CERITY PARTNERS®

Kern County Employees Retirement Association

Investment Performance Review

September 2026

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3rd Quarter 2026 Investment Landscape

Institutional Consulting

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CERITY PARTNERS®

Business Update

Since our last Investment Landscape webinar:

- We hosted our clients in Seattle for our 2026 Institutional Client Summit
- CPIC hired Nate Patzwald and Ashley Andrews as Investment Analysts in our Seattle office
- Partner Tim McEnery, CFA, was announced as a CIO Knowledge Broker for 2026
- Recent research
  - *Real Assets Outlook*
- Upcoming research
  - *Private Equity Outlook*

Recent Cerity Partners research

Thought Leadership

TOP TEN THOUGHTS FOR 2026

Each year CPIC identifies a set of themes we believe investors should weigh in the year ahead—some centered on the economy and markets, others on geopolitics and broader structural issues. The paper also revisits the prior year's forecasts.

STATE OF THE CORE REAL ESTATE FUND UNIVERSE

CPIC assesses the state of the core real estate fund universe, including the mixed fundamentals facing the asset class and the elevated redemption queues that continue to pressure certain funds and frustrate investors seeking liquidity.

LDI FOR PUBLIC SPONSORS

We examine the divergence in LDI adoption across sponsor types, the plan characteristics that make liability-driven strategies advantageous, and why the current environment makes LDI look relatively attractive today.

THIS MATTERS, AND THIS DOESN'T

We share perspectives on recognizing and, where possible, avoiding bias—identifying what matters most to the portfolio by drawing on a balanced set of information sources, remaining alert to bias, and weighing incentives carefully, while also discerning what does not matter.

2nd quarter summary

THE ECONOMY

- U.S. real GDP growth in Q2 was weaker than expected at 1.5% QoQ annualized. The ongoing trade deficit acted as a significant drag on growth, although consumer spending and investment trends suggest core economic activity remains strong. The current trade deficit should arguably be viewed less poorly, as importation of AI-related hardware and equipment will likely help drive future business productivity.
- U.S. inflation jumped considerably during Q2 as the U.S.-Iran conflict led to a historically severe global oil supply shortage. Inflation spiked to 4.2% in May—more than double the Fed’s 2% target—then fell sharply to 3.5% in June as a possible peace deal led oil prices back nearly to pre-crisis levels. However, inflation is not all about energy and the Strait of Hormuz, as massive AI investment has driven demand-pull inflation across a variety of materials and goods.

EQUITY

- Emerging markets outperformed, up +24.1%. The U.S. market generated +15.2%, while international developed equity lagged but still advanced a solid +10.8%. Q2 year-over-year S&P 500 earnings growth is expected to reach +23.3% (FactSet, as of July 2nd), and full-year 2026 corporate earnings are projected to grow a remarkable +24.1%.
- Small caps again outperformed large caps, extending a one-year run of +18.5% relative outperformance, though the asset class still lags meaningfully on a 3- and 5-year trailing basis. Growth led Value in Q2, even as Value retains a +9.8% edge over the past year. Sector effects drove much of the style dispersion, with Info Technology a standout in Q2 (+31.8%).

FIXED INCOME

- Kevin Warsh was sworn in as Fed Chairman on May 22nd, in a historically divided 54–45 Senate vote. Warsh takes the helm amid an energy shock from the Iran conflict, resurgent inflation, and historically depressed consumer sentiment. A key question is whether he leans dovish—consistent with his rhetoric ahead of nomination—or hawkish, given his hardline inflation stance and long-standing preference for shrinking the Fed's balance sheet and narrowing its role.
- Concerns around private credit persisted, now centered largely on investor redemption requests, which remained substantial and above the standard 5% quarterly limit imposed by many funds. In several cases, redemptions have come disproportionately from a small subset of investors—suggesting greater underlying stability than the headlines imply. Credit defaults and stress remain broadly muted.

ASSET ALLOCATION ISSUES

- Risk assets performed well as expanding corporate earnings and tighter credit spreads lifted fixed income returns. Global equities returned +14.9% and U.S. high yield bonds gained +2.5%. Commodities notably lagged: oil fell on optimism around a U.S.–Iran peace deal, while gold retreated sharply after its remarkable 2025 rally, alongside declines in other metals. ***p. 50***
- Market-priced volatility stayed subdued despite geopolitical risk. U.S. inflation pushed above 4%—double the Fed's target—leading markets to brace for future rate hikes rather than the cuts previously expected. The U.S. and Iran signed the Islamabad Memorandum, though hostilities reignited in early July. The VIX ended June at 16.5.

Risk assets generated very strong returns during Q2 on substantial profit growth and tighter credit spreads

Conflict around the Strait of Hormuz continued, though market pricing suggests little concern

What drove the market in Q2?

"AI spending, earnings hopes, Fed outlook set to sway US in second half"

S&P 500 earnings year-over-year				
Q1 2026	**Q2 2026***	**Q3 2026***	**2026***	**2027***
28.8%	23.6%	26.6%	24.2%	17.4%

***Article Source**: Reuters, June 30th, 2026*
**Expected earnings growth YoY*

"US releases official agreement with Iran"

WTI Crude Oil Spot					
2/20	**3/9**	**4/3**	**5/1**	**6/1**	**7/1**
$66	$94	$111	$101	$93	$68

***Article Source**: CNN, June 17th, 2026*

"Inflation cools more than expected in June as gas costs fall"

U.S. Inflation (year-over-year)							
Nov '25	**Dec '25**	**Jan '26**	**Feb '26**	**Mar '26**	**Apr '26**	**May '26**	**Jun '26**
2.7%	2.7%	2.4%	2.4%	3.3%	3.8%	4.2%	3.5%

***Article Source**: AP News, July 14th, 2026*

"America's job market looks strong. So why is it so difficult to find work?"

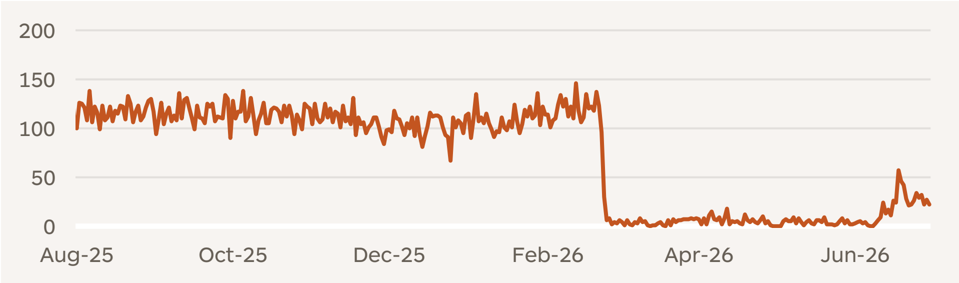
Change in Employment (% year-over-year)					
Jan '26	**Feb '26**	**Mar '26**	**April '26**	**May '26**	**June '26**
0.20%	0.08%	0.17%	0.20%	0.27%	0.32%

***Article Source**: CNN, June 1st, 2026*

S&P 500 INDEX

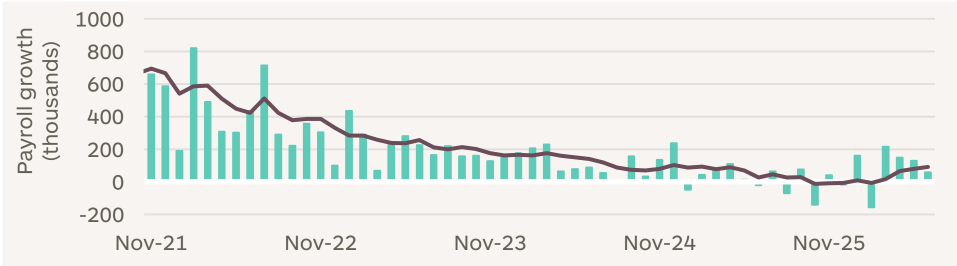
***Source**: Standard & Poor's, as of 6/30/26*

HORMUZ COMMERCIAL CARGO CROSSINGS



***Source:** Bloomberg, CPIC, as of 7/6/26*

U.S. MONTHLY JOB GROWTH



***Source:** FRED, CPIC, as of 6/30/26*

Economic environment

U.S. economics summary

- U.S. real GDP in Q2 grew at a weaker than expected 1.5% QoQ annualized rate. An ongoing trade deficit acted as a significant drag on growth, fueled partly by imports of AI-related infrastructure and hardware. While trade deficits are often viewed as negative for the economy, it is worth noting that a deficit due to AI buildout should arguably be viewed less poorly, as these imports will likely be used to improve productivity and expand business capabilities in the U.S.

- The U.S.–Iran conflict caused significant disruption to energy supplies, but has had surprisingly little effect on the broader economy. Several factors seem to explain the resilience: major economies drew on their own large reserves, easing supply pressure; some producers continued to export through routes other than the Strait; and the global energy market entered the conflict in surplus rather than scarcity. Perhaps just as important, the world's reliance on fossil fuels is far lower than in prior energy crises, muting the economic and inflationary fallout this time around.

- U.S. inflation jumped considerably during Q2 given the U.S.-Iran conflict. Inflation spiked to 4.2% in May—more than double the Fed's 2% target—then fell sharply to 3.5% in June as a possible peace deal led oil prices back nearly to pre-crisis levels. However, inflation is not all about energy and the Strait of Hormuz, as massive AI investment has driven demand-pull inflation across a variety of materials and goods.

- Unemployment fell from 4.3% to 4.2%. The decline, however, largely reflected a falling participation rate, as workers aged 55 and older have steadily exited the workforce since the pandemic. Participation among the 55+ cohort now sits at its lowest level since 2005. We would describe the labor market as strong in certain ways—historically low unemployment with minimal layoff activity—but soft beneath the surface, with subdued hiring and a workforce that is barely expanding.

- Consumer sentiment stayed depressed through Q2, near record lows per the University of Michigan. It improved modestly in June as gasoline prices eased, fears around the Iran conflict began to subside, and households grew more optimistic about business conditions. The Conference Board's Consumer Confidence Index likewise remained soft, though its short-term outlook for income, business, and labor-market conditions firmed.

	Most Recent	12 Months Prior
Real GDP *(YoY)*	2.1% 6/30/2026	2.1% 6/30/2025
Inflation *(CPI YoY, Core)*	2.6% 6/30/2026	2.9% 6/30/2025
Expected Inflation *(5yr-5yr forward)*	2.2% 6/30/2026	2.3% 6/30/2025
Fed Funds Target Range	3.50% - 3.75% 6/30/2026	4.25% - 4.50% 6/30/2025
10-Year Rate	4.5% 6/30/2026	4.2% 6/30/2025
U-3 Unemployment	4.2% 6/30/2026	4.1% 6/30/2025
U-6 Unemployment	7.9% 6/30/2026	7.7% 6/30/2025

Source*: Bloomberg*

Inflation

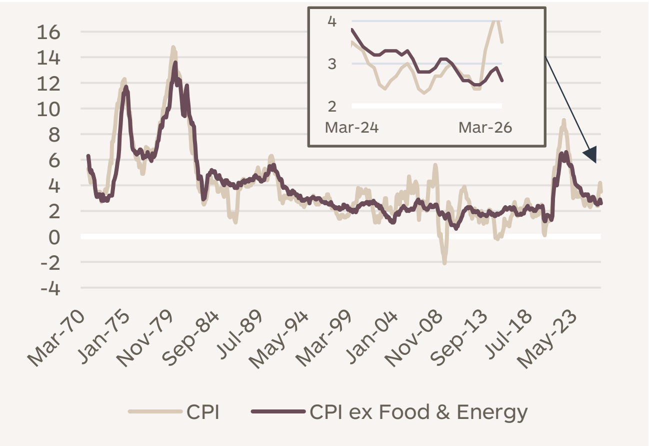
U.S. inflation reaccelerated sharply in Q2 as the U.S.–Iran conflict drove a historically severe global oil-supply shortage. CPI spiked to 4.2% in May—more than double the Fed's 2% target—before falling back to 3.5% in June as a prospective peace deal returned oil prices toward pre-crisis levels. Energy is only part of the story, however: intense AI-related investment has generated demand-pull inflation across a range of materials and goods (e.g., laptops, mobile phones, computer hardware, electricity). Prices are now outpacing U.S. wage growth and eroding household purchasing power.

On the shelter side, prices rose just 0.1% month-over-month in June—a key driver of the -0.4% move in headline CPI during that month—potentially an early sign that the flat rents and moderate home-price gains of recent years are finally filtering into official CPI data, which tends to lag the market.

Consumer anxiety over the conflict and its inflationary implications eased notably in June, per the University of Michigan survey. One-year inflation expectations fell to 4.2% (down from 4.8% in May), while five-year expectations fell to 3.3% from 3.9%—roughly in line with the recent average of the past year. Market-based measures also declined notably following the peace deal, though hostilities resumed in early July: the 2-year TIPS breakeven fell from a Q1 high of nearly 3.4% to 2.0% by end of June.

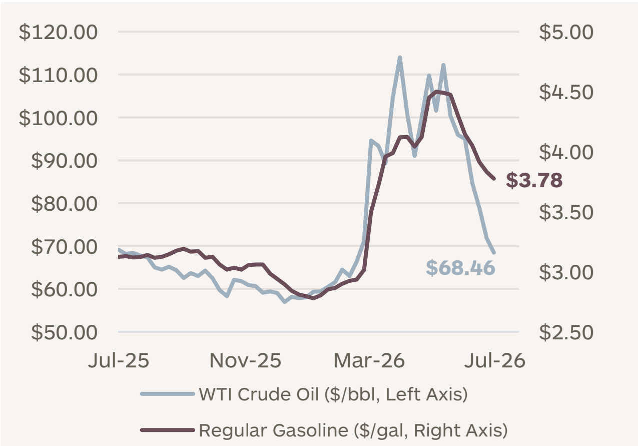
› The Strait reopened during the quarter, but the military conflict reignited in July, causing more confusion

U.S. CPI (YOY)



Source: BLS, as of 6/30/26

CRUDE OIL VS. GAS PRICES



Source: BLS, CPIC, as of 7/2/26

MONTHLY PRICE MOVEMENT (CPI)

