

Pursuant to California Government Code section 54953(e), the Oakland Police & Fire Retirement System Board and Committee Members, as well as City staff, will participate via phone/video conference, and no physical teleconference locations are required.

Please see the agenda to participate in the meeting. For additional information, contact the Retirement Unit by calling (510) 238-7295.



Retirement Unit
150 Frank H. Ogawa Plaza
Oakland, California 94612
AGENDA

INVESTMENT COMMITTEE MEMBERS

Jaime T. Godfrey
Chairperson

R. Steve Wilkinson
Member

Robert W. Nichelini
Member

**In the event a quorum of the Board participates in the Committee meeting, the meeting is noticed as a Special Meeting of the Board; however, no final Board action can be taken. In the event that the Investment Committee does not reach quorum, this meeting is noticed as an informational meeting between staff and the Chair of the Investment Committee.*

**REGULAR MEETING of the INVESTMENT AND FINANCIAL MATTERS COMMITTEE
of the OAKLAND POLICE AND FIRE RETIREMENT SYSTEM (“PFRS”)**

WEDNESDAY, FEBRUARY 23, 2022
10:00 AM
TELE-CONFERENCE BOARD MEETING
VIA ZOOM WEBINAR

OBSERVE

- To observe the meeting by video conference, please click on this link: <https://us02web.zoom.us/j/82880493983> at the noticed meeting time.
- To listen to the meeting by phone, please call the numbers below at the noticed meeting time: Dial (for higher quality, dial a number based on your current location):
- iPhone one-tap: US: +16699006833, 82880493983# or +13462487799, 82880493983#
- US: +1 669 900 6833 or +1 346 248 7799 or +1 253 215 8782 or +1 301 715 8592 or +1 312 626 6799 or +1 929 205 6099
- International numbers available: <https://us02web.zoom.us/j/82880493983>
- Webinar ID: 828 8049 3983.
If asked for a participant ID or code, press #.

PUBLIC COMMENTS

There are three ways to submit public comments.

- To send your comment directly to staff BEFORE the meeting starts, please email to mvisaya@oaklandca.gov with “PFRS Board Meeting” in the subject line for the corresponding meeting. Please note that eComment submission **closes two (2) hours before posted meeting time.**

**OAKLAND POLICE AND FIRE RETIREMENT SYSTEM
REGULAR INVESTMENT COMMITTEE MEETING
FEBRUARY 23, 2022**

- To comment by Zoom video conference, click the “Raise Your Hand” button to request to speak when Public Comment is being taken on an eligible agenda item at the beginning of the meeting. You will be permitted to speak during your turn, allowed to comment, and after the allotted time, re-muted. Instructions on how to “Raise Your Hand” is available at: [https://support.zoom.us/hc/en-us/articles/205566129 - Raise-Hand-In-Webinar](https://support.zoom.us/hc/en-us/articles/205566129-Raise-Hand-In-Webinar).
- To comment by phone, please call on one of the above listed phone numbers. You will be prompted to “Raise Your Hand” by pressing “*9” to speak when Public Comment is taken. You will be permitted to speak during your turn, allowed to comment, and after the allotted time, re-muted. Please unmute yourself by pressing *6.

If you have any questions, please email Maxine Visaya, Administrative Assistant II at mvisaya@oaklandca.gov

ORDER OF BUSINESS

- 1. Subject:** Police and Fire Retirement System (“PFRS”) Investment Committee Meeting Minutes

From: Staff of the PFRS Board

Recommendation: **APPROVE** January 26, 2022 Investment Committee Meeting Minutes

- 2. Subject:** Investment Manager Performance Update – Earnest Partners

From: Earnest Partners

Recommendation: **ACCEPT** informational report regarding managerial assessment, diversity and inclusion policy and practices, and investment performance of Earnest Partners, a PFRS Domestic Equity Mid-Cap Core Asset Class Investment Manager

- 3. Subject:** Investment Manager Performance Review – Earnest Partners

From: Meketa Investment Group

Recommendation: **ACCEPT** Meketa Investment Group’s review and evaluation of Earnest Partners, a PFRS Domestic Equity Mid-Cap Core Asset Class Investment Manager regarding managerial assessment, diversity and inclusion policy and practices, and investment performance

OAKLAND POLICE AND FIRE RETIREMENT SYSTEM
REGULAR INVESTMENT COMMITTEE MEETING
FEBRUARY 23, 2022

4. **Subject:** Resolution 8038 – Resolution authorizing one-year extension of professional services agreement with Earnest Partners for the provision of Domestic Equity Mid-Cap Core Asset Class Investment Manager Services

From: Staff of the PFRS Board

Recommendation: REVIEW and RECOMMEND BOARD APPROVAL of Resolution 8038 – Resolution authorizing one-year extension of professional services agreement with Earnest Partners for the provision of Domestic Equity Mid-Cap Core Asset Class Investment Manager Services

5. **Subject:** Investment Market Overview as of January 31, 2022

From: Meketa Investment Group

Recommendation: ACCEPT informational report regarding the Global Investment Markets as of January 31, 2022

6. **Subject:** Preliminary Investment Fund Performance Update as of January 31, 2022

From: Meketa Investment Group

Recommendation: ACCEPT informational report regarding the Preliminary Investment Fund Performance Update as of January 31, 2022

7. **Subject:** Investment Fund Quarterly Performance Update as of December 31, 2021

From: Meketa Investment Group

Recommendation: ACCEPT the Investment Fund Quarterly Performance Update as of December 31, 2021

8. **Subject:** Annual Diversity Report of Current PFRS Investment Managers

From: Meketa Investment Group

Recommendation: ACCEPT an informational report regarding the diversity representation of current PFRS Investment Managers as of December 31, 2021

9. **Schedule of Pending Investment Committee Meeting Agenda Items**

10. **Open Forum**

11. **Future Scheduling**

12. **Adjournment**

A REGULAR MEETING OF THE INVESTMENT AND FINANCIAL MATTERS COMMITTEE of the Oakland Police and Fire Retirement System (“PFRS”) was held Wednesday, January 26, 2022 via Zoom Webinar.

| | | |
|----------------------|------------------------|---|
| Committee Members | ▪ Jaime T. Godfrey | Chairperson |
| | ▪ Robert W. Nichelini | Member |
| | ▪ R. Steven Wilkinson | Member |
| Additional Attendees | ▪ David F. Jones | PFRS Secretary & Plan Administrator (Excused) |
| | ▪ Jennifer Logue | PFRS Legal Counsel |
| | ▪ Téir Jenkins | PFRS Staff Member |
| | ▪ Maxine Visaya | PFRS Staff Member |
| | ▪ David Sancewich | Meketa Investment Group |
| | ▪ Jason Leong Campbell | Meketa Investment Group |
| | ▪ Kenzie Wedge | DDJ Capital Management, LLC |
| | ▪ Ben Santonelli | DDJ Capital Management, LLC |
| | ▪ Jim Haymes | Polen Capital Management, LLC |
| | ▪ Jade Brown | Polen Capital Management, LLC |

The meeting was called to order at 10:01 a.m. PST

1. **Approval of Investment Committee Meeting Minutes** Member Nichelini made a motion to approve the November 17, 2021 Investment Committee Meeting Minutes, as written, second by Member Wilkinson. Motion Passed.

[GODFREY – Y/ NICHELINI – Y/ WILKINSON – Y]
(AYES: 3 / NOES: 0 / ABSENT: 0)

2. **Investment Manager Performance Update – DDJ Capital Management, LLC** – Kenzie Wedge & Ben Santonelli of DDJ Capital Management, LLC (“DDJ”), a PFRS Fixed Income Asset Class Investment Manager, presented an informational report regarding a firm overview, the acquisition of DDJ by Polen that is set to occur at the end of the month, and the firm’s investment process, strategies and portfolio performance. Jim Haymes & Jade Brown of Polen Capital Management, LLC (“Polen”) provided a firm overview of Polen, their firm’s Diversity & Inclusion policy, practices, and goals which included ESG initiatives.

Member Wilkinson and Staff Member Jenkins inquired about both firms Diversity, Equity, and Inclusion policy and practices to further the discussion on the topic. Chairperson Godfrey requested performance statistics for Polen over the past 1, 3, and 5-year periods.

MOTION: Member Wilkinson made a motion to accept the informational report presented by DDJ and Polen and forward to the Board, second by Member Nichelini. Motion passed.

[GODFREY – Y/ NICHELINI – Y/ WILKINSON – Y]
(AYES: 3 / NOES: 0 / ABSTAIN: 0)

3. **Consent Form Regarding Acquisition of DDJ Capital Management, LLC by Polen Capital Management, LLC** – David Sancewich of Meketa Investment Group provided an informational report regarding the consent form regarding the acquisition of DDJ by Polen and recommended the Board approves consent.

MOTION: Chairperson Godfrey made a motion accept the informational report and recommend Board approval for the assignment of PFRS investment advisory agreement resulting from the change of control of DDJ to Polen, second by Member Nichelini. Motion passed.

[GODFREY – Y/ NICHELINI – Y/ WILKINSON – Y]
(AYES: 3 / NOES: 0 / ABSTAIN: 0)

4. **Investment Manager Performance Review – DDJ Capital Management, LLC** – David Sancewich of Meketa provided an overview memo regarding DDJ, a PFRS Fixed Income Asset Class Investment Manager. D. Sancewich highlighted the strategy remains competitive and Meketa views the acquisition of DDJ by Polen as positive movement and recommended DDJ remain on watch status and continue to monitor over the next 6 – 9 months. Committee members expressed confidence in the acquisition and agreed the firm remain on watch.

MOTION: Member Nichelini made a motion to accept and forward to the Board Meketa’s review, evaluation, and recommendation DDJ, a PFRS Fixed Income Asset Class Investment Manager, remain on watch status, second by Member Wilkinson. Motion passed.

[GODFREY – Y/ NICHELINI – Y/ WILKINSON – Y]
(AYES: 3 / NOES: 0 / ABSENT: 0)

5. **Investment Market Overview as of December 31, 2021** – David Sancewich of Meketa presented an informational report regarding the Investment Market Overview as of December 31, 2021 and highlighted market returns and current factors impacting outcomes. Chairperson Godfrey requested Meketa bring the Committee forward to “now” as much has happened since December 31, 2021 and inquired about the impact of psychology on the markets. D. Sancewich discussed current market activity and how behavioral finance, behavioral investing, and behavioral thinking effects the market.

MOTION: Chairperson Godfrey made a motion to accept the informational report presented by Meketa regarding the Investment Market Overview as of December 31, 2021 and forward to the Board, second by Member Nichelini. Motion passed.

[GODFREY – Y/ NICHELINI – Y/ WILKINSON – Y]
(AYES: 3 / NOES: 0 / ABSTAIN: 0)

6. **Preliminary Investment Performance Update as of December 31, 2021** – David Sancewich of Meketa presented an informational report regarding the Preliminary Investment Fund Performance Update as of December 31, 2021 and highlighted the Asset Class Performance Summary.

MOTION: Chairperson Godfrey made a motion to accept the informational report presented by Meketa regarding the Preliminary Investment Fund Performance Update as of December 31, 2021 and forward to the Board, second by Member Wilkinson. Motion passed.

DUE TO TECHNICAL DIFFICULTIES, MEMBER NICHELINI WAS UNABLE TO PARTICIPATE IN THE VOTE

[GODFREY – Y/ NICHELINI – ABSENT/ WILKINSON – Y]
(AYES: 2/ NOES: 0/ ABSENT: 1)

7. **\$13.9 Million Drawdown for Member Retirement Allowances Fiscal Year 2021/2022 (Quarter Ending March 2022)** – David Sancewich of Meketa presented an informational report regarding the \$13.9 million drawdown, which includes a \$10.9 Million contribution from the City of Oakland and a \$3.0 Million contribution from the PFRS Investment Fund, to be used to pay for the January 1, 2022 through March 31, 2022 Member Retirement Allowances.

MOTION: Chairperson Godfrey made a motion to accept the informational report and recommended Board approval of Meketa’s recommendation of a \$13.9 million drawdown, which includes a \$10.9 Million contribution from the City of Oakland and a \$3.0 Million contribution from the PFRS Investment Fund, to be used to pay for the January 1, 2022 through March 31, 2022 Member Retirement Allowances, second by Member Nichelini. Motion passed.

[GODFREY – Y/ NICHELINI – Y/ WILKINSON – Y]
(AYES: 3/ NOES: 0/ ABSTAIN: 0)

8. **Asset Allocation Review and Update of the PFRS Fund** – David Sancewich provided an informational report and led a continued discussion regarding the Asset Allocation Review and Update of the PFRS Fund which highlighted a comparison of 20-year return expectations between the current long-term policy, the current interim policy, and a long-term policy with an inflation component.

D. Sancewich addressed the Committee’s inquiry regarding the impact of gold on the policy and Meketa did not recommend adding it as a component as it relates to the needs of the portfolio. Additionally, Meketa identified inflation as a short to mid-term concern and further recommends PFRS continue with its current long-term policy and not add an inflation component at this time.

MOTION: Chairperson Godfrey made a motion to recommend Board approval of Meketa’s recommendation that PFRS maintain its current long-term policy and not add an inflation component, second by Member Nichelini. Motion passed.

[GODFREY – Y/ NICHELINI – Y/ WILKINSON – Y]
(AYES: 3/ NOES: 0/ ABSTAIN: 0)

9. **Informational Overview Regarding Developments in Environmental, Social, and Governance (“ESG”) Investing** – David Sancewich of Meketa provided an informational report regarding developments in ESG investing within the SEC and Department of Labor and noted the work is ongoing; Meketa is monitoring the activity and will provide updates to the Board as information becomes available. D. Sancewich noted a typo on the agenda referencing the report as being from Northern Trust Investments and indicated the correct source of the report as Meketa.

MOTION: Chairperson Godfrey made a motion to accept the informational report regarding developments in ESG investing and forward to the Board, second by Member Nichelini. Motion passed.

[GODFREY – Y / NICHELINI – Y / WILKINSON – Y]
(AYES: 3 / NOES: 0 / ABSTAIN: 0)

10. **Schedule of Pending Investment Committee Meeting Agenda Items** – David Sancewich presented the 2022 Ongoing Strategic Investment Agenda for discussion.
11. **Open Forum** – No Report
12. **Future Scheduling** – The next regular Investment Committee meeting is tentatively scheduled to occur February 23, 2022.
13. **Adjournment** – Member Nichelini made a motion to adjourn, second by Member Wilkinson. Motion passed.

[GODFREY – Y / NICHELINI – Y / WILKINSON – Y]
(AYES: 3 / NOES: 0 / ABSTAIN: 0)

The meeting adjourned at 11:26 a.m. PST

JAIME T. GODFREY
COMMITTEE CHAIRPERSON

DATE



EARNEST
PARTNERS

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***Oakland Police and Fire Retirement Board
December 31, 2021***

Patmon Malcom, CFA
Partner

Mr. Malcom is responsible for product management at EARNEST Partners. Prior to joining EARNEST Partners, he worked for JPMorgan Chase in New York. He was a member of the Global Investment Bank providing corporate finance coverage to natural resource companies. He is a graduate of the United States Military Academy at West Point and holds an MBA from Emory University, where he was a Donald Keough Scholar. Mr. Malcom led the Varsity Football team at West Point in scoring for three consecutive years. In his senior year, he was named the "Chevrolet Player of the Game" in the annual Army-Navy game. He also served as a helicopter pilot in the United States Army for more than seven years, an experience that included commanding a Blackhawk Helicopter Company along the demilitarized zone between North and South Korea. Mr. Malcom is a member of the CFA Institute and the CFA Society Atlanta.

Jeffrey Jackson
Director

Mr. Jackson is a member of the product management team at EARNEST Partners. Prior to joining EARNEST Partners, he worked for the global investment bank, Evercore, in New York where he helped lead their Real Estate advisory practice as a Managing Director. His extensive background also includes experience in acquisitions, development and debt restructuring within Real Estate. He is a graduate of the Tuck School of Business at Dartmouth where he holds an MBA and was a Consortium Fellow and he holds a BS in Finance from Hampton University where he was a Presidential Scholar. Mr. Jackson was a member of the SEO Career Program and later served as a member of the SEO Junior Leadership Board. Mr. Jackson is a former collegiate basketball player and maintains an active lifestyle with his passion for cycling.



Guidelines and Investment Policy Audit

| | Yes | No |
|---|-------------------------------------|--------------------------|
| • Benchmark: Exceed Russell Midcap [®] Index over a full market cycle | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| • Cash position is less than 10% of total portfolio value* | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| • No industry sector weight greater than 25% of total portfolio | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| • No security held is greater than 5% of total portfolio value* or 8% at market | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| • Proxies voted in accordance with guidelines | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| • No prohibited securities held | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

EARNEST Partners believes that the attached information, along with other submissions, represents all the required reporting information. Please notify us immediately if any required information is missing.

**Threshold may be temporarily exceeded due to market conditions.*

Global equity markets were generally positive in the fourth quarter of 2021 as investors continued to gain confidence in the global economy. The S&P 500® rose 11.0% during the quarter and finished the year up 28.7% to hit a new record. The U.S. large cap market, as represented by the Russell 1000® Index, gained 9.8%. The U.S. midcap market, as represented by the Russell Midcap® index, rose by 6.4%. Small cap equities, as represented by the Russell 2000®, rose by 2.1%. International equity markets, as represented by the MSCI ACWI ex-U.S.® Index, rose by 1.9%. Emerging markets was the only segment to post a negative return as investors continued to incorporate uncertainty surrounding government regulations into their future price expectations. The MSCI Emerging Markets Index declined by 1.2%, while the MSCI EAFE rose by 2.7% during the quarter.

Domestic equities continued their march into record-setting territory as investors embraced economic growth, falling unemployment, and strengthening consumer demand. Despite marginally higher interest rate expectations and heightened inflation reports, investors continued to have faith in the ability of American businesses to expand their margins. American employers added a record number of jobs in 2021 and layoffs fell to the lowest level since 1969 as employment stayed near a 50-year low. As in the previous quarter, large-cap U.S. equities continued to be the biggest winners as investors embraced continued economic expansion and businesses' ability to adapt to the restrictions put on by the coronavirus pandemic. Larger businesses typically get better financing terms, which enabled them to refinance and/or raise funding at historically low rates as corporate debt hit record levels. Value stocks generally outperformed growth stocks as higher future rate expectations and prospects for more expensive future financing drove investors to favor consistent cash flow over potential future earnings growth. Despite concerns about the pandemic surrounding the emergence of a new variant, retail sales grew, and overall GDP grew at an annualized rate of 2.3% in the third quarter of the year. Vaccination distribution continued as the majority of Americans received shots, and new measures such as pills and booster shots were developed and approved to combat the ongoing pandemic.

Fed Chair Jerome Powell was nominated for a second four-year term, and the Fed began reducing asset purchases by \$15 billion a month, affirming that an improved economy and strengthening labor market reduced the need for continued stimulus. In December, the Fed acknowledged that the recent increases in CPI (6.2% annualized in October followed by 6.8% in November) warranted accelerated tapering of its \$120 billion a month stimulus program and it will reduce asset repurchases by \$30 billion a month (\$20B in treasuries and \$10B in mortgage-backed securities) beginning in January, meaning that new asset repurchase will end in March, although they did not shed any color on whether they would reduce the size of the balance sheet as a whole. The Fed's latest projections indicate that it expects to incorporate three hikes to the Federal Funds rate next year as it is forecasting a rate of 0.9% by the end of next year, 1.6% at the end of 2023 and 2.5% over the longer-run. The central bank forecast a 5.5% growth in GDP for 2021, slightly below its September estimate of 5.9%, but raised its forecast for 2022 growth to 4.0% from its earlier 3.8% estimate in September. After hitting a record high of 14.8% in April of last year, unemployment steadily declined to 4.2% in November.

Congress passed a \$1.2 Trillion infrastructure bill which provided for \$550 billion in new spending on transportation, roads/bridges, and utilities, but did not pass any stimulus measures directly linked to coronavirus. Since the pandemic began, Congress approved approximately \$5.3 Trillion in stimulus that included forgivable small business loans, direct payments to households, expanded unemployment benefits and vaccine funding.

Fixed income markets experienced their first negative year since 2013 as the Bloomberg Barclays Aggregate fell by about 1.5% during the year. The yield curve shifted up as demand for safe-haven fixed income instruments decreased and the Fed began to wind down stimulus measures. The yield on the 30-year finished the year at about 1.9%, well off of last year's lows, indicating that investors expect low to moderate long-term growth and inflation despite recent CPI readings. Within fixed income, only high yield securities posted a positive return during the year as their spread continued to tighten following weakening demand for treasuries and investors' confidence that these borrowers will meet their obligations.

The U.S. mid cap equity market, as represented by the Russell Midcap® Index, generated strong performance in the fourth quarter expanding by more than 6% for the three-month period ended December 31, 2021. All but one sector generated positive returns with economic indicators continuing to improve as the market recovers from the impact of Covid and the numerous variants that have emerged. Real Estate, Utilities, and Materials were the top performing sectors while Communication Services, Health Care, and Consumer Discretionary were the worst performing sectors. The EARNEST Partners Mid Cap Core strategy meaningfully outperformed the Index, net of fees, in the quarter generating an absolute return in excess of 10% as a result of favorable stock selection notably in the Consumer Discretionary and Information Technology sectors. EARNEST Partners' focus on high-quality companies well-positioned to benefit over the long term resulted in an absolute return in excess of 20% for the year and relative benchmark outperformance over the trailing 1, 3, 5, 7, and 10-year periods, net of fees.

Contributing to performance was GATX Corporation. Based in Chicago, IL, GATX is a leader in leasing transportation assets and controls a large railcar fleet. The company leases, operates and manages long-lasting, widely used assets in rail, marine and industrial equipment markets across North America, Europe and Asia. The stock outperformed the index gaining 16% for the quarter as the company beat consensus EPS estimates by nearly 4%. Strong performance reflected increased demand for freight assets with GATX reporting a 99% and 98% utilization rate on the company's fleet domestically and internationally, respectively. GATX continues to be well positioned to benefit from shippers decreasing the size of their owned railcar fleets and increasingly moving to outsourced models. Earnings should continue to trend favorably as demand for railcars recovers driven by improvement in broader trade activity and the trend toward outsourcing continues with GATX benefiting disproportionately given its presence as a leading railcar lessor with long-standing relationships with shippers.

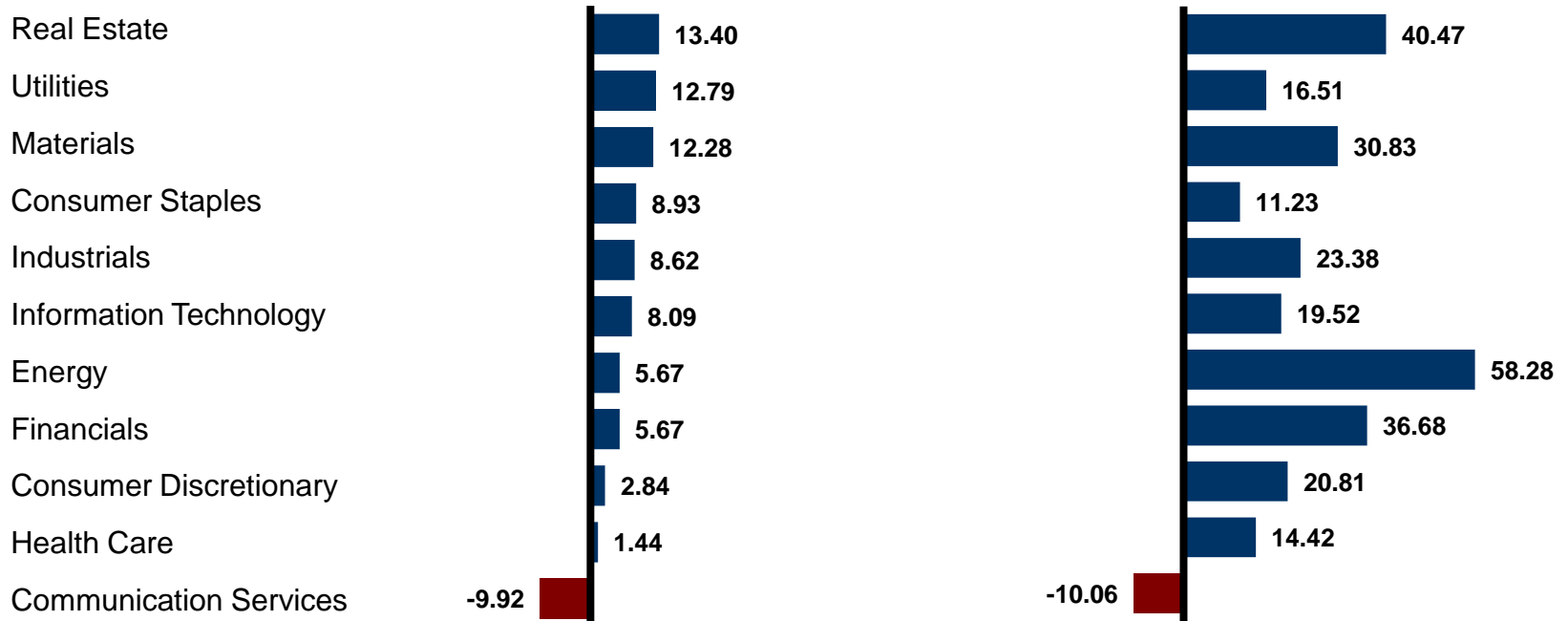
Eastman Chemical Company is a specialty chemical company that produces a variety of advanced materials and specialty additives found in every-day items ranging from tires to crop protection to animal nutrition. Eastman maintains four business segments: Additives & Functional Products, Advanced Materials, Chemical Intermediaries, and Fibers. The stock outperformed the Index gaining over 20% in the quarter as the company announced the sale of its adhesive resins business, the second divestiture in as many quarters. The deal was executed on an earnings neutral basis for a division that was underperforming, further reducing the complexity of Eastman's overall business and facilitating growth in core businesses. Eastman is well positioned given its favorable valuation metrics when compared to industry peers. The company displays considerable room for multiple expansion given recent divestitures, a strategic decision that should fund growth and facilitate margin improvement for the remaining business lines. The divestitures also provide the requisite cash needed to execute the share repurchase program which is expected to reduce shares outstanding by ~15%.

Detracting from performance, Darden Restaurants, Inc. is the world's largest full-service restaurant operator and holds a portfolio of some of the most recognizable concepts in full-service dining including Olive Garden, LongHorn Steakhouse, Bahama Breeze, The Capital Grille, and Seasons 52. Darden operates more than 1,700 restaurant locations and employs over 150,000 staff members. Darden shares underperformed for the quarter losing nearly 2% as labor shortages and inflationary pressures weighed on the stock. Despite these headwinds, the company reported better than expected earnings as the company continued to focus on its brands while optimizing operations and expenses. Darden is uniquely positioned to outperform its peers given its scale and operational expertise. Management has consistently demonstrated an ability to offset cost inflation through moderate price increases, reduced customer incentives, and productivity gains through process and menu simplification. Cost savings have enabled management to improve the quality of its food and size of its portions which is driving increased market share within the casual dining segment and growing earnings.

Equity Market Performance By Sector

Russell Midcap® Index
4th Quarter 2021 Returns
Percent

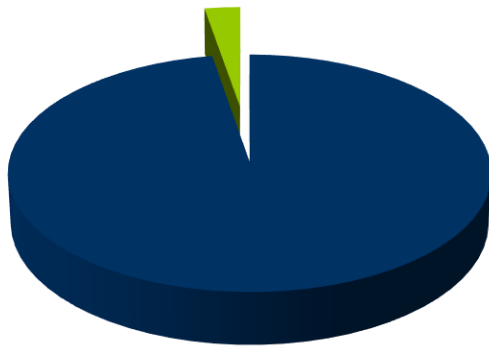
Russell Midcap® Index
YTD Returns
Percent



Fund Totals

| | |
|-------------------------|--------------|
| Ending Portfolio Value | \$51,504,585 |
| Estimated Annual Income | \$464,526 |
| Yield on Equities | 0.9% |

Asset Distribution



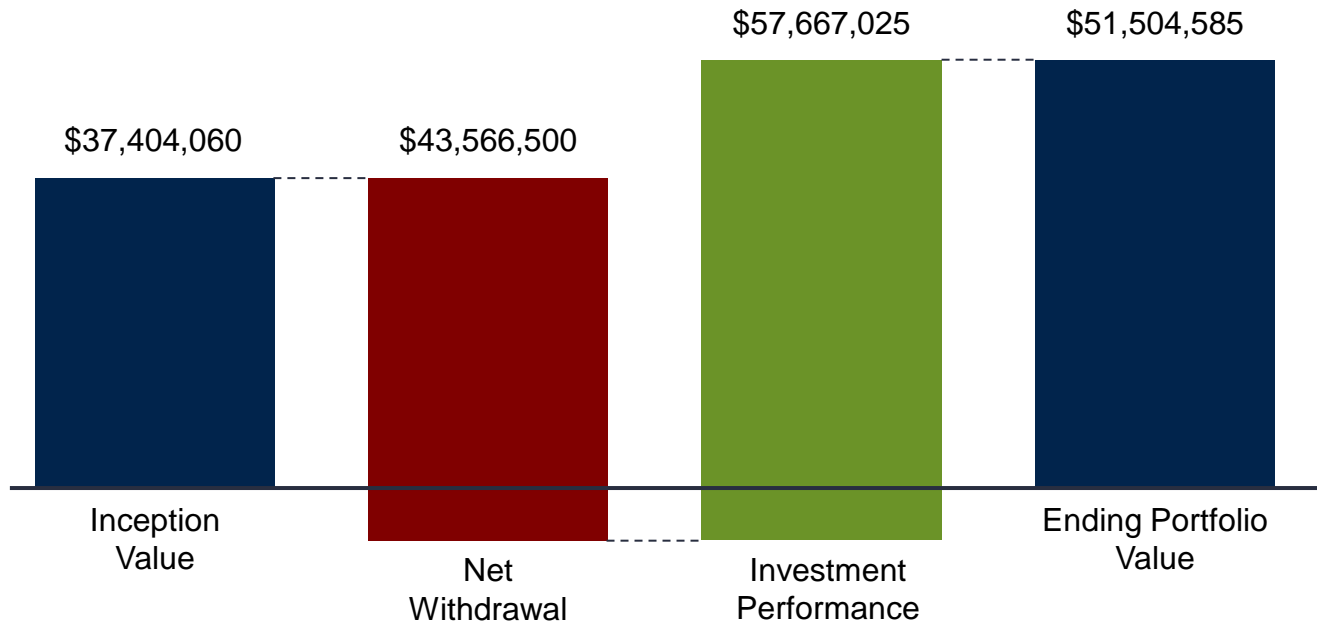
| | <u>Portfolio %</u> |
|------------------------|--------------------|
| Equities | 97.3% |
| Short-term Investments | 2.7% |

Performance

| | <u>Total Portfolio</u> | <u>Russell Midcap® Index</u> | <u>Excess Return (Basis Points)</u> |
|---------|------------------------|------------------------------|-------------------------------------|
| 1 Year | 25.74% | 22.58% | 316 |
| 3 Years | 28.20 | 23.26 | 494 |
| 5 Years | 19.17 | 15.09 | 408 |
| 7 Years | 16.08 | 12.22 | 386 |



Asset Growth Since Inception



GATX Corporation



- Based in Chicago, IL, GATX Corporation is a leader in leasing transportation assets and controls a large railcar fleet. The company leases, operates and manages long-lasting, widely used assets in rail, marine and industrial equipment markets across North America, Europe and Asia.
- The stock outperformed the index gaining 16% for the quarter as the company beat consensus EPS estimates by nearly 4%. Strong performance reflected increased demand for freight assets with GATX reporting a 99% and 98% utilization rate on the company's fleet domestically and internationally, respectively.
- GATX continues to be well positioned to benefit from shippers decreasing the size of their owned railcar fleets and increasingly moving to outsourced models. Earnings should continue to trend favorably as demand for railcars recovers driven by improvement in broader trade activity and the trend toward outsourcing continues with GATX benefiting disproportionately given its presence as a leading railcar lessor with long-standing relationships with shippers.

Eastman Chemical



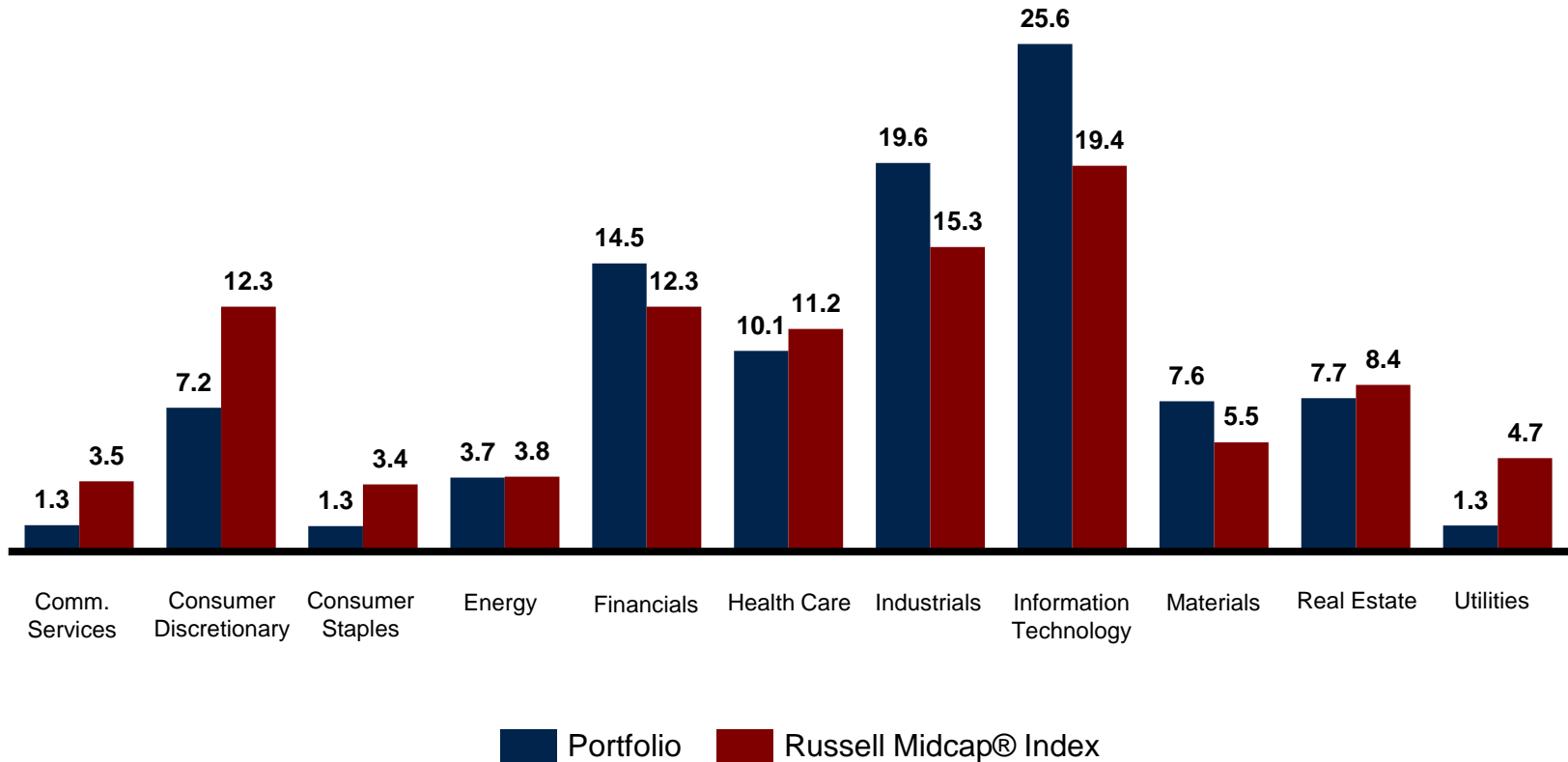
- Eastman Chemical Company is a specialty chemical company that produces a variety of advanced materials and specialty additives found in every-day items ranging from tires to crop protection to animal nutrition. Eastman maintains four business segments: Additives & Functional Products, Advanced Materials, Chemical Intermediaries, and Fibers.
- The stock outperformed the Index gaining over 20% in the quarter as the company announced the sale of its adhesive resins business, the second divestiture in as many quarters. The deal was executed on an earnings neutral basis for a division that was underperforming, further reducing the complexity of Eastman's overall business and facilitating growth in core businesses.
- Eastman is well positioned given its favorable valuation metrics when compared to industry peers. The company displays considerable room for multiple expansion given recent divestitures, a strategic decision that should fund growth and facilitate margin improvement for the remaining business lines. The divestitures also provide the requisite cash needed to execute the share repurchase program which is expected to reduce shares outstanding by ~15%.

Darden Restaurants, Inc.



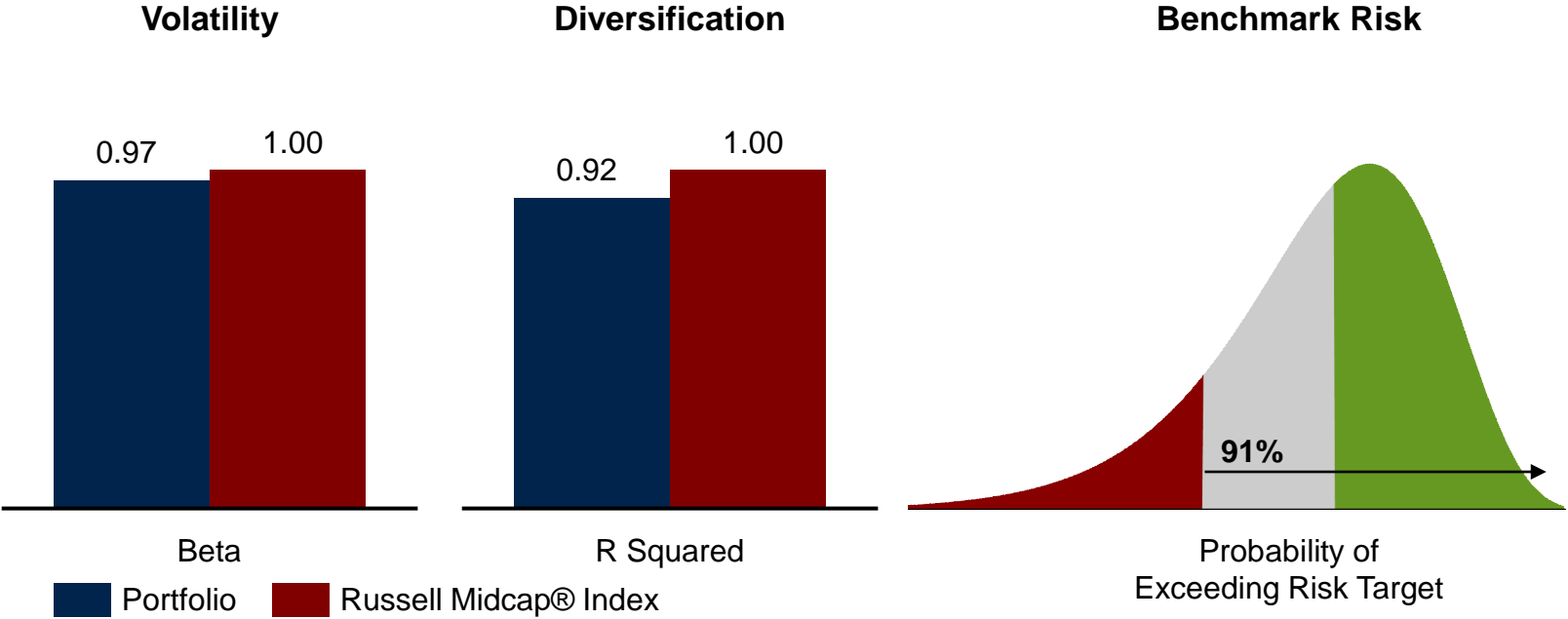
- Darden Restaurants, Inc. is the world's largest full-service restaurant operator and holds a portfolio of some of the most recognizable concepts in full-service dining including Olive Garden, LongHorn Steakhouse, Bahama Breeze, The Capital Grille, and Seasons 52. Darden operates more than 1,700 restaurant locations and employs over 150,000 staff members.
- Darden shares underperformed for the quarter losing nearly 2% as labor shortages and inflationary pressures weighed on the stock. Despite these headwinds, the company reported better than expected earnings as the company continued to focus on its brands while optimizing operations and expenses.
- Darden is uniquely positioned to outperform its peers given its scale and operational expertise. Management has consistently demonstrated an ability to offset cost inflation through moderate price increases, reduced customer incentives, and productivity gains through process and menu simplification. Cost savings have enabled management to improve the quality of its food and size of its portions which is driving increased market share within the casual dining segment and growing earnings.

