



# Notice of Public Meeting

## The Board of Retirement of the San Mateo County Employees' Retirement Association will meet on **Tuesday, February 25, 2025, at 10:00 A.M.**

**PUBLIC SESSION** – The Board will meet in Public Session at 10:00 a.m.

- 1. Call to Order, Roll Call and Miscellaneous Business**
- 2. Oral Communications**
  - 2.1 Oral Communications from the Board
  - 2.2 Oral Communications from the Public
- 3. Approval of the Minutes**
  - 3.1 Approval of Regular Board Meeting Minutes from January 28, 2025
- 4. Approval of the Consent Agenda\***

4.1 Disability Retirements (2) <ul style="list-style-type: none"><li>• Faumuina, Jennifer</li><li>• Passmore, William</li></ul>	4.9 Acceptance of Trustees' Reports of Educational Activities
4.2 Survivor Death Benefits	4.10 Acceptance of Semi-Annual Compliance Certification Statements for the Period Ended December 31, 2024
4.3 Service Retirements	4.11 Acceptance of Preliminary Semi-Annual Financial Report for Period Ended December 31, 2024
4.4 Continuances	4.12 Acceptance of Preliminary Semi-Annual Budget Report for Period Ended December 31, 2024
4.5 Deferred Retirements	4.13 Reaffirm Securities Litigation Policy
4.6 Member Account Refunds	
4.7 Member Account Rollovers	
4.8 Member Account Redeposits	
- 5. Benefit & Actuarial Services**
  - 5.1 Consideration of Agenda Items, if any, removed from the Consent Agenda
  - 5.2 Report on Quarterly Funding Progress for the Period Ended December 31, 2024
- 6. Investment Services**
  - 6.1 Report on Preliminary Monthly Portfolio Performance for the Period Ended January 31, 2025
  - 6.2 Report on Quarterly Investment Performance for the Period Ended December 31, 2024
- 7. Board & Management Support**
  - 7.1 Report on March 25, 2025 Board-Staff Retreat Planning
  - 7.2 Discussion of SamCERA's Portable Electronic Devices Policy

**8. Management Reports**

- 8.1 Chief Executive Officer's Report
- 8.2 Assistant Executive Officer's Report
- 8.3 Chief Investment Officer's Report
- 8.4 Chief Legal Counsel's Report

C1 Consideration of Disability Items, if any, Removed from the Consent Agenda

**9. Report on Actions Taken in Closed Session**

**10. Adjournment in Memory of the Following Deceased Members:**

Sullivan, Adrienne	January 6, 2025	Courts
Hamel, Jeanne	January 11, 2025	Probation
Wertz, Merrilee	January 23, 2025	San Mateo County Health
Hildebrand, Ralph	January 25, 2025	Sheriff's Office
Marsh, Robert	February 1, 2025	Public Works

Scott Hood, Chief Executive Officer

Posted: February 19, 2025

(\* ALL ITEMS ON THE CONSENT AGENDA ARE APPROVED BY ONE ROLL CALL MOTION UNLESS A REQUEST IS MADE BY A BOARD MEMBER THAT AN ITEM BE WITHDRAWN OR TRANSFERRED TO THE REGULAR AGENDA. ANY ITEM ON THE REGULAR AGENDA MAY BE TRANSFERRED TO THE CONSENT AGENDA. ANY 4.1 ITEMS REMOVED FROM THE CONSENT AGENDA WILL BE TAKEN UP UNDER CLOSED SESSION; ALL OTHER ITEMS REMOVED FROM THE CONSENT AGENDA WILL BE TAKEN UP UNDER ITEM 5.1.)

**THE BOARD MEETS AT 100 MARINE PARKWAY, SUITE 160**, WHICH IS LOCATED ON THE SE CORNER OF TWIN DOLPHIN & MARINE PARKWAY IN REDWOOD CITY. Detailed directions are available on the "Contact Us" page of the website [www.samcera.org](http://www.samcera.org). *Free Parking is available in all lots in the vicinity of the building. A copy of the Board of Retirement's open session agenda packet is available for review at the SamCERA offices and on our website unless the writings are privileged or otherwise exempt from disclosure under the provisions of the California Public Records Act. Office hours are Monday through Thursday 7 a.m. – 6 p.m.*

IN COMPLIANCE WITH THE CALIFORNIA GOVERNMENT CODE AND THE AMERICANS WITH DISABILITIES ACT: *SamCERA's* facilities and board and committee meetings are accessible to individuals with disabilities. Contact *SamCERA* at (650) 599-1234 at least three business days prior to the meeting if (1) you need special assistance or a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in this meeting; or (2) you have a disability and wish to receive the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting in an alternative format. Notification in advance of the meeting will enable *SamCERA* to make reasonable arrangements to ensure full accessibility to this meeting and the materials related to it.

**SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
JANUARY 28, 2025 – REGULAR BOARD MEETING MINUTES**

**2501.1.0 Call to Order, Roll Call and Miscellaneous Business**

**Call to Order:** Alma Salas, Chair, called the Regular Meeting of the Board of Retirement to order at 10:00 a.m.

**Roll Call:**

Present: Sandie Arnott, Laurel Finnegan, Kimathi Marangu, Katherine O'Malley, Elaine, Orr, Rachel Perkel, and Alma Salas.

Absent: Kurt Hoefer and Robert Raw.

Alternates: April DeCarsky and Nicole McKay.

Staff: Michael Coultrip, Scott Hood, Jenny Lukan, Elizabeth LeNguyen, JulieAnne Nagal, Doris Ng, Paul Okada, and Gladys Smith.

Consultants and speakers: Joe Abdou, John Nicolini, and Faraz Shooshani (Verus); and Lori Paris and Norma Cardenas (Northern Trust).

**2501.1.1 Swearing in of Newly Elected Trustee:** Ms. Arnott administered the Oath of Office to Trustee Finnegan, who was elected to Third Member Seat on the Board of Retirement.

**2501.2.1 Oral Communications from the Board:** Ms. Orr reported to the Board that Alberta's public pension system recently laid off everyone on the management level and cut the DEI program and noted that this is something the Board should keep an eye out for in other systems. Ms. Salas wished everyone a Happy New Year.

**2501.2.2 Oral Communications from the Public:** None.

**2501.3.1 Approval of Board Meeting Minutes from September 24, 2024:** Mr. Okada reported to the Board that he researched the issue regarding the approval of meeting minutes and concluded that Board Members can vote on the approval of minutes for Board Meetings even when they were not present, and they are not required to abstain. Ms. Salas asked if there were any changes or corrections, or objections, to the minutes from the regular meeting held on September 24, 2024. There were no changes, corrections, or objections presented.

**Action:** Ms. Orr moved to approve the minutes from the September 24, 2024 regular Board meeting. The motion was seconded by Ms. Finnegan and carried with a vote of 8-0-0, with trustees Arnott, Finnegan, DeCarsky (for Raw), Marangu, O'Malley, Orr, Perkel, and Salas all in favor; none opposed; none abstained.

**2501.3.2 Approval of Board Meeting Minutes from December 3, 2024:** Ms. Salas asked if there were any changes or corrections, or objections, to the minutes from the regular meeting held on December 3, 2024. There were no changes, corrections, or objections presented.

**Action:** Mr. Marangu moved to approve the minutes from the December 3, 2024, regular Board meeting. The motion was seconded by Ms. Arnott and carried with a vote of 8-0-0, with trustees Arnott, Finnegan, DeCarsky (for Raw), Marangu, O'Malley, Orr, Perkel, and Salas all in favor; none opposed; none abstained.

**2501.4.0 Approval of the Consent Agenda:** Ms. Salas asked if there were any items to be removed for discussion from the Consent Agenda. No items were removed.

Action: Ms. Perkel moved to approve the items on the Consent Agenda. The motion was seconded by Ms. DeCarsky and carried with a vote of 8-0-0, with trustees Arnott, Finnegan, DeCarsky (for Raw), Marangu, O’Malley, Orr, Perkel, and Salas all in favor; none opposed; none abstained.

2501.4.1 **Disability Retirements:**

- a) The Board found that **Celia Gonzales** (1) is permanently incapacitated from the performance of her usual and customary duties as a Licensed Vocational Nurse, (2) found that her disability was the result of an injury arising out of and in the course of her employment and (3) granted her application for a service-connected disability retirement.
- b) The Board (1) approved and adopted the proposed findings of the Hearing Officer, Catherine Harris, that **Scott Grosso** is permanently disabled and unable to perform his job duties as a Sheriff Sergeant, and that his disability was the result of an injury arising out of and in the course of his employment, and (2) approved and adopted the Hearing Officer’s recommendation to grant his application for a service-connected disability retirement.
- c) The Board found that **Yunghui Lin** (1) is permanently incapacitated from the performance of her usual and customary duties as a Nurse Practitioner, (2) found that her disability was not the result of an illness arising out of and in the course of her employment and (3) granted her application for a non-service-connected disability retirement.
- d) The Board found that **Estela Reyes** (1) is able to substantially perform her usual and customary duties as a Community Worker II and (2) denied her application for a service-connected disability retirement.

2501.4.2 **Survivor Death Benefits:** None.

2501.4.3 **Service Retirements:**

<b>Name</b>	<b>Effective Retirement Date</b>	<b>Department</b>
Alton, Angela	November 30, 2024	Deferred - San Mateo County Health
Arndt, Amy	October 8, 2024	Deferred - Probation
Belluomini, Sandra	October 26, 2024	District Attorney's Office
Berrada, Zenda	December 1, 2024	Deferred - Public Health
Brown, Mark	October 2, 2024	Deferred - Aging & Adult Services
Bruj, Ellen	November 22, 2024	San Mateo County Health
Carlos, David	November 1, 2024	Child Support Services
Ledesma, Heather	November 26, 2024	County Executive's Office
Lee, Elizabeth P	November 7, 2024	Mental Health
Londono, Michelle	November 15, 2024	Deferred - Human Services Agency
Lux, Michelle	November 6, 2024	DRO of Michael Marty
Marlow, Kimberly	October 5, 2024	County Counsel
Miller, Doreen	November 23, 2024	Aging & Adult Services
Miyashiro, Rand	October 5, 2024	Deferred - Human Services Agency
Moreno-Duran, Rosario	November 29, 2024	Human Services Agency
Mulero, Joseph	October 12, 2024	Public Health
Realyvasquez, Fernando	November 1, 2024	Sheriff's Office
Ruiz-Vides, Annette	June 24, 2024	Deferred – Superior Court

Santos-Bottjer, Liza	October 26, 2024	San Mateo County Health
Scully, Michael	November 7, 2024	Public Works
Severson, Holly	October 19, 2024	Mental Health
Sheehan, Melissa	October 19, 2024	Health Information Services
Sila, Siaga	December 1, 2024	Public Safety Communication
Streck, Helen	November 19, 2024	Deferred - General Services
Tendencia, Bonnie	November 19, 2024	Public Works
Volokitin, Trisha	October 5, 2024	Sheriff's Office
Yue, Xin	October 2, 2024	Elections

2501.4.4 **Continuances:**

**Survivor's Name**

Acacio, Donald  
 Bodden, Linda  
 Boyle, Rory  
 Carboni, Maryanne  
 Casey, Teresita  
 Da Cunha, Joyce  
 Rodriguez, Ramon  
 Salas, Vivan  
 Solomons, Jane

**Beneficiary of:**

Acacio, Barbara  
 Bodden, Reginald  
 Buscher, Karin  
 Ruffoni, Henry  
 Casey, James  
 Da Cunha, Henrique  
 Bise, Eugene  
 Salas, Andrew  
 Carter, Raul

2501.4.5 **Deferred Retirements:**

**Name**

Albin, Rebecca  
 Benttinen, Kendra  
 Diaz, Marina  
 Hahn, Agnes  
 Ho, Pui Ki  
 Huang, Zhhui  
 La, Diana  
 Lacroix, Catherine  
 Marin, Brenda  
 Ornelas, Kimberly  
 Perez, Nadia  
 Rafidi, Nijmeh  
 Recoder, Rachel  
 Rohlke, Faith  
 Saffold, Carlton  
 Seshandri, Aruna  
 White, Diana  
 Williams, Peter  
 Yakabe, Alison  
 Yee, Julian

**Retirement Plan Type**

S5, Vested Auto Defer – Code 31700  
 G4, Vested Auto Defer – Code 31700  
 G7, Vested Auto Defer – Code 31700  
 G7, Vested Auto Defer – Code 31700  
 G7, Vested - Reciprocity  
 G7, Vested Auto Defer – Code 31700  
 G7, Non-Vested - Reciprocity  
 G7, Vested Auto Defer – Code 31700  
 G5, Vested Auto Defer – Code 31700  
 G7, Vested Auto Defer – Code 31700  
 G7, Vested Auto Defer – Code 31700  
 G7, Vested Auto Defer – Code 31700  
 G7, Vested Auto Defer – Code 31700  
 S7, Vested Auto Defer – Code 31700  
 G7, Vested Auto Defer – Code 31700  
 G7, Vested Auto Defer – Code 31700  
 G7, Non-Vested - Reciprocity  
 G4, Vested - Reciprocity  
 G7, Vested – Reciprocity  
 G5, Vested Auto Defer – Code 31700  
 G7, Non-Vested – Reciprocity

2501.4.6 **Member Account Refunds:**

**Name**

Ali, Azar  
 Alvarado, Katya

**Retirement Plan Type**

G7, Non-vested  
 G7, Non-vested

Gamber, Joyce (FBO: Rego, Teresa)	G4, Vested
Soldano, Curtis	G4, Non-vested
Solis, Blanca (FBO: Madrigal-Sainz, Jesus)	G7, Non-vested
Solis, Blanca (FBO: Mirabal, Orlando)	G7, Non-vested
Solis, Blanca (FBO: Rivera, Celysa)	G7, Non-vested
O'Brien, Sara (FBO: Estate of Sara Jane O'Brien)	G7, Vested

2501.4.7 **Member Account Rollovers:** None.

2501.4.8 **Member Account Redeposits:**

Name	Retirement Plan Type
Jacuinde, Ana	G2
Wong, Mackenzie	G7

2501.4.9 **Acceptance of Trustees' Reports of Education Activities:** None.

2501.4.10 **Semi-Annual Compliance Certification Statements for the Period Ended December 31, 2024:** The Board accepted the semi-annual Compliance Certification Statements for SamCERA's non-alternative investment managers, as of December 31, 2024.

2501.4.11 **Approval of Resolutions that Define Compensation Earnable and Pensionable Compensation:** The Board approved amendments to (1) the Resolution defining Compensation Earnable, pursuant to Government Code §31461 for members who are not subject to Government Code §7522.34 and (2) the Resolution defining Pensionable Compensation for members who are subject to Government Code §7522.34.

2501.5.1 **Consideration of Agenda Items, if any, Removed from the Consent Agenda:** None.

2501.5.2 **Approval of Cost of Living Allowance (COLA):** Mr. Hood reviewed Milliman, Inc.'s recommendations for Cost of Living Adjustments for 2025. The recommended adjustments included a COLA of 3.0% for General, Safety and Probation Plan 1 and 2 members, and a COLA of 2% for Plan 4, 5, 6 and 7 members if they retire before April 2, 2025. Ms. Salas called for a motion to approve the Resolution Adopting the Cost of Living Adjustments Effective April 1, 2025, as recommended by Milliman, Inc.

**Action:** Ms. Orr moved to approve the Resolution Adopting the Cost of Living Adjustments Effective April 1, 2025, as recommended by Milliman, Inc. The motion was seconded by Ms. O'Malley and carried with a vote of 8-0-0, with trustees Arnott, Finnegan, DeCarsky (for Raw), Marangu, O'Malley, Orr, Perkel, and Salas all in favor; none opposed; none abstained.

2501.6.1 **Report on Preliminary Monthly Portfolio Performance for the Period Ended December 31, 2024:** Mr. Coultrip reported that SamCERA's preliminary return for December was -1.3%, bringing the preliminary trailing twelve-month net return ending December to 8.8%. SamCERA's estimated market value as of December was \$6.7 billion, while the actuarial funded ratio as of June 30, 2024 was 87.6%. This item was informational and for discussion only, no action was taken.

2501.6.2 **Educational Presentation on SamCERA's Security Lending Program:** Ms. Paris and Ms. Cardenas of Northern Trust presented a general overview of their firm's securities lending program and answered questions from the Board. This item was informational and for discussion only, no action was taken.

2501.6.3 **Approval of Resolution Updating SamCERA's Investment Policy:** Mr. Coultrip reviewed staff's proposed updates to SamCERA's Investment Policy. Ms. Salas called for a motion to approve the Resolution Updating SamCERA's Investment Policy.

Action: Ms. DeCarsky moved to approve the Resolution updating SamCERA's Investment Policy. The motion was seconded by Ms. Arnott and carried with a vote of 8-0-0, with trustees Arnott, Finnegan, DeCarsky (for Raw), Marangu, O'Malley, Orr, Perkel, and Salas all in favor; none opposed; none abstained.

2501.6.4 **Presentation of Private Assets Semi-Annual Performance Reports as of June 30, 2024:** Ms. Ng reported that as of June 30, 2024, SamCERA's private equity portfolio had a total market value of \$451 million (6.9% of SamCERA's total fund). The private equity portfolio's net IRR since inception is 18.6%, 490 bps above the same cash flow invested in the Russell 3000 Total Return Index return of 13.7%. As of June 30, 2024, SamCERA had a total of forty-six funds with \$872.9 million in committed capital across thirty private equity managers. Ms. Ng also reported that as of June 30, 2024, SamCERA's private real assets portfolio had a total market value of \$367 million (5.6% of SamCERA's total fund). The private real assets portfolio's net IRR is 6.8%, and there were twenty-two private asset funds in the portfolio with \$519.8 million in committed capital across fourteen private real asset managers. Mr. Shooshani and Mr. Nicolini reviewed the reports with the Board. This item was informational and for discussion only, no action was taken.

2501.6.5 **Approval of Proposed Alternative Investments (to be heard in Closed Session, Confidential Under Gov. Code §54956.81 and §7928.710, see item C2):** This item was heard in Closed Session at 12:06 p.m. and Open Session was reconvened at 12:26 p.m. See Closed Session report under C2.

2501.7.1 **Discussion of Board Staff Retreat Topics:** Mr. Hood reviewed the draft agenda for the March Board-Staff retreat with the Board. Mr. Hood also gave the Board an opportunity to provide their feedback. This item was informational and for discussion only, no action was taken.

2501.7.2 **Approval of Resolution Authorizing the Chief Executive Officer to Approve the Payment of a Member's Benefits by Check Pursuant to Board Regulation 5.5(C):** Mr. Hood reviewed staff's recommendation to delegate the authority to approve the payment of a member's benefits by check to the CEO, pursuant to Board Regulations 5.5(C). Ms. Salas called for a motion to approve the Resolution Authorizing the Chief Executive Officer to Approve the Payment of a Member's Benefits by Check.

Action: Ms. Orr moved to approve the Resolution Authorizing the Chief Executive Officer to Approve the Payment of a Member's Benefits by Check. The motion was seconded by Mr. Marangu and carried with a vote of 8-0-0, with trustees Arnott, Finnegan, DeCarsky (for Raw), Marangu, O'Malley, Orr, Perkel, and Salas all in favor; none opposed; none abstained.

2501.8.1 **Chief Executive Officer's Report:** Mr. Hood reported that the Memorandum of Understanding with the County regarding supplemental contributions, which the Board authorized him to negotiate last month, has been executed. Mr. Hood also reported to the Board that the 1099 tax forms went out early January, so now staff is receiving back the undelivered ones for members that have moved. Mr. Hood also reported that February Board Meeting items will include the funding dashboard, the budget and financial reports, and the final retreat schedule.

2501.8.2 **Assistant Executive Officer's Report:** Ms. Smith reported to the Board that she has reached out to the Election's Office regarding the two upcoming special elections, one for the retired seat and one for the alternate seat and is waiting for the election calendar. Ms. Smith also added to the discussion from earlier regarding earnings codes, that any new earnings codes or pay increases negotiated by the

County, requires a fiscal impact report provided by SamCERA's actuary, Milliman. The report is submitted to the Board of Supervisors.

Ms. Lukan reported on upcoming education opportunities including CALAPRS General Assembly in Napa in March, Pension Bridge in Half Moon Bay in March, IFEBP Investment Institute in Fort Myers, FL in April, and SACRS Spring in Rancho Mirage in May, and she will send an email with all the information mentioned. Mr. Hood reported to the Board that in their day-of folders are the SACRS election memos for the Board of Directors election, which will take place at the SACRS Spring Conference.

2501.8.3 **Chief Investment Officer's Report:** Mr. Coultrip reported to the Board that staff did a minor rebalance via the Overlay program - \$30 million was sold in US Equity Exposure, and \$10 million was bought of International and \$20 million of fixed income.

2501.8.4 **Chief Legal Counsel's Report:** Mr. Okada reported to the Board that the gift limit for gifts that Trustees can receive from a single source in the course of a year has been increased to \$630 each for calendar years 2025 and 2026. This amount is an increase from the \$590 limit for calendar years 2025 and 2026. He also reported that Form 700s for the calendar year 2024 are due on April 1. Finally, Mr. Okada reported that the briefing schedule for the *LACERA vs. County of Los Angeles* case has been pushed out. Furthermore, Mr. Okada spoke with ACERA's counsel, who is going to be drafting an Amicus Brief that systems can sign on to, and they think that brief will be ready in late February. The submission for those briefs will be due in mid-April, and once he receives a copy of that draft, he will see if there is anything that needs more discussion and will schedule a closed session in March if necessary.

C1 **Consideration of Disability Items, if any, removed from the Consent Agenda:** None.

C2 **Approval of Proposed Alternative Investments (to be heard in Closed Session, Confidential Under Gov. Code §54956.81 and §7928.710, see item C2):**

The Board entered Closed Session at 12:06pm

The Board met in Closed Session for the approval of proposed alternative investments:

Regarding a \$40 million commitment to 400 Capital Asset Based Term Fund IV, L.P., as part of SamCERA's opportunistic credit portfolio within the Growth category, there was a motion and a second to approve such commitment.

Ayes: Arnott (Secretary), Decarsky (for Raw), Finnegan, Marangu (Vice Chair), O'Malley, Orr, Perkel, and Salas (Chair)

Nos: None

Abstain: None

Absent: None

Motion carried 8-0-0

No other matters were heard in Closed Session and the Board exited Closed Session at 12:26pm.

C3 **Public Employee Performance Evaluation, in accordance with Gov. Code § 54957, Title: Chief Executive Officer (to be heard in Closed Session Confidential Under Gov. Code §54957):**

The Board met in Closed Session to discuss the Public Employee Performance Evaluation of the Chief Executive Office. No reportable action was taken.



2501.9.0 **Reports on Actions Taken in Closed Session:** Mr. Okada reported on Item C2 above. Ms. Arnott reported on Item C3 above. There were no additional closed session items.

2501.10 **Adjournment:** Ms. Salas adjourned the meeting at 1:12 p.m. in memory of the deceased members listed below.

Welsh, Hyacinth	November 7, 2024	Hospital
Ruffoni, Henry	November 8, 2024	Civil Service Commission
McNaughton, Elouise	November 10, 2024	Courts
May, Susan	November 14, 2024	Human Services
Bodden, Reginald	November 15, 2024	Probation
Da Cunha, Henrique	November 21, 2024	Probation
Gray, Irene	November 22, 2024	Courts
Wright, John	November 28, 2024	Sheriff's
McGaughy, Marjorie	December 1, 2024	Mental Health
Smith, Charlotte	December 8, 2024	Public Health
Theocheung, Joseph	December 15, 2024	Hospital
Hekker, Henry	December 16, 2024	Sheriff's
Molinari, Albert	December 17, 2024	Sheriff's
Hopkins, Terry	December 19, 2024	Assessor's Office
Carraher, Marjorie	December 24, 2024	Hospital
Upton, Warren	December 25, 2024	General Services
Suwabe, Kaora	January 5, 2025	Probation
Kanakaris, Anna	January 6, 2025	Hospital
Anderson, Irma	January 6, 2025	Health

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Alma R. Salas  
Board Chair

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
**Board of Retirement**

February 25, 2025

Agenda Items 4.1- 4.9

**TO:** Board of Retirement

**FROM:** Elizabeth LeNguyen, Retirement Benefits Manager



**SUBJECT:** Approval of Consent Agenda Items 4.1 – 4.9

**4.1 Disability Retirements**

- a) The Board finds that **Jennifer Faumuina** (1) is not permanently disabled from substantially performing her usual and customary duties as a Deputy Probation Officer III and (2) deny her application for a service-connected disability retirement.
  
- b) The Board finds that **William Passmore** (1) is permanently incapacitated from the performance of his usual and customary duties as a Deputy Sheriff, (2) find that his disability was the result of an injury arising out of and in the course of his employment and (3) grant his application for a service-connected disability retirement.

**4.2 Survivor Death Benefits**

None.

**4.3 Service Retirements**

The Board ratifies the service retirement for the individuals listed below as follows:

<b>Name</b>	<b>Effective Retirement Date</b>	<b>Department</b>
Abalos, Christopher	December 31, 2024	Probation
Aguerre, Haydee	December 3, 2024	Assessor's Office
Bambic, Salina	December 8, 2024	Deferred - Human Services Agency
Becker, Frances	August 1, 2024	San Mateo County Health
Bischoff, Ursula	December 2, 2024	Deferred - Human Services Agency
Bridges, Marian	January 1, 2025	Family Health Services
Cloney, Christopher	December 24, 2024	Deferred - Sheriff's Office
Doyle, Cindy	January 1, 2025	San Mateo County Health
Francisco, Deking	January 1, 2025	Human Services Agency
Hirsch, Emily	January 1, 2025	Deferred - Human Services Agency
Lamica, Suzanne	November 1, 2024	Deferred - SamCERA

LaPerle, James	December 30, 2024	Deferred - San Mateo County Health
Medina, Michael	January 1, 2024	Sheriff's Office
Patino, Jose	December 13, 2024	Environmental Health Services
Peterson, David	December 31, 2024	Human Services Agency
Poss, Nancy	December 4, 2024	Agriculture
Rueppel, Erik	December 28, 2024	Sheriff's Office
Sabel, John	December 31, 2024	Sheriff's Office
Sisneros, Elise	December 10, 2024	Public Safety Communications
Stelmack, Richard	December 3, 2024	Behavioral Health
Valdez, Yadira	December 7, 2024	Family Health Services

**4.4 Continuances**

The Board ratifies the granting of a continuance to the following individuals:

<b>Survivor's Name</b>	<b>Beneficiary of:</b>
Welsh, Judith	Welsh, Hyacinth
Wright, Marlene	Wright, John

**4.5 Deferred Retirements**

The Board ratifies the deferred retirements as listed below for the following individuals:

<b>Name</b>	<b>Retirement Plan Type</b>
Alvarado-Gonzalez, Roberto	G4, Vested Auto Defer – Code 31700
Amadi, Victor	P7/S7, Vested – Reciprocity
Huang, Derek	G5, Vested
Morales, Briana	S7, Vested
Leiva, Demetrius	G7, Vested - Reciprocity
Quintanilla-Recinos, Ana	G4, Vested Auto Defer – Code 31700
Yankee, Matthew	G5, Vested Auto Defer – Code 31700

**4.6 Member Account Refunds**

The Board ratifies the refunds as listed below for the following individuals:

<b>Name</b>	<b>Retirement Plan Type</b>
Arroliga Diaz, Jose	G7, Non-vested
Fox, Matthew	S5, Non-vested

Hambarchyan, Arpine	G7, Non-vested
Jung, Wonbin	G7, Non-vested
McInnis, Owen	G7, Non-vested
Verdin-Reyes, Alondra	G7, Non-vested
Wilson-Locke, Nancy	G7, Vested

#### 4.7 Member Account Rollovers

Name	Retirement Plan Type
Ahrens, Alex	S7, Non-vested
Armstrong, Phyllis	G7, Non-vested
Bader, Darren	G4, Vested
Barnes, Clayton	G7, Non-vested
Huynh, Anh	G7, Non-vested
Kang, Andrew (FBO: Kang, Suzanna)	G7, Vested
Lustenberger, Fred	G7, Non-vested
Nunez, Sylvia	G4, Non-vested
Philip, Brian	S5, Non-vested
Vadlamani, Sanjay	G7, Non-vested
Wilson-Locke, Nancy	G7, Vested

#### 4.8 Member Account Redeposits

None.

#### 4.9 Acceptance of Trustees' Reports of Educational Activities

See attached.

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
**Board of Retirement**

February 25, 2025

Agenda Item 4.9

**TO:** Board of Retirement

**FROM:** Jenny Lukan, Retirement Executive Secretary



**SUBJECT:** Trustees' Reports of Educational Activities

**Recommendation**

Accept the following report from Board of Retirement trustees who have recently attended educational events.

**Background**

SamCERA's Education Policy Section 1D states "Prior to the next regularly scheduled meeting of the Board following the Board member's participation in an educational activity, the Board member shall submit for inclusion on the Consent Agenda, a summary written report on the content of educational activities. The report shall substantially reflect the information contained in the attached sample report."

**Discussion**

Robert Raw attended the following educational event and his report is attached:  
NCPERS Legislative Conference and Policy Day, January 27-29, 2025

**Attachments**

Trustees' Education Proof of Participation Certificate and Summary

SamCERA Board of Retirement Trustee Education  
Proof of Participation Certificate and Summary



<b>Trustee Name</b> Robert Raw		<b>Date(s) of Event</b> January 27-29, 2025	
<b>Education Event Name</b> NCPERS Legislative Conference and Policy Day			
<b>Event Provider</b> National Conference on Public Employee Retirement Systems (NCPERS)			
<b>Type of Participation:</b> Attended Event <input checked="" type="checkbox"/> Listened to Audio/Watched Video <input type="checkbox"/>		<b>Eligible Credit:</b> Total hours for sessions you participated in: <u>16</u> (Staff may adjust hours if the provider issues an education certificate that reflects different hours.)	

This event satisfies the following requirements of the Board of Retirement's Education Policy and Government Code section 31522.8:

**Topic:** (Check all that apply)

- |   |  |
|---|--|
| <input type="checkbox"/> Fiduciary responsibilities                                 | <input type="checkbox"/> Disability evaluation                               |
| <input type="checkbox"/> Ethics   | <input type="checkbox"/> Fair hearings                                       |
| <input type="checkbox"/> Benefits administration                                    | <input type="checkbox"/> Pension fund governance                             |
| <input type="checkbox"/> Actuarial matters  | <input type="checkbox"/> New board member orientation                        |
| <input type="checkbox"/> Pension funding  | <input checked="" type="checkbox"/> Other: <u>PENSION LEGISLATIVE ISSUES</u> |
| <input type="checkbox"/> Pension fund investments and investment program management |  |

**Summary Report**

What concepts or information did you learn about?

THE EFFECTS OF THE 2024 PRESIDENTIAL ELECTION ON OUR NATION, RECENT LEGISLATIVE STEPS AFFECTING PENSIONS (HR 82 / WEP / GPO), SOCIAL SECURITY, SECURE 2.0, PUBLIC SECTOR LOBBYING AND DISCUSSIONS WITH LEGISLATIVE AIDES IN THE HOUSE OF REPRESENTATIVES.

Would you recommend this event to other trustees?

- Yes       No       Maybe

You may provide additional comments to SamCERA's CEO.

By signing below, I certify that I participated in the activities described above and am entitled to claim the indicated amount of education credit hour(s).

<b>Trustee Signature</b> (print this form and sign) 	<b>Date</b> 2/3/25
---	-----------------------

**NOTE:** Please return this completed form to SamCERA's Executive Secretary prior to the mailing of the Board packet, so it can be included in that month's Consent Agenda.

**SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**Board of Retirement**

February 25, 2025

Agenda Item 4.10

**TO:** Board of Retirement

**FROM:** Doris Ng, Investment Analyst 

**SUBJECT:** Semi-Annual Compliance Certification Statements for Period Ended December 31, 2024

**Recommendation**

Accept the semi-annual Compliance Certification Statements for SamCERA's non-alternative investment managers, as of December 31, 2024.

**Background**

As part of SamCERA's ongoing due diligence process, the Compliance Certification Statement is completed by each of the association's public equity, fixed income, real estate, real asset and cash overlay investment managers and investment consultant on a semi-annual basis.

These statements are used to update SamCERA on any firm-wide compliance issues and to provide strategic-level information regarding such things as derivatives and portfolio positioning. For investment managers whose investments are considered "alternative investment vehicles" per the California Government Section Code §7928.710, the Compliance Certification Statements are not provided in the public board packet and will be sent separately to the Board.

The attached Compliance Certification Statements were not received in time to be included in the mailing for the January Board meeting.

**Discussion**

The additional Compliance Certification Statements report that SamCERA's investment managers (BlackRock, PIMCO, and SSGA) are in compliance with SamCERA's Investment Policy as of December 31, 2024. There were no reported significant developments in portfolio construction, investment approach, firm ownership or organizational structure of concern relating to the association's public investments. There were no notable issues regarding industry or regulatory actions that impact SamCERA. The managers were also requested to provide data regarding the characteristics and composition of their portfolios. No prominent issues were identified during the review. Any items that raise concern will be brought to the manager's or investment consultant's attention and will be thoroughly vetted by staff.

**Attachments**

Compliance Certification Statement Matrix 12-2024

Compliance Certification Statements (4)

- A. Domestic Equity: BlackRock
- B. International Equity: BlackRock
- C. Fixed Income: PIMCO
- D. Public Real Assets: SSgA



## Compliance Certification Statement Matrix – December 31, 2024

Investment Manager	Mandate	General Compliance Issues	Derivative Instruments	Investment Manager Guidelines	Mandate Specific
<b>Domestic Equity</b>					
<b>BlackRock Russell 1000 Index Fund</b>		<ul style="list-style-type: none"> <li>Dec 2024 BlackRock to acquire HPS Investment Partners (a global credit investment manager), expected to close in 2Q2025</li> <li>Oct 2024 BlackRock acquired Global Infrastructure Partners (GIPS)</li> <li>Co-Hd of direct lending platform departed 4Q2024 and 2 managing directors departed in 3Q2024. 1 director expected to depart in 2025.</li> </ul>	No Concerns (Note the strategy utilizes exchange-traded equity index futures)	No Concerns	<ul style="list-style-type: none"> <li>Largest single security: Apple 6.64%</li> <li>Largest single industry: Semiconductor &amp; Semiconductor Equipment 10.49%</li> </ul>
<b>International Equity</b>					
<b>Blackrock MSCI ACWI ex US IMI Index Fund</b>		<ul style="list-style-type: none"> <li>Dec 2024 BlackRock to acquire HPS Investment Partners (a global credit investment</li> </ul>	No Concerns (Note the strategy utilizes exchange-traded equity index futures)	No Concerns	<ul style="list-style-type: none"> <li>0.34% ADR's</li> <li>30.22% in Emerging Markets</li> </ul>

## Compliance Certification Statement Matrix – December 31, 2024

Investment Manager	Mandate	General Compliance Issues	Derivative Instruments	Investment Manager Guidelines	Mandate Specific
		manager), expected to close in 2Q2025 <ul style="list-style-type: none"> <li>• Oct 2024 BlackRock acquired Global Infrastructure Partners (GIPS)</li> <li>• Co-Hd of direct lending platform departed 4Q2024 and 2 managing directors departed in 3Q2024. 1 director expected to depart in 2025.</li> </ul>			
<b>Fixed Income</b>					
<b>PIMCO (Diversified Income Fund)</b>		No Concerns	No Concerns	No Concerns	<ul style="list-style-type: none"> <li>• 33% Rule 144A securities</li> </ul>
<b>Real Assets</b>					
<b>State Street Global Advisors (Custom Real Asset Account)</b>		No Concerns	<ul style="list-style-type: none"> <li>• Single largest counterparty exposure 23% of the fund (Bloomberg Roll Select Commodity)</li> </ul>	No Concerns	<ul style="list-style-type: none"> <li>• 2% ADR's</li> <li>• 25.1% Derivatives</li> <li>• 1.4% Rule 144A securities</li> <li>• Single largest issuer in portfolio 2.2%</li> </ul>

## Compliance Certification Statement Matrix – December 31, 2024

Investment Manager	Mandate	General Compliance Issues	Derivative Instruments	Investment Manager Guidelines	Mandate Specific
		4 Total   4 Completed	0 Pending Information	0 Confidential	

## ***BlackRock Russell 1000 Index – December 31, 2024***

### ***Compliance Certification Statement***

***San Mateo County***

***Employees' Retirement Association***

In accordance with SamCERA's Investment Policy Statement, the following compliance worksheet will be completed by each of *SamCERA's* investment managers on a semi-annual basis. These statements must be e-mailed to *SamCERA's* office ([Investments@samcera.org](mailto:Investments@samcera.org)) by **Monday, January 13, 2025**.

### **General Compliance Issues**

1. **Have there been any significant portfolio developments, major changes in firm ownership, organizational structure and personnel?**

**Yes: Please explain.** /  **No**

#### **Firm's Ownership Structure**

BlackRock, Inc. (together, with its subsidiaries, unless the context otherwise indicates, "BlackRock" or the "Company") is a publicly traded investment management firm, with common stock listed on the New York Stock Exchange, providing a broad range of investment management and technology services to institutional and retail clients worldwide. As of 30 September 2024, there was no person known by BlackRock to own beneficially 10% or more of any class of outstanding voting securities of BlackRock.

There have been no material changes to the ownership structure for the quarter ending as of 30 September 2024.

The data as of 31 December 2024 has not been made publicly available yet.

#### **Recent Organizational Changes**

BlackRock constantly looks for ways to better serve clients, increase efficiency in our organization and develop talent. Periodically we take a fresh look at the firm to determine how we should evolve our organization in anticipation of changing market dynamics and client needs and to position the firm so that we can maximize our fullest potential. Below we detail the structural changes the firm has implemented in recent quarter ending 31 December 2024.

BlackRock agreed in December to acquire HPS Investment Partners (HPS), a leading global credit investment manager with approximately \$148 billion in client assets.

This transaction will bring together BlackRock's strong corporate and asset owner relationships with HPS's diversified origination and capital flexibility. The combined private credit franchise will work side-by-side with BlackRock's \$3 trillion public fixed income business to provide both public and private income solutions for clients.

The combination of BlackRock and HPS is complementary, creating a new business that is focused on delivering to clients the most scalable, diverse offerings across the capital structure, including senior and junior debt solutions, asset-based financing, venture lending, real estate, and direct

lending. The new private financing solutions business unit will work side-by-side with our fixed income business to provide both public and private income solutions for clients.

The HPS management team, led by Scott Kapnick, Scot French, and Michael Patterson, will lead a newly formed business unit that will provide integrated solutions for clients and borrowers. Scott, Scot, and Michael will join BlackRock's Global Executive Committee, and Scott will be an observer to the BlackRock Board of Directors.

The transaction is expected to close in mid-2025 subject to regulatory approvals and customary closing conditions.

On Oct. 1, 2024, BlackRock completed the acquisition of Global Infrastructure Partners (GIP). The combination creates the industry leader in holistic infrastructure expertise across equity, debt and solutions – providing the full range of infrastructure sector expertise and exposure across developed and emerging markets.

The combined infrastructure platform will be branded Global Infrastructure Partners, a part of BlackRock. With approximately \$170 billion in AUM, the platform will field a 600-person strong global team that manages a diversified portfolio of more than 300 active investments with operations in over 100 countries.

With the merger:

- GIP's Office of the Chairman, comprising Adebayo Ogunlesi, Michael McGhee and Raj Rao, manages the strategic direction, day-to-day business, operations and activities of the combined infrastructure business. BlackRock's existing infrastructure business reports to GIP's Office of the Chairman.
- Bayo and Raj Rao join BlackRock's Global Executive Committee. Bayo is Chairman and CEO of GIP. Raj is President and COO of GIP.

Director / MD Departures				
Name	Title	Departure Date	Year	Reason
Andrew Norman	Director	2025 TBC	2025	Pursue other opportunities
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Jon Hugo	Managing Director	9/30/2024	2024	Pursue other opportunities
Aseem Khatri	Director	6/30/2024	2024	Pursue other opportunities
Nik Singhal	Managing Director	5/28/2024	2024	Pursue other opportunities
R Marshall Merriman	Managing Director	4/1/2024	2024	Retirement

### GEC Changes

In 2010, BlackRock created the Global Executive Committee ("GEC") to provide oversight of operations and business performance, strategy and planning, talent development and retention, risk management, and external affairs.

In October 2024, BlackRock completed the acquisition of Global Infrastructure Partners, and Adebayo Ogunlesi and Raj Rao joined the GEC. Bayo is Chairman and CEO of GIP. Raj is President and COO of GIP.

Please refer to the link below for biographies of the firm's current GEC members.

<http://www.blackrock.com/corporate/en-us/about-us/leadership>

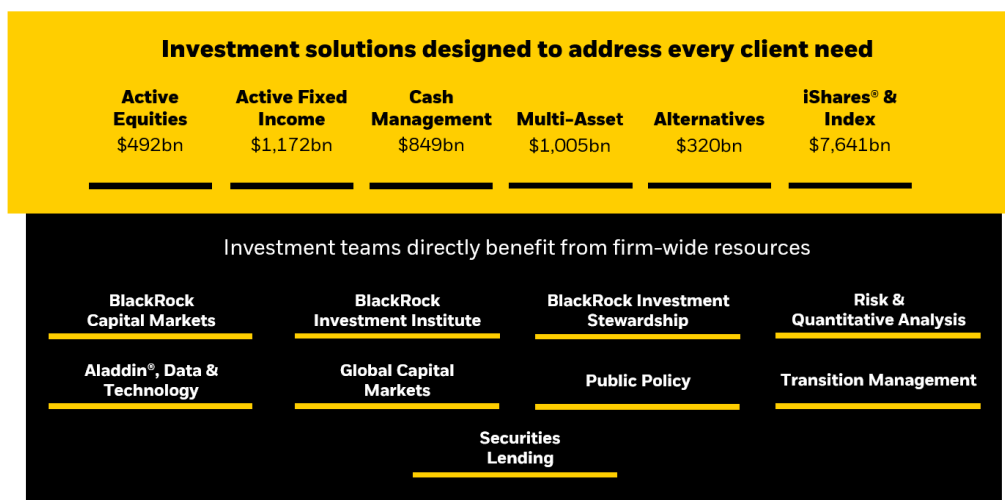
## 2. Have there been any changes in the firm's investment approach?

Yes: Please explain. /  No

BlackRock provides diversified investment management to institutional clients, intermediary clients and individual investors through various investment vehicles. Investment management services primarily consist of the management of equity, fixed income, multi-asset class, alternative investment and cash management products. BlackRock offers its investment products in a variety of vehicles, including open-end and closed-end mutual funds, iShares® exchange traded funds (“ETFs”), collective investment trusts and separate accounts. Additionally, we provide Financial Markets Advisory services for governments, central banks, and financial institutions, as well as whole portfolio solutions through our OCIO platform.

The investment solutions offered by BlackRock include alpha-seeking and index products as well as fundamental and systematic strategies, along with an array of alternative investment products that can help improve results and diversify portfolios. BlackRock’s portfolio construction capabilities draw on resources from across the firm. BlackRock created Aladdin® and uses that platform’s insights to help manage risk and results on behalf of client portfolios. In addition, many institutions rely on Aladdin to analyze and manage their own assets. BlackRock offers investors one of the deepest, broadest investment platforms in the financial services industry, backed by our industry-leading technology, risk management and market insight.

The breadth and depth of investment solutions is designed to deliver better outcomes, returns, convenience, value, and transparency for our clients, and our distinct platform allows us to offer unbiased, holistic offerings. Please refer to the following chart for an overview of BlackRock’s products and services.



Source: BlackRock. Assets under management as of 30 September 2024 . All figures are represented in USD. Alternatives AUM may include committed capital, in addition to invested capital, which remains subject to drawdown.

3. **Have there have been any industry or regulatory disciplinary actions taken against the firm?**  Yes: Please explain. /  No
4. **Has the firm’s insurance coverage been sustained?**  Yes /  No: Please explain.
5. **Have there been any investment guideline breaches with respect to the Fund’s guidelines in the offering documents during the prior 6 months?**  Yes: Please explain. /  No

6. **Have proxy ballots been voted in accordance with the best economic interest of *SamCERA*?**

**Yes** /  **No: Please explain.**

### **Investment Management Fees**

1. **Is *SamCERA*'s investment management fee schedule less favorable than those charged other institutional clients who hold an account investment substantially similar to ours?**

**Yes: Please explain.** /  **No**

### **Derivative Investments**

1. **Are derivatives used in the management of the investment strategy?**

**Yes: Please ANSWER the remaining questions in this section.**

**No: Please SKIP the remaining questions in this section.**

BlackRock has extensive experience in managing derivatives through both asset management and dedicated hedging assignments, and routinely uses options, futures, forwards, swaps, basis swaps, swaptions, caps and floors across eligible accounts. BlackRock's quantitative analytical system has the capability to price and perform sensitive analysis on most derivatives used in the global market today.

All derivatives are incorporated into Aladdin, our enterprise wide risk management systems, and holdings are reflected in our daily reports. Each day our positions are marked-to-market, and based on pre-determined threshold limits, margin calls are made, on a dealer-by-dealer basis, for each portfolio. BlackRock's Investment Operations Group is responsible for the management of derivatives collateral and monitors cash and securities (used as collateral) to and from futures commission merchants ("FCMs") for futures and designated contract markets ("DCMs") for cleared OTC products, swap dealers for bilateral OTC products, and repo / MSFTA dealers for repo / TBA products. The Investment Operations Group uses a combination of Collateral Dashboard and Collateral Optimizer to review daily exposure and collateral valuation by counterparty, and determine eligible collateral. Exposures are calculated based on the previous night's close of business prices, and where the net exposure exceeds the minimum transfer amount ("MTA - governed by the collateral legal agreement), the Collateral Management Group initiates a margin call to the counterparty for receipt of eligible collateral assets to cover exposures. Agreement terms and provisions are captured in Deco i.e. MTA, Threshold, Rounding Increments, Transfer Timing etc.

For Futures, each FCM calculates the initial margin using SPAN (Standardised Portfolio Analysis of risk), a margin system, in accordance with the exchange and guidelines of the Commodity Futures Trading Commission ("CFTC"). For cleared OTC products, initial margin is calculated by the clearing houses in accordance with their margin risk framework -for example, Clearing Online Risk Engine (CORE) for CME, Portfolio Approach to Interest Rate Scenarios (PAIRS) for LCH.

BlackRock posts the initial margin in the form of cash or acceptable securities to the FCM and all subsequent daily variation margins are settled with the FCM / DCM in cash. BlackRock monitors all derivative and repurchase agreement ("Repo") portfolios on a daily basis and moves collateral in accordance with the respective governing legal documents to ensure all accounts are properly collateralized. All margining is done via the Collateral Dashboard, a module fully integrated within our Aladdin platform.

2. **If the firm entered into a non-exchange traded derivative, was the general nature and associated risks of the counter-party fully evaluated?**

Yes /  No: Please explain.

N/A

3. **For non-exchange traded derivative transactions, were the counter-parties broker/dealers?**

Yes /  No

If Yes:

a) Do the counter-parties have investment grade debt?  Yes/  No

b) Are the counter-parties registered with the SEC and do they have net capital to protect against potential adverse market circumstances?  Yes/  No: Please explain.

N/A

4. **For non-exchange traded derivative transactions, were the counter-parties financial institutions (banks)?**

Yes /  No

If Yes:

a) Do the counter-parties have investment grade debt?  Yes/  No

b) Do the counter-parties have total assets in excess of \$1 billion, and significant net capital to protect against potential adverse market circumstances?

Yes/  No: Please explain.

N/A

5. **Is individual counter-party exposure well diversified?**  Yes/  No: Please explain.

a) What is the largest exposure to a single counter-party within the portfolio?

b) Please specify the name of the counter-party and the amount of exposure.

For answers a and b: Both funds are passive products that track the benchmark and thus decisions are made accordingly. When it comes to trade decisions we make sure to keep our fiduciary responsibility and manage counterparty risk conservatively. Every broker undergoes a strict due diligence and independent credit review, selected based on factors like capital strength, stability, execution abilities, and the breadth of brokerage services offered.

c) Have there been any changes to the investment manager's list of approved counter-parties over the past six months? .

There have been no changes.

6. **Specify the security pricing sources used when developing portfolio market value exposures for non-exchange traded derivative positions.**

N/A

7. **Provide a statement regarding the liquidity of the derivative investments. Provide a general statement discussing the legal and regulatory risks associated with the portfolio manager's investments in derivatives.**



We typically use exchange-traded equity index futures in our strategies to achieve efficient portfolio management. These futures are not used for speculative or leveraged positions; instead, we maintain cash to fully cover all outstanding futures positions.

Regarding liquidity, the use of exchange-traded futures allows us to quickly adjust our positions as needed. This liquidity ensures that we can manage day-to-day cash flows generated from trades, dividends, interest received, and other activities associated with securities in the portfolio. Specifically, futures contracts are purchased to provide immediate market exposure proportionate to cash accruals and investable cash within the portfolio. While we aim to remain fully invested, a small amount of spendable cash is retained to minimize trading and transaction costs. Skillful cash management and cash equitization are critical to minimizing the potential impact of cash drag and ensuring tight tracking to the benchmark.

Our use of exchange-traded futures is carried out within a well-defined regulatory framework, ensuring full compliance with legal requirements. This approach helps mitigate any potential legal and regulatory risks associated with derivative investments.

8. **State if the legal and regulatory risk associated with portfolio derivative investments have changed over the past six months.**  Yes: Please explain. /  No

**Domestic Equity Portfolios (Large, Mid & Small)**

1. **Please state the percentage of the portfolio held in each of the following types of securities**

Common Stock	99.998%
Preferred Stock	0%
Convertible Securities	0%
Cash & Equivalents	0.002%

2. **Specify the large, mid and small capitalization exposure of the portfolios? Please specify percentages.**

Large-Cap	96.38%
Mid-Cap	3.60%
Small-Cap	0.02%

3. **Specify the percentage of the portfolio that is invested in American Depository Receipts (ADR's). Also, specify the percentage of the portfolio invested in ADR securities that are 144A securities. If greater than 10%, explain why.**

Not applicable given this is a domestic equity exposure.

4. **What is the largest percentage of the portfolio represented by a single security? Please specify the security and percentage amount. If any securities were above 5% at the time of purchase, please list and explain why.**

The portfolio is an index tracking investment vehicle, and, as a result, the fund will hold the same weights as dictated by the market-cap weighted index.

Security Name	Portfolio Weight	Benchmark Weight
---------------	------------------	------------------

APPLE INC	6.64%	6.65%
NVIDIA CORP	5.83%	5.83%
MICROSOFT CORP	5.81%	5.81%

**5. What is the largest percentage of the portfolio represented by a single industry? Specify the name of the industry, percentage amount and size relative to benchmark. Please specify all industries above 15%.**

Semiconductor & Semiconductor Equipment 10.49%

Signed by: Grant Dechert, SamCERA Account Manager

Dated: 01/21/2025

Name of Firm: BlackRock

## ***BlackRock MSCI ACWI ex US IMI Index – December 31, 2024***

### *Compliance Certification Statement San Mateo County Employees' Retirement Association*

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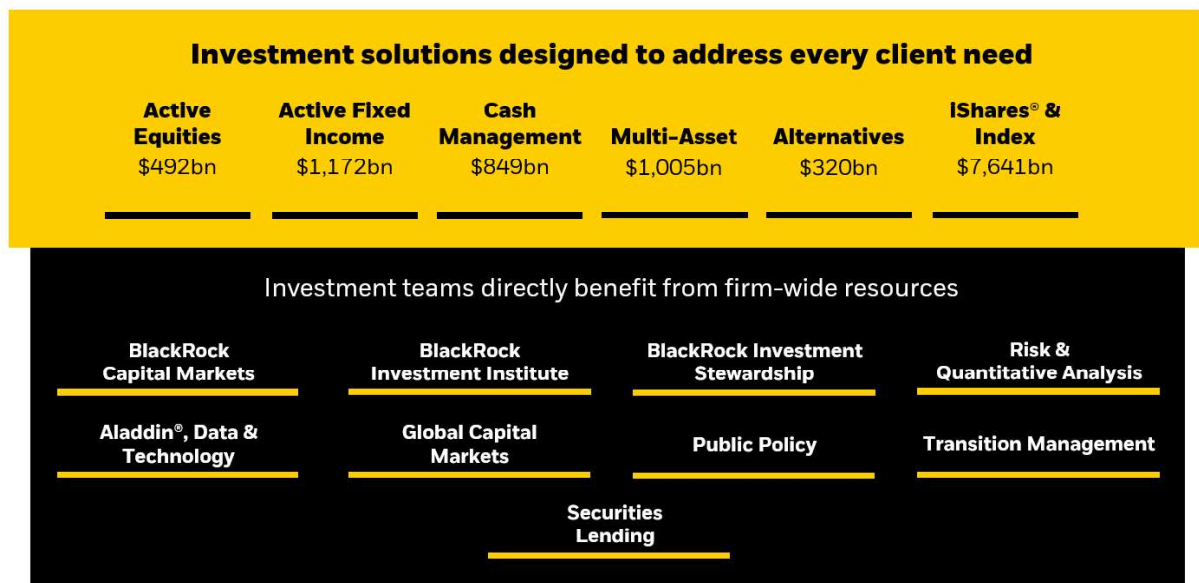
2. **Have there been any changes in the firm's investment approach?**

Yes: Please explain. /  No

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3. Have there have been any industry or regulatory disciplinary actions taken against the firm?  Yes: Please explain. /  No
4. Has the firm’s insurance coverage been sustained?  Yes /  No: Please explain.

5. **Have there been any investment guideline breaches with respect to the Fund's guidelines in the offering documents during the prior 6 months?**

Yes: Please explain. /  No

6. **Have proxy ballots been voted in accordance with the best economic interest of SamCERA?**

Yes /  No: Please explain.

### **Investment Management Fees**

1. **Is SamCERA's investment management fee schedule less favorable than those charged other institutional clients who hold an account investment substantially similar to ours?**

Yes: Please explain. /  No

### **Derivative Investments**

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Yes: Please ANSWER the remaining questions in this section.

No: Please SKIP the remaining questions in this section.

BlackRock has extensive experience in managing derivatives through both asset management and dedicated hedging assignments, and routinely uses options, futures, forwards, swaps, basis swaps, swaptions, caps and floors across eligible accounts. BlackRock's quantitative analytical system has the capability to price and perform sensitive analysis on most derivatives used in the global market today.

All derivatives are incorporated into Aladdin, our enterprise wide risk management systems, and holdings are reflected in our daily reports. Each day our positions are marked-to-market, and based on pre-determined threshold limits, margin calls are made, on a dealer-by-dealer basis, for each portfolio.

BlackRock's Investment Operations Group is responsible for the management of derivatives collateral and monitors cash and securities (used as collateral) to and from futures commission merchants ("FCMs") for futures and designated contract markets ("DCMs") for cleared OTC products, swap dealers for bilateral OTC products, and repo / MSFTA dealers for repo / TBA products. The Investment Operations Group uses a combination of Collateral Dashboard and Collateral Optimizer to review daily exposure and collateral valuation by counterparty, and determine eligible collateral. Exposures are calculated based on the previous night's close of business prices, and where the net exposure exceeds the minimum transfer amount ("MTA - governed by the collateral legal agreement), the Collateral Management Group initiates a margin call to the counterparty for receipt of eligible collateral assets to cover exposures. Agreement terms and provisions are captured in Deco i.e. MTA, Threshold, Rounding Increments, Transfer Timing etc.

For Futures, each FCM calculates the initial margin using SPAN (Standardised Portfolio Analysis of risk), a margin system, in accordance with the exchange and guidelines of the Commodity Futures Trading Commission ("CFTC").

For cleared OTC products, initial margin is calculated by the clearing houses in accordance with their margin risk framework -for example, Clearing Online Risk Engine (CORE) for CME, Portfolio Approach to Interest Rate Scenarios (PAIRS) for LCH.

BlackRock posts the initial margin in the form of cash or acceptable securities to the FCM and all subsequent daily variation margins are settled with the FCM / DCM in cash.

BlackRock monitors all derivative and repurchase agreement (“Repo”) portfolios on a daily basis and moves collateral in accordance with the respective governing legal documents to ensure all accounts are properly collateralized. All margining is done via the Collateral Dashboard, a module fully integrated within our Aladdin platform.

**2. If the firm entered into a non-exchange traded derivative, was the general nature and associated risks of the counter-party fully evaluated?**

Yes /  No: Please explain.

N/A

**3. For non-exchange traded derivative transactions, were the counter-parties broker/dealers?**

Yes /  No

If Yes:

a) Do the counter-parties have investment grade debt?  Yes/  No

b) Are the counter-parties registered with the SEC and do they have net capital to protect against potential adverse market circumstances?  Yes/  No: Please explain.

N/A

**4. For non-exchange traded derivative transactions, were the counter-parties financial institutions (banks)?**

Yes /  No

If Yes:

a) Do the counter-parties have investment grade debt?  Yes/  No

b) Do the counter-parties have total assets in excess of \$1 billion, and significant net capital to protect against potential adverse market circumstances?

Yes/  No: Please explain.

N/A

**5. Is individual counter-party exposure well diversified?  Yes/  No: Please explain.**

a) What is the largest exposure to a single counter-party within the portfolio?

b) Please specify the name of the counter-party and the amount of exposure.

For answers a and b: Both funds are passive products that track the benchmark and thus decisions are made accordingly. When it comes to trade decisions we make sure to keep our fiduciary responsibility and manage counterparty risk conservatively. Every broker undergoes a strict due diligence and independent credit review, selected based on factors like capital strength, stability, execution abilities, and the breadth of brokerage services offered

c) Have there been any changes to the investment manager’s list of approved counter-parties over the past six months?

No changes

**6. Specify the security pricing sources used when developing portfolio market value exposures for non-exchange traded derivative positions.**

N/A

**7. Provide a statement regarding the liquidity of the derivative investments. Provide a general statement discussing the legal and regulatory risks associated with the portfolio manager's investments in derivatives.**

We typically use exchange-traded equity index futures in our strategies to achieve efficient portfolio management. These futures are not used for speculative or leveraged positions; instead, we maintain cash to fully cover all outstanding futures positions.

Regarding liquidity, the use of exchange-traded futures allows us to quickly adjust our positions as needed. This liquidity ensures that we can manage day-to-day cash flows generated from trades, dividends, interest received, and other activities associated with securities in the portfolio. Specifically, futures contracts are purchased to provide immediate market exposure proportionate to cash accruals and investable cash within the portfolio. While we aim to remain fully invested, a small amount of spendable cash is retained to minimize trading and transaction costs. Skillful cash management and cash equitization are critical to minimizing the potential impact of cash drag and ensuring tight tracking to the benchmark.

Our use of exchange-traded futures is carried out within a well-defined regulatory framework, ensuring full compliance with legal requirements. This approach helps mitigate any potential legal and regulatory risks associated with derivative investments.

**8. State if the legal and regulatory risk associated with portfolio derivative investments have changed over the past six months.  Yes: Please explain. /  No**

**International Equity Portfolios**

**1. Specify the percentage of the portfolio held in each of the following types of securities:**

Foreign Ordinary Shares	98.31%
ADR's	0.34%
Cash & Equivalents (Foreign)	1.35%
Cash & Equivalents (Domestic)	0%

**2. Specify the large, mid and small capitalization exposure of the portfolios.**

Large-Cap	76.02%
Mid-Cap	17.91%
Small-Cap	6.07%

**3. What percentage of the portfolio is invested in emerging and/or frontier markets?**

30.22% of the portfolio is invested in emerging markets.

Signed by: Grant Dechert, SamCERA Account Manager

Dated: 01/21/2025

Name of Firm: BlackRock



***PIMCO Diversified Income Fund – December 31, 2024***

*Compliance Certification Statement  
San Mateo County  
Employees' Retirement Association*

In accordance with SamCERA's Investment Policy Statement, the following compliance worksheet will be completed by each of *SamCERA's* investment managers on a semi-annual basis. These statements must be e-mailed to *SamCERA's* office ([Investments@samcera.org](mailto:Investments@samcera.org)) by **Monday, January 13, 2025**.

**General Compliance Issues**

- 1. Have there been any significant portfolio developments, major changes in firm ownership, organizational structure and personnel?**

Yes: Please explain. /  No

During the past quarter and year ending December 31, 2024, there were no significant changes to the investment process, investment philosophy, or management of the Diversified Income Fund.

During the past quarter and year ending December 31, 2024, there were no changes to the ownership structure of the firm. PIMCO does not anticipate any near-term changes to the firm's ownership structure.

There have been no significant organizational changes to the firm over the past quarter or year ending December 31, 2024.

- 2. Have there been any changes in the firm's investment approach?**

Yes: Please explain. /  No

PIMCO's multisector credit investment process has not changed meaningfully during the past year ending December 31, 2024.

At a firm-level, our investment process is deeply rooted in our philosophy of adopting a long-term, macroeconomic perspective with the use of diversified portfolio strategies. This approach allows us to identify relative value opportunities across global markets, while maintaining a stringent focus on risk management. Our process is further strengthened by the integration of behavioral science best practices, which help us combat cognitive biases and enhance our collective decision-making. Furthermore, by leveraging data-driven

insights, we strive to manage both portfolio and firm-wide risks effectively, ensuring that our investment decisions are not only strategic but also resilient in the face of market volatility.

### **Key disciplines at the foundation of PIMCO's investment process**

PIMCO's investment process incorporates five key disciplines.



- Macro Themes: PIMCO utilizes a cyclical and secular economic framework, which establishes boundaries within which our portfolios operate and identifies the key drivers of return and risk that will impact long-term performance.

For over 40 years, our investment forums have been instrumental in updating and refining our economic outlooks. These forums evaluate business cycles, policies, geopolitical forces, and risks. We gather insights from internal and external experts, including our Global Advisory Board, regional committees, and sector specialists. Our global economists contribute with quantitative and qualitative analyses, providing baseline forecasts that can then be challenged within forum debates. This framework helps us form investment views on growth, inflation, regions, sectors, correlations, risk factors, liquidity, and tail risks. These views guide our strategies in navigating the dynamic global market landscape.

We hold an annual **Secular Forum** which is a comprehensive three-day event where PIMCO's investment professionals and industry experts gather to discuss the future of the global economy and financial markets. This forum goes beyond the current business cycle and focuses on analyzing long-term trends that will shape the next five years.

In addition, PIMCO conducts **Cyclical Forums** three times a year to assess growth and inflation expectations for the next 6-12 months.

- Asset-Level Research: Through proprietary analysis, PIMCO aims at assessing sectors and single issuers across several dimensions. Through **fundamental research & resilience analysis**, we establish a fundamental view on individual credits as well as their ability to withstand conditions of economic distress. We also employ **fair value estimation** models to understand market pricing in relation to the intrinsic value of assets. Furthermore, by leveraging **relative value analysis**, PIMCO identifies relative value opportunities across regions, sectors, capital structures and yield curves. Finally, with our **liquidity analysis**, PIMCO determines a liquidity score for assets and continuously monitors portfolio-level liquidity to ensure appropriate risk management and liquidity risk mitigation.
- Behavioral Science: PIMCO integrates insights from behavioral science to **improve collective decision-making** processes, including systematic approaches, to mitigate biases and enhance investment outcomes. We have introduced a Decision Dashboard **risk management framework** to enhance portfolio positions' entry and exit discipline. We have also broadened our analytics suite with Decision Analytics, to **refine individual decision making**. Finally, our Behavioral Finance advisor contributes to quarterly investment forums and conducts firm-wide behavioral finance trainings, among other **thought leadership** projects.
- Risk Management: PIMCO employs a robust and integrated risk management approach, utilizing targeted tools to identify, manage, and diversify portfolio and firm-wide risks. In addition to the core objectives of **controlling risk, aligning PIMCO investment themes**, and **evaluating diverse scenarios**, the Portfolio Risk Management team provides valuable **insights on portfolio positioning and actionable trade recommendations** to optimize positioning and mitigate potential drawdowns. This includes conducting expanded strategy risk reviews that encompass customized stress tests, additional scrutiny of relative value or sector-specific trades, analysis of portfolio betas and correlations to market factors, and in-depth examinations of the drivers of realized return and volatility.
- Quantitative Rigor: Supported by a robust data science and technology engine, we utilize data-driven insights to exploit structural inefficiencies and enhance investment decision-making. Five key analytical capabilities allow for precise, systematic, and objective analysis of data. Specifically, we utilize **Fair Value Spread models** to identify the intrinsic fair value of securities. Our **portfolio optimization analysis** encompasses over 4,000 fixed income factors and risk metrics to enhance portfolio efficiency. We have developed **risk budgeting and stress testing** tools to ensure consistency, resiliency, and liquidity within portfolios. Furthermore, our trade cost analysis facilitates **best execution** and alpha generation. Finally, a dedicated suite of **ESG analytics solutions** enable ESG analysis and portfolio construction.

## **Portfolio construction**

All the key disciplines described above feed into PIMCO's portfolio construction process from start to finish, ensuring a holistic incorporation of these elements into the final allocation decisions.

Starting from the analysis of long run macroeconomic themes, during **Secular Forums** selected members of the investment staff are assigned secular topics to monitor, including monetary and fiscal policy, inflation, demographics, technology, productivity trends, and global trade. Secular researchers tackle their subjects on a global basis and approach them over a multi-year horizon. At the Secular Forum, secular researchers summarize their findings for all the firm's investment professionals. In addition, PIMCO invites external analysts and scholars to share their expertise on financial and economic issues that are pertinent to the outlook. These external presentations, combined with the firm's internal research, serve as background for further discussion and debate by the group.

The next step in the firm's process is the analysis of cyclical or business cycle trends. PIMCO investment professionals meet three times a year in **Cyclical Forums** to evaluate growth and inflation over the business cycle horizon of the next six to twelve months. We evaluate, from a bottom-up perspective, the research and economic data from presentations by the firm's four regional portfolio committees: Asia-Pacific Portfolio Committee ("APC"), the Europe Portfolio Committee ("EPC"), the Americas Portfolio Committee ("AmPC"), and the Emerging Markets Portfolio Committee ("EMPC"). These presentations are followed by discussion and debate, the purpose of which is to develop an outlook for each region over the cyclical horizon. The firm's conclusions help refine and update the firm's forecasts for shorter-term economic trends.

Following the Secular and Cyclical Forums, PIMCO's portfolio managers engage in a dedicated **Strategy Week**. During this week, they thoroughly analyze the implications of the firm's economic outlook on various sectors of the financial markets. The objective is to identify attractive investment opportunities that offer favorable risk-adjusted returns under different scenarios.

Subsequently, **PIMCO's Investment Committee** (led by PIMCO's Group Chief Investment Officer and CIOs) works on a consensus basis to develop major strategies that serve as a model for all portfolios. The Investment Committee makes use of the top-down outlook provided by the Forums as well as bottom-up input from specialists, who focus on various fixed income sectors, and the regional portfolio committees. The Investment Committee sets targets for portfolio characteristics such as duration, yield curve exposure, convexity, sector concentration and credit quality and ensures themes are consistently applied across all portfolios. These targets are continuously adjusted throughout the year as new market information becomes available. The combination of these Forums and Strategy Week ensures a comprehensive and dynamic approach to portfolio management at PIMCO.

Through close collaboration with Analytics, Portfolio Managers (PMs), and Risk Management, the **Portfolio Implementation team** (created in 2022 and made up of 20+ individuals) leverages the full capabilities of our quantitative and analytical resources to drive efficiency and effectiveness in the investment process. This team collaborates with PMs, Risk, and Analytics to conduct portfolio reviews. These reviews analyze the index composition of a strategy to identify inefficiencies, informing risk budgets and more efficient ways to generate alpha. Additionally, the team works with Analytics to develop tools for risk modeling and partners with Risk to provide a systematic review of risk across strategies. The insights obtained from this collaborative effort feed back to the Portfolio Management Team, enabling the automation and improved efficiency of portfolio construction processes and implementation. This ongoing work aims to enhance the overall effectiveness and efficiency of our investment process and portfolio construction.

The responsibility of the **primary portfolio management team** is to make sure that the portfolio is structured in line with the Model Portfolio defined by the Investment Committee. Portfolio managers are given latitude in terms of timing and issue selection, but are required to keep portfolio characteristics within a moderate range around model targets. Portfolio managers receive input and strategic ideas from sector specialist teams and portfolio optimization suggestions from the Portfolio Implementation team. These sector teams are led by seasoned portfolio managers who typically have a decade or more of experience in their sector. The primary portfolio management team is ultimately responsible for all purchases and sales in the portfolio.

3. **Have there have been any industry or regulatory disciplinary actions taken against the firm?**  Yes: Please explain. /  No

Pacific Investment Management Company LLC ("PIMCO") has not been the subject of any lawsuit or regulatory action which could reasonably be expected to have had a material adverse effect on PIMCO's ability to provide investment management services.

4. **Has the firm's insurance coverage been sustained?**  
 Yes /  No: Please explain.

PIMCO LLC's insurance coverage is available upon request.

5. **Have there been any investment guideline breaches with respect to the Fund's guidelines in the offering documents during the prior 6 months?**  
 Yes: Please explain. /  No

### **Investment Management Fees**

1. **Is SamCERA's investment management fee schedule higher than those charged other institutional clients who hold an account investment substantially similar to ours?**  
 Yes: Please explain. /  No

## Derivative Investments

**1. Are derivatives used in the management of the investment strategy?**

- Yes: Please ANSWER the remaining questions in this section.**  
 **No: Please SKIP the remaining questions in this section.**

The Fund may invest, without limitation, in derivative instruments, such as options, futures contracts or swap agreements, or in mortgage- or asset-backed securities, subject to applicable law and any other restrictions described in the Fund's prospectus or Statement of Additional Information.

**2. If the firm entered into a non-exchange traded derivative, was the general nature and associated risks of the counter-party fully evaluated?**

- Yes /**  **No: Please explain.**

In assessing counterparty risk, PIMCO does not rely on ratings agencies as its primary determinant. PIMCO's team of experienced credit analysts evaluate individual counterparties and clearing brokers using rigorous methods of credit analysis including: ability to meet regulatory capital and stress tests, company visits, reports, earnings updates and constant dialogue. PIMCO then takes into account other factors, including the integrity of the counterparty's reputation for sound management; the past experience of PIMCO and its affiliates with the entity; both market levels and recent changes in market levels for its debt, credit default swaps and equity; the quality of liquidity provided and its share of market participation.

PIMCO may only trade with counterparties that have been reviewed and approved by the Counterparty Risk Committee ("CRC") subject to certain limited exceptions noted below.

- **Review of Counterparties:** PIMCO carefully evaluates the creditworthiness of counterparties. In assessing counterparty risk, PIMCO does not rely on ratings agencies alone. PIMCO's team of experienced credit analysts evaluates individual counterparties using various methods of credit analysis including: company visits, reports, earnings updates and constant dialogue. PIMCO then takes into account other factors, including the counterparty's reputation for sound management; the past experience of PIMCO and its affiliates with the counterparty; market levels for its debt, credit default swaps, and equity; the quality of liquidity provided and its share of market participation.
- **Approval of Counterparties:** The CRC approves all new counterparties subject to certain limited exceptions noted below. Counterparties fall into one of three categories: (i) those with which PIMCO will not trade in the absence of extenuating circumstances (such as specific client direction); (ii) those which PIMCO will trade only on a delivery vs. payment (DVP) basis; and (iii) those with which PIMCO will trade or clear derivative or forward settling positions. The latter two categories make up

PIMCO's approved counterparty lists, which are maintained by the CRC. From time to time, the CRC may approve a counterparty on a limited basis solely in connection with the execution of a single DVP transaction or a discrete series of transactions as it deems necessary.

- **Monitoring of Counterparties:** If a counterparty is approved for inclusion on one of PIMCO's approved lists, it will be subject to ongoing review and evaluation to ensure that they continue to meet PIMCO's evaluation criteria. The CRC oversees counterparty risk on a firm-wide basis as well as on an account level, approves and reviews all counterparties used by the Firm, evaluates firm-wide counterparty exposure, and discusses whether changes are warranted with respect to PIMCO's policies and standards on counterparty risk generally. To monitor compliance with PIMCO's approved counterparty lists, PIMCO utilizes its compliance system to review transactions against those lists.
- **Limited Exceptions:** Certain counterparties involved in non-standard transactions or that engage with PIMCO-sponsored private funds are not reviewed and approved by the CRC but may be approved pursuant to an alternative approval and monitoring process.

For additional counterparty information, please refer to pg. 9 of the attached PIMCO's Use of Derivatives.

**3. For non-exchange traded derivative transactions, were the counter-parties broker/dealers?**

Yes /  No

Yes, PIMCO, on behalf of the fund, transacts in non-exchange traded derivatives with various counterparties, including counterparties that are registered broker/dealers.

**If Yes:**

- a) **Do the counter-parties have investment grade debt?**  Yes/  No

PIMCO has a minimum counterparty credit rating of BBB or Baa2 for counterparties to non-exchange traded derivative transactions. Accordingly, any counterparty that is a broker/dealer with which PIMCO transacts in non-exchange traded derivatives on behalf of the Fund meets the criteria or is guaranteed by a parent entity that meets the criteria.

- b) **Are the counter-parties registered with the SEC and do they have net capital to protect against potential adverse market circumstances?**  Yes/  No: **Please explain.**

PIMCO, on behalf of the Fund, transacts in non-exchange traded derivatives with various counterparties, including counterparties that are registered with the SEC as

broker/dealers and that are required to maintain regulatory capital designed to protect against potential adverse market circumstances.

**4. For non-exchange traded derivative transactions, were the counter-parties financial institutions (banks)?**

Yes /  No

Yes, PIMCO, on behalf of the Fund, transacts in non-exchange traded derivatives with various counterparties, including counterparties that are financial institutions (e.g., registered banks).

**If Yes:**

a) **Do the counter-parties have investment grade debt?**  Yes/  No

PIMCO has a minimum counterparty credit rating of BBB or Baa2 for counterparties to non-exchange traded derivative transactions. Accordingly, any counterparty that is a financial institution (e.g., registered bank) with which PIMCO transacts in non-exchange traded derivatives on behalf of the Fund meets the criteria or is guaranteed by a parent entity that meets the criteria.

b) **Do the counter-parties have total assets in excess of \$1 billion, and significant net capital to protect against potential adverse market circumstances?**

Yes/  No: **Please explain.**

PIMCO, on behalf of the Fund, transacts in non-exchange traded derivatives with various counterparties, including counterparties that are financial institutions (e.g., registered banks) that have total assets in excess of \$1 billion, and are required to maintain significant net (regulatory) capital designed to protect against potential adverse market circumstances.

**5. Is individual counter-party exposure well diversified?**  Yes/  No: **Please explain.**

a) **What is the largest exposure to a single counter-party within the portfolio?**

b) **Please specify the name of the counter-party and the amount of exposure.**

The following response is intended to answer questions (a) and (b).

Please refer to the below summary by counterparty of the market value of OTC financial derivative instruments and collateral pledged/(received) as of March 31, 2024.

*Note: We will provide the updated table below as soon as it is available.*



**FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER SUMMARY**

The following is a summary by counterparty of the market value of OTC financial derivative instruments and collateral pledged/(received) as of March 31, 2024:

Counterparty	Financial Derivative Assets				Financial Derivative Liabilities				Net Market Value of OTC Derivatives	Collateral Pledged/(Received)	Net Exposure <sup>(5)</sup>
	Forward Foreign Currency Contracts	Purchased Options	Swap Agreements	Total Over the Counter	Forward Foreign Currency Contracts	Written Options	Swap Agreements	Total Over the Counter			
AZD	\$ 3	\$ 0	\$ 0	\$ 3	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3	\$ 0	\$ 3
BOA	42	0	0	42	(4)	0	0	(4)	38	0	38
BPS	843	0	0	843	(30)	0	0	(30)	813	(750)	63
BRC	33	0	0	33	(132)	0	0	(132)	(99)	333	234
CBK	100	0	80	180	(8)	0	0	(8)	172	(260)	(88)
DUB	1,524	0	334	1,858	(8)	0	0	(8)	1,850	(1,230)	620
FAR	4	0	0	4	(4)	0	0	(4)	0	0	0
GLM	9	0	0	9	(2)	0	0	(2)	7	(10)	(3)
GST	0	0	53	53	0	0	0	0	53	(220)	(167)
HUS	0	0	8	8	0	0	0	0	8	0	8
JPM	427	0	15	442	(222)	0	0	(222)	220	(390)	(170)
MBC	168	0	0	168	(159)	0	0	(159)	9	0	9
MYC	0	0	124	124	0	0	(144)	(144)	(20)	116	96
MYI	703	0	0	703	(656)	0	0	(656)	47	0	47
RBC	4	0	0	4	0	0	0	0	4	0	4
SCX	104	0	0	104	0	0	0	0	104	0	104
SSB	0	0	0	0	(124)	0	0	(124)	(124)	0	(124)
TOR	23	0	0	23	(44)	0	0	(44)	(21)	0	(21)
UAG	426	0	0	426	(181)	0	0	(181)	245	(280)	(35)
<b>Total Over the Counter</b>	<b>\$ 4,413</b>	<b>\$ 0</b>	<b>\$ 614</b>	<b>\$ 5,027</b>	<b>\$ (1,574)</b>	<b>\$ 0</b>	<b>\$ (144)</b>	<b>\$ (1,718)</b>			

Source: *Diversified Income Fund Annual Report 2024*

For additional information, please refer to the attached Diversified Income Fund Annual Report 2024.

**c) Have there been any changes to the investment manager’s list of approved counterparties over the past six months?**

This information is proprietary and confidential. PIMCO’s list of approved counterparties can and does change on a regular basis.

If a counterparty is approved for inclusion on one PIMCO’s approved list of approved OTC derivatives counterparties, it will be subject to ongoing review and evaluation to ensure that they continue to meet PIMCO’s evaluation criteria. PIMCO’s Counterparty Risk Committee (“CRC”) oversees counterparty risk on a firm-wide basis as well as on an account level, approves and reviews all counterparties used by the Firm, evaluates firm-wide counterparty exposure, and discusses whether changes are warranted with respect to PIMCO’s policies and standards on counterparty risk generally.

**6. Specify the security pricing sources used when developing portfolio market value exposures for limited allocation derivatives.**

Please refer to the below table regarding the Pricing Source Hierarchy for Currency/Commodity/Derivative instruments.

## APPENDIX A – PRICING SOURCE HIERARCHY<sup>1</sup> (cont)

Instrument	Primary Vendor	Secondary Vendor	Tertiary Vendor
<b>Currency / Commodity / Derivatives</b>			
Caps & Floors (CMS Spread)	Markit	BVAL	
Caps & Floors (Excluding CMS Spread)	PDI	BVAL	
Commodity Average Price Options	BVAL		
Commodity Index Swaps	LSEG	Bloomberg	
Commodity Swap Forwards	PDI	LSEG	Bloomberg
Credit Default Swaps	Markit	PDI	
Credit Default Swaptions	Markit	PDI	
Currency Rates <sup>2</sup>	WM	LSEG	Bloomberg
Currency Swaps	PDI	Markit	
Cryptocurrency	LSEG	Bloomberg	
Foreign Currency Options	Markit	BVAL	
Forward Rate Agreement (FRA)- Constant Maturity Mortgage Swap	BVAL	Markit	
Forward Volatility Agreement (FVA)	BVAL	Markit	
Futures	LSEG	Bloomberg	
Inflation Swaps	Markit	PDI	Bloomberg
Interest Rate Swaps	PDI	Markit	BVAL
Interest Rate Swaptions	PDI	Markit	BVAL
Options – Excluding Equity/Index/Mortgage/Over-the-Counter Commodities/Over-the-Counter Bond Option	LSEG	Bloomberg	
Options – Exchange Traded Single Name Equity	LSEG	Bloomberg	
Options – Exchange Traded Index	PDI	BVAL	
Options – Over-the-Counter Equities	PDI	BVAL	
Options – Mortgage	PDI		
Options – Over-the-Counter Bond Option	Markit	LSEG	
Options – Over-the-Counter Commodities	PDI	LSEG	
Physical Commodities	LSEG	Bloomberg	
Total Return Swaps <sup>4</sup> – Bank Loan	Markit	ICE	LSEG
Total Return Swaps <sup>3,4</sup> – Equity/Equity Index/Equity Futures/Inflation Index	Bloomberg	Markit	
Total Return Swaps <sup>4</sup> – Mortgage Index	Bloomberg	Markit	
Total Return Swaps – iBoxx Index	Markit	PDI	
Variance Swaps	Markit	ICE	

<sup>1</sup> Instruments are generally priced according to the hierarchical order stated in the table. Tertiary vendor prices generally will be utilized on an as needed basis. For example, tertiary vendor prices may be used in those instances where a primary or secondary vendor is not able to provide a price for a particular instrument or in the event that the price provided by the primary or secondary vendor does not accurately represent market value, as determined under this Policy. Prices may be obtained for instruments from alternate vendors where the listed primary, secondary or tertiary vendor source is not able to provide a price or in the event that the price provided does not accurately represent market value. These sources include those vendors listed in Appendix A, who have previously been approved for pricing. In the absence of a price reflecting market value from a pricing source described in this Appendix A, a fair value approach identified in Appendix B as described in this Policy will be used to value the instrument.

### Hierarchy Key

BVAL	Bloomberg Valuation Service
CanDeal	CanDeal Data & Analytics Reference Pricing Service, distributed through ICE Data Services
ICE	ICE Data Services formerly Interactive Data Services Corporation, IDC
ICEFV	ICE Data Services, Fair Value Information Service (as described in Appendix B, VI)
IDS	Investment Data Services
LSEG	London Stock Exchange Group (LSEG), formerly Refinitiv, formerly Thomas Reuters
Markit	S&P Global Market Intelligence, formerly IHS Markit
PC Bond	FTSE TMX Global Debt Capital Markets, formerly PC Bond/DEX
PDI	JPMorgan Chase PricingDirect Inc.
PriceServe	BofAML PriceServe distributed through ICE Data Services
WM	WM Co. (distributed by LSEG)

<sup>2</sup> Currency spot and forward rates are normally determined as of the close of the London Stock Exchange for internal, offshore funds & private funds (other than the Designated Private Funds). Currency spot and forward rates are normally determined as of the NYSE Close for the 1940 Act Funds, Canada Registered Funds and Designated Private Funds. For currencies where offshore trading is not permitted, the spot rates are published in line with local markets.

<sup>3</sup> All Registered Funds and Designated Private Funds, use IDCFV for non-USD equities and non-USD total return swaps on equities (as described in Appendix B, Section Fair Valuation of Instruments after the Close of the Relevant Market Based on Pricing Models Provided by Third Party Vendors).

<sup>4</sup> For these types of total return swaps, a value, which for purposes of this Policy will be treated as a single marked-based valuation received from an approved pricing source, is typically derived from information provided by the pricing source with respect to the underlying reference instrument combined with separately derived, objective information regarding the instrument.

Source: PIMCO Pricing Policy

For additional information, please refer to pg. 8 of the attached PIMCO Pricing Policy.

**7. Provide a statement regarding the liquidity of the derivative investments. Provide a general statement discussing the legal and regulatory risks associated with the portfolio manager's investments in derivatives.**

Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many OTC derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous price. Less liquid derivatives may also fall more in price than other derivatives or related securities during market falls. During periods of market disruption, the Fund may have a greater need for cash to provide collateral for large swings in the mark-to-market obligations arising under the derivative instruments used by the Fund or to provide additional initial margin if required by a clearing house, clearing member or other counterparty and may be forced to sell assets to satisfy margin calls or post collateral to counterparties at times when PIMCO would otherwise prefer to hold such assets. These risks may be further exacerbated by requirements under rules issued pursuant to financial reform legislation.

As a rule, we are constantly evaluating the price of liquidity. With specialists across the bond market, we are able to identify trends relating to the value of liquidity affecting related asset classes such as high yield and investment-grade corporates as well as the impact on mature markets such as on-the-run versus off-the-run Treasuries. As long-term investors, we seek to take advantage of opportunities arising from irrational markets, though only when consistent with our key investment criteria.

In the derivatives market, regulation has had several positive impacts on the functioning of the market and liquidity. First, it has improved the arrangements for clearing and settling credit default swaps. In addition, regulation has improved transparency in the over-the-counter market for credit derivatives, which can improve willingness of participants to transact. Other major improvements include standardization of contractual terms and clearing houses.

**8. State if the legal and regulatory risk associated with portfolio derivative investments have changed over the past six months.  Yes: Please explain. /  No**

For additional information regarding PIMCO's employment of derivatives in portfolios and approach to managing risk, please refer to the attached PIMCO's Use of Derivatives.

## Investment Manager Guidelines

### 1. Are portfolio holdings well-diversified, and made in liquid securities?

Yes /  No: Please explain.

#### Diversification

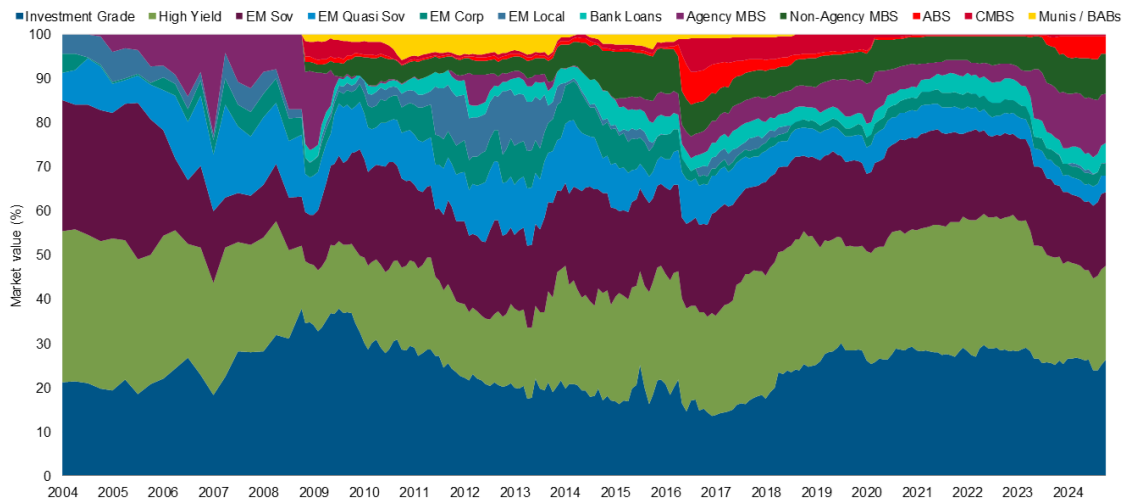
The Diversified Income Strategy was developed to provide diversified credit exposure by investing in three sectors: emerging markets, high yield, and investment-grade corporate bonds. The Strategy is designed to offer investors a flexible and highly tactical access to the full global credit opportunity set, seeking diversified total returns in line with the highest earning credit sectors while achieving lower volatility.

Our style in rotating between credit sectors/asset classes has resulted in very frequent shifts in allocations across sectors. The below chart provides a graphical depiction of how portfolio weights and overall credit risk sensitivity of the Diversified Income Fund have shifted over time.

#### Historical sector positioning

Flexibility to adjust based on PIMCO views, opportunities and market environment

PIMCO Diversified Income Fund exposure<sup>1</sup>



	Investment Grade	High Yield	EM Sov	EM Quasi Sov	EM Corp	EM Local	Bank Loans	Agency MBS	Non-Agency MBS	ABS	CMBS	Munis / BABs
Max	38%	34%	36%	21%	10%	14%	7%	23%	11%	8%	0%	6%
Min	14%	13%	11%	4%	0%	0%	0%	0%	0%	0%	0%	0%
Average	24%	24%	19%	8%	4%	2%	3%	5%	5%	1%	2%	1%
Current	28%	21%	17%	4%	3%	0%	4%	11%	9%	4%	1%	0%

As of 31 December 2024. SOURCE: PIMCO.

<sup>1</sup>Excl. liabilities, unsettled trades with prorated percentage based on the portfolio allocations to: EM, corp, HY, Munis, Treasuries, Tips, Mtgs etc.

Additionally, it is important to note that the Diversified Income Fund does not employ a sleeved approach in which separate portfolio managers manage each the investment grade, high yield, and emerging markets portions separately. On the contrary, the Fund is managed using a more holistic approach with the portfolio management team overseeing all credit sectors. As such, the Fund offers a truly diversified credit allocation where the risks of different asset classes are minimized. Risk factors are optimized by assessing the portfolio

as a whole and not each asset class individually. This can be an especially important aspect of multisector credit portfolios as similar risks appear in different sectors. For example, both high yield and emerging markets have high exposure to energy and more specifically oil prices. If the portfolio were sleeved, it may have an outsized risk to oil, while taking an all-encompassing approach would ensure oil risk would not be a concentrated position.

### Liquidity

The degree of liquidity in a portfolio is managed carefully by PIMCO portfolio managers, subject to investment guidelines and liquidity needs. Using proprietary models, PIMCO regularly monitors portfolio liquidity needs based on forward settlement positions, cash inflows/outflows and derivative transactions. Conservative diversification, liquid security definitions and maximum exposure guidelines help manage the risk of exposure to sectors that might lose value due to deteriorating liquidity.

In addition to the model based approach, additional minimum liquidity requirements are set by the Investment Committee and Risk Management team. The liquidity itself is overseen by the primary portfolio manager for each portfolio. The portfolio managers monitor near-term liquidity needs by projecting cash flows in and out of the portfolio each day over a five-business-day horizon, taking into consideration other factors such as security transactions, maturities, and interest payments which might affect market values of the portfolio. Longer-term and strategic liquidity needs are also monitored and anticipated by considering each account's expected inflow/outflow activities, potential margin calls, and other portfolio holdings within the methodology.

Please note that the Fund may invest up to 15% of its net assets in illiquid securities.

### Additional Information

For holdings-level data, please refer to the attached Holdings Report.

2. **Has the firm engaged in short selling, use of leverage or margin and/or investments in commodities?**  **Yes: Please explain.** /  **No**

During the year ending December 31<sup>st</sup>, 2024, the Fund engaged in short sales and the use of margin. Although by prospectus the Fund may engage in synthetic short positions, it has never run a credit short position and should be viewed as a long only strategy. Regarding short sales as of March 31<sup>st</sup>, 2024, please refer to the below table.

*Note: We will provide the updated table below as soon as it is available.*

SHORT SALES:					
Description	Coupon	Maturity Date	Principal Amount	Proceeds	Payable for Short Sales
U.S. Government Agencies (5.3)%					
Uniform Mortgage-Backed Security, TBA	2.000%	05/01/2054	\$ 107,800	\$ (85,544)	\$ (85,441)
Uniform Mortgage-Backed Security, TBA	4.500	04/01/2054	98,020	(93,228)	(93,352)
<b>Total Short Sales (5.3)%</b>				<b>\$ (178,772)</b>	<b>\$ (178,793)</b>

Source: Diversified Income Fund Annual Report 2024

The Fund does not hold exposure to commodities as of December 31, 2024.

For additional information regarding Fund investments, please refer to the Schedule of Investments in the Fund's Annual Report on pgs. 52-71.

At a firm level, PIMCO invests in commodities and engages in the use of margin in funds and strategies that specifically permit it.

Unless specifically requested, PIMCO does not expose client portfolios to economic leverage, meaning we keep all risk factors such as duration and curve exposure within a moderate range of the benchmark. When using forward transactions or derivative instruments that may give rise to potential accounting leverage, we segregate liquid, high quality, short-term assets to cover those positions, or cover them with offsetting exposures.

The risk exposures associated with leverage can be translated into risk metrics that can be measured for each portfolio (such as duration or country/currency exposure). PIMCO measures the full risk exposure impact of forwards, derivatives and the securities backing them in assessing overall portfolio exposure to various risks. We do not use these securities to increase these risks beyond a portfolio's appropriate range as outlined in the client's guidelines.

## Fixed Income Portfolios

### 1. State the percentage of the portfolio held in each of the following types of securities

Treasury	16.50%
Agency	1.29%
Inflation-Linked	0.00%
Mortgage-Backed	21.77%
Asset-Backed	1.23%
Investment-Grade Credit	23.61%
High-Yield Credit	26.30%
Bank Loan	0.00%
Non-US	16.06%
EM Government	21.66%
EM Local Currency	0.00%
EM Corporate	3.11%
Cash & Equivalents	-24.63%
Total	100.00%

Please note there is an additional "Other" bucket of -6.89%, including Other, Government Future and Swaps, EM External Short Duration Instruments, and Municipals.

For additional information, please refer to the attached SamCERA DI Fund Stats.

2. **Excluding U. S. Government and Agency bond holdings, did any individual bond issue represent more than 5% of the market value of the portfolio?**  Yes /  No

a) **If Yes, please specify the bond issue and percentage amount.**

<b>CUSIP</b>	<b>Security Name</b>	<b>MV%</b>
DUZ400020	FIN FUT EURO-SCHATZ 2YR EUX 12/06/24	5.80%
01F0626B2	FNMA TBA 6.5% NOV 30YR	5.50%

For additional information, please refer to the attached SamCERA DI Fund Stats.

3. **What percentage of the portfolio is held in Rule 144A securities?**

33.08% as of December 31, 2024.

4. **At the time of purchase, was there any single industry which represented more than 15% of the market value of the account.**  Yes /  No

a) **If Yes, please specify the name of the industry, percentage amount and size relative to benchmark.**

Please refer to the below industry breakdown for the Diversified Income Fund as of December 31, 2024.

<b>Industry Breakdown (MV%)</b>		
	<b>Fund</b>	<b>Benchmark</b>
Developed Sovereigns	29.04	45.72
No Classification	21.68	1.08
Corp Index Products	20.80	0.00
EM Sovereigns	18.98	10.49
Banks	5.55	7.78
ABS Home Equity	5.15	0.00
Financial Other	4.49	0.77
Pipelines	3.51	0.52
Electric Utility	2.90	1.94
Technology	2.88	1.15
Non-Agency Mortgage	2.24	0.01
Independent E&P	2.01	0.18
Healthcare	1.86	0.53
Media Cable	1.42	0.25
Integrated Oil	1.42	0.47
Airlines	1.41	0.06
Lodging	1.32	0.04

Brokerage	1.32	0.59
Gaming	1.21	0.03
Wireless	1.10	0.31
Chemicals	1.02	0.31
Entertainment	0.99	0.08
Wirelines	0.98	0.57
Automotive	0.93	0.44
Noncaptive Consumer Finance	0.88	0.10
Aerospace/Defense	0.86	0.21
Building Materials	0.74	0.14
Food & Beverage	0.70	0.64
Consumer Cyclical Services	0.66	0.08
Real Estate	0.64	0.29
Cash Issuer	0.63	0.00
Captive Consumer	0.62	0.26
Transportation Services	0.50	0.33
Pharmaceuticals	0.49	0.73
Restaurants	0.48	0.07
Consumer Products	0.47	0.24
Supermarkets & Distributors	0.45	0.08
Oilfield Services	0.43	0.04
Industrial Other	0.41	0.16
Agency Mortgage	0.38	10.67
Retailers	0.36	0.33
Insurance Life	0.33	0.58
Satellites	0.27	0.00
ABS Other	0.23	0.01
Packaging	0.23	0.04
Media Noncable: Broadcasting	0.19	0.01
REITS: Residential	0.16	0.08
REITS: Office	0.14	0.05
REITS: Data Center	0.14	0.03
Metals & Mining	0.13	0.21
Textiles	0.12	0.02
REITS: Other	0.12	0.03
Paper	0.12	0.06
U.S. Agencies	0.12	0.29
Construction Machinery	0.11	0.13
Diversified Manufacturing	0.11	0.44
REITS: Net Lease	0.09	0.04



Noncaptive Diversified Finance	0.08	0.09
Foreign Local Governments	0.06	1.95
Insurance P&C	0.06	0.25
Health Insurance	0.06	0.06
REITS: Industrial	0.05	0.06
REITS: Mall	0.05	0.08
REITS: Hotel	0.03	0.01
Home Construction	0.03	0.02
REITS: Health Care	0.02	0.05
MBIA Insured	0.02	0.01
Media Noncable	0.01	0.10
REITS: Strip Center	0.01	0.04
Railroads	0.01	0.21
CDO	0.00	0.00
CMBS	0.00	0.05
Commercial Construction	0.00	0.00
Covered Bonds	0.00	0.02
Credit Cards	0.00	0.00
Environmental	0.00	0.05
Foreign Agencies	0.00	5.06
Media Noncable: Publishing	0.00	0.03
Municipals	0.00	0.58
Pfandbriefe All	0.00	0.00
Project Finance	0.00	0.00
Receivables Backed	0.00	0.00
Refining	0.00	0.06
REITS: Military Housing	0.00	0.00
Supranationals	0.00	1.22
Tobacco	0.00	0.17
Treasuries	0.00	0.02
Utility Other	0.00	0.10
Derivatives Swaps	-3.23	0.00
Liabilities	-43.80	0.00

**5. What proportion of total AUM do the assets in this product make-up of the firm? What size does SamCERA's account comprise of total product assets?**

As of December 31, 2024, the Fund represented 0.15% of the Firm assets.

As of December 31, 2024, SamCERA's investment represented 3.69% of Fund assets.

**Signed by: Kevin Gray**

A handwritten signature in black ink, appearing to read 'K Gray', written in a cursive style.

**Dated: 02/05/2025**

**Name of Firm: PIMCO**

***State Street Global Advisors Custom Real Asset Account – December 31, 2024***

***Compliance Certification Statement***

***San Mateo County***

***Employees' Retirement Association***

In accordance with SamCERA's Investment Policy Statement, the following compliance worksheet will be completed by each of *SamCERA's* investment managers on a semi-annual basis. These statements must be e-mailed to *SamCERA's* office ([Investments@samcera.org](mailto:Investments@samcera.org)) by **Monday, January 13, 2025**.

**General Compliance Issues**

1. **Have there been any significant portfolio developments, major changes in firm ownership, organizational structure and personnel?**  
 **Yes: Please explain.** /  **No**

There have been no significant portfolio developments, major changes in firm ownership of organizational structure. However, for information on material changes in personnel, please refer to the separately attached "*Appendix A – SSGA Organizational Memo*".

2. **Have there been any changes in the firm's investment approach?**  
 **Yes: Please explain.** /  **No**
3. **Have there have been any industry or regulatory disciplinary actions taken against the firm?**  **Yes: Please explain.** /  **No**

As with any similarly regulated financial institution, State Street Global Advisors is likely to be responding to multiple inquiries, both formal and informal, from various regulators at any given time. In the normal course, various regulators also conduct periodic reviews, exams and audits. Our policy is that such communications are confidential.

4. **Have there been any investment guideline breaches during the prior 6 months?**  
 **Yes: Please explain.** /  **No**

There have been no active investment guideline breaches for the products in scope.

5. **Have proxy ballots been voted in accordance with the best economic interest of *SamCERA*?**  
 **Yes** /  **No: Please explain.**

Members of the Asset Stewardship team evaluate the proxy solicitation to determine how to vote based on facts and circumstances, and consistent with our Proxy Voting Guidelines, which seeks to maximize the value of our client accounts.

6. **Has the firm’s insurance coverage been sustained?**  
 **Yes** /  **No: Please explain.**

Please refer to the separately attached “*Appendix B – Memorandum of Insurance*”.

### **Investment Management Fees**

1. **Is *SamCERA*’s investment management fee schedule higher than those charged other institutional clients who hold an account investment substantially similar to ours?**  
 **Yes: Please explain.** /  **No**

While we cannot confirm that your fee schedule represents MFN, we confirm that for the 6-month period ending December 31, 2024; SSGA Trust Company is able to make the same price assurance representations that we made in our original contract with San Mateo County Employees’ Retirement Association.

### **Derivative Investments**

1. **Are derivatives used in the management of the investment strategy?**  
 **Yes: Please ANSWER the remaining questions in this section.**

**No: Please SKIP the remaining questions in this section.**

2. **If the firm entered into a non-exchange traded derivative, was the general nature and associated risks of the counter-party fully evaluated?**  
 **Yes** /  **No: Please explain.**

3. **For non-exchange traded derivative transactions, were the counter-parties broker/dealers?**  
 **Yes** /  **No**

**If Yes:**

- a) **Do the counter-parties have investment grade debt?**  **Yes**/  **No**  
b) **Are the counter-parties registered with the SEC and do they have net capital to protect against potential adverse market circumstances?**  **Yes**/  **No: Please explain.**

4. For non-exchange traded derivative transactions, were the counter-parties financial institutions (banks)?

Yes /  No

If Yes:

a) Do the counter-parties have investment grade debt?  Yes/  No

b) Do the counter-parties have total assets in excess of \$1 billion, and significant net capital to protect against potential adverse market circumstances?

Yes/  No: Please explain.

5. Is individual counter-party exposure well diversified?  Yes/  No: Please explain.

a) What is the largest exposure to a single counter-party within the portfolio?

Approximately 23% of the fund, as of December 31,2024.

b) Please specify the name of the counter-party and the amount of exposure.

JP Morgan, approximately \$66.5 million as of December 31,2024.

c) Have there been any changes to the investment manager's list of approved counter-parties over the past six months?

No.

6. Specify the security pricing sources used when developing portfolio market value exposures for non-exchange traded derivative positions.

The swap positions are based on a commodity index (Bloomberg Commodity Roll Select TR Index). The Index levels are quoted on Bloomberg.

7. Provide a statement regarding the liquidity of the derivative investments. Provide a general statement discussing the legal and regulatory risks associated with the portfolio manager's investments in derivatives.

The swap positions are based on a commodity index (Bloomberg Commodity Roll Select TR Index). The Index is comprised of a diversified basket of liquid (listed) commodity futures contracts. Please refer to the separately attached "*Appendix C - Commodity Index Strategy Disclosure Document*"

8. State if the legal and regulatory risk associated with portfolio derivative investments have changed over the past six months.  Yes: Please explain. /  No

## Real Asset Portfolio

1. Specify the percentage of the portfolio held in each of the following types of securities.

<i>Foreign Ordinary Shares</i>	0.05%
<i>ADR's</i>	2.01%
<i>Common Stock</i>	47.63%
<i>MIP Limited Partnership</i>	
<i>Derivatives: Futures/ Options</i>	25.17%
<i>Cash &amp; Equivalents (Domestic)</i>	0.16%
<i>Cash &amp; Equivalents (Foreign)</i>	0.02%
<i>Other (please specify)</i>	24.97%

2. Specify the large, mid and small capitalization exposure of the portfolios.

### S&P Global LargeMidCap Natural Resources Index NL Fund (ZVB5)

<i>Large-Cap</i>	75.57%
<i>Mid-Cap</i>	21.27%
<i>Small-Cap</i>	3.16%

### S&P Global Infrastructure Index NL CTF (ZVPY)

<i>Large-Cap</i>	67.33%
<i>Mid-Cap</i>	27.38%
<i>Small-Cap</i>	5.29%

### Bloomberg Roll Select Commodity Indx SM NL FD (ZVME)

<i>Large-Cap</i>	N/A
<i>Mid-Cap</i>	N/A
<i>Small-Cap</i>	N/A

3. What percentage of the portfolio is held in Rule 144A securities?

1.41% of Portfolio is held in Rule 144A Securities.

4. What is the largest percentage of the portfolio represented by a single security? Please specify the security and percentage amount. If any securities were above 5% at the time of purchase, please list and explain why.

Corteva Inc Common Stock USD 0.01 2.2%

5. **What is the largest percentage of the portfolio represented by a single issuer? Please specify the security and percentage amount. If any exposure to a single issuer was above 15% at time of purchase, please list and explain why.**

Corteva Inc Common Stock USD 0.01 2.2%

6. **What proportion of total AUM do the assets in this product make-up of the firm? What size does SamCERA's account comprise of total product assets?**

**Part I\***

The Real Asset Strategy AUM is \$7,088.13 million, which makes up 0.15% of SSGA's total firm AUM of 4,715,441.78 million.\*\*

*Real Asset Strategy - Underlying Funds:*

S&P Global Large MidCap Natural Resources Index NL Fund (ZVB5) – \$1,115.98 million (0.02%)

Bloomberg Roll Select Commodity Index SM NL FD (ZVME) – \$285.27 million (0.006%)  
S&P Global Infrastructure Index NL CTF (ZVPY) – \$977.08 million (0.02%)

**Part II\***

SamCERA's account AUM is \$286.11 million, which comprises 4.04% of the Real Asset Strategy AUM of \$7,088.13 million.

*\*AUM data provided is unaudited and as of December 31, 2024.*

*\*\*This figure is presented as of December 31, 2024 and includes ETF AUM of \$1,577,742.30 million USD of which approximately \$82,187.56 million USD in gold assets with respect to SPDR products for which State Street Global Advisors Funds Distributors, LLC (SSGA FD) acts solely as the marketing agent. SSGA FD and State Street Global Advisors are affiliated. Please note all AUM is unaudited.*

**Signed by:**



**Dated:** January 24, 2024

**Name of Firm :** State Street Global Advisors

**Disclosures:**

This material is solely for the private use of **San Mateo County Employees Retirement Association** and is not intended for public dissemination.

Past performance is not a guarantee of future results. Performance returns for periods of less than one year are not annualized. Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income.

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Investing involves risk including the risk of loss of principal.

Companies with large market capitalizations go in and out of favor based on market and economic conditions. Larger companies tend to be less volatile than companies with smaller market capitalizations. In exchange for this potentially lower risk, the value of the security may not rise as much as companies with smaller market capitalizations.

Equity securities may fluctuate in value in response to the activities of individual companies and general market and economic conditions.

Characteristics presented are calculated using the month end market value of holdings, except for beta and standard deviation, if shown, which use month end return values. Averages reflect the market weight of securities in the portfolio.

State Street Global Advisors Trust Company, One Iron Street, Boston, MA 02210.

Web: [www.ssga.com](http://www.ssga.com)

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**SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**Board of Retirement**

February 25, 2025

Agenda Item 4.11

**TO:** Board of Retirement

**FROM:** Tat-Ling Chow, Finance Officer   
Chezelle Milan, Senior Accountant   
Doris Ng, Investment Analyst 

**SUBJECT:** Preliminary Semi-Annual Financial Report for the Six-Months Ended December 31, 2024

**Recommendation**

Accept the Preliminary Semi-Annual Financial Report for the Six-Months Ended December 31, 2024.

**Background**

The semi-annual financial report provides financial information on SamCERA's financial position as of December 31, 2024, and its operating results for the six-months then ended.

The *Statement of Fiduciary Net Position* (balance sheet) provides a snapshot of the account balance as of December 31, 2024. This Statement indicates the amount of fiduciary net position (total assets minus total liabilities) available to pay future pension benefits. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial health of SamCERA is improving or declining. Other factors, such as market conditions, should also be considered in measuring SamCERA's overall financial health.

The *Statement of Changes in Fiduciary Net Position* (income statement) reports additions to, and deductions from, SamCERA's fiduciary net position for the six-months ended December 31, 2024. "Additions" consist of contributions from plan sponsors and members, investment income net of investment expenses, and other additions. "Deductions" include retiree benefit payments, member refunds, administrative and information technology expenses.

**Summary**

SamCERA's financial position improved modestly by 4% during the first half of the fiscal year. Its net position increased by \$246.8 million to \$6.7 billion, predominantly from investment income (realized and unrealized).

## Statement of Fiduciary Net Position

The table below presents SamCERA's preliminary Statement of Fiduciary Net Position (balance sheet) as of December 31, 2024. Its assets and liabilities were compared to those on July 1, 2024, to reflect changes over the first six-months of the fiscal year.

	Preliminary	Actual	Increase (Decrease)	
	12/31/24	7/1/24	Amount	Percentage
<b>ASSETS:</b>				
Cash and Short-Term Investments				
Cash and Cash Equivalents	\$ 127,218,442	\$ 168,836,673	\$ (41,618,231)	-25%
Cash Management Overlay	14,940,229	12,191,411	2,748,818	23%
Securities Lending Cash Collateral	144,340,262	4,400,951	139,939,311	3180%
Total Cash and Short-Term Investments	286,498,933	185,429,035	101,069,898	55%
Receivables				
Contributions	-	1,641,117	(1,641,117)	-100%
Due from Broker for Investments Sold	16,290,554	49,663,417	(33,372,863)	-67%
Investment Income	12,770,677	12,943,856	(173,179)	-1%
Other	2,700,098	2,942,511	(242,413)	-8%
Total Receivables	31,761,329	67,190,901	(35,429,572)	-53%
Prepaid Expenses	234,156	325,024	(90,868)	-28%
Investments at Fair Value				
Public Equity	2,752,476,333	2,743,032,845	9,443,488	0%
Fixed Income	1,573,233,041	1,498,942,052	74,290,989	5%
Alternatives	828,166,627	780,416,525	47,750,102	6%
Inflation Hedge	1,155,810,913	1,044,637,006	111,173,907	11%
Liquidity	281,313,853	247,762,006	33,551,847	14%
Total Investments at Fair Value	6,591,000,767	6,314,790,434	276,210,333	4%
Capital Assets	11,987,457	11,977,457	10,000	0%
Less: Accumulated Depreciation	(8,510,284)	(7,822,714)	(687,570)	9%
Capital Assets, Net of Accumulated Depreciation	3,477,173	4,154,743	(677,570)	-16%
<b>TOTAL ASSETS</b>	<b>6,912,972,358</b>	<b>6,571,890,137</b>	<b>341,082,221</b>	<b>5%</b>
<b>LIABILITIES:</b>				
Investment Management Fees Payable	2,283,329	2,297,138	(13,809)	-1%
Due to Broker for Investments Purchased	34,885,050	75,643,694	(40,758,644)	-54%
Securities Lending Cash Collateral - Due to Borrowers	144,340,262	4,400,951	139,939,311	3180%
Lease Liability	1,712,859	1,965,063	(252,204)	-13%
Other	1,222,062	5,891,024	(4,668,962)	-79%
<b>TOTAL LIABILITIES</b>	<b>184,443,562</b>	<b>90,197,870</b>	<b>94,245,692</b>	<b>104%</b>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<b>\$ 6,728,528,796</b>	<b>\$ 6,481,692,267</b>	<b>\$ 246,836,529</b>	<b>4%</b>

**Assets.** SamCERA's total assets increased by \$341.1 million or 5%, compared to six months ago. Significant changes include the following:

- *Cash and Cash Equivalents* decreased by \$41.6 million or 25%. The decrease was triggered mainly by the following: (1) \$17.4 million to fill the gap between total contributions of \$150.3 million and total disbursements to members of \$167.7 million, with \$165.4 million in benefit payments and \$2.3 million in member refunds; (2) \$4.2 million to cover operating expenses for administration and technology; (3) \$5.3 million to settle payables

from prior year; (4) \$7.2 million to provide new capital for investment opportunities; (5) \$2.6 million to meet margin requirements for the cash overlay program.

- *Cash Management Overlay* increased by \$2.7 million or 23%. A combined total of \$2.6 million was added to the cash overlay program to meet margin requirements dictated by the size of overlay futures positions. The program uses derivative instruments to enhance returns, manage risks, and increase efficiency.
- *Securities Lending Cash Collateral* increased by \$139.9 million or 3180%. SamCERA stepped up its involvement in securities lending activities in response to the Board's decision in July 2024, which significantly increased the overall threshold for securities lending transactions.
- *Receivables overall* decreased by \$35.4 million or 53%. The decrease was driven mainly by settlement of several sizable receivables from investments sold.
- *Investments overall* increased by \$276.2 million or 4%, which was seen across the portfolio and driven by the following factors:
  - New capital of \$213.0 million, with \$45.0 million in Fixed Income, \$35.0 million in Alternatives, \$98.0 million in Inflation Hedge, and \$35.0 million in Liquidity. The new capital was fueled predominantly by investment income realized during the period.
  - Market appreciation of \$48.5 million due to positive performance, with \$28.0 million in Fixed Income, \$13.0 million in Alternatives, and \$7.5 million in Inflation Hedge.

**Liabilities.** SamCERA's total liabilities increased by \$94.2 million or 104%, compared to six months ago. Key drivers include the following:

- *Due to Broker for Investments Purchased* decreased by \$40.8 million or 54%, due primarily to settlement of sizeable payables to three investment managers.
- *Securities Lending Cash Collateral - Due to Borrowers* increased by \$139.9 million, or 3180%, in response to the corresponding increase in Securities Lending Cash Collateral discussed above.
- *Other Liabilities* decreased by \$4.7 million or 79%, primarily from settlement of various liabilities carried forward from prior year.

## Statement of Changes in Fiduciary Net Position

The table below presents SamCERA’s preliminary Statement of Changes in Fiduciary Net Position (income statement) for the six-months ended December 31, 2024. Changes caused by “Additions” to and “Deductions” from the Retirement Fund are reflected on the Statement of Fiduciary Net Position discussed earlier.

	Preliminary <u>7/1/24 - 12/31/24</u>
<b>ADDITIONS:</b>	
Contributions	
Employer	\$ 110,057,652
Member	<u>40,209,762</u>
Total Contributions	<u>150,267,414</u>
Investment Income	
Interest, Dividends, and Other	
Investment Income	76,164,753
Net Increase in Fair Value	
of Investments	230,261,474
Securities Lending Income	
Earnings	2,636,961
Less: Expenses	<u>(2,512,023)</u>
Net Securities Lending Income	<u>124,938</u>
Total Investment Income	306,551,165
Investment Expense	<u>(37,552,480)</u>
Net Investment Income	<u>268,998,685</u>
Total Additions	<u>419,266,099</u>
<b>DEDUCTIONS:</b>	
Benefits	
Service Retirement Benefits	147,427,491
Disability Retirement Benefits	17,277,740
Survivor and Death Benefits	<u>705,317</u>
Total Benefits	165,410,548
Member Refunds	2,307,921
Administrative Expenses	3,855,689 <sup>1</sup>
Information Technology Expenses	<u>855,412 <sup>2</sup></u>
Total Deductions	<u>172,429,570</u>
<b>Net increase (decrease) in net position</b>	<b><u>\$ 246,836,529</u></b>

<sup>1</sup> This amount includes an amortized lease expense of \$3,642, which is a non-cash transaction in the current period and therefore not reflected on the Budget-to-Actual Comparison schedule that is presented on a separate document.

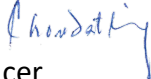



<sup>2</sup> This amount includes (1) \$431,725 in depreciation expense and (2) \$90,868 in IT expense reclassified from prepayments. These two items are non-cash transactions in the current period and therefore not reflected on the Budget-to-Actual Comparison schedule that is presented on a separate document. Additionally, \$10,000 in capital expenses reported on the Budget-to-Actual Comparison schedule is reported as capital assets on the Statement of Fiduciary Net Position (rather than expenses on the Statement of Changes in Fiduciary Net Position) for financial reporting purposes.

**SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**Board of Retirement**

February 25, 2025

Agenda Item 4.12

**TO:** Board of Retirement

**FROM:** Tat-Ling Chow, Finance Officer   
Diane Webster, Technology Officer   
Chezelle Milan, Senior Accountant   
Doris Ng, Investment Analyst 

**SUBJECT:** Preliminary Semi-Annual Budget-to-Actual Report for the Six-Months Ended December 31, 2024

**Recommendation**

Accept the Preliminary Semi-Annual Budget-to-Actual Report for the Six-Months Ended December 31, 2024.

**Background**

SamCERA's budget covers the following three areas:

1. Professional Services Budget – covers costs for actuarial consulting services, custodial services, investment management, investment consulting services, and outside legal services for investment related matters [Government Code §31596.1].
2. Administrative Budget – covers personnel expenses (salaries and benefits) and administrative overhead (services and supplies), which cannot exceed the mandated limit of 0.21% of the accrued actuarial liability of the retirement fund [Government Code §31580.2(a)].
3. Technology Budget – covers expenses for software, hardware, and computer technology consulting services in support of these computer products and is not subject to the mandated limit of 0.21% discussed above [Government Code §31580.2(b)].

**Discussion**

The preliminary budget-to-actual expense comparison illustrates whether SamCERA's actual spending during the first half of the fiscal year is in line with the mid-year benchmark (i.e., 50% of the adopted budget).

**Professional Services Budget.** Actual professional service expenses were \$26.3 million in total, or 68% of the budget, for the six-months ended December 31, 2024.

- ***Investment management fees*** are either driven by contractual agreements or based on assets under management, the amount of capital committed, and investment performance. Below is a summary of budget and actual expense comparison through December 31, 2024.

Below are the items where actual expenses were under the mid-year benchmark.

- *Alternative Assets*. The projected performance fees were slightly overestimated across the private equity portfolio.
- *Liquidity*. The projected management fees were moderately overestimated for SamCERA's cashflow match fund.

Below are the items where actual expenses were over the mid-year benchmark.

- *Public Equity*. The projected management fees were underestimated for two domestic equity funds.
- *Fixed Income*. The projected management fees were underestimated primarily for two opportunistic credit funds.
- *Inflation Hedge*. The projected management fees were significantly underestimated for five real asset funds.
- *Cash Overlay*. The projected management fees were underestimated for SamCERA's new dynamic currency hedge fund.

– **Other professional service charges** are primarily based on contractual agreements.

Other Professional Services					
Contractor	Service	Projected Fee Through 6/30/25	Actual Fee Through 12/31/24	Actual Fee (bps)	Percentage of Projected Fee Used
Milliman Inc.	Actuarial Consulting	\$ 129,450	\$ 104,500	0.3	81%
Verus Investments	Investment Consulting	630,000	309,460	0.9	49%
Northern Trust	Custodian	300,000	127,208	0.4	42%
	Total	<u>\$ 1,059,450</u>	<u>\$ 541,168</u>	1.6	51%

- *Actuarial consulting fees* were significantly over the mid-year benchmark. The budget was primarily designated for the performance of annual valuation and preparation of a disclosure report. Both projects were completed in October and fully paid in December.
- *Custodial fees* were moderately below the mid-year benchmark, due primarily to a renewed contract with Northern Trust under which fees have been reduced.

**Administrative Budget.** During the first half of the fiscal year, 44% of the administrative budget, or \$3.9 million, was expended. The following table summarizes all administrative expenses, along with explanations as to why the actual results of certain items significantly differ from the mid-year benchmark.

**Salaries and Benefits.** The budget covers all authorized positions regardless of its status as filled or vacant.

- *Salaries* – Staff payroll was modestly below budget, due mainly to: (1) savings from a vacant position for the Retirement Technology Officer that was filled in mid-September, (2) delay in salary increases that was projected to transpire in October but postponed to December, and (3) diminished demand for extra-help as the backlog in disability retirement determinations improved.
- *Benefits* – The overall benefit outlays fell short of projections, mainly in employees’ medical insurance and federal payroll tax.

**Services and Supplies.** The budget covers all administrative expenses except salaries and benefits.

Below are the items where actual expenses were significantly below the mid-year benchmark.

- *“Education and Conference” and “Transportation and Lodging”* – Staff and trustees did not attend all training and conferences that were budgeted for, which caused a corresponding decline in travel and accommodation.

- *Property and Equipment* – The purchase of ergonomic equipment is expected to take place in the 2nd half of the fiscal year upon the completion of the ergonomic assessment.
- *General Office Supplies* – The need to replenish office supplies dwindled as hybrid work schedules continue.
- *Other Administration* – The budget for this line item was predominantly allocated to obtain professional services from external entities specializing in disability determination and tax matters. The need for such services turned out to be considerably lower than anticipated.

Below is the only item where actual expenses were significantly above the mid-year benchmark.

- *Audit Services* – Actual expenses represented full payment towards the financial audit for fiscal year ended June 30, 2024. The interim audit took place and completed in July, and the final audit began in August and ended in October.



**Technology Budget.** The table below compares the actual and budgeted amounts. About 25% of the adopted budget, or \$0.3 million, was expended during the first half of the fiscal year.

Across all categories of the Technology Budget, actual expenses were substantially below the mid-year benchmark. For most items, expenses are anticipated to be incurred in the 2nd half of the fiscal year. These items include the following:

- *Computer Equipment and Software* – A tri-fold machine, a microcomputer, and a desktop scanner will be purchased to support operations.
- *Maintenance Tools and Equipment* – Outdated hardware will be replaced to ensure efficient workflow, and selected servers will be migrated to a cloud-based environment that is considered more cost-effective in the long run. Additionally, hardware for the Door Panel Security System will be updated to reinforce security measures.
- *Contract IT Services* – Potential consulting services from Amazon Web Services (AWS), County’s Information Services Department (ISD), and other external IT professionals will be required for the following projects:
  - Expansion of cloud migration (a process in which data, applications, and business functions are moving to a cloud computing environment)
  - Transition to Microsoft Intune (a cloud-based platform to manage and protect employees’ devices and applications)
  - Audio/Video upgrade for the Boardroom and conference room
  - Access technology upgrade for each of the six office doors
- *Imaging* – This budget covers the cost of converting documents to electronic format and storing them in a cost-effective platform. Evaluations will be undertaken to analyze overall benefits, security, and integration.
- *Technology Research and Development* – The research for new artificial intelligence products with AWS was complete; research on Microsoft product Intune is underway. Associated costs for these products are expected to be incurred before fiscal year-end.

For *Software License Maintenance*, a few IT support and maintenance arrangements have been discontinued to be in alignment with the cloud migration. Additionally, hours that were previously purchased to support the pension administration system software are still available. As a result, the current budget allocated for purchasing additional support hours has not been utilized.


For *IT Subscription*, the annual subscription with Norex, which provides access to a multitude of technology research resources, has been discontinued.

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
**Board of Retirement**

February 25, 2025

Agenda Item 4.13

**TO:** Board of Retirement

**FROM:** Scott Hood, Chief Executive Officer 

**SUBJECT:** Securities and Other Investment-Related Legal Actions Policy

**Recommendation**

Reaffirm the Board's Securities and Other Investment-Related Legal Actions Policy.

**Background**

The Board has 24 policies which it has adopted at various times to govern its activities and guide staff's administration of the system. Staff brings these policies to the Board for periodic reaffirmation or amendment on an as-needed basis. The policy before the Board today is its Securities and Other Investment-Related Legal Actions Policy which is in substantially the same form as the policy approved by the Board in December 2019 with minor modifications for clarity and readability approved by the Board in February 2022. Staff is not recommending further changes to the policy at this time.

**Discussion**

In 2011, the Board adopted a Securities Litigation Policy to address securities class actions in which SamCERA may decide to act as lead plaintiff. SamCERA has three firms to monitor the investment portfolio and to make recommendations in this area.

SamCERA's custodial bank is responsible for filing claims in routine domestic class actions. The custodial bank is not responsible for filing claims in courts located outside the United States, claims filed in bankruptcy matters, or antitrust claims. Due to timing issues, as well as the routine nature of these claims, the Securities Litigation Policy was amended in 2012 to authorize the Chief Executive Officer, in consultation with the Chief Legal Counsel, to file such claims or actions without seeking Board approval or ratification. The Policy also provided that: (1) if legal counsel must be promptly retained, the CEO is authorized to do so subject to ratification by the Board; and (2) the Board will be provided with status reports as needed.

In December 2019, the Board amended its Securities Litigation Policy in light of the growth of SamCERA's alternative investment portfolio and the potential need for legal action in relation to investments that are not securities. In connection with these amendments, the policy was renamed the "Securities and Other Investment Related Legal Actions Policy."

Staff recommends that the current policy be reaffirmed by the Board.

**Attachment**

Securities and Other Investment-Related Legal Actions Policy



## **SECURITIES AND OTHER INVESTMENT-RELATED LEGAL ACTIONS POLICY**

### **PURPOSE**

In order to protect the assets of the fund, the Board of Retirement adopts this policy to (1) establish procedures and guidelines for SamCERA's active participation (as a lead or named plaintiff) in securities class actions, and SamCERA's participation in class action type claims filed in courts not located in the United States; and (2) authorize steps in asset recovery matters for any investment, including non-securities, such as alternative investments and real estate.

### **A. STATEMENT OF FUNCTIONS AND RESPONSIBILITIES -CLASS ACTIONS**

This policy shall not relieve SamCERA's custodial bank from its responsibility for filing all proofs of claim, including the necessary supporting documents and information, necessary to recover assets in every securities class action proceeding in which SamCERA has potentially suffered losses.

#### **1. Review of Class Action Filings**

The Board of Retirement shall select and retain one or more private law firms to identify and evaluate potential securities class action filings in which SamCERA would be a member of the class. Firms will only recommend active participation to SamCERA when they believe that without such participation SamCERA's rights and interests will not be represented in a case.

#### **2. Determination of Active Participation by SamCERA**

If SamCERA is asked to actively participate in a case, the Chief Executive Officer, after considering the factors listed below, and in consultation with the Chief Legal Counsel, shall make an initial determination of whether SamCERA will take an active role in a securities class action, or decline to do so.

The following factors will be considered:

- a) The likelihood of achieving a recovery;

- b) The probable net amount of recovery (the probable amount of recovery less the estimated costs of staff and Chief Legal Counsel time and any other costs). Any estimated likely recovery amount must far outweigh any estimated participation costs (mainly staff and Chief Legal Counsel time) so as to eliminate any likelihood of a net loss due to active participation;
- c) The impact on the amount of recovery that would likely result from SamCERA participation as lead or named plaintiff;
- d) Whether SamCERA's rights and/or interests may in fact be preserved by active participation;
- e) Staff's and Chief Legal Counsel's potential workload;
- f) Any other relevant factors

For only those matters in which the Chief Executive Officer and Chief Legal Counsel will recommend to the Board that SamCERA should play an active role, a written report shall be presented to the Board. The report shall reflect the Chief Executive Officer's recommendation based upon the factors listed above. The report shall be placed on the Consent Agenda as a confidential Anticipated Litigation matter for the Board's approval. Any Board member has the authority to remove the report item for discussion and determination in closed session.

**B. ALL OTHER INVESTMENT ASSET RECOVERY INCLUDING FOREIGN SECURITIES ACTIONS AND BANKRUPTCY MATTERS**

For class action type claims filed in courts not located in the United States or claims or actions for any investment assets filed in bankruptcy, other state or federal court, or administrative agency, in which the Chief Executive Officer, in consultation with the Chief Legal Counsel, determines that it is in the best interest of SamCERA to respond to or file such a claim or action, the Chief Executive Officer is authorized to take all necessary steps to recover or protect assets in these matters without seeking Board approval or ratification.

**C. RETENTION OF OUTSIDE COUNSEL**

For matters in which the Chief Executive Officer, in consultation with the Chief Legal Counsel, has determined that outside counsel should be used, all retainer agreements shall be negotiated and submitted for approval, in advance, to the Board of Retirement. However, where it is determined by the Chief Executive Officer that immediate approval is required to preserve SamCERA's rights and/or interests by retaining such counsel, the Chief Executive

Officer in consultation with the Chief Legal Counsel, is authorized to make the decision, subject to ratification by the Board.

**D. REPORTS TO THE BOARD ON ACTIVE LITIGATION**

The Chief Legal Counsel shall provide the Board with status reports as needed to keep the Board apprised of major developments in matters in which SamCERA is an active participant. Staff will present to the Board an annual report on the time spent by staff, if any, on active litigation matters.


Adopted by the Board of Retirement  
January 25, 2011  
Amended September 25, 2012  
Amended December 3, 2019  
Amended February 22, 2022

**SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**Board of Retirement**

February 25, 2025

Agenda Item 5.2

**TO:** Board of Retirement

**FROM:** Scott Hood, Chief Executive Officer 

**SUBJECT:** Report on Quarterly Funding Progress for the Period Ended December 31, 2024

**Recommendation**

Accept the quarterly funding update report for the period ended December 31, 2024.

**Discussion**

Milliman Inc. developed a funding dashboard by which two data points could be projected for the coming fiscal year based on the fund's assumptions, investment performance and certain economic and demographic data for the period measured. The two data points that can be projected are the funded ratio and the employer contribution rate. Subsequent to the initial dashboard, Milliman added the ability to project out for the next nine years for the same data points.

Attached is the FY 2024-25 Q2 dashboard showing the projected funded status and employer contribution rate utilizing current data and assuming all assumptions are met for the remainder of the fiscal year. The second page shows a ten-year projection utilizing the same data.

After the first two quarters, the funded status is projected to remain the same as projected in the recent valuation. Q2 shows a slight retracement over Q1, which is due largely to the portfolio's negative return during Q2. The negative return also lengthens the projection of when the fund is expected to reach 100% funded to 2036 which is no change from the projection from the recent valuation. The aggregate employer contribution rate is projected to increase slightly due to a larger than expected number of active employees on the payroll and higher salaries.

Below the graphs are charts of the factors that impact each of the data points and the amount each factor has on the projection.

**Attachment**

Funding Dashboard

# SamCERA Funding Dashboard

Update Graph Formats

SamCERA Projected Funding for June 30, 2025 Valuation (based on Information as of December 31, 2024)

Estimates are subject to the variance of a regular projection; **actual results will vary** from those shown.

Store Results Hide / Show Prior

Input

Completed Quarter

Est. Return FYTD

Est. Return (1st Half)

Service Retirements to Date

Active Member Count

CPI 2024

Aug	Oct	Dec	Annual
349.29	349.37	348.001	348.417

Investment Return Assumption

Supplemental Contrib (\$mil.)

Post-Valuation Data

Return

Fiscal Year - First Half

Fiscal Year- Full Year (Est.)

Inflation for 2024

Assumed  Actual

Service Retirements in Fiscal Year

Assumed  Est.

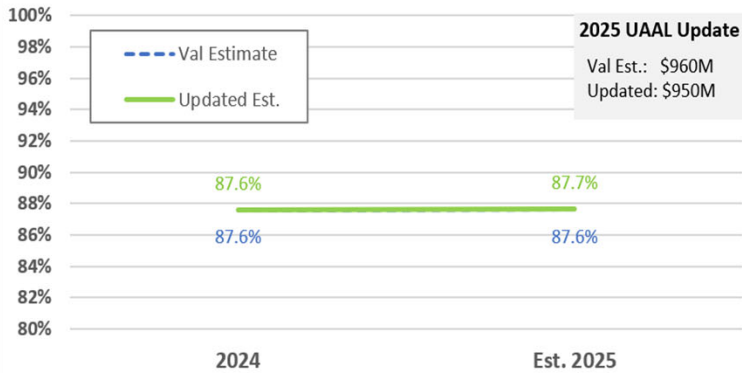
Salary Increase

Assumed  Est.

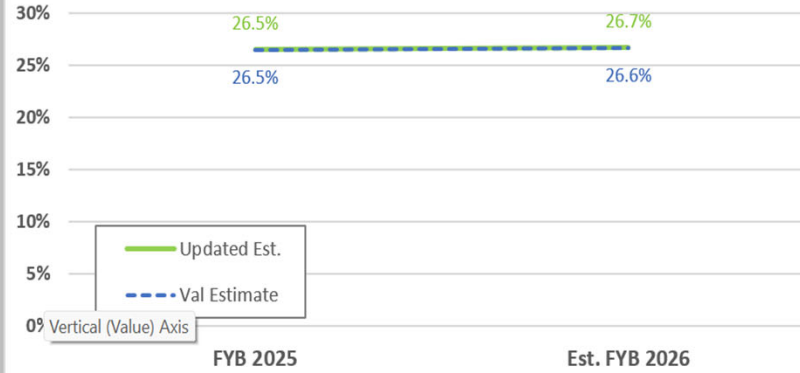
Active Members

Assumed  Est.

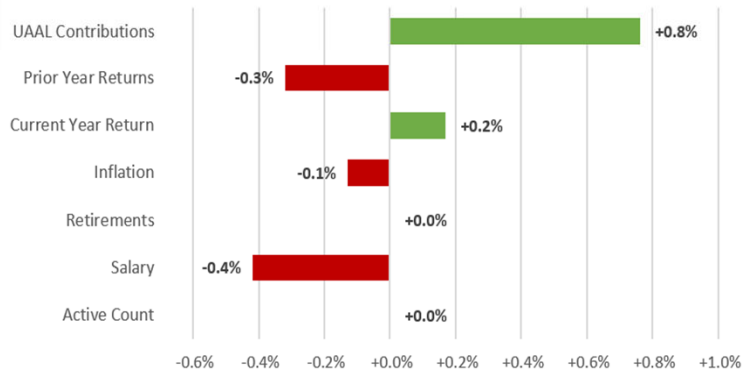
Projected Funded Ratio



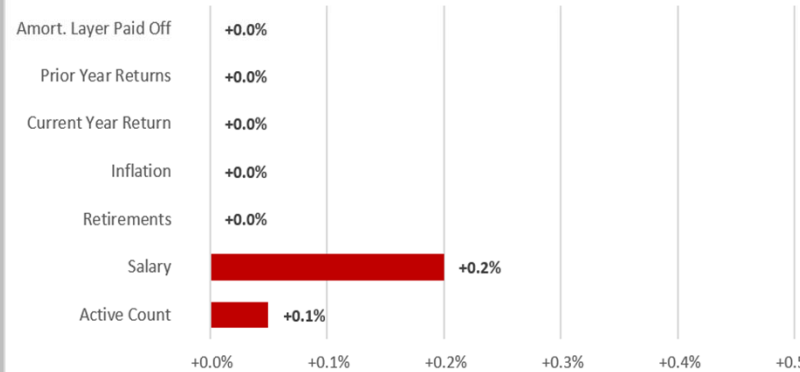
Projected Employer Contribution Rate



Factors Expected to Affect Funded Ratio



Factors Expected to Affect Employer Rate

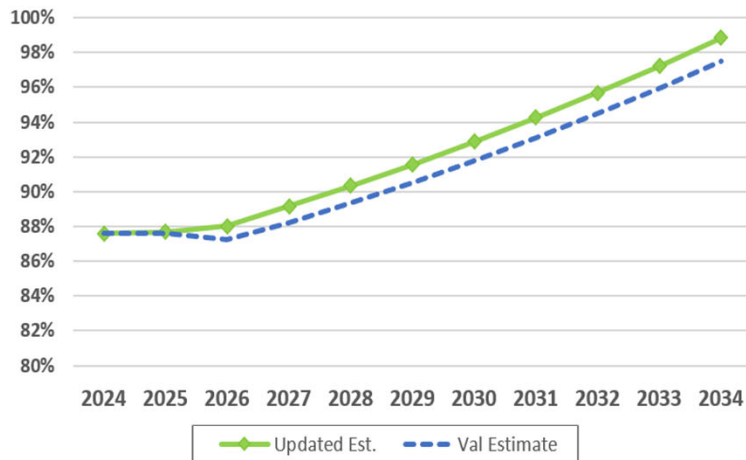


# SamCERA Funding Dashboard, cont

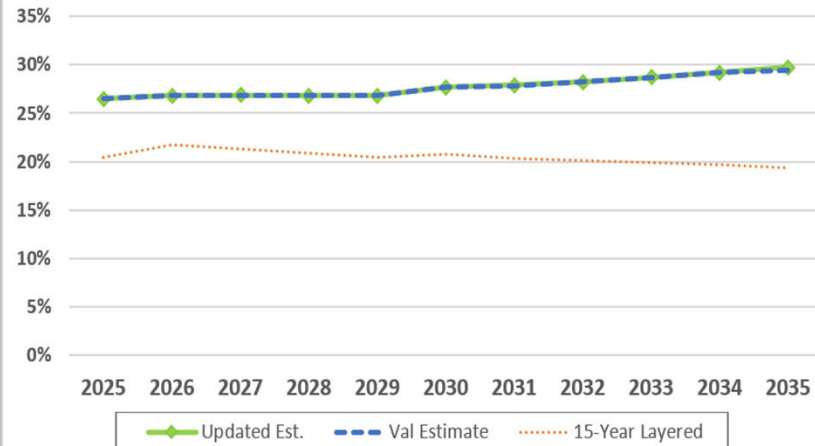
## 10-Year Projection

Show/Hide 15-Year Layered Line

### Projected Funded Ratio



### Projected Employer Contribution Rate



## 10-Year Projection Input

	Return	Ann. CPI
FYE2025	7.20%	2.76%
FYE2026	6.25%	2.75%
FYE2027	6.25%	2.75%
FYE2028	6.25%	2.75%
FYE2029	6.25%	2.75%

All estimates shown are based on the June 30, 2023 actuarial valuation and the post-valuation data shown below. Please see Milliman's June 30, 2024 actuarial valuation for SamCERA for additional caveats and limitations.

These estimates are subject to the variance of a regular projection and actual results will vary from those shown.

Year UAAL is projected to be fully paid off:

Valuation Estimate: **2036**

Updated Estimate: **2035**




**SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**Board of Retirement**

February 25, 2025

Agenda Item 6.1

**TO:** Board of Retirement

**FROM:** Michael Coultrip, Chief Investment Officer 

**SUBJECT:** Preliminary Monthly Portfolio Performance Report for the Period Ended January 31, 2025

**Recommendation**

Accept the preliminary performance report dated January 31, 2025.

**Background**

This preliminary report is intended to provide a high-level view of the portfolio and its trends. It is not intended to provide short-term performance upon which the Board would act. The quarterly performance metrics are not yet available for our private equity, private credit, private real asset, and real estate portfolios. The performance for these portfolios will be reflected in the quarterly performance report generated by Verus.

The fund's preliminary return for January was 2.0%, bringing the preliminary trailing twelve-month net return ending January to 11.2%. SamCERA's estimated market value as of January was \$6.9 billion, while the actuarial funded ratio as of June 30, 2024, was 87.6%.

**Discussion**

Most assets were higher in January and provided a mirror image to December's negative month.

The U.S. equity market (as measured by the S&P 500 Index) was up 2.8% while the equal-weighted index was up 3.5%, and small-capitalization stocks were up 2.6%. Developed international equity (as measured by MSCI EAFE) was up 5.3%, while emerging markets were up 1.8%.

U.S. economic activity was solid in January. U.S. manufacturing strengthened and is now in expansion territory after 26 consecutive months of contraction. The labor market added 143,000 jobs in January, slightly below expectations (although November and December numbers were revised higher by a combined 100,000). The headline unemployment rate declined slightly to 4.0% from 4.1%. Inflation (as measured by the Consumer Price Index - All Urban Consumers) increased 3.0% for the 12-months ending January, which was higher than both expectations and December levels.

The general U.S. fixed income market was up 0.5% in January as interest rates ended the month generally unchanged, but with high intra-month volatility. The 10-year U.S. Treasury yield was unchanged and ended at 4.58% by month-end. Commodities were up 4.0% in January.

**Attachments**

Northern Trust Monthly Preliminary Performance Report  
Verus Capital Market Update

# San Mateo County Composite Return Summary January 31, 2025

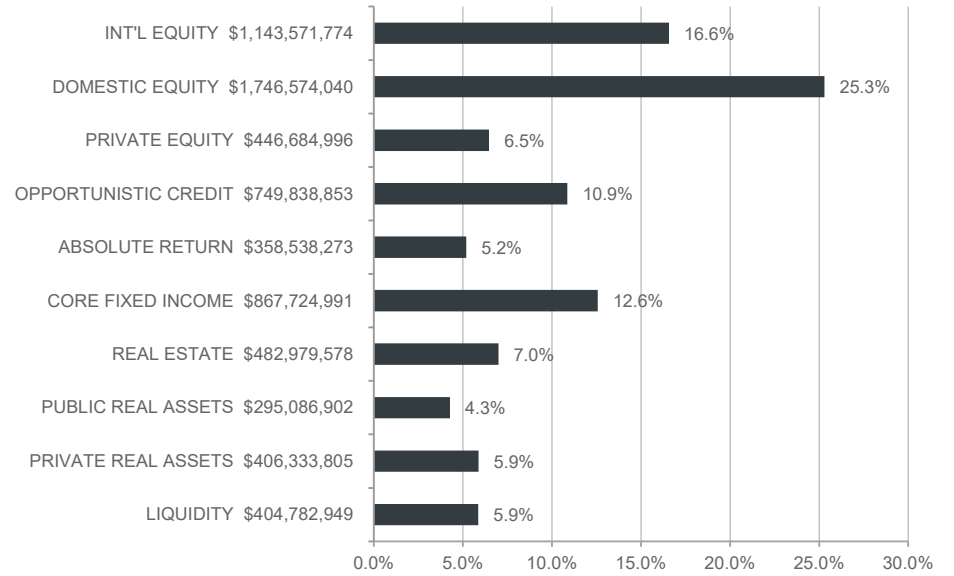


**Total Fund Performance**

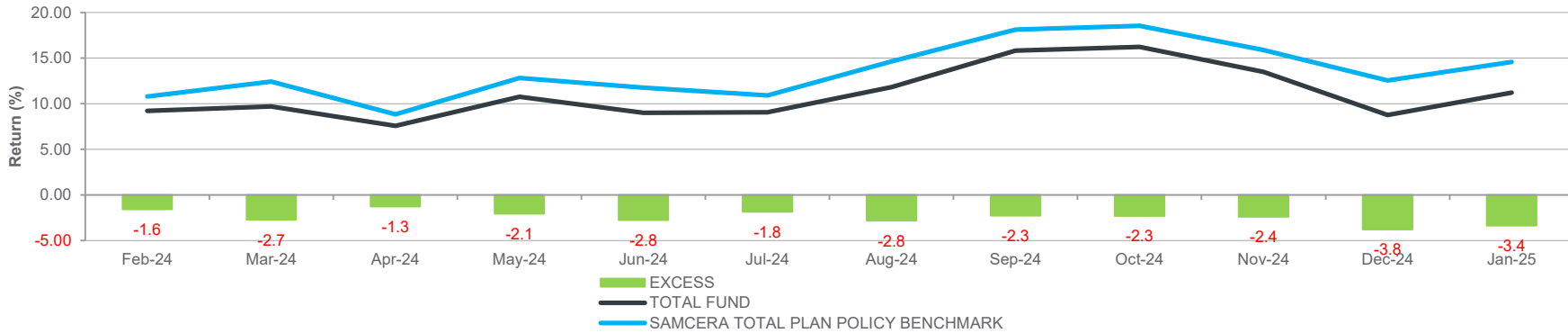


	1 Mth.	3 Mth.	YTD	FYT D	1 Yr.	3 Yr.	5 Yr.	10 Yr.	ITD
■ TOTAL FUND - Gross	2.0	2.9	2.0	6.1	11.4	4.8	6.8	6.9	6.9
■ TOTAL FUND - Net	2.0	2.8	2.0	6.0	11.2	4.6	6.7	6.7	6.8
■ SAMCERA PLAN BENCHMARK	1.6	3.0	1.6	6.8	14.6	5.7	7.6	7.5	7.2
■ Excess (Net)	0.4	-0.2	0.4	-0.7	-3.4	-1.1	-0.9	-0.8	-0.5

**Asset Allocation**



**Rolling Month End Annual Returns**

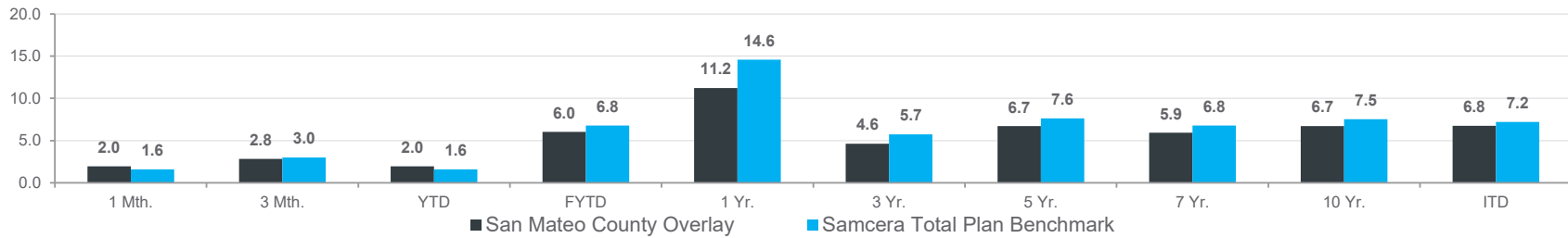


# San Mateo County Composite Return Summary

January 31, 2025



Return Comparison



Composite Returns (Net of Manager Fees)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
San Mateo County Overlay	6,902,116,161	2.0	2.8	2.0	6.0	11.2	4.6	6.7	5.9	6.7	6.8
Samcera Total Plan Benchmark		1.6	3.0	1.6	6.8	14.6	5.7	7.6	6.8	7.5	7.2
Excess		0.4	-0.2	0.4	-0.7	-3.4	-1.1	-0.9	-0.9	-0.8	-0.5
San Mateo Ex-Clifton Overlay	6,886,301,364	1.9	2.8	1.9	6.0	11.1	4.6	6.7	5.8	6.6	6.7
Samcera Total Plan Benchmark		1.6	3.0	1.6	6.8	14.6	5.7	7.6	6.8	7.5	7.2
Excess		0.3	-0.2	0.3	-0.8	-3.4	-1.2	-1.0	-1.0	-0.9	-0.5
Growth	4,086,669,663	2.6	3.7	2.6	8.2	16.4	--	--	--	--	13.9
Samcera Growth Portfolio BM		2.5	4.3	2.5	8.8	21.0	--	--	--	--	18.1
Excess		0.2	-0.6	0.2	-0.7	-4.6	--	--	--	--	-4.2
Diversifying	1,226,263,264	0.9	1.9	0.9	3.1	3.4	--	--	--	--	4.7
SamCera Diversifying Port BM		0.6	0.1	0.6	2.8	3.4	--	--	--	--	4.1
Excess		0.3	1.8	0.3	0.3	0.0	--	--	--	--	0.6
Inflation Hedge	1,184,400,284	1.2	1.6	1.2	2.7	4.1	2.4	3.8	3.3	--	4.9
SamCERA Inflation Hedge Index		0.0	2.4	0.0	5.0	8.8	2.1	5.8	5.1	--	--
Excess		1.2	-0.8	1.2	-2.3	-4.7	0.4	-2.0	-1.8	--	--
Liquidity	404,782,949	0.4	1.0	0.4	3.2	5.0	4.3	--	--	--	2.7
Liquidity Composite Benchmark		0.4	1.0	0.4	3.3	4.6	--	--	--	--	--
Excess		-0.1	-0.0	-0.1	-0.1	0.5	--	--	--	--	--



# San Mateo County Composite Return Summary

January 31, 2025



Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Public Equity	2,890,145,814	3.5	4.3	3.5	9.6	19.8	8.1	10.3	8.3	9.6	8.3
Samcera Total Equity BM		3.3	4.8	3.3	9.2	20.8	9.1	11.4	9.2	10.6	9.0
Excess		0.2	-0.6	0.2	0.4	-1.0	-1.1	-1.2	-0.9	-1.0	-0.7
Domestic Equity	1,746,574,040	3.3	5.9	3.3	13.1	25.9	11.5	13.6	11.8	12.5	9.7
Samcera Dom. Equity Benchmark		3.2	6.7	3.2	12.5	26.3	11.4	14.6	12.8	13.2	10.2
Excess		0.1	-0.7	0.1	0.7	-0.4	0.1	-1.0	-1.0	-0.7	-0.5
Large Cap Equity	1,593,823,796	3.2	6.1	3.2	13.1	26.6	11.5	13.7	12.1	13.0	10.3
Russell 1000		3.2	6.8	3.2	12.5	26.7	11.7	15.0	13.2	13.5	10.8
Excess		-0.0	-0.7	-0.0	0.6	-0.1	-0.2	-1.3	-1.1	-0.5	-0.5
Blackrock Russell 1000	1,036,505,178	3.2	6.8	3.2	12.5	26.7	11.7	15.1	13.3	--	14.8
Russell 1000		3.2	6.8	3.2	12.5	26.7	11.7	15.0	13.2	--	14.7
Excess		-0.0	-0.0	-0.0	0.0	-0.0	0.0	0.1	0.1	--	0.1
DE Shaw Commingled Fund	309,468,930	3.9	8.5	3.9	17.6	36.7	13.4	15.6	13.2	13.9	13.7
Russell 1000		3.2	6.8	3.2	12.5	26.7	11.7	15.0	13.2	13.5	13.1
Excess		0.7	1.8	0.7	5.2	10.0	1.7	0.6	0.0	0.3	0.5
Panagora Defuseq -SL	247,849,688	2.3	1.4	2.3	10.8	17.2	7.1	8.5	--	--	11.9
Russell 1000		3.2	6.8	3.2	12.5	26.7	11.7	15.0	--	--	17.4
Excess		-0.9	-5.4	-0.9	-1.7	-9.5	-4.6	-6.5	--	--	-5.5
Small Cap Equity	139,468,044	4.4	4.9	4.4	13.7	19.3	9.9	10.9	7.5	7.9	7.0
Russell 2000		2.6	4.5	2.6	12.5	19.1	5.6	8.7	6.9	8.4	7.9
Excess		1.8	0.5	1.8	1.2	0.2	4.2	2.2	0.6	-0.6	-0.9
QMA US Small Cap	139,468,044	4.4	4.9	4.4	13.7	19.3	9.9	10.9	7.5	--	9.6
Russell 2000		2.6	4.5	2.6	12.5	19.1	5.6	8.7	6.9	--	9.0
Excess		1.8	0.5	1.8	1.2	0.2	4.2	2.2	0.6	--	0.6
Domestic Equity Overlay	13,282,200	3.4	1.1	3.4	15.3	28.2	15.3	--	--	--	74.9
ICE BofAML US 3-Month Treasury Bill		0.4	1.2	0.4	2.9	5.2	4.0	--	--	--	2.5
Excess		3.0	-0.1	3.0	12.4	23.0	11.3	--	--	--	72.4
International Equity	1,143,571,774	3.8	2.1	3.8	5.1	12.2	4.0	6.4	4.2	6.0	5.7
SamCERA Custom Hedge Intl		3.6	2.5	3.6	5.0	13.8	6.2	7.5	4.7	6.4	5.5
Excess		0.2	-0.4	0.2	0.1	-1.6	-2.2	-1.1	-0.5	-0.4	0.2



# San Mateo County Composite Return Summary

January 31, 2025



Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Developed Markets Equity	1,140,700,617	3.8	2.0	3.8	5.1	12.1	2.8	5.8	4.1	5.9	4.8
Dev Mrkts Equity Curr Hedge	14,791,384	--	--	--	--	--	--	--	--	--	--
Dev Mrkts Equity Ex Curr Hedge	1,125,909,233	4.1	0.8	4.1	4.1	10.0	1.9	5.3	3.7	5.6	4.7
MS AC WldxUS IMI Nt		3.7	0.8	3.7	3.6	10.3	3.1	5.5	3.2	5.3	5.0
Excess		0.4	0.0	0.4	0.5	-0.3	-1.2	-0.2	0.5	0.3	-0.3
Baillie Gifford	278,678,259	4.8	1.3	4.8	4.6	8.8	-2.4	3.1	2.6	5.4	6.2
MSCI ACWI ex USA Growth		4.3	1.2	4.3	2.8	10.7	1.8	4.8	3.9	6.1	--
Excess		0.5	0.1	0.5	1.8	-1.9	-4.2	-1.7	-1.3	-0.7	--
Blackrock MSCI ACWI ex US IMI	569,698,995	3.9	0.9	3.9	3.5	10.3	3.2	--	--	--	7.4
MS AC WldxUS IMI Nt		3.7	0.8	3.7	3.6	10.3	3.1	--	--	--	7.3
Excess		0.2	0.1	0.2	-0.1	0.1	0.1	--	--	--	0.1
Mondrian Investment Partners	277,531,979	3.7	0.0	3.7	4.9	10.7	3.9	4.6	2.6	4.3	5.1
MSCI ACWI xUSA Value		3.8	1.1	3.8	5.5	12.3	6.1	7.0	3.5	5.2	5.4
Excess		-0.2	-1.0	-0.2	-0.5	-1.6	-2.2	-2.3	-0.9	-1.0	-0.3
Int'l Equity Overlay	2,871,157	6.9	9557.8	6.9	10211.4	10780.3	--	--	--	--	--
ICE BofAML US 3-Month Treasury Bill		0.4	1.2	0.4	2.9	5.2	--	--	--	--	5.3
Excess		6.5	9556.6	6.5	10208.4	10775.1	--	--	--	--	--
Private Equity	446,684,996	0.5	1.9	0.5	2.9	8.0	0.9	17.1	17.2	16.0	-4.3
Samcera PE Benchmark		-0.5	4.1	-0.5	10.2	40.9	10.6	17.6	14.7	15.5	16.5
Excess		1.0	-2.2	1.0	-7.3	-32.9	-9.8	-0.5	2.5	0.4	-20.8
Opportunistic Credit	749,838,853	0.8	2.4	0.8	5.9	9.0	3.9	4.6	4.8	5.6	7.4
Samcera Opp Credit Bench		1.2	2.1	1.2	6.4	9.9	4.7	4.5	5.0	5.1	6.4
Excess		-0.4	0.3	-0.4	-0.4	-1.0	-0.8	0.1	-0.2	0.5	1.0
Public Credit	536,817,239	1.2	2.6	1.2	7.2	9.6	--	--	--	--	10.3
BBG US Corp High Yield		1.4	2.1	1.4	6.9	9.7	--	--	--	--	11.1
Excess		-0.2	0.5	-0.2	0.2	-0.1	--	--	--	--	-0.8
Beach Point Select Fund	123,437,983	1.8	4.0	1.8	8.5	11.0	5.7	8.4	7.9	8.3	8.3
BBG US Corp High Yield		1.4	2.1	1.4	6.9	9.7	4.3	4.5	4.8	5.2	5.2
Excess		0.5	1.9	0.5	1.6	1.4	1.3	4.0	3.2	3.1	3.1



# San Mateo County Composite Return Summary

January 31, 2025



Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Brigade Cap Mngmt	108,755,223	1.2	2.1	1.2	9.1	10.6	3.7	5.5	4.9	5.4	6.1
BBG US Corp High Yield		1.4	2.1	1.4	6.9	9.7	4.3	4.5	4.8	5.2	6.2
Excess		-0.2	-0.0	-0.2	2.2	0.9	-0.7	1.1	0.1	0.2	-0.1
Eaton Vance EM	65,515,845	1.0	2.2	1.0	6.2	9.2	--	--	--	--	9.2
BBG US Corp High Yield		1.4	2.1	1.4	6.9	9.7	--	--	--	--	9.7
Excess		-0.3	0.1	-0.3	-0.7	-0.5	--	--	--	--	-0.5
Golden Tree Select PA	61,627,956	1.1	2.7	1.1	--	--	--	--	--	--	--
BBG US Corp High Yield		1.4	2.1	1.4	--	--	--	--	--	--	3.2
Excess		-0.3	0.6	-0.3	--	--	--	--	--	--	--
One William Street	70,067,340	0.7	2.1	0.7	5.3	9.3	--	--	--	--	--
BBG US Corp High Yield		1.4	2.1	1.4	6.9	9.7	--	--	--	--	10.4
Excess		-0.6	0.0	-0.6	-1.6	-0.4	--	--	--	--	--
PIMCO Div. Income Fund	107,412,890	1.0	1.8	1.0	5.6	7.7	1.6	1.5	2.9	--	2.9
BBG US Corp High Yield		1.4	2.1	1.4	6.9	9.7	4.3	4.5	4.8	--	4.7
Excess		-0.3	-0.3	-0.3	-1.3	-2.0	-2.7	-3.0	-1.8	--	-1.8
Private Credit	213,021,614	-0.1	2.2	-0.1	3.0	7.4	--	--	--	--	6.5
Credit Suisse Lev Loan 1 QTR L		0.8	2.2	0.8	4.9	10.5	--	--	--	--	10.9
Excess		-1.0	0.0	-1.0	-1.9	-3.1	--	--	--	--	-4.5
AG CREDIT SOL FU LP	5,668,526	0.1	3.2	0.1	3.5	11.3	5.8	13.5	--	--	13.2
Credit Suisse Lev Loan 1 QTR L		0.8	2.2	0.8	4.9	10.5	--	--	--	--	--
Excess		-0.8	1.0	-0.8	-1.4	0.7	--	--	--	--	--
AG CSF ADF II	2,243,608	0.0	6.7	0.0	4.2	15.2	--	--	--	--	--
Credit Suisse Lev Loan 1 QTR L		0.8	2.2	0.8	4.9	10.5	--	--	--	--	--
Excess		-0.8	4.5	-0.8	-0.7	4.6	--	--	--	--	--
AG CSF II	23,702,413	0.1	4.0	0.1	5.5	14.0	7.1	--	--	--	7.1
Credit Suisse Lev Loan 1 QTR L		0.8	2.2	0.8	4.9	10.5	--	--	--	--	--
Excess		-0.8	1.8	-0.8	0.6	3.5	--	--	--	--	--
Blackrock Direct Lending Feede	38,555,115	-0.3	1.8	-0.3	1.9	5.7	5.7	6.5	--	--	4.3
Credit Suisse Lev Loan 1 QTR L		0.8	2.2	0.8	4.9	10.5	--	--	--	--	--
Excess		-1.1	-0.4	-1.1	-3.0	-4.9	--	--	--	--	--



# San Mateo County Composite Return Summary

January 31, 2025



Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Comvest Credit Partners VII	19,388,083	0.0	-1.1	0.0	-8.5	--	--	--	--	--	-8.5
Credit Suisse Lev Loan 1 QTR L		0.8	2.2	0.8	4.9	--	--	--	--	--	--
Excess		-0.8	-3.2	-0.8	-13.3	--	--	--	--	--	--
Pimco Private Income	50,014,268	0.0	2.6	0.0	4.0	8.0	5.0	7.3	--	--	7.0
Credit Suisse Lev Loan 1 QTR L		0.8	2.2	0.8	4.9	10.5	--	--	--	--	--
Excess		-0.8	0.4	-0.8	-0.9	-2.5	--	--	--	--	--
TCP Direct Lending VIII	9,825,883	-1.5	0.9	-1.5	3.1	5.6	4.5	5.6	5.2	--	--
Credit Suisse Lev Loan 1 QTR L		0.8	2.2	0.8	4.9	10.5	--	--	--	--	--
Excess		-2.3	-1.3	-2.3	-1.7	-5.0	--	--	--	--	--
TPG AG CSF III	1,500,000	0.0	--	0.0	--	--	--	--	--	--	--
Credit Suisse Lev Loan 1 QTR L		0.8	2.2	0.8	--	--	--	--	--	--	3.2
Excess		-0.8	--	-0.8	--	--	--	--	--	--	--
White Oak Yield Spec	30,469,992	0.0	3.9	0.0	5.9	9.5	6.0	5.8	6.1	--	--
Credit Suisse Lev Loan 1 QTR L		0.8	2.2	0.8	4.9	10.5	--	--	--	--	--
Excess		-0.8	1.7	-0.8	1.1	-1.1	--	--	--	--	--
White Oak YSF V	31,653,726	0.0	0.0	0.0	-0.0	1.8	1.5	--	--	--	1.2
Credit Suisse Lev Loan 1 QTR L		0.8	2.2	0.8	4.9	10.5	--	--	--	--	--
Excess		-0.8	-2.1	-0.8	-4.9	-8.8	--	--	--	--	--
Absolute Return	358,538,273	1.4	7.7	1.4	4.8	7.8	6.1	2.5	-0.7	0.9	2.2
Samcera SOFR + 4%		0.7	2.1	0.7	5.2	9.3	8.2	6.6	6.5	5.9	5.5
Excess		0.7	5.6	0.7	-0.4	-1.5	-2.1	-4.1	-7.2	-5.0	-3.3
CFM SYS Global Macro Fund	128,182,571	1.2	11.2	1.2	17.2	17.8	11.2	--	--	--	10.4
Samcera SOFR +4%		0.7	2.1	0.7	5.2	9.3	8.2	--	--	--	6.9
Excess		0.5	9.1	0.5	12.0	8.5	3.0	--	--	--	3.5
Graham Global Investment	115,269,005	2.8	5.8	2.8	-8.2	0.3	6.5	4.6	--	--	4.6
Samcera SOFR +4%		0.7	2.1	0.7	5.2	9.3	8.2	6.6	--	--	6.6
Excess		2.1	3.7	2.1	-13.4	-9.0	-1.7	-2.0	--	--	-2.0
PIMCO MAARS Fund L.P.	115,086,698	0.3	5.7	0.3	5.3	9.3	10.5	--	--	--	9.6
Samcera SOFR +4%		0.7	2.1	0.7	5.2	9.3	8.2	--	--	--	6.6
Excess		-0.4	3.6	-0.4	0.1	0.0	2.3	--	--	--	2.9



# San Mateo County Composite Return Summary

January 31, 2025



Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Core Fixed Income	867,724,991	0.7	-0.3	0.7	2.3	1.4	-1.8	-0.5	1.1	1.4	4.2
BBG US Aggregate		0.5	-0.1	0.5	2.5	2.1	-1.5	-0.6	1.2	1.2	3.9
Excess		0.1	-0.2	0.1	-0.2	-0.6	-0.3	0.1	-0.1	0.2	0.3
Core Fixed Income ex Overlay	847,288,382	0.7	-0.3	0.7	2.4	1.5	-1.7	-0.4	1.1	1.5	4.2
BBG US Aggregate		0.5	-0.1	0.5	2.5	2.1	-1.5	-0.6	1.2	1.2	3.9
Excess		0.1	-0.2	0.1	-0.1	-0.5	-0.2	0.2	-0.1	0.3	0.3
DoubleLine	268,945,660	0.7	0.4	0.7	3.2	3.3	-1.3	--	--	--	-0.2
BBG US Aggregate		0.5	-0.1	0.5	2.5	2.1	-1.5	--	--	--	-1.0
Excess		0.2	0.4	0.2	0.6	1.2	0.3	--	--	--	0.8
FIAM B Core Bond	189,610,608	0.6	-0.1	0.6	2.6	2.5	-1.3	0.2	1.9	--	2.2
BBG US Aggregate		0.5	-0.1	0.5	2.5	2.1	-1.5	-0.6	1.2	--	1.3
Excess		0.1	0.0	0.1	0.1	0.4	0.2	0.8	0.7	--	0.8
NISA Core Bond	288,880,456	0.8	-0.0	0.8	2.6	2.2	-1.2	--	--	--	-0.9
BBG US Aggregate		0.5	-0.1	0.5	2.5	2.1	-1.5	--	--	--	-1.2
Excess		0.3	0.0	0.3	0.1	0.1	0.3	--	--	--	0.4
NISA Long Treasury	99,851,659	0.4	-3.0	0.4	-0.9	-3.8	--	--	--	--	-4.0
Bloomberg US Long Tsy		0.4	-3.2	0.4	-1.1	-3.9	--	--	--	--	-4.2
Excess		0.0	0.2	0.0	0.2	0.1	--	--	--	--	0.2
Core Fixed Income Overlay	20,436,609	0.7	-0.3	0.7	0.2	-5.0	--	--	--	--	--
ICE BofAML US 3-Month Treasury Bill		0.4	1.2	0.4	2.9	5.2	4.0	--	--	--	2.5
Excess		0.3	-1.4	0.3	-2.7	-10.2	--	--	--	--	--
Real Estate	482,979,578	0.5	0.3	0.5	-0.7	-3.2	-1.8	2.0	3.5	--	4.7
Samcera NCREIF ODCE (gross)		0.0	1.2	0.0	1.4	-1.4	-2.3	2.9	4.0	--	4.7
Excess		0.5	-0.9	0.5	-2.1	-1.8	0.5	-0.9	-0.4	--	-0.1
Beach Point Cap	19,038,876	1.1	1.7	1.1	--	--	--	--	--	--	4.2
Samcera NCREIF ODCE (gross)		0.0	1.2	0.0	--	--	--	--	--	--	1.4
Excess		1.1	0.6	1.1	--	--	--	--	--	--	2.8
Harrison Street Core Property	91,324,118	2.0	2.0	2.0	0.8	0.4	0.9	3.1	--	--	3.0
Samcera NCREIF ODCE (gross)		0.0	1.2	0.0	1.4	-1.4	-2.3	2.9	--	--	2.8
Excess		2.0	0.8	2.0	-0.7	1.8	3.2	0.2	--	--	0.2





# San Mateo County Composite Return Summary

January 31, 2025



Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Invesco Core Real Estate	220,958,694	-0.0	-0.0	-0.0	-1.2	-5.9	-4.1	0.9	2.8	5.0	6.1
Samcera NCREIF ODCE (gross)		0.0	1.2	0.0	1.4	-1.4	-2.3	2.9	4.0	5.9	6.6
Excess		-0.0	-1.2	-0.0	-2.6	-4.5	-1.7	-2.0	-1.2	-0.9	-0.5
Invesco US Val IV	94,745	-4.8	-4.8	-4.8	-11.1	-34.9	-43.1	-26.4	-16.7	--	-10.5
Samcera NCREIF ODCE (gross)		0.0	1.2	0.0	1.4	-1.4	-2.3	2.9	4.0	--	5.2
Excess		-4.8	-6.0	-4.8	-12.5	-33.5	-40.8	-29.3	-20.7	--	-15.7
Invesco US VAL V	23,140,796	0.8	0.8	0.8	-1.4	-2.4	-11.1	-1.4	--	--	-0.2
Samcera NCREIF ODCE (gross)		0.0	1.2	0.0	1.4	-1.4	-2.3	2.9	--	--	--
Excess		0.8	-0.4	0.8	-2.8	-1.0	-8.8	-4.3	--	--	--
Invesco Value-Add Fund	24,697,366	0.0	-3.7	0.0	-5.7	-15.1	--	--	--	--	-8.5
Samcera NCREIF ODCE (gross)		0.0	1.2	0.0	1.4	-1.4	--	--	--	--	-7.5
Excess		0.0	-4.9	0.0	-7.1	-13.6	--	--	--	--	-1.0
PGIM Real Estate US Debt Fund	71,909,201	0.2	1.5	0.2	3.3	6.6	6.3	5.8	6.0	--	5.5
Samcera NCREIF ODCE (gross)		0.0	1.2	0.0	1.4	-1.4	-2.3	2.9	4.0	--	4.2
Excess		0.2	0.3	0.2	1.8	8.0	8.7	2.9	2.0	--	1.3
Stockbridge VAL FD V	6,402,823	0.0	-0.9	0.0	-8.5	--	--	--	--	--	-8.5
Samcera NCREIF ODCE (gross)		0.0	1.2	0.0	1.4	-1.4	-2.3	2.9	4.0	--	4.2
Excess		0.0	-2.1	0.0	-9.9	--	--	--	--	--	-12.7
Stockbridge Value IV	25,412,959	0.0	-3.0	0.0	-6.7	-6.5	6.6	--	--	--	2.5
Samcera NCREIF ODCE (gross)		0.0	1.2	0.0	1.4	-1.4	-2.3	--	--	--	2.9
Excess		0.0	-4.1	0.0	-8.1	-5.1	9.0	--	--	--	-0.4
Public Real Assets	295,086,902	3.1	0.7	3.1	4.5	10.1	3.2	3.1	1.2	--	--
SamCera Liquid Real Asset Inde		3.1	0.8	3.1	4.4	9.9	3.0	5.6	3.5	--	5.9
Excess		0.0	-0.0	0.0	0.2	0.2	0.2	-2.5	-2.3	--	--
SSGA CST REAL ASSET NL	295,086,902	3.1	0.7	3.1	4.5	10.1	3.2	5.5	3.5	--	--
SamCera Liquid Real Asset Inde		3.1	0.8	3.1	4.4	9.9	3.0	5.6	3.5	--	5.2
Excess		0.0	-0.0	0.0	0.2	0.2	0.2	-0.0	-0.0	--	--
Private Real Assets	406,333,805	0.8	3.7	0.8	6.0	10.8	10.0	11.3	7.2	--	9.8
SamCERA Private Real Asset Idx		-1.7	5.5	-1.7	11.9	28.0	8.8	9.1	8.0	--	10.8
Excess		2.5	-1.8	2.5	-5.9	-17.2	1.3	2.3	-0.7	--	-1.0



# San Mateo County Composite Return Summary

January 31, 2025



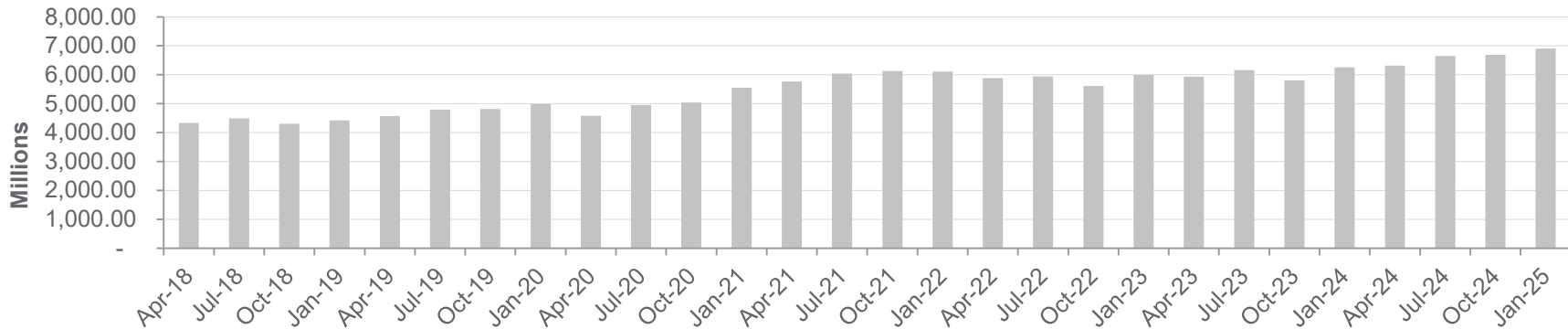
Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Liquidity	404,782,949	0.4	1.0	0.4	3.2	5.0	4.3	--	--	--	2.7
Liquidity Composite Benchmark		0.4	1.0	0.4	3.3	4.6	--	--	--	--	--
Excess		-0.1	-0.0	-0.1	-0.1	0.5	--	--	--	--	--
Cash Flow - Match Liquidity	337,664,351	0.4	0.9	0.4	3.1	4.7	--	--	--	--	4.2
BBG US Agg Govt Credit 1-3		0.5	1.0	0.5	3.4	4.4	--	--	--	--	3.4
Excess		-0.0	-0.1	-0.0	-0.3	0.3	--	--	--	--	0.8
County Treasury Pool	69,043,192	0.2	0.2	0.2	2.0	3.5	2.9	2.3	2.2	1.8	2.6
91 Day T-Bill		0.4	1.2	0.4	2.9	5.2	4.0	2.5	2.4	--	--
Excess		-0.2	-1.0	-0.2	-0.9	-1.7	-1.1	-0.2	-0.2	--	--
Insight Investment	268,621,158	0.5	1.0	0.5	3.2	4.8	--	--	--	--	4.0
BBG US Credit 1-3 Yrs		0.5	1.1	0.5	3.8	5.2	--	--	--	--	4.2
Excess		-0.0	-0.1	-0.0	-0.6	-0.4	--	--	--	--	-0.2
Cash & Cash Overlay	103,708,565	0.4	1.1	0.4	3.0	5.3	--	--	--	--	--
91 Day T-Bill		0.4	1.2	0.4	2.9	5.2	4.0	2.5	2.4	--	--
Excess		0.0	-0.0	0.0	0.0	0.1	--	--	--	--	--
Cash Overlay	15,814,798	0.4	1.1	0.4	2.9	5.2	3.7	--	--	--	2.3
ICE BofAML US 3-Month Treasury Bill		0.4	1.2	0.4	2.9	5.2	4.0	--	--	--	2.5
Excess		0.0	-0.1	0.0	-0.0	0.0	-0.3	--	--	--	-0.2
General Account	87,892,122	0.4	1.2	0.4	3.0	5.3	4.2	2.6	2.5	1.9	2.1
Transition Account	1,645	--	--	--	--	--	--	--	--	--	--
Futures Offsets	36,589,966	-0.0	0.1	-0.0	0.1	0.1	-0.0	--	--	--	0.0
ICE BofAML US 3-Month Treasury Bill		0.4	1.2	0.4	2.9	5.2	4.0	--	--	--	2.5
Excess		-0.4	-1.1	-0.4	-2.8	-5.1	-4.1	--	--	--	-2.5



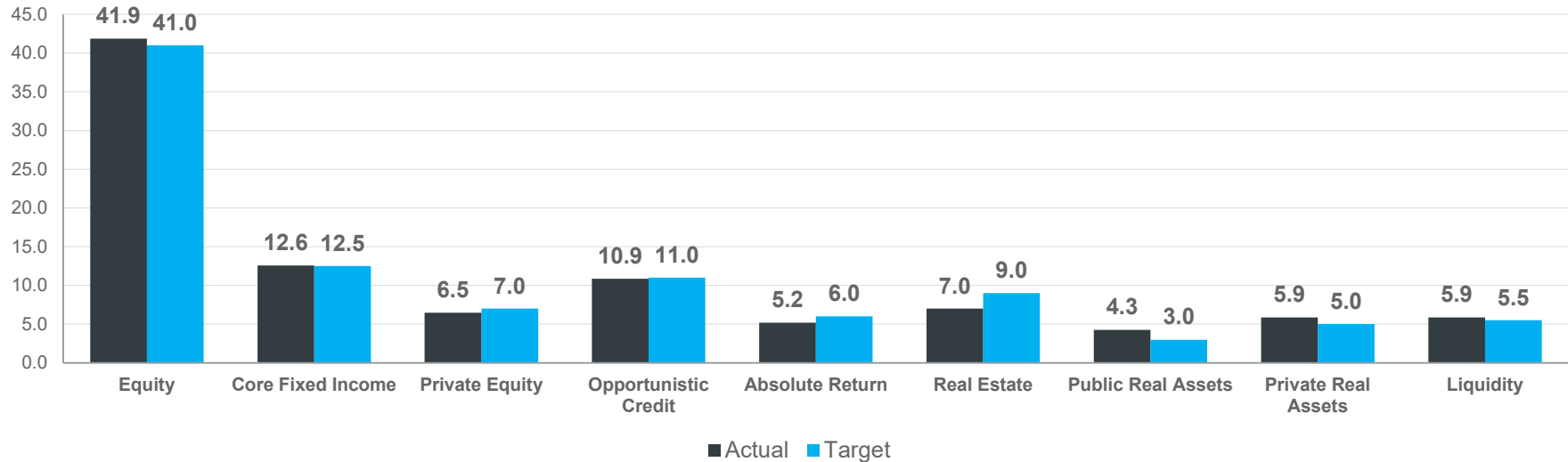
**Record of Asset Growth**

	Three Months	One Year
<b>TOTAL FUND</b>		
Beginning Market Value	6,690,940,375	6,260,843,102
Contributions	105,817,638	271,339,404
Withdrawals	-87,575,429	-337,419,095
Income Received	32,728,983	131,132,972
Gain/Loss	160,536,323	576,788,602
Ending Market Value	6,902,116,161	6,902,116,161

**Net Asset Values Over Time (\$000)**

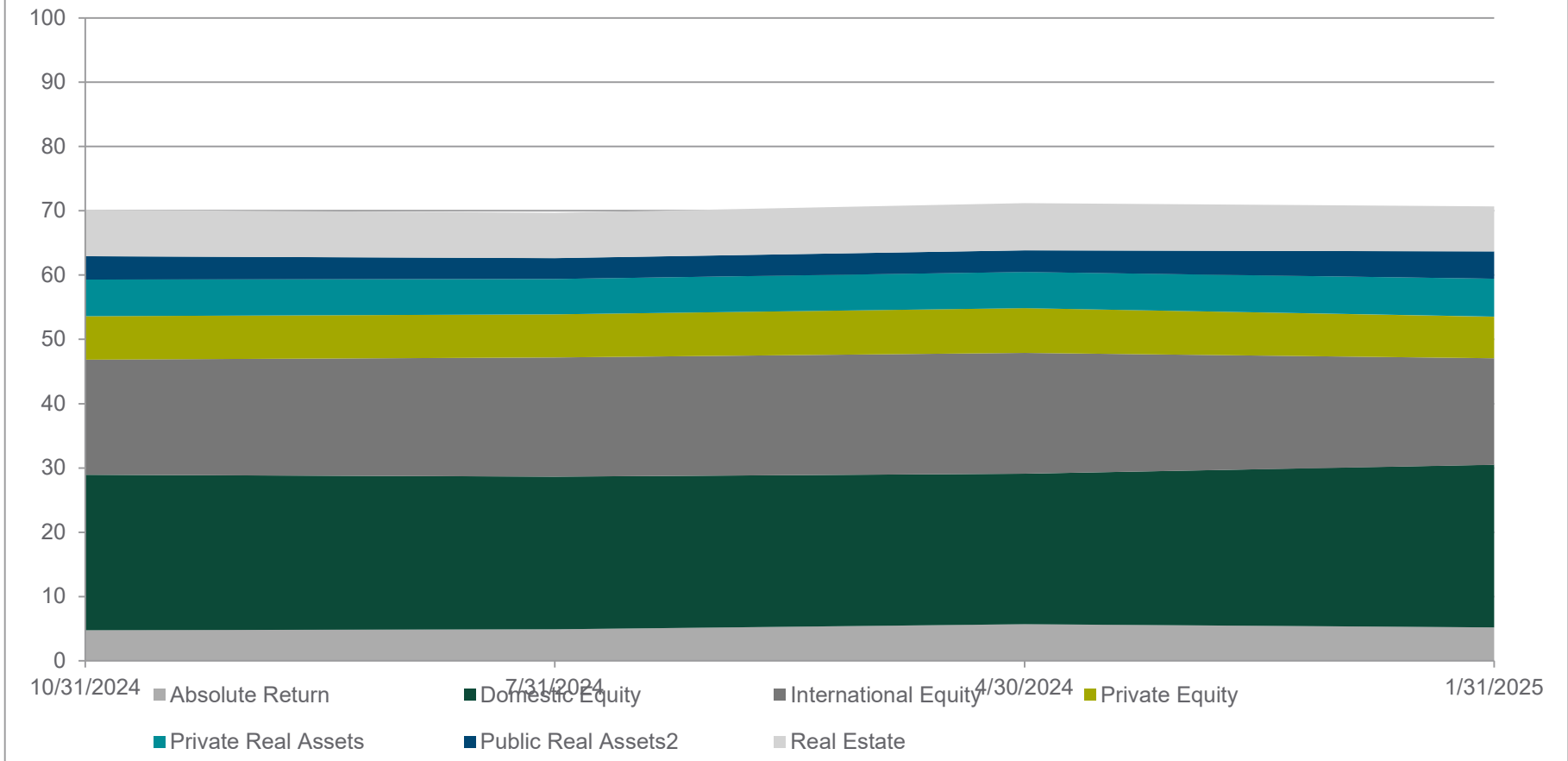


Actual vs Target Weights



	Min	Actual	Target	Deviation	Max
Equity	38.0	41.9	41.0	0.9	44.0
Core Fixed Income	10.5	12.6	12.5	0.1	14.5
Private Equity	5.0	6.5	7.0	-0.5	9.0
Opportunistic Credit	9.0	10.9	11.0	-0.1	13.0
Absolute Return	4.0	5.2	6.0	-0.8	8.0
Real Estate	7.0	7.0	9.0	-2.0	11.0
Public Real Assets	1.0	4.3	3.0	1.3	5.0
Private Real Assets	3.0	5.9	5.0	0.9	7.0
Liquidity		5.9	5.5	0.4	

### Sub-Asset Class Allocation Over Time



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A decorative geometric pattern of overlapping triangles in various shades of blue and green is overlaid on the left side of the image. A prominent white triangle points upwards, partially overlapping the main title text.

**PERSPECTIVES  
THAT DRIVE  
ENTERPRISE  
SUCCESS**

JANUARY 2025  
Capital Markets Update

# Market commentary

## U.S. ECONOMICS

- Headline CPI rose +0.4% in December, in line with expectations, bringing year-over-year inflation to 2.9%. Core CPI was up +0.2% in December and +3.2% year-over-year, with both reports coming in -0.1% below expectations. The cooler-than-expected core CPI print helped move inflation slightly closer to the Fed's 2% target. Markets responded by pricing in a 25bps cut by the June meeting.
- Manufacturing PMI climbed to 50.9, up from 49.2 in December after 26 consecutive months of contraction. Renewed strength in business conditions reflected the growth in both the New Orders Index, up +3.0 to 55.1, and the Production Index, up +2.6 to 52.5.
- January nonfarm payrolls slightly missed expectations, coming in at 143,000 jobs added, which was 32,000 lower than the expected 175,000. The BLS noted that new additions were close to the 2024 average monthly gain of 166,000. November and December additions were revised up by a collective 100,000 jobs. Unemployment edged down to 4.0% from 4.1% in December.

## U.S. EQUITIES

- The S&P 500 posted a gain of +2.8% during January and provided one new closing all-time high. On January 26<sup>th</sup>, news was released that Chinese company DeepSeek had successfully developed an open-source large language model that was competitive with other well-known models but for a fraction of the cost. Following the announcement, the S&P 500 fell -1.5% on the day.
- On January 20<sup>th</sup>, Donald Trump was sworn in as the 47<sup>th</sup> president of the United States. He reiterated bold policy plans and the promise of tariffs. We continue to believe that in most instances tariffs will be used as a negotiation tool rather than an end goal. This has proven to be the case so far given the administration's dealings with Canada, Mexico, and Colombia.

## U.S. FIXED INCOME

- At the January Federal Open Market Committee (FOMC) meeting, the Federal Reserve voted unanimously to keep the federal funds rate unchanged at 4.25-4.50%. The committee favored a hold on rates as recent indicators suggested that economic activity had further expanded at a solid pace. However, the FOMC also cautioned that inflation remains more elevated than desired.
- Bond yields saw increased volatility in January. The 10-year U.S. Treasury yield spiked to 4.79% in the first half of the month amid fiscal policy uncertainty but ultimately cooled back down to 4.58%, unchanged from December.
- Fixed income markets were positive across the board, with high-yield corporate credit the top performer among the fixed income complex (Bloomberg U.S. Corporate High Yield +1.7%).

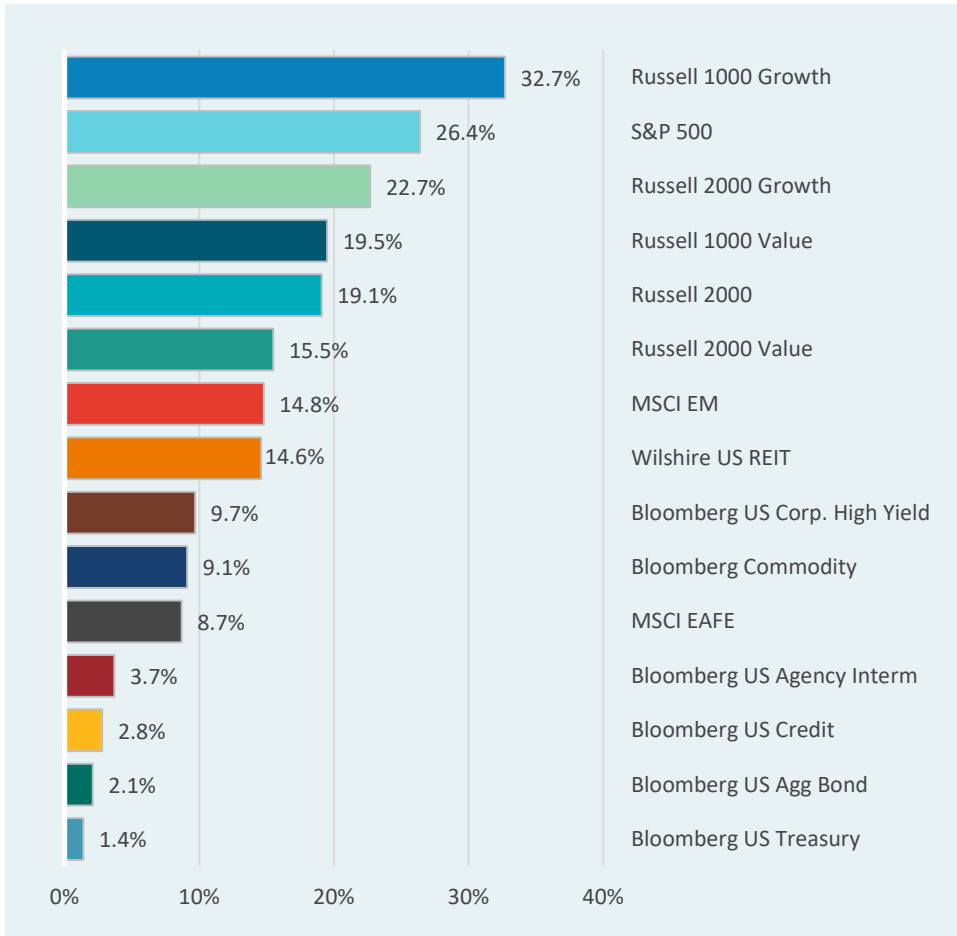
## INTERNATIONAL MARKETS

- Canadian Prime Minister Justin Trudeau announced his resignation in early January. There remain concerns amongst leadership in Canada's ability to absorb potential costs of a trade war with the U.S. The Canadian Parliament will be suspended until March 24<sup>th</sup> while a new leader is chosen.
- The European Central Bank (ECB) decided to cut interest rates by an additional 25bps to 2.75%. The Governing Council appears confident that inflation has developed in line with staff projections and is on course to hit the 2% target this year. This unanimous decision comes on the heels of the U.S. Federal Reserve vote to maintain rates.
- China's general manufacturing PMI came in at 50.1, from 50.5 in December. Growth in manufacturing was limited by a notable drop in employment, sluggish external demand, and price weakness.

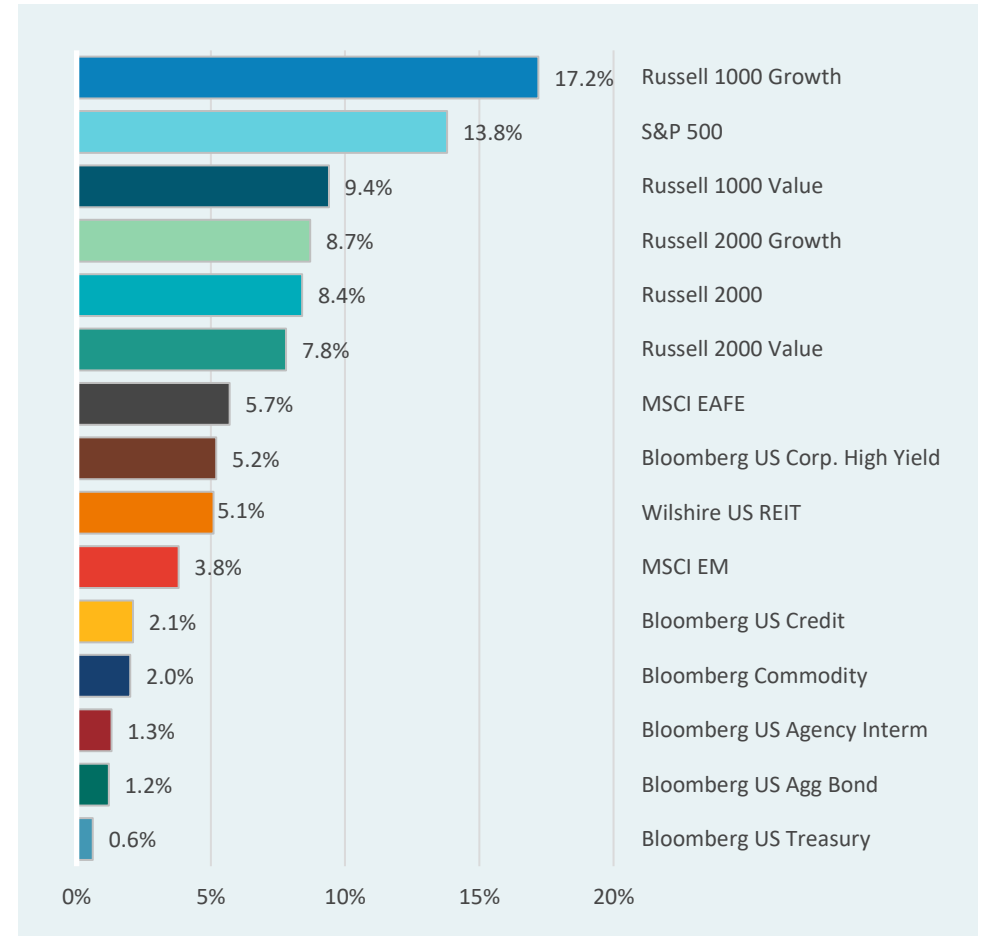


# Major asset class returns

ONE YEAR ENDING JANUARY



TEN YEARS ENDING JANUARY



\*Only publicly traded asset performance is shown here. Performance of private assets is typically released with a 3- to 6-month delay.

Source: Morningstar, as of 1/31/25

Source: Morningstar, as of 1/31/25

# U.S. large cap equities

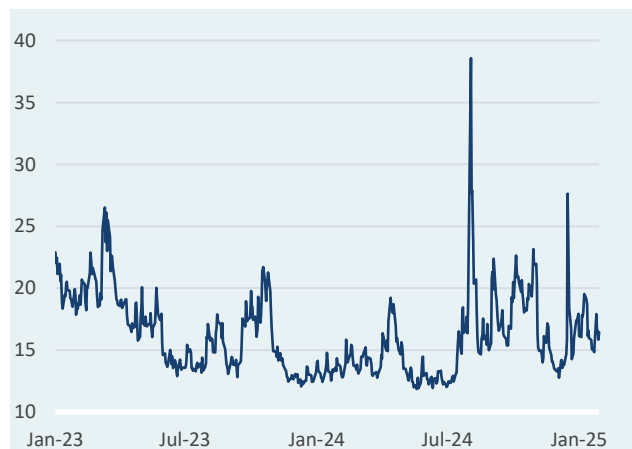
- In January 2025, the “Magnificent Seven” stocks (-0.3%) underperformed the broader market (+2.8%). The pullback could be partially attributed to the rise of DeepSeek, a Chinese AI startup with a competitively priced model that poses a challenge to U.S. tech leaders and raised concerns around future demand for sophisticated Nvidia microchips.
- The S&P 500 posted broad gains in January as 10 of 11 sectors were in the green, with communication services leading +9.0%. Information technology (-2.9%) lagged the index, a notable detractor being Nvidia, down -10.6% during the month.
- The VIX closed January at 16.4 after trading between a high of 22.5 and a low of 14.6. Although volatility levels are fairly in line with the historical average, uncertainty over the FOMC Meeting, questions around President Trump’s administrative agenda, and tariff tensions contributed to jumps in the VIX index.
- During January, 36% of S&P 500 constituents reported earnings for Q4 2024, with 77% reporting EPS above estimates, slightly better than the 10-year average of 75%. The expected Q4 earnings growth rate improved from 11.8% last month to 13.2% at the end of January.

**S&P 500 PRICE INDEX**



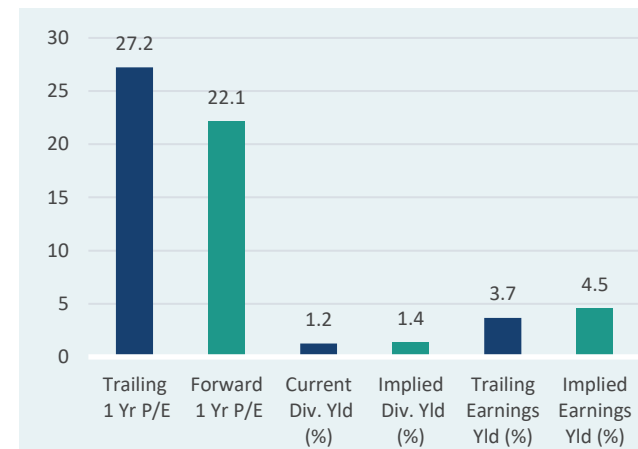
Source: S&P, as of 1/31/25

**IMPLIED VOLATILITY (VIX INDEX)**



Source: Cboe, based on closing price, as of 1/31/25

**S&P 500 VALUATION SNAPSHOT**

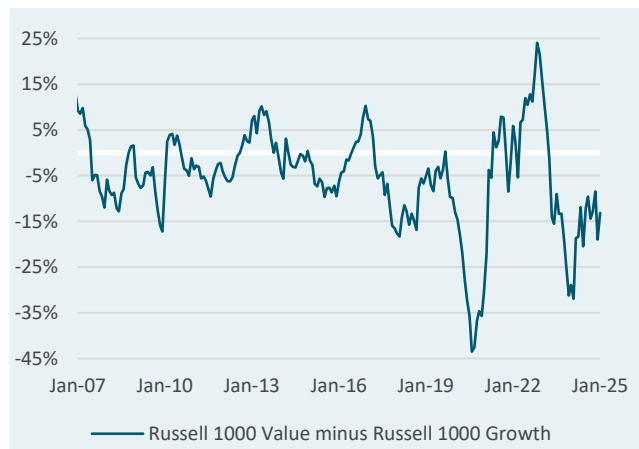


Source: S&P, as of 1/31/25

# Domestic equity size and style

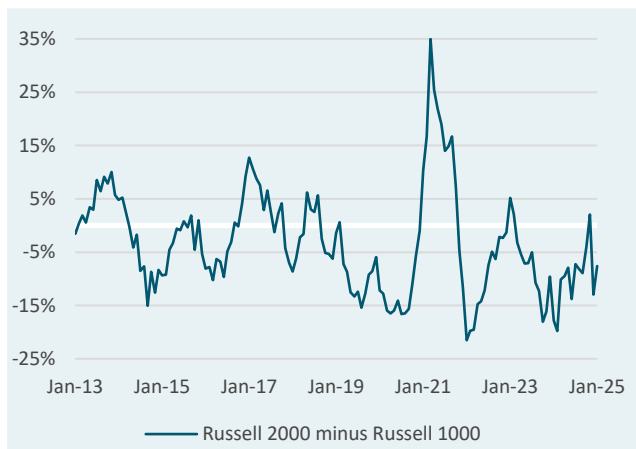
- Large-cap value (Russell 1000 Value +4.6%) outperformed large-cap growth (Russell 1000 Growth +2.0%). The wide valuation gap between value and growth stocks remains, with growth trading at a 74% price/earnings premium over value. Notably, artificial intelligence news placed downward price pressure on certain large-cap growth stocks, while the potential perceived benefits of AI have arguably broadened out.
- Relative valuations once again increased in January, with the S&P 500 trading at 21.9x forward earnings, rising to a 38% premium over the 10-year average.
- Large-caps stocks outperformed (Russell 1000 +3.2) small-caps again in January (Russell 2000 +2.6%). Tariff announcements have generated sector performance volatility, though we continue to believe that tariffs will be used as a negotiating tool in most instances.
- Following news around China’s DeepSeek, Nvidia posted a single-day drop of -17%, losing \$600 billion in market cap, the largest ever single day drop for a U.S. stock. The weight of the top 10 stocks fell from 38.7% in December to 37.7% by the end of January.

**VALUE VS. GROWTH 1-YR ROLLING RELATIVE PERFORMANCE**



Source: FTSE Russell, as of 1/31/25

**SMALL VS. LARGE 1-YR ROLLING RELATIVE PERFORMANCE**



Source: FTSE Russell, as of 1/31/25

**1-YEAR SIZE & STYLE PERFORMANCE**

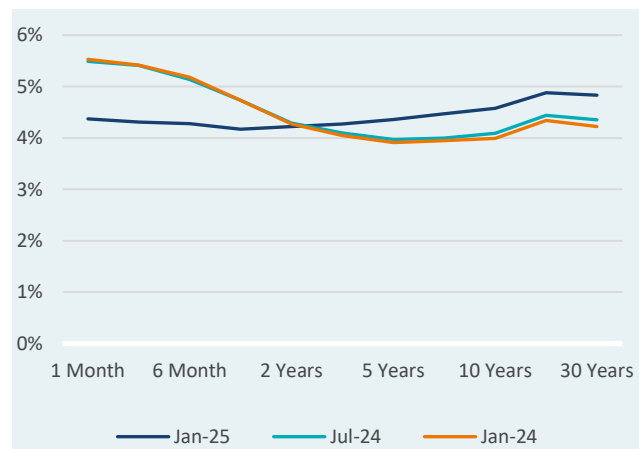
	Value	Core	Growth
Large Cap	19.5%	26.7%	32.7%
Mid Cap	19.2%	22.0%	30.6%
Small Cap	15.5%	19.1%	22.7%

Source: FTSE Russell, as of 1/31/25

# Fixed income

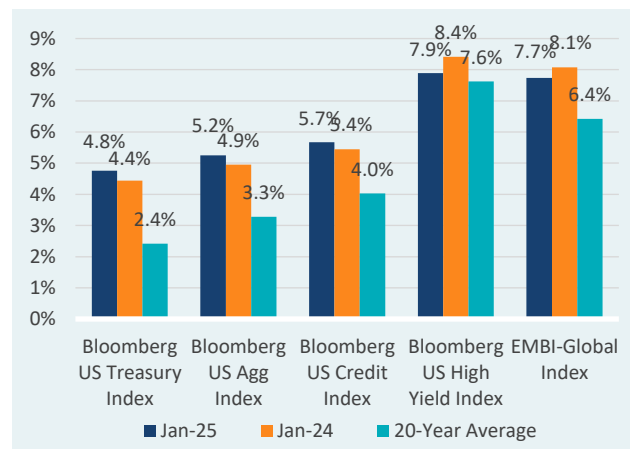
- Longer-dated U.S. Treasury yields were volatile in January, with the 10-year U.S. Treasury yield climbing to a mid-month high of 4.79%. However, a cooler-than-expected core CPI print likely helped to lower the 10-year yield back down to 4.58% by month-end. The 2-year U.S Treasury yield ended the month -3bps lower at 4.22%.
- European sovereign bond markets saw an uptick in yields in January. The 10-year German bund ended the month +10bps to 2.46%, while the European Central Bank decided to cut interest rates an additional 25bps to 2.75%. ECB President Lagarde emphasized the need for further supportive data before committing to future rate cuts.
- High yield corporate credit (Bloomberg U.S. Corporate High Yield +1.4%) widely outperformed amongst domestic fixed income. High yield spreads compressed slightly, falling 25bps to 261bps by month-end.
- The Federal Reserve voted as anticipated, holding rates steady at 4.25-4.50%. Since September 2024, the Fed had voted in favor of three rate cuts, a cumulative 1.00%. The recent pause in rate cuts could be an opportunity for the Fed to wait and see how economic indicators respond to the proposed initiatives under the Trump administration.

**U.S. TREASURY YIELD CURVE**



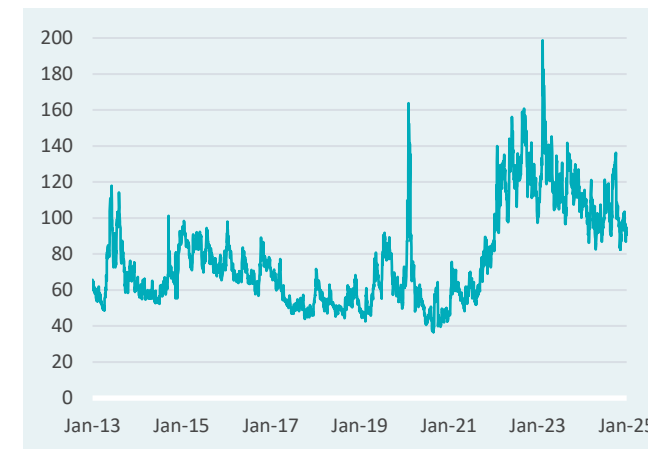
Source: U.S. Treasury, as of 1/31/25

**NOMINAL YIELDS**



Source: Morningstar, as of 1/31/25

**U.S. TREASURY IMPLIED VOL (“MOVE” INDEX)**

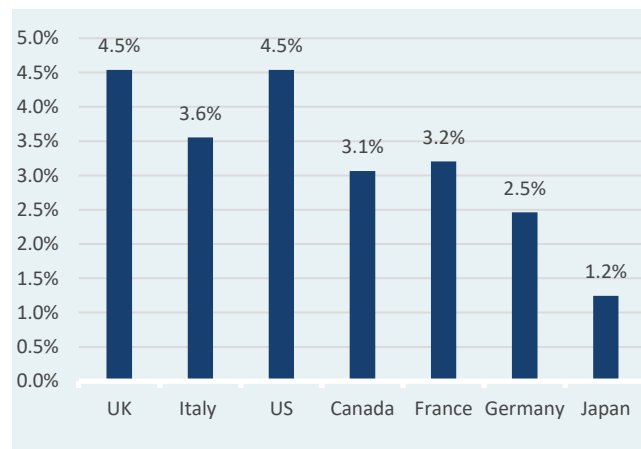


Source: BofA, as of 1/31/25

# Global markets

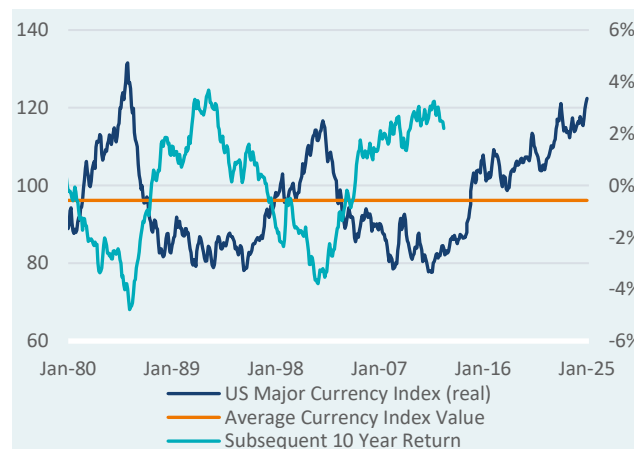
- International equities (MSCI ACWI ex U.S. +4.0%) outperformed the MSCI ACWI by +0.6%. The MSCI Europe Index was up +8.0%, as investors rotated into European stocks, resulting in the second largest single-month inflows in 25 years.
- The Bank of Japan (BOJ) in an 8-1 vote, decided to raise interest rates 25bps to 0.5% from 0.25%, the highest in 17 years. The yen rose as much as +0.8% to 154.8 per dollar following the policy decision. The BOJ has offered few insights into the timing and pace of future rate hikes amid an uncertain geopolitical climate. MSCI Japan closed the month +1.6%.
- MSCI EM Latin America (+9.5%) rallied after months of underperformance. MSCI Brazil (+12.4%) led with strong regional gains, supported by rising commodity prices and appreciation of the Brazilian real against the U.S. dollar.
- The Chinese manufacturing sector reportedly remained in expansionary territory for the fourth consecutive month at 50.1, from 50.5 in December. The rise of renewed tariff concerns under the Trump administration posed a challenge to Chinese exporters as shipment orders softened and overseas demand for consumer goods declined. MSCI China ended the month with marginal gains of +0.9%.

## GLOBAL SOVEREIGN 10-YEAR YIELDS



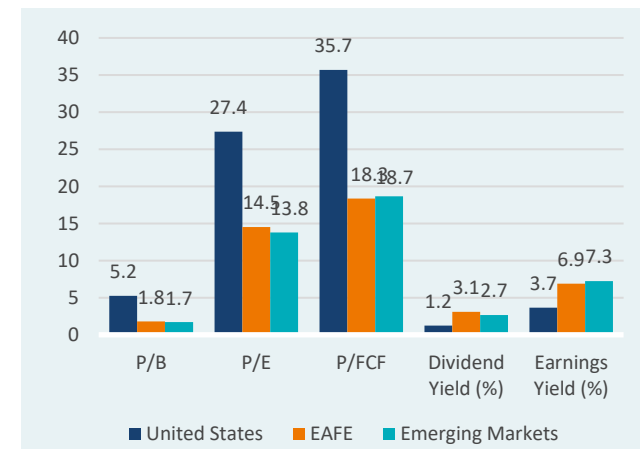
Source: Bloomberg, as of 1/31/25

## U.S. DOLLAR MAJOR CURRENCY INDEX



Source: Federal Reserve, as of 1/31/25

## MSCI VALUATION METRICS (3-MONTH AVG)

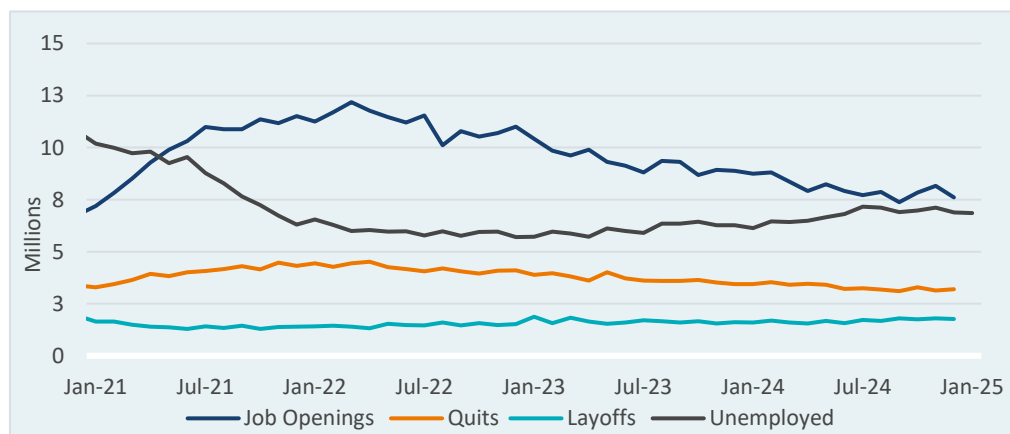


Source: MSCI, as of 1/31/25 – price metrics are trailing

# U.S. economic review

Data Print	Period	Prior	Estimate	Actual
Change in Nonfarm Payrolls	Jan	307,000	175,000	143,000
Unemployment Rate	Jan	4.1%	4.1%	4.0%
CPI MoM	Jan	0.3%	0.4%	0.4%
CPI YoY	Jan	2.7%	2.9%	2.9%
CPI Ex Food and Energy MoM	Jan	0.3%	0.3%	0.2%
ISM Manufacturing	Jan	49	50	51
ISM Services Index	Jan	54	54	53
Conf. Board Consumer Confidence	Jan	110	106	104
S&P Global US Manufacturing PMI	Jan	50	50	51
S&P Global US Composite PMI	Jan	52	53	53
S&P Global US Services PMI	Jan	53	53	53
U. of Mich. Sentiment	Jan	73	73	71

## LABOR MARKET METRICS



Source: FRED, as of 1/31/25

## Labor Market

- The first January jobs report was positive. Nonfarm payrolls came in at 143,000 jobs, just 32,000 below the expected 175,000. November and December additions were revised up by a collective 100,000 jobs. The BLS noted that the Southern California wildfires and severe winter weather had no discernable effect on the print.

## Consumers

- Consumer sentiment fell to 71, from 74 in December, the first monthly weakening in six months. The broad-based decline in sentiment centered around the trajectory of inflation and its relationship to proposed policies under a new administration.
- Consumer confidence declined to 104, a four-month low. All components of the index contracted in January as consumers reiterated pessimism about future employment prospects and inflation pressures.

## Looking Ahead

- The January FOMC official comments remain cautiously optimistic about the U.S. economy as they continue to balance the health of the labor market with sticky inflation. The Fed appeared comfortable maintaining a *higher for longer* narrative and explained that economic and inflation data will guide 2025 decision-making.

# Appendix

# Periodic table of returns

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD	5-Year	10-Year
Large Cap Growth	34.5	32.6	39.8	5.2	79.0	29.1	14.3	18.6	43.3	13.5	13.3	31.7	37.3	6.7	36.4	38.5	28.3	16.1	42.7	33.4	5.3	18.9	17.2
Large Cap Equity	21.4	26.9	16.2	1.4	37.2	26.9	7.8	18.1	38.8	13.2	5.7	21.3	30.2	1.9	31.4	34.6	27.6	9.4	26.5	24.5	4.6	15.0	13.5
Large Cap Value	20.1	23.5	15.8	-6.5	34.5	24.5	2.6	17.9	34.5	13.0	0.9	17.3	25.0	0.0	28.5	21.0	27.1	1.5	18.7	15.2	4.0	10.2	9.4
Small Cap Growth	14.0	22.2	11.8	-21.4	32.5	19.2	1.5	17.5	33.5	11.8	0.6	12.1	22.2	-1.5	26.5	20.0	26.5	-4.7	18.2	14.4	3.2	9.3	8.7
Emerging Markets Equity	7.5	18.4	11.6	-25.9	28.4	16.8	0.4	16.4	33.1	6.0	0.0	11.8	21.7	-3.5	25.5	18.3	25.2	-7.5	16.9	11.5	3.2	8.9	8.4
Small Cap Equity	7.1	16.6	10.9	-28.9	27.2	16.7	0.1	16.3	32.5	5.6	-0.4	11.3	17.1	-4.8	22.4	14.0	17.7	-13.0	15.4	9.9	2.6	8.7	7.8
60/40 Global Portfolio	6.3	15.5	10.3	-33.8	23.3	16.1	-2.1	15.3	23.3	4.9	-0.8	11.2	14.6	-6.0	22.0	10.3	14.8	-14.5	14.6	9.5	2.2	7.8	6.1
Small Cap Value	5.3	15.1	7.0	-35.6	20.6	15.5	-2.9	14.6	12.1	4.2	-1.4	8.0	13.7	-8.3	18.6	7.8	11.3	-14.5	11.5	8.1	2.1	6.3	5.7
International Equity	4.7	13.3	7.0	-36.8	19.7	13.1	-4.2	11.5	11.0	3.4	-2.5	7.1	7.8	-9.3	18.4	7.5	8.9	-17.3	9.8	7.5	2.0	5.9	5.7
Hedge Funds of Funds	4.6	10.4	5.8	-37.6	18.9	10.2	-5.5	10.5	9.0	2.8	-3.8	5.7	7.7	-11.0	8.7	4.6	6.5	-19.1	6.3	5.4	1.8	5.6	4.0
Cash	4.6	9.1	4.4	-38.4	11.5	8.2	-5.7	4.8	0.1	0.0	-4.4	2.6	7.0	-11.2	7.8	2.8	2.8	-20.1	5.5	5.3	1.2	3.1	3.8
Commodities	4.2	4.8	-0.2	-38.5	5.9	6.5	-11.7	4.2	-2.0	-1.8	-7.5	1.0	3.5	-12.9	7.7	0.5	0.0	-20.4	5.0	3.8	0.9	2.5	2.0
US Bonds	3.2	4.3	-1.6	-43.1	0.2	5.7	-13.3	0.1	-2.3	-4.5	-14.9	0.5	1.7	-13.8	6.4	0.5	-1.5	-26.4	-7.9	1.3	0.5	3.0	1.8
Real Estate	2.4	2.1	-9.8	-53.2	-16.9	0.1	-18.2	-1.1	-9.5	-17.0	-24.7	0.3	0.9	-14.6	2.1	-3.1	-2.5	-29.1	-7.9	0.4	0.4	-0.6	1.2

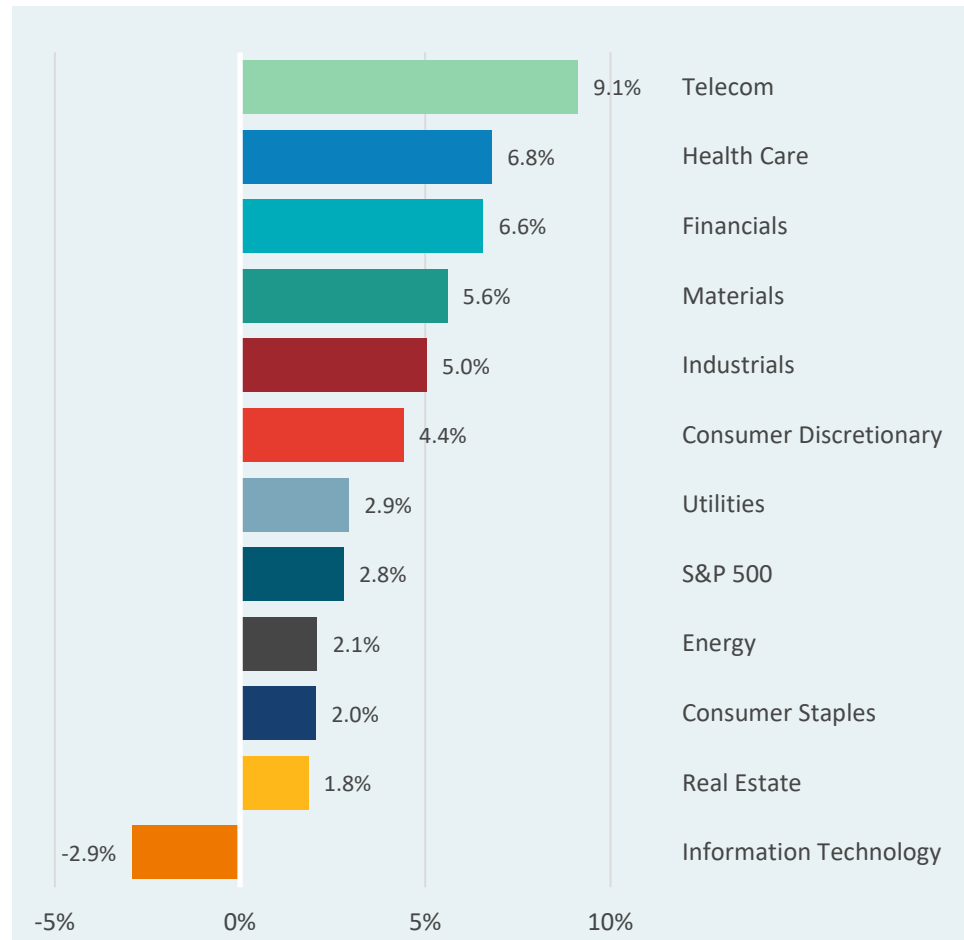


Source Data: Morningstar, Inc., Hedge Fund Research, Inc. (HFR), National Council of Real Estate Investment Fiduciaries (NCREIF). Indices used: Russell 1000, Russell 1000 Value, Russell 1000 Growth, Russell 2000, Russell 2000 Value, Russell 2000 Growth, MSCI EAFE, MSCI EM, Bloomberg US Aggregate, T-Bill 90 Day, Bloomberg Commodity, NCREIF Property, HFRI FOF, MSCI ACWI, Bloomberg Global Bond. NCREIF Property Index performance data as of 12/31/24.



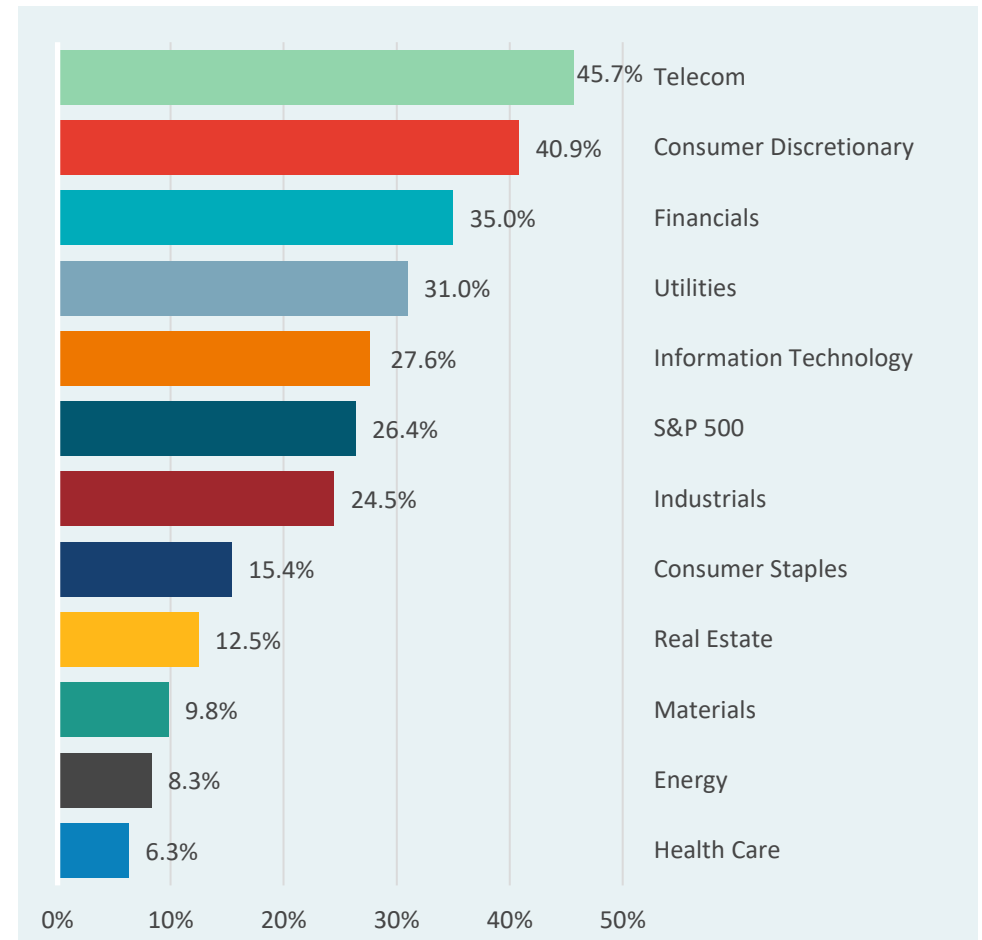
# S&P 500 sector returns

QTD



Source: Morningstar, as of 1/31/25

ONE YEAR ENDING JANUARY



Source: Morningstar, as of 1/31/25

# Detailed index returns

## DOMESTIC EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
<b>Core Index</b>							
S&P 500	2.8	2.8	2.8	26.4	11.9	15.2	13.8
S&P 500 Equal Weighted	3.5	3.5	3.5	17.9	7.2	11.9	11.0
DJ Industrial Average	4.8	4.8	4.8	18.9	10.5	11.8	12.5
Russell Top 200	2.9	2.9	2.9	28.2	12.9	16.3	14.7
Russell 1000	3.2	3.2	3.2	26.7	11.7	15.0	13.5
Russell 2000	2.6	2.6	2.6	19.1	5.6	8.7	8.4
Russell 3000	3.2	3.2	3.2	26.3	11.4	14.6	13.2
Russell Mid Cap	4.3	4.3	4.3	22.0	8.0	11.0	10.3
<b>Style Index</b>							
Russell 1000 Growth	2.0	2.0	2.0	32.7	14.6	18.9	17.2
Russell 1000 Value	4.6	4.6	4.6	19.5	8.1	10.2	9.4
Russell 2000 Growth	3.2	3.2	3.2	22.7	6.2	7.8	8.7
Russell 2000 Value	2.1	2.1	2.1	15.5	4.7	8.9	7.8

## INTERNATIONAL EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
<b>Broad Index</b>							
MSCI ACWI	3.4	3.4	3.4	20.7	8.4	11.0	9.8
MSCI ACWI ex US	4.0	4.0	4.0	10.9	3.4	5.5	5.2
MSCI EAFE	5.3	5.3	5.3	8.7	5.1	6.3	5.7
MSCI EM	1.8	1.8	1.8	14.8	(0.7)	3.0	3.8
MSCI EAFE Small Cap	3.4	3.4	3.4	7.1	0.4	3.6	5.9
<b>Style Index</b>							
MSCI EAFE Growth	5.4	5.4	5.4	6.3	2.9	5.2	6.3
MSCI EAFE Value	5.1	5.1	5.1	11.2	7.3	6.9	4.9
<b>Regional Index</b>							
MSCI UK	5.2	5.2	5.2	14.7	6.8	6.3	4.4
MSCI Japan	1.6	1.6	1.6	5.1	5.1	5.4	6.2
MSCI Euro	8.0	8.0	8.0	9.4	6.1	7.6	6.0
MSCI EM Asia	0.7	0.7	0.7	19.0	(0.2)	4.1	4.6
MSCI EM Latin American	9.5	9.5	9.5	(15.3)	2.8	(0.4)	1.9

## FIXED INCOME

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
<b>Broad Index</b>							
Bloomberg US TIPS	1.3	1.3	1.3	3.0	(1.2)	1.7	2.1
Bloomberg US Treasury Bills	0.4	0.4	0.4	5.2	4.0	2.5	1.8
Bloomberg US Agg Bond	0.5	0.5	0.5	2.1	(1.5)	(0.6)	1.2
Bloomberg US Universal	0.6	0.6	0.6	2.9	(1.0)	(0.2)	1.6
<b>Duration</b>							
Bloomberg US Treasury 1-3 Yr	0.4	0.4	0.4	4.1	1.8	1.3	1.4
Bloomberg US Treasury Long	0.4	0.4	0.4	(3.9)	(10.6)	(6.4)	(1.4)
Bloomberg US Treasury	0.5	0.5	0.5	1.4	(2.1)	(1.1)	0.6
<b>Issuer</b>							
Bloomberg US MBS	0.5	0.5	0.5	2.2	(1.5)	(0.8)	0.9
Bloomberg US Corp. High Yield	1.4	1.4	1.4	9.7	4.3	4.5	5.2
Bloomberg US Agency Interm	0.5	0.5	0.5	3.7	1.1	0.8	1.3
Bloomberg US Credit	0.6	0.6	0.6	2.8	(0.9)	(0.1)	2.1

## OTHER

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
<b>Index</b>							
Bloomberg Commodity	4.0	4.0	4.0	9.1	2.5	9.3	2.0
Wilshire US REIT	1.0	1.0	1.0	14.6	0.2	4.6	5.1
S&P UBS Leveraged Loan	0.7	0.7	0.7	9.0	7.0	5.8	5.2
S&P Global Infrastructure	2.3	2.3	2.3	21.6	8.2	5.4	6.2
Alerian MLP	8.9	8.9	8.9	32.1	26.4	18.2	4.5
<b>Regional Index</b>							
JPM EMBI Global Div	1.4	1.4	1.4	9.2	0.5	0.1	3.2
JPM GBI-EM Global Div	2.1	2.1	2.1	1.2	(0.3)	(1.2)	0.6
<b>Hedge Funds</b>							
HFRI Composite	1.4	1.4	1.4	10.2	5.3	7.2	5.3
HFRI FOF Composite	1.2	1.2	1.2	10.4	4.6	5.6	4.0
<b>Currency (Spot)</b>							
Euro	0.4	0.4	0.4	(4.3)	(2.5)	(1.3)	(0.8)
Pound Sterling	(0.8)	(0.8)	(0.8)	(2.4)	(2.5)	(1.2)	(1.9)
Yen	1.5	1.5	1.5	(5.6)	(9.4)	(6.9)	(2.7)

Source: Morningstar, HFRI, as of 1/31/25

# Detailed private market returns

## Comparison to public market index returns

Private Equity Pooled IRRs	1 Year	3 Year	5 Year	10 Year
Global Private Equity FoFs & Secondary Funds	5.0	1.5	14.5	12.3
<i>MSCI World Index (PME)</i>	32.3	9.6	13.4	9.8
Global Private Equity Direct Funds <sup>1</sup>	8.0	2.2	14.9	14.0
<i>MSCI World Index (PME)</i>	32.3	10.0	13.4	10.4
U.S. Private Equity Direct Funds <sup>1</sup>	7.8	2.7	16.3	15.1
<i>Russell 3000 Index (PME)</i>	35.0	11.2	15.6	13.0
Europe Private Equity Direct Funds <sup>1</sup>	12.3	3.9	15.0	13.9
<i>MSCI Europe Index (PME)</i>	25.0	7.7	9.6	6.2
Asia Private Equity Direct Funds <sup>1,4</sup>	2.9	(1.4)	8.4	10.5
<i>MSCI AC Asia Pacific Index (PME)</i>	31.7	(0.3)	6.7	6.6

Private Credit Pooled IRRs	1 Year	3 Year	5 Year	10 Year
U.S. All Private Debt <sup>2,4</sup>	7.9	8.4	11.9	10.5
<i>Morningstar LSTA U.S. Leveraged Loan 100 Index (PME)</i>	9.5	6.6	5.9	5.2

Private Real Estate Pooled IRRs	1 Year	3 Year	5 Year	10 Year
U.S. All Private Real Estate	(1.8)	2.9	6.6	9.4
<i>FTSE NAREIT Equity REIT Index (PME)</i>	34.5	6.6	6.7	8.8

Private Real Assets Pooled IRRs	1 Year	3 Year	5 Year	10 Year
Global Nature Resources <sup>3,4</sup>	4.7	13.4	8.3	3.0
<i>S&amp;P Global Natural Resources Index (PME)</i>	7.1	8.4	10.5	6.0
Global Infrastructure <sup>4</sup>	11.1	10.3	10.7	10.4
<i>S&amp;P Global Infrastructure Index (PME)</i>	29.6	9.3	7.2	6.5

Source: Pooled IRRs and Public Market Equivalents (PMEs) are both from FTSE (previously Refinitiv) C/A, as of September 30<sup>th</sup>, 2024. All returns in U.S. dollars.

1. Includes Buyout, Growth Equity and Venture Capital.

2. Includes Control-Oriented Distressed, Credit Opportunities, Senior Debt and Subordinated Capital.

3. Includes Private Equity Energy, Timber and Upstream Energy & Royalties.

4. Due to limited history of the PME, only the funds with the same vintage years as PMEs are included.

# Notices & disclosures

**Past performance is no guarantee of future results.** This document is provided for informational purposes only and is directed to institutional clients and eligible institutional counterparties only and is not intended for retail investors. Nothing herein constitutes investment, legal, accounting or tax advice, or a recommendation to buy, sell or hold a security or pursue a particular investment vehicle or any trading strategy. This document may include or imply estimates, outlooks, projections and other “forward-looking statements.” No assurance can be given that future results described or implied by any forward looking information will be achieved. Investing entails risks, including possible loss of principal. Additional information about Verus Advisory, Inc. is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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**SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**Board of Retirement**

February 25, 2025

Agenda Item 6.2

**TO:** Board of Retirement

**FROM:** Michael Coultrip, Chief Investment Officer *Michael R. Coultrip*

**SUBJECT:** Report on Quarterly Investment Performance Report for the Period Ended December 31, 2024

**Recommendation**

Accept Verus Advisory's quarterly performance report for the period ended December 31, 2024.

**Discussion**

The 4th quarter net total return for the SamCERA portfolio was -0.9%, which was 1.4% below the 0.5% policy benchmark return. As can be seen on pages 23 and 24, the growth portfolio (private equity and international equity) and inflation hedge (private real assets) were the main portfolio detractors of relative performance, while diversifying (absolute return) was the main performance contributor.

For the calendar year ending December 31, 2024, the net total return for the SamCERA portfolio was 8.8%, which was 3.7% lower than the 12.5% policy benchmark return. As can be seen on pages 25 and 26, the growth portfolio (private equity and international equity) was the main detractor to performance.

John Nicolini and Joe Abdou will present the report to the Board and will be available for questions.

**Attachment**

Verus Quarterly Performance Report Ending December 31, 2024



**PERSPECTIVES  
THAT DRIVE  
ENTERPRISE  
SUCCESS**



**PERIOD ENDING: December 31, 2024**

Investment Performance Review for

**San Mateo County Employees' Retirement Association**

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

SEATTLE 206.622.3700

CHICAGO 312.815.5228

PITTSBURGH 412.784.6678

LOS ANGELES 310.297.1777

SAN FRANCISCO 415.362.3484

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Market Environment

TAB I

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Diversifying

TAB IV

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Total Fund

TAB II

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Inflation Hedge

TAB V

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Growth

TAB III

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Appendix

TAB VI

# 4<sup>th</sup> quarter summary

## THE ECONOMY

- The election of Donald Trump and news of a unified government appears to have positively impacted household and business sentiment. The news has generally been perceived as implying easier business conditions, firmer economic growth, fewer interest rate cuts, and mildly higher inflation.
- U.S. inflation drifted upward during Q4, from 2.4% YoY in September to 2.9% in December. Core inflation (ex-food & energy) was fairly stable at 3.2%. Investors now expect the Fed to cut rates once or twice over the next year. Further increases in the rate of inflation could possibly push the Federal Reserve towards a rate hike—an outcome that would likely spook markets.

## EQUITY

- The U.S. (S&P 500 +2.4%) provided a strong quarter while non-U.S. markets lagged. Emerging markets (MSCI EM -8.0%) and international developed (MSCI EAFE -8.1%) both delivered sharp losses, though these losses were caused by currency movements rather than equity weakness. For investors with hedged currency exposure, the MSCI EAFE index produced a +0.1% return.
- Small cap and value both continued to underperform. Small cap trailed large cap by -2.4% in Q4, while value trailed growth by -9.1%. This capped off a year of poor returns for both style factors, underperforming by -13% and -19%, respectively.

## FIXED INCOME

- The 10-year U.S. Treasury yield jumped from 3.79% to 4.55% during the quarter, amid growing evidence that the economy may remain hotter than previously believed, and expectations around pro-growth policies of the Trump Administration, as well as the possibility that a tariff spat with trade partners could push inflation upwards.
- Default activity remained low, as the economy was strong and chances of recession have fallen. However, 'distressed exchanges', a renegotiation of debt that does not count as a technical default, have been rising substantially. During the quarter, total distressed credit volume was roughly \$19.4 billion, which marked the second largest quarterly total on record since Q4 2008.

## ASSET ALLOCATION ISSUES

- U.S. election results triggered large market movements in early November. Equities rallied along with most risk assets, while treasury yields jumped materially. Although investors have interpreted this news as generally positive for the future, volatility along the way is also likely.
- Implied bond market volatility continued to moderate, following record highs that were achieved during the recent U.S. inflation scare. However, volatility levels remain materially above the longer-term average. We suspect that volatility will be elevated on an ongoing basis as investors are fixated on Federal Reserve actions and communications.

Evidence of a strong U.S. economy, and news of an incoming Trump Administration, have led to shifting expectations around growth, interest rates, and inflation



# U.S. economics summary

- In early November, U.S. election results were announced, confirming the election of Donald Trump and a unified government as Republicans took the House and Senate. Household surveys and market movements suggest that the coming years may be characterized by easier business conditions, firmer economic growth, fewer interest rate cuts, and perhaps mildly higher inflation.
- Real GDP growth slowed during Q4, from 3.1% to 2.3% quarter-over-quarter annualized (2.5% year-over-year), but remained fairly robust. Economic growth continues to be supported largely by consumer purchases, with increases in government spending also providing notable support. Investment fell and was the largest drag on the economy.
- The Federal Reserve cut interest rates once in November and again in December—each time by a quarter point. This brought the Fed’s target rate from 4.75-5.00% down to 4.25-4.50%.
- U.S. inflation drifted upward during Q4, from 2.4% YoY in September to 2.9% in December. Core inflation (ex-food & energy) was fairly stable at 3.2%. Investors now expect the Fed to cut rates once or twice over the next full year. Further increases in the rate of inflation could potentially push the Federal Reserve towards a rate hike—an outcome that would likely spook markets.
- The labor market was broadly stable during the quarter. Unemployment remained at 4.1%, while the labor participation rate moved slightly lower. December nonfarm payrolls exceeded expectations, coming in at 256,000, which was 91,000 higher than forecast. Moderate, but stable, labor conditions further eased fears that the rise in unemployment of late-2023 might have indicated a trend towards recession.
- Consumer sentiment has improved materially since the results of the U.S. election became known. In November, small business optimism showed the largest monthly jump since 1980. Significant improvements in sentiment should bode well for household and business spending in the near-term.

	Most Recent	12 Months Prior
Real GDP (YoY)	2.5% <i>12/31/24</i>	3.2% <i>12/31/23</i>
Inflation (CPI YoY, Core)	3.2% <i>12/31/24</i>	3.3% <i>12/31/23</i>
Expected Inflation (5yr-5yr forward)	2.3% <i>12/31/24</i>	2.5% <i>12/31/23</i>
Fed Funds Target Range	4.25–4.50% <i>12/31/24</i>	5.25–5.50% <i>12/31/23</i>
10-Year Rate	4.55% <i>12/31/24</i>	3.88% <i>12/31/23</i>
U-3 Unemployment	4.1% <i>12/31/24</i>	3.7% <i>12/31/23</i>
U-6 Unemployment	7.5% <i>12/31/24</i>	7.1% <i>12/31/23</i>

# International economics summary

- The Eurozone grew only 0.9% YoY Q3. The region is also expected to show slow growth in 2025, with a +1.2% consensus estimate for the Euro Area. High energy prices have negatively impacted manufacturing and other business activities, while competition from China has also had dire impacts. Once the industrial heart of Europe, Germany’s manufacturing sector faces an uncertain future.
- Inflation has moderated across most global economies, with the European Central Bank (ECB) rounding out the year with its fourth interest rate cut. The ECB has shown a shift in concern away from inflation and towards growth—removing official language regarding keeping rates “sufficiently restrictive.” Economists now expect 4-5 rate cuts during 2025, to a rate level that is believed to be neutral to growth or slightly stimulative.
- After slipping into contractionary territory last quarter, the Japanese economy rebounded in Q3, delivering

growth of +0.5%. This coincided with a slight uptick in inflation, now at 3%. Growth has been assisted by a weak Yen, which makes exports cheaper for other countries to purchase. Domestic consumer demand has also provided a tailwind for growth and led to expectations of a more normal interest rate environment, with the Bank of Japan now expected to increase interest rates to 0.50% by March.

- China was reportedly able to achieve the official GDP growth target in 2024, claiming growth of 5.4% year-over-year, though the economy still faces deep structural issues. China is heavily reliant on exports, which may be interrupted by U.S. tariffs in the case of a trade spat. Home prices continue to fall alongside oversupply and weaker economic conditions. Deflation fears are weighing on consumer spending. Alongside these near-term issues, a declining population poses a multitude of problems to the overall economy, spending, and the housing market.

Area	GDP (Real, YoY)	Inflation (CPI, YoY)	Unemployment
United States	2.5% 12/31/24	2.9% 12/31/24	4.1% 12/31/24
Eurozone	0.9% 9/30/24	2.4% 12/31/24	6.3% 11/30/24
Japan	0.5% 9/30/24	3.0% 12/31/24	2.4% 11/30/24
BRICS Nations	4.5% 9/30/24	2.1% 12/31/24	5.2% 12/31/24
Brazil	4.0% 9/30/24	4.8% 12/31/24	6.1% 11/30/24
Russia	3.1% 9/30/24	9.5% 12/31/24	2.3% 11/30/24
India	5.4% 9/30/24	5.2% 12/31/24	7.1% 12/31/24
China	5.4% 12/31/24	0.1% 12/31/24	5.1% 12/31/24

*NOTE: India lacks reliable government unemployment data. Unemployment rate shown above is estimated from the Centre for Monitoring Indian Economy. The Chinese unemployment rate represents the monthly surveyed urban unemployment rate in China.*

# Equity environment

- Global equities were mixed during Q4. Emerging markets (MSCI EM -8.0%) and international developed (MSCI EAFE -8.1%) delivered poor returns to U.S. investors with unhedged currency exposure, though most of those losses were driven by currency movement. During 2024, large currency moves created a wide gap between U.S. and non-U.S. returns. For example, currency hedged Japanese equities slightly outperformed U.S. (S&P 500 +25.0%, TOPIX +25.8%) but returned only +8.0% on an unhedged basis
- Expectations for interest rate cuts lessened after economic strength and stubborn inflation led the Fed to emphasize that they would not budge on their 2% inflation target. The *higher for longer* interest rate narrative likely contributed to U.S. dollar strength during the quarter.
- S&P 500 earnings growth is expected to be +11.9% for Q4,

which would mark the highest growth rate of the past three years. Financials (+39.5%) led the way, followed by Communication Services (+20.7%), while Energy (-24.6%) was a drag on the index.

- Small cap and value both continued to underperform. Small cap trailed large cap by -2.4% (Russell 2000 +0.3% vs. Russell 1000 +2.7%) in Q4, while growth outperformed value by +9.1% (Russell 1000 Growth +7.1% vs. Russell 1000 Value -2.0%). This capped off a year of poor performance for both of these size and style factors, underperforming by -13% and -19%, respectively.
- Market-priced volatility (Cboe VIX Index) was stable during Q4, beginning the quarter at 16.7% and ending at 17.4%. While the level of volatility has been far less than what was experienced during the spike in August, a few bouts of volatility occurred throughout the quarter.

	QTD TOTAL RETURN		1 YEAR TOTAL RETURN	
	(unhedged)	(hedged)	(unhedged)	(hedged)
U.S. Large Cap (S&P 500)	2.4%		25.0%	
U.S. Small Cap (Russell 2000)	0.3%		11.5%	
U.S. Equity (Russell 3000)	2.6%		23.8%	
U.S. Large Value (Russell 1000 Value)	(2.0%)		14.4%	
U.S. Large Growth (Russell 1000 Growth)	7.1%		33.4%	
Global Equity (MSCI ACWI)	(1.0%)	1.4%	17.5%	21.0%
International Large (MSCI EAFE)	(8.1%)	0.1%	3.8%	14.1%
Eurozone (EURO STOXX 50)	(8.9%)	(1.4%)	4.1%	12.9%
U.K. (FTSE 100)	(6.8%)	(0.1%)	7.7%	9.9%
Japan (TOPIX)	5.4%	6.7%	8.0%	25.8%
Emerging Markets (MSCI Emerging Markets)	(8.0%)	(4.3%)	7.5%	13.3%

Source: Standard & Poor's, FTSE, MSCI, STOXX, JPX, as of 12/31/24

# Domestic equity

U.S. equities outperformed both international and emerging markets, with the S&P 500 ending Q4 up +2.4%. The market rallied in early November following the re-election of President Trump, which seems to have provided an animal spirits boost to sentiment, with markets pricing in firmer growth, a bit higher inflation, and elevated interest rates. Later in December, comments from Fed Chair Jerome Powell led markets to expect fewer rate cuts in 2025, which was received poorly by investors.

Earnings came in above expectations. The S&P 500 delivered year-over-year earnings growth of +5.9% in Q3, greater than the +4.2% growth that was expected going into the quarter. Growth expectations are very bullish for the final quarter of the year, with the S&P 500 forecast to

deliver growth of +11.9%. Financials (+39.5%) are expected to deliver the highest growth, with expectations also lofty for Communication Services (+20.7%) and Information Technology (+12.9%).

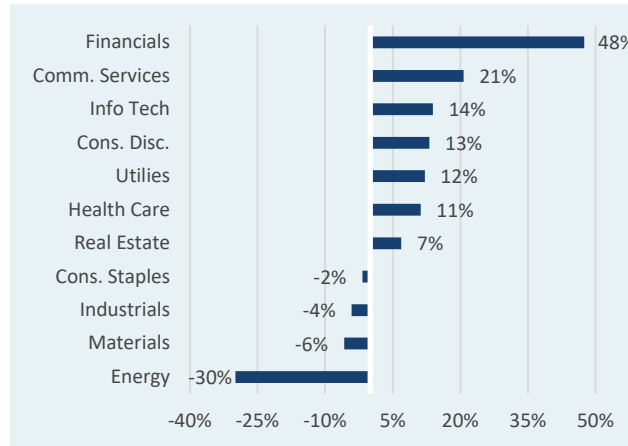
While valuations have been rising throughout the year, they remained at a consistent level over the course of Q4. On top of elevated valuations, U.S. equities are expected to deliver strong earnings growth of 14.8% and 13.6% in 2025 and 2026, respectively. If the U.S. market fails to achieve these estimates, it would place further upward pressure on valuation levels.

**S&P 500 PRICE INDEX**



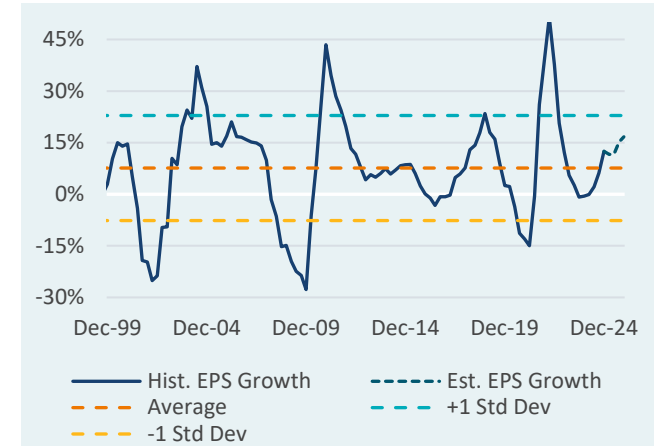
Source: Standard & Poor's, as of 12/31/24

**S&P 500 BLENDED EPS GROWTH (YOY)**



Source: Factset, as of 12/31/24

**S&P 500 EPS GROWTH (YEAR-OVER-YEAR)**



Source: Factset, Verus, as of 1/17/25

# Domestic equity size & style

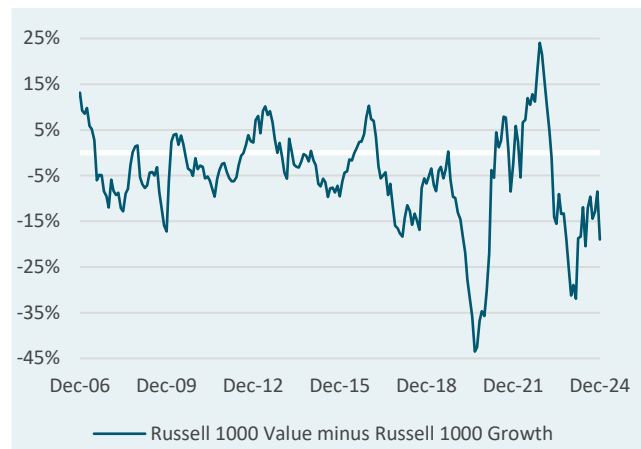
Small cap and value both continued to underperform. Small cap trailed large cap by -2.4% (Russell 2000 +0.3% vs. Russell 1000 +2.7%) in Q4, while growth outperformed value by +9.1% (Russell 1000 Growth +7.1% vs. Russell 1000 Value -2.0%). This capped off a year of poor performance for both of those size and style factors, underperforming by -13% and -19%, respectively.

The Magnificent 7 stocks delivered an exceptional +67.3% during 2024, substantially outperforming the index. However, recent years have shown investors that mega-cap

growth stocks can both act as a big boost to overall index returns or lead the index lower with large losses. The Magnificent 7 stocks delivered 21.7% earnings growth year-over-year in Q4, while the rest of the index reported 9.7% growth, per FactSet. But forecasts are for Magnificent 7 earnings growth to begin to converge with the broader index during 2025 (20.3% year-over-year in Q4 2025 relative to 15.4% overall for the index). If these stocks begin to stand out less from the rest of the S&P 500 in terms of growth, performance may become less differentiated, which could have a notable impact on size and style factor performance.

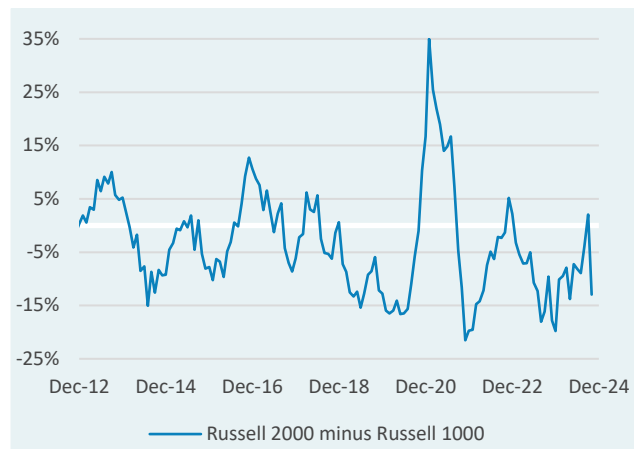
Small cap & value lagged in Q4, lagging in 2024 by -13% and -19%, respectively

**VALUE VS. GROWTH 1-YR ROLLING RELATIVE PERFORMANCE**



Source: FTSE, as of 12/31/24

**SMALL VS. LARGE 1-YR ROLLING RELATIVE PERFORMANCE**



Source: FTSE Russell, as of 12/31/24

**1-YEAR SIZE & STYLE PERFORMANCE**

	Value	Core	Growth
Large Cap	14.4%	24.5%	33.4%
Mid Cap	13.1%	15.3%	22.1%
Small Cap	8.1%	11.5%	15.2%

Source: FTSE Russell, as of 12/31/24

# International developed equity

International developed shares (MSCI EAFE -8.1%) underperformed both the U.S. market (S&P 500 +2.4%) and emerging market equities (MSCI EM -8.0%). Most of this underperformance was due to currency movements rather than equity market behavior. On a hedged basis, international developed markets delivered slightly positive returns (+0.1%), with currency contributing losses of -8.2%.

European equities performed very poorly over the course of the quarter, falling -9.7% (MSCI Europe, -2.4% on a hedged basis), and acting as a drag on the overall index. European economies face turmoil due to political instability and a fairly bleak macroeconomic picture. Europe's largest economy, Germany, experienced a second consecutive year of contracting growth. Germany faces high energy costs, weak global demand for its

exports, and risks that its automobile manufacturers are left behind as electric vehicle competition heats up from Chinese and American manufacturers. In early December, the French government fell apart after Prime Minister Michel Barnier was ousted in a no-confidence vote. This followed Mr. Barnier's controversial move to use special powers to force through his budget without a vote.

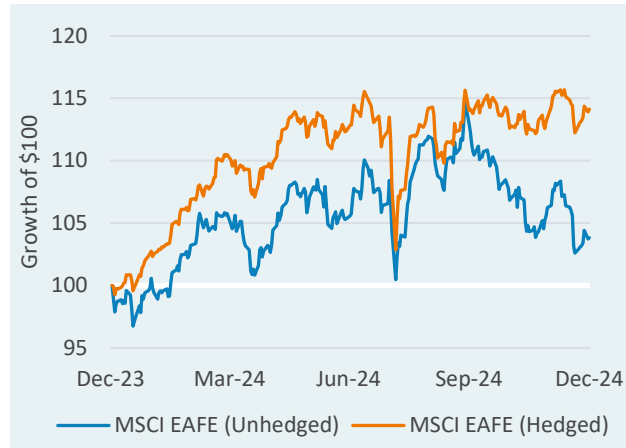
Currency moves also played a major role during the past year. Domestic investors without a currency hedging program lost -10.3% from currency volatility regarding their international equities (MSCI EAFE). The impact from unhedged Japanese asset exposure was particularly extreme—investors without a currency hedging program lost -17.8% from currency moves over the past year (TOPIX Index).

## INTERNATIONAL DEVELOPED EQUITY



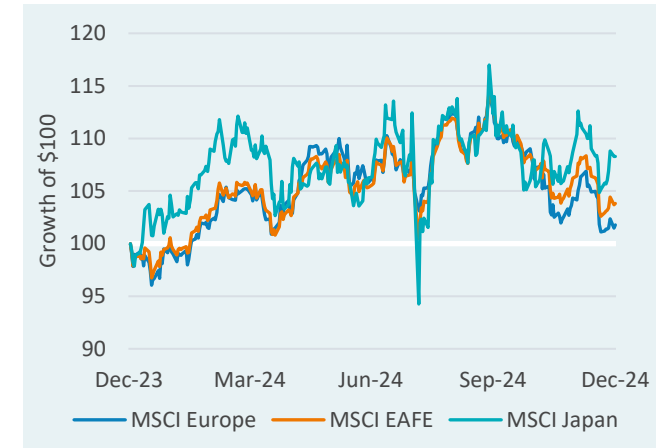
Source: MSCI, as of 12/31/24

## MSCI EAFE HEDGED VS UNHEDGED



Source: MSCI, as of 12/31/24

## REGIONAL RETURNS OF INTL. DEVELOPED



Source: MSCI, as of 12/31/24

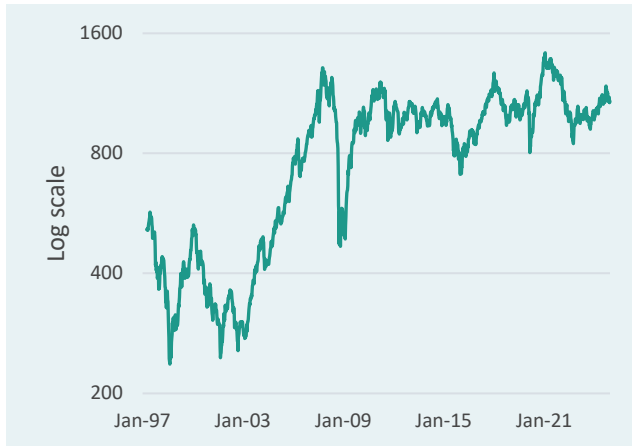
# Emerging market equity

Emerging market equities (MSCI EM -8.0%) underperformed U.S. markets (S&P 500 +2.4%) during the quarter, and narrowly outperformed international developed equities (MSCI EAFE -8.1%). While not as drastic as seen across international developed equities, currency movements were also a drag on performance, with the hedged index returning -4.3%.

During 2024, Chinese equities clawed back some of the losses of prior years, gaining +19.4% (MSCI China) relative to the broader index return of +7.5%. The Chinese Communist Party (CCP) has struggled to instill confidence in its citizens to look

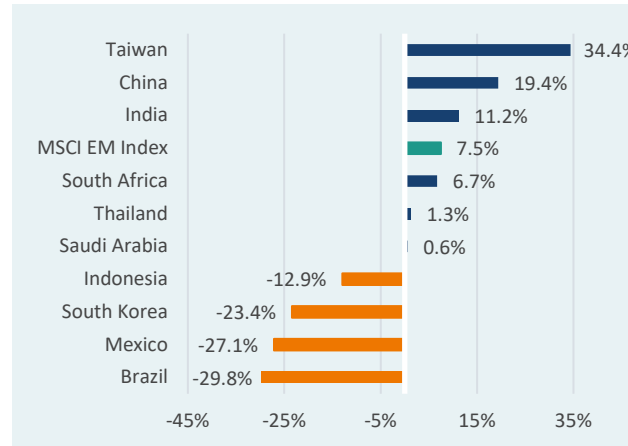
past China's various structural problems, and to have faith in the country's economic future and therefore to spend more freely. A severe drop in residential property prices has had a large impact on confidence, as the average citizen has most of their wealth and retirement savings in home equity. Much of that wealth has disappeared. Investors continue to wait for some sort of aggressive policy response or stimulus from the CCP. In September, major government announcements were made regarding market and economic stimulus, which sent the MSCI China Index up nearly +50%. However, the finer details of those plans were seen as lackluster by investors, and index prices had headed back down towards prior levels.

## EMERGING MARKET EQUITY



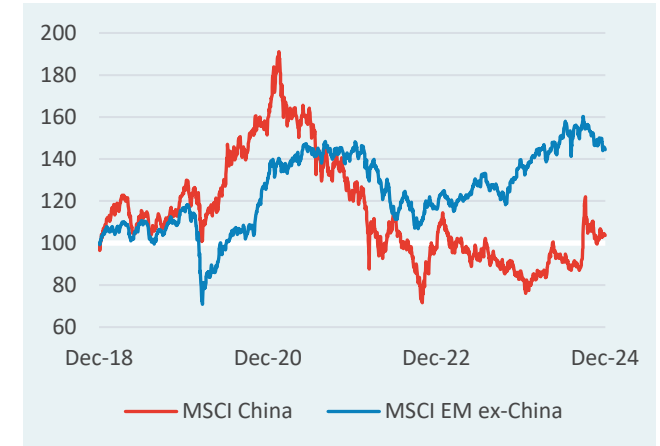
Source: MSCI, as of 12/31/24

## MSCI EM 2024 COUNTRY RETURNS (USD)



Source: MSCI, J.P. Morgan, as of 12/31/24

## CHINA'S RALLY HAS PARTIALLY REVERSED



Source: MSCI, as of 12/31/24

# Fixed income environment

- The Federal Reserve cut interest rates once in November and again in December—each time by a quarter point. This brought the target rate from 4.75-5.00% to 4.25-4.50%. Rate expectations for 2025 have shifted, as better economic growth expectations and firmer inflation will likely lead the Fed towards fewer rate cuts.
- The 10-year U.S. Treasury yield jumped from 3.79% to 4.55% during the quarter, amid growing evidence that the economy may remain hotter than expected, expectations around pro-growth policies of the Trump Administration, as well as the possibility that a tariff spat with trade partners could push inflation upwards.
- Most credit indices delivered negative to slightly positive returns, with rising interest rates impacting duration-sensitive assets. Bank loans, which are much less sensitive to rate movements, returned +2.3%. High yield delivered slightly positive returns of +0.2% while investment grade lost -2.7%.
- Credit spreads were broadly tighter, a reflection of continued strength in the U.S. corporate sector. Lower-quality high yield bond spreads fell by -30bps to 2.7%, while investment grade spreads tightened slightly to 0.8%. Credit spreads across all ratings remain well below long-term historical averages, suggesting investors are confident in the ability of businesses to service debt.
- High yield default activity remained low, falling to 1.1%—down from 2.6% one-year prior. This compares to the long-term annual average of 3.4%. However, distressed exchange activity, particularly among LMEs, has continued to expand. Total distressed credit volume reached \$19.4 billion in Q4, far surpassing the previous quarter of \$13.5 billion. The level of Q4 was the second largest quarterly total on record since Q4 2008, with Q3 of 2024 being the third highest total on record.

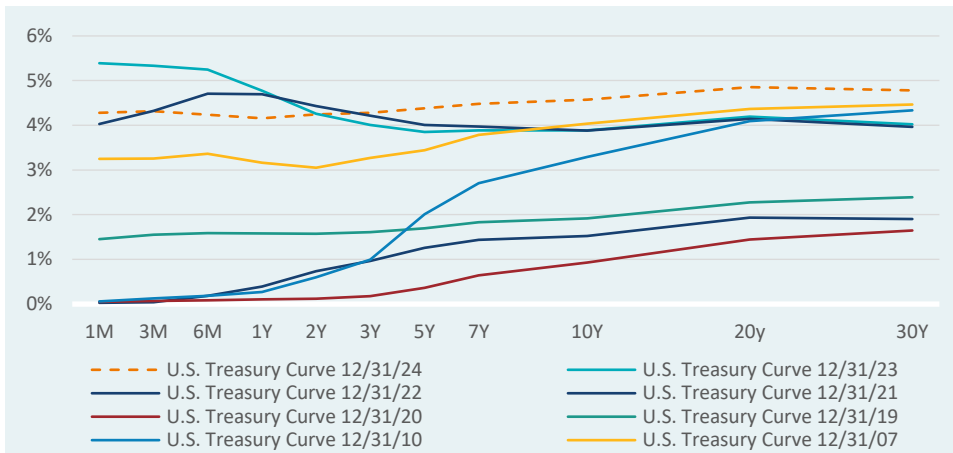
	QTD Total Return	1 Year Total Return
Core Fixed Income (Bloomberg U.S. Aggregate)	(3.1%)	1.3%
Core Plus Fixed Income (Bloomberg U.S. Universal)	(2.7%)	2.0%
U.S. Treasuries (Bloomberg U.S. Treasury)	(3.1%)	0.6%
U.S. Treasuries: Long (Bloomberg U.S. Treasury 20+)	(9.4%)	(8.0%)
U.S. High Yield (Bloomberg U.S. Corporate HY)	0.2%	8.2%
Bank Loans (S&P/LSTA Leveraged Loan)	2.3%	9.0%
Emerging Market Debt Local (JPM GBI-EM Global Diversified)	(7.0%)	(2.4%)
Emerging Market Debt Hard (JPM EMBI Global Diversified)	(1.9%)	6.5%
Mortgage-Backed Securities (Bloomberg MBS)	(3.2%)	1.2%

Source: Standard & Poor's, J.P. Morgan, Bloomberg, as of 12/31/24

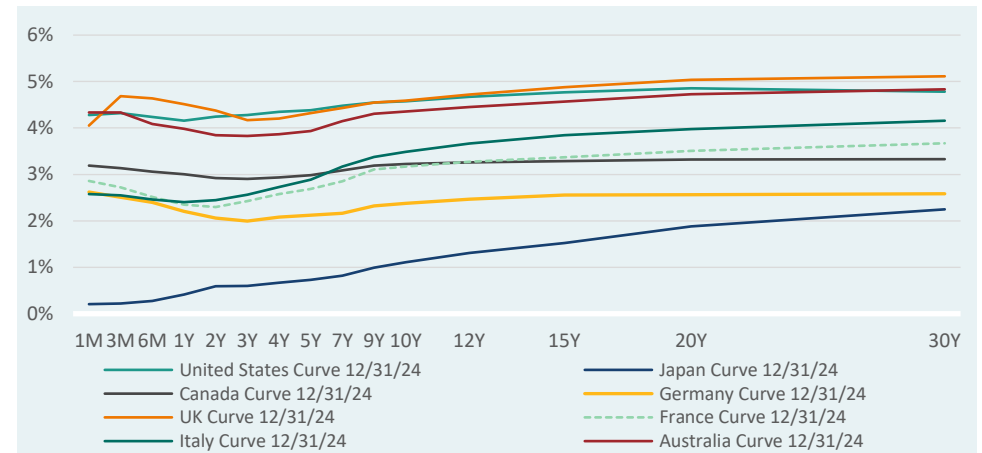


# Yield environment

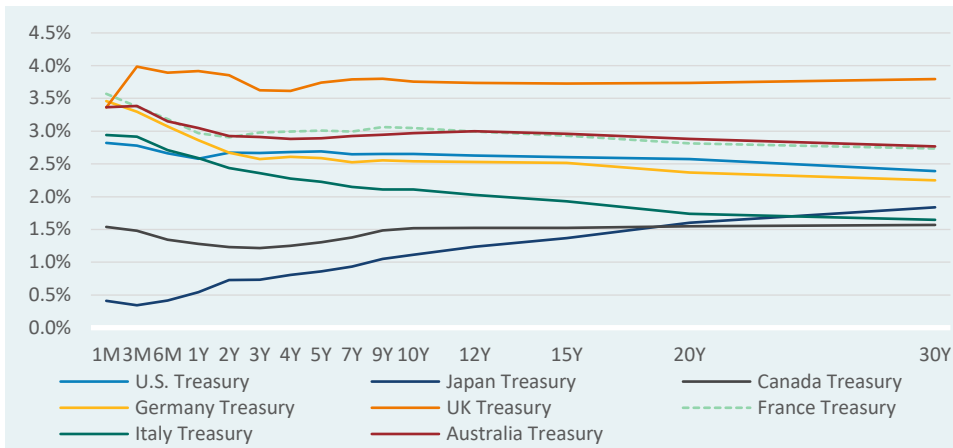
U.S. YIELD CURVE



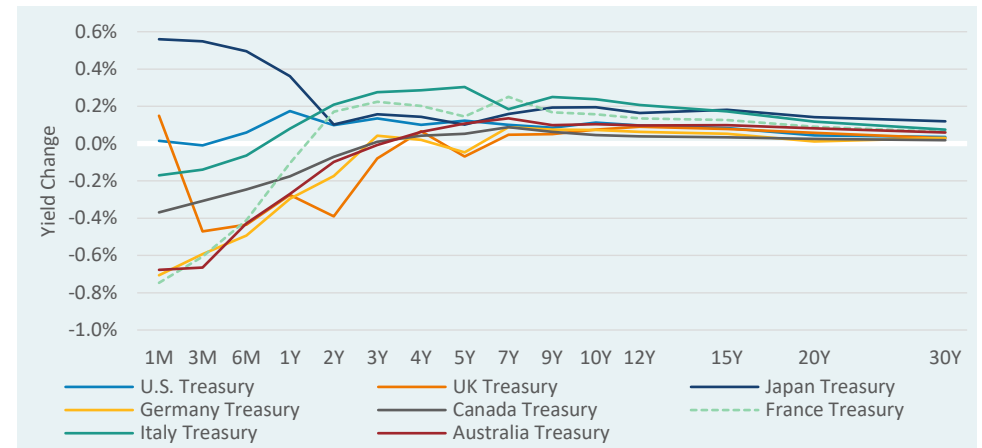
GLOBAL GOVERNMENT YIELD CURVES



YIELD CURVE CHANGES OVER LAST FIVE YEARS



IMPLIED CHANGES OVER NEXT YEAR



Source: Bloomberg, as of 12/31/24

# Currency

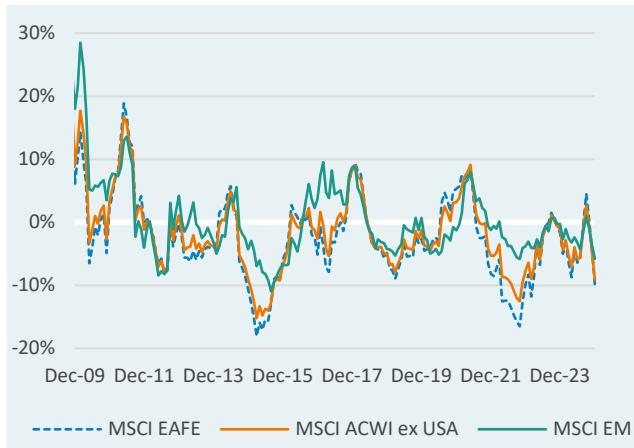
The U.S. dollar gained sharply in value during Q4—the DXY Index rising from 100.8 to 108.5. Strong economic data and evidence of sticky inflation led investors to reassess the number of upcoming Fed rate cuts and helped push up bond yields. Next, ongoing weak economic data in many international markets, as well as central bank rate cuts, created a bleaker outlook for foreign currency strength. Lastly, the U.S. election resulted in a rerating of expectations around the potential strength of the economy and led to some fears of higher inflation, which contributed to higher interest rates (lifting the U.S. dollar).

Dollar strength resulted in losses for investors with unhedged foreign asset exposure. Those without a currency hedging program lost -8.2% from international equities (MSCI EAFE) during Q4, and -10.3% over the past year. The impact from unhedged Japanese asset exposure was particularly

extreme. Investors without a currency hedging program lost -1.3% during the quarter from currency movements, and -17.8% over the past year (TOPIX Index).

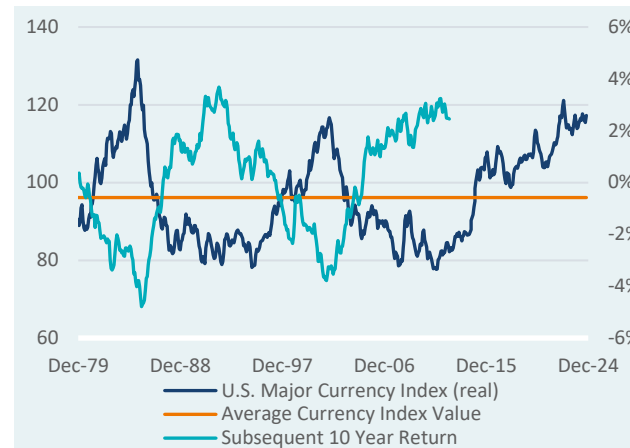
A more thoughtful portfolio approach to currency exposure has provided lower portfolio volatility and higher returns—a rare proposition. This approach involves reducing the uncompensated risk of unhedged foreign currency exposure, and instead of unhedged exposure, making a passive investment in the currency market by investing in currencies with higher interest rates, undervalued currencies, and currencies showing positive price momentum. This approach, represented by the MSCI Currency Factor Mix Index, has offered a positive one-year rolling return over most periods with far lower volatility than an unhedged approach. The past year of intense currency volatility is testament to this approach.

