NORTH CAROLINA
INVESTMENT AUTHORITY

Major Initiatives

May 27, 2026

BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA

NCIA Transition Timeline

11/19/25

NCIA Board
- Charter (Completed)
- Policy Manual (Completed)
- Budget (Completed)

12/17/25

NCIA Board
- NCRS ALM Study (Completed)
- SRP IPS/Support (Completed)

1/1/26

Management: Day 1 Readiness
- NCIA Employees in Positions (Completed)
- Investment Processes (Completed)
- Management Policies (Completed)
- Legal agreements notices (Completed)

2/25/26

NCIA Board
- NCRS IPS (Completed)
- ALM Transition (Completed)

5/27/26

NCIA Board
- Strategic Plan (In Progress)
- Budget (In Progress)

Completed

In Progress

Foundations: Ongoing operational transition tasks
- Fill new positions (In Progress)
- Establish independent HR, finance, and administrative functions (In Progress)
- IT Scoping and Discovery & Gap Analysis (In Progress)

Transition-related Administrative Activities since February

Task	Status
Insider and Personal Trading Policy	🟢
Travel Policy	🟢
AGPIP Policy and Procedures	🟢
HR Manual	🟡
Rewards Policy	🟡
Procurement	🟡
DST SLAs (IT, FOD, and HR)	🟢
Functional New Agency Set-up (OSC)	🟡
NCIA website and LinkedIn page launched	🟢

🟢 **Completed**

🟡 **In Progress**

Compliance, Risk, and Ethics Committee Updates

- Insider and Personal Trading Policy
  - Adoption of policy
  - Compliance vendor / Process automation
- Ethics education from the State Ethics Commission
- Insurance for NCIA
- Compliance calendar

Compliance Calendar for 2026

		Board/Member Action	Recipient(s)	Source(s)
Q1	Staff Reports			
	Monthly Investment Performance Report	None	Website, NCGA, & Council of State	NCGS 147-69.12(a1)
	Board Materials			
	Quarterly liquidity review	Review	Internal	NCGS 147-71.2(a)(6)a.
	Review of Board-approved policies	Review	Website	Charter & NCGS 147-71.2(a)(2)
	Member requirements			
	Annual fiduciary training	Attend training	None	Charter
Q2	Staff Reports			
	Monthly Investment Performance Report	None	Website, NCGA, & Council of State	NCGS 147-69.12(a1)
	Annual report on NCIA's salaries and bonuses	None	NCGA	NCGS 147-71.2(d)
	Board Materials			
	Quarterly liquidity review	Review	Internal	NCGS 147-71.2(a)(6)a.
	Annual budget	Approve	NCGA	NCGS 147-71.2(b)
	Member requirements			
	Statement of Economic Interest	File SEI	Ethics Commission	NCGS 138A-22(a)
	Ethics and Lobbying Education for Public Servants	Attend training	Ethics Commission	NCGS 138A-14(c)
	Board term expiration (June 30): Dan Ward	None	Senate	NCGS 147-71.1(a)(3)
Q3	Staff Reports			
	Monthly Investment Performance Report	None	Website, NCGA, & Council of State	NCGS 147-69.12(a1)
	Board Materials			
	Quarterly liquidity review	Review	Internal	NCGS 147-71.2(a)(6)a.
	Expenditures for prior fiscal year	Review	NCGA	NCGS 147-71.2(b)
	Member requirements			
	None			
Q4	Staff Reports			
	Monthly Investment Performance Report	None	Website, NCGA, & Council of State	NCGS 147-69.12(a1)
	Performance and Fees Report	None	Website, NCGA, & Council of State	NCGS 147-69.12(a1)
	MD&A for the audit	None	Treasurer's audit and ACFR	NCGS 147-69.9(b)
	Board Materials			
	Quarterly liquidity review	Review	Internal	NCGS 147-71.2(a)(6)a.
	Certification of illiquid investments	Approval	Internal	NCGS 147-71.2(a)(6)a.
	Audit of financial statements	Review	Website & ACFR	NCGS 147-69.9(b)
	Cost and performance benchmarking report	Review	Website	NCGS 147-71.2(a)(2)g.
	Member requirements			
	None			

Benchmarks

NORTH CAROLINA
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Bradford B. Briner, State Treasurer and Chairman of the Board

Purpose: separate policy, implementation and attribution

The IPS establishes three formal total-plan performance benchmarks: the Actuarial Assumed Rate of Return, the Reference Portfolio Benchmark, and an Implementation Benchmark. The IPS establishes the Implementation Benchmark at the total-plan architecture level and delegates the Implementation Benchmark components, methodology, maintenance, and updates to the CIO.

The benchmark translates the IPS into a measurable operating baseline for oversight.

It should help the Board assess whether the Fund is earning enough, whether policy risk is adding value, and whether implementation decisions are contributing after adjusting for the opportunity set being implemented.

Actuarial 6.50%	Reference Portfolio	Implementation Benchmark	Dynamic Implementation
Funding sufficiency	Passive market baseline	Formal IPS benchmark	Internal attribution layer not a fourth IPS benchmark

Board takeaway

The Implementation Benchmark is the operating benchmark; the Dynamic Implementation Benchmark is diagnostic, used to isolate pacing and allocation-drift effects.

Methodology: static policy weights, floating implementation sleeves

Total-plan benchmark returns are built from a clear hierarchy: IPS policy weights at strategic nodes; monthly market values within floating sleeves.

Total Fund
Implementation Benchmark

Equity
62% static

Corporate Equity 44%
- Private Equity (asset-weighted)
- Public Equity (asset-weighted)

Real Asset Equity 18%
- Infrastructure & Natural Resources (asset-weighted)
- Real Estate (asset-weighted)

Debt
35% static

Cash 1%
Credit 9%
Investment Grade 25%

Multi-Strategy
3% static

Operating rules: total-return series; U.S. dollar base currency; monthly calculation frequency; monthly market-value weighting for floating nodes; monthly rebalance for static nodes, disciplined private-market lag convention.

Benchmark composition: match the investable opportunity set

Benchmarks are broad, measurable and appropriate to the sleeve being implemented.

Public / liquid exposures

- **Public Equity**: MSCI ACWI IMI Net
- **Investment Grade**: ICE BofA Custom H167 (35% 5+ Yr IG Corporate, 35% Mortgage Master, 30% 5+ Year Government)
- **Cash**: ICE 3-Month T-Bill Total Return
- **Public Real Estate**: FTSE EPRA Nareit Global

Private / less-liquid exposures

- **Private Equity**: MSCI (Burgiss) Global Private Capital Equity Universe
- **Credit:** MSCI (Burgiss) Global Private Capital Credit Universe
- **Infrastructure & Natural Resources**: MSCI (Burgiss) Private Capital Infrastructure and Natural Resources Universe
- **Private Real Estate**: MSCI (Burgiss) Private Capital US Real Estate Universe

Multi-Strategy
PivotalPath Multistrategy Universe

Oversight: attribution, backfill and change control

The structure supports clearer accountability for what drove results.

Reference Portfolio → Strategic allocation → **Implementation Benchmark** → Timing → **Dynamic Implementation Benchmark** → Implementation → **Fund Return**

Total value-add vs. Reference Portfolio = Strategic Allocation + Timing + Implementation Effect

Backfilling of Historical Benchmark Returns

- Benchmark returns will be backfilled to the inception of the 1st account within any new or materially changed sleeve of our portfolio asset allocation / return buckets (Total Equity, Real Asset Equity, Infrastructure & Natural Resources Equity, Debt, Investment Grade Fixed Income) through February 2026
- The historical returns of the Total Implementation Benchmark will not be backfilled. The benchmark returns of prior total implementation benchmarks will be retained in our new implementation benchmark history through Feb 2026.

Level 0	Level 1	Level 2	Level 3	Level 4	Level 5	Benchmark Index	Policy Weight	In Next Level Up	Weight Method	Next Level Up Bench Weight	Returns Prior to March 2026
Total Trust						**Composite of Level 1 Benchmarks**	**100%**				**Prior Benchmark**
Total Trust (100%)	**Debt 35%**					**Composite Return of Level 2 Benchmarks**	**35%**	**Yes**	**Static**	**35%**	**Wtd Underlying**
		Cash				ICE 3m Tbill Index Total Return	1%	Yes	Static	3%	Prior Benchmark
		Credit				MSCI Global Private Credit Index	9%	Yes	Static	26%	Prior Benchmark
		Investment Grade				ICE BAML Custom Index (H167). 35% ICE BofA 5+ Year Investment Grade Corporates, 35% ICE BofA Mortgage Master, 30% ICE BofA 5+ Year Governments.	25%	Yes	Static	71%	New Backfill
	Equity 62%					**Composite Return of Level 2 Benchmarks**	**62%**	**Yes**	**Static**	**62%**	**Wtd Underlying**
		Corporate Equity				Composite Return of Level 3 Benchmarks	44%	Yes	Static	71.0%	Wtd Underlying
			Private Equity			MSCI Global Private Equity		Yes	Dynamic (Actual Wgt)	Asset Wgt	Prior Benchmark
			Public Equity			MSCI ACWI IMI Net		Yes	Dynamic (Actual Wgt)	Asset Wgt	Prior Benchmark
		Real Asset Equity				Composite Return of Level 3 Benchmarks	18%	Yes	Static	29.0%	Wtd Underlying
			Infrastructure & Natural Resources			MSCI Global Private Infrastructure and Natural Resources Index		Yes	Dynamic (Actual Wgt)	Asset Wgt	New Backfill
			Real Estate			Composite Return of Level 4 Benchmarks		Yes	Dynamic (Actual Wgt)	Asset Wgt	Wtd Underlying
				Private Real Estate		MSCI US Private Real Estate Index		Yes	Dynamic (Actual Wgt)	Asset Wgt	Wtd Underlying
					Core	NCREIF ODCE		No			Prior Benchmark
					Non Core	MSCI US Private Opportunistic and Value Add Real Estate Index		No			Prior Benchmark
				Public Real Estate		FTSE EPRA NAREIT Global		Yes	Dynamic (Actual Wgt)	Asset Wgt	Prior Benchmark
	Multi Strategy 3%					**Pivotal Path MultStrategy Index**	**3%**	**Yes**	**Static**	**3%**	**Prior Benchmark**
		Alpha Book						No			
		Total Portfolio						No			

NCIA

NORTH CAROLINA DEPARTMENT OF THE TREASURER

BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA