**Investment Belief 6**: Strategic asset allocation is the dominant determinant of portfolio risk and return. CalPERS strategic asset allocation process transforms the fund's targeted rate of return to the market exposures that staff will manage. CalPERS will aim to diversify its overall portfolio across distinct risk factors and return drivers.

---

**PERF Objective**

CalPERS’ general investment goals are broad in nature. The overall objective of CalPERS’ investment program is to provide members and beneficiaries with benefits as required by law. CalPERS has generated strong long-term returns by effectively managing investments to achieve the highest possible return at an acceptable level of risk. The CalPERS portfolio is diversified into several asset classes. A well-diversified portfolio helps reduce investment risk to the extent that losses in one area may be offset by gains in another.

The starting point and most important element of CalPERS’ investment is our asset allocation - our diversification among stocks, bonds, cash and other investments. Asset allocation is not an asset-only or liability-only decision. All factors, including liabilities, benefit payments, operating expenses, and employer and member contributions are taken into account in determining the appropriate asset allocation mix. Our goal is to maximize returns at a prudent level of risk - an ever-changing balancing act between market volatility and long-term goals.

---

**PERF Characteristics**

Chief Investment Officer: Theodore Eliopoulos

Assets: $302.9 Billion

- Investments span domestic and international markets
- Invest ~9% of CalPERS’ total assets in California
- Utilize multiple asset classes to diversify investments
  - Global Equity
  - Private Equity
  - Income
  - Liquidity
  - Inflation Assets
  - Real Assets

---

**Actual Asset Allocation**

*Inflation, Liquidity and Real Assets were created on July 1, 2011 from existing portfolios; therefore historical values are being represented for prior years.

**Trust Level includes Absolute Return Strategies (ARS), Multi-Asset Class (MAC), and Overlay, Transition and Plan Level Portfolios**
PERF PERFORMANCE

PERF Attribution

Total Fund Attribution: For the Year Ending December 31, 2016

<table>
<thead>
<tr>
<th>Total Excess Return (bps)</th>
<th>(82)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Contributions 2</td>
<td>(54)</td>
</tr>
<tr>
<td>PUBLIC EQUITY</td>
<td>50.7%</td>
</tr>
<tr>
<td>PRIVATE EQUITY</td>
<td>8.9%</td>
</tr>
<tr>
<td>INCOME</td>
<td>19.6%</td>
</tr>
<tr>
<td>REAL ESTATE</td>
<td>9.1%</td>
</tr>
<tr>
<td>FORESTLAND</td>
<td>0.7%</td>
</tr>
<tr>
<td>INFRASTRUCTURE</td>
<td>0.9%</td>
</tr>
<tr>
<td>INFLATION</td>
<td>6.4%</td>
</tr>
<tr>
<td>OTHER</td>
<td>1</td>
</tr>
</tbody>
</table>

Allocation Impact 2 | (14) |

Private Asset Class "Proxy" Shortfall 3 | (5) |

Other/Residual | (9) |

1 Contribution figures are calculated on monthly basis and aggregated over the respective period.
2 Contribution from MAC and ARS Programs are included in Allocation Impact.
3 Impact of not obtaining full desired interim policy exposure to private asset classes and proxying these with public assets. Includes the impact of lagged reporting of private asset benchmarks relative to current month reporting of public proxies.
JRF II Objective

The JRF II was established to provide retirement, death, health and disability benefits for State Supreme and Appellate Court justices, Superior Court judges, and Municipal Court judges appointed or elected on or after November 9, 1994. Funds are allocated across five asset classes, with global equities comprising the predominant share of invested assets.

The Fund is actively managed by CalPERS staff.