Percentage Held





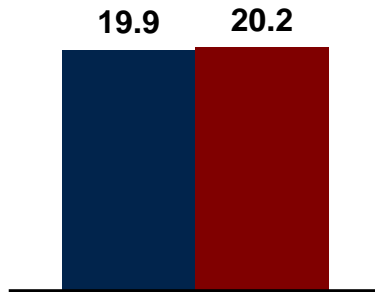
Risk Profile



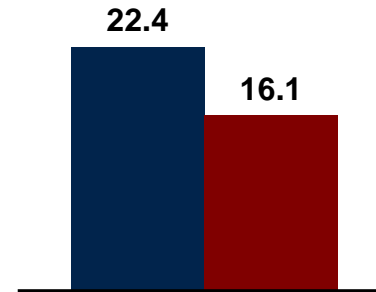


Equity Portfolio Characteristics

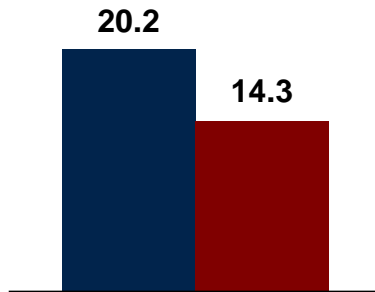
Price to Earnings



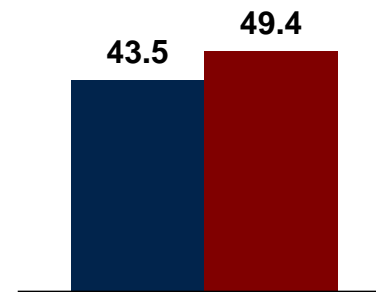
Earnings Growth



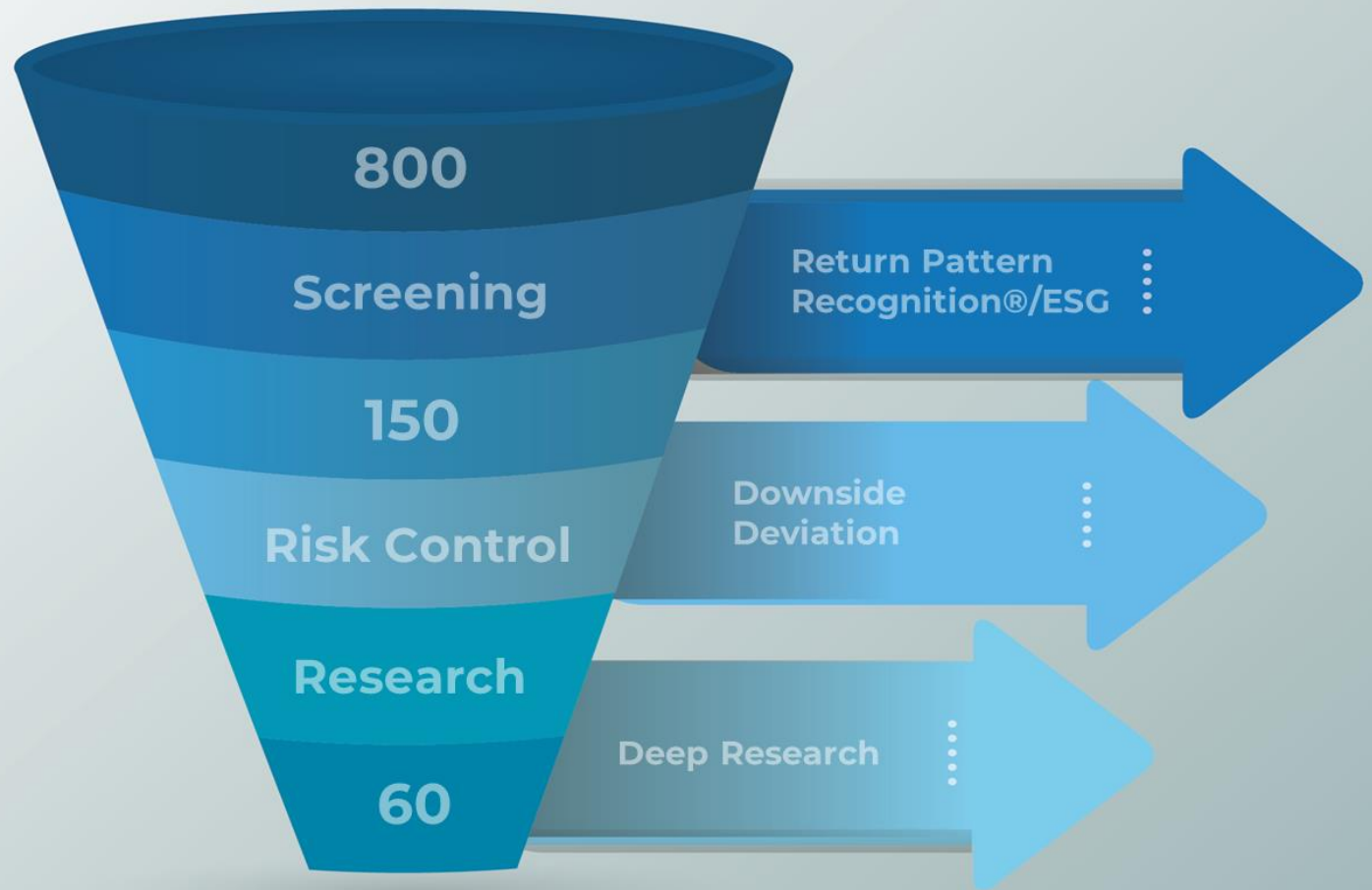
Return on Equity



Debt to Capitalization



■ Portfolio ■ Russell Midcap® Index



For those clients on whose behalf the Firm votes proxies, clients can elect to have the Firm utilize (a) the client's own proxy voting policies and procedures ("P&P") or (b) the Firm's P&P.

Proxy Policy-Overview

- As a general rule, the Firm will seek to vote the proxies received timely and in good order, in accordance with its then current proxy voting policies and procedures. A partial list of issues that may require special attention are as follows: classified boards, change of state of incorporation, poison pills, unequal voting rights plans, provisions requiring supermajority approval of a merger, executive severance agreements, and provisions limiting shareholder rights.
- In addition, the following will generally be adhered to:
 - The Firm will not (1) actively engage in conduct that involves an attempt to change or influence the control of a portfolio company, (2) announce its voting intentions or the reasons for a particular vote, (3) participate in a proxy solicitation or otherwise seek proxy voting authority from any other portfolio company shareholder, or (4) act in concert with any other portfolio company shareholders in connection with any proxy issue or other activity involving the control or management of a portfolio company.
 - All communications with portfolio companies or fellow shareholders will be for the sole purpose of expressing and discussing the Firm's concerns for its Clients' interests and not in an attempt to influence the control of management.

Proxy Procedures-Overview

The Firm has designated a Proxy Director. The Proxy Director, in consultation with the Firm's Investment Team, will consider each issue presented on each portfolio company proxy. The Proxy Director will also use available resources, including proxy evaluation services, to assist in the analysis of proxy issues. Absent any written direction from the Client, proxy issues presented to the Proxy Director will be voted in accordance with the judgment of the Proxy Director, taking into account the general policies outlined above and the Firm's Proxy Voting Guidelines. Therefore, it is possible that actual votes may differ from the general policies and the Firm's Proxy Voting Guidelines. In the case where the Firm believes it has a material conflict of interest with a Client, the Proxy Director will utilize the services of outside third party professionals (currently ISS) to assist in its analysis of voting issues and the actual voting of proxies to ensure that a decision to vote the proxies was based on the Client's best interest and was not the product of a conflict of interest. In the event the services of an outside third party professional are not available in connection with a conflict of interest, the Firm will seek the advice of the Client.

Statement of Assets

| Quantity | Security | Price | Market Value | Pct. Asset | Annual Income | Yield |
|------------------------|------------------|--------|--------------|------------|---------------|-------|
| Common Stock | | | | | | |
| Communication Services | | | | | | |
| 10,010.00 | ACTIVISION BLIZZ | 66.53 | 665,965.30 | 1.29 | 2,978.93 | 0.45 |
| | | | 665,965.30 | 1.29 | 2,978.93 | 0.45 |
| Consumer Discretionary | | | | | | |
| 14,514.00 | DR HORTON INC | 108.45 | 1,574,043.30 | 3.06 | 19,451.85 | 1.24 |
| 7,886.00 | DARDEN RESTAURAN | 150.64 | 1,187,947.04 | 2.31 | 32,998.53 | 2.78 |
| 11,404.00 | TJX COS INC | 75.92 | 865,791.68 | 1.68 | 14,167.99 | 1.64 |
| | | | 3,627,782.02 | 7.04 | 66,618.37 | 1.84 |
| Consumer Staples | | | | | | |
| 8,169.00 | SYSCO CORP | 78.55 | 641,674.95 | 1.25 | 13,518.83 | 2.11 |
| | | | 641,674.95 | 1.25 | 13,518.83 | 2.11 |
| Energy | | | | | | |
| 20,722.00 | CONTL RES INC/OK | 44.76 | 927,516.72 | 1.80 | 0.00 | |
| 49,323.00 | CABOT OIL & GAS | 19.00 | 937,137.00 | 1.82 | 9,506.04 | 1.01 |
| | | | 1,864,653.72 | 3.62 | 9,506.04 | 0.51 |
| Financials | | | | | | |
| 8,420.00 | HOULIHAN LOKEY I | 103.52 | 871,638.40 | 1.69 | 18,303.90 | 2.10 |
| 8,407.00 | INTERCONTINENTAL | 136.77 | 1,149,825.39 | 2.23 | 14,948.98 | 1.30 |
| 36,150.00 | KEYCORP | 23.13 | 836,149.50 | 1.62 | 20,477.13 | 2.45 |
| 9,269.00 | PROGRESSIVE CORP | 102.65 | 951,462.85 | 1.85 | 0.00 | |

Statement of Assets

| Quantity | Security | Price | Market Value | Pct. Asset | Annual Income | Yield |
|-------------|---|--------|--------------|------------|---------------|-------|
| 7,608.00 | REINSURANCE GROU | 109.49 | 832,999.92 | 1.62 | 12,490.63 | 1.50 |
| 10,275.00 | RAYMOND JAMES RENAISSANCERE HOLDINGS | 100.40 | 1,031,610.00 | 2.00 | 0.00 | |
| 4,212.00 | LTD | 169.33 | 713,217.96 | 1.38 | 7,848.67 | 1.10 |
| 12,639.00 | STIFEL FINANCIAL | 70.42 | 890,038.38 | 1.73 | 0.00 | |
| | | | 7,276,942.40 | 14.13 | 74,069.30 | 1.02 |
| Health Care | | | | | | |
| 7,071.00 | AGILENT TECH INC | 159.65 | 1,128,885.15 | 2.19 | 10,977.58 | 0.97 |
| 4,245.00 | AMERISOURCEBERGE | 132.89 | 564,118.05 | 1.10 | 9,958.88 | 1.77 |
| 1,547.00 | BIO-RAD LABS-A | 755.57 | 1,168,866.79 | 2.27 | 0.00 | |
| 2,443.00 | LABORATORY CP | 314.21 | 767,615.03 | 1.49 | 0.00 | |
| 8,106.00 | SYNEOS HEALTH IN | 102.68 | 832,324.08 | 1.62 | 0.00 | |
| 10,901.00 | DENTSPLY SIRONA | 55.79 | 608,166.79 | 1.18 | 4,877.60 | 0.80 |
| | | | 5,069,975.89 | 9.84 | 25,814.05 | 0.51 |
| Industrials | | | | | | |
| 16,343.00 | AIR LEASE C | 44.23 | 722,850.89 | 1.40 | 6,973.96 | 0.96 |
| 2,943.00 | CUMMINS INC | 218.14 | 641,986.02 | 1.25 | 20,814.92 | 3.24 |
| 22,050.00 | CSX CORP | 37.60 | 829,080.00 | 1.61 | 0.00 | |
| 4,408.00 | DOVER CORP | 181.60 | 800,492.80 | 1.55 | 20,680.59 | 2.58 |
| 5,652.00 | GATX CORP | 104.19 | 588,881.88 | 1.14 | 15,003.36 | 2.55 |
| 3,389.00 | GENERAL DYNAMICS | 208.47 | 706,504.83 | 1.37 | 14,021.54 | 1.98 |
| 13,595.00 | MASCO CORP | 70.22 | 954,640.90 | 1.85 | 0.00 | |

Statement of Assets

| Quantity | Security | Price | Market Value | Pct. Asset | Annual Income | Yield |
|------------------------|-------------------|--------|--------------|------------|---------------|-------|
| 10,130.00 | REPUBLIC SVCS | 139.45 | 1,412,628.50 | 2.74 | 28,314.12 | 2.00 |
| 3,350.00 | SNAP-ON INC | 215.38 | 721,523.00 | 1.40 | 14,608.61 | 2.02 |
| 10,283.00 | STERICYCLE INC | 59.64 | 613,278.12 | 1.19 | 0.00 | 0.00 |
| 16,142.00 | SENSATA TECHNOLO | 61.69 | 995,799.98 | 1.93 | 0.00 | 0.00 |
| 7,584.00 | WOODWARD INC | 109.46 | 830,144.64 | 1.61 | 0.00 | |
| | | | 9,817,811.56 | 19.06 | 120,417.10 | 1.23 |
| Information Technology | | | | | | |
| 6,209.00 | AKAMAI TECHNOLOG | 117.04 | 726,701.36 | 1.41 | 0.00 | |
| 5,129.00 | APPLIED MATERIAL | 157.36 | 807,099.44 | 1.57 | 14,256.56 | 1.77 |
| 3,257.00 | ANSYS INC | 401.12 | 1,306,447.84 | 2.54 | 0.00 | |
| 6,656.00 | ARROW ELECTRONIC | 134.27 | 893,701.12 | 1.74 | 0.00 | |
| 8,653.00 | BLACK KNIGHT | 82.89 | 717,247.17 | 1.39 | 0.00 | |
| 4,257.00 | BROADRIDGE FINL | 182.82 | 778,264.74 | 1.51 | 9,921.13 | 1.27 |
| 5,349.00 | CMC MATERIALS INC | 191.69 | 1,025,349.81 | 1.99 | 15,506.23 | 1.51 |
| 20,859.00 | CDK GLOBAL INC | 41.74 | 870,654.66 | 1.69 | 7,970.59 | 0.92 |
| 5,381.00 | GLOBAL PAYMENTS | 135.18 | 727,403.58 | 1.41 | 264.53 | 0.04 |
| 7,584.00 | KEYSIGHT TEC | 206.51 | 1,566,171.84 | 3.04 | 0.00 | |
| 2,093.00 | LUMENTUM HOL | 105.77 | 221,376.61 | 0.43 | 0.00 | |
| 2,863.00 | SYNOPSYS INC | 368.50 | 1,055,015.50 | 2.05 | 0.00 | |
| 7,325.00 | SKYWORKS SOLUTIO | 155.14 | 1,136,400.50 | 2.21 | 0.00 | |
| 4,694.00 | XILINX INC | 212.03 | 995,268.82 | 1.93 | 22,005.03 | 2.21 |

Statement of Assets

| Quantity | Security | Price | Market Value | Pct. Asset | Annual Income | Yield |
|------------------------------|------------------|--------|---------------|------------|---------------|-------|
| | | | 12,827,102.99 | 24.90 | 69,924.07 | 0.55 |
| Materials | | | | | | |
| 4,652.00 | ALBEMARLE CORP | 233.77 | 1,087,498.04 | 2.11 | 15,562.23 | 1.43 |
| 5,141.00 | EASTMAN CHEMICAL | 120.91 | 621,598.31 | 1.21 | 13,965.70 | 2.25 |
| 3,978.00 | PACKAGING CORP | 136.15 | 541,604.70 | 1.05 | 15,270.08 | 2.82 |
| 14,180.00 | SEALED AIR CORP | 67.47 | 956,724.60 | 1.86 | 14,430.92 | 1.51 |
| 3,652.00 | SCOTTS MIRACLE | 161.00 | 587,972.00 | 1.14 | 0.00 | |
| | | | 3,795,397.65 | 7.37 | 59,228.93 | 1.56 |
| Real Estate | | | | | | |
| 13,851.00 | CBRE GROUP INC | 108.51 | 1,502,972.01 | 2.92 | 0.00 | |
| | | | 1,502,972.01 | 2.92 | 0.00 | 0.00 |
| Utilities | | | | | | |
| 6,746.00 | WEC ENERGY GROUP | 97.07 | 654,834.22 | 1.27 | 22,450.88 | 3.43 |
| | | | 654,834.22 | 1.27 | 22,450.88 | 3.43 |
| | | | 47,745,112.71 | 92.70 | 464,526.51 | 0.97 |
| Real Estate Investment Trust | | | | | | |
| Real Estate | | | | | | |
| 6,383.00 | BOSTON PROPERTIE | 115.18 | 735,193.94 | 1.43 | 0.00 | |
| 24,307.00 | AMERICOLD REALTY | 32.79 | 797,026.53 | 1.55 | 0.00 | |
| 2,151.00 | SBA COMM CORP | 389.02 | 836,782.02 | 1.62 | 0.00 | |
| | | | 2,369,002.49 | 4.60 | 0.00 | 0.00 |

Statement of Assets

| Quantity | Security | Price | Market Value | Pct. Asset | Annual Income | Yield |
|----------------------|---------------------------|-------|---------------|------------|---------------|-------|
| | | | 2,369,002.49 | 4.60 | 0.00 | 0.00 |
| Cash and Equivalents | | | | | | |
| 1,354,610.69 | U.S. DOLLARS | 1.00 | 1,354,610.69 | 2.63 | 0.00 | |
| 35,859.15 | USD - DIVIDENDSRECEIVABLE | 1.00 | 35,859.15 | 0.07 | 0.00 | |
| | | | 1,390,469.84 | 2.70 | 0.00 | 0.00 |
| | | | 1,390,469.84 | 2.70 | 0.00 | 0.00 |
| Total Portfolio | | | 51,504,585.04 | 100.00 | 464,526.51 | 0.90 |

Statement Of Transactions

From 10/1/2021 to 12/31/2021

| <u>Quantity</u> | <u>Security</u> | <u>Sec Symbol</u> | <u>Unit Price</u> | <u>Total Amount</u> |
|-----------------|-------------------|-------------------|-------------------|---------------------|
| PURCHASES | | | | |
| 3,517.00 | CDK GLOBAL INC | CDK | 41.27 | 145,145.59 |
| 2,093.00 | LUMENTUM HOL | LITE | 105.83 | 221,497.46 |
| 2,106.00 | TJX COS INC | TJX | 74.21 | 156,295.32 |
| 1,583.00 | WOODWARD INC | WWD | 106.95 | 169,305.32 |
| 3,168.00 | REINSURANCE GROU | RGA | 102.40 | 324,396.91 |
| 6,404.00 | AMERICOLD REALTY | COLD | 29.77 | 190,645.08 |
| | | | | <u>1,207,285.68</u> |
| SALES | | | | |
| 1,064.00 | CMC Materials Inc | CCMP | 185.23 | 197,087.84 |
| 8,090.00 | DOLLAR TREE INC | DLTR | 136.65 | 1,105,464.50 |
| 1,198.00 | APPLIED MATERIAL | AMAT | 143.56 | 171,982.80 |
| 913.00 | INTERCONTINENTAL | ICE | 129.36 | 118,101.78 |
| 2,050.00 | TJX COS INC | TJX | 69.27 | 141,997.85 |
| | | | | <u>1,734,634.77</u> |

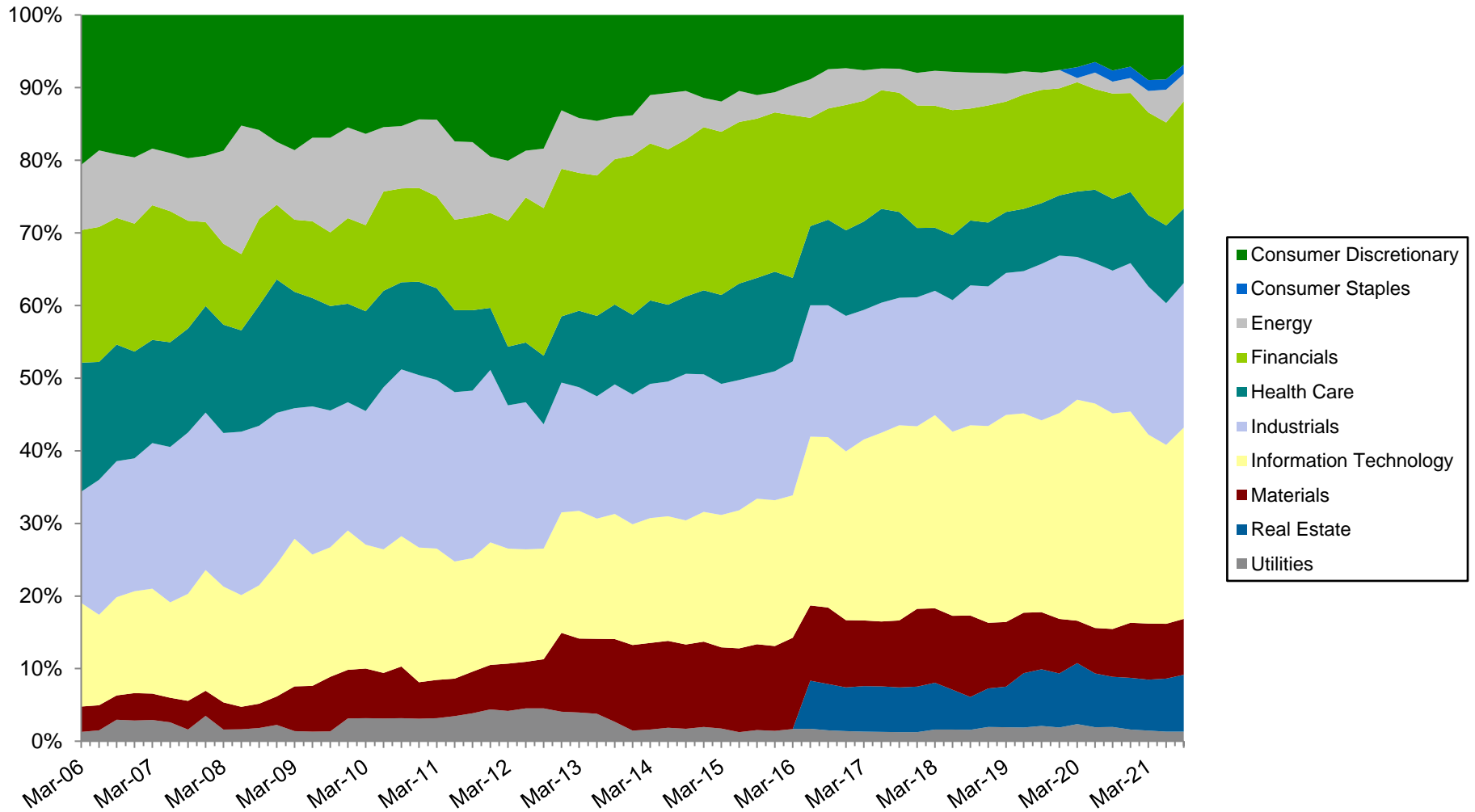
Performance

| | <u>Total Portfolio</u> | <u>Russell Midcap® Index</u> |
|----------------------------|------------------------|------------------------------|
| <i>Inception 3/28/2006</i> | | |
| 2006 | 3.56% | 7.92% |
| 2007 | 8.78 | 5.60 |
| 2008 | -37.51 | -41.46 |
| 2009 | 37.48 | 40.48 |
| 2010 | 27.22 | 25.47 |
| 2011 | -0.79 | -1.56 |
| 2012 | 16.36 | 17.29 |
| 2013 | 31.25 | 34.78 |
| 2014 | 10.32 | 13.22 |
| 2015 | 1.40 | -2.44 |
| 2016 | 16.55 | 13.80 |
| 2017 | 26.22 | 18.52 |
| 2018 | -9.63 | -9.05 |

Performance

| | <u>Total Portfolio</u> | <u>Russell Midcap® Index</u> |
|------------------------|------------------------|------------------------------|
| 2019 | 38.36 | 30.54 |
| 2020 | 21.20 | 17.10 |
| 3/31/2021 | 9.62 | 8.14 |
| 6/30/2021 | 4.11 | 7.50 |
| 9/30/2021 | -1.02 | -0.93 |
| 12/31/2021 | 11.30 | 6.44 |
| Year-to-Date | 25.74 | 22.58 |
| Since Inception | | |
| -Annualized | 11.85 | 10.22 |
| -Cumulative | 484.95 | 364.55 |

EARNEST Partners' Model Portfolio

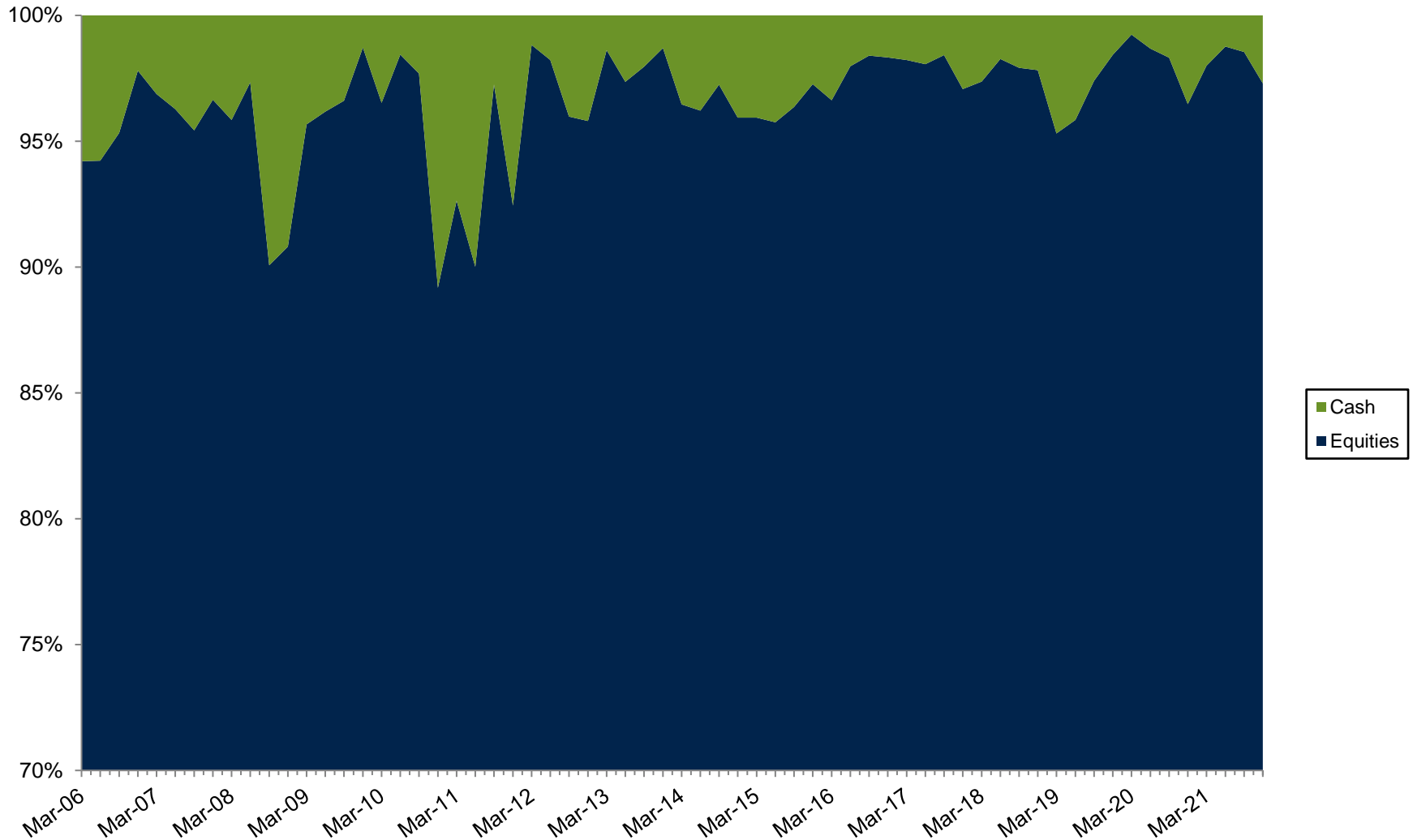


Asset Growth

| Period Ending | Ending Portfolio Value | Withdrawals | Contributions | Investment Change | |
|---------------|------------------------|-------------|---------------|-------------------|-----------------|
| | | | | Period | Since Inception |
| 3/28/2006 | \$37,404,060 | | | | |
| 2006 | \$38,599,735 | \$0 | \$0 | \$1,195,675 | \$1,195,675 |
| 2007 | 51,982,630 | 3,500,000 | 14,238,849 | 2,644,046 | 3,839,721 |
| 2008 | 26,001,788 | 10,000,000 | 0 | -15,980,842 | -12,141,121 |
| 2009 | 32,406,299 | 3,000,000 | 0 | 9,404,511 | -2,736,610 |
| 2010 | 31,053,473 | 8,500,000 | 0 | 7,147,174 | 4,410,564 |
| 2011 | 23,758,477 | 7,500,000 | 0 | 205,004 | 4,615,568 |
| 2012 | 27,646,027 | 0 | 0 | 3,887,550 | 8,503,118 |
| 2013 | 40,899,931 | 0 | 3,802,146 | 9,451,898 | 17,955,016 |
| 2014 | 31,527,407 | 13,001,627 | 0 | 3,629,103 | 21,584,119 |
| 2015 | 29,934,966 | 2,000,704 | 0 | 408,263 | 21,992,382 |

Asset Growth

| Period Ending | Ending Portfolio Value | Withdrawals | Contributions | Investment Change | |
|---------------|------------------------|-------------|---------------|-------------------|-----------------|
| | | | | Period | Since Inception |
| 2016 | \$27,890,394 | \$6,500,289 | \$0 | \$4,455,717 | \$26,448,099 |
| 2017 | 29,426,736 | 5,000,733 | 0 | 6,537,075 | 32,985,174 |
| 2018 | 25,674,345 | 1,000,929 | 0 | -2,751,462 | 30,233,712 |
| 2019 | 33,800,363 | 1,601,235 | 0 | 9,727,253 | 39,960,965 |
| 2020 | 40,963,482 | 0 | 0 | 7,163,875 | 47,124,840 |
| 3/31/2021 | 44,905,670 | 0 | 0 | 3,942,679 | 51,067,519 |
| 6/30/2021 | 46,751,367 | 0 | 0 | 1,846,015 | 52,913,534 |
| 9/30/2021 | 46,275,569 | 0 | 0 | -475,589 | 52,437,945 |
| 12/31/2021 | \$51,504,585 | 0 | 0 | 5,229,080 | 57,667,025 |





Broker Commission Report
Oakland Police and Fire Retirement Board

| Broker | Quantity | Commission Per Share | Commission Paid | % of Total Commission | Total Value of Trades | BP Cost Comm |
|------------------------------|----------|----------------------|-----------------|-----------------------|-----------------------|--------------|
| BLAYLOCK BEAL VAN LLC (0443) | 15,526 | 0.020 | 310.52 | 35.14 | 1,430,102.85 | 0.0002 |

Diversity Representation Survey for Oakland Police and Fire

DATA AS OF 01/31/2022

| | |
|----------------------------------|-------------------------------|
| Firm Name | EARNEST Partners |
| Product Name | EARNEST Partners Mid Cap Core |
| Total Number of Employees | 42 |

| | Percentage (%) of Board of Directors / Managing Members | Percentage(%) of Firm (Entire Staff) | Percentage (%) of Firm (Investment Professionals) |
|---------------------------------|--|---|--|
| Race and Ethnicity* | | | |
| African American/Black | | 21% | 13% |
| Asian/Hawaiian/Pacific Islander | | 24% | 33% |
| Latino/Hispanic | | | |
| White | | 55% | 53% |
| American Indian/Alaska Native | | | |
| Other | | | |
| Gender | | | |
| Male | | 60% | 73% |
| Female | | 40% | 27% |
| Non-Identified/Other | | | |

* Racial/ethnic categories appear as defined by EEOC guidance.

Russell Midcap® Index

The Russell Midcap® Index offers investors access to the mid-cap segment of the U.S. equity universe. It is constructed to provide a comprehensive and unbiased barometer for the mid-cap segment and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true mid-cap opportunity set. The Russell Midcap® Index includes the smallest 800 securities in the Russell 1000® Index. The index is unmanaged and it is not possible to invest directly in an index.

Nothing presented herein is intended to constitute investment advice and no investment decision should be made based on any information provided herein. Investments cited may not represent current or future holdings of EARNEST Partners, LLC (“EP”) investment products and nothing presented should be construed as a recommendation to purchase or sell a particular type of security or follow any investment technique or strategy. Information provided reflects EP's views as of a particular time. Such views are subject to change at any point and EP shall not be obligated to provide any notice of such change. Any forward-looking statements or forecasts are based on assumptions and actual results are expected to vary from any such statements or forecasts. No reliance should be placed on any such statements or forecasts when making any investment decision. While EP has used reasonable efforts to obtain information from reliable sources, we make no representations or warranties as to the accuracy, reliability or completeness of third-party information presented herein. Performance assumes the reinvestment of dividends and capital gains. No guarantee of investment performance is being provided and no inference to the contrary should be made.

MEMORANDUM

TO: Oakland Police and Fire Retirement System (OPFRS)
FROM: David Sancewich, Paola Nealon, Jason Campbell
 Meketa Investment Group
DATE: February 23, 2022
RE: EARNEST Partners – Manager Update

Manager: EARNEST Partners

Inception Date: 04/2006 **OPFRS AUM (12/31/21):** \$51.50 Million (10.5%)

Management Fee: 79 bps (\$406,866)¹

Investment Strategy: Domestic Mid-Cap Equity

Benchmark: Russell Midcap Index **Firm-wide AUM (12/31/21):** \$28.6 billion²

Summary & Recommendation

EARNEST Partners has managed the Midcap Core portfolio since the first quarter of 2006. Since inception, EARNEST has outperformed its benchmark. *Meketa does not have any major concerns with Earnest Partners and recommends renewal of its contract with OPFRS.*

Discussion

In reviewing EARNEST, Meketa considered investment performance and recent organizational / personnel issues.

Annualized Investment Performance (as of 12/31/2021)

| | MKT Value (\$000) | Quarter | 1 YR | 3 YR | 5 YR | Since Inception | Inception Date ³ |
|----------------------------------|----------------------|---------|------|------|------|--------------------|--------------------------------|
| Earnest Partners (Gross of Fees) | 51,502 | 11.3 | 25.7 | 28.2 | 19.2 | 11.8 | 3/2006 |
| Earnest Partners (Net of Fees) | 51,502 | 11.1 | 24.9 | 27.4 | 18.4 | 11.0 | -- |
| <i>Russell Midcap Index</i> | -- | 6.4 | 22.6 | 23.3 | 15.1 | 10.2 | -- |
| Excess Return (Net of Fees) | -- | +3.7 | +2.3 | +4.1 | +3.3 | +0.8 | -- |

EARNEST has outperformed the Russell Midcap Index by 80 basis points since inception in 2006. EARNEST has been a part of the portfolio for over a decade and continues to deliver outperformance, even in recent years.

¹ Estimate based on AUM as of 12/31/21.

² Source: Manager

³ Inception date reflects the first full month after portfolio received initial funding.



Organizational Issues

| EARNEST Partners | Areas of Potential Impact | | | | |
|--|---------------------------|---------------------------------------|---------------------|--------------------------|--------------------|
| | Level of Concern^ | Investment process (client portfolio) | Investment Team | Performance Track Record | Team/Firm Culture |
| Product | | | | | |
| Key people changes | None | | | | |
| Changes to team structure/individuals' roles | None | | | | |
| Product client gain/losses | None | | | | |
| Changes to the investment process | None | | | | |
| Personnel turnover | None | | | | |
| Organization | | | | | |
| Ownership changes | None | | | | |
| Key people changes | None | | | | |
| Firm wide client gain/losses | None | | | | |
| Recommended Action | None - X | | Watch Status | | Termination |

Investment Philosophy & Process, per manager

EARNEST Partners is a fundamental, bottom-up investment manager. The investment objective is to outperform the assigned benchmark while seeking to control volatility and risk. EARNEST implements this philosophy using an internally developed screen called Return Pattern Recognition® that seeks to identify the specific drivers of each stock rather than attempting to apply the same dogma to each stock. They believe that companies are unique and consider the specific characteristics of each company when selecting companies. They continue to search for mispriced and misunderstood opportunities within the market.

EARNEST Partners does not target sector or industry weights. Instead, the weightings are an outgrowth of the bottom-up, fundamental stock selection process. The process is designed to put the client in the individual securities that the firm believes have the most attractive expected returns; relative overweights and underweights are an outgrowth of where the team is finding those individual opportunities. The risk management process also influences the weights taken in any one sector. As a general rule, larger sectors will not represent more than 2x the benchmark weight. No individual holding generally exceeds 5.0% of the portfolio's value.

DS/PN/JC/ep

OAKLAND POLICE AND FIRE RETIREMENT BOARD
CITY OF OAKLAND, CALIFORNIA

Approved to Form
and Legality



RESOLUTION NO. 8038

ON MOTION OF MEMBER _____ SECONDED BY MEMBER _____

RESOLUTION AUTHORIZING ONE-YEAR EXTENSION OF PROFESSIONAL SERVICES AGREEMENT WITH EARNEST PARTNERS, LLC FOR THE PROVISION OF DOMESTIC EQUITY MID-CAP CORE ASSET CLASS INVESTMENT MANAGER SERVICES FOR THE CITY OF OAKLAND POLICE AND FIRE RETIREMENT SYSTEM

WHEREAS, Oakland City Charter section 2601(e) states that the Board of the Oakland Police and Fire Retirement System (“PFRS Board”) shall possess power to make all necessary rules and regulation for its guidance and shall have exclusive control of the administration and investment of the funds established for the maintenance and operation of the system; and

WHEREAS, Oakland City Charter section 2601(e) also states that the PFRS Board may secure from competent investment counsel such counsel and advice as to investing the funds of the Retirement System as it deems necessary and that discretionary powers granted such investment counsel will be at the option of the Board; and

WHEREAS, at the November 30, 2005 Board meeting, the PFRS Board awarded a professional service agreement (“the Agreement”) to Earnest Partners, LLC (“Investment Counsel”) to provide advice and counsel regarding investments of the assets of the Police and Fire Retirement Fund (“Fund”) for a five-year term commencing March 24, 2006 and ending March 24, 2011; and

WHEREAS, Section XXVII of the Agreement allows for modification of the Agreement by written agreement of all parties; and

WHEREAS, Section IV(B) of the Agreement gave the PFRS Board the option to extend the initial term of the Agreement for three additional one-year terms; and

WHEREAS, on January 26, 2011, the Agreement with Investment Counsel was extended by Board motion for an additional five-year term, commencing March 24, 2011, and

WHEREAS, on March 30, 2016, the Agreement with Investment Counsel was

OAKLAND POLICE AND FIRE RETIREMENT BOARD
CITY OF OAKLAND, CALIFORNIA

RESOLUTION NO. 8038

extended by Board motion for an addition one-year term, effective March 24, 2016, and

WHEREAS, on March 29, 2017, the PFRS Board passed Resolution No. 6957 which authorized amendment of Section IV(B) of the Agreement to provide the PFRS Board with unlimited one-year extension options, and

WHEREAS, on January 31, 2018, the PFRS Board passed Resolution No. 6993 which authorized a one-year extension of the Agreement with Investment Counsel commencing March 24, 2018, and

WHEREAS, on January 30, 2019, the PFRS Board passed Resolution No. 7036 which authorized a one-year extension of the Agreement with Investment Counsel, commencing March 24, 2019, and

WHEREAS, on January 29, 2020, the PFRS Board passed Resolution No. 7080 which authorized a one-year extension of the Agreement with Investment Counsel, commencing March 24, 2020, and

WHEREAS, on February 24, 2021, the PFRS Board passed Resolution No. 8011 which authorized a one-year extension of the Agreement with Investment Counsel, commencing March 24, 2021, and

WHEREAS, the Board now wishes to exercise its option to renew the Agreement with Investment Council for an additional one-year term, commencing March 24, 2022; now, therefore, be it

OAKLAND POLICE AND FIRE RETIREMENT BOARD
CITY OF OAKLAND, CALIFORNIA

RESOLUTION NO. 8038

RESOLVED: That the Board hereby authorizes a one-year extension of the professional service agreement between the City of Oakland Police and Fire Retirement System and Earnest Partners, LLC for the provision of Domestic Equity Mid-Cap Core Asset Class Investment Manager Services, commencing March 24, 2022 and ending March 24, 2023.

IN BOARD MEETING, VIA ZOOM TELE-CONFERENCE FEBRUARY 23, 2022

PASSED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: _____
PRESIDENT

ATTEST: _____
SECRETARY

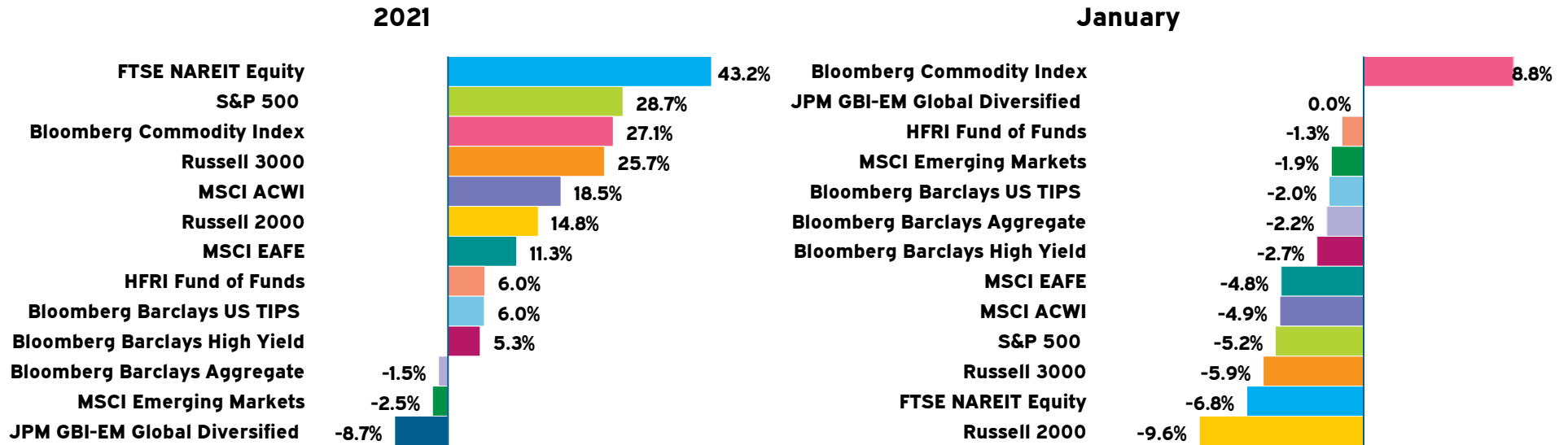
Economic and Market Update

January 2022 Report

January Commentary

- Expectations for policy tightening to happen faster than previously expected given persistent inflation led to significant volatility to start the year.
 - With a few exceptions most asset classes were down in January.
 - Volatility in equities, as represented by the VIX, spiked.
 - Equity markets led declines with the US down the most.
 - Rates increased across the US yield curve, with flattening continuing.
 - Value once again outpaced growth in the US given higher rates.
 - The dollar strengthened against a broad basket of peers with a few commodity-sensitive currencies outperforming.
 - Inflation expectations fell but remain elevated.
- Looking ahead, the pace of policy tightening, the track of inflation, geopolitical issues, and the path of the virus will all be key.

Index Returns¹



- Outside of emerging markets and the broad US investment grade bond market (Barclays Aggregate), most asset classes increased in 2021.
- In comparison, 2022 is off to a weak start with all major asset classes declining given expectations for policy tightening.

¹ Data Source: Bloomberg and FactSet. Data is as of January 31, 2022.

Domestic Equity Returns¹

| Domestic Equity | January (%) | 1 YR (%) | 3 YR (%) | 5 YR (%) | 10 YR (%) |
|-----------------------|-------------|----------|----------|----------|-----------|
| S&P 500 | -5.2 | 23.3 | 20.7 | 16.8 | 15.4 |
| Russell 3000 | -5.9 | 18.8 | 19.9 | 16.1 | 15.0 |
| Russell 1000 | -5.6 | 20.3 | 20.5 | 16.6 | 15.3 |
| Russell 1000 Growth | -8.6 | 17.5 | 26.4 | 22.3 | 18.0 |
| Russell 1000 Value | -2.3 | 23.4 | 13.8 | 10.5 | 12.3 |
| Russell MidCap | -7.4 | 13.9 | 16.1 | 12.8 | 13.4 |
| Russell MidCap Growth | -12.9 | -1.5 | 17.4 | 15.8 | 14.2 |
| Russell MidCap Value | -4.3 | 23.1 | 14.1 | 9.9 | 12.4 |
| Russell 2000 | -9.6 | -1.2 | 12.0 | 9.7 | 11.3 |
| Russell 2000 Growth | -13.4 | -15.0 | 11.4 | 10.9 | 11.7 |
| Russell 2000 Value | -5.8 | 14.8 | 11.7 | 7.9 | 10.6 |

US Equities: Russell 3000 Index -5.9%, and value indices outperformed growth in January.

- All US stock indices posted negative returns in January 2022 as the prospect of a faster tightening of monetary policy was priced in.
- As the economic impact of the virus continued to recede and rates rose, value stocks continued to outpace growth stocks partly driven by strong double-digit results in the energy sector given rising prices and weak results in technology (large cap space) and health care (small cap space).
- Large company stocks (Russell 1000) declined less than small company stocks (Russell 2000).

¹ Source: Bloomberg. Data is as of January 31, 2022.

Foreign Equity Returns¹

| Foreign Equity | January (%) | 1 YR (%) | 3 YR (%) | 5 YR (%) | 10 YR (%) |
|--|-------------|----------|----------|----------|-----------|
| MSCI ACWI | -4.9 | 13.2 | 15.4 | 12.6 | 10.7 |
| MSCI ACWI Ex US | -3.7 | 3.6 | 9.1 | 8.0 | 6.2 |
| MSCI EAFE | -4.8 | 7.0 | 9.3 | 7.9 | 6.9 |
| MSCI EAFE (Local Currency) | -3.6 | 14.8 | 10.0 | 7.5 | 9.3 |
| MSCI EAFE Small Cap | -7.3 | 2.4 | 9.9 | 8.6 | 9.1 |
| MSCI Emerging Markets | -1.9 | -7.2 | 7.2 | 8.3 | 4.2 |
| MSCI Emerging Markets (Local Currency) | -1.8 | -5.6 | 8.8 | 9.3 | 7.1 |

International Developed Market Equities: MSCI EAFE -4.8% and MSCI ACWI ex US -3.7%.

- Non-US stocks also posted negative returns in January given the outlook for global interest rates but declined less than US equities.
- Developed markets trailed emerging markets with tensions between Russia and the Ukraine and higher inflation weighing on Europe. The dynamic of value outpacing growth also persisted in Europe and Japan.
- A strong US dollar weighed on developed foreign markets for US investors.

Emerging Markets: MSCI EM -1.9% in January.

- Emerging markets declined the least during the month of January partly due to some oil exporters benefiting from higher energy prices.
- Currency dynamics had less of an impact on results compared to developed markets.

¹ Source: Bloomberg. Data is as of January 31, 2022.

Fixed Income Returns¹

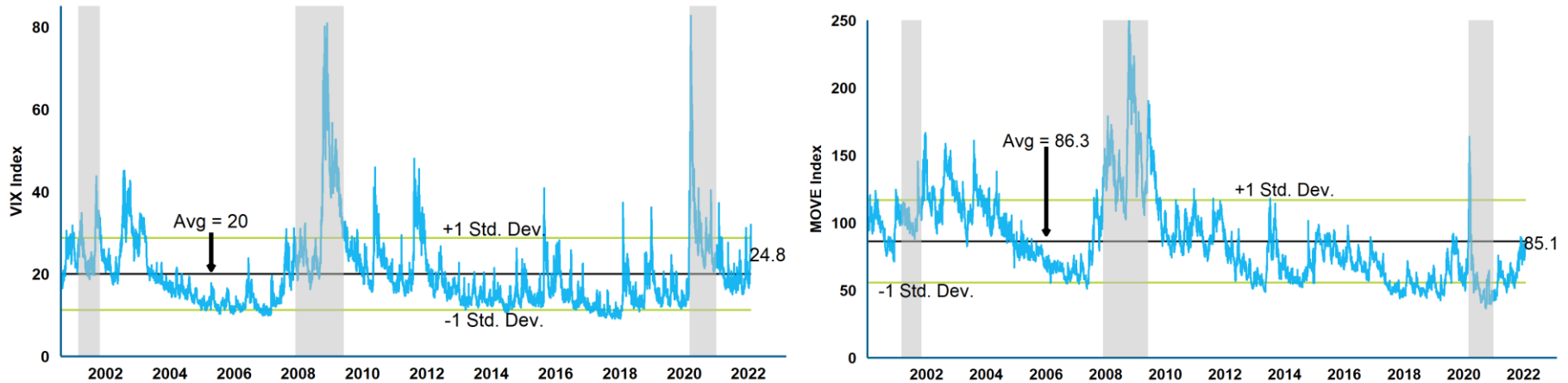
| Fixed Income | January (%) | 1 YR (%) | 3 YR (%) | 5 YR (%) | 10 YR (%) | Current Yield (%) | Duration (Years) |
|-------------------------------|-------------|----------|----------|----------|-----------|-------------------|------------------|
| Bloomberg Universal | -2.2 | -2.7 | 3.9 | 3.3 | 3.0 | 2.5 | 6.5 |
| Bloomberg Aggregate | -2.2 | -3.0 | 3.7 | 3.1 | 2.6 | 2.1 | 6.7 |
| Bloomberg US TIPS | -2.0 | 3.5 | 7.2 | 4.7 | 2.7 | 1.7 | 7.6 |
| Bloomberg High Yield | -2.7 | 2.1 | 6.3 | 5.4 | 6.2 | 5.3 | 4.5 |
| JPM GBI-EM Global Diversified | 0.0 | -7.8 | 0.3 | 2.4 | 0.0 | 5.7 | 5.2 |

Fixed Income: Barclays Universal -2.2% in January.

- Given expectations for a faster than previously expected pace of rate increases and balance sheet reduction by the Federal Reserve to combat persistent inflation, the broad US bond market (Barclays Aggregate) declined in January. The nominal 10-year Treasury yield rose to nearly 2%.
- Yields for TIPS rose given expectations for tighter policy from the Federal Reserve.
- Credit spreads widened but continued to trade at historically tight levels given relatively strong corporate health and high investor demand in the low-rate environment.
- Outside of the US, global sovereign debt yields across developed and emerging economies also generally rose on inflation concerns and expectations for higher policy rates.

¹ Source: Bloomberg. JPM GBI-EM is from InvestorForce, data is as of January 31, 2022.

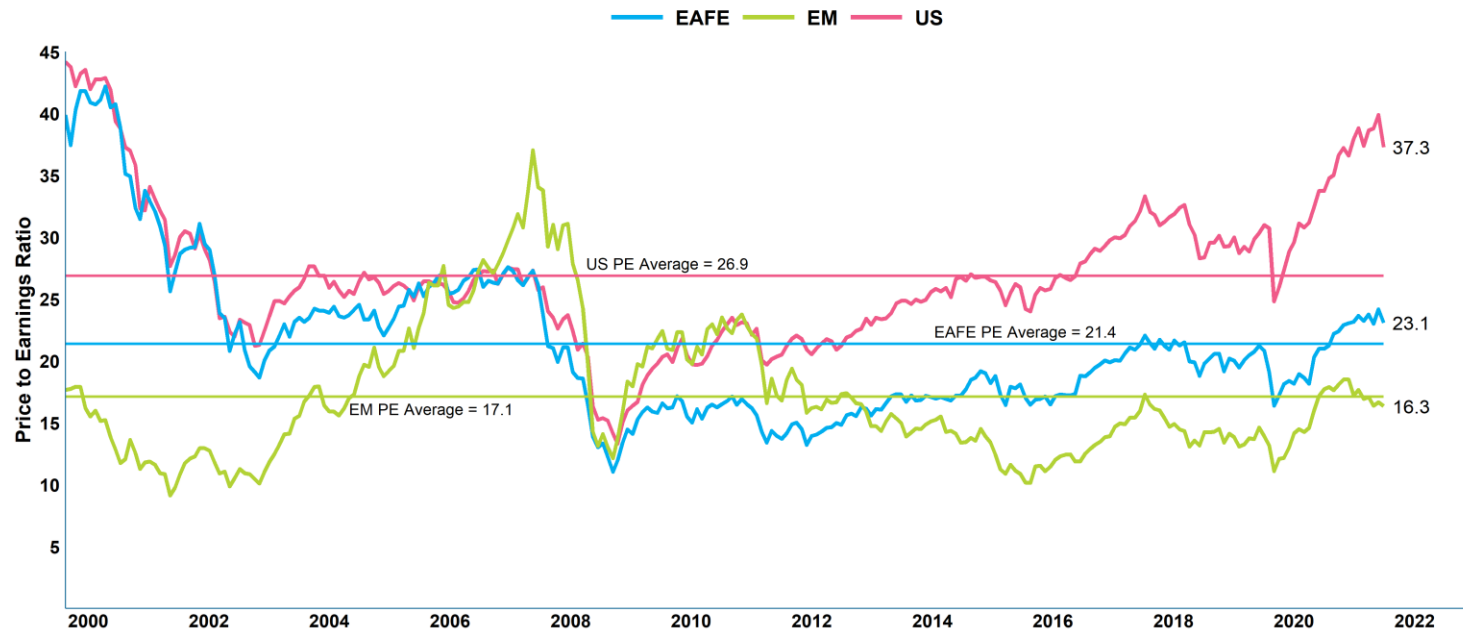
Equity and Fixed Income Volatility¹



- Volatility in equity (VIX) and fixed income (MOVE) increased at the start of the year, driven largely by expectations that the Federal Reserve would tighten monetary policy faster than previously expected.

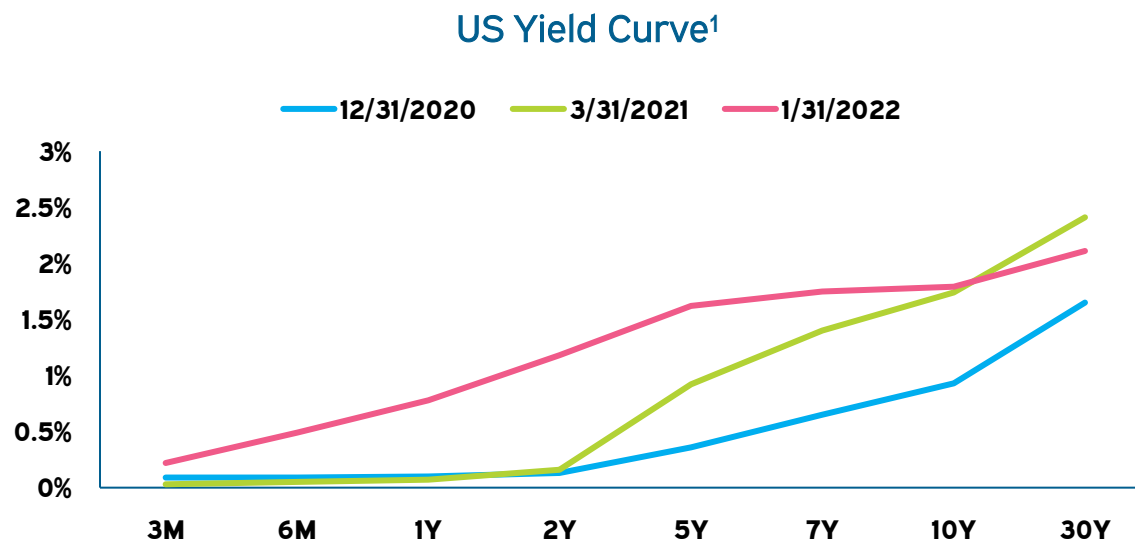
¹ Equity and Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of January 31, 2022. The average line indicated is the average of the VIX and MOVE values between January 2000 and the present month-end respectively.

Equity Cyclically Adjusted P/E Ratios¹



- Valuations in the US equity market declined in January with the market pullback, but they remain well above long-term averages (near +2 standard deviations).
- International developed market valuations remain below the US with emerging markets under the long-term average.

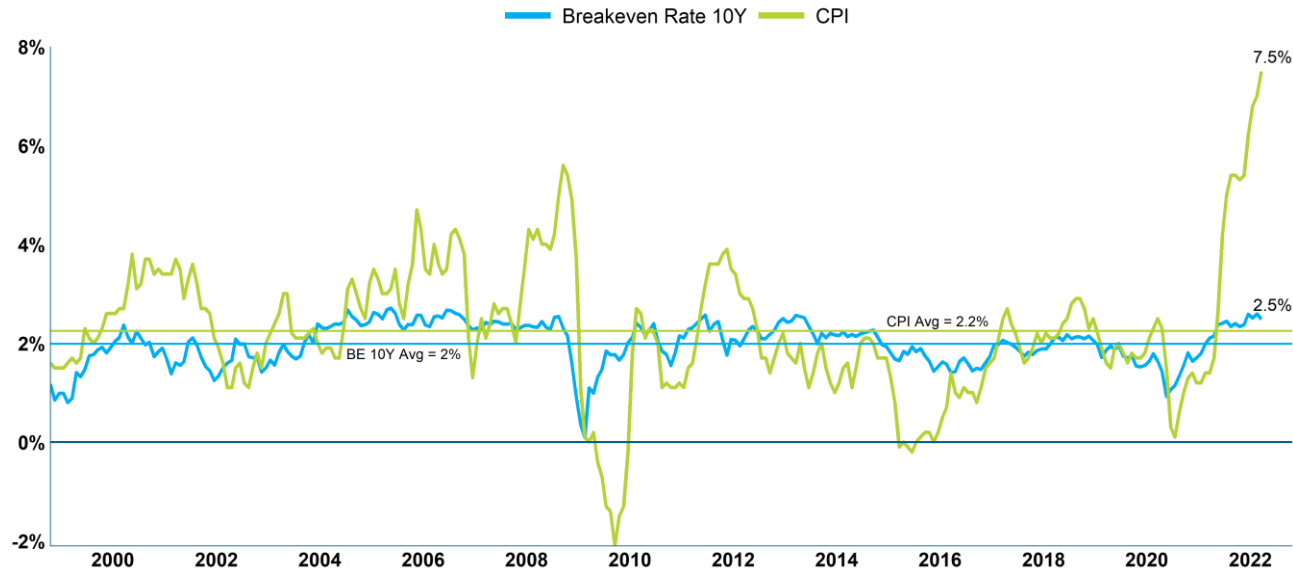
¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years. Data is as of January 31, 2022. The average line is the long-term average of the US, EM, and EAFE PE values from December 1999 to month-end respectively.



- To start the year, interest rates rose across the yield curve with the trend of the curve flattening continuing. The spread between a two-year and ten-year Treasury declined by about 0.18% for the month, ending at 0.60%.
- The main driver of these dynamics was the expectation that the Federal Reserve would accelerate the pace of their policy withdrawal given persistently high inflation and improvements in the labor market.
- After month-end, the release of above expectation January CPI (see next page) furthered the trend of rising rates and curve flattening.

¹ Source: Bloomberg. Data is as of January 31, 2022.

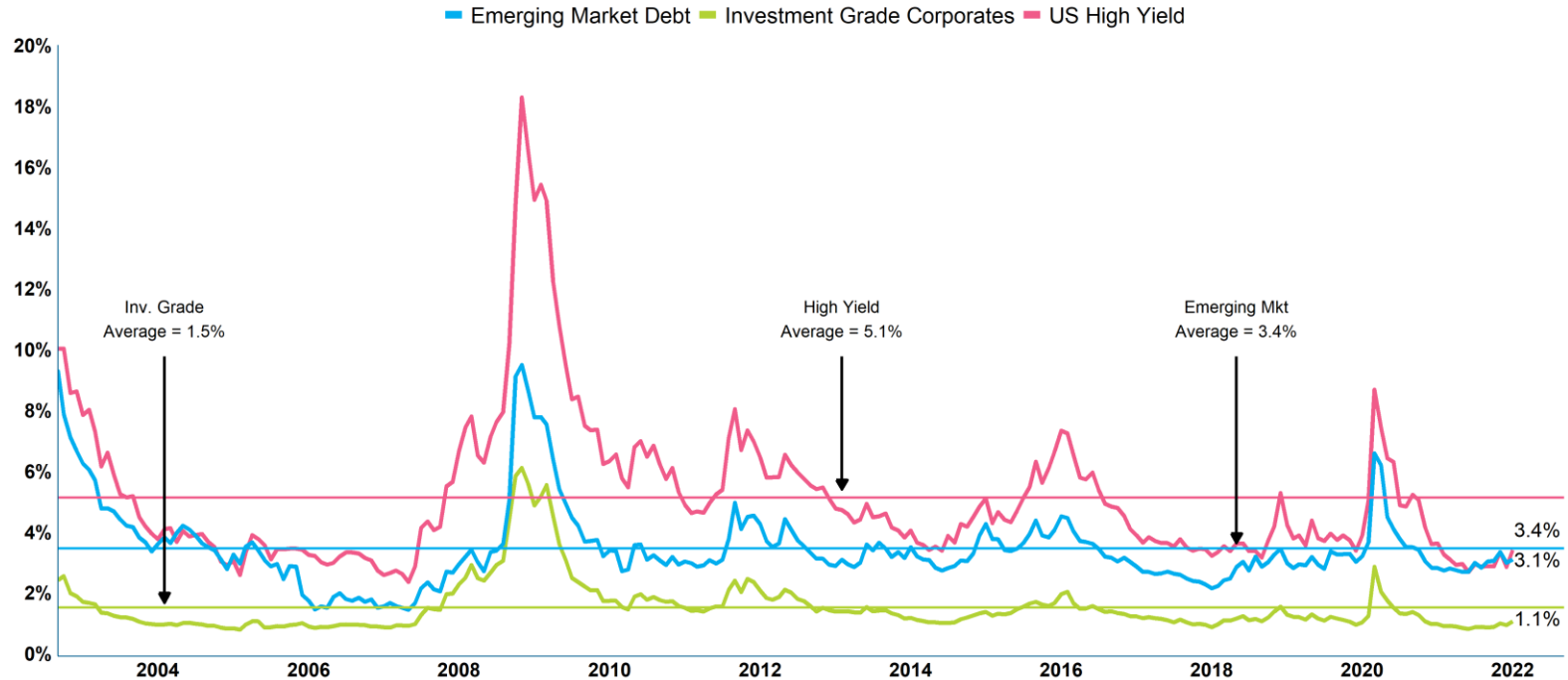
Ten-Year Breakeven Inflation and CPI¹



- Inflation expectations (breakevens) remain well above long-term averages with the economy reopening and supply chain issues persisting as key drivers.
- In January, trailing twelve-month CPI hit 7.5% for the first time since the early 1980s, a level more than triple the long-term average of 2.2%.
- Rising prices for energy and food, as well as for new and used cars, have been key drivers of higher inflation.
- Real weekly average wages declined 2.7% year over year, as price inflation outpaced rising wages over the past year.

¹ Source: Bloomberg. Data is as of January 31, 2022. The CPI and 10 Year Breakeven average lines denote the average values from August 1998 to the present month-end.

Credit Spreads vs. US Treasury Bonds¹



- Credit spreads (the spread above a comparable maturity Treasury) for emerging market debt, investment-grade corporates, and high yield corporate debt remain historically narrow despite widening in January.
- The search for yield in a low-rate environment and still strong corporate fundamentals with low default risk have been key drivers in the decline in credit spreads to below long-term averages here in the US.

¹ Sources: Barclays Live and Bloomberg. Data is as of January 31, 2022. Average lines denote the average of the investment grade, high yield, and emerging market spread values from August 2000 to the present month-end.

Global Economic Outlook

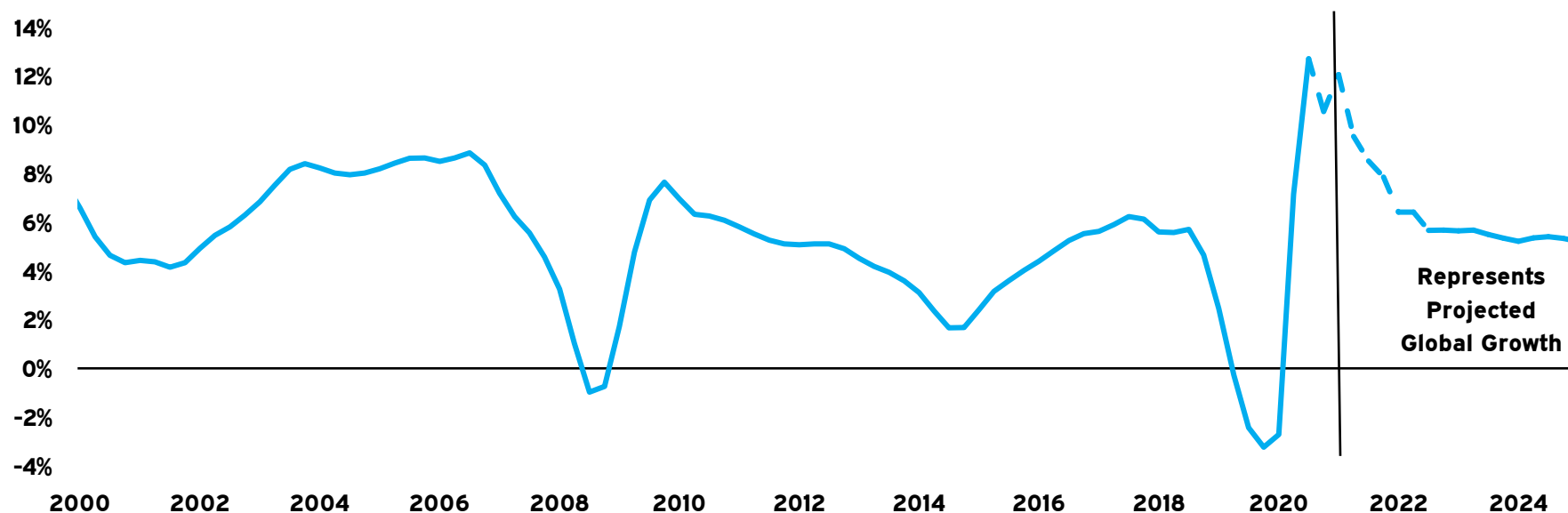
The IMF is forecasting strong growth again this year but continues to downgrade expectations given the lingering pandemic and persistent inflation.

- The IMF forecasts final global GDP to come in at 5.9% in 2021 and 4.4% in 2022 (0.5% below the prior estimate); still well above the past ten-year average of 3.1%.
- In advanced economies, GDP is projected to increase 3.9% in 2022 and 2.6% in 2023. These levels are still above potential as economies re-open and vaccination progress is made. The US forecast experienced a significant reduction in 2022 (4.0% versus 5.2%) given earlier policy reduction than previously expected, high inflation, and struggles in passing fiscal programs. The euro area economy is expected to grow 3.9% in 2022 and 2.5% in 2023, while the Japanese economy is expected to grow 3.3% in 2022 and 1.8% in 2023.
- Growth projections for emerging markets are higher compared to developed markets at 4.8% in 2022 and 4.7% in 2023. China’s growth was notably downgraded 0.8% to 4.8% in 2022 given tight COVID-19 restrictions and continued issues in the property sector.
- Globally, inflation is projected to be above long-term averages in 2022 but decline from current levels.

| | Real GDP (%) ¹ | | | Inflation (%) ¹ | | |
|--------------------|---------------------------|----------------------|---------------------------|----------------------------|----------------------|---------------------------|
| | IMF 2022 Forecast | IMF 2023 Forecast | Actual 10 Year Average | IMF 2022 Forecast | IMF 2023 Forecast | Actual 10 Year Average |
| World | 4.4 | 3.8 | 3.1 | 3.8 | 3.3 | 3.4 |
| Advanced Economies | 3.9 | 2.6 | 1.6 | 2.3 | 1.9 | 1.4 |
| US | 4.0 | 2.6 | 2.0 | 3.5 | 2.7 | 1.8 |
| Euro Area | 3.9 | 2.5 | 1.0 | 1.7 | 1.4 | 1.2 |
| Japan | 3.3 | 1.8 | 0.5 | 0.5 | 0.7 | 0.5 |
| Emerging Economies | 4.8 | 4.7 | 4.3 | 4.9 | 4.3 | 5.0 |
| China | 4.8 | 5.2 | 7.0 | 1.8 | 1.9 | 2.1 |

¹ Source: IMF World Economic Outlook. Real GDP forecasts from January WEO Update. Inflation as of the October 2021 Update. "Actual 10 Year Average" represents data from 2012 to 2021.

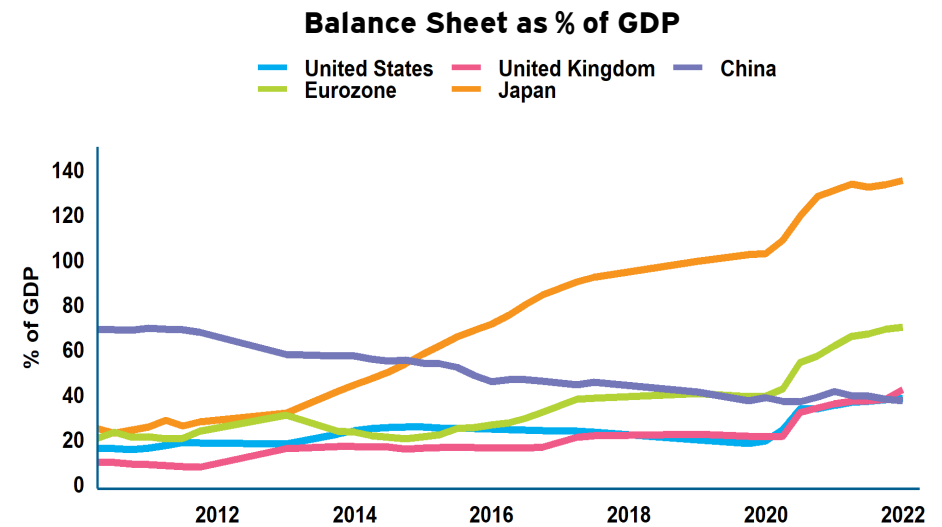
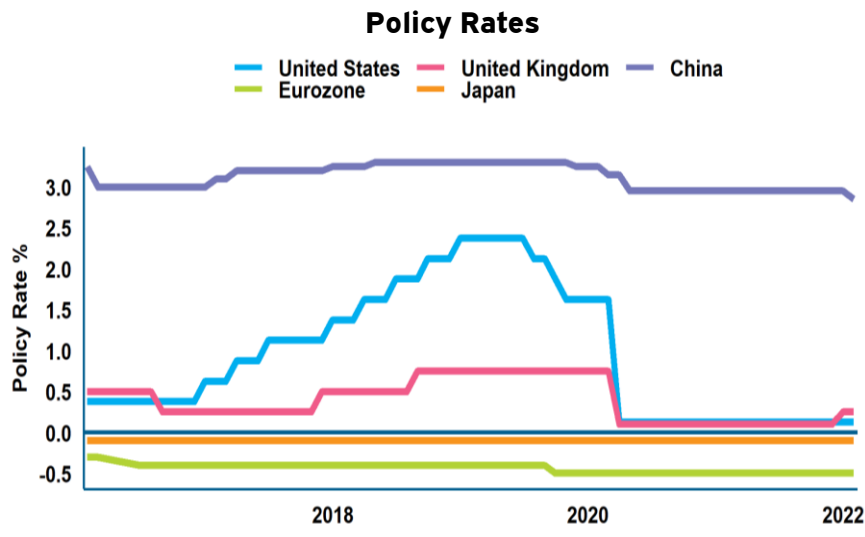
Global Nominal Gross Domestic Product (GDP) Growth¹



- Global economies are expected to slow in 2022 compared to last year but are forecasted to have another year of largely above-trend growth as economies continue to emerge from the pandemic.
- Looking forward, continued supply chain issues, on-going inflationary pressures, tighter monetary policy, and lingering pandemic problems remain key.

¹ Source: Oxford Economics (World GDP, US\$ prices & PPP exchange rate, nominal, % change YoY). Updated January 2022.

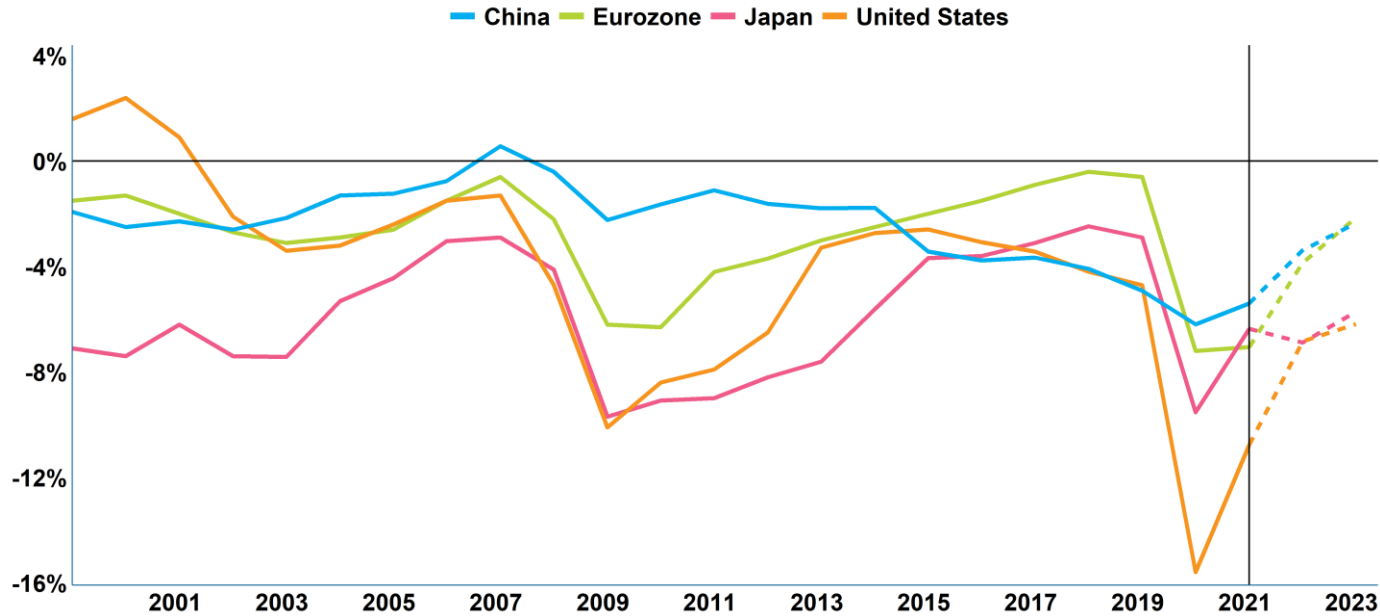
Central Bank Response¹



- After global central banks took significant action to support the economy during the pandemic including policy rate cuts and emergency stimulus through quantitative easing (QE), many are now considering reducing support given inflation levels.
- The pace of withdrawing support will likely vary across central banks with the US expected to take one of the more aggressive approaches.
- The one notable exception is China, where they have recently lowered rates and reserve requirements in response to slowing growth.

¹ Source: Bloomberg. Data is as of January 31, 2022. China policy rate is defined as the medium-term lending facility 1 year interest rate. Balance sheet as % of GDP is based on quarterly data.

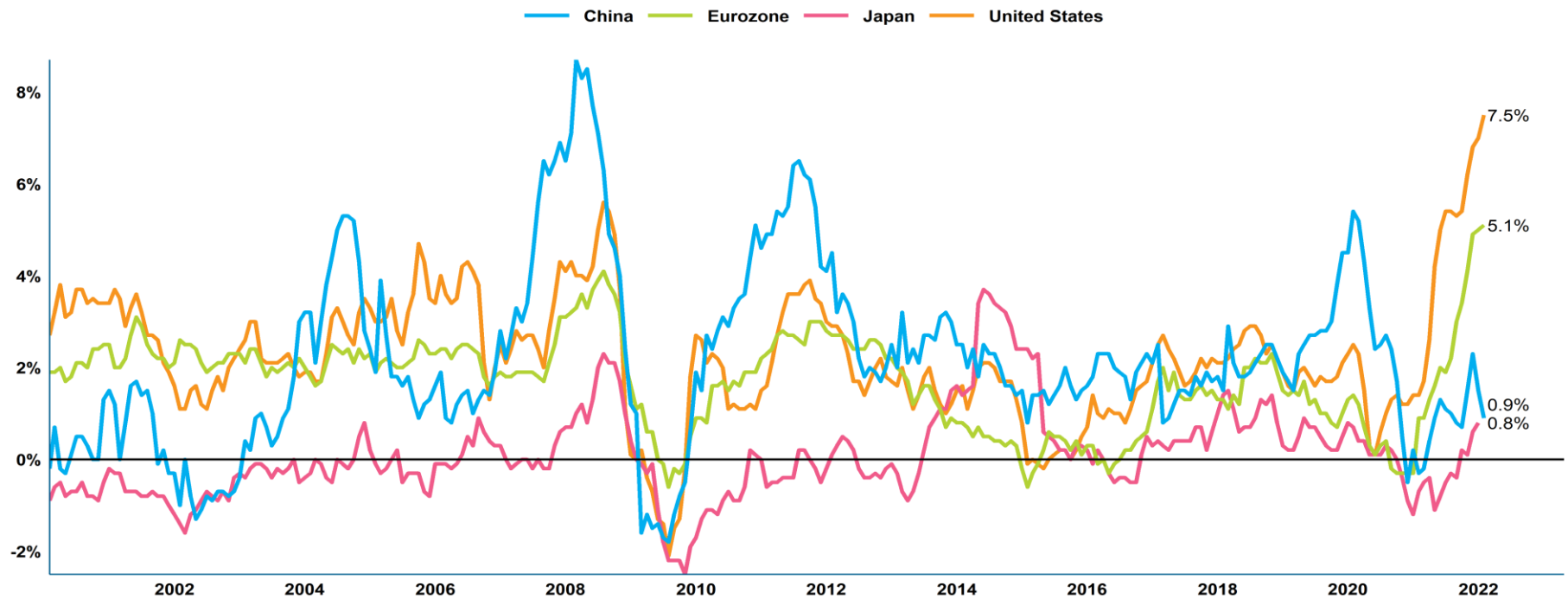
Budget Surplus / Deficit as a Percentage of GDP¹



- Budget deficits as a percentage of GDP drastically increased for major world economies, particularly the US, due to massive fiscal support and the severe economic contraction’s effect on tax revenue in 2020 and 2021.
- As fiscal stimulus programs end, and economic recoveries continue deficits should improve in the coming years.

¹ Source: Bloomberg. Data is as of January 31, 2022. Projections via IMF Forecasts from October 2021 Report. Dotted lines represent 2022 and 2023 forecasts.

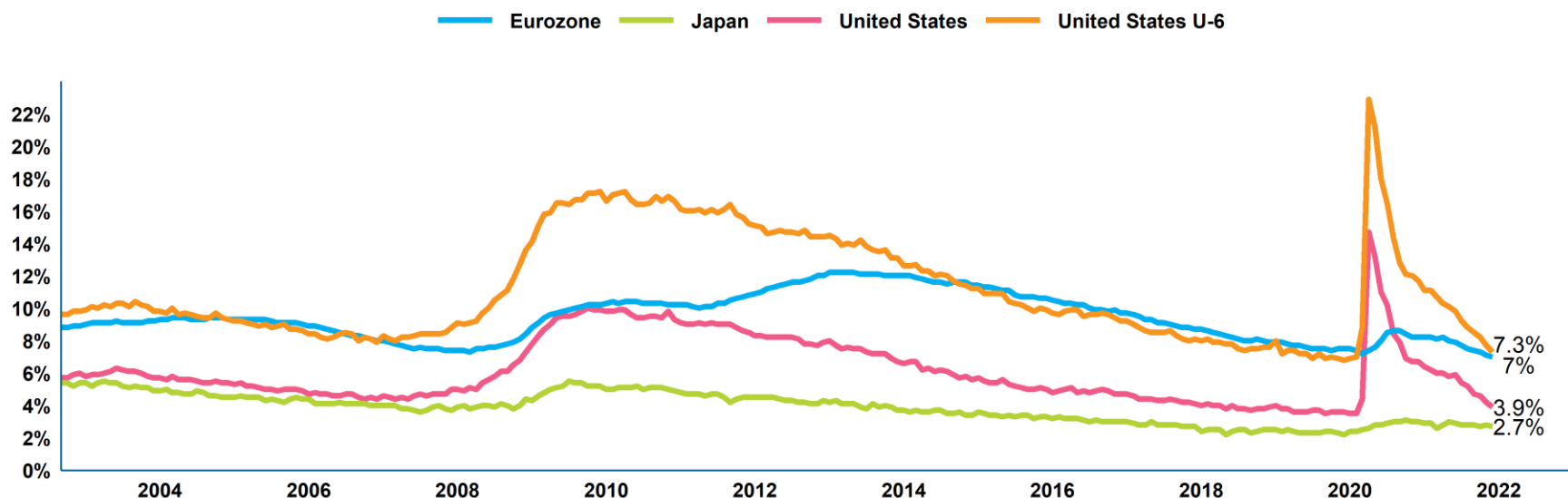
Inflation (CPI Trailing Twelve Months)¹



- Inflation has increased dramatically from the lows of the pandemic, particularly in the US and Eurozone.

¹ Source: Bloomberg. Data is as of January 31, 2022, except for Japan, where the most recent data available is as of December 31, 2021.

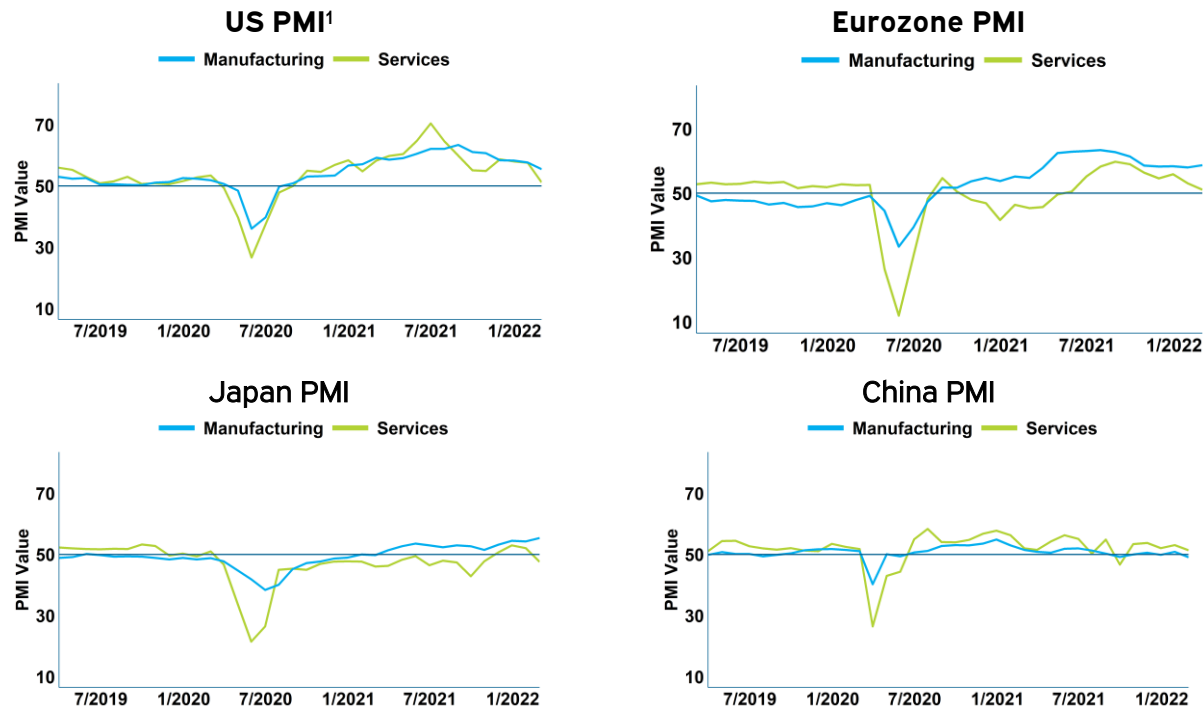
Unemployment¹



- As economies have largely reopened due to vaccines for the virus, improvements have been seen in the labor market.
- US unemployment, which experienced the steepest rise from the pandemic, declined to under 4% as the economy reopens. The broader measure (U-6) that includes discouraged and underemployed workers has declined but is much higher at 7.0%.

¹ Source: Bloomberg. Data is as of January 31, 2022.

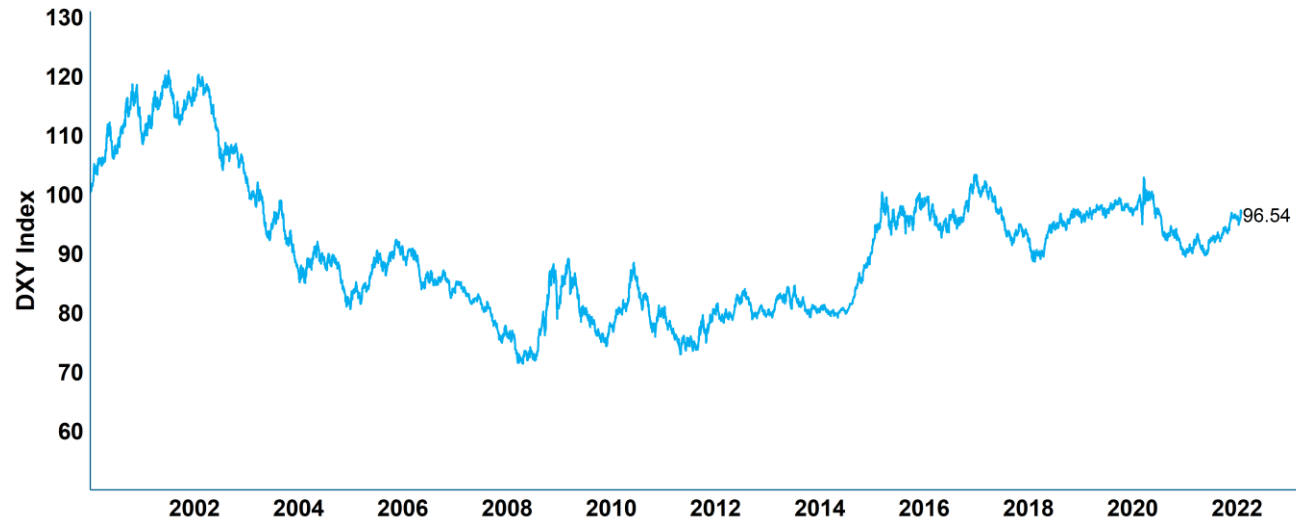
Global PMIs



- After improvements from the lows of the pandemic, Purchasing Managers Indices (PMI), based on surveys of private sector companies, have experienced pressures recently.
- PMIs in the services sector across developed economies have declined to neutral, or in the case of Japan contraction, levels largely due to the impact of the Omicron variant. Notably, China's manufacturing PMI dipped into contraction territory in January given on-going strict COVID-19 related restrictions.

¹ Source: Bloomberg. US Markit Services and Manufacturing PMI, Caixin Services and Manufacturing PMI, Eurozone Markit Services and Manufacturing PMI, Jibun Bank Services and Manufacturing PMI. Data is as of January 2022. Readings below 50 represent economic contractions.

US Dollar versus Broad Currencies¹



- The US dollar continued its 2021 trend of strengthening against a broad basket of peers in January given expectations for rising rates.
- A few commodity-sensitive currencies like the Brazilian real and South African rand have recently outpaced the dollar though given persistently high commodity prices.

¹ Source: Bloomberg Data as of January 31, 2022.

Summary

Key Trends in 2022:

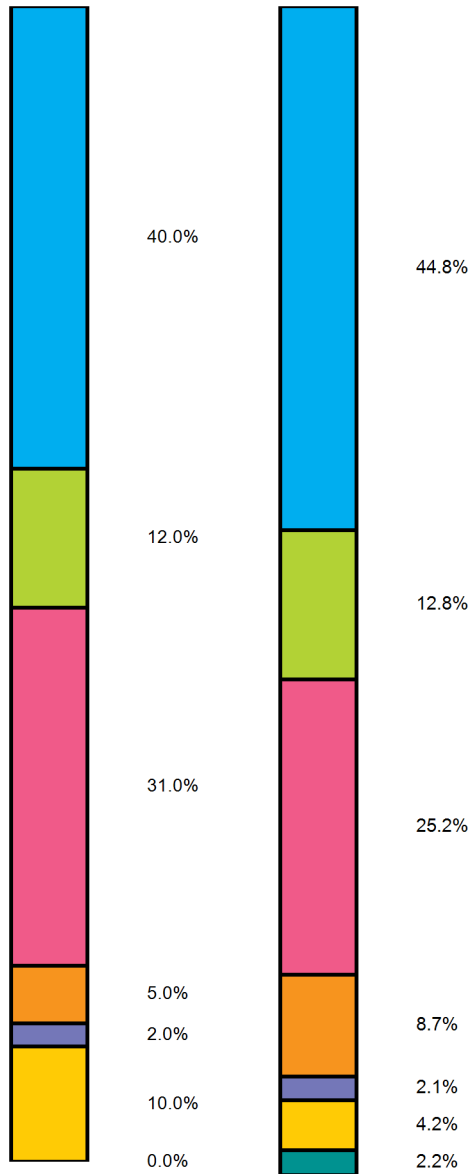
- Expect growth to slow globally in 2022 but remain above trend. The track of the pandemic will be key.
- Inflationary pressures could linger, particularly if COVID-19 related restrictions persist.
- The end of many fiscal programs will put the burden of continued growth on consumers.
- Monetary policy will likely tighten globally but will remain relatively low.
- Valuations remain high in the US, but low rates and strong margins should be supportive.
- Outside the US, valuations remain lower in both emerging and developed markets, but risks remain.
- Questions remain about the future path of the US yield curve.
- Geopolitical risk in Asia and Eastern Europe could create volatility.

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Oakland Police and Fire Retirement System

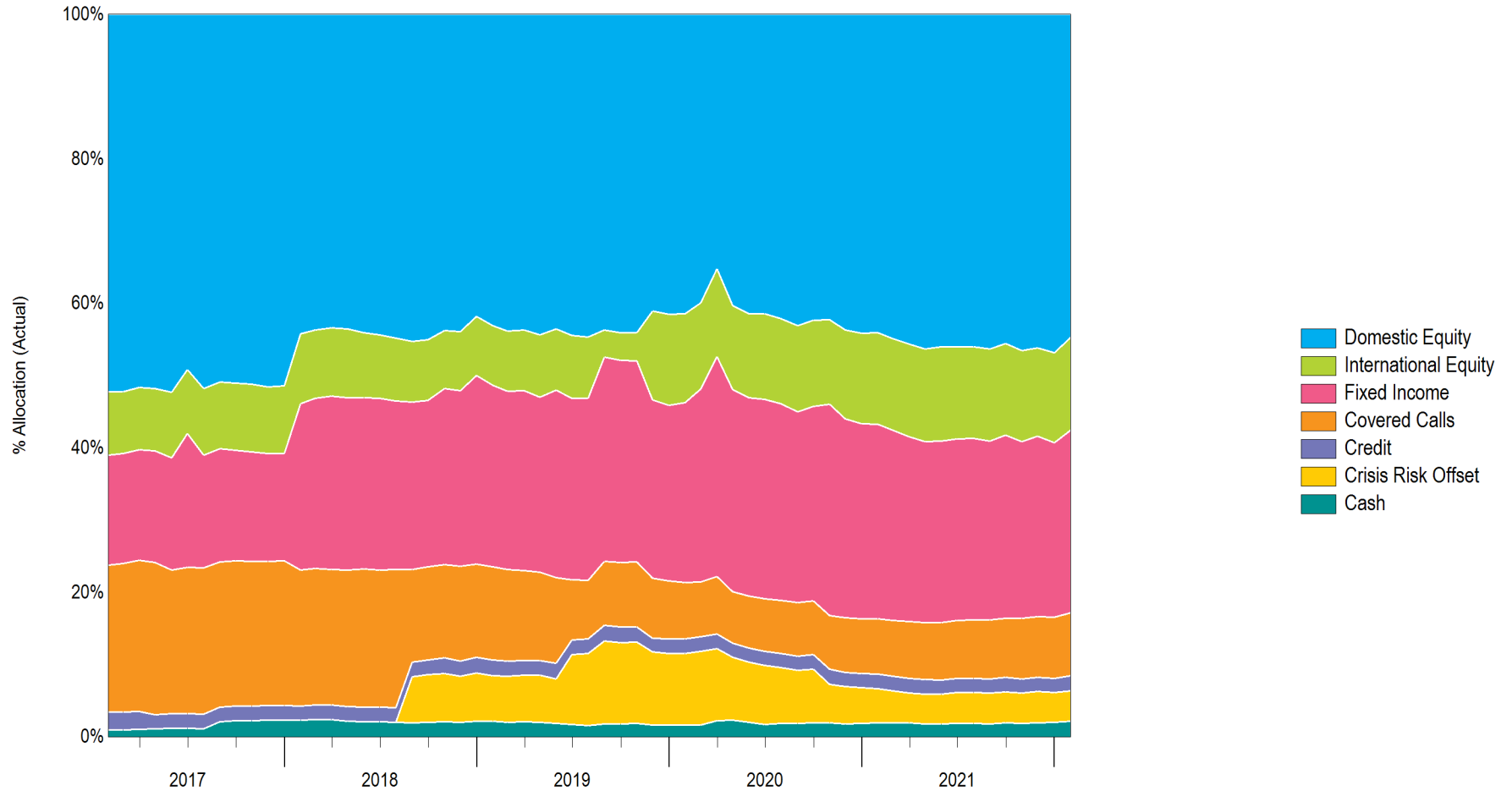
January Flash Report

OPFRS Total Plan As of January 31, 2022



| Allocation vs. Targets and Policy | | | | | | |
|-----------------------------------|----------------------|--------------------|---------------|------------|-------------------|--|
| | Current Balance | Current Allocation | Policy | Difference | Within IPS Range? | |
| Domestic Equity | \$202,672,105 | 44.8% | 40.0% | 4.8% | Yes | |
| International Equity | \$58,026,618 | 12.8% | 12.0% | 0.8% | Yes | |
| Fixed Income | \$114,275,259 | 25.2% | 31.0% | -5.8% | Yes | |
| Covered Calls | \$39,473,776 | 8.7% | 5.0% | 3.7% | Yes | |
| Credit | \$9,317,744 | 2.1% | 2.0% | 0.1% | Yes | |
| Crisis Risk Offset | \$19,154,050 | 4.2% | 10.0% | -5.8% | No | |
| Cash | \$9,831,782 | 2.2% | 0.0% | 2.2% | Yes | |
| Total | \$452,751,334 | 100.0% | 100.0% | | | |

Asset Allocation History
5 Years Ending January 31, 2022



Asset Class Performance Summary

| | Market Value (\$) | % of Portfolio | 1 Mo (%) | Fiscal YTD (%) | 1 Yr (%) | 3 Yrs (%) | 5 Yrs (%) | 10 Yrs (%) | S.I. (%) | S.I. Date |
|---|----------------------|-------------------|-------------|----------------------|-------------|--------------|--------------|---------------|-------------|---------------|
| OPFRS Total Plan | 452,751,334 | 100.0 | -4.1 | 1.2 | 9.7 | 11.2 | 9.9 | 8.9 | 7.0 | Dec-88 |
| <i>OPFRS Policy Benchmark</i> | | | <i>-3.7</i> | <i>0.4</i> | <i>8.1</i> | <i>11.2</i> | <i>9.4</i> | <i>8.4</i> | <i>8.3</i> | <i>Dec-88</i> |
| Domestic Equity | 202,672,105 | 44.8 | -5.7 | 3.1 | 18.2 | 18.5 | 15.3 | 14.6 | 9.5 | Jun-97 |
| <i>Russell 3000 (Blend)</i> | | | <i>-5.9</i> | <i>2.7</i> | <i>18.8</i> | <i>19.9</i> | <i>16.1</i> | <i>15.0</i> | <i>9.7</i> | <i>Jun-97</i> |
| International Equity | 58,026,618 | 12.8 | -3.4 | -2.1 | 6.7 | 10.7 | 9.2 | 7.5 | 5.7 | Jan-98 |
| <i>MSCI ACWI ex US (Blend)</i> | | | <i>-3.7</i> | <i>-4.7</i> | <i>4.1</i> | <i>9.6</i> | <i>8.5</i> | <i>6.7</i> | <i>5.9</i> | <i>Jan-98</i> |
| Fixed Income | 114,275,259 | 25.2 | -2.0 | -1.7 | -1.8 | 4.4 | 3.9 | 3.3 | 5.3 | Dec-93 |
| <i>Bloomberg Universal (Blend)</i> | | | <i>-2.2</i> | <i>-2.1</i> | <i>-2.7</i> | <i>3.9</i> | <i>3.3</i> | <i>3.0</i> | <i>5.1</i> | <i>Dec-93</i> |
| Credit | 9,317,744 | 2.1 | -0.5 | 1.9 | 7.5 | 6.6 | 6.4 | -- | 6.4 | Feb-15 |
| <i>Bloomberg US High Yield TR</i> | | | <i>-2.7</i> | <i>-1.2</i> | <i>2.1</i> | <i>6.3</i> | <i>5.4</i> | <i>6.2</i> | <i>5.6</i> | <i>Feb-15</i> |
| Covered Calls | 39,473,776 | 8.7 | -3.9 | 5.7 | 20.3 | 15.7 | 12.1 | -- | 10.4 | Apr-14 |
| <i>CBOE S&P 500 BuyWrite USD</i> | | | <i>-2.5</i> | <i>5.6</i> | <i>17.2</i> | <i>8.7</i> | <i>7.0</i> | <i>7.2</i> | <i>6.7</i> | <i>Apr-14</i> |
| Crisis Risk Offset | 19,154,050 | 4.2 | -3.7 | -1.8 | -6.9 | -8.3 | -- | -- | -8.8 | Aug-18 |
| <i>SG Multi Alternative Risk Premia Index</i> | | | <i>1.2</i> | <i>2.8</i> | <i>7.9</i> | <i>-1.9</i> | <i>--</i> | <i>--</i> | <i>-1.6</i> | <i>Aug-18</i> |

Fiscal year begins on July 1.

Cash balances held in ETF accounts at the Custodian are reflected in the Cash account market value.

OPFRS Total Plan As of January 31, 2022

| Trailing Net Performance | | | | | | | | | | | |
|--|----------------------|-------------------|----------------|--------------|----------------------|--------------|--------------|--------------|---------------|-------------|---------------|
| | Market Value (\$) | % of Portfolio | % of Sector | 1 Mo (%) | Fiscal YTD (%) | 1 Yr (%) | 3 Yrs (%) | 5 Yrs (%) | 10 Yrs (%) | S.I. (%) | S.I. Date |
| OPFRS Total Plan | 452,751,334 | 100.0 | -- | -4.1 | 1.2 | 9.7 | 11.2 | 9.9 | 8.9 | 7.0 | Dec-88 |
| <i>OPFRS Policy Benchmark</i> | | | | <i>-3.7</i> | <i>0.4</i> | <i>8.1</i> | <i>11.2</i> | <i>9.4</i> | <i>8.4</i> | <i>8.3</i> | <i>Dec-88</i> |
| Domestic Equity | 202,672,105 | 44.8 | 44.8 | -5.7 | 3.1 | 18.2 | 18.5 | 15.3 | 14.6 | 9.5 | Jun-97 |
| <i>Russell 3000 (Blend)</i> | | | | <i>-5.9</i> | <i>2.7</i> | <i>18.8</i> | <i>19.9</i> | <i>16.1</i> | <i>15.0</i> | <i>9.7</i> | <i>Jun-97</i> |
| Northern Trust Russell 1000 | 104,626,124 | 23.1 | 51.6 | -5.8 | 3.6 | 20.1 | 20.4 | 16.5 | 15.3 | 15.1 | Jun-10 |
| <i>Russell 1000</i> | | | | <i>-5.6</i> | <i>3.8</i> | <i>20.3</i> | <i>20.5</i> | <i>16.6</i> | <i>15.3</i> | <i>15.2</i> | <i>Jun-10</i> |
| EARNEST Partners | 49,054,976 | 10.8 | 24.2 | -4.8 | 4.9 | 20.3 | 21.3 | 17.1 | 15.6 | 11.4 | Apr-06 |
| <i>Russell MidCap</i> | | | | <i>-7.4</i> | <i>-2.3</i> | <i>13.9</i> | <i>16.1</i> | <i>12.8</i> | <i>13.4</i> | <i>9.6</i> | <i>Apr-06</i> |
| iShares Edge MSCI Min Vol ETF | 21,646,600 | 4.8 | 10.7 | -6.0 | 4.0 | 16.8 | -- | -- | -- | 22.4 | Apr-20 |
| <i>MSCI USA Minimum Volatility GR USD</i> | | | | <i>-5.9</i> | <i>4.2</i> | <i>17.0</i> | <i>13.4</i> | <i>13.0</i> | <i>13.3</i> | <i>22.6</i> | <i>Apr-20</i> |
| Rice Hall James | 16,028,150 | 3.5 | 7.9 | -8.1 | -6.1 | 2.7 | 13.2 | -- | -- | 11.8 | Jul-17 |
| <i>Russell 2000 Growth</i> | | | | <i>-13.4</i> | <i>-18.3</i> | <i>-15.0</i> | <i>11.4</i> | <i>10.9</i> | <i>11.7</i> | <i>10.1</i> | <i>Jul-17</i> |
| Brown Fundamental Small Cap Value | 11,316,255 | 2.5 | 5.6 | -4.3 | 2.6 | -- | -- | -- | -- | 6.0 | Apr-21 |
| <i>Russell 2000 Value</i> | | | | <i>-5.8</i> | <i>-4.7</i> | <i>14.8</i> | <i>11.7</i> | <i>7.9</i> | <i>10.6</i> | <i>-0.3</i> | <i>Apr-21</i> |
| International Equity | 58,026,618 | 12.8 | 12.8 | -3.4 | -2.1 | 6.7 | 10.7 | 9.2 | 7.5 | 5.7 | Jan-98 |
| <i>MSCI ACWI ex US (Blend)</i> | | | | <i>-3.7</i> | <i>-4.7</i> | <i>4.1</i> | <i>9.6</i> | <i>8.5</i> | <i>6.7</i> | <i>5.9</i> | <i>Jan-98</i> |
| SGA ACWI ex-U.S. Equity | 41,171,910 | 9.1 | 71.0 | -2.9 | -0.8 | 7.0 | -- | -- | -- | 7.3 | Dec-19 |
| <i>MSCI ACWI ex USA Gross</i> | | | | <i>-3.7</i> | <i>-4.7</i> | <i>4.1</i> | <i>9.6</i> | <i>8.5</i> | <i>6.7</i> | <i>9.2</i> | <i>Dec-19</i> |
| Vanguard Developed Markets ETF | 16,438,523 | 3.6 | 28.3 | -3.9 | -4.7 | 4.8 | -- | -- | -- | 10.0 | Sep-19 |
| <i>FTSE Developed All Cap Ex US TR USD</i> | | | | <i>-5.0</i> | <i>-3.5</i> | <i>7.2</i> | <i>10.2</i> | <i>8.4</i> | <i>5.7</i> | <i>11.9</i> | <i>Sep-19</i> |

Fiscal year begins July 1.

Throughout the report performance for new funds will be shown after one full month of investment.

International equity performance inclusive of residual cash in Hansberger transition.

OPFRS Total Plan As of January 31, 2022

| | Market Value (\$) | % of Portfolio | % of Sector | 1 Mo (%) | Fiscal YTD (%) | 1 Yr (%) | 3 Yrs (%) | 5 Yrs (%) | 10 Yrs (%) | S.I. (%) | S.I. Date |
|---|--------------------|----------------|-------------|-------------|----------------|-------------|-------------|-------------|------------|-------------|---------------|
| Fixed Income | 114,275,259 | 25.2 | 25.2 | -2.0 | -1.7 | -1.8 | 4.4 | 3.9 | 3.3 | 5.3 | Dec-93 |
| <i>Bloomberg Universal (Blend)</i> | | | | <i>-2.2</i> | <i>-2.1</i> | <i>-2.7</i> | <i>3.9</i> | <i>3.3</i> | <i>3.0</i> | <i>5.1</i> | <i>Dec-93</i> |
| Ramirez | 77,805,831 | 17.2 | 68.1 | -2.0 | -1.8 | -1.5 | 4.4 | 3.8 | -- | 3.8 | Jan-17 |
| <i>Bloomberg US Aggregate TR</i> | | | | <i>-2.2</i> | <i>-2.1</i> | <i>-3.0</i> | <i>3.7</i> | <i>3.1</i> | <i>2.6</i> | <i>3.1</i> | <i>Jan-17</i> |
| Reams | 29,004,549 | 6.4 | 25.4 | -1.9 | -1.5 | -2.2 | 7.7 | 5.7 | 4.3 | 5.8 | Feb-98 |
| <i>Bloomberg Universal (Blend)</i> | | | | <i>-2.2</i> | <i>-2.1</i> | <i>-2.7</i> | <i>3.9</i> | <i>3.3</i> | <i>3.0</i> | <i>4.8</i> | <i>Feb-98</i> |
| Wellington Core Bond | 7,464,835 | 1.6 | 6.5 | -2.2 | -2.2 | -- | -- | -- | -- | -0.4 | Apr-21 |
| <i>Bloomberg US Aggregate TR</i> | | | | <i>-2.2</i> | <i>-2.1</i> | <i>-3.0</i> | <i>3.7</i> | <i>3.1</i> | <i>2.6</i> | <i>-0.3</i> | <i>Apr-21</i> |
| Credit | 9,317,744 | 2.1 | 2.1 | -0.5 | 1.9 | 7.5 | 6.6 | 6.4 | -- | 6.4 | Feb-15 |
| <i>Bloomberg US High Yield TR</i> | | | | <i>-2.7</i> | <i>-1.2</i> | <i>2.1</i> | <i>6.3</i> | <i>5.4</i> | <i>6.2</i> | <i>5.6</i> | <i>Feb-15</i> |
| DDJ Capital | 9,317,744 | 2.1 | 100.0 | -0.5 | 1.9 | 7.5 | 6.6 | 6.4 | -- | 6.4 | Feb-15 |
| <i>ICE BofA High Yield Master TR</i> | | | | <i>-2.7</i> | <i>-1.2</i> | <i>2.1</i> | <i>6.0</i> | <i>5.2</i> | <i>6.1</i> | <i>5.5</i> | <i>Feb-15</i> |
| Covered Calls | 39,473,776 | 8.7 | 8.7 | -3.9 | 5.7 | 20.3 | 15.7 | 12.1 | -- | 10.4 | Apr-14 |
| <i>CBOE S&P 500 BuyWrite USD</i> | | | | <i>-2.5</i> | <i>5.6</i> | <i>17.2</i> | <i>8.7</i> | <i>7.0</i> | <i>7.2</i> | <i>6.7</i> | <i>Apr-14</i> |
| Parametric DeltaShift | 22,358,240 | 4.9 | 56.6 | -4.7 | 6.8 | 23.8 | 19.8 | 14.9 | -- | 12.9 | Apr-14 |
| <i>CBOE S&P 500 BuyWrite USD</i> | | | | <i>-2.5</i> | <i>5.6</i> | <i>17.2</i> | <i>8.7</i> | <i>7.0</i> | <i>7.2</i> | <i>6.7</i> | <i>Apr-14</i> |
| Parametric BXM | 17,115,536 | 3.8 | 43.4 | -3.0 | 4.4 | 16.0 | 11.3 | 8.9 | -- | 8.2 | Apr-14 |
| <i>CBOE S&P 500 BuyWrite USD</i> | | | | <i>-2.5</i> | <i>5.6</i> | <i>17.2</i> | <i>8.7</i> | <i>7.0</i> | <i>7.2</i> | <i>6.7</i> | <i>Apr-14</i> |
| Crisis Risk Offset | 19,154,050 | 4.2 | 4.2 | -3.7 | -1.8 | -6.9 | -8.3 | -- | -- | -8.8 | Aug-18 |
| <i>SG Multi Alternative Risk Premia Index</i> | | | | <i>1.2</i> | <i>2.8</i> | <i>7.9</i> | <i>-1.9</i> | <i>--</i> | <i>--</i> | <i>-1.6</i> | <i>Aug-18</i> |
| Vanguard Long-Term Treasury ETF | 19,154,050 | 4.2 | 100.0 | -3.7 | -1.8 | -6.9 | -- | -- | -- | 3.6 | Jul-19 |
| <i>Bloomberg US Govt Long TR</i> | | | | <i>-4.1</i> | <i>-0.7</i> | <i>-5.1</i> | <i>7.0</i> | <i>5.6</i> | <i>4.1</i> | <i>4.2</i> | <i>Jul-19</i> |

Cash balances held in ETF accounts at the Custodian are reflected in the Cash account market value.

OPFRS Total Plan As of January 31, 2022

Cash Flow Summary

Month to Date

| | Beginning Market Value | Net Cash Flow | Net Investment Change | Ending Market Value |
|-----------------------------------|---------------------------|----------------------|--------------------------|------------------------|
| Brown Fundamental Small Cap Value | \$11,838,425 | \$0 | -\$522,170 | \$11,316,255 |
| Cash | \$3,022,983 | \$11,480 | \$9,219 | \$3,043,682 |
| Cash - Treasury | \$6,676,000 | \$112,100 | \$0 | \$6,788,100 |
| DDJ Capital | \$9,372,205 | \$0 | -\$54,461 | \$9,317,744 |
| EARNEST Partners | \$51,502,726 | \$0 | -\$2,447,750 | \$49,054,976 |
| Hansberger Transition | \$600,651 | \$0 | -\$184,467 | \$416,185 |
| iShares Edge MSCI Min Vol ETF | \$23,024,059 | \$0 | -\$1,377,459 | \$21,646,600 |
| Northern Trust Russell 1000 | \$122,696,981 | -\$11,000,000 | -\$7,070,857 | \$104,626,124 |
| Parametric BXM | \$17,636,781 | \$0 | -\$521,245 | \$17,115,536 |
| Parametric DeltaShift | \$23,455,117 | \$0 | -\$1,096,878 | \$22,358,240 |
| Ramirez | \$79,372,600 | \$0 | -\$1,566,769 | \$77,805,831 |
| Reams | \$29,560,445 | \$0 | -\$555,896 | \$29,004,549 |
| Reams Low Duration | \$44 | \$0 | \$0 | \$44 |
| Rice Hall James | \$17,436,537 | \$0 | -\$1,408,387 | \$16,028,150 |
| Securities Lending Northern Trust | \$0 | -\$11,480 | \$11,480 | \$0 |
| SGA ACWI ex-U.S. Equity | \$42,401,389 | \$0 | -\$1,229,479 | \$41,171,910 |
| Vanguard Developed Markets ETF | \$17,098,207 | \$0 | -\$659,684 | \$16,438,523 |
| Vanguard Long-Term Treasury ETF | \$19,890,317 | \$0 | -\$736,266 | \$19,154,050 |
| Wellington Core Bond | \$7,635,510 | \$0 | -\$170,675 | \$7,464,835 |
| Total | \$483,220,978 | -\$10,887,900 | -\$19,581,743 | \$452,751,334 |

Benchmark History
As of January 31, 2022

Total Plan x Securities Lending x Reams LD Exception Comp

| | | |
|-----------|------------|--|
| 1/1/2019 | Present | 40% Russell 3000 / 12% MSCI ACWI ex USA Gross / 33% Bloomberg US Universal TR / 5% CBOE BXM / 6.7% SG Multi Alternative Risk Premia Index / 3.3% Bloomberg US Treasury Long TR |
| 5/1/2016 | 12/31/2018 | 48% Russell 3000 / 12% MSCI ACWI ex USA Gross / 20% Bloomberg US Universal TR / 20% CBOE BXM |
| 10/1/2015 | 4/30/2016 | 43% Russell 3000 / 12% MSCI ACWI ex USA Gross / 20% Bloomberg US Universal TR / 15% CBOE BXM / 10% CPI - All Urban Consumers (unadjusted) +3% |
| 1/1/2014 | 9/30/2015 | 48% Russell 3000 / 12% MSCI ACWI ex USA Gross / 20% Bloomberg US Universal TR / 10% CBOE BXM / 10% CPI - All Urban Consumers (unadjusted) +3% |
| 3/1/2013 | 12/31/2013 | 40% Russell 3000 / 10% MSCI ACWI ex USA Gross / 17% Bloomberg US Universal TR / 33% ICE BofA 3M US Treasury TR USD |
| 8/1/2012 | 2/28/2013 | 20% Russell 3000 / 7% MSCI ACWI ex USA Gross / 18% Bloomberg US Universal TR / 55% ICE BofA 3M US Treasury TR USD |
| 10/1/2007 | 7/31/2012 | 53% Russell 3000 / 17% MSCI ACWI ex USA Gross / 30% Bloomberg US Universal TR |
| 4/1/2006 | 9/30/2007 | 35% Russell 3000 / 15% MSCI ACWI ex USA Gross / 50% Bloomberg US Universal TR |
| 1/1/2005 | 3/31/2006 | 35% Russell 3000 / 15% MSCI ACWI ex USA Gross / 50% Bloomberg US Aggregate TR |
| 4/1/1998 | 12/31/2004 | 50% Bloomberg US Aggregate TR / 10% Russell 1000 / 20% Russell 1000 Value / 5% Russell MidCap / 15% MSCI EAFE |
| 9/1/1988 | 3/31/1998 | 40% S&P 500 / 55% Bloomberg US Aggregate TR / 5% FTSE T-Bill 3 Months TR |

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SIGNIFICANT EVENTS MAY OCCUR (OR HAVE OCCURRED) AFTER THE DATE OF THIS REPORT AND THAT IT IS NOT OUR FUNCTION OR RESPONSIBILITY TO UPDATE THIS REPORT. ANY OPINIONS OR RECOMMENDATIONS PRESENTED HEREIN REPRESENT OUR GOOD FAITH VIEWS AS OF THE DATE OF THIS REPORT AND ARE SUBJECT TO CHANGE AT ANY TIME. ALL INVESTMENTS INVOLVE RISK. THERE CAN BE NO GUARANTEE THAT THE STRATEGIES, TACTICS, AND METHODS DISCUSSED HERE WILL BE SUCCESSFUL.

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

Oakland Police and Fire Retirement System

Q4 2021 Performance Report

Agenda

1. Total Portfolio Summary
2. Economic and Market Update
3. Asset Class and Manager Commentary
4. 4Q 2021 Performance as of December 31, 2021
5. Manager Monitoring / Probation List
6. Disclaimer, Glossary, and Notes

Total Portfolio Summary

Total Portfolio Summary

As of December 31, 2021, the City of Oakland Police and Fire Retirement System (OPFRS) portfolio had an aggregate value of \$483.2M. This represents a \$26.7M increase in investment value after (\$3.2M) in benefit payments over the quarter. Over the one-year period (calendar year 2021), the OPFRS Total Portfolio value is higher by \$61.2M, after withdrawals totaling (\$12.7M) for benefit payments.

Asset Allocation Trends

- The asset allocation targets throughout this report reflect those as of December 31, 2021. Target weightings reflect the interim phase (CRO = 10%) of the Plan's previously approved asset allocation (effective 5/31/2017).
- Relative to policy targets, the portfolio ended the latest quarter overweight Equities, Covered Calls and Cash, while underweight Crisis Risk Offset and Fixed Income. The Crisis Risk Offset asset class was below its acceptable ranges from the policy target.

Recent Investment Performance

- During the most recent quarter, the OPFRS portfolio generated an absolute return of 5.7%, gross of fees, outperforming its policy benchmark by 1.2%. The portfolio also outperformed its benchmark over the 1-, 3-, and 5-year periods, by 2.1%, 0.4%, and 0.6% respectively.

Total Portfolio Summary

- In comparison to its peers, the OPFRS portfolio outperformed the Median fund's return over the quarter and 1-year trailing period by 1.6% and 0.3% respectively. Over the intermediate 3-year trailing period, the OPFRS portfolio trailed the Median fund by (0.7%); however, over the long-term 5-year trailing period, the portfolio is on par with its peers.

| | Quarter | CYTD | 1 Year | 3 Year | 5 Year |
|---|-------------|-------------|-------------|-------------|-------------|
| Total Portfolio ¹ | 5.7% | 13.9% | 13.9% | 14.8% | 11.3% |
| Policy Benchmark ² | 4.5% | 11.8% | 11.8% | 14.4% | 10.7% |
| Excess Return | 1.2% | 2.1% | 2.1% | 0.4% | 0.6% |
| Reference: Median Fund ³ | 4.1% | 13.6% | 13.6% | 15.5% | 11.3% |
| Reference: Total Net of Fees ⁴ | 5.6% | 13.6% | 13.6% | 14.5% | 10.9% |

- Over the quarter, positive absolute return was driven by the domestic equity segment following a strong earnings season and general optimism around the reopening of the US economy. Reflecting the broad fixed income market's ups and downs during the quarter, OPFRS's fixed income segment stayed flat over the quarter.

¹ Gross of Fees. Performance since 2005 includes securities lending.

² Evolving Policy Benchmark consists of 40% Russell 3000, 12% MSCI ACWI ex U.S., 33% Bloomberg Universal, 5% CBOE BXM, 6.7% SG Multi Asset Risk Premia, 3.3% Bloomberg Long Treasury.

³ Investment Metrics < \$1 Billion Public Plan Universe.

⁴ Longer-term (>1 year) Net of fee returns include estimates based on OPFRS manager fee schedule (approximately 34 bps).

Economic and Market Update

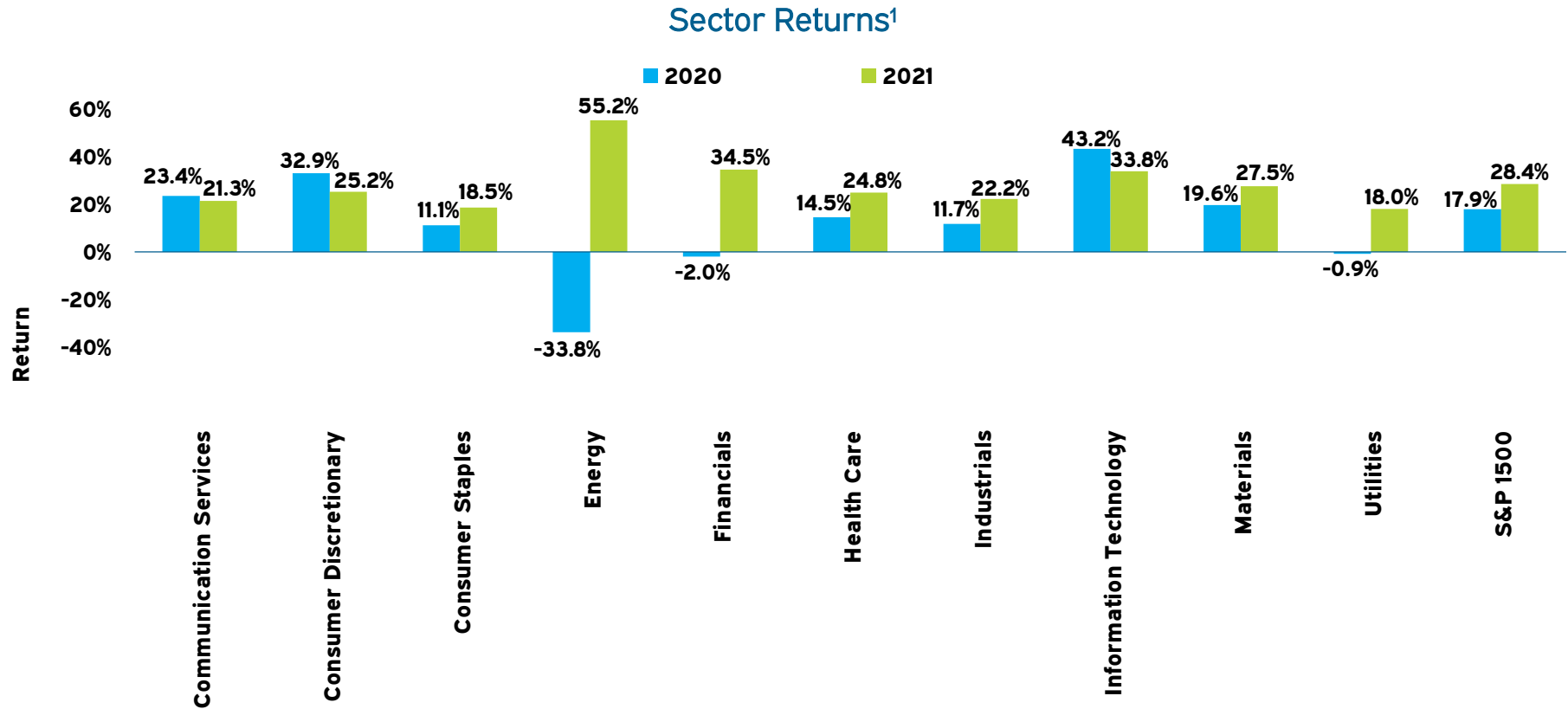
Data as of December 31, 2021

Market Returns¹

| Indices | December | 1 Year | 3 Year | 5 Year | 10 Year |
|-------------------------------|----------|--------|--------|--------|---------|
| S&P 500 | 4.5% | 28.7% | 26.1% | 18.5% | 16.6% |
| MSCI EAFE | 5.1% | 11.3% | 13.5% | 9.6% | 8.0% |
| MSCI Emerging Markets | 1.9% | -2.5% | 10.9% | 9.9% | 5.5% |
| MSCI China | -3.2% | -21.7% | 7.8% | 9.4% | 7.2% |
| Bloomberg Barclays Aggregate | -0.3% | -1.5% | 4.8% | 3.6% | 2.9% |
| Bloomberg Barclays TIPS | 0.3% | 6.0% | 8.4% | 5.3% | 3.1% |
| Bloomberg Barclays High Yield | 1.9% | 5.3% | 8.8% | 6.3% | 6.8% |
| 10-year US Treasury | -0.4% | -3.6% | 5.1% | 3.5% | 2.4% |
| 30-year US Treasury | -2.1% | -4.6% | 9.7% | 7.0% | 4.4% |

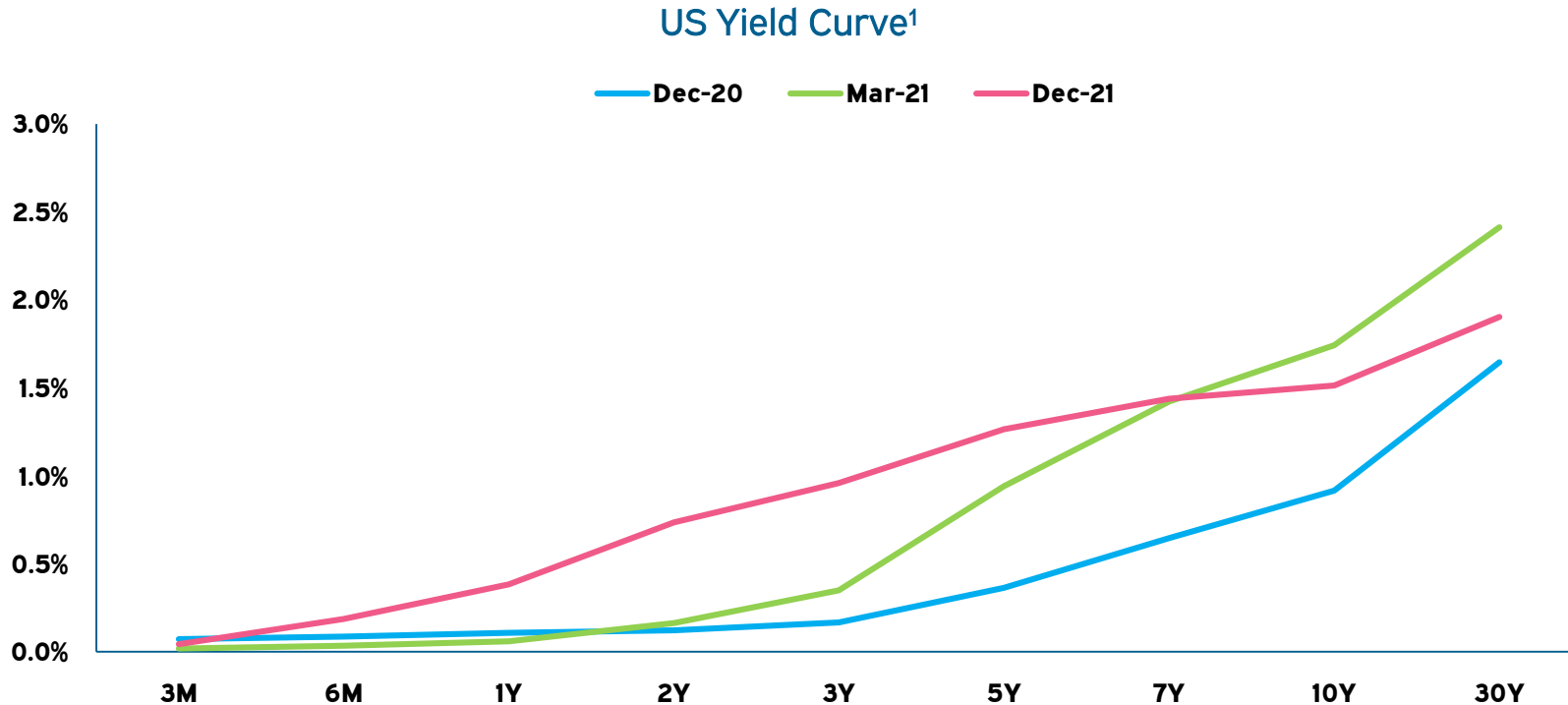
- Declining fears over the Omicron variant and expectations for continued corporate strength contributed to global equity markets posting positive returns for December. Developed markets led the way with international equities (MSCI EAFE) outpacing US equities (S&P 500). Emerging markets lagged mainly due to continued concerns related to China. Overall in 2021, US equities had the best results given continued policy support, relative success in reopening the economy, and strong corporate fundamentals.
- In December, rising inflation and expectations for less accommodative policy led to the US bond market (Bloomberg Barclays Aggregate) declining slightly, while high yield bonds increased in the risk-on environment. For the year, TIPS led the way in bonds, up 6%, followed by high yield with the broad bond market index declining by 1.5%.

¹ Source: Investment Metrics and Bloomberg. Data is as of December 31, 2021.



- All sectors advanced in 2021 with energy leading the way followed by financials, a reversal of the 2020 trend.
- The technology sector also produced strong results last year building on the 40%+ returns in the prior year.

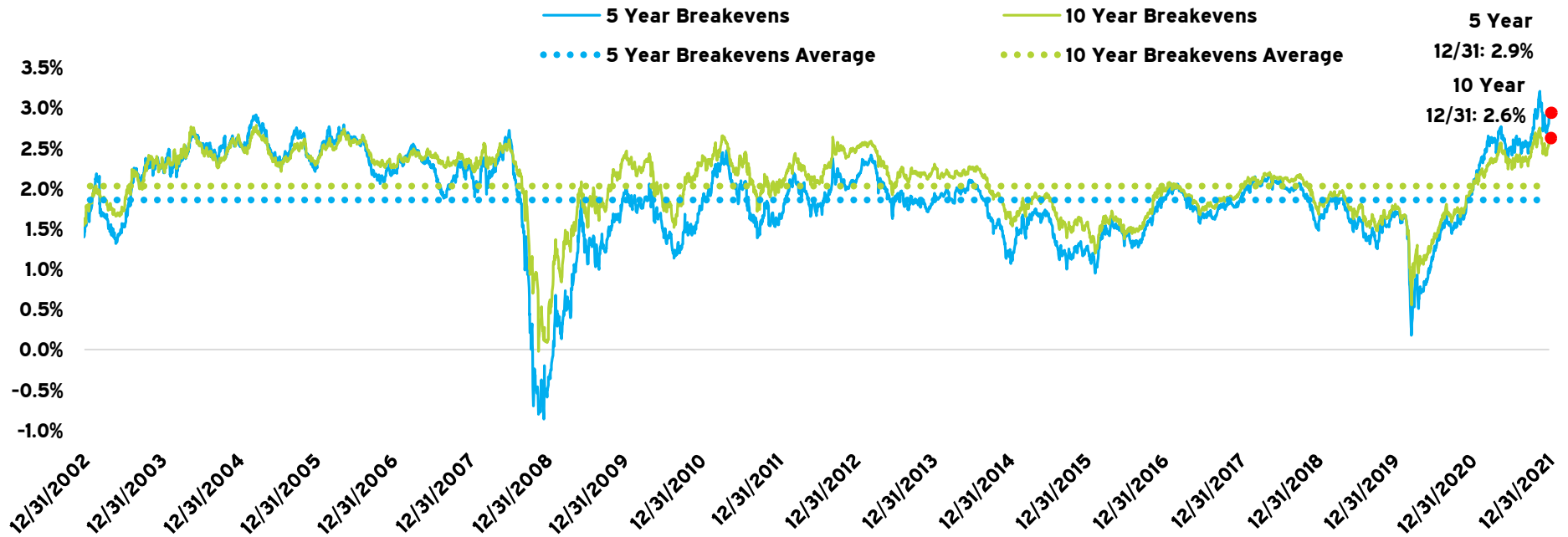
¹ Source: Bloomberg. Data is as of December 31, 2021.



- During the first half of 2021, the Treasury yield curve steepened on both higher growth and inflation expectations as vaccines were deployed and economic growth prospects improved on the opening of the economy, while monetary policy anchored short-dated rates near 0%.
- Over the latter-half of the year, however, shorter-dated yields from 1- to 5-years rose sharply as the FOMC signaled that policy rates may be tightened more aggressively than previously anticipated.

¹ Source: Bloomberg. Data is as of December 31, 2021.

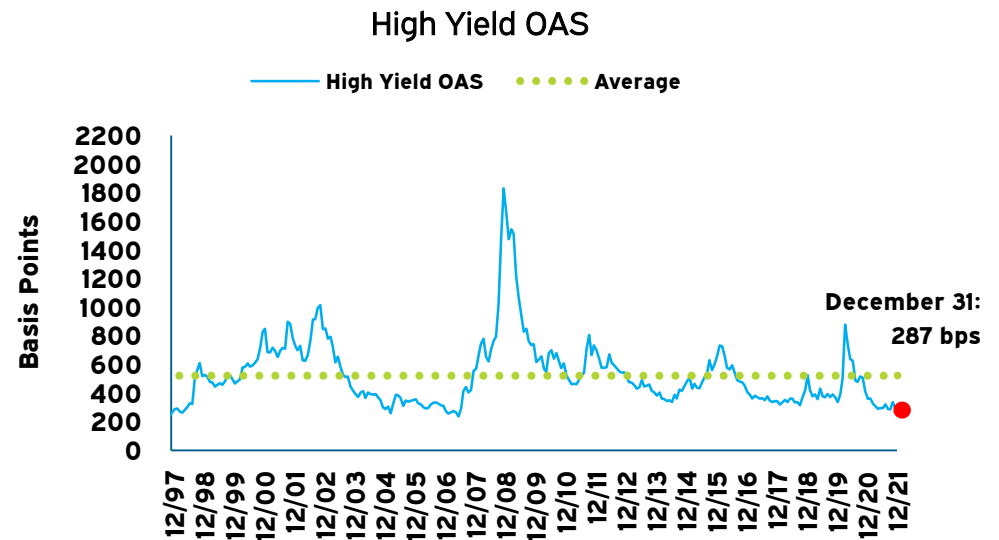
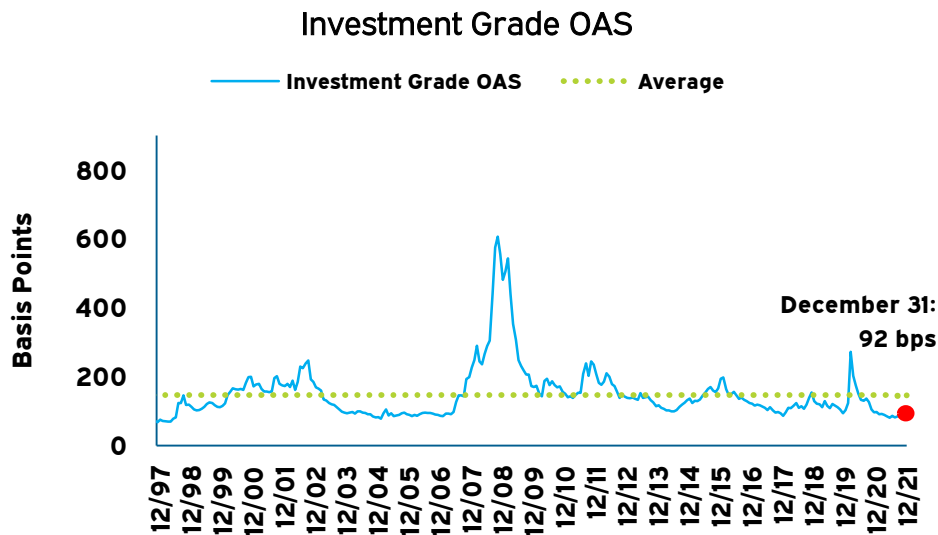
Breakeven Inflation¹



- Inflation expectations finished the year higher than they started, ending at a level well above the Fed’s 2% target.
- Supply chain issues potentially persisting as new variants of the virus increase the risk of re-shuttering sectors of the global economy and wage pressures remain key drivers of inflation expectations.
- Additionally, changes to Fed policy focused on an average inflation target may play a role in inflation market dynamics and, specifically, the risk that consumer inflation expectations get entrenched at higher inflation growth rates.

¹ Source: Bloomberg. Data is as of December 31, 2021.

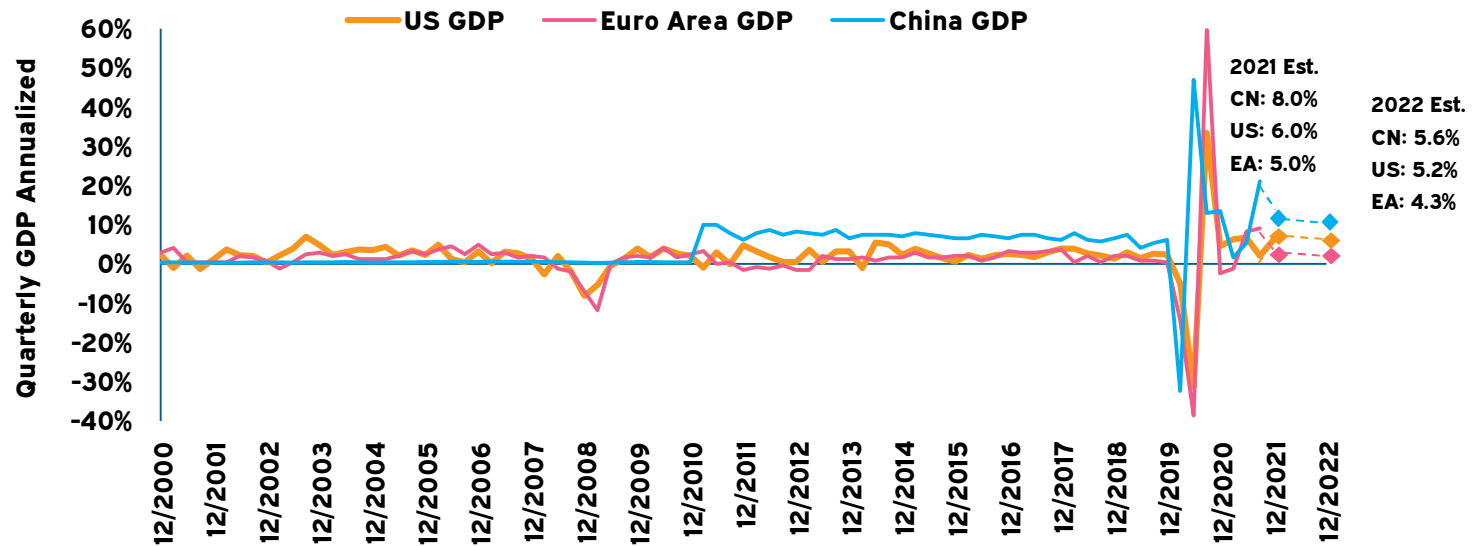
Credit Spreads (High Yield & Investment Grade)¹



- Credit spreads (the yield spread above a comparable maturity Treasury) narrowed in December after the modest widening in November on the discovery of the new virus variant (Omicron).
- Policy support, strong corporate fundamentals, and the search for yield in a low-rate environment have been key drivers in the decline in US credit spreads to well below long-term averages, particularly for high yield issuers.

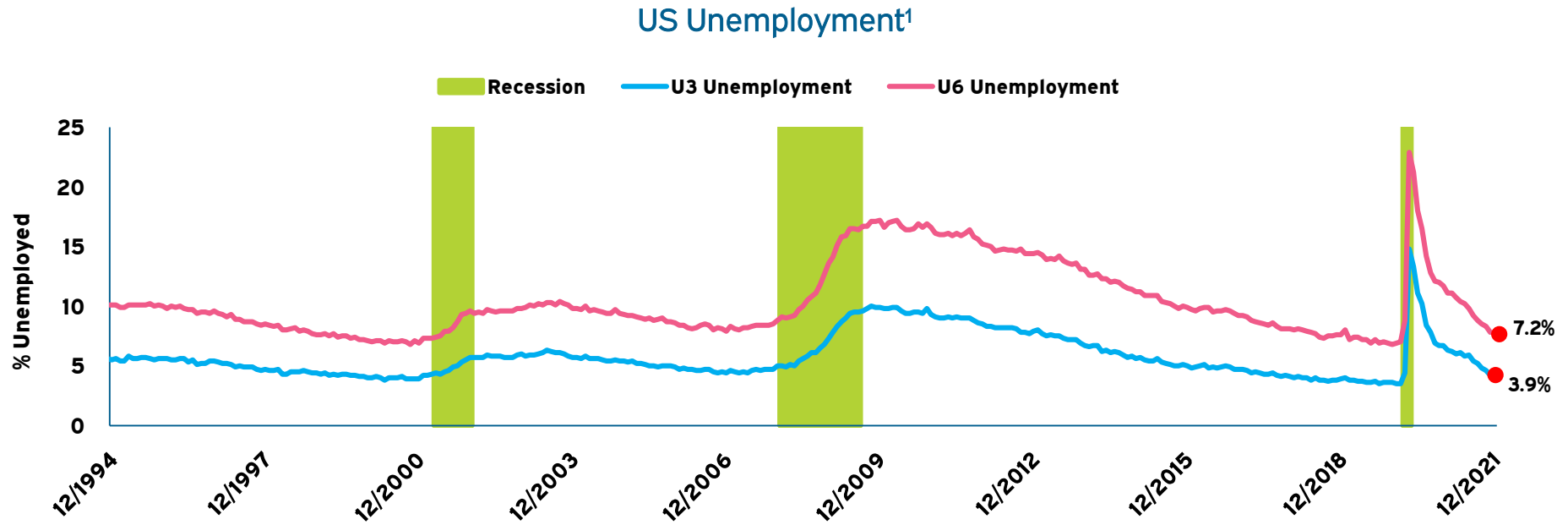
¹ Source: Barclays Live. Data represents OAS and is as of December 31, 2021.

GDP Data Shows Slowing Growth in 2022¹



- In late 2020 and early 2021, major economies grew at rates far above potential. These high rates of growth are expected to decline slightly, with projections continuing to decline due to supply disruptions, reopening trends moderating, and some countries continuing to struggle with the virus.
- The US is expected to grow faster than the euro area again in 2022, with some growth pulled forward due to the relative success in distributing the vaccine and a substantially larger fiscal stimulus response to the pandemic.
- China is projected to grow at 8.0% in 2021 and 5.6% in 2022, both above the expected US growth rate. Questions remain, though, about the highly levered property market and increased government regulations.

¹ Source: Bloomberg, and IMF; Euro Area and China figures annualized by Meketa. Projections via October 2021 IMF World Economic Outlook and represent annual numbers.



- The US labor market continues to recover, and the unemployment rate (U3) fell from 4.2% to 3.9% in December. It still remains slightly above pre-pandemic levels though, but far below the pandemic peak.
- The broader measure of unemployment (U6) that includes discouraged and underemployed workers also continued to decline but is much higher at 7.2%. Also, the labor force participation rate remains quite low at 61.9% and is below the 63.4% level of January 2020.
- Continued improvements in the labor market have contributed to recent expectations that the Federal Reserve will increase its pace of policy removal in 2022.

¹ Source: Bloomberg. Data is as of December 31, 2021. Bars represent recessions as observed by the National Bureau of Economic Research.

Asset Class and Manager Commentary

Domestic Equity

- Over the quarter ending December 31, 2021, domestic equity returned 9.8%, outperforming the Russell 3000 benchmark by 0.5%. The passive strategies, namely Northern Trust Russell 1000 and iShares Edge MSCI Minimum Volatility, performed in line with their respective benchmarks with acceptable tracking error. The active managers, namely Earnest Partners, Rice Hall James, and Brown Fundamental, all outperformed their respective benchmarks and earned above average quarterly ranking in their respective peer groups.
- **Earnest Partners**, the Plan's active mid cap core manager, returned 11.3%, outperforming the Russell Midcap benchmark by 4.9%, and placing in the 16th percentile of its peer group for the quarter. Earnest has also outperformed its benchmark over all other time periods measured as of December 31.
- **Rice Hall James**, the Plan's active small cap growth manager, returned 4.6%, outperforming the Russell 2000 Growth benchmark, which virtually stayed flat in Q4, by 4.6%, and placing in the 33rd percentile for the quarter. The manager also outperformed its benchmark over the 1-year trailing period and since inception by 13.4% and 0.4% respectively. Due to its performance in 2018, Rice Hall James trailed its benchmark by (1.4%) over the 3-year trailing period.
- **Brown Fundamental**, the Plan's active small cap value manager funded in April 2021, returned 9.9% over the quarter outperforming its Russell 2000 Value benchmark by 5.5%, placing it in the 10th percentile amongst its peers.

International Equity

- For the quarter, the international equity segment returned 2.9%, outperforming the MSCI ACWI ex US benchmark by 1.0%. Within this portfolio, the Vanguard passive international developed markets portfolio posted 1.1%. Due to Vanguard's fair-value pricing methodology, the strategy has deviated from its tracked index's return of 2.6%; however, this is expected to equalize over the longer term.
- **SGA MSCI ACWI ex US ETF**, the Plan's active core international equity manager, returned 3.2% outperforming its benchmark by 1.3% over the quarter ranking at 42nd percentile amongst its peers. It has also outperformed its benchmark over the 1-year trailing period by 2.5% even though it has trailed the benchmark by (2.5%) since inception in December 2019.

Fixed Income

- Over the quarter, the Fixed Income aggregate returned 0.1%, outperforming the Bloomberg Universal benchmark, which stayed virtually flat, by 0.1%. Reflecting the broad market trends, core fixed income managers in this portfolio posted virtually flat returns.
- **Ramirez** returned (0.1%) over the quarter, trailing the benchmark by (0.1%) placing in the 57th percentile of its peer group. However, Ramirez has outperformed its benchmark over the 1- and 3-year trailing periods by 1.6% and 0.7% respectively, and by 0.7% since inception in January 2017.

Fixed Income (continued)

- **Reams** posted modest positive returns for the quarter, trailing its benchmark by 0.4% and placing in the 9th percentile of its peer group. While it trailed the Bloomberg Universal benchmark by (0.1%) in the 1-year trailing period, it outperformed its benchmark by 3.5%, 2.4%, and 1.0% over 3- and 5-year trailing period and since inception respectively.
- **Wellington Core Bond**, the core fixed income manager funded in April 2021, returned (0.1%) over the quarter trailing the benchmark by (0.1%) ranking at the 67th percentile.

Covered Calls

- Over the quarter, the Covered Calls portfolio returned 9.2% outpacing its benchmark by 2.2%.
- **Parametric BXM**, the Plan's passive covered calls allocation returned 6.9%, trailing its benchmark, the CBOE BXM index, by (0.1%). Though the portfolio has trailed its benchmark over the most recent quarter and the trailing 1-year period, it has outperformed over the longer 3- and 5-year periods and since inception by 2.9%, 2.0%, and 1.6% respectively.
- **Parametric DeltaShift**, the Plan's active covered calls allocation returned 11.0%, outperforming its benchmark, the CBOE BXM, index by 4.0% over the quarter. Similarly, the portfolio has outperformed the benchmark over all other the time periods measured by 8.8%, 13.6%, 8.5%, and 6.7% over 1-, 3-, 5-year trailing periods and since inception respectively.

Credit

- With **DDJ Capital** as the Plan's sole High Yield & Bank Loan manager, the Credit portfolio returned 0.5% over the quarter, trailing its benchmark, Bloomberg US High Yield, by (0.2%). It outperformed the benchmark over the 1-year and 5-year periods by 4.3% and 0.7% respectively but trailed the benchmark by (1.2%) over the 3-year trailing period. Due to the recent acquisition of DDJ by Polen Capital, the manager will remain on the Watchlist to monitor its progress and organization changes.

Crisis Risk Offset

- Over the quarter, the Crisis Risk Offset portfolio posted 2.0%, modestly outperforming its benchmark by 0.5%. **Vanguard Long Duration ETF** is currently the only funded component of the Crisis Risk Offset portfolio as of December 31, 2021. The Alternative Risk Premia and Systematic Trend Following components of the Crisis Risk Offset portfolio are underway to be funded in coming quarters.

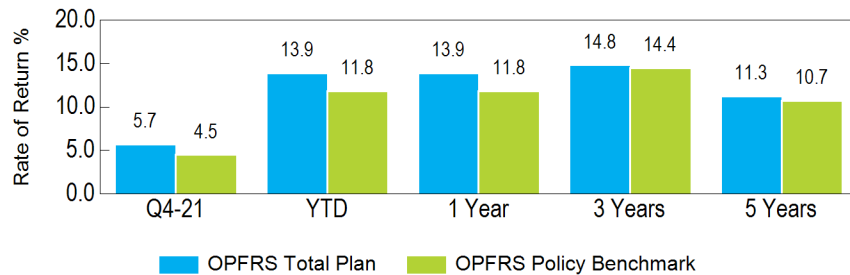
**4Q 2021 Performance
as of December 31, 2021**

OPFRS Total Plan | As of December 31, 2021

| 1 Year Ending December 31, 2021 | | |
|--|--------------|--------------------|
| | Anlzd Return | Standard Deviation |
| OPFRS Total Plan | 13.89% | 1.86% |
| OPFRS Policy Benchmark | 11.83% | 1.68% |
| InvMetrics Public DB \$250mm-\$1B Gross Median | 13.59% | 1.68% |

| 1 Year Ending December 31, 2021 | | |
|---------------------------------|--------------|--------------------|
| | Anlzd Return | Standard Deviation |
| OPFRS Total Plan | 13.89% | 1.86% |
| OPFRS Policy Benchmark | 11.83% | 1.68% |

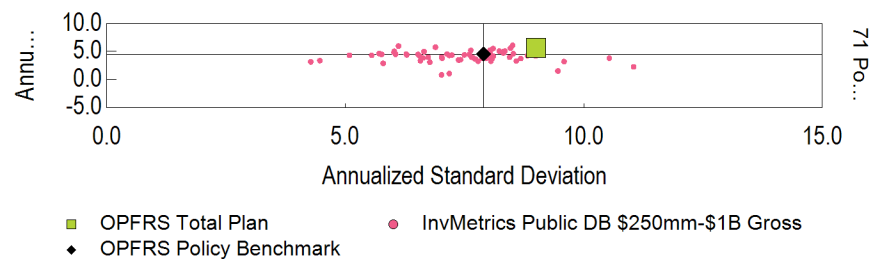
Return Summary Ending December 31, 2021



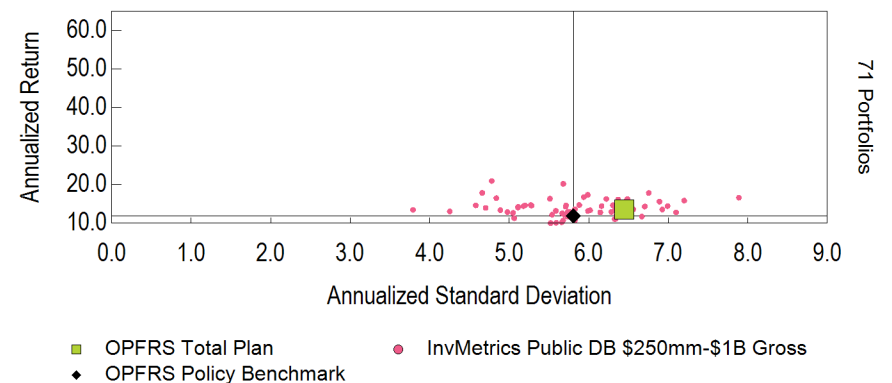
Summary of Cash Flows

| | Quarter-To-Date | One Year |
|------------------------|-----------------|---------------|
| Beginning Market Value | \$459,712,578 | \$434,118,470 |
| Net Cash Flow | -\$3,188,809 | -\$12,749,737 |
| Capital Appreciation | \$26,697,208 | \$61,851,965 |
| Ending Market Value | \$483,220,978 | \$483,220,978 |

Annualized Return vs. Annualized Standard Deviation 3 Months Ending December 31, 2021



Annualized Return vs. Annualized Standard Deviation 1 Year Ending December 31, 2021



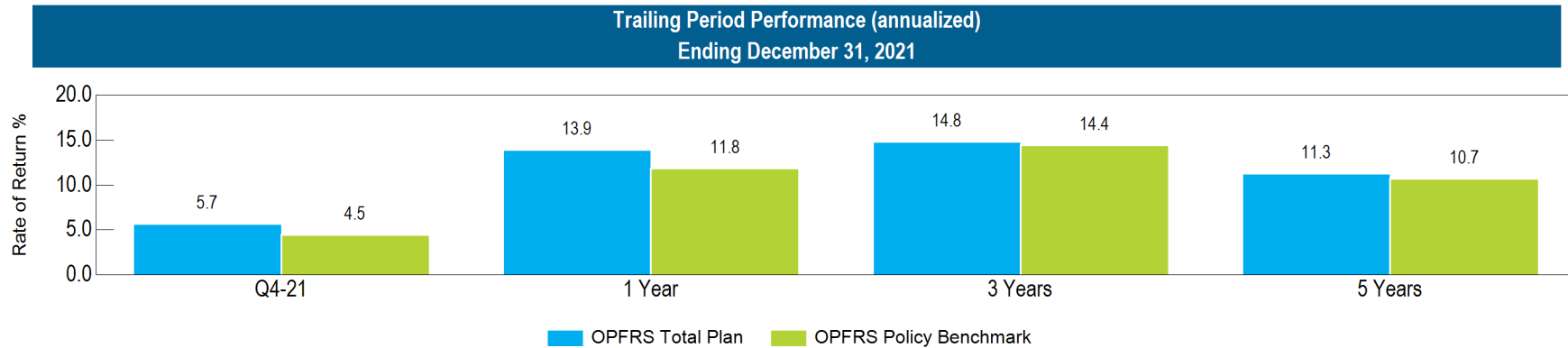
Evolving Policy Benchmark consists of 40% russell 3000, 12% MSCI ACWI ex U.S., 33% Bbg BC Universal, 5% CBOE BXM, 6.7% SG Multi Asset Risk Premia, 3.3% Bbg BC Long Treasury

Asset Class Performance (gross of fees) | As of December 31, 2021

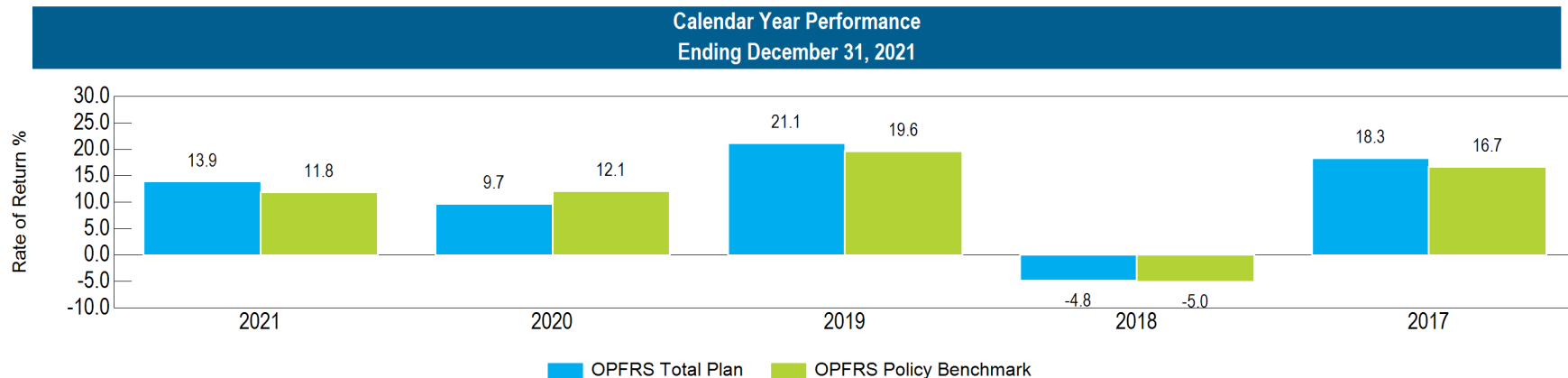
| | QTD (%) | YTD (%) | 1 Yr (%) | 3 Yrs (%) | 5 Yrs (%) | 7 Yrs (%) | 10 Yrs (%) |
|---|------------|-------------|-------------|--------------|--------------|--------------|---------------|
| OPFRS Total Plan | 5.7 | 13.9 | 13.9 | 14.8 | 11.3 | 9.3 | 9.8 |
| <i>OPFRS Policy Benchmark</i> | <u>4.5</u> | <u>11.8</u> | <u>11.8</u> | <u>14.4</u> | <u>10.7</u> | <u>9.0</u> | <u>9.3</u> |
| Excess Return | 1.2 | 2.1 | 2.1 | 0.4 | 0.6 | 0.3 | 0.5 |
| Domestic Equity | 9.8 | 25.0 | 25.0 | 24.5 | 17.2 | 14.0 | 15.8 |
| <i>Russell 3000 (Blend)</i> | <u>9.3</u> | <u>25.7</u> | <u>25.7</u> | <u>25.8</u> | <u>18.0</u> | <u>14.5</u> | <u>16.3</u> |
| Excess Return | 0.5 | -0.7 | -0.7 | -1.3 | -0.8 | -0.5 | -0.5 |
| International Equity | 2.9 | 10.6 | 10.6 | 14.5 | 10.8 | 7.9 | 8.6 |
| <i>MSCI ACWI ex US (Blend)</i> | <u>1.9</u> | <u>8.3</u> | <u>8.3</u> | <u>13.7</u> | <u>10.1</u> | <u>7.1</u> | <u>7.8</u> |
| Excess Return | 1.0 | 2.3 | 2.3 | 0.8 | 0.7 | 0.8 | 0.8 |
| Fixed Income | 0.1 | -0.3 | -0.3 | 5.5 | 4.3 | 3.8 | 3.6 |
| <i>Bloomberg Universal (Blend)</i> | <u>0.0</u> | <u>-1.1</u> | <u>-1.1</u> | <u>5.2</u> | <u>3.8</u> | <u>3.4</u> | <u>3.3</u> |
| Excess Return | 0.1 | 0.8 | 0.8 | 0.3 | 0.5 | 0.4 | 0.3 |
| Credit | 0.5 | 9.6 | 9.6 | 7.6 | 7.0 | -- | -- |
| <i>Bloomberg US High Yield TR</i> | <u>0.7</u> | <u>5.3</u> | <u>5.3</u> | <u>8.8</u> | <u>6.3</u> | -- | -- |
| Excess Return | -0.2 | 4.3 | 4.3 | -1.2 | 0.7 | -- | -- |
| Covered Calls | 9.2 | 24.7 | 24.7 | 19.4 | 13.4 | 11.6 | -- |
| <i>CBOE S&P 500 BuyWrite USD</i> | <u>7.0</u> | <u>20.3</u> | <u>20.3</u> | <u>10.9</u> | <u>8.0</u> | <u>7.5</u> | -- |
| Excess Return | 2.2 | 4.4 | 4.4 | 8.5 | 5.4 | 4.1 | -- |
| Crisis Risk Offset | 2.0 | -6.7 | -6.7 | -6.8 | -- | -- | -- |
| <i>SG Multi Alternative Risk Premia Index</i> | <u>1.5</u> | <u>7.6</u> | <u>7.6</u> | <u>-1.7</u> | -- | -- | -- |
| Excess Return | 0.5 | -14.3 | -14.3 | -5.1 | -- | -- | -- |

1. Evolving Policy Benchmark consists of 40% Russell 3000, 12% MSCI Acwi ex U.S., 33% Bbg BC Universal, 5% CBOE BXM, 6.7% SG Multi Asset Risk Premia, 3.3% Bbg BC Long Treasury,
2. Domestic Equity Benchmark consists of S&P 500 thru 3/31/98 10% Russell 1000, 20% Russell 1000 Value, 5% RMC from 4/1/98 - 12/31/04 and Russell 3000 from 1/1/05 to present.
3. International Equity Benchmark consists of MSCI EAFE thru 12/31/04 and MSCI ACWI x US thereafter.
4. Fixed Income Benchmark consists of Bbg BC Aggregate prior to 4/1/06, and Bbg BC Universal thereafter.
5. Cash balances held in ETF accounts at the Custodian are reflected in the Cash account market value.

Portfolio Relative Performance Results | As of December 31, 2021



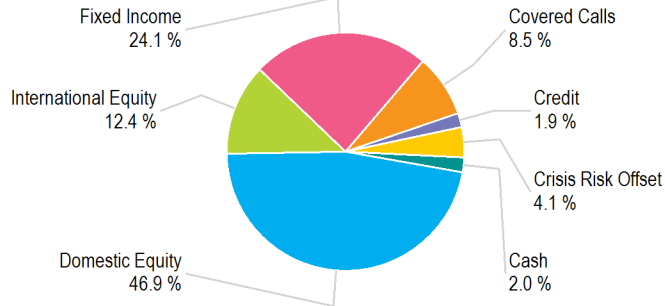
| | QTD (%) | YTD (%) | 1 Yr (%) | 3 Yrs (%) | 5 Yrs (%) | 2017 (%) | 2018 (%) | 2019 (%) | 2020 (%) | 2021 (%) |
|---|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| OPFRS Total Plan | 5.7 | 13.9 | 13.9 | 14.8 | 11.3 | 18.3 | -4.8 | 21.1 | 9.7 | 13.9 |
| <i>OPFRS Policy Benchmark</i> | <i>4.5</i> | <i>11.8</i> | <i>11.8</i> | <i>14.4</i> | <i>10.7</i> | <i>16.7</i> | <i>-5.0</i> | <i>19.6</i> | <i>12.1</i> | <i>11.8</i> |
| <i>InvMetrics Public DB \$250mm-\$1B Gross Median</i> | <i>4.2</i> | <i>13.6</i> | <i>13.6</i> | <i>15.6</i> | <i>11.4</i> | <i>15.8</i> | <i>-4.1</i> | <i>18.6</i> | <i>13.1</i> | <i>13.6</i> |



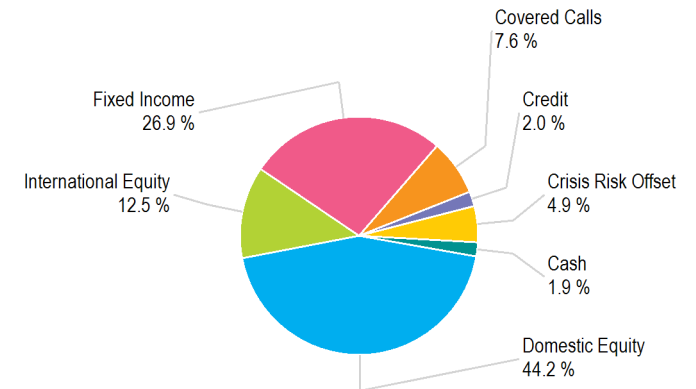
Asset Allocation vs. Target As Of December 31, 2021

| | Current | % | Policy | Difference* |
|----------------------|---------------|-------|--------|-------------|
| Domestic Equity | \$226,498,729 | 46.9% | 40.0% | 6.9% |
| International Equity | \$60,100,247 | 12.4% | 12.0% | 0.4% |
| Fixed Income | \$116,568,599 | 24.1% | 31.0% | -6.9% |
| Covered Calls | \$41,091,899 | 8.5% | 5.0% | 3.5% |
| Credit | \$9,372,205 | 1.9% | 2.0% | -0.1% |
| Crisis Risk Offset | \$19,890,317 | 4.1% | 10.0% | -5.9% |
| Cash | \$9,698,983 | 2.0% | 0.0% | 2.0% |

December 31, 2021: \$483,220,978



December 31, 2020: \$434,118,470



Cash balances held in ETF accounts at the Custodian are reflected in the Cash account market value.

Target weightings reflect the Plan's evolving asset allocation (effective 5/31/2017.)

Manager Performance - Gross of Fees | As of December 31, 2021

| | Market Value | % of Portfolio | QTD | 1 Yr | 3 Yrs | 5 Yrs | S.I. | S.I. Date |
|---|--------------------|----------------|-------------|-------------|-------------|-------------|-------------|---------------|
| Domestic Equity | 226,498,729 | 100.0 | 9.8 | 25.0 | 24.5 | 17.2 | 9.8 | Jun-97 |
| <i>Russell 3000 (Blend)</i> | | | <u>9.3</u> | <u>25.7</u> | <u>25.8</u> | <u>18.0</u> | <u>10.0</u> | <u>Jun-97</u> |
| Excess Return | | | 0.5 | -0.7 | -1.3 | -0.8 | -0.2 | |
| Northern Trust Russell 1000 | 122,696,981 | 54.2 | 9.8 | 26.5 | 26.2 | 18.4 | 15.8 | Jun-10 |
| <i>Russell 1000</i> | | | <u>9.8</u> | <u>26.5</u> | <u>26.2</u> | <u>18.4</u> | <u>15.8</u> | <u>Jun-10</u> |
| Excess Return | | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| <i>eV US Large Cap Core Equity Gross Rank</i> | | | 64 | 65 | 37 | 42 | 41 | Jun-10 |
| EARNEST Partners | 51,502,726 | 22.7 | 11.3 | 25.7 | 28.2 | 19.2 | 11.8 | Apr-06 |
| <i>Russell MidCap</i> | | | <u>6.4</u> | <u>22.6</u> | <u>23.3</u> | <u>15.1</u> | <u>10.2</u> | <u>Apr-06</u> |
| Excess Return | | | 4.9 | 3.1 | 4.9 | 4.1 | 1.6 | |
| <i>eV US Mid Cap Core Equity Gross Rank</i> | | | 16 | 60 | 14 | 19 | 27 | Apr-06 |
| iShares Edge MSCI Min Vol ETF | 23,024,059 | 10.2 | 10.4 | 20.8 | -- | -- | 28.0 | Apr-20 |
| <i>MSCI USA Minimum Volatility GR USD</i> | | | <u>10.4</u> | <u>21.0</u> | -- | -- | <u>28.2</u> | <u>Apr-20</u> |
| Excess Return | | | 0.0 | -0.2 | | | -0.2 | |
| <i>eV US Low Volatility Equity Gross Rank</i> | | | 40 | 70 | -- | -- | 78 | Apr-20 |
| Rice Hall James | 17,436,537 | 7.7 | 4.6 | 16.2 | 19.8 | -- | 14.2 | Jul-17 |
| <i>Russell 2000 Growth</i> | | | <u>0.0</u> | <u>2.8</u> | <u>21.2</u> | -- | <u>13.8</u> | <u>Jul-17</u> |
| Excess Return | | | 4.6 | 13.4 | -1.4 | | 0.4 | |
| <i>eV US Small Cap Growth Equity Gross Rank</i> | | | 33 | 37 | 91 | -- | 92 | Jul-17 |

Manager Performance - Gross of Fees | As of December 31, 2021

| | Market Value | % of Portfolio | QTD | 1 Yr | 3 Yrs | 5 Yrs | S.I. | S.I. Date |
|---|-------------------|----------------|------------|-------------|-------------|-------------|-------------|---------------|
| International Equity | 60,100,247 | 100.0 | 2.9 | 10.6 | 14.5 | 10.8 | 5.9 | Jan-98 |
| <i>MSCI ACWI ex US (Blend)</i> | | | <i>1.9</i> | <i>8.3</i> | <i>13.7</i> | <i>10.1</i> | <i>6.0</i> | <i>Jan-98</i> |
| Excess Return | | | 1.0 | 2.3 | 0.8 | 0.7 | -0.1 | |
| SGA ACWI ex-U.S. Equity | 42,401,389 | 70.6 | 3.2 | 10.8 | -- | -- | 9.1 | Dec-19 |
| <i>MSCI ACWI ex USA Gross</i> | | | <i>1.9</i> | <i>8.3</i> | -- | -- | <i>11.6</i> | <i>Dec-19</i> |
| Excess Return | | | 1.3 | 2.5 | | | -2.5 | |
| <i>eV ACWI ex-US All Cap Core Eq Gross Rank</i> | | | <i>42</i> | <i>50</i> | -- | -- | <i>93</i> | <i>Dec-19</i> |
| Vanguard Developed Markets ETF | 17,098,207 | 28.4 | 1.1 | 8.2 | -- | -- | 12.2 | Sep-19 |
| <i>FTSE Developed All Cap Ex US TR USD</i> | | | <i>2.6</i> | <i>11.9</i> | -- | -- | <i>14.8</i> | <i>Sep-19</i> |
| Excess Return | | | -1.5 | -3.7 | | | -2.6 | |
| <i>eV ACWI ex-US All Cap Core Eq Gross Rank</i> | | | <i>78</i> | <i>81</i> | -- | -- | <i>89</i> | <i>Sep-19</i> |

Total International Equity market value includes cash held in closed accounts Fisher and Hansberger.

Manager Performance - Gross of Fees | As of December 31, 2021

| | Market Value | % of Portfolio | QTD | 1 Yr | 3 Yrs | 5 Yrs | S.I. | S.I. Date |
|---|--------------------|----------------|------------|-------------|------------|------------|------------|---------------|
| Fixed Income | 116,568,599 | 100.0 | 0.1 | -0.3 | 5.5 | 4.3 | 5.4 | Dec-93 |
| <i>Bloomberg Universal (Blend)</i> | | | <i>0.0</i> | <i>-1.1</i> | <i>5.2</i> | <i>3.8</i> | <i>5.2</i> | <i>Dec-93</i> |
| Excess Return | | | 0.1 | 0.8 | 0.3 | 0.5 | 0.2 | |
| Ramirez | 79,372,600 | 68.1 | -0.1 | 0.1 | 5.5 | -- | 4.3 | Jan-17 |
| <i>Bloomberg US Aggregate TR</i> | | | <i>0.0</i> | <i>-1.5</i> | <i>4.8</i> | -- | <i>3.6</i> | <i>Jan-17</i> |
| Excess Return | | | -0.1 | 1.6 | 0.7 | | 0.7 | |
| <i>eV US Core Fixed Inc Gross Rank</i> | | | <i>57</i> | <i>7</i> | <i>50</i> | -- | <i>30</i> | <i>Jan-17</i> |
| Reams | 29,560,445 | 25.4 | 0.4 | -1.2 | 8.7 | 6.2 | 5.9 | Feb-98 |
| <i>Bloomberg Universal (Blend)</i> | | | <i>0.0</i> | <i>-1.1</i> | <i>5.2</i> | <i>3.8</i> | <i>4.9</i> | <i>Feb-98</i> |
| Excess Return | | | 0.4 | -0.1 | 3.5 | 2.4 | 1.0 | |
| <i>eV US Core Plus Fixed Inc Gross Rank</i> | | | <i>9</i> | <i>94</i> | <i>3</i> | <i>4</i> | <i>43</i> | <i>Feb-98</i> |

Manager Performance - Gross of Fees | As of December 31, 2021

| | Market Value | % of Portfolio | QTD | 1 Yr | 3 Yrs | 5 Yrs | S.I. | S.I. Date |
|---|-------------------|----------------|-------------|-------------|-------------|-------------|-------------|---------------|
| Covered Calls | 41,091,899 | 100.0 | 9.2 | 24.7 | 19.4 | 13.4 | 11.1 | Apr-14 |
| <i>CBOE S&P 500 BuyWrite USD</i> | | | <i>7.0</i> | <i>20.3</i> | <i>10.9</i> | <i>8.0</i> | <i>7.1</i> | <i>Apr-14</i> |
| Excess Return | | | 2.2 | 4.4 | 8.5 | 5.4 | 4.0 | |
| Parametric DeltaShift | 23,455,117 | 57.1 | 11.0 | 29.1 | 24.5 | 16.5 | 13.8 | Apr-14 |
| <i>CBOE S&P 500 BuyWrite USD</i> | | | <i>7.0</i> | <i>20.3</i> | <i>10.9</i> | <i>8.0</i> | <i>7.1</i> | <i>Apr-14</i> |
| Excess Return | | | 4.0 | 8.8 | 13.6 | 8.5 | 6.7 | |
| <i>eV US Large Cap Core Equity Gross Rank</i> | | | <i>39</i> | <i>37</i> | <i>57</i> | <i>71</i> | <i>68</i> | <i>Apr-14</i> |

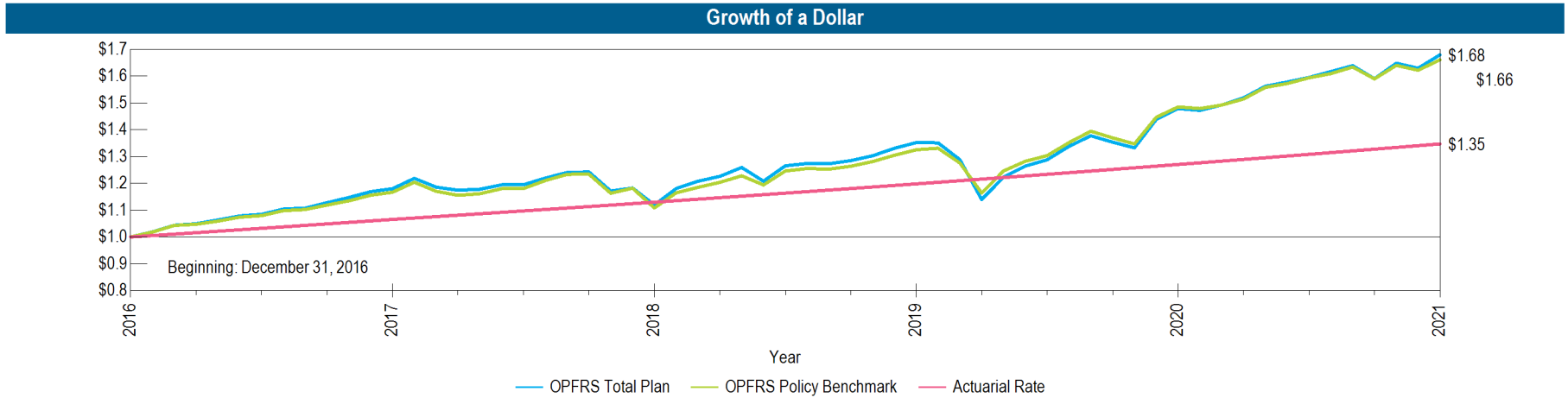
Manager Performance - Gross of Fees | As of December 31, 2021

| | Market Value | % of Portfolio | QTD | 1 Yr | 3 Yrs | 5 Yrs | S.I. | S.I. Date |
|--|------------------|----------------|------------|------------|------------|------------|------------|---------------|
| Credit | 9,372,205 | 100.0 | 0.5 | 9.6 | 7.6 | 7.0 | 6.6 | Feb-15 |
| <i>Bloomberg US High Yield TR</i> | | | <i>0.7</i> | <i>5.3</i> | <i>8.8</i> | <i>6.3</i> | <i>6.1</i> | <i>Feb-15</i> |
| Excess Return | | | -0.2 | 4.3 | -1.2 | 0.7 | 0.5 | |
| DDJ Capital | 9,372,205 | 100.0 | 0.5 | 9.6 | 7.6 | 7.0 | 6.6 | Feb-15 |
| <i>ICE BofA High Yield Master TR</i> | | | <i>0.7</i> | <i>5.4</i> | <i>8.6</i> | <i>6.1</i> | <i>6.0</i> | <i>Feb-15</i> |
| Excess Return | | | -0.2 | 4.2 | -1.0 | 0.9 | 0.6 | |
| <i>eV US High Yield Fixed Inc Gross Rank</i> | | | <i>84</i> | <i>6</i> | <i>80</i> | <i>21</i> | <i>27</i> | <i>Feb-15</i> |

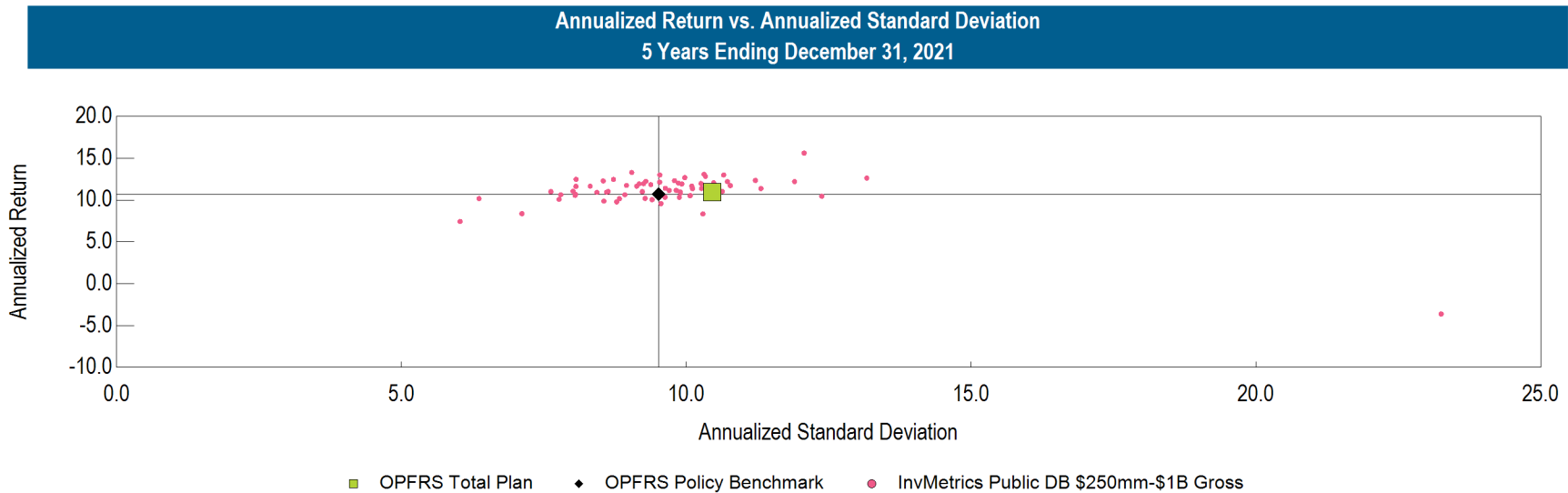
Manager Performance - Gross of Fees | As of December 31, 2021

| | Market Value | % of Portfolio | QTD | 1 Yr | 3 Yrs | 5 Yrs | S.I. | S.I. Date |
|--|-------------------|----------------|------------|-------------|-------------|-----------|-------------|---------------|
| Crisis Risk Offset | 19,890,317 | 100.0 | 2.0 | -6.7 | -6.8 | -- | -8.0 | Aug-18 |
| <i>SG Multi Alternative Risk Premia Index</i> | | | <i>1.5</i> | <i>7.6</i> | <i>-1.7</i> | <i>--</i> | <i>-2.0</i> | <i>Aug-18</i> |
| Excess Return | | | 0.5 | -14.3 | -5.1 | | -6.0 | |
| Vanguard Long-Term Treasury ETF | 19,890,317 | 100.0 | 2.0 | -6.7 | -- | -- | 5.3 | Jul-19 |
| <i>Bloomberg US Govt Long TR</i> | | | <i>3.0</i> | <i>-4.6</i> | <i>--</i> | <i>--</i> | <i>6.1</i> | <i>Jul-19</i> |
| Excess Return | | | -1.0 | -2.1 | | | -0.8 | |
| <i>eV US Long Duration - Gov/Cred Fixed Inc Net Rank</i> | | | <i>41</i> | <i>99</i> | <i>--</i> | <i>--</i> | <i>98</i> | <i>Jul-19</i> |

Total Portfolio 5-Year Performance | As of December 31, 2021



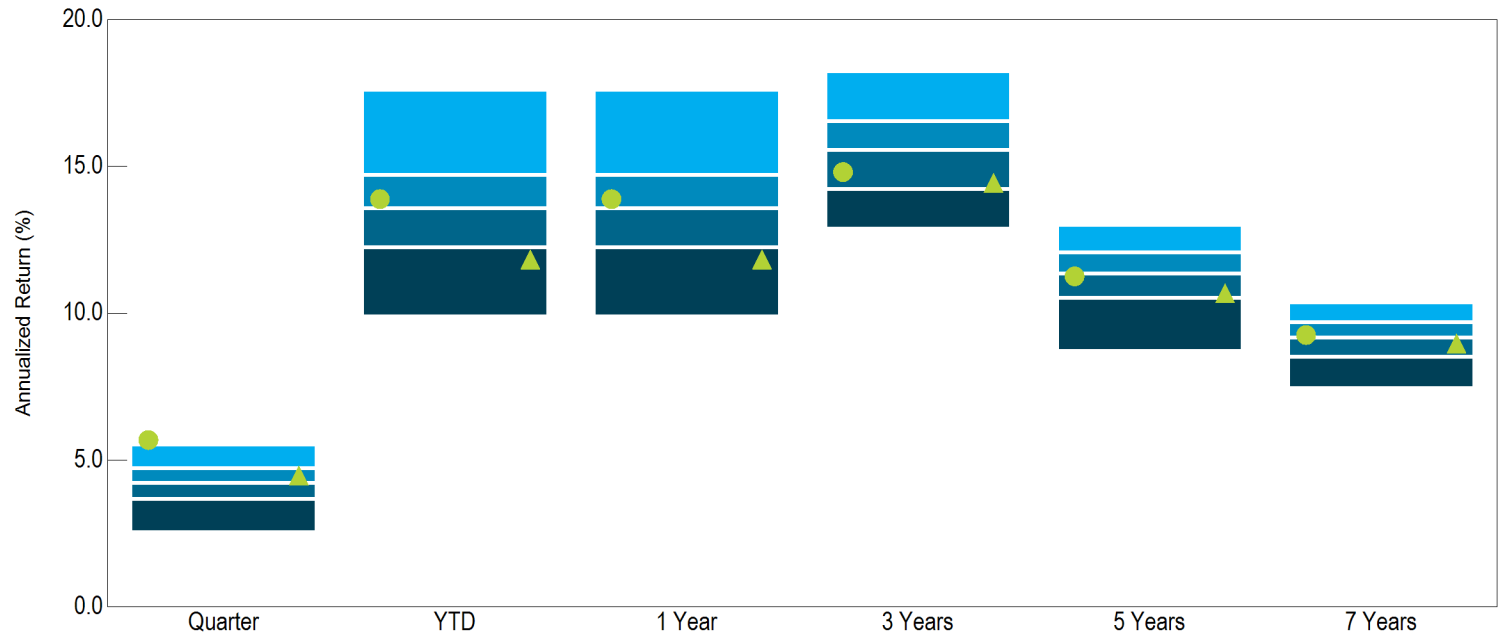
The actuarial expected rate of return was 8% through 6/30/2009, 7.5% through 6/30/2010, 7% through 6/30/2011, 6.75% through 6/30/2014, 6.5% through 2/31/2017 and 6.0% currently



67 Portfolios

Plan Sponsor Peer Group Analysis | As of December 31, 2021

InvMetrics Public DB \$250mm-\$1B Gross Return Comparison



Return (Rank)

| | | | | | | |
|--------------------------|----------|-----------|-----------|-----------|-----------|----------|
| 5th Percentile | 5.5 | 17.6 | 17.6 | 18.2 | 13.0 | 10.4 |
| 25th Percentile | 4.7 | 14.7 | 14.7 | 16.6 | 12.1 | 9.7 |
| Median | 4.2 | 13.6 | 13.6 | 15.6 | 11.4 | 9.2 |
| 75th Percentile | 3.7 | 12.3 | 12.3 | 14.2 | 10.5 | 8.5 |
| 95th Percentile | 2.6 | 9.9 | 9.9 | 12.9 | 8.7 | 7.5 |
| # of Portfolios | 71 | 71 | 71 | 70 | 67 | 65 |
| ● OPFRS Total Plan | 5.7 (4) | 13.9 (47) | 13.9 (47) | 14.8 (62) | 11.3 (53) | 9.3 (49) |
| ▲ OPFRS Policy Benchmark | 4.5 (34) | 11.8 (81) | 11.8 (81) | 14.4 (72) | 10.7 (71) | 9.0 (59) |

Manager Monitoring/Probation Status Return vs. Benchmark since Corrective Action (As of December 31, 2021)

| Portfolio | Status | Concern | Months Since Corrective Action | Performance ¹ Since Corrective Action (Gross, %) | Peer Group Percentile Ranking ² | Date of Corrective Action ³ |
|---------------------------|----------|-----------------------------|--------------------------------|---|--|--|
| DDJ Capital | On Watch | Performance/ Org changes | 30 | 7.1 | 6 | 5/29/2019 |
| Ice BofAML US High Yield | | | | 7.0 | | |
| Rice Hall James | On Watch | Performance | 30 | 20.5 | 37 | 5/29/2019 |
| Russell 2000 Growth | | | | 19.7 | | |
| Parametric | On Watch | Org changes | 12 | 33.8 | NA | 10/28/2020 |
| CBOE S&P 500 BuyWrite USD | | | | 28.8 | | |

Investment Performance Criteria for Manager Monitoring/Probation Status

| Asset Class | Short-term (Rolling 12 months) | Medium-term (Rolling 36 months) | Long-term (60 + months) |
|------------------------------|--|---|---|
| Active Domestic Equity | Fund return < benchmark return by 3.5% | Annualized Fund return < benchmark return by 1.75% for 6 consecutive months | VRR ⁴ < 0.97 for 6 consecutive months |
| Active International Equity | Fund return < benchmark return by 4.5% | Annualized Fund return < benchmark return by 2.0% for 6 consecutive months | VRR < 0.97 for 6 consecutive months |
| Passive International Equity | Tracking Error > 0.50% | Tracking Error > 0.45% for 6 consecutive months | Annualized Fund return < benchmark return by 0.40% for 6 consecutive months |
| Fixed Income | Fund return < benchmark return by 1.5% | Annualized Fund return < benchmark return by 1.0% for 6 consecutive months | VRR < 0.98 for 6 consecutive months |

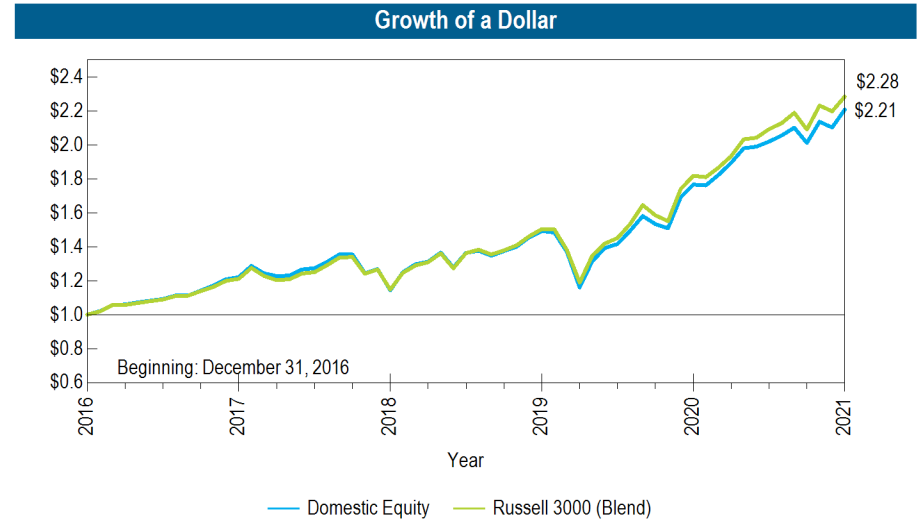
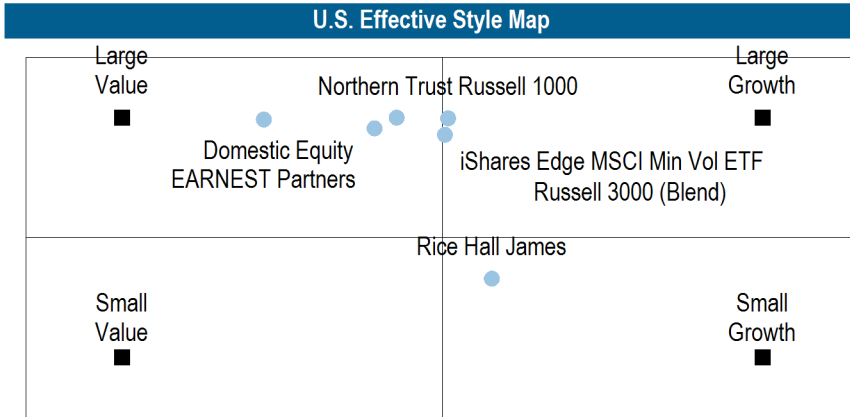
¹ Annualized performance if over one year

² Ranking over most recent quarter if on watch for less than 1 year, or over 1 year if on watch for more than a year.

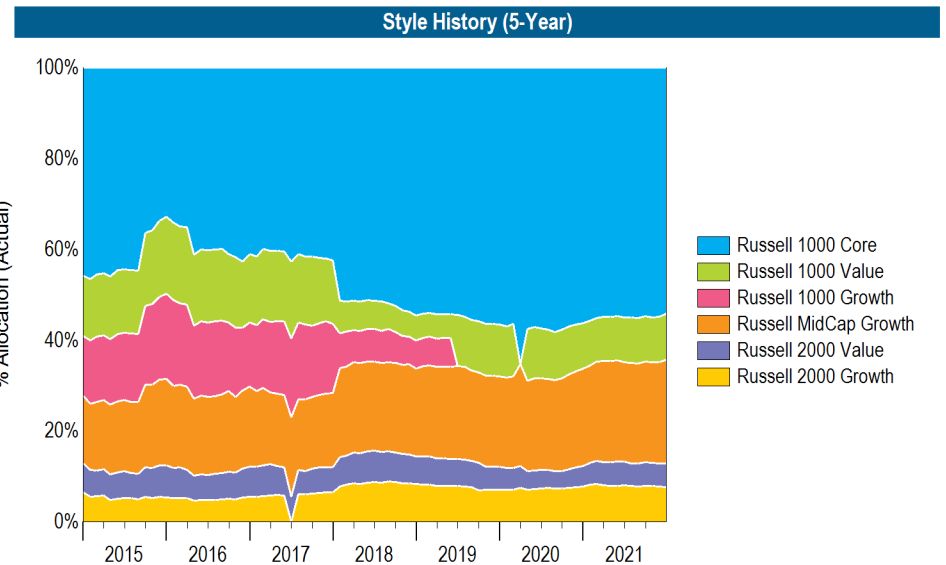
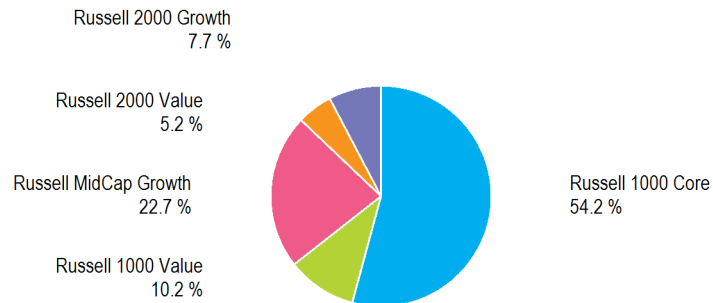
³ Approximate date based on when the Board voted to either monitor a manager at a heightened level or place it on probation.

⁴ VRR (Value Relative Ratio) is calculated as manager cumulative return/ benchmark return.

Domestic Equity | As of December 31, 2021

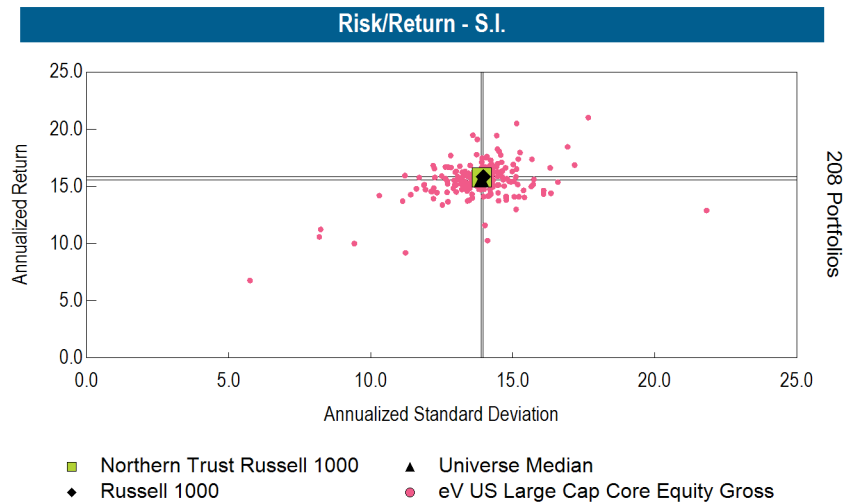
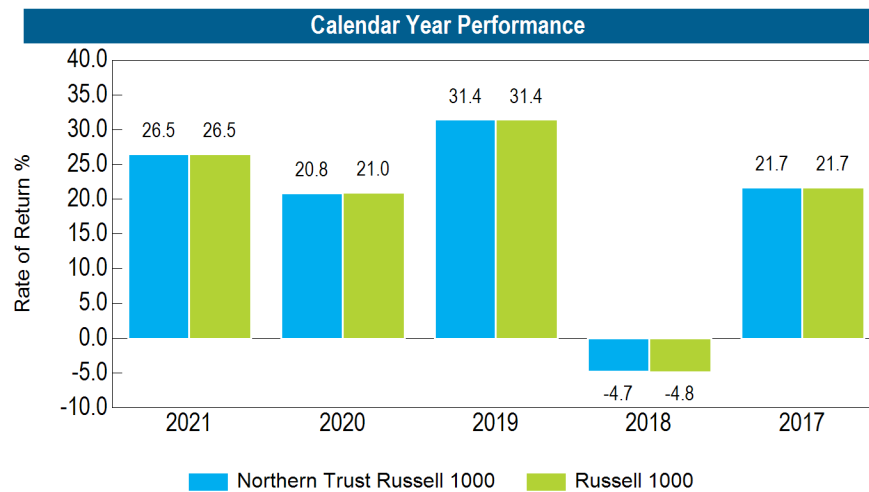
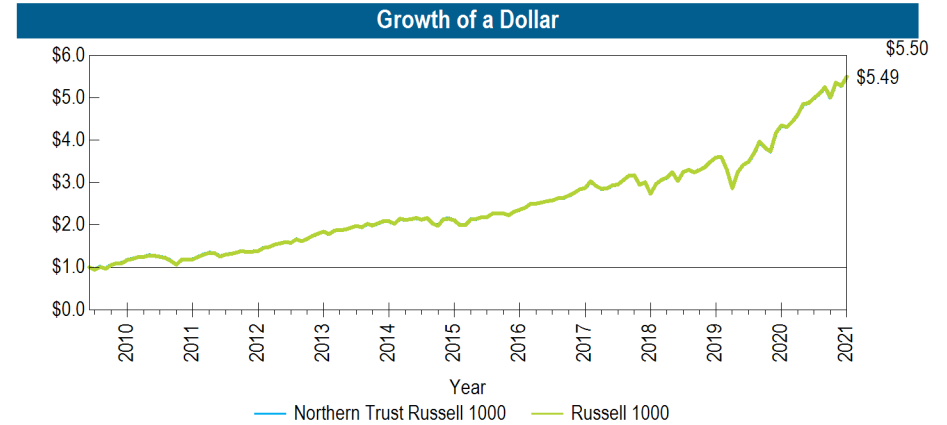
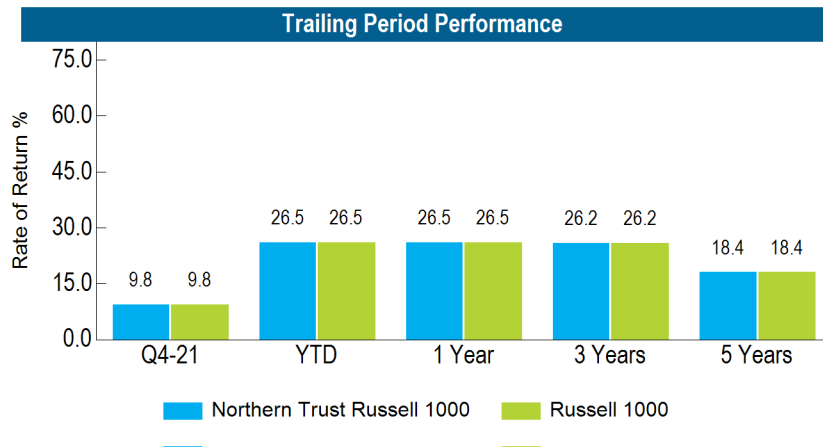


Style Exposure



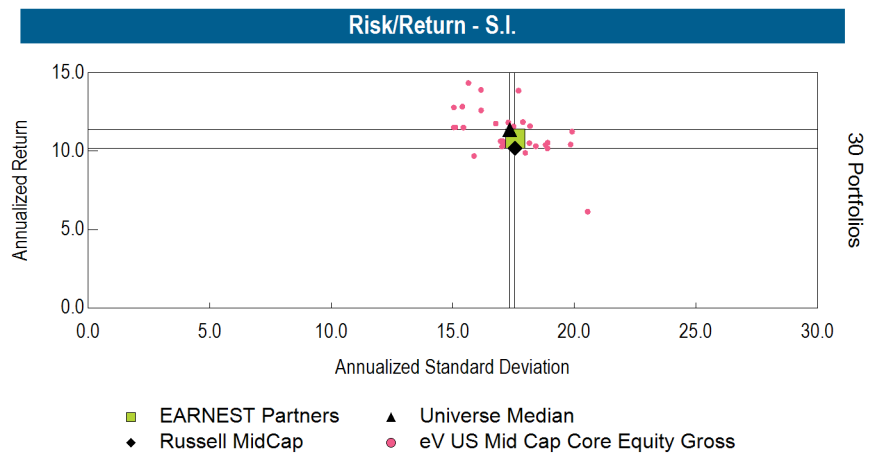
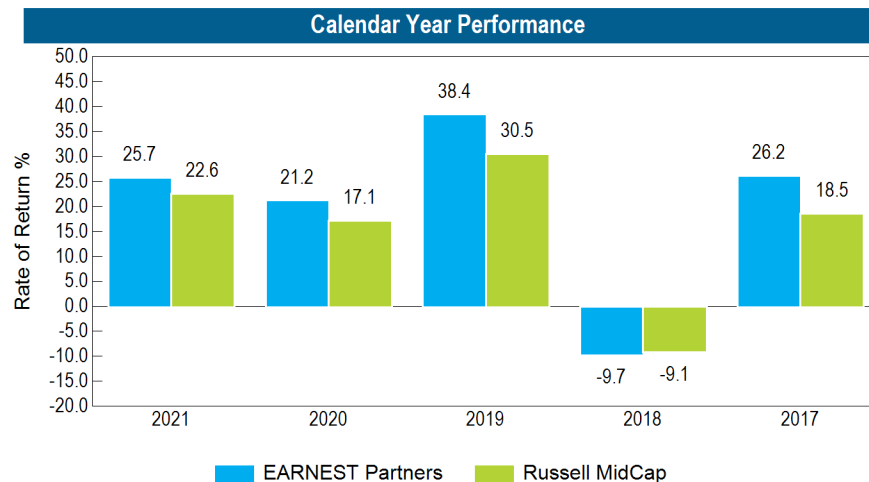
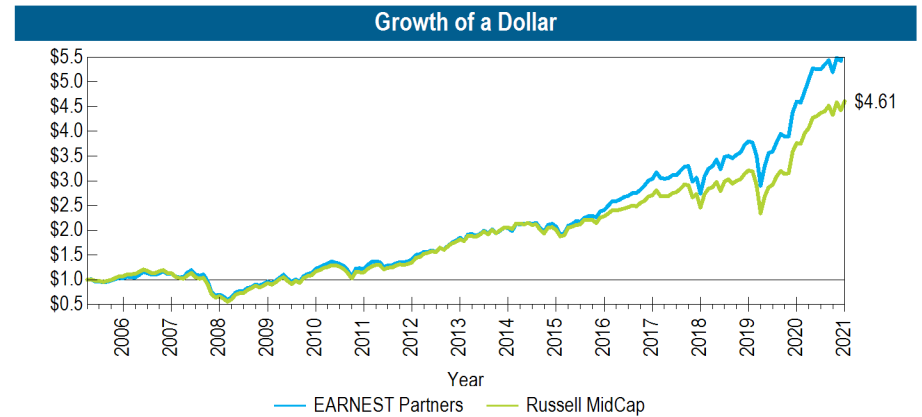
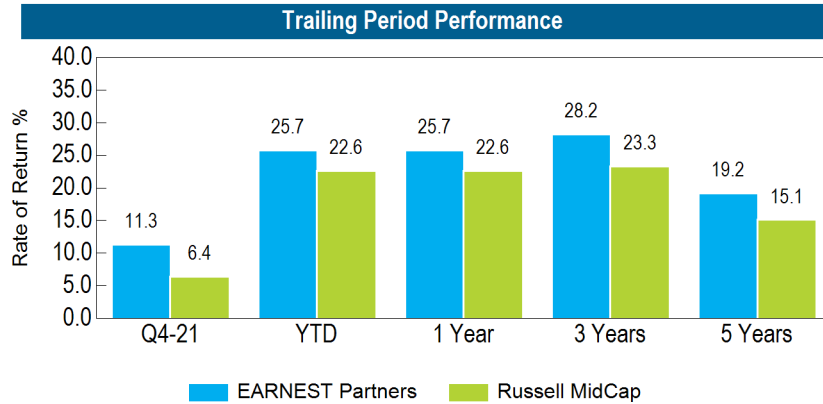
Northern Trust Russell 1000 | As of December 31, 2021

| | Anlzd Return | Anlzd Standard Deviation | Alpha | Beta | Tracking Error | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|-----------------------------|--------------|--------------------------|-------|------|----------------|----------------------|------------------------|
| Northern Trust Russell 1000 | 15.76% | 13.91% | 0.00% | 1.00 | 0.13% | 98.36% | 99.77% |
| Russell 1000 | 15.85% | 13.96% | 0.00% | 1.00 | 0.00% | 100.00% | 100.00% |



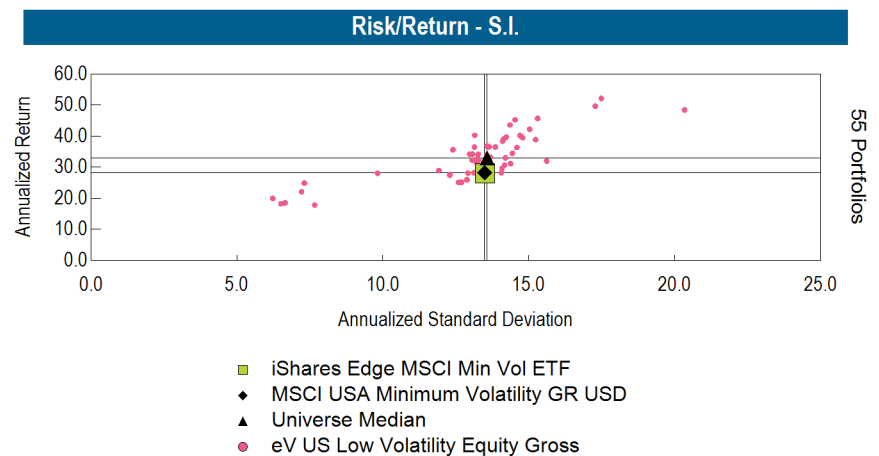
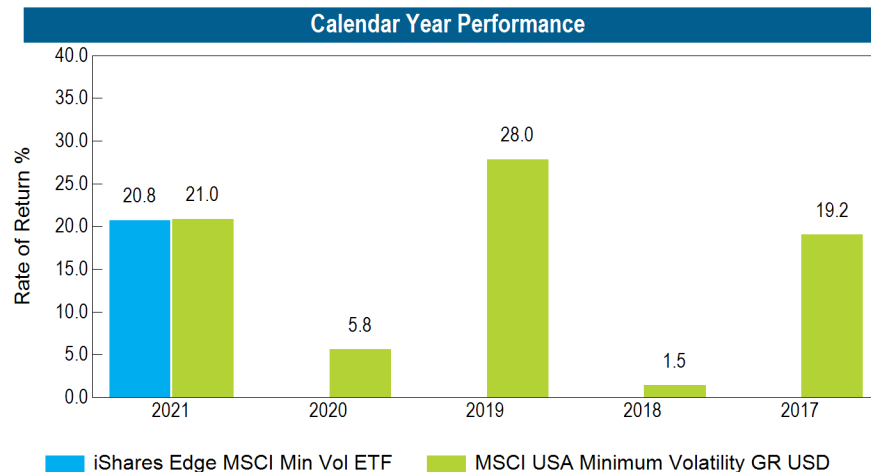
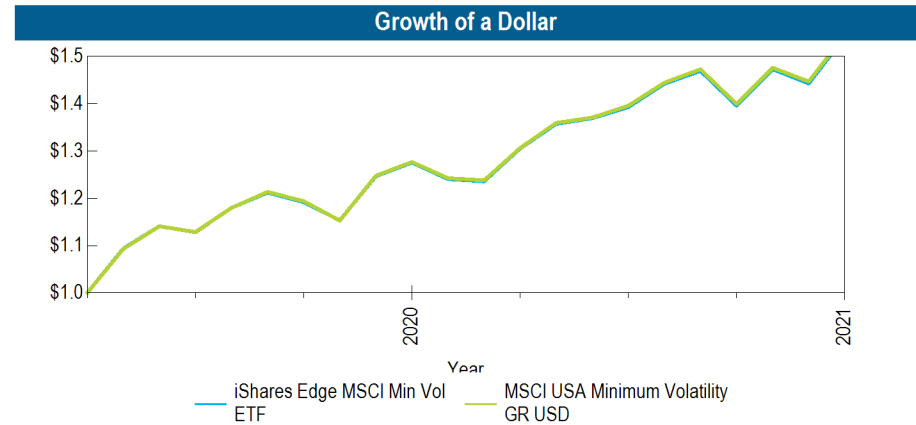
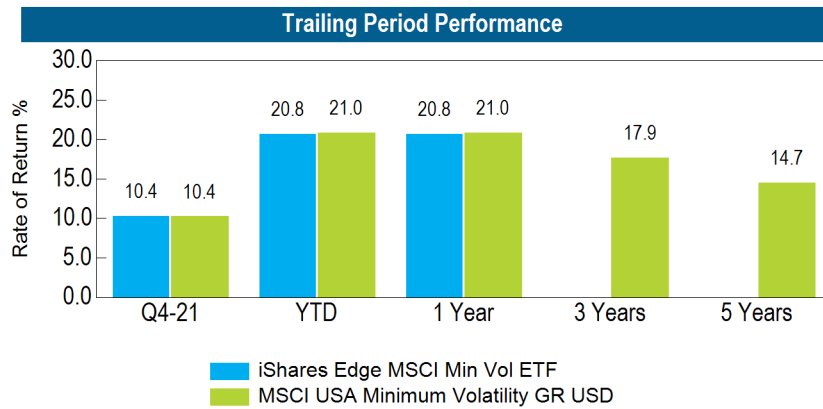
EARNEST Partners | As of December 31, 2021

| | Anlzd Return | Anlzd Standard Deviation | Alpha | Beta | Information Ratio | Tracking Error | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|------------------|--------------|--------------------------|-------|------|-------------------|----------------|----------------------|------------------------|
| EARNEST Partners | 10.81% | 17.58% | 0.06% | 0.98 | 0.18 | 3.45% | 94.81% | 99.03% |
| Russell MidCap | 10.19% | 17.56% | 0.00% | 1.00 | -- | 0.00% | 100.00% | 100.00% |



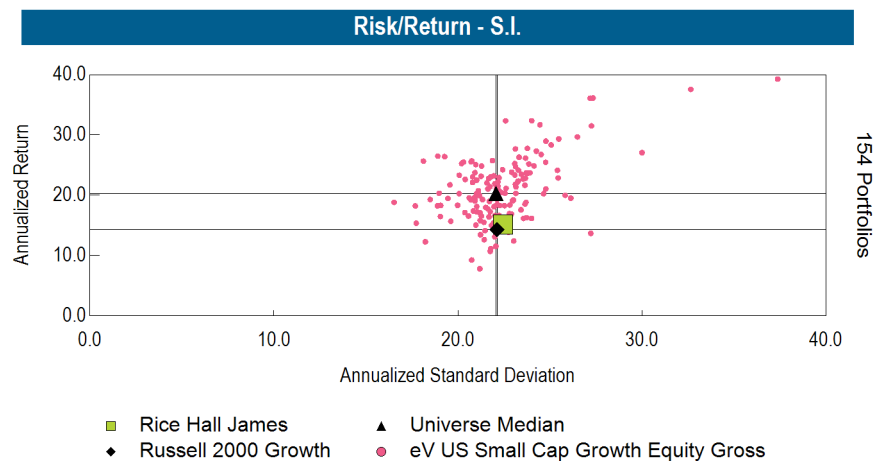
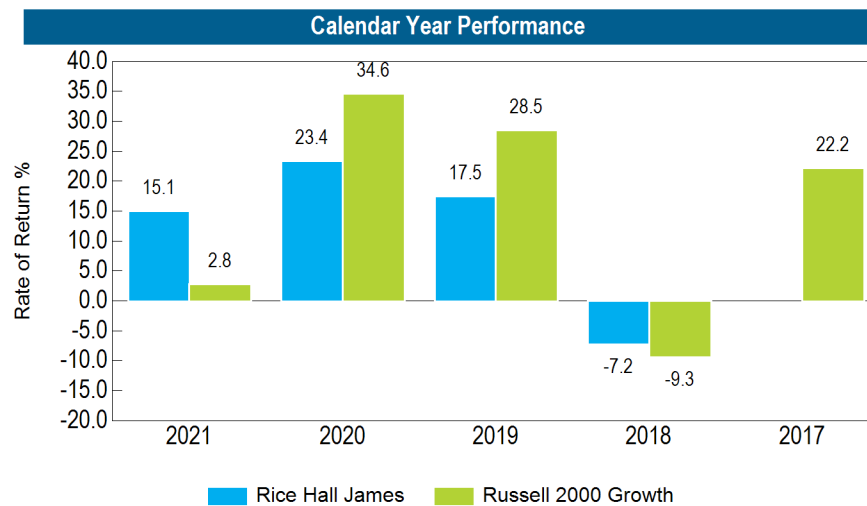
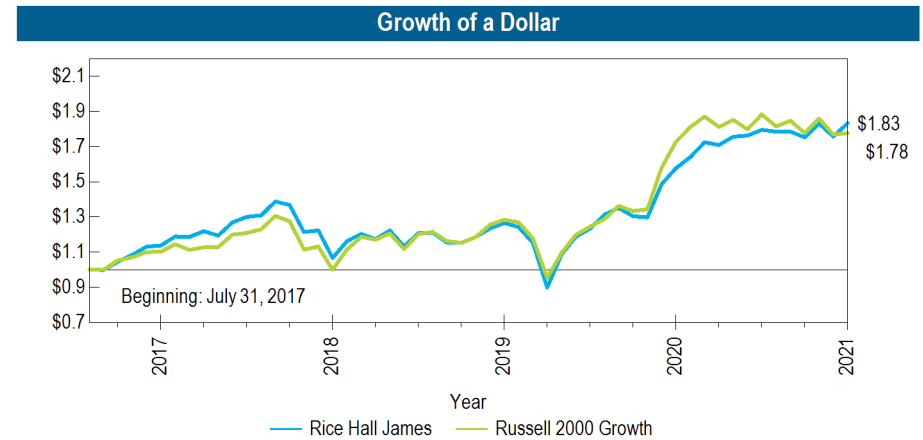
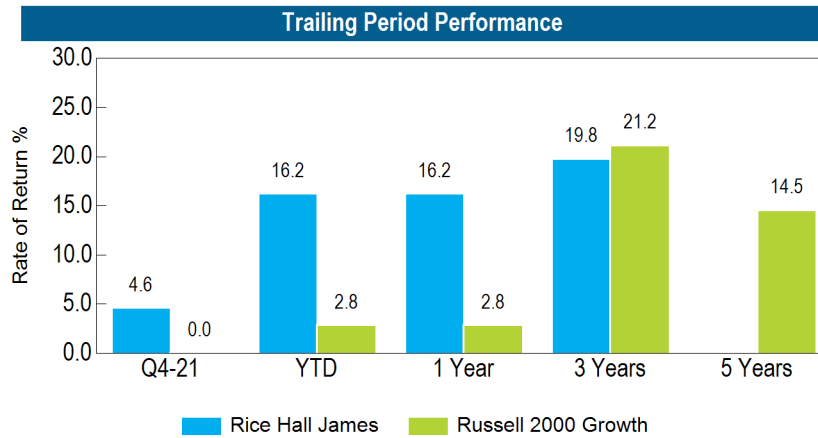
iShares Edge MSCI Min Vol ETF | As of December 31, 2021

| | Anlzd Return | Anlzd Standard Deviation | Alpha | Beta | Information Ratio | Tracking Error | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|------------------------------------|--------------|--------------------------|--------|------|-------------------|----------------|----------------------|------------------------|
| iShares Edge MSCI Min Vol ETF | 28.03% | 13.50% | -0.01% | 1.00 | -0.59 | 0.28% | 99.60% | 100.27% |
| MSCI USA Minimum Volatility GR USD | 28.20% | 13.49% | 0.00% | 1.00 | -- | 0.00% | 100.00% | 100.00% |



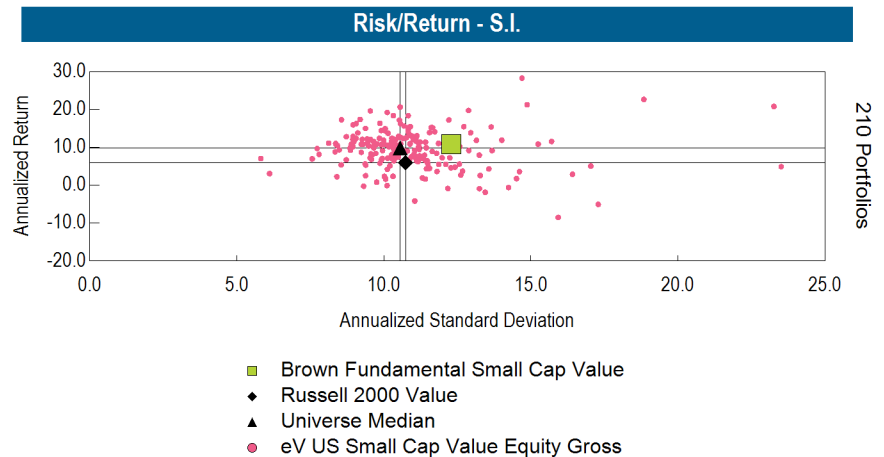
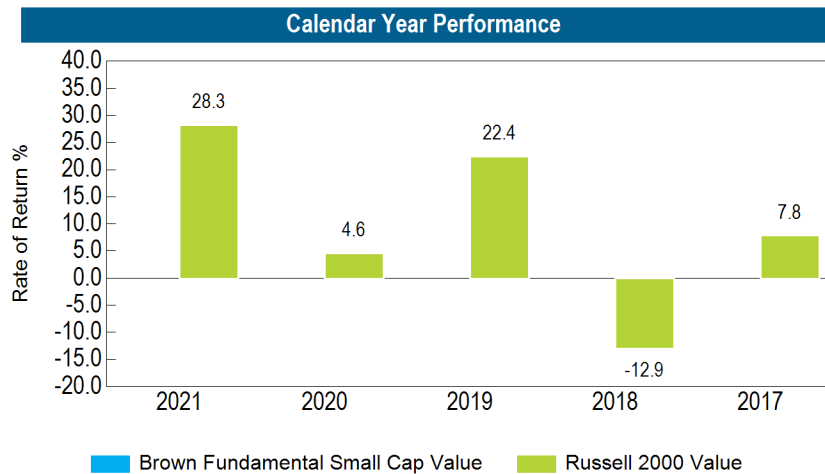
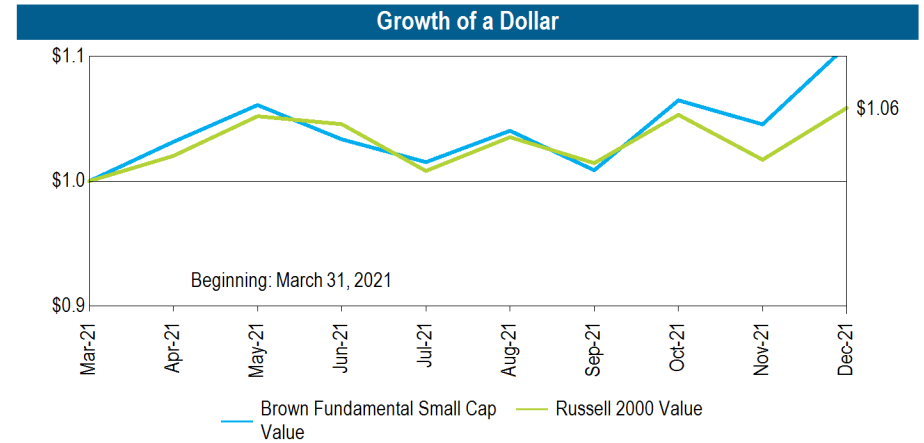
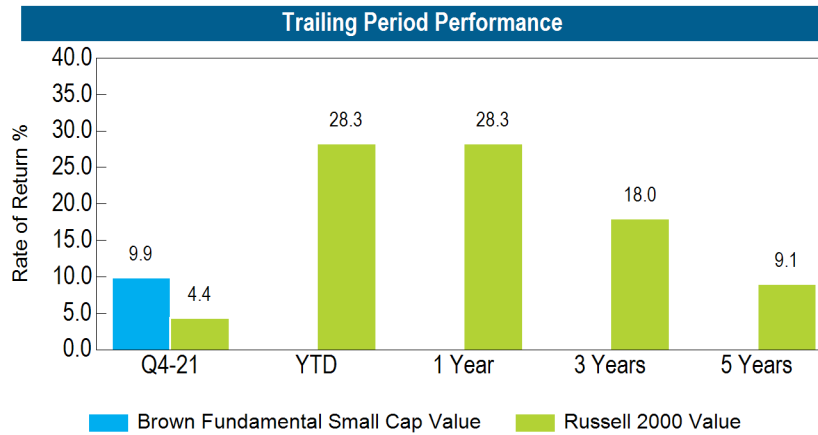
Rice Hall James | As of December 31, 2021

| | Anlzd Return | Anlzd Standard Deviation | Alpha | Beta | Information Ratio | Tracking Error | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---------------------|--------------|--------------------------|-------|------|-------------------|----------------|----------------------|------------------------|
| Rice Hall James | 13.56% | 22.25% | 0.03% | 0.97 | -0.05 | 6.82% | 89.54% | 95.36% |
| Russell 2000 Growth | 13.90% | 21.92% | 0.00% | 1.00 | -- | 0.00% | 100.00% | 100.00% |

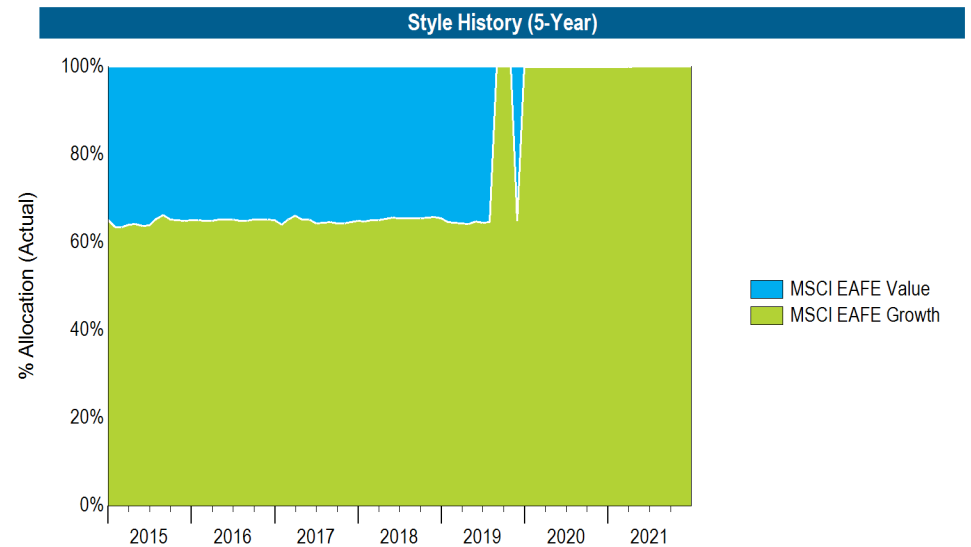
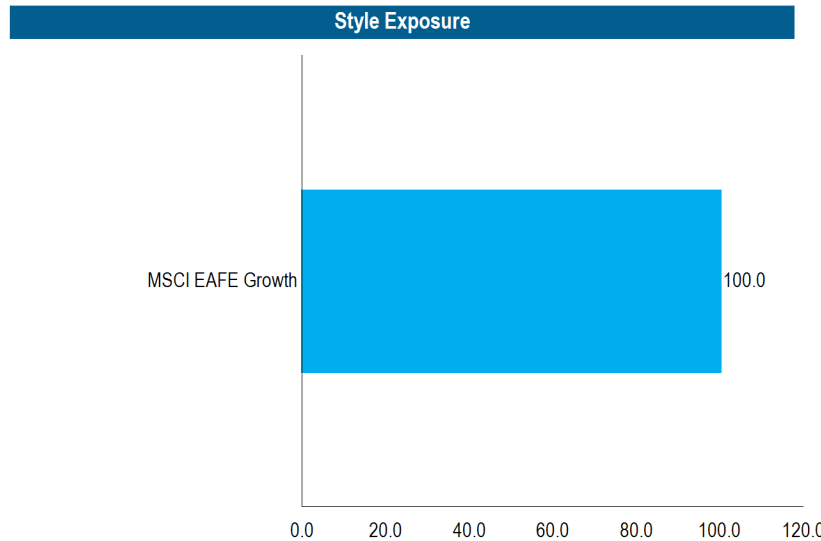
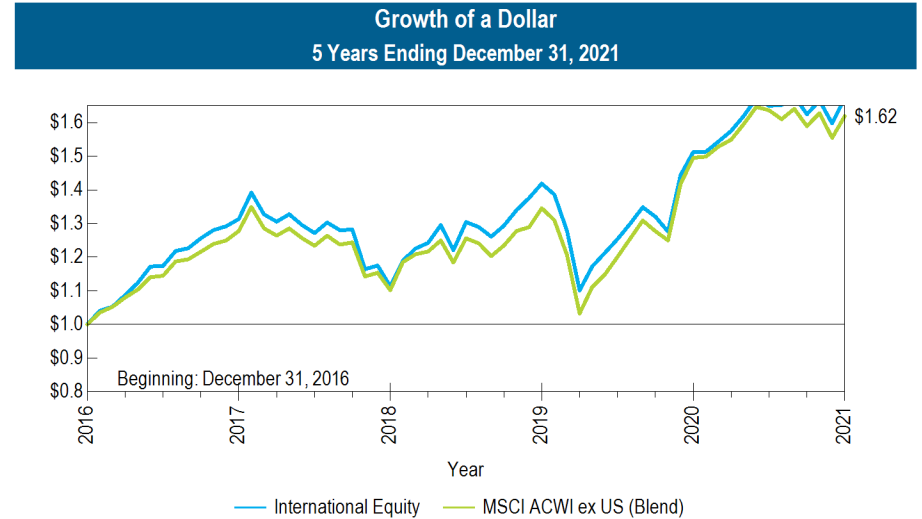
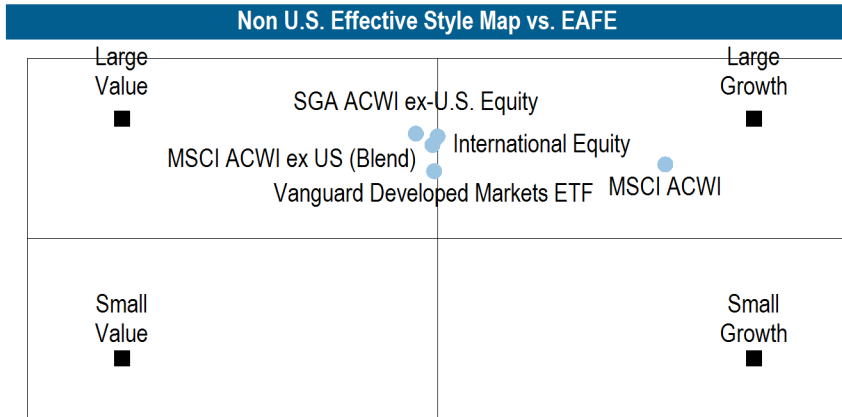


Brown Fundamental Small Cap Value | As of December 31, 2021

| | Anlzd Return | Anlzd Standard Deviation | Alpha | Beta | Information Ratio | Tracking Error | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|-----------------------------------|--------------|--------------------------|-------|------|-------------------|----------------|----------------------|------------------------|
| Brown Fundamental Small Cap Value | 10.14% | 12.27% | 0.43% | 1.05 | 0.86 | 4.98% | 127.14% | 98.53% |
| Russell 2000 Value | 5.86% | 10.74% | 0.00% | 1.00 | -- | 0.00% | 100.00% | 100.00% |

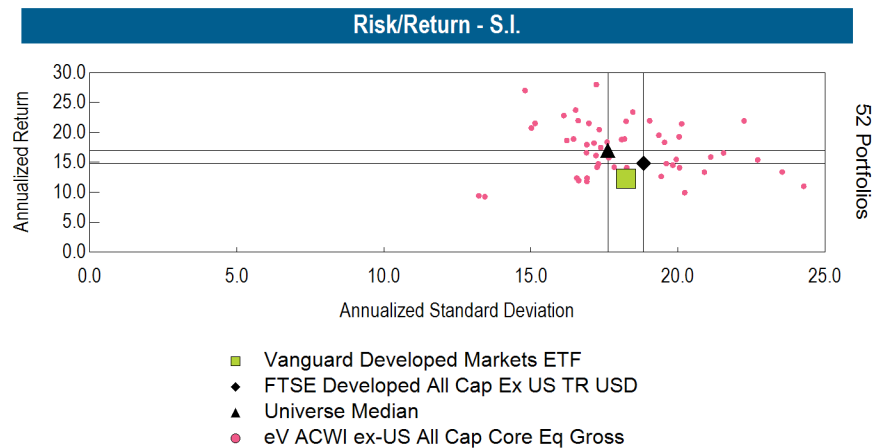
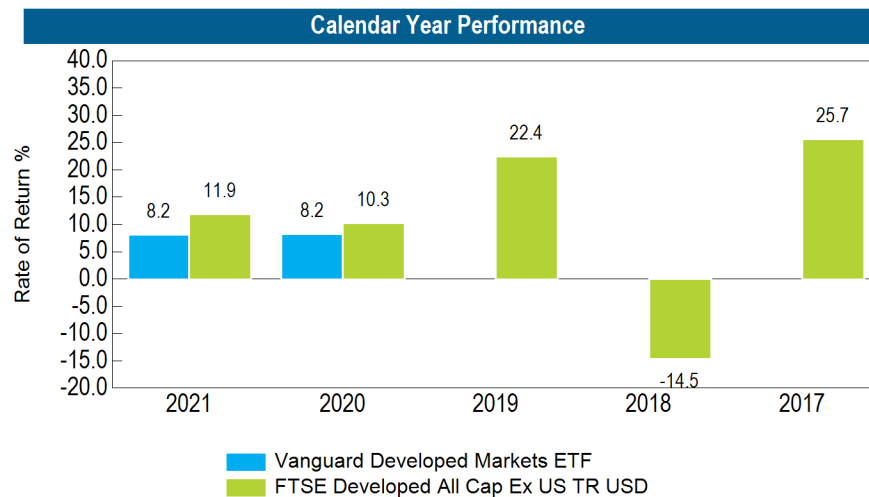
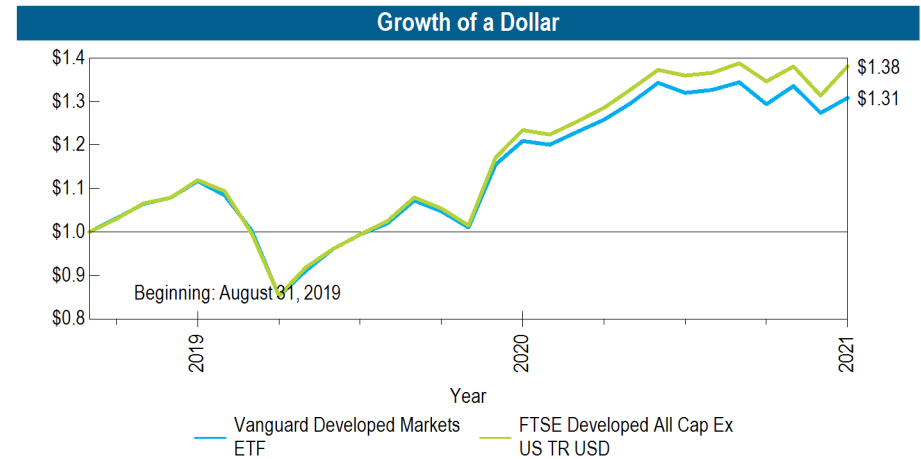
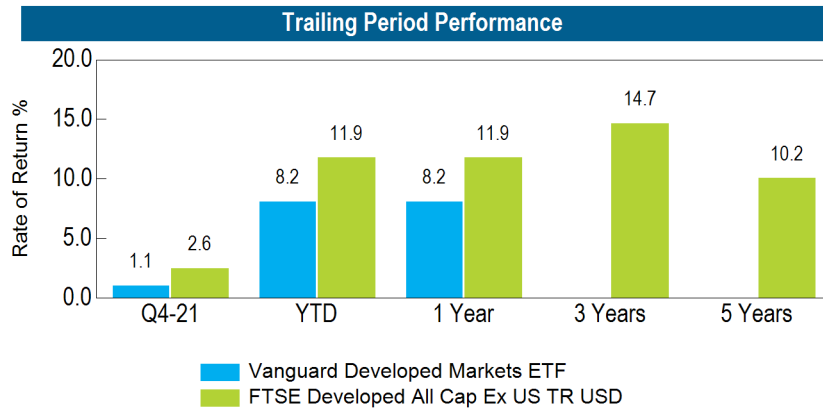


International Equity | As of December 31, 2021



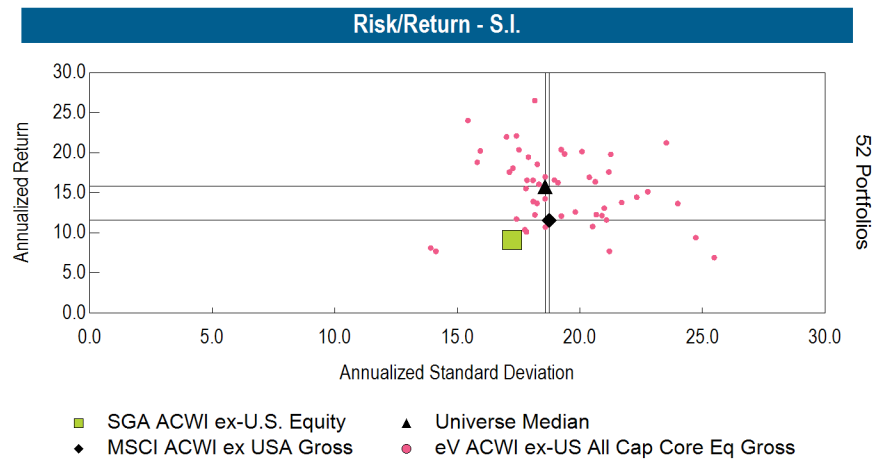
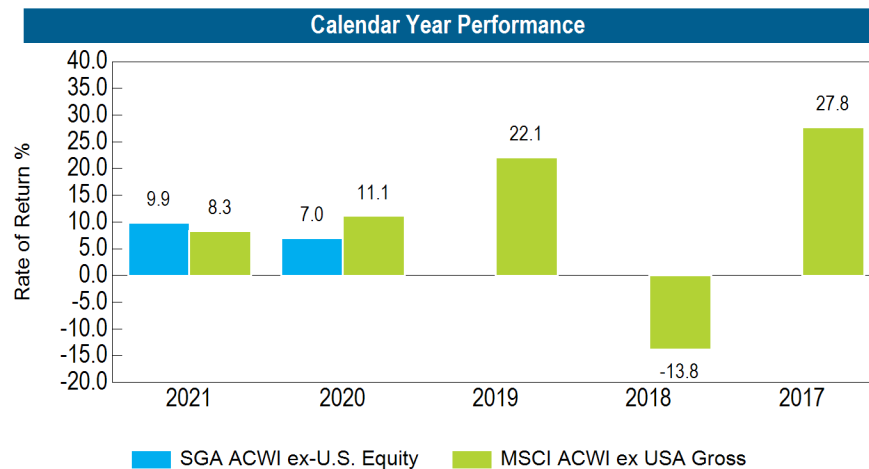
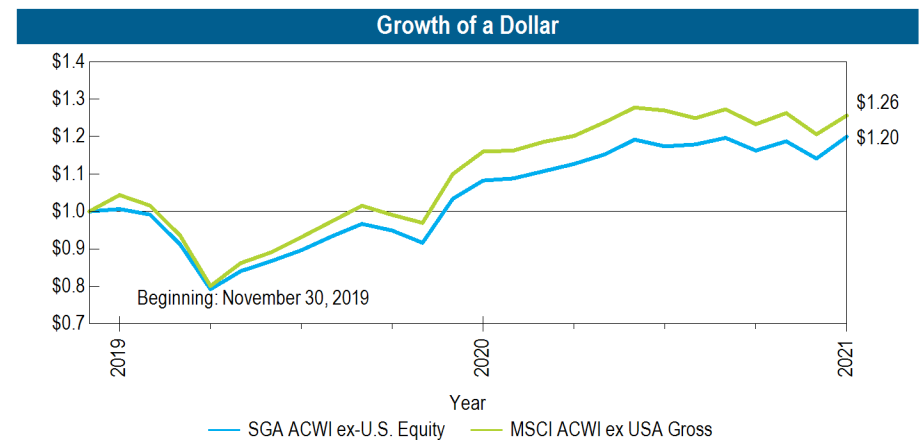
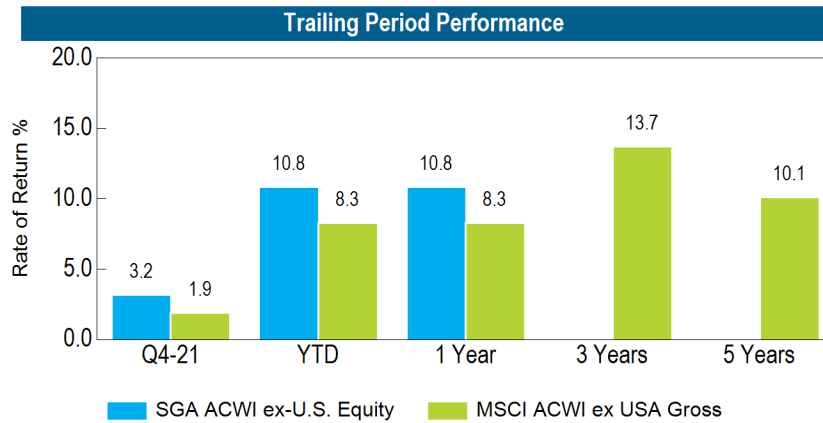
Vanguard Developed Markets ETF | As of December 31, 2021

| | Anlzd Return | Anlzd Standard Deviation | Alpha | Beta | Information Ratio | Tracking Error | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|--------------------------------|--------------|--------------------------|--------|------|-------------------|----------------|----------------------|------------------------|
| Vanguard Developed Markets ETF | 12.17% | 18.22% | -0.15% | 0.96 | -1.12 | 2.38% | 91.50% | 101.62% |



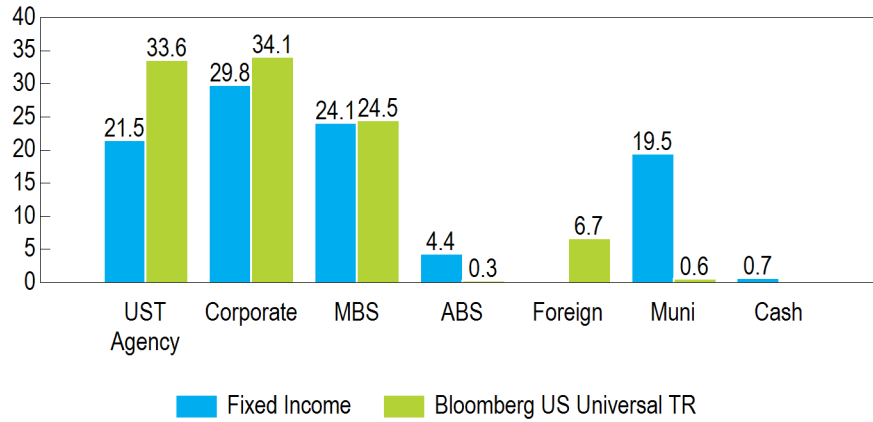
SGA ACWI ex-U.S. Equity | As of December 31, 2021

| | Anlzd Return | Anlzd Standard Deviation | Alpha | Beta | Information Ratio | Tracking Error | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|-------------------------|--------------|--------------------------|--------|------|-------------------|----------------|----------------------|------------------------|
| SGA ACWI ex-U.S. Equity | 8.42% | 17.19% | -0.15% | 0.90 | -0.80 | 3.94% | 80.95% | 93.03% |
| MSCI ACWI ex USA Gross | 11.56% | 18.75% | 0.00% | 1.00 | -- | 0.00% | 100.00% | 100.00% |



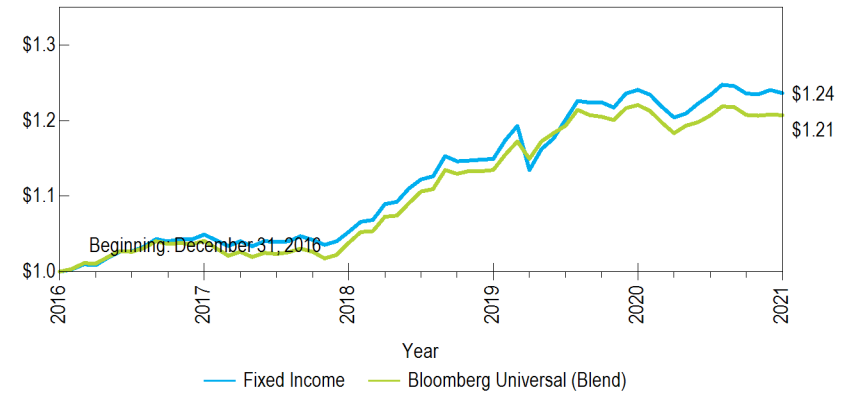
Fixed Income | As of December 31, 2021

US Sector Allocation

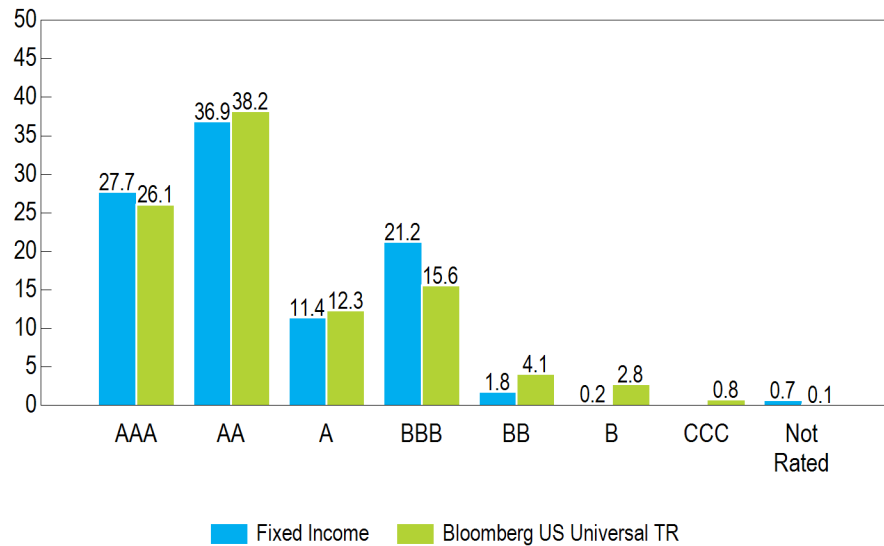


Growth of a Dollar

5 Years Ending December 31, 2021



Credit Quality Allocation

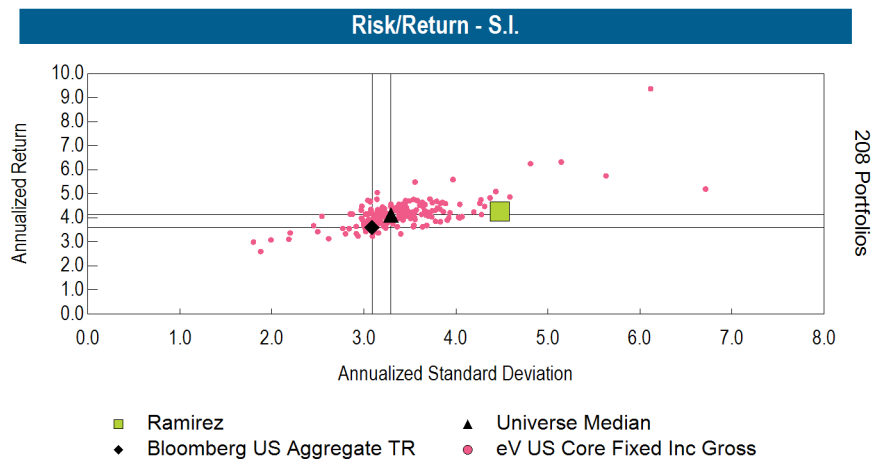
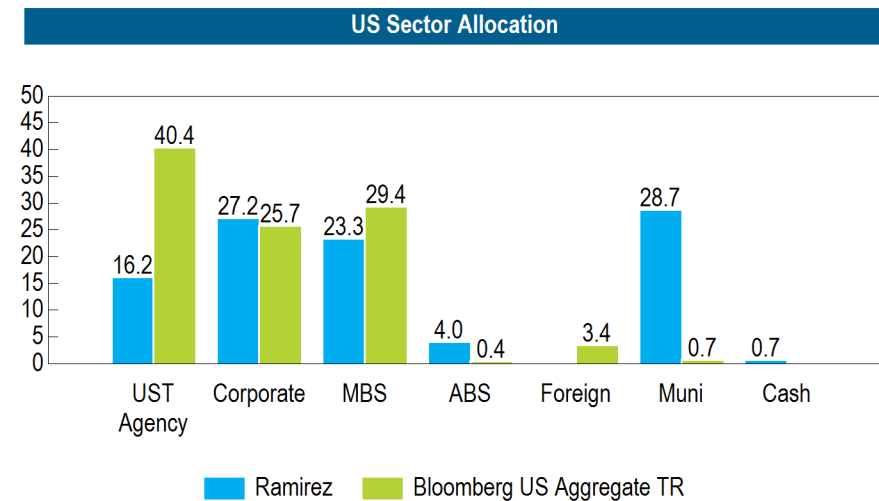
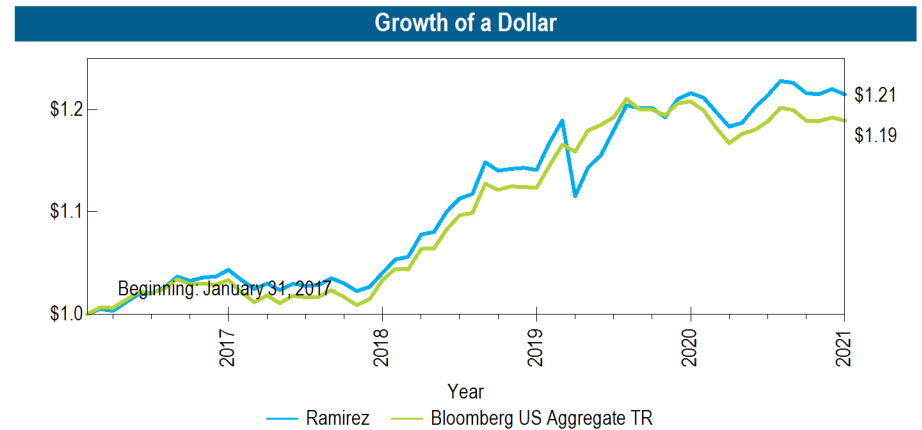
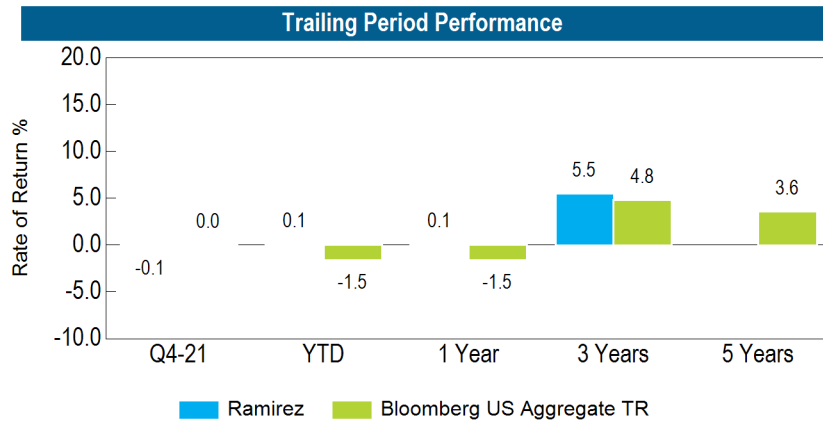


Fixed Income Fixed Income Characteristics vs. Bloomberg US Universal TR

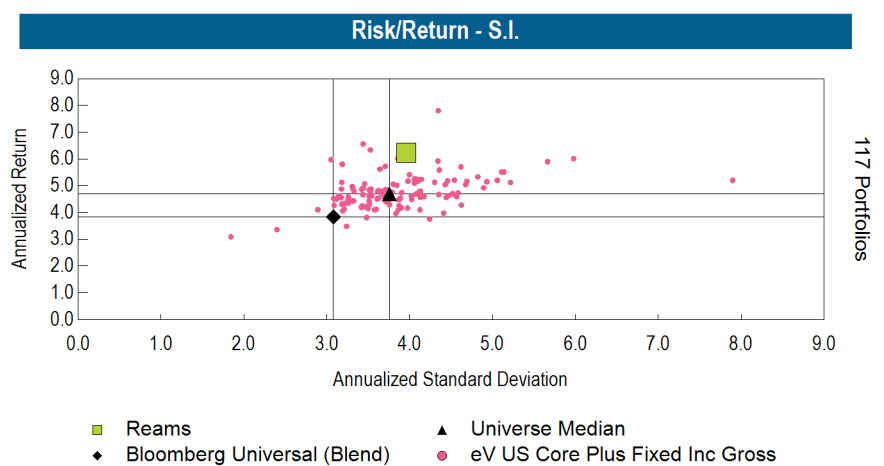
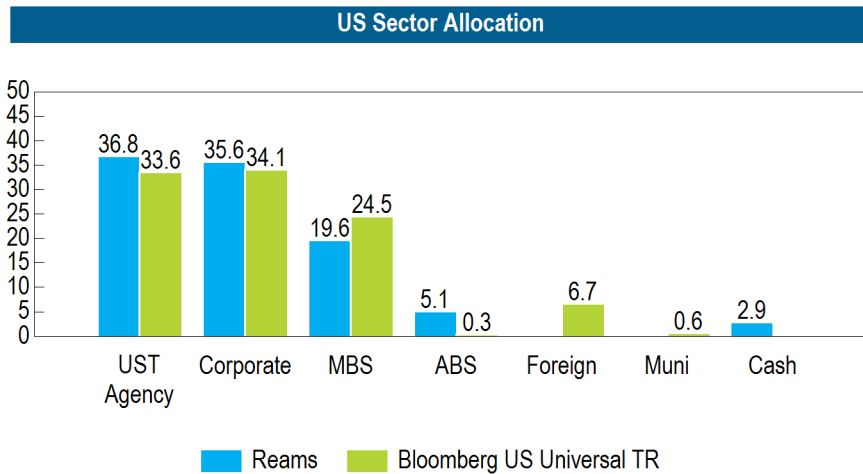
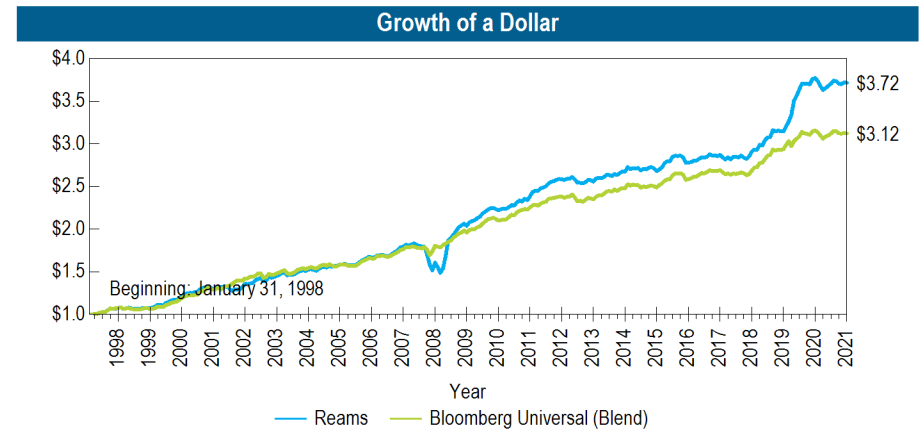
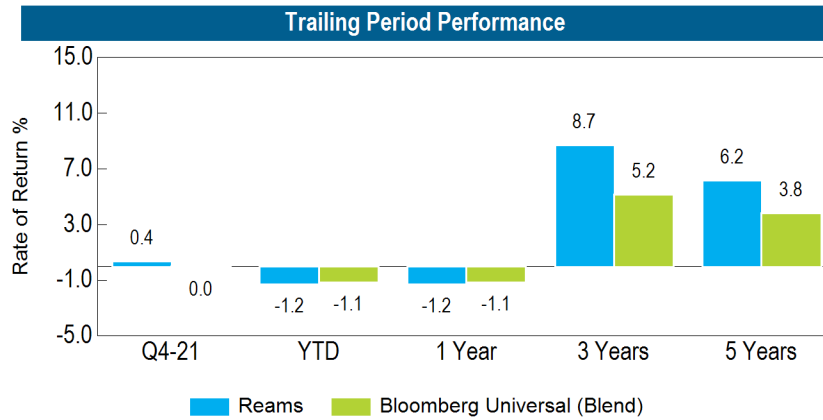
| | Portfolio Q4-21 | Index Q4-21 |
|-------------------------------------|--------------------|----------------|
| Fixed Income Characteristics | | |
| Yield to Maturity | 2.09 | 2.07 |
| Average Duration | 6.01 | 6.65 |
| Average Quality | AA | AA |
| Weighted Average Maturity | 8.81 | 12.84 |

Ramirez | As of December 31, 2021

| | Anlzd Return | Anlzd Standard Deviation | Alpha | Beta | Information Ratio | Tracking Error | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---------------------------|--------------|--------------------------|-------|------|-------------------|----------------|----------------------|------------------------|
| Ramirez | 4.04% | 4.47% | 0.00% | 1.13 | 0.16 | 2.83% | 123.67% | 127.93% |
| Bloomberg US Aggregate TR | 3.59% | 3.09% | 0.00% | 1.00 | -- | 0.00% | 100.00% | 100.00% |

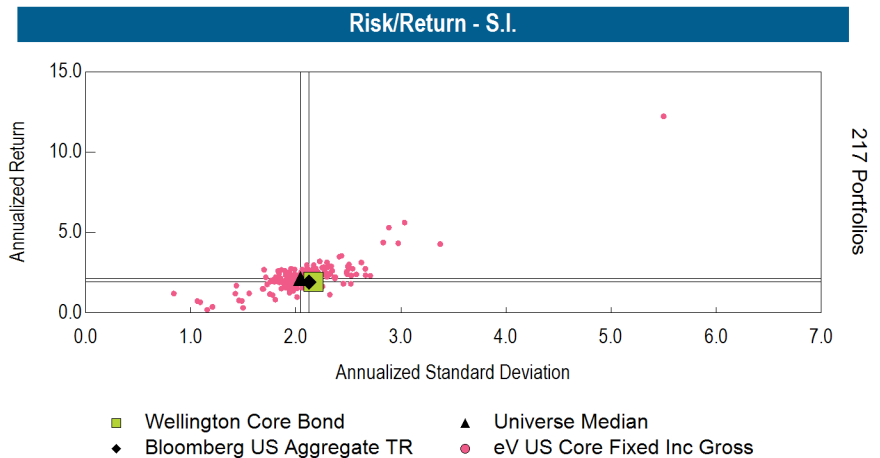
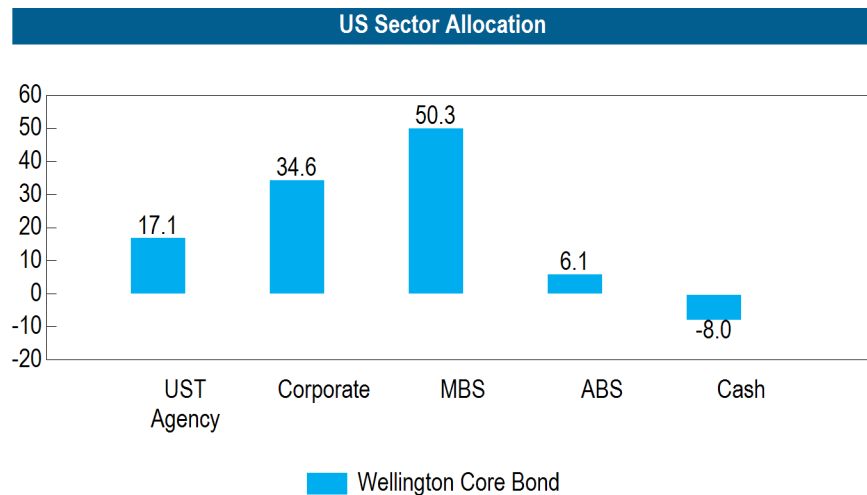
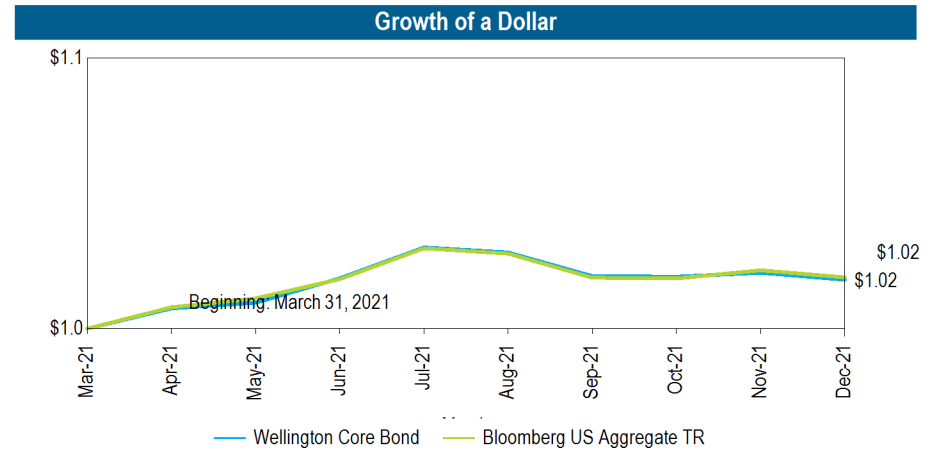
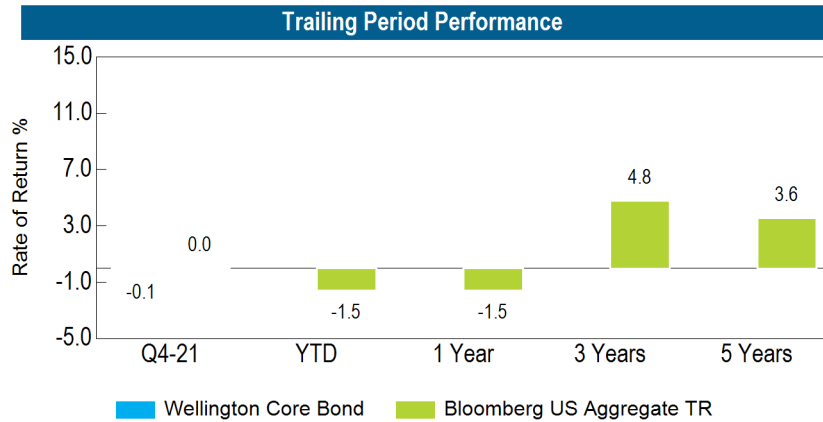


| | Anlzd Return | Anlzd Standard Deviation | Alpha | Beta | Information Ratio | Tracking Error | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|-----------------------------|--------------|--------------------------|-------|------|-------------------|----------------|----------------------|------------------------|
| Reams | 5.64% | 5.27% | 0.05% | 1.05 | 0.20 | 3.91% | 122.26% | 99.36% |
| Bloomberg Universal (Blend) | 4.87% | 3.37% | 0.00% | 1.00 | -- | 0.00% | 100.00% | 100.00% |



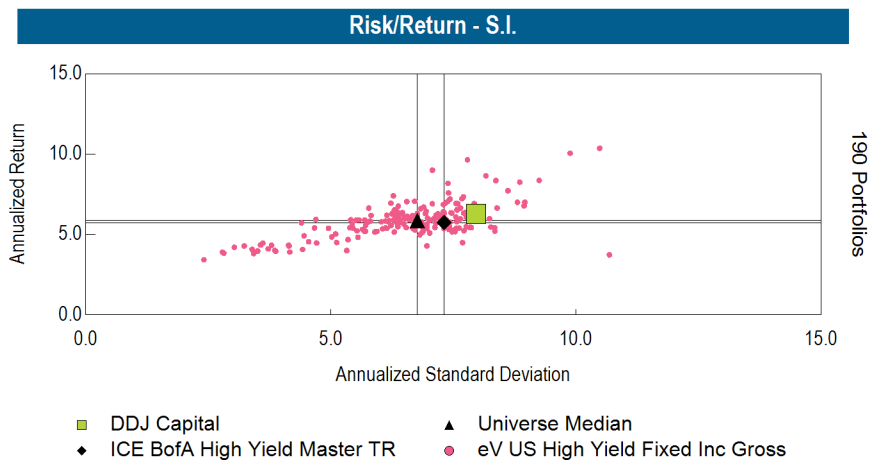
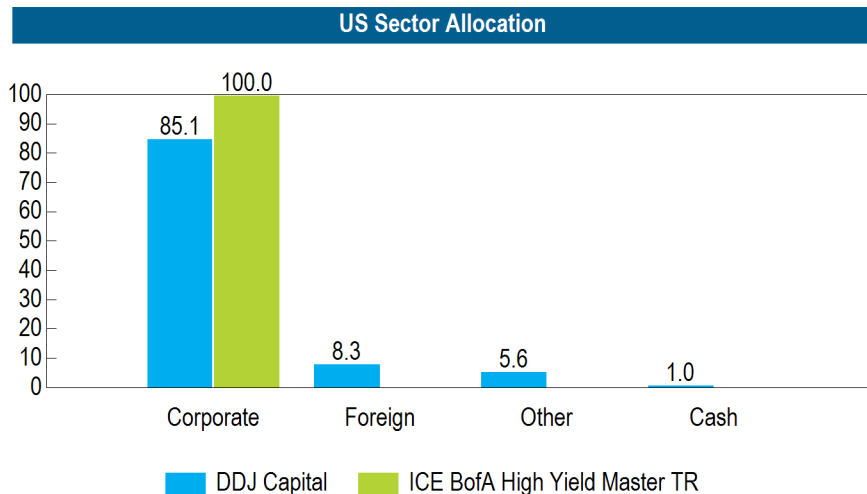
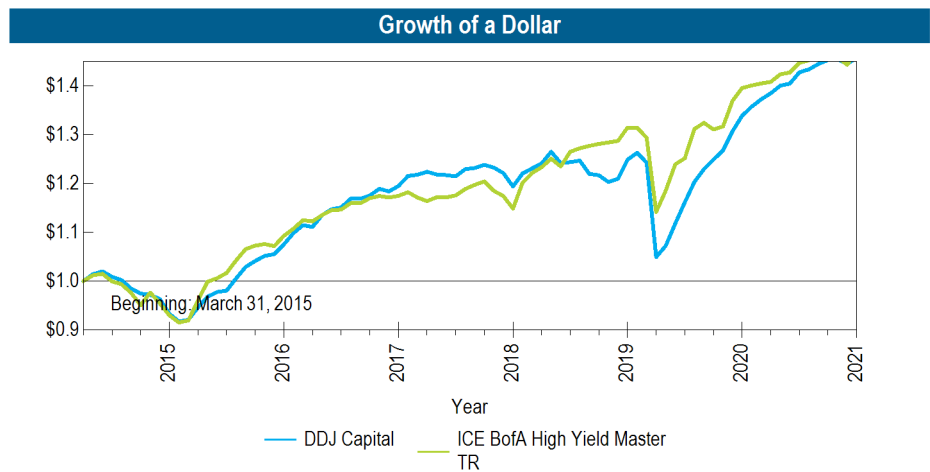
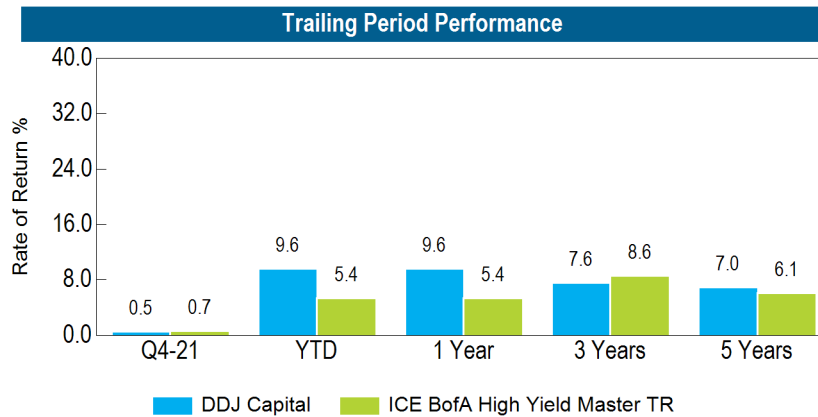
Wellington Core Bond | As of December 31, 2021

| | Anlzd Return | Anlzd Standard Deviation | Alpha | Beta | Information Ratio | Tracking Error | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---------------------------|--------------|--------------------------|--------|------|-------------------|----------------|----------------------|------------------------|
| Wellington Core Bond | 1.81% | 2.17% | -0.01% | 1.01 | -0.26 | 0.34% | 96.21% | 97.44% |
| Bloomberg US Aggregate TR | 1.89% | 2.13% | 0.00% | 1.00 | -- | 0.00% | 100.00% | 100.00% |



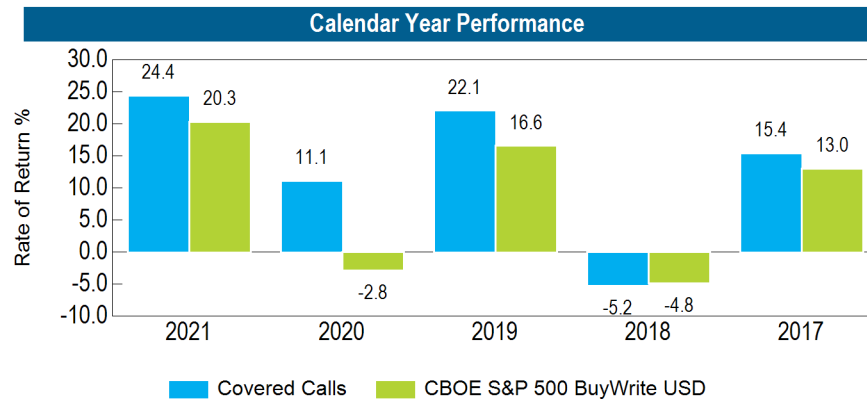
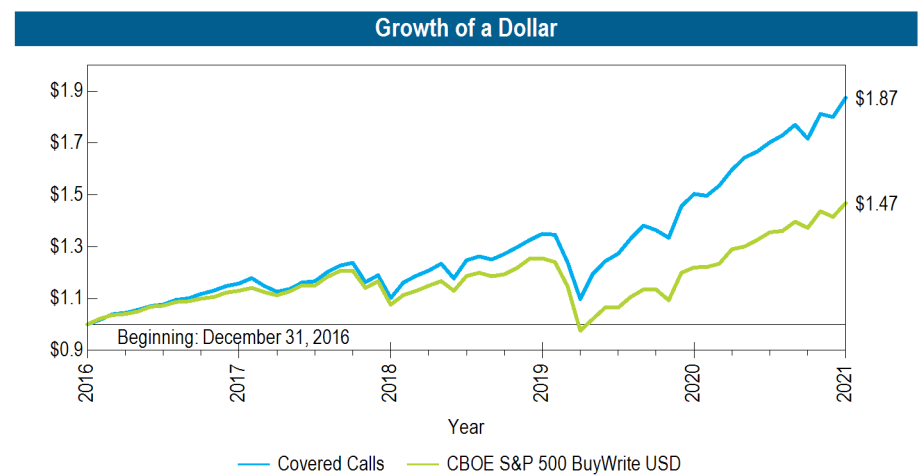
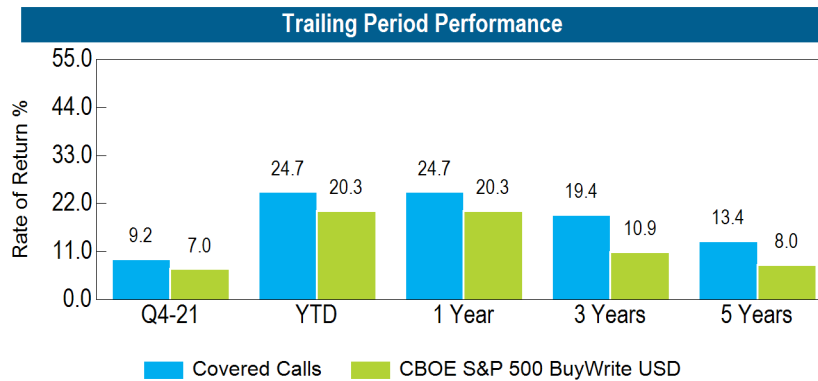
DDJ Capital | As of December 31, 2021

| | Anlzd Return | Anlzd Standard Deviation | Alpha | Beta | Information Ratio | Tracking Error | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|-------------------------------|--------------|--------------------------|-------|------|-------------------|----------------|----------------------|------------------------|
| DDJ Capital | 5.86% | 7.94% | 0.01% | 0.96 | -0.04 | 3.76% | 90.03% | 89.82% |
| ICE BofA High Yield Master TR | 6.01% | 7.30% | 0.00% | 1.00 | -- | 0.00% | 100.00% | 100.00% |



Covered Calls | As of December 31, 2021

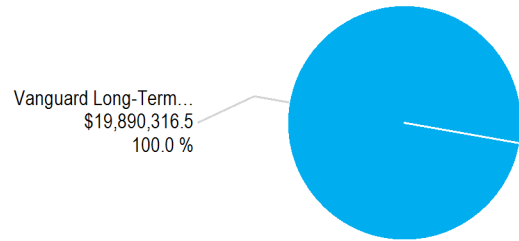
| | Anlzd Return | Anlzd Standard Deviation | Alpha | Beta | Information Ratio | Tracking Error | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---------------------------|--------------|--------------------------|-------|------|-------------------|----------------|----------------------|------------------------|
| Covered Calls | 10.84% | 10.66% | 0.30% | 0.98 | 1.12 | 3.32% | 138.13% | 97.39% |
| CBOE S&P 500 BuyWrite USD | 7.13% | 10.33% | 0.00% | 1.00 | -- | 0.00% | 100.00% | 100.00% |
| Parametric BXM | 8.41% | 8.90% | 0.19% | 0.83 | 0.44 | 2.88% | 96.41% | 87.43% |
| CBOE S&P 500 BuyWrite USD | 7.13% | 10.33% | 0.00% | 1.00 | -- | 0.00% | 100.00% | 100.00% |
| Parametric DeltaShift | 13.39% | 12.66% | 0.42% | 1.12 | 1.18 | 5.32% | 188.70% | 104.54% |



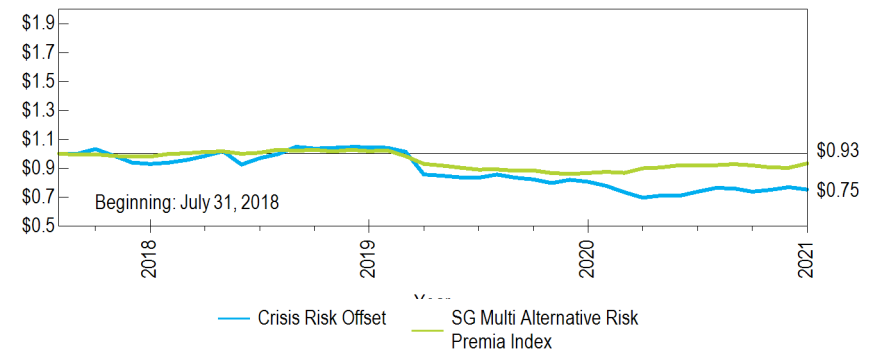
Crisis Risk Offset | As of December 31, 2021

| | Anlzd Return | Anlzd Standard Deviation | Alpha | Beta | Information Ratio | Tracking Error | Sortino Ratio | Sharpe Ratio | R-Squared | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|--|--------------|--------------------------|--------|------|-------------------|----------------|---------------|--------------|-----------|----------------------|------------------------|
| Crisis Risk Offset | -8.28% | 13.56% | -0.48% | 1.02 | -0.51 | 12.25% | -0.69 | -0.69 | 0.18 | 45.06% | 133.07% |
| SG Multi Alternative Risk Premia Index | -2.01% | 5.69% | 0.00% | 1.00 | -- | 0.00% | -0.47 | -0.53 | 1.00 | 100.00% | 100.00% |
| Vanguard Long-Term Treasury ETF | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |

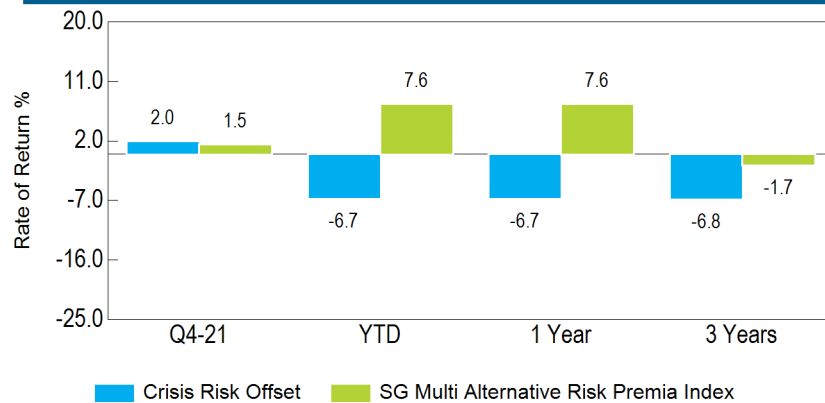
Current Allocation



Growth of a Dollar



Trailing Period Performance



Correlation Matrix

1 Year Ending December 31, 2021

| | Crisis Risk Offset | MSCI ACWI | S&P 500 | Bloomberg Global Aggregate TR |
|-------------------------------|--------------------|-----------|---------|-------------------------------|
| Crisis Risk Offset | 1.00 | -- | -- | -- |
| MSCI ACWI | 0.06 | 1.00 | -- | -- |
| S&P 500 | 0.18 | 0.96 | 1.00 | -- |
| Bloomberg Global Aggregate TR | 0.68 | 0.30 | 0.29 | 1.00 |

Disclaimer, Glossary, and Notes

WE HAVE PREPARED THIS REPORT (THIS "REPORT") FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE "RECIPIENT").

SIGNIFICANT EVENTS MAY OCCUR (OR HAVE OCCURRED) AFTER THE DATE OF THIS REPORT AND THAT IT IS NOT OUR FUNCTION OR RESPONSIBILITY TO UPDATE THIS REPORT. ANY OPINIONS OR RECOMMENDATIONS PRESENTED HEREIN REPRESENT OUR GOOD FAITH VIEWS AS OF THE DATE OF THIS REPORT AND ARE SUBJECT TO CHANGE AT ANY TIME. ALL INVESTMENTS INVOLVE RISK. THERE CAN BE NO GUARANTEE THAT THE STRATEGIES, TACTICS, AND METHODS DISCUSSED HERE WILL BE SUCCESSFUL.

INFORMATION USED TO PREPARE THIS REPORT WAS OBTAINED FROM INVESTMENT MANAGERS, CUSTODIANS, AND OTHER EXTERNAL SOURCES. WHILE WE HAVE EXERCISED REASONABLE CARE IN PREPARING THIS REPORT, WE CANNOT GUARANTEE THE ACCURACY OF ALL SOURCE INFORMATION CONTAINED HEREIN.

CERTAIN INFORMATION CONTAINED IN THIS REPORT MAY CONSTITUTE "FORWARD - LOOKING STATEMENTS," WHICH CAN BE IDENTIFIED BY THE USE OF TERMINOLOGY SUCH AS "MAY," "WILL," "SHOULD," "EXPECT," "AIM," "ANTICIPATE," "TARGET," "PROJECT," "ESTIMATE," "INTEND," "CONTINUE" OR "BELIEVE," OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. ANY FORWARD-LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION ARE BASED UPON CURRENT ASSUMPTIONS. CHANGES TO ANY ASSUMPTIONS MAY HAVE A MATERIAL IMPACT ON FORWARD - LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS. ACTUAL RESULTS MAY THEREFORE BE MATERIALLY DIFFERENT FROM ANY FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION.

PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security.)

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Jensen's Alpha: A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk. $\text{Portfolio Return} - [\text{Risk Free Rate} + \text{Beta} * (\text{market return} - \text{Risk Free Rate})]$.

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about its future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Tracking Error: A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a “basis book.” For example, a 5% bond pays \$5 a year interest on each \$100 par value. To figure its current yield, divide \$5 by \$95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay \$100 for the bond that can be bought now for \$95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\% \text{ (discount)}}{5 \text{ (yrs. to maturity)}} = 1\% \text{ pro rata, plus } 5.26\% \text{ (current yield)} = 6.26\% \text{ (yield to maturity)}$$

Yield to Worst: The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

NCREIF Property Index (NPI): Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE): Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

Sources: *Investment Terminology*, International Foundation of Employee Benefit Plans, 1999.
The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.

MEMORANDUM

TO: Oakland Police and Fire Retirement System (OPFRS)
FROM: David Sancewich, Paola Nealon, Jason Leong Campbell – Meketa Inv. Group
DATE: February 23, 2022
RE: Diversity Representation Survey of Managers as of December 31, 2021

The purpose of this memo is to provide the System with data collected by surveying asset managers regarding their diversity representation as of December 31, 2021. The System requested that Meketa Investment Group collect this information at the December 2020 Board meeting as part of the discussion on minority representation at a specific manager, and as a recurring annual exercise.

Minority representation data for 10 managers¹ are displayed in the tables that follow.

Percentage of Board of Directors/ Managing Members

| Race and Ethnicity | Northern | | | | | | | Rice Hall | | |
|----------------------------------|----------|------------------|----------------------|--------------------|-------------------------|---------|-------|-----------|-----|------------|
| | Brown | DDJ ³ | Earnest ⁴ | Trust ⁴ | Parametric ⁵ | Ramirez | Reams | James | SGA | Wellington |
| African American /Black | 14% | 0% | 18% | 33% | N/A | 33% | 0% | 0% | 20% | 7% |
| Asian/Hawaiian/ Pacific Islander | 0% | 0% | 27% | 17% | N/A | 0% | 20% | 8% | 0% | 13% |
| Latino/Hispanic | 0% | 0% | 0% | 0% | N/A | 33% | 0% | 0% | | 0% |
| White | 86% | 100% | 55% | 0% | N/A | 33% | 80% | 92% | 80% | 80% |
| American Indian/ Alaska Native | 0% | 0% | 0% | 50% | N/A | 0% | 0% | 0% | 0% | 0% |
| Other | 0% | 0% | 0% | 0% | N/A | 0% | 0% | 0% | 0% | 0% |
| Gender | | | | | | | | | | |
| Male | 79% | 78% | 63% | 67% | N/A | 100% | 80% | 83% | 60% | 67% |
| Female | 21% | 22% | 37% | 33% | N/A | 0% | 20% | 17% | 40% | 33% |
| Non-Identified/ Other | 0% | 0% | 0% | 0% | N/A | 0% | 0% | 0% | 0% | 0% |

¹ Excluding the mutual fund and exchanged traded fund (ETF) managers BlackRock and Vanguard.

² Race and ethnicity categories throughout this document are as defined by EEOC guidance.

³ DDJ does not maintain a Board of Directors. DDJ has included (1) the members of DDJ's four-person management operating committee, and (2) the members of DDJ's five-person investment review committee.

⁴ Earnest Partners and Northern Trust statistics are as of 2021 mid-year.

⁵ As a subsidiary of Morgan Stanley Investment Management, Parametric does not maintain a Board of Directors.



Percentage of Firm (Entire Staff)

| Race and Ethnicity | Northern | | | | | | | | Rice Hall | SGA | Wellington |
|----------------------------------|----------|-----|---------|-------|------------|---------|-------|-------|-----------|-----|------------|
| | Brown | DDJ | Earnest | Trust | Parametric | Ramirez | Reams | James | | | |
| African American /Black | 9% | 2% | 23% | 9% | 4% | 9% | 0% | 0% | 3% | 5% | |
| Asian/Hawaiian/ Pacific Islander | 5% | 4% | 20% | 9% | 17% | 17% | 6% | 10% | 21% | 26% | |
| Latino/Hispanic | 2% | 2% | 0% | 7% | 3% | 17% | 0% | 3% | 3% | 4% | |
| White | 80% | 90% | 58% | 72% | 69% | 53% | 94% | 87% | 72% | 59% | |
| American Indian/ Alaska Native | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | |
| Other | 3% | 2% | 0% | 3% | 6% | 4% | 0% | 0% | 0% | 6% | |
| Gender | | | | | | | | | | | |
| Male | 55% | 62% | 73% | 61% | 65% | 69% | 56% | 68% | 66% | 55% | |
| Female | 45% | 38% | 27% | 39% | 35% | 30% | 44% | 32% | 34% | 45% | |
| Non-Identified/ Other | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | |

Percentage of Firm (Investment Professionals)

| Race and Ethnicity | Northern | | | | | | | | Rice Hall | SGA | Wellington |
|----------------------------------|----------|-----|---------|-------|------------|---------|-------|-------|-----------|-----|------------|
| | Brown | DDJ | Earnest | Trust | Parametric | Ramirez | Reams | James | | | |
| African American /Black | 3% | 0% | 20% | 8% | 1% | 11% | 0% | 0% | 0% | 4% | |
| Asian/Hawaiian/ Pacific Islander | 11% | 6% | 20% | 11% | 17% | 33% | 8% | 6% | 36% | 23% | |
| Latino/Hispanic | 0% | 0% | 0% | 6% | 1% | 11% | 0% | 0% | 7% | 4% | |
| White | 84% | 94% | 60% | 73% | 75% | 33% | 92% | 94% | 57% | 65% | |
| American Indian/ Alaska Native | 0% | 0% | 0% | 0% | 1% | 0% | 0% | 0% | 0% | 0% | |
| Other | 3% | 0% | 0% | 2% | 5% | 11% | 0% | 0% | 0% | 5% | |
| Gender | | | | | | | | | | | |
| Male | 72% | 88% | 70% | 69% | 79% | 67% | 100% | 78% | 79% | 69% | |
| Female | 28% | 13% | 30% | 31% | 21% | 33% | 0% | 22% | 21% | 31% | |
| Non-Identified/ Other | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | |

DS/PN/JLC/ ep

MEMORANDUM

TO: Oakland Police and Fire Retirement System (OPFRS)
FROM: David Sancewich, Paola Nealon – Meketa Inv. Group
DATE: February 23, 2022
RE: 2022 Ongoing Strategic Investment Agenda

On an ongoing (monthly) basis, Meketa develops a list of projects that we expect to work closely with OPFRS to complete over throughout the calendar year (see table below). In an attempt to coordinate the scheduling of these tasks, this memo details a Preliminary Investment Project Agenda by calendaring and prioritizing the expected tasks and deliverables that would be required to fulfill the Agenda. Meketa welcomes any suggestions and/or modifications to the proposed timeline.

2022 Preliminary Investment Project Agenda

| Expected Completion Date | Task |
|--------------------------|---|
| March 2022 | <ul style="list-style-type: none">Cash Flow Report (2Q 2022)2022 Capital Market AssumptionsManager Update: Rice Hall James |
| April 2022 | <ul style="list-style-type: none">Flash Performance (1Q2022)Manager Update: VersorEducational: TBD |
| May 2022 | <ul style="list-style-type: none">Quarterly Performance Report (1Q 2022) |
| June 2022 | <ul style="list-style-type: none">Cash Flow Report (3Q 2022)Educational Item: TBDWatch Update Memo: Rice Hall & JamesManager Update: Wellington |
| July 2022 | <ul style="list-style-type: none">Flash Performance (2Q2022)Manager Update: Kepos |
| August 2022 | <ul style="list-style-type: none">Quarterly Performance Report (2Q 2022) |
| September 2022 | <ul style="list-style-type: none">Cash Flow Report (4Q 2022)Educational Item: TBDThermal Coal List Update: 2022 |



| Expected Completion Date | Task |
|--------------------------|--|
| October 2022 | <ul style="list-style-type: none">Flash Performance (3Q2022) |
| November 2022 | <ul style="list-style-type: none">Quarterly Performance Report (3Q 2022) |
| December 2022 | <ul style="list-style-type: none">Cash Flow Report (1Q 2023) |

Flash Performance are priority strategic items.

This agenda includes only major strategic items. Meketa also expects to work with the Staff and Board to complete more routine tasks and projects, as expected.