NORTH CAROLINA
INVESTMENT AUTHORITY

Real Assets
Infrastructure and Natural Resources
Asset Class Review

November 18, 2026

BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA

NCIA Infrastructure & Natural Resources Team

INVESTMENT PROFESSIONAL	POSITION	PRIOR EXPERIENCE	INDUSTRY YEARS OF EXPERIENCE	NCIA / NCDST YEARS OF EXPERIENCE
Andrew Hoffmann	Director	Brookfield, JPM, Merrill Lynch, PIMCO	37	<2
Robert Orr	Portfolio Manager	Sandton Capital, SQBK, Monitor Group	27	<2
John Ames	Portfolio Manager	Wafra, Barclays	20	<1
Joseph Monaldo	Associate Portfolio Manager	Modern Energy, Industrial Development Funding, BNP Paribas	11	<2
Hannah Menachem	Associate Portfolio Manager	Hamilton Lane, First Trust, Vanguard	12	<2

Role of Infrastructure & Natural Resources

Investment Policy Objectives

ATTRACTIVE ABSOLUTE RETURNS

- Generate total returns competitive with public market equity
- Current income on operating assets
- Development and complexity premiums are attractive
- Offering exit liquidity enhances returns for secondaries and CVs

DIVERSIFICATION

- Cash flowing real assets provide diversification to corporate equities
- IPS favors conviction, scale, and concentration in private markets
- Sector, geographic, vintage, development vs operating, revenue model

INFLATION PROTECTION

- Revenues often protected through contractual or regulatory escalators at the asset level
- Exposure to commodity prices if not completely hedged
- Infrastructure tends to outperform other assets classes in inflationary cycles

ALLOCATION GUIDELINES

As of 9/30/26

MINIMUM	CURRENT	MAXIMUM
3%	6.5%	18%

INCLUDES STAGING PORTFOLIOS

The Growing Intersection of Infrastructure and Energy

Themes of Tomorrow…

- Electrification
- Artificial Intelligence
- Supply Chain and Geopolitical Security
- Robotics and Automation

…Built with Real Assets and Infrastructure Today

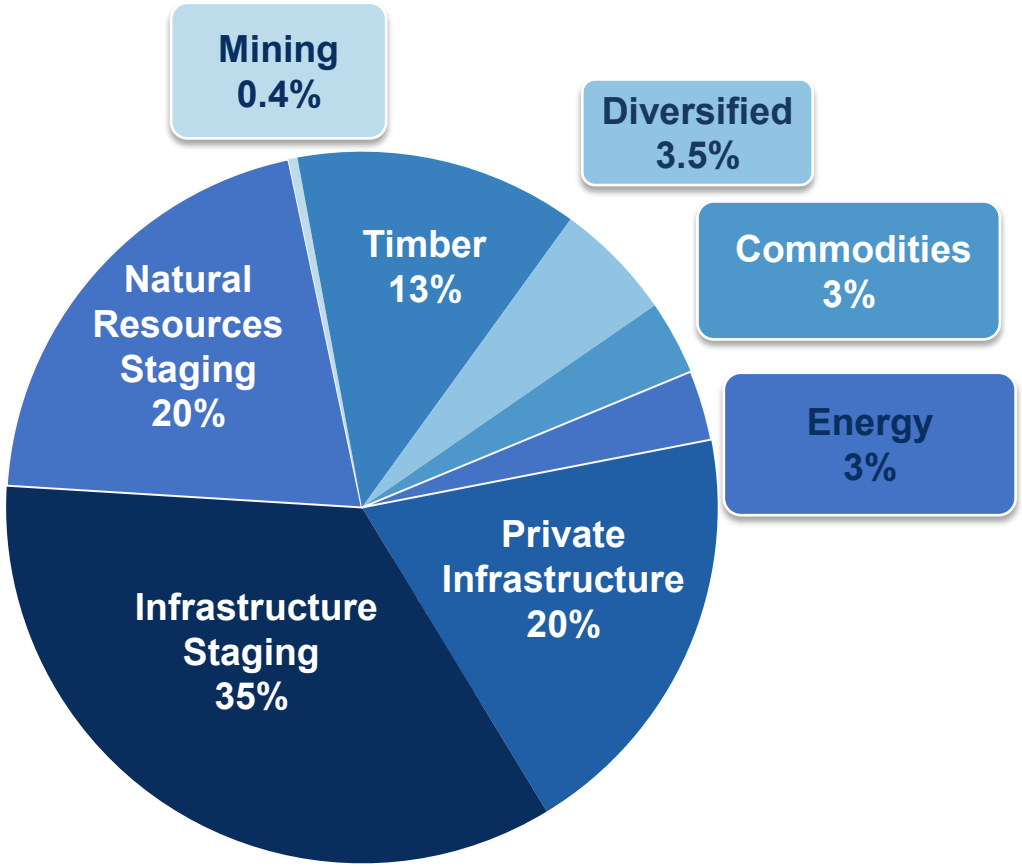
- Upstream E&P
- Global LNG
- Infrastructure Services
- Ports / Logistics
- Midstream
- Mining / Processing Critical Materials
- Renewables
- Transmission and Grid Services