### Actual Capital Allocation

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Current Allocation (%)</th>
<th>Target Allocation (%)</th>
<th>Variance (%)</th>
<th>Current Allocation (millions)</th>
<th>Target Allocation (millions)</th>
<th>Dollar Variance (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Equity</td>
<td>49.5%</td>
<td>50.0%</td>
<td>-0.5%</td>
<td>$ 603.3</td>
<td>$ 608.9</td>
<td>$ (5.6)</td>
</tr>
<tr>
<td>US Fixed Income</td>
<td>34.3%</td>
<td>34.0%</td>
<td>0.3%</td>
<td>$ 418.0</td>
<td>$ 414.1</td>
<td>$ 3.9</td>
</tr>
<tr>
<td>TIPS</td>
<td>4.9%</td>
<td>5.0%</td>
<td>-0.1%</td>
<td>$ 59.8</td>
<td>$ 60.9</td>
<td>$ (1.1)</td>
</tr>
<tr>
<td>REITs</td>
<td>8.2%</td>
<td>8.0%</td>
<td>0.2%</td>
<td>$ 99.7</td>
<td>$ 97.4</td>
<td>$ 2.3</td>
</tr>
<tr>
<td>Commodities</td>
<td>3.0%</td>
<td>3.0%</td>
<td>0.0%</td>
<td>$ 37.1</td>
<td>$ 36.5</td>
<td>$ 0.5</td>
</tr>
<tr>
<td>Cash</td>
<td>0.0%</td>
<td>0%</td>
<td>0.0%</td>
<td>$ 0.0</td>
<td>$ -</td>
<td>$ 0.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>0.0%</strong></td>
<td><strong>$ 1,217.9</strong></td>
<td><strong>$ 1,217.9</strong></td>
<td><strong>$ (0.0)</strong></td>
</tr>
</tbody>
</table>

Policy asset allocation targets were approved by the Investment Committee on October 13, 2014.
Asset Liability Management Expectations
Per the current CalPERS Judges' Retirement System II Fund Statement of Investment Policy.

JRF II RISK AND RETURN

JRS II 3-Year Realized Risk and Return

Return %

-25% -20% -15% -10% -5% 0% 5% 10% 15% 20% 25%

Risk (Standard Deviation of Returns) %

Global Equity
Fixed Income
TIPS
Commodities
REITs
TOTAL

3-Year Net Return  Annual Expected Return
3.6% 7.1%

3-Year Standard Deviation  Expected Standard Deviation
10.8% 7.2%
JRF II PERFORMANCE SUMMARY

<table>
<thead>
<tr>
<th>As of 12/31/2016</th>
<th>1 - YEAR</th>
<th>3 - YEAR</th>
<th>5 - YEAR</th>
<th>10 - YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Net Returns</td>
<td>Benchmark Return</td>
<td>Excess Bps</td>
<td>Net Returns</td>
</tr>
<tr>
<td>GLOBAL EQUITY</td>
<td>9.19</td>
<td>9.00</td>
<td>19</td>
<td>3.80</td>
</tr>
<tr>
<td>US FIXED INCOME</td>
<td>5.74</td>
<td>4.33</td>
<td>141</td>
<td>5.37</td>
</tr>
<tr>
<td>TIPS</td>
<td>4.59</td>
<td>4.68</td>
<td>(10)</td>
<td>2.10</td>
</tr>
<tr>
<td>REITs</td>
<td>5.02</td>
<td>4.99</td>
<td>4</td>
<td>6.79</td>
</tr>
<tr>
<td>COMMODITIES</td>
<td>11.81</td>
<td>11.37</td>
<td>44</td>
<td>(20.27)</td>
</tr>
<tr>
<td>JRF II FUND</td>
<td>7.63</td>
<td>7.19</td>
<td>44</td>
<td>3.62</td>
</tr>
</tbody>
</table>

JRS II CUMULATIVE RETURNS

JRS II 1-YEAR EXCESS AND ROLLING 3-YEAR EXCESS RETURNS

Page 5 of 20
Policy asset allocation targets were approved by the Investment Committee on October 13, 2014.
Asset Liability Management Expectations

Per the current CalPERS Legislators' Retirement System Fund Statement of Investment Policy.

