



Years

2021

INVESTMENT REPORT

Louisiana State Employees' Retirement System

*Reflecting
on the past,
looking to
the future.*



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When you look in the mirror, do you like what you see?

Reflection offers the opportunity to discover what one is good at and what needs improvement. Reflection affects change. It often leads to stronger relationships and new ideas. We live in an ever-increasing socially aware world, where reflection allows individuals and businesses a chance for betterment.

In investments, we often see the disclaimer “past performance is not indicative of future results”. However, it is necessary to study the past.

LASERS is celebrating its 75th year in 2021. The system was created in 1946 by Act 126 of the Louisiana Legislature to provide retirement allowances and other benefits for state officers, employees, and their beneficiaries. Investment earnings are one of the three sources of benefits (in addition to employee and employer contributions) paid to LASERS members. Since the Plan's creation 75 years ago, there's been continuous reflection on how to balance risk and return, keenly aware of its importance to our members.

This past fiscal year, ended June 30, 2021, certainly provided lots to reflect on. The COVID-19 pandemic that began in 2020 brought unprecedented changes to nearly all aspects of life, including investment markets. In response, LASERS conducted a thorough asset allocation study and adopted a new allocation in the Fall of 2020. This robust allocation adjustment was the largest in Plan history, with changes in 11 of 13 asset classes.

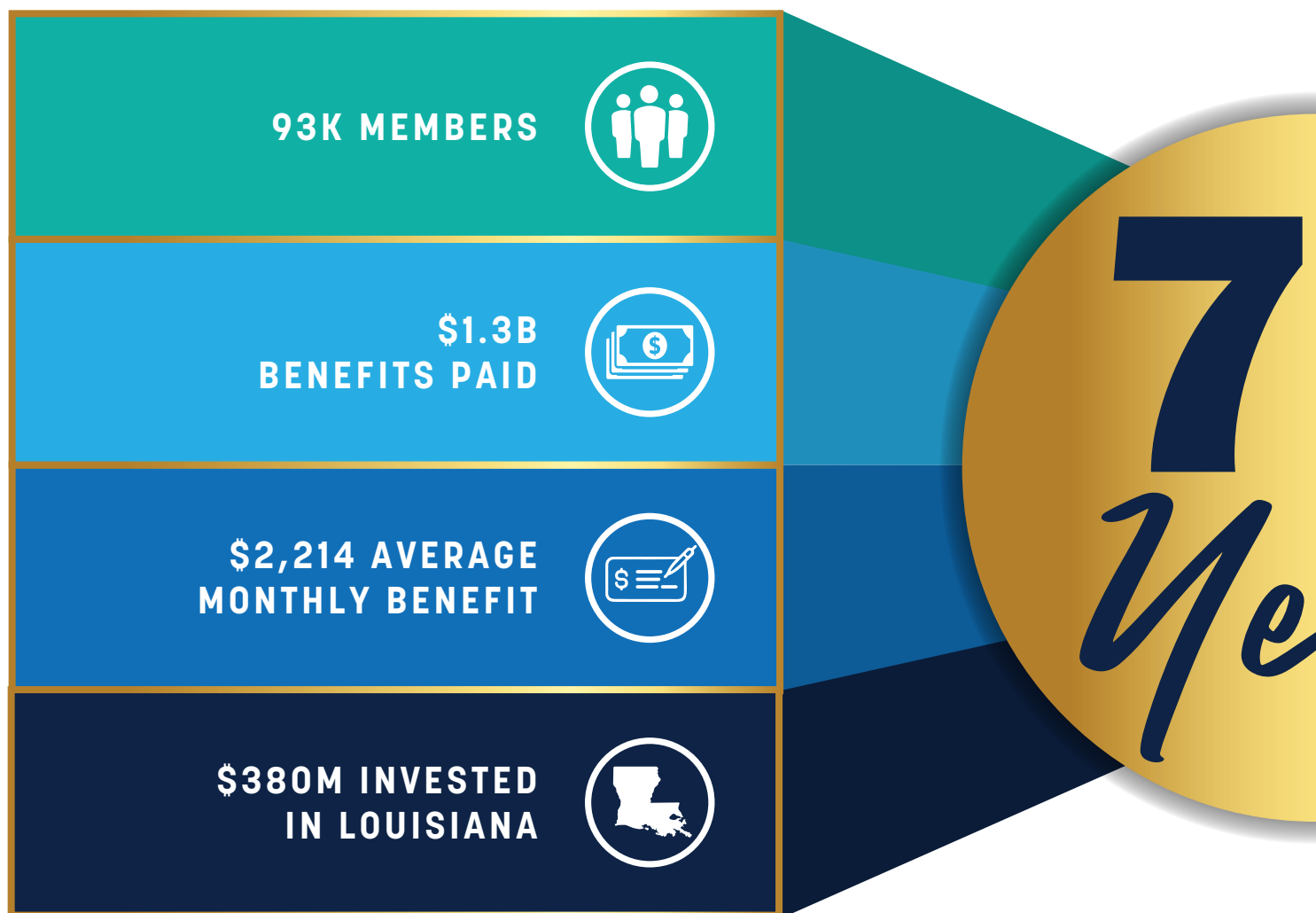
We invite you to explore the following pages for a little reflection on LASERS investment history as well as the state of your retirement plan.

icated staff and...
June 30, 1973 from 45,815...
1974. Refunds of accumulated contributions...
to \$4,247,906 in 1974. RETIREMENT--benefit recipients...
8,048 in 1973 to 9,056 in 1974. Total benefits paid in 1973 amounted...
\$20,689,257 and in 1974 these payments increased to \$26,623,617. Regular...
retirements increased 15.98%; disability retirement 14.15%, and survivor's...
benefits 13.31% during the fiscal year 1973-1974. The Board of Trustees...
approved a cost of living adjustment for all retirees and beneficiaries of record...
on January 1, 1973 consisting of an additional 3% of base retirement benefit to...
be payable July 1, 1974 and thereafter. Cost of living increases for 1974...
amounted to \$1,767,014. LEGISLATION--There were few legislative changes...
for 1974: Legislative transfer regardless of any age requirement; purchase of...
service credit in our system for service rendered as an employee of the Caddo...
Levee District; purchase of service credit for Legislators who serve a term of...
less than four years; number of Trustees on the Board be increased from nine...
to ten members, the tenth member to be a retiree of the system and to be...
appointed by and serve at the pleasure of the Executive Board of the...
Retired State Employees' Association. In accordance with the...
Duclos now serves on the Board...
at least twelve...

INVESTMENT REPORT

Louisiana State Employees' Retirement System

Year in Review



Dear Members,

The Louisiana State Employees' Retirement System (LASERS) earned a 35.6% gross-of-feesⁱ, time-weighted return on investments for the fiscal year ended June 30, 2021. As a result, the total gross-of-fee investment value of the fund as of June 30, 2021 exceeded \$13.9 billion. This is the Plan's highest ever fiscal year-end return, and places LASERS in the top second percentile for the one-year period, as compared to other public pension plans with market values greater than \$1 billion in the Wilshire Trust Universe Comparison Service (TUCS)ⁱⁱ. Longer-term annualized rates of return are 11.5% for the five-year period, 8.0% for the seven-year period, and 8.7% for the ten-year period.

Following a year of unprecedented market volatility and swift actions from both the U.S. Federal Reserve along with worldwide central banks, the 2020-2021 fiscal year

saw an outstanding recovery. At the start of the fiscal year, modest upticks were seen in economic activity, although it remained well below pre-pandemic levels, and economic uncertainty along with heightened volatility across capital markets lingered. In the U.S., the Federal Reserve's policy shift of seeking to achieve average inflation of two percent caused inflation expectations to rise and the yield curve to steepen. By the end of 2020, clarity around the U.S. Presidential election and positive vaccine news led to strong broad based performance. Going into 2021, expectation of a return to pre-pandemic normalcy was growing due to stronger-than-expected economic data, vaccine optimism, and stimulus tailwinds, prompting higher growth and inflation expectations. The fiscal year ended with some volatility due to concerns about the spread of the Delta variant, although markets posted impressive double-digit returns in nearly every asset class.



For the fiscal year, the Plan benefited from both global market improvements as well as the asset allocation changes that were adopted by the Board of Trustees in October 2020. Allocation changes included increases to U.S. equity, Global Multi-Sector, and Private Markets, with the ever-present goal of maintaining appropriate diversification while balancing the risk-return trade-off. On a broad level, the Plan's allocation to U.S. equities earned 46.8%, the highest asset class return for the fiscal year. That was followed by 42.2% achieved from the Non-U.S. equity allocation. Of note, is that this was accomplished while the management fee was reduced by increasing assets in the internally-managed program, which accounted for over 38% of Total Plan assets as of June 30, 2021. In the Alternatives space, the Private Markets portfolio posted a 46.8% return and the overall Fixed Income portfolio earned 14.3%, led by the Global Multi-Sector allocation which out-performed

its benchmark by 9.9%. Full implementation of the newest-approved asset allocation remains underway.

As always, we continue to work diligently to meet long-term goals and objectives and safeguard your retirement.

Sincerely,

Robert W. Beale, CFA, CAIA
Chief Investment Officer

ⁱLASERS custodian bank serves as book of record and calculates investment performance on behalf of the Plan. ⁱⁱBased on Wilshire's TUCS Rankings dated August 19, 2021.

Then & Now

LASERS Investment Committee approved the first investments in October of 1947, which were U.S. Treasury Bonds in the amount of \$200,000. The Board made subsequent additions to the portfolio with U.S. Treasury and Savings Bonds in the amount of \$900,000 in December to end the year with \$1,100,000 in assets under management.

Assets Under Management

12/31/47
\$1,100,000

Number of Board Members: 7

Executive Director: Homer Robinson

Chief Investment Officer: None

Investment Staff: 0

Depository of Funds: Fidelity National Bank

Internally Managed Assets: \$0



1946

2021

Assets Under Management

06/30/21

\$13,914,565,472

Number of Board Members: 13

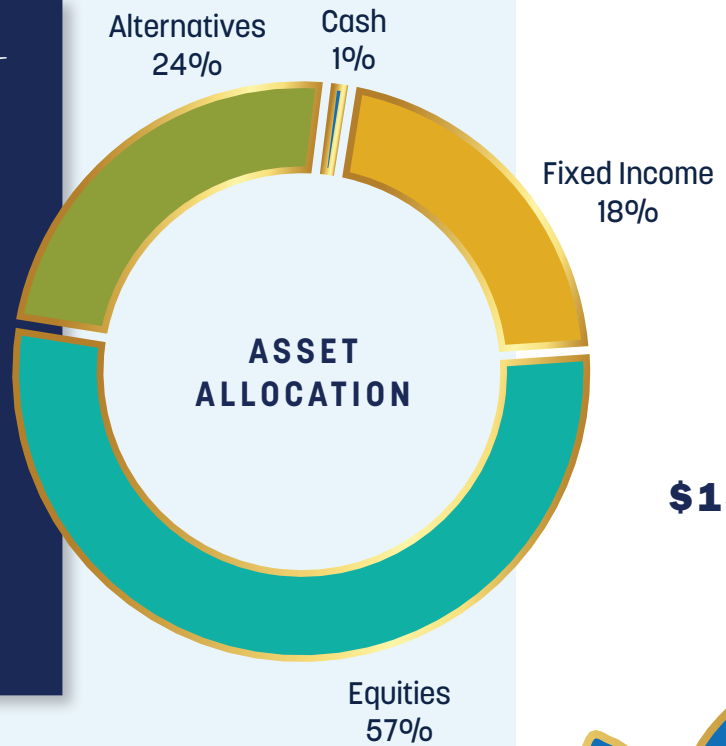
Executive Director: Cynthia Rougeou

Chief Investment Officer: Robert Beale

Investment Staff: 8

Custodian Bank: BNY Mellon

Internally Managed Assets: \$5.3 Billion



\$13.9B

Reaching its 75th year, LASERS portfolio benefited from both global market improvements and asset allocation changes adopted by the Board of Trustees in October of 2020. The plan ended the fiscal year with its highest ever return of 35.6%, ranking in the top second percentile amongst peers.

