

Investment
Cost Effectiveness Analysis
2014

Government Pension Fund Norway



Table of contents

1 Executive summary

2 Research

3 Peer group and universe

Peer group	3 - 2
CEM global universe	3 - 3
Universe subsets	3 - 4
Implementation style, asset mix, policy mix:	
- by universe subset	3 - 5
- trends from 2010 to 2014	3 - 6
Implementation style by asset class	3 - 7
Actual asset mix - trends from 2010 to 2014	3 - 8
Policy asset mix - trends from 2010 to 2014	3 - 9

4 Returns, benchmarks, value added

Interpreting box and whisker graphs	4 - 2
Net total returns	4 - 3
Policy returns	4 - 4
Net value added	4 - 5
Net returns by asset class	4 - 6
Benchmark returns by asset class	4 - 7
Net value added by asset class	4 - 8
Your policy return and value added calculation:	
- 2014	4 - 9
- 2010 to 2013	4 - 10
Profit/Loss on overlay programs	4 - 11

5 Total cost and benchmark cost

Comparisons of total investment cost	5 - 2
- Trend	5 - 3
- Detailed breakdown	5 - 4
- Material changes	5 - 5

Total cost versus benchmark cost	5 - 6
Benchmark cost calculation	5 - 7
Cost impact of:	
- differences in implementation style	5 - 8
- overlays	5 - 9
- lower cost styles	5 - 10
- paying more/-less for similar services	5 - 11
Why you are high/low cost by asset class	5 - 12
Your cost effectiveness ranking	5 - 13
Actual cost versus benchmark cost	5 - 14
Benchmarking methodology	5 - 15
Regression based benchmarks	5 - 18

6 Cost comparisons

Total investment cost	6 - 2
Oversight, Custodial & Other Costs	6 - 3
Asset class costs by implementation style	6 - 4

7 Risk - not applicable

8 Appendices

Appendix A - Data Summary	8 - 2
Appendix B - Data quality	
Appendix C - Glossary of terms	

Prepared December 11, 2015. Although the information in this report has been based upon and obtained from sources we believe to be reliable, Cost Effectiveness Measurement Inc. ("CEM") does not guarantee its accuracy or completeness. The information contained herein is proprietary and confidential and may not be disclosed to third parties without the express written mutual consent of both CEM and Government Pension Fund Norway.

Key takeaways

Value added

- Your 5-year net value added was 0.6%. This was above the Global median of 0.3% and above the peer median of 0.2%.

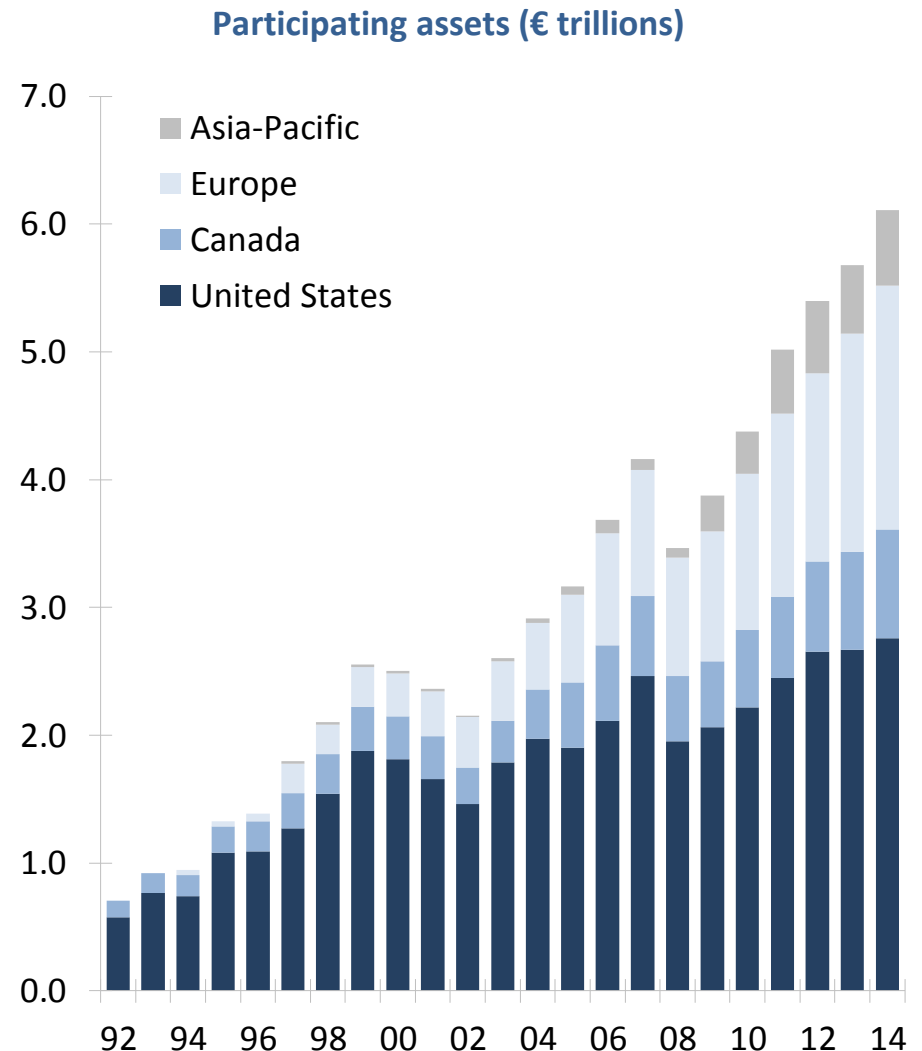
Cost

- Your investment cost of 7.7 bps was below your benchmark cost of 17.7 bps. This suggests that your fund was low cost compared to your peers.
- Your fund was low cost because you had a lower cost implementation style and you paid less than peers for similar services
- Your 5-year performance placed in the positive value added, low cost quadrant of the cost effectiveness chart.

This benchmarking report compares your cost and return performance to the 328 funds in CEM's extensive pension database.

- 168 U.S. funds participate with assets totaling €2.8 trillion.
- 83 Canadian funds participate with assets totaling €855 billion.
- 67 European funds participate with aggregate assets of €1.9 trillion. Included are funds from the Netherlands, Norway, Sweden, Finland, Ireland, Denmark and the U.K.
- 8 Asia-Pacific funds participate with aggregate assets of €593 billion. Included are funds from Australia, New Zealand, China and South Korea.
- 2 Gulf region funds participate.

In the global database the types of funds can be split as follows 49% corporate, 36% public and 15% other.



The most valuable comparisons for cost performance are to your custom peer group.

Peer group for Government Pension Fund Norway

- 16 global sponsors from €12 billion to €70 billion
- Median size of €39 billion versus your €21 billion
- Median size of internal equity program €11 billion versus your €12 billion

- 3 Canadian funds, 5 European funds and 8 U.S. funds make up the Global peer group.
- The size of the internal equity program was chosen as one of the key characteristics of the peer group because it is a major factor in the cost profile of the GPF Norway.
- Due to the fact that the GPF Norway is primarily invested in Norway, return comparisons versus the other funds who invest more on a Global scale are not very meaningful.
- In the report there are also comparisons to CEM's Global database of participants.

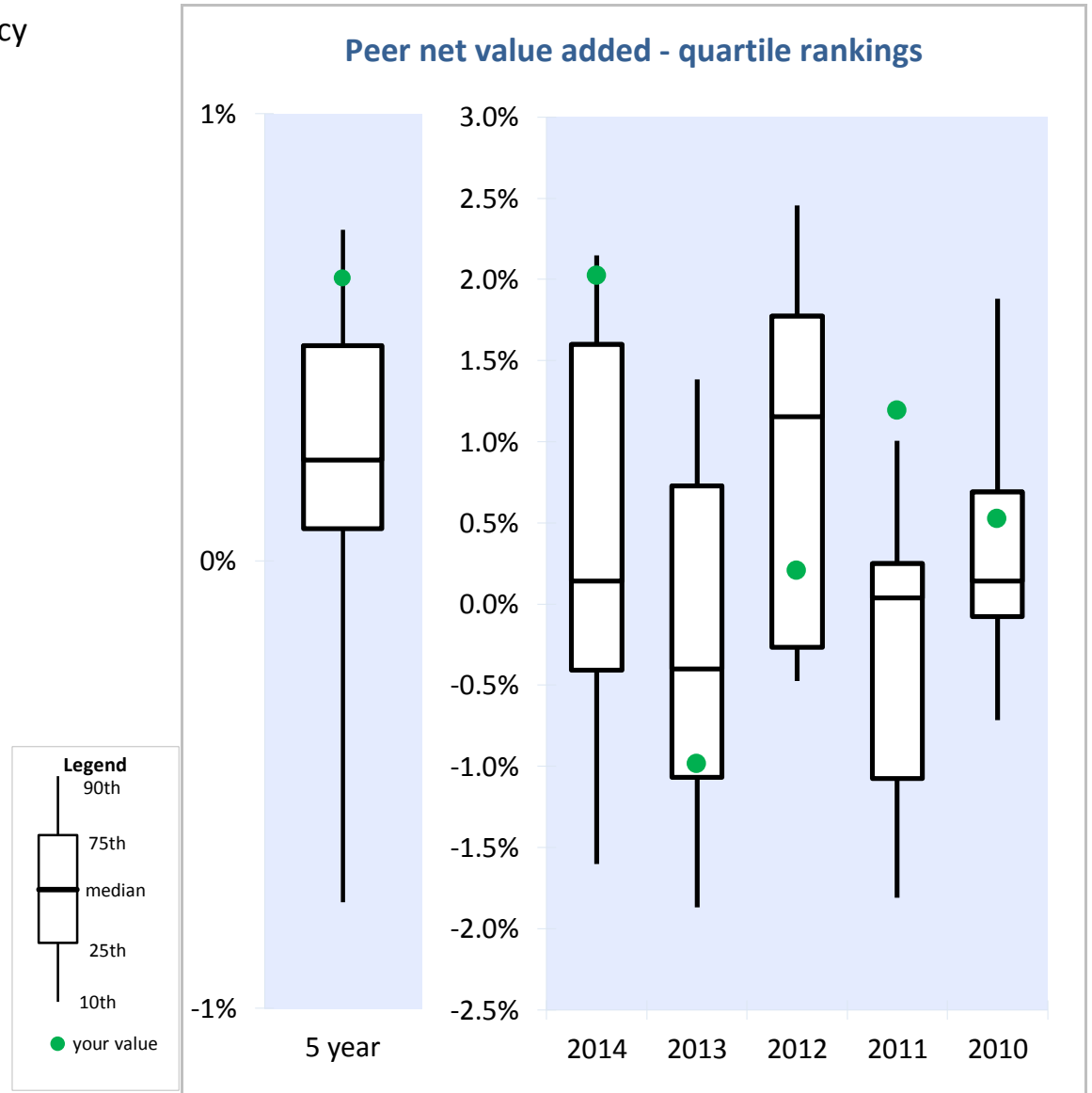
Net value added is the component of total return from active management. Your 5-year net value added was 0.6%.

Net value added equals total net return minus policy return.

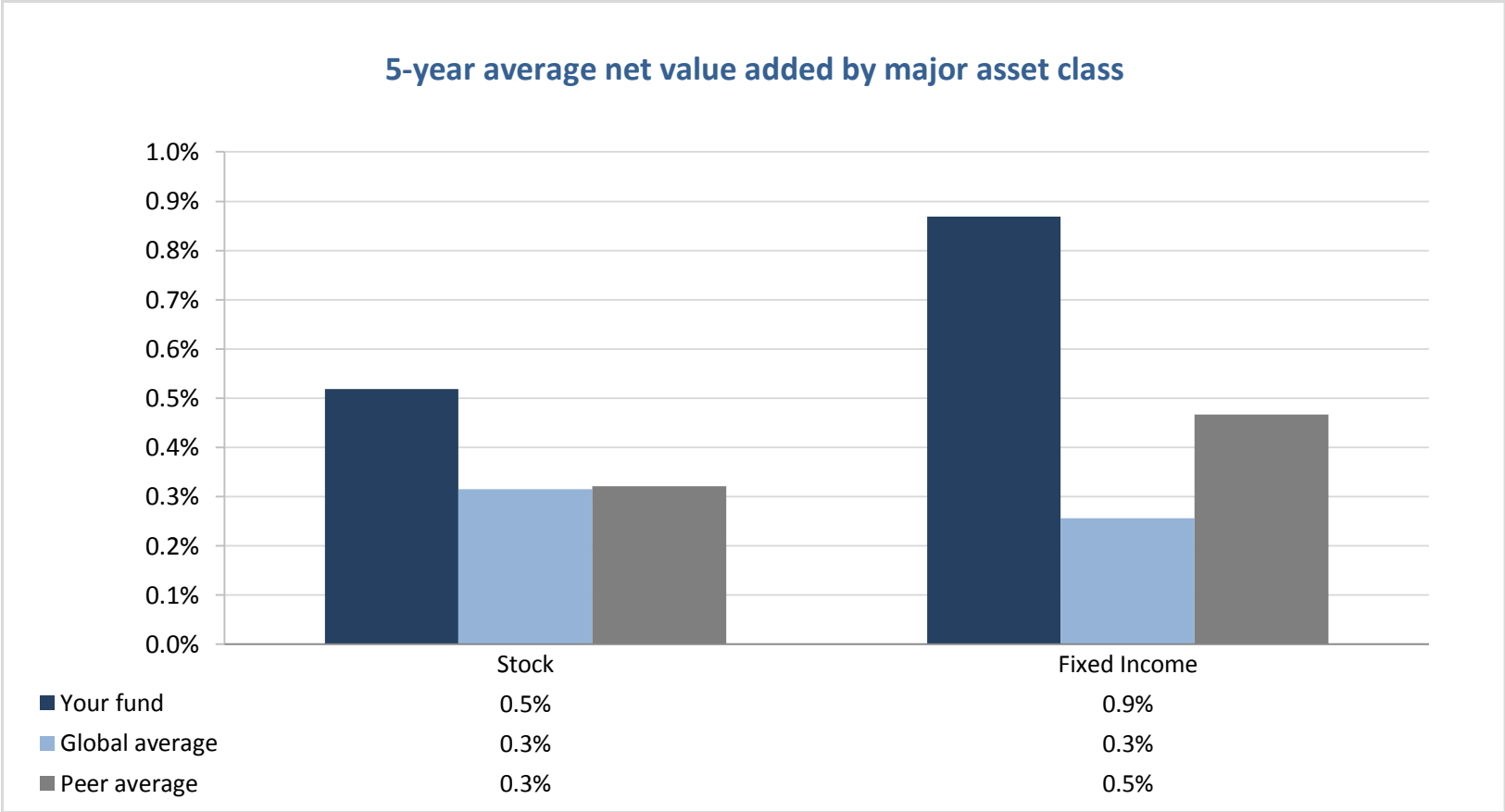
Value added for Government Pension Fund Norway

Year	Net Return	Policy Return	Net value Added
2014	10.6%	8.6%	2.0%
2013	15.6%	16.6%	(1.0%)
2012	12.1%	11.9%	0.2%
2011	(4.0%)	(5.2%)	1.2%
2010	15.2%	14.7%	0.5%
5-year	9.7%	9.0%	0.6%

Your 5-year net value added of 0.6% compares to a median of 0.2% for your peers and 0.3% for the Global universe.



You had positive 5-year net value added in Stock and Fixed Income.



Your investment costs were €15.7 million or 7.7 basis points in 2014.

Asset management costs by asset class and style (€000s)	Internal		External		Total	
	Active	Overseeing of external	Active base fees	Perform. fees		
Stock - Global	7,120				7,120	
Fixed Income - Global	5,657				5,657	
Total excluding private asset performance fees					12,777	6.3bp
Oversight, custodial and other costs ¹						
Oversight of the fund					1,480	
Trustee & custodial					721	
Consulting and performance measurement					59	
Audit					283	
Other					336	
Total oversight, custodial & other costs					2,879	1.4bp
Total investment costs (excl. transaction costs & private asset performance fees)					15,656	7.7bp

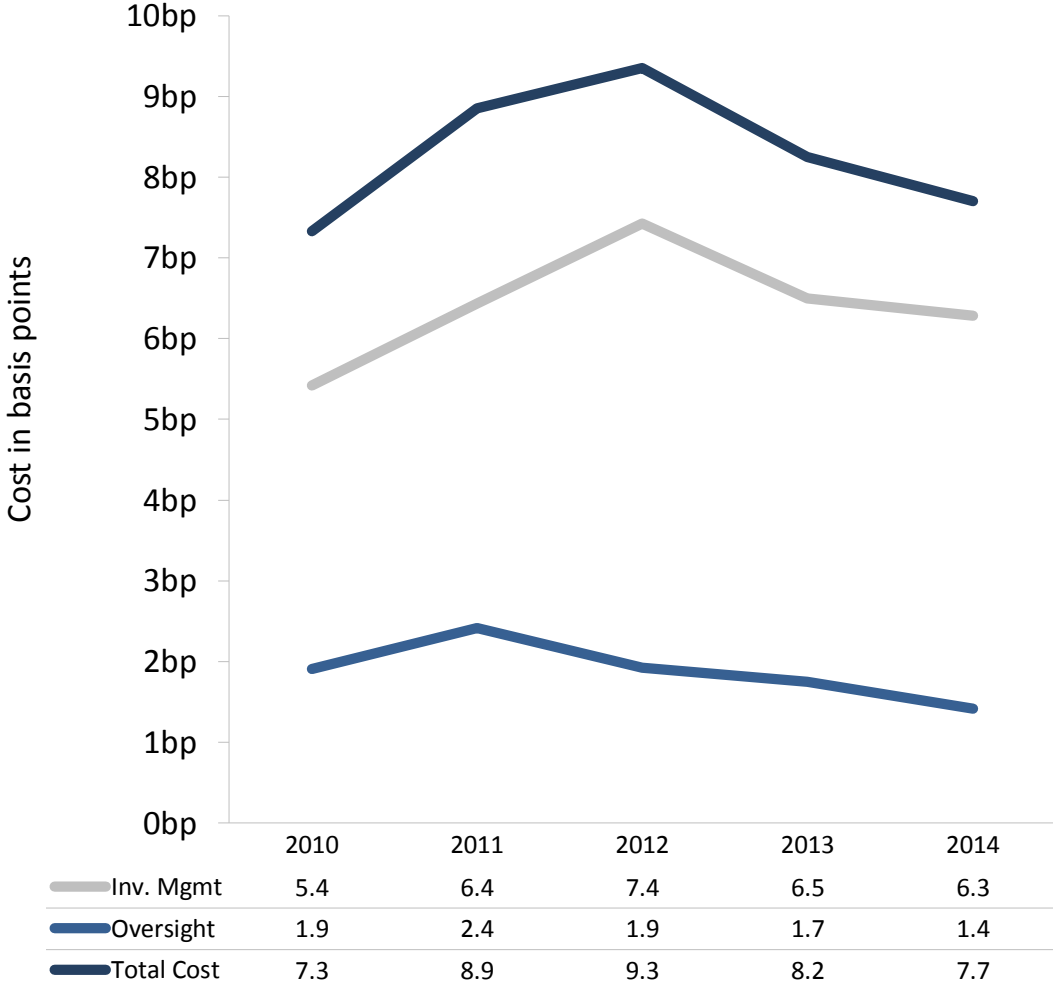
Footnotes

Total cost excludes carry/performance fees for real estate, infrastructure, natural resources and private equity. Performance fees are included for the public market asset classes and hedge funds.

¹ Excludes non-investment costs, such as benefit insurance premiums and preparing cheques for retirees.

Your costs have remained fairly stable over the past 5 years.

Trend in your investment costs

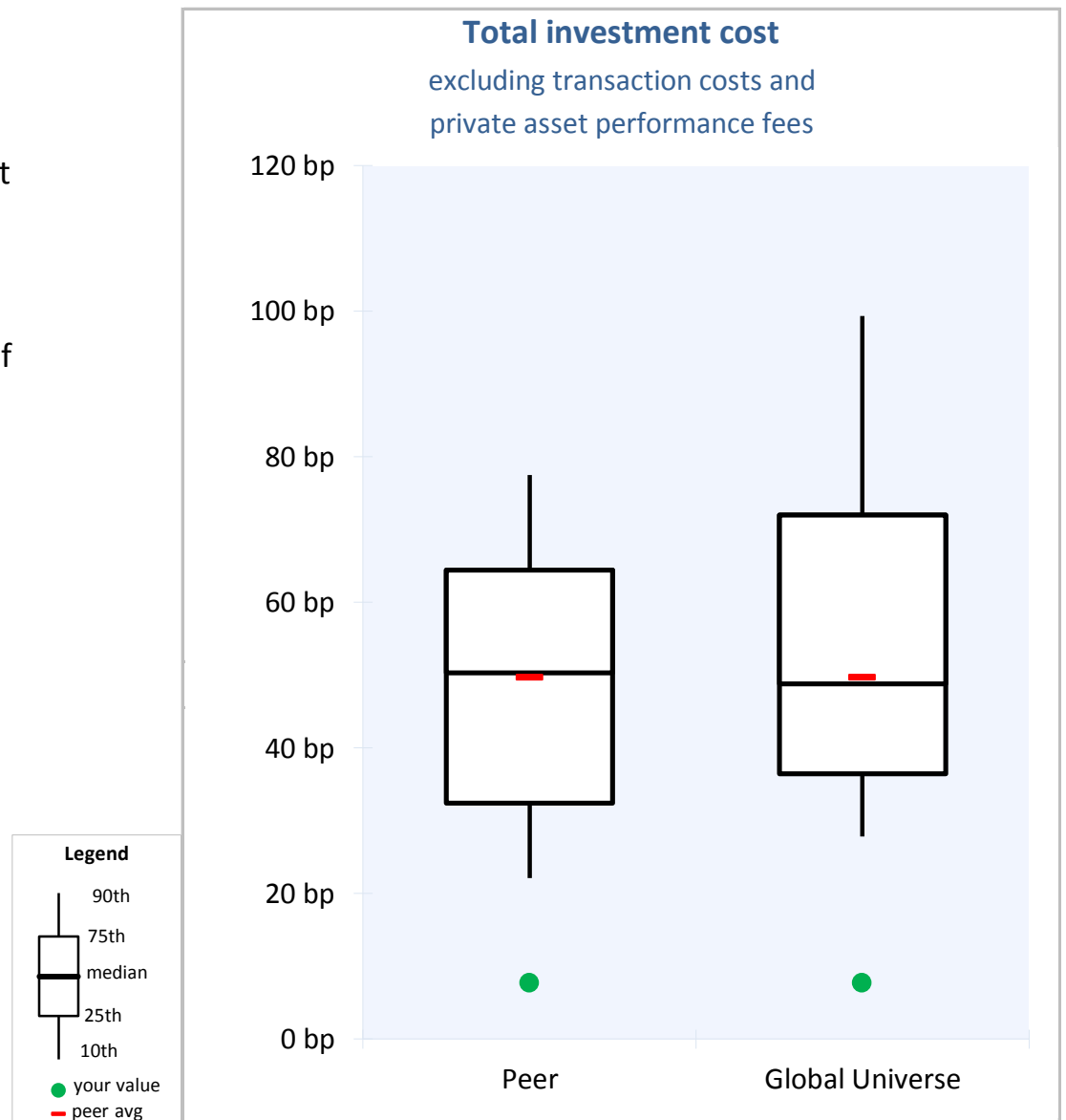


Your total investment cost of 7.7 bps was the lowest of the peers and was substantially below the peer median of 50.3 bps.

Differences in total investment cost are often caused by two factors that are often outside of management's control:

- Asset mix, particularly holdings of the highest cost asset classes: real estate (excl REITS), infrastructure, hedge funds and private equity. These high cost assets equaled 0% of your funds assets at the end of 2014 versus a peer average of 22%.
- Fund size. Bigger funds have advantages of scale.

Therefore, to assess whether your costs are high or low given your unique asset mix and size, CEM calculates a benchmark cost for your fund. This analysis is shown on the following page.



Benchmark cost analysis suggests that, after adjusting for fund size and asset mix, your fund was low cost by 10.0 basis points in 2014.

Your benchmark cost is an estimate of what your cost would be given your actual asset mix and the median costs that your peers pay for similar services. It represents the cost your peers would incur if they had your actual asset mix.

Your total cost of 7.7 bp was below your benchmark cost of 17.7 bp. Thus, your cost savings was 10.0 bp.

Your cost versus benchmark

	€000s	basis points
Your total investment cost	15,656	7.7 bp
Your benchmark cost	35,978	17.7 bp
Your excess cost	(20,322)	(10.0) bp

Your fund was low cost because you had a lower cost implementation style and you paid less than peers for similar services

Reasons for your low cost status

	Excess Cost/ (Savings)	
	€000s	bps
1. Lower cost implementation style		
• Less external active management (more lower cost passive and internal)	(16,546)	(8.1)
• Less overlays	(1,625)	(0.8)
• Other style differences	2,704	1.3
	<u>(15,467)</u>	<u>(7.6)</u>
2. Paying less than peers for similar services		
• Internal investment management costs	(2,645)	(1.3)
• Oversight, custodial & other costs	(2,211)	(1.1)
	<u>(4,855)</u>	<u>(2.4)</u>
Total savings	(20,322)	(10.0)

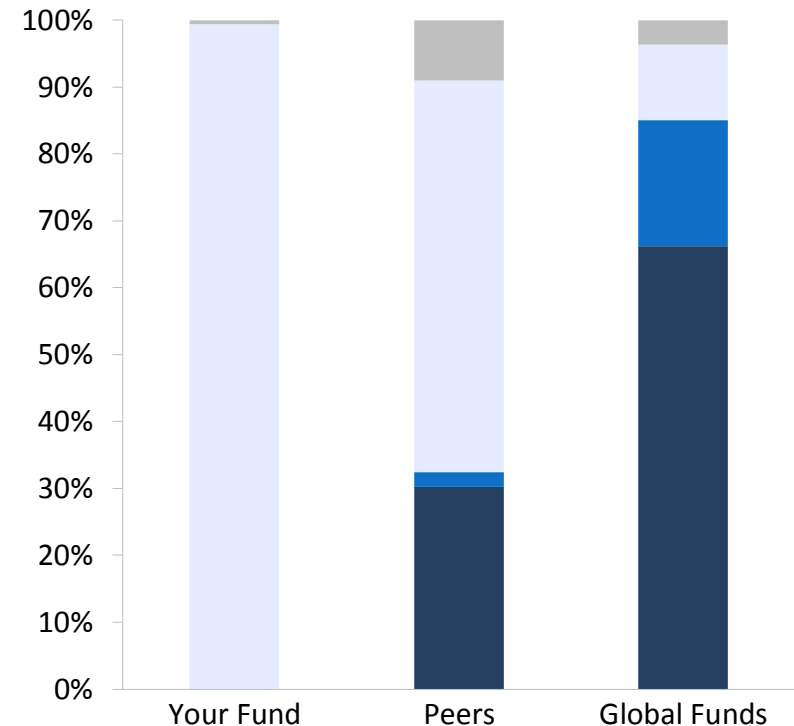
Differences in cost performance are often caused by differences in implementation style.

Implementation style is defined as the way in which your fund implements asset allocation. It includes internal, external, active, passive and fund of funds styles.

The greatest cost impact is usually caused by differences in the use of:

- External active management because it tends to be much more expensive than internal or passive management. You used less external active management than your peers (your 0% versus 30% for your peers).
- Within external active holdings, fund of funds usage because it is more expensive than direct fund investment.

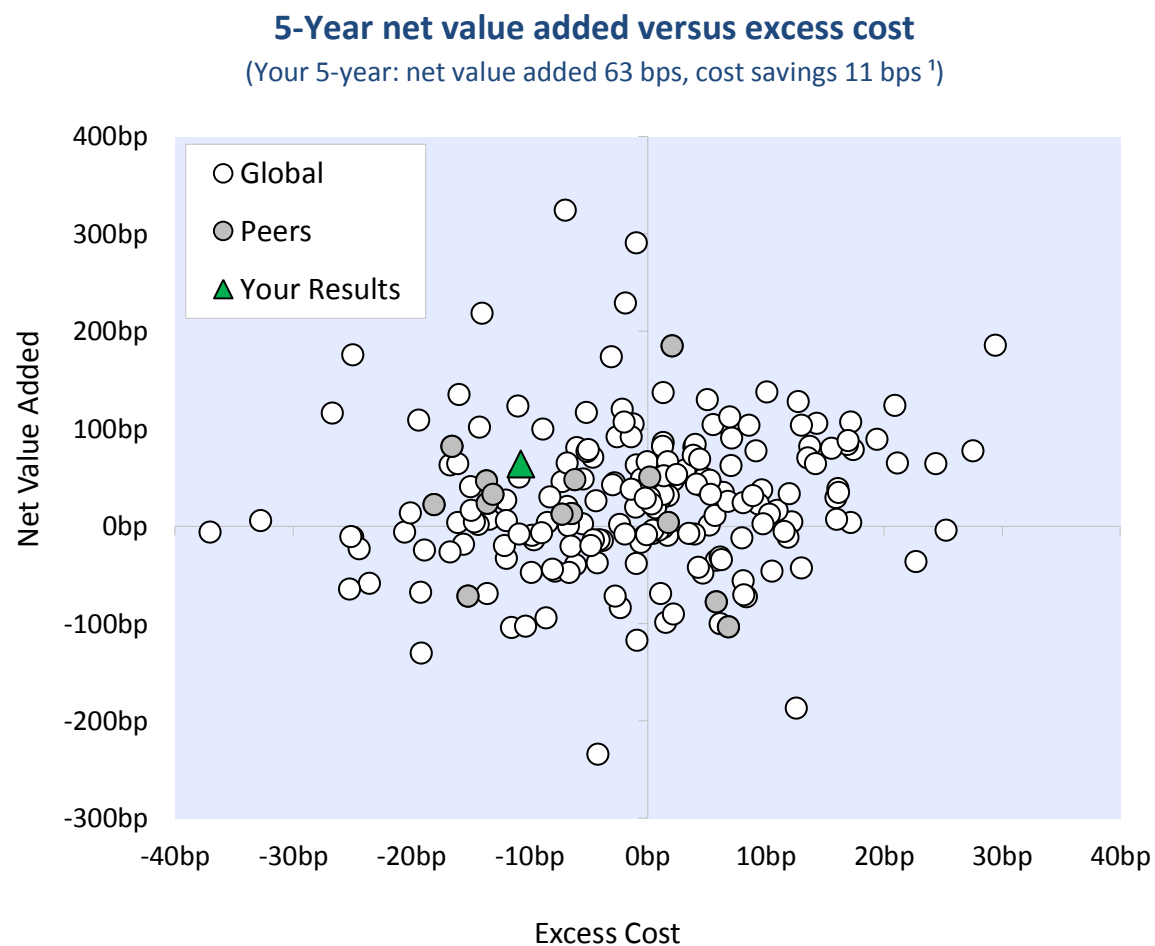
Implementation style¹



■ Internal passive	1%	9%	4%
■ Internal active	99%	59%	11%
■ External passive	0%	2%	19%
■ External active	0%	30%	66%

1. The graph above does not take into consideration the impact of derivatives.

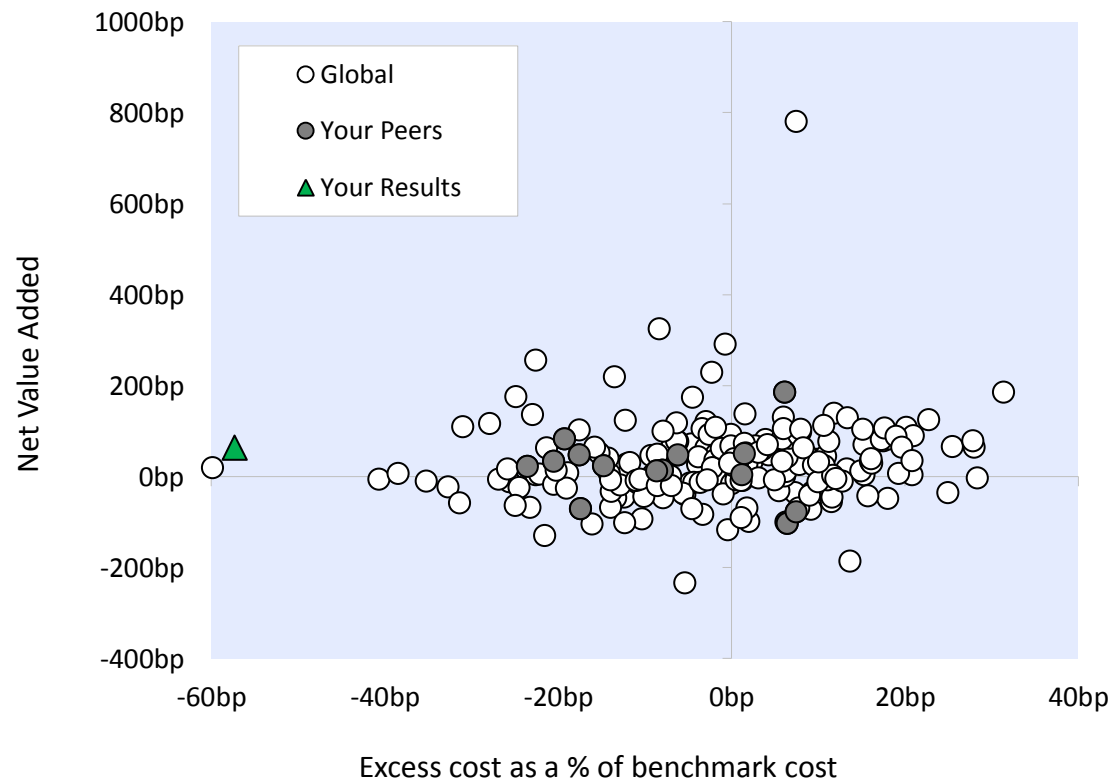
Your 5-year performance placed in the positive value added, low cost quadrant of the cost effectiveness chart.



1. Your 5-year cost savings of 11 basis points is the average of your cost savings for the past 5 years.

Net value added versus excess cost as a percentage of benchmark cost

5-year net value added versus excess cost as a % of benchmark cost



2

Research and Trends

Net value added	
- By region	2
- Trends	3
- By asset class	4
- By style	5
Private equity benchmarks	6
Implementation style	
- Global trends	8
- Global	9
Policy asset mix	
- Global trends	10
- Global	11
Impact of inflation sensitivity on policy asset mix decisions	12
Cost trends	13
Performance of defined benefit versus defined contribution plans	14

The region with the highest net value added was Europe.

Value added by region¹ (period ending December 31, 2014)

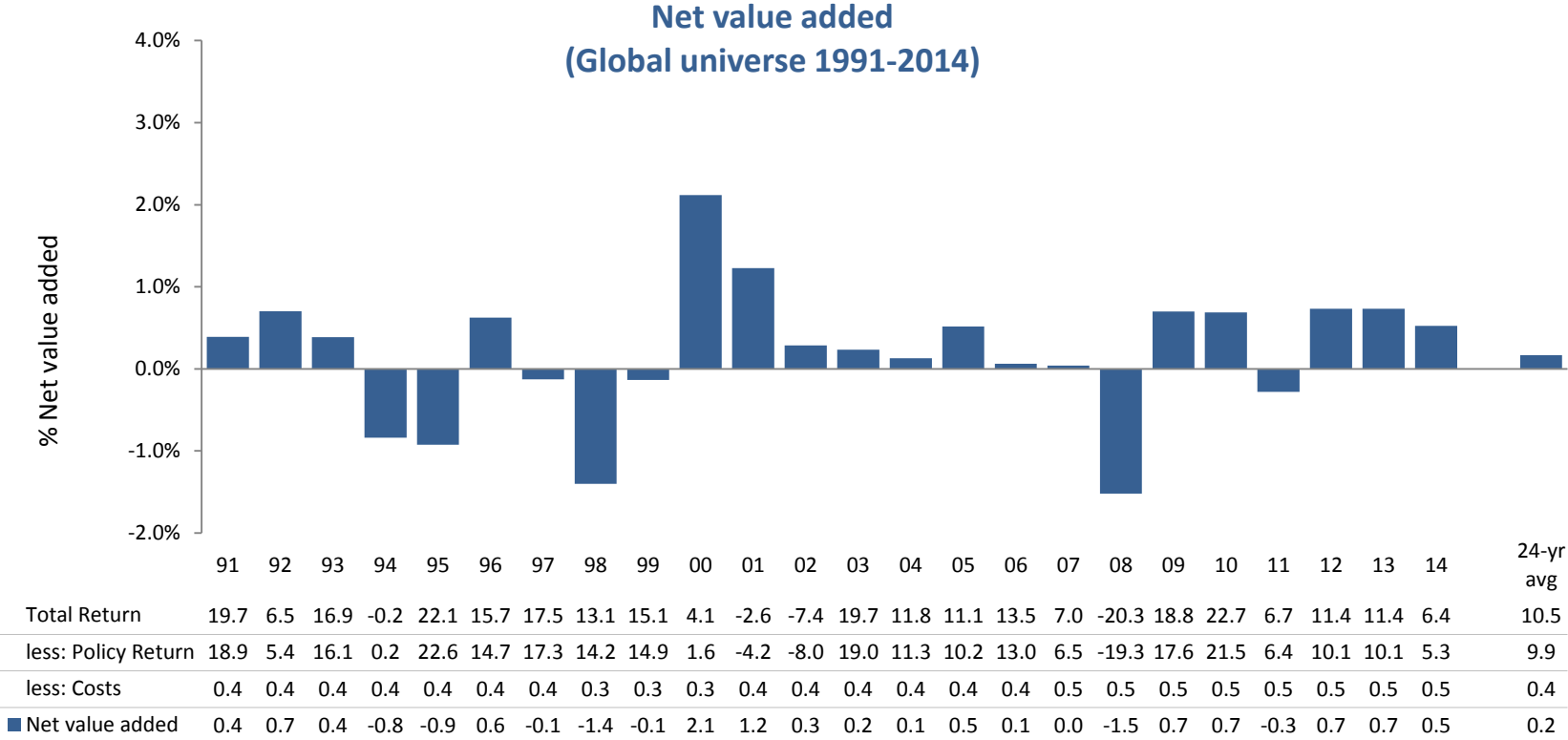
	All funds	U.S. funds	Canadian funds	European funds	Asia-Pacific funds
	24-year average ³	24-year average ³	24-year average ³	21-year ² average ³	15-year ² average ³
Total return	10.50%	10.77%	10.27%	8.64%	7.98%
- Policy return	9.91%	10.10%	9.77%	7.92%	7.80%
- <u>Costs</u>	<u>0.42%</u>	<u>0.47%</u>	<u>0.37%</u>	<u>0.30%</u>	<u>0.49%</u>
= Net value added	0.17%	0.20%	0.14%	0.42%	-0.31%
# of annual observations	7,124	4,058	2,266	674	109
Median fund size (€ billion)	6.3	9.6	1.9	8.8	18.0

1. Only regions with more than four participating funds are separately disclosed. Funds from regions with fewer than four participating funds are included in Global/ All Funds.

2. The shorter time periods for European and Asia-Pacific funds reflect the dates that CEM started collecting data in those regions.

