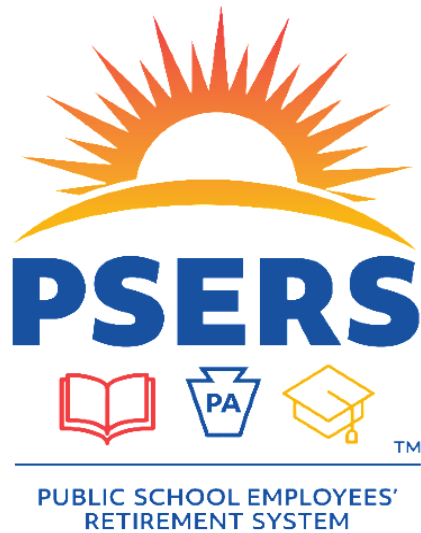


PSERB Resolution 2025-58
Re: DIF Infrastructure Fund VIII SCSp
August 21, 2025

RESOLVED, that the Public School Employees' Retirement Board (the "Board") accepts the recommendation of the Investment Committee and commits an amount not to exceed €100 million, plus reasonable and normal investment expenses, to DIF Infrastructure Fund VIII SCSp, and/or related investment vehicles in accordance with the recommendation of Cody Steele, Portfolio Manager and Aksia, LLC.

The final terms and conditions of the investment are subject to legal due diligence and must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract.



DIF Infrastructure Fund VIII SCSp Private Infrastructure Recommendation

Cody Steele, CFA
Portfolio Manager

Mailinh T. Dang
Investment Professional

August 2025

Today's Presentation

DIF Infrastructure Fund VIII SCSp ("DIF VIII")

Main Presentation

1. Asset Class Considerations
 - *Recommendation is consistent with PSERS' Strategic Asset Allocation (SAA) and current year commitment planning*
2. Recommendation Overview
 - *PSERS IO and Aksia recommend committing €100 million to DIF VIII*
3. Strategy & Expertise
 - *Experienced middle market infrastructure firm focused on renewable energy, utilities, and transport*
4. Investment Considerations
 - *Investment is expected to face risks consistent with infrastructure investments, and staff believes that CVC DIF has identified appropriate mitigants to those risks*
5. Investment Highlights
 - *Strong historical performance and complementary fit within PSERS Private Infrastructure portfolio*

Appendix

- Investment Committee Disclosure
- Private Infrastructure Dashboard

1. Asset Class Considerations

Recommendation is consistent with PSERS' Strategic Asset Allocation (SAA) and current year commitment planning

PSERS SAA and Pacing

1. PSERS SAA has established a target allocation of 5.0% to Private Infrastructure.
2. The current underweight is balanced by an overweight in Public Infrastructure.
3. Aksia's latest pacing analysis suggests \$300M - \$500M of annual commitments to reach the target exposure in 2026.
4. The pacing analysis is revisited frequently based on the actual performance of the Private Infrastructure allocation and the broader PSERS portfolio.

SAA Allocation	
Private Infrastructure Target	5.0%
Private Infrastructure Actual ¹	3.8%
Pacing Budget for 2025	
Pacing Budget Range	\$300M - \$500M
Primary Fund Commitments	
YTD Commitments	\$200M
August 2025 Recommendations ³	~\$120M [€100M]
Co-Investments	
YTD Commitments	\$20M
Total Primary and Co-Investments	\$340M
Remaining Budget ²	\$60M
Est. Remaining Primary Fund Recommendations	\$150M
Expected to be in Target Budget Range?	Yes

1. Private Infrastructure Actual sourced from Verus 2025 Q1 Total Fund Report

2. Remaining to the mid-point of the pacing budget

3. Based on USD/EUR Exchange Rate of 1.20/1.00 as of July 15, 2025.

2. Recommendation Overview

PSERS IO and Aksia recommend committing €100 million to DIF Infrastructure Fund VIII

Firm Name	CVC DIF
Investment Professionals / Employees	249 total employees / 122 investment professionals
Fund Name	DIF Infrastructure Fund VIII
Strategy Invested Capital ¹	€202.0 billion (CVC Capital Partners) / €19.0 billion (CVC DIF)
Target Return	10%+ Net IRR
Target Fund Size / Hard Cap	€6.0 billion
Recommended Commitment	€100 million
GP Commitment	1% of aggregate Capital Commitments
Fund Structure	Closed-End
PSERS Existing Relationship	Yes
Notable Investment Committee Disclosures ²	None