Growth of LASERS Portfolio

Timeline

1946

LASERS BEGAN

Created by Act 126 of the Legislative Session.

1966

CERTIFICATES OF DEPOSIT & CORPORATE BONDS

First investment in certificates of deposit (\$100m) and corporate bonds (\$3m par value of AT&T).

1976

POLICY ADOPTED

First formal Investment Policy adopted.

1982

ASSET GROWTH

Assets reached \$1 Billion.

1986

SECURITIES LENDING

Began Securities Lending program.

1995

FIRST WORKSHOP

First Investment Workshop held for the Board of Trustees.

1993

INVESTMENT CONSULTANT

NEPC, LLC, hired as Investment Consultant and remains today.



1955

FIRST CUSTODIAN

National Bank of Commerce in New Orleans selected as the first Custodian.

1947

FIRST INVESTMENT

First investment approved - \$200k in U.S. Treasury Bonds, Series G & H.

1968

EQUITIES

First investment in equities of \$1m. Stocks included AT&T, GE, GM, Eastman Kodak, Union Carbide, and Standard Oil.

1980

MONEY MANAGERS

First money managers hired.

1974

FIRST CONSULTANT

Boston Company of Louisville, KY hired as first Consultant.

1992

PRIVATE EQUITY MANAGER

First Private Equity manager hired.

1990

INTERNATIONAL EQUITY MANAGERS

First International Equity managers hired.

1970

HIGH YIELD BONDS

Invested in High Yield Bonds.

...◦ **1999**

INTERNAL MANAGEMENT

Internally managed program began with S&P 500 Index Fund.

...◦ **2002**

INVESTMENT REPORT

LASERS first Annual Investment Report was published in 2002.

ABSOLUTE RETURN

Absolute Return added to Allocation.

...◦ **2005**

NEW CUSTODIAN BANK

BNY Mellon hired as Custodian Bank and remains today.

...◦ **2012**

EMERGING MARKET DEBT

Emerging Market Debt added to Allocation.

...◦ **2013**

ASSET GROWTH

LASERS assets exceed \$10 Billion.

...◦ **2014**

ASSISTANT CHIEF INVESTMENT OFFICERS

Darren Fournierat and Laney Sanders became Co-Assistant CIOs.



...◦ **2008**

RISK PARITY

Risk Parity added to Allocation.

...◦ **2011-2015**

TOP 10 RANKING

Rankings in top 10 amongst peers.

...◦ **2015**

GLOBAL MULTI-SECTOR

Global Multi-Sector added to Allocation.

...◦ **2001**

CHIEF INVESTMENT OFFICER

Robert Beale became LASERS Chief Investment Officer.

...◦ **2021**

CURRENT ASSETS

LASERS assets exceed

\$13.9B

...◦ **1997**

ASSET GROWTH

Assets reached \$5 Billion.

INTERNAL MANAGEMENT

Internally-managed program represents over 38% of Total Assets.

Board of Trustees

A 13-member Board of Trustees oversees LASERS operations. Six seats are filled by active members, three seats are held by retirees, and four positions are ex officio. Trustees serve four-year terms and are limited to three consecutive terms.

The Board of Trustees is responsible for the total investment program. As such, they approve the investment policy and provide overall direction to the administrative staff in the execution of the investment policy.

EX OFFICIO MEMBERS



**Commissioner
Jay Dardenne**



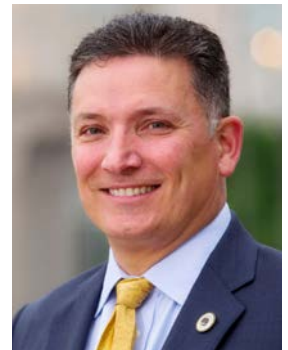
**Representative
Lance Harris**



**Senator
Edward Price**



**Senator
Barrow Peacock,
*Designee***



**State Treasurer
John Schroder**



Beverly Hodges
Board Chair
*Retired from the
Department of
Natural Resources*



Barbara McManus
Board Vice Chair
*Retired from the
Department of Social
Services*



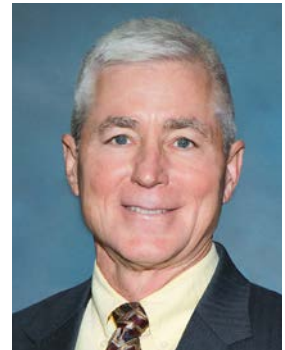
Thomas Bickham
*Undersecretary,
Department of
Public Safety
and Corrections*



Virginia Burton
*Retired from the
Department of
Revenue*



Charles Castille
*Retired from the
Department of Health
and Hospitals*



**Judge William
Kleinpeter**
*City Court of
Port Allen*



Janice Lancing
*Chief Financial
Officer, Coastal
Protection and
Restoration Authority*



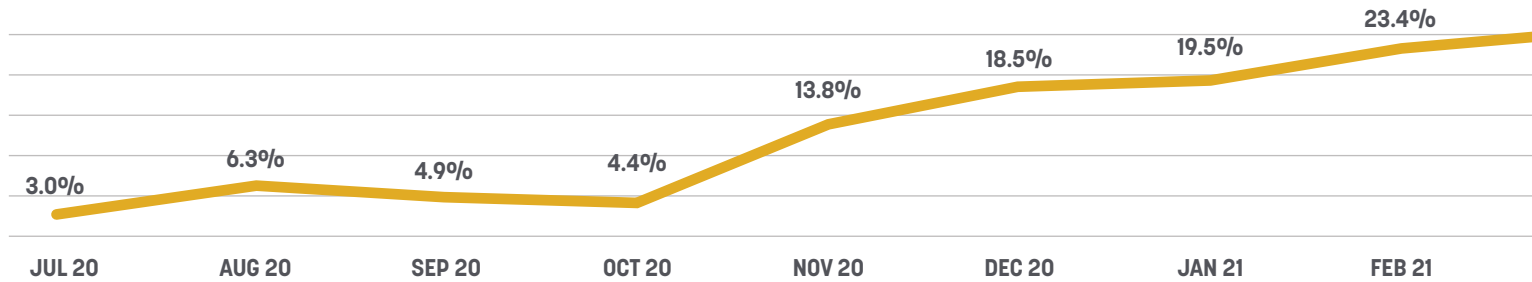
Lori Pierce
*Retired from the
Department of
Treasury*



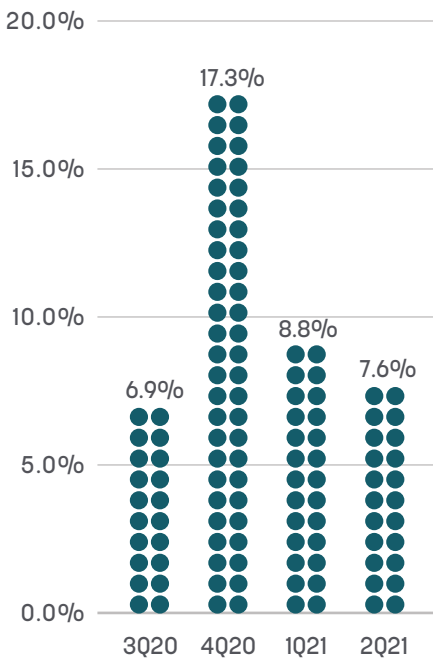
Shannon Templet
*Director of Human
Resources, House
of Representatives*

Total Fund Review

2020 - 2021 FYTD Returns by Month

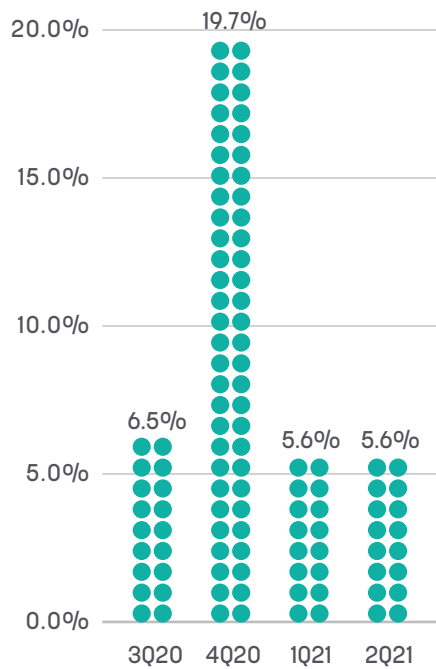


Domestic Equity



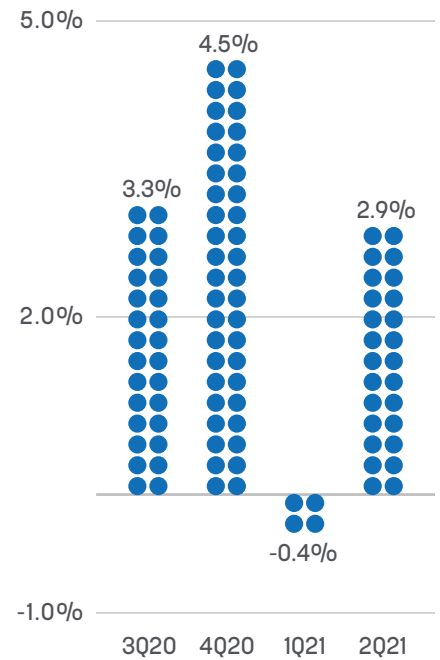
Fiscal Year Return	46.8%
AUM	\$4,365.4m
Target Allocation	31.0%
Actual Allocation	31.4%
Active Management	5.2%
Passive Management	94.8%

International Equity

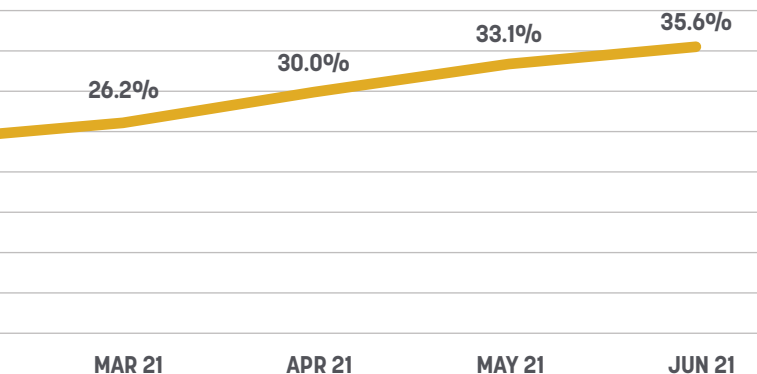


Fiscal Year Return	42.2%
AUM	\$3,534.1m
Target Allocation	23.0%
Actual Allocation	25.4%
Active Management	62.9%
Passive Management	37.1%

