QUARTERLY PERFORMANCE REPORT

EMPLOYEES RETIREMENT SYSTEM OF TEXAS

December 31, 2019

Sam Austin, Partner

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BOSTON | ATLANTA | CHARLOTTE | CHICAGO | DETROIT | LAS VEGAS | PORTLAND | SAN FRANCISCO

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EXECUTIVE SUMMARY

NEPC, LLC

ERS TRUST DASHBOARD

	CYTD	FYTD
Fund Performance	14.4%	4.8%
Policy Benchmark	16.6%	5.3%
Excess Return	-2.2%	-0.5%
3 Yr Tracking Error	1.67%	
5 Yr Sharpe Ratio	1.10	
5 Yr Sortino Ratio	1.75	

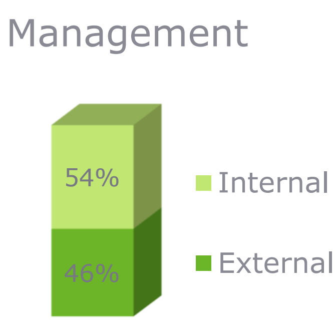
Largest Contributors (Quarter)

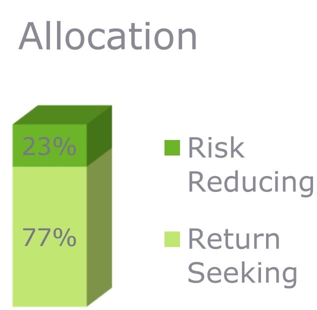
Private Real Estate outperformed and contributed +0.1% versus the policy benchmark

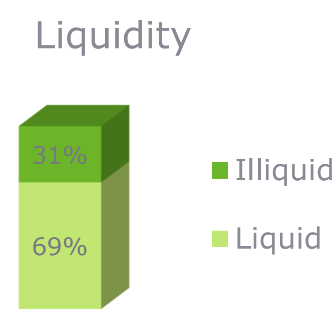
Largest Detractors (Quarter)

Private Equity underperformed and detracted -0.3% versus the policy benchmark

Profile
Market Value at 9/30/2019:
$29.4 Billion
Actuarial Accrued Liability 8/31/19:
$39.8 Billion
Actuarial Assumed Rate of Return:
7.50%
Retirees and Beneficiaries 8/31/2019:
115,155
Retirement Payments Year Ended 8/31/2019:
$2.62 Billion
ERS Trust Funding Ratio 8/31/2019
70.5%







TOTAL FUND PERFORMANCE DETAIL (NET OF FEES)

	Market Value	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Total Fund	**$29,406,588,242**	**3.9%**	**4.8%**	**14.4%**	**9.3%**	**7.1%**	**7.9%**
Total Fund Policy Index		*4.3%*	*5.3%*	*16.6%*	*8.8%*	*6.9%*	*7.7%*
Long Term Public Index		*6.9%*	*8.5%*	*22.2%*	*10.3%*	*7.2%*	*7.9%*

- **One-year ended December 31, 2019, the Fund underperformed the policy benchmark by 2.2%.**
- **The Fund's assets increased from $26.87 billion to $29.41 billion in the past calendar year which includes a $866.94 million investment gain in the fourth calendar quarter of 2019.**
- **Three–year period ended December 31, 2019, the return of 9.3% outperformed the benchmark by 0.5%. On a risk-adjusted basis, the Sharpe and Sortino Ratios over this period indicate active management benefited the Plan.**
- **Five-year period ended December 31, 2019, the Fund returned 7.1% and outperformed the policy benchmark by 0.2%. On a risk-adjusted basis, the Fund's Sharpe Ratio and Sortino Ratio indicate strong returns per unit of risk taken and strong returns per unit of downside risk experienced relative to the policy benchmark.**

3 Years Ending December 31, 2019	Anlzd Ret	Anlzd Std Dev	Sharpe Ratio	Sortino Ratio RF
Total Fund	9.31%	5.13%	1.49	1.55
Total Fund Policy Index	8.76%	6.45%	1.10	1.23

5 Years Ending December 31, 2019	Anlzd Ret	Anlzd Std Dev	Sharpe Ratio	Sortino Ratio RF
Total Fund	7.13%	5.54%	1.10	1.46
Total Fund Policy Index	6.91%	6.75%	0.87	1.20

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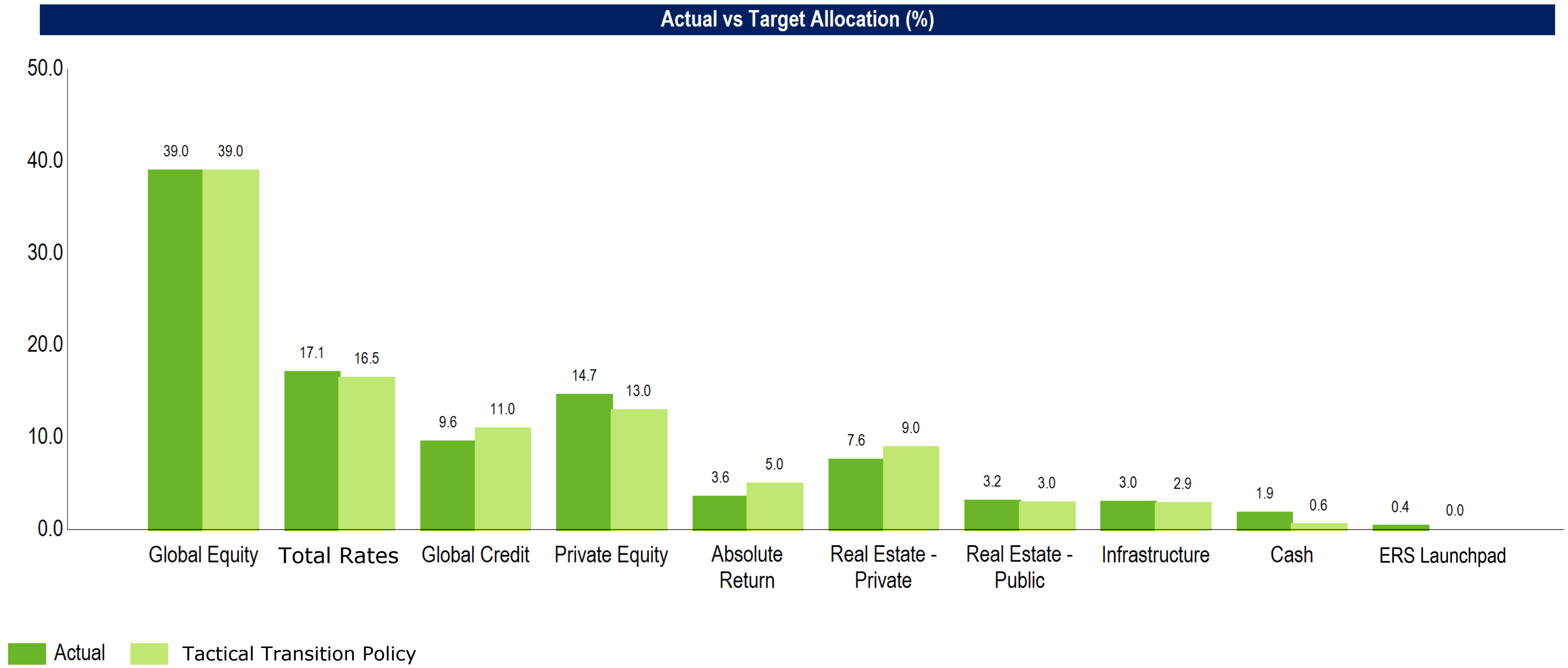
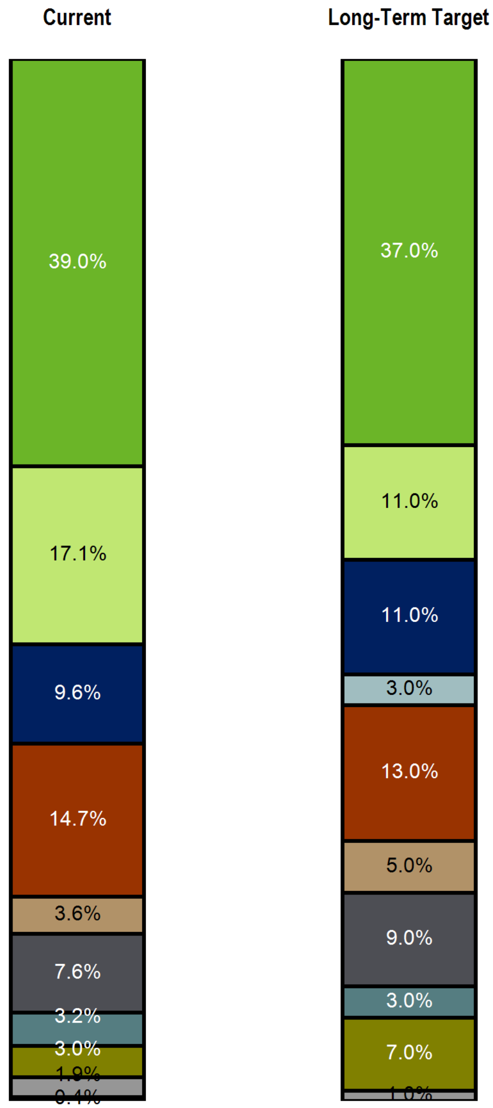
TOTAL FUND ASSET GROWTH SUMMARY



	Last Three Months	Fiscal Year-To-Date	One Year	Three Years	Five Years
Beginning Market Value	$28,644,607,856	$28,518,729,026	$26,873,073,745	$25,538,214,636	$25,564,100,974
Contributions	$3,233,941,899	$6,848,333,358	$13,208,021,745	$30,839,349,448	$46,046,491,784
Withdrawals	-$3,338,902,855	-$6,990,505,511	-$13,697,661,294	-$33,612,020,275	-$50,831,497,221
Net Cash Flow	-$104,960,955	-$142,172,154	-$442,905,248	-$2,725,936,526	-$4,738,271,136
Net Investment Change	$866,941,341	$1,030,031,369	$2,976,419,744	$6,594,310,132	$8,580,758,404
Ending Market Value	$29,406,588,242	$29,406,588,242	$29,406,588,242	$29,406,588,242	$29,406,588,242

FUND ASSET ALLOCATION VS. POLICY TARGETS



Asset Allocation vs. Target

	Current	Current	Long-Term Target	Policy Range
Global Equity	$11,469,049,144	39.0%	37.0%	27.0% - 47.0%
Rates	$5,031,067,041	17.1%	11.0%	12.0% - 22.0%
Global Credit	$2,813,789,696	9.6%	11.0%	1.0% - 21.0%
Opportunistic Credit	--	--	3.0%	0.0% - 8.0%
Private Equity	$4,312,337,922	14.7%	13.0%	8.0% - 18.0%
Absolute Return	$1,049,552,734	3.6%	5.0%	0.0% - 10.0%
Real Estate - Private	$2,232,727,329	7.6%	9.0%	4.0% - 14.0%
Real Estate - Public	$937,570,770	3.2%	3.0%	0.0% - 13.0%
Infrastructure	$886,270,254	3.0%	7.0%	2.0% - 12.0%
Cash	$552,722,422	1.9%	1.0%	0.0% - 1.0%
ERS Launchpad	$121,500,931	0.4%	--	--
Total	**$29,406,588,242**	**100.0%**	**100.0%**	

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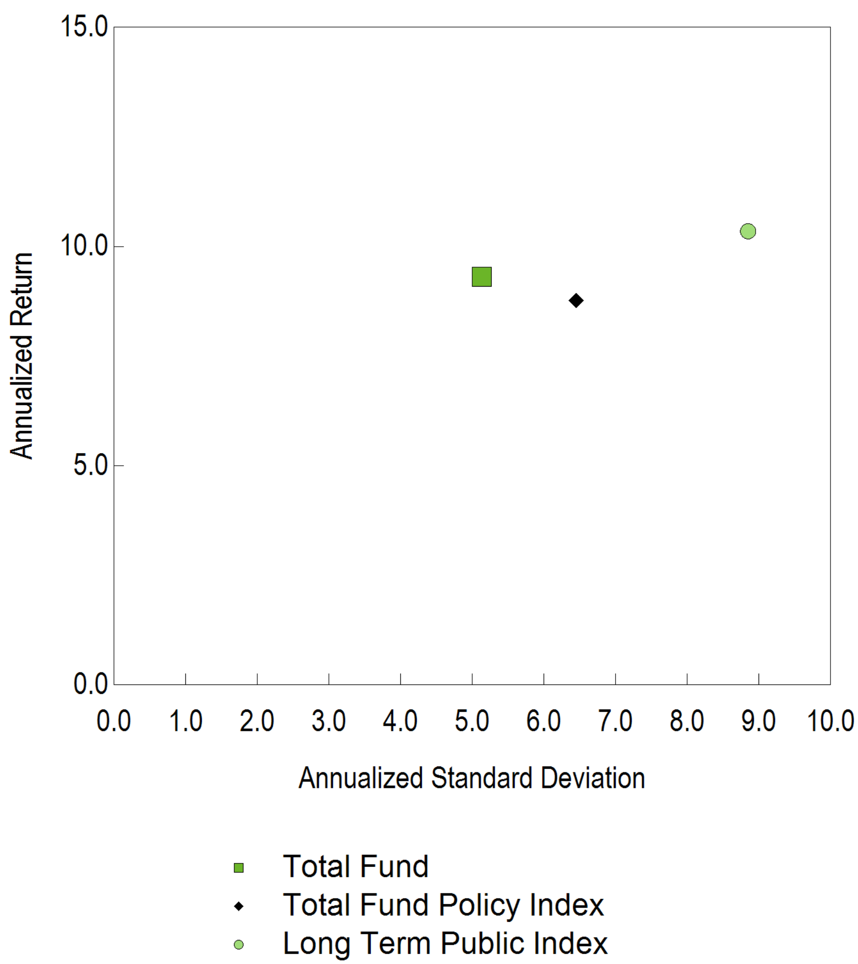
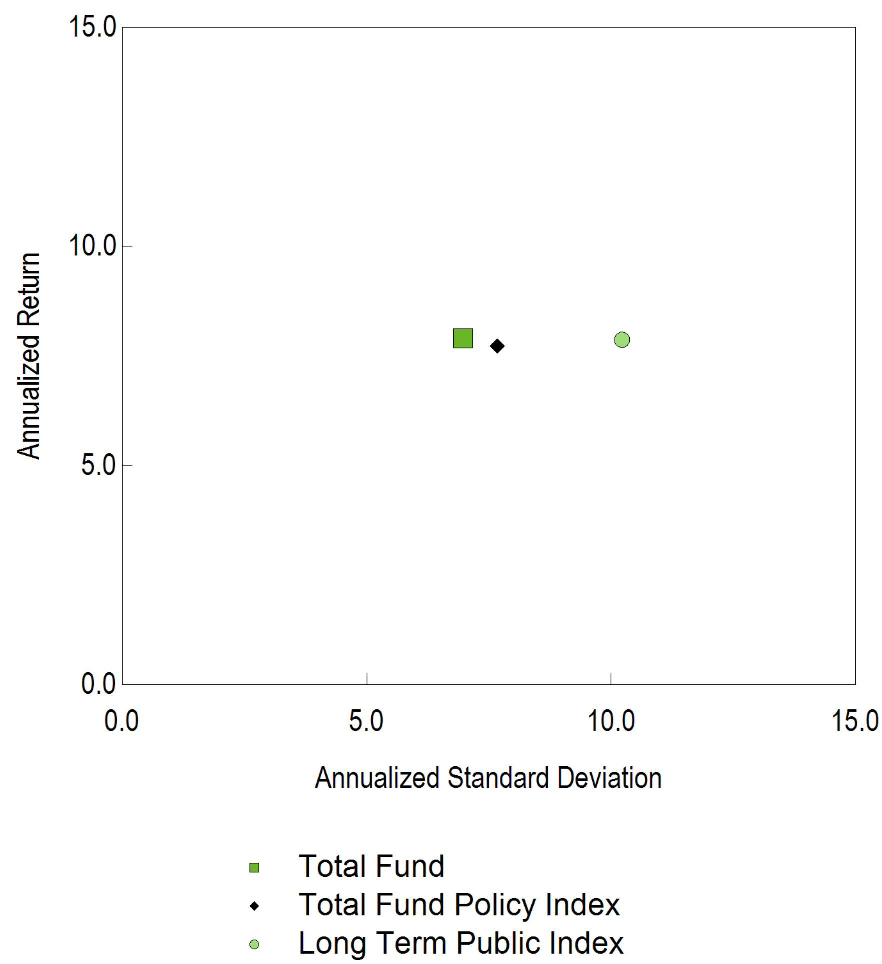
TOTAL FUND RISK/ RETURN

3 Years Ending December 31, 2019



10 Years Ending December 31, 2019



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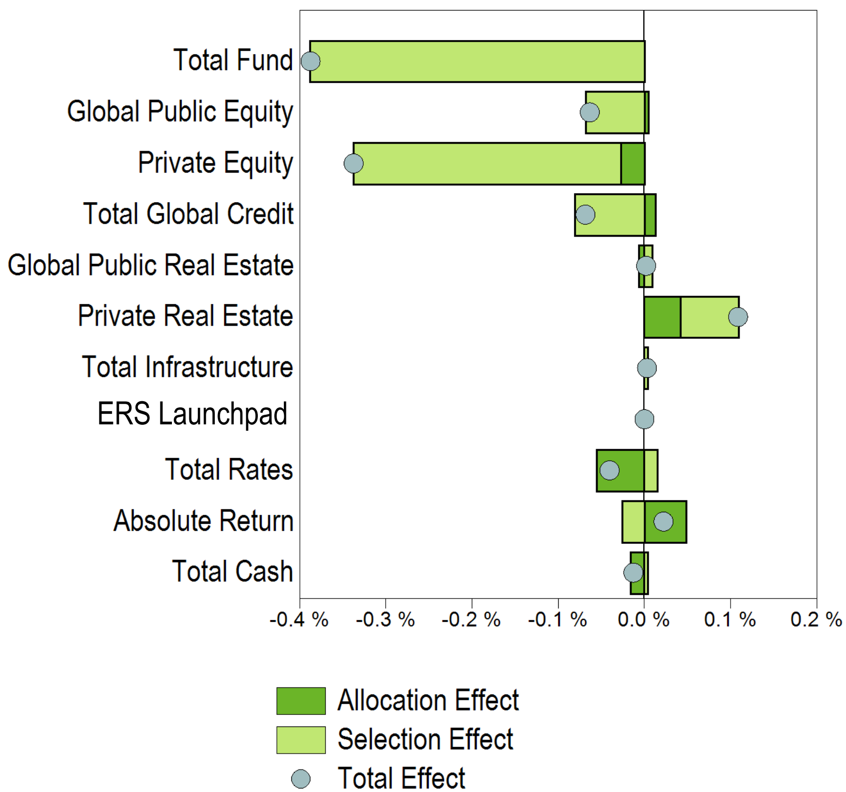
TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Effects
3 Months Ending December 31, 2019