3. CVC DIF Strategy & Expertise

CVC DIF will apply its consistent, specialized strategy to capitalize on global middle market infrastructure opportunities

1. **Experienced Investment Manager:** CVC DIF is an experienced investment manager with one of the longest track records investing across all segments of middle market infrastructure and executing asset-level investments. The CVC DIF team has a successful track record and extensive experience in sourcing, structuring, managing, and exiting infrastructure investments stemming from its founding in 2005.
2. **Balanced Sector Targets:** The Fund will target investments in markets and sectors of expertise, including renewable energy, utilities, and transport, and can significantly influence shareholder decisions to drive strategic decisions and financial returns with downside protection.
3. **Portfolio Fit:** A commitment to DIF VIII aligns with the Private Infrastructure Strategic Plan's continued focus on middle market managers with demonstrated outperformance, co-investment deal flow generation, and ability to provide diversification benefits.

4. Investment Considerations

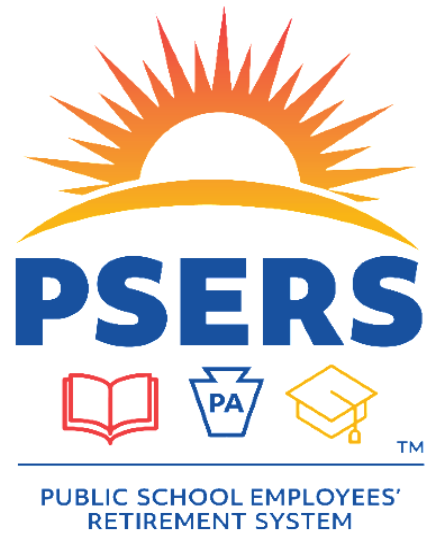
The risks for CVC DIF are appropriate for a Private Infrastructure portfolio

Risk	Detail	Mitigating Factors
Risk Profile Evolution	DIF will target investments in the core and core-plus opportunity set, but it has been a core-only investor for most of its history.	<i>PSERS IO believes that DIF's extensive experience as a public-private partnership and project finance investor directly supports the skillsets needed in "greenfield" projects or platform companies with significant development projects. DIF has also realized positive outcomes from early investments in the space.</i>
Unrealized Performance	A large proportion of the Manager's relevant track record remains unrealized to date.	<i>DIF is an experienced manager with over 130 exits to-date. Unrealized assets have been performing in-line with expectation, and DIF has a programmatic strategy to advance further divestments.</i>
Firm Ownership / CVC Acquisition	Firm ownership is evolving as Gjjs Voskuyl became CEO in July 2025 while former CEO Wim Blaasse transitioned to a chairperson role. Additionally, CVC DIF's integration with the broader CVC organization is still relatively new.	<i>Gjjs Voskuyl, the current CEO was PSERS' primary point of contact during Fund VII underwriting and has significant tenure with the firm and experience managing both transactions and the overall team.</i> <i>He will be supported by a large and experienced global team. Over time, PSERS expects DIF to benefit from CVC's scale and expertise.</i>

5. Investment Highlights

CVC DIF's specialized expertise matches today's market opportunity

Highlight	Detail
Track Record and Large Team with Local Presence	DIF has been investing in infrastructure projects since 2005, completing nearly 200 transactions, and more than 130 realizations. DIF has accomplished this with what PSERS believes is a relatively large and local investment team, now sitting at more than 120 investment professionals across all geographies in which they operate.
Differentiated Approach to Middle Market Infrastructure	DIF's heritage in core infrastructure and project finance concepts are differentiated relative to peers and remain very applicable to the project development activities inherent in growing middle market infrastructure businesses. This concept of funding additional capital into project companies to support the most credible growth projects at any given time creates multiple decision points over the life of an investment where opportunities can be evaluated as additional investment decisions are being made.
Sector Focus and Expertise	DIF's experience across transport, utilities, and renewable energy is extensive and supports their approach to building a diversified portfolio with a lens on relative risk and return across a wide selection of possible investment opportunities.