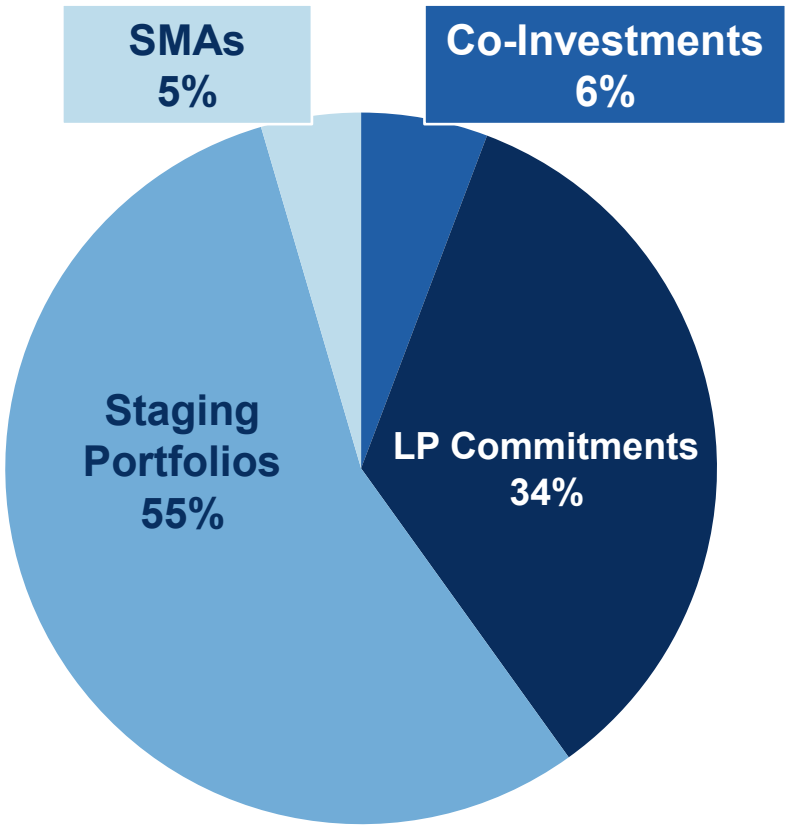
AI is rapidly changing the landscape of Infrastructure & Natural Resources

Current Portfolio: $9.7BN NAV Composition

As of 9/30/26

Portfolio Allocation - by Sector & Vehicle Type





Infrastructure & Natural Resources Portfolio Composition 2010 vintages onwards as of 10/30/26

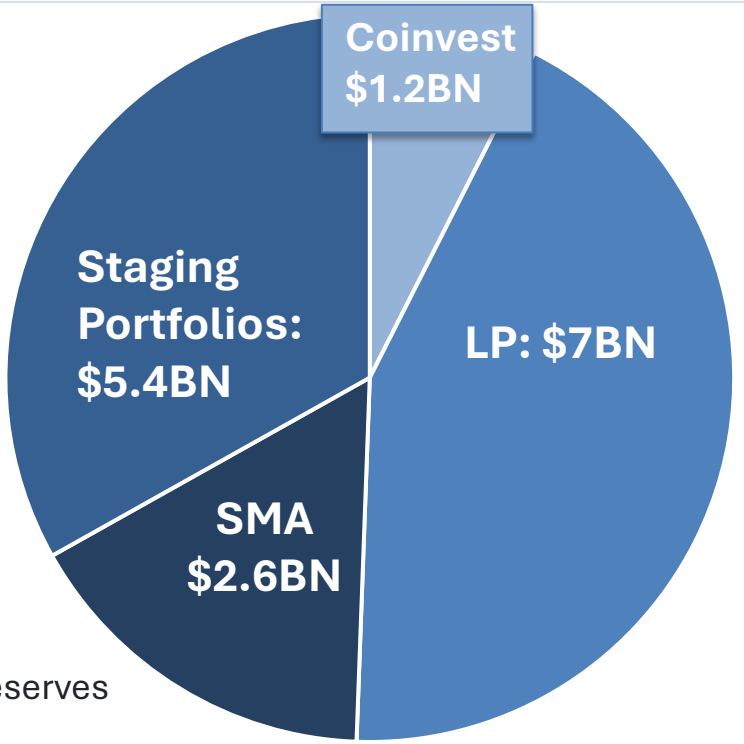
STAGING PORTFOLIO
$5.4BN

$1.4B	Blackrock Managed Portfolio
$2BN	Internally Managed: Infrastructure
$2BN	Internally Managed: Natural Resources

PRIVATE INVESTMENT COMMITMENTS
$16.6BN

$7.2BN	Comingled LP commitments
$1.2BN	Co-investments
$8.2BN	SMAs*

INVESTED CAPITAL BY TYPE
$18.3BN



*The majority of SMAs have Opt-out feature which reserves discretion to the NCIA on individual investments

Performance Summary

Portfolio (Time Weighted Return)	Valuation ($bn)	1 yr	3 yr	5 yr	10 yr	15 yr
Total Infrastructure & Natural Resources	**9.66**	**6.13**	**6.17**	**8.66**	**6.44**	**3.64**
Benchmark	—	*9.35*	*9.00*	*10.26*	*8.93*	*7.54*
Infrastructure (Private)	**1.87**	**7.94**	**7.07**	**9.34**	**9.61**	**9.02**
Benchmark	—	*8.71*	*8.82*	*9.41*	*9.62*	*8.60*
Natural Resources (Private)	**1.78**	**7.30**	**7.43**	**9.73**	**5.07**	**3.72**
Benchmark	—	*13.96*	*7.39*	*10.62*	*6.91*	*5.03*
Commodities (Public)	**2.33**	**36.78**	**15.28**	**11.17**	**7.92**	**2.74**
Benchmark	—	*40.64*	*15.63*	*11.27*	*7.85*	*1.78*
Diversified	**0.34**	**3.14**	**1.02**	**5.34**	**6.36**	**3.20**
Benchmark	—	*13.96*	*7.39*	*10.62*	*6.91*	*5.03*

