



## Investment Board Meeting Agenda

Thursday, June 20, 2024

IPERS Board Room or

Conference Telephone #: 646-931-3860

Meeting ID: 886 9294 4551

8:30 a.m. – 11:15 a.m.

- 8:30 a.m. Call to Order**
- 8:30 a.m. Approval of March 22, 2024, Board Meeting Minutes**
- 8:35 a.m. CEO Report – Greg Samorajski**
- 8:45 a.m. Private Markets Program Annual Review**  
Pat Reinhardt and Marcus Dong, IPERS
- 9:30 a.m. Real Assets Equity Manager Hiring Recommendations**  
Pat Reinhardt and Marcus Dong, IPERS
- 9:45 a.m. Break**
- 10:00 a.m. Search for Excess Returns**  
John Fujiwara and Sheldon Lien, IPERS
- 10:30 a.m. IPERS Investment Staff Reports**
- Beta Report – Sriram Lakshminarayanan
  - Alpha Report – Investment Team
  - Private Market Program – Investment Team
  - Risk Report – Sriram Lakshminarayanan
- 11:00 a.m. Securities Litigation Report**  
Elizabeth Hennessey, IPERS
- 11:05 a.m. Public Comments**
- 11:10 a.m. Other Business**
- Confirm Next Board Meeting Dates of September 25–26, 2024
  - Next BAC Meeting is Monday, August 26, 2024
- 11:15 a.m. Adjourn**



**INVESTMENT BOARD MEETING MINUTES**  
IPERS Headquarters  
7401 Register Drive, Des Moines, Iowa  
March 22, 2024

The following people participated in the IPERS Investment Board meeting held on Friday, March 22, 2024.

**Members of the Board – Present**

Justin Kirchhoff, Chair  
Bill Bemis, Vice Chair  
Tami Loge  
Treasurer Roby Smith

Kris Rowley  
Matt Watters  
Representative Martin Graber

**Members of the Board – Absent**

Representative Amy Nielsen  
Senator Mark Lofgren  
Senator Molly Donahue

**Administration**

Greg Samorajski, CEO  
Sriram Lakshminarayanan, CIO  
John Fujiwara, Head of Strategy  
Sheldon Lien, Senior Investment Officer  
Pat Reinhardt, Senior Investment Officer  
Keith Scholten, Senior Investment Officer  
Marcus Dong, Investment Officer  
Kate Fishman, Investment Officer  
Ankit Saw, Investment Officer

Melinda McElroy, Executive Assistant  
Elizabeth Hennessy, General Counsel  
David Martin, Chief Benefits Officer  
Tara Hagan, Chief Financial Officer  
Rick Hindman, Chief Information Officer  
Shawna Lode, Director of Communications

**Consultants**

Thomas Toth, Wilshire  
Ali Kazemi, Wilshire

## **Call to Order**

Chair Justin Kirchhoff called the meeting to order at 8:30 a.m.

## **Approval of Minutes from Previous Meeting**

Kris Rowley moved to approve the December 7, 2023, and December 20, 2023, Investment Board meeting minutes. Treasurer Smith seconded. The minutes were approved by unanimous voice vote.

## **CEO Report – Greg Samorajski**

Greg Samorajski reported that recent staff turnover in the Benefits Division is creating slower call processing times and longer wait times. Length of calls is also increasing with staff assisting members on how to log into their IPERS account. Because IPERS will not receive a budget increase for office improvements, renovations to the IPERS building will be completed as the current budget allows.

## **Legislative Session Update**

Shawna Lode reported on the 2024 legislative session and bills impacting IPERS.

## **Calendar Year 2023 Investment Performance Review**

Thomas Toth and Ali Kazemi of Wilshire reported the total fund performance for the calendar year December 31, 2023, was 10.5%, outperforming the policy benchmark return of 10.4%. The presentation also included a return/risk ranking, sources of risk and a performance review of each publicly traded asset class and the managers within each class.

## **Investment Policy and Goal Statement – Securities Litigation Policy**

Elizabeth Hennessey reviewed the recommended change to the Securities Litigation Policy. The proposed revision gives IPERS the ability to file claims in foreign actions without Board approval if the action is fully funded and there are no material adverse costs to IPERS. Kris Rowley moved to approve the recommendation. Treasurer Smith seconded. The motion carried by roll call vote.

**Ayes:** Justin Kirchhoff, Bill Bemis, Treasurer Smith, Tami Loge, Kris Rowley and Matt Watters

**Nays:** None

**Absent:** None

**MOTION PASSED**

## **Closed Session for CIO Performance Evaluation and CEO Compensation**

Matt Watters moved that the IPERS Investment Board go into a closed session of this public meeting to discuss the CIO's annual performance evaluation and the CEO's compensation as authorized by Iowa Code section 21.5(1)(i). Kris Rowley seconded. The motion carried by unanimous roll call vote.

**Ayes:** Justin Kirchhoff, Bill Bemis, Treasurer Smith, Tami Loge, Kris Rowley and Matt Watters

**Nays:** None

## **MOTION PASSED**

Matt Watters moved that the IPERS Investment Board end its closed session and resume the open session of this meeting. Kris Rowley seconded. The motion carried by unanimous roll call vote. The Board took no action during its closed session.

**Ayes:** Justin Kirchhoff, Bill Bemis, Treasurer Smith, Tami Loge, Kris Rowley and Matt Watters  
**Nays:** None

## **MOTION PASSED**

Bill Bemis moved that the IPERS CEO compensation receive a merit increase of 2% and allow that compensation to participate in any COLA adjustments that are provided by the Governor this year as well. The Board's assumption is that will be 3% on July 1, 2024. If that increase is not implemented the Board will revisit the CEO's compensation. Kris Rowley seconded. The motion carried by roll call vote.

**Ayes:** Justin Kirchhoff, Bill Bemis, Treasurer Smith, Tami Loge, Kris Rowley and Matt Watters  
**Nays:** Treasurer Smith

## **MOTION PASSED**

### **Securities Lending Program Review**

Jina Bresson of the State Treasurer's Office provided an overview of the securities lending program and the earnings received for fiscal year 2023 and fiscal year to date 2024.

### **IPERS Investment Staff Reports**

#### ***Beta Report***

Sriram Lakshminarayanan reviewed the beta report, noting the fund's estimated market value of \$42.836 billion as of March 15, 2024, the date of the report. All asset classes were within policy ranges.

#### ***Alpha Report***

The investment staff reviewed the alpha report noting organizational concerns with PGIM Wadhvani, a LARS manager.

#### ***Private Markets Program***

Pat Reinhardt reviewed the investment managers in IPERS' private markets program noting material concerns with Clarion Partners and minor concerns with Forest Investment Associates and UBS Farmland.

#### ***Risk Report***

Sriram Lakshminarayanan presented IPERS' risk monitoring report noting active risk remains stable and well below the 1.5% target.

#### ***CIO Updates***

Sriram Lakshminarayanan reported that he made comments and shared his thoughts throughout the meeting and had no additional updates for this agenda item.

**Public Comments**

None

**Confirm Next Meeting Date**

The next regularly scheduled Investment Board meeting is Thursday, June 20, 2024, beginning at 8:30 a.m.

**Adjourn**

With no further business to come before the Investment Board, the meeting adjourned at 11:37 a.m.

# Private Markets Program – Annual Review

## IPERS Investment Board

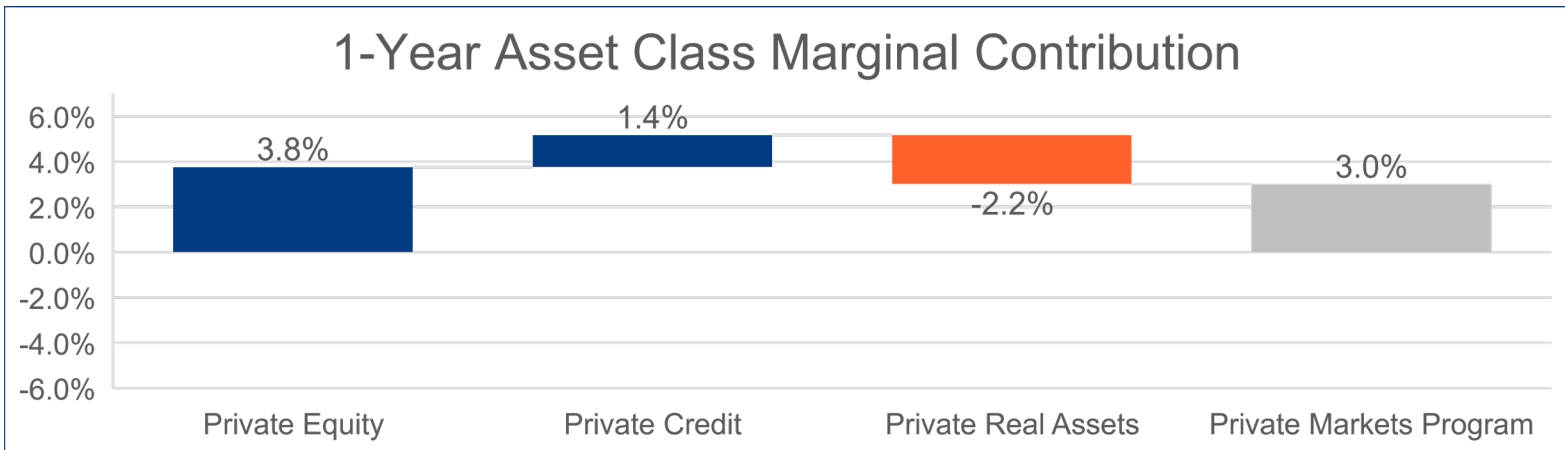
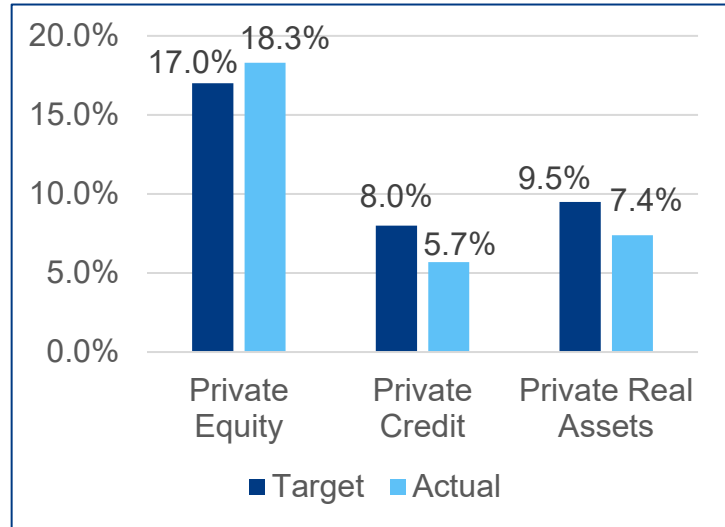
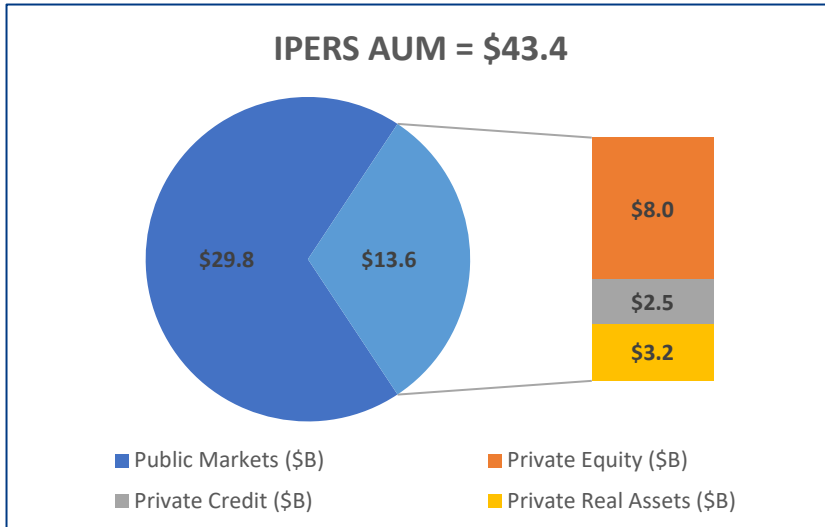
Pat Reinhardt, SIO - Alternatives

Marcus Dong, RIO - Alternatives

June 20, 2024



# Private Market Program *(as of 3/31/24)*



# 2024 Investment Plan and Progress to Date

At May 31, 2024 • (\$ in millions)

	Planned
Commitments	\$1,900
Target Size by Portfolio	Private Equity \$700; Private Credit \$500; Private Real Assets \$500; Internal Co-Investments \$200

## Actual Commitments to Date and Potential Near-Term Commitments

Portfolio	2024 Investment Plan	Commitments to Date	Uncommitted Capital	Commitment Status
Private Equity	\$700	\$295.5	\$404.5	<b>On Pace</b>
Private Credit	\$500	\$125	\$375	<b>On Pace</b>
Private Real Assets	\$500	\$37	\$463	<b>Real Assets Equity Search</b>
Internal Co-Investments	\$200	\$0	\$200	<b>On-Boarding</b>
<b>Total</b>	<b>\$1,900</b>	<b>\$457.5</b>	<b>\$1,442.5</b>	