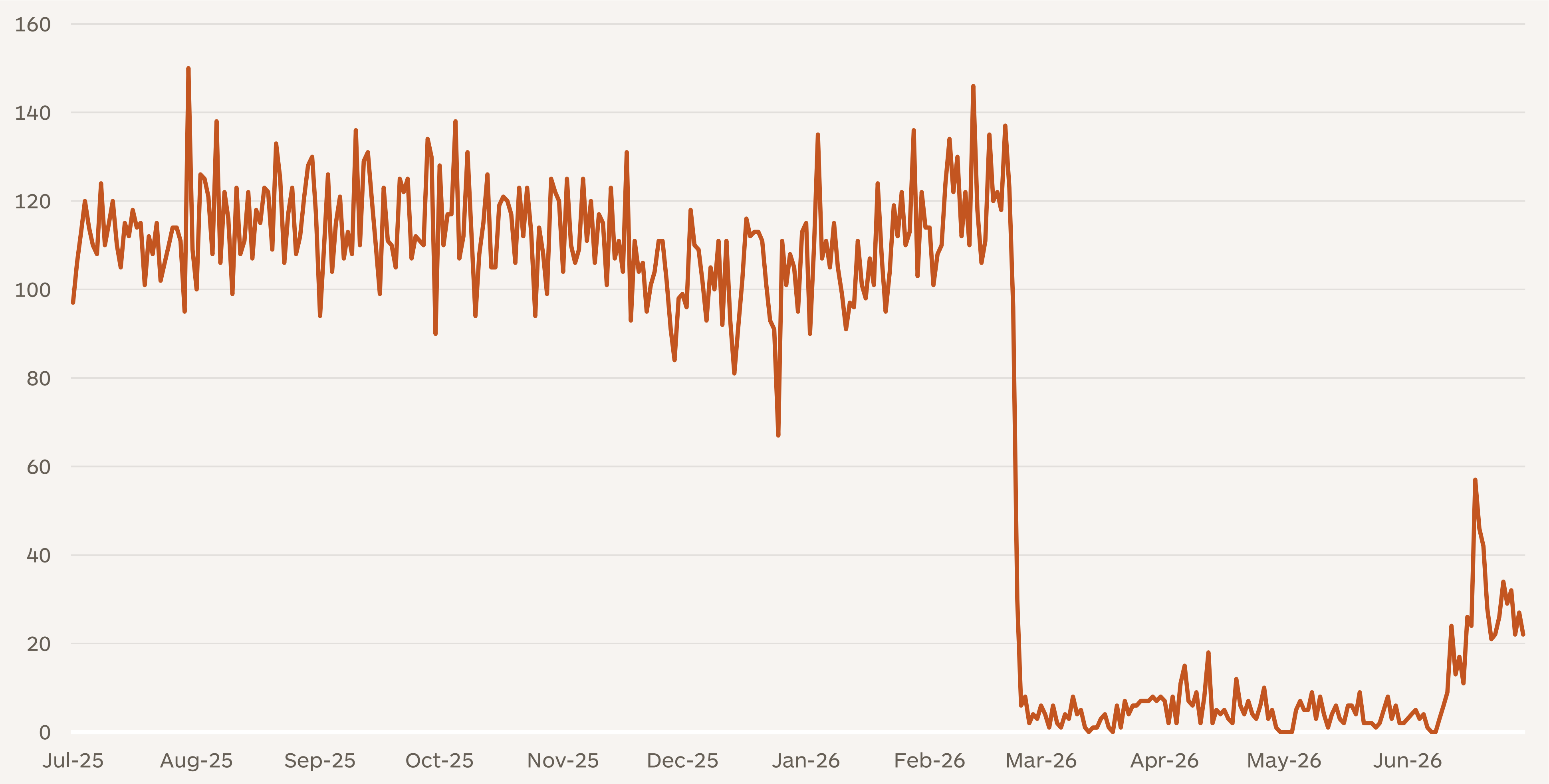
Source: FRED, CPIC, as of 6/30/26

Dynamics that led to higher inflation could now lead to easing

- WTI crude spiked from roughly $70/bbl pre-conflict to above $110/bbl before retracing to the ~$70-$80/bbl range in early July. Should gasoline and related prices track this reversal, the initial inflationary impulse could give way to disinflation. This was evident in June's U.S. inflation report, which reflected a sharp single month move lower from 4.2% to 3.5%. **However, military strikes between the U.S. and Iran continued later in July, and there is a high amount of uncertainty around the direction of energy prices.**
- Housing prices in June showed the weakest monthly price rise since early 2021. Since shelter costs are roughly one-third of the U.S. inflation rate, a trend towards more subdued housing inflation could have a significant disinflationary impact on official inflation numbers (this trend would make sense, as actual rents have been flat for multiple years, and home price appreciation has been moderate).
- Tariffs typically exert a one-time, level effect on prices—once in place for a full year, their year-over-year contribution fades to zero. With tariffs now past the one-year mark, this base effect should become a headwind to year-over-year inflation. Compounding the point, the effective tariff rate has drifted lower over the past year amid court challenges and refunds (e.g., IEEPA).
- U.S. wage growth has decelerated for more than four years and now trails the pace of inflation. As wages are widely regarded as a durable driver of underlying inflation, this continued softening likely creates some disinflationary effects.

