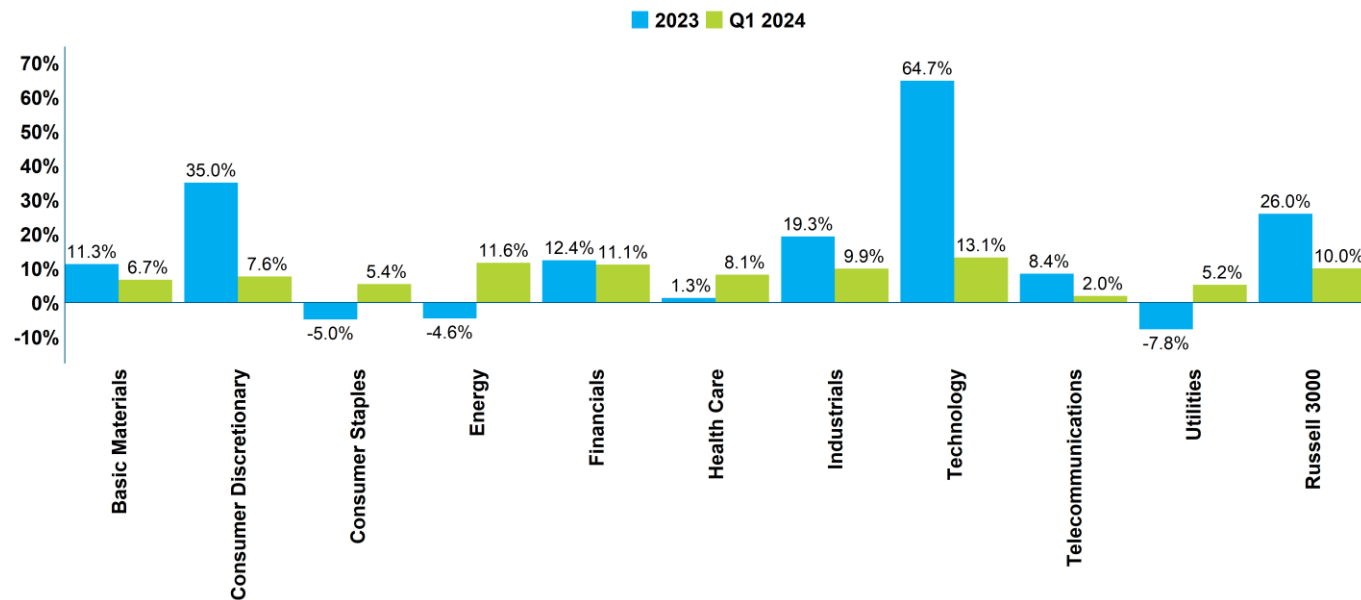
Domestic Equity	March (%)	Q1 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	3.2	10.6	29.9	11.5	15.1	13.0
Russell 3000	3.2	10.0	29.3	9.8	14.3	12.3
Russell 1000	3.2	10.3	29.9	10.5	14.8	12.7
Russell 1000 Growth	1.8	11.4	39.0	12.5	18.5	16.0
Russell 1000 Value	5.0	9.0	20.3	8.1	10.3	9.0
Russell MidCap	4.3	8.6	22.3	6.1	11.1	9.9
Russell MidCap Growth	2.4	9.5	26.3	4.6	11.8	11.4
Russell MidCap Value	5.2	8.2	20.4	6.8	9.9	8.6
Russell 2000	3.6	5.2	19.7	-0.1	8.1	7.6
Russell 2000 Growth	2.8	7.6	20.3	-2.7	7.4	7.9
Russell 2000 Value	4.4	2.9	18.8	2.2	8.2	6.9

#### US Equities: The Russell 3000 increased an impressive 10.0% in the first quarter of the year.

- US equities continued their ascent after a strong finish to 2023. The gains were driven by strong economic data and corporate earnings, despite signs of interest rates remaining higher for longer.
- Growth stocks outperformed value stocks across the market cap spectrum. Technology stocks continued to be a key driver of results, with NVIDIA and Microsoft alone contributing nearly 30% of the quarter's gains.
- Large cap stocks produced almost double the return of their small cap peers during the first quarter. The underperformance of small cap financials contributed to this dynamic as fear of further turmoil for regional banks resurfaced.

<sup>1</sup> Source: Bloomberg. Data is as of March 31, 2024.

### Russell 3000 Sector Returns<sup>1</sup>



- All sectors posted positive returns in the first quarter. The technology sector (13.1%) continued to lead the way due to the influence of the so-called “Magnificent Seven”.
- Technology was followed by energy (11.6%) and financials (11.1%), driven respectively by increased geopolitical tensions and the strong economic environment. Traditionally defensive sectors like consumer staples (5.4%) and utilities (5.2%) joined the rally but trailed other sectors.

<sup>1</sup> Source: Bloomberg. Data is as of March 31, 2024.

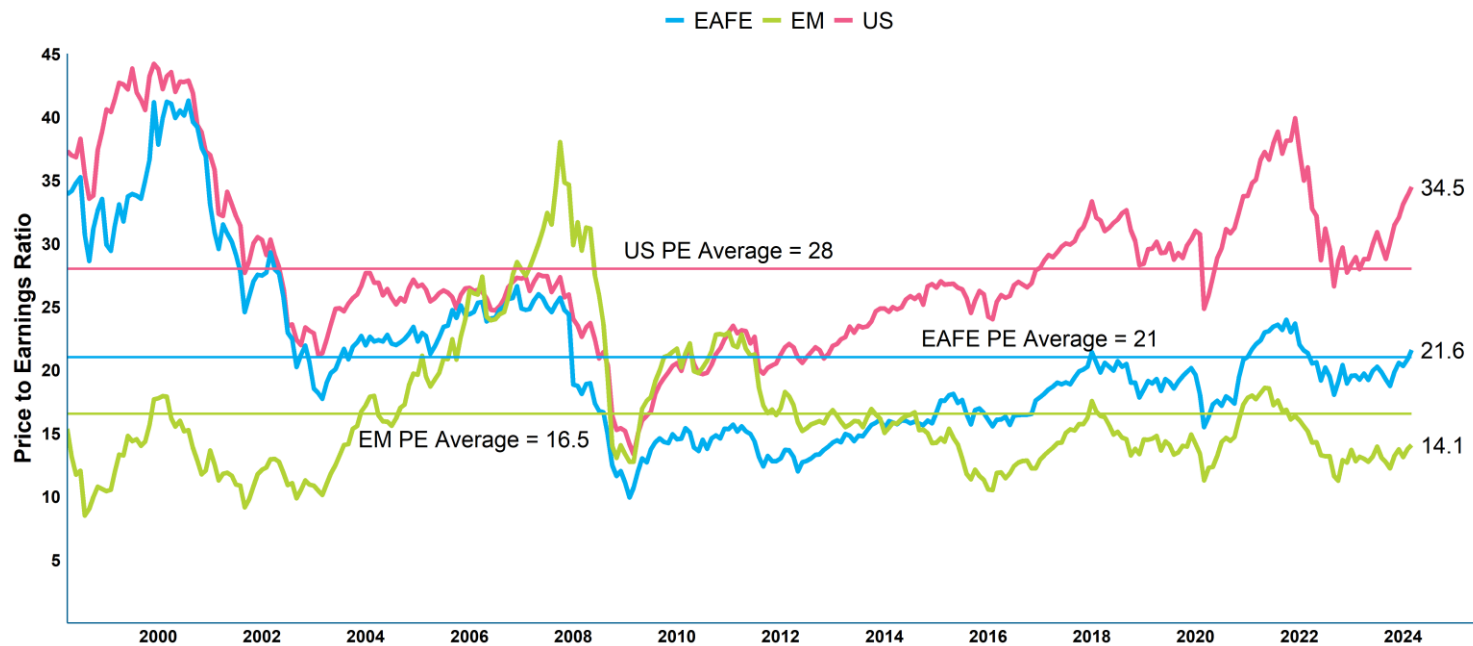
International Equity Returns<sup>1</sup>

International Equity	March (%)	Q1 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	3.1	4.7	13.3	1.9	6.0	4.3
MSCI EAFE	3.3	5.8	15.3	4.8	7.3	4.8
MSCI EAFE (Local Currency)	4.0	10.0	18.8	9.4	9.4	7.7
MSCI EAFE Small Cap	3.7	2.4	10.4	-1.4	4.9	4.7
MSCI Emerging Markets	2.5	2.4	8.2	-5.1	2.2	2.9
MSCI Emerging Markets (Local Currency)	3.0	4.5	10.6	-2.4	4.4	5.7
MSCI EM ex. China	3.0	4.0	20.5	2.2	6.4	4.2
MSCI China	0.9	-2.2	-17.1	-18.9	-6.3	1.2

**International Equity: Developed international equities (MSCI EAFE) gained 5.8% during the quarter and emerging market equities (MSCI EM) rose 2.4%.**

- Developed international equity markets matched the US for the quarter in local terms but the appreciation of the dollar decreased returns for US investors by over 4.0% (5.8% versus 10.0%). Eurozone and UK equities had gains for the quarter, but Japan was the real standout performer, with the TOPIX returning 18.1% in local terms and the Nikkei breaking the 40,000 level for the first time.
- Emerging market equities again trailed developed markets largely due to China falling 2.2%. Slowing growth, issues in the property sector, and recent efforts by the US to discourage investments into China all weighed on results. Outside of China, interest rate sensitive markets like Brazil were particularly impacted by expectations of delayed interest rate cuts by the Fed. Stripping out China, emerging markets returned 4.0% in the quarter.

<sup>1</sup> Source: Bloomberg. Data is as of March 31, 2024.

Equity Cyclically Adjusted P/E Ratios<sup>1</sup>

- At the end of the first quarter, the US equity price-to-earnings ratio increased further above its 21st century average, as price appreciation exceeded earnings growth.
- International market valuations also rose in the quarter and remain well below the US. In the case of developed markets, valuations are now slightly above the long-term average, while emerging market valuations remain well below its long-term average.

<sup>1</sup> US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E – Source: Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years. Data is as of March 2024. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end respectively.

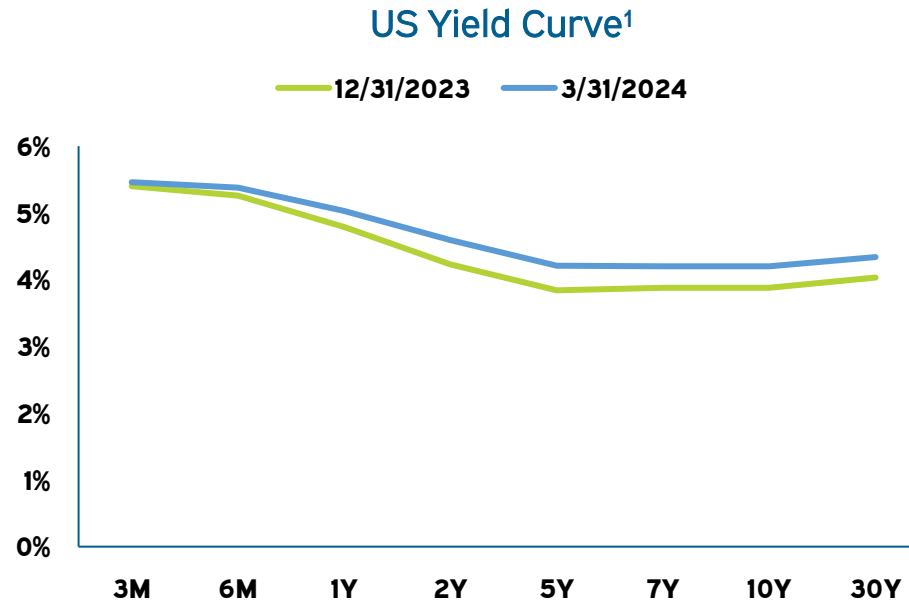
Fixed Income Returns<sup>1</sup>

Fixed Income	March (%)	Q1 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	1.0	-0.5	2.7	-2.1	0.7	1.8	5.1	6.0
Bloomberg Aggregate	0.9	-0.8	1.7	-2.5	0.4	1.5	4.8	6.2
Bloomberg US TIPS	0.8	-0.1	0.5	-0.5	2.5	2.2	4.6	6.8
Bloomberg Short-term TIPS	0.6	0.8	3.2	2.3	3.2	2.1	4.8	2.4
Bloomberg High Yield	1.2	1.5	11.2	2.2	4.2	4.4	7.7	3.7
JPM GBI-EM Global Diversified (USD)	0.0	-2.1	4.9	-1.6	0.1	-0.3	6.4	5.0

### Fixed Income: The Bloomberg Universal index fell 0.5% in the first quarter.

- Strong economic growth and inflation readings above forecasts shifted interest rate expectations pushing back the anticipated start date of rate cuts as well as the number of cuts for 2024.
- In this environment the broad US bond market (Bloomberg Aggregate) fell 0.8% with TIPS declining only slightly (0.1%).
- High yield bonds (1.5%) led the way for the quarter as risk appetite continues to be robust and overall yields remain attractive despite the recent tightening of spreads to Treasury equivalents.

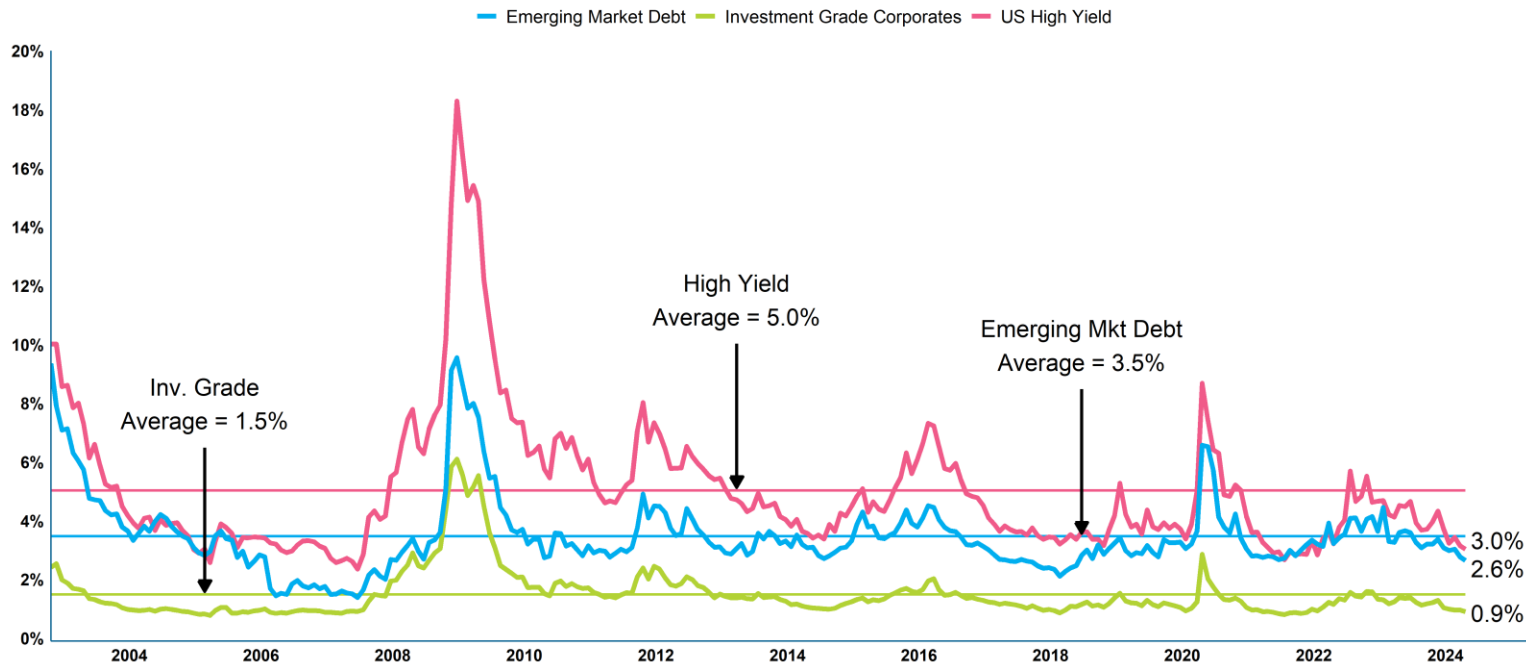
<sup>1</sup> Source: Bloomberg. JPM GBI-EM data is from InvestorForce. Data is as of March 31, 2024. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration respectively.



- Overall interest rates moved higher over the quarter due to the strong economic data and the related shifts in monetary policy expectations.
- The more policy sensitive two-year Treasury yield rose from 4.3% to 4.6% in the first quarter while the ten-year Treasury yield increased from 3.9% to 4.2%.
- The yield curve remained inverted at quarter-end despite a recent flattening trend. The yield spread between the two-year and ten-year Treasury was -0.4% at the end of the quarter.

<sup>1</sup> Source: Bloomberg. Data is as of March 31, 2024.

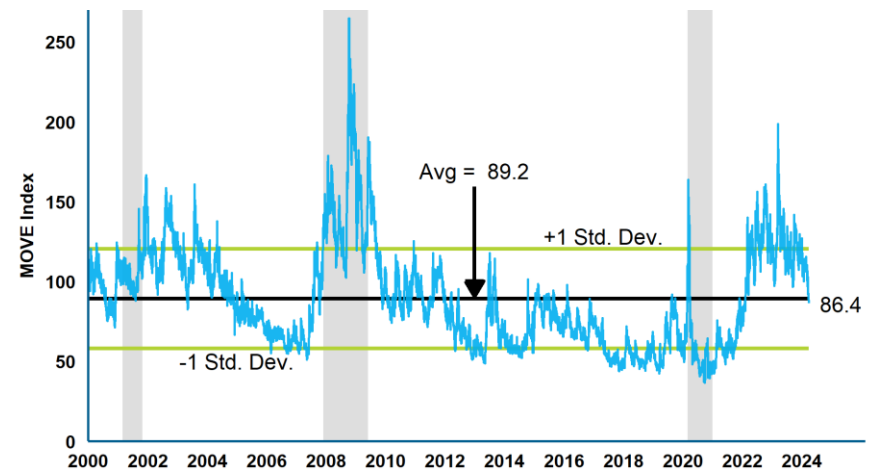
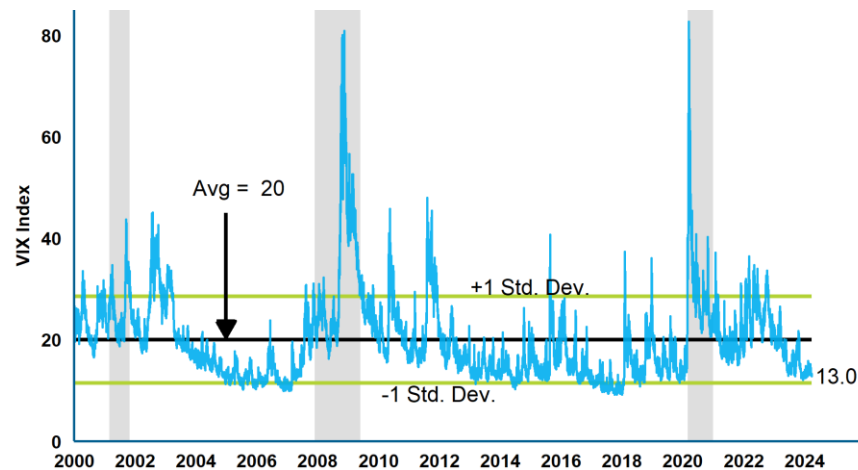
## Credit Spreads vs. US Treasury Bonds<sup>1</sup>



- A positive economic outlook along with expectations of lower interest rates has led to an increased risk appetite. This has benefited credit, with spreads (the added yield above a comparable maturity Treasury) narrowing.
- This trend continued in the first quarter particularly for riskier bonds. High yield spreads fell from 3.2% to 3.0% and emerging market spreads dropped from 3.0% to 2.6%. Spreads for investment grade corporate bonds fell only slightly over the quarter (1.0% to 0.9%).
- All spreads remain below their respective long-run averages, particularly within high yield.

<sup>1</sup> Source: Bloomberg. Data is as of March 31, 2024. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

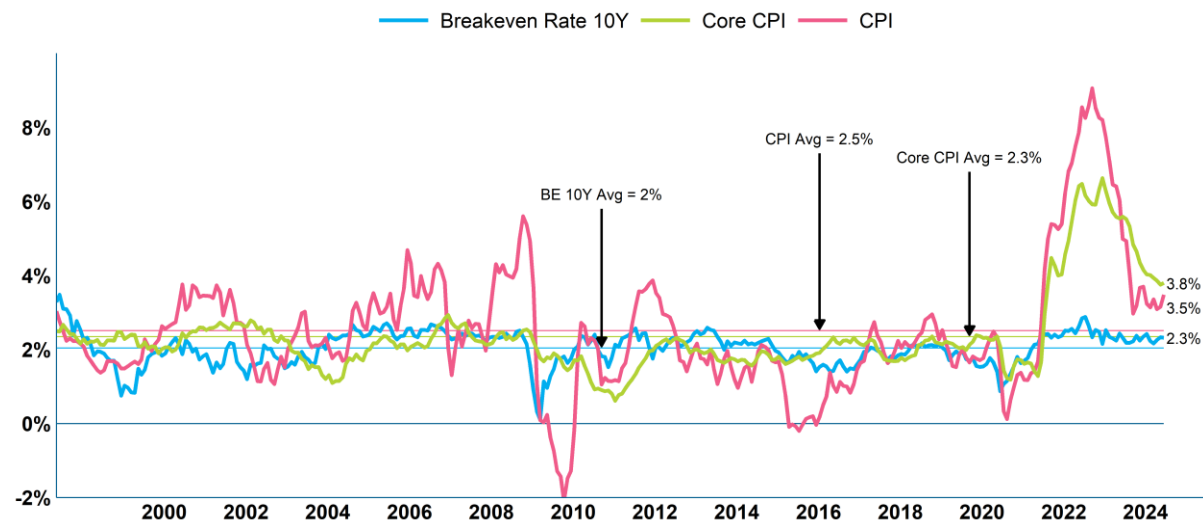


Equity and Fixed Income Volatility<sup>1</sup>

- Volatility in equities (VIX) finished the quarter close to one standard deviation below the long-term average as the focus shifted late last year to peaking policy rates and the potential for a soft landing.
- Volatility in the bond market (MOVE) fell significantly over the quarter to a level below the long run average (86.4 versus 89.2). Declining volatility surrounding policy expectations and the more positive growth outlook both contributed to lower volatility in the bond market.

<sup>1</sup> Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of March 2024. The average line indicated is the average of the VIX and MOVE values between January 2000 and March 2024.

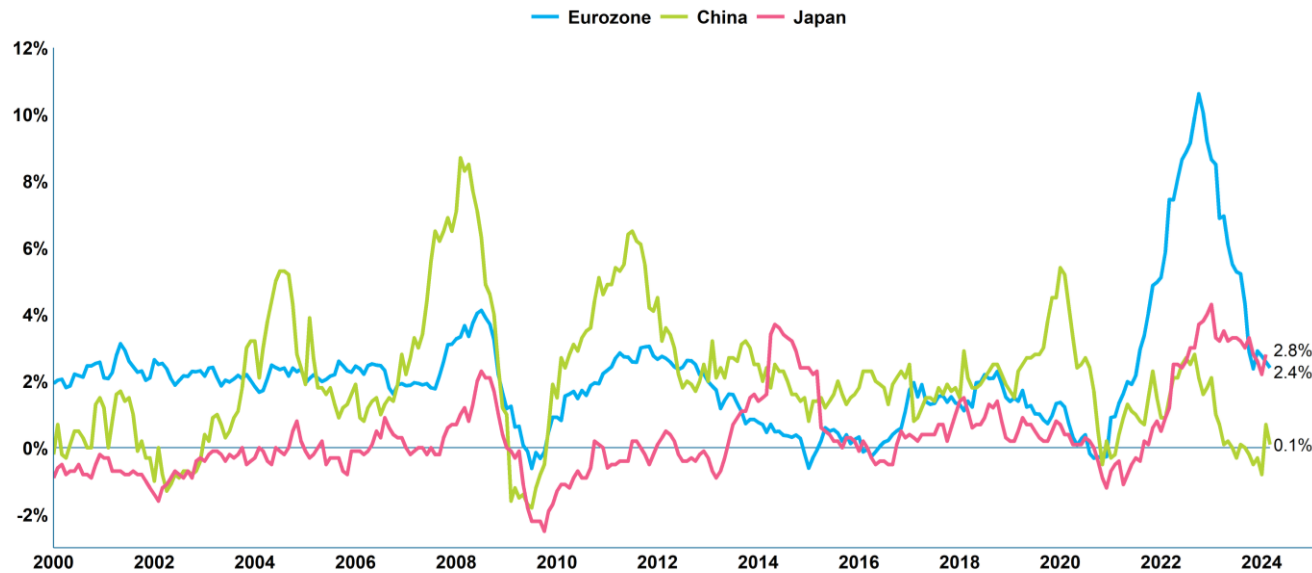
## US Ten-Year Breakeven Inflation and CPI<sup>1</sup>



- Year-over-year headline inflation rose in March (3.2% to 3.5%) and came in slightly above expectations. Prices in service sectors, particularly shelter, remain a key driver of inflation staying above the Fed's 2% average target, with a recent rise in energy prices contributing too.
- Month-over-month inflation rose 0.4% which was the same as February, but above expectations of a 0.3% reading.
- Core inflation (excluding food and energy) remained at 3.8% but also came in above expectations. Core goods prices dropped, while core services including shelter and transportation prices continued to show persistence.
- Inflation expectations (breakevens) have remained relatively stable despite the significant volatility in inflation.

<sup>1</sup> Source: FRED. Data is as March 2024. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

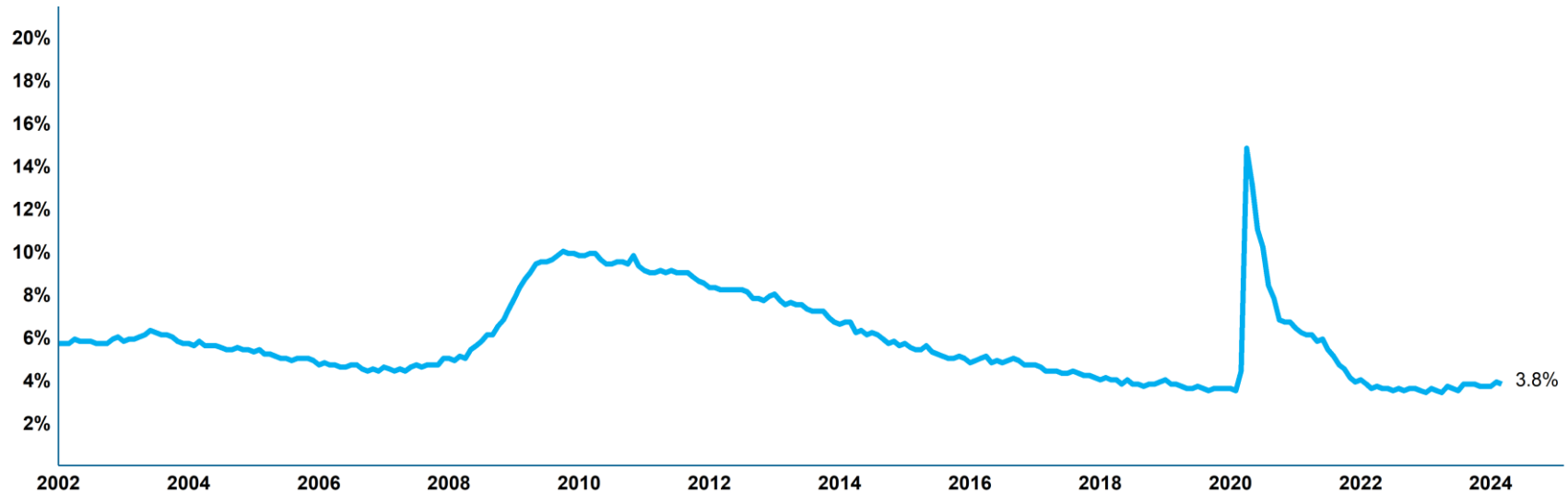
## Global Inflation (CPI Trailing Twelve Months)<sup>1</sup>



- Outside the US, inflation is also easing across major economies from the recent peaks.
- In the eurozone, prices experienced a dramatic decline last year but remain above the central bank's 2% target. In March, inflation fell further (2.6% to 2.4%), a level below the 3.5% year-over-year reading in the US.
- Inflation in Japan has slowly declined from the early 2023 peak of 4.3%, but it remains near levels not seen in a decade. In the most recent reading, inflation rose from 2.4% to 2.8% largely due to the falling impact of government energy subsidies introduced at the same time last year.
- The impacts from spending during the Lunar New Year holiday in China waned in March with inflation falling to just about 0%.

<sup>1</sup> Source: Bloomberg. Data is March 31, 2024, except Japan which is as of February 28, 2024.

### US Unemployment<sup>1</sup>

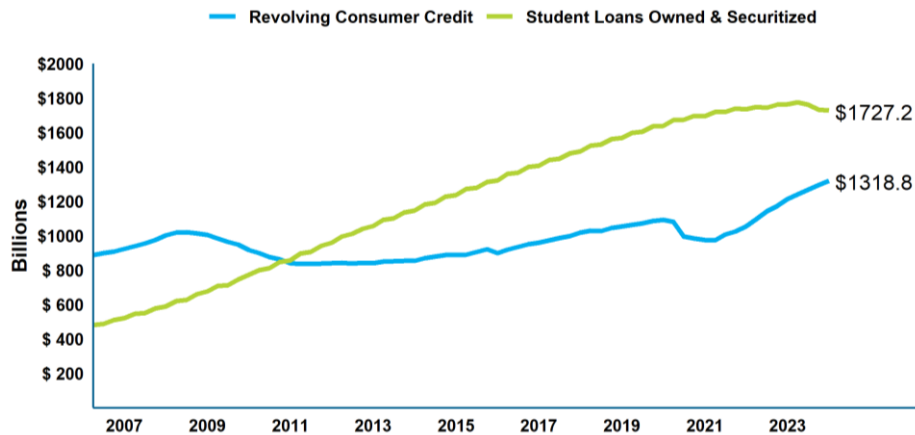


- Overall, the US labor market remains healthy, with the unemployment rate low, wage growth now positive in real terms, and initial claims for unemployment staying subdued.
- Each of the payroll readings over the quarter exceeded expectations. In March, the number of jobs added in the US was 303,000 compared to a 214,000 forecast. The healthcare (72,000), government (71,000), and construction (39,000) sectors added the most jobs.
- The unemployment rate fell from 3.9% to 3.8%, while wage growth dropped slightly from 4.3% to 4.1% compared to a year prior, a level well off the 6.0% peak but above inflation levels.
- Quit rates have declined, and layoffs are stable, with 1.4 job openings per unemployed worker.

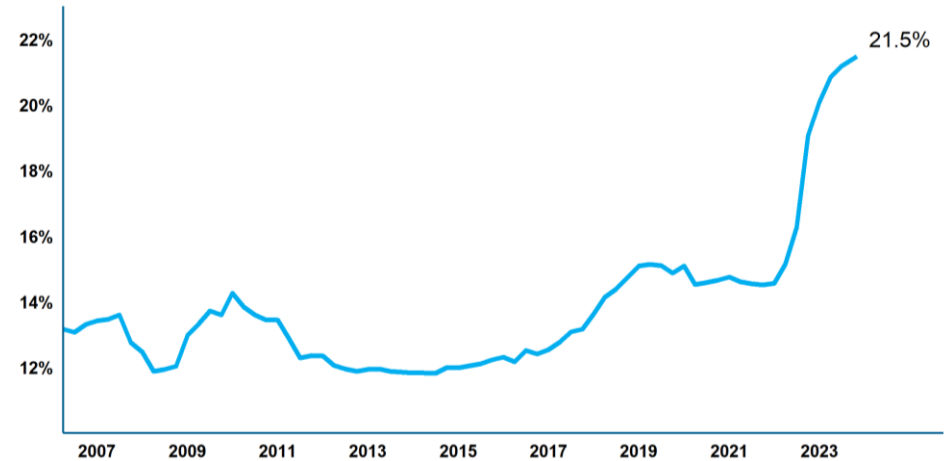
<sup>1</sup> Source: FRED. Data is as March 31, 2024.

## US Consumer Under Stress?<sup>1</sup>

### Revolving Consumer Credit & Student Loans (\$B)



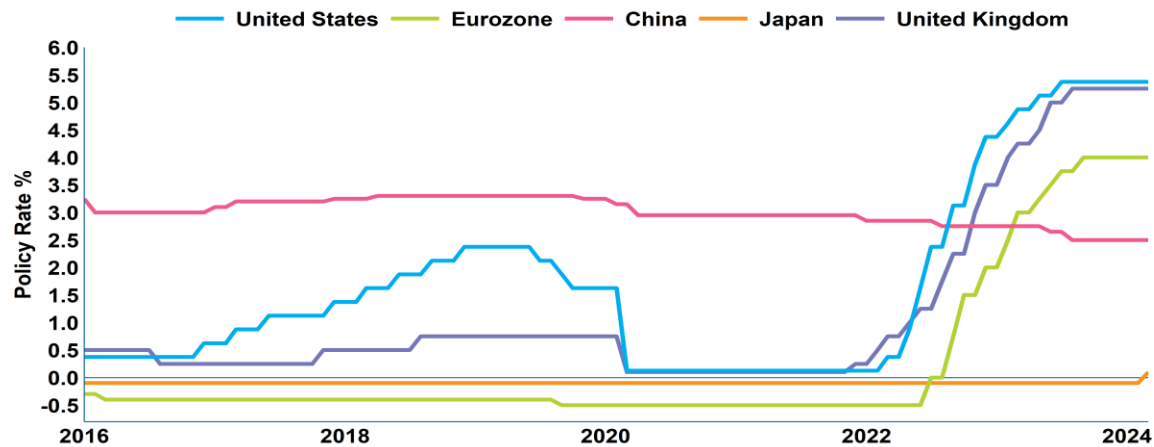
### Consumer Credit Card Interest Rates (%)



- Despite the strong labor market and higher wages, pressures have started to build on the US consumer. This is an important consideration as consumer spending has been a key driver of economic growth.
- Revolving consumer credit surged to new highs in 2023 even as credit card interest rates hit levels not seen before (the prior peak was around 19% in the 1980s). Recently, we have also seen payment delinquencies on credit cards and auto loans start to increase, particularly for younger people.
- The return of student loan repayments after a three-year pandemic-related reprieve could add to pressures on consumers' budgets. This might be partially mitigated by recently initiated repayment and forgiveness programs.
- As we look ahead, the strength of the US consumer will remain key as this sector makes up most of the domestic economy (GDP).

<sup>1</sup> Source: FRED. Data is as of December 31, 2023. Revolving Consumer Credit data is seasonally adjusted to remove distortions during the holiday season.

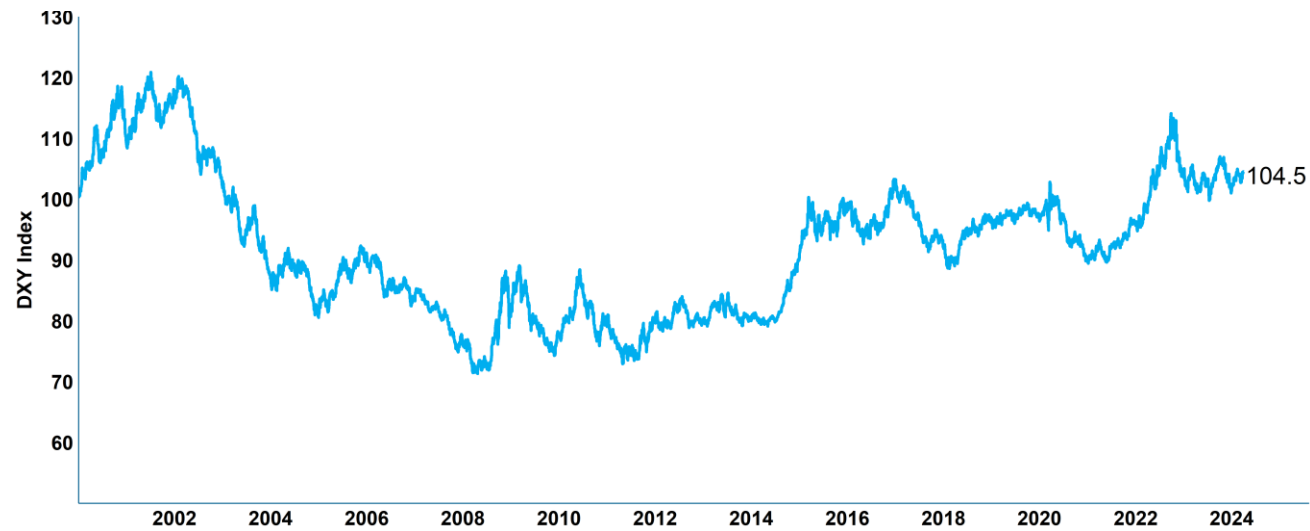
## Policy Rates<sup>1</sup>



- The Fed has been on hold since July 2023 when it raised rates to a range of 5.25%-5.50%. Markets are now pricing in fewer than two rate cuts this year down from close to seven late last year, as economic data has come in better than expectations and inflation persists. Market pricing for the first rate cut has also dramatically changed from an original expectation of a March cut to the probability priced below 50% for a rate cut at all remaining Fed meetings in 2024.
- The European and UK central banks also recently paused their rate increases on slowing inflation. It appears that the ECB could be one of the first central banks to cut rates with expectations close to 90% for a June cut.
- Given the return of inflation driven by wage growth the Bank of Japan (BOJ) recently ended the final negative interest rate policy, stopped purchasing ETFs, and moved away from its yield curve control.
- The central bank in China has maintained interest rates at record low levels and continues to inject liquidity into the banking system, as weaker-than-expected economic data appears to indicate a widespread slowdown.

<sup>1</sup> Source: Bloomberg. Data is as of March 31, 2024.

### US Dollar vs. Broad Currencies<sup>1</sup>



- The dollar increased by close to 3% over the quarter versus a basket of major trading partners.
- Strong economic data in the US may delay policy rate cuts this year, which could contribute to continued upward pressure on the dollar as other countries pivot to rate cuts.

<sup>1</sup> Source: Bloomberg. Data as of March 31, 2024.

## Summary

### Key Trends:

- According to the IMF, global growth this year is expected to match the 2023 estimate at around 3.1% with most major economies predicted to avoid a recession. Continued strong economic growth does run the risk of inflation and interest rates staying higher for longer.
- Key economic data in the US is still coming in above forecasts with expectations dramatically evolving for the timing and pace of interest rate cuts. If data remains strong the Federal Reserve may keep rates elevated increasing the risk of an economic slowdown.
- Outside the US we could see other central banks start cutting rates ahead of the Fed, with the ECB particularly in focus. The risk of policy errors remains elevated as central banks try to further reduce inflation toward targets while not tipping their economies into recession.
- US consumers could feel pressure as certain components of inflation (e.g., shelter) remain high, borrowing costs are elevated, and the job market may weaken.
- A focus for US equities going forward will be whether earnings can remain resilient if growth slows. Also, the future paths of the large technology companies that have driven market gains will be important.
- Equity valuations remain lower in emerging and developed markets, but risks remain, including China's economic uncertainty and on-going weakness in the real estate sector which could spill over into key trading partners' economies. Japan's recent tightening of monetary policy along with changes in corporate governance in the country could influence relative results.





# Disclaimer, Glossary, and Notes



## Disclaimer, Glossary, and Notes

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

**Credit Risk:** Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security.)

**Duration:** Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

**Information Ratio:** This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

**Jensen's Alpha:** A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk.  $\text{Portfolio Return} - [\text{Risk Free Rate} + \text{Beta} * (\text{market return} - \text{Risk Free Rate})]$ .

**Market Capitalization:** For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

**Market Weighted:** Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

**Maturity:** The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

**Prepayment Risk:** The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

**Price-Book Value (P/B) Ratio:** The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

**Price-Earnings (P/E) Ratio:** A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about its future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

**Quality Rating:** The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

**Sharpe Ratio:** A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

**STIF Account:** Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

**Standard Deviation:** A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

**Style:** The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

**Tracking Error:** A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

**Yield to Maturity:** The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a “basis book.” For example, a 5% bond pays \$5 a year interest on each \$100 par value. To figure its current yield, divide \$5 by \$95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay \$100 for the bond that can be bought now for \$95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\% \text{ (discount)}}{5 \text{ (yrs. to maturity)}} = 1\% \text{ pro rata, plus } 5.26\% \text{ (current yield)} = 6.26\% \text{ (yield to maturity)}$$

**Yield to Worst:** The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

**NCREIF Property Index (NPI):** Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

**NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE):** Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

Sources: [Investment Terminology](#), International Foundation of Employee Benefit Plans, 1999.

[The Handbook of Fixed Income Securities](#), Fabozzi, Frank J., 1991

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.

SUMMARY CONNECTICUT RETIREMENT PLANS AND TRUST FUNDS

2/29/2024



	<u>Market Value (mil.)</u>	<u>Percent</u>	<u>Ten Year Return</u>
<b>Connecticut Retirement Plans and Trust Funds</b>	<b>\$54,875.0</b>	<b>100%</b>	<b>6.58 %</b>
Teacher's Retirement Fund	\$25,221.9	46.0%	6.56 %
State Employees' Retirement Fund	\$22,478.1	41.0%	6.67 %
Municipal Employees' Retirement Fund	\$3,354.4	6.1%	6.43 %
OPEB	\$2,754.9	5.0%	6.44 %
Probate Judges Employees' Retirement Fund	\$138.3	0.3%	6.40 %
State Judges Retirement Fund	\$319.1	0.6%	6.42 %
State's Attorneys' Retirement Fund	\$2.9	0.0%	6.18 %
Agricultural College Fund	\$0.6	0.0%	1.40 %
Andrew C. Clark Fund	\$1.3	0.0%	3.96 %
Soldiers' Sailors' & Marines Fund	\$85.4	0.2%	3.93 %
School Fund	\$12.9	0.0%	3.94 %
IDA Eaton Cotton Fund	\$2.7	0.0%	3.95 %
Hopemead Fund	\$4.9	0.0%	3.92 %
Arts Endowment Fund	\$22.7	0.0%	5.59 %
Policemen and Firemen Survivors' Benefit Fund	\$51.4	0.1%	6.48 %
Baby Bonds Fund	\$423.6	0.8%	N/A %

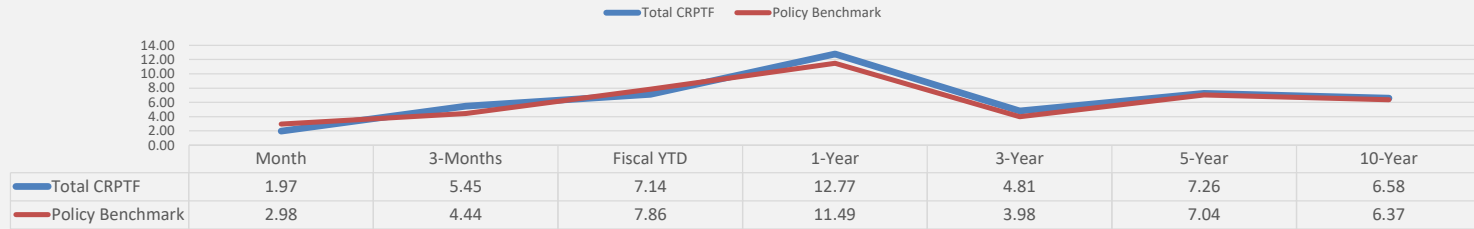
*Net of All Fees and Expenses, Compound, annualized returns*



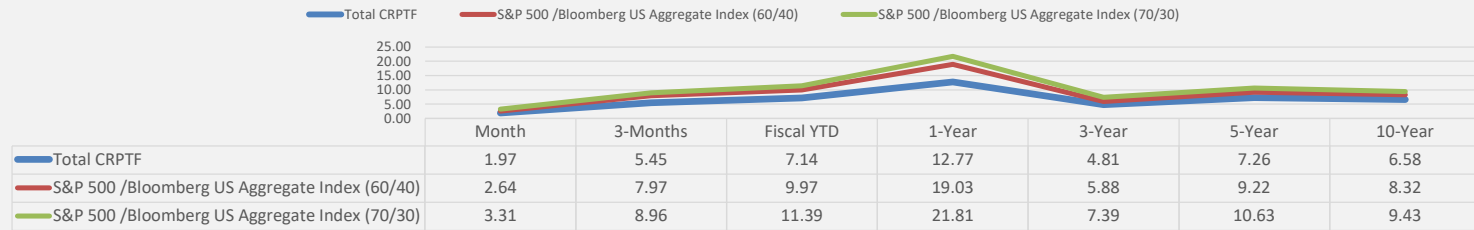
**CONNECTICUT RETIREMENT PLANS AND TRUST FUNDS**

2/29/2024

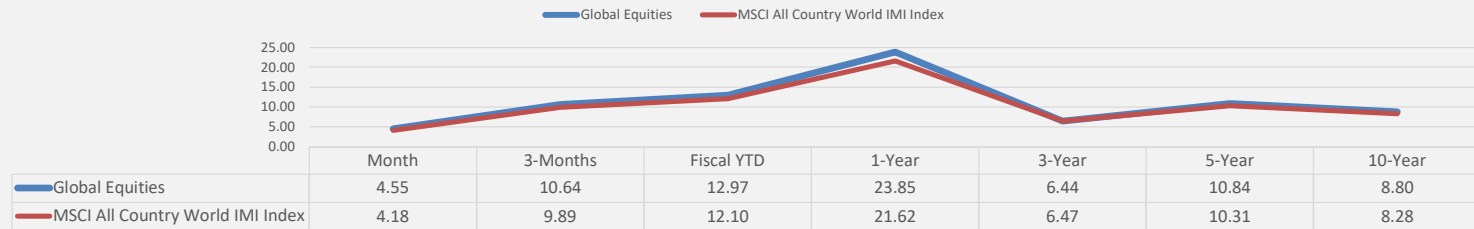
**TOTAL CRPTF VS. BENCHMARK**



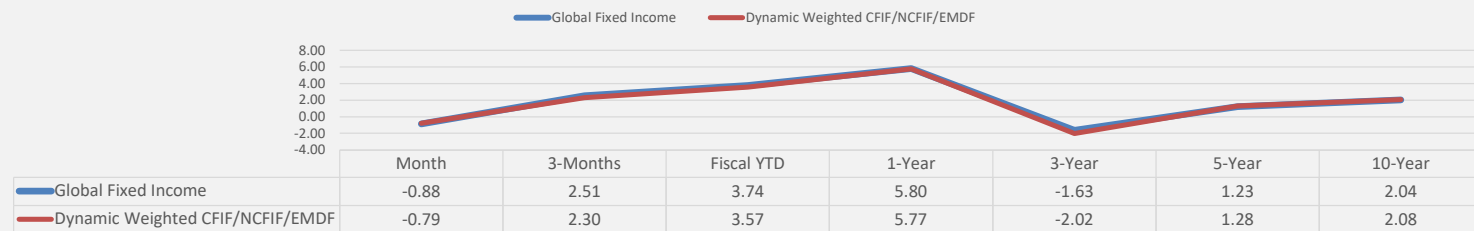
**HYPOTHETICAL 60/40 AND 70/30 S&P500 - U.S. AGG BENCHMARK**



**GLOBAL EQUITIES VS. BENCHMARK**



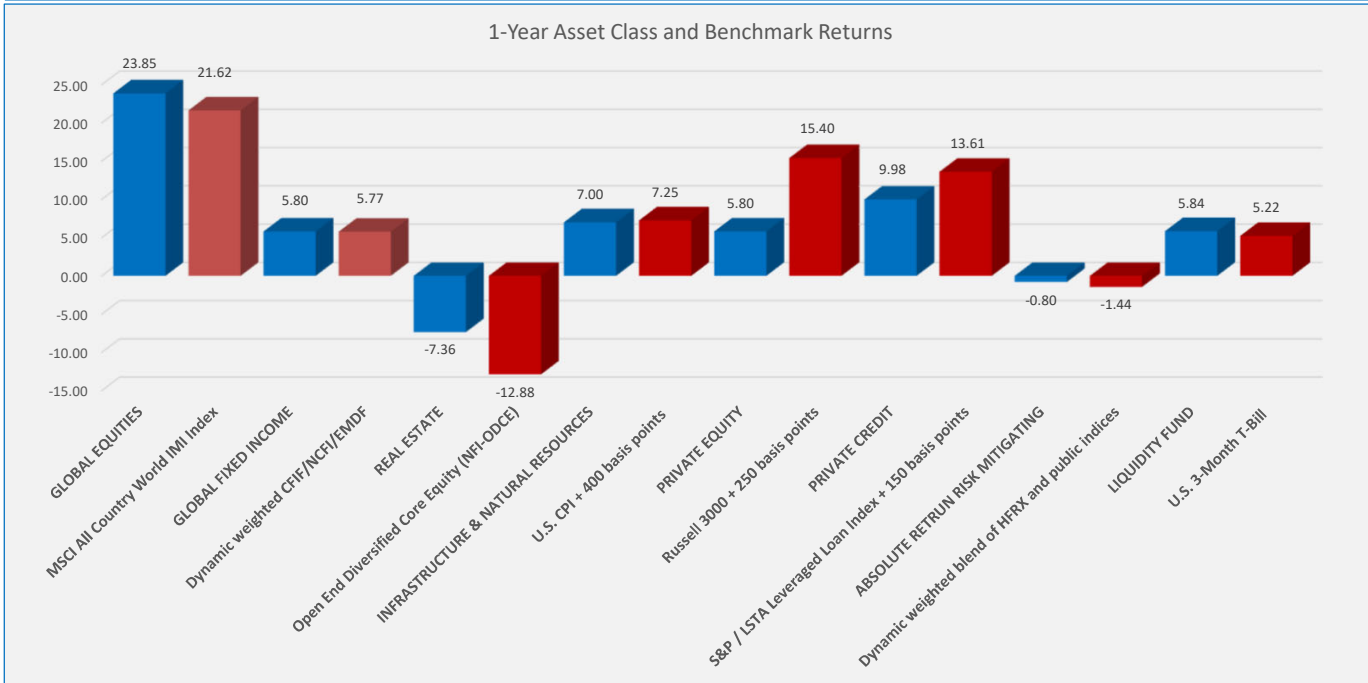
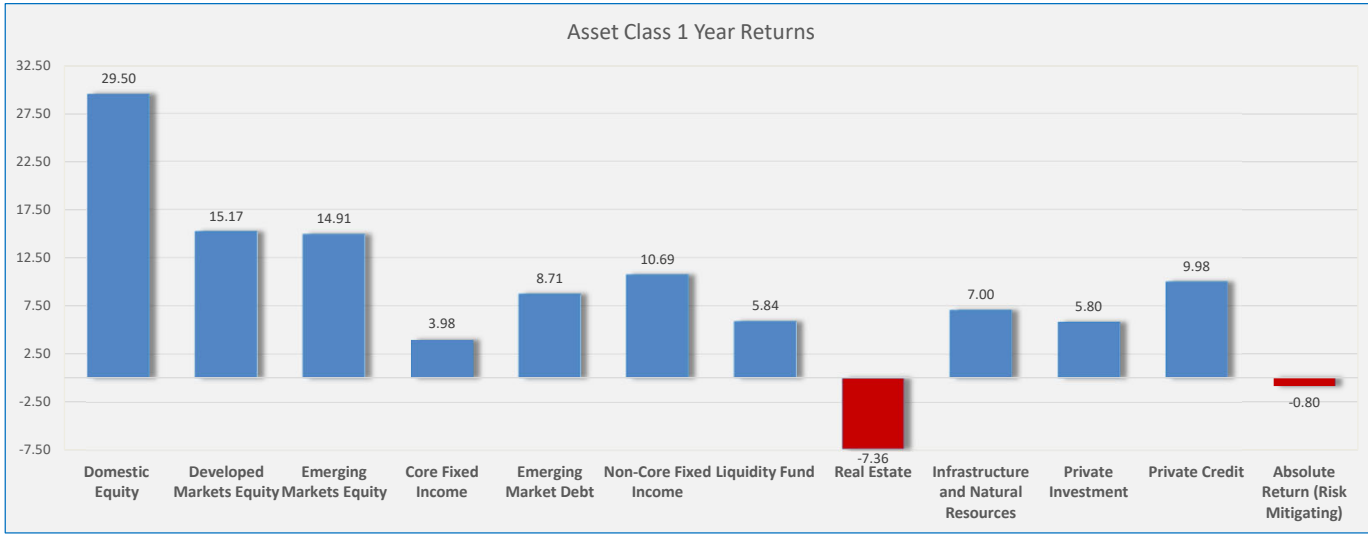
**GLOBAL FIXED INCOME VS. BENCHMARK**





**CONNECTICUT RETIREMENT PLANS AND TRUST FUNDS**

2/29/2024

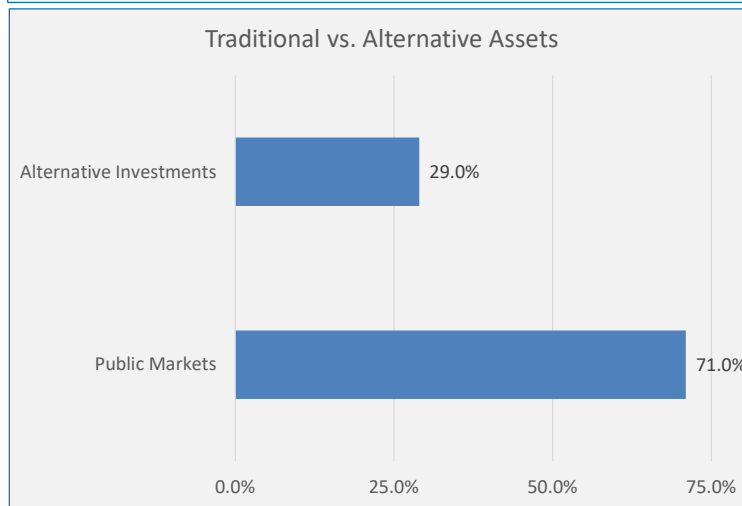
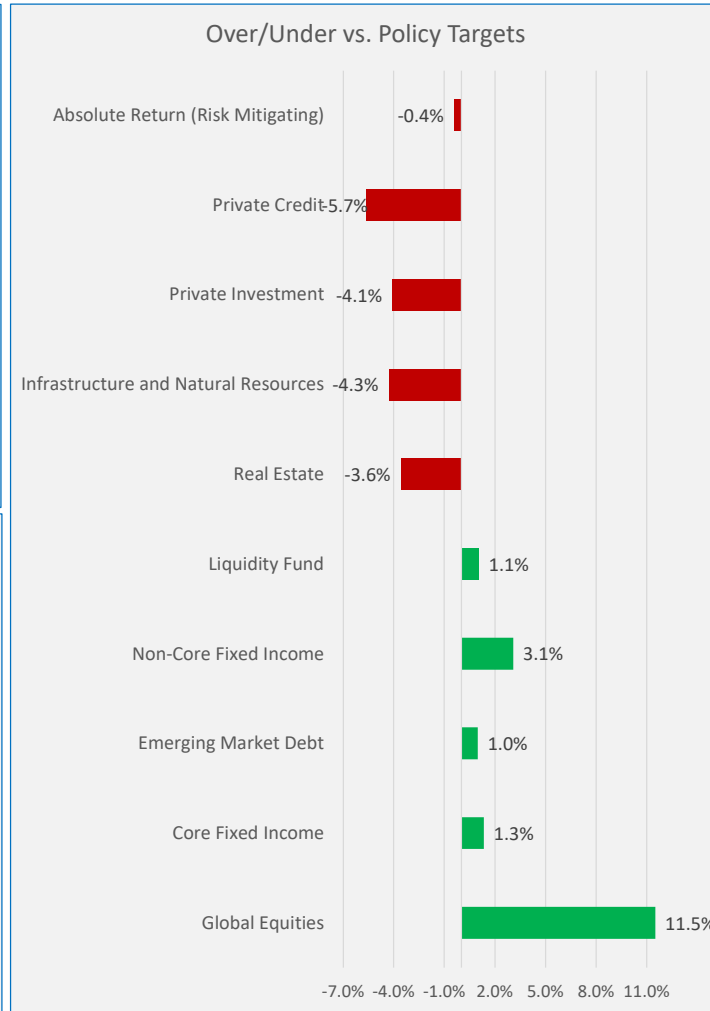
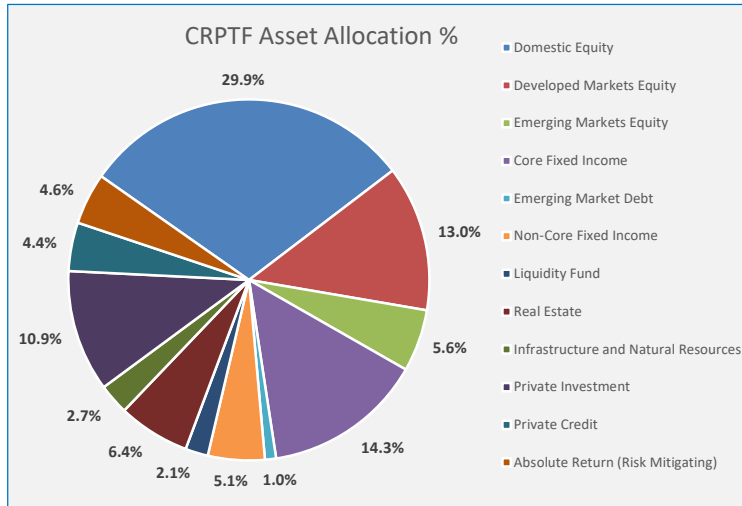






**CONNECTICUT RETIREMENT PLANS AND TRUST FUNDS**

2/29/2024





**CONNECTICUT RETIREMENT PLANS AND TRUST FUNDS**

Net of All Fees and Expenses  
2/29/2024

Funds	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Total CRPTF</b>					\$54,875.0	1.97	5.45	7.14	2.19	12.77	4.81	7.26	7.07	6.58
Policy Benchmark						2.98	4.44	7.86	2.72	11.49	3.98	7.04	7.06	6.37
Excess Return						(1.01)	1.01	(0.72)	(0.54)	1.28	0.83	0.22	0.01	0.21
<b>Global Equities</b>	<b>48.5%</b>	<b>37.0</b>	23.0	52.0	\$26,629.8	4.55	10.64	12.97	5.27	23.85	N/A	N/A	N/A	N/A
MSCI All Country World IMI Index						4.18	9.89	12.10	4.41	21.62	N/A	N/A	N/A	N/A
<b>Domestic Equity</b>	<b>29.9%</b>				\$16,416.6	5.59	12.72	15.86	7.17	29.50	9.43	13.60	12.76	11.95
MSCI USA IMI Index						5.32	12.04	15.21	6.43	28.07	8.96	13.44	12.62	11.91
<b>Developed Markets Equity</b>	<b>13.0%</b>				\$7,154.5	1.82	7.45	8.71	1.89	15.17	5.27	7.60	6.99	6.17
MSCI EAFE + Canada Index						1.71	7.73	8.25	2.15	14.01	3.64	6.94	6.67	5.94
<b>Emerging Markets Equity</b>	<b>5.6%</b>				\$3,058.7	5.21	7.12	7.86	3.00	14.91	-5.26	4.17	5.32	4.33
MSCI Emerging Markets IMI						4.46	4.03	5.77	0.05	10.44	-5.94	1.90	3.98	3.20
<b>Core Fixed Income</b>	<b>14.3%</b>	<b>13.0</b>	8.0	18.0	\$7,870.8	-1.39	1.98	2.25	-1.41	3.98	-2.89	1.00	1.23	1.58
50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury						-1.24	1.66	1.96	-1.27	3.47	-3.41	0.68	1.11	1.56
<b>Emerging Market Debt <sup>(3)</sup></b>	<b>1.0%</b>	<b>0.0</b>	0.0	0.0	\$539.8	0.43	3.56	5.92	-0.45	8.71	-2.67	0.22	1.48	2.05
50% JPM EMBI Global Div / 50% JPM GBI EM Global Div						0.20	2.85	4.51	-1.07	9.68	-3.39	0.21	1.54	1.84
<b>Non-Core Fixed Income</b>	<b>5.1%</b>	<b>2.0</b>	0.0	7.0	\$2,790.9	0.33	3.83	7.35	0.39	10.69	2.58	4.77	4.46	4.35
Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index						0.29	4.03	7.96	0.29	11.01	1.87	4.19	4.14	4.21
<b>Liquidity Fund</b>	<b>2.1%</b>	<b>1.0</b>	0.0	3.0	\$1,126.5	0.43	1.35	3.70	0.90	5.84	2.60	2.12	2.05	1.47
U.S. 3-Month T-Bill						0.41	1.31	3.56	0.84	5.22	1.29	1.50	1.53	1.16
<b>Real Estate <sup>(1)</sup></b>	<b>6.4%</b>	<b>10.0</b>	5.0	15.0	\$3,526.2	N/A	-2.25	-3.82	-2.24	-7.36	6.23	4.78	5.47	7.02
Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears^						N/A	-2.10	-4.93	0.00	-12.88	6.19	5.53	5.43	7.19
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	<b>2.7%</b>	<b>7.0</b>	2.0	12.0	\$1,490.3	N/A	0.07	1.32	-0.01	7.00	7.34	N/A	N/A	N/A
U.S. CPI + 400 basis points 1Q in Arrears^						N/A	0.99	4.42	0.42	7.25	9.79	N/A	N/A	N/A
<b>Private Investment <sup>(1)</sup></b>	<b>10.9%</b>	<b>15.0</b>	10.0	20.0	\$5,992.6	N/A	-0.22	2.84	0.15	5.80	16.31	15.75	15.22	14.30
Russell 3000 + 250 basis points 1Q in Arrears^						N/A	1.98	13.43	6.85	15.40	10.82	13.13	13.71	12.78
<b>Private Credit <sup>(1)</sup></b>	<b>4.4%</b>	<b>10.0</b>	5.0	15.0	\$2,387.5	N/A	2.44	6.57	0.72	9.98	9.01	N/A	N/A	N/A
S&P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^						N/A	2.55	9.07	1.45	13.61	7.21	N/A	N/A	N/A
<b>Absolute Return (Risk Mitigating)</b>	<b>4.6%</b>	<b>5.0</b>	0.0	10.0	\$2,520.6	0.01	0.64	-0.43	-0.36	-0.80	-0.28	1.31	1.84	1.78
Dynamic weighted blend of HFRX and public indices (2)						0.30	0.52	-0.05	0.30	-1.44	-0.63	1.39	1.70	1.24

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended benchmark comprised of the weightings of each of the investments utilized within the strategy

<sup>(3)</sup> Legacy asset class



## TEACHER'S RETIREMENT FUND

Net of All Fees and Expenses

2/29/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Teacher's Retirement Fund</b>					\$25,221.9	1.97	5.42	7.11	2.19	12.58	4.74	7.20	7.03	6.56
<i>Policy Benchmark</i>						2.98	4.44	7.86	2.72	11.49	4.37	7.12	7.18	6.67
<i>Excess Return</i>						(1.01)	0.98	(0.74)	(0.53)	1.09	0.37	0.08	(0.16)	(0.11)
<b>Global Equities</b>	48.6%	37.0	23.0	52.0	\$12,256.1	4.55	10.64	12.97	5.27	23.71	5.66	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						4.18	9.89	12.10	4.41	21.62	6.47	N/A	N/A	N/A
<b>Domestic Equity</b>	30.0%				\$7,569.3	5.59	12.72	15.86	7.17	29.50	10.26	14.06	13.05	12.05
<i>MSCI USA IMI Index</i>						5.32	12.04	15.21	6.43	28.07	9.72	13.83	12.87	11.98
<b>Developed Markets Equity</b>	13.1%				\$3,297.1	1.81	7.44	8.66	1.88	15.09	4.99	7.46	7.04	5.86
<i>MSCI EAFE + Canada Index</i>						1.71	7.73	8.25	2.15	14.01	3.44	6.66	6.64	5.65
<b>Emerging Markets Equity</b>	5.5%				\$1,389.7	5.21	7.12	7.84	3.00	14.87	-3.90	5.34	5.76	4.61
<i>MSCI Emerging Markets IMI</i>						4.46	4.03	5.77	0.05	10.44	-4.98	2.73	4.14	3.30
<b>Core Fixed Income</b>	14.1%	13.0	8.0	18.0	\$3,543.8	-1.39	2.00	2.25	-1.41	4.00	-2.84	0.67	0.90	1.37
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						-1.24	1.66	1.96	-1.27	3.47	-3.34	0.44	0.84	1.38
<b>Emerging Market Debt <sup>(3)</sup></b>	1.0%	0.0	0.0	0.0	\$252.9	0.43	3.56	5.99	-0.45	8.88	-1.89	0.25	1.20	1.74
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						0.20	2.85	4.51	-1.07	9.68	-2.47	0.26	1.30	1.51
<b>Non-Core Fixed Income</b>	5.1%	2.0	0.0	7.0	\$1,289.9	0.33	3.83	7.34	0.39	10.69	2.44	4.57	4.30	4.15
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						0.29	4.03	7.96	0.29	11.01	1.84	3.93	3.98	4.04
<b>Liquidity Fund</b>	2.0%	1.0	0.0	3.0	\$515.0	0.44	1.35	3.60	0.90	5.99	2.82	2.21	2.12	1.52
<i>U.S. 3-Month T-Bill</i>						0.41	1.31	3.56	0.84	5.22	1.44	1.54	1.58	1.20
<b>Real Estate <sup>(1)</sup></b>	6.5%	10.0	5.0	15.0	\$1,630.7	N/A	-2.25	-3.82	-2.24	-7.35	6.06	4.78	5.47	7.02
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears<sup>^</sup></i>						N/A	-2.10	-4.93	0.00	-12.88	6.19	4.72	5.43	7.19
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	2.7%	7.0	2.0	12.0	\$691.4	N/A	0.07	1.31	-0.01	6.96	7.33	N/A	N/A	N/A
<i>U.S. CPI + 400 basis points 1Q in Arrears<sup>^</sup></i>						N/A	0.99	4.42	0.42	7.25	9.79	N/A	N/A	N/A
<b>Private Investment <sup>(1)</sup></b>	11.0%	15.0	10.0	20.0	\$2,774.1	N/A	-0.22	2.84	0.15	5.80	16.42	15.82	15.27	14.33
<i>Russell 3000 + 250 basis points 1Q in Arrears<sup>^</sup></i>						N/A	1.98	13.43	6.85	15.40	10.82	13.13	13.71	12.78
<b>Private Credit <sup>(1)</sup></b>	4.4%	10.0	5.0	15.0	\$1,104.8	N/A	2.44	6.57	0.72	9.99	9.01	N/A	N/A	N/A
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears<sup>^</sup></i>						N/A	2.55	9.07	1.45	13.61	7.21	N/A	N/A	N/A
<b>Absolute Return (Risk Mitigating)</b>	4.6%	5.0	0.0	10.0	\$1,163.1	0.01	0.64	-0.44	-0.36	-0.81	-0.27	1.30	1.84	1.77
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						0.30	0.52	-0.05	0.30	-1.44	-0.63	1.39	1.70	1.24

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended benchmark comprised of the weightings of each of the investments utilized within the strategy

<sup>(3)</sup> Legacy asset class



## STATE EMPLOYEES' RETIREMENT FUND

Net of All Fees and Expenses

2/29/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Compound, annualized returns			
											Three Year	Five Year	Seven Year	Ten Year
<b>State Employees' Retirement Fund</b>					<b>\$22,478.1</b>	<b>1.98</b>	<b>5.49</b>	<b>7.15</b>	<b>2.19</b>	<b>13.10</b>	<b>4.97</b>	<b>7.36</b>	<b>7.19</b>	<b>6.67</b>
<i>Policy Benchmark</i>						2.98	4.44	7.86	2.72	11.49	4.37	7.13	7.19	6.67
<i>Excess Return</i>						(1.01)	1.05	(0.71)	(0.53)	1.61	0.59	0.23	(0.00)	(0.01)
<b>Global Equities</b>	<b>48.5%</b>	<b>37.0</b>	23.0	52.0	<b>\$10,905.9</b>	<b>4.55</b>	<b>10.65</b>	<b>12.98</b>	<b>5.28</b>	<b>24.06</b>	<b>5.60</b>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>MSCI All Country World IMI Index</i>						4.18	9.89	12.10	4.41	21.62	6.47	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Domestic Equity</b>	<b>29.9%</b>				<b>\$6,711.2</b>	<b>5.60</b>	<b>12.72</b>	<b>15.86</b>	<b>7.17</b>	<b>29.51</b>	<b>10.29</b>	<b>14.08</b>	<b>13.07</b>	<b>12.06</b>
<i>MSCI USA IMI Index</i>						5.32	12.04	15.21	6.43	28.07	9.72	13.83	12.87	11.98
<b>Developed Markets Equity</b>	<b>13.0%</b>				<b>\$2,927.1</b>	<b>1.83</b>	<b>7.46</b>	<b>8.76</b>	<b>1.90</b>	<b>15.26</b>	<b>5.05</b>	<b>7.50</b>	<b>7.06</b>	<b>5.87</b>
<i>MSCI EAFE + Canada Index</i>						1.71	7.73	8.25	2.15	14.01	3.44	6.66	6.64	5.65
<b>Emerging Markets Equity</b>	<b>5.6%</b>				<b>\$1,267.6</b>	<b>5.21</b>	<b>7.12</b>	<b>7.90</b>	<b>3.00</b>	<b>14.95</b>	<b>-3.87</b>	<b>5.35</b>	<b>5.77</b>	<b>4.62</b>
<i>MSCI Emerging Markets IMI</i>						4.46	4.03	5.77	0.05	10.44	-4.98	2.73	4.14	3.30
<b>Core Fixed Income</b>	<b>14.4%</b>	<b>13.0</b>	8.0	18.0	<b>\$3,244.0</b>	<b>-1.39</b>	<b>1.97</b>	<b>2.24</b>	<b>-1.41</b>	<b>3.94</b>	<b>-2.86</b>	<b>0.66</b>	<b>0.89</b>	<b>1.37</b>
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						-1.24	1.66	1.96	-1.27	3.47	-3.34	0.44	0.84	1.38
<b>Emerging Market Debt <sup>(3)</sup></b>	<b>1.0%</b>	<b>0.0</b>	0.0	0.0	<b>\$214.1</b>	<b>0.43</b>	<b>3.56</b>	<b>5.82</b>	<b>-0.45</b>	<b>8.45</b>	<b>-2.02</b>	<b>0.17</b>	<b>1.15</b>	<b>1.70</b>
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						0.20	2.85	4.51	-1.07	9.68	-2.47	0.26	1.30	1.51
<b>Non-Core Fixed Income</b>	<b>5.1%</b>	<b>2.0</b>	0.0	7.0	<b>\$1,142.5</b>	<b>0.33</b>	<b>3.83</b>	<b>7.36</b>	<b>0.39</b>	<b>10.70</b>	<b>2.44</b>	<b>4.57</b>	<b>4.30</b>	<b>4.15</b>
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						0.29	4.03	7.96	0.29	11.01	1.84	3.93	3.98	4.04
<b>Liquidity Fund</b>	<b>2.0%</b>	<b>1.0</b>	0.0	3.0	<b>\$443.4</b>	<b>0.43</b>	<b>1.37</b>	<b>3.71</b>	<b>0.90</b>	<b>5.42</b>	<b>2.78</b>	<b>2.19</b>	<b>2.10</b>	<b>1.51</b>
<i>U.S. 3-Month T-Bill</i>						0.41	1.31	3.56	0.84	5.22	1.44	1.54	1.58	1.20
<b>Real Estate <sup>(1)</sup></b>	<b>6.4%</b>	<b>10.0</b>	5.0	15.0	<b>\$1,447.4</b>	<i>N/A</i>	<b>-2.25</b>	<b>-3.83</b>	<b>-2.24</b>	<b>-7.36</b>	<b>6.06</b>	<b>4.78</b>	<b>5.47</b>	<b>7.02</b>
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears<sup>^</sup></i>						<i>N/A</i>	-2.10	-4.93	0.00	-12.88	6.19	4.72	5.43	7.19
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	<b>2.7%</b>	<b>7.0</b>	2.0	12.0	<b>\$614.3</b>	<i>N/A</i>	<b>0.08</b>	<b>1.32</b>	<b>0.00</b>	<b>6.97</b>	<b>7.33</b>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>U.S. CPI + 400 basis points 1Q in Arrears<sup>^</sup></i>						<i>N/A</i>	0.99	4.42	0.42	7.25	9.79	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Private Investment <sup>(1)</sup></b>	<b>10.9%</b>	<b>15.0</b>	10.0	20.0	<b>\$2,455.4</b>	<i>N/A</i>	<b>-0.22</b>	<b>2.83</b>	<b>0.15</b>	<b>5.80</b>	<b>16.42</b>	<b>15.81</b>	<b>15.27</b>	<b>14.33</b>
<i>Russell 3000 + 250 basis points 1Q in Arrears<sup>^</sup></i>						<i>N/A</i>	1.98	13.43	6.85	15.40	10.82	13.13	13.71	12.78
<b>Private Credit <sup>(1)</sup></b>	<b>4.4%</b>	<b>10.0</b>	5.0	15.0	<b>\$978.5</b>	<i>N/A</i>	<b>2.44</b>	<b>6.57</b>	<b>0.72</b>	<b>9.98</b>	<b>9.00</b>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears<sup>^</sup></i>						<i>N/A</i>	2.55	9.07	1.45	13.61	7.21	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Absolute Return (Risk Mitigating)</b>	<b>4.6%</b>	<b>5.0</b>	0.0	10.0	<b>\$1,032.5</b>	<b>0.01</b>	<b>0.64</b>	<b>-0.43</b>	<b>-0.36</b>	<b>-0.80</b>	<b>-0.27</b>	<b>1.31</b>	<b>1.84</b>	<b>1.78</b>
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						0.30	0.52	-0.05	0.30	-1.44	-0.63	1.39	1.70	1.24

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended benchmark comprised of the weightings of each of the investments utilized within the strategy

<sup>(3)</sup> Legacy asset class



## MUNICIPAL EMPLOYEES RETIREMENT FUND

Net of All Fees and Expenses

2/29/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Municipal Employees' Retirement Fund</b>					\$3,354.4	1.97	5.42	7.08	2.18	12.37	4.65	7.17	6.88	6.43
<i>Policy Benchmark</i>						2.98	4.44	7.86	2.72	11.49	4.37	7.10	6.99	6.44
<i>Excess Return</i>						(1.01)	0.98	(0.78)	(0.54)	0.87	0.27	0.07	(0.12)	(0.01)
<b>Global Equities</b>	48.6%	37.0	23.0	52.0	\$1,631.1	4.54	10.62	12.90	5.26	23.55	5.67	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						4.18	9.89	12.10	4.41	21.62	6.47	N/A	N/A	N/A
<b>Domestic Equity</b>	30.0%				\$1,004.9	5.59	12.72	15.84	7.17	29.47	10.25	14.05	13.05	12.05
<i>MSCI USA IMI Index</i>						5.32	12.04	15.21	6.43	28.07	9.72	13.83	12.87	11.98
<b>Developed Markets Equity</b>	13.0%				\$436.2	1.84	7.46	8.64	1.91	15.08	5.00	7.47	7.05	5.86
<i>MSCI EAFE + Canada Index</i>						1.71	7.73	8.25	2.15	14.01	3.44	6.66	6.64	5.65
<b>Emerging Markets Equity</b>	5.7%				\$190.0	5.21	7.12	7.79	3.00	14.81	-3.92	5.32	5.75	4.60
<i>MSCI Emerging Markets IMI</i>						4.46	4.03	5.77	0.05	10.44	-4.98	2.73	4.14	3.30
<b>Core Fixed Income</b>	14.5%	13.0	8.0	18.0	\$485.4	-1.39	1.98	2.23	-1.41	3.96	-2.85	0.67	0.90	1.37
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						-1.24	1.66	1.96	-1.27	3.47	-3.34	0.44	0.84	1.38
<b>Emerging Market Debt <sup>(3)</sup></b>	1.1%	0.0	0.0	0.0	\$35.7	0.43	3.56	5.90	-0.45	8.80	-1.91	0.23	1.19	1.74
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						0.20	2.85	4.51	-1.07	9.68	-2.47	0.26	1.30	1.51
<b>Non-Core Fixed Income</b>	5.1%	2.0	0.0	7.0	\$171.1	0.33	3.83	7.33	0.39	10.68	2.44	4.57	4.30	4.15
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						0.29	4.03	7.96	0.29	11.01	1.84	3.93	3.98	4.04
<b>Liquidity Fund</b>	1.9%	1.0	0.0	3.0	\$63.0	0.43	1.37	3.68	0.90	5.63	2.53	2.04	2.00	1.44
<i>U.S. 3-Month T-Bill</i>						0.41	1.31	3.56	0.84	5.22	1.44	1.54	1.58	1.20
<b>Real Estate <sup>(1)</sup></b>	6.4%	10.0	5.0	15.0	\$214.6	N/A	-2.25	-3.82	-2.24	-7.35	6.06	4.78	5.47	7.02
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears^</i>						N/A	-2.10	-4.93	0.00	-12.88	6.19	4.72	5.43	7.19
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	2.7%	7.0	2.0	12.0	\$88.7	N/A	0.09	1.33	0.01	7.00	7.33	N/A	N/A	N/A
<i>U.S. CPI + 400 basis points 1Q in Arrears^</i>						N/A	0.99	4.42	0.42	7.25	9.79	N/A	N/A	N/A
<b>Private Investment <sup>(1)</sup></b>	10.9%	15.0	10.0	20.0	\$363.9	N/A	-0.22	2.84	0.15	5.80	16.42	15.81	15.27	14.33
<i>Russell 3000 + 250 basis points 1Q in Arrears^</i>						N/A	1.98	13.43	6.85	15.40	10.82	13.13	13.71	12.78
<b>Private Credit <sup>(1)</sup></b>	4.3%	10.0	5.0	15.0	\$144.8	N/A	2.44	6.57	0.72	9.98	9.03	N/A	N/A	N/A
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^</i>						N/A	2.55	9.07	1.45	13.61	7.21	N/A	N/A	N/A
<b>Absolute Return (Risk Mitigating)</b>	4.7%	5.0	0.0	10.0	\$156.0	0.01	0.64	-0.43	-0.36	-0.80	-0.27	1.31	1.84	1.78
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						0.30	0.52	-0.05	0.30	-1.44	-0.63	1.39	1.70	1.24

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended benchmark comprised of the weightings of each of the investments utilized within the strategy

<sup>(3)</sup> Legacy asset class



**OPEB FUND**  
**Net of All Fees and Expenses**  
**2/29/2024**

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>OPEB</b>					\$2,754.9	1.97	5.42	7.19	2.18	12.35	4.65	7.29	6.87	6.44
<i>Policy Benchmark</i>						2.98	4.44	7.86	2.72	11.49	4.37	7.16	6.95	6.50
<i>Excess Return</i>						(1.01)	0.98	(0.66)	(0.54)	0.86	0.28	0.13	(0.08)	(0.06)
<b>Global Equities</b>	48.2%	37.0	23.0	52.0	\$1,328.3	4.54	10.62	13.01	5.25	23.68	5.70	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						4.18	9.89	12.10	4.41	21.62	6.47	N/A	N/A	N/A
<b>Domestic Equity</b>	29.7%				\$818.9	5.59	12.71	15.81	7.16	29.42	10.24	14.05	13.05	12.05
<i>MSCI USA IMI Index</i>						5.32	12.04	15.21	6.43	28.07	9.72	13.83	12.87	11.98
<b>Developed Markets Equity</b>	13.0%				\$356.7	1.82	7.44	8.67	1.89	15.01	4.96	7.45	7.04	5.85
<i>MSCI EAFE + Canada Index</i>						1.71	7.73	8.25	2.15	14.01	3.44	6.66	6.64	5.65
<b>Emerging Markets Equity</b>	5.5%				\$152.7	5.21	7.12	7.82	3.00	14.86	-3.90	5.34	5.76	4.61
<i>MSCI Emerging Markets IMI</i>						4.46	4.03	5.77	0.05	10.44	-4.98	2.73	4.14	3.30
<b>Core Fixed Income</b>	14.2%	13.0	8.0	18.0	\$390.4	-1.39	1.98	2.25	-1.41	4.01	-2.83	0.68	0.91	1.38
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						-1.24	1.66	1.96	-1.27	3.47	-3.34	0.44	0.84	1.38
<b>Emerging Market Debt <sup>(3)</sup></b>	1.1%	0.0	0.0	0.0	\$31.3	0.43	3.56	5.93	-0.45	8.83	-1.90	0.24	1.20	1.74
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						0.20	2.85	4.51	-1.07	9.68	-2.47	0.26	1.30	1.51
<b>Non-Core Fixed Income</b>	5.0%	2.0	0.0	7.0	\$138.8	0.33	3.83	7.34	0.39	10.68	2.44	4.57	4.29	4.14
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						0.29	4.03	7.96	0.29	11.01	1.84	3.93	3.98	4.04
<b>Liquidity Fund</b>	3.0%	1.0	0.0	3.0	\$81.5	0.43	1.37	3.67	0.90	4.63	2.97	2.30	2.21	1.60
<i>U.S. 3-Month T-Bill</i>						0.41	1.31	3.56	0.84	5.22	1.44	1.54	1.58	1.20
<b>Real Estate <sup>(1)</sup></b>	6.3%	10.0	5.0	15.0	\$173.0	N/A	-2.25	-3.82	-2.24	-7.35	6.06	4.78	5.47	7.02
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears^</i>						N/A	-2.10	-4.93	0.00	-12.88	6.19	4.72	5.43	7.19
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	2.6%	7.0	2.0	12.0	\$70.8	N/A	0.08	1.33	0.01	6.99	7.33	N/A	N/A	N/A
<i>U.S. CPI + 400 basis points 1Q in Arrears^</i>						N/A	0.99	4.42	0.42	7.25	9.79	N/A	N/A	N/A
<b>Private Investment <sup>(1)</sup></b>	10.8%	15.0	10.0	20.0	\$297.4	N/A	-0.22	2.83	0.15	5.79	16.42	15.81	15.27	14.33
<i>Russell 3000 + 250 basis points 1Q in Arrears^</i>						N/A	1.98	13.43	6.85	15.40	10.82	13.13	13.71	12.78
<b>Private Credit <sup>(1)</sup></b>	4.3%	10.0	5.0	15.0	\$117.5	N/A	2.44	6.57	0.72	9.98	9.01	N/A	N/A	N/A
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^</i>						N/A	2.55	9.07	1.45	13.61	7.21	N/A	N/A	N/A
<b>Absolute Return (Risk Mitigating)</b>	4.6%	5.0	0.0	10.0	\$125.8	0.01	0.64	-0.44	-0.36	-0.80	-0.27	1.31	1.84	1.78
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						0.30	0.52	-0.05	0.30	-1.44	-0.63	1.39	1.70	1.24

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended benchmark comprised of the weightings of each of the investments utilized within the strategy

<sup>(3)</sup> Legacy asset class



**PROBATE JUDGES EMPLOYEES' RETIREMENT FUND**

Net of All Fees and Expenses

2/29/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Probate Judges Employees' Retirement Fund</b>					<b>\$138.3</b>	<b>1.98</b>	<b>5.43</b>	<b>7.09</b>	<b>2.18</b>	<b>12.33</b>	<b>4.58</b>	<b>7.09</b>	<b>6.81</b>	<b>6.40</b>
<i>Policy Benchmark</i>						2.98	4.44	7.86	2.72	11.49	4.37	7.11	7.01	6.48
<i>Excess Return</i>						(1.01)	0.99	(0.77)	(0.54)	0.84	0.21	(0.03)	(0.20)	(0.08)
<b>Global Equities</b>	<b>48.8%</b>	<b>37.0</b>	23.0	52.0	<b>\$67.4</b>	<b>4.54</b>	<b>10.62</b>	<b>12.88</b>	<b>5.25</b>	<b>23.51</b>	<b>5.63</b>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>MSCI All Country World IMI Index</i>						4.18	9.89	12.10	4.41	21.62	6.47	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Domestic Equity</b>	<b>30.0%</b>				<b>\$41.5</b>	<b>5.59</b>	<b>12.72</b>	<b>15.85</b>	<b>7.17</b>	<b>29.48</b>	<b>10.25</b>	<b>14.05</b>	<b>13.05</b>	<b>12.05</b>
<i>MSCI USA IMI Index</i>						5.32	12.04	15.21	6.43	28.07	9.72	13.83	12.87	11.98
<b>Developed Markets Equity</b>	<b>13.1%</b>				<b>\$18.1</b>	<b>1.83</b>	<b>7.46</b>	<b>8.63</b>	<b>1.90</b>	<b>15.01</b>	<b>4.96</b>	<b>7.45</b>	<b>7.03</b>	<b>5.85</b>
<i>MSCI EAFE + Canada Index</i>						1.71	7.73	8.25	2.15	14.01	3.44	6.66	6.64	5.65
<b>Emerging Markets Equity</b>	<b>5.7%</b>				<b>\$7.9</b>	<b>5.21</b>	<b>7.12</b>	<b>7.76</b>	<b>3.00</b>	<b>14.78</b>	<b>-3.92</b>	<b>5.32</b>	<b>5.75</b>	<b>4.60</b>
<i>MSCI Emerging Markets IMI</i>						4.46	4.03	5.77	0.05	10.44	-4.98	2.73	4.14	3.30
<b>Core Fixed Income</b>	<b>14.5%</b>	<b>13.0</b>	8.0	18.0	<b>\$20.1</b>	<b>-1.40</b>	<b>1.99</b>	<b>2.24</b>	<b>-1.41</b>	<b>3.98</b>	<b>-2.84</b>	<b>0.68</b>	<b>0.90</b>	<b>1.37</b>
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						-1.24	1.66	1.96	-1.27	3.47	-3.34	0.44	0.84	1.38
<b>Emerging Market Debt <sup>(3)</sup></b>	<b>1.1%</b>	<b>0.0</b>	0.0	0.0	<b>\$1.5</b>	<b>0.43</b>	<b>3.56</b>	<b>5.74</b>	<b>-0.45</b>	<b>8.52</b>	<b>-2.00</b>	<b>0.18</b>	<b>1.16</b>	<b>1.71</b>
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						0.20	2.85	4.51	-1.07	9.68	-2.47	0.26	1.30	1.51
<b>Non-Core Fixed Income</b>	<b>5.1%</b>	<b>2.0</b>	0.0	7.0	<b>\$7.0</b>	<b>0.34</b>	<b>3.83</b>	<b>7.34</b>	<b>0.40</b>	<b>10.69</b>	<b>2.44</b>	<b>4.57</b>	<b>4.30</b>	<b>4.15</b>
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						0.29	4.03	7.96	0.29	11.01	1.84	3.93	3.98	4.04
<b>Liquidity Fund</b>	<b>1.6%</b>	<b>1.0</b>	0.0	3.0	<b>\$2.2</b>	<b>0.43</b>	<b>1.36</b>	<b>3.68</b>	<b>0.89</b>	<b>5.95</b>	<b>2.61</b>	<b>2.09</b>	<b>2.03</b>	<b>1.46</b>
<i>U.S. 3-Month T-Bill</i>						0.41	1.31	3.56	0.84	5.22	1.44	1.54	1.58	1.20
<b>Real Estate <sup>(1)</sup></b>	<b>6.4%</b>	<b>10.0</b>	5.0	15.0	<b>\$8.9</b>	<i>N/A</i>	<b>-2.25</b>	<b>-3.82</b>	<b>-2.24</b>	<b>-7.35</b>	<b>6.07</b>	<b>4.79</b>	<b>5.47</b>	<b>7.02</b>
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears<sup>^</sup></i>						<i>N/A</i>	-2.10	-4.93	0.00	-12.88	6.19	4.72	5.43	7.19
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	<b>2.6%</b>	<b>7.0</b>	2.0	12.0	<b>\$3.6</b>	<i>N/A</i>	<b>0.08</b>	<b>1.32</b>	<b>0.00</b>	<b>6.98</b>	<b>7.33</b>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>U.S. CPI + 400 basis points 1Q in Arrears<sup>^</sup></i>						<i>N/A</i>	0.99	4.42	0.42	7.25	9.79	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Private Investment <sup>(1)</sup></b>	<b>10.9%</b>	<b>15.0</b>	10.0	20.0	<b>\$15.0</b>	<i>N/A</i>	<b>-0.22</b>	<b>2.84</b>	<b>0.15</b>	<b>5.81</b>	<b>16.42</b>	<b>15.81</b>	<b>15.27</b>	<b>14.33</b>
<i>Russell 3000 + 250 basis points 1Q in Arrears<sup>^</sup></i>						<i>N/A</i>	1.98	13.43	6.85	15.40	10.82	13.13	13.71	12.78
<b>Private Credit <sup>(1)</sup></b>	<b>4.4%</b>	<b>10.0</b>	5.0	15.0	<b>\$6.0</b>	<i>N/A</i>	<b>2.44</b>	<b>6.57</b>	<b>0.72</b>	<b>9.97</b>	<b>8.99</b>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears<sup>^</sup></i>						<i>N/A</i>	2.55	9.07	1.45	13.61	7.21	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Absolute Return (Risk Mitigating)</b>	<b>4.7%</b>	<b>5.0</b>	0.0	10.0	<b>\$6.4</b>	<b>0.01</b>	<b>0.64</b>	<b>-0.41</b>	<b>-0.36</b>	<b>-0.78</b>	<b>-0.26</b>	<b>1.31</b>	<b>1.84</b>	<b>1.78</b>
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						0.30	0.52	-0.05	0.30	-1.44	-0.63	1.39	1.70	1.24

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended benchmark comprised of the weightings of each of the investments utilized within the strategy

<sup>(3)</sup> Legacy asset class



## STATE JUDGES RETIREMENT FUND

Net of All Fees and Expenses

2/29/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>State Judges Retirement Fund</b>					\$319.1	1.97	5.42	7.07	2.18	12.30	4.61	7.14	6.87	6.42
<i>Policy Benchmark</i>						2.98	4.44	7.86	2.72	11.49	4.37	7.10	6.99	6.44
<i>Excess Return</i>						(1.01)	0.98	(0.79)	(0.54)	0.81	0.24	0.03	(0.13)	(0.01)
<b>Global Equities</b>	48.5%	37.0	23.0	52.0	\$154.8	4.54	10.62	12.89	5.25	23.52	5.64	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						4.18	9.89	12.10	4.41	21.62	6.47	N/A	N/A	N/A
<b>Domestic Equity</b>	29.9%				\$95.3	5.59	12.71	15.84	7.17	29.47	10.25	14.06	13.05	12.05
<i>MSCI USA IMI Index</i>						5.32	12.04	15.21	6.43	28.07	9.72	13.83	12.87	11.98
<b>Developed Markets Equity</b>	13.0%				\$41.4	1.84	7.46	8.65	1.91	15.02	4.97	7.45	7.04	5.85
<i>MSCI EAFE + Canada Index</i>						1.71	7.73	8.25	2.15	14.01	3.44	6.66	6.64	5.65
<b>Emerging Markets Equity</b>	5.7%				\$18.1	5.21	7.12	7.77	3.00	14.79	-3.92	5.32	5.75	4.58
<i>MSCI Emerging Markets IMI</i>						4.46	4.03	5.77	0.05	10.44	-4.98	2.73	4.14	3.30
<b>Core Fixed Income</b>	14.4%	13.0	8.0	18.0	\$45.9	-1.40	1.98	2.22	-1.41	3.96	-2.85	0.67	0.90	1.37
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						-1.24	1.66	1.96	-1.27	3.47	-3.34	0.44	0.84	1.38
<b>Emerging Market Debt <sup>(3)</sup></b>	1.1%	0.0	0.0	0.0	\$3.5	0.43	3.56	5.79	-0.45	8.61	-1.97	0.20	1.17	1.72
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						0.20	2.85	4.51	-1.07	9.68	-2.47	0.26	1.30	1.51
<b>Non-Core Fixed Income</b>	5.0%	2.0	0.0	7.0	\$16.0	0.34	3.83	7.33	0.40	10.69	2.44	4.57	4.30	4.15
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						0.29	4.03	7.96	0.29	11.01	1.84	3.93	3.98	4.04
<b>Liquidity Fund</b>	2.3%	1.0	0.0	3.0	\$7.2	0.43	1.37	3.67	0.90	5.82	2.53	2.04	2.00	1.44
<i>U.S. 3-Month T-Bill</i>						0.41	1.31	3.56	0.84	5.22	1.44	1.54	1.58	1.20
<b>Real Estate <sup>(1)</sup></b>	6.4%	10.0	5.0	15.0	\$20.5	N/A	-2.25	-3.82	-2.24	-7.35	6.07	4.79	5.47	7.02
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears^</i>						N/A	-2.10	-4.93	0.00	-12.88	6.19	4.72	5.43	7.19
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	2.7%	7.0	2.0	12.0	\$8.5	N/A	0.07	1.31	-0.01	6.98	7.33	N/A	N/A	N/A
<i>U.S. CPI + 400 basis points 1Q in Arrears^</i>						N/A	0.99	4.42	0.42	7.25	9.79	N/A	N/A	N/A
<b>Private Investment <sup>(1)</sup></b>	10.9%	15.0	10.0	20.0	\$34.6	N/A	-0.22	2.84	0.15	5.80	16.42	15.81	15.27	14.33
<i>Russell 3000 + 250 basis points 1Q in Arrears^</i>						N/A	1.98	13.43	6.85	15.40	10.82	13.13	13.71	12.78
<b>Private Credit <sup>(1)</sup></b>	4.3%	10.0	5.0	15.0	\$13.6	N/A	2.44	6.57	0.72	9.97	8.99	N/A	N/A	N/A
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^</i>						N/A	2.55	9.07	1.45	13.61	7.21	N/A	N/A	N/A
<b>Absolute Return (Risk Mitigating)</b>	4.6%	5.0	0.0	10.0	\$14.6	0.01	0.64	-0.41	-0.36	-0.78	-0.26	1.31	1.84	1.78
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						0.30	0.52	-0.05	0.30	-1.44	-0.63	1.39	1.70	1.24

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended dynamic benchmark comprised of the weightings of each of the investments utilized within the strategy

<sup>(3)</sup> Legacy asset class





**STATE'S ATTORNEYS' RETIREMENT FUND**

Net of All Fees and Expenses

2/29/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>State's Attorneys' Retirement Fund</b>					\$2.9	1.97	5.42	7.09	2.18	12.27	4.59	6.96	6.74	6.18
<i>Policy Benchmark</i>						2.98	4.44	7.86	2.72	11.49	4.37	7.60	7.24	6.57
<i>Excess Return</i>						(1.01)	0.98	(0.77)	(0.54)	0.78	0.22	(0.65)	(0.49)	(0.39)
<b>Global Equities</b>	48.5%	37.0	23.0	52.0	\$1.4	4.55	10.63	12.90	5.26	23.52	5.64	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						4.18	9.89	12.10	4.41	21.62	6.47	N/A	N/A	N/A
<b>Domestic Equity</b>	29.9%				\$0.9	5.59	12.72	15.86	7.17	29.48	10.25	14.06	13.06	12.06
<i>MSCI USA IMI Index</i>						5.32	12.04	15.21	6.43	28.07	9.72	13.83	12.87	11.98
<b>Developed Markets Equity</b>	13.0%				\$0.4	1.83	7.45	8.65	1.90	15.03	4.97	7.45	7.03	5.85
<i>MSCI EAFE + Canada Index</i>						1.71	7.73	8.25	2.15	14.01	3.44	6.66	6.64	5.65
<b>Emerging Markets Equity</b>	5.7%				\$0.2	5.21	7.12	7.77	3.00	14.79	-3.92	5.32	5.74	4.60
<i>MSCI Emerging Markets IMI</i>						4.46	4.03	5.77	0.05	10.44	-4.98	2.73	4.14	3.30
<b>Core Fixed Income</b>	14.5%	13.0	8.0	18.0	\$0.4	-1.40	1.97	2.22	-1.41	3.96	-2.85	0.67	0.90	1.37
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						-1.24	1.66	1.96	-1.27	3.47	-3.34	0.44	0.84	1.38
<b>Emerging Market Debt <sup>(3)</sup></b>	1.1%	0.0	0.0	0.0	\$0.0	0.43	3.56	5.79	-0.45	8.54	-1.99	0.18	1.16	1.71
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						0.20	2.85	4.51	-1.07	9.68	-2.47	0.26	1.30	1.51
<b>Non-Core Fixed Income</b>	5.0%	2.0	0.0	7.0	\$0.1	0.34	3.84	7.34	0.40	10.69	2.44	4.57	4.30	4.15
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						0.29	4.03	7.96	0.29	11.01	1.84	3.93	3.98	4.04
<b>Liquidity Fund</b>	2.2%	1.0	0.0	3.0	\$0.1	0.43	1.36	3.67	0.89	5.61	2.45	1.99	1.96	1.42
<i>U.S. 3-Month T-Bill</i>						0.41	1.31	3.56	0.84	5.22	1.44	1.54	1.58	1.20
<b>Real Estate <sup>(1)</sup></b>	6.4%	10.0	5.0	15.0	\$0.2	N/A	-2.25	-3.82	-2.24	-7.35	6.07	N/A	N/A	N/A
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears^</i>						N/A	-2.10	-4.93	0.00	-12.88	6.19	N/A	N/A	N/A
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	2.7%	7.0	2.0	12.0	\$0.1	N/A	0.07	1.31	-0.01	6.98	7.33	N/A	N/A	N/A
<i>U.S. CPI + 400 basis points 1Q in Arrears^</i>						N/A	0.99	4.42	0.42	7.25	9.79	N/A	N/A	N/A
<b>Private Investment <sup>(1)</sup></b>	10.9%	15.0	10.0	20.0	\$0.3	N/A	-0.22	2.84	0.15	5.81	16.42	N/A	N/A	N/A
<i>Russell 3000 + 250 basis points 1Q in Arrears^</i>						N/A	1.98	13.43	6.85	15.40	10.82	N/A	N/A	N/A
<b>Private Credit <sup>(1)</sup></b>	4.3%	10.0	5.0	15.0	\$0.1	N/A	2.44	6.57	0.72	9.97	8.99	N/A	N/A	N/A
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^</i>						N/A	2.55	9.07	1.45	13.61	7.21	N/A	N/A	N/A
<b>Absolute Return (Risk Mitigating)</b>	4.6%	5.0	0.0	10.0	\$0.1	0.01	0.64	-0.41	-0.36	-0.78	-0.26	N/A	N/A	N/A
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						0.30	0.52	-0.05	0.30	-1.44	-0.63	N/A	N/A	N/A

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended dynamic benchmark comprised of the weightings of each of the investments utilized within the strategy

<sup>(3)</sup> Legacy asset class



**AGRICULTURAL COLLEGE FUND**

Net of All Fees and Expenses

2/29/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Agricultural College Fund</b>	100.0%				\$0.6	-1.38	1.98	2.27	-1.40	3.95	-2.82	0.71	0.93	1.40
<i>Policy Benchmark</i>						-1.24	1.66	1.96	-1.27	3.47	-3.34	0.44	0.84	1.38
<i>Excess Return</i>						(0.14)	0.32	0.30	(0.13)	0.48	0.53	0.27	0.09	0.03
<b>Core Fixed Income</b>	99.5%	100.0	100.0	100.0	\$0.5	-1.39	1.98	2.26	-1.41	3.92	-2.87	0.66	0.89	1.36
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						-1.24	1.66	1.96	-1.27	3.47	-3.34	0.44	0.84	1.38
<b>Liquidity Fund <sup>(1)</sup></b>	0.5%				\$0.0	0.43	1.37	2.47	0.89	4.49	2.08	1.78	1.66	1.14
<i>U.S. 3-Month T-Bill</i>						0.41	1.31	3.56	0.84	5.22	1.44	1.54	1.58	1.20

<sup>(1)</sup> Operational cash balance, distribution and expense accruals

**ANDREW C. CLARK FUND**

Net of All Fees and Expenses

2/29/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Andrew C. Clark Fund</b>					\$1.3	0.84	5.19	6.19	1.10	10.93	0.69	4.16	4.07	3.96
<i>Policy Benchmark</i>						0.78	4.67	5.74	0.85	10.04	0.21	3.89	3.93	3.90
<i>Excess Return</i>						0.06	0.53	0.45	0.24	0.88	0.48	0.27	0.15	0.06
<b>Global Equities</b>	39.4%	37.0	23.0	52.0	\$0.5	4.45	10.56	12.60	5.16	23.27	6.82	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						4.18	9.89	12.10	4.41	21.62	6.47	N/A	N/A	N/A
<b>Domestic Equity</b>	23.9%				\$0.3	5.59	12.71	15.92	7.16	29.59	10.38	14.14	13.11	12.09
<i>MSCI USA IMI Index</i>						5.32	12.04	15.21	6.43	28.07	9.72	13.83	12.87	11.98
<b>Developed Markets Equity</b>	11.3%				\$0.1	1.85	7.48	8.63	1.92	15.01	4.97	7.45	7.03	5.85
<i>MSCI EAFE + Canada Index</i>						1.71	7.73	8.25	2.15	14.01	3.44	6.66	6.64	5.65
<b>Emerging Markets Equity</b>	4.1%				\$0.1	5.21	7.10	7.81	3.00	14.73	-3.91	5.33	5.75	4.60
<i>MSCI Emerging Markets IMI</i>						4.46	4.03	5.77	0.05	10.44	-4.98	2.73	4.14	3.30
<b>Core Fixed Income</b>	60.0%	62.0	57.0	67.0	\$0.8	-1.39	1.98	2.25	-1.41	3.93	-2.88	0.65	0.88	1.36
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						-1.24	1.66	1.96	-1.27	3.47	-3.34	0.44	0.84	1.38
<b>Liquidity Fund <sup>(1)</sup></b>	0.6%	1.0	0.0	3.0	\$0.0	0.43	1.36	2.18	0.89	4.71	1.97	2.74	3.01	2.18
<i>U.S. 3-Month T-Bill</i>						0.41	1.31	3.56	0.84	5.22	1.44	1.54	1.58	1.20

(1) Operational cash balance, distribution and expense accruals



**SOLDIERS' SAILORS' & MARINES' FUND**

Net of All Fees and Expenses

2/29/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Compound, annualized returns			
											Three Year	Five Year	Seven Year	Ten Year
<b>Soldiers' Sailors' &amp; Marines Fund</b> <i>Policy Benchmark</i> <i>Excess Return</i>					\$85.4	0.81 0.78 0.03	5.12 4.67 0.45	6.13 5.74 0.38	1.06 0.85 0.21	10.91 10.04 0.87	0.61 0.21 0.40	4.11 3.89 0.22	4.04 3.93 0.11	3.93 3.90 0.04
<b>Global Equities</b> <i>MSCI All Country World IMI Index</i>	38.8%	37.0	23.0	52.0	\$33.1	4.43 4.18	10.53 9.89	12.86 12.10	5.13 4.41	23.53 21.62	6.63 6.47	N/A N/A	N/A N/A	N/A N/A
<b>Domestic Equity</b> <i>MSCI USA IMI Index</i>	23.3%				\$19.9	5.59 5.32	12.73 12.04	15.77 15.21	7.16 6.43	29.39 28.07	10.31 9.72	14.09 13.83	13.08 12.87	12.07 11.98
<b>Developed Markets Equity</b> <i>MSCI EAFE + Canada Index</i>	11.4%				\$9.7	1.85 1.71	7.48 7.73	8.67 8.25	1.92 2.15	15.08 14.01	5.00 3.44	7.47 6.66	7.05 6.64	5.86 5.65
<b>Emerging Markets Equity</b> <i>MSCI Emerging Markets IMI</i>	4.1%				\$3.5	5.21 4.46	7.10 4.03	7.84 5.77	3.00 0.05	14.89 10.44	-3.91 -4.98	5.33 2.73	5.75 4.14	4.61 3.30
<b>Core Fixed Income</b> <i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>	59.8%	62.0	57.0	67.0	\$51.1	-1.39 -1.24	1.99 1.66	2.27 1.96	-1.41 -1.27	3.94 3.47	-2.87 -3.34	0.66 0.44	0.89 0.84	1.36 1.38
<b>Liquidity Fund</b> <i>U.S. 3-Month T-Bill</i>	1.4%	1.0	0.0	3.0	\$1.2	0.42 0.41	1.36 1.31	3.68 3.56	0.89 0.84	5.86 5.22	2.51 1.44	2.02 1.54	1.99 1.58	1.43 1.20



**SCHOOL FUND**  
Net of All Fees and Expenses  
2/29/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>School Fund</b>					\$12.9	0.82	5.16	6.19	1.07	10.94	0.57	4.11	4.04	3.94
<i>Policy Benchmark</i>						0.78	4.67	5.74	0.85	10.04	0.21	3.89	3.93	3.90
<i>Excess Return</i>						0.04	0.49	0.45	0.22	0.90	0.36	0.21	0.11	0.05
<b>Global Equities</b>	39.0%	37.0	23.0	52.0	\$5.0	4.41	10.50	12.85	5.11	23.53	6.69	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						4.18	9.89	12.10	4.41	21.62	6.47	N/A	N/A	N/A
<b>Domestic Equity</b>	23.3%				\$3.0	5.59	12.71	15.72	7.16	29.27	10.28	14.07	13.07	12.06
<i>MSCI USA IMI Index</i>						5.32	12.04	15.21	6.43	28.07	9.72	13.83	12.87	11.98
<b>Developed Markets Equity</b>	11.6%				\$1.5	1.85	7.48	8.66	1.92	15.06	4.99	7.46	7.05	5.86
<i>MSCI EAFE + Canada Index</i>						1.71	7.73	8.25	2.15	14.01	3.44	6.66	6.64	5.65
<b>Emerging Markets Equity</b>	4.1%				\$0.5	5.21	7.10	7.84	3.00	14.85	-3.92	5.33	5.75	4.60
<i>MSCI Emerging Markets IMI</i>						4.46	4.03	5.77	0.05	10.44	-4.98	2.73	4.14	3.30
<b>Core Fixed Income</b>	59.9%	62.0	57.0	67.0	\$7.7	-1.39	1.98	2.28	-1.41	3.94	-2.87	0.66	0.89	1.36
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						-1.24	1.66	1.96	-1.27	3.47	-3.34	0.44	0.84	1.38
<b>Liquidity Fund</b>	1.1%	1.0	0.0	3.0	\$0.1	0.95	3.07	9.08	2.00	11.33	4.48	3.56	3.45	2.40
<i>U.S. 3-Month T-Bill</i>						0.41	1.31	3.56	0.84	5.22	1.44	1.54	1.58	1.20



**IDA EATON COTTON FUND**

Net of All Fees and Expenses

2/29/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>IDA Eaton Cotton Fund</b>					\$2.7	0.82	5.17	6.20	1.08	11.08	0.68	4.15	4.07	3.95
<i>Policy Benchmark</i>						0.78	4.67	5.74	0.85	10.04	0.21	3.89	3.93	3.90
<i>Excess Return</i>						0.04	0.50	0.45	0.23	1.04	0.47	0.26	0.14	0.06
<b>Global Equities</b>	<b>39.1%</b>	<b>37.0</b>	23.0	52.0	\$1.1	4.44	10.55	12.61	5.15	23.28	6.76	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						4.18	9.89	12.10	4.41	21.62	6.47	N/A	N/A	N/A
<b>Domestic Equity</b>	<b>23.7%</b>				\$0.6	5.59	12.71	15.90	7.16	29.35	10.28	14.07	13.07	12.06
<i>MSCI USA IMI Index</i>						5.32	12.04	15.21	6.43	28.07	9.72	13.83	12.87	11.98
<b>Developed Markets Equity</b>	<b>11.4%</b>				\$0.3	1.85	7.48	8.63	1.92	15.09	5.00	7.47	7.05	5.86
<i>MSCI EAFE + Canada Index</i>						1.71	7.73	8.25	2.15	14.01	3.44	6.66	6.64	5.65
<b>Emerging Markets Equity</b>	<b>4.1%</b>				\$0.1	5.21	7.10	7.76	3.00	14.81	-3.93	5.32	5.74	4.60
<i>MSCI Emerging Markets IMI</i>						4.46	4.03	5.77	0.05	10.44	-4.98	2.73	4.14	3.30
<b>Core Fixed Income</b>	<b>60.1%</b>	<b>62.0</b>	57.0	67.0	\$1.6	-1.39	1.98	2.27	-1.41	3.92	-2.88	0.65	0.89	1.36
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						-1.24	1.66	1.96	-1.27	3.47	-3.34	0.44	0.84	1.38
<b>Liquidity Fund <sup>(1)</sup></b>	<b>0.8%</b>	<b>1.0</b>	0.0	3.0	\$0.0	0.43	1.36	1.17	0.89	2.88	1.50	2.43	2.94	2.12
<i>U.S. 3-Month T-Bill</i>						0.41	1.31	3.56	0.84	5.22	1.44	1.54	1.58	1.20

<sup>(1)</sup> Operational cash balance, distribution and expense accruals



**HOPEMEAD FUND**  
 Net of All Fees and Expenses  
 2/29/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Hopemead Fund</b>					\$4.9	0.80	5.13	6.14	1.05	10.93	0.64	4.11	4.03	3.92
<i>Policy Benchmark</i>						0.78	4.67	5.74	0.85	10.04	0.21	3.89	3.93	3.90
<i>Excess Return</i>						0.02	0.46	0.40	0.20	0.89	0.44	0.22	0.11	0.02
<b>Global Equities</b>	<b>38.8%</b>	<b>37.0</b>	23.0	52.0	\$1.9	4.42	10.52	12.86	5.12	23.54	6.69	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						4.18	9.89	12.10	4.41	21.62	6.47	N/A	N/A	N/A
<b>Domestic Equity</b>	<b>23.3%</b>				\$1.1	5.59	12.71	15.73	7.16	29.25	10.26	14.06	13.06	12.06
<i>MSCI USA IMI Index</i>						5.32	12.04	15.21	6.43	28.07	9.72	13.83	12.87	11.98
<b>Developed Markets Equity</b>	<b>11.4%</b>				\$0.6	1.85	7.48	8.66	1.92	15.06	4.99	7.47	7.05	5.86
<i>MSCI EAFE + Canada Index</i>						1.71	7.73	8.25	2.15	14.01	3.44	6.66	6.64	5.65
<b>Emerging Markets Equity</b>	<b>4.1%</b>				\$0.2	5.21	7.10	7.84	3.00	14.87	-3.91	5.33	5.75	4.60
<i>MSCI Emerging Markets IMI</i>						4.46	4.03	5.77	0.05	10.44	-4.98	2.73	4.14	3.30
<b>Core Fixed Income</b>	<b>60.3%</b>	<b>62.0</b>	57.0	67.0	\$2.9	-1.39	1.98	2.28	-1.41	3.94	-2.87	0.66	0.89	1.36
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						-1.24	1.66	1.96	-1.27	3.47	-3.34	0.44	0.84	1.38
<b>Liquidity Fund</b>	<b>0.9%</b>	<b>1.0</b>	0.0	3.0	\$0.0	0.43	1.36	3.67	0.89	5.65	2.51	2.02	1.99	1.43
<i>U.S. 3-Month T-Bill</i>						0.41	1.31	3.56	0.84	5.22	1.44	1.54	1.58	1.20



**ARTS ENDOWMENT FUND**

Net of All Fees and Expenses

2/29/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Arts Endowment Fund</b>					\$22.7	2.02	6.82	8.62	2.40	14.87	3.65	7.27	6.42	5.59
<i>Policy Benchmark</i>						1.99	6.20	8.34	2.12	14.37	2.29	6.17	5.76	5.17
<i>Excess Return</i>						0.03	0.62	0.27	0.28	0.50	1.36	1.10	0.67	0.42
<b>Global Equities</b>	56.3%	54.0	39.0	69.0	\$12.8	4.42	10.51	12.72	5.12	23.35	6.12	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						4.18	9.89	12.10	4.41	21.62	6.47	N/A	N/A	N/A
<b>Domestic Equity</b>	33.5%				\$7.6	5.59	12.71	15.86	7.16	29.24	10.17	14.01	13.03	12.03
<i>MSCI USA IMI Index</i>						5.32	12.04	15.21	6.43	28.07	9.72	13.83	12.87	11.98
<b>Developed Markets Equity</b>	16.6%				\$3.8	1.85	7.48	8.66	1.92	15.15	5.02	7.48	7.07	5.87
<i>MSCI EAFE + Canada Index</i>						1.71	7.73	8.25	2.15	14.01	3.44	6.66	6.64	5.65
<b>Emerging Markets Equity</b>	6.3%				\$1.4	5.21	7.10	7.81	3.00	15.40	-3.76	5.43	5.83	4.66
<i>MSCI Emerging Markets IMI</i>						4.46	4.03	5.77	0.05	10.44	-4.98	2.73	4.14	3.30
<b>Core Fixed Income</b>	31.5%	33.0	28.0	38.0	\$7.2	-1.39	1.98	2.27	-1.41	4.02	-2.84	0.68	0.90	1.37
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						-1.24	1.66	1.96	-1.27	3.47	-3.34	0.44	0.84	1.38
<b>Emerging Market Debt <sup>(2)</sup></b>	1.1%	0.0	0.0	0.0	\$0.2	0.43	3.56	6.01	-0.45	9.48	-1.71	0.36	N/A	N/A
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						0.20	2.85	4.51	-1.07	9.68	-2.47	0.26	N/A	N/A
<b>Non-Core Fixed Income</b>	5.3%	2.0	0.0	7.0	\$1.2	0.33	3.83	7.39	0.39	11.08	2.56	4.64	N/A	N/A
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						0.29	4.03	7.96	0.29	11.01	1.84	3.93	N/A	N/A
<b>Private Credit <sup>(1)</sup></b>	4.3%	10.0	5.0	15.0	\$1.0	N/A	2.47	6.60	0.72	10.02	9.01	N/A	N/A	N/A
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears<sup>^</sup></i>						N/A	2.55	9.07	1.45	13.61	7.21	N/A	N/A	N/A
<b>Liquidity Fund</b>	1.5%	1.0	0.0	3.0	\$0.3	0.43	1.37	3.57	0.90	5.78	2.56	2.05	1.99	1.43
<i>U.S. 3-Month T-Bill</i>						0.41	1.31	3.56	0.84	5.22	1.44	1.54	1.58	1.20

<sup>(1)</sup> Actual performance, reported one quarter in arrears,

<sup>(2)</sup> Legacy asset class





**POLICEMEN AND FIREMEN SURVIVORS' BENEFIT FUND**

Net of All Fees and Expenses

2/29/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Policemen and Firemen Survivors' Benefit Fund</b>					<b>\$51.4</b>	<b>1.97</b>	<b>5.40</b>	<b>7.05</b>	<b>2.18</b>	<b>12.25</b>	<b>4.60</b>	<b>7.09</b>	<b>6.88</b>	<b>6.48</b>
<i>Policy Benchmark</i>						2.98	4.44	7.86	2.72	11.49	4.37	7.08	7.05	6.52
<i>Excess Return</i>						(1.01)	0.96	(0.80)	(0.54)	0.76	0.23	0.01	(0.17)	N/A
<b>Global Equities</b>	<b>48.6%</b>	<b>37.0</b>	23.0	52.0	<b>\$25.0</b>	<b>4.54</b>	<b>10.61</b>	<b>12.88</b>	<b>5.25</b>	<b>23.50</b>	<b>5.65</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<i>MSCI All Country World IMI Index</i>						4.18	9.89	12.10	4.41	21.62	6.47	N/A	N/A	N/A
<b>Domestic Equity</b>	<b>29.9%</b>				<b>\$15.4</b>	<b>5.59</b>	<b>12.70</b>	<b>15.83</b>	<b>7.16</b>	<b>29.45</b>	<b>10.24</b>	<b>14.05</b>	<b>13.05</b>	<b>12.05</b>
<i>MSCI USA IMI Index</i>						5.32	12.04	15.21	6.43	28.07	9.72	13.83	12.87	11.98
<b>Developed Markets Equity</b>	<b>13.0%</b>				<b>\$6.7</b>	<b>1.83</b>	<b>7.45</b>	<b>8.64</b>	<b>1.90</b>	<b>15.02</b>	<b>4.96</b>	<b>7.45</b>	<b>7.03</b>	<b>5.85</b>
<i>MSCI EAFE + Canada Index</i>						1.71	7.73	8.25	2.15	14.01	3.44	6.66	6.64	5.65
<b>Emerging Markets Equity</b>	<b>5.6%</b>				<b>\$2.9</b>	<b>5.21</b>	<b>7.12</b>	<b>7.77</b>	<b>3.00</b>	<b>14.80</b>	<b>-3.92</b>	<b>5.32</b>	<b>5.75</b>	<b>4.60</b>
<i>MSCI Emerging Markets IMI</i>						4.46	4.03	5.77	0.05	10.44	-4.98	2.73	4.14	3.30
<b>Core Fixed Income</b>	<b>14.4%</b>	<b>13.0</b>	8.0	18.0	<b>\$7.4</b>	<b>-1.40</b>	<b>1.96</b>	<b>2.21</b>	<b>-1.41</b>	<b>3.94</b>	<b>-2.85</b>	<b>0.67</b>	<b>0.90</b>	<b>1.37</b>
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						-1.24	1.66	1.96	-1.27	3.47	-3.34	0.44	0.84	1.38
<b>Emerging Market Debt <sup>(3)</sup></b>	<b>1.1%</b>	<b>0.0</b>	0.0	0.0	<b>\$0.6</b>	<b>0.43</b>	<b>3.56</b>	<b>5.82</b>	<b>-0.45</b>	<b>8.63</b>	<b>-1.96</b>	<b>0.20</b>	<b>1.17</b>	<b>1.72</b>
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						0.20	2.85	4.51	-1.07	9.68	-2.47	0.26	1.30	1.51
<b>Non-Core Fixed Income</b>	<b>5.0%</b>	<b>2.0</b>	0.0	7.0	<b>\$2.6</b>	<b>0.34</b>	<b>3.83</b>	<b>7.33</b>	<b>0.40</b>	<b>10.69</b>	<b>2.44</b>	<b>4.57</b>	<b>4.30</b>	<b>4.15</b>
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						0.29	4.03	7.96	0.29	11.01	1.84	3.93	3.98	4.04
<b>Liquidity Fund</b>	<b>2.2%</b>	<b>1.0</b>	0.0	3.0	<b>\$1.1</b>	<b>0.43</b>	<b>1.36</b>	<b>3.67</b>	<b>0.89</b>	<b>5.47</b>	<b>2.46</b>	<b>2.00</b>	<b>1.97</b>	<b>1.42</b>
<i>U.S. 3-Month T-Bill</i>						0.41	1.31	3.56	0.84	5.22	1.44	1.54	1.58	1.20
<b>Real Estate <sup>(1)</sup></b>	<b>6.4%</b>	<b>10.0</b>	5.0	15.0	<b>\$3.3</b>	<b>N/A</b>	<b>-2.25</b>	<b>-3.81</b>	<b>-2.24</b>	<b>-7.34</b>	<b>6.07</b>	<b>4.79</b>	<b>5.47</b>	<b>7.02</b>
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears<sup>^</sup></i>						N/A	-2.10	-4.93	0.00	-12.88	6.19	4.72	5.43	7.19
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	<b>2.6%</b>	<b>7.0</b>	2.0	12.0	<b>\$1.3</b>	<b>N/A</b>	<b>0.09</b>	<b>1.33</b>	<b>0.01</b>	<b>7.00</b>	<b>7.34</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<i>U.S. CPI + 400 basis points 1Q in Arrears<sup>^</sup></i>						N/A	0.99	4.42	0.42	7.25	9.79	N/A	N/A	N/A
<b>Private Investment <sup>(1)</sup></b>	<b>10.9%</b>	<b>15.0</b>	10.0	20.0	<b>\$5.6</b>	<b>N/A</b>	<b>-0.22</b>	<b>2.84</b>	<b>0.15</b>	<b>5.81</b>	<b>16.42</b>	<b>15.81</b>	<b>15.27</b>	<b>14.33</b>
<i>Russell 3000 + 250 basis points 1Q in Arrears<sup>^</sup></i>						N/A	1.98	13.43	6.85	15.40	10.82	13.13	13.71	12.78
<b>Private Credit <sup>(1)</sup></b>	<b>4.3%</b>	<b>10.0</b>	5.0	15.0	<b>\$2.2</b>	<b>N/A</b>	<b>2.44</b>	<b>6.57</b>	<b>0.72</b>	<b>9.98</b>	<b>8.99</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears<sup>^</sup></i>						N/A	2.55	9.07	1.45	13.61	7.21	N/A	N/A	N/A
<b>Absolute Return (Risk Mitigating)</b>	<b>4.5%</b>	<b>5.0</b>	0.0	10.0	<b>\$2.3</b>	<b>0.01</b>	<b>0.64</b>	<b>-0.41</b>	<b>-0.36</b>	<b>-0.78</b>	<b>-0.26</b>	<b>1.31</b>	<b>1.84</b>	<b>1.78</b>
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						0.30	0.52	-0.05	0.30	-1.44	-0.63	1.39	1.70	1.24

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended dynamic benchmark comprised of the weightings of each of the investments unitized within the strategy

<sup>(3)</sup> Legacy asset class



**BABY BONDS FUND**  
Net of All Fees and Expenses  
2/29/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Baby Bonds Fund</b>					\$423.6	1.97	5.39	N/A	2.19	N/A	N/A	N/A	N/A	N/A
<i>Policy Benchmark</i>						2.98	4.44	N/A	2.72	N/A	N/A	N/A	N/A	N/A
<i>Excess Return</i>						(1.01)	0.95	N/A	(0.54)	N/A	N/A	N/A	N/A	N/A
<b>Global Equities</b>	48.5%	37.0	23.0	52.0	\$205.4	4.54	10.62	N/A	5.26	N/A	N/A	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						4.18	9.89	N/A	4.41	N/A	N/A	N/A	N/A	N/A
<b>Domestic Equity</b>	29.9%				\$126.7	5.59	12.71	N/A	7.17	N/A	N/A	N/A	N/A	N/A
<i>MSCI USA IMI Index</i>						5.32	12.04	N/A	6.43	N/A	N/A	N/A	N/A	N/A
<b>Developed Markets Equity</b>	13.0%				\$54.9	1.83	7.46	N/A	1.90	N/A	N/A	N/A	N/A	N/A
<i>MSCI EAFE + Canada Index</i>						1.71	7.73	N/A	2.15	N/A	N/A	N/A	N/A	N/A
<b>Emerging Markets Equity</b>	5.6%				\$23.8	5.21	7.12	N/A	3.00	N/A	N/A	N/A	N/A	N/A
<i>MSCI Emerging Markets IMI</i>						4.46	4.03	N/A	0.05	N/A	N/A	N/A	N/A	N/A
<b>Core Fixed Income</b>	14.5%	13.0	8.0	18.0	\$61.5	-1.40	1.98	N/A	-1.41	N/A	N/A	N/A	N/A	N/A
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						-1.24	1.66	N/A	-1.27	N/A	N/A	N/A	N/A	N/A
<b>Non-Core Fixed Income</b>	5.1%	2.0	0.0	7.0	\$21.5	0.34	3.84	N/A	0.40	N/A	N/A	N/A	N/A	N/A
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						0.29	4.03	N/A	0.29	N/A	N/A	N/A	N/A	N/A
<b>Liquidity Fund</b>	2.7%	1.0	0.0	3.0	\$11.2	0.43	1.36	N/A	0.89	N/A	N/A	N/A	N/A	N/A
<i>U.S. 3-Month T-Bill</i>						0.41	1.31	N/A	0.84	N/A	N/A	N/A	N/A	N/A
<b>Real Estate<sup>(1)</sup></b>	6.5%	10.0	5.0	15.0	\$27.6	N/A	-2.25	N/A	-2.24	N/A	N/A	N/A	N/A	N/A
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears<sup>^</sup></i>						N/A	-2.10	N/A	0.00	N/A	N/A	N/A	N/A	N/A
<b>Infrastructure and Natural Resources<sup>(1)</sup></b>	2.7%	7.0	2.0	12.0	\$11.5	N/A	0.07	N/A	-0.01	N/A	N/A	N/A	N/A	N/A
<i>U.S. CPI + 400 basis points 1Q in Arrears<sup>^</sup></i>						N/A	0.99	N/A	0.42	N/A	N/A	N/A	N/A	N/A
<b>Private Investment<sup>(1)</sup></b>	10.9%	15.0	10.0	20.0	\$46.2	N/A	-0.22	N/A	0.15	N/A	N/A	N/A	N/A	N/A
<i>Russell 3000 + 250 basis points 1Q in Arrears<sup>^</sup></i>						N/A	1.98	N/A	6.85	N/A	N/A	N/A	N/A	N/A
<b>Private Credit<sup>(1)</sup></b>	4.5%	10.0	5.0	15.0	\$18.9	N/A	2.44	N/A	0.72	N/A	N/A	N/A	N/A	N/A
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears<sup>^</sup></i>						N/A	2.55	N/A	1.45	N/A	N/A	N/A	N/A	N/A
<b>Absolute Return (Risk Mitigating)</b>	4.6%	5.0	0.0	10.0	\$19.7	0.01	0.64	N/A	-0.36	N/A	N/A	N/A	N/A	N/A
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						0.30	0.52	N/A	0.30	N/A	N/A	N/A	N/A	N/A

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended dynamic benchmark comprised of the weightings of each of the investments unitized within the strategy

<sup>(3)</sup> Legacy asset class



## Dynamic Benchmark Summary

Net of All Fees and Expenses

2/29/2024

Funds	Compound, annualized returns								
	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Benchmark</b>									
<b>Teacher's Retirement Fund</b>	1.97	5.42	7.11	2.19	12.58	4.74	7.20	7.03	6.56
Dynamic Benchmark	2.94	5.33	8.11	2.77	12.57	4.15	7.07	7.07	6.60
Excess Return	(0.97)	0.09	(1.00)	(0.58)	0.01	0.59	0.14	(0.04)	(0.05)
<b>State Employees' Retirement Fund</b>	1.98	5.49	7.15	2.19	13.10	4.97	7.36	7.19	6.67
Dynamic Benchmark	2.96	5.46	8.17	2.81	12.96	4.31	7.20	7.20	6.73
Excess Return	(0.99)	0.02	(1.02)	(0.62)	0.14	0.65	0.16	(0.02)	(0.06)
<b>Municipal Employees' Retirement Fund</b>	1.97	5.42	7.08	2.18	12.37	4.65	7.17	6.88	6.43
Dynamic Benchmark	2.95	5.30	8.07	2.77	12.39	3.99	6.99	6.87	6.40
Excess Return	(0.98)	0.12	(0.99)	(0.59)	(0.02)	0.65	0.18	0.01	0.03
<b>OPEB</b>	1.97	5.42	7.19	2.18	12.35	4.65	7.29	6.87	6.44
Dynamic Benchmark	2.93	5.28	8.16	2.76	12.29	4.05	7.23	6.95	6.51
Excess Return	(0.96)	0.14	(0.97)	(0.58)	0.06	0.60	0.06	(0.08)	(0.06)
<b>Probate Judges Employees' Retirement Fund</b>	1.98	5.43	7.09	2.18	12.33	4.58	7.09	6.81	6.40
Dynamic Benchmark	2.96	5.31	8.07	2.78	12.28	3.92	7.00	6.88	6.44
Excess Return	(0.98)	0.12	(0.99)	(0.59)	0.06	0.66	0.09	(0.06)	(0.04)
<b>State Judges Retirement Fund</b>	1.97	5.42	7.07	2.18	12.30	4.61	7.14	6.87	6.42
Dynamic Benchmark	2.95	5.30	8.05	2.77	12.26	3.95	7.04	6.91	6.43
Excess Return	(0.98)	0.11	(0.98)	(0.59)	0.04	0.65	0.09	(0.05)	(0.01)
<b>State's Attorneys' Retirement Fund</b>	1.97	5.42	7.09	2.18	12.27	4.59	6.96	6.74	6.18
Dynamic Benchmark	2.95	5.31	8.08	2.77	12.22	3.93	7.20	7.01	6.44
Excess Return	(0.98)	0.11	(0.99)	(0.59)	0.05	0.66	(0.24)	(0.27)	(0.26)
<b>Agricultural College Fund</b>	-1.38	1.98	2.27	-1.40	3.95	-2.82	0.71	0.93	1.40
Dynamic Benchmark	-1.23	1.66	1.97	-1.26	3.48	-3.26	0.50	0.87	1.40
Excess Return	(0.15)	0.32	0.29	(0.14)	0.47	0.45	0.22	0.06	0.00
<b>Andrew C. Clark Fund</b>	0.84	5.19	6.19	1.10	10.93	0.69	4.16	4.07	3.96
Dynamic Benchmark	0.83	4.74	5.77	0.90	9.97	0.08	3.79	3.91	3.89
Excess Return	0.01	0.45	0.41	0.19	0.95	0.62	0.36	0.16	0.07
<b>Soldiers' Sailors' &amp; Marines Fund</b>	0.81	5.12	6.13	1.06	10.91	0.61	4.11	4.04	3.93
Dynamic Benchmark	0.81	4.70	5.62	0.89	9.92	-0.12	3.69	3.84	3.84
Excess Return	(0.00)	0.42	0.50	0.18	0.99	0.72	0.43	0.20	0.09
<b>School Fund</b>	0.82	5.16	6.19	1.07	10.94	0.57	4.11	4.04	3.94
Dynamic Benchmark	0.82	4.71	5.60	0.89	9.83	-0.23	3.63	3.79	3.82
Excess Return	(0.00)	0.45	0.59	0.18	1.11	0.80	0.48	0.25	0.07
<b>IDA Eaton Cotton Fund</b>	0.82	5.17	6.20	1.08	11.08	0.68	4.15	4.07	3.95
Dynamic Benchmark	0.82	4.72	5.76	0.89	10.13	0.04	3.77	3.90	3.88
Excess Return	0.00	0.45	0.44	0.19	0.95	0.64	0.38	0.17	0.08
<b>Hopemead Fund</b>	0.80	5.13	6.14	1.05	10.93	0.64	4.11	4.03	3.92
Dynamic Benchmark	0.80	4.69	5.62	0.88	9.91	-0.08	3.68	3.83	3.82
Excess Return	(0.00)	0.44	0.53	0.17	1.02	0.73	0.43	0.21	0.10
<b>Arts Endowment Fund</b>	2.02	6.82	8.62	2.40	14.87	3.65	7.27	6.42	5.59
Dynamic Benchmark	1.98	6.40	8.45	2.09	14.41	2.95	6.73	N/A	N/A
Excess Return	0.04	0.42	0.16	0.31	0.47	0.70	0.54	N/A	N/A
<b>Policemen and Firemen Survivors' Benefit Fund</b>	1.97	5.40	7.05	2.18	12.25	4.60	7.09	6.88	6.48
Dynamic Benchmark	2.95	5.29	8.03	2.77	12.18	3.94	6.99	6.92	6.47
Excess Return	(0.97)	0.12	(0.98)	(0.59)	0.07	0.66	0.11	(0.04)	0.01
<b>Baby Bonds Fund</b>	1.97	5.39	N/A	2.19	N/A	N/A	N/A	N/A	N/A
Dynamic Benchmark	2.96	5.30	N/A	2.79	N/A	N/A	N/A	N/A	N/A
Excess Return	(0.99)	0.09	N/A	(0.61)	N/A	N/A	N/A	N/A	N/A

Dynamic Benchmark represents "actual" asset class weights multiplied by its benchmark

SUMMARY CONNECTICUT RETIREMENT PLANS AND TRUST FUNDS

3/31/2024



	<u>Market Value (mil.)</u>	<u>Percent</u>	<u>Ten Year Return</u>
<b>Connecticut Retirement Plans and Trust Funds</b>	<b>\$55,689.3</b>	<b>100%</b>	<b>6.75 %</b>
Teacher's Retirement Fund	\$25,518.2	45.8%	6.72 %
State Employees' Retirement Fund	\$22,863.2	41.1%	6.83 %
Municipal Employees' Retirement Fund	\$3,407.7	6.1%	6.59 %
OPEB	\$2,816.1	5.1%	6.62 %
Probate Judges Employees' Retirement Fund	\$140.2	0.3%	6.57 %
State Judges Retirement Fund	\$324.9	0.6%	6.59 %
State's Attorneys' Retirement Fund	\$3.0	0.0%	6.35 %
Agricultural College Fund	\$0.6	0.0%	1.51 %
Andrew C. Clark Fund	\$1.3	0.0%	4.14 %
Soldiers' Sailors' & Marines Fund	\$86.8	0.2%	4.11 %
School Fund	\$12.8	0.0%	4.12 %
IDA Eaton Cotton Fund	\$2.8	0.0%	4.13 %
Hopemead Fund	\$4.9	0.0%	4.10 %
Arts Endowment Fund	\$23.2	0.0%	5.81 %
Policemen and Firemen Survivors' Benefit Fund	\$52.2	0.1%	6.64 %
Baby Bonds Fund	\$431.3	0.8%	N/A %

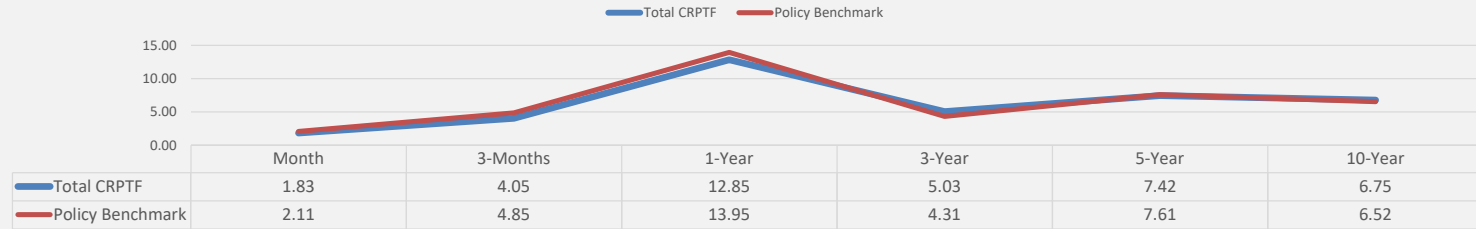
*Net of All Fees and Expenses, Compound, annualized returns*



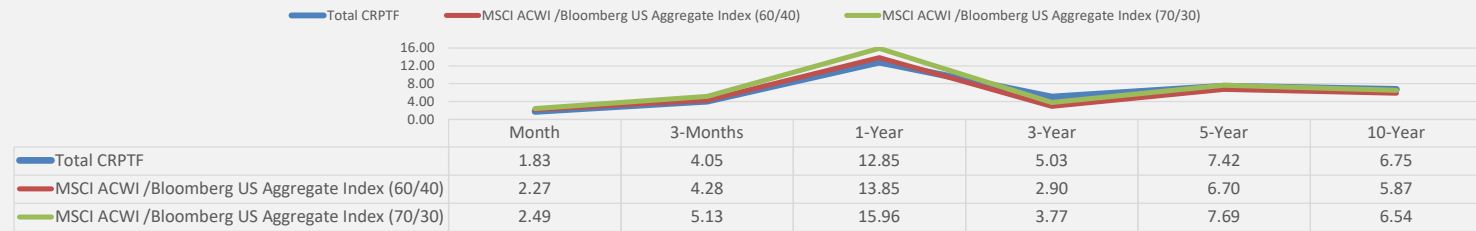
**CONNECTICUT RETIREMENT PLANS AND TRUST FUNDS**

3/31/2024

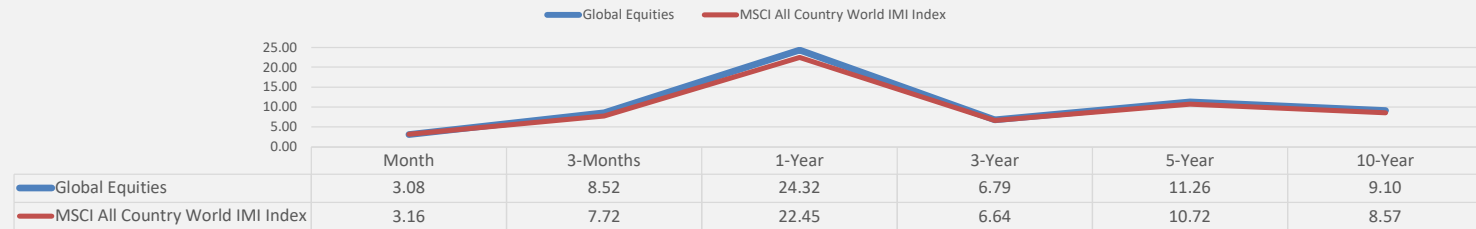
**TOTAL CRPTF VS. BENCHMARK**



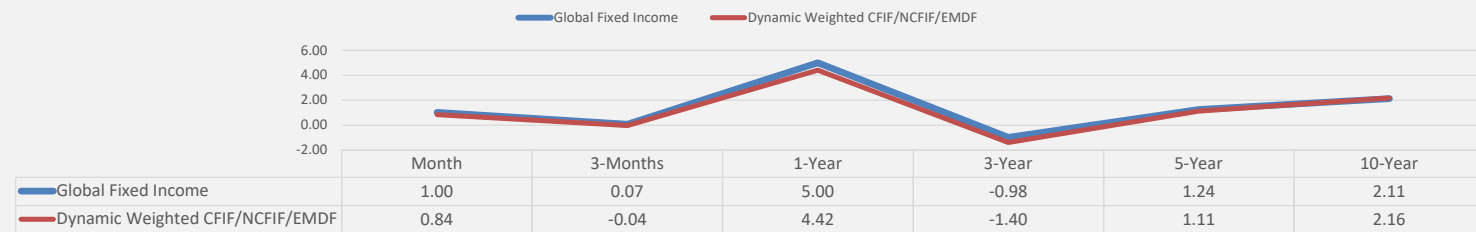
**HYPOTHETICAL 60/40 AND 70/30 MSCI ACWI - U.S. AGG BENCHMARK**



**GLOBAL EQUITIES VS. BENCHMARK**



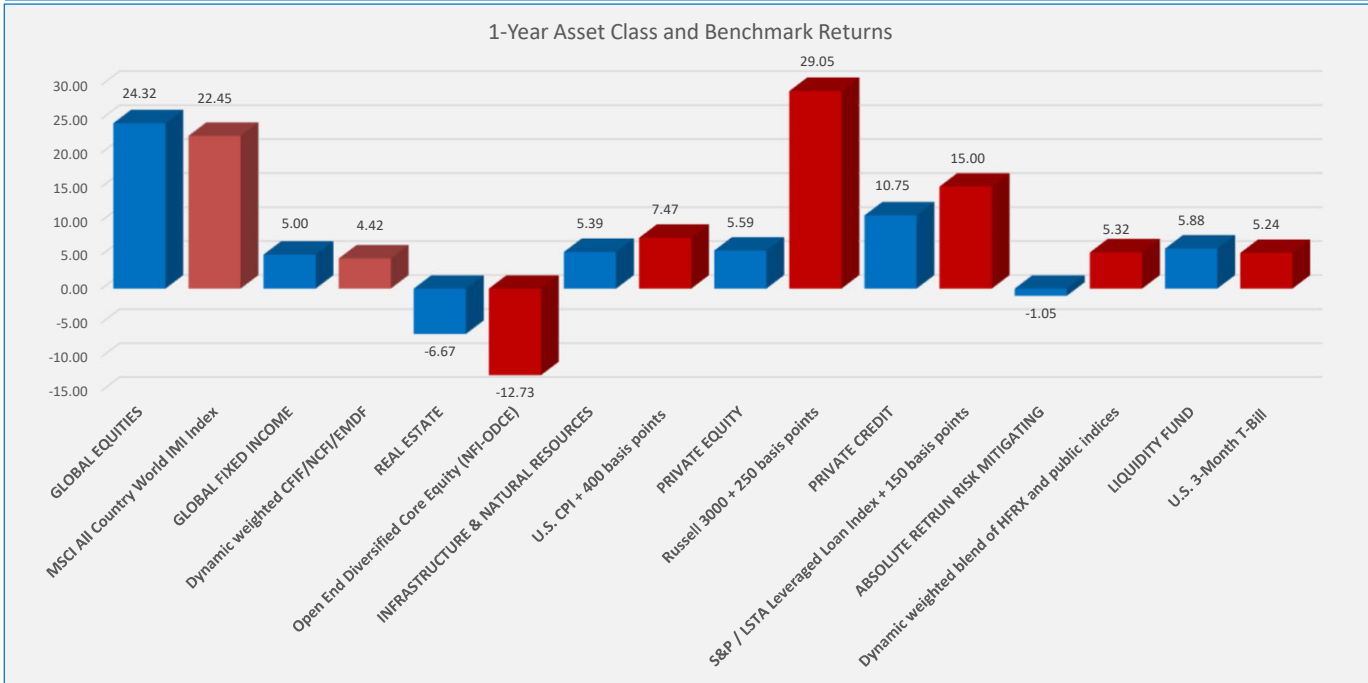
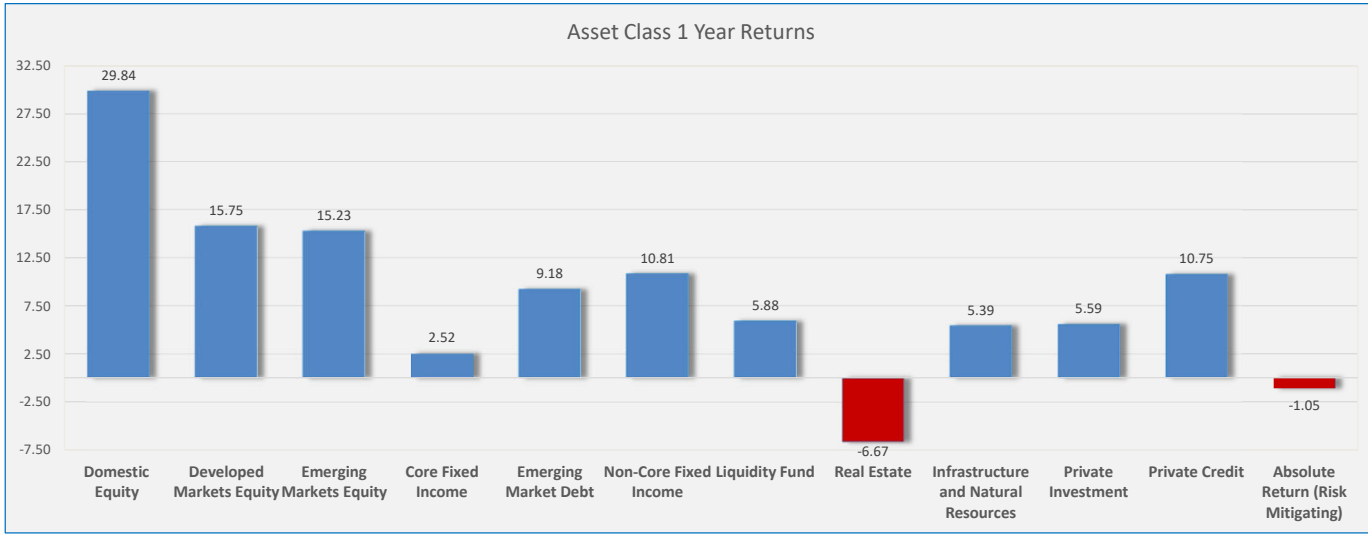
**GLOBAL FIXED INCOME VS. BENCHMARK**





**CONNECTICUT RETIREMENT PLANS AND TRUST FUNDS**

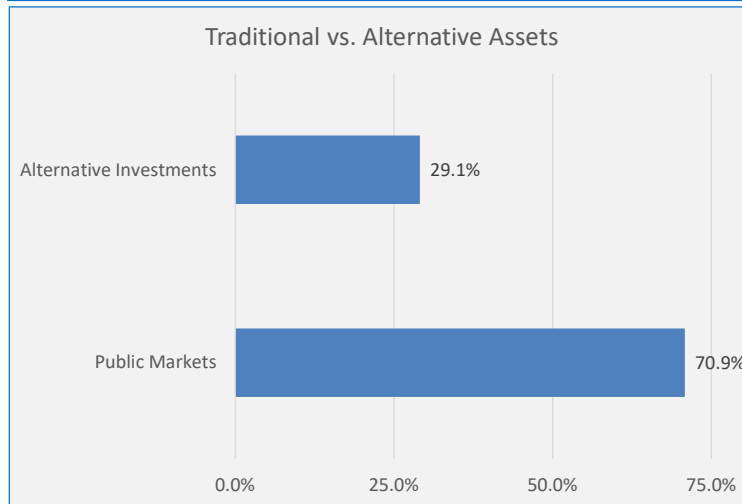
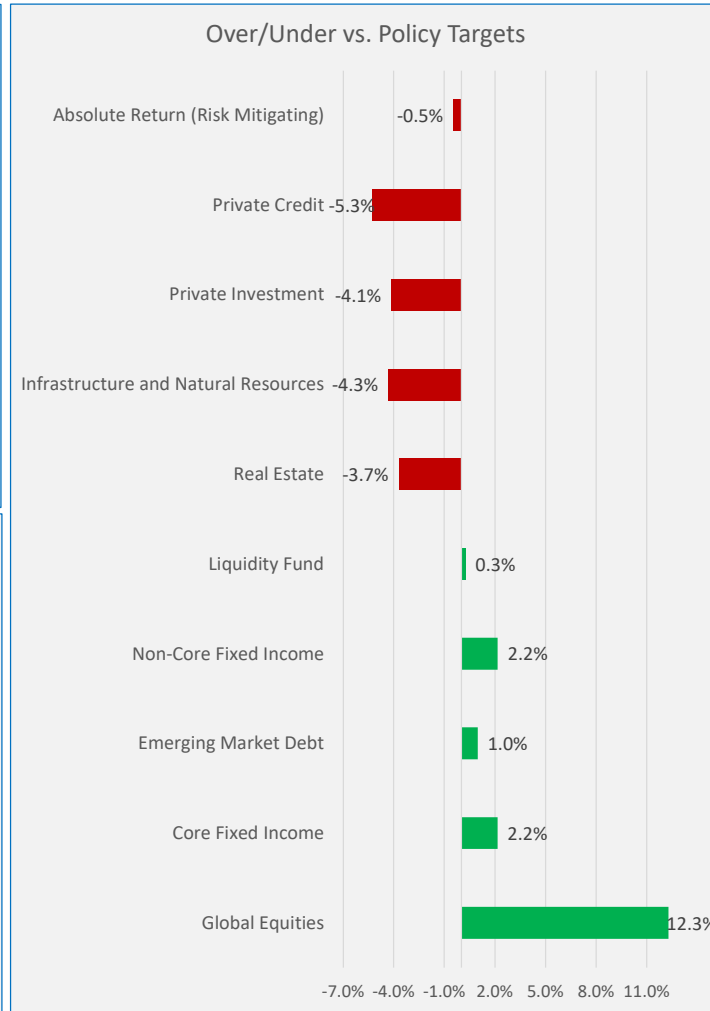
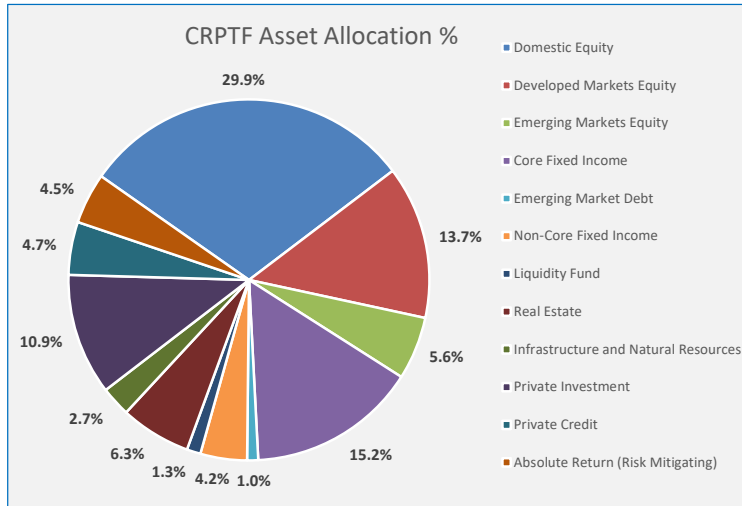
3/31/2024





**CONNECTICUT RETIREMENT PLANS AND TRUST FUNDS**

3/31/2024





**CONNECTICUT RETIREMENT PLANS AND TRUST FUNDS - TOTAL ADVISOR**

Net of All Fees and Expenses  
3/31/2024

Funds	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Benchmark</b>														
<b>Total Advisor</b>					\$55,689.3	1.83	4.05	9.10	4.05	12.85	5.03	7.42	7.18	6.75
Policy Benchmark						2.11	4.85	10.09	4.85	13.95	4.31	7.61	7.24	6.52
Excess Return						(0.28)	(0.80)	(0.99)	(0.80)	(1.10)	0.72	(0.19)	(0.06)	0.23
<b>Global Equities</b>	49.3%	37.0	23.0	52.0	\$27,450.3	3.08	8.52	16.44	8.52	24.32	6.79	11.26	10.26	9.10
MSCI All Country World IMI Index						3.16	7.72	15.65	7.72	22.45	6.64	10.72	10.10	8.57
<b>Domestic Equity</b>	29.9%				\$16,674.6	3.11	10.49	19.44	10.49	29.84	10.01	14.43	13.51	12.36
MSCI USA IMI Index						3.21	9.84	18.90	9.84	28.72	9.59	14.22	13.37	12.27
<b>Developed Markets Equity</b>	13.7%				\$7,640.8	3.27	5.26	12.21	5.26	15.75	5.23	7.93	7.05	6.26
MSCI EAFE + Canada Index						3.37	5.59	11.90	5.59	15.29	3.81	7.15	6.76	6.04
<b>Emerging Markets Equity</b>	5.6%				\$3,134.8	2.49	5.56	10.53	5.56	15.23	-2.75	5.61	5.59	4.54
MSCI Emerging Markets IMI						2.12	2.17	8.02	2.17	9.76	-3.93	2.98	4.08	3.21
<b>Core Fixed Income</b>	15.2%	13.0	8.0	18.0	\$8,444.9	0.91	-0.51	3.18	-0.51	2.52	-2.18	0.62	1.05	1.49
50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury						0.71	-0.57	2.69	-0.57	1.66	-2.71	0.20	0.95	1.47
<b>Emerging Market Debt <sup>(3)</sup></b>	1.0%	0.0	0.0	0.0	\$545.8	1.11	0.65	7.60	0.65	9.18	-0.69	0.54	1.26	1.71
50% JPM EMBI Global Div / 50% JPM GBI EM Global Div						1.03	-0.05	5.59	-0.05	8.07	-1.47	0.45	1.26	1.41
<b>Non-Core Fixed Income</b>	4.2%	2.0	0.0	7.0	\$2,323.6	1.25	1.65	8.70	1.67	10.81	2.82	4.65	4.54	4.26
Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index						1.18	1.47	9.24	1.47	11.15	2.19	3.97	4.19	4.14
<b>Liquidity Fund</b>	1.3%	1.0	0.0	3.0	\$698.6	0.46	1.36	4.19	1.36	5.88	2.91	2.22	2.15	1.54
U.S. 3-Month T-Bill						0.45	1.29	4.03	1.29	5.24	1.60	1.59	1.63	1.24
<b>Real Estate <sup>(1)</sup></b>	6.3%	10.0	5.0	15.0	\$3,506.9	N/A	-2.78	-4.35	-2.78	-6.67	5.78	4.68	5.37	6.97
Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears <sup>^</sup>						N/A	-5.00	-9.68	-5.00	-12.73	4.01	3.34	4.38	6.33
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	2.7%	7.0	2.0	12.0	\$1,498.4	N/A	0.32	1.65	0.32	5.39	7.93	N/A	N/A	N/A
U.S. CPI + 400 basis points 1Q in Arrears <sup>^</sup>						N/A	0.64	4.65	0.64	7.47	9.73	N/A	N/A	N/A
<b>Private Investment <sup>(1)</sup></b>	10.9%	15.0	10.0	20.0	\$6,049.7	N/A	0.88	3.60	0.88	5.59	14.71	15.80	15.21	14.38
Russell 3000 + 250 basis points 1Q in Arrears <sup>^</sup>						N/A	12.74	19.68	12.74	29.05	11.12	17.72	14.57	13.29
<b>Private Credit <sup>(1)</sup></b>	4.7%	10.0	5.0	15.0	\$2,642.2	N/A	1.75	7.69	1.75	10.75	9.48	N/A	N/A	N/A
S&P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears <sup>^</sup>						N/A	3.25	11.00	3.25	15.00	7.32	N/A	N/A	N/A
<b>Absolute Return (Risk Mitigating)</b>	4.5%	5.0	0.0	10.0	\$2,529.0	0.34	-0.03	-0.10	-0.03	-1.05	-0.25	0.82	1.78	1.83
Dynamic weighted blend of HFRX and public indices (2)						5.91	5.44	5.08	5.44	5.32	0.97	2.32	2.43	1.75

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended benchmark comprised of the weightings of each of the investments utilized within the strategy

<sup>(3)</sup> Legacy asset class





## TEACHER'S RETIREMENT FUND

Net of All Fees and Expenses

3/31/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Compound, annualized returns			
											Three Year	Five Year	Seven Year	Ten Year
<b>Teacher's Retirement Fund</b>					<b>\$25,518.2</b>	<b>1.83</b>	<b>4.06</b>	<b>9.07</b>	<b>4.06</b>	<b>12.69</b>	<b>4.96</b>	<b>7.36</b>	<b>7.14</b>	<b>6.72</b>
<i>Policy Benchmark</i>						<i>2.11</i>	<i>4.85</i>	<i>10.09</i>	<i>4.85</i>	<i>13.95</i>	<i>4.64</i>	<i>7.68</i>	<i>7.36</i>	<i>6.81</i>
<i>Excess Return</i>						<i>(0.28)</i>	<i>(0.79)</i>	<i>(1.01)</i>	<i>(0.79)</i>	<i>(1.25)</i>	<i>0.32</i>	<i>(0.31)</i>	<i>(0.23)</i>	<i>(0.09)</i>
<b>Global Equities</b>	<b>49.4%</b>	<b>37.0</b>	23.0	52.0	<b>\$12,614.1</b>	<b>3.09</b>	<b>8.52</b>	<b>16.45</b>	<b>8.52</b>	<b>24.21</b>	<b>6.01</b>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>MSCI All Country World IMI Index</i>						<i>3.16</i>	<i>7.72</i>	<i>15.65</i>	<i>7.72</i>	<i>22.45</i>	<i>6.64</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Domestic Equity</b>	<b>30.1%</b>				<b>\$7,673.8</b>	<b>3.11</b>	<b>10.50</b>	<b>19.46</b>	<b>10.50</b>	<b>29.87</b>	<b>10.03</b>	<b>14.43</b>	<b>13.51</b>	<b>12.35</b>
<i>MSCI USA IMI Index</i>						<i>3.21</i>	<i>9.84</i>	<i>18.90</i>	<i>9.84</i>	<i>28.72</i>	<i>9.59</i>	<i>14.22</i>	<i>13.37</i>	<i>12.27</i>
<b>Developed Markets Equity</b>	<b>13.8%</b>				<b>\$3,516.0</b>	<b>3.27</b>	<b>5.21</b>	<b>12.21</b>	<b>5.21</b>	<b>15.83</b>	<b>5.25</b>	<b>7.96</b>	<b>7.07</b>	<b>6.27</b>
<i>MSCI EAFE + Canada Index</i>						<i>3.37</i>	<i>5.59</i>	<i>11.90</i>	<i>5.59</i>	<i>15.29</i>	<i>3.81</i>	<i>7.15</i>	<i>6.76</i>	<i>6.04</i>
<b>Emerging Markets Equity</b>	<b>5.6%</b>				<b>\$1,424.3</b>	<b>2.49</b>	<b>5.56</b>	<b>10.52</b>	<b>5.56</b>	<b>15.22</b>	<b>-2.67</b>	<b>5.68</b>	<b>5.64</b>	<b>4.57</b>
<i>MSCI Emerging Markets IMI</i>						<i>2.12</i>	<i>2.17</i>	<i>8.02</i>	<i>2.17</i>	<i>9.76</i>	<i>-3.93</i>	<i>2.98</i>	<i>4.08</i>	<i>3.21</i>
<b>Core Fixed Income</b>	<b>15.1%</b>	<b>13.0</b>	8.0	18.0	<b>\$3,855.9</b>	<b>0.92</b>	<b>-0.50</b>	<b>3.19</b>	<b>-0.50</b>	<b>2.54</b>	<b>-2.22</b>	<b>0.59</b>	<b>1.03</b>	<b>1.48</b>
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						<i>0.71</i>	<i>-0.57</i>	<i>2.69</i>	<i>-0.57</i>	<i>1.66</i>	<i>-2.71</i>	<i>0.20</i>	<i>0.95</i>	<i>1.47</i>
<b>Emerging Market Debt <sup>(3)</sup></b>	<b>1.0%</b>	<b>0.0</b>	0.0	0.0	<b>\$255.7</b>	<b>1.11</b>	<b>0.65</b>	<b>7.17</b>	<b>0.65</b>	<b>8.66</b>	<b>-0.78</b>	<b>0.49</b>	<b>1.22</b>	<b>1.69</b>
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						<i>1.03</i>	<i>-0.05</i>	<i>5.59</i>	<i>-0.05</i>	<i>8.07</i>	<i>-1.47</i>	<i>0.45</i>	<i>1.26</i>	<i>1.41</i>
<b>Non-Core Fixed Income</b>	<b>4.2%</b>	<b>2.0</b>	0.0	7.0	<b>\$1,071.0</b>	<b>1.27</b>	<b>1.67</b>	<b>8.70</b>	<b>1.67</b>	<b>10.81</b>	<b>2.82</b>	<b>4.65</b>	<b>4.54</b>	<b>4.26</b>
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						<i>1.18</i>	<i>1.47</i>	<i>9.24</i>	<i>1.47</i>	<i>11.15</i>	<i>2.19</i>	<i>3.97</i>	<i>4.19</i>	<i>4.14</i>
<b>Liquidity Fund</b>	<b>0.9%</b>	<b>1.0</b>	0.0	3.0	<b>\$227.0</b>	<b>0.47</b>	<b>1.37</b>	<b>4.09</b>	<b>1.37</b>	<b>5.68</b>	<b>2.98</b>	<b>2.26</b>	<b>2.17</b>	<b>1.56</b>
<i>U.S. 3-Month T-Bill</i>						<i>0.45</i>	<i>1.29</i>	<i>4.03</i>	<i>1.29</i>	<i>5.24</i>	<i>1.60</i>	<i>1.59</i>	<i>1.63</i>	<i>1.24</i>
<b>Real Estate <sup>(1)</sup></b>	<b>6.4%</b>	<b>10.0</b>	5.0	15.0	<b>\$1,621.8</b>	<b>N/A</b>	<b>-2.77</b>	<b>-4.35</b>	<b>-0.38</b>	<b>-6.66</b>	<b>5.78</b>	<b>4.69</b>	<b>5.37</b>	<b>6.97</b>
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears<sup>^</sup></i>						<i>N/A</i>	<i>-5.00</i>	<i>-9.68</i>	<i>-5.00</i>	<i>-12.73</i>	<i>4.01</i>	<i>3.34</i>	<i>4.38</i>	<i>6.33</i>
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	<b>2.7%</b>	<b>7.0</b>	2.0	12.0	<b>\$693.8</b>	<b>N/A</b>	<b>0.33</b>	<b>1.65</b>	<b>4.98</b>	<b>5.38</b>	<b>7.92</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<i>U.S. CPI + 400 basis points 1Q in Arrears<sup>^</sup></i>						<i>N/A</i>	<i>0.64</i>	<i>4.65</i>	<i>0.64</i>	<i>7.47</i>	<i>9.73</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Private Investment <sup>(1)</sup></b>	<b>11.0%</b>	<b>15.0</b>	10.0	20.0	<b>\$2,794.5</b>	<b>N/A</b>	<b>0.88</b>	<b>3.60</b>	<b>0.88</b>	<b>5.59</b>	<b>14.83</b>	<b>15.87</b>	<b>15.26</b>	<b>14.41</b>
<i>Russell 3000 + 250 basis points 1Q in Arrears<sup>^</sup></i>						<i>N/A</i>	<i>12.74</i>	<i>19.68</i>	<i>12.74</i>	<i>29.05</i>	<i>11.12</i>	<i>17.72</i>	<i>14.57</i>	<i>13.29</i>
<b>Private Credit <sup>(1)</sup></b>	<b>4.8%</b>	<b>10.0</b>	5.0	15.0	<b>\$1,217.4</b>	<b>N/A</b>	<b>1.75</b>	<b>7.67</b>	<b>1.75</b>	<b>10.73</b>	<b>9.48</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears<sup>^</sup></i>						<i>N/A</i>	<i>3.25</i>	<i>11.00</i>	<i>3.25</i>	<i>15.00</i>	<i>7.32</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Absolute Return (Risk Mitigating)</b>	<b>4.6%</b>	<b>5.0</b>	0.0	10.0	<b>\$1,167.0</b>	<b>0.34</b>	<b>-0.03</b>	<b>-0.11</b>	<b>-0.03</b>	<b>-1.06</b>	<b>-0.25</b>	<b>0.82</b>	<b>1.77</b>	<b>1.83</b>
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						<i>5.91</i>	<i>5.44</i>	<i>5.08</i>	<i>5.44</i>	<i>5.32</i>	<i>0.97</i>	<i>2.32</i>	<i>2.43</i>	<i>1.75</i>