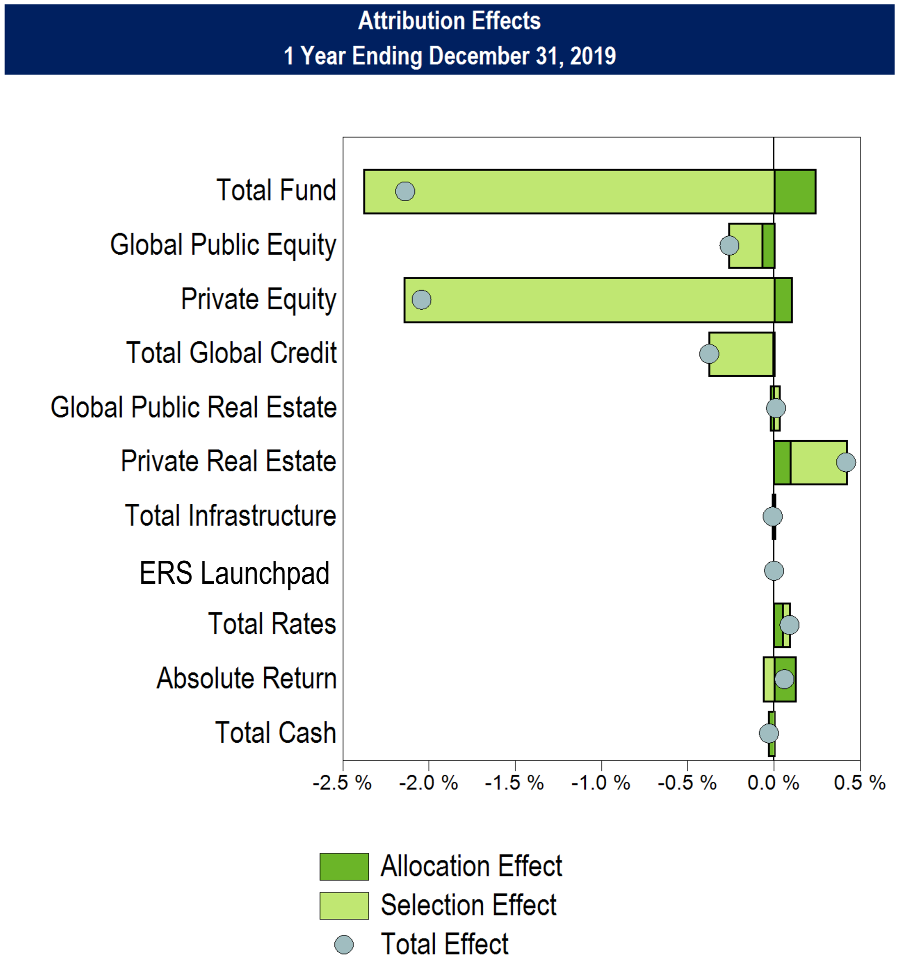


Attribution Summary
3 Months Ending December 31, 2019

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Global Public Equity	9.0%	9.1%	-0.2%	-0.1%	0.0%	-0.1%
Private Equity	0.2%	2.3%	-2.1%	-0.3%	0.0%	-0.3%
Total Global Credit	1.8%	2.6%	-0.8%	-0.1%	0.0%	-0.1%
Global Public Real Estate	2.2%	1.9%	0.3%	0.0%	0.0%	0.0%
Private Real Estate	1.9%	1.1%	0.8%	0.1%	0.0%	0.1%
Total Infrastructure	1.3%	1.2%	0.1%	0.0%	0.0%	0.0%
ERS Launchpad	--	--	--	--	--	--
Total Rates	0.1%	0.0%	0.1%	0.0%	-0.1%	0.0%
Absolute Return	0.6%	1.4%	-0.7%	0.0%	0.0%	0.0%
Total Cash	0.6%	0.4%	0.2%	0.0%	0.0%	0.0%
Total	**3.9%**	**4.3%**	**-0.4%**	**-0.4%**	**0.0%**	**-0.4%**

* Total Fund Attribution Analysis uses policy weights.

TOTAL FUND ATTRIBUTION ANALYSIS



Attribution Summary
1 Year Ending December 31, 2019

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Global Public Equity	26.2%	26.8%	-0.6%	-0.2%	-0.1%	-0.3%
Private Equity	3.4%	16.5%	-13.1%	-2.1%	0.1%	-2.0%
Total Global Credit	11.0%	14.3%	-3.3%	-0.4%	0.0%	-0.4%
Global Public Real Estate	23.8%	22.7%	1.1%	0.0%	0.0%	0.0%
Private Real Estate	8.6%	4.6%	3.9%	0.3%	0.1%	0.4%
Total Infrastructure	10.1%	10.4%	-0.2%	0.0%	0.0%	0.0%
ERS Launchpad	--	--	--	--	--	--
Total Rates	5.4%	5.2%	0.2%	0.0%	0.1%	0.1%
Absolute Return	4.6%	6.2%	-1.7%	-0.1%	0.1%	0.1%
Total Cash	2.4%	2.1%	0.3%	0.0%	0.0%	0.0%
Total	**14.4%**	**16.6%**	**-2.2%**	**-2.4%**	**0.2%**	**-2.1%**

* Total Fund Attribution Analysis uses policy weights.

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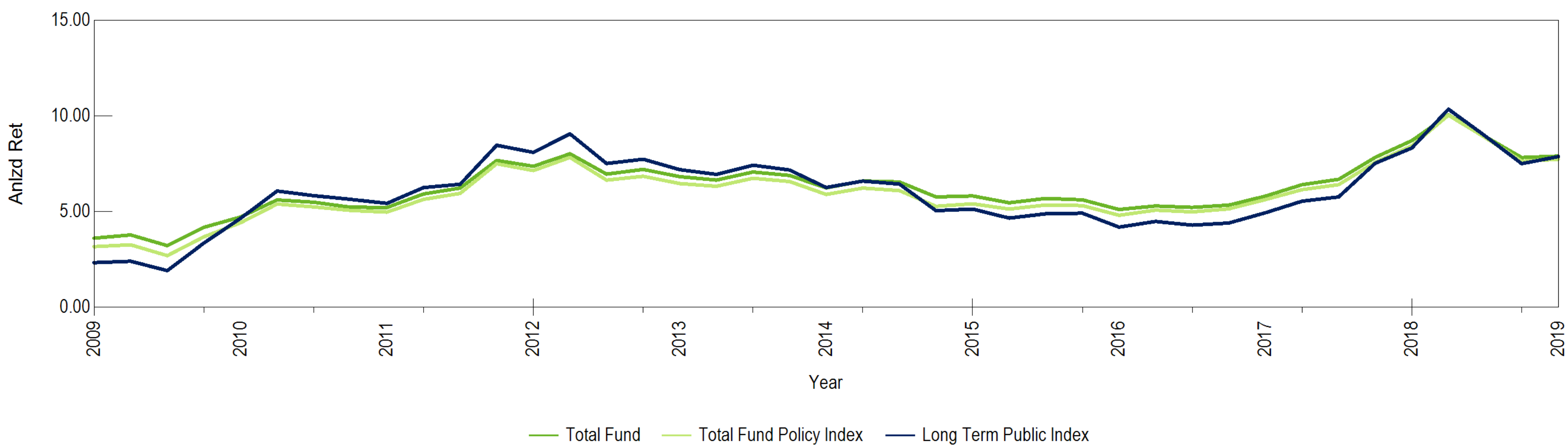
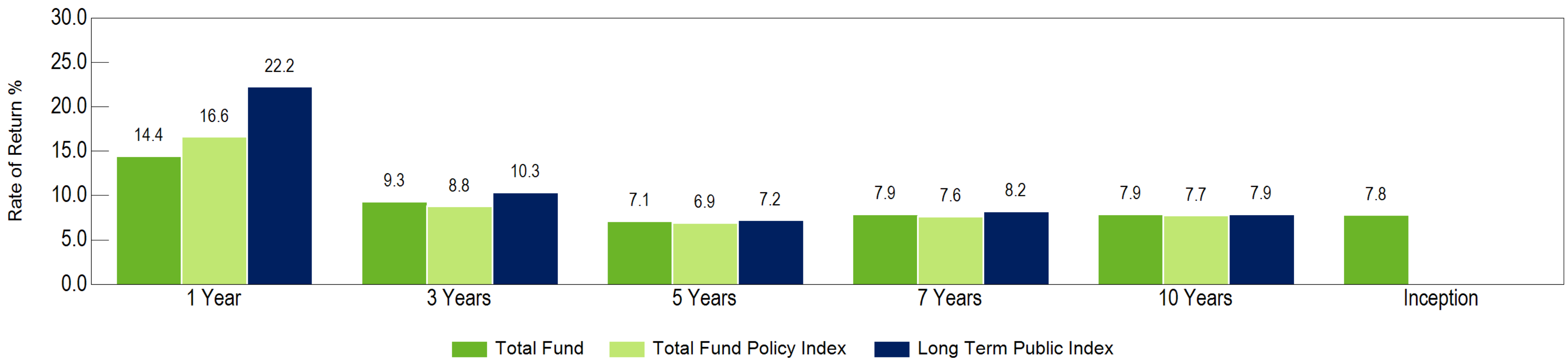
LONG TERM INVESTMENT RESULTS

Rolling 10 Year Annualized Return (%)



Return Summary
Ending December 31, 2019



Note: Long Term Public Index is comprised of 79% MSCI ACWI IMI and 21% Barclays Intermediate Treasury Index. Index definitions can be found in the appendix.

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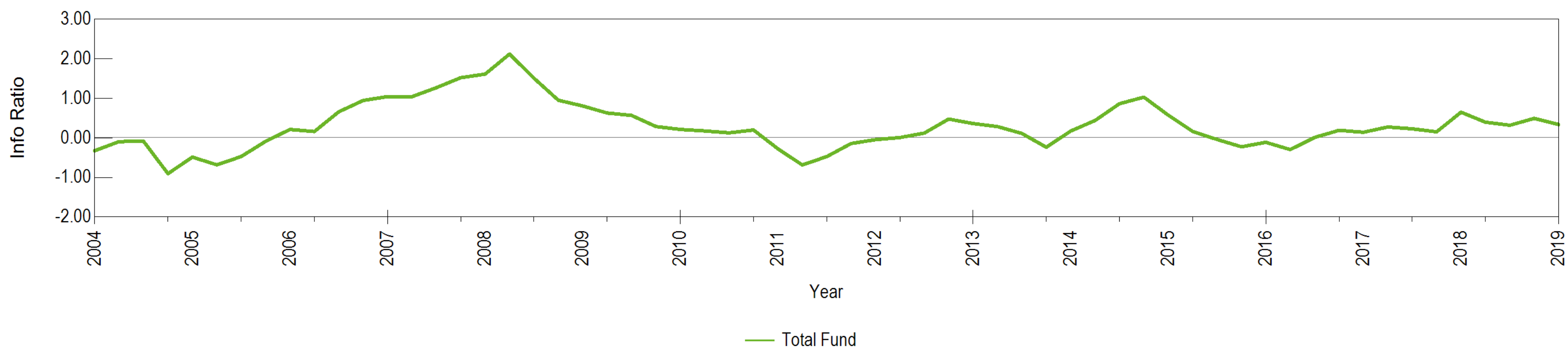
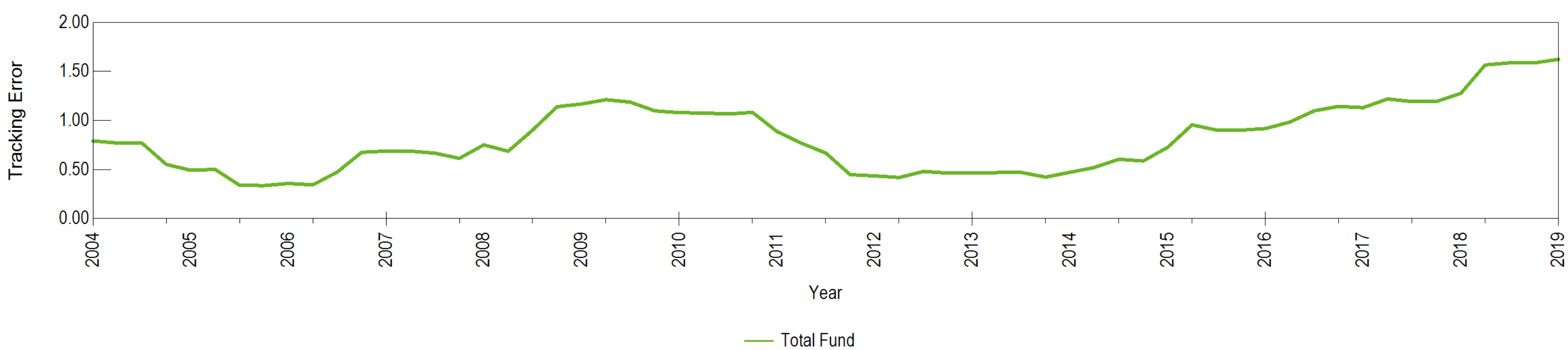
ROLLING INFORMATION RATIO AND TRACKING ERROR

Rolling 3 Year Information Ratio



Rolling 3 Year Tracking Error



SUMMARY PERFORMANCE COMMENTARY

- **Over the past 10 years, Total Fund returns outperformed the policy benchmark by 0.2% outperforming the Fund's actuarial rate of return.**

- **In the one-year ended December 31,2019 the Fund underperformed (2.2%) against the policy benchmark.**
  - Private Equity detracted -2.0% and Public Equity detracted -0.4% from Fund returns vs. the policy benchmark
  - Private Real Estate contributed +0.4% to Fund returns vs. the policy benchmark

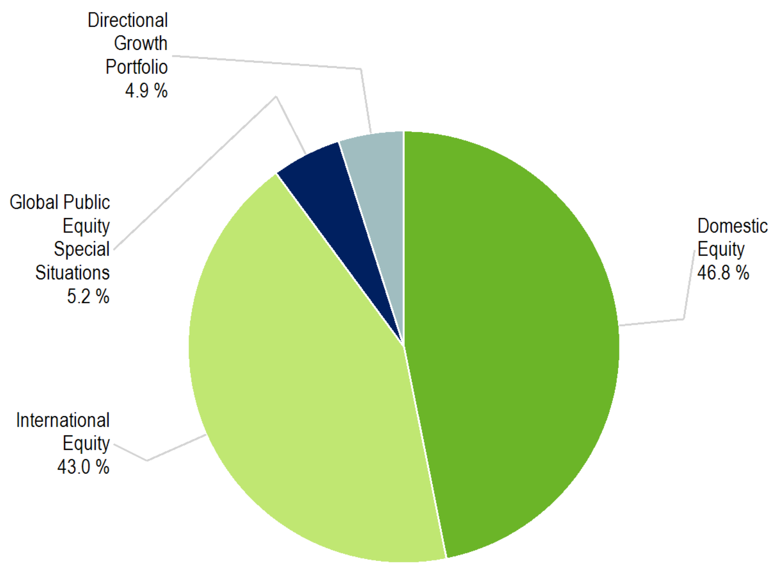
- **In the past one-year portfolio positioning at the asset class level has had a positive impact (+0.2%) on Total Fund returns vs. policy benchmark.**
  - An under-weight position to Global Public Equity contributed negatively (-0.1%) to total fund returns vs. the policy benchmark.
  - An under-weight position to Absolute Return, Rates and Private Real Estate contributed positively (+0.3%) to total fund returns versus the policy benchmark.

APPENDIX

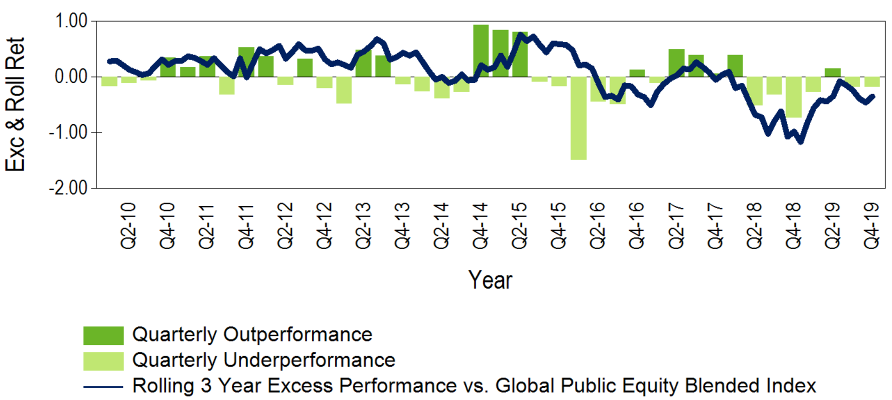
GLOBAL PUBLIC EQUITY PERFORMANCE

	Market Value	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Global Public Equity	**$11,469,049,144**	**9.0%**	**10.7%**	**26.2%**	**12.1%**	**8.2%**	**9.4%**
Global Public Equity Blended Index		*9.1%*	*11.5%*	*26.8%*	*12.4%*	*8.6%*	*9.5%*

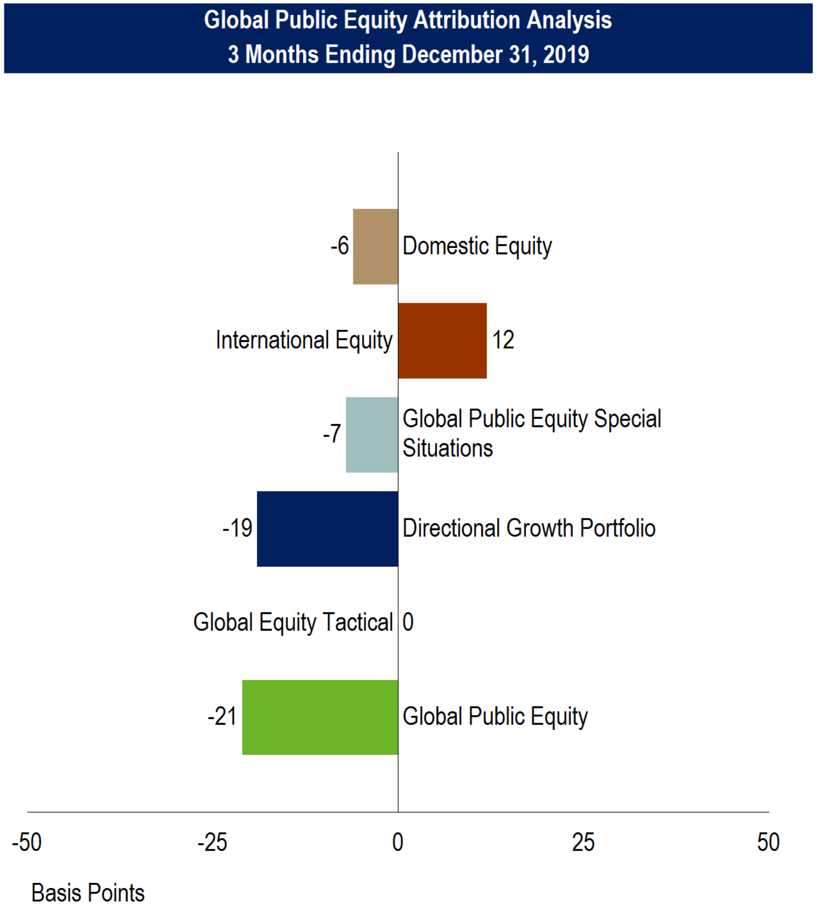
Global Public Equity Asset Allocation



Rolling Annualized Excess Performance



GLOBAL PUBLIC EQUITY ATTRIBUTION ANALYSIS



Attribution Summary
3 Months Ending December 31, 2019

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Domestic Equity	9.0%	9.1%	-0.1%	-0.1%	0.0%	-0.1%
International Equity	9.4%	9.1%	0.3%	0.1%	0.0%	0.1%
Global Public Equity Special Situations	7.8%	9.1%	-1.4%	-0.1%	0.0%	-0.1%
Directional Growth Portfolio	5.4%	9.1%	-3.7%	-0.2%	0.0%	-0.2%
Global Equity Tactical	2.8%	9.1%	-6.3%	0.0%	0.0%	0.0%
Total	**8.9%**	**9.1%**	**-0.2%**	**-0.2%**	**0.0%**	**-0.2%**

* Attribution Analysis by Asset Class uses actual weights.

