



**PERSPECTIVES
THAT DRIVE
ENTERPRISE
SUCCESS**



PERIOD ENDING: DECEMBER 31, 2022

Real Assets Review

San Mateo County Employees' Retirement Association

Table of Contents



VERUSINVESTMENTS.COM

SEATTLE 206-622-3700

LOS ANGELES 310-297-1777

SAN FRANCISCO 415-362-3484

PITTSBURG 412-784-6678

CHICAGO 312-815-5228

Real Assets Portfolio Performance 3

Real Assets Portfolio Diversification 5

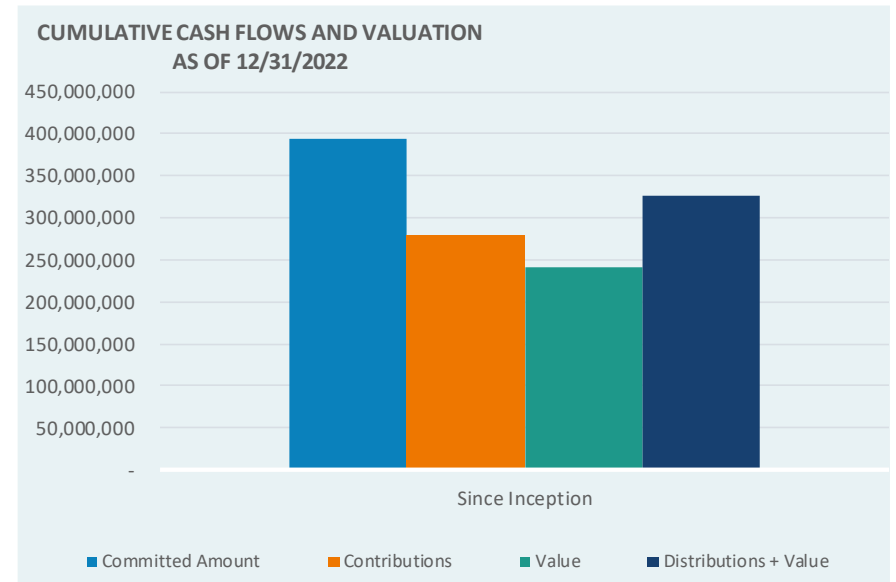
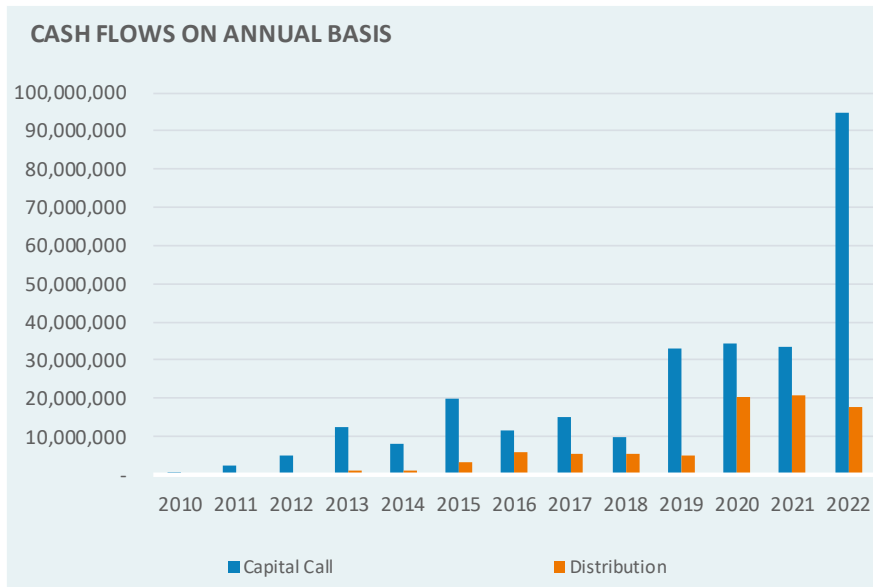
Real Assets Program Update 8

***Past performance is no guarantee of future results.** This document is provided for informational purposes only and is directed to institutional clients and eligible institutional counterparties only and is not intended for retail investors. Nothing herein constitutes investment, legal, accounting or tax advice, or a recommendation to buy, sell or hold a security or pursue a particular investment vehicle or any trading strategy. This document may include or imply estimates, outlooks, projections and other "forward-looking statements." No assurance can be given that future results described or implied by any forward looking information will be achieved. Investing entails risks, including possible loss of principal. Verus Advisory Inc. and Verus Investors, LLC ("Verus") file a single form ADV under the United States Investment Advisors Act of 1940, as amended.*