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended benchmark comprised of the weightings of each of the investments utilized within the strategy

<sup>(3)</sup> Legacy asset class



## STATE EMPLOYEES' RETIREMENT FUND

Net of All Fees and Expenses

3/31/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Three Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Compound, annualized returns			
											Three Year	Five Year	Seven Year	Ten Year
<b>State Employees' Retirement Fund</b>					<b>\$22,863.2</b>	<b>1.83</b>	<b>4.05</b>	<b>9.10</b>	<b>4.05</b>	<b>13.10</b>	<b>5.19</b>	<b>7.51</b>	<b>7.29</b>	<b>6.83</b>
<i>Policy Benchmark</i>						<i>2.11</i>	<i>4.85</i>	<i>10.09</i>	<i>4.85</i>	<i>13.95</i>	<i>4.64</i>	<i>7.67</i>	<i>7.37</i>	<i>6.82</i>
<i>Excess Return</i>						<i>(0.28)</i>	<i>(0.79)</i>	<i>(0.98)</i>	<i>(0.79)</i>	<i>(0.85)</i>	<i>0.55</i>	<i>(0.16)</i>	<i>(0.07)</i>	<i>0.01</i>
<b>Global Equities</b>	<b>49.2%</b>	<b>37.0</b>	23.0	52.0	<b>\$11,256.3</b>	<b>3.08</b>	<b>8.53</b>	<b>16.46</b>	<b>8.53</b>	<b>24.55</b>	<b>5.96</b>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>MSCI All Country World IMI Index</i>						<i>3.16</i>	<i>7.72</i>	<i>15.65</i>	<i>7.72</i>	<i>22.45</i>	<i>6.64</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Domestic Equity</b>	<b>29.9%</b>				<b>\$6,829.2</b>	<b>3.11</b>	<b>10.50</b>	<b>19.46</b>	<b>10.50</b>	<b>29.87</b>	<b>10.07</b>	<b>14.45</b>	<b>13.53</b>	<b>12.37</b>
<i>MSCI USA IMI Index</i>						<i>3.21</i>	<i>9.84</i>	<i>18.90</i>	<i>9.84</i>	<i>28.72</i>	<i>9.59</i>	<i>14.22</i>	<i>13.37</i>	<i>12.27</i>
<b>Developed Markets Equity</b>	<b>13.7%</b>				<b>\$3,127.9</b>	<b>3.27</b>	<b>5.23</b>	<b>12.32</b>	<b>5.23</b>	<b>16.00</b>	<b>5.30</b>	<b>7.99</b>	<b>7.09</b>	<b>6.29</b>
<i>MSCI EAFE + Canada Index</i>						<i>3.37</i>	<i>5.59</i>	<i>11.90</i>	<i>5.59</i>	<i>15.29</i>	<i>3.81</i>	<i>7.15</i>	<i>6.76</i>	<i>6.04</i>
<b>Emerging Markets Equity</b>	<b>5.7%</b>				<b>\$1,299.2</b>	<b>2.49</b>	<b>5.56</b>	<b>10.59</b>	<b>5.56</b>	<b>15.30</b>	<b>-2.64</b>	<b>5.69</b>	<b>5.65</b>	<b>4.58</b>
<i>MSCI Emerging Markets IMI</i>						<i>2.12</i>	<i>2.17</i>	<i>8.02</i>	<i>2.17</i>	<i>9.76</i>	<i>-3.93</i>	<i>2.98</i>	<i>4.08</i>	<i>3.21</i>
<b>Core Fixed Income</b>	<b>15.0%</b>	<b>13.0</b>	8.0	18.0	<b>\$3,437.0</b>	<b>0.92</b>	<b>-0.50</b>	<b>3.18</b>	<b>-0.50</b>	<b>2.53</b>	<b>-2.24</b>	<b>0.58</b>	<b>1.02</b>	<b>1.47</b>
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						<i>0.71</i>	<i>-0.57</i>	<i>2.69</i>	<i>-0.57</i>	<i>1.66</i>	<i>-2.71</i>	<i>0.20</i>	<i>0.95</i>	<i>1.47</i>
<b>Emerging Market Debt <sup>(3)</sup></b>	<b>1.0%</b>	<b>0.0</b>	0.0	0.0	<b>\$216.5</b>	<b>1.11</b>	<b>0.65</b>	<b>7.00</b>	<b>0.65</b>	<b>8.35</b>	<b>-0.91</b>	<b>0.41</b>	<b>1.17</b>	<b>1.65</b>
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						<i>1.03</i>	<i>-0.05</i>	<i>5.59</i>	<i>-0.05</i>	<i>8.07</i>	<i>-1.47</i>	<i>0.45</i>	<i>1.26</i>	<i>1.41</i>
<b>Non-Core Fixed Income</b>	<b>4.2%</b>	<b>2.0</b>	0.0	7.0	<b>\$952.4</b>	<b>1.27</b>	<b>1.67</b>	<b>8.72</b>	<b>1.67</b>	<b>10.83</b>	<b>2.83</b>	<b>4.65</b>	<b>4.54</b>	<b>4.26</b>
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						<i>1.18</i>	<i>1.47</i>	<i>9.24</i>	<i>1.47</i>	<i>11.15</i>	<i>2.19</i>	<i>3.97</i>	<i>4.19</i>	<i>4.14</i>
<b>Liquidity Fund</b>	<b>1.5%</b>	<b>1.0</b>	0.0	3.0	<b>\$347.9</b>	<b>0.47</b>	<b>1.36</b>	<b>4.19</b>	<b>1.36</b>	<b>5.76</b>	<b>2.94</b>	<b>2.23</b>	<b>2.16</b>	<b>1.55</b>
<i>U.S. 3-Month T-Bill</i>						<i>0.45</i>	<i>1.29</i>	<i>4.03</i>	<i>1.29</i>	<i>5.24</i>	<i>1.60</i>	<i>1.59</i>	<i>1.63</i>	<i>1.24</i>
<b>Real Estate <sup>(1)</sup></b>	<b>6.3%</b>	<b>10.0</b>	5.0	15.0	<b>\$1,439.5</b>	<b>N/A</b>	<b>-2.78</b>	<b>-4.35</b>	<b>-3.43</b>	<b>-6.67</b>	<b>5.78</b>	<b>4.68</b>	<b>5.37</b>	<b>6.97</b>
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears<sup>^</sup></i>						<i>N/A</i>	<i>-5.00</i>	<i>-9.68</i>	<i>-5.00</i>	<i>-12.73</i>	<i>4.01</i>	<i>3.34</i>	<i>4.38</i>	<i>6.33</i>
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	<b>2.7%</b>	<b>7.0</b>	2.0	12.0	<b>\$616.3</b>	<b>N/A</b>	<b>0.34</b>	<b>1.66</b>	<b>2.91</b>	<b>5.39</b>	<b>7.92</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<i>U.S. CPI + 400 basis points 1Q in Arrears<sup>^</sup></i>						<i>N/A</i>	<i>0.64</i>	<i>4.65</i>	<i>0.64</i>	<i>7.47</i>	<i>9.73</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Private Investment <sup>(1)</sup></b>	<b>10.8%</b>	<b>15.0</b>	10.0	20.0	<b>\$2,476.5</b>	<b>N/A</b>	<b>0.88</b>	<b>3.59</b>	<b>0.88</b>	<b>5.58</b>	<b>14.83</b>	<b>15.86</b>	<b>15.26</b>	<b>14.41</b>
<i>Russell 3000 + 250 basis points 1Q in Arrears<sup>^</sup></i>						<i>N/A</i>	<i>12.74</i>	<i>19.68</i>	<i>12.74</i>	<i>29.05</i>	<i>11.12</i>	<i>17.72</i>	<i>14.57</i>	<i>13.29</i>
<b>Private Credit <sup>(1)</sup></b>	<b>4.7%</b>	<b>10.0</b>	5.0	15.0	<b>\$1,084.8</b>	<b>N/A</b>	<b>1.75</b>	<b>7.67</b>	<b>1.75</b>	<b>10.73</b>	<b>9.47</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears<sup>^</sup></i>						<i>N/A</i>	<i>3.25</i>	<i>11.00</i>	<i>3.25</i>	<i>15.00</i>	<i>7.32</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Absolute Return (Risk Mitigating)</b>	<b>4.5%</b>	<b>5.0</b>	0.0	10.0	<b>\$1,036.0</b>	<b>0.34</b>	<b>-0.03</b>	<b>-0.10</b>	<b>-0.03</b>	<b>-1.05</b>	<b>-0.24</b>	<b>0.82</b>	<b>1.78</b>	<b>1.83</b>
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						<i>5.91</i>	<i>5.44</i>	<i>5.08</i>	<i>5.44</i>	<i>5.32</i>	<i>0.97</i>	<i>2.32</i>	<i>2.43</i>	<i>1.75</i>

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended benchmark comprised of the weightings of each of the investments utilized within the strategy

<sup>(3)</sup> Legacy asset class



## MUNICIPAL EMPLOYEES RETIREMENT FUND

Net of All Fees and Expenses

3/31/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Three Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Compound, annualized returns			
											Three Year	Five Year	Seven Year	Ten Year
<b>Municipal Employees' Retirement Fund</b> <i>Policy Benchmark</i>					\$3,407.7	1.83	4.05	9.04	4.05	12.54	4.87	7.34	7.02	6.59
<i>Excess Return</i>						2.11	4.85	10.09	4.85	13.95	4.64	7.62	7.19	6.58
						(0.28)	(0.80)	(1.05)	(0.80)	(1.41)	0.23	(0.28)	(0.17)	0.01
<b>Global Equities</b> <i>MSCI All Country World IMI Index</i>	49.3%	37.0	23.0	52.0	\$1,681.4	3.08	8.50	16.38	8.50	24.06	6.02	N/A	N/A	N/A
						3.16	7.72	15.65	7.72	22.45	6.64	N/A	N/A	N/A
<b>Domestic Equity</b> <i>MSCI USA IMI Index</i>	29.9%				\$1,019.1	3.11	10.50	19.44	10.50	29.84	10.02	14.43	13.51	12.35
						3.21	9.84	18.90	9.84	28.72	9.59	14.22	13.37	12.27
<b>Developed Markets Equity</b> <i>MSCI EAFE + Canada Index</i>	13.7%				\$467.6	3.27	5.24	12.19	5.24	15.82	5.26	7.97	7.07	6.28
						3.37	5.59	11.90	5.59	15.29	3.81	7.15	6.76	6.04
<b>Emerging Markets Equity</b> <i>MSCI Emerging Markets IMI</i>	5.7%				\$194.7	2.49	5.56	10.47	5.56	15.15	-2.69	5.66	5.63	4.56
						2.12	2.17	8.02	2.17	9.76	-3.93	2.98	4.08	3.21
<b>Core Fixed Income</b> <i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>	15.0%	13.0	8.0	18.0	\$512.0	0.92	-0.51	3.17	-0.51	2.52	-2.23	0.59	1.03	1.48
						0.71	-0.57	2.69	-0.57	1.66	-2.71	0.20	0.95	1.47
<b>Emerging Market Debt</b> <sup>(3)</sup> <i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>	1.1%	0.0	0.0	0.0	\$36.1	1.11	0.65	7.07	0.65	8.54	-0.81	0.48	1.21	1.68
						1.03	-0.05	5.59	-0.05	8.07	-1.47	0.45	1.26	1.41
<b>Non-Core Fixed Income</b> <i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>	4.2%	2.0	0.0	7.0	\$143.2	1.27	1.67	8.69	1.67	10.80	2.82	4.65	4.54	4.25
						1.18	1.47	9.24	1.47	11.15	2.19	3.97	4.19	4.14
<b>Liquidity Fund</b> <i>U.S. 3-Month T-Bill</i>	1.3%	1.0	0.0	3.0	\$44.2	0.47	1.37	4.16	1.37	5.78	2.69	2.09	2.05	1.48
						0.45	1.29	4.03	1.29	5.24	1.60	1.59	1.63	1.24
<b>Real Estate</b> <sup>(1)</sup> <i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears^</i>	6.3%	10.0	5.0	15.0	\$214.5	N/A	-2.78	-4.35	-2.78	-6.67	5.78	4.68	5.37	6.97
						N/A	-5.00	-9.68	-5.00	-12.73	4.01	3.34	4.38	6.33
<b>Infrastructure and Natural Resources</b> <sup>(1)</sup> <i>U.S. CPI + 400 basis points 1Q in Arrears^</i>	2.6%	7.0	2.0	12.0	\$89.0	N/A	0.35	1.67	0.35	5.41	7.92	N/A	N/A	N/A
						N/A	0.64	4.65	0.64	7.47	9.73	N/A	N/A	N/A
<b>Private Investment</b> <sup>(1)</sup> <i>Russell 3000 + 250 basis points 1Q in Arrears^</i>	10.8%	15.0	10.0	20.0	\$369.5	N/A	0.88	3.60	0.88	5.59	14.83	15.86	15.26	14.41
						N/A	12.74	19.68	12.74	29.05	11.12	17.72	14.57	13.29
<b>Private Credit</b> <sup>(1)</sup> <i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^</i>	4.7%	10.0	5.0	15.0	\$161.4	N/A	1.75	7.66	1.75	10.72	9.50	N/A	N/A	N/A
						N/A	3.25	11.00	3.25	15.00	7.32	N/A	N/A	N/A
<b>Absolute Return (Risk Mitigating)</b> <i>Dynamic weighted blend of HFRX and public indices</i> <sup>(2)</sup>	4.6%	5.0	0.0	10.0	\$156.5	0.34	-0.03	-0.10	-0.03	-1.05	-0.24	0.82	1.78	1.83
						5.91	5.44	5.08	5.44	5.32	0.97	2.32	2.43	1.75

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended benchmark comprised of the weightings of each of the investments utilized within the strategy

<sup>(3)</sup> Legacy asset class



**OPEB FUND**  
**Net of All Fees and Expenses**  
**3/31/2024**

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>OPEB</b>					\$2,816.1	1.82	4.04	9.14	4.04	12.56	4.87	7.42	7.03	6.62
<i>Policy Benchmark</i>						2.11	4.85	10.09	4.85	13.95	4.64	7.61	7.17	6.67
<i>Excess Return</i>						(0.29)	(0.81)	(0.95)	(0.81)	(1.39)	0.23	(0.19)	(0.14)	(0.04)
<b>Global Equities</b>	48.9%	37.0	23.0	52.0	\$1,376.4	3.08	8.50	16.50	8.50	24.11	6.05	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						3.16	7.72	15.65	7.72	22.45	6.64	N/A	N/A	N/A
<b>Domestic Equity</b>	29.7%				\$836.3	3.11	10.49	19.41	10.49	29.81	10.01	14.42	13.51	12.35
<i>MSCI USA IMI Index</i>						3.21	9.84	18.90	9.84	28.72	9.59	14.22	13.37	12.27
<b>Developed Markets Equity</b>	13.6%				\$383.5	3.27	5.22	12.22	5.22	15.75	5.22	7.95	7.06	6.27
<i>MSCI EAFE + Canada Index</i>						3.37	5.59	11.90	5.59	15.29	3.81	7.15	6.76	6.04
<b>Emerging Markets Equity</b>	5.6%				\$156.5	2.49	5.56	10.50	5.56	15.20	-2.67	5.68	5.64	4.57
<i>MSCI Emerging Markets IMI</i>						2.12	2.17	8.02	2.17	9.76	-3.93	2.98	4.08	3.21
<b>Core Fixed Income</b>	15.0%	13.0	8.0	18.0	\$422.0	0.92	-0.50	3.18	-0.50	2.53	-2.21	0.60	1.04	1.48
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						0.71	-0.57	2.69	-0.57	1.66	-2.71	0.20	0.95	1.47
<b>Emerging Market Debt <sup>(3)</sup></b>	1.1%	0.0	0.0	0.0	\$31.7	1.11	0.65	7.11	0.65	8.59	-0.80	0.48	1.22	1.68
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						1.03	-0.05	5.59	-0.05	8.07	-1.47	0.45	1.26	1.41
<b>Non-Core Fixed Income</b>	4.1%	2.0	0.0	7.0	\$116.5	1.27	1.67	8.70	1.67	10.81	2.82	4.65	4.53	4.25
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						1.18	1.47	9.24	1.47	11.15	2.19	3.97	4.19	4.14
<b>Liquidity Fund</b>	2.1%	1.0	0.0	3.0	\$57.9	0.46	1.36	4.14	1.36	5.26	3.12	2.35	2.26	1.63
<i>U.S. 3-Month T-Bill</i>						0.45	1.29	4.03	1.29	5.24	1.60	1.59	1.63	1.24
<b>Real Estate <sup>(1)</sup></b>	6.1%	10.0	5.0	15.0	\$172.0	N/A	-2.78	-4.35	-2.78	-6.66	5.78	4.69	5.37	6.97
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears^</i>						N/A	-5.00	-9.68	-5.00	-12.73	4.01	3.34	4.38	6.33
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	2.6%	7.0	2.0	12.0	\$74.1	N/A	0.34	1.67	1.06	5.41	7.92	N/A	N/A	N/A
<i>U.S. CPI + 400 basis points 1Q in Arrears^</i>						N/A	0.64	4.65	0.64	7.47	9.73	N/A	N/A	N/A
<b>Private Investment <sup>(1)</sup></b>	10.9%	15.0	10.0	20.0	\$306.6	N/A	0.88	3.59	0.88	5.58	14.82	15.86	15.26	14.42
<i>Russell 3000 + 250 basis points 1Q in Arrears^</i>						N/A	12.74	19.68	12.74	29.05	11.12	17.72	14.57	13.29
<b>Private Credit <sup>(1)</sup></b>	4.7%	10.0	5.0	15.0	\$132.8	N/A	1.75	7.66	1.75	10.72	9.48	N/A	N/A	N/A
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^</i>						N/A	3.25	11.00	3.25	15.00	7.32	N/A	N/A	N/A
<b>Absolute Return (Risk Mitigating)</b>	4.5%	5.0	0.0	10.0	\$126.2	0.34	-0.03	-0.10	-0.03	-1.05	-0.24	0.82	1.78	1.83
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						5.91	5.44	5.08	5.44	5.32	0.97	2.32	2.43	1.75

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended benchmark comprised of the weightings of each of the investments utilized within the strategy

<sup>(3)</sup> Legacy asset class



**PROBATE JUDGES EMPLOYEES' RETIREMENT FUND**

Net of All Fees and Expenses

3/31/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Probate Judges Employees' Retirement Fund</b>					<b>\$140.2</b>	<b>1.83</b>	<b>4.05</b>	<b>9.05</b>	<b>4.05</b>	<b>12.52</b>	<b>4.81</b>	<b>7.27</b>	<b>6.95</b>	<b>6.57</b>
<i>Policy Benchmark</i>						2.11	4.85	10.09	4.85	13.95	4.64	7.63	7.21	6.63
<i>Excess Return</i>						(0.27)	(0.79)	(1.04)	(0.79)	(1.42)	0.17	(0.36)	(0.26)	(0.07)
<b>Global Equities</b>	<b>49.6%</b>	<b>37.0</b>	23.0	52.0	<b>\$69.5</b>	<b>3.08</b>	<b>8.50</b>	<b>16.36</b>	<b>8.50</b>	<b>24.02</b>	<b>5.99</b>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>MSCI All Country World IMI Index</i>						3.16	7.72	15.65	7.72	22.45	6.64	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Domestic Equity</b>	<b>30.1%</b>				<b>\$42.1</b>	<b>3.11</b>	<b>10.50</b>	<b>19.45</b>	<b>10.50</b>	<b>29.85</b>	<b>10.02</b>	<b>14.43</b>	<b>13.51</b>	<b>12.35</b>
<i>MSCI USA IMI Index</i>						3.21	9.84	18.90	9.84	28.72	9.59	14.22	13.37	12.27
<b>Developed Markets Equity</b>	<b>13.8%</b>				<b>\$19.3</b>	<b>3.27</b>	<b>5.23</b>	<b>12.18</b>	<b>5.23</b>	<b>15.75</b>	<b>5.22</b>	<b>7.94</b>	<b>7.06</b>	<b>6.27</b>
<i>MSCI EAFE + Canada Index</i>						3.37	5.59	11.90	5.59	15.29	3.81	7.15	6.76	6.04
<b>Emerging Markets Equity</b>	<b>5.8%</b>				<b>\$8.1</b>	<b>2.49</b>	<b>5.56</b>	<b>10.45</b>	<b>5.56</b>	<b>15.13</b>	<b>-2.69</b>	<b>5.66</b>	<b>5.63</b>	<b>4.56</b>
<i>MSCI Emerging Markets IMI</i>						2.12	2.17	8.02	2.17	9.76	-3.93	2.98	4.08	3.21
<b>Core Fixed Income</b>	<b>15.1%</b>	<b>13.0</b>	8.0	18.0	<b>\$21.2</b>	<b>0.92</b>	<b>-0.51</b>	<b>3.17</b>	<b>-0.51</b>	<b>2.53</b>	<b>-2.22</b>	<b>0.59</b>	<b>1.03</b>	<b>1.48</b>
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						0.71	-0.57	2.69	-0.57	1.66	-2.71	0.20	0.95	1.47
<b>Emerging Market Debt <sup>(3)</sup></b>	<b>1.1%</b>	<b>0.0</b>	0.0	0.0	<b>\$1.5</b>	<b>1.11</b>	<b>0.65</b>	<b>6.92</b>	<b>0.65</b>	<b>8.33</b>	<b>-0.89</b>	<b>0.42</b>	<b>1.17</b>	<b>1.65</b>
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						1.03	-0.05	5.59	-0.05	8.07	-1.47	0.45	1.26	1.41
<b>Non-Core Fixed Income</b>	<b>4.2%</b>	<b>2.0</b>	0.0	7.0	<b>\$5.9</b>	<b>1.27</b>	<b>1.67</b>	<b>8.70</b>	<b>1.67</b>	<b>10.81</b>	<b>2.82</b>	<b>4.65</b>	<b>4.54</b>	<b>4.26</b>
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						1.18	1.47	9.24	1.47	11.15	2.19	3.97	4.19	4.14
<b>Liquidity Fund</b>	<b>1.0%</b>	<b>1.0</b>	0.0	3.0	<b>\$1.5</b>	<b>0.47</b>	<b>1.36</b>	<b>4.17</b>	<b>1.36</b>	<b>6.00</b>	<b>2.77</b>	<b>2.13</b>	<b>2.08</b>	<b>1.50</b>
<i>U.S. 3-Month T-Bill</i>						0.45	1.29	4.03	1.29	5.24	1.60	1.59	1.63	1.24
<b>Real Estate <sup>(1)</sup></b>	<b>6.3%</b>	<b>10.0</b>	5.0	15.0	<b>\$8.9</b>	<i>N/A</i>	<b>-2.77</b>	<b>-4.34</b>	<b>-1.69</b>	<b>-6.66</b>	<b>5.78</b>	<b>4.69</b>	<b>5.37</b>	<b>6.97</b>
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears^</i>						<i>N/A</i>	-5.00	-9.68	-5.00	-12.73	4.01	3.34	4.38	6.33
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	<b>2.6%</b>	<b>7.0</b>	2.0	12.0	<b>\$3.7</b>	<i>N/A</i>	<b>0.33</b>	<b>1.66</b>	<b>3.17</b>	<b>5.40</b>	<b>7.93</b>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>U.S. CPI + 400 basis points 1Q in Arrears^</i>						<i>N/A</i>	0.64	4.65	0.64	7.47	9.73	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Private Investment <sup>(1)</sup></b>	<b>10.8%</b>	<b>15.0</b>	10.0	20.0	<b>\$15.2</b>	<i>N/A</i>	<b>0.88</b>	<b>3.60</b>	<b>0.88</b>	<b>5.59</b>	<b>14.83</b>	<b>15.86</b>	<b>15.26</b>	<b>14.41</b>
<i>Russell 3000 + 250 basis points 1Q in Arrears^</i>						<i>N/A</i>	12.74	19.68	12.74	29.05	11.12	17.72	14.57	13.29
<b>Private Credit <sup>(1)</sup></b>	<b>4.7%</b>	<b>10.0</b>	5.0	15.0	<b>\$6.6</b>	<i>N/A</i>	<b>1.75</b>	<b>7.66</b>	<b>1.75</b>	<b>10.72</b>	<b>9.46</b>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^</i>						<i>N/A</i>	3.25	11.00	3.25	15.00	7.32	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Absolute Return (Risk Mitigating)</b>	<b>4.6%</b>	<b>5.0</b>	0.0	10.0	<b>\$6.5</b>	<b>0.34</b>	<b>-0.03</b>	<b>-0.08</b>	<b>-0.03</b>	<b>-1.03</b>	<b>-0.24</b>	<b>0.83</b>	<b>1.78</b>	<b>1.83</b>
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						5.91	5.44	5.08	5.44	5.32	0.97	2.32	2.43	1.75

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended benchmark comprised of the weightings of each of the investments utilized within the strategy

<sup>(3)</sup> Legacy asset class



**STATE JUDGES RETIREMENT FUND**  
 Net of All Fees and Expenses  
 3/31/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>State Judges Retirement Fund</b>					\$324.9	1.82	4.04	9.02	4.04	12.50	4.83	7.30	7.00	6.59
<i>Policy Benchmark</i>						2.11	4.85	10.09	4.85	13.95	4.64	7.62	7.19	6.58
<i>Excess Return</i>						(0.28)	(0.81)	(1.06)	(0.81)	(1.45)	0.19	(0.32)	(0.18)	0.00
<b>Global Equities</b>	49.1%	37.0	23.0	52.0	\$159.5	3.08	8.50	16.37	8.50	24.03	5.99	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						3.16	7.72	15.65	7.72	22.45	6.64	N/A	N/A	N/A
<b>Domestic Equity</b>	29.7%				\$96.6	3.11	10.50	19.44	10.50	29.84	10.02	14.43	13.51	12.35
<i>MSCI USA IMI Index</i>						3.21	9.84	18.90	9.84	28.72	9.59	14.22	13.37	12.27
<b>Developed Markets Equity</b>	13.7%				\$44.5	3.27	5.24	12.20	5.24	15.76	5.23	7.95	7.06	6.27
<i>MSCI EAFE + Canada Index</i>						3.37	5.59	11.90	5.59	15.29	3.81	7.15	6.76	6.04
<b>Emerging Markets Equity</b>	5.7%				\$18.5	2.49	5.56	10.46	5.56	15.14	-2.69	5.67	5.63	4.54
<i>MSCI Emerging Markets IMI</i>						2.12	2.17	8.02	2.17	9.76	-3.93	2.98	4.08	3.21
<b>Core Fixed Income</b>	15.0%	13.0	8.0	18.0	\$48.8	0.92	-0.51	3.16	-0.51	2.51	-2.23	0.59	1.03	1.48
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						0.71	-0.57	2.69	-0.57	1.66	-2.71	0.20	0.95	1.47
<b>Emerging Market Debt <sup>(3)</sup></b>	1.1%	0.0	0.0	0.0	\$3.6	1.11	0.65	6.96	0.65	8.42	-0.86	0.44	1.19	1.66
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						1.03	-0.05	5.59	-0.05	8.07	-1.47	0.45	1.26	1.41
<b>Non-Core Fixed Income</b>	4.2%	2.0	0.0	7.0	\$13.5	1.27	1.67	8.70	1.67	10.81	2.82	4.65	4.54	4.26
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						1.18	1.47	9.24	1.47	11.15	2.19	3.97	4.19	4.14
<b>Liquidity Fund</b>	1.9%	1.0	0.0	3.0	\$6.0	0.46	1.36	4.15	1.36	5.95	2.69	2.08	2.05	1.48
<i>U.S. 3-Month T-Bill</i>						0.45	1.29	4.03	1.29	5.24	1.60	1.59	1.63	1.24
<b>Real Estate <sup>(1)</sup></b>	6.3%	10.0	5.0	15.0	\$20.4	N/A	-2.77	-4.34	-1.36	-6.66	5.78	4.69	5.37	6.97
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears<sup>^</sup></i>						N/A	-5.00	-9.68	-5.00	-12.73	4.01	3.34	4.38	6.33
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	2.6%	7.0	2.0	12.0	\$8.5	N/A	0.33	1.66	4.02	5.39	7.92	N/A	N/A	N/A
<i>U.S. CPI + 400 basis points 1Q in Arrears<sup>^</sup></i>						N/A	0.64	4.65	0.64	7.47	9.73	N/A	N/A	N/A
<b>Private Investment <sup>(1)</sup></b>	10.7%	15.0	10.0	20.0	\$34.9	N/A	0.88	3.60	0.88	5.59	14.83	15.86	15.26	14.42
<i>Russell 3000 + 250 basis points 1Q in Arrears<sup>^</sup></i>						N/A	12.74	19.68	12.74	29.05	11.12	17.72	14.57	13.29
<b>Private Credit <sup>(1)</sup></b>	4.7%	10.0	5.0	15.0	\$15.2	N/A	1.75	7.66	1.75	10.72	9.46	N/A	N/A	N/A
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears<sup>^</sup></i>						N/A	3.25	11.00	3.25	15.00	7.32	N/A	N/A	N/A
<b>Absolute Return (Risk Mitigating)</b>	4.5%	5.0	0.0	10.0	\$14.6	0.34	-0.03	-0.08	-0.03	-1.03	-0.24	0.83	1.78	1.83
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						5.91	5.44	5.08	5.44	5.32	0.97	2.32	2.43	1.75

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended dynamic benchmark comprised of the weightings of each of the investments utilized within the strategy

<sup>(3)</sup> Legacy asset class



## STATE'S ATTORNEYS' RETIREMENT FUND

Net of All Fees and Expenses

3/31/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>State's Attorneys' Retirement Fund</b>					\$3.0	1.82	4.04	9.04	4.04	12.48	4.81	7.11	6.87	6.35
<i>Policy Benchmark</i>						2.11	4.85	10.09	4.85	13.95	4.64	7.77	7.43	6.75
<i>Excess Return</i>						(0.28)	(0.80)	(1.04)	(0.80)	(1.47)	0.17	(0.66)	(0.56)	(0.40)
<b>Global Equities</b>	49.0%	37.0	23.0	52.0	\$1.5	3.08	8.50	16.38	8.50	24.03	5.99	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						3.16	7.72	15.65	7.72	22.45	6.64	N/A	N/A	N/A
<b>Domestic Equity</b>	29.6%				\$0.9	3.11	10.50	19.46	10.50	29.85	10.03	14.43	13.52	12.36
<i>MSCI USA IMI Index</i>						3.21	9.84	18.90	9.84	28.72	9.59	14.22	13.37	12.27
<b>Developed Markets Equity</b>	13.6%				\$0.4	3.27	5.23	12.20	5.23	15.77	5.22	7.95	7.06	6.27
<i>MSCI EAFE + Canada Index</i>						3.37	5.59	11.90	5.59	15.29	3.81	7.15	6.76	6.04
<b>Emerging Markets Equity</b>	5.7%				\$0.2	2.49	5.56	10.45	5.56	15.14	-2.69	5.66	5.62	4.56
<i>MSCI Emerging Markets IMI</i>						2.12	2.17	8.02	2.17	9.76	-3.93	2.98	4.08	3.21
<b>Core Fixed Income</b>	15.0%	13.0	8.0	18.0	\$0.4	0.92	-0.51	3.15	-0.51	2.51	-2.23	0.59	1.03	1.48
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						0.71	-0.57	2.69	-0.57	1.66	-2.71	0.20	0.95	1.47
<b>Emerging Market Debt <sup>(3)</sup></b>	1.1%	0.0	0.0	0.0	\$0.0	1.11	0.65	6.96	0.65	8.37	-0.88	0.43	1.18	1.65
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						1.03	-0.05	5.59	-0.05	8.07	-1.47	0.45	1.26	1.41
<b>Non-Core Fixed Income</b>	4.1%	2.0	0.0	7.0	\$0.1	1.27	1.67	8.70	1.67	10.81	2.82	4.65	4.54	4.26
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						1.18	1.47	9.24	1.47	11.15	2.19	3.97	4.19	4.14
<b>Liquidity Fund</b>	2.2%	1.0	0.0	3.0	\$0.1	0.46	1.36	4.15	1.36	5.78	2.60	2.04	2.02	1.45
<i>U.S. 3-Month T-Bill</i>						0.45	1.29	4.03	1.29	5.24	1.60	1.59	1.63	1.24
<b>Real Estate <sup>(1)</sup></b>	6.2%	10.0	5.0	15.0	\$0.2	N/A	-2.77	-4.34	-1.75	5.78	5.78	N/A	N/A	N/A
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears^</i>						N/A	-5.00	-9.68	-5.00	-12.73	4.01	N/A	N/A	N/A
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	2.6%	7.0	2.0	12.0	\$0.1	N/A	0.33	1.65	4.36	5.39	7.93	N/A	N/A	N/A
<i>U.S. CPI + 400 basis points 1Q in Arrears^</i>						N/A	0.64	4.65	0.64	7.47	9.73	N/A	N/A	N/A
<b>Private Investment <sup>(1)</sup></b>	10.7%	15.0	10.0	20.0	\$0.3	N/A	0.88	3.60	0.88	5.59	14.83	N/A	N/A	N/A
<i>Russell 3000 + 250 basis points 1Q in Arrears^</i>						N/A	12.74	19.68	12.74	29.05	11.12	N/A	N/A	N/A
<b>Private Credit <sup>(1)</sup></b>	4.7%	10.0	5.0	15.0	\$0.1	N/A	1.75	7.66	1.75	10.72	9.46	N/A	N/A	N/A
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^</i>						N/A	3.25	11.00	3.25	15.00	7.32	N/A	N/A	N/A
<b>Absolute Return (Risk Mitigating)</b>	4.5%	5.0	0.0	10.0	\$0.1	0.34	-0.03	-0.08	-0.03	-1.03	-0.24	N/A	N/A	N/A
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						5.91	5.44	5.08	5.44	5.32	0.97	N/A	N/A	N/A

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended dynamic benchmark comprised of the weightings of each of the investments utilized within the strategy

<sup>(3)</sup> Legacy asset class



**AGRICULTURAL COLLEGE FUND**

Net of All Fees and Expenses

3/31/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Agricultural College Fund</b>	100.0%				\$0.6	0.91	-0.50	3.20	-0.50	2.57	-2.20	0.63	1.06	1.51
<i>Policy Benchmark</i>						0.71	-0.57	2.69	-0.57	1.66	-2.71	0.20	0.95	1.47
<i>Excess Return</i>						0.20	0.07	0.51	0.07	0.91	0.51	0.42	0.11	0.04
<b>Core Fixed Income</b>	99.5%	100.0	100.0	100.0	\$0.6	0.91	-0.51	3.19	-0.51	2.53	-2.25	0.57	1.02	1.47
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						0.71	-0.57	2.69	-0.57	1.66	-2.71	0.20	0.95	1.47
<b>Liquidity Fund <sup>(1)</sup></b>	0.5%				\$0.0	0.46	1.36	2.95	1.36	4.60	2.24	1.83	1.71	1.18
<i>U.S. 3-Month T-Bill</i>						0.45	1.29	4.03	1.29	5.24	1.60	1.59	1.63	1.24

<sup>(1)</sup> Operational cash balance, distribution and expense accruals



**ANDREW C. CLARK FUND**

Net of All Fees and Expenses

3/31/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Andrew C. Clark Fund</b>					\$1.3	1.76	2.88	8.06	2.88	10.34	1.23	4.26	4.26	4.14
<i>Policy Benchmark</i>						1.61	2.48	7.45	2.48	9.13	0.78	3.88	4.11	4.06
<i>Excess Return</i>						0.15	0.40	0.61	0.40	1.20	0.45	0.38	0.15	0.08
<b>Global Equities</b>	37.8%	37.0	23.0	52.0	\$0.5	3.10	8.42	16.09	8.42	23.75	6.99	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						3.16	7.72	15.65	7.72	22.45	6.64	N/A	N/A	N/A
<b>Domestic Equity</b>	22.5%				\$0.3	3.11	10.49	19.53	10.49	29.96	10.15	14.51	13.57	12.40
<i>MSCI USA IMI Index</i>						3.21	9.84	18.90	9.84	28.72	9.59	14.22	13.37	12.27
<b>Developed Markets Equity</b>	11.2%				\$0.1	3.27	5.26	12.18	5.26	15.75	5.22	7.95	7.06	6.27
<i>MSCI EAFE + Canada Index</i>						3.37	5.59	11.90	5.59	15.29	3.81	7.15	6.76	6.04
<b>Emerging Markets Equity</b>	4.2%				\$0.1	2.49	5.56	10.50	5.56	15.07	-2.68	5.67	5.63	4.57
<i>MSCI Emerging Markets IMI</i>						2.12	2.17	8.02	2.17	9.76	-3.93	2.98	4.08	3.21
<b>Core Fixed Income</b>	61.6%	62.0	57.0	67.0	\$0.8	0.91	-0.51	3.19	-0.51	2.54	-2.26	0.57	1.01	1.47
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						0.71	-0.57	2.69	-0.57	1.66	-2.71	0.20	0.95	1.47
<b>Liquidity Fund <sup>(1)</sup></b>	0.6%	1.0	0.0	3.0	\$0.0	0.46	1.36	2.65	1.36	4.84	2.12	2.79	3.07	2.22
<i>U.S. 3-Month T-Bill</i>						0.45	1.29	4.03	1.29	5.24	1.60	1.59	1.63	1.24

(1) Operational cash balance, distribution and expense accruals



**SOLDIERS' SAILORS' & MARINES' FUND**

Net of All Fees and Expenses

3/31/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Compound, annualized returns			
											Three Year	Five Year	Seven Year	Ten Year
<b>Soldiers' Sailors' &amp; Marines Fund</b>					<b>\$86.8</b>	<b>1.74</b>	<b>2.83</b>	<b>7.98</b>	<b>2.83</b>	<b>10.21</b>	<b>1.13</b>	<b>4.21</b>	<b>4.22</b>	<b>4.11</b>
<i>Policy Benchmark</i>						<i>1.61</i>	<i>2.48</i>	<i>7.45</i>	<i>2.48</i>	<i>9.13</i>	<i>0.78</i>	<i>3.88</i>	<i>4.11</i>	<i>4.06</i>
<i>Excess Return</i>						<i>0.13</i>	<i>0.35</i>	<i>0.53</i>	<i>0.35</i>	<i>1.07</i>	<i>0.36</i>	<i>0.33</i>	<i>0.11</i>	<i>0.05</i>
<b>Global Equities</b>	<b>37.5%</b>	<b>37.0</b>	23.0	52.0	<b>\$32.6</b>	<b>3.09</b>	<b>8.38</b>	<b>16.35</b>	<b>8.38</b>	<b>24.02</b>	<b>6.82</b>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>MSCI All Country World IMI Index</i>						<i>3.16</i>	<i>7.72</i>	<i>15.65</i>	<i>7.72</i>	<i>22.45</i>	<i>6.64</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Domestic Equity</b>	<b>22.4%</b>				<b>\$19.5</b>	<b>3.11</b>	<b>10.49</b>	<b>19.37</b>	<b>10.49</b>	<b>29.76</b>	<b>10.08</b>	<b>14.46</b>	<b>13.54</b>	<b>12.37</b>
<i>MSCI USA IMI Index</i>						<i>3.21</i>	<i>9.84</i>	<i>18.90</i>	<i>9.84</i>	<i>28.72</i>	<i>9.59</i>	<i>14.22</i>	<i>13.37</i>	<i>12.27</i>
<b>Developed Markets Equity</b>	<b>11.0%</b>				<b>\$9.6</b>	<b>3.27</b>	<b>5.25</b>	<b>12.22</b>	<b>5.25</b>	<b>15.82</b>	<b>5.25</b>	<b>7.96</b>	<b>7.08</b>	<b>6.28</b>
<i>MSCI EAFE + Canada Index</i>						<i>3.37</i>	<i>5.59</i>	<i>11.90</i>	<i>5.59</i>	<i>15.29</i>	<i>3.81</i>	<i>7.15</i>	<i>6.76</i>	<i>6.04</i>
<b>Emerging Markets Equity</b>	<b>4.1%</b>				<b>\$3.6</b>	<b>2.49</b>	<b>5.56</b>	<b>10.53</b>	<b>5.56</b>	<b>15.23</b>	<b>-2.68</b>	<b>5.67</b>	<b>5.63</b>	<b>4.57</b>
<i>MSCI Emerging Markets IMI</i>						<i>2.12</i>	<i>2.17</i>	<i>8.02</i>	<i>2.17</i>	<i>9.76</i>	<i>-3.93</i>	<i>2.98</i>	<i>4.08</i>	<i>3.21</i>
<b>Core Fixed Income</b>	<b>61.1%</b>	<b>62.0</b>	57.0	67.0	<b>\$53.0</b>	<b>0.91</b>	<b>-0.51</b>	<b>3.21</b>	<b>-0.51</b>	<b>2.55</b>	<b>-2.25</b>	<b>0.57</b>	<b>1.02</b>	<b>1.47</b>
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						<i>0.71</i>	<i>-0.57</i>	<i>2.69</i>	<i>-0.57</i>	<i>1.66</i>	<i>-2.71</i>	<i>0.20</i>	<i>0.95</i>	<i>1.47</i>
<b>Liquidity Fund</b>	<b>1.4%</b>	<b>1.0</b>	0.0	3.0	<b>\$1.2</b>	<b>0.46</b>	<b>1.36</b>	<b>4.16</b>	<b>1.36</b>	<b>6.00</b>	<b>2.66</b>	<b>2.07</b>	<b>2.04</b>	<b>1.47</b>
<i>U.S. 3-Month T-Bill</i>						<i>0.45</i>	<i>1.29</i>	<i>4.03</i>	<i>1.29</i>	<i>5.24</i>	<i>1.60</i>	<i>1.59</i>	<i>1.63</i>	<i>1.24</i>



**SCHOOL FUND**  
Net of All Fees and Expenses  
3/31/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>School Fund</b>					<b>\$12.8</b>	<b>1.73</b>	<b>2.82</b>	<b>8.02</b>	<b>2.82</b>	<b>10.31</b>	<b>1.10</b>	<b>4.20</b>	<b>4.21</b>	<b>4.12</b>
<i>Policy Benchmark</i>						<i>1.61</i>	<i>2.48</i>	<i>7.45</i>	<i>2.48</i>	<i>9.13</i>	<i>0.78</i>	<i>3.88</i>	<i>4.11</i>	<i>4.06</i>
<i>Excess Return</i>						<i>0.11</i>	<i>0.34</i>	<i>0.57</i>	<i>0.34</i>	<i>1.17</i>	<i>0.32</i>	<i>0.32</i>	<i>0.10</i>	<i>0.06</i>
<b>Global Equities</b>	<b>37.4%</b>	<b>37.0</b>	23.0	52.0	<b>\$4.8</b>	<b>3.09</b>	<b>8.35</b>	<b>16.34</b>	<b>8.35</b>	<b>24.02</b>	<b>6.89</b>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>MSCI All Country World IMI Index</i>						<i>3.16</i>	<i>7.72</i>	<i>15.65</i>	<i>7.72</i>	<i>22.45</i>	<i>6.64</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Domestic Equity</b>	<b>22.7%</b>				<b>\$2.9</b>	<b>3.11</b>	<b>10.49</b>	<b>19.31</b>	<b>10.49</b>	<b>29.64</b>	<b>10.05</b>	<b>14.45</b>	<b>13.53</b>	<b>12.37</b>
<i>MSCI USA IMI Index</i>						<i>3.21</i>	<i>9.84</i>	<i>18.90</i>	<i>9.84</i>	<i>28.72</i>	<i>9.59</i>	<i>14.22</i>	<i>13.37</i>	<i>12.27</i>
<b>Developed Markets Equity</b>	<b>10.9%</b>				<b>\$1.4</b>	<b>3.27</b>	<b>5.25</b>	<b>12.21</b>	<b>5.25</b>	<b>15.80</b>	<b>5.25</b>	<b>7.96</b>	<b>7.07</b>	<b>6.28</b>
<i>MSCI EAFE + Canada Index</i>						<i>3.37</i>	<i>5.59</i>	<i>11.90</i>	<i>5.59</i>	<i>15.29</i>	<i>3.81</i>	<i>7.15</i>	<i>6.76</i>	<i>6.04</i>
<b>Emerging Markets Equity</b>	<b>3.8%</b>				<b>\$0.5</b>	<b>2.49</b>	<b>5.56</b>	<b>10.53</b>	<b>5.56</b>	<b>15.20</b>	<b>-2.69</b>	<b>5.67</b>	<b>5.63</b>	<b>4.57</b>
<i>MSCI Emerging Markets IMI</i>						<i>2.12</i>	<i>2.17</i>	<i>8.02</i>	<i>2.17</i>	<i>9.76</i>	<i>-3.93</i>	<i>2.98</i>	<i>4.08</i>	<i>3.21</i>
<b>Core Fixed Income</b>	<b>60.7%</b>	<b>62.0</b>	57.0	67.0	<b>\$7.8</b>	<b>0.91</b>	<b>-0.51</b>	<b>3.21</b>	<b>-0.51</b>	<b>2.55</b>	<b>-2.25</b>	<b>0.57</b>	<b>1.02</b>	<b>1.47</b>
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						<i>0.71</i>	<i>-0.57</i>	<i>2.69</i>	<i>-0.57</i>	<i>1.66</i>	<i>-2.71</i>	<i>0.20</i>	<i>0.95</i>	<i>1.47</i>
<b>Liquidity Fund</b>	<b>1.9%</b>	<b>1.0</b>	0.0	3.0	<b>\$0.2</b>	<b>0.91</b>	<b>2.92</b>	<b>10.07</b>	<b>2.92</b>	<b>12.06</b>	<b>4.79</b>	<b>3.65</b>	<b>3.56</b>	<b>2.48</b>
<i>U.S. 3-Month T-Bill</i>						<i>0.45</i>	<i>1.29</i>	<i>4.03</i>	<i>1.29</i>	<i>5.24</i>	<i>1.60</i>	<i>1.59</i>	<i>1.63</i>	<i>1.24</i>



**IDA EATON COTTON FUND**

Net of All Fees and Expenses

3/31/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>IDA Eaton Cotton Fund</b>					<b>\$2.8</b>	<b>1.76</b>	<b>2.85</b>	<b>8.06</b>	<b>2.85</b>	<b>10.38</b>	<b>1.21</b>	<b>4.25</b>	<b>4.25</b>	<b>4.13</b>
<i>Policy Benchmark</i>						<i>1.61</i>	<i>2.48</i>	<i>7.45</i>	<i>2.48</i>	<i>9.13</i>	<i>0.78</i>	<i>3.88</i>	<i>4.11</i>	<i>4.06</i>
<i>Excess Return</i>						<i>0.14</i>	<i>0.37</i>	<i>0.61</i>	<i>0.37</i>	<i>1.25</i>	<i>0.44</i>	<i>0.37</i>	<i>0.14</i>	<i>0.08</i>
<b>Global Equities</b>	<b>37.8%</b>	<b>37.0</b>	23.0	52.0	<b>\$1.0</b>	<b>3.10</b>	<b>8.41</b>	<b>16.09</b>	<b>8.41</b>	<b>23.79</b>	<b>6.92</b>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>MSCI All Country World IMI Index</i>						<i>3.16</i>	<i>7.72</i>	<i>15.65</i>	<i>7.72</i>	<i>22.45</i>	<i>6.64</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Domestic Equity</b>	<b>22.6%</b>				<b>\$0.6</b>	<b>3.11</b>	<b>10.49</b>	<b>19.50</b>	<b>10.49</b>	<b>29.72</b>	<b>10.05</b>	<b>14.44</b>	<b>13.53</b>	<b>12.37</b>
<i>MSCI USA IMI Index</i>						<i>3.21</i>	<i>9.84</i>	<i>18.90</i>	<i>9.84</i>	<i>28.72</i>	<i>9.59</i>	<i>14.22</i>	<i>13.37</i>	<i>12.27</i>
<b>Developed Markets Equity</b>	<b>11.2%</b>				<b>\$0.3</b>	<b>3.27</b>	<b>5.26</b>	<b>12.18</b>	<b>5.26</b>	<b>15.83</b>	<b>5.26</b>	<b>7.97</b>	<b>7.07</b>	<b>6.28</b>
<i>MSCI EAFE + Canada Index</i>						<i>3.37</i>	<i>5.59</i>	<i>11.90</i>	<i>5.59</i>	<i>15.29</i>	<i>3.81</i>	<i>7.15</i>	<i>6.76</i>	<i>6.04</i>
<b>Emerging Markets Equity</b>	<b>4.1%</b>				<b>\$0.1</b>	<b>2.49</b>	<b>5.56</b>	<b>10.45</b>	<b>5.56</b>	<b>15.15</b>	<b>-2.70</b>	<b>5.66</b>	<b>5.62</b>	<b>4.56</b>
<i>MSCI Emerging Markets IMI</i>						<i>2.12</i>	<i>2.17</i>	<i>8.02</i>	<i>2.17</i>	<i>9.76</i>	<i>-3.93</i>	<i>2.98</i>	<i>4.08</i>	<i>3.21</i>
<b>Core Fixed Income</b>	<b>61.4%</b>	<b>62.0</b>	57.0	67.0	<b>\$1.7</b>	<b>0.91</b>	<b>-0.51</b>	<b>3.20</b>	<b>-0.51</b>	<b>2.53</b>	<b>-2.26</b>	<b>0.57</b>	<b>1.02</b>	<b>1.47</b>
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						<i>0.71</i>	<i>-0.57</i>	<i>2.69</i>	<i>-0.57</i>	<i>1.66</i>	<i>-2.71</i>	<i>0.20</i>	<i>0.95</i>	<i>1.47</i>
<b>Liquidity Fund <sup>(1)</sup></b>	<b>0.8%</b>	<b>1.0</b>	0.0	3.0	<b>\$0.0</b>	<b>0.47</b>	<b>1.36</b>	<b>1.64</b>	<b>1.36</b>	<b>3.18</b>	<b>1.66</b>	<b>2.48</b>	<b>3.00</b>	<b>2.16</b>
<i>U.S. 3-Month T-Bill</i>						<i>0.45</i>	<i>1.29</i>	<i>4.03</i>	<i>1.29</i>	<i>5.24</i>	<i>1.60</i>	<i>1.59</i>	<i>1.63</i>	<i>1.24</i>

<sup>(1)</sup> Operational cash balance, distribution and expense accruals



**HOPEMEAD FUND**  
 Net of All Fees and Expenses  
 3/31/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns									
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year	
<b>Hopemead Fund</b>					\$4.9	1.74	2.81	7.99	2.81	10.24	1.17	4.21	4.21	4.10	
<i>Policy Benchmark</i>						1.61	2.48	7.45	2.48	9.13	0.78	3.88	4.11	4.06	
<i>Excess Return</i>						0.13	0.33	0.55	0.33	1.11	0.40	0.33	0.10	0.04	
<b>Global Equities</b>	36.7%	37.0	23.0	52.0	\$1.8	3.10	8.38	16.36	8.38	24.04	6.86	N/A	N/A	N/A	
<i>MSCI All Country World IMI Index</i>						3.16	7.72	15.65	7.72	22.45	6.64	N/A	N/A	N/A	
<b>Domestic Equity</b>	21.6%				\$1.1	3.11	10.49	19.33	10.49	29.62	10.03	14.44	13.52	12.36	
<i>MSCI USA IMI Index</i>						3.21	9.84	18.90	9.84	28.72	9.59	14.22	13.37	12.27	
<b>Developed Markets Equity</b>	11.1%				\$0.5	3.27	5.25	12.21	5.25	15.80	5.25	7.96	7.07	6.27	
<i>MSCI EAFE + Canada Index</i>						3.37	5.59	11.90	5.59	15.29	3.81	7.15	6.76	6.04	
<b>Emerging Markets Equity</b>	4.1%				\$0.2	2.49	5.56	10.53	5.56	15.22	-2.68	5.67	5.63	4.57	
<i>MSCI Emerging Markets IMI</i>						2.12	2.17	8.02	2.17	9.76	-3.93	2.98	4.08	3.21	
<b>Core Fixed Income</b>	61.6%	62.0	57.0	67.0	\$3.0	0.91	-0.51	3.21	-0.51	2.55	-2.25	0.57	1.02	1.47	
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						0.71	-0.57	2.69	-0.57	1.66	-2.71	0.20	0.95	1.47	
<b>Liquidity Fund</b>	1.6%	1.0	0.0	3.0	\$0.1	0.47	1.36	4.15	1.36	5.92	2.66	2.07	2.04	1.47	
<i>U.S. 3-Month T-Bill</i>						0.45	1.29	4.03	1.29	5.24	1.60	1.59	1.63	1.24	



**ARTS ENDOWMENT FUND**

Net of All Fees and Expenses

3/31/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Arts Endowment Fund</b>					\$23.2	2.14	4.59	10.94	4.59	15.00	4.04	7.50	6.67	5.81
<i>Policy Benchmark</i>						2.15	4.31	10.67	4.31	14.28	2.67	6.38	6.02	5.39
<i>Excess Return</i>						(0.00)	0.28	0.28	0.28	0.72	1.37	1.12	0.65	0.42
<b>Global Equities</b>	55.9%	54.0	39.0	69.0	\$12.7	3.09	8.37	16.20	8.37	23.92	6.39	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						3.16	7.72	15.65	7.72	22.45	6.64	N/A	N/A	N/A
<b>Domestic Equity</b>	33.2%				\$7.5	3.11	10.49	19.46	10.49	29.61	9.94	14.38	13.49	12.34
<i>MSCI USA IMI Index</i>						3.21	9.84	18.90	9.84	28.72	9.59	14.22	13.37	12.27
<b>Developed Markets Equity</b>	16.5%				\$3.7	3.27	5.25	12.21	5.25	15.89	5.27	7.98	7.09	6.29
<i>MSCI EAFE + Canada Index</i>						3.37	5.59	11.90	5.59	15.29	3.81	7.15	6.76	6.04
<b>Emerging Markets Equity</b>	6.2%				\$1.4	2.49	5.56	10.50	5.56	15.75	-2.53	5.77	5.71	4.62
<i>MSCI Emerging Markets IMI</i>						2.12	2.17	8.02	2.17	9.76	-3.93	2.98	4.08	3.21
<b>Core Fixed Income</b>	34.6%	33.0	28.0	38.0	\$7.9	0.92	-0.50	3.21	-0.50	2.61	-2.22	0.59	1.03	1.48
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						0.71	-0.57	2.69	-0.57	1.66	-2.71	0.20	0.95	1.47
<b>Emerging Market Debt <sup>(2)</sup></b>	1.1%	0.0	0.0	0.0	\$0.3	1.11	0.65	7.18	0.65	8.62	-0.60	0.60	N/A	N/A
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						1.03	-0.05	5.59	-0.05	8.07	-1.47	0.45	N/A	N/A
<b>Non-Core Fixed Income</b>	4.2%	2.0	0.0	7.0	\$0.9	1.28	1.67	8.76	1.67	11.22	2.94	4.72	N/A	N/A
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						1.18	1.47	9.24	1.47	11.15	2.19	3.97	N/A	N/A
<b>Private Credit <sup>(1)</sup></b>	4.3%	10.0	5.0	15.0	\$1.0	N/A	1.76	7.70	1.76	10.76	9.48	N/A	N/A	N/A
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears<sup>^</sup></i>						N/A	3.25	11.00	3.25	15.00	7.32	N/A	N/A	N/A
<b>Liquidity Fund</b>	2.1%	1.0	0.0	3.0	\$0.5	0.46	1.36	4.06	1.36	6.00	2.71	2.10	2.04	1.46
<i>U.S. 3-Month T-Bill</i>						0.45	1.29	4.03	1.29	5.24	1.60	1.59	1.63	1.24

<sup>(1)</sup> Actual performance, reported one quarter in arrears,

<sup>(2)</sup> Legacy asset class



**POLICEMEN AND FIREMEN SURVIVORS' BENEFIT FUND**

Net of All Fees and Expenses

3/31/2024

Funds <i>Benchmark</i>	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Policemen and Firemen Survivors' Benefit Fund</b>					\$52.2	1.83	4.05	9.01	4.05	12.45	4.83	7.26	7.01	6.64
<i>Policy Benchmark</i>						2.11	4.85	10.09	4.85	13.95	4.64	7.64	7.25	6.66
<i>Excess Return</i>						(0.28)	(0.80)	(1.08)	(0.80)	(1.49)	0.19	(0.38)	(0.23)	N/A
<b>Global Equities</b>	49.4%	37.0	23.0	52.0	\$25.7	3.08	8.50	16.36	8.50	24.01	6.00	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						3.16	7.72	15.65	7.72	22.45	6.64	N/A	N/A	N/A
<b>Domestic Equity</b>	29.9%				\$15.6	3.11	10.50	19.43	10.50	29.82	10.02	14.42	13.51	12.35
<i>MSCI USA IMI Index</i>						3.21	9.84	18.90	9.84	28.72	9.59	14.22	13.37	12.27
<b>Developed Markets Equity</b>	13.7%				\$7.2	3.27	5.23	12.19	5.23	15.76	5.22	7.95	7.06	6.27
<i>MSCI EAFE + Canada Index</i>						3.37	5.59	11.90	5.59	15.29	3.81	7.15	6.76	6.04
<b>Emerging Markets Equity</b>	5.7%				\$3.0	2.49	5.56	10.46	5.56	15.14	-2.69	5.66	5.63	4.57
<i>MSCI Emerging Markets IMI</i>						2.12	2.17	8.02	2.17	9.76	-3.93	2.98	4.08	3.21
<b>Core Fixed Income</b>	15.1%	13.0	8.0	18.0	\$7.9	0.92	-0.51	3.15	-0.51	2.50	-2.23	0.59	1.03	1.48
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						0.71	-0.57	2.69	-0.57	1.66	-2.71	0.20	0.95	1.47
<b>Emerging Market Debt <sup>(3)</sup></b>	1.1%	0.0	0.0	0.0	\$0.6	1.11	0.65	6.99	0.65	8.44	-0.86	0.45	1.19	1.66
<i>50% JPM EMBI Global Div / 50% JPM GBI EM Global Div</i>						1.03	-0.05	5.59	-0.05	8.07	-1.47	0.45	1.26	1.41
<b>Non-Core Fixed Income</b>	4.2%	2.0	0.0	7.0	\$2.2	1.27	1.67	8.70	1.67	10.81	2.82	4.65	4.54	4.25
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						1.18	1.47	9.24	1.47	11.15	2.19	3.97	4.19	4.14
<b>Liquidity Fund</b>	1.5%	1.0	0.0	3.0	\$0.8	0.46	1.36	4.15	1.36	5.72	2.62	2.04	2.02	1.46
<i>U.S. 3-Month T-Bill</i>						0.45	1.29	4.03	1.29	5.24	1.60	1.59	1.63	1.24
<b>Real Estate <sup>(1)</sup></b>	6.3%	10.0	5.0	15.0	\$3.3	N/A	-2.77	-4.34	-1.31	-6.66	5.78	4.69	5.37	6.97
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears^</i>						N/A	-5.00	-9.68	-5.00	-12.73	4.01	3.34	4.38	6.33
<b>Infrastructure and Natural Resources <sup>(1)</sup></b>	2.6%	7.0	2.0	12.0	\$1.3	N/A	0.35	1.67	0.35	5.41	7.94	N/A	N/A	N/A
<i>U.S. CPI + 400 basis points 1Q in Arrears^</i>						N/A	0.64	4.65	0.64	7.47	9.73	N/A	N/A	N/A
<b>Private Investment <sup>(1)</sup></b>	10.8%	15.0	10.0	20.0	\$5.6	N/A	0.88	3.60	0.88	5.59	14.83	15.86	15.26	14.42
<i>Russell 3000 + 250 basis points 1Q in Arrears^</i>						N/A	12.74	19.68	12.74	29.05	11.12	17.72	14.57	13.29
<b>Private Credit <sup>(1)</sup></b>	4.7%	10.0	5.0	15.0	\$2.4	N/A	1.75	7.66	1.75	10.72	9.46	N/A	N/A	N/A
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^</i>						N/A	3.25	11.00	3.25	15.00	7.32	N/A	N/A	N/A
<b>Absolute Return (Risk Mitigating)</b>	4.5%	5.0	0.0	10.0	\$2.3	0.34	-0.03	-0.08	-0.03	-1.03	-0.24	0.83	1.78	1.83
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						5.91	5.44	5.08	5.44	5.32	0.97	2.32	2.43	1.75

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended dynamic benchmark comprised of the weightings of each of the investments unitized within the strategy

<sup>(3)</sup> Legacy asset class



**BABY BONDS FUND**  
 Net of All Fees and Expenses  
 3/31/2024

Funds	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Compound, annualized returns								
						Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Baby Bonds Fund</b>					\$431.3	1.82	4.04	N/A	4.04	N/A	N/A	N/A	N/A	N/A
<i>Policy Benchmark</i>						2.11	4.85	N/A	4.85	N/A	N/A	N/A	N/A	N/A
<i>Excess Return</i>						(0.29)	(0.80)	N/A	(0.80)	N/A	N/A	N/A	N/A	N/A
<b>Global Equities</b>	49.2%	37.0	23.0	52.0	\$212.3	3.08	8.50	N/A	8.50	N/A	N/A	N/A	N/A	N/A
<i>MSCI All Country World IMI Index</i>						3.16	7.72	N/A	7.72	N/A	N/A	N/A	N/A	N/A
<b>Domestic Equity</b>	29.9%				\$129.1	3.11	10.50	N/A	10.50	N/A	N/A	N/A	N/A	N/A
<i>MSCI USA IMI Index</i>						3.21	9.84	N/A	9.84	N/A	N/A	N/A	N/A	N/A
<b>Developed Markets Equity</b>	13.6%				\$58.7	3.27	5.23	N/A	5.23	N/A	N/A	N/A	N/A	N/A
<i>MSCI EAFE + Canada Index</i>						3.37	5.59	N/A	5.59	N/A	N/A	N/A	N/A	N/A
<b>Emerging Markets Equity</b>	5.7%				\$24.4	2.49	5.56	N/A	5.56	N/A	N/A	N/A	N/A	N/A
<i>MSCI Emerging Markets IMI</i>						2.12	2.17	N/A	2.17	N/A	N/A	N/A	N/A	N/A
<b>Core Fixed Income</b>	15.1%	13.0	8.0	18.0	\$64.9	0.92	-0.51	N/A	-0.51	N/A	N/A	N/A	N/A	N/A
<i>50% Barclays U.S. Aggregate Bond / 50% Intermediate Treasury</i>						0.71	-0.57	N/A	-0.57	N/A	N/A	N/A	N/A	N/A
<b>Non-Core Fixed Income</b>	4.2%	2.0	0.0	7.0	\$18.0	1.27	1.67	N/A	1.67	N/A	N/A	N/A	N/A	N/A
<i>Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index</i>						1.18	1.47	N/A	1.47	N/A	N/A	N/A	N/A	N/A
<b>Liquidity Fund</b>	2.6%	1.0	0.0	3.0	\$11.3	0.46	1.36	N/A	1.36	N/A	N/A	N/A	N/A	N/A
<i>U.S. 3-Month T-Bill</i>						0.45	1.29	N/A	1.29	N/A	N/A	N/A	N/A	N/A
<b>Real Estate<sup>(1)</sup></b>	6.1%	10.0	5.0	15.0	\$26.5	N/A	-2.77	N/A	-2.77	N/A	N/A	N/A	N/A	N/A
<i>Open End Diversified Core Equity (NFI-ODCE Index) 1Q in Arrears<sup>^</sup></i>						N/A	-5.00	N/A	-5.00	N/A	N/A	N/A	N/A	N/A
<b>Infrastructure and Natural Resources<sup>(1)</sup></b>	2.7%	7.0	2.0	12.0	\$11.6	N/A	0.33	N/A	0.33	N/A	N/A	N/A	N/A	N/A
<i>U.S. CPI + 400 basis points 1Q in Arrears<sup>^</sup></i>						N/A	0.64	N/A	0.64	N/A	N/A	N/A	N/A	N/A
<b>Private Investment<sup>(1)</sup></b>	10.8%	15.0	10.0	20.0	\$46.6	N/A	0.88	N/A	0.88	N/A	N/A	N/A	N/A	N/A
<i>Russell 3000 + 250 basis points 1Q in Arrears<sup>^</sup></i>						N/A	12.74	N/A	12.74	N/A	N/A	N/A	N/A	N/A
<b>Private Credit<sup>(1)</sup></b>	4.8%	10.0	5.0	15.0	\$20.6	N/A	1.75	N/A	1.75	N/A	N/A	N/A	N/A	N/A
<i>S&amp;P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears<sup>^</sup></i>						N/A	3.25	N/A	3.25	N/A	N/A	N/A	N/A	N/A
<b>Absolute Return (Risk Mitigating)</b>	4.6%	5.0	0.0	10.0	\$19.7	0.34	-0.03	N/A	-0.03	N/A	N/A	N/A	N/A	N/A
<i>Dynamic weighted blend of HFRX and public indices <sup>(2)</sup></i>						5.91	5.44	N/A	5.44	N/A	N/A	N/A	N/A	N/A

<sup>(1)</sup> Actual performance, reported one quarter in arrears.

<sup>(2)</sup> A blended dynamic benchmark comprised of the weightings of each of the investments unitized within the strategy

<sup>(3)</sup> Legacy asset class





## Dynamic Benchmark Summary

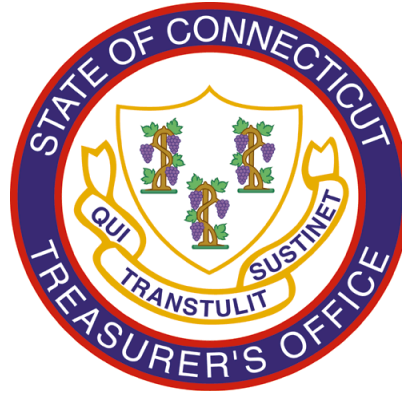
Net of All Fees and Expenses

3/31/2024

Funds	Compound, annualized returns								
	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
<b>Benchmark</b>									
<b>Teacher's Retirement Fund</b>	1.83	4.06	9.07	4.06	12.69	4.96	7.36	7.14	6.72
Dynamic Benchmark	2.36	5.16	10.62	5.16	14.61	4.55	7.55	7.28	6.75
Excess Return	(0.53)	(1.10)	(1.55)	(1.10)	(1.91)	0.41	(0.18)	(0.14)	(0.02)
<b>State Employees' Retirement Fund</b>	1.83	4.05	9.10	4.05	13.10	5.19	7.51	7.29	6.83
Dynamic Benchmark	2.35	5.19	10.68	5.19	14.77	4.72	7.67	7.41	6.87
Excess Return	(0.53)	(1.14)	(1.57)	(1.14)	(1.67)	0.48	(0.15)	(0.12)	(0.04)
<b>Municipal Employees' Retirement Fund</b>	1.83	4.05	9.04	4.05	12.54	4.87	7.34	7.02	6.59
Dynamic Benchmark	2.36	5.16	10.57	5.16	14.46	4.39	7.48	7.10	6.55
Excess Return	(0.53)	(1.11)	(1.54)	(1.11)	(1.93)	0.48	(0.14)	(0.09)	0.05
<b>OPEB</b>	1.82	4.04	9.14	4.04	12.56	4.87	7.42	7.03	6.62
Dynamic Benchmark	2.34	5.13	10.66	5.13	14.57	4.44	7.68	7.20	6.68
Excess Return	(0.52)	(1.09)	(1.52)	(1.09)	(2.01)	0.43	(0.25)	(0.17)	(0.05)
<b>Probate Judges Employees' Retirement Fund</b>	1.83	4.05	9.05	4.05	12.52	4.81	7.27	6.95	6.57
Dynamic Benchmark	2.36	5.16	10.58	5.16	14.45	4.32	7.48	7.11	6.59
Excess Return	(0.53)	(1.11)	(1.53)	(1.11)	(1.92)	0.49	(0.21)	(0.15)	(0.02)
<b>State Judges Retirement Fund</b>	1.82	4.04	9.02	4.04	12.50	4.83	7.30	7.00	6.59
Dynamic Benchmark	2.34	5.15	10.55	5.15	14.39	4.35	7.53	7.15	6.58
Excess Return	(0.52)	(1.10)	(1.53)	(1.10)	(1.89)	0.48	(0.22)	(0.14)	0.01
<b>State's Attorneys' Retirement Fund</b>	1.82	4.04	9.04	4.04	12.48	4.81	7.11	6.87	6.35
Dynamic Benchmark	2.35	5.15	10.58	5.15	14.36	4.33	7.42	7.24	6.62
Excess Return	(0.52)	(1.11)	(1.54)	(1.11)	(1.89)	0.48	(0.31)	(0.37)	(0.27)
<b>Agricultural College Fund</b>	0.91	-0.50	3.20	-0.50	2.57	-2.20	0.63	1.06	1.51
Dynamic Benchmark	0.71	-0.56	2.69	-0.56	1.69	-2.63	0.25	0.98	1.49
Excess Return	0.20	0.06	0.50	0.06	0.88	0.43	0.37	0.08	0.02
<b>Andrew C. Clark Fund</b>	1.76	2.88	8.06	2.88	10.34	1.23	4.26	4.26	4.14
Dynamic Benchmark	1.67	2.59	7.54	2.59	9.25	0.65	3.80	4.11	4.05
Excess Return	0.09	0.29	0.51	0.29	1.08	0.58	0.46	0.15	0.09
<b>Soldiers' Sailors' &amp; Marines Fund</b>	1.74	2.83	7.98	2.83	10.21	1.13	4.21	4.22	4.11
Dynamic Benchmark	1.66	2.56	7.37	2.56	9.08	0.45	3.69	4.03	4.00
Excess Return	0.09	0.27	0.60	0.27	1.13	0.69	0.53	0.20	0.11
<b>School Fund</b>	1.73	2.82	8.02	2.82	10.31	1.10	4.20	4.21	4.12
Dynamic Benchmark	1.66	2.57	7.35	2.57	9.07	0.35	3.62	3.98	3.98
Excess Return	0.06	0.25	0.67	0.25	1.23	0.75	0.57	0.23	0.07
<b>IDA Eaton Cotton Fund</b>	1.76	2.85	8.06	2.85	10.38	1.21	4.25	4.25	4.13
Dynamic Benchmark	1.67	2.57	7.52	2.57	9.27	0.61	3.77	4.09	4.05
Excess Return	0.09	0.28	0.54	0.28	1.11	0.60	0.48	0.16	0.09
<b>Hopmead Fund</b>	1.74	2.81	7.99	2.81	10.24	1.17	4.21	4.21	4.10
Dynamic Benchmark	1.66	2.55	7.37	2.55	9.08	0.49	3.68	4.02	3.98
Excess Return	0.09	0.26	0.62	0.26	1.17	0.69	0.53	0.20	0.12
<b>Arts Endowment Fund</b>	2.14	4.59	10.94	4.59	15.00	4.04	7.50	6.67	5.81
Dynamic Benchmark	2.16	4.29	10.80	4.29	14.44	3.32	6.93	N/A	N/A
Excess Return	(0.02)	0.30	0.15	0.30	0.55	0.72	0.57	N/A	N/A
<b>Policemen and Firemen Survivors' Benefit Fund</b>	1.83	4.05	9.01	4.05	12.45	4.83	7.26	7.01	6.64
Dynamic Benchmark	2.35	5.14	10.52	5.14	14.33	4.34	7.47	7.15	6.62
Excess Return	(0.52)	(1.10)	(1.52)	(1.10)	(1.88)	0.49	(0.22)	(0.14)	0.02
<b>Baby Bonds Fund</b>	1.82	4.04	N/A	4.04	N/A	N/A	N/A	N/A	N/A
Dynamic Benchmark	2.34	5.17	N/A	5.17	N/A	N/A	N/A	N/A	N/A
Excess Return	(0.53)	(1.12)	N/A	(1.12)	N/A	N/A	N/A	N/A	N/A

Dynamic Benchmark represents "actual" asset class weights multiplied by its benchmark

# Connecticut Retirement Plans and Trust Funds



**Quarterly Cash Flow Update  
May 8, 2024**

# CRPTF Cash Flows & Investment Activity <sup>(1)</sup>

Plan Cash Flows:	Quarter Ending Sept. 30 2023	Quarter Ending Dec. 31 2023	Quarter Ending Mar. 31 2024	Quarter Ending Jun. 30 2024	Fiscal Year <u>2024</u>
<b>1. Beginning Market Value</b>	<b>\$48,725.8</b>	<b>\$48,999.8</b>	<b>\$52,629.9</b>		<b>\$48,725.8</b>
2. Employee Contributions	156.7	243.0	231.4		631.1
3. State Contributions	858.7	852.7	869.0		2,582.4
4. Federal Contributions	70.9	71.8	59.6		202.3
5. Volatility Cap / Excess Reserve Transfer	1,319.4	555.3	-		1,874.7
6. Distributions / Benefit Payments	(1,335.2)	(1,313.9)	(1,324.2)		(3,973.3)
7. Investment Activity	(796.5)	3,221.2	2,139.5		4,562.2
<b>8. Ending Market Value</b>	<b>\$48,999.8</b>	<b>\$52,629.9</b>	<b>\$54,605.2</b>		<b>\$54,605.2</b>

(1) Teacher's, State Employee's, Municipal Employee's and State Employee's OPEB represent approximately 98 percent of CRPTF

# Teacher's Retirement Plan Cash Flows & Investment Activity

Plan Cash Flows:	Quarter Ending Sept. 30 2023	Quarter Ending Dec. 31 2023	Quarter Ending Mar. 31 2024	Quarter Ending Jun. 30 2024	Fiscal Year <u>2024</u>
<b>1. Beginning Market Value</b>	<b>\$22,961.5</b>	<b>\$22,679.6</b>	<b>\$24,613.3</b>		<b>\$22,961.5</b>
2. Employee Contributions	40.2	106.5	108.3		255.0
3. State Contributions	381.5	387.1	388.8		1,157.4
4. Federal Contributions	-	-	-		
5. Volatility Cap / Excess Reserve Transfer	272.8	555.3	-		828.1
6. Distributions / Benefit Payments	(606.8)	(601.8)	(597.7)		(1,806.3)
7. Investment Activity	(369.6)	1,486.6	1,005.5		2,122.5
<b>8. Ending Market Value</b>	<b>\$22,679.6</b>	<b>\$24,613.3</b>	<b>\$25,518.2</b>		<b>\$25,518.2</b>

# State Employee's Retirement Plan Cash Flows & Investment Activity

Plan Cash Flows:	Quarter Ending Sept. 30 2023	Quarter Ending Dec. 31 2023	Quarter Ending Mar. 31 2024	Quarter Ending Jun. 30 2024	Fiscal Year <u>2024</u>
<b>1. Beginning Market Value</b>	<b>\$20,117.9</b>	<b>\$20,738.4</b>	<b>\$22,054.9</b>		<b>\$20,117.9</b>
2. Employee Contributions	55.4	67.3	59.9		182.6
3. State Contributions	450.1	452.3	457.3		1,359.7
4. Federal Contributions	70.9	71.8	59.6		202.3
5. Volatility Cap / Excess Reserve Transfer	1,046.6	-	-		1,046.6
6. Distributions / Benefit Payments	(663.4)	(646.8)	(660.9)		(1,971.1)
7. Investment Activity	(339.1)	1,371.9	892.4		1,925.2
<b>8. Ending Market Value</b>	<b>\$20,738.4</b>	<b>\$22,054.9</b>	<b>\$22,863.2</b>		<b>\$22,863.2</b>

# Municipal Employee's Retirement Plan Cash Flows & Investment Activity

Plan Cash Flows:	Quarter Ending Sept. 30 2023	Quarter Ending Dec. 31 2023	Quarter Ending Mar. 31 2024	Quarter Ending Jun. 30 2024	Fiscal Year <u>2024</u>
<b>1. Beginning Market Value</b>	<b>\$3,177.6</b>	<b>\$3,107.7</b>	<b>\$3,292.6</b>		<b>\$3,177.6</b>
2. Employee Contributions	45.1	51.4	47.6		144.1
3. State Contributions	-	-	-		-
4. Federal Contributions	-	-	-		-
5. Volatility Cap / Excess Reserve Transfer	-	-	-		-
6. Distributions / Benefit Payments	(65.0)	(65.3)	(65.6)		(195.9)
7. Investment Activity	(50.0)	198.8	133.1		281.9
<b>8. Ending Market Value</b>	<b>\$3,107.7</b>	<b>\$3,292.6</b>	<b>\$3,407.7</b>		<b>\$3,407.7</b>

# State Employee's OPEB Retirement Plan Cash Flows & Investment Activity

Plan Cash Flows:	Quarter Ending Sept. 30 2023	Quarter Ending Dec. 31 2023	Quarter Ending Mar. 31 2024	Quarter Ending Jun. 30 2024	Fiscal Year <u>2024</u>
<b>1. Beginning Market Value</b>	<b>\$2,468.8</b>	<b>\$2,474.1</b>	<b>\$2,669.1</b>		<b>\$2,468.8</b>
2. Employee Contributions	16.0	17.8	15.6		49.4
3. State Contributions	27.1	15.3	22.9		65.3
4. Federal Contributions	-	-	-		-
5. Volatility Cap / Excess Reserve Transfer	-	-	-		-
6. Distributions / Benefit Payments	-	-	-		-
7. Investment Activity	(37.8)	161.9	108.5		232.6
<b>8. Ending Market Value</b>	<b>\$2,474.1</b>	<b>\$2,669.1</b>	<b>\$2,816.1</b>		<b>\$2,816.1</b>



# CAPITOL AVENUE FUND

MARCH 2024





# Capitol Avenue Fund

## Investment Performance Since Inception

Date of First Subscription: July 1, 2022

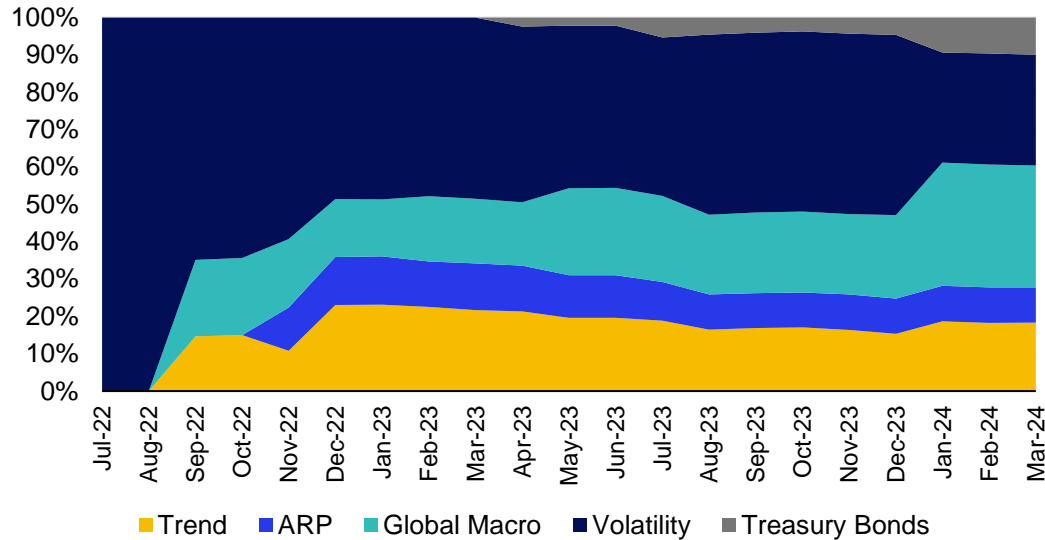
## Monthly Performance

(July 2022 – March 2024)

	Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD
<b>2024</b>	-0.19%	-0.14%	0.67%										<b>0.34%</b>
<b>2023</b>	-0.39%	0.45%	-2.29%	0.26%	0.50%	0.17%	-0.68%	-0.33%	1.19%	0.25%	-0.93%	0.94%	<b>-0.90%</b>
<b>2022</b>							-0.75%	0.25%	1.23%	-0.43%	-1.36%	-0.51%	<b>-1.57%</b>

## Manager Allocation Evolution

(July 2022 – March 2024)



Manager	Strategy	Mar 24 Allocation
Crabel Gemini	Trend	5.62%
Systematica Trend Following	Trend	12.67%
Tages Paladin	ARP	9.43%
P/E Global Rates Strategy	Global Macro	15.04%
EDL Capital	Global Macro	17.64%
Lake Hill Dynamic Hedge	Volatility	9.98%
Portman Square	Volatility	4.41%
One River Fund	Volatility	15.30%
PIMCO Extended Duration	Treasury Bonds	9.92%

Source: Vidrio.

