SFERS
San Francisco Employees' Retirement System

San Francisco City and County
Employees' Retirement System

RETIREMENT BOARD MEETING CALENDAR SHEET

September 9, 2026

To: Retirement Board

From: Alison Romano
CEO & CIO

Date: September 9, 2026

Agenda Item: Chief Investment Officer's Report

Recommendation:
This is a discussion item only.

Background:
Alison Romano, Chief Executive Officer & Chief Investment Officer, will report on the following items:

Performance and Market Update and Plan Value
Update on Closed Investments

Attachments for Informational Purposes:

- Exhibit 1: Performance and Market Update
- Exhibit 2: Plan Value Update
- Exhibit 3: Update on Closed Investments

Exhibit 1: Performance and Market Update

September 9, 2026

Summary

- On a preliminary basis[1], the SFERS Total Plan has returned +9.6% (annualized) over the trailing three years. Public Equity (+21.0%) and Absolute Return[2] (+10.1%) were the strongest performing asset classes, followed by Private Credit (+8.7%), Public Credit (+7.8%), Cash (+5.0%), Private Equity (+4.6%), Treasuries (+4.2%), and Real Assets (+0.5%).

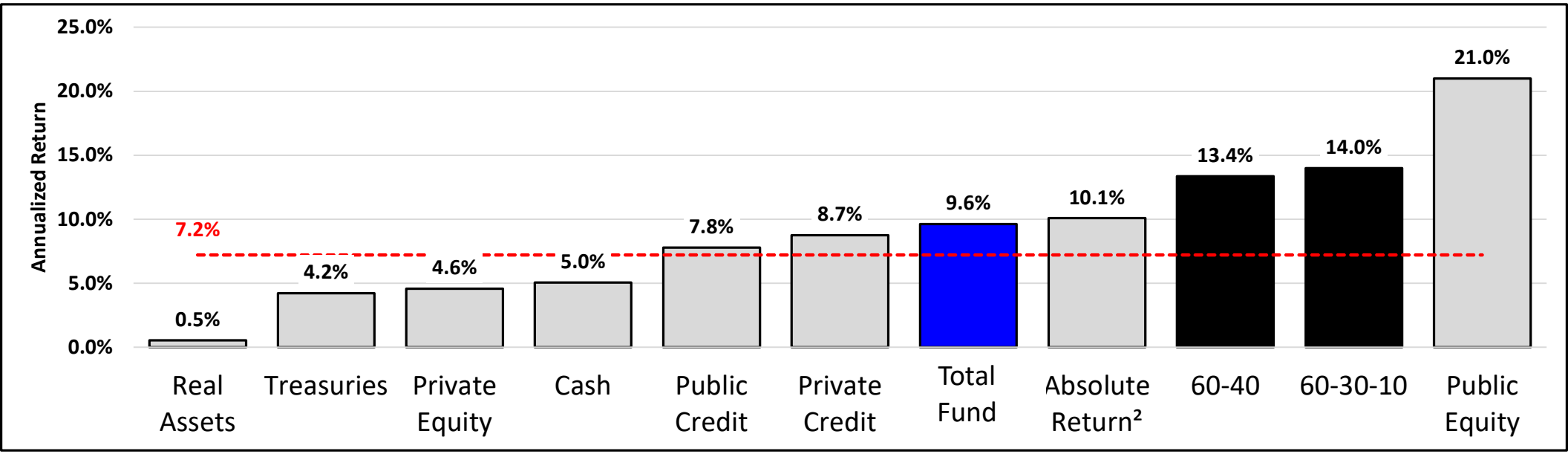
- On a preliminary basis[1], the SFERS Total Plan returned +6.9% for the calendar year to date. Public Equity (+15.6%) and Private Credit (+4.4%) were the strongest performing asset classes, followed by Real Assets (+3.3%), Cash (+2.7%), Private Equity (+2.4%), Public Credit (+2.3%), and Treasuries (+0.5%). Absolute Return[2] (+6.2%) was positive for the calendar year through the end of July.

- On a preliminary basis[1], the SFERS Total Plan returned +1.3% in the month of August. Public Equity (+3.6%) was the best performing asset class, followed by Public Credit (+0.6%), Private Credit (+0.5%), Treasuries (+0.4%), Cash (+0.3%), Private Equity (+0.1%) and Real Assets (+0.0%). Absolute Return[2] (+0.3%) was positive in July.