Domestic Fixed Income



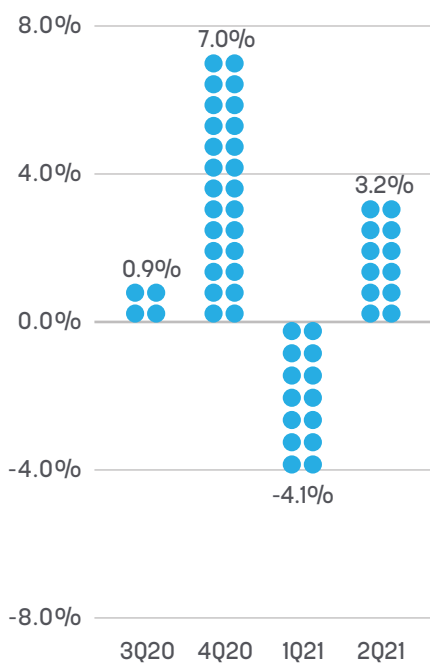
Fiscal Year Return	10.6%
AUM	\$647.1m
Target Allocation	3.0%
Actual Allocation	4.7%
Active Management	100%
Passive Management	0%



FYE Return Ending June 30, 2021

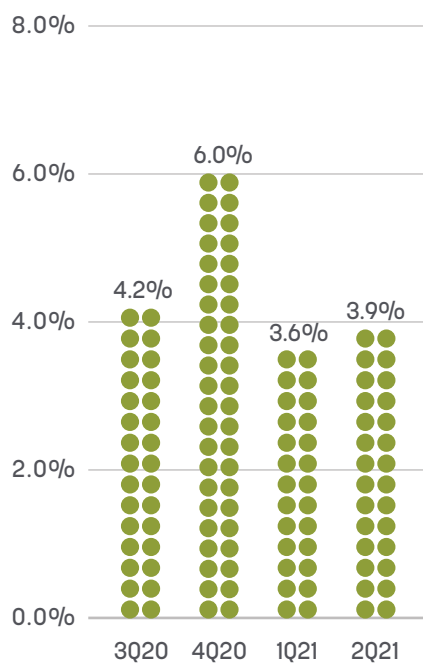
35.6%

Emerging Market Debt



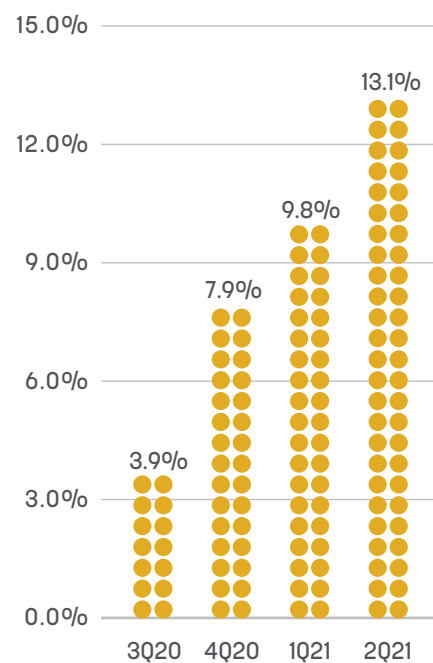
Fiscal Year Return	6.9%
AUM	\$479.3m
Target Allocation	4.0%
Actual Allocation	3.4%
Traditional	45.2%
Opportunistic	54.8%

Global Multi-Sector Fixed Income



Fiscal Year Return	18.9%
AUM	\$1,410.8m
Target Allocation	14.0%
Actual Allocation	10.1%
Traditional	39.3%
Opportunistic	60.7%

Alternatives



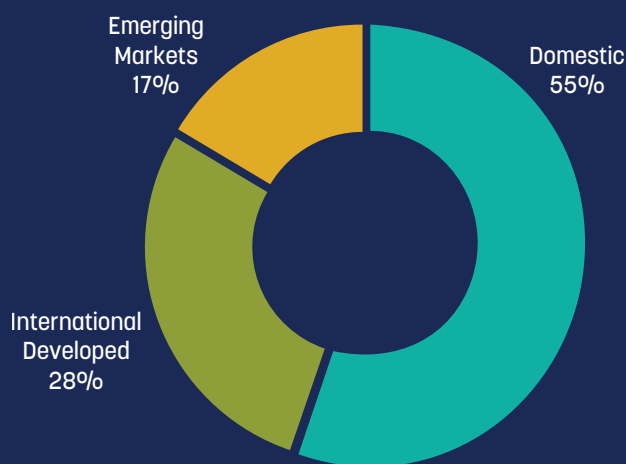
Fiscal Year Return	39.2%
AUM	\$3,298.3m
Target Allocation	24.0%
Actual Allocation	23.7%
Private Markets	83.0%
Other	17.0%

Public Equity

Public equity is an asset class where individuals and/or organizations can buy ownership in shares or stock of a company through a public market such as the New York Stock Exchange. The benefits of investing in public equity include liquidity, credibility, and financial flexibility. LASERS invests globally in both Domestic and International equity, including Emerging Markets equity.

Public Equity: Fiscal Year Summary

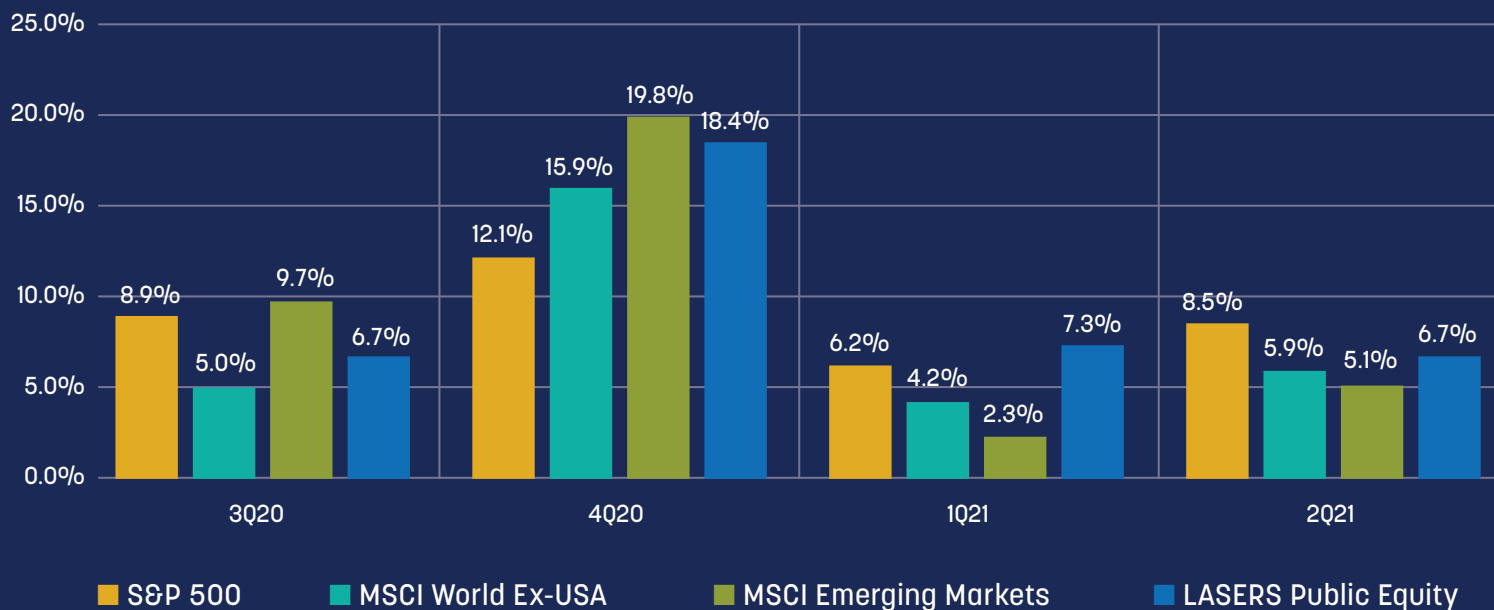
ALLOCATION



ASSETS & RETURNS

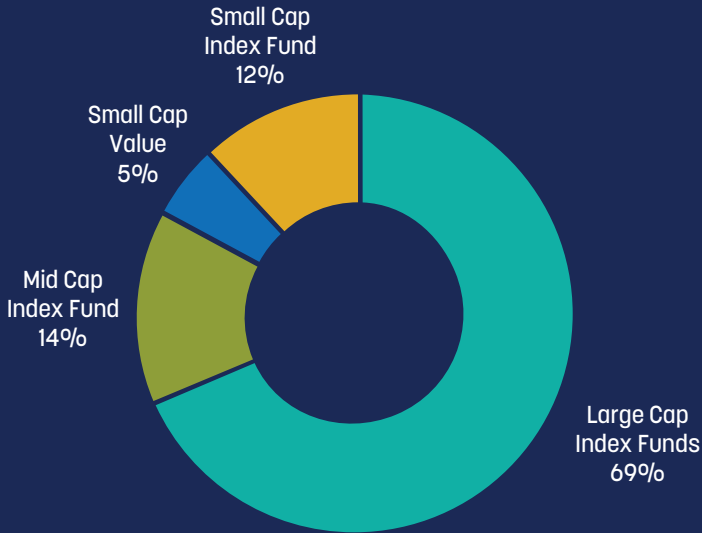
	Market Value (Millions)	Market Return	LASERS Return
Domestic	\$4,365.4	40.8%	46.8%
International Developed	\$2,235.2	34.2%	39.5%
Emerging Markets	\$1,298.9	41.4%	46.8%
Total Public Equity	\$7,899.5		44.6%

QUARTERLY RETURNS



Domestic Equity: Fiscal Year Summary

ALLOCATION



ASSETS & RETURNS

	Market Value (Millions)	Market Return	LASERS Return
Large Cap	\$2,998.9	40.8%	39.1%
Mid Cap	\$618.2	53.2%	53.1%
Small Cap	\$748.3	67.4%	67.9%
Domestic Equity	\$4,365.4		46.8%

