Prilago. · PDF p.60 Excerpt

TABLE 5: LIST OF LARGEST EQUITY HOLDINGS[1]

Dec. 31, 2023 ($ Millions)

Company	Portfolio	Fair Value
Apple Inc.	U.S. Equities	$ 322.8
Microsoft Corp.	U.S. Equities	320.7
Amazon.com Inc.	U.S. Equities	158.5
NVIDIA Corp.	U.S. Equities	140.3
Alphabet Inc Class A	U.S. Equities	94.8
American Tower Corp.	REITs	90.3
Meta Platforms Inc.	U.S. Equities	90.1
Crescent Capital BDC Inc.	Credit	86.9
Alphabet Inc Class C	U.S. Equities	80.5
Tesla Inc.	U.S. Equities	78.8

[1] TCDRS invests in equity securities through separately managed and commingled equity vehicles. At Dec. 31, 2023, the largest equities contained in the U.S. Equities portfolio represent TCDRS' investment in the S&P 500 ® Flagship Fund strategy which TCDRS owns a 17.31% indirect interest in. The remaining securities are individual shares held in the REIT and credit portfolios.

F: LISTS OF LARGEST HOLDINGS[1]

Equity Holdings

The system's exposure to equity markets is achieved through participation in commingled investment pools, such as State Street Global Advisors (SSgA) U.S. equity and international equity index funds, and direct investment in separately managed REIT and MLP portfolios. At Dec. 31, 2023, TCDRS' largest equity holdings were in the U.S. equity, credit and REIT portfolios. Table 5 displays our exposure to the 10 largest equity holdings.

Fixed-Income Holdings

Table 6 presents the top 10 fixed-income securities owned by TCDRS. The securities are contained within the investment-grade bond portfolio. At Dec. 31, 2023, the aggregate fair value of the investment-grade bond portfolio was $972 million.

[1] A complete listing of all securities TCDRS owned at Dec. 31, 2023, is available upon written request.

G: RESULTS OF SECURITIES-LENDING ACTIVITIES

TCDRS retains The Bank of New York Mellon Corp. as securities-lending agent to engage in lending securities from its portfolios. Securities-lending transactions consist of loans of securities to broker-dealers and other entities in exchange for collateral with a simultaneous agreement to return the collateral for the same securities in the future.

TABLE 6: LIST OF LARGEST FIXED-INCOME HOLDINGS

Dec. 31, 2023 ($ Millions)

Description	Maturity	Interest Rate	Fair Value
U.S. Treasury Bond	11/15/2041	2.000%	$ 16.65
U.S. Treasury Note	07/31/2029	2.625%	11.77
U.S. Treasury Note	06/30/2030	3.750%	11.21
U.S. Treasury Bond	08/15/2053	4.125%	9.40
FHLMC Pool #Ra-7194	04/1/2052	3.500%	8.38
U.S. Treasury Note	07/15/2025	3.000%	8.27
FHLMC Pool #Sd-1581	09/1/2052	2.500%	7.75
FNMA Pool #0Cb3594	05/1/2052	3.500%	7.70
U.S. Treasury Bond	08/15/2042	3.375%	7.33
FHLMC Pool #Ra-3202	07/1/2050	2.500%	7.04

TABLE 7: SECURITIES-LENDING ACTIVITY

Year Ended Dec. 31, 2023

Elements of Securities-Lending Activity	Amount
Gross Earnings	$ 16,808,842
Less Rebates from Lenders and Lending Agent's Share of Income	15,752,383
Net Securities-Lending Income (Separately Managed Accounts)	1,056,459
Securities-Lending Income (Commingled Funds)	1,148,677
Net Securities-Lending Income	**$ 2,205,136**

The gross income and expenses attributable to securities-lending activity and net lending income of $1.1 million are shown in Table 7. Additionally, SSgA passively manages the U.S. and international equity portfolios of TCDRS in commingled funds. The securities in these funds participate in the securities-lending program of SSgA with TCDRS receiving a proportionate share of the securities-lending income generated from this activity. Also shown in Table 7 is income of $1.1 million, representing TCDRS' share of the 2023 equity portfolios' securities-lending income.

H: FEES AND COMMISSIONS

Table 8, on page 59, presents the 2023 investment managers' fees TCDRS incurred, excluding securities-lending fees.

Note that all returns presented throughout this annual report are reported net of the amounts reported in Table 8.