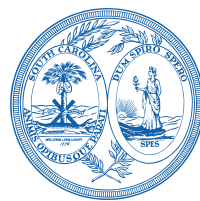
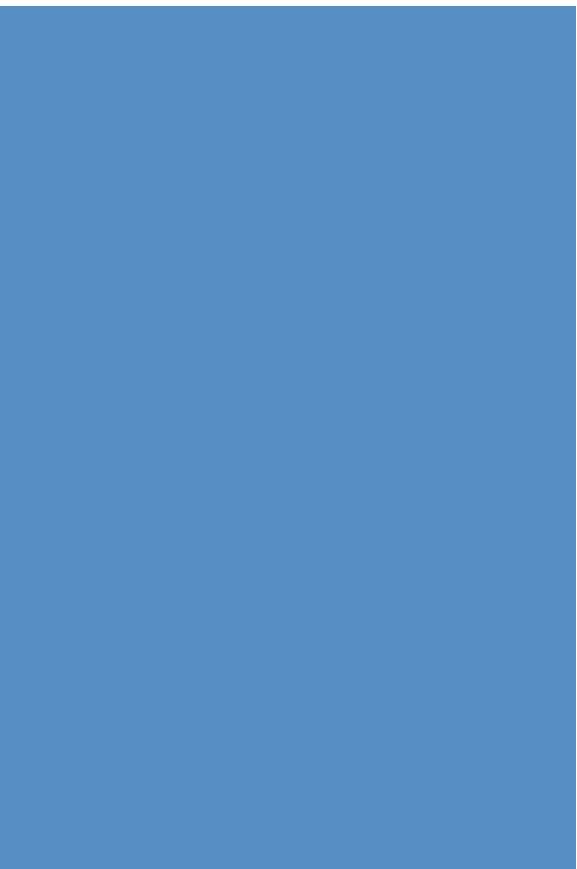


Popular Annual Financial Report

South Carolina Retirement Systems

For the fiscal year ended June 30, 2021

Pension trust funds of the state of South Carolina



PEBASM
SC Retirement Systems
and State Health Plan

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THIS REPORT CONTAINS AN ABBREVIATED DESCRIPTION OF THE RETIREMENT BENEFITS OFFERED BY THE SOUTH CAROLINA PUBLIC EMPLOYEE BENEFIT AUTHORITY (PEBA). THE INFORMATION IN THIS REPORT IS MEANT TO SERVE AS A GUIDE FOR OUR MEMBERS AND DOES NOT CONSTITUTE A BINDING REPRESENTATION OF PEBA. TITLE 9 OF THE SOUTH CAROLINA CODE OF LAWS CONTAINS A COMPLETE DESCRIPTION OF THE RETIREMENT BENEFITS, THEIR TERMS AND CONDITIONS, AND GOVERNS ALL RETIREMENT BENEFITS OFFERED BY THE STATE. STATE STATUTES ARE SUBJECT TO CHANGE BY THE GENERAL ASSEMBLY. PLEASE CONTACT PEBA FOR THE MOST CURRENT INFORMATION.

THE LANGUAGE USED IN THIS REPORT DOES NOT CREATE ANY CONTRACTUAL RIGHTS OR ENTITLEMENTS AND DOES NOT CREATE A CONTRACT BETWEEN THE MEMBER AND PEBA. PEBA RESERVES THE RIGHT TO REVISE THE CONTENT OF THIS REPORT.

A message from leadership



Our vision

Serving those who serve
South Carolina



Our mission

PEBA's mission is to provide
competitive retirement and
insurance benefit programs for
South Carolina public employers,
employees and retirees.



Our core values

Solutions oriented
Communication
Credibility
Collaboration
Responsive
Emotional intelligence
Ethical behavior

Dear members:

We are pleased to present the South Carolina Public Employee Benefit Authority's (PEBA) *Popular Annual Financial Report* (PAFR) for the South Carolina Retirement Systems for the fiscal year ended June 30, 2021. This is the Systems' 18th consecutive annual popular report and it is intended to provide a summary of the Systems' annual financial information in an easily understandable format to supplement the more thorough [Comprehensive Annual Financial Report](#).

Data presented in this report was derived from the fiscal year 2021 *Comprehensive Annual Financial Report*, which was prepared in accordance with Generally Accepted Accounting Principles. To learn more about the Systems' financial activities, the *Comprehensive Annual Financial Report*, which contains more detailed information, is available on the Facts and figures page of our website at peba.sc.gov. For any other questions, contact our Customer Contact Center at 803.737.6800 or 888.260.9430.

Peggy G. Boykin, CPA
Executive Director

Travis J. Turner, CPA, CISA
Chief Financial Officer

Tammy B. Nichols, CPA
Retirement Finance Director

Profile of the Systems

PEBA, created July 1, 2012, and governed by an 11-member Board, is the state agency responsible for providing retirement and insurance benefits to participants and beneficiaries of the state's employee benefit plans. As such, PEBA is responsible for administering the South Carolina Retirement Systems' five defined benefit pension plans. The Retirement System Investment Commission, created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets.

A defined benefit plan is a retirement plan in which contributions are made to fund a level of retirement income at a future retirement date. Monthly service retirement benefits, as well as disability benefits and death benefits are provided to eligible members and/or their surviving beneficiaries. The plans' terms specify the amount of pension benefits to be provided at a future date or after a certain period of time. Monthly benefits are calculated using a

formula that includes the member's average final compensation, years of service and a multiplier.

PEBA also sponsors the State Optional Retirement Program (State ORP), which is a defined contribution plan administered by four third-party service providers. State ORP is an alternative plan available to newly hired employees of state agencies, public higher education institutions, public school districts and individuals first elected to the General Assembly at or after the general election in November 2012. In addition, PEBA is responsible for the South Carolina Deferred Compensation Program, which offers 401(k) and 457 plans, and is administered by a third-party record keeper. Finally, PEBA administers and manages the state's employee insurance programs. State ORP, Deferred Compensation and employee insurance assets are not considered part of the Retirement Systems for financial statement purposes.

The PAFR contains information on these defined benefit pension trust funds:

- The South Carolina Retirement System (SCRS) was established July 1, 1945, to provide retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.
- The South Carolina Police Officers Retirement System (PORS) was established July 1, 1962, to provide retirement and other benefits to police officers and firefighters. PORS also covers peace officers, coroners, probate judges and magistrates.
- The Retirement System for Members of the General Assembly of the State of South Carolina (GARS) was established January 1, 1966, to provide retirement and other benefits to members of the General Assembly. Retirement reform legislation closed the GARS plan to individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.
- The Retirement System for Judges and Solicitors of the State of South Carolina (JSRS) was established July 1, 1979, to provide retirement and other benefits to state judges and solicitors. JSRS also covers circuit public defenders.
- The South Carolina National Guard Supplemental Retirement Plan (SCNG) was established July 1, 1975, to provide supplemental retirement benefits to members who served in the South Carolina National Guard. The Retirement Systems assumed administrative responsibility for this fund in 2006.

