



# Nebraska Investment Council

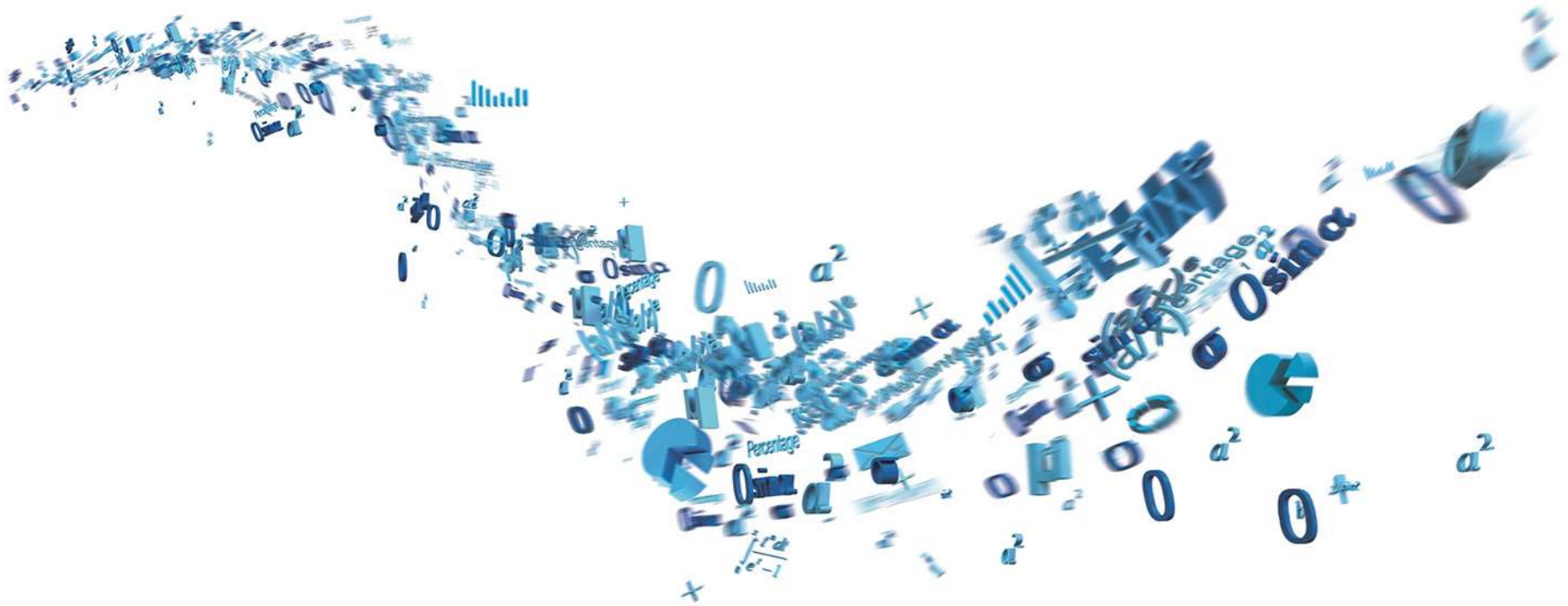
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## Second Quarter 2018 Performance Review

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# Table Of Contents

1	Executive Summary	1
2	Manager Detail	17



# Executive Summary

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## Highlights

## Total Assets by Plan

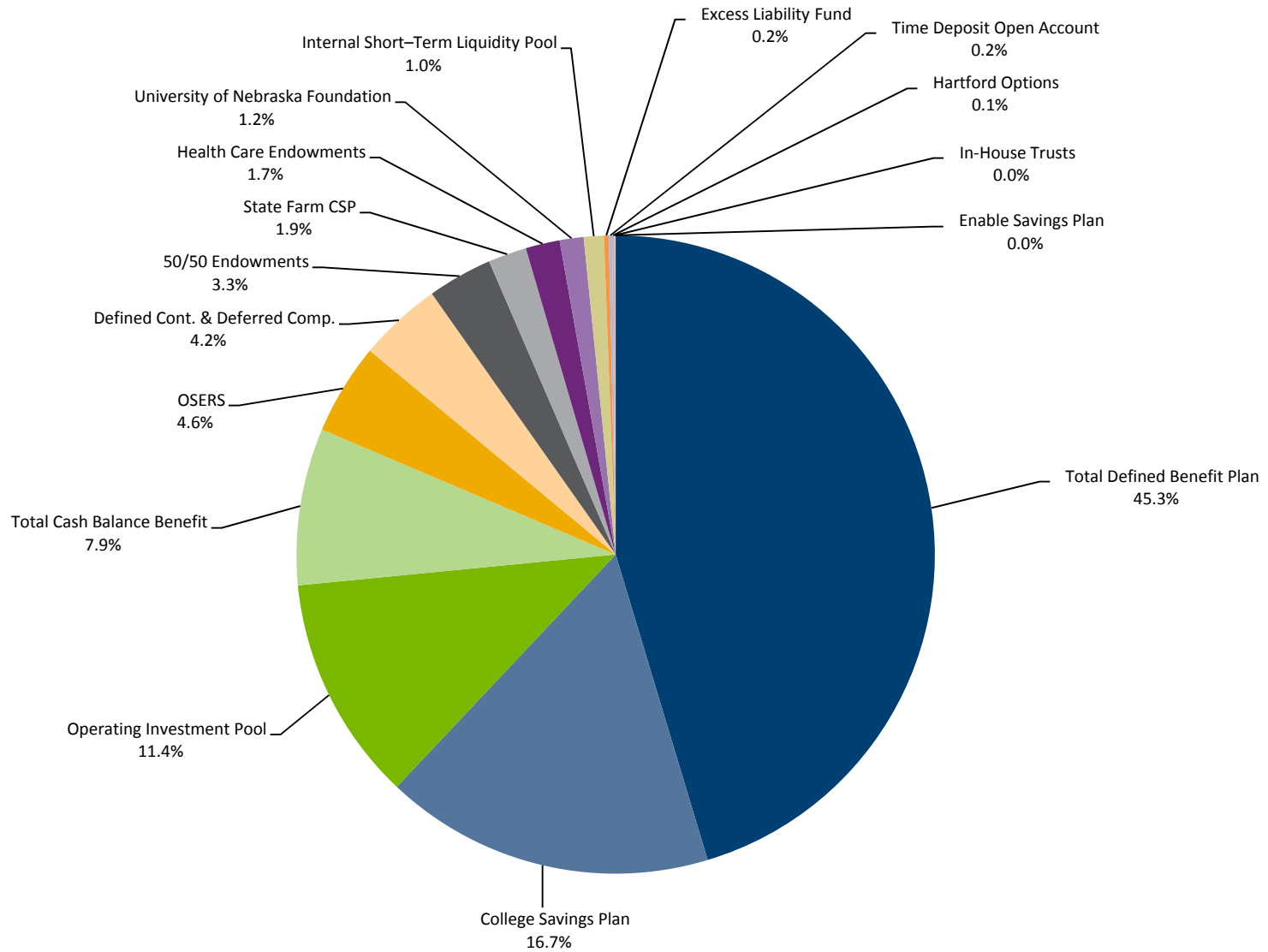
Total Defined Benefit Plan	\$12,178,138,259
Defined Cont. & Deferred Comp.	\$1,131,135,309
Total Cash Balance Benefit	\$2,134,302,070
OSERS	\$1,235,042,264
Hartford Options	\$33,934,810
College Savings Plan	\$4,482,565,797
State Farm CSP	\$521,997,978
Enable Savings Plan	\$5,618,137
Health Care Endowments	\$465,028,393
50/50 Endowments	\$882,162,332
Excess Liability Fund	\$65,960,121
In-House Trusts	\$8,857,449
Internal Short-Term Liquidity Pool	\$273,896,357
Operating Investment Pool (Internal Government/Corporate)	\$3,069,961,980
Time Deposit Open Account	\$43,186,573
University of Nebraska Foundation	\$324,722,589
Total	\$26,856,510,418

## Performance(%)

	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years
<b>Major Capital Markets</b>						
Dow Jones U.S. Total Stock Market Index	3.9	3.2	14.8	11.6	13.2	10.3
MSCI AC World ex USA Index (Net)	-2.6	-3.8	7.3	5.1	6.0	2.5
Blmbg. Barc. Universal	-0.3	-1.7	-0.3	2.1	2.6	4.1
CPI	1.0	2.2	2.9	1.8	1.5	1.4

As of June 30, 2018

## Asset Allocation



## All Plans – Actual vs. Policy Allocation

	Defined Benefit Plan				Cash Balance Benefit			
	Actual	Policy	Difference	Policy Ranges	Actual	Policy	Difference	Policy Ranges
<b>U.S. Equity</b>	27.9%	28.5%	-0.6%	23.5% - 33.5%	27.8%	28.5%	-0.7%	23.5% - 33.5%
<b>Non-U.S. Equity</b>	11.5%	11.5%	0.0%	6.5% - 16.5%	11.5%	11.5%	0.0%	6.5% - 16.5%
<b>Global Equity</b>	20.6%	19.0%	1.6%	14.0% - 24.0%	20.5%	19.0%	1.5%	14.0% - 24.0%
<b>Fixed Income</b>	29.0%	30.0%	-1.0%	25.0% - 35.0%	29.3%	30.0%	-0.7%	25.0% - 35.0%
<b>Real Estate</b>	6.1%	6.0%	0.1%	1.0% - 11.0%	6.1%	6.0%	0.1%	1.0% - 11.0%
<b>Private Equity*</b>	4.9%	5.0%	-0.1%	0.0% - 10.0%	4.9%	5.0%	-0.1%	0.0% - 10.0%

	Health Care Endowment				50/50 Endowment			
	Actual	Policy	Difference	Policy Ranges	Actual	Policy	Difference	Policy Ranges
<b>U.S. Equity</b>	37.0%	40.0%	-3.0%	35.0% - 45.0%	25.7%	25.0%	0.7%	20.0% - 30.0%
<b>Non-U.S. Equity</b>	12.7%	15.0%	-2.3%	10.0% - 20.0%	9.6%	10.0%	-0.4%	5.0% - 15.0%
<b>Global Equity</b>	13.2%	10.0%	3.2%	5.0% - 15.0%	5.6%	5.0%	0.6%	0.0% - 10.0%
<b>Fixed Income</b>	26.5%	25.0%	1.5%	20.0% - 30.0%	47.1%	50.0%	-2.9%	45.0% - 55.0%
<b>Real Estate</b>	5.2%	5.0%	0.2%	0.0% - 10.0%	5.0%	5.0%	0.0%	0.0% - 10.0%
<b>Private Equity*</b>	5.4%	5.0%	0.4%	0.0% - 10.0%	7.0%	5.0%	2.0%	0.0% - 10.0%

- The intermediate-term Private Equity policy allocation is 4% for the Defined Benefit and Cash Balance Benefit Plans.
- The long-term target allocation to Real Estate within the DB and CBB Plans is 7.5% and will be funded from U.S. Equity over time.

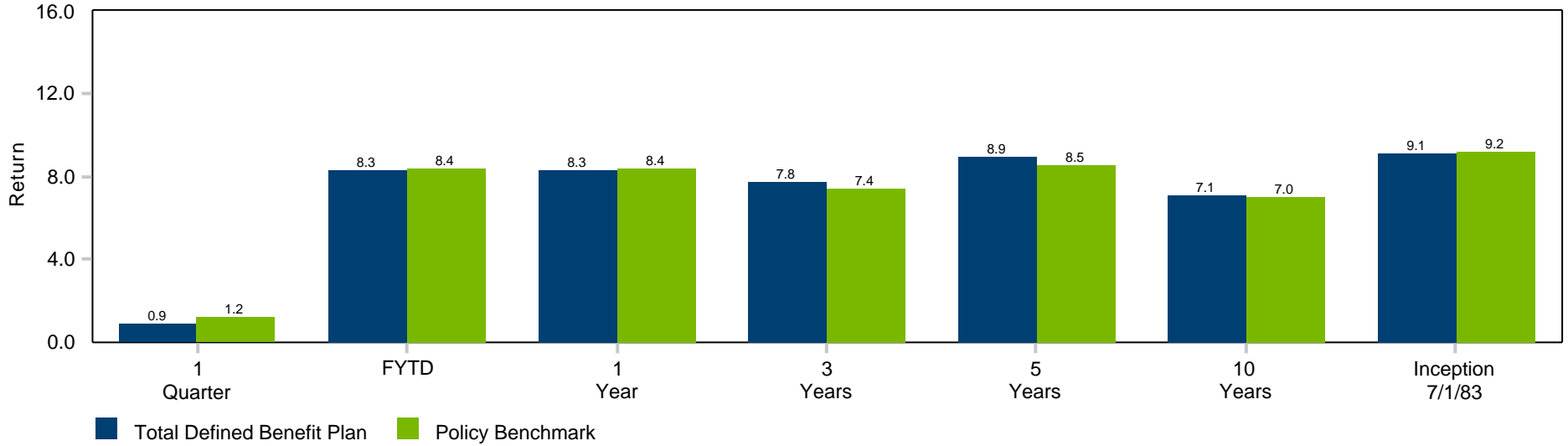
## Asset Allocation &amp; Performance

	Allocation	Performance(%)							Inception Date
	Market Value (\$)	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	
Total Defined Benefit Plan	12,178,138,259	0.9	0.4	8.3	7.8	8.9	7.1	9.1	07/01/1983
Policy Benchmark		1.2	0.5	8.4	7.4	8.5	7.0	9.2	
Total Cash Balance Benefit Plan	2,134,302,070	0.9	0.4	8.3	7.7	8.9	7.1	7.9	01/01/2003
Policy Benchmark		1.2	0.5	8.4	7.4	8.5	7.0	7.9	
OSERS	1,235,042,264	1.1	0.8	7.3	3.5	4.8	5.0	9.1	12/01/1989
Policy Index		1.2	1.4	8.0	5.9	7.1	6.1	N/A	
Health Care Endowments	465,028,393	1.5	0.9	9.0	7.5	8.9	7.3	6.8	01/01/2001
Health Care Policy		1.5	1.0	9.3	7.8	8.9	7.1	5.9	
50/50 Endowments	882,162,332	0.6	-0.7	4.9	5.6	6.7	6.6	7.3	01/01/1996
50/50 Endowment Policy		0.9	0.1	6.1	6.1	7.1	6.4	6.9	
Excess Liability Fund	65,960,121	-0.1	-1.3	0.5	2.4	2.9	4.7	5.5	07/01/1997
Performance Benchmark		-0.3	-1.7	-0.3	2.1	2.6	4.1	5.2	
Total OIP	3,352,648,419	0.1	-0.6	0.0	1.2	1.6	2.4	3.8	01/01/1997
Policy Benchmark		0.0	-0.8	-0.5	1.0	1.4	2.7	4.2	
Aeronautics	6,345,732	0.1	-1.2	-0.9	0.8	1.6	3.4	5.9	01/01/1990
Blmbg. Barc. U.S. Treasury		0.1	-1.1	-0.6	1.0	1.5	3.0	5.5	
Agricultural Development	2,511,717	0.1	-1.2	-0.8	0.7	1.6	3.1	6.2	01/01/1989
Blmbg. Barc. U.S. Treasury		0.1	-1.1	-0.6	1.0	1.5	3.0	5.8	

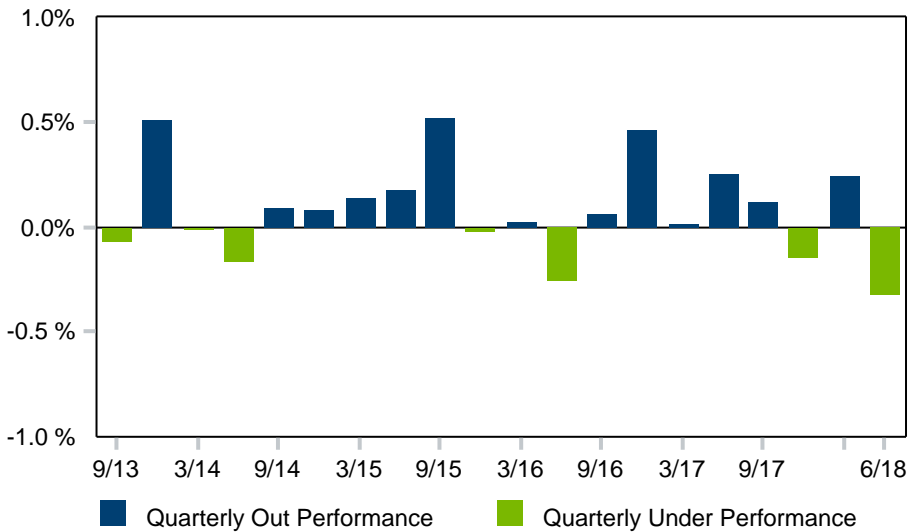
\*Only includes Plans that have a total fund return. As such, Defined Contribution, Deferred Compensation, Hartford, College Savings Plans, TDOA, and University Fund N are not shown

Total Plan Performance Summary

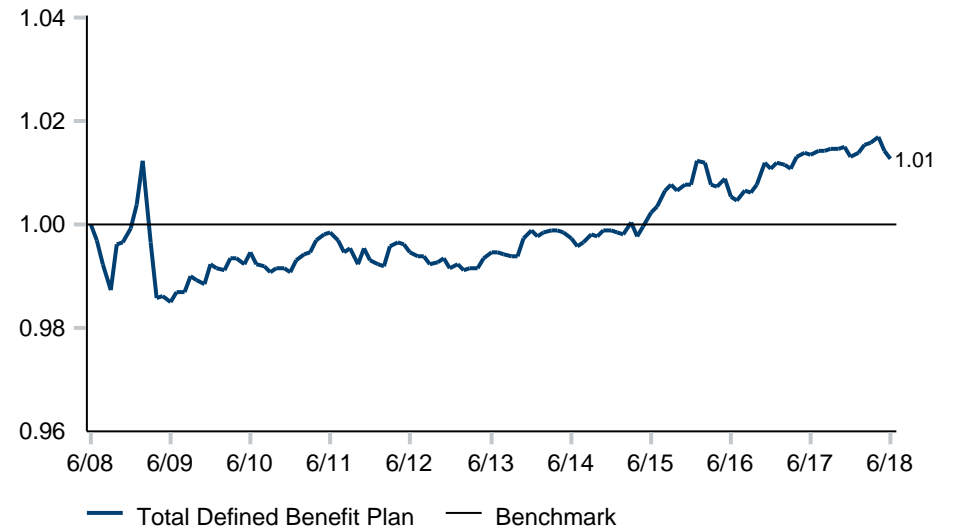
Return Summary



Quarterly Excess Performance



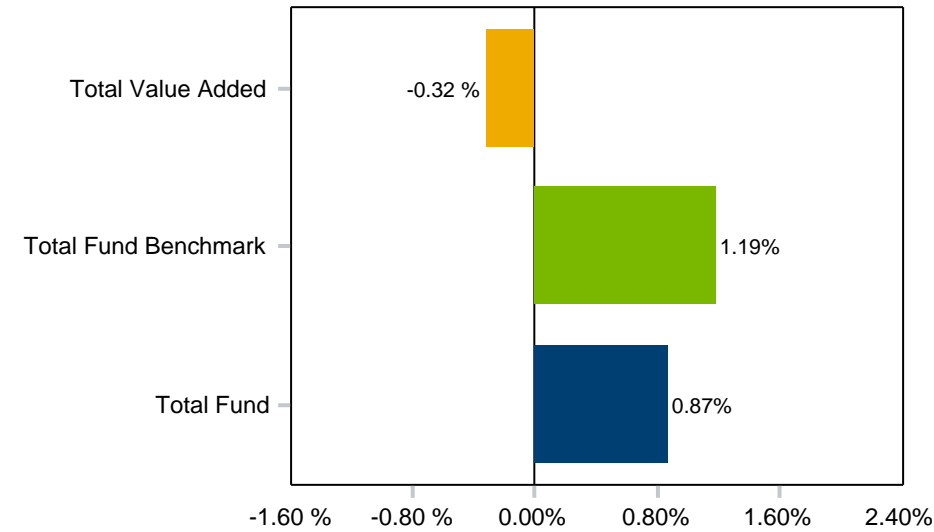
Ratio of Cumulative Wealth - 10 Years



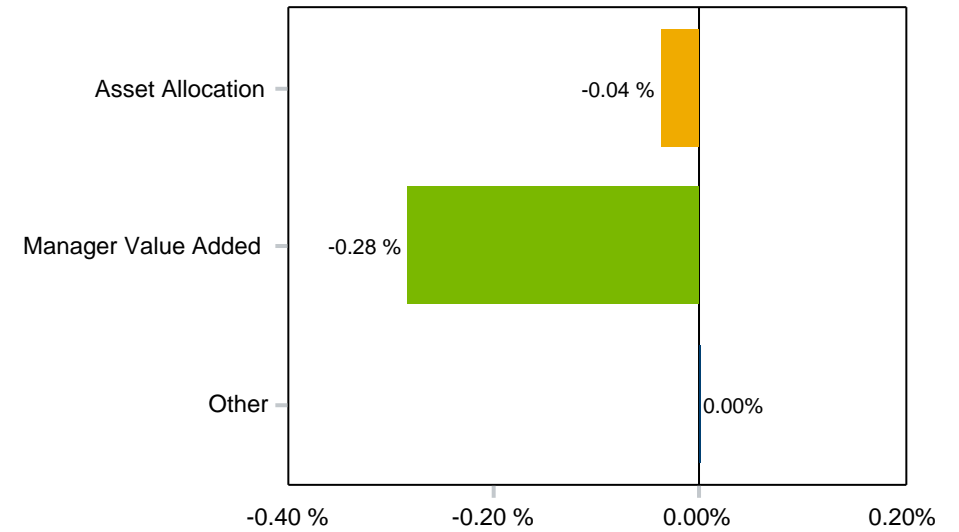


Total Fund Attribution

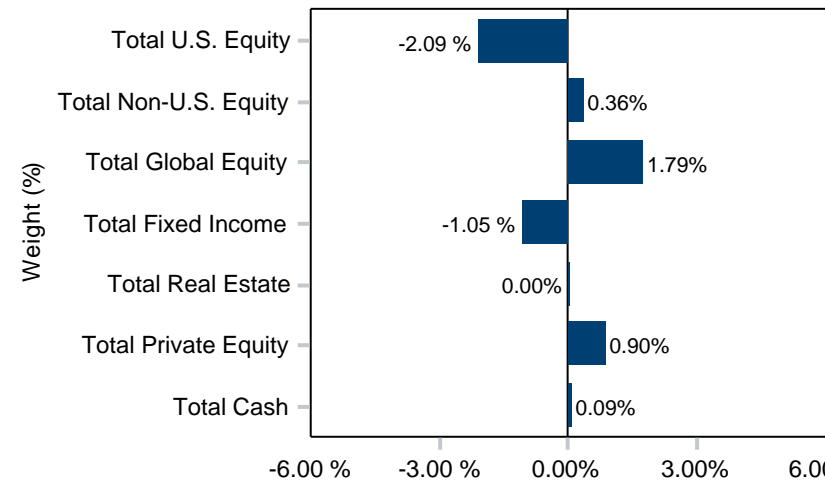
Total Fund Performance



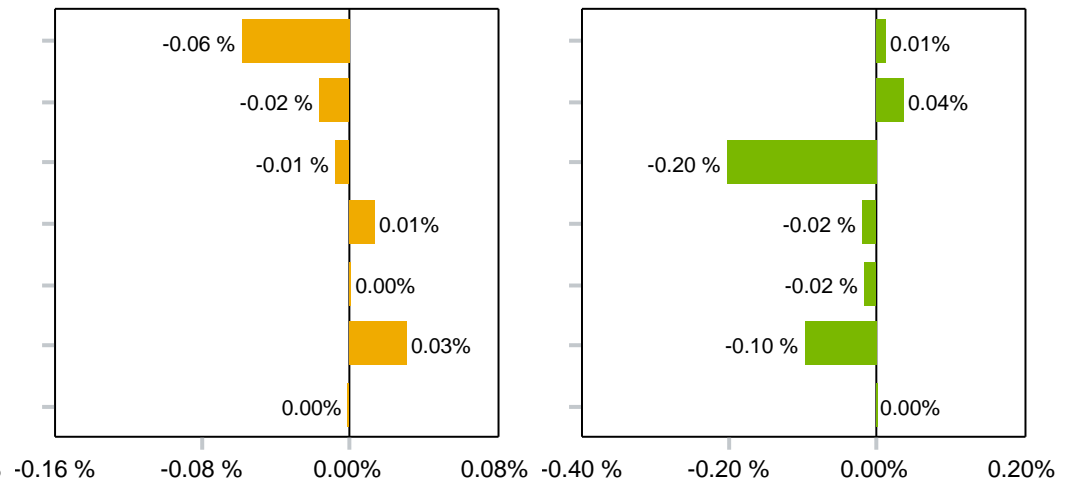
Total Value Added: -0.32 %



Total Asset Allocation: -0.04 %



Total Manager Value Added: -0.28 %



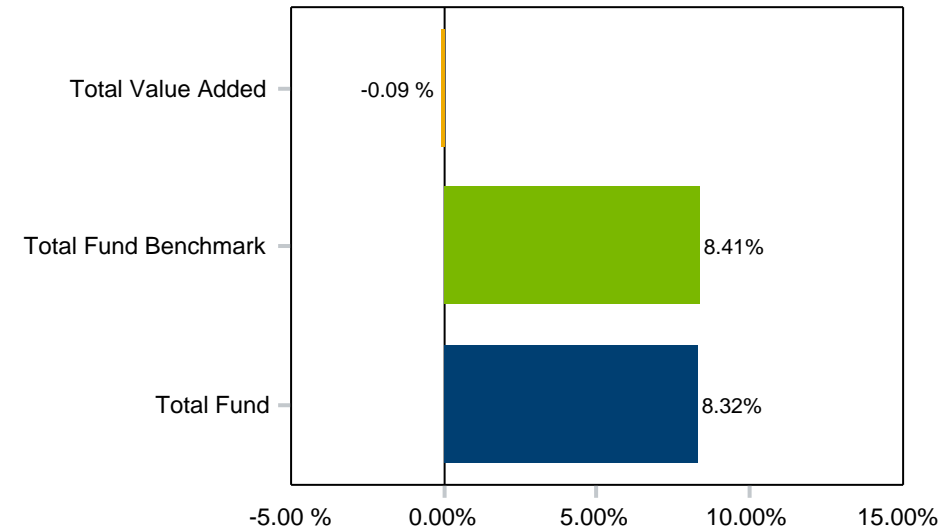
■ Average Active Weight

■ Asset Allocation Value Added

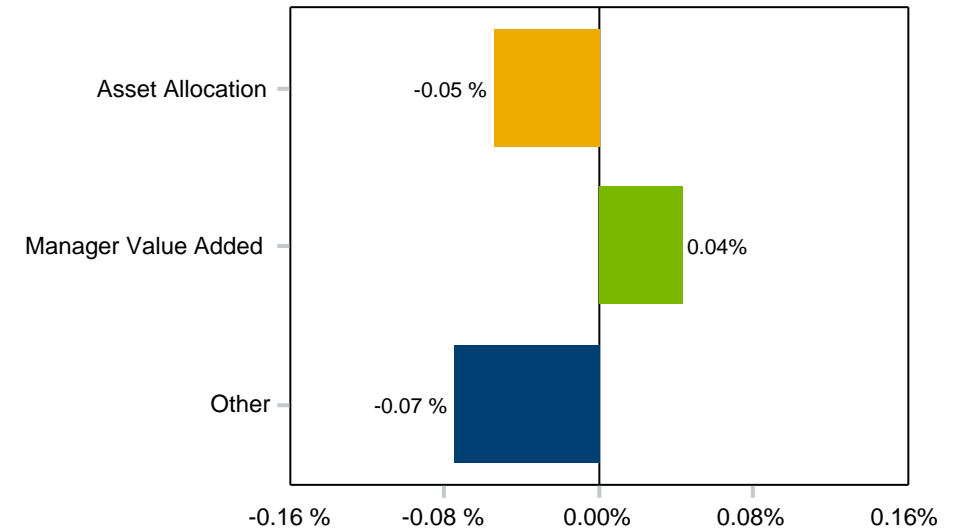
■ Manager Value Added

Total Fund Attribution

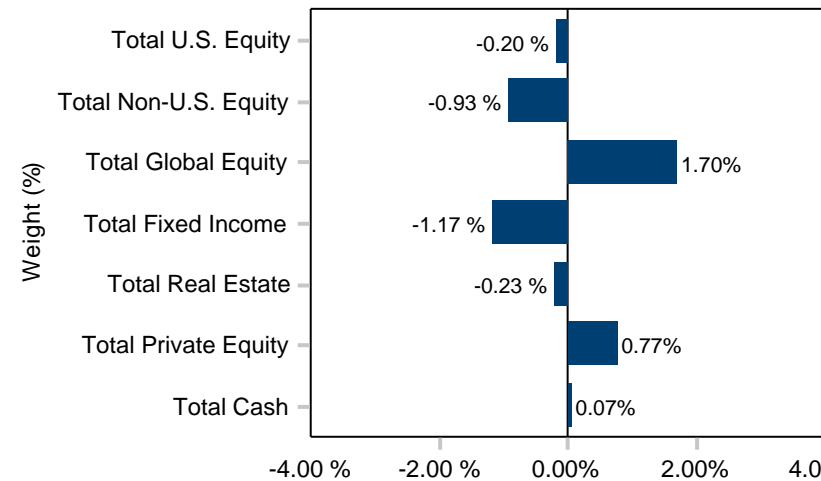
Total Fund Performance



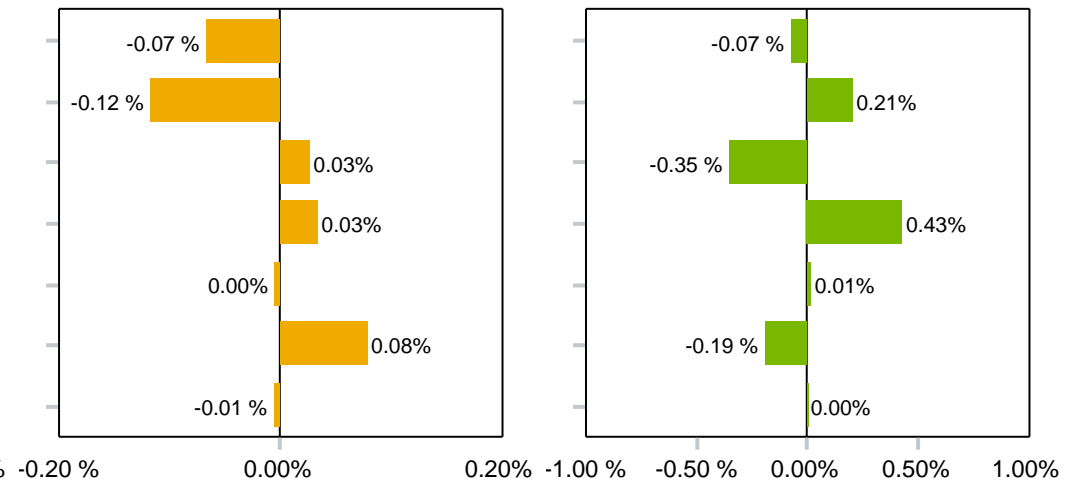
Total Value Added: -0.09%



Total Asset Allocation: -0.05%



Total Manager Value Added: 0.04%



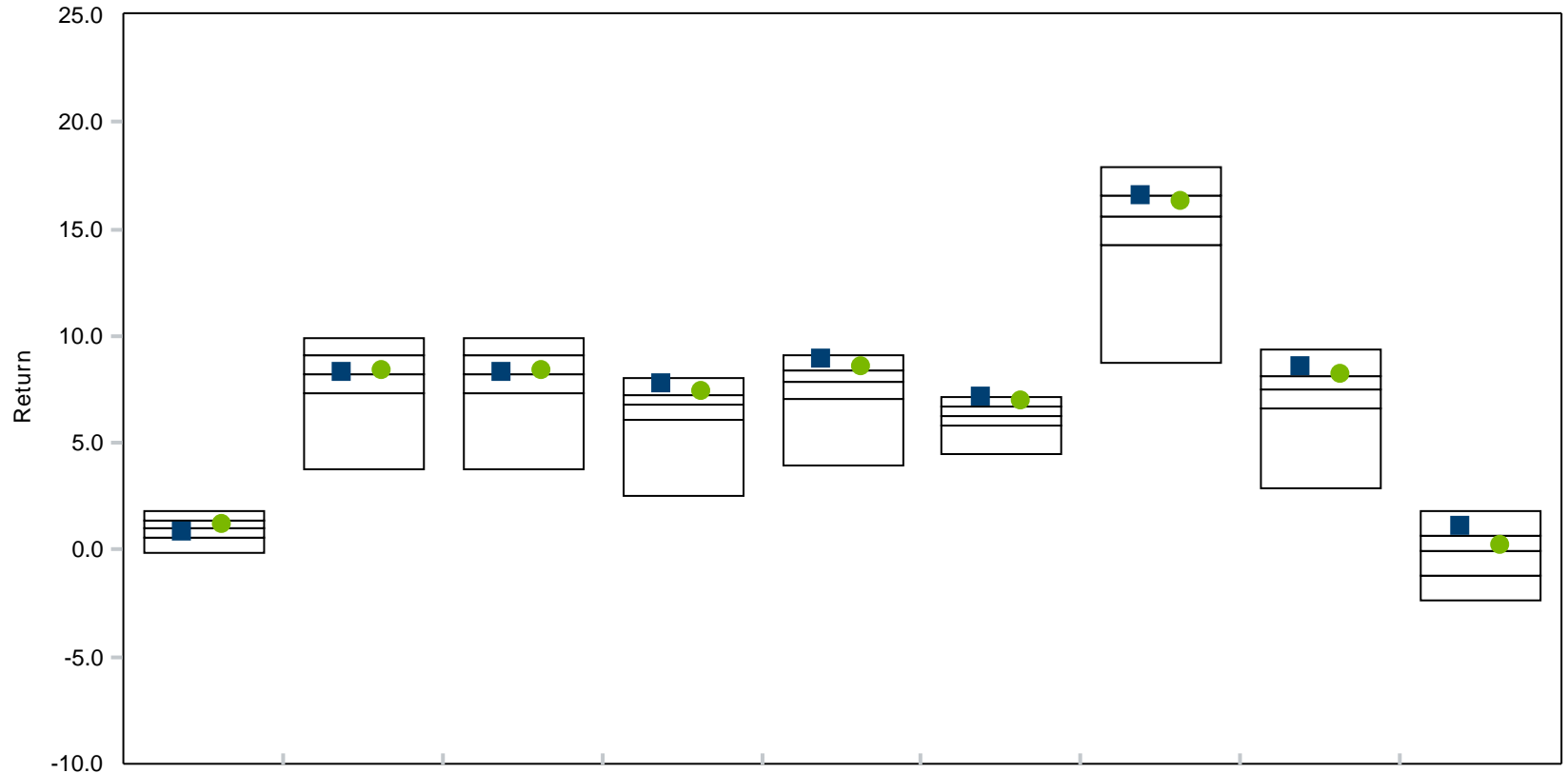
■ Average Active Weight

■ Asset Allocation Value Added

■ Manager Value Added

Plan Sponsor Peer Group Analysis

All Public Plans > \$1B-Total Fund



	1 Quarter	FYTD	1 Year	3 Years	5 Years	10 Years	2017	2016	2015
■ Total Defined Benefit Plan	0.9 (57)	8.3 (48)	8.3 (48)	7.8 (10)	8.9 (10)	7.1 (6)	16.6 (25)	8.6 (13)	1.1 (16)
● Policy Benchmark	1.2 (34)	8.4 (42)	8.4 (42)	7.4 (17)	8.5 (19)	7.0 (9)	16.3 (31)	8.2 (19)	0.3 (37)
5th Percentile	1.8	9.9	9.9	8.0	9.1	7.2	17.9	9.4	1.8
1st Quartile	1.4	9.1	9.1	7.2	8.4	6.7	16.5	8.1	0.7
Median	1.0	8.2	8.2	6.8	7.8	6.3	15.6	7.5	-0.1
3rd Quartile	0.6	7.3	7.3	6.1	7.0	5.8	14.2	6.6	-1.2
95th Percentile	-0.1	3.8	3.8	2.5	4.0	4.5	8.8	2.9	-2.4
Population	80	80	80	77	75	70	107	111	98

Parentheses contain percentile rankings.

**Asset Allocation & Performance**

	Allocation		Performance(%)								
	Market Value \$	%	1 Quarter	Year To Date	FYTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Total Defined Benefit Plan</b>	\$12,178,138,259	100.0	0.9 (57)	0.4 (68)	8.3 (48)	8.3 (48)	7.8 (10)	8.9 (10)	7.1 (6)	9.1	07/01/1983
Policy Benchmark			1.2 (34)	0.5 (66)	8.4 (42)	8.4 (42)	7.4 (17)	8.5 (19)	7.0 (9)	9.2	
<b>Total U.S. Equity</b>	\$3,398,592,453	27.9	3.9 (45)	3.2 (62)	14.6 (46)	14.6 (46)	11.6 (25)	13.3 (11)	10.2 (26)	9.9	07/01/1983
Dow Jones U.S. Total Stock Market			3.9 (50)	3.2 (61)	14.8 (39)	14.8 (39)	11.6 (26)	13.2 (15)	10.3 (19)	10.7	
<b>Total Non-U.S. Equity</b>	\$1,402,567,477	11.5	-2.3 (49)	-3.5 (61)	9.6 (19)	9.6 (19)	6.8 (16)	7.6 (16)	2.6 (81)	5.9	10/01/1991
MSCI All Country World ex-U.S. IMI*			-2.6 (57)	-3.6 (72)	7.7 (45)	7.7 (45)	5.5 (62)	6.4 (65)	2.9 (65)	6.1	
<b>Total Global Equity</b>	\$2,504,002,252	20.6	-0.2 (72)	-1.1 (64)	9.3 (55)	9.3 (55)	8.2 (44)	9.4 (52)	6.6 (52)	7.8 (31)	09/01/2005
MSCI All Country World IMI*			0.7 (54)	-0.2 (50)	11.1 (41)	11.1 (41)	8.3 (43)	9.6 (49)	6.0 (65)	6.7 (58)	
<b>Total Fixed Income</b>	\$3,527,944,936	29.0	-0.3 (77)	-0.8 (23)	1.1 (19)	1.1 (19)	2.8 (36)	3.1 (37)	4.8 (35)	7.9	07/01/1983
Barclays Universal Bond Index*			-0.3 (69)	-1.7 (80)	-0.3 (84)	-0.3 (84)	2.1 (57)	2.6 (57)	4.1 (58)	7.7	
<b>Total Real Estate</b>	\$740,538,576	6.1	1.6	2.8	7.8	7.8	8.9	9.9	4.3	6.9	12/01/2004
Performance Benchmark			1.8	3.8	7.5	7.5	8.2	9.7	6.6	9.0	
<b>Total Private Equity</b>	\$595,702,482	4.9	2.6	5.8	14.1	14.1	12.9	13.5	9.7	4.1	09/01/2005
Dow Jones U.S. Total Stock Market + 3%			4.6	4.8	18.2	18.2	14.9	16.6	13.6	12.1	
<b>Total Cash</b>	\$8,790,082	0.1									

	Allocation		Performance(%)								
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date	
<b>Total Cash Balance Benefit Plan</b>	2,134,302,070	100.0	0.9 (57)	0.4 (68)	8.3 (48)	7.7 (10)	8.9 (10)	7.1 (6)	7.9 (36)	01/01/2003	
Policy Benchmark			1.2 (34)	0.5 (66)	8.4 (42)	7.4 (17)	8.5 (19)	7.0 (9)	7.9 (35)		
<b>Total U.S. Equity</b>	593,066,086	27.8	3.9 (45)	3.2 (62)	14.6 (46)	11.6 (25)	13.3 (11)	10.2 (26)	10.2 (14)	01/01/2003	
Dow Jones U.S. Total Stock Market			3.9 (50)	3.2 (61)	14.8 (39)	11.6 (26)	13.2 (15)	10.3 (19)	10.3 (9)		
<b>Total Non-U.S. Equity</b>	244,752,855	11.5	-2.3 (49)	-3.5 (61)	9.6 (19)	6.8 (16)	7.6 (16)	2.6 (81)	7.9 (84)	01/01/2003	
MSCI All Country World ex-U.S. IMI*			-2.6 (57)	-3.6 (72)	7.7 (45)	5.5 (62)	6.4 (65)	2.9 (65)	8.6 (73)		
<b>Total Global Equity</b>	436,957,016	20.5	-0.2 (72)	-1.1 (64)	9.3 (55)	8.2 (44)	9.4 (52)	6.6 (52)	7.8 (31)	09/01/2005	
MSCI All Country World IMI*			0.7 (54)	-0.2 (50)	11.1 (41)	8.3 (43)	9.6 (49)	6.0 (65)	6.7 (58)		
<b>Total Fixed Income</b>	626,347,448	29.3	-0.3 (76)	-0.8 (24)	1.1 (20)	2.8 (37)	3.1 (38)	4.7 (36)	4.6 (55)	01/01/2003	
Barclays Universal Bond Index*			-0.3 (69)	-1.7 (80)	-0.3 (84)	2.1 (57)	2.6 (57)	4.1 (58)	4.3 (61)		
<b>Total Real Estate</b>	129,226,532	6.1	1.6	2.8	7.8	8.9	9.9	4.3	7.0	12/01/2004	
Performance Benchmark			1.8	3.8	7.5	8.2	9.7	6.6	9.0		
<b>Total Private Equity</b>	103,952,135	4.9	2.6	5.8	14.1	12.9	13.5	9.7	4.1	09/01/2005	
Dow Jones U.S. Total Stock Market + 3%			4.6	4.8	18.2	14.9	16.6	13.6	12.1		

\*Denotes a performance benchmark that is a splice of more than one index. Descriptions can be found in the appendix of this report.

Note: The Total Fixed Income market value for the Cash Balance Benefit plan includes the CBB-GICS & Money Market.

Nebraska Investment Council

Asset Allocation

	\$	Total Fund	%
Total Defined Cont. & Deferred Comp.	1,131,135,309		100.0

	\$	Total Fund	%
Total Hartford Options	33,934,810		100.0

## Asset Allocation

	Total Fund	
	\$	%
First National	4,482,565,797	100.0
Direct	2,100,745,632	46.9
TD	1,253,415,210	28.0
Advisor	1,128,404,954	25.2
A	970,423,641	21.6
C	157,981,313	3.5

	Total Fund	
	\$	%
Total State Farm College Savings Plan	521,997,978	100.0
State Farm Fixed Allocation	125,067,896	24.0
State Farm Enrollment Based	389,392,638	74.6
State Farm Individual Portfolios	7,537,444	1.4

Asset Allocation & Performance

	Allocation	Performance(%)				
	Market Value \$ (\$)	1 Quarter	Year To Date	1 Year	Since Inception	Inception Date
<b>Enable Savings Plan</b>	<b>5,618,137</b>					
Growth Option	1,289,077	1.3	0.4	9.4	11.9	07/01/2016
Enable Benchmark Growth Option		1.5	0.6	9.9	12.4	
Moderate Option	728,397	0.9	0.0	6.8	8.7	07/01/2016
Enable Benchmark Moderate Option		1.1	0.2	7.4	9.2	
Conservative Option	512,495	0.5	-0.1	3.4	4.2	07/01/2016
Enable Benchmark Conservative Option		0.7	0.1	4.0	4.8	
Bank Savings Option	2,454,615	0.1	0.2	0.5	0.5	07/01/2016
FTSE 3 Month T-Bill		0.4	0.8	1.3	0.9	
Checking Option	633,554					

Enable Savings Plan: Nebraska	5,255,475	Enable Savings Plan: Alabama	362,663
Growth Option Nebraska	1,122,617	Growth Option Alabama	166,459
Moderate Option Nebraska	664,191	Moderate Option Alabama	64,206
Conservative Option Nebraska	501,048	Conservative Option Alabama	11,447
Bank Savings Option Nebraska	2,404,285	Bank Savings Option Alabama	50,329
Checking Option Nebraska	563,333	Checking Option Alabama	70,221

## Asset Class Performance

	Allocation		Performance(%)							
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Total Health Care Endowment</b>	465,028,393	100.0	1.5	0.9	9.0	7.5	8.9	7.3	6.8	01/01/2001
Health Care Policy			1.5	1.0	9.3	7.8	8.9	7.1	5.9	
<b>Total US Equity</b>	171,876,051	37.0	4.0	3.2	14.6	11.5	13.3	10.2	7.7	01/01/2002
Dow Jones U.S. Total Stock Market Index			3.9	3.2	14.8	11.6	13.2	10.3	8.1	
<b>Total Non-US Equity</b>	59,163,404	12.7	-3.1	-4.1	8.0	5.8	6.6	3.1	5.1	01/01/2001
MSCI All Country World ex-U.S. IMI*			-2.6	-3.6	7.7	5.5	6.4	2.8	5.0	
<b>Total Global Equity</b>	61,530,774	13.2	0.2	-1.3	8.3	7.6	9.2	6.5	7.6	09/01/2005
MSCI All Country World IMI*			0.7	-0.2	11.1	8.3	9.6	5.9	6.6	
<b>Total Fixed Income</b>	123,004,035	26.5	0.1	-0.6	-0.2	0.9	1.4	1.9	3.8	07/01/1997
Performance Benchmark			0.1	-0.6	-0.6	0.6	1.0	2.0	3.5	
<b>Total Real Estate</b>	24,306,763	5.2								
<b>Total Private Equity</b>	25,147,366	5.4								

	Allocation		Performance(%)							
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Total 50/50 Endowment</b>	882,162,332	100.0	0.6	-0.7	4.9	5.6	6.7	6.6	7.3	01/01/1996
50/50 Endowment Policy			0.9	0.1	6.1	6.1	7.1	6.4	6.9	
<b>Total US Equity</b>	226,532,380	25.7	1.9	-0.9	7.7	8.5	10.6	9.1	7.0	01/01/2002
Dow Jones U.S. Total Stock Market Index			3.9	3.2	14.8	11.6	13.2	10.3	8.1	
<b>Total Non-US Equity</b>	85,100,464	9.6	-3.1	-4.1	8.0	5.8	6.6	2.7	4.8	01/01/2001
MSCI All Country World ex-U.S. IMI*			-2.6	-3.6	7.7	5.5	6.4	2.8	5.0	
<b>Total Global Equity</b>	49,214,440	5.6	0.2	-1.3	8.3	7.6	9.2	6.5	7.6	09/01/2005
MSCI All Country World IMI*			0.7	-0.2	11.1	8.3	9.6	5.9	6.6	
<b>Total Fixed Income</b>	415,683,199	47.1	-0.1	-1.3	0.4	2.3	2.9	4.7	5.5	07/01/1997
Bloomberg Barclays Universal Bond Index*			-0.3	-1.7	-0.3	2.1	2.6	4.1	5.1	
<b>Total Real Estate</b>	43,981,460	5.0								
<b>Total Private Equity</b>	61,650,389	7.0								

-Beginning December 2012, performance was calculated by Aon Hewitt Investment Consulting. Prior to December 2012, performance was calculated by State Street.

\*Denotes a performance benchmark that is a splice of more than one index. Descriptions can be found in the appendix of this report.

Nebraska Investment Council



## Asset Allocation &amp; Performance

	Allocation		Performance(%)							
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Total In-House Plans</b>	<b>8,857,449</b>	<b>100.0</b>								
Aeronautics	6,345,732	71.6	0.1	-1.2	-0.9	0.8	1.6	3.4	5.9	01/01/1990
Blmbg. Barc. U.S. Treasury			0.1	-1.1	-0.6	1.0	1.5	3.0	5.5	
Agricultural Development	2,511,717	28.4	0.1	-1.2	-0.8	0.7	1.6	3.1	6.2	01/01/1989
Blmbg. Barc. U.S. Treasury			0.1	-1.1	-0.6	1.0	1.5	3.0	5.8	

	Allocation		Performance(%)							
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Total OIP</b>	<b>3,352,648,419</b>	<b>100.0</b>	<b>0.1</b>	<b>-0.6</b>	<b>0.0</b>	<b>1.2</b>	<b>1.6</b>	<b>2.4</b>	<b>3.8</b>	<b>01/01/1997</b>
Policy Benchmark			0.0	-0.8	-0.5	1.0	1.4	2.7	4.2	
Internal Short-Term Liquidity Pool	282,686,439	8.4	0.3	0.6	1.0	0.5	0.4	1.2	3.2	01/01/1997
Performance Benchmark			0.0	0.1	0.2	0.2	0.2	1.5	3.4	
Operating Investment Pool (Internal Government/Corporate)	3,069,961,980	91.6	0.1	-0.8	-0.3	1.3	1.7		1.6	11/01/2011
Performance Benchmark			0.0	-1.0	-0.6	1.1	1.6		1.7	

	Total Fund	
	\$	%
<b>Time Deposit Open Account</b>	<b>43,186,573</b>	<b>100.0</b>

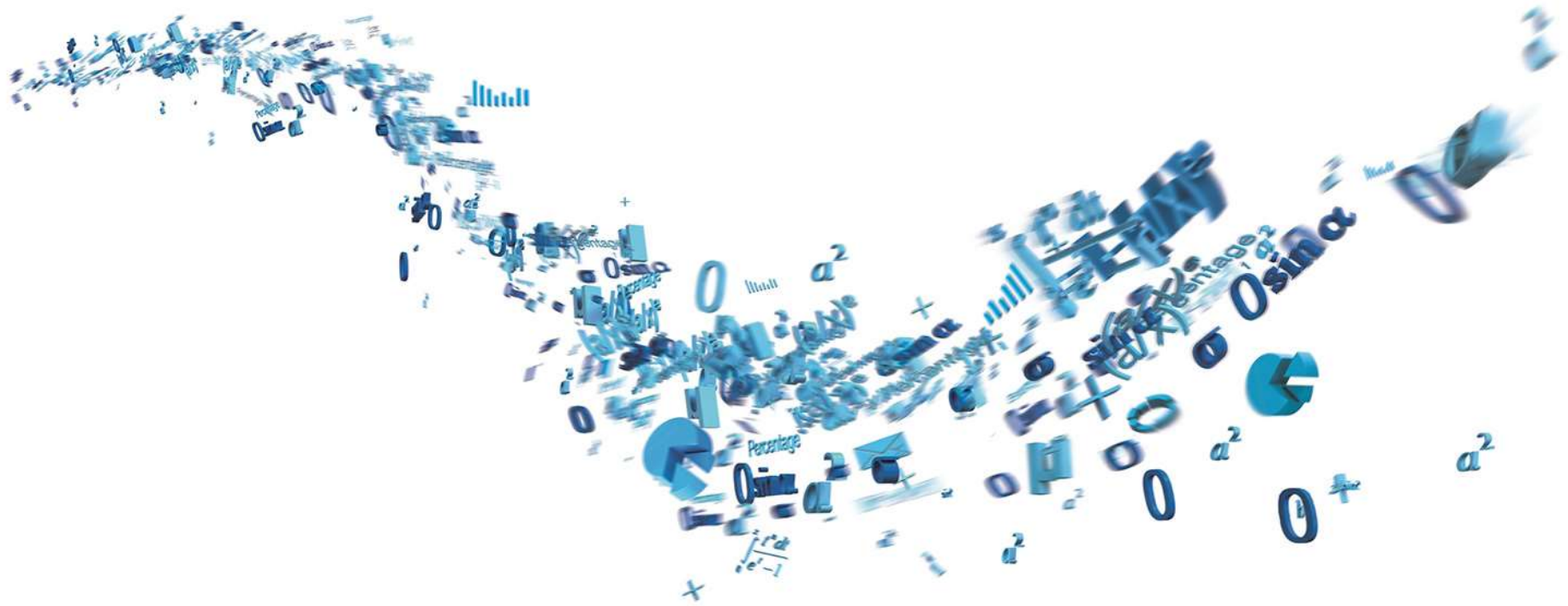
The Internal Short-Term Liquidity Pool includes the DB STIF amount of \$8,790,082.12. When summing the assets of all NIC plans, the DB STIF has been counted in the DB Plan and removed from the In-House Plan to avoid double counting.