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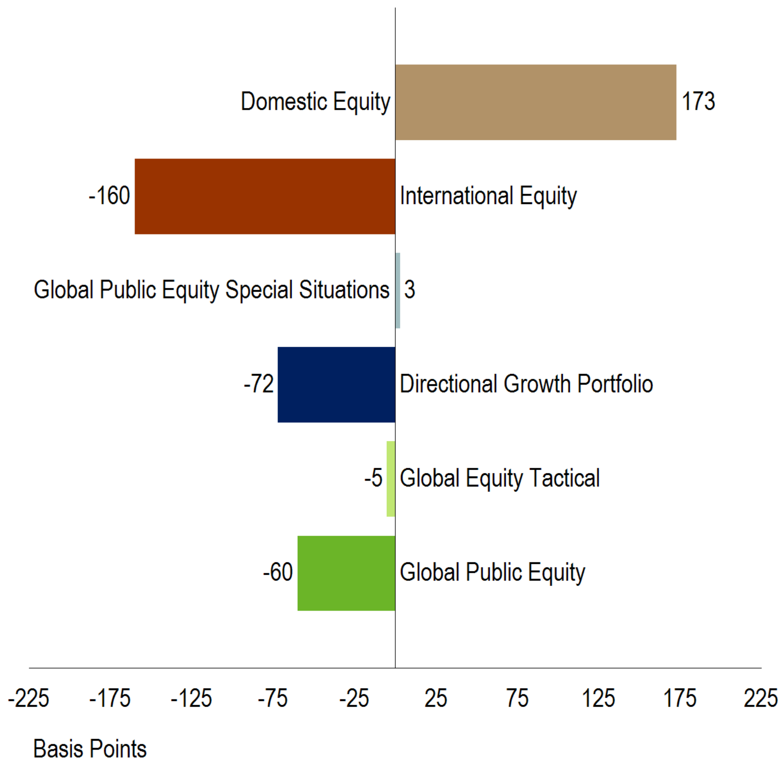
GLOBAL PUBLIC EQUITY ATTRIBUTION ANALYSIS

Global Public Equity Attribution Analysis
1 Year Ending December 31, 2019



Attribution Summary
1 Year Ending December 31, 2019

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Domestic Equity	30.4%	26.8%	3.7%	1.7%	0.0%	1.7%
International Equity	23.1%	26.8%	-3.7%	-1.6%	0.0%	-1.6%
Global Public Equity Special Situations	26.0%	26.8%	-0.8%	0.0%	0.0%	0.0%
Directional Growth Portfolio	14.5%	26.8%	-12.3%	-0.7%	0.0%	-0.7%
Global Equity Tactical	--	--	--	0.0%	0.0%	0.0%
Total	**26.2%**	**26.8%**	**-0.6%**	**-0.6%**	**0.0%**	**-0.6%**

* Attribution Analysis by Asset Class uses actual weights.

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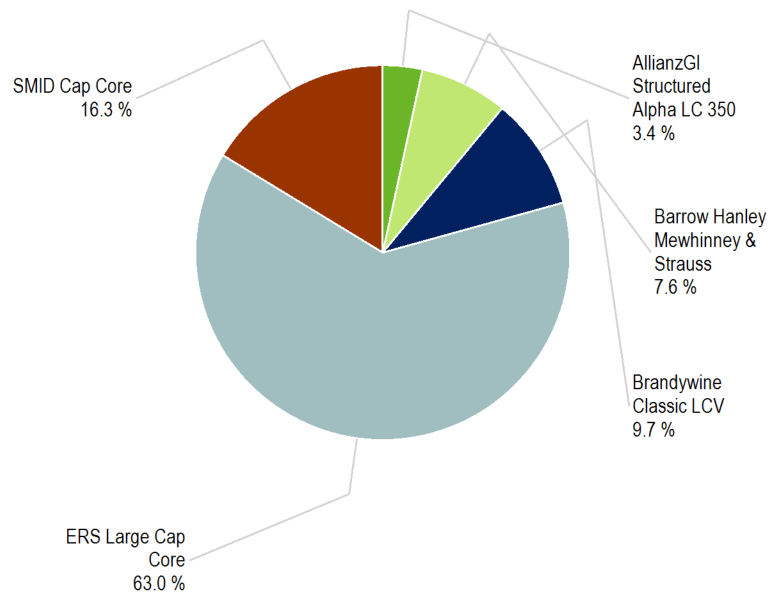
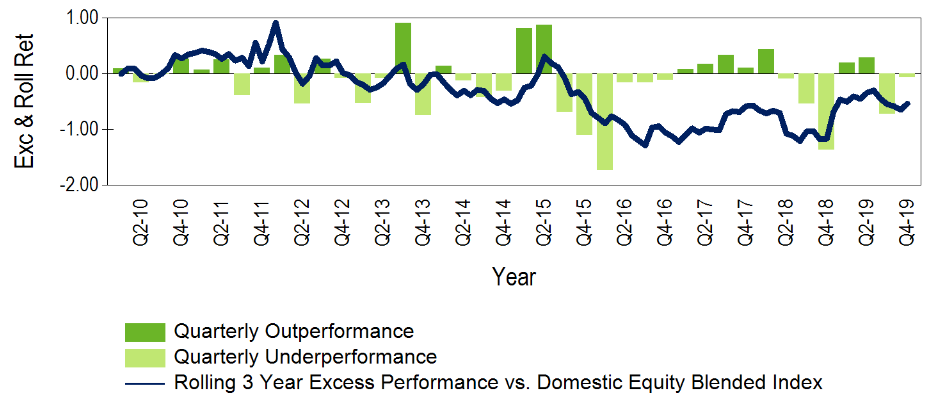
DOMESTIC EQUITY PERFORMANCE

	Market Value	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Domestic Equity	**$5,370,860,420**	**9.0%**	**10.6%**	**30.4%**	**14.1%**	**10.6%**	**13.0%**
Domestic Equity Blended Index		*9.1%*	*11.0%*	*30.8%*	*14.6%*	*11.4%*	*13.5%*

Domestic Equity Asset Allocation

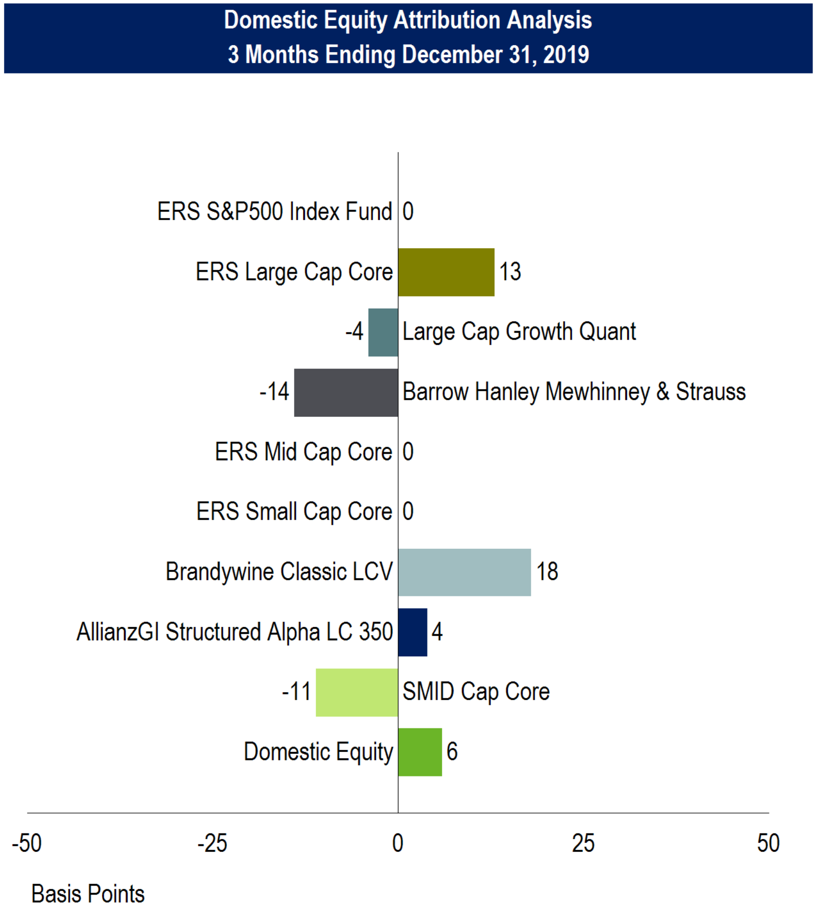


Rolling Annualized Excess Performance



Employees Retirement System of Texas

DOMESTIC EQUITY ATTRIBUTION ANALYSIS



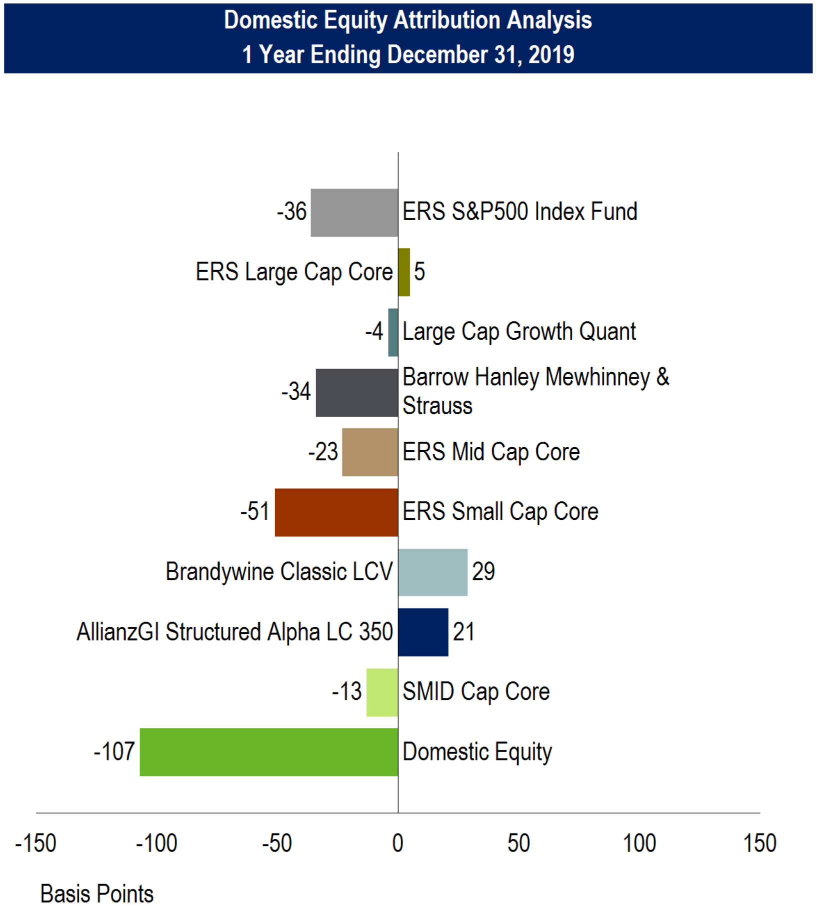
Attribution Summary
3 Months Ending December 31, 2019

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
ERS S&P500 Index Fund	--	--	--	0.0%	0.0%	0.0%
ERS Large Cap Core	9.1%	8.9%	0.2%	0.1%	0.0%	0.1%
Large Cap Growth Quant	5.5%	8.9%	-3.4%	0.0%	0.0%	0.0%
Barrow Hanley Mewhinney & Strauss	7.0%	8.9%	-1.9%	-0.1%	0.0%	-0.1%
ERS Mid Cap Core	--	--	--	0.0%	0.0%	0.0%
ERS Small Cap Core	--	--	--	0.0%	0.0%	0.0%
Brandywine Classic LCV	10.8%	8.9%	1.9%	0.2%	0.0%	0.2%
AllianzGI Structured Alpha LC 350	10.2%	8.9%	1.3%	0.0%	0.0%	0.0%
SMID Cap Core	8.3%	8.9%	-0.6%	-0.1%	0.0%	-0.1%
Total	**9.0%**	**8.9%**	**0.1%**	**0.1%**	**0.0%**	**0.1%**

* Attribution Analysis by Asset Class uses actual weights.

Employees Retirement System of Texas

DOMESTIC EQUITY ATTRIBUTION ANALYSIS



Attribution Summary 1 Year Ending December 31, 2019	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
ERS S&P500 Index Fund	--	--	--	-0.4%	0.0%	-0.4%
ERS Large Cap Core	31.2%	30.9%	0.3%	0.0%	0.0%	0.0%
Large Cap Growth Quant	27.6%	30.9%	-3.4%	0.0%	0.0%	0.0%
Barrow Hanley Mewhinney & Strauss	25.9%	30.9%	-5.0%	-0.3%	0.0%	-0.3%
ERS Mid Cap Core	--	--	--	-0.2%	0.0%	-0.2%
ERS Small Cap Core	--	--	--	-0.5%	0.0%	-0.5%
Brandywine Classic LCV	33.1%	30.9%	2.1%	0.3%	0.0%	0.3%
AllianzGI Structured Alpha LC 350	38.1%	30.9%	7.2%	0.2%	0.0%	0.2%
SMID Cap Core	--	--	--	-0.1%	0.0%	-0.1%
Total	**29.8%**	**30.9%**	**-1.1%**	**-1.1%**	**0.0%**	**-1.1%**

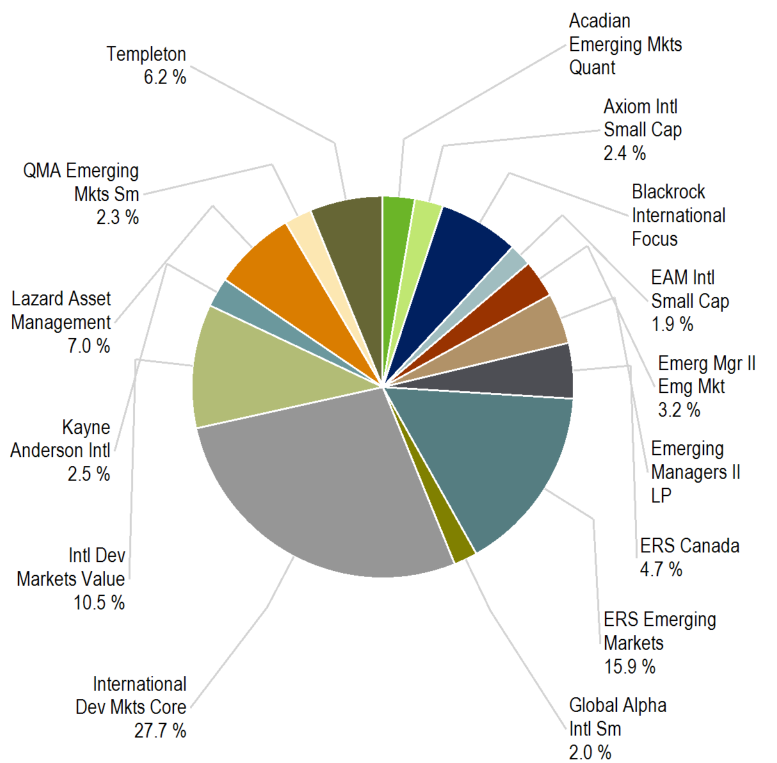
* Attribution Analysis by Asset Class uses actual weights.

Employees Retirement System of Texas

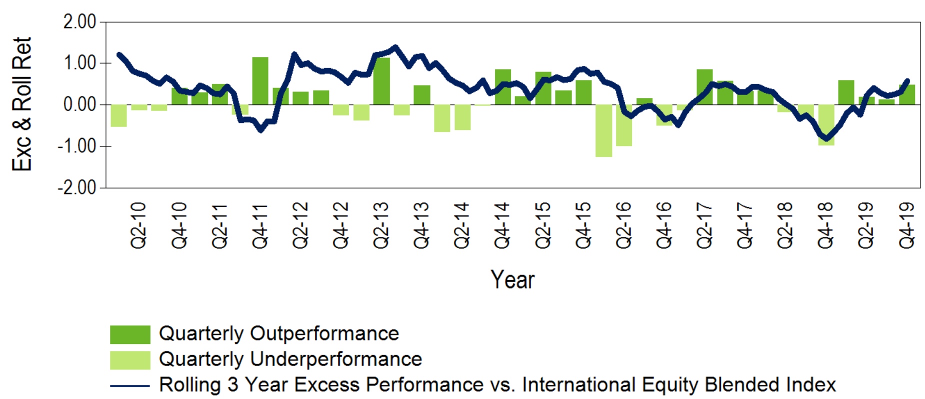
INTERNATIONAL EQUITY PERFORMANCE

	Market Value	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
International Equity	**$4,935,968,829**	**9.4%**	**11.9%**	**23.1%**	**10.4%**	**5.7%**	**5.3%**
International Equity Blended Index		*8.9%*	*11.7%*	*21.5%*	*9.9%*	*5.5%*	*5.0%*

International Equity Asset Allocation



Rolling Annualized Excess Performance



RETURN SEEKING (GLOBAL EQUITY) PRIVATE EQUITY SUMMARY

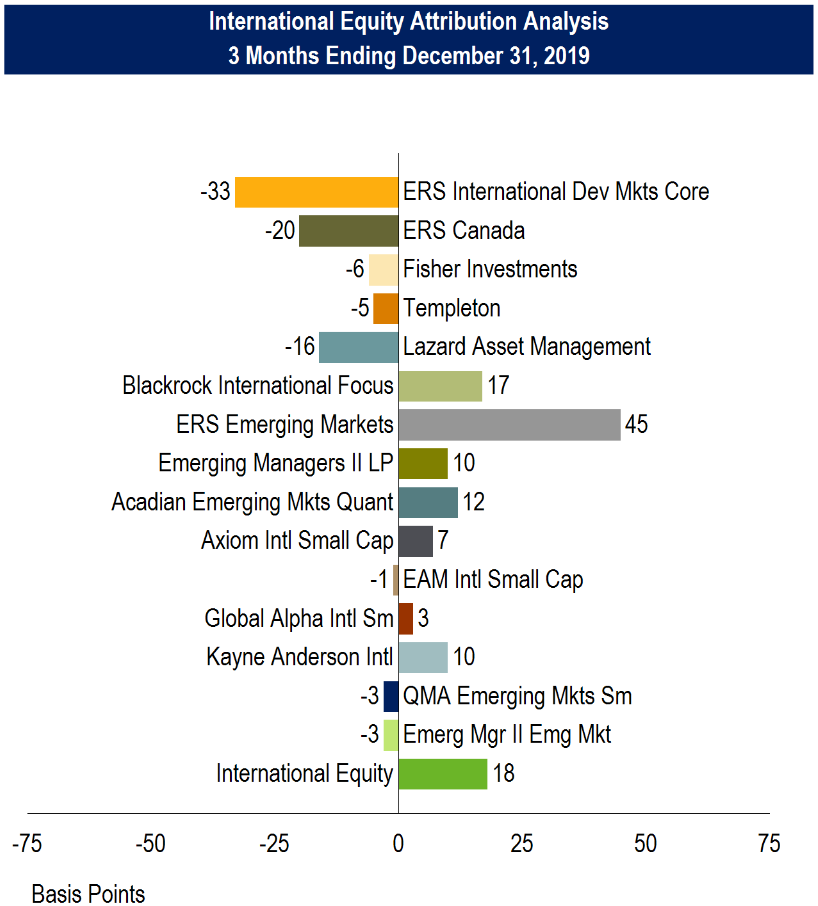
	Valuation ($)	% of Total Fund	1 Year IRR	3 Year IRR	5 Year IRR	IRR Since Inception
Private Equity	4,288,386,734	14.63%	4.43	10.24	10.04	11.18

Private Equity Program Summary by Fiscal Year as of 12/31/2019

ERS FY	# of Deals	Commitment	Called	Distributions	Valuation
1999	1	100,000,000	88,405,144	129,463,084	0
2007	1	60,585,106	57,225,674	115,248,923	245,581
2008	3	193,338,250	232,824,378	354,564,981	5,969,151
2009	12	851,298,434	1,056,454,610	1,452,644,401	183,546,679
2010	7	439,777,287	494,951,647	529,493,734	84,361,883
2011	9	598,369,833	728,746,766	598,245,063	364,697,900
2012	7	470,952,779	440,437,066	477,461,863	219,564,700
2013	7	414,304,735	451,067,742	352,086,190	236,375,016
2014	13	1,144,825,890	1,076,418,635	529,420,793	828,933,343
2015	11	916,222,388	807,155,893	392,341,582	664,469,142
2016	9	733,201,827	600,014,594	139,672,329	631,197,038
2017	14	811,883,099	648,174,701	159,503,165	618,022,291
2018	7	627,000,000	195,945,168	38,815,039	170,654,036
2019	17	1,502,252,802	290,307,471	29,197	287,481,778
2020	1	60,000,000	450,000	-2,762	6,970,090
Grand Total	**119**	**8,924,012,430**	**7,168,579,489**	**5,268,987,582**	**4,302,488,628**

Employees Retirement System of Texas

INTERNATIONAL EQUITY ATTRIBUTION ANALYSIS

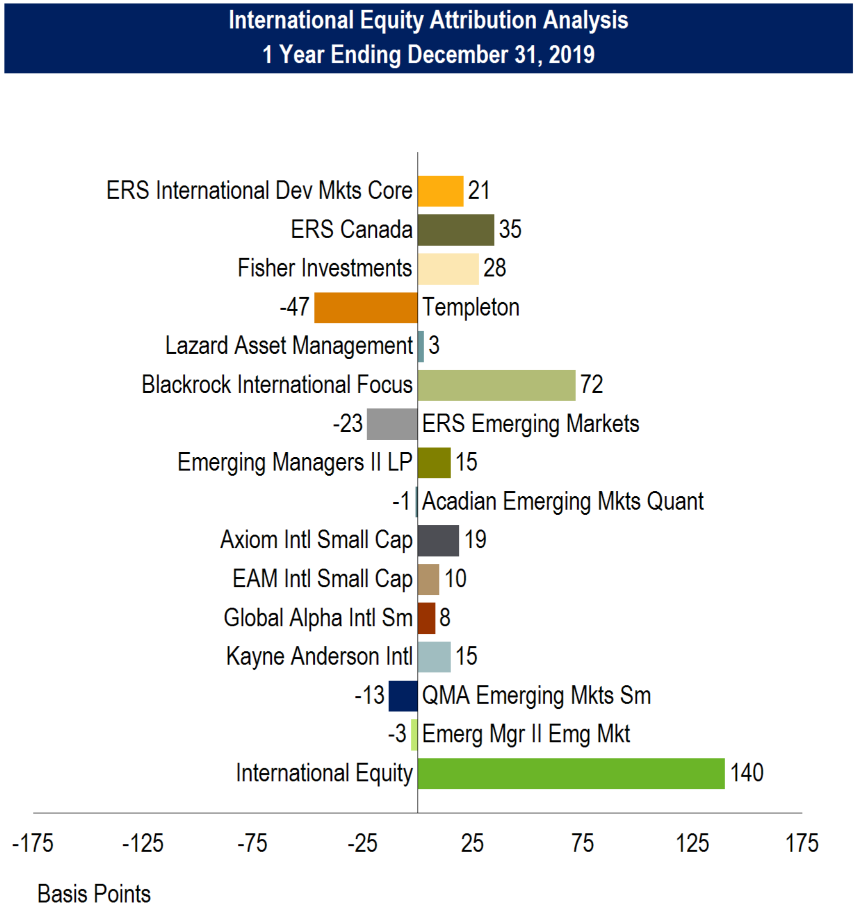


Attribution Summary
3 Months Ending December 31, 2019

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
ERS International Dev Mkts Core	8.0%	8.9%	-1.0%	-0.3%	0.0%	-0.3%
ERS Canada	4.8%	8.9%	-4.1%	-0.2%	0.0%	-0.2%
Fisher Investments	6.3%	8.9%	-2.6%	-0.1%	0.0%	-0.1%
Templeton	8.1%	8.9%	-0.8%	0.0%	0.0%	0.0%
Lazard Asset Management	6.9%	8.9%	-2.1%	-0.2%	0.0%	-0.2%
Blackrock International Focus	11.3%	8.9%	2.4%	0.2%	0.0%	0.2%
ERS Emerging Markets	11.6%	8.9%	2.7%	0.5%	0.0%	0.5%
Emerging Managers II LP	11.3%	8.9%	2.4%	0.1%	0.0%	0.1%
Acadian Emerging Mkts Quant	13.6%	8.9%	4.7%	0.1%	0.0%	0.1%
Axiom Intl Small Cap	14.3%	11.0%	3.3%	0.1%	0.0%	0.1%
EAM Intl Small Cap	10.6%	11.0%	-0.4%	0.0%	0.0%	0.0%
Global Alpha Intl Sm	13.2%	11.5%	1.7%	0.0%	0.0%	0.0%
Kayne Anderson Intl	15.5%	11.0%	4.5%	0.1%	0.0%	0.1%
QMA Emerging Mkts Sm	9.5%	11.0%	-1.5%	0.0%	0.0%	0.0%
Emerg Mgr II Emg Mkt	6.8%	11.0%	-4.2%	0.0%	0.0%	0.0%
Total	**9.4%**	**9.2%**	**0.2%**	**0.2%**	**0.0%**	**0.2%**

* Attribution Analysis by Asset Class uses actual weights.

INTERNATIONAL EQUITY ATTRIBUTION ANALYSIS



Attribution Summary
1 Year Ending December 31, 2019

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
ERS International Dev Mkts Core	22.4%	21.5%	0.8%	0.2%	0.0%	0.2%
ERS Canada	28.6%	21.5%	7.1%	0.4%	0.0%	0.4%
Fisher Investments	23.1%	21.5%	1.6%	0.3%	0.0%	0.3%
Templeton	14.6%	21.5%	-6.9%	-0.5%	0.0%	-0.5%
Lazard Asset Management	22.0%	21.5%	0.5%	0.0%	0.0%	0.0%
Blackrock International Focus	31.3%	21.5%	9.8%	0.7%	0.0%	0.7%
ERS Emerging Markets	19.9%	21.5%	-1.6%	-0.2%	0.0%	-0.2%
Emerging Managers II LP	25.5%	21.5%	4.0%	0.2%	0.0%	0.2%
Acadian Emerging Mkts Quant	22.1%	21.5%	0.6%	0.0%	0.0%	0.0%
Axiom Intl Small Cap	--	--	--	0.2%	0.0%	0.2%
EAM Intl Small Cap	--	--	--	0.1%	0.0%	0.1%
Global Alpha Intl Sm	--	--	--	0.1%	0.0%	0.1%
Kayne Anderson Intl	--	--	--	0.2%	0.0%	0.2%
QMA Emerging Mkts Sm	--	--	--	-0.1%	0.0%	-0.1%
Emerg Mgr II Emg Mkt	--	--	--	0.0%	0.0%	0.0%
Total	**23.1%**	**21.7%**	**1.4%**	**1.4%**	**0.0%**	**1.4%**

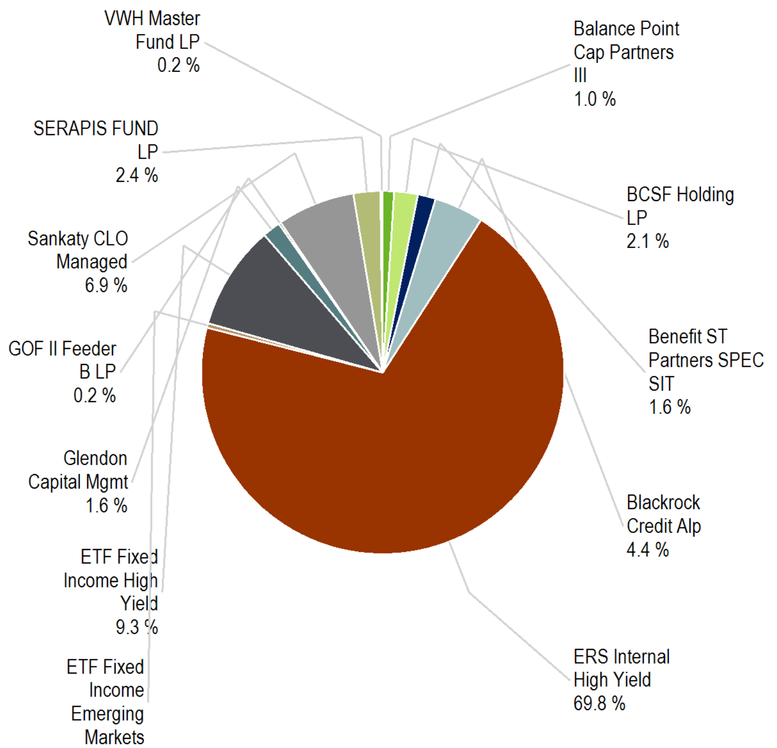
* Attribution Analysis by Asset Class uses actual weights.

Employees Retirement System of Texas

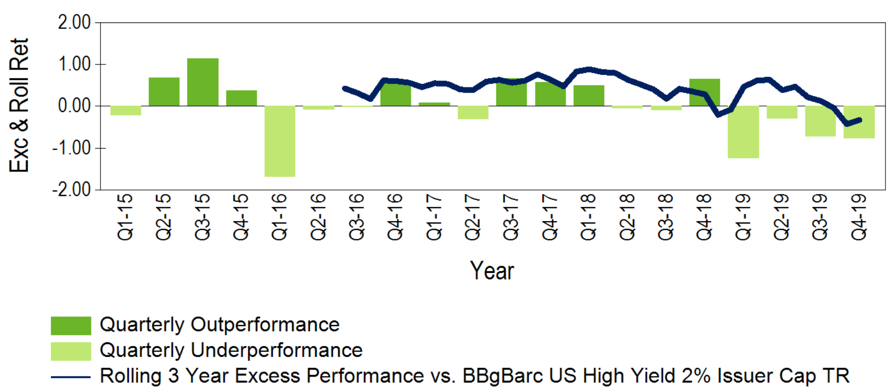
GLOBAL CREDIT PERFORMANCE

	Market Value	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs
Total Global Credit	**$2,813,789,696**	**1.8%**	**2.2%**	**11.0%**	**6.0%**	**6.1%**
BBgBarc US High Yield 2% Issuer Cap TR		*2.6%*	*3.0%*	*14.3%*	*6.4%*	*6.1%*

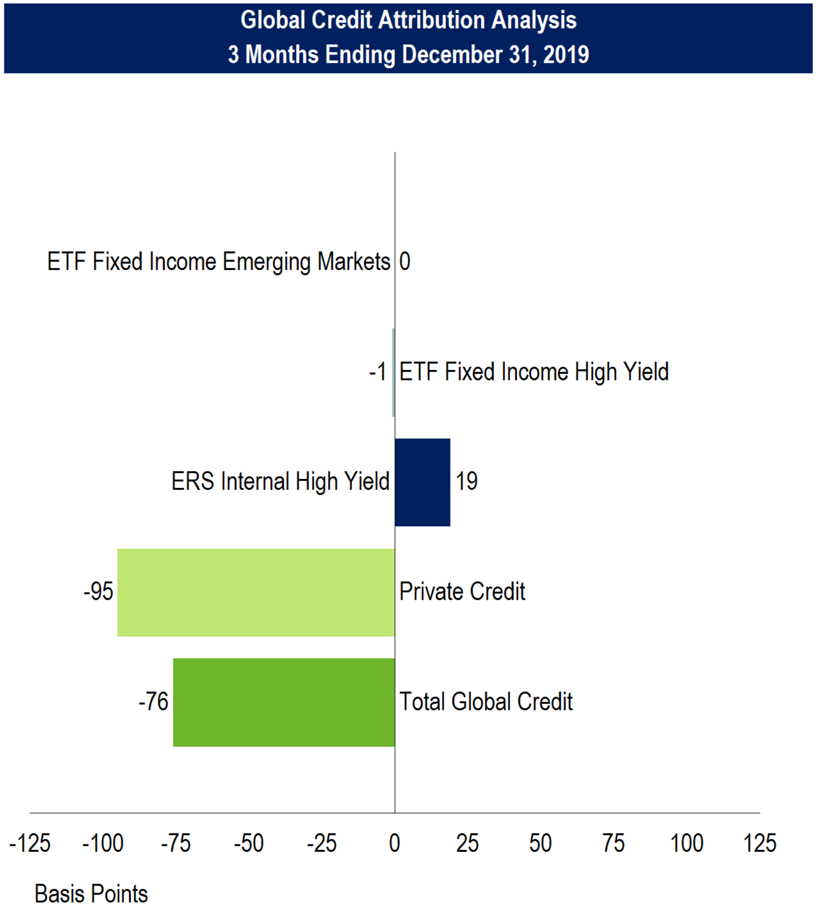
Global Credit Asset Allocation



Rolling Annualized Excess Performance



GLOBAL CREDIT ATTRIBUTION ANALYSIS



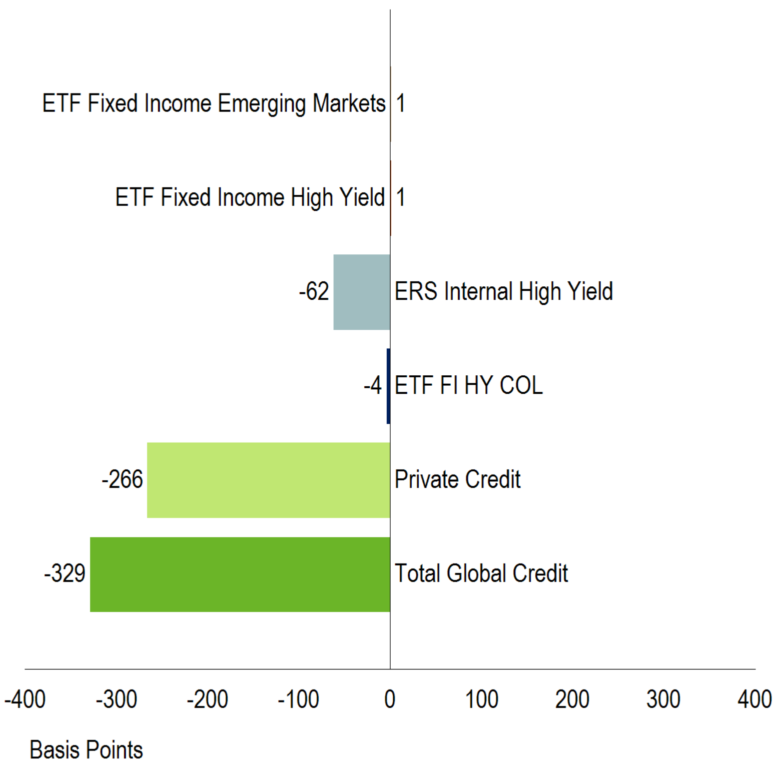
Attribution Summary 3 Months Ending December 31, 2019	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
ETF Fixed Income Emerging Markets	2.5%	2.6%	-0.1%	0.0%	0.0%	0.0%
ETF Fixed Income High Yield	2.5%	2.6%	-0.1%	0.0%	0.0%	0.0%
ERS Internal High Yield	2.9%	2.6%	0.3%	0.2%	0.0%	0.2%
Sankaty CLO Managed	-3.5%	2.6%	-6.2%	-0.4%	0.0%	-0.4%
Blackrock Credit Alp	-7.2%	2.6%	-9.8%	-0.5%	0.0%	-0.5%
Glendon Capital Mgmt	-0.7%	2.6%	-3.4%	-0.1%	0.0%	-0.1%
GOF II Feeder B LP	0.0%	2.6%	-2.6%	0.0%	0.0%	0.0%
BCSF Holding LP	7.1%	2.6%	4.5%	0.1%	0.0%	0.1%
Benefit ST Partners SPEC SIT	0.1%	2.6%	-2.5%	0.0%	0.0%	0.0%
Balance Point Cap Partners III	2.4%	2.6%	-0.2%	0.0%	0.0%	0.0%
VWH Master Fund LP	5.3%	2.6%	2.7%	0.0%	0.0%	0.0%
SERAPIS FUND LP	-0.1%	2.6%	-2.7%	-0.1%	0.0%	-0.1%
Total	**1.9%**	**2.6%**	**-0.8%**	**-0.8%**	**0.0%**	**-0.8%**

* Attribution Analysis by Asset Class uses actual weights.

Employees Retirement System of Texas

GLOBAL CREDIT ATTRIBUTION ANALYSIS

Global Credit Attribution Analysis
1 Year Ending December 31, 2019



Attribution Summary
1 Year Ending December 31, 2019

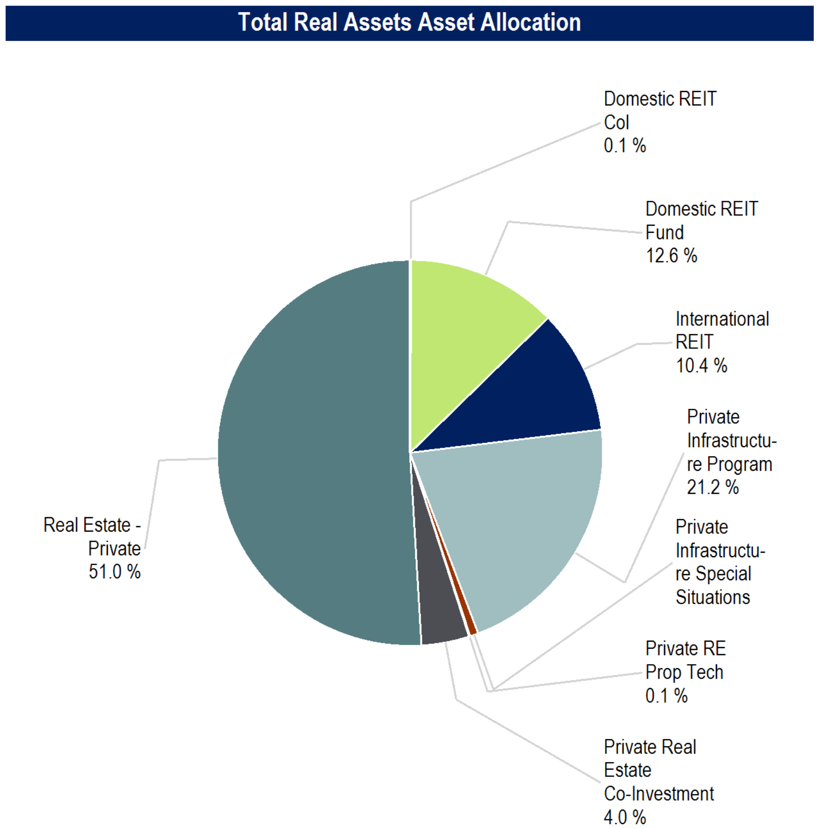
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
ETF Fixed Income Emerging Markets	15.7%	14.3%	1.4%	0.0%	0.0%	0.0%
ETF Fixed Income High Yield	14.4%	14.3%	0.1%	0.0%	0.0%	0.0%
ERS Internal High Yield	13.4%	14.3%	-0.9%	-0.6%	0.0%	-0.6%
ETF FI HY COL	--	--	--	0.0%	0.0%	0.0%
Sankaty CLO Managed	-5.7%	14.3%	-20.0%	-1.4%	0.0%	-1.4%
Blackrock Credit Alp	-3.1%	14.3%	-17.4%	-0.8%	0.0%	-0.8%
Glendon Capital Mgmt	-1.4%	14.3%	-15.7%	-0.3%	0.0%	-0.3%
GOF II Feeder B LP	--	--	--	0.0%	0.0%	0.0%
LLSD II LP - Credit	--	--	--	0.0%	0.0%	0.0%
BCSF Holding LP	22.5%	14.3%	8.2%	0.2%	0.0%	0.2%
Benefit ST Partners SPEC SIT	-2.4%	14.3%	-16.7%	-0.2%	0.0%	-0.2%
Balance Point Cap Partners III	10.5%	14.3%	-3.8%	0.0%	0.0%	0.0%
VWH Master Fund LP	7.6%	14.3%	-6.7%	0.0%	0.0%	0.0%
SERAPIS FUND LP	--	--	--	-0.1%	0.0%	-0.1%
Total	**11.0%**	**14.3%**	**-3.3%**	**-3.3%**	**0.0%**	**-3.3%**

* Attribution Analysis by Asset Class uses actual weights.

Employees Retirement System of Texas

TOTAL REAL ASSETS PERFORMANCE

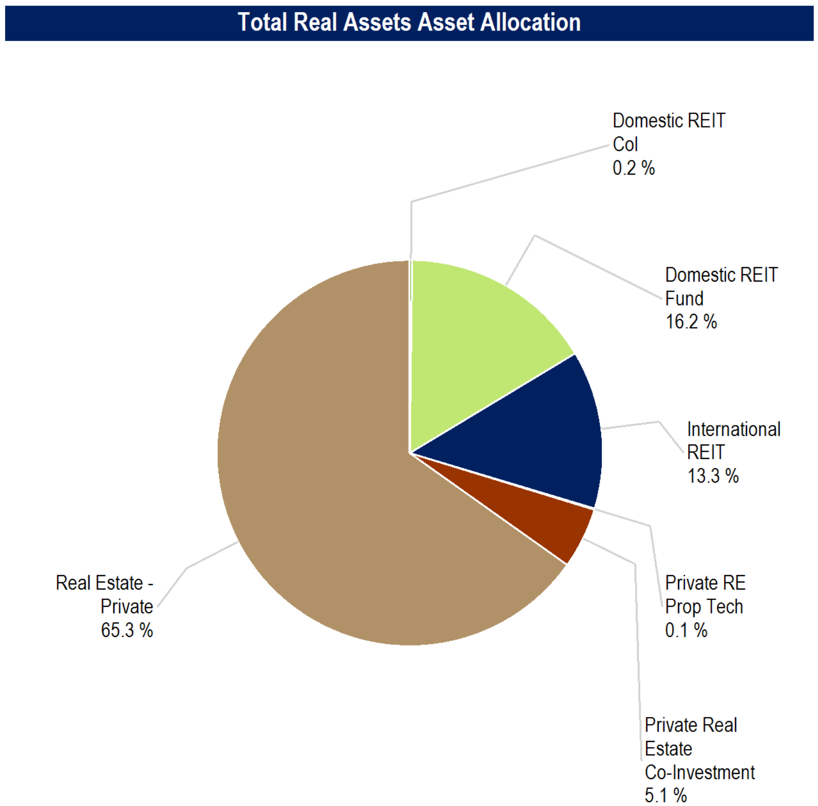
	Market Value	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs
Total Real Assets	**$4,056,568,353**	**1.9%**	**2.4%**	**12.2%**	**9.4%**	**8.6%**



Employees Retirement System of Texas

TOTAL REAL ESTATE PERFORMANCE

	Market Value	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs
Real Estate	**$3,170,298,099**	**2.0%**	**2.6%**	**12.7%**	**10.8%**	**10.2%**

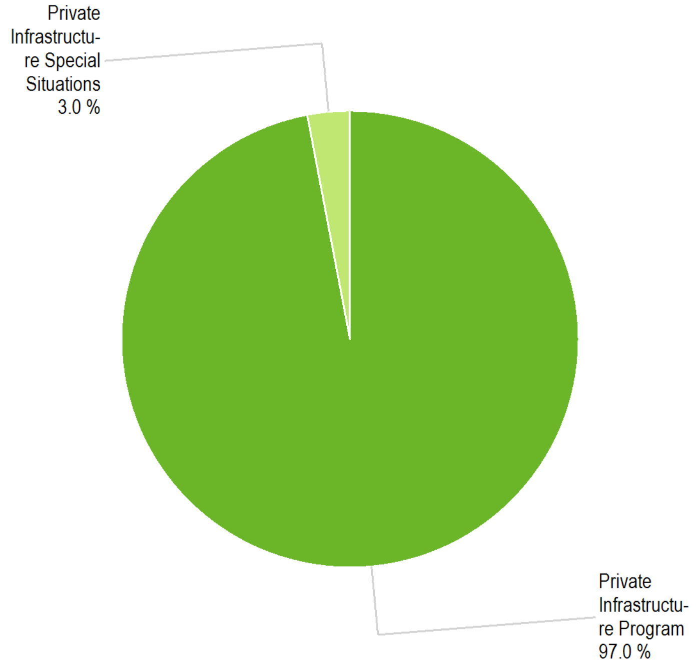


Employees Retirement System of Texas

TOTAL INFRASTRUCTURE PERFORMANCE

	Market Value	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs
Total Infrastructure	**$886,270,254**	**1.3%**	**1.4%**	**10.1%**	**2.0%**	**-1.7%**

Total Real Assets Asset Allocation

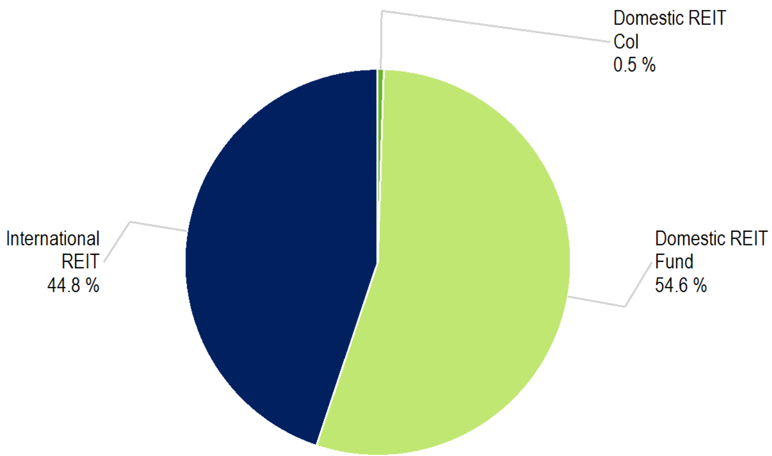


Employees Retirement System of Texas

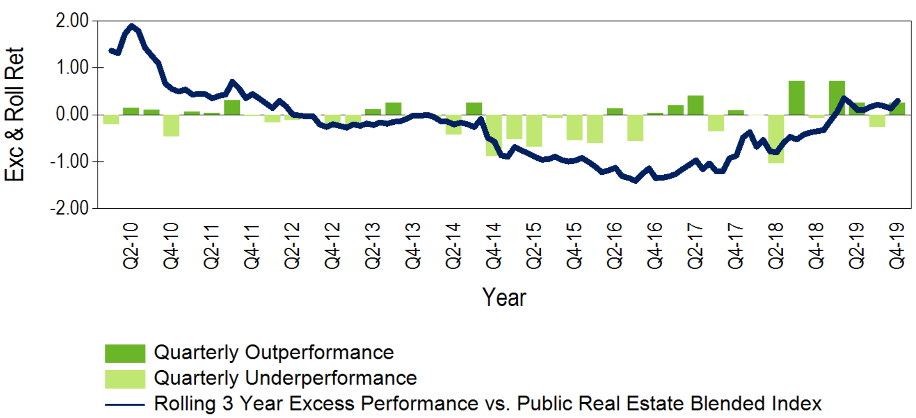
GLOBAL PUBLIC REAL ESTATE PERFORMANCE

	Market Value	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Global Public Real Estate	**$937,570,770**	**2.2%**	**4.5%**	**23.8%**	**9.3%**	**5.7%**	**8.7%**
Public Real Estate Blended Index		*1.9%*	*4.4%*	*22.7%*	*9.0%*	*6.2%*	*9.0%*

Global Public Real Estate Asset Allocation



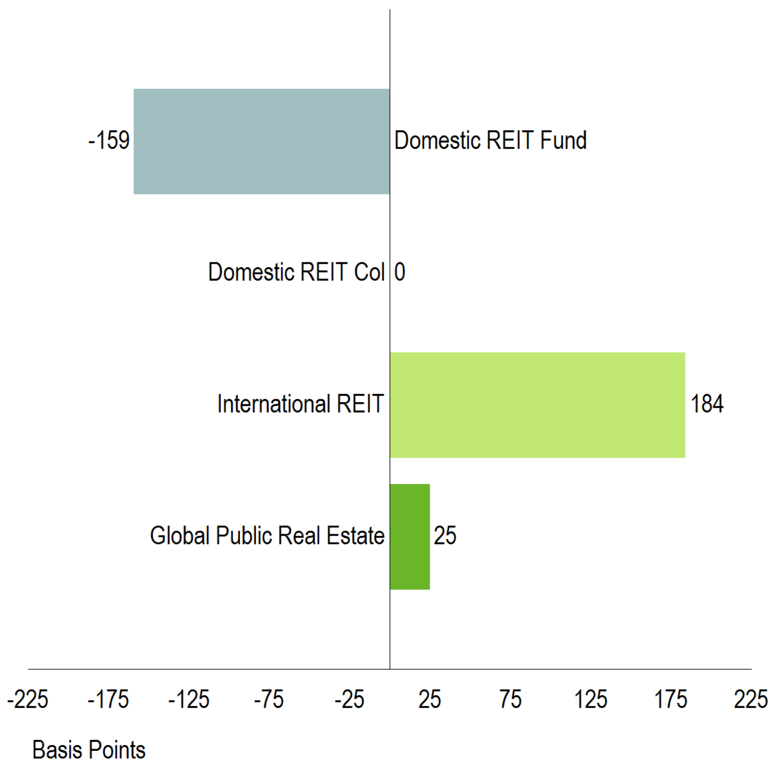
Rolling Annualized Excess Performance



Employees Retirement System of Texas

PUBLIC REAL ESTATE ATTRIBUTION ANALYSIS

Public Real Estate Attribution Analysis
3 Months Ending December 31, 2019



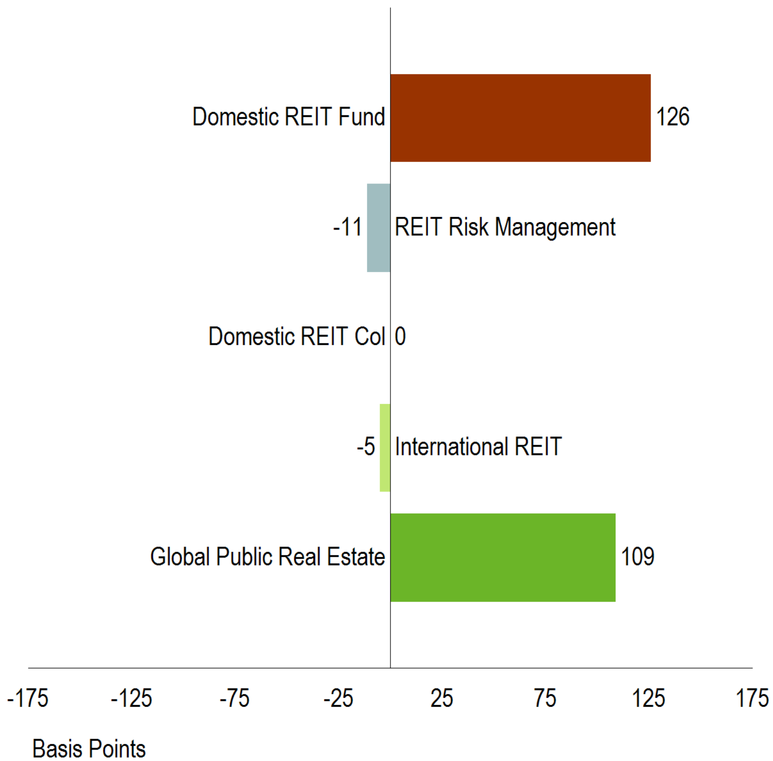
Attribution Summary 3 Months Ending December 31, 2019	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Domestic REIT Fund	-0.9%	1.9%	-2.8%	-1.6%	0.0%	-1.6%
Domestic REIT Col	--	--	--	0.0%	0.0%	0.0%
International REIT	6.2%	1.9%	4.3%	1.8%	0.0%	1.8%
Total	**2.2%**	**1.9%**	**0.3%**	**0.3%**	**0.0%**	**0.3%**

* Attribution Analysis by Asset Class uses actual weights.

Employees Retirement System of Texas

PUBLIC REAL ESTATE ATTRIBUTION ANALYSIS

Public Real Estate Attribution Analysis
1 Year Ending December 31, 2019



Attribution Summary
1 Year Ending December 31, 2019

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Domestic REIT Fund	24.9%	22.7%	2.2%	1.3%	0.0%	1.3%
REIT Risk Management	--	--	--	-0.1%	0.0%	-0.1%
Domestic REIT Col	--	--	--	0.0%	0.0%	0.0%
International REIT	22.5%	22.7%	-0.2%	-0.1%	0.0%	-0.1%
Total	**23.8%**	**22.7%**	**1.1%**	**1.1%**	**0.0%**	**1.1%**

* Attribution Analysis by Asset Class uses actual weights.

RETURN SEEKING (REAL ASSETS) PRIVATE REAL ESTATE SUMMARY

	Valuation ($)	% of Total Fund	1 Year IRR	3 Year IRR	5 Year IRR	IRR Since Inception
Real Estate	2,234,353,942	7.60%	5.41	10.20	11.34	12.13

Private Real Estate Program Summary by Fiscal Year as of 12/31/2019

ERS FY	# of Deals	Commitment	Called	Distributions	Valuation
2010	2	136,300,000	135,403,057	88,377,218	144,988,543
2011	7	599,287,500	652,158,200	897,538,415	144,106,228
2012	7	495,412,500	557,816,429	534,803,240	379,821,527
2013	5	372,066,757	365,760,544	386,135,546	154,982,648
2014	10	479,350,000	588,135,077	475,843,929	275,605,049
2015	8	500,800,075	442,396,627	259,180,383	321,148,987
2016	6	245,000,000	259,414,071	85,985,498	230,450,666
2017	4	215,000,000	115,154,528	22,769,629	101,938,519
2018	10	706,500,000	282,152,063	43,773,672	252,581,379
2019	9	683,550,000	218,521,554	5,466,963	213,100,171
2020	8	367,000,000	16,600,039	80,055	16,492,806
Grand Total	**76**	**4,800,266,832**	**3,633,512,189**	**2,799,954,548**	**2,235,216,523**

RETURN SEEKING (REAL ASSETS) PRIVATE INFRASTRUCTURE SUMMARY

	Valuation ($)	% of Total Fund	1 Year IRR	3 Year IRR	5 Year IRR	IRR Since Inception
Infrastructure	886,270,253	3.01%	9.54	7.39	1.14	2.38

Private Infrastructure Program Summary by Fiscal Year as of 12/31/2019

ERS FY	# of Deals	Commitment	Called	Distributions	Market Values
2012	1	70,000,000	70,000,000	-	-
2013	2	205,000,000	208,990,922	100,912,485	93,741,000
2015	2	105,000,000	139,899,294	83,977,538	66,525,867
2016	2	176,801,511	193,415,648	121,085,607	162,889,236
2017	7	339,750,750	335,794,082	53,738,087	331,521,027
2018	5	470,600,000	210,261,300	37,293,571	174,467,833
2019	4	282,250,000	46,216,440	5,405,450	40,324,443
2020	2	149,059,000	16,800,848	-	16,800,848
Grand Total	**25**	**1,798,461,261**	**1,221,378,534**	**402,412,738**	**886,270,254**

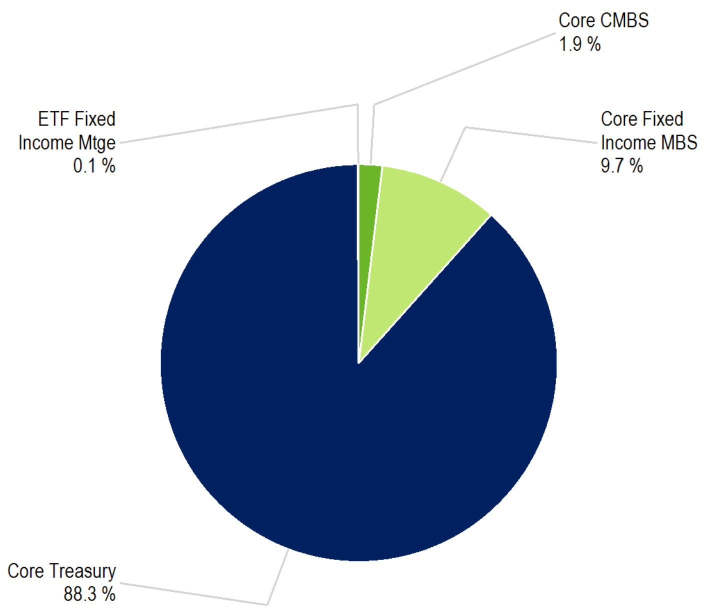
*ERS made an additional commitment in September 2018 to the Actis Long Life Infrastructure Fund, which does not increase the total number of deals for FY 2019.

Employees Retirement System of Texas

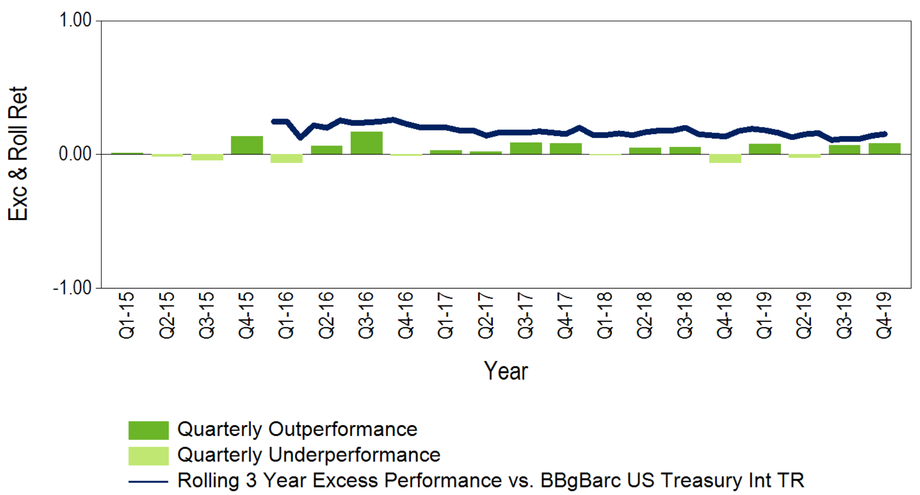
TOTAL RATES PERFORMANCE

	Market Value	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs
Total Rates	**$5,031,067,041**	**0.1%**	**-0.3%**	**5.4%**	**2.7%**	**2.1%**
BBgBarc US Treasury Int TR		*0.0%*	*-0.4%*	*5.2%*	*2.6%*	*2.0%*

Total Rates Asset Allocation



Rolling Annualized Excess Performance

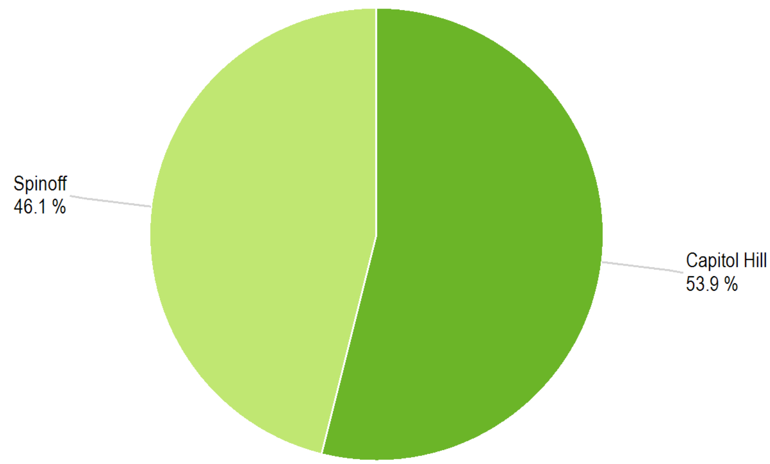


Employees Retirement System of Texas

GLOBAL PUBLIC EQUITY SPECIAL SITUATIONS

	Market Value	3 Mo	Fiscal YTD	1 Yr	3 Yrs
Global Public Equity Special Situations	**$600,461,806**	**7.8%**	**8.8%**	**26.0%**	**11.7%**

Global Public Equity Special Situations Asset Allocation

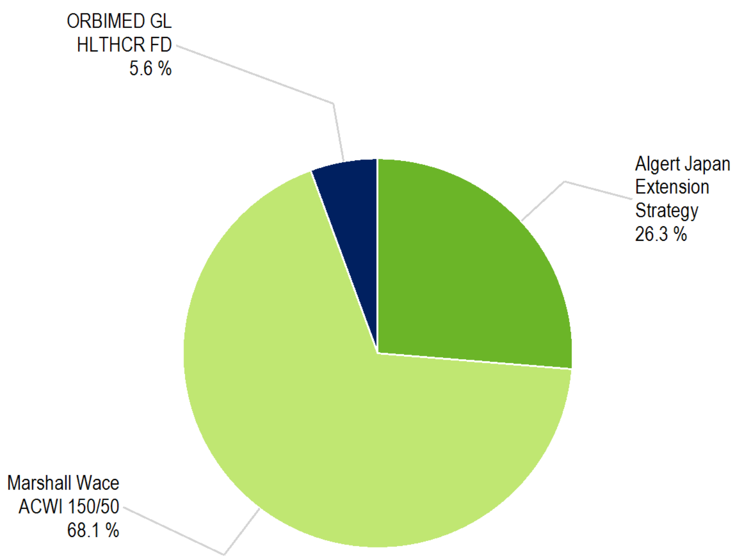


Employees Retirement System of Texas

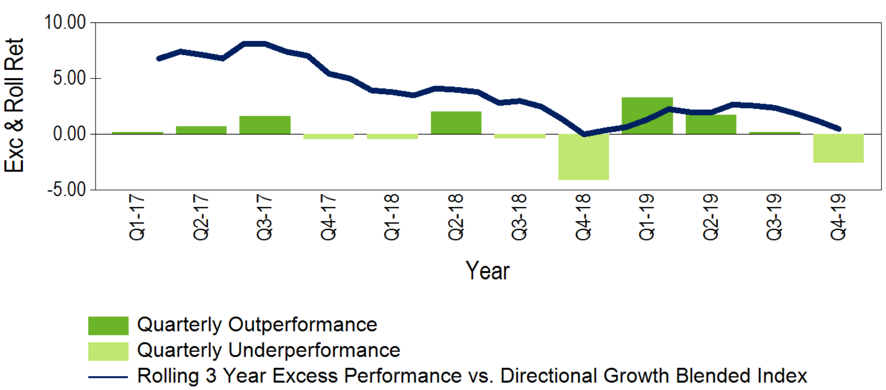
DIRECTIONAL GROWTH PERFORMANCE

	Market Value	3 Mo	Fiscal YTD	1 Yr	3 Yrs
Directional Growth Portfolio	**$561,756,193**	**5.4%**	**3.6%**	**14.5%**	**11.6%**

Directional Growth Asset Allocation



Rolling Annualized Excess Performance

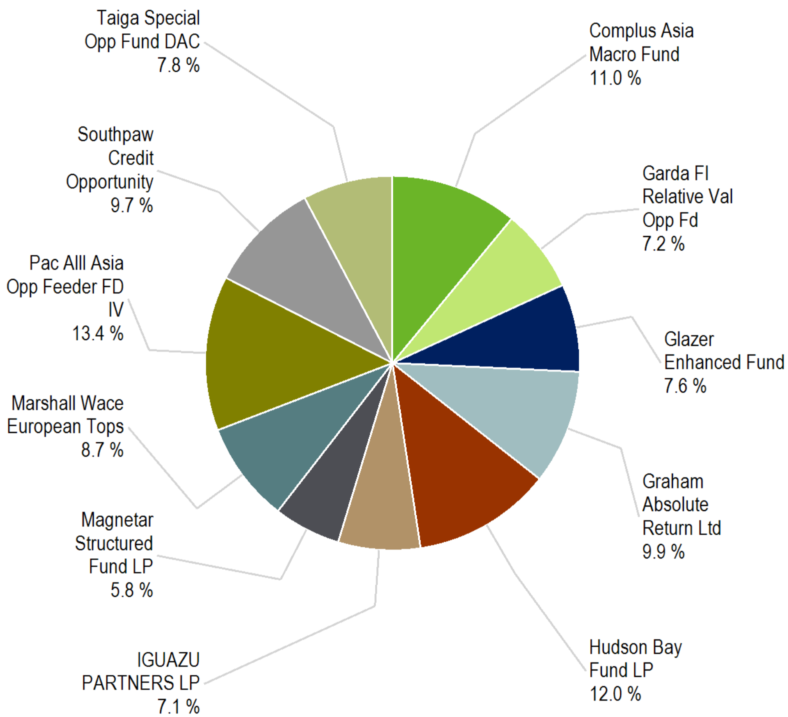


Employees Retirement System of Texas

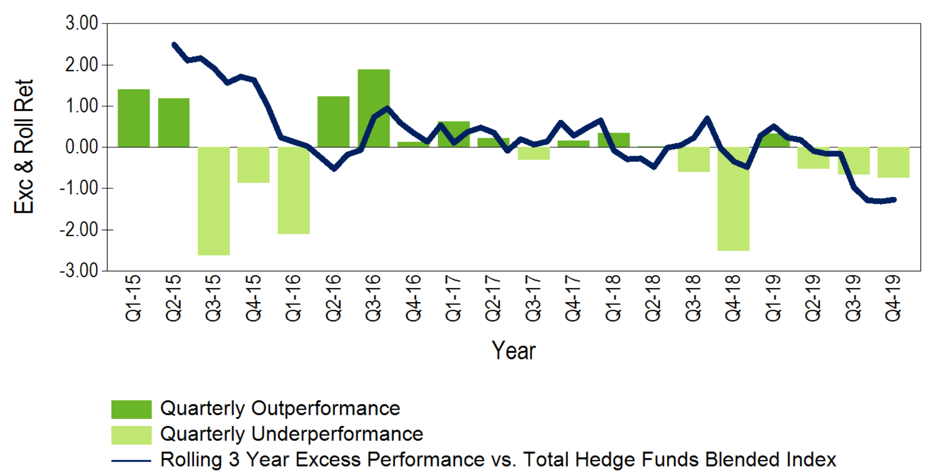
ABSOLUTE RETURN PORTFOLIO PERFORMANCE

	Market Value	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs
Absolute Return	**$1,049,552,734**	**0.6%**	**0.5%**	**4.6%**	**4.4%**	**4.3%**
Total Hedge Funds Blended Index		*1.4%*	*1.9%*	*6.2%*	*5.6%*	*5.1%*

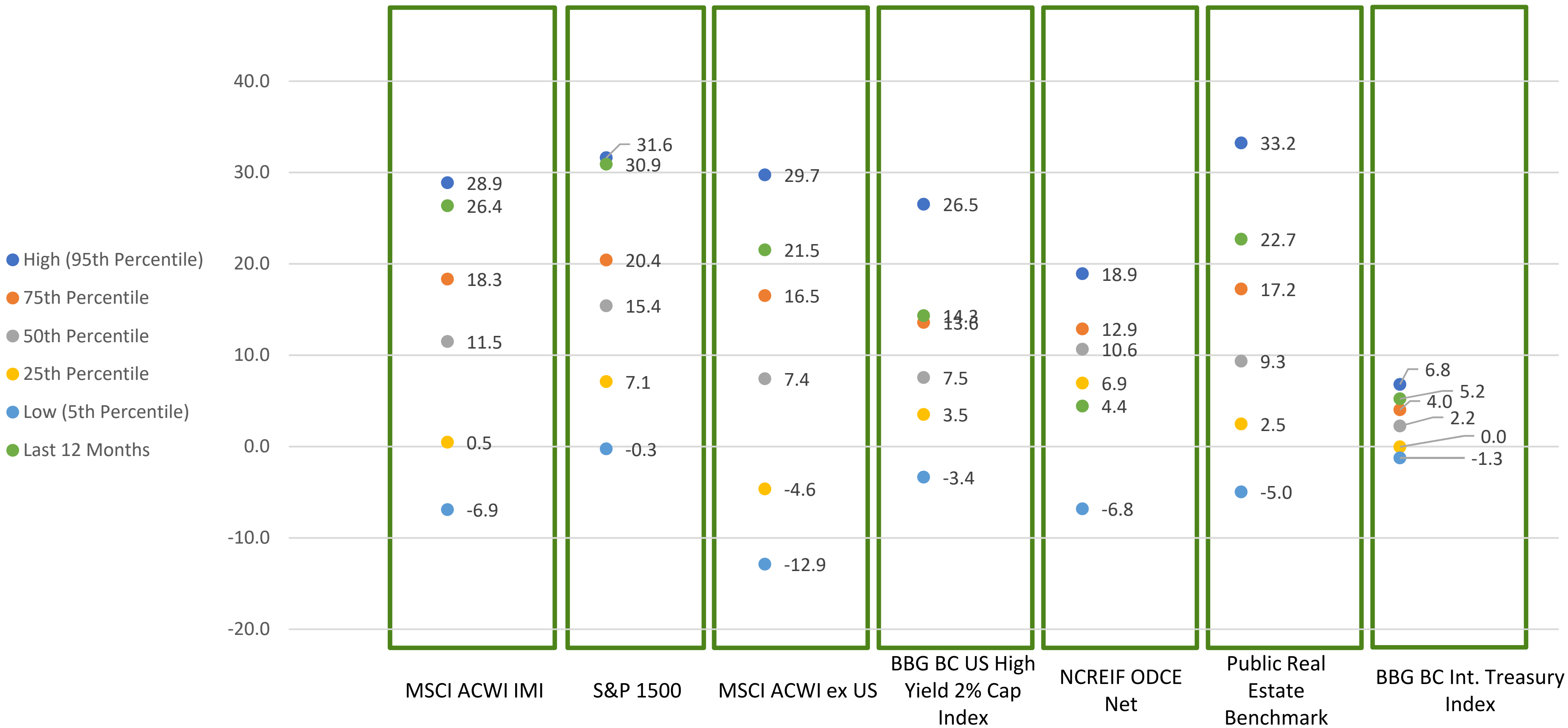
Absolute Return Asset Allocation



Rolling Annualized Excess Performance



ROLLING 1 YEAR CAPITAL MARKET RETURNS (10 YRS ENDED 12/31/2019)



The chart above depicts the dispersion of rolling 1 year returns of various capital markets over the last 10 years.

TOTAL FUND PERFORMANCE SUMMARY

NEPC, LLC

Employees Retirement System of Texas

TOTAL FUND PERFORMANCE DETAIL

	Market Value ($)	% of Portfolio	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Fund	**29,406,588,242**	**100.0**	**3.9**	**4.8**	**14.4**	**9.3**	**7.1**	**7.9**
Total Fund Policy Index			*4.3*	*5.3*	*16.6*	*8.8*	*6.9*	*7.7*
Long Term Public Index			*6.9*	*8.5*	*22.2*	*10.3*	*7.2*	*7.9*
Return Seeking	**22,773,246,045**	**77.4**	**5.0**	**6.2**	**17.1**	**10.9**	**8.3**	**--**
Global Public Equity	**11,469,049,144**	**39.0**	**9.0**	**10.7**	**26.2**	**12.1**	**8.2**	**9.4**
Global Public Equity Blended Index			*9.1*	*11.5*	*26.8*	*12.4*	*8.6*	*9.5*
Domestic Equity	**5,370,860,420**	**18.3**	**9.0**	**10.6**	**30.4**	**14.1**	**10.6**	**13.0**
Domestic Equity Blended Index			*9.1*	*11.0*	*30.8*	*14.6*	*11.4*	*13.5*
ERS Large Cap Core	3,385,170,023	11.5	9.1	10.2	31.2	15.8	11.1	13.3
S&P 500			*9.1*	*11.1*	*31.5*	*15.3*	*11.7*	*13.6*
Large Cap Growth Quant	1,923	0.0						
Barrow Hanley Mewhinney & Strauss	409,830,482	1.4	7.0	10.3	25.9	11.2	9.0	--
S&P 500 Value/MSCI USA Large Value Blended Index			*7.7*	*11.3*	*28.7*	*10.6*	*9.0*	*--*
Brandywine Classic LCV	518,486,354	1.8	10.8	15.2	33.1	--	--	--
S&P 500 Value/MSCI USA Large Value Blended Index			*7.7*	*11.3*	*28.7*	*10.6*	*9.0*	*--*
AllianzGI Structured Alpha LC 350	180,130,996	0.6	10.2	12.9	38.1	--	--	--
S&P 500			*9.1*	*11.1*	*31.5*	*15.3*	*11.7*	*13.6*
SMID Cap Core	877,240,643	3.0	8.3	9.6	--	--	--	--
S&P 600 SmallCap			*8.2*	*11.8*	*22.8*	*8.4*	*9.6*	*13.4*
International Equity	**4,935,968,829**	**16.8**	**9.4**	**11.9**	**23.1**	**10.4**	**5.7**	**5.3**
International Equity Blended Index			*8.9*	*11.7*	*21.5*	*9.9*	*5.5*	*5.0*
ERS International Dev Mkts Core	1,367,763,249	4.7	8.0	10.5	22.4	9.7	5.6	5.7
MSCI EAFE			*8.2*	*11.3*	*22.0*	*9.6*	*5.7*	*5.5*
ERS Canada	231,967,168	0.8	4.8	7.5	28.6	8.0	3.9	--
MSCI Canada			*4.9*	*7.2*	*27.5*	*7.0*	*3.0*	*3.6*
Fisher Investments	328,995	0.0						
Templeton	308,286,738	1.0	8.1	12.5	14.6	6.5	3.7	4.8
Templeton Blended Index			*8.9*	*11.7*	*21.5*	*9.9*	*5.5*	*5.0*

Note: Returns are net of investment management fees.
Fiscal year end is August 31.
End notes can be found in the Appendix and Disclosures section of this report.
For detailed benchmark information please refer to the Investment Policy Statement.
Long Term Public Index is comprised of 79% MSCI ACWI IMI and 21% Barclays Intermediate Treasury Index. Index definitions can be found in the appendix.

Employees Retirement System of Texas

TOTAL FUND PERFORMANCE DETAIL

	Market Value ($)	% of Portfolio	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Lazard Asset Management	343,168,699	1.2	6.9	8.9	22.0	11.7	5.5	--
MSCI EAFE			*8.2*	*11.3*	*22.0*	*9.6*	*5.7*	*5.5*
Blackrock International Focus	335,512,429	1.1	11.3	13.5	31.3	10.6	--	--
MSCI ACWI ex USA			*8.9*	*11.7*	*21.5*	*9.9*	*5.5*	*5.0*
ERS Emerging Markets	785,055,388	2.7	11.6	13.7	19.9	12.6	6.8	4.3
MSCI Emerging Markets			*11.8*	*14.0*	*18.4*	*11.6*	*5.6*	*3.7*
Emerging Managers II LP	210,415,671	0.7	11.3	14.1	25.5	--	--	--
MSCI EAFE Small Cap			*11.5*	*14.7*	*25.0*	*10.9*	*8.9*	*8.7*
Acadian Emerging Mkts Quant	131,141,032	0.4	13.6	17.0	22.1	--	--	--
MSCI Emerging Markets			*11.8*	*14.0*	*18.4*	*11.6*	*5.6*	*3.7*
Axiom Intl Small Cap	120,805,857	0.4	14.3	13.8	--	--	--	--
MSCI ACWI ex US Small Cap			*11.0*	*13.7*	*22.4*	*9.6*	*7.0*	*6.9*
EAM Intl Small Cap	93,052,563	0.3	10.6	10.9	--	--	--	--
MSCI ACWI ex US Small Cap			*11.0*	*13.7*	*22.4*	*9.6*	*7.0*	*6.9*
Global Alpha Intl Sm	96,319,868	0.3	13.2	16.5	--	--	--	--
MSCI EAFE Small Cap			*11.5*	*14.7*	*25.0*	*10.9*	*8.9*	*8.7*
Kayne Anderson Intl	121,711,937	0.4	15.5	16.8	--	--	--	--
MSCI ACWI ex US Small Cap			*11.0*	*13.7*	*22.4*	*9.6*	*7.0*	*6.9*
QMA Emerging Mkts Sm	111,665,530	0.4	9.5	11.3	--	--	--	--
MSCI ACWI ex US Small Cap			*11.0*	*13.7*	*22.4*	*9.6*	*7.0*	*6.9*
Emerg Mgr II Emg Mkt	159,887,076	0.5						
Intl Dev Markets Value	518,886,627	1.8						
Global Public Equity Special Situations	**600,461,806**	**2.0**	**7.8**	**8.8**	**26.0**	**11.7**	**9.6**	**--**
Directional Growth Portfolio	**561,756,193**	**1.9**	**5.4**	**3.6**	**14.5**	**11.6**	**9.4**	**--**
Global Equity Tactical	**1,896**	**0.0**						
Private Equity	**4,312,337,922**	**14.7**	**0.2**	**1.2**	**3.4**	**11.7**	**11.1**	**11.0**

Note: Returns are net of investment management fees.
Fiscal year end is August 31.
End notes can be found in the Appendix and Disclosures section of this report.
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Employees Retirement System of Texas

TOTAL FUND PERFORMANCE DETAIL

	Market Value ($)	% of Portfolio	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Global Credit	**2,813,789,696**	**9.6**	**1.8**	**2.2**	**11.0**	**6.0**	**6.1**	**--**
BBgBarc US High Yield 2% Issuer Cap TR			*2.6*	*3.0*	*14.3*	*6.4*	*6.1*	*7.6*
ETF Fixed Income Emerging Markets	10,151,468	0.0	2.5	1.6	15.7	6.5	6.9	--
ETF Fixed Income EMG Blended Index			*2.6*	*3.0*	*14.3*	*6.4*	*6.1*	--
ETF Fixed Income High Yield	262,519,379	0.9	2.5	2.9	14.4	6.1	5.4	--
ETF Fixed Income High Yield Blended Index			*2.6*	*3.0*	*14.3*	*6.4*	*6.1*	--
ERS Internal High Yield	1,963,991,477	6.7	2.9	3.4	13.4	6.2	6.4	--
BBgBarc US High Yield 2% Issuer Cap TR			*2.6*	*3.0*	*14.3*	*6.4*	*6.1*	*7.6*
Private Credit	577,127,372	2.0	-2.1	-2.3	-0.1	5.8	5.6	--
BBgBarc US High Yield 2% Issuer Cap TR			*2.6*	*3.0*	*14.3*	*6.4*	*6.1*	*7.6*
Total Real Assets	**4,056,568,353**	**13.8**	**1.9**	**2.4**	**12.2**	**9.4**	**8.6**	**--**
Real Estate	**3,170,298,099**	**10.8**	**2.0**	**2.6**	**12.7**	**10.8**	**10.2**	**11.0**
Global Public Real Estate	**937,570,770**	**3.2**	**2.2**	**4.5**	**23.8**	**9.3**	**5.7**	**8.7**
Public Real Estate Blended Index			*1.9*	*4.4*	*22.7*	*9.0*	*6.2*	*9.0*
Internal Public Real Estate	**937,570,770**	**3.2**	**2.2**	**4.5**	**23.8**	**9.3**	**6.5**	**9.2**
Internal Public Real Estate Blended Index			*1.9*	*4.4*	*22.7*	*9.0*	*6.2*	*9.1*
Domestic REIT Composite	517,150,022	1.8	-0.9	1.6	24.7	7.1	6.4	11.5
Domestic REIT Fund Blended Index			*-1.0*	*1.8*	*24.3*	*7.5*	*6.6*	*11.6*
International REIT	420,420,748	1.4	6.2	8.3	22.5	11.7	6.5	7.3
FTSE EPRA/NAREIT Developed ex US TR			*5.7*	*7.9*	*21.8*	*11.5*	*6.5*	*7.4*
Private Real Estate	2,232,727,329	7.6	1.9	1.8	8.6	11.3	12.2	--
Private Real Estate Blended Index			*1.1*	*1.1*	*4.6*	*6.3*	*8.4*	--

Note: Returns are net of investment management fees.
Fiscal year end is August 31.
End notes can be found in the Appendix and Disclosures section of this report.
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TOTAL FUND PERFORMANCE DETAIL

	Market Value ($)	% of Portfolio	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Infrastructure	**886,270,254**	**3.0**	**1.3**	**1.4**	**10.1**	**2.0**	**-1.7**	**--**
Private Infrastructure	886,270,254	3.0	1.3	1.4	10.1	2.0	-1.7	--
Total Special Situations	**121,500,931**	**0.4**	**-3.3**	**-3.3**	**--**	**--**	**--**	**--**
ERS Launchpad LLC	121,500,931	0.4	-3.3	-3.3	--	--	--	--
HFRI EH Equity Market Neutral 1MA Index			*-0.2*	*0.1*	--	--	--	--
Risk Reduction	**6,633,342,196**	**22.6**	**0.2**	**-0.1**	**5.0**	**3.2**	**2.6**	**--**
Total Rates	**5,031,067,041**	**17.1**	**0.1**	**-0.3**	**5.4**	**2.7**	**2.1**	**--**
BBgBarc US Treasury Int TR			*0.0*	*-0.4*	*5.2*	*2.6*	*2.0*	*2.5*
Absolute Return	**1,049,552,734**	**3.6**	**0.6**	**0.5**	**4.6**	**4.4**	**4.3**	**--**
Total Hedge Funds Blended Index			*1.4*	*1.9*	*6.2*	*5.6*	*5.1*	--
Total Cash	**552,722,422**	**1.9**						

Note: Returns are net of investment management fees.
Fiscal year end is August 31.
End notes can be found in the Appendix and Disclosures section of this report.
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Employees Retirement System of Texas

TOTAL FUND PERFORMANCE DETAIL

	Market Value ($)	% of Portfolio	Fiscal 2019 (%)	Fiscal 2018 (%)	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)
Total Fund	**29,406,588,242**	**100.0**	**3.0**	**9.5**	**12.1**	**5.3**	**0.4**	**14.6**	**9.9**	**8.0**	**12.4**	**6.5**	**-6.7**
Total Fund Policy Index			*3.1*	*7.9*	*11.1*	*7.2*	*-1.0*	*15.0*	*9.5*	*8.1*	*12.0*	*6.8*	*-7.5*
Long Term Public Index			*1.2*	*8.9*	*13.1*	*7.1*	*-4.3*	*17.2*	*12.0*	*6.2*	*12.5*	*5.4*	*-10.7*
Return Seeking	**22,773,246,045**	**77.4**	**2.0**	**11.6**	**15.2**	**6.0**	**-0.2**	**18.1**	**12.7**	**9.3**	**--**	**--**	**--**
Global Public Equity	**11,469,049,144**	**39.0**	**-1.6**	**11.9**	**17.7**	**4.8**	**-3.5**	**20.0**	**16.5**	**9.5**	**16.2**	**4.4**	**-16.6**
Global Public Equity Blended Index			*-1.1*	*12.1*	*17.5*	*7.7*	*-6.3*	*21.4*	*16.3*	*8.6*	*15.2*	*4.5*	*-16.5*
Domestic Equity	**5,370,860,420**	**18.3**	**-0.1**	**20.9**	**15.8**	**8.4**	**1.5**	**24.2**	**19.2**	**17.5**	**19.6**	**5.9**	**-18.4**
Domestic Equity Blended Index			*1.7*	*20.1*	*15.9*	*12.5*	*0.5*	*24.9*	*19.4*	*17.5*	*19.1*	*5.6*	*-18.4*
ERS Large Cap Core	3,385,170,023	11.5	3.0	20.2	17.7	6.8	0.7	26.2	18.9	18.3	18.6	6.4	-17.7
S&P 500			*2.9*	*19.7*	*16.2*	*12.6*	*0.5*	*25.2*	*18.7*	*18.0*	*18.5*	*4.9*	*-18.3*
Large Cap Growth Quant	1,923	0.0											
Barrow Hanley Mewhinney & Strauss	409,830,482	1.4	0.6	18.4	11.5	8.4	1.0	21.8	24.7	16.1	--	--	--
S&P 500 Value/MSCI USA Large Value Blended Index			*2.1*	*13.2*	*12.4*	*13.2*	*-3.3*	*22.8*	*22.9*	*17.3*	--	--	--
Brandywine Classic LCV	518,486,354	1.8	-8.3	17.3	--	--	--	--	--	--	--	--	--
S&P 500 Value/MSCI USA Large Value Blended Index			*2.1*	*13.2*	*12.4*	*13.2*	*-3.3*	*22.8*	*22.9*	*17.3*	--	--	--
AllianzGI Structured Alpha LC 350	180,130,996	0.6	2.9	--	--	--	--	--	--	--	--	--	--
S&P 500			*2.9*	*19.7*	*16.2*	*12.6*	*0.5*	*25.2*	*18.7*	*18.0*	*18.5*	*4.9*	*-18.3*
SMID Cap Core	877,240,643	3.0	--	--	--	--	--	--	--	--	--	--	--
S&P 600 SmallCap			*-15.1*	*32.5*	*13.1*	*13.3*	*1.8*	*18.7*	*26.7*	*16.9*	*24.4*	*7.8*	*-20.7*
International Equity	**4,935,968,829**	**16.8**	**-3.1**	**3.6**	**19.2**	**1.3**	**-10.0**	**16.1**	**13.8**	**-0.1**	**11.8**	**2.2**	**-14.3**
International Equity Blended Index			*-3.3*	*3.2*	*18.9*	*2.9*	*-12.4*	*17.8*	*13.0*	*-1.9*	*10.3*	*2.9*	*-14.4*
ERS International Dev Mkts Core	1,367,763,249	4.7	-3.0	4.5	17.4	-0.9	-6.3	14.5	18.3	2.0	11.1	-0.3	-14.3
MSCI EAFE			*-3.3*	*4.4*	*17.6*	*-0.1*	*-7.5*	*16.4*	*18.7*	*0.0*	*10.0*	*-2.3*	*-14.9*
ERS Canada	231,967,168	0.8	2.0	6.4	13.4	8.3	-24.9	24.5	3.5	-4.5	17.4	--	--
MSCI Canada			*0.6*	*5.8*	*12.1*	*7.9*	*-25.3*	*23.2*	*2.0*	*-5.7*	*17.0*	*12.2*	*-20.4*
Fisher Investments	328,995	0.0											
Templeton	308,286,738	1.0	-10.2	3.8	18.1	-2.6	-8.0	15.6	19.5	3.6	10.0	-0.7	-14.3
Templeton Blended Index			*-3.3*	*3.2*	*18.9*	*2.9*	*-12.4*	*17.8*	*13.0*	*-1.9*	*10.3*	*2.9*	*-13.8*

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Long Term Public Index is comprised of 79% MSCI ACWI IMI and 21% Barclays Intermediate Treasury Index. Index definitions can be found in the appendix.

Employees Retirement System of Texas

TOTAL FUND PERFORMANCE DETAIL

	Market Value ($)	% of Portfolio	Fiscal 2019 (%)	Fiscal 2018 (%)	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)
Lazard Asset Management	343,168,699	1.2	-0.1	9.0	13.0	-1.6	-5.0	18.8	23.3	--	--	--	--
MSCI EAFE			*-3.3*	*4.4*	*17.6*	*-0.1*	*-7.5*	*16.4*	*18.7*	*0.0*	*10.0*	*-2.3*	*-14.9*
Blackrock International Focus	335,512,429	1.1	-2.7	-0.2	23.0	-0.8	--	--	--	--	--	--	--
MSCI ACWI ex USA			*-3.3*	*3.2*	*18.9*	*2.9*	*-12.4*	*17.7*	*13.0*	*-1.9*	*10.3*	*2.9*	*-14.4*
ERS Emerging Markets	785,055,388	2.7	-3.5	0.2	25.7	10.9	-19.2	18.8	1.3	-7.0	9.6	19.9	--
MSCI Emerging Markets			*-4.4*	*-0.7*	*24.5*	*11.8*	*-22.9*	*20.0*	*0.5*	*-5.8*	*9.1*	*18.0*	*-9.9*
Emerging Managers II LP	210,415,671	0.7	-6.9	8.1	--	--	--	--	--	--	--	--	--
MSCI EAFE Small Cap			*-9.2*	*7.5*	*22.0*	*5.4*	*-1.8*	*18.7*	*24.3*	*-3.6*	*17.4*	*1.8*	*-8.9*
Acadian Emerging Mkts Quant	131,141,032	0.4	-4.9	--	--	--	--	--	--	--	--	--	--
MSCI Emerging Markets			*-4.4*	*-0.7*	*24.5*	*11.8*	*-22.9*	*20.0*	*0.5*	*-5.8*	*9.1*	*18.0*	*-9.9*
Axiom Intl Small Cap	120,805,857	0.4	--	--	--	--	--	--	--	--	--	--	--
MSCI ACWI ex US Small Cap			*-9.0*	*5.4*	*19.6*	*7.5*	*-9.1*	*19.7*	*16.8*	*-5.5*	*15.5*	*10.0*	*-7.4*
EAM Intl Small Cap	93,052,563	0.3	--	--	--	--	--	--	--	--	--	--	--
MSCI ACWI ex US Small Cap			*-9.0*	*5.4*	*19.6*	*7.5*	*-9.1*	*19.7*	*16.8*	*-5.5*	*15.5*	*10.0*	*-7.4*
Global Alpha Intl Sm	96,319,868	0.3	--	--	--	--	--	--	--	--	--	--	--
MSCI EAFE Small Cap			*-9.2*	*7.5*	*22.0*	*5.4*	*-1.8*	*18.7*	*24.3*	*-3.6*	*17.4*	*1.8*	*-8.9*
Kayne Anderson Intl	121,711,937	0.4	--	--	--	--	--	--	--	--	--	--	--
MSCI ACWI ex US Small Cap			*-9.0*	*5.4*	*19.6*	*7.5*	*-9.1*	*19.7*	*16.8*	*-5.5*	*15.5*	*10.0*	*-7.4*
QMA Emerging Mkts Sm	111,665,530	0.4	--	--	--	--	--	--	--	--	--	--	--
MSCI ACWI ex US Small Cap			*-9.0*	*5.4*	*19.6*	*7.5*	*-9.1*	*19.7*	*16.8*	*-5.5*	*15.5*	*10.0*	*-7.4*
Emerg Mgr II Emg Mkt	159,887,076	0.5											
Intl Dev Markets Value	518,886,627	1.8											
Global Public Equity Special Situations	**600,461,806**	**2.0**	**-4.4**	**17.8**	**18.3**	**12.2**	**-1.7**	**--**	**--**	**--**	**--**	**--**	**--**
Directional Growth Portfolio	**561,756,193**	**1.9**	**2.5**	**10.1**	**19.8**	**1.6**	**20.2**	**--**	**--**	**--**	**--**	**--**	**--**
Global Equity Tactical	**1,896**	**0.0**											
Private Equity	**4,312,337,922**	**14.7**	**5.0**	**16.6**	**17.3**	**5.8**	**11.0**	**20.8**	**17.1**	**2.3**	**14.7**	**-3.7**	**-23.6**

TOTAL FUND PERFORMANCE DETAIL

	Market Value ($)	% of Portfolio	Fiscal 2019 (%)	Fiscal 2018 (%)	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)
Total Global Credit	**2,813,789,696**	**9.6**	**5.0**	**4.4**	**9.9**	**8.1**	**-1.4**	**11.2**	**--**	**--**	**--**	**--**	**--**
BBgBarc US High Yield 2% Issuer Cap TR			*6.6*	*3.4*	*8.6*	*9.1*	*-2.9*	*10.6*	*7.6*	*13.8*	*8.3*	*21.4*	*7.0*
ETF Fixed Income Emerging Markets	10,151,468	0.0	14.8	-5.3	4.9	15.5	1.4	16.4	-7.5	--	--	--	--
ETF Fixed Income EMG Blended Index			*6.6*	*3.4*	*8.6*	*9.1*	*-2.9*	*10.6*	*-2.8*	--	--	--	--
ETF Fixed Income High Yield	262,519,379	0.9	6.8	2.6	8.2	6.9	-2.6	10.0	5.2	--	--	--	--
ETF Fixed Income High Yield Blended Index			*6.6*	*3.4*	*8.6*	*9.1*	*-2.9*	*10.6*	*7.6*	--	--	--	--
ERS Internal High Yield	1,963,991,477	6.7	5.2	3.6	8.7	9.8	-1.6	--	--	--	--	--	--
BBgBarc US High Yield 2% Issuer Cap TR			*6.6*	*3.4*	*8.6*	*9.1*	*-2.9*	*10.6*	*7.6*	*13.8*	*8.3*	*21.4*	*7.0*
Private Credit	577,127,372	2.0	2.0	10.0	16.6	1.6	2.3	--	--	--	--	--	--
BBgBarc US High Yield 2% Issuer Cap TR			*6.6*	*3.4*	*8.6*	*9.1*	*-2.9*	*10.6*	*7.6*	*13.8*	*8.3*	*21.4*	*7.0*
Total Real Assets	**4,056,568,353**	**13.8**	**9.2**	**10.0**	**6.7**	**10.1**	**6.2**	**14.7**	**9.6**	**11.2**	**--**	**--**	**--**
Real Estate	**3,170,298,099**	**10.8**	**9.2**	**10.1**	**10.2**	**13.4**	**7.2**	**14.9**	**8.7**	**11.2**	**18.2**	**15.0**	**-22.0**
Global Public Real Estate	**937,570,770**	**3.2**	**9.5**	**5.7**	**0.8**	**15.5**	**-5.6**	**19.6**	**6.5**	**12.6**	**15.0**	**15.4**	**-22.0**
Public Real Estate Blended Index			*8.8*	*6.2*	*0.5*	*16.8*	*-3.6*	*20.1*	*6.6*	*12.6*	*15.5*	*15.1*	*-23.1*
Internal Public Real Estate	**937,570,770**	**3.2**	**9.5**	**5.7**	**0.8**	**18.2**	**-3.9**	**19.7**	**6.9**	**12.6**	**15.4**	**15.4**	**-22.0**
Internal Public Real Estate Blended Index			*8.8*	*6.2*	*0.5*	*18.0*	*-4.2*	*20.1*	*6.6*	*12.6*	*15.5*	*15.1*	*-23.1*
Domestic REIT Composite	517,150,022	1.8	12.0	6.9	-4.8	25.4	0.8	24.3	1.0	20.0	18.5	33.1	-33.0
Domestic REIT Fund Blended Index			*11.7*	*7.0*	*-3.2*	*25.5*	*0.1*	*24.3*	*0.7*	*20.0*	*18.5*	*32.6*	*-33.8*
International REIT	420,420,748	1.4	6.2	4.4	7.4	10.4	-8.6	15.9	12.2	6.7	13.0	6.0	-14.0
FTSE EPRA/NAREIT Developed ex US TR			*6.0*	*6.0*	*5.8*	*10.6*	*-8.1*	*16.6*	*12.0*	*6.8*	*13.2*	*5.7*	*-15.6*
Private Real Estate	2,232,727,329	7.6	9.0	11.9	14.1	12.8	14.1	12.5	10.1	10.7	13.0	--	--
Private Real Estate Blended Index			*5.5*	*7.5*	*6.9*	*10.8*	*13.4*	*4.0*	*4.1*	*11.6*	*14.1*	--	--

Employees Retirement System of Texas

TOTAL FUND PERFORMANCE DETAIL

	Market Value ($)	% of Portfolio	Fiscal 2019 (%)	Fiscal 2018 (%)	Fiscal 2017 (%)	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)
Total Infrastructure	**886,270,254**	**3.0**	**9.4**	**9.3**	**-10.3**	**-16.3**	**0.7**	**12.0**	**17.9**	**--**	**--**	**--**	**--**
Private Infrastructure	886,270,254	3.0	9.4	9.3	-10.3	-16.3	0.3	9.0	17.9	--	--	--	--
Total Special Situations	**121,500,931**	**0.4**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
ERS Launchpad LLC	121,500,931	0.4	--	--	--	--	--	--	--	--	--	--	--
HFRI EH Equity Market Neutral 1MA Index			--	--	--	--	--	--	--	--	--	--	--
Risk Reduction	**6,633,342,196**	**22.6**	**6.3**	**0.7**	**1.8**	**2.7**	**2.5**	**2.9**	**-0.9**	**2.8**	**--**	**--**	**--**
Total Rates	**5,031,067,041**	**17.1**	**7.5**	**-1.1**	**0.1**	**3.3**	**2.1**	**2.5**	**--**	**--**	**--**	**--**	**--**
BBgBarc US Treasury Int TR			*7.5*	*-1.3*	*0.0*	*3.1*	*1.9*	*2.2*	*-1.6*	*2.8*	*3.9*	*6.8*	*5.7*
Absolute Return	**1,049,552,734**	**3.6**	**3.0**	**5.9**	**7.2**	**1.5**	**4.8**	**5.8**	**8.0**	**--**	**--**	**--**	**--**
Total Hedge Funds Blended Index			*6.4*	*5.5*	*4.6*	*4.2*	*4.0*	*4.0*	*4.1*	--	--	--	--
Total Cash	**552,722,422**	**1.9**											

Note: Returns are net of investment management fees.
Fiscal year end is August 31.
End notes can be found in the Appendix and Disclosures section of this report.
For detailed benchmark information please refer to the Investment Policy Statement.

APPENDIX & DISCLOSURES

NEPC, LLC

BENCHMARK NOTES

*Returns are net of fees. Fiscal year ends August 31st.

1. Total Fund Policy Index is currently comprised of the MSCI ACWI IMI USA Gross, Bloomberg Barclays US High Yield 2% Issuer Cap, FTSE EPRA/NAREIT Blend, NCREIF ODCE NET (1 month in arrears), Bloomberg Barclays Intermediate Treasury, BofA Merrill Lynch 3 Month Treasury Bill + 3.5% (lagged 1 month), BofA Merrill Lynch 3 Month Treasury Bill, Wilshire TUCS >$5B Median, and the CPI + 4%.

2. Long Term Public Index is comprised of 79% MSCI ACW IMI and 21% Barclays Intermediate Treasury Index.

3. Global Public Equity Blended Index consists of the S&P 1500 and MSCI ACWI ex US Net using actual portfolio weights through 8/31/14 and the MSCI All Country World Net from 9/1/14 through 8/31/15. Starting 9/1/15 benchmark is the MSCI ACWI IMI USA Gross.

4. Total Domestic Public Equity Blended Index consists of the S&P 500 from inception through August 2008 and S&P 1500 from September 2008 through August 2019 and the MSCI USA IMI Gross thereafter.

5. Total International Public Equity Blended Index consists of the MSCI EAFE Net January 1999 through August 2008 and the MSCI ACWI ex US Net thereafter.

6. Fisher Investments Blended Index consists of the MSCI EAFE Net from July 2006 through September 2008 and MSCI ACWI ex US Net thereafter.

7. Templeton Blended Index consists of the MSCI EAFE Net from April 2003 through September 2008 and MSCI ACWI ex US Net thereafter.

8. ETF Fixed Income EMG Blended Index consists of the Bloomberg Barclays Emerging Market from July 2012 through August 2013 and the Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Capped thereafter.

9. ETF Fixed Income High Yield Blended Index consists of the Bloomberg Barclays Corporate U.S. High Yield from July 2012 through August 2013, and the Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Capped thereafter.

10. Total Public Real Estate Blended Index consists of the MSCI REIT from March 2005 - March 2007, a floating weight benchmark comprised of the EPRA/NAREIT US and EPRA/NAREIT US Global ex US from April 2007 through December 2007, the EPRA NAREIT Global Index from January 2008 through August 2013, the FTSE EPRA/NAREIT Developed Net from September 2013 through August 2014, and a MV weighted blend of the Total Internal Public RE Benchmark and the Wells St. Partner custom benchmark from September 2

11. Internal Public Real Estate Blended Index consists of the MSCI REIT from March 2005 - March 2007, a floating weight benchmark comprised of the EPRA/NAREIT US and EPRA/NAREIT US Global ex US from April 2007 through December 2007, the EPRA NAREIT Global Index from January 2008 through August 2013, the FTSE EPRA/NAREIT Developed Net from September 2013 thereafter.

12. Domestic REIT Fund Blended Index consists of the MSCI REIT from May 2000 - March 2007 and the FTSE EPRA/NAREIT thereafter.

13. Private Real Estate Blended index consists of the 91 Day T-Bill + 4% RE benchmark from 9/1/2012 through 8/31/14 and the NCREIF NFI-ODCE Net 1 month lagged beginning 9/1/14.

14. Hedge Fund Blended Index consists of the 91 Day T-Bill + 4% through 8/31/14, the 91 Day T-Bill + 4% (1 month lagged) from 9/1/14 through 8/31/19, and the 91 Day T-Bill + 3.5% 1 month lagged beginning 9/1/19.

15. The Global Private Equity Benchmark is the actual gross of fees return of the Global Private Equity Composite from 9/1/11 through 8/31/15, the MSCI All Country World IMI with USA Gross Index Net plus 300 bps from 9/1/15 through 8/31/2019 and the Wilshire TUCS >$5B Median thereafter.

GLOSSARY OF INVESTMENT TERMINOLOGY

Alpha - Measures the relationship between the fund performance and the performance of another fund or benchmark index and equals the excess return while the other fund or benchmark index is zero.

Alpha Jensen - The average return on a portfolio over and above that predicted by the capital asset pricing model (CAPM), given the portfolio's beta and the average market return. Also known as the abnormal return or the risk adjusted excess return.

Annualized Excess Return over Benchmark - Annualized fund return minus the annualized benchmark return for the calculated return.

Annualized Return - A statistical technique whereby returns covering periods greater than one year are converted to cover a 12 month time span.

Beta - Measures the volatility or systematic risk and is equal to the change in the fund's performance in relation to the change in the assigned index's performance.

Information Ratio - A measure of the risk adjusted return of a financial security, asset, or portfolio.

Formula: (Annualized Return of Portfolio - Annualized Return of Benchmark)/Annualized Standard Deviation(Period Portfolio Return – Period Benchmark Return). To annualize standard deviation, multiply the deviation by the square root of the number of periods per year where monthly returns per year equals 12 and quarterly returns is four periods per year.

R-Squared – Represents the percentage of a fund's movements that can be explained by movements in an index. R-Squared values range from 0 to 100. An R-Squared of 100 denotes that all movements of a fund are completely explained by movements in the index.

Sharpe Ratio - A measure of the excess return or risk premium per unit of risk in an investment asset or trading strategy.

Sortino Ratio - A method to differentiate between good and bad volatility in the Sharpe Ratio. The differentiation of up and down volatility allows the calculation to provide a risk adjusted measure of a security or fund's performance without upward price change penalties.

*Formula: Calculation Average (X-Y)/Downside Deviation (X-Y) * 2 Where X=Return Series X Y = Return Series Y which is the risk free return (91 day T-bills)*

Standard Deviation - The standard deviation is a statistical term that de-scribes the distribution of results. It is a commonly used measure of volatility of returns of a portfolio, asset class, or security. The higher the standard deviation the more volatile the returns are.

Formula: (Annualized Return of Portfolio – Annualized Return of Risk Free) / Annualized Standard Deviation (Portfolio Returns)

Tracking Error - Tracking error, also known as residual risk, is a measure of the degree to which a portfolio tracks its benchmark. It is also a measure of consistency of excess returns. Tracking error is computed as the annualized standard deviation of the difference between a portfolio's return and that of its benchmark.

Formula: Tracking Error = $\sqrt{\frac{\sum_{i=1}^{n}(Rp-Rb)^2}{N-1}}$

Where X = periods portfolio return and Y = the period's benchmark return For monthly returns, the periods per year = 12 For quarterly returns, the periods per year = 4

Treynor Ratio - A risk-adjusted measure of return based on systematic risk. Similar to the Sharpe ratio with the difference being the Treynor ratio uses beta as the measurement of volatility.

Formula: (Portfolio Average Return - Average Return of Risk-Free Rate)/Portfolio Beta

Up/Down Capture Ratio - A measure of what percentage of a market's re-turns is "captured" by a portfolio. For example, if the market declines 10% over some period, and the manager declines only 9%, then his or her capture ratio is 90%. In down markets, it is advantageous for a manager to have as low a capture ratio as possible. For up markets, the higher the capture ratio the better. Looking at capture ratios can provide insight into how a manager achieves excess returns. A value manager might typically have a lower capture ratio in both up and down markets, achieving excess returns by protecting on the downside, whereas a growth manager might fall more than the overall market in down markets, but achieve above-market returns in a rising market.

UpsideCapture = TotalReturn(FundReturns)/TotalReturns(BMReturn) when Period Benchmark Return is > = 0

UpsideCapture = TotalReturn(FundReturns)/TotalReturns(BMReturn) when Period Benchmark Return is > = 0

Employees Retirement System of Texas

TOTAL FUND RISK STATISTICS

	3 Years Ending December 31, 2019						
	% of Tot	Anlzd Ret	Anlzd Std Dev	Anlzd AJ	Sharpe Ratio	Sortino Ratio RF	Tracking Error
Total Fund	100.00%	9.31%	5.13%	2.09%	1.49	1.55	1.67%
Total Fund Policy Index	--	8.76%	6.45%	0.00%	1.10	1.23	0.00%
Global Public Equity	39.00%	12.08%	11.25%	-0.09%	0.93	1.10	0.95%
Global Public Equity Blended Index	--	12.43%	11.49%	0.00%	0.94	1.11	0.00%
Private Equity	14.66%	11.71%	3.93%	10.28%	2.56	12.08	12.24%
Private Equity Blended Index	--	9.52%	11.30%	0.00%	0.70	0.74	0.00%
Total Global Credit	9.57%	6.04%	3.43%	0.56%	1.28	1.79	1.18%
BBgBarc US High Yield 2% Issuer Cap TR	--	6.36%	4.07%	0.00%	1.16	1.84	0.00%
Global Public Real Estate	3.19%	9.27%	9.86%	0.35%	0.77	1.00	0.91%
Public Real Estate Blended Index	--	8.97%	9.89%	0.00%	0.74	0.95	0.00%
Private Real Estate	7.59%	11.29%	2.70%	10.28%	3.58	19.14	4.04%
Private Real Estate Blended Index	--	6.34%	2.67%	0.00%	1.76	28.07	0.00%
Total Rates	17.11%	2.73%	2.10%	0.18%	0.52	1.21	0.12%
BBgBarc US Treasury Int TR	--	2.57%	2.17%	0.00%	0.43	0.99	0.00%
Absolute Return	3.57%	4.37%	1.74%	7.90%	1.57	2.00	1.78%
Total Hedge Funds Blended Index	--	5.64%	0.20%	0.00%	19.79	--	0.00%
Total Cash	1.88%	2.79%	0.90%	1.15%	1.28	2.21	0.94%
91 Day T-Bills	--	1.64%	0.17%	0.00%	0.00	--	0.00%

Employees Retirement System of Texas

TOTAL FUND RISK STATISTICS

	5 Years Ending December 31, 2019						
	% of Tot	Anlzd Ret	Anlzd Std Dev	Anlzd AJ	Sharpe Ratio	Sortino Ratio RF	Tracking Error
Total Fund	100.00%	7.13%	5.54%	1.36%	1.10	1.46	1.67%
Total Fund Policy Index	--	6.91%	6.75%	0.00%	0.87	1.20	0.00%
Global Public Equity	39.00%	8.16%	11.53%	-0.15%	0.62	0.82	1.20%
Global Public Equity Blended Index	--	8.56%	11.87%	0.00%	0.63	0.84	0.00%
Private Equity	14.66%	11.15%	3.98%	9.80%	2.54	10.81	11.27%
Private Equity Blended Index	--	9.84%	10.91%	0.00%	0.81	0.96	0.00%
Total Global Credit	9.57%	6.11%	4.33%	0.99%	1.17	1.87	1.44%
BBgBarc US High Yield 2% Issuer Cap TR	--	6.14%	5.28%	0.00%	0.96	1.78	0.00%
Global Public Real Estate	3.19%	5.75%	10.71%	-0.34%	0.44	0.69	1.02%
Public Real Estate Blended Index	--	6.17%	10.84%	0.00%	0.47	0.74	0.00%
Private Real Estate	7.59%	12.19%	2.53%	11.52%	4.40	23.98	4.63%
Private Real Estate Blended Index	--	8.36%	3.69%	0.00%	1.98	29.55	0.00%
Total Rates	17.11%	2.13%	2.26%	0.18%	0.48	0.87	0.16%
BBgBarc US Treasury Int TR	--	1.99%	2.36%	0.00%	0.40	0.75	0.00%
Absolute Return	3.57%	4.32%	2.12%	4.48%	1.54	2.39	2.15%
Total Hedge Funds Blended Index	--	5.05%	0.26%	0.00%	15.63	--	0.00%
Total Cash	1.88%	2.12%	1.10%	1.07%	0.97	1.45	1.10%
91 Day T-Bills	--	1.05%	0.25%	0.00%	0.00	--	0.00%

Information Disclaimer

- Past performance is no guarantee of future results.
- All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.
- NEPC's source for portfolio pricing, calculation of accruals, and transaction information is the plan's custodian bank. Information on market indices and security characteristics is received from other sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
- Some index returns displayed in this report or used in calculation of a policy, allocation or custom benchmark may be preliminary and subject to change.
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Reporting Methodology

- The client's custodian bank is NEPC's preferred data source unless otherwise directed. NEPC generally reconciles custodian data to manager data. If the custodian cannot provide accurate data, manager data may be used.
- Trailing time period returns are determined by geometrically linking the holding period returns, from the first full month after inception to the report date. Rates of return are annualized when the time period is longer than a year. Performance is presented gross and/or net of manager fees as indicated on each page.
- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
- This report may contain forward-looking statements that are based on NEPC's estimates, opinions and beliefs, but NEPC cannot guarantee that any plan will achieve its targeted return or meet other goals.