Membership and annuitant composition

The membership and annuitant data provided below is based on the July 1, 2020, actuarial valuations and the data provided to the Systems' actuary for preparation of the July 1, 2020, valuations.

	Active	Inactive	Retirees and beneficiaries ¹		
SCRS	201,144	198,926	146,131	Retirees and beneficiaries	171,298
PORS	27,795	18,811	19,625	Inactive members	219,515
GARS	87	35	338	Active members	241,285
JSRS	160	4	223		
SCNG	12,099	1,739	4,981		

¹Represents members who retired, including those who returned to employment as a working retiree, and surviving beneficiaries of former members.

	SCRS	PORS	GARS	JSRS	SCNG
Active members					
Average age	46	40	60	57	32
Average years of service	10	10	18	16	10
Average annual salary	\$46,526	\$49,709	\$22,757	\$189,662	N/A ²
Annuitants and beneficiaries					
Average current age for service retirees	71	66	75	73	72
Average age at retirement for service retirees	59	55	61	61	60
Average years of service at retirement (all retirees)	22	18	20	19	26
Average AFC ³ at retirement (all retirees)	\$45,538	\$47,495	\$22,126	\$125,457	N/A
Average current annual benefit (all retirees) ⁴	\$20,851	\$21,237	\$18,521	\$113,094	\$906

²The South Carolina National Guard Supplemental Retirement Plan is non-contributory; therefore, active member salaries are not reported to the Systems.

³Average final compensation (AFC) is a component used in the formula for calculating annuity benefits.

⁴Includes benefit adjustments applied since retirement.

Fiscal year 2021 operational activities

PEBA's vision is serving those who serve South Carolina and our mission is to provide competitive retirement and insurance benefit programs for South Carolina public employers, employees and retirees. The agency accomplishes this by focusing goals in areas that promote financially sound programs, enhance the customer service experience and responsibly manage risk. Initiatives during fiscal year 2021 included:

Benefits administration

PEBA processed and paid the following benefit claims:

- 6,685 service retirement applications;
- 165 disability applications;
- 12,508 refund requests; and
- 7,082 death claims.

COVID-19

- Transitioned to providing online member and employer education.
- Identified and proactively contacted new benefits administrators to offer training.
- Developed and deployed the availability for Customer Service to provide scheduled phone and video consultations to members.

Legislative

- The General Assembly provided nonemployer contribution funding to SCRS and PORS to help offset a portion of the contribution requirements for some employers.
- The General Assembly committed additional funding to stabilize JSRS.

Risk management

- Implemented online dual factor authentication for employers.
- Monitored employer payroll growth in comparison with actuarial assumptions.
- Completed a disaster recovery provider transfer.
- Enhanced the agency's business continuity testing.

PEBA:Connect

One of the most significant operational challenges the agency faces is the pending replacement of its legacy information systems. PEBA's core operational system was built in the early 1990s. The typical system life expectancy is 15-20 years. The agency went through an extensive process to assess the market and evaluate options.

- The project is now in the implementation phase and is estimated to take four to five years to implement.
- The project is on-time and on-budget.
- Weekly meetings are held to render timely decisions, address escalated issues and review overall project progress.
- Monthly communication is provided to all PEBA staff members to ensure that those who aren't actively engaged in the project remain informed.
- Channels are in place for communication with employers and members when it's needed.

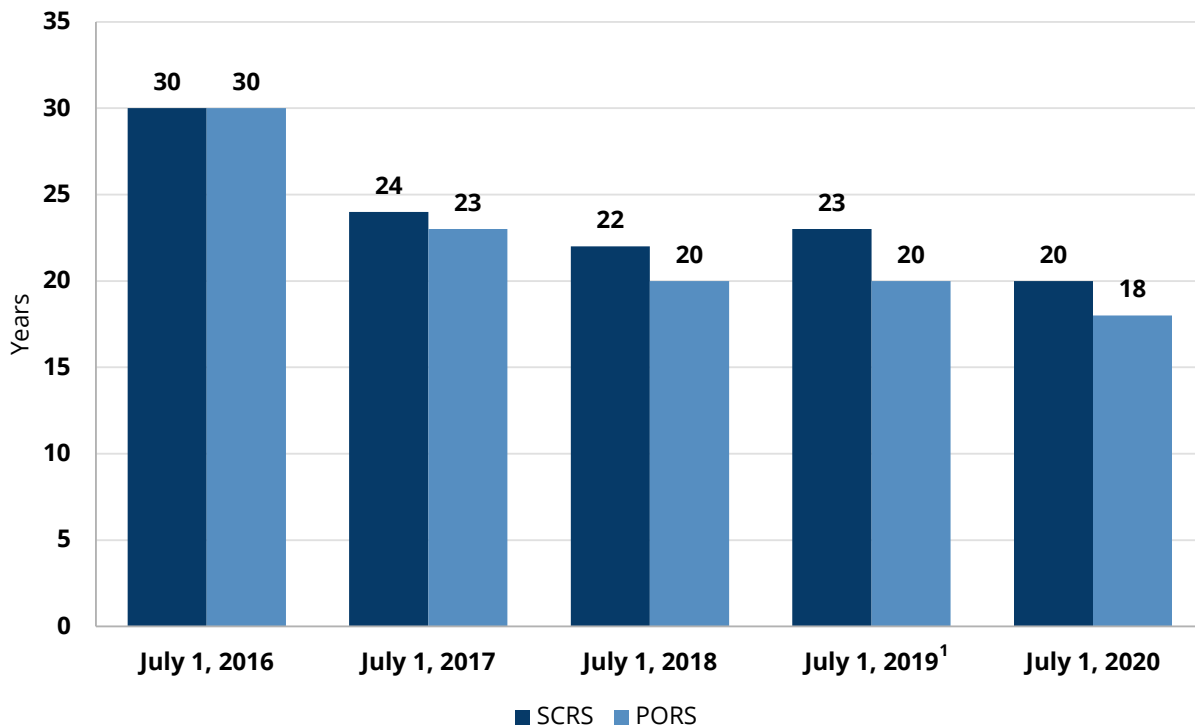
Summary of financial condition

The main funding objective of the pension trust funds is to meet future benefit obligations of retirees and beneficiaries through employee and employer contributions and investment earnings. Each year, the external consulting actuaries determine the actuarial soundness of the plans based on long term obligations and the sufficiency of current contribution levels to fund the liabilities of each plan over a reasonable time frame. In addition to contribution requirements, there are numerous measures used to monitor a plan's funding status including the funding period, the dollar amount of the unfunded actuarial accrued liability (UAAL) and the funded ratio.

The annual actuarial valuations dated July 1, 2020, determined the actuarial status of each plan and were adopted by PEBA's Board of Directors in December 2020.