A (very) slow normalization in the Strait of Hormuz

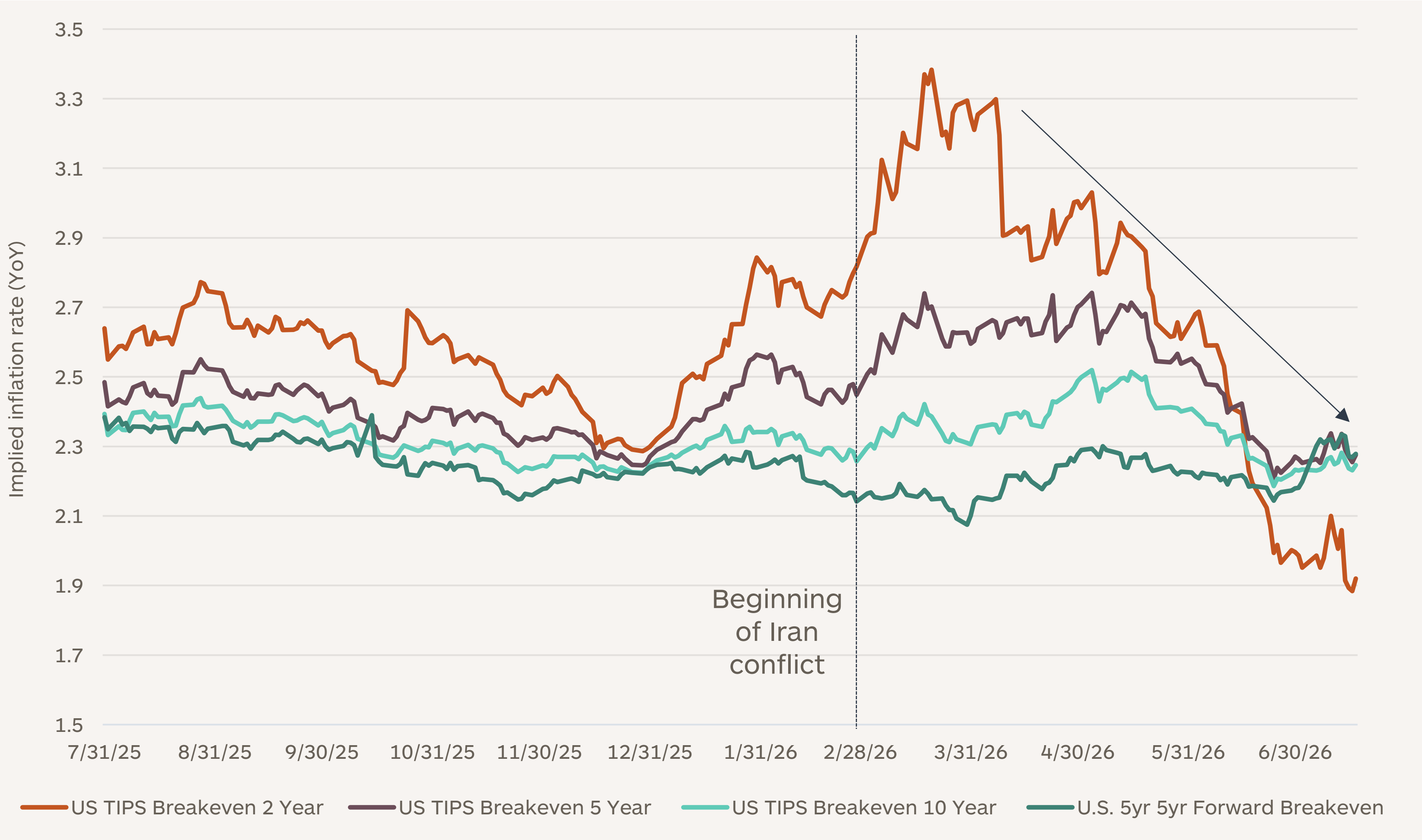
HORMUZ COMMERCIAL CARGO CROSSINGS



Source: CPIC, Bloomberg, as of 7/6/26

Markets expect inflation to return to normal

MARKET IMPLIED INFLATION RATES



- At the onset of the U.S.–Iran conflict, markets began repricing the inflation outlook
- With shipping through the Strait of Hormuz resuming towards the end of the quarter, markets began to expect inflation normalization

Source: CPIC, Bloomberg, as of 7/17/26 – 5-year 5-year forward contract represents the rate of inflation starting 5 years from today and ending 10 years from today

GDP Growth

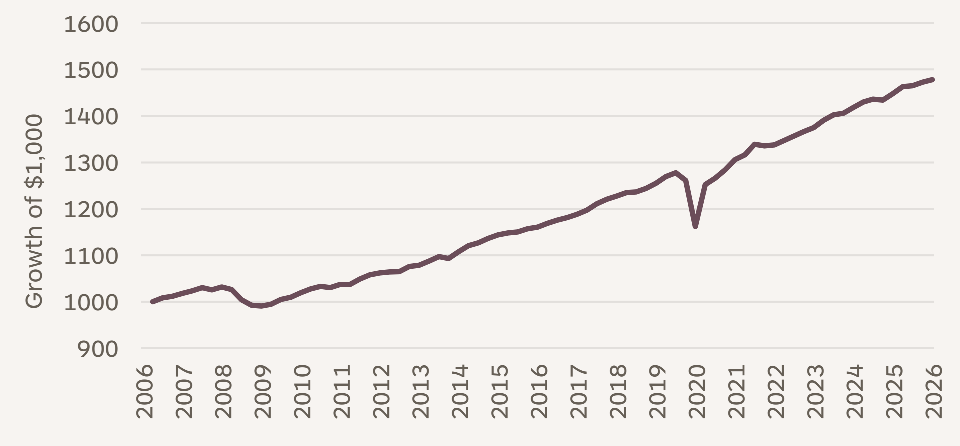
U.S. real GDP growth in Q2 came in weaker than expected at a 1.5% quarter-over-quarter annualized rate. An ongoing trade deficit acted as a significant drag on growth, fueled partly by imports of AI-related infrastructure and hardware. While trade deficits are often viewed poorly, it is worth noting that a deficit due to AI buildout should arguably be viewed less negatively, as these imports will likely be used to improve productivity and expand future business capabilities here at home.

Outside of trade, core economic trends appear strong. Retail sales since February have been incredibly robust, reflecting accelerating overall spending, while investment and business capital expenditures have provided a tailwind.

Recent quarters of GDP growth have been more modest than many investors had hoped, especially given broad AI infrastructure tailwinds. With calendar year 2026 real GDP growth expected to be in a 2-2.5% range, the next two quarters will need to show fairly rapid growth to achieve that rate.

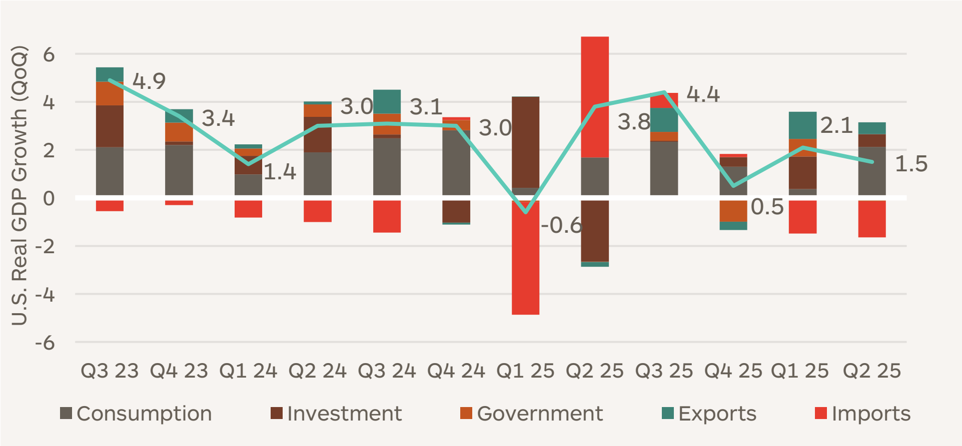
› Q2 GDP growth was weaker than expected, dragged lower by the trade deficit