Notes: Preliminary data sourced from SFERS Plan Value Report, through August 31, 2026. [1] Valuations are preliminary and are reported gross of fees. The reported returns and market values are based on prior month-end values that have been adjusted by SFERS' Custody Bank since the last report. For non-daily priced public fund vehicles, returns and market values may include estimates or be proxied using benchmarks. For private equity, private credit and real assets, returns and market values are based on the most currently available manager data. [2] Absolute Return performance is lagged by one month.
60-40 and 60-30-10 indices comprise of the MSCI ACWI IMI (ND), Bloomberg Global Aggregate and FTSE EPRA/NAREIT Global.

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Estimated Annualized 3 Year Performance[1]

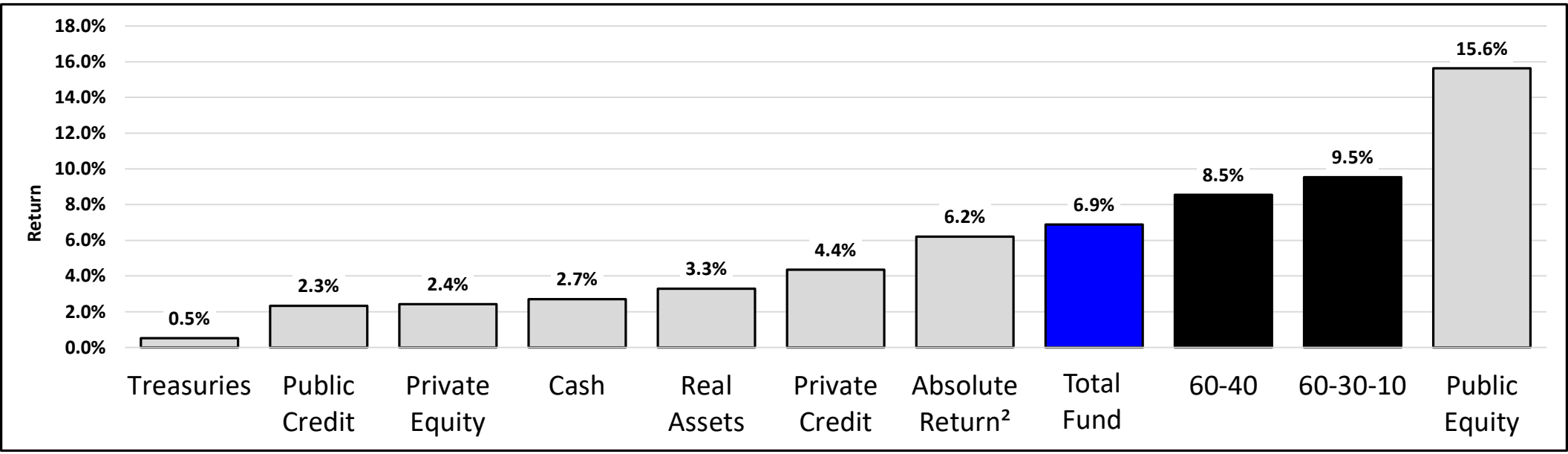


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Estimated CYTD Performance[1]

TOTAL SFERS AUM:
$41.7 Billion[1]

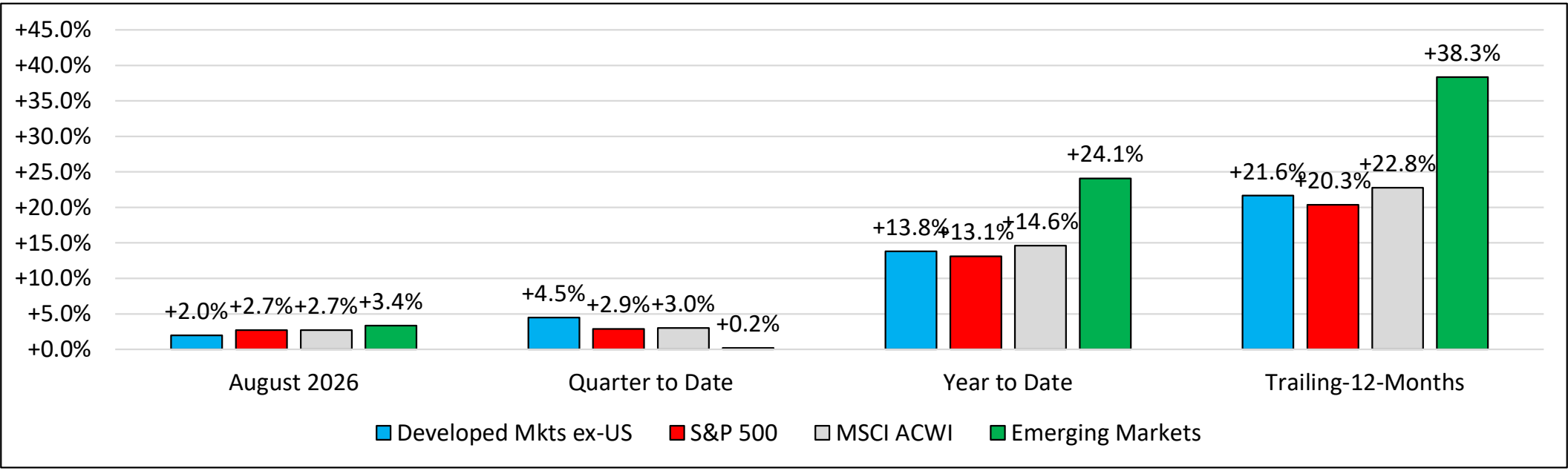


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Public Equity

- **Geography:** For the month, Emerging Markets (MSCI EM-ND) (+3.4%) led returns, followed by the US Market (S&P 500) (+2.7%) and Developed Markets ex-US (MSCI EAFE-ND) (+2.0%).



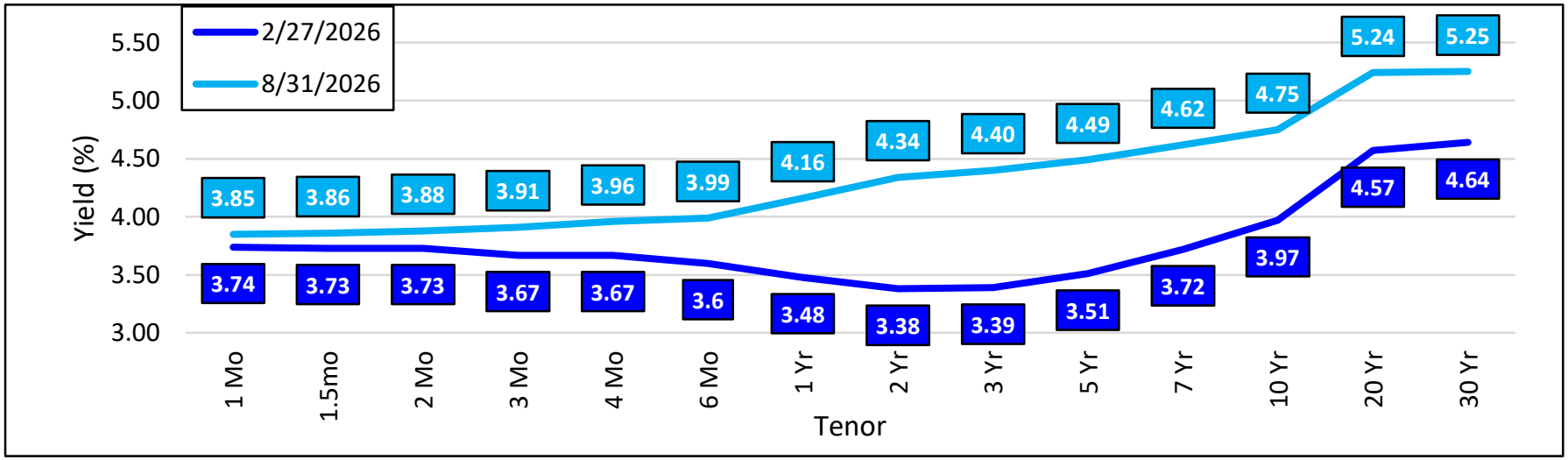
- **Sector:** Over the past month, Energy (+7.0%) and Information Technology (+6.2%) were the strongest performers, while Utilities (-4.8%) and Industrials (-2.6%) lagged.
- **Style:** Over the past month, Growth (+3.3%) outperformed Value (+2.1%). Over the trailing twelve months Growth (+22.3%) outperformed Value (+18.1%).
- **Size:** Over the past month, Large Caps (+2.8%) outperformed Small Caps (+1.0%). Over the trailing twelve months Small Caps (+26.6%) outperformed Large Caps (+19.7%).

Notes: Returns sourced from Bloomberg. Underlying sources are MSCI, S&P and Russell. Performance is reported on a total return basis through August 31, 2026. Sector and Style performance refers to S&P 500 unless stated otherwise. Size performance compares the Russell 1000 (large caps) vs Russell 2000 (small caps).

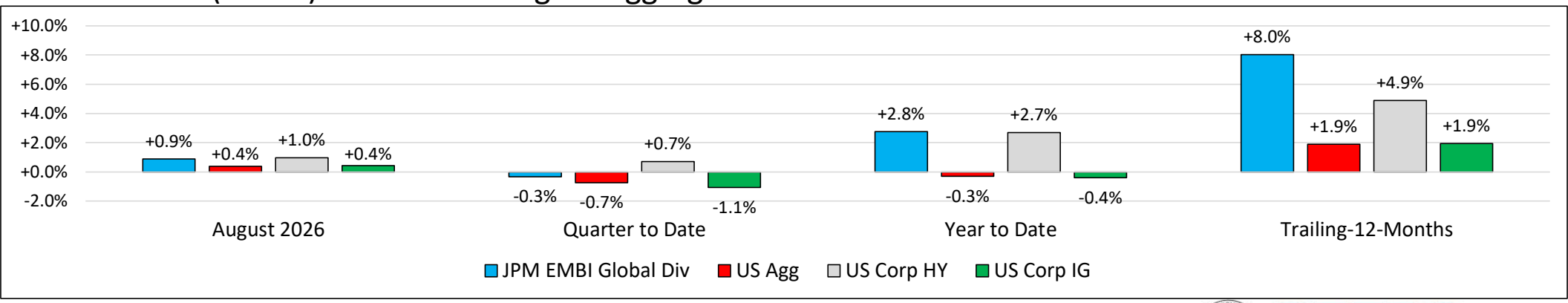
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Fixed Income

- **Rates:** Rates have moved higher across the curve, with longer maturities rising more than shorter maturities. The long-end of the yield curve has been volatile as the market digests commentary on the path of monetary policy from the new Fed Chair Kevin Warsh amid above-target inflation.



- **Credit:** For the month, the Bloomberg US Corporate HY Index led returns (+1.0%), followed by the JPM EMBI Global Diversified Index (+0.9%) and the Bloomberg US Corporate Investment Grade Index (+0.4%). The Bloomberg US Aggregate Index returned +0.4%.



Notes: Returns sourced from Bloomberg. Underlying sources are Bloomberg and JP Morgan. Performance is reported on a total return basis through August 31, 2026. Yield curve data sourced from https://home.treasury.gov.

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Liquid Real Assets

- Real assets had negative returns with the S&P Real Assets Index -0.7% for the month following returns of +10.7% year to date and +12.3% for the trailing twelve months.
- Midstream Energy Infrastructure had positive returns with +2.8% for the month and +30.4% year to date.
- Broad-market commodity returns were up in August, with the Bloomberg Commodity Index returning +7.1% bringing the year to date return to +28.9%.
- Gold was up +9.7% for the month and +27.7% for the trailing twelve months.
- Oil has continued its volatile stretch amid conflict in the Middle East. Brent and WTI Crude were up 0.4% and 1.3% in August, following year to date moves of 48.7% and 49.4% higher respectively.

	Performance			
Real Assets	MTD	QTD	YTD	1Y
S&P Real Assets Index	-0.7%	2.5%	10.7%	12.3%
S&P Global Infrastructure Index	-2.3%	-1.2%	7.7%	12.1%
Wilshire Global Real Estate Securities Index	-3.1%	-0.6%	12.9%	10.6%
Alerian Midstream Energy Index	2.8%	6.9%	30.4%	30.7%
Commodities				
Bloomberg Commodity Index	7.1%	14.7%	28.9%	37.5%
Gold	9.7%	10.1%	2.7%	27.7%
Brent Crude Oil	0.4%	26.4%	48.7%	32.8%
West Texas Intermediate Oil	1.3%	25.1%	49.4%	30.8%

Notes: Sourced from Bloomberg, data as of 8/31/2026.

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Exhibit 2: Plan Value Report

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To: Retirement Board

Through: Alison Romano
CEO & CIO

From: Sam Park
Investment Officer

Date: September 09, 2026

Re: Plan Value Report

Best available data as of August 31, 2026

	Value[1,3] (000)	Weight (%)	MTD (%)	QTD (%)	CYTD (%)	FYTD (%)
SFERS TOTAL FUND	**41,666,067**	**100.0**	**1.25**	**1.06**	**6.89**	**1.06**
Public Equity	13,094,911	31.4	3.57	2.10	15.63	2.10
Private Equity	10,532,817	25.3	0.10	0.81	2.43	0.81
GROWTH ASSETS	**23,627,728**	**56.7**				
Real Assets	4,877,948	11.7	0.04	0.60	3.28	0.60
Absolute Return[2]	4,242,435	10.2	0.25	0.25	6.21	0.25
DIVERSIFYING ASSETS	**9,120,383**	**21.9**				
Private Credit	3,330,143	8.0	0.47	0.77	4.35	0.77
Public Credit	2,366,647	5.7	0.61	(0.09)	2.33	(0.09)
Treasuries	2,280,913	5.5	0.39	0.08	0.52	0.08
INCOME GENERATING ASSETS	**7,977,702**	**19.1**				
CASH EXPOSURE[3]	**940,254**	**2.3**	0.31	0.65	2.70	0.65
NET LEVERAGE[3]	**21,674**	**0.1**	---	---	---	---

[1] Valuations are preliminary and are reported gross of fees. The reported returns and market values are based on prior month-end values that have been audited and adjusted by SFERS' Custody Bank since the last report. For non-daily priced public fund vehicles, returns and market values may include estimates or be proxied using benchmarks. For private equity, private credit and real assets, returns and market values are based on the most currently available manager data. Cash and Total Fund MTD return in July is adjusted by city pre-payment.

[2] Absolute Return market value and return are lagged by one month.

[3] Values reflect net exposures, not necessarily physical holdings.

SFERS - Asset Allocation Summary Report

As of August 31, 2026

	7/31/2026	Value In	Value Out	MV Δ[1]	8/31/2026	Current	LT Target	Range	Unfunded
		---------- ($ Mn) ----------				----- Weight (%) -----			($ Mn)
GROWTH ASSETS	**23,167.3**	**180.5**	**182.0**	**461.8**	**23,627.7**	**56.7**	**52.0**	**45 - 75**	**3,115.3**
Public Equity	*12,643.8*	*150.0*	150.1	451.2	13,094.9	31.4	32.0	20 - 45	
Private Equity	*10,523.5*	30.5	31.9	10.7	10,532.8	25.3	20.0	15 - 30	3,115.3[3]
DIVERSIFYING ASSETS	**9,103.2**	**45.7**	**40.9**	**12.4**	**9,120.4**	**21.9**	**20.0**	**15 - 30**	**1,912.9**
Real Assets	*4,888.4*	23.5	35.9	1.9	4,877.9	11.7	10.0	8 - 15	1,882.0[3]
Absolute Return	*4,214.8*	22.2	5.0	10.5	4,242.4	10.2	10.0	5 - 15	31.0
INCOME ASSETS	**5,676.7**	**40.6**	**50.4**	**30.0**	**5,696.8**	**13.7**	**22.0**	**8 - 30**	**2,255.6**
Public Credit	*2,327.4*	25.0	0.0	14.2	*2,366.6*	5.7	12.0	3 - 15	
Private Credit	*3,349.2*	15.6	50.4	15.8	3,330.1	8.0	10.0	5 - 15	2,255.6[3]
CAPITAL PRESERVATION	**2,247.0**	**25.0**	**0.0**	**8.9**	**2,280.9**	**5.5**	**8.0**	**3 - 12**	**0.0**
Treasuries[2]	*2,247.0*	25.0	0.0	8.9	*2,280.9*	5.5	8.0	3 - 12	
CASH[2]	**1,106.4**	**527.3**	**696.8**	**3.4**	**940.3**	**2.3**	**1.0**	**0 - 5**	
Investable Cash[4]	*1,106.4*	*527.3*	*696.8*	*3.4*	*940.3*	*2.3*			
Credit Facility	*0.0*	*0.0*	*0.0*	---	*0.0*	*0.0*			
NET LEVERAGE[2]	**0.0**	**21.7**	**0.0**	**---**	**21.7**	**0.1**	**3.0**	**0 - 5**	
Gross Leverage	*940.9*	*21.0*	*0.0*	*0.0*	*961.9*	*2.3*			
TOTAL PORTFOLIO	**41,300.6**	**0.0**	**151.0**	**516.5**	**41,666.1**	**100.1**	**103.0**	**100 - 103**	**7,283.8**

Notes: Target allocations and ranges were approved by the Board in June 2024.

[1] For non-daily priced vehicles, performance may include estimates or be proxied using benchmark performance.

[2] Values reflect net exposures, not necessarily physical holdings. Month-end redemptions are moved into cash.

[3] Unfunded commitment estimates for private markets are provided by Aksia as of the current month end and include only active funds.

[4] Investable cash comprises investment, enhanced, and dedicated cash accounts.

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Cash Activities

As of August 31, 2026

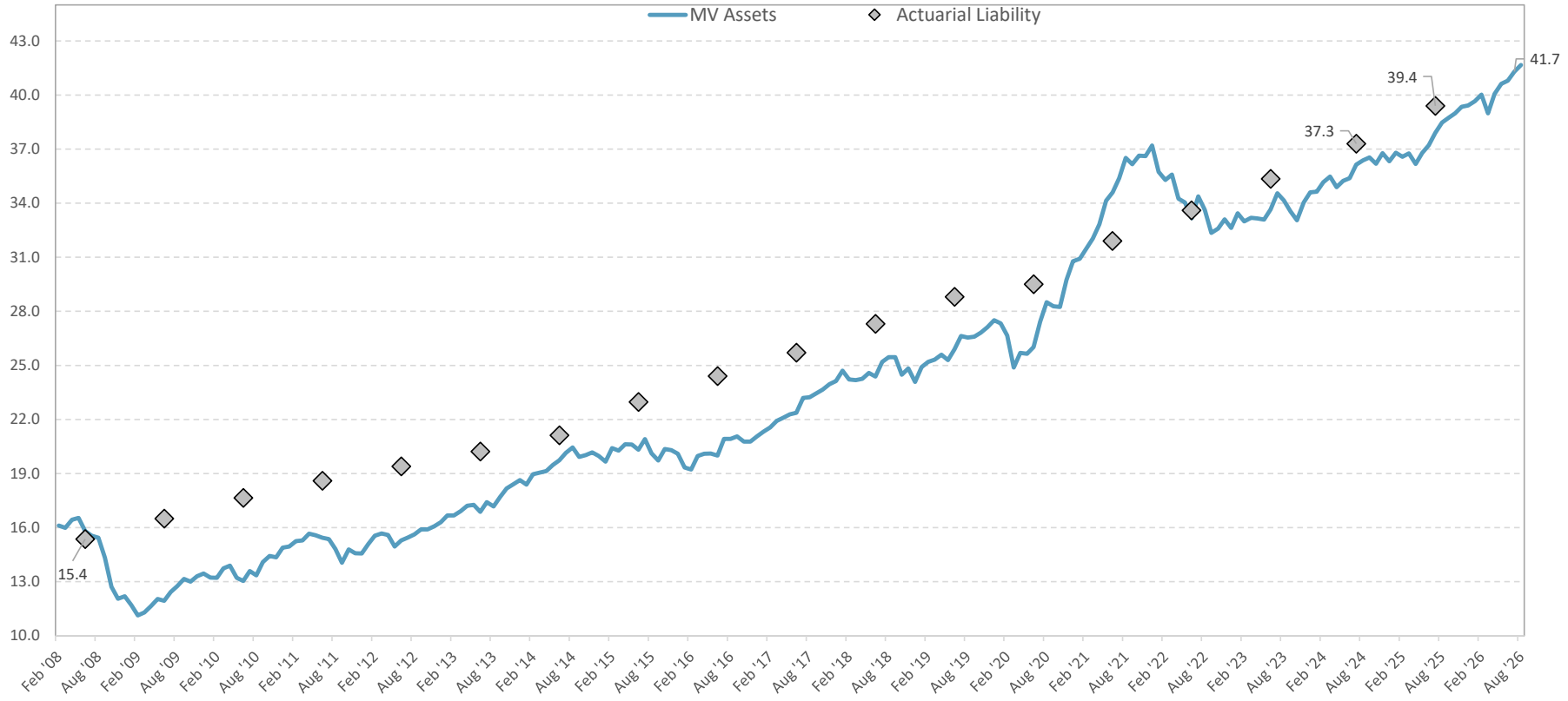
Investable Cash Account (In $ Million)[1]	
Beginning Balance as of August 1, 2026	**1,106.4**
Employer Contribution Pre-Payment	0.0
Cash from Credit Line	0.0
Return to Credit Line	0.0
Public Equity Net Flows	0.1
Public Equity Synthetic Net Flows	0.0
Private Equity Net Flows	1.4
Real Assets Net Flows	12.4
Absolute Return Net Flows	-17.2
Public Credit Net Flows	-25.0
Private Credit Net Flows	34.8
Treasuries Net Flows	-25.0
Investable Cash Market Value Change	3.4
Net Benefit Payment for August 2026	-151.0
Ending Balance as of August 31, 2026	**940.3**

Credit Line	
Total Credit Available	600.0
Net Credit Drawn from BNY Mellon's Cash Release	0.0
Period of Credit Utilization	N/A
Annualized Cost of Credit (basis points)	N/A
Cost of Credit ($)	N/A
Ending Balance of Credit Drawn as of August 31, 2026	**0.0**

Note: Positive sign denotes an inflow into the cash account and a negative sign denotes an outflow from the cash account.

[1]Investable Cash comprises investment, enhanced, and dedicated cash accounts.

SFERS - Monthly Assets



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Notes: Data from January 31, 2008 through August 31, 2026. Total Plan market values through December 2022 are provided by NEPC. Data from January 2023 to June 2026 are provided by BNY Mellon and finalized. Data starting from July 2026 are provided by BNY Mellon and preliminary.

July-August 2026

Exhibit 3: Update on Investments

Closed Investments

Searchlight Opportunities Fund III, L.P. & Searchlight SOF III Co-Investment Partners, L.P.

Under its delegated authority, SFERS committed $60 million to Searchlight Opportunities Fund III, L.P. and $15 million to Searchlight SOF III Co-Investment Partners, L.P. The commitments closed on July 17, 2026.

The investments are classified as Distressed/Special Situations investments within the Private Credit portfolio.

More information about Searchlight is available at https://searchlightcap.com.

Churchill Secondaries Solutions II (US), L.P.

Under its delegated authority, SFERS committed $50 million to Churchill Secondaries Solutions II (US), L.P. The commitment closed on July 22, 2026.

This investment is classified as a Secondaries investment within the Private Equity portfolio.

More information about the firm is available at https://www.churchillam.com.

Churchill Sunshine Partners, LP

Under its delegated authority, SFERS committed $115 million to Churchill Sunshine Partners, LP. The commitment closed on July 22, 2026.

This investment is classified as a Co-investment fund-of-one within the Private Equity portfolio.

More information about the firm is available at https://www.churchillam.com.

Blackstone Energy Transition Partners V L.P.

Under its delegated authority, SFERS committed $75 million to Blackstone Energy Transition Partners V L.P. The commitment closed on July 31, 2026.

The investment is classified as an Infrastructure investment within the Real Assets Portfolio.

More information about the firm is available at https://www.blackstone.com.

July-August 2026

TA Realty Value-Add Fund XIV, L.P.

Under its delegated authority, SFERS committed $100 million to TA Realty Value-Add Fund XIV, L.P. The commitment closed on August 25, 2026.

The investment is classified as a Real Estate investment within the Real Assets Portfolio.

More information about the firm is available at https://www.tarealty.com.

Terminated

BlackRock U.S. Debt Index Fund

Under its delegated Authority, SFERS terminated its investment in the U.S. Debt Index Fund managed by BlackRock Institutional Trust Company, N.A. on August 31, 2026.

The investment was classified as a Public Fixed Income investment within the Public Fixed Income Portfolio.

More information about the firm is available at https://blackrock.com.