The UAAL of each plan is paid down or amortized over a period of years, similar to a home mortgage, after which time the plan is expected to be fully funded. Pension funding reform legislation enacted in 2017 included a schedule for the funding period of SCRS and PORS to be reduced over a 10-year time period beginning in fiscal year 2018 to a maximum of 20 years by fiscal year 2028. The funding period for SCRS, which represents the largest membership of the five plans, decreased to 20 years as of July 1, 2020. The funding period for PORS is 18 years for the same time period. The chart below illustrates the funding period over the past five fiscal years for SCRS and PORS.

Funding Period in Years



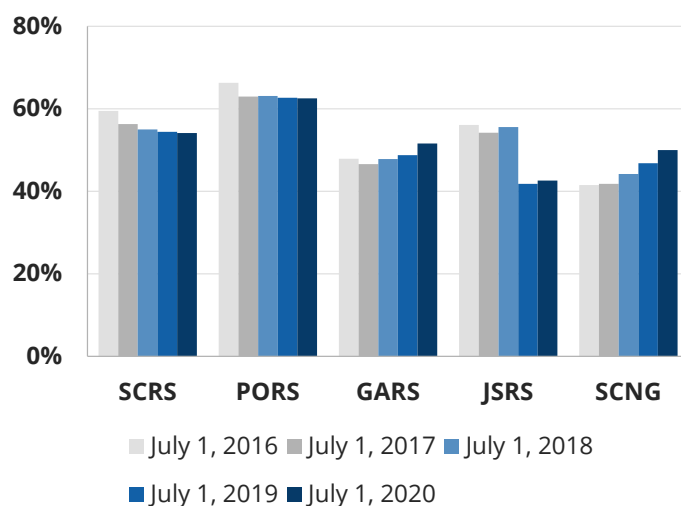
¹The July 1, 2019, funding period is based on the contribution rate schedule as modified by Act 135 of 2020.

As of July 1, 2020, the dollar amount of the UAAL for SCRS increased from \$23 billion in the prior year to \$23.9 billion, and PORS increased from \$2.9 billion to \$3 billion. The largest source of increase was the annual accrual of interest on the UAAL and continual recognition of deferred investment losses. Actuarial smoothing techniques, which defer investment gains and losses, help to dampen the short-term volatility inherent in investment markets by using a systematic approach that allows only a portion of investment gains and losses to be recognized each year. Adjusting for a five-year smoothing phase, each plan recognized a net actuarial loss on investment returns for the valuation year.

The funded ratio is a measurement of a plan's funded status, and it is calculated as the ratio of the actuarial value of assets to the actuarial accrued liability. The funded ratios of the five plans as of July 1, 2020, range from a high of 62.5 percent for PORS to a low of 42.6 percent for JSRS. The funded ratio for SCRS decreased from 54.4 percent in fiscal year 2019 to 54.1 percent in 2020. The decrease resulted from the recognition of deferred investment losses from prior years, and because the contributions to the plan attributable to financing the UAAL were less than the interest on the unfunded liability.

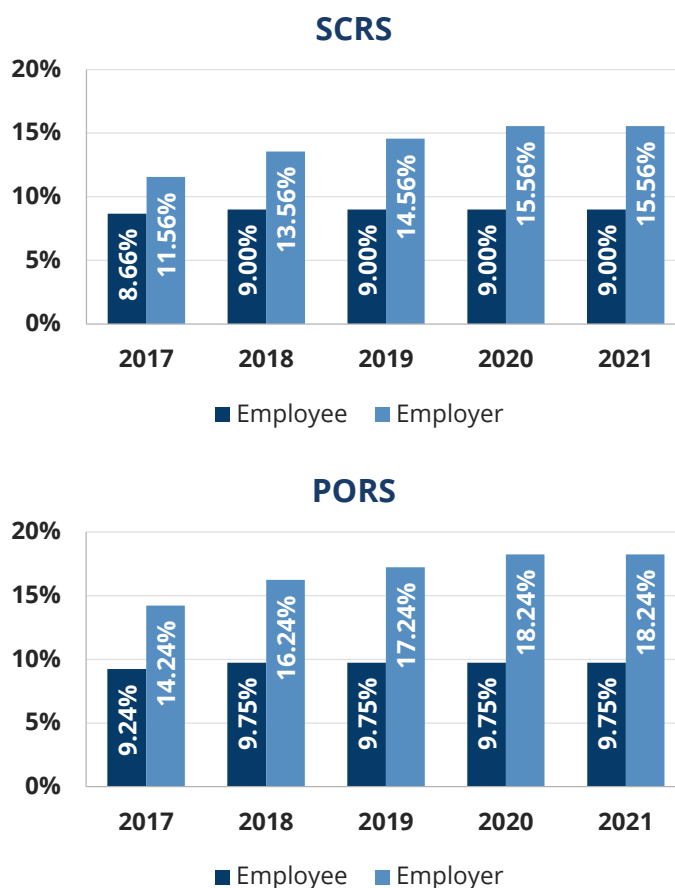
Actuarial Funded Ratios

Actuarial assets as a percentage of actuarial accrued liabilities



The 2017 legislation also set in statute a schedule of contribution increases to help lessen the impact if actual investment returns do not meet the assumed rate of return. Effective July 1, 2017, the legislation increased and established a ceiling for SCRS and PORS employee contribution rates. The employee rates increased to and were capped at 9 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates for both SCRS and PORS by 2 percent effective July 1, 2017, and scheduled employer contribution rates to increase by 1 percent each year until reaching the scheduled employer rate of 18.56 percent for SCRS and 21.24 percent for PORS. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the PEBA Board of Directors can increase the employer contribution rates as necessary.

Contribution rates by fiscal year¹



¹Rates are inclusive of incidental death contributions and Accidental Death Program contributions where applicable.

Statement of fiduciary net position

The Statement of Fiduciary Net Position below presents the Systems' assets and liabilities and the resulting net position restricted for pensions. This statement reflects a year-end snapshot of the Systems' investments, at fair value, along with cash and short-term investments, receivables and other assets and liabilities.

Total fiduciary net position for all five defined benefit plans of the Systems combined, increased from \$31.3 billion to \$39.9 billion, which was nearly 28 percent from the prior fiscal year ended June 30, 2020.

It is important to note that growth in fiduciary net position depends on both investment performance and contributions from employers and employees. The plans are in a net cash outflow position with benefit payments exceeding contributions; therefore, investment performance must first make up this gap before fiduciary net position can grow. The increase in net position was attributable primarily to positive investment performance.

