JUNE 30, 2020

NEW MEXICO EDUCATIONAL RETIREMENT BOARD
INFRASTRUCTURE PROGRAM
SECOND QUARTER REPORT

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SECOND QUARTER REPORT

EXECUTIVE SUMMARY

The following report presents a summary of the portfolio composition and returns for the infrastructure investment portfolio ("Portfolio") of the New Mexico Educational Retirement Board ("NMERB"). The Portfolio was established in July 2008. All data presented below are as of June 30, 2020.

PORTFOLIO SUMMARY

Portfolio Fair Value	$469,691,655
Unfunded Commitments	$239,211,445
Total Exposure (Fair Value plus Unfunded Commitments)	$708,903,100
Portfolio Inception Date	July 2008
Total Number of Fund Investments	12
Total Number of Direct Investments[1]	19
Net Internal Rate of Return ("IRR") Since Inception[2]	6.1%

CURRENT COMMITMENTS

Investment	Vintage Year	Fund Currency	Commitment (Local)	Commitment (USD)	Gross IRR[2]	Net IRR[2]
Gateway Infrastructure Investments	2008	USD	42,647,060	42,647,060	(2.1%)	(4.2%)
Alinda Infrastructure Fund II	2008	USD	50,000,000	50,000,000	5.9%	2.8%
Alterna Core Capital Assets Fund	2009	USD	55,000,000	55,000,000	7.1%	3.6%
Stonepeak Infrastructure Fund	2012	USD	40,000,000	40,000,000	13.5%	10.2%
EQT Infrastructure II[3]	2012	EUR	30,000,000	35,423,494	21.4%	15.3%
Alterna Core Capital Assets Fund II	2012	USD	25,000,000	25,000,000	8.3%	4.0%
ISQ Global Infrastructure Fund	2014	USD	50,000,000	50,000,000	21.2%	16.1%
Stonepeak Infrastructure Fund II	2015	USD	50,000,000	50,000,000	14.8%	12.5%
ISQ Global Infrastructure Fund II	2018	USD	50,000,000	50,000,000	22.8%	12.3%
Stonepeak Infrastructure Credit Fund I	2018	USD	50,000,000	50,000,000	6.7%	6.7%
Stonepeak Infrastructure Fund III	2018	USD	50,000,000	50,000,000	25.3%	19.2%
Global Diversified Infrastructure Fund	2019	USD	40,000,000	40,000,000	1.9%	1.6%
TOTAL FUND INVESTMENTS				$538,070,554	8.3%	5.3%
Caledon Andromeda Investments	2013	USD	85,000,000	85,000,000	11.3%	9.6%
Caledon Andromeda Investments II	2016	USD	100,000,000	100,000,000	11.5%	10.3%
Caledon Andromeda Investments III	2020	USD	100,000,000	100,000,000	NM	NM
TOTAL DIRECT INVESTMENTS				$285,000,000	11.4%	9.8%
TOTAL PORTFOLIO				$823,070,554	8.8%	6.1%

[1] Direct investments held through Caledon Andromeda Investments, Caledon Andromeda Investments II and Caledon Andromeda Investments III.
[2] Since inception Internal Rate of Returns are calculated using New Mexico Educational Retirement Board cash flows and prevailing foreign exchange rates at the time of contributions and distributions and may therefore be different than the return reported by the Manager.
[3] EUR commitment comprised of drawn commitment at actual funded USD plus unfunded commitment converted to USD per Bloomberg June 30, 2020 closing rate ($1.1234/EUR).

FUNDING STATUS

Investment	Commitment	Drawn Commitment[4]	Unfunded Commitment[5]	Distribution	Fees and Expenses
Gateway Infrastructure Investments	42,647,060	36,860,517	5,786,543	27,709,393	6,276,450
Alinda Infrastructure Fund II	50,000,000	45,764,949	4,235,051	60,541,141	8,502,361
Alterna Core Capital Assets Fund	55,000,000	54,573,208	426,792	78,532,410	8,135,486
Stonepeak Infrastructure Fund	40,000,000	34,650,027	5,349,973	27,625,916	3,835,078
EQT Infrastructure II[6]	35,423,494	32,439,343	2,984,151	48,500,536	5,234,289
Alterna Core Capital Assets Fund II	25,000,000	23,918,462	1,081,538	16,160,105	3,354,263
ISQ Global Infrastructure Fund	50,000,000	42,359,947	7,640,053	47,600,406	6,043,610
Stonepeak Infrastructure Fund II	50,000,000	41,039,628	8,960,372	33,379,065	2,460,282
ISQ Global Infrastructure Fund II	50,000,000	29,554,094	20,445,906	3,240,539	2,663,534
Stonepeak Infrastructure Credit Fund I	50,000,000	19,115,856	30,884,144	-	-
Stonepeak Infrastructure Fund III	50,000,000	31,617,993	18,382,007	5,429,910	1,556,749
Global Diversified Infrastructure Fund[7]	40,000,000	40,000,000	-	1,729,316	80,000
TOTAL FUND COMMITMENTS	$538,070,554	$431,894,024	$106,176,530	$350,448,737	$48,142,102
Caledon Andromeda Investments	85,000,000	76,093,536	8,906,464	52,918,539	3,392,205
Caledon Andromeda Investments II	100,000,000	75,871,549	24,128,451	24,966,312	1,659,284
Caledon Andromeda Investments III	100,000,000	-	100,000,000	-	-
TOTAL DIRECT COMMITMENTS	$285,000,000	$151,965,085	$133,034,915	$77,884,851	$5,051,489
TOTAL PORTFOLIO	$823,070,554	$583,859,109	$239,211,445	$428,333,588	$53,193,591

[4] Drawn commitment at actual funded USD amounts net of recallable distribution.
[5] Unfunded commitment includes recyclable capital and may therefore not equal commitment minus capital contribution. While Gateway Infrastructure's investment period has ended, it can continue to call capital for follow-on investments and management fees.
[6] EQT's EUR unfunded commitment converted to USD per Bloomberg June 30, 2020 closing rate ($1.1234/EUR).
[7] For GDIF, Fees and Expenses only represents expenses as a result of cashflow since Management fees are paid out of distributions.

MANAGEMENT FEES

Investment	Since Inception Through Q1 – 2020	Q2 – 2020 QTD	Since Inception Through Q2 – 2020
Gateway Infrastructure Investments	4,178,662	51,117	4,229,779
Alinda Infrastructure Fund II	7,564,894	-	7,564,894
Alterna Core Capital Assets Fund	6,893,417	-	6,893,417
Stonepeak Infrastructure Fund	3,173,424	69,718	3,243,142
EQT Infrastructure II	3,939,706	-	3,939,706
Alterna Core Capital Assets Fund II	2,820,954	3,715	2,824,669
ISQ Global Infrastructure Fund	2,841,459	68,937	2,910,396
Stonepeak Infrastructure Fund II	1,828,978	-	1,828,978
ISQ Global Infrastructure Fund II	1,484,486	-	1,484,486
Stonepeak Infrastructure Credit Fund I	-	-	-
Stonepeak Infrastructure Fund III	1,251,923	-	1,251,923
Global Diversified Infrastructure Fund[8]	152,484	57,919	210,403
TOTAL FUND INVESTMENTS	$36,130,387	$251,406	$36,381,793
Caledon Andromeda Investments	2,300,549	103,900	2,404,449
Caledon Andromeda Investments II	1,293,989	99,454	1,393,443
TOTAL DIRECT INVESTMENTS	3,594,538	203,354	3,797,892
TOTAL PORTFOLIO	$39,724,925	$454,760	$40,179,685

[8] Global Diversified Infrastructure Fund does not call capital for management fees. Instead management fees are paid out of distributions. These amounts reflect the management fees incurred to date.

PORTFOLIO CASH FLOWS AND PERFORMANCE

TOTAL PORTFOLIO INVESTMENT ACTIVITY STATEMENT

Period	Beginning Valuation	Total Contribution	Return of Capital	Capital Gain/ (Loss)	Dividends/ Income	Total Distribution	Change in NAV	Ending Valuation	Management Fees	Other Expenses	Total Fee/Exp
2008	-	15.8	0.1	-	-	0.1	(1.2)	14.5	0.6	0.4	1.0
2009	14.5	47.8	12.4	-	0.4	12.8	1.8	51.3	2.3	0.5	2.8
2010	51.3	19.5	3.3	-	0.7	4.0	2.5	69.3	2.3	0.3	2.6
2011	69.3	46.8	12.2	-	1.5	13.7	3.0	105.4	2.8	0.2	3.0
2012	105.4	20.1	5.0	0.4	4.3	9.7	(4.4)	111.4	2.5	0.8	3.3
2013	111.4	27.6	8.7	-	6.3	15.0	0.9	124.9	3.9	0.4	4.3
2014	124.9	31.6	14.5	9.2	3.5	27.2	10.4	139.7	3.4	1.4	4.8
2015	139.7	78.6	11.5	1.2	6.0	18.7	9.6	209.2	4.2	1.7	5.9
2016	209.2	112.0	31.3	15.0	7.9	54.2	32.3	299.3	3.7	1.5	5.2
2017	299.3	90.6	43.3	13.6	9.3	66.2	29.0	352.7	3.7	1.0	4.7
2018	352.7	91.7	47.6	12.9	9.0	69.5	25.7	400.6	4.9	2.0	6.9
2019	400.6	131.5	75.7	42.2	7.4	125.3	48.7	455.5	4.5	2.2	6.7
Q1 – 20	455.5	21.8	1.2	-	1.5	2.7	(26.0)	448.6	0.8	0.5	1.3
Q2 – 20	448.6	18.8	5.4	1.5	2.3	9.2	11.5	469.7	0.4	0.3	0.7
TOTAL		754.2	272.2	96.0	60.1	428.3	143.8	469.7	40.0	13.2	53.2

SUMMARY OF PERFORMANCE

	Quarter	1-Year	2-Year	3-Year	5-Year	Since Inception
Time-Weighted						
Total Net Return	(1.6%)	3.0%	6.3%	6.2%	8.0%	3.5%
Dollar-Weighted						
Total Net IRR						6.1%