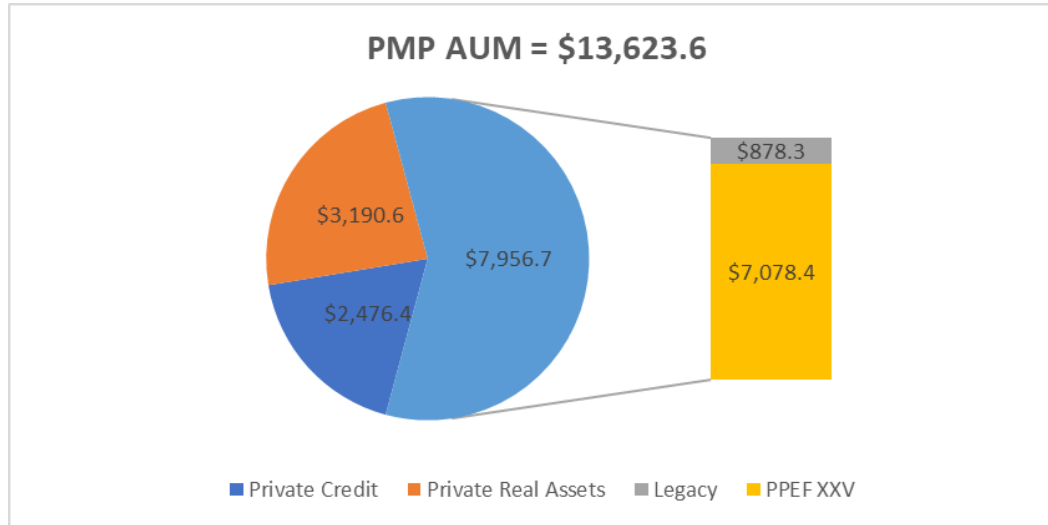


# Updates and Priorities

- **Private Equity remains over target allocation**
  - Continue to manage pacing
- **Private Credit**
  - Desired structure in place
  - Patiently manage allocations to strategic target
- **Real Assets Equity restructure**
  - Asset transfers
  - Liquidations
  - On-Board

# Private Equity Portfolio Review

# Private Equity Portfolio Structure *(in \$m; as of 3/31/24)*



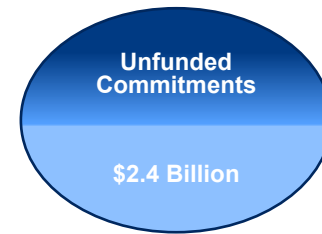
## IRR Performance\*

	1-Yr	3-Yr	5-Yr	10-Yr	Inception (3Q85)
Private Equity Portfolio	6.4%	12.2%	18.9%	16.1%	14.5%
Program Objective**	32.7%	13.5%	18.4%	15.8%	14.9%
Excess Returns	-26.3%	-1.3%	0.5%	0.3%	-0.4%

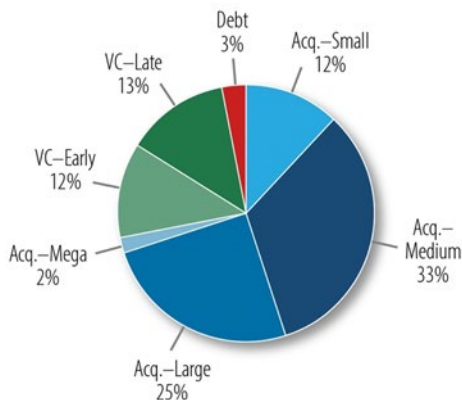
\*All calculations are based on final partnership valuations through 12/31/2023 and cash activity through 3/31/24.

\*\*Program Objective is currently Russell 3000 + 300 bps.

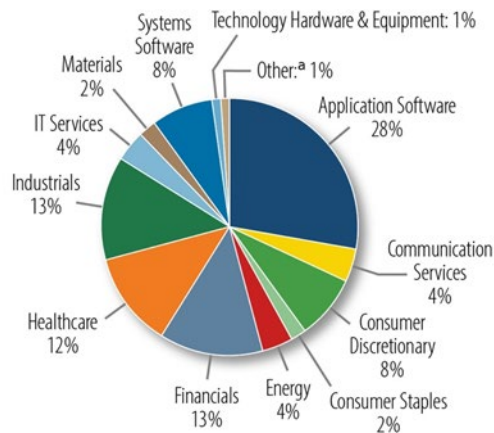
# Private Equity Portfolio<sup>1</sup>



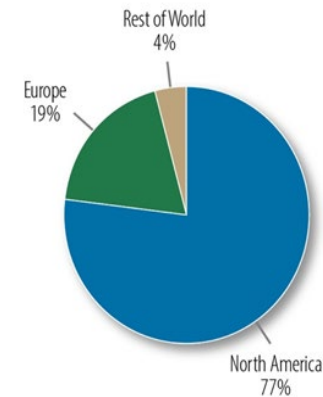
Strategy<sup>2</sup>



Sector<sup>2</sup>



Geography<sup>2</sup>



<sup>1</sup>Data sourced from Pathway. Summary data is since the inception of the Private Equity program and as of 3/31/24.

<sup>2</sup> Diversification pie charts are as of 3/31/24.

<sup>a</sup>Other in the sector pie chart includes real estate, utilities, and semiconductors and semiconductor equipment sectors.

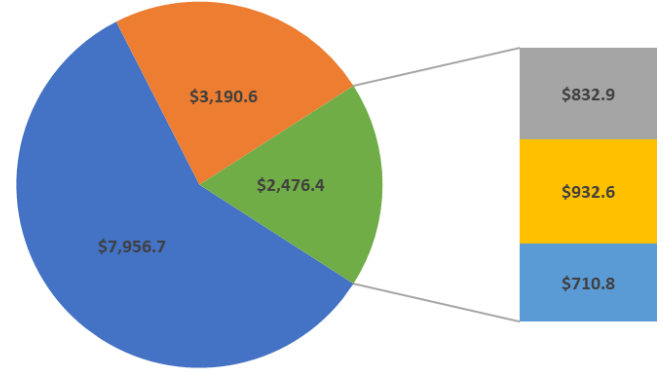
# Private Equity Outlook

- **Challenges**
  - Reduced deal flow
  - Constrained exit markets
  - Macro uncertainty
- **Positives**
  - Patient capital – Private Equity is a long-term asset class
  - Vintage year performance has historically been strong post downturns in the asset class
  - Investment activity is improving
  - Multiple options to manage allocations / distributions
  - Fees are a function of performance – alignment of interest

# Private Credit Portfolio Review

# Private Credit Portfolio Structure *(in \$m; as of 3/31/24)*

PMP AUM = \$13,623.6



■ Private Equity ■ Private Real Assets ■ Opportunistic ■ Direct Lending ■ Real Assets Credit

## IRR Performance

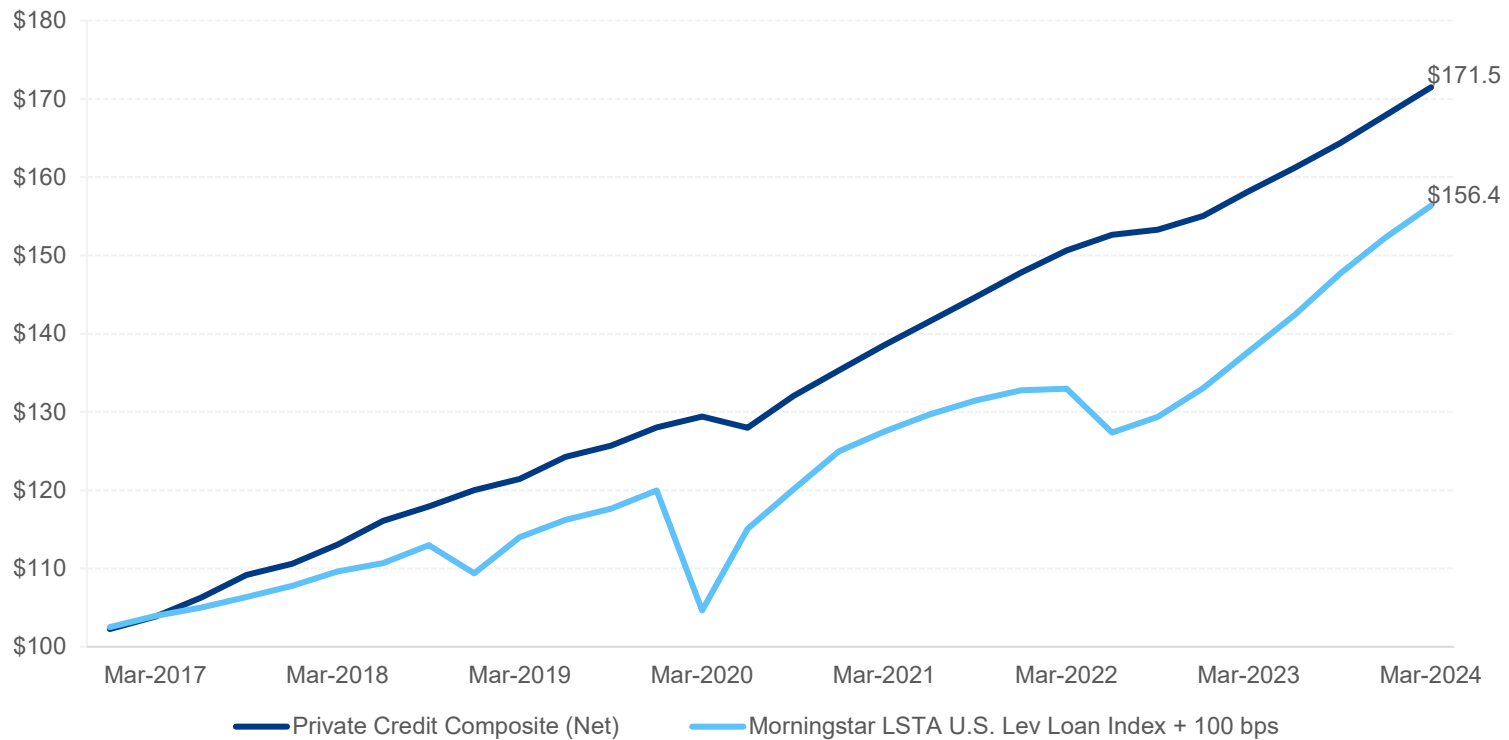
	1-Yr	3-Yr	5-Yr	Inception (2Q13)
Private Credit Portfolio	8.7%	7.6%	7.3%	7.5%
Program Objective*	13.4%	8.0%	8.3%	7.8%
Excess Returns	-5.7%	-0.4%	-1.0%	-0.3%

## TWR Performance

	1-Yr	3-Yr	5-Yr	Inception (2Q13)
Private Credit Portfolio	8.4%	7.4%	7.2%	8.0%
Program Objective*	13.6%	7.1%	6.5%	5.7%
Excess Returns	-5.2%	0.3%	0.7%	2.3%

\*Program Objective is currently Morningstar LSTA Leveraged Loan Index + 100 bps

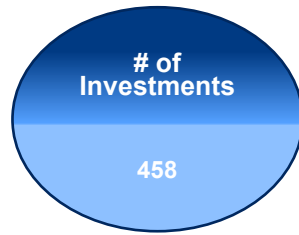
# Private Credit Value-Add



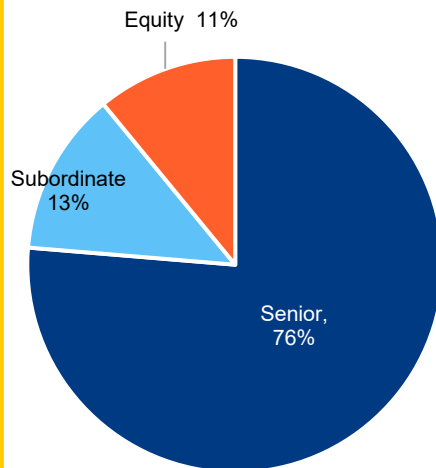
- Excess returns achieved without market volatility



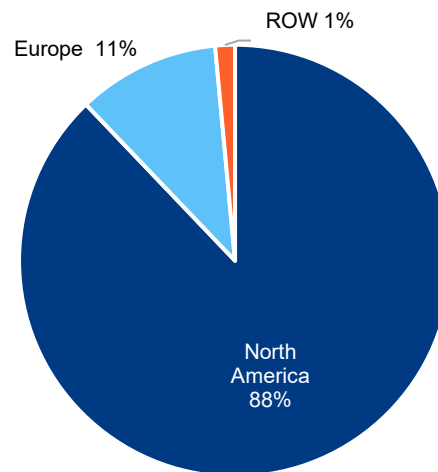
# Corporate Debt Portfolio<sup>1</sup>



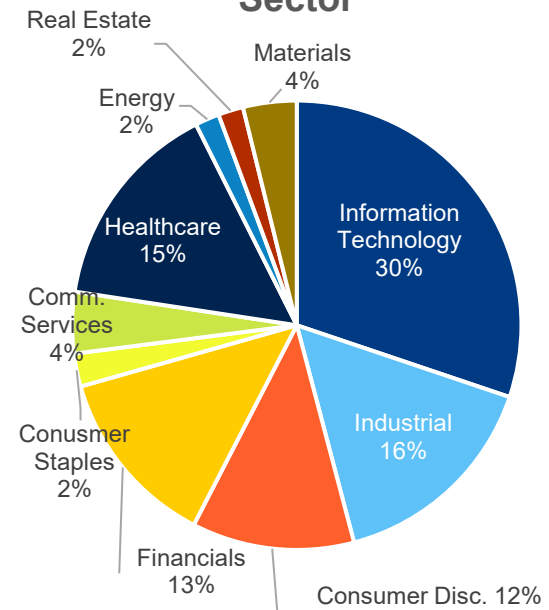
**Seniority**



**Geographic**

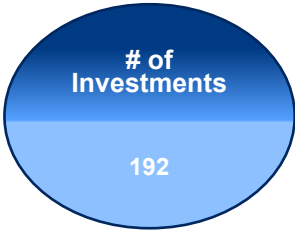


**Sector**

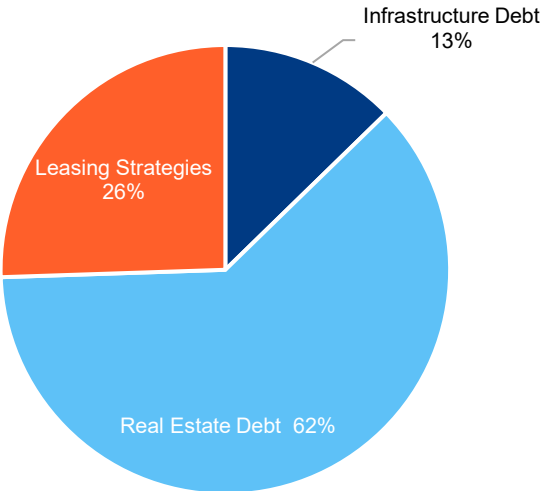


<sup>1</sup>The Corporate Debt portfolio includes Direct Lending and Opportunistic mandates (asset-based lending strategies are excluded in the exposure charts). All data presented is for active mandates as of 1Q23.

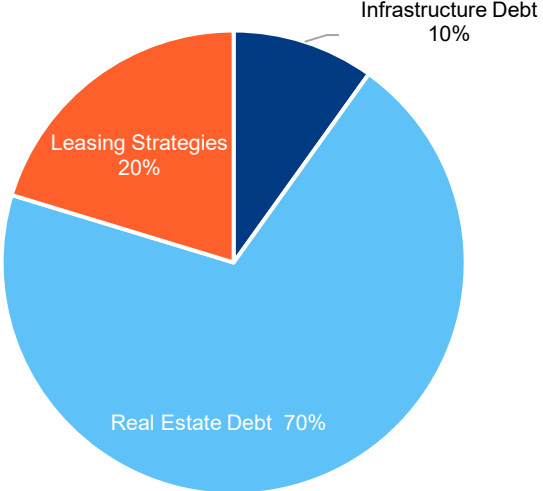
# Real Assets Credit Portfolio<sup>1</sup>



Strategy (NAV)

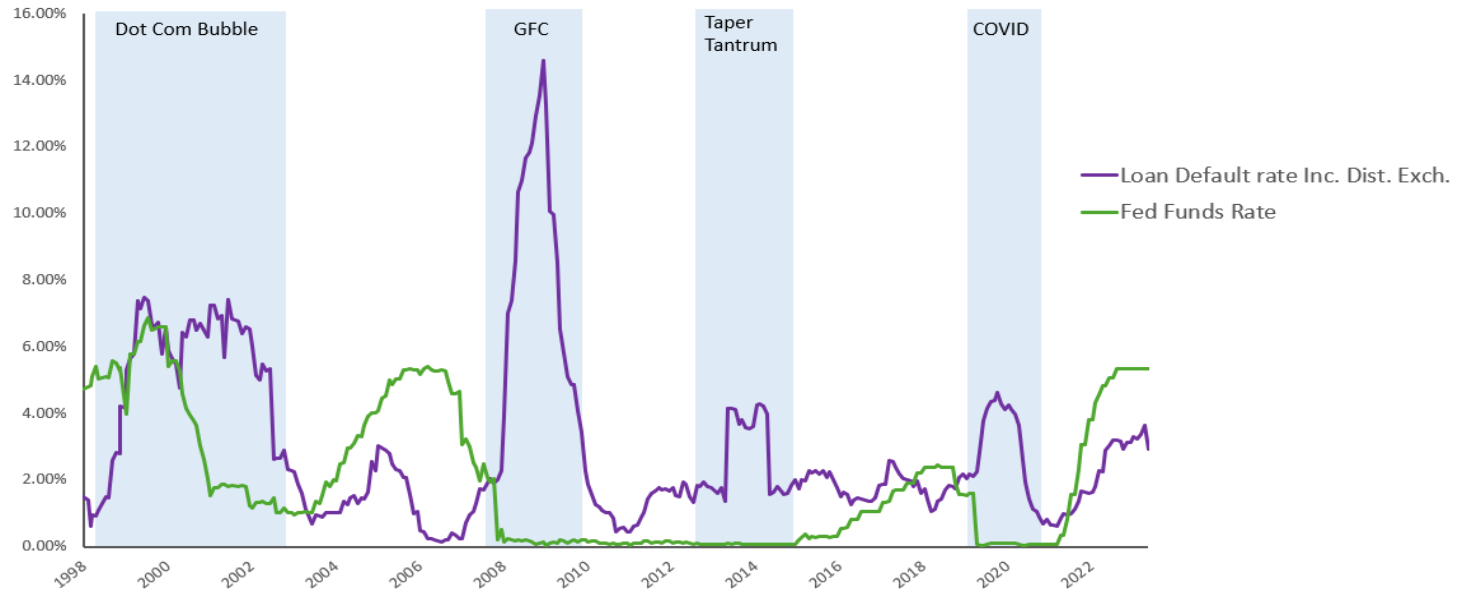


Strategy (NAV + Unfunded)



<sup>1</sup>All data presented is for active mandates as of 1Q24.

# Private Credit Outlook

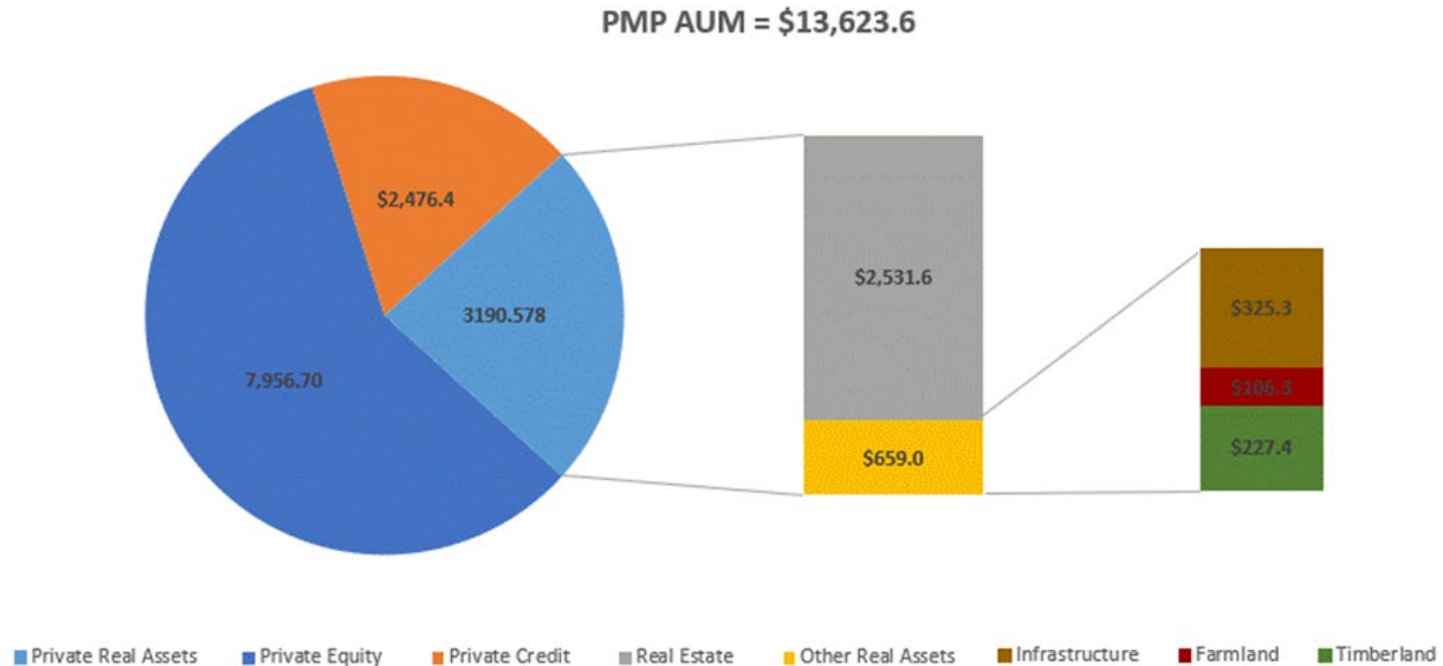


Source JP Morgan June 2024

- Near term maturities addressed through extensions and loan modifications
- Increasing transaction volumes
- Modest spread compression, but still attractive all in yields
- Modest increases in defaults anticipated but not systemic

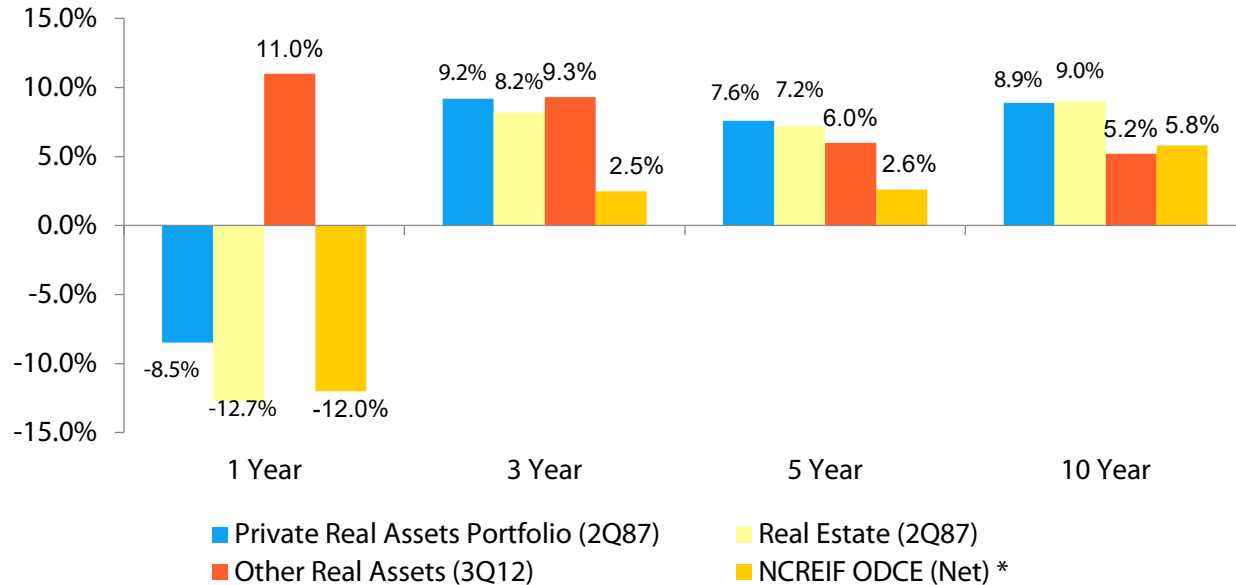
# Private Real Assets Portfolio Review

# Private Real Assets Equity Portfolio Structure (in \$m; as of 3/31/24)



- The Real Assets portfolio market value was \$3,377.8 million in 1Q23 versus \$3,190.6 million in 1Q24.

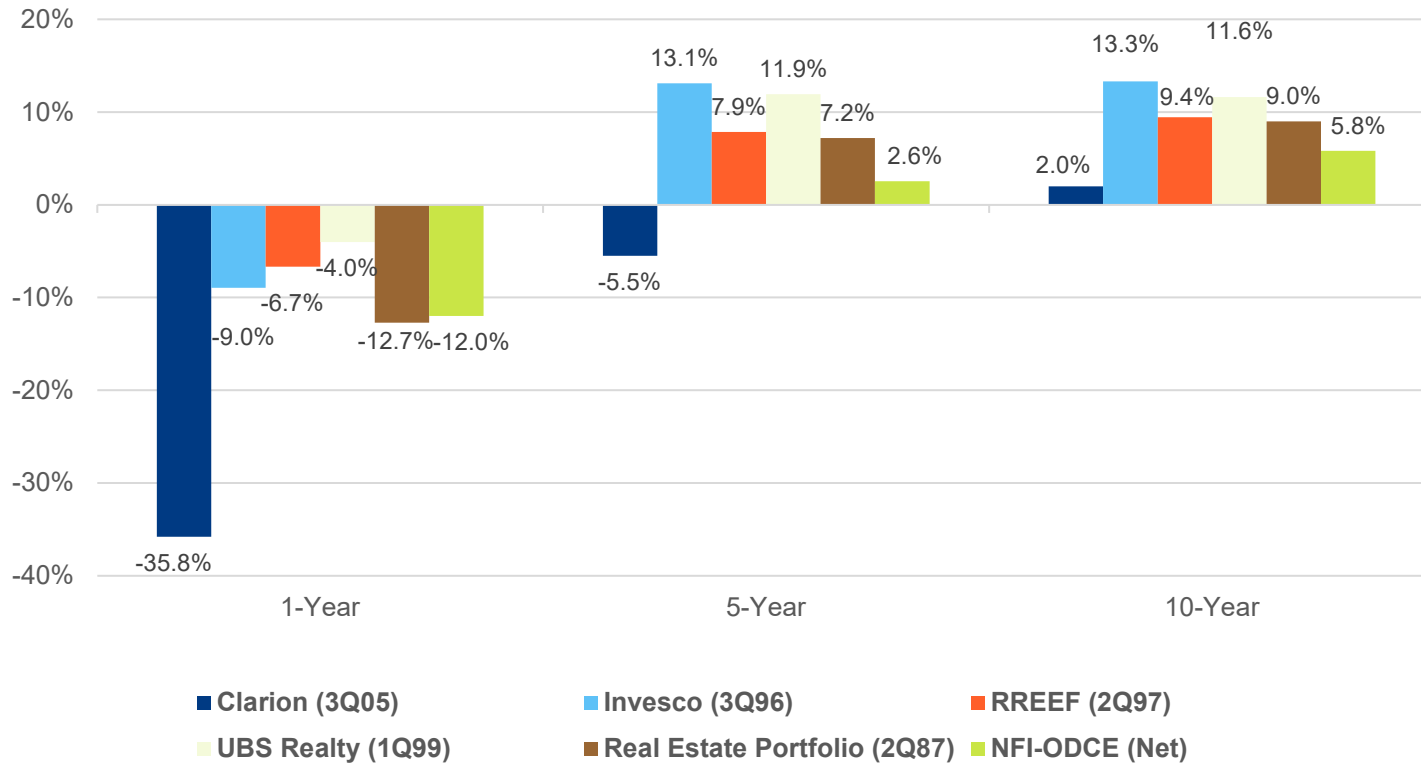
# Private Real Assets Performance *(as of 3/31/24)*



- The primary return objective has been achieved over all time periods.
- Near-term, other real assets have offset the on-going real estate correction.
- The real asset portfolio since inception net return was 6.8%, while the NCREIF ODCE (Net) index return was 6.1% over the same time-period.