The Systems' investment portfolio participates in a securities lending program, managed by BNY Mellon, whereby securities are loaned for the purpose of generating additional income. Securities lending revenue net of borrower rebates was \$1.8 million, a decrease from \$2.75 million in the prior year. As reported by BNY Mellon, at June 30, 2021, the fair value of securities on loan was \$64.33 million, the fair value of the invested cash collateral was \$21.35 million, and the securities lending obligations were \$65.97 million. The reported difference in the value of the invested cash collateral and the securities lending obligations in the securities lending program, is reflected within "Other liabilities" on the Systems' Statement of Fiduciary Net Position, consistent with information reported on accounting statements provided by BNY Mellon as both the custodial bank and securities lending agent.

South Carolina Retirement Systems Fiduciary Net Position as of June 30

Amounts expressed in thousands

	2021	2020	Increase/(Decrease)	
			Amount	Percent
Assets				
Cash/cash equivalents, receivables and prepaid expenses	\$4,596,950	\$5,249,820	\$(652,870)	(12.44%)
Investments, at fair value	38,173,987	28,875,414	9,298,573	32.20%
Securities lending cash collateral invested	21,348	20,452	896	4.38%
Capital assets, net of accumulated depreciation	2,084	2,156	(72)	(3.34%)
Total assets	42,794,369	34,147,842	8,646,527	25.32%
Liabilities				
Obligations under securities lending	21,348	20,452	896	4.38%
Other liabilities	2,874,921	2,874,001	920	0.03%
Total liabilities	2,896,269	2,894,453	1,816	0.06%
Net position restricted for pensions	\$39,898,100	\$31,253,389	\$8,644,711	27.66%

Statement of changes in fiduciary net position

The Statement of Changes in Fiduciary Net Position on Page 11 presents information showing how the Systems' net position restricted for pensions changed during the year. This statement includes additions for employee, employer, nonemployer and state appropriated contributions and net investment income. It also includes deductions for retirement benefit payments for annuities, refunded contributions and death benefit payments, and administrative expenses.

The dollar amount of employee and employer contributions collected increased compared to the prior year, and the rise is primarily attributable to increased contribution rates plus some limited payroll growth. For fiscal year 2021, employee rates remained capped at 9 percent for SCRS and 9.75 percent for PORS. The General Assembly postponed the 1 percent increase in the SCRS and PORS employer contribution rates that was scheduled to go into effect beginning July 1, 2020, so the rates remained 15.56 percent and 18.24 percent, respectively.

For the fiscal year ended June 30, 2021, the net of fee investment performance return on a time-weighted basis as reported by the custodial bank, BNY Mellon, was 28.57 percent. This return reflects performance of the Systems, at the aggregate for the pooled investments of the consolidated pension trust funds, after the deduction for manager fees and/or expenses. This fiscal year's performance had a significant impact, especially compared to the prior year's return of negative 1.58 percent. Additionally, since the actuarial assumed rate of return is 7.25 percent, the plan experienced an actuarial gain this fiscal year.

Annuity benefits for the five defined benefit plans, taken as a whole, increased almost 3 percent from the prior fiscal year. Among other factors, the increase resulted from the required annual benefit adjustment equal to the lesser of 1 percent or \$500 granted to eligible SCRS and PORS annuity benefit recipients effective July 1, 2020, as well as a slight increase in the number of annuitants.



South Carolina Retirement Systems Changes in Fiduciary Net Position as of June 30

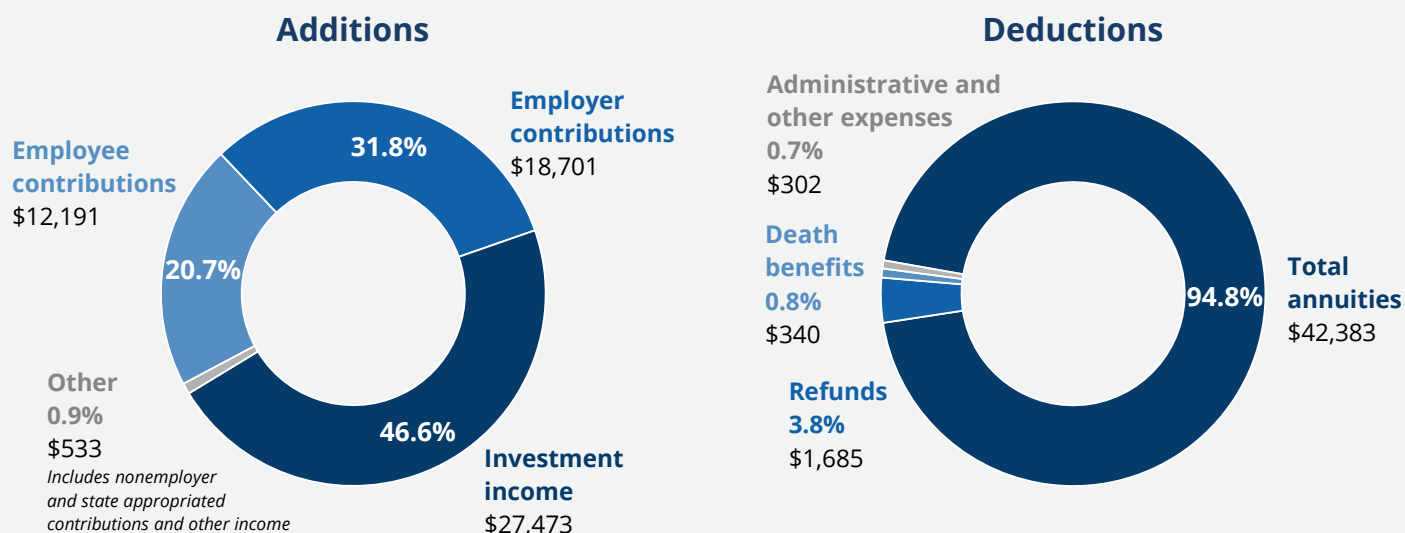
Amounts expressed in thousands

			Increase/(Decrease)	
	2021	2020	Amount	Percent
Additions				
Employee contributions	\$1,087,933	\$1,079,562	\$8,371	0.78%
Employer contributions	1,960,953	1,936,319	24,634	1.27%
Nonemployer contributions	104,076	104,076	-	0.00%
State appropriated contributions	5,290	5,290	-	0.00%
Net investment income (loss)	9,243,637	(523,842)	9,767,479	1864.58%
Other income	2,050	1,862	188	10.10%
Total additions	12,403,939	2,603,267	9,800,672	376.48%
Deductions				
Annuity benefits	3,554,269	3,451,616	102,653	2.97%
Refunds	148,709	140,534	8,175	5.82%
Death benefits	33,771	25,324	8,447	33.36%
Administrative and other expenses	22,479	18,367	4,112	22.39%
Total deductions	3,759,228	3,635,841	123,387	3.39%
Net increase (decrease) in net position	8,644,711	(1,032,574)	9,677,285	937.20%
Net position restricted for pensions				
Beginning of year	31,253,389	32,285,963	(1,032,574)	(3.20%)
End of year	\$39,898,100	\$31,253,389	\$8,644,711	27.66%



Additions and deductions to pension trust funds | 2007-2021

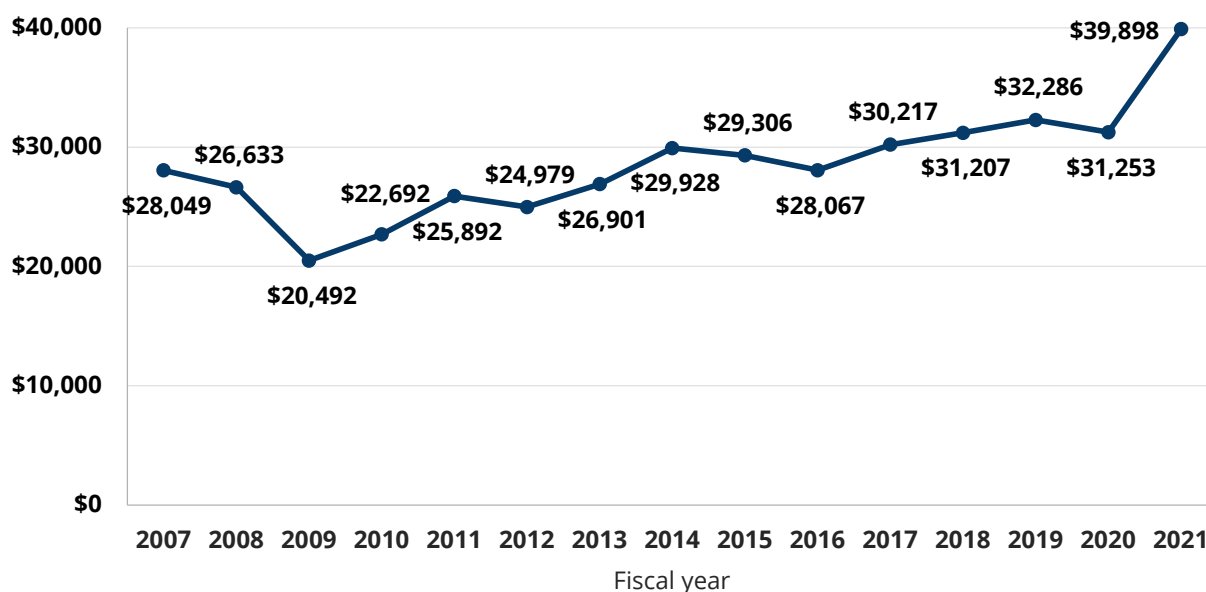
Includes SCRS, PORS, GARS, JSRS and SCNG | Amounts expressed in millions



The following graph reflects Fiduciary Net Position restricted for pensions for the five consolidated defined benefit plans over the past 15 fiscal years.

South Carolina Retirement Systems Fiduciary Net Position for Past 15 Fiscal Years as of June 30

Amounts expressed in millions



Additions and deductions to pension trust funds in fiscal year 2021

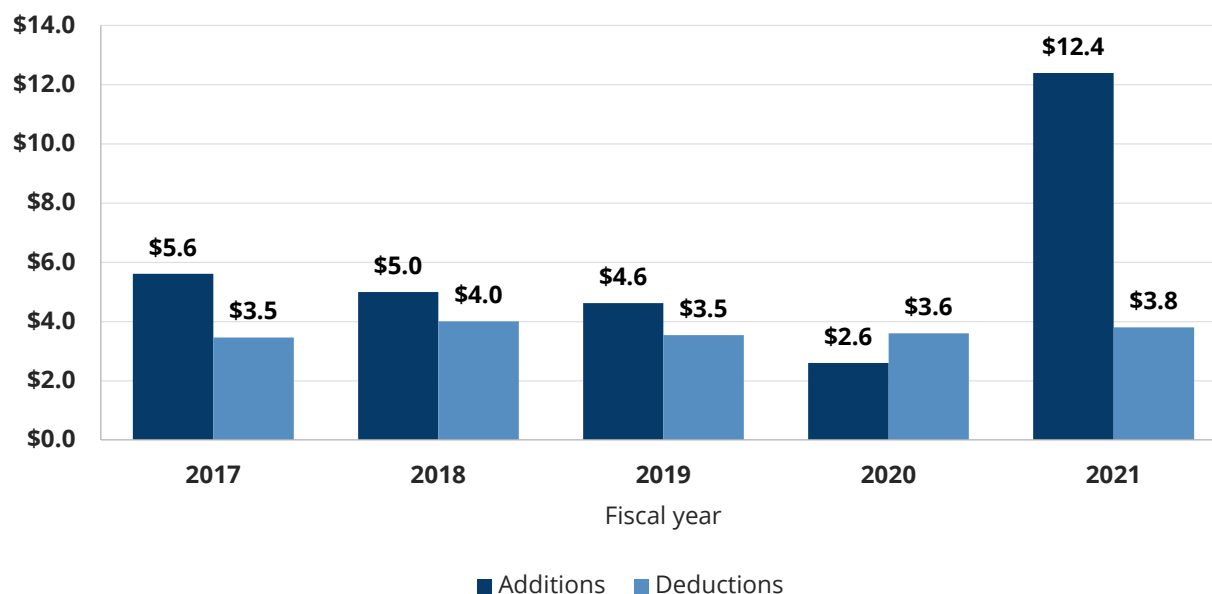
Includes SCRS, PORS, GARS, JSRS and SCNG



The following graph represents additions from all sources (employee contributions, employer contributions and investment gains and losses) and deductions (annuities, refunds, death benefits, administrative expense and depreciation) from Fiduciary Net Position over the past five fiscal years.

South Carolina Retirement Systems Summary of Additions and Deductions for Past Five Fiscal Years as of June 30

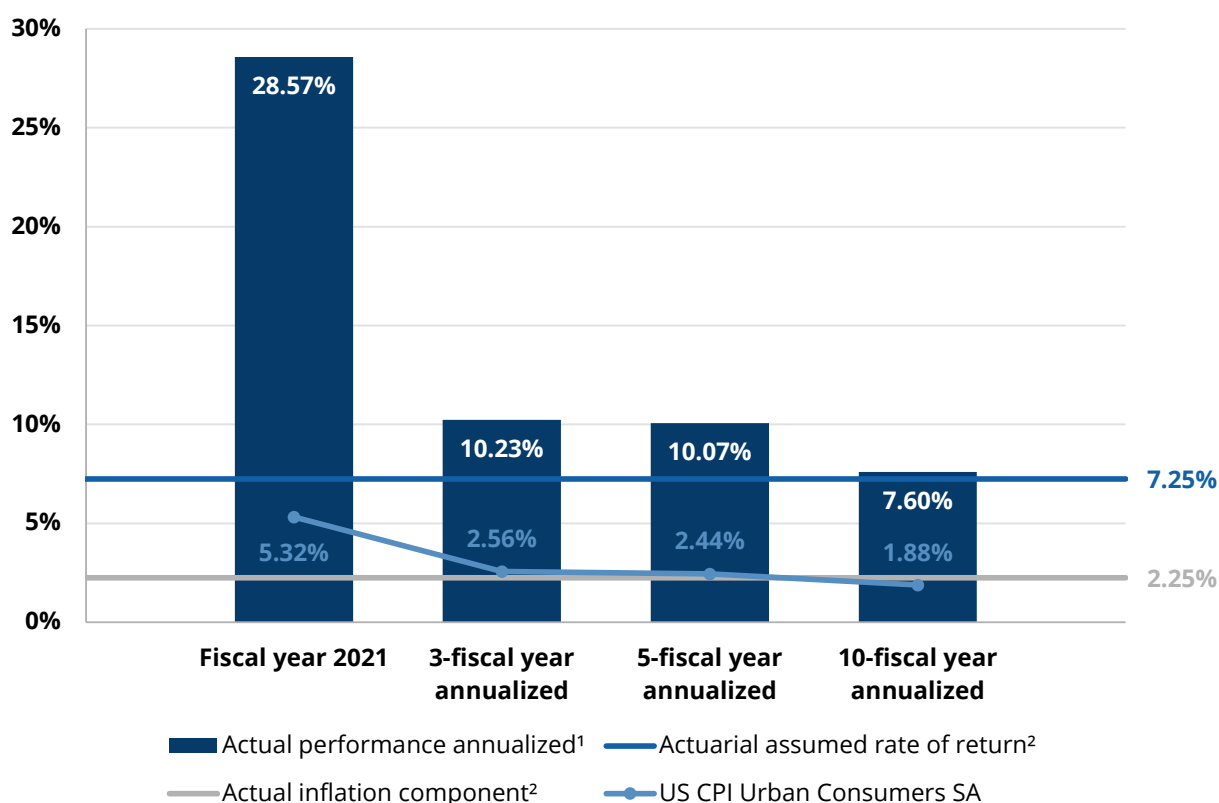
Amounts expressed in billions



Investments overview

As of June 30, 2021, the custodial bank reported that the net asset value of the pension trust funds had a fair value of \$39 billion. This represents an \$8 billion increase, after payment of benefits, over the previous fiscal year end's fair value. The Retirement System Investment Commission (RSIC) is responsible for investing and managing the pension trust funds. The Systems' investment policies and strategies are available on RSIC's website at www.rsic.sc.gov.

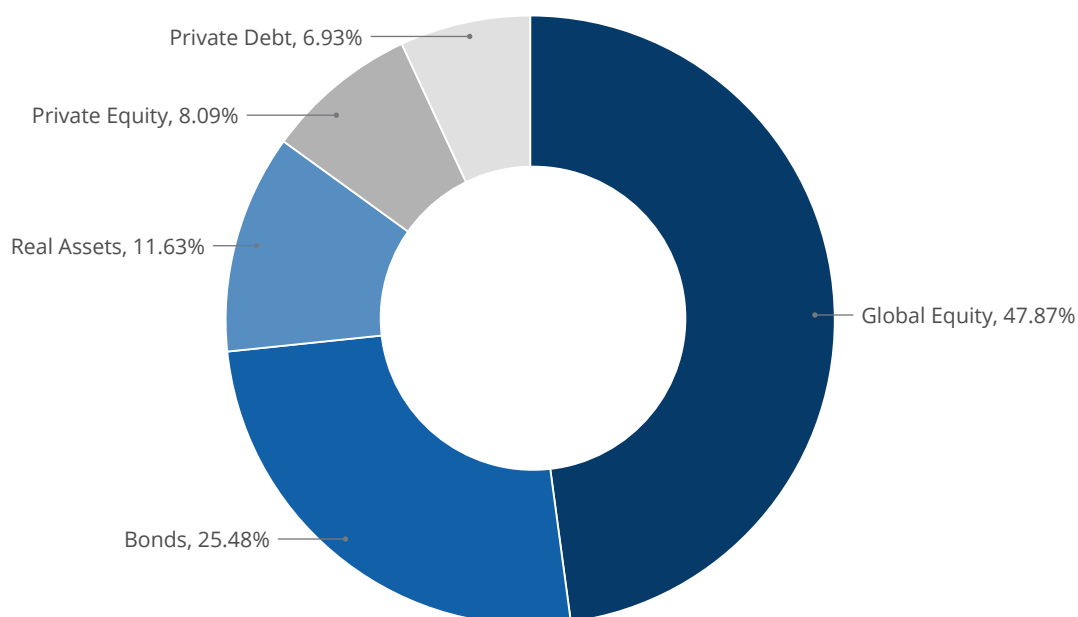
Summary of Investment Performance as of June 30, 2021



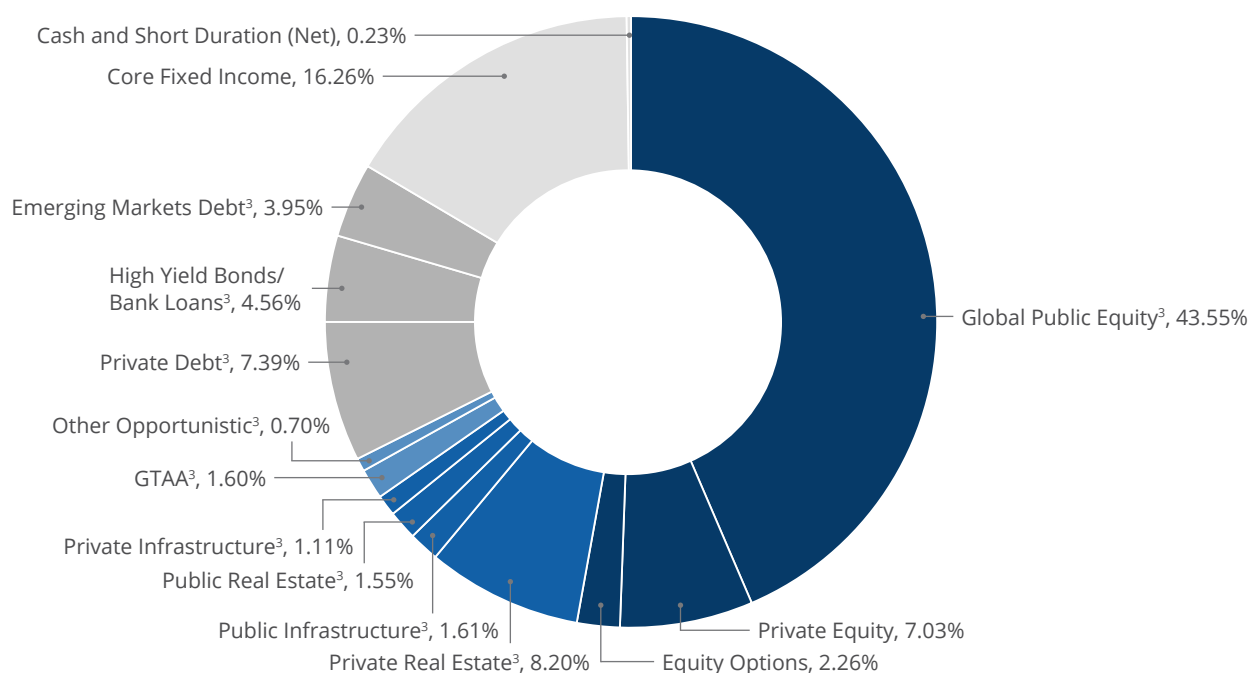
¹Plan returns are provided by BNY Mellon and are presented on a time-weighted calculation basis, net of fees. All returns are expressed in U.S. dollars. Periods greater than one year are annualized.

²The actuarial assumed rate of return is net of investment expenses and was set at 7.50 percent for fiscal years July 1, 2011, through June 30, 2017, but reduced to 7.25 percent for fiscal year 2018. The rate was composed of 2.75 percent inflation and 4.75 percent real rate of return through fiscal year 2016; 2.25 percent inflation and 5.25 percent real return for fiscal year 2017; and 2.25 percent inflation and 5.00 percent real return beginning with fiscal year 2018. Based on recommendation from the consulting actuary, at its December 2020 meeting, the PEBA Board proposed the assumed rate of return be reduced to 7 percent and submitted such to the General Assembly as required by Section 9-16-335(B). The General Assembly did not enact a joint resolution to continue or amend the prior 7.25 percent assumed annual rate of return before its expiration on July 1, 2021, so pursuant to S.C. state statute, the assumed annual rate of return developed and submitted by the PEBA Board automatically takes effect for the next four-year period beginning July 1, 2021, until subsequent action of the General Assembly.

Portfolio Exposure as of June 30, 2021^{1, 2}



Portfolio Exposure as of June 30, 2020¹



Global Equity **Real Assets** **Opportunistic³** **Diversified Credit** **Conservative Fixed Income**

¹Asset class exposures include exposure from RSIC's derivative overlay program. Portable Alpha Hedge Funds, as collateral supporting the Overlay program, net to zero when calculating total Plan exposure.

²The June 30, 2021, exposure reflects the Commission's implementation of a simplified asset allocation, which was adopted by the Commission on April 16, 2020, for the fiscal year beginning July 1, 2020.

³Asset classes in which hedge funds can be used.

South Carolina Retirement Systems List of Largest Assets Held as of June 30, 2021

Amounts expressed in thousands

Index fund holdings

Units	Description	SCRS	PORS	GARS	JSRS	SCNG	Fair value
367,268,824	Blackrock MSCI ACWI	\$9,368,624,868	\$1,714,609,505	\$11,478,923	\$57,833,457	\$9,719,467	\$11,162,266,220
12,035,183	State Street Daily MSCI USA Index	2,384,526,954	436,406,905	2,921,646	14,719,923	2,473,824	2,841,049,252
90,547,263	State Street MSCI ACWI ex USA Index	1,683,722,650	308,148,410	2,062,984	10,393,788	1,746,776	2,006,074,608
34,994,371	Blackrock MSCI EAFE Small Cap Equity Index	645,912,097	118,212,335	791,405	3,987,280	670,101	769,573,218
14,602,775	Blackrock Emerging Markets Small Cap Equity	225,572,526	41,283,412	276,383	1,392,482	234,020	268,758,823
3,682,070	Blackrock MSCI Canada Small Cap Equity Index	61,128,993	11,187,592	74,898	377,355	63,418	72,832,256

Total of index fund holdings \$17,120,554,377

Top 10 equity holdings

Units	Description	SCRS	PORS	GARS	JSRS	SCNG	Fair value
7,662,947	Owl Rock Capital Corp	\$91,778,989	\$16,797,036	\$112,452	\$566,561	\$95,216	\$109,350,254
210,321	Crown Castle International Corp	34,440,018	6,303,079	42,198	212,602	35,730	41,033,627
309,740	Prologis Inc	31,074,037	5,687,050	38,074	191,823	32,238	37,023,222
43,930	Equinix Inc	29,592,649	5,415,932	36,258	182,678	30,701	35,258,218
108,011	SBA Communications Corp	28,891,728	5,287,652	35,400	178,352	29,974	34,423,106
323,150	Welltower Inc	22,538,688	4,124,944	27,616	139,134	23,383	26,853,765
530,760	UDR Inc	21,819,282	3,993,280	26,734	134,693	22,636	25,996,625
1,945,637	National Grid PLC	20,772,358	3,801,676	25,451	128,230	21,550	24,749,265
255,776	Cheniere Energy Inc	18,620,987	3,407,941	22,815	114,949	19,318	22,186,010
443,553	TC Energy Corp	18,441,103	3,375,019	22,595	113,839	19,132	21,971,688