U.S. REAL GDP GROWTH



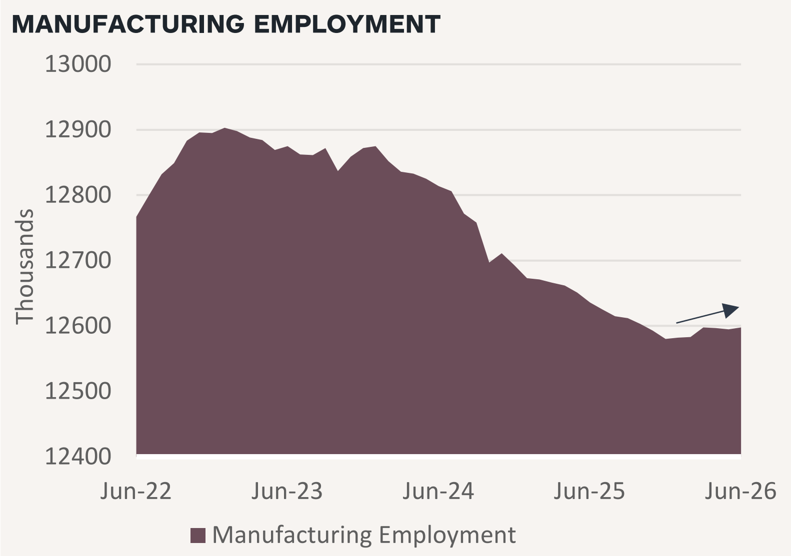
Source: *FRED, as of 6/30/26*

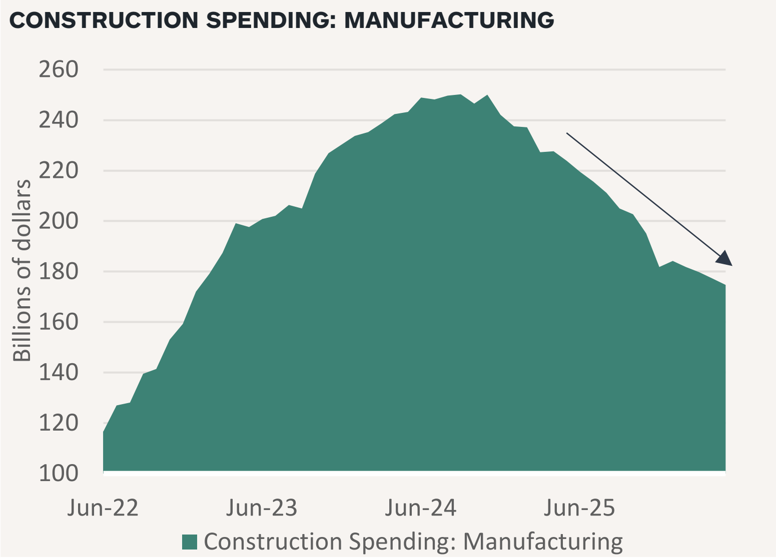
U.S. REAL GDP COMPONENTS (QOQ ANNUALIZED)

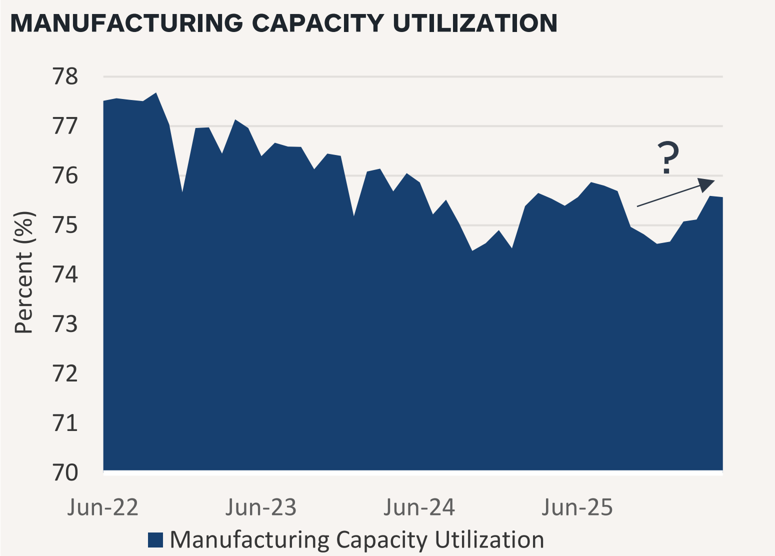


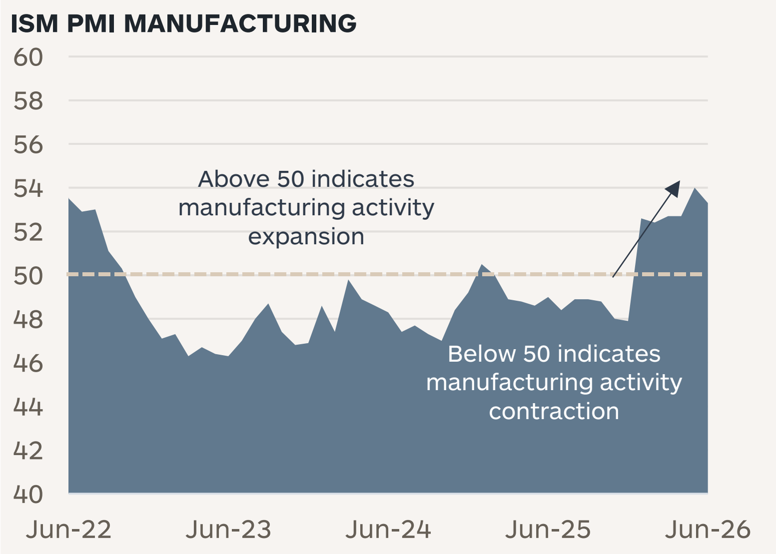
Source: *FRED, as of 6/30/26*

U.S. manufacturing activity could be turning a corner









- Manufacturing activity has clearly picked up in certain respects, even as investment in new facilities and future capacity continues to decline

***Source**: FREDl (top left, top right, bottom left), Institute for Supply Management (bottom right), CPIC*

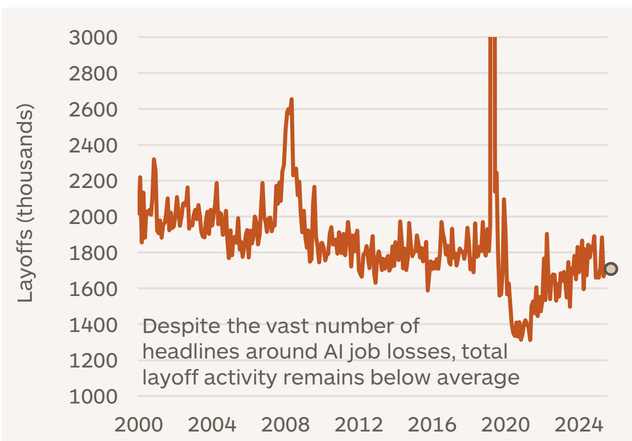
Labor Market

The unemployment rate edged down over the quarter from 4.3% to 4.2%, which on the surface points to a firm labor market. The underlying picture is more nuanced. The decline largely reflects a falling participation rate, as workers aged 55 and older have exited the workforce steadily since the pandemic (when a discouraged job-seeker abandons the search, measured unemployment falls). Participation among the 55+ cohort has slipped to its lowest level since 2005. On balance, we would characterize today's labor market as solid regarding the level—healthy employment and historically low unemployment—yet soft at the margin, with subdued hiring and a workforce that is barely expanding, likely reflecting reduced net immigration and a low birth rate.

Despite persistent headlines around layoffs—AI-related terminations in particular—aggregate separations remain very low by historical standards. We think the phrase *low hire, low fire* best captures the current equilibrium. Additionally, there seems to be more talk about the potential for AI adoption to lead to *more hiring* in AI-intensive firms, rather than less. This argument suggests that as the cost of professional services falls due to AI, the demand and market for these services expands, with the total number of firms growing and employment also expanding. We suspect reality will fall somewhere in the middle: expanding demand and opportunity in certain segments of the economy, with concerning job losses in other segments.

› The job market seems to have stabilized and may be strengthening, although the total growth rate is historically slow

LAYOFFS



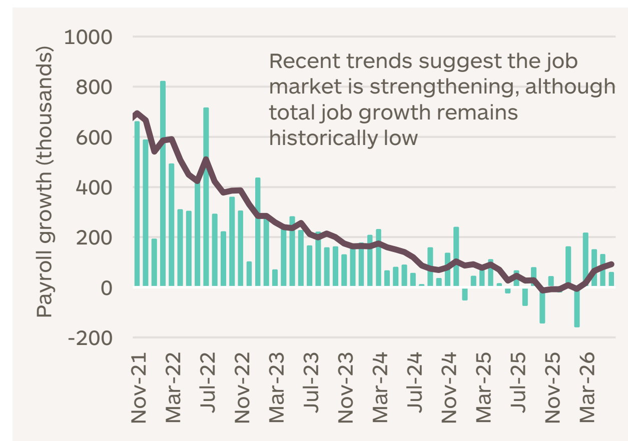
***Source**: FRED, as of 5/31/26*

LABOR PARTICIPATION TRENDS

	Overall Participation	16-19 Years	20-24 Years	25-54 Years	55+ Years
25-Mar	62.5	37.4	71.9	83.3	38.2
25-Apr	62.6	36.7	72.0	83.6	38.4
25-May	62.4	36.0	71.3	83.4	38.1
25-Jun	62.3	35.1	71.0	83.5	38.0
25-Jul	62.2	35.0	71.0	83.4	38.1
25-Aug	62.3	34.8	70.3	83.7	38.1
25-Sep	62.5	36.3	71.1	83.7	38.0
25-Oct			*Not reported*		
25-Nov	62.5	36.3	71.8	83.8	37.9
25-Dec	62.4	36.6	71.3	83.8	37.9
26-Jan	62.1	35.4	71.3	84.0	37.3
26-Feb	62.0	35.7	71.6	83.9	37.3
26-Mar	61.9	35.7	70.5	83.8	37.2
26-Apr	61.8	35.8	70.5	83.8	37.1
26-May	61.8	35.7	70.5	83.9	37.1
26-Jun	61.5	35.4	70.6	83.3	37.1

***Source**: FRED, CPIC, as of 6/30/26 - Color formatting determined by range of conditions over the past decade (dark red suggests worst conditions of the past decade)*

JOB GROWTH



***Source**: FRED, CPIC, as of 6/30/26*

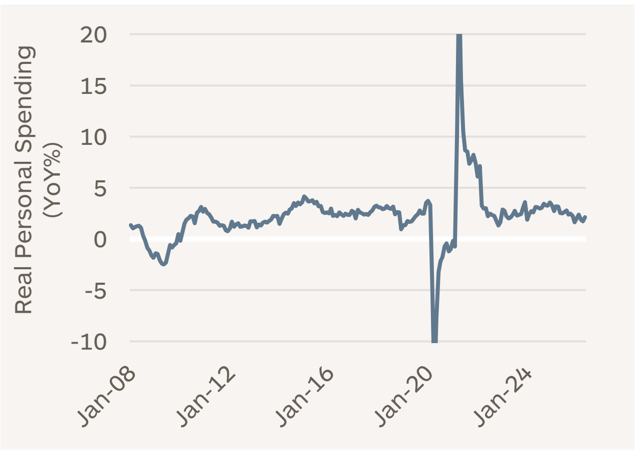
The consumer

After a soft stretch from September 2025 through January 2026, retail sales turned higher in February and have held firm ever since (stripping out volatile gas prices in May and June reveals a generally strong trend across other types of spending). Sales rose 7.2% year-over-year in June—the strongest pace since 2022.

Consumer spending overall has stayed resilient, growing 2.1% in real terms over the past year, as of May. Services outlays carried overall activity while goods purchases were more subdued. The household savings rate, meanwhile, has fallen to historically low levels—though it remains up for debate whether this reflects genuine strain on household finances or simply shifting demographics, as a growing retiree population naturally depresses the national savings rate.

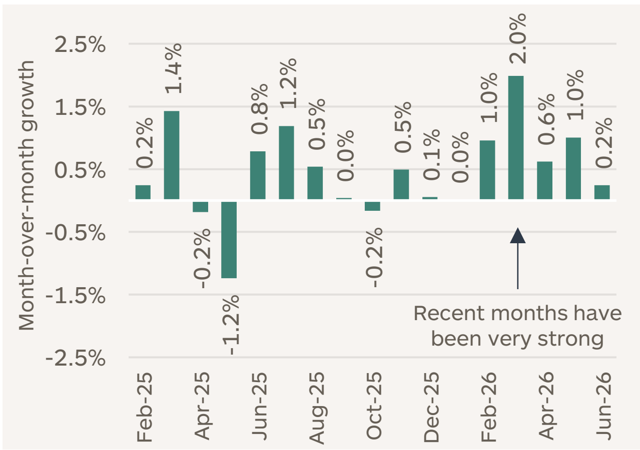
Recent market headlines have focused on the idea of a "K-shaped" economy, in which higher-income households prosper and drive spending while lower-income households struggle with inflation and pull back (the lower leg of the "K"). Market strategist Ed Yardeni offers a competing framing—the "G-shaped" economy, where "G" stands for generational: older, wealthier Americans have benefited from substantial gains in equities and housing, while younger Americans confront unaffordable homes, student debt, and a tougher starting point. This theory seems well supported by certain data, such as the fact that first-time home buyers represent a historically low 24% of total home purchase activity, a record number of young adults still live at home with their parents, and the student loan debt crisis.

REAL PERSONAL SPENDING



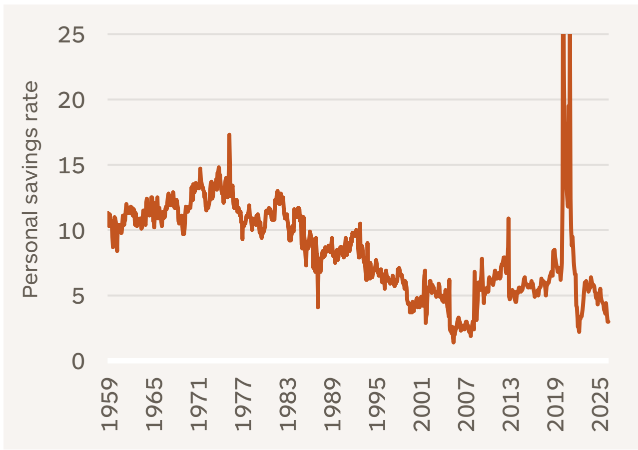
***Source**: FRED, as of 5/31/26*

RETAIL SALES



***Source**: FRED, as of 6/30/26*

PERSONAL SAVINGS RATE



***Source**: FRED, as of 5/31/26*

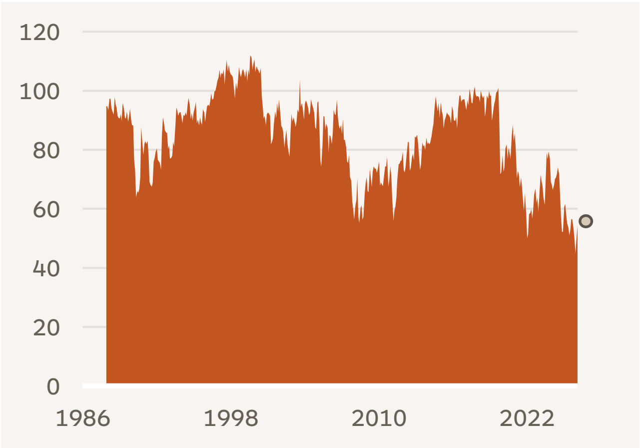
Sentiment

Consumer sentiment improved slightly during the quarter—though still at depressed levels, per the University of Michigan survey. Sentiment jumped markedly in June as gasoline prices eased, fears around the Iran conflict began to subside, and households turned more optimistic on business conditions.