3. Averages are the arithmetic average of annual averages.

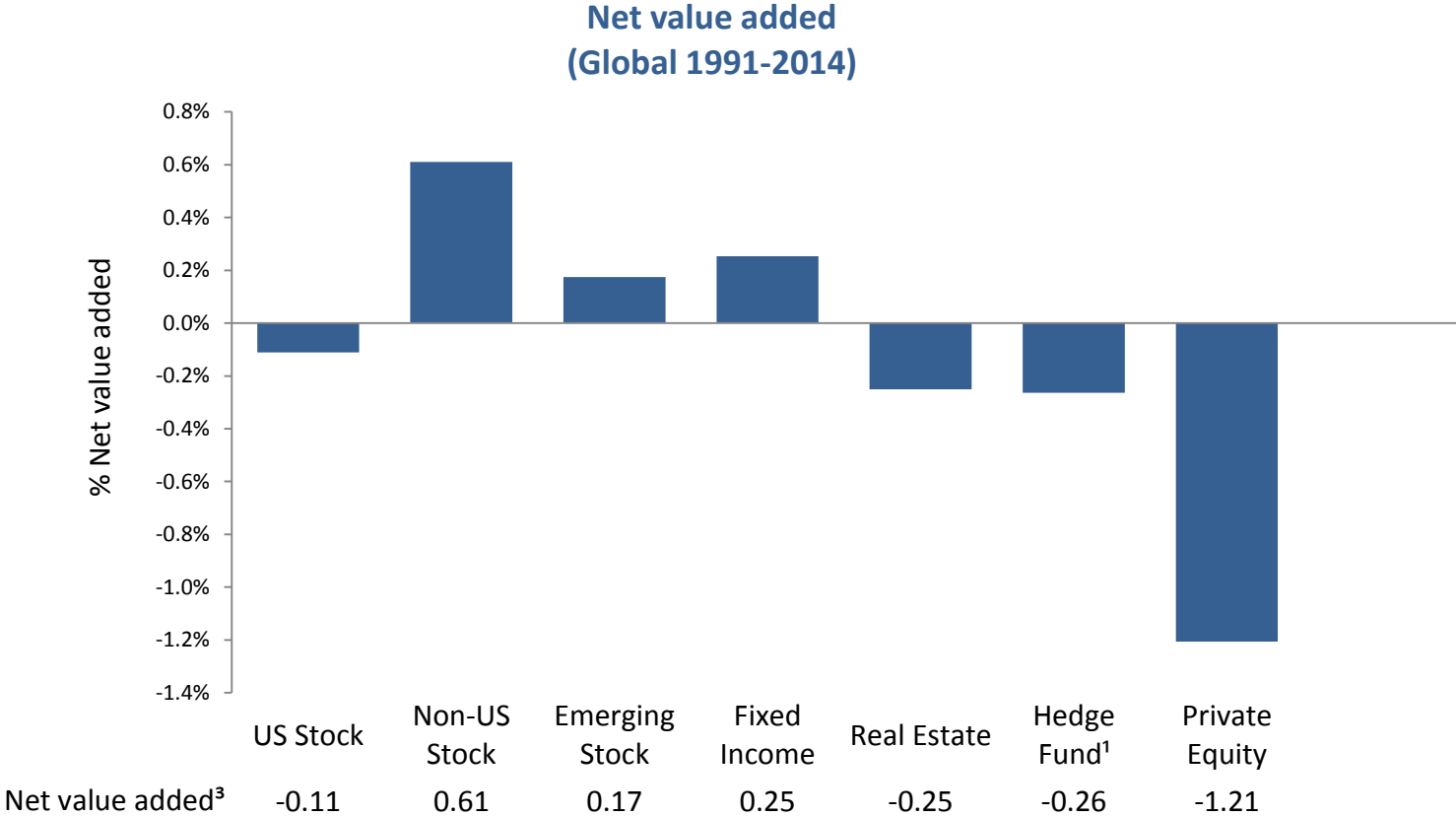
In the Global universe, net value added averaged 0.2% over the past 24 years ending 2014.



Total Return	19.7	6.5	16.9	-0.2	22.1	15.7	17.5	13.1	15.1	4.1	-2.6	-7.4	19.7	11.8	11.1	13.5	7.0	-20.3	18.8	22.7	6.7	11.4	11.4	6.4	10.5
less: Policy Return	18.9	5.4	16.1	0.2	22.6	14.7	17.3	14.2	14.9	1.6	-4.2	-8.0	19.0	11.3	10.2	13.0	6.5	-19.3	17.6	21.5	6.4	10.1	10.1	5.3	9.9
less: Costs	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.4
■ Net value added	0.4	0.7	0.4	-0.8	-0.9	0.6	-0.1	-1.4	-0.1	2.1	1.2	0.3	0.2	0.1	0.5	0.1	0.0	-1.5	0.7	0.7	-0.3	0.7	0.7	0.5	0.2

Value added analysis is based on 7,124 annual fund total performance observations from the CEM Global universe for the 24-year period ending 2014. The 24-year average is an arithmetic average of the annual averages.

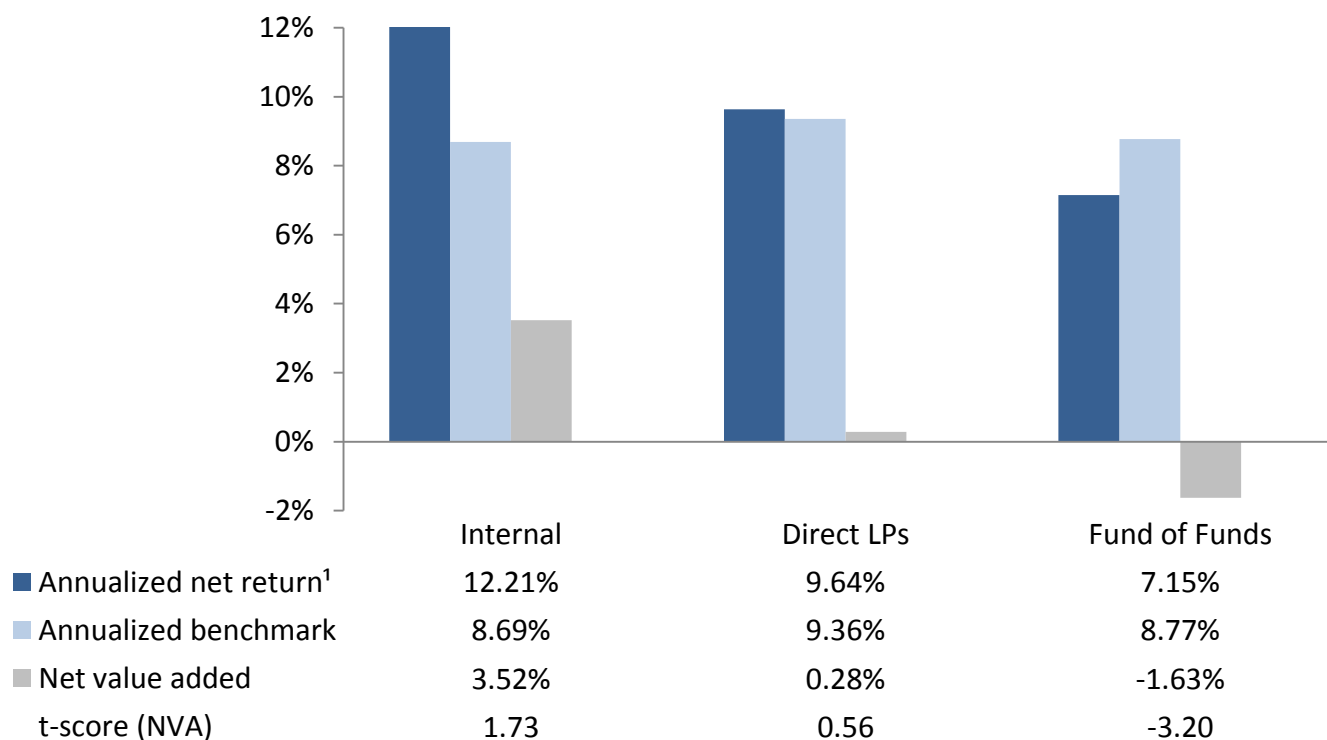
The asset class that had the highest net value added in the Global universe over the past 24 years was Non-US Stock.



1. Hedge Fund gross value added performance reflect data for the 15 year period from 2000 to 2014.
 2. The net value added calculation for private equity uses the average benchmark of all Global participants.
 3. Value added analysis is from 7,124 annual fund performance observations from the CEM Global universe for the 24-year period ending 2014. Value added reflects the asset weighted value added of all mandates in each asset category including indexed holdings. Averages shown above are the arithmetic average of the annual averages of all observations of funds with holdings in the asset category for each year.

Costs matter - Lower cost internal investment in private equity outperformed direct LPs. Direct LPs outperformed fund of funds.

Private equity net returns and value added (1996-2012)

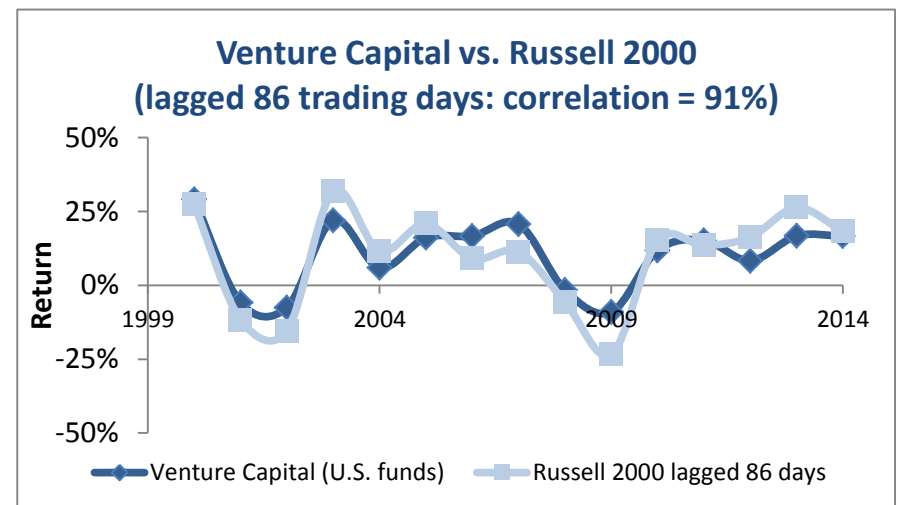
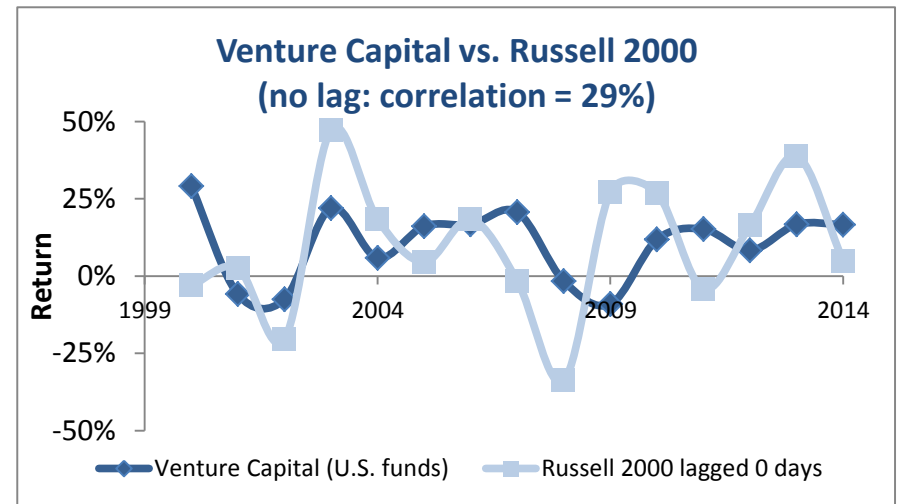


1. To compare the performance of private equity implementation styles over long periods, Monte Carlo simulations were used to capture differences in risk between styles. For details, see "How Implementation Style and Costs Affect Private Equity Performance", Alex Beath, Chris Flynn, and Jody MacIntosh, International Journal of Pension Management pp. 50, vol. 7, issue 1, Spring 2014.

Private equity benchmarks used by most funds are flawed.

A high proportion of the benchmarks used for illiquid assets by participants in the CEM universe are flawed. Flaws include:

- Timing mismatches due to lagged reporting. For example, as the graphs on the right demonstrate, reported venture capital returns clearly lag the returns of stock indices. Yet most funds that use stock indices to benchmark their private equity do not use lagged benchmarks. The result is substantial noise when interpreting performance. For example, for 2008 the Russell 2000 index return was -33.8% versus -5.6% if lagged 86 trading days. Thus if a fund earned the average reported venture capital return for 2008 of -1.6%, they would have mistakenly believed that their value added from venture capital was 32.2% using the un-lagged benchmarks versus 4.0% using the same benchmark lagged to match the average 86 day reporting lag of venture capital funds.
- Un-investable peer-based benchmarks. Peer based benchmarks reflect the reporting lags in peer portfolios so they have much better correlations than un-lagged investable benchmarks. But their relationship statistics are not as good as for lagged investable benchmarks.
- Aspirational premiums (i.e., benchmark + 2%). Premiums cannot be achieved passively, and evidence suggests that a fund has to be substantially better than average to attain them. More importantly, when comparing performance to other funds, they need to be excluded to ensure a level playing field.



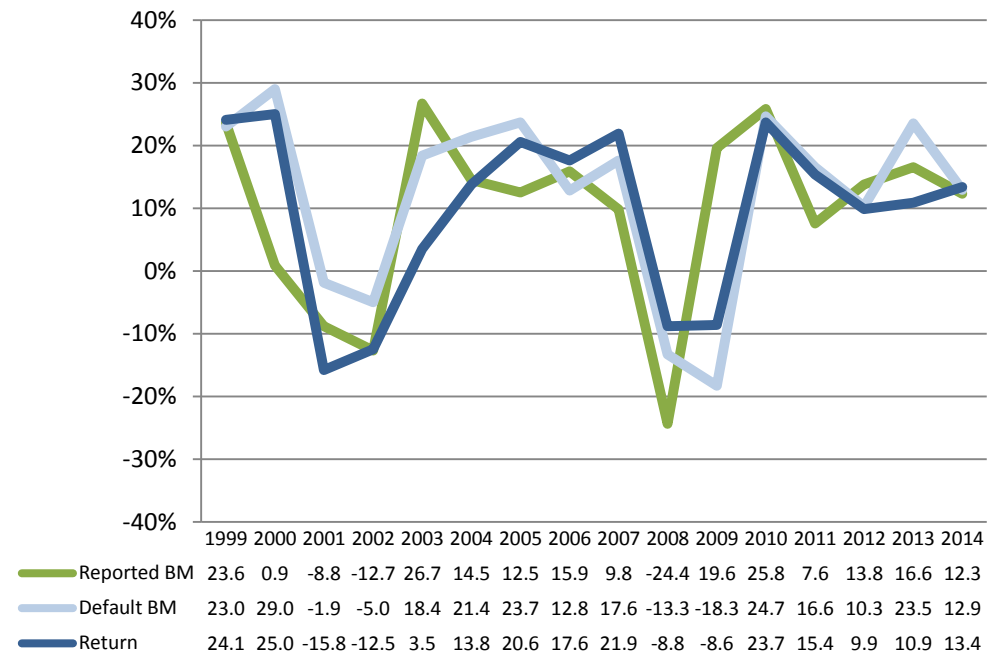
To enable fairer comparisons, CEM uses default private equity benchmarks.

Benchmarks used for private equity by most participants in the CEM universe are flawed (see previous page). So to enable fairer comparisons, CEM replaced the reported private equity benchmarks of all funds except yours with defaults. The defaults are:

- Investable. They are comprised of lagged small cap benchmarks.
- Custom lagged for each participant. Different portfolios had different lags. CEM estimated the lag on private equity portfolios by comparing annual private equity returns to public market proxies with 1 day of lag, 2 days of lag, 3 days of lag, etc. At some number of days lag, correlation between the two series is maximized. The median lag was 94 trading days (i.e., approximately 132 calendar days or 4.3 calendar months)
- Regional mix adjusted based on the average estimated mix of regions in private equity portfolios for a given country.

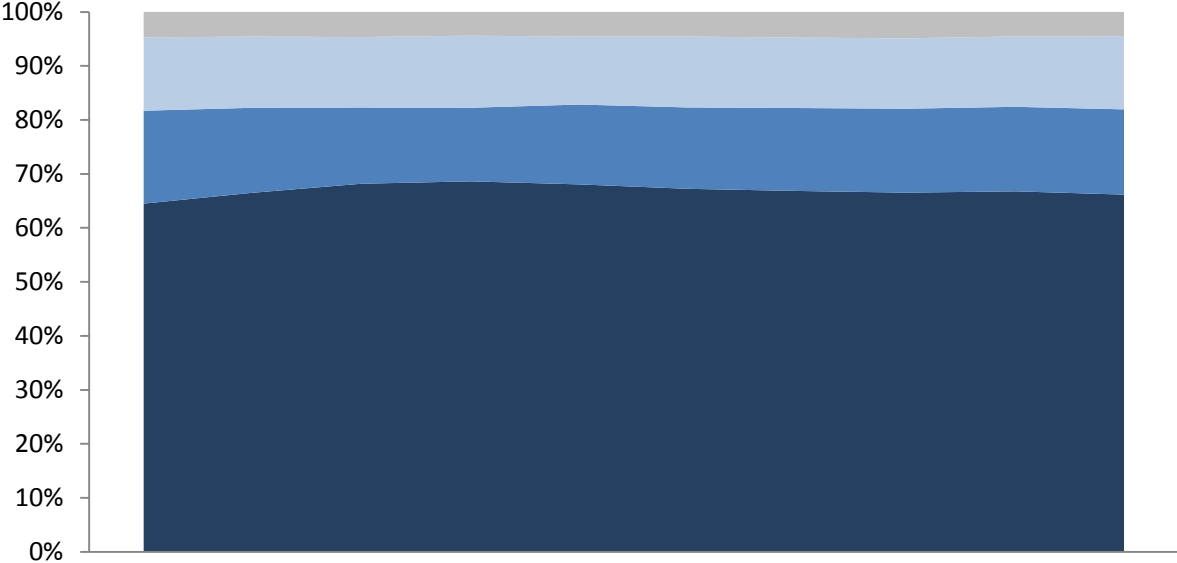
The result is the default benchmarks are superior to most self-reported benchmarks. Correlations improve to a median of 82% for the default benchmarks versus 43% for self-reported benchmarks. Other statistics such as volatility were also much better.

Private equity returns versus reported and default benchmark returns - Global median



For global plans, external active management increased from 64% to 66% over the past 10 years.

Implementation style by year - Global funds

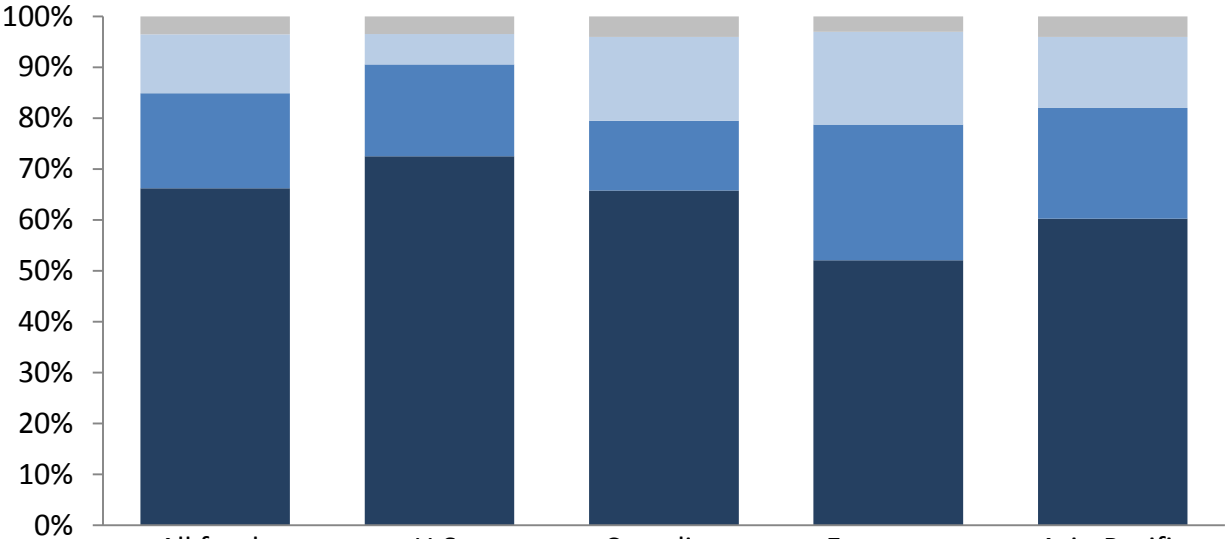


	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
■ % Internal passive	5%	5%	5%	4%	5%	5%	5%	5%	5%	4%
■ % Internal active	14%	13%	13%	13%	13%	13%	13%	13%	13%	14%
■ % External passive	17%	16%	14%	14%	15%	15%	15%	16%	16%	16%
■ % External active	64%	67%	68%	69%	68%	67%	67%	67%	67%	66%

• This analysis is based on 117 global funds with 10 consecutive years of data.

European funds have less externally managed active assets than funds in most other regions.

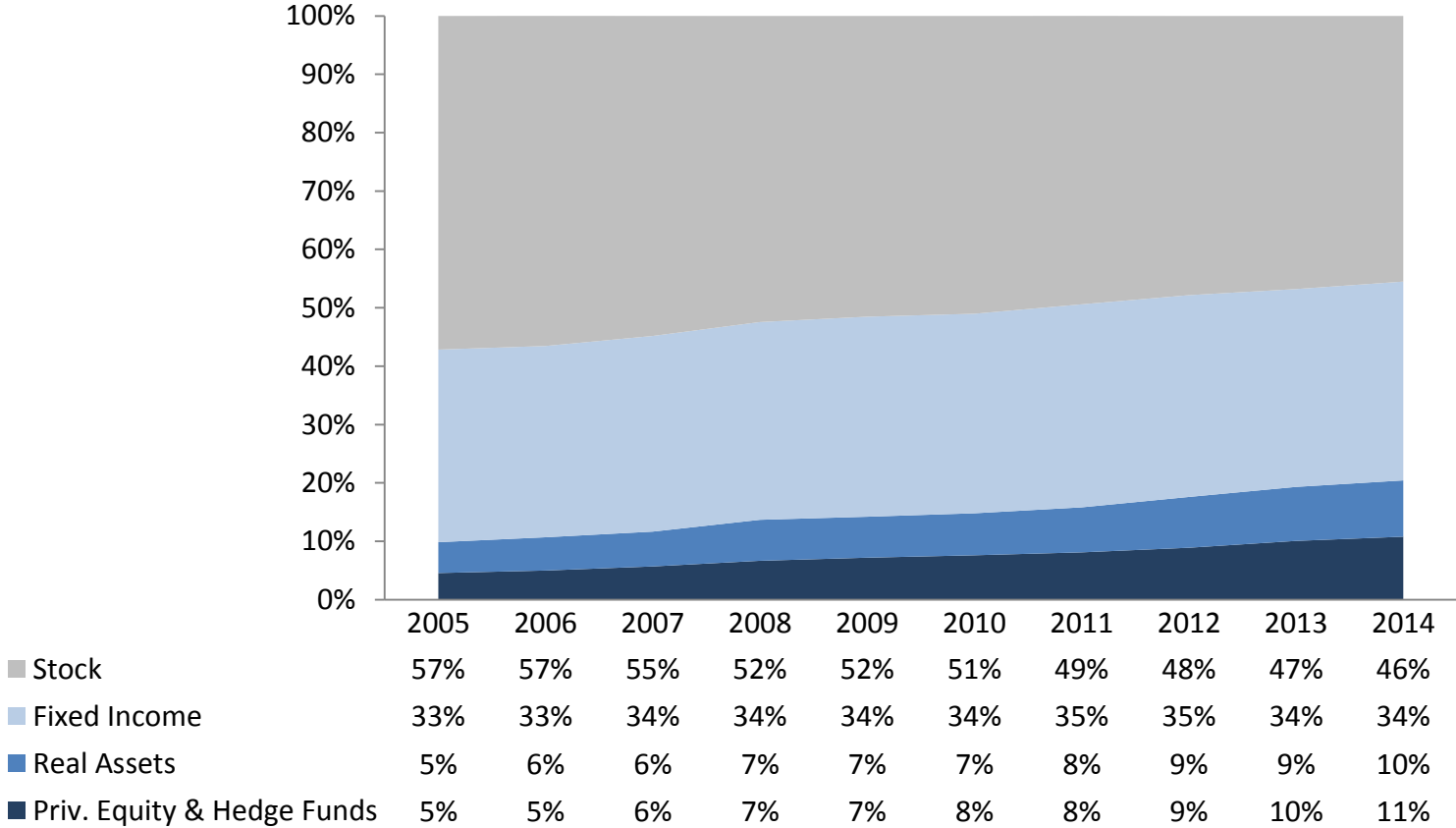
Implementation style by region - 2014 average



■ % Internal passive	4%	3%	4%	3%	4%
■ % Internal active	12%	6%	16%	18%	14%
■ % External passive	19%	18%	14%	27%	22%
■ % External active	66%	73%	66%	52%	60%
Number of funds	328	170	83	67	5
Median fund in € billions	6.3	9.6	1.9	8.8	18.0

For Global plans, combined policy weights for real assets, private equity and hedge funds increased from 9.8% in 2005 to 20.4% in 2014.

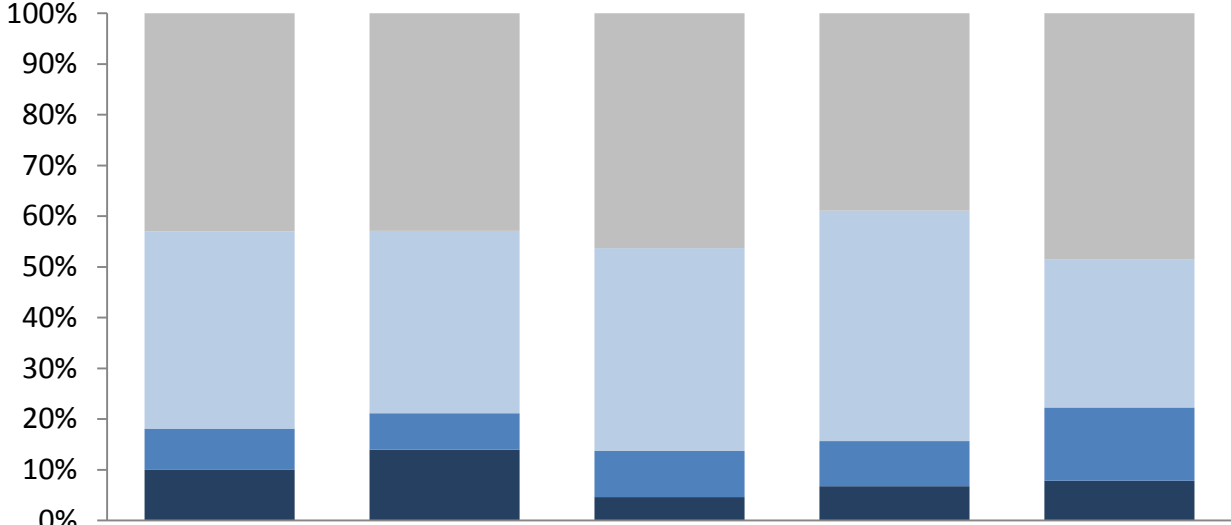
Policy mix by year - Global



• This analysis is based on 117 global funds with 10 consecutive years of data.

European funds have more fixed income.

Policy asset mix by region - 2014 average

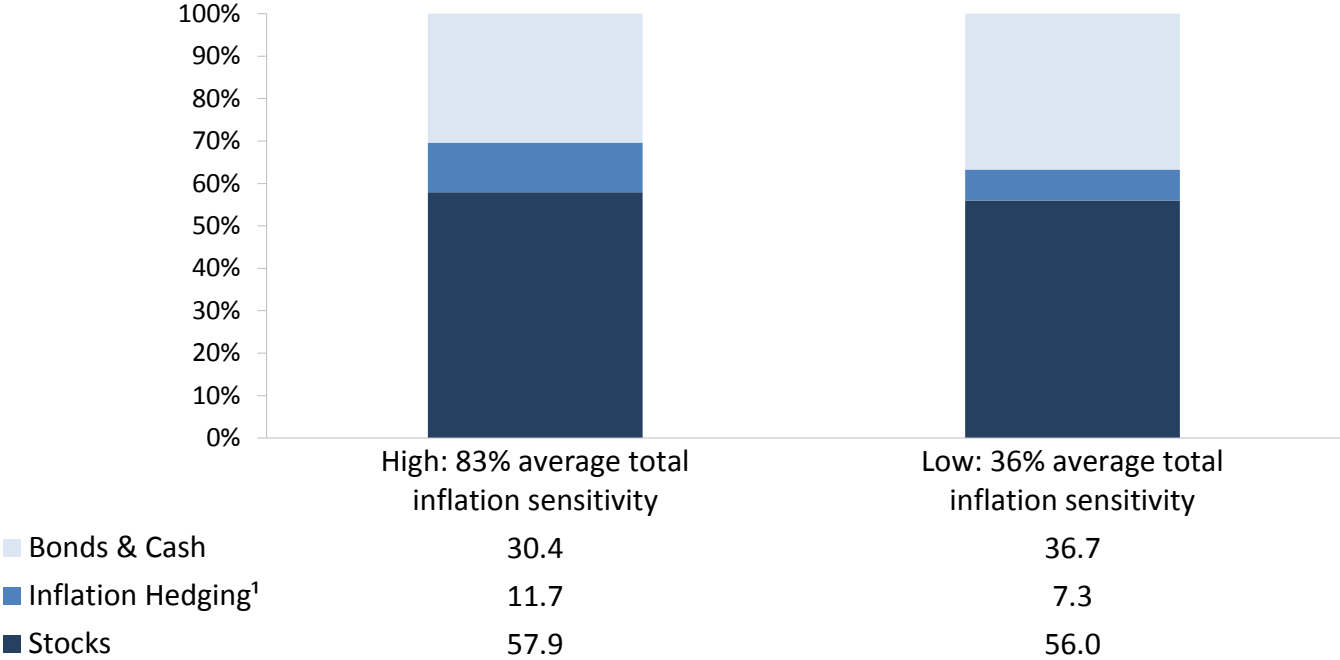


Stock	43%	43%	46%	39%	49%
Fixed Income	39%	36%	40%	45%	29%
Real Assets	8%	7%	9%	9%	14%
Priv. Equity & Hedge Funds	10%	14%	5%	7%	8%
Number of funds	328	170	83	67	5
Median fund in € billions	6.3	9.6	1.9	8.8	18.0

Impact of inflation sensitivity on policy asset mix decisions

One would expect plans with more inflation sensitivity to have more inflation hedging assets and fewer nominal bonds than plans with less inflation sensitivity. Although this is true, the difference is small: inflation hedging assets represent 11.7% of assets at plans with high inflation sensitivity versus 7.3% at plans with lower inflation sensitivity.

**Average policy asset mix:
Plans with above vs. below average inflation sensitivity**

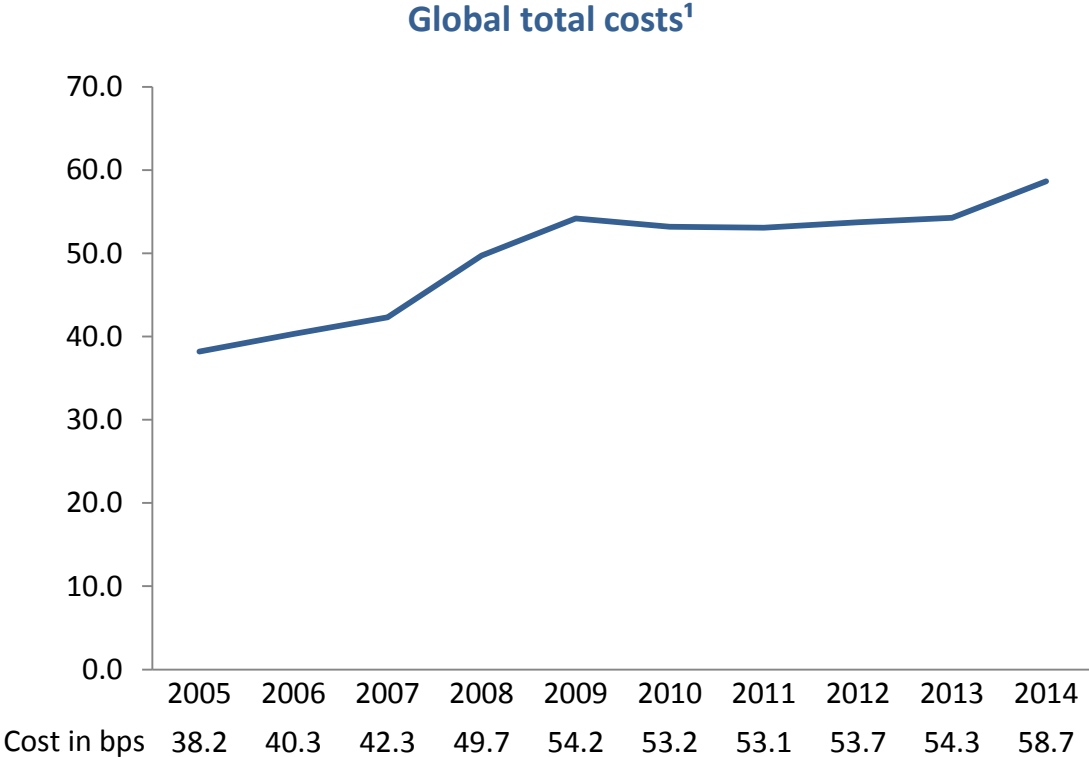


1. Inflation hedge assets include inflation-indexed bonds, commodities, real estate & REITs, infrastructure and natural resources.

Global fund costs have grown by 20 basis points on average over the last 10 years.

Reasons for the increase in costs include:

- Allocation to the more expensive asset classes - hedge funds, real assets and private equity- increased from 4% to 9% on average.
- Use of the most expensive implementation style, external active management, increased from 64% to 66% on average.



1. This analysis is based on 117 global funds with 10 consecutive years of data.

U.S. defined benefit plans have outperformed defined contribution plans.

U.S. defined benefit plans have outperformed defined contribution plans.

DB versus DC return and value added - U.S.

	18-yr average ending 2014 ²		
	DB	DC	Difference
Total return	9.00%	6.88%	2.12%
- Policy return ¹	8.43%	6.46%	1.97%
- Costs	0.49%	0.40%	0.09%
= Net value added	0.08%	0.01%	0.07%
Number of observations	3,233	2,143	

Differences in asset mix have been the primary reason for the outperformance of U.S. defined benefit plans.

DB versus DC asset mix - U.S.

Asset class (Ranked by returns)	Asset mix ³		Returns ⁴	
	DB	DC	DB	DC
Private Equity	4%	n/a	12.4%	n/a
Real Assets	5%	n/a	10.9%	n/a
Small Cap Stock	6%	8%	10.1%	9.8%
Employer Stock	0%	20%	n/a	8.6%
Fixed Income	31%	10%	8.8%	6.1%
Hedge Funds	2%	n/a	9.0%	n/a
Stock U.S. Large Cap or Broad	26%	30%	7.7%	7.9%
Stock Non U.S. or Global	23%	8%	5.8%	6.6%
Stable Value/GICs	n/a	17%	n/a	4.6%
Cash	2%	8%	3.9%	2.9%
Total	100%	100%	9.0%	6.9%
Number of observations	3,233	2,143		

1. DC policy return = weights of holdings X benchmarks

2. Returns are the geometric average of annual averages.

3. 18 years ending 2014. Equals arithmetic average of annual asset mix weights.

4. 18 years from 1997 to 2014. Returns are the geometric average of the annual averages for each asset class. Hedge funds were not treated as a separate asset class until 2000, so 60% stock, 40% bond returns were used as a proxy for 1997-1999.

n/a= insufficient data.

3

Description of peer group and universe

Peer group	2
CEM global universe	3
Universe subsets	4
Implementation style, actual mix and policy mix:	
- by universe subset	5
- trends from 2010 to 2014	6
Implementation style by asset class	7
Actual mix from 2010 to 2014	8
Policy mix from 2010 to 2014	9

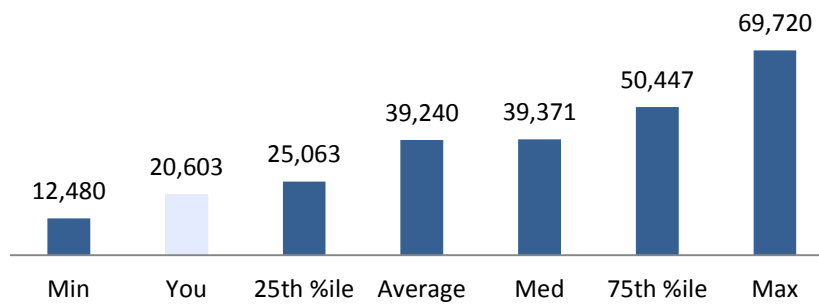
Peer group

Your peer group is comprised of 16 global funds, with assets ranging from €12.5 billion to €69.7 billion versus your €20.6 billion. The median size is €39.4 billion.

Size is the primary criteria for choosing your peer group, because size greatly impacts how much you pay for services. Generally, the larger your fund, the smaller your unit operating costs (i.e., the economies of scale impact).

Peer group for Government Pension Fund Norway

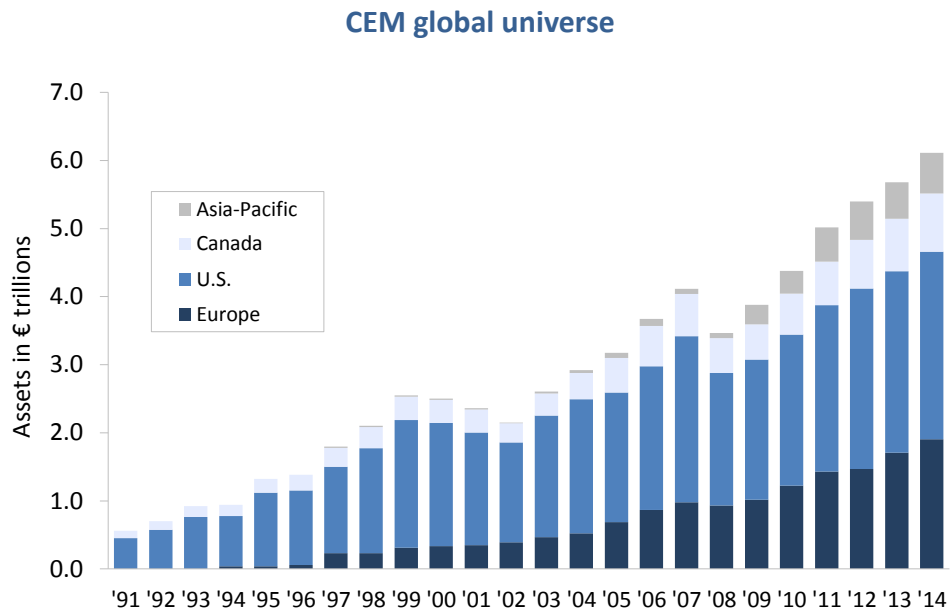
Total fund assets (€ millions) - you versus peers



CEM global universe

CEM has been providing investment benchmarking solutions since 1991. The 2014 survey universe is comprised of 328 funds representing €6.1 trillion in assets. The breakdown by region is as follows:

- 170 U.S. pension funds with aggregate assets of €2.8 trillion.
- 83 Canadian pension funds with aggregate assets of €855 billion.
- 67 European pension funds with aggregate assets of €1.9 trillion. Included are funds from The Netherlands, Norway, Sweden, Finland, Denmark, UK, and Ireland.
- 8 Asia-Pacific pension funds with aggregate assets of €593 billion.



Universe subsets

CEM's global survey universe is comprised of 328 funds with total assets of €6.1 trillion. Your fund's returns and costs are compared to the following two subsets of the global universe:

- Peers - Your peer group is comprised of 16 Global funds ranging in size from €12.5 - €69.7 billion. The peer median of €39.4 billion compares to your €20.6 billion.
- Global - The global universe is comprised of 328 funds ranging in size from €0.0 - €655.7 billion. The median fund is €4.2 billion.

Universe subsets by number of funds and assets

	Peer group ¹	Global by type				Global by Country				
		Corp.	Public	Other	Total	U.S.	Canada	Europe	Asia-Pacific	Total
<u># of funds</u>										
2014	16	159	114	49	328	170	83	67	8	328
2013	16	186	126	56	374	191	90	86	7	374
2012	16	190	135	54	381	202	89	78	12	381
2011	16	198	113	70	381	205	88	76	12	381
2010	15	180	120	66	367	207	96	55	9	367
<u># of funds with uninterrupted data for:</u>										
1 yr	16	159	114	49	322	170	83	67	8	328
2 yrs	16	147	100	43	290	153	77	56	6	292
3 yrs	16	134	93	37	264	146	72	40	6	264
4 yrs	16	118	82	33	233	141	63	23	6	233
5 yrs	15	107	76	31	214	129	61	20	4	214
6 yrs	13	100	70	26	196	121	56	15	4	196
<u>Total assets (€ billions)</u>										
2014	628	1,089	4,245	692	6,110	2,757	855	1,904	593	6,110
2013	579	1,061	3,888	625	5,681	2,667	767	1,708	539	5,681
2012	552	1,066	3,888	558	5,396	2,652	710	1,470	565	5,396
2011	510	1,052	3,447	516	5,015	2,446	641	1,428	501	5,015
2010	461	915	3,024	440	4,378	2,218	603	1,222	335	4,378
<u>2014 asset distribution (€ billions)</u>										
Avg	39.2	6.8	37.2	14.1	18.6	16.2	10.3	28.4	74.1	18.6
Max	69.7				655.7					655.7
75th %ile	50.4				13.6					13.6
Median	39.4				4.2					4.2
25th %ile	25.1				1.6					1.6
Min	12.5				0.0					0.0

1. Peer group statistics are for your 2014 peer group only as your peer group may have included different funds in prior years.

Implementation style, actual mix and policy mix by universe subset

Implementation style, actual mix and policy mix - 2014 (as a % of year-end assets)

	Your fund	Peer group	Global by type				Global by Country				
			Corp.	Public	Other	Total	U.S.	Canada	Europe	Asia-Pacific	Total
<u>Implementation style</u>											
External active	0.0	30.0	67.2	57.0	62.8	63.0	68.8	64.3	47.9	52.9	63.0
Fund of funds	0.0	0.5	3.5	2.8	3.6	3.2	3.8	1.5	4.2	2.1	3.2
External passive	0.0	2.2	20.0	16.0	20.2	18.6	18.0	13.7	26.7	15.6	18.6
Internal active	99.3	58.7	6.8	18.5	11.8	11.6	5.9	16.5	18.3	26.1	11.6
Internal passive	<u>0.7</u>	<u>8.7</u>	<u>2.5</u>	<u>5.7</u>	<u>1.6</u>	<u>3.5</u>	<u>3.5</u>	<u>4.0</u>	<u>3.0</u>	<u>3.3</u>	<u>3.5</u>
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<u>Actual asset mix</u>											
Stock	57.7	41.7	39.1	50.4	39.7	43.4	42.7	47.7	39.8	42.1	43.4
Fixed income	42.3	32.2	46.2	27.9	42.5	39.0	36.6	39.0	45.3	39.0	39.0
Global TAA	0.0	3.6	2.2	2.1	1.6	2.0	2.8	1.0	1.6	1.8	2.0
Real assets	0.0	10.4	4.8	10.2	9.6	7.4	6.7	8.1	8.0	10.6	7.4
Hedge funds	0.0	4.7	4.5	3.4	3.6	4.0	5.6	1.8	2.7	3.1	4.0
Private equity	<u>0.0</u>	<u>7.4</u>	<u>3.3</u>	<u>5.9</u>	<u>3.0</u>	<u>4.1</u>	<u>5.6</u>	<u>2.4</u>	<u>2.5</u>	<u>3.4</u>	<u>4.1</u>
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<u>Policy asset mix</u>											
Stock	58.1	42.4	39.3	49.1	39.4	43.0	42.9	46.3	38.9	45.9	43.0
Fixed income	41.9	32.7	46.0	27.9	42.1	38.9	35.9	40.0	45.5	34.1	38.9
Global TAA	0.0	4.3	1.9	2.2	1.4	1.9	2.5	0.9	1.7	1.8	1.9
Real assets	0.0	10.1	5.0	11.6	10.7	8.1	7.2	9.1	8.8	12.4	8.1
Hedge funds	0.0	3.0	4.4	2.9	3.3	3.7	5.4	1.3	2.6	2.0	3.7
Private equity	<u>0.0</u>	<u>7.5</u>	<u>3.4</u>	<u>6.4</u>	<u>3.1</u>	<u>4.4</u>	<u>6.1</u>	<u>2.4</u>	<u>2.5</u>	<u>3.9</u>	<u>4.4</u>
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Implementation style, actual mix and policy mix trends

Implementation style, actual mix and policy mix - 2010 to 2014 (as a % of year-end assets)

	Your fund					Peer average ¹					Global average ¹				
	2014	2013	2012	2011	2010	2014	2013	2012	2011	2010	2014	2013	2012	2011	2010
Implementation style															
External active	0.0	0.0	0.0	0.0	0.0	28.2	27.2	26.8	25.4	24.0	66.1	66.9	66.9	67.0	67.4
External passive	0.0	0.0	0.0	0.0	0.0	2.3	2.4	2.4	3.2	4.1	17.5	17.0	17.0	16.8	16.3
Internal active	99.3	99.5	98.8	100.0	100.0	60.4	60.4	60.8	61.2	63.0	12.6	11.4	11.4	11.6	12.2
Internal passive	<u>0.7</u>	<u>0.5</u>	<u>1.2</u>	<u>0.0</u>	<u>0.0</u>	<u>9.1</u>	<u>10.0</u>	<u>10.0</u>	<u>10.2</u>	<u>8.8</u>	<u>3.9</u>	<u>4.6</u>	<u>4.7</u>	<u>4.7</u>	<u>4.2</u>
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Actual asset mix															
Stock	57.7	62.6	62.5	60.7	65.3	42.2	43.7	44.9	46.6	48.8	43.0	45.6	44.2	44.6	48.7
Fixed income	42.3	37.4	37.5	39.3	34.7	32.0	32.6	35.6	35.7	36.0	38.0	35.8	37.5	37.7	35.8
Global TAA	0.0	0.0	0.0	0.0	0.0	3.9	2.8	0.8	0.4	0.3	1.9	1.8	1.7	1.5	1.0
Real assets	0.0	0.0	0.0	0.0	0.0	10.4	10.7	9.2	8.4	7.4	7.9	7.8	7.8	7.2	6.3
Hedge funds	0.0	0.0	0.0	0.0	0.0	4.3	3.1	2.3	1.7	1.2	4.3	4.1	3.7	3.8	3.4
Private equity	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>7.3</u>	<u>7.0</u>	<u>7.2</u>	<u>7.2</u>	<u>6.4</u>	<u>4.8</u>	<u>4.8</u>	<u>5.0</u>	<u>5.1</u>	<u>4.9</u>
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Policy asset mix															
Stock	58.1	62.8	62.4	60.7	65.3	42.5	43.7	47.3	47.6	48.5	42.6	44.5	45.6	46.6	48.7
Fixed income	41.9	37.2	37.6	39.3	34.7	32.3	33.0	35.1	35.7	35.8	38.0	37.0	37.1	37.0	36.2
Global TAA	0.0	0.0	0.0	0.0	0.0	4.6	4.2	0.2	0.3	0.3	1.8	1.8	1.5	1.3	0.7
Real assets	0.0	0.0	0.0	0.0	0.0	10.0	9.7	9.1	8.9	8.2	8.4	8.0	7.6	7.0	6.7
Hedge funds	0.0	0.0	0.0	0.0	0.0	3.2	2.3	1.6	1.3	1.2	4.0	3.6	3.3	3.3	3.0
Private equity	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>7.4</u>	<u>7.2</u>	<u>6.7</u>	<u>6.4</u>	<u>6.0</u>	<u>5.1</u>	<u>5.1</u>	<u>4.9</u>	<u>4.8</u>	<u>4.7</u>
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.2	100.0	100.0	100.0	100.0	100.0	100.0

1. Trends are based on the 214 Global and 15 peer funds with 5 consecutive years of data ending 2014.

Implementation style by asset class

Implementation style impacts your costs, because external active management tends to be more expensive than internal or passive (or indexed) management and fund-of-funds usage is more expensive than direct fund investment.

Implementation style by asset class - 2014 (as a % of average assets)

	Your fund %				Peer average %				Global average %							
	External		Internal		External		Internal		External		Internal					
	Active	FOFs	Index	Active	Index	Active	FOFs	Index	Active	FOFs	Index	Active	Index			
Stock - U.S.					16.5		3.6	49.7	30.2	47.6		40.1	5.3	7.0		
Stock - EAFE	0.0		0.0	100.0	0.0		24.3	4.1	61.0	10.6		57.2	28.0	10.8	4.1	
Stock - ACWIxU.S.					80.5		0.0	19.0	0.5	64.6		35.0	0.4	0.0		
Stock - Emerging					43.5		11.2	16.9	28.4	80.5		11.7	3.0	4.9		
Stock - Global					30.8		0.0	67.5	1.6	68.2		17.5	12.5	1.8		
Stock - Other					5.6		0.0	57.2	37.2	71.9		8.8	13.5	5.8		
Total Stock	0.0		0.0	100.0	0.0		25.2	3.8	52.1	18.9		60.2	26.9	8.3	4.5	
Fixed Income - US					6.8		4.7	88.6	0.0	65.5		14.5	15.7	4.4		
Fixed Income - EAFE	0.0		0.0	100.0	0.0		0.6	0.0	99.2	0.2		27.8	48.1	22.1	2.0	
Fixed Income - Emerging					57.2		0.0	41.2	1.6	90.9		1.3	7.7	0.2		
Fixed Income - Global					25.2		0.0	74.8	0.0	65.9		4.9	26.8	2.3		
Fixed Income - Inflation Indexed					0.0		0.0	72.8	27.2	16.6		43.3	15.0	25.2		
Fixed Income - High Yield					80.2		0.0	19.8	0.0	88.8		2.9	8.2	0.0		
Fixed Income - Mortgages					4.9		0.0	95.1	0.0	78.0		0.9	20.2	0.9		
Fixed Income - Private Debt					26.8		0.0	73.2	0.0	79.5		0.0	20.5	0.0		
Fixed Income - Other					11.7		0.3	87.1	1.0	70.6		15.1	11.5	2.7		
Cash					0.0		0.0	100.0	0.0	54.1		0.0	45.9	0.0		
Total Fixed Income	0.0		0.0	100.0	0.0		14.5	1.5	82.2	1.9		61.8	17.9	16.6	3.8	
Commodities					11.8		29.4	0.0	58.8	74.8		7.6	10.3	7.2		
Infrastructure			n/a	n/a	19.0	1.3	n/a	79.7	n/a	71.2	6.5	n/a	22.3	n/a		
Natural Resources			n/a	n/a	60.4	0.0	n/a	39.6	n/a	79.9	2.8	n/a	17.3	n/a		
REITs					20.9	0.0	0.0	50.2	29.0	77.2	0.0	8.6	11.2	3.0		
Real Estate ex-REITs			n/a	n/a	43.2	0.0	n/a	56.8	0.0	75.7	7.4	n/a	16.9	0.0		
Other Real Assets			n/a	n/a	19.2	0.0	n/a	80.8	n/a	91.1	0.0	n/a	8.9	n/a		
Total Real Assets					38.6	0.0	0.3	59.4	1.6	81.8	0.0	1.1	16.5	0.6		
Hedge Funds			n/a	n/a	98.1	1.9	n/a	0.0	n/a	56.3	43.7	n/a	0.0	n/a		
Global TAA			n/a	n/a	9.8	0.0	n/a	90.2	n/a	91.7	0.0	n/a	8.3	n/a		
Diversified Private Equity			n/a	n/a	80.0	4.9	n/a	15.1	n/a	64.9	31.6	n/a	3.5	n/a		
Venture Capital			n/a	n/a	66.9	22.5	n/a	10.6	n/a	66.1	33.0	n/a	0.9	n/a		
LBO			n/a	n/a	97.7	2.3	n/a	0.0	n/a	90.5	5.3	n/a	4.2	n/a		
Other Private Equity			n/a	n/a	66.3	0.0	n/a	33.7	n/a	84.9	0.0	n/a	15.1	n/a		
Total Private Equity			n/a	n/a	82.7	4.8	n/a	12.5	n/a	76.0	20.8	n/a	3.2	n/a		
Total Fund - Avg. Holdings	0.0	0.0	0.0	99.4	0.6		29.7	0.5	2.2	58.5	9.1	63.0	3.2	18.8	11.3	3.7
Total Fund - Yr.-End Holdings	0.0	0.0	0.0	99.3	0.7		30.0	0.5	2.2	58.7	8.7	63.0	3.2	18.6	11.6	3.5

Actual mix

Actual asset mix - 2010 to 2014 (as a % of year-end assets)

	Your fund %					Peer average %					Global average %				
	2014	2013	2012	2011	2010	2014	2013	2012	2011	2010	2014	2013	2012	2011	2010
Stock - U.S.						14.8	15.0	15.7	16.9	18.2	15.0	16.3	16.9	17.6	20.6
Stock - EAFE	57.7	10.0	9.4	9.1	9.2	13.7	11.4	12.2	13.0	14.0	7.3	8.3	8.5	8.0	9.1
Stock - ACWIxU.S.						1.3	1.3	1.2	1.3	1.8	2.9	3.1	2.9	2.4	3.0
Stock - Emerging						4.1	4.3	4.4	3.9	3.6	3.0	3.1	3.0	2.6	2.4
Stock - Global						5.9	5.9	5.1	5.2	4.6	10.1	9.7	8.3	6.9	7.3
Stock - Other		52.7	53.1	51.6	56.2	1.9	5.2	5.7	5.8	6.6	5.0	5.3	5.5	5.5	6.8
Total Stock	57.7	62.6	62.5	60.7	65.3	41.7	43.1	44.3	46.1	48.8	43.4	45.8	45.1	43.0	49.2
Fixed Income - US						9.7	9.8	10.7	10.9	10.5	6.6	6.9	8.1	8.3	9.6
Fixed Income - EAFE	41.6	6.0	5.6	6.1	4.9	7.5	5.5	5.7	6.3	7.0	4.0	4.5	3.0	5.5	3.5
Fixed Income - Emerging						2.4	2.1	2.1	1.4	1.1	1.2	1.2	1.0	0.9	0.6
Fixed Income - Global						1.4	1.2	1.4	1.4	1.4	2.5	2.7	3.1	3.0	2.4
Fixed Income - Inflation Indexed						1.9	2.0	2.0	2.2	2.6	2.0	1.9	2.3	2.5	2.3
Fixed Income - High Yield						1.7	1.5	1.5	1.5	1.2	1.4	1.5	1.4	1.4	1.3
Fixed Income - Mortgages						0.3	0.4	0.4	0.5	0.5	0.3	0.3	0.4	0.4	0.6
Fixed Income - Private Debt						0.3	0.2	0.1			0.3	0.2	0.1	0.0	0.0
Fixed Income - Other		30.8	30.8	33.2	29.8	4.8	6.7	8.4	8.7	9.2	18.0	15.4	15.8	16.4	14.7
Cash	0.7	0.5	1.2			2.1	3.3	3.4	2.7	2.6	2.6	2.5	2.8	2.5	2.2
Total Fixed Income	42.3	37.4	37.5	39.3	34.7	32.2	32.7	35.6	35.5	36.0	39.0	37.2	38.0	41.1	36.9
Commodities						0.1	0.1	0.1	0.1	0.1	0.4	0.6	0.6	0.6	0.6
Infrastructure						1.4	1.4	1.3	1.2	1.1	1.0	0.8	0.8	0.8	0.6
Natural Resources						0.4	0.3	0.3	0.2	0.1	0.3	0.3	0.3	0.3	0.2
REITs						0.4	0.4	0.4	0.4	0.3	0.6	0.5	0.5	0.6	0.6
Real Estate ex-REITs						7.7	7.5	7.1	6.5	5.7	4.9	4.8	4.7	4.5	3.9
Other Real Assets						0.4	1.0	0.0			0.3	0.3	0.3	0.3	0.2
Total Real Assets						10.4	10.7	9.2	8.4	7.4	7.4	7.2	7.2	7.0	6.1
Hedge Funds						4.7	3.5	2.8	2.1	1.2	4.0	3.9	3.6	3.4	3.0
Global TAA						3.6	2.7	0.8	0.4	0.3	2.0	1.9	2.0	1.3	0.9
Div. Private Equity						5.6	5.5	5.6	6.0	5.0	3.1	3.2	3.4	3.4	3.1
Venture Capital						0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
LBO						1.2	1.2	1.3	1.1	1.1	0.5	0.4	0.4	0.4	0.4
Other Private Equity						0.3	0.3	0.3	0.1	0.1	0.3	0.2	0.2	0.2	0.1
Total Private Equity						7.4	7.2	7.4	7.5	6.4	4.1	4.0	4.2	4.2	3.9
Total Fund	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Count	1	1	1	1	1	16	16	16	16	15	328	374	381	381	367
Median Assets (€ billions)	20.6	20.1	19.8	16.7	17.3	63.2	58.2	52.8	49.5	49.8	5.7	4.2	3.9	4.0	3.7

Policy mix

Policy asset mix - 2010 to 2014 (as a % of average assets)

	Your fund %					Peer average %					Global average %				
	2014	2013	2012	2011	2010	2014	2013	2012	2011	2010	2014	2013	2012	2011	2010
Stock - U.S.						12.0	13.5	17.1	18.0	17.9	13.5	14.9	16.7	17.0	19.8
Stock - EAFE	58.1	10.0	9.4	9.1	9.1	13.1	11.0	10.8	10.6	12.0	6.8	7.7	8.4	7.8	8.3
Stock - ACWIxU.S.						0.6	0.7	3.1	3.2	2.3	3.3	3.0	3.1	3.1	3.1
Stock - Emerging						3.2	3.8	2.9	2.8	2.7	2.6	2.7	2.5	2.4	2.0
Stock - Global						10.9	8.6	6.3	6.2	6.6	11.8	11.0	9.8	8.9	9.0
Stock - Other		52.8	53.0	51.6	56.2	2.7	5.9	6.8	6.6	7.1	4.9	5.3	5.6	5.6	6.4
Total Stock	58.1	62.8	62.4	60.7	65.3	42.4	43.5	47.0	47.4	48.5	43.0	44.5	46.1	44.7	48.6
Fixed Income - US						9.2	9.7	10.9	11.1	10.2	7.1	7.8	8.7	9.0	10.4
Fixed Income - EAFE	41.9	6.0	5.6	6.1	4.9	7.2	5.2	5.3	5.3	5.6	4.1	4.6	3.1	5.4	3.6
Fixed Income - Emerging						2.2	1.9	1.8	1.4	1.2	1.1	1.3	0.9	0.8	0.5
Fixed Income - Global						3.3	3.4	3.3	3.9	4.2	2.7	2.7	3.2	3.2	2.7
Fixed Income - Inflation Indexed						2.3	2.5	2.6	2.5	2.6	2.0	2.0	2.3	2.4	2.3
Fixed Income - High Yield						2.2	2.4	1.4	1.6	1.0	1.5	1.6	1.2	1.2	1.1
Fixed Income - Mortgages						0.3	0.3	0.3	0.2	0.2	0.2	0.3	0.3	0.3	0.5
Fixed Income - Private Debt						0.4	0.1	0.0			0.3	0.2	0.1	0.0	
Fixed Income - Other		31.2	32.0	33.2	29.8	4.8	6.7	8.3	8.5	9.2	19.2	17.0	16.5	16.6	15.2
Cash						0.7	1.2	1.3	1.5	1.5	0.7	0.7	0.9	1.2	1.1
Total Fixed Income	41.9	37.2	37.6	39.3	34.7	32.7	33.3	35.3	35.9	35.8	38.9	38.1	37.2	40.1	37.4
Commodities						0.2	0.1	0.1	0.3	0.4	0.5	0.7	0.7	0.7	0.7
Infrastructure						1.4	1.5	1.5	1.3	1.2	1.2	1.0	0.9	0.8	0.7
Natural Resources						0.2	0.2	0.2	0.1	0.0	0.3	0.3	0.2	0.2	0.1
REITs						0.4	0.4	0.4	0.3	0.2	0.5	0.4	0.4	0.4	0.5
Real Estate ex-REITs						7.7	7.4	6.9	6.9	6.4	5.3	5.1	4.9	4.7	4.5
Other Real Assets						0.1	0.0	0.1			0.3	0.3	0.3	0.2	0.2
Total Real Assets						10.1	9.7	9.1	8.8	8.2	8.1	7.8	7.5	7.0	6.6
Hedge Funds						3.0	2.1	1.5	1.2	1.2	3.7	3.5	3.3	3.1	2.8
Global TAA						4.3	4.0	0.2	0.3	0.3	1.9	1.9	1.8	1.1	0.7
Div. Private Equity						6.5	6.4	5.9	5.5	4.9	3.8	3.6	3.6	3.5	3.4
Venture Capital						0.1	0.1	0.0	0.0	0.0	0.2	0.2	0.2	0.1	0.2
LBO						0.8	0.8	0.9	1.0	1.1	0.2	0.2	0.2	0.2	0.1
Other Private Equity								0.0			0.2	0.1	0.1	0.1	0.1
Total Private Equity						7.5	7.3	6.8	6.6	6.0	4.4	4.2	4.1	4.0	3.9
Total Fund	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Count	1	1	1	1	1	16	16	16	16	15	328	374	381	381	367

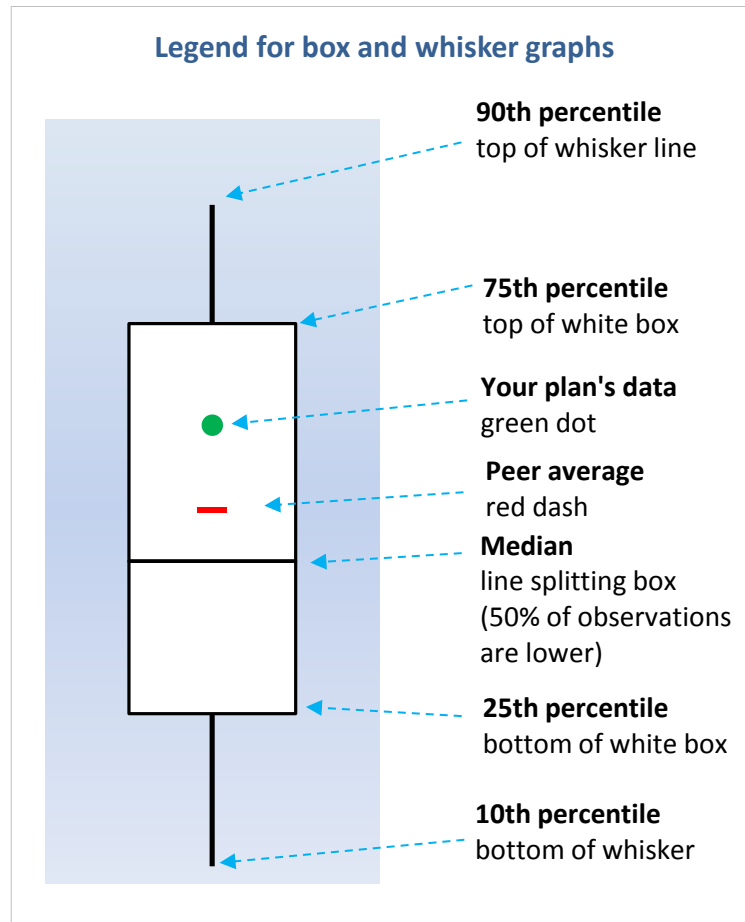
4

Returns, Benchmarks and Value Added

Interpreting box and whisker graphs	2
Net total returns	3
Policy returns	4
Net value added	5
Net returns by asset class	6
Benchmark returns by asset class	7
Net value added by asset class	8
Your policy return and value added calculation:	
- 2014	9
- 2010 to 2013	10
Profit/Loss on overlay programs	11

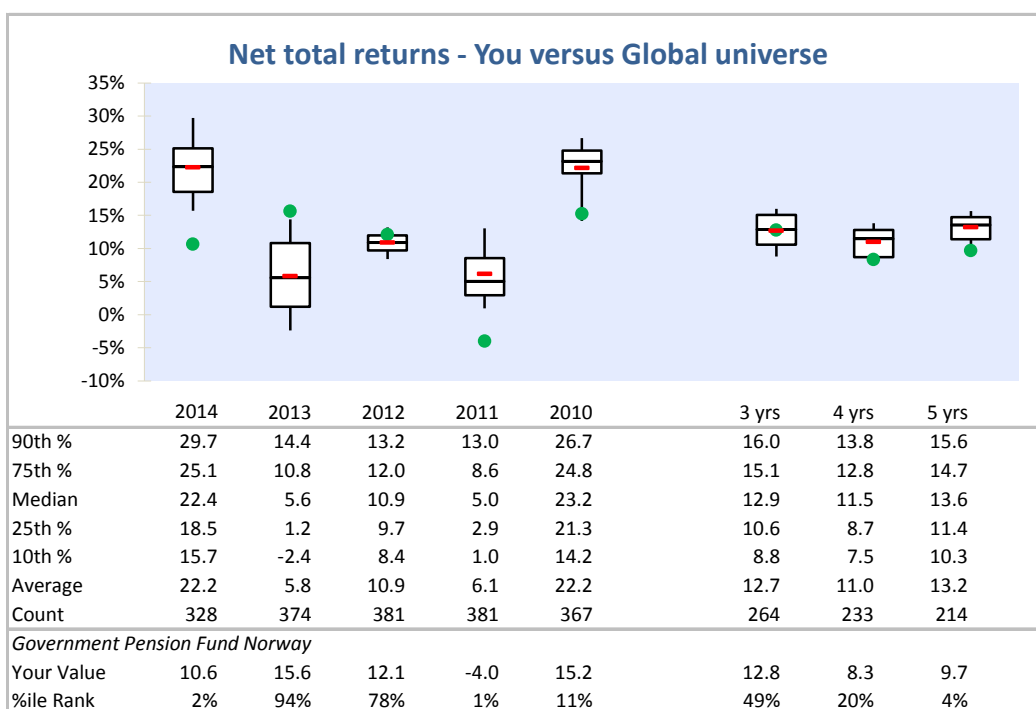
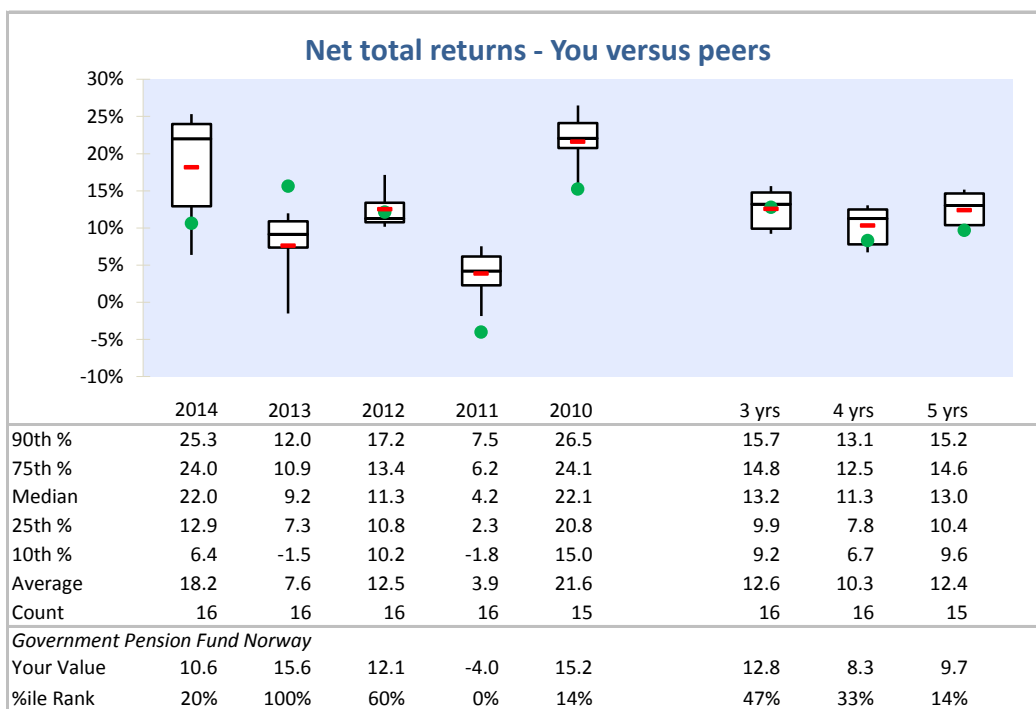
Interpreting box and whisker graphs

Box and whisker graphs are used extensively in this report because they show visually where you rank relative to all observations. At a glance you can see which quartile your data falls in.



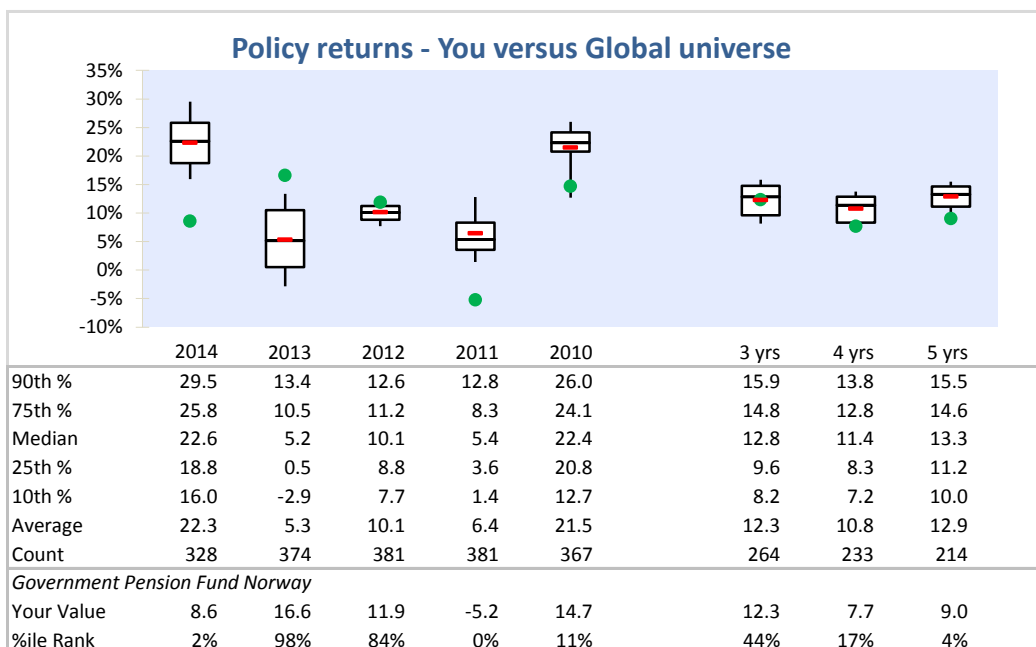
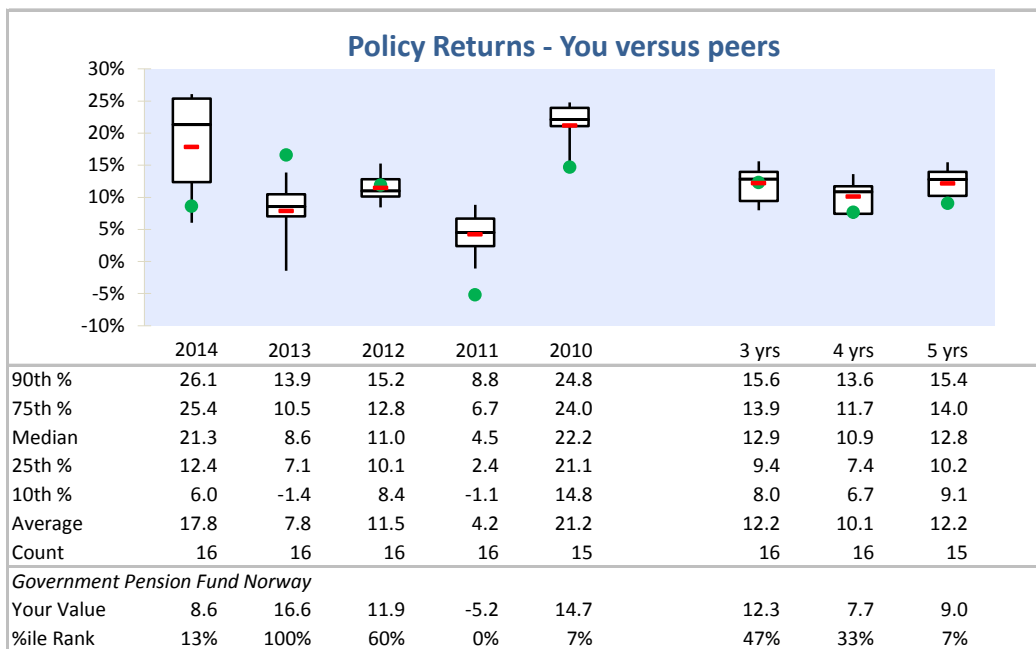
Net total returns

Your 5-year net total return of 9.7% was below the peer median and below the median of the Global universe. Comparisons of total return do not help you understand the reasons behind relative performance. To understand the relative contributions from policy asset mix decisions and implementation decisions we separate total return into its more meaningful components - policy return and implementation value added.



Policy returns

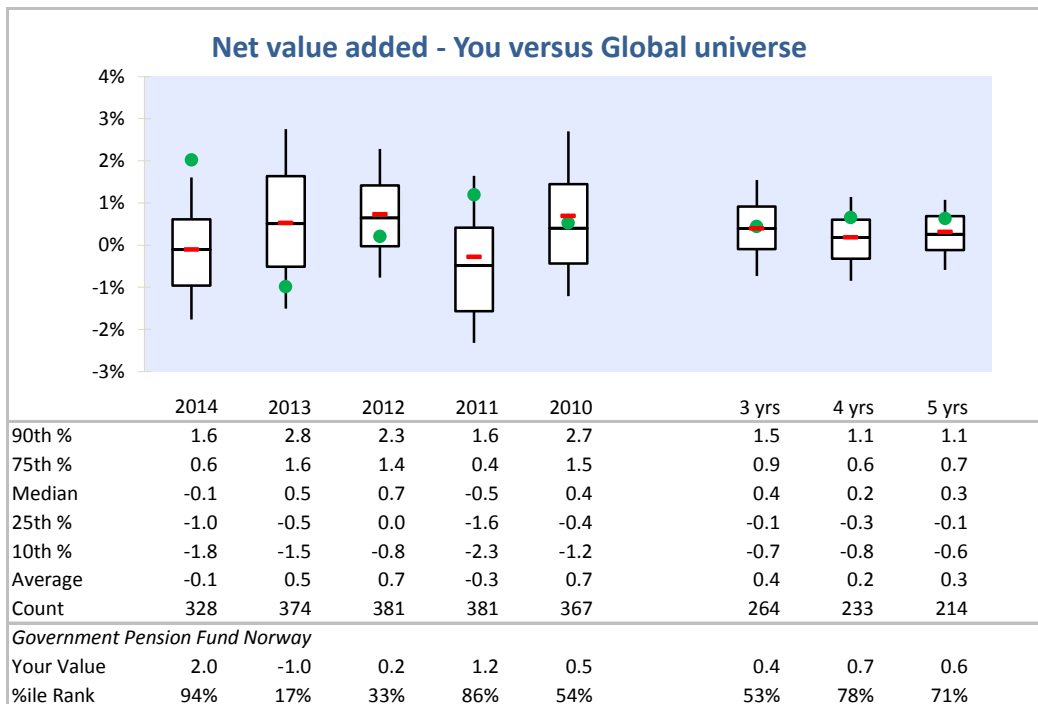
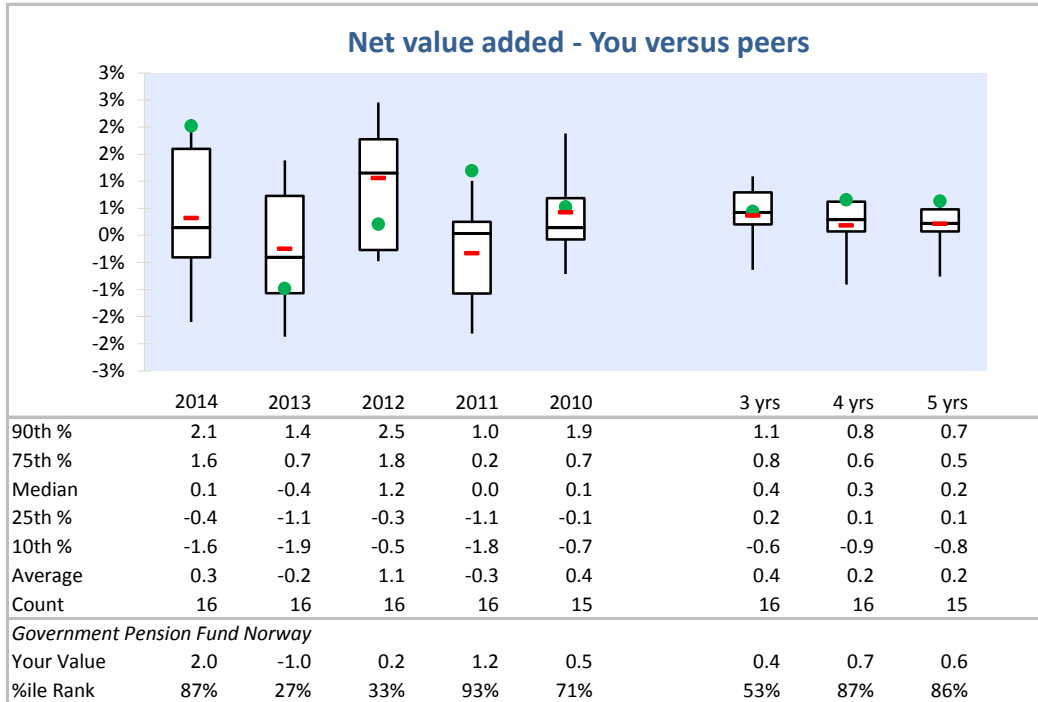
Your 5-year policy return of 9.0% was below the peer median and below the median of the Global universe. Policy return is the return you would have earned had you passively implemented your policy asset mix decision through your benchmark portfolios.