1. Allocations shown are as of the date indicated above and are subject to change at the investment manager's sole discretion.

The performance information presented herein reflects the actual performance, unless otherwise noted, of Capitol Avenue Fund, net of all fees and expenses, including a 0.12% per annum advisory fee. Please see Important Disclosures and Disclaimers at the end of this presentation, which provide detailed information regarding information presented herein and form an integral part hereof. **Past performance is not indicative or a guarantee of future results.**



# Capitol Avenue Fund

## Performance Attribution

(January 2024 – March 2024)

Instrument Name	Allocation (03/31/24)	Q1 2024 Performance	Q1 2024 Attribution
<b>Trend</b>			
Crabel Gemini	\$141,862,386	-4.91%	-0.31%
Systematica Trend Following	\$250,553,891	6.34%	0.77%
<b>Alternative Risk Premia</b>			
Tages Paladin	\$238,187,214	0.51%	0.02%
<b>Global Macro</b>			
P/E Global Rates Strategy	\$251,919,440	9.91%	1.46%
EDL Capital	\$319,990,385	-4.14%	-0.76%
<b>Volatility</b>			
Lake Hill Dynamic Hedge	\$379,736,387	-0.38%	-0.07%
Portman Square	\$386,453,646	-0.30%	-0.04%
One River Fund	\$445,359,210	-0.19%	-0.06%
<b>Treasury Bonds</b>			
PIMCO Extended Duration (Added 4/1/23)	\$110,602,421	-4.74%	-0.50%
<b>Wind-down</b>	<b>\$6,920,530</b>	-	-
<b>Total</b>	<b>\$2,531,585,509</b>	<b>0.34%</b>	-

Source: Vidrio.

Attribution shown for Capitol Avenue Fund LLC from January 2024 - March 2024. The estimated performance attribution information presented herein is meant to show the approximate contribution of each of the strategies or managers of Capitol Avenue Fund LLC for the period. The performance information contained in this presentation includes net results for certain elements of extracted performance, which have been adjusted pro forma to reflect the deduction of fees and expenses. These net returns were calculated by allocating the total fees and expenses for the relevant time period equally among all sub-advisors and sub-strategies held in the portfolio at any time during the relevant time period. Such allocations have not been adjusted for managers that are winding down their portfolios, nor for trading activity that results in a particular sub-advisor, sub-strategy or position not having been held in the portfolio for the full duration of the relevant time period. This information is based on preliminary estimates and is subject to change. Please see Important Disclosures and Disclaimers at the end of this presentation, which provide detailed information regarding information presented herein and form an integral part hereof. **Past performance is not indicative or a guarantee of future results.**

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# Capitol Avenue Fund – Q1 2024 Portfolio Highlights

## Manager Commentary

<b>Crabel Gemini</b>	The program underperformed CTA and short-term peers during the quarter, which is mostly attributable to their 10-day holding period timeframe. Their models were whipsawed by false breakouts during the quarter whereas longer-term models rode through short-term volatility to benefit from trends. We continue to believe the short-term strategy is an important component of a diversifying mandate, but are monitoring the strategy closely as performance has been relatively disappointing.
<b>Tages Paladin</b>	The manager was up in March and year to date. This was a quiet month for the portfolio as the S&P volatility index VIX remained close to historical lows and our dynamic strategies reduced their short exposure faced with another equity rally. SPX trend, Dispersion and Volatility Relative Value contributed the most. The majority of detractors were in the hedging category with SPX and Fixed income downside protection strategies costing the portfolio slightly. Short dated bond investments contributed positively for the month of March.
<b>P/E Global Rates Strategy</b>	Strong performance was driven by gains in long USD positions, especially against shorts in AUD, EUR, and JPY. They also made money being short fixed income in the US, and being long gold. There were no meaningful detractors; the only marginal detractor was a fixed income long in Europe, but that was more than offset than fixed income shorts in other regions.
<b>Systematica Trend Following</b>	The manager performed in line with expectations with most trend peers. The firm's CIO is retiring in July, and will be replaced by co-CIOs who have worked at the firm for many years; this should not have an immediate effect on this strategy, but we will monitor the long-term impact closely. We continue to believe the strategy is an appropriate fit for a defensive mandate but are reviewing their profile in the context of the portfolio, peers, and other strategies that could potentially complement the pure trend approach.
<b>EDL Capital</b>	The manager made money in precious metals and commodities, and lost money in equities, fixed income, and FX. The largest contributor at the asset class level was precious metals, driven by gains in silver and gold longs at the end of the quarter. The largest detractor was equities, driven by losses in US index shorts and EM longs in Hong Kong and Brazil. The second largest detractor was fixed income, driven by losses in Japan and US front-end shorts.
<b>Lake Hill Dynamic Hedge</b>	It was a negative first quarter for the manager driven by the continuous equity market rally over the period. The manager was able to keep premium bleed to a minimum by actively trading the book. We reiterate our conviction in the manager.
<b>Portman Square</b>	The fund is down for the quarter compared to the EurekaHedge CBOE Long Volatility Index. Negative performance was driven by losses in hybrids and rates, which were partially offset by gains in credit and equities. The largest contributor was equities, driven by gains in dispersion trading; relative value trading and the systematic portion of the book contributed to gains as well, which were partially offset by losses in LT Skew and the hedge portion of the portfolio. The second largest contributor was credit, driven by gains in AT1s positioning, especially in the carry and credit spread portion of the portfolio, which were partially offset by losses in the financing portion of the book. The largest detractor was hybrids, driven by losses in US positioning, driven by the combination of low volatility and cheapening of the basis early in the quarter. The second largest detractor was rates, driven by losses in US and Europe broadly during the broad risk-on rally in February.
<b>One River</b>	The program is marginally down for the quarter, primarily driven by rangebound action in the VIX. We maintain conviction in the manager in light of the market environment during the quarter.

Data shown from January 1, 2024, through March 31, 2024.

The estimated performance attribution information presented herein is meant to show the approximate contribution of each of the strategies or managers of Capitol Avenue Fund LLC for the period. The performance information contained in this presentation includes net results for certain elements of extracted performance, which have been adjusted pro forma to reflect the deduction of fees and expenses. These net returns were calculated by allocating the total fees and expenses for the relevant time period equally among all sub-advisors and sub-strategies held in the portfolio at any time during the relevant time period. Such allocations have not been adjusted for managers that are winding down their portfolios, nor for trading activity that results in a particular sub-advisor, sub-strategy or position not having been held in the portfolio for the full duration of the relevant time period. This information is based on preliminary estimates and is subject to change. Please see Important Disclosures and Disclaimers at the end of this presentation, which provide detailed information regarding information presented herein and form an integral part hereof. **Past performance is not indicative or a guarantee of future results.**

## K2 Coverage Team for the State of Connecticut



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American Hedge Fund Solutions  
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**Christopher Morgan**  
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**Dave Spohr**  
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K2 Operations



**Robert Christian**  
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**Lilly Knight, CFA**  
Managing Director,  
Head of Investment Management



**Tom Finnerty**  
Head of Global Macro  
Investment Management



**Art Vinokur**  
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**Mike Rich**  
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**Gwen Stone**  
Operational Due Diligence  
Director



**Lisa Thomas**  
Head of K2 Marketing &  
Investor Relations



**Mike Firgeleski**  
Associate General Counsel



# Important Disclosures & Disclaimers

## PERFORMANCE DESCRIPTION

The performance information presented herein reflects the actual performance, unless otherwise noted, of Capitol Avenue Fund, net of all fees and expenses, including a 0.12% per annum advisory fee. Performance figures are unaudited and subject to change. All performance returns greater than one month are computed by geometrically linking monthly returns. Past performance is not indicative or a guarantee of future results. Additionally, there is the possibility for loss when investing in K2 Funds. Certain of the information contained herein represents or is based upon forward-looking statements or information, including descriptions of anticipated market changes and expectations of future activity. K2 believes that such statements and information are based upon reasonable estimates and assumptions. However, forward-looking statements and information are inherently uncertain and actual events or results may differ from those projected. Therefore, undue reliance should not be placed on such forward-looking statements and information. The above information is proprietary and is being provided to you on a confidential basis. This information may not be distributed, copied, loaned or distributed to any other person, in whole or in part, without the express permission of K2. The K2 Investment Management Outlook Scores are the opinions of the K2 Investment Management group as of the date indicated and may not reflect the views of other groups within K2 or FT. The information provided is not a complete analysis of every material fact regarding any country, market, industry, security or fund. Because market and economic conditions are subject to change, comments, opinions and analyses are rendered as of the date of this material and may change without notice. A portfolio manager's assessment of a particular security, investment or strategy is not intended as individual investment advice or a recommendation or solicitation to buy, sell or hold any security or to adopt any investment strategy; it is intended only to provide insight into the fund's portfolio selection process. Holdings are subject to change.

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4Q 2023

# State of Connecticut – Real Estate Portfolio



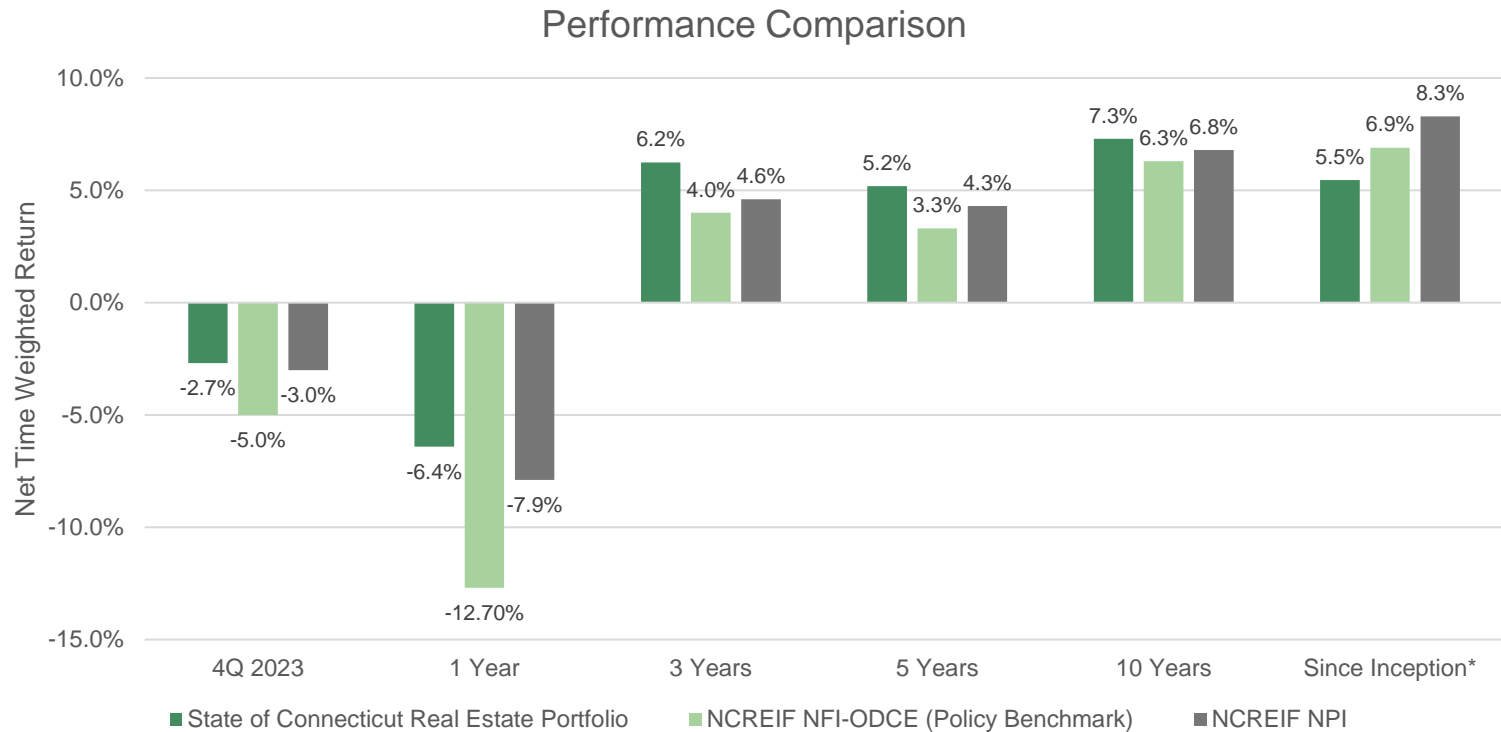


# State of Connecticut - Real Estate Portfolio Update



# Portfolio Performance Comparison

- The below chart compares portfolio time-weighted performance against real estate benchmarks.
- In 4Q 2023, the portfolio outperformed the Policy Benchmark by more than 2.3% on a time-weighted basis, and the NCREIF NPI by just over 0.3%.



Data as of December 31, 2023. Performance represents net time weighted returns, annualized for periods greater than 12 months. The NCREIF NPI is an unlevered, property-level (composite) index. It is not investable, and excludes the impacts of cash, fees, and partnerships on returns. \*Inception date: 2Q 1998.

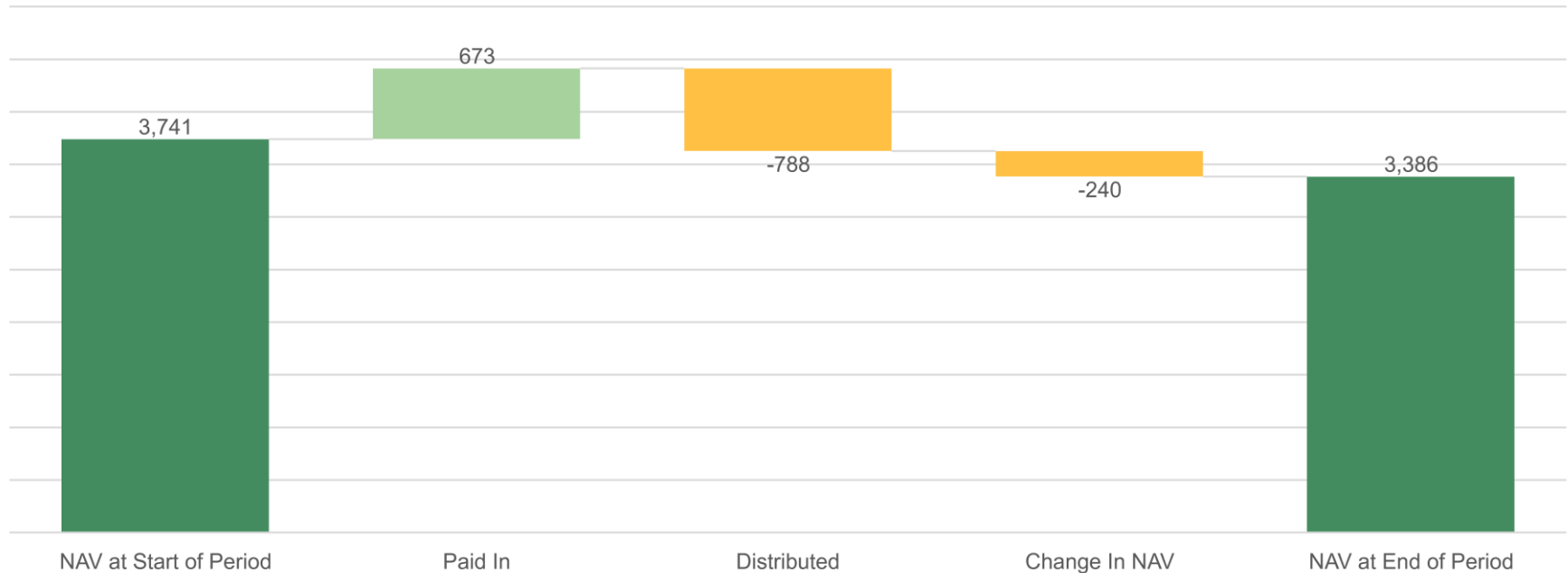




# Twelve Months Ending 4Q 2023 Portfolio NAV Change

Over the last 12 months net cash flow was ~\$115m, bringing the total real estate portfolio NAV to ~\$3,386m.

Value Bridge - Previous 12 Months (\$m)



Quarterly Highlights	Total Partnerships	Commitments (\$m)	Contributions (\$m)	Distributions (\$m)	NAV (\$m)
4Q 2023	81	7,411	89	271	3,386
3Q 2023	80	7,203	371	348	3,664
<b>Quarterly Change</b>	<b>1</b>	<b>208</b>	<b>-283</b>	<b>-77</b>	<b>-278</b>

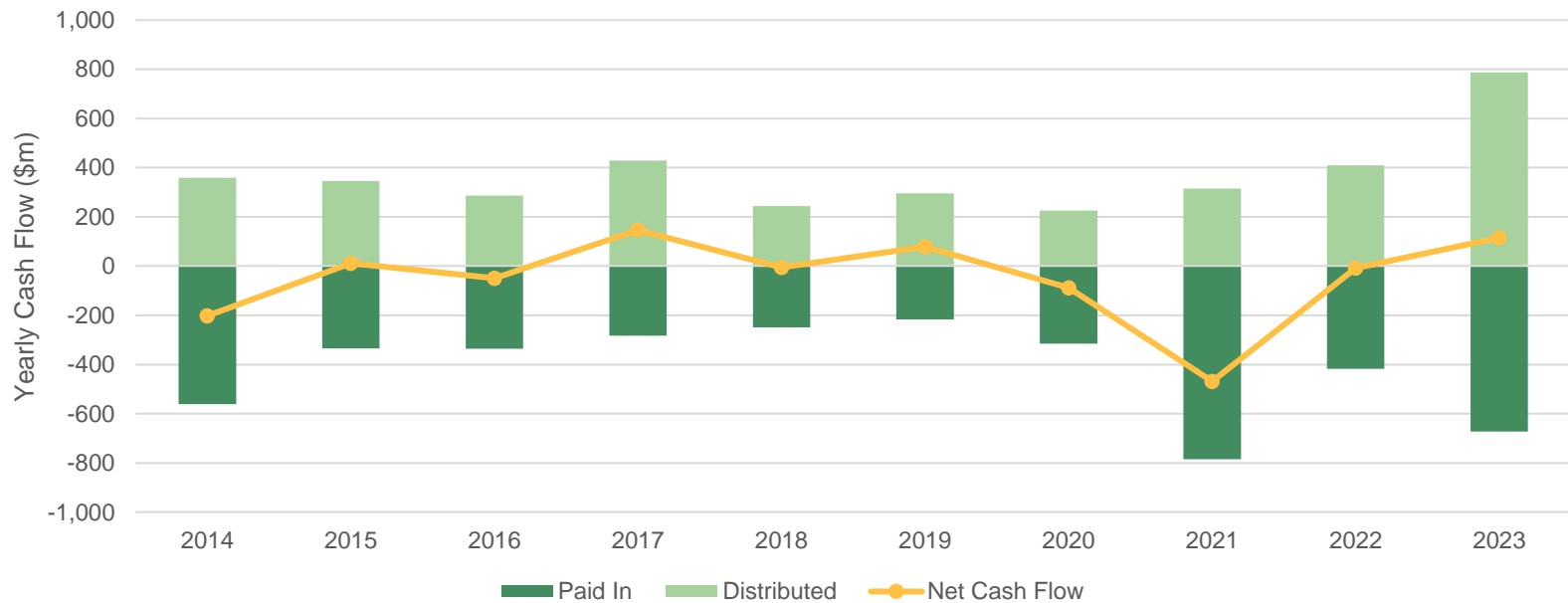
Data as of December 31, 2023.



# YTD Portfolio Cash Flow Through 4Q 2023

- The chart below displays capital invested, distributed and the overall net quarterly cash flow for the total real estate portfolio during 2023, as well as for the past 10 years.
- Through the four quarters of 2023, the portfolio produced positive net cash flow of ~\$115m, with approximately \$788m in distributions and \$673m in contributions.

Portfolio Cash Flow (Including Liquidated Funds)



All cash flows shown are as of year end for the respective year indicated.  
Data includes cash flows of liquidated funds.

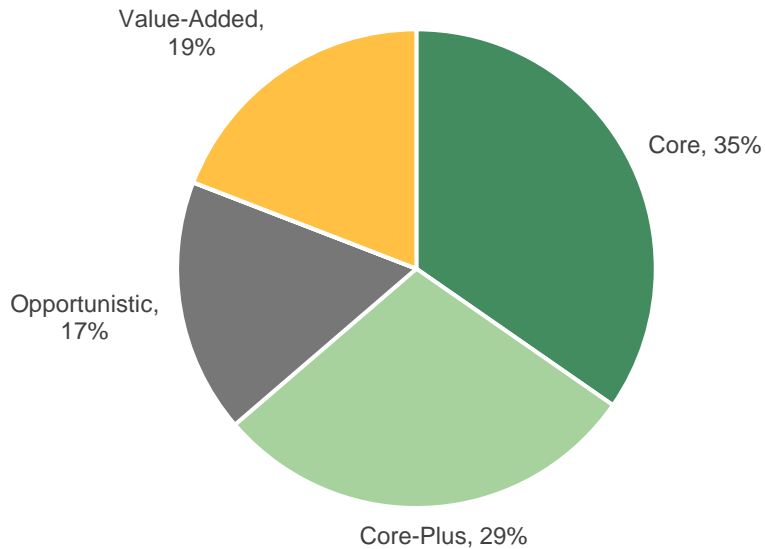


# Portfolio Strategy Composition

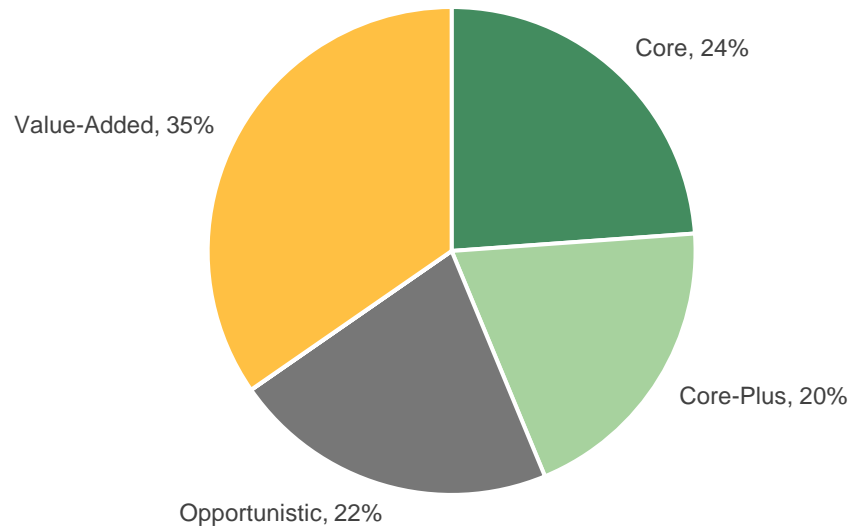
Portfolio strategy allocations are within policy targets as of December 31, 2023.

Policy Targets*	Range	
<b>Core</b>	<b>30%</b>	<b>100%</b>
<b>Non-Core</b>	<b>0%</b>	<b>70%</b>
Publicly Traded (REITs)	<b>0%</b>	<b>20%</b>

Exposure by Asset Class (NAV)



Exposure by Asset Class (NAV + Unfunded)



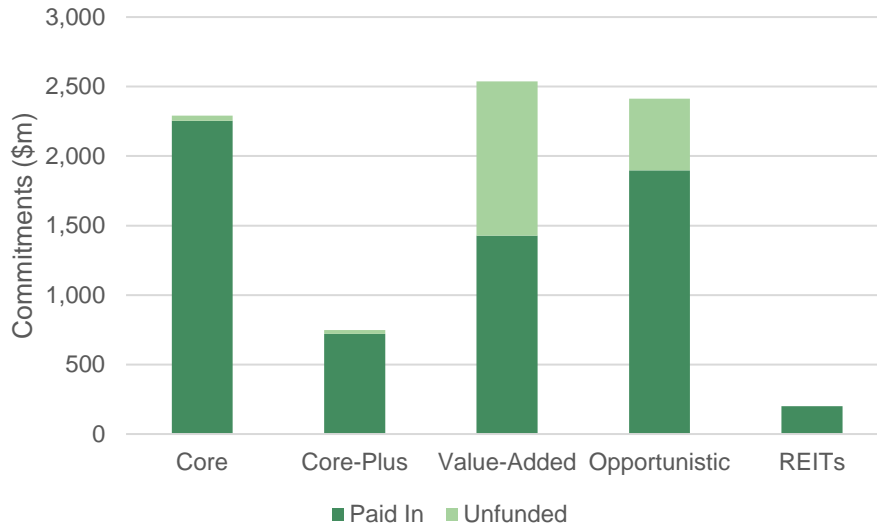
Data as of December 31, 2023.

\*\*Non-Core" allocation includes Value-Added, Opportunistic and REITs. "Core" allocation includes Core and Core Plus.

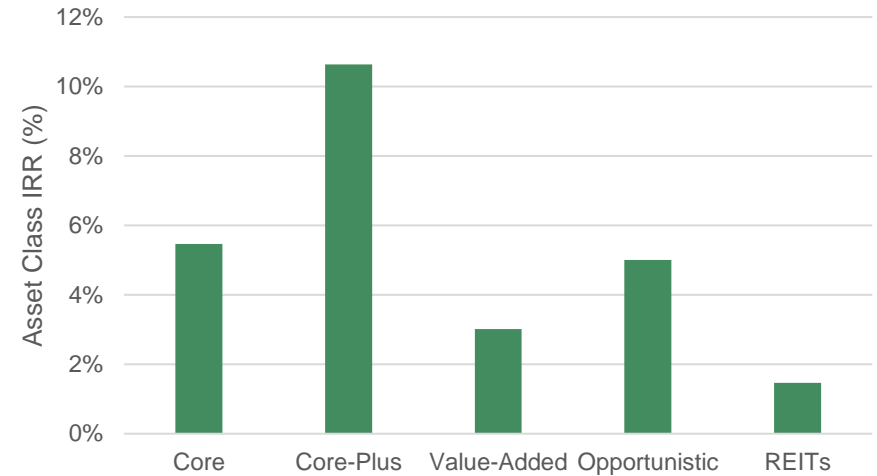


# Portfolio Strategy Analysis

## Commitments By Strategy as of 4Q 2023



## IRR by Strategy as of 4Q 2023



Asset Class	# Active Funds	Commitments (\$m)			Cash Flows (\$m)		Exposure (\$m)		Performance		
		Commitment	Unfunded	% Funded	Contributions	Distributions	Current NAV	% NAV	IRR	DPI	TVPI
Core	7	1,769	38	98%	2,253	1,883	1,174	34.7%	5.5%	0.84	1.36
Core-Plus	8	692	27	96%	721	203	983	29.0%	10.6%	0.28	1.65
Value-Added	22	2,438	1,111	54%	1,427	924	648	19.1%	3.0%	0.65	1.10
Opportunistic	21	2,312	516	78%	1,897	1,725	581	17.2%	5.0%	0.91	1.22
REITs	1	200	0	100%	200	207	1	0.0%	1.5%	1.04	1.04
<b>Total</b>	<b>59</b>	<b>7,411</b>	<b>1,692</b>	<b>77%</b>	<b>6,498</b>	<b>4,942</b>	<b>3,386</b>	<b>100%</b>	<b>5.5%</b>	<b>0.76</b>	<b>1.28</b>

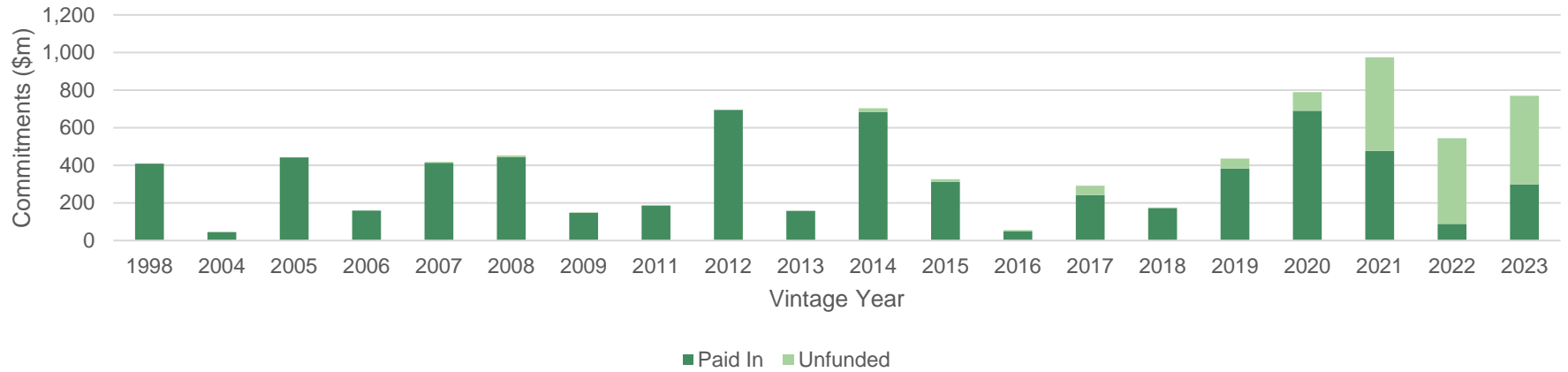
Data as of December 31, 2023.

\*Number of active funds excludes 22 liquidated investments as of December 31, 2023, however data from additional 22 liquidated funds are included in the remaining columns. REITs strategy was exited in 4Q 2023, and the remaining NAV is residual cash at year end.

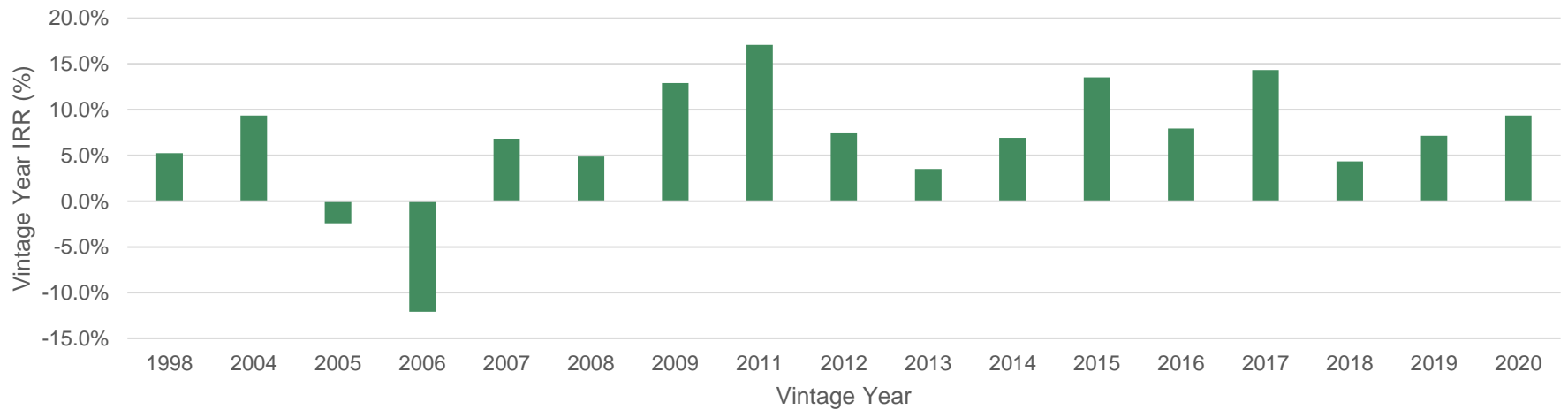


# Vintage Year Analysis

### Commitments By Vintage Year



### IRR by Vintage Year



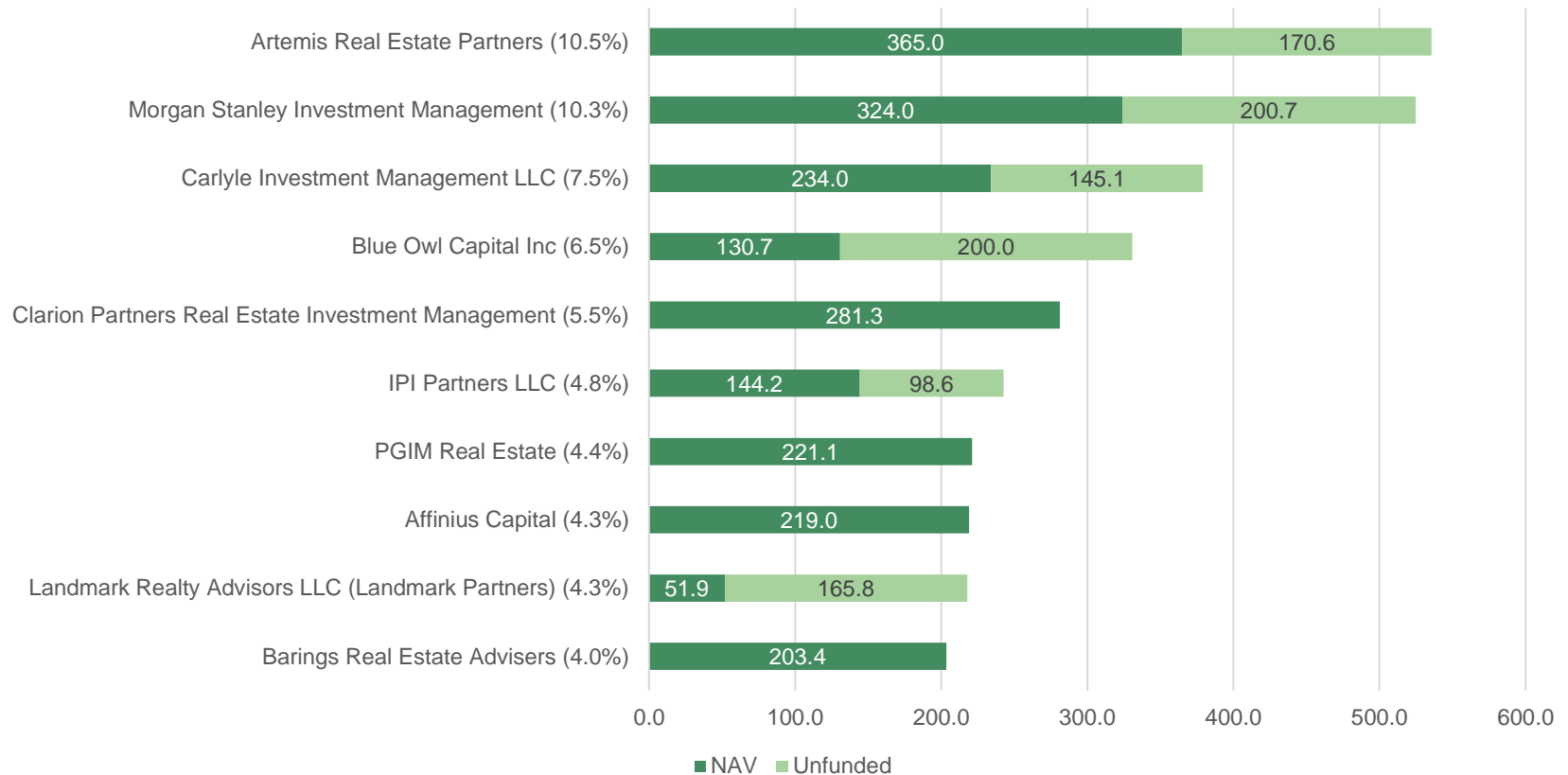
Data as of December 31, 2023.



# Top 10 Manager Relationships

As of December 31, 2023, the top 10 manager relationships represent ~62% of total portfolio NAV + Unfunded exposure.

Top 10 Manager Relationships (\$m)

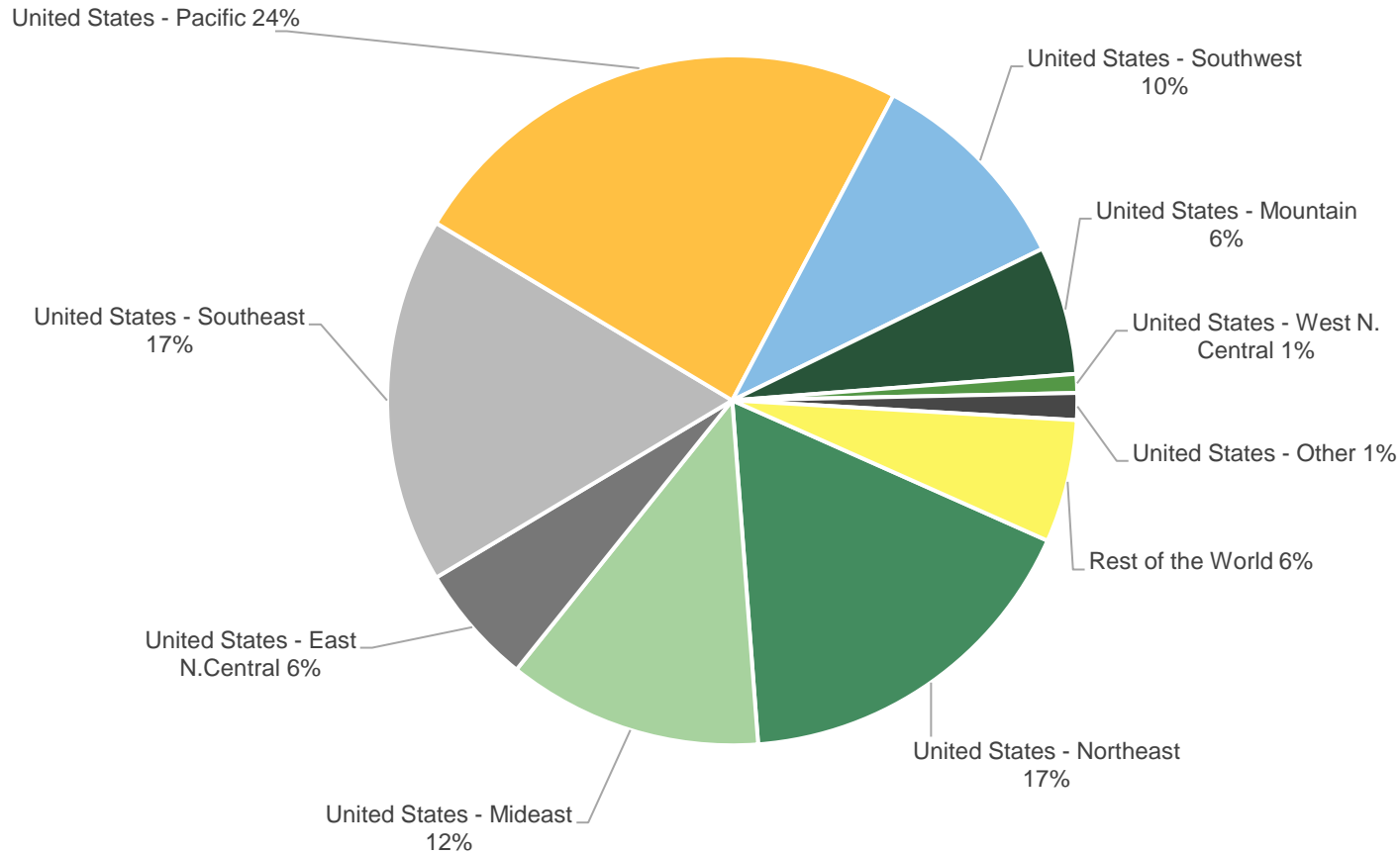


Data as of December 31, 2023.



# Asset Level Look-Through Regional Exposure

## Geographic Breakout by NAV



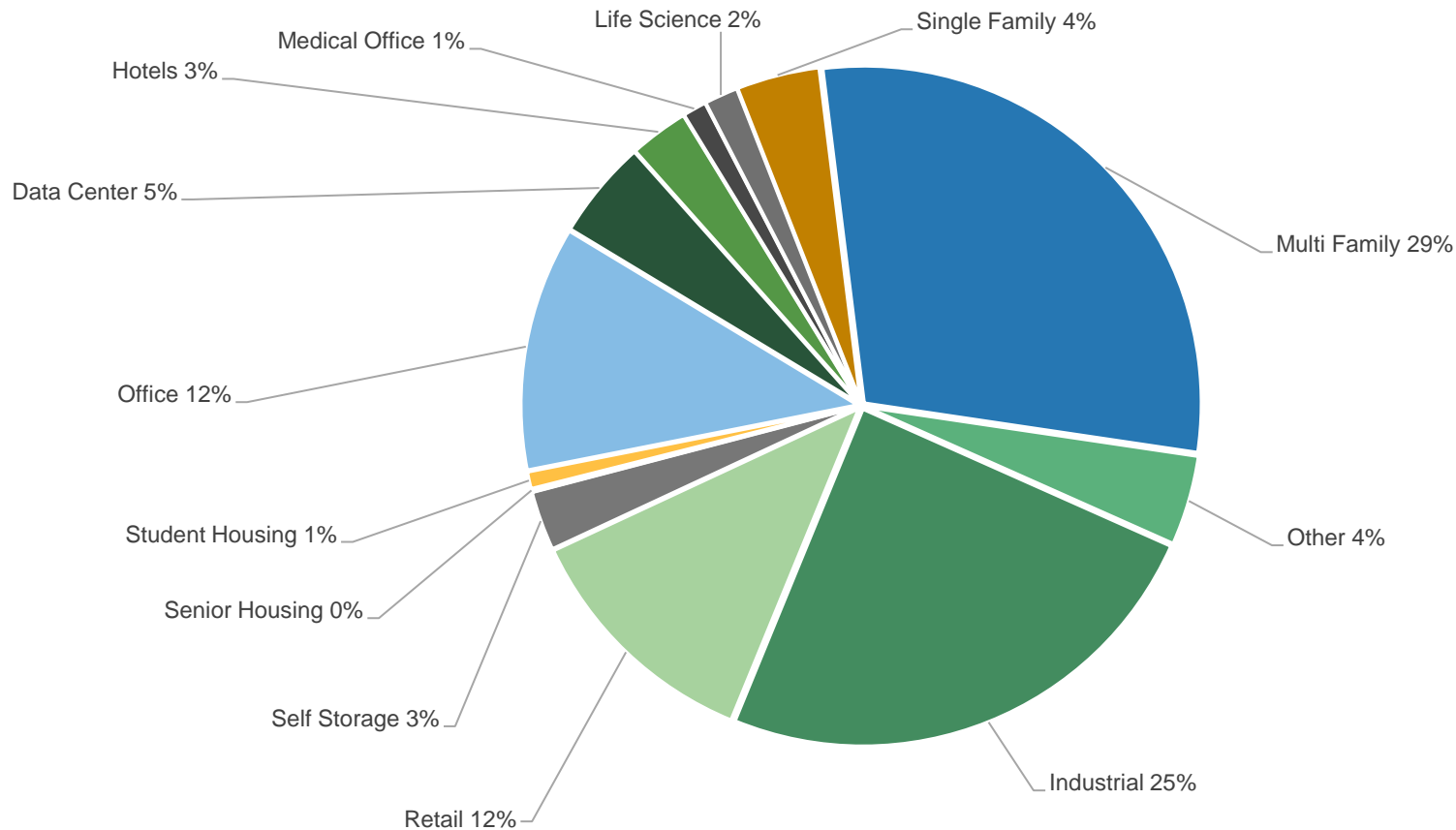
Based on exposures collected directly from GPs and aggregated by Albourne.



# Asset Level Look-Through Sector Exposure

Multi Family and Industrial together comprise >50% of the portfolio's combined sector exposure.

Sector Breakdown by NAV



Based on exposures collected directly from GPs and aggregated by Albourne. Sectors may not add up to 100% due to rounding.





# Real Estate Portfolio Holdings Detail



# Strategy Analysis

	Commitments (\$m)			Cash Flows (\$m)		Current Exposure		Performance SI		
	Commitment	Unfunded	% Funded	Contributions	Distributions	NAV (\$m)	% NAV	IRR	DPI	TVPI
<b>Core</b>										
AEW Core Real Estate Separate Account*	244	0	100%	244	245	0	0.0%	0.2%	1.01	1.01
American Core Realty - Separate Account*	56	0	100%	227	335	0	0.0%	10.2%	1.47	1.47
Ares Real Estate Enhanced Income Fund, L.P.^	100	0	100%	112	64	64	1.9%	5.7%	0.57	1.14
Artemis Transition Assets, L.P.	320	38	88%	282	0	283	8.4%	n/m	n/m	1.00
Barings Core Property Fund LP^	250	0	100%	269	206	203	6.0%	4.9%	0.76	1.52
Capri Select Income II, L.P.*	30	0	100%	30	16	0	0.0%	-9.9%	0.52	0.52
JP Morgan Strategic Property Fund*^	90	0	100%	91	120	0	0.0%	7.6%	1.32	1.32
Prime Property Fund^	225	0	100%	225	185	301	8.9%	7.5%	0.82	2.16
PRISA I, L.P.^	185	0	100%	199	71	221	6.5%	6.0%	0.35	1.46
Trumbull Property Fund^	75	0	100%	81	59	46	1.4%	3.9%	0.73	1.30
Trumbull Property Income Fund^	50	0	100%	55	29	55	1.6%	5.6%	0.53	1.53
TSCG/Hart Realty Advisors Core - Separate Account*	144	0	100%	437	554	0	0.0%	6.2%	1.27	1.27
<b>Total - Core</b>	<b>1,769</b>	<b>38</b>	<b>98%</b>	<b>2,253</b>	<b>1,883</b>	<b>1,174</b>	<b>34.7%</b>	<b>5.5%</b>	<b>0.84</b>	<b>1.36</b>
<b>Core-Plus</b>										
Artemis Real Estate Partners Income & Growth Fund, L.P.	100	24	76%	91	23	70	2.1%	0.8%	0.25	1.01
Blackstone Property Partners Life Sciences L.P.	29	3	90%	27	2	28	0.8%	4.5%	0.08	1.12
Blue Owl Real Estate Net Lease Property Fund^	113	0	100%	113	25	131	3.9%	12.6%	0.22	1.39
Carlyle Property Investors, L.P.^	150	0	100%	170	20	206	6.1%	11.1%	0.12	1.33
Lion Industrial Trust^	100	0	100%	114	51	281	8.3%	16.6%	0.45	2.91
Trumbull Property Growth & Income Fund^	50	0	100%	56	50	49	1.4%	8.0%	0.89	1.76
US Eagle Real Estate Feeder 1, L.P.^	100	0	100%	100	29	164	4.8%	7.8%	0.29	1.92
US Eagle Real Estate Feeder 1, LP T3^	50	0	100%	50	3	55	1.6%	3.4%	0.06	1.17
<b>Total - Core-Plus</b>	<b>692</b>	<b>27</b>	<b>96%</b>	<b>721</b>	<b>203</b>	<b>983</b>	<b>29.0%</b>	<b>10.6%</b>	<b>0.28</b>	<b>1.65</b>

\*Liquidated fund.  
^Open Ended fund.  
Data as of December 31, 2023.



# Strategy Analysis

	Commitments (\$m)			Cash Flows (\$m)		Current Exposure		Performance SI		
	Commitment	Unfunded	% Funded	Contributions	Distributions	NAV (\$m)	% NAV	IRR	DPI	TVPI
<b>Opportunistic</b>										
AEW Partners III, L.P.*	102	0	100%	102	151	0	0.0%	8.8%	1.48	1.48
Apollo Real Estate Investment Fund III, L.P.*	79	0	100%	79	116	0	0.0%	6.2%	1.47	1.47
Blackstone Real Estate Partners Europe V, L.P.	50	7	85%	49	36	28	0.8%	7.9%	0.75	1.33
Blackstone Real Estate Partners VI	100	5	95%	112	222	1	0.0%	13.1%	1.98	1.99
Blackstone Real Estate Partners VIII, L.P.	100	13	87%	117	119	71	2.1%	14.3%	1.02	1.62
BREP Europe III Fund	50	6	89%	53	70	3	0.1%	8.6%	1.31	1.37
Canyon-Johnson Urban Fund II, L.P.*	45	0	100%	45	20	0	0.0%	-10.4%	0.45	0.45
Canyon-Johnson Urban Fund III, L.P.	50	0	100%	51	67	0	0.0%	11.0%	1.32	1.32
Carlyle Realty Partners IX, L.P.	180	145	19%	35	0	28	0.8%	n/m	n/m	0.81
Centerbridge Partners Real Estate Fund II, L.P.	200	129	35%	88	17	70	2.1%	n/m	n/m	0.99
Cypress Acquisition Partners Retail Fund, L.P.	58	0	100%	58	14	0	0.0%	-88.3%	0.24	0.24
Investor India Realty Fund II, LLC	50	0	100%	50	26	0	0.0%	-9.9%	0.51	0.52
IPI Partners II-A, L.P.	100	13	87%	87	1	109	3.2%	17.0%	0.01	1.25
IPI Partners III-A, L.P.	125	85	32%	39	0	35	1.0%	n/m	n/m	0.90
Lone Star Real Estate Fund II (U.S.), L.P.	67	1	99%	66	103	0	0.0%	25.3%	1.55	1.55
MacFarlane Urban Real Estate Fund II, L.P.*	102	0	100%	102	28	0	0.0%	-16.5%	0.27	0.27
Penzance DC Real Estate Fund II, L.P.	50	34	33%	23	9	19	0.6%	n/m	n/m	1.25
Rockpoint Real Estate Fund VI, L.P.	150	25	83%	132	17	131	3.9%	5.9%	0.13	1.12
Rubicon First Ascent, L.P.	43	21	50%	21	0	15	0.5%	n/m	n/m	0.72
Starwood Distressed Opportunity Fund IX Global, L.P.	50	4	93%	47	81	5	0.1%	18.7%	1.73	1.83
Starwood Global Opportunity Fund VII, L.P.	50	0	100%	50	39	1	0.0%	-2.4%	0.78	0.80
Starwood Global Opportunity Fund VIII, L.P.	50	5	91%	45	73	2	0.1%	11.9%	1.61	1.66
Starwood Opportunity Fund X Global, L.P.	100	10	90%	90	112	18	0.5%	14.9%	1.25	1.45
Starwood Opportunity Fund XI Global, L.P.	47	10	79%	44	14	42	1.2%	10.1%	0.33	1.28
Walton Street Real Estate Fund II, L.P.*	73	0	100%	73	172	0	0.0%	13.0%	2.34	2.34
Westport Senior Living Investment Fund, L.P.*	141	0	100%	141	84	0	0.0%	-13.2%	0.60	0.60
WLR IV PPIP Co-Invest Loans AIV, L.P.	100	3	97%	97	135	1	0.0%	13.9%	1.39	1.40
<b>Total – Opportunistic</b>	<b>2,312</b>	<b>516</b>	<b>78%</b>	<b>1,897</b>	<b>1,725</b>	<b>581</b>	<b>17.2%</b>	<b>5.0%</b>	<b>0.91</b>	<b>1.22</b>
<b>REITs</b>										
State of Connecticut US REIT^	200	0	100%	200	207	1	0.0%	1.5%	1.04	1.04
<b>Total – REITs</b>	<b>200</b>	<b>0</b>	<b>100%</b>	<b>200</b>	<b>207</b>	<b>1</b>	<b>0.0%</b>	<b>1.5%</b>	<b>1.04</b>	<b>1.04</b>

\*Liquidated fund.  
^Open Ended fund.  
Data as of December 31, 2023.



# Strategy Analysis

	Commitments (\$m)			Cash Flows (\$m)		Current Exposure		Performance SI		
	Commitment	Unfunded	% Funded	Contributions	Distributions	NAV (\$m)	% NAV	IRR	DPI	TVPI
<b>Value-Added</b>										
Artemis Real Estate Partners Fund IV, L.P.	125	109	13%	16	0	12	0.4%	n/m	n/m	0.77
BIG Real Estate Fund I, L.P.	65	4	93%	79	54	45	1.3%	9.4%	0.68	1.24
BIG Real Estate Fund II, L.P. and AIVs	125	59	52%	94	33	66	2.0%	n/m	n/m	1.07
Blackstone Real Estate Special Situations Fund II, L.P.*	72	0	100%	72	86	0	0.0%	9.3%	1.20	1.20
Blue Owl Real Estate Fund VI	200	200	0%	0	0	0	0.0%	n/m	n/m	n/m
CityView Real Estate Partners VII, L.P.	35	32	9%	13	9	2	0.0%	n/m	n/m	0.86
Colony Realty Partners II, L.P.*	51	0	100%	51	13	0	0.0%	-13.7%	0.26	0.26
Covenant Apartment Fund IX, L.P.	50	0	100%	50	63	24	0.7%	21.6%	1.26	1.73
Covenant Apartment Fund V (Institutional), L.P.*	25	0	100%	25	30	0	0.0%	2.9%	1.20	1.20
Covenant Apartment Fund VI (Institutional), L.P.*	25	0	100%	25	40	0	0.0%	13.5%	1.57	1.57
Covenant Apartment Fund VIII, L.P.*	30	0	100%	30	48	0	0.0%	18.4%	1.60	1.60
Covenant Apartment Fund X, L.P.	100	0	100%	101	33	101	3.0%	17.6%	0.33	1.32
Crow Holdings Realty Partners VII, L.P.	75	6	91%	75	99	2	0.1%	10.8%	1.33	1.36
Crow Holdings Realty Partners VIII, L.P.	75	9	87%	70	106	3	0.1%	22.7%	1.52	1.56
CRPTF-GCM Emerging Manager Partnership L.P. 2022-2 RE Investment Series	150	138	8%	12	0	11	0.3%	n/m	n/m	0.96
CT Real Assets Co-Investment Fund LP (Class A - Real Estate)	225	201	11%	24	0	23	0.7%	n/m	n/m	0.95
Green Cities II, L.P.*	28	0	100%	31	39	0	0.0%	6.4%	1.29	1.29
Green Cities III, L.P.	50	1	98%	51	16	13	0.4%	-11.3%	0.32	0.57
Green Cities IV, L.P.	75	3	96%	73	2	48	1.4%	-15.8%	0.03	0.70
Landmark Real Estate Co-Investment Fund I, L.P.	50	37	26%	13	0	14	0.4%	n/m	n/m	1.08
Landmark Real Estate Partners IX, L.P.	100	100	0%	0	0	-2	0.0%	n/m	n/m	0.00
Landmark Real Estate Partners VII, L.P.	40	3	92%	37	38	5	0.2%	6.2%	1.04	1.18
Landmark Real Estate Partners VIII, L.P.	65	26	60%	49	30	34	1.0%	13.3%	0.62	1.32
Mesirow Financial Real Estate Value Fund IV, L.P.	75	21	72%	55	2	59	1.7%	7.8%	0.03	1.10
New Boston Real Estate Individual and Institutional Investment Fund, IV L.P.*	15	0	100%	15	17	0	0.0%	3.1%	1.16	1.16
Penwood Select Industrial Partners VII, LP	100	95	5%	5	0	4	0.1%	n/m	n/m	0.70
Rockwood Capital Real Estate Partners Fund V, L.P.*	41	0	100%	45	57	0	0.0%	9.4%	1.27	1.27
Rockwood Capital Real Estate Partners Fund VI, L.P.*	20	0	100%	23	22	0	0.0%	-0.9%	0.95	0.95
Rockwood Capital Real Estate Partners Fund VII, L.P.*	50	0	100%	58	32	0	0.0%	-6.9%	0.56	0.56
Torchlight Debt Fund VII, L.P.	100	50	50%	50	1	54	1.6%	4.1%	0.01	1.09
TruAmerica Workforce Housing Fund I-A, L.P.	50	3	94%	48	7	43	1.3%	2.3%	0.14	1.05
Urban Strategy America Fund, L.P.*	50	0	100%	50	43	0	0.0%	-1.9%	0.87	0.87
Waterton Residential Property Venture XIV, L.P.	100	12	88%	88	0	86	2.5%	-1.6%	0.00	0.98
<b>Total - Value-Added</b>	<b>2,438</b>	<b>1,111</b>	<b>54%</b>	<b>1,427</b>	<b>924</b>	<b>648</b>	<b>19.1%</b>	<b>3.0%</b>	<b>0.65</b>	<b>1.10</b>
<b>Portfolio Total</b>	<b>7,411</b>	<b>1,692</b>	<b>77%</b>	<b>6,498</b>	<b>4,942</b>	<b>3,386</b>	<b>100.0%</b>	<b>5.5%</b>	<b>0.76</b>	<b>1.28</b>

\*Liquidated fund.  
 ^Open Ended fund.  
 Data as of December 31, 2023.



# Vintage Year Analysis

Vintage Year	# Active Funds	# Liquidated funds	Commitments (\$m)			Cash Flows (\$m)		Exposure		Performance SI		
			Commitment	Unfunded Commitment	% Funded	Contributions	Distributions	Current NAV (\$m)	% NAV	IRR	DPI	TVPI
1998	0	5	409	0	100%	410	540	0	0.0%	5.2%	1.32	1.32
2004	0	1	41	0	100%	45	57	0	0.0%	9.4%	1.27	1.27
2005	1	5	439	0	100%	442	386	1	0.0%	-2.4%	0.87	0.87
2006	0	2	152	0	100%	160	60	0	0.0%	-12.1%	0.37	0.37
2007	2	2	401	5	99%	413	450	302	8.9%	6.8%	1.09	1.82
2008	4	1	425	10	98%	443	414	209	6.2%	4.9%	0.93	1.41
2009	2	0	150	3	98%	148	202	1	0.0%	12.9%	1.37	1.37
2011	2	1	189	4	98%	185	269	5	0.1%	17.1%	1.46	1.48
2012	0	3	228	0	100%	695	928	0	0.0%	7.5%	1.34	1.34
2013	2	0	158	0	100%	159	43	164	4.8%	3.5%	0.27	1.30
2014	7	1	665	20	97%	684	579	397	11.7%	6.9%	0.85	1.43
2015	3	1	280	14	95%	312	235	365	10.8%	13.5%	0.75	1.92
2016	1	0	50	7	85%	49	36	28	0.8%	7.9%	0.75	1.33
2017	4	0	252	50	80%	242	205	124	3.7%	14.3%	0.84	1.36
2018	3	0	175	3	98%	173	69	127	3.8%	4.4%	0.40	1.13
2019	4	0	413	52	87%	384	71	375	11.1%	7.1%	0.19	1.16
2020	8	0	754	100	87%	690	122	705	20.8%	9.4%	0.18	1.20
2021	7	0	923	498	46%	477	267	212	6.3%	n/m	n/m	1.01
2022	5	0	535	455	15%	89	9	72	2.1%	n/m	n/m	0.91
2023	4	0	770	471	39%	299	0	298	8.8%	n/m	n/m	n/m
<b>Total</b>	<b>59</b>	<b>22</b>	<b>7,411</b>	<b>1,692</b>	<b>77%</b>	<b>6,498</b>	<b>4,942</b>	<b>3,386</b>	<b>100.0%</b>	<b>5.5%</b>	<b>0.76</b>	<b>1.28</b>

Data as of December 31, 2023.

\*Number of active funds excludes 22 liquidated investments.



# Vintage Year Analysis

	Commitments (\$m)			Cash Flows (\$m)		Current Exposure		Performance SI			Peer Performance		
	Commitment	Unfunded	% Funded	Contributions	Distributions	NAV (\$m)	% NAV	IRR/TWR	DPI	TVPI	IRR/TWR	DPI	TVPI
<b>1998</b>													
AEW Partners III, L.P.*	102	0	100%	102	151	0	0.0%	8.8%	1.48	1.48	12.1%	1.51	1.51
Apollo Real Estate Investment Fund III, L.P.*	79	0	100%	79	116	0	0.0%	6.2%	1.47	1.47	12.1%	1.51	1.51
New Boston Real Estate Individual and Institutional Investment Fund, IV L.P.*	15	0	100%	15	17	0	0.0%	3.1%	1.16	1.16	12.1%	1.51	1.51
Walton Street Real Estate Fund II, L.P.*	73	0	100%	73	172	0	0.0%	13.0%	2.34	2.34	12.1%	1.51	1.51
Westport Senior Living Investment Fund, L.P.*	141	0	100%	141	84	0	0.0%	-13.2%	0.60	0.60	12.1%	1.51	1.51
<b>Total - 1998</b>	<b>409</b>	<b>0</b>	<b>100%</b>	<b>410</b>	<b>540</b>	<b>0</b>	<b>0.0%</b>	<b>5.2%</b>	<b>1.32</b>	<b>1.32</b>	<b>12.1%</b>	<b>1.51</b>	<b>1.51</b>
<b>2004</b>													
Rockwood Capital Real Estate Partners Fund V, L.P.*	41	0	100%	45	57	0	0.0%	9.4%	1.27	1.27	-1.7%	0.88	0.88
<b>Total - 2004</b>	<b>41</b>	<b>0</b>	<b>100%</b>	<b>45</b>	<b>57</b>	<b>0</b>	<b>0.0%</b>	<b>9.4%</b>	<b>1.27</b>	<b>1.27</b>	<b>-1.7%</b>	<b>0.88</b>	<b>0.88</b>
<b>2005</b>													
AEW Core Real Estate Separate Account*	244	0	100%	244	245	0	0.0%	0.2%	1.01	1.01	-0.3%	0.98	0.98
Canyon-Johnson Urban Fund II, L.P.*	45	0	100%	45	20	0	0.0%	-10.4%	0.45	0.45	1.4%	1.07	1.07
Capri Select Income II, L.P.*	30	0	100%	30	16	0	0.0%	-9.9%	0.52	0.52	1.4%	1.07	1.07
Rockwood Capital Real Estate Partners Fund VI, L.P.*	20	0	100%	23	22	0	0.0%	-0.9%	0.95	0.95	1.4%	1.07	1.07
Starwood Global Opportunity Fund VII, L.P.	50	0	100%	50	39	1	0.0%	-2.4%	0.78	0.80	n/a	n/a	n/a
Urban Strategy America Fund, L.P.*	50	0	100%	50	43	0	0.0%	-1.9%	0.87	0.87	1.4%	1.07	1.07
<b>Total - 2005</b>	<b>439</b>	<b>0</b>	<b>100%</b>	<b>442</b>	<b>386</b>	<b>1</b>	<b>0.0%</b>	<b>-2.4%</b>	<b>0.87</b>	<b>0.87</b>	<b>0.3%</b>	<b>1.01</b>	<b>1.01</b>
<b>2006</b>													
MacFarlane Urban Real Estate Fund II, L.P.*	102	0	100%	102	28	0	0.0%	-16.5%	0.27	0.27	0.9%	1.01	1.06
Rockwood Capital Real Estate Partners Fund VII, L.P.*	50	0	100%	58	32	0	0.0%	-6.9%	0.56	0.56	0.9%	1.01	1.06
<b>Total - 2006</b>	<b>152</b>	<b>0</b>	<b>100%</b>	<b>160</b>	<b>60</b>	<b>0</b>	<b>0.0%</b>	<b>-12.1%</b>	<b>0.37</b>	<b>0.37</b>	<b>0.9%</b>	<b>1.01</b>	<b>1.06</b>
<b>2007</b>													
Blackstone Real Estate Partners VI	100	5	95%	112	222	1	0.0%	13.1%	1.98	1.99	8.3%	1.40	1.41
Colony Realty Partners II, L.P.*	51	0	100%	51	13	0	0.0%	-13.7%	0.26	0.26	8.3%	1.40	1.41
Covenant Apartment Fund V (Institutional), L.P.*	25	0	100%	25	30	0	0.0%	2.9%	1.20	1.20	8.3%	1.40	1.41
Prime Property Fund^	225	0	100%	225	185	301	8.9%	0.0%	0.82	2.16	-5.0%		
<b>Total - 2007</b>	<b>401</b>	<b>5</b>	<b>99%</b>	<b>413</b>	<b>450</b>	<b>302</b>	<b>8.9%</b>	<b>6.8%</b>	<b>1.09</b>	<b>1.82</b>	<b>6.3%</b>	<b>1.33</b>	<b>1.33</b>

\*Liquidated fund, ^Open Ended fund.

For the Open Ended funds, the TWR is being displayed instead of the IRR  
Data as of December 31, 2023.

Closed ended funds benchmarked against Cambridge data as of 9/30/2023, open-ended funds benchmarked against the NCREIF NFI-ODCE.



# Vintage Year Analysis

	Commitments (\$m)			Cash Flows (\$m)		Current Exposure		Performance SI			Peer Performance		
	Commitment	Unfunded	% Funded	Contributions	Distributions	NAV (\$m)	% NAV	IRR/TWR	DPI	TVPI	IRR/TWR	DPI	TVPI
<b>2008</b>													
Barings Core Property Fund LP^	250	0	100%	269	206	203	6.0%	0.0%	0.76	1.52	-5.0%	n/m	n/m
BREP Europe III Fund	50	6	89%	53	70	3	0.1%	8.6%	1.31	1.37	13.3%	1.52	1.55
Covenant Apartment Fund VI (Institutional), L.P.*	25	0	100%	25	40	0	0.0%	13.5%	1.57	1.57	13.3%	1.52	1.55
Investor India Realty Fund II, LLC	50	0	100%	50	26	0	0.0%	-9.9%	0.51	0.52	5.2%	1.30	1.30
Starwood Global Opportunity Fund VIII, L.P.	50	5	91%	45	73	2	0.1%	11.9%	1.61	1.66	13.3%	1.52	1.55
<b>Total - 2008</b>	<b>425</b>	<b>10</b>	<b>98%</b>	<b>443</b>	<b>414</b>	<b>209</b>	<b>6.2%</b>	<b>4.9%</b>	<b>0.93</b>	<b>1.41</b>	<b>7.9%</b>	<b>1.37</b>	<b>1.38</b>
<b>2009</b>													
Canyon-Johnson Urban Fund III, L.P.	50	0	100%	51	67	0	0.0%	11.0%	1.32	1.32	16.3%	1.65	1.65
WLR IV PPIP Co-Invest Loans AIV, L.P.	100	3	97%	97	135	1	0.0%	13.9%	1.39	1.40	16.3%	1.65	1.65
<b>Total - 2009</b>	<b>150</b>	<b>3</b>	<b>98%</b>	<b>148</b>	<b>202</b>	<b>1</b>	<b>0.0%</b>	<b>12.9%</b>	<b>1.37</b>	<b>1.37</b>	<b>16.3%</b>	<b>1.65</b>	<b>1.65</b>
<b>2011</b>													
Blackstone Real Estate Special Situations Fund II, L.P.*	72	0	100%	72	86	0	0.0%	9.3%	1.20	1.20	14.0%	1.51	1.57
Lone Star Real Estate Fund II (U.S.), L.P.	67	1	99%	66	103	0	0.0%	25.3%	1.55	1.55	14.0%	1.51	1.57
Starwood Distressed Opportunity Fund IX Global, L.P.	50	4	93%	47	81	5	0.1%	18.7%	1.73	1.83	14.0%	1.51	1.57
<b>Total - 2011</b>	<b>189</b>	<b>4</b>	<b>98%</b>	<b>185</b>	<b>269</b>	<b>5</b>	<b>0.1%</b>	<b>17.1%</b>	<b>1.46</b>	<b>1.48</b>	<b>14.0%</b>	<b>1.51</b>	<b>1.57</b>
<b>2012</b>													
American Core Realty - Separate Account*	56	0	100%	227	335	0	0.0%	0.0%	1.47	1.47	-5.0%	n/a	n/a
Green Cities II, L.P.*	28	0	100%	31	39	0	0.0%	6.4%	1.29	1.29	9.6%	1.32	1.41
TSCG/Hart Realty Advisors Core - Separate Account*	144	0	100%	437	554	0	0.0%	0.0%	1.27	1.27	-5.0%	n/a	n/a
<b>Total - 2012</b>	<b>228</b>	<b>0</b>	<b>100%</b>	<b>695</b>	<b>928</b>	<b>0</b>	<b>0.0%</b>	<b>7.5%</b>	<b>1.34</b>	<b>1.34</b>	<b>0.3%</b>	<b>0.73</b>	<b>0.85</b>
<b>2013</b>													
Cypress Acquisition Partners Retail Fund, L.P.	58	0	100%	58	14	0	0.0%	-88.3%	0.24	0.24	13.5%	1.51	1.59
US Eagle Real Estate Feeder 1, L.P.^	100	0	100%	100	29	164	4.8%	0.0%	0.29	1.92	-5.0%	n/a	n/a
<b>Total - 2013</b>	<b>158</b>	<b>0</b>	<b>100%</b>	<b>159</b>	<b>43</b>	<b>164</b>	<b>4.8%</b>	<b>3.5%</b>	<b>0.27</b>	<b>1.30</b>	<b>14.2%</b>	<b>1.46</b>	<b>1.51</b>
<b>2014</b>													
Crow Holdings Realty Partners VII, L.P.	75	6	91%	75	99	2	0.1%	10.8%	1.33	1.36	9.9%	1.07	1.37
JP Morgan Strategic Property Fund^	90	0	100%	91	120	0	0.0%	0.0%	1.32	1.32	-5.0%	n/a	n/a
Landmark Real Estate Partners VII, L.P.	40	3	92%	37	38	5	0.2%	6.2%	1.04	1.18	9.9%	1.07	1.37
PRISA I, L.P.^	185	0	100%	199	71	221	6.5%	0.0%	0.35	1.46	-5.0%	n/a	n/a
Starwood Opportunity Fund X Global, L.P.	100	10	90%	90	112	18	0.5%	14.9%	1.25	1.45	9.9%	1.07	1.37
Trumbull Property Fund^	75	0	100%	81	59	46	1.4%	0.0%	0.73	1.30	-5.0%	n/a	n/a
Trumbull Property Growth & Income Fund^	50	0	100%	56	50	49	1.4%	0.0%	0.89	1.76	-5.0%	n/a	n/a
Trumbull Property Income Fund^	50	0	100%	55	29	55	1.6%	0.0%	0.53	1.53	-5.0%	n/a	n/a
<b>Total - 2014</b>	<b>665</b>	<b>20</b>	<b>97%</b>	<b>684</b>	<b>579</b>	<b>397</b>	<b>11.7%</b>	<b>6.9%</b>	<b>0.85</b>	<b>1.43</b>	<b>7.3%</b>	<b>0.81</b>	<b>1.33</b>
<b>2015</b>													
Blackstone Real Estate Partners VIII, L.P.	100	13	87%	117	119	71	2.1%	14.3%	1.02	1.62	10.2%	0.86	1.44
Covenant Apartment Fund VIII, L.P.*	30	0	100%	30	48	0	0.0%	18.4%	1.60	1.60	10.2%	0.86	1.44
Green Cities III, L.P.	50	1	98%	51	16	13	0.4%	-11.3%	0.32	0.57	10.2%	0.86	1.44
Lion Industrial Trust^	100	0	100%	114	51	281	8.3%	0.0%	0.45	2.91	-5.0%	n/a	n/a
<b>Total - 2015</b>	<b>280</b>	<b>14</b>	<b>95%</b>	<b>312</b>	<b>235</b>	<b>365</b>	<b>10.8%</b>	<b>13.5%</b>	<b>0.75</b>	<b>1.92</b>	<b>10.1%</b>	<b>1.00</b>	<b>1.45</b>
<b>2016</b>													
Blackstone Real Estate Partners Europe V, L.P.	50	7	86%	49	36	28	0.8%	7.9%	0.75	1.33	10.5%	0.73	1.37
<b>Total - 2016</b>	<b>50</b>	<b>7</b>	<b>85%</b>	<b>49</b>	<b>36</b>	<b>28</b>	<b>0.8%</b>	<b>7.9%</b>	<b>0.75</b>	<b>1.33</b>	<b>10.5%</b>	<b>0.73</b>	<b>1.37</b>
<b>2017</b>													
BIG Real Estate Fund I, L.P.	65	2	97%	79	54	45	1.3%	9.4%	0.68	1.24	12.8%	0.43	1.41
Crow Holdings Realty Partners VIII, L.P.	75	9	87%	70	106	3	0.1%	22.7%	1.52	1.56	12.8%	0.43	1.41
Landmark Real Estate Partners VIII, L.P.	65	24	63%	49	30	34	1.0%	13.3%	0.62	1.32	12.8%	0.43	1.41
Starwood Opportunity Fund XI Global, L.P.	47	10	79%	44	14	42	1.2%	10.1%	0.33	1.28	12.8%	0.43	1.41
<b>Total - 2017</b>	<b>252</b>	<b>50</b>	<b>80%</b>	<b>242</b>	<b>205</b>	<b>124</b>	<b>3.7%</b>	<b>14.3%</b>	<b>0.84</b>	<b>1.36</b>	<b>12.8%</b>	<b>0.43</b>	<b>1.41</b>

\*Liquidated fund, ^Open Ended fund.

For the Open Ended funds, the TWR is being displayed instead of the IRR  
Data as of December 31, 2023.

Closed ended funds benchmarked against Cambridge data as of 9/30/2023, open-ended funds benchmarked against the NCREIF NFI-ODCE.



# Vintage Year Analysis

	Commitments (\$m)			Cash Flows (\$m)		Current Exposure		Performance SI			Peer Performance		
	Commitment	Unfunded	% Funded	Contributions	Distributions	NAV (\$m)	% NAV	IRR/TWR	DPI	TVPI	IRR/TWR	DPI	TVPI
<b>2018</b>													
Covenant Apartment Fund IX, L.P.	50	0	100%	50	63	24	0.7%	21.6%	1.26	1.73	11.1%	0.38	1.27
Green Cities IV, L.P.	75	2	97%	73	2	48	1.4%	-15.8%	0.03	0.70	11.1%	0.38	1.27
US Eagle Real Estate Feeder 1, LP T3^	50	0	100%	50	3	55	1.6%	0.0%	0.06	1.17	-5.0%	n/a	n/a
<b>Total - 2018</b>	<b>175</b>	<b>3</b>	<b>98%</b>	<b>173</b>	<b>69</b>	<b>127</b>	<b>3.8%</b>	<b>4.4%</b>	<b>0.40</b>	<b>1.13</b>	<b>12.3%</b>	<b>0.43</b>	<b>1.32</b>
<b>2019</b>													
Artemis Real Estate Partners Income & Growth Fund, L.P.	100	16	84%	91	23	70	2.1%	0.8%	0.25	1.01	10.8%	0.11	1.19
Blue Owl Real Estate Net Lease Property Fund^	113	0	100%	113	25	131	3.9%	0.0%	0.22	1.39	-5.0%	n/a	n/a
Rockpoint Real Estate Fund VI, L.P.	150	20	87%	132	17	131	3.9%	5.9%	0.13	1.12	10.8%	0.11	1.19
TruAmerica Workforce Housing Fund I-A, L.P.	50	3	94%	48	7	43	1.3%	2.3%	0.14	1.05	10.8%	0.11	1.19
<b>Total - 2019</b>	<b>413</b>	<b>52</b>	<b>87%</b>	<b>384</b>	<b>71</b>	<b>375</b>	<b>11.1%</b>	<b>7.1%</b>	<b>0.19</b>	<b>1.16</b>	<b>10.6%</b>	<b>0.12</b>	<b>1.20</b>
<b>2020</b>													
Ares Real Estate Enhanced Income Fund, L.P.^	100	0	100%	112	64	64	1.9%	0.0%	0.57	1.14	-5.0%	n/a	n/a
Blackstone Property Partners Life Sciences L.P.	29	2	93%	27	2	28	0.8%	4.5%	0.08	1.12	7.4%	0.03	1.10
Carlyle Property Investors, L.P.^	150	0	100%	170	20	206	6.1%	0.0%	0.12	1.33	-5.0%	n/a	n/a
Covenant Apartment Fund X, L.P.	100	0	100%	101	33	101	3.0%	17.6%	0.33	1.32	7.4%	0.03	1.10
IPI Partners II-A, L.P.	100	9	91%	87	1	109	3.2%	17.0%	0.01	1.25	7.4%	0.03	1.10
Mesirow Financial Real Estate Value Fund IV, L.P.	75	8	89%	55	2	59	1.7%	7.8%	0.03	1.10	7.4%	0.03	1.10
Torchlight Debt Fund VII, L.P.	100	45	55%	50	1	54	1.6%	4.1%	0.01	1.09	7.4%	0.03	1.10
Waterton Residential Property Venture XIV, L.P.	100	9	91%	88	0	86	2.5%	-1.6%	0.00	0.98	7.4%	0.03	1.10
<b>Total - 2020</b>	<b>754</b>	<b>100</b>	<b>87%</b>	<b>690</b>	<b>122</b>	<b>705</b>	<b>20.8%</b>	<b>9.4%</b>	<b>0.18</b>	<b>1.20</b>	<b>10.3%</b>	<b>0.06</b>	<b>1.15</b>
<b>2021</b>													
Artemis Real Estate Partners Fund IV, L.P.	125	101	19%	16	0	12	0.4%	n/m	n/m	0.77	n/m	n/m	0.97
BIG Real Estate Fund II, L.P. and AIVs	125	53	58%	94	33	66	2.0%	n/m	n/m	1.07	n/m	n/m	0.97
Carlyle Realty Partners IX, L.P.	180	122	32%	35	0	28	0.8%	n/m	n/m	0.81	n/m	n/m	0.97
Centerbridge Partners Real Estate Fund II, L.P.	200	125	37%	88	17	70	2.1%	n/m	n/m	0.99	n/m	n/m	0.97
Penzance DC Real Estate Fund II, L.P.	50	33	34%	23	9	19	0.6%	n/m	n/m	1.25	n/m	n/m	0.97
Rubicon First Ascent, L.P.	43	21	50%	21	0	15	0.5%	n/m	n/m	0.72	n/m	n/m	0.97
State of Connecticut US REIT^	200	0	100%	200	207	1	0.0%	1.5%	1.04	1.04	-5.0%	n/a	n/a
<b>Total - 2021</b>	<b>923</b>	<b>498</b>	<b>46%</b>	<b>477</b>	<b>267</b>	<b>212</b>	<b>6.3%</b>	<b>n/m</b>	<b>n/m</b>	<b>1.01</b>	<b>n/m</b>	<b>n/m</b>	<b>0.97</b>

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Data as of December 31, 2023.

Closed ended funds benchmarked against Cambridge data as of 9/30/2023, open-ended funds benchmarked against the NCREIF NFI-ODCE.





# Vintage Year Analysis

	Commitments (\$m)			Cash Flows (\$m)		Current Exposure		Performance SI			Peer Performance		
	Commitment	Unfunded	% Funded	Contributions	Distributions	NAV (\$m)	% NAV	IRR/TWR	DPI	TVPI	IRR/TWR	DPI	TVPI
<b>2022</b>													
CityView Real Estate Partners VII, L.P.	35	29	18%	13	9	2	0.0%	n/m	n/m	0.86	n/m	n/m	0.94
CT Real Assets Co-Investment Fund LP (Class A - Real Estate)	225	192	15%	24	0	23	0.7%	n/m	n/m	0.95	n/m	n/m	0.94
IPI Partners III-A, L.P.	125	85	32%	39	0	35	1.0%	n/m	n/m	0.90	n/m	n/m	n/a
Landmark Real Estate Co-Investment Fund I, L.P.	50	33	34%	13	0	14	0.4%	n/m	n/m	1.08	n/m	n/m	n/a
Landmark Real Estate Partners IX, L.P.	100	97	3%	0	0	-2	0.0%	n/m	n/m	0.00	n/m	n/m	n/a
<b>Total - 2022</b>	<b>535</b>	<b>455</b>	<b>15%</b>	<b>89</b>	<b>9</b>	<b>72</b>	<b>2.1%</b>	<b>n/m</b>	<b>n/m</b>	<b>0.91</b>	<b>n/m</b>	<b>n/m</b>	<b>0.94</b>
<b>2023</b>													
Artemis Transition Assets, L.P.	320	37	89%	282	0	283	8.4%	n/m	n/m	1.00	n/m	n/m	1.02
Blue Owl Real Estate Fund VI	200	168	16%	0	0	0	0.0%	n/m	n/m	n/a	n/m	n/m	n/a
CRPTF-GCM Emerging Manager Partnership L.P. 2022-2 RE Investment Series	150	132	12%	12	0	11	0.3%	n/m	n/m	0.96	n/m	n/m	n/a
Penwood Select Industrial Partners VII, LP	100	95	5%	5	0	4	0.1%	n/m	n/m	0.70	n/m	n/m	n/a
<b>Total - 2023</b>	<b>770</b>	<b>471</b>	<b>39%</b>	<b>299</b>	<b>0</b>	<b>298</b>	<b>8.8%</b>	<b>n/m</b>	<b>n/m</b>	<b>n/m</b>	<b>n/m</b>	<b>n/m</b>	<b>n/m</b>
<b>Portfolio Total</b>	<b>7,411</b>	<b>1,692</b>	<b>77%</b>	<b>6,498</b>	<b>4,942</b>	<b>3,386</b>	<b>100.0%</b>	<b>5.5%</b>	<b>0.76</b>	<b>1.28</b>	<b>6.3%</b>	<b>0.75</b>	<b>1.22</b>

\*Liquidated fund, ^Open Ended fund.

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Data as of December 31, 2023.

Closed ended funds benchmarked against Cambridge data as of 9/30/2023, open-ended funds benchmarked against the NCREIF NFI-ODCE.



# Fund Status

	Commitments (\$m)				Cash Flows (\$m)		Current Exposure		Performance SI		
	Vintage	Commitment	Unfunded	% Funded	Contributions	Distributions	NAV (\$m)	% NAV	IRR	DPI	TVPI
<b>Invested</b>											
Ares Real Estate Enhanced Income Fund, L.P.^	2020	100	0	100%	112	64	64	1.9%	5.7%	0.57	1.14
Artemis Real Estate Partners Fund IV, L.P.	2021	125	101	19%	16	0	12	0.4%	n/m	n/m	0.77
Artemis Real Estate Partners Income & Growth Fund, L.P.	2019	100	16	84%	91	23	70	2.1%	0.8%	0.25	1.01
Artemis Transition Assets, L.P.	2023	320	37	89%	282	0	283	8.4%	n/m	n/m	1.00
Barings Core Property Fund LP^	2008	250	0	100%	269	206	203	6.0%	4.9%	0.76	1.52
BIG Real Estate Fund I, L.P.	2017	65	2	97%	79	54	45	1.3%	9.4%	0.68	1.24
BIG Real Estate Fund II, L.P. and AIVs	2021	125	53	58%	94	33	66	2.0%	n/m	n/m	1.07
Blackstone Property Partners Life Sciences L.P.	2020	29	2	93%	27	2	28	0.8%	4.5%	0.08	1.12
Blackstone Real Estate Partners Europe V, L.P.	2016	50	7	86%	49	36	28	0.8%	7.9%	0.75	1.33
Blackstone Real Estate Partners VIII, L.P.	2015	100	13	87%	117	119	71	2.1%	14.3%	1.02	1.62
Blue Owl Real Estate Fund VI	2023	200	168	16%	0	0	0	0.0%	n/m	n/m	n/m
Blue Owl Real Estate Net Lease Property Fund^	2019	113	0	100%	113	25	131	3.9%	12.6%	0.22	1.39
BREP Europe III Fund	2008	50	6	89%	53	70	3	0.1%	8.6%	1.31	1.37
Carlyle Property Investors, L.P.^	2020	150	0	100%	170	20	206	6.1%	11.1%	0.12	1.33
Carlyle Realty Partners IX, L.P.	2021	180	122	32%	35	0	28	0.8%	n/m	n/m	0.81
Centerbridge Partners Real Estate Fund II, L.P.	2021	200	125	37%	88	17	70	2.1%	n/m	n/m	0.99
CityView Real Estate Partners VII, L.P.	2022	35	29	18%	13	9	2	0.0%	n/m	n/m	0.86
Covenant Apartment Fund IX, L.P.	2018	50	0	100%	50	63	24	0.7%	21.6%	1.26	1.73
Covenant Apartment Fund X, L.P.	2020	100	0	100%	101	33	101	3.0%	17.6%	0.33	1.32
Crow Holdings Realty Partners VII, L.P.	2014	75	6	91%	75	99	2	0.1%	10.8%	1.33	1.36
Crow Holdings Realty Partners VIII, L.P.	2017	75	9	87%	70	106	3	0.1%	22.7%	1.52	1.56
CRPTF-GCM Emerging Manager Partnership L.P. 2022-2 RE Investment Series	2023	150	132	12%	12	0	11	0.3%	n/m	n/m	0.96
CT Real Assets Co-Investment Fund LP (Class A - Real Estate)	2022	225	192	15%	24	0	23	0.7%	n/m	n/m	0.95
Green Cities III, L.P.	2015	50	1	98%	51	16	13	0.4%	-11.3%	0.32	0.57
Green Cities IV, L.P.	2018	75	2	97%	73	2	48	1.4%	-15.8%	0.03	0.70
IPI Partners II-A, L.P.	2020	100	9	91%	87	1	109	3.2%	17.0%	0.01	1.25
IPI Partners III-A, L.P.	2022	125	85	32%	39	0	35	1.0%	n/m	n/m	0.90
Landmark Real Estate Co-Investment Fund I, L.P.	2022	50	33	34%	13	0	14	0.4%	n/m	n/m	1.08
Landmark Real Estate Partners IX, L.P.	2022	100	97	3%	0	0	-2	0.0%	n/m	n/m	0.00
Landmark Real Estate Partners VII, L.P.	2014	40	3	92%	37	38	5	0.2%	6.2%	1.04	1.18

^Open Ended fund.  
Data as of December 31, 2023.



# Fund Status

	Commitments (\$m)				Cash Flows (\$m)		Current Exposure		Performance SI		
	Vintage	Commitment	Unfunded	% Funded	Contributions	Distributions	NAV (\$m)	% NAV	IRR	DPI	TVPI
Landmark Real Estate Partners VIII, L.P.	2017	65	24	63%	49	30	34	1.0%	13.3%	0.62	1.32
Lion Industrial Trust^	2015	100	0	100%	114	51	281	8.3%	16.6%	0.45	2.91
Mesirow Financial Real Estate Value Fund IV, L.P.	2020	75	8	89%	55	2	59	1.7%	7.8%	0.03	1.10
Penwood Select Industrial Partners VII, LP	2023	100	95	5%	5	0	4	0.1%	n/m	n/m	0.70
Penzance DC Real Estate Fund II, L.P.	2021	50	33	34%	23	9	19	0.6%	n/m	n/m	1.25
Prime Property Fund^	2007	225	0	100%	225	185	301	8.9%	7.5%	0.82	2.16
PRISA I, L.P.^	2014	185	0	100%	199	71	221	6.5%	6.0%	0.35	1.46
Rockpoint Real Estate Fund VI, L.P.	2019	150	20	87%	132	17	131	3.9%	5.9%	0.13	1.12
Rubicon First Ascent, L.P.	2021	43	21	50%	21	0	15	0.5%	n/m	n/m	0.72
Starwood Opportunity Fund X Global, L.P.	2014	100	10	90%	90	112	18	0.5%	14.9%	1.25	1.45
Starwood Opportunity Fund XI Global, L.P.	2017	47	10	79%	44	14	42	1.2%	10.1%	0.33	1.28
State of Connecticut US REIT^	2021	200	0	100%	200	207	1	0.0%	1.5%	1.04	1.04
Torchlight Debt Fund VII, L.P.	2020	100	45	55%	50	1	54	1.6%	4.1%	0.01	1.09
TruAmerica Workforce Housing Fund I-A, L.P.	2019	50	3	94%	48	7	43	1.3%	2.3%	0.14	1.05
Trumbull Property Fund^	2014	75	0	100%	81	59	46	1.4%	3.9%	0.73	1.30
Trumbull Property Growth & Income Fund^	2014	50	0	100%	56	50	49	1.4%	8.0%	0.89	1.76
Trumbull Property Income Fund^	2014	50	0	100%	55	29	55	1.6%	5.6%	0.53	1.53
US Eagle Real Estate Feeder 1, L.P.^	2013	100	0	100%	100	29	164	4.8%	7.8%	0.29	1.92
US Eagle Real Estate Feeder 1, LP T3^	2018	50	0	100%	50	3	55	1.6%	3.4%	0.06	1.17
Waterton Residential Property Venture XIV, L.P.	2020	100	9	91%	88	0	86	2.5%	-1.6%	0.00	0.98
<b>Total - Invested</b>	<b>Multiple</b>	<b>5,322</b>	<b>1,675</b>	<b>69%</b>	<b>3,926</b>	<b>1,914</b>	<b>3,376</b>	<b>99.7%</b>	<b>7.4%</b>	<b>0.49</b>	<b>1.35</b>
<b>Invested - In Liquidation</b>											
Blackstone Real Estate Partners VI	2007	100	5	95%	112	222	1	0.0%	13.1%	1.98	1.99
Canyon-Johnson Urban Fund III, L.P.	2009	50	0	100%	51	67	0	0.0%	11.0%	1.32	1.32
Cypress Acquisition Partners Retail Fund, L.P.	2013	58	0	100%	58	14	0	0.0%	-88.3%	0.24	0.24
Investor India Realty Fund II, LLC	2008	50	0	100%	50	26	0	0.0%	-9.9%	0.51	0.52
Lone Star Real Estate Fund II (U.S.), L.P.	2011	67	1	99%	66	103	0	0.0%	25.3%	1.55	1.55
Starwood Distressed Opportunity Fund IX Global, L.P.	2011	50	4	93%	47	81	5	0.1%	18.7%	1.73	1.83
Starwood Global Opportunity Fund VII, L.P.	2005	50	0	100%	50	39	1	0.0%	-2.4%	0.78	0.80
Starwood Global Opportunity Fund VIII, L.P.	2008	50	5	91%	45	73	2	0.1%	11.9%	1.61	1.66
WLR IV PPIP Co-Invest Loans AIV, L.P.	2009	100	3	97%	97	135	1	0.0%	13.9%	1.39	1.40
<b>Total - Invested - In Liquidation</b>	<b>Multiple</b>	<b>576</b>	<b>17</b>	<b>97%</b>	<b>576</b>	<b>759</b>	<b>10</b>	<b>0.3%</b>	<b>7.4%</b>	<b>1.32</b>	<b>1.33</b>
<b>Liquidated</b>											
AEW Core Real Estate Separate Account	2005	244	0	100%	244	245	0	0.0%	0.2%	1.01	1.01
AEW Partners III, L.P.	1998	102	0	100%	102	151	0	0.0%	8.8%	1.48	1.48

^Open Ended fund.  
Data as of December 31, 2023.



# Fund Status

	Commitments (\$m)				Cash Flows (\$m)		Current Exposure		Performance SI		
	Vintage	Commitment	Unfunded	% Funded	Contributions	Distributions	NAV (\$m)	% NAV	IRR	DPI	TVPI
American Core Realty - Separate Account	2012	56	0	100%	227	335	0	0.0%	10.2%	1.47	1.47
Apollo Real Estate Investment Fund III, L.P.	1998	79	0	100%	79	116	0	0.0%	6.2%	1.47	1.47
Blackstone Real Estate Special Situations Fund II, L.P.	2011	72	0	100%	72	86	0	0.0%	9.3%	1.20	1.20
Canyon-Johnson Urban Fund II, L.P.	2005	45	0	100%	45	20	0	0.0%	-10.4%	0.45	0.45
<b>Capri Select Income II, L.P.</b>	<b>2005</b>	<b>30</b>	<b>0</b>	<b>100%</b>	<b>30</b>	<b>16</b>	<b>0</b>	<b>0</b>	<b>-9.89%</b>	<b>0.52</b>	<b>0.52</b>
Colony Realty Partners II, L.P.	2007	51	0	100%	51	13	0	0.0%	-13.7%	0.26	0.26
Covenant Apartment Fund V (Institutional), L.P.	2007	25	0	100%	25	30	0	0.0%	2.9%	1.20	1.20
Covenant Apartment Fund VI (Institutional), L.P.	2008	25	0	100%	25	40	0	0.0%	13.5%	1.57	1.57
Covenant Apartment Fund VIII, L.P.	2015	30	0	100%	30	48	0	0.0%	18.4%	1.60	1.60
Green Cities II, L.P.	2012	28	0	100%	31	39	0	0.0%	6.4%	1.29	1.29
JP Morgan Strategic Property Fund <sup>^</sup>	2014	90	0	100%	91	120	0	0.0%	7.6%	1.32	1.32
MacFarlane Urban Real Estate Fund II, L.P.	2006	102	0	100%	102	28	0	0.0%	-16.5%	0.27	0.27
New Boston Real Estate Individual and Institutional Investment Fund, IV L.P.	1998	15	0	100%	15	17	0	0.0%	3.1%	1.16	1.16
Rockwood Capital Real Estate Partners Fund V, L.P.	2004	41	0	100%	45	57	0	0.0%	9.4%	1.27	1.27
Rockwood Capital Real Estate Partners Fund VI, L.P.	2005	20	0	100%	23	22	0	0.0%	-0.9%	0.95	0.95
Rockwood Capital Real Estate Partners Fund VII, L.P.	2006	50	0	100%	58	32	0	0.0%	-6.9%	0.56	0.56
TSCG/Hart Realty Advisors Core - Separate Account	2012	144	0	100%	437	554	0	0.0%	6.2%	1.27	1.27
Urban Strategy America Fund, L.P.	2005	50	0	100%	50	43	0	0.0%	-1.9%	0.87	0.87
Walton Street Real Estate Fund II, L.P.	1998	73	0	100%	73	172	0	0.0%	13.03%	2.34	2.34
Westport Senior Living Investment Fund, L.P.	1998	141	0	100%	141	84	0	0.0%	-13.20%	0.60	0.60
<b>Total - Liquidated</b>	<b>Multiple</b>	<b>1,513</b>	<b>0</b>	<b>100%</b>	<b>1,996</b>	<b>2,269</b>	<b>0</b>	<b>0.0%</b>	<b>2.7%</b>	<b>1.14</b>	<b>1.14</b>
<b>Portfolio Total</b>	<b>Multiple</b>	<b>7,411</b>	<b>1,692</b>	<b>77%</b>	<b>6,498</b>	<b>4,942</b>	<b>3,386</b>	<b>100.0%</b>	<b>5.5%</b>	<b>0.76</b>	<b>1.28</b>

<sup>^</sup>Open Ended fund.  
Data as of December 31, 2023.



# 4Q 2023 Transaction Summary

Fund Name	Paid In	Distributed	Net Cash Flow	Recallables
Ares Real Estate Enhanced Income Fund, L.P.	\$ -	\$ 26,147,166	\$ 26,147,166	\$ -
Artemis Real Estate Partners Fund IV, L.P.	\$ -3,898,305	\$ -	\$ -3,898,305	\$ -
Artemis Real Estate Partners Income & Growth Fund, L.P.	\$ -4,609,894	\$ 629,204	\$ -3,980,690	\$ -
Artemis Transition Assets, L.P.	\$ -789,000	\$ -	\$ -789,000	\$ -
Barings Core Property Fund LP	\$ -306,129	\$ 4,099,043	\$ 3,792,914	\$ -
BIG Real Estate Fund I, L.P.	\$ -126,064	\$ 554,741	\$ 428,678	\$ -
BIG Real Estate Fund II, L.P. and AIVs	\$ -3,273,436	\$ 1,831,628	\$ -1,441,808	\$ 929,441
Blackstone Property Partners Life Sciences L.P.	\$ -1,134,728	\$ 83,176	\$ -1,051,552	\$ -
Blackstone Real Estate Partners Europe V, L.P.	\$ -122,577	\$ 14,687	\$ -107,890	\$ -
Blackstone Real Estate Partners VI	\$ -	\$ 493,441	\$ 493,441	\$ -
Blackstone Real Estate Partners VIII, L.P.	\$ -633,292	\$ 84,216	\$ -549,076	\$ 28,786
Blue Owl Real Estate Net Lease Property Fund	\$ -	\$ 2,258,556	\$ 2,258,556	\$ -
BREP Europe III Fund	\$ -	\$ 20,426	\$ 20,426	\$ -
Carlyle Property Investors, L.P.	\$ -1,116,479	\$ 1,116,479	\$ -	\$ 1,116,479
Carlyle Realty Partners IX, L.P.	\$ -9,038,715	\$ -	\$ -9,038,715	\$ -
Centerbridge Partners Real Estate Fund II, L.P.	\$ -	\$ -	\$ -	\$ -
CityView Real Estate Partners VII, L.P.	\$ -	\$ -	\$ -	\$ -
Covenant Apartment Fund IX, L.P.	\$ -	\$ 579,293	\$ 579,293	\$ -
Covenant Apartment Fund X, L.P.	\$ -3,000,000	\$ 4,366,750	\$ 1,366,750	\$ -
Crow Holdings Realty Partners VII, L.P.	\$ -79,927	\$ 236,390	\$ 156,463	\$ -
Crow Holdings Realty Partners VIII, L.P.	\$ -	\$ -	\$ -	\$ -
CRPTF-GCM Emerging Manager Partnership L.P. 2022-2 RE Investment Series	\$ -8,775,465	\$ 110,803	\$ -8,664,662	\$ -
CT Real Assets Co-Investment Fund LP (Class A - Real Estate)	\$ -	\$ -	\$ -	\$ -
Green Cities III, L.P.	\$ -	\$ -	\$ -	\$ -
Green Cities IV, L.P.	\$ -1,222,128	\$ -	\$ -1,222,128	\$ -
Investor India Realty Fund II, LLC	\$ -	\$ -	\$ -	\$ -
IPI Partners II-A, L.P.	\$ -	\$ -	\$ -	\$ -

Data as of December 31, 2023.



# 4Q 2023 Transaction Summary

Fund Name	Paid In	Distributed	Net Cash Flow	Recallables
IPI Partners III-A, L.P.	\$ -1,998,436	\$ -	\$ -1,998,436	\$ -
Landmark Real Estate Co-Investment Fund I, L.P.	\$ -4,962,563	\$ -	\$ -4,962,563	\$ -
Landmark Real Estate Partners IX, L.P.	\$ -	\$ -	\$ -	\$ -
Landmark Real Estate Partners VII, L.P.	\$ -	\$ 586,460	\$ 586,460	\$ -
Landmark Real Estate Partners VIII, L.P.	\$ -2,748,123	\$ 363,604	\$ -2,384,519	\$ -
Lion Industrial Trust	\$ -1,293,398	\$ 4,080,855	\$ 2,787,457	\$ -
Lone Star Real Estate Fund II (U.S.), L.P.	\$ -	\$ -	\$ -	\$ -
Mesirov Financial Real Estate Value Fund IV, L.P.	\$ -5,181,250	\$ 420,000	\$ -4,761,250	\$ -
Penwood Select Industrial Partners VII, LP	\$ -740,044	\$ -	\$ -740,044	\$ -
Penzance DC Real Estate Fund II, L.P.	\$ -8,682,063	\$ -	\$ -8,682,063	\$ -
Prime Property Fund	\$ -	\$ 3,063,587	\$ 3,063,587	\$ -
PRISA I, L.P.	\$ -474,344	\$ 1,979,426	\$ 1,505,083	\$ -
Rockpoint Real Estate Fund VI, L.P.	\$ -5,607,385	\$ -	\$ -5,607,385	\$ 971,322
Rubicon First Ascent, L.P.	\$ -8,012,599	\$ -	\$ -8,012,599	\$ -
Starwood Distressed Opportunity Fund IX Global, L.P.	\$ -	\$ -	\$ -	\$ -
Starwood Global Opportunity Fund VII, L.P.	\$ -	\$ -	\$ -	\$ -
Starwood Global Opportunity Fund VIII, L.P.	\$ -	\$ 681,802	\$ 681,802	\$ -
Starwood Opportunity Fund X Global, L.P.	\$ -	\$ -	\$ -	\$ -
Starwood Opportunity Fund XI Global, L.P.	\$ -	\$ 628,359	\$ 628,359	\$ -
State of Connecticut US REIT	\$ -	\$ 207,300,000	\$ 207,300,000	\$ -
Torchlight Debt Fund VII, L.P.	\$ -	\$ -	\$ -	\$ -
TruAmerica Workforce Housing Fund I-A, L.P.	\$ -1,448,103	\$ 1,289,679	\$ -158,424	\$ 1,289,679
Trumbull Property Fund	\$ -95,057	\$ 1,120,540	\$ 1,025,483	\$ -
Trumbull Property Growth & Income Fund	\$ -146,726	\$ 3,858,665	\$ 3,711,939	\$ -
Trumbull Property Income Fund	\$ -120,651	\$ 1,971,141	\$ 1,850,490	\$ -
US Eagle Real Estate Feeder 1, L.P.	\$ -	\$ 373,738	\$ 373,738	\$ -
US Eagle Real Estate Feeder 1, LP T3	\$ -	\$ 126,385	\$ 126,385	\$ -
Waterton Residential Property Venture XIV, L.P.	\$ -9,035,068	\$ 348,549	\$ -8,686,519	\$ -
WLR IV PPIP Co-Invest Loans AIV, L.P.	\$ -	\$ -	\$ -	\$ -
<b>Total Portfolio</b>	<b>\$ -88,671,948</b>	<b>\$ 270,818,790</b>	<b>\$ 182,146,842</b>	<b>\$ 4,335,707</b>

Data as of December 31, 2023.



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4Q 2023

# State of Connecticut – Infrastructure & Natural Resources Portfolio



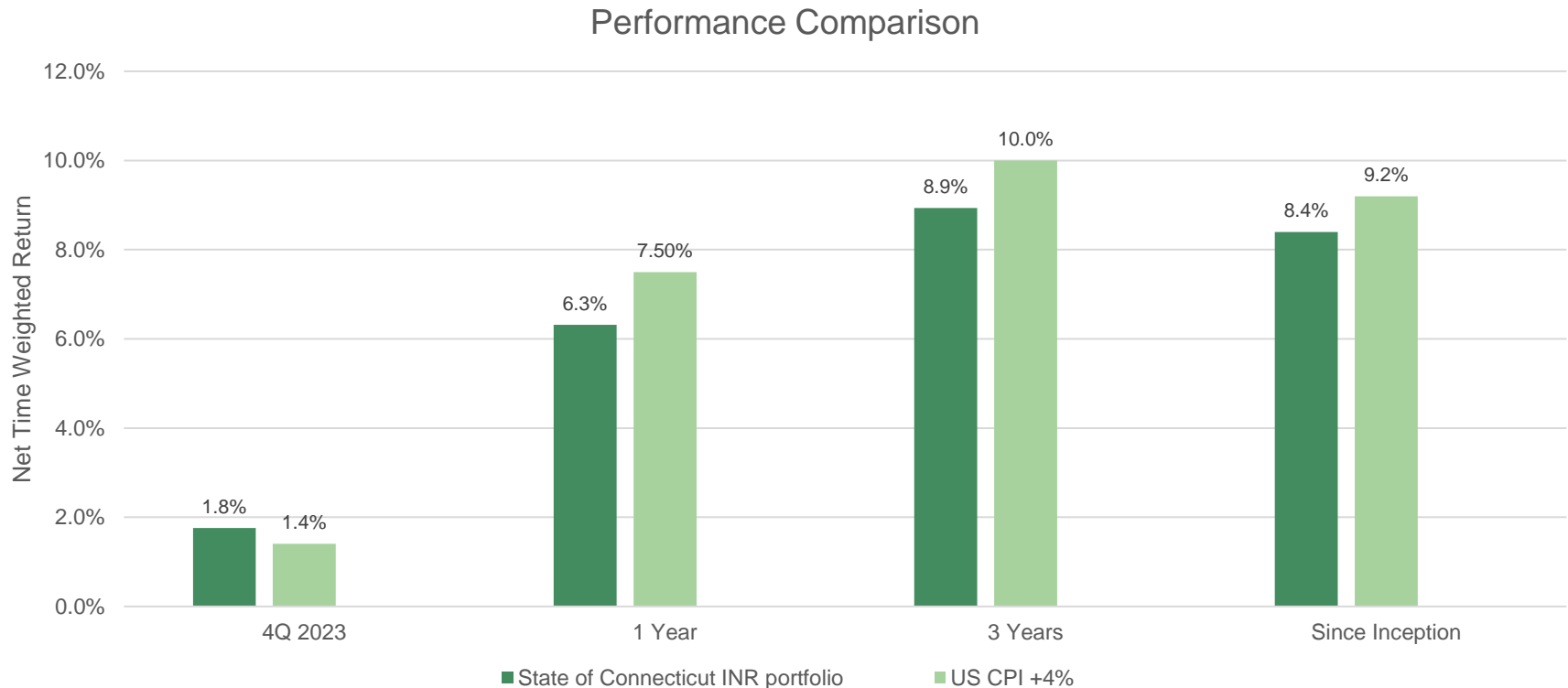


# State of Connecticut – Infrastructure & Natural Resources Portfolio Update



# Portfolio Performance Comparison

- The below chart compares portfolio time-weighted performance against the policy benchmark: US CPI +400bps.
- Over the last 12 months, the portfolio has underperformed the benchmark by 1.2%.



Data as of December 31, 2023.

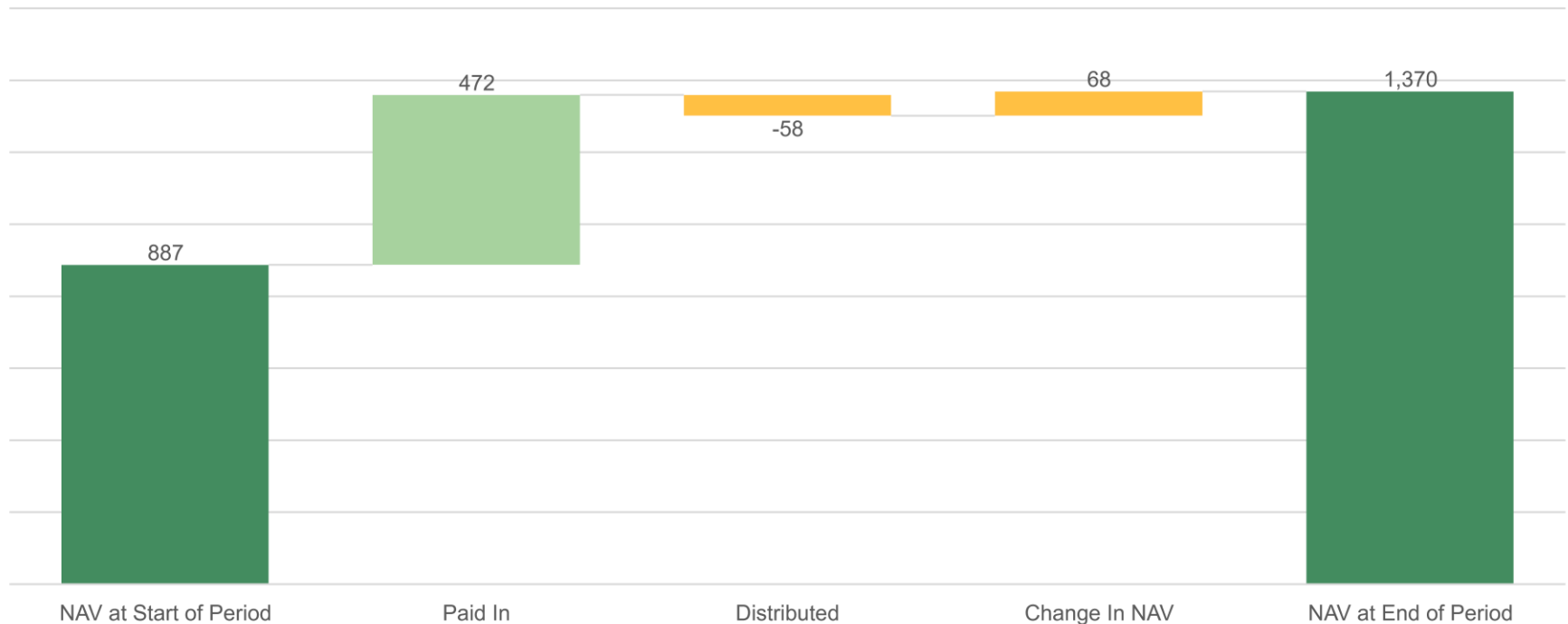
Portfolio Inception is in 2Q 2020, however certain investments were made prior, and were included in other asset classes at those times. Performance represents net time weighted returns, annualized for periods greater than 12 months.



# Twelve Months Ending 4Q 2023 Portfolio NAV Change

- Over the course of 2023, there were six commitments totalling \$875m, and net negative cash flow of approximately \$414m, bringing the total INR portfolio NAV to ~\$1,370m.

Value Bridge - Previous 12 Months (\$m)



Quarterly Highlights	Total Partnerships	Commitments (\$m)	Contributions (\$m)	Distributions (\$m)	NAV (\$m)
4Q 2023	22	2,669	186	17	1,370
3Q 2023	21	2,544	83	9	1,178
<b>Quarterly Change</b>	<b>1</b>	<b>125</b>	<b>103</b>	<b>8</b>	<b>192</b>

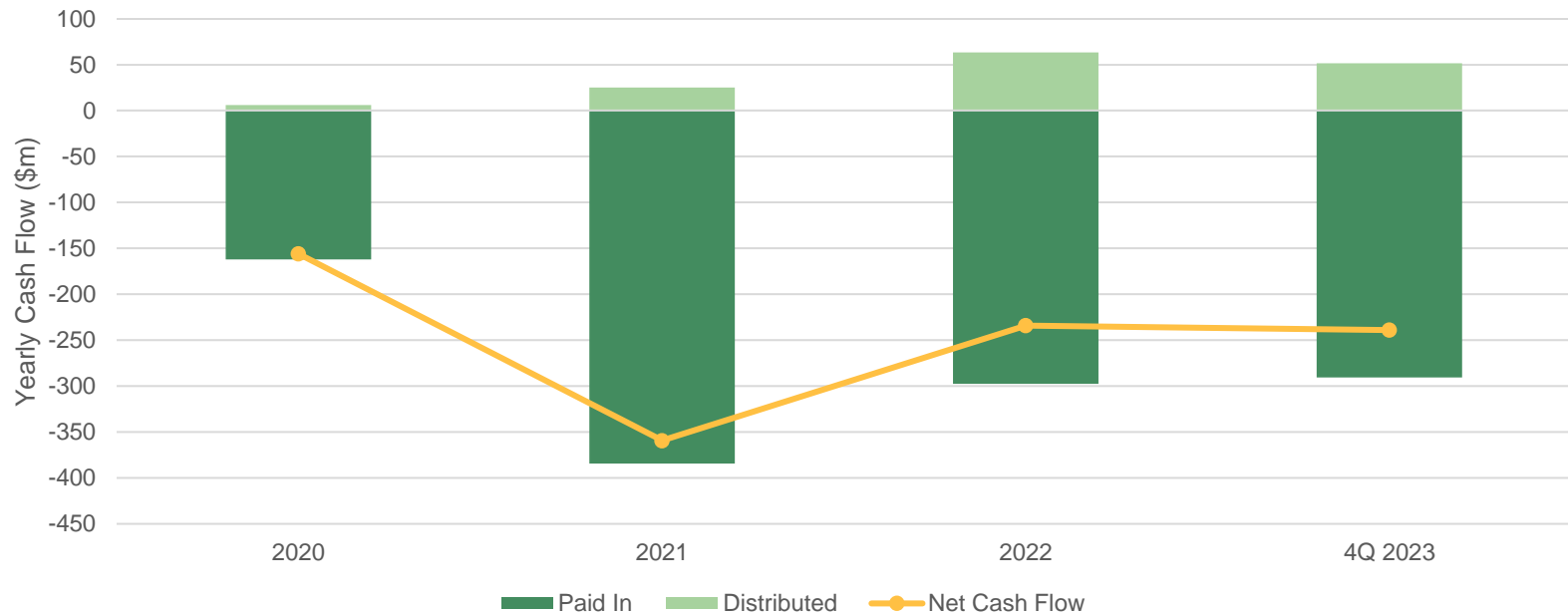
Data as of December 31, 2023.



# Portfolio Cash Flow

- The chart below displays capital invested, distributed and the overall net quarterly cash flow for the total INR portfolio through 4Q 2023, and since the establishment of the formal INR program.
- As of the fourth quarter of 2023, the portfolio has a total Net Cumulative Cash Flow of  $-\$988.3\text{m}$  including approximately  $\$51.7\text{m}$  in distributions and  $\$290.6\text{m}$  in contributions year-to-date.

Portfolio Cash Flow (Including Liquidated Funds)



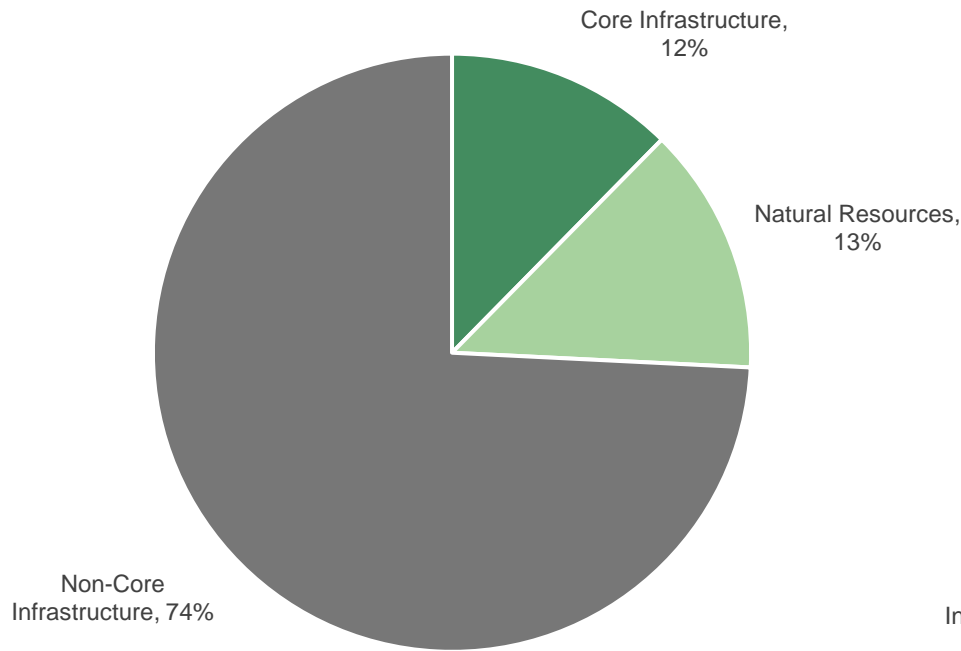
Cash flow chart and figures include liquidated funds. Data as of December 31, 2023.



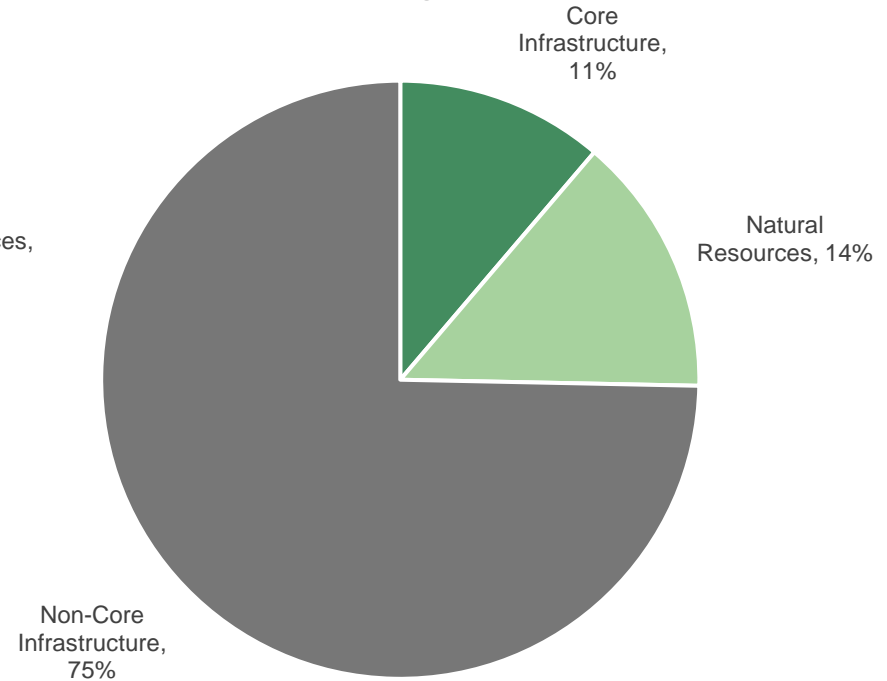
# Portfolio IPS Targets

Strategy	Lower Target %	Upper Target %
Core Infrastructure	20%	100%
Non-Core Infrastructure	0%	80%
Natural Resources	0%	50%

Exposure by Strategy (NAV + Unfunded)



Exposure by Strategy (Commitment)



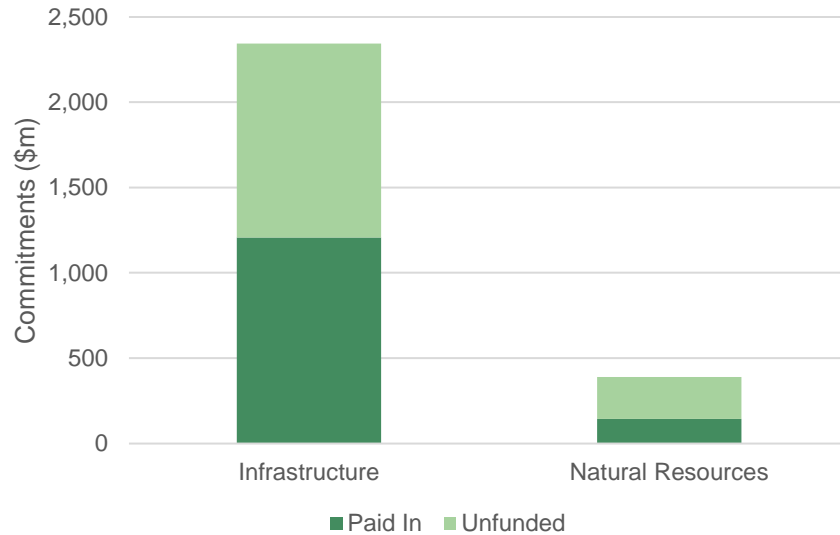
CRPTF IPS limit is up to 20% allocation to publicly traded infrastructure securities. There are no public securities strategies currently in the portfolio.

Sectors may not add up to 100% due to rounding.  
Data as of December 31, 2023.

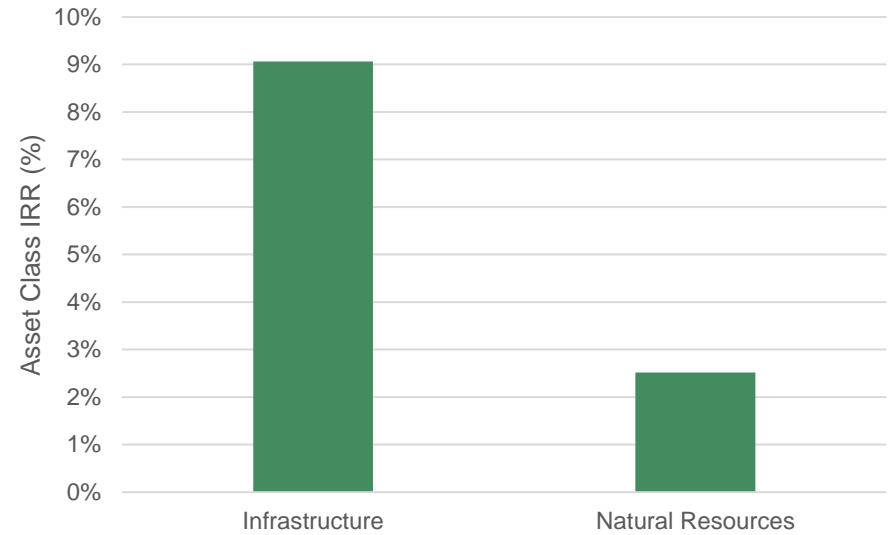


# Portfolio Strategy Analysis

## Commitments By Strategy as of 4Q 2023



## IRR by Strategy as of 4Q 2023



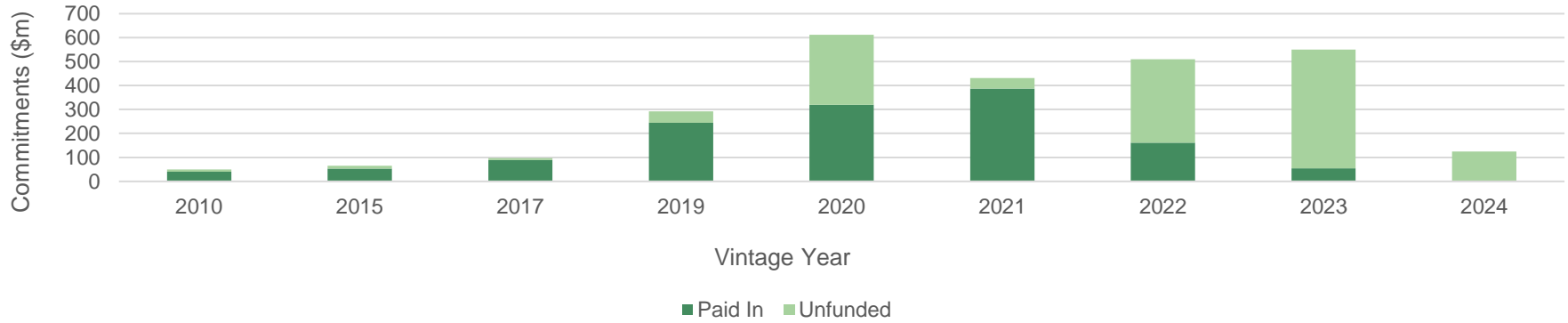
Asset Class	# Active Funds	Commitments (\$m)			Cash Flows (\$m)		Exposure (\$m)		Performance		
		Commitment	Unfunded	% Funded	Contributions	Distributions	Current NAV	% NAV	IRR	DPI	TVPI
Total – Infrastructure	16*	2,293	1,137	50%	1,208	131	1,246	91.0%	9.1%	0.11	1.14
Total - Natural Resources	4	376	246	35%	143	25	123	9.0%	2.5%	0.17	1.04
<b>Total</b>	<b>20</b>	<b>2,669</b>	<b>1,383</b>	<b>48%</b>	<b>1,350</b>	<b>155</b>	<b>1,370</b>	<b>100%</b>	<b>8.4%</b>	<b>0.12</b>	<b>1.13</b>

\*Number of funds exclusive of two side car vehicles. Calculations include one inactive fund. Data as of December 31, 2023.

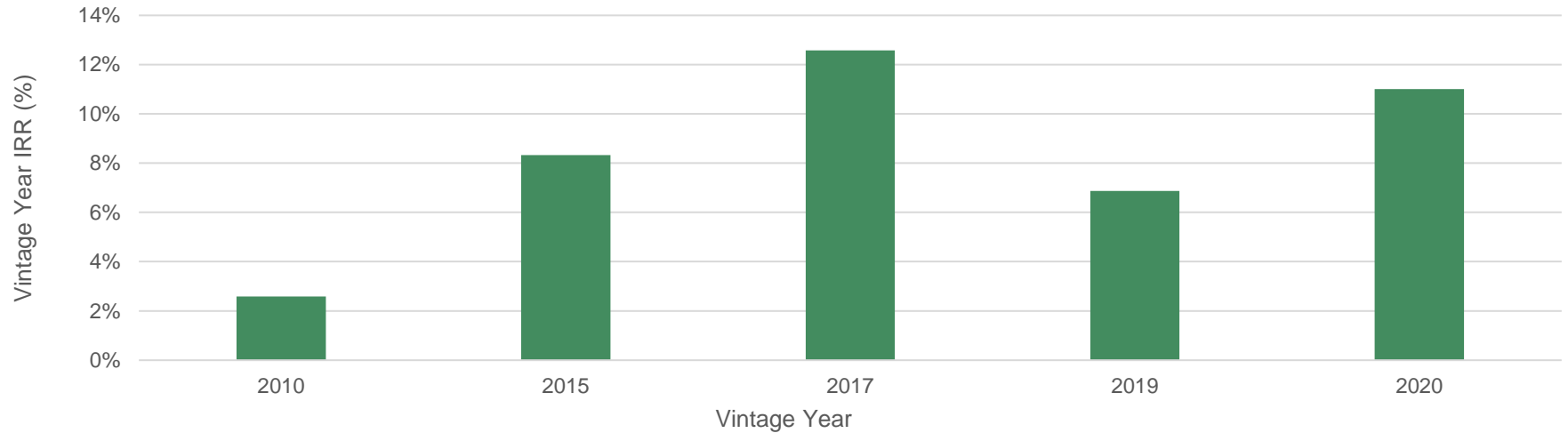


# Vintage Year Analysis

### Commitments By Vintage Year



### IRR by Vintage Year



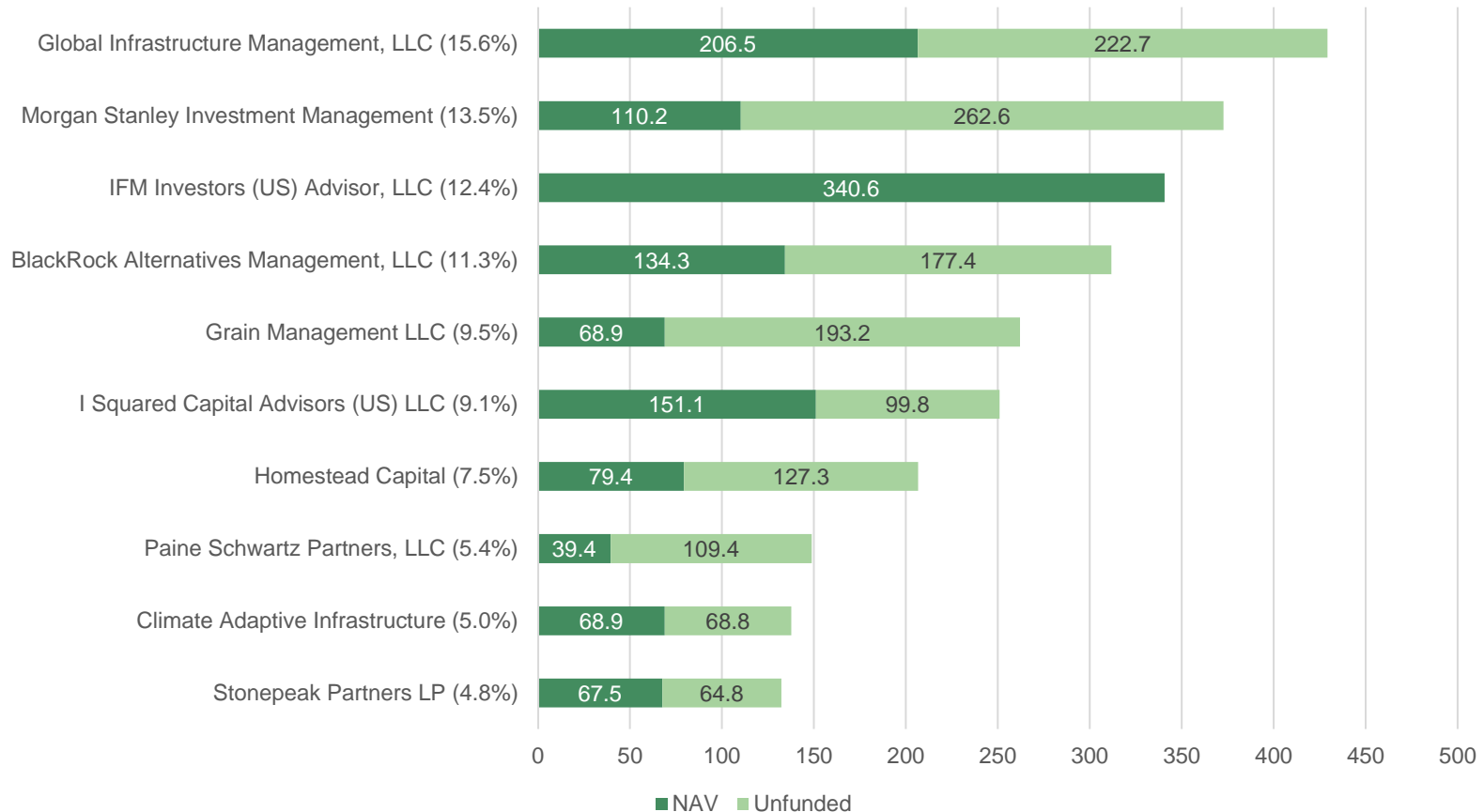




# Top 10 Manager Relationships

As of December 31, 2023, the top 10 manager relationships represent ~94% of total portfolio's (NAV + Unfunded).

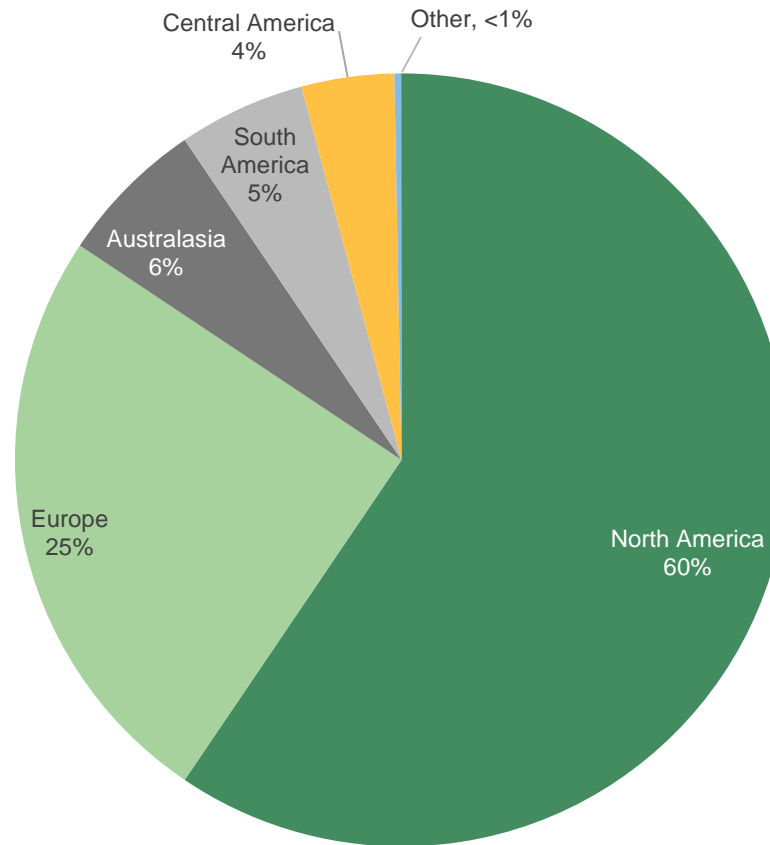
Top 10 Manager Relationships (\$m)





# Asset Level Look-Through Regional Exposure

Exposure is concentrated in developed markets, with North America and Europe constituting the bulk of the portfolio.

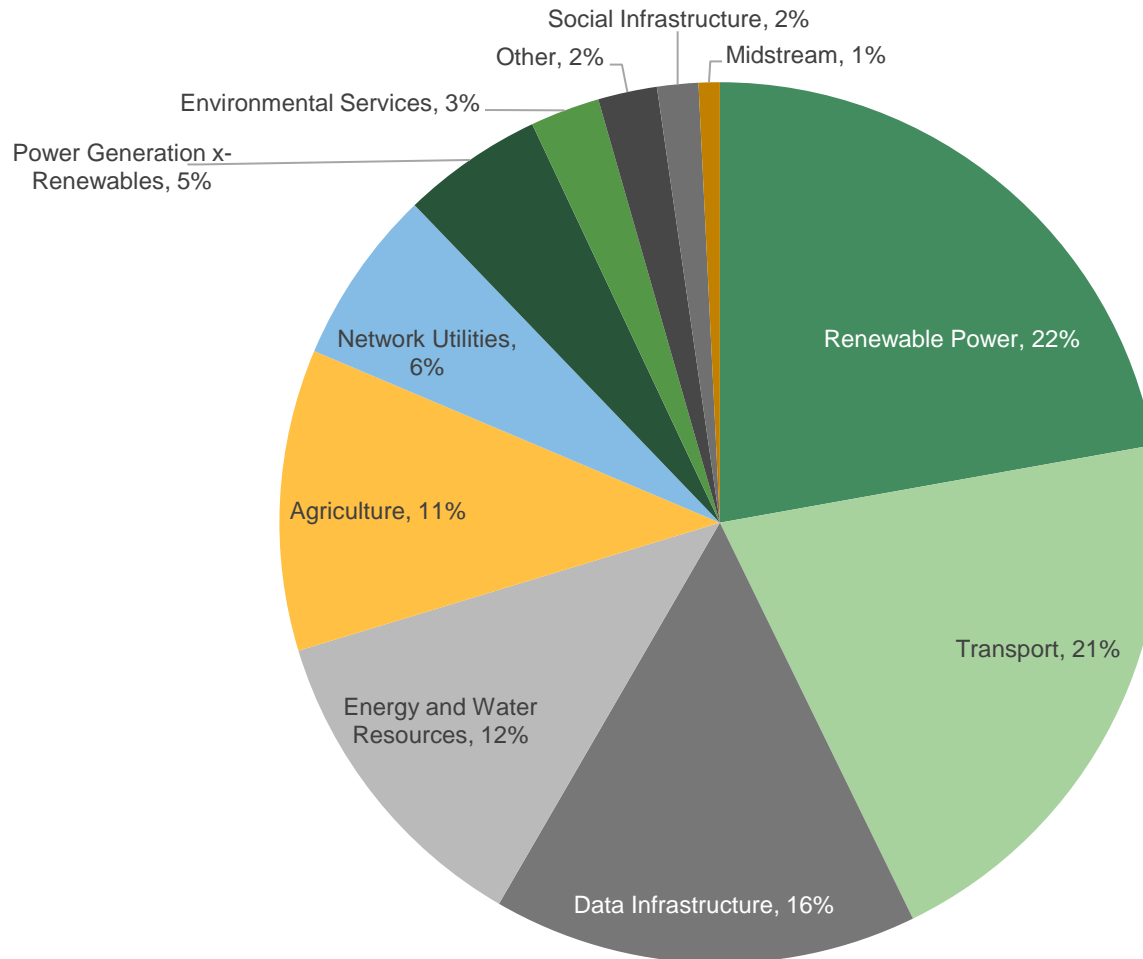


Calculated based on fund NAV. Data is based on exposures as of 12/31/23 collected and aggregated by Albourne, representing 100% of portfolio AUM.



# Asset Level Look-Through Sector Exposure

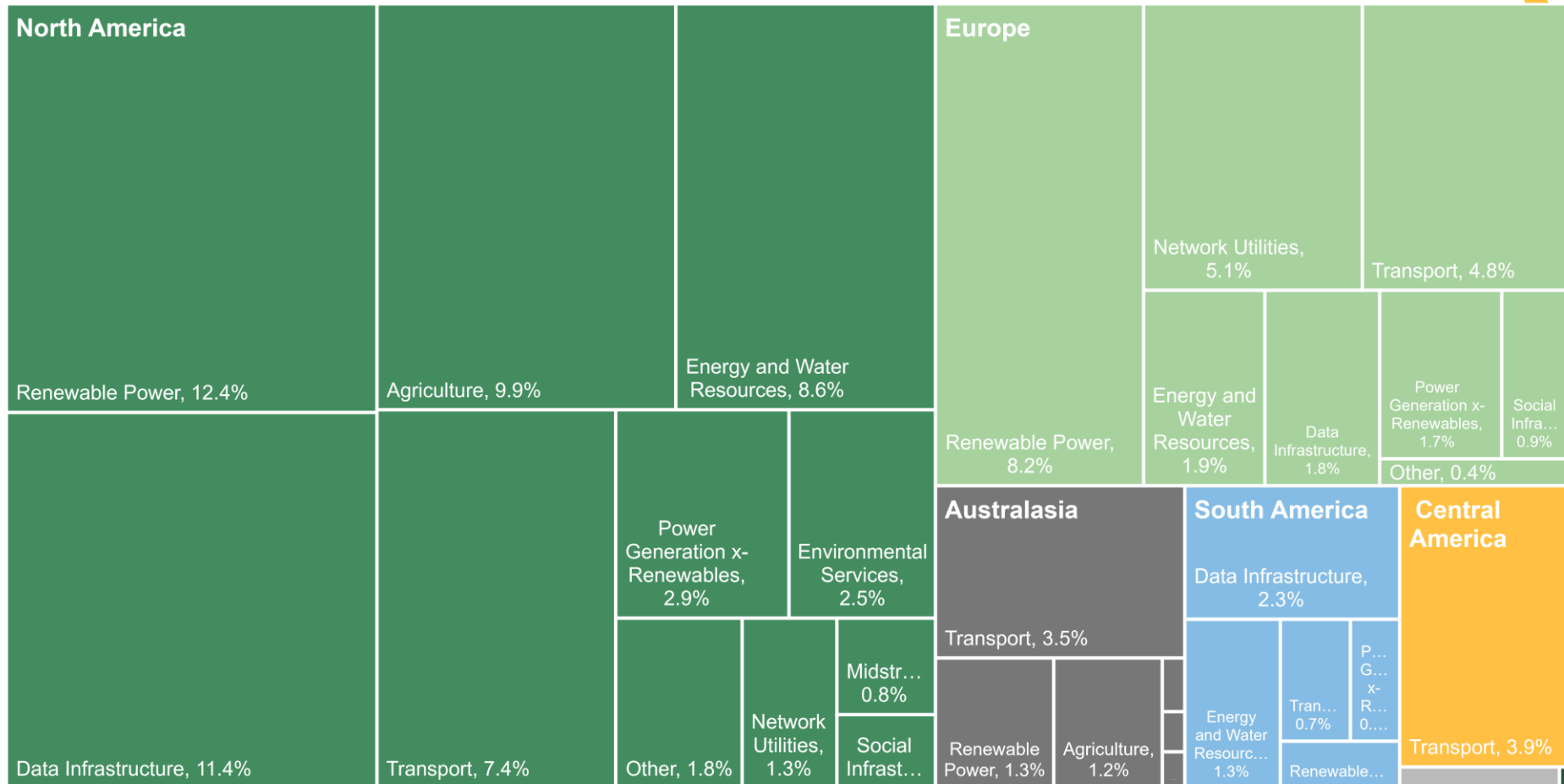
Transportation, Renewable Power, and Data Infrastructure comprise >50% of the portfolio's combined sector exposure.



Calculated based on fund NAV. Data is based on exposures as of 12/31/23 collected and aggregated by Albourne, representing 100% of portfolio AUM.



# Portfolio Exposure Breakdown



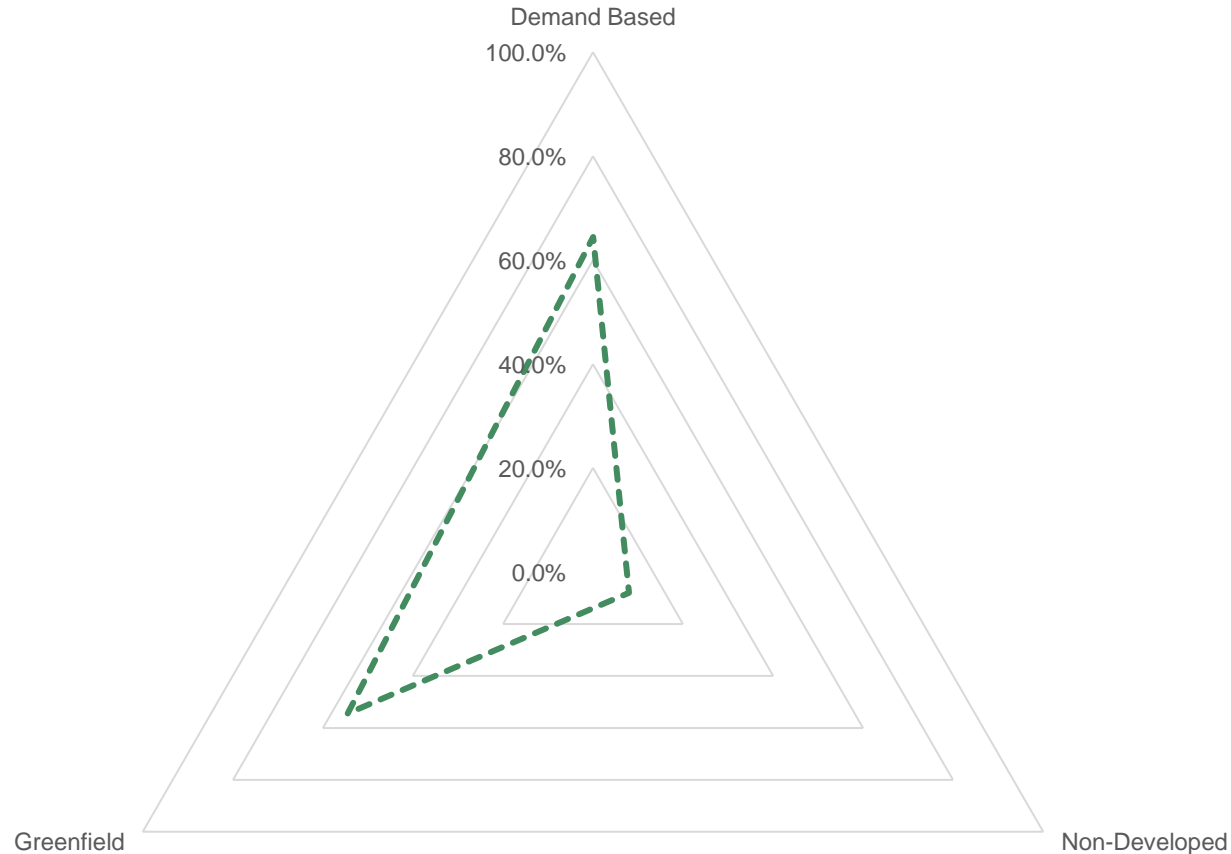
- Renewable power comprises a meaningful share of both the North American and European exposure.

Calculated based on fund NAV. Data is based on securities exposures collected and aggregated by Albourne, representing 100% of portfolio AUM.



# Portfolio Risk Profile

Among the risks faced by the portfolio, demand-based GDP risk is proportionately the largest, following by Greenfield development risk. There is relatively little non-developed country risk in the portfolio.

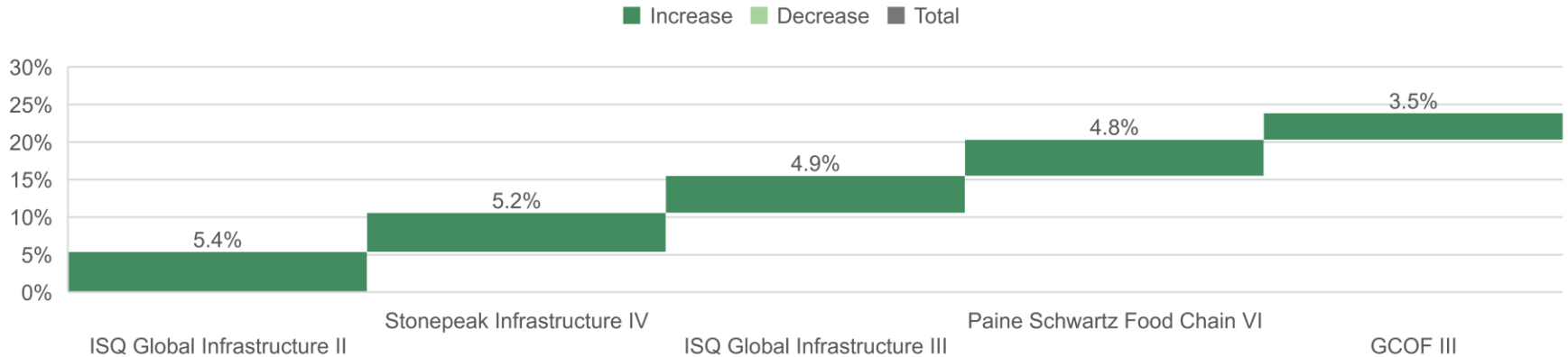


Data is based on exposures collected and aggregated by Albourne, representing 100% of portfolio AUM.

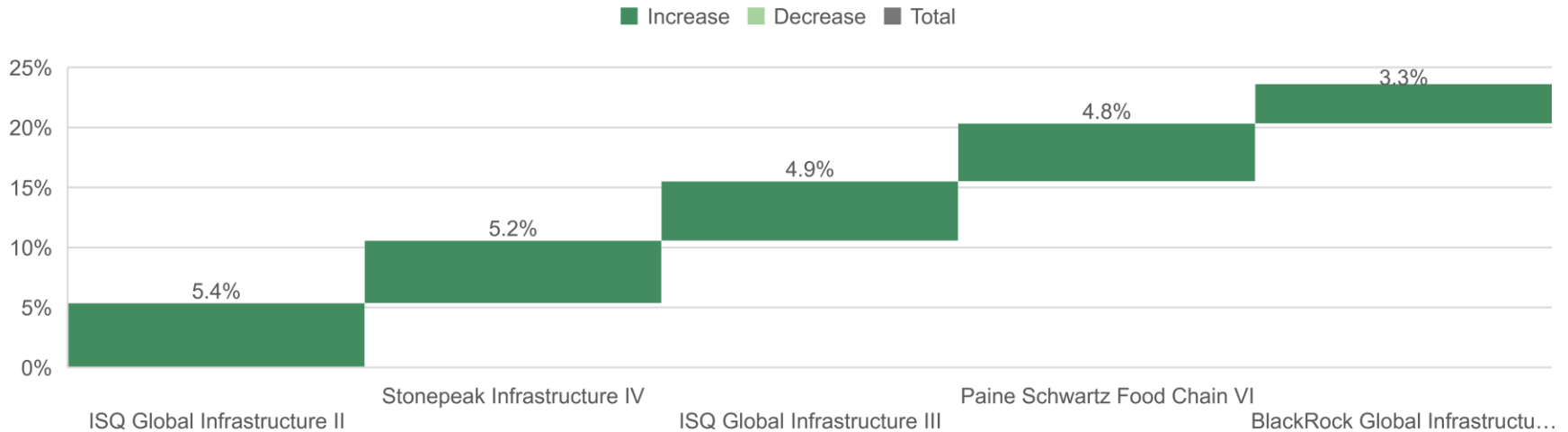


# Portfolio Exposure Breakdown

### Top 5 Contributors to Demand Based Exposure



### Top 5 Contributors to Greenfield Exposure



Data as of December 31, 2023. Based on exposures collected and aggregated by Albourne, representing 100% of portfolio AUM.



# Infrastructure & Natural Resources Portfolio Holdings Detail



# Strategy Analysis

	Commitments (\$m)			Cash Flows (\$m)		Current Exposure		Performance			Peer Performance		
	Commitment	Unfunded	% Funded	Contributions	Distributions	NAV (\$m)	% NAV	IRR	DPI	TVPI	IRR	DPI	TVPI
<b>Infrastructure</b>													
ArcLight Energy Partners Fund V, L.P. (2020)	23	0	100%	23	27	0	0.00%	8.10%	1.16	1.16	8.60%	1.22	1.65
ArcLight Energy Partners Fund VI, L.P. (2020)	65	12	82%	53	40	28	2.10%	8.30%	0.74	1.27	10.90%	0.64	1.5
BGIF IV SIDE CAR C, L.P.	50	40	37%	10	0	11	0.80%	n/m	n/m	n/m	n/m	n/m	n/m
BlackRock Global Infrastructure Fund IV D, L.P.	150	106	40%	44	0	44	3.20%	n/m	n/m	n/m	n/m	n/m	n/m
Climate Adaptive Infrastructure Fund-TE LP	125	69	52%	64	7	69	5.00%	16.60%	0.12	1.2	8.70%	0.01	1.13
CT Real Assets Co-Investment Fund LP (Class B - Infrastructure)	150	93	45%	57	0	70	5.10%	n/m	n/m	n/m	n/m	n/m	n/m
CT Real Assets Co-Investment Fund LP (Class C - CT Infrastructure)	200	170	15%	30	0	40	2.90%	n/m	n/m	n/m	n/m	n/m	n/m
GCOF III Co-Invest (TC), L.P.	50	20	89%	30	0	25	1.80%	n/m	n/m	n/m	n/m	n/m	n/m
Global Infrastructure Partners IV-A/B, L.P. (2020)	200	45	78%	168	6	183	13.40%	7.10%	0.04	1.13	9.80%	0.02	1.14
Global Infrastructure Partners V-A/B, L.P.	200	178	10%	23	0	23	1.70%	n/m	n/m	n/m	n/m	n/m	n/m
Global Renewable Power Infrastructure Fund III (D), L.P.	100	31	69%	71	3	79	5.80%	11.40%	0.04	1.15	8.70%	0.01	1.13
Grain Communications Opportunity Fund III (GCOF III)	75	25	67%	57	6	44	3.20%	n/m	n/m	n/m	n/m	n/m	n/m
Grain Communications Opportunity Fund IV, LP	150	148	2%	2	0	0	0.00%	n/m	n/m	n/m	n/m	n/m	n/m
IFM Global Infrastructure Fund, L.P.^	300	0	100%	301	5	341	24.90%	9.80%	0.02	1.15	9.00%	0	1.07
ISQ Global Infrastructure Fund II (UST), L.P. (2020)	79	8	90%	89	34	85	6.20%	12.60%	0.39	1.34	9.10%	0.11	1.3
ISQ Global Infrastructure Fund III (UST), L.P.	150	92	39%	59	0	66	4.80%	14.50%	0.01	1.14	8.70%	0.01	1.13
Stonepeak Infrastructure Fund IV LP	125	65	60%	60	1	68	4.90%	7.80%	0.01	1.13	8.70%	0.01	1.13
Tiger Infrastructure Partners Fund III LP	100	36	64%	66	1	70	5.10%	6.30%	0.01	1.07	8.70%	0.01	1.13
<b>Total - Infrastructure</b>	<b>2,293</b>	<b>1,137</b>	<b>50%</b>	<b>1,208</b>	<b>131</b>	<b>1,246</b>	<b>91.00%</b>	<b>9.10%</b>	<b>0.11</b>	<b>1.14</b>	<b>9.10%</b>	<b>0.08</b>	<b>1.15</b>
<b>Natural Resources</b>													
EIG Energy Fund XV, L.P (2020)	26	9	65%	17	11	4	0.30%	-4.50%	0.64	0.91	3.30%	0.71	1.16
Homestead Capital USA Farmland Fund III, L.P.	75	2	97%	77	5	81	5.90%	6.40%	0.07	1.12	21.90%	0.15	1.25
Homestead Capital USA Farmland Fund IV, L.P.	125	125	12%	0	0	-1	-0.10%	n/m	n/m	n/m	n/m	n/m	n/m
Paine Schwartz Food Chain Fund VI, L.P.	150	109	39%	50	9	39	2.90%	n/m	n/m	n/m	n/m	n/m	n/m
<b>Total - Natural Resources</b>	<b>376</b>	<b>246</b>	<b>35%</b>	<b>143</b>	<b>25</b>	<b>123</b>	<b>9.00%</b>	<b>2.50%</b>	<b>0.17</b>	<b>1.04</b>	<b>18.50%</b>	<b>0.25</b>	<b>1.23</b>
<b>Portfolio Total</b>	<b>2,669</b>	<b>1,383</b>	<b>48%</b>	<b>1,350</b>	<b>155</b>	<b>1,370</b>	<b>100.00%</b>	<b>8.40%</b>	<b>0.12</b>	<b>1.13</b>	<b>9.90%</b>	<b>0.09</b>	<b>1.16</b>

^Open Ended fund

Infrastructure funds and Natural Resources funds are compared to their respective Cambridge benchmarks as of Q3 2023 (latest available).

Funds noted as (2020) only report performance starting 1 July 2020 at creation of INR asset class. Data as of December 31, 2023.





# Vintage Year Analysis

Vintage Year	# Active Funds	# Liquidated funds	Commitments (\$m)			Cash Flows (\$m)		Exposure		Performance		
			Commitment	Unfunded Commitment	% Funded	Contributions	Distributions	Current NAV (\$m)	% NAV	IRR	DPI	TVPI
2010	2	0	49	9	81%	40	38	4	0.3%	2.6%	0.94	1.05
2015	1	0	65	12	82%	53	40	28	2.1%	8.3%	0.74	1.27
2017	1	0	79	8	90%	89	34	85	6.2%	12.6%	0.39	1.34
2019	2	0	275	47	83%	245	11	264	19.3%	6.9%	0.05	1.12
2020	5	0	600	292	51%	320	12	352	25.7%	11.0%	0.04	1.14
2021	3	0	425	45	89%	387	11	410	29.9%	n/m	n/m	1.09
2022	4	0	500	348	30%	161	9	165	12.0%	n/m	n/m	1.08
2023	3	0	550	496	10%	55	0	63	4.6%	n/m	n/m	n/m
2024	1	0	125	125	0%	0	0	-1	-0.1%	n/m	n/m	n/m
<b>Total</b>	<b>22</b>	<b>0</b>	<b>2,669</b>	<b>1,383</b>	<b>48%</b>	<b>1,351</b>	<b>156</b>	<b>1,370</b>	<b>100.0%</b>	<b>8.4%</b>	<b>0.12</b>	<b>1.13</b>

Data as of December 31, 2023.