LRF RISK AND RETURN

3-Year Net Return  5.78%
Annual Expected Return  3.6%

3-Year Standard Deviation  7.14%
Expected Standard Deviation  5.2%

LRF 3-Year Realized Risk and Return
## LRF PERFORMANCE SUMMARY

### LRS CUMULATIVE RETURNS

<table>
<thead>
<tr>
<th>As of 12/31/2016</th>
<th>1 - YEAR</th>
<th>3 - YEAR</th>
<th>5 - YEAR</th>
<th>10 - YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Net Returns</td>
<td>Benchmark Return</td>
<td>Excess Bps</td>
<td>Net Returns</td>
</tr>
<tr>
<td>GLOBAL EQUITY</td>
<td>9.22</td>
<td>9.00</td>
<td>22</td>
<td>3.82</td>
</tr>
<tr>
<td>US FIXED INCOME</td>
<td>5.73</td>
<td>4.33</td>
<td>140</td>
<td>5.38</td>
</tr>
<tr>
<td>TIPS</td>
<td>4.60</td>
<td>4.68</td>
<td>(9)</td>
<td>2.12</td>
</tr>
<tr>
<td>REITs</td>
<td>5.05</td>
<td>4.99</td>
<td>6</td>
<td>6.80</td>
</tr>
<tr>
<td>COMMODITIES</td>
<td>11.87</td>
<td>11.37</td>
<td>50</td>
<td>(20.28)</td>
</tr>
<tr>
<td>LRF FUND</td>
<td>6.46</td>
<td>6.02</td>
<td>44</td>
<td>3.63</td>
</tr>
</tbody>
</table>

### LRS ROLLING 3-YEAR EXCESS RETURNS

![Chart showing rolling 3-year excess returns]

### GLOBAL EQUITY
- As of 12/31/2016
- 1-Year Excess Return: 22
- Rolling 3-Year Excess Return: 50

### US FIXED INCOME
- As of 12/31/2016
- 1-Year Excess Return: 140
- Rolling 3-Year Excess Return: 32

### TIPS
- As of 12/31/2016
- 1-Year Excess Return: (9)
- Rolling 3-Year Excess Return: (14)

### REITs
- As of 12/31/2016
- 1-Year Excess Return: 6
- Rolling 3-Year Excess Return: 2

### COMMODITIES
- As of 12/31/2016
- 1-Year Excess Return: (20.28)
- Rolling 3-Year Excess Return: (13.21)
STRATEGIC ASSET ALLOCATION

Long-Term Care Fund Objective

CalPERS offers optional long-term care benefits to members, funded entirely by enrollee premiums. The Long-Term Care Program was established to administer and finance the program. Funds are allocated across five asset classes, predominantly in fixed income.

The Fund is passively managed by State Street Global Advisors.

Actual Capital Allocation

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Current Allocation (%)</th>
<th>Target Allocation (%)</th>
<th>Variance (%)</th>
<th>Current Allocation (millions)</th>
<th>Target Allocation (millions)</th>
<th>Dollar Variance (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Equity</td>
<td>15.0%</td>
<td>15.0%</td>
<td>0.0%</td>
<td>$633.3</td>
<td>$633.9</td>
<td>$(0.6)</td>
</tr>
<tr>
<td>US Fixed Income</td>
<td>61.2%</td>
<td>61.0%</td>
<td>0.2%</td>
<td>$2,585.8</td>
<td>$2,577.8</td>
<td>$8.0</td>
</tr>
<tr>
<td>TIPS</td>
<td>6.0%</td>
<td>6.0%</td>
<td>0.0%</td>
<td>$254.9</td>
<td>$253.6</td>
<td>$1.4</td>
</tr>
<tr>
<td>REITs</td>
<td>12.2%</td>
<td>12.0%</td>
<td>0.2%</td>
<td>$516.5</td>
<td>$507.1</td>
<td>$9.4</td>
</tr>
<tr>
<td>Commodities</td>
<td>5.6%</td>
<td>6.0%</td>
<td>-0.4%</td>
<td>$235.3</td>
<td>$253.6</td>
<td>$(18.3)</td>
</tr>
<tr>
<td>Cash</td>
<td>0.0%</td>
<td>0%</td>
<td>0.0%</td>
<td>$0.1</td>
<td>-</td>
<td>$0.1</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$4,226.0</td>
<td>$4,226.0</td>
<td>$0.0</td>
</tr>
</tbody>
</table>

Policy asset allocation targets were approved by the Investment Committee on April 16, 2012.
Asset Liability Management Expectations

Per the current CalPERS Long-Term Care Fund Statement of Investment Policy.