To enable fairer comparisons, the policy returns of all participants with policy weight in private equity were adjusted to reflect private equity benchmarks based on lagged, investable, public-market indices. Refer to the Research section pages 6-7 for details.

Net value added

Your 5-year net value added of 0.6% was among the highest in your peer group and above the median of the Global universe. Net value added is the difference between your net total return and your policy return.



Net returns by asset class

Asset class	Your fund %						Peer average %						Global average %					
	2014	2013	2012	2011	2010	5-yr	2014	2013	2012	2011	2010	5-yr	2014	2013	2012	2011	2010	5-yr
Stock - U.S.							26.5	26.5	13.8	4.8	26.7	19.3	27.5	28.1	14.2	3.3	26.5	19.5
Stock - EAFE	10.6	39.6	15.6	-17.6	28.1	13.5	11.1	20.3	17.1	-10.7	21.6	11.2	10.2	18.8	16.2	-9.6	18.8	10.3
Stock - Emerging							12.2	-6.0	17.2	-16.0	29.7	6.1	13.1	-5.7	16.0	-16.2	28.7	5.9
Stock - ACWixU.S.							13.4	12.4	14.6	-11.1	20.3	9.3	11.8	13.2	15.4	-10.1	21.4	9.8
Stock - Global							19.1	21.7	15.4	-3.7	20.2	14.2	19.7	19.5	13.6	-4.1	20.0	13.3
Stock - Other		21.5	14.6	-10.9	19.1		19.1	8.5	10.4	-9.0	28.5	10.8	16.7	9.1	10.3	-7.1	28.2	10.8
Stock - Total	10.6	24.3	14.8	-11.9	20.3	10.8	18.3	17.8	15.1	-4.6	24.5	13.8	19.4	19.0	14.4	-4.0	24.4	14.2
Fixed Income - US							20.9	-3.5	5.9	10.8	13.5	9.2	22.9	-5.7	5.4	11.7	17.2	9.8
Fixed Income - EAFE	9.7	12.2	2.1	7.8	3.5	7.0	4.4	1.3	6.2	6.5	10.8	5.8	22.0	-2.1	8.1	9.2	8.8	8.9
Fixed Income - Emerging							15.1	-9.8	16.0	3.8	24.1	9.2	12.8	-10.3	14.4	4.8	21.5	8.1
Fixed Income - Global							11.6	0.8	4.7	3.1	15.4	7.0	17.4	-3.2	7.8	8.1	14.0	8.6
Fixed Income - Inflation Indexed							17.9	-15.6	4.0	16.7	19.2	7.6	20.8	-10.7	5.8	12.3	15.9	8.3
Fixed Income - High Yield							10.8	3.9	13.1	6.7	23.2	11.3	15.1	3.2	13.0	6.0	22.3	11.7
Fixed Income - Mortgages							17.8	0.4	8.4	9.6	18.1	10.7	15.4	-2.6	7.4	7.5	17.5	8.8
Fixed Income - Private Debt							15.3	-1.7	6.8				14.0	1.7	7.3	4.0	24.3	10.0
Fixed Income - Other		1.4	9.0	7.7	7.4		14.8	-3.9	4.9	6.5	19.6	8.1	27.1	-9.2	7.3	15.9	20.9	11.7
Cash							10.2	-4.5	-0.3	3.1	9.2	3.4	9.4	-4.5	-0.2	3.2	9.7	3.4
Fixed Income - Total	9.7	3.1	8.0	7.7	6.9	7.1	16.6	-5.2	6.3	9.7	16.3	8.4	23.1	-7.6	6.8	13.8	18.1	10.3
Commodities							-20.7	-8.0	0.3	0.4	18.9	-2.7	-4.7	-8.5	-1.2	-3.3	21.2	0.2
Infrastructure							21.7	2.9	8.2	11.1	22.1	13.0	20.6	2.2	6.0	7.3	16.6	10.3
REITs							43.8	-2.9	21.4	3.7	35.3	18.9	34.9	-0.3	18.5	4.3	30.0	16.6
Natural Resources							11.6	2.2	-4.5	-13.2	15.6	1.8	24.0	1.8	3.0	5.7	16.3	9.8
Real Estate ex-REITs							21.2	6.5	11.2	16.9	18.2	14.7	22.3	4.7	7.3	13.4	18.1	13.0
Other Real Assets							5.4	1.2	3.4				18.5	-3.7	0.4	1.4	13.8	5.7
Real Assets - Total							18.1	16.8	50.7	14.3	22.7	23.9	22.1	3.4	9.5	10.8	20.6	13.1
Hedge Funds							14.4	5.9	6.1	2.5	14.2	8.5	18.6	4.0	4.4	3.0	17.2	9.2
Global TAA							17.2	1.5	8.6	4.2	23.3	10.7	19.1	0.5	6.6	4.8	22.6	10.4
Diversified Private Equity							27.9	11.1	12.9	11.4	26.1	17.7	29.4	10.8	9.3	14.1	23.5	17.2
LBO							22.4	16.6	12.1	10.5	24.7	17.1	30.0	11.6	10.9	15.0	25.1	18.3
Venture Capital							31.1	10.1	10.4	13.4	18.5	16.5	31.7	10.5	5.2	18.8	20.6	17.0
Other Private Equity							23.3	17.4	14.5	8.4	28.1	18.2	24.5	10.4	4.0	8.6	20.7	13.4
Private Equity - Total							27.8	11.3	12.9	11.7	25.7	17.7	29.4	10.5	8.7	14.3	23.4	17.0
Total Fund Return	10.6	15.6	12.1	-4.0	15.2	9.7	18.2	7.6	12.5	3.9	21.6	12.6	22.2	5.8	10.9	6.1	22.2	13.2

Benchmark returns by asset class

Asset class	Your fund %						Peer average %						Global average %					
	2014	2013	2012	2011	2010	5-yr	2014	2013	2012	2011	2010	5-yr	2014	2013	2012	2011	2010	5-yr
Stock - U.S.							26.7	26.3	14.3	4.3	26.1	19.2	28.3	27.3	14.2	4.1	26.4	19.7
Stock - EAFE	7.4	42.3	15.2	-16.7	29.7	13.7	11.0	20.3	16.3	-10.3	20.2	10.9	10.4	18.2	15.4	-9.6	17.3	9.8
Stock - Emerging							12.7	-6.8	15.8	-15.5	27.8	5.6	13.1	-6.1	15.6	-15.5	28.0	5.8
Stock - ACWIxU.S.							13.0	10.5	14.8	-11.1	20.6	9.0	11.5	11.3	14.9	-10.9	20.9	8.9
Stock - Global							18.0	20.4	15.6	-4.5	19.7	13.4	19.7	18.6	13.5	-3.7	19.8	13.2
Stock - Other		23.6	15.4	-12.5	18.4		21.2	16.3	10.1	-8.6	34.4	13.8	18.0	8.2	10.0	-6.1	30.5	11.4
Stock - Total	7.4	26.6	15.4	-13.1	20.0	10.3	16.5	18.6	15.1	-4.5	23.7	13.4	19.6	17.7	13.9	-3.7	23.9	13.9
Fixed Income - US							20.4	-5.2	3.9	12.1	14.0	8.7	22.3	-6.5	3.4	13.4	15.9	9.2
Fixed Income - EAFE	9.2	11.7	1.1	7.8	3.1	6.5	5.5	0.0	5.8	7.2	9.9	5.6	23.1	-2.7	7.7	9.1	8.3	8.8
Fixed Income - Emerging							16.2	-9.6	15.7	5.6	21.4	9.3	14.5	-9.8	14.2	6.4	19.8	8.5
Fixed Income - Global							10.2	-3.8	6.1	5.0	12.8	5.9	16.8	-3.8	5.3	8.4	12.4	7.6
Fixed Income - Inflation Indexed							16.6	-12.5	5.2	17.5	19.6	8.6	22.1	-10.9	5.2	11.9	16.3	8.3
Fixed Income - High Yield							11.6	3.9	13.1	5.5	21.7	11.0	15.0	3.0	13.3	6.7	22.6	11.9
Fixed Income - Mortgages							12.4	-5.9	5.8	7.1	14.8	6.6	13.2	-4.8	4.6	8.2	13.9	6.8
Fixed Income - Private Debt							16.9	-3.6	8.8				14.7	0.0	6.0	5.3	22.6	9.5
Fixed Income - Other		0.7	7.7	6.3	6.7		16.5	-2.7	5.8	6.3	19.3	8.7	28.2	-9.6	6.2	16.8	19.9	11.5
Cash							11.5	-3.0	0.2	3.4	9.7	4.2	11.3	-4.4	-0.3	3.0	9.4	3.6
Fixed Income - Total	9.2	2.5	6.7	6.5	6.2	6.2	15.4	-5.6	5.9	10.4	15.3	8.0	23.9	-8.2	5.7	14.7	17.1	10.1
Commodities							-10.6	-8.7	-1.0	-2.7	22.8	-0.7	-6.2	-7.7	-1.5	-3.7	19.8	-0.3
Infrastructure							20.2	4.2	7.7	11.3	24.0	13.2	17.7	1.2	6.8	8.4	17.4	10.1
REITs							42.8	-2.7	21.6	3.9	35.0	18.8	34.7	0.0	18.8	6.4	30.4	17.3
Natural Resources							15.3	1.6	7.8	7.8	18.1	10.0	20.7	3.6	5.1	7.5	15.0	10.2
Real Estate ex-REITs							19.1	5.3	10.1	15.0	18.9	13.6	21.8	4.2	7.8	14.0	19.0	13.2
Other Real Assets							7.1	10.8	20.9				17.0	2.9	6.4	6.3	16.9	9.7
Real Assets - Total							18.0	4.9	10.5	12.9	19.6	13.1	20.2	2.3	7.5	10.9	20.2	12.0
Hedge Funds							13.6	6.2	7.7	3.5	12.2	8.6	16.7	2.4	3.6	2.9	14.2	7.8
Global TAA							14.8	5.3	12.0	3.6	22.6	11.5	18.0	3.4	6.5	2.8	15.9	9.1
Diversified Private Equity ¹							31.5	20.6	9.3	17.0	30.9	21.6	30.7	22.4	9.6	16.9	28.5	21.3
LBO ¹							21.7	26.1	5.8	10.9	28.2	18.2	28.6	21.9	10.6	13.9	26.2	20.1
Venture Capital ¹							26.9	25.3	10.8	12.7	28.9	20.7	30.8	23.0	11.1	14.0	27.2	21.0
Other Private Equity ¹							32.7	21.1	10.0	7.0	26.7	19.1	28.6	22.4	10.6	15.0	25.3	20.2
Private Equity ¹ - Total							31.1	20.8	8.6	16.7	31.2	21.4	30.5	22.4	9.6	16.8	28.1	21.2
Total Policy Return	8.6	16.6	11.9	-5.2	14.7	9.0	17.8	7.8	11.5	4.2	21.2	12.3	22.3	5.3	10.1	6.4	21.5	12.9

1. To enable fairer comparisons, the policy returns of all participants with policy weight in private equity were adjusted to reflect private equity benchmarks based on lagged, investable, public-market indices. Refer to the Research section pages 6-7 for details.

Net value added by asset class

Asset class	Your fund %						Peer average %						Global average %					
	2014	2013	2012	2011	2010	5-yr	2014	2013	2012	2011	2010	5-yr	2014	2013	2012	2011	2010	5-yr
Stock - U.S.							-0.2	0.2	-0.6	0.5	0.5	0.1	-0.7	0.9	0.1	-0.8	0.2	-0.2
Stock - EAFE	3.2	-2.7	0.4	-0.9	-1.6	-0.2	0.1	0.0	0.9	-0.4	1.4	0.4	-0.2	0.7	0.9	-0.1	1.6	0.5
Stock - Emerging							-0.4	0.8	1.4	-0.4	1.9	0.6	0.1	0.3	0.4	-0.8	0.6	0.1
Stock - ACWIxU.S.							0.4	1.9	-0.1	0.0	-0.2	0.4	0.3	2.0	0.6	0.8	0.9	0.8
Stock - Global							-0.7	1.6	0.6	1.1	0.5	0.7	-0.1	0.9	0.1	-0.3	0.2	0.1
Stock - Other		-2.1	-0.8	1.6	0.7		-2.0	-7.7	0.3	-0.4	-5.9	-3.0	-1.1	1.1	0.3	-1.1	-2.5	-0.6
Stock - Total	3.2	-2.2	-0.6	1.2	0.3	0.5	1.8	-0.8	0.0	-0.2	0.8	0.3	-0.2	1.3	0.5	-0.4	0.5	0.3
Fixed Income - US							0.5	1.7	2.0	-1.3	-0.5	0.6	0.3	0.8	2.0	-0.9	1.6	0.6
Fixed Income - EAFE	0.5	0.5	1.0	0.0	0.4	0.5	-1.0	1.3	0.5	-1.5	0.9	0.2	-1.1	0.6	0.4	0.3	0.6	0.1
Fixed Income - Emerging							-1.1	-0.2	0.4	-1.8	2.7	-0.1	-1.7	-0.6	0.3	-1.6	2.1	-0.4
Fixed Income - Global							-3.6	4.9	-0.8	-1.7	0.7	1.1	0.5	0.5	2.7	-0.2	2.0	1.0
Fixed Income - Inflation Indexed							1.3	-3.1	-1.2	-0.9	-0.4	-1.0	-1.7	0.0	0.6	0.7	-0.2	0.0
Fixed Income - High Yield							-0.8	0.0	-0.1	1.2	1.5	0.3	0.1	0.2	-0.4	-0.7	-0.1	-0.2
Fixed Income - Mortgages							5.4	6.3	2.6	2.5	3.2	4.1	2.1	2.3	2.9	-0.9	3.5	2.0
Fixed Income - Private Debt							2.3	1.9	-2.0				-0.2	2.0	1.7	-0.5	1.7	0.5
Fixed Income - Other		0.7	1.3	1.4	0.7		-1.6	0.2	0.4	0.4	0.7	-0.7	-0.2	0.5	1.1	-0.9	1.0	0.2
Cash							0.0	-0.4	0.2	0.3	0.2	-0.8	-1.9	0.0	0.2	0.2	0.4	-0.2
Fixed Income - Total	0.5	0.7	1.2	1.2	0.7	0.9	0.2	0.4	0.4	-0.6	1.0	0.5	-0.9	0.6	1.1	-0.9	1.0	0.3
Commodities							-6.0	0.7	1.9	3.1	-3.9	-2.0	2.3	-1.1	0.3	0.3	1.5	0.5
Infrastructure							1.5	-1.3	0.5	-0.2	-1.9	-0.3	2.9	0.9	-0.8	-1.1	-0.7	0.2
REITs							1.0	-0.2	-0.2	-0.2	0.3	0.1	0.7	-0.4	-0.1	-2.2	-0.4	-0.7
Natural Resources							-3.8	0.6	-12.3	-20.9	-2.5	-8.2	3.3	-1.9	-2.4	-1.8	1.3	-0.3
Real Estate ex-REITs							2.0	1.2	1.1	1.8	-0.7	1.1	0.7	0.5	-0.5	-0.6	-0.8	-0.2
Other Real Assets							-1.8	-9.6	-17.5				0.2	-6.5	-6.4	-4.0	-1.0	-4.0
Real Assets - Total							0.1	11.8	40.1	1.4	3.1	10.8	1.9	1.1	2.0	-0.1	0.4	1.1
Hedge Funds							0.8	-0.3	-1.6	-0.2	2.6	-0.1	1.9	1.8	0.9	0.2	3.0	1.5
Global TAA							2.4	-3.8	-3.4	0.6	0.8	-0.8	1.1	-2.9	0.1	1.5	6.8	1.2
Diversified Private Equity ¹							-3.6	-9.5	3.7	-5.5	-4.8	-3.9	-1.2	-11.5	-0.3	-2.7	-4.9	-4.2
LBO ¹							0.7	-9.5	6.3	-0.4	-3.5	-1.1	1.4	-10.3	0.2	1.1	-0.7	-1.8
Venture Capital ¹							4.2	-15.2	-0.4	0.7	-10.5	-4.2	1.1	-12.5	-5.9	4.8	-6.3	-4.0
Other Private Equity ¹							-9.4	-3.7	4.5	1.4	1.4	-0.9	-4.3	-12.0	-6.5	-5.8	-4.6	-6.8
Private Equity ¹ - Total							-3.3	-9.5	4.3	-5.0	-5.5	-3.7	-1.0	-11.8	-0.9	-2.4	-4.6	-4.2
Total fund	2.0	-1.0	0.2	1.2	0.5	0.6	0.3	-0.2	1.1	-0.3	0.4	0.2	-0.1	0.5	0.7	-0.3	0.7	0.3

Total net value add is determined by both actual and policy allocation. It is the outcome of total net return (page 6) minus total benchmark return (page 7).

Aggregate net returns are an asset weighted average of all categories that the fund has an actual allocation to. Aggregate benchmark returns are a policy weighted average and includes only those categories that are part of your policy fund's mix.

1. To enable fairer comparisons, the policy returns of all participants with policy weight in private equity were adjusted to reflect private equity benchmarks based on lagged, investable, public-market indices. Refer to the Research section pages 6-7 for details.

Your policy return and value added calculation - 2014

2014 Policy Return and Value Added

Asset class	Policy weight	Benchmark Description	Return	Net return	Value added
Stock - EAFE	58.1%	CMVINXBXINN - Custom Index - OSEBX	7.4%	10.6%	3.2%
Fixed Income - EAFE	41.9%	Barclays Capital Global Aggregate Nordic ex Norway	9.2%	9.7%	0.5%
Total	100.0%				
Net Actual Return (reported by you)					10.6%
Calculated Policy Return = sum of (policy weights X benchmark returns)				8.2%	
Adjustment to reflect rebalancing and overlay impacts				<u>0.4%</u>	
Policy Return					<u>8.6%</u>
Net Value Added (Net Return - Policy Return)					2.0%

Your policy return and value added calculations - 2010 to 2013

2013 Policy Return and Value Added

Asset class	Policy weight	Benchmark		Net return	Value added
		Description	Return		
Stock - EAFE	10.0%	CMVINXBXINN - C	42.3%	39.6%	-2.7%
Stock - Other	52.8%	OSEBX	23.6%	21.5%	-2.1%
Fixed Income - EAFE	6.0%	Barclays Capital C	11.7%	12.2%	0.5%
Fixed Income - Other	31.2%	70% Barclays Cap	0.7%	1.4%	0.7%
Total	100.0%				
Net Return (reported by you)					15.6%
Calculated policy return (sum: Policy weights x benchmarks)				17.6%	
Adjustment to reflect rebalancing and overlay impacts				<u>-1.0%</u>	
Policy Return					16.6%
Net Value Added (Net Return - Policy Return)					-1.0%

2011 Policy Return and Value Added

Asset class	Policy weight	Benchmark		Net return	Value added
		Description	Return		
Stock - EAFE	9.1%	CMVINXBXINN - C	-16.7%	-17.6%	-0.9%
Stock - Other	51.6%	OSEBX	-12.5%	-10.9%	1.6%
Fixed Income - EAFE	6.1%	Barclays Capital C	7.8%	7.8%	0.0%
Fixed Income - Other	33.2%	70% Barclays Cap	6.3%	7.7%	1.4%
Total	100.0%				
Net Return (reported by you)					-4.0%
Calculated policy return (sum: Policy weights x benchmarks)				-5.4%	
Adjustment to reflect rebalancing and overlay impacts				<u>0.2%</u>	
Policy Return					-5.2%
Net Value Added (Net Return - Policy Return)					1.2%

2012 Policy Return and Value Added

Asset class	Policy weight	Benchmark		Net return	Value added
		Description	Return		
Stock - EAFE	9.4%	CMVINXBXINN - C	15.2%	15.6%	0.4%
Stock - Other	53.0%	OSEBX	15.4%	14.6%	-0.8%
Fixed Income - EAFE	5.6%	Barclays Capital C	1.1%	2.1%	1.0%
Fixed Income - Other	32.0%	70% Barclays Cap	7.7%	9.0%	1.3%
Total	100.0%				
Net Return (reported by you)					12.1%
Calculated policy return (sum: Policy weights x benchmarks)				12.1%	
Adjustment to reflect rebalancing and overlay impacts				<u>-0.2%</u>	
Policy Return					11.9%
Net Value Added (Net Return - Policy Return)					0.2%

2010 Policy Return and Value Added

Asset class	Policy weight	Benchmark		Net return	Value added
		Description	Return		
Stock - EAFE	9.1%	CMVINXBXINN - C	29.7%	28.1%	-1.6%
Stock - Other	56.2%	OSEBX	18.4%	19.1%	0.7%
Fixed Income - EAFE	4.9%	Barclays Capital C	3.1%	3.5%	0.4%
Fixed Income - Other	29.8%	70% Barclays Cap	6.7%	7.4%	0.7%
Total	100.0%				
Net Return (reported by you)					15.2%
Calculated policy return (sum: Policy weights x benchmarks)				15.2%	
Adjustment to reflect rebalancing and overlay impacts				<u>-0.5%</u>	
Policy Return					14.7%
Net Value Added (Net Return - Policy Return)					0.5%

Profit/Loss on overlay programs

Overlay type	Your fund		Peer median				Global median			
	2014	2013	2014		2013		2014		2013	
	bps	bps	bps	#	bps	#	bps	#	bps	#
Int. Discretionary Currency			3	4	0	3	1	13	0	9
Ext. Discretionary Currency							1	7	0	12
Internal Global TAA			111	2	5	3	8	7	24	8
External Global TAA							13	3	29	3
Internal PolicyTilt TAA			-1	3	5	3	0	5	4	5
External PolicyTilt TAA							-20	1	-16	3
Internal Commodities							-1	1	-2	2
External Commodities							0	2	-24	2
Internal Long/Short			2	4	6	3	3	8	6	7
External Long/Short							0	1	27	3
Internal Other			0	1	0	2	0	11	0	11
External Other							4	8	0	14
Total Profit/Loss			7	6	3	7	4	42	0	52

Profit/loss in basis points was calculated using total fund average holdings. This was done to measure the impact of the program at the total fund level.

5

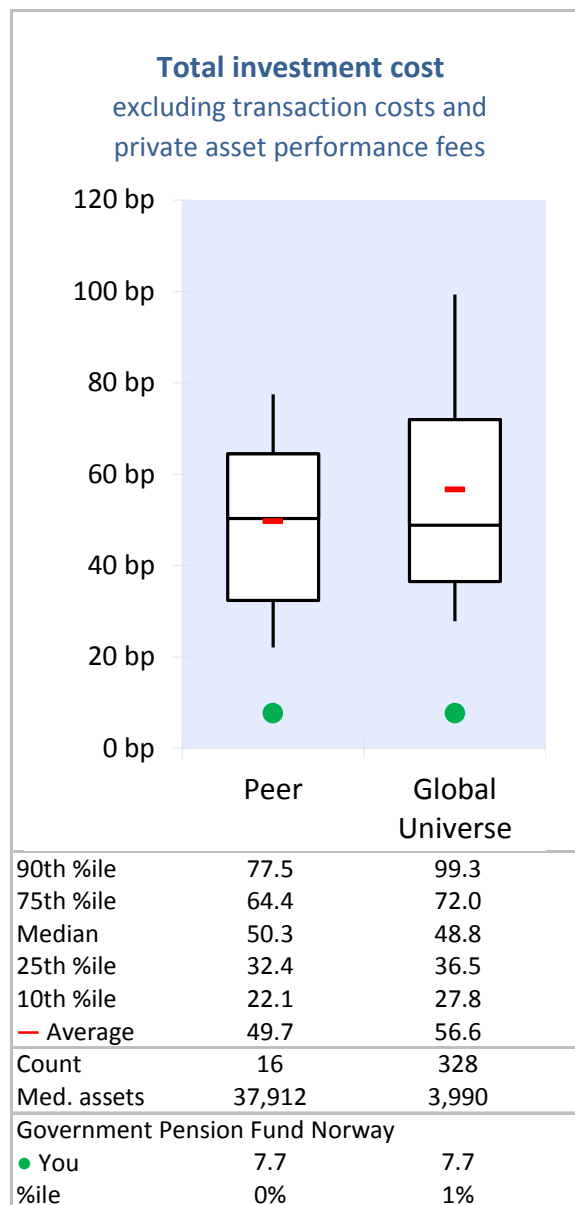
Total cost and benchmark cost

Comparisons of total investment cost	2
Trend in total investment cost	3
Types of costs included in your total investment cost	4
Detailed breakdown of your total investment cost	5
Changes in your investment costs	6
Total cost versus benchmark cost	7
Benchmark cost calculation	8
Cost impact of:	
- differences in implementation style	9
- overlays	10
- lower cost styles	11
- paying more/-less for similar services	12
Summary of why you are high or low cost by asset class	13
Your cost effectiveness ranking	14
Actual cost versus benchmark cost	15
Appendix A: Benchmarking methodology formulas and data	16
Appendix B: Regression based benchmarks	18

Comparisons of total investment cost

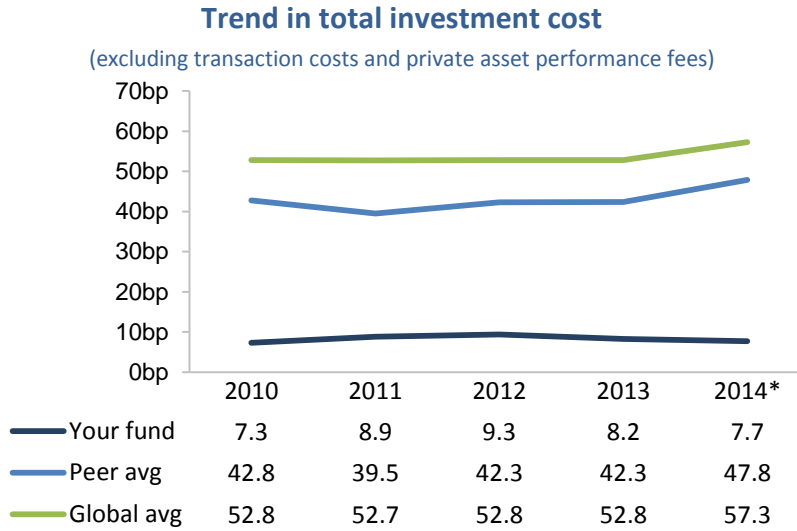
Your total investment cost, excluding transaction costs and private asset performance fees, of 7.7 bps was below the peer median of 50.3 bps.

Differences in total investment cost are often caused by two factors that are usually outside of management's control: asset mix and fund size. Therefore, to assess whether your fund's total investment cost is high or low given your unique asset mix and size, CEM calculates a benchmark cost for your fund. Benchmark cost analysis begins on page 7 of this section.



Trend in total investment cost

Your total investment cost, excluding transaction costs and private asset performance fees, increased from 7.3 bps in 2010 to 7.7 bps in 2014.



Trend analysis is based on the 214 Global funds and the 15 peer funds with 5 or more consecutive years of data.

* Starting in 2014 hedge fund performance fees are being included for all participants. This is one reason for the uptick in costs relative to 2013.

Types of costs included in your total investment cost

The table below outlines the types of costs included in your total investment cost.

Asset class	Internal		External			
	In-house total cost	Transaction costs	Manager base fees	Monitoring & other costs	Perform. fees (active only)	Transaction costs
<u>Public</u> (Stock, Fixed income, commodities, REITs)	✓	✗	✓	✓	✓	✗
Derivatives/Overlays	✓	✗	✓	✓	✓	✗
<u>Hedge funds & Global TAA</u>						
Hedge Funds	n/a	n/a	✓	✓	✓	✗
Global TAA	✓	✗	✓	✓	✓	✗
<u>Private equity</u> (Diversified private equity, venture capital, LBO, other private equity)	✓	✗	✓*	✓	✗	✗
<u>Private real assets</u> (Infrastructure, natural resources, real estate ex-REITs, other real assets)	✓	✗	✓*	✓	✗	✗

*For limited partnerships, external manager base fees represent gross contractual management fees.

- ✓ indicates cost is included.
- ✗ indicates cost is excluded.
- Green shading indicates that the cost type has been newly added for the 2014 data year.
- CEM currently excludes external private asset performance fees and all transaction costs from your total cost because only a limited number of participants are currently able to provide complete data.

Detailed breakdown of your total investment cost

Your 2014 total investment cost, excluding transaction costs and private asset performance fees, was 7.7 bp or €15.7 million.

Your investment costs

	Internal		External Passive		External Active			Total		
	Passive	Active	Fees	Monitoring & Other	Base Fees	Perform. Fees ¹	Monitoring & Other	€000s	bps	% of Total
Asset management										
Stock		7,120						7,120		45%
Fixed Income		5,657						5,657		36%
Total asset management costs excluding private asset performance fees								12,777	6.3bp	82%
Oversight, custodial & other asset related costs										
Oversight of the Fund								1,480		9%
Trustee & Custodial								721		5%
Consulting and Performance Measurement								59		0%
Audit								283		2%
Other								336		2%
Total oversight, custodial & other costs								2,879	1.4bp	18%
Total investment costs excluding transaction costs and private asset performance fees								15,656	7.7bp	100%

¹ Starting in 2014, CEM changed its methodology to include performance fees on hedge funds in total cost used for comparison and benchmarking. Performance fees for real estate, infrastructure, natural resources and private equity are excluded.

Changes in your investment costs

The table below shows how your investment costs have changed from year to year by asset class.

Change in your investment costs (2014 - 2010)

	Investment costs (€000s)					Change (€000s)				Change (%)			
	2014	2013	2012	2011	2010	2014	2013	2012	2011	2014	2013	2012	2011
Asset management													
Stock	7,120	7,001	7,402	5,876	4,765	119	-401	1,526	1,111	2%	-5%	26%	23%
Fixed Income	5,657	5,948	6,153	5,066	3,732	-291	-205	1,087	1,334	-5%	-3%	21%	36%
Total excl. private asset perf. fees	12,777	12,949	13,555	10,942	8,497	-172	-606	2,613	2,445	-1%	-4%	24%	29%
Oversight, custodial & other asset related costs													
Oversight of the Fund	1,480	1,868	1,948	1,705	1,160	-388	-80	243	545	-21%	-4%	14%	47%
Trustee & Custodial	721	731	704	614	512	-10	27	90	102	-1%	4%	15%	20%
Consulting and Performance Meas	59	86	86	92	179	-27		-6	-87	-31%	0%	-7%	-49%
Audit	283	311	286	217	130	-28	25	69	87	-9%	9%	32%	67%
Other	336	489	486	1,481	1,017	-153	3	-995	464	-31%	1%	-67%	46%
Total oversight, custodial & other	2,879	3,487	3,512	4,111	3,000	-608	-25	-599	1,112	-17%	-1%	-15%	37%
Total investment costs ¹	15,656	16,442	17,074	15,060	11,502	-786	-632	2,014	3,558	-5%	-4%	13%	31%
Total in basis points	7.7bp	8.2bp	9.3bp	8.9bp	7.3bp								

¹ Starting in 2014, CEM changed its methodology to include performance fees on hedge funds in total cost used for comparison and benchmarking. Performance fees for real estate, infrastructure, natural resources and private equity are excluded.

Total cost versus benchmark cost

Your fund's total investment cost, excluding transaction costs and private asset performance fees, was 10.0 bps below your benchmark cost of 17.7 bps. This implies that your fund was low cost by 10.0 bps compared to the peer median, after adjusting for your fund's asset mix.

Your cost versus benchmark

	€000s	bps
Your fund's total investment cost excluding transaction costs and illiquid asset performance fees	15,656	7.7 bp
- Your fund's benchmark	35,978	17.7 bp
= Your fund's cost savings	-20,322	-10.0 bp

Your benchmark cost is an estimate of your total costs assuming that you paid the peer median cost for each of your investment mandates and fund oversight. The calculation of your benchmark cost is shown on the following page.

The reasons why your fund's total cost was below your benchmark are summarized in the table below. Details of each of the impacts below are provided on pages 9 to 12.

Reasons why your fund was low cost

	Cost/-Savings impact	
	€000s	bps
<u>Differences in implementation style:</u>		
External active vs. low cost styles	-16,546	-8.1 bp
Fund of funds vs. external direct	0	0.0 bp
Mix of internal and passive styles	2,704	1.3 bp
Style impact of overlays	-1,625	-0.8 bp
Total style impact	-15,467	-7.6 bp
<u>Paying more/-less for similar services:</u>		
External investment management		0.0 bp
Private asset performance fees	0	0.0 bp
Internal investment management	-2,645	-1.3 bp
Oversight, custodial and other	-2,211	-1.1 bp
Total impact of paying more /-less	-4,855	-2.4 bp
Total savings	-20,322	-10.0 bp

Benchmark cost calculation

Your 2014 benchmark cost was 17.7 basis points or €36.0 million. It equals your holdings for each asset class multiplied by the peer median cost for the asset class. The peer median cost is the style weighted average for all implementation styles (i.e., internal passive, internal active, external passive, external active).

Calculation of your 2014 benchmark cost

Asset class	Your average assets (A)	Weighted peer median cost ¹ (B)	Benchmark €000s (A X B)
Asset management costs			
Stock	12,226	17.0 bp	20,810
Fixed Income	7,991	9.6 bp	7,706
Overlay Programs ²	20,336	1.2 bp	2,372
Benchmark for asset management	20,336	15.2 bp	30,888
Oversight, custody and other costs			
Oversight of the Fund	20,336	1.2 bp	2,541
Trustee & Custodial	20,336	0.6 bp	1,143
Consulting	20,336	0.5 bp	973
Audit	20,336	0.0 bp	69
Other	20,336	0.2 bp	364
Benchmark for oversight, custody & other		2.5 bp	5,090
Total benchmark cost		17.7 bp	35,978

1. The weighted peer median cost for asset management is the style-weighted average of the peer median costs for all implementation styles (i.e., internal passive, internal active, external passive, external active, fund of fund). It excludes performance fees on private assets. The style weights by asset class for your fund and the peers are shown on page 17 of this section.

2. Total fund average holdings is used as the base when calculating the relative cost impact of the overlay programs.

Cost impact of differences in implementation style

Differences in implementation style (i.e., external active management versus lower cost indexed and internal management, fund of funds versus lower cost direct LPs, and overlay usage) relative to your peers saved you 7.6 bps.

Calculation of the cost impact of differences in implementation style

	Your avg holdings (mils)	% External active Peer You average			Premium vs. internal and passive ^{1 2}	Cost/ -Savings ³ €000s	bps
	(A)		(B)		(C)	(A X B X C)	
Stock	12,226	0%	25%	-25%	41 bp	-12,637	
Fixed Income	7,991	0%	14%	-14%	34 bp	-3,909	
Total impact of differences in external active management usage						-16,546	-8.1 bp
<i>Overlay usage</i>							
Impact of lower use of portfolio level overlays (see page 10)						-1,625	-0.8 bp
<i>Mix of low cost styles</i>							
Impact of mix of internal indexed, internal active, external indexed (see page 11)						2,704	1.3 bp
Total						-15,467	-7.6 bp

1. The external active cost 'premium vs internal and passive' is the additional cost of external active management and fund of funds relative to the average of the other lower cost implementation styles: internal passive, internal active and external passive. These calculations are specific to your peer group.

2. 'Insufficient' indicates there is insufficient peer data to determine the cost premium.

Cost impact of overlays

As summarized on the previous page, the style impact of overlays saved you 0.8 bps. If you use more overlays than your peers, or more expensive types of overlays, then it increases your relative cost.

Calculation of the cost impact of differences in the use of portfolio level overlays

	Your avg total holdings (mils)	Overlay notional amounts as a % of avg total holdings			Median cost as a % of notional (C)	Your cost as a % of total holdings ¹	Average cost as a % of total holdings	Cost/-Savings Impact (000s) (A X B X C)
		You	Peer Average	More/-Less				
Internal Overlays	(A)			(B)				
Currency - Hedge	20,336	0.0%	n/a			N/A	0.0 bp	-33
Currency - Discretionary	20,336	0.0%	n/a			N/A	0.1 bp	-157
Passive Beta - Hedge	20,336	0.0%	n/a			N/A	0.0 bp	-37
Duration - Hedge	20,336	40.6%	2.8%	37.8%	0.9 bp			696
Global TAA - Discretionary	20,336	0.0%	n/a			N/A	0.3 bp	-662
Policy Tilt TAA - Discretionary	20,336	0.0%	n/a			N/A	0.1 bp	-251
Long/Short - Discretionary	20,336	0.0%	n/a			N/A	0.5 bp	-1,111
Other - Discretionary	20,336	0.0%	0.0%	0.0%	6.5 bp			-1
External Overlays								
Currency - Hedge	20,336	0.0%	0.5%	-0.5%	2.4 bp			-25
Currency - Discretionary	20,336	0.0%	0.0%	0.0%	14.0 bp			0
Passive Beta - Hedge	20,336	0.0%	0.3%	-0.3%	6.2 bp			-44
Duration - Hedge	20,336	0.0%	0.0%	0.0%	2.9 bp			0
Dur. Mgmt Swaption - Hedge	20,336	0.0%	0.0%	0.0%	3.4 bp			0
Global TAA - Discretionary	20,336	0.0%	0.0%	0.0%	13.0 bp			0
Policy Tilt TAA - Discretionary	20,336	0.0%	0.0%	0.0%	11.1 bp			0
Commodity Futures - Discretionary	20,336	0.0%	0.0%	0.0%	4.7 bp			0
Long/Short - Discretionary	20,336	0.0%	0.0%	0.0%	5.9 bp			0
Other - Discretionary	20,336	0.0%	0.0%	0.0%	7.0 bp			0
Total impact in 000s								-1,625
Total impact in basis points								-0.8 bp

1. For overlay programs (primarily certain internal, profit seeking programs) where no clear notional value is defined or provided, these types of overlays are compared in terms of cost relative to total holdings.

Cost impact of lower cost styles

As summarized on page 9, your mix of 'lower-cost' internal and passive styles cost you 1.3 bps. Details are shown below.

Cost impact of differences in your mix of 'lower-cost' implementation styles

	Your non-external active holdings (mils)	Percent holdings (of non-external-active)						Cost/-Savings ¹ (000s)
		Internal passive		Internal active		External passive		
		You	Peers	You	Peers	You	Peers	
Stock	12,226	0%	25%	100%	70%	0%	5%	2,650
Fixed Income	7,991	0%	2%	100%	96%	0%	2%	54
Total impact in 000s								2,704
Total impact in basis points								1.3 bp

1. Cost/-savings for each asset class equals non-external active holdings within each asset class X cumulative impact from the three lower cost styles. By formula: [(peer median cost for the style - peer weighted average cost of lower cost styles) X (your weight for the style - peer weight for the style)]. Peer median costs for each style are shown on page 18.

Cost impact of paying more/-less for similar services

Differences in what you paid relative to your peers for similar asset management and related oversight and support services saved you 2.4 bps.