Real Asset Performance

Performance

- The portfolio is currently valued at \$240.5 million. Together with \$85.1 million in realized distributions, the Total Value at \$325.7 million is approximately \$46.3 million above \$279.4 million total capital contributions, resulting in a total value multiple of 1.17x and a net IRR of 5.75%. If we exclude the investment in Sheridan, the portfolio IRR would be 10.63%. Capital weighted average investment age of the portfolio is 4.0 years.
- Within Private Real Assets, the current allocation of market value exposure is 9.2% to Agriculture, 9.9% to Energy, 5.2% to Mining, and 75.7% to Infrastructure.



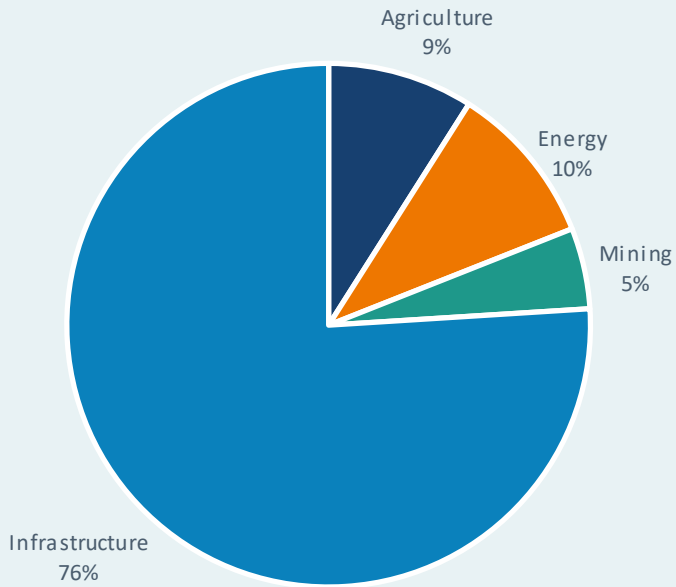
Strategy

Portfolio Diversification

Period Ending: December 31, 2022

Investment Type	Commitment	Current Exposure	Current Exposure as % of Portfolio
Agriculture	15,000,000	22,199,876	9.2%
Energy	49,800,000	23,750,397	9.9%
Mining	55,000,000	12,499,986	5.2%
Infrastructure	275,000,000	182,087,251	75.7%
Total Portfolio	394,800,000	240,537,510	100.0%

REAL ASSETS PORTFOLIO: CURRENT EXPOSURE



Geography

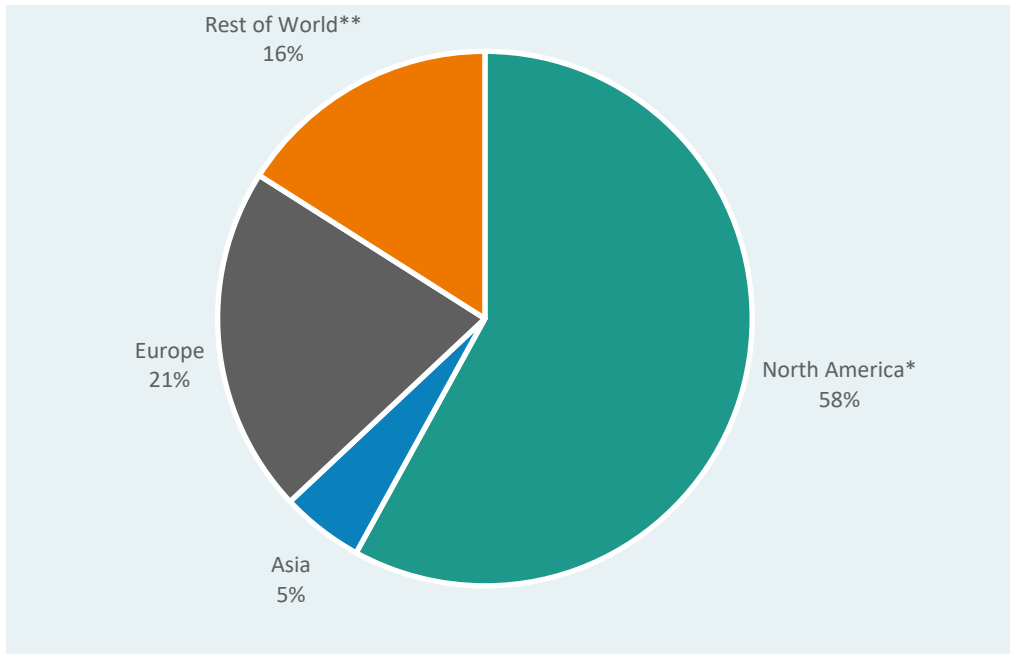
Portfolio Diversification

Period Ending: December 31, 2022

Geography	Reported Fair Value
North America*	139,930,717
Asia	11,324,313
Europe	51,550,764
Rest of World**	37,731,716
Total Portfolio	240,537,510

* North America includes 100% market value from Sheridan II-B.