Total of top 10 equity holdings \$378,845,780

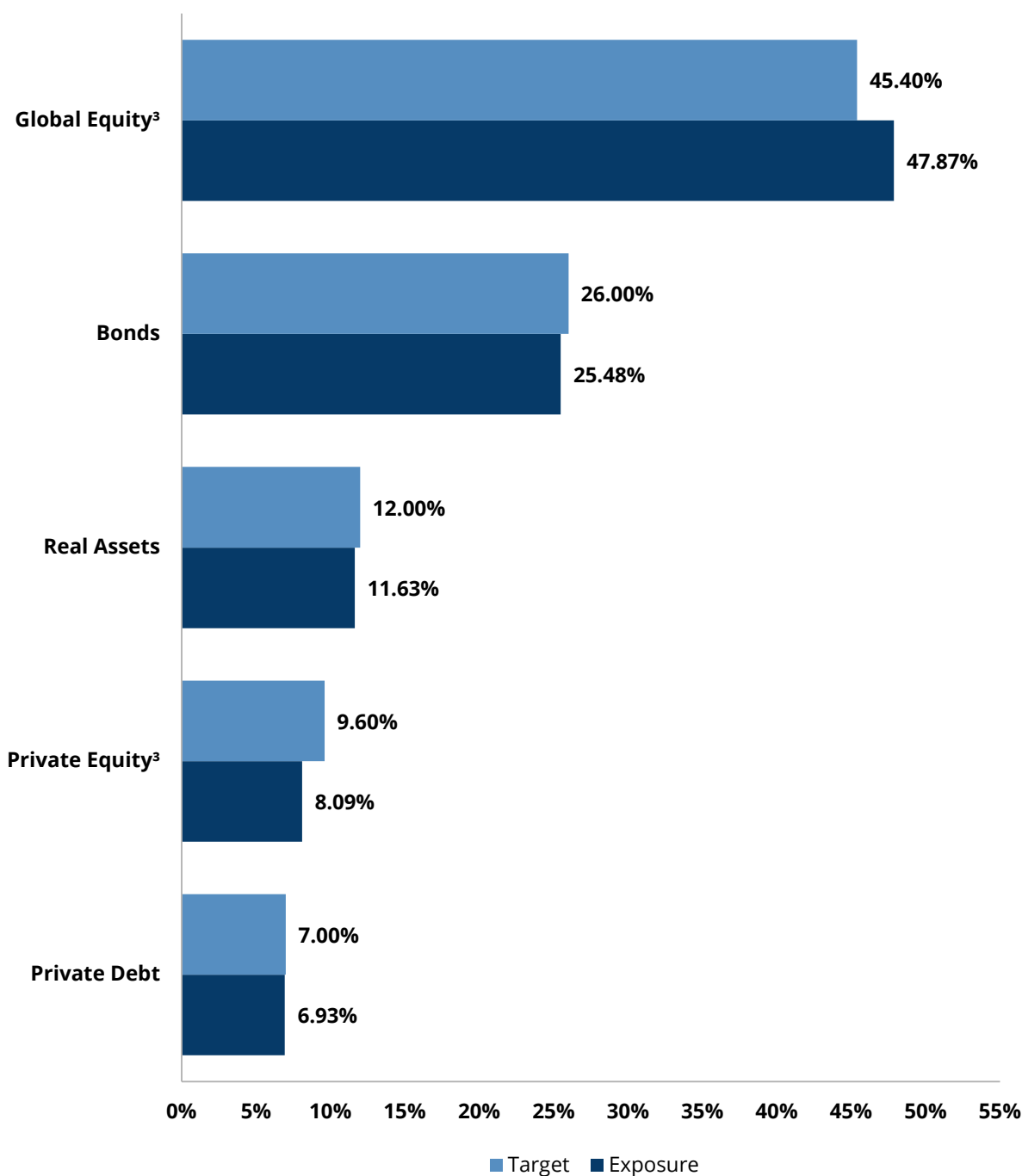
South Carolina Retirement Systems List of Largest Assets Held (cont.) as of June 30, 2021

Amounts expressed in thousands

Top 10 fixed income holdings							
Par value	Description	SCRS	PORS	GARS	JSRS	SCNG	Fair Value
\$57,150,000	Commit to Purchase FNMA SF Mtg 2.50% due 08/01/2051	\$49,548,147	\$9,068,110	\$60,709	\$305,866	\$51,404	\$59,034,236
(50,450,000)	Commit to Purchase FNMA SF Mtg 3.50% due 08/01/2051	(44,606,967)	(8,163,795)	(54,655)	(275,363)	(46,277)	(53,147,057)
41,000,000	Commit to Purchase FNMA SF Mtg 2.00% due 08/01/2051	34,723,566	6,354,973	42,545	214,352	36,024	41,371,460
29,800,000	US Treasury Bond 2.50% due 02/15/2045	27,079,951	4,956,068	33,180	167,167	28,094	32,264,460
15,820,993	Preferred Term Securities 144A Var Rate due 09/22/2037	11,950,876	2,187,203	14,643	73,774	12,398	14,238,894
12,750,002	Evicof II Trust 0.00% due 5/20/2023	10,988,667	2,011,103	13,464	67,834	11,400	13,092,468
12,674,986	GNMA GTD REMIC P/T 15-H09 FA Var Rate due 04/20/2065	10,752,417	1,967,866	13,174	66,376	11,155	12,810,988
9,700,000	US Treasury Bond 2.875% due 05/15/2043	9,369,202	1,714,715	11,480	57,837	9,720	11,162,954
10,700,000	Wolf Entertainment Issuer Inc	8,980,639	1,643,602	11,004	55,438	9,317	10,700,000
11,000,000	US Treasury Note 0.875% due 11/15/2030	8,786,691	1,608,106	10,766	54,241	9,116	10,468,920
Total of top 10 fixed income holdings							\$151,997,323

A complete list of portfolio holdings is available upon request.

Portfolio Exposure and Target Asset Allocation as of June 30, 2021^{1, 2}



¹Target Asset Allocation reflects the policy targets that were adopted by the Commission and in effect at the end of fiscal year 2021.

²Asset class exposures include exposure from RSIC's derivative overlay program. Portable Alpha Hedge Funds, as collateral supporting the Overlay program, net to zero when calculating total Plan exposure.

³The target weight to Private Equity is equal to its actual weight, reported by the custodial bank, as of the prior month end. The target weight to Public Equity floats in relation to Private Equity such that the combined target weight of both asset classes equals 55 percent of the Plan.

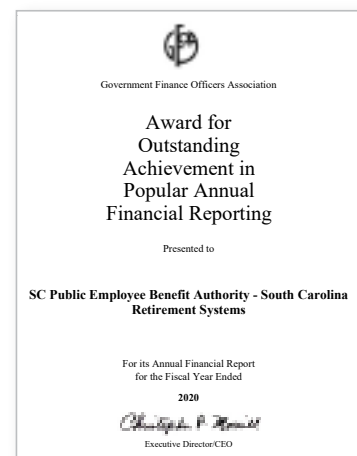
Fiscal Year 2020 GFOA Award

The South Carolina Retirement Systems' *Popular Annual Financial Report* for the fiscal year ended June 30, 2020, received an Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association (GFOA) of the United States and Canada.

This is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

To receive this award, a government unit must publish a *Popular Annual Financial Report* in which the content conforms to program standards of creativity, presentation, understandability and reader appeal.

This award is valid for one year only. The Systems have received the Award for Outstanding Achievement for each of the past 17 consecutive years (fiscal years ended 2004-2020). We believe our current report continues to conform to the GFOA's requirements and are submitting it for consideration.

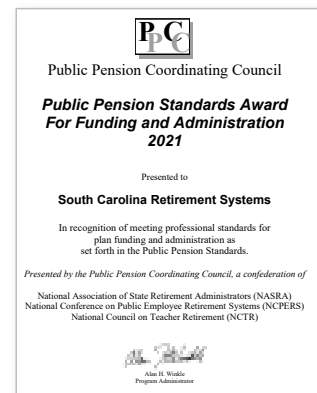


2021 PPCC Award

The South Carolina Retirement Systems received the Public Pension Coordinating Council's Public Pension Standards 2021 Award.

It is the 18th consecutive year during which the S.C. Public Employee Benefit Authority applied for and received the Council's award in recognition of meeting professional plan design and administration standards.

The Public Pension Coordinating Council is a confederation of the National Association of State Retirement Administrators, the National Conference on Public Employee Retirement Systems and the National Council on Teacher Retirement.





PEBASM
SC Retirement Systems
and State Health Plan

South Carolina Public Employee Benefit Authority

Serving those who serve South Carolina

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