

PRIM Board Quarterly Update

Third Quarter 2024



PRIM Executive Director and Chief Investment Officer Michael G. Trotsky, CFA provided the following information to the PRIM Board at its December 5, 2024 meeting:

Executive Director and Chief Investment Officer Report

Financial markets were strong in the quarter ended September 30, 2024, and the PRIT Fund ended with a record high balance of \$110.5 billion, surpassing the previous record balance set last quarter. For the September quarter, the PRIT Fund returned 4.4% net of all fees, and for the trailing twelve months, the PRIT Fund returned 16.4% (net) which equates to an investment gain of \$15.6 billion.

For the one-year period, Global Equity led returns with a gain of 30.6% net of fees, propelled in part by US Large Capitalization Equities including the “Magnificent Seven” group of technology companies. Emerging Markets Equity, US Small Capitalization Equities, and Developed International Equities were also strong, up 25.7%, 25.1%, and 23.9%, respectively. Fixed Income strategies, Hedge Funds and Timberland posted strong double-digit gains while Real Estate declined 4.9%. Private equity was up 7.0% for the one-year period as it reported its seventh consecutive quarterly gain in the quarter and positive cash flows for both the quarter and calendar year to date. Fourteen of the fifteen major asset classes in the PRIT Fund had a positive contribution to the total return of 16.4%. We believe a 16.4%, 12-month gain in the turbulent environment is a very solid accomplishment. The PRIT Fund has performed well over a long period of time through strong and weaker markets and through turbulent times; we remain confident in its ability to do so in the future.

PRIT Fund Performance

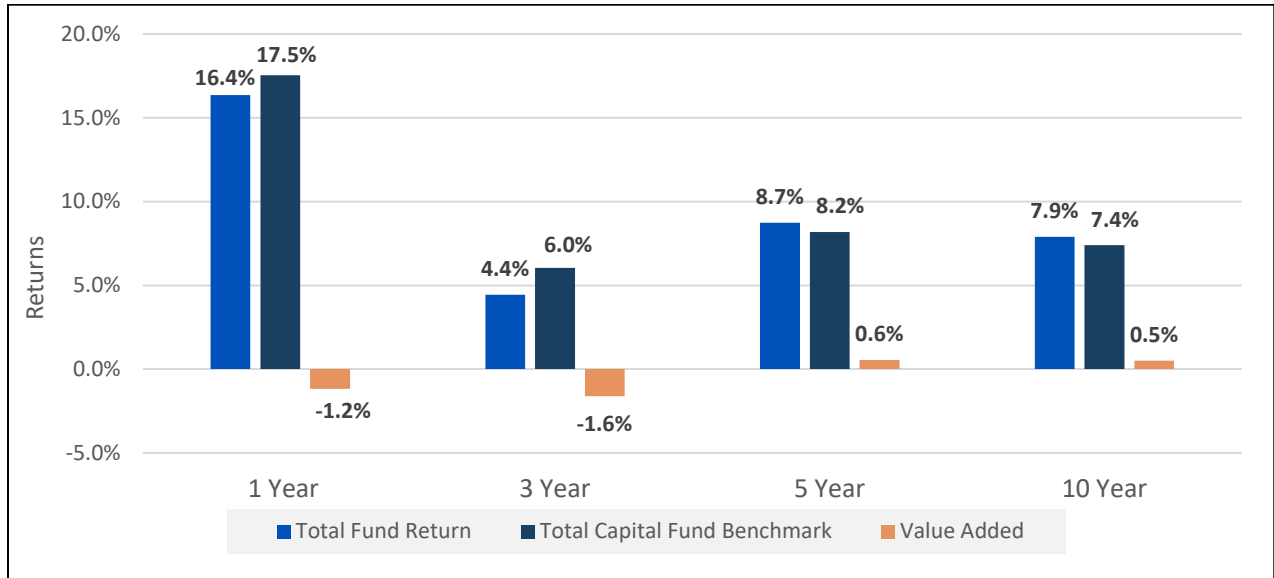
For the one-year ended September 30, 2024, the PRIT Fund was up 16.4%, net of fees, underperforming the total core benchmark of 17.5% by 118 basis points.

- This performance equates to an investment gain of \$15.6 billion, net of fees.
- This underperformance equates to \$1.1 billion of value below the benchmark return, net of fees.
- Net total outflows to pay benefits for the one-year ended September 30, 2024, were approximately \$140 million.

The following charts summarize the PRIT Fund performance for the one-year ended September 30, 2024.