Note: Time-weighted net returns provided by NEPC, LLC

SUMMARY OF MARKET VALUES

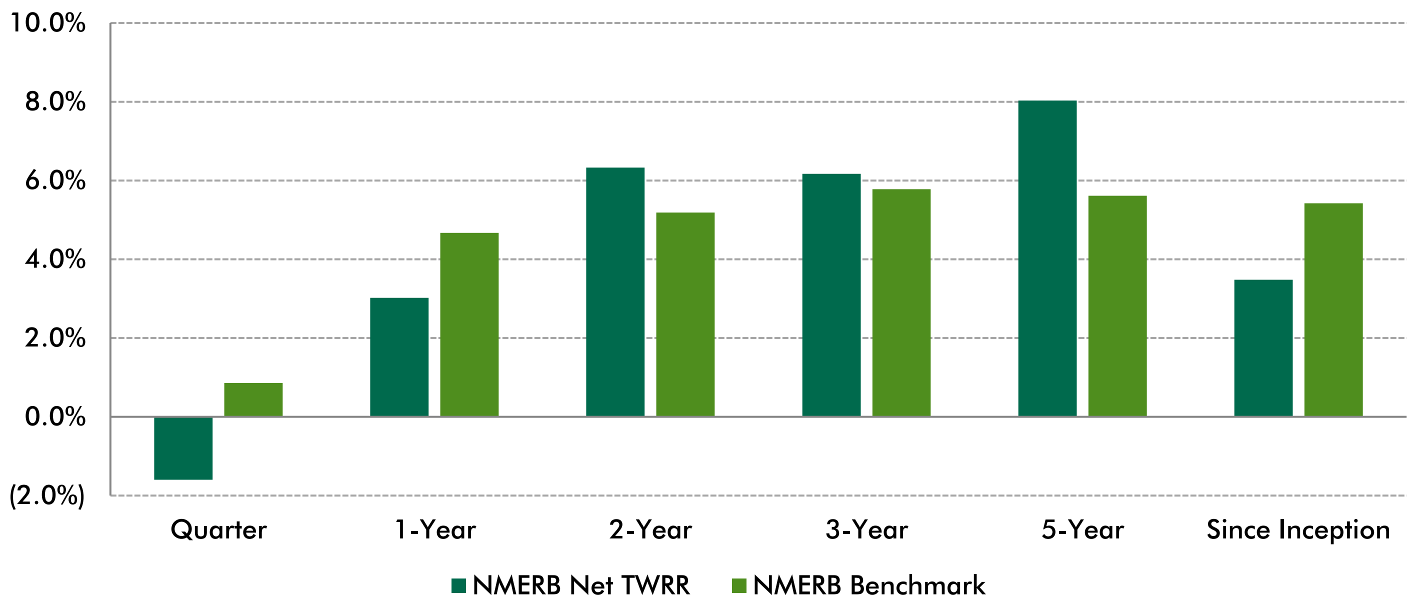
Investment	Net Asset Value	% of Portfolio	Unfunded Commitment	Total Exposure[10]	% of Exposure
Gateway Infrastructure Investments	7,792,445	1.7%	5,786,543	13,578,988	1.9%
Alinda Infrastructure Fund II	14,233,506	3.0%	4,235,051	18,468,557	2.6%
Alterna Core Capital Assets Fund	11,937,516	2.5%	426,792	12,364,308	1.7%
Stonepeak Infrastructure Fund	26,301,246	5.6%	5,349,973	31,651,219	4.5%
EQT Infrastructure II	9,846,058	2.1%	2,984,151	12,830,209	1.8%
Alterna Core Capital Assets Fund II	19,231,251	4.1%	1,081,538	20,312,789	2.9%
ISQ Global Infrastructure Fund	41,730,972	8.8%	7,640,053	49,371,025	6.9%
Stonepeak Infrastructure Fund II	44,001,451	9.4%	8,960,372	52,961,823	7.5%
ISQ Global Infrastructure Fund II	33,187,924	7.1%	20,445,906	53,633,830	7.6%
Stonepeak Infrastructure Credit Fund I	20,286,429	4.3%	30,884,144	51,170,573	7.2%
Stonepeak Infrastructure Fund III	37,911,245	8.1%	18,382,007	56,293,252	7.9%
Global Diversified Infrastructure Fund	38,813,954	8.3%	-	38,813,954	5.5%
TOTAL FUND INVESTMENTS	$305,273,997	65.0%	$106,176,530	$411,450,527	58.0%
Caledon Andromeda Investments	79,675,481	17.0%	8,906,464	88,581,945	12.5%
Caledon Andromeda Investments II	84,742,177	18.0%	24,128,451	108,870,628	15.4%
Caledon Andromeda Investments III	-	0.0%	100,000,000	100,000,000	14.1%
TOTAL DIRECT INVESTMENTS	$164,417,658	35.0%	$133,034,915	$297,452,573	42.0%
TOTAL PORTFOLIO	$469,691,655	100.0%	$239,211,445	$708,903,100	100.0%

[10] Total exposure composed of net asset value plus unfunded commitment.

PORTFOLIO RETURN VS. BENCHMARK

	NMERB Net TWRR	CPI + 400 bps	Outperformance/ (Underperformance)
Time-Weighted			
Quarter	(1.6%)	0.9%	(2.5%)
1-Year	3.0%	4.7%	(1.7%)
2-Year	6.3%	5.2%	1.1%
3-Year	6.2%	5.8%	0.4%
5-Year	8.0%	5.6%	2.4%
Since Inception	3.5%	5.4%	(1.9%)

Note: Time-weighted NMERB net returns provided by NEPC, LLC



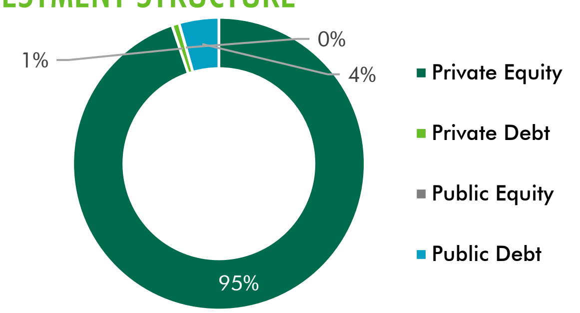
INVESTMENT POLICY GUIDELINES

The NMERB adopted an Infrastructure Policy Statement in September 2007 and subsequently updated, most recently in March 2019. The policy statement sets out the investment guidelines and ranges that have been adopted by NMERB and to which the infrastructure portfolio must adhere. The guidelines have been adopted to ensure appropriate risk-adjusted returns are targeted and adequate diversification exists within the Portfolio.

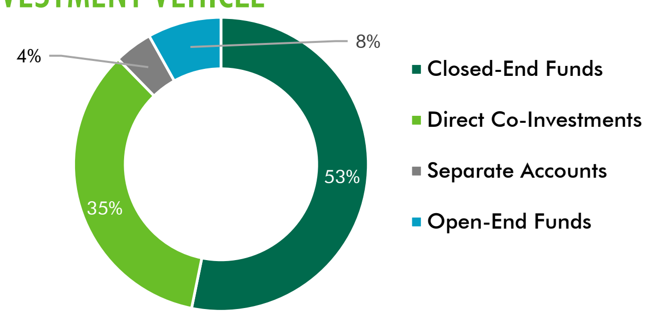
PORTFOLIO INVESTMENT POLICY GUIDELINES

	Policy Guideline	Portfolio Actual
INVESTMENT STRUCTURE		
Private Equity	40% - 100%	94.8%
Private Debt	0% - 60%	0.8%
Public Equity	0% - 30%	-
Public Debt	0% - 20%	4.4%
INVESTMENT VEHICLE		
Open-End Funds	0% - 100%	8.1%
Closed-End Funds	20% - 100%	53.2%
Separate Accounts	0% - 30%	4.2%
Direct Co-Investments	0% - 50%	34.5%
ASSET TYPE		
Energy	0% - 60%	43.1%
Transportation	0% - 60%	14.7%
Utilities	0% - 60%	10.7%
Social Infrastructure	0% - 60%	1.1%
Other	0% - 40%	30.4%
GEOGRAPHY		
United States	0% - 100%	65.4%
Western Europe	0% - 70%	12.8%
Australia / NZ	0% - 50%	1.6%
Other OECD	0% - 50%	11.8%
Non-OECD	0% - 20%	8.4%

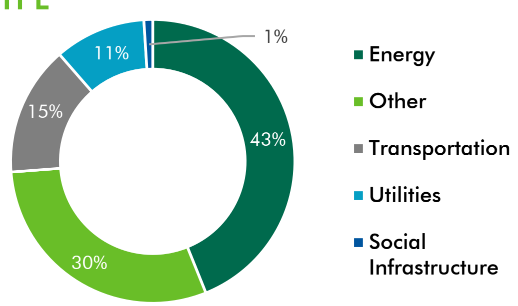
INVESTMENT STRUCTURE



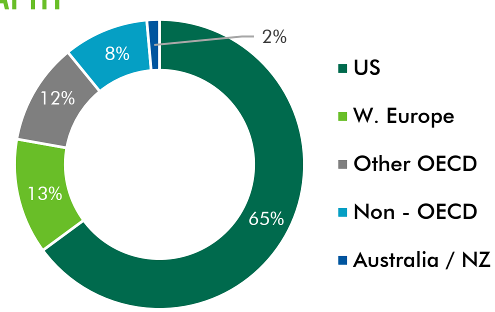
INVESTMENT VEHICLE



ASSET TYPE



GEOGRAPHY



GATEWAY INFRASTRUCTURE INVESTMENTS

FUND OVERVIEW: Q2 2020

KEY DATA

Fund Type	Close-ended	Fund Size (USD millions)	2,900.0
Location of Manager (Headquarters)	New York	No. of Underlying Investments	1
Partnership's Final Close	December 2008	% of Fund Drawn	86.4%
Vintage Year	2008	Gross MOIC	0.9x
Geographic Focus	Global	Gross IRR	-2.1%
Anticipated Timing of Next Fund	N/A		

PARTNERSHIP'S DESCRIPTION

Targeting global infrastructure assets in transportation and utilities.

CURRENT MARKET OUTLOOK

N/A

PARTNERSHIP'S TOP 5 HOLDINGS

Investment Name	Sector	Description	% of Fair Value
Kelda Holdings	Utilities	Water and Waste	100.0%

PARTNERSHIP DIVERSIFICATION

Sector Breakdown

Geographic Breakdown

HIGHLIGHTS/UPDATES

Portfolio Company Updates:

Kelda Holdings is the only investment remaining in this fund. For the second quarter ending May 31, 2020, valuation increased from £630 million to £635 million, reflecting an increase from roll-forward, decrease from lower inflation projections, as well as adjustments for business outlook as the COVID crisis evolves.

The company's appeal to the Competition & Markets Authority for a fresh price review determination continues and will likely run for the rest of the year. Kelda has preserved liquidity through the crisis, maintaining significant cash reserves in case of market disruption or a trigger event. The company also obtained creditor approval to amend its covenant definitions to fit the price reivew and thereby preserve headroom. Moody's has downgraded the Class A debt by one notch to Baa2. Fitch has likewise decreased Class A / Class B ratings to A- / BBB+ respectively. All ratings are on negative outlook, pending resolution of the regulatory appeal process.

In addition, Chris Johns has joined the company as CFO, having previously been CFO of Northumbrian Water, Mark Horrobin joined as COO, bringing substantial business transformation experience and McKinsey has been retained to help conduct a comprehensive cost transformation exercise across the whole business.

Corsair recently entered into an engagement letter with Teneo Strategy to provide it with a variety of consulting services, including advising the Fund with respect to Kelda. Mervyn Davies who is a member of the Corsair investment committee is also a senior advisor of Teneo.

ALINDA INFRASTRUCTURE FUND II

FUND OVERVIEW: Q2 2020

KEY DATA

Fund Type	Close-ended	Fund Size (USD millions)	4,065.1
Location of Manager (Headquarters)	Greenwich	No. of Underlying Investments	4
Partnership's Final Close	January 2010	% of Fund Drawn	91.5%
Vintage Year	2008	Gross MOIC	1.3x
Geographic Focus	North America and Europe	Gross IRR	5.9%
Anticipated Timing of Next Fund	Fund IV is in market		

PARTNERSHIP'S DESCRIPTION

Alinda Infrastructure Fund II (the "Fund") targets stable and operating infrastructure assets in North America and Europe.

In January 2018, the firm undertook a reorganization and established a three-person committee that is responsible for the strategic decisions and runs the day-to-day activities. The investment and portfolio management teams have been combined, four new associates have been hired and two partners have left the firm.

CURRENT MARKET OUTLOOK

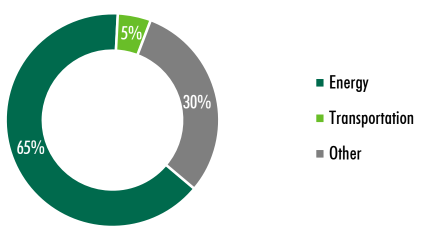
Given the recent global economic slowdown from the COVID-19 pandemic and the oil-price collapse, Alinda is engaging with the portfolio companies to manage these risks and assess the potential impact, including business continuity, safety protocol, performance, liquidity and solvency, customer implications and exit planning.

PARTNERSHIP'S TOP 5 HOLDINGS

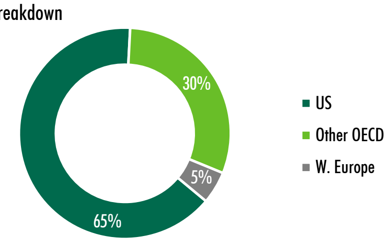
Investment Name	Sector	Description	% of Fair Value
Howard Energy	Energy	Midstream Energy	63.8%
EmiTel	Other	Telecommunication	30.3%
BCTN	Transportation	Ports	5.0%
Martin	Energy	Midstream	0.9%

PARTNERSHIP DIVERSIFICATION

Sector Breakdown



Geographic Breakdown



HIGHLIGHTS/UPDATES

As of June 30, 2020, the overall value of the portfolio, including changes in FX, remained flat for the quarter with a gross IRR of 5.8% and gross multiple of 1.3x. Although overall portfolio remained flat, Martin Midstream's valuation was reduced by $3 million reflecting anticipated steep decline in growth projects given market conditions due to recent oil price disruption. The valuation was also impacted by COVID-19 related market uncertainty, as well as the decline in public valuations for midstream assets.

<u>Portfolio Company Updates</u>:

In June 2020, BCTN sold its 25% stake in CTH Vastgoed, a network of terminals, and generated €4.3 million in proceeds which is expected to be used to pay a dividend, pay down debt and to fund capex.

During the quarter, Martin Midstream declared and paid a distribution of $0.0625 per LP unit, flat in comparison to the prior quarter. Q2 distribution represents a 75% cut compared to Q4 2019 as ongoing de-leveraging activities continue. Also, in August 2020, senior note exchange was completed, effectively refinancing senior notes maturing in February 2021.

Also during the quarter, Howard entered into a lean gas gathering agreement with Continental Resources on an initial section of Continental's Oklahoma STACK acreage to construct two miles of pipeline in exchange for a 10-year acreage dedication (2,600 acres). Construction is expected to be completed by year-end 2020 at a cost of approximately $4 million.

<u>Subsequent Events:</u>

In August 2020, an accident occurred at the Texas facility owned by Catalyst Midstream Energy Partners LLC, in which Howard Energy is a 7% owner and is the operator. The accident occurred while conducting a two-day shutdown of the stabilizer system to complete required maintenance, and resulted in one death and two people being injured. Forensic analysis is underway to determine the root cause and the stabilizer will not be operational until the end of December. Insurance is expected to cover any liability to the individuals and substantially all cost of repairs.

The COVID-19 pandemic and the oil market disruption have disrupted the sale process for the remaining four investments. Alinda is monitoring the IPO market for Emitel and the M&A market for Howard, BCTN and Martin Midstream. The target continues to be an exit by year end 2021 for all investments. Alinda continues to actively manage the portfolio until each investment is exited. The improved environment has provided opportunities to distribute cash, sell assets and address capital structure challenges.

ALTERNA I

FUND OVERVIEW: Q2 2020

KEY DATA

Fund Type	Close-ended	Fund Size (USD millions)	428.3
Location of Manager (Headquarters)	Wilton, CT	No. of Underlying Investments	7
Partnership's Final Close	November 2009	% of Fund Drawn	99.2%
Vintage Year	2009	Gross MOIC	1.2x
Geographic Focus	Global	Gross IRR	7.1%
Anticipated Timing of Next Fund	No longer marketing Fund III		

PARTNERSHIP'S DESCRIPTION

Alterna I targets mid-market, controlling equity or equity-equivalent transactions in core capital assets in the energy, shipping, aircraft and rail sectors in primarily OECD countries. Alterna's strategy is to invest in core capital assets that are long-lived and provide stable, often inflation-linked returns.

CURRENT MARKET OUTLOOK

The Fund intends to focus on near-term realizations and investment management as no new fund investments are permitted for Alterna I given its investment period has ended. Remaining unfunded commitments may be used for follow-on investments in portfolio companies.

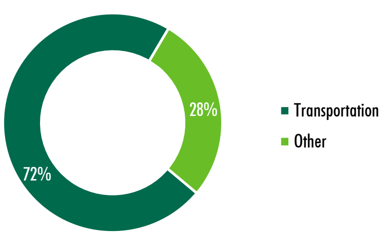
Due to COVID-19, the global economy has seen increased volatility, most notable in the aviation and maritime sectors. In aviation, passenger traffic has ground to a halt and airlines are under significant pressure. Although the shipping industry has also experienced volatility, it has not experienced the same magnitude of negative dislocation as aviation and many wet shipping markets reached all-time highs. The dry bulk market remains under duress and has experienced significant volatility. Alterna continues to monitor the situation and work with portfolio companies as needed.

PARTNERSHIP'S TOP 5 HOLDINGS

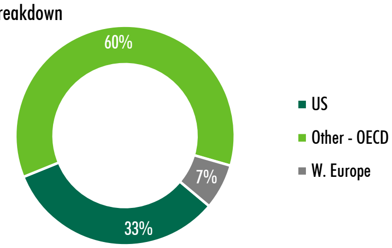
Investment Name	Sector	Description	% of Fair Value
Sterling Ocean Shipping	Transportation	Shipping	39.8%
Global Super Tanker	Other	Aviation	26.2%
Arena I	Transportation	Aviation	20.8%
Alterna Shipowning	Transportation	Shipping	6.7%
Delta/United	Transportation	Aviation	5.1%

PARTNERSHIP DIVERSIFICATION

Sector Breakdown



Geographic Breakdown



HIGHLIGHTS/UPDATES

The overall value of the portfolio decreased by 15.6% during the quarter. As a result of the impact on the global economy due to COVID-19, there has been increased volatility throughout the portfolio. During the quarter, there was a dramatic downward pressure on the wet tanker market due to a drop in demand and an over supply of oil caused by the slowdown in the global economy. The dry bulk market remains under duress and experienced volatility as the combination of a drop in demand in the sector and an oversupply of oil has resulted in a decline in daily earnings.

Portfolio Company Updates:

Western Alterna: The existing debt was extended an additional six months to January 2021.

American Airlines: During the quarter, the Fund sold $0.3 million in airframe parts, bringing life-to-date gross sales from dismantling the aircraft to $30.8 million.

Global SuperTanker: The aircraft was contracted by CalFire to fight wildfires in California from July 21 through August 4 and generated approximately $1.2 million in gross revenue. Subsequently the aircraft went on contract with the United States Forest Service ("USFS").

Sterling Ocean Shipping: All three vessels have been redelivered from Stena Weco and are currently employed on voyage charters with an experienced commercial manager. In addition, in July, the existing debt was extended an additional thirty months to December 2022.

Arena Aviation: Comair failed to make its contractual lease payments starting in April and on May 4th, Comair announced it has filed for voluntary business rescue, South Africa's bankruptcy protection process, as a result of the nationwide suspension to all commercial flights from COVID-19. As part of their bankruptcy reorganization, the airliner rejected the aircraft and defaulted on their lease, which has since been terminated. Alterna is currently marketing and soliciting offers to sell the airframe and engines. The other aircraft in this investment, American Airlines, have agreed to a two-year lease extension.

STONEPEAK INFRASTRUCTURE FUND

FUND OVERVIEW: Q2 2020

KEY DATA

Fund Type	Close-ended	Fund Size (US$ millions)	1,648.6
Location of Manager (Headquarters)	New York City	No. of Underlying Investments	6
Partnership's Final Close	October 2013	% of Fund Drawn	86.6%
Vintage Year	2012	Gross MOIC	1.6x
Geographic Focus	North America	Gross IRR	13.5%
Anticipated Timing of Next Fund	Fund IV is in market		

PARTNERSHIP'S DESCRIPTION

The Fund targets middle-market infrastructure investments in energy, utilities, transportation and water sectors in the U.S. and Canada.

CURRENT MARKET OUTLOOK

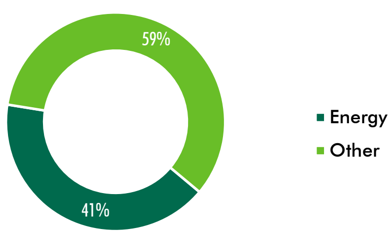
The last few months have been marked by an unprecedented hit to global economies as a result of the current COVID-19 crisis and significant drop in oil prices. Stonepeak is actively working with the portfolio companies in managing the risks and developing an action plan. Stonepeak continues to perform well and believes its portfolio is well positioned in this market downturn.

PARTNERSHIP'S TOP 5 HOLDINGS

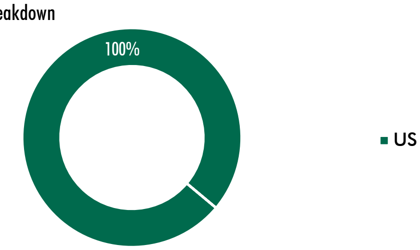
Investment Name	Sector	Description	% of Fair Value
ExteNet Systems Inc	Other	Communication	38.9%
Sanchez Production Partners	Energy	Midstream	30.3%
Vertical Bridge Holdings	Other	Communication	19.7%
Plains All American Pipeline	Energy	Midstream	11.2%

PARTNERSHIP DIVERSIFICATION

Sector Breakdown



Geographic Breakdown



HIGHLIGHTS/UPDATES

The overall value of the portfolio decreased 0.5% (inclusive of distributions) during the quarter:
- Valuation move from Q1 2020 reflects moderate gains at Vertical Bridge, ExteNet, and Plains All American, offset by an 11% valuation decline at Sanchez.
- The Fund was 90.6% committed and 83.4% drawn for investments to date.

<u>Portfolio company updates:</u>
Vertical Bridge: Given the temporary postponement of ABS, the company was able to attractively upsize both the TD Facility and the AMP Capital debt facility, adding an additional $325 million of capacity. On June 1, 2020, Vertical Bridge successfully issued $534 million Secured Tower Revenue Notes, the first non-traditional ABS following the COVID-19 related market shut down, at a weighted average cost of 3.93%.

ExteNet: In April 2020, the T-Mobile/Sprint merger closed roughly two years after it was first announced. In May 2020, ExteNet received a favorable REIT Private Letter Ruling from the IRS, confirming the company's ability to convert to a REIT structure. REIT conversion would allow for favorable tax treatment and be in line with the corporate structures of the publicly traded tower companies.

Plains All American: PAA cut Q1 distributions payable in May 2020 by 50% in an effort to preserve liquidity given the current industry dynamics. This cut saves ~$525 million per year in cash flow to common equity holders. Stonepeak's preferred equity distributions are not impacted by common equity distribution rates, such that the cut only solidifies cash availability to meet the preferred coupon each quarter and is a net positive to preferred equity holders.

Sanchez: Stonepeak has been integrally involved in negotiations involving SNMP and its parent company, Mesquite (formerly known as Sanchez Energy), as part of the bankruptcy proceedings for Mesquite. In June, these negotiations culminated in an attractive outcome for SNMP in the form of a Settlement Agreement, which was approved by bankruptcy court on June 29, 2020. As part of the Settlement Agreement, Mesquite, Targa and SNMP reached midstream arrangements that significantly improve SNMP's pro forma outlook with Mesquite agreeing to reject a variety of other midstream agreements and effectively send those volumes to SNMP's and Targa's gathering, processing and residue gas assets. SNMP's increase in volume results in significantly improved expected EBITDA from a more diversified set of producers and reinforce the Fund's SNMP preferred equity investment exposure in a lower activity drilling environment.

EQT INFRASTRUCTURE FUND II

FUND OVERVIEW: Q2 2020

KEY DATA

Fund Type	Close-ended	Fund Size (EUR millions)	1,938.0
Location of Manager (Headquarters)	Stockholm	No. of Underlying Investments	9
Partnership's Final Close	November 2013	% of Fund Drawn	91.1%
Vintage Year	2013	Gross MOIC	1.7x
Geographic Focus	Global	Gross IRR	24.3%
Anticipated Timing of Next Fund	EQT V launching in Summer 2020		

PARTNERSHIP'S DESCRIPTION

EQT Infrastructure Fund II targets mid-market, control investments in energy, transportation, water and waste, and telecommunications sectors in the Nordics, Continental Europe, and North America.

CURRENT MARKET OUTLOOK

The investment period for EQT Infrastructure Fund II has closed. The Fund continues to focus on operational improvements across all portfolio companies and on realizing its investments.

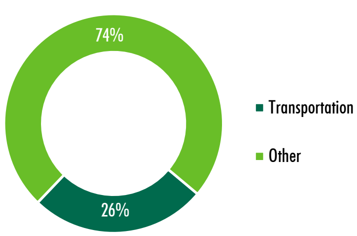
There has been a global economic slowdown from the outbreak of COVID-19. Following the government quarantine measures, EQT continues to operate remotely. CBRE Caledon continues to monitor the economic slowdown and market volatility to determine the potential impact on EQT's remaining investments.

PARTNERSHIP'S TOP 5 HOLDINGS

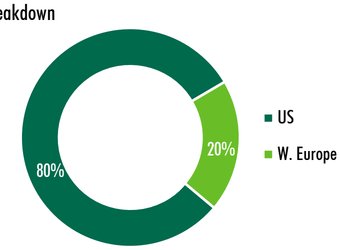
Investment Name	Sector	Description	% of Fair Value
WASH	Other	Other	43.5%
Synagro Technologies	Other	Water and Waste	29.9%
Unilode Aviation Solutions	Transportation	Containers and Pallets	13.7%
Direct ChassisLink	Transportation	Trucking	7.0%
Hector Rail	Transportation	Rail	5.4%

PARTNERSHIP DIVERSIFICATION

Sector Breakdown



Geographic Breakdown



HIGHLIGHTS/UPDATES

The overall value of the portfolio decreased by 18% quarter-over-quarter primarily driven by a reduction in the NAV of WASH. As of June 30, 2020, EQT II has a valuation of €683 million with a gross MOIC of 2.0x and gross IRR of 25%.

Portfolio Company Updates:

Material updates from the portfolio investments are as follows:

Unilode: In May 2020, Unilode's customer LATAM Airlines filed for bankruptcy under Chapter 11 and Unilode is working with a specialized US external counsel to maximize the outcome of ongoing commercial discussions, including the collection of ~USD 4 million trade debt owed to Unilode.

Synagro: Hamilton facility in Ontario, Canada achieved commercial operations on May 11th and is performing on budget to date with USD 2.3 million Run Rate EBITDA. In addition, Synagro successfully renewed 4 out of 5 NYC Rail contracts with price increases representing USD 2.6 million additional EBITDA.

Hector Rail: On June 10, 2020, EQT signed an agreement to sell Hector Rail Group to Ancala Partners LLP for a total Enterprise Value of EUR 85 million, corresponding to 9.9x April 2020 LTM EBITDA. The sale is expected to return proceeds of c. EUR 37 million to the fund immediately at closing, representing a 1.9x MOIC and 19% IRR on the total Hector Rail Group investment. The transaction is expected to close by the end of August 2020.

Other:

Despite the COVID-19 situation, EQT is operational, albeit at a slower pace. The remainder EQT II portfolio is mostly non-cyclical businesses and there is sufficient fund liquidity to support the portfolio companies in this challenging environment. Synagro and WASH were deemed to be essential services and continued operations during the quarter. Hector Rail is increasing its interaction with existing customers to ensure safe and successful delivery of transport volumes and is also monitoring the market for new ad-hoc volumes. As the aviation industry slowly recovers from the effects of the pandemic, Unilode's performance is expected to continue to be affected, with financial year 2021 adjusted EBITDA expected to come out below financial year 2020. While increasing flight activity will improve utilization in the MRO stations, the rebound of repair cost for pooled ULDs will put pressure on margins going forward. As a result, Unilode is focused on implementing an action plan targeted at cost extraction and capex reduction.

ALTERNA II

FUND OVERVIEW: Q2 2020

KEY DATA

Fund Type	Close-ended	Fund Size (USD millions)	722.4
Location of Manager (Headquarters)	Wilton, CT	No. of Underlying Investments	15
Partnership's Final Close	March 2014	% of Fund Drawn	95.7%
Vintage Year	2013	Gross MOIC	1.3x
Geographic Focus	Global	Gross IRR	8.3%
Anticipated Timing of Next Fund	No longer marketing Fund III		

PARTNERSHIP'S DESCRIPTION

Alterna II targets mid-market, controlling equity or equity-equivalent transactions in core capital assets in the energy, shipping, aircraft and rail sectors in primarily OECD countries. Alterna's strategy is to invest in core capital assets that are long-lived and provide stable, often inflation-linked returns.

CURRENT MARKET OUTLOOK

The Fund intends to focus on near-term realizations and investment management as no new fund investments are permitted for Alterna II given its investment period has ended. Remaining unfunded commitments may be used for follow-on investments in portfolio companies.

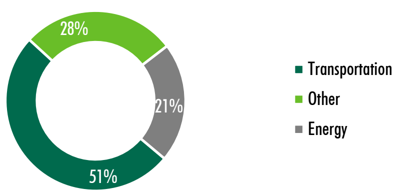
Due to COVID-19, the global economy has seen increased volatility, most notable in the aviation and maritime sectors. In aviation, passenger traffic has ground to a halt and airlines are under significant pressure. Although the shipping industry has also experienced volatility, it has not experienced the same magnitude of negative dislocation as aviation and many wet shipping markets reached all-time highs. The dry bulk market remains under duress and has experienced significant volatility. Alterna continues to monitor the situation and work with portfolio companies as needed.

PARTNERSHIP'S TOP 5 HOLDINGS

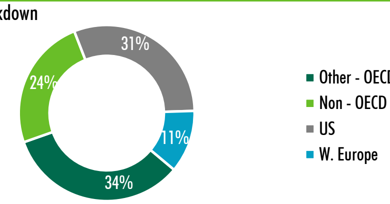
Investment Name	Sector	Description	% of Fair Value
Sterling Ocean Chemical Tankers	Transportation	Shipping	15.8%
AC Maritime Lending	Other	Shipping	15.5%
AMG/Graphit Kropfmuhl ("GK")	Other	Mining	11.6%
Selkirk	Energy	Gas Utilities	10.6%
Azur Air	Transportation	Transportation	7.5%

PARTNERSHIP DIVERSIFICATION

Sector Breakdown



Geographic Breakdown



HIGHLIGHTS/UPDATES

The overall value of the portfolio decreased by 1.18% during the quarter. As a result of the impact on the global economy due to COVID-19, there has been increased volatility throughout the portfolio. During the quarter, there was downward pressure on the wet tanker market due to a drop in demand and an over supply of oil caused by the slowdown in the global economy. The dry bulk market remains under duress and experienced volatility as the combination of a drop in demand in the sector and an oversupply of oil has resulted in a decline in daily earnings. In order to provide short-term financial relief, deferred payment arrangements have been finalized with the lessees in the Azur, Virgin Atlantic in FlyOne Airlines and Hi Fly investments, and a deferred payment along with rent abatements was finalized with the lessees in the Arena II investment. In addition, Alterna reached a forbearance agreement with the lender against these investments as well as the lender of the Turkish Air investment and the debt has been restructured to interest-only payments through May 2021.

Portfolio Company Updates:

Sterling Ocean Tankers: The Essie C and Nancy P were redelivered in May and August respectively, and are currently employed on voyage charters. The current charterer of Jane S has given notice of redelivery in the third quarter and the vessel will subsequently be employed on voyage charters. In addition, the existing debt was modified to have all four tranches repaid in full in November 2020. Concurrently, a term sheet was executed with another financial institution to refinance the debt before the existing debt matures.

Alterna II: Alterna has reached deferred payment agreements and has waived three-four months of rentals with both lessees and as part of the agreements, 50% of the contractual rental and maintenance payments originally due in 2020 are now payable in 2021.

Jet Midwest: $5.1 million in gross sales was generated, largely driven by the sale of the last intact RB-211 engine, bringing total gross sales to date of aircraft parts and engines to $47.4 million.

AC Maritime Lending: During the quarter, principal and interest payments of $9.4 million and $1.7 million respectively, were received. As of June 30, 67% of the outstanding loan balance is against dry bulk vessels.

Azul: Azul failed to make its contractually obligated payments starting in June. In July, the lenders issued a formal notice of default. Subsequent to quarter-end, Alterna and Azul agreed to a repayment schedule and this default has been cured.

Azur Air: Alterna has reached agreements with Azur for rent deferrals and modifications for each lease, with the deferrals to be remitted in future lease payments throughout 2021. In addition, the current leases have been extended an additional six months at existing rental rates.

Hi Fly: Payment of $3 million was received to settle the claim against the prior lessee Cobalt's guarantor for losses and additional costs incurred due to their default. Also, a lease amendment was executed whereby four months rental payments are charged based on the usage of the aircraft. Any shortfalls from the usage payments and the contractual lease payments are deferred and will be repaid starting in 2021.

FlyOne Airlines: Alterna has executed a second lease amendment with Virgin to defer most of their monthly contractual rental payments for eighteen months, with such deferrals to be remitted over four years starting October 2021. In addition, the lease amendment modifies the terms related to the early redelivery engine option granted to the lessor, effectively allowing Alterna to more easily sell the engines.

ISQ GLOBAL INFRASTRUCTURE FUND I

FUND OVERVIEW: Q2 2020

KEY DATA

Fund Type	Close-ended	Fund Size (US$ millions)	3,000.0
Location of Manager (Headquarters)	Miami	No. of Underlying Investments	11
Partnership's Final Close	April 2015	% of Fund Drawn	84.7%
Vintage Year	2014	Gross MOIC	1.5x
Geographic Focus	Global	Gross IRR	21.2%
Anticipated Timing of Next Fund	2020		

PARTNERSHIP'S DESCRIPTION

ISQ Global Infrastructure Fund targets energy, utility and transportation infrastructure and infrastructure related investments globally, with a focus on North America, Europe, and selected growth economies in Asia and Latin America.

CURRENT MARKET OUTLOOK

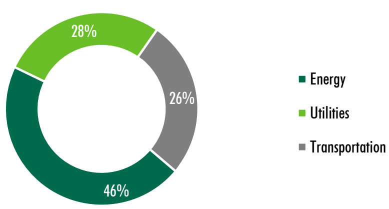
Fund I will no longer make new investments except to deploy capital that has already been committed and earmarked for existing platforms and previously identified opportunities.

PARTNERSHIP'S TOP 5 HOLDINGS

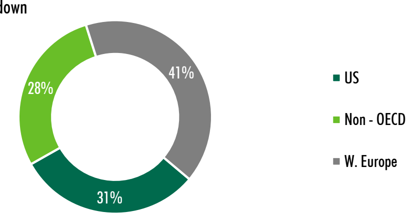
Investment Name	Sector	Description	% of Fair Value
Viridian Holdings ("Energia")	Utilities	Gas Transmission and Distribution	24.2%
American Intermodal Management	Transportation	Other	18.2%
Nautilus Energy Holdings, LLC ("Inkia")	Energy	Power Generation	12.5%
Grupo T-Solar Global, S.A.	Energy	Power Generation	10.9%
Cube Highways and Infrastructure Pte. Ltd.	Transportation	Toll Roads	8.2%

PARTNERSHIP DIVERSIFICATION

Sector Breakdown



Geographic Breakdown



HIGHLIGHTS/UPDATES

As of Q2 2020, the portfolio continues to appear resistant to Covid-19, according to the Manager. ISQ attributes this to the diversification strategy, which has allowed the Manager to balance the disproportionate impact Covid-19 is having on selected sectors. ISQ does not expect issues in the short term with regards to refinancing and covenant breaches at the portfolio companies. ISQ continues to closely monitor and strategize as the longer-term impacts of Covid 19 become more apparent.

Portfolio valuation decreased in Q2 2020, driven by the sale of Chenya Energy during the quarter, as well as decreases in valuation at Whiptail and Cube Highways. The decrease was offset by an increase in valuation at FlexiVan, Energia Group, and T-Solar. Given inherent risks from COVID 19 for FlexiVan, it may be optimistic to assume increased valuation in the current environment.

Portfolio Company Updates:

Early in the second quarter of 2020, the Fund closed on its sale of 100% of its equity interest in Chenya Energy to Marubeni Corporation. Chenya Energy is a dedicated solar development, construction and operating platform in Taiwan and was a wholly owned subsidiary of Asia Cube Energy. The total capital invested was $83 million, and the total value, including realized proceeds and dividends, was $151 million, resulting in a gross IRR of 50% and MOIC of 1.8x.

During the second quarter, FlexiVan's management team advanced multiple initiatives to further integrate and optimize the legacy AIM and FlexiVan fleets and business operations. FlexiVan financial performance was in line with the company's post-Covid-19 2020 forecast. Drivers included benefits from FlexiVan's core base of long term lease contracts, improved unit demand and utilization across FlexiVan's contributed pool fleet, and a ramp up of chassis usage from select clients as part of FlexiVan's chassis subscription contracts.

At Whiptail, macro factors continue to weigh heavily on the energy industry primarily due to lack of demand induced by the Covid-19 pandemic. Currently there are no active rigs running in the San Juan Basin as producers wait for the return of sustainable prices and lower volatility. Whiptail is currently protected with over 90% of 2020 revenue backed by a volume commitment from Enduring Resources and WPX Energy. Whiptail has found cost savings in excess of $750 thousand for full year 2020. On April 7, 2020, Whiptail made a distribution to investors of $21 million and the company continues to have liquidity to meet all covenants and obligations.

At Cube Highways, most of India was under lockdown with the NHAI stopping toll collections for a period of 25 days, from March 26 through April 20. Post resumption of toll collections, traffic volumes, especially commercial vehicles, have started to come back as lockdown in various parts of the country is gradually eased. Cube Highways has a Net Debt to EBITDA of 3.5x. With the current revenue run rate tracking at 85% and trending upwards, no liquidity concerns are noted by the Manager. Furthermore, the regulator, NHAI, has announced several relief measures to support the industry including a 3 to 6 months extension of the concession period.

Other:

ISQ launched its third fund in Q2 2020.

STONEPEAK INFRASTRUCTURE FUND II

FUND OVERVIEW: Q2 2020

KEY DATA

Fund Type	Close-ended	Fund Size (US$ millions)	3,524.0
Location of Manager (Headquarters)	New York City	No. of Underlying Investments	12
Partnership's Final Close	January 2016	% of Fund Drawn	82.1%
Vintage Year	2015	Gross MOIC	1.3x
Geographic Focus	North America	Gross IRR	14.8%
Anticipated Timing of Next Fund	Fund IV is in market		

PARTNERSHIP'S DESCRIPTION

Closed-end fund targeting investments in infrastructure assets in energy, utilities, transportation and communications infrastructure.

CURRENT MARKET OUTLOOK

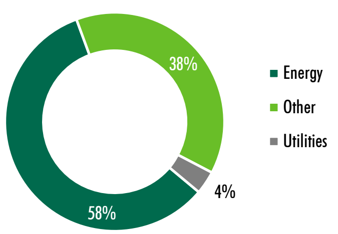
Stonepeak is actively monitoring the portfolio impact as a result of the current COVID-19 crisis and significant drop in oil prices. Stonepeak believes its portfolio is well positioned in this market downturn and has not indicated any going concern issues with its investments as of June 2020.

PARTNERSHIP'S TOP 5 HOLDINGS

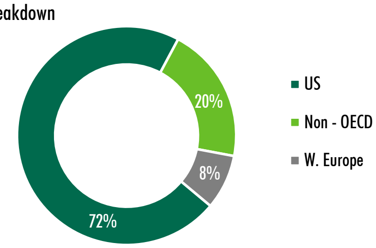
Investment Name	Sector	Description	% of Fair Value
Cologix	Other	Data Center	26.1%
Golar Power	Energy	Midstream	20.2%
MPLX LP	Energy	Midstream	9.5%
Phillips 66 Parnters LP	Energy	Midstream	8.9%
euNetworks	Other	Communication	8.1%

PARTNERSHIP DIVERSIFICATION

Sector Breakdown



Geographic Breakdown



HIGHLIGHTS/UPDATES

The overall value of the portfolio increased by ~5.2% during the quarter:
- The movement in the portfolio is driven by increases in value from Cologix and ExteNet
- The Fund is fully committed and 93.9% drawn for investments to date.

<u>Portfolio company updates:</u>
Cologix: Cologix has experienced sustained uptick in bookings from hyperscale and enterprise customers as consumers and businesses move quickly to ensure their network and information technology infrastructure capacity and capabilities are in line with the current environment. June 2020 YTD bookings represent a 24% increase compared to the same period in the previous year.

Phillips 66: PSXP reached full operations on Gray Oak Pipeline during April 2020, providing takeaway from the Permian to Corpus Christi and Freeport, TX. PSXP estimates full run-rate EBITDA contribution will be reached in Q2 2020. PSXP traded off significantly over the course of Q1 2020 (down 41% compared to Q4 2019) as the onset of the COVID-19 pandemic provoked mass liquidation across the energy sector. PSXP's cash flows are 85% backed by minimum volume commitments, and PSX backstops the majority of the overall revenue. PSX is investment grade rated and maintains <1.5x EBITDA.

Oryx: Oryx has faced steeper than expected temporary volume declines due to shut-ins at some of its connected wells in May 2020. These have since been reversed and the volumes are now within 3% of pre-COVID levels. Stonepeak expects ongoing completion of previously drilled but uncompleted wells to roughly offset natural declines of existing production, holding volumes relatively steady through the remainder of the year. Oryx has also undertaken meaningful cost reduction and business development initiatives, resulting in greater than $15m of targeted savings and $5m of new annual revenues from new businesses.

ExteNet: In May 2020, ExteNet received a favorable REIT ruling from the IRS, confirming the company's ability to convert to a REIT structure. REIT conversion would allow for favorable tax treatment and be in line with the corporate structures of the publicly traded tower companies. Stonepeak believes the T-Mobile / Sprint merger will be a tailwind for ExteNet in the second half of the year given the company's strong relationship with T-Mobile.

ISQ GLOBAL INFRASTRUCTURE FUND II

FUND OVERVIEW: Q2 2020

KEY DATA

Fund Type	Close-ended	Fund Size (US$ millions)	7,050.0
Location of Manager (Headquarters)	Miami	No. of Underlying Investments	11
Partnership's Final Close	September 2018	% of Fund Drawn	59.1%
Vintage Year	2017	Gross MOIC	1.2x
Geographic Focus	Global	Gross IRR	22.8%
Anticipated Timing of Next Fund	2020		

PARTNERSHIP'S DESCRIPTION

ISQ Global Infrastructure Fund II follows the same strategy as Fund I and targets energy, utility and transportation infrastructure and infrastructure related investments globally, with a focus on North America, Europe, and selected growth economies in Asia and Latin America.

CURRENT MARKET OUTLOOK

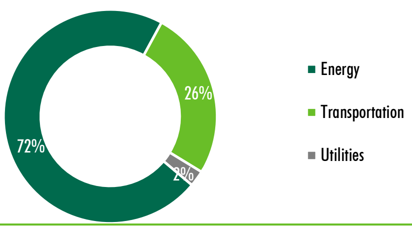
The pipeline continues to be robust with over $57.3 billion across three development stages. As of June 2020, ISQ has over $14.1 billion of investment opportunities in due diligence. These opportunities are across sectors and include potential investments in the transport, midstream, telecom, utilities and power sectors.

PARTNERSHIP'S TOP 5 HOLDINGS

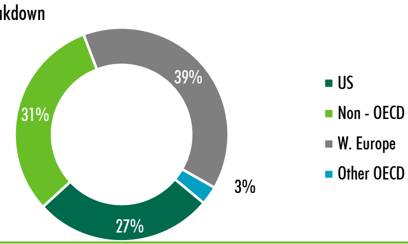
Investment Name	Sector	Description	% of Fair Value
Cube Transportation Europe Holdings LLC ("TIP")	Transportation	Other	18.1%
Nautilus Energy Holdings LLC ("Inkia")	Energy	Power Generation	16.8%
Domidep SAS	Social Infrastructure	Healthcare Facilities	15.3%
EagleClaw Midstream	Energy	Midstream Energy	14.3%
Falcon LNG LLC	Energy	Power Generation	12.4%

PARTNERSHIP DIVERSIFICATION

Sector Breakdown



Geographic Breakdown



HIGHLIGHTS/UPDATES

As of Q2 2020, the portfolio appears moderately impacted by Covid-19, according to the Manager. Impacting factors have been partially offset by the diversification strategy. ISQ continues to closely monitor and strategize as the longer-term impacts of Covid 19 become more apparent particularly on assets in transportation, energy and healthcare.

Portfolio valuation increased in Q2 2020, driven by increased investment in Rubis Terminal, Eagleclaw, BDX and Cube Mobility, as well as increases in valuation at Falcon LNG, TIP, Domidep and several other assets in the portfolio.

<u>Portfolio Company Updates:</u>

During the quarter, ISQ closed on its joint venture partnership through an investment in Rubis Terminal, a wholly owned subsidiary of Rubis. With a portfolio of 13 facilities and a capacity of 3.6 million cubic meters across four countries, Rubis Terminal provides critical bulk-liquid storage infrastructure to a diversified base of industrial customers and across a broad range of petroleum, chemical and agrifood products.

TIP is monitoring the Covid-19 situation and, in particular, potential impacts on both the utilization rates of its fleet and the credit quality of its portfolio. A dip in utilization was observed at the peak of the crisis which is now recovering, with no significant material impact seen given the geographic diversification of TIP portfolio complemented by the diversification in underlying sectors according to the manager. TIP continued to progress with the post-merger integration with PEMA and Trailer Wizards, both acquired by TIP in December 2019.

Domidep does not expect significant financial impact from the current Covid-19 situation. Domidep is benefiting from a number of relief measures from the French government. In the second quarter of 2020 Domidep acquired two care homes in Belgium.

At Eagleclaw, the pace of growth has slowed during 2020 as the Company adapts its business model to be resilient through the lower commodity price environment. Cost and capex initiatives are being sought to enhance liquidity and drive a more efficient cost structure for the Company as it emerges through the macro headwinds.

HGC managed to deliver solid financial and operational performance for the second quarter. As more countries globally instituted either a full or partial lockdown since last quarter, international business experienced slower pipeline due to delayed project implementation and deferment of IT capex spending. HGC management remain focused on identifying operational improvement opportunities to uplift HGC's performance. Although management expects Covid-19 will structurally slow down global business-as-usual economic activities, the fundamentals of regional data consumption growth is not expected to change materially.

<u>Subsequent Events:</u>

ISQ launched its third fund in Q2 2020.

STONEPEAK INFRASTRUCTURE CREDIT SEPARATE ACCOUNT

FUND OVERVIEW: Q2 2020

KEY DATA

Fund Type	Separate Account	Fund Size (US$ millions)	55.0
Location of Manager (Headquarters)	New York City	No. of Underlying Investments	8
Partnership's Final Close	August 2017	% of Fund Drawn	38.2%
Vintage Year	2018	Gross MOIC	1.1x
Geographic Focus	U.S.	Gross IRR	6.7%
Anticipated Timing of Next Fund	N/A		

PARTNERSHIP'S DESCRIPTION

Stonepeak Infrastructure Credit Fund I LP ("Stonepeak Credit" or the "Fund") is a Separately Managed Account targeting secondary credit investments in infrastructure assets such as energy, utilities, transportation and communications infrastructure.

CURRENT MARKET OUTLOOK

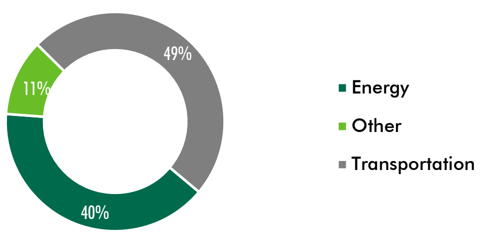
While COVID-19 drove the markets lower during Q1, the Federal Reserve utilized every tool to support the economy. Under the restarted quantitative easing, the Fed initially pledged to purchase $500bn of treasuries and $200bn of agency mortgage-backed securities. The markets ultimately troughed on March 23, 2020 and began a subsequent rally after announcement of a series of unprecedented actions to support the economy. Despite the partial recovery in the markets, Stonepeak believes that the current market conditions have created an opportunity for the Fund to leverage the institutional knowledge across core industries and deploy capital into attractive risk-adjusted credit investments.

PARTNERSHIP'S TOP 5 HOLDINGS

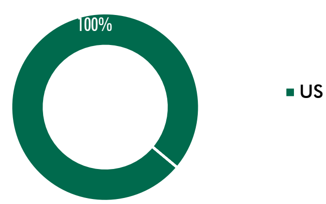
Investment Name	Sector	Description	% of Fair Value
Stonepeak Lonestar Holdings LLC, 3 month LIBOR + 4.5%, 10/19/2026	Energy	Midstream	39.6%
Delta Air Lines Inc, 144A, 7.00%, 05/01/2025	Transportation	Airlines	13.4%
American Airlines 2019-1 Class A Pass Through Trust, 3.50%, 02/15/20	Transportation	Airlines	13.1%
Mileage Plus Holdings LLC, 144A, 6.50%, 06/20/2027	Transportation	Airlines	8.7%
Northwest Fiber LLC, 3 month LIBOR + 5.50%, 05/01/2027	Other	Telecommunicatio	8.6%

PARTNERSHIP DIVERSIFICATION

Sector Breakdown



Geographic Breakdown



HIGHLIGHTS/UPDATES

As of Q2, 2020, the Fund generated a 9.0% return (time-weighted) on invested capital since inception on a gross basis as well as net of fees and expenses. On average, the Fund was 44% invested / 56% undrawn during the quarter.

The Fund was able to take advantage of the market dislocation and increased invested capital from $10.4m as of March 5 to $25.7m as of April 16, 2020. In total since March 5th, 2020, Stonepeak has invested $29.2m of capital through to August 3, 2020.

Portfolio Company Updates:

American Airlines: Initiated a $3.8m position in AA's EETC senior notes due 2028 at 65 (i.e. trading at 65% of face value). The entire position was sold at blended exit price of 74, generating a 16% return.
Plains All American: Added $2.0m position in the 3.6% senior notes due 2024 at 84. The entire position was later sold at blended exit price of 94, generating 13% total return.
Delta Air Lines: Initiated a $3.0m position in Delta's 7.0% senior secured note due 2025 at a blended price of 102. The Fund sold $1.0m at 107 in July, generating a 7% return.
Ziply: Initiated a $2.0m position in Northwest Fiber's L+550 1L Term Loan at 96.
United Mileage Plus: Initiated a $2.0m position in United Airelines Mileage Plus 6.5% senior secured notes due 2027 at 99. The Fund sold $1.0 at 104, generating a 6% return.
Flexential: Fully exited position at 37.5, resulting in a 0.5x MOIC.
Windstream: Sold $1m of $2m position at a price of 61, resulting in a 0.7x MOIC.

STONEPEAK INFRASTRUCTURE FUND III

FUND OVERVIEW: Q2 2020

KEY DATA

Fund Type	Close-ended	Fund Size (US$ millions)	7,303.4
Location of Manager (Headquarters)	New York City	No. of Underlying Investments	7
Partnership's Final Close	July 2018	% of Fund Drawn	63.2%
Vintage Year	2018	Gross MOIC	1.2x
Geographic Focus	North America	Gross IRR	25.3%
Anticipated Timing of Next Fund	Fund IV is in market		

PARTNERSHIP'S DESCRIPTION

Closed-end fund targeting investments in infrastructure assets in energy, utilities, transportation and communications infrastructure.

CURRENT MARKET OUTLOOK

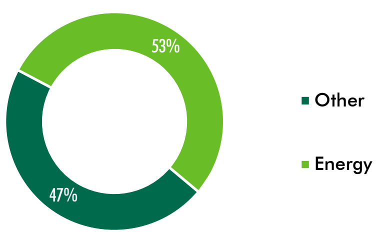
Stonepeak is actively monitoring the portfolio impact as a result of the current COVID-19 crisis and significant drop in oil prices. Stonepeak believes its portfolio is well positioned in this market downturn and has not indicated any going concern issues with its investments as of June 2020.

PARTNERSHIP'S TOP 5 HOLDINGS

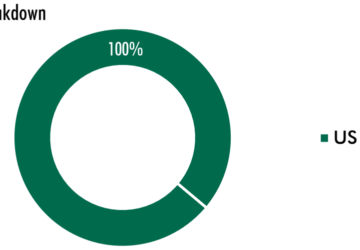
Investment Name	Sector	Description	% of Fair Value
Lineage Logistics, LLC	Other	Storage	34.0%
Calcasieu Pass	Energy	Storage	22.3%
Oryx Midstream	Energy	Midstream	19.6%
Falcon Holdings	Other	Communication	12.8%
Taurus Holdings	Energy	Midstream	6.3%

PARTNERSHIP DIVERSIFICATION

Sector Breakdown



Geographic Breakdown



HIGHLIGHTS/UPDATES

The overall value of the portfolio increased 7.8% during the quarter:
- Movement in the portfolio was driven by the broad gains across Fund III's initial five investments (Targa JV, Lineage, Oryx, WTG Whistler, and Venture Global).
- As of Q2 2020, the Fund has made total equity commitments of $5.2bn (71% of total Fund), of which $4.4bn (61%) was drawn.

<u>Portfolio company updates:</u>

Oryx: Oryx has faced steeper than expected temporary volume declines due to shut-ins at some of its connected wells in May 2020. These have since been reversed and the volumes are now within 3% of pre-COVID levels. Stonepeak expects ongoing completion of previously drilled but uncompleted wells to roughly offset natural declines of existing production, holding volumes relatively steady through the remainder of the year. Oryx has also undertaken meaningful cost reduction and business development initiatives, resulting in greater than $15m of targeted savings and $5m of new annual revenues from new businesses.

Lineage: Lineage has continued to outperform strongly in 2020, with organic revenues up 11% YoY in Q1 and continued success in shifting customers towards take-or-pay commitments as part of regular contract renewal negotiations.

Xplornet: On June 10, 2020, Stonepeak closed the acquisition of Xplornet at a CAD $2.6bn valuation. Xplornet is Canada's largest rural-focused broadband service provider, serving approximately one million rural Canadians across all ten provinces and three territories. Xplornet offers fixed broadband access and other related services to residential and commercial customers. The company delivers broadband services using fixed wireless, satellite, and hybrid fibre wireless network infrastructure.

<u>Other:</u>
Fund IV: Stonepeak held its first closing of Fund IV with $6.2bn of subscribed LP capital. Target for Fund IV is $10bn.

GLOBAL DIVERSIFIED INFRASTRUCTURE FUND

FUND OVERVIEW: Q2 2020

KEY DATA

Fund Type	Open-end	Fund NAV (USD millions)	2,345.3
Location of Manager (Headquarters)	Sydney	No. of Underlying Investments	12
Partnership's Final Close	N/A	Gross MOIC	1.0x
Vintage Year	2015	Gross IRR	1.9%
Geographic Focus	OECD		
Anticipated Timing of Next Fund	N/A		

PARTNERSHIP'S DESCRIPTION

First Sentier Investors ("FSI" or the "Manager") Global Diversified Infrastructure Fund ("GDIF" or the "Fund") is an open-end fund targeting investments in mature, operating assets in OECD countries, with a primary focus on Australia/NZ and Europe, and an increasing focus on North America.

CURRENT MARKET OUTLOOK

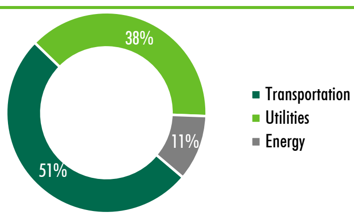
The Manager is focused on pursuing a number of opportunities to further diversify GDIF's portfolio through acquisition opportunities in Europe, Australia/NZ, and the United States, in the transportation, district heating, renewables, and generation sectors. During 2020, a sell-off across all major markets was initiated by the unexpected economic shock of the coronavirus pandemic and has been exacerbated by a price war in the international oil markets. The scale of the coronavirus continues to spread, and there is heightened uncertainty and a lack of clear information in the markets. Further, due to travel restrictions and strict border controls around the world, it is currently forecast that GDIF's volume-driven assets, which comprise approximately 50% of the Fund's portfolio, will be negatively impacted. As such, GDIF has recommended that distributions from the Fund to Investors be deferred at this time. As the current situation remains dynamic, CBRE Caledon is continuing to evaluate the impact on GDIF's portfolio via frequent communication with the Manager.

PARTNERSHIP'S TOP 5 HOLDINGS

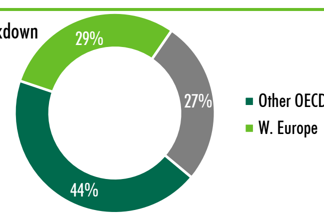
Investment Name	Sector	Description	% of Fair Value
Patriot Rail & Ports	Transportation	Rail	23.1%
First Gas Limited	Utilities	Gas Distribution	14.6%
Brisbane Airport	Transportation	Airport	13.8%
Scandlines	Transportation	Ferries	8.3%
Anglian Water Group	Utilities	Water Supply	6.0%

PARTNERSHIP DIVERSIFICATION

Sector Breakdown



Geographic Breakdown



HIGHLIGHTS/UPDATES

GDIF completed Q2 2020 with total returns for the quarter of 0.5% net in local currency (4.6% net in U.S. dollars). One year returns for the fiscal year were 2.7% net in local currency (-0.8% net in U.S. dollars). As of Q2 2020, GDIF had a NAV of US$2,345.3 million.

<u>Portfolio Company Updates:</u>

- Brisbane Airport: 1.2% decline in asset performance, comprised entirely of capital gain/loss. The discount rate used as part of the valuation process decreased from 10.1% to 9.8% between quarters.
- Patriot Rail & Ports: 0.6% increase in asset performance, comprised entirely of capital gain/loss. The discount rate used as part of the valuation process decreased from 11.4% to 11.3% between quarters.
- Rialto Bioenergy Facility: In April 2020, GDIF completed the $80 million acquisition of a structured equity interest in the Rialto Bioenergy Facility, a resource recovery facility currently under construction in Rialto, California. The investment entitles GDIF to a preferred return, a 49% voting interest, and the right to appoint two of four directors to the Board of Managers.

<u>Other:</u>

- Following the acquisition of Rialto Bioenergy Facility, FSI have been evaluating several investment opportunities, including an ultra-fast fibre opportunity broadband network in New Zealand and a US renewables platform. GDIF have entered a binding agreement on the New Zealand fibre network operator and expect to close in Q3 2020, subject to regulatory approvals. GDIF are in the final stages of due diligence on the US renewables operator and target drawdown for Q4 2020.
- During 2020, the FSI leadership team continued to streamline the 'FSI Group' leadership structure to transition the business to a more affiliate-style model. To enhance the FSI Group leadership and decision-making, a Global Chief Investment Officer role was been created, which will oversee all asset classes including unlisted infrastructure. Perry Clausen has been offered and accepted that role. Further, Niall Mills has replaced Perry as the Global Head of Infrastructure Investments. Niall, and the other Senior Management Team members, comprising Danny Latham, Marcus Ayre and Chris McArthur will continue to manage the business.

ANDROMEDA I

FUND OVERVIEW: Q2 2020

KEY DATA

Fund Type	Closed-end	Fund Size (USD millions)	85.6
Location of Manager (Headquarters)	Toronto	No. of Underlying Investments	10
Partnership's Final Close	May 2013	% of Fund Drawn	89.5%
Vintage Year	2013	Gross MOIC[1]	1.3x
Geographic Focus	Global	Gross IRR[1]	11.3%
Anticipated Timing of Next Fund	N/A		

PARTNERSHIP'S DESCRIPTION

The fund has been established to execute NMERB's coinvestment strategy by completing direct investments in global infrastructure assets that enhance the diversification and economics of the overall infrastructure portfolio.

CURRENT MARKET OUTLOOK

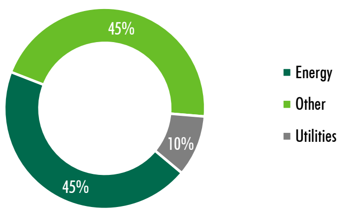
N/A

PARTNERSHIP'S TOP 5 HOLDINGS

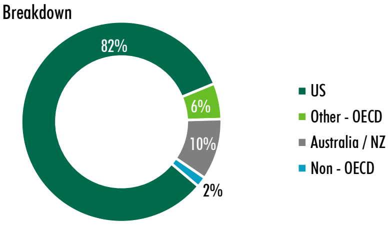
Investment Name	Sector	Description	% of Fair Value
Databank	Other	Telecommunication	23.6%
ExteNet Systems Inc	Other	Communication	21.9%
AMP Solar	Energy	Renewables	11.3%
First Gas Limited	Utilities	Gas Utilities	9.8%
Cheniere Corpus Christi LNG	Energy	LNG	9.7%

PARTNERSHIP DIVERSIFICATION

Sector Breakdown



Geographic Breakdown



HIGHLIGHTS/UPDATES

Portfolio Company Updates:

AMP: CBRE Caledon is in the early stages of exploring a potential sale of the Japanese projects on an opportunistic basis, given highly attractive valuations in the domestic market. The investment in AMP Solar is expected to be well insulated from COVID-19 and oil market disruption through long-term contracted nature of the cashflows. As of June 2020, 75% of the portfolio is operating and not impacted by supply chain disruptions and the COVID-19 situation is being closely monitored.The investment in AMP Solar is expected to be well insulated from COVID-19 and oil market disruption through long-term contracted nature of the cashflows. As of June 2020, 75% of the portfolio is operating and not impacted by supply chain disruptions and the COVID-19 situation is being closely monitored.

Cheniere Corpus Christi LNG: The buildout of the two-train 9.0 million metric tonnes per annum capacity, which was funded by the convertible notes, has been de-risked with the completion of trains one and two, commissioned in November 2018 and August 2019, respectively. Following the completion of train two, the convertible notes converted to cash pay in October 2019. The notes became callable at Cheniere's request on March 1, 2020. Subsequent to quarter-end, on July 14, 2020, the remaining notes were repaid via cash settlement at 108% of par to achieve full realization of the investment and a final realized net return of 1.75x MOIC / 14.4% IRR.

Databank: DataBank remains active on the M&A front with two ongoing live transactions. The more prominent opportunity of the two represents an acquisition of another data center business that would double DataBank's size and expand its geographical reach and customer mix. DataBank is also in discussions with a small modular data center operator to provide a $10m convertible note to fund the rollout of 10-12 micro data centers.

ExteNet Systems: As a result of the COVID-19 pandemic, it is anticipated that activation timelines for in-process network builds could be pushed out by the wireless carriers as they assess their capital budgets. However, a ramp-up in deployments is expected later in the year as carriers catch-up with missed bookings.Stonepeak is looking to sell a minority stake to an investor, who would look to commit additional growth capital to help fund the next phase of growth. Additional details are expected in H2 2020.

FGL: Gas throughput is tracking lower YTD due to ongoing supply constraints and demand impacts due to COVID-19. Supply constraints now appear resolved with the return to full production at the country's largest gas field easing concerns about security of supply during COVID-19, which now raises concerns about a potential over-supply. Gas throughput for the seven months period until April increased by 24.3% compared to the previous comparable period.

MPLX: MPLX has made significant progress to reduce forecasted annual operating expenses by approximately $200 million, net maintenance capital spending by $100 million to approximately $150 million, and growth capital spending by over $600 million to approximately $900 million.

Oregon Clean Energy: Oregon's current valuation as of June 30, 2020 is $176.3 million, including realized proceeds of $49.6 million, compared to a cost basis of $161.6 million, representing a gross MOIC of 1.1x and IRR of 2.5%. Factors for the valuation include continuation of lower than expected energy prices and spark spreads observed throughout the quarter and lower than forecasted long-term energy prices partially a result of subsidies provided to nuclear facilities in the PJM area. These impacts were partially offset by mark-to-market gains from the hedging program initiated by management.

Waterbridge: The ongoing COVID-19 outbreak has had a demand-side impact for the investment primarily resulting from reduced consumption of fuel and passenger travel. This, coupled with the excess supply of oil hitting the market in the previous quarter, has created an uneconomic commodity price environment and resulted in reduced rig and completion counts for the rest of the year from WaterBridge's customers. The impact of reduced activity and production shut-ins has been most pronounced in Q2 2020. However a recent stabilization in June in oil prices have partially reversed shut-ins with some resumption of completion activity in 2H 2020 heading into 2021.

[1]Since inception Internal Rate of Returns are calculated using local currency, from NMERB's perspective.

ANDROMEDA II

FUND OVERVIEW: Q2 2020

KEY DATA

Fund Type	Closed-end	Fund Size (USD millions)	100.8
Location of Manager (Headquarters)	Toronto	No. of Underlying Investments	8
Partnership's Final Close	October 2016	% of Fund Drawn	75.9%
Vintage Year	2016	Gross MOIC[1]	1.2x
Geographic Focus	Global	Gross IRR[1]	11.5%
Anticipated Timing of Next Fund	N/A		

PARTNERSHIP'S DESCRIPTION

The fund has been established to execute NMERB's coinvestment strategy by completing direct investments in global infrastructure assets that enhance the diversification and economics of the overall infrastructure portfolio.

CURRENT MARKET OUTLOOK

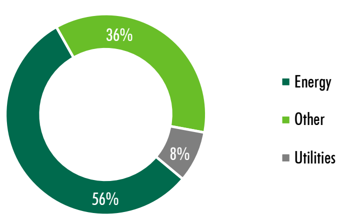
N/A

PARTNERSHIP'S TOP 5 HOLDINGS

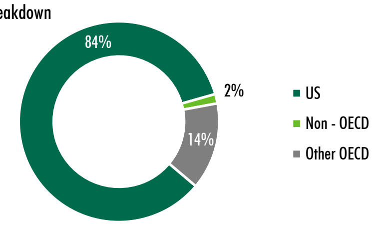
Investment Name	Sector	Description	% of Fair Value
Aviator DC REIT LLC	Other	Telecommunication	24.2%
Calpine	Energy	Power Generation	15.4%
Phillips 66	Energy	Midstream	13.3%
Stonepeak Spear ('euNetworks")	Other	Telecommunication	12.2%
Oryx Midstream	Energy	Midstream	11.8%

PARTNERSHIP DIVERSIFICATION

Sector Breakdown



Geographic Breakdown



HIGHLIGHTS/UPDATES

Portfolio Company Updates:

AMP: CBRE Caledon is in the early stages of exploring a potential sale of the Japanese projects on an opportunistic basis, given highly attractive valuations in the domestic market. The investment in AMP Solar is expected to be well insulated from COVID-19 and oil market disruption through long-term contracted nature of the cashflows. As of June 2020, 75% of the portfolio is operating and not impacted by supply chain disruptions and the COVID-19 situation is being closely monitored.The investment in AMP Solar is expected to be well insulated from COVID-19 and oil market disruption through long-term contracted nature of the cashflows. As of June 2020, 75% of the portfolio is operating and not impacted by supply chain disruptions and the COVID-19 situation is being closely monitored.

Aviator DC REIT LLC ("Vantage Data Centers"): On July 22, 2020, Vantage completed the sale of an 80% stake in its stabilized assets ("StabilizedCo") for ~$1.2bn at a 5.1% cap rate. Vantage is looking to sell an incremental 10% stake in StabilizedCo with anticipated closing on September 30, 2020.

Phillips 66 Partners LP ("Phillips 66" or "PSXP"): Subsequent to quarter end, a federal court initial ruling required DAPL (25% PSXP ownership), currently the safest and most economic route out of the Bakken, to shut down while the USACE re-works an environmental review of the pipeline as a result of litigation raised by the Standing Rock Sioux tribe. The order to shut down was subsequently stayed by a U.S. Appellate Court, but the ongoing legal battle surrounding the Missouri River crossing easement has created market uncertainty. DAPL currently accounts for ~20% of PSXP's EBITDA and in a scenario where DAPL is shut down, Q4 2020 (LQA) through-pref multiple expands to ~5.5x, providing downside protection.

euNetworks: Stonepeak is currently reviewing transformative transactions and smaller, additional add-on accretive opportunities alongside management, primarily of pan-European fiber providers with complementary footprint/asset platforms. In addition, management continues to focus on improving the relationship and service offering for their top tier clients (i.e. leading hyperscale content and cloud providers) and optimizing their operational costs focused on EBITDA margin expansion.

Calpine: Despite the COVID-19 outbreak, the company expects to meet is budget, forecasting $2.3bn of EBITDA in 2020. Power demand has slightly decreased by 5-10% in specific markets, primarily driven by a decrease in demand in the commercial and industrial sectors, offset by an increase in residential power demand. The company has also been able to hedge 90% of its output in Texas, which further improves the cash flow visibility of the business.

intelliHUB: For the quarter ended June 30, 2020, Intellihub has continued to perform well and has seem minimal operational disruption and financial impact from COVID-19.

Intellihub installed more than 40,000 new smart meters across Australia and New Zealand in the quarter ended June 30, 2020. Deployment volume continues to ramp up for recently won accounts including AGL Energy and ActewAGL.

Oryx Midstream: With the exception of May, volumes have held relatively flat since February, and Stonepeak expects volumes to remain relatively flat over the balance of 2020 from a combination of natural declines and DUC completions, consistent with Q1 expectations. As crude prices continue to climb into $40s, Stonepeak expects rig activity to return and normalized drilling activity to return to the 50-55 rigs in the original underwriting case.

Waterbridge: The ongoing COVID-19 outbreak has had a demand-side impact for the investment primarily resulting from reduced consumption of fuel and passenger travel. This, coupled with the excess supply of oil hitting the market in the previous quarter, has created an uneconomic commodity price environment and resulted in reduced rig and completion counts for the rest of the year from WaterBridge's customers. The impact of reduced activity and production shut-ins has been most pronounced in Q2 2020. However a recent stabilization in June in oil prices have partially reversed shut-ins with some resumption of completion activity in 2H 2020 heading into 2021.

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