## Watchlist

Plan/Fund	Status as of 2Q 2018	Trigger Event	AHIC Comment
<b>Defined Benefit &amp; CBB</b> None			
<b>Deferred Contribution &amp; Deferred Compensation Plan</b> DFA Small Cap Value	Yellow	Performance	Continue to monitor
<b>Hartford Plan</b> American Century Value American Funds Growth Fund of America Hartford Capital Appreciation HLS Goldman Sachs Mid-Cap Value Munder Mid-Cap Core Growth Mutual Discovery Oakmark Equity & Income Templeton Foreign Fund	Yellow Yellow Yellow Yellow Yellow Yellow Yellow Yellow	Performance Performance Performance Weak Manager Research Rating, Adverse Change in Portfolio Manager Performance Performance, Weak Manager Research Rating Performance, Weak Manager Research Rating Performance	Continue to monitor Continue to monitor Continue to monitor Continue to monitor Continue to monitor Continue to monitor Continue to monitor Continue to monitor
<b>State Farm College Savings Plan</b> Oppenheimer Capital Appreciation Fund Oppenheimer Main Street Fund State Farm Bond Fund	Yellow Yellow Yellow	Performance Performance Performance	Continue to monitor Continue to monitor Continue to monitor

Status	Number of Criteria Met	Suggested Action
	Less than 2	Active – No action required
	2 to 3	Active – On “closely monitored” list
	4	Closed – all allocations to the fund must be stopped, but
	Greater than 4	Closed Out – All invested balances must be moved to another active

Funds listed under the College Savings Plan section register “Yellow” in at least one of the three underlying plans



## Manager Detail

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Total Defined Benefit Plan

As of June 30, 2018

Asset Allocation & Performance

	Allocation			Performance(%)									Inception Date
	Market Value \$	%	Policy(%)	1 Quarter	Year To Date	FYTD	1 Year	3 Years	5 Years	10 Years	Since Inception		
Total Defined Benefit Plan	\$12,178,138,259	100.0	100.0	0.9 (57)	0.4 (68)	8.3 (48)	8.3 (48)	7.8 (10)	8.9 (10)	7.1 (6)	9.1 (-)	07/01/1983	
Policy Benchmark				1.2 (34)	0.5 (66)	8.4 (42)	8.4 (42)	7.4 (17)	8.5 (19)	7.0 (9)	9.2 (-)		
Total U.S. Equity	\$3,398,592,453	27.9	29.5	3.9 (45)	3.2 (62)	14.6 (46)	14.6 (46)	11.6 (25)	13.3 (11)	10.2 (26)	9.9 (-)	07/01/1983	
Dow Jones U.S. Total Stock Market				3.9 (50)	3.2 (61)	14.8 (39)	14.8 (39)	11.6 (26)	13.2 (15)	10.3 (19)	10.7 (-)		
DFA	\$354,083,744	2.9		6.9 (37)	5.5 (54)	15.6 (51)	15.6 (51)	11.0 (48)	12.5 (57)	12.1 (23)	12.3 (8)	10/01/1996	
Russell 2000 Index*				7.8 (24)	7.7 (33)	17.6 (36)	17.6 (36)	11.0 (48)	12.2 (60)	10.4 (49)	10.1 (56)		
BlackRock Russell 1000 Index	\$3,044,508,709	25.0		3.6 (21)	2.9 (32)	14.5 (36)	14.5 (36)	11.7 (24)	13.4 (29)	10.2 (26)	8.0 (33)	10/01/2007	
Russell 1000 Index				3.6 (21)	2.9 (34)	14.5 (36)	14.5 (36)	11.6 (25)	13.4 (29)	10.2 (27)	7.9 (33)		
Total Non-U.S. Equity	\$1,402,567,477	11.5	11.5	-2.3 (49)	-3.5 (61)	9.6 (19)	9.6 (19)	6.8 (16)	7.6 (16)	2.6 (81)	5.9 (-)	10/01/1991	
MSCI All Country World ex-U.S. IMI*				-2.6 (57)	-3.6 (72)	7.7 (45)	7.7 (45)	5.5 (62)	6.4 (65)	2.9 (65)	6.1 (-)		
BlackRock ACWI ex-U.S. IMI Index	\$1,401,762,254	11.5		-2.3 (43)	-3.5 (46)	-	-	-	-	-	-0.8 (37)	12/01/2017	
MSCI AC World ex USA IMI (Net)				-2.6 (47)	-3.6 (48)	-	-	-	-	-	-1.4 (45)		
Gryphon	\$805,223	0.0											
Total Global Equity	\$2,504,002,252	20.6	19.0	-0.2 (72)	-1.1 (64)	9.3 (55)	9.3 (55)	8.2 (44)	9.4 (52)	6.6 (52)	7.8 (31)	09/01/2005	
MSCI All Country World IMI*				0.7 (54)	-0.2 (50)	11.1 (41)	11.1 (41)	8.3 (43)	9.6 (49)	6.0 (65)	6.7 (58)		
MFS	\$748,922,802	6.1		0.3 (62)	-1.7 (71)	5.7 (78)	5.7 (78)	8.1 (46)	9.9 (44)	8.8 (18)	9.0 (11)	10/01/2005	
MSCI All Country World IMI*				0.7 (54)	-0.2 (50)	11.1 (41)	11.1 (41)	8.3 (43)	9.6 (49)	5.9 (66)	6.4 (59)		
Arrowstreet	\$886,311,218	7.3		-0.7 (80)	-0.1 (49)	11.9 (36)	11.9 (36)	-	-	-	17.1 (18)	09/01/2016	
MSCI AC World IMI (Net)				0.7 (54)	-0.2 (50)	11.1 (41)	11.1 (41)	-	-	-	13.5 (44)		
Wellington Equity	\$290,798,068	2.4		0.8 (54)	2.5 (39)	16.4 (25)	16.4 (25)	-	-	-	18.1 (24)	09/01/2016	
MSCI AC World Small Cap (Net)				1.9 (47)	1.5 (54)	13.8 (52)	13.8 (52)	-	-	-	15.2 (52)		
Dodge & Cox	\$576,949,995	4.7		-0.7 (78)	-3.3 (82)	5.9 (69)	5.9 (69)	-	-	-	5.9 (69)	07/01/2017	
MSCI AC World IMI (Net)				0.7 (54)	-0.2 (48)	11.1 (40)	11.1 (40)	-	-	-	11.1 (40)		
Acadian Global Equity	\$55,037	0.0											
Mondrian	\$270,803	0.0											
IronBridge	\$694,329	0.0											

Performance for individual private equity accounts are provided separately in the private equity performance report.  
Nebraska Investment Council

## Asset Allocation &amp; Performance

	Allocation			Performance(%)								
	Market Value \$	%	Policy(%)	1 Quarter	Year To Date	FYTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Total Fixed Income</b>	<b>\$3,527,944,936</b>	<b>29.0</b>	<b>30.0</b>	-0.3 (77)	-0.8 (23)	1.1 (19)	1.1 (19)	2.8 (36)	3.1 (37)	4.8 (35)	7.9 (-)	07/01/1983
Blmbg. Barc. Universal Bond Index*				-0.3 (69)	-1.7 (80)	-0.3 (84)	-0.3 (84)	2.1 (57)	2.6 (57)	4.1 (58)	7.7 (-)	
BlackRock Core Plus Universal	\$495,540,655	4.1		-0.3 (52)	-1.8 (69)	-0.3 (76)	-0.3 (76)	2.2 (54)	2.9 (46)	4.5 (67)	5.6 (29)	04/01/1998
Blmbg. Barc. Universal Bond Index*				-0.3 (50)	-1.7 (56)	-0.3 (75)	-0.3 (75)	2.1 (57)	2.6 (64)	4.1 (84)	5.2 (56)	
PIMCO	\$625,554,767	5.1		-0.1 (21)	-1.3 (26)	0.8 (14)	0.8 (14)	2.8 (24)	3.0 (43)	4.7 (58)	5.7 (24)	04/01/1998
Blmbg. Barc. Universal Bond Index*				-0.3 (50)	-1.7 (56)	-0.3 (75)	-0.3 (75)	2.1 (57)	2.6 (64)	4.1 (84)	5.2 (56)	
BlackRock Aggregate Bond Index	\$534,304,191	4.4		-0.1 (39)	-1.8 (74)	-0.5 (64)	-0.5 (64)	1.7 (53)	2.3 (51)	3.8 (67)	4.1 (56)	02/01/2006
Blmbg. Barc. Aggregate Bond Index				-0.2 (45)	-1.6 (54)	-0.4 (53)	-0.4 (53)	1.7 (57)	2.3 (57)	3.7 (76)	4.0 (69)	
Loomis Sayles	\$185,641,701	1.5		-0.9 (92)	-1.2 (20)	1.7 (7)	1.7 (7)	3.9 (7)	5.4 (2)	7.5 (1)	7.1 (1)	07/01/2006
Blmbg. Barc. Universal Bond Index*				-0.3 (50)	-1.7 (56)	-0.3 (75)	-0.3 (75)	2.1 (57)	2.6 (64)	5.0 (41)	4.9 (53)	
Wellington Global	\$385,365,011	3.2		-2.7 (68)	-1.2 (51)	1.5 (46)	1.5 (46)	2.5 (61)	-	-	0.2 (72)	09/01/2014
Blmbg. Barc. Global Aggregate				-2.8 (69)	-1.5 (55)	1.4 (49)	1.4 (49)	2.6 (60)	-	-	0.2 (72)	
Loomis Sayles Bank Loans	\$314,711,769	2.6		0.3 (95)	1.3 (100)	2.8 (98)	2.8 (98)	3.2 (90)	-	-	3.0 (86)	06/01/2014
S&P/LSTA Leveraged Loan Index				0.7 (30)	2.2 (16)	4.4 (41)	4.4 (41)	4.2 (30)	-	-	3.7 (36)	
Franklin Templeton	\$333,317,261	2.7		0.5 (75)	1.8 (60)	3.1 (94)	3.1 (94)	3.9 (43)	-	-	3.6 (40)	07/01/2014
Credit Suisse Leveraged Loan (Split BB)				0.6 (39)	1.9 (52)	3.6 (77)	3.6 (77)	3.8 (53)	-	-	3.8 (26)	
Neuberger Berman Core Plus	\$535,645,194	4.4		-0.4 (65)	-1.3 (26)	0.5 (20)	0.5 (20)	2.5 (42)	-	-	2.5 (42)	07/01/2015
Blmbg. Barc. Universal Bond Index				-0.3 (50)	-1.7 (56)	-0.3 (75)	-0.3 (75)	2.1 (57)	-	-	2.1 (57)	
Opportunistic Fixed Income - PIMCO Bravo II	\$72,086,206	0.6										
Opportunistic Fixed Income - Oaktree	\$32,780,824	0.3										
Opportunistic Cash and Int Rec	\$12,705,172	0.1										
Contributions and Withdrawals	\$292,183	0.0										
<b>Total Real Estate</b>	<b>\$740,538,576</b>	<b>6.1</b>	<b>6.0</b>	<b>1.6</b>	<b>2.8</b>	<b>7.8</b>	<b>7.8</b>	<b>8.9</b>	<b>9.9</b>	<b>4.3</b>	<b>6.9</b>	<b>12/01/2004</b>
Performance Benchmark				1.8	3.8	7.5	7.5	8.2	9.7	6.6	9.0	
CB Richard Ellis Strategic	\$5,494,181	0.0										
Prudential PRISA I	\$160,254,161	1.3										
UBS Real Estate	\$134,566,978	1.1										
Cornerstone Patriot Fund	\$127,546,381	1.0										
Rockwood Capital Real Estate Fund IX	\$7,183,067	0.1										
Prudential PRISA II	\$68,538,869	0.6										
Beacon	\$17,429	0.0										
Five Arrows Realty	\$1,627,663	0.0										
Heitman Value Partners II	\$38,229	0.0										
RockPoint Fund III	\$1,710,421	0.0										
Landmark Real Estate VI	\$5,847,221	0.0										
Landmark Real Estate VII	\$27,636,534	0.2										
AG Realty Fund VIII	\$8,374,400	0.1										
UBS Trumbull Property Income	\$107,917,464	0.9										
Almanac Realty Securities VII	\$21,258,858	0.2										
Torchlight IV	\$9,992,509	0.1										
Torchlight V	\$23,056,284	0.2										

Performance for individual private equity accounts are provided separately in the private equity performance report.  
Nebraska Investment Council

## Asset Allocation &amp; Performance

	Allocation			Performance(%)								
	Market Value \$	%	Policy(%)	1 Quarter	Year To Date	FYTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Rockwood Capital Real Estate Fund X	\$14,086,717	0.1										
Landmark Real Estate VIII	\$3,537,638	0.0										
Real Estate Cash	\$9,365,596	0.1										
<b>Total Private Equity</b>	<b>\$595,702,482</b>	<b>4.9</b>	<b>4.0</b>	<b>2.6</b>	<b>5.8</b>	<b>14.1</b>	<b>14.1</b>	<b>12.9</b>	<b>13.5</b>	<b>9.7</b>	<b>4.1</b>	<b>09/01/2005</b>
Dow Jones U.S. Total Stock Market + 3%				4.6	4.8	18.2	18.2	14.9	16.6	13.6	12.1	
Abbott Capital	\$10,793,882	0.1										
Pathway	\$25,983,225	0.2										
Sun Capital	\$7,128,955	0.1										
Dover Street VIII	\$9,397,421	0.1										
CMEA Ventures VII	\$6,359,230	0.1										
New Mountain Partners III	\$14,306,254	0.1										
New Mountain Partners IV	\$22,763,606	0.2										
Citigroup Venture Capital International	\$7,098,411	0.1										
Wayzata Opportunities Fund II	\$5,111,581	0.0										
Resolute Fund II	\$9,713,935	0.1										
Resolute Fund III	\$23,673,702	0.2										
Accel KKR Capital Partners III	\$6,435,557	0.1										
BridgePoint Europe IV	\$12,584,791	0.1										
Quantum Energy Partners V	\$16,155,137	0.1										
Quantum Energy Partners VI	\$17,946,229	0.1										
CVC European Equity Partners VI	\$12,674,151	0.1										
CVC European Equity Partners V	\$7,213,077	0.1										
Fulcrum Growth Partners IV	\$7,714,023	0.1										
Ares Corporate Opp Fund III	\$16,449,328	0.1										
Ares Corporate Opp Fund IV	\$15,877,978	0.1										
New Enterprise Associates 13	\$15,912,420	0.1										
New Enterprise Associates 14	\$23,634,945	0.2										
Lincolnshire Equity Partners IV	\$9,854,917	0.1										
Merit Mezzanine Fund V	\$7,165,077	0.1										
Ares Mezzanine Fund Partners	\$57,563	0.0										
Lightyear Fund III	\$14,609,182	0.1										
EIF U.S. Power Fund IV	\$15,661,078	0.1										
McCarthy Capital Fund V	\$16,966,883	0.1										
Green Equity Investors VI	\$15,824,008	0.1										
Wayzata Opp Fund III	\$753,580	0.0										
Accel KKR Capital Partners IV	\$8,889,422	0.1										
Beeker Petty O'Keefe & Co. IV	\$10,866,248	0.1										
Pine Brook Capital Partners II	\$28,589,505	0.2										
EMG III LP	\$24,053,291	0.2										
Francisco Partners IV	\$20,395,142	0.2										
Wynnchurch Capital Partners IV	\$10,769,168	0.1										

Performance for individual private equity accounts are provided separately in the private equity performance report.  
Nebraska Investment Council

## Asset Allocation &amp; Performance

	Allocation			Performance(%)								
	Market Value \$	%	Policy(%)	1 Quarter	Year To Date	FYTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
BridgePoint Europe V	\$14,045,662	0.1										
McCarthy Capital Fund VI	\$12,549,877	0.1										
Dover Street IX	\$14,098,188	0.1										
Green Equity Investors VII	\$15,071,378	0.1										
Quantum Energy Investors VII	\$11,944,631	0.1										
Ares Corporate Opp Fund V	\$13,324,782	0.1										
Genstar Cap Ptr VIII L.P.	\$7,581,026	0.1										
New Mountain Partners V	\$12,264,787	0.1										
Private Equity Cash	\$13,104,289	0.1										
<b>Total Cash</b>	<b>\$8,790,082</b>	<b>0.1</b>	<b>0.0</b>									
STIF	\$8,790,082	0.1										

The Inception-to-Date IRR for Real Estate is 7.15% as of 3/31/2018. The Inception-to-Date IRR for Private Equity is 11.31% as of 3/31/2018.

\* Denotes a performance benchmark that is a splice of more than one index. Descriptions can be found in the appendix of this report.

The Private Equity asset class returns are time-weighted.

Performance for individual private equity accounts are provided separately in the private equity performance report.  
Nebraska Investment Council

## OSERS – Summary of Transition Activity During 2Q

	Allocation as of 12/31/16 (%)	Allocation as of 12/31/17 (%)	Allocation as of 3/31/18 (%)	Allocation as of 6/30/18 (%)	Transition Year 2 Target	Long-Term Target Asset Allocation
U.S. Equity	13.4%	20.0%	20.0%	20.2%	21.0%	27.0%
Non-U.S. Equity	--	9.6	9.7	9.4	9.0	11.5
Global Equity	18.5	13.4	13.5	13.3	14.5	19.0
Fixed Income (Core)	11.5	24.0	23.8	23.5	25.0	21.5
Fixed Income (RS)	--	--	--	--	--	8.5
Hedge Funds	9.1	2.4	2.5	2.5	30.5	--
Real Assets	14.9	3.4	3.4	3.5		--
Real Estate	21.1	15.8	15.5	16.0		7.5
Private Equity	10.3	11.2	11.6	11.7	--	5.0
Cash	1.4	--	--	--	--	--
Total Fund	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

- Legacy illiquid asset levels remained relatively unchanged during 2Q
- OSERS finished 2Q reasonably close to the “Transition Year 2 Target” allocation
  - As of 6/30/2018, ~34% of the portfolio remained invested in legacy illiquid assets
- Most of what can be liquidated (without incurring a meaningful haircut) has already been liquidated; further transition activity towards target weightings is likely to be driven by distributions from the legacy illiquid managers
  - As such, the “Transition Year 1 Target” has been carried over as the “Transition Year 2 Target”
- It will be several years before the Long-Term Target allocation is reached



## Asset Allocation &amp; Performance

	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	Year To Date	FYTD	1 Year	3 Years	5 Years	10 Years
<b>OSERS</b>	<b>1,235,042,264</b>	<b>100.0</b>	<b>1.1 (36)</b>	<b>0.8 (54)</b>	<b>5.4 (63)</b>	<b>7.3 (76)</b>	<b>3.5 (94)</b>	<b>4.8 (94)</b>	<b>5.0 (92)</b>
Policy Index			1.2 (34)	1.4 (28)	6.2 (38)	8.0 (58)	5.9 (84)	7.1 (75)	6.1 (61)
<b>U.S. Equity Composite</b>	<b>249,175,088</b>	<b>20.2</b>	<b>4.0 (44)</b>	<b>3.2 (62)</b>	<b>12.4 (52)</b>	<b>14.7 (41)</b>	<b>6.8 (99)</b>	<b>10.2 (87)</b>	<b>10.7 (4)</b>
Custom U.S. Equity Index			3.9 (50)	3.2 (61)	12.5 (51)	14.8 (39)	10.3 (69)	12.0 (63)	10.6 (6)
<b>BlackRock Russell 1000 Index</b>	<b>223,813,290</b>	<b>18.1</b>	<b>3.6 (33)</b>	<b>2.9 (37)</b>	<b>12.0 (39)</b>	<b>14.5 (38)</b>	-	-	-
Russell 1000 Index			3.6 (33)	2.9 (38)	12.0 (40)	14.5 (38)	-	-	-
<b>Dimensional Fund Advisors</b>	<b>25,361,798</b>	<b>2.1</b>	<b>7.0 (36)</b>	<b>5.6 (54)</b>	-	-	-	-	-
Russell 2000 Index			7.8 (24)	7.7 (33)	-	-	-	-	-
<b>Global Equity Composite</b>	<b>164,192,099</b>	<b>13.3</b>	<b>-0.2 (71)</b>	<b>-1.1 (63)</b>	<b>6.0 (60)</b>	<b>8.9 (58)</b>	<b>9.0 (35)</b>	<b>9.7 (48)</b>	<b>7.8 (28)</b>
Custom Global Equity Index			0.7 (54)	-0.2 (50)	7.8 (43)	11.1 (41)	8.3 (44)	9.5 (51)	5.7 (71)
<b>Arrowstreet</b>	<b>53,065,455</b>	<b>4.3</b>	<b>-0.7 (80)</b>	<b>-0.1 (49)</b>	<b>7.8 (44)</b>	<b>11.9 (36)</b>	-	-	-
MSCI AC World IMI (Net)			0.7 (54)	-0.2 (50)	7.8 (43)	11.1 (41)	-	-	-
<b>MFS</b>	<b>50,586,843</b>	<b>4.1</b>	<b>0.3 (62)</b>	<b>-1.7 (71)</b>	<b>4.8 (68)</b>	<b>5.7 (78)</b>	-	-	-
MSCI AC World IMI (Net)			0.7 (54)	-0.2 (50)	7.8 (43)	11.1 (41)	-	-	-
<b>Wellington Equity</b>	<b>23,403,378</b>	<b>1.9</b>	<b>0.8 (54)</b>	<b>2.5 (39)</b>	<b>12.3 (44)</b>	<b>16.4 (25)</b>	-	-	-
MSCI AC World Small Cap (Net)			1.9 (47)	1.5 (54)	11.0 (50)	13.8 (52)	-	-	-
<b>Dodge &amp; Cox</b>	<b>37,067,914</b>	<b>3.0</b>	<b>-0.7 (78)</b>	<b>-3.4 (83)</b>	<b>3.0 (74)</b>	<b>5.8 (69)</b>	-	-	-
MSCI AC World IMI (Net)			0.7 (54)	-0.2 (48)	7.8 (43)	11.1 (40)	-	-	-
<b>Walter Scott</b>	<b>68,509</b>	<b>0.0</b>							
<b>International Equity Composite</b>	<b>116,532,129</b>	<b>9.4</b>	<b>-2.3 (43)</b>	<b>-3.4 (45)</b>	<b>3.7 (41)</b>	<b>8.0 (45)</b>	-	-	-
MSCI AC World ex USA IMI (Net)			-2.6 (47)	-3.6 (48)	3.3 (46)	7.7 (47)	-	-	-
<b>BlackRock ACWI ex-U.S. IMI Index</b>	<b>116,532,129</b>	<b>9.4</b>	<b>-2.3 (43)</b>	<b>-3.4 (45)</b>	-	-	-	-	-
MSCI AC World ex USA IMI (Net)			-2.6 (47)	-3.6 (48)	-	-	-	-	-

\*As of 3/31/18  
Fiscal Year ends August 31.

## Asset Allocation &amp; Performance

	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	Year To Date	FYTD	1 Year	3 Years	5 Years	10 Years
<b>Total Fixed Income</b>	289,941,122	23.5	-0.1 (50)	-1.5 (71)	-1.2 (69)	0.1 (66)	-5.0 (100)	-1.8 (100)	-
Custom Fixed Income Index			-0.3 (69)	-1.7 (80)	-1.6 (84)	-0.3 (84)	1.8 (77)	2.3 (73)	-
BlackRock Aggregate Bond Index	133,936,826	10.8	-0.1 (39)	-1.8 (74)	-1.8 (67)	-0.5 (64)	-	-	-
Blmbg. Barc. U.S. Aggregate			-0.2 (45)	-1.6 (54)	-1.7 (56)	-0.4 (53)	-	-	-
BlackRock Core Plus Universal	49,127,162	4.0	-0.3 (52)	-1.8 (69)	-1.6 (70)	-0.3 (76)	-	-	-
Blmbg. Barc. Universal Bond Index			-0.3 (50)	-1.7 (56)	-1.6 (73)	-0.3 (75)	-	-	-
PIMCO	54,999,875	4.5	-0.1 (21)	-1.3 (26)	-1.0 (27)	0.8 (14)	-	-	-
Blmbg. Barc. Universal Bond Index			-0.3 (50)	-1.7 (56)	-1.6 (73)	-0.3 (75)	-	-	-
Neuberger Berman Core Plus	51,625,139	4.2	-0.4 (65)	-1.3 (26)	-0.7 (19)	0.5 (20)	-	-	-
Blmbg. Barc. Universal Bond Index			-0.3 (50)	-1.7 (56)	-1.6 (73)	-0.3 (75)	-	-	-
Atlantic High Yield	-3,813	0.0							
OSERS Contributions & Withdrawals	255,932	0.0							
<b>Hedge Fund Composite</b>	30,788,318	2.5	2.8	0.7	0.7	0.7	-3.3	-1.1	-
HFRI RV: Multi-Strategy Index			0.9	1.4	2.2	3.1	3.2	3.9	-
Vaquero EMD*	18,238,071	1.5	2.4	0.1	0.1	0.1	-2.4	-6.7	-
Blmbg. Barc. Emerging Markets USD Aggregate Index			-2.4	-3.8	-3.2	-1.0	4.1	4.5	-
Hedge Fund Cash	12,550,247	1.0							
<b>Real Asset Composite</b>	42,838,309	3.5	0.9	-0.5	1.0	1.5	-1.5	1.3	-
Custom Real Asset Benchmark			1.2	3.5	7.6	7.6	0.6	-0.1	-
BTG	26,273,239	2.1							
JP Morgan Global Maritime	16,523,023	1.3							
Real Asset Cash	42,047	0.0							
<b>Private Equity Composite</b>	144,462,863	11.7	4.4	6.9	17.0	20.8	7.9	6.0	-
Burgiss All US PE (1-Qtr Lag)			2.6	7.3	15.0	15.0	11.9	13.8	-
AAVIN Mezzanine Credit Funds	14,416,803	1.2							
FCP Capital	15,756,276	1.3							
SPC Capital	74,729,584	6.1							
Stonetree Capital	37,025,128	3.0							
Private Equity Cash	2,535,073	0.2							

\*As of 3/31/18  
Fiscal Year ends August 31.

## Asset Allocation & Performance

	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	Year To Date	FYTD	1 Year	3 Years	5 Years	10 Years
Real Estate Composite	197,112,334	16.0	0.0	1.5	2.1	2.2	5.8	8.0	-
NCREIF Property Index			1.8	3.5	7.2	7.2	8.3	9.8	-
25 Capital Residential Mortgage Opp. Fund	39,491,953	3.2							
Mariner IV	40,531,879	3.3							
Almanac Realty Securities VI	8,861,329	0.7							
Almanac Realty Securities VII	18,726,452	1.5							
Fremont II	503,219	0.0							
JPM Strategic	15,082,330	1.2							
JP Morgan India Property Fund II	22,277,455	1.8							
Mariner III	23,587,349	1.9							
UBS Trumbull	14,902,029	1.2							
Real Estate Cash	13,148,338	1.1							

\*As of 3/31/18  
Fiscal Year ends August 31.

## OSERS Private Markets Manager IRR Summary (Through 3/31/2018)

### Private Equity Portfolio

Investment	Vintage Year	Total Commitments	Periodic IRR as of 3/31/2018				
			QTD	YTD	1-Year	3-Year	Inception
SPC I-IV	2001	\$163,958,323	3.90%	3.90%	23.57%	9.78%	5.81%
FCP Fund II	2011	30,000,000	1.82%	1.82%	12.49%	14.14%	9.14%
Stonetree IV	2012	53,152,755	1.10%	1.10%	18.61%	6.19%	5.75%
AAVIN Mezzanine Fund, LP	2014	5,000,000	-0.11%	-0.11%	-9.15%	-14.36%	-15.83%
AAVIN Equity Partners II, LP	2015	25,000,000	1.06%	1.06%	-0.38%	-3.04%	-3.79%
<b>Total Private Equity Portfolio</b>		<b>\$277,111,078</b>	<b>2.58%</b>	<b>2.58%</b>	<b>18.07%</b>	<b>8.69%</b>	<b>5.90%</b>

### Real Assets Portfolio

Investment	Vintage Year	Total Commitments	Periodic IRR as of 3/31/2018				
			QTD	YTD	1-Year	3-Year	Inception
BTG Pactual Timberland	2004	\$25,000,000	0.46%	0.46%	-4.40%	-3.52%	2.61%
JP Morgan Maritime Global	2010	25,000,000	1.71%	1.71%	12.65%	-9.68%	-9.51%
<b>Total Real Assets Portfolio</b>		<b>\$50,000,000</b>	<b>0.94%</b>	<b>0.94%</b>	<b>1.51%</b>	<b>-5.78%</b>	<b>0.51%</b>

### Real Estate Portfolio

Investment	Vintage Year	Total Commitments	Periodic IRR as of 3/31/2018				
			QTD	YTD	1-Year	3-Year	Inception
UBS Trumbull Property Fund	1995	\$33,615,067	1.71%	1.71%	5.31%	6.62%	10.45%
JPMorgan Strategic Property Fund	1998	48,165,726	1.97%	1.97%	5.71%	6.14%	9.71%
Almanac Realty Securities Fund IV, L.P.	2004	20,287,514	0.00%	0.00%	0.00%	-3.26%	9.24%
Fremont Strategic Property Partners II, L.P.	2004	10,000,000	-0.29%	-0.29%	11.71%	-4.06%	-4.49%
JPMorgan Special Situations Property Fund	2005	9,269,715	0.00%	0.00%	5.09%	9.85%	6.41%
Almanac Realty Securities Fund VI, L.P.	2011	25,000,000	1.19%	1.19%	-0.69%	13.75%	13.84%
Mariner Real Estate Partners III, L.P.	2011	50,000,000	1.20%	1.20%	-1.58%	4.85%	10.10%
25 Capital Residential Mortgage Opportunities Fund	2012	50,000,000	2.40%	2.40%	1.85%	3.26%	5.67%
JP Morgan India Property Fund II	2012	25,000,000	-4.58%	-4.58%	-12.29%	-1.83%	0.37%
Mariner Real Estate Partners IV, L.P.	2014	60,000,000	1.67%	1.67%	5.38%	17.06%	16.28%
Almanac Realty Securities Fund VII, L.P.	2015	30,000,000	2.88%	2.88%	18.36%	N/A	13.81%
<b>Total Real Estate Portfolio</b>		<b>\$361,338,022</b>	<b>1.11%</b>	<b>1.11%</b>	<b>2.06%</b>	<b>6.74%</b>	<b>9.23%</b>

## Asset Allocation &amp; Performance

	Allocation		Performance(%)							
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Total Defined Cont. &amp; Deferred Comp.</b>	<b>1,131,135,309</b>	<b>100.0</b>								
DFA Small Cap	62,264,284	5.5	7.0	5.4	15.3	10.4	12.2	11.9	10.0	01/01/2001
Russell 2000 Index			7.8	7.7	17.6	11.0	12.5	10.6	8.7	
Russell 1000 Growth Index Fund	67,576,882	6.0	5.7	7.2	22.4	14.9	16.3	11.9	5.6	10/01/1999
Russell 1000 Growth Index			5.8	7.3	22.5	15.0	16.4	11.8	5.5	
Russell 1000 Value Index Fund	44,847,763	4.0	1.2	-1.6	6.9	8.3	10.4	8.6	7.0	10/01/1999
Russell 1000 Value Index			1.2	-1.7	6.8	8.3	10.3	8.5	6.9	
U.S. Equity Index Fund	196,777,449	17.4	3.5	2.7	14.4	11.9	13.4	10.3	7.2	01/01/1998
S&P 500 Index			3.4	2.6	14.4	11.9	13.4	10.2	7.2	
BlackRock All-Country World ex-U.S. Index Fund	35,826,213	3.2	-2.8	-3.5	7.5	5.2	6.1	2.7	5.6	07/01/2005
MSCI AC World ex USA Index (Net)			-2.6	-3.8	7.3	5.1	6.0	2.5	5.4	
U.S. Debt Index Fund	16,466,143	1.5	-0.2	-1.6	-0.4	1.7	2.3	3.8	4.8	01/01/1998
Blmbg. Barc. U.S. Aggregate			-0.2	-1.6	-0.4	1.7	2.3	3.7	4.8	
T. Rowe Stable Value	126,795,500	11.2	0.5	1.0	1.9	1.8	1.7	2.4	4.3	01/01/1997
Performance Benchmark			0.5	1.1	2.1	1.9	1.8	2.3	3.3	
SSgA STIF	9,413,761	0.8	0.5	0.9	1.5	0.8	0.5	0.5	2.2	01/01/1998
Barclays 90-Day T-Bill Index			0.4	0.8	1.4	0.7	0.4	0.4	2.1	
Conservative Premixed	46,121,611	4.1	0.7	-0.2	3.7	4.0	4.7	5.0	4.9	10/01/1999
Conservative Policy			0.7	-0.3	3.3	3.8	4.4	4.7	4.6	
Moderate Premixed	411,582,704	36.4	1.5	0.3	6.7	6.3	7.3	6.9	5.9	10/01/1999
Moderate Policy			1.4	0.3	6.4	6.2	7.1	6.6	5.7	
Aggressive Premixed	93,936,197	8.3	2.1	1.2	10.1	8.4	9.6	8.1	6.2	10/01/1999
Aggressive Policy			2.1	1.3	9.9	8.3	9.5	7.8	6.2	
Investor Select Fund	19,526,802	1.7	1.5	-0.2	6.8	6.8	8.2	7.4	7.0	10/01/2005
Performance Benchmark			1.7	0.3	7.9	7.3	8.4	7.0	6.7	

## Asset Allocation &amp; Performance

	Allocation		Performance(%)							
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Total Endowment</b>	<b>1,290,146,812</b>	<b>100.0</b>								
<b>Total U.S. Equity</b>	<b>398,408,431</b>	<b>30.9</b>	<b>2.7</b>	<b>0.8</b>	<b>10.5</b>	<b>9.7</b>	<b>11.7</b>	<b>9.3</b>	<b>7.1</b>	<b>01/01/2002</b>
Dow Jones U.S. Total Stock Market Index			3.9	3.2	14.8	11.6	13.2	10.3	8.1	
DFA	47,547,338	3.7	7.0	5.4	15.3	10.4	12.2	11.3	10.9	01/01/2002
Russell 2000 Index*			7.8	7.7	17.6	11.0	12.2	10.4	9.5	
BlackRock Russell 1000 (Healthcare Endowment)	152,432,339	11.8	3.6	2.9	14.5	11.7	13.4	-	13.9	02/01/2013
Russell 1000 Index			3.6	2.9	14.5	11.6	13.4	-	13.9	
BlackRock Russell 1000 Value Index	198,189,440	15.4	1.2	-1.7	6.7	8.2	10.3	-	12.3	12/01/2012
Russell 1000 Value Index			1.2	-1.7	6.8	8.3	10.3	-	12.6	
BlackRock Russell 1000 Index	239,315	0.0								
<b>Total Non-U.S. Equity</b>	<b>144,263,868</b>	<b>11.2</b>	<b>-3.1</b>	<b>-4.1</b>	<b>8.0</b>	<b>5.8</b>	<b>6.6</b>	<b>2.3</b>	<b>4.6</b>	<b>01/01/2001</b>
MSCI All Country World ex-U.S. IMI*			-2.6	-3.6	7.7	5.5	6.4	2.8	5.0	
BlackRock All Country World ex-U.S. IMI	129,937,127	10.1	-2.4	-3.7	7.7	5.4	6.4	2.3	4.2	01/01/2001
MSCI All Country World ex-U.S. IMI*			-2.6	-3.6	7.7	5.5	6.4	2.3	4.2	
Baillie Gifford	14,326,143	1.1	-9.1	-7.9	10.9	9.0	8.4	4.2	11.6	07/01/2004
MSCI Emerging Markets Index (Net)			-8.0	-6.7	8.2	5.6	5.0	2.3	9.3	
Non-U.S. Equity Cash	598	0.0								
<b>Total Global Equity</b>	<b>110,745,214</b>	<b>8.6</b>	<b>0.2</b>	<b>-1.4</b>	<b>8.3</b>	<b>7.5</b>	<b>9.1</b>	<b>7.6</b>	<b>8.5</b>	<b>09/01/2005</b>
MSCI All Country World IMI*			0.7	-0.2	11.1	8.3	9.6	6.0	6.7	
MFS	40,758,347	3.2	0.3	-1.8	5.7	8.1	9.9	8.6	8.8	10/01/2005
MSCI All Country World IMI*			0.7	-0.2	11.1	8.3	9.6	5.9	6.4	
BlackRock ACWI IMI	28,911,266	2.2	1.0	0.0	12.0	8.9	10.1	-	8.2	06/01/2011
MSCI AC World IMI (Net)			0.7	-0.2	11.1	8.3	9.6	-	7.7	
Wellington Equity	11,989,805	0.9	0.1	1.4	15.0	-	-	-	19.8	12/01/2016
MSCI AC World Small Cap (Net)			1.9	1.5	13.8	-	-	-	17.0	
Dodge & Cox	29,003,543	2.2	-0.7	-3.4	5.8	-	-	-	5.8	07/01/2017
MSCI AC World IMI (Net)			0.7	-0.2	11.1	-	-	-	11.1	
Mondrian	10,162	0.0								
Acadian Global Equity	-18	0.0								
IronBridge	72,110	0.0								

\*Denotes a performance benchmark that is a splice of more than one index. Descriptions can be found in the appendix of this report.  
Nebraska Investment Council

## Asset Allocation &amp; Performance

	Allocation		Performance(%)							
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Total Fixed Income</b>	<b>481,643,320</b>	<b>37.3</b>	-0.1	-1.4	0.4	2.3	2.8	4.7	5.5	07/01/1997
Blmbg. Barc. Universal Bond Index*			-0.3	-1.7	-0.3	2.1	2.6	4.1	5.1	
<b>PIMCO</b>	<b>117,917,110</b>	<b>9.1</b>	-0.1	-1.3	0.8	2.8	3.0	4.7	5.7	04/01/1998
Blmbg. Barc. Universal Bond Index*			-0.3	-1.7	-0.3	2.1	2.6	4.1	4.9	
<b>Loomis Sayles</b>	<b>32,353,032</b>	<b>2.5</b>	-0.7	-1.1	1.9	3.6	4.9	6.9	6.5	07/01/2006
Blmbg. Barc. Universal Bond Index*			-0.3	-1.7	-0.3	2.1	2.6	5.0	4.9	
<b>BlackRock Aggregate Bond Index</b>	<b>217,185,111</b>	<b>16.8</b>	-0.1	-1.6	-0.4	1.8	2.3	3.8	3.9	12/01/2006
Blmbg. Barc. U.S. Aggregate			-0.2	-1.6	-0.4	1.7	2.3	3.7	3.9	
<b>Neuberger Berman Core Plus</b>	<b>114,188,068</b>	<b>8.9</b>	-0.3	-1.4	0.5	2.4	-	-	2.4	07/01/2015
Blmbg. Barc. Universal Bond Index			-0.3	-1.7	-0.3	2.1	-	-	2.1	
<b>Total Real Estate</b>	<b>68,288,223</b>	<b>5.3</b>								
Metropolitan Real Estate Partners (Combined)	6,445,901	0.5								
Prudential PRISA	9,121,693	0.7								
UBS Trumbull	12,109,740	0.9								
Cornerstone Patriot Fund	16,216,347	1.3								
Landmark VII	4,868,880	0.4								
UBS Trumbull Property Income	6,281,865	0.5								
MREP SCIF	8,354,738	0.6								
Real Estate Cash	4,889,059	0.4								
<b>Total Private Equity</b>	<b>86,797,755</b>	<b>6.7</b>								
Abbott Capital VI	32,390,352	2.5								
Abbott Capital VII	15,579,806	1.2								
RCP Fund VII	20,288,529	1.6								
RCP Fund VIII	8,328,942	0.6								
Dover Street VIII L.P.	6,622,377	0.5								
Ironside Partnership Fund V	3,195,421	0.2								
Private Equity Cash	392,327	0.0								

Inception-to-date IRR for Real Estate 10.39% as of 3/31/2018. The Inception-to-Date IRR for Private Equity is 14.17% as of 3/31/2018.

\*Denotes a performance benchmark that is a splice of more than one index. Descriptions can be found in the appendix of this report.  
Nebraska Investment Council

## Defined Benefit & Cash Balance Benefit Fees

Manager	Assets (\$ in dollars)	Total Fee (\$ in dollars)	Total Fee (bps)
DFA – U.S. Small Cap	\$415,872,577	\$1,538,729	37
BlackRock Russell 1000 Index	\$3,575,785,962	\$482,731	1
BlackRock ACWI ex-U.S. IMI	\$1,646,374,594	\$987,825	6
Arrowstreet	\$1,040,975,577	\$4,788,488	46
MFS Global Equity	\$879,612,410	\$3,694,372	42
Dodge & Cox	\$677,629,756	\$4,269,067	63
Wellington Global Equity	\$341,543,332	\$2,664,038	78
BlackRock Core Plus	\$582,014,205	\$1,175,669	20
PIMCO Total Return	\$734,716,228	\$1,924,957	26
BlackRock Bond Index	\$627,542,112	\$125,508	2
Wellington Global	\$452,612,532	\$1,584,144	35
Loomis Sayles Multi-Sector Full Discretion	\$218,036,817	\$747,866	34
Loomis Sayles Bank Loans	\$369,630,057	\$1,541,357	42
Franklin Templeton	\$391,482,271	\$1,839,967	47
Neuberger Berman	\$629,117,125	\$1,006,587	16
Total RE <sup>1</sup>	\$869,765,107	\$9,065,088	105
Total PE <sup>2</sup>	\$699,654,617	\$10,506,764	150
Residual Manager Value	\$151,284,966	\$0	--
Annual Fee Paid to Nebraska Investment Council	--	\$1,543,379	1
<b>Total DB/CBB</b>	<b>\$14,303,650,245</b>	<b>\$49,539,867</b>	<b>35</b>

1. Total Fee (in dollars) of trailing 12-month period as of 3/31/2018.
2. Total Fee (in dollars) of trailing 12-month period as of 3/31/2018.



## Fee Schedule\*\*

	Market Value As of 06/30/2018 \$000	% of Portfolio	Estimated Annual Fee \$000	Estimated Annual Fee (%)
Total Defined Cont. & Deferred Comp.	1,131,135	100.00	895	0.08
DFA Small Cap	62,264	5.50	230	0.37
Russell 1000 Growth Index Fund	67,577	5.97	14	0.02
Russell 1000 Value Index Fund	44,848	3.96	9	0.02
U.S. Equity Index Fund	196,777	17.40	30	0.02
BlackRock All-Country World ex-U.S. Index Fund	35,826	3.17	36	0.10
U.S. Debt Index Fund	16,466	1.46	5	0.03
T. Rowe Stable Value	126,796	11.21	165	0.13
SSgA STIF	9,414	0.83	-	0.00
Conservative Premixed	46,122	4.08	28	0.06
Moderate Premixed	411,583	36.39	247	0.06
Aggressive Premixed	93,936	8.30	66	0.07
Investor Select Fund	19,527	1.73	66	0.34

\*\* In addition to the fees listed above, \$124,349 (~1 bp on assets) in annual fees are paid to the Nebraska Investment Council.  
Nebraska Investment Council

## Fee Schedule

	Market Value As of 06/30/2018 \$000	% of Portfolio	Estimated Annual Fee \$000	Estimated Annual Fee (%)
<b>OSERS</b>	1,235,042	100.00	6,768	0.55
BlackRock Russell 1000 Index	223,813	18.12	30	0.01
Dimensional Fund Advisors	25,362	2.05	94	0.37
BlackRock ACWI ex-U.S. IMI	116,532	9.44	70	0.06
Walter Scott	69	0.01	-	0.60
Arrowstreet	53,065	4.30	244	0.46
MFS	50,587	4.10	212	0.42
Wellington Equity	23,403	1.89	183	0.78
Dodge & Cox	37,068	3.00	234	0.63
BlackRock Aggregate Bond Index	133,937	10.84	27	0.02
BlackRock Core Plus Universal	49,127	3.98	98	0.20
PIMCO	55,000	4.45	143	0.26
Neuberger Berman Core Plus	51,625	4.18	83	0.16
BTG	26,273	2.13	263	1.00
JP Morgan Global Maritime	16,523	1.34	248	1.50
AAVIN Mezzanine Credit Funds	14,417	1.17	360	2.50
FCP Capital	15,756	1.28	315	2.00
SPC Capital	74,730	6.05	523	0.70
Stonetree Capital	37,025	3.00	370	1.00
Vaquero EMD	18,238	1.48	365	2.00
25 Capital Residential Mortgage Opp. Fund	39,492	3.20	790	2.00
Almanac Realty Securities VI	8,861	0.72	89	1.00
Almanac Realty Securities VII	18,726	1.52	234	1.25
Fremont II	503	0.04	7	1.40
JP Morgan India Property Fund II	22,277	1.80	334	1.50
JPM Strategic	15,082	1.22	151	1.00
Mariner III	23,587	1.91	354	1.50
Mariner IV	40,532	3.28	811	2.00
UBS Trumbull	14,902	1.21	137	0.92
Real Estate Cash	13,148	1.06	-	0.00
Private Equity Cash	2,535	0.21	-	0.00
Hedge Fund Cash	12,550	1.02	-	0.00
OSERS Contributions & Withdrawals	256	0.02	-	0.00

Alternative strategy fees in the table above represent asset based management fees. Additional performance based fees are charged by each manager. In addition to the fees listed above, \$137,047 (~1 bp on assets) in annual fees is paid to the Nebraska Investment Council

## Fee Schedule\*\*

	Market Value As of 06/30/2018 \$000	% of Portfolio	Estimated Annual Fee \$000	Estimated Annual Fee (%)
<b>Total Hartford Options (Less General Fund)</b>	<b>26,697</b>	<b>100.00</b>	<b>281</b>	<b>1.05</b>
American Century Value	206	0.77	3	1.33
American Funds Growth Fund of America	832	3.12	9	1.03
Hartford Capital Appreciation HLS	16,026	60.03	163	1.02
Hartford Dividend & Growth HLS	462	1.73	5	1.02
SSgA S&P 500 Flagship	672	2.52	5	0.70
T. Rowe Price Growth Stock	1,330	4.98	17	1.28
Goldman Sachs Mid-Cap Value	121	0.45	2	1.49
Munder Mid-Cap Core Growth	71	0.27	1	1.72
SSgA S&P MidCap Index	238	0.89	2	0.75
Hartford Small Company HLS	551	2.06	6	1.06
Skyline Special Equities Portfolio	350	1.31	6	1.68
SSgA Russell 2000 Index	43	0.16	-	0.75
American Funds EuroPacific Growth	166	0.62	2	1.19
Hartford International Opportunities HLS	810	3.04	9	1.09
Mutual Discovery	311	1.17	5	1.63
Hartford Total Return Bond HLS	714	2.68	6	0.85
Loomis Sayles Bond	448	1.68	6	1.26
Putnam High-Yield Advantage	93	0.35	1	1.38
Hartford Balanced HLS	2,778	10.41	28	1.00
Templeton Foreign Fund	32	0.12	-	1.51
Oakmark Equity & Income	441	1.65	6	1.40

\*\* In addition to the fees listed above, \$4,049 (~1 bp on assets) in annual fees are paid to the Nebraska Investment Council.  
The General Fund is not included in the above table.  
Nebraska Investment Council

## Fee Schedule\*\*

	Fee Schedule
Vanguard REIT Index	0.10 % of Assets
Vanguard REIT Index ETF	0.12 % of Assets
Tributary Small Company	1.18 % of Assets
iShares Russell 2000 Growth Index ETF	0.25 % of Assets
State Street S&P 500 Index	0.02 % of Assets
Vanguard Russell 1000 Value Index	0.12 % of Assets
T. Rowe Price Large Cap Growth	0.65 % of Assets
Vanguard Equity Income	0.17 % of Assets
SPDR S&P Dividend ETF	0.35 % of Assets
Vanguard Extended Market Index	0.07 % of Assets
Vanguard Extended Market ETF	0.09 % of Assets
State Street MSCI ACWI Ex-Us Index	0.09 % of Assets
Vanguard FTSE Emerging Markets ETF	0.15 % of Assets
DFA World ex-US Government Fixed Income	0.20 % of Assets
Vanguard Short-Term Inflation-Protected Index	0.05 % of Assets
Vanguard Short-Term Inflation-Protected ETF	0.08 % of Assets
Vanguard Inflation Protected Securities	0.07 % of Assets
MetWest Total Return	0.39 % of Assets
Dodge & Cox Stock	0.52 % of Assets
American Funds The Income Fund of America A	0.38 % of Assets
Vanguard Total Bond Market Index	0.05 % of Assets
Federated Total Return Bond	0.36 % of Assets
iShares Core US Aggregate ETF A	0.08 % of Assets
Goldman Sachs Financial Square Gov't Money Market	0.18 % of Assets
Vanguard Total Stock Market Index	0.04 % of Assets
Vanguard Total Stock Market Index ETF	0.05 % of Assets
Vanguard Short-Term Bond Index	0.06 % of Assets
Vanguard Short-Term Bond ETF	0.09 % of Assets
Bank Savings	0.00 % of Assets

\*\* In addition to the fees listed above, \$526,605 (~1 bp on assets) in annual fees are paid to the Nebraska Investment Council. Includes funds in the First National Direct Plan, First National Advisor Plan, and First National TD Ameritrade Plan.  
Nebraska Investment Council

## Fee Schedule

	Fee Schedule
Growth Option Nebraska	0.54 % of Assets
Growth Option Alabama	0.55 % of Assets
Moderate Option Nebraska	0.54 % of Assets
Moderate Option Alabama	0.55 % of Assets
Conservative Option Nebraska	0.55 % of Assets
Conservative Option Alabama	0.56 % of Assets
Bank Savings Option Nebraska	0.50 % of Assets
Bank Savings Option Alabama	0.50 % of Assets
Checking Option Nebraska	0.00 % of Assets
Checking Option Alabama	0.00 % of Assets

In addition to the fees listed above, \$289 (~1 bp on assets) in annual fees are paid to the Nebraska Investment Council.  
Nebraska Investment Council

## Fee Schedule

	Market Value As of 06/30/2018 \$000	Estimated Annual Fee \$000	Estimated Annual Fee (%)
Oppenheimer Capital Appreciation Fund	47,546	390	0.82
Oppenheimer Value Fund	47,546	338	0.71
Oppenheimer Main Street Fund	25,600	179	0.70
Oppenheimer Main Street Mid Cap Fund	49,374	425	0.86
Oppenheimer International Growth Fund	35,221	313	0.89
Oppenheimer Developing Markets Fund	43,140	462	1.07
Federated U.S. Govt. Securities Fund: 1-3 Years	9,110	27	0.30
State Farm Bond Fund	38,401	157	0.41
Oppenheimer Global Strategic Income Fund	56,329	428	0.76
Oppenheimer Money Market Fund	37,126	56	0.15

## Fee Schedule\*\*

	Market Value As of 06/30/2018 \$000	% of Portfolio	Estimated Annual Fee \$000	Estimated Annual Fee (%)
Total Endowment	1,290,147	100.00	1,500	0.12
DFA	47,547	3.69	176	0.37
BlackRock Russell 1000 (Healthcare Endowment)	152,432	11.82	21	0.01
BlackRock Russell 1000 Value Index	198,189	15.36	27	0.01
BlackRock All Country World ex-U.S. IMI	129,937	10.07	78	0.06
Baillie Gifford	14,326	1.11	79	0.55
MFS	40,758	3.16	188	0.46
Mondrian	10	0.00	-	0.49
BlackRock ACWI IMI	28,911	2.24	6	0.02
PIMCO	117,917	9.14	310	0.26
BlackRock Aggregate Bond Index	217,185	16.83	43	0.02
Loomis Sayles	32,353	2.51	111	0.34
Neuberger Berman Core Plus	114,188	8.85	183	0.16

\*\* In addition to the fees listed above, \$151,532 (~1 bp on assets) in annual fees are paid to the Nebraska Investment Council.  
Note: Fees for the Real Estate and Private Equity portions of the Endowment appear in a later table.  
Nebraska Investment Council

## Real Estate

### Defined Benefit Portfolio as of 3/31/2018

Partnership Name	Close Date	Age in Years	Commitment	Net Asset Value	Total Trailing Year Annual Fee	Total Trailing Year Annual Fee (bps)
Prudential Property Investment Separate Account	1Q 2006	12.25	\$135,000,000	\$189,922,543	\$1,545,994	81
UBS Trumbull Property Fund	2Q 2006	12.00	115,000,000	160,017,623	1,242,564	78
Cornerstone Patriot Fund LP	3Q 2010	7.75	110,000,000	151,029,087	1,119,316	74
<b>Core</b>			<b>\$360,000,000</b>	<b>\$500,969,253</b>	<b>\$3,907,874</b>	<b>78</b>
UBS Trumbull Property Income Fund	1Q 2015	3.25	120,000,000	67,571,152	530,669	79
<b>Core Debt</b>			<b>\$120,000,000</b>	<b>\$67,571,152</b>	<b>\$530,669</b>	<b>79</b>
Prudential Property Investment Separate Account II	2Q 2007	1.00	51,500,000	80,499,138	861,079	107
<b>Core Plus</b>			<b>\$51,500,000</b>	<b>\$80,499,138</b>	<b>\$861,079</b>	<b>107</b>
Heitman Value Partners Fund II, L.P.	4Q 2007	10.50	25,000,000	169,900	(1,486)	-87
Almanac Realty Securities Fund V, L.P.	1Q 2008	10.25	25,000,000	1,911,696	46,879	245
Rockwood Capital Real Estate Partners Fund IX, L.P.	2Q 2012	6.00	20,000,000	8,289,046	280,000	338
Almanac Realty Securities Fund VII, L.P.	1Q 2015	3.25	40,000,000	25,440,647	396,067	156
Rockwood Capital Real Estate Partners Fund X, L.P.	3Q 2015	2.75	40,000,000	14,099,142	519,442	368
<b>Value Added</b>			<b>\$150,000,000</b>	<b>\$49,910,431</b>	<b>\$1,240,902</b>	<b>249</b>
Rockpoint Real Estate Fund III, L.P.	4Q 2007	10.50	25,000,000	2,176,560	47,067	216
CB Richard Ellis Strategic Partners U.S. Opportunity Fund V, L.P.	3Q 2008	9.75	25,000,000	6,471,720	95,163	147
Landmark Real Estate Partners VI, L.P.	3Q 2010	7.75	40,000,000	6,867,581	118,211	172
AG Realty Fund VIII, L.P.	4Q 2012	5.50	25,000,000	12,835,764	153,091	119
Torchlight Debt Opportunity Fund IV	3Q 2013	4.75	20,000,000	13,783,759	160,825	117
Landmark Real Estate Partners VII, L.P.	3Q 2014	3.75	50,000,000	33,836,268	500,000	148
Torchlight Debt Opportunity Fund V	2Q 2015	3.00	40,000,000	27,473,001	480,000	175
Landmark Real Estate Partners VIII, L.P.	3Q 2017	0.75	40,000,000	6,095,709	400,000	656
<b>Opportunistic</b>			<b>\$265,000,000</b>	<b>\$109,540,362</b>	<b>\$1,954,357</b>	<b>178</b>
<b>Total Defined Benefit Portfolio</b>			<b>\$946,500,000</b>	<b>\$808,490,336</b>	<b>\$8,494,881</b>	<b>105</b>

**Total Trailing Year Annual Fee (bps) calculated as fees out of the net asset value.**



## Real Estate

### Endowment Portfolio as of 3/31/2018

Partnership Name	Close Date	Age in Years	Commitment	Net Asset Value	Total Trailing Year Annual Fee	Total Trailing Year Annual Fee (bps)
Cornerstone Patriot Fund LP	3Q 2010	6.50	\$11,500,000	\$16,349,000	\$121,167	74
Prudential Property Investment Separate Account 2010	4Q 2009	7.25	6,000,000	9,204,672	74,929	81
UBS Trumbull Property Fund 2010	4Q 2009	7.25	8,500,000	12,260,547	95,205	78
<b>Core</b>			<b>\$32,000,000</b>	<b>\$37,814,218</b>	<b>\$291,301</b>	<b>77</b>
UBS Trumbull Property Income Fund	1Q 2016	1.00	6,000,000	6,359,200	49,942	79
<b>Core Debt</b>			<b>\$6,000,000</b>	<b>\$6,359,200</b>	<b>\$49,942</b>	<b>79</b>
Landmark Real Estate Partners VII, L.P.	4Q 2014	2.25	20,000,000	4,175,151	75,000	180
Metropolitan Real Estate Partners VI, L.P.	4Q 2008	9.25	10,000,000	3,990,612	31,438	79
Metropolitan Real Estate Partners International III, L.P.	2Q 2009	8.75	7,500,000	5,075,441	32,526	64
Metropolitan Real Estate Secondaries and Co-Investments Fund, L.P.	4Q 2015	1.25	10,000,000	8,354,740	90,000	108
<b>Value Added and Opportunistic</b>			<b>\$47,500,000</b>	<b>\$21,595,944</b>	<b>\$228,964</b>	<b>106</b>
<b>Total Endowment Portfolio</b>			<b>\$79,500,000</b>	<b>\$65,769,362</b>	<b>\$570,207</b>	<b>87</b>

**Total Trailing Year Annual Fee (bps) calculated as fees out of the net asset value.**

## Private Equity

Partnership Name	Vintage Year	Commitment	Fee Schedule <sup>1</sup> (on an Annual Basis)	YTD Management Fee	Total Fees (bps)
<b>Defined Benefit Portfolio</b>					
Abbott Capital Private Equity Fund V, L.P.2*	2005	\$50,000,000	.80% Years 1-7 declines by 10% years 8-10	\$58,459	80
Pathway Private Equity Fund XVIII, LLC	2006	100,000,000	1.00% Years 1-10	147,267	100
TRG Growth Partnership II, L.P.	2006	25,000,000	1.50% Years 1-5 1.25% Years 6-10	13,643	150
New Mountain Partners III, L.P.	2007	25,000,000	1.75% Years 1-5 1.00% Years 6-10	0	175
Presidio Partners 2007, L.P.*	2007	20,000,000	2.25%	37,038	225
Sun Capital Partners V, L.P.	2007	18,002,649	2.00% Years 1-6 2.00% - distributions years 7-10	0	200
The Resolute Fund II, L.P.	2007	25,000,000	2.00% Years 1-5 1.00% Years 6-10	22,161	200
Wayzata Opportunities Fund II, L.P.*	2007	15,000,000	1.75% Years 1-5 1.50% Years 6-10	0	175
Accel-KKR Capital Partners III, L.P.	2008	12,500,000	2.25% Years 1-10	30,126	225
Ares Corporate Opportunities Fund III, L.P.	2008	20,000,000	1.75% Years 1-5 1.125% Years 6-10	16,438	175
Bridgepoint Europe IV, L.P.3	2008	26,000,000	1.50% Years 1-5 1.00% Years 6-10	57,600	150
CVC European Equity Partners V, L.P.3	2008	26,000,000	1.32% Years 1-10	2,275	132
Quantum Energy Partners V, L.P.	2008	20,000,000	1.98% Years 1-5 1.50% Years 6-10	28,143	198
Fulcrum Growth Partners IV, L.P.	2009	10,000,000	1.00% Years 1-4	33,492	100
Lincolnshire Equity Fund IV, L.P.	2009	20,000,000	2.00% Years 1-6 1.50% Years 7-10	29,040	200
Longroad Capital Partners III, L.P.*	2009	20,000,000	2.00%	0	200
New Enterprise Associates 13, L.P.	2009	20,000,000	1.25% Years 1-12	43,750	125
EIF United States Power Fund IV, L.P.	2010	20,000,000	1.75% Years 1-5 1.50% Years 6-10	63,076	175

1. Most funds have management fee offsets which will reduce the absolute dollars paid by the client

2. Fund of funds that does not include fees paid to underlying managers.

3. Commitments to Bridgepoint Europe IV and CVC European Equity Partners V were both EUR 20.0mm. The USD commitments were converted at an exchange rate of 1.30 USD/EUR. The commitment to CVC Capital Partners VI was EUR 15.0mm with a converted exchange rate of 1.30661 USD/EUR. The commitment to Bridgepoint Europe V was EUR 20.0mm with a converted exchange rate of 1.25353 USD/EUR.

\* Estimated management fee. The manager does not break out fees for this fund.

## Private Equity

Partnership Name	Vintage Year	Commitment	Fee Schedule <sup>1</sup> (on an Annual Basis)	YTD Management Fee	Total Fees (bps)
Merit Mezzanine Fund V, L.P.	2010	15,000,000	1.75% Years 1-6 1.575% Year 7 1.40% Year 8 1.225% Year 9 1.05% Year 10	8,245	175
Ares Mezzanine Partners, L.P.	2011	15,000,000	1.50% Years 1-5 1.00% Years 6-10	0	150
Lightyear Fund III, L.P.	2011	20,000,000	1.75%	30,541	175
Ares Corporate Opportunities Fund IV, L.P.	2012	20,000,000	1.50% Years 1-5 0.75% Years 6-10	20,528	150
Dover Street VIII, L.P.	2012	25,000,000	0.50% Year 1 1.00% Year 2 1.25% Years 3-10	77,322	50
Green Equity Investors VI, L.P.	2012	20,000,000	1.50% Years 1-6 1.00% Years 7-8 0.75% Years 9-10	69,112	150
McCarthy Capital V, L.P.	2012	20,000,000	2.00%	59,164	200
New Enterprise Associates 14, L.P.	2012	20,000,000	1.25% Years 1-12	43,750	125
Accel-KKR Capital Partners IV, L.P.	2013	12,500,000	2.25%	30,948	225
Beecken Petty O'Keefe Fund IV, L.P.	2013	20,000,000	2.00%	44,172	200
Pine Brook Capital Partners II, L.P.	2013	30,000,000	1.96% blended rate	145,224	196
Wayzata Opportunities Fund III, L.P.	2013	25,000,000	1.50%	24,463	150
CVC Capital Partners VI, L.P.3	2014	19,599,150	1.50% Years 1-6 1.25% Years 7-10	33,462	150
New Mountain Partners IV, L.P.	2014	30,000,000	1.75% Years 1-5 1.00% Years 6-10	0	175
Quantum Energy Partners VI, LP	2014	30,000,000	1.65% Years 1-5 1.50% Years 6-10	43,458	165
The Energy and Minerals Group III, L.P.	2014	35,000,000	1.64% blended rate Years 1-5 1.50% Years 6-10 1.00% Years 11-12	111,448	164

1. Most funds have management fee offsets which will reduce the absolute dollars paid by the client

2. Fund of funds that does not include fees paid to underlying managers.

3. Commitments to Bridgepoint Europe IV and CVC European Equity Partners V were both EUR 20.0mm. The USD commitments were converted at an exchange rate of 1.30 USD/EUR. The commitment to CVC Capital Partners VI was EUR 15.0mm with a converted exchange rate of 1.30661 USD/EUR. The commitment to Bridgepoint Europe V was EUR 20.0mm with a converted exchange rate of 1.25353 USD/EUR.

\* Estimated management fee. The manager does not break out fees for this fund.

## Private Equity

Partnership Name	Vintage Year	Commitment	Fee Schedule <sup>1</sup> (on an Annual Basis)	YTD Management Fee	Total Fees (bps)
The Resolute Fund III, L.P.	2014	30,000,000	1.75% Years 1-6 1.00% Thereafter	99,897	175
Francisco Partners IV, LP	2015	20,000,000	1.50% Years 1-6 1.25% Years 7-10	35,923	150
Wynnchurch Capital Partners IV, L.P.	2015	25,000,000	2.00% Years 1-10	200,521	200
Bridgepoint Europe V, L.P.	2016	25,070,600	1.50% Years 1-5 1.00% Years 6-10	40,934	150
Dover Street IX, L.P.	2016	50,000,000	0.25% Year 1 0.50% Year 2 0.85% Year 3 1.25% Years 4-7 1.20% Year 8 1.15% Year 9 1.10% Year 10 0.10% Thereafter	55,479	25
McCarthy Capital VI, L.P.	2016	40,000,000	2.00% Years 1-10	200,000	200
Ares Corporate Opportunities Fund V, L.P.	2017	50,000,000	1.50% Years 1-6 0.75% Years 6-10	187,500	150
Francisco Partners V, L.P.	2017	50,000,000	1.50% Years 1-6 1.25% Thereafter	0	150
Genstar Capital Partners VIII, L.P.	2017	50,000,000	1.75%	198,006	175
Green Equity Investors VII, L.P.	2017	50,000,000	1.46% blended rate Years 1-6 1.00% Years 7-8 0.75% Years 9-10	0	146
New Mountain Partners V, L.P.	2017	50,000,000	1.75% Years 1-6 1.00% Thereafter	215,879	175
Quantum Energy Partners Fund VII, LP	2017	50,000,000	1.75% Years 1-5 1.50% Thereafter	206,491	175
The Resolute Fund IV, L.P.	2018.00	50,000,000	1.75% Years 1-6 1.00% Thereafter	0	175
<b>Total Defined Benefit Portfolio</b>		<b>\$1,369,672,399</b>		<b>\$2,764,975</b>	

1. Most funds have management fee offsets which will reduce the absolute dollars paid by the client

2. Fund of funds that does not include fees paid to underlying managers.

3. Commitments to Bridgepoint Europe IV and CVC European Equity Partners V were both EUR 20.0mm. The USD commitments were converted at an exchange rate of 1.30 USD/EUR. The commitment to CVC Capital Partners VI was EUR 15.0mm with a converted exchange rate of 1.30661 USD/EUR. The commitment to Bridgepoint Europe V was EUR 20.0mm with a converted exchange rate of 1.25353 USD/EUR.

\* Estimated management fee. The manager does not break out fees for this fund.

## Private Equity

Partnership Name	Vintage Year	Commitment	Fee Schedule <sup>1</sup> (on an Annual Basis)	YTD Management Fee	Total Fees (bps)
<b>Endowment Portfolio</b>					
Abbott Capital Private Equity Fund VI, L.P.2*	2008	\$45,000,000	0.90% Years 1-7 Declines by 10% Years 8-10	\$78,368	90
RCP Fund VII, L.P.2*	2010	20,000,000	1.00% Years 1-5 0.75% Years 6-10	37,500	100
Dover Street VIII, L.P.	2012	15,000,000	0.50% Year 1 1.00% Year 2 1.25% Years 3-10	46,394	50
RCP Fund VIII, L.P.2*	2012	10,000,000	1.00% Years 1-5 0.75% Years 6-10	18,750	100
Abbott Capital Private Equity Fund VII, L.P.	2014	20,000,000	0.97% blended rate Years 1-8 90% of original fee Years 9-12 75% of original fee Years 13-15	50,000	97
Ironsides Partnership Fund IV, L.P.	2017	20,000,000	0.75% Years 1-10	37,500	75
<b>Total Endowment Portfolio</b>		<b>\$130,000,000</b>		<b>\$268,512</b>	

1. Most funds have management fee offsets which will reduce the absolute dollars paid by the client

2. Fund of funds that does not include fees paid to underlying managers.

3. Commitments to Bridgepoint Europe IV and CVC European Equity Partners V were both EUR 20.0mm. The USD commitments were converted at an exchange rate of 1.30 USD/EUR. The commitment to CVC Capital Partners VI was EUR 15.0mm with a converted exchange rate of 1.30661 USD/EUR. The commitment to Bridgepoint Europe V was EUR 20.0mm with a converted exchange rate of 1.25353 USD/EUR.

\* Estimated management fee. The manager does not break out fees for this fund.

## StateStreet & Aon Hewitt Investment Consulting

Aon Hewitt	Fee (\$ in dollars)
Investment Consulting Fees	\$890,000

### Nebraska Investment Council - Fee Table

Manager	Assets (\$ in dollars)	Total Fee (\$ in dollars)	Total Fee (bps)
StateStreet (custody)	\$21,450,096,729	\$536,252	0.25

\* State Street assets include: Total DB, DC, Total CBB, OSERS, HC Endowment, 50/50 Endowment, Excess Liability, In-House Trusts, Internal STLP, and OIP

\*\* Does not include fees paid for 3<sup>rd</sup> party FX transactions

Nebraska Investment Council

## Benchmark Descriptions

### Total Defined Benefit/Total Cash Balance Benefit

**Benchmark** Currently 29.5% Dow Jones Total Stock Market Index, 19.0% MSCI All Country World IMI Index, 11.5% MSCI All Country World ex-US IMI Index, 30% Bloomberg Barclays Capital Universal Index, 6% NCREIF ODCE Index, and 4% Dow Jones Total Stock Market Index + 3%. The performance of the asset class benchmarks are weighted at their policy targets, as they have changed over time.

DFA

**Benchmark** The Russell 2000 Index. Prior to April 2014, the Russell 2000 Value Index. Prior to August 2006, the Wilshire Small-Cap Value Style Index.

BlackRock Russell 1000 Index Fund

**Benchmark** Russell 1000 Index

### Total Non-U.S. Equity

**Benchmark** The MSCI All Country World ex-U.S. IMI. Prior to August 2010, the MSCI All Country World ex-U.S. Index, Gross Dividends. Prior to October 2000, MSCI EAFE Index.

BlackRock ACWI ex-U.S. IMI

**Benchmark** The MSCI All Country World ex-U.S. IMI.

### Total Global Equity

**Benchmark** The MSCI All Country World IMI. Prior to August 2010, the MSCI All Country World Index.

Arrowstreet

Benchmark: MSCI All Country World IMI (Net)

MFS

**Benchmark** The MSCI All Country World IMI. Prior to May 2012, the MSCI All Country World Index.

Wellington Equity

**Benchmark** The MSCI All Country World Small Cap Index

Dodge & Cox

**Benchmark** The MSCI All Country World Index IMI

## Benchmark Descriptions

### Fixed Income Component, BlackRock, PIMCO

**Benchmark** As of January 2005, the Bloomberg Barclays Capital Universal Index. As of December 2004, 20% the Citigroup Large Public Fund Index and 80% the Bloomberg Barclays Capital Universal Index. As of November 2004, 40% the Citigroup Large Public Fund Index and 60% the Bloomberg Barclays Capital Universal Index. As of October 2004, 60% the Citigroup Large Public Fund Index and 40% the Bloomberg Barclays Capital Universal Index. As of September 2004, 80% the Citigroup Large Public Fund Index and 20% the Bloomberg Barclays Capital Universal Index. Prior to September 2004, the Citigroup Large Public Fund Index.

### Loomis Sayles

**Benchmark** As of August 1, 2010 the benchmark is the Bloomberg Barclays Capital U.S. Universal Bond Index. Prior to August 2010 the benchmark was the Bloomberg Barclays Capital High Yield Index.

### Wellington Global

**Benchmark** The Bloomberg Barclays Capital Global Aggregate Index.

### Loomis Sayles Bank Loans

**Benchmark** The S&P/LSTA Leveraged Loan Index.

### Franklin Templeton

**Benchmark** The Credit Suisse Leveraged Loans (Split BB) Index.

### Neuberger Berman

**Benchmark** The Bloomberg Barclays Universal Bond Index

### Total Real Estate

**Benchmark** The NCREIF ODCE Index. Prior to January 2016, the NCREIF Property Index. Prior to April 2009, 20% DJ US Select Real Estate Securities Total Return - Float, 80% NCREIF Property Index. Prior to April 2006, 25% DJ US Select Real Estate Securities Total Return- Float, 75% NCREIF Property Index. Prior to December 2004, the DJ US Select Real Estate Securities Total Return

### Total Private Equity

**Benchmark** The Dow Jones U.S. Total Stock Market Index + 3%



## Benchmark Descriptions

### Total Endowment

DFA

Benchmark The Russell 2000 Index. Prior to April 2014, the Russell 2000 Value Index. Prior to August 2006, the Wilshire Small-Cap Value Style Index.

Blackrock Russell 1000 (Healthcare Endowment)

Benchmark The Russell 1000 Index.

Blackrock Russell 1000 Value Index

Benchmark The Russell 1000 Value Index.

### Non-U.S. Equity Component

Benchmark The MSCI All Country World ex-U.S. IMI. Prior to August 2010, the MSCI All Country World ex-U.S. Index.

BlackRock All Country World ex-U.S. IMI

Benchmark The MSCI All Country World ex-U.S. IMI. Prior to June 2011, the MSCI EAFE + Canada Index.

### Global Equity Component

Benchmark The MSCI All Country World IMI. Prior to August 2010, the MSCI All Country World Index.

Acadian, MFS, Mondrian Global Equity

Benchmark The MSCI All Country World IMI. Prior to May 2012, the MSCI All Country World Index.

Wellington Equity

Benchmark The MSCI All Country World Small Cap Index.

Blackrock ACWI IMI

Benchmark The MSCI All Country World IMI.

Dodge & Cox

Benchmark The MSCI All Country World Index IMI

## Benchmark Descriptions

### Fixed Income Component and PIMCO

Benchmark As of April 2005, the Bloomberg Barclays Universal Index. Prior to April 2005, the Bloomberg Barclays Aggregate Bond Index.

Loomis Sayles

Benchmark As of August 1, 2010 the benchmark is the Bloomberg Barclays Capital U.S. Universal Bond Index. Prior to August 2010 the benchmark was the Bloomberg Barclays Capital High Yield Index.

Blackrock Aggregate Bond Index

Benchmark The Bloomberg Barclays Aggregate Index.

Neuberger Berman

Benchmark The Bloomberg Barclays Universal Bond Index

### OSERS

Policy Index: Beginning April 1, 2017, the Policy Index will be calculated monthly based on weightings of each underlying benchmark for the respective composites from previous month close. Prior to April 1, 2017, 7.0% Russell 1000 Index, 3.0% U.S Equity Allocation Index, 5.5% MSCI World ex USA Index (net), 2.5% MSCI Emerging Markets Index, 2.5% MSCI Emerging Markets Small Cap Index, 10.0% MSCI AC World Index (Net), 10.0% NCREIF Property Index, 21.0% Burgiss All US PE (1 Qtr-Lag), 10.0% HFRI RV: Multi-Strategy Index, 7.0% Bloomberg Barclays U.S. Aggregate Index, 2.5% Bloomberg Barclays U.S. TIPS Index, 9.0% Bloomberg Barclays Global Aggregate index, 5.0% 60/40 MSCI World/JPM GBI Index, 5.0% 60/40 MSCI ACWI/Blmbg. Barc. U.S. Agg Index. Prior to October 1, 2016, performance history was calculated by NEPC.

### U.S. Equity Composite

Benchmark: Beginning April 1, 2017, the Custom U.S. Equity Benchmark is composed of the Dow Jones U.S. Total Stock Market. Prior to April 1, 2017, the benchmark was calculated monthly based on the weightings of each underlying benchmark for the respective managers in the composite from previous month close.

### Global Equity Composite

Benchmark: Beginning April 1, 2017, the Custom Global Equity Benchmark is composed of the MSCI ACWI IMI Net. Prior to April 1, 2017, the benchmark was calculated monthly based on the weightings of each underlying benchmark for the respective managers in the composite from previous month close.

### International Equity Composite

Benchmark: The MSCI ACWI ex U.S. IMI Net

### Fixed Income Composite

Benchmark: Beginning April 1, 2017, the Custom Fixed Income Benchmark is composed of the Bloomberg Barclays Universal Index. Prior to April 1, 2017, Bloomberg Barclays Aggregate Index

## Benchmark Descriptions

### Private Equity Composite

Benchmark: The Burgiss All US PE (1-Qtr Lag) Index.

### Real Asset Composite

Benchmark: Beginning April 1, 2017, the Custom Real Asset Benchmark is composed of the Burgiss All US PE (1-Qtr Lag) Index and NCREIF Timberland Index. Prior to April 1, 2017, The Alerian MLP Index and the NCREIF Timberland Index.

### Hedge Fund Composite

Benchmark: The HFRI RV: Multi-Strategy Index.

### Real Estate Composite

Benchmark: The NCREIF Property Index.

### Total OIP

Benchmark As of March 2014, 15% Citigroup 1-month CD and 85% BofA Merrill Lynch Custom Index\*. As of November 2011, 15% Citigroup 1-month CD and 85% Bloomberg Barclays Capital Intermediate Government/Corporate Index. As of June 2009, 90% of the Bloomberg Barclays Intermediate Government/Credit Index and 10% of the Citigroup 30-Day CD. Prior to July 2003, the benchmark consisted of 85% of the ML 1-3 Year Government/Credit Index and 15% of the 90-Day T-Bill + 15 basis points. Prior to October 1997, the benchmark consisted of 50% of the ML 1-3 Year Government/Credit Index and 50% of the 90-Day T-Bill + 90 basis points.

\*BofA Merrill Lynch Custom Index is composed of 60% BofA Merrill Lynch US Treasury/Agency 1-10 Year Index and 40% BofA Merrill Lynch US Corporate A-AAA 1-10 Year Index

## Other Terms & Descriptions

### Rank

A representation of the percentile position of the performance of a given portfolio, relative to a universe of similar funds. For example, a rank of 25 for a given manager indicates outperformance, by that manager, of 75% of other Funds in that universe.

### Universe

A distribution of the returns achieved by a group of funds with similar investment objectives.

### Ratio of Cumulative Wealth

An illustration of a portfolio's cumulative, unannualized performance relative to that of its benchmark. An upward sloping line indicates fund outperformance. Conversely, a downward sloping line indicates underperformance by the fund. A flat line is indicative of benchmark-like performance.

### Risk-Return

The horizontal axis, annualized standard deviation, is a statistical measure of risk, or the volatility of returns. The vertical axis is the annualized rate of return. As most investors generally prefer less risk to more risk and always prefer greater returns, the upper left corner of the graph is the most attractive place to be. The line on this exhibit represents the risk and return trade-offs associated with market portfolios, or index funds.

# Periodic Table of Performance

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
		REITs 35.3							EM 55.8	REITs 31.6	EM 34.0				EM 78.5	Sm Growth 28.0		REITs 19.7				Sm Value 31.7	EM 37.3		
	Lg Value 38.4	Cmnty 33.9							Sm Growth 48.5	EM 25.6	Cmnty 25.6	REITs 35.1			High Yield 58.2	REITs 27.9		EM 18.2				Lg Value 17.3	Lg Growth 30.2		
	Lg Growth 37.2	Lg Growth 23.1	Lg Value 35.2						Sm Value 46.0	Sm Value 22.3	EAFE 13.5	EM 32.2			Lg Growth 37.2	Sm Value 24.7		Sm Value 18.0				High Yield 17.1	EAFE 25.0		
	Sm Growth 31.0	Lg Value 21.6	Sm Value 31.8		EM 66.0				EAFE 38.6	EAFE 20.2	REITs 12.2	EAFE 26.3	EM 39.4		Sm Growth 34.5	EM 18.9		Lg Value 17.5	Sm Growth 43.3	REITs 28.0		Cmnty 11.4	Sm Growth 18.2		
	Sm Value 25.8	Sm Value 21.4	Lg Growth 30.5		Sm Growth 43.1				REITs 37.1	Cmnty 17.3	HFOF 7.5	Sm Value 23.5	Cmnty 32.7		EAFE 31.8	High Yield 15.1		EAFE 17.3	Sm Value 34.5	Lg Value 13.5		Sm Growth 11.3	Lg Value 13.7	Cmnty 10.4	
	Cmnty 20.3	HFOF 14.4	REITs 20.3	Lg Growth 38.7	Cmnty 40.9	Cmnty 49.7			Lg Value 30.0	Lg Value 16.5	Lg Value 7.1	Lg Value 22.2	Lg Growth 11.8		REITs 28.0	Lg Value 15.1		High Yield 15.8	Lg Growth 33.5	Lg Growth 13.1		EM 11.2	REITs 8.7	Sm Growth 9.7	
	High Yield 19.2	High Yield 11.4	HFOF 16.2	EAFE 20.0	Lg Growth 33.1	REITs 26.4	Sm Value 14.0		Lg Growth 29.8	Sm Growth 14.3	Lg Growth 5.3	Sm Growth 13.4	EAFE 11.2		Sm Value 20.6	Lg Growth 15.1	REITs 8.3	Lg Growth 15.3	Lg Value 32.5	Bonds 6.0		REITs 8.6	Sm Value 7.8	Lg Growth 7.3	
EAFE 7.8	Bonds 18.5	Sm Growth 11.3	Sm Growth 12.9	Lg Value 15.6	EAFE 27.0	Sm Value 22.8	REITs 13.9	Cmnty 32.1	High Yield 29.0	High Yield 11.1	Sm Value 4.7	High Yield 11.8	HFOF 10.3		Lg Value 19.7	Cmnty 9.0	Bonds 7.8	Sm Growth 14.6	EAFE 22.8	Sm Growth 5.6		Lg Growth 7.1	HFOF 7.7	Sm Value 5.4	
Cmnty 5.3	REITs 15.3	EAFE 6.0	High Yield 12.8	Bonds 8.7	HFOF 26.5	Bonds 11.6	Bonds 8.4	Bonds 10.3	Cmnty 20.7	HFOF 6.9	Sm Growth 4.1	HFOF 10.4	Sm Growth 7.0		Cmnty 13.5	EAFE 7.8	High Yield 5.0	HFOF 4.8	HFOF 9.0	Sm Value 4.2	Lg Growth 5.7	Bonds 2.6	High Yield 7.5	REITs 1.3	
REITs 3.2	EAFE 11.2	EM 5.7	Bonds 9.7	High Yield 1.9	Lg Value 7.3	Lg Value 7.0	High Yield 5.3	REITs 3.8	HFOF 11.6	Lg Growth 6.3	High Yield 2.7	Lg Growth 9.1	Bonds 7.0		HFOF 11.5	Bonds 6.5	Lg Growth 2.6	Bonds 4.2	High Yield 7.4	HFOF 3.4	REITs 2.8	EAFE 1.0	Cmnty 5.8	HFOF 0.7	
Lg Growth 2.7	HFOF 11.1	Bonds 3.6	EAFE 1.8	Sm Growth 1.2	High Yield 2.4	HFOF 4.1	HFOF 2.8	HFOF 1.0	Bonds 4.1	Bonds 4.3	Bonds 2.4	Bonds 4.3	High Yield 1.9	Bonds 5.2	Bonds 5.9	HFOF 5.7	Lg Value 0.4	Cmnty 0.1	REITs 2.9	High Yield 2.5	Bonds 0.5	HFOF 0.5	Bonds 3.5	High Yield 0.2	
High Yield -1.0	EM -5.5		EM -11.8	HFOF -5.1	Bonds -0.8	High Yield -5.9	EM -2.6	High Yield -1.4				Cmnty -15.1	Lg Value -0.2	HFOF -21.4			Cmnty -1.2				HFOF -2.2			Bonds -1.6	
Sm Value -1.6			Cmnty -14.1	Sm Value -6.5	Sm Value -1.5	EAFE -14.2	Lg Value -5.6	EM -6.2					Sm Value -9.8	High Yield -26.2			Sm Growth -2.9		Bonds -2.0	EAFE -4.9	EAFE -0.8			Lg Value -1.7	
Lg Value -2.0				REITs -17.5	REITs -4.6	Lg Growth -22.4	Sm Growth -9.2	Sm Value -11.4					REITs -15.7	Sm Value -28.9			Sm Value -5.5		EM -2.6	Cmnty -33.1	Sm Growth -1.4			EAFE -2.7	
Sm Growth -2.4				EM -25.6		Sm Growth -22.4	Lg Growth -20.4	Lg Value -15.5						Lg Value -36.8			HFOF -5.7				Lg Value -3.8			EM -6.7	
Bonds -2.9				Cmnty -35.7		EM -30.8	EAFE -21.4	EAFE -15.9						REITs -37.7			EAFE -12.1				High Yield -4.4				
HFOF -3.5							Cmnty -31.9	Lg Growth -27.9						Lg Growth -38.4								Sm Value -7.5			
EM -7.6								Sm Growth -30.3						Sm Growth -38.5								EM -14.9			
														EAFE -43.4								Cmnty -32.9			
														Cmnty -46.5											
														EM -53.3											

\*Large Growth – Russell 1000 Growth; Large Value – Russell 1000 Value; Small Growth – Russell 2000 Growth; Small Value – Russell 2000 Value; EAFE – MSCI EAFE; EM – MSCI EM; REITs – NAREIT; Bonds – Barclays Aggregate; High Yield – Barclays High Yield; Cmnty – GSCI; HFOF – HFR FOF

As of June 30, 2018

## Comparative Performance

	1 Quarter	FYTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Total Defined Benefit Plan	0.9	8.3	8.3	7.8	8.9	7.1	9.1	07/01/1983
Policy Benchmark	1.2	8.4	8.4	7.4	8.5	7.0	9.2	07/01/1983
Policy Benchmark*	1.2	8.5	8.5	7.5	8.6	7.1	9.2	07/01/1983

\* Total Defined Benefit Policy Benchmark includes the long-term target weight allocation of 5% to Private Equity beginning 2/1/2005. Returns for periods greater than one year are annualized. Returns are expressed as percentages.

## Notes

- The rates of return contained in this report are shown on an after-fees basis unless otherwise noted. They are geometric and time-weighted. Returns for periods longer than one year are annualized.
- Universe percentiles are based upon an ordering system in which 1 is the best ranking and 100 is the worst ranking.
- Due to rounding throughout the report, percentage totals displayed may not sum to 100%. Additionally, individual fund totals in dollar terms may not sum to the plan total.

## Disclaimer

Past performance is not necessarily indicative of future results.

Unless otherwise noted, performance returns presented reflect the respective fund's performance as indicated. Returns may be presented on a before-fees basis (gross) or after-fees basis (net). After-fee performance is net of each respective sub-advisors' investment management fees and include the reinvestment of dividends and interest as indicated on the notes page within this report or on the asset allocation and performance summary pages. Actual returns may be reduced by AHIC's investment advisory fees or other trust payable expenses you may incur as a client. AHIC's advisory fees are described in Form ADV Part 2A. Portfolio performance, characteristics and volatility also may differ from the benchmark(s) shown.

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Aon Hewitt Investment Consulting, Inc.  
200 East Randolph Street  
Suite 1500  
Chicago, IL 60601  
ATTN: AHIC Compliance Officer