Data as of 9/30/26 | Cash flow adjusted valuations | All Vintages

Performance Summary

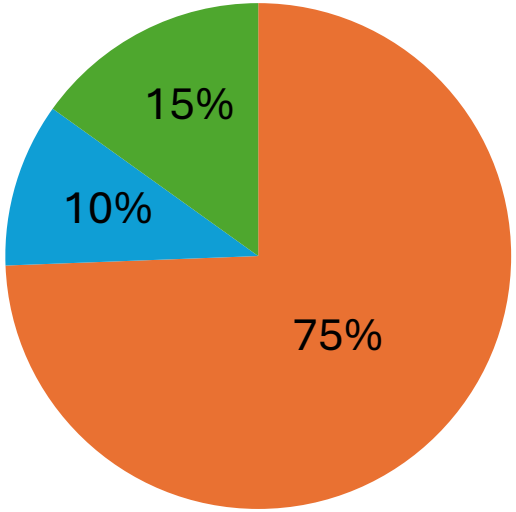
Portfolio	IRR (ITD)	MOIC	PME: Direct Alpha	PME: K&S
Total Infrastructure & Natural Resources	2.82	1.12	-2.88	0.89
Private Infrastructure	9.93	1.51	1.99	1.08
Private Natural Resources	4.55	1.24	-1.69	0.93
Diversified	6.49	1.32	-0.11	1.00

Reported valuations through 6/30/2026 | 2010+ vintages | Benchmark: 50% S&P Global Infrastructure / 50% S&P Global Natural Resources

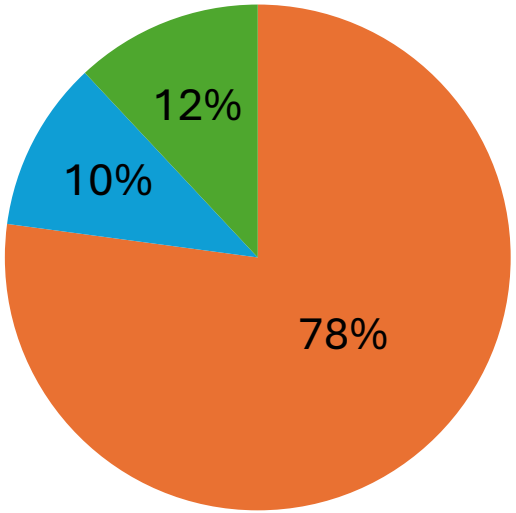
Increasing NCIA Discretion on Capital Deployed