Appendix

Investment Committee Disclosure

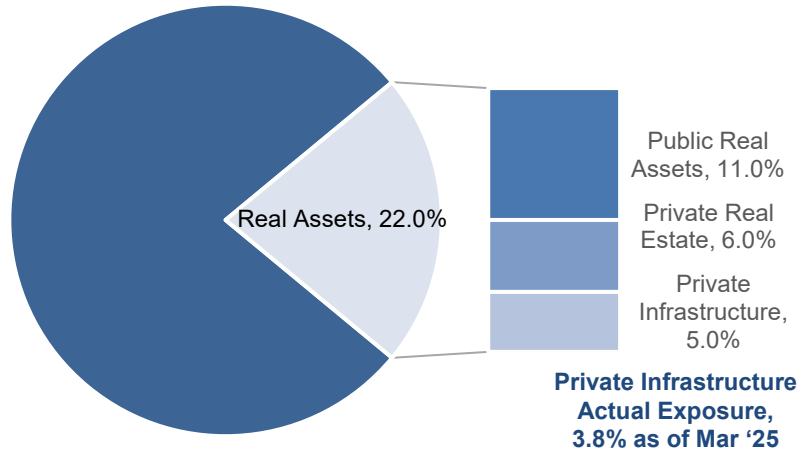
Disclosure	Response
Relationship with Aksia	As of March 31, 2025, one (1) current Aksia advisory client has made total aggregate subscriptions and commitments of \$436.9 million across investments managed by CVC DIF (fka DIF Capital Partners). As of June 23, 2025, there is one (1) other Aksia client considering a commitment to DIF Infrastructure Fund VIII. ¹
Introduction Source	PSERS IO / Aksia Relationship
Compliance with Placement Agent Policy	As confirmed by PSERS' Office of Chief Counsel on July 22, 2025, this investment complies with the Public School Employees' Retirement Board Placement Agent Policy.
PA Political Contributions	No reportable political contributions.
PA Presence	Please see confidential memo
Potential Conflicts	PSERS is not aware of any actual or potential conflicts of interest that would be created by PSERS' investment in the Fund.
Litigation Disclosure	CVC DIF receives communications from regulators and may be involved in litigation from time to time in the ordinary course of business. To the best of the sponsor's knowledge, the Firm and its funds are not involved in any litigation which has or may have a material effect on the Firm or the fund.
Has the Firm reimbursed and/or paid for PSERS IOP travel in the past two calendar years?	No
Certification of Diligence Costs	IOP certifies that PSERS paid all travel costs, if any, and was not reimbursed for the travel costs related to due diligence of the fund.

1. Please note that this information, which is available to PSERS upon request, is subject to change pending further review and decision making between Aksia and its clients

Private Infrastructure Portfolio (Q4 2024)

Allocation

Target Allocation to Real Assets in Long-Term Strategic Asset Allocation



Source: Verus 2025 Q1 – Total Fund Report (Q4 2024 Private Markets data given 1Q Lag).

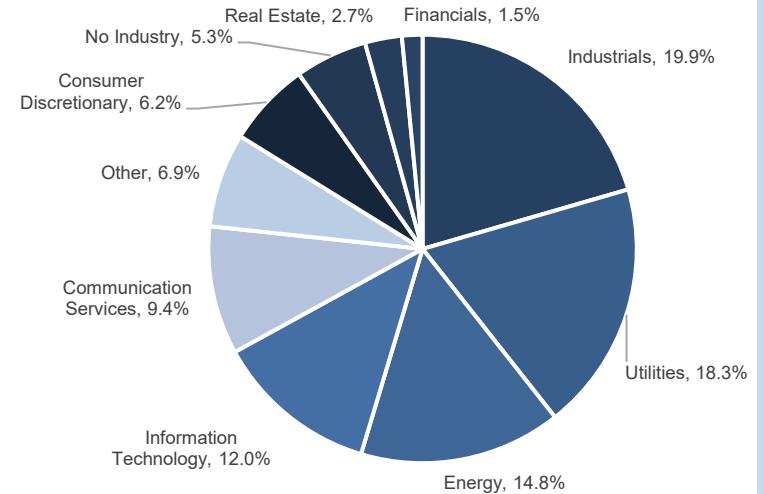
Activity

Recent Fund Commitments (\$M)

2024	
CION Grosvenor Infrastructure Interval Fund	\$300m
Blackstone European Infrastructure Fund	€200m
Peppertree Communications Infra X	\$100m
Brookfield Infrastructure Structured Solutions	\$250m
2025 (As of Jun-25)	
I Squared Global Infrastructure Fund IV	\$200m

Source: PSERS IOP, as of June 30, 2025

Sector Diversification



Source: Aksia as of December 31, 2024

Portfolio Performance

	Time-Weighted Return			10-Yr PME Analysis	
	1-Yr	3-Yr	5-Yr	KS-PME ¹	Direct Alpha ²
Total Portfolio	19.1%	16.8%	16.3%	1.2x	7.4%
Benchmark	13.5%	4.5%	4.8%		

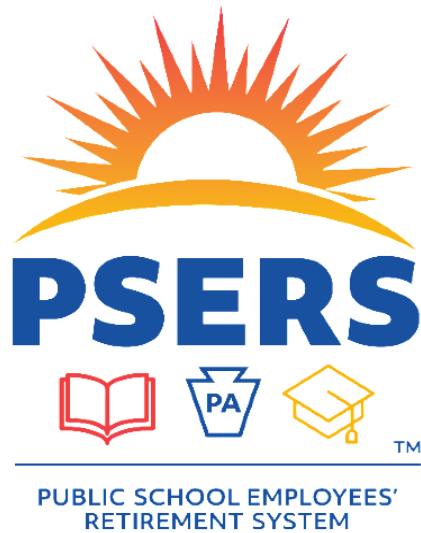
Color-coding: **outperformance** or **underperformance** vs. benchmark.

¹ KS PME and Direct Alpha are calculated compared to Private Infrastructure's policy benchmark.

² Benchmark: FTSE Developed Core Infrastructure 50/50 Net Index (Hedged to USD)
Source: MSCI/Burgiss and Aksia as of December 31, 2024

Diversification

Performance



DIF Infrastructure Fund VIII SCSp Private Infrastructure Recommendation

Cody Steele, CFA
Portfolio Manager

Mailinh T. Dang
Investment Professional

August 2025

June 23, 2025

Board of Trustees
Commonwealth of Pennsylvania, Public School Employees' Retirement System ("PSERS")
5 North Fifth Street
Harrisburg, PA 17101

Re: DIF Infrastructure VIII SCSp

Aksia LLC ("Aksia"), having been duly authorized by Board of PSERS, has evaluated and hereby recommends, in line with PSERS' Investment Policy Statement, Objectives, and Guidelines, an amount not to exceed €100 million in DIF Infrastructure Fund VIII SCSp (the "Fund" or "DIF VIII").

CVC DIF (the "Firm", "DIF"), previously known as DIF Capital Partners, was founded in Schiphol (The Netherlands) in 2005 by Dutch entrepreneurs Maarten Koopman and Menno Witteveen to invest in European public-private partnership ("PPP") infrastructure assets. The Firm raised its inaugural Dutch Infrastructure Fund PPP (DIF PPP) in 2006 and subsequently raised a separate renewable energy mandate in 2008, DIF RE. The DIF Infrastructure strategy began in 2010 with the raise of DIF Infrastructure Fund II, which effectively combined the firm's PPP and renewable energy strategies. In 2016, DIF launched a value-add strategy to pursue infrastructure investments with higher growth potential and greenfield exposure compared to those pursued in the flagship. CVC Capital Partners ("CVC"), a global private markets manager focused on private equity, acquired a majority stake in DIF in July 2024 and the organization has since been rebranded as CVC DIF.

DIF VIII is expected to continue the strategy employed by its predecessor, seeking to create a diversified portfolio of infrastructure investments across Europe and North America. The Fund is expected to target a core-plus risk profile expecting to deliver, on a look-through basis, 70% exposure to operational / brownfield assets and 30% exposure to greenfield assets. The Fund is expected to primarily target the sectors in which the Manager has most experience, namely renewable energy, utilities and transport. DIF VIII is seeking €6 billion of total commitments to invest in a diversified portfolio of ~20 positions. The Fund targets majority / control investments in the mid-market, with equity investments ranging from €250 million to €500 million, and will seek to deliver 13-14% gross / 10+% net IRR, including a 5+% target cash yield.

Aksia's recommendation is based upon the following analytical factors and is made within the context of PSERS' investment guidelines:

- Due diligence of the Fund's investment process, including a review of the sponsor, investment strategy, market positioning, investment personnel, and risk management;
 - Most recent investment due diligence review conducted May 2025
- Due diligence of the Fund's operations, including a review of its organizational structure, service providers, regulatory and compliance, and financial statement analysis;
 - Most recent operational due diligence review conducted May 2025
- Consideration of the Fund's strategy within the context of the current investment environment; and
- Consideration of the Fund's strategy as a component of PSERS' portfolio

This recommendation is given solely for the benefit of PSERS and cannot be relied upon by other investors considering an investment in the Fund, since their needs, objectives, and circumstances may not be identical to those of PSERS. In addition, please consult your tax, legal and/or regulatory advisors before allocating to any private investment fund.

Please feel free to contact us should you have any questions about this recommendation.

Respectfully,



Michael Brand
Managing Director, Co-Head of Real Assets



Simon Fludgate
Partner, Head of Operational Due Diligence