

**Commonwealth of Pennsylvania - State Employees' Retirement System**  
**Asset Allocation report - Total Fund Summary (Unaudited) - (Dollars in Millions)**  
**6/30/2021**

Asset Class/ Sub - Asset Class	Market Exposure	% of Total Fund	Policy Target %	Policy Range %
<b>Equity</b>				
<b>U.S. Equity</b>	<b>9,514.1</b>	<b>25.0%</b>	<b>27.0%</b>	<b>22 - 32%</b>
U.S. Large/Mid Cap	7,693.8	20.2%	18.0%	13 - 23%
U.S. Small Cap	1,820.3	4.8%	4.0%	0 - 8%
U.S. Microcap	TBD	-	2.0%	0 - 4%
Covered Call Strategy	TBD	-	3.0%	0 - 6%
<b>International Developed Markets Equity</b>	<b>4,858.4</b>	<b>12.8%</b>	<b>13.0%</b>	<b>8 - 18%</b>
<b>Emerging Markets Equity</b>	<b>1,523.8</b>	<b>4.0%</b>	<b>4.0%</b>	<b>0 - 8%</b>
<b>Private Equity</b>	<b>5,595.9</b>	<b>14.7%</b>	<b>12.0%</b>	<b>10 - 14%</b>
Buyouts	3,098.9	8.2%		
Special Situations	520.5	1.4%		
Growth Equity	1,387.1	3.6%		
Keystone Legacy Fund	589.4	1.6%		
<b>Total Equity</b>	<b>21,492.2</b>	<b>56.6%</b>	<b>56.0%</b>	<b>50 - 62%</b>
<b>Fixed Income</b>				
<b>New Fixed Income Structure*</b>	<b>3,977.9</b>	<b>10.5%</b>	<b>10.6%</b>	
Intermediate Treasury*	193.9	0.5%	0.5%	
Long Duration (Treasury and Credit)*	1,223.1	3.2%	3.2%	
Securitized*	589.1	1.6%	1.6%	
Intermediate Credit*	1,380.9	3.6%	3.7%	
High Yield*	591.0	1.6%	1.6%	
<b>Old Fixed Income Structure*</b>	<b>5,816.0</b>	<b>15.3%</b>	<b>15.4%</b>	
Core Fixed Income	4,804.2	12.6%		
Opportunistic Fixed Income	348.1	0.9%		
Nominal U.S. Treasuries	663.7	1.7%		
<b>Total Fixed Income</b>	<b>9,794.0</b>	<b>25.8%</b>	<b>26.0%</b>	<b>21 - 31%</b>
<b>Inflation Protection (TIPS)</b>				
Inflation Protection (TIPS)	1,508.8	4.0%		
<b>Total Inflation Protection (TIPS)</b>	<b>1,508.8</b>	<b>4.0%</b>	<b>4.0%</b>	<b>1 - 7%</b>
<b>Real Estate</b>				
Core/Core Plus	1,086.1	2.9%		
Value Add/Opportunistic SMA	713.0	1.9%		
Value Add/Opportunistic Funds	562.0	1.5%		
Real Estate Securities	328.8	0.9%		
Legacy Real Assets	4.8	0.0%		
<b>Total Real Estate</b>	<b>2,694.7</b>	<b>7.1%</b>	<b>8.0%</b>	<b>n/a</b>
<b>Private Credit</b>				
Direct Lending	250.8	0.7%		
Distressed Debt	217.5	0.6%		
Diversified Credit	1,440.8	3.8%		
<b>Total Private Credit</b>	<b>1,909.1</b>	<b>5.0%</b>	<b>4.0%</b>	<b>n/a</b>
<b>Legacy Hedge Funds</b>				
Legacy Hedge Funds	23.7	0.1%		
<b>Total Legacy Hedge Funds</b>	<b>23.7</b>	<b>0.1%</b>	<b>n/a</b>	<b>n/a</b>
<b>Cash</b>				
Cash	580.6	1.5%		
<b>Total Cash</b>	<b>580.6</b>	<b>1.5%</b>	<b>2.0%</b>	<b>0 - 7%</b>
<b>Transition Assets</b>				
Transition Manager	1.2	0.0%		
<b>Total Transition Assets</b>	<b>1.2</b>	<b>0.0%</b>	<b>n/a</b>	<b>n/a</b>
<b>Total Fund</b>	<b>38,004.2</b>	<b>100.0%</b>	<b>100.0%</b>	

Numbers in this report may not add due to rounding

\*The "Policy Target %" is the target based on shorter-term monthly targets as we transition from the Old Fixed Income Structure to the New Fixed Income Structure, that is listed in the IPS on page 35, with a target completion of 7/31/2022