PRE 2025 VINTAGES

Committed
Total $8.4BN

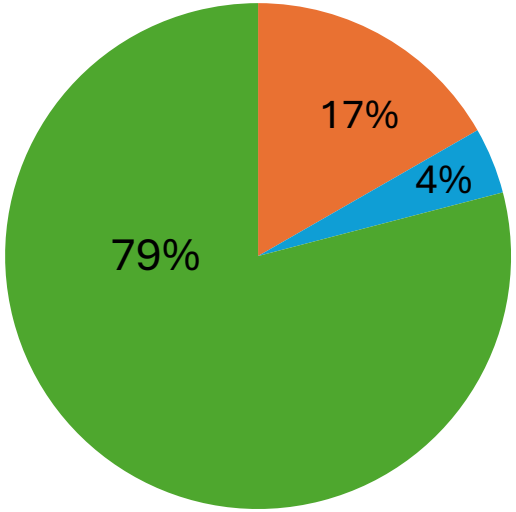


Invested
Total $8.5BN

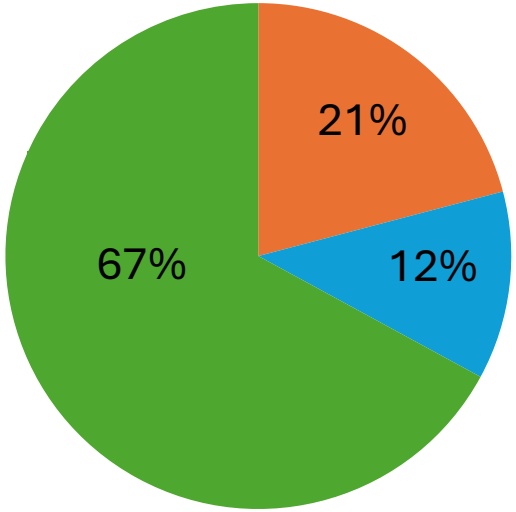


POST 2024 VINTAGES

Committed
Total $7.5BN



Invested
Total $2.5BN



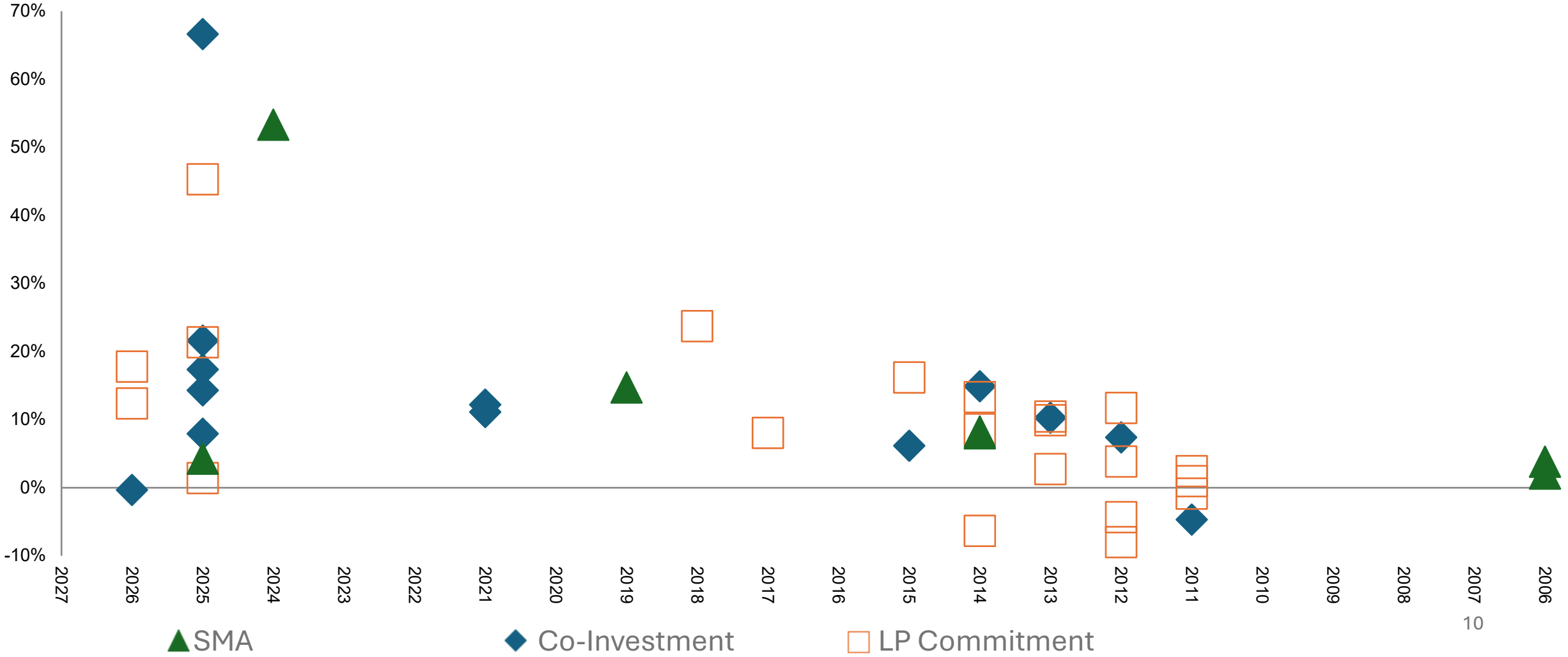
LP SMA Co-Investments

Excludes Staging Portfolios

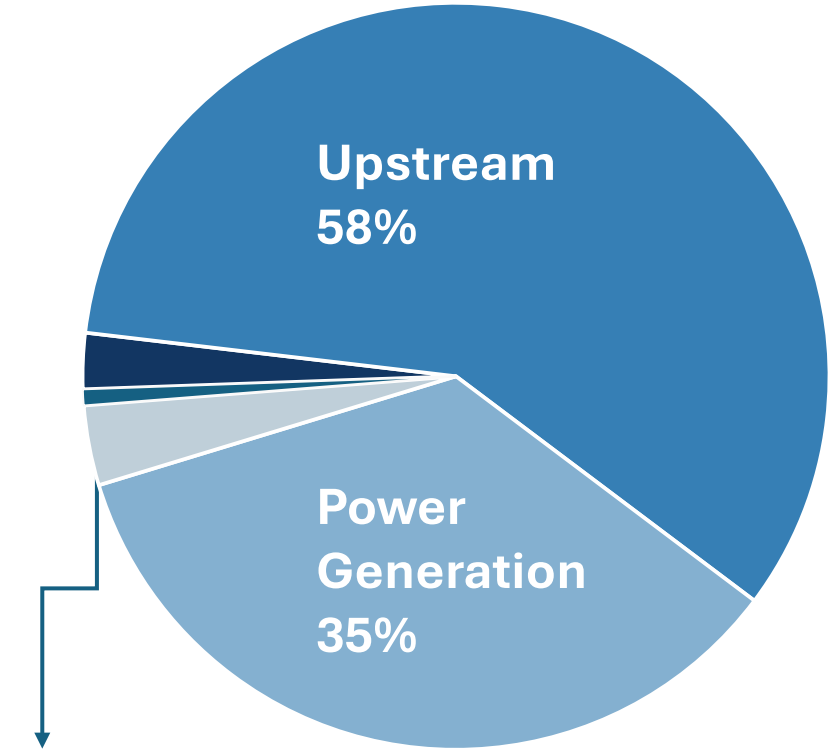
LP represent comingled Fund Commitments. Co-Investments are individual assets that are line items in the Portfolio. SMAs represent Separately Managed Accounts/Fund of 1's with Opt-Out rights.

Acquiring Operational Assets creates an Inverse J Curve Profile

IRR as of 6/30/26



Recent Co-Investment & SMA Activity*



Ports 3%
Midstream 2%
Renewables 1%

Name	Sector	Invested (USD Millions)
Co-Invest 1	Midstream	$ 50
Co-Invest 2	Ports & Terminals	$ 100
Co-Invest 3	Upstream	$ 12
Co-Invest 4	Upstream	$ 25
Co-Invest 5	Midstream	$ 20
Co-Invest 6	Power Generation	$ 90
SMA Transaction 1	Upstream	$ 51
SMA Transaction 2	Upstream	$ 12
SMA Transaction 3	Upstream	$ 145
SMA Transaction 4	Upstream	$ 172
SMA Transaction 5	Upstream	$ 1,360
SMA Transaction 6	Upstream	$ 23
SMA Transaction 7	Upstream	$ 62
SMA Transaction 8	Upstream	$ 35
SMA Transaction 9	Renewables	$ 25
SMA Transaction 10	Power Generation	$ 920**