Total PRIT Fund Returns

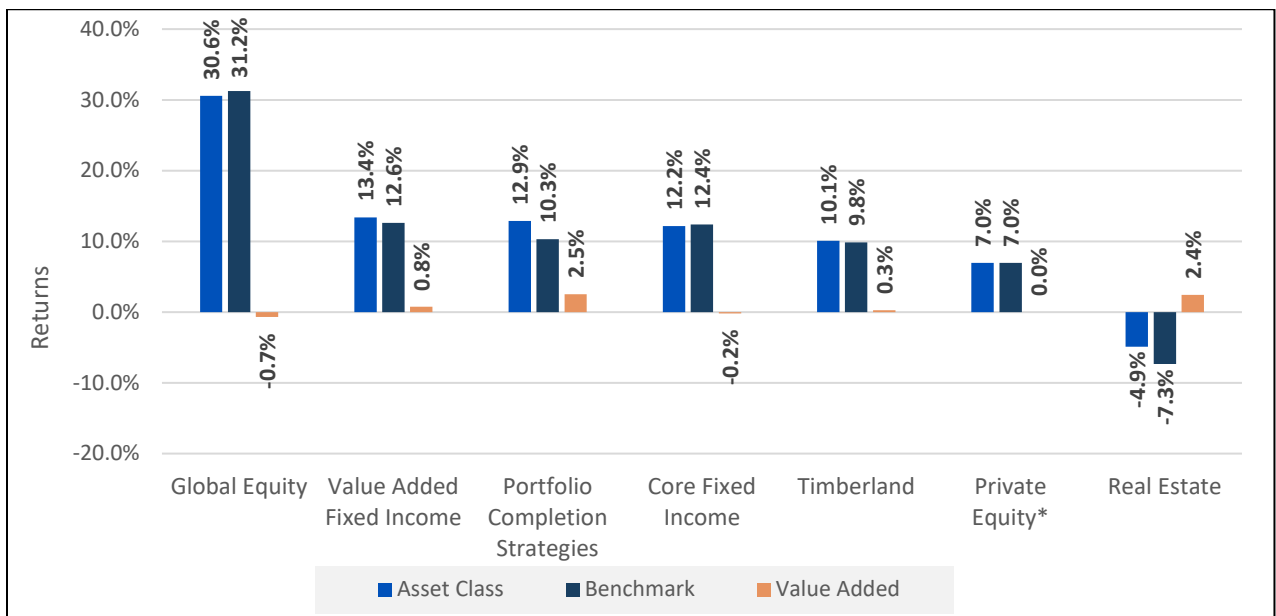
Annualized Returns as of September 30, 2024 (Net of Fees)



Source: BNY. Total Capital Fund Benchmark includes private equity benchmark.

PRIT Performance by Asset Class

One Year ended September 30, 2024 (Net of Fees)



Source: BNY Mellon. Totals may not add due to rounding. *Benchmark is actual performance.

PRIT Fund Periodic Table of Returns

September 30, 2024 (Net of Fees)

1 Year	3 Year	5 Year	10 Year
GLOBAL EQUITY 30.6%	TIMBER 9.4%	PRIVATE EQUITY 17.2%	PRIVATE EQUITY 16.7%
VALUE-ADDED FIXED INCOME 13.4%	GLOBAL EQUITY 7.6%	GLOBAL EQUITY 12.0%	GLOBAL EQUITY 9.4%
PCS 12.9%	PCS 5.3%	TIMBER 6.6%	REAL ESTATE 7.1%
CORE FIXED INCOME 12.2%	PRIVATE EQUITY 4.9%	VALUE-ADDED FIXED INCOME 5.9%	TIMBER 5.7%
TIMBER 10.1%	VALUE-ADDED FIXED INCOME 4.9%	REAL ESTATE 5.2%	VALUE-ADDED FIXED INCOME 4.7%
PRIVATE EQUITY 7.0%	REAL ESTATE 1.8%	PCS 5.0%	PCS 4.0%
REAL ESTATE (4.9%)	CORE FIXED INCOME (3.4%)	CORE FIXED INCOME (0.4%)	CORE FIXED INCOME 2.4%

Source: BNY Mellon. Returns as of September 30, 2024

Organizational Updates

Since the last Board meeting, we promoted three outstanding individuals on the PRIM staff. We look forward to their continues success.

Andre Abouhala has been promoted to Senior Investment Officer on the Public Markets team. Andre joined PRIM in 2014 as an Investment Analyst and has steadily moved up our ranks. Andre holds a Bachelor of Science from Bryant University, and a Master of Business Administration from Boston University Questrom School of Business with a focus on Strategy & Innovation and Finance.

Vincent Li has been promoted to Senior Investment Operations Analyst on the Finance team. Vincent joined PRIM in 2021 and has become a key member of the Investment Operations team primarily focusing on investment cash processing and monitoring. Vincent previously served as a Management Analyst for Massachusetts Department of Children & Families (DCF). Prior to DCF, he was a Rates Analyst at KPN iBasis. Vincent holds a Bachelor of Arts in Economics from the University of California San Diego.

Silas Owoyemi has been promoted to Systems Administration Support Specialist on the IT team. Silas joined PRIM in March of 2020 as a Help Desk and Operational Support Specialist. Silas previously worked as a Network Engineer at Ocean Spray, where he was responsible for planning and maintaining their data network and associated infrastructure. He was also Senior Support Specialist at Alkermes Biopharmaceutical Company. Silas holds a Bachelor of Science in Mathematics from the University of Ilorin, Nigeria.

Recent Recognition

Michael G. Trotsky, CFA, PRIM's Executive Director and Chief Investment Officer, was presented with the "Lifetime Achievement Award" by *Allocate with (with Intelligence)* for his work at PRIM and was named to the 2024 CIO Power 100 list by *Chief Investment Officer*.