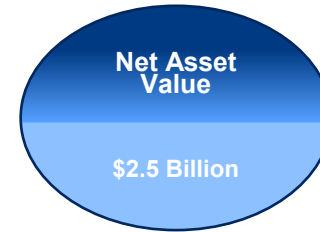
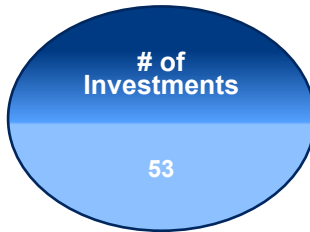
\* NCREIF ODCE (Net) is the primary return objective for the Private Real Assets portfolio.

# Private Real Estate Performance (as of 3/31/24)



- The Real Estate portfolio since inception net return was 6.8%, while the NCREIF ODCE (Net) index return was 6.1% over the same time-period.

# Real Estate Portfolio<sup>1</sup>



## Property Type

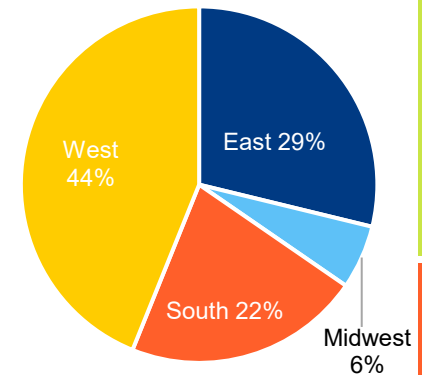
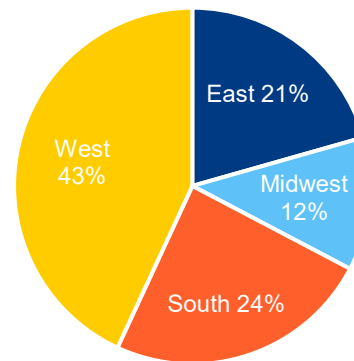
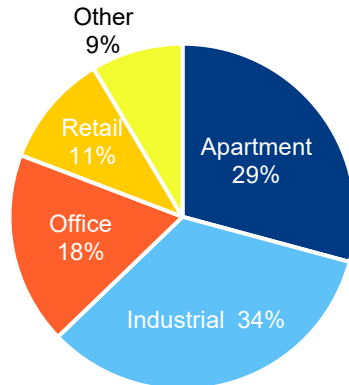
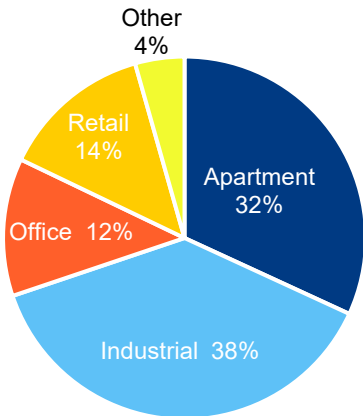
## Geographic

### IPERS

### NCREIF ODCE

### IPERS

### NCREIF ODCE

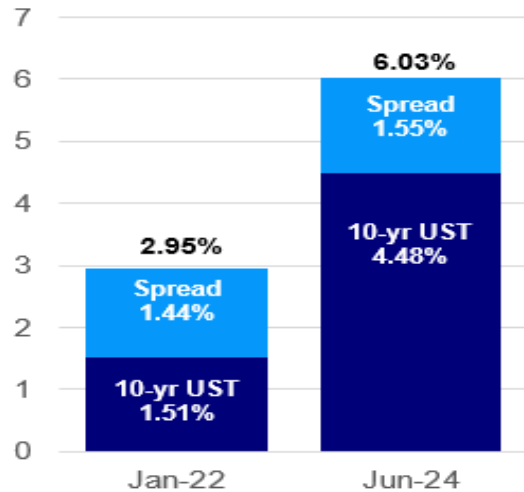


<sup>1</sup>All data presented is for active mandate NAV's as of 1Q24.

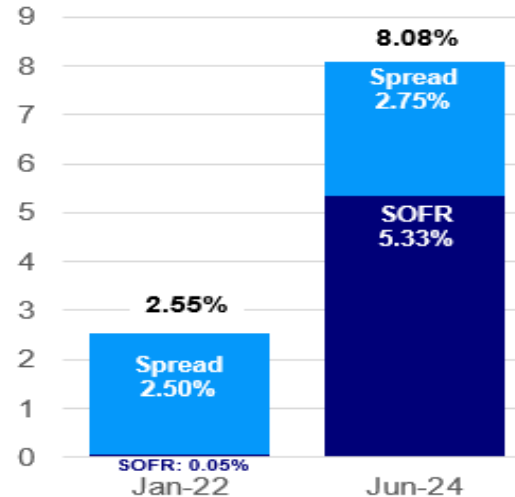


# Private Real Estate Leverage

Loan cost: Fixed (%)



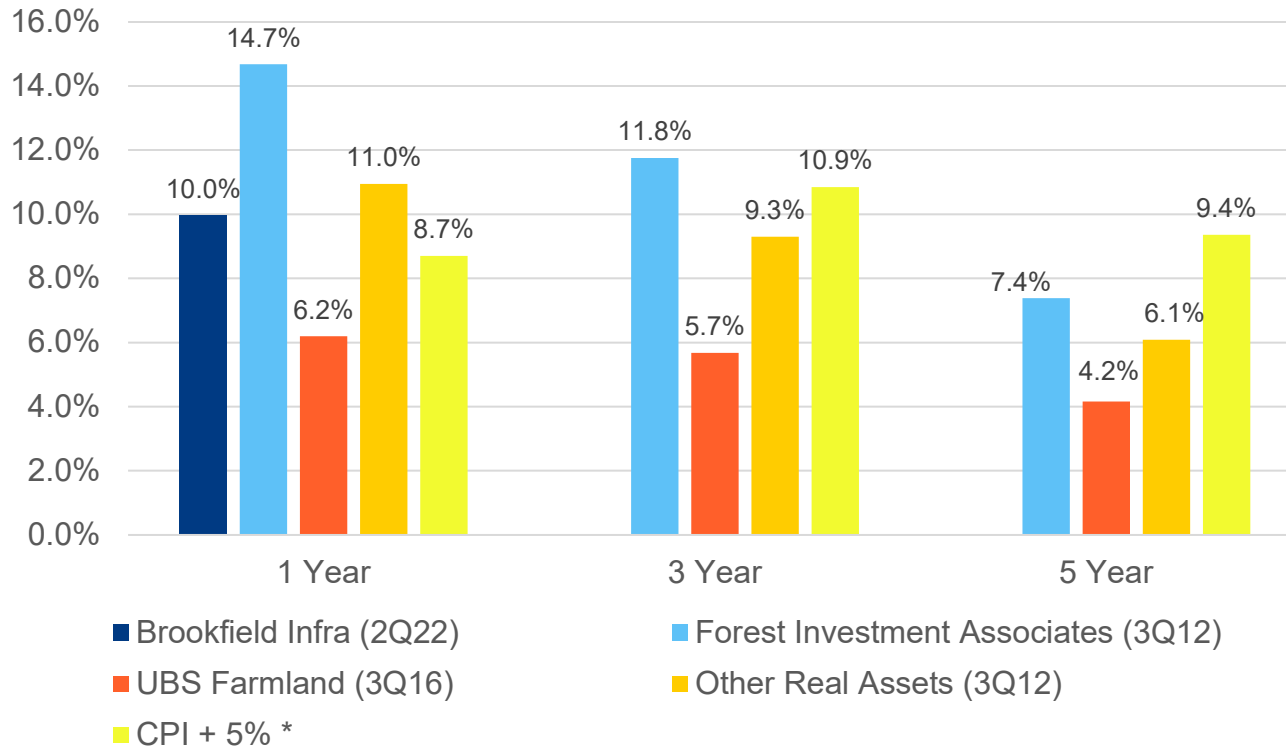
Loan cost: Floating (%)



- Financing core real estate continues to be expensive
- Portfolio LTV has been reduced from 26.1% as of 1Q23 to 24.4% as of 1Q24
- The portfolio average cost of debt was 4.2% as of 1Q24

Sources: Invesco Real Estate, utilizing data from Chatham Financial as of June 2024. Fixed rate is based on Chatham data for 50% LTV core Multifamily. Floating rate is an estimate for 65% LTC bridge Multifamily at acceptable in-place/stabilized debt yields.

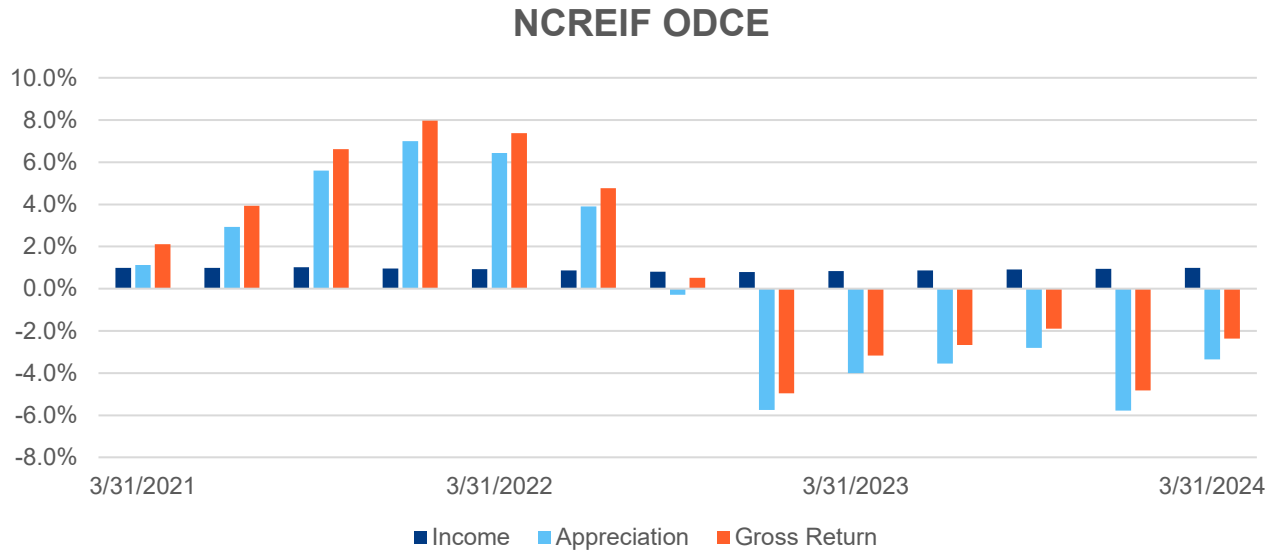
# Other Real Assets Performance (as of 3/31/24)



- The Other Real Assets portfolio since inception net return was 5.9%; CPI + 5% was 7.8% the same time-period.

\* CPI + 5% is the secondary return objective for the other real assets portion of the program.

# Private Real Assets Outlook



Source: NCREIF Fund Index – Open End Diversified Core Equity Index

- Seven consecutive quarters of depreciation
- Outside of office, occupancy remains at or above long-term averages
- End of FED tightening cycle → should alleviate cap rate pressure
- Real estate bottom should play out over the next couple of quarters – office being the exception

# Expanded NCREIF Index

Property Type	Classic	Expanded
Residential	X	X
Hotel	X	X
Industrial	X	X
Office	X	X
Retail	X	X
Senior Housing		X
Self-Storage		X
Other		X

- Index expanding to provide greater transparency and align with the larger industry investable property sectors.
- Residential was just apartments in the Classic Index. The Expanded Index includes apartments, student housing, manufactured housing and single-family for residential.
- The Expanded Index other category includes data centers, operating land, entertainment, parking and other.

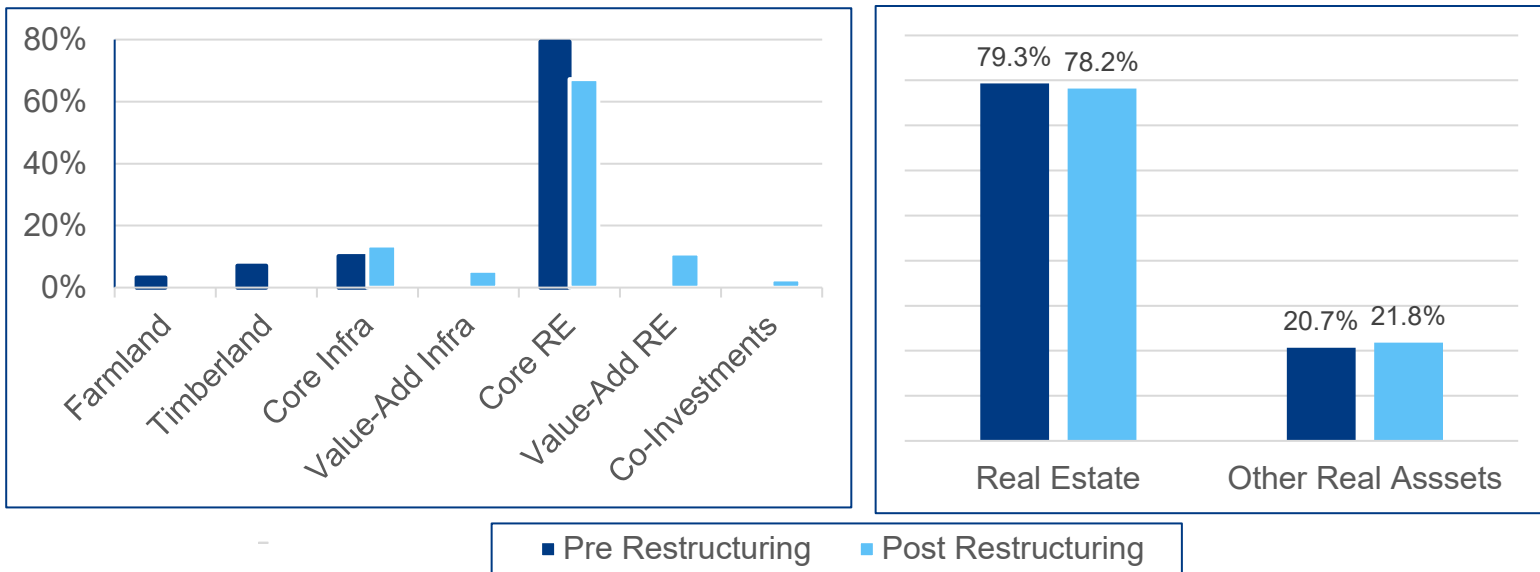
# Private Real Assets Equity Search Recommendations

Manager	Mandate	Asset Class	Recommendation
Kayne Anderson	KAREP VII	Real Estate	2 – 3 Allocations  2 – 3 Bench Managers
KKR	KKR REPA IV	Real Estate	
Blue Owl *	Net Lease Property Fund	Real Estate	
LCN Capital Partners	North American Fund Series	Real Estate	
Elm Tree	Net Lease Fund Series	Real Estate	
Macquarie	Infrastructure Partners VI	Infrastructure	1 – 2 Allocations  2 – 3 Bench Managers
Morgan Stanley	NHIP IV	Infrastructure	
Stonepeak	Infrastructure Fund Series	Infrastructure	
ECP	Energy Fund Series	Infrastructure	

\* Blue Owl (fka Oak Street) was originally selected and approved by the Board through the Real Assets Credit search

# Private Real Assets Equity Restructuring

- The private real assets equity restructuring includes four main objectives:
  - Complete restructure of real estate portfolio
  - Liquidate timber and farmland exposure over time to fund new infrastructure mandates
  - If Board approves, on-board real asset equity search recommendations



# Summary

## PRIVATE EQUITY

- No recommended changes to the current portfolio
- Continue to address over allocation

## PRIVATE CREDIT

- Staff is happy with current portfolio structure
- Measured allocations moving forward

## PRIVATE REAL ASSETS

- Portfolio restructuring will be key focus moving forward



**RFP I-2023-1  
Real Assets Equity  
Hiring Recommendations  
June 20, 2024**

The Evaluation Committee recommends the Investment Board approve the hiring of 9 investment firms/strategies for the Real Assets Equity portfolio. Manager recommendations are contingent on final due diligence and successful contract negotiations prior to funding.

<b>Firm Name</b>	<b>Strategy Name</b>	<b>Status</b>
Kayne Anderson	KAREP VII	2- 3 Allocations
KKR	KKR REPA IV	
Blue Owl (fka Oak Street) *	Net Lease Property Fund	
LCN Capital Partners	North American Fund Series	2-3 Bench Managers
Elm Tree	Net Lease Fund Series	1-2 Allocations
Macquarie	MIP VI	
Morgan Stanley	NHIP IV	
Stonepeak	Infrastructure Fund Series	2-3 Bench Managers
ECP	Energy Fund Series	

\* Firm previously selected and approved by the Board through the Real Assets Credit search

IPERS issued an RFP on November 18, 2022, with the purpose of identifying non-core real asset equity products across infrastructure, real estate, and other real asset mandates (timber and farmland). One-hundred and fifty-four respondents applied to the RFP by the February 10, 2023, deadline. The evaluation of the responses was conducted in three phases. Phase 1 was an evaluation of the minimum qualifications. Of the 154 respondents, 29 did not meet the minimum qualifications.

Phase 2 of the RFP process was an evaluation of the response’s portfolio fit to IPERS’ existing real assets equity portfolio. At this point in the process, the evaluation committee decided to remove the “other” respondents from further consideration. In addition, it was determined that 64 of the real estate and infrastructure responses were not a good fit for the existing portfolio. Issues ranged from inappropriate mandate strategies to geographic/exposure overlaps. Forty-five responses were selected to move forward out of phase 2.

Phase 3 consisted of reviewing and scoring the 45 responses and conducting finalists’ interviews. Upon completion of the reviews and scoring, 14 finalists were selected for interviews (8 infrastructure and 6 real estate), which were held in April and May. Upon completion of the interviews, 8 firms were selected for Board recommendations as summarized above. Notices of intent to award will be issued upon Board approval.

Brief profiles of all 9 strategies are provided on the following pages.





**FIRM NAME:** Kayne Anderson Capital Advisors, L.P.

**Corporate Headquarters:** Boca Raton, FL

**Ownership Structure:** Employee Owned

**Firm Wide Assets Under Management:** \$35 billion as of 3/31/24

**Product Name:** Kayne Anderson Real Estate Partners VII

**Product Asset Inception Date:** 2007

**Product Net Asset Value:** \$3.8 billion

**Product Description:** Close-end, drawdown fund investing in alternative real estate sectors.

Invest primarily in three asset classes: Medical Office, Seniors Housing, and Student Housing.

Acquire and develop assets in high-demand U.S. markets, institute operational excellence, and aggregate scale for strategic opportunistic realizations.



<b><u>FIRM NAME:</u></b>	Kohlberg Kravis Roberts & Co., L.P. (KKR)
<b>Corporate Headquarters:</b>	New York, NY
<b>Ownership Structure:</b>	Public Company (NYSE: KKR)
<b>Firm Wide Assets Under Management:</b>	\$578 billion as of 3/31/24
<b>Product Name:</b>	KKR Real Estate Partners Americas IV
<b>Product Asset Inception Date:</b>	2013
<b>Product Assets Under Management:</b>	\$7.1 billion
<b>Product Description:</b>	<p>Close-end, drawdown fund investing in opportunistic real estate equity with thematic focus on sectors and markets in the U.S.</p> <p>Primary sectors expected to include industrial, rental housing (multi-family and single-family rental), niche housing (student and senior housing) and self-storage.</p>



<b><u>FIRM NAME:</u></b>	Blue Owl (fka Oak Street)
<b>Corporate Headquarters:</b>	Chicago, IL
<b>Ownership Structure:</b>	Public Company (NYSE: OBDC)
<b>Firm Wide Assets Under Management:</b>	\$174 billion as of 3/31/24
<b>Product Name:</b>	Net Lease Property Fund
<b>Product Asset Inception Date:</b>	2019
<b>Product Assets Under Management:</b>	\$3.6 billion
<b>Product Style Description:</b>	<p>Open-end fund that invest exclusively in single-tenant, free standing properties secured by triple net (“NNN”) or double net (“NN”) leases.</p> <p>The fund targets properties that are mission critical to tenants and will invest across the industrial, office, and retail sectors.</p>



<b><u>FIRM NAME:</u></b>	LCN Capital Partners
<b>Corporate Headquarters:</b>	New York, NY
<b>Ownership Structure:</b>	Employee Owned
<b>Firm Wide Assets Under Management:</b>	\$6.8 billion as of 3/31/24
<b>Product Name:</b>	LCN North America Fund IV
<b>Product Asset Inception Date:</b>	2014
<b>Product Assets Under Management:</b>	\$3.0 billion
<b>Product Style Description:</b>	<p>Closed-end, drawdown fund that invest in sale-leasebacks and build-to-suit transactions of directly originated, negotiated, and structured long-term net leases from /with a single corporate tenant/obligor.</p> <p>The strategy aims to offer consistent distributions to investing partners while presenting an alternative capital source to corporate owners of real estate.</p>



<b><u>FIRM NAME:</u></b>	Elm Tree
<b>Corporate Headquarters:</b>	St. Louis, MO
<b>Ownership Structure:</b>	Employee Owned
<b>Firm Wide Assets Under Management:</b>	\$7.2 billion as of 3/31/24
<b>Product Name:</b>	U.S. Net Lease Fund V
<b>Product Asset Inception Date:</b>	2011
<b>Product Assets Under Management:</b>	\$700 million
<b>Product Style Description:</b>	<p>Product is focused on acquiring build-to-suit or newly constructed assets in the net lease industrial and office sectors.</p> <p>The strategy will target assets located in the top 50 metropolitan statistical areas across the United States and net-leased to tenants with investment grade credit ratings for terms of 10-15+ years.</p>



<b><u>FIRM NAME:</u></b>	Macquarie Asset Management
<b>Corporate Headquarters:</b>	New York, NY
<b>Ownership Structure:</b>	Wholly owned, indirect subsidiary of Macquarie Group Limited (NYSE: MQG.AX)
<b>Firm Wide Assets Under Management:</b>	\$611.7 billion as of 3/31/24
<b>Product Name:</b>	Macquarie Infrastructure Partners VI
<b>Product Asset Inception Date:</b>	2006
<b>Product Assets Under Management:</b>	\$26.2 billion
<b>Product Style Description:</b>	<p>The fund will seek to generate equity and equity-related investments in infrastructure and infrastructure-related assets and businesses, predominantly in the United States and Canada.</p> <p>Targeted sectors will include transportation-related, waste management-related, digital, utilities and energy, and social infrastructure.</p>



<b><u>FIRM NAME:</u></b>	Morgan Stanley Investment Management
<b>Corporate Headquarters:</b>	New York, NY
<b>Ownership Structure:</b>	Wholly owned by Morgan Stanley (NYSE: MS)
<b>Firm Wide Assets Under Management:</b>	\$1.5 trillion as of 3/31/24
<b>Product Name:</b>	North Haven Infrastructure Partners (NHIP) IV
<b>Product Asset Inception Date:</b>	2008
<b>Product Assets Under Management:</b>	\$17 billion
<b>Product Style Description:</b>	<p>NHIP invest in private infrastructure assets with a potential for value creation through active management, located primarily within countries that are members of the OECD.</p> <p>The manager will seek to access off-market opportunities, which may include carve-outs, privatizations, undermanaged assets, platform assets with the potential for scalable expansion, and select greenfield assets.</p>

<b><u>FIRM NAME:</u></b>	Stonepeak Partners LP
<b>Corporate Headquarters:</b>	New York, NY
<b>Ownership Structure:</b>	Employee Owned
<b>Firm Wide Assets Under Management:</b>	\$65.1 billion as of 12/31/23
<b>Product Name:</b>	Infrastructure Fund Series
<b>Product Asset Inception Date:</b>	2012
<b>Product Assets Under Management:</b>	\$34.7 billion
<b>Product Style Description:</b>	<p>The North America fund series seeks to invest in high-quality, defensive and low-risk critical infrastructure assets primarily in North America with a focus on operational value-add.</p> <p>The asset profile is core-plus with occasional build-to-core or value-add assets with monopolistic characteristics across transportation, energy transition and communications sectors.</p> <p>The Stonepeak Opportunities Fund (SOF) series focuses on middle market infrastructure across multiple sectors: digital, transport &amp; logistics, energy transition, and social infrastructure.</p> <p>The Opportunities Fund series invest in OECD countries, with primary focus on North America and Europe.</p>



<b><u>FIRM NAME:</u></b>	ECP
<b>Corporate Headquarters:</b>	Summit, NJ
<b>Ownership Structure:</b>	Employee-Owned w/ passive 3 <sup>rd</sup> party ownership
<b>Firm Wide Assets Under Management:</b>	\$19.9 billion as of 12/31/23
<b>Product Name:</b>	Energy Capital Partners Fund Series
<b>Product Asset Inception Date:</b>	2005
<b>Product Assets Under Management:</b>	\$14.7 billion
<b>Product Style Description:</b>	<p>Closed-end, drawdown fund will make value-added, primarily control investments in electrification, energy transition, decarbonization and sustainability-linked infrastructure projects, primarily in North America.</p> <p>The targeted investments are expected to be in power generation, renewables, battery / energy storage, environmental clean-up, recycling, and waste management. Oil and gas exploration and production and traditional midstream are excluded from the latest fund's mandate (Fund V).</p>

# Search for Excess Returns

IPERS

**John Fujiwara, Head of Strategy**

**Sheldon Lien, Senior Retirement Investment Officer**

June 20, 2024



# What are Absolute Return Strategies?

**An absolute return product is an investment approach that aims to deliver positive excess returns regardless of the overall market direction**

## Familiar Examples of Absolute Return Strategies:

- Active Long Only
- Trend-following Commodity Trading Advisors (CTA's)
- Discretionary Global Macro
- Long/Short Equity Arbitrage
- Fixed Income Arbitrage
- Alternative Risk Premia (ARP)

# What are some differences between traditional strategies and absolute return strategies?

Feature	Traditional Strategy	Absolute Return Strategy
Investment Philosophy	Passive	Active
Goal	Track a benchmark index	Achieve positive excess return
Asset Allocation	Single or Limited Asset Class	Mostly Multi-Asset
Investment Tools	Buy and Hold	Arbitrage Leverage Short-Selling Options/Derivatives
Markets Traded	Stocks Bonds	Stocks Bonds Swaps Futures Options Forwards

# What might Absolute Return Strategies do for the IPERS portfolio?

## Desirable Characteristics:

- Managed tracking error
- High success ratio
- Attractive return to risk ratio
- Low correlation to traditional beta
- Downside protection during market selloffs



## Possible uses for IPERS

**Add value over passive strategies**

**Mitigate downside risk**

**Diversification-lower overall portfolio volatility**

# What's the Absolute Return Process?

## Absolute Return Process

### Phase I

Request  
for  
Proposal

"Cast the  
Widest  
Net"

100 - 150  
proposals  
received,  
on  
average

Level I  
Quantitative  
Analysis

Strategy  
data  
converted  
to monthly  
excess  
return  
series

Level II  
Quantitative  
Analysis

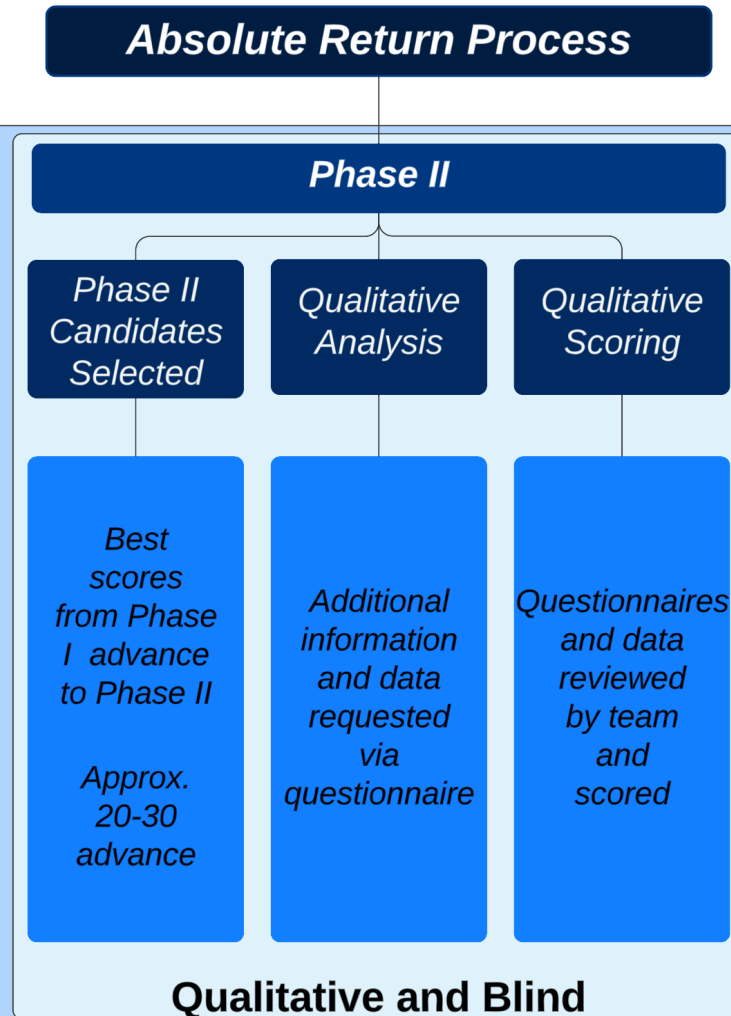
Excess  
returns  
scored and  
ranked  
across 15  
factors,  
such as:

Information  
Ratio  
Risk  
Correlations

**Quantitative and Blind**

*\*Blind Review: All applications are scrubbed for any identifying information*

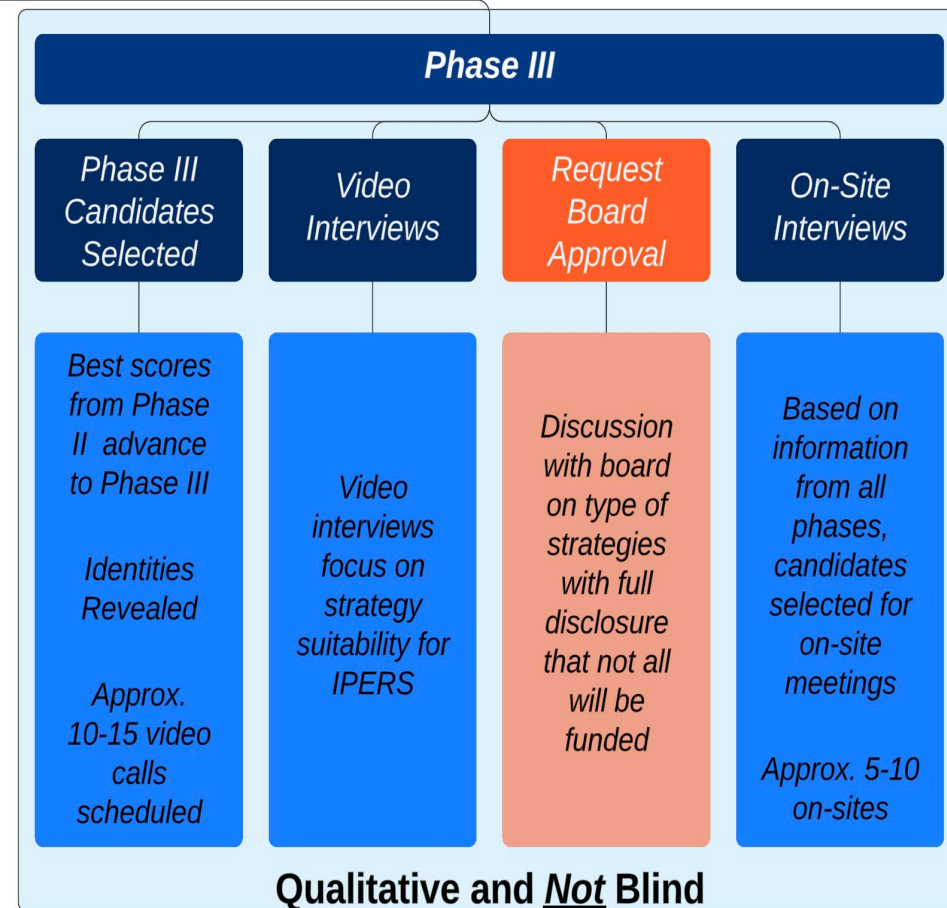
# What's the Absolute Return Process?



*\*Blind Review: All applications are scrubbed for any identifying information*

# What's the Absolute Return Process?

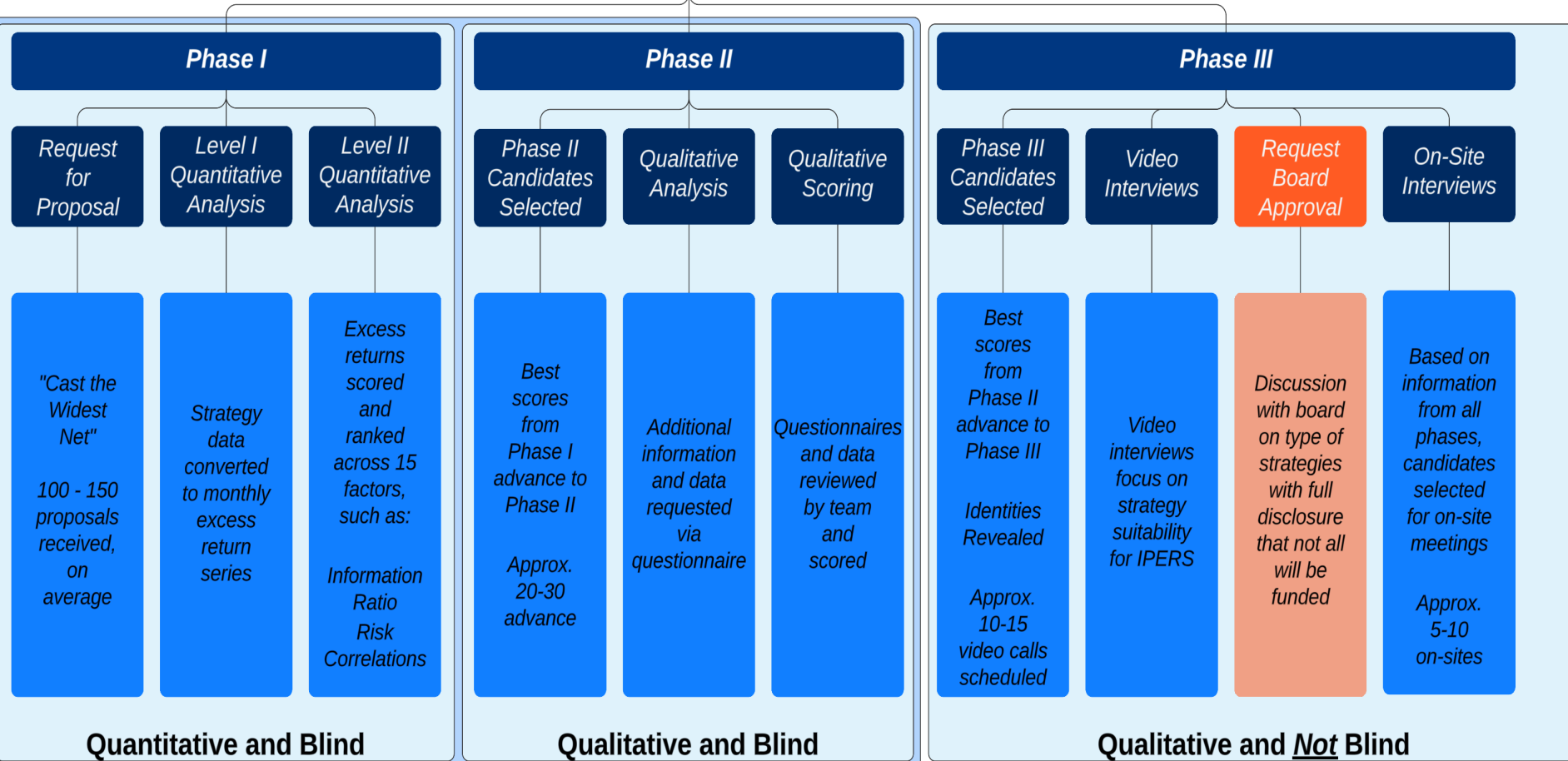
## Absolute Return Process





# What's the Absolute Return Process?

## Absolute Return Process



\*Blind Review: All applications are scrubbed for any identifying information

# Current Status

Ongoing  
Manager  
Oversight &  
Monitoring

- Active Long-Only Managers
  - 9 Mandates
- LARS
  - 5 CTA's
  - Internal ARP
- Portable Alpha
  - 4 Mandates

2023 Absolute  
Return RFP

- Absolute Return Finalists
  - 1-3 Mandates funded by Q1 2025

2024 Absolute  
Return RFP

- Phase II Candidates Selected
- Qualitative Analysis to begin in June

**BETA REPORT**  
**IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM PORTFOLIO**  
**PRELIMINARY (Unreconciled) MARKET VALUES AT**  
**6/7/2024**

	Actual	Overlay	Total	Policy	Difference
<b>PUBLIC MARKETS</b>					
Domestic	\$ 9,216,203,199	\$ (21,622,946)	\$ 9,194,580,253	\$ 9,132,308,355	\$ 62,271,899
International	\$ 5,622,453,086	\$ 1,928,405	\$ 5,624,381,491	\$ 5,652,299,320	\$ (27,917,829)
Global Smart Beta	\$ 2,145,587,784		\$ 2,145,587,784	\$ 2,172,290,284	\$ (26,702,500)
<b>Total Equities</b>	<b>\$ 16,984,244,069</b>		<b>\$ 16,964,549,528</b>	<b>\$ 16,956,897,959</b>	<b>\$ 7,651,570</b>
Core Fixed Income	\$ 10,958,200,865	\$ 107,413,545	\$ 11,065,614,411	\$ 11,087,369,611	\$ (21,755,200)
Public Credit	\$ 1,304,468,690		\$ 1,304,468,690	\$ 1,303,374,171	\$ 1,094,519
Cash	\$ 624,308,721	\$ (87,719,005)	\$ 536,589,716	\$ 438,802,637	\$ 97,787,079
<b>PRIVATE MARKETS</b>	<b>\$ 13,574,583,339</b>		<b>\$ 13,574,583,339</b>	<b>\$ 13,659,361,307</b>	<b>\$ (84,777,968)</b>
Private Equity	\$ 7,903,019,372		\$ 7,903,019,372	\$ 7,937,548,699	\$ (34,529,327)
Private Credit	\$ 2,519,214,114		\$ 2,519,214,114	\$ 2,515,512,149	\$ 3,701,965
Private Real Assets	\$ 3,152,349,854		\$ 3,152,349,854	\$ 3,206,300,460	\$ (53,950,606)
<b>TOTAL FUND</b>	<b>\$ 43,445,805,684</b>			<b>\$ 43,445,805,684</b>	<b>\$ -</b>

	Actual	Overlay	Total	Policy	Difference
<b>PUBLIC MARKETS</b>					
Domestic	21.21%	-0.05%	21.16%	21.02%	0.14%
International	12.94%	0.00%	12.95%	13.01%	-0.06%
Global Smart Beta	4.94%		4.94%	5.00%	-0.06%
<b>Total Equities</b>	<b>39.09%</b>		<b>39.05%</b>	<b>39.03%</b>	<b>0.02%</b>
Core Plus	25.22%	0.25%	25.47%	25.52%	-0.05%
Public Credit	3.00%		3.00%	3.00%	0.00%
Cash	1.44%	-0.20%	1.24%	1.01%	0.23%
<b>PRIVATE MARKETS</b>	<b>31.24%</b>		<b>31.24%</b>	<b>31.44%</b>	<b>-0.20%</b>
Private Equity	18.19%		18.19%	18.27%	-0.08%
Private Credit	5.80%		5.80%	5.79%	0.01%
Private Real Assets	7.26%		7.26%	7.38%	-0.12%
<b>TOTAL FUND</b>	<b>100.00%</b>			<b>100.00%</b>	<b>0.00%</b>

BETA REPORT				
IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM PORTFOLIO				
PRELIMINARY (Unreconciled) MARKET VALUES AT				
6/7/2024				
<b>PUBLIC PORTFOLIO</b>		68.76%	\$	29,871,222,345
<b>Manager Name</b>	<b>Manager % of Asset Class</b>	<b>Total Market Value</b>	<b>Manager Name</b>	<b>Manager % of Asset Class</b>
Blackrock R2000 SAE	2.33%	\$ 214,684,025	Western	0.00%
Blackrock Russell 1000 Alpha Tilts	21.20%	\$ 1,954,137,734	IPERS MESIROW EM CURRENCY	2.20%
<b>DOMESTIC EQUITY - ACTIVE</b>	<b>4.99%</b>	<b>\$ 2,168,821,759</b>	IPERS MAN EM GLOBAL MACRO	1.33%
Mellon - Russell 1000 Index	73.15%	\$ 6,741,915,112	Blackrock	0.00%
Mellon - Russell 2000 Index	2.64%	\$ 243,731,126	Principal Global Investors	0.00%
Rhumblin Advisers	0.00%	\$ -	TCW	0.00%
Parametric - Domestic Equity	0.67%	\$ 61,735,202	Prudential	0.00%
NT Transition Manager	0.00%	\$ -	BlackRock Universal Alpha	2.82%
<b>DOMESTIC EQUITY - PASSIVE</b>	<b>16.22%</b>	<b>\$ 7,047,381,440</b>	BlackRock Universal Beta	3.07%
<b>TOTAL DOMESTIC EQUITY</b>	<b>21.21%</b>	<b>\$ 9,216,203,199</b>	Mackay Shields	0.00%
Blackrock - Canada	7.29%	\$ 409,623,513	PGIM GLRV Alpha	2.42%
Passive - Blackrock EAFE	36.38%	\$ 2,045,503,981	PGIM GLRV Beta	2.27%
Parametric - Int'l Equity	0.75%	\$ 42,241,094	<b>CORE PLUS - ACTIVE</b>	<b>3.56%</b>
Mellon Passive Emerging	16.08%	\$ 903,823,202	Parametric - Fixed Income	0.22%
<b>INTERNATIONAL EQUITY - PASSIVE</b>	<b>7.83%</b>	<b>\$ 3,401,191,791</b>	Mellon SLH Agg	85.66%
Blackrock EAFE SAE	20.95%	\$ 1,177,815,386	<b>CORE PLUS - PASSIVE</b>	<b>21.66%</b>
Blackrock EM SAE	7.00%	\$ 393,663,370	<b>TOTAL CORE PLUS</b>	<b>25.22%</b>
Blackrock Europe Alpha Tilt	0.20%	\$ 11,029,063	Oaktree Capital Management	0.11%
BMO EAFE	0.04%	\$ 2,503,604	Aegon USA	32.57%
International Equity Transition	0.01%	\$ 321,523	Prudential EMD	33.85%
Oechsle	0.01%	\$ 734,627	PGIM High Yield	33.48%
PanAgora Dynamic EAFE	6.70%	\$ 376,478,911	<b>TOTAL PUBLIC CREDIT</b>	<b>3.00%</b>
Columbia EAFE Equity	0.09%	\$ 4,979,153	UBS - US	59.48%
Wellington EM	4.51%	\$ 253,735,657	UBS - Developed ex US	30.16%
<b>INTERNATIONAL EQUITY - ACTIVE</b>	<b>5.11%</b>	<b>\$ 2,221,261,294</b>	UBS - EM	10.36%
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>12.94%</b>	<b>\$ 5,622,453,086</b>	<b>TOTAL GLOBAL SMART BETA EQUITIES</b>	<b>4.94%</b>
			Cash Account	59.86%
			LARS Liquid Assets	40.14%
			Parametric - Directed Trades	0.00%
			Parametric - Synthetic Cash	0.00%
			Public Real Assets Cash	0.00%
			Pending Cash	0.00%
			<b>CASH ACCOUNT</b>	<b>1.44%</b>
				<b>\$ 624,308,721</b>
<b>PRIVATE PORTFOLIO</b>		31.24%	\$	13,574,583,339
<b>Manager Name</b>	<b>Manager % of Asset Class</b>	<b>Total Market Value</b>	<b>Manager Name</b>	<b>Manager % of Asset Class</b>
Legacy Portfolio	10.83%	\$ 856,289,515	RREEF	30.69%
Pathway PE Fund XXV	89.17%	\$ 7,046,729,857	Clarion Partners	17.38%
<b>PRIVATE EQUITY</b>	<b>18.19%</b>	<b>\$ 7,903,019,372</b>	Invesco	31.44%
BlackRock	35.75%	\$ 339,615,468	UBS Realty	20.50%
Pathway XXV-B	21.22%	\$ 201,551,822	<b>REAL ESTATE</b>	<b>5.74%</b>
Monroe Capital	43.03%	\$ 408,674,626	Brookfield Super Core Infrastructure	49.36%
<b>DIRECT LENDING</b>	<b>2.19%</b>	<b>\$ 949,841,916</b>	Forest Invest	34.52%
ArrowMark	11.04%	\$ 94,989,356	UBS Farmland Investors	16.13%
Crestline Opps Credit IA	25.14%	\$ 216,285,952	<b>OTHER REAL ASSETS</b>	<b>1.52%</b>
Audax Mezzanine Fund V	3.41%	\$ 29,376,009	<b>PRIVATE REAL ASSETS</b>	<b>7.26%</b>
Marathon SPS IA Fund, L.P.	18.58%	\$ 159,891,896		
KKR Goldfinch	32.76%	\$ 281,934,079		
Ares Private Credit Solutions II	7.68%	\$ 66,085,164		
Audax Mezzanine Coinvest IA	1.38%	\$ 11,915,871		
<b>OPPORTUNISTIC</b>	<b>1.98%</b>	<b>\$ 860,478,327</b>		
Oaktree RECIF	4.73%	\$ 33,502,953		
IPERS Principal OEDF	0.94%	\$ 6,691,212		
ITE	11.17%	\$ 79,190,093		
IFM USIDF	12.67%	\$ 89,797,519		
PGIM RE Global Debt	16.50%	\$ 116,958,904		
IPERS PGIM PREDS	10.00%	\$ 70,896,915		
Principal RE Debt II	0.58%	\$ 4,099,980		
KARED IV	14.16%	\$ 100,386,080		
IPERS GTIF	14.00%	\$ 99,249,666		
Heitman Credit	15.25%	\$ 108,120,549		
<b>REAL ASSETS CREDIT</b>	<b>1.63%</b>	<b>\$ 708,893,871</b>		
<b>PRIVATE CREDIT</b>	<b>5.80%</b>	<b>\$ 2,519,214,114</b>		
<b>GRAND TOTAL</b>		<b>\$ 43,445,805,684</b>		
	<b>PERCENT</b>	<b>DOLLARS</b>		
<b>PUBLIC MARKET</b>	68.76%	\$ 29,871,222,345		
<b>PRIVATE MARKET</b>	31.24%	\$ 13,574,583,339		
<b>TOTAL</b>	<b>100.00%</b>	<b>\$ 43,445,805,684</b>		

RECENT MARKET VALUES		
6/7/2024	\$	43,445,805,684
5/31/2024	\$	43,297,349,520
5/24/2024	\$	43,573,519,291
5/17/2024	\$	43,663,135,729
5/10/2024	\$	43,220,483,703
5/6/2024	\$	42,942,248,847
4/26/2024	\$	42,601,043,924
4/19/2024	\$	42,187,854,178
4/12/2024	\$	42,663,045,958

**IPERS Portfolio Structure and Allocations**  
**Quarter End March 31, 2024**  
**\$43.4 Billion**

<b>Public Markets – 69% of Total Fund (Equities 40%)</b>				
<b>Domestic Equity</b> \$9.3 Billion 21.4%		<b>International Equity</b> \$5.7 Billion 13.1%		<b>Global Smart Beta</b> \$2.2 Billion 5.1%
Active \$3.0 Billion 32.2%	Passive \$6.3 Billion 67.8%	Active \$2.7 Billion 46.9%	Passive \$3.0 Billion 53.1%	Passive \$2.2 Billion 100.0%
BlackRock (R1000 SAE) \$2.7 billion	BNY Mellon (R1000) \$6.0 billion	BlackRock (EAFE SAE) \$1.5 billion	BlackRock (EAFE) \$1.7 billion	UBS (U.S. Equity Smart Beta) \$1.4 billion
BlackRock (R2000 SAE) \$265.5 million	BNY Mellon (R2000) \$211.8 million	Panagora (Dynamic EAFE) \$426.4 million	BlackRock (Canada) \$432.6 million	UBS (Developed ex U.S. Smart Beta) \$657.7 million
	Parametric (Synthetic) \$54.3 million	BlackRock (Emerging SAE) \$440.4 million	BNY Mellon (Emerging) \$802.9 million	UBS (Emerging Market Smart Beta) \$215.5 million
		Wellington (Emerging) \$276.8 million	Parametric (Synthetic) \$42.3 million	

Terminated managers with residual amounts in their accounts are not included.

**IPERS Portfolio Structure and Allocations**  
**Quarter End March 31, 2024**  
**\$43.4 Billion**

<b>Public Markets – 69% of Total Fund (Fixed Income and Cash 29%)</b>				
<b>Core Fixed Income</b> \$10.9 Billion 25.0%		<b>Public Credit</b> \$1.3 Billion 3.0%		<b>Cash</b> \$421.8 Million 1.0%
<b>Active</b> \$1.6 Billion 14.3%		<b>Passive</b> \$9.3 Billion 85.7%		
BlackRock Universal (Relative Value) \$644.5 million	PGIM Universal (Relative Value) \$519.4 million	BNY Mellon Agg (Core) \$9.3 billion	Aegon USA (High Yield) \$421.8 million	BNY Mellon (Cash) \$243.9 million
Man EM Global Macro (Relative Value) \$147.7 million	Mesirow EM Currency (Relative Value) \$245.3 million	Parametric (Synthetic) \$27.3 million	PGIM (High Yield) \$434.9 million	LARS Liquid Assets (Cash) \$177.8 million
			PGIM (Emerging Market Debt) \$439.4 million	

Terminated managers with residual amounts in their accounts are not included.

**IPERS Portfolio Structure and Allocations**  
**Quarter End March 31, 2024**  
**\$43.4 Billion**

<b>Private Markets – 31% of Total Fund</b>				
<b>Private Equity \$8.0 Billion 18.3%</b>	<b>Private Real Assets \$3.2 Billion 7.3%</b>	<b>Private Credit \$2.5 Billion 5.7%</b>		
Pathway Capital (Private Equity) \$8.0 billion	Clarion Partners (RE Equity) \$467.7 million	Tennenbaum Capital (Direct Lending) \$339.6 million	PGIM PREDS (Real Assets Credit) \$71.9 million	Audax Mezz Coinvest (Opportunistic Credit) \$16.2 million
	Invesco (RE Equity) \$788.6 million	Monroe Capital (Direct Lending) \$405.9 million	Heitman Credit (Real Asset Credit) \$109.9 million	Audax Mezz V (Opportunistic Credit) \$32.3 million
	RREEF (RE Equity) \$761.7 million	Pathway Capital (Direct Lending) \$187.1 million	IFM USIDF (Real Asset Credit) \$90.6 million	Arrowmark (Opportunistic Credit) \$98.5 million
	UBS Realty (RE Equity) \$513.7 million	Oaktree RECIF (Real Assets Credit) \$25.5 million	PGIM RE Global Debt (Real Assets Credit) \$117.0 million	Crestline Opp Credit (Opportunistic Credit) \$200.9 million
	Forest Investment (Timber) \$227.5 million	Principal OEDF (Real Assets Credit) \$6.7 million	Kayne Anderson IV (Real Assets Credit) \$101.3 million	Marathon SPS IA (Opportunistic Credit) \$134.9 million
	UBS Farmland Investors (Farmland) \$106.3 million	Principal Global II (Real Assets Credit) \$6.5 million	JP Morgan GTIF (Real Asset Credit) \$101.4 million	ARES PCS II (Opportunistic Credit) \$67.8 million
	Brookfield (Infrastructure) \$325.3 million		ITE Rail Fund (Real Asset Credit) \$80.2 million	KKR Goldfinch (Opportunistic Credit) \$282.4 million

# Alpha Report


For periods ending March 31, 2024


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# IPERS' Active Manager Alpha Scorecard

Net of Fees as of 1Q24	1Q24	1 Year	3 Year	5 Year	SI	Perf	Org	People	Process
<b>Domestic Equity</b>									
BlackRock - Russell 1000 SAE	1.37%	1.34%	NA	NA	0.81%				
BlackRock - Russell 2000 SAE	1.48%	1.23%	1.45%	NA	1.81%				
<b>International Equity</b>									
BlackRock – EAFE SAE	0.01%	1.55%	1.58%	NA	1.10%				
PanAgora - Dynamic EAFE	2.03%	3.31%	1.82%	NA	0.73%				
Wellington - Emerging Markets	3.14%	3.08%	-0.66%	1.65%	0.17%				
BlackRock - Emerging Markets SAE	1.74%	0.45%	-0.67%	NA	-0.21%				
<b>Core Fixed Income</b>									
BlackRock - Universal	1.46%	1.95%	1.30%	NA	1.37%				
PGIM - Universal	0.26%	0.32%	0.09%	NA	0.00%				
Man EM Global Macro	-1.58%	NA	NA	NA	-14.86%				
Mesirow EM Currency	-5.82%	NA	NA	NA	-7.90%				
<b>Public Credit</b>									
PGIM - High Yield	0.67%	0.25%	0.06%	NA	0.63%				
Aegon USA - High Yield	-0.38%	-0.79%	-0.42%	-0.18%	0.24%				
PGIM - Emerging Market Debt	0.55%	2.68%	0.60%	0.34%	0.85%				
<b>LARS</b>									
Aspect Capital	11.67%	9.78%	NA	NA	10.45%				
Graham Capital Management	11.91%	6.54%	7.86%	0.70%	4.60%				
P/E Global	6.35%	6.51%	8.84%	0.54%	4.48%				
PIMCO	0.94%	13.98%	NA	NA	12.58%				
PGIM Wadhvani	2.45%	-3.03%	3.21%	0.56%	5.21%				
Welton Global	1.32%	-6.99%	-1.30%	NA	-1.30%				
ARP	0.79%	-0.18%	NA	NA	-2.14%				

 No Concerns

 Minor Concerns

 Material Concerns

# IPERS' Active Manager Listing

MANAGER	INCEPTION DATE	MANDATE	BENCHMARK
<b>Domestic Equity</b>			
BlackRock - Russell 1000 SAE	May 2022	Large Cap	Russell 1000
BlackRock - Russell 2000 SAE	May 2019	Small Cap	Russell 2000
<b>International Equity</b>			
BlackRock – EAFE SAE	May 2019	Developed EAFE	MSCI EAFE Index (net)
PanAgora - Dynamic EAFE	May 2019	Developed EAFE	MSCI EAFE Index (net)
Wellington - Emerging Markets	February 2009	Global Emerging Markets	MSCI Emerging Markets (net)
BlackRock - Emerging Markets SAE	May 2019	Global Emerging Markets	MSCI Emerging Markets (net)
<b>Core Fixed Income</b>			
BlackRock - Universal	November 2020	Relative Value	Bloomberg Barclays U.S. Aggregate
PGIM - Universal	March 2021	Relative Value	Bloomberg Barclays U.S. Aggregate
Man EM Global Macro	October 2023	Relative Value	Bloomberg Barclays U.S. Aggregate
Mesirow EM Currency	October 2023	Relative Value	Bloomberg Barclays U.S. Aggregate
<b>Public Credit</b>			
PGIM - High Yield	June 2019	High Yield	Bloomberg US HY 2% Capped Index
Aegon USA - High Yield	February 2012	High Yield	High Yield Policy Index
PGIM - Emerging Market Debt	April 2016	Emerging Market Debt	JP Morgan EMBI Global
<b>LARS</b>			
Aspect Capital	March 2022	Diversified Trend	Absolute Return
Graham Capital Management	December 2016	Tactical Trend	Absolute Return
P/E Global	December 2016	FX Strategy	Absolute Return
PIMCO	July 2022	Commodity Alpha	Absolute Return
PGIM Wadhvani	March 2017	Keynes Leveraged Quantitative Strategy	Absolute Return
Welton Global	June 2021	Welton Global	Absolute Return
ARP	November 2022	Alternative Risk Premium	Absolute Return

# Private Market Program Manager Updates

For periods ending March 31, 2024


IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

June 20, 2024



# IPERS' PMP Manager Scorecard

	1 Year	5 Year	10 Year	SI	Performance	Organization	People	Process
<b>Private Equity</b>								
Multi-Strategy								
Pathway	6.5%	18.2%	16.2%	13.0%				
<b>Private Credit</b>								
Direct Lending								
BlackRock	9.1%	7.2%	N/A	7.3%				
Monroe	7.5%	7.1%	N/A	7.4%				
Pathway	8.7%	N/A	N/A	8.3%				
Opportunistic								
Arrowmark	16.0%	N/A	N/A	8.9%				
Ares Private Credit Solutions II	15.3%	N/A	N/A	5.1%				
Audax Mezzanine Fund V	8.2%	N/A	N/A	20.5%				
Audax Mezzanine Co-Invest Fund	13.1%	N/A	N/A	11.3%				
Crestline	10.4%	N/A	N/A	8.1%				
KKR	8.7%	7.6%	N/A	7.6%				
Marathon	6.9%	N/A	N/A	6.4%				
Real Assets								
Heitman CREDIT	0.3%	N/A	N/A	0.0%				
IFM USIDF	5.9%	N/A	N/A	4.7%				
PGIM Global Real Estate Debt	9.3%	6.7%	N/A	6.7%				
Principal Real Estate Debt II	4.0%	4.9%	N/A	6.0%				
Kayne Anderson Real Estate Debt IV	9.8%	N/A	N/A	7.8%				
JP Morgan GTIF	N/A	N/A	N/A	6.1%				
ITE Rail Fund IA	N/A	N/A	N/A	0.5%				
PGIM PREDS	N/A	N/A	N/A	N/A				
Oaktree RECIF	N/A	N/A	N/A	N/A				
Principal OEDF	N/A	N/A	N/A	N/A				


 No Concerns


 Minor Concerns

 Material Concerns

# IPERS' PMP Manager Scorecard

	1 Year	5 Year	10 Year	SI	Performance	Organization	People	Process
<b>Private Real Assets</b>								
<b>Real Estate</b>								
Clarion Partners	-35.8%	-5.5%	2.0%	4.0%				
Invesco	-9.0%	13.1%	13.3%	10.8%				
RREEF	-6.7%	7.9%	9.4%	9.5%				
UBS Realty	-4.0%	11.9%	11.6%	10.1%				
<b>Other Real Assets</b>								
Brookfield	10.0%	N/A	N/A	8.0%				
Forest Investment Associates	14.7%	7.4%	5.7%	6.4%				
UBS Farmland	6.2%	4.2%	N/A	6.8%				

 No Concerns

 Minor Concerns

 Material Concerns

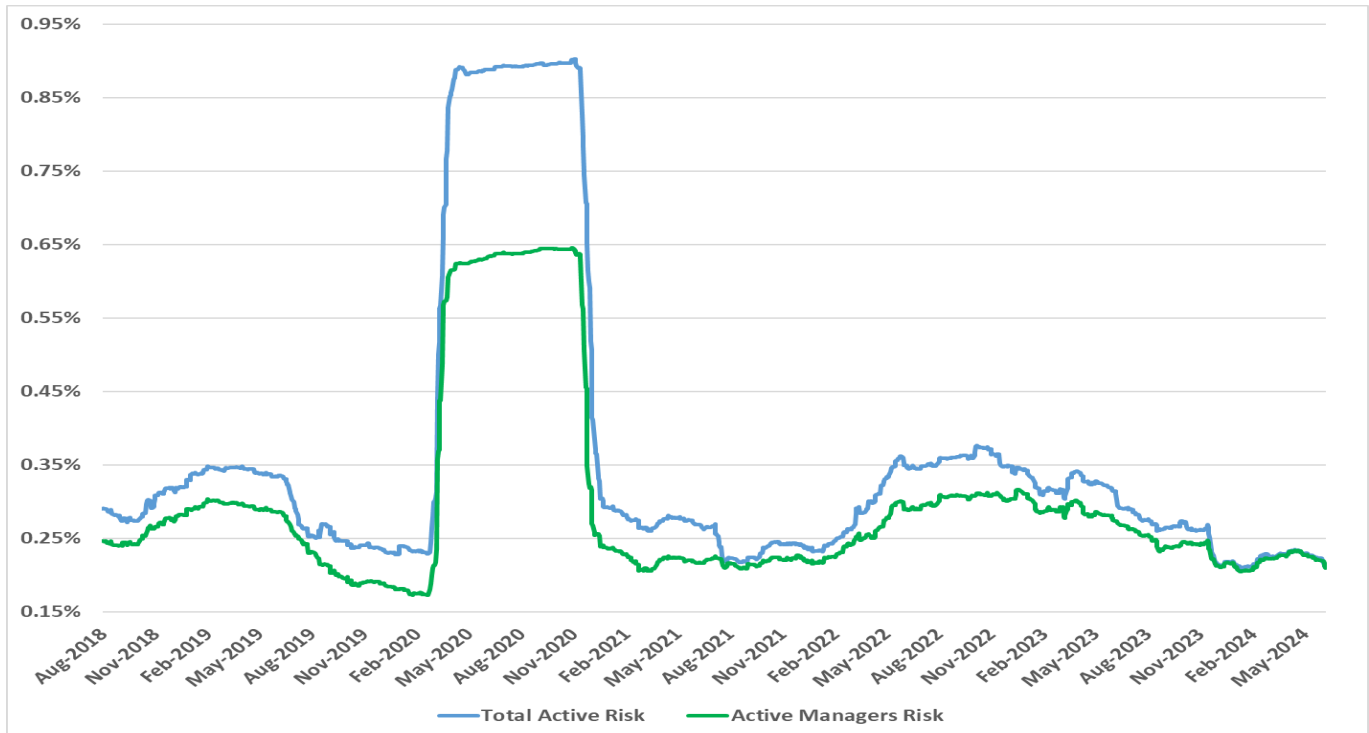
## Active Risk –180 Days (Jun 2024)

	Active	Passive	Misfit	Total
<b>Equities</b>				
Domestic Equities	0.10%	0.02%	0.00%	0.10%
International Equities	0.09%	0.02%	0.00%	0.09%
Global Smart Beta Equities	-	0.01%	0.00%	0.01%
<b>Fixed Income</b>				
Core Fixed Income	0.11%	0.03%	0.00%	0.12%
Public Credit	0.02%	-	0.00%	0.02%
<b>Cash/LARS</b>	0.08%	-	-	0.08%
<b>Asset Allocation</b>	-	0.05%	-	0.05%
<b>Total Public Markets</b>	<b>0.21%</b>	<b>0.06%</b>	<b>0.00%</b>	<b>0.21%</b>

- Plan-level Total Active Risk stable at 0.21%
- No significant additions to risk are planned by staff
- Addition of internal and absolute return strategies may increase fixed income risks marginally
- The effect of higher market volatility on active risk remains to be seen

<b>Target</b>	1.50%
<b>Upper Limit</b>	3.00%

## External Active Risk –180 Days (Jun 2024)





## SECURITIES LITIGATION AND MONITORING REPORT

### I. STATUS OF CASES THAT IPERS IS SERVING IN AN ACTIVE ROLE

#### A. Allegheny County Employees’ Retirement System vs. Energy Transfer

On January 13, 2020, the Investment Board authorized IPERS to seek an active role in this litigation. On July 14, 2023, fact witness discovery concluded. On September 15, 2023, the Plaintiffs served the reports of three experts. On November 10, 2023, the Defendants served the reports of five experts. On December 22, 2023, expert depositions were completed. On January 19, 2024, both parties filed their respective motions for summary judgment on various issues. On March 1, 2024, the Plaintiffs filed briefs in opposition to the Defendants’ summary judgment motion. Parties are waiting on the Court to schedule oral arguments on their respective motions.

#### B. IPERS vs. BANA

Settlement reached with Defendants Morgan Stanley, Goldman Sachs, UBS, JP Morgan, EquiLend, and Credit Suisse for a total of \$580 million in cash payments. EquiLend agreed to implement various reforms. Litigation against the remaining Defendant, Bank of America, continues.

#### C. Other Litigation

##### PG&E Corporation Bankruptcy Proceeding

Settlement was reached in this case.

### II. FUNDS RECOVERED FROM MONITORED CASES\*

Company Name	Claim Filing Deadline	Most Recent Recovery Received Date	Total Recovery Received To Date
NovaStar Mortgage Funding Trust	09/06/2014	05/05/2023	\$78,766.90
First Fidelity (2 recoveries)		05/05/2023	\$195.05
Navient Corporation (2 recoveries)	03/22/2022	05/16/2023	\$245.77
Altria Group, Inc.	04/05/2022	05/17/2023	\$1,788.35
Case Unknown (2 recoveries)		05/18/2023	\$67,199.73
Henry Schein, Inc. (2 recoveries)	09/02/2020	05/22/2023	\$13,179.78
Signet Jewelers Ltd. (2 recoveries)	08/28/2020	05/25/2023	\$82,231.98
Lehman Brothers	04/17/2014	06/05/2023	\$72,248.11
Microchip Technology	07/20/2022	06/27/2023	\$1,764.97
Pfizer, Inc.	01/28/2017	06/30/2023	\$34,754.48
Universal Health Services	07/08/2021	07/05/2023	\$4,036.55
Honeywell International, Inc.	04/04/2022	07/24/2023	\$4,835.64
Valeant Pharmaceuticals (2 recoveries)	05/06/2020	07/25/2023	\$303,513.54
Medtronic, Inc.	01/02/2019	08/04/2023	\$6,380.18

Credit Acceptance Corporation	12/02/2022	08/10/2023	\$3,380.47
Liberty Oilfield Services, Inc.	09/16/2022	08/15/2023	\$19.11
HaborView Mortgage Loan Trust	11/14/2014	08/17/2023	\$1,056,779.74
Teva Pharmaceuticals International (4)	05/17/2022	08/18/2023	\$10,854.60
AMC Entertainment Holdings, Inc.	02/28/2022	08/25/2023	\$10,611.97
Healthcare Services Group, Inc.	02/07/2022	09/01/2023	\$27,177.29
Zynerba Pharmaceuticals, Inc.	07/30/2021	09/18/2023	\$64,813.79
WaMu Mortgage Pass-through Cert. (2)	04/20/2015	10/02/2023	\$91,861.22
Covetrus, Inc.	12/02/2022	10/02/2023	\$14,788.42
Bank OZK	10/06/2022	10/06/2023	\$1,808.10
Petroleo Brasileiro S.A. Petrobras	06/09/2018	10/12/2023	\$2,747,290.93
Alibaba Group Holding Ltd.	05/02/2019	10/17/2023	\$46,767.73
Spectrum Brands Legacy, Inc.	01/25/2022	10/13/2023	\$2,257.01
Nielson Holdings PLC	07/15/2022	10/30/2023	\$4,525.95
Cognizant Technology Solutions	01/28/2022	11/02/2023	\$9,380.21
OvaScience, Inc.	08/22/2022	11/09/2023	\$14,136.46
Bridgestone Corporation	04/21/2009	11/14/2023	\$175,662.32
21 Vianet Group, Inc.	10/31/2018	11/16/2023	\$16,312.52
Patterson Companies, Inc.	05/25/2022	11/17/2023	\$84,778.07
GS Mortgage Securities Corp.	05/13/2016	11/28/2023	\$3,781,989.49
Willis Towers Watson PLC (2 recoveries)	05/25/2021	11/29/2023	\$6,356.53
TreeHouse Foods, Inc.	12/15/2021	12/18/2023	\$25,371.22
Henry Schein, Inc.	09/02/2020	12/19/2023	\$13,179.78
Waste Management, Inc.	07/15/2002	01/11/2024	\$337,881.05
Omega Healthcare Investors, Inc.	03/24/2023	01/12/2024	\$37,514.94
Bank of America Corporation (2 recoveries)	11/14/2016	02/07/2024	\$52,490.63
Acuity Brands, Inc.	05/18/2022	02/28/2024	\$3,461.58
Grubhub, Inc.	02/02/2023	02/28/2024	\$21,326.43
Fiat Chrysler Automobiles, N.V.	02/13/2022	03/07/2024	\$9,276.67
Advanced Auto Parts, Inc.	06/09/2022	04/01/2024	\$7,038.87
Resideo Technologies, Inc.	03/04/2022	04/09/2024	\$10,788.32
CBL & Associates Properties, Inc.	08/14/2023	04/19/2024	\$8,631.18

**Total:** **\$9,369.653.63**

Of the total funds recovered, as set forth above, **\$893,415.49** was received during the period of May 1, 2023 through June 1, 2024

\*Additional Funds received during the period of May 1, 2023 through June 1, 2024:

1. LIBOR Green Pond Settlement: \$331.23;
2. LIBOR-Based Financial Instruments Antitrust Litigation: \$144,078.40;
3. NovaStar Securities Litigation: \$677.25 and
4. Other: \$100,000.00

**Total Recovered through June 1, 2024: \$1,138.502.37**



# 2024

## Board Meetings

JANUARY						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

FEBRUARY						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29		

MARCH						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

APRIL						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

MAY						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

JUNE						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

JULY						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

AUGUST						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

SEPTEMBER						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

OCTOBER						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

NOVEMBER						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

DECEMBER						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

### March 22, 2024

CY2023 Investment Performance

### June 20, 2024

Private Markets Program Review

### September 25-26, 2024

Continuing Education Session

FY2024 Investment Performance Review

Asset Allocation

Investment Policy and Goal Statement

### December

12/6/24 - Investment Board & BAC Mtg

(Actuarial Valuation Presentation)