



Seattle Retirement

Seattle City Employees' Retirement System

Investment Committee Meeting
Madison Centre, 920 Fifth Ave Suite 500, Seattle
(206) 386-1293

Minutes, Thursday, August 27, 2026

IC Members Present: Sherri Crawford (Chair), Bill Schrier, Dwight Dively, Kimberly Loving

IAC Members Present: Keith Traverse (Chair), Dwight McRae, Lauren Thompson

SCERS Staff Present: Jeff Davis, Jason Malinowski, Paige Alderete, Leola Ross, George Emerson, Nina Melencio

Others Present: Mike Monaco (MMPL), Gary Smith (City Attorney's Office), Rose Dean (NEPC), Dan Hennessy (NEPC), Thao Nguyen (NEPC), Lindsay Saienni (FinNews)

Call to Order

Sherri Crawford, Chair, called the meeting to order at 11:11 am.

Public Comment

There was no public comment.

Minutes

Approved Minutes of July 30, 2026 Investment Committee Meeting.

Motion: Upon motion by Sherri Crawford, seconded by Dwight Dively, the Investment Committee approved the minutes from the July 30, 2026 Investment Committee Meeting. The motion passed unanimously (4-0).

Private Equity Deep Dive

Jason Malinowski presented the annual deep dive of the Private Equity asset class.

Private equity is a critical return driver of SCERS's investment portfolio and has the highest expected return of any asset class although it is characterized by high volatility and sensitivity to economic growth, high fees, and low liquidity. The Board had previously approved changing the asset class benchmark to the MSCI Global Private Equity Closed-End Fund Index effective January 1, 2026.

SCERS has a current and target allocation of 10.6% (as of June 30, 2026) and 11%, respectively. The allocation has declined recently due to relatively mediocre private equity performance and meaningful private equity distributions.

SCERS invests with two multi-manager firms, Adams Street Partners and Horsley Bridge Partners, in the Private Equity asset class. There are no material changes for either. Private Equity performance has met expectations over the long term.

In the last 12 months, SCERS has committed \$300 million to Adams Street Partners-SCERS IV, the fourth account of a custom multi-manager strategy that will invest in buyout primary funds and co-investments over an approximately three-year period. Staff formalized a sub-asset class target allocation of 75% buyout and 25% venture capital based on the breakdown of the private equity universe and guidance from SCERS's multi-manager partners.

Daniel Hennessy of NEPC reviewed the market environment.

Private Equity Manager Recommitment – Horsley Bridge Venture 16

Staff recommended a commitment of up to \$60 million to Horsley Bridge Venture 16 ("HB 16"), a venture capital fund of funds strategy. HB 16 is managed by Horsley Bridge Partners ("Horsley Bridge"). This would be SCERS's third investment with Horsley Bridge.

NEPC maintains a positive view of the firm, the team, and strategy. NEPC concurred with staff's recommendation to commit up to \$60M to the fund.

Motion: Upon motion by Sherri Crawford, seconded by Dwight Dively, the Investment Committee recommended that the Board of Administration commit up to \$60 million to Horsley Bridge Venture 16, pending satisfactory legal review. The motion passed unanimously (4-0).

Infrastructure Manager Recommitment – Brookfield Infrastructure VI

Staff recommended a commitment of up to \$30 million to Brookfield Infrastructure Fund VI LLC ("BIF VI"), a global and sector diversified infrastructure strategy. BIF VI is managed by Brookfield Asset Management ("Brookfield"). BIF VI would be SCERS's fourth investment in Brookfield's flagship infrastructure series. SCERS also invests in some of Brookfield's real estate strategies.

NEPC concurred with this recommendation. NEPC has selected BIF VI as a preferred strategy with a top rating of 1.

Motion: Upon motion by Sherri Crawford, seconded by Dwight Dively, the Investment Committee recommended that the Board of Administration commit up to \$30 million to Brookfield Infrastructure VI, pending satisfactory legal review. The motion passed unanimously (4-0).

Public Equity Manager Update – ABS Japan Strategic Portfolio

Staff recommended reallocating SCERS's investment in the ABS Japan Strategic Portfolio (\$78 million as of June 30, 2026) to existing managers, BlackRock and Dimensional. This reallocation is required due to the pending closure of the ABS Japan Strategic Portfolio, which staff supports. The additional investment with BlackRock and

Dimensional will be structured so that SCERS's public equity asset class maintains a Japan country allocation that remains close to that of the asset class benchmark.

The staff recommendation to close ABS Japan is due to ABS Japan's limited assets which constrains its ability to negotiate lower fees; its relatively poor performance over the last several years; and reduced confidence in Japan active management.

Motion: Upon motion by Sherri Crawford, seconded by Dwight Dively, the Investment Committee recommended that the Board of Administration reallocate SCERS's investment in the ABS Japan Strategic Portfolio as described in the staff memo. The motion passed unanimously (4-0).

Q2 2026 Performance Review – NEPC

Rose Dean of NEPC reviewed SCERS's investment performance for the period that ended June 30, 2026.

The fund returned 14.78%, net of fees, for the 1-year period ending June 30, 2026, outperforming the Strategic Policy Benchmark by 0.29%. The total fund as of June 30, 2026 increased to \$5.3 billion.

As of June 30, 2026, the estimated actuarial funded status is 80.5%. The funded status from a market perspective, which reflects the market value of assets and revalues the liabilities based on current capital market assumptions is 86.9%.

Adjourn Meeting

Motion: Upon motion by Sherri Crawford, seconded by Dwight Dively, the Investment Committee voted to adjourn the meeting at 12:46 pm. The motion passed unanimously (4-0).