



## Quick Facts

**Fund:**  
MOSERS Investment Portfolio  
("MIP")

**Fund Type:**  
Actively Managed Asset  
Allocation Fund

**Fund Manager:**  
MOSERS

**Expense Ratio:**  
1.14%  
*See page 2 for expense detail*

**MOSERS' Total Assets:**  
\$9.7 billion

**Liquidity:**  
Open to contributions and  
redemptions on a monthly  
basis only

**MIP Inception Date:**  
July 31, 2012

### For More Information

This Fact Sheet is a summary only. More detailed information is available in the *MIP Disclosure Statement* (call 800-392-0925 or visit [www.modeferrredcomp.org](http://www.modeferrredcomp.org) to receive a copy at no charge). MOSERS' current annual report is also available at [www.mosers.org/About-MOSERS](http://www.mosers.org/About-MOSERS).

## Fund Information

### Objective

Missouri State Employees' Retirement System ("MOSERS") is a retirement system organized under the laws of the state of Missouri for the purpose of providing defined retirement benefits to state employees and their beneficiaries. MOSERS' investments are held in a trust that is an actively managed, diversified investment portfolio, valued at approximately \$9.7 billion as of the date of this statement. Effective July 31, 2012, the MOSERS trust was converted to a master trust and unitized to provide participants in the State of Missouri Deferred Compensation 457(b) Plan for Public Employees and the State of Missouri Deferred Compensation Incentive 401(a) Plan for Public Employees (the "Plans") with an opportunity to invest in MOSERS' investment portfolio ("MIP"). This option is closed to new investors and transfers in as of June 30, 2017.

### MIP Investment Strategies

MIP's investment strategies are designed to achieve long-term total returns (comprised of capital appreciation and income). MIP is an actively managed diversified portfolio of investments including U.S. and foreign public and private equity and debt, real estate, commodities, emerging markets, foreign currency transactions, derivative transactions, and hedge funds.

The portfolio employs a risk balanced approach, seeking to balance risk across all economic environments by obtaining exposure to various asset classes based on long-term volatility and correlation estimates. The strategy in the portfolio allows for the expanded use of leveraged positions obtained through certain financial instruments such as swaps, futures contracts, repurchase agreements, forward currency contracts, and securities lending transactions. The amount of leverage is limited based upon policies approved by MOSERS' Board of Trustees. Total leverage is limited to 1.15 times the capital of the portfolio. The detailed policy asset allocation is provided in the graph on the following page.

There is no assurance that these investment strategies will be successful.

### Investor Profile:

MIP investors should take into account their tolerance for the daily fluctuations of the financial markets and whether they can afford to leave money in MIP for a long period of time to ride out down market periods. Fund managers will NOT consider the age, investment objectives, risk tolerance or estimated time until retirement of investors, individually or in the aggregate. Due to the long-term nature of MOSERS' liabilities to retirees and their beneficiaries, the horizon for investment decisions in certain instances can exceed 10 years. An investor who needs liquidity or has a short-term investment horizon should not invest in MIP. MIP objectives may not meet the needs of every investor.

### Principal Risks

Investors should carefully consider their risk tolerance before investing. As with all investments, you may lose money by investing in MIP.

- NOT GUARANTEED BY THE STATE OF MISSOURI OR ANY OTHER AGENCY
- NOT FDIC INSURED
- MAY LOSE VALUE
- SUBJECT TO RISK OF LOSS

MIP invests in various asset classes which are subject to market risk. Market risk involves the possibility that investments in equity securities will fall because of a decline in the stock market, reducing the value of an individual company's stock regardless of the success or failure of an individual company's operations. Fixed income securities in which MIP invests are subject to credit risk, interest rate risk and liquidity risk.

MIP invests in private investment funds that engage in speculative alternative trading strategies. These funds' assets may be illiquid and their performance results can be extremely volatile. The managers of these alternative funds typically provide estimated, unaudited fund values quarterly. As a result, MIP's unit value will be calculated based on these estimates, which may not be current at the time of MIP unit value calculation due to material changes in the markets and/or subsequent changes in value of a private fund's assets. Fair valuation is subjective, and

Continued on following page

there is no guarantee that MIP will realize proceeds equal to fair value upon the sale of a private fund interest or other security that cannot be valued at a current market price.

MIP engages in the use of leverage. Leverage creates exposure to returns from assets greater than the value of MIP's portfolio. MIP will incur leverage through its use of derivative strategies, including repurchase agreements, swaps, futures contracts, securities lending and other derivative investments or techniques. While leverage may increase MIP's potential total returns, it comes with a corresponding increase in risk and may increase volatility of the value of MIP units.

### Monthly Liquidity

MIP is valued on a monthly (not daily) basis because some underlying investments are illiquid in nature (such as real estate and private equity). MIP will be open to contributions, and incoming and outgoing transfer requests, on a monthly basis. These requests will not be processed immediately. For purchase or sale requests in any given month, MIP's unit value will be determined by the 2nd last business day of the **next month**.

Contributions and transfers to MIP made prior to month-end will be held in the MIP Pending Credits ("MPCR") account. Cash held in the MPCR account until the month-end transfer to MIP will not earn interest.

Transfers out of MIP into daily valued investments will be held in the MIP Pending Transfers Out ("MPTO") account until the previous month's-end value has been determined. Cash held in the MPTO account will not earn interest.

### Annual Operating Expenses

(expenses that you pay each year as a percentage of the value of your investment)

Annual Operating Expenses and Management Fees	0.44%
Manager Performance Fees <sup>1</sup>	0.50%
Plan Administration Fee <sup>2</sup>	0.20%
<b>Total Annual Expenses</b>	<b>1.14%</b>

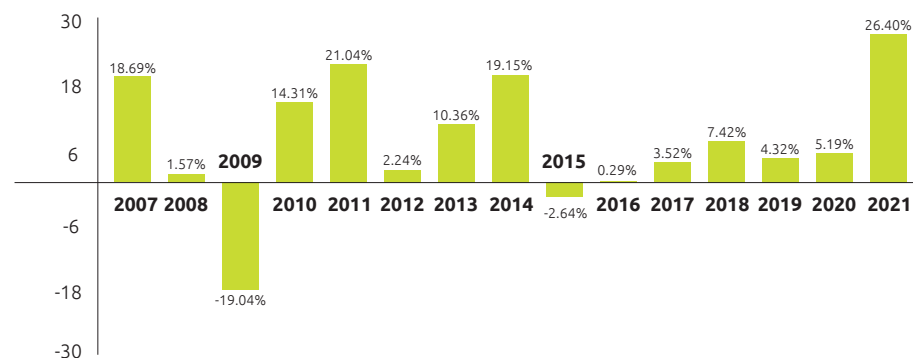
The above table represents the pro-rated fees and expenses that are paid by the investors in MIP. This represents the cost of investment management and administration of MIP. There are no revenue-generating fees paid to MOSERS by MIP investors.

<sup>1</sup> Performance fees and carried interest distributions may vary greatly from year to year, depending on the nature of MIP investments, performance of those investments and general market conditions. Any estimate of these fees cannot be reliably predicted from year to year. Paid performance fees are a result of profit-generating investment management.

<sup>2</sup> Applicable to MIP only.

### MOSERS' Performance

The bar chart and table below illustrate MOSERS' historical returns. The bar chart shows how MOSERS' performance has varied from year to year over the past 15 fiscal years ended **June 30, 2021**. The table compares MOSERS' performance to that of a broad-based market index and its custom policy benchmark for periods ended June 30, 2021 assuming the reinvestment of all dividends and capital gains. Returns are calculated in US Dollars after deducting fees and expenses incurred by MOSERS, but do not reflect MIP plan administration fees, which would reduce the returns shown. MIP performance returns will differ due to differences in expenses. **PAST PERFORMANCE IS NO GUARANTEE OF FUTURE PERFORMANCE.**



### Annualized Total Returns for Periods Ended June 30, 2021

	1 Year	5 Years	10 Years	Since Inception (April 1981) <sup>1</sup>
MOSERS	26.40%	9.05%	7.31%	9.77%
MSCI ACWI (60%)/BARC AGG (40%) <sup>2</sup>	23.82%	10.13%	7.36%	N/A
Policy Benchmark <sup>3</sup> Return	25.20%	6.86%	6.89%	6.12%

Source: [www.mosers.org/investments](http://www.mosers.org/investments) - MIP current and future performance may be lower or higher than the performance quoted above.

<sup>1</sup> Returns provided in the above table are MOSERS actual portfolio returns since the current portfolio's inception in April 1981.

<sup>2</sup> The MSCI All Country World Index (ACWI), MSCI's flagship global equity index, is designed to represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed and 27 emerging markets. The Barclays Capital Aggregate Bond Index is used to represent investment grade bonds being traded in the United States. Indices do not reflect investment management fees, brokerage commissions and other expenses associated with investing.

<sup>3</sup> The Policy Benchmark was selected by MOSERS and was comprised of the following components as of June 30, 2021: 21% Global Public Equities, 11% Global Private Equities, 18% Long Treasuries, 7% Core Bonds, 3% Commodities, 18% TIPS, 3% Private Real Assets, 4% Public Real Assets, 4% Hedge Funds, 7% Alt Beta, and 4% Private Credit.

### MIP Asset Allocation

The graph below illustrates the portfolio policy asset allocation.