## EFFECT OF CURRENCY (1-YEAR ROLLING)



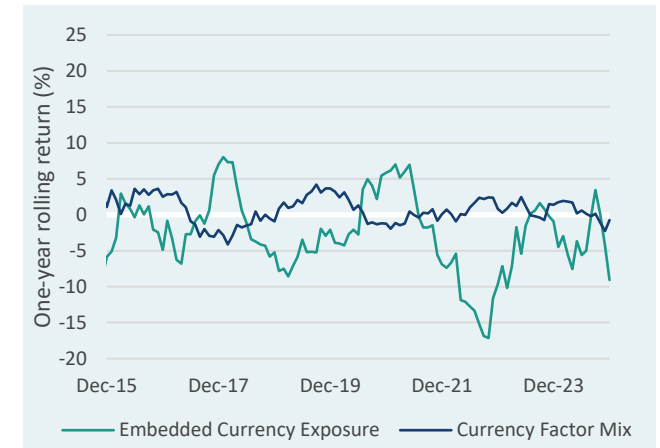
Source: MSCI, Verus, as of 12/31/24

## U.S. DOLLAR MAJOR CURRENCY INDEX



Source: FRED, Verus, as of 12/31/24

## EMBEDDED CURRENCY VS CURRENCY FACTORS



Source: MSCI, Verus, as of 12/31/24 "Embedded Currency Exposure" is the currency return impact from not hedging currency risk

# Detailed index returns

## DOMESTIC EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
<b>Core Index</b>							
S&P 500	(2.4)	2.4	25.0	25.0	8.9	14.5	13.1
S&P 500 Equal Weighted	(6.3)	(1.9)	13.0	13.0	4.5	10.8	10.3
DJ Industrial Average	(5.1)	0.9	15.0	15.0	7.6	10.6	11.6
Russell Top 200	(1.5)	3.4	27.4	27.4	9.9	15.8	14.0
Russell 1000	(2.8)	2.7	24.5	24.5	8.4	14.3	12.9
Russell 2000	(8.3)	0.3	11.5	11.5	1.2	7.4	7.8
Russell 3000	(3.1)	2.6	23.8	23.8	8.0	13.9	12.5
Russell Mid Cap	(7.0)	0.6	15.3	15.3	3.8	9.9	9.6
<b>Style Index</b>							
Russell 1000 Growth	0.9	7.1	33.4	33.4	10.5	19.0	16.8
Russell 1000 Value	(6.8)	(2.0)	14.4	14.4	5.6	8.7	8.5
Russell 2000 Growth	(8.2)	1.7	15.2	15.2	0.2	6.9	8.1
Russell 2000 Value	(8.3)	(1.1)	8.1	8.1	1.9	7.3	7.1

## INTERNATIONAL EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
<b>Broad Index</b>							
MSCI ACWI	(2.4)	(1.0)	17.5	17.5	5.4	10.1	9.2
MSCI ACWI ex US	(1.9)	(7.6)	5.5	5.5	0.8	4.1	4.8
MSCI EAFE	(2.3)	(8.1)	3.8	3.8	1.6	4.7	5.2
MSCI EM	(0.1)	(8.0)	7.5	7.5	(1.9)	1.7	3.6
MSCI EAFE Small Cap	(2.3)	(8.4)	1.8	1.8	(3.2)	2.3	5.5
<b>Style Index</b>							
MSCI EAFE Growth	(2.8)	(9.1)	2.0	2.0	(2.6)	4.0	5.8
MSCI EAFE Value	(1.8)	(7.1)	5.7	5.7	5.9	5.1	4.3
<b>Regional Index</b>							
MSCI UK	(2.8)	(6.8)	7.5	7.5	5.3	4.4	3.8
MSCI Japan	(0.3)	(3.6)	8.3	8.3	2.8	4.8	6.2
MSCI Euro	(0.4)	(9.4)	2.1	2.1	1.9	5.3	5.2
MSCI EM Asia	0.2	(7.9)	12.0	12.0	(1.6)	3.0	4.8
MSCI EM Latin American	(6.1)	(15.8)	(26.4)	(26.4)	2.1	(3.4)	0.3

## FIXED INCOME

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
<b>Broad Index</b>							
Bloomberg US TIPS	(1.6)	(2.9)	1.8	1.8	(2.3)	1.9	2.2
Bloomberg US Treasury Bills	0.4	1.2	5.3	5.3	3.9	2.5	1.8
Bloomberg US Agg Bond	(1.6)	(3.1)	1.3	1.3	(2.4)	(0.3)	1.3
Bloomberg US Universal	(1.5)	(2.7)	2.0	2.0	(2.0)	0.1	1.7
<b>Duration</b>							
Bloomberg US Treasury 1-3 Yr	0.2	(0.1)	4.0	4.0	1.4	1.4	1.4
Bloomberg US Treasury Long	(5.3)	(8.6)	(6.4)	(6.4)	(12.0)	(5.2)	(0.6)
Bloomberg US Treasury	(1.5)	(3.1)	0.6	0.6	(2.9)	(0.7)	0.8
<b>Issuer</b>							
Bloomberg US MBS	(1.6)	(3.2)	1.2	1.2	(2.1)	(0.7)	0.9
Bloomberg US Corp. High Yield	(0.4)	0.2	8.2	8.2	2.9	4.2	5.2
Bloomberg US Agency Interm	(0.2)	(0.6)	3.6	3.6	0.5	0.9	1.4
Bloomberg US Credit	(1.9)	(3.0)	2.0	2.0	(2.2)	0.2	2.3

## OTHER

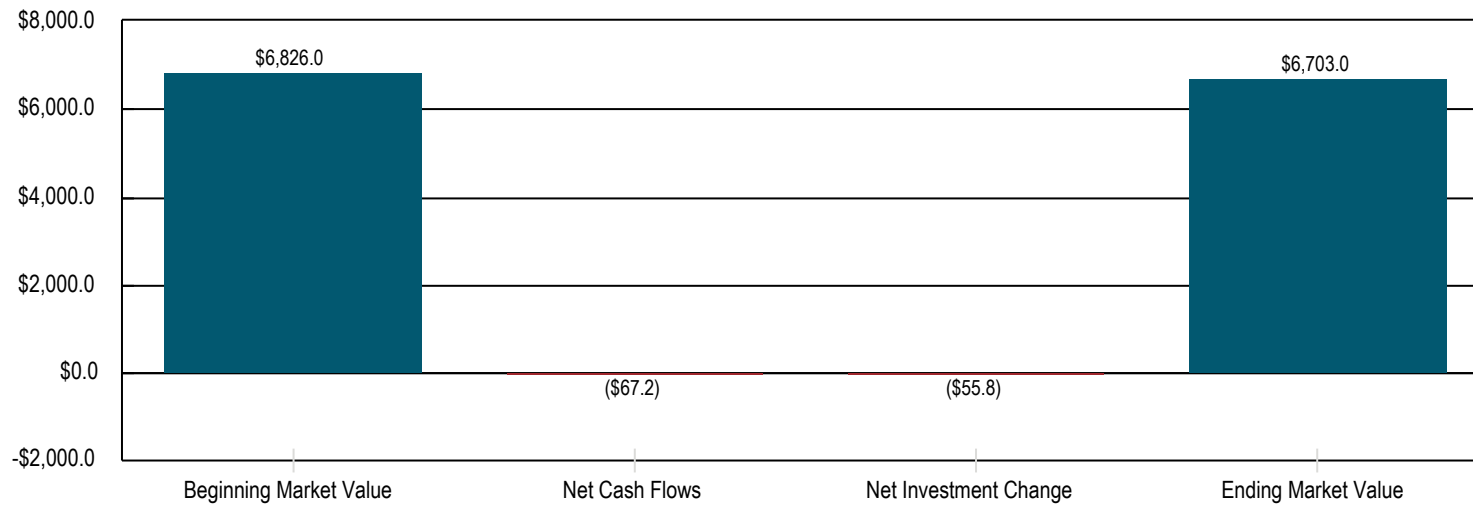
	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
<b>Index</b>							
Bloomberg Commodity	1.0	(0.4)	5.4	5.4	4.1	6.8	1.3
Wilshire US REIT	(7.3)	(5.0)	9.1	9.1	(2.5)	4.5	5.7
CS Leveraged Loans	0.6	2.3	9.1	9.1	6.8	5.7	5.1
S&P Global Infrastructure	(4.5)	(2.5)	15.1	15.1	7.1	5.3	5.9
Alerian MLP	(7.2)	5.6	26.7	26.7	27.2	14.8	3.3
<b>Regional Index</b>							
JPM EMBI Global Div	(1.4)	(1.9)	6.5	6.5	(0.9)	0.1	3.1
JPM GBI-EM Global Div	(1.9)	(7.0)	(2.4)	(2.4)	(1.0)	(1.9)	0.4
<b>Hedge Funds</b>							
HFRI Composite	(0.2)	1.5	8.8	8.8	4.1	6.8	5.2
HFRI FOF Composite	0.5	2.7	9.9	9.9	3.3	5.4	3.9
<b>Currency (Spot)</b>							
Euro	(2.0)	(7.2)	(6.3)	(6.3)	(3.1)	(1.6)	(1.5)
Pound Sterling	(1.5)	(6.6)	(1.8)	(1.8)	(2.6)	(1.1)	(2.2)
Yen	(4.4)	(9.0)	(10.3)	(10.3)	(9.8)	(7.1)	(2.7)

Source: Morningstar, HFRI, as of 12/31/24

Portfolio Reconciliation

	3 Mo	1 Yr
Beginning Market Value	\$6,825,993,126	\$6,189,641,095
Net Cash Flows	-\$67,198,589	-\$72,765,196
Net Investment Change	-\$55,801,464	\$586,117,173
<b>Ending Market Value</b>	<b>\$6,702,993,073</b>	<b>\$6,702,993,073</b>

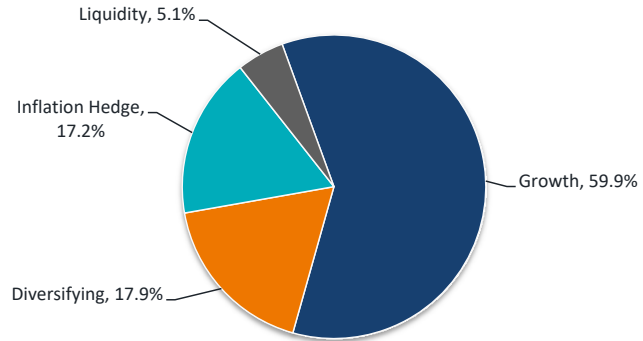
Change in Market Value  
Last Three Months



Total Fund  
Asset Allocation Analysis

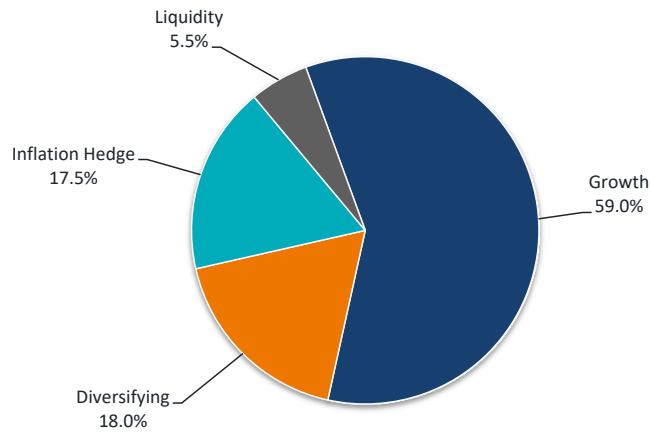
San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

Current w/ Overlay



ASSET ALLOCATION	MARKET VALUE W/ OVERLAY	W/ OVERLAY	W/O OVERLAY
Growth	4,017,014,567	59.9%	58.9%
Diversifying	1,197,158,822	17.9%	18.3%
Inflation Hedge	1,149,755,421	17.2%	16.2%
Liquidity	339,064,263	5.1%	6.6%
<b>TOTAL</b>	<b>6,702,993,073</b>	<b>100.0%</b>	<b>100.0%</b>

Target



ASSET ALLOCATION	W/ OVERLAY	TARGET	DIFF
Growth	59.9%	59.0%	0.9%
Diversifying	17.9%	18.0%	-0.1%
Inflation Hedge	17.2%	17.5%	-0.3%
Liquidity	5.1%	5.5%	-0.4%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

Total Fund  
Risk vs. Return

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

Statistics Summary  
3 Years

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio	Tracking Error
Total Fund	3.1 (43)	7.4 (22)	-0.1 (51)	-0.7 (71)	2.1 (9)
Policy Index	4.5 (8)	8.5 (42)	0.1 (9)	-	0.0
Simple Benchmark	2.2 (74)	10.7 (78)	-0.1 (66)	-0.7 (72)	2.9 (56)
InvMetrics Public DB > \$1B Median	2.9	9.0	-0.1	-0.5	2.7

Statistics Summary  
5 Years

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio	Tracking Error
Total Fund	6.0 (87)	8.5 (24)	0.4 (56)	-0.5 (94)	2.3 (5)
Policy Index	7.2 (37)	9.0 (30)	0.5 (27)	-	0.0
Simple Benchmark	6.4 (76)	11.0 (69)	0.4 (85)	-0.2 (73)	2.9 (36)
InvMetrics Public DB > \$1B Median	6.9	9.9	0.5	-0.1	3.1

Statistics Summary  
10 Years

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio	Tracking Error
Total Fund	6.4 (74)	7.5 (25)	0.6 (50)	-0.4 (93)	1.9 (2)
Policy Index	7.3 (31)	7.9 (37)	0.7 (33)	-	0.0
Simple Benchmark	6.9 (52)	9.3 (74)	0.6 (67)	-0.1 (50)	2.2 (21)
InvMetrics Public DB > \$1B Median	6.9	8.2	0.6	-0.1	2.5

**SamCERA**  
**December 31, 2024**

- The Total Fund, net of manager fees, returned -0.9% in the fourth quarter of 2024 and in the ranked 58<sup>th</sup> percentile among other public plans greater than \$1 billion (median of -0.9%). It lagged the policy index return of 0.6%. The Total Fund ex Overlay returned -0.9% for the quarter. The Total Fund one-year return of 8.8% lagged the policy index return of 12.6% and ranked in the 54<sup>th</sup> percentile of its peer universe. The three-year return of 3.1% (43<sup>rd</sup> percentile) beat the median large public plan (2.9%) and lagged the policy index (4.5%).
  
- Fourth quarter results were enhanced by the following factors:
  1. Fixed income lost -3.8% outperforming the blended benchmark which lost -4.4%. Doubleline slightly outperformed the Bloomberg Aggregate by 30bps.
  2. The Absolute Return portfolio gained 5.7%, which beat the index (2.2%). CFM gained 11.4% and PIMCO MAARS (5.6%) contributed to the outperformance.
  
- Fourth quarter results were hindered by the following factors:
  1. Private Equity gained 0.4% but failed to keep up with the PME benchmark which gained 7.3% in the 4<sup>th</sup> quarter.
  2. Baillie Gifford lost -8.9% trailing the MSCI ACWI ex US Growth which lost -7.8%. Stock selection in Japan contributed to the quarterly underperformance.

Total Fund  
Performance Summary (Net of Fees)

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

	Market Value	% of Portfolio	3 Mo Rank	YTD	Fiscal YTD	1 Yr Rank	2 Yrs Rank	3 Yrs Rank	5 Yrs Rank	10 Yrs Rank
<b>Total Fund**</b>	<b>6,702,993,073</b>	<b>100.0</b>	<b>-0.9 (57)</b>	<b>8.8 (53)</b>	<b>3.5 (69)</b>	<b>8.8 (53)</b>	<b>9.0 (77)</b>	<b>3.1 (43)</b>	<b>6.0 (87)</b>	<b>6.4 (74)</b>
Policy Index			0.5 (5)	12.5 (1)	5.1 (11)	12.5 (1)	12.3 (10)	4.5 (8)	7.2 (37)	7.3 (31)
Simple Benchmark			-1.1 (61)	9.7 (33)	4.1 (36)	9.7 (33)	10.5 (40)	2.2 (74)	6.4 (76)	6.9 (52)
InvMetrics Public DB > \$1B			-0.9	9.0	3.8	9.0	10.1	2.9	6.9	6.9
<b>Total Fund ex Overlay</b>	<b>6,688,257,703</b>	<b>99.8</b>	<b>-0.9 (56)</b>	<b>8.8 (54)</b>	<b>3.4 (69)</b>	<b>8.8 (54)</b>	<b>8.9 (78)</b>	<b>3.0 (45)</b>	<b>6.0 (88)</b>	<b>6.4 (78)</b>
Policy Index			0.5 (5)	12.5 (1)	5.1 (11)	12.5 (1)	12.3 (10)	4.5 (8)	7.2 (37)	7.3 (31)
Simple Benchmark			-1.1 (61)	9.7 (33)	4.1 (36)	9.7 (33)	10.5 (40)	2.2 (74)	6.4 (76)	6.9 (52)
InvMetrics Public DB > \$1B			-0.9	9.0	3.8	9.0	10.1	2.9	6.9	6.9
<b>Growth Portfolio</b>	<b>4,017,014,567</b>	<b>59.9</b>	<b>-1.0</b>	<b>12.7</b>	<b>4.7</b>	<b>12.7</b>	<b>13.8</b>	<b>-</b>	<b>-</b>	<b>-</b>
Blended Growth Index			0.7	18.2	6.2	18.2	19.2	6.8	10.6	-
<b>US Equity</b>	<b>1,721,958,853</b>	<b>25.7</b>	<b>1.9 (55)</b>	<b>23.0 (31)</b>	<b>9.5 (5)</b>	<b>23.0 (31)</b>	<b>21.2 (70)</b>	<b>8.3 (14)</b>	<b>12.4 (66)</b>	<b>11.5 (59)</b>
Blended US Equity Index			2.6 (16)	23.8 (13)	9.0 (16)	23.8 (13)	24.9 (16)	8.0 (23)	13.9 (16)	12.5 (19)
Russell 3000 Index			2.6 (16)	23.8 (13)	9.0 (16)	23.8 (13)	24.9 (16)	8.0 (23)	13.9 (16)	12.5 (15)
BlackRock Russell 1000	1,004,573,089	15.0	2.7 (23)	24.5 (35)	9.0 (16)	24.5 (35)	25.5 (28)	8.4 (40)	14.3 (31)	-
DE Shaw	268,978,757	4.0	4.0 (10)	33.7 (3)	13.2 (1)	33.7 (3)	27.1 (16)	10.6 (11)	14.5 (25)	13.4 (10)
PanAgora Defuseq	271,425,545	4.0	-1.4 (84)	15.0 (82)	8.3 (31)	15.0 (82)	9.2 (99)	5.1 (79)	8.0 (97)	-
Russell 1000 Index			2.7 (22)	24.5 (35)	9.0 (16)	24.5 (35)	25.5 (29)	8.4 (40)	14.3 (31)	12.9 (21)
eV US Large Cap Core Equity Median			1.6	22.0	7.2	22.0	22.4	7.4	13.0	11.7
PGIM Quant Solutions	133,530,892	2.0	-0.8 (62)	11.4 (54)	8.9 (50)	11.4 (54)	16.3 (28)	5.6 (15)	8.8 (60)	-
Russell 2000 Index			0.3 (49)	11.5 (52)	9.6 (40)	11.5 (52)	14.2 (53)	1.2 (70)	7.4 (82)	7.8 (80)
eV US Small Cap Core Equity Median			0.1	11.6	8.9	11.6	14.3	2.4	9.6	8.8
<b>International Equity</b>	<b>1,095,796,445</b>	<b>16.3</b>	<b>-6.4 (14)</b>	<b>4.7 (60)</b>	<b>-0.8 (59)</b>	<b>4.7 (60)</b>	<b>10.2 (57)</b>	<b>0.5 (48)</b>	<b>4.6 (38)</b>	<b>5.4 (27)</b>
Blended International Equity Index			-4.3 (4)	9.7 (5)	1.4 (7)	9.7 (5)	12.9 (11)	3.6 (5)	6.3 (10)	6.2 (13)
<b>International Equity x Currency Overlay</b>	<b>1,077,456,009</b>	<b>16.1</b>	<b>-8.3</b>	<b>4.5</b>	<b>0.1</b>	<b>4.5</b>	<b>9.9</b>	<b>0.3</b>	<b>4.4</b>	<b>5.3</b>
Blended International Equity Index			-4.3	9.7	1.4	9.7	12.9	3.6	6.3	6.2
Baillie Gifford	265,952,700	4.0	-8.9 (84)	2.9 (58)	-0.1 (43)	2.9 (58)	6.6 (79)	-7.9 (84)	1.6 (85)	5.0 (87)
MSCI ACWI ex US			-7.5 (60)	6.1 (36)	0.0 (42)	6.1 (36)	11.0 (42)	1.3 (10)	4.6 (48)	5.3 (78)
MSCI ACWI ex US Growth			-7.8 (65)	5.4 (40)	-1.4 (57)	5.4 (40)	9.8 (52)	-2.4 (38)	3.7 (63)	5.7 (66)
Mondrian	267,705,573	4.0	-9.0 (82)	4.7 (46)	1.2 (31)	4.7 (46)	11.7 (38)	3.0 (58)	3.2 (85)	4.1 (72)
MSCI AC World ex USA Value			-7.2 (47)	6.9 (34)	1.6 (30)	6.9 (34)	12.4 (29)	5.1 (29)	5.2 (46)	4.7 (62)
MSCI AC World ex USA Index			-7.5 (53)	6.1 (40)	0.0 (47)	6.1 (40)	11.0 (48)	1.3 (72)	4.6 (58)	5.3 (33)
BlackRock MSCI ACWI EX-US IMI	548,419,200	8.2	-7.7 (71)	5.2 (47)	-0.3 (47)	5.2 (47)	10.3 (52)	0.6 (48)	-	-
MSCI AC World ex USA IMI (Net)			-7.6 (70)	5.2 (45)	0.0 (44)	5.2 (45)	10.3 (52)	0.5 (50)	4.1 (61)	4.9 (68)
Record Dynamic Currency Hedge	18,340,435	0.3	1,938.0	47,621.7	2,113.8	47,621.7	-	-	-	-

\* Total Fund and asset class aggregates are ranked in InvMetrics universes. Managers are ranked in eVest (eA) manager universes.

\*\* Includes Parametric Minneapolis manager funded in August 2013

See Appendix for Benchmark History



Total Fund  
Performance Summary (Net of Fees)

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

	Market Value	% of Portfolio	3 Mo Rank	YTD	Fiscal YTD	1 Yr Rank	2 Yrs Rank	3 Yrs Rank	5 Yrs Rank	10 Yrs Rank
<b>Private Equity***</b>	<b>517,301,501</b>	<b>7.7</b>	<b>0.4 (45)</b>	<b>8.0 (25)</b>	<b>2.2 (43)</b>	<b>8.0 (25)</b>	<b>7.3 (21)</b>	<b>0.9 (68)</b>	<b>17.1 (9)</b>	<b>16.9 (5)</b>
<i>Blended Private Equity Index</i>			7.3 (2)	38.2 (1)	10.7 (1)	38.2 (1)	30.6 (1)	13.4 (1)	18.3 (4)	15.2 (7)
<b>Opportunistic Credit</b>	<b>681,957,769</b>	<b>10.2</b>	<b>1.2</b>	<b>7.9</b>	<b>5.2</b>	<b>7.9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Opportunistic Credit Index</i>			0.7	8.6	5.1	8.6	10.9	3.9	4.7	5.2
<b>Public Credit</b>	<b>470,318,439</b>	<b>7.0</b>	<b>1.5</b>	<b>8.9</b>	<b>6.1</b>	<b>8.9</b>	<b>9.6</b>	<b>3.9</b>	<b>4.8</b>	<b>5.6</b>
<i>Blmbg. U.S. Corp: High Yield Index</i>			0.2	8.2	5.5	8.2	10.8	2.9	4.2	5.2
Beach Point Select	121,494,078	1.8	2.7 (2)	10.2 (6)	6.8 (4)	10.2 (6)	11.6 (10)	5.0 (5)	8.1 (1)	-
Brigade Capital	107,478,419	1.6	1.7 (5)	10.7 (3)	7.8 (1)	10.7 (3)	11.2 (14)	3.2 (45)	5.4 (13)	5.2 (21)
One William Street	69,511,252	1.0	2.3 (3)	10.3 (6)	4.5 (61)	10.3 (6)	-	-	-	-
<i>Blmbg. U.S. Corp: High Yield Index</i>			0.2 (56)	8.2 (32)	5.5 (15)	8.2 (32)	10.8 (22)	2.9 (52)	4.2 (40)	5.2 (25)
<i>eV US High Yield Fixed Inc Median</i>			0.2	7.7	4.6	7.7	9.9	3.0	3.9	4.7
PIMCO Diversified	106,318,842	1.6	-0.6 (98)	6.4 (91)	4.4 (75)	6.4 (91)	8.3 (92)	0.4 (99)	1.6 (100)	-
<i>Blmbg. U.S. Corp: High Yield Index</i>			0.2 (66)	8.2 (49)	5.5 (25)	8.2 (49)	10.8 (42)	2.9 (71)	4.2 (66)	5.2 (58)
Eaton Vance Emerging Markets Debt Opportunities Fund	65,515,848	1.0	2.2 (1)	-	6.4 (5)	-	-	-	-	-
<i>JPM EMB (JEMB) Hard Currency/Local Currency 50-50</i>			-4.2 (77)	2.3 (75)	2.6 (71)	2.3 (75)	6.8 (80)	-0.4 (79)	-0.3 (81)	2.1 (80)
<i>eV Emg Mkts Fixed Inc - Blended Currency</i>			-3.1	4.4	3.5	4.4	8.3	0.4	0.8	2.6
<b>Private Credit</b>	<b>211,639,330</b>	<b>3.2</b>	<b>0.7</b>	<b>5.4</b>	<b>3.1</b>	<b>5.4</b>	<b>4.8</b>	<b>4.4</b>	<b>5.5</b>	<b>-</b>
<i>Credit Suisse Leveraged Loan Index 1 Qtr Lag</i>			2.0	9.6	4.0	9.6	11.0	6.3	5.6	4.9
AG CSF ADF II	2,243,608	0.0	0.0	5.2	4.5	5.2	13.2	-	-	-
AG CSF II	24,288,873	0.4	0.0	8.4	4.0	8.4	14.2	-	-	-
Angelo Gordon Credit Solutions	5,953,790	0.1	0.0 (72)	5.6 (95)	3.1 (96)	5.6 (95)	8.9 (81)	4.0 (18)	7.4 (2)	-
Blackrock DL Feeder IX-U	40,239,298	0.6	1.1	4.2	2.6	4.2	6.8	5.9	-	-
Comvest Credit Partners VII	16,142,172	0.2	0.0	-	4.3	-	-	-	-	-
PIMCO Private Income	50,821,986	0.8	1.6	8.6	4.2	8.6	7.8	5.0	7.1	-
TCP Direct Lending VIII	9,825,883	0.1	0.9	4.5	3.0	4.5	6.0	4.5	5.4	-
White Oak Yield	30,469,992	0.5	0.0	8.5	3.9	8.5	6.3	5.3	5.3	-
White Oak YSF V	31,653,727	0.5	0.0 (72)	3.3 (100)	0.0 (100)	3.3 (100)	-3.8 (100)	1.3 (97)	-	-
<i>Credit Suisse Leveraged Loan Index 1 Qtr Lag</i>			2.0 (3)	9.6 (8)	4.0 (80)	9.6 (8)	11.0 (17)	6.3 (4)	5.6 (11)	4.9 (39)
<i>eV US High Yield Fixed Inc Median</i>			0.2	7.7	4.6	7.7	9.9	3.0	3.9	4.7

See Appendix for Benchmark History

\*\*\*Returns are one-quarter lag, excludes EnCap Energy Capital Fund and Sheridan Production Partners.

Angelo Gordon, Comvest, and White Oak funds as of 9/30/2024 +/- cash flows.

Total Fund  
Performance Summary (Net of Fees)

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

	Market Value	% of Portfolio	3 Mo Rank	YTD	Fiscal YTD	1 Yr Rank	2 Yrs Rank	3 Yrs Rank	5 Yrs Rank	10 Yrs Rank
<b>Diversifying Portfolio</b>	<b>1,197,158,822</b>	<b>17.9</b>	<b>-1.3</b>	<b>2.8</b>	<b>2.1</b>	<b>2.8</b>	<b>3.9</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Blended Diversifying Index</i>			-2.3	2.6	2.3	2.6	4.4	0.5	1.6	2.7
<b>Defensive Fixed Income</b>	<b>843,376,591</b>	<b>12.6</b>	<b>-3.8</b>	<b>0.2</b>	<b>1.6</b>	<b>0.2</b>	<b>3.3</b>	<b>-2.6</b>	<b>-0.3</b>	<b>1.5</b>
<i>Blended Defensive Fixed Income Benchmark</i>			-4.4	-0.6	1.2	-0.6	2.0	-3.3	-0.9	1.1
DoubleLine	267,105,430	4.0	-2.8 (63)	2.9 (59)	2.4 (64)	2.9 (59)	4.8 (55)	-2.0 (75)	-	-
<i>Blmbg. U.S. Aggregate Index</i>			-3.1 (74)	1.3 (82)	2.0 (91)	1.3 (82)	3.4 (76)	-2.4 (94)	-0.3 (66)	1.3 (59)
<i>eV US Securitized Fixed Inc Median</i>			-1.3	4.4	3.0	4.4	5.2	-0.3	0.6	2.0
FIAM Bond	188,480,008	2.8	-3.0 (57)	1.6 (53)	2.0 (60)	1.6 (53)	3.9 (38)	-2.0 (32)	0.5 (14)	2.0 (10)
NISA Core Bond	286,624,547	4.3	-3.2 (88)	1.2 (84)	1.8 (76)	1.2 (84)	3.4 (79)	-2.2 (52)	-	-
<i>Blmbg. U.S. Aggregate Index</i>			-3.1 (63)	1.3 (83)	2.0 (58)	1.3 (83)	3.4 (83)	-2.4 (75)	-0.3 (84)	1.3 (83)
<i>eV US Core Fixed Inc Median</i>			-3.0	1.7	2.0	1.7	3.8	-2.2	0.0	1.6
NISA Long Treasury	99,424,543	1.5	-8.6	-6.4	-1.5	-6.4	-	-	-	-
<i>Blmbg. U.S. Treasury: Long</i>			-8.6	-6.4	-1.5	-6.4	-1.8	-12.0	-5.2	-0.6
<b>Absolute Return</b>	<b>353,782,231</b>	<b>5.3</b>	<b>5.7 (4)</b>	<b>8.7 (75)</b>	<b>3.4 (76)</b>	<b>8.7 (75)</b>	<b>5.0 (82)</b>	<b>5.7 (32)</b>	<b>2.4 (87)</b>	<b>1.2 (86)</b>
<i>Absolute Return Custom Index</i>			2.2 (54)	9.3 (71)	4.6 (67)	9.3 (71)	9.2 (67)	8.0 (7)	6.5 (52)	5.9 (30)
CFM Systematic Global Macro	126,701,264	1.9	11.4 (2)	15.8 (20)	15.9 (4)	15.8 (20)	8.3 (51)	11.0 (17)	-	-
Graham Quant Macro	112,120,724	1.7	-0.8 (67)	1.7 (84)	-10.8 (98)	1.7 (84)	1.8 (84)	6.3 (35)	-	-
PIMCO MAARS Fund LP	114,960,244	1.7	5.6 (11)	13.8 (27)	5.1 (37)	13.8 (27)	10.4 (32)	10.9 (17)	-	-
<i>Absolute Return Custom Index</i>			2.2 (31)	9.3 (48)	4.6 (41)	9.3 (48)	9.2 (44)	8.0 (28)	6.5 (51)	5.9 (51)
<i>eV Alt All Multi-Strategy Median</i>			0.7	9.0	3.8	9.0	8.3	4.4	6.5	5.9
<b>Inflation Hedge</b>	<b>1,149,755,421</b>	<b>17.2</b>	<b>-0.7</b>	<b>3.1</b>	<b>0.7</b>	<b>3.1</b>	<b>-0.2</b>	<b>2.4</b>	<b>3.4</b>	<b>-</b>
<i>Blended Inflation Hedge Index</i>			3.1	7.2	4.9	7.2	1.2	2.6	5.5	5.5
<b>Real Estate</b>	<b>463,905,509</b>	<b>6.9</b>	<b>0.3 (35)</b>	<b>-2.4 (76)</b>	<b>-0.4 (82)</b>	<b>-2.4 (76)</b>	<b>-5.7 (59)</b>	<b>-1.5 (36)</b>	<b>2.2 (52)</b>	<b>5.7 (28)</b>
<i>NCREIF ODCE</i>			1.2 (4)	-1.4 (66)	1.4 (46)	-1.4 (66)	-6.9 (70)	-2.3 (41)	2.9 (36)	5.9 (26)
Harrison Street Core Property	90,459,155	1.3	0.2	-1.3	0.1	-1.3	-3.6	0.8	-	-
Invesco	221,173,192	3.3	0.0	-5.9	-1.1	-5.9	-9.2	-4.0	1.0	5.0
Invesco US Val IV	94,745	0.0	-4.8	-19.1	-5.0	-19.1	-43.4	-43.0	-26.6	-
Invesco US Val V	23,140,796	0.3	0.8	-2.4	0.1	-2.4	-15.3	-11.2	-1.5	-
Invesco US Val VI	24,697,366	0.4	0.0	6.2	-3.9	6.2	-4.4	-	-	-
PGIM RE US Debt Fund	72,361,992	1.1	1.5	6.6	3.2	6.6	6.4	6.3	5.7	-
<i>NCREIF ODCE</i>			1.2	-1.4	1.4	-1.4	-6.9	-2.3	2.9	5.9
Stockbridge Value IV	25,642,165	0.4	0.9	-5.8	-2.1	-5.8	-5.1	3.9	-	-
Stockbridge Value V	6,336,099	0.1	-1.0	-	-2.0	-	-	-	-	-
<i>NCREIF ODCE</i>			1.2	-1.4	1.4	-1.4	-6.9	-2.3	2.9	5.9

\*NISA Core Treasury funded 6/15/2023.  
See Appendix for Benchmark History  
Invesco Val VI as of 9/30/2024 +/- cashflows.

Total Fund  
Performance Summary (Net of Fees)

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

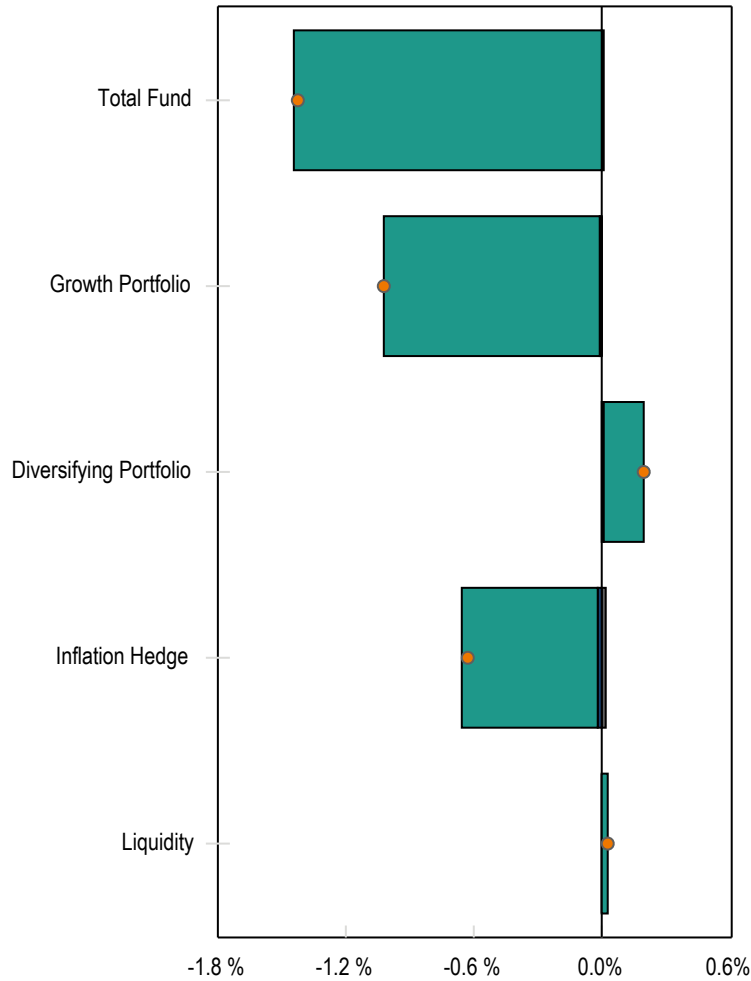
	Market Value	% of Portfolio	3 Mo Rank	YTD	Fiscal YTD	1 Yr Rank	2 Yrs Rank	3 Yrs Rank	5 Yrs Rank	10 Yrs Rank
<b>Private Real Assets</b>	<b>399,740,834</b>	<b>6.0</b>								
<i>Blended Private Real Assets Index</i>			11.2	25.7	13.6	25.7	17.2	10.8	9.6	7.5
<i>Blended Secondary CA Private RA Index</i>			2.0	8.1	4.1	8.1	8.3	11.1	9.5	6.8
Private Real Asset***	268,429,178	4.0	-0.3	8.3	1.0	8.3	6.3	9.1	10.7	-
Brookfield Super-Core Infrastructure Partners	67,511,793	1.0	1.8	10.1	3.7	10.1	9.3	-	-	-
KKR Diversified Core Infrastructure Fund	63,799,863	1.0	2.6	9.0	4.5	9.0	-	-	-	-
<b>Public Real Assets</b>	<b>286,109,077</b>	<b>4.3</b>								
<i>Blended Public Real Assets Index</i>			-4.2	4.1	1.2	4.1	2.0	2.8	4.0	5.1
SSgA Custom Real Assets	286,109,077	4.3	-4.2	4.1	1.3	4.1	2.0	2.8	4.0	-
<i>SSgA Custom Real Assets Index</i>			-4.2	4.1	1.2	4.1	2.0	2.8	4.0	-
<b>Liquidity</b>	<b>339,064,263</b>	<b>5.1</b>								
<i>Blended Liquidity Index</i>			0.2	4.5	2.9	4.5	4.6	-	-	-
<b>Cash Flow-Matched Liquidity</b>	<b>273,760,086</b>	<b>4.1</b>								
<i>Bloomberg U.S. Gov/Credit 1-3 Year Index</i>			0.0	4.4	2.9	4.4	4.5	1.7	1.6	1.6
<i>Bloomberg U.S. Credit 1-3 Year Index</i>			0.1	5.1	3.3	5.1	5.2	2.2	2.0	2.1
Insight Investment*	267,314,341	4.0	0.4	4.8	2.7	4.8	5.1	-	-	-
<i>Bloomberg U.S. Credit 1-3 Year Index</i>			0.1	5.1	3.3	5.1	5.2	2.2	2.0	2.1
County Treasury Pool**	6,445,745	0.1	1.5	3.3	1.5	3.3	3.9	2.9	2.3	2.2
<i>90 Day U.S. Treasury Bill</i>			1.2	5.3	2.6	5.3	5.1	3.9	2.5	1.8
<b>Cash &amp; Cash Overlay</b>	<b>105,875,345</b>	<b>1.6</b>								
<i>90 Day U.S. Treasury Bill</i>			1.2	5.3	2.6	5.3	5.1	3.9	2.5	1.8
General Account	91,132,927	1.4	1.3	5.6	2.7	5.6	5.6	4.4	2.9	2.7
<i>90 Day U.S. Treasury Bill</i>			1.2	5.3	2.6	5.3	5.1	3.9	2.5	1.8

\*\*\*Returns are one-quarter lag, excludes EnCap Energy Capital Fund and Sheridan Production Partners  
See Appendix for Benchmark History  
Brookfield as of 9/30/2024 +/- cashflows.

Total Fund  
Performance Attribution

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

Attribution Effects  
Last Three Months



■ Selection Effect    ■ Allocation Effect  
■ Interaction Effect    ● Total Effects

Performance Attribution

	3 Mo
Wtd. Actual Return	-0.9
Wtd. Index Return	0.5
<b>Excess Return</b>	<b>-1.4</b>
Selection Effect	-1.4
Allocation Effect	0.0
Interaction Effect	0.0

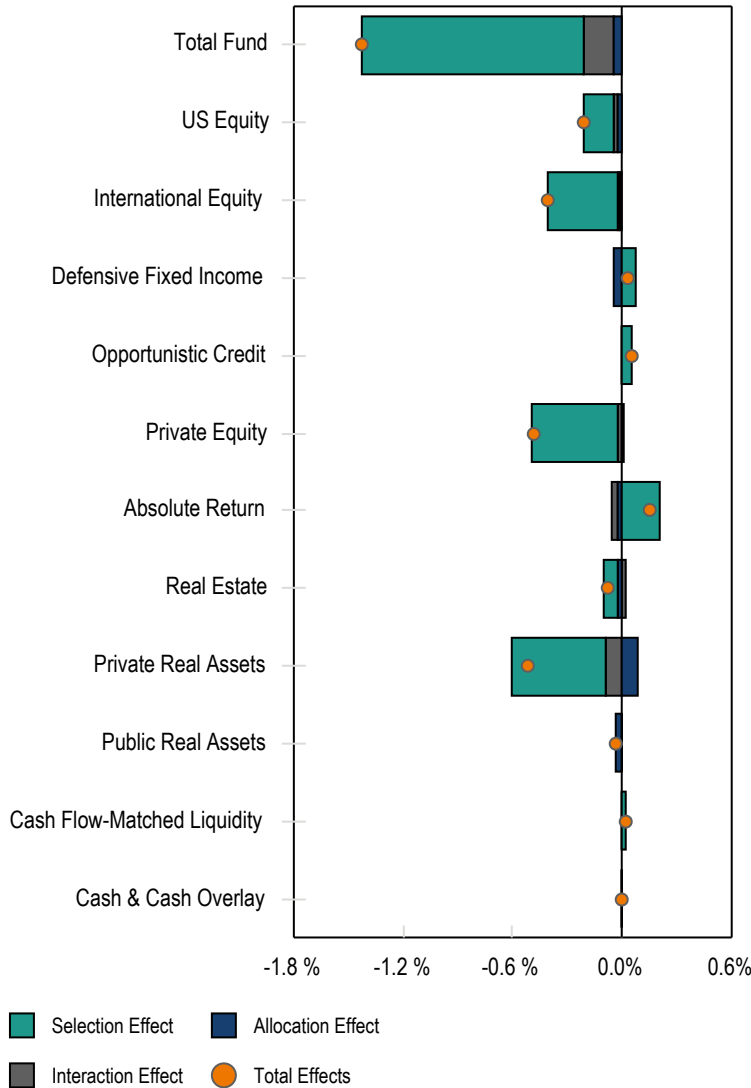
Attribution Summary  
Last Three Months

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Growth Portfolio	-1.0	0.7	-1.7	-1.0	0.0	0.0	-1.0
Diversifying Portfolio	-1.3	-2.3	1.0	0.2	0.0	0.0	0.2
Inflation Hedge	-0.7	3.1	-3.8	-0.6	0.0	0.0	-0.6
Liquidity	0.7	0.2	0.5	0.0	0.0	0.0	0.0
<b>Total Fund</b>	<b>-0.9</b>	<b>0.5</b>	<b>-1.4</b>	<b>-1.4</b>	<b>0.0</b>	<b>0.0</b>	<b>-1.4</b>

Total Fund  
Performance Attribution

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

Attribution Effects  
Last Three Months



Performance Attribution

	3 Mo
Wtd. Actual Return	-0.9
Wtd. Index Return	0.5
<b>Excess Return</b>	<b>-1.4</b>
Selection Effect	-1.2
Allocation Effect	0.0
Interaction Effect	-0.2

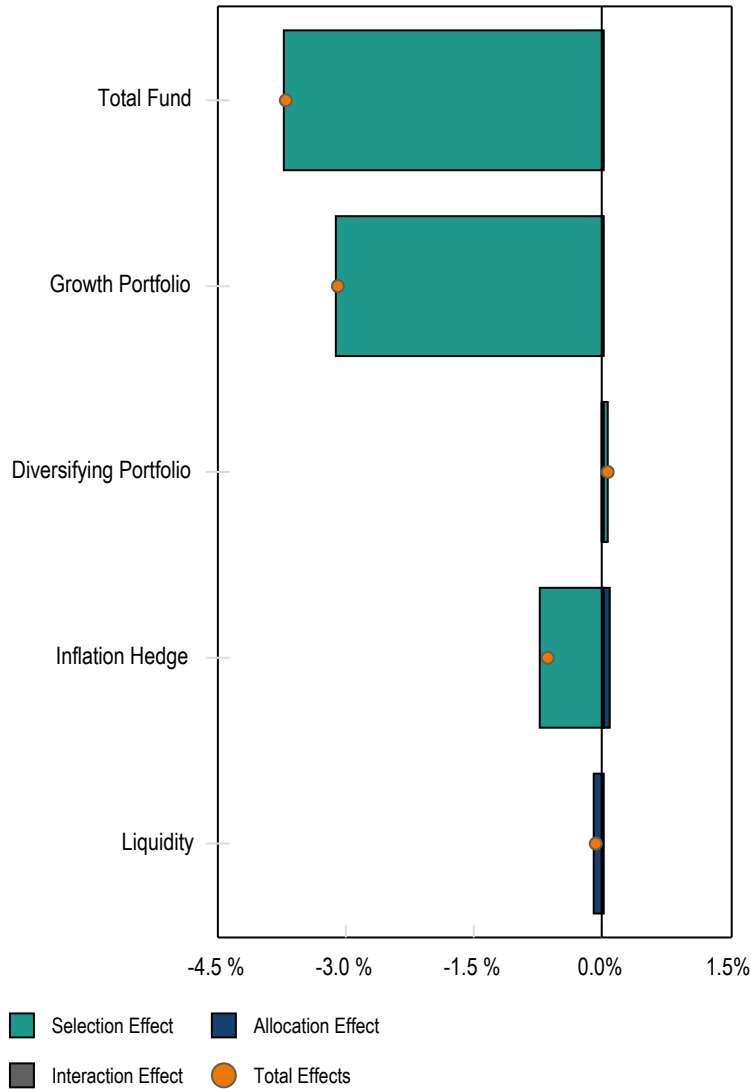
Attribution Summary  
Last Three Months

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
US Equity	1.9	2.6	-0.8	-0.2	0.0	0.0	-0.2
International Equity	-6.4	-4.3	-2.1	-0.4	0.0	0.0	-0.4
Defensive Fixed Income	-3.8	-4.4	0.6	0.1	0.0	0.0	0.0
Opportunistic Credit	1.2	0.7	0.5	0.1	0.0	0.0	0.1
Private Equity	0.4	7.3	-6.9	-0.5	0.0	0.0	-0.5
Absolute Return	5.7	2.2	3.5	0.2	0.0	0.0	0.2
Real Estate	0.3	1.2	-0.9	-0.1	0.0	0.0	-0.1
Private Real Assets	0.5	11.2	-10.7	-0.5	0.1	-0.1	-0.5
Public Real Assets	-4.2	-4.2	0.0	0.0	0.0	0.0	0.0
Cash Flow-Matched Liquidity	0.5	0.0	0.5	0.0	0.0	0.0	0.0
Cash & Cash Overlay	1.3	1.2	0.1	0.0	0.0	0.0	0.0
<b>Total Fund</b>	<b>-0.9</b>	<b>0.5</b>	<b>-1.4</b>	<b>-1.2</b>	<b>0.0</b>	<b>-0.2</b>	<b>-1.4</b>

Total Fund  
Performance Attribution (1 Year)

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

Attribution Effects  
One Year



Performance Attribution

	1 Yr
Wtd. Actual Return	8.8
Wtd. Index Return	12.5
<b>Excess Return</b>	<b>-3.7</b>
Selection Effect	-3.7
Allocation Effect	0.0
Interaction Effect	0.0

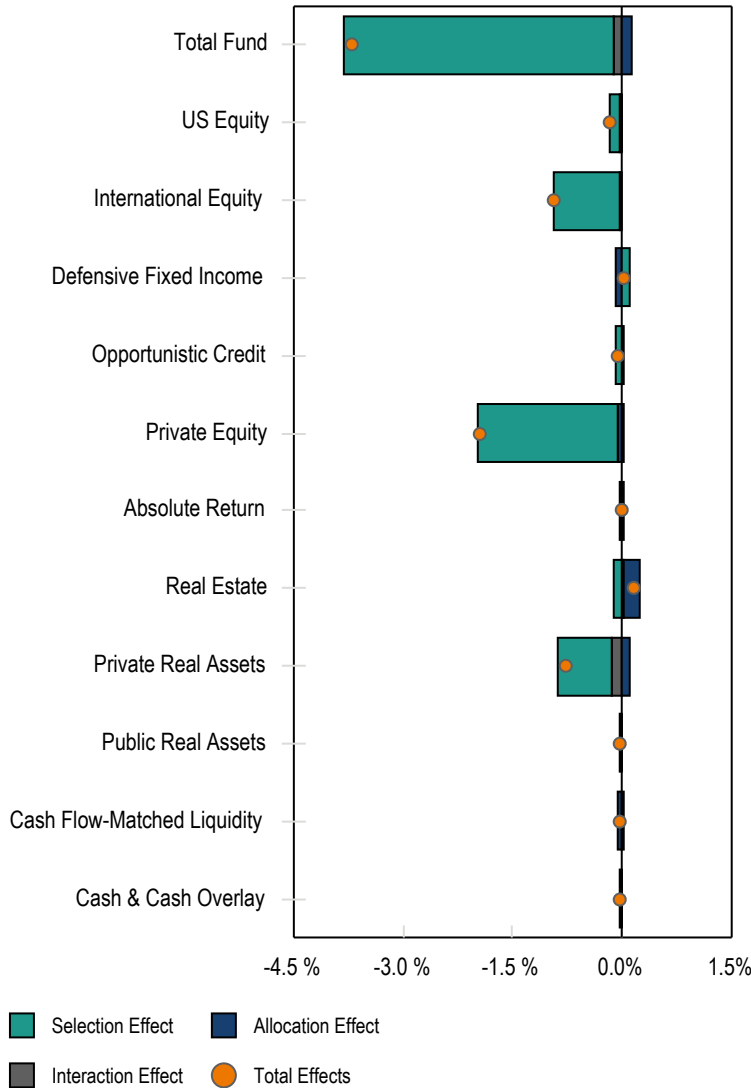
Attribution Summary  
One Year

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Growth Portfolio	12.7	18.2	-5.5	-3.1	0.0	0.0	-3.1
Diversifying Portfolio	2.8	2.6	0.2	0.1	0.0	0.0	0.1
Inflation Hedge	3.1	7.2	-4.1	-0.7	0.1	0.0	-0.6
Liquidity	4.8	4.5	0.3	0.0	-0.1	0.0	-0.1
<b>Total Fund</b>	<b>8.8</b>	<b>12.5</b>	<b>-3.7</b>	<b>-3.7</b>	<b>0.0</b>	<b>0.0</b>	<b>-3.7</b>

Total Fund  
Performance Attribution (1 Year)

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

Attribution Effects  
One Year



Performance Attribution

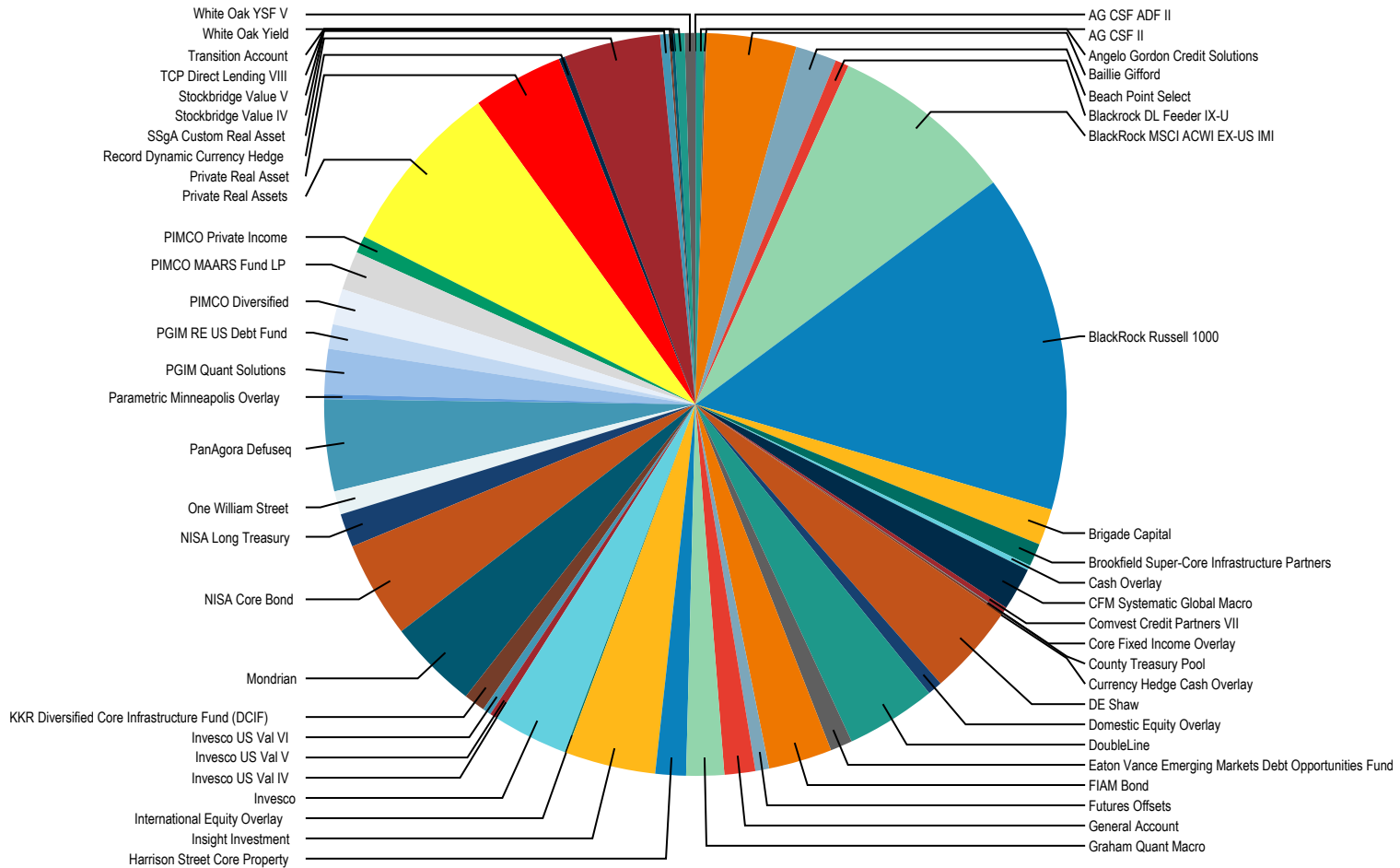
	1 Yr
Wtd. Actual Return	8.8
Wtd. Index Return	12.5
<b>Excess Return</b>	<b>-3.7</b>
Selection Effect	-3.7
Allocation Effect	0.1
Interaction Effect	-0.1

Attribution Summary  
One Year

	Actual Weight (%)	Policy Weight (%)	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
US Equity	23.9	23.0	23.0	23.8	-0.8	-0.1	0.0	0.0	-0.2
International Equity	18.3	18.0	4.7	9.7	-5.0	-0.9	0.0	0.0	-0.9
Defensive Fixed Income	13.1	12.5	0.2	-0.6	0.8	0.1	-0.1	0.0	0.0
Opportunistic Credit	10.4	11.0	7.9	8.6	-0.7	-0.1	0.0	0.0	-0.1
Private Equity	6.9	7.0	8.0	38.2	-30.2	-1.9	-0.1	0.0	-2.0
Absolute Return	5.1	6.0	8.7	9.3	-0.6	0.0	0.0	0.0	0.0
Real Estate	7.2	9.0	-2.4	-1.4	-0.9	-0.1	0.2	0.0	0.2
Private Real Assets	5.6	5.0	10.4	25.7	-15.3	-0.7	0.1	-0.1	-0.8
Public Real Assets	3.3	3.0	4.1	4.1	0.1	0.0	0.0	0.0	0.0
Cash Flow-Matched Liquidity	4.7	4.5	4.6	4.4	0.2	0.0	0.0	0.0	0.0
Cash & Cash Overlay	1.6	1.0	5.5	5.3	0.3	0.0	0.0	0.0	0.0
<b>Total Fund</b>	<b>100.0</b>	<b>100.0</b>	<b>8.8</b>	<b>12.5</b>	<b>-3.7</b>	<b>-3.7</b>	<b>0.1</b>	<b>-0.1</b>	<b>-3.7</b>

Total Fund  
 Manager Allocation Analysis

San Mateo County Employees' Retirement Association  
 Period Ending: December 31, 2024





Total Fund  
 Manager Allocation Analysis

San Mateo County Employees' Retirement Association  
 Period Ending: December 31, 2024

Name	Market Value	% of Portfolio
BlackRock Russell 1000	\$1,004,573,089	15.0
DE Shaw	\$268,978,757	4.0
PanAgora Defuseq	\$271,425,545	4.0
PGIM Quant Solutions	\$133,530,892	2.0
Domestic Equity Overlay	\$43,450,570	0.6
Baillie Gifford	\$265,952,700	4.0
Mondrian	\$267,705,573	4.0
BlackRock MSCI ACWI EX-US IMI	\$548,419,200	8.2
International Equity Overlay	-\$4,621,464	-0.1
DoubleLine	\$267,105,430	4.0
FIAM Bond	\$188,480,008	2.8
NISA Core Bond	\$286,624,547	4.3
NISA Long Treasury	\$99,424,543	1.5
Core Fixed Income Overlay	\$1,742,063	0.0
AG CSF ADF II	\$2,243,608	0.0
AG CSF II	\$24,288,873	0.4
Angelo Gordon Credit Solutions	\$5,953,790	0.1
Beach Point Select	\$121,494,078	1.8
Brigade Capital	\$107,478,419	1.6
PIMCO Diversified	\$106,318,842	1.6
Eaton Vance Emerging Markets Debt Opportunities Fund	\$65,515,848	1.0
Blackrock DL Feeder IX-U	\$40,239,298	0.6
Comvest Credit Partners VII	\$16,142,172	0.2
PIMCO Private Income	\$50,821,986	0.8
TCP Direct Lending VIII	\$9,825,883	0.1
White Oak Yield	\$30,469,992	0.5
White Oak YSF V	\$31,653,727	0.5
Private Equity	\$517,301,501	7.7

Total Fund  
 Manager Allocation Analysis

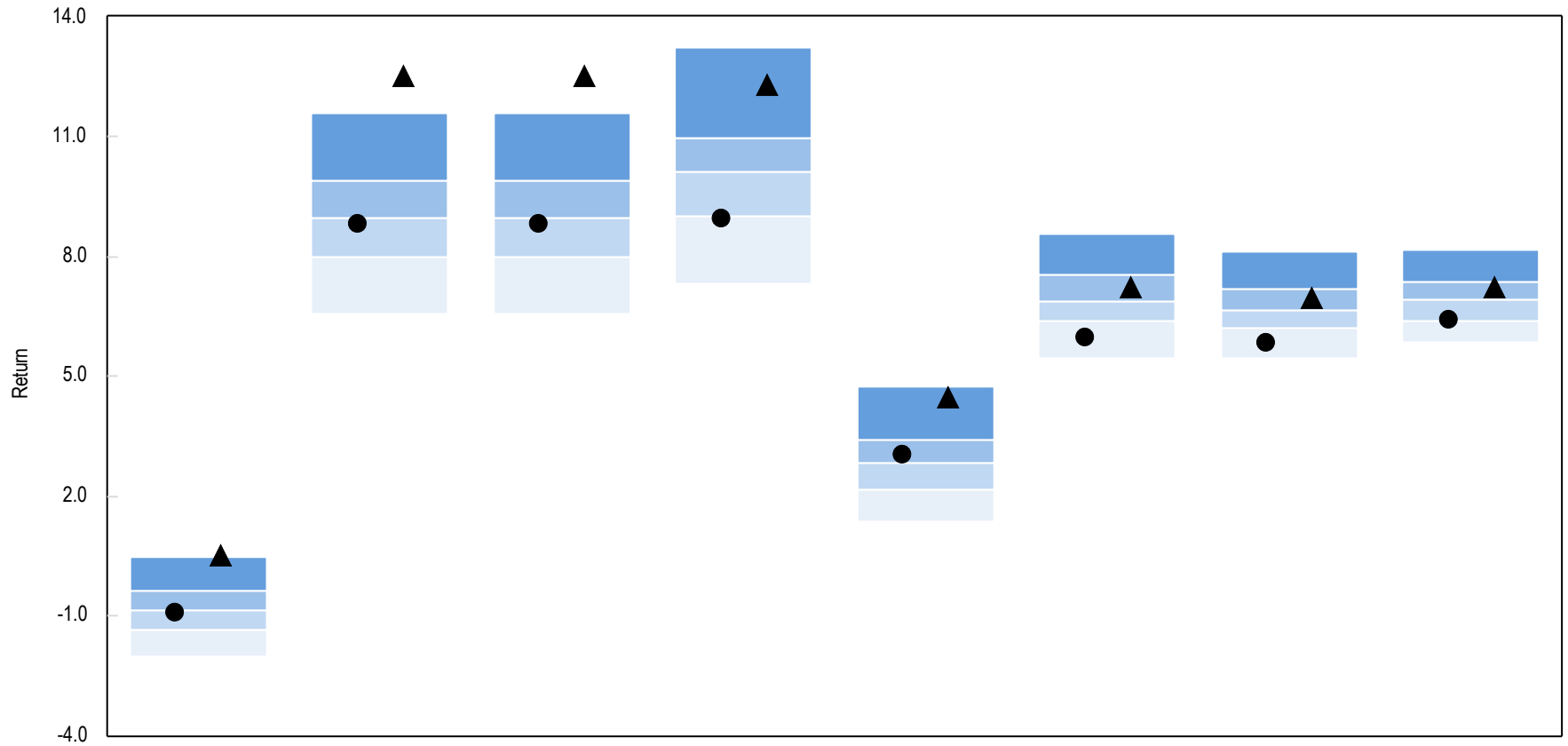
San Mateo County Employees' Retirement Association  
 Period Ending: December 31, 2024

Name	Market Value	% of Portfolio
CFM Systematic Global Macro	\$126,701,264	1.9
Graham Quant Macro	\$112,120,724	1.7
PIMCO MAARS Fund LP	\$114,960,244	1.7
Harrison Street Core Property	\$90,459,155	1.3
Invesco	\$221,173,192	3.3
Invesco US Val IV	\$94,745	0.0
Invesco US Val V	\$23,140,796	0.3
Invesco US Val VI	\$24,697,366	0.4
PGIM RE US Debt Fund	\$72,361,992	1.1
Stockbridge Value IV	\$25,642,165	0.4
Stockbridge Value V	\$6,336,099	0.1
Private Real Assets	\$268,429,178	4.0
Brookfield Super-Core Infrastructure Partners	\$67,511,793	1.0
KKR Diversified Core Infrastructure Fund	\$63,799,863	1.0
SSgA Custom Real Asset	\$286,109,077	4.3
Insight Investment	\$267,314,341	4.0
County Treasury Pool	\$6,445,745	0.1
General Account	\$91,132,927	1.4
Cash Overlay	\$14,735,369	0.2
Transition Account	\$7,048	0.0
Futures Offsets	-\$40,571,168	-0.6
<b>Total Fund</b>	<b>\$6,702,993,073</b>	<b>100.0</b>

Total Fund  
Peer Universe Comparison

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

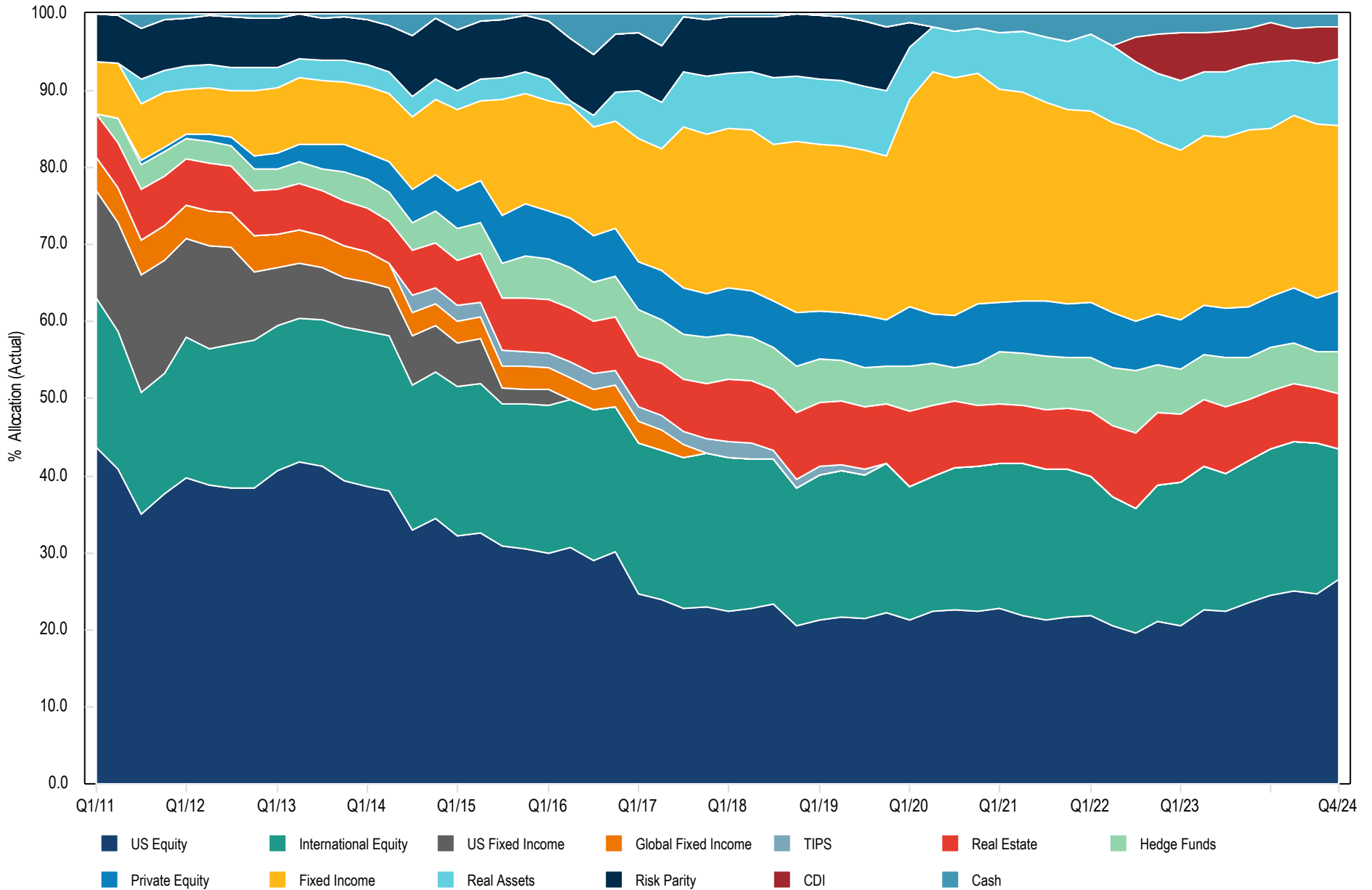
InvMetrics Public DB >\$1B Net Return Comparison

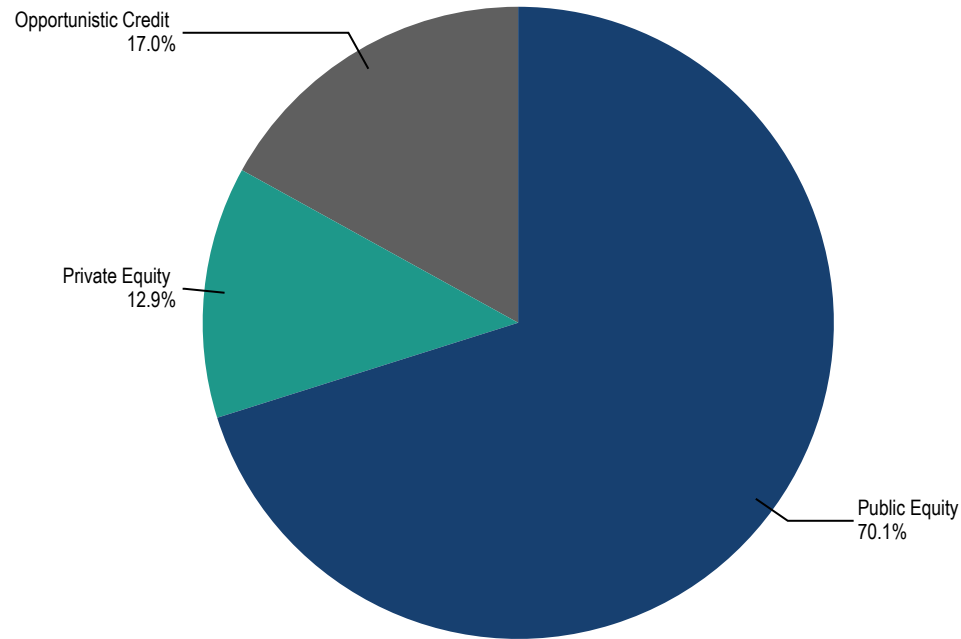


	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Total Fund	-0.9 (57)	8.8 (53)	8.8 (53)	9.0 (77)	3.1 (43)	6.0 (87)	5.9 (84)	6.4 (74)
▲ Policy Index	0.5 (5)	12.5 (1)	12.5 (1)	12.3 (10)	4.5 (8)	7.2 (37)	7.0 (36)	7.3 (31)
5th Percentile	0.5	11.6	11.6	13.2	4.8	8.6	8.1	8.2
1st Quartile	-0.4	9.9	9.9	11.0	3.4	7.5	7.2	7.4
Median	-0.9	9.0	9.0	10.1	2.9	6.9	6.7	6.9
3rd Quartile	-1.3	8.0	8.0	9.0	2.2	6.4	6.2	6.4
95th Percentile	-2.0	6.6	6.6	7.3	1.4	5.5	5.5	5.9
Population	104	103	103	102	99	97	95	92

Total Fund  
Asset Allocation History

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024



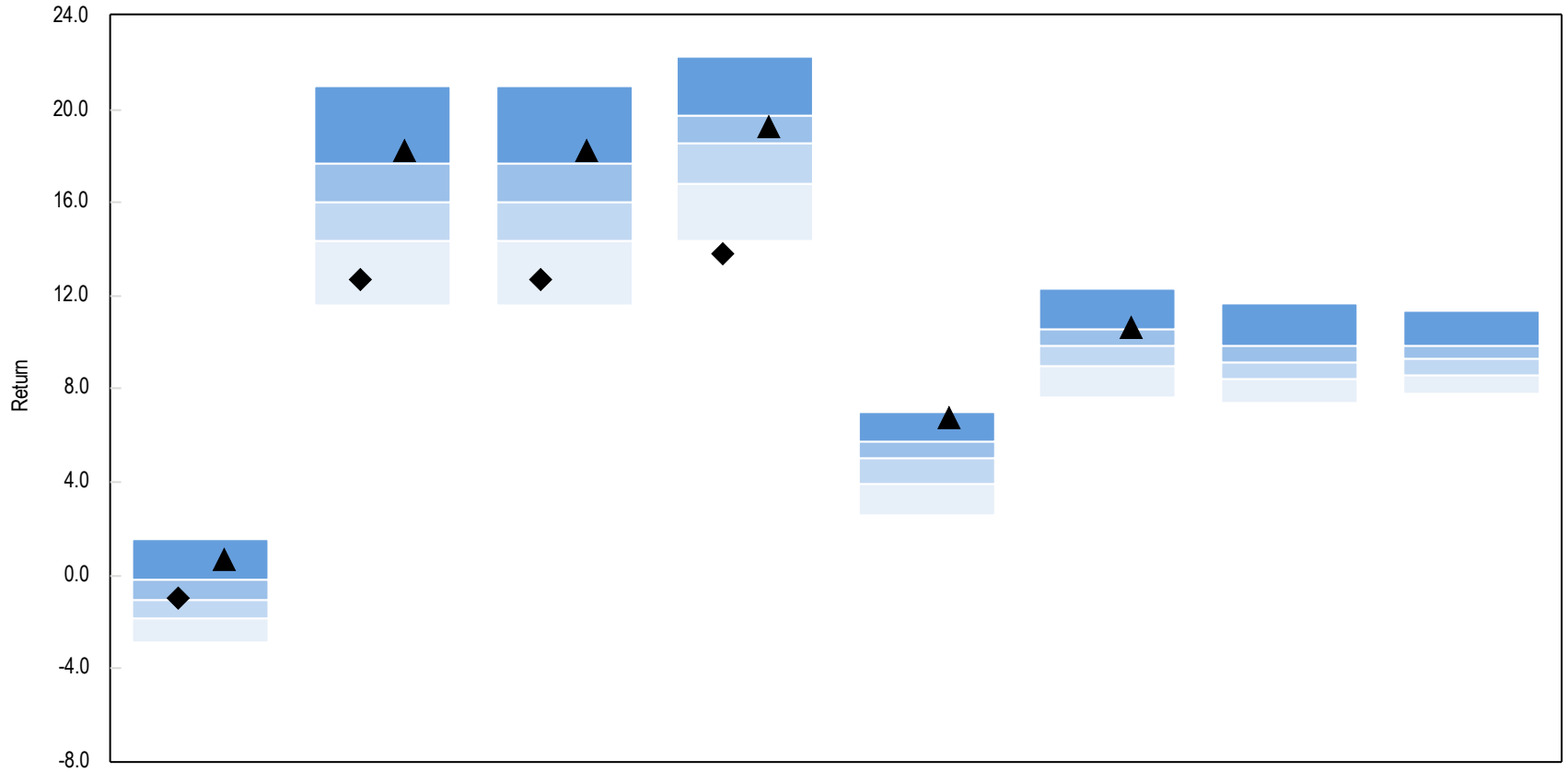


	Actual \$	Actual %	Manager Contribution to Excess Return %
US Equity	\$1,721,958,853	42.9%	-0.3%
International Equity	\$1,095,796,445	27.3%	-0.7%
Private Equity	\$517,301,501	12.9%	-0.8%
Opportunistic Credit	\$681,957,769	17.0%	0.1%
Actual vs. Policy Weight Difference			-0.1%
<b>Total</b>	<b>\$4,017,014,567</b>	<b>100.0%</b>	<b>-1.7%</b>

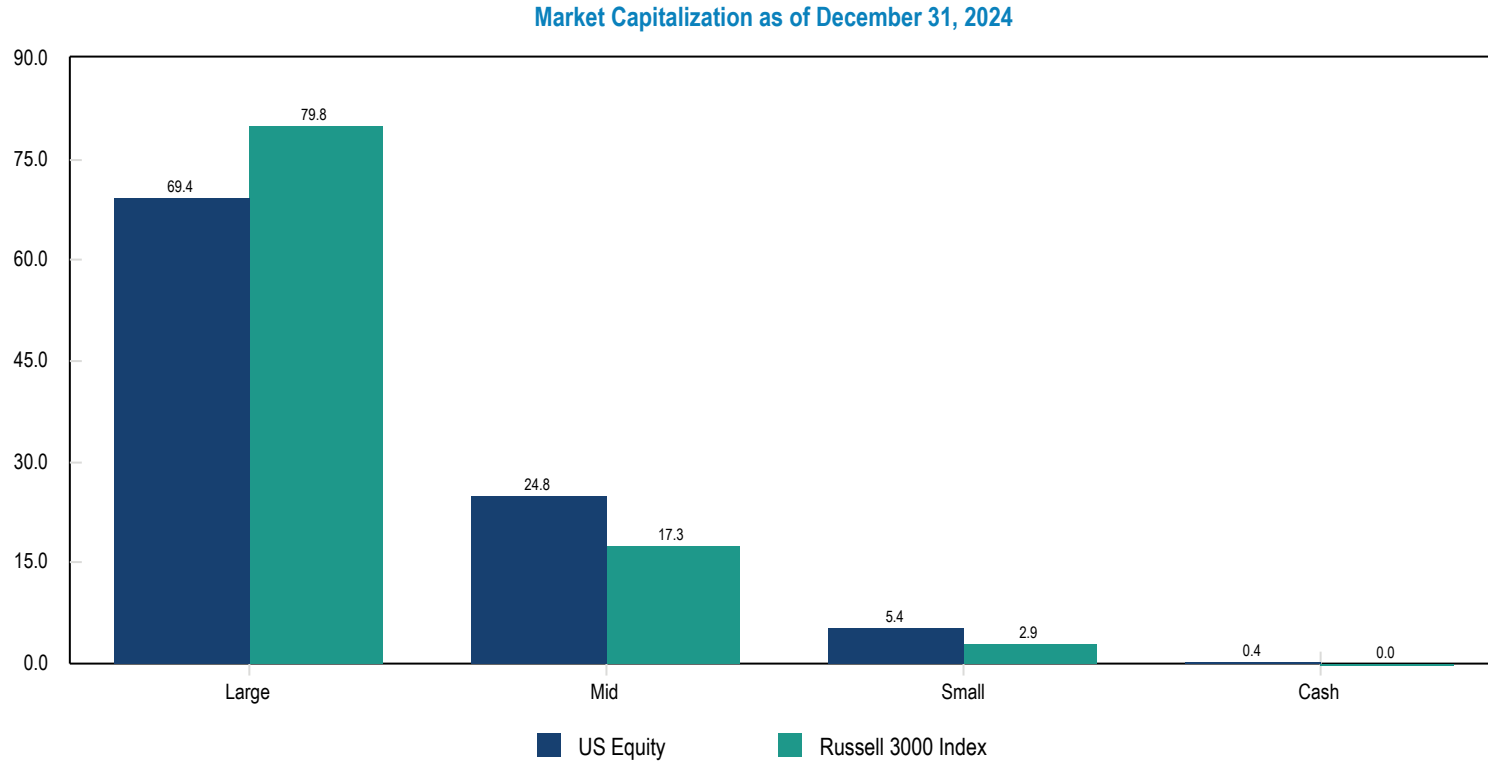
Statistics Summary  
3 Years

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio	Tracking Error
Growth Portfolio	12.7	6.0	1.2	-2.1	2.3
<i>Blended Growth Index</i>	18.2	6.7	1.8	-	0.0
US Equity	23.0	11.0	1.5	-0.4	1.6
<i>Blended US Equity Index</i>	23.8	10.9	1.6	-	0.0
International Equity	4.7	7.8	0.0	-2.3	2.0
<i>Blended International Equity Index</i>	9.7	6.5	0.7	-	0.0
Private Equity	8.0	7.3	0.4	-1.7	15.4
<i>Blended Private Equity Index</i>	38.2	12.1	2.4	-	0.0
Opportunistic Credit	7.9	2.2	1.1	-0.5	1.3
<i>Opportunistic Credit Index</i>	8.6	2.4	1.4	-	0.0

InvMetrics All DB US Eq Net Return Comparison



	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
◆ Growth Portfolio	-1.0 (48)	12.7 (90)	12.7 (90)	13.8 (96)	-	-	-	-
▲ Blended Growth Index	0.7 (10)	18.2 (19)	18.2 (19)	19.2 (34)	6.8 (8)	10.6 (24)	-	-
5th Percentile	1.6	21.0	21.0	22.2	7.0	12.3	11.6	11.4
1st Quartile	-0.2	17.7	17.7	19.8	5.8	10.5	9.8	9.9
Median	-1.0	16.0	16.0	18.6	5.1	9.9	9.1	9.3
3rd Quartile	-1.9	14.4	14.4	16.8	3.9	9.0	8.4	8.6
95th Percentile	-2.9	11.6	11.6	14.4	2.6	7.7	7.4	7.8
Population	255	248	248	243	235	200	173	97





US Equity  
Equity Only Summary Statistics

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

Characteristics

	Portfolio	Benchmark
Number of Stocks	2,000	2,973
Wtd. Avg. Mkt. Cap \$M	773,696.4	951,637.8
Median Mkt. Cap \$M	4,615.0	2,247.5
Price/Earnings ratio	24.9	26.2
Current Yield (%)	1.4	1.3
Beta (5 Years, Monthly)	0.9	1.0
Price/Book ratio	4.2	4.7
Return on Equity (%)	7.7	8.4

Top Holdings

Best Performers

Worst Performers

	(%)		Return (%)		Return (%)
Apple Inc	5.2	Scholar Rock Holding Corp	439.6	Applied Therapeutics Inc	-89.9
Microsoft Corp	4.9	Kodiak Sciences Inc	281.2	Perspective Therapeutics Inc	-76.1
NVIDIA Corporation	4.5	UniQure NV	258.2	Keros Therapeutics Inc	-72.7
Amazon.com Inc	2.6	RealReal Inc (The)	248.1	PACS Group Inc	-67.2
Tesla Inc	1.7	Poseida Therapeutics Inc	235.7	Sunnova Energy International Inc	-64.8
Alphabet Inc	1.6	Porch Group Inc	220.5	Editas Medicine Inc	-62.8
Meta Platforms Inc	1.5	Rocket Lab USA Inc	161.8	Biomea Fusion Inc	-61.6
Broadcom Inc	1.4	Applied Optoelectronics Inc	157.6	AnaptysBio Inc	-60.5
Eli Lilly and Co	1.1	Astera Labs Inc	152.8	TransMedics Group Inc	-60.3
Berkshire Hathaway Inc	1.1	Cerence Inc	149.2	Tango Therapeutics Inc	-59.9

US Equity Performance Attribution vs. Russell 3000 Index

	Attribution Effects				Performance		Sector Weights	
	Total Effects	Selection Effect	Allocation Effect	Interaction Effect	Portfolio	Benchmark	Portfolio	Benchmark
Energy	0.2	0.2	0.0	0.0	4.6	-0.8	3.9	3.5
Materials	-0.2	0.0	-0.2	0.0	-9.5	-10.8	4.4	2.7
Industrials	-0.2	-0.2	0.0	0.0	-4.0	-1.7	9.8	9.8
Consumer Discretionary	0.0	-0.1	0.1	0.0	11.5	12.2	11.0	10.4
Consumer Staples	0.0	0.0	-0.1	0.0	-2.3	-2.8	6.7	5.6
Health Care	0.2	0.1	0.1	0.0	-8.5	-9.7	11.3	11.8
Financials	-0.1	-0.1	-0.1	0.0	6.9	7.6	12.5	13.6
Information Technology	0.0	0.1	-0.1	0.0	6.2	5.9	25.4	29.0
Communication Services	-0.1	-0.1	0.0	0.0	7.9	8.8	8.2	8.4
Utilities	-0.1	0.0	-0.1	0.0	-4.1	-5.3	4.0	2.4
Real Estate	0.0	0.0	0.0	0.0	-7.2	-7.6	2.6	2.8
Other	0.0	0.0	0.0	0.0	2.5	0.0	0.1	0.0
Cash	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.0
<b>Total</b>	<b>-0.4</b>	<b>0.1</b>	<b>-0.5</b>	<b>0.1</b>	<b>2.3</b>	<b>2.6</b>	<b>100.0</b>	<b>100.0</b>

U.S. Effective Style Map



**Characteristics**

	Portfolio	Benchmark
Number of Stocks	1,008	1,007
Wtd. Avg. Mkt. Cap \$M	991,494.1	998,331.5
Median Mkt. Cap \$M	15,175.3	15,175.3
Price/Earnings ratio	26.6	26.6
Current Yield (%)	1.3	1.3
Beta (5 Years, Monthly)	1.0	1.0
Price/Book ratio	4.9	4.9
Return on Equity (%)	8.7	8.6

**Top Holdings**

**Best Performers**

**Worst Performers**

	(%)		Return (%)		Return (%)
Apple Inc	6.6	Astera Labs Inc	152.8	Capri Holdings Ltd	-50.4
NVIDIA Corporation	5.8	AppLovin Corporation	148.1	Celanese Corp	-48.8
Microsoft Corp	5.8	Trump Media & Technology Group Corp	112.2	Rocket Cos Inc	-41.3
Amazon.com Inc	3.8	Palantir Technologies Inc	103.3	Enphase Energy Inc	-39.2
Meta Platforms Inc	2.4	SoFi Technologies Inc	95.9	Moderna Inc	-37.8
Tesla Inc	2.1	Amer Sports Inc	75.3	Acadia Healthcare Co Inc	-37.5
Alphabet Inc	2.0	MicroStrategy Inc	71.8	Viking Therapeutics Inc	-36.4
Broadcom Inc	1.9	United Airlines Holdings Inc	70.2	10x Genomics Inc	-36.4
Alphabet Inc	1.7	New Fortress Energy Inc	66.3	Monolithic Power Systems Inc	-35.9
Berkshire Hathaway Inc	1.5	Twilio Inc	65.7	AES Corp (The)	-35.1

**Characteristics**

	Portfolio	Benchmark
Number of Stocks	124	1,007
Wtd. Avg. Mkt. Cap \$M	126,311.2	998,331.5
Median Mkt. Cap \$M	37,133.8	15,175.3
Price/Earnings ratio	20.9	26.6
Current Yield (%)	2.5	1.3
Beta (5 Years, Monthly)	0.8	1.0
Price/Book ratio	2.8	4.9
Return on Equity (%)	2.7	8.6

**Top Holdings**

**Best Performers**

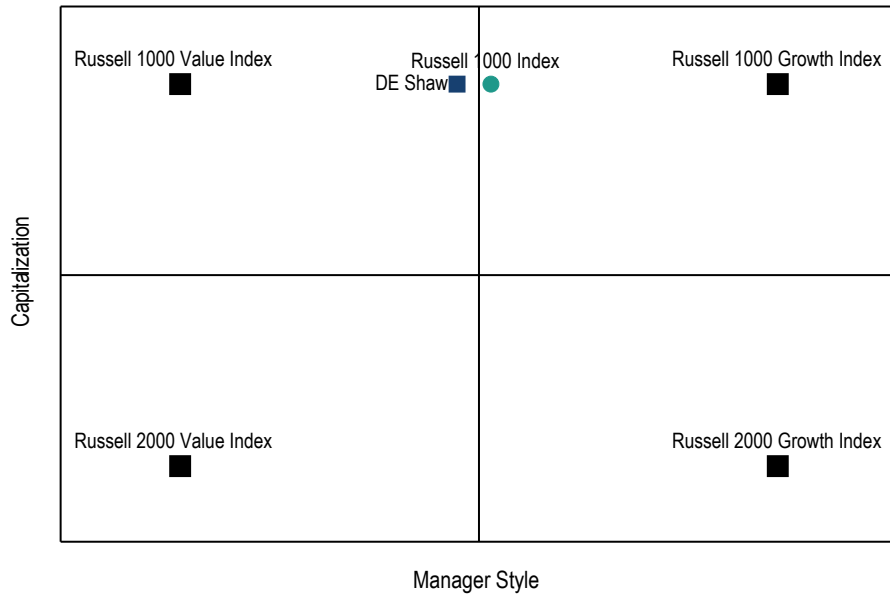
**Worst Performers**

	(%)		Return (%)		Return (%)
Packaging Corp Of America	2.1	GE Vernova Inc	29.1	Elevance Health Inc	-28.8
T-Mobile US Inc	2.0	Kinder Morgan Inc.	25.5	Seaboard Corp	-22.5
AT&T Inc	1.9	Expand Energy Corporation	21.8	Crown Castle Inc	-22.3
AptarGroup Inc.	1.9	Williams Cos Inc. (The)	19.6	Nordson Corp	-20.3
Sonoco Products Co	1.8	Fox Corp	17.9	Amgen Inc	-18.5
IDACORP Inc.	1.8	Grand Canyon Education Inc	15.5	Mettler-Toledo International Inc	-18.4
OGE Energy Corp	1.8	Intra-Cellular Therapies Inc	14.1	Mondelez International Inc	-18.3
Verizon Communications Inc	1.8	Cisco Systems Inc	12.1	Danaher Corp	-17.3
Fox Corp	1.8	Gilead Sciences Inc	11.1	Cooper Cos Inc (The)	-16.7
Chevron Corp	1.8	Apellis Pharmaceuticals Inc	10.6	Zoetis Inc	-16.4

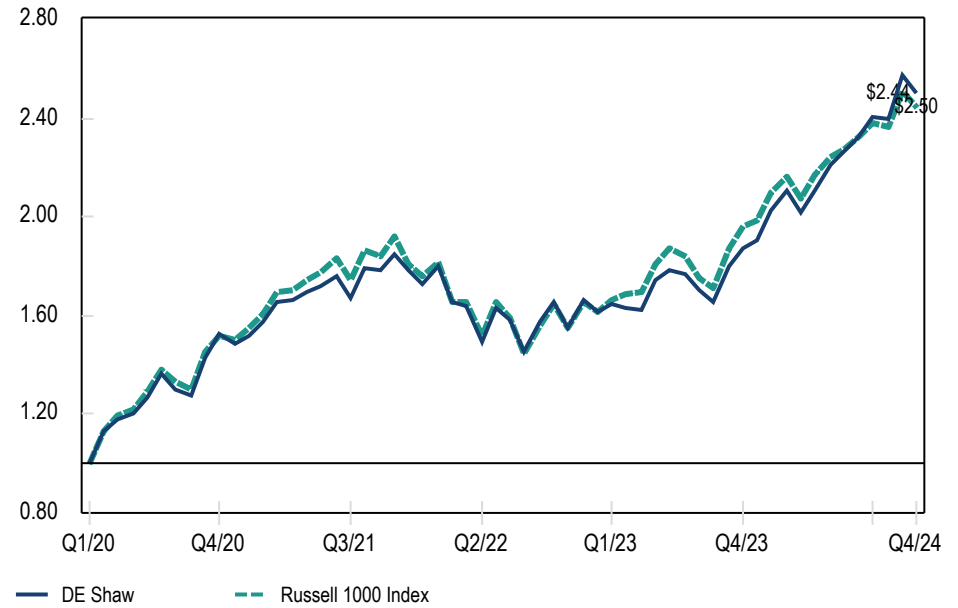
PanAgora Defuseq Performance Attribution vs. Russell 1000 Index

	Attribution Effects				Performance		Sector Weights	
	Total Effects	Selection Effect	Allocation Effect	Interaction Effect	Portfolio	Benchmark	Portfolio	Benchmark
Energy	0.8	0.5	-0.1	0.4	13.0	-0.7	6.6	3.4
Materials	-0.5	0.1	-1.0	0.3	-6.5	-11.4	9.5	2.6
Industrials	-0.3	-0.2	0.0	0.0	-4.7	-2.2	9.9	9.4
Consumer Discretionary	-1.2	-1.2	-0.1	0.2	1.6	12.9	9.0	10.4
Consumer Staples	-0.9	-0.2	-0.4	-0.3	-6.9	-3.0	12.7	5.7
Health Care	0.4	0.4	0.0	0.0	-6.4	-9.9	11.1	11.5
Financials	-0.8	-0.8	-0.2	0.2	1.9	7.9	9.4	13.4
Information Technology	-1.2	-1.7	-0.6	1.2	0.0	5.8	9.3	29.8
Communication Services	-0.3	-0.3	0.1	0.0	5.8	9.0	9.6	8.7
Utilities	-0.4	0.1	-0.8	0.3	-2.4	-5.4	12.0	2.4
Real Estate	0.1	-0.1	0.2	0.1	-12.6	-7.8	1.0	2.7
<b>Total</b>	<b>-4.1</b>	<b>-3.5</b>	<b>-3.0</b>	<b>2.4</b>	<b>-1.3</b>	<b>2.7</b>	<b>100.0</b>	<b>100.0</b>

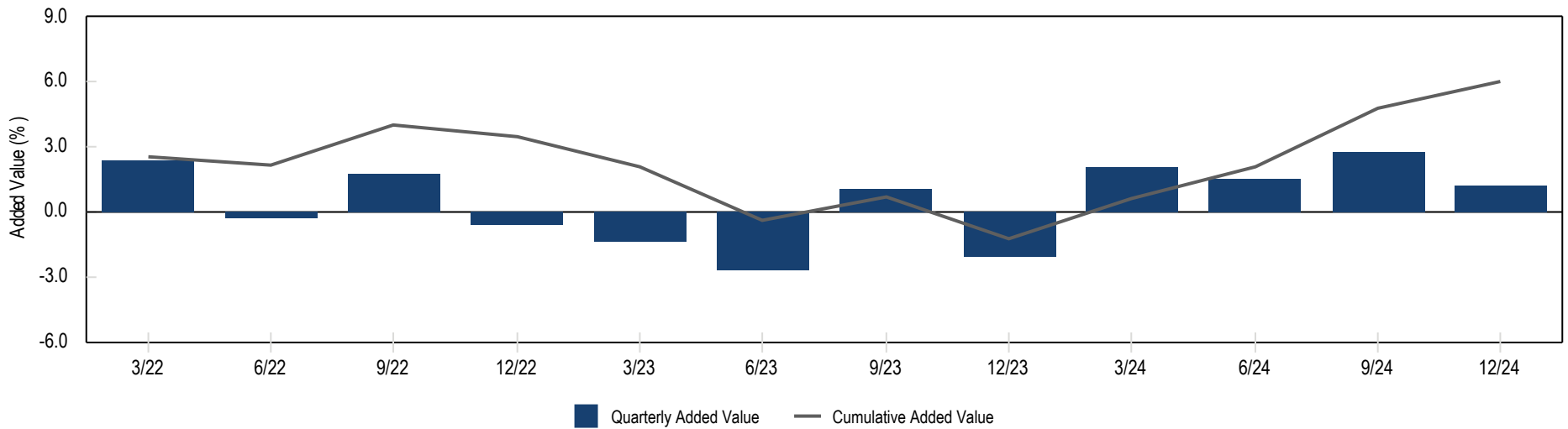
U.S. Effective Style Map



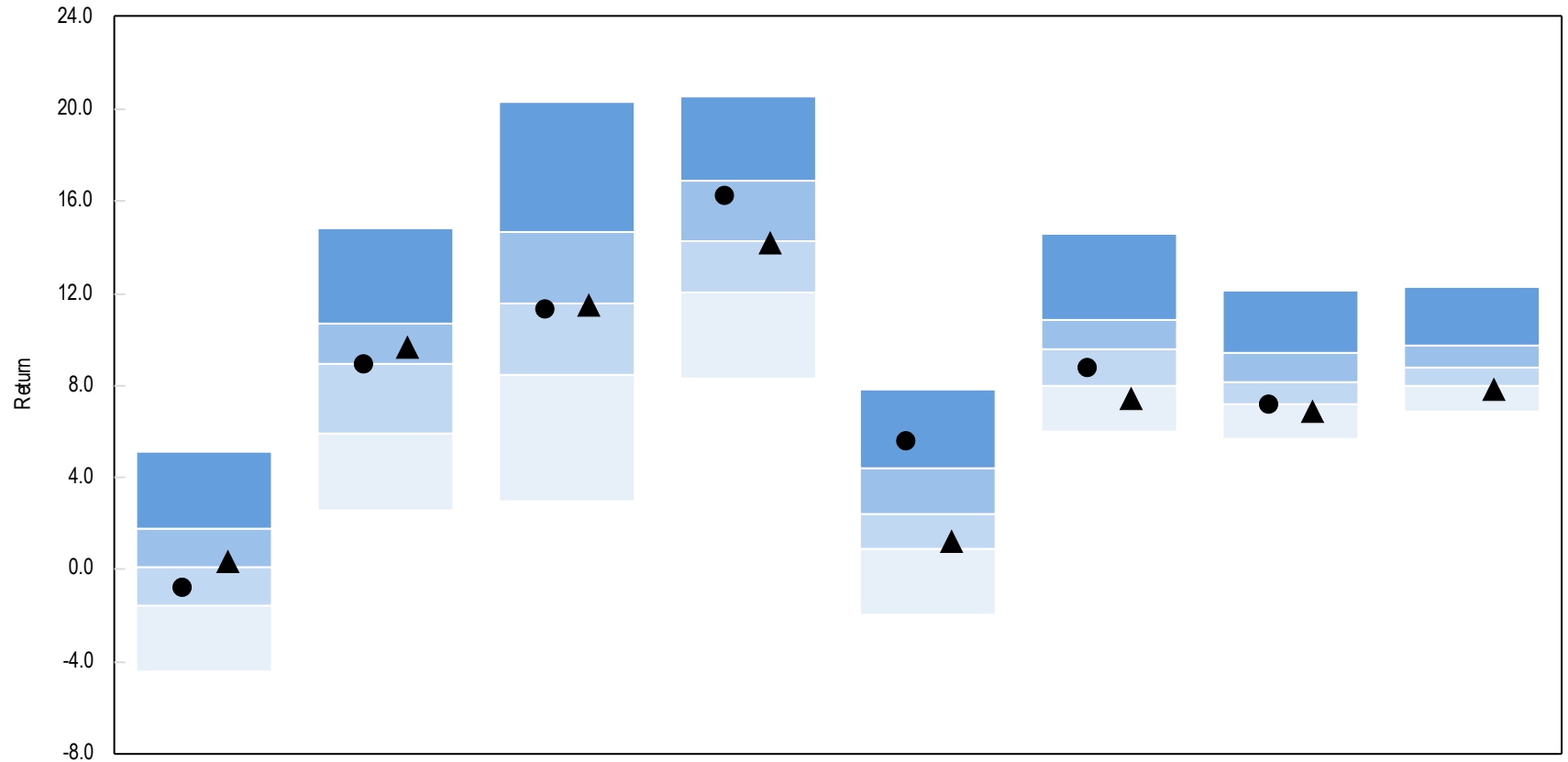
Growth of a Dollar



Quarterly and Cumulative Excess Performance



eV US Small Cap Core Equity Net Return Comparison



	3 Mo	Fiscal YTD	1 Yr	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● PGIM Quant Solutions	-0.8 (62)	8.9 (50)	11.4 (54)	16.3 (28)	5.6 (15)	8.8 (60)	7.2 (77)	-
▲ Russell 2000 Index	0.3 (49)	9.6 (40)	11.5 (52)	14.2 (53)	1.2 (70)	7.4 (82)	6.9 (82)	7.8 (80)
5th Percentile	5.1	14.8	20.4	20.6	7.8	14.6	12.1	12.3
1st Quartile	1.8	10.7	14.7	16.9	4.4	10.8	9.4	9.8
Median	0.1	8.9	11.6	14.3	2.4	9.6	8.2	8.8
3rd Quartile	-1.5	5.9	8.5	12.1	0.9	8.0	7.2	8.0
95th Percentile	-4.5	2.6	3.0	8.4	-1.9	6.0	5.7	6.9
Population	190	190	190	187	179	171	165	145



**Characteristics**

	Portfolio	Benchmark
Number of Stocks	331	1,966
Wtd. Avg. Mkt. Cap \$M	3,272.7	3,588.3
Median Mkt. Cap \$M	2,210.2	960.3
Price/Earnings ratio	15.9	17.8
Current Yield (%)	1.2	1.3
Beta (5 Years, Monthly)	1.0	1.0
Price/Book ratio	2.2	2.5
Return on Equity (%)	6.7	4.1

**Top Holdings**

**Best Performers**

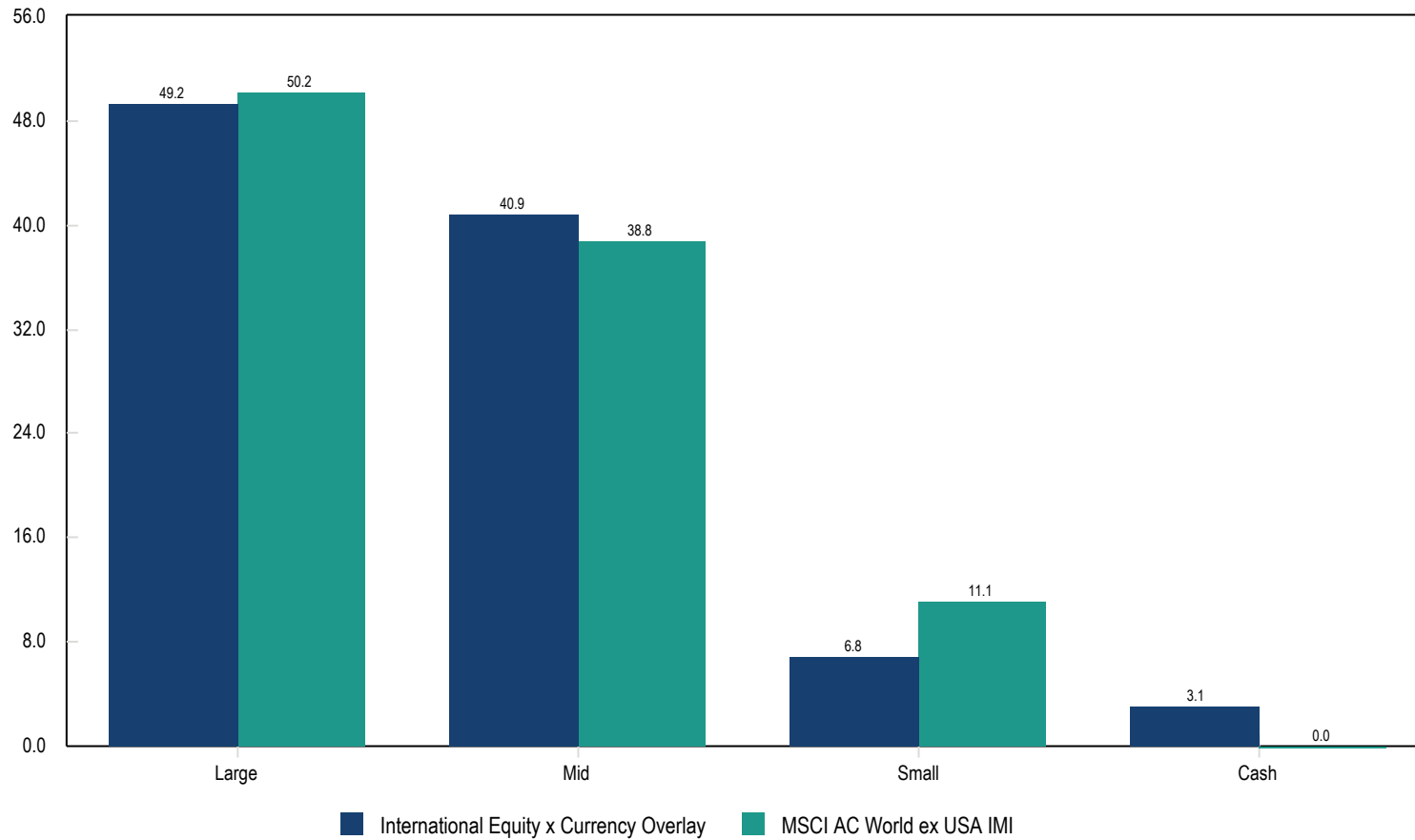
**Worst Performers**

	(%)		Return (%)		Return (%)
Rocket Lab USA Inc	1.1	Rocket Lab USA Inc	161.8	Editas Medicine Inc	-62.8
ACI Worldwide Inc	0.9	GeneDx Holdings Corp	81.1	Fate Therapeutics Inc	-52.9
Frontdoor Inc	0.9	Brinker International Inc.	72.9	Sutro Biopharma Inc	-46.8
Fluor Corp	0.9	SelectQuote Inc	71.4	Diversified Healthcare Trust	-44.9
Intapp Inc	0.9	Remitly Global Inc	68.6	Nkarta Inc	-44.9
Rambus Inc	0.9	Tarsus Pharmaceuticals Inc	68.3	Enanta Pharmaceuticals Inc	-44.5
SkyWest Inc	0.8	MiMedx Group Inc	62.8	Service Properties Trust	-44.1
Brinker International Inc.	0.8	United Natural Foods Inc	62.4	DMC Global Inc	-43.4
Piper Sandler Cos	0.8	Hippo Holdings Inc	58.6	Solid Biosciences Inc	-42.6
Mr. Cooper Group Inc	0.8	Genesco Inc.	57.3	Relay Therapeutics Inc	-41.8

**PGIM Quant Solutions Performance Attribution vs. Russell 2000 Index**

	Attribution Effects				Performance		Sector Weights	
	Total Effects	Selection Effect	Allocation Effect	Interaction Effect	Portfolio	Benchmark	Portfolio	Benchmark
Energy	-0.1	-0.1	0.0	0.0	-5.1	-2.7	4.7	5.3
Materials	-0.1	-0.1	0.0	0.0	-6.5	-4.7	5.3	4.5
Industrials	-0.3	-0.3	0.0	0.0	2.2	4.1	17.2	17.0
Consumer Discretionary	0.3	0.3	0.0	0.0	1.4	-1.7	9.5	10.0
Consumer Staples	0.4	0.3	0.0	0.1	17.5	5.5	3.2	2.8
Health Care	0.7	0.6	0.1	0.0	-4.0	-7.6	16.8	17.5
Financials	0.2	0.2	0.0	0.0	4.7	3.5	18.1	18.0
Information Technology	-0.7	-0.7	0.1	0.0	4.3	9.7	13.4	12.8
Communication Services	0.0	0.0	0.0	0.0	1.4	0.5	2.2	2.7
Utilities	0.0	0.0	0.0	0.0	-4.4	-4.6	3.6	2.8
Real Estate	0.0	-0.1	0.0	0.0	-7.0	-6.1	5.7	6.5
Cash	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0
<b>Total</b>	<b>0.4</b>	<b>0.2</b>	<b>0.1</b>	<b>0.0</b>	<b>0.7</b>	<b>0.3</b>	<b>100.0</b>	<b>100.0</b>

Market Capitalization as of December 31, 2024



See appendix for the market capitalization breakpoints.

International Equity x Currency Overlay  
Equity Only Summary Statistics

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

Characteristics

	Portfolio	Benchmark
Number of Stocks	6,440	6,321
Wtd. Avg. Mkt. Cap \$M	90,754.5	92,687.4
Median Mkt. Cap \$M	2,027.5	2,013.4
Price/Earnings ratio	15.5	15.6
Current Yield (%)	2.9	3.0
Beta (5 Years, Monthly)	1.0	1.0
Price/Book ratio	2.6	2.5
Return on Equity (%)	5.0	4.7

Top Holdings

Best Performers

Worst Performers

	(%)		Return (%)		Return (%)
Taiwan Semiconductor Man.	3.2	Kingsoft Cloud Holdings Limited	250.6	Casino Guichard Perrachon	-66.2
United Overseas Bank Ltd	1.5	Bitdeer Technologies Group	176.8	Amvis Holdings Inc	-65.6
ASML Holding NV	1.1	CAL-Comp Electronics (Thailand) Public Co Ltd	156.2	Kum Yang Co Ltd	-64.0
Tencent Holdings LTD	1.1	Mesoblast Ltd	136.5	Cosmo AM&T Co Ltd	-63.5
Sony Group Corporation	1.0	Dalipal Holdings Ltd	125.2	SoftwareONE Holding AG	-62.0
Banco Santander SA	0.8	Advanced Energy Solution Holding Co Ltd	120.3	Vistry Group PLC	-59.1
Allianz SE	0.8	Shinsung Delta Company Ltd	119.0	C&C International Co Ltd	-56.8
Lloyds Banking Group PLC	0.8	Cambricon Technologies Corporation Limited	118.7	Ecopro Materials Co Ltd	-56.7
GSK plc	0.8	Canggang Railway Limited	97.9	Clarity Pharmaceuticals Ltd	-55.6
Enel Ente Nazionale	0.7	Dynapack International Technology Corp	94.9	Better Collective A/S	-54.7

International Equity x Currency Overlay  
Equity Sector Attribution

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

International Equity x Currency Overlay Performance Attribution vs. MSCI AC World ex USA IMI

	Attribution Effects				Performance		Sector Weights	
	Total Effects	Selection Effect	Allocation Effect	Interaction Effect	Portfolio	Benchmark	Portfolio	Benchmark
Energy	0.1	0.1	0.0	0.0	-4.6	-7.0	4.4	4.8
Materials	0.1	0.0	0.1	0.0	-16.5	-16.0	6.2	7.7
Industrials	-0.3	-0.3	0.0	0.0	-9.0	-7.0	17.5	15.0
Consumer Discretionary	0.1	0.1	0.0	0.0	-6.8	-8.0	11.8	11.4
Consumer Staples	-0.1	0.0	0.0	0.0	-12.6	-12.0	8.2	7.2
Health Care	-0.1	-0.1	0.0	0.0	-14.3	-13.4	8.6	9.0
Financials	-0.4	-0.3	-0.1	0.0	-4.2	-2.7	18.5	20.9
Information Technology	-0.1	-0.2	0.1	0.0	-3.6	-2.1	13.8	12.5
Communication Services	0.1	0.0	0.0	0.0	-5.5	-6.3	5.7	5.3
Utilities	-0.1	0.0	0.0	0.0	-13.6	-12.3	3.5	3.2
Real Estate	0.1	0.0	0.1	0.0	-12.2	-12.2	1.5	3.0
Cash	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0
<b>Total</b>	<b>-0.6</b>	<b>-0.7</b>	<b>0.1</b>	<b>0.0</b>	<b>-8.1</b>	<b>-7.5</b>	<b>100.0</b>	<b>100.0</b>

International Equity x Currency Overlay vs. MSCI AC World ex USA IMI

	Weights		Performance		Attribution Effects			Total Effects
	Portfolio	Benchmark	Portfolio	Benchmark	Selection Effects	Country Effects	Interaction Effects	
Australia	3.1	4.8	-13.3	-11.6	-0.1	0.1	0.0	0.0
Austria	0.4	0.2	-22.6	-4.9	0.0	0.0	0.0	-0.1
Belgium	0.6	0.6	-19.6	-13.6	0.0	0.0	0.0	0.0
Brazil	1.7	1.3	-19.7	-19.4	0.0	0.0	0.0	0.0
Canada	5.3	7.5	0.8	-1.8	0.2	-0.1	-0.1	0.0
Chile	0.3	0.1	-9.9	-6.8	0.0	0.0	0.0	0.0
China	6.6	6.5	-8.4	-6.5	-0.1	0.0	0.0	-0.1
Colombia	0.0	0.0	5.0	5.1	0.0	0.0	0.0	0.0
Czech Republic	0.0	0.0	0.9	0.9	0.0	0.0	0.0	0.0
Denmark	1.4	2.0	-14.3	-20.6	0.1	0.1	0.0	0.2
Egypt	0.0	0.0	-9.9	-9.8	0.0	0.0	0.0	0.0
Finland	0.4	0.7	-13.2	-13.6	0.0	0.0	0.0	0.0
France	5.8	6.0	-12.6	-11.0	-0.1	0.0	0.0	-0.1
Germany	5.0	5.1	-8.8	-6.0	-0.1	0.0	0.0	-0.1
Greece	0.1	0.1	-6.2	-6.2	0.0	0.0	0.0	0.0
Hong Kong	2.5	1.8	-10.9	-9.5	0.0	0.0	0.0	0.0
Hungary	0.0	0.1	-1.8	-1.9	0.0	0.0	0.0	0.0
India	4.8	6.4	-7.3	-9.4	0.1	0.0	0.0	0.1
Indonesia	0.5	0.5	-16.7	-15.3	0.0	0.0	0.0	0.0
Ireland	1.2	0.8	-14.8	-18.8	0.0	-0.1	0.0	0.0
Israel	0.3	0.7	14.8	14.8	0.0	-0.1	0.0	-0.1
Italy	2.1	1.6	-9.6	-6.0	-0.1	0.0	0.0	-0.1
Japan	15.7	15.2	-7.2	-4.1	-0.5	0.0	0.0	-0.5
Kazakhstan	0.0	0.0	-9.2	0.0	0.0	0.0	0.0	0.0
Korea	2.7	3.1	-19.7	-18.9	0.0	0.0	0.0	0.0
Kuwait	0.1	0.2	1.5	1.6	0.0	0.0	0.0	0.0
Malaysia	0.4	0.5	-6.8	-5.3	0.0	0.0	0.0	0.0
Malta	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mexico	0.8	0.5	-8.6	-9.9	0.0	0.0	0.0	0.0
Netherlands	4.3	3.2	-12.3	-9.1	-0.1	0.0	0.0	-0.2
New Zealand	0.1	0.2	-4.6	-4.5	0.0	0.0	0.0	0.0
Norway	0.2	0.5	-6.0	-6.0	0.0	0.0	0.0	0.0
Peru	0.1	0.0	0.9	-0.7	0.0	0.0	0.0	0.0

International Equity x Currency Overlay  
Equity Performance Attribution

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

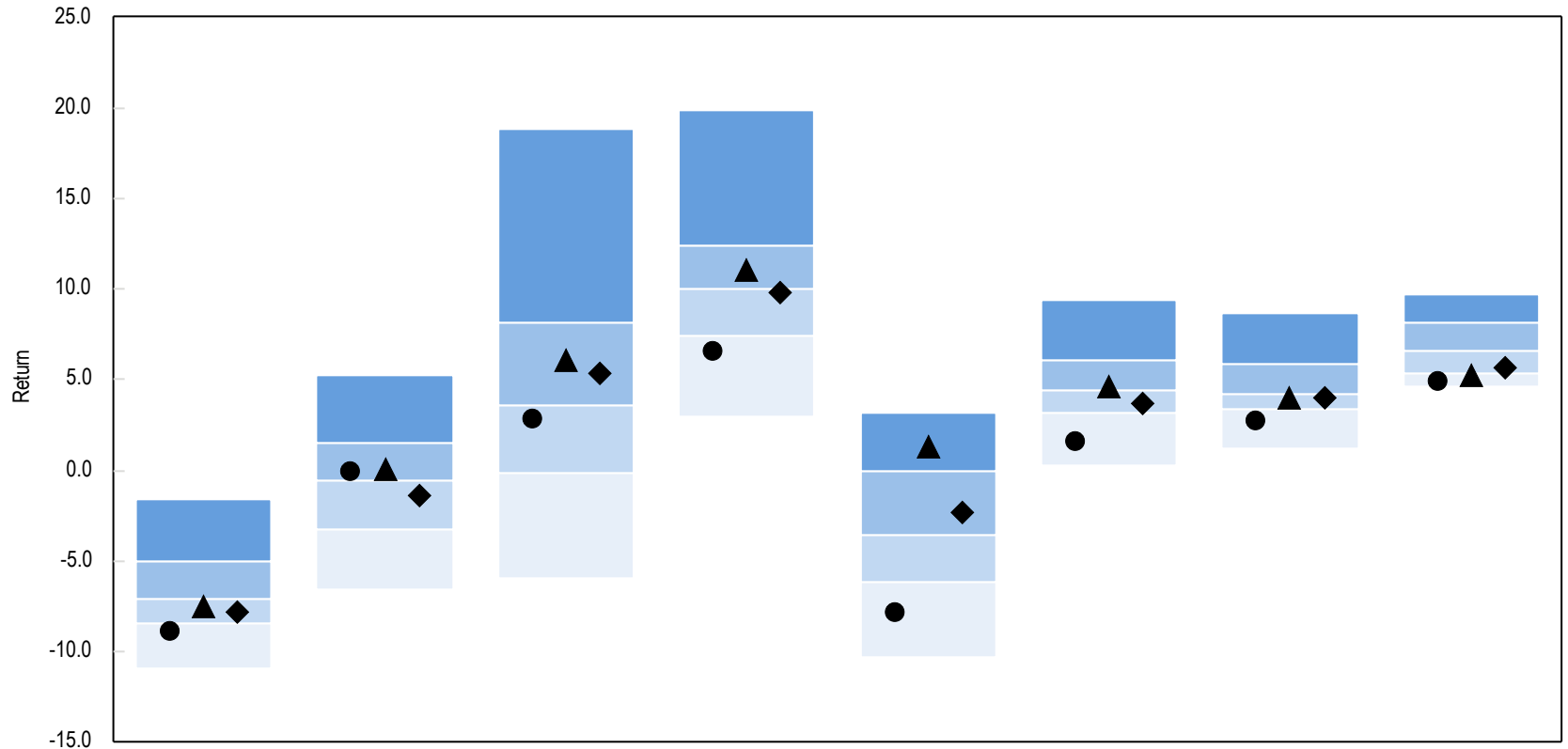
	Weights		Performance		Attribution Effects			Total Effects
	Portfolio	Benchmark	Portfolio	Benchmark	Selection Effects	Country Effects	Interaction Effects	
Philippines	0.1	0.2	-12.6	-12.6	0.0	0.0	0.0	0.0
Poland	0.1	0.3	-9.6	-9.6	0.0	0.0	0.0	0.0
Portugal	0.4	0.1	-4.7	-15.0	0.0	0.0	0.0	0.0
Qatar	0.1	0.2	-0.2	-0.2	0.0	0.0	0.0	0.0
Saudi Arabia	0.9	1.1	-2.1	-2.3	0.0	0.0	0.0	0.0
Singapore	1.7	1.1	4.5	1.3	0.0	0.1	0.0	0.1
South Africa	0.5	0.9	-10.5	-10.5	0.0	0.0	0.0	0.0
Spain	1.5	1.6	-8.9	-9.7	0.0	0.0	0.0	0.0
Sweden	3.0	2.3	-14.9	-13.4	0.0	0.0	0.0	-0.1
Switzerland	4.8	6.0	-10.3	-12.0	0.1	0.1	0.0	0.1
Taiwan	5.2	5.4	4.0	1.9	0.1	0.0	0.0	0.1
Thailand	0.3	0.5	-8.3	-11.3	0.0	0.0	0.0	0.0
Turkey	0.1	0.2	-0.7	-0.3	0.0	0.0	0.0	0.0
United Arab Emirates	0.3	0.3	6.6	8.3	0.0	0.0	0.0	0.0
United Kingdom	12.5	8.9	-6.6	-6.8	0.0	0.0	0.0	0.1
United States	0.3	0.1	-16.9	-11.9	0.0	0.0	0.0	0.0
Other	1.2	0.4	-6.2	-11.7	0.0	0.0	0.0	0.0
Cash	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>-8.1</b>	<b>-7.5</b>	<b>-0.4</b>	<b>0.0</b>	<b>-0.1</b>	<b>-0.6</b>

International Equity x Currency Overlay vs. MSCI AC World ex USA IMI

	Weights		Performance		Attribution Effects			Total Effects
	Portfolio	Benchmark	Portfolio	Benchmark	Selection Effects	Region Effects	Interaction Effects	
Americas	8.4	9.7	-5.0	-4.9	0.0	0.0	0.0	-0.1
Asia Pacific	43.8	46.2	-7.1	-6.6	-0.3	0.0	0.0	-0.3
EMEA	46.3	43.7	-9.7	-9.0	-0.3	0.0	0.0	-0.4
Other	1.2	0.4	-6.2	-11.7	0.0	0.0	0.0	0.0
Cash	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>-8.1</b>	<b>-7.5</b>	<b>-0.6</b>	<b>-0.1</b>	<b>0.0</b>	<b>-0.6</b>



eV ACWI ex-US Growth Equity Net Return Comparison



	3 Mo	Fiscal YTD	1 Yr	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Baillie Gifford	-8.9 (84)	-0.1 (43)	2.9 (58)	6.6 (79)	-7.9 (84)	1.6 (85)	2.7 (86)	5.0 (87)
▲ MSCI ACWI ex US	-7.5 (60)	0.0 (42)	6.1 (36)	11.0 (42)	1.3 (10)	4.6 (48)	4.0 (59)	5.3 (78)
◆ MSCI ACWI ex US Growth	-7.8 (65)	-1.4 (57)	5.4 (40)	9.8 (52)	-2.4 (38)	3.7 (63)	4.0 (58)	5.7 (66)
5th Percentile	-1.6	5.2	18.9	19.9	3.1	9.4	8.7	9.7
1st Quartile	-5.0	1.5	8.1	12.4	-0.1	6.1	5.9	8.2
Median	-7.1	-0.5	3.6	10.1	-3.5	4.4	4.2	6.7
3rd Quartile	-8.4	-3.3	-0.1	7.4	-6.2	3.2	3.4	5.4
95th Percentile	-11.0	-6.6	-6.0	3.0	-10.3	0.3	1.2	4.6
Population	103	103	103	103	101	96	86	72

**Characteristics**

	Portfolio	Benchmark
Number of Stocks	84	2,058
Wtd. Avg. Mkt. Cap \$M	122,751.7	107,605.8
Median Mkt. Cap \$M	26,907.7	9,818.2
Price/Earnings ratio	17.0	15.8
Current Yield (%)	1.8	3.0
Beta (5 Years, Monthly)	1.1	1.0
Price/Book ratio	3.5	2.5
Return on Equity (%)	7.0	4.7

**Top Holdings**

**Best Performers**

**Worst Performers**

	(%)		Return (%)		Return (%)
Taiwan Semiconductor Man.	6.9	Wise plc	48.2	Shiseido Co Ltd	-33.8
United Overseas Bank Ltd	3.2	Shopify Inc	32.7	Unicharm Corporation	-31.0
ASML Holding NV	2.5	Burberry Group PLC	30.5	Shimano Inc	-27.8
Auto Trader Group plc	2.0	Trainline Plc	22.5	Alibaba Group Holding Ltd	-25.1
Games Workshop Group PLC	2.0	Spotify Technology SA	21.4	Anheuser-Busch InBev SA/NV	-24.6
Tencent Holdings LTD	2.0	MakeMyTrip Ltd	20.8	Raia Drogasil SA	-23.3
DSV A/S	1.9	Recruit Holdings Co Ltd	16.5	BHP Group Ltd	-23.2
Cie Financiere Richemont	1.9	Games Workshop Group PLC	16.4	Samsung Electronics Co Ltd	-23.2
Recruit Holdings Co Ltd	1.8	Taiwan Semiconductor Man.	8.8	Remy Cointreau SA	-22.4
Shopify Inc	1.8	United Overseas Bank Ltd	6.1	Sartorius AG	-20.8

**Baillie Gifford Performance Attribution vs. MSCI AC World ex USA Index**

	Attribution Effects				Performance		Sector Weights	
	Total Effects	Selection Effect	Allocation Effect	Interaction Effect	Portfolio	Benchmark	Portfolio	Benchmark
Energy	-0.2	-0.6	0.0	0.5	-19.4	-7.2	1.2	5.0
Materials	0.3	-0.1	0.3	0.0	-18.0	-17.2	3.5	7.1
Industrials	-0.8	-0.5	0.0	-0.3	-10.7	-7.1	23.1	13.8
Consumer Discretionary	0.3	0.3	0.0	0.1	-5.8	-8.0	14.1	11.3
Consumer Staples	-0.9	-0.4	-0.2	-0.2	-18.5	-12.4	11.3	7.4
Health Care	0.2	0.0	0.2	0.0	-13.9	-13.9	6.6	9.4
Financials	-0.6	-0.4	-0.4	0.1	-4.6	-2.8	14.7	22.5
Information Technology	0.2	-0.1	0.4	0.0	-2.4	-1.7	19.1	12.8
Communication Services	0.0	0.0	0.0	0.0	-6.0	-6.3	6.5	5.6
Utilities	0.2	0.0	0.2	0.0	0.0	-12.7	0.0	3.2
Real Estate	0.1	0.0	0.1	0.0	0.0	-11.7	0.0	1.9
Cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>-1.2</b>	<b>-1.8</b>	<b>0.6</b>	<b>0.1</b>	<b>-8.7</b>	<b>-7.5</b>	<b>100.0</b>	<b>100.0</b>

Baillie Gifford vs. MSCI AC World ex USA Index

	Weights		Performance			Attribution Effects		
	Portfolio	Benchmark	Portfolio	Benchmark	Selection Effects	Country Effects	Interaction Effects	Total Effects
Australia	1.2	4.6	-23.2	-11.2	-0.6	0.1	0.4	0.0
Austria	0.0	0.1	0.0	0.6	0.0	0.0	0.0	0.0
Belgium	1.4	0.5	-24.6	-12.9	-0.1	0.0	-0.1	-0.2
Brazil	1.8	1.4	-20.0	-19.1	0.0	0.0	0.0	-0.1
Canada	2.8	7.7	12.2	-1.6	1.1	-0.3	-0.7	0.1
Chile	0.8	0.1	-10.4	-6.7	0.0	0.0	0.0	0.0
China	5.5	7.2	-10.6	-6.7	-0.3	0.0	0.1	-0.2
Colombia	0.0	0.0	0.0	1.4	0.0	0.0	0.0	0.0
Czech Republic	0.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0
Denmark	1.5	2.1	2.6	-21.6	0.5	0.1	-0.1	0.5
Egypt	0.0	0.0	0.0	-8.8	0.0	0.0	0.0	0.0
Finland	0.0	0.7	0.0	-12.8	0.0	0.0	0.0	0.0
France	4.1	6.6	-15.3	-11.0	-0.3	0.1	0.1	-0.1
Germany	2.0	5.6	-13.5	-5.7	-0.4	-0.1	0.3	-0.2
Greece	0.0	0.1	0.0	-6.1	0.0	0.0	0.0	0.0
Hong Kong	4.2	1.8	-14.2	-9.9	-0.1	-0.1	-0.1	-0.2
Hungary	0.0	0.1	0.0	-2.2	0.0	0.0	0.0	0.0
India	3.4	5.8	0.6	-10.8	0.7	0.1	-0.3	0.5
Indonesia	0.0	0.5	0.0	-16.0	0.0	0.0	0.0	0.0
Ireland	3.4	0.8	-12.8	-19.2	0.1	-0.3	0.2	-0.1
Israel	0.0	0.5	0.0	14.2	0.0	-0.1	0.0	-0.1
Italy	0.0	1.6	0.0	-6.9	0.0	0.0	0.0	0.0
Japan	14.5	14.0	-14.8	-3.7	-1.6	0.0	-0.1	-1.6
Korea	1.0	3.1	-23.2	-19.4	-0.1	0.3	0.1	0.2
Kuwait	0.0	0.2	0.0	1.2	0.0	0.0	0.0	0.0
Malaysia	0.0	0.4	0.0	-6.8	0.0	0.0	0.0	0.0
Mexico	1.4	0.6	-11.0	-10.5	0.0	0.0	0.0	0.0
Netherlands	8.9	3.6	-12.3	-9.0	-0.1	-0.1	-0.2	-0.4
New Zealand	0.0	0.2	0.0	-3.6	0.0	0.0	0.0	0.0
Norway	0.0	0.4	0.0	-5.1	0.0	0.0	0.0	0.0
Peru	0.0	0.1	0.0	-1.5	0.0	0.0	0.0	0.0
Philippines	0.0	0.2	0.0	-13.8	0.0	0.0	0.0	0.0
Poland	0.0	0.2	0.0	-10.2	0.0	0.0	0.0	0.0

	Weights		Performance			Attribution Effects		
	Portfolio	Benchmark	Portfolio	Benchmark	Selection Effects	Country Effects	Interaction Effects	Total Effects
Portugal	1.1	0.1	-3.0	-19.3	0.0	-0.1	0.2	0.1
Qatar	0.0	0.2	0.0	-0.1	0.0	0.0	0.0	0.0
Saudi Arabia	0.0	1.1	0.0	-2.0	0.0	-0.1	0.0	-0.1
Singapore	2.8	1.1	6.1	3.7	0.0	0.2	0.0	0.3
South Africa	0.0	0.9	0.0	-11.8	0.0	0.0	0.0	0.0
Spain	0.0	1.7	0.0	-9.7	0.0	0.0	0.0	0.0
Sweden	7.5	2.1	-15.9	-13.3	-0.1	-0.3	-0.1	-0.5
Switzerland	4.8	6.5	-6.4	-11.9	0.4	0.1	-0.1	0.3
Taiwan	7.0	5.2	6.2	3.4	0.1	0.2	0.1	0.4
Thailand	0.0	0.4	0.0	-10.1	0.0	0.0	0.0	0.0
Turkey	0.0	0.2	0.0	-3.1	0.0	0.0	0.0	0.0
United Arab Emirates	0.0	0.3	0.0	9.0	0.0	-0.1	0.0	-0.1
United Kingdom	15.1	8.9	-3.8	-6.2	0.2	0.1	0.2	0.4
United States	0.8	0.1	-18.4	-20.3	0.0	-0.1	0.0	-0.1
Other	3.2	0.3	-8.2	-10.9	0.0	-0.1	0.1	0.0
Cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>-8.7</b>	<b>-7.5</b>	<b>-0.5</b>	<b>-0.5</b>	<b>-0.2</b>	<b>-1.2</b>

Baillie Gifford vs. MSCI AC World ex USA Index

	Weights		Performance		Attribution Effects			Total Effects
	Portfolio	Benchmark	Portfolio	Benchmark	Selection Effects	Region Effects	Interaction Effects	
Americas	7.6	9.9	-5.4	-4.8	-0.1	-0.1	0.0	-0.1
Asia Pacific	39.4	44.5	-8.1	-6.5	-0.7	-0.1	0.1	-0.7
EMEA	49.8	45.3	-9.7	-9.1	-0.3	-0.1	0.0	-0.4
Other	3.2	0.3	-8.2	-10.9	0.0	-0.1	0.1	0.0
Cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>-8.7</b>	<b>-7.5</b>	<b>-1.0</b>	<b>-0.3</b>	<b>0.1</b>	<b>-1.2</b>

**Characteristics**

	Portfolio	Benchmark
Number of Stocks	116	1,201
Wtd. Avg. Mkt. Cap \$M	48,723.3	72,708.4
Median Mkt. Cap \$M	26,431.4	9,747.7
Price/Earnings ratio	13.4	11.7
Current Yield (%)	4.2	4.4
Beta (5 Years, Monthly)	1.0	1.0
Price/Book ratio	1.9	1.7
Return on Equity (%)	3.2	3.7

**Top Holdings**

**Best Performers**

**Worst Performers**

	(%)		Return (%)		Return (%)
Sony Group Corporation	3.4	Guangdong Investment Ltd	34.5	Lg Chem Ltd	-41.8
Lloyds Banking Group PLC	3.3	Panasonic Holdings Corporation	20.3	Hypera SA	-38.2
Banco Santander SA	3.2	Mediatek Incorporation	16.2	Lg Chem Ltd	-37.7
Enel Ente Nazionale	3.0	Heidelberg Materials AG	13.4	Andritz AG, Graz	-28.6
GSK plc	3.0	Imperial Brands PLC	12.0	Kingfisher PLC	-27.0
Fujitsu Ltd	2.9	South Bow Corp	11.2	Evonik Industries AG	-26.1
TC Energy Corp	2.8	Sony Group Corporation	10.4	Itausa S A	-25.5
Allianz SE	2.8	ADNOC Gas plc	10.4	Alibaba Group Holding Ltd	-25.1
United Overseas Bank Ltd	2.8	Taiwan Semiconductor Man.	8.8	Itau Unibanco Holding SA	-24.6
Snam SPA	2.7	TC Energy Corp	8.8	Pernod Ricard SA	-23.8

Mondrian Performance Attribution vs. MSCI AC World ex USA Value

	Attribution Effects				Performance		Sector Weights	
	Total Effects	Selection Effect	Allocation Effect	Interaction Effect	Portfolio	Benchmark	Portfolio	Benchmark
Energy	0.7	0.8	0.0	-0.1	1.9	-7.8	6.7	8.1
Materials	0.3	0.0	0.2	0.0	-17.2	-17.6	5.7	8.1
Industrials	-0.5	-0.3	0.0	-0.2	-10.0	-7.1	17.4	9.5
Consumer Discretionary	0.5	0.5	-0.1	0.1	-5.2	-10.7	10.2	8.1
Consumer Staples	0.4	0.4	0.0	0.0	-4.7	-10.6	7.2	6.5
Health Care	-0.6	-0.2	-0.3	-0.1	-16.3	-13.4	10.3	6.2
Financials	-2.0	-2.0	-0.9	1.0	-7.8	-1.8	17.4	33.9
Information Technology	-0.4	-0.3	0.1	-0.2	-9.4	-5.3	11.0	6.0
Communication Services	0.2	0.2	0.0	0.0	-3.2	-6.3	5.8	5.3
Utilities	-0.3	-0.1	-0.1	0.0	-14.9	-12.7	7.6	5.5
Real Estate	0.1	0.0	0.1	0.0	0.0	-11.7	0.0	3.0
Cash	0.1	0.0	0.1	0.0	0.0	0.0	0.7	0.0
<b>Total</b>	<b>-1.5</b>	<b>-1.1</b>	<b>-0.8</b>	<b>0.4</b>	<b>-8.9</b>	<b>-7.4</b>	<b>100.0</b>	<b>100.0</b>



Mondrian vs. MSCI AC World ex USA Value

	Weights		Performance			Attribution Effects		
	Portfolio	Benchmark	Portfolio	Benchmark	Selection Effects	Country Effects	Interaction Effects	Total Effects
Australia	1.3	4.5	-17.8	-14.4	-0.2	0.2	0.1	0.2
Austria	1.2	0.2	-28.6	3.3	-0.1	0.1	-0.3	-0.3
Belgium	0.0	0.4	0.0	-10.9	0.0	0.0	0.0	0.0
Brazil	2.2	1.2	-19.7	-16.2	0.0	-0.1	0.0	-0.2
Canada	3.0	8.2	3.9	-1.8	0.5	-0.3	-0.3	-0.1
Chile	0.2	0.1	-12.8	-7.9	0.0	0.0	0.0	0.0
China	8.0	6.9	-10.0	-6.7	-0.2	0.0	0.0	-0.3
Colombia	0.0	0.0	0.0	3.9	0.0	0.0	0.0	0.0
Czech Republic	0.0	0.0	0.0	-0.2	0.0	0.0	0.0	0.0
Denmark	0.0	0.4	0.0	-13.8	0.0	0.0	0.0	0.0
Egypt	0.0	0.0	0.0	-5.1	0.0	0.0	0.0	0.0
Finland	0.3	1.2	-11.4	-12.2	0.0	0.0	0.0	0.0
France	7.2	6.4	-13.8	-11.2	-0.2	0.0	0.0	-0.2
Germany	8.3	6.7	-11.1	-8.6	-0.2	0.0	0.0	-0.2
Greece	0.0	0.1	0.0	-6.0	0.0	0.0	0.0	0.0
Hong Kong	2.4	1.9	-7.0	-7.1	0.0	0.0	0.0	0.0
Hungary	0.0	0.1	0.0	-4.4	0.0	0.0	0.0	0.0
India	2.3	5.8	-4.3	-11.4	0.4	0.1	-0.2	0.3
Indonesia	1.1	0.5	-18.0	-17.3	0.0	-0.1	0.0	-0.1
Ireland	0.0	0.4	0.0	-5.0	0.0	0.0	0.0	0.0
Israel	0.0	0.5	0.0	21.3	0.0	-0.1	0.0	-0.1
Italy	5.0	2.1	-12.0	-5.4	-0.1	0.1	-0.2	-0.3
Japan	18.0	13.8	-6.6	-3.0	-0.5	0.2	-0.2	-0.5
Kazakhstan	0.1	0.0	-9.2	0.0	0.0	0.0	0.0	0.0
Korea	3.6	3.3	-20.2	-19.3	0.0	0.0	0.0	-0.1
Kuwait	0.0	0.2	0.0	-0.1	0.0	0.0	0.0	0.0
Malaysia	0.5	0.5	-9.9	-7.7	0.0	0.0	0.0	0.0
Mexico	0.7	0.6	-1.9	-10.2	0.0	0.0	0.0	0.1
Netherlands	2.0	1.9	-23.0	-11.1	-0.2	0.0	0.0	-0.2
New Zealand	0.0	0.1	0.0	-6.7	0.0	0.0	0.0	0.0
Norway	0.0	0.6	0.0	-6.5	0.0	0.0	0.0	0.0
Peru	0.4	0.1	1.3	1.3	0.0	0.0	0.0	0.0
Philippines	0.0	0.2	0.0	-16.7	0.0	0.0	0.0	0.0

Mondrian  
Equity Performance Attribution

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

	Weights		Performance		Attribution Effects			Total Effects
	Portfolio	Benchmark	Portfolio	Benchmark	Selection Effects	Country Effects	Interaction Effects	
Poland	0.0	0.2	0.0	-8.6	0.0	0.0	0.0	0.0
Portugal	0.4	0.1	-3.0	-30.1	0.0	-0.1	0.1	0.0
Qatar	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0
Saudi Arabia	1.2	1.1	-1.5	-2.1	0.0	0.0	0.0	0.0
Singapore	1.9	1.0	6.1	-1.4	0.1	0.1	0.1	0.2
South Africa	0.0	0.9	0.0	-12.8	0.0	0.1	0.0	0.1
Spain	2.7	2.5	-7.9	-9.2	0.0	0.0	0.0	0.0
Sweden	0.0	1.5	0.0	-8.0	0.0	0.0	0.0	0.0
Switzerland	3.1	7.1	-10.1	-11.8	0.1	0.2	-0.1	0.2
Taiwan	3.0	4.5	6.9	-4.0	0.5	-0.1	-0.2	0.3
Thailand	0.0	0.4	0.0	-11.3	0.0	0.0	0.0	0.0
Turkey	0.0	0.2	0.0	-4.3	0.0	0.0	0.0	0.0
United Arab Emirates	0.7	0.3	4.8	22.2	-0.1	0.1	-0.1	0.0
United Kingdom	17.4	10.9	-8.7	-4.8	-0.4	0.2	-0.3	-0.5
Other	1.0	0.2	4.9	-0.6	0.0	0.1	0.0	0.1
Cash	0.7	0.0	0.0	0.0	0.0	0.1	0.0	0.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>-8.9</b>	<b>-7.4</b>	<b>-0.5</b>	<b>0.7</b>	<b>-1.6</b>	<b>-1.5</b>

Mondrian vs. MSCI AC World ex USA Value

	Weights		Performance		Attribution Effects			Total Effects
	Portfolio	Benchmark	Portfolio	Benchmark	Selection Effects	Region Effects	Interaction Effects	
Americas	6.5	10.1	-5.2	-3.9	-0.1	-0.1	0.0	-0.2
Asia Pacific	42.1	43.3	-7.5	-7.7	0.1	0.0	0.0	0.1
EMEA	49.7	46.3	-10.9	-7.9	-1.4	0.0	-0.1	-1.5
Other	1.0	0.2	4.9	-0.6	0.0	0.1	0.0	0.1
Cash	0.7	0.0	0.0	0.0	0.0	0.1	0.0	0.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>-8.9</b>	<b>-7.4</b>	<b>-1.4</b>	<b>0.0</b>	<b>0.0</b>	<b>-1.5</b>

**BlackRock MSCI ACWI EX-US IMI Performance Attribution vs. MSCI AC World ex USA IMI (Net)**

	Attribution Effects				Performance		Sector Weights	
	Total Effects	Selection Effect	Allocation Effect	Interaction Effect	Portfolio	Benchmark	Portfolio	Benchmark
Energy	0.0	0.0	0.0	0.0	-7.1	-7.0	4.8	4.8
Materials	0.0	0.0	0.0	0.0	-15.9	-16.0	7.7	7.7
Industrials	0.0	0.0	0.0	0.0	-7.0	-7.0	14.9	15.0
Consumer Discretionary	0.0	0.0	0.0	0.0	-8.0	-8.0	11.4	11.4
Consumer Staples	0.0	0.0	0.0	0.0	-11.8	-12.0	7.2	7.2
Health Care	0.0	0.0	0.0	0.0	-13.3	-13.4	8.8	9.0
Financials	0.0	0.0	0.0	0.0	-2.7	-2.7	20.9	20.9
Information Technology	0.0	0.0	0.0	0.0	-2.1	-2.1	12.6	12.5
Communication Services	0.0	0.0	0.0	0.0	-6.4	-6.3	5.3	5.3
Utilities	0.0	0.0	0.0	0.0	-12.2	-12.3	3.3	3.2
Real Estate	0.0	0.0	0.0	0.0	-12.2	-12.2	3.0	3.0
Cash	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-7.5</b>	<b>-7.5</b>	<b>100.0</b>	<b>100.0</b>

**Characteristics**

	Portfolio	Benchmark
Number of Stocks	6,414	6,321
Wtd. Avg. Mkt. Cap \$M	92,232.5	92,687.4
Median Mkt. Cap \$M	2,014.2	2,013.4
Price/Earnings ratio	15.6	15.6
Current Yield (%)	3.0	3.0
Beta (3 Years, Monthly)	1.0	1.0
Price/Book ratio	2.5	2.5
Return on Equity (%)	4.7	4.7

**Top Holdings**

**Best Performers**

**Worst Performers**

	(%)		Return (%)		Return (%)
Taiwan Semiconductor Man.	2.7	Kingsoft Cloud Holdings Limited	250.6	Casino Guichard Perrachon	-66.2
Tencent Holdings LTD	1.2	Bitdeer Technologies Group	176.8	Amvis Holdings Inc	-65.6
ASML Holding NV	0.9	CAL-Comp Electronics (Thailand) Public Co Ltd	156.2	Kum Yang Co Ltd	-64.0
Novo Nordisk A/S	0.9	Mesoblast Ltd	136.5	Cosmo AM&T Co Ltd	-63.5
SAP SE	0.8	Dalipal Holdings Ltd	125.2	SoftwareONE Holding AG	-62.0
Toyota Motor Corp	0.7	Advanced Energy Solution Holding Co Ltd	120.3	Vistry Group PLC	-59.1
Astrazeneca PLC	0.7	Shinsung Delta Company Ltd	119.0	C&C International Co Ltd	-56.8
Nestle SA, Cham Und Vevey	0.7	Cambricon Technologies Corporation Limited	118.7	Ecopro Materials Co Ltd	-56.7
Shell Plc	0.6	Canggang Railway Limited	97.9	Clarity Pharmaceuticals Ltd	-55.6
Roche Holding AG	0.6	Dynapack International Technology Corp	94.9	Better Collective A/S	-54.7

**BlackRock MSCI ACWI EX-US IMI vs. MSCI AC World ex USA IMI (Net)**

	Weights		Performance		Attribution Effects			Total Effects
	Portfolio	Benchmark	Portfolio	Benchmark	Selection Effects	Country Effects	Interaction Effects	
Australia	4.8	4.8	-11.6	-11.6	0.0	0.0	0.0	0.0
Austria	0.2	0.2	-5.0	-4.9	0.0	0.0	0.0	0.0
Belgium	0.6	0.6	-13.6	-13.6	0.0	0.0	0.0	0.0
Brazil	1.3	1.3	-19.4	-19.4	0.0	0.0	0.0	0.0
Canada	7.6	7.5	-1.8	-1.8	0.0	0.0	0.0	0.0
Chile	0.1	0.1	-6.8	-6.8	0.0	0.0	0.0	0.0
China	6.5	6.5	-6.5	-6.5	0.0	0.0	0.0	0.0
Colombia	0.0	0.0	5.0	5.1	0.0	0.0	0.0	0.0
Czech Republic	0.0	0.0	0.9	0.9	0.0	0.0	0.0	0.0
Denmark	2.0	2.0	-20.6	-20.6	0.0	0.0	0.0	0.0
Egypt	0.0	0.0	-9.9	-9.8	0.0	0.0	0.0	0.0
Finland	0.7	0.7	-13.6	-13.6	0.0	0.0	0.0	0.0
France	5.9	6.0	-11.0	-11.0	0.0	0.0	0.0	0.0
Germany	4.9	5.1	-6.0	-6.0	0.0	0.0	0.0	0.0
Greece	0.1	0.1	-6.2	-6.2	0.0	0.0	0.0	0.0
Hong Kong	1.8	1.8	-9.5	-9.5	0.0	0.0	0.0	0.0
Hungary	0.1	0.1	-1.8	-1.9	0.0	0.0	0.0	0.0
India	6.8	6.4	-9.4	-9.4	0.0	0.0	0.0	0.0
Indonesia	0.5	0.5	-15.3	-15.3	0.0	0.0	0.0	0.0
Ireland	0.8	0.8	-18.8	-18.8	0.0	0.0	0.0	0.0
Israel	0.7	0.7	14.8	14.8	0.0	0.0	0.0	0.0
Italy	1.6	1.6	-6.0	-6.0	0.0	0.0	0.0	0.0
Japan	15.1	15.2	-4.1	-4.1	0.0	0.0	0.0	0.0
Korea	3.2	3.1	-18.9	-18.9	0.0	0.0	0.0	0.0
Kuwait	0.2	0.2	1.5	1.6	0.0	0.0	0.0	0.0
Malaysia	0.5	0.5	-5.2	-5.3	0.0	0.0	0.0	0.0
Malta	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mexico	0.5	0.5	-9.9	-9.9	0.0	0.0	0.0	0.0
Netherlands	3.2	3.2	-9.1	-9.1	0.0	0.0	0.0	0.0
New Zealand	0.2	0.2	-4.6	-4.5	0.0	0.0	0.0	0.0
Norway	0.5	0.5	-6.0	-6.0	0.0	0.0	0.0	0.0
Peru	0.0	0.0	-0.8	-0.7	0.0	0.0	0.0	0.0
Philippines	0.2	0.2	-12.6	-12.6	0.0	0.0	0.0	0.0

BlackRock MSCI ACWI EX-US IMI  
Equity Performance Attribution

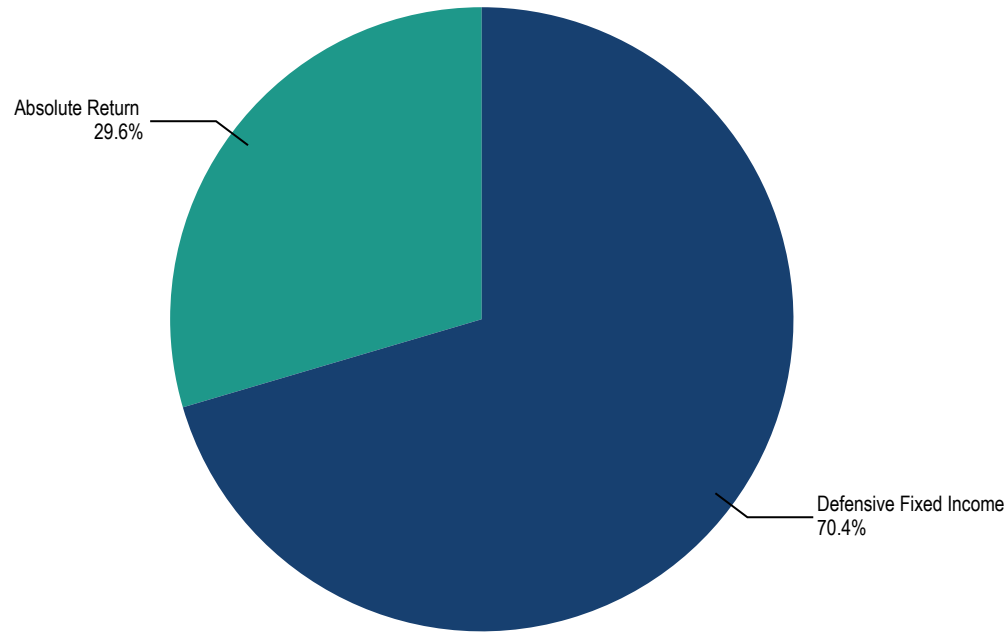
San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

	Weights		Performance		Attribution Effects			Total Effects
	Portfolio	Benchmark	Portfolio	Benchmark	Selection Effects	Country Effects	Interaction Effects	
Poland	0.3	0.3	-9.6	-9.6	0.0	0.0	0.0	0.0
Portugal	0.1	0.1	-15.0	-15.0	0.0	0.0	0.0	0.0
Qatar	0.2	0.2	-0.2	-0.2	0.0	0.0	0.0	0.0
Saudi Arabia	1.1	1.1	-2.4	-2.3	0.0	0.0	0.0	0.0
Singapore	1.1	1.1	1.1	1.3	0.0	0.0	0.0	0.0
South Africa	0.9	0.9	-10.5	-10.5	0.0	0.0	0.0	0.0
Spain	1.6	1.6	-9.7	-9.7	0.0	0.0	0.0	0.0
Sweden	2.3	2.3	-13.4	-13.4	0.0	0.0	0.0	0.0
Switzerland	5.5	6.0	-12.0	-12.0	0.0	0.0	0.0	0.0
Taiwan	5.4	5.4	1.9	1.9	0.0	0.0	0.0	0.0
Thailand	0.7	0.5	-8.3	-11.3	0.0	0.0	0.0	0.0
Turkey	0.2	0.2	-0.7	-0.3	0.0	0.0	0.0	0.0
United Arab Emirates	0.3	0.3	8.3	8.3	0.0	0.0	0.0	0.0
United Kingdom	8.8	8.9	-6.7	-6.8	0.0	0.0	0.0	0.0
United States	0.1	0.1	-11.8	-11.9	0.0	0.0	0.0	0.0
Other	0.4	0.4	-11.6	-11.7	0.0	0.0	0.0	0.0
Cash	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>-7.5</b>	<b>-7.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**BlackRock MSCI ACWI EX-US IMI vs. MSCI AC World ex USA IMI (Net)**

	Weights		Performance		Attribution Effects			Total Effects
	Portfolio	Benchmark	Portfolio	Benchmark	Selection Effects	Region Effects	Interaction Effects	
Americas	9.8	9.7	-4.9	-4.9	0.0	0.0	0.0	0.0
Asia Pacific	46.8	46.2	-6.6	-6.6	0.0	0.0	0.0	0.0
EMEA	42.9	43.7	-9.0	-9.0	0.0	0.0	0.0	0.0
Other	0.4	0.4	-11.6	-11.7	0.0	0.0	0.0	0.0
Cash	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>-7.5</b>	<b>-7.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>





	Actual \$	Actual %	Manager Contribution to Excess Return %
Defensive Fixed Income	\$843,376,591	70.4%	0.4%
Absolute Return	\$353,782,231	29.6%	0.9%
Actual vs. Policy Weight Difference			-0.3%
<b>Total</b>	<b>\$1,197,158,822</b>	<b>100.0%</b>	<b>1.0%</b>

Diversifying Portfolio  
Risk vs. Return (1 Year)

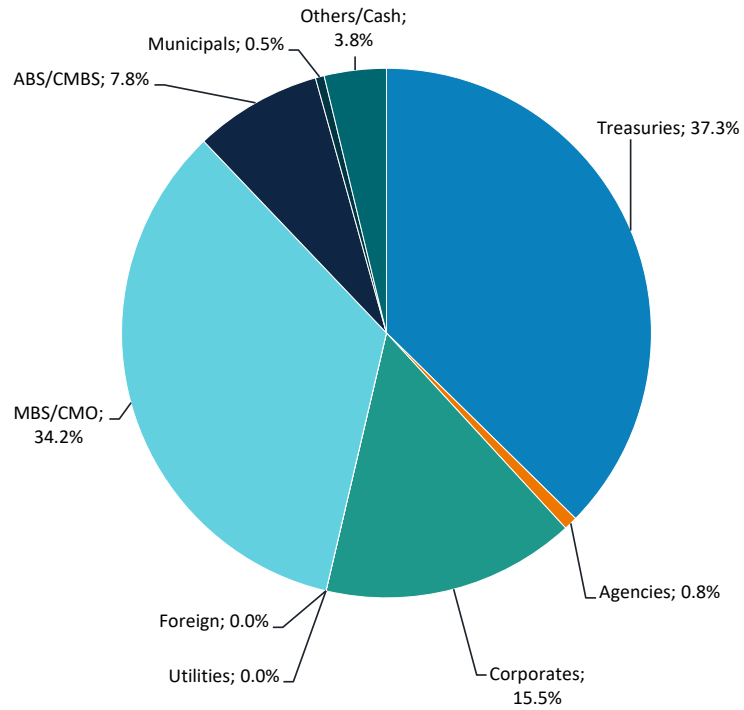
San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

Statistics Summary  
3 Years

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio	Tracking Error
Diversifying Portfolio	2.8	4.6	-0.5	0.1	2.3
<i>Blended Diversifying Index</i>	2.6	4.8	-0.5	-	0.0
Defensive Fixed Income	0.2	6.6	-0.7	1.4	0.6
<i>Blended Core Fixed Income Benchmark</i>	-0.6	7.1	-0.8	-	0.0
Absolute Return	8.7	8.1	0.4	0.0	8.1
<i>Absolute Return Custom Index</i>	9.3	0.2	20.6	-	0.0

Defensive Fixed Income  
Bond Sector Allocation

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024



Sector	Account Weight	Bloomberg Aggregate	
		Weight	Difference
Treasuries	37.3%	44.0%	-6.6%
Agencies	0.8%	4.4%	-3.5%
Corporates	15.5%	24.4%	-8.9%
Utilities	0.0%	0.0%	0.0%
Foreign	0.0%	0.0%	0.0%
MBS/CMO	34.2%	24.8%	9.4%
ABS/CMBS	7.8%	2.0%	5.8%
Municipals	0.5%	0.0%	0.5%
Others/Cash	3.8%	0.5%	3.3%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

Defensive Fixed Income  
Bond Summary Statistics

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

Portfolio Characteristics			Bloomberg Aggregate
		Portfolio	
Total Number of Securities			
Total Market Value	\$	841,634,528	
Current Coupon		4.54	3.40
Yield to Maturity		5.35	4.89
Average Life		10.11	8.33
Duration		6.95	5.88
Quality		AA	AA

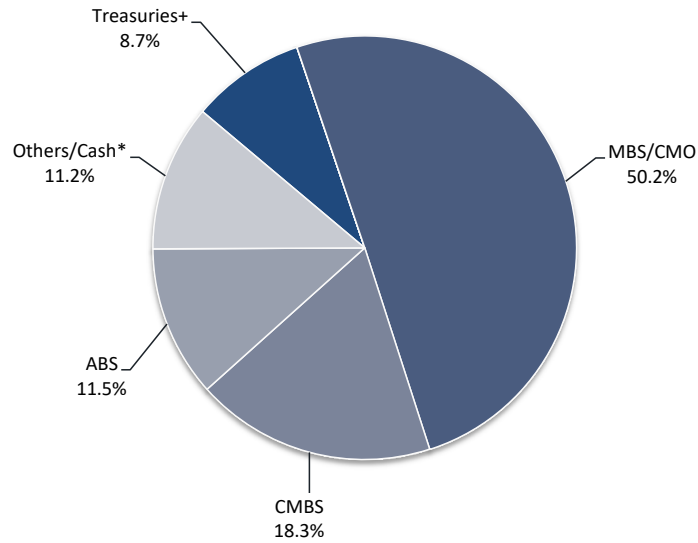
Yield to Maturity	
Range	% Held
0.0 - 5.0	49.4
5.0 - 7.0	45.6
7.0 - 9.0	3.5
9.0 - 11.0	0.9
11.0 - 13.0	0.3
13.0+	0.2
Unclassified	0.2

Average Life	
Range	% Held
0.0 - 1.0	3.5
1.0 - 3.0	11.8
3.0 - 5.0	15.2
5.0 - 10.0	43.2
10.0 - 20.0	12.5
20.0+	13.8
Unclassified	0.1

Duration	
Range	% Held
0.0 - 1.0	12.6
1.0 - 3.0	13.1
3.0 - 5.0	22.4
5.0 - 7.0	17.3
7.0 - 10.0	10.4
10.0+	24.1
Unclassified	0.1

Quality	
Range	% Held
Govt (10)	41.6
Aaa (10)	24.5
Aa (9)	11.8
A (8)	8.8
Baa (7)	12.1
Below Baa (6-1)	0.3
Other	0.9

Coupon	
Range	% Held
0.0 - 5.0	70.8
5.0 - 7.0	25.1
7.0 - 9.0	3.0
9.0 - 11.0	0.0
11.0 - 13.0	0.0
13.0+	0.0
Unclassified	1.1



Sector	Account Weight	Bloomberg	
		Aggregate Weight	Difference
Treasuries <sup>+</sup>	8.7%	44.0%	-35.3%
Agencies	0.0%	4.4%	-4.4%
Corporates	0.0%	24.4%	-24.4%
Utilities	0.0%	0.0%	0.0%
Foreign	0.0%	0.0%	0.0%
MBS/CMO	50.2%	24.8%	25.4%
CMBS	18.3%	0.0%	18.3%
ABS	11.5%	2.0%	9.6%
Municipals	0.0%	0.0%	0.0%
Others/Cash*	11.2%	0.5%	10.7%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

+ May include TIPS allocation.

\* Includes CLOs.

Portfolio Characteristics		
	Portfolio	
Total Number of Securities		275
Total Market Value	\$	267,105,430
Current Coupon		6.15
Yield to Maturity		5.91
Average Life		7.60
Duration		5.69
Quality		AA

Bloomberg Aggregate	
	3.40
	4.89
	8.33
	5.88
	AA

Yield to Maturity		
Range	% Held	
0.0 - 5.0	20.0	
5.0 - 7.0	66.8	
7.0 - 9.0	10.2	
9.0 - 11.0	2.0	
11.0 - 13.0	0.5	
13.0+	0.5	
Unclassified	0.0	

Average Life		
Range	% Held	
0.0 - 1.0	5.9	
1.0 - 3.0	9.2	
3.0 - 5.0	16.3	
5.0 - 10.0	53.4	
10.0 - 20.0	10.9	
20.0+	4.4	
Unclassified	0.0	

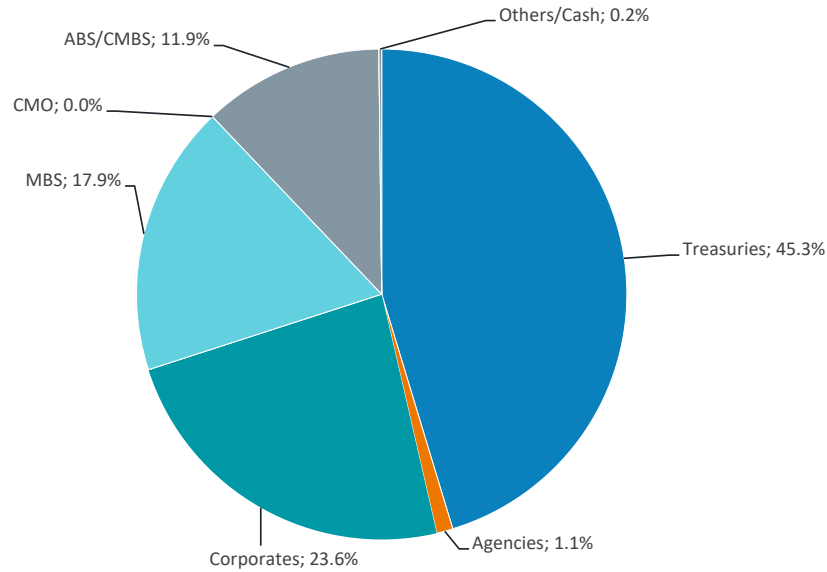
Duration		
Range	% Held	
0.0 - 1.0	28.2	
1.0 - 3.0	14.4	
3.0 - 5.0	28.8	
5.0 - 7.0	13.2	
7.0 - 10.0	3.9	
10.0+	11.6	
Unclassified	0.0	

Quality		
Range	% Held	
Govt (10)	19.5	
Aaa (10)	52.2	
Aa (9)	4.3	
A (8)	8.6	
Baa (7)	11.8	
Below Baa (6-1)	0.7	
Other	2.9	

Coupon		
Range	% Held	
0.0 - 5.0	49.5	
5.0 - 7.0	39.7	
7.0 - 9.0	7.9	
9.0 - 11.0	0.0	
11.0 - 13.0	0.0	
13.0+	0.0	
Unclassified/Cash	2.9	

FIAM Bond Duration Pool  
Bond Sector Allocation

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024



Sector	Bloomberg Aggregate		
	Account Weight	Weight	Difference
Treasuries	45.3%	44.0%	1.3%
Agencies	1.1%	4.4%	-3.3%
Corporates	23.6%	24.4%	-0.7%
Utilities	0.0%	0.0%	0.0%
Foreign	0.0%	0.0%	0.0%
MBS	17.9%	24.8%	-7.0%
CMO	0.0%	0.0%	0.0%
ABS/CMBS	11.9%	2.0%	9.9%
Municipals	0.0%	0.0%	0.0%
Others/Cash	0.2%	0.5%	-0.3%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

FIAM Bond Market Duration Pool  
Bond Summary Statistics

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

Portfolio Characteristics		Portfolio	Bloomberg Aggregate
Total Number of Securities		533	
Total Market Value	\$	188,480,008	
Current Coupon		4.21	3.40
Yield to Maturity		5.39	4.89
Average Life		9.03	8.33
Duration		6.06	5.88
Quality		AA-	AA

Yield to Maturity	
Range	% Held
0.0 - 5.0	54.7
5.0 - 7.0	42.8
7.0 - 9.0	0.8
9.0 - 11.0	1.1
11.0 - 13.0	0.5
13.0+	0.0
Unclassified	0.0

Average Life	
Range	% Held
0.0 - 1.0	2.6
1.0 - 3.0	9.8
3.0 - 5.0	17.6
5.0 - 10.0	53.1
10.0 - 20.0	4.6
20.0+	12.0
Unclassified	0.27

Duration	
Range	% Held
0.0 - 1.0	11.8
1.0 - 3.0	7.1
3.0 - 5.0	24.6
5.0 - 7.0	26.2
7.0 - 10.0	15.7
10.0+	14.3
Unclassified	0.27

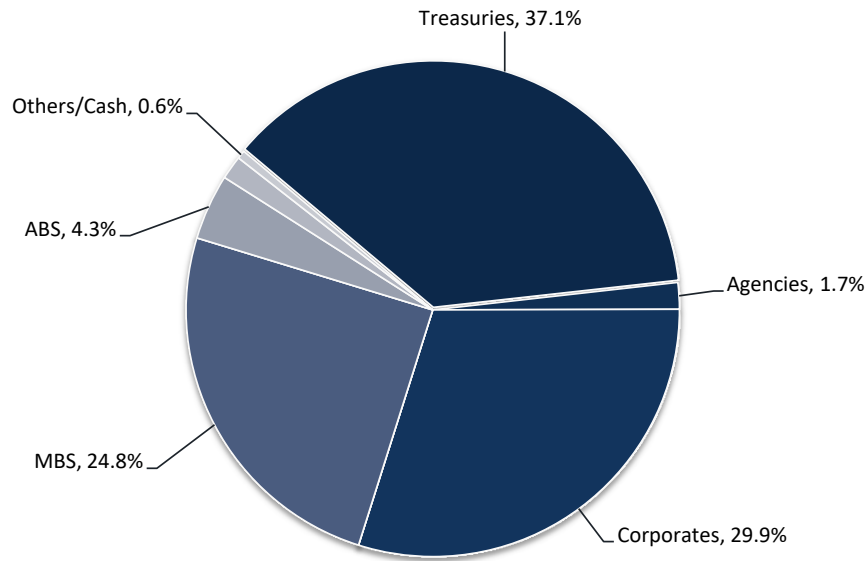
Quality	
Range	% Held
Govt (10)	46.4
Aaa (10)	25.4
Aa (9)	3.0
A (8)	7.4
Baa (7)	17.5
Below Baa (6-1)	0.3
Other	0.00

Coupon	
Range	% Held
0.0 - 5.0	76.7
5.0 - 7.0	22.4
7.0 - 9.0	0.9
9.0 - 11.0	0.0
11.0 - 13.0	0.0
13.0+	0.0
Unclassified	



NISA Core Bond Duration Pool  
Bond Sector Allocation

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024



Sector	Account Weight	Bloomberg Aggregate	
		Weight	Difference
Treasuries	37.1%	44.0%	-6.9%
Agencies	1.7%	4.4%	-2.6%
Corporates	29.9%	24.4%	5.5%
Utilities	0.0%	0.0%	0.0%
Foreign	0.0%	0.0%	0.0%
MBS	24.8%	24.8%	0.0%
CMO	0.0%	0.0%	0.0%
ABS	4.3%	2.0%	2.3%
Municipals	1.6%	0.0%	1.6%
Others/Cash	0.6%	0.5%	0.1%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

NISA Core Bond Market Duration Pool  
Bond Summary Statistics

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

Portfolio Characteristics		
		Portfolio
Total Number of Securities		591
Total Market Value	\$	286,624,547
Current Coupon		3.81
Yield to Maturity		4.96
Average Life		8.90
Duration		6.06
Quality		Aa2

Bloomberg Aggregate	
Current Coupon	3.40
Yield to Maturity	4.89
Average Life	8.33
Duration	5.88
Quality	AA

Yield to Maturity	
Range	% Held
0.0 - 5.0	55.9
5.0 - 7.0	43.5
7.0 - 9.0	0.1
9.0 - 11.0	0.0
11.0 - 13.0	0.0
13.0+	0.0
Unclassified*	0.5

Average Life	
Range	% Held
0.0 - 1.0	3.0
1.0 - 3.0	19.7
3.0 - 5.0	17.8
5.0 - 10.0	42.1
10.0 - 20.0	8.3
20.0+	9.1
Unclassified	0.0

Duration	
Range	% Held
< 1.0	3.0
1.0 - 3.0	20.5
3.0 - 5.0	22.8
5.0 - 7.0	21.4
7.0 - 10.0	16.0
10.0+	16.3
Unclassified	0.0

\*Unclassified includes a 0.65% cash position

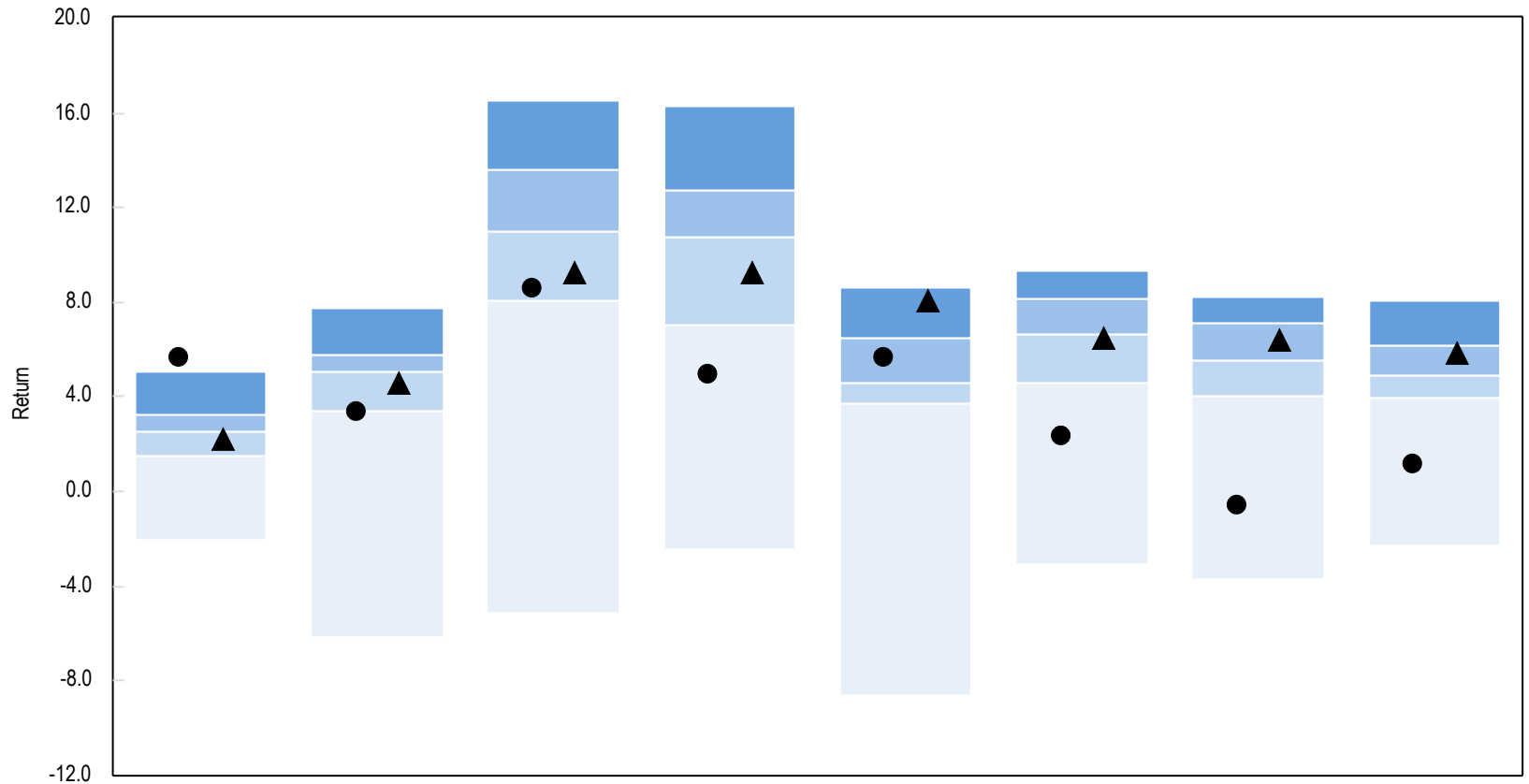
Quality	
Range	% Held
Govt* (10)	38.9
Aaa (10)	6.6
Aa (9)	28.7
A (8)	12.9
Baa (7)	13.0
Below Baa (6-1)	0.0
Other	0.0

Coupon	
Range	% Held
0.0 - 5.0	76.8
5.0 - 7.0	21.9
7.0 - 9.0	0.8
9.0 - 10.0	0.0
10.0+	0.0
Unclassified	0.5

Absolute Return  
Peer Universe Comparison

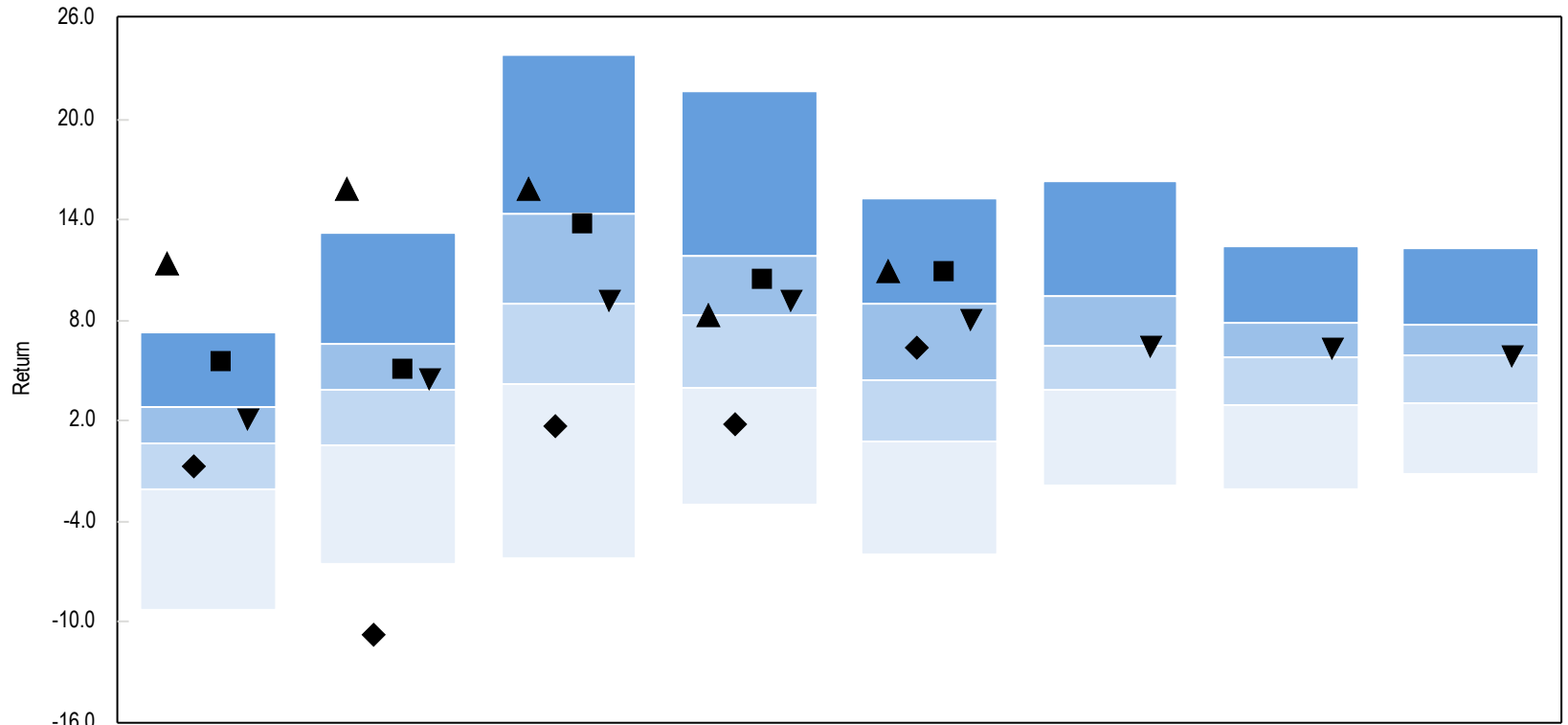
San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

InvMetrics All DB Hedge Funds Net Return Comparison



	3 Mo	Fiscal YTD	1 Yr	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Absolute Return	5.7 (4)	3.4 (76)	8.7 (75)	5.0 (82)	5.7 (32)	2.4 (87)	-0.5 (90)	1.2 (86)
▲ Absolute Return Custom Index	2.2 (54)	4.6 (67)	9.3 (71)	9.2 (67)	8.0 (7)	6.5 (52)	6.4 (38)	5.9 (30)
5th Percentile	5.1	7.8	16.5	16.3	8.6	9.3	8.2	8.1
1st Quartile	3.2	5.8	13.6	12.8	6.5	8.1	7.1	6.1
Median	2.5	5.1	11.0	10.7	4.6	6.6	5.6	4.9
3rd Quartile	1.5	3.4	8.1	7.0	3.7	4.6	4.0	4.0
95th Percentile	-2.0	-6.2	-5.1	-2.5	-8.6	-3.1	-3.7	-2.3
Population	158	156	151	140	131	112	83	68

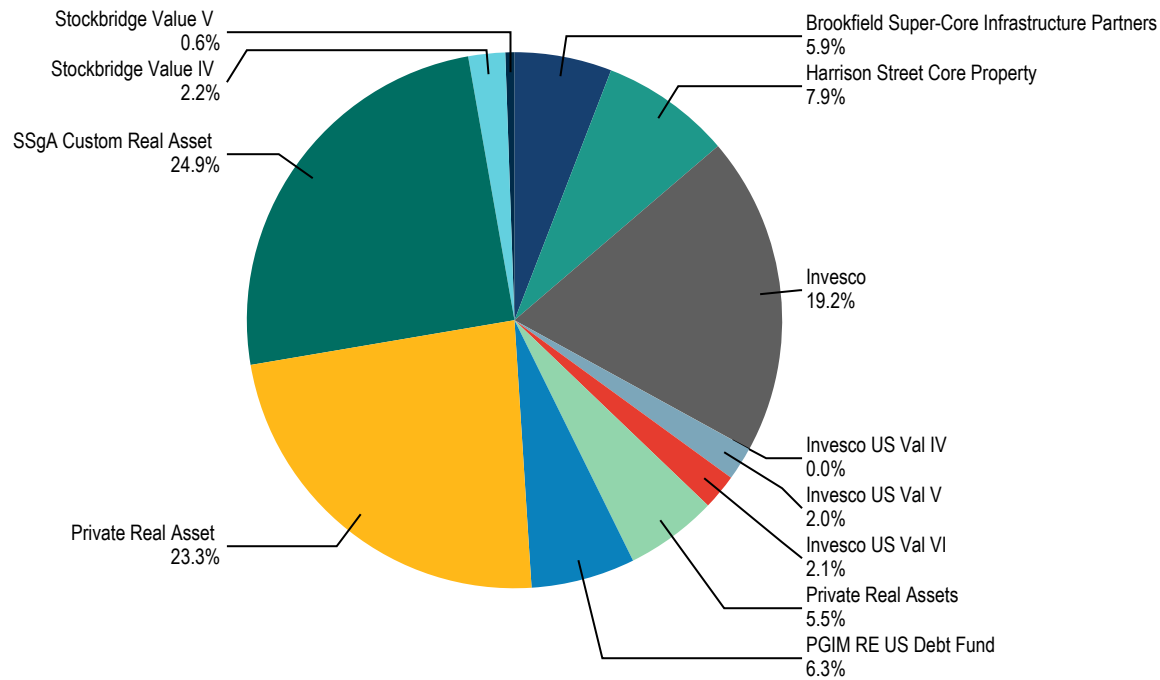
eV Alt All Multi-Strategy Net Return Comparison



	3 Mo	Fiscal YTD	1 Yr	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
▲ CFM Systematic Global Macro	11.4 (2)	15.9 (4)	15.8 (20)	8.3 (51)	11.0 (17)	-	-	-
◆ Graham Quant Macro	-0.8 (67)	-10.8 (98)	1.7 (84)	1.8 (84)	6.3 (35)	-	-	-
■ PIMCO MAARS Fund LP	5.6 (11)	5.1 (37)	13.8 (27)	10.4 (32)	10.9 (17)	-	-	-
▼ Absolute Return Custom Index	2.2 (31)	4.6 (41)	9.3 (48)	9.2 (44)	8.0 (28)	6.5 (51)	6.4 (43)	5.9 (51)
5th Percentile	7.3	13.2	23.8	21.7	15.3	16.3	12.4	12.4
1st Quartile	2.8	6.7	14.3	11.9	9.0	9.5	7.8	7.8
Median	0.7	3.8	9.0	8.3	4.4	6.5	5.8	5.9
3rd Quartile	-2.0	0.6	4.2	4.0	0.8	3.8	3.0	3.1
95th Percentile	-9.2	-6.5	-6.2	-3.0	-5.9	-1.9	-2.1	-1.1
Population	279	278	277	265	251	216	188	159

Inflation Hedge  
 Manager Allocation Analysis

San Mateo County Employees' Retirement Association  
 Period Ending: December 31, 2024



	Actual \$	Actual %	Manager Contribution to Excess Return %
Harrison Street Core Property	\$90,459,155	7.9%	-0.1%
Invesco	\$221,173,192	19.2%	-0.2%
Invesco US Val IV	\$94,745	0.0%	0.0%
Invesco US Val V	\$23,140,796	2.0%	0.0%
Invesco US Val VI	\$24,697,366	2.1%	0.0%
PGIM RE US Debt Fund	\$72,361,992	6.3%	0.0%
Stockbridge Value IV	\$25,642,165	2.2%	0.0%
Stockbridge Value V	\$6,336,099	0.6%	0.0%
Private Real Asset	\$268,429,178	23.3%	-2.7%
Brookfield Super-Core Infrastructure Partners	\$67,511,793	5.9%	-0.6%
KKR Diversified Core Infrastructure Fund	\$63,799,863	5.5%	-0.5%
SSgA Custom Real Asset	\$286,109,077	24.9%	-0.4%
Actual vs. Policy Weight Difference			0.7%
<b>Total</b>	<b>\$1,149,755,421</b>	<b>100.0%</b>	<b>-3.8%</b>

Inflation Hedge  
Risk vs. Return

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

Statistics Summary  
3 Years

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio	Tracking Error
Inflation Hedge	2.4	4.5	-0.3	-0.1	5.3
Blended Inflation Hedge Index	2.6	7.2	-0.1	-	0.0
Real Estate	-1.5	5.3	-0.9	0.3	2.4
NCREIF ODCE	-2.3	7.1	-0.8	-	0.0
Invesco	-4.0	7.1	-1.0	-1.1	1.5
NCREIF ODCE	-2.3	7.1	-0.8	-	0.0
Invesco US Val IV	-43.0	32.4	-1.6	-1.5	31.0
NCREIF ODCE	-2.3	7.1	-0.8	-	0.0
Invesco US Val V	-11.2	14.2	-1.0	-0.7	11.7
NCREIF ODCE	-2.3	7.1	-0.8	-	0.0
PGIM RE US Debt Fund	6.3	0.7	2.6	1.2	6.9
NCREIF ODCE	-2.3	7.1	-0.8	-	0.0
Private Real Assets	9.8	7.0	0.8	-0.1	17.5
Blended Private Real Assets Index	10.8	16.6	0.5	-	0.0
Public Real Assets	2.8	12.3	0.0	0.0	0.4
Blended Public Real Assets Index	2.8	12.2	0.0	-	0.0
SSgA Custom Real Asset	2.8	12.3	0.0	0.0	0.4
SSgA Custom Real Asset Index	2.8	12.2	0.0	-	0.0

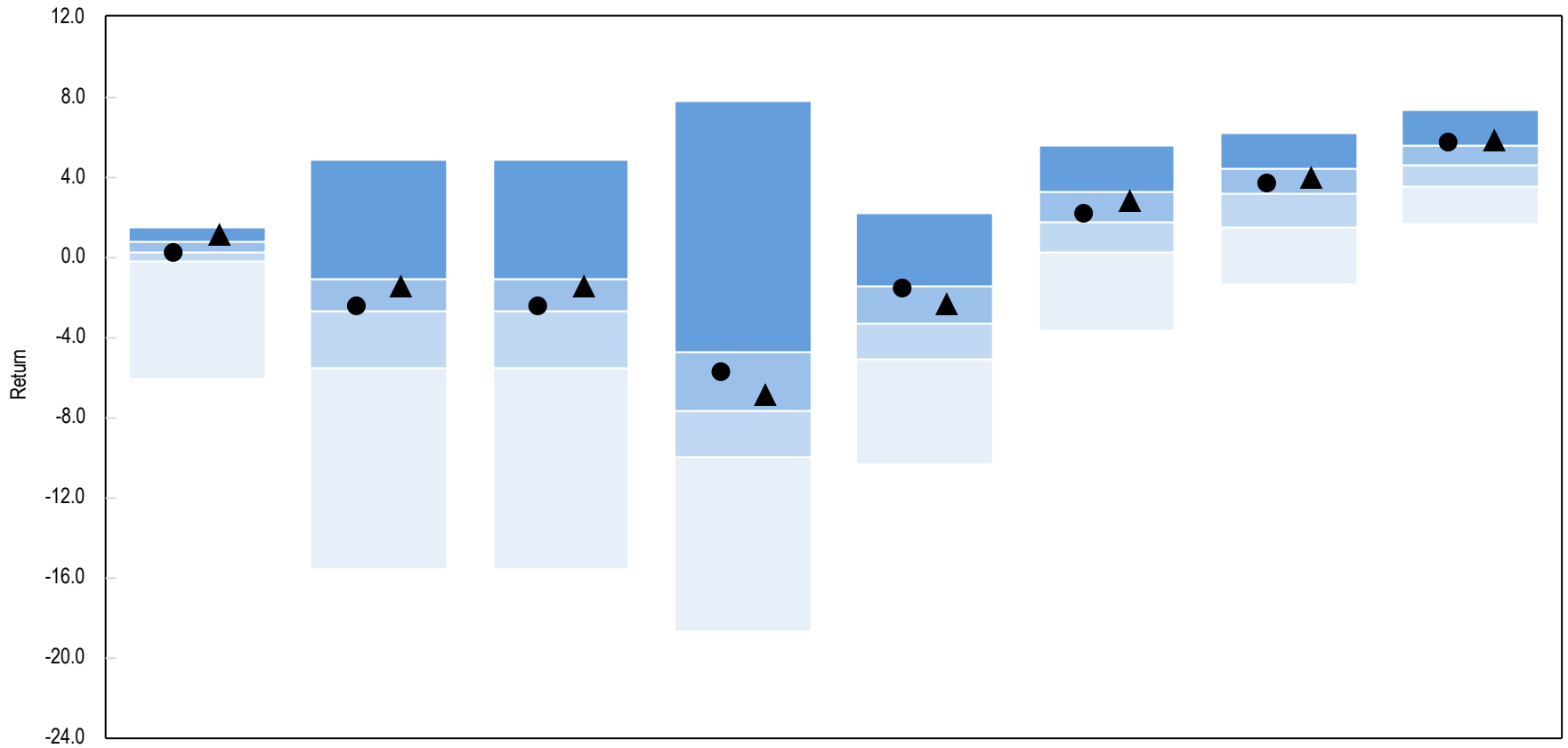
Inflation Hedge  
Risk vs. Return

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

Statistics Summary  
5 Years

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio	Tracking Error
Inflation Hedge	3.4	6.2	0.2	-0.4	4.9
Blended Inflation Hedge Index	5.5	7.5	0.4	-	0.0
Real Estate	2.2	5.7	0.0	-0.3	2.6
NCREIF ODCE	2.9	7.5	0.1	-	0.0
Invesco	1.0	7.7	-0.1	-0.9	2.1
NCREIF ODCE	2.9	7.5	0.1	-	0.0
Invesco US Val IV	-26.6	26.7	-1.1	-1.2	25.0
NCREIF ODCE	2.9	7.5	0.1	-	0.0
PGIM RE US Debt Fund	5.7	1.0	2.8	0.3	7.4
NCREIF ODCE	2.9	7.5	0.1	-	0.0
Private Real Assets	11.2	10.5	0.8	0.0	20.6
Blended Private Real Assets Index	9.6	19.0	0.5	-	0.0
Public Real Assets	1.8	16.7	0.0	-0.6	3.2
Blended Public Real Assets Index	4.0	14.8	0.2	-	0.0
SSgA Custom Real Asset	4.0	14.6	0.2	-0.1	0.7
SSgA Custom Real Asset Index	4.0	14.8	0.2	-	0.0

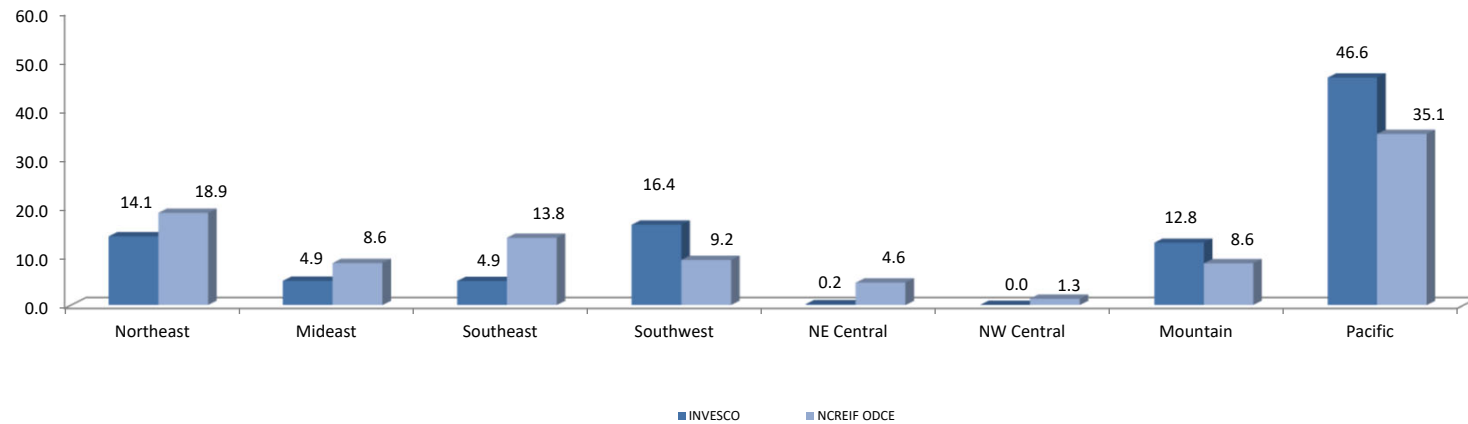
InvMetrics All DB All Real Estate Net Return Comparison



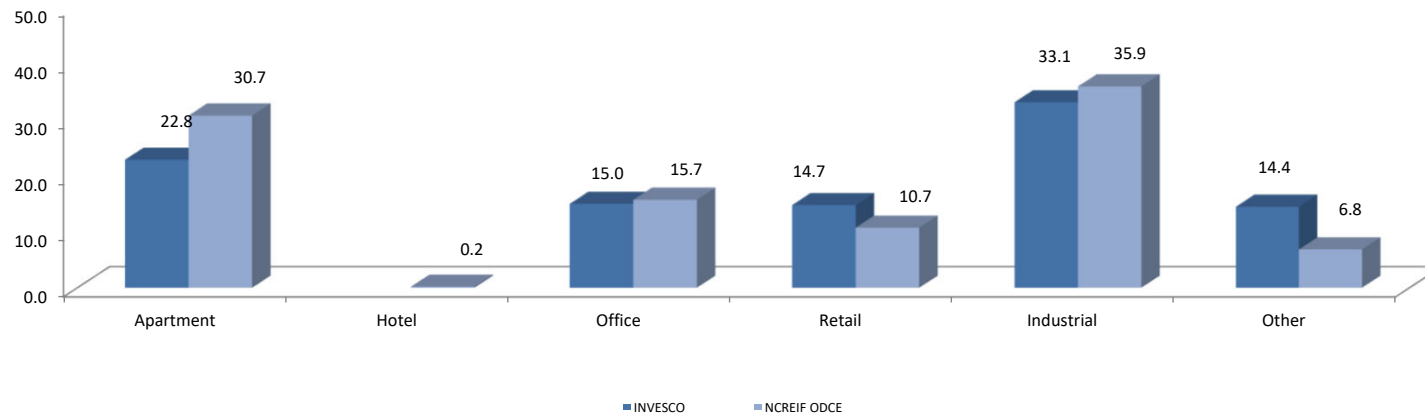
	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Real Estate	0.3 (49)	-2.4 (47)	-2.4 (47)	-5.7 (34)	-1.5 (27)	2.2 (42)	3.7 (39)	5.7 (21)
▲ NCREIF ODCE	1.2 (16)	-1.4 (31)	-1.4 (31)	-6.9 (42)	-2.3 (35)	2.9 (32)	4.0 (34)	5.9 (20)
5th Percentile	1.5	4.9	4.9	7.8	2.2	5.6	6.2	7.3
1st Quartile	0.8	-1.0	-1.0	-4.7	-1.4	3.3	4.4	5.6
Median	0.3	-2.6	-2.6	-7.6	-3.3	1.7	3.2	4.6
3rd Quartile	-0.2	-5.5	-5.5	-9.9	-5.1	0.3	1.5	3.6
95th Percentile	-6.1	-15.6	-15.6	-18.7	-10.3	-3.6	-1.3	1.7
Population	193	190	190	188	178	157	136	97



### Geographic Diversification



### Property Diversification



Cash & Cash Overlay  
Risk vs. Return

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

Statistics Summary  
3 Years

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio	Tracking Error
County Treasury Pool	2.9	1.9	-0.5	-0.5	2.0
90 Day U.S. Treasury Bill	3.9	0.6	-	-	0.0
Cash & Cash Overlay	4.3	0.6	2.3	2.3	0.2
90 Day U.S. Treasury Bill	3.9	0.6	-	-	0.0
General Account	4.4	0.5	3.5	3.5	0.1
90 Day U.S. Treasury Bill	3.9	0.6	-	-	0.0

**Acadian Asset Management – MAARS Fund**

Acadian Multi-Asset Absolute Return (MAARS) strategy was inceptioned in November 2017. MAARS targets a volatility of 6%-8% and a return of cash plus 5%. This is a multi-factor strategy that aims to exploit behavioral inefficiencies within and across global markets and is designed to be diversifying, dynamic and defensive. It is market neutral, implemented using long and short positions across five primary asset classes (equity, fixed income, currency, commodities, and volatility) and over 100 underlying assets with a focus on liquid instruments. Return forecasts incorporate asset-specific and macroeconomic insights and are utilized to harvest active returns from within and across asset classes through market selection and directional positioning. The strategy integrates risk and return across asset classes. Avoidance of downside events is highlighted in the approach with a greater weighting in their models allocated to down market beneficiaries, such as quality factors, and asymmetric positioning which reduces positions when risk rises. Differentiated attributes of this are its approach and weighting to commodities and its volatility sleeve which can incorporate long volatility.

**Angelo, Gordon & Co. – Credit Solutions**

The Angelo Gordon (AG) Credit Solutions Fund (CSF) expects to hold concentrated positions of 5-8% of NAV (averaging 30 positions over the life of the Fund with recycling). The Fund is targeting a net 15% IRR with a 5-7% current yield. The Fund should be 70% concentrated in the U.S. with the balance in Europe. Finally, while the opportunities can be sourced from both the public markets and the private markets, AG is finding compelling sources of return at this time through structuring new privately placed secured term loans out of public investments made by the firm. CSF will address corporate credit-based opportunities created in three main areas: 1) trading-based price dislocations that reduce creation multiples (price through the debt that must be repaid before value accrues to other stakeholders) while generating high current income; 2) opportunities in issuers tied to industries directly impacted by COVID-19 where the market's perception of the impact differs from the actual impact; and 3) corporate debt issuers that will be materially impacted by the pandemic and will need to restructure, but whose creation value is materially lower than the issuer's intrinsic value.

**Angelo, Gordon & Co. – CSF (Annex) Dislocation II**

The Angelo Gordon Annex Dislocation Fund II (ADFII)'s investment aim is to target senior securities of world-class businesses with irreplaceable assets and strong cash flow profiles which, because of market stress, can be purchased at a material discount to what they believe is a company's long-term intrinsic value. ADFII will invest opportunistically in securities or claims of companies in North America and Europe for which prices have, in Angelo Gordon's view, dislocated from long term fundamentals due to situational market volatility and stress.

**Angelo, Gordon & Co. – Credit Solutions II**

Like its predecessor funds, the Angelo Gordon (AG) Credit Solutions Fund II (CSF II) is an all-weather, solutions-based strategy that targets net returns of 14+% with 5-7% current yield. The Fund will invest in single-name opportunities where price movements and credit documents afford creative financing solutions. This could include companies with upcoming debt maturities, working capital issues, or inefficient capital structures that are inflating financing costs. In these cases, AG will seek to work with management and other creditors to structure a bespoke transaction that avoids bankruptcy and solves the issue for the company in exchange for debt securities with conservative attachment points and healthy yield. While the opportunities are likely to be sourced 75% from the public markets and 25% from the private markets, the "solutions" will likely be private products. During periods of dislocation, the Fund can pivot towards trading-oriented strategies where there is not a need for additional financing, such as sourcing debt in the secondary markets at discounts to intrinsic value. CSF II expects to hold concentrated positions of 5-8% of NAV (averaging 30 positions over the life of the Fund with recycling). The fund should be 70% concentrated in the U.S. with the balance in Europe.

**Baillie Gifford – ACWI ex US Focus Equities**

ACWI ex US Focus is a fundamental growth strategy. Research is organized primarily by regional teams, with each member of the ACWI ex US Focus Portfolio Construction Group representing a regional team. Four global sector groups also contribute research. Baillie Gifford conducts approximately 2000 company meetings annually both in Edinburgh and onsite. Companies are evaluated on their growth opportunity relative to the average company, their ability to execute on that opportunity, and the degree to which probability of future success is already valued by the market. Baillie Gifford's basic philosophy is that share prices ultimately follow earnings. They believe that the stock market has a recurring tendency to under-appreciate the value of long-term compound growth. The process seeks to add value through use of proprietary fundamental research to identify companies exhibiting some combination of sustained above average growth, and attractive financial characteristics. The portfolio generally holds 60-90 stocks, with country and sector weights +/-10% relative to the index and stock weights +/- 5% relative to the index.

**Beach Point Capital Management, L.P. - Beach Point Select Fund**

Beach Point Select Fund is a commingled fund vehicle within the firm's Opportunistic Credit strategy. This fund focuses on off-the-run, complex, and less-liquid securities. It is a best ideas portfolio of distressed debt, special situations, private/direct loans, catalyst-driven high yield bonds and bank loans, and credit-informed equities with a North American and European focus. The Select Fund differs from other funds and accounts in the Opportunistic Credit strategy by pursuing a more concentrated portfolio and emphasizing a higher percentage of less-liquid/private investments. Beach Point invests up and down the entire capital structure and it constructs portfolios with a bottom-up, research-driven approach that also takes into account top-down macro considerations. Its investment process includes idea generation, detailed credit analysis, relative value decision making and investment selection, portfolio construction and on-going monitoring. The ultimate goal of its investment process is to produce a well-diversified investment portfolio with limited downside risk and substantial upside potential.

**BlackRock – MSCI ACWI ex US IMI Index**

The ACWI ex US IMI Index Fund seeks to replicate the return of the MSCI ACWI ex US IMI Index. This index represents the developed equity markets outside of North America, including small cap equity. BlackRock monitors their funds daily to ensure that additions and deletions to the indexes, mergers and acquisitions, restructurings and other capitalization changes are made to the fund in such a way as to minimize tracking error and transactions costs.

**BlackRock – Russell 1000 Index**

The Russell 1000 Index Fund tracks large U.S. companies and achieve broad diversification with low costs by fully replicating the Russell 1000 Index. BlackRock monitors their funds daily to ensure that additions and deletions to the indexes, mergers and acquisitions, restructurings and other capitalization changes are made to the fund in such a way as to minimize tracking error and transactions costs.

**BlackRock (formerly Tennenbaum Capital Partners) - Direct Lending Funds VIII and IX**

TCP Direct Lending Fund VIII is a private investment fund managed by Tennenbaum Capital Partners ("TCP"). The Fund is designed to continue TCP's successful strategy of investing in privately-originated, performing senior secured debt primarily in North America-based companies with target enterprise values between \$100 million and \$1.5 billion. The Fund will include positions in 1st lien, 2nd lien and unitranche debt, with a preference for floating-rate debt, which TCP believes provides better flexibility to adapt to market conditions. TCP's direct lending strategy has generated attractive investment opportunities across market cycles, as evidenced by the Firm's prior direct lending track record. Fund VIII targets an unlevered annual yield of approximately 9-12%, with its return primarily driven by current income. SamCERA committed \$35 million to DLF VIII in June 2016 in its unlevered fund sleeve and \$35 million to the DLF IX in June 2019.

**Brigade – Opportunistic Credit**

Opportunistic Credit is a fundamental, bottom-up strategy focused on high yield corporate bonds and bank loans with tactical allocations to structured securities, convertibles, and other sectors of the bond markets as they become attractive on a relative value basis. While performing credits represent the majority, Brigade will invest up to 35% of the portfolio in distressed securities and restructuring situations if these types of opportunities are attractive on a risk-adjusted basis and the timing is right with respect to the credit cycle. The portfolio is comprised of mostly North American issuers, but they are not restricted geographically and expect to have a moderate allocation to Europe over time. Although the portfolio is generally long-only, Brigade has the ability to implement a limited amount of tactical macro hedges.

**CFM - Systematic Global Macro**

Capital Fund Management (CFM) Systematic Global Macro (SCM) is a directional strategy that takes long and short positions in liquid future and forwards across 130+ markets and across equities, bonds, currencies, and commodities. It is a new strategy that draws on model signals from existing strategies at the firm – Discus (diversified CTA), CFM ISTrends (trend following) and CFM ISTrend Equity Capped (defensive trend following) - and SamCERA is a seed investor with an attractive fee. SGM's objective is to provide absolute returns that are uncorrelated with traditional asset classes over a long time horizon with an annualized volatility target between 8% and 12%. SGM uses a diverse set of trading strategies that are based on factors (momentum, value, carry, macro and sentiment) across asset classes. These technical and fundamental factors operate at different time scales and can have varying degrees of influence on performance depending on market and economic conditions. An additional global macro defensive overlay is combined with these outputs in constructing the final portfolio. CFM uses a form of portfolio construction known as agnostic risk parity to ensure that the SGM portfolio is diversified on an out-of-sample basis. The goal of SGM is to generate consistent returns while limiting drawdowns.

**DE Shaw – DE Shaw US Broad Market Core Alpha Extension Fund**

The D. E. Shaw group believes that there exist some market inefficiencies that may be identified through quantitative analysis, advanced technology, and the insight of practitioners. Identifying these inefficiencies involves a process of hypothesis formulation, testing, and validation. Importantly, to avoid data-mining, the hypothesis formulation precedes the analysis of the historical data. D.E. Shaw's Structured Equity strategies rely largely on quantitative and computational investment techniques developed by the D. E. Shaw over the last two decades in the course of research conducted for purposes of managing the firm's hedge funds. D.E. Shaw's investment process involves a suite of quantitative models, each designed to capitalize on a distinct and uncorrelated set of market inefficiencies. Some of these models are technical in nature and involve price and volume inputs. Other models rely on fundamental data, such as figures gleaned from corporate balance sheets or income statements. Still others, again quantitative, anticipate or react to a particular corporate event or set of events. These models typically operate with forecast horizons of a few weeks to many months. The ability to trade on shorter-term signals distinguishes D.E. Shaw from many of its long only and 130/30 peers. Portfolio construction involves the use of a proprietary optimizer which runs dynamically throughout the trading day. The portfolio is broadly diversified with several hundred long and short positions. Over- and under-weighting of sectors and industries relative to the benchmark will be quite modest, with the intention that most of the alpha be generated by security selection. The US Broad Market Core Alpha Extension Fund is a 130/30 strategy which maintains a beta that is approximately neutral to the Russell 1000 Index.

**DoubleLine – Securitized Income**

The DoubleLine Securitized Income strategy is an actively managed, liquid, long only, intermediate-term fixed income product. The primary objective of the strategy is to seek and maximize current income and total return by utilizing a combination of Agency MBS and structured credit. The DoubleLine Structured Products team aims to offer clients investment grade exposure to both interest rate duration and credit spread to provide a more attractive total return profile compared to the benchmark. Securitized Income seeks to maximize income and total return by investing across the structured products universe, focusing on agency mortgage-backed securities (MBS) and investment grade securitized credit. DoubleLine takes a barbelled approach to investing in the securitized market, and they will separate rates from credit and will adjust the allocations to both at the based on the economic cycle and opportunities. Duration positioning is achieved through Agency MBS, Agency CMBS, and treasuries while credit exposure is attained through all areas of structured credit.

**Eaton Vance – Emerging Markets Debt Opportunities Fund**

Eaton Vance's Emerging Market Debt Opportunities (EMDO) strategy utilizes a combination approach to build a portfolio of fixed income securities that is highly diversified across geographies, issuers, credit quality, and currencies to achieve a higher expected return relative to the benchmark with similar volatility.

**Fidelity (FIAM) – Broad Market Duration Separate Account**

Pyramis' Broad Market Duration (BMD) investment strategy seeks to achieve absolute and risk-adjusted returns in excess of the BC U.S. Aggregate Index, focusing its investment in US Treasuries, agencies, investment grade corporate bonds, mortgage-backed and asset-backed securities. The BMD commingled pool can also hold small, opportunistic positions in out-of-benchmark securities, such as inflation-linked bonds. The investable universe includes all US dollar denominated, investment grade debt securities. The BMD investment approach emphasizes issuer and sector valuation and individual security selection. Through the integration of fundamental and quantitative research and trading, the BMD strategy is implemented in a team environment. Risk management technology is utilized to explicitly quantify benchmark exposures on a daily basis, and Pyramis uses the same analytical framework to assess both index and portfolio risk. Tracking error should range between 40 and 60 basis points per annum over the benchmark, and stringent portfolio construction risk control rules are strictly adhered to.

**Graham – Quant Macro Fund**

Graham Quant Macro ("GQM") is a directional, long and short strategy that utilizes fundamental and price-based indicators to establish return forecasts across global interest rates, foreign exchange, stock indices and commodities. The strategy incorporates a variety of submodels that generate macro fundamental forecasts, assess yield and earnings differentials, compare current valuations relative to historic fair value, and analyze directional price trends across markets. Quantitative risk management and portfolio construction techniques are used to diversify risk across the portfolio and enhance risk-adjusted returns. Historically, the average holding period has been approximately eight to ten weeks, although the sub-models will make daily adjustments to positions. The strategy is designed to have low correlation to traditional markets and other alternative strategies and has the potential to provide significant portfolio diversification benefits.

**Harrison Street Core Property**

Based in Chicago, Harrison Street's exclusive focus since inception in 2005 has been investing in non-core property sectors of the real estate market. The Harrison Street Core Fund is an open-end fund that invests primarily in stabilized education, healthcare, and self-storage real estate assets in the United States using modest leverage with an emphasis on generating current income. The focus on these alternative property types is intended to concentrate on areas of the real estate market that are less GDP sensitive with demand drivers that are more demographic driven such as aging populations, education growth and healthcare delivery. Each of these areas tend to be less tied to the business cycle, have fragmented ownership and more operationally intensive. The fund acts as a diversifier within real estate portfolios with sector exposures that are not a typical focus of other core ODCE funds.

**INVESCO Realty Advisors – INVESCO Core Equity, LLC**

SamCERA is a founding member of INVESCO's open-end Core Equity real estate fund and rolled its separate account properties into the fund. INVESCO Core Equity, LLC (the "Fund") is a perpetual life, open-end vehicle which invests in a diversified portfolio of institutional quality office, retail, industrial and multifamily residential real estate assets. The Fund buys core properties that are located within the United States, typically requiring an investment of \$10 million or more. The portfolio cannot be more than 30% leveraged.

**INVESCO Realty Advisors – INVESCO US Val IV, V, & VI**

Invesco has provided SamCERA with Core Real Estate exposure since 2004 through the Invesco Core Equity Fund. The Invesco real estate team manages around \$62B in assets with investments and offices around the globe. Invesco Value Fund's looks to acquire fundamentally sound but broken "core" assets that can be repositioned into institutional-quality, income producing properties. Investments are limited to direct equity interests in office, multi-family, retail and industrial properties across the US. The Fund is expected to be geographically concentrated in U.S. gateway cities and top 25 Metropolitan Statistical Areas (MSA's). Invesco Value Fund's provide a complement to the more conservative Invesco Core Fund and offers the potential of enhanced returns to the SamCERA Real Estate portfolio.

**Insight Investments – Cash Flow Matched Liquidity**

Insight is the fixed income sleeve of Mellon Capital. The strategy seeks to invest in short duration fixed income securities that match the negative cash flows of the Plan (similar to an LDI plan). Insight receives estimates of three years of cash flows from the actuarial report. Once a year, if market conditions allow, SamCERA will re-invest "year 3" net cash flows. Insight uses their credit analysis team for analyzing all credits or potential investments to the fund.



**Mondrian Investment Partners – International Equity**

Mondrian is a value-oriented, defensive manager whose investment philosophy is based on the principle that investments must be evaluated for their fundamental long-term value. The firm's philosophy involves three stated investment objectives: 1) provide a rate of return meaningfully greater than the client's domestic rate of inflation, 2) structure client portfolios that preserve capital during protracted international market declines, and 3) provide portfolio performance that is less volatile than benchmark indices and other international managers. Mondrian applies typical value screening criteria to a universe of 1,500 stocks, from which 500 are selected for more detailed work. Through fundamental research, and the deliberations of the Investment Committee, the universe is further reduced to a list of 150 stocks. The investment team conducts detailed fundamental analysis on the remaining stocks, a process which includes applying the firm's dividend discount model consistently across all markets and industries. Mondrian also uses a purchasing power parity model to give an accurate currency comparison of the value of the stocks under consideration. The firm will only consider buying stocks in countries with good investor protection practices and relatively simple repatriation procedures. A computer-based optimization program is employed in the portfolio construction process. Mondrian's portfolio holds 80-125 issues.

**NISA – Core Bond**

NISA applies a risk-controlled approach to all of its fixed income portfolios. This approach does not permit large bets or positions that generate significant tracking error versus the benchmark. Instead, NISA invests in a large number of small, diversified, active positions which seek tight tracking error to the chosen benchmark. Benchmark weight is a significant consideration when constructing and managing portfolios. The investment strategy is comprised of strategic (top-down) and tactical (bottom-up) decisions. Strategic decisions include sector selection and yield curve positioning while tactical decisions include industry and security selection and trading activity. Review of both strategic and tactical decisions is continual. The amount of portfolio risk budget devoted to one aspect versus the other will change as market conditions warrant. In general, strategic decisions change relatively infrequently, while tactical decisions, especially security selection, will change fairly often as market conditions provide opportunities. Over a typical market cycle, the bottom-up is expected to contribute to 70% of value-added while top-down is roughly 30%.

**NISA – Long Treasury**

A passive implementation of long treasuries managed to the Bloomberg Long Treasury Index. This strategy seeks to replicate the characteristics of its benchmark.

**PanAgora Asset Management – Defensive U.S. Equity Low Volatility**

PanAgora's Defensive Equity strategy seeks to harness the 'low-volatility premium' through a systematic, factor-based investment approach focused on achieving market-like returns with less risk. This is accomplished by leveraging PanAgora's proprietary Risk Parity portfolio construction methodology, which seeks to efficiently capture the equity premium associated with low volatility, while taking minimal unintended risks. Since the firm's inception, PanAgora has been using quantitative techniques to integrate fundamental insights with large amounts of dynamic market data. They score individual securities on a factor basis and also on a diversification basis, in the context of a broadly diversified portfolio. The portfolio construction process optimizes the portfolio around the intended factor exposure (volatility) while maintaining equal risk contribution across sectors (ex., overweight utilities and consumer staples, underweight financials and technology). Shorter term volatility and longer term correlation analysis is combined in the approach. The result for the US Defensive Equity strategy is a portfolio expected to have lower volatility (beta around 0.65-0.75), and similar returns relative to the capitalization-weighted benchmark over a full market cycle. PanAgora expects the strategy to participate in approximately 75% of up markets and 55% in down markets.

**Parametric Overlay – Cash Overlay and Currency Hedge**

Parametric's cash overlay program is an efficient way for SamCERA to maintain its target asset allocation in a systematic fashion through cash securitization at the fund and manager level transition/reallocation support and asset class rebalancing back to target within defined bands. The cash overlay program is invested synthetically using liquid futures with cash balances reviewed daily. A combination of large and small cap futures implementation is the proxy for private equity. SamCERA's investment guidelines initially allowed only for cash overlay. Rebalancing was added to the SamCERA program in January 2014. Cash overlay and rebalancing is expected to add 10-20 bps to the portfolio over time. The purpose of the currency is first and foremost to lower portfolio risk and secondarily to add incremental performance.

**PIMCO Diversified**

PIMCO's Diversified Income (DI) Fund is a multi-sector strategy that invests across a broad spectrum of global credit market sectors, including investment grade and high yield corporate debt, as well as emerging markets. The allocation among these will vary based on PIMCO's assessment of global trends and relative valuations. This active and dynamic approach allows for increased responsiveness in asset allocation to changing economic and market conditions while remaining anchored by PIMCO's investment process and longer-term orientation. The ability to invest globally helps to improve diversification and may allow investors to benefit from differences in business cycles across regions and credit quality trends across credit sectors. PIMCO's DI investment strategy seeks to provide high yield-like returns with lower volatility against a blended index (1/3 Bloomberg Barclays Global Agg Credit ex-EM; 1/3 BofA Merrill Lynch BB-B rated Developed Markets High Yield; 1/3 JPMorgan EMBI Global). The fund allows for a duration band of 3-8 years. The team focuses its investments into these groups: credit strategies (investment grade, high yield, emerging markets and non-core credits including MBS, municipals and other govt-related sectors); duration strategies (U.S. and non-U.S. duration) and currencies (tactical non-USD exposure).

**PIMCO – MAARS**

PIMCO MAARS is an alternative risk premia strategy that looks for risks associated with: (1) Supply and Demand Constraints, (2) Behavioral Biases, and (3) Asymmetric Risks (event risk). As reflected in the design of the MAARS strategies, PIMCO believes that alternative risk premia strategies are best implemented using a systematic approach that minimizes the discretionary inputs in day-to-day portfolio management. MAARS places a greater emphasis and weighting on global interest rates, currencies and commodities and a lesser emphasis on equities than many of its Alt Beta peers. Relative to Alt Beta peers, the strategy's rates and currency (FX) models are particularly robust, reflective of PIMCO's core competency and long history managing these asset classes using derivative instruments.

**PIMCO Private Income Fund**

PIMCO Private Income Fund (PIF) uses an opportunistic and flexible approach to global private credit. PIF provides a total return oriented global credit exposure utilizing both top-down sector relative value and bottom up security selection. The strategy invests across private residential, commercial, corporate and specialty finance markets. PIMCO's Private Income Fund (PIF) is targeting 8-12% net returns with income providing most of the fund's returns. The Private Income Investment Committee (IC) identifies market themes and direction for their relative value framework, and sector specialists provide recommendations to the PM team within that construct. PIF has the ability to invest throughout the capitalization structure. The fund can use a moderate amount of leverage to enhance portfolio returns (1.5 times with a hard cap of 2 times).

**PGIM RE Debt**

PGIM Real Estate US Debt Fund (PREDS) focuses on a loan origination strategy with a mix of 20% senior long duration loans on stable assets, 60% senior short/medium duration loans on stable and transitional assets, and 20% mezzanine mid/long duration debt. SamCERA was a founding investor in the PREDS strategy which invests in US commercial real estate debt in an open-ended vehicle with a return target of 7-8% (gross) coming from stable current income. The fund makes investments in first lien mortgages and mezzanine debt. First lien mortgages can be floating rate or fixed rate, but only floating rate loans will use leverage. Subordinate investments (mezzanine debt and preferred equity) will be limited by design. The fund can source and invest in secondary loans through a variety of Prudential real estate professionals, but the primary focus will be on direct origination through the real estate finance team.

**PGIM Quantitative Solutions – Small-Cap Core**

Quantitative Management Associates (QMA) utilizes a bottom-up quantitative framework in order provide a diversified exposure to core U.S. small-cap stocks, while attempting to produce consistent outperformance versus the benchmark with moderate tracking error levels. QMA uses an adaptive, systematic investment process to exploit opportunities created by mispriced securities to consistently add value over long time periods. Bottom-up stock selection drives exposure to key sources of alpha (valuation, growth, and quality). The QMA stock selection model adapts to changes in company growth rates and market environments by putting more emphasis on valuation for slowly growing companies, and more emphasis on future growth projections for companies with higher projected growth rates.

**Record Dynamic Currency**

Record is one of the world's largest and longest standing currency managers. The Record Dynamic Currency Hedging program uses a systematic process which exploits inefficiencies in the FX markets. The strategy focuses on currencies' tendency to trend, in an explicable, repeatable way.

**State Street Global Advisors (SSgA) Custom Real Asset**

SSgA Custom Real Asset portfolio uses a portfolio of liquid real assets to proxy private real assets. The portfolio is comprised of equal weightings of the Bloomberg Roll Select Commodity Index, S&P Global Mid-Large Cap Natural Resources Index, S&P Global Infrastructure Index, and Bloomberg Barclays TIPS Index. SSgA provides beta exposure through these underlying liquid components which can be customized to changing client needs (ex., TIPS was added in May 2020 with the other three parts of the portfolio reduced pro-rata). The portfolio is used to fund upcoming private real asset mandates.

**Stockbridge Value IV**

Stockbridge Value IV will implement a value-added strategy that will seek to own assets that are undervalued, underutilized, and/or not operating to their full potential. The manager will add value with their internal asset management team through active strategies including additional capital investment, leasing, recapitalization, renovation and/or development. The fund will target three to five year holding periods for investments, with disposition taking place after the completion of the value-add strategy. The fund will target 15 to 25 mid-sized investments, diversified by geography and property type. The strategy will target 21 markets in the United States in which the firm has boots on the ground coverage with dedicated acquisitions professionals and asset managers responsible for knowing each market extensively with a vast network of relationships.

**White Oak - White Oak Yield Spectrum Fund/Fund V**

The White Oak Yield Spectrum Fund's objective is to earn substantial current income by originating, extending, and/or investing in a diversified portfolio of primarily senior secured corporate credit and debt instruments consisting of term loans, asset-based loans and equipment leases and loans issued by small to middle-market companies located primarily in the United States and Canada. It focuses on providing self-originated deals for predominantly non-sponsored, privately-held borrowers.

Total Plan Policy Index	As of															
	7/1/23	3/1/23	10/1/22	7/1/22	2/1/21	1/1/21	7/1/20	4/1/20	10/1/19	7/1/19	4/1/19	1/1/19	10/1/18	4/1/18	10/1/17	
60/40 MSCI World/Bloomberg Global Aggregate (RP)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	
91 Day T-Bills	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Blended Opportunistic Index	11.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Bloomberg US Govt/Credit 1-3 Yr. TR	4.5%	4.5%	4.5%	1.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Bloomberg Aggregate	9.5%	12.5%	13.5%	16.5%	18.0%	21.0%	21.0%	18.0%	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%	
Bloomberg BA Intermediate HY	0.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	8.0%	8.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	
Bloomberg Long Treasury	3.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Bloomberg TIPS	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Blended Public Real Assets	3.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	0.0%	
Blended Private Real Assets	5.0%	5.0%	4.0%	4.0%	4.0%	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	8.0%	
Libor +4% (HF)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	
SOFR +4% (HF)	6.0%	7.0%	7.0%	7.0%	7.0%	6.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
MSCI ACWI ex US IMI 100% Hedged (Net)	9.0%	9.5%	9.5%	9.5%	9.5%	9.0%	9.0%	9.0%	9.0%	7.6%	5.7%	3.8%	1.9%	0.0%	0.0%	
MSCI ACWI ex-US IMI (Net)	9.0%	9.5%	9.5%	9.5%	9.5%	9.0%	9.0%	9.0%	9.0%	11.4%	13.3%	15.2%	17.1%	19.0%	19.0%	
NCREIF ODCE	9.0%	9.0%	9.0%	9.0%	9.0%	10.0%	10.0%	9.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	
Russell 3000	23.0%	21.0%	21.0%	21.0%	22.0%	21.0%	21.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	21.0%	21.0%	
Russell 3000 +3% (PE)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	7.0%	
Russell 3000 +3% 1Q Lag (PE)	7.0%	7.0%	7.0%	7.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	7.0%	0.0%	
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Simple Benchmark	As of			
	7/1/23	3/1/23	10/1/22	7/1/22
MSCI ACWI IMI	59.0%	57.0%	57.0%	57.0%
Bloomberg US Aggregate	18.5%	19.5%	20.5%	23.5%
NFI ODCE	17.0%	18.0%	17.0%	17.0%
Bloomberg 1-3 Yr Govt/Credit Index	5.5%	5.5%	5.5%	2.5%
	100.0%	100.0%	100.0%	100.0%

Public Equity Benchmark	As of:																				
	7/1/23	7/1/22	2/1/21	7/1/20	10/1/19	7/1/19	4/1/19	1/1/19	10/1/18	10/1/17	2/1/17	10/1/16	9/1/16	1/1/16	1/1/14	10/1/10	5/1/07	6/1/00	3/1/99	9/1/98	1/1/96
MSCI ACWI ex-US	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	34.0%	31.3%	23.1%	0.0%	0.0%	0.0%
MSCI ACWI ex US IMI 100% Hedged (Net)	22.0%	23.8%	23.2%	23.1%	22.5%	18.5%	13.9%	9.3%	4.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
MSCI ACWI ex-US IMI	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	47.5%	45.2%	40.4%	41.7%	41.7%	40.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
MSCI ACWI ex US IMI (Net)	22.0%	23.8%	23.2%	23.1%	22.5%	27.8%	32.4%	37.0%	41.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
MSCI EAFE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Russell 1000	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	50.0%	48.0%	52.8%	55.2%	61.5%	35.5%	33.3%	33.3%
Russell 1000 Value	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.0%	8.4%	0.0%
Russell 2000	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.3%	12.0%	13.2%	13.5%	15.4%	24.2%	25.0%	25.0%
Russell 3000	56.1%	52.5%	53.7%	53.9%	55.0%	53.7%	53.7%	53.7%	53.7%	52.5%	54.8%	59.6%	58.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
S&P 500	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.4%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

US Equity Benchmark	As of:						
	9/1/16	1/1/16	6/1/00	3/1/99	9/1/98	7/1/96	1/1/95
Russell 1000	0.0%	85.7%	80.0%	52.0%	50.0%	50.0%	69.0%
Russell 1000 Value	0.0%	0.0%	0.0%	12.0%	12.5%	0.0%	0.0%
Russell 2000	0.0%	14.3%	20.0%	36.0%	37.5%	37.5%	14.0%
Russell 3000	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
S & P 500	0.0%	0.0%	0.0%	0.0%	0.0%	12.5%	17.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

International Equity Benchmark	As of:								
	10/1/19	7/1/19	4/1/19	1/1/19	10/1/18	10/1/17	1/1/14	6/1/00	1/1/96
MSCI ACWI ex US	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
MSCI ACWI ex US IMI 100% Hedged (Net)	50.0%	40.0%	30.0%	20.0%	10.0%	0.0%	0.0%	100.0%	0.0%
MSCI ACWI ex US IMI	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
MSCI ACWI ex US IMI (Net)	50.0%	60.0%	70.0%	80.0%	90.0%	100.0%	0.0%	0.0%	0.0%
MSCI EAFE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Defensive Fixed Income Benchmark	As of:	
	7/1/23	7/1/22
Bloomberg U.S. Aggregate Index	76.0%	100.0%
Bloomberg U.S. Treasury Long Index	24.0%	0.0%
	100.0%	100.0%

Opportunistic Credit Benchmark	As of:	
	7/1/23	7/1/22
Bloomberg US Corporate HY	73.0%	0.0%
Credit Suisse Leveraged Loan Index 1 Qtr Lag	27.0%	0.0%
Bloomberg BA Intermediate HY	0.0%	100.0%
	100.0%	100.0%

Public Credit Benchmark	As of:		
	7/1/23	1/1/14	12/1/09
Bloomberg US Corporate HY	100.0%	0.0%	100.0%
Bloomberg BA Intermediate HY	0.0%	100.0%	0.0%
Bloomberg Credit BAA	0.0%	0.0%	100.0%
	100.0%	100.0%	100.0%

Private Credit Benchmark	As of:		
	7/1/23	1/1/14	12/1/09
Credit Suisse Leveraged Loan Index 1 Qtr Lag	100.0%	0.0%	0.0%
Bloomberg US Corporate HY	0.0%	0.0%	100.0%
Cliffwater Direct Lending Index	0.0%	100.0%	0.0%
Bloomberg Credit BAA	0.0%	0.0%	100.0%
	100.0%	100.0%	100.0%

Private Equity Benchmark		As of:	
	4/1/18	10/1/10	
Russell 3000 +3% 1Q Lag	100.0%	0.0%	
Russell 3000 +3%	0.0%	100.0%	
	100.0%	100.0%	

Absolute Return Benchmark		As of:	
	1/1/21	10/1/10	
Libor +4%	0.00%	100.00%	
SOFR +4%	100.0%	0.0%	
	100.0%	0.0%	

Inflation Hedge Benchmark		As of:								
	3/1/23	2/1/21	7/1/20	4/1/20	10/1/19	4/1/18	2/1/17	10/1/16	4/1/16	
Bloomberg TIPS	0.00%	0.00%	0.00%	0.00%	5.88%	11.1%	12.5%	14.3%	14.3%	
Bloomberg Commodity	0.00%	0.00%	0.00%	0.00%	0.00%	0.0%	0.0%	0.0%	21.4%	
CPI + 5% (RA)	0.00%	0.00%	0.00%	0.00%	0.00%	0.0%	0.0%	0.0%	14.3%	
Blended Public Real Assets	22.22%	23.53%	23.53%	35.29%	35.29%	33.3%	0.0%	0.0%	0.0%	
Blended Private Real Assets	27.78%	23.53%	17.65%	11.77%	11.77%	11.1%	43.8%	35.7%	0.0%	
NCREIF ODCE	50.00%	52.94%	58.82%	52.94%	47.06%	44.4%	43.8%	50.0%	50.0%	
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Public Real Assets Benchmark		As of:		
	5/1/20	10/1/16	1/1/14	
Bloomberg Roll Select Commodity	25.0%	34.0%	0.0%	
S&P Global Large-MidCap Commodity and Resources	25.0%	33.0%	0.0%	
S&P Global Infrastructure	25.0%	33.0%	0.0%	
CPI + 5%	0.0%	0.0%	100.0%	
Bloomberg TIPS	25.0%	0.0%	0.0%	
	100.0%	100.0%	100.0%	

Private Real Assets Benchmark		As of:			
	1/1/21	4/1/18	10/1/16	1/1/14	
Bloomberg Roll Select Commodity	0.00%	0.00%	34.00%	0.0%	
S&P Global Large-MidCap Commodity and Resources	0.00%	0.00%	33.00%	0.0%	
S&P Global Infrastructure	0.00%	0.00%	33.00%	0.0%	
50/50 S&P Global Infra & Lrg-MidCap Com & Resources +2% 1QL	0.00%	100.00%	0.00%	0.0%	
75/25 S&P Global Infra & Lrg-MidCap Com & Resources +2% 1QL	100.00%	0.00%	0.00%	0.0%	
CPI + 5%	0.00%	0.00%	0.00%	100.0%	
	100.0%	100.0%	100.0%	100.0%	

Private RA Secondary Benchmark		As of:	
	9/1/14		
Cambridge Associates Private Natural Resources 1 Qtr Lag	50.0%		
Cambridge Associates Private Infrastructure 1 Qtr Lag	50.0%		
	100.0%		

Real Estate Benchmark		As of:		
	1/1/09	6/1/00	7/1/96	
10 Year Treasury +2%	0.0%	0.0%	100.0%	
NCREIF ODCE	100.0%	0.0%	0.0%	
NCREIF Property	0.0%	100.0%	0.0%	
	100.0%	100.0%	100.0%	

Liquidity Benchmark		As of:	
	10/1/22	7/1/22	
Bloomberg US Govt/Credit 1-3 Yr. TR	81.8%	60.0%	
91 Day T-Bills	18.2%	40.0%	
	100.0%	100.0%	

Baillie Gifford Benchmark	As of:	
	1/1/14	5/1/12
MSCI ACWI ex-US	100.0%	0.0%
MSCI EAFE	0.0%	100.0%
	<b>100.0%</b>	<b>100.0%</b>

Baillie Gifford Secondary Benchmark	As of:	
	1/1/14	5/1/12
MSCI ACWI ex-US Growth	100.0%	0.0%
MSCI EAFE Growth	0.0%	100.0%
	<b>100.0%</b>	<b>100.0%</b>

Brigade Secondary Benchmark	As of:	
	8/1/10	
Bloomberg High Yield	50.0%	
Credit Suisse Leveraged Loans	50.0%	
	<b>100.0%</b>	

PIMCO Diversified	As of:	
	9/1/17	
JPMorgan EMBI Global	33.333%	
BofAMLBB-BRatedDvlpdMktsHYHdgUSD	33.333%	
Global Agg Credit Ex EM USD hedged	33.334%	
	<b>100.0%</b>	

SSgA Custom Real Assets	As of:	
	5/1/20	11/1/16
Bloomberg Roll Select Commodity	25.00%	33.33%
S&P Global Large-MidCap Commodity and Resources	25.00%	33.33%
S&P Global Infrastructure	25.00%	33.34%
Bloomberg TIPS	25.00%	0.00%
	<b>100.0%</b>	<b>100.0%</b>



**Baillie Gifford**

First \$25 million:	0.60% per annum
Next \$75 million:	0.50% per annum
Next \$300 million:	0.40% per annum
Thereafter:	0.30% per annum

**BlackRock-Russell 1000 Index Fund**

On All Assets:	0.01% per annum
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**BlackRock-MSCI ACWI ex US IMI Index Fund**

On All Assets:	0.045% per annum
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**DoubleLine**

On All Assets:	0.30% per annum
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**NISA**

First \$500 million:	0.15% per annum
Next \$1 billion:	0.125% per annum
Next \$1 billion:	0.105% per annum
Next \$1.5 billion	0.085% per annum
Thereafter:	0.065% per annum

**Eaton Vance**

On All Assets:	0.54% per annum
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**FIAM Bond**

First \$50 million:	0.25% per annum
Next \$50 million:	0.20% per annum
Next \$100 million:	0.125% per annum
Thereafter:	0.10% per annum

**PanAgora Asset Management**

First \$50 million:	0.25% per annum
Next \$50 million:	0.15% per annum
Thereafter:	0.10% per annum

**Parametric Overlay**

First \$50 million:	0.12% per annum
Next \$100 million:	0.10% per annum
Thereafter:	0.05% per annum
Plus monthly reporting fee of \$1500	

**PIMCO Diversified**

On All Assets:	0.75% per annum
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**PGIM Quantitative Solutions**

First \$100 million:	0.55% per annum
Next \$100 million:	0.53% per annum
Thereafter:	0.49% per annum

**Mondrian Investment Partners**

First \$50 million:	1.00% per annum
Next \$150 million:	0.19% per annum
Thereafter:	0.33% per annum

**Insight Investment**

First \$200 million:	0.09% per annum
Next \$300 million:	0.08% per annum
Thereafter:	0.06% per annum

## Manager Compliance (Net)

Fund Name	Benchmark	Rule 1	Rule 2	Rule 3
Acadian US MGD V	Russell 1000 Index	-	-	-
DE Shaw	Russell 1000 Index	✓	✓	✓
PanAgora Defuseq	Russell 1000 Index	✗	✗	✗
PGIM Quant Solutions	Russell 2000 Index	✓	✗	✓
Baillie Gifford	MSCI ACWI ex US	✗	✗	✗
Mondrian	MSCI AC World ex USA Value	✗	✗	✗
DoubleLine	Blmbg. U.S. Aggregate Index	-	-	-
FIAM Bond	Blmbg. U.S. Aggregate Index	✓	✓	✓
NISA Core Bond	Blmbg. U.S. Aggregate Index	-	-	-
NISA Long Treasury	Blmbg. U.S. Treasury: Long	-	-	-
AG CSF ADF II	Blmbg. U.S. Corp: High Yield Index	-	-	-
AG CSF II	Blmbg. U.S. Corp: High Yield Index	-	-	-
Angelo Gordon Credit Solutions	Blmbg. U.S. Corp: High Yield Index	-	-	-
Beach Point Select	Blmbg. U.S. Corp: High Yield Index	✓	✓	✓
Brigade Capital	Blmbg. U.S. Corp: High Yield Index	✓	✓	✓
PIMCO Diversified	Blmbg. U.S. Corp: High Yield Index	-	✗	-
One William Street	Blmbg. U.S. Corp: High Yield Index	-	-	-
Eaton Vance Emerging Markets Debt Opportunities Fund	JPM EMB (JEMB) Hard Currency/Local Currency 50-50	-	-	-
CFM Systematic Global Macro	Absolute Return Custom Index	-	-	-
Graham Quant Macro	Absolute Return Custom Index	-	-	-
PIMCO MAARS Fund LP	Absolute Return Custom Index	-	-	-

Rule 1 - Manager has underperformed the benchmark index for the five year period.

Rule 2 - Manager has underperformed the 50th percentile in the appropriate style universe for the five year period

Rule 3 - Excess 5 Year Sharpe Ratio vs. Benchmark is positive.

## Manager Compliance (Gross)

Fund Name	Benchmark	Rule 1	Rule 2	Rule 3
Acadian US MGD V	Russell 1000 Index	-	-	-
DE Shaw	Russell 1000 Index	✓	✓	✓
PanAgora Defuseq	Russell 1000 Index	✗	✗	✗
PGIM Quant Solutions	Russell 2000 Index	✓	✗	✓
Baillie Gifford	MSCI ACWI ex US	✗	✗	✗
Mondrian	MSCI AC World ex USA Value	✗	✗	✗
DoubleLine	Blmbg. U.S. Aggregate Index	-	-	-
FIAM Bond	Blmbg. U.S. Aggregate Index	✓	✓	✓
NISA Core Bond	Blmbg. U.S. Aggregate Index	-	-	-
NISA Long Treasury	Blmbg. U.S. Treasury: Long	-	-	-
AG CSF ADF II	Blmbg. U.S. Corp: High Yield Index	-	-	-
AG CSF II	Blmbg. U.S. Corp: High Yield Index	-	-	-
Angelo Gordon Credit Solutions	Blmbg. U.S. Corp: High Yield Index	-	-	-
Beach Point Select	Blmbg. U.S. Corp: High Yield Index	✓	✓	✓
Brigade Capital	Blmbg. U.S. Corp: High Yield Index	✓	✓	✓
PIMCO Diversified	Blmbg. U.S. Corp: High Yield Index	-	✗	-
One William Street	Blmbg. U.S. Corp: High Yield Index	-	-	-
Eaton Vance Emerging Markets Debt Opportunities Fund	JPM EMB (JEMB) Hard Currency/Local Currency 50-50	-	-	-
CFM Systematic Global Macro	Absolute Return Custom Index	-	-	-
Graham Quant Macro	Absolute Return Custom Index	-	-	-
PIMCO MAARS Fund LP	Absolute Return Custom Index	-	-	-

Rule 1 - Manager has underperformed the benchmark index for the five year period.

Rule 2 - Manager has underperformed the 50th percentile in the appropriate style universe for the five year period

Rule 3 - Excess 5 Year Sharpe Ratio vs. Benchmark is positive.

Total Fund  
Performance Summary (Gross of Fees)

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

	Market Value	% of Portfolio	3 Mo Rank	Fiscal YTD	1 Yr Rank	2 Yrs Rank	3 Yrs Rank	5 Yrs Rank	10 Yrs Rank
<b>Total Fund**</b>	<b>6,702,993,073</b>	<b>100.0</b>	<b>-0.8 (54)</b>	<b>3.6 (63)</b>	<b>9.0 (52)</b>	<b>9.2 (76)</b>	<b>3.2 (39)</b>	<b>6.2 (80)</b>	<b>6.6 (71)</b>
Policy Index			0.5 (5)	5.1 (8)	12.5 (1)	12.3 (11)	4.5 (13)	7.2 (44)	7.3 (42)
Simple Benchmark			-1.1 (65)	4.1 (42)	9.7 (33)	10.5 (45)	2.2 (77)	6.4 (79)	6.9 (58)
<b>Total Fund ex Overlay</b>	<b>6,688,257,703</b>	<b>99.8</b>	<b>-0.8 (52)</b>	<b>3.5 (63)</b>	<b>9.0 (54)</b>	<b>9.0 (79)</b>	<b>3.2 (40)</b>	<b>6.2 (82)</b>	<b>6.6 (75)</b>
Policy Index			0.5 (5)	5.1 (8)	12.5 (1)	12.3 (11)	4.5 (13)	7.2 (44)	7.3 (42)
Simple Benchmark			-1.1 (65)	4.1 (42)	9.7 (33)	10.5 (45)	2.2 (77)	6.4 (79)	6.9 (58)
<b>Growth Portfolio</b>	<b>4,017,014,567</b>	<b>59.9</b>	<b>-1.0</b>	<b>4.8</b>	<b>12.9</b>	<b>13.9</b>	<b>-</b>	<b>-</b>	<b>-</b>
Blended Growth Index			0.7	6.2	18.2	19.2	6.8	10.6	-
<b>US Equity</b>	<b>1,721,958,853</b>	<b>25.7</b>	<b>2.0 (56)</b>	<b>9.6 (4)</b>	<b>23.2 (31)</b>	<b>21.4 (72)</b>	<b>8.5 (12)</b>	<b>12.6 (69)</b>	<b>11.7 (64)</b>
Blended US Equity Index			2.6 (20)	9.0 (21)	23.8 (16)	24.9 (20)	8.0 (27)	13.9 (21)	12.5 (28)
Russell 3000 Index			2.6 (20)	9.0 (21)	23.8 (16)	24.9 (20)	8.0 (27)	13.9 (21)	12.5 (25)
BlackRock Russell 1000	1,004,573,089	15.0	2.7 (26)	9.0 (22)	24.5 (38)	25.5 (34)	8.4 (46)	14.3 (38)	-
DE Shaw	268,978,757	4.0	4.4 (7)	13.7 (1)	34.5 (2)	27.7 (17)	11.0 (11)	14.9 (28)	14.0 (10)
PanAgora Defuseq	271,425,545	4.0	-1.4 (86)	8.4 (34)	15.1 (85)	9.3 (98)	5.3 (82)	8.2 (98)	-
Russell 1000 Index			2.7 (25)	9.0 (21)	24.5 (38)	25.5 (35)	8.4 (46)	14.3 (39)	12.9 (40)
PGIM Quant Solutions	133,530,892	2.0	-0.6 (60)	9.2 (47)	12.0 (47)	16.9 (25)	6.2 (12)	9.5 (53)	-
Russell 2000 Index			0.3 (49)	9.6 (40)	11.5 (52)	14.2 (53)	1.2 (70)	7.4 (82)	7.8 (80)
<b>International Equity</b>	<b>1,095,796,445</b>	<b>16.3</b>	<b>-6.3 (15)</b>	<b>-0.7 (62)</b>	<b>5.0 (65)</b>	<b>10.5 (57)</b>	<b>0.7 (47)</b>	<b>4.5 (52)</b>	<b>5.5 (48)</b>
Blended International Equity Index			-4.3 (5)	1.4 (9)	9.7 (6)	12.9 (15)	3.6 (7)	6.3 (14)	6.2 (22)
Baillie Gifford	265,952,700	4.0	-8.8 (85)	0.1 (49)	3.4 (61)	7.1 (84)	-7.5 (85)	2.1 (90)	5.4 (96)
MSCI ACWI ex US			-7.5 (65)	0.0 (49)	6.1 (41)	11.0 (52)	1.3 (16)	4.6 (62)	5.3 (96)
MSCI ACWI ex US Growth			-7.8 (67)	-1.4 (60)	5.4 (45)	9.8 (61)	-2.4 (44)	3.7 (77)	5.7 (91)
Mondrian	267,705,573	4.0	-8.9 (83)	1.4 (30)	5.1 (52)	12.1 (44)	3.4 (66)	3.5 (87)	4.5 (83)
MSCI AC World ex USA Value			-7.2 (49)	1.6 (29)	6.9 (40)	12.4 (40)	5.1 (39)	5.2 (64)	4.7 (78)
MSCI AC World ex USA Index			-7.5 (59)	0.0 (60)	6.1 (43)	11.0 (63)	1.3 (83)	4.6 (76)	5.3 (61)
BlackRock MSCI ACWI EX-US IMI	548,419,200	8.2	-7.7 (74)	-0.2 (57)	5.2 (55)	10.4 (66)	0.7 (57)	-	-
MSCI AC World ex USA IMI (Net)			-7.6 (71)	0.0 (50)	5.2 (55)	10.3 (68)	0.5 (60)	4.1 (81)	4.9 (93)
Record Dynamic Currency Hedge	18,340,435	0.3	1,940.6	2,132.0	48,106.4	-	-	-	-

Total Fund  
Performance Summary (Gross of Fees)

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

	Market Value	% of Portfolio	3 Mo Rank	Fiscal YTD	1 Yr Rank	2 Yrs Rank	3 Yrs Rank	5 Yrs Rank	10 Yrs Rank
<b>Private Equity***</b>	<b>517,301,501</b>	<b>7.7</b>	<b>0.4 (46)</b>	<b>2.2 (45)</b>	<b>8.0 (25)</b>	<b>7.3 (26)</b>	<b>0.9 (68)</b>	<b>17.1 (11)</b>	<b>16.9 (6)</b>
<i>Blended Private Equity Index</i>			7.3 (2)	10.7 (1)	38.2 (1)	30.6 (1)	13.4 (1)	18.3 (7)	15.2 (8)
<b>Opportunistic Credit</b>	<b>681,957,769</b>	<b>10.2</b>	<b>1.2</b>	<b>5.2</b>	<b>7.9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Opportunistic Credit Index</i>			0.7	5.1	8.6	10.9	3.9	4.7	5.2
<b>Public Credit</b>	<b>470,318,439</b>	<b>7.0</b>	<b>1.5</b>	<b>6.1</b>	<b>9.0</b>	<b>9.7</b>	<b>4.0</b>	<b>4.9</b>	<b>5.8</b>
<i>Blmbg. U.S. Corp: High Yield Index</i>			0.2	5.5	8.2	10.8	2.9	4.2	5.2
Beach Point Select	121,494,078	1.8	2.7 (2)	6.8 (5)	10.2 (8)	11.6 (22)	5.0 (11)	8.1 (2)	-
Brigade Capital	107,478,419	1.6	1.7 (4)	7.8 (1)	10.7 (6)	11.2 (29)	3.2 (62)	5.4 (16)	5.4 (41)
One William Street	69,511,252	1.0	2.3 (3)	4.5 (73)	10.3 (8)	-	-	-	-
<i>Blmbg. U.S. Corp: High Yield Index</i>			0.2 (66)	5.5 (25)	8.2 (49)	10.8 (42)	2.9 (71)	4.2 (66)	5.2 (58)
PIMCO Diversified	106,318,842	1.6	-0.6 (98)	4.4 (75)	6.4 (91)	8.3 (92)	0.4 (99)	1.6 (100)	-
<i>Blmbg. U.S. Corp: High Yield Index</i>			0.2 (66)	5.5 (25)	8.2 (49)	10.8 (42)	2.9 (71)	4.2 (66)	5.2 (58)
Eaton Vance Emerging Markets Debt Opportunities Fund	65,515,848	1.0	2.2 (1)	6.4 (5)	-	-	-	-	-
<i>JPM EMB (JEMB) Hard Currency/Local Currency 50-50</i>			-4.2 (77)	2.6 (71)	2.3 (75)	6.8 (80)	-0.4 (79)	-0.3 (81)	2.1 (80)
<b>Private Credit</b>	<b>211,639,330</b>	<b>3.2</b>	<b>0.7</b>	<b>3.1</b>	<b>5.4</b>	<b>4.8</b>	<b>4.4</b>	<b>5.5</b>	<b>-</b>
<i>Credit Suisse Leveraged Loan Index 1 Qtr Lag</i>			2.0	4.0	9.6	11.0	6.3	5.6	4.9
AG CSF ADF II	2,243,608	0.0	0.0	4.5	5.2	13.2	-	-	-
AG CSF II	24,288,873	0.4	0.0	4.0	8.4	14.2	-	-	-
Angelo Gordon Credit Solutions	5,953,790	0.1	0.0 (72)	3.1 (96)	5.6 (95)	8.9 (81)	4.0 (18)	7.4 (2)	-
<i>Credit Suisse Leveraged Loan Index 1 Qtr Lag</i>			2.0 (3)	4.0 (80)	9.6 (8)	11.0 (17)	6.3 (4)	5.6 (11)	4.9 (39)
Blackrock DL Feeder IX-U	40,239,298	0.6	1.1	2.6	4.2	6.8	5.9	-	-
Comvest Credit Partners VII	16,142,172	0.2	0.0	4.3	-	-	-	-	-
PIMCO Private Income	50,821,986	0.8	1.6	4.2	8.6	7.8	5.0	7.1	-
TCP Direct Lending VIII	9,825,883	0.1	0.9	3.0	4.5	6.0	4.5	5.4	-
White Oak Yield	30,469,992	0.5	0.0	3.9	8.5	6.3	5.3	5.3	-
White Oak YSF V	31,653,727	0.5	0.0 (80)	0.0 (100)	3.3 (99)	-3.8 (100)	1.3 (98)	-	-
<i>Credit Suisse Leveraged Loan Index 1 Qtr Lag</i>			2.0 (4)	4.0 (87)	9.6 (16)	11.0 (32)	6.3 (4)	5.6 (13)	4.9 (76)

Total Fund  
Performance Summary (Gross of Fees)

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

	Market Value	% of Portfolio	3 Mo Rank	Fiscal YTD	1 Yr Rank	2 Yrs Rank	3 Yrs Rank	5 Yrs Rank	10 Yrs Rank
<b>Diversifying Portfolio</b>	<b>1,197,158,822</b>	<b>17.9</b>	<b>-1.3</b>	<b>2.2</b>	<b>2.9</b>	<b>4.0</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Blended Diversifying Index</i>			-2.3	2.3	2.6	4.4	0.5	1.6	2.7
<b>Defensive Fixed Income</b>	<b>843,376,591</b>	<b>12.6</b>	<b>-3.8</b>	<b>1.7</b>	<b>0.4</b>	<b>3.5</b>	<b>-2.4</b>	<b>-0.1</b>	<b>1.7</b>
<i>Blended Core Fixed Income Benchmark</i>			-4.4	1.2	-0.6	2.0	-3.3	-0.9	1.1
DoubleLine	267,105,430	4.0	-2.8 (61)	2.6 (62)	3.2 (58)	5.1 (53)	-1.7 (75)	-	-
<i>Blmbg. U.S. Aggregate Index</i>			-3.1 (75)	2.0 (95)	1.3 (92)	3.4 (83)	-2.4 (97)	-0.3 (78)	1.3 (70)
FIAM Bond	188,480,008	2.8	-3.0 (64)	2.0 (74)	1.8 (63)	4.1 (45)	-1.8 (46)	0.7 (24)	2.2 (19)
NISA Core Bond	286,624,547	4.3	-3.2 (92)	1.9 (85)	1.4 (92)	3.6 (87)	-2.0 (64)	-	-
<i>Blmbg. U.S. Aggregate Index</i>			-3.1 (77)	2.0 (80)	1.3 (96)	3.4 (94)	-2.4 (91)	-0.3 (96)	1.3 (99)
NISA Long Treasury	99,424,543	1.5	-8.6	-1.5	-6.4	-	-	-	-
<i>Blmbg. U.S. Treasury: Long</i>			-8.6	-1.5	-6.4	-1.8	-12.0	-5.2	-0.6
<b>Absolute Return</b>	<b>353,782,231</b>	<b>5.3</b>	<b>5.7 (4)</b>	<b>3.4 (77)</b>	<b>8.7 (74)</b>	<b>5.0 (83)</b>	<b>5.7 (38)</b>	<b>2.4 (88)</b>	<b>1.2 (86)</b>
<i>Absolute Return Custom Index</i>			2.2 (54)	4.6 (69)	9.3 (72)	9.2 (69)	8.0 (13)	6.5 (60)	5.9 (32)
CFM Systematic Global Macro	126,701,264	1.9	11.4 (3)	15.9 (6)	15.8 (23)	8.3 (49)	11.0 (18)	-	-
Graham Quant Macro	112,120,724	1.7	-0.8 (54)	-10.8 (100)	1.7 (77)	1.8 (85)	6.3 (38)	-	-
PIMCO MAARS Fund LP	114,960,244	1.7	5.6 (9)	5.1 (29)	13.8 (29)	10.4 (41)	10.9 (19)	-	-
<i>Absolute Return Custom Index</i>			2.2 (25)	4.6 (32)	9.3 (52)	9.2 (47)	8.0 (28)	6.5 (56)	5.9 (47)
<b>Inflation Hedge</b>	<b>1,149,755,421</b>	<b>17.2</b>	<b>-0.6</b>	<b>0.9</b>	<b>3.5</b>	<b>0.2</b>	<b>2.7</b>	<b>3.7</b>	<b>-</b>
<i>Blended Inflation Hedge Index</i>			3.1	4.9	7.2	1.2	2.6	5.5	5.5
<b>Real Estate</b>	<b>463,905,509</b>	<b>6.9</b>	<b>0.5 (35)</b>	<b>0.0 (86)</b>	<b>-1.7 (70)</b>	<b>-5.1 (60)</b>	<b>-0.9 (27)</b>	<b>2.8 (37)</b>	<b>6.3 (25)</b>
<i>NCREIF ODCE</i>			1.2 (9)	1.4 (54)	-1.4 (69)	-6.9 (72)	-2.3 (37)	2.9 (36)	5.9 (30)
Harrison Street Core Property	90,459,155	1.3	0.4	0.6	-0.3	-2.6	1.8	-	-
Invesco	221,173,192	3.3	0.0	-0.9	-5.5	-8.8	-3.6	1.3	5.4
Invesco US Val IV	94,745	0.0	-4.8	-5.0	-19.1	-42.9	-42.3	-25.8	-
Invesco US Val V	23,140,796	0.3	1.1	0.6	-1.4	-14.4	-10.3	-0.5	-
Invesco US Val VI	24,697,366	0.4	0.0	-3.7	6.9	-3.6	-	-	-
PGIM RE US Debt Fund	72,361,992	1.1	1.7	3.6	7.4	7.3	7.1	6.4	-
<i>NCREIF ODCE</i>			1.2	1.4	-1.4	-6.9	-2.3	2.9	5.9
Stockbridge Value IV	25,642,165	0.4	1.3	-1.4	-4.5	-3.8	5.6	-	-
Stockbridge Value V	6,336,099	0.1	-1.0	-2.0	-	-	-	-	-
<i>NCREIF ODCE</i>			1.2	1.4	-1.4	-6.9	-2.3	2.9	5.9

\*NISA Core Treasury funded 6/15/2023.  
See Appendix for Benchmark History

Total Fund  
Performance Summary (Gross of Fees)

San Mateo County Employees' Retirement Association  
Period Ending: December 31, 2024

	Market Value	% of Portfolio	3 Mo Rank	Fiscal YTD	1 Yr Rank	2 Yrs Rank	3 Yrs Rank	5 Yrs Rank	10 Yrs Rank
<b>Private Real Assets***</b>	<b>399,740,834</b>	<b>6.0</b>	<b>0.5</b>	<b>2.1</b>	<b>10.4</b>	<b>7.3</b>	<b>9.9</b>	<b>11.2</b>	<b>8.5</b>
<i>Blended Private Real Assets Index</i>			11.2	13.6	25.7	17.2	10.8	9.6	7.5
<i>Blended Secondary CA Private RA Index</i>			2.0	4.1	8.1	8.3	11.1	9.5	6.8
Private Real Asset	268,429,178	4.0	-0.3	1.0	8.3	6.3	9.1	10.7	-
Brookfield Super-Core Infrastructure Partners	67,511,793	1.0	1.8	3.7	10.1	9.3	-	-	-
KKR Diversified Core Infrastructure Fund (DCIF)	63,799,863	1.0	2.6	4.5	9.0	-	-	-	-
<b>Public Real Assets</b>	<b>286,109,077</b>	<b>4.3</b>	<b>-4.2</b>	<b>1.4</b>	<b>4.3</b>	<b>2.2</b>	<b>3.0</b>	<b>2.0</b>	<b>-</b>
<i>Blended Public Real Assets Index</i>			-4.2	1.2	4.1	2.0	2.8	4.0	5.1
SSgA Custom Real Assets	286,109,077	4.3	-4.2	1.4	4.3	2.2	3.0	4.2	-
<i>SSgA Custom Real Assets Index</i>			-4.2	1.2	4.1	2.0	2.8	4.0	-
<b>Liquidity</b>	<b>339,064,263</b>	<b>5.1</b>	<b>0.7</b>	<b>2.7</b>	<b>4.9</b>	<b>5.2</b>	<b>3.9</b>	<b>2.6</b>	<b>-</b>
<i>Blended Liquidity Index</i>			0.2	2.9	4.5	4.6	-	-	-
<b>Cash Flow-Matched Liquidity</b>	<b>273,760,086</b>	<b>4.1</b>	<b>0.5</b>	<b>2.6</b>	<b>4.7</b>	<b>5.0</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Bloomberg U.S. Gov/Credit 1-3 Year Index</i>			0.0	2.9	4.4	4.5	1.7	1.6	1.6
<i>Bloomberg U.S. Credit 1-3 Year Index</i>			0.1	3.3	5.1	5.2	2.2	2.0	2.1
Insight Investment*	267,314,341	4.0	0.4	2.8	4.8	5.2	-	-	-
<i>Bloomberg U.S. Credit 1-3 Year Index</i>			0.1	3.3	5.1	5.2	2.2	2.0	2.1
County Treasury Pool**	6,445,745	0.1	1.5	1.5	3.3	3.9	2.9	2.3	2.2
<i>90 Day U.S. Treasury Bill</i>			1.2	2.6	5.3	5.1	3.9	2.5	1.8
<b>Cash &amp; Cash Overlay</b>	<b>105,875,345</b>	<b>1.6</b>	<b>1.3</b>	<b>2.7</b>	<b>5.6</b>	<b>5.7</b>	<b>4.4</b>	<b>2.9</b>	<b>2.0</b>
<i>90 Day U.S. Treasury Bill</i>			1.2	2.6	5.3	5.1	3.9	2.5	1.8
General Account	91,132,927	1.4	1.4	2.8	5.7	5.7	4.4	2.9	2.7
<i>90 Day U.S. Treasury Bill</i>			1.2	2.6	5.3	5.1	3.9	2.5	1.8

\*\*\*Returns are one-quarter lag, excludes EnCap Energy Capital Fund and Sheridan Production Partners  
See Appendix for Benchmark History

# Glossary

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**Allocation Effect:** An attribution effect that describes the amount attributable to the managers' asset allocation decisions, relative to the benchmark.

**Alpha:** The excess return of a portfolio after adjusting for market risk. This excess return is attributable to the selection skill of the portfolio manager. Alpha is calculated as:  $\text{Portfolio Return} - [\text{Risk free Rate} + \text{Portfolio Beta} \times (\text{Market Return} - \text{Risk free Rate})]$ .

**Benchmark R squared:** Measures how well the Benchmark return series fits the manager's return series. The higher the Benchmark R squared, the more appropriate the benchmark is for the manager.

**Beta:** A measure of systematic, or market risk; the part of risk in a portfolio or security that is attributable to general market movements. Beta is calculated by dividing the covariance of a security by the variance of the market.

**Book to Market:** The ratio of book value per share to market price per share. Growth managers typically have low book to market ratios while value managers typically have high book to market ratios.

**Capture Ratio:** A statistical measure of an investment manager's overall performance in up or down markets. The capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen (up market) or fallen (down market). The capture ratio is calculated by dividing the manager's returns by the returns of the index during the up/down market, and multiplying that factor by 100.

**Correlation:** A measure of the relative movement of returns of one security or asset class relative to another over time. A correlation of 1 means the returns of two securities move in lock step, a correlation of -1 means the returns of two securities move in the exact opposite direction over time. Correlation is used as a measure to help maximize the benefits of diversification when constructing an investment portfolio.

**Excess Return:** A measure of the difference in appreciation or depreciation in the price of an investment compared to its benchmark, over a given time period. This is usually expressed as a percentage and may be annualized over a number of years or represent a single period.

**Information Ratio:** A measure of a manager's ability to earn excess return without incurring additional risk. Information ratio is calculated as: excess return divided by tracking error.

**Interaction Effect:** An attribution effect that describes the portion of active management that is contributable to the cross interaction between the allocation and selection effect. This can also be explained as an effect that cannot be easily traced to a source.

**Portfolio Turnover:** The percentage of a portfolio that is sold and replaced (turned over) during a given time period. Low portfolio turnover is indicative of a buy and hold strategy while high portfolio turnover implies a more active form of management.

**Price to Earnings Ratio (P/E):** Also called the earnings multiplier, it is calculated by dividing the price of a company's stock into earnings per share. Growth managers typically hold stocks with high price to earnings ratios whereas value managers hold stocks with low price to earnings ratios.

**R Squared:** Also called the coefficient of determination, it measures the amount of variation in one variable explained by variations in another, i.e., the goodness of fit to a benchmark. In the case of investments, the term is used to explain the amount of variation in a security or portfolio explained by movements in the market or the portfolio's benchmark.

**Selection Effect:** An attribution effect that describes the amount attributable to the managers' stock selection decisions, relative to the benchmark.

**Sharpe Ratio:** A measure of portfolio efficiency. The Sharpe Ratio indicates excess portfolio return for each unit of risk associated with achieving the excess return. The higher the Sharpe Ratio, the more efficient the portfolio. Sharpe ratio is calculated as:  $\text{Portfolio Excess Return} / \text{Portfolio Standard Deviation}$ .

**Sortino Ratio:** Measures the risk adjusted return of an investment, portfolio, or strategy. It is a modification of the Sharpe Ratio, but penalizes only those returns falling below a specified benchmark. The Sortino Ratio uses downside deviation in the denominator rather than standard deviation, like the Sharpe Ratio.

**Standard Deviation:** A measure of volatility, or risk, inherent in a security or portfolio. The standard deviation of a series is a measure of the extent to which observations in the series differ from the arithmetic mean of the series. For example, if a security has an average annual rate of return of 10% and a standard deviation of 5%, then two thirds of the time, one would expect to receive an annual rate of return between 5% and 15%.

**Style Analysis:** A return based analysis designed to identify combinations of passive investments to closely replicate the performance of funds

**Style Map:** A specialized form or scatter plot chart typically used to show where a Manager lies in relation to a set of style indices on a two dimensional plane. This is simply a way of viewing the asset loadings in a different context. The coordinates are calculated by rescaling the asset loadings to range from -1 to 1 on each axis and are dependent on the Style Indices comprising the Map.



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SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
Board of Retirement

February 25, 2025

Agenda Item 7.1

**TO:** Board of Retirement  
**FROM:** Scott Hood, Chief Executive Officer  
**SUBJECT:** 2025 Board-Staff Retreat Topics



**Recommendation**

Provide direction for staff regarding the topics and schedule for the March 25, 2025, Board-Staff Retreat.

**Background**

The annual Board-Staff retreat is scheduled for March 25, 2025. The Board assists on setting the topics to be addressed at the retreat and provides input regarding the proposed presenters. This agenda item gives trustees their final opportunity to discuss retreat topics before the March Retreat.

**Discussion**

We will again have an in-person retreat this year and follow a similar outline as last year's retreat. The Board already approved a start time of 8:30 a.m. for March 25 and we are proposing this one-day retreat to occur immediately after the regular Board meeting. The retreat portion will have 4 major topics, which will be decided by the Board and an educational session on ethics. There will be an opportunity between topics for discussion.

This year, we have scheduled Ian Toner and Jeff MacLean from Verus as part of the retreat. Ian will give an update on the economic outlook and Jeff will provide insights on the risk profile of the portfolio. During lunch, Paul Okada will provide an hour of ethics training. In the afternoon, a guest speaker from Blackrock will provide an update on the five things to watch in the coming year. Diane Webster, Retirement Technology Officer will round out the day with a presentation on Cybersecurity and SamCERA.

**Attachment**

Draft 2025 Board-Staff Retreat Agenda



# Board/Staff Retreat

MARCH 25, 2025

# DRAFT BOARD/STAFF RETREAT AGENDA

**8:30 a.m.**      **Beginning of Regular Board Meeting Agenda**

**8:45 a.m.**      **Economic Macro Outlook**  
Ian Toner, Chief Investment Officer, Verus

**9:45 a.m.**      **Break**

**10:00 a.m.**      **Enterprise Risk Tolerance: Finding Balance  
Between Return and Risk Levers**  
Jeff MacLean, Chief Executive Officer, Verus

**11:30 a.m.**      **Working Lunch and Ethics Instruction**  
Paul Okada, Chief Legal Counsel

**12:30 p.m.**      **Break**

**12:45 p.m.**      **AI's Big Questions**  
Blackrock

**1:45 p.m.**      **Break**

**2:00 p.m.**      **SamCERA Information Technology  
Topography Update**  
Diane Webster, Chief Technology Officer


**3:00 p.m.**      **End of Retreat**

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
Board of Retirement

February 25, 2025

Agenda Item 7.2

**TO:** Board of Retirement

**FROM:** Scott Hood, Chief Executive Officer 

**SUBJECT:** Amendment of SamCERA's Portable Electronic Devices Policy

**Background**

In 2010, to reduce the amount of paper used in preparing Board packet materials, SamCERA commenced using an electronic format for Board materials and making the materials available to public online. Board members were issued certain electronic devices to download and have the packet materials available to review prior to the meeting and at the meeting. Later that year, the Board approved a Portable Electronic Devices Policy to facilitate the use of these devices.

In 2013, the Board adopted revisions to the policy which updated the policy's technical references but did not affect the core principles of the policy which still provides:

- The equipment and software are for SamCERA business only, not personal use.
- The equipment is not solely assigned to individuals and is used on an as needed basis.
- No downloading or installing of any unauthorized application or software is allowed on to the equipment.
- Persons who have SamCERA equipment are responsible for the security of the equipment and data. Any lost or stolen equipment or data must be reported immediately.

Since 2013, the Board has reviewed and reaffirmed its policy but no substantive revisions have been made during such time.

**Discussion**

In light of advances in technology as well the increase of cybersecurity threats since 2013, Staff has reviewed the Board's policy and is in the process of drafting amendments to it. In connection with drafting such amendments, Staff believes it would be helpful to discuss certain issues with the Board concerning the use of personally-owned devices to conduct SamCERA business. Following such discussion and guidance, Staff will complete revisions to the policy which will be brought back to the Board at a future meeting for approval. A copy of the Board's current Portable Electronic Devices policy is attached for the Board's reference and convenience.

**Attachment**

Portable Electronic Device Policy (2021)



**Address:** 100 Marine Parkway | Suite 125  
Redwood City, CA 94065  
**Phone:** (650) 599-1234  
**Toll-Free:** (800) 339-0761  
**Fax:** (650) 591-1488  
**PONY:** RET 141  
**Web:** [www.samcera.org](http://www.samcera.org)  
**Email:** [samcera@samcera.org](mailto:samcera@samcera.org)

## **SamCERA Portable Electronic Device Policy**

For purposes of this policy, “portable electronic devices” are defined to include cellular phones, personal digital assistants, laptops, e-readers, netbooks, notebooks or any other electronic device capable of displaying data or images.

### Purpose:

This policy is intended to set forth the authorization and limitations of use of SamCERA portable electronic devices.

### Scope:

These guidelines apply to all SamCERA board members and staff.

### Background:

SamCERA board packet material is extensive. The copying, delivering and producing of the packet material is expensive and not in line with environmental policies and practices of SamCERA. SamCERA now makes available an electronic PDF version of the monthly board packet. SamCERA would like to facilitate the offsite access and usage of the electronic version by allowing board and staff to use SamCERA portable electronic devices to retrieve, store, edit and read the electronic board packet.

Portable electronic devices are a security risk because they may contain private, confidential or sensitive SamCERA member information, and being portable, are at risk for loss, theft, or other unauthorized access.

Portable electronic devices may be more vulnerable to viruses and other such threats because the user may not regularly use virus protection software and other safeguards available to SamCERA’s desktop computers.

### Policy:

1. Board members and staff understand that their authorization to periodically use SamCERA portable electronic devices, associated equipment and software (“SamCERA portable electronic devices”) is limited to and for the sole purpose of conducting SamCERA business. Board members and staff further understand that they have no expectation of privacy with regard to their use of such devices.

2. SamCERA portable electronic devices are not solely assigned to individual Board Members and staff but are resources to be used on an as needed basis and will be rotated amongst Board Members and staff in accordance with SamCERA's business needs. SamCERA is entitled to and will require such devices to be returned to SamCERA for routine maintenance and to ensure that they are being used only in a manner that is consistent with these policies.
3. SamCERA portable electronic devices are not for the personal use of the Board member or staff employee or any other person or entity. Board members and staff will not permit anyone else including, but not limited to, the Board member or staff's family and/or associates, to use this SamCERA property.
4. Board members and staff may not download or install any software onto any SamCERA portable electronic devices without prior authorization by the SamCERA CEO or Chief Technology Officer (CTO).
5. Board members and staff who have an assigned portable electronic device are responsible for the security of the device, all associated equipment and all data. Board members and staff must report any lost or stolen portable electronic equipment or data to the CEO or CTO of SamCERA as soon as discovered.
6. Portable electronic devices may remotely access the SamCERA network only through remote access systems maintained by SamCERA.