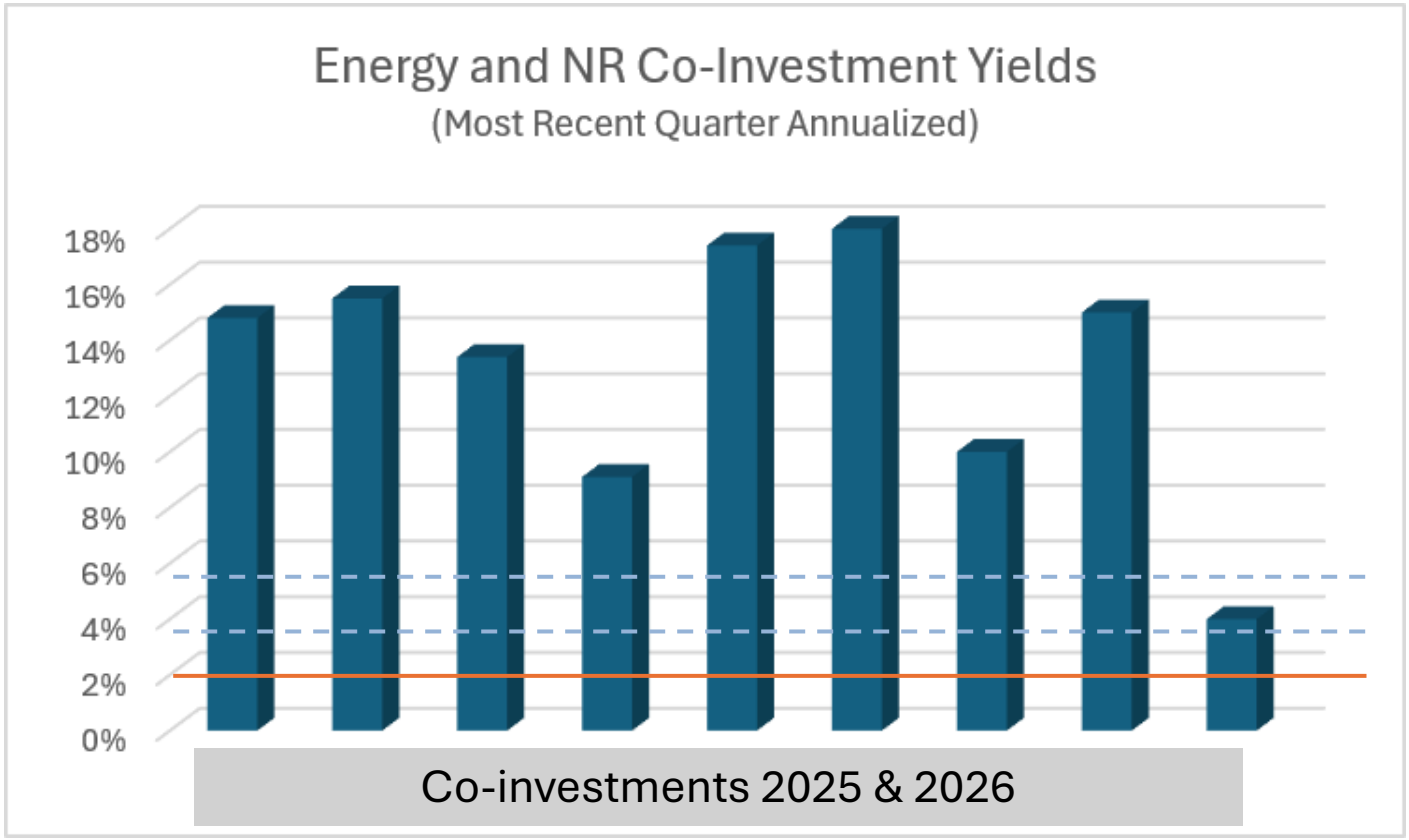
* Since 1/1/25

** Legal Pending

Dividend Yields on Recent NCIA Continuation Vehicle Investments

Last Quarter Annualized Yield (as of 9/30/26)

Recent NCIA Infrastructure and Natural Resources Co-Investments have generated strong initial cash flow yields, outperforming public equity proxies.
Deal sizes range from $10MM-$1300MM.



GP Target Cash Yield Range for Private Infrastructure

XOP: 1.6%[1] dividend yield

Note: Yield = Q3 2026 income distributions (annualized) ÷ funded amount as of 9/30/2026.
1. SPDR S&P Oil & Gas Exploration & Production ETF (XOP) dividend yield as of 10/28/2026.

Capital Deployment - How do we create value?

Strategic GP Relationship	Direct Opportunities	SMA Structure
❑ Leverage NCIA scale	❑ In-house transaction expertise	❑ Pre-negotiated investment vehicle truncates the legal process
❑ Align commitments to NCIA investment themes	❑ Complement internal resources with external support	❑ Solve for depth of resources, deal flow origination, scale, and speed to closure
❑ Co-investments	❑ Due diligence at the asset level	❑ Opt-Out rights
❑ MFN rights	❑ Disciplined approach to operational and capital markets risks	❑ Lowers overall cost of capital deployment
	❑ Offer scale to lead large syndicated transactions	❑ Easily scaled once invested

House Views



HIGH
Attractiveness



SELECTIVE
Attractiveness



DEEMPHASIZED
Attractiveness

U.S. Power Generation	Oil & Gas E&P Midstream	Ports & Terminals
Renewable Energy	Portable Infrastructure	Infrastructure-Adjacent Assets
U.S. Data Centers	Toll Roads & Cell Towers	Timber & Agriculture

Investment Opportunity Funnel & Sector Coverage

NCIA INFRASTRUCTURE & NATURAL RESOURCES

2025-YTD

Pipeline Conversion | Broad Origination Across Real Asset Sectors

PIPELINE PROGRESSION

COUNT OF OPPORTUNITIES



SECTORS REPRESENTED IN PIPELINE

21 SECTORS

Power Generation	Airports/FBO	Metals & Mining
BioFuels	Upstream Oil	Agriculture & Forestry
Regulated Electric Utilities	Upstream Natural Gas	Water
Grid Infrastructure	Midstream Energy	Waste & Environmental
Datacenters	Manufacturing	Social Infra
Communications Infra	Services	Transport
Ports & Terminals	Equipment Leasing	Diversified

Funnel widths are illustrative. Sector list reflects the breadth of historical pipeline.