The Conference Board's Consumer Confidence Index likewise continued to signal weak sentiment. Consumers' appraisal of current business and labor-market conditions deteriorated further, even as the short-term outlook for income, business, and jobs improved over the quarter. The share of respondents describing jobs as "hard to get" climbed to 22.5%—the highest since January 2021.

Small business sentiment recovered somewhat in June, moving back closer to pre-Iran war levels. Businesses began to expect better future business conditions, and sales expectations improved, though uncertainty remained elevated. "Current economic conditions present small business owners with both encouraging developments and ongoing challenges," said NFIB Chief Economist Bill Dunkelberg. "Lower fuel costs provide welcome relief for businesses as well as consumers, with firms anticipating improved operating conditions over the next six months."

CONSUMER SENTIMENT (UNIV. OF MICHIGAN)



***Source**: University of Michigan, as of 6/30/26*

CONSUMER CONFIDENCE (CONFERENCE BOARD)

***Source**: Conference Board, as of 6/30/26*

NFIB SMALL BUSINESS SENTIMENT

***Source**: NFIB, as of 6/30/26*

Housing

Home prices rose 2.0% year-over-year in May, according to Redfin, with sales activity up 5.2% over the same period. The average 30-year fixed mortgage rate edged up from 6.2% to 6.4% during the quarter, finding little relief after inflation concerns tied to the Iran conflict drove a sharp rise in borrowing costs in March.

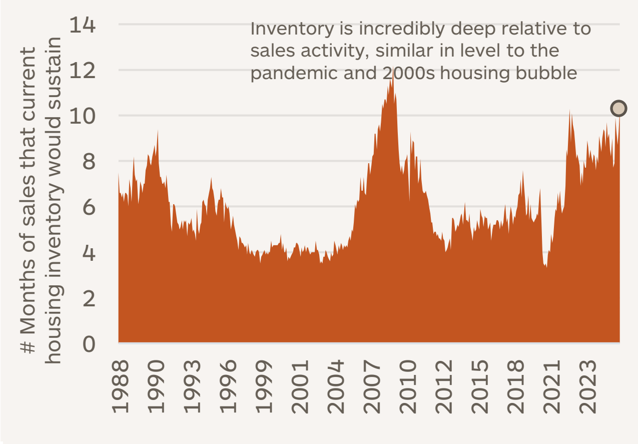
Housing inventory has nearly returned to pre-pandemic levels while sales activity remains depressed, leaving supply elevated relative to transactions—a dynamic matched only by the pandemic and the mid-2000s housing bubble. To date, however, this excess supply does not seem to have translated into downward pressure on prices.

Elevated prices, combined with higher mortgage costs, have led to further deterioration in affordability. One path back toward normal affordability would be an extended stretch of muted price appreciation: if wages outpace home prices consistently, the monthly mortgage burden gradually eases relative to incomes. Lower mortgage rates could also help, though markets do not anticipate a return to the ultra-low-rate regime of the 2010s—suggesting rates may not fall materially from current levels.

30-YEAR MORTGAGE RATE (%)

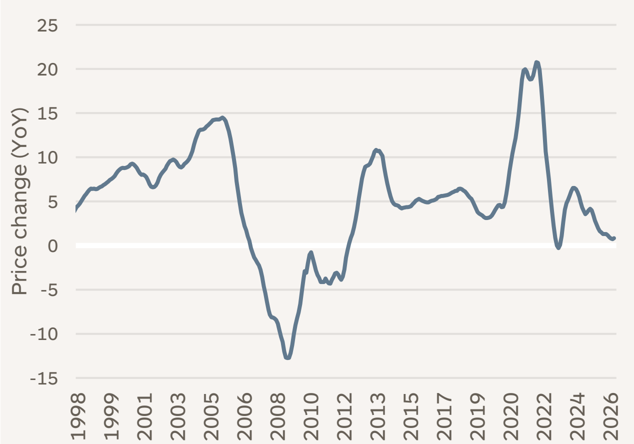
***Source**: Freddie Mac, as of 6/30/26*

HOUSING SALES VS. INVENTORY



***Source**: FRED, as of 5/31/26*

U.S. NATIONAL HOME PRICE INDEX



***Source**: S&P Cotality Case-Shiller National Home Price Index, CPIC, as of 5/31/26*

International economics summary

- Non-U.S. developed economies showed very weak, but positive, economic growth. Modest improvements in growth are expected, supported by fiscal stimulus, investment in local infrastructure and defense spending, and some lingering effects of recent monetary easing (although the ECB reversed and hiked rates in June). Eurozone GDP growth slowed to 0.3% year-over-year in Q1, while Japan posted a mild 0.4% rate. Shipping disruptions from the U.S.–Iran war, along with rising energy prices, have pushed inflation to concerning levels in many places.
- The Strait of Hormuz remains unstable with very minimal shipping traffic. Early in July there appeared to be hope for normalization, but a reigniting of military conflict between Iran and the U.S., and seemingly a falling apart of the Memorandum of Understanding, sent energy prices upward as shipping traffic slowed. It is likely that extended closure of the Strait could translate to imminent crisis in certain regions.
- Higher inflation appears to be prompting a reversal in policy at some central banks, notably the ECB, which raised rates during Q2—a marked shift from a series of cuts delivered since early 2024. The combination of sluggish growth and elevated inflation makes for a distinctly more difficult policy backdrop.
- Following the February 2026 Supreme Court decision that invalidated previous tariffs under the International Emergency Economic Powers Act (IEEPA), the U.S. government owes importers an estimated $166 billion in refunds. In June, the U.S. sent $49 billion in tariff refunds, which means refunds issued were two times larger than import duties collected. The legal process around refunds remains cloudy.
- For the first time in nearly three years, the ECB hiked rates in June from 2% to 2.25%, pointing to the rise of inflation. Markets expect a ~50% chance of another hike by September. Meanwhile, the BOE held rates steady at 3.75% in June, though the vote was split 7-2, with two members wanting to hike to 4.0%. The BOJ hiked rates in June to 1.0% with a decisive 7-1 vote. Central banks are watching energy prices closely.
- Russia and Ukraine remain locked in a costly stalemate—intensified strikes but little territorial change. The U.S.-brokered peace process has stalled, with the "spirit of Anchorage" from the 2025 Trump–Putin summit having collapsed. Casualties are immense and war-weariness runs high; fighting continues to escalate even as diplomacy yields no breakthrough, most notably with Ukraine landing large-scale drone strikes on Moscow.

	GDP (Real, YoY)	Inflation (CPI, YoY)	Unemployment
United States	2.1% 6/30/2026	3.5% 6/30/2026	4.2% 6/30/2026
Eurozone	1.0% 6/30/2026	2.8% 6/30/2026	6.3% 6/30/2026
Japan	0.4% 3/31/2026	1.7% 6/30/2026	2.6% 5/31/2026
Canada	1.1% 4/30/2026	2.8% 6/30/2026	6.5% 6/30/2026
BRICS Nations	4.6% 3/31/2026	2.2% 6/30/2026	4.8% 6/30/2026
Brazil	1.8% 3/31/2026	4.6% 6/30/2026	5.4% 6/30/2026
Russia	-0.2% 3/31/2026	6.0% 6/30/2026	2.2% 6/30/2026
India	7.8% 3/31/2026	4.4% 6/30/2026	8.5% 12/31/2017
China	4.3% 6/30/2026	1.0% 6/30/2026	5.0% 6/30/2026

Source: *Bloomberg*

NOTE*: India lacks reliable government unemployment data. Unemployment rate shown above is estimated from the Centre for Monitoring Indian Economy. The Chinese unemployment rate represents the monthly surveyed urban unemployment rate in China.*

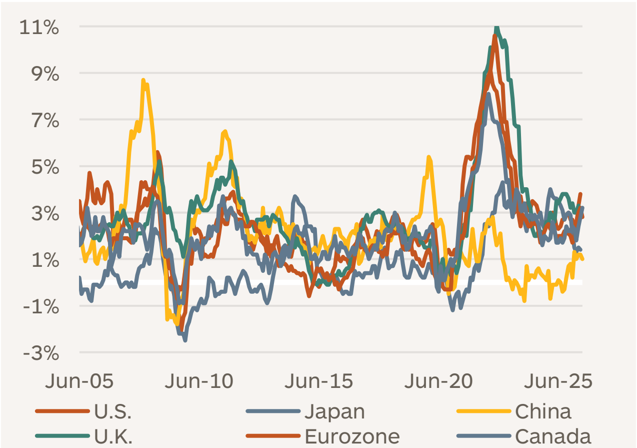
International economics

Non-U.S. developed economies are showing very weak, but positive, economic growth. Modest improvements are expected, supported by fiscal stimulus, investment in local infrastructure and defense spending, and some lingering effects of recent monetary easing (although the ECB reversed and hiked rates in June). Eurozone GDP growth slowed to 0.3% year-over-year in Q1, as Europe continues to face stagnant growth, a lack of innovation and business formation (arguably due to overregulation), as well as strong competition from China on industrial goods and autos, for example.

Japan grew at a mild 0.4% rate year-over-year during Q2, and could see economic acceleration as the Takaichi administration focuses on strategic investment, looser fiscal policy, and a generally market-friendly stance.

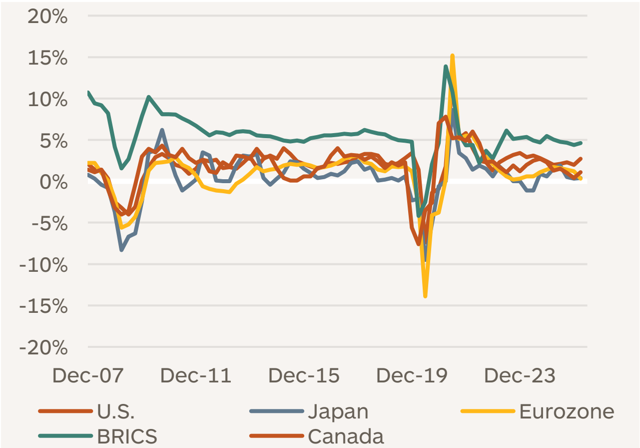
Following the February 2026 Supreme Court decision that invalidated previous tariffs under the International Emergency Economic Powers Act (IEEPA), the U.S. government owes importers an estimated $166 billion in refunds. In June the U.S. sent $49 billion in tariff refunds, which means refunds issued were two times larger than import duties collected. The legal process around refunds remains cloudy.

INFLATION (CPI YEAR-OVER-YEAR)



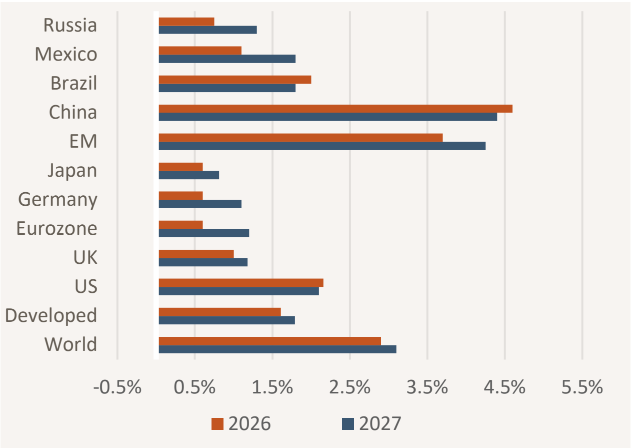
***Source**: Bloomberg, CPIC, as of 6/30/26*

REAL GDP GROWTH (YEAR-OVER-YEAR)



***Source**: Bloomberg, CPIC, as of 3/31/26*

GDP GROWTH EXPECTATIONS



***Source**: Bloomberg, CPIC, as of 7/22/26 or most recent date*

Fixed income rates & credit

Fixed income environment

- Kevin Warsh was sworn in as Fed Chairman on May 22nd in a historically divided 54–45 Senate vote. He takes the helm amid an energy shock from the Iran conflict, surging inflation, and historically depressed consumer sentiment. A central question is whether Warsh proves more dovish—consistent with his rhetoric ahead of nomination—or more hawkish, given his hardline inflation views and long-standing preference for shrinking the Fed's balance sheet and narrowing its role. Markets currently expect rate hikes in 2026. The FOMC held rates steady in July.
- The 10-year U.S. Treasury yield drifted higher over the quarter, from 4.32% to 4.47%. Inflation concerns tied to the Iran war and the prospect of a more hawkish Fed have likely helped keep yields elevated.
- High yield bonds gained +3.1% in Q2, while bank loans were up +1.9%. The persistent laggard in both asset classes has been Technology, which was the only negative returning sector year-to-date in bank loans (-4.2%), as software-specific fears remained a dominant market theme.
- Market inflation expectations fell materially following the U.S.–Iran ceasefire and the rising likelihood that traffic through the Strait of Hormuz would at least partially resume. The TIPS 2-year Breakeven Inflation Rate fell from 3.3% to 2.0%. The TIPS 5-year breakeven fell from a high of 2.7% in early May to near 2.2% by the final week of June.
- Concerns around private credit persisted through Q2, now centered largely on investor redemption requests, which remained substantial and above the standard 5% