



## Memorandum

**To:** Pennsylvania State Employees' Retirement System (SERS) Investment Committee  
**From:** Callan LLC  
**CC:** SERS Investment Office  
**Date:** February 25, 2025  
**Subject:** Defined Benefit Plan Investment Manager Evaluation List

The following is the Defined Benefit Plan Investment Manager Evaluation List ("DB Evaluation List") as of December 31, 2024. The DB Evaluation List is compiled in conformance with the criteria established in the Investment Manager Monitoring Policy adopted by the Board on October 29, 2014, and amended on December 7, 2016, and May 5, 2022.

The placement of an investment manager on the DB Evaluation List does not automatically serve as evidence of a problem with the investment manager. The DB Evaluation List was developed to clearly communicate which investment managers have been identified as experiencing quantitative or qualitative pattern changes worthy of greater review by SERS' investment office and external investment consultants.

**No managers were removed from the DB Evaluation List this quarter. Xponance was added to the DB Evaluation List this quarter due to underperformance which may be a trigger of watch list status. Callan and Staff will continue to monitor the investment managers.**

### Summary:

| Manager                            | Asset Class                 | Strategy           | Rationale   |
|------------------------------------|-----------------------------|--------------------|-------------|
| <b>Additions Since Last Report</b> |                             |                    |             |
| Xponance Non-U.S. Small Cap Equity | International Equity        | Non-U.S. Small Cap | Performance |
| <b>On Evaluation List</b>          |                             |                    |             |
| Brown Brothers TIPS                | Inflation Protection (TIPS) | U.S. TIPS          | Performance |
| <b>Deletions Since Last Report</b> |                             |                    |             |
| None                               |                             |                    |             |