PRIM was awarded two Commonwealth Citations for Outstanding Performance by Treasurer Deborah Goldberg. Veena Ramani, PRIM's Director of Stewardship, was recognized for her leadership in the development of new stewardship priorities and enhanced PRIM's Proxy Voting Guidelines.

George Tsipakis, Director of Investment Operations, was recognized for his oversight of the investment cash processing and investment back office. He is also a key member supporting PRIM's entire real estate leverage program, including maintaining all compliance protocols.

Katherine Kovach, Investment Analyst on the Private Equity team, passed the third and final CFA exam and is now a CFA Charter holder.

PRIM Board Actions

Public Markets

Follow-on Investment Recommendation: Berkshire Multifamily Credit Fund IV, L.P.

The PRIM Board approved a commitment of up to \$150 million to Berkshire Multifamily Credit Fund IV, L.P. in the Other Credit Opportunities allocation.

Portfolio Completion Strategies

Follow-on Investment Recommendation: Trium Khartes

The PRIM Board approved an additional investment of up to \$50 million to Trium Khartes in the Emerging Manager Direct Hedge Fund managed account.

Private Equity

New Investment Recommendation: Turn/River Capital VI, L.P.

The PRIM Board approved a commitment of up to \$75 million to Turn/River Capital VI, L.P. and added Turn/River Capital to the Board-approved bench of co-investment managers.

Follow-on Investment Recommendation: Nordic Capital Evolution II SCSp

The PRIM Board approved a commitment of up to €100 million to Nordic Capital Evolution II SCSp.

Follow-on Investment Recommendation: GTCR Strategic Growth Fund II, L.P.

The PRIM Board approved a commitment of up to \$150 million to GTCR Strategic Growth Fund II, L.P.

Real Estate

U.S. REIT Investment Management Services Recommendation

The PRIM Board approved initial allocations of up to \$150 million to DWS Group and \$150 million to PGIM Real Estate to provide active investment management services for a U.S. REIT equity mandate.

Updated Investment Policy Statement

The PRIM Board approved the updated Investment Policy Statement.

This update incorporates insights from various PRIM internal teams including each asset class, risk, research, legal, and operations, as well as feedback from Committee and Board members. NEPC and asset class consultants provided insights on industry best practices.

Finance and Administration

Fiscal Year 2024 Audit Results

The PRIM Board accepted the Fiscal Year 2024 PRIM and PRIT Audited financial statements.

Consent Agenda

The PRIM Board approved the following consent agenda items:

- 1) Approval of the PRIM Board Minutes of its August 15, 2024, meeting.
- 2) Approval of the Draft Fiscal Year 2024 Annual Comprehensive Financial Report.
- 3) Approval of the Issuance of an RFP for Private Equity Advisory Services.
- 4) Approval of the Proposed 2025 PRIM Board and Committee Meeting Schedule.

The Client Services team will continue to meet with the retirement boards of PRIM's member retirement systems throughout the year. To schedule an investment review, please contact Francesco at fdaniele@mapension.com, Laura at lstrickland@mapension.com, Emily at egreen@mapension.com, or call 617-946-8401. We look forward to seeing you soon.



Please remember to notify the Client Services Team of any staffing changes within your organization.



2025 PRIM Board and Committee Meeting Dates

Board Meeting	Thursday	February 27, 2025	9:30 a.m.
Stewardship and Sustainability Committee	Wednesday	January 22, 2025	9:30 a.m.
Investment Committee	Tuesday	February 11, 2025	9:30 a.m.
Real Estate and Timberland Committee	Wednesday	February 12, 2025	9:30 a.m.
Administration and Audit Committee	Thursday	February 13, 2025	10:00 a.m.

Board Meeting	Thursday	May 22, 2025	9:30 a.m.
Stewardship and Sustainability Committee	Wednesday	April 16, 2025	9:30 a.m.
Investment Committee	Tuesday	May 6, 2025	9:30 a.m.
Real Estate and Timberland Committee	Wednesday	May 7, 2025	9:30 a.m.
Administration and Audit Committee	Thursday	May 8, 2025	10:00 a.m.

Board Meeting	Thursday	August 14, 2025	9:30 a.m.
Stewardship and Sustainability Committee	Wednesday	July 16, 2025	9:30 a.m.
Investment Committee	Tuesday	August 5, 2025	9:30 a.m.
Real Estate and Timberland Committee	Wednesday	August 6, 2025	9:30 a.m.
Administration and Audit Committee	Thursday	August 7, 2025	10:00 a.m.

Board Meeting	Thursday	December 4, 2025	9:30 a.m.
Stewardship and Sustainability Committee	Wednesday	October 22, 2025	9:30 a.m.
Investment Committee	Tuesday	November 18, 2025	9:30 a.m.
Real Estate and Timberland Committee	Wednesday	November 19, 2025	9:30 a.m.
Administration and Audit Committee	Monday	November 24, 2025	10:00 a.m.
Compensation Committee	Monday	November 24, 2025	11:30 a.m.