

Investment Update
Friday, December 9, 2022

Transfer Schedule

| Tranche # | Transfer Date | Number of Funds | | \$ millions | |
|-----------|-----------------------|-----------------|-------|-------------|-------|
| | | Tranche | Total | Tranche | Total |
| 1 | March 1, 2022 | 14 | 14 | 220 | 220 |
| 2 | April 1, 2022 | 18 | 32 | 458 | 678 |
| 3 | May 2, 2022 | 14 | 46 | 354 | 1,032 |
| 4 | June 1, 2022 | 27 | 73 | 770 | 1,803 |
| 5 | June 24, 2022 | 45 | 118 | 1,268 | 3,071 |
| 6 | August 1, 2022 | 36 | 154 | 1,463 | 4,534 |
| 7 | September 1, 2022 | 62 | 216 | 1,871 | 6,405 |
| 8 | October 3, 2022 | 52 | 268 | 876 | 7,281 |
| 9 | November 1, 2022 | 35 | 303 | 375 | 7,656 |
| 10 | December 1, 2022 | 24 | 327 | 816 | 8,472 |
| DNT | Did Not Transfer | 15 | 342 | 114 | 8,586 |
| LIT | litigation plaintiffs | 15 | 357 | 1,233 | 9,819 |

As of 12/7/22

Transition Management Review

- Portfolio Transitions have been very successful
- \$6,453 Million transitioned through October*
(*September and October are preliminary. November and December not included)
- Implementation Shortfall: \$1.309 million
 - Amount transition portfolio lagged the target portfolio
- Commissions: \$1.5 million (hit cap in October)
- Total Cost \$2.809 million, 4.35 basis points (bps) (0.00435%) vs. estimate of 8.56 (bps)

| Asset Type | Market Value | In-Kind Value | In-Kind % |
|--------------|--------------|---------------|-----------|
| Mutual Funds | \$3,276 | 0 | 0% |
| ETFs | 420 | 0 | 0% |
| Stocks | 439 | 273 | 62% |
| Bonds | 2,280 | 357 | 16% |

Dollars in Millions

Non-Transferring Funds

| Litigants (15) | Est. \$M |
|-----------------------|-----------------|
| ARLINGTON HEIGHTS | 162 |
| AURORA | 245 |
| CHAMPAIGN | 121 |
| CHICAGO HEIGHTS | 48 |
| CHICAGO RIDGE | 29 |
| DEKALB | 45 |
| ELGIN | 157 |
| ELMHURST | 78 |
| EVANSTON | 158 |
| MOKENA | 25 |
| PALOS HEIGHTS | 29 |
| RANTOUL | 30 |
| VILLA PARK | 36 |
| WOOD DALE | 26 |
| WOODRIDGE | 45 |
| Total \$M | 1,233 |

| Did Not Transfer (15) | Est. \$M |
|------------------------------|-----------------|
| EAST ST LOUIS | 19 |
| FAIRVIEW HEIGHTS | 29 |
| GLEN CARBON | 11 |
| GLENWOOD | 11 |
| HAMPSHIRE | 2 |
| LASALLE | 8 |
| MARYVILLE | 4 |
| METROPOLIS | 8 |
| MONTICELLO | 1 |
| PERU | 11 |
| ROBBINS (no assets) | 0.2 |
| SOUTH CHICAGO HEIGHTS | 4 |
| STONE PARK | 4 |
| VENICE | 0.3 |
| WASHINGTON PARK | 1 |
| Total \$M | 114 |

As of 12/2/22

Asset Allocation 12/6/22

| Account | Current | | Target | | Variance | |
|------------------------------|--------------|---------------|--------------|---------------|-------------|--------------|
| | \$M | % | \$M | % | \$M | % |
| Growth | 3,670 | 49.7% | 3,689 | 50.0% | (19) | -0.3% |
| RHUMBLINE US LARGE | 1,302 | 17.7% | 1,328 | 18.0% | (26) | -0.3% |
| RHUMBLINE US SMALL | 353 | 4.8% | 369 | 5.0% | (16) | -0.2% |
| SSGA NON-US DEVELOPED | 1,119 | 15.2% | 1,107 | 15.0% | 13 | 0.2% |
| SSGA NON-US DEVELOPED SC | 369 | 5.0% | 369 | 5.0% | (0) | 0.0% |
| SSGA EM EQUITY | 526 | 7.1% | 516 | 7.0% | 10 | 0.1% |
| | | | | | | |
| Income | 1,195 | 16.2% | 1,180 | 16.0% | 14 | 0.2% |
| SSGA HIGH YIELD | 742 | 10.1% | 738 | 10.0% | 4 | 0.1% |
| SSGA EM DEBT | 453 | 6.1% | 443 | 6.0% | 11 | 0.1% |
| | | | | | | |
| Inflation Protection | 655 | 8.9% | 664 | 9.0% | (9) | -0.1% |
| SSGA TIPS | 219 | 3.0% | 221 | 3.0% | (2) | 0.0% |
| SSGA REITS | 273 | 3.7% | 295 | 4.0% | (22) | -0.3% |
| PRINCIPAL US PROPERTY | 163 | 2.2% | 148 | 2.0% | 16 | 0.2% |
| | | | | | | |
| Risk Mitigation | 1,858 | 25.2% | 1,845 | 25.0% | 14 | 0.2% |
| IPOPIF CASH | 229 | 3.1% | 221 | 3.0% | 8 | 0.1% |
| SSGA ST GOV-CREDIT | 1,104 | 15.0% | 1,107 | 15.0% | (3) | 0.0% |
| SSGA CORE BONDS | 525 | 7.1% | 516 | 7.0% | 8 | 0.1% |
| | | | | | | |
| Total Investment Pool | 7,378 | 100.0% | 7,378 | 100.0% | - | 0.0% |
| | | | | | | |
| Transition Pool | 264 | | | | | |
| Participant Fund Accounts | 861 | | | | | |
| Grand Total | 8,504 | | | | | |

November 17 Rebalancing

| As of 11/16/22 | Current | | Target | | Variance | | Flow-1 | Pro-Forma 1 | | PF-1 Variance | |
|------------------------------|--------------|---------------|--------------|---------------|-------------|--------------|--------------|--------------|---------------|---------------|---------------|
| Account | \$M | % | \$M | % | \$M | % | \$M | \$M | % | \$M | % |
| Growth | 3,398 | 51.9% | 3,272 | 50.0% | 126 | 1.9% | (120) | 3,278 | 50.1% | 6 | 0.1% |
| RHUMBLINE US LARGE | 1,208 | 18.5% | 1,178 | 18.0% | 30 | 0.5% | (30) | 1,178 | 18.0% | 0 | 0.0% |
| RHUMBLINE US SMALL | 337 | 5.2% | 327 | 5.0% | 10 | 0.2% | (10) | 327 | 5.0% | 0 | 0.0% |
| SSGA NON-US DEVELOPED | 1,045 | 16.0% | 982 | 15.0% | 64 | 1.0% | (64) | 981 | 15.0% | (0) | 0.0% |
| SSGA NON-US DEVELOPED SC | 343 | 5.2% | 327 | 5.0% | 16 | 0.2% | (16) | 327 | 5.0% | (0) | 0.0% |
| SSGA EM EQUITY | 464 | 7.1% | 458 | 7.0% | 6 | 0.1% | | 464 | 7.1% | 6 | 0.1% |
| | | | | | | | | | | | |
| Income | 1,021 | 15.6% | 1,047 | 16.0% | (26) | -0.4% | 26 | 1,047 | 16.0% | 0 | 0.0% |
| SSGA HIGH YIELD | 642 | 9.8% | 654 | 10.0% | (12) | -0.2% | 12 | 654 | 10.0% | 0 | 0.0% |
| SSGA EM DEBT | 379 | 5.8% | 393 | 6.0% | (14) | -0.2% | 14 | 393 | 6.0% | 0 | 0.0% |
| | | | | | | | | | | | |
| Inflation Protection | 582 | 8.9% | 589 | 9.0% | (6) | -0.1% | 5 | 587 | 9.0% | (1) | 0.0% |
| SSGA TIPS | 194 | 3.0% | 196 | 3.0% | (2) | 0.0% | | 194 | 3.0% | (2) | 0.0% |
| SSGA REITS | 237 | 3.6% | 262 | 4.0% | (25) | -0.4% | 5 | 242 | 3.7% | (20) | -0.3% |
| PRINCIPAL US PROPERTY | 151 | 2.3% | 131 | 2.0% | 20 | 0.3% | | 151 | 2.3% | 20 | 0.3% |
| | | | | | | | | | | | |
| Risk Mitigation | 1,542 | 23.6% | 1,636 | 25.0% | (94) | -1.4% | 89 | 1,631 | 24.9% | (5) | -0.1% |
| IPOPIF CASH | 189 | 2.9% | 196 | 3.0% | (7) | -0.1% | 2 | 191 | 2.9% | (5) | -0.1% |
| SSGA ST GOV-CREDIT | 917 | 14.0% | 982 | 15.0% | (65) | -1.0% | 65 | 982 | 15.0% | 0 | 0.0% |
| SSGA CORE BONDS | 436 | 6.7% | 458 | 7.0% | (22) | -0.3% | 22 | 458 | 7.0% | (0) | 0.0% |
| | | | | | | | | | | | |
| Total Investment Pool | 6,544 | 100.0% | 6,544 | 100.0% | - | 0.0% | - | 6,544 | 100.0% | (0) | 100.0% |
| | | | | | | | | | | | |
| Transition Pool | 944 | | | | | | | | | | |
| Participant Fund Accounts | 224 | | | | | | | | | | |
| Grand Total | 7,712 | | | | | | | | | | |

Performance Summary

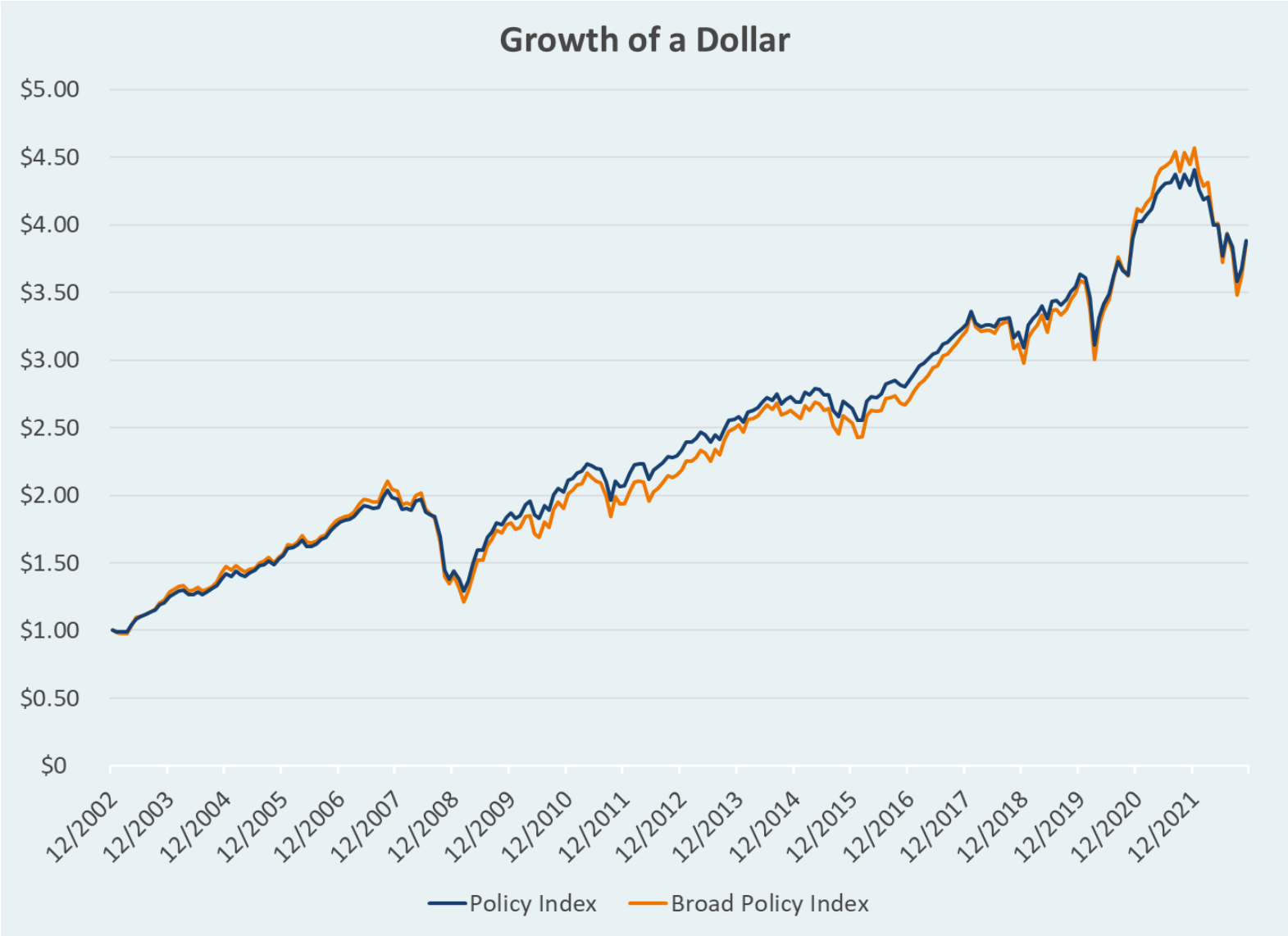
| | March | 2Q22 | 3Q22 | Since |
|-------------------------------|--------------|-------------|-------------|---------------|
| Overall ¹ | 0.5% | -9.7% | -5.4% | 4/1/22 |
| Investment Pool | - | -10.4% | -4.8% | -14.8% |
| Policy Benchmark ² | 0.5% | -10.4% | -5.0% | -14.8% |
| Broad Benchmark ³ | 0.6% | -13.6% | -6.6% | -19.4% |

1 - Overall includes the Investment Pool plus assets in transition

2 - Policy Benchmark is the weighted average of asset class benchmarks

3 - Broad Benchmark is 70% global stocks and 30% global bonds

Benchmark Historical Perspective



Transition Consultant
Status Updates

IPOPIF asset transition status update

Objective:

Illinois Police Officers' Investment Fund (IPOPIF) aims to transfer all Article 3 downstate and suburban police pension plans, totaling over \$9 billion in assets, into one statewide investment asset pool.

Below is a summary of the key metrics identified for the overall asset transition.

| Tranche | Key accomplishments since 11/10/2022 |
|--|---|
| August 1 st September 1 st October 3 rd | <ul style="list-style-type: none"> Post-transfer reconciliations delivered to funds who transferred assets after the transfer deadline |
| November 1 st | <ul style="list-style-type: none"> Post-transfer reconciliations delivered to funds who transferred assets 29/35 |
| December 1 st | <ul style="list-style-type: none"> 11/24 funds have transferred all or partial assets |
| Fund Admin | <ul style="list-style-type: none"> 445 users across 174 member funds gained access to the cash management platform¹ |

| Key Metric ² | Transferred | DNT Funds | Litigation Funds | Total remaining funds |
|------------------------------|------------------|-----------|------------------|-----------------------|
| Funds | 303 ³ | 15 | 15 | 30 |
| Ex. A submitted | N/A | 6/15 | 2/15 | 8/30 |
| Ex. B submitted | N/A | 1/15 | 1/15 | 2/30 |
| Ex. A & asset file submitted | N/A | 2/15 | 0/15 | 2/30 |

Key success factors

- Legacy custodian contact and collection of asset holding files
- Asset holding file completeness validation prior to transfer
- Exhibit A receipt from member funds
- Cash management solution onboarding and training support
- Certified investment asset list process execution
- Post-transfer reconciliation process execution
- Month-end accounting close execution and report delivery

Trends

- Funds with outstanding activities from previous tranches are being closed out at a consistent rate
- Understanding of individual legacy custodian requirements to transfer assets is increasing
- Member funds who transferred on September 1st or earlier and retained 90 days of cash on hand are beginning to request cash withdrawals from the cash management solution
- IPOPIF will increase by \$770 Million upon completion of the December 1st tranche transfer to bring IPOPIF to a total of \$8.50 Billion in assets
- 30 funds (Est \$1.34 Billion) do not have an assigned transfer date
- PMO support provided by EY concludes on 12/31/2022

¹Based on data as of 12/7/22

²Metrics based on data as of 12/7/22

³13 funds in the December 1st tranche have not transferred assets, 6 funds in the November 1st tranche have not transferred assets, 5 funds in the October 3rd tranche have not transferred assets, totaling 24 outstanding funds

Previous tranche activities

| Tranche | Date | # funds | Value \$M |
|---------|-------------|---------|-----------|
| 2 | April 1 | 1 | \$16 M |
| 5 | June 24 | 3 | \$18 M |
| 7 | September 1 | 7 | \$182 M |
| 8 | October 3 | 14 | \$125 M |
| 9 | November 1 | 9 | \$71 M |
| Total | | 34 | \$411 M |

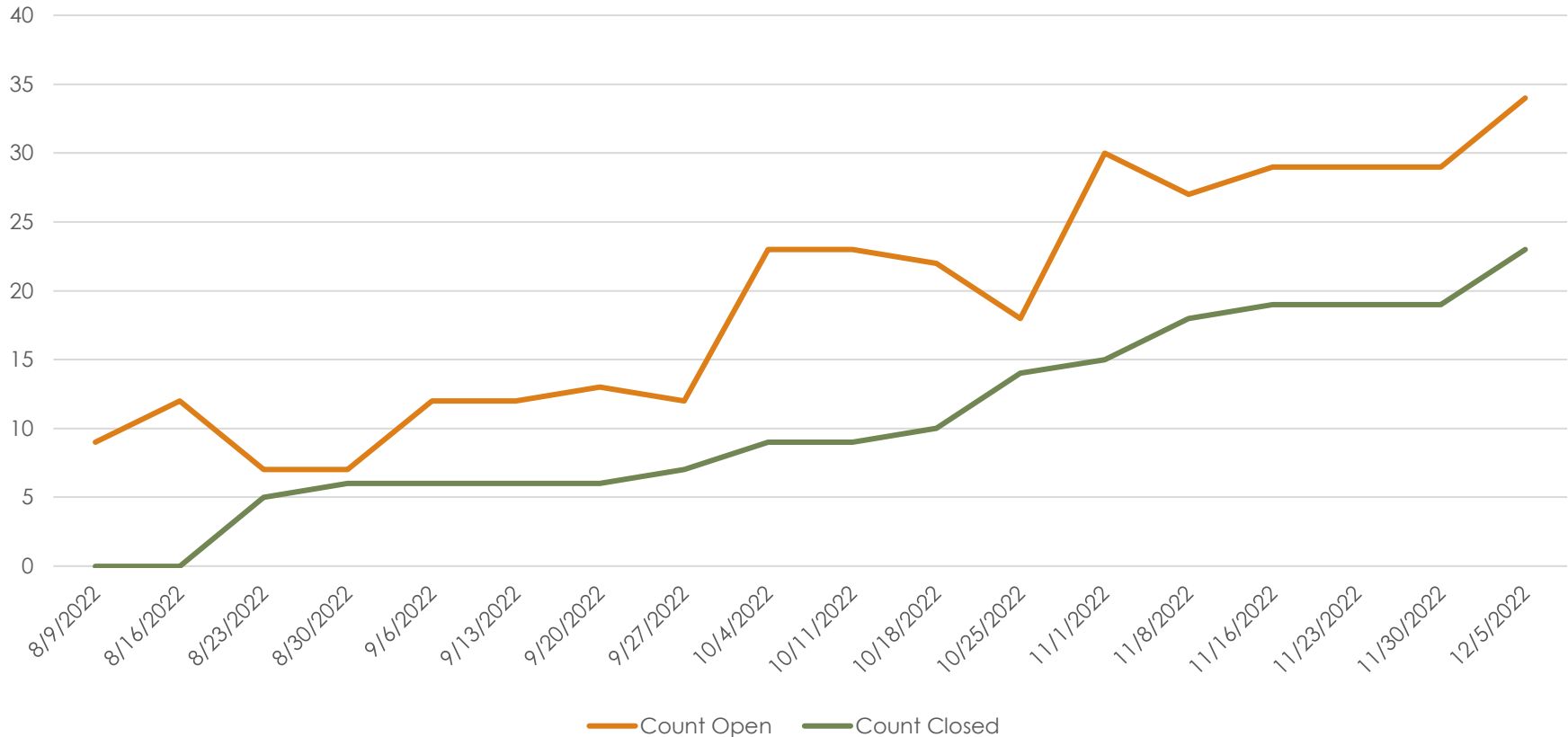
| Status | # funds | Value \$M |
|---------------------------------------|---------|-----------|
| No assets delivered | 11 | \$195 M |
| Partial assets delivered ¹ | 9 | \$101 M |
| All assets delivered* | 14 | \$115 M |
| Total | 34 | \$411 M |

*Funds with all assets received and additional activities required to complete the asset transfer process such as post-transfer reconciliation delivery or final AUP report creation.

¹Asset values are not available for all funds with partial assets delivered

The graph below displays the status of funds from previous tranches with outstanding activities between August and November

Summary of open and closed funds from previous tranches



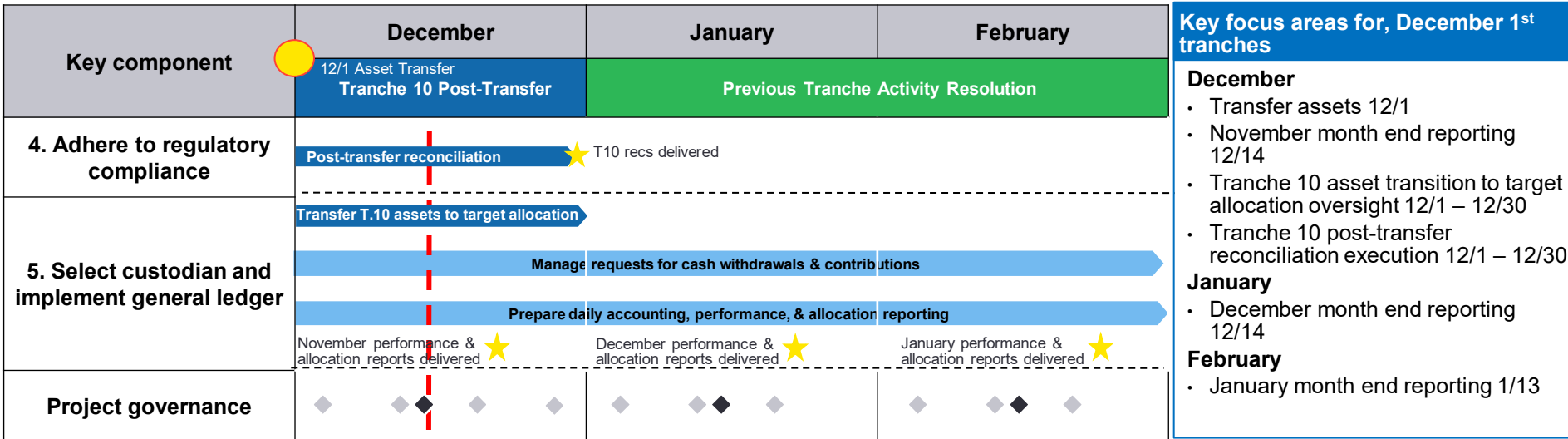
Open: Defined as a fund from a previous tranche that does not have its final AUP report completed by the CIAL auditor. This may be the case due to a variety of reasons such as no assets received, partial assets received, or all assets received and the post-transfer reconciliation or final AUP report processes are in progress.

Closed: Defined as a fund from a previous tranche that previously had an “Open” status and had all outstanding activities completed.

Asset transition key components critical milestones timeline

Dec – Feb

The GANTT chart below covers the key components* and critical milestones for December 1st tranche activities. Additionally, key focus areas for IPOPIF staff are identified.



*Key components 1,2, 3, 6, 7, and 8 have been completed in previous months.

LEGEND: December 1st tranche activity Cash request and accounting Critical Path Milestone Transfer date Steering committee Board meeting