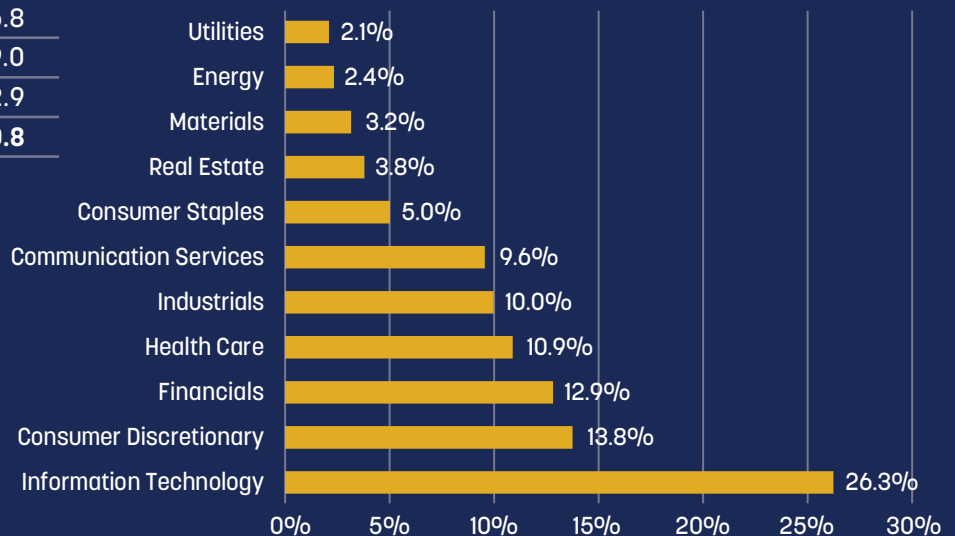
TOP HOLDINGS

Security Name	Market Value (Millions)
Apple Inc	\$211.6
Microsoft Corp	\$196.5
Amazon.com Inc	\$150.7
Facebook Inc	\$80.3
Alphabet Inc Class C	\$72.2
Alphabet Inc Class A	\$70.6
Telsa Inc	\$60.2
NVIDIA Corp	\$56.8
PayPal Holdings Inc	\$39.0
Berkshire Hathaway Inc	\$32.9
Top Ten	\$970.8

MANAGER & ASSET SUMMARY

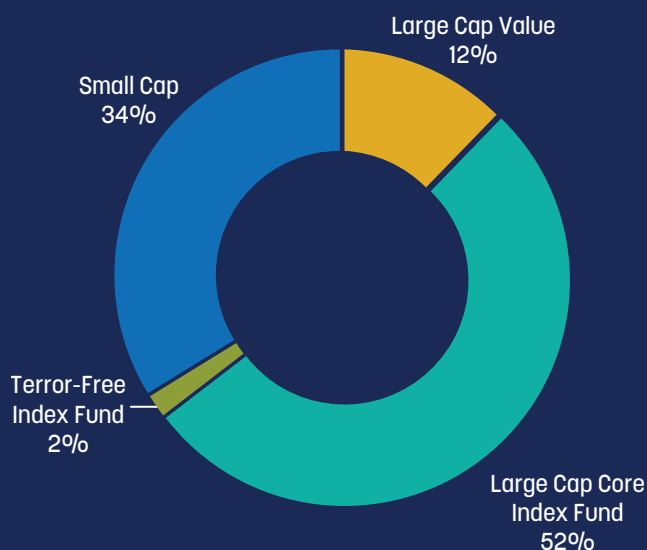
Manager	Market Value (Millions)	Benchmark
LSV Asset Management	\$227.2	S&P 600 Value
Small Cap Value	\$227.2	
LASERS S&P 400 Index	\$618.2	S&P 400
LASERS S&P 500 Index	\$2,287.1	S&P 500
LASERS S&P 600 Index	\$521.1	S&P 600
LASERS Nasdaq 100 Index	\$711.8	Nasdaq 100
Index Funds	\$4,138.2	
Domestic Equity	\$4,365.4	

SECTOR DIVERSIFICATION



International Developed Equity: Fiscal Year Summary

ALLOCATION



TOP HOLDINGS

Security Name	Market Value (Millions)
DSV A/S	\$28.8
Nestle	\$23.1
Novartis	\$22.3
ASML Holdings	\$16.5
Sanofi	\$16.5
Roche Holdings	\$16.1
Glaxosmithkline	\$14.2
Allianz	\$13.9
Sony Group Corp	\$13.4
Lloyds Banking Group	\$13.1
Top Ten	\$177.8

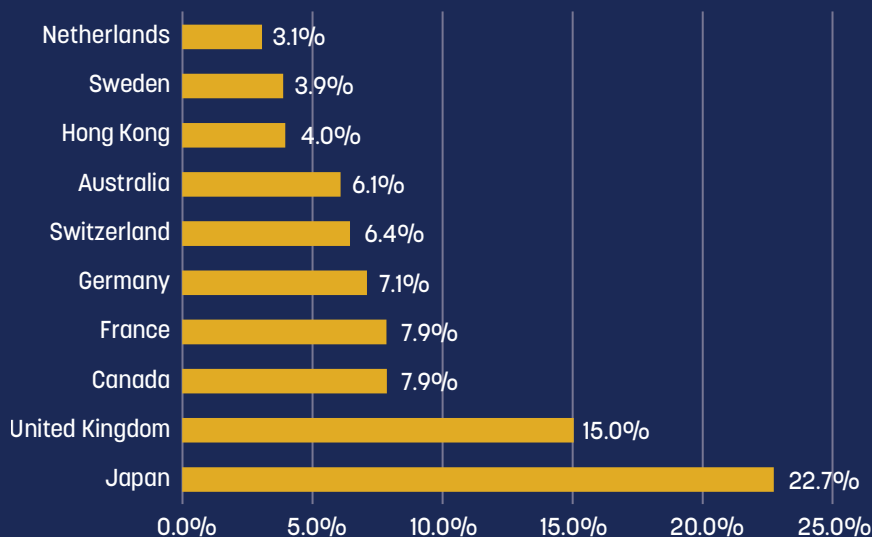
ASSETS & RETURNS

	Market Value (Millions)	Market Return	LASERS Return
Large Cap Value	\$273.4	36.7%	34.8%
Large Cap Core	\$1,206.6	34.2%	37.4%
Small Cap	\$755.2	42.8%	44.1%
International Developed Equity	\$2,235.2		39.5%

MANAGER & ASSET SUMMARY

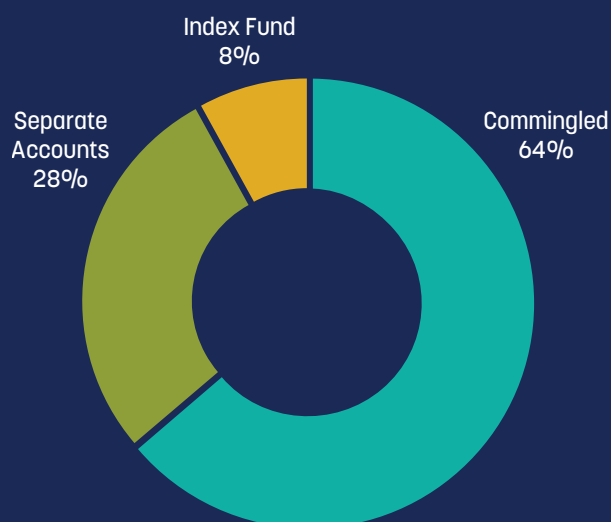
Manager	Market Value (Millions)	Benchmark
Mondrian Investment Partners	\$273.4	MSCI World Ex-USA Value
Large Cap Value	\$273.4	
MSCI Index Fund	\$1,169.8	MSCI World Ex-USA
Terror-Free Fund	\$36.8	
Large Cap Core	\$1,206.6	
Mondrian Investment Partners	\$289.5	MSCI World
Goldman Sachs	\$465.7	Ex-USA Sm Cap
Small Cap	\$755.2	
International Developed Equity	\$2,235.2	

TOP COUNTRIES



Emerging Markets Equity: Fiscal Year Summary

ALLOCATION



ASSETS & RETURNS

	Market Value (Millions)	Market Return	LASERS Return
Commingled Accounts	\$828.5		
Separate Account	\$366.3		
Index Fund	\$104.2		
Emerging Markets Equity	\$1,298.9	41.4%	46.8%

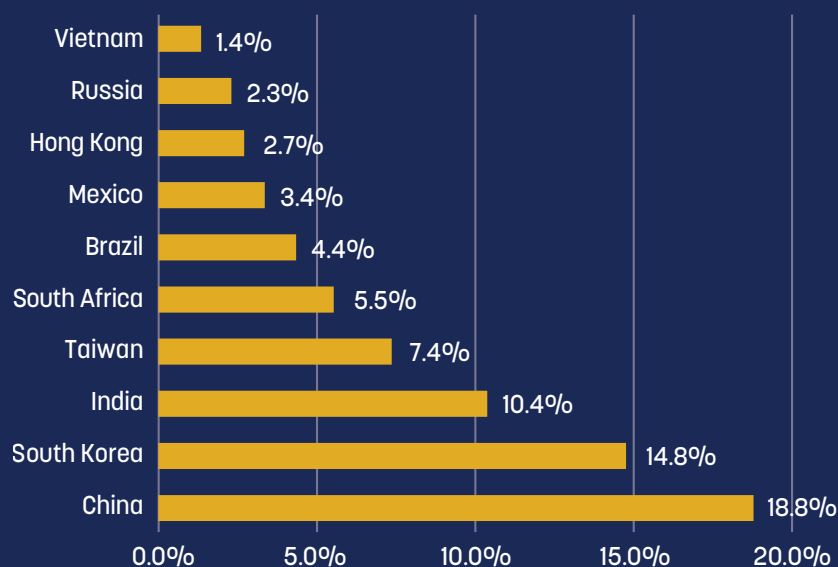
MANAGER & ASSET SUMMARY

Manager	Market Value (Millions)	Benchmark
City of London	\$535.4	MSCI Emerging Markets Index
Westwood Global	\$293.1	
LSV Asset Management	\$366.3	
BlackRock EM IMI Index Fund	\$104.2	MSCI EM IMI Index
Emerging Markets Equity	\$1,298.9	

SAMPLE HOLDINGS

Security Name	Market Value (Millions)
Samsung Electronics Co Ltd	\$15.4
China Mobile Ltd	\$5.5
Hon Hai Precision Industry Co	\$5.2
Lukoil	\$4.2
Vale	\$4.0
Fuban Financial Holding Co Ltd	\$3.9
Baidu Inc	\$3.9
Xtep International Holdings	\$3.8
Kia Corp	\$3.5
Hindalco Industries Ltd	\$3.4

TOP COUNTRIES

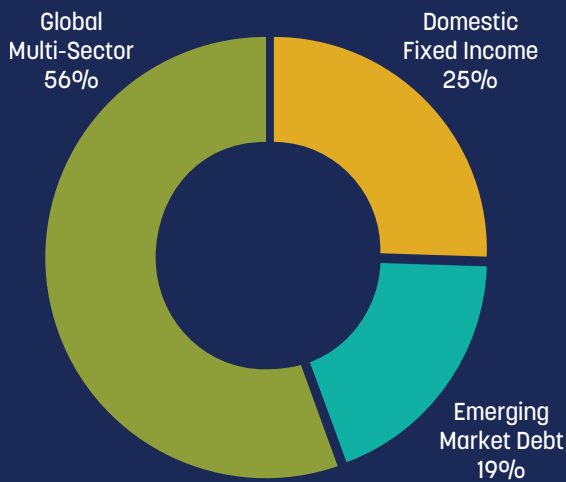


Fixed Income

Fixed income securities are debt instruments issued by a government, corporation, or other entity to finance and expand their operations. The benefits of investing in fixed income include stability of principal, a steady income stream, and a higher claim to assets. LASERS invests globally in both Domestic and International Fixed income, including Emerging Market Debt and Global Multi-Sector assets.

Fixed Income: Fiscal Year Summary

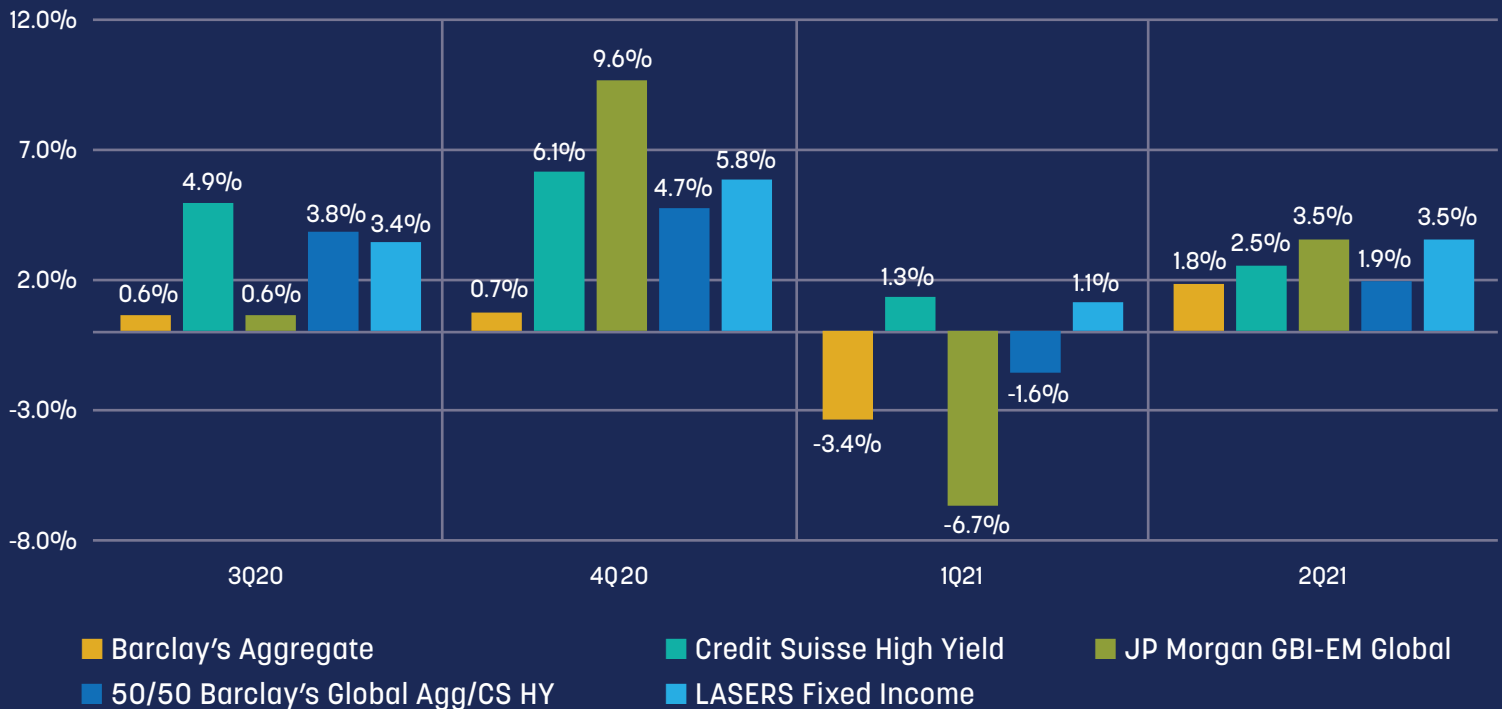
ALLOCATION



ASSETS & RETURNS

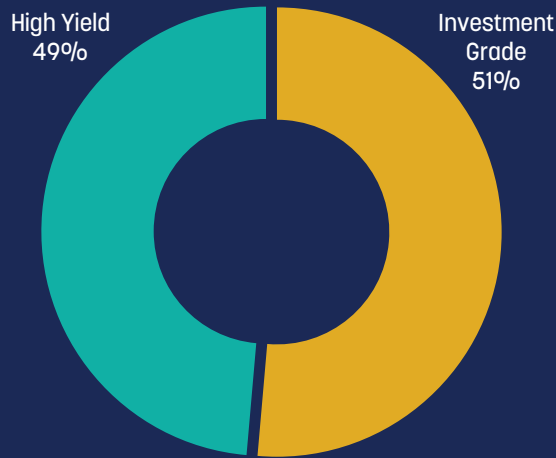
	Market Value (Millions)	Market Return	LASERS Return
Domestic	\$647.1	-0.3%	10.6%
Emerging Market Debt	\$479.3	6.9%	6.9%
Global Multi-Sector	\$1,410.8	9.0%	18.9%
Total Fixed Income	\$2,537.2		14.3%

QUARTERLY RETURNS



Domestic Fixed Income: Fiscal Year Summary

ALLOCATION



ASSETS & RETURNS

	Market Value (Millions)	Market Return	LASERS Return
Investment Grade	\$332.5	-0.3%	2.6%
High Yield	\$314.6	15.7%	20.7%
Domestic Fixed Income	\$647.1		10.6%

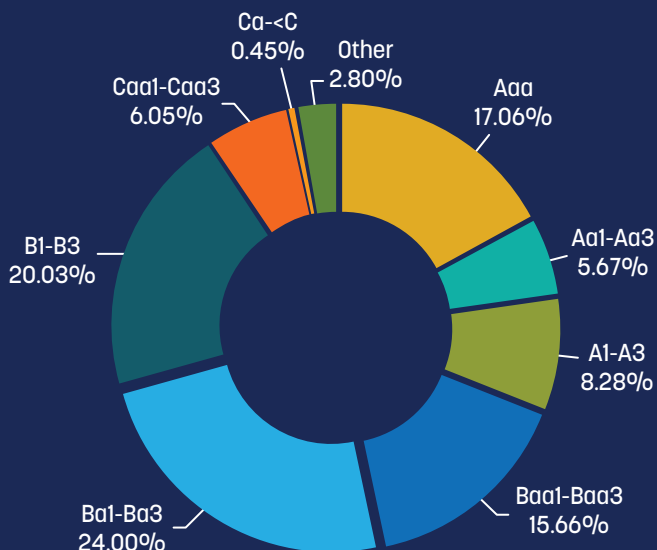
TOP HOLDINGS

Security Name	Market Value (Millions)
Commit FNMA SFmtg, 2.0% 9/1/2051	\$18.4
US Treasury Bill, 0% 12/9/2021	\$11.8
US Treasury Bill, 0% 7/29/2021	\$6.2
FedEx Corp, 4.9% 1/15/2034	\$5.0
Valero Energy Corp, 7.5% 4/15/2032	\$4.9
Walgreens Boots Alliance Inc, 4.8% 11/18/2044	\$4.8
Georgia Power Co, 4.3% 3/15/2042	\$4.7
CSX Corp, 4.3% 3/1/2048	\$4.6
JP Morgan Chase & Co, 3.9% 7/15/2025	\$4.4
Amazon.com Inc, 3.8% 12/5/2024	\$4.4
Top Ten	\$69.2

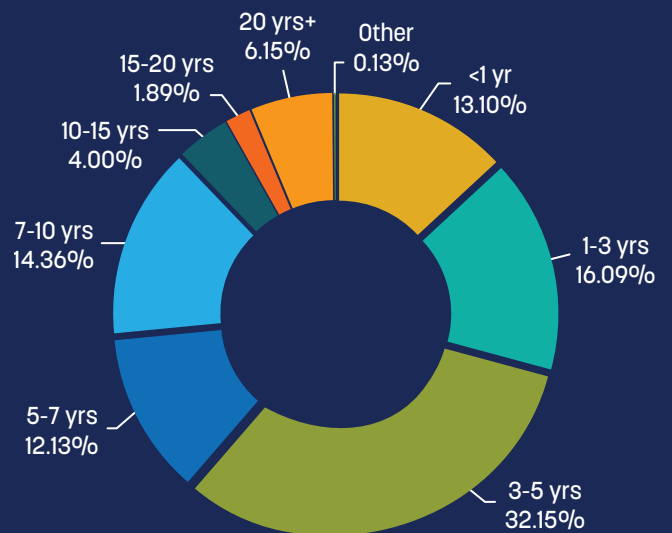
MANAGER & ASSET SUMMARY

Manager	Market Value (Millions)	Benchmark
Loomis Sayles	\$194.3	BB BC
Orleans Capital	\$138.2	US Aggregate
Investment Grade	\$332.5	
JP Morgan	\$159.2	Credit Suisse
Nomura	\$155.4	High Yield
High Yield	\$314.6	
Domestic Fixed Income	\$647.1	

QUALITY ALLOCATION



MATURITY ALLOCATION



Emerging Market Debt: Fiscal Year Summary

MANAGER & ASSET SUMMARY

Manager	Market Value (Millions)	Benchmark
Stone Harbor	\$216.5	JPMorganGBI-EM
Gramercy	\$262.8	Global Diversified
Emerging Market Debt	\$479.3	

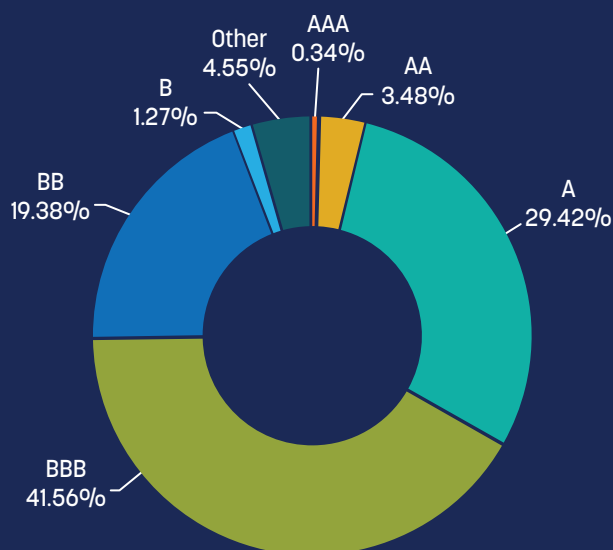
RETURNS

	Market Value (Millions)	Market Return	LASERS Return
Emerging Market Debt	\$479.3	6.6%	6.9%

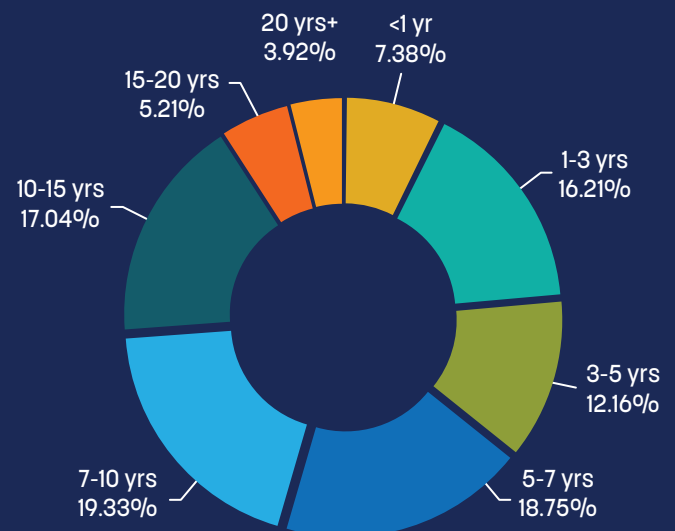
SAMPLE HOLDINGS

Security Name	Market Value (Millions)
China Govt Bond, 1.99% 4/9/2025	\$6.9
Indonesia Treasury Bond, 8.375% 3/15/2024	\$6.1
Mexican Bonos, 7.5% 6/3/2027	\$5.7
Republic of S Africa Govt, 6.25% 3/31/2036	\$5.4
China Govt Bond, 3.13% 11/21/2029	\$5.2
Colombian TES, 7.5% 8/26/2026	\$5.0
Republic of Poland Govt, 5.75% 9/23/2022	\$4.7
China Govt Bond, 3.29% 5/23/2029	\$4.6
Romania Govt Bond, 5.0% 2/12/2029	\$4.6
Republic of Poland Govt, 2.5% 1/25/2023	\$4.5

QUALITY ALLOCATION



MATURITY ALLOCATION



Quality and Maturity Allocation charts reflect only traditional manager(s).

Global Multi-Sector Fixed Income: Fiscal Year Summary

MANAGER & ASSET SUMMARY

Manager	Market Value (Millions)	Benchmark
DoubleLine	\$249.8	
GoldenTree	\$304.9	50/50 Bloomberg
PIMCO	\$392.1	Barclay's Capital
Blackstone	\$351.4	Global Agg/Credit
Zais Group	\$110.0	Suisse High Yield
ArrowMark*	\$2.6	
Global Multi-Sector	\$1,410.8	

RETURNS

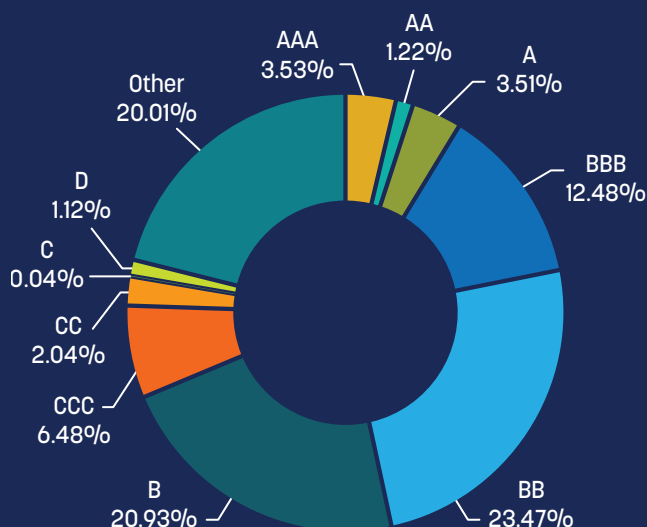
	Market Value (Millions)	Market Return	LASERS Return
Global Multi-Sector	\$1,410.8	9.0%	18.9%

*Commitment funding remains underway.

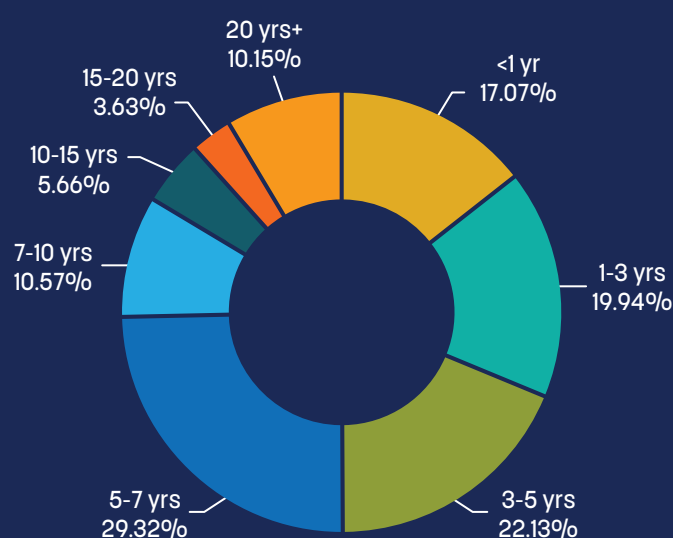
SAMPLE HOLDINGS

Security Name	Market Value (Millions)
GSMSC Resecuritization 3R 2B 144A, Var Rt 9/26/2036	\$3.6
PNMAC FMSR Issuer T FT1 A 1444A, Var Rt 4/25/2023	\$3.3
Progress Residential SFR3 E 144A, 3.369% 9/17/2036	\$3.2
FMC GMST Issuer TRU GT1 A 144A, Var Rt 5/25/2024	\$3.0
CSMC 2020-RPL6 TR RPL6 A2 144A, Var Rt 3/25/2059	\$3.0
Petroleos Mexicanos, 6.49% 1/23/2027	\$2.6
CSCS Holdings LLC 144A, 6.5% 2/1/2029	\$2.5
Freddie Mac STACR FTR3 B2 144A, Var Rt 9/25/2047	\$2.5
Volt XCIX LLC NPL8 A2 144A, Var Rt 4/25/2051	\$2.5
CCO Holdings LLC 144A, 5.375% 6/1/2029	\$2.2

QUALITY ALLOCATION



MATURITY ALLOCATION



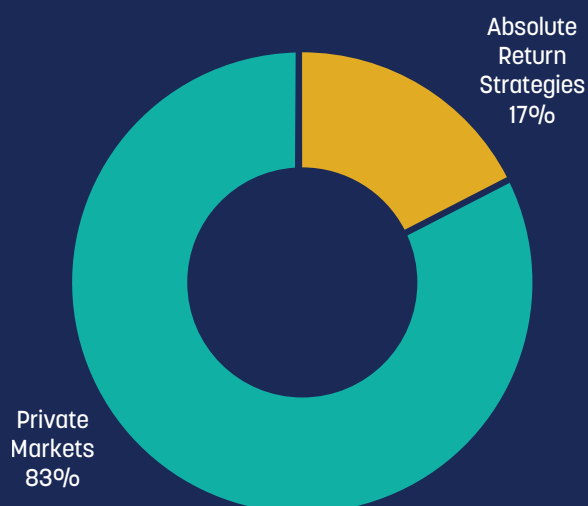
Quality and Maturity Allocation charts reflect only traditional manager(s).

Alternatives

Alternative Investments generally refer to institutional blind pool limited partnerships which make private debt and equity investments in privately held companies, as well as hedge funds, and other publicly traded derivatives-based strategies. The benefits of investing in alternatives include increased diversification, inflation hedging, and new exposures/opportunities. LASERS invests in Absolute Return Strategies and Private Markets.

Alternatives: Fiscal Year Summary

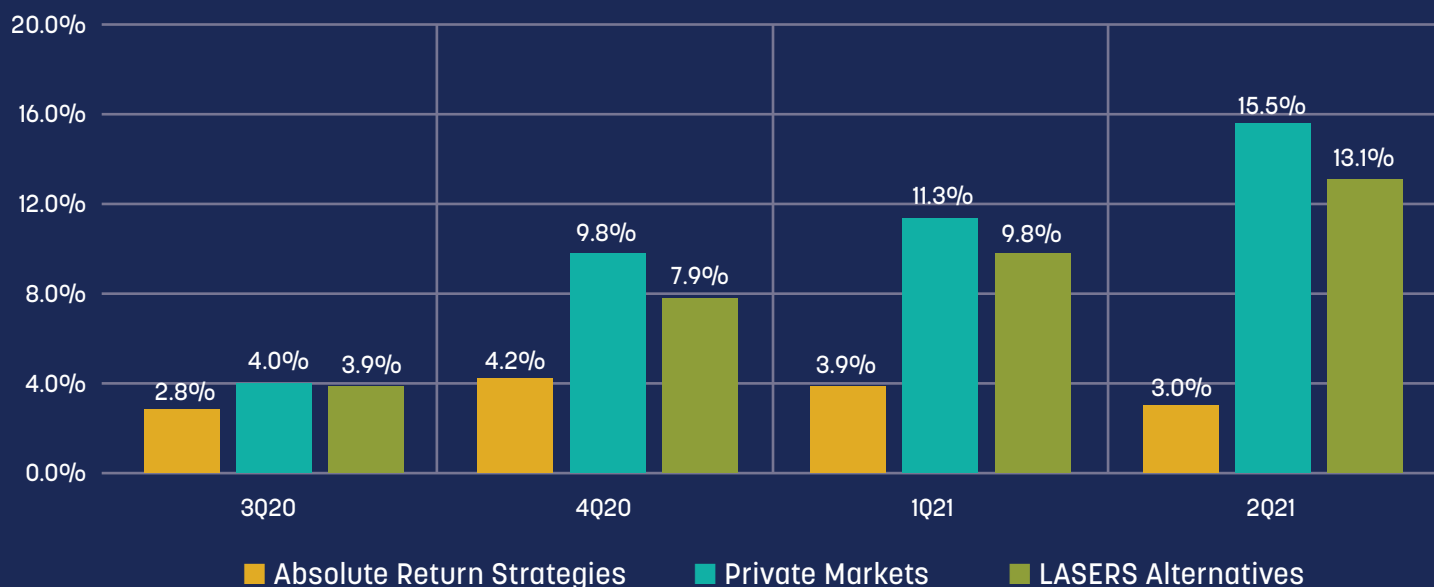
ALLOCATION



ASSETS & RETURNS

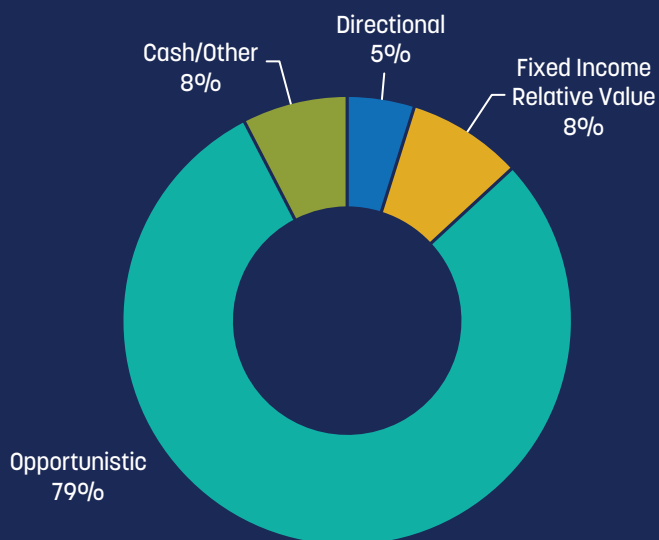
	Market Value (Millions)	Market Return	LASERS Return
Absolute Return Strategies	\$575.7	18.3%	14.7%
Private Markets	\$2,722.6	n/a	46.8%
Total Alternatives	\$3,298.3		39.2%

QUARTERLY RETURNS



Absolute Return Strategies: Fiscal Year Summary

ALLOCATION



RETURNS

	Market Value (Millions)	Market Return	LASERS Return
Absolute Return Strategies	\$575.7	18.3%	14.7%

PORTFOLIO CHARACTERISTICS

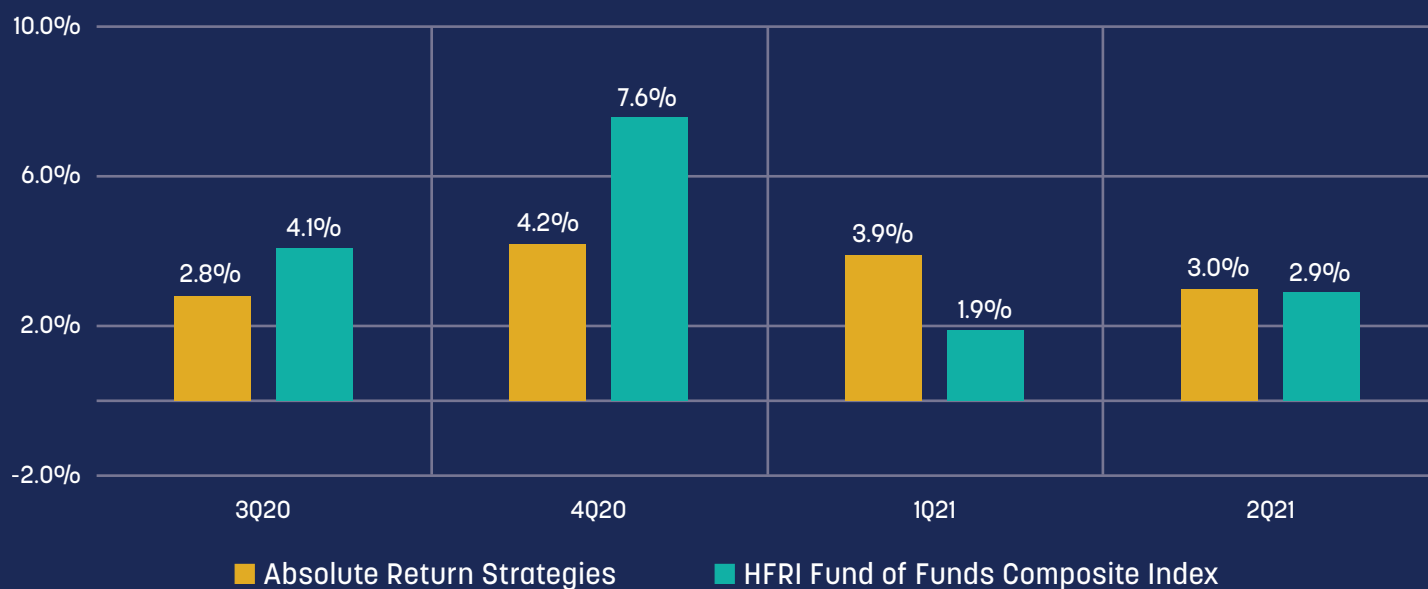
	HFRI FoF Index	LASERS
Analysis Inception	July-08	July-08
Cumulative Return	43.19%	43.31%
Annualized Return	2.80%	2.81%
Information Ratio	0.50	0.50
% Up Months	64.74%	67.95%
% Down Months	35.26%	32.05%
Correlation to S&P 500	0.79	0.63

MANAGER & ASSET SUMMARY

Manager	Market Value (Millions)
Entrust Capital	\$286.9
PAAMCO*	\$0.8
Prisma Capital	\$285.8
Stark Investments*	\$2.2
Total Absolute Return	\$575.7

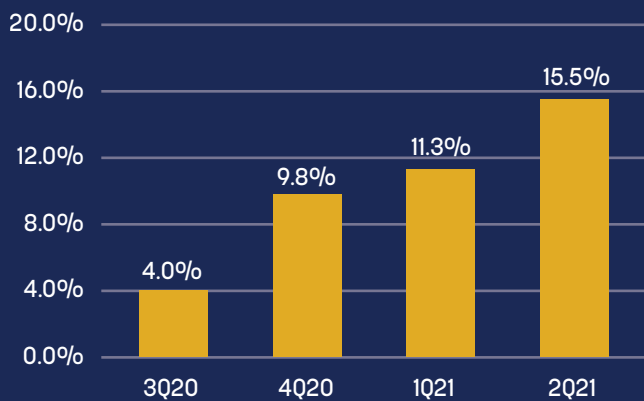
*In redemption status

QUARTERLY RETURNS



Private Markets: Fiscal Year Summary

QUARTERLY RETURNS



PROGRAM SNAPSHOT

FY Return	46.8%
# of managers	42
# of funds	87
Total Commitments	\$5,589,416,179
Total Contributions	\$4,195,486,557
Total Drawdown	75%
Total Distributions	\$4,329,728,099

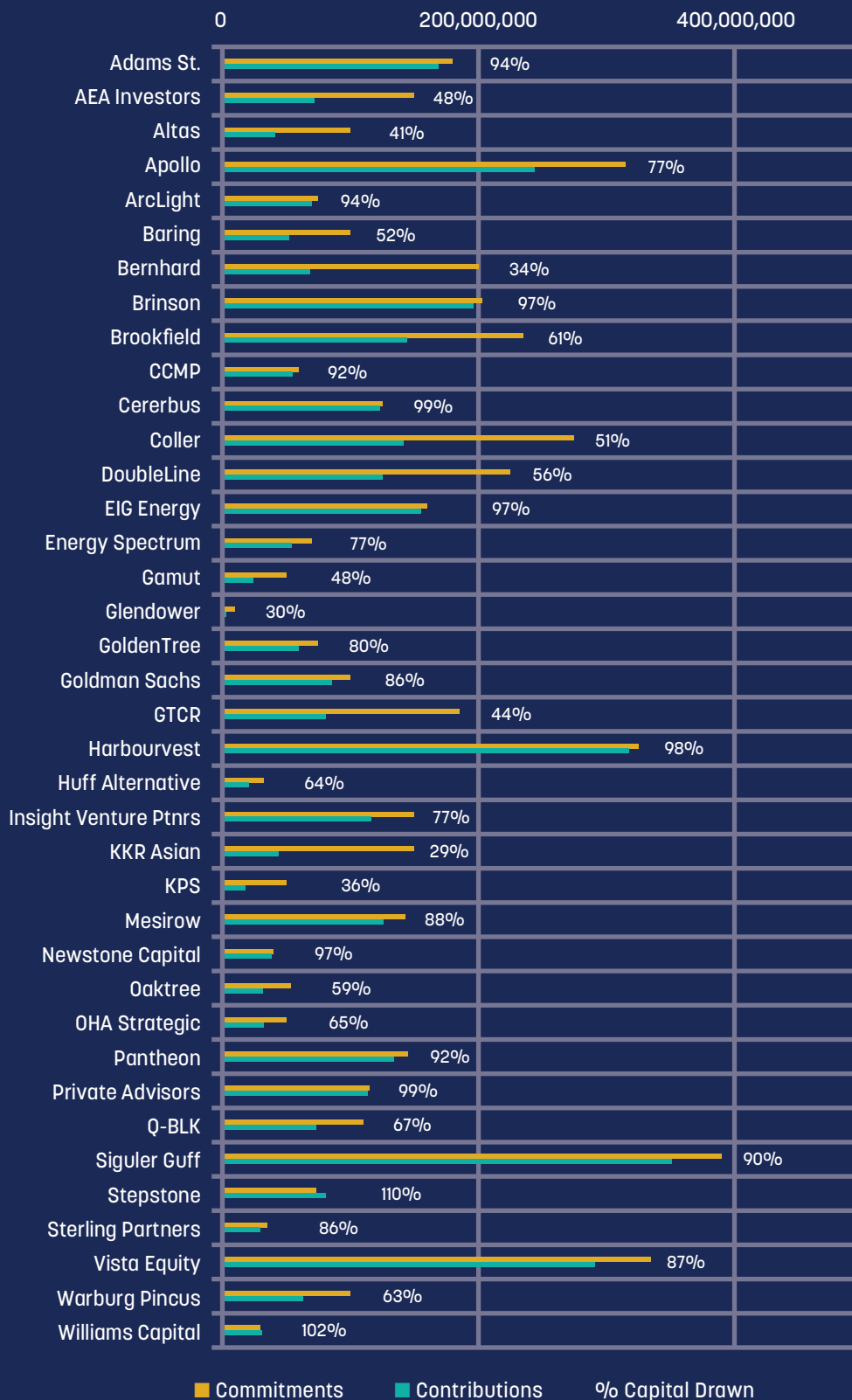
MANAGER & ASSET SUMMARY

Manager	Mkt Value (Millions)
Adams St	\$68.6
AEA Investors	105.0
Altas Partners	45.4
Apollo	112.0
ArcLight Energy	49.8
Baring Private Equity	85.4
Bernhard Capital	70.2
Brinson	3.4
Brookfield Capital	151.8
CCMP Capital	66.8
Cerberus	149.1
Collier Int'l Partners	104.1
DoubleLine	106.3
EIG Energy	52.0
Energy Spectrum	8.5
Gamut	36.1
Glendower	3.1
GoldenTree	76.9
Goldman Sachs	18.4

Manager	Mkt Value (Millions)
GTCR	\$174.8
Harbourvest	\$1.7
Huff Alternative Fund	3.8
Insight Venture Ptnrs	197.8
KKR Asian	63.9
KPS Special Situations	17.2
Mesirow	80.2
Newstone Capital	4.9
Oaktree	30.2
OHA Strategic	43.4
Pantheon Ventures	30.3
Private Advisors	83.3
Quellos-BlackRock	27.6
Siguler Guff	190.7
Stepstone	11.9
Sterling Partners	20.5
Vista Equity	346.5
Warburg Pincus	80.4
Williams Capital	0.3
Total Private Equity	\$2,722.6

Private Markets: Fiscal Year Summary

COMMITMENTS & CONTRIBUTIONS



Trading

Efficient trading, or the purchase or sale of securities by LASERS external managers and internal staff, is a pivotal component of portfolio success.

LASERS is committed to monitoring and analyzing execution costs, with the ultimate goal of ensuring best execution. We conduct a thorough annual review of total execution costs that our managers incur, which includes commissions, market impact, and timing costs. Trading activity and costs are also monitored on an ongoing basis; LASERS staff compiles and analyzes trade data internally, in addition to using the services of an outside consultant, Zeno Consulting Group.

COMMISSION SUMMARY

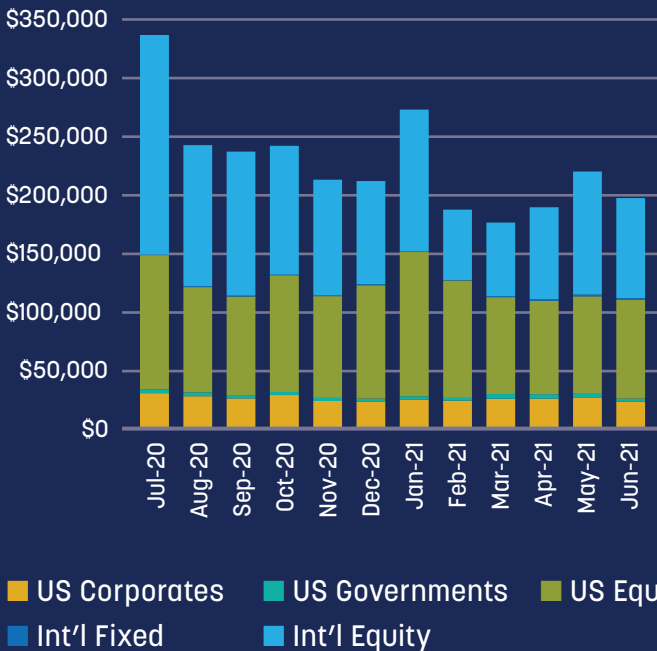
Brokerage Firm	Commission	Brokerage Firm	Commission
Goldman Sachs	\$404,148	Jefferies	\$19,234
Merrill Lynch	\$151,956	Credit Suisse	\$18,209
UBS	\$69,976	Nomura	\$17,182
Jones Trading	\$66,840	Daiwa	\$15,963
Barclays	\$53,858	BofA	\$15,385
Sanford Bernstein	\$47,779	National Financial	\$14,747
JP Morgan	\$34,994	Cowen	\$13,390
Citigroup	\$26,599	Exane	\$12,393
RBC	\$24,923	Other Commissions Less than \$10,000	\$103,185
Morgan Stanley	\$22,069	Total	\$1,132,830

Securities Lending

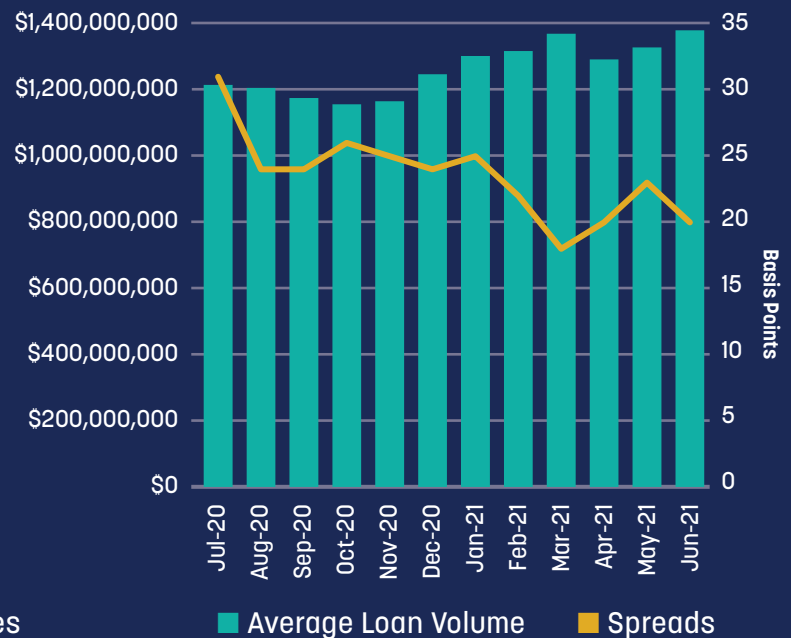
Securities Lending is a practice whereby owners of securities either directly or indirectly lend their securities to primary brokerage firms for a fee, and against which either cash, securities, or a letter of credit is pledged to protect the lender. Securities are borrowed to cover fails of deliveries, cover short sales, provide proper denominations, and enable brokerage firms to engage in arbitrage trading activities.

During the fiscal year, LASERS generated \$2,720,039 in revenue through its securities lending program. The lending agreement between LASERS and custodian bank, BNY Mellon, incorporates an 80/20 split on the first \$2.5 million, which LASERS reached in May of 2021; 85/15 revenue split in excess of \$2.5 million up to \$8.0 million; and 90/10 revenue split in excess of \$8.0 million.

LENDING REVENUE



VOLUMES/SPREADS



LENDING STATISTICS

Program	Average Lendable Assets	Return from Lending Income (Basis Points)	Lending Income
Treasuries	\$43,260,327	10	\$34,802
Agencies	\$5,489,923	4	\$1,603
MBS	\$76,589,911	0	\$0
US Corporates	\$798,406,136	5	\$307,894
US Equities	\$3,379,936,989	4	\$1,125,444
Non-US Equities	\$2,318,749,905	6	\$1,240,576
Non-US Fixed Income	\$137,065,680	1	\$9,720
Total	\$6,759,498,871	5	\$2,720,039

Corporate Governance

Corporate governance is the system of rules, practices, and processes by which a company is directed and controlled. Corporate governance essentially involves balancing the interests of a company's many stakeholders.

LASERS Board of Trustees exercises its right to vote as a shareholder in companies held within investment portfolios as an important method to participate in the corporate governance process. As a fiduciary, LASERS is compelled to exercise this right in the best interest of the System's participants and beneficiaries. This is accomplished by voting for shareholders' resolutions that are likely to enhance shareholder value and by opposing resolutions that are likely to dilute or diminish the value.

PROXY ACTIVITY

Category	Proposals	For	Against	Other
Management Proposals				
Routine/Business	6,266	4,943	1,323	0
Director Related	22,102	13,251	8,851	0
Capitalization	2,219	1,855	364	0
Reorganizations/Mergers	489	443	46	0
Non-Salary Compensation	3,963	2,850	1,066	47*
Anti-takeover Related	267	248	19	0
Other/Miscellaneous	156	120	36	0
Shareholder Proposals				
Routine/Business	91	53	38	0
Director Related	335	231	104	0
Corporate Governance	40	34	6	0
Compensation	40	35	5	0
Health/Environmental	95	57	38	0
Social/Human Rights	35	27	8	0
Other/Miscellaneous	81	75	6	0
Total	36,179	24,222	11,910	47

*Frequency of Say on Pay - 47 Votes

Risk Management

Risk Management is the process of identifying, monitoring, and controlling the level of risk taken by each of LASERS managers.

To assess risk, investment division staff assembles the holdings of all managed portfolios to create an aggregate view of LASERS assets and utilizes multiple software systems. Supported by powerful multi-factor models and extensive databases, these software systems assist in quantifying various metrics at the asset level up to the aggregated portfolio level. These tools allow the investment staff to decompose the risk by source and monitor the overall risk in the portfolio based on the manager or asset class that is contributing that risk. Decomposing risks at an aggregated level and at the individual manager level allows the investment staff to better understand and manage the sources of risk in LASERS portfolio.

RISK MANAGEMENT ASSESSMENT

	Assets	Market Value	Weight (%)	Total Risk (%)	Modified Duration	S&P Credit Rating
Fixed Income Managers	3,165	\$1,418,384,005	100%			
Loomis Inv. Grade	456	\$194,316,415	13.70%	11.21%	5.93	A
Orleans Inv. Grade	133	\$138,184,930	9.74%	4.71%	6.86	A+
JPMorgan High Yield	688	\$159,215,408	11.23%	4.89%	4.53	B+
Nomura High Yield	1,058	\$155,359,281	10.95%	6.11%	5.06	B+
Stone Harbor EMD	103	\$216,549,930	15.27%	17.60%	5.21	BBB-
DoubleLine GMS	639	\$249,768,668	17.61%	4.09%	0.90	BB-
GoldenTree GMS	88	\$304,989,373	21.50%	12.51%	2.20	BB-

	Assets	Market Value	Weight (%)	Total Risk (%)	Tracking Error (%)	Value-At-Risk (%)
Equity Managers	6,911	\$7,899,388,135	100%			
LASERS S&P 500	507	\$2,287,018,984	28.93%	18.48%	0.03%	32.96%
LASERS NASDAQ 100	104	\$711,831,857	9.01%	19.62%	0.05%	35.64%
LASERS S&P 400	401	\$618,249,866	7.83%	24.50%	0.03%	38.08%
LASERS S&P 600	605	\$521,041,157	6.60%	27.68%	0.18%	41.61%
LSV Small Cap	219	\$227,216,012	2.88%	31.27%	4.43%	45.13%
Mondrian Large Cap	41	\$273,353,896	3.46%	17.99%	4.60%	25.01%
LASERS MSCI World Ex-US	712	\$1,169,791,799	14.81%	18.15%	0.38%	25.30%
LASERS MSCI Terror Free	306	\$36,828,071	0.47%	18.10%	0.89%	25.46%
Mondrian Small Cap	83	\$289,411,472	3.66%	18.19%	3.69%	24.67%
Goldman Sachs Small Cap	359	\$465,741,822	5.90%	17.18%	3.59%	23.31%
City of London EM	55	\$535,383,017	6.78%	16.01%	4.60%	22.90%
LSV Custom EM	226	\$366,330,548	4.64%	18.32%	5.54%	25.32%
Westwood Global EM	35	\$293,040,822	3.71%	21.13%	9.83%	30.92%
BlackRock EM	3,258	\$104,148,812	1.32%	12.68%	0.05%	N/A

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MANAGEMENT TEAM

Cynthia Rougeou – *Executive Director*

Bernard “Trey” Boudreaux, III – *Chief of Staff*

J. Travis McIlwain – *Chief Administrative Officer*

Robert Beale, CFA, CAIA – *Chief Investment Officer*

Tina Vicari Grant – *Executive Counsel*

INVESTMENT TEAM

Robert Beale, CFA, CAIA – *Chief Investment Officer*

Darren Fournierat, CFA, CAIA – *Assistant Chief Investment Officer*

Laney Sanders, CFA, CAIA, CTP – *Assistant Chief Investment Officer*

Celeste Funderburk, CCM – *Director of Public Markets*

Jacques Brousseau, CFA, CAIA – *Director of Private Markets*

Alisa Lacombe – *Manager of Operations*

Reeves Pearce, CFA, CAIA – *Director of Alternative Assets*

Jennifer Adams – *Administrative Assistant*

INVESTMENT CONSULTANT

Rhett Humphreys, CFA, *NEPC LLC*

David Barnes, CFA, CAIA, *NEPC LLC*

CUSTODIAN BANK

BNY Mellon

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RETIREMENT

icated staff and June 30, 1973 from 45,813 to 45,813. Refunds of accumulated contributions to \$4,247,906 in 1974. RETIREMENT--benefit recipients in 1973 to 8,048 in 1973 to 9,056 in 1974. Total benefits paid in 1973 amounted to \$20,689,257 and in 1974 these payments increased to \$26,623,617. Regular retirements increased 15.98%; disability retirement 14.15%, and survivor's benefits 13.31% during the fiscal year 1973-1974. The Board of Trustees approved a cost of living adjustment for all retirees and beneficiaries of record on January 1, 1973 consisting of an additional 3% of base retirement benefit to be payable July 1, 1974 and thereafter. Cost of living increases for 1974 amounted to \$1,767,014. LEGISLATION--There were few legislative changes for 1974: Legislative transfer regardless of any age requirement; purchase of service credit in our system for service rendered as an employee of the Caddo Levee District; purchase of service credit for Legislators who serve a term of less than four years; number of Trustees on the Board be increased from nine to ten members, the tenth member to be a retiree of the system and to be appointed by and serve at the pleasure of the Executive Board of the Retired State Employees' Association. In accordance with the provisions of the Duclos now serves on the Board of Trustees for a term of at least two years.



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