# Vintage Year Analysis

	Commitments (\$m)			Cash Flows (\$m)		Current Exposure		Performance			Peer Performance		
	Commitment	Unfunded	% Funded	Contributions	Distributions	NAV (\$m)	% NAV	IRR	DPI	TVPI	IRR	DPI	TVPI
<b>2010</b>													
ArcLight Energy Partners Fund V, L.P. (2020)	23	0	100%	23	27	0	0.0%	8.1%	1.16	1.16	8.6%	1.22	1.65
EIG Energy Fund XV, L.P. (2020)	26	9	65%	17	11	4	0.3%	-4.5%	0.64	0.91	3.3%	0.71	1.16
<b>Total - 2010</b>	<b>49</b>	<b>9</b>	<b>81%</b>	<b>40</b>	<b>38</b>	<b>4</b>	<b>0.3%</b>	<b>2.6%</b>	<b>0.94</b>	<b>1.05</b>	<b>6.4%</b>	<b>1.01</b>	<b>1.45</b>
<b>2015</b>													
ArcLight Energy Partners Fund VI, L.P. (2020)	65	12	82%	53	40	28	2.1%	8.3%	0.74	1.27	10.9%	0.64	1.50
<b>Total - 2015</b>	<b>65</b>	<b>12</b>	<b>82%</b>	<b>53</b>	<b>40</b>	<b>28</b>	<b>2.1%</b>	<b>8.3%</b>	<b>0.74</b>	<b>1.27</b>	<b>10.9%</b>	<b>0.64</b>	<b>1.50</b>
<b>2017</b>													
ISQ Global Infrastructure Fund II (UST), L.P. (2020)^	79	8	90%	89	34	85	6.2%	12.6%	0.39	1.34	9.1%	0.11	1.30
<b>Total - 2017</b>	<b>79</b>	<b>8</b>	<b>90%</b>	<b>89</b>	<b>34</b>	<b>85</b>	<b>6.2%</b>	<b>12.6%</b>	<b>0.39</b>	<b>1.34</b>	<b>9.1%</b>	<b>0.11</b>	<b>1.30</b>
<b>2019</b>													
Global Infrastructure Partners IV-A/B, L.P. (2020)	200	45	78%	168	6	183	13.4%	7.1%	0.04	1.13	9.8%	0.02	1.14
Homestead Capital USA Farmland Fund III, L.P.	75	2	97%	77	5	81	5.9%	6.4%	0.07	1.12	21.9%	0.15	1.25
<b>Total - 2019</b>	<b>275</b>	<b>47</b>	<b>83%</b>	<b>245</b>	<b>11</b>	<b>264</b>	<b>19.3%</b>	<b>6.9%</b>	<b>0.05</b>	<b>1.12</b>	<b>13.6%</b>	<b>0.06</b>	<b>1.17</b>
<b>2020</b>													
Climate Adaptive Infrastructure Fund-TE LP	125	69	45%	64	7	69	5.0%	16.6%	0.12	1.20	8.7%	0.01	1.13
Global Renewable Power Infrastructure Fund III (D), L.P.	100	31	69%	71	3	79	5.8%	11.4%	0.04	1.15	8.7%	0.01	1.13
ISQ Global Infrastructure Fund III (UST), L.P.	150	92	39%	59	0	66	4.8%	14.5%	0.01	1.14	8.7%	0.01	1.13
Stonepeak Infrastructure Fund IV LP	125	65	48%	60	1	68	4.9%	7.8%	0.01	1.13	8.7%	0.01	1.13
Tiger Infrastructure Partners Fund III LP	100	36	64%	66	1	70	5.1%	6.3%	0.01	1.07	8.7%	0.01	1.13
<b>Total - 2020</b>	<b>600</b>	<b>292</b>	<b>51%</b>	<b>320</b>	<b>12</b>	<b>352</b>	<b>25.7%</b>	<b>11.0%</b>	<b>0.04</b>	<b>1.14</b>	<b>8.7%</b>	<b>0.01</b>	<b>1.13</b>
<b>2021</b>													
GCOF III Co-Invest (TC), L.P.	50	20	59%	30	0	25	1.8%	n/m	n/m	0.85			1.07
Grain Communications Opportunity Fund III (GCOF III)	75	25	67%	57	6	44	3.2%	n/m	n/m	0.89			1.07
IFM Global Infrastructure Fund, L.P.^	300	0	100%	301	5	341	24.9%	n/m	n/m	1.15			1.07
<b>Total - 2021</b>	<b>425</b>	<b>45</b>	<b>89%</b>	<b>387</b>	<b>11</b>	<b>410</b>	<b>29.9%</b>	<b>5.7%</b>	<b>0.03</b>	<b>1.09</b>	<b>9.0%</b>	<b>0.00</b>	<b>1.07</b>
<b>2022</b>													
BGIF IV SIDE CAR C, L.P.	50	40	20%	10	0	11	0.8%	n/m	n/m	1.12			n/a
BlackRock Global Infrastructure Fund IV D, L.P.	150	106	29%	44	0	44	3.2%	n/m	n/m	1.00			n/a
CT Real Assets Co-Investment Fund LP (Class B - Infrastructure)	150	93	38%	57	0	70	5.1%	n/m	n/m	1.22			n/a
Paine Schwartz Food Chain Fund VI, L.P.	150	109	27%	50	9	39	2.9%	n/m	n/m	0.98			n/a
<b>Total - 2022</b>	<b>500</b>	<b>348</b>	<b>30%</b>	<b>161</b>	<b>9</b>	<b>165</b>	<b>12.0%</b>	<b>12.0%</b>	<b>0.06</b>	<b>1.08</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.00</b>
<b>2023</b>													
CT Real Assets Co-Investment Fund LP (Class C - CT Infrastructure)	200	170	15%	30	0	40	2.9%	n/m	n/m	1.32			n/a
Global Infrastructure Partners V-A/B, L.P.	200	178	11%	23	0	23	1.7%	n/m	n/m	1.02			n/a
Grain Communications Opportunity Fund IV, LP	150	148	1%	2	0	0	0.0%	n/m	n/m	n/m			n/m
<b>Total - 2023</b>	<b>550</b>	<b>496</b>	<b>10%</b>	<b>55</b>	<b>0</b>	<b>63</b>	<b>4.6%</b>	<b>n/m</b>	<b>n/m</b>	<b>n/m</b>	<b>0.0%</b>	<b>n/m</b>	<b>n/m</b>
<b>2024</b>													
Homestead Capital USA Farmland Fund IV, L.P.	125	125	0%	0	0	-1	-0.1%	n/m	n/m	n/m			n/m
<b>Total - 2024</b>	<b>125</b>	<b>125</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>-1</b>	<b>-0.1%</b>	<b>n/m</b>	<b>n/m</b>	<b>n/m</b>	<b>0.0%</b>	<b>n/m</b>	<b>n/m</b>
<b>Portfolio Total</b>	<b>2,669</b>	<b>1,383</b>	<b>48%</b>	<b>1,350</b>	<b>155</b>	<b>1,370</b>	<b>100.0%</b>	<b>8.4%</b>	<b>0.12</b>	<b>1.13</b>	<b>9.9%</b>	<b>0.09</b>	<b>1.16</b>

^Open Ended fund  
 Infrastructure funds and Natural Resources funds are compared to their respective Cambridge benchmarks as of Q3 2023 (latest available)..  
 Funds noted as (2020) only report performance starting 1 July 2020 at creation of INR asset class. Data as of December 31, 2023.



# 4Q 2023 Transaction Summary

Fund Name	Paid In	Distributed	Net Cash Flow	Recallables
ArcLight Energy Partners Fund VI, L.P. (2020)	\$ -	\$ -	\$ -	\$ -
BGIF IV SIDE CAR C, L.P.	\$ -	\$ -	\$ -	\$ -
BlackRock Global Infrastructure Fund IV D, L.P.	\$ -14,255,342	\$ -	\$ -14,255,342	\$ -
Climate Adaptive Infrastructure Fund-TE LP	\$ -4,095,328	\$ 187,555	\$ -3,907,773	\$ -
CT Real Assets Co-Investment Fund LP (Class B - Infrastructure)	\$ -3,866,126	\$ -	\$ -3,866,126	\$ -
CT Real Assets Co-Investment Fund LP (Class C - CT Infrastructure)	\$ -275,324	\$ -	\$ -275,324	\$ -
EIG Energy Fund XV, L.P (2020)	\$ -	\$ 801,676	\$ 801,676	\$ -
GCOF III Co-Invest (TC), L.P.	\$ -	\$ -	\$ -	\$ -
Global Infrastructure Partners IV-A/B, L.P. (2020)	\$ -600,029	\$ 2,057,376	\$ 1,457,348	\$ 1,604,709
Global Infrastructure Partners V-A/B, L.P.	\$ 2,216,134	\$ 40,673	\$ 2,256,808	\$ -
Global Renewable Power Infrastructure Fund III (D), L.P.	\$ -8,093,291	\$ -	\$ -8,093,291	\$ -
Grain Communications Opportunity Fund III (GCOF III)	\$ -3,452,536	\$ 6,091,807	\$ 2,639,271	\$ 6,091,807
Grain Communications Opportunity Fund IV, LP	\$ -1,717,937	\$ -	\$ -1,717,937	\$ -
Homestead Capital USA Farmland Fund III, L.P.	\$ -4,160,860	\$ 2,198,331	\$ -1,962,529	\$ 2,198,331
Homestead Capital USA Farmland Fund IV, L.P.	\$ -	\$ -	\$ -	\$ -
IFM Global Infrastructure Fund, L.P.	\$ -100,089,712	\$ -	\$ -100,089,712	\$ -
ISQ Global Infrastructure Fund II (UST), L.P. (2020)	\$ -5,074,377	\$ 4,048,240	\$ -1,026,137	\$ 3,409,690
ISQ Global Infrastructure Fund III (UST), L.P.	\$ -16,324,709	\$ 356,161	\$ -15,968,548	\$ 356,161
Paine Schwartz Food Chain Fund VI, L.P.	\$ -7,229,246	\$ 1,113,694	\$ -6,115,552	\$ 1,050,544
Stonepeak Infrastructure Fund IV LP	\$ -2,299,710	\$ 303,935	\$ -1,995,775	\$ -
Tiger Infrastructure Partners Fund III LP	\$ -16,421,710	\$ -	\$ -16,421,710	\$ -
<b>Total Portfolio</b>	<b>\$ -185,740,102</b>	<b>\$ 17,199,449</b>	<b>\$ -168,540,653</b>	<b>\$ 14,711,242</b>

Data as of December 31, 2023.



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# State of Connecticut Retirement Plans and Trust Funds

Private Credit Fund  
Fourth Quarter 2023 Report

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# Portfolio Update



# Portfolio Update

## Executive Summary

- Total Committed Capital of \$5,074.2M for the State of Connecticut (PC) Portfolio; 34 Active Partnerships across 18 Active GPs
- Since Inception IRR, net of General Partner fees, of 10.50%
- Since Inception IRR, net of General Partner and Hamilton Lane fees, of 10.36%

## Activity Update

- Contributions of \$309.5M outpaced distributions of \$56.3M during the quarter
- Contributions of \$776.4M outpaced distributions of \$148.6M during the last 12 months

## Performance Update

- 22 investments (65%) generated Net Value gains for the quarter, for a total Net Value gain of \$68.6M
  - Crescent CRPTF Multi-Strat L.P. appreciated \$17.3M during the quarter
  - Ironwood Capital Partners V LP depreciated \$1.2M during the quarter
- 10.50% Since Inception Net IRR increased 37 bps from last quarter
- Positive one-quarter point-to-point IRR of 3.34%
- Since-Inception Portfolio IRR outperformed the S&P/LSTA Leveraged Loan Index +150bps benchmark by 403 bps

## Exposure Update

- 2022 Vintage Year investments accounted for 45.2% of Total Exposure as of December 31, 2023
- These 2022 Vintage Year investments accounted for 46.9% of Portfolio NAV
- Senior accounted for 67.0% of Total Exposure and 63.9% of Portfolio NAV as of December 31, 2023

\* Net Value Change equals 12/31 NAV minus 9/30 NAV minus quarterly contributions plus quarterly distributions

Note: ICG Europe Fund VII, L.P. and ICG Europe Fund VIII SCSps were transferred from PIF portfolio to PCF portfolio during the quarter.

# Portfolio Snapshot

- Portfolio performance was positive for the quarter
  - Net Value Gain of \$68.6M during the quarter
  - Positive one-quarter point-to-point IRR of 3.34%
  - Since Inception Net IRR 10.50%

## Client Overview

Program Inception	2011
HL Relationship Inception	2021
PC Benchmark	Hamilton Lane Private Credit
Public Benchmark	S&P/LSTA Leveraged Loan Index +150bps

## Total Portfolio Snapshot

(USD in Millions)	9/30/2023	12/31/2023	Change
Active Partnerships	32	34	2
Exited Investments	1	1	-
Active GP Relationships	17	18	1
Capital Committed <sup>1</sup>	\$4,825.3	\$5,074.2	249
Unfunded Commitment	\$2,792.8	\$2,749.1	(\$43.7)
Paid-In Capital	\$2,193.8	\$2,503.4	\$309.5
Capital Distributed	\$567.0	\$623.2	\$56.3
D/PI Ratio	0.3x	0.2x	(0.1x)
Market Value	\$1,980.8	\$2,302.7	\$321.9
Total Value Multiple (TVPI)	1.2x	1.2x	-
Avg. Age of Commitments	2.0 years	2.2 years	0.2 years
<b>Since Inception Performance</b>			
Portfolio Net IRR <sup>2</sup>	10.13%	10.50%	37 bps

<sup>1</sup> The change in capital committed reflects the new commitments made during the period plus currency adjustments from existing Non-USD denominated funds.

<sup>2</sup> Portfolio Net IRR, net of General Partner fees and gross of Hamilton Lane fees

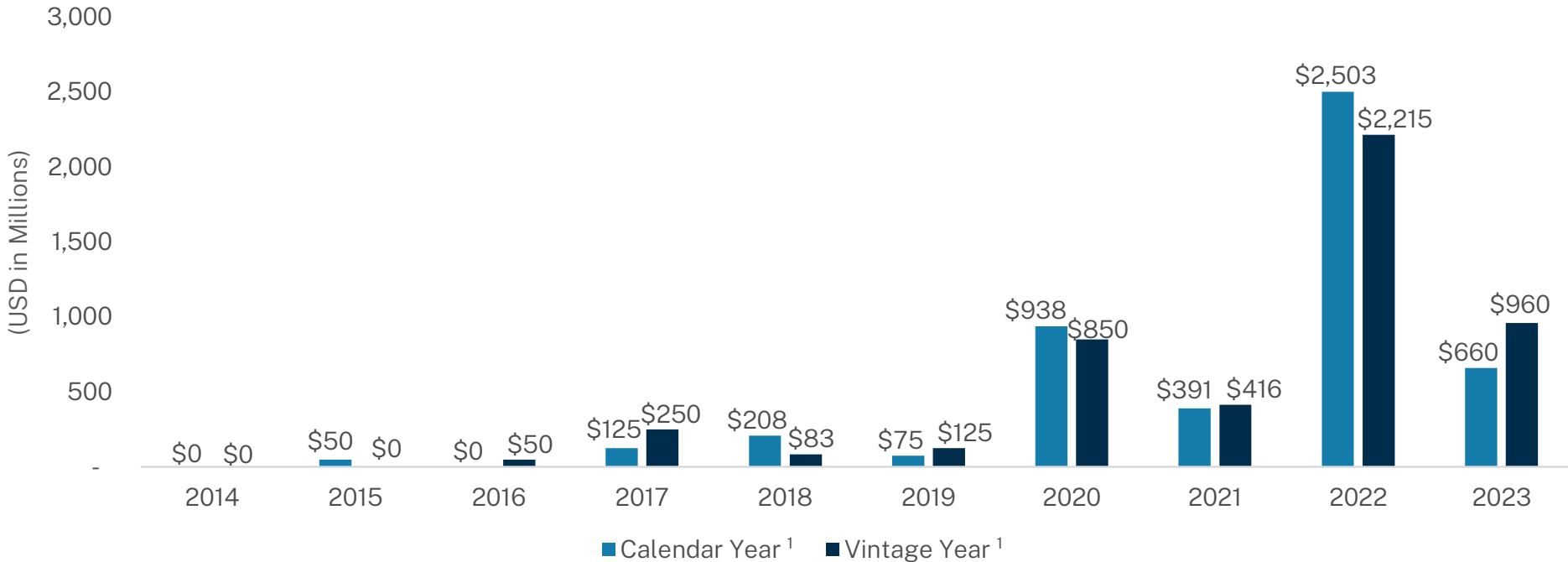
Noted: Totals may not sum due to rounding

Note: Private Credit Fund allocation was created in February 2020 with prior private credit commitments made through opportunistic allocations.

\*86.4 of the 12/31/2023 Market Value is comprised of GP reported values.

# Activity Update

# Annual Commitment Activity

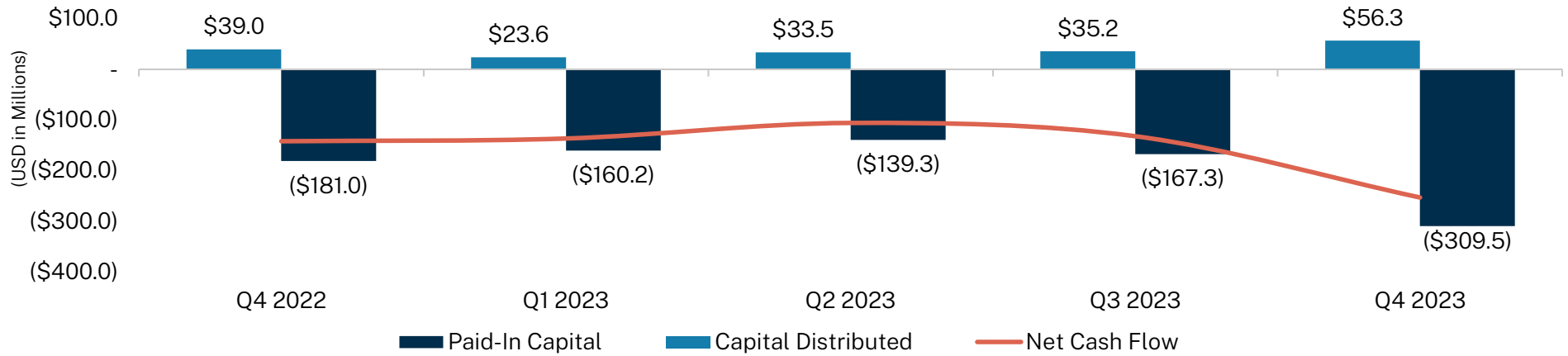


<sup>1</sup> See endnotes.

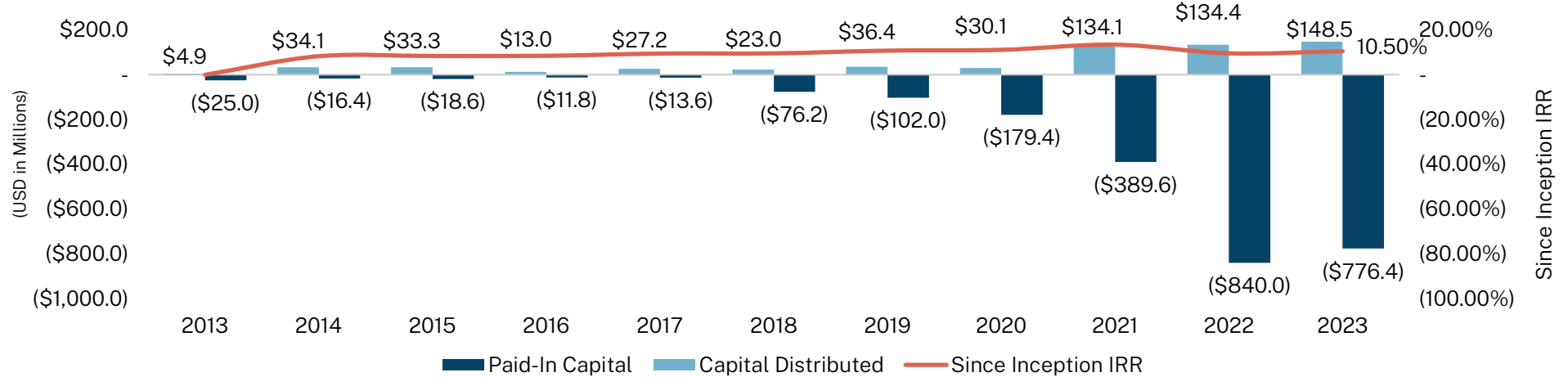
Note: If the final close and the initial investment do not occur in the same year, there will be a discrepancy between these two dates. Until a fund makes its initial investment, the Vintage Year will reflect the date of the final close. This chart is produced as of 12/31/2023, subsequent commitments are not included.

# Cash Flow Activity

## Quarterly Net Cash Flow Activity



## Annual Cash Flow Activity & Since Inception IRR Over Time



# Quarterly Cash Flow Drivers

## Top Contributors During the Quarter (USD in Millions)

Investment	Vintage Year	Client Strategy	Paid-In Capital	% of Total
ICG Europe Fund VII, L.P.	2023	Mezzanine	\$83.3	26.9%
ICG Europe Fund VIII SCSp	2023	Mezzanine	\$51.1	16.5%
HarbourVest CT Private Debt Fund L.P.	2022	Senior	\$39.4	12.7%
Fortress Lending Fund III-IV MA-CRPTF LP	2022	Senior	\$36.3	11.7%
Crescent CRPTF Private Credit L.P.	2022	Senior	\$35.6	11.5%
<b>Total</b>			<b>\$245.7</b>	<b>79.4%</b>

## Top Distributors During the Quarter (USD in Millions)

Investment	Vintage Year	Client Strategy	Capital Distributed	% of Total
Fortress Lending Fund II MA-CRPTF LP	2020	Senior	\$9.5	16.9%
HarbourVest CT Private Debt Fund L.P.	2022	Senior	\$7.6	13.5%
Fortress Lending Fund III-IV MA-CRPTF LP	2022	Senior	\$6.9	12.3%
Crescent CRPTF Private Credit L.P.	2022	Senior	\$5.9	10.5%
Anchorage Illiquid Opportunities VI, L.P.	2017	Distressed Debt	\$5.5	9.8%
<b>Total</b>			<b>\$35.4</b>	<b>62.9%</b>

Note: ICG Europe Fund VII, L.P. and ICG Europe Fund VIII SCSp transferred from PIF portfolio to PCF portfolio during the quarter.

# Annual Cash Flow Drivers

## Top Contributors over the Last 12 Months (USD in Millions)

Investment	Vintage Year	Client Strategy	Paid-In Capital	% of Total
HarbourVest CT Private Debt Fund L.P.	2022	Senior	\$232.4	29.9%
ICG Europe Fund VII, L.P.	2023	Mezzanine	\$83.3	10.7%
Fortress Lending Fund III-IV MA-CRPTF LP	2022	Senior	\$61.7	7.9%
CRPTF-SLR Credit Partnership L.P.	2023	Senior	\$59.6	7.7%
ICG Europe Fund VIII SCSp	2023	Mezzanine	\$51.1	6.6%
<b>Total</b>			<b>\$488.1</b>	<b>62.9%</b>

## Top Distributors Over the Last 12 Months (USD in Millions)

Investment	Vintage Year	Client Strategy	Capital Distributed	% of Total
Fortress Lending Fund II MA-CRPTF LP	2020	Senior	\$34.0	22.9%
HarbourVest CT Private Debt Fund L.P.	2022	Senior	\$21.8	14.7%
CRPTF-SLR Credit Partnership L.P.	2023	Senior	\$15.3	10.3%
Fortress Lending Fund III-IV MA-CRPTF LP	2022	Senior	\$10.4	7.0%
West Street CT Private Credit Partnership, L.P.	2020	Special Situations	\$9.1	6.1%
<b>Total</b>			<b>\$90.6</b>	<b>61.0%</b>

Note: ICG Europe Fund VII, L.P. and ICG Europe Fund VIII SCSp transferred from PIF portfolio to PCF portfolio during the quarter.

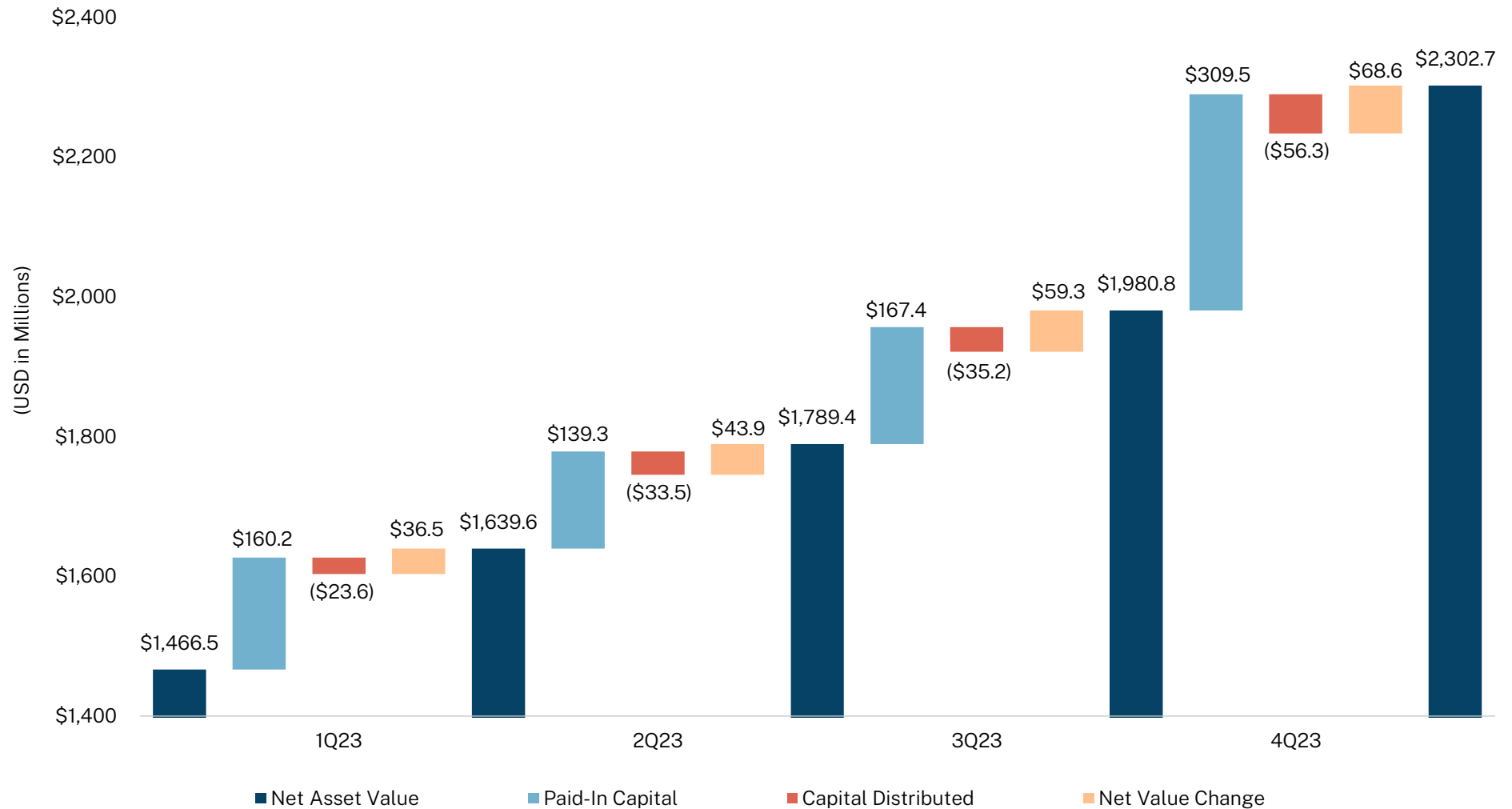
# Performance Update



# Net Value Bridge

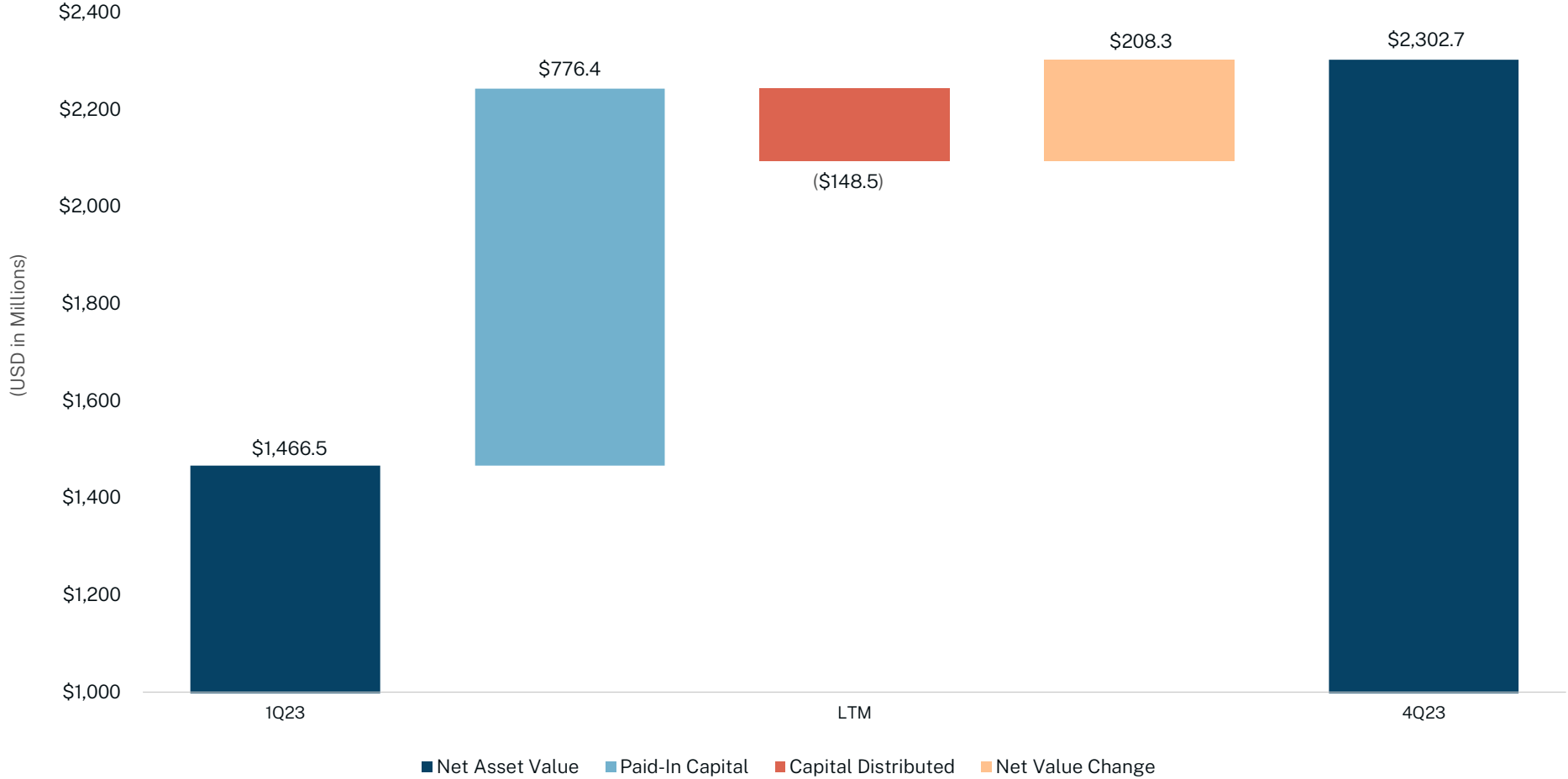
- Total Portfolio net value gain of \$68.6M during the quarter
  - 22 partnerships generated Net Value gains, \$70.7M, while four generated Net Value losses (\$2.0M)
  - The remaining eight active partnerships generated no value change during the period
- Net Value Change isolates the realized and unrealized performance of the underlying investments made by the partnerships within the Portfolio.

The Net Value Bridge illustrates these movements:



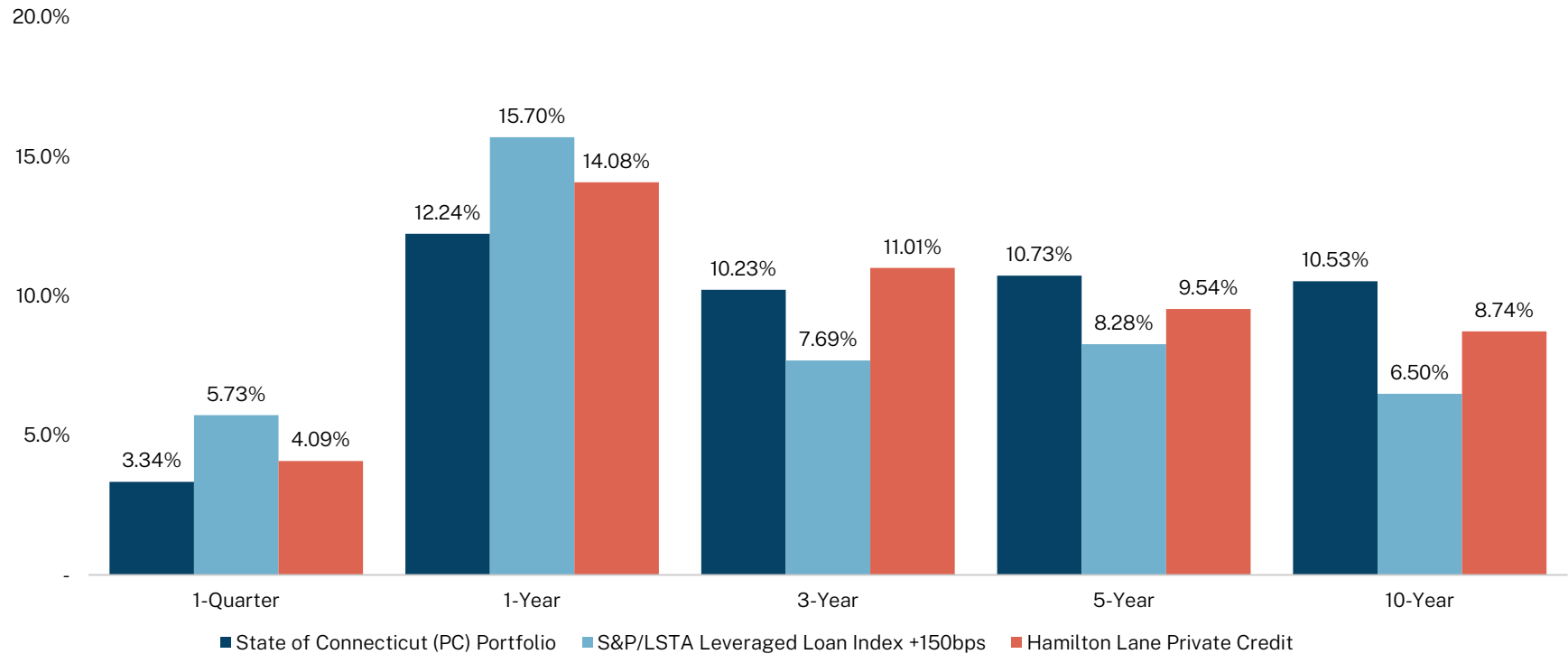
Note: Change over the period may not sum due to rounding.

# Net Value Bridge



# IRR Performance vs Benchmark

- 10.53% 10-Year Portfolio IRR outperformed the S&P/LSTA Leveraged Loan Index +150bps benchmark
- 12.24% 1-Year IRR trailed the S&P/LSTA Leveraged Loan Index +150bps benchmark by 346 bps



Time Horizon	State of Connecticut (PC) Portfolio	S&P/LSTA Leveraged Loan Index +150bps	Spread Over/Under	Hamilton Lane Private Credit	Spread Over/Under
1-Quarter	3.34%	5.73%	(239 bps)	4.09%	(75 bps)
1-Year	12.24%	15.70%	(346 bps)	14.08%	(184 bps)
3-Year	10.23%	7.69%	254 bps	11.01%	(78 bps)
5-Year	10.73%	8.28%	245 bps	9.54%	119 bps
10-Year	10.53%	6.50%	403 bps	8.74%	179 bps

\*S&P LSTA Levered Loan Index + 150bps benchmark is a straight return as of 12/31/2023.

\*\* Since Inception date of 2/14/2011.

Hamilton Lane All Private Credit benchmark data as of 12/31/2023. The HL All PC benchmark is inclusive of all credit strategy investments across all geographies.

# Quarterly Net Value Drivers

## Top Quarterly Portfolio Drivers as Measured by Net Value Change (USD in Millions)

Investment	Capital Committed	Vintage Year	Client Strategy	Net Value Change	1-Quarter IRR	Since Inception IRR
Crescent CRPTF Multi-Strat L.P.	\$300.0	2022	Senior	\$17.3	5.46%	7.38%
HarbourVest CT Private Debt Fund L.P.	\$750.0	2022	Senior	\$9.9	2.77%	10.66%
Fortress Lending Fund II MA-CRPTF LP	\$200.0	2020	Senior	\$5.6	3.71%	8.80%
Sixth Street TAO Partners (B), L.P.	\$250.0	2020	Special Situations	\$5.3	3.04%	10.89%
Anchorage Illiquid Opportunities Fund VI, L.P.	\$75.0	2017	Distressed Debt	\$4.9	8.12%	16.68%
<b>Total</b>				<b>\$43.0</b>	<b>4.06%</b>	<b>10.67%</b>
				<b>61% of Net Value Gain (\$70.7M)</b>		

## Bottom Quarterly Portfolio Drivers as Measured by Net Value Change (USD in Millions)

Investment	Capital Committed	Vintage Year	Client Strategy	Net Value Change	1-Quarter IRR	Since Inception IRR
Ironwood Capital Partners V LP	\$75.0	2022	Mezzanine	(\$1.2)	(6.13%)	(2.05%)
Bregal Sagemount Credit Opportunities Series 2023 L.P.	\$125.0	2023	Senior	(\$0.4)	N/A	N/A
Bregal Sagemount Direct Lending Series 2023 L.P.	\$75.0	2023	Senior	(\$0.3)	N/A	N/A
CRPTF-RockCreek Emerging Manager Partnership L.P.	\$100.0	2023	Senior	(\$0.1)	(1.09%)	(9.84%)
<b>Total</b>				<b>(\$2.0)</b>	<b>(8.21%)</b>	<b>(8.49%)</b>
				<b>100% of Net Value Loss (\$2.0M)</b>		

Note: Totals may not sum due to rounding.

# Exposure Update

# Portfolio Diversification by Strategy & Structure

- Quarter-over-quarter, Portfolio NAV increased \$322 million (16.3%) and Total Exposure increased \$278 million (5.8%)
  - Mezzanine Investments drove the increase in NAV and Total Exposure

## % of NAV

Strategy	9/30/2023		12/31/2023		Change in NAV	Change in % Points
	Value	%	Value	%		
Senior	\$1,330.9	67.2%	\$1,471.0	63.9%	\$140.1	(3.3%)
Special Situations	\$426.4	21.5%	\$448.9	19.5%	\$22.4	(2.0%)
Mezzanine	\$117.9	6.0%	\$264.4	11.5%	\$146.5	5.5%
Distressed Debt	\$105.6	5.3%	\$118.4	5.1%	\$12.8	(0.2%)
Total	\$1,980.8	100%	\$2,302.7	100%	\$321.9	-

## % of Total Exposure

Strategy	9/30/2023		12/31/2023		Change in Exposure	Change in % Points
	Value	%	Value	%		
Senior	\$3,371.7	70.6%	\$3,385.9	67.0%	\$14.2	(3.6%)
Special Situations	\$700.6	14.7%	\$708.4	14.0%	\$7.8	(0.7%)
Mezzanine	\$522.4	11.0%	\$777.6	15.4%	\$255.2	4.4%
Distressed Debt	\$178.8	3.7%	\$179.8	3.6%	\$0.9	(0.1%)
Total	\$4,773.6	100%	\$5,051.8	100%	\$278.2	-

Structure	% of NAV			% of Total Exposure		
	9/30/2023	12/31/2023	Change in NAV	9/30/2023	12/31/2023	Change In Exposure
Primaries	83.6%	84.1%	0.5%	84.1%	84.9%	0.8%
Co-Investment	16.4%	15.9%	(0.5%)	15.9%	15.1%	(0.8%)
Total	100%	100%	-	100%	100%	-

## Sub-Allocation Targets as per CRPTF IPS

Strategy	Lower Range %	Upper Range %	Total Exposure
Senior	30.0%	70.0%	84.6%
Mezzanine	-	30.0%	15.4%
Distressed Debt	-	20.0%	3.6%
Special Situations	-	40.0%	14.0%

Note: Total Exposure is equal to Remaining Net Asset Value plus Unfunded Commitments. May not sum to 100% due to rounding.

<sup>1</sup>Senior strategy inclusive of all Co-Investment exposure from HarbourVest managed vehicle and all exposure from Crescent CRPTF Private Credit L.P.

# Portfolio Diversification by Vintage Year

- Year-over-year, Portfolio NAV increased 57.1% and Total Exposure increased 24.8%
  - 2023 Vintage Investments drove the increase in NAV and Total Exposure

## % of NAV

Vintage	12/31/2022		12/31/2023		Change in NAV	Change in % Points
2023	-	-	\$220.7	9.5%	\$220.7	9.5%
2022	\$614.4	41.9%	\$1,078.8	46.9%	\$464.4	5.0%
2021	\$53.4	3.6%	\$90.3	3.9%	\$36.8	0.3%
2020	\$550.2	37.5%	\$656.9	28.5%	\$106.7	(9.0%)
2019	\$88.1	6.0%	\$88.2	3.8%	\$0.1	(2.2%)
2017	\$145.2	9.9%	\$153.2	6.7%	\$8.0	(3.2%)
2016	\$11.1	0.8%	\$10.7	0.5%	(\$0.4)	(0.3%)
Pre-2014	\$4.1	0.3%	\$4.0	0.2%	(\$0.1)	(0.1%)

## % of Total Exposure

Vintage	12/31/2022		12/31/2023		Change in Exposure	Change in % Points
2023	\$400.0	9.9%	\$1,213.2	24.0%	\$813.2	14.1%
2022	\$2,224.7	55.0%	\$2,282.0	45.2%	\$57.3	(9.8%)
2021	\$156.4	3.9%	\$267.5	5.3%	\$111.1	1.4%
2020	\$874.3	21.6%	\$905.9	17.9%	\$31.6	(3.7%)
2019	\$122.2	3.0%	\$120.9	2.4%	(\$1.3)	(0.6%)
2017	\$224.3	5.5%	\$231.3	4.6%	\$7.0	(0.9%)
2016	\$41.2	1.0%	\$27.0	0.5%	(\$14.3)	(0.5%)
Pre-2014	\$4.1	0.1%	\$4.0	0.1%	(\$0.1)	-

<sup>1</sup>Exposed Market Value is LP's share of Market Value at the Portfolio Holding Level. May not sum to 100% due to rounding.

Note: Other investments includes undisclosed investments.

# Portfolio Diversification

- As of December 31, 2023, there were 686 unique underlying holdings in the Connecticut Private Credit Portfolio, including 15 unique publicly-held companies.

## Industry Exposure by Exposed Market Value <sup>1</sup>

Sector	9/30/2023	12/31/2023	% Change
Information Technology	18.3%	21.1%	2.8%
Financials	17.0%	17.1%	0.1%
Industrials	15.0%	15.2%	0.2%
Health Care	10.4%	11.3%	0.9%
Consumer Discretionary	10.5%	9.8%	(0.7%)
Other Investments	7.9%	8.4%	0.5%
Consumer Staples	5.4%	6.0%	0.6%
Communication Services	4.3%	2.9%	(1.4%)
Real Estate	4.5%	2.5%	(2.0%)
Energy	1.7%	1.7%	-
Materials	1.5%	1.7%	0.2%
FoF Holding	2.8%	1.5%	(1.3%)
Utilities	0.7%	0.8%	0.1%

## Geographic Exposure by Exposed Market Value <sup>1</sup>

Region	9/30/2023	12/31/2023	% Change
North America	82.6%	74.1%	(8.5%)
Western Europe	10.0%	17.3%	7.3%
Rest of World	6.1%	7.1%	1.0%
Asia	1.3%	1.5%	0.2%

## Public/Private Holdings by Exposed Market Value <sup>1</sup>

Public/Private	9/30/2023	12/31/2023	% Change
Private	99.0%	98.9%	(0.1%)
Public	1.0%	1.1%	0.1%

Note: Chart excluding liquidated investments.



# Top Ten General Partners by Total Exposure

State of Connecticut (PC) Portfolio  
 Top 10 General Partners by Total Exposure  
 as of December 31, 2023

General Partner	Number of Investments	Capital Committed	Market Value	% Market Value	Unfunded Commitments	Total Exposure	% Total Exposure
HarbourVest Partners, LLC	1	\$750.0	\$366.1	15.9%	\$396.1	\$762.3	15%
Crescent Capital Group	3	675.0	471.5	20.5%	240.4	712.0	14%
Sixth Street Partners	2	550.0	267.5	11.6%	321.5	588.9	12%
Fortress Investment Group LLC	3	550.0	302.7	13.1%	270.9	573.6	11%
Goldman, Sachs & Co.	3	350.0	289.9	12.6%	71.8	361.7	7%
O'Brien-Staley Partners	4	322.5	125.2	5.4%	198.0	323.2	6%
SLR Capital Partners, LLC	1	300.0	47.8	2.1%	255.4	303.3	6%
Intermediate Capital Group plc	2	248.9	137.5	6.0%	114.5	252.0	5%
Hg Capital	2	225.0	12.4	0.5%	217.7	230.2	5%
Bregal Sagemount Management, L.P.	2	200.0	(0.7)	0.0%	200.0	199.3	4%
All Other	11	852.8	282.8	12.3%	462.7	745.4	15%
<b>Total</b>	<b>34</b>	<b>\$5,024.2</b>	<b>\$2,302.7</b>	<b>100%</b>	<b>\$2,749.1</b>	<b>\$5,051.8</b>	<b>100%</b>

Note: Chart excluding liquidated investments.

# Performance Summaries

# Performance Summary by Investment

## State of Connecticut (PC) Portfolio Performance Summary by Investment as of December 31, 2023

Active Partnership	Vintage Year	Client Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	D/PI	TVPI
Anchorage Illiquid Opportunities VI, L.P.	2017	Distressed Debt	\$75,000,000	\$10,125,000	\$64,922,767	\$52,711,692	\$62,995,184	16.68%	0.8x	1.8x
Audax Mezzanine Fund III, L.P.	2011	Mezzanine	75,000,000	-	77,677,483	99,255,482	3,975,823	9.74%	1.3x	1.3x
Balance Point Capital Partners III, L.P.	2017	Mezzanine	50,000,000	19,600,630	58,465,472	45,892,440	34,530,259	14.13%	0.8x	1.4x
Bregal Sagemount Credit Opportunities Series 2023 L.P.	2023	Senior	125,000,000	125,000,000	-	-	(425,786)	N/A	N/A	N/A
Bregal Sagemount Direct Lending Series 2023 L.P.	2023	Senior	75,000,000	75,000,000	-	-	(322,053)	N/A	N/A	N/A
Centre Lane Credit Partners III, L.P.	2022	Senior	77,817,940	53,416,762	24,547,066	2,943,009	25,096,011	N/A	N/A	N/A
Clearlake Opportunities Partners II, L.P.	2019	Special Situations	75,000,000	28,259,580	51,569,969	17,332,665	45,825,066	10.81%	0.3x	1.2x
Clearlake Opportunities Partners III, L.P.	2022	Special Situations	125,000,000	96,257,889	29,012,626	743,305	28,432,447	N/A	N/A	N/A
Connecticut Growth Capital, LLC	2016	Mezzanine	50,000,000	16,304,416	37,597,538	40,649,337	10,656,365	10.44%	1.1x	1.4x
Crescent CRPTF Multi-Strat L.P.	2022	Senior	300,000,000	-	300,000,000	-	333,594,473	N/A	N/A	N/A
Crescent CRPTF Private Credit L.P.	2022	Senior	300,000,000	196,916,537	103,083,463	5,940,000	107,156,226	N/A	N/A	N/A
Crescent Direct Lending Levered Fund II (Delaware), LP	2017	Senior	75,000,000	43,531,202	76,150,370	64,915,178	30,790,979	9.11%	0.9x	1.3x
CRPTF-RockCreek Emerging Manager Partnership L.P.	2023	Senior	100,000,000	93,628,424	6,366,851	-	5,948,642	N/A	N/A	N/A
CRPTF-SLR Credit Partnership L.P.	2023	Senior	300,000,000	255,445,545	59,554,455	15,272,412	47,808,757	N/A	N/A	N/A
Fortress Credit Opportunities Fund V Expansion MA-CRPTF LP	2020	Distressed Debt	100,000,000	51,248,481	62,782,296	14,030,777	55,411,772	7.94%	0.2x	1.1x
Fortress Lending Fund II MA-CRPTF LP	2020	Senior	200,000,000	52,179,724	182,700,868	61,414,251	155,649,294	8.80%	0.3x	1.2x
Fortress Lending Fund III-IV MA-CRPTF LP	2022	Senior	250,000,000	167,454,415	92,926,720	10,381,135	91,620,588	N/A	N/A	N/A
Goldman Sachs Private Middle Market Credit II LLC	2019	Senior	50,000,000	4,500,000	45,500,000	12,153,464	42,336,914	8.35%	0.3x	1.2x
HarbourVest CT Private Debt Fund L.P.	2022	Senior	750,000,000	396,135,250	353,864,750	21,764,129	366,134,732	N/A	N/A	N/A
Hg TITAN 1 A L.P.	2021	Mezzanine	75,000,000	67,748,783	7,251,217	351,760	12,421,202	N/A	N/A	N/A
Hg Titan 2 L.P.	2023	Mezzanine	150,000,000	150,000,000	-	-	-	N/A	N/A	N/A
ICG Europe Fund VII, L.P.	2023	Mezzanine	83,323,290	-	83,323,290	-	85,003,715	N/A	N/A	N/A
ICG Europe Fund VIII SCSp	2023	Mezzanine	165,559,259	114,481,603	51,077,656	-	52,519,044	N/A	N/A	N/A
Ironwood Capital Partners V LP	2022	Mezzanine	75,000,000	55,888,368	19,111,632	-	18,834,909	N/A	N/A	N/A
Ironwood Mezzanine Partners IV, L.P.	2017	Mezzanine	50,000,000	4,846,728	44,657,559	36,304,058	24,859,919	19.29%	0.8x	1.4x
OSP Value Fund III, L.P.	2020	Senior	75,000,000	10,580,533	74,363,279	13,722,497	71,206,797	7.32%	0.2x	1.1x
OSP Value Fund III-B, LP	2022	Senior	37,500,000	8,454,463	26,385,945	4,075,011	23,786,146	N/A	N/A	N/A
OSP Value Fund IV, LP	2023	Senior	155,000,000	124,000,000	31,000,000	-	30,159,522	N/A	N/A	N/A
OSP Value Fund IV-B, LP	2023	Senior	55,000,000	55,000,000	-	-	-	N/A	N/A	N/A
Sixth Street Lending Partners	2022	Senior	300,000,000	228,589,386	76,465,426	5,054,855	84,184,925	N/A	N/A	N/A
Sixth Street TAO Partners (B) (5.0) L.P.	2020	Special Situations	250,000,000	92,873,840	158,115,650	5,427,453	183,291,677	10.89%	0.0x	1.2x
Vistria Structured Credit Fund I, LP	2021	Mezzanine	100,000,000	84,343,956	18,794,204	-	21,602,832	N/A	N/A	N/A
<b>Total Active Portfolio</b>			<b>\$4,724,200,489</b>	<b>\$2,681,811,515</b>	<b>\$2,217,268,552</b>	<b>\$530,334,910</b>	<b>\$2,055,086,381</b>	<b>10.91%</b>	<b>0.2x</b>	<b>1.2x</b>

Inactive Partnership	Vintage Year	Client Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	DPI	TVPI
Marathon European Credit Opportunity Fund, LP	2017	Distressed Debt	\$50,000,000	-	\$50,000,000	\$62,986,419	-	8.85%	1.3x	1.3x
<b>Total Inactive Portfolio</b>			<b>\$50,000,000</b>	<b>-</b>	<b>\$50,000,000</b>	<b>\$62,986,419</b>	<b>-</b>	<b>8.85%</b>	<b>1.3x</b>	<b>1.3x</b>

<b>Total Portfolio</b>			<b>\$5,074,200,489</b>	<b>\$2,749,115,508</b>	<b>\$2,503,382,393</b>	<b>\$623,240,580</b>	<b>\$2,302,650,733</b>	<b>10.50%</b>	<b>0.2x</b>	<b>1.2x</b>
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# Performance Summary Categories

## Performance Summary by Strategy

Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	TVPI	Since Inception IRR	1-YR IRR	3-YR IRR	5-YR IRR
Distressed Debt	\$225,000,000	\$61,373,481	\$177,705,063	\$129,728,888	\$118,406,956	1.4x	12.25%	13.55%	13.11%	15.01%
Mezzanine	873,882,549	513,214,484	397,956,051	222,453,077	264,404,068	1.2x	12.18%	14.41%	15.39%	15.27%
Senior	3,300,317,940	1,914,957,241	1,503,301,549	222,858,616	1,470,975,080	1.1x	9.47%	12.16%	9.64%	9.44%
Special Situations	675,000,000	259,570,302	424,419,730	48,199,999	448,864,629	1.2x	9.05%	11.53%	8.70%	N/A
Total Portfolio	\$5,074,200,489	\$2,749,115,508	\$2,503,382,393	\$623,240,580	\$2,302,650,733	1.2x	10.50%	12.24%	10.23%	10.73%

## Performance Summary by Vintage Year

Vintage Year	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	TVPI	Since Inception IRR	1-YR IRR	3-YR IRR	5-YR IRR
2011	\$75,000,000	-	\$77,677,483	\$99,255,482	\$3,975,823	1.3x	9.74%	(3.3%)	18.61%	17.08%
2013	50,000,000	-	50,000,000	62,986,419	-	1.3x	8.85%	N/A	N/A	4.25%
2016	50,000,000	\$16,304,416	37,597,538	40,649,337	10,656,365	1.4x	10.44%	(3.7%)	0.48%	8.36%
2017	250,000,000	78,103,560	244,196,168	199,823,368	153,176,341	1.4x	14.24%	14.5%	14.67%	14.31%
2019	125,000,000	32,759,580	97,069,969	29,486,129	88,161,980	1.2x	9.59%	9.2%	8.03%	N/A
2020	850,000,000	249,061,571	663,683,578	119,291,554	656,874,979	1.2x	8.68%	12.2%	8.91%	N/A
2021	250,000,000	177,217,739	76,437,777	5,574,435	90,272,947	1.3x	16.67%	17.6%	N/A	N/A
2022	2,215,317,940	1,203,113,070	1,025,397,628	50,901,444	1,078,840,457	1.1x	9.86%	11.9%	9.86%	N/A
2023	1,208,882,549	992,555,572	231,322,252	15,272,412	220,691,841	1.0x	13.88%	16.4%	N/A	N/A
Total Portfolio	\$5,074,200,489	\$2,749,115,508	\$2,503,382,393	\$623,240,580	\$2,302,650,733	1.2x	10.50%	12.24%	10.23%	10.73%

# Performance Summary by Vintage Year

## State of Connecticut (PC) Portfolio Performance Summary by Vintage Year as of December 31, 2023

Partnership	Vintage Year	Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	IRR Quartile	D/PI	DPI Quartile	TVPI	TVPI Quartile
<b>2011 Portfolio</b>													
Audax Mezzanine Fund III, L.P.	2011	Mezzanine	\$75,000,000	-	\$77,677,483	\$99,255,482	\$3,975,823	9.74%	2	1.3x	2	1.3x	2
2011 Portfolio Total			\$75,000,000	-	\$77,677,483	\$99,255,482	\$3,975,823	9.74%	2	1.3x	2	1.3x	2
<b>2013 Portfolio</b>													
Marathon European Credit Opportunity Fund, LP	2013	Distressed Debt	\$50,000,000	-	\$50,000,000	\$62,986,419	-	8.85%	3	1.3x	1	1.3x	2
2013 Portfolio Total			\$50,000,000	-	\$50,000,000	\$62,986,419	-	8.85%	2	1.3x	2	1.3x	3
<b>2016 Portfolio</b>													
Connecticut Growth Capital, LLC	2016	Mezzanine	\$50,000,000	\$16,304,416	\$37,597,538	\$40,649,337	\$10,656,365	10.44%	2	1.1x	1	1.4x	1
2016 Portfolio Total			\$50,000,000	\$16,304,416	\$37,597,538	\$40,649,337	\$10,656,365	10.44%	2	1.1x	1	1.4x	1
<b>2017 Portfolio</b>													
Anchorage Illiquid Opportunities VI, L.P.	2017	Distressed Debt	\$75,000,000	\$10,125,000	\$64,922,767	\$52,711,692	\$62,995,184	16.68%	1	0.8x	3	1.8x	1
Balance Point Capital Partners III, L.P.	2017	Mezzanine	50,000,000	19,600,630	58,465,472	45,892,440	34,530,259	14.13%	1	0.8x	3	1.4x	2
Crescent Direct Lending Levered Fund II (Delaware), LP	2017	Senior	75,000,000	43,531,202	76,150,370	64,915,178	30,790,979	9.11%	3	0.9x	2	1.3x	2
Ironwood Mezzanine Partners IV, L.P.	2017	Mezzanine	50,000,000	4,846,728	44,657,559	36,304,058	24,859,919	19.29%	1	0.8x	3	1.4x	2
2017 Portfolio Total			\$250,000,000	\$78,103,560	\$244,196,168	\$199,823,368	\$153,176,341	14.24%	1	0.8x	3	1.4x	2
<b>2019 Portfolio</b>													
Clearlake Opportunities Partners II, L.P.	2019	Special Situations	\$75,000,000	28,259,580	\$51,569,969	\$17,332,665	45,825,066	10.81%	3	0.3x	4	1.2x	3
Goldman Sachs Private Middle Market Credit II LLC	2019	Senior	50,000,000	4,500,000	45,500,000	12,153,464	42,336,914	8.35%	4	0.3x	4	1.2x	3
2019 Portfolio Total			\$125,000,000	\$32,759,580	\$97,069,969	\$29,486,129	\$88,161,980	9.59%	4	0.3x	4	1.2x	3
<b>2020 Portfolio</b>													
Fortress Credit Opportunities Fund V Expansion MA-CRPTF LP	2020	Distressed Debt	\$100,000,000	\$51,248,481	\$62,782,296	\$14,030,777	\$55,411,772	7.94%	3	0.2x	3	1.1x	4
Fortress Lending Fund II MA-CRPTF LP	2020	Senior	200,000,000	52,179,724	182,700,868	61,414,251	155,649,294	8.80%	3	0.3x	2	1.2x	2
OSP Value Fund III, L.P.	2020	Senior	75,000,000	10,580,533	74,363,279	13,722,497	71,206,797	7.32%	4	0.2x	3	1.1x	4
Sixth Street TAO Partners (B) (5.0) L.P.	2020	Special Situations	250,000,000	92,873,840	158,115,650	5,427,453	183,291,677	10.89%	2	N/A		1.2x	2
West Street CT Private Credit Partnership, L.P.	2020	Special Situations	225,000,000	42,178,993	185,721,485	24,696,576	191,315,439	7.66%		0.1x		1.2x	
2020 Portfolio Total			\$850,000,000	\$249,061,571	\$663,683,578	\$119,291,554	\$656,874,979	8.68%	3	0.2x	3	1.2x	2
<b>2021 Portfolio</b>													
Hg TITAN 1 A L.P.	2021	Mezzanine	\$75,000,000	\$67,748,783	\$7,251,217	\$351,760	\$12,421,202	N/A		N/A		1.8x	
Vistria Structured Credit Fund I, LP	2021	Mezzanine	100,000,000	84,343,956	18,794,204	-	21,602,832	N/A		N/A		1.1x	
West Street Senior Credit Partners III, L.P.	2021	Senior	75,000,000	25,125,000	50,392,356	5,222,675	56,248,913	N/A		N/A		1.2x	
2021 Portfolio Total			\$250,000,000	\$177,217,739	\$76,437,777	\$5,574,435	\$90,272,947	N/A		N/A		1.3x	
<b>2022 Portfolio</b>													
Centre Lane Credit Partners III, L.P.	2022	Senior	\$77,817,940	\$53,416,762	\$24,547,066	\$2,943,009	\$25,096,011	N/A		N/A		1.1x	
Clearlake Opportunities Partners III, L.P.	2022	Special Situations	125,000,000	96,257,889	29,012,626	743,305	28,432,447	N/A		N/A		1.0x	
Crescent CRPTF Multi-Strat L.P.	2022	Senior	300,000,000	-	300,000,000	-	333,594,473	N/A		N/A		1.1x	
Crescent CRPTF Private Credit L.P.	2022	Senior	300,000,000	196,916,537	103,083,463	5,940,000	107,156,226	N/A		N/A		1.1x	
Fortress Lending Fund III-IV MA-CRPTF LP	2022	Senior	250,000,000	167,454,415	92,926,720	10,381,135	91,620,588	N/A		N/A		1.1x	
HarbourVest CT Private Debt Fund L.P.	2022	Senior	750,000,000	396,135,250	353,864,750	21,764,129	366,134,732	N/A		N/A		1.1x	
Ironwood Capital Partners V LP	2022	Mezzanine	75,000,000	55,888,368	19,111,632	-	18,834,909	N/A		N/A		1.0x	
OSP Value Fund III-B, LP	2022	Senior	37,500,000	8,454,463	26,385,945	4,075,011	23,786,146	N/A		N/A		1.1x	
Sixth Street Lending Partners	2022	Senior	300,000,000	228,589,386	76,465,426	5,054,855	84,184,925	N/A		N/A		1.2x	
2022 Portfolio Total			\$2,215,317,940	\$1,203,113,070	\$1,025,397,628	\$50,901,444	\$1,078,840,457	N/A		N/A		1.1x	

# Performance Summary by Vintage Year

State of Connecticut (PC) Portfolio  
Performance Summary by Vintage Year  
as of December 31, 2023

Partnership	Vintage Year	Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	IRR Quartile	D/PI	DPI Quartile	TVPI	TVPI Quartile
<b>2023 Portfolio</b>													
Bregal Sagemount Credit Opportunities Series 2023 L.P.	2023	Senior	\$125,000,000	\$125,000,000	-	-	(425,786)	N/A		N/A		N/A	
Bregal Sagemount Direct Lending Series 2023 L.P.	2023	Senior	75,000,000	75,000,000	-	-	(322,053)	N/A		N/A		N/A	
CRPTF-RockCreek Emerging Manager Partnership L.P.	2023	Senior	100,000,000	93,628,424	\$6,366,851	-	5,948,642	N/A		N/A		0.9x	
CRPTF-SLR Credit Partnership L.P.	2023	Senior	300,000,000	255,445,545	59,554,455	\$15,272,412	47,808,757	N/A		N/A		1.1x	
Hg Titan 2 L.P.	2023	Mezzanine	150,000,000	150,000,000	-	-	-	N/A		N/A		N/A	
ICG Europe Fund VII, L.P.	2023	Mezzanine	83,323,290	-	83,323,290	-	85,003,715	N/A		N/A		1.0x	
ICG Europe Fund VIII SCSp	2023	Mezzanine	165,559,259	114,481,603	51,077,656	-	52,519,044	N/A		N/A		1.0x	
OSP Value Fund IV, LP	2023	Senior	155,000,000	124,000,000	31,000,000	-	30,159,522	N/A		N/A		1.0x	
OSP Value Fund IV-B, LP	2023	Senior	55,000,000	55,000,000	-	-	-	N/A		N/A		N/A	
<b>2023 Portfolio Total</b>			<b>\$1,208,882,549</b>	<b>\$992,555,572</b>	<b>\$231,322,252</b>	<b>\$15,272,412</b>	<b>\$220,691,841</b>	<b>N/A</b>		<b>0.1x</b>		<b>1.0x</b>	
<b>Total Portfolio</b>			<b>\$5,074,200,489</b>	<b>\$2,749,115,508</b>	<b>\$2,503,382,393</b>	<b>\$623,240,580</b>	<b>\$2,302,650,733</b>	<b>10.50%</b>		<b>0.2x</b>		<b>1.2x</b>	

# Benchmarking Summaries

## IRR Summary

(USD in Millions)	Total Exposure	% of Total Exposure	Market Value	% of Market Value	Capital Committed	% of Commitments
1	\$157.0	3.11%	\$122.4	5.31%	\$175.0	3.45%
2	\$307.1	6.08%	\$197.9	8.60%	\$375.0	7.39%
3	\$462.9	9.16%	\$287.7	12.49%	\$500.0	9.85%
4	\$128.6	2.55%	\$113.5	4.93%	\$125.0	2.46%
N/A	\$3,996.2	79.10%	\$1,581.2	68.67%	\$3,899.2	76.9%
	<b>\$5,051.8</b>	<b>100.0%</b>	<b>\$2,302.7</b>	<b>100.0%</b>	<b>\$5,074.2</b>	<b>100.0%</b>

## TVPI Summary

(USD in Millions)	Total Exposure	% of Total Exposure	Market Value	% of Market Value	Capital Committed	% of Commitments
1	\$100.1	1.98%	\$73.7	3.20%	\$125.0	2.46%
2	\$646.1	12.79%	\$433.1	18.81%	\$750.0	14.78%
3	\$120.9	2.39%	\$88.2	3.83%	\$125.0	2.46%
4	\$188.4	3.73%	\$126.6	5.50%	\$175.0	3.45%
N/A	\$3,996.3	79.11%	\$1,581.1	68.66%	\$3,899.2	76.9%
	<b>\$5,051.8</b>	<b>100.0%</b>	<b>\$2,302.7</b>	<b>100.0%</b>	<b>\$5,074.2</b>	<b>100.0%</b>

## D/PI Summary

(USD in Millions)	Total Exposure	% of Total Exposure	Market Value	% of Market Value	Capital Committed	% of Commitments
1	\$27.0	0.53%	\$10.7	0.46%	\$100.0	1.97%
2	\$286.1	5.66%	\$190.4	8.27%	\$350.0	6.90%
3	\$345.4	6.84%	\$249.0	10.81%	\$350.0	6.90%
4	\$120.9	2.39%	\$88.2	3.83%	\$125.0	2.46%
N/A	\$4,272.4	84.58%	\$1,764.4	76.63%	\$4,149.2	81.77%
	<b>\$5,051.8</b>	<b>100.0%</b>	<b>\$2,302.7</b>	<b>100.0%</b>	<b>\$5,074.2</b>	<b>100.0%</b>

# Performance Summary by Strategy and Substrategy

State of Connecticut (PC) Portfolio  
Performance Summary by Client Strategy and Client Substrategy  
as of December 31, 2023

(USD in Millions)	Capital Committed	Unfunded	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	DPI	TVPI	1-YR IRR	3-YR IRR	5-YR IRR	10-YR IRR
<b>Distressed Debt</b>												
<b>Distressed Debt - Distressed Debt</b>												
Anchorage Illiquid Opportunities VI, L.P.	\$75,000,000	\$10,125,000	\$64,922,767	\$52,711,692	\$62,995,184	16.68%	0.8x	1.8x	18.04%	15.05%	16.87%	N/A
Fortress Credit Opportunities Fund V Expansion MA-CRPTF LP	100,000,000	51,248,481	62,782,296	14,030,777	55,411,772	7.94%	0.2x	1.1x	7.19%	8.49%	N/A	N/A
Marathon European Credit Opportunity Fund, LP	50,000,000	-	50,000,000	62,986,419	-	8.85%	1.3x	1.3x	N/A	N/A	4.25%	6.96%
Distressed Debt - Distressed Debt Total	\$225,000,000	\$61,373,481	\$177,705,063	\$129,728,888	\$118,406,956	12.25%	0.7x	1.4x	13.55%	13.11%	15.01%	12.11%
Distressed Debt Total	\$225,000,000	\$61,373,481	\$177,705,063	\$129,728,888	\$118,406,956	12.25%	0.7x	1.4x	13.55%	13.11%	15.01%	12.11%
<b>Mezzanine</b>												
<b>Mezzanine - Mezzanine</b>												
Audax Mezzanine Fund III, L.P.	\$75,000,000	-	\$77,677,483	\$99,255,482	\$3,975,823	9.74%	1.3x	1.3x	(3.31%)	18.61%	17.08%	10.48%
Balance Point Capital Partners III, L.P.	50,000,000	\$19,600,630	58,465,472	45,892,440	34,530,259	14.13%	0.8x	1.4x	13.15%	14.36%	14.03%	N/A
Connecticut Growth Capital, LLC	50,000,000	16,304,416	37,597,538	40,649,337	10,656,365	10.44%	1.1x	1.4x	(3.74%)	0.48%	8.36%	N/A
Hg TITAN 1 A L.P.	75,000,000	67,748,783	7,251,217	351,760	12,421,202	N/A	N/A	1.8x	60.43%	N/A	N/A	N/A
Hg Titan 2 L.P.	150,000,000	150,000,000	-	-	-	N/A	N/A	-	N/A	N/A	N/A	N/A
Ironwood Capital Partners V LP	75,000,000	55,888,368	19,111,632	-	18,834,909	N/A	N/A	1.0x	(5.63%)	N/A	N/A	N/A
Ironwood Mezzanine Partners IV, L.P.	50,000,000	4,846,728	44,657,559	36,304,058	24,859,919	19.29%	0.8x	1.4x	14.15%	24.58%	19.51%	N/A
Vistria Structured Credit Fund I, LP	100,000,000	84,343,956	18,794,204	-	21,602,832	N/A	N/A	1.1x	N/A	N/A	N/A	N/A
Mezzanine - Mezzanine Total	\$625,000,000	\$398,732,881	\$263,555,105	\$222,453,077	\$126,881,309	11.93%	0.8x	1.3x	11.38%	14.40%	14.69%	12.64%
Mezzanine Total	\$625,000,000	\$398,732,881	\$263,555,105	\$222,453,077	\$126,881,309	11.93%	0.8x	1.3x	11.38%	14.40%	14.69%	12.64%
<b>Senior</b>												
<b>Senior - Senior</b>												
Bregal Sagemount Credit Opportunities Series 2023 L.P.	\$125,000,000	\$125,000,000	-	-	(\$425,786)	N/A	N/A	-	N/A	N/A	N/A	N/A
Bregal Sagemount Direct Lending Series 2023 L.P.	75,000,000	75,000,000	-	-	(322,053)	N/A	N/A	-	N/A	N/A	N/A	N/A
Centre Lane Credit Partners III, L.P.	77,817,940	53,416,762	\$24,547,066	\$2,943,009	25,096,011	N/A	N/A	1.1x	11.95%	N/A	N/A	N/A
Crescent CRPTF Multi-Strat L.P.	300,000,000	-	300,000,000	-	333,594,473	N/A	N/A	1.1x	9.98%	N/A	N/A	N/A
Crescent CRPTF Private Credit L.P.	300,000,000	196,916,537	103,083,463	5,940,000	107,156,226	N/A	N/A	1.1x	11.41%	N/A	N/A	N/A
Crescent Direct Lending Levered Fund II (Delaware), LP	75,000,000	43,531,202	76,150,370	64,915,178	30,790,979	9.11%	0.9x	1.3x	9.45%	9.66%	8.86%	N/A
CRPTF-RockCreek Emerging Manager Partnership L.P.	100,000,000	93,628,424	6,366,851	-	5,948,642	N/A	N/A	0.9x	(12.11%)	N/A	N/A	N/A
CRPTF-SLR Credit Partnership L.P.	300,000,000	255,445,545	59,554,455	15,272,412	47,808,757	N/A	N/A	1.1x	20.34%	N/A	N/A	N/A
Fortress Lending Fund II MA-CRPTF LP	200,000,000	52,179,724	182,700,868	61,414,251	155,649,294	8.80%	0.3x	1.2x	17.79%	8.94%	N/A	N/A
Fortress Lending Fund III-IV MA-CRPTF LP	250,000,000	167,454,415	92,926,720	10,381,135	91,620,588	N/A	N/A	1.1x	19.71%	N/A	N/A	N/A
Goldman Sachs Private Middle Market Credit II LLC	50,000,000	4,500,000	45,500,000	12,153,464	42,336,914	8.35%	0.3x	1.2x	8.60%	8.67%	N/A	N/A
HarbourVest CT Private Debt Fund L.P.	750,000,000	396,135,250	353,864,750	21,764,129	366,134,732	N/A	N/A	1.1x	12.76%	N/A	N/A	N/A
OSP Value Fund III, L.P.	75,000,000	10,580,533	74,363,279	13,722,497	71,206,797	7.32%	0.2x	1.1x	3.10%	8.12%	N/A	N/A
OSP Value Fund III-B, LP	37,500,000	8,454,463	26,385,945	4,075,011	23,786,146	N/A	N/A	1.1x	9.62%	9.08%	N/A	N/A
OSP Value Fund IV, LP	155,000,000	124,000,000	31,000,000	-	30,159,522	N/A	N/A	1.0x	N/A	N/A	N/A	N/A
OSP Value Fund IV-B, LP	55,000,000	55,000,000	-	-	-	N/A	N/A	-	N/A	N/A	N/A	N/A
Sixth Street Lending Partners	300,000,000	228,589,386	76,465,426	5,054,855	84,184,925	N/A	N/A	1.2x	18.57%	N/A	N/A	N/A



# Performance Summary by Strategy and Substrategy

State of Connecticut (PC) Portfolio  
Performance Summary by Client Strategy and Client Substrategy  
as of December 31, 2023

(USD in Millions)	Capital Committed	Unfunded	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	DPI	TVPI	1-YR IRR	3-YR IRR	5-YR IRR	10-YR IRR
West Street Senior Credit Partners III, L.P.	75,000,000	25,125,000	50,392,356	5,222,675	56,248,913	11.61%	0.1x	1.2x	13.81%	N/A	N/A	N/A
Senior - Senior Total	\$3,300,317,940	\$1,914,957,241	\$1,503,301,549	\$222,858,616	\$1,470,975,080	9.47%	0.1x	1.1x	12.16%	9.64%	9.44%	N/A
Senior Total	\$3,300,317,940	\$1,914,957,241	\$1,503,301,549	\$222,858,616	\$1,470,975,080	9.47%	0.1x	1.1x	12.16%	9.64%	9.44%	N/A
<b>Special Situations</b>												
<b>Special Situations - Special Situations</b>												
Clearlake Opportunities Partners II, L.P.	\$75,000,000	\$28,259,580	\$51,569,969	\$17,332,665	\$45,825,066	10.81%	0.3x	1.2x	9.78%	7.35%	N/A	N/A
Clearlake Opportunities Partners III, L.P.	125,000,000	96,257,889	29,012,626	743,305	28,432,447	N/A	N/A	1.0x	3.19%	N/A	N/A	N/A
Sixth Street TAO Partners (B) (5.0) L.P.	250,000,000	92,873,840	158,115,650	5,427,453	183,291,677	10.89%	0.0x	1.2x	13.64%	10.96%	N/A	N/A
West Street CT Private Credit Partnership, L.P.	225,000,000	42,178,993	185,721,485	24,696,576	191,315,439	7.66%	0.1x	1.2x	11.08%	7.82%	N/A	N/A
Special Situations - Special Situations Total	\$675,000,000	\$259,570,302	\$424,419,730	\$48,199,999	\$448,864,629	9.05%	0.1x	1.2x	11.53%	8.70%	N/A	N/A
Special Situations Total	\$675,000,000	\$259,570,302	\$424,419,730	\$48,199,999	\$448,864,629	9.05%	0.1x	1.2x	11.53%	8.70%	N/A	N/A
<b>Total Portfolio</b>	<b>\$5,074,200,489</b>	<b>\$2,749,115,508</b>	<b>\$2,503,382,393</b>	<b>\$623,240,580</b>	<b>\$2,302,650,733</b>	<b>10.50%</b>	<b>0.2x</b>	<b>1.2x</b>	<b>12.24%</b>	<b>10.23%</b>	<b>10.73%</b>	<b>10.53%</b>

# Connecticut Inclusive Investment Initiative (Ci3)

## State of Connecticut (PC) Portfolio Performance Summary by Tranche as of December 31, 2023

Partnership	Vintage Year	Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	DPI	TVPI
<b>Tranche Ci3 Portfolio</b>										
Bregal Sagemount Credit Opportunities Series 2023 L.P.	2023	Senior	\$125,000,000	\$125,000,000	-	-	(\$425,786)	N/A	N/A	N/A
Bregal Sagemount Direct Lending Series 2023 L.P.	2023	Senior	75,000,000	75,000,000	-	-	(322,053)	N/A	N/A	N/A
Centre Lane Credit Partners III, L.P.	2022	Senior	77,817,940	53,416,762	\$24,547,066	\$2,943,009	25,096,011	N/A	N/A	1.1x
CRPTF-RockCreek Emerging Manager Partnership L.P.	2023	Senior	100,000,000	93,628,424	6,366,851	-	5,948,642	N/A	N/A	0.9x
<b>Tranche Ci3 Portfolio Total</b>			<b>\$377,817,940</b>	<b>\$347,045,186</b>	<b>\$30,913,917</b>	<b>\$2,943,009</b>	<b>\$30,296,814</b>	<b>12.85%</b>	<b>0.1x</b>	<b>1.1x</b>

# Appendix

# Endnotes

## Annual Commitment Activity

- Vintage Year: the year in which a fund makes its final close, until the initial investment is made.
- Calendar Year: the year in which Connecticut makes its final close into the fund.

## Performance Summary by Investment End Notes:

- HL All PC as of 12/31/2023 used for quartile benchmark.
- Quartiles are excluded for 2021, 2022, and 2023 funds.
- Quartiles are also excluded for all data points where the data is not sufficient for a calculated value (i.e. where an N/A appears).

## Benchmarking Summaries End Notes:

- HL All PC as of 12/31/2023 used for quartile benchmark.
- Funds without an applicable benchmark are captured within the N/A category.

## Quarterly Report End Notes:

- All return statistics shown at the net level throughout the report.

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# State of Connecticut Retirement Plans and Trust Funds

Private Investment Fund  
Fourth Quarter 2023 Report

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Please note that the information contained herein is intended for discussion purposes only.

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# Portfolio Update



# Portfolio Update

## Executive Summary

- Total Committed Capital of \$16,063.1M for the State of Connecticut Portfolio; 123 Active Partnerships across 50 Active GPs
- Since Inception IRR, net of General Partner fees, of 9.88%

## Activity Update

- The Portfolio made six new commitments totaling \$875.0M during the quarter ended 12/31/2023
- Distributions of \$245.2M outpaced contributions of \$235.3M during the quarter
- Contributions of \$1,042.0M outpaced distributions of \$535.3M during the last 12 months

## Performance Update

- 71 investments (57%) generated Net Value gains for the quarter, for a total Net Value gain of \$136.2M
  - Aldrich Capital Partners Fund, LP appreciated \$10.9M during the quarter
  - Constitution Fund V, LLC - Series A depreciated \$8.5M during the quarter
- 9.88% Since Inception Net IRR remained relatively steady from last quarter
- Positive one-quarter point-to-point IRR of 2.33%
- Since-Inception Portfolio IRR trailed the Russell 3000 +250bps benchmark by 20 bps

## Exposure Update

- 2022 Vintage Year investments accounted for 18.4% of Total Exposure as of December 31, 2023
- These 2022 Vintage Year investments accounted for 11.7% of Portfolio NAV
- Buyout accounted for 67.8% of Total Exposure and 67.0% of Portfolio NAV as of December 31, 2023

\* Net Value Change equals 12/31 NAV minus 9/30 NAV minus quarterly contributions plus quarterly distributions

Note: ICG Europe Fund VII, L.P. and ICG Europe Fund VIII SCSp were transferred from PIF portfolio to PCF portfolio during the quarter.

# Portfolio Snapshot

- Portfolio performance was positive for the quarter
  - Net Value Gain of \$136.2M during the quarter
  - Positive one-quarter point-to-point IRR of 2.33%
  - Since Inception Net IRR 9.88%

## Client Overview

Program Inception	1987
HL Relationship Inception	2021
PE Benchmark	Hamilton Lane All PE Benchmark
Public Benchmark	Russell 3000 +250bps

## Total Portfolio Snapshot

(USD in Millions)	9/30/2023	12/31/2023	Change
Active Partnerships	119	123	4
Exited Investments	53	55	2
Active GP Relationships	50	50	-
Capital Committed <sup>1</sup>	\$15,162.5	\$16,063.1	\$900.6
Unfunded Commitment	\$3,973.4	\$4,479.1	\$505.7
Paid-In Capital	\$11,923.2	\$12,158.5	\$235.3
Capital Distributed	\$12,893.0	\$13,138.2	\$245.2
D/PI Ratio	1.1x	1.1x	-
Market Value	\$5,787.1	\$5,913.4	\$126.3
Total Value Multiple (TVPI)	1.6x	1.6x	-
Avg. Age of Commitments	8.3 years	8.4 years	0.1 years
<b>Since Inception Performance</b>			
Portfolio Net IRR <sup>2</sup>	9.88%	9.88%	-

<sup>1</sup> The change in capital committed reflects the new commitments made during the period plus currency adjustments from existing Non-USD denominated funds.

<sup>2</sup> Portfolio Net IRR, net of General Partner fees and gross of Hamilton Lane fees

Noted: Totals may not sum due to rounding

\*87.1% of the 12/31/2023 Market Value is comprised of GP reported values.