** Rest of World includes Australia, Chile, Senegal, DRC, and Burkina Faso.

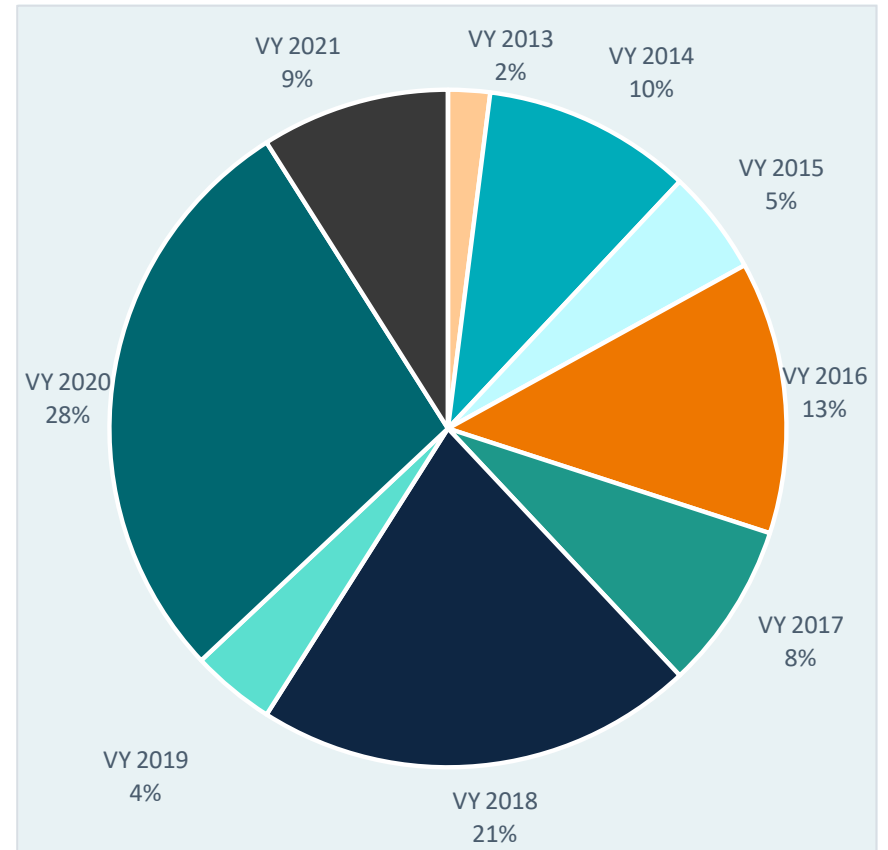


Based on invested capital as of December 31, 2022, if provided by the partnerships. The portfolio is expected to be US-biased given the mandate to hedge domestic inflation.

Vintage Year
Portfolio Diversification

Period Ending: December 31, 2022

Vintage Year	Commitment as of 12/31/2022	% of Portfolio Commitment	Reported Value as of 12/31/2022
2010	20,000,000	5.1%	0
2013	10,000,000	2.5%	4,472,558
2014	35,000,000	8.9%	23,924,518
2015	10,000,000	2.5%	12,006,666
2016	25,000,000	6.3%	30,871,531
2017	29,800,000	7.5%	19,757,790
2018	50,000,000	12.7%	50,995,187
2019	25,000,000	6.3%	10,295,393
2020	85,000,000	21.5%	66,893,109
2021	45,000,000	11.4%	21,320,758
2022	60,000,000	15.2%	0
Total Portfolio	394,800,000	100%	240,537,510



- The opportunity set for new investments within real assets has been challenging. The relative outperformance within natural resources and infrastructure compared to the rest of the market has been encouraging for client portfolios but also brings some valuation concerns to the asset classes.
- Since year end, SamCERA has committed \$25M to a re-up for LS Power V, an energy and infrastructure manager. SamCERA has also committed \$60M to KKR Diversified Core Infrastructure Fund (DCIF). Deal flow for SamCERA will remain plentiful as we expect more re-up opportunities over the next six to 12 months.