**LTCF RISK AND RETURN**

- **3-Year Net Return**
  - 3.2%
  - 4.5%

- **Annual Expected Return**
  - 5.2%
  - 7.0%

**3-Year Standard Deviation**

- **Expected Standard Deviation**
  - 5.2%
  - 7.0%

**GLOBAL EQUITY FIXED INCOME TIPS REITs COMMODITIES**

- **Return %**
  - FIXED INCOME
  - GLOBAL EQUITY
  - REITs
  - TIPS
  - TOTAL

- **Risk (Standard Deviation of Returns) %**
  - 0%
  - 5%
  - 10%
  - 15%
  - 20%
  - 25%

- **COMMODITIES**
LTCF PERFORMANCE SUMMARY

LONG-TERM CARE FUND CUMULATIVE RETURNS

LONG-TERM CARE FUND ROLLING 3-YEAR EXCESS RETURNS
Actual Capital Allocation

CERBT Strategy 1 Objective
The California Employer Retirees’ Benefit Trust (CERBT) was established in March 2007 for public employers to pre-fund their retiree health and other post-employment benefit obligations. Employers may choose among three different CERBT investment strategies. Compared with Strategies 2 and 3, this portfolio consists of a higher percentage of equities than bonds and other assets.

Fixed income, TIPS and commodities asset classes are managed by CalPERS staff. Global equity and REITs are managed by State Street Global Advisors.

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Current Allocation (%)</th>
<th>Target Allocation (%)</th>
<th>Variance (%)</th>
<th>Current Allocation (millions)</th>
<th>Target Allocation (millions)</th>
<th>Dollar Variance (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Equity</td>
<td>56.5%</td>
<td>57.0%</td>
<td>-0.5%</td>
<td>$2,750.9</td>
<td>$2,773.7</td>
<td>$ (22.9)</td>
</tr>
<tr>
<td>US Fixed Income</td>
<td>27.2%</td>
<td>27.0%</td>
<td>0.2%</td>
<td>$1,325.5</td>
<td>$1,313.9</td>
<td>$ 11.7</td>
</tr>
<tr>
<td>TIPS</td>
<td>4.9%</td>
<td>5.0%</td>
<td>-0.1%</td>
<td>$238.0</td>
<td>$243.3</td>
<td>$ (5.3)</td>
</tr>
<tr>
<td>REITs</td>
<td>8.2%</td>
<td>8.0%</td>
<td>0.2%</td>
<td>$396.9</td>
<td>$389.3</td>
<td>$ 7.6</td>
</tr>
<tr>
<td>Comodities</td>
<td>3.0%</td>
<td>3.0%</td>
<td>0.0%</td>
<td>$147.8</td>
<td>$146.0</td>
<td>$ 1.8</td>
</tr>
<tr>
<td>Cash</td>
<td>0.1%</td>
<td>0.0%</td>
<td>0.1%</td>
<td>$7.1</td>
<td>-</td>
<td>$ 7.1</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$4,866.2</td>
<td>$4,866.2</td>
<td>$ 0.0</td>
</tr>
</tbody>
</table>

Policy asset allocation targets were approved by the Investment Committee on October 13, 2014.
Asset Liability Management Expectations

Per the current CERBT Fund Statement of Investment Policy.

![Graph showing CERBT Strategy 1 3-Year Realized Risk and Return]
## CERBT STRATEGY 1 PERFORMANCE SUMMARY

<table>
<thead>
<tr>
<th>As of</th>
<th>12/31/2016</th>
<th>1 - YEAR</th>
<th>3 - YEAR</th>
<th>5 - YEAR</th>
<th>10 - YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Net Returns</td>
<td>Benchmark Return</td>
<td>Excess Bps</td>
<td>Net Returns</td>
</tr>
<tr>
<td>GLOBAL EQUITY</td>
<td></td>
<td>8.83</td>
<td>8.36</td>
<td>47</td>
<td>3.61</td>
</tr>
<tr>
<td>US FIXED INCOME</td>
<td></td>
<td>5.69</td>
<td>4.33</td>
<td>136</td>
<td>5.38</td>
</tr>
<tr>
<td>TIPS</td>
<td></td>
<td>4.59</td>
<td>4.68</td>
<td>(9)</td>
<td>2.11</td>
</tr>
<tr>
<td>REITs</td>
<td></td>
<td>3.18</td>
<td>2.37</td>
<td>81</td>
<td>6.18</td>
</tr>
<tr>
<td>COMMODITIES</td>
<td></td>
<td>11.03</td>
<td>11.37</td>
<td>(34)</td>
<td>(20.56)</td>
</tr>
<tr>
<td>CERBT Strategy 1</td>
<td></td>
<td>7.58</td>
<td>6.92</td>
<td>66</td>
<td>3.46</td>
</tr>
</tbody>
</table>

### GLOBAL EQUITY
- Excess Bps: 47
- Benchmark Return: 8.36
- Net Return: 8.83

### US FIXED INCOME
- Excess Bps: 136
- Benchmark Return: 4.33
- Net Return: 5.69

### TIPS
- Excess Bps: (9)
- Benchmark Return: 4.68
- Net Return: 4.59

### REITs
- Excess Bps: 81
- Benchmark Return: 2.37
- Net Return: 3.18

### COMMODITIES
- Excess Bps: (34)
- Benchmark Return: 11.37
- Net Return: 11.03

### CERBT Strategy 1
- Excess Bps: 66
- Benchmark Return: 6.92
- Net Return: 7.58

### CERBT STRATEGY 1 CUMULATIVE RETURNS

![CERBT STRATEGY 1 CUMULATIVE RETURNS](image)

### CERBT STRATEGY 1 ROLLING 3-YEAR EXCESS RETURNS

![CERBT STRATEGY 1 ROLLING 3-YEAR EXCESS RETURNS](image)

Page 14 of 20
CERBT Strategy 2 Objective

The California Employer Retirees' Benefit Trust (CERBT) was established in March 2007 for public employers to pre-fund their retiree health and other post-employment benefit obligations. Employers may choose among three different CERBT investment strategies. Compared with Strategies 1 and 3, this portfolio consists of a more moderate allocation of equities, bonds, and other assets.

Fixed income, TIPS and commodities asset classes are managed by CalPERS staff. Global equity and REITs are managed by State Street Global Advisors.

### Actual Capital Allocation

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Target Allocation (%)</th>
<th>Current Allocation (%)</th>
<th>Variance (%)</th>
<th>Current Allocation (millions)</th>
<th>Target Allocation (millions)</th>
<th>Dollar Variance (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Equity</td>
<td>39.6%</td>
<td>39.3%</td>
<td>-0.4%</td>
<td>$294.0</td>
<td>$297.1</td>
<td>$(3.1)</td>
</tr>
<tr>
<td>US Fixed Income</td>
<td>39.3%</td>
<td>39.0%</td>
<td>0.3%</td>
<td>$292.0</td>
<td>$289.7</td>
<td>$2.3</td>
</tr>
<tr>
<td>TIPS</td>
<td>9.9%</td>
<td>10.0%</td>
<td>-0.1%</td>
<td>$73.4</td>
<td>$74.3</td>
<td>$(0.8)</td>
</tr>
<tr>
<td>REITs</td>
<td>8.2%</td>
<td>8.0%</td>
<td>0.2%</td>
<td>$60.6</td>
<td>$59.4</td>
<td>$1.2</td>
</tr>
<tr>
<td>Commodities</td>
<td>3.0%</td>
<td>3.0%</td>
<td>0.0%</td>
<td>$22.6</td>
<td>$22.3</td>
<td>$0.3</td>
</tr>
<tr>
<td>Cash</td>
<td>0.0%</td>
<td>0%</td>
<td>0.0%</td>
<td>$0.3</td>
<td>-</td>
<td>$0.3</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$742.8</td>
<td>$742.8</td>
<td>$(0.0)</td>
</tr>
</tbody>
</table>

Policy asset allocation targets were approved by the Investment Committee on October 13, 2014.
Asset Liability Management Expectations

Per the current CERBT Fund Statement of Investment Policy.
<table>
<thead>
<tr>
<th>As of 12/31/2016</th>
<th>1 - YEAR</th>
<th>3 - YEAR</th>
<th>5 - YEAR</th>
<th>10 - YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>GLOBAL EQUITY</td>
<td>8.77</td>
<td>8.36</td>
<td>41</td>
<td>3.57</td>
</tr>
<tr>
<td>US FIXED INCOME</td>
<td>5.73</td>
<td>4.33</td>
<td>140</td>
<td>5.38</td>
</tr>
<tr>
<td>TIPS</td>
<td>4.59</td>
<td>4.68</td>
<td>(9)</td>
<td>2.07</td>
</tr>
<tr>
<td>REITs</td>
<td>3.21</td>
<td>2.37</td>
<td>85</td>
<td>6.15</td>
</tr>
<tr>
<td>COMMODITIES</td>
<td>11.15</td>
<td>11.37</td>
<td>(21)</td>
<td>(20.51)</td>
</tr>
<tr>
<td>CERBT Strategy 2</td>
<td>6.96</td>
<td>6.27</td>
<td>69</td>
<td>3.43</td>
</tr>
</tbody>
</table>

**Net Returns vs Benchmark Return vs Excess Bps**

**GLOBAL EQUITY**
- 1 Year Excess Return: 41%
- 3 Year Excess Return: 33%
- 5 Year Excess Return: 25%

**US FIXED INCOME**
- 1 Year Excess Return: 140%
- 3 Year Excess Return: 53%
- 5 Year Excess Return: 100%

**TIPS**
- 1 Year Excess Return: (9)%
- 3 Year Excess Return: (19)%
- 5 Year Excess Return: (7)%

**REITs**
- 1 Year Excess Return: 85%
- 3 Year Excess Return: 74%
- 5 Year Excess Return: 53%

**COMMODITIES**
- 1 Year Excess Return: (21)%
- 3 Year Excess Return: (9)
- 5 Year Excess Return: (7)

**CERBT Strategy 2**
- 1 Year Excess Return: 69%
- 3 Year Excess Return: 29%
- 5 Year Excess Return: 35%
CERBT Strategy 3 Objective

The California Employer Retirees' Benefit Trust (CERBT) was established in March 2007 for public employers to pre-fund their retiree health and other post-employment benefit obligations. Employers may choose among three different CERBT investment strategies. Compared with Strategies 1 and 2, this portfolio consists of a higher percentage of bonds and other assets and a lesser percentage of equities.

Fixed income, TIPS and commodities asset classes are managed by CalPERS staff. Global equity and REITs are managed by State Street Global Advisors.

Policy asset allocation targets were approved by the Investment Committee on October 13, 2014.
Asset Liability Management Expectations

Per the current CERBT Fund Statement of Investment Policy.

CERBT Strategy 3 3-Year Realized Risk and Return

- Global Equity
- Fixed Income
- TIPS
- REITs
- Commodities
- TOTAL

Risk (Standard Deviation of Returns) %
## CERBT Strategy 3 Performance Summary

### CERBT Strategy 3 Cumulative Returns

<table>
<thead>
<tr>
<th></th>
<th>1-Year</th>
<th>3-Year</th>
<th>5-Year</th>
<th>10-Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Net Return</td>
<td>Benchmark Return</td>
<td>Excess Bps</td>
<td>Net Return</td>
</tr>
<tr>
<td><strong>As of 12/31/2016</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>GLOBAL EQUITY</strong></td>
<td>8.74</td>
<td>8.36</td>
<td>38</td>
<td>3.59</td>
</tr>
<tr>
<td><strong>US FIXED INCOME</strong></td>
<td>5.59</td>
<td>4.33</td>
<td>126</td>
<td>5.28</td>
</tr>
<tr>
<td><strong>TIPS</strong></td>
<td>4.56</td>
<td>4.68</td>
<td>(13)</td>
<td>2.13</td>
</tr>
<tr>
<td><strong>REITs</strong></td>
<td>2.92</td>
<td>2.37</td>
<td>56</td>
<td>6.10</td>
</tr>
<tr>
<td><strong>COMMODITIES</strong></td>
<td>11.74</td>
<td>11.37</td>
<td>38</td>
<td>(20.30)</td>
</tr>
<tr>
<td><strong>CERBT Strategy 3</strong></td>
<td>6.24</td>
<td>5.65</td>
<td>59</td>
<td>3.56</td>
</tr>
</tbody>
</table>

### CERBT Strategy 3 Rolling 3-Year Excess Returns

**1 Year Excess Return**

**Rolling 3-Year Excess Return**

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