# Activity Update

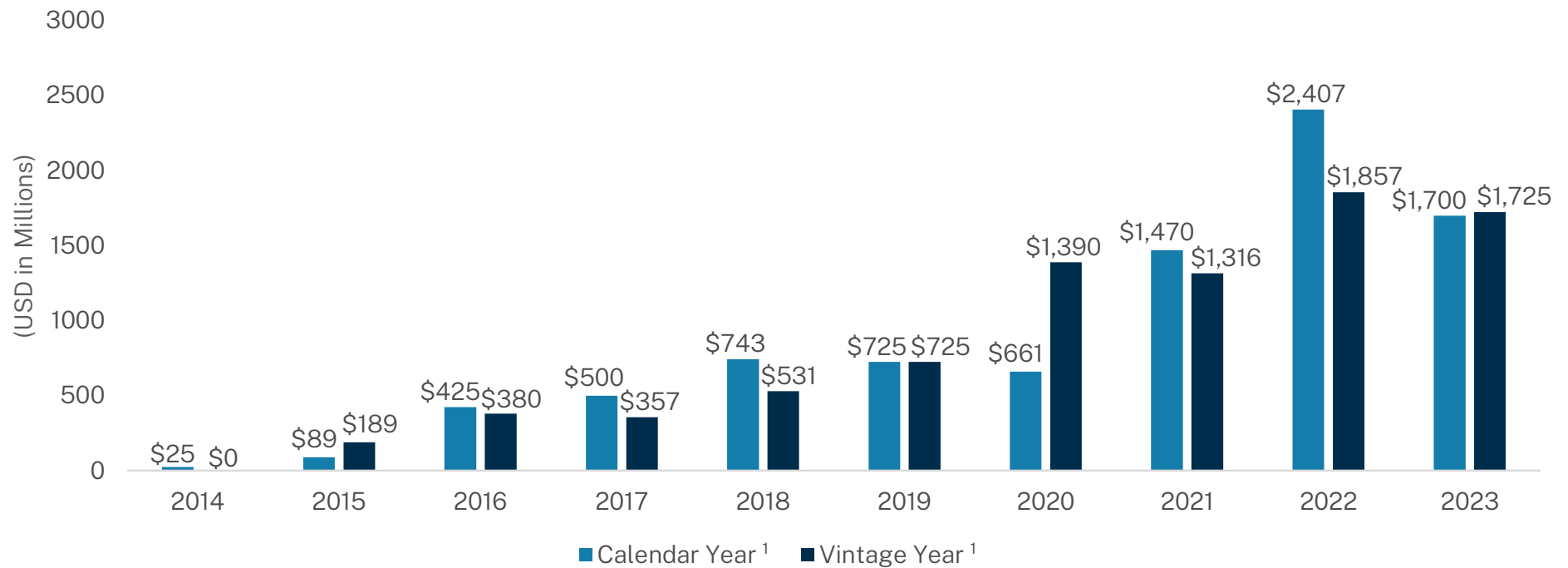
# Quarterly Commitment Activity

- The Portfolio made six new commitments totaling \$875.0M during the quarter ended 12/31/2023
  - 5 existing GP relationships
  - 1 new GP relationship

(USD in Millions)	Altaris Health Partners VI, L.P.	Altaris 4048, L.P.	Top Tier - CT Venture Partners, L.P.	K6 Private Investors, L.P.
<b>General Partner</b>	Altaris Capital Partners, LLC	Altaris Capital Partners, LLC	Top Tier Capital Partners	K1 Investment Management
<b>Existing Manager</b>	Yes	Yes	No	Yes
<b>Closing Date</b>	10/17/2023	10/17/2023	11/1/2023	12/1/2023
<b>Capital Committed</b>	\$150.0	\$50.0	\$300.0	\$200.0
<b>Strategy</b>	Buyout	Buyout	Venture Capital	Buyout
<b>Geographic Focus</b>	North America	North America	North America	North America
<b>Fund Currency</b>	USD	USD	USD	USD
<b>Fund Size</b>	\$3,000.0	N/A	\$300.0	\$6,250.0

(USD in Millions)	Leeds Equity Partners VIII, L.P.	Leeds Equity Partners Co-Invest I, L.P.
<b>General Partner</b>	Leeds Equity Partners	Leeds Equity Partners
<b>Existing Manager</b>	Yes	Yes
<b>Closing Date</b>	12/18/2023	12/18/2023
<b>Capital Committed</b>	\$150.0	\$25.0
<b>Strategy</b>	Buyout	Buyout
<b>Geographic Focus</b>	North America	North America
<b>Fund Currency</b>	USD	USD
<b>Fund Size</b>	\$2,000.0	N/A

# Annual Commitment Activity

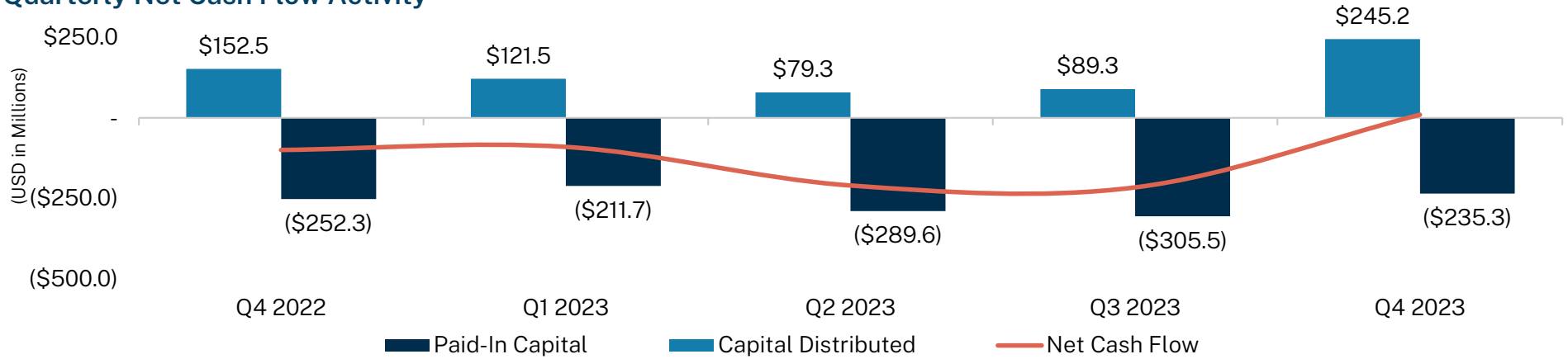


<sup>1</sup> See endnotes.

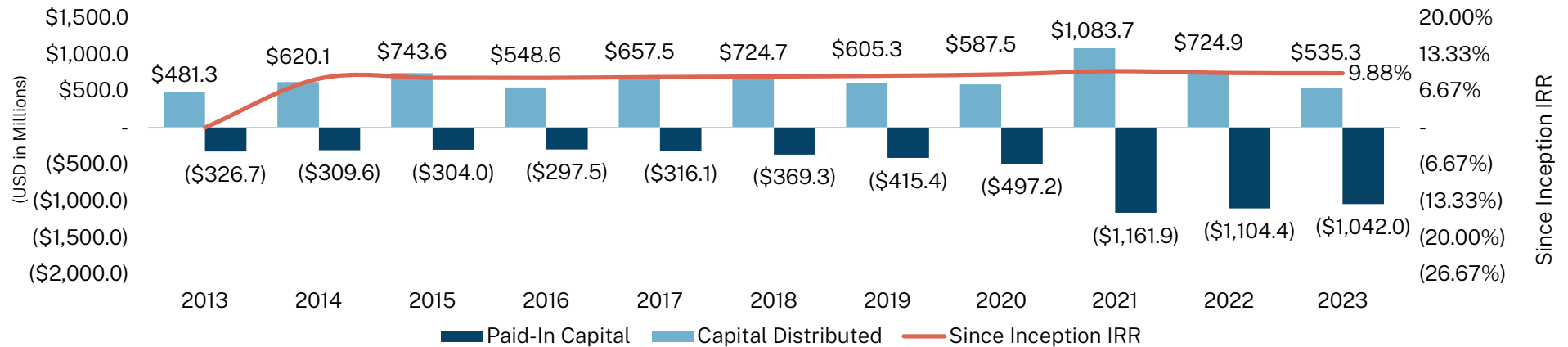
Note: If the final close and the initial investment do not occur in the same year, there will be a discrepancy between these two dates. Until a fund makes its initial investment, the Vintage Year will reflect the date of the final close. This chart is produced as of 12/31/2023, subsequent commitments are not included.

# Cash Flow Activity

## Quarterly Net Cash Flow Activity



## Annual Cash Flow Activity & Since Inception IRR Over Time



# Quarterly Cash Flow Drivers

## Top Contributors During the Quarter (USD in Millions)

Investment	Vintage Year	Client Strategy	Paid-In Capital	% of Total
HarbourVest CT Co-Investment Fund L.P.	2022	Buyout	\$84.4	35.9%
Secondary Overflow Fund V L.P.	2023	Secondaries	\$28.2	12.0%
Dover Street XI L.P.	2022	Secondaries	\$19.3	8.2%
WCAS XIV, L.P.	2022	Buyout	\$18.5	7.9%
Hollyport Secondary Opportunities VIII LP	2022	Secondaries	\$12.5	5.3%
<b>Total</b>			<b>\$162.9</b>	<b>69.2%</b>

## Top Distributors During the Quarter (USD in Millions)

Investment	Vintage Year	Client Strategy	Capital Distributed	% of Total
ICG Europe Fund VII, L.P.	2018	Mezzanine	\$83.3	34.0%
ICG Europe Fund VIII SCSp	2021	Mezzanine	\$51.1	20.8%
Levine Leichtman Capital Partners V, L.P.	2013	Mezzanine	\$24.0	9.8%
Nutmeg Opportunities Fund L.P. CT - SMMBF	2010	Buyout	\$10.8	4.4%
Welsh, Carson, Anderson & Stowe XII, L.P.	2015	Buyout	\$10.1	4.1%
<b>Total</b>			<b>\$179.3</b>	<b>73.1%</b>

Note: ICG Europe Fund VII, L.P. and ICG Europe Fund VIII SCSp transferred from PIF portfolio to PCF portfolio during the quarter.

# Annual Cash Flow Drivers

## Top Contributors over the Last 12 Months (USD in Millions)

Investment	Vintage Year	Client Strategy	Paid-In Capital	% of Total
HarbourVest CT Co-Investment Fund L.P.	2022	Buyout	\$236.3	22.7%
Vistria Fund V, L.P.	2023	Buyout	\$60.9	5.8%
Hg Saturn 3, L.P.	2022	Buyout	\$45.6	4.4%
Leeds Equity Partners VII, LP	2020	Buyout	\$36.7	3.5%
WCAS XIV, L.P.	2022	Buyout	\$34.5	3.3%
<b>Total</b>			<b>\$414.0</b>	<b>39.7%</b>

## Top Distributors Over the Last 12 Months (USD in Millions)

Investment	Vintage Year	Client Strategy	Capital Distributed	% of Total
ICG Europe Fund VII, L.P.	2018	Mezzanine	\$83.3	15.6%
ICG Europe Fund VIII SCSp	2021	Mezzanine	\$51.2	9.6%
Vista Equity Partners Fund VI, L.P.	2016	Buyout	\$41.5	7.8%
Levine Leichtman Capital Partners V, L.P.	2013	Mezzanine	\$36.4	6.8%
Leeds Equity Partners VI, L.P.	2016	Buyout	\$20.4	3.8%
<b>Total</b>			<b>\$232.8</b>	<b>43.5%</b>

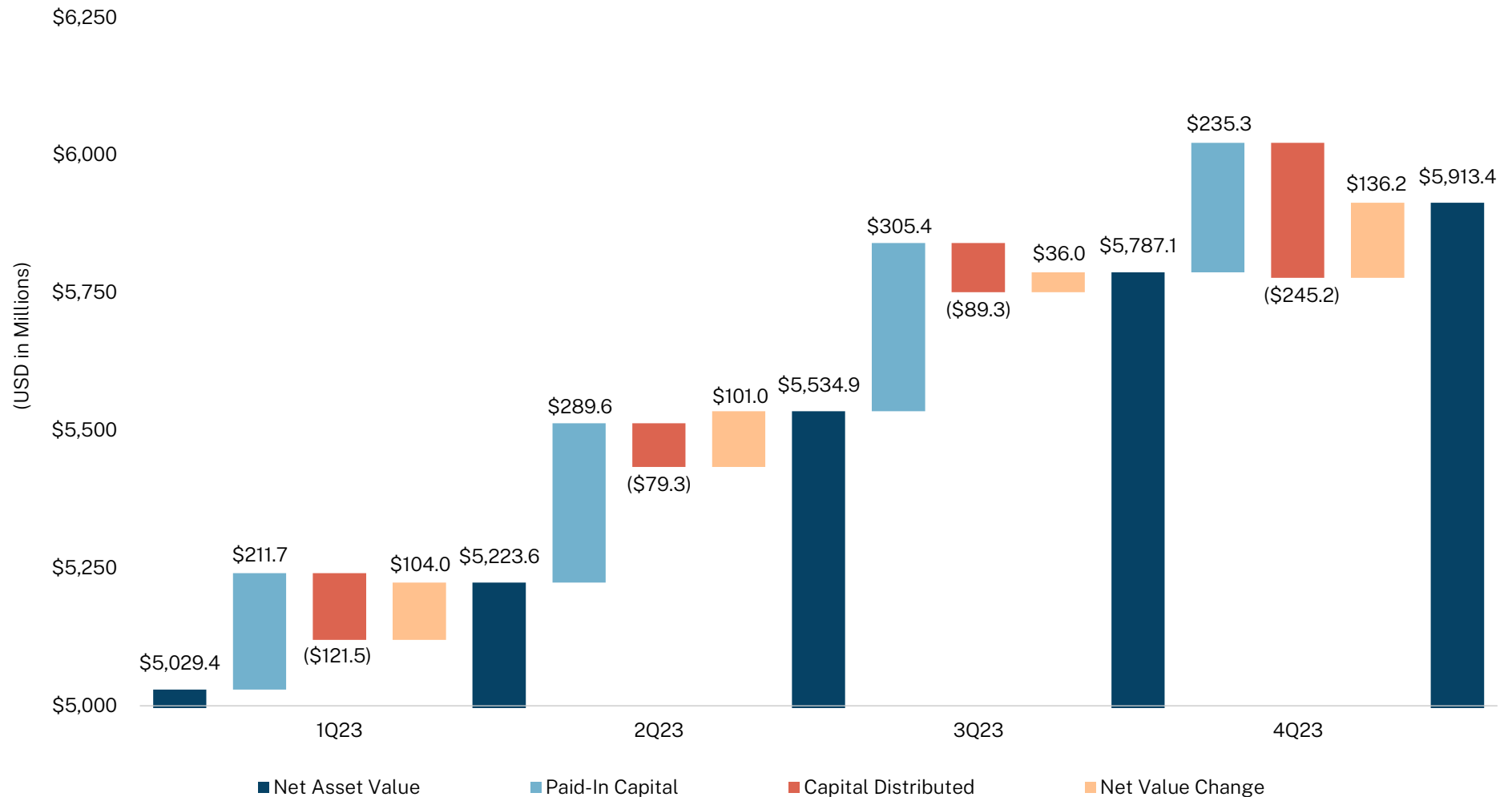
Note: ICG Europe Fund VII, L.P. and ICG Europe Fund VIII SCSp transferred from PIF portfolio to PCF portfolio during the quarter.



# Performance Update

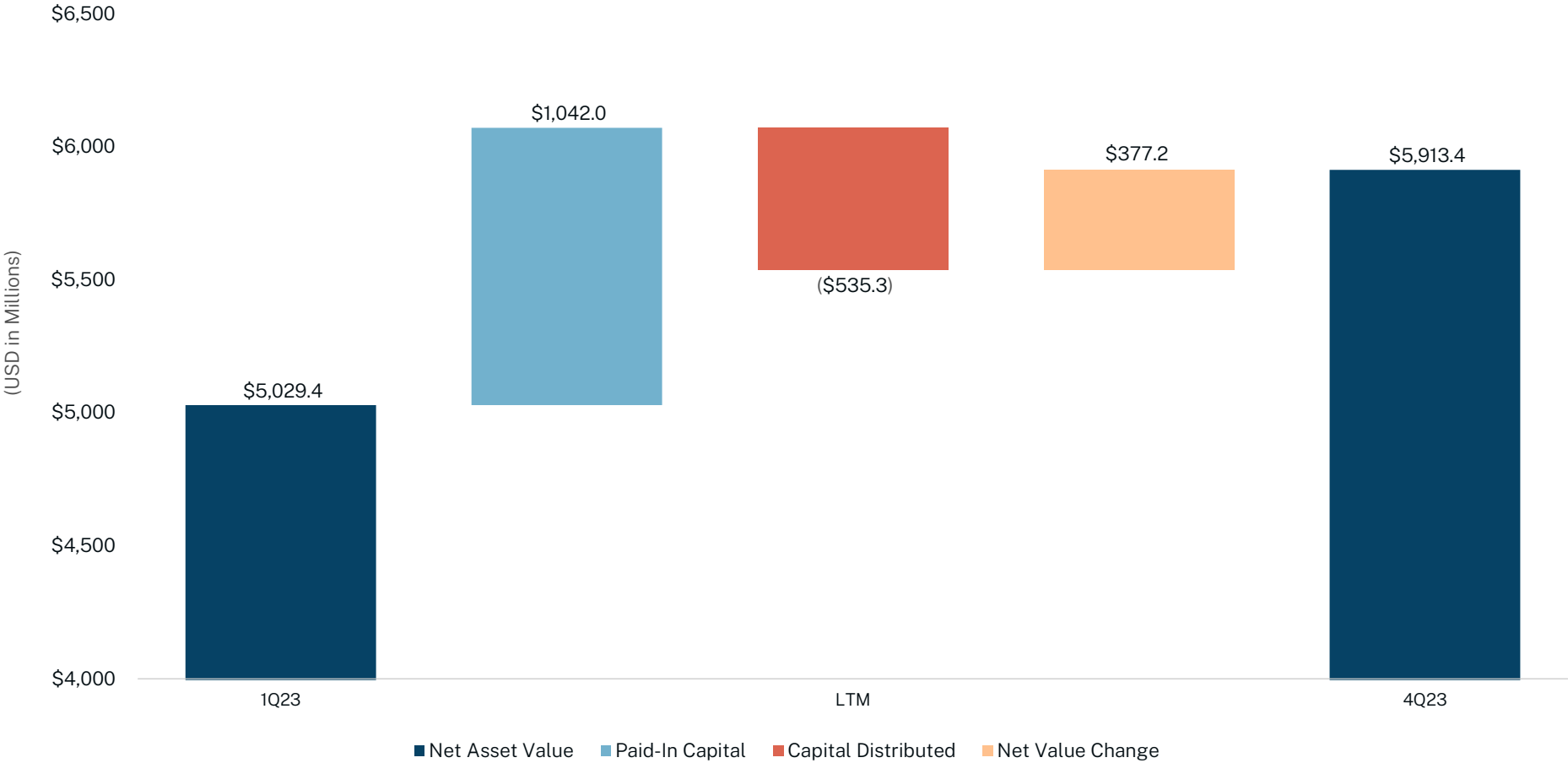
# Net Value Bridge

- Total Portfolio net value gain of \$136.2M during the quarter
    - 71 partnerships generated Net Value gains, \$170.7M, while 34 generated Net Value losses (\$34.5M)
    - The remaining 20 active partnerships generated no value change during the period
  - Net Value Change isolates the realized and unrealized performance of the underlying investments made by the partnerships within the Portfolio.
- The Net Value Bridge illustrates these movements:



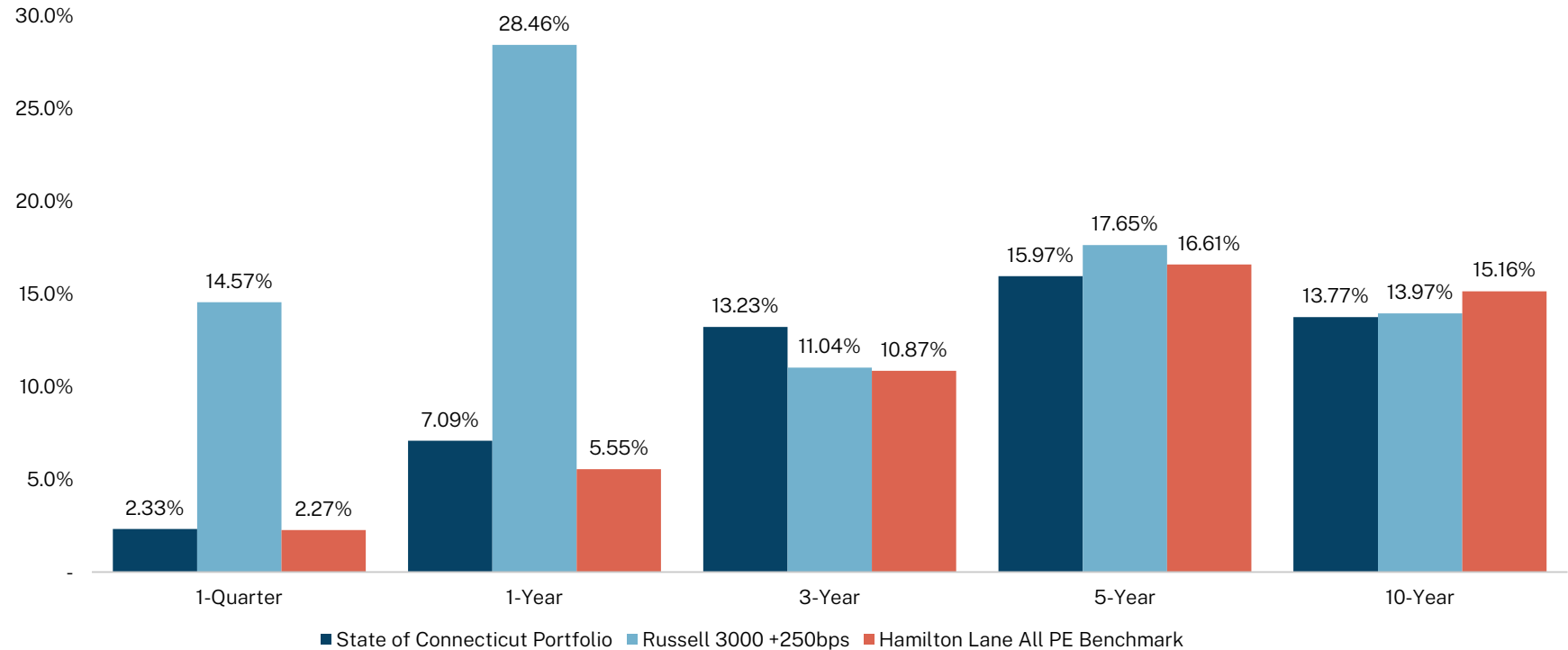
Note: Change over the period may not sum due to rounding.

# Net Value Bridge



# IRR Performance vs Benchmark

- 13.77% 10-Year Portfolio IRR trailed the Russell 3000 +250bps benchmark
- 7.09% 1-Year IRR trailed the Russell 3000 +250bps benchmark by 2,137 bps



Time Horizon	State of Connecticut Portfolio	Russell 3000 +250bps	Spread Over/Under	Hamilton Lane All PE Benchmark	Spread Over/Under
1-Quarter	2.33%	14.57%	(1224 bps)	2.27%	6 bps
1-Year	7.09%	28.46%	(2137 bps)	5.55%	154 bps
3-Year	13.23%	11.04%	219 bps	10.87%	236 bps
5-Year	15.97%	17.65%	(168 bps)	16.61%	(64 bps)
10-Year	13.77%	13.97%	(20 bps)	15.16%	(139 bps)

\*Russell 3000 +250bps is a straight return as of 12/31/2023. Prior to February 2020 the portfolio was benchmarked against the S&P 500 + 500bps and has since been updated.

Note: Hamilton Lane All Private Equity Benchmark as of 12/31/2023. The HL All PE benchmark is inclusive of Buyout, Venture Capital and Growth Equity across all geographies.

# Quarterly Net Value Drivers

## Top Quarterly Portfolio Drivers as Measured by Net Value Change (USD in Millions)

Investment	Capital Committed	Vintage Year	Client Strategy	Net Value Change	1-Quarter IRR	Since Inception IRR
Aldrich Capital Partners Fund, LP	\$50.0	2018	Growth Equity	\$10.9	13.79%	18.04%
BC European Capital X - 1 LP	\$92.2	2017	Buyout	\$10.0	9.33%	10.11%
JFL Equity Investors V, L.P.	\$100.0	2020	Buyout	\$9.3	7.04%	20.33%
Livingbridge 7	\$129.0	2020	Buyout	\$9.2	12.68%	2.46%
Court Square Capital Partners III, L.P.	\$50.0	2012	Buyout	\$7.4	18.92%	21.74%
<b>Total</b>				<b>\$46.8</b>	<b>10.89%</b>	<b>15.57%</b>
				<b>27% of Net Value Gain (\$170.7M)</b>		

## Bottom Quarterly Portfolio Drivers as Measured by Net Value Change (USD in Millions)

Investment	Capital Committed	Vintage Year	Client Strategy	Net Value Change	1-Quarter IRR	Since Inception IRR
Constitution Fund V, LLC - Series A	\$130.0	2016	Venture Capital	(\$8.5)	(3.85%)	18.63%
Pegasus Partners V, L.P.	\$50.0	2011	Distressed/Restructuring	(\$5.1)	(21.78%)	1.14%
Fairview Constitution IV, L.P.	\$150.0	2011	Venture Capital	(\$3.3)	(1.63%)	17.06%
Georgian Partners Growth Fund (International) V, LP	\$75.0	2019	Growth Equity	(\$2.1)	(2.10%)	12.21%
Siris Partners IV, L.P.	\$50.0	2018	Buyout	(\$1.8)	(3.12%)	11.81%
<b>Total</b>				<b>(\$20.8)</b>	<b>(3.43%)</b>	<b>14.59%</b>
				<b>60% of Net Value Loss (\$34.5M)</b>		

Note: Totals may not sum due to rounding.

# Exposure Update

# Portfolio Diversification by Strategy & Structure

- Quarter-over-quarter, Portfolio NAV increased \$126 million (2.2%) and Total Exposure increased \$632 million (6.5%)
  - Buyout Investments drove the increase in NAV
  - Venture Capital Investments drove the increase in Total Exposure

% of NAV						
Strategy	9/30/2023		12/31/2023		Change in NAV	Change in % Points
Buyout	\$3,800.1	65.6%	\$3,967.5	67.0%	\$167.4	1.4%
Venture Capital	\$721.9	12.5%	\$709.5	12.0%	(\$12.3)	(0.5%)
Secondaries	\$468.4	8.1%	\$553.6	9.4%	\$85.2	1.3%
Growth Equity	\$262.8	4.5%	\$281.5	4.8%	\$18.6	0.3%
Distressed/Restructuring	\$205.6	3.6%	\$211.8	3.6%	\$6.2	-
Mezzanine	\$242.3	4.2%	\$99.9	1.7%	(\$142.4)	(2.5%)
Special Situations	\$84.3	1.5%	\$87.8	1.5%	\$3.6	-
Multi-Strategy	\$1.7	-	\$1.7	-	-	-
Total	\$5,787.1	100%	\$5,913.4	100%	\$126.3	-

% of Total Exposure						
Strategy	9/30/2023		12/31/2023		Change in Exposure	Change in % Points
Buyout	\$6,426.1	65.9%	\$7,043.3	67.8%	\$617.1	1.9%
Venture Capital	\$898.1	9.2%	\$1,178.3	11.4%	\$280.2	2.2%
Secondaries	\$1,181.3	12.1%	\$1,186.0	11.4%	\$4.6	(0.7%)
Growth Equity	\$407.5	4.2%	\$418.1	4.0%	\$10.6	(0.2%)
Distressed/Restructuring	\$322.2	3.3%	\$324.0	3.1%	\$1.8	(0.2%)
Mezzanine	\$413.4	4.2%	\$127.5	1.2%	(\$285.9)	(3.0%)
Special Situations	\$107.8	1.1%	\$111.4	1.1%	\$3.6	-
Multi-Strategy	\$4.1	-	\$4.1	-	-	-
Total	\$9,760.5	100.0%	\$10,392.5	100%	\$632.0	-

Structure	% of NAV			% of Total Exposure		
	9/30/2023	12/31/2023	Change in NAV	9/30/2023	12/31/2023	Change In Exposure
Primaries	92.4%	90.5%	(1.9%)	86.7%	86.8%	0.1%
Co-Investment	7.6%	9.5%	1.9%	13.3%	13.2%	(0.1%)
Total	100%	100%	-	100%	100%	-

## Sub-Allocation Targets as per CRPTF IPS

Strategy	Lower Range %	Upper Range %	Total Exposure
Buyout	70.0%	100.0%	85.7%
Venture Capital	-	30.0%	14.3%

Note: Total Exposure is equal to Remaining Net Asset Value plus Unfunded Commitments. May not sum to 100% due to rounding.

# Portfolio Diversification by Vintage Year

- Year-over-year, Portfolio NAV increased 18% and Total Exposure increased 17%
  - 2022 Vintage Investments drove the increase in NAV
  - 2023 investments drove the increase in Total Exposure

## % of NAV

Vintage	12/31/2022		12/31/2023		Change in NAV	Change in % Points
2023	(\$1.8)	-	\$158.6	2.7%	\$160.4	2.7%
2022	181.1	3.6%	691.5	11.7%	510.4	8.1%
2021	581.7	11.6%	779.8	13.2%	198.1	1.6%
2020	891.6	17.7%	1154.3	19.5%	262.7	1.8%
2019	699.1	13.9%	701.4	11.9%	2.3	(2.0%)
2018	603.8	12.0%	569.9	9.6%	(33.9)	(2.4%)
2017	331.9	6.6%	359.0	6.1%	27.1	(0.5%)
2016	524.0	10.4%	456.6	7.7%	(67.3)	(2.7%)
2015	186.1	3.7%	154.6	2.6%	(31.4)	(1.1%)
2013	174.2	3.5%	126.9	2.1%	(47.3)	(1.4%)
2012	62.1	1.2%	63.5	1.1%	1.4	(0.1%)
Pre-2012	795.8	15.8%	697.2	11.8%	(98.6)	(4.0%)

## % of Total Exposure

Vintage	12/31/2022		12/31/2023		Change in Exposure	Change in % Points
2023	\$348.2	3.9%	\$1,886.6	18.2%	\$1,538.3	14.3%
2022	1685.6	18.9%	1915.4	18.4%	229.8	(0.5%)
2021	1279.0	14.4%	1256.6	12.1%	(22.4)	(2.3%)
2020	1504.6	17.0%	1635.2	15.7%	130.6	(1.3%)
2019	894.1	10.1%	854.8	8.2%	(39.3)	(1.9%)
2018	691.9	7.8%	633.8	6.1%	(58.2)	(1.7%)
2017	410.2	4.6%	424.3	4.1%	14.1	(0.5%)
2016	548.5	6.2%	474.0	4.6%	(74.6)	(1.6%)
2015	211.0	2.4%	174.8	1.7%	(36.3)	(0.7%)
2013	219.1	2.5%	170.5	1.6%	(48.6)	(0.9%)
2012	87.5	1.0%	88.1	0.8%	0.6	(0.2%)
Pre-2012	992.7	11.2%	878.5	8.5%	(114.2)	(2.7%)

Note: Total Exposure is equal to Remaining Net Asset Value plus Unfunded Commitments. May not sum to 100% due to rounding.



# Portfolio Diversification

- As of December 31, 2023, there were 1,170 unique underlying holdings in the Connecticut Portfolio, including 39 unique publicly-held companies

## Industry Exposure by Exposed Market Value <sup>1</sup>

Sector	9/30/2023	12/31/2023	% Change
Information Technology	27.4%	27.0%	(0.4%)
FoF Holding	21.0%	20.9%	(0.1%)
Health Care	14.6%	14.6%	-
Industrials	10.9%	11.4%	0.5%
Consumer Discretionary	7.8%	6.9%	(0.9%)
Financials	5.0%	5.2%	0.2%
Other Investments	3.1%	4.5%	1.4%
Materials	3.2%	3.2%	-
Consumer Staples	2.7%	2.6%	(0.1%)
Communication Services	2.7%	2.3%	(0.4%)
Real Estate	1.1%	0.9%	(0.2%)
Energy	0.5%	0.5%	-

## Geographic Exposure by Exposed Market Value <sup>1</sup>

Region	9/30/2023	12/31/2023	% Change
North America	71.1%	72.8%	1.7%
Rest of World	13.6%	14.2%	0.6%
Western Europe	13.6%	11.3%	(2.3%)
Asia	1.7%	1.7%	-

## Public/Private Holdings by Exposed Market Value <sup>1</sup>

Public/Private	9/30/2023	12/31/2023	% Change
Private	95.6%	95.0%	(0.6%)
Public	4.4%	5.0%	0.6%

<sup>1</sup> Exposed Market Value is LP's share of Market Value at the Portfolio Holding Level. May not sum to 100% due to rounding.  
Note: Other investments includes undisclosed investments.

# Top Ten General Partners by Total Exposure

State of Connecticut Portfolio  
 Top 10 General Partners by Total Exposure  
 as of December 31, 2023

General Partner	Number of Investments	Capital Committed	Market Value	% Market Value	Unfunded Commitments	Total Exposure	% Total Exposure
HarbourVest Partners, LLC	5	\$1,300.0	\$590.4	10.0%	\$763.5	\$1,353.9	13%
Fairview Capital	10	\$1,715.0	\$710.8	12.0%	\$168.8	\$879.6	8%
Clearlake Capital	10	\$574.9	\$478.1	8.1%	\$160.9	\$639.0	6%
Hg Capital	5	\$543.5	\$301.7	5.1%	\$296.8	\$598.5	6%
Vista Equity Partners	5	\$525.0	\$308.2	5.2%	\$217.7	\$525.9	5%
Altaris Capital Partners, LLC	8	\$480.0	\$198.0	3.3%	\$245.2	\$443.2	4%
The Vistria Group	3	\$400.0	\$281.4	4.8%	\$146.2	\$427.7	4%
Leeds Equity Partners	5	\$415.0	\$186.4	3.2%	\$239.0	\$425.4	4%
JF Lehman	4	\$374.0	\$232.1	3.9%	\$139.8	\$371.9	4%
Welsh, Carson, Anderson & Stowe	7	\$725.0	\$242.0	4.1%	\$121.2	\$363.2	3%
All Other	61	\$5,223.0	\$2,384.3	40.3%	\$1,979.9	\$4,364.2	42%
<b>Total</b>	<b>123</b>	<b>\$12,275.5</b>	<b>\$5,913.4</b>	<b>100%</b>	<b>\$4,479.1</b>	<b>\$10,392.5</b>	<b>100%</b>

# Performance Summaries

# Performance Summary by Investment

State of Connecticut Portfolio  
Performance Summary by Investment  
as of December 31, 2023

Active Partnership	Vintage Year	Client Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	D/PI	TVPI
Aldrich Capital Partners Fund II Co-Investment, LP	2021	Growth Equity	\$27,500,000	\$10,692,784	\$16,807,216	-	\$15,703,670	N/A	N/A	N/A
Aldrich Capital Partners Fund II, LP	2021	Growth Equity	47,500,000	32,291,075	15,208,925	-	11,685,220	N/A	N/A	N/A
Aldrich Capital Partners Fund, L.P.	2018	Growth Equity	50,000,000	945,741	49,402,154	-	89,737,222	18.04%	0.0x	1.8x
Altaris 4048, L.P.	2023	Buyout	50,000,000	50,000,000	-	-	-	N/A	N/A	N/A
Altaris Constellation Partners IV, L.P.	2017	Buyout	10,000,000	560,365	10,158,214	\$7,106,739	13,883,323	26.15%	0.7x	2.1x
Altaris Health Partners II, L.P.	2008	Buyout	40,000,000	2,783,592	45,574,376	99,451,134	(27,481)	25.15%	2.2x	2.2x
Altaris Health Partners III, L.P.	2013	Buyout	50,000,000	143,701	58,363,360	83,342,339	65,602,306	27.04%	1.4x	2.6x
Altaris Health Partners IV, L.P.	2017	Buyout	40,000,000	3,601,540	39,098,341	39,926,101	39,282,316	28.04%	1.0x	2.0x
Altaris Health Partners V, L.P.	2020	Buyout	100,000,000	38,105,449	61,794,631	834,446	79,277,786	16.54%	0.0x	1.3x
Altaris Health Partners VI, L.P.	2023	Buyout	150,000,000	150,000,000	-	-	-	N/A	N/A	N/A
Apollo Investment Fund IX, L.P.	2018	Buyout	125,000,000	33,321,266	117,061,980	47,014,152	127,744,183	20.69%	0.4x	1.5x
Apollo Investment Fund VIII, L.P.	2013	Buyout	125,000,000	12,772,818	133,461,037	148,020,058	38,864,495	8.82%	1.1x	1.4x
Avance Investment Partners, L.P.	2021	Buyout	100,000,000	53,522,765	49,257,097	3,754,890	50,944,879	N/A	N/A	N/A
BC European Capital X, L.P.	2017	Buyout	92,201,330	9,917,905	94,116,401	27,380,517	114,476,407	10.11%	0.3x	1.5x
Boston Ventures VII, L.P.	2006	Buyout	75,000,000	12,388,419	65,028,749	74,798,645	2,028,798	3.00%	1.2x	1.2x
Bregal Sagemount IV L.P.	2022	Buyout	125,000,000	106,693,488	18,369,677	10,487	15,659,592	N/A	N/A	N/A
Castllake Fund II, L.P.	2011	Buyout	50,000,000	3,750,659	46,663,983	53,822,979	12,035,164	5.91%	1.2x	1.4x
Clearlake Capital Partners III, L.P.	2012	Buyout	40,000,000	22,306,903	56,907,144	160,480,066	1,714,601	40.61%	2.8x	2.9x
Clearlake Capital Partners IV, L.P.	2015	Buyout	50,000,000	19,639,228	78,349,196	110,845,322	31,693,613	24.09%	1.4x	1.8x
Clearlake Capital Partners V, L.P.	2017	Buyout	60,000,000	12,825,232	86,733,888	81,009,807	69,821,890	24.94%	0.9x	1.7x
Clearlake Capital Partners VI, L.P.	2020	Buyout	75,000,000	3,718,307	78,529,614	12,180,611	119,268,699	23.91%	0.2x	1.7x
Clearlake Capital Partners VII, L.P.	2021	Distressed/Restructuring	125,000,000	52,885,576	73,682,564	1,706,433	80,832,744	N/A	N/A	N/A
Clearlake Flagship Plus Partners, L.P.	2020	Buyout	100,000,000	23,528,584	97,961,158	25,899,239	87,823,797	10.04%	0.3x	1.2x
Constitution Fund V, LLC - Series A	2016	Buyout	130,000,000	5,994,538	128,503,732	66,594,763	212,275,250	18.63%	0.5x	2.2x
Constitution Fund V, LLC - Series B	2017	Buyout	20,000,000	3,395,182	16,853,251	5,438,790	21,321,299	10.75%	0.3x	1.6x
Constitution Fund V, LLC - Series C	2019	Buyout	75,000,000	12,597,271	62,402,729	5,628,575	83,264,919	15.79%	0.1x	1.4x
Constitution Fund V, LLC - Series D	2019	Buyout	25,000,000	8,149,071	16,850,929	-	11,731,268	(12.05%)	0.0x	0.7x
Constitution Fund V, LLC - Series E	2020	Buyout	75,000,000	26,386,058	48,613,942	-	45,359,259	(3.40%)	0.0x	0.9x
Constitution Fund V, LLC - Series F	2022	Special Situations	100,000,000	84,908,131	15,091,869	-	12,732,760	N/A	N/A	N/A
Constitution Liquidating Fund, L.P.	1987	Buyout	640,000,552	-	532,763,501	1,370,419,212	738,520	20.10%	2.6x	2.6x
Court Square Capital Partners II, L.P.	2006	Venture Capital	93,793,953	3,246,335	91,797,386	163,618,527	1,799,888	12.21%	1.8x	1.8x
Court Square Capital Partners III, L.P.	2012	Venture Capital	50,000,000	1,756,293	54,708,194	83,009,832	46,703,210	21.74%	1.5x	2.4x
Crescendo III, L.P.	1998	Venture Capital	36,825,000	-	36,824,862	20,681,787	(1,311,601)	-	0.6x	0.5x
CRPTF-GCM Emerging Manager Private Equity Partnership L.P.	2023	Venture Capital	150,000,000	138,128,644	11,927,326	-	12,024,200	N/A	N/A	N/A
CT Horizon Legacy Fund, L.P.	2008	Venture Capital	15,000,000	2,447,177	14,117,227	9,532,957	1,674,195	(3.54%)	0.7x	0.8x
Dover Street X, L.P.	2019	Venture Capital	100,000,000	29,500,000	70,500,000	25,411,936	82,354,199	26.01%	0.4x	1.5x
Dover Street XI L.P.	2022	Venture Capital	175,000,000	145,250,000	29,797,466	-	38,791,599	N/A	N/A	N/A
EQT VIII SCSP	2018	Venture Capital	81,698,471	8,508,013	82,733,360	61,933,930	84,825,821	22.76%	0.7x	1.8x
Ethos Private Equity Fund V, L.P.	2005	Venture Capital	50,000,000	-	59,935,735	64,285,012	1,600,851	2.11%	1.1x	1.1x

# Performance Summary by Investment

State of Connecticut Portfolio  
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as of December 31, 2023

Active Partnership	Vintage Year	Client Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	D/PI	TVPI
Fairview Constitution II, L.P.	2005	Venture Capital	200,000,000	3,112,810	212,154,451	314,101,130	18,603,340	6.81%	1.5x	1.6x
Fairview Constitution III, L.P.	2007	Venture Capital	300,000,000	18,292,740	304,118,310	749,341,998	104,463,828	17.92%	2.5x	2.8x
Fairview Constitution IV, L.P.	2011	Buyout	150,000,000	5,956,437	153,894,308	203,673,346	200,328,746	17.06%	1.3x	2.6x
Freeman CT Horizon Investment Fund, LLC	2019	Buyout	50,000,000	19,420,984	33,835,964	7,628,564	44,101,825	18.53%	0.2x	1.5x
FS Equity Partners V, L.P.	2004	Venture Capital	75,000,000	14,347,156	60,739,964	125,842,499	1,250,987	15.27%	2.1x	2.1x
FS Equity Partners VI, L.P.	2009	Venture Capital	75,000,000	470,192	74,231,117	226,934,108	28,315,606	23.42%	3.1x	3.4x
GenNx360 Capital Partners II	2012	Buyout	25,000,000	519,114	30,638,356	38,841,145	15,119,831	13.70%	1.3x	1.8x
Georgian Alignment Fund II, LP	2021	Buyout	50,000,000	24,144,610	25,855,390	8,248	30,540,823	N/A	N/A	N/A
Georgian Growth Fund VI, LP	2022	Buyout	100,000,000	64,950,813	35,125,619	179,651	36,308,329	N/A	N/A	N/A
Georgian Partners Growth Fund V, L.P.	2019	Secondaries	75,000,000	3,583,534	77,495,452	6,064,769	97,510,745	12.21%	0.1x	1.3x
Gilbert Global Equity Partners, L.P.	1998	Secondaries	135,119,738	-	135,175,294	195,321,112	-	3.22%	1.4x	1.4x
HarbourVest CT Co-Investment Fund L.P.	2022	Buyout	750,000,000	412,765,209	346,500,000	9,265,209	358,577,129	N/A	N/A	N/A
Hg CT1 Co-Invest L.P.	2021	Buyout	150,000,000	84,113,780	66,043,393	-	77,134,527	N/A	N/A	N/A
Hg Genesis 10 L.P.	2022	Venture Capital	82,435,291	67,725,946	14,709,345	-	16,190,119	N/A	N/A	N/A
Hg Genesis 9 L.P.	2020	Venture Capital	61,089,469	13,942,854	57,415,043	10,268,428	63,000,800	18.01%	0.2x	1.3x
Hg Saturn 2 L.P.	2020	Venture Capital	100,000,000	27,749,523	92,731,561	27,092,613	96,627,628	20.83%	0.3x	1.3x
Hg Saturn 3, L.P.	2022	Buyout	150,000,000	103,287,344	46,712,656	-	48,752,999	N/A	N/A	N/A
Hollyport Secondary (Overage Fund) LP	2022	Mezzanine	50,000,000	28,750,000	21,250,000	-	22,292,060	N/A	N/A	N/A
Hollyport Secondary Opportunities Fund VII LP	2019	Buyout	75,000,000	22,500,000	52,588,459	19,162,500	75,309,729	23.33%	0.4x	1.8x
Hollyport Secondary Opportunities VIII LP	2022	Buyout	125,000,000	75,000,000	50,000,000	-	79,996,148	N/A	N/A	N/A
Icon Partners II, L.P.	2021	Buyout	38,000,000	9,500,000	28,152,524	42,526,451	16,028,385	N/A	N/A	N/A
Icon Partners III, L.P.	2021	Mezzanine	11,106,429	1,552,692	9,553,738	1,669	5,584,567	N/A	N/A	N/A
Icon Partners IV, L.P.	2021	Mezzanine	37,800,000	5,501,443	32,463,751	354,103	31,903,517	N/A	N/A	N/A
Icon Partners V, L.P.	2021	Multi-Strategy	38,000,000	9,477,775	28,200,649	403	33,403,515	N/A	N/A	N/A
Insight Partners Opportunities Fund I, L.P.	2020	Buyout	75,000,000	2,887,500	72,112,500	-	89,709,263	11.11%	0.0x	1.2x
J.F. Lehman Equity Investors III, L.P.	2011	Growth Equity	49,000,000	1,398,549	54,391,052	59,214,646	31,164,084	10.90%	1.1x	1.7x
J.F. Lehman Equity Investors IV, L.P.	2016	Growth Equity	75,000,000	327,957	76,001,232	169,906,791	35,416,640	40.61%	2.2x	2.7x
JFL Equity Investors V, L.P.	2020	Growth Equity	100,000,000	10,381,470	89,618,530	-	138,608,836	20.33%	0.0x	1.5x
JFL Equity Investors VI, LP.	2023	Buyout	150,000,000	127,661,148	22,378,309	58,152	26,911,476	N/A	N/A	N/A
K5 Private Investors, L.P.	2020	Buyout	125,000,000	59,282,475	68,769,353	3,686,150	74,836,364	8.00%	0.1x	1.1x
K6 Private Investors, L.P.	2023	Multi-Strategy	200,000,000	200,000,000	-	-	-	N/A	N/A	N/A
KKR 2006 Fund, L.P.	2006	Venture Capital	125,000,000	2,239,416	134,462,249	237,810,588	45,929	8.54%	1.8x	1.8x
KKR Millennium Fund, L.P.	2002	Buyout	100,000,000	-	102,609,690	212,467,483	59,722	16.36%	2.1x	2.1x
Landmark Equity CT Co-Investment Fund I, L.P.	2022	Buyout	50,000,000	23,715,875	26,284,125	-	30,567,221	N/A	N/A	N/A
Landmark Equity Partners XIV, L.P.	2008	Buyout	100,000,000	2,607,207	98,110,821	125,342,457	6,095,202	9.44%	1.3x	1.3x
Landmark Equity Partners XV, L.P.	2013	Buyout	100,000,000	19,726,559	80,275,284	93,865,577	19,367,390	11.34%	1.2x	1.4x
Landmark Equity Partners XVI, L.P.	2017	Buyout	100,000,000	29,272,968	78,028,499	40,907,555	64,417,274	16.63%	0.5x	1.3x
Landmark Equity Partners XVII, L.P.	2020	Buyout	100,000,000	79,982,600	20,017,400	-	23,769,869	24.46%	0.0x	1.2x
Leeds Equity Partners Co-Invest I, L.P.	2023	Buyout	25,000,000	25,000,000	-	-	-	N/A	N/A	N/A

# Performance Summary by Investment

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as of December 31, 2023

Active Partnership	Vintage Year	Client Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	D/PI	TVPI
Leeds Equity Partners V, L.P.	2008	Secondaries	40,000,000	5,181,823	50,137,652	105,456,635	3,637,208	18.86%	2.1x	2.2x
Leeds Equity Partners VI, L.P.	2016	Secondaries	75,000,000	2,041,389	82,760,915	82,089,952	93,004,774	22.36%	1.0x	2.1x
Leeds Equity Partners VII, LP	2020	Secondaries	125,000,000	56,788,862	68,211,373	3,873	89,770,297	26.12%	0.0x	1.3x
Leeds Equity Partners VIII, L.P.	2023	Mezzanine	150,000,000	150,000,000	-	-	-	N/A	N/A	N/A
Levine Leichtman Capital Partners IV, L.P.	2008	Mezzanine	75,000,000	13,696,960	74,669,737	121,619,054	7,144,918	17.64%	1.6x	1.7x
Levine Leichtman Capital Partners V, L.P.	2013	Buyout	75,000,000	11,001,970	115,323,125	211,690,666	3,034,380	17.23%	1.8x	1.9x
Livingbridge 7	2020	Buyout	128,966,908	50,196,413	79,034,140	259,144	82,684,397	2.46%	0.0x	1.0x
M2 - Connecticut Emerging Private Equity Fund-of-Funds, L.P.	2007	Buyout	105,000,000	495,000	113,805,712	145,558,727	12,358,697	6.86%	1.3x	1.4x
Nutmeg Opportunities Fund II LLC - CT - Direct Investment	2020	Buyout	50,000,000	50,000,000	-	-	-	-	N/A	N/A
Nutmeg Opportunities Fund II LLC - EM	2017	Buyout	35,000,000	5,763,577	31,598,764	25,086,742	35,796,671	18.41%	0.8x	1.9x
Nutmeg Opportunities Fund II LLC - SMMBF	2018	Mezzanine	65,000,000	-	91,160,518	21,562,892	108,045,127	14.58%	0.2x	1.4x
Nutmeg Opportunities Fund L.P. CT - EM	2010	Buyout	35,000,000	17,406,871	20,104,372	21,790,941	34,090,236	12.81%	1.1x	2.8x
Nutmeg Opportunities Fund L.P. CT - SMMBF	2010	Buyout	75,000,000	24,167,906	65,732,109	106,645,320	30,398,426	14.47%	1.6x	2.1x
One Rock Capital Partners III, L.P.	2021	Buyout	125,000,000	27,828,102	113,539,622	16,598,167	155,504,140	N/A	N/A	N/A
One Rock Capital Partners IV, L.P.	2023	Buyout	100,000,000	100,000,000	-	-	(536,017)	N/A	N/A	N/A
One Rock Emerald Fund, L.P.	2023	Buyout	50,000,000	50,000,000	-	-	-	N/A	N/A	N/A
Pegasus Partners IV, L.P.	2007	Buyout	75,000,000	-	94,582,353	70,134,362	8,913,438	(3.33%)	0.7x	0.8x
Pegasus Partners V, L.P.	2011	Buyout	50,000,000	-	67,772,460	53,045,529	18,145,768	1.14%	0.8x	1.1x
PineBridge Global Emerging Markets Partners, L.L.C	1997	Venture Capital	85,168,457	2,354,066	82,950,178	109,550,524	1,708,850	7.03%	1.3x	1.3x
Reverence Capital Partners Opportunities Fund V (PE Fund III), L.P.	2021	Buyout	100,000,000	66,030,530	34,241,918	412,323	37,364,521	N/A	N/A	N/A
RFE Investment Partners VII, L.P.	2008	Buyout	40,000,000	327,148	39,765,243	61,590,853	7,831,342	7.96%	1.5x	1.7x
Secondary Overflow Fund IV L.P.	2019	Buyout	100,000,000	29,273,837	71,866,412	17,213,396	78,091,117	17.31%	0.2x	1.3x
Secondary Overflow Fund V L.P.	2023	Distressed/Restructuring	175,000,000	146,759,450	28,240,550	-	32,566,660	N/A	N/A	N/A
Siris Partners IV, L.P.	2018	Secondaries	50,000,000	8,757,680	47,091,340	8,314,301	57,030,409	11.81%	0.2x	1.4x
Stellex Capital Partners II, L.P.	2020	Secondaries	100,000,000	33,317,429	68,942,420	5,429,293	73,442,682	9.16%	0.1x	1.1x
Strategic Value Special Situations Fund V, L.P.	2021	Secondaries	150,000,000	71,707,184	78,864,828	457,184	99,200,743	N/A	N/A	N/A
TA XI, L.P.	2010	Secondaries	75,000,000	1,125,000	74,427,488	266,852,901	13,164,971	26.74%	3.6x	3.8x
Top Tier - CT Venture Partners, L.P.	2023	Secondaries	300,000,000	300,000,000	-	-	-	N/A	N/A	N/A
Vista Equity Partners Fund III, L.P.	2007	Secondaries	50,000,000	3,838,140	54,215,998	131,536,213	2,277,785	27.85%	2.4x	2.5x
Vista Equity Partners Fund IV, L.P.	2011	Buyout	75,000,000	10,491,939	78,916,655	101,320,672	54,041,770	14.31%	1.3x	2.0x
Vista Equity Partners Fund VI, L.P.	2016	Buyout	100,000,000	8,960,629	127,272,164	145,360,640	115,940,878	18.50%	1.1x	2.1x
Vista Equity Partners Fund VII, L.P.	2019	Buyout	100,000,000	18,036,996	91,565,217	9,674,887	105,627,415	7.93%	0.1x	1.3x
Vista Equity Partners Fund VIII, L.P.	2023	Buyout	200,000,000	176,363,145	23,720,110	292,214	30,273,145	N/A	N/A	N/A
Vistria Fund III, LP	2020	Buyout	75,000,000	4,621,679	70,378,321	-	90,109,904	9.76%	0.0x	1.3x
Vistria Fund IV, LP	2021	Mezzanine	150,000,000	27,560,494	124,553,753	4,007,742	133,988,726	N/A	N/A	N/A
Vistria Fund V, L.P.	2023	Mezzanine	175,000,000	114,058,243	60,941,757	931,774	57,342,207	N/A	N/A	N/A
WCAS XIII, L.P.	2019	Secondaries	125,000,000	10,335,982	114,677,960	44,894,350	123,403,610	22.52%	0.4x	1.5x
WCAS XIV, L.P.	2022	Buyout	150,000,000	110,871,891	39,128,109	-	31,598,174	N/A	N/A	N/A
Wellspring Capital Partners V, L.P.	2011	Buyout	75,000,000	25,772,441	86,593,275	124,323,115	26,553,433	16.24%	1.4x	1.7x

# Performance Summary by Investment

State of Connecticut Portfolio  
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as of December 31, 2023

Active Partnership	Vintage Year	Client Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	D/PI	TVPI
Wellspring Capital Partners VI, L.P.	2018	Buyout	75,000,000	12,281,970	75,244,686	17,557,124	102,556,984	16.76%	0.2x	1.6x
Welsh, Carson, Anderson & Stowe XI, L.P.	2009	Buyout	100,000,000	-	100,000,000	161,464,441	6,723,972	11.64%	1.6x	1.7x
Welsh, Carson, Anderson & Stowe XII, L.P.	2015	Buyout	100,000,000	-	101,374,567	158,799,716	80,247,926	28.07%	1.6x	2.4x
WLR Recovery Fund IV, L.P.	2007	Buyout	100,000,000	3,443,659	90,823,160	122,102,873	53,645	7.32%	1.3x	1.3x
Yucaipa American Alliance Fund II, L.P.	2008	Buyout	75,000,000	77	104,214,590	113,169,041	61,269,032	7.80%	1.1x	1.7x
Yucaipa American Alliance Fund III, L.P.	2015	Buyout	39,250,000	470,450	43,964,552	15,587,264	42,707,307	7.06%	0.4x	1.3x
<b>Total Portfolio</b>			<b>\$16,063,140,976</b>	<b>\$4,479,139,722</b>	<b>\$12,158,479,827</b>	<b>\$13,138,173,073</b>	<b>\$5,913,362,982</b>	<b>16.61%</b>	<b>1.1x</b>	<b>1.6x</b>

Inactive Partnership	Vintage Year	Client Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	DPI	TVPI
Altaris Health Partners, L.P.	2002	Growth Equity	\$40,000,000	-	\$40,447,923	\$69,318,557	-	13.31%	1.7x	1.7x
Blackstone Capital Partners III, L.P.	1997	Growth Equity	30,000,000	-	30,034,831	60,943,826	-	14.54%	2.0x	2.0x
Candover 2008 Fund, L.P.	2008	Growth Equity	13,653,905	-	14,407,641	1,649,710	-	(70.49%)	0.1x	0.1x
Carlyle Asia Partners, L.P.	1999	Buyout	50,000,000	-	52,906,606	143,995,264	-	18.03%	2.7x	2.7x
Carlyle Europe Partners, L.P.	1997	Buyout	77,223,495	-	89,758,266	183,034,205	-	16.64%	2.0x	2.0x
Charterhouse Equity Partners IV, L.P.	2003	Buyout	74,851,593	-	85,759,969	137,801,206	-	9.21%	1.6x	1.6x
Compass Partners European Equity Fund, L.P. (USD)	1998	Buyout	150,000,000	-	149,765,817	260,307,780	-	9.74%	1.7x	1.7x
DLJ Merchant Banking Partners II, LP	1997	Buyout	75,000,000	-	81,666,655	105,992,273	-	5.98%	1.3x	1.3x
Forstmann Little Equity Partnership VI, L.P.	1999	Buyout	70,000,000	-	72,101,503	20,526,331	-	(21.61%)	0.3x	0.3x
Green Equity Investors III, LP	1999	Buyout	25,000,000	-	22,758,400	53,908,814	-	21.58%	2.4x	2.4x
Hicks, Muse, Tate & Furst Equity Fund III, L.P.	1996	Buyout	163,841,018	-	153,461,548	174,352,242	-	1.74%	1.1x	1.1x
ICV Partners II, L.P.	2005	Buyout	40,000,000	-	43,550,290	71,645,080	-	11.79%	1.6x	1.6x
Kelso Investment Associates VI, L.P.	1998	Buyout	50,000,000	-	42,478,505	59,211,684	-	9.31%	1.4x	1.4x
KKR 1996 Fund, LP	1997	Buyout	50,000,000	-	52,825,492	86,451,946	-	10.21%	1.6x	1.6x
Nogales Investors Fund II, L.P.	2006	Buyout	14,760,000	-	14,413,108	1,594,342	-	(24.07%)	0.1x	0.1x
Private Equity Partners Connecticut LP	1997	Buyout	90,000,000	-	86,469,826	106,782,368	-	4.53%	1.2x	1.2x
RFE Investment Partners VI, L.P.	1998	Buyout	30,000,000	-	26,340,276	60,911,055	-	15.07%	2.3x	2.3x
RFE Investment Partners VIII, L.P.	2012	Buyout	40,000,000	-	40,676,860	60,122,895	-	8.11%	1.5x	1.5x
Thayer Equity Investors IV, L.P.	1998	Buyout	53,500,000	-	55,254,084	39,635,108	-	(4.55%)	0.7x	0.7x
Thomas H. Lee Equity Fund IV, L.P.	1998	Buyout	75,000,000	-	67,649,892	58,756,719	-	(2.61%)	0.9x	0.9x
Thomas H. Lee Equity Fund VI, L.P.	2006	Buyout	100,000,000	-	104,043,318	166,950,600	-	7.84%	1.6x	1.6x
Triumph Capital II	1991	Distressed/Restructuring	7,215,028	-	7,215,028	2,998,844	-	(25.10%)	0.4x	0.4x
Veritas Capital Fund, L.P.	1997	Buyout	125,000,000	-	125,435,409	321,662,707	-	26.87%	2.6x	2.6x
Washington & Congress Capital Partners, LP	1997	Buyout	145,000,000	-	142,274,864	116,067,908	-	(5.85%)	0.8x	0.8x
Wellspring Capital Partners II, L.P.	1998	Buyout	50,000,000	-	49,740,657	75,087,114	-	19.95%	1.5x	1.5x
Wellspring Capital Partners III, L.P.	2002	Buyout	75,000,000	-	74,248,215	161,845,142	-	27.33%	2.2x	2.2x
Welsh, Carson, Anderson & Stowe VIII, L.P.	1998	Buyout	50,000,000	-	50,000,000	64,408,409	-	3.12%	1.3x	1.3x
Welsh, Carson, Anderson & Stowe X, L.P.	2005	Buyout	100,000,000	-	98,683,200	169,925,675	-	8.33%	1.7x	1.7x
KPS Special Situations Fund II, L.P.	2003	Special Situations	35,000,000	-	30,695,687	108,461,633	-	63.45%	3.5x	3.5x
Forstmann Little Sub. D&E MBO VII, LP	1998	Buyout	130,000,000	-	137,789,972	48,231,034	-	(25.57%)	0.4x	0.4x

# Performance Summary by Investment

State of Connecticut Portfolio  
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Inactive Partnership	Vintage Year	Client Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	DPI	TVPI
GarMark Partners II, L.P.	2005	Venture Capital	75,000,000	-	106,198,499	137,009,755	-	9.15%	1.3x	1.3x
GarMark Partners, L.P.	1998	Venture Capital	75,000,000	-	71,960,328	105,570,183	-	9.60%	1.5x	1.5x
ICG Europe Fund VII, L.P.	2018	Venture Capital	85,340,252	-	82,621,204	123,258,895	-	15.33%	1.5x	1.5x
ICG Europe Fund VIII SCSp	2021	Venture Capital	178,099,676	-	39,968,226	51,816,212	-	N/A	N/A	N/A
S.W. Pelham Fund II, LP	2003	Venture Capital	20,000,000	-	21,892,148	26,131,624	-	6.53%	1.2x	1.2x
S.W. Pelham Fund, LP	1998	Venture Capital	50,000,000	-	52,859,693	21,812,365	-	(15.02%)	0.4x	0.4x
Triumph Conn Ltd Partnership	1993	Venture Capital	130,000,000	-	129,744,323	138,693,628	-	2.70%	1.1x	1.1x
WCAS Capital Partners III, L.P.	1997	Venture Capital	100,000,000	-	100,000,000	174,638,566	-	13.03%	1.7x	1.7x
GCM Grosvenor - CT Cleantech Opportunities Fund LP	2007	Venture Capital	25,000,000	-	28,080,252	11,434,565	-	(13.52%)	0.4x	0.4x
Greenwich Street Capital Partners II, L.P.	1998	Venture Capital	50,000,000	-	53,072,178	53,435,934	-	0.12%	1.0x	1.0x
Stepstone Pioneer Capital I, L.P.	2004	Venture Capital	55,000,000	-	57,865,297	75,790,425	-	5.07%	1.3x	1.3x
Stepstone Pioneer Capital II, L.P.	2006	Buyout	175,000,000	-	189,026,577	258,133,232	-	4.92%	1.4x	1.4x
Landmark Primary Partners, L.P.	1998	Buyout	140,000,000	-	137,133,640	170,018,236	-	3.72%	1.2x	1.2x
Lexington Capital Partners II, L.P.	1998	Venture Capital	40,000,000	-	39,525,549	52,568,204	-	8.17%	1.3x	1.3x
Conn Greene Ventures LP	1993	Venture Capital	14,850,000	-	14,850,000	15,553,331	-	1.40%	1.0x	1.0x
Connecticut Financial Development, LP	1992	Buyout	49,583,271	-	49,583,271	10,367,734	-	(20.11%)	0.2x	0.2x
Connecticut Futures Fund, LP	1993	Buyout	40,000,000	-	40,000,000	11,317,103	-	(29.15%)	0.3x	0.3x
Conning Capital Partners V, L.P.	1997	Buyout	50,000,000	-	50,362,292	38,356,811	-	(4.21%)	0.8x	0.8x
Crescendo World Fund, LLC	1997	Secondaries	100,000,000	-	100,000,000	80,411,666	-	(5.48%)	0.8x	0.8x
Grotech Partners V, L.P.	1998	Secondaries	50,000,000	-	50,000,000	49,181,322	-	(0.79%)	1.0x	1.0x
Keystone Venture V, L.P.	1998	Buyout	27,500,000	-	27,500,000	1,985,505	-	(33.45%)	0.1x	0.1x
Pioneer Ventures Associates LP	1998	Buyout	50,000,000	-	49,976,129	21,723,214	-	(13.46%)	0.4x	0.4x
SCP Private Equity Partners I, L.P.	1996	Venture Capital	75,000,000	-	75,070,755	51,909,806	-	(6.31%)	0.7x	0.7x
<b>Total Inactive Portfolio</b>			<b>\$3,685,418,238</b>	<b>-</b>	<b>\$3,610,144,203</b>	<b>\$4,673,698,787</b>	<b>-</b>	<b>4.91%</b>	<b>1.3x</b>	<b>1.3x</b>
<b>Total Portfolio</b>			<b>\$16,063,140,976</b>	<b>\$4,479,139,722</b>	<b>\$12,158,479,827</b>	<b>\$13,138,173,073</b>	<b>\$5,913,362,982</b>	<b>9.88%</b>	<b>1.1x</b>	<b>1.6x</b>



# Performance Summary Categories

## Performance Summary by Strategy

Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	TVPI	Since Inception IRR	1-YR IRR	3-YR IRR	5-YR IRR
Buyout	\$9,553,506,628	\$3,075,712,420	\$7,069,780,330	\$7,374,491,887	\$3,967,538,269	1.6x	10.19%	10.39%	14.51%	16.71%
Distressed/Restructuring	560,000,000	112,218,931	478,344,891	413,453,853	211,791,440	1.3x	9.73%	3.64%	0.61%	(1.41%)
Growth Equity	350,000,000	136,608,557	219,894,756	6,252,668	281,486,009	1.3x	12.65%	(4.23%)	10.42%	12.07%
Mezzanine	1,068,439,928	27,586,430	1,005,139,755	1,160,471,982	99,888,561	1.3x	4.59%	14.86%	16.36%	18.43%
Multi-Strategy	390,168,457	2,354,066	410,994,482	508,344,680	1,708,850	1.2x	3.86%	1.55%	(10.72%)	(21.21%)
Secondaries	1,430,000,000	632,338,496	803,618,205	544,489,861	553,618,468	1.4x	7.95%	13.64%	19.23%	19.63%
Special Situations	100,000,000	23,528,584	97,961,158	25,899,239	87,823,797	1.2x	10.04%	9.11%	9.59%	N/A
Venture Capital	2,611,025,963	468,792,238	2,072,746,250	3,104,768,903	709,507,588	1.8x	12.35%	(7.79%)	8.89%	17.43%
Total Portfolio	\$16,063,140,976	\$4,479,139,722	\$12,158,479,827	\$13,138,173,073	\$5,913,362,982	1.6x	9.88%	7.09%	13.23%	15.97%

## Performance Summary by Vintage Year

Vintage Year	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	TVPI	Since Inception IRR	1-YR IRR	3-YR IRR	5-YR IRR
Post-2011	\$9,587,987,826	\$4,345,168,028	\$5,691,197,671	\$3,084,168,944	\$5,558,452,678	1.5x	16.62%	7.24%	14.08%	16.59%
Pre-2011	\$6,475,153,150	\$133,971,694	\$6,467,282,156	\$10,054,004,129	\$354,910,304	1.6x	9.09%	5.20%	7.11%	13.50%
Total Portfolio	\$16,063,140,976	\$4,479,139,722	\$12,158,479,827	\$13,138,173,073	\$5,913,362,982	1.6x	9.88%	7.09%	13.23%	15.97%

## Performance Summary by Investment Category

Investment Category	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	TVPI	Since Inception IRR	1-YR IRR	3-YR IRR	5-YR IRR
Fund-of-Funds	\$2,680,169,009	\$367,432,210	\$2,334,880,778	\$3,672,492,149	\$957,964,849	2.0x	17.48%	(3.74%)	11.44%	18.25%
Primary Partnership	12,092,971,967	3,479,369,016	9,157,114,484	9,091,209,299	4,401,779,665	1.5x	9.88%	7.44%	13.53%	16.41%
Secondary Fund-of-Funds	1,290,000,000	632,338,496	666,484,565	374,471,625	553,618,468	1.4x	8.23%	1.28%	12.03%	21.03%
Total Portfolio	\$16,063,140,976	\$4,479,139,722	\$12,158,479,827	\$13,138,173,073	\$5,913,362,982	1.6x	9.88%	7.09%	13.23%	15.97%

# Performance Summary by Vintage Year

## State of Connecticut Portfolio Performance Summary by Vintage Year as of December 31, 2023

Partnership	Vintage Year	Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	IRR Quartile	D/PI	DPI Quartile	TVPI	TVPI Quartile
<b>1987 Portfolio</b>													
Constitution Liquidating Fund, L.P.	1987	Venture Capital	\$640,000,552	-	\$532,763,501	\$1,370,419,212	\$738,520	20.10%	1	2.6x	2	2.6x	2
1987 Portfolio Total			\$640,000,552	-	\$532,763,501	\$1,370,419,212	\$738,520	20.10%	1	2.6x	2	2.6x	2
<b>1991 Portfolio</b>													
Triumph Capital II	1991	Buyout	\$7,215,028	-	\$7,215,028	\$2,998,844	-	(25.10%)	4	0.4x	4	0.4x	4
1991 Portfolio Total			\$7,215,028	-	\$7,215,028	\$2,998,844	-	(25.10%)	4	0.4x	4	0.4x	4
<b>1992 Portfolio</b>													
Connecticut Financial Development, LP	1992	Venture Capital	\$49,583,271	-	\$49,583,271	\$10,367,734	-	(20.11%)	4	0.2x	4	0.2x	4
1992 Portfolio Total			\$49,583,271	-	\$49,583,271	\$10,367,734	-	(20.11%)	4	0.2x	4	0.2x	4
<b>1993 Portfolio</b>													
Conn Greene Ventures LP	1993	Venture Capital	\$14,850,000	-	\$14,850,000	\$15,553,331	-	1.40%	4	1.0x	4	1.0x	4
Connecticut Futures Fund, LP	1993	Venture Capital	40,000,000	-	40,000,000	11,317,103	-	(29.15%)	4	0.3x	4	0.3x	4
Triumph Conn Ltd Partnership	1993	Mezzanine	130,000,000	-	129,744,323	138,693,628	-	2.70%	4	1.1x	4	1.1x	4
1993 Portfolio Total			\$184,850,000	-	\$184,594,323	\$165,564,062	-	(3.67%)	4	0.9x	4	0.9x	4
<b>1996 Portfolio</b>													
Hicks, Muse, Tate & Furst Equity Fund III, L.P.	1996	Buyout	\$163,841,018	-	\$153,461,548	\$174,352,242	-	1.74%	3	1.1x	3	1.1x	3
SCP Private Equity Partners I, L.P.	1996	Venture Capital	75,000,000	-	75,070,755	51,909,806	-	(6.31%)	4	0.7x	4	0.7x	4
1996 Portfolio Total			\$238,841,018	-	\$228,532,303	\$226,262,048	-	(0.14%)	4	1.0x	3	1.0x	4
<b>1997 Portfolio</b>													
Blackstone Capital Partners III, L.P.	1997	Buyout	\$30,000,000	-	\$30,034,831	\$60,943,826	-	14.54%	2	2.0x	2	2.0x	2
Carlyle Europe Partners, L.P.	1997	Buyout	77,223,495	-	89,758,266	183,034,205	-	16.64%	2	2.0x	2	2.0x	2
Conning Capital Partners V, L.P.	1997	Venture Capital	50,000,000	-	50,362,292	38,356,811	-	(4.21%)	4	0.8x	4	0.8x	4
Crescendo World Fund, LLC	1997	Venture Capital	100,000,000	-	100,000,000	80,411,666	-	(5.48%)	4	0.8x	4	0.8x	4
DLJ Merchant Banking Partners II, LP	1997	Buyout	75,000,000	-	81,666,655	105,992,273	-	5.98%	3	1.3x	3	1.3x	3
KKR 1996 Fund, LP	1997	Buyout	50,000,000	-	52,825,492	86,451,946	-	10.21%	3	1.6x	2	1.6x	2
PineBridge Global Emerging Markets Partners, L.L.C	1997	Multi-Strategy	85,168,457	\$2,354,066	82,950,178	109,550,524	\$1,708,850	7.03%	3	1.3x	3	1.3x	3
Private Equity Partners Connecticut LP	1997	Buyout	90,000,000	-	86,469,826	106,782,368	-	4.53%	3	1.2x	3	1.2x	3
Shawmut Equity Partners, L.P.	1997	Venture Capital	75,000,000	-	59,910,737	87,122,324	-	9.61%	3	1.5x	2	1.5x	3
Veritas Capital Fund, L.P.	1997	Buyout	125,000,000	-	125,435,409	321,662,707	-	26.87%	1	2.6x	1	2.6x	1
Washington & Congress Capital Partners, LP	1997	Buyout	145,000,000	-	142,274,864	116,067,908	-	(5.85%)	4	0.8x	4	0.8x	4
WCAS Capital Partners III, L.P.	1997	Mezzanine	100,000,000	-	100,000,000	174,638,566	-	13.03%	2	1.7x	2	1.7x	2
1997 Portfolio Total			\$1,002,391,952	2,354,066	\$1,001,688,550	\$1,471,015,124	\$1,708,850	9.23%	3	1.5x	2	1.5x	3
<b>1998 Portfolio</b>													
Compass Partners European Equity Fund, L.P. (USD)	1998	Buyout	\$150,000,000	-	\$149,765,817	\$260,307,780	-	9.74%	2	1.7x	1	1.7x	1
Crescendo III, L.P.	1998	Venture Capital	36,825,000	-	36,824,862	20,681,787	(\$1,311,601)	N/A	3	0.6x	4	0.5x	4
Forstmann Little Sub. D&E MBO VII, LP	1998	Mezzanine	130,000,000	-	137,789,972	48,231,034	-	(25.57%)	4	0.4x	4	0.4x	4
GarMark Partners, L.P.	1998	Mezzanine	75,000,000	-	71,960,328	105,570,183	-	9.60%	2	1.5x	2	1.5x	2
Gilbert Global Equity Partners, L.P.	1998	Buyout	135,119,738	-	135,175,294	195,321,112	-	3.22%	3	1.4x	2	1.4x	2
Greenwich Street Capital Partners II, L.P.	1998	Multi-Strategy	50,000,000	-	53,072,178	53,435,934	-	0.12%	3	1.0x	3	1.0x	3
Grotech Partners V, L.P.	1998	Venture Capital	50,000,000	-	50,000,000	49,181,322	-	(0.79%)	3	1.0x	3	1.0x	3
Kelso Investment Associates VI, L.P.	1998	Buyout	50,000,000	-	42,478,505	59,211,684	-	9.31%	2	1.4x	2	1.4x	2
Keystone Venture V, L.P.	1998	Venture Capital	27,500,000	-	27,500,000	1,985,505	-	(33.45%)	4	0.1x	4	0.1x	4
Landmark Primary Partners, L.P.	1998	Secondaries	140,000,000	-	137,133,640	170,018,236	-	3.72%	3	1.2x	3	1.2x	3
Lexington Capital Partners II, L.P.	1998	Secondaries	40,000,000	-	39,525,549	52,568,204	-	8.17%	2	1.3x	3	1.3x	3
Pioneer Ventures Associates LP	1998	Venture Capital	50,000,000	-	49,976,129	21,723,214	-	(13.46%)	4	0.4x	4	0.4x	4

# Performance Summary by Vintage Year

State of Connecticut Portfolio  
Performance Summary by Vintage Year  
as of December 31, 2023

Partnership	Vintage Year	Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	IRR Quartile	D/PI	DPI Quartile	TVPI	TVPI Quartile
RFE Investment Partners VI, L.P.	1998	Buyout	30,000,000	-	26,340,276	60,911,055	-	15.07%	1	2.3x	1	2.3x	1
S.W. Pelham Fund, LP	1998	Mezzanine	50,000,000	-	52,859,693	21,812,365	-	(15.02%)	4	0.4x	4	0.4x	4
Thayer Equity Investors IV, L.P.	1998	Buyout	53,500,000	-	55,254,084	39,635,108	-	(4.55%)	4	0.7x	4	0.7x	4
Thomas H. Lee Equity Fund IV, L.P.	1998	Buyout	75,000,000	-	67,649,892	58,756,719	-	(2.61%)	3	0.9x	3	0.9x	3
Wellspring Capital Partners II, L.P.	1998	Buyout	50,000,000	-	49,740,657	75,087,114	-	19.95%	1	1.5x	2	1.5x	2
Welsh, Carson, Anderson & Stowe VIII, L.P.	1998	Buyout	50,000,000	-	50,000,000	64,408,409	-	3.12%	3	1.3x	3	1.3x	3
<b>1998 Portfolio Total</b>			<b>\$1,242,944,738</b>	<b>-</b>	<b>\$1,233,046,876</b>	<b>\$1,358,846,765</b>	<b>(\$1,311,601)</b>	<b>1.57%</b>	<b>3</b>	<b>1.1x</b>	<b>3</b>	<b>1.1x</b>	<b>3</b>
<b>1999 Portfolio</b>													
Carlyle Asia Partners, L.P.	1999	Buyout	\$50,000,000	-	\$52,906,606	\$143,995,264	-	18.03%	1	2.7x	1	2.7x	1
Forstmann Little Equity Partnership VI, L.P.	1999	Buyout	70,000,000	-	72,101,503	20,526,331	-	(21.61%)	4	0.3x	4	0.3x	4
Green Equity Investors III, LP	1999	Buyout	25,000,000	-	22,758,400	53,908,814	-	21.58%	1	2.4x	1	2.4x	1
<b>1999 Portfolio Total</b>			<b>\$145,000,000</b>	<b>-</b>	<b>\$147,766,509</b>	<b>\$218,430,409</b>	<b>-</b>	<b>6.45%</b>	<b>2</b>	<b>1.5x</b>	<b>2</b>	<b>1.5x</b>	<b>2</b>
<b>2002 Portfolio</b>													
Altaris Health Partners, L.P.	2002	Buyout	\$40,000,000	-	\$40,447,923	\$69,318,557	-	13.31%	2	1.7x	2	1.7x	2
KKR Millennium Fund, L.P.	2002	Buyout	100,000,000	-	102,609,690	212,467,483	\$59,722	16.36%	2	2.1x	1	2.1x	1
Wellspring Capital Partners III, L.P.	2002	Buyout	75,000,000	-	74,248,215	161,845,142	-	27.33%	1	2.2x	1	2.2x	1
<b>2002 Portfolio Total</b>			<b>\$215,000,000</b>	<b>-</b>	<b>\$217,305,828</b>	<b>\$443,631,182</b>	<b>\$59,722</b>	<b>19.58%</b>	<b>2</b>	<b>2.0x</b>	<b>2</b>	<b>2.0x</b>	<b>2</b>
<b>2003 Portfolio</b>													
Charterhouse Equity Partners IV, L.P.	2003	Buyout	\$74,851,593	-	\$85,759,969	\$137,801,206	-	9.21%	3	1.6x	3	1.6x	3
KPS Special Situations Fund II, L.P.	2003	Distressed/Restructuring	35,000,000	-	30,695,687	108,461,633	-	63.45%	1	3.5x	1	3.5x	1
S.W. Pelham Fund II, LP	2003	Mezzanine	20,000,000	-	21,892,148	26,131,624	-	6.53%	3	1.2x	4	1.2x	4
<b>2003 Portfolio Total</b>			<b>\$129,851,593</b>	<b>-</b>	<b>\$138,347,804</b>	<b>\$272,394,463</b>	<b>-</b>	<b>18.29%</b>	<b>2</b>	<b>2.0x</b>	<b>2</b>	<b>2.0x</b>	<b>2</b>
<b>2004 Portfolio</b>													
FS Equity Partners V, L.P.	2004	Buyout	\$75,000,000	\$14,347,156	\$60,739,964	\$125,842,499	\$1,250,987	15.27%	1	2.1x	1	2.1x	1
Stepstone Pioneer Capital I, L.P.	2004	Multi-Strategy	55,000,000	-	57,865,297	75,790,425	-	5.07%	3	1.3x	3	1.3x	3
<b>2004 Portfolio Total</b>			<b>\$130,000,000</b>	<b>\$14,347,156</b>	<b>\$118,605,261</b>	<b>\$201,632,924</b>	<b>\$1,250,987</b>	<b>11.01%</b>	<b>2</b>	<b>1.7x</b>	<b>2</b>	<b>1.7x</b>	<b>2</b>
<b>2005 Portfolio</b>													
Ethos Private Equity Fund V, L.P.	2005	Buyout	\$50,000,000	-	\$59,935,735	\$64,285,012	1,600,851	2.11%	4	1.1x	3	1.1x	4
Fairview Constitution II, L.P.	2005	Venture Capital	200,000,000	\$3,112,810	212,154,451	314,101,130	18,603,340	6.81%	3	1.5x	2	1.6x	2
Garmark Partners II, L.P.	2005	Mezzanine	75,000,000	-	106,198,499	137,009,755	-	9.15%	2	1.3x	3	1.3x	3
ICV Partners II, L.P.	2005	Buyout	40,000,000	-	43,550,290	71,645,080	-	11.79%	2	1.6x	2	1.6x	2
Welsh, Carson, Anderson & Stowe X, L.P.	2005	Buyout	100,000,000	-	98,683,200	169,925,675	-	8.33%	2	1.7x	2	1.7x	2
<b>2005 Portfolio Total</b>			<b>\$465,000,000</b>	<b>\$3,112,810</b>	<b>\$520,522,175</b>	<b>\$756,966,652</b>	<b>\$20,204,191</b>	<b>7.40%</b>	<b>3</b>	<b>1.5x</b>	<b>2</b>	<b>1.5x</b>	<b>3</b>
<b>2006 Portfolio</b>													
Boston Ventures VII, L.P.	2006	Buyout	\$75,000,000	\$12,388,419	\$65,028,749	\$74,798,645	\$2,028,798	3.00%	3	1.2x	3	1.2x	3
Court Square Capital Partners II, L.P.	2006	Buyout	93,793,953	3,246,335	91,797,386	163,618,527	1,799,888	12.21%	1	1.8x	1	1.8x	1
KKR 2006 Fund, L.P.	2006	Buyout	125,000,000	2,239,416	134,462,249	237,810,588	45,929	8.54%	2	1.8x	1	1.8x	1
Nogales Investors Fund II, L.P.	2006	Buyout	14,760,000	-	14,413,108	1,594,342	-	(24.07%)	4	0.1x	4	0.1x	4
Stepstone Pioneer Capital II, L.P.	2006	Multi-Strategy	175,000,000	-	189,026,577	258,133,232	-	4.92%	3	1.4x	2	1.4x	3
Syndicated Communications Venture Partners V, L.P.	2006	Venture Capital	27,267,140	-	27,421,182	960,486	-	(35.76%)	4	N/A		N/A	
Thomas H. Lee Equity Fund VI, L.P.	2006	Buyout	100,000,000	-	104,043,318	166,950,600	-	7.84%	2	1.6x	2	1.6x	2
<b>2006 Portfolio Total</b>			<b>\$610,821,093</b>	<b>\$17,874,170</b>	<b>\$626,192,569</b>	<b>\$903,866,420</b>	<b>\$3,874,615</b>	<b>6.14%</b>	<b>3</b>	<b>1.4x</b>	<b>2</b>	<b>1.4x</b>	<b>3</b>
<b>2007 Portfolio</b>													
Fairview Constitution III, L.P.	2007	Venture Capital	\$300,000,000	\$18,292,740	\$304,118,310	\$749,341,998	\$104,463,828	17.92%	1	2.5x	1	2.8x	1
GCM Grosvenor - CT Cleantech Opportunities Fund LP	2007	Multi-Strategy	25,000,000	-	28,080,252	11,434,565	-	(13.52%)	4	0.4x	4	0.4x	4

# Performance Summary by Vintage Year

## State of Connecticut Portfolio Performance Summary by Vintage Year as of December 31, 2023

Partnership	Vintage Year	Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	IRR Quartile	D/PI	DPI Quartile	TVPI	TVPI Quartile
M2 - Connecticut Emerging Private Equity Fund-of-Funds, L.P.	2007	Buyout	105,000,000	495,000	113,805,712	145,558,727	12,358,697	6.86%	3	1.3x	3	1.4x	3
Pegasus Partners IV, L.P.	2007	Distressed/Restructuring	75,000,000	-	94,582,353	70,134,362	8,913,438	(3.33%)	4	0.7x	4	0.8x	4
Vista Equity Partners Fund III, L.P.	2007	Buyout	50,000,000	3,838,140	54,215,998	131,536,213	2,277,785	27.85%	1	2.4x	1	2.5x	1
WLR Recovery Fund IV, L.P.	2007	Distressed/Restructuring	100,000,000	3,443,659	90,823,160	122,102,873	53,645	7.32%	3	1.3x	3	1.3x	3
<b>2007 Portfolio Total</b>			<b>\$655,000,000</b>	<b>\$26,069,539</b>	<b>\$685,625,785</b>	<b>\$1,230,108,738</b>	<b>\$128,067,393</b>	<b>12.70%</b>	<b>2</b>	<b>1.8x</b>	<b>2</b>	<b>2.0x</b>	<b>1</b>
<b>2008 Portfolio</b>													
Altaris Health Partners II, L.P.	2008	Buyout	\$40,000,000	\$2,783,592	\$45,574,376	\$99,451,134	(\$27,481)	25.15%	1	2.2x	1	2.2x	1
Candover 2008 Fund, L.P.	2008	Buyout	13,653,905	-	14,407,641	1,649,710	-	(70.49%)	4	0.1x	4	0.1x	4
CT Horizon Legacy Fund, L.P.	2008	Buyout	15,000,000	2,447,177	14,117,227	9,532,957	1,674,195	(3.54%)	4	0.7x	4	0.8x	4
Landmark Equity Partners XIV, L.P.	2008	Secondaries	100,000,000	2,607,207	98,110,821	125,342,457	6,095,202	9.44%	3	1.3x	3	1.3x	4
Leeds Equity Partners V, L.P.	2008	Buyout	40,000,000	5,181,823	50,137,652	105,456,635	3,637,208	18.86%	1	2.1x	1	2.2x	1
Levine Leichtman Capital Partners IV, L.P.	2008	Mezzanine	75,000,000	13,696,960	74,669,737	121,619,054	7,144,918	17.64%	2	1.6x	2	1.7x	2
RFE Investment Partners VII, L.P.	2008	Buyout	40,000,000	327,148	39,765,243	61,590,853	7,831,342	7.96%	3	1.5x	2	1.7x	2
Yucaipa American Alliance Fund II, L.P.	2008	Buyout	75,000,000	77	104,214,590	113,169,041	61,269,032	7.80%	3	1.1x	4	1.7x	2
<b>2008 Portfolio Total</b>			<b>\$398,653,905</b>	<b>\$27,043,984</b>	<b>\$440,997,287</b>	<b>\$637,811,841</b>	<b>\$87,624,416</b>	<b>11.00%</b>	<b>2</b>	<b>1.4x</b>	<b>3</b>	<b>1.6x</b>	<b>2</b>
<b>2009 Portfolio</b>													
FS Equity Partners VI, L.P.	2009	Buyout	\$75,000,000	\$470,192	\$74,231,117	\$226,934,108	\$28,315,606	23.42%	1	3.1x	1	3.4x	1
Welsh, Carson, Anderson & Stowe XI, L.P.	2009	Buyout	100,000,000	-	100,000,000	161,464,441	\$6,723,972	11.64%	2	1.6x	2	1.7x	2
<b>2009 Portfolio Total</b>			<b>\$175,000,000</b>	<b>\$470,192</b>	<b>\$174,231,117</b>	<b>\$388,398,549</b>	<b>\$35,039,578</b>	<b>17.90%</b>	<b>2</b>	<b>2.2x</b>	<b>1</b>	<b>2.4x</b>	<b>1</b>
<b>2010 Portfolio</b>													
Nutmeg Opportunities Fund L.P. CT - EM	2010	Buyout	\$35,000,000	\$17,406,871	\$20,104,372	\$21,790,941	\$34,090,236	12.81%	2	1.1x	3	2.8x	1
Nutmeg Opportunities Fund L.P. CT - SMMBF	2010	Buyout	75,000,000	24,167,906	65,732,109	106,645,320	30,398,426	14.47%	2	1.6x	2	2.1x	2
TA XI, L.P.	2010	Buyout	75,000,000	1,125,000	74,427,488	266,852,901	13,164,971	26.74%	1	3.6x	1	3.8x	1
<b>2010 Portfolio Total</b>			<b>\$185,000,000</b>	<b>\$42,699,777</b>	<b>\$160,263,969</b>	<b>\$395,289,162</b>	<b>\$77,653,633</b>	<b>20.98%</b>	<b>1</b>	<b>2.5x</b>	<b>1</b>	<b>3.0x</b>	<b>1</b>
<b>2011 Portfolio</b>													
Castlelake Fund II, L.P.	2011	Distressed/Restructuring	\$50,000,000	\$3,750,659	\$46,663,983	\$53,822,979	\$12,035,164	5.91%	4	1.2x	4	1.4x	4
Fairview Constitution IV, L.P.	2011	Venture Capital	150,000,000	5,956,437	153,894,308	203,673,346	200,328,746	17.06%	2	1.3x	3	2.6x	1
J.F. Lehman Equity Investors III, L.P.	2011	Buyout	49,000,000	1,398,549	54,391,052	59,214,646	31,164,084	10.90%	3	1.1x	4	1.7x	3
Pegasus Partners V, L.P.	2011	Distressed/Restructuring	50,000,000	-	67,772,460	53,045,529	18,145,768	1.14%	4	0.8x	4	1.1x	4
Vista Equity Partners Fund IV, L.P.	2011	Buyout	75,000,000	10,491,939	78,916,655	101,320,672	54,041,770	14.31%	2	1.3x	3	2.0x	2
Wellspring Capital Partners V, L.P.	2011	Buyout	75,000,000	25,772,441	86,593,275	124,323,115	26,553,433	16.24%	2	1.4x	3	1.7x	3
<b>2011 Portfolio Total</b>			<b>\$449,000,000</b>	<b>\$47,370,025</b>	<b>\$488,231,733</b>	<b>\$595,400,287</b>	<b>\$342,268,965</b>	<b>12.97%</b>	<b>3</b>	<b>1.2x</b>	<b>4</b>	<b>1.9x</b>	<b>2</b>
<b>2012 Portfolio</b>													
Clearlake Capital Partners III, L.P.	2012	Buyout	\$40,000,000	\$22,306,903	\$56,907,144	\$160,480,066	\$1,714,601	40.61%	1	2.8x	1	2.9x	1
Court Square Capital Partners III, L.P.	2012	Buyout	50,000,000	1,756,293	54,708,194	83,009,832	46,703,210	21.74%	1	1.5x	2	2.4x	1
GenNx360 Capital Partners II	2012	Buyout	25,000,000	519,114	30,638,356	38,841,145	15,119,831	13.70%	3	1.3x	3	1.8x	3
RFE Investment Partners VIII, L.P.	2012	Buyout	40,000,000	-	40,676,860	60,122,895	-	8.11%	4	1.5x	2	1.5x	3
<b>2012 Portfolio Total</b>			<b>\$155,000,000</b>	<b>\$24,582,310</b>	<b>\$182,930,554</b>	<b>\$342,453,938</b>	<b>\$63,537,642</b>	<b>22.90%</b>	<b>1</b>	<b>1.9x</b>	<b>2</b>	<b>2.2x</b>	<b>2</b>
<b>2013 Portfolio</b>													
Altaris Health Partners III, L.P.	2013	Buyout	\$50,000,000	\$143,701	\$58,363,360	\$83,342,339	\$65,602,306	27.04%	1	1.4x	2	2.6x	1
Apollo Investment Fund VIII, L.P.	2013	Buyout	125,000,000	12,772,818	133,461,037	148,020,058	38,864,495	8.82%	3	1.1x	3	1.4x	4
Landmark Equity Partners XV, L.P.	2013	Secondaries	100,000,000	19,726,559	80,275,284	93,865,577	19,367,390	11.34%	3	1.2x	3	1.4x	4
Levine Leichtman Capital Partners V, L.P.	2013	Mezzanine	75,000,000	11,001,970	115,323,125	211,690,666	3,034,380	17.23%	2	1.8x	1	1.9x	2
<b>2013 Portfolio Total</b>			<b>\$350,000,000</b>	<b>\$43,645,048</b>	<b>\$387,422,806</b>	<b>\$536,918,640</b>	<b>\$126,868,571</b>	<b>14.99%</b>	<b>2</b>	<b>1.4x</b>	<b>2</b>	<b>1.7x</b>	<b>2</b>

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Partnership	Vintage Year	Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	IRR Quartile	D/PI	DPI Quartile	TVPI	TVPI Quartile
<b>2015 Portfolio</b>													
Clearlake Capital Partners IV, L.P.	2015	Buyout	\$50,000,000	\$19,639,228	\$78,349,196	\$110,845,322	\$31,693,613	24.09%	1	1.4x	2	1.8x	3
Welsh, Carson, Anderson & Stowe XII, L.P.	2015	Buyout	100,000,000	-	101,374,567	158,799,716	80,247,926	28.07%	1	1.6x	1	2.4x	1
Yucaipa American Alliance Fund III, L.P.	2015	Buyout	39,250,000	470,450	43,964,552	15,587,264	42,707,307	7.06%	4	0.4x	4	1.3x	4
<b>2015 Portfolio Total</b>			<b>\$189,250,000</b>	<b>\$20,109,678</b>	<b>\$223,688,315</b>	<b>\$285,232,302</b>	<b>\$154,648,846</b>	<b>22.68%</b>	<b>1</b>	<b>1.3x</b>	<b>2</b>	<b>2.0x</b>	<b>2</b>
<b>2016 Portfolio</b>													
Constitution Fund V, LLC - Series A	2016	Venture Capital	\$130,000,000	\$5,994,538	\$128,503,732	\$66,594,763	\$212,275,250	18.63%	2	0.5x	3	2.2x	2
J.F. Lehman Equity Investors IV, L.P.	2016	Buyout	75,000,000	327,957	76,001,232	169,906,791	35,416,640	40.61%	1	2.2x	1	2.7x	1
Leeds Equity Partners VI, L.P.	2016	Buyout	75,000,000	2,041,389	82,760,915	82,089,952	93,004,774	22.36%	2	1.0x	2	2.1x	2
Vista Equity Partners Fund VI, L.P.	2016	Buyout	100,000,000	8,960,629	127,272,164	145,360,640	115,940,878	18.50%	2	1.1x	2	2.1x	2
<b>2016 Portfolio Total</b>			<b>\$380,000,000</b>	<b>\$17,324,513</b>	<b>\$414,538,043</b>	<b>\$463,952,146</b>	<b>\$456,637,542</b>	<b>22.69%</b>	<b>2</b>	<b>1.1x</b>	<b>2</b>	<b>2.2x</b>	<b>2</b>
<b>2017 Portfolio</b>													
Altaris Constellation Partners IV, L.P.	2017	Buyout	\$10,000,000	\$560,365	\$10,158,214	\$7,106,739	\$13,883,323	26.15%	1	0.7x	2	2.1x	2
Altaris Health Partners IV, L.P.	2017	Buyout	40,000,000	3,601,540	39,098,341	39,926,101	39,282,316	28.04%	1	1.0x	2	2.0x	2
BC European Capital X, L.P.	2017	Buyout	92,201,330	9,917,905	94,116,401	27,380,517	114,476,407	10.11%	4	0.3x	3	1.5x	3
Clearlake Capital Partners V, L.P.	2017	Buyout	60,000,000	12,825,232	86,733,888	81,009,807	69,821,890	24.94%	2	0.9x	2	1.7x	3
Constitution Fund V, LLC - Series B	2017	Venture Capital	20,000,000	3,395,182	16,853,251	5,438,790	21,321,299	10.75%	4	0.3x	3	1.6x	3
Landmark Equity Partners XVI, L.P.	2017	Secondaries	100,000,000	29,272,968	78,028,499	40,907,555	64,417,274	16.63%	3	0.5x	3	1.3x	4
Nutmeg Opportunities Fund II LLC - EM	2017	Buyout	35,000,000	5,763,577	31,598,764	25,086,742	35,796,671	18.41%	3	0.8x	2	1.9x	2
<b>2017 Portfolio Total</b>			<b>\$357,201,330</b>	<b>\$65,336,769</b>	<b>\$356,587,358</b>	<b>\$226,856,251</b>	<b>\$358,999,180</b>	<b>17.22%</b>	<b>3</b>	<b>0.6x</b>	<b>3</b>	<b>1.6x</b>	<b>3</b>
<b>2018 Portfolio</b>													
Aldrich Capital Partners Fund, L.P.	2018	Growth Equity	\$50,000,000	\$945,741	\$49,402,154	-	\$89,737,222	18.04%	3	N/A		1.8x	2
Apollo Investment Fund IX, L.P.	2018	Buyout	125,000,000	33,321,266	117,061,980	47,014,152	127,744,183	20.69%	2	0.4x	2	1.5x	3
EQT VIII SCSP	2018	Buyout	81,698,471	8,508,013	82,733,360	61,933,930	84,825,821	22.76%	2	0.7x	1	1.8x	2
ICG Europe Fund VII, L.P.	2018	Mezzanine	85,340,252	-	82,621,204	123,258,895	-	15.33%	3	1.5x	1	1.5x	3
Nutmeg Opportunities Fund II LLC - SMMBF	2018	Buyout	65,000,000	-	91,160,518	21,562,892	108,045,127	14.58%	3	0.2x	3	1.4x	3
Siris Partners IV, L.P.	2018	Buyout	50,000,000	8,757,680	47,091,340	8,314,301	57,030,409	11.81%	4	0.2x	3	1.4x	3
Wellspring Capital Partners VI, L.P.	2018	Buyout	75,000,000	12,281,970	75,244,686	17,557,124	102,556,984	16.76%	3	0.2x	3	1.6x	3
<b>2018 Portfolio Total</b>			<b>\$532,038,723</b>	<b>\$63,814,670</b>	<b>\$545,315,242</b>	<b>\$279,641,294</b>	<b>\$569,939,746</b>	<b>17.54%</b>	<b>3</b>	<b>0.5x</b>	<b>2</b>	<b>1.6x</b>	<b>3</b>
<b>2019 Portfolio</b>													
Constitution Fund V, LLC - Series C	2019	Venture Capital	\$75,000,000	\$12,597,271	\$62,402,729	\$5,628,575	\$83,264,919	15.79%	2	0.1x	3	1.4x	3
Constitution Fund V, LLC - Series D	2019	Venture Capital	25,000,000	8,149,071	16,850,929	-	11,731,268	(12.05%)	4	N/A		0.7x	4
Dover Street X, L.P.	2019	Secondaries	100,000,000	29,500,000	70,500,000	25,411,936	82,354,199	26.01%	1	0.4x	1	1.5x	2
Freeman CT Horizon Investment Fund, LLC	2019	Buyout	50,000,000	19,420,984	33,835,964	7,628,564	44,101,825	18.53%	2	0.2x	2	1.5x	2
Georgian Partners Growth Fund V, L.P.	2019	Growth Equity	75,000,000	3,583,534	77,495,452	6,064,769	97,510,745	12.21%	3	0.1x	3	1.3x	3
Hollyport Secondary Opportunities Fund VII LP	2019	Secondaries	75,000,000	22,500,000	52,588,459	19,162,500	75,309,729	23.33%	1	0.4x	1	1.8x	1
Secondary Overflow Fund IV L.P.	2019	Secondaries	100,000,000	29,273,837	71,866,412	17,213,396	78,091,117	17.31%	2	0.2x	2	1.3x	3
Vista Equity Partners Fund VII, L.P.	2019	Buyout	100,000,000	18,036,996	91,565,217	9,674,887	105,627,415	7.93%	4	0.1x	3	1.3x	3
WCAS XIII, L.P.	2019	Buyout	125,000,000	10,335,982	114,677,960	44,894,350	123,403,610	22.52%	2	0.4x	1	1.5x	2
<b>2019 Portfolio Total</b>			<b>\$725,000,000</b>	<b>\$153,397,675</b>	<b>\$591,783,122</b>	<b>\$135,678,977</b>	<b>\$701,394,827</b>	<b>16.05%</b>	<b>2</b>	<b>0.2x</b>	<b>2</b>	<b>1.4x</b>	<b>3</b>
<b>2020 Portfolio</b>													
Altaris Health Partners V, L.P.	2020	Buyout	\$100,000,000	\$38,105,449	\$61,794,631	\$834,446	\$79,277,786	16.54%	2	N/A		1.3x	2
Clearlake Capital Partners VI, L.P.	2020	Buyout	75,000,000	3,718,307	78,529,614	12,180,611	119,268,699	23.91%	1	0.2x	1	1.7x	1
Clearlake Flagship Plus Partners, L.P.	2020	Special Situations	100,000,000	23,528,584	97,961,158	25,899,239	87,823,797	10.04%	3	0.3x	1	1.2x	3
Constitution Fund V, LLC - Series E	2020	Venture Capital	75,000,000	26,386,058	48,613,942	-	45,359,259	(3.40%)	4	N/A		0.9x	4

# Performance Summary by Vintage Year

## State of Connecticut Portfolio Performance Summary by Vintage Year as of December 31, 2023

Partnership	Vintage Year	Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	IRR Quartile	D/PI	DPI Quartile	TVPI	TVPI Quartile
Hg Genesis 9 L.P.	2020	Buyout	61,089,469	13,942,854	57,415,043	10,268,428	63,000,800	18.01%	2	0.2x	1	1.3x	2
Hg Saturn 2 L.P.	2020	Buyout	100,000,000	27,749,523	92,731,561	27,092,613	96,627,628	20.83%	1	0.3x	1	1.3x	2
Insight Partners Opportunities Fund I, L.P.	2020	Mezzanine	75,000,000	2,887,500	72,112,500	-	89,709,263	11.11%	3	N/A		1.2x	3
JFL Equity Investors V, L.P.	2020	Buyout	100,000,000	10,381,470	89,618,530	-	138,608,836	20.33%	1	N/A		1.5x	1
K5 Private Investors, L.P.	2020	Buyout	125,000,000	59,282,475	68,769,353	3,686,150	74,836,364	8.00%	3	0.1x	2	1.1x	4
Landmark Equity Partners XVII, L.P.	2020	Secondaries	100,000,000	79,982,600	20,017,400	-	23,769,869	24.46%	1	N/A		1.2x	3
Leeds Equity Partners VII, LP	2020	Buyout	125,000,000	56,788,862	68,211,373	3,873	89,770,297	26.12%	1	N/A		1.3x	2
Livingbridge 7	2020	Buyout	128,966,908	50,196,413	79,034,140	259,144	82,684,397	2.46%	4	N/A		1.0x	4
Nutmeg Opportunities Fund II LLC - CT - Direct Investment	2020	Buyout	50,000,000	50,000,000	-	-	-	N/A	4	N/A		N/A	1
Stellex Capital Partners II, L.P.	2020	Distressed/Restructuring	100,000,000	33,317,429	68,942,420	5,429,293	73,442,682	9.16%	3	0.1x	2	1.1x	4
Vistria Fund III, LP	2020	Buyout	75,000,000	4,621,679	70,378,321	-	90,109,904	9.76%	3	N/A		1.3x	2
<b>2020 Portfolio Total</b>			<b>\$1,390,056,377</b>	<b>\$480,889,203</b>	<b>\$974,129,986</b>	<b>\$85,653,797</b>	<b>\$1,154,289,581</b>	<b>13.92%</b>	<b>2</b>	<b>0.1x</b>	<b>2</b>	<b>1.3x</b>	<b>2</b>
<b>2021 Portfolio</b>													
Aldrich Capital Partners Fund II Co-Investment, LP	2021	Growth Equity	\$27,500,000	\$10,692,784	\$16,807,216	-	\$15,703,670	N/A		N/A		0.9x	
Aldrich Capital Partners Fund II, LP	2021	Growth Equity	47,500,000	32,291,075	15,208,925	-	11,685,220	N/A		N/A		0.8x	
Avance Investment Partners, L.P.	2021	Buyout	100,000,000	53,522,765	49,257,097	\$3,754,890	50,944,879	N/A		N/A		1.1x	
Clearlake Capital Partners VII, L.P.	2021	Buyout	125,000,000	52,885,576	73,682,564	1,706,433	80,832,744	N/A		N/A		1.1x	
Georgian Alignment Fund II, LP	2021	Growth Equity	50,000,000	24,144,610	25,855,390	8,248	30,540,823	N/A		N/A		1.2x	
Hg CT1 Co-Invest L.P.	2021	Buyout	150,000,000	84,113,780	66,043,393	-	77,134,527	N/A		N/A		1.2x	
ICG Europe Fund VIII SCSp	2021	Mezzanine	178,099,676	-	39,968,226	51,816,212	-	N/A		N/A		1.3x	
Icon Partners II, L.P.	2021	Buyout	38,000,000	9,500,000	28,152,524	42,526,451	16,028,385	N/A		N/A		2.1x	
Icon Partners III, L.P.	2021	Buyout	11,106,429	1,552,692	9,553,738	1,669	5,584,567	N/A		N/A		0.6x	
Icon Partners IV, L.P.	2021	Buyout	37,800,000	5,501,443	32,463,751	354,103	31,903,517	N/A		N/A		1.0x	
Icon Partners V, L.P.	2021	Buyout	38,000,000	9,477,775	28,200,649	403	33,403,515	N/A		N/A		1.2x	
One Rock Capital Partners III, L.P.	2021	Buyout	125,000,000	27,828,102	113,539,622	16,598,167	155,504,140	N/A		N/A		1.5x	
Reverence Capital Partners Opportunities Fund V (PE Fund III), L.P.	2021	Buyout	100,000,000	66,030,530	34,241,918	412,323	37,364,521	N/A		N/A		1.1x	
Strategic Value Special Situations Fund V, L.P.	2021	Distressed/Restructuring	150,000,000	71,707,184	78,864,828	457,184	99,200,743	N/A		N/A		1.3x	
Vistria Fund IV, LP	2021	Buyout	150,000,000	27,560,494	124,553,753	4,007,742	133,988,726	N/A		N/A		1.1x	
<b>2021 Portfolio Total</b>			<b>\$1,328,006,105</b>	<b>\$476,808,810</b>	<b>\$736,393,594</b>	<b>\$121,643,825</b>	<b>\$779,819,977</b>	<b>N/A</b>		<b>N/A</b>		<b>1.2x</b>	
<b>2022 Portfolio</b>													
Bregal Sagemount IV L.P.	2022	Buyout	\$125,000,000	\$106,693,488	\$18,369,677	\$10,487	\$15,659,592	N/A		N/A		0.9x	
Constitution Fund V, LLC - Series F	2022	Venture Capital	100,000,000	84,908,131	15,091,869	-	12,732,760	N/A		N/A		0.8x	
Dover Street XI L.P.	2022	Secondaries	175,000,000	145,250,000	29,797,466	-	38,791,599	N/A		N/A		1.3x	
Georgian Growth Fund VI, LP	2022	Growth Equity	100,000,000	64,950,813	35,125,619	179,651	36,308,329	N/A		N/A		1.0x	
HarbourVest CT Co-Investment Fund L.P.	2022	Buyout	750,000,000	412,765,209	346,500,000	9,265,209	358,577,129	N/A		N/A		1.1x	
Hg Genesis 10 L.P.	2022	Buyout	82,435,291	67,725,946	14,709,345	-	16,190,119	N/A		N/A		1.1x	
Hg Saturn 3, L.P.	2022	Buyout	150,000,000	103,287,344	46,712,656	-	48,752,999	N/A		N/A		1.0x	
Hollyport Secondary (Overage Fund) LP	2022	Secondaries	50,000,000	28,750,000	21,250,000	-	22,292,060	N/A		N/A		1.0x	
Hollyport Secondary Opportunities VIII LP	2022	Secondaries	125,000,000	75,000,000	50,000,000	-	79,996,148	N/A		N/A		1.6x	
Landmark Equity CT Co-Investment Fund I, L.P.	2022	Secondaries	50,000,000	23,715,875	26,284,125	-	30,567,221	N/A		N/A		1.2x	
WCAS XIV, L.P.	2022	Buyout	150,000,000	110,871,891	39,128,109	-	31,598,174	N/A		N/A		0.8x	
<b>2022 Portfolio Total</b>			<b>\$1,857,435,291</b>	<b>\$1,223,918,697</b>	<b>\$642,968,866</b>	<b>\$9,455,347</b>	<b>\$691,466,130</b>	<b>N/A</b>		<b>N/A</b>		<b>1.1x</b>	
<b>2023 Portfolio</b>													
Altaris 4048, L.P.	2023	Buyout	\$50,000,000	\$50,000,000	-	-	-	N/A		N/A		N/A	
Altaris Health Partners VI, L.P.	2023	Buyout	150,000,000	150,000,000	-	-	-	N/A		N/A		N/A	

# Performance Summary by Vintage Year

State of Connecticut Portfolio  
Performance Summary by Vintage Year  
as of December 31, 2023

Partnership	Vintage Year	Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	IRR Quartile	D/PI	DPI Quartile	TVPI	TVPI Quartile
CRPTF-GCM Emerging Manager Private Equity Partnership L.P.	2023	Buyout	150,000,000	138,128,644	\$11,927,326	-	\$12,024,200	N/A	N/A	N/A	N/A	1.0x	
JFL Equity Investors VI, L.P.	2023	Buyout	150,000,000	127,661,148	22,378,309	\$58,152	26,911,476	N/A	N/A	N/A	N/A	1.2x	
K6 Private Investors, L.P.	2023	Buyout	200,000,000	200,000,000	-	-	-	N/A	N/A	N/A	N/A	N/A	
Leeds Equity Partners Co-Invest I, L.P.	2023	Buyout	25,000,000	25,000,000	-	-	-	N/A	N/A	N/A	N/A	N/A	
Leeds Equity Partners VIII, L.P.	2023	Buyout	150,000,000	150,000,000	-	-	-	N/A	N/A	N/A	N/A	N/A	
One Rock Capital Partners IV, L.P.	2023	Buyout	100,000,000	100,000,000	-	-	(536,017)	N/A	N/A	N/A	N/A	N/A	
One Rock Emerald Fund, L.P.	2023	Buyout	50,000,000	50,000,000	-	-	-	N/A	N/A	N/A	N/A	N/A	
Secondary Overflow Fund V L.P.	2023	Secondaries	175,000,000	146,759,450	28,240,550	-	32,566,660	N/A	N/A	N/A	N/A	1.2x	
Top Tier - CT Venture Partners, L.P.	2023	Venture Capital	300,000,000	300,000,000	-	-	-	N/A	N/A	N/A	N/A	N/A	
Vista Equity Partners Fund VIII, L.P.	2023	Buyout	200,000,000	176,363,145	23,720,110	292,214	30,273,145	N/A	N/A	N/A	N/A	1.3x	
Vistria Fund V, L.P.	2023	Buyout	175,000,000	114,058,243	60,941,757	931,774	57,342,207	N/A	N/A	N/A	N/A	1.0x	
2023 Portfolio Total			\$1,875,000,000	\$1,727,970,630	\$147,208,052	\$1,282,140	\$158,581,671	N/A	N/A	N/A	N/A	1.1x	
Total Portfolio			\$16,063,140,976	\$4,479,139,722	\$12,158,479,827	\$13,138,173,073	\$5,913,362,982	9.88%		1.1x		1.6x	

# Benchmarking Summaries

## IRR Summary

(USD in Millions)	Total Exposure	% of Total Exposure	Market Value	% of Market Value	Capital Committed	% of Commitments
1	\$1,424.1	13.70%	\$1,095.9	18.53%	\$2,868.8	17.86%
2	\$1,843.2	17.74%	\$1,537.2	25.99%	\$2,845.0	17.71%
3	\$1,361.8	13.10%	\$1,127.1	19.06%	\$3,280.1	20.42%
4	\$704.8	6.78%	\$523.3	8.85%	\$1,906.5	11.87%
N/A	\$5,058.6	48.68%	\$1,629.9	27.57%	\$5,162.7	32.1%
	<b>\$10,392.5</b>	<b>100.0%</b>	<b>\$5,913.4</b>	<b>100.0%</b>	<b>\$16,063.1</b>	<b>100.0%</b>

## TVPI Summary

(USD in Millions)	Total Exposure	% of Total Exposure	Market Value	% of Market Value	Capital Committed	% of Commitments
1	\$1,138.3	10.95%	\$952.3	16.10%	\$2,263.8	14.09%
2	\$1,842.8	17.73%	\$1,543.2	26.10%	\$3,460.1	21.54%
3	\$1,603.9	15.43%	\$1,287.5	21.77%	\$2,915.4	18.15%
4	\$748.9	7.21%	\$500.6	8.46%	\$2,261.1	14.08%
N/A	\$5,058.6	48.68%	\$1,629.8	27.57%	\$5,162.7	32.1%
	<b>\$10,392.5</b>	<b>100.0%</b>	<b>\$5,913.4</b>	<b>100.0%</b>	<b>\$16,063.1</b>	<b>100.0%</b>

## D/PI Summary

(USD in Millions)	Total Exposure	% of Total Exposure	Market Value	% of Market Value	Capital Committed	% of Commitments
1	\$1,233.0	11.86%	\$1,008.0	17.05%	\$2,556.9	15.92%
2	\$1,252.6	12.05%	\$981.4	16.60%	\$3,162.3	19.69%
3	\$1,596.5	15.36%	\$1,378.7	23.32%	\$2,821.1	17.56%
4	\$182.7	1.76%	\$174.6	2.95%	\$1,456.1	9.07%
N/A	\$6,127.7	58.97%	\$2,370.7	40.08%	\$6,066.7	37.76%
	<b>\$10,392.5</b>	<b>100.0%</b>	<b>\$5,913.4</b>	<b>100.0%</b>	<b>\$16,063.1</b>	<b>100.0%</b>



# Performance Summary by Strategy and Substrategy

State of Connecticut Portfolio  
Performance Summary by Client Strategy and Client Substrategy  
as of December 31, 2023

(USD in Millions)	Capital Committed	Unfunded	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	DPI	TVPI	1-YR IRR	3-YR IRR	5-YR IRR	10-YR IRR
<b>Buyout</b>												
<b>Buyout - Large</b>												
BC European Capital X, L.P.	\$92,201,330	\$9,917,905	\$94,116,401	\$27,380,517	\$114,476,407	10.11%	0.3x	1.5x	13.44%	4.15%	12.33%	N/A
Blackstone Capital Partners III, L.P.	30,000,000	-	30,034,831	60,943,826	-	14.54%	2.0x	2.0x	N/A	N/A	N/A	1307.28%
Carlyle Europe Partners, L.P.	77,223,495	-	89,758,266	183,034,205	-	16.64%	2.0x	2.0x	N/A	N/A	N/A	12.56%
Clearlake Capital Partners V, L.P.	60,000,000	12,825,232	86,733,888	81,009,807	69,821,890	24.94%	0.9x	1.7x	2.97%	6.01%	22.08%	N/A
Clearlake Capital Partners VI, L.P.	75,000,000	3,718,307	78,529,614	12,180,611	119,268,699	23.91%	0.2x	1.7x	12.94%	23.31%	N/A	N/A
Court Square Capital Partners II, L.P.	93,793,953	3,246,335	91,797,386	163,618,527	1,799,888	12.21%	1.8x	1.8x	(1.38%)	(30.10%)	(26.73%)	19.42%
Court Square Capital Partners III, L.P.	50,000,000	1,756,293	54,708,194	83,009,832	46,703,210	21.74%	1.5x	2.4x	35.45%	31.36%	25.08%	22.61%
DLJ Merchant Banking Partners II, LP	75,000,000	-	81,666,655	105,992,273	-	5.98%	1.3x	1.3x	N/A	N/A	N/A	8.43%
Forstmann Little Equity Partnership VI, L.P.	70,000,000	-	72,101,503	20,526,331	-	(21.61%)	0.3x	0.3x	N/A	N/A	N/A	N/A
Gilbert Global Equity Partners, L.P.	135,119,738	-	135,175,294	195,321,112	-	3.22%	1.4x	1.4x	N/A	N/A	141.09%	27.74%
Hg CT1 Co-Invest L.P.	150,000,000	84,113,780	66,043,393	-	77,134,527	N/A	N/A	1.2x	14.64%	N/A	N/A	N/A
Hg Genesis 10 L.P.	82,435,291	67,725,946	14,709,345	-	16,190,119	N/A	N/A	1.1x	36.47%	N/A	N/A	N/A
Hg Saturn 2 L.P.	100,000,000	27,749,523	92,731,561	27,092,613	96,627,628	20.83%	0.3x	1.3x	18.23%	13.79%	N/A	N/A
Hg Saturn 3, L.P.	150,000,000	103,287,344	46,712,656	-	48,752,999	N/A	N/A	1.0x	20.82%	N/A	N/A	N/A
Hicks, Muse, Tate & Furst Equity Fund III, L.P.	163,841,018	-	153,461,548	174,352,242	-	1.74%	1.1x	1.1x	N/A	N/A	N/A	0.56%
Icon Partners II, L.P.	38,000,000	9,500,000	28,152,524	42,526,451	16,028,385	N/A	N/A	2.1x	(11.30%)	N/A	N/A	N/A
Icon Partners III, L.P.	11,106,429	1,552,692	9,553,738	1,669	5,584,567	N/A	N/A	0.6x	(25.82%)	N/A	N/A	N/A
Icon Partners IV, L.P.	37,800,000	5,501,443	32,463,751	354,103	31,903,517	N/A	N/A	1.0x	(13.56%)	N/A	N/A	N/A
Icon Partners V, L.P.	38,000,000	9,477,775	28,200,649	403	33,403,515	N/A	N/A	1.2x	15.69%	N/A	N/A	N/A
K5 Private Investors, L.P.	125,000,000	59,282,475	68,769,353	3,686,150	74,836,364	8.00%	0.1x	1.1x	8.00%	N/A	N/A	N/A
K6 Private Investors, L.P.	200,000,000	200,000,000	-	-	-	N/A	N/A	-	N/A	N/A	N/A	N/A
Siris Partners IV, L.P.	50,000,000	8,757,680	47,091,340	8,314,301	57,030,409	11.81%	0.2x	1.4x	(5.61%)	12.81%	12.13%	N/A
TA XI, L.P.	75,000,000	1,125,000	74,427,488	266,852,901	13,164,971	26.74%	3.6x	3.8x	(0.06%)	26.22%	64.50%	31.74%
Thomas H. Lee Equity Fund IV, L.P.	75,000,000	-	67,649,892	58,756,719	-	(2.61%)	0.9x	0.9x	N/A	N/A	N/A	N/A
Vista Equity Partners Fund IV, L.P.	75,000,000	10,491,939	78,916,655	101,320,672	54,041,770	14.31%	1.3x	2.0x	8.70%	5.36%	1.56%	14.85%
WCAS XIV, L.P.	150,000,000	110,871,891	39,128,109	-	31,598,174	N/A	N/A	0.8x	(22.81%)	N/A	N/A	N/A
Welsh, Carson, Anderson & Stowe VIII, L.P.	50,000,000	-	50,000,000	64,408,409	-	3.12%	1.3x	1.3x	N/A	N/A	N/A	6.52%
Welsh, Carson, Anderson & Stowe X, L.P.	100,000,000	-	98,683,200	169,925,675	-	8.33%	1.7x	1.7x	N/A	N/A	N/A	15.55%
Welsh, Carson, Anderson & Stowe XI, L.P.	100,000,000	-	100,000,000	161,464,441	6,723,972	11.64%	1.6x	1.7x	(3.64%)	9.65%	1.63%	8.79%
Welsh, Carson, Anderson & Stowe XII, L.P.	100,000,000	-	101,374,567	158,799,716	80,247,926	28.07%	1.6x	2.4x	0.12%	16.33%	25.27%	N/A
<b>Buyout - Large Total</b>	<b>\$2,629,521,254</b>	<b>\$730,901,560</b>	<b>\$2,012,691,801</b>	<b>\$2,170,873,506</b>	<b>\$995,338,937</b>	<b>7.31%</b>	<b>1.1x</b>	<b>1.6x</b>	<b>7.73%</b>	<b>12.64%</b>	<b>19.09%</b>	<b>19.38%</b>
<b>Buyout - Mega</b>												
Apollo Investment Fund IX, L.P.	\$125,000,000	\$33,321,266	\$117,061,980	\$47,014,152	\$127,744,183	20.69%	0.4x	1.5x	15.35%	23.87%	21.93%	N/A
Apollo Investment Fund VIII, L.P.	125,000,000	12,772,818	133,461,037	148,020,058	38,864,495	8.82%	1.1x	1.4x	(8.69%)	3.98%	7.90%	8.82%
Clearlake Capital Partners VII, L.P.	125,000,000	52,885,576	73,682,564	1,706,433	80,832,744	N/A	N/A	1.1x	15.87%	N/A	N/A	N/A
EQT VIII SCSP	81,698,471	8,508,013	82,733,360	61,933,930	84,825,821	22.76%	0.7x	1.8x	0.70%	17.01%	23.55%	N/A
KKR 1996 Fund, LP	50,000,000	-	52,825,492	86,451,946	-	10.21%	1.6x	1.6x	N/A	N/A	N/A	N/A
KKR 2006 Fund, L.P.	125,000,000	2,239,416	134,462,249	237,810,588	45,929	8.54%	1.8x	1.8x	(11.34%)	1.08%	22.90%	11.88%
KKR Millennium Fund, L.P.	100,000,000	-	102,609,690	212,467,483	59,722	16.36%	2.1x	2.1x	(26.22%)	(9.65%)	(7.48%)	11.57%
Thomas H. Lee Equity Fund VI, L.P.	100,000,000	-	104,043,318	166,950,600	-	7.84%	1.6x	1.6x	N/A	96.75%	31.65%	9.96%

# Performance Summary by Strategy and Substrategy

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(USD in Millions)	Capital Committed	Unfunded	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	DPI	TVPI	1-YR IRR	3-YR IRR	5-YR IRR	10-YR IRR
Vista Equity Partners Fund VI, L.P.	100,000,000	8,960,629	127,272,164	145,360,640	115,940,878	18.50%	1.1x	2.1x	11.20%	12.28%	19.08%	N/A
Vista Equity Partners Fund VII, L.P.	100,000,000	18,036,996	91,565,217	9,674,887	105,627,415	7.93%	0.1x	1.3x	(0.50%)	8.79%	8.19%	N/A
Vista Equity Partners Fund VIII, L.P.	200,000,000	176,363,145	23,720,110	292,214	30,273,145	N/A	N/A	1.3x	48.68%	N/A	N/A	N/A
Buyout - Mega Total	\$1,231,698,471	\$313,087,859	\$1,043,437,181	\$1,117,682,931	\$584,214,332	11.53%	1.1x	1.6x	8.13%	12.99%	16.44%	13.25%
<b>Buyout - Mid</b>												
Leeds Equity Partners Co-Invest I, L.P.	\$25,000,000	\$25,000,000	-	-	-	N/A	N/A	-	N/A	N/A	N/A	N/A
Leeds Equity Partners VIII, L.P.	150,000,000	150,000,000	-	-	-	N/A	N/A	-	N/A	N/A	N/A	N/A
Buyout - Mid Total	\$175,000,000	\$175,000,000	-	-	-	-	-	-	-	N/A	N/A	N/A
<b>Buyout - Middle-Market</b>												
Altaris 4048, L.P.	\$50,000,000	\$50,000,000	-	-	-	N/A	N/A	-	N/A	N/A	N/A	N/A
Altaris Health Partners V, L.P.	100,000,000	38,105,449	\$61,794,631	\$834,446	\$79,277,786	16.54%	0.0x	1.3x	28.29%	16.54%	N/A	N/A
Altaris Health Partners VI, L.P.	150,000,000	150,000,000	-	-	-	N/A	N/A	-	N/A	N/A	N/A	N/A
Bregal Sagemount IV L.P.	125,000,000	106,693,488	18,369,677	10,487	15,659,592	N/A	N/A	0.9x	(5.66%)	N/A	N/A	N/A
Clearlake Capital Partners IV, L.P.	50,000,000	19,639,228	78,349,196	110,845,322	31,693,613	24.09%	1.4x	1.8x	(11.22%)	10.63%	17.52%	N/A
Compass Partners European Equity Fund, L.P. (USD)	150,000,000	-	149,765,817	260,307,780	-	9.74%	1.7x	1.7x	N/A	N/A	N/A	75.32%
Ethos Private Equity Fund V, L.P.	50,000,000	-	59,935,735	64,285,012	1,600,851	2.11%	1.1x	1.1x	(8.15%)	(4.04%)	(11.89%)	3.41%
FS Equity Partners V, L.P.	75,000,000	14,347,156	60,739,964	125,842,499	1,250,987	15.27%	2.1x	2.1x	(17.67%)	(13.12%)	(5.10%)	(5.75%)
FS Equity Partners VI, L.P.	75,000,000	470,192	74,231,117	226,934,108	28,315,606	23.42%	3.1x	3.4x	20.88%	27.77%	33.22%	30.48%
Green Equity Investors III, LP	25,000,000	-	22,758,400	53,908,814	-	21.58%	2.4x	2.4x	N/A	N/A	N/A	(47.34%)
Hg Genesis 9 L.P.	61,089,469	13,942,854	57,415,043	10,268,428	63,000,800	18.01%	0.2x	1.3x	21.00%	18.50%	N/A	N/A
JFL Equity Investors V, L.P.	100,000,000	10,381,470	89,618,530	-	138,608,836	20.33%	0.0x	1.5x	28.57%	22.77%	N/A	N/A
JFL Equity Investors VI, LP.	150,000,000	127,661,148	22,378,309	58,152	26,911,476	N/A	N/A	1.2x	N/A	N/A	N/A	N/A
Kelso Investment Associates VI, L.P.	50,000,000	-	42,478,505	59,211,684	-	9.31%	1.4x	1.4x	N/A	N/A	N/A	N/A
Livingbridge 7	128,966,908	50,196,413	79,034,140	259,144	82,684,397	2.46%	0.0x	1.0x	14.58%	N/A	N/A	N/A
One Rock Capital Partners III, L.P.	125,000,000	27,828,102	113,539,622	16,598,167	155,504,140	N/A	N/A	1.5x	36.29%	N/A	N/A	N/A
One Rock Capital Partners IV, L.P.	100,000,000	100,000,000	-	-	(536,017)	N/A	N/A	-	N/A	N/A	N/A	N/A
One Rock Emerald Fund, L.P.	50,000,000	50,000,000	-	-	-	N/A	N/A	-	N/A	N/A	N/A	N/A
Private Equity Partners Connecticut LP	90,000,000	-	86,469,826	106,782,368	-	4.53%	1.2x	1.2x	N/A	N/A	N/A	(2.26%)
Reverence Capital Partners Opportunities Fund V (PE Fund III), L.P.	100,000,000	66,030,530	34,241,918	412,323	37,364,521	N/A	N/A	1.1x	18.26%	N/A	N/A	N/A
Thayer Equity Investors IV, L.P.	53,500,000	-	55,254,084	39,635,108	-	(4.55%)	0.7x	0.7x	N/A	N/A	N/A	75.43%
Veritas Capital Fund, L.P.	125,000,000	-	125,435,409	321,662,707	-	26.87%	2.6x	2.6x	N/A	N/A	N/A	N/A
Vista Equity Partners Fund III, L.P.	50,000,000	3,838,140	54,215,998	131,536,213	2,277,785	27.85%	2.4x	2.5x	104.56%	15.00%	(6.24%)	0.90%
Vistria Fund IV, LP	150,000,000	27,560,494	124,553,753	4,007,742	133,988,726	N/A	N/A	1.1x	8.02%	N/A	N/A	N/A
Vistria Fund V, L.P.	175,000,000	114,058,243	60,941,757	931,774	57,342,207	N/A	N/A	1.0x	N/A	N/A	N/A	N/A
Washington & Congress Capital Partners, LP	145,000,000	-	142,274,864	116,067,908	-	(5.85%)	0.8x	0.8x	N/A	N/A	N/A	N/A
WCAS XIII, L.P.	125,000,000	10,335,982	114,677,960	44,894,350	123,403,610	22.52%	0.4x	1.5x	14.12%	23.52%	N/A	N/A
Wellspring Capital Partners V, L.P.	75,000,000	25,772,441	86,593,275	124,323,115	26,553,433	16.24%	1.4x	1.7x	25.21%	12.94%	14.07%	22.40%
Wellspring Capital Partners VI, L.P.	75,000,000	12,281,970	75,244,686	17,557,124	102,556,984	16.76%	0.2x	1.6x	1.63%	18.74%	17.79%	N/A
Yucaipa American Alliance Fund II, L.P.	75,000,000	77	104,214,590	113,169,041	61,269,032	7.80%	1.1x	1.7x	10.34%	1.77%	1.96%	1.83%
Buyout - Middle-Market Total	\$2,853,556,377	\$1,019,143,377	\$1,994,526,806	\$1,950,343,816	\$1,168,728,365	11.42%	1.0x	1.6x	15.94%	15.28%	14.71%	14.18%
<b>Buyout - Small</b>												
Altaris Constellation Partners IV, L.P.	\$10,000,000	\$560,365	\$10,158,214	\$7,106,739	\$13,883,323	26.15%	0.7x	2.1x	45.75%	33.30%	25.25%	N/A

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(USD in Millions)	Capital Committed	Unfunded	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	DPI	TVPI	1-YR IRR	3-YR IRR	5-YR IRR	10-YR IRR
Altaris Health Partners II, L.P.	40,000,000	2,783,592	45,574,376	99,451,134	(27,481)	25.15%	2.2x	2.2x	N/A	N/A	(2.58%)	36.74%
Altaris Health Partners III, L.P.	50,000,000	143,701	58,363,360	83,342,339	65,602,306	27.04%	1.4x	2.6x	16.69%	14.66%	23.90%	27.04%
Altaris Health Partners IV, L.P.	40,000,000	3,601,540	39,098,341	39,926,101	39,282,316	28.04%	1.0x	2.0x	32.73%	40.56%	27.65%	N/A
Altaris Health Partners, L.P.	40,000,000	-	40,447,923	69,318,557	-	13.31%	1.7x	1.7x	N/A	N/A	N/A	9.66%
Avance Investment Partners, L.P.	100,000,000	53,522,765	49,257,097	3,754,890	50,944,879	N/A	N/A	1.1x	13.09%	N/A	N/A	N/A
Boston Ventures VII, L.P.	75,000,000	12,388,419	65,028,749	74,798,645	2,028,798	3.00%	1.2x	1.2x	(4.13%)	(0.12%)	(26.62%)	(10.82%)
Candover 2008 Fund, L.P.	13,653,905	-	14,407,641	1,649,710	-	(70.49%)	0.1x	0.1x	N/A	N/A	N/A	(76.67%)
Carlyle Asia Partners, L.P.	50,000,000	-	52,906,606	143,995,264	-	18.03%	2.7x	2.7x	N/A	N/A	N/A	38.84%
Charterhouse Equity Partners IV, L.P.	74,851,593	-	85,759,969	137,801,206	-	9.21%	1.6x	1.6x	N/A	N/A	(99.99%)	26.16%
Clearlake Capital Partners III, L.P.	40,000,000	22,306,903	56,907,144	160,480,066	1,714,601	40.61%	2.8x	2.9x	(34.63%)	48.47%	17.83%	40.52%
CRPTF-GCM Emerging Manager Private Equity Partnership L.P.	150,000,000	138,128,644	11,927,326	-	12,024,200	N/A	N/A	1.0x	4.06%	N/A	N/A	N/A
CT Horizon Legacy Fund, L.P.	15,000,000	2,447,177	14,117,227	9,532,957	1,674,195	(3.54%)	0.7x	0.8x	(31.83%)	27.15%	7.86%	(4.55%)
Freeman CT Horizon Investment Fund, LLC	50,000,000	19,420,984	33,835,964	7,628,564	44,101,825	18.53%	0.2x	1.5x	6.85%	21.65%	18.53%	N/A
GenNx360 Capital Partners II	25,000,000	519,114	30,638,356	38,841,145	15,119,831	13.70%	1.3x	1.8x	(8.25%)	9.33%	11.74%	N/A
HarbourVest CT Co-Investment Fund L.P.	750,000,000	412,765,209	346,500,000	9,265,209	358,577,129	N/A	N/A	1.1x	11.42%	N/A	N/A	N/A
ICV Partners II, L.P.	40,000,000	-	43,550,290	71,645,080	-	11.79%	1.6x	1.6x	N/A	(66.52%)	(36.61%)	17.27%
J.F. Lehman Equity Investors III, L.P.	49,000,000	1,398,549	54,391,052	59,214,646	31,164,084	10.90%	1.1x	1.7x	(0.35%)	16.68%	5.96%	11.44%
J.F. Lehman Equity Investors IV, L.P.	75,000,000	327,957	76,001,232	169,906,791	35,416,640	40.61%	2.2x	2.7x	55.85%	48.35%	39.72%	N/A
Leeds Equity Partners V, L.P.	40,000,000	5,181,823	50,137,652	105,456,635	3,637,208	18.86%	2.1x	2.2x	(3.35%)	(4.62%)	15.38%	22.86%
Leeds Equity Partners VI, L.P.	75,000,000	2,041,389	82,760,915	82,089,952	93,004,774	22.36%	1.0x	2.1x	8.28%	25.50%	25.72%	N/A
Leeds Equity Partners VII, LP	125,000,000	56,788,862	68,211,373	3,873	89,770,297	26.12%	0.0x	1.3x	12.71%	26.12%	N/A	N/A
M2 - Connecticut Emerging Private Equity Fund-of-Funds, L.P.	105,000,000	495,000	113,805,712	145,558,727	12,358,697	6.86%	1.3x	1.4x	(1.81%)	(8.75%)	2.10%	6.94%
Nogales Investors Fund II, L.P.	14,760,000	-	14,413,108	1,594,342	-	(24.07%)	0.1x	0.1x	N/A	N/A	N/A	(42.88%)
Nutmeg Opportunities Fund II LLC - CT - Direct Investment	50,000,000	50,000,000	-	-	-	N/A	N/A	-	N/A	N/A	N/A	N/A
Nutmeg Opportunities Fund II LLC - EM	35,000,000	5,763,577	31,598,764	25,086,742	35,796,671	18.41%	0.8x	1.9x	8.17%	14.54%	19.92%	N/A
Nutmeg Opportunities Fund II LLC - SMMBF	65,000,000	-	91,160,518	21,562,892	108,045,127	14.58%	0.2x	1.4x	10.47%	13.90%	15.22%	N/A
Nutmeg Opportunities Fund L.P. CT - EM	35,000,000	17,406,871	20,104,372	21,790,941	34,090,236	12.81%	1.1x	2.8x	4.79%	14.18%	11.81%	14.36%
Nutmeg Opportunities Fund L.P. CT - SMMBF	75,000,000	24,167,906	65,732,109	106,645,320	30,398,426	14.47%	1.6x	2.1x	2.77%	15.38%	17.62%	15.47%
RFE Investment Partners VI, L.P.	30,000,000	-	26,340,276	60,911,055	-	15.07%	2.3x	2.3x	N/A	N/A	N/A	N/A
RFE Investment Partners VII, L.P.	40,000,000	327,148	39,765,243	61,590,853	7,831,342	7.96%	1.5x	1.7x	8.00%	8.01%	8.01%	8.78%
RFE Investment Partners VIII, L.P.	40,000,000	-	40,676,860	60,122,895	-	8.11%	1.5x	1.5x	N/A	(0.48%)	7.43%	10.36%
Triumph Capital II	7,215,028	-	7,215,028	2,998,844	-	(25.10%)	0.4x	0.4x	N/A	N/A	N/A	N/A
Vistria Fund III, LP	75,000,000	4,621,679	70,378,321	-	90,109,904	9.76%	0.0x	1.3x	(4.06%)	11.00%	N/A	N/A
Wellspring Capital Partners II, L.P.	50,000,000	-	49,740,657	75,087,114	-	19.95%	1.5x	1.5x	N/A	N/A	N/A	N/A
Wellspring Capital Partners III, L.P.	75,000,000	-	74,248,215	161,845,142	-	27.33%	2.2x	2.2x	N/A	N/A	N/A	(0.72%)
Yucaipa American Alliance Fund III, L.P.	39,250,000	470,450	43,964,552	15,587,264	42,707,307	7.06%	0.4x	1.3x	(12.23%)	7.33%	6.78%	N/A
Buyout - Small Total	\$2,663,730,526	\$837,579,624	\$2,019,124,542	\$2,135,591,634	\$1,219,256,635	14.83%	1.1x	1.7x	8.66%	16.64%	16.32%	15.31%
Buyout Total	\$9,553,506,628	\$3,075,712,420	\$7,069,780,330	\$7,374,491,887	\$3,967,538,269	10.19%	1.0x	1.6x	10.39%	14.51%	16.71%	15.77%

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<b>Distressed/Restructuring</b>												
<b>Distressed/Restructuring - Distressed/Restructuring</b>												
Castlelake Fund II, L.P.	\$50,000,000	\$3,750,659	\$46,663,983	\$53,822,979	\$12,035,164	5.91%	1.2x	1.4x	16.66%	1.87%	2.38%	1.84%
KPS Special Situations Fund II, L.P.	35,000,000	-	30,695,687	108,461,633	-	63.45%	3.5x	3.5x	N/A	N/A	N/A	62.82%
Pegasus Partners IV, L.P.	75,000,000	-	94,582,353	70,134,362	8,913,438	(3.33%)	0.7x	0.8x	(14.53%)	(13.05%)	(9.33%)	(9.25%)
Pegasus Partners V, L.P.	50,000,000	-	67,772,460	53,045,529	18,145,768	1.14%	0.8x	1.1x	(47.00%)	(25.44%)	(20.09%)	(1.15%)
Stellex Capital Partners II, L.P.	100,000,000	33,317,429	68,942,420	5,429,293	73,442,682	9.16%	0.1x	1.1x	9.97%	9.16%	N/A	N/A
Strategic Value Special Situations Fund V, L.P.	150,000,000	71,707,184	78,864,828	457,184	99,200,743	N/A	N/A	1.3x	20.59%	N/A	N/A	N/A
WLR Recovery Fund IV, L.P.	100,000,000	3,443,659	90,823,160	122,102,873	53,645	7.32%	1.3x	1.3x	(12.69%)	13.05%	(11.85%)	(1.45%)
Distressed/Restructuring - Distressed/Restructuring Total	\$560,000,000	\$112,218,931	\$478,344,891	\$413,453,853	\$211,791,440	9.73%	0.9x	1.3x	3.64%	0.61%	(1.41%)	0.52%
Distressed/Restructuring Total	\$560,000,000	\$112,218,931	\$478,344,891	\$413,453,853	\$211,791,440	9.73%	0.9x	1.3x	3.64%	0.61%	(1.41%)	0.52%
<b>Growth Equity</b>												
<b>Growth Equity - Growth Equity</b>												
Aldrich Capital Partners Fund II Co-Investment, LP	\$27,500,000	\$10,692,784	\$16,807,216	-	\$15,703,670	N/A	N/A	0.9x	2.07%	N/A	N/A	N/A
Aldrich Capital Partners Fund II, LP	47,500,000	32,291,075	15,208,925	-	11,685,220	N/A	N/A	0.8x	(9.49%)	N/A	N/A	N/A
Aldrich Capital Partners Fund, L.P.	50,000,000	945,741	49,402,154	-	89,737,222	18.04%	0.0x	1.8x	30.22%	14.46%	16.60%	N/A
Georgian Alignment Fund II, LP	50,000,000	24,144,610	25,855,390	\$8,248	30,540,823	N/A	N/A	1.2x	(1.46%)	N/A	N/A	N/A
Georgian Growth Fund VI, LP	100,000,000	64,950,813	35,125,619	179,651	36,308,329	N/A	N/A	1.0x	6.81%	N/A	N/A	N/A
Georgian Partners Growth Fund V, L.P.	75,000,000	3,583,534	77,495,452	6,064,769	97,510,745	12.21%	0.1x	1.3x	(26.30%)	11.42%	N/A	N/A
Growth Equity - Growth Equity Total	\$350,000,000	\$136,608,557	\$219,894,756	\$6,252,668	\$281,486,009	12.65%	0.0x	1.3x	(4.23%)	10.42%	12.07%	N/A
Growth Equity Total	\$350,000,000	\$136,608,557	\$219,894,756	\$6,252,668	\$281,486,009	12.65%	0.0x	1.3x	(4.23%)	10.42%	12.07%	N/A
<b>Mezzanine</b>												
<b>Mezzanine - Mezzanine</b>												
Forstmann Little Sub. D&E MBO VII, LP	\$130,000,000	-	\$137,789,972	\$48,231,034	-	(25.57%)	0.4x	0.4x	N/A	N/A	N/A	N/A
GarMark Partners II, L.P.	75,000,000	-	106,198,499	137,009,755	-	9.15%	1.3x	1.3x	N/A	(44.60%)	42.59%	(2.38%)
GarMark Partners, L.P.	75,000,000	-	71,960,328	105,570,183	-	9.60%	1.5x	1.5x	N/A	N/A	N/A	(26.50%)
ICG Europe Fund VII, L.P.	85,340,252	-	82,621,204	123,258,895	-	15.33%	1.5x	1.5x	9.53%	10.08%	15.50%	N/A
ICG Europe Fund VIII SCSp	178,099,676	-	39,968,226	51,816,212	-	N/A	N/A	1.3x	29.28%	N/A	N/A	N/A
Insight Partners Opportunities Fund I, L.P.	75,000,000	2,887,500	72,112,500	-	89,709,263	11.11%	0.0x	1.2x	14.86%	N/A	N/A	N/A
Levine Leichtman Capital Partners IV, L.P.	75,000,000	13,696,960	74,669,737	121,619,054	7,144,918	17.64%	1.6x	1.7x	7.93%	(10.77%)	(4.17%)	5.42%
Levine Leichtman Capital Partners V, L.P.	75,000,000	11,001,970	115,323,125	211,690,666	3,034,380	17.23%	1.8x	1.9x	13.13%	39.81%	26.68%	17.78%
S.W. Pelham Fund II, LP	20,000,000	-	21,892,148	26,131,624	-	6.53%	1.2x	1.2x	N/A	N/A	N/A	N/A
S.W. Pelham Fund, LP	50,000,000	-	52,859,693	21,812,365	-	(15.02%)	0.4x	0.4x	N/A	N/A	N/A	(0.81%)
Triumph Conn Ltd Partnership	130,000,000	-	129,744,323	138,693,628	-	2.70%	1.1x	1.1x	N/A	N/A	N/A	N/A
WCAS Capital Partners III, L.P.	100,000,000	-	100,000,000	174,638,566	-	13.03%	1.7x	1.7x	N/A	N/A	N/A	17.83%
Mezzanine - Mezzanine Total	\$1,068,439,928	\$27,586,430	\$1,005,139,755	\$1,160,471,982	\$99,888,561	4.59%	1.2x	1.3x	14.86%	16.36%	18.43%	12.21%
Mezzanine Total	\$1,068,439,928	\$27,586,430	\$1,005,139,755	\$1,160,471,982	\$99,888,561	4.59%	1.2x	1.3x	14.86%	16.36%	18.43%	12.21%

# Performance Summary by Strategy and Substrategy

State of Connecticut Portfolio  
Performance Summary by Client Strategy and Client Substrategy  
as of December 31, 2023

(USD in Millions)	Capital Committed	Unfunded	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	DPI	TVPI	1-YR IRR	3-YR IRR	5-YR IRR	10-YR IRR
<b>Multi-Strategy</b>												
<b>Multi-Strategy - Multi-Strategy</b>												
GCM Grosvenor - CT Cleantech Opportunities Fund LP	\$25,000,000	-	\$28,080,252	\$11,434,565	-	(13.52%)	0.4x	0.4x	N/A	(32.48%)	(20.59%)	(16.14%)
Greenwich Street Capital Partners II, L.P.	50,000,000	-	53,072,178	53,435,934	-	0.12%	1.0x	1.0x	N/A	N/A	N/A	(14.40%)
PineBridge Global Emerging Markets Partners, L.L.C	85,168,457	\$2,354,066	82,950,178	109,550,524	\$1,708,850	7.03%	1.3x	1.3x	1.55%	0.41%	0.32%	(2.59%)
Stepstone Pioneer Capital I, L.P.	55,000,000	-	57,865,297	75,790,425	-	5.07%	1.3x	1.3x	N/A	N/A	N/A	1.32%
Stepstone Pioneer Capital II, L.P.	175,000,000	-	189,026,577	258,133,232	-	4.92%	1.4x	1.4x	N/A	(61.06%)	(27.91%)	5.48%
Multi-Strategy - Multi-Strategy Total	\$390,168,457	\$2,354,066	\$410,994,482	\$508,344,680	\$1,708,850	3.86%	1.2x	1.2x	1.55%	(10.72%)	(21.21%)	3.13%
Multi-Strategy Total	\$390,168,457	\$2,354,066	\$410,994,482	\$508,344,680	\$1,708,850	3.86%	1.2x	1.2x	1.55%	(10.72%)	(21.21%)	3.13%
<b>Secondaries</b>												
<b>Secondaries - Secondaries</b>												
Dover Street X, L.P.	\$100,000,000	\$29,500,000	\$70,500,000	\$25,411,936	\$82,354,199	26.01%	0.4x	1.5x	2.64%	19.78%	N/A	N/A
Dover Street XI L.P.	175,000,000	145,250,000	29,797,466	-	38,791,599	N/A	N/A	1.3x	N/A	N/A	N/A	N/A
Hollyport Secondary (Overage Fund) LP	50,000,000	28,750,000	21,250,000	-	22,292,060	N/A	N/A	1.0x	9.75%	N/A	N/A	N/A
Hollyport Secondary Opportunities Fund VII LP	75,000,000	22,500,000	52,588,459	19,162,500	75,309,729	23.33%	0.4x	1.8x	5.82%	16.31%	N/A	N/A
Hollyport Secondary Opportunities VIII LP	125,000,000	75,000,000	50,000,000	-	79,996,148	N/A	N/A	1.6x	59.38%	N/A	N/A	N/A
Landmark Equity CT Co-Investment Fund I, L.P.	50,000,000	23,715,875	26,284,125	-	30,567,221	N/A	N/A	1.2x	36.16%	N/A	N/A	N/A
Landmark Equity Partners XIV, L.P.	100,000,000	2,607,207	98,110,821	125,342,457	6,095,202	9.44%	1.3x	1.3x	(1.07%)	10.09%	5.70%	2.27%
Landmark Equity Partners XV, L.P.	100,000,000	19,726,559	80,275,284	93,865,577	19,367,390	11.34%	1.2x	1.4x	(4.50%)	12.30%	9.40%	9.61%
Landmark Equity Partners XVI, L.P.	100,000,000	29,272,968	78,028,499	40,907,555	64,417,274	16.63%	0.5x	1.3x	(2.96%)	13.12%	14.36%	N/A
Landmark Equity Partners XVII, L.P.	100,000,000	79,982,600	20,017,400	-	23,769,869	24.46%	0.0x	1.2x	45.89%	N/A	N/A	N/A
Landmark Primary Partners, L.P.	140,000,000	-	137,133,640	170,018,236	-	3.72%	1.2x	1.2x	N/A	N/A	N/A	(12.35%)
Lexington Capital Partners II, L.P.	40,000,000	-	39,525,549	52,568,204	-	8.17%	1.3x	1.3x	N/A	N/A	N/A	(1.76%)
Secondary Overflow Fund IV L.P.	100,000,000	29,273,837	71,866,412	17,213,396	78,091,117	17.31%	0.2x	1.3x	7.32%	12.11%	N/A	N/A
Secondary Overflow Fund V L.P.	175,000,000	146,759,450	28,240,550	-	32,566,660	N/A	N/A	1.2x	N/A	N/A	N/A	N/A
Secondaries - Secondaries Total	\$1,430,000,000	\$632,338,496	\$803,618,205	\$544,489,861	\$553,618,468	7.95%	0.7x	1.4x	13.64%	19.23%	19.63%	12.26%
Secondaries Total	\$1,430,000,000	\$632,338,496	\$803,618,205	\$544,489,861	\$553,618,468	7.95%	0.7x	1.4x	13.64%	19.23%	19.63%	12.26%
<b>Special Situations</b>												
<b>Special Situations - Multi-Strategy</b>												
Clearlake Flagship Plus Partners, L.P.	\$100,000,000	\$23,528,584	\$97,961,158	\$25,899,239	\$87,823,797	10.04%	0.3x	1.2x	9.11%	9.59%	N/A	N/A
Special Situations - Multi-Strategy Total	\$100,000,000	\$23,528,584	\$97,961,158	\$25,899,239	\$87,823,797	10.04%	0.3x	1.2x	9.11%	9.59%	N/A	N/A
Special Situations Total	\$100,000,000	\$23,528,584	\$97,961,158	\$25,899,239	\$87,823,797	10.04%	0.3x	1.2x	9.11%	9.59%	N/A	N/A
<b>Venture Capital</b>												
<b>Venture Capital - Early-Stage</b>												
Connecticut Financial Development, LP	\$49,583,271	-	\$49,583,271	\$10,367,734	-	(20.11%)	0.2x	0.2x	N/A	N/A	N/A	N/A
Connecticut Futures Fund, LP	40,000,000	-	40,000,000	11,317,103	-	(29.15%)	0.3x	0.3x	N/A	N/A	N/A	N/A
Constitution Liquidating Fund, L.P.	640,000,552	-	532,763,501	1,370,419,212	\$738,520	20.10%	2.6x	2.6x	(1.23%)	(7.50%)	(20.73%)	(6.43%)

# Performance Summary by Strategy and Substrategy

State of Connecticut Portfolio  
Performance Summary by Client Strategy and Client Substrategy  
as of December 31, 2023

(USD in Millions)	Capital Committed	Unfunded	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	DPI	TVPI	1-YR IRR	3-YR IRR	5-YR IRR	10-YR IRR
Crescendo III, L.P.	36,825,000	-	36,824,862	20,681,787	(1,311,601)	N/A	0.6x	0.5x	0.00%	0.00%	N/A	N/A
Crescendo World Fund, LLC	100,000,000	-	100,000,000	80,411,666	-	(5.48%)	0.8x	0.8x	N/A	N/A	N/A	N/A
Grotech Partners V, L.P.	50,000,000	-	50,000,000	49,181,322	-	(0.79%)	1.0x	1.0x	N/A	N/A	N/A	(27.89%)
Keystone Venture V, L.P.	27,500,000	-	27,500,000	1,985,505	-	(33.45%)	0.1x	0.1x	N/A	N/A	N/A	N/A
Pioneer Ventures Associates LP	50,000,000	-	49,976,129	21,723,214	-	(13.46%)	0.4x	0.4x	N/A	N/A	N/A	N/A
Venture Capital - Early-Stage Total	\$993,908,823	-	\$886,647,763	\$1,566,087,543	(\$573,081)	14.03%	1.8x	1.8x	(2.58%)	(8.83%)	(23.86%)	(6.87%)
<b>Venture Capital - Late-Stage</b>												
Shawmut Equity Partners, L.P.	\$75,000,000	-	\$59,910,737	\$87,122,324	-	N/A	N/A	1.5x	N/A	N/A	N/A	N/A
Venture Capital - Late-Stage Total	\$75,000,000	-	\$59,910,737	\$87,122,324	-	9.61%	1.5x	1.5x		N/A	N/A	N/A
<b>Venture Capital - Multi-Stage</b>												
Conn Greene Ventures LP	\$14,850,000	-	\$14,850,000	\$15,553,331	-	1.40%	1.0x	1.0x	N/A	N/A	N/A	N/A
Conning Capital Partners V, L.P.	50,000,000	-	50,362,292	38,356,811	-	(4.21%)	0.8x	0.8x	N/A	N/A	N/A	(20.65%)
Constitution Fund V, LLC - Series A	130,000,000	\$5,994,538	128,503,732	66,594,763	\$212,275,250	18.63%	0.5x	2.2x	(16.13%)	12.46%	18.95%	N/A
Constitution Fund V, LLC - Series B	20,000,000	3,395,182	16,853,251	5,438,790	21,321,299	10.75%	0.3x	1.6x	25.76%	17.91%	11.65%	N/A
Constitution Fund V, LLC - Series C	75,000,000	12,597,271	62,402,729	5,628,575	83,264,919	15.79%	0.1x	1.4x	(7.62%)	15.33%	15.79%	N/A
Constitution Fund V, LLC - Series D	25,000,000	8,149,071	16,850,929	-	11,731,268	(12.05%)	0.0x	0.7x	(13.92%)	(13.15%)	(12.05%)	N/A
Constitution Fund V, LLC - Series E	75,000,000	26,386,058	48,613,942	-	45,359,259	(3.40%)	0.0x	0.9x	(5.04%)	(3.09%)	N/A	N/A
Constitution Fund V, LLC - Series F	100,000,000	84,908,131	15,091,869	-	12,732,760	N/A	N/A	0.8x	(8.29%)	N/A	N/A	N/A
Fairview Constitution II, L.P.	200,000,000	3,112,810	212,154,451	314,101,130	18,603,340	6.81%	1.5x	1.6x	(6.85%)	0.90%	13.06%	8.86%
Fairview Constitution III, L.P.	300,000,000	18,292,740	304,118,310	749,341,998	104,463,828	17.92%	2.5x	2.8x	6.84%	8.32%	21.22%	17.49%
Fairview Constitution IV, L.P.	150,000,000	5,956,437	153,894,308	203,673,346	200,328,746	17.06%	1.3x	2.6x	(8.21%)	8.86%	19.78%	17.85%
SCP Private Equity Partners I, L.P.	75,000,000	-	75,070,755	51,909,806	-	(6.31%)	0.7x	0.7x	N/A	N/A	(53.10%)	(26.05%)
Syndicated Communications Venture Partners V, L.P.	27,267,140	-	27,421,182	960,486	-	N/A	N/A	0.0x	N/A	171.83%	(54.64%)	(42.37%)
Top Tier - CT Venture Partners, L.P.	300,000,000	300,000,000	-	-	-	N/A	N/A	-	N/A	N/A	N/A	N/A
Venture Capital - Multi-Stage Total	\$1,542,117,140	\$468,792,238	\$1,126,187,750	\$1,451,559,036	\$710,080,669	8.96%	1.3x	1.9x	(7.79%)	8.98%	18.08%	15.30%
Venture Capital Total	\$2,611,025,963	\$468,792,238	\$2,072,746,250	\$3,104,768,903	\$709,507,588	12.35%	1.5x	1.8x	(7.79%)	8.89%	17.43%	14.25%
<b>Total Portfolio</b>	<b>\$16,063,140,976</b>	<b>\$4,479,139,722</b>	<b>\$12,158,479,827</b>	<b>\$13,138,173,073</b>	<b>\$5,913,362,982</b>	<b>9.88%</b>	<b>1.1x</b>	<b>1.6x</b>	<b>7.09%</b>	<b>13.23%</b>	<b>15.97%</b>	<b>13.77%</b>

# Connecticut In-State

State of Connecticut Portfolio  
Performance Summary by Tranche  
as of December 31, 2023

Partnership	Vintage Year	Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	DPI	TVPI
<b>Tranche In-State Portfolio</b>										
Constitution Fund V, LLC - Series B	2017	Venture Capital	\$20,000,000	\$3,395,182	\$16,853,251	\$5,438,790	\$21,321,299	10.75%	0.3x	1.6x
Constitution Fund V, LLC - Series D	2019	Venture Capital	25,000,000	8,149,071	16,850,929	-	11,731,268	(12.05%)	N/A	0.7x
Nutmeg Opportunities Fund II LLC - CT - Direct Investment	2020	Buyout	50,000,000	50,000,000	-	-	-	-	N/A	N/A
Tranche In-State Portfolio Total			\$95,000,000	\$61,544,253	\$33,704,180	\$5,438,790	\$33,052,567	3.74%	0.2x	1.1x

# Connecticut Inclusive Investment Initiative (Ci3)

State of Connecticut Portfolio  
Performance Summary by Tranche  
as of December 31, 2023

Partnership	Vintage Year	Strategy	Capital Committed	Unfunded Commitment	Paid-In Capital	Capital Distributed	Market Value	Since Inception IRR	DPI	TVPI
<b>Tranche Ci3 Portfolio</b>										
Aldrich Capital Partners Fund II Co-Investment, LP	2021	Growth Equity	\$27,500,000	\$10,692,784	\$16,807,216	-	\$15,703,670	(4.8%)	N/A	0.9x
Aldrich Capital Partners Fund II, LP	2021	Growth Equity	47,500,000	32,291,075	15,208,925	-	11,685,220	(34.1%)	N/A	0.8x
Aldrich Capital Partners Fund, L.P.	2018	Growth Equity	50,000,000	945,741	49,402,154	-	89,737,222	18.0%	N/A	1.8x
Avance Investment Partners, L.P.	2021	Buyout	100,000,000	53,522,765	49,257,097	\$3,754,890	50,944,879	7.6%	0.1x	1.1x
CRPTF-GCM Emerging Manager Private Equity Partnership L.P.	2023	Buyout	150,000,000	138,128,644	11,927,326	-	12,024,200	2.7%	N/A	1.0x
CT Horizon Legacy Fund, L.P.	2008	Buyout	15,000,000	2,447,177	14,117,227	9,532,957	1,674,195	(3.5%)	0.7x	0.8x
Freeman CT Horizon Investment Fund, LLC	2019	Buyout	50,000,000	19,420,984	33,835,964	7,628,564	44,101,825	18.5%	0.2x	1.5x
GenNx360 Capital Partners II	2012	Buyout	25,000,000	519,114	30,638,356	38,841,145	15,119,831	13.7%	1.3x	1.8x
M2 - Connecticut Emerging Private Equity Fund-of-Funds, L.P.	2007	Buyout	105,000,000	495,000	113,805,712	145,558,727	12,358,697	6.9%	1.3x	1.4x
One Rock Capital Partners III, L.P.	2021	Buyout	125,000,000	27,828,102	113,539,622	16,598,167	155,504,140	32.0%	0.1x	1.5x
Stelllex Capital Partners II, L.P.	2020	Distressed/Restructuring	100,000,000	33,317,429	68,942,420	5,429,293	73,442,682	9.2%	0.1x	1.1x
<b>Tranche Ci3 Portfolio Total</b>			<b>\$795,000,000</b>	<b>\$319,608,815</b>	<b>\$517,482,019</b>	<b>\$227,343,743</b>	<b>\$482,296,561</b>	<b>10.09%</b>	<b>0.4x</b>	<b>1.4x</b>



# Appendix

# Endnotes

## Annual Commitment Activity

- Vintage Year: the year in which a fund makes its final close, until the initial investment is made.
- Calendar Year: the year in which Connecticut makes its final close into the fund.

## Performance Summary by Investment End Notes:

- HL All PE as of 12/31/2023 used for quartile benchmark.
- Quartiles are excluded for 2021, 2022, and 2023 funds.
- Quartiles are also excluded for all data points where the data is not sufficient for a calculated value (i.e. where an N/A appears).

## Benchmarking Summaries End Notes:

- HL All PE as of 12/31/2023 used for quartile benchmark.
- Funds without an applicable benchmark are captured within the N/A category.

## Quarterly Report End Notes:

- Nutmeg Opportunities II SMMBF sleeve does not have a cap on committed capital.
- All return statistics shown at the net level throughout the report.

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