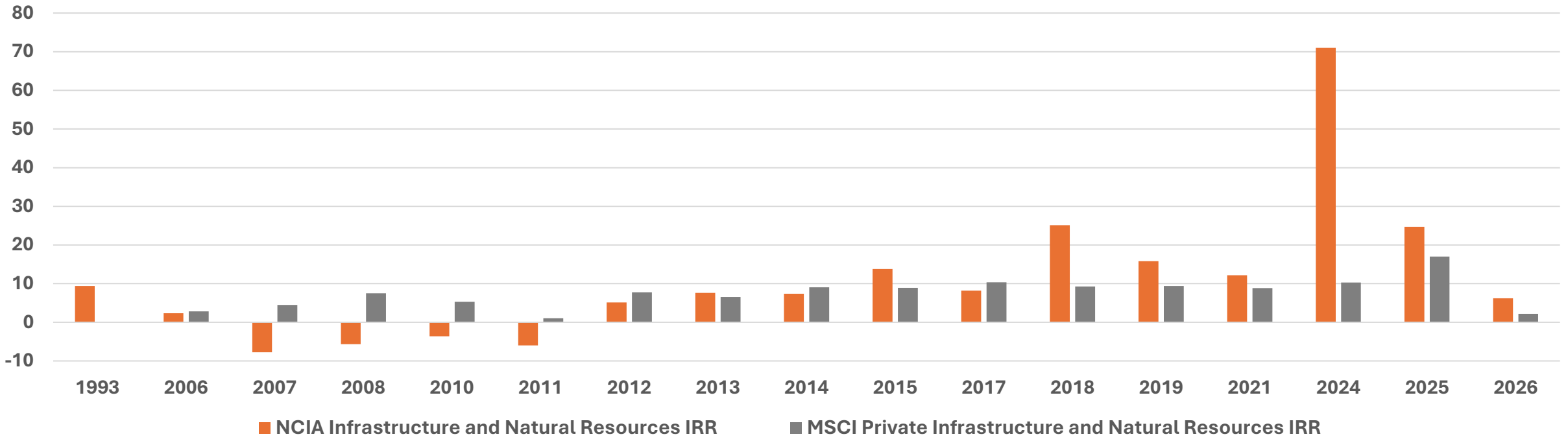
Source: NCIA pipeline data

Key Initiatives

	COMPLETED	UNDERWAY
Portfolio Construction	✓ Opportunity Tracking System ✓ Weekly Asset Class Meetings	○ Pro-Forma Analytics ○ Backstop CRM initiative
Recruiting	✓ Summer 2026 Intern Recruiting ✓ PM offer extended, but declined	○ Analyst and Portfolio Manager Interviews ○ Increase candidate sourcing efforts
LP Peer to Peer Interaction	✓ Include LP meetings during due diligence travel	○ Share best practices and notes on priority investment themes ○ Evaluate Club deal opportunities
Additional Sector Focused SMAs	✓ Energy Secondaries ✓ Power	○ Transportation ○ Infrastructure ○ Minerals and Mining

Appendix

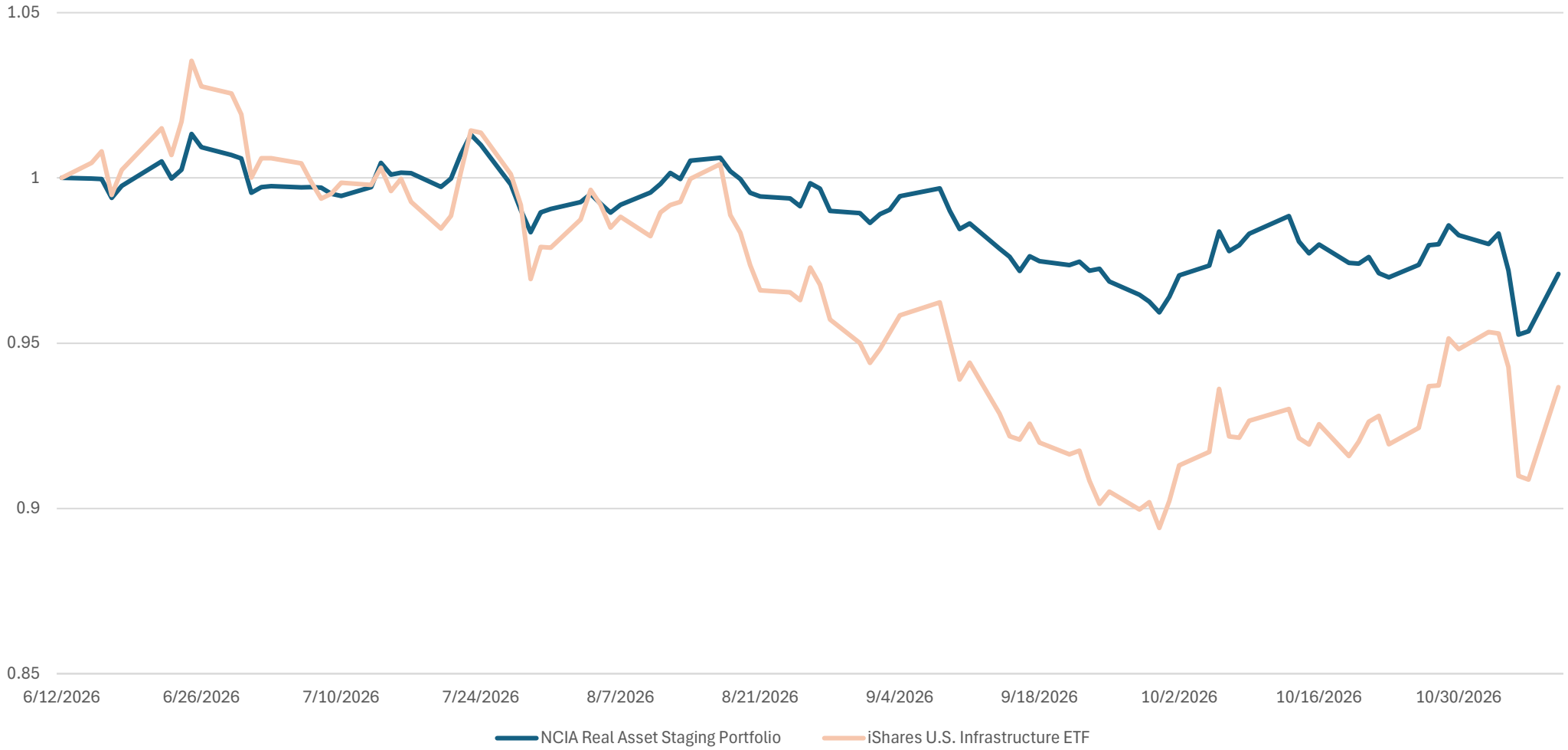
IRR by Vintage Year



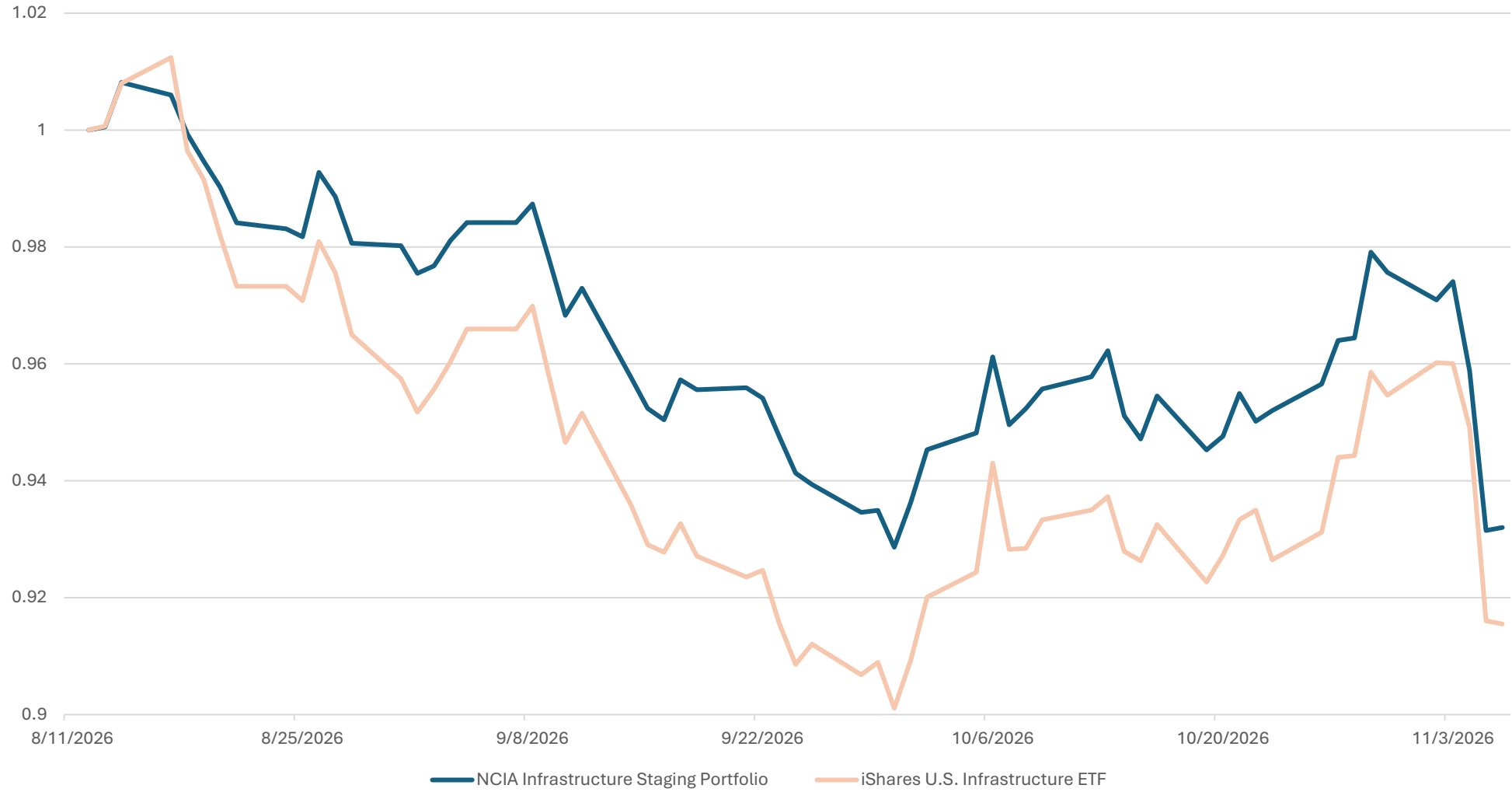
Infrastructure & Natural Resources Co-Invest and Underwritten

											MSCI Fund Universe IRR by Vintage				
Vintage	Commitment	Date	Paid	Distribution	Valuation	IRR	TVPI	DPI	Quartile	Percentile	95th	75th	50th	25th	5th
2011	28,220,824	12/31/2022	27,062,126	15,008,882	0	-14.9	0.55	0.55	3	25th-50th	22.90	4.89	(2.85)	(15.27)	(35.18)
2013	260,000,000	6/30/2026	283,473,254	371,385,762	92,981,485	10.96	1.64	1.31	1	75th-95th	15.13	8.35	4.35	(1.89)	(35.20)
2014	125,000,000	6/30/2026	126,167,826	257,095,698	30,630,822	14.97	2.28	2.04	1	75th-95th	21.02	11.68	7.86	3.20	(16.87)
2015	100,000,000	6/30/2026	70,088,320	81,685,960	1,854,319	6.17	1.19	1.17	3	25th-50th	24.27	11.50	7.14	3.61	(6.46)
2019	200,000,000	6/30/2026	182,274,204	82,369,523	174,832,395	15.8	1.41	0.45	1	75th-95th	25.98	12.87	9.98	5.55	0.30
2021	148,022,911	6/30/2026	147,926,798	116,940,112	101,861,049	12.17	1.48	0.79	2	50th-75th	20.89	12.74	8.98	6.25	(3.51)
2025	2,101,408,355	6/30/2026	398,738,943	24,709,363	404,082,552	22.22	1.08	0.06	2	50th-75th	81.65	26.75	5.46	(2.62)	(23.97)
2026	2,074,999,999	6/30/2026	235,568,171	0	267,280,066	27.89	1.13	0	1	75th-95th	80.02	19.25	0.06	(5.53)	(38.84)
All	**5,037,652,089**	**6/30/2026**	**1,471,299,643**	**949,195,300**	**1,073,522,688**	**11.79**	**1.37**	**0.65**	**2**	**50th-75th**	**32.64**	**12.90**	**7.82**	**1.61**	**(17.60)**
						Vintage Paid in Wtd Quartile			**1.50**						

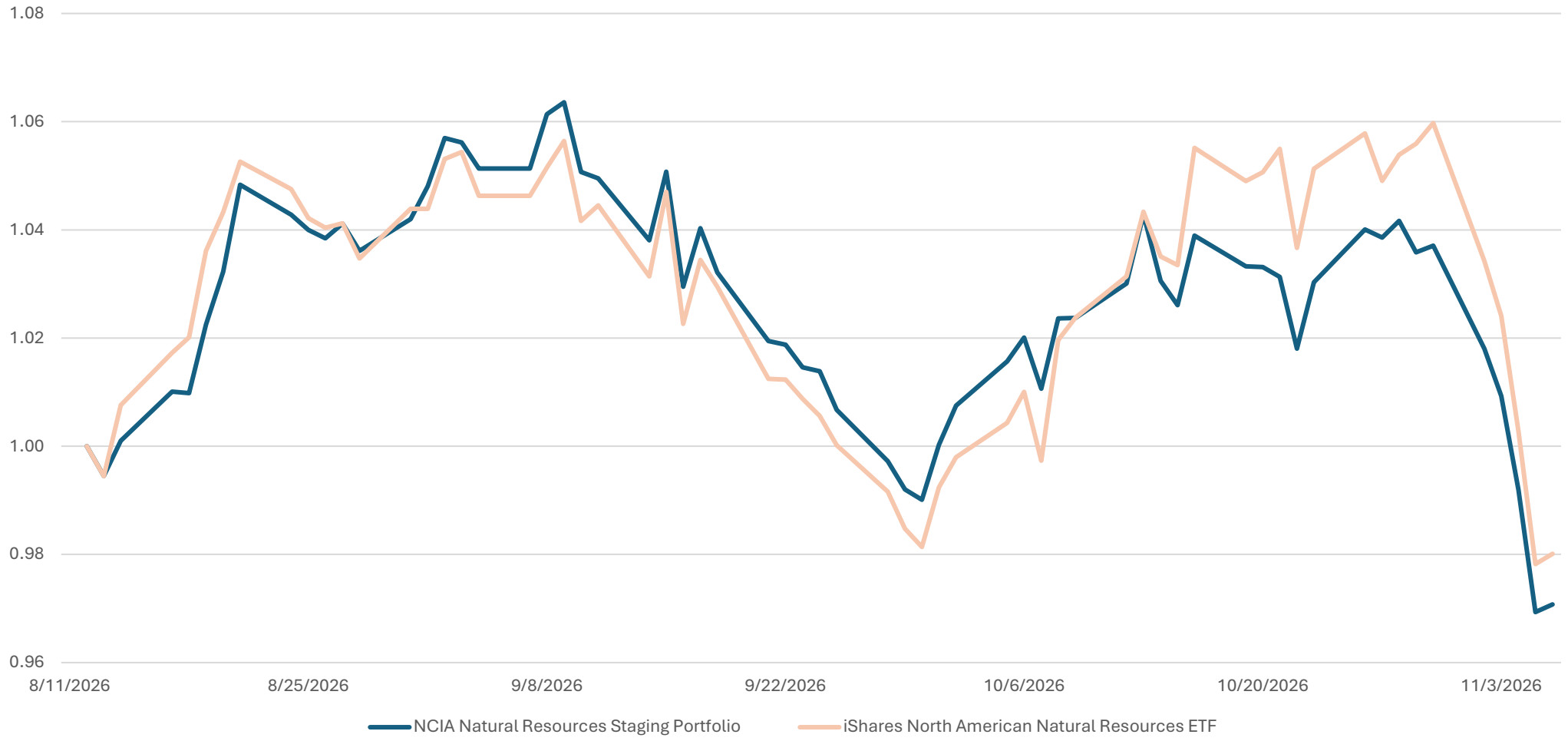
Blackrock Staging Portfolio: Growth of $1



Internally Managed Infrastructure Staging Portfolio: Growth of $1



Internally Managed Natural Resources Staging Portfolio: Growth of $1



How do we price risk?

Lower returns target	Average Risk / Return	Higher return target
• Operating assets • Long term contracts • Regulated/Rate Base Assets • Fully Hedged • Best-in-class operators • OECD • USD denominated revenues • Limited fee drag	• Some market risk • Some volumetric variability • Construction risk • Technical risk • Partially hedged • Proven financing structures • Limited currency exposure • Brownfield development	• Price and volume risk • Operationally intensive • Development • Construction or Tech Risk • Non-US domicile • High leverage • Refinancing risk • Higher fees require higher hurdle rates



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