Calculation of the cost impact of paying more/-less

Style	Your avg holdings (mils) (A)	Cost in bps			Cost/-Savings	
		Your	Peer median	More/-less (B)	€000s (A X B)	bps
External asset management						
Total for external management						
Internal asset management						
Stock	active	12,226	5.8	8.9	-3.0	-3,703
Fixed Income	active	7,991	7.1	4.8	2.3	1,806
		<i>Notional</i>				
Derivatives/Overlays - Currency	Hedge	724	0.0			
Derivatives/Overlays - Duration	Hedge	8,265	0.0	0.9*	-0.9	-748
Total for internal asset management						-2,645 -1.3 bp
Oversight, custodial, other						
Oversight of the Fund		20,336	0.7	1.2	-0.5	-1,061
Consulting and Performance Measurement		20,336	0.0	0.5	-0.4	-914
Trustee & Custodial		20,336	0.4	0.6	-0.2	-422
Audit		20,336	0.1	0.0	0.1	214
Other		20,336	0.2	0.2	0.0	-28
Total for oversight, custodial, other						-2,211 -1.1 bp
Total						-4,855 -2.4 bp

*Universe median used as peer data was insufficient.

Summary of why you are high or low cost by asset class

The table below summarizes where you are high and low cost by asset class. It also quantifies how much is due to differences in implementation style (i.e., differences in the mix of external active, external passive, internal active, internal passive and fund of fund usage) and how much is due to paying more or less for similar services (i.e., same asset class and style).

Summary of why you are high or low cost by asset class

	Your cost ¹	Benchmark = peer weighted median cost ¹	More/-less	Your average assets	More/-less (€000s)	Due to Impl. style (€000s)	Due to paying more/less (€000s)
	(A)	(B)	(C = A - B)	(D)	(C X D)		
Asset management costs							
Stock	5.8 bp	17.0 bp	-11.2 bp	12,226	-13,690	-9,987	-3,703
Fixed Income	7.1 bp	9.6 bp	-2.6 bp	7,991	-2,049	-3,855	1,806
Overlay Programs ²	0.0 bp	1.2 bp	-1.2 bp	20,336	-2,372	-1,625	-748
Total asset management	6.3 bp	15.2 bp	-8.9 bp	20,336	-18,111	-15,467	-2,645
Oversight, custody and other costs							
Oversight of the Fund	0.7 bp	1.2 bp	-0.5 bp	20,336	-1,061	n/a	-1,061
Trustee & Custodial	0.4 bp	0.6 bp	-0.2 bp	20,336	-422	n/a	-422
Consulting	0.0 bp	0.5 bp	-0.4 bp	20,336	-914	n/a	-914
Audit	0.1 bp	0.0 bp	0.1 bp	20,336	214	n/a	214
Other	0.2 bp	0.2 bp	0.0 bp	20,336	-28	n/a	-28
Total oversight, custody & other	1.4 bp	2.5 bp	-1.1 bp	20,336	-2,211	n/a	-2,211
Total	7.7 bp	17.7 bp	-10.0 bp	20,336	-20,322	-15,467	-4,855

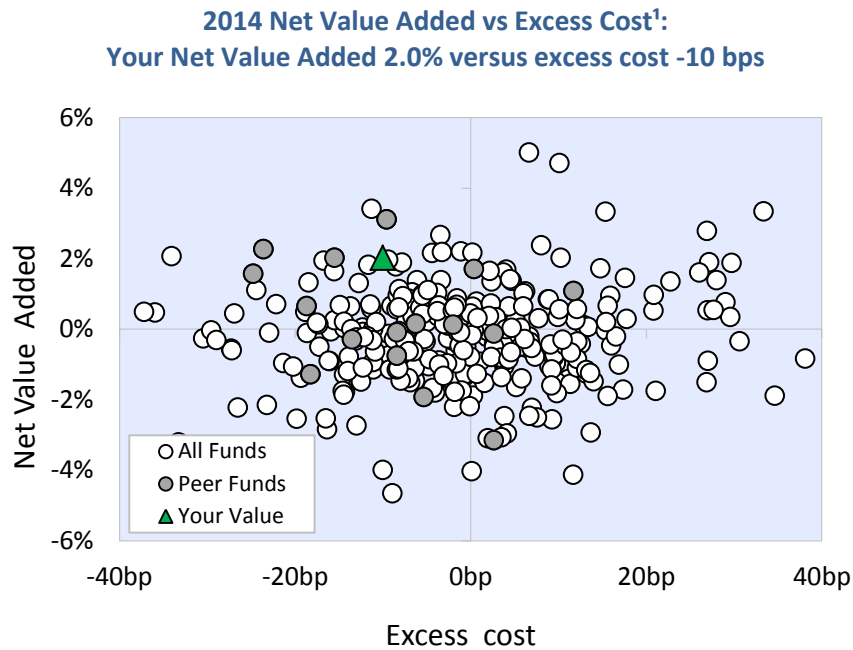
1. The weighted peer median cost for asset management is the style-weighted average of the peer median costs for all implementation styles (i.e., internal passive, internal active, external passive, external active, fund of fund). It excludes performance fees on private assets. The style weights by asset class for your fund and the peers are shown on page 17 of this section.

2. Total fund average holdings is used as the base when calculating the relative cost impact of the overlay programs.

Your cost effectiveness ranking

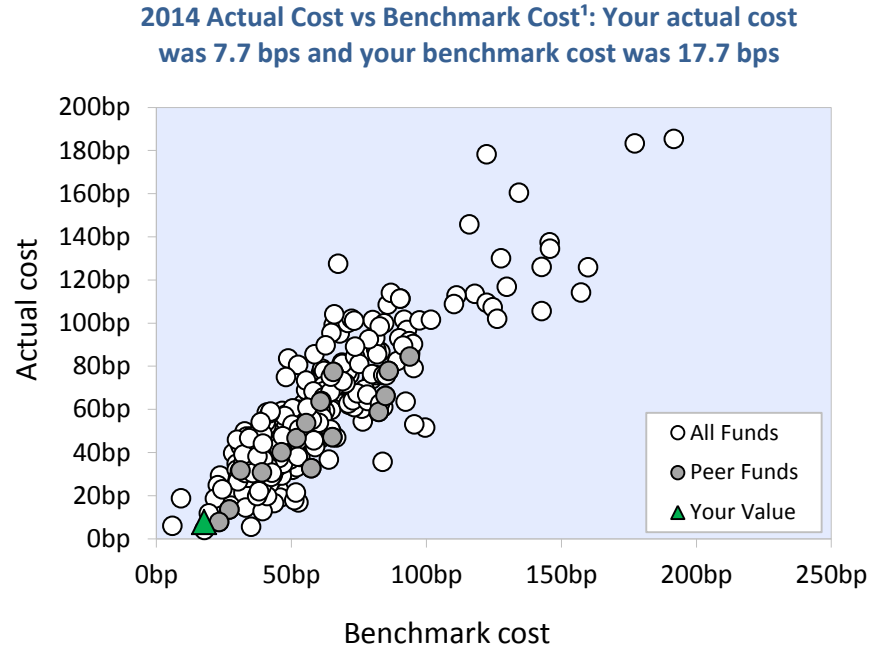
Being high or low cost is neither good nor bad. The more important question is, are you receiving sufficient value for your excess cost? At the total fund level, we provide insight into this question by combining your value added and your excess cost to create a snapshot your cost effectiveness performance relative to that of the survey universe.

For the 2014 year, your fund ranked in the positive value added, low cost quadrant.



¹ Benchmark cost and excess cost calculations are based on regression analysis (see Appendix B in this section) for all funds except your fund. Your fund's benchmark cost is based on peer-median costs (per page 7 of this section).

Actual cost versus benchmark cost



1 Benchmark cost calculations are based on regression analysis (see Appendix B in this section) for all funds except your fund. Your fund's benchmark cost is based on peer-median costs (per page 7 of this section).

Appendix A: Benchmarking methodology formulas and data

a) Formulas

Example calculations are for Stock unless otherwise indicated.

Asset class peer cost

$$\begin{aligned} &= \text{Weighted average by peer average style of peer median costs for asset class} \\ &= [(0.19 \times 0.8\text{bp}) + (0.52 \times 8.9\text{bp}) + (0.04 \times 6.3\text{bp}) + (0.25 \times 47.7\text{bp})] / (0.19 + 0.52 + 0.04 + 0.25) = 17.0\text{bp} \end{aligned}$$

Peer average low cost (by asset class)

$$\begin{aligned} &= \text{Weighted average by peer average style of peer median costs for internal passive, internal active and external passive management for asset class} \\ &= [(0.19 \times 0.8\text{bp}) + (0.52 \times 8.9\text{bp}) + (0.04 \times 6.3\text{bp})] / (0.19 + 0.52 + 0.04) = 6.7\text{bp} \end{aligned}$$

External active cost premium (by asset class)

$$\begin{aligned} &= \text{Peer median external active cost} - \text{peer average low cost} \\ &= 47.7\text{bp} - 6.7\text{bp} = 41.1\text{bp} \end{aligned}$$

Fund of funds premium (by asset class)

$$\begin{aligned} &= \text{Peer median fund-of-funds cost} - \text{peer median external active cost} \\ &= (\text{For private equity}) 218.5\text{bp} - 167.3\text{bp} = 51.2\text{bp} \end{aligned}$$

Impact from other differences in implementation style (by Asset Class)=

$$\begin{aligned} &= [(\text{Your int. pass. \%} - \text{average peer int. pass. \%}) \times (\text{peer median int. pass. cost} - \text{peer average low cost}) \\ &\quad + (\text{your int. act. \%} - \text{peer average int. act. \%}) \times (\text{peer median int. act. cost} - \text{peer average low cost}) \\ &\quad + (\text{your ext. pass. \%} - \text{average peer ext. pass. \%}) \times (\text{median peer ext. pass. cost} - \text{peer average low cost})] \\ &\quad \times \text{your average holdings} \end{aligned}$$

b) Insufficient peer data

All peer data is adjusted to ensure comparisons are made only when sufficient data is available. When too few peers have the asset class or style in question, peer costs are replaced with your fund's cost, neutralizing the effect of your cost. Major implementation styles (external active, fund of funds and combined "low cost") that you do not hold are ignored if they have insufficient data to draw major style impact conclusions. Throughout this section, 'peer median' and 'average peer style' always refer to these adjusted values. The following page shows the adjusted data used in this section.

Appendix A: Benchmarking methodology formulas and data (page 2 of 2)

c) 2014 cost data used to calculate weighted peer median costs and impact of mix differences.

Asset Class	Your costs (basis points)						Peer median costs (basis points)						Weighted Median
	Internal Passive	Internal Active	External Passive	External Active	Limited Partner.	Fund of Funds	Internal Passive	Internal Active	External Passive	External Active	Limited Partner.	Fund of Funds	
Stock - Other													FALSE
Stock		5.8					0.8	8.9	6.3	47.7			17.0
Fixed Income		7.1					1.8	4.8	4.8	38.5			9.6

d) 2014 Style weights used to calculate the weighted peer median costs and impact of mix differences.

Style Weights	You (%)						Peer average (%)					
	Internal Passive	Internal Active	External Passive	External Active	Limited Partner.	Fund of Funds	Internal Passive	Internal Active	External Passive	External Active	Limited Partner.	Fund of Funds
Stock	0.0%	100.0%	0.0%	0.0%			18.9%	52.1%	3.8%	25.2%		
Fixed Income	0.0%	100.0%	0.0%	0.0%			1.9%	82.2%	1.5%	14.5%		

The above data was adjusted as noted when there were insufficient peers, or for other reasons where direct comparisons were inappropriate.

Appendix B: Regression based benchmarks

Regression Benchmark Cost Equations

	2014		2013		2012		2011		2010	
	Coeff.	"t"	Coeff.	"t"	Coeff.	"t"	Coeff.	"t"	Coeff.	"t"
Constant	84.4	19.2	76.8	18.2	73.2	18.9	72.5	18.8	65.1	14.4
Size in millions (Log 10)	-15.7	-14.6	-14.2	-13.3	-13.7	-13.8	-13.3	-13.8	-13.1	-11.6
<u>Percentage of assets in:</u>										
Stocks	14.3	3.3	19.6	4.5	19.0	4.6	14.8	3.6	n/a	
Domestic stocks	n/a		n/a		n/a		n/a		27.0	4.7
Foreign stocks	n/a		n/a		n/a		n/a		25.8	3.1
Real estate	56.7	3.7	56.9	3.8	55.1	4.2	50.8	3.9	46.5	3.1
Private equity & hedge funds	205.2	27.4	203.3	26.9	208.1	30.5	210.4	31.5	225.8	29.0
Country variable (1 if Cdn)	-6.9	-4.0	-8.1	-4.7	-6.4	-4.1	-4.9	-3.3	-5.2	-2.6
	All		All		All		All		All	
Standard error	14.5		14.6		13.1		13.2		15.5	
R-squared	67%		65%		71%		70%		67%	
F statistic	185.9		175.1		219.0		231.8		154.1	
Sample size	449		466		454		487		457	

In order to compare your fund's cost effectiveness to the survey universe, a benchmark cost for all participants is required.

The benchmark operating cost for all other funds is determined using regression analysis. The regression equation coefficients and "t statistics" are shown in the table above. An absolute "t" of greater than 2 indicates that the coefficient is statistically significant in predicting the dependent variable, in this case, the benchmark cost.

The benchmark equations have been remarkably robust. Although the coefficients change every year, primarily because of changes in the composition of the survey universe, they remain similar in relative magnitude and direction.

Most importantly, the R-squareds have been high. In 2014, the R-squared was 67% which means that fund size, asset mix and nationality explain more than 67% of the differences in costs between funds. This is good explanatory power.

Below is a description of the coefficients:

- Size = Log10 (fund size in millions)
- % Stocks = proportion in stocks (coefficient changed in 2011)
- % Domestic stocks = proportion in domestic stocks
- % Foreign stocks = proportion in foreign stocks.
- % Real estate = proportion directly invested in real estate and infrastructure.
- % Private equity = proportion in direct and fund-of-funds venture capital, other private equity and hedge funds.
- Country variable = 1 if your country of origin is Canada, otherwise 0.

6

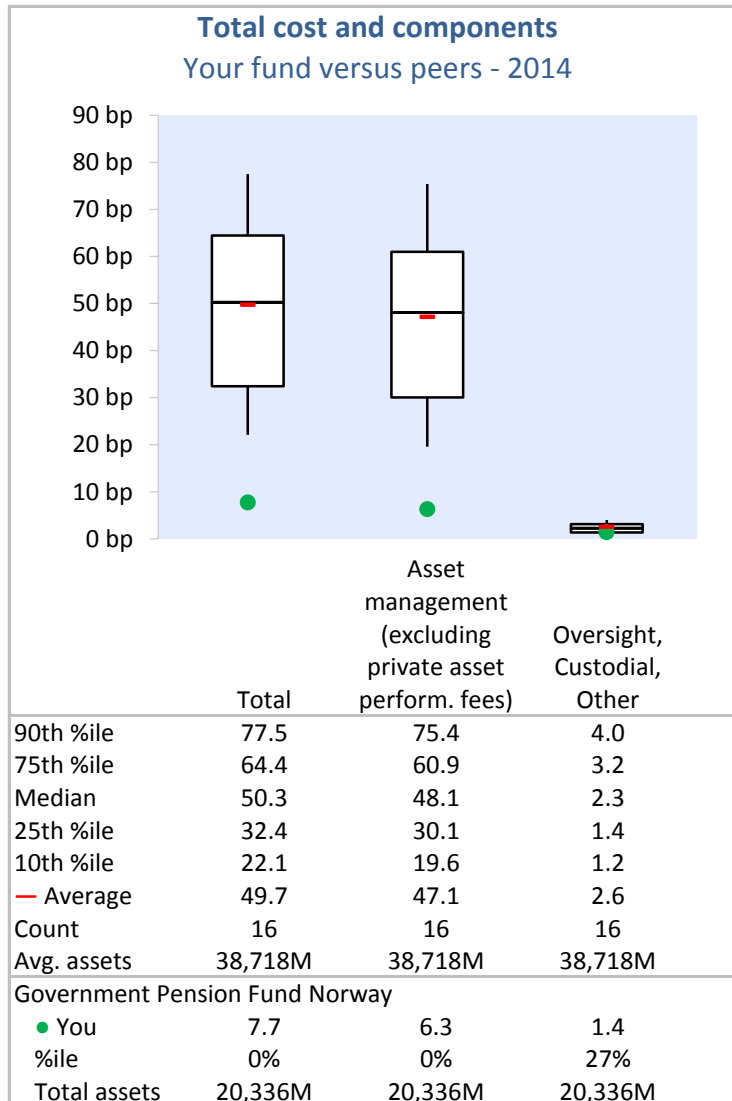
Cost comparisons

Total fund cost	2
Governance, operations & support	3
Public asset classes	
- Stock	4
- Fixed Income	10
- Commodities	19
- REITs	20
Real asset classes	
- Real estate ex-REITs	21
- Infrastructure	22
- Natural resources	23
- Other real assets	24
Private equity	
- Diversified private equity	25
- LBO	26
- Venture capital	27
- Other private equity	28
Global TAA	29
Hedge Funds	30
Overlays	31

Total fund cost

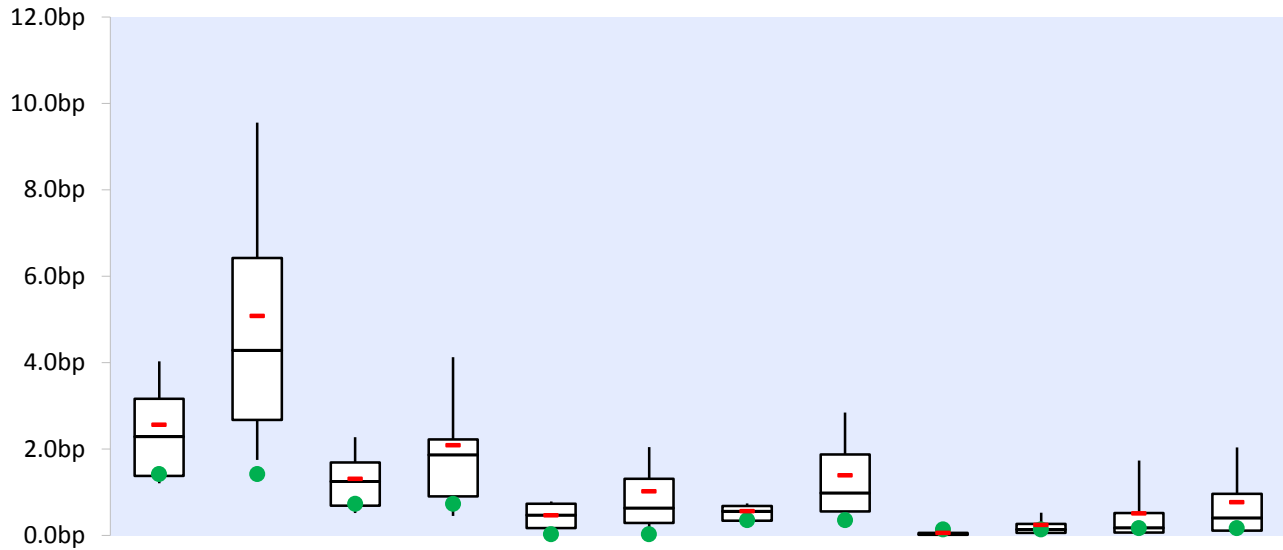
Total costs are benchmarked in the previous section. In this section, your fund's costs are compared on a line-item basis to your peers. This enables you to understand better why you may be a high or low cost fund and it also identifies and quantifies major cost differences that may warrant further investigation.

The 25th to 75th percentile range is the most relevant since higher and lower values may include outliers caused by unusual circumstances, such as performance-based fees. Count refers to the number of funds in your peer group that have costs in this category. It enables you to gauge the statistical significance.



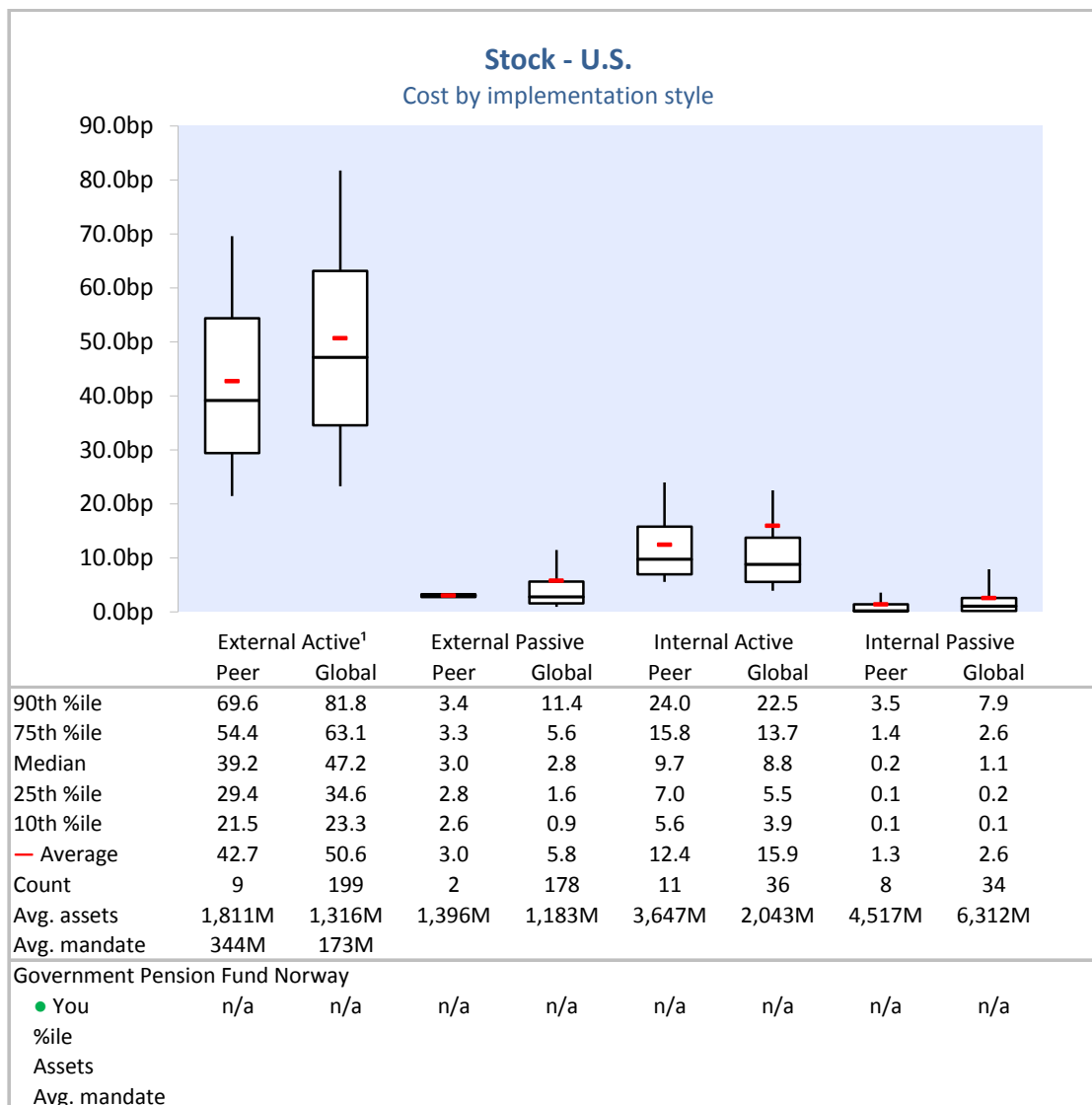
Governance, operations & support

Cost as a % of total plan assets



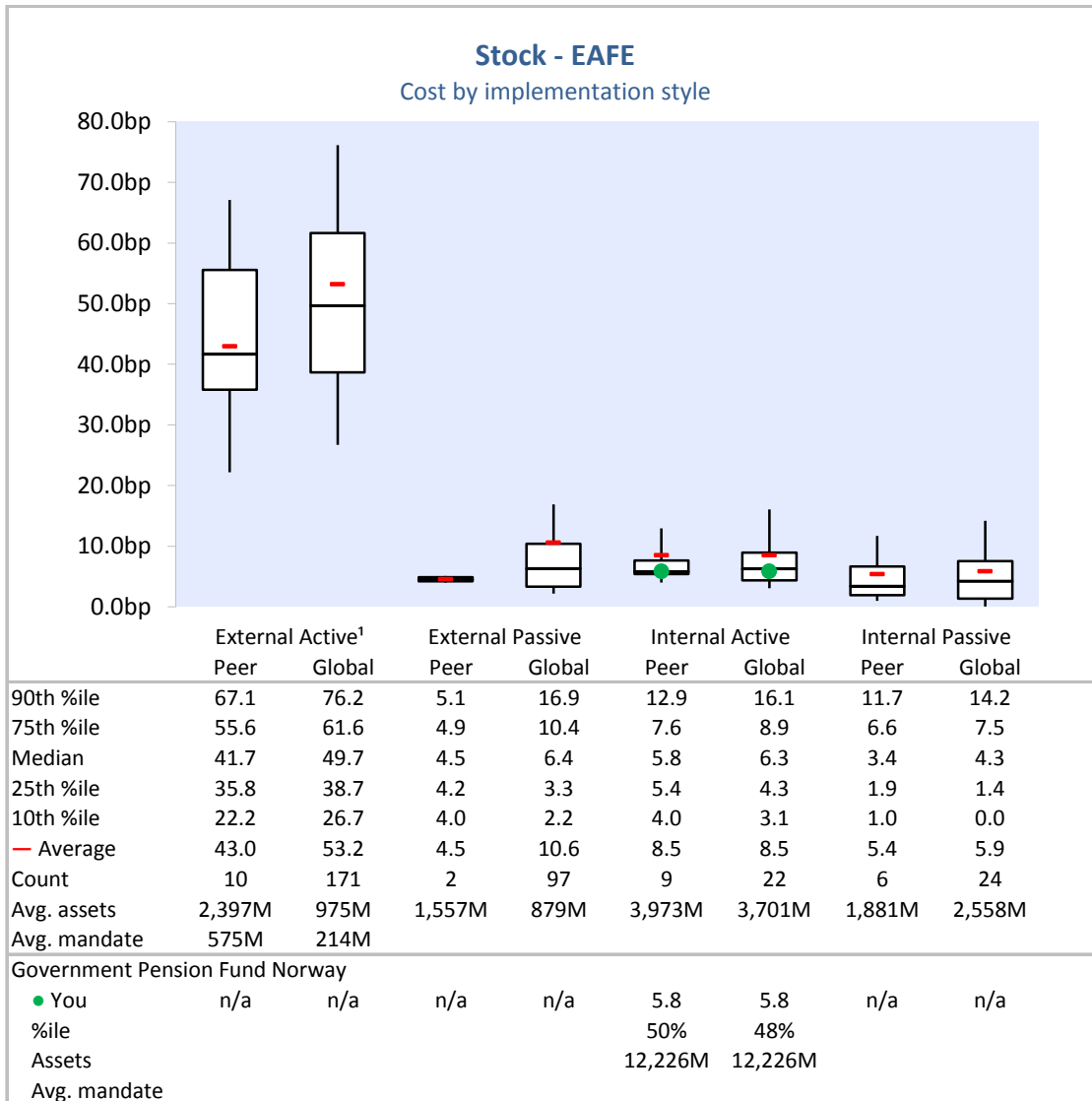
	<u>Total</u>		<u>Oversight¹</u>		<u>Consulting & Perf. Meas.</u>		<u>Custody</u>		<u>Audit</u>		<u>Other</u>	
	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global
90th %ile	4.0	9.6	2.3	4.1	0.8	2.0	0.7	2.8	0.1	0.5	1.7	2.0
75th %ile	3.2	6.4	1.7	2.2	0.7	1.3	0.7	1.9	0.1	0.3	0.5	1.0
Median	2.3	4.3	1.2	1.9	0.5	0.6	0.6	1.0	0.0	0.1	0.2	0.4
25th %ile	1.4	2.7	0.7	0.9	0.2	0.3	0.3	0.6	0.0	0.1	0.1	0.1
10th %ile	1.2	1.7	0.5	0.5	0.1	0.1	0.2	0.3	0.0	0.0	0.0	0.0
— Average	2.6	5.1	1.3	2.1	0.5	1.0	0.6	1.4	0.1	0.2	0.5	0.8
Count	16	328	16	328	9	277	16	321	13	290	12	236
Avg. assets	38,718M	18,367M	38,718M	18,367M	38,718M	18,367M	38,718M	18,367M	38,718M	18,367M	38,718M	18,367M
Government Pension Fund Norway												
● You	1.4	1.4	0.7	0.7	0.0	0.0	0.4	0.4	0.1	0.1	0.2	0.2
%ile	27%	9%	27%	19%	0%	3%	27%	13%	92%	50%	45%	31%
Plan assets	20,336M	20,336M	20,336M	20,336M	20,336M	20,336M	20,336M	20,336M	20,336M	20,336M	20,336M	20,336M

1. Oversight costs include the salaries and benefits of executives and their staff responsible for overseeing the entire fund or multiple asset classes and the fees/salaries of the Board or Investment Committee. All costs associated with the above including fees/salaries, travel, director's insurance and attributed overhead are included. Given fiduciary obligations, having the lowest oversight costs is not necessarily optimal. Some sponsors with lower-than-average executive and administration costs compensate by having-higher-than average consulting costs.



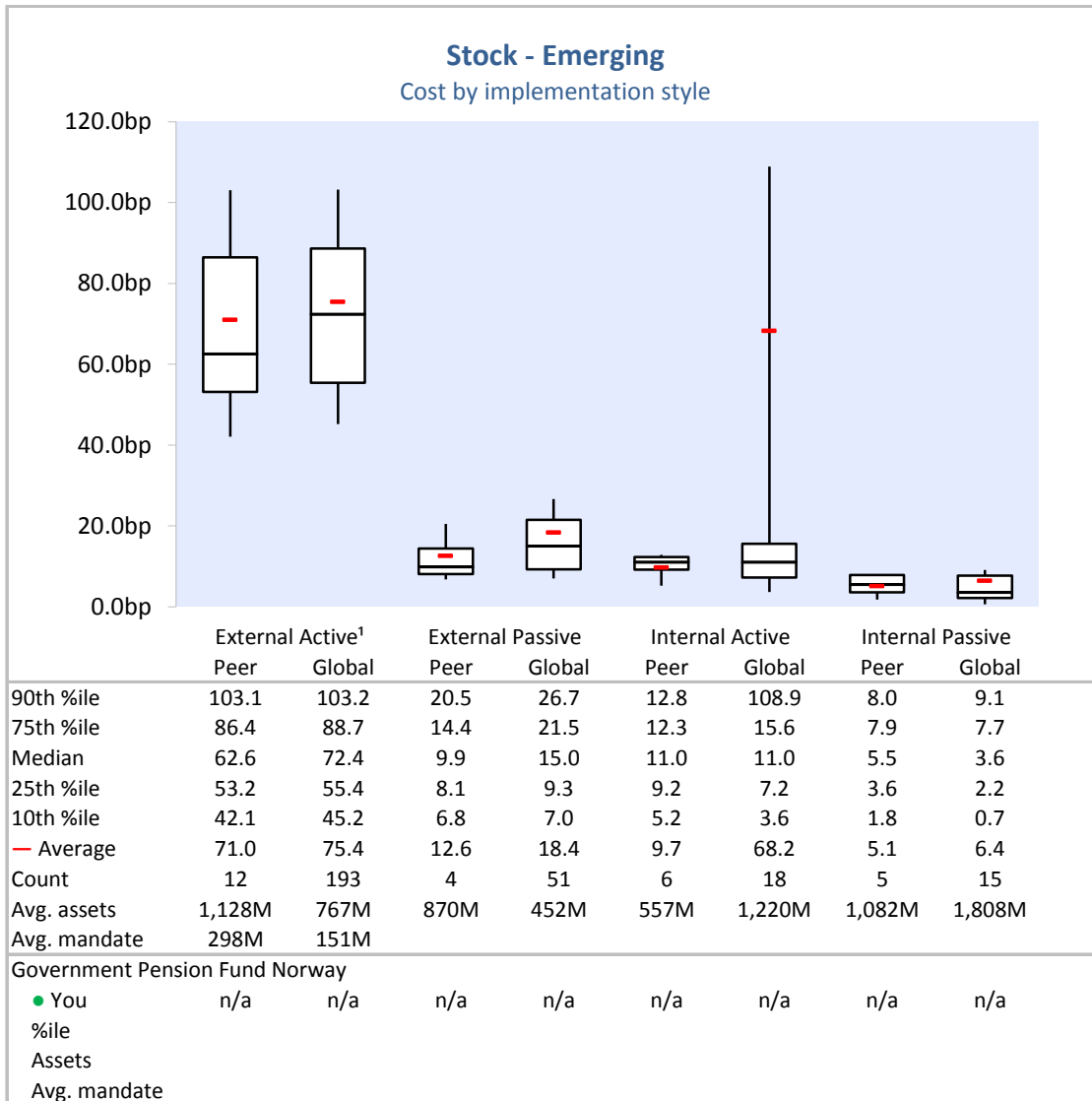
1. Breakdown of external active fees

	You	Peer Average	Global Average
Base fees	n/a	41.2	46.1
Performance fees	n/a	0.4	4.2
Internal and other	<u>n/a</u>	<u>1.1</u>	<u>0.4</u>
Total	n/a	42.7	50.6



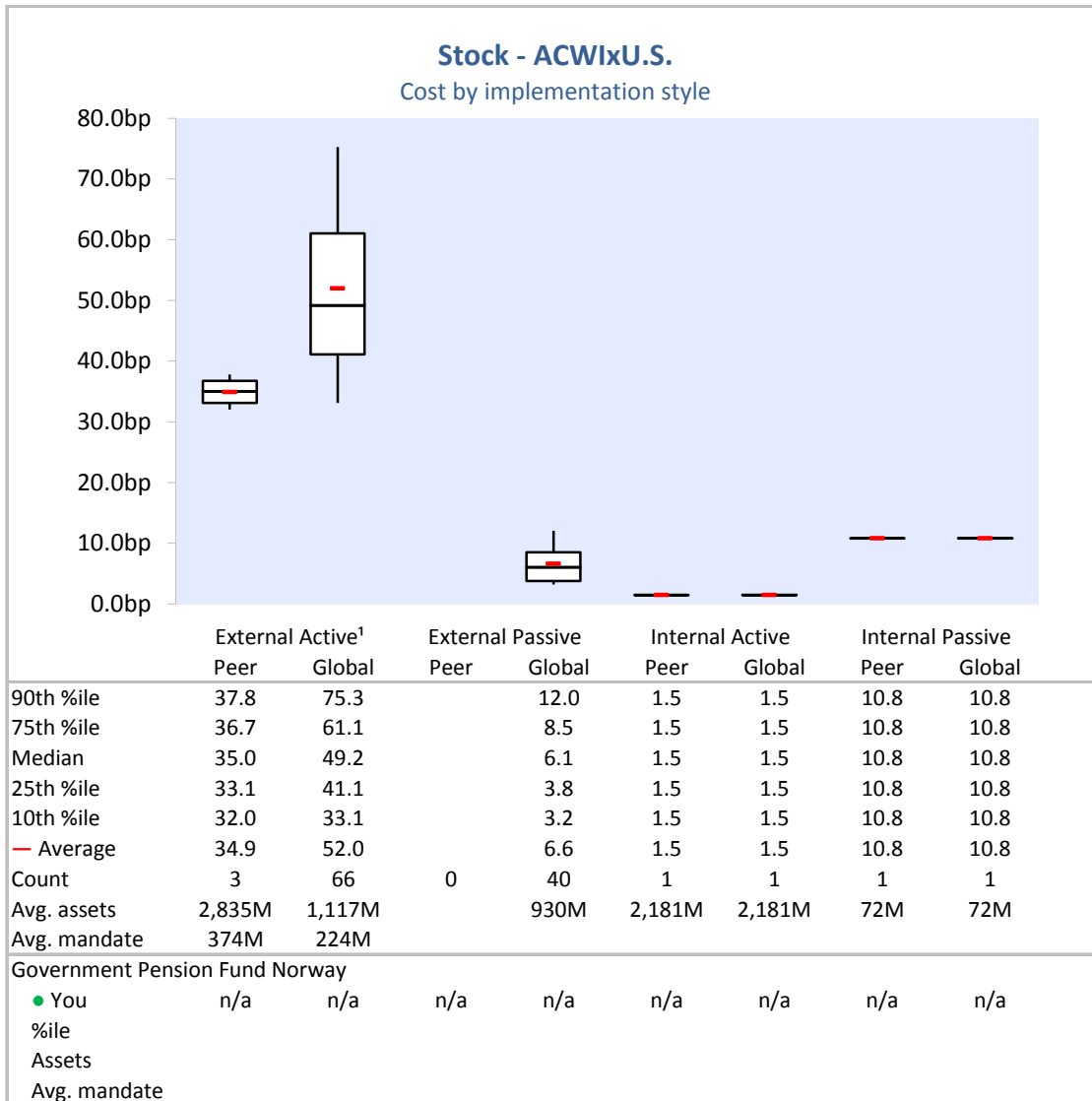
1. Breakdown of external active fees

	You	Peer Average	Global Average
Base fees	n/a	44.8	48.4
Performance fees	n/a	-2.6	4.3
Internal and other	<u>n/a</u>	<u>0.7</u>	<u>0.5</u>
Total	n/a	43.0	53.2



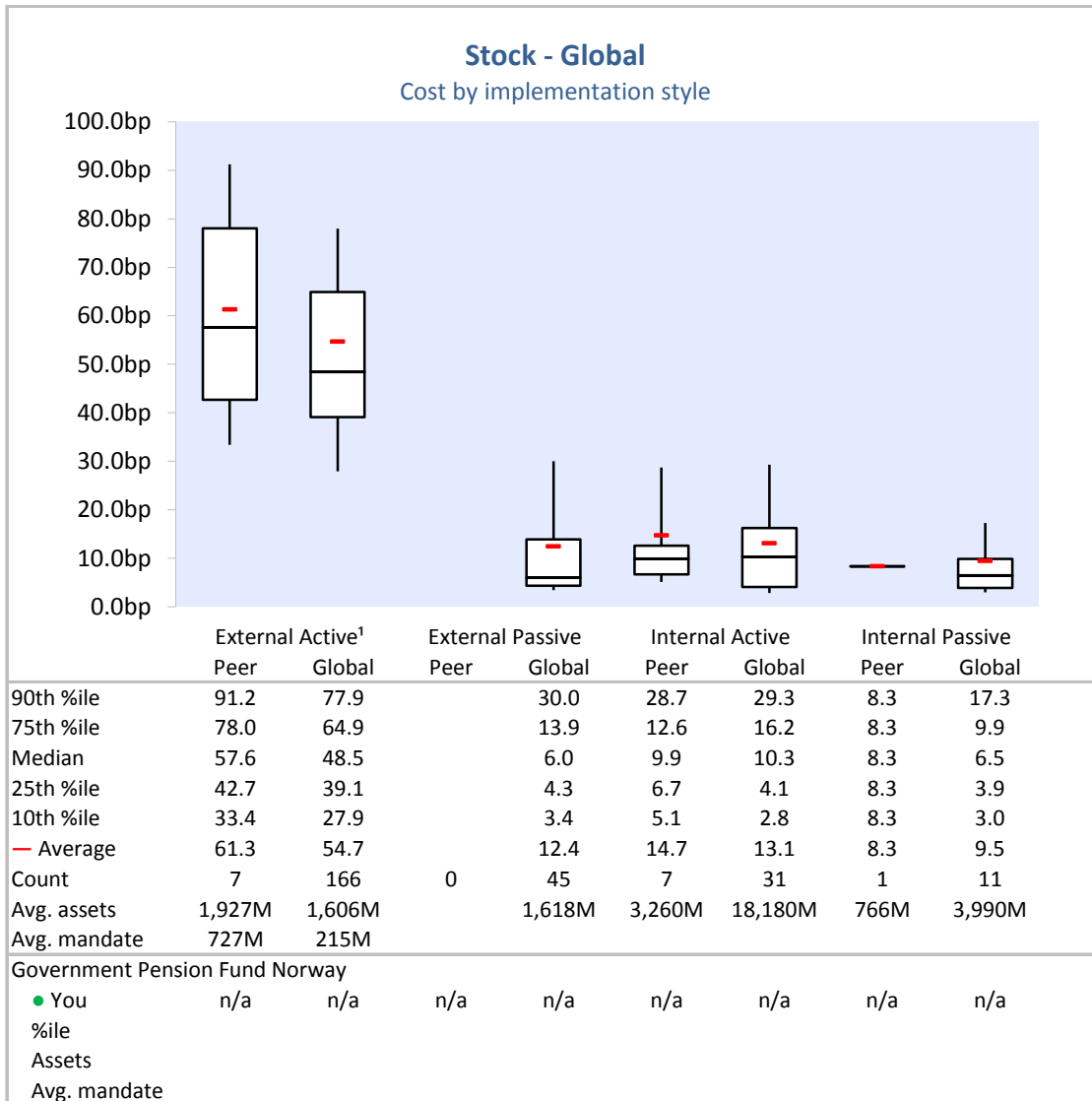
1. Breakdown of external active fees

	You	Peer Average	Global Average
Base fees	n/a	66.0	69.4
Performance fees	n/a	1.7	3.9
Internal and other	<u>n/a</u>	<u>3.3</u>	<u>2.1</u>
Total	n/a	71.0	75.4



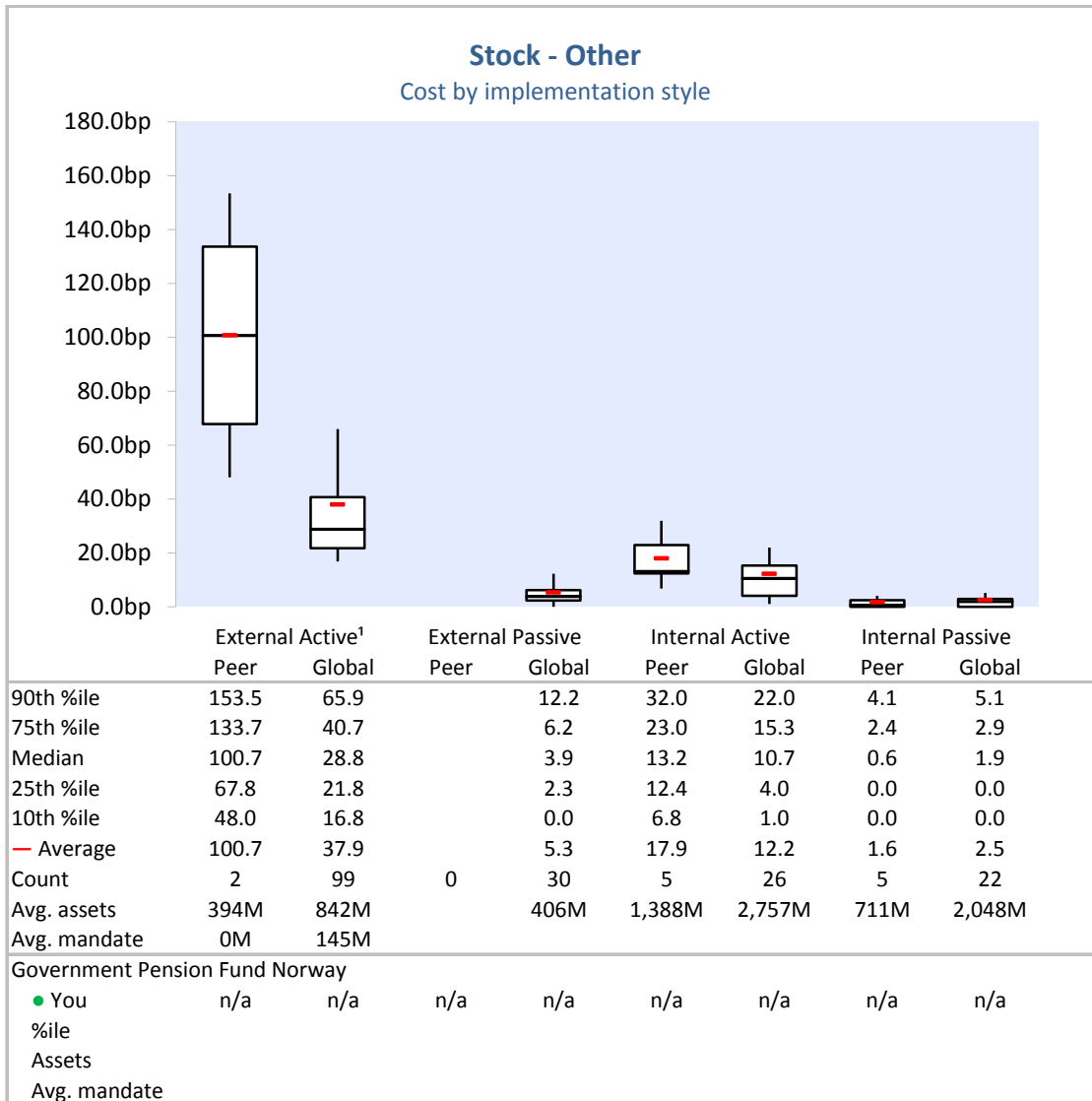
1. Breakdown of external active fees

	You	Peer Average	Global Average
Base fees	n/a	34.6	49.8
Performance fees	n/a	0.0	1.9
Internal and other	<u>n/a</u>	<u>0.3</u>	<u>0.3</u>
Total	n/a	34.9	52.0



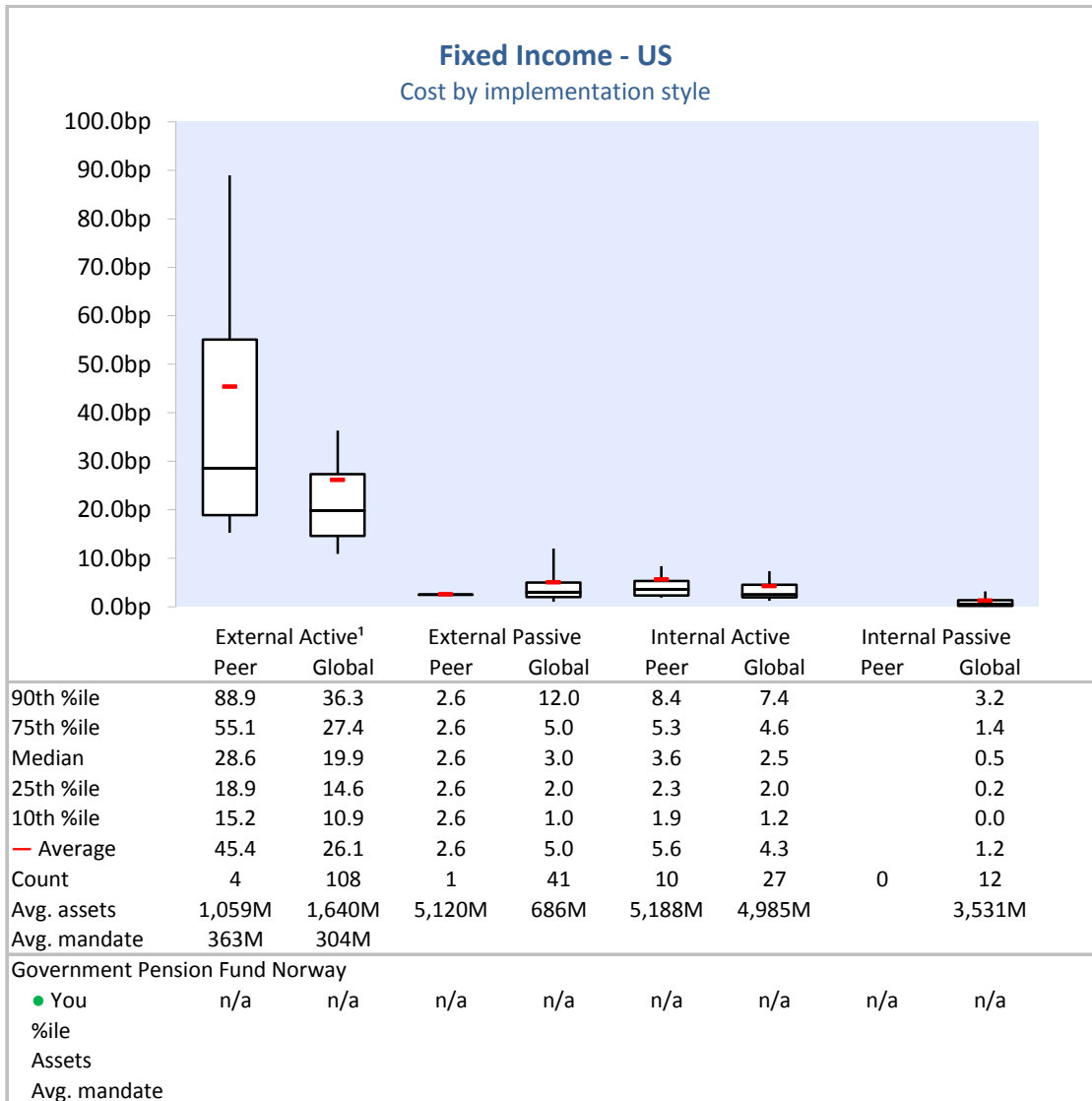
1. Breakdown of external active fees

	You	Peer Average	Global Average
Base fees	n/a	49.8	48.0
Performance fees	n/a	6.8	5.6
Internal and other	<u>n/a</u>	<u>4.7</u>	<u>1.1</u>
Total	n/a	61.3	54.7



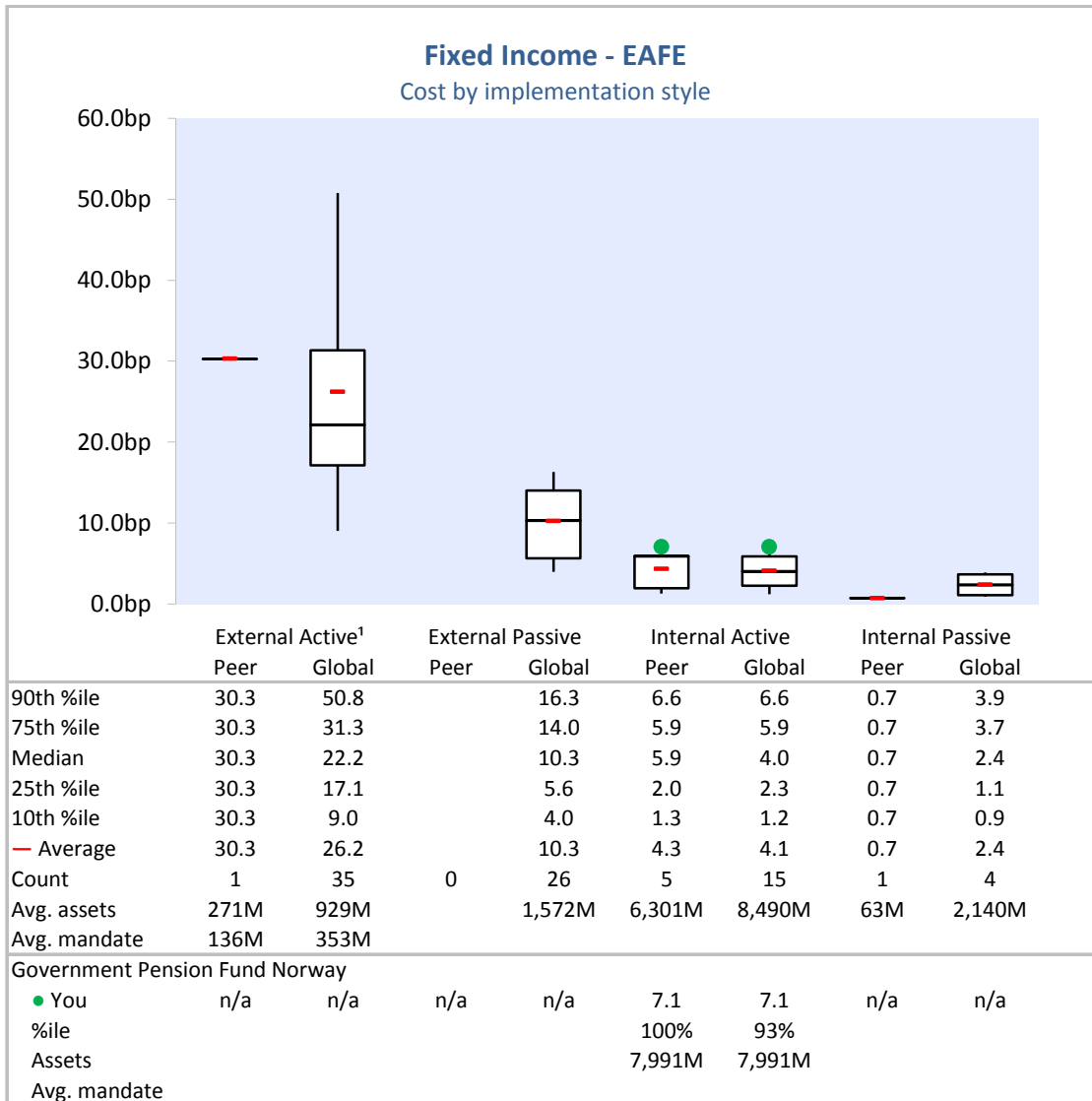
1. Breakdown of external active fees

	You	Peer Average	Global Average
Base fees	n/a	95.3	32.8
Performance fees	n/a	0.0	4.3
Internal and other	<u>n/a</u>	<u>5.5</u>	<u>0.9</u>
Total	n/a	100.7	37.9



1. Breakdown of external active fees

	You	Peer Average	Global Average
Base fees	n/a		
Performance fees	n/a		
Internal and other	<u>n/a</u>	<u>1.7</u>	<u>0.6</u>
Total	n/a	45.4	26.1

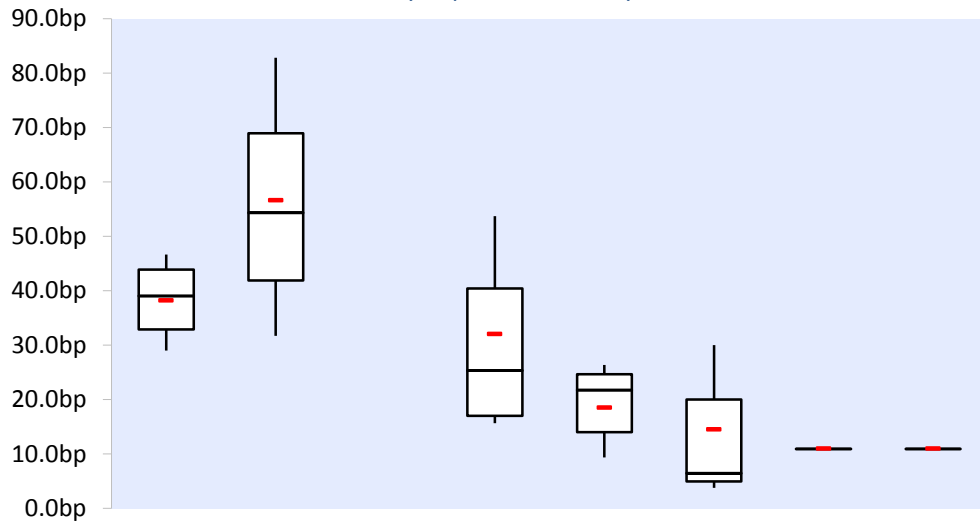


1. Breakdown of external active fees

	You	Peer Average	Global Average
Base fees	n/a	24.6	20.7
Performance fees	n/a	0.0	0.9
Internal and other	<u>n/a</u>	<u>5.7</u>	<u>4.6</u>
Total	n/a	30.3	26.2

Fixed Income - Emerging

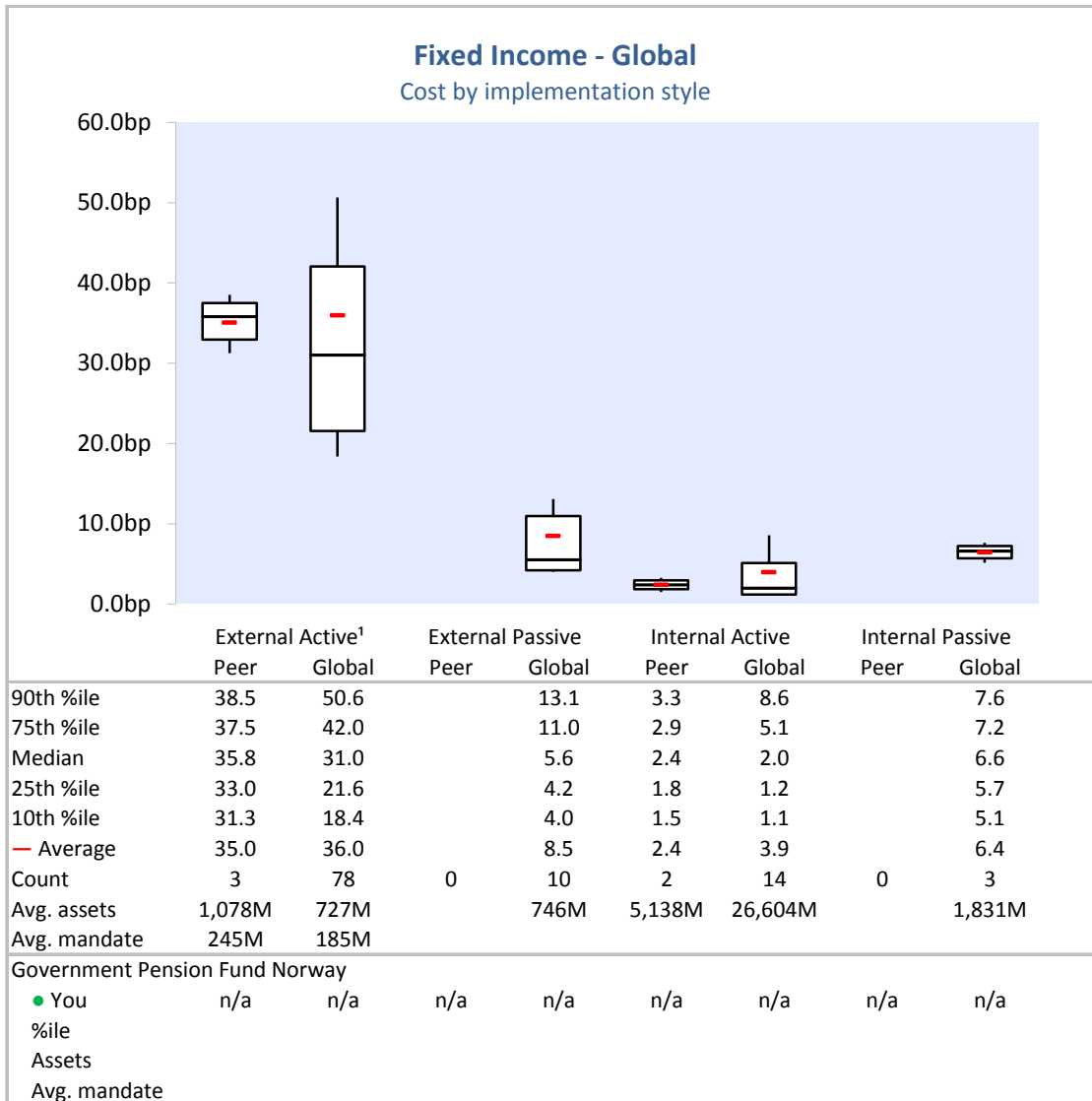
Cost by implementation style



	External Active ¹		External Passive		Internal Active		Internal Passive	
	Peer	Global	Peer	Global	Peer	Global	Peer	Global
90th %ile	46.6	82.8		53.7	26.4	30.0	11.0	11.0
75th %ile	43.9	68.9		40.4	24.6	20.0	11.0	11.0
Median	39.1	54.3		25.4	21.7	6.5	11.0	11.0
25th %ile	32.9	41.9		17.0	14.0	5.0	11.0	11.0
10th %ile	29.0	31.7		15.6	9.4	3.8	11.0	11.0
— Average	38.2	56.6		32.0	18.5	14.5	11.0	11.0
Count	6	95	0	4	3	10	1	1
Avg. assets	1,852M	533M		165M	1,223M	1,001M	162M	162M
Avg. mandate	394M	159M						
Government Pension Fund Norway								
● You	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
%ile								
Assets								
Avg. mandate								

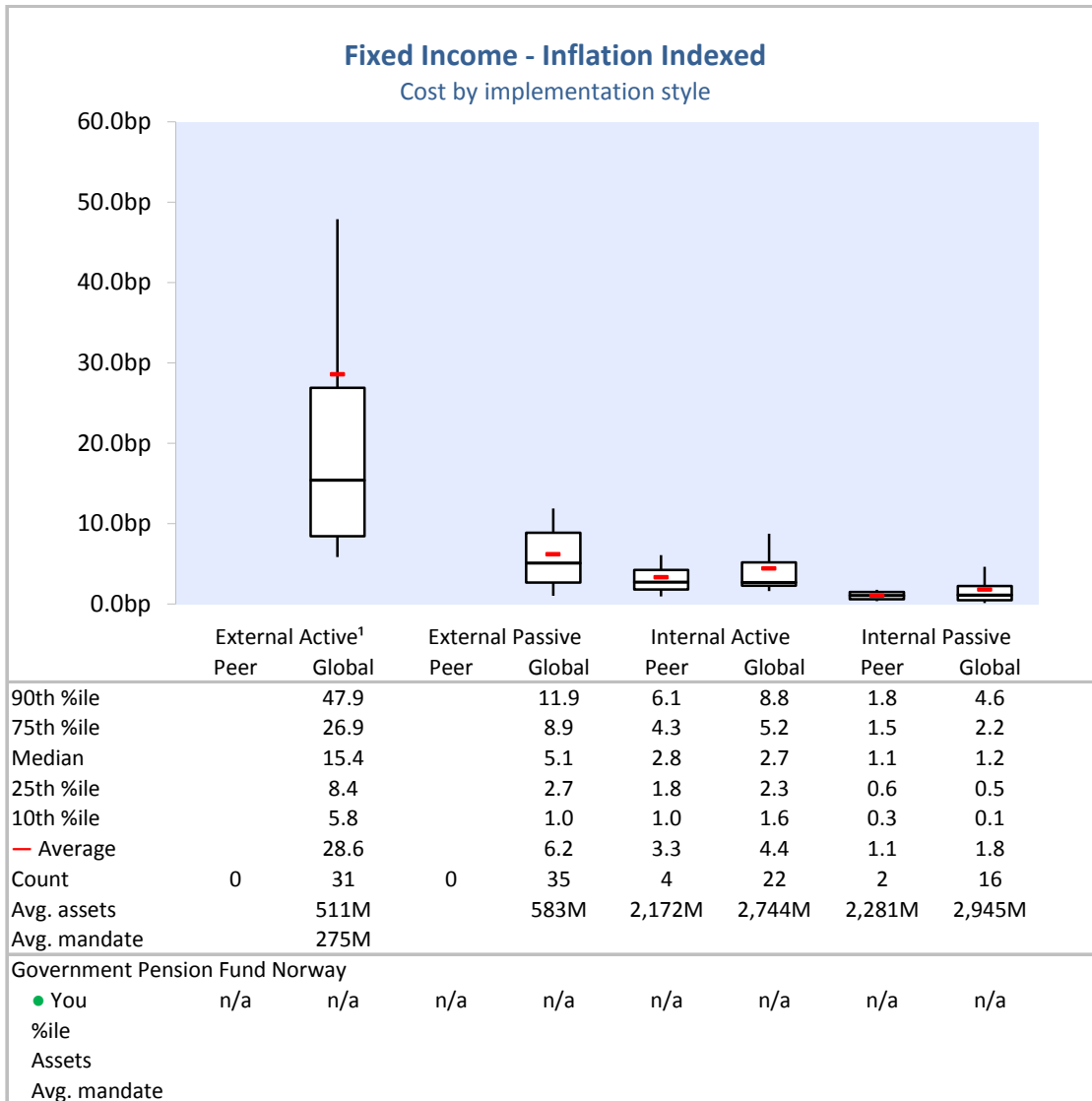
1. Breakdown of external active fees

	You	Peer Average	Global Average
Base fees	n/a	37.4	53.5
Performance fees	n/a	0.0	1.4
Internal and other	<u>n/a</u>	<u>0.8</u>	<u>1.7</u>
Total	n/a	38.2	56.6



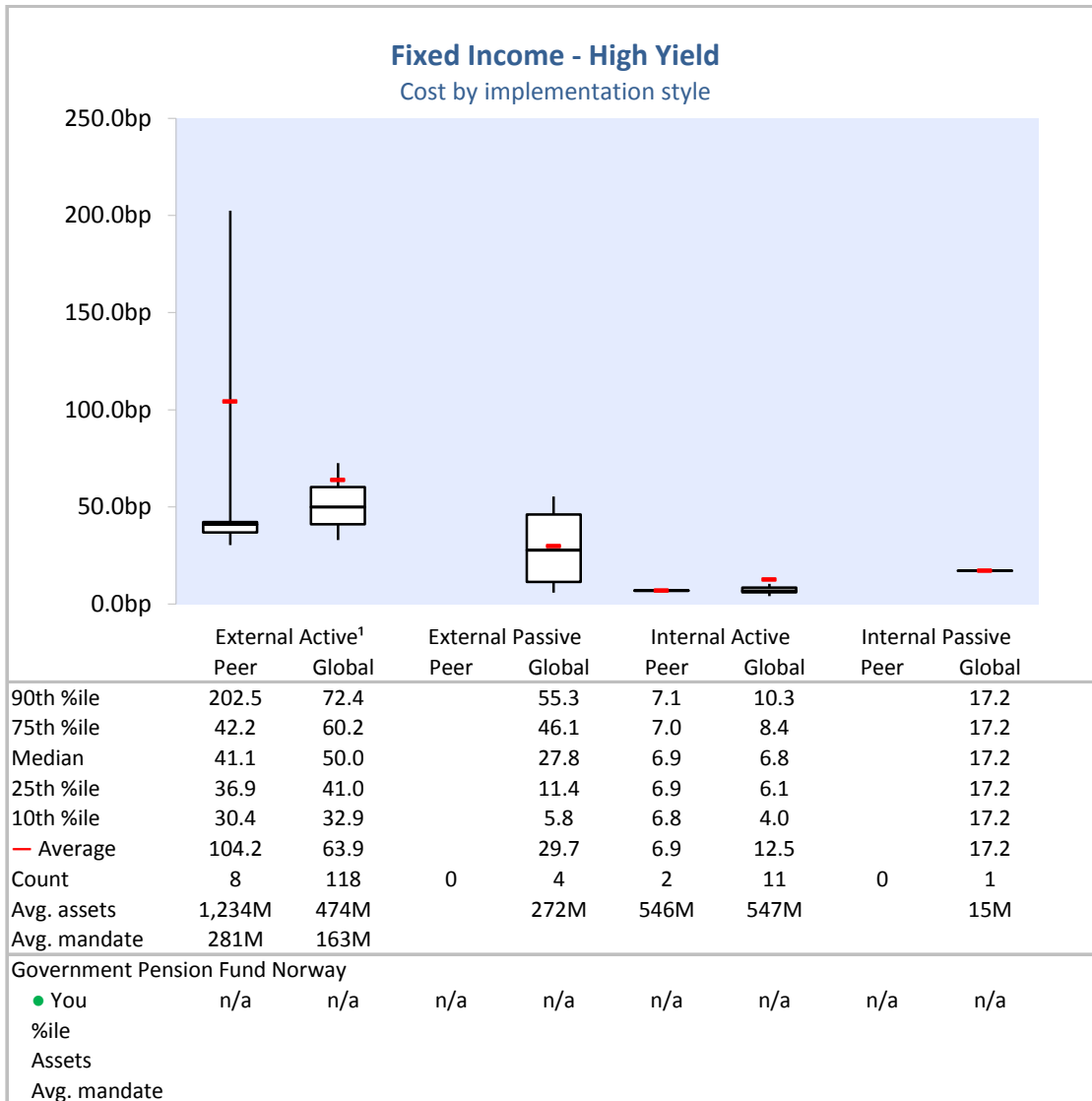
1. Breakdown of external active fees

	You	Peer Average	Global Average
Base fees	n/a	34.0	32.4
Performance fees	n/a	0.0	2.7
Internal and other	<u>n/a</u>	<u>1.1</u>	<u>0.9</u>
Total	n/a	35.0	36.0



1. Breakdown of external active fees

	You	Peer Average	Global Average
Base fees	n/a	n/a	23.7
Performance fees	n/a	n/a	2.8
Internal and other	<u>n/a</u>	<u>n/a</u>	<u>2.1</u>
Total	n/a	n/a	28.6

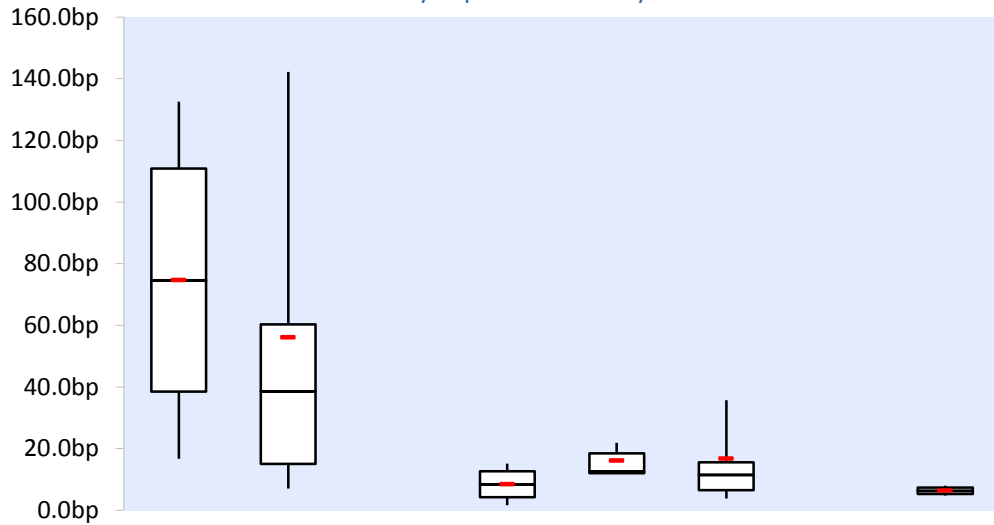


1. Breakdown of external active fees

	You	Peer Average	Global Average
Base fees	n/a	103.0	55.0
Performance fees	n/a	0.0	6.4
Internal and other	<u>n/a</u>	<u>1.1</u>	<u>2.0</u>
Total	n/a	104.2	63.9

Fixed Income - Mortgages

Cost by implementation style

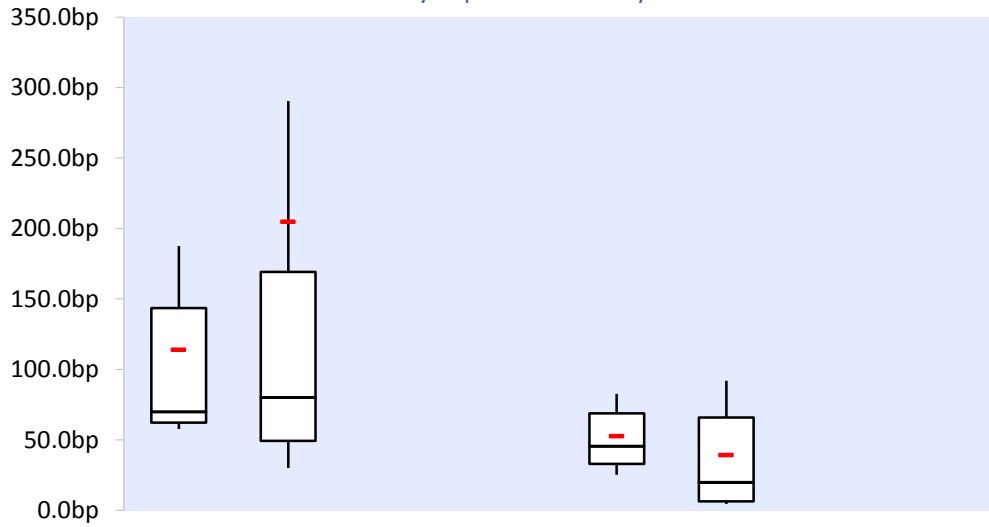


	External Active ¹		External Passive		Internal Active		Internal Passive	
	Peer	Global	Peer	Global	Peer	Global	Peer	Global
90th %ile	132.6	142.2		15.2	21.9	35.7		7.9
75th %ile	110.9	60.3		12.6	18.4	15.5		7.3
Median	74.7	38.6		8.4	12.6	11.5		6.3
25th %ile	38.5	15.0		4.2	12.1	6.5		5.3
10th %ile	16.7	7.1		1.7	11.8	3.8		4.7
— Average	74.7	56.2		8.4	16.2	16.7		6.3
Count	2	33	0	2	3	12	0	2
Avg. assets	71M	347M		39M	790M	1,785M		359M
Avg. mandate	0M	171M						
Government Pension Fund Norway								
● You	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
%ile								
Assets								
Avg. mandate								

1. Breakdown of external active fees

	You	Peer Average	Global Average
Base fees	n/a	60.9	42.9
Performance fees	n/a	0.0	6.2
Internal and other	<u>n/a</u>	<u>13.8</u>	<u>7.1</u>
Total	n/a	74.7	56.2

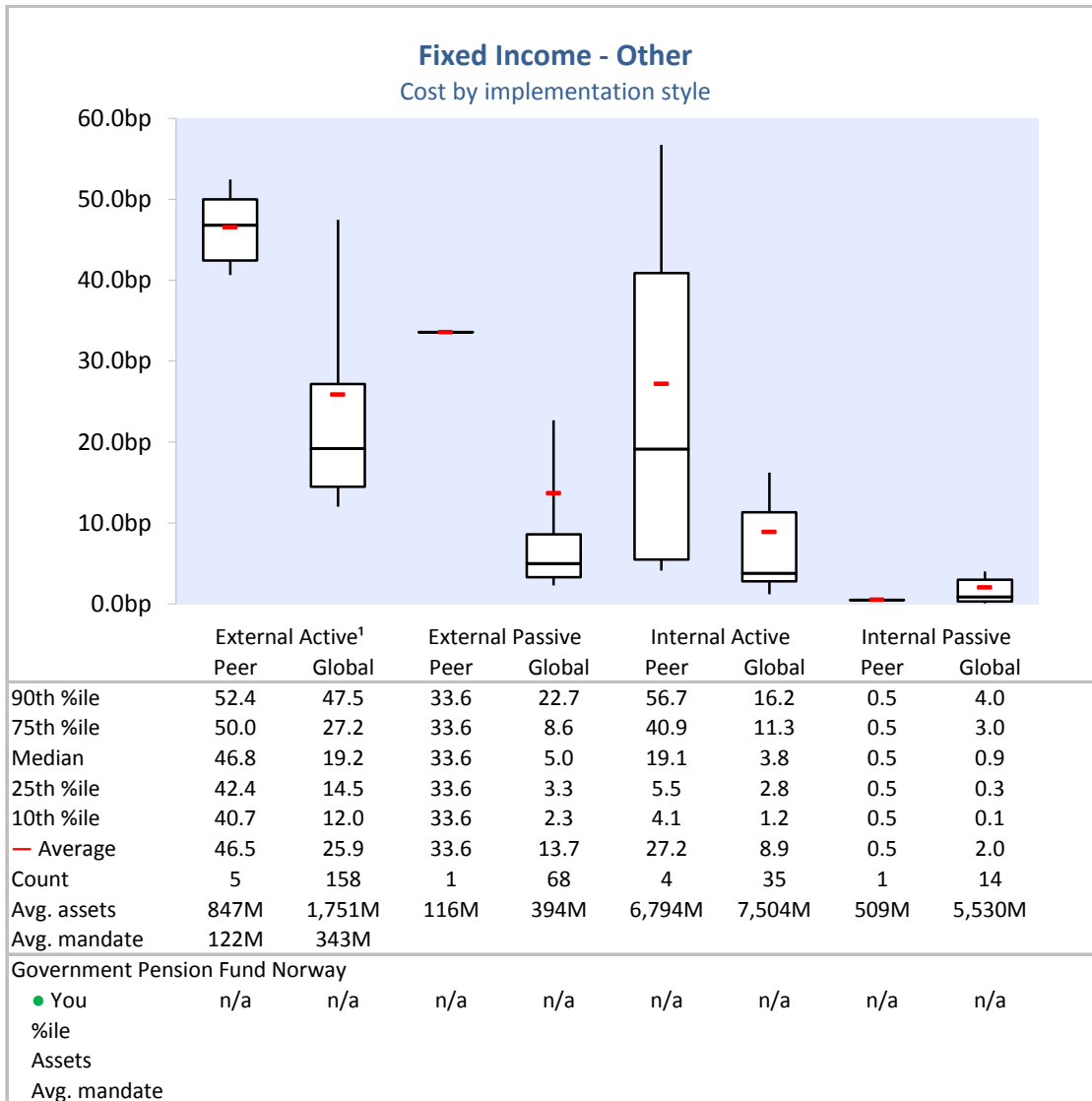
Fixed Income - Private Debt Cost by implementation style



	External Active ¹		External Passive		Internal Active		Internal Passive	
	Peer	Global	Peer	Global	Peer	Global	Peer	Global
90th %ile	187.5	290.5			82.6	91.9		
75th %ile	143.5	169.2			68.8	65.8		
Median	70.0	80.1			45.7	20.0		
25th %ile	62.3	49.4			32.9	6.4		
10th %ile	57.7	30.1			25.1	4.5		
— Average	113.8	204.6			52.5	39.2		
Count	3	47	0	0	3	11	0	0
Avg. assets	190M	281M			389M	692M		
Avg. mandate	0M	68M						
Government Pension Fund Norway								
● You	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
%ile								
Assets								
Avg. mandate								

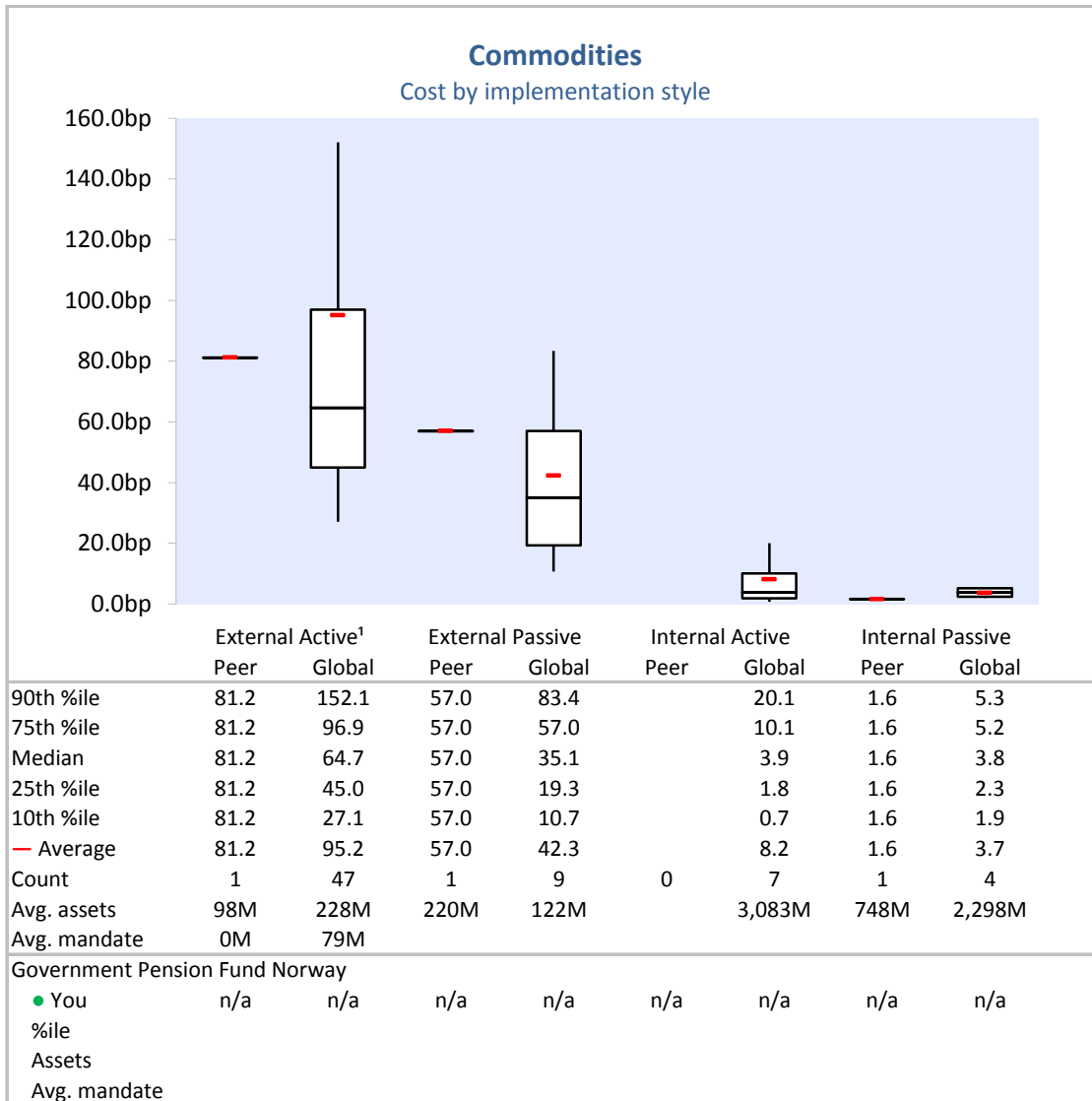
1. Breakdown of external active fees

	You	Peer Average	Global Average
Base fees	n/a	88.1	184.8
Performance fees	n/a	0.0	16.1
Internal and other	<u>n/a</u>	<u>25.8</u>	<u>3.7</u>
Total	n/a	113.8	204.6



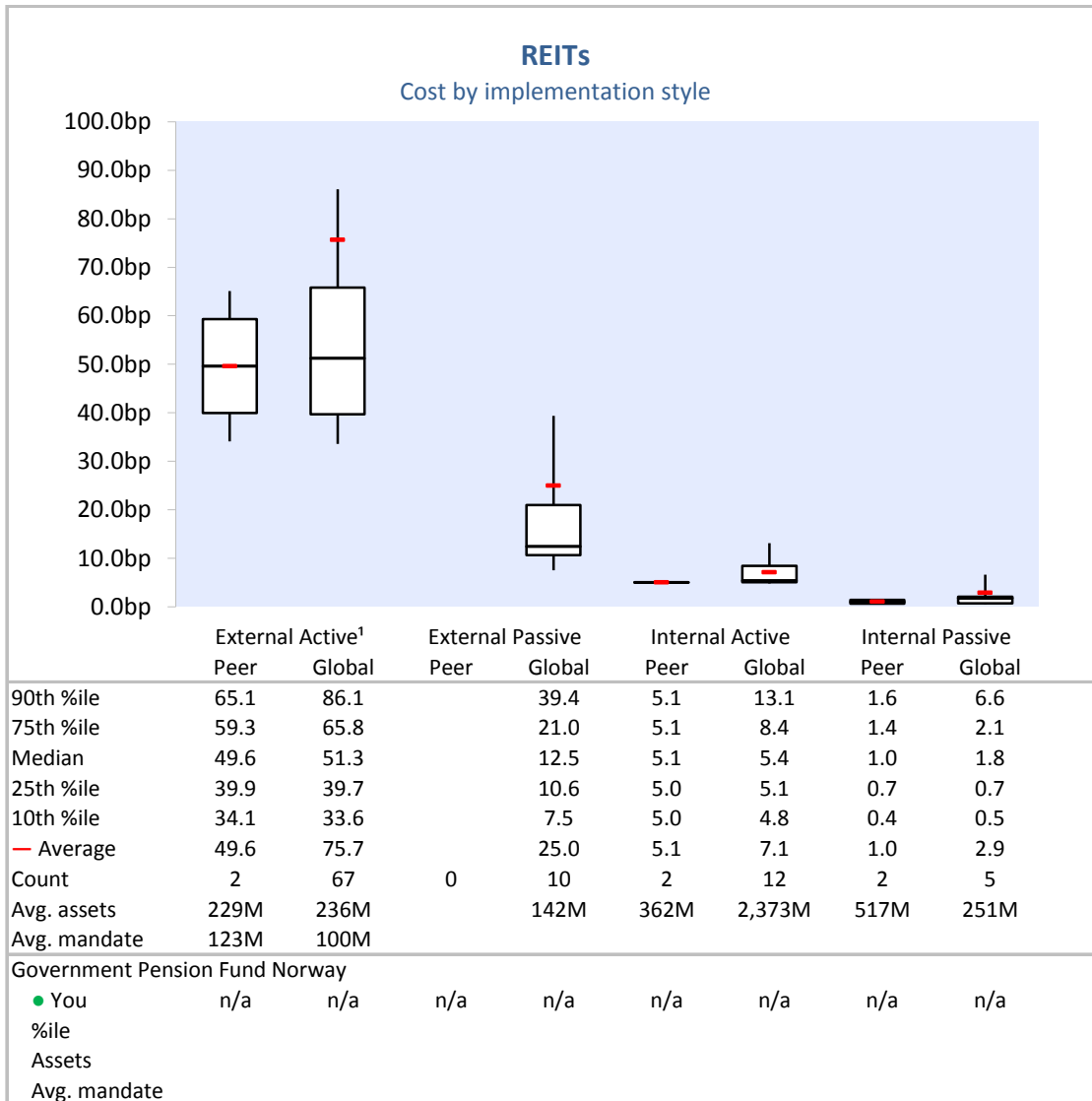
1. Breakdown of external active fees

	You	Peer Average	Global Average
Base fees	n/a	44.9	22.6
Performance fees	n/a	0.0	2.5
Internal and other	<u>n/a</u>	<u>1.6</u>	<u>0.8</u>
Total	n/a	46.5	25.9



1. Breakdown of external active fees

	You	Peer Average	Global Average
Base fees	n/a	81.2	88.7
Performance fees	n/a	0.0	3.3
Internal and other	<u>n/a</u>	<u>0.0</u>	<u>3.2</u>
Total	n/a	81.2	95.2

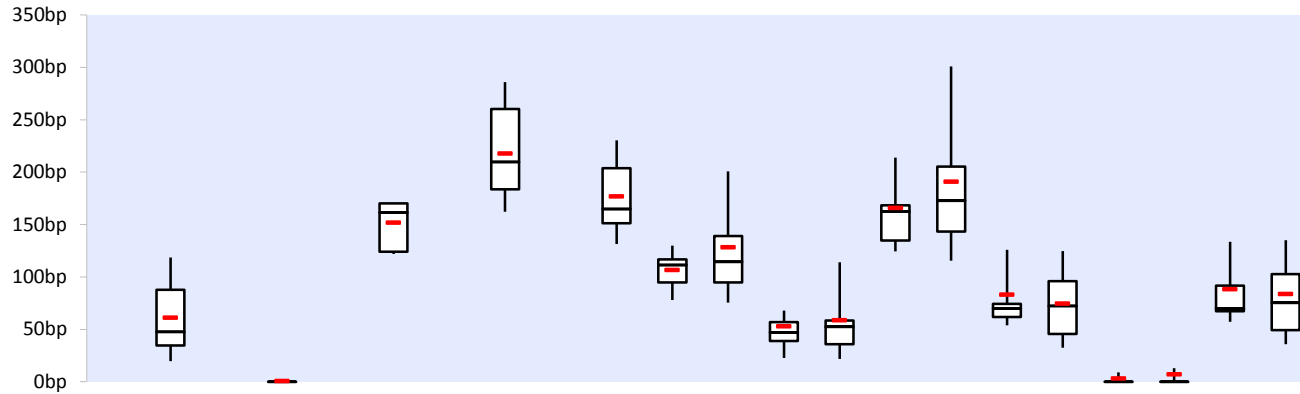


1. Breakdown of external active fees

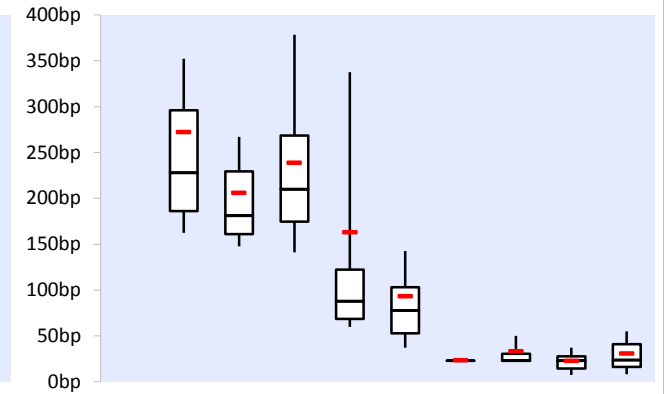
	You	Peer Average	Global Average
Base fees	n/a	49.4	74.0
Performance fees	n/a	0.0	0.5
Internal and other	<u>n/a</u>	<u>0.2</u>	<u>1.1</u>
Total	n/a	49.6	75.7

Real Estate ex-REITs

Cost as a % of the amount fees are based on¹



Cost as a % of NAV



	Fund of Funds									Direct LP						External (not LP)						
	Mgmt fees (Top layer)		Perf. fees (Top layer)		Underlying mgmt. & perf. ²		Total ³ incl. perf.		Total ³ excl. perf.		Mgmt fees		Perf. fees		Total ³ incl. perf.		Mgmt fees		Perf. fees		Total ³ incl. perf.	
	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global
	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global
90th %ile		118.7		0.0		170.1		286.0		230.5	130.0	200.6	68.0	114.1	213.7	301.0	126.0	124.8	8.9	12.9	133.6	135.0
75th %ile		87.6		0.0		170.1		260.4		203.8	116.7	139.1	56.9	58.5	168.4	205.3	74.2	96.1	0.0	0.0	91.7	102.6
Median		47.8		0.0		161.7		209.7		165.1	111.6	114.7	47.0	52.7	162.5	173.0	70.0	72.4	0.0	0.0	70.0	75.6
25th %ile		34.6		0.0		124.1		183.6		151.4	94.7	94.6	38.9	35.8	134.7	143.4	61.9	45.5	0.0	0.0	67.1	49.2
10th %ile		19.7		0.0		122.0		162.4		131.5	78.0	75.6	22.7	21.6	124.3	115.6	53.7	32.3	0.0	0.0	57.3	36.0
— Average		61.1		0.6		151.6		217.6		176.9	106.4	128.2	52.7	58.6	165.8	190.9	83.0	74.5	3.0	6.9	88.2	83.6
Count	0	42	0	42	0	42	0	42	0	42	10	118	10	118	10	118	5	164	5	164	5	164
Avg. assets		155M		155M		155M		155M		155M	1,798M	1,271M	1,798M	1,271M	1,798M	1,271M	1,826M	791M	1,826M	791M	1,826M	791M
Government Pension Fund Norway																						
● You %ile Assets	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

	Fund of Funds		Direct LP		External (not LP)		Oper. Sub.		Internal	
	Total ³ incl. perf.		Total ³ incl. perf.		Total ³ incl. perf.		Total		Total	
	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global
	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global
90th %ile	352.2	267.0	378.4	337.6	142.7	23.2	50.0	37.0	54.9	
75th %ile	296.2	229.4	268.4	122.2	103.0	23.2	30.4	27.6	41.0	
Median	227.9	181.2	210.3	88.2	77.8	23.2	23.2	23.2	23.8	
25th %ile	186.2	161.1	174.7	68.5	52.8	23.2	23.2	14.3	16.2	
10th %ile	162.4	147.9	141.1	59.8	37.2	23.2	23.2	7.4	8.2	
— Average	272.3	205.8	238.5	162.8	93.2	23.2	33.2	22.5	30.8	
Count	0	42	10	118	5	164	2	7	6	44
Avg. assets	138M	1,507M	1,093M	1,688M	746M	3,973M	6,515M	3,179M	1,630M	
Government Pension Fund Norway										
● You %ile Assets	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	

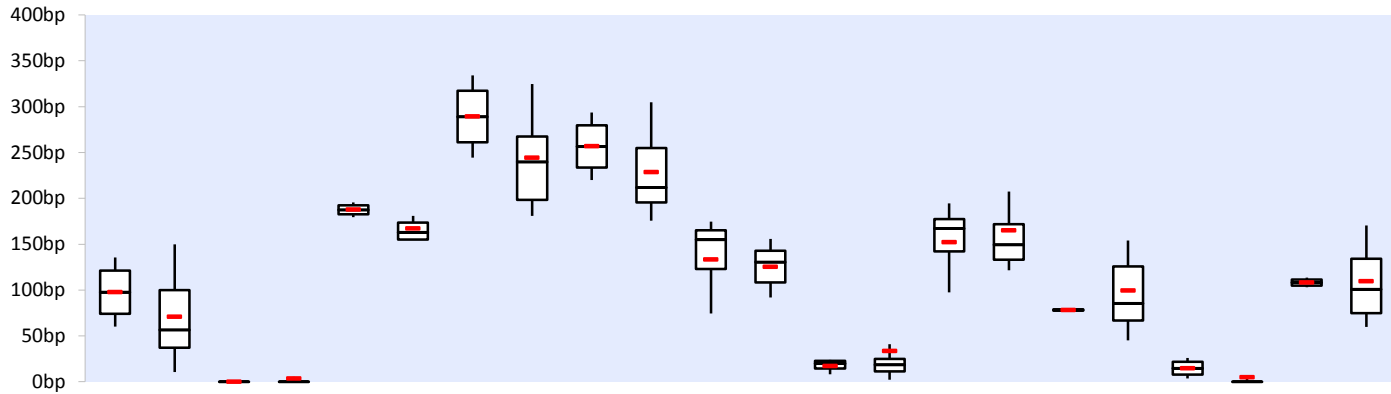
1. The base for fees is usually the committed amount during the commitment period, and unreturned invested capital afterwards.

2. The fees of fund of funds include both the top layer fees paid to the fund of funds manager and the underlying fees paid to the 'underlying partnerships' held by the fund of funds. Most funds were unable to provide the underlying fees so defaults of 112 bps (on amount fees are based on) for underlying management fees and 59 bps (on NAV) for underlying performance fees were used.

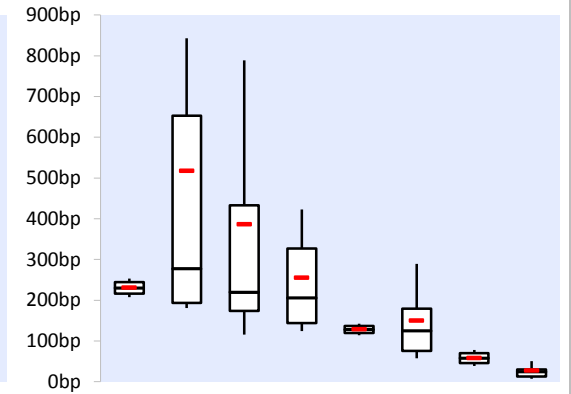
3. The total cost also includes the internal cost of monitoring and selecting real estate investments. The peer average cost of monitoring and selecting was 6.7 bps for LPs and 2.3 bps for external (not LPs).

Infrastructure

Cost as a % of the amount fees are based on¹



Cost as a % of NAV



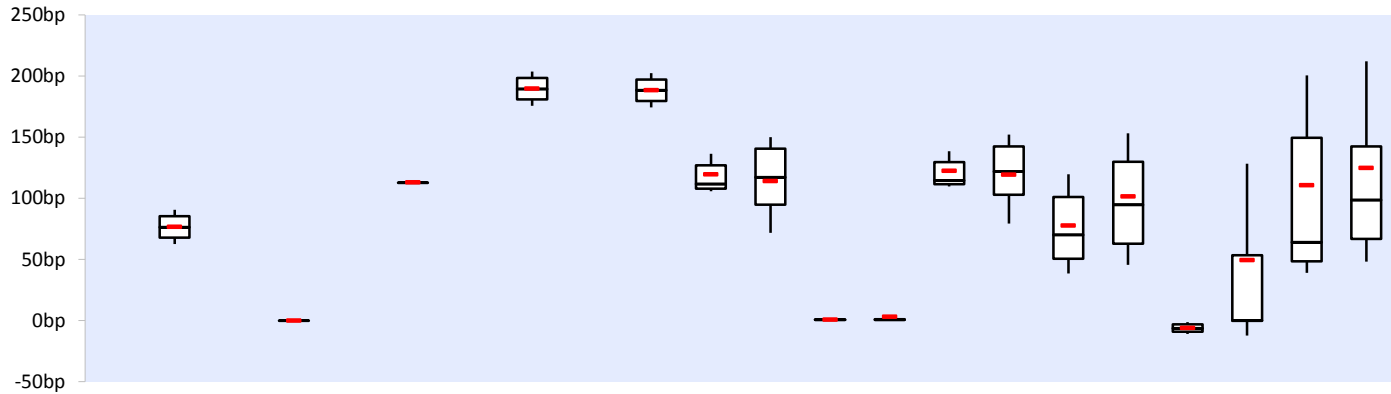
	Fund of Funds										Direct LP						External (not LP)					
	Mgmt fees (Top layer)		Perf. fees (Top layer)		Underlying mgmt. & perf. ²		Total ³ incl. perf.		Total ³ excl. perf.		Mgmt fees		Perf. fees		Total ³ incl. perf.		Mgmt fees		Perf. fees		Total ³ incl. perf.	
	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global
	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global
90th %ile	135.5	149.7	0.0	5.2	195.6	180.8	334.1	324.5	293.6	304.7	174.8	155.8	24.0	40.9	194.5	207.3	79.5	154.0	25.9	4.8	113.5	170.5
75th %ile	121.3	99.9	0.0	0.0	192.6	173.7	317.3	267.6	279.8	254.9	165.3	142.9	22.6	24.9	177.3	171.7	79.0	125.8	21.7	0.0	111.6	134.1
Median	97.7	56.8	0.0	0.0	187.5	163.2	289.2	240.0	256.7	211.9	155.1	130.7	19.8	18.5	167.4	149.6	78.2	85.8	14.7	0.0	108.3	100.8
25th %ile	74.2	37.0	0.0	0.0	182.5	155.1	261.2	198.4	233.7	195.4	123.0	108.3	14.4	11.3	142.2	133.1	77.4	66.9	7.7	0.0	105.0	74.7
10th %ile	60.0	10.4	0.0	0.0	179.5	155.1	244.3	181.0	219.9	175.5	74.5	92.0	8.2	2.3	97.4	121.5	77.0	45.3	3.5	0.0	103.0	59.6
— Average	97.7	70.6	0.0	3.6	187.5	167.0	289.2	244.2	256.7	228.7	133.3	125.2	17.2	33.5	152.1	164.9	78.2	99.4	14.7	4.7	108.3	109.4
Count	2	20	2	20	2	20	2	20	2	20	4	58	4	58	4	58	2	46	2	46	2	46
Avg. assets	65M	162M	65M	162M	65M	162M	65M	162M	65M	162M	300M	367M	300M	367M	300M	367M	536M	387M	536M	387M	536M	387M
Government Pension Fund Norway																						
● You	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
%ile																						
Assets																						

Fund of Funds		Direct LP		External (not LP)		Internal	
Total ³ incl. perf.		Total ³ incl. perf.		Total ³ incl. perf.		Total	
Peer	Global	Peer	Global	Peer	Global	Peer	Global
253.3	842.9	788.8	422.8	142.5	289.3	77.7	50.7
244.8	652.4	432.7	327.1	137.2	179.1	70.4	30.0
230.5	277.1	220.4	205.7	128.3	125.3	58.2	24.6
216.3	193.8	173.7	143.7	119.3	75.7	46.0	13.0
207.7	181.0	115.7	124.3	114.0	57.6	38.7	7.1
230.5	517.0	386.0	255.1	128.3	150.1	58.2	27.2
2	20	4	58	2	46	2	25
80M	149M	200M	287M	437M	355M	3,995M	1,897M
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

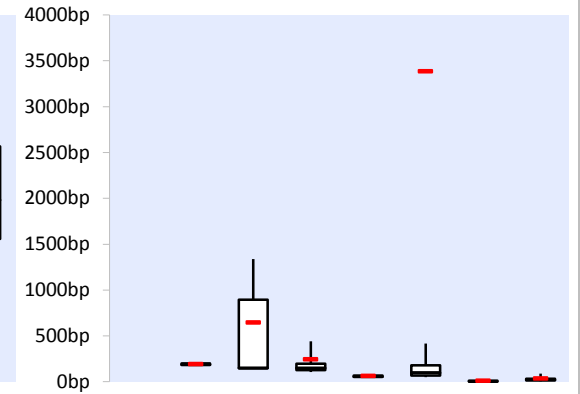
1. The base for fees is usually the committed amount during the commitment period, and unreturned invested capital afterwards.
2. The fees of fund of funds include both the top layer fees paid to the fund of funds manager and the underlying fees paid to the 'underlying partnerships' held by the fund of funds. Most funds were unable to provide the underlying fees so defaults of 155 bps (on amount fees are based on) for underlying management fees and 25 bps (on NAV) for underlying performance fees were used.
3. The total cost also includes the internal cost of monitoring and selecting infrastructure investments. The peer average cost of monitoring and selecting was 3.9 bps for fund of funds, 1.6 bps for LPs and 15.3 bps for external (not LPs).

Natural Resources

Cost as a % of the amount fees are based on¹

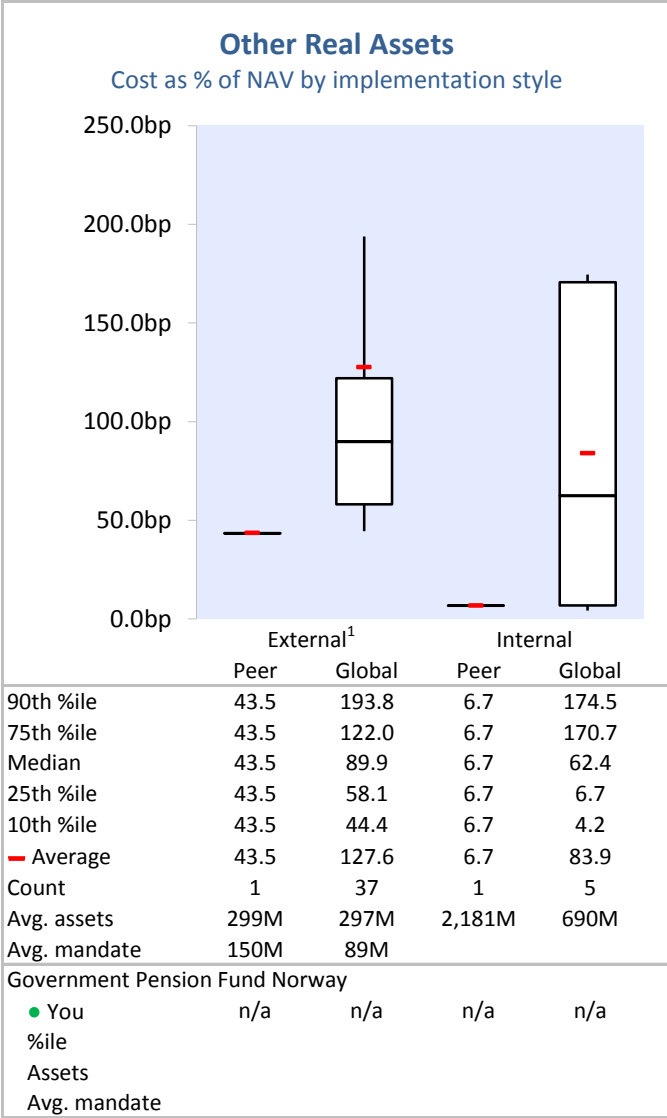


Cost as a % of NAV



	Fund of Funds										Direct LP						External (not LP)													
	Mgmt fees (Top layer)		Perf. fees (Top layer)		Underlying mgmt. & perf. ²		Total ³ incl. perf.		Total ³ excl. perf.		Mgmt fees		Perf. fees		Total ³ incl. perf.		Mgmt fees		Perf. fees		Total ³ incl. perf.									
	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global								
	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global								
90th %ile	90.6	0.0	113.0	203.6	202.4	136.4	150.0	0.9	1.4	138.6	152.2	119.7	153.2	-1.2	128.4	200.6	212.2	203.6	1338.8	439.2	75.6	415.5	17.5	87.5						
75th %ile	85.4	0.0	113.0	198.4	197.2	127.1	140.6	0.9	1.2	129.6	142.5	101.2	129.8	-3.0	53.6	149.5	142.4	198.4	893.9	197.9	68.7	177.4	12.9	33.1						
Median	76.6	0.0	113.0	189.6	188.4	111.8	117.4	0.9	1.0	114.7	122.1	70.3	94.7	-6.1	0.0	64.3	98.6	189.6	152.4	151.5	57.3	98.0	5.2	23.0						
25th %ile	67.9	0.0	113.0	180.9	179.7	108.0	94.9	0.5	0.7	111.6	103.0	50.5	62.8	-9.1	0.0	48.6	66.9	180.9	147.6	126.9	53.9	65.8	4.4	14.4						
10th %ile	62.6	0.0	113.0	175.6	174.4	105.7	71.7	0.3	0.2	109.7	79.5	38.6	45.5	-11.0	-12.2	39.2	48.2	175.6	144.7	104.1	51.8	50.0	3.9	5.0						
— Average	76.6	0.0	113.0	189.6	188.4	119.5	114.0	0.7	3.1	122.6	119.3	77.7	101.6	-6.1	49.5	110.6	124.8	189.6	643.5	244.2	62.6	3383.6	9.8	32.8						
Count	0	2	0	2	0	2	0	2	3	26	3	26	3	26	3	38	2	11	3	38	0	2	3	26	3	38	3	10		
Avg. assets	168M	168M	168M	168M	168M	382M	564M	382M	564M	382M	564M	206M	252M	206M	252M	206M	252M	168M	202M	368M	275M	208M	247M	982M						
Government Pension Fund Norway																														
● You	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
%ile																														
Assets																														

1. The base for fees is usually the committed amount during the commitment period, and unreturned invested capital afterwards.
2. The fees of fund of funds include both the top layer fees paid to the fund of funds manager and the underlying fees paid to the 'underlying partnerships' held by the fund of funds. Most funds were unable to provide the underlying fees so defaults of 112 bps (on amount fees are based on) for underlying management fees and 1 bps (on NAV) for underlying performance fees were used.
3. The total cost also includes the internal cost of monitoring and selecting natural resources investments. The peer average cost of monitoring and selecting was 2.4 bps for LPs and 37.0 bps for external (not LPs).



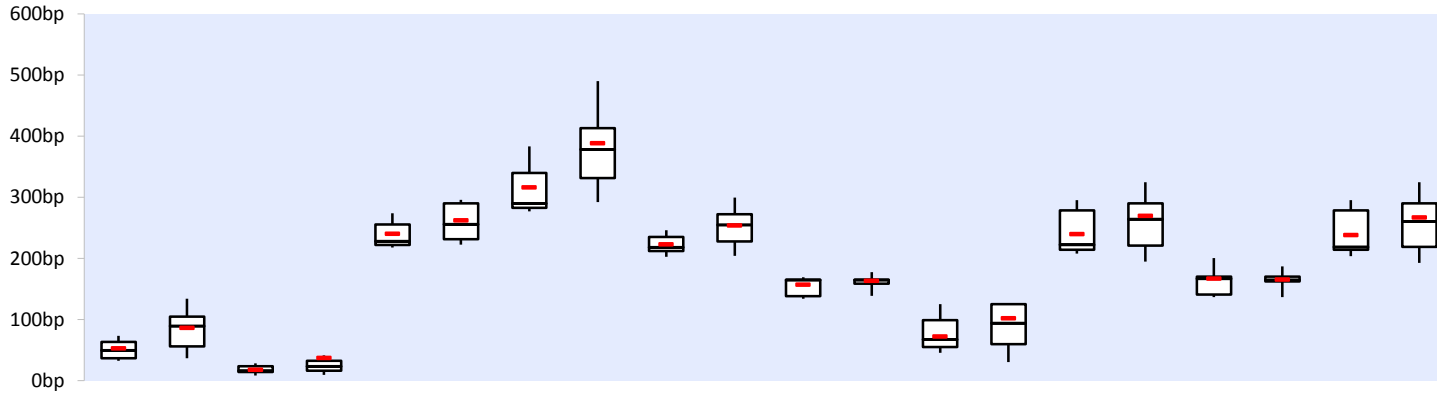
1. Breakdown of external fees

	Your Plan	Peer Average	Global Average
Base fees	n/a	41.7	124.4
Internal and other	<u>n/a</u>	<u>1.8</u>	<u>3.2</u>
Total*	n/a	43.5	127.6
Performance fees		30.1	4.9

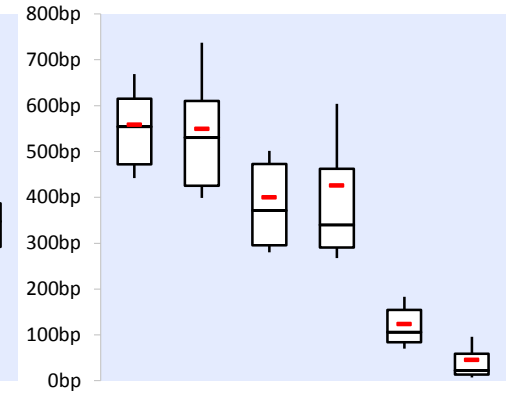
* Total cost excludes performance fees because most participants did not provide performance fees for other real assets.

Diversified Private Equity

Cost as a % of the amount fees are based on¹



Cost as a % of NAV



	Fund of Funds										Direct LP				Direct LP & Co-Inv. ⁴				Fund of Funds		Direct LP & Co-Inv. ⁴		Internal			
	Mgmt fees		Perf. fees		Underlying		Total ³		Total ³		Mgmt fees		Perf. fees		Total ³		Total		Total ³		Total					
	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global				
90th %ile	73.5	134.1	28.5	41.7	274.1	295.8	383.6	490.3	246.0	299.5	169.2	177.6	125.3	125.9	295.5	324.5	200.5	187.0	295.5	324.5	668.8	737.3	501.6	603.9	182.9	95.6
75th %ile	63.4	104.8	23.6	32.7	255.4	290.3	340.1	413.1	235.3	272.5	165.0	165.0	99.2	125.3	278.5	290.3	170.3	170.1	278.5	290.3	615.1	610.5	472.7	462.1	154.3	58.9
Median	50.2	89.7	16.6	24.0	228.6	256.4	290.1	378.6	218.5	255.0	165.0	165.0	67.7	94.6	222.4	264.3	167.3	165.0	218.7	261.0	554.7	530.7	371.7	340.1	106.5	22.7
25th %ile	36.8	56.2	14.4	16.4	222.4	231.5	282.7	331.7	212.1	228.1	138.2	158.7	55.1	59.9	214.2	220.9	141.1	162.2	214.2	218.8	471.9	425.5	295.5	290.3	83.8	13.8
10th %ile	32.5	36.9	8.6	9.6	218.0	222.5	277.1	292.4	202.6	204.5	134.3	138.8	45.5	30.4	207.8	194.7	137.0	137.0	203.7	193.0	442.3	398.8	280.2	267.2	70.2	7.1
— Average	52.6	86.0	17.8	37.2	240.2	262.4	316.1	388.5	223.1	253.9	157.1	163.3	72.3	101.7	239.7	269.5	166.7	165.4	238.3	267.0	558.5	549.4	399.5	425.4	123.2	45.6
Count	8	122	8	122	8	122	8	122	8	122	13	142	13	142	13	142	13	143	13	142	8	122	13	142	3	14
Avg. assets	419M	579M	419M	579M	419M	579M	419M	579M	419M	579M	3,281M	1,892M	3,281M	1,892M	3,281M	1,892M	3,319M	1,916M	3,319M	1,916M	237M	479M	2,176M	1,410M	1,912M	1,652M
Government Pension Fund Norway																										
● You	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
%ile																										
Assets																										

1. The base for fees is usually the committed amount during the commitment period, and unreturned invested capital afterwards.

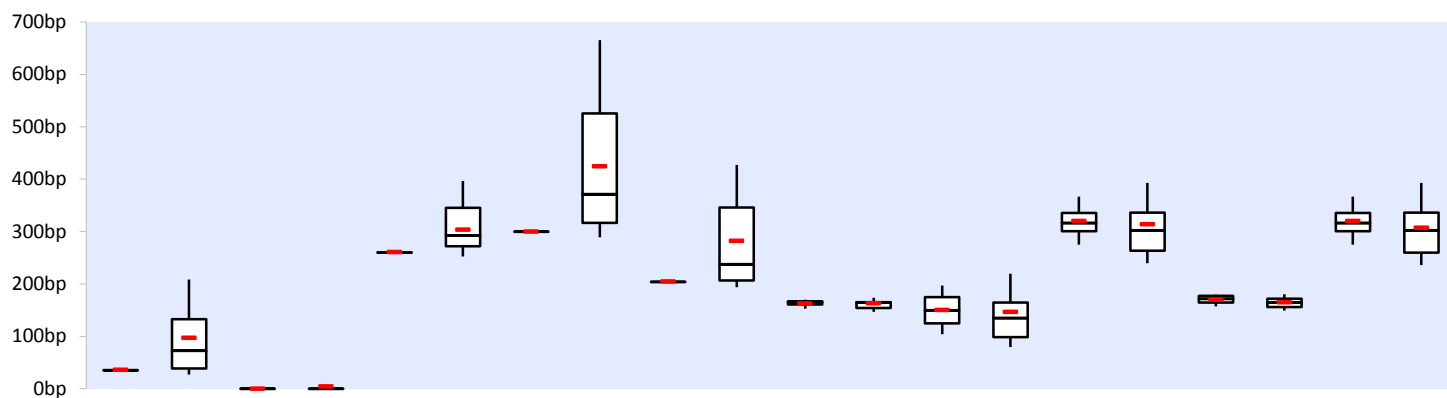
2. The fees of fund of funds include both the top layer fees paid to the fund of funds manager and the underlying fees paid to the 'underlying partnerships' held by the fund of funds. Most funds were unable to provide the underlying fees so defaults of 165 bps (on amount fees are based on) for underlying management fees and 125 bps (on NAV) for underlying performance fees were used.

3. The total cost also includes the internal cost of monitoring and selecting private equity investments. The peer average cost of monitoring and selecting was 5.5 bps for fund of funds and 10.3 bps for LPs.

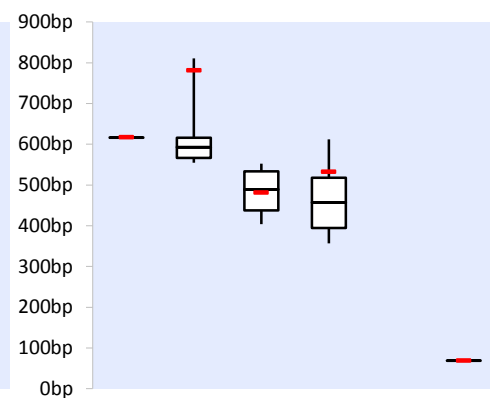
4. Co-investment is included with direct LPs because it can only be done alongside direct LPs. CEM uses this combined style in its benchmark cost analysis to ensure funds that reduce their costs by using co-investment receive benchmark credit. Co-investment is done by 2 of your peers and 11 of the Global funds.

LBO

Cost as a % of the amount fees are based on¹



Cost as a % of NAV



	Fund of Funds										Direct LP						Direct LP & Co-Inv. ⁴				Fund of Funds		Direct LP & Co-Inv. ⁴		Internal		
	Mgmt fees (Top layer)		Perf. fees (Top layer)		Underlying mgmt. & perf. ²		Total ³ incl. perf.		Total ³ excl. perf.		Mgmt fees		Perf. fees		Total ³ incl. perf.		Total ³ excl. perf.		Total ³ incl. perf.		Total ³ incl. perf.		Total ³ incl. perf.		Total ³ incl. perf.		
	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer
90th %ile	35.9	208.7	0.0	6.2	260.5	396.8	299.8	665.2	204.4	427.4	170.2	173.8	197.0	219.6	366.7	392.8	179.6	180.3	366.7	392.8	617.0	810.5	552.5	611.9			69.2
75th %ile	35.9	132.7	0.0	0.0	260.5	345.1	299.8	525.2	204.4	345.6	167.0	165.0	174.8	164.5	335.4	335.9	177.1	171.7	335.4	335.9	617.0	615.8	533.3	517.9			69.2
Median	35.9	72.9	0.0	0.0	260.5	293.0	299.8	371.5	204.4	238.0	165.1	165.0	149.6	134.9	316.6	302.6	172.0	165.0	316.6	302.6	617.0	593.4	489.8	457.0			69.2
25th %ile	35.9	38.8	0.0	0.0	260.5	272.0	299.8	316.3	204.4	206.4	160.7	154.0	125.0	98.5	300.8	263.6	164.4	155.7	300.8	259.7	617.0	566.3	438.0	394.4			69.2
10th %ile	35.9	26.9	0.0	0.0	260.5	252.5	299.8	289.1	204.4	193.9	152.8	146.6	103.8	79.7	275.1	239.4	157.3	149.3	275.1	236.1	617.0	554.8	403.8	356.7			69.2
— Average	35.9	97.1	0.0	4.3	260.5	303.3	299.8	424.4	204.4	281.9	162.5	163.2	150.2	146.7	319.7	314.1	169.5	164.7	319.7	307.3	617.0	780.8	481.5	532.2			69.2
Count	1	10	1	10	1	10	1	10	1	10	4	37	4	37	4	37	4	37	4	37	1	10	4	37	0	1	
Avg. assets	214M	184M	214M	184M	214M	184M	214M	184M	214M	184M	2,350M	2,252M	2,350M	2,252M	2,350M	2,252M	2,382M	2,296M	2,382M	2,296M	104M	107M	1,829M	1,498M			10,235M
Government Pension Fund Norway																											
● You	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
%ile																											
Assets																											

1. The base for fees is usually the committed amount during the commitment period, and unreturned invested capital afterwards.

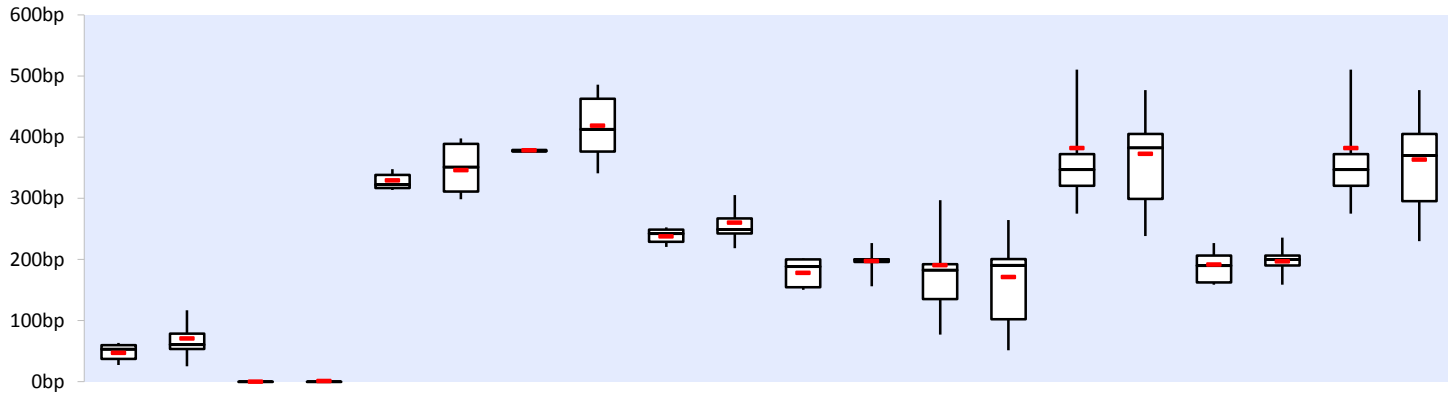
2. The fees of fund of funds include both the top layer fees paid to the fund of funds manager and the underlying fees paid to the 'underlying partnerships' held by the fund of funds. Most funds were unable to provide the underlying fees so defaults of 165 bps (on amount fees are based on) for underlying management fees and 196 bps (on NAV) for underlying performance fees were used.

3. The total cost also includes the internal cost of monitoring and selecting private equity investments. The peer average cost of monitoring and selecting was 3.4 bps for fund of funds and 6.9 bps for LPs.

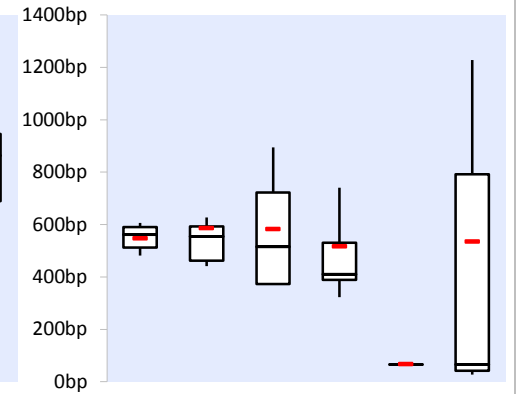
4. Co-investment is included with direct LPs because it can only be done alongside direct LPs. CEM uses this combined style in its benchmark cost analysis to ensure funds that reduce their costs by using co-investment receive benchmark credit. Co-investment is done by none of your peers and 2 of the Global funds.

Venture Capital

Cost as a % of the amount fees are based on¹



Cost as a % of NAV



	Fund of Funds										Direct LP				Direct LP & Co-Inv. ⁴				Fund of Funds		Direct LP & Co-Inv. ⁴		Internal				
	Mgmt fees (Top layer)		Perf. fees (Top layer)		Underlying mgmt. & perf. ²		Total ³ incl. perf.		Total ³ excl. perf.		Mgmt fees		Perf. fees		Total ³ incl. perf.		Total ³ excl. perf.		Total ³ incl. perf.		Total ³ excl. perf.		Total ³ incl. perf.		Total ³ excl. perf.		
	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer
90th %ile	63.7	116.8	0.0	0.0	347.6	398.3	380.0	485.7	252.4	305.3	201.7	226.9	296.9	264.6	510.6	476.8	226.9	235.6	510.6	476.8	606.5	626.9	894.4	741.0	66.6	1227.7	
75th %ile	59.9	78.6	0.0	0.0	338.3	389.1	379.2	462.7	248.6	267.4	200.0	200.0	192.1	200.7	372.3	405.2	206.3	206.4	372.3	405.2	590.1	593.0	722.4	530.6	66.6	792.3	
Median	53.5	61.0	0.0	0.0	322.7	351.4	377.7	413.2	242.4	249.4	188.4	200.0	182.7	190.7	347.0	382.9	190.1	200.0	347.0	370.3	562.9	555.4	515.3	410.3	66.6	66.6	
25th %ile	37.3	53.5	0.0	0.0	317.0	311.2	377.2	376.7	228.8	242.4	154.8	195.8	135.1	102.3	320.8	299.2	162.7	190.1	320.8	295.6	512.4	462.0	373.5	389.0	66.6	42.3	
10th %ile	27.6	25.1	0.0	0.0	313.5	298.5	376.9	340.7	220.7	218.3	150.4	156.1	77.3	51.2	275.1	238.6	158.5	158.8	275.1	230.1	482.2	441.5	370.5	322.9	66.6	27.7	
— Average	46.9	70.5	0.0	1.2	329.2	345.7	378.3	418.6	237.5	260.1	178.1	197.3	190.6	171.2	381.9	372.5	191.3	196.5	381.9	363.0	547.4	586.0	582.2	516.5	66.6	534.2	
Count	3	17	3	17	3	17	3	17	3	17	7	47	7	47	7	47	7	47	7	47	3	17	7	47	1	3	
Avg. assets	256M	434M	256M	434M	256M	434M	256M	434M	256M	434M	397M	204M	397M	204M	397M	204M	397M	205M	397M	205M	178M	308M	262M	158M	278M	114M	
Government Pension Fund Norway																											
● You	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
%ile																											
Assets																											

1. The base for fees is usually the committed amount during the commitment period, and unreturned invested capital afterwards.

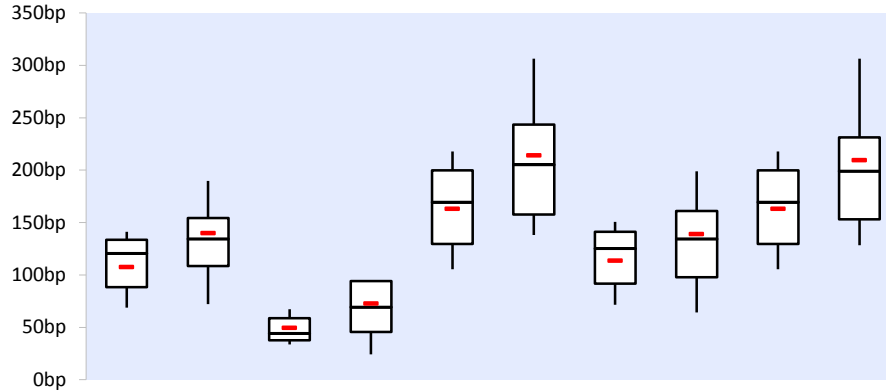
2. The fees of fund of funds include both the top layer fees paid to the fund of funds manager and the underlying fees paid to the 'underlying partnerships' held by the fund of funds. Most funds were unable to provide the underlying fees so defaults of 188 bps (on amount fees are based on) for underlying management fees and 201 bps (on NAV) for underlying performance fees were used.

3. The total cost also includes the internal cost of monitoring and selecting private equity investments. The peer average cost of monitoring and selecting was 2.2 bps for fund of funds and 13.2 bps for LPs.

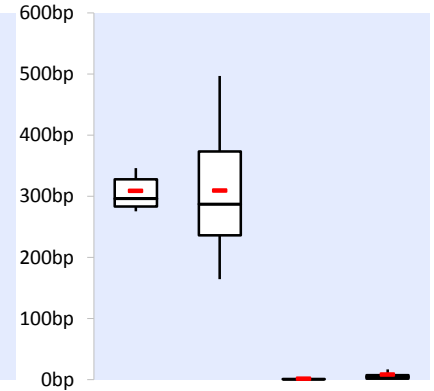
4. Co-investment is included with direct LPs because it can only be done alongside direct LPs. CEM uses this combined style in its benchmark cost analysis to ensure funds that reduce their costs by using co-investment receive benchmark credit. Co-investment is done by none of your peers and 2 of the Global funds.

Other Private Equity

Cost as a % of the amount fees are based on¹

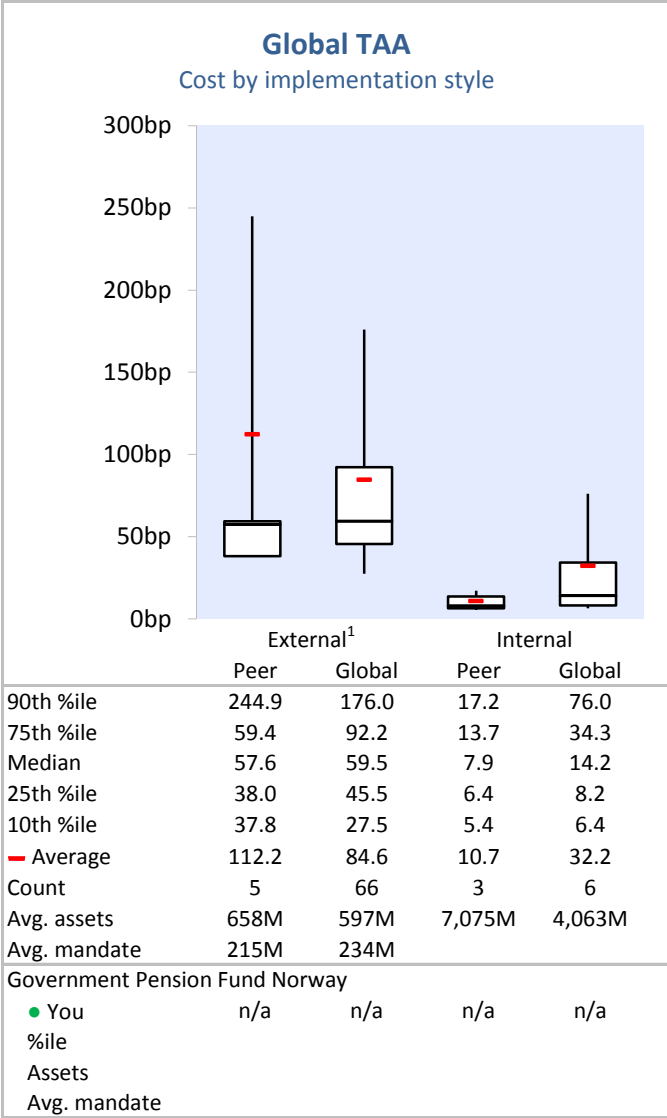


Cost as a % of NAV



	Direct LP						Direct LP & Co-Inv. ³				Direct LP & Co-Inv. ³		Internal		
	Mgmt fees		Perf. fees		Total ² incl. perf.		Total excl. perf.		Total ² incl. perf.		Total ² incl. perf.		Total		
	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	
90th %ile	141.1	189.7	67.2	94.3	217.9	306.5	150.7	198.9	217.9	306.5	346.4	496.9	1.3	17.0	
75th %ile	133.4	154.3	58.7	94.0	199.8	243.5	141.1	161.1	199.8	231.2	327.7	373.5	1.3	7.5	
Median	120.6	134.5	44.4	69.3	169.6	205.2	125.2	134.5	169.6	199.3	296.5	287.5	1.3	4.9	
25th %ile	88.2	108.5	37.7	45.5	129.4	157.6	91.7	97.9	129.4	153.2	283.5	236.0	1.3	1.8	
10th %ile	68.8	72.3	33.7	24.1	105.4	138.0	71.6	64.2	105.4	128.3	275.7	164.4	1.3	1.3	
— Average	107.6	139.9	49.5	72.7	163.0	214.0	113.5	138.8	163.0	209.5	308.6	309.5	1.3	8.3	
Count	3	38	3	39	3	39	3	39	3	39	3	39	1	10	
Avg. assets	974M	526M	974M	526M	974M	526M							857M	284M	
Government Pension Fund Norway															
● You	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
%ile															
Assets															

1. The base for fees is usually the committed amount during the commitment period, and unreturned invested capital afterwards.
2. The total cost also includes the internal cost of monitoring and selecting private equity investments. The peer average cost of monitoring and selecting was 5.9 bps for
3. Co-investment is included with direct LPs in CEM's benchmark cost analysis because it reduces the cost of investing in direct LPs. Co-investment is done by none of your peers and 1 of the Global funds.

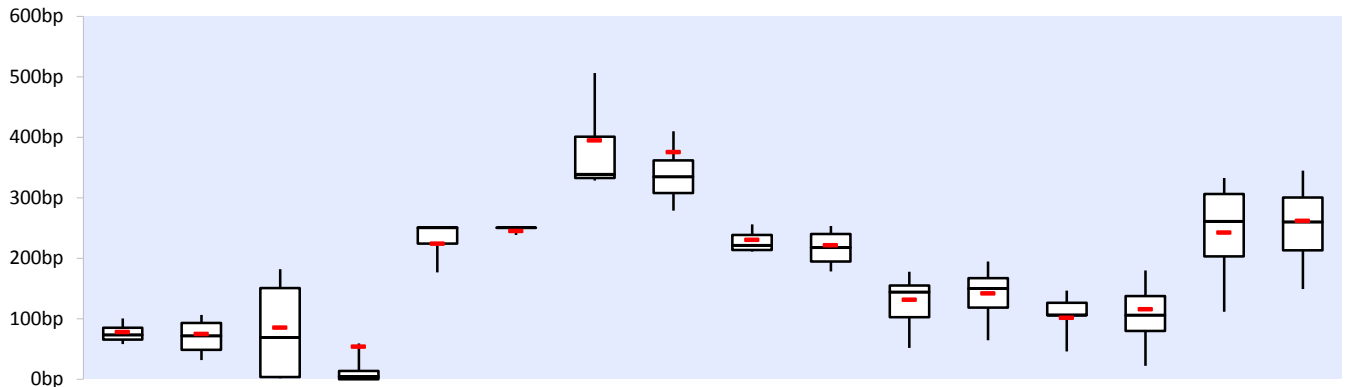


1. Breakdown of External fees

	Your Plan	Peer Average	Global Average
Base fees	n/a	60.0	65.3
Performance fees	n/a	48.0	17.3
Internal and other	<u>n/a</u>	<u>4.2</u>	<u>2.0</u>
Total	n/a	112.2	84.6

Hedge Funds

Cost by implementation style

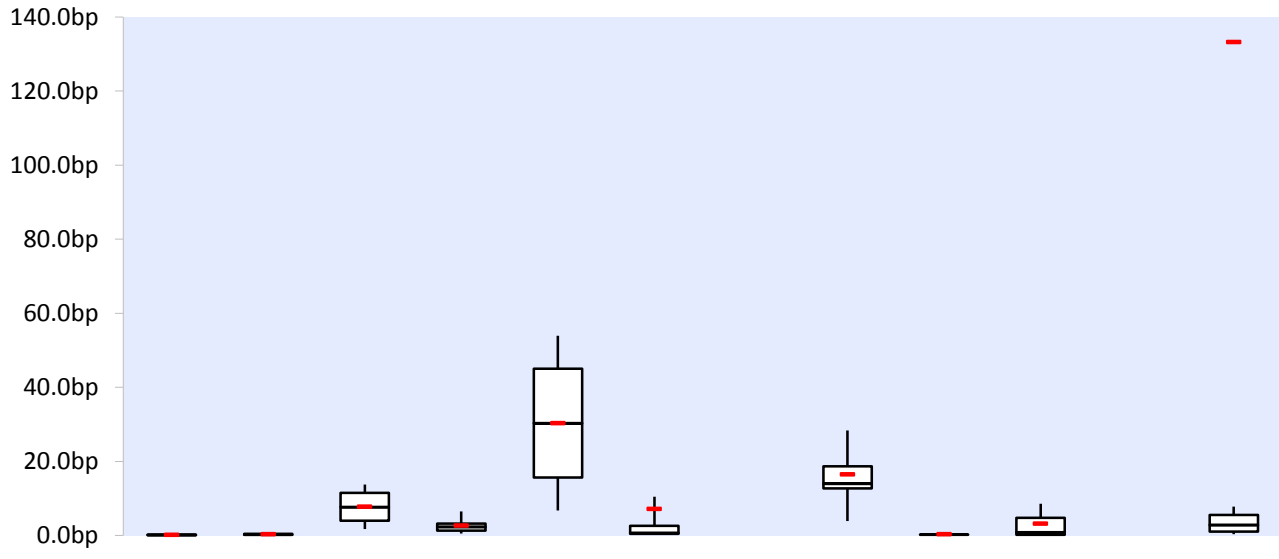


	Fund of Funds										External direct					
	Mgmt fees (Top layer)		Perf. fees (Top layer)		Underlying mgmt. & perf. ¹		Total ² incl. perf.		Total ² excl. perf.		Mgmt fees		Perf. fees		Total ² incl. perf.	
	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global
90th %ile	100.4	106.1	181.8	59.1	250.7	250.7	506.4	409.9	256.1	253.1	177.5	194.5	146.6	179.6	332.8	344.7
75th %ile	85.1	92.9	150.7	13.6	250.7	250.7	401.1	361.9	238.5	240.1	155.0	166.8	126.1	137.2	306.1	300.3
Median	73.2	71.5	68.9	4.5	250.7	250.7	338.8	335.1	221.8	217.7	144.5	149.9	106.2	106.2	261.2	260.2
25th %ile	65.6	48.6	3.4	0.0	224.1	250.7	332.6	307.6	213.4	194.7	102.6	118.2	106.2	79.6	202.9	213.1
10th %ile	58.2	31.3	1.3	0.0	176.4	238.5	328.3	278.6	210.9	178.1	51.6	64.5	45.6	21.9	111.3	149.2
— Average	77.6	74.7	85.1	53.9	224.1	244.8	394.9	375.2	230.1	221.1	131.1	141.7	101.4	115.6	242.5	261.5
Count	4	105	4	105	4	105	4	105	4	105	13	120	13	120	13	120
Avg. assets	200M	529M	200M	529M	200M	529M	200M	529M	200M	529M	2,466M	1,219M	2,466M	1,219M	2,466M	1,219M
Government Pension Fund Norway																
● You	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
%ile																
Assets																

1. The fees of fund of funds include both the top layer fees paid to the fund of funds manager and the underlying fees paid to the 'underlying partnerships' held by the fund of funds. Most funds were unable to provide the underlying fees so defaults of 144 bps (on NAV) for underlying management fees and 106 bps (on NAV) for underlying performance fees were used.

2. The total cost also includes the internal cost of monitoring and selecting hedge fund investments. The peer average cost of monitoring and selecting was 8.1 bps for fund of funds and 10.0 bps for external direct.

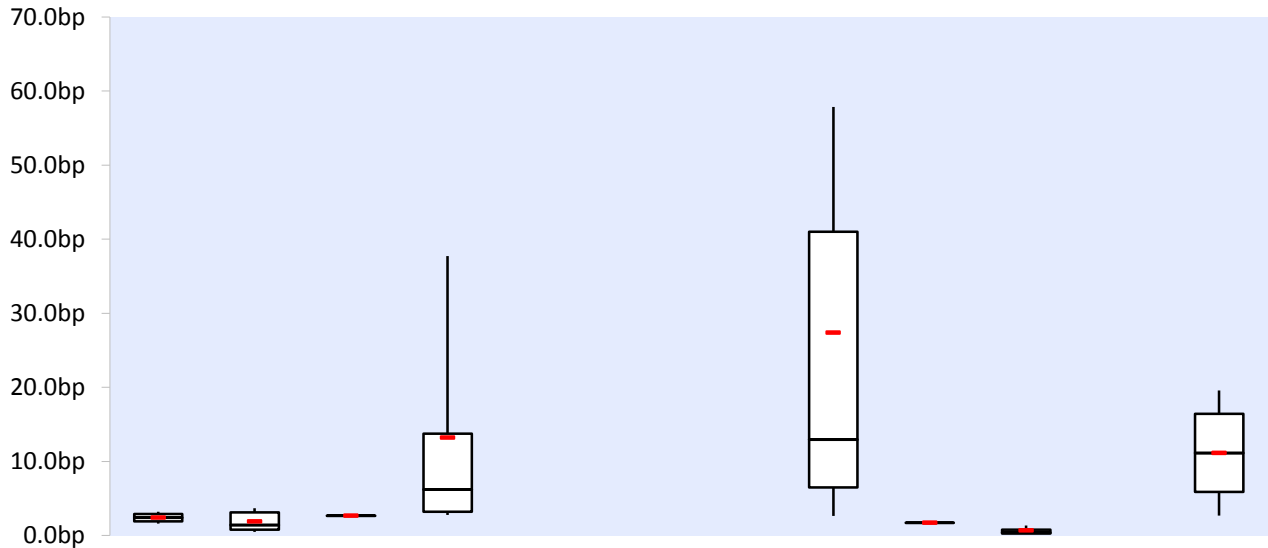
Overlays: currency, duration
Cost by implementation style



	Currency Hedge				Discretionary Currency				Duration Management			
	Internal		External		Internal		External		Internal		External	
	% of notional		% of notional		% of notional		% of notional		% of notional		% of notional	
	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global
90th %ile	0.2	0.6	13.7	6.5	53.9	10.5		28.3	0.3	8.6		7.8
75th %ile	0.2	0.4	11.5	3.2	45.1	2.6		18.7	0.3	4.8		5.5
Median	0.2	0.2	7.7	2.4	30.3	0.7		14.0	0.3	0.9		2.9
25th %ile	0.2	0.2	4.0	1.3	15.6	0.4		12.7	0.3	0.2		1.1
10th %ile	0.2	0.1	1.7	0.5	6.8	0.2		3.9	0.3	0.1		0.3
— Average	0.2	0.4	7.7	2.7	30.3	7.2		16.5	0.3	3.1		133.2
Count	2	10	2	33	2	11	0	13	1	8	0	20
Avg. notional	8,126M	12,721M	2,345M	5,020M	374M	8,511M		1,979M	9,664M	7,213M		3,514M
Government Pension Fund Norway												
● You	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
%ile												
Notional												

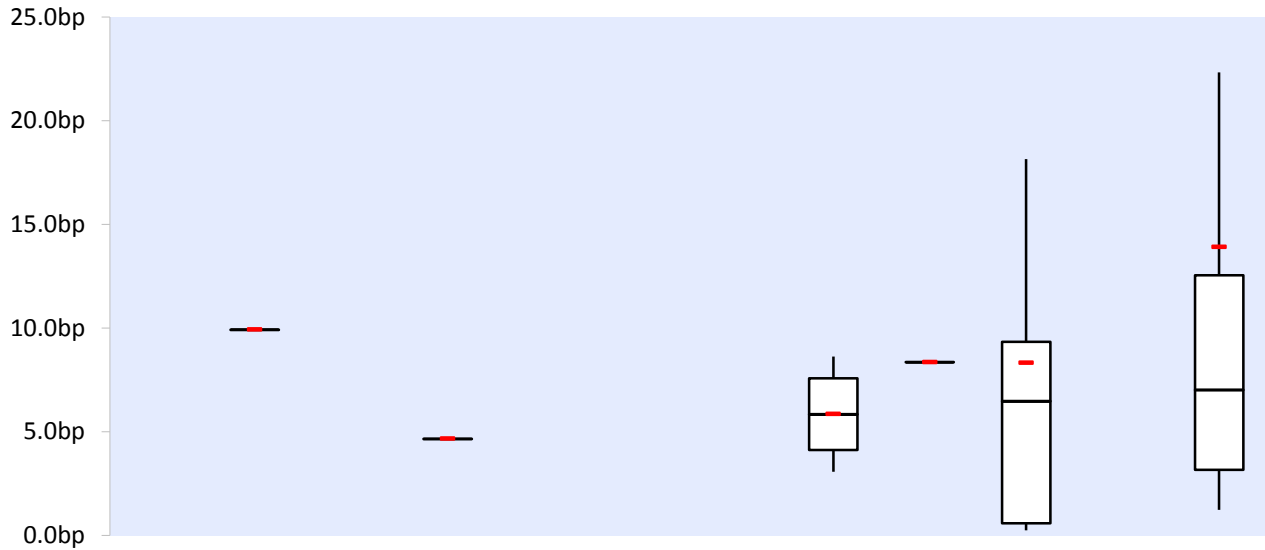
Overlays: passive beta/rebalancing, global TAA, policy tilt TAA

Cost by implementation style



	Passive Beta/Rebalancing				Global TAA				Policy Tilt TAA			
	Internal		External		Internal		External		Internal		External	
	% of notional		% of notional		% of notional		% of notional		% of notional		% of notional	
	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global	Peer	Global
90th %ile	3.2	3.7	2.7	37.7				57.9	1.7	1.3		19.6
75th %ile	2.9	3.1	2.7	13.7				41.0	1.7	0.8		16.4
Median	2.4	1.4	2.7	6.2				13.0	1.7	0.4		11.1
25th %ile	1.9	0.8	2.7	3.2				6.5	1.7	0.3		5.9
10th %ile	1.6	0.5	2.7	2.8				2.6	1.7	0.2		2.7
— Average	2.4	1.9	2.7	13.2				27.4	1.7	0.7		11.1
Count	2	7	1	18	0	0	0	3	1	4	0	2
Avg. notional	216M	1,770M	3,835M	1,150M				1,637M	37,561M	56,651M		5,323M
Government Pension Fund Norway												
● You	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
%ile												
Notional												

Overlays: commodity, long/short, other
Cost by implementation style



	<u>Commodity</u>				<u>Long/ Short</u>				<u>Other</u>			
	<u>Internal</u>		<u>External</u>		<u>Internal</u>		<u>External</u>		<u>Internal</u>		<u>External</u>	
	<u>% of notional</u> Peer	<u>% of notional</u> Global	<u>% of notional</u> Peer	<u>% of notional</u> Global	<u>% of notional</u> Peer	<u>% of notional</u> Global	<u>% of notional</u> Peer	<u>% of notional</u> Global	<u>% of notional</u> Peer	<u>% of notional</u> Global	<u>% of notional</u> Peer	<u>% of notional</u> Global
90th %ile		9.9		4.7				8.6	8.4	18.2		22.3
75th %ile		9.9		4.7				7.6	8.4	9.3		12.5
Median		9.9		4.7				5.9	8.4	6.5		7.0
25th %ile		9.9		4.7				4.1	8.4	0.6		3.2
10th %ile		9.9		4.7				3.1	8.4	0.3		1.2
— Average		9.9		4.7				5.9	8.4	8.3		13.9
Count	0	1	0	1	0	0	0	2	1	8	0	15
Avg. notional		481M		836M				942M	60M	8,449M		564M
Government Pension Fund Norway												
● You	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
%ile												
Notional												

8

Appendices

Appendix A - Data Summary

Appendix B - Currency conversion

Appendix C - Data quality

Appendix D - Glossary of terms

Appendix A - Data Summary

Government Pension Fund Norway

Plan Info	2014	2013	2012
Contact	Jørn Nilsen	Jørn Nilsen	Jørn Nilsen
Type of fund (corporate, public, other)	Public	Public	Public
Total fund size (mils) as at December 31	20,465.0	20,068.0	19,775.0
Asset-class level holdings provided on survey are: year end or average?	Year End	Year End	Year End
Total return for year ended	10.70%	15.70%	12.20%
Is the return net or gross?	Gross	Gross	Gross
Total fund policy or benchmark return	8.60%	16.60%	11.90%

Ancillary Data	2014	2013	2012
Do you lend securities?	Yes	Yes	Yes
If yes:			
% of income your custodian keeps for domestic lending?			
% of income your custodian keeps for foreign lending?			
Domestic net income in 000s			
Foreign net income in 000s			
Total net income (if breakdown not available) in 000s	3,858	2,751	2,588
Do you use any enhanced passive or tilt strategies?	n/a	No	No
What is your hedging policy for:			
Foreign non-U.S. Holdings?			
Do you participate in directed brokerage programs (i.e., commission recapture and/or soft dollar?)	n/a	No	No
If yes:			
Gross amount of directed commissions in 000s?	n/a		
Amount recaptured by the fund in 000s?	n/a		
Hard ¹ cash value of invoices/services paid using soft dollars 000s?	n/a		
What were your actuarial fees in 000s?	13	12	12
How many plan members/beneficiaries do you have:			
Active?			
Active (no-accrual)?			
Retired?			
Other?			
What type of plan(s) do you have?			
To what extent are your retired members' benefits indexed to inflation?			
Contractual %			
Ad hoc %			
If the indexation is subject to a cap, describe the cap			
What % of the plan's liabilities pertain to retired members?			
Actuarial valuation assumptions for funding purposes:			
Liability discount rate	2.3	4.0	3.9
Salary progression rate	2.8	3.8	3.5
What was your actuarial assumption for expected rate of return?	2.3	4.0	3.9

Appendix A - Data Summary: Policy Weights and Benchmarks

Government Pension Fund Norway

Asset Class		Policy Weight	Benchmark	
			Description	Return
Stock - Europe	2014	58.1	CMVINXBXINN - Custom Index - OSEBX	7.4
	2013	10.0	CMVINXBXINN - Custom Index	42.3
	2012	9.4	CMVINXBXINN - Custom Index	15.2
Stock - Other	2014			
	2013	52.8	OSEBX	23.6
	2012	53.0	OSEBX	15.4
Fixed Income - Euro	2014	41.9	Barclays Capital Global Aggregate Nordic ex Norway Custom Index - 70% Barclays Capital Global Aggregated Norway ex. treasuries - 30% Barclays Capital Treasuries Norway	9.2
	2013	6.0	Barclays Capital Global Aggregate Nordic ex Norway Custom Index	11.7
	2012	5.6	Barclays Capital Global Aggregate Nordic ex Norway Custom Index	1.1
Fixed Income - Other	2014			
	2013	31.2	70% Barclays Capital Global Aggregated Norway ex. treasuries 30% Barclays Capital Treasuries Norway	0.7
	2012	32.0	70% Barclays Capital Global Aggregated Norway ex. treasuries 30% Barclays Capital Treasuries Norway	7.7

Appendix A - Data Summary: Assets, Returns and Costs

Government Pension Fund Norway

Asset Class		Assets (millions)				Fees/Costs in 000s			
		Internally				Internally			
		Indexed		Active		Indexed		Active	
		Assets	Return	Assets	Return	000s	bps ¹	000s	bps ¹
Stock - Europe	2014		11,887.0	10.7			7,120.0	5.8	
	2013		1,998.0	39.7			1,589.0	8.2	
	2012		1,863.0	15.7			1,683.0	9.9	
Stock - Other	2014								
	2013		10,566.0	21.6			5,412.0	5.1	
	2012		10,492.0	14.7			5,719.0	6.0	
Fixed Income - Euro	2014		8,578.0	9.8			5,657.0	7.1	
	2013		1,214.0	12.3			1,617.0	14.0	
	2012		1,101.0	2.3			1,762.0	16.6	
Fixed Income - Other	2014								
	2013		6,190.0	1.5			4,331.0	7.1	
	2012		6,083.0	9.1			4,391.0	7.6	

1. Cost in basis points = total cost / average of beginning and end of year holdings

Appendix A: Assets, Returns and Costs (cont.)

Government Pension Fund Norway

Asset Class	Assets (millions) and Annual Returns		# Ext Mgrs	Investment Fees / Costs in 000s ¹				
	External			External				
	Amt fees based on	Assets Return		Base Fees	Perform Fees	Internal & Other	Total ¹ 000s	bps (% of fee basis)

Your fund does not have private equity assets.

Appendix A - Data Summary: Oversight, Custodial and Other Costs

Government Pension Fund Norway

Oversight, Custodial and Other Costs			
		000s	bps
Oversight of the fund assets ¹	2014	1,480.0	0.7bp
	2013	1,868.0	0.9bp
	2012	1,948.0	1.1bp
Custodial total	2014	721.0	0.4bp
	2013	731.0	0.4bp
	2012	704.0	0.4bp
Custodial foreign (if available)	2014		
	2013		
	2012		
Custodial domestic (if available)	2014		
	2013		
	2012		
Consulting / performance measurement	2014	59.0	0.0bp
	2013	86.0	0.0bp
	2012	86.0	0.0bp
Audit	2014	283.0	0.1bp
	2013	311.0	0.2bp
	2012	286.0	0.2bp
Other (legal etc)	2014	336.0	0.2bp
	2013	489.0	0.2bp
	2012	486.0	0.3bp
Total	2014	2,879.0	1.4bp
	2013	3,485.0	1.7bp
	2012	3,510.0	1.9bp

Summary of All Asset Management Costs			
		000s	bps
Investment Management Costs	2014	12,777.0	6.3bp
	2013	12,949.0	6.5bp
	2012	13,555.0	7.4bp
Overlay Costs	2014		
	2013		
	2012		
Oversight, Custodial & Other Costs	2014	2,879.0	1.4bp
	2013	3,485.0	1.7bp
	2012	3,510.0	1.9bp
Total	2014	15,656.0	7.7bp
	2013	16,434.0	8.2bp
	2012	17,065.0	9.3bp

1. Oversight includes the salaries and benefits of executives and their staff responsible for overseeing the entire fund or multiple asset classes and the fees / salaries of the board or investment committee. All costs associated with the above including fees / salaries, travel, director's insurance and attributed overhead should be included.

Appendix A - Data Summary: Overlays

Government Pension Fund Norway

Overlays		Internal						External								
		Notional amount (mils)	Market value (mils)	Profit/Loss (000s)	Cost (000s)	% of Notion. (bps)	Duration (years)	Notional amount (mils)	Market value (mils)	Profit/Loss (000s)	Base fees (000s)	Perf. fees (000s)	Over-sight (000s)	Total (000s)	% of Notion. (bps)	Duration (years)
Currency Hedge	2014	724.0	-6.0													
	2013	946.0	9.0													
	2012	1,458.0	8.0													
Duration Management	2014	8,265.0	144.0													
	2013	6,986.0	91.0													
	2012	7,047.0	228.0													

Appendix B - Currency conversion

Government Pension Fund Norway

All currency amounts have been converted to Euros using Purchasing Power Parity figures per the OECD. The table below shows the foreign exchange rates for the past 5 years.

Currency conversion table					
	2014	2013	2012	2011	2010
United States Dollars - USD*	0.777	0.773	0.806	0.801	0.799
Canada Dollars - CAD	0.619	0.626	0.660	0.650	0.656
Euro - EUR*	1.000	1.000	1.000	1.000	1.000
Sweden Kronor - SEK	0.088	0.090	0.091	0.090	0.089
Swiss Franc - CHF		0.556			
United Kingdom Pounds - GBP	1.109	1.114	1.185	1.181	1.216
Australia Dollars - AUD	0.518	0.525	0.552	0.513	0.525
New Zealand Dollars - NZD	0.528	0.528	0.545	0.523	0.522

1. Source OECD website.

* USD - Some participating Asia-Pacific funds report holdings and performance in USD.

EUR - Participating funds from Denmark and Norway report holdings and performance in Euros.

Appendix C - Data quality

The value of the information contained in these reports is only as good as the quality of the data received. CEM's procedures for checking and improving the data include the following.

Improved survey clarity

Twenty years of feedback from survey participants has led to improved definitions and survey clarity. In addition to immediate feedback from participants, CEM has hosted user workshops to solicit additional feedback and to resolve issues, such as trade-offs between more information and effort on the part of participants.

Computer and desktop verification

Survey responses are compared to norms for the survey universe and to each sponsor's prior year data when available. This typically results in questions generated by our online survey engine as well as additional follow-up to clarify responses or with additional questions.

In addition to these procedures, data quality continues to improve for the following reasons:

Learning curve -

This is CEM's 23rd year of gathering this data and experience is teaching the firm and the participants how to do a better job.

Growing universe -

As our universe of respondents continues to increase in size, so does our confidence in the results as unbiased errors tend to average themselves out.

Any suggestions on how to further improve data quality are welcome.

Currency Conversions

For reports where either the peer group or report universe includes funds from multiple countries, we have converted the returns back to the base currency of the fund we prepared the report for. For example, for a Euro zone fund with peers from the U.S. we converted U.S. returns to Euro based on the currency return for the year using December 31 spot rates.

Appendix D - Glossary of terms

Average cost

- Calculated by dividing actual annual costs by the average of beginning and end-of-year holdings. If beginning-of-year holdings are not available, they are estimated using end-of-year holdings before the effect of this year's return on investment.

Benchmark return

- Rate of return on a portfolio of investable assets (such as the S&P500) designated as the benchmark portfolio against which the fund measures its own performance for that asset class.

F statistics

- Measure of the statistical significance of the regression coefficients taken as a group. Generally, regression equations with 5 coefficients and sample sizes greater than 20 are statistically significant if its F statistic is greater than 3.

Global TAA

- Fully funded segregated asset pool dedicated to active asset allocation.

Impact coefficient

- Estimate of the impact on the dependent variable in a regression of a change in the value of a given explanatory variable

Level of significance

- Degree to which sample data explains the universe from which they are extracted.

N-year peers

- Subset of peer group that have participated in our study for at least the consecutive n years.

Oversight of the fund

- Resources devoted to the oversight of the fund.

Overlay

- Derivative based program (unfunded other than margin requirements), designed to enhance total portfolio return (such as a tactical asset allocation program) or to achieve some specific mandate such as currency hedging.

Passive proportion

- Proportion of assets managed passively, i.e., indexed to broad capital market benchmarks or dedicated to replicate market benchmarks.

Policy mix

- Reflects long-term policy or target asset weights. Policy asset mix is often established by a fund's investment committee or board and is determined by such long term considerations as liability structure, risk tolerance and long term capital markets prospects.

Policy return

- The return you would have earned if you had passively implemented your policy mix decision through your benchmark portfolios. Your policy return equals the sum of your policy weights multiplied by your asset class benchmarks for each asset class.

R squared (coefficient of determination)

- The percentage of the differences in the dependent variable explained by the regression equation. For example, an R squared of 1 means 100% of the differences are explained and an R squared of 0 means that none of the differences are explained.

Value added

- the difference between your total actual return and your policy return. It is a measure of actual value produced over what could have been earned passively.