



**Alameda County Employees' Retirement Association
BOARD OF RETIREMENT**

INVESTMENT COMMITTEE/BOARD MEETING

ACERA MISSION:

To provide ACERA members and employers with flexible, cost-effective, participant-oriented benefits through prudent investment management and superior member services.

**Wednesday June 3, 2026
10:30 a.m.**

LOCATION AND TELECONFERENCE	COMMITTEE MEMBERS	
<p>ACERA C.G. "BUD" QUIST BOARD ROOM 475 14TH STREET, 10TH FLOOR OAKLAND, CALIFORNIA 94612-1900 MAIN LINE: 510.628.3000 FAX: 510.268.9574</p> <p>The public can observe the meeting and offer public comment by using the below Webinar ID and Passcode after clicking on the below link or calling the below call-in number.</p> <p>Link: https://zoom.us/join Call-In: 1 (669) 900-6833 US Webinar ID: 879 6337 8479 Passcode: 699406</p> <p>For help joining a Zoom meeting, see: https://support.zoom.us/hc/en-us/articles/201362193</p>	<p>TARRELL GAMBLE CHAIR</p>	<p>APPOINTED</p>
	<p>STEVEN WILKINSON VICE CHAIR</p>	<p>APPOINTED</p>
	<p>OPHELIA BASGAL</p>	<p>APPOINTED</p>
	<p>KEITH CARSON</p>	<p>APPOINTED</p>
	<p>ROSS CLIPPINGER</p>	<p>ELECTED SAFETY</p>
	<p>SCOTT FORD</p>	<p>ELECTED GENERAL</p>
	<p>HENRY LEVY</p>	<p>TREASURER</p>
	<p>ELIZABETH ROGERS</p>	<p>ELECTED RETIRED</p>
	<p>KELLIE SIMON</p>	<p>ELECTED GENERAL</p>
	<p>KATHY FOSTER</p>	<p>ALTERNATE RETIRED¹</p>

¹ The Alternate Retired Member votes in the absence of the Elected Retired Member, or, if the Elected Retired Member is present, then votes if both Elected General members, or the Safety Member and an Elected General member, are absent.

Note regarding accommodations: If you require a reasonable modification or accommodation for a disability, please contact ACERA between 9:00 a.m. and 5:00 p.m. at least 72 hours before the meeting at accommodation@acera.org or at 510-628-3000.

Public comments are limited to four (4) minutes per person in total. The order of items on the agenda is subject to change without notice.

Board and Committee agendas and minutes and all documents distributed to the Board or a Committee in connection with a public meeting (unless exempt from disclosure) are posted online at www.acera.org and also may be inspected at 475 14th Street, 10th Floor, Oakland, CA 94612-1916.

INVESTMENT COMMITTEE/BOARD MEETING

NOTICE and AGENDA Wednesday, June 3, 2026

Call to Order: 10:30 a.m.

Roll Call

Public Input (The Chair allows public input on each agenda item at the time the item is discussed)

Action Items: Matters for discussion and possible motion by the Committee

1. Discussion of and Possible Motion to Recommend to the Board the Minimum Qualifications and Scoring Matrix for ACERA's Global Equity Manager Search – Public Equities

10:35 – 11:05
Sam Austin, NEPC
Emily Moran, NEPC
Stephen Quirk, ACERA
Betty Tse, ACERA

Information Items: These items are not presented for Committee action but consist of status updates and cyclical reports

1. Review of ACERA's Delegated Authority for All Alternative Asset Classes

11:05 – 11:35
Sam Austin, NEPC
Rose Dean, NEPC
Aaron Quach, Callan
Avery Robinson, Callan
Clint Kuboyama, ACERA
John Ta, ACERA
Betty Tse, ACERA

2. Semiannual Performance Review for the Period Ending December 31, 2025 – Real Estate

11:35 – 11:50
Avery Robinson, Callan
Aaron Quach, Callan
John Ta, ACERA
Betty Tse, ACERA

3. Semiannual Performance Review for the Period Ending December 31, 2025 – Private Equity

11:50 – 12:05
Sam Austin, NEPC
Rose Dean, NEPC
John Ta, ACERA
Betty Tse, ACERA

INVESTMENT COMMITTEE/BOARD MEETING

NOTICE and AGENDA Wednesday, June 3, 2026

4. Semiannual Performance Review for the Period Ending December 31, 2025 – Private Credit

12:05 – 12:20

Sam Austin, NEPC
Rose Dean, NEPC
Clint Kuboyama, ACERA
Betty Tse, ACERA

5. Semiannual Performance Review for the Period Ending December 31, 2025 – Real Assets

12:20 – 12:35

Sam Austin, NEPC
Rose Dean, NEPC
Clint Kuboyama, ACERA
Betty Tse, ACERA

6. Semiannual Performance Review for the Period Ending December 31, 2025 – Absolute Return

12:35 – 12:50

Sam Austin, NEPC
Rose Dean, NEPC
Clint Kuboyama, ACERA
Betty Tse, ACERA

Trustee Remarks

Future Discussion Items

None

Establishment of Next Meeting Date

July 1, 2026, at 10:30 a.m.



To: Members of the Investment Committee

From: Stephen Quirk, Investment Officer *Stephen Quirk*

Date: June 3, 2026

Subject: Discussion of and Possible Motion to Recommend to the Board the Minimum Qualifications and Scoring Matrix for ACERA's Global Equity Manager Search – Public Equities

Recommendation:

Staff recommends and NEPC concurs with the adoption of the proposed Minimum Qualifications and Scoring Matrix for ACERA's Global Equity Manager Search – Public Equities.

Background:

At the January 15, 2026 Board meeting, the Board approved a new Public Equity structure (Option #2), which includes a Global Core mandate as highlighted below:

Mandate	Allocation (%)
Passive - Developed Large Cap	55
Global Core (search)	20
International Large (EIM)	5
Emerging Growth	5
Emerging Value	5
US Small Cap	5
International Small	5

Discussion:

The key step in implementing Option #2 is to fulfill the Global Core mandate search in the structure. Currently, Staff and NEPC plan to issue a Request for Information (RFI) to a targeted short list of high conviction managers (approximately 10-15) to enable further evaluations and to select the finalists for the Investment Committee's interviews. The NEPC Focus Placement List of top-rated managers will be the primary input for the targeted RFI shortlist but will also include qualified managers sourced via the ACERA IPSI process, and both Long-Only and Extended Equity strategies will be considered. Staff and NEPC designed Minimum Qualifications (MQs, See Attachment #1) that managers must meet to be considered for the search. The MQs reflect the desired manager attributes such as tracking error, active share, and information ratio that were discussed at the April 1, 2026 Investment Committee meeting and deemed important to this search. Staff and NEPC created a Scoring Matrix (See Attachment #2) that they will use to evaluate the RFI submissions. The Scoring Matrix is consistent with how NEPC evaluates managers and includes the following categories: ACERA Portfolio Fit (20%), Firm/Organization (15%), People & Resources (15%), Investment Strategy & Process (25%), and Net of Fee Performance (25%).

The search process includes the following steps with an estimated projected timeline for 2026 (July to December):

- 1) RFI issuance and managers' submissions
- 2) Staff/NEPC scoring of the submissions
- 3) Staff/NEPC to recommend three Finalists to the Board for further due diligence
- 4) Onsite due diligence of the Finalist firms by Staff and NEPC
- 5) Staff and NEPC's recommendation of the Finalist firms to the Investment Committee

Conclusion:

The expected timeline for the completion of the RFI process, from posting to scoring completion, is approximately six months. At the completion of the RFI process, Staff and NEPC will present Finalists to the Investment Committee for interviews and a recommendation to the Board for hire. As discussed during an education session at the May 6, 2026 Investment Committee meeting, Staff and NEPC believe that including Global Extended Equity strategies along with Long-Only products in our search will enhance the breadth of our search results and allow us to evaluate both types of strategies within the context of ACERA's total portfolio (See Attachment #3 for a performance comparison).

Attachments

1. ACERA Global Equity Manager Search Minimum Qualifications – prepared by Staff and NEPC
2. ACERA Global Equity Manager Search Scoring Matrix – prepared by Staff and NEPC
3. Median Risk & Return Stats – prepared by Staff and NEPC

ACERA GLOBAL EQUITY MANAGER SEARCH MINIMUM QUALIFICATIONS

1. The investment strategy must be Global Core.
2. The investment vehicle must be a commingled fund with a minimum of monthly liquidity.
3. Active Extension strategies must maintain a net 100% market exposure.
4. The Firm must have a minimum three-year, continuous performance history managing a global equity fund for institutional investors by the existing portfolio manager or portfolio management team. The manager's performance history must be documented, real time (not simulated) and in compliance with CFA Institute Global Investment Performance Standards.
5. The MSCI World Index is the preferred benchmark.
6. It is ACERA's intent that its portfolio comprises no more than 25% of the firm's total assets under management at any time in accordance with ACERA's General Investment Guidelines, Policies and Procedures.
7. Quantitative strategies should have a minimum 2.5% tracking error since inception.
8. Fundamental strategies should have a minimum 5% tracking error since inception or a 90% active share.
9. All strategies should have a minimum 0.3 information ratio (net of fees) since inception.
10. The Firm must agree to act as fiduciary to ACERA.
11. The Firm must be registered as an investment adviser under the Investment Advisers Act of 1940, a bank (as defined in that Act) or an insurance company qualified to perform investment management services under state law in more than one state, including the State of California.
12. ACERA will only consider Emerging Investment Managers that meet all the Minimum Qualifications for Proposal.
13. The Firm must be directly responsible for the management of the account, and all personnel responsible for the account must be employees of the Firm or a legal joint venture partner.
14. The Firm must be able to provide monthly GIPS-compliant performance reports to ACERA, its General Consultant, and its Custodian Bank.
15. The Firm should carry the following minimum insurance coverage or should apply for it by contract execution (subject to change upon final contract negotiation):
 - a. Commercial General Liability – \$4,000,000
 - b. Crime Coverage
 - i. Employee Dishonesty Coverage - \$10,000,000
 - ii. Computer Theft Coverage - \$1,000,000
 - c. Error and Omissions (Professional Liability) - \$10,000,000
 - d. Fiduciary Liability - \$25,000,000, or 10% of the total assets managed in the ACERA account, whichever is higher, unless the proposed contract specifies otherwise
 - e. Workers' Compensation and Employer's Liability - \$1,000,000
16. The Firm must provide a description of its ESG policies and objectives and Diversity & Inclusion efforts and objectives.
17. The Firm must agree to attend ACERA's Investment Committee Meetings as needed.
18. The Firm must be willing to allow ACERA to review the latest 3-5 years of the firm's audited financial statements. In-office reviews are acceptable.
19. Once selected by ACERA as the recommended Firm, the Firm must consent to a background investigation of the investment management entity and key individuals.

ACERA GLOBAL EQUITY MANAGER SEARCH SCORING MATRIX

Attachment #2

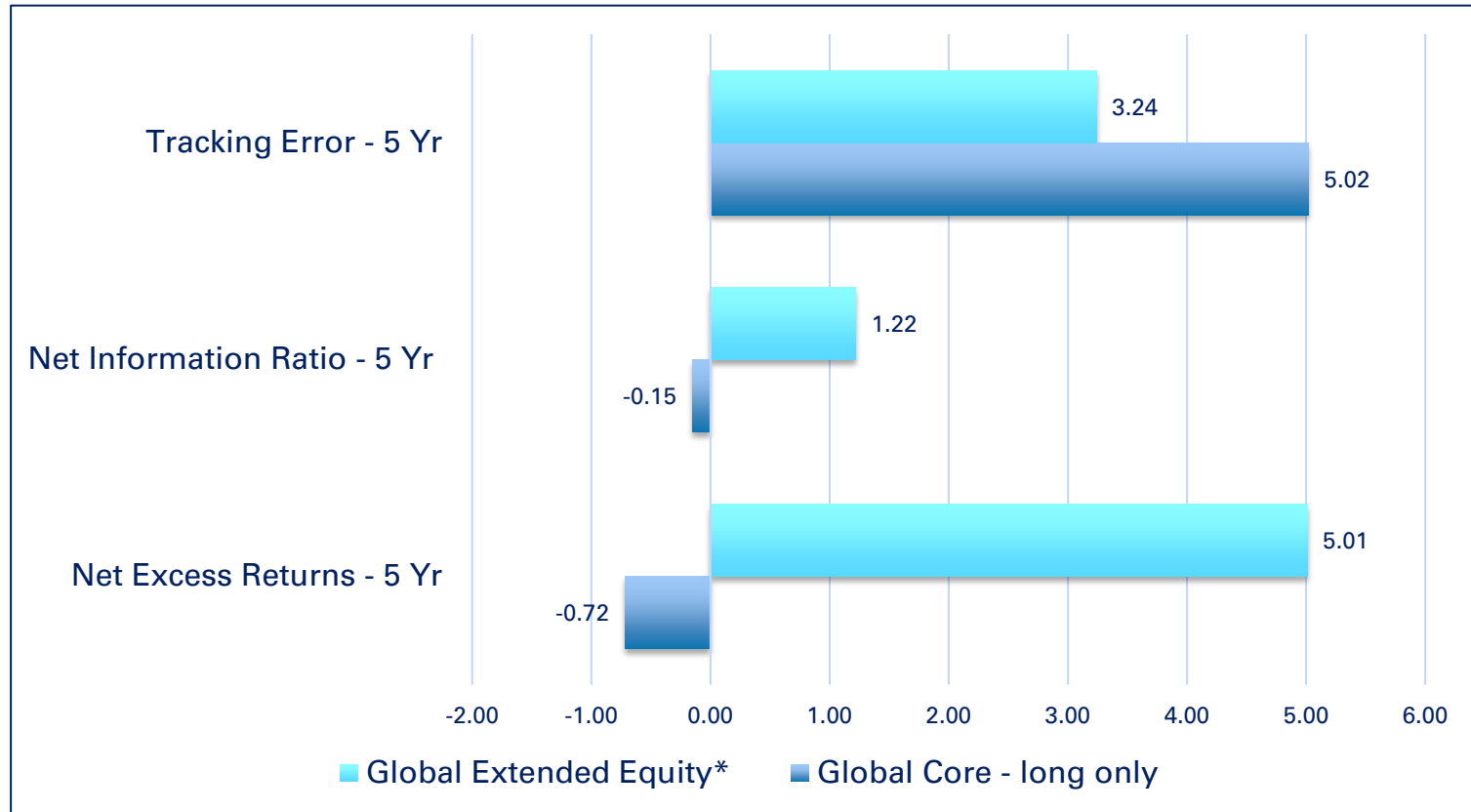
Total Points	100	
ACERA Portfolio Fit	20	Alpha correlations, tracking error, active share, name overlap
Firm/Organization	15	
Ownership		Independent, outside ownership
Culture		Integrity, cohesiveness, inclusiveness
Business Strategy		Fund size growth, competing pools of capital
Organizational Stability		Going concern risk, succession plan
Firm Reputation		Headline risk, reference, governance
People & Resources	15	
Team Structure		Decision makers, focus, resources, key person
Compensation		Team incentives
Turnover		Departures vs. Additions
Investment Strategy & Process	25	
Investment Philosophy & Edge		Define investment edge and whether its sustainable
Investment Underwriting Process		Deal sourcing, lifecycle of investment, value creation
Portfolio Construction		Specific questions by strategy type
Risk Management		Fund composition, leverage, background check, ODD
Fees		Management fees
Net of Fee Performance	25	Luck vs. Skill, Breakeven information ratio, factor attribution



ACERA's Investment Score is based on a 0-100 points scale with 100 points being the highest score.

MEDIAN RISK & RETURN STATS

GLOBAL CORE (LONG-ONLY) VS. GLOBAL EXTENDED EQUITY



Source: eVestment, as of March 31, 2026

Number of observations for the Global Core Long-Only universe is 491

*The Global Extended Equity universe used for this analysis is a subset of managers based on those we feel represent the type of Extension managers we are targeting in this search.





TO: Members of the Investment Committee (IC)

FROM: John Ta, Senior Investment Officer 
Betty Tse, Chief Investment Officer 

DATE: June 3, 2026

SUBJECT: Review of ACERA's Delegated Authority for All Alternative Asset Classes

Executive Summary:

In late April 2026, IC Chair Gamble requested a review of delegated authority exercised by Staff for all alternative asset classes inclusive of all commitment decisions, both under delegated authority and approved by the IC in the past five years. In response to this request, the Chief Investment Officer and Investment Staff (collectively, "Staff") have created this comprehensive memo to review Staff's delegated authority on commitment decisions made for alternative investments. In this memo, we first establish a framework, known as fiduciary standards, for the evaluation of delegated authority, then examine and evaluate the actions taken by Staff under delegated authority. In addition, we will discuss the rationale for delegated authority, the current alternative investment approval process, the historical use of delegated authority, and highlight the performance of the private equity asset class.

Discussion:

Fiduciary Standard

Delegated authority is a topic that falls within the broader categories of governance and fiduciary duty. The legal principles of fiduciary duty provide a basic framework within which to evaluate delegated authority actions, also referred to as the fiduciary standard. The two relevant aspects of the fiduciary standard for Staff's delegated authority actions are (i) the prudent expert standard and (ii) prudent process.¹

For the prudent expert standard, the question for evaluation is whether Staff selected investments with the care, skill, and diligence of a knowledgeable investor or professional. The knowledgeable investor is expected to consider investments in terms of the total portfolio, risk/return tradeoff, and diversification. Staff has met this standard for all its delegated authority actions, as all the considerations mentioned above are addressed in the documentation created² for every approved investment.

For prudent process, the main question is whether Staff followed all plan governance documents, policies, and procedures when making its investment decisions. For all alternative investments (both IC approved and Staff approved), Staff provides documentation confirming that the ACERA investment policy, investment plan, and procedures were followed during the due diligence process.

¹This review focuses on Staff's role in delegated authority. A broader review and discussion of the Board's role can be provided by fiduciary counsel and consultants if so desired.

² In compliance with the relevant Investment Policies.

Rationale for Delegated Authority

Delegated authority language has existed in ACERA's investment policies dating back to the inception of the PEARLS³ program in 2008. The primary purpose stated at the time was that specific delegated authority would "allow for an unencumbered manager search process where ACERA can fully and efficiently take advantage of the more sought-after subset of investment opportunities." The example given in 2008 was that a manager search process with full board oversight would take up to 6 months, where delegation to Staff would shorten the timeframe to two to three months. This reasoning is even more true today in 2026. To participate in oversubscribed funds, take advantage of fee breaks, or invest in shorter-term opportunistic strategies, ACERA needs to move swiftly. In the past 12 months, these issues were discussed during the IC review of each individual alternative asset class policy, and the delegated authority language was subsequently reapproved by the Board.

Time efficiency at each ICM is another reason for the use of delegated authority. Since a few years ago, there has been a concerted effort by the IC and Staff to shorten the ICM to be more efficient. ICMs with multiple managers on the agenda would last several hours, often going beyond the scheduled time which led to some Trustees leaving earlier for other prior engagements. Also, as a matter of best practice, the time saved through Staff's use of delegated authority would allow the IC to focus on high-level, more impactful issues facing the ACERA plan (e.g., asset allocation, funding sustainability, governance structures, etc.).

Broadly speaking, similarly situated pension plans⁴ delegate private fund manager selection to investment staff (within certain limits), alongside routine, periodic review of the actions taken and investment performance. The key principle behind this approach with pension funds is that effective delegation is widely considered to be foundational for managing fiduciary risk.

Review of Alternative Investment Approval Process

For all alternative investments approved under delegated authority, independent due diligence and approval are required by both investment consultant (i.e., NEPC or Callan) and Staff. This means that every alternative investment has two independent expert opinions, which demonstrates a prudent process. In operation, often the appropriate investment consultant will complete due diligence first and make a recommendation to Staff, but there are also instances where Staff completes its diligence first and makes a recommendation to the appropriate consultant for evaluation. There are also situations where diligence is conducted in parallel⁵. If an investment recommendation goes to the IC for approval (not under delegated authority), the IC serves as third layer of approval. Since the inception of including

³ ACERA's PEARLS (Private Equity and Alternative Lending Strategies) program covered all alternatives (excluding real estate) at the inception of the policy and program. The Real Assets policy was created and separated from PEARLS in 2013, the Absolute Return policy in 2017, and the Private Credit policy in 2019.

⁴ Similar investment staff size and AUM (\$10 billion to \$30 billion)

⁵ An additional layer of legal due diligence comes after IC and Staff approval. Both expert outside counsel and in-house investment counsel conduct an extensive review of the private fund legal documentation and negotiate favorable side letter provisions tailored to ACERA.

alternative investments in ACERA's portfolio, the IC has approved 100% of the alternative recommendations brought to the committee as actions for review and approval, and this fact serves as another point of consideration for continuing delegated authority to Staff.

Historical Use of Delegated Authority

As requested by the IC chair, Staff has provided a list (See **Attachment #1**) of all alternative investment commitments made under delegated authority since 2020. To note, delegated authority language has existed for private equity and absolute return since the inception (in ACERA's portfolio) of the asset classes in 2008. The Real Assets policy added delegated authority language in 2025, Real Estate in 2018, and Private Credit in 2019 (inception), respectively.

One observation from Attachment #1 is the gradual increase in deals executed under delegated authority within the last two years. This result reflects the gradual implementation of the conclusions drawn from the Trustee survey presented at the October 2024 ICM. The relevant takeaways from survey were the following:

- A significant number of Trustees want more information on asset allocation
- For private investments executed under delegated authority, the majority of Trustees want to receive less information or keep the same level of information. The sentiment was the same for new investments above the delegated authority limits.
- Following the survey results, Staff confirmed it would work on streamlining the information packets, utilizing delegated authority to 1) reduce the reading material burden on Trustees, 2) process private deals more efficiently to meet the new asset allocation targets in Mix C

After receiving the results, Investment Staff gradually increased the use of delegated authority and asked for input from the Investment Committee when delegated authority items were presented. No significant issues were raised in 2025. To note, Staff will still presented edge cases (unusual) to the Investment Committee for approval. One example is Great Hill IX (Aug 2025 ICM), the re-up commitment total was close, but not over, the limit for delegated authority. Staff brought this investment to the IC for transparency.

One trend to note is that the commitment size and pace of deployment into alternatives (excluding real estate) has increased in the last year because 1) there was a pause in deployment during the selection and onboarding of NEPC in 2022-2023 and 2) the under allocation to alternatives increased due to the latest change in asset allocation in mid-2024 and strong performance of the public markets (denominator effect).

Investment Performance

The fiduciary standard does not require a good or specific outcome (impossible to guarantee), just a prudent process. However, investment performance is important as it plays a crucial role in supporting the ACERA plan beneficiaries. For example, the performance of the ACERA private equity (PE) portfolio is highlighted below, as it is the longest standing alternative asset class with Board-approved delegated authority. ACERA's private equity policy has contained delegated authority language since the inception of the PE program back in 2008.

	Performance								
	QTR	YTD	1-Year	3-Year	5-Year	10-Year	SI IRR	DPI	TVPI
ACERA Private Equity	7.77	7.35	12.9	9.72	20.1	14.9	17.18	1.01	1.96
Cambridge Global PE and VC Benchmark	4.06	6.84	9.72	5.57	14.61	12.78	11.26		
Outperformance	3.71	0.51	3.18	4.15	5.49	2.12	5.92		

*Data as of Q2 2025 (Source: NEPC), presented at the December 2025 ICM.

The data shows that ACERA’s private equity program has outperformed the benchmark across all time periods, including since inception. While it is difficult to derive direct causation of delegated authority from this data⁶, a general conclusion is that ACERA’s approach to investing in private equity (and private assets overall) has been producing great results.

Conclusion:

ACERA’s current delegated authority process meets the fiduciary standards required of Staff and has been a contributing factor to the strong investment performance of the Total Fund. The current delegated authority process has also saved hours of time at the ICM, allowed ACERA to participate in time-constrained investment opportunities, and supported the execution of the investment plans for the individual alternative asset classes. This process also aligns with similarly situated public pension plans.

Attachments:

- Attachment #1 – List of Approved Funds 2020 – 2025
- Attachment #2 – Staff Presentation

⁶Cannot attribute performance to individual entities as the investment approval process integrates several functional groups.

Date	Final Approval	Amount (in millions)	Asset Class	Fund Name
Apr 2020	IC	35	Private Credit	Angelo Gordon Credit Solutions Fund 1A (Annex) Dislocation Fund
Jul 2020	IC	40	Real Assets	Brookfield SuperCore Infrastructure Partners
Sep 2020	IC	75	Private Credit	BlackRock Direct Lending Fund IX
Sep 2020	IC	35	Private Equity	CD&R Fund XI
Oct 2020	IC	30	Real Assets	EQT Infrastructure V
Nov 2020	IC	75	Private Credit	HPS Specialty Loan Fund V
Nov 2020	Staff	10	Private Equity	Canvas Ventures 3
Jan 2021	IC	35	Private Equity	Peak Rock Fund III
Jan 2021	IC	25	Real Estate	Artemis Real Estate Partners Healthcare Fund II
Mar 2021	IC	27	Private Credit	Strategic Value Special Situations V
Mar 2021	IC	25	Real Assets	Vision Ridge Sustainable Asset Fund III
Mar 2021	IC	30	Private Equity	Genstar Capital Partners Fund X
May 2021	IC	27	Private Credit	ABRY Senior Equity VI
May 2021	IC	40	Real Estate	CBRE Strategic Partners U.S. Value 9
Jun 2021	IC	50	Real Estate	Starwood Distressed Opportunity Fund XII
Sep 2021	IC	70	Private Credit	Ares Senior Direct Lending Fund II
Sep 2021	IC	25	Private Equity	Summit Partners Growth Equity XI
Oct 2021	IC	36	Private Credit	Angelo Gordon Credit Solutions Fund II
Dec 2021	IC	75	Private Credit	Monroe Capital Private Credit Fund IV
Dec 2021	IC	30	Real Assets	Tiger Infrastructure Partners III
Jan 2022	IC	365	Absolute Return	Morgan Stanley – Custom Fund of Hedge Funds
Jan 2022	IC	60	Private Equity	Great Hill Partners Fund VIII
Mar 2022	IC	43	Private Equity	Altas Partners Holdings III
Mar 2022	IC	50	Real Estate	Clarion Partners Lion Industrial Trust
May 2022	IC	50	Real Estate	PRISA III
Sep 2022	IC	55	Private Equity	Audax Private Equity Fund VII
Dec 2022	IC	36	Private Credit	Angelo Gordon Credit Solutions Fund IIA Annex Dislocation Fund
Mar 2023	IC	50	Private Equity	CD&R Fund XII
Mar 2023	Staff	10	Private Equity	Eclipse Fund V
Apr 2023	IC	38	Private Credit	Davidson Kempner Opportunities Fund VI
Apr 2023	Staff	40	Private Equity	Genstar Capital Partners Fund XI
May 2023	IC	50	Private Equity	Gridiron Capital Fund V
Jul 2023	IC	80	Private Credit	Ares Senior Direct Lending Fund III
Jul 2023	IC	30	Real Assets	LS Power V
Feb 2024	IC	50	Real Estate	PGIM Real Estate US Debt Fund
May 2024	IC	50	Real Estate	Heitman Value Partners VI
				Quantum Energy Partners VIII
Aug 2024	IC	30	Real Assets	Quantum Energy Partners VIII Co-Investment Fund
Sep 2024	IC	50	Real Estate	Starwood Distressed Opportunity Fund XIII
Dec 2024	Staff	40	Private Equity	Summit Partners Growth Equity XII
Mar 2025	Staff	60	Private Credit	Orchard Global EleganTree Opportunities Fund III
May 2025	Staff	40	Private Credit	ICG Europe IX
Aug 2025	IC	50	Private Equity	Great Hill Equity Partners IX
Aug 2025	Staff	35	Private Equity	Khosla Ventures IX / Seed G / Opportunity III
Sep 2025	Staff	45	Real Assets	Ares Secondaries Infrastructure Solutions III
Sep 2025	Staff	40	Real Assets	Brookfield Global Transition Fund II
Oct 2025	Staff	30	Real Assets	Rockland Power Partners V
Dec 2025	Staff	35	Real Estate	Artemis Real Estate Partners Healthcare Fund III
Feb 2026	Staff	40	Real Assets	Blackstone Infrastructure Partners
Feb 2026	Staff	45	Private Credit	Strategic Value Partners Special Situations VI
Apr 2026	Staff	60	Private Equity	Warren Equity Partners V



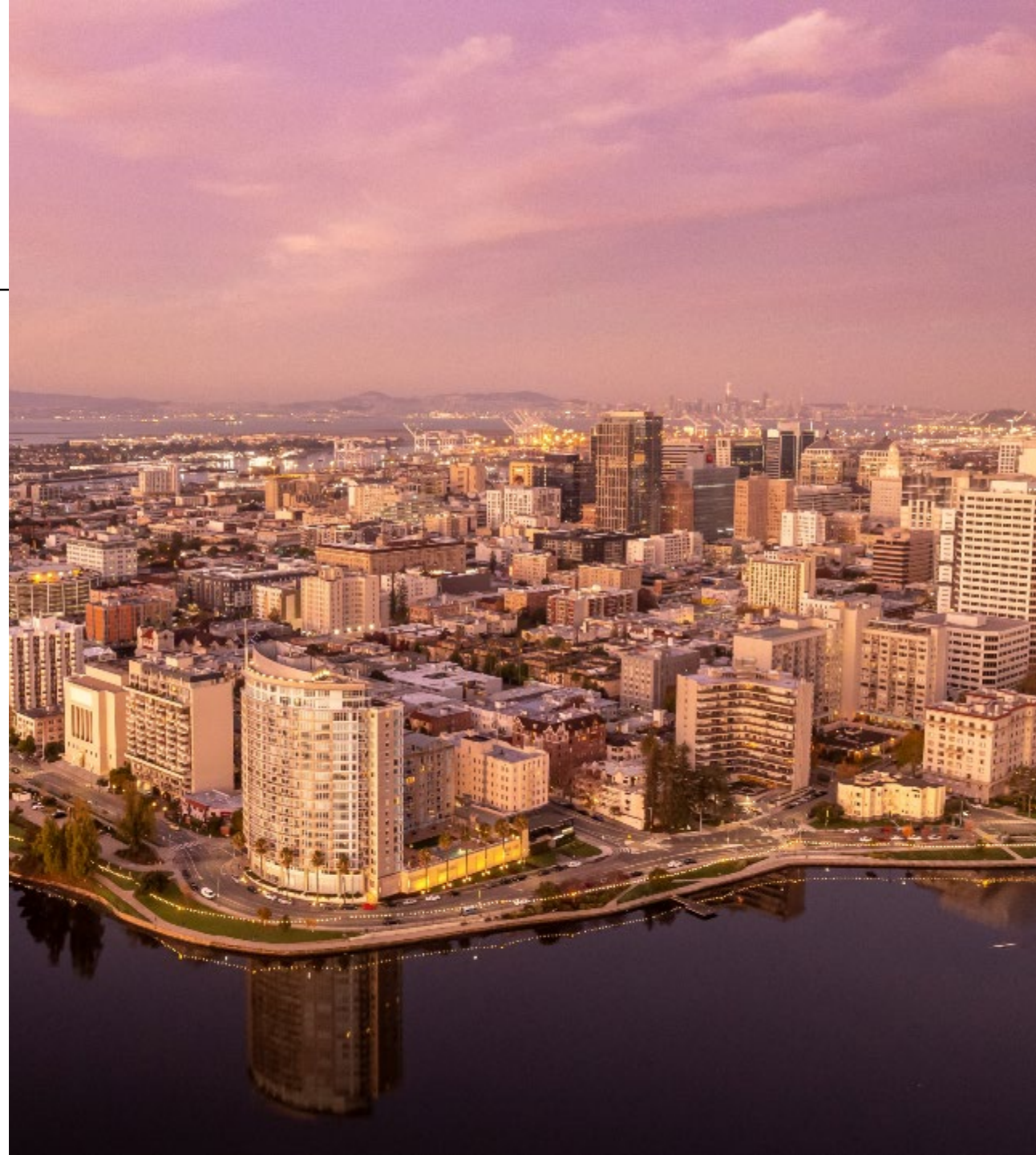
Alameda County
Employees' Retirement
Association

Review of ACERA's Delegated Authority

FOR ALL ALTERNATIVE ASSET CLASSES

May 6th, 2026

Attachment #2



Fiduciary Standard

- Delegated Authority falls under the fiduciary category. As such, we can use the fiduciary standard as a basis for review and evaluate Staff's actions exercised under delegated authority.
- This review focuses on Staff's role vs the IC's (or Board's) role.
- Two main evaluating questions:
 1. Prudent Expert Standard – Did Staff select investments with the care, skill, and diligence of a knowledgeable investor?
 - Knowledgeable investor requirements:
 - Total Portfolio Perspective
 - Risk/Return Analysis
 - Diversification
 2. Prudent Process – Did Staff follow ACERA plan documents, policies, and procedures with their actions taken under delegated authority?

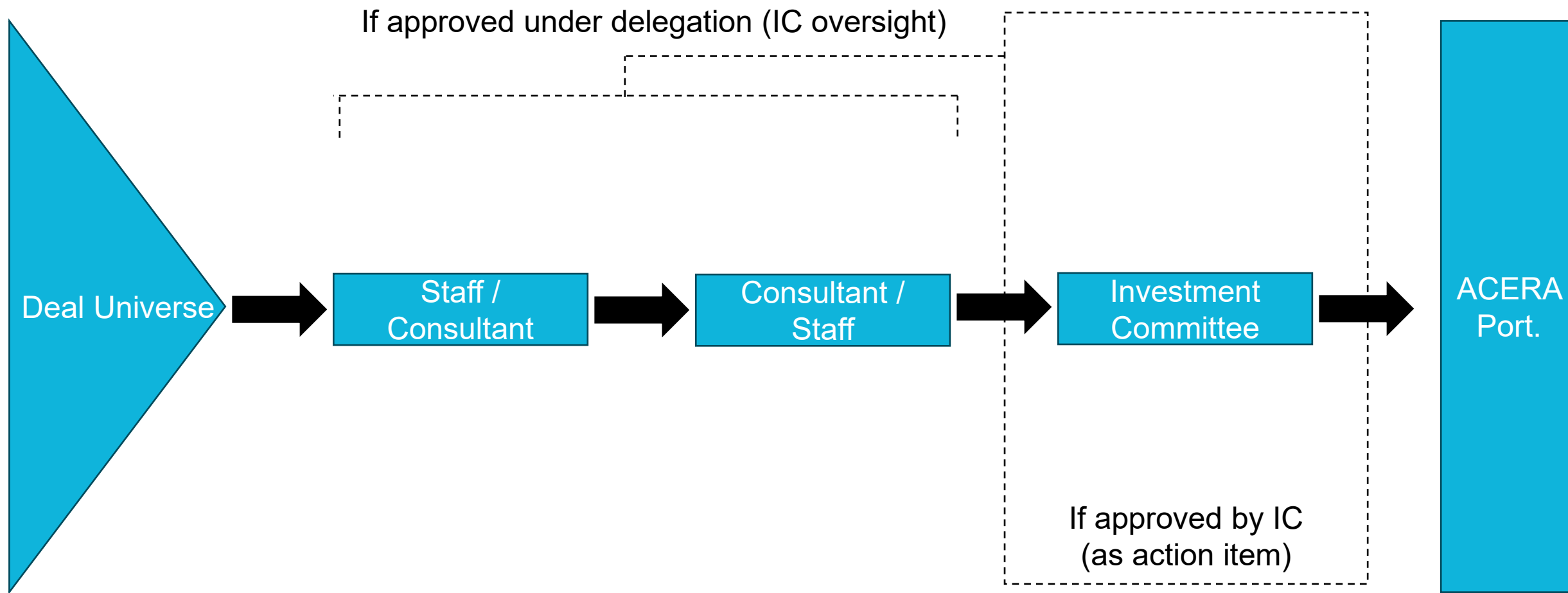
Rationale for Delegated Authority

- Reasoning from Sept 2008 ICM Minutes, when Staff's delegated authority was originally approved:
 - "...establish an unencumbered manager search process, whereby ACERA can fully and efficiently take advantage of the more sought-after subset of investment opportunities in this asset class."
 - "Staff may have to complete a due diligence process and make an investment commitment within two to three months to invest in a highly attractive private equity fund. In comparison, ACERA's standard manager search process with full oversight from the Committee/Board typically may require six months or more to complete."
- Today's environment necessitates delegated authority even more:
 - Shorter decision timelines for oversubscribed funds, opportunistic short-term funds, continuation funds, etc.
 - Some managers (especially VCs) prefer to present in closed session only.
 - Increased deployment pace into alternatives requires more time efficient process

Rationale for Delegated Authority

- Shorter ICM meetings:
 - ICMs with manager presentations often go 3+ hours long, and Staff routinely had to cut items short due to time constraints.
 - Difficult to maintain quorum during extra long meetings
- Best practice from a governance perspective:
 - Time saved from shorter ICMs can be used towards more impactful issues such as asset allocation, funding sustainability, governance, etc.
 - Fiduciary standard principles support delegation
 - Similarly situated pension plans typically delegate private fund manager selection to Staff.

Investment Approval Process (for Alternatives)



Delegated Authority History

- Delegated Authority language has existed in the various Board-approved ACERA alternative investment policies for some time (see p.9 for an example of the Delegated Authority policy language):
 - In the **Private Equity Policy** since inception in 2008 (under the PEARLS policy).
 - In the **Absolute Return Policy** since its inception in 2017 (when Absolute Return investments were separated from the PEARLS policy).
 - Added to the **Real Estate Policy** in 2018
 - Included in the **Private Credit Policy** since its inception in 2019.
 - Added to the **Real Assets Policy** in 2025.
- Delegated authority limits were updated for private credit (Oct 2024 ICM) and absolute return (Aug 2025 ICM).
- Delegated authority limits were maintained for private equity (Feb 2025 ICM) and real estate (Aug 2025 ICM).

Delegated Authority History

Key Takeaways

- A significant number of Trustees want more information on Asset Allocation.
 - For Re-ups and New Private Investments under delegated authority, Trustees would like to receive at most the current amount of information, but are open to receiving less.
 - For New Private Equity Investments above delegated authority and Investments in Publicly-Traded Assets, Trustees generally find the current level of information sufficient, but there is a slightly higher openness to receiving less information compared to other areas.
- At the Oct 2024 ICM, ACERA's communication manager presented survey results from a Trustee survey.
 - Following the results and discussion of the survey, Staff confirmed it would proceed on streamlining the information packets and utilize delegated authority to:
 - Reduce the reading material burden on Trustees
 - Process private deals more efficiently to meet the new asset allocation Mix C

Delegated Authority History

Date	Final Approval	Amount (in millions)	Asset Class	Fund Name
Apr 2020	IC	35	Private Credit	Angelo Gordon Credit Solutions Fund 1A (Annex) Dislocation Fund
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Mar 2021	IC	25	Real Assets	Vision Ridge Sustainable Asset Fund III
Mar 2021	IC	30	Private Equity	Genstar Capital Partners Fund X
May 2021	IC	27	Private Credit	ABRY Senior Equity VI
May 2021	IC	40	Real Estate	CBRE Strategic Partners U.S. Value 9
Jun 2021	IC	50	Real Estate	Starwood Distressed Opportunity Fund XII
Sep 2021	IC	70	Private Credit	Ares Senior Direct Lending Fund II
Sep 2021	IC	25	Private Equity	Summit Partners Growth Equity XI
Oct 2021	IC	36	Private Credit	Angelo Gordon Credit Solutions Fund II
Dec 2021	IC	75	Private Credit	Monroe Capital Private Credit Fund IV
Dec 2021	IC	30	Real Assets	Tiger Infrastructure Partners III
Jan 2022	IC	365	Absolute Return	Morgan Stanley – Custom Fund of Hedge Funds
Jan 2022	IC	60	Private Equity	Great Hill Partners Fund VIII
Mar 2022	IC	43	Private Equity	Altas Partners Holdings III
Mar 2022	IC	50	Real Estate	Clarion Partners Lion Industrial Trust
May 2022	IC	50	Real Estate	PRISA III
Sep 2022	IC	55	Private Equity	Audax Private Equity Fund VII
Dec 2022	IC	36	Private Credit	Angelo Gordon Credit Solutions Fund IIA Annex Dislocation Fund
Mar 2023	IC	50	Private Equity	CD&R Fund XII
Mar 2023	Staff	10	Private Equity	Eclipse Fund V
Apr 2023	IC	38	Private Credit	Davidson Kempner Opportunities Fund VI
Apr 2023	Staff	40	Private Equity	Genstar Capital Partners Fund XI
May 2023	IC	50	Private Equity	Gridiron Capital Fund V
Jul 2023	IC	80	Private Credit	Ares Senior Direct Lending Fund III
Jul 2023	IC	30	Real Assets	LS Power V
Feb 2024	IC	50	Real Estate	PGIM Real Estate US Debt Fund
May 2024	IC	50	Real Estate	Heitman Value Partners VI
Aug 2024	IC	30	Real Assets	Quantum Energy Partners VIII
Sep 2024	IC	50	Real Estate	Starwood Distressed Opportunity Fund XIII
Dec 2024	Staff	40	Private Equity	Summit Partners Growth Equity XII
Mar 2025	Staff	60	Private Credit	Orchard Global EleganTree Opportunities Fund III
May 2025	Staff	40	Private Credit	ICG Europe IX
Aug 2025	IC	50	Private Equity	Great Hill Equity Partners IX
Aug 2025	Staff	35	Private Equity	Khosla Ventures IX / Seed G / Opportunity III
Sep 2025	Staff	45	Real Assets	Ares Secondaries Infrastructure Solutions III
Sep 2025	Staff	40	Real Assets	Brookfield Global Transition Fund II
Oct 2025	Staff	30	Real Assets	Rockland Power Partners V
Dec 2025	Staff	35	Real Estate	Artemis Real Estate Partners Healthcare Fund III
Feb 2026	Staff	40	Real Assets	Blackstone Infrastructure Partners
Feb 2026	Staff	45	Private Credit	Strategic Value Partners Special Situations VI
Apr 2026	Staff	60	Private Equity	Warren Equity Partners V

Trustee Survey



Delegated Authority Limits

- Sample Delegated Authority Language (Private Equity):

Delegation²:

- a. Approving Consultant's PE investment proposals (new proposals) with each individual commitment up to 5% of the target allocation to the total PE Portfolio upon completion of a thorough review and due diligence process with satisfactory results. Staff and Consultant shall provide the Investment Committee all required reports (please see Appendices I through III).
- b. Approving Consultant's PE investment proposals for "re-ups" with existing managers with each individual commitment in addition to the existing commitments⁶, up to 10% of the target allocation to the total PE Portfolio to managers in good standing⁷ upon completion of a thorough review and due diligence process with satisfactory results. Staff and Consultant shall provide the Investment Committee all required reports (please see Appendices I through III).
- c. When the investment manager or general partner of existing investment vehicles offer related continuation vehicles (aka "continuation funds"), following a thorough evaluation of the investment options related to the continuation vehicle (i.e., subscribing to the continuation vehicle, receiving liquidity, or, in some cases, both), and in alignment with Consultant's recommendation, approving of investment in continuation vehicles or other related options such as receiving liquidity (i.e., receiving cash proceeds for the investments that are to be transferred into the continuation vehicle).

Investment Performance

- While the fiduciary standard analysis does not require good investment performance (cannot be guaranteed), investment performance is still a critical goal for the ACERA plan.
- Private Equity performance is highlighted below, as delegated authority has existed for private equity investments since the inception of this asset class by ACERA in 2008

	Performance								
	QTR	YTD	1-Year	3-Year	5-Year	10-Year	SI IRR	DPI	TVPI
ACERA Private Equity	7.77	7.35	12.9	9.72	20.1	14.9	17.18	1.01	1.96
Cambridge Global PE and VC Benchmark	4.06	6.84	9.72	5.57	14.61	12.78	11.26		
Outperformance	3.71	0.51	3.18	4.15	5.49	2.12	5.92		

*Data from NEPC Q2 2025 Private Equity Performance Report. Presented in Dec 2025 ICM

- ACERA's Private Equity portfolio has outperformed its benchmark across all time-periods and essentially doubling the amount of capital invested with a TVPI of 1.96.
- Although we cannot attribute this performance directly to delegated authority (no direct causation), the data suggests that ACERA's approach to investing in Private Equity has been working so far.

Conclusion

ACERA's current delegated authority process:

- Meets fiduciary standards
- Contributing factor to the strong outperformance of the private equity asset class
- Saved hours of time per ICM
- Allows for participation in time-constrained investment opportunities
- Supports the effective and efficient execution of the individual alternative asset class investment plans
- Aligns with similarly situated public pension fund peers

Callan



June 2026

Semi-Annual Ended 4Q 2025 Performance Measurement Report

Callan

PUBLIC VERSION

Avery Robinson, CAIA
Senior Vice President

Aaron C. Quach
Senior Vice President

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U.S. Private Real Estate Performance: 4Q25

Sector appreciation mostly turns positive, outside of Office and Hotel

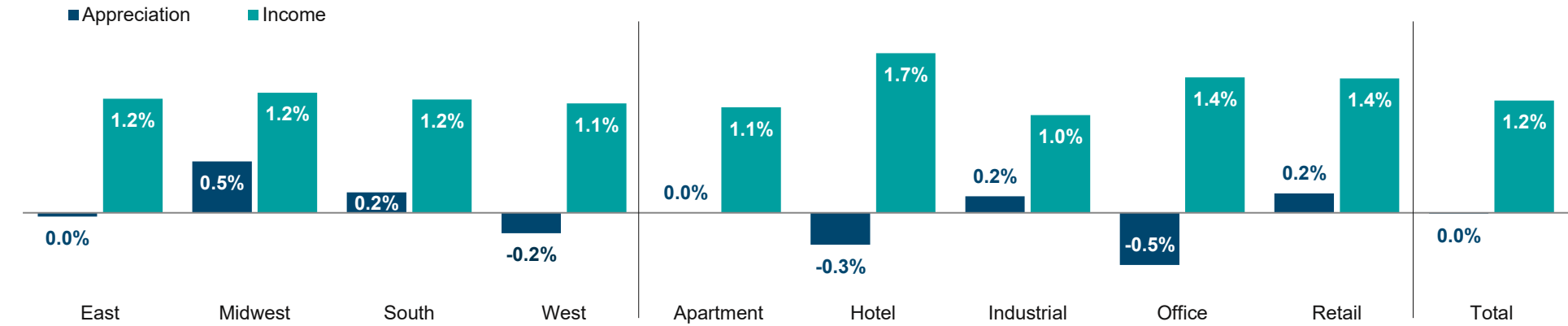
Real estate recovers but results are mixed

- Valuations appear to have bottomed and are in the early stages of a recovery.
- Income returns were positive across sectors and regions.
- Property sector results were mixed; Office and Hotel experienced negative appreciation, while the remaining sectors had positive or flat appreciation.
- The West region lagged in performance, largely due to softening industrial fundamentals in Southern California.
- Manager return dispersion within the ODCE Index was driven by underlying portfolio composition.

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
NCREIF ODCE	0.7%	2.9%	-4.3%	2.5%	3.9%
Income	0.8%	3.2%	3.1%	3.0%	3.1%
Appreciation	-0.1%	-0.3%	-7.2%	-0.5%	0.7%
NCREIF Property Index	1.2%	4.9%	-1.0%	3.8%	4.8%
Income	1.2%	4.8%	4.6%	4.4%	4.5%
Appreciation	0.0%	-0.1%	-5.4%	-0.6%	0.4%

Returns are geometrically linked

NCREIF Property Index Quarterly Returns by Region and Property Type



Source: NCREIF; ODCE return is net

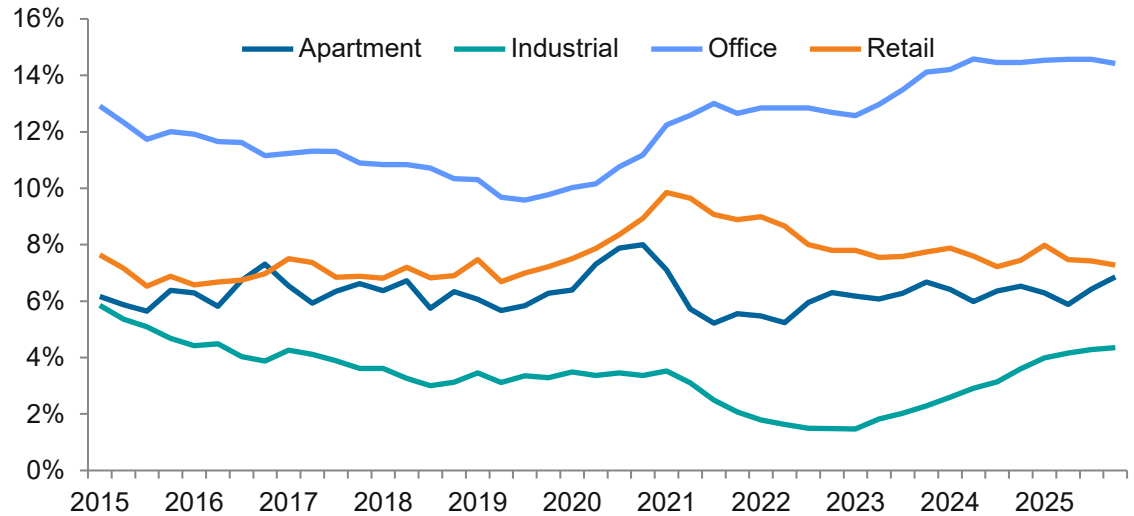
U.S. Private Real Estate Market Trends

Mixed results in vacancy rates and NOI growth across sectors

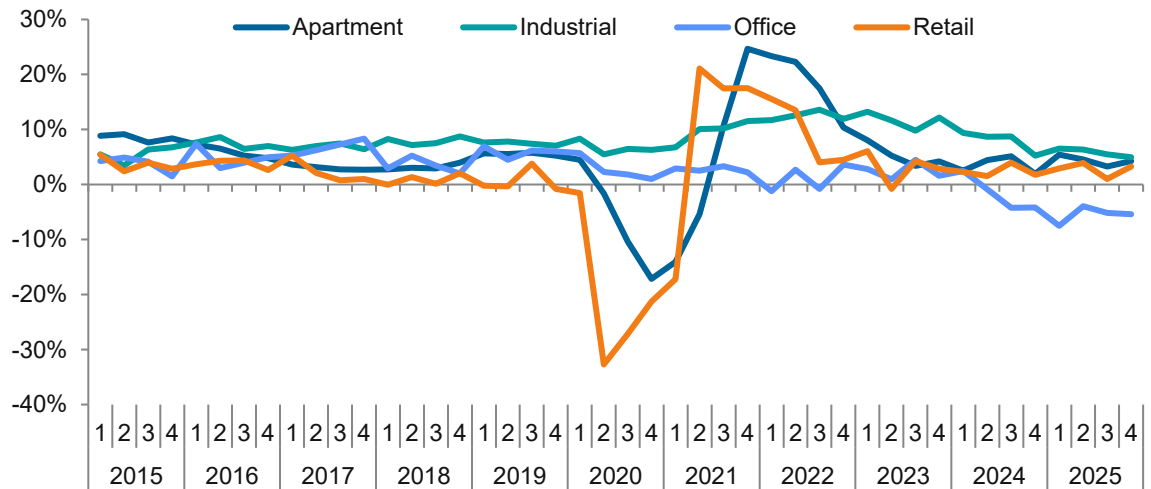
Rising vacancy and lower NOI growth results

- Vacancy rates increased slightly for Apartments and Industrial but decreased slightly for Office and Retail.
- Vacancy rates are above long-term averages for Apartments, Industrial, and Office, but below long-term averages for Retail.
- Net operating income growth was negative in Office for the seventh straight quarter. In Apartment, Industrial and Retail, net operating income growth remained positive.
- Overall, fundamentals remain relatively strong in Apartments, Industrial, Grocery-Anchored Retail and most alternative sectors. Apartments and Industrial are dealing with the impacts of new supply, but new construction is limited due to elevated interest rates and construction costs.

Vacancy by Property Type



Rolling 4-Quarter NOI Growth by Property Type

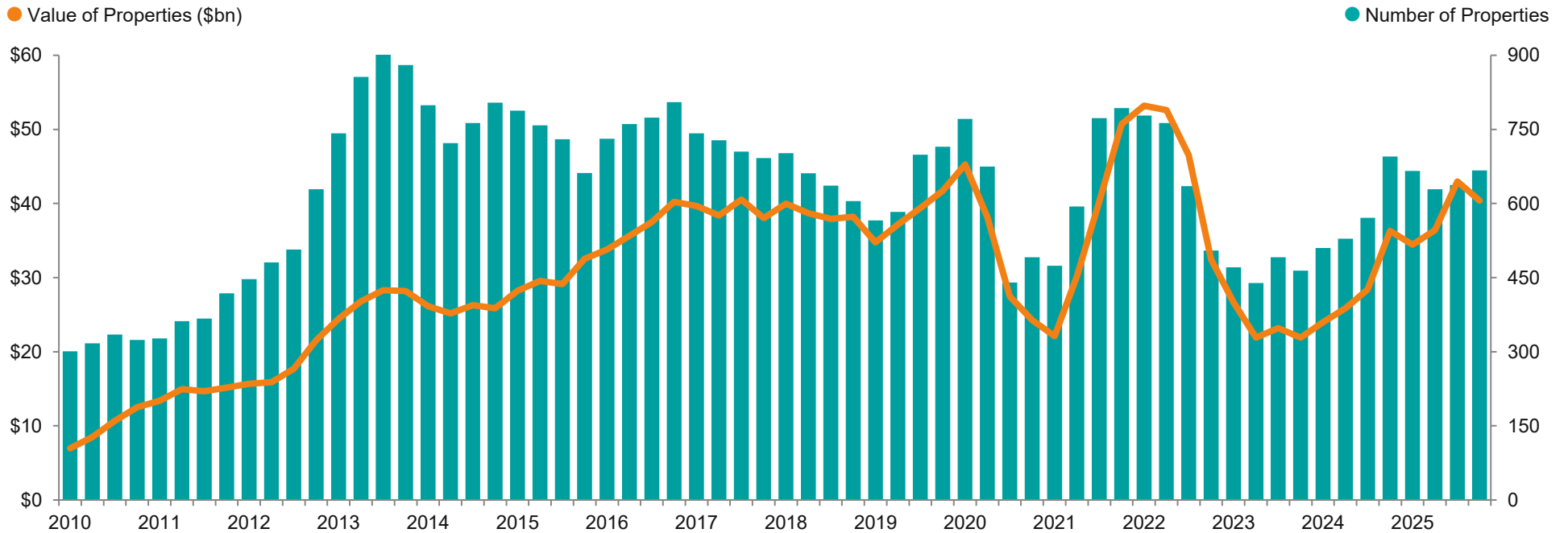


Source: NCREIF

U.S. Private Real Estate Market Trends

Pricing and transaction volumes are increasing after bottoming

NCREIF Property Index Rolling 4-Quarter Transaction Totals



- Transaction volume is increasing on a rolling four-quarter basis yet remains below five-year averages.
- In 4Q25, transaction volume increased by number on a quarter-over-quarter basis, though slightly decreased on overall transaction value. Transaction volume remains lower compared to 2022.
- The volatile rise in interest rates was the driving force behind the slowdown in transactions between 2022 and 2024. Activity has since rebounded as valuations have largely adjusted to increased borrowing costs.

Source: NCREIF

Alameda County Employees' Retirement Association Performance Measurement Report Summary

Portfolio Measurement Presentation

This is the Performance Measurement Report presentation for the Alameda County Employees' Retirement Association ("ACERA") Real Estate Portfolio ("Portfolio") Half Year ended December 31, 2025.

Funding Status as of December 31, 2025

	(\$) Millions	(%)
ACERA Plan Assets	\$14,026.98	100.00%
Real Estate Target ⁽¹⁾	\$1,150.21	8.20%
Plan's Real Estate Market Value	\$816.60	5.82%
Net Unfunded Commitments ⁽²⁾	\$183.34	1.31%
RE Market Value & Unfunded Commitments	\$999.94	7.13%

Portfolio Composition

Portfolio Composition	Target	Funded	Funded & Committed ⁽²⁾
Core	≥50%	41.91%	34.22%
Core Plus	10% - 40%	24.26%	19.81%
Value Add	0% - 30%	23.59%	29.05%
Opportunistic	0% - 15%	10.25%	16.98%

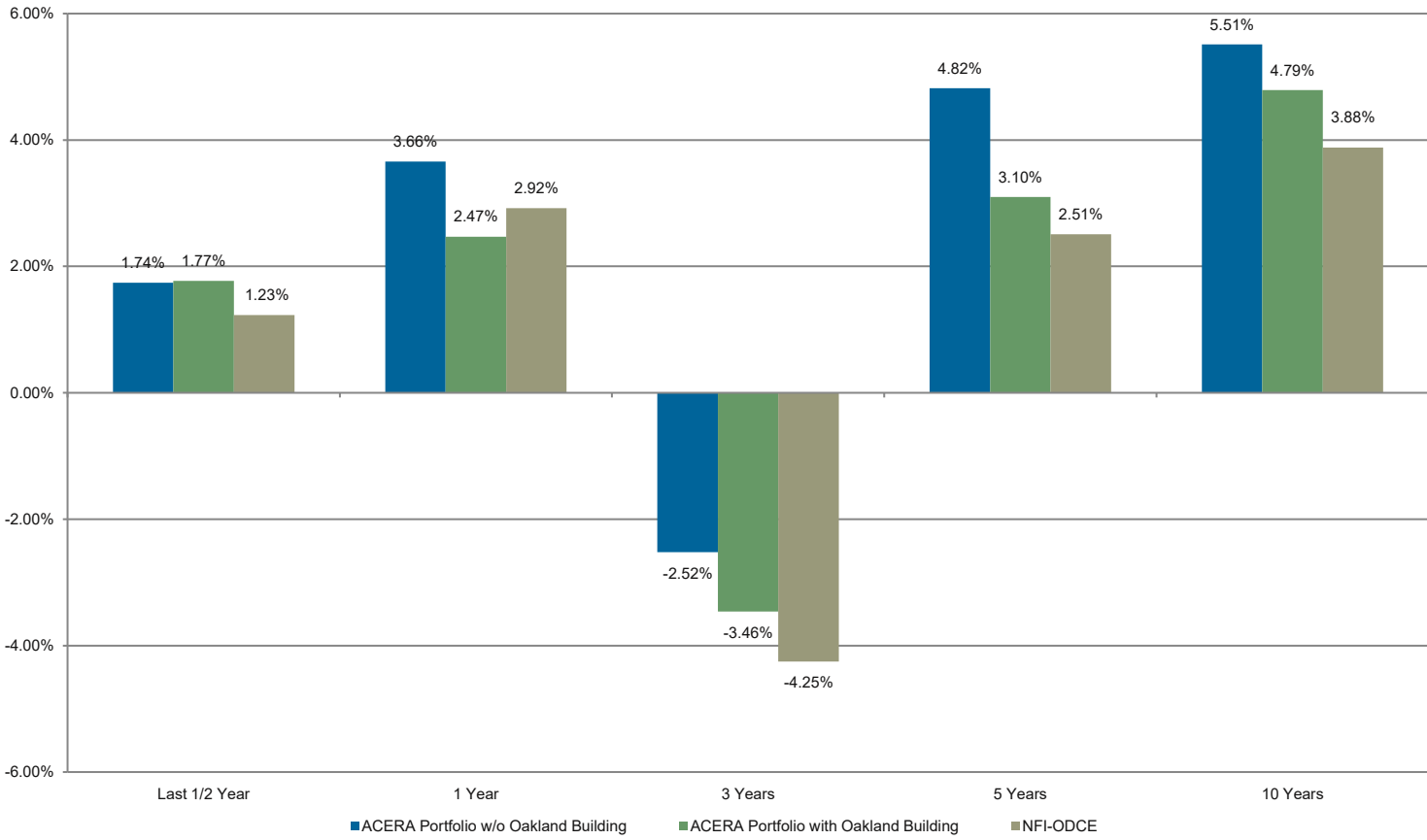
(1) The real estate target changed from 9% to 8.2% effective July 2024.

(2) Reflects net callable capital including unfunded commitments

Portfolio Net Returns

For Period Ended December 31, 2025

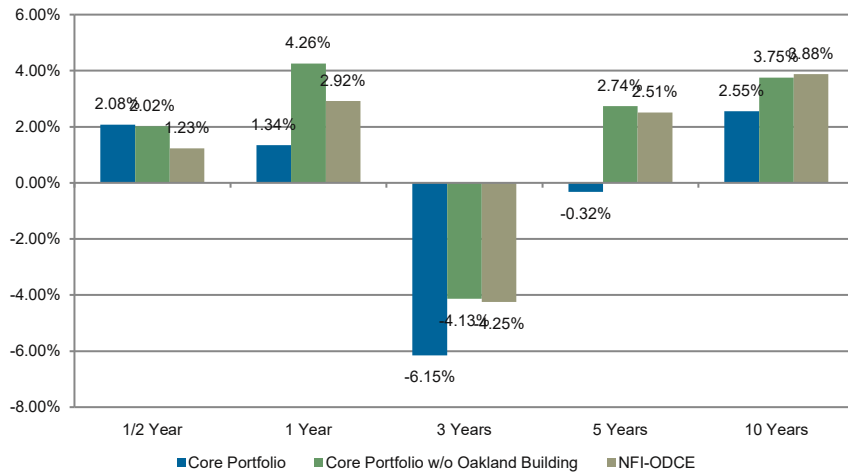
Total Net Real Estate Portfolio Returns



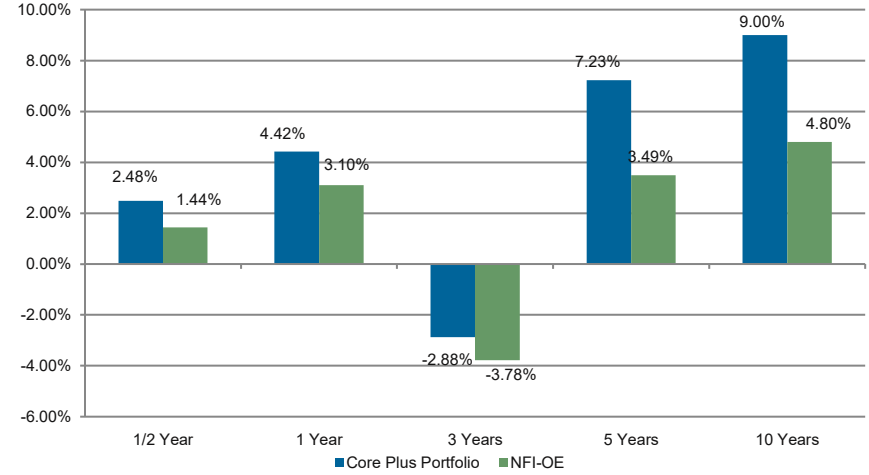
Portfolio Returns by Style

For Period Ended December 31, 2025

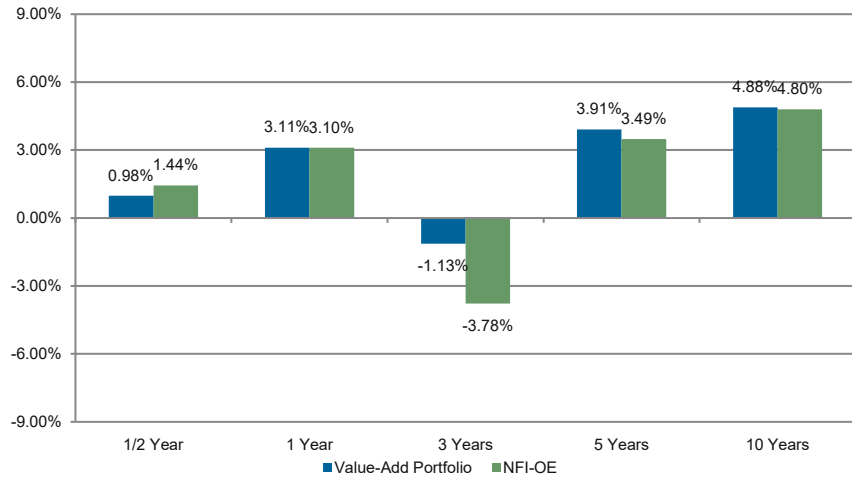
Net Core Returns



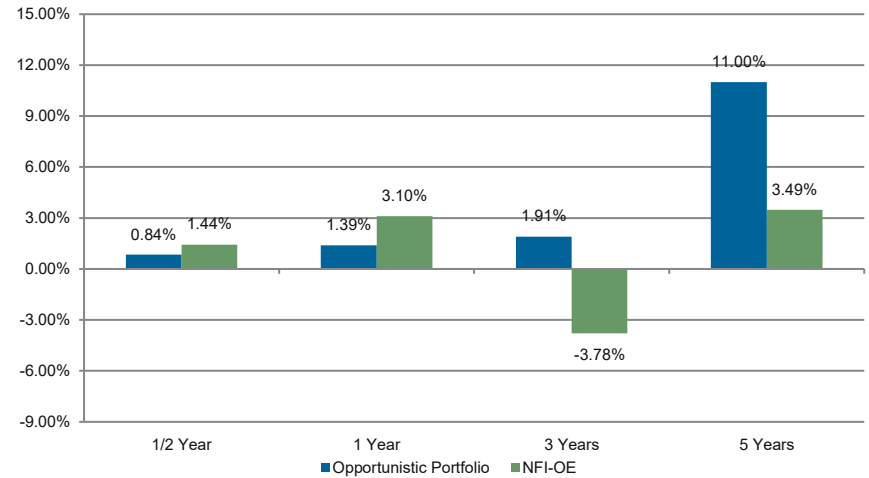
Net Core Plus Returns



Net Value-Add Returns



Net Opportunistic Returns



Portfolio Returns by Style

For Period Ended December 31, 2025

Net Portfolio w/o Oakland Building	Last ½ Year	1 Year	3 Years	5 Years	10 Years
Core Portfolio w/o Oakland Building	2.02%	4.26%	-4.13%	2.74%	3.75%
Core Plus Portfolio	2.48%	4.42%	-2.88%	7.23%	9.00%
Value-Add Portfolio	0.98%	3.11%	-1.13%	3.91%	4.88%
Opportunistic Portfolio	0.84%	1.39%	1.91%	11.00%	--
Total Portfolio w/o Oakland Building	1.75%	3.68%	-2.52%	4.82%	5.51%

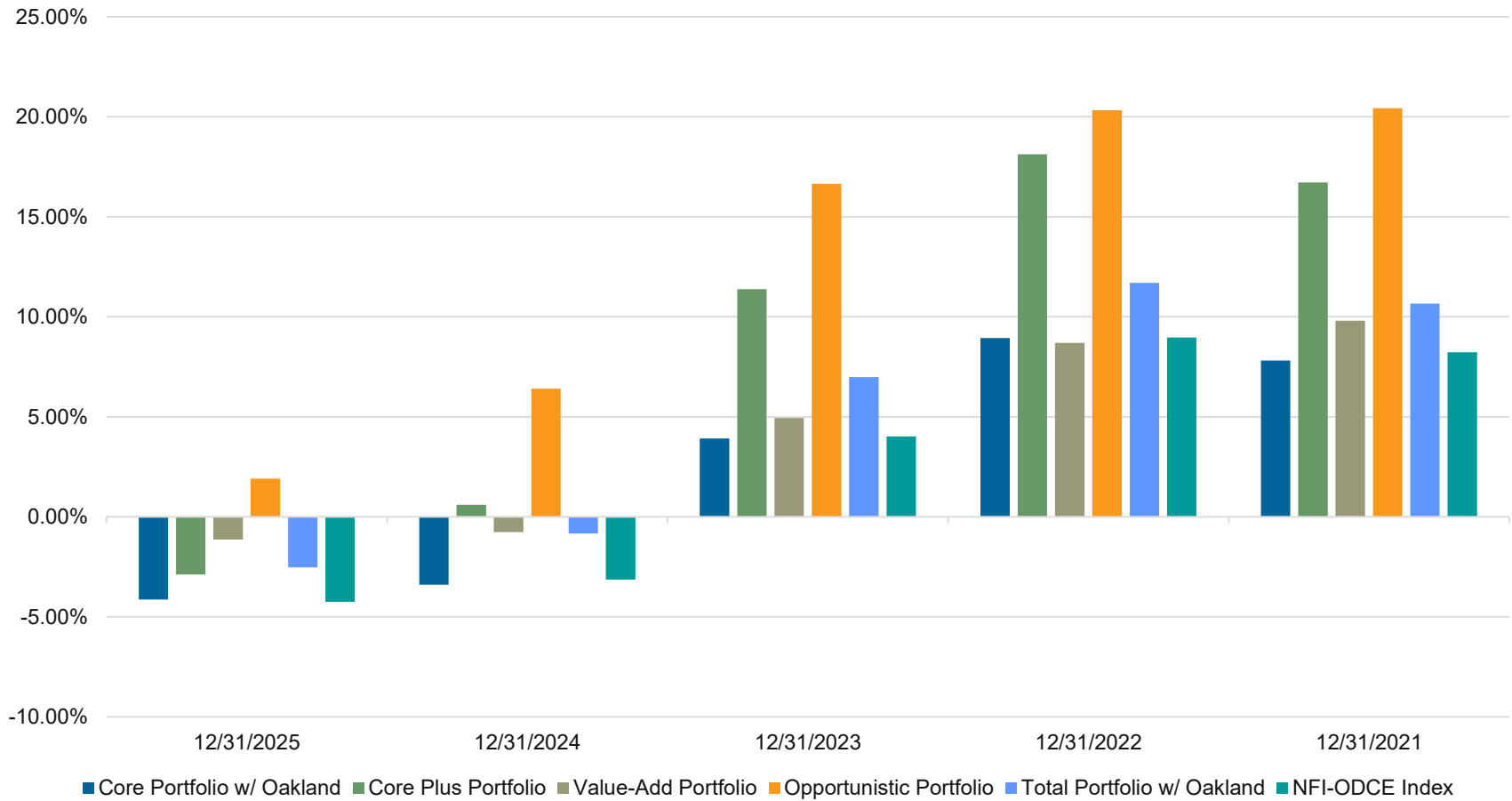
Net Total Portfolio	Last ½ Year	1 Year	3 Years	5 Years	10 Years
Core Portfolio	2.08%	1.34%	-6.15%	-0.32%	2.55%
Core Plus Portfolio	2.48%	4.42%	-2.88%	7.23%	9.00%
Value-Add Portfolio	0.98%	3.11%	-1.13%	3.91%	4.88%
Opportunistic Portfolio	0.84%	1.39%	1.91%	11.00%	--
Total Portfolio	1.77%	2.47%	-3.46%	3.10%	4.79%

Rolling 3 Year Returns

For Period Ended December 31, 2025

Total Net Real Estate Portfolio Returns

Rolling 3 Year Return



Performance Drivers and Detractors by Style

Core Portfolio (Excluding Oakland Building)

- The ACERA Core Portfolio outperformed the NFI-ODCE Value Weight Index (Net) by 79 bps for the half year ending 12/31/2025.

Core Plus Portfolio

- The Core Plus Portfolio outperformed the NFI-OE Value Weight Index (Net) by 104 bps for the half year ending 12/31/2025.

Value-Add Portfolio

- The Value-Add Portfolio Underperformed the NFI-OE Value Weight Index (Net) by 46 bps for the period.

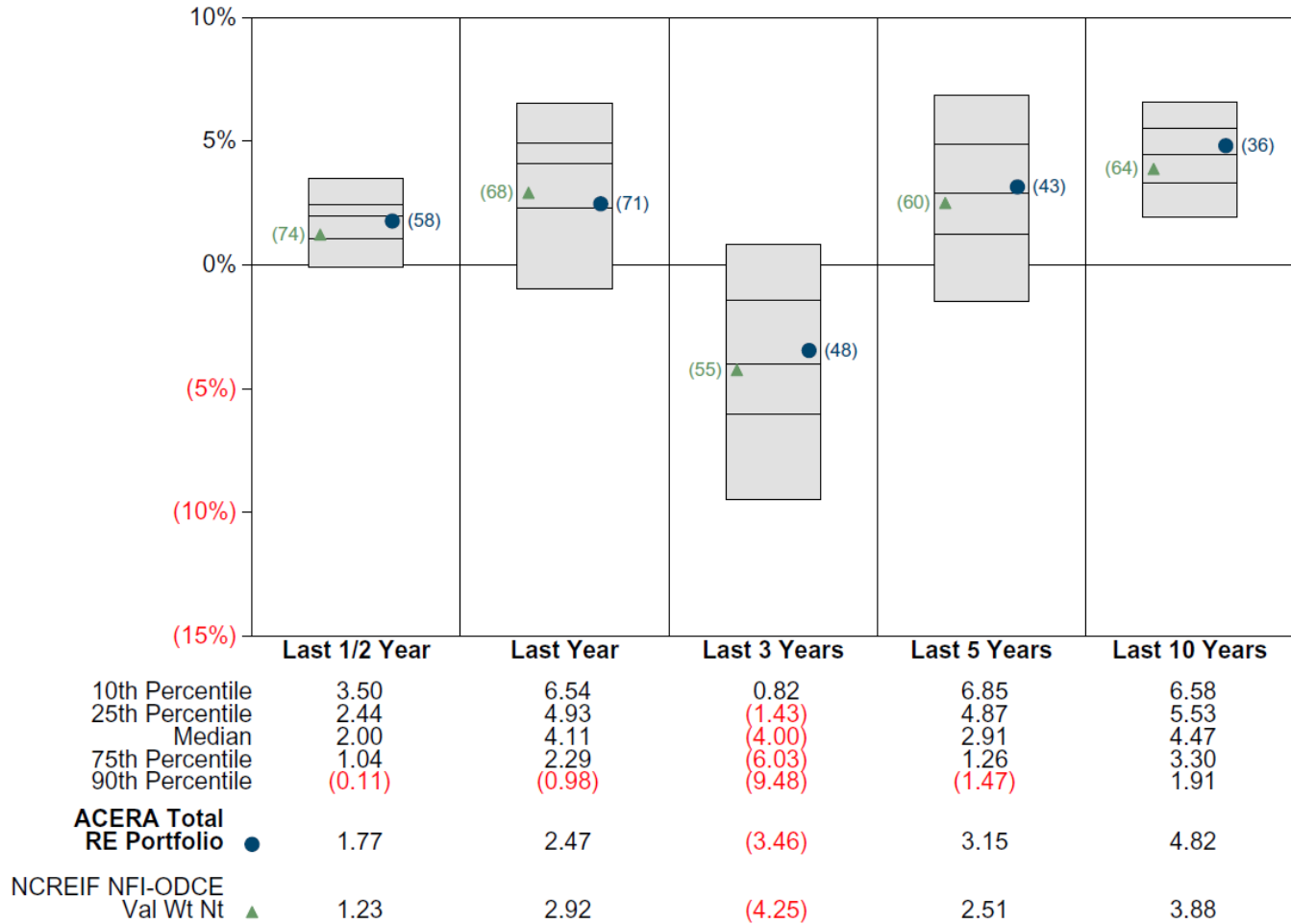
Opportunistic Portfolio

- The Opportunistic Portfolio underperformed the NFI-OE Value Weight Index (Net) by 60 bps for the period.

Performance vs. Peer Group

For Period Ended December 31, 2025

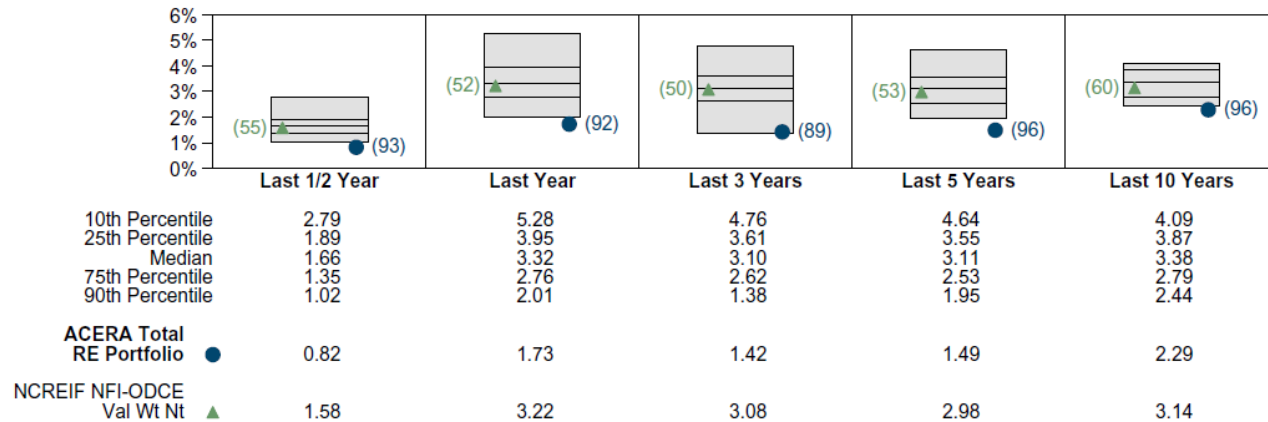
Performance vs Callan Open End Core Cmmingled Real Est



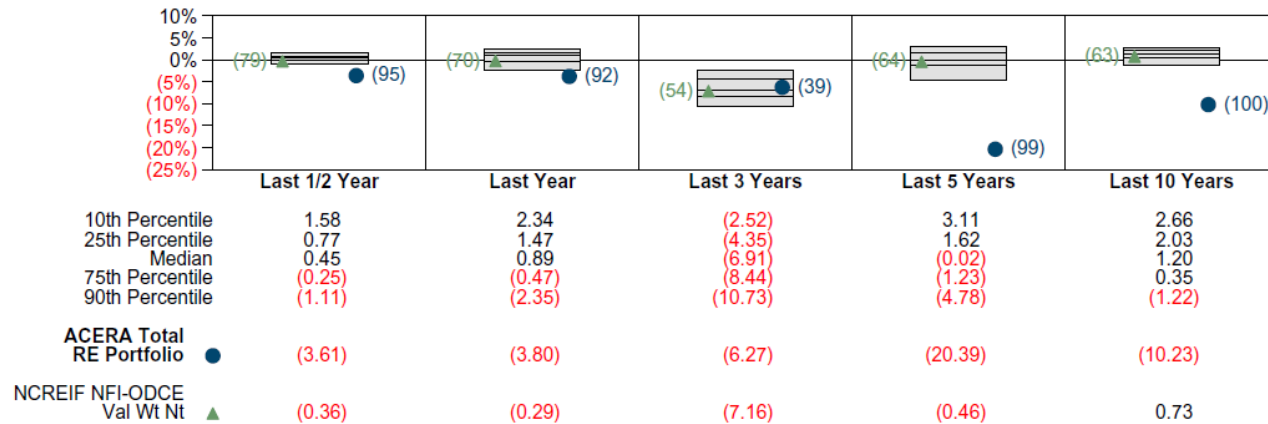
Performance vs. Peer Group

For Period Ended December 31, 2025

Income Rankings vs Callan OE Core Cmngld RE Periods ended December 31, 2025



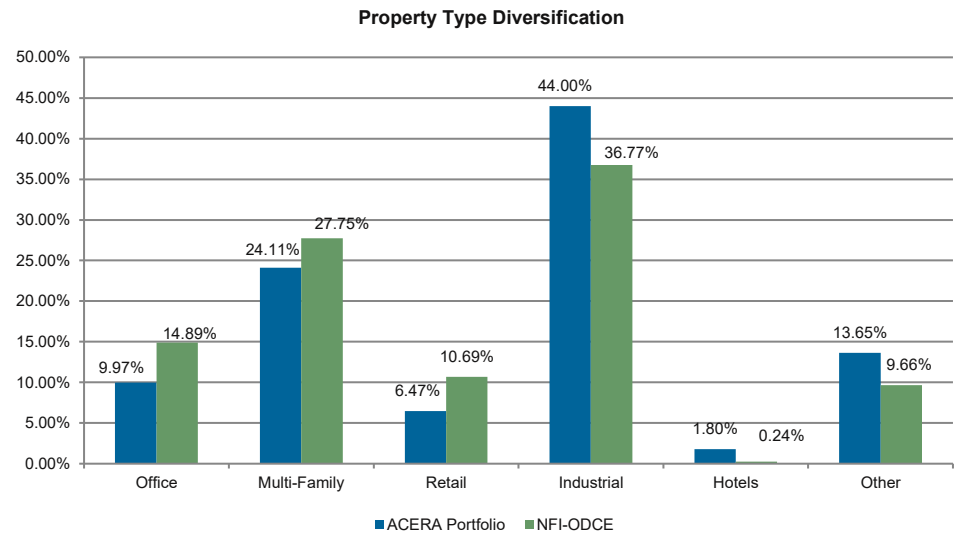
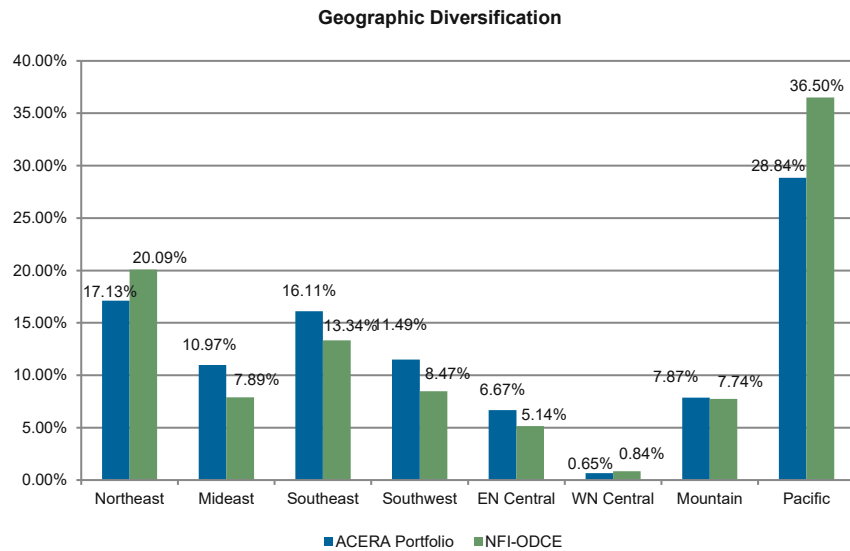
Appreciation Rankings vs Callan OE Core Cmngld RE Periods ended December 31, 2025



Diversification & Debt

Diversification – Total Portfolio (excluding Oakland Building)

- The ACERA Portfolio is well diversified by both property type and region.



Debt Compliance

- The ACERA Strategic Plan limits leverage to 40.0% at the Portfolio level. As of December 31, 2025, the loan-to-value (“LTV”) ratio of the Portfolio was 33.4%.



APPENDIX

475 14th Street Update from DWS

▪ Occupancy / Leasing:

- 475 14th Street is 66% percent leased, which continues to be fairly consistent with the overall occupancy rate in the Oakland-City Center submarket.
- One new lease was signed recently, with a law firm signing a five-year lease to occupy 4,262 square feet on the building's fifth floor. Other prospects in early negotiations for potential leases include another law firm and an engineering company.
- There are no additional lease expirations in 2026. Looking ahead, there are four tenants totaling 24k sf (or 14% of the building's net rentable area) scheduled to expire in the second half of 2027.

▪ Oakland Market Research:

- **Market Vacancy:** The Oakland Central Business District (CBD) has a vacancy rate of 37.8%. The City Center submarket, which includes ACERA's building, is currently 42.0% vacant (2.6 million square feet of vacancy out of 6.3 million square feet of office inventory). There is some renewal activity, but minimal new lease activity.
- **Office Market in the Broader Bay Area:** Office leasing throughout the Bay Area has been driven by Artificial Intelligence (AI) companies leasing space in San Francisco and Silicon Valley. Even with the influx of AI tenants, office vacancy in those markets is in the mid-20% to mid-30% range depending on the specific submarket. The AI companies are not active yet in Oakland.
- **Capital Markets:** The capital markets in Oakland remain largely unchanged. In recent news, 601 City Center (the Blue Cross Blue Shield building) was the latest meaningful foreclosure to occur in downtown Oakland. The building is one of the larger towers in Oakland and one of the more recently constructed buildings in the city.

Definitions

Capitalization rate: Commonly known as cap rate, is a rate that helps in evaluating a real estate investment. $\text{Cap rate} = \text{Net operating income} / \text{Current market value (Sales price) of the asset}$.

Net operating income: Commonly known as NOI, is the annual income generated by an income-producing property after taking into account all income collected from operations, and deducting all expenses incurred from operations.

NCREIF ODCE Index: time-weighted return Index with an inception date of 12/31/1977. The Index is comprised of 36 open-end commingled funds. Inclusion within the Index requires (a) minimum of 80% of net fund assets invested in the multifamily, retail, industrial, office, or hotel property type, (b) maximum of 20% of net fund assets invested in real estate debt or private/public company equity, (c) at least 80% of net assets invested in properties with a minimum occupancy of 60%, (d) no more than 70% of real estate net assets invested in a single property type or region, (e) maximum of 40% leverage, and (f) at least 95% of net real estate assets invested within the U.S. market. In this report, the version of the NCREIF ODCE Index being used is the value weighted and net of fees.

NCREIF Property Index: time-weighted return Index with an inception date of 12/31/1977. The Index is comprised of over 10,000 individual properties. Inclusion within the Index requires (a) operating properties only, (b) property types apartments, hotels, industrial, office, and retail, (c) owned/controlled by a qualified tax-exempt institutional investor or its designated agent. The Index is reported on a non-leveraged basis even if the property is leveraged.

Definitions – Investment Styles

Core: Direct investments in operating, fully leased, office, retail, industrial, or multifamily properties using little or no leverage (normally less than 30%).

Value-Added: Core returning investments that take on moderate additional risk from one or more of the following sources: leasing, re-development, exposure to non-traditional property types, the use of leverage.

Opportunistic: Investments that take on additional risk in order to achieve a higher return. Typical sources of risks are: development, land investing, operating company investing, international exposure, high leverage, distressed properties.

Non Core: Includes both value added and opportunistic strategies

Closed-End Fund: A commingled fund with a stated maturity (termination) date with few or no additional investors after the initial formation of the fund. Closed-end funds typically purchase a portfolio of properties to hold for the duration of the fund and, as sales occur, typically do not invest the sales proceeds. (Source: NCREIF PREA Reporting Standards).

Commingled Funds: A term applied to all open-end and closed-end pooled investment vehicles designed for institutional tax-exempt investors. A commingled fund may be organized as a group trust, a partnership, a corporation, an insurance company separate account, or another multiple ownership entity.

Open-End Fund: A commingled fund with no finite life that allows continuous entry and exit of investors, typically on a quarterly basis, and engages in ongoing property operations as well as investment purchase and sale activities.

Real Estate Investment Trust (REIT): A corporation or business trust that combines the capital of many investors to acquire or provide financing for all forms of income-producing real estate. (Source: National Association of Real Estate Investment Trusts)

Definitions – Performance Monitoring

Vintage Year: Year of first drawdown

Paid-In Capital: Cash funded to the investment for acquisition and capital items (i.e., initial investment cost or significant capital improvements).

Uncalled Capital: Capital allocated to managers which remains to be called for investment. Amounts are as reported by managers.

Distributed Capital: Actual cash returned from the investment, representing distributions of income from operations. Withdrawals: Cash returned from the investment, representing returns of capital or net sales proceeds.

Net Asset Value: The value of an investment as determined by actual sales dollars invested and withdrawn plus the effects of appreciation and reinvestment; market value is equal to the ending cumulative balance of the cash flow statement (NAV).

Net IRR: IRR after advisory fees, incentive and promote. This includes actual cash flows and a reversion representing the LP Net Assets at market value as of the period end reporting date.

TVPI Multiple: The ratio of Total Value to Paid-in-Capital (TVPIC). It represents the Total Return of the investment to the original investment not taking into consideration the time invested. Total Value is computed by adding the Residual Value and Distributions. It is calculated net of all investment advisory and incentive fees and promote.

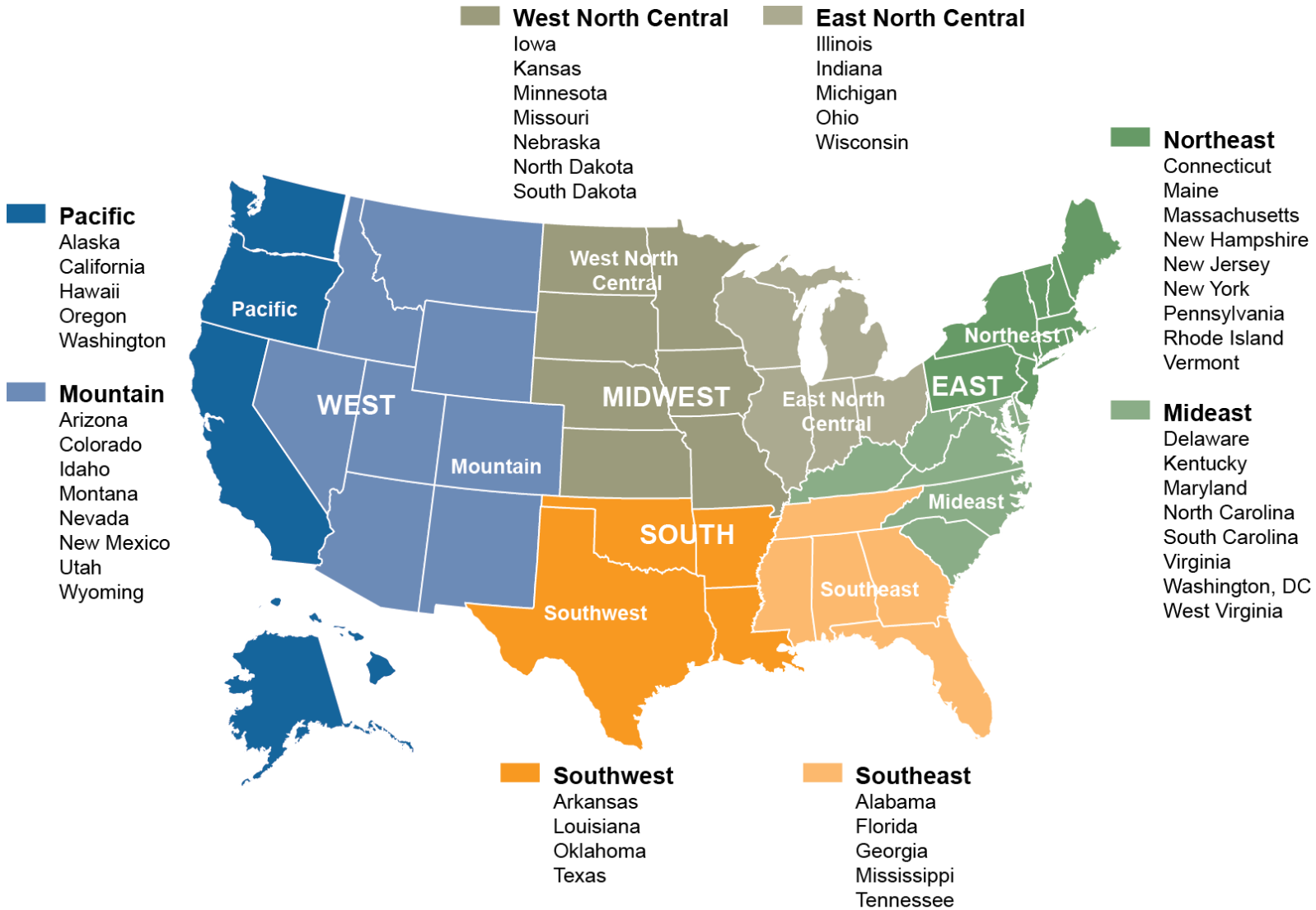
DPI Multiple: The ratio of distributions paid to the investor divided by the amount of contributions paid by the investor. It is calculated net of all investment advisory and incentive fees and promote.

RVPI Multiple: The ratio of net asset value divided by the amount of contributions paid by the investor.

Net IRR: The total net return for an investment or portfolio over the period of time the client has funds invested. Total portfolio Inception Returns include returns from investments no longer held in the current portfolio.

NCREIF Region Map

Geographic Regions and Divisions



Source: NCREIF

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**PRIVATE EQUITY
PERFORMANCE
REPORT**

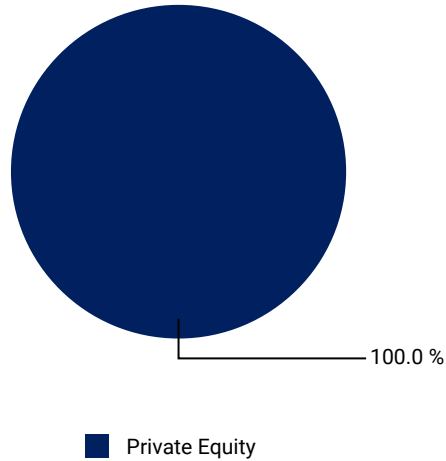
**Alameda County
Employees' Retirement
Association**

December 31, 2025

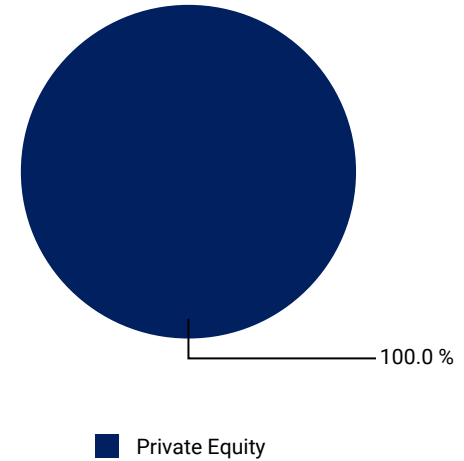


EXECUTIVE SUMMARY

Valuation by Asset Class



Unfunded Commitment by Asset Class



Asset Class	Commitment	Unfunded Commitment	Cumulative Contributions	Valuation	Performance							
					(QTR)	(1 YR)	(3 YRS)	(5 YRS)	(10 YRS)	SI IRR	DPI	TVPI
Private Equity	\$1,371,830,622	\$240,732,682	\$1,131,097,940	\$1,017,956,313	0.80	10.44	10.03	13.07	15.38	16.82	1.04	1.94
Total	\$1,371,830,622	\$240,732,682	\$1,131,097,940	\$1,017,956,313	0.80	10.44	10.03	13.07	15.38	16.82	1.04	1.94
Cambridge Global PE and VC					3.15	12.88	8.23	10.20	13.46	11.32		



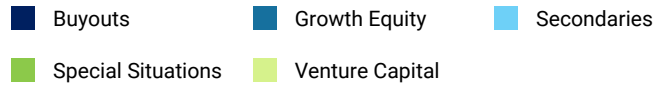
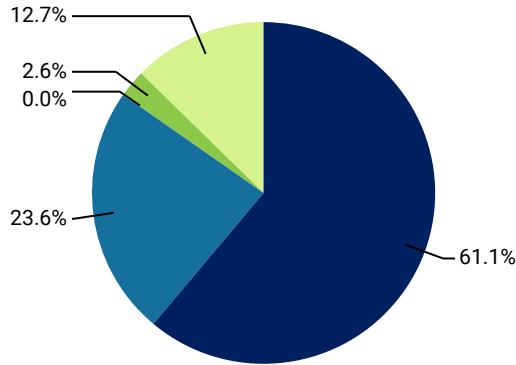
As of 12/31/25, Private Equity represents 7.2% of ACERA's total portfolio, versus the policy target of 11%.

Alameda County Employees' Retirement Association

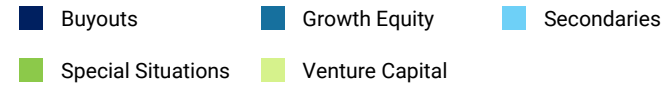
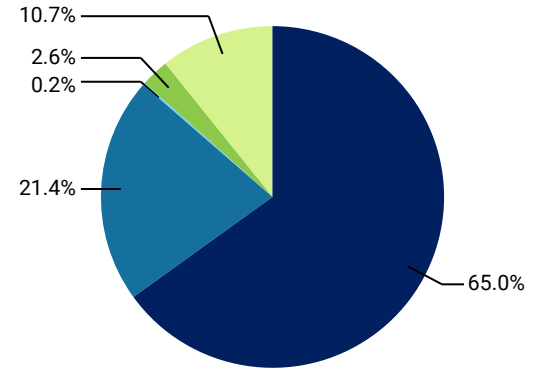
ANALYSIS BY STRATEGY

December 31, 2025

Valuation by Strategy



Fund Exposure by Strategy



Investment Strategy	Commitments		Contributions & Distributions		Valuations			Performance			
	Commitment	Unfunded Commitment	Call Ratio	Cumulative Contributions	Cumulative Distributions	Valuation	Total Value	Fund Exposure	DPI	TVPI	SI
Buyouts	\$818,331,461	\$196,750,472	0.76	\$621,580,988	\$400,848,737	\$621,989,897	\$1,022,838,634	\$818,740,369	0.64	1.64	13.89
Growth Equity	\$348,000,000	\$28,463,575	0.92	\$319,536,425	\$409,263,577	\$240,572,189	\$649,835,766	\$269,035,764	1.28	2.03	18.90
Secondaries	\$20,999,162	\$2,422,860	0.88	\$18,576,302	\$27,930,841	\$40,567	\$27,971,408	\$2,463,426	1.50	1.51	8.79
Special Situations	\$40,000,000	\$6,701,783	0.83	\$33,298,217	\$28,207,168	\$26,533,957	\$54,741,125	\$33,235,740	0.85	1.64	17.22
Venture Capital	\$144,500,000	\$6,393,992	0.96	\$138,106,008	\$313,076,932	\$128,819,703	\$441,896,635	\$135,213,695	2.27	3.20	20.33
Total	\$1,371,830,622	\$240,732,682	0.83	\$1,131,097,940	\$1,179,327,254	\$1,017,956,313	\$2,197,283,567	\$1,258,688,995	1.04	1.94	16.82

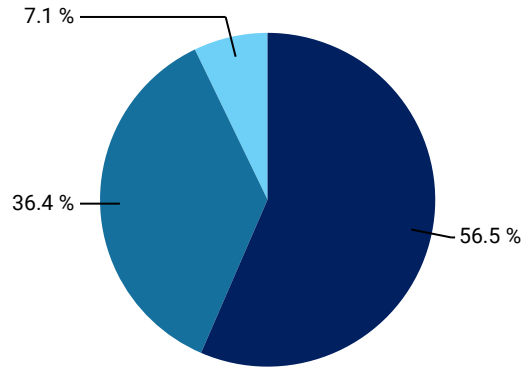


Alameda County Employees' Retirement Association

ANALYSIS BY LIFECYCLE

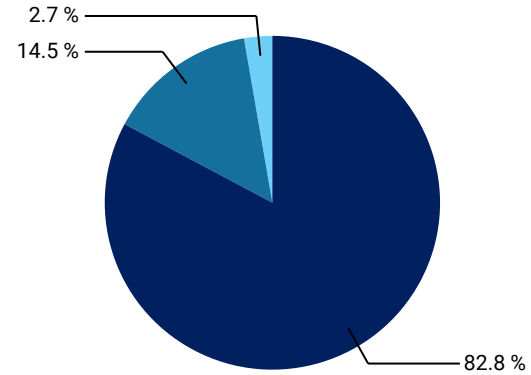
December 31, 2025

Commitment by Lifecycle



Investing Harvesting Liquidating

Unfunded Commitment by Lifecycle



Investing Harvesting Liquidating

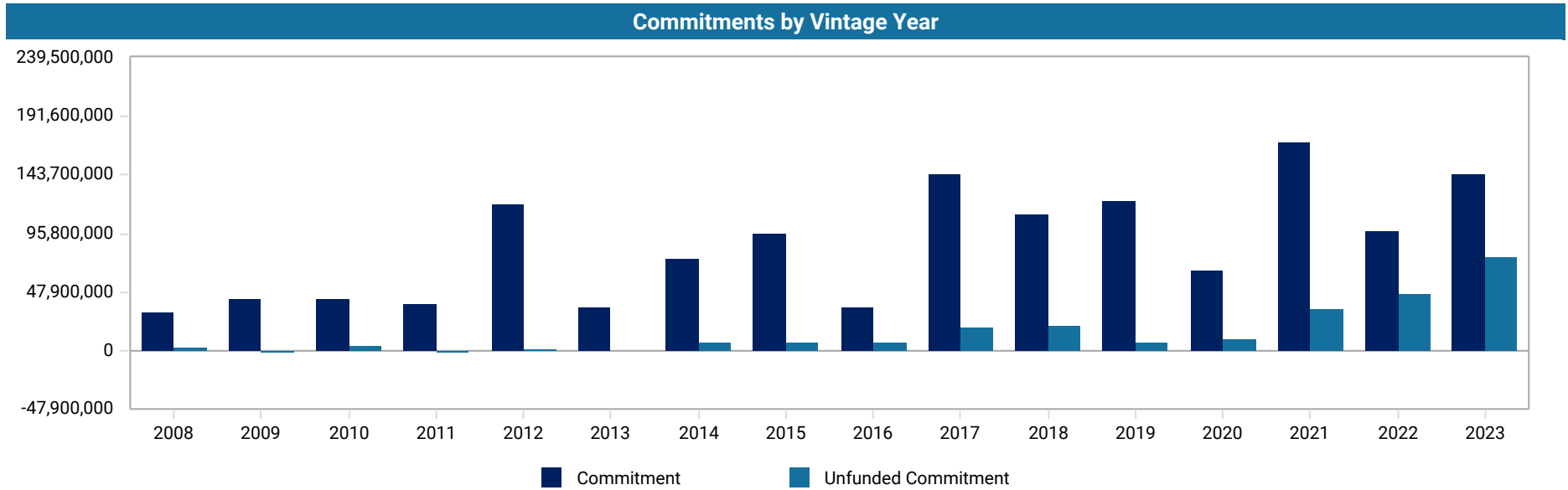
Lifecycle	Commitments		Call Ratio	Contributions & Distributions		Valuations		Performance		
	Commitment	Unfunded Commitment		Cumulative Contributions	Cumulative Distributions	Valuation	Total Value	DPI	TVPI	SI IRR
Investing	\$775,005,899	\$199,365,915	0.74	\$575,639,984	\$152,876,283	\$717,001,604	\$869,877,887	0.27	1.51	14.56
Harvesting	\$498,825,562	\$34,830,088	0.93	\$463,995,474	\$842,136,850	\$298,409,815	\$1,140,546,665	1.81	2.45	18.05
Liquidating	\$97,999,162	\$6,536,679	0.94	\$91,462,482	\$184,314,122	\$2,544,894	\$186,859,016	2.01	2.04	15.19
Total	\$1,371,830,622	\$240,732,682	0.83	\$1,131,097,940	\$1,179,327,254	\$1,017,956,313	\$2,197,283,567	1.04	1.94	16.82



Alameda County Employees' Retirement Association

ANALYSIS BY VINTAGE YEAR

December 31, 2025

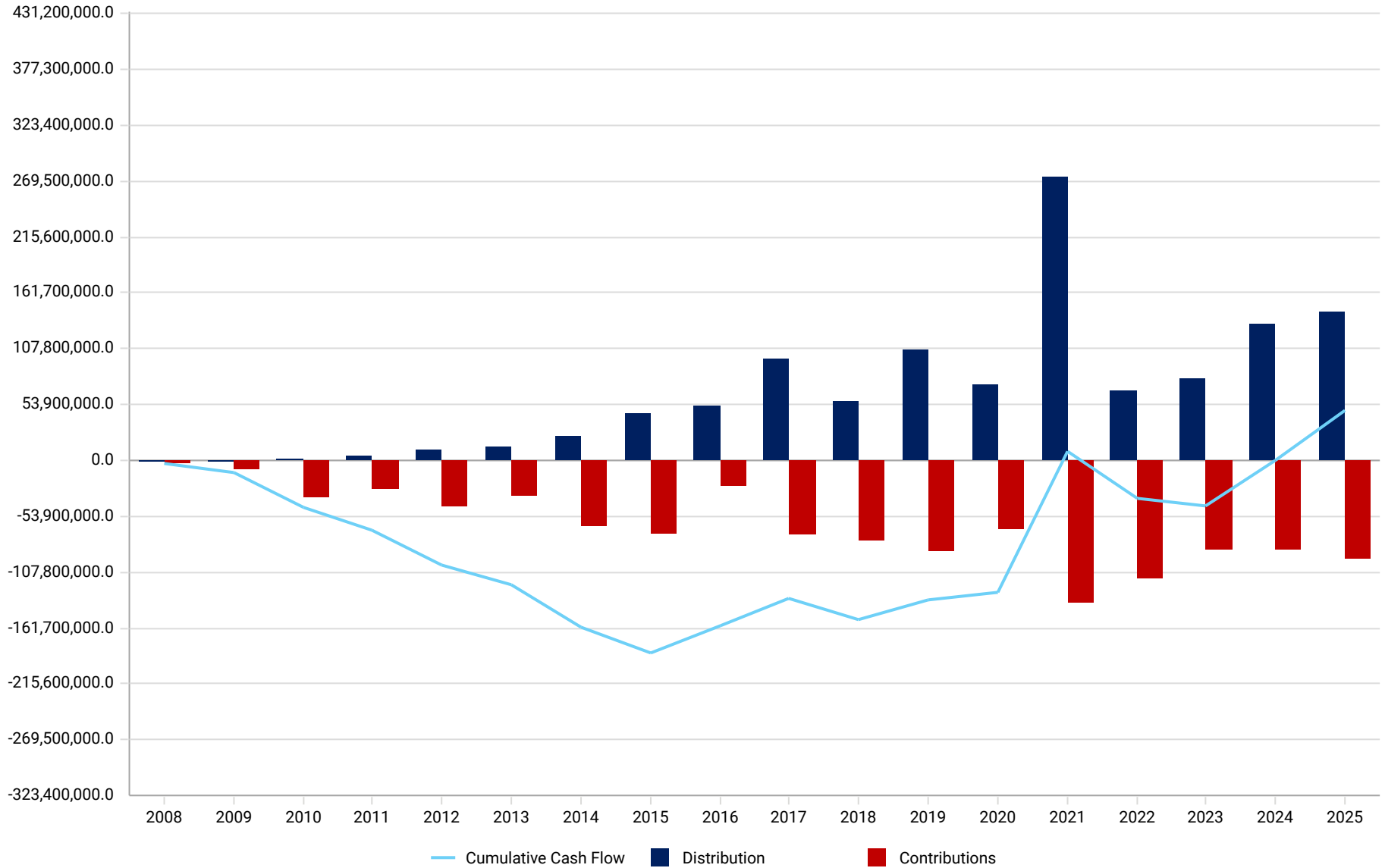


ANALYSIS BY VINTAGE YEAR

Vintage Year	Commitments		Contributions & Distributions			Valuations		Performance		
	Commitment	Unfunded Commitment	Call Ratio	Cumulative Contributions	Cumulative Distributions	Valuation	Total Value	DPI	TVPI	SI IRR
2008	\$30,999,162	\$2,422,860	0.93	\$28,576,302	\$56,776,826	\$1,838,798	\$58,615,623	1.98	2.04	14.61
2009	\$42,875,000	\$160,640	1.00	\$42,714,360	\$73,687,046	\$7,824,410	\$81,511,456	1.72	1.91	10.36
2010	\$42,500,000	\$3,886,470	0.92	\$38,613,530	\$90,883,204	\$19,845	\$90,903,049	2.33	2.33	19.70
2011	\$37,500,000	\$662,349	0.99	\$36,837,651	\$139,260,188	\$32,189,587	\$171,449,775	3.76	4.63	22.86
2012	\$120,200,562	\$1,682,346	0.99	\$118,518,216	\$216,933,304	\$61,165,470	\$278,098,774	1.83	2.35	15.50
2013	\$35,000,000	\$0	1.00	\$35,000,000	\$76,408,089	\$19,568,083	\$95,976,172	2.18	2.74	23.17
2014	\$75,500,000	\$7,241,191	0.90	\$68,258,809	\$63,247,806	\$35,200,943	\$98,448,749	0.93	1.44	8.14
2015	\$95,250,000	\$6,827,284	0.92	\$88,422,716	\$134,623,644	\$51,169,763	\$185,793,407	1.53	2.11	14.40
2016	\$35,000,000	\$6,393,196	0.82	\$28,606,804	\$24,287,001	\$22,661,402	\$46,948,403	0.84	1.63	13.83
2017	\$144,000,000	\$18,527,153	0.87	\$125,472,847	\$165,302,915	\$166,785,574	\$332,088,489	1.31	2.64	30.36
2018	\$112,005,899	\$19,995,645	0.82	\$92,010,254	\$38,223,577	\$142,853,478	\$181,077,055	0.42	1.97	18.88
2019	\$123,000,000	\$6,966,705	0.94	\$116,033,295	\$80,274,752	\$125,643,260	\$205,918,012	0.69	1.77	19.00
2020	\$65,000,000	\$10,028,142	0.85	\$54,971,858	\$8,022,103	\$59,772,763	\$67,794,866	0.15	1.23	6.80
2021	\$170,000,000	\$33,477,732	0.80	\$136,522,268	\$8,398,946	\$147,095,379	\$155,494,325	0.06	1.14	5.68
2022	\$98,000,000	\$46,165,961	0.53	\$51,834,039	\$2,976,129	\$57,126,888	\$60,103,017	0.06	1.16	11.98
2023	\$145,000,000	\$76,295,007	0.47	\$68,704,993	\$21,725	\$87,040,670	\$87,062,395	0.00	1.27	19.92
Total	\$1,371,830,622	\$240,732,682	0.83	\$1,131,097,940	\$1,179,327,254	\$1,017,956,313	\$2,197,283,567	1.04	1.94	16.82

CASH FLOW ANALYSIS

Private Markets Cash Flow Analysis



GLOSSARY OF TERMS

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- **Paid In Capital** – The amount an investor has contributed for investments and management fees
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- **Total Value** – Calculated by adding Amount Distributed and Reported Value. Represents the total amount an investor should expect to receive from their investments
- **Net Benefit** – Calculated by subtracting Total Value by Capital to be Funded plus Additional Fees
- **Total Value to Paid In Capital Ratio** – Calculated by dividing Total Value by Amount Funded. Represents the multiple of the overall cash invested that an investor is expected to receive
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- **IRR ICM** – The IRR equivalent that ICM calculates for the public market is called IRR ICM



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PRIVATE CREDIT PERFORMANCE REPORT

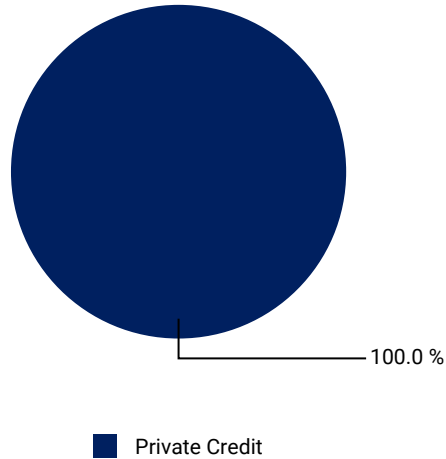
Alameda County Employees' Retirement Association

December 31, 2025

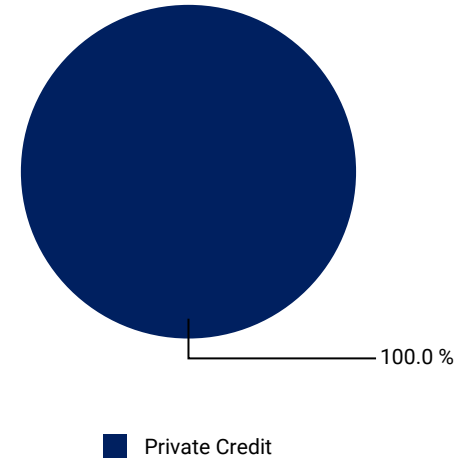


EXECUTIVE SUMMARY

Valuation by Asset Class



Unfunded Commitment by Asset Class



Asset Class	Commitment	Unfunded Commitment	Cumulative Contributions	Valuation	Performance							
					(QTR)	(1 YR)	(3 YRS)	(5 YRS)	(10 YRS)	SI IRR	DPI	TVPI
Private Credit	\$1,021,832,738	\$292,616,963	\$729,215,775	\$568,564,061	1.11	5.38	8.21	7.74	7.60	8.26	0.52	1.29
Total	\$1,021,832,738	\$292,616,963	\$729,215,775	\$568,564,061	1.11	5.38	8.21	7.74	7.60	8.26	0.52	1.29

- Performance on this page is based on the internal rate of return methodology.

- As of 12/31/25, Private Credit represents 4.0% of ACERA's total portfolio, versus the policy target of 6.8%.



TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Credit (Net)	563,449,026		1.43	6.10	8.41	8.14			7.11	Nov-19
<i>Private Credit Benchmark</i>			1.72	8.02	11.22	7.93			7.64	

- Performance on this page is based on the time-weighted return methodology.

- Private Credit Benchmark is comprised of Morningstar LSTA U.S. Leveraged Loan + 200 bps effective 1/1/2025. From inception to 12/31/2024, it was comprised of S&P/LSTA U.S. Leveraged Loan 100 + 175 bps.

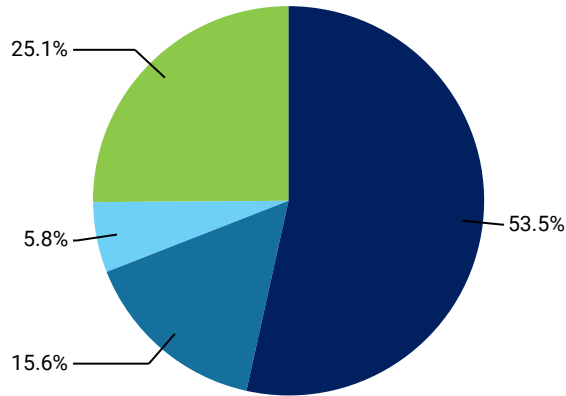


Alameda County Employees' Retirement Association

ANALYSIS BY STRATEGY

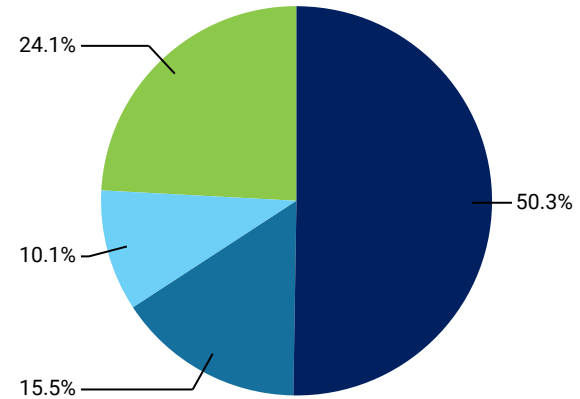
December 31, 2025

Valuation by Strategy



■ Direct Lending
 ■ Distressed
 ■ Mezzanine
 ■ Opportunistic

Fund Exposure by Strategy



■ Direct Lending
 ■ Distressed
 ■ Mezzanine
 ■ Opportunistic

Investment Strategy	Commitments		Contributions & Distributions		Valuations			Performance			
	Commitment	Unfunded Commitment	Call Ratio	Cumulative Contributions	Cumulative Distributions	Valuation	Total Value	Fund Exposure	DPI	TVPI	SI IRR
Direct Lending	\$531,851,915	\$128,862,162	0.77	\$402,989,753	\$214,512,907	\$303,978,526	\$518,491,433	\$432,840,688	0.52	1.27	7.11
Distressed	\$155,153,454	\$44,990,574	0.71	\$110,162,880	\$57,695,542	\$88,609,595	\$146,305,137	\$133,600,169	0.52	1.33	6.15
Mezzanine	\$91,827,369	\$53,613,367	0.42	\$38,214,002	\$24,385,341	\$33,232,173	\$57,617,514	\$86,845,540	0.63	1.50	10.21
Opportunistic	\$243,000,000	\$65,150,860	0.73	\$177,849,140	\$84,142,969	\$142,743,767	\$226,886,736	\$207,894,627	0.47	1.27	13.26
Total	\$1,021,832,738	\$292,616,963	0.72	\$729,215,775	\$380,736,759	\$568,564,061	\$949,300,820	\$861,181,024	0.52	1.29	8.26

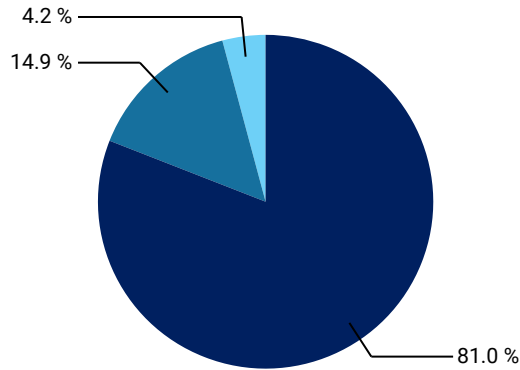


Alameda County Employees' Retirement Association

ANALYSIS BY LIFECYCLE

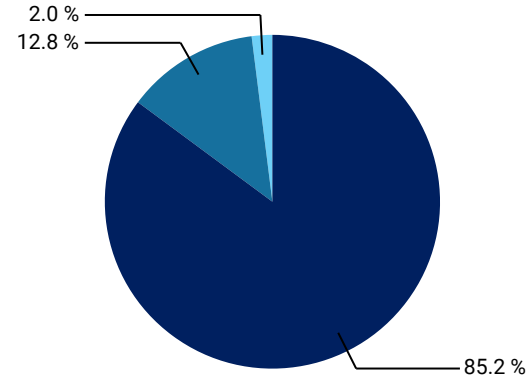
December 31, 2025

Commitment by Lifecycle



Investing Harvesting Liquidating

Unfunded Commitment by Lifecycle



Investing Harvesting Liquidating

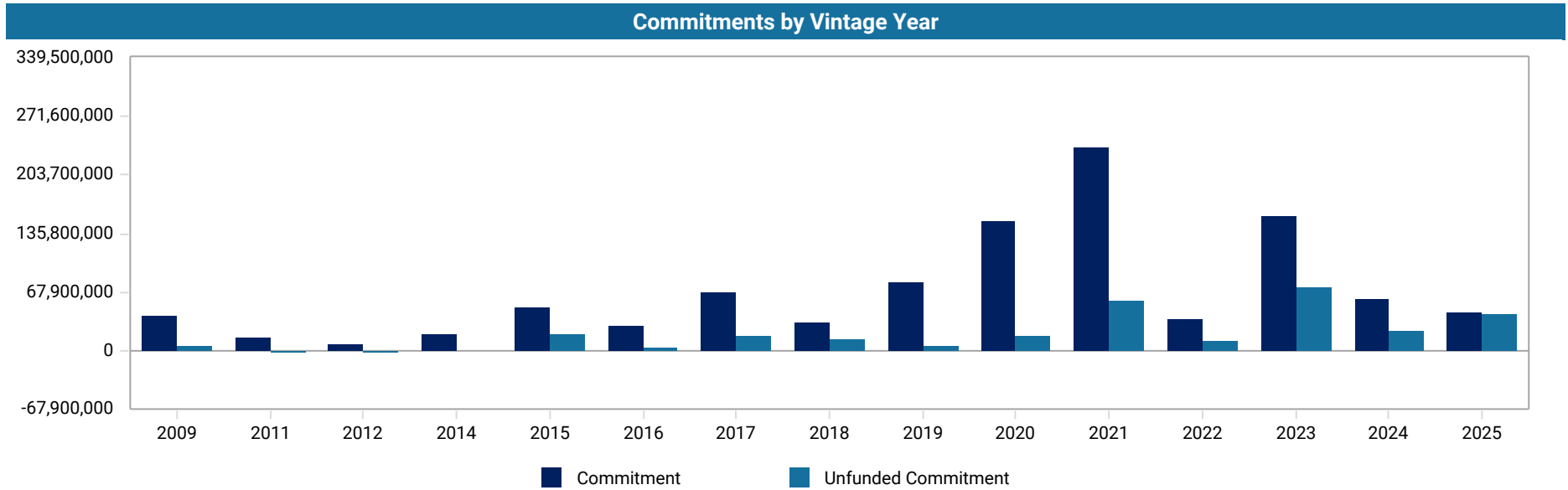
Lifecycle	Commitments		Contributions & Distributions			Valuations		Performance		
	Commitment	Unfunded Commitment	Call Ratio	Cumulative Contributions	Cumulative Distributions	Valuation	Total Value	DPI	TVPI	SI IRR
Investing	\$827,230,823	\$249,231,805	0.71	\$577,999,018	\$219,140,527	\$512,962,433	\$732,102,960	0.37	1.25	7.70
Harvesting	\$152,101,915	\$37,569,728	0.75	\$114,532,187	\$99,855,850	\$54,925,059	\$154,780,909	0.87	1.35	6.72
Liquidating	\$42,500,000	\$5,815,430	0.86	\$36,684,570	\$61,740,382	\$676,569	\$62,416,951	1.68	1.70	13.53
Total	\$1,021,832,738	\$292,616,963	0.72	\$729,215,775	\$380,736,759	\$568,564,061	\$949,300,820	0.52	1.29	8.26



Alameda County Employees' Retirement Association

ANALYSIS BY VINTAGE YEAR

December 31, 2025



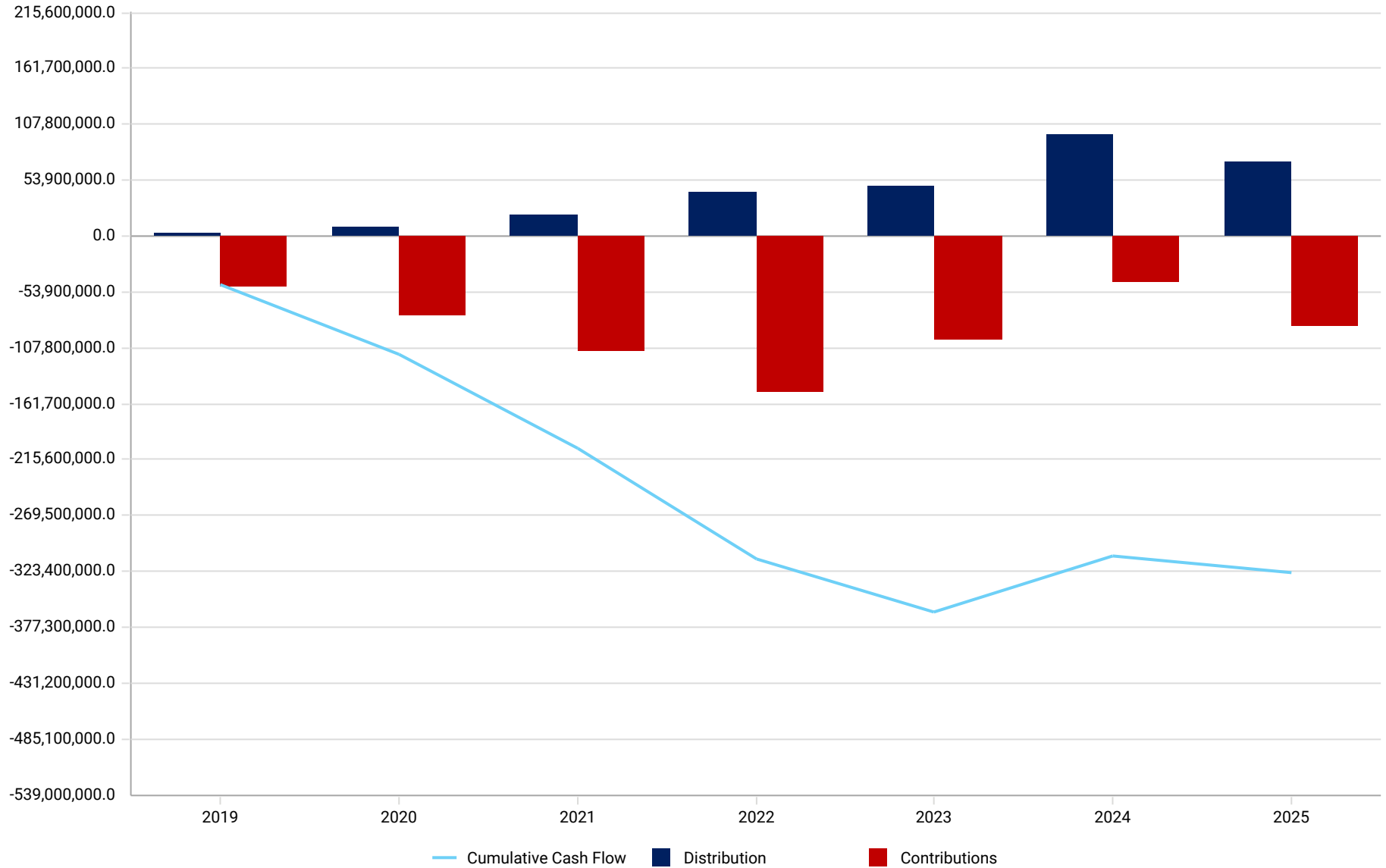
ANALYSIS BY VINTAGE YEAR

Vintage Year	Commitments		Contributions & Distributions			Valuations		Performance		
	Commitment	Unfunded Commitment	Call Ratio	Cumulative Contributions	Cumulative Distributions	Valuation	Total Value	DPI	TVPI	SI IRR
2009	\$40,625,000	\$5,413,562	0.87	\$35,211,438	\$56,466,805	\$1,330,330	\$57,797,135	1.59	1.63	12.29
2011	\$15,101,915	\$915,037	0.94	\$14,186,879	\$25,641,174	\$282,431	\$25,923,605	1.81	1.83	13.00
2012	\$7,500,000	\$565,430	0.93	\$6,934,570	\$11,660,924	\$676,569	\$12,337,493	1.68	1.78	14.39
2014	\$20,000,000	\$0	1.00	\$20,000,000	\$19,563,526	\$22,092	\$19,585,618	0.98	0.98	-0.38
2015	\$50,000,000	\$18,637,476	0.63	\$31,362,524	\$8,146,592	\$30,336,845	\$38,483,437	0.26	1.23	3.37
2016	\$28,153,454	\$4,039,701	0.86	\$24,113,753	\$18,190,998	\$8,723,978	\$26,914,976	0.75	1.11	2.17
2017	\$67,000,000	\$18,017,216	0.73	\$48,982,784	\$46,504,557	\$24,283,691	\$70,788,248	0.95	1.44	10.22
2018	\$33,000,000	\$13,765,220	0.58	\$19,234,780	\$7,926,681	\$18,475,907	\$26,402,587	0.41	1.37	6.31
2019	\$80,000,000	\$6,000,000	0.94	\$74,000,000	\$58,129,545	\$31,116,423	\$89,245,968	0.77	1.19	4.36
2020	\$150,000,000	\$17,560,665	0.91	\$132,439,335	\$67,511,177	\$100,847,124	\$168,358,301	0.49	1.23	6.48
2021	\$235,000,000	\$57,173,593	0.76	\$177,826,407	\$35,071,569	\$210,940,604	\$246,012,173	0.20	1.38	11.09
2022	\$36,000,000	\$11,700,000	0.68	\$24,300,000	\$24,816,766	\$3,180,968	\$27,997,734	1.02	1.15	13.19
2023	\$156,000,000	\$72,823,303	0.53	\$83,176,697	\$135,183	\$100,077,751	\$100,212,934	0.00	1.20	14.94
2024	\$60,000,000	\$22,969,722	0.62	\$37,030,278	\$971,261	\$37,800,593	\$38,771,854	0.03	1.05	6.89
2025	\$43,452,369	\$43,036,038	0.01	\$416,331	\$0	\$468,756	\$468,756	0.00	1.13	12.59
Total	\$1,021,832,738	\$292,616,963	0.72	\$729,215,775	\$380,736,759	\$568,564,061	\$949,300,820	0.52	1.29	8.26



CASH FLOW ANALYSIS

Private Markets Cash Flow Analysis



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**REAL ASSETS
PERFORMANCE
REPORT**

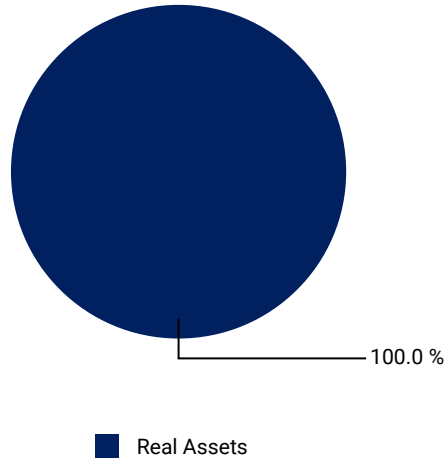
**Alameda County Employees'
Retirement Association**

December 31, 2025

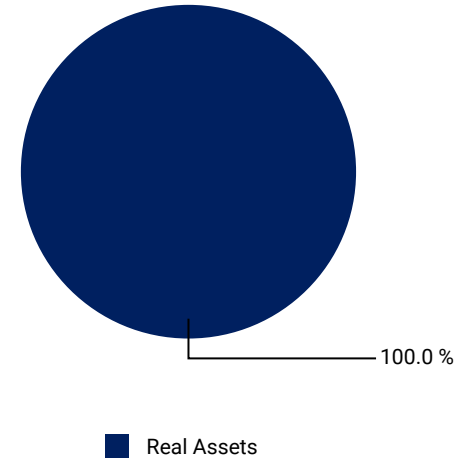


EXECUTIVE SUMMARY

Valuation by Asset Class



Unfunded Commitment by Asset Class



Asset Class	Commitment	Unfunded Commitment	Cumulative Contributions	Valuation	Performance							
					(QTR)	(1 YR)	(3 YRS)	(5 YRS)	(10 YRS)	SI IRR	DPI	TVPI
Real Assets	\$1,361,235,893	\$173,781,904	\$1,187,453,989	\$886,775,628	2.74	18.76	10.39	11.35	7.62	3.50	0.50	1.24
Total	\$1,361,235,893	\$173,781,904	\$1,187,453,989	\$886,775,628	2.74	18.76	10.39	11.35	7.62	3.50	0.50	1.24

- Performance on this page is based on the internal rate of return methodology.

- As of 12/31/25, Real Assets represents 6.3% of ACERA's total portfolio, versus the policy target of 6%.



TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Real Assets (Net)	884,056,263		3.29	18.94	10.32	11.16	8.54	6.03	1.19	Oct-11
<i>Real Asset Blend</i>			4.32	27.99	12.27	12.01	10.90	8.86	7.50	

- Performance on this page is based on the time-weighted return methodology.

- Real Asset Blend Index is comprised of (67% S&P Global Infrastructure and 33% S&P Global LargeMidCap Commodity & Resources) + 100 bps effective 5/1/2025. From 1/1/2021 to 4/30/2025, it was comprised of 5% Bloomberg Commodity, 60% S&P Global Infrastructure, and 35% S&P Global Large Mid Commodity & Resource.

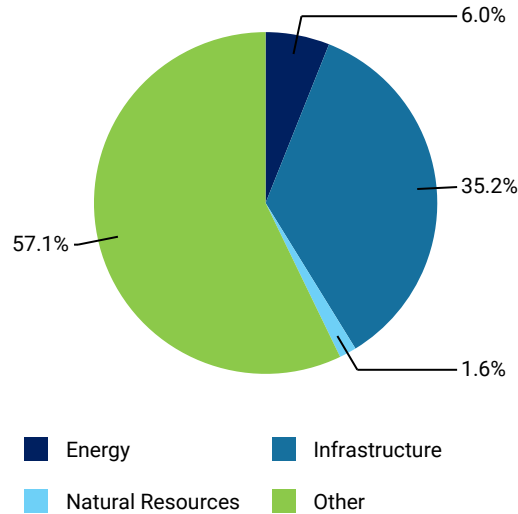


Alameda County Employees' Retirement Association

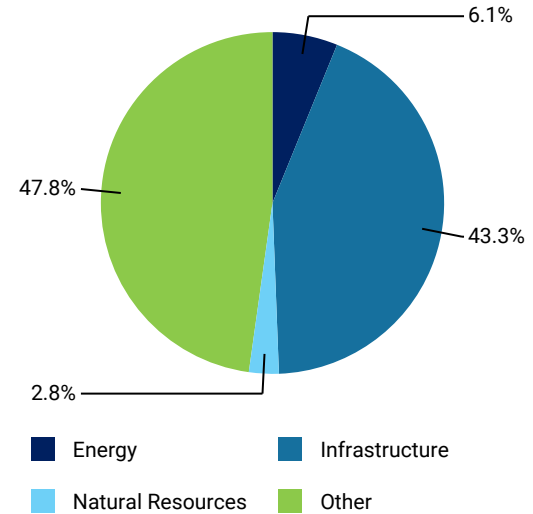
ANALYSIS BY STRATEGY

December 31, 2025

Valuation by Strategy



Fund Exposure by Strategy



Investment Strategy	Commitments		Contributions & Distributions		Valuations			Performance			
	Commitment	Unfunded Commitment	Call Ratio	Cumulative Contributions	Cumulative Distributions	Valuation	Total Value	Fund Exposure	DPI	TVPI	SI IRR
Energy	\$104,000,000	\$11,621,139	0.90	\$92,378,861	\$48,595,864	\$53,469,656	\$102,065,520	\$65,090,795	0.52	1.09	1.51
Infrastructure	\$385,000,000	\$146,808,710	0.63	\$238,191,291	\$35,802,171	\$312,093,784	\$347,895,955	\$458,902,493	0.15	1.44	9.77
Natural Resources	\$30,000,000	\$15,352,056	0.49	\$14,647,944	\$7,843,901	\$14,424,468	\$22,268,369	\$29,776,524	0.54	1.52	13.40
Other	\$842,235,893	\$0	1.00	\$842,235,893	\$497,685,393	\$506,787,720	\$1,004,473,113	\$506,787,720	0.59	1.19	2.62
Total	\$1,361,235,893	\$173,781,904	0.88	\$1,187,453,989	\$589,927,330	\$886,775,628	\$1,476,702,957	\$1,060,557,532	0.50	1.24	3.50

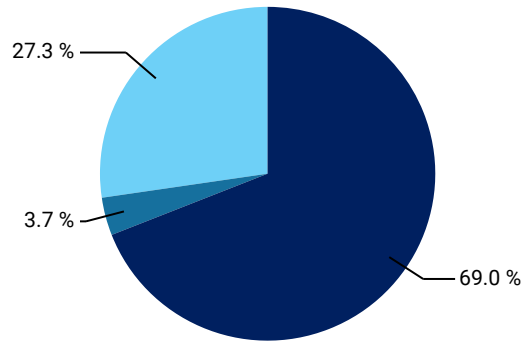


Alameda County Employees' Retirement Association

ANALYSIS BY LIFECYCLE

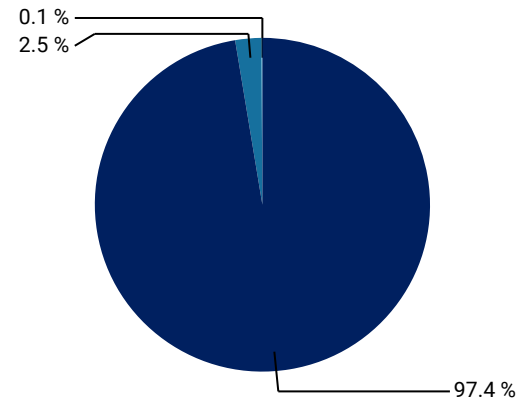
December 31, 2025

Commitment by Lifecycle



Investing Harvesting Completed

Unfunded Commitment by Lifecycle



Investing Harvesting Completed

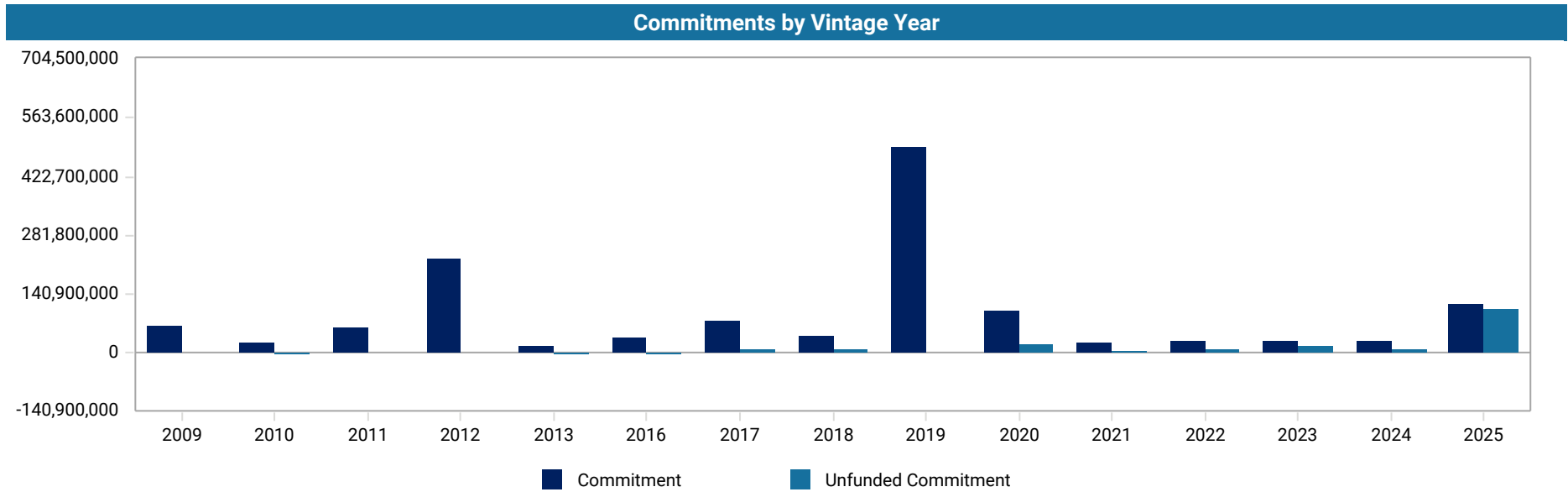
Lifecycle	Commitments		Contributions & Distributions			Valuations		Performance		
	Commitment	Unfunded Commitment	Call Ratio	Cumulative Contributions	Cumulative Distributions	Valuation	Total Value	DPI	TVPI	SI IRR
Investing	\$939,556,035	\$169,243,790	0.82	\$770,312,245	\$303,951,311	\$858,722,684	\$1,162,673,995	0.39	1.50	10.09
Harvesting	\$50,000,000	\$4,358,114	0.91	\$45,641,886	\$44,610,625	\$28,052,944	\$72,663,569	0.98	1.59	10.27
Completed	\$371,679,858	\$180,000	1.00	\$371,499,858	\$241,365,393	\$0	\$241,365,393	0.65	0.65	-5.76
Total	\$1,361,235,893	\$173,781,904	0.88	\$1,187,453,989	\$589,927,330	\$886,775,628	\$1,476,702,957	0.50	1.24	3.50



Alameda County Employees' Retirement Association

ANALYSIS BY VINTAGE YEAR

December 31, 2025



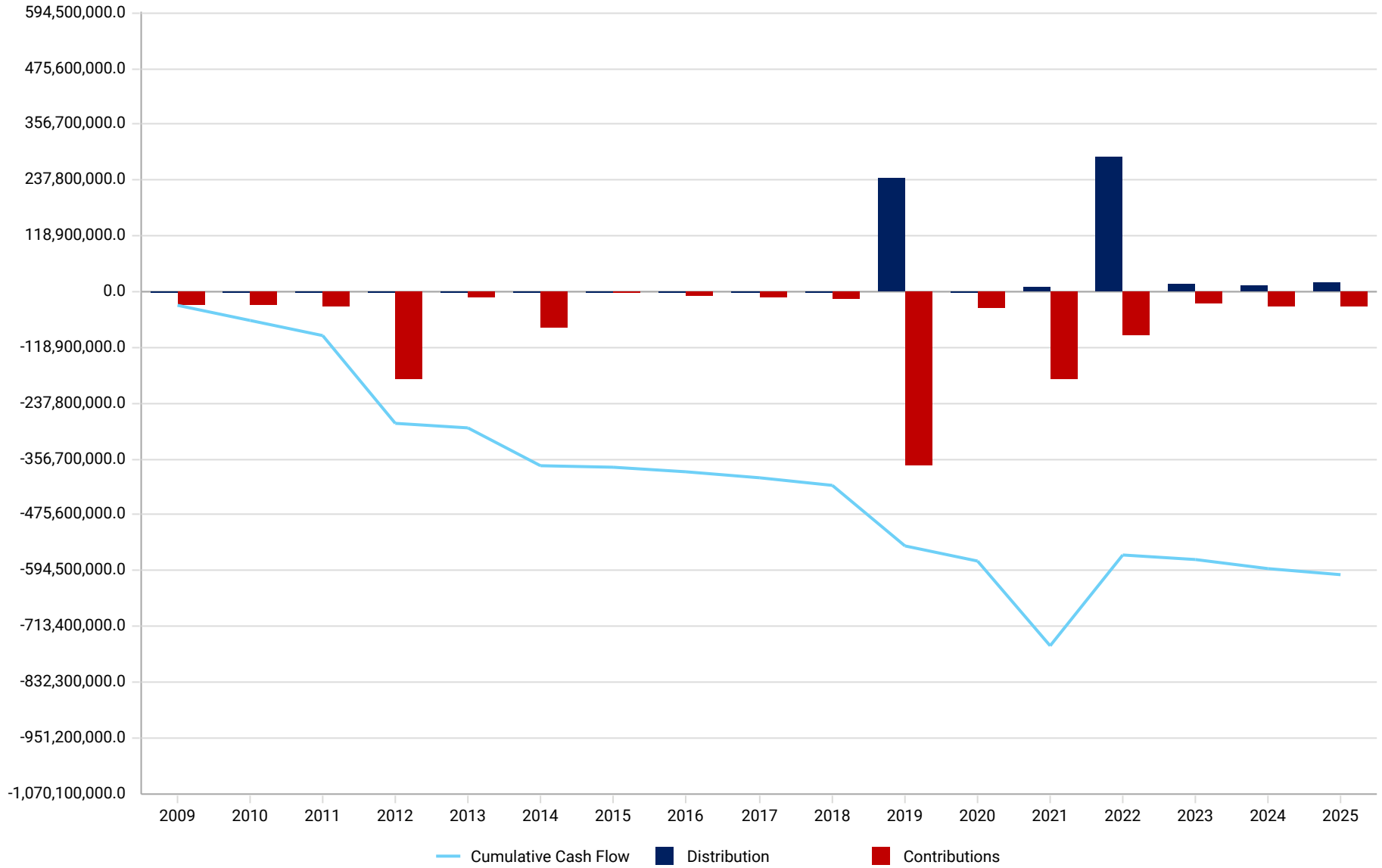
ANALYSIS BY VINTAGE YEAR

Vintage Year	Commitments		Contributions & Distributions			Valuations		Performance		
	Commitment	Unfunded Commitment	Call Ratio	Cumulative Contributions	Cumulative Distributions	Valuation	Total Value	DPI	TVPI	SI IRR
2009	\$62,900,000	\$0	1.00	\$62,900,000	\$49,470,817	\$0	\$49,470,817	0.79	0.79	-2.48
2010	\$24,000,000	\$180,000	1.04	\$23,820,000	\$1,680,000	\$0	\$1,680,000	0.07	0.07	-98.75
2011	\$60,800,000	\$0	1.00	\$60,800,000	\$36,849,540	\$0	\$36,849,540	0.61	0.61	-7.21
2012	\$223,979,858	\$0	1.00	\$223,979,858	\$153,365,036	\$0	\$153,365,036	0.68	0.68	-5.23
2013	\$15,000,000	\$600,000	0.95	\$14,400,000	\$14,927,687	\$3,429,020	\$18,356,707	1.05	1.29	4.72
2016	\$35,000,000	\$220,806	1.05	\$34,779,194	\$12,679,588	\$47,704,038	\$60,383,626	0.35	1.65	9.53
2017	\$75,000,000	\$6,697,718	0.91	\$68,302,282	\$43,710,773	\$73,609,413	\$117,320,186	0.64	1.72	12.30
2018	\$40,000,000	\$7,814,763	0.81	\$32,185,237	\$2,651,997	\$48,842,298	\$51,494,295	0.08	1.60	9.00
2019	\$494,556,035	\$0	1.00	\$494,556,035	\$258,000,000	\$506,787,720	\$764,787,720	0.52	1.55	10.10
2020	\$100,000,000	\$21,006,001	0.79	\$78,993,999	\$14,025,601	\$95,221,891	\$109,247,492	0.18	1.38	9.75
2021	\$25,000,000	\$3,215,717	0.87	\$21,784,283	\$0	\$22,238,053	\$22,238,053	0.00	1.02	0.79
2022	\$30,000,000	\$7,617,325	0.76	\$22,382,675	\$0	\$30,496,894	\$30,496,894	0.00	1.34	10.64
2023	\$30,000,000	\$16,016,544	0.47	\$13,983,456	\$3,994	\$21,120,982	\$21,124,976	0.00	1.50	50.35
2024	\$30,000,000	\$7,083,025	0.79	\$22,916,975	\$2,305,239	\$25,416,712	\$27,721,951	0.10	1.18	16.32
2025	\$115,000,000	\$103,330,005	0.10	\$11,669,995	\$257,058	\$11,908,607	\$12,165,665	0.02	1.04	6.37
Total	\$1,361,235,893	\$173,781,904	0.88	\$1,187,453,989	\$589,927,330	\$886,775,628	\$1,476,702,957	0.50	1.24	3.50



CASH FLOW ANALYSIS

Private Markets Cash Flow Analysis



GLOSSARY OF TERMS

- **Commitment Amount** – The amount an investor has committed to invest with the General Partner
- **Paid In Capital** – The amount an investor has contributed for investments and management fees
- **Capital to be Funded** – The remaining amount an investor contractually has left to fund its commitments
- **Additional Fees** – Fees that are outside the capital commitment, also includes interest paid/received due from subsequent closings of the fund
- **Cumulative Distributions** – The amount an investor has received from realized and partially realized investments
- **Valuation** – Sum of the fair market value of all investments plus cash
- **Call Ratio** – Calculated by dividing Amount Funded by Capital Committed
- **DPI Ratio** - Calculated by dividing Amount Distributed by Amount Funded
- **Market Exposure** – Calculated by adding Reported Value plus Unfunded Commitments
- **Total Value** – Calculated by adding Amount Distributed and Reported Value. Represents the total amount an investor should expect to receive from their investments
- **Net Benefit** – Calculated by subtracting Total Value by Capital to be Funded plus Additional Fees
- **Total Value to Paid In Capital Ratio** – Calculated by dividing Total Value by Amount Funded. Represents the multiple of the overall cash invested that an investor is expected to receive
- **IRR** - The calculation of the IRR (Internal Rate of Return) takes into consideration the timing of cash contributions and distributions to and from the partnerships, the length of time the investments have been held and the sum of the Reported Value
- **Index Comparison Method (ICM)** – represents the hypothetical IRR of a private investment program that is computed by assuming the fund flows were invested in and out of a publicly traded index. The resulting hypothetical market value of the program is then used with the program’s actual cash flows to compute a hypothetical IRR. This hypothetical IRR can be compared with the actual IRR to determine whether the private investment program outperformed the publicly traded index
- **Valuation ICM** – The valuation equivalent that ICM calculates for the public market is called valuation ICM
- **KS PME** – The Kaplan Schoar Public Markets Equivalent is a ratio of the future value of all distributions divided by the future value of all contributions using the index return as the discount rate. The ending valuation is treated as a distribution in this method
- **IRR ICM** – The IRR equivalent that ICM calculates for the public market is called IRR ICM



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ABSOLUTE RETURN PORTFOLIO ANALYSIS

ALAMEDA COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

DECEMBER 31, 2025



PERFORMANCE SUMMARY

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Absolute Return (Net)	968,671,577		2.88	7.98	8.61	9.34	6.77	5.34	4.97	Oct-11
<i>Absolute Return Blend</i>			2.34	8.89	8.03	4.86	6.20	4.94	4.72	
<i>HFRI Fund of Funds Composite Index</i>			3.15	10.48	8.55	5.16	6.42	4.86	4.54	

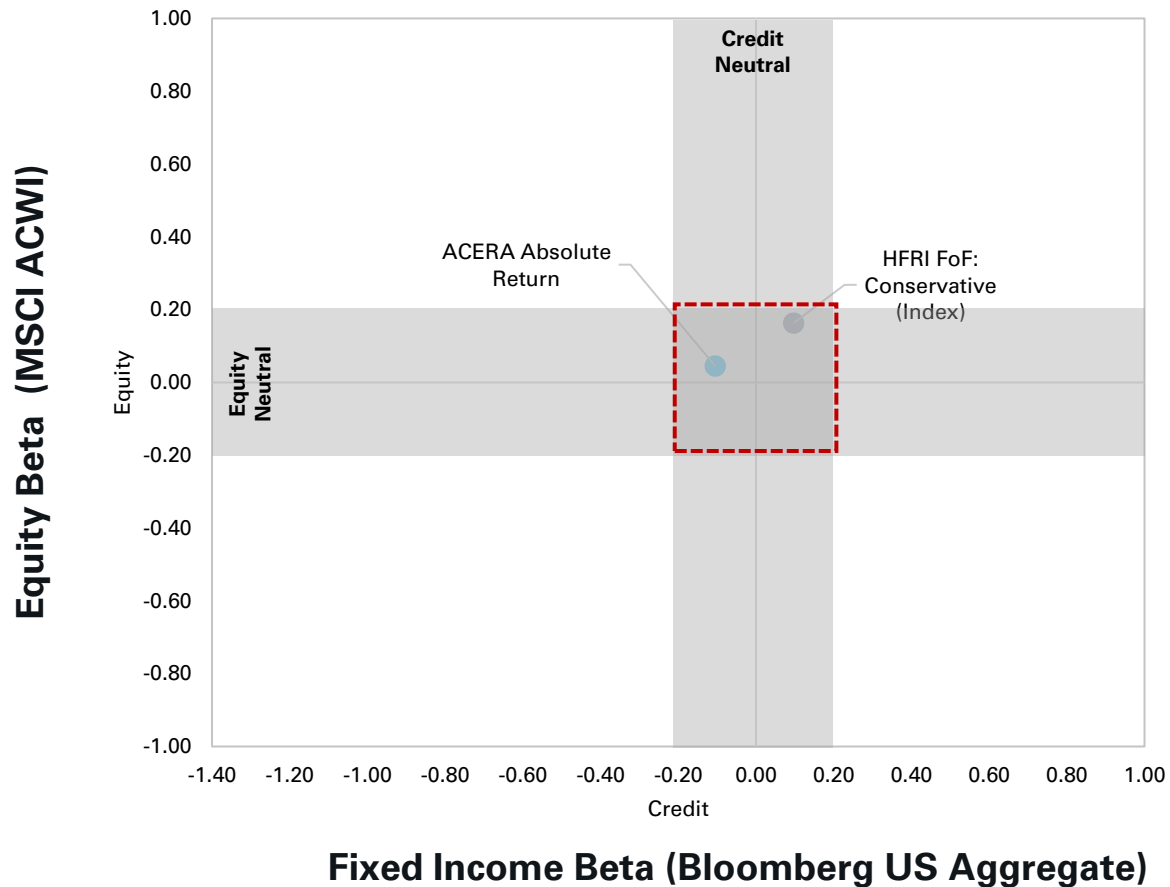
As of December 31, 2025. Performance is based on the time-weighted rate of return methodology.

Absolute Return Blend Index is comprised of HFRI Fund of Funds Conservative Index effective 9/1/2025. From 10/1/2017 to 8/31/2025, it was comprised of HFRI Fund of Funds Composite Index. From inception to 9/30/2017, it was comprised of Libor 1M + 400 bps.



MARKET BETA

EQUITY & FIXED INCOME MARKET BETA



Light Blue: Portfolio

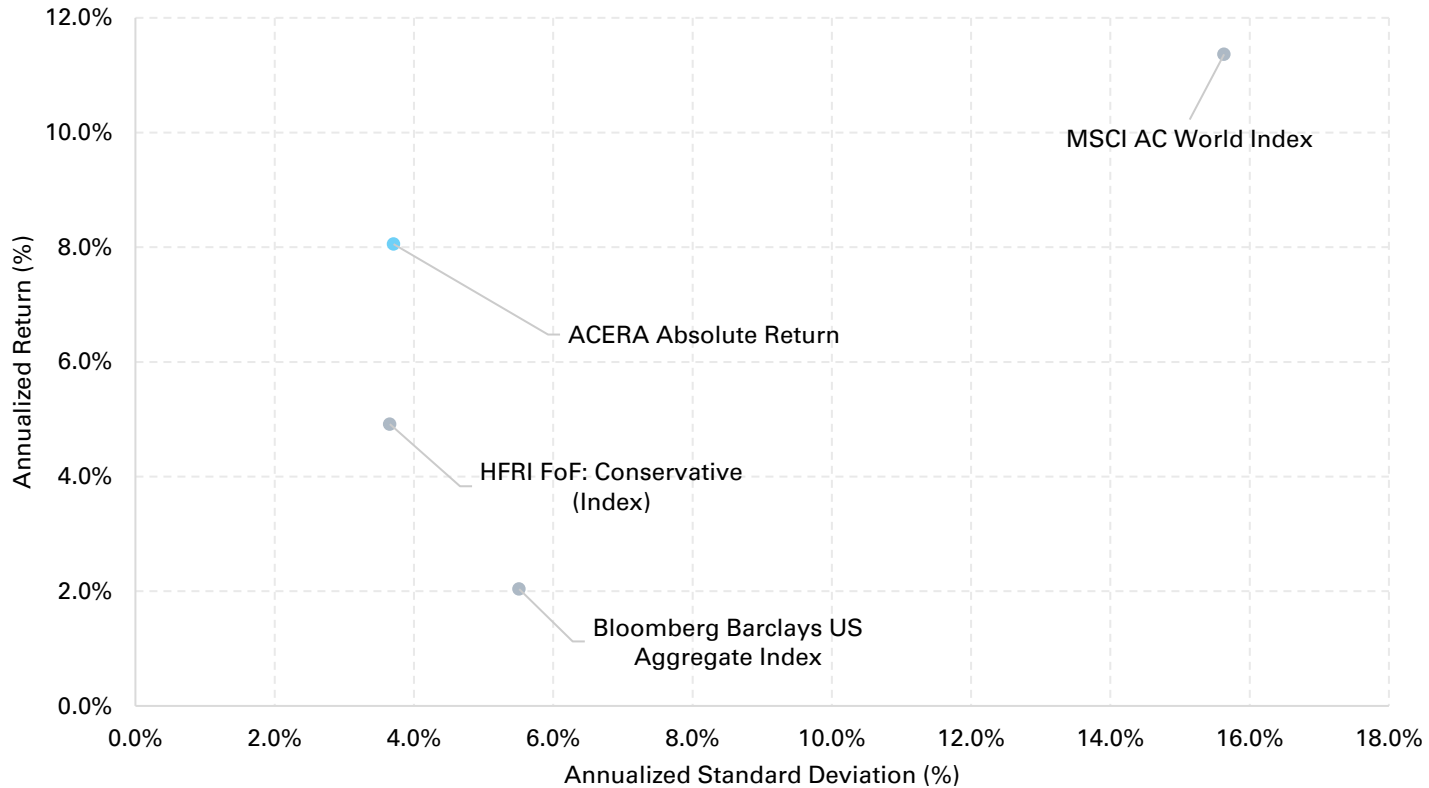
Grey: Index

Performance timeframe: 2/28/2018 to 12/31/2025 across underlying managers/indices, except for Riverview Strategic Alpha, which has a shorter track record beginning 7/31/2022. All performance figures are net of fees. The "ACERA Absolute Return" portfolio is a hypothetical return stream based on the composite's underlying managers, excluding Dyal II, and their static weights as of 12/31/2025. Grey areas represent where equity and credit correlations are effectively neutral (between ± 0.2). The red box highlights the overlap of these neutral zones, indicating a 'market neutral' area where both correlations fall within ± 0.2 .



RISK/RETURN

ABSOLUTE RETURN/STANDARD DEVIATION



Light Blue: Portfolio; **Grey:** Index

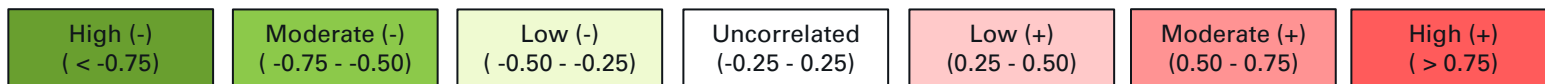
Performance timeframe: 2/28/2018 to 12/31/2025 across underlying managers/indices, except for Riverview Strategic Alpha, which has a shorter track record beginning 7/31/2022. All performance figures are net of fees. The "ACERA Absolute Return" portfolio is a hypothetical return stream based on the composite's underlying managers, excluding Dyal II, and their static weights as of 12/31/2025.



CORRELATIONS

TOTAL RETURN CORRELATIONS

Total Return	ACERA Absolute Return Composite	MSCI AC World Index	Bloomberg Barclays US Aggregate Index	HFRI FoF: Conservative (Index)
ACERA Absolute Return Composite	1.00			
MSCI AC World Index	-0.36	1.00		
Bloomberg Barclays US Aggregate Index	-0.45	0.74	1.00	
HFRI FoF: Conservative (Index)	0.20	0.57	0.37	1.00



Performance period: 7/31/2022–12/31/2025. All performance figures are net of fees and sourced from eVestment or directly from the manager. The “ACERA Absolute Return Composite” is a hypothetical return stream based on the specific managers and their static target weights shown on the summary slide. It is not an actual portfolio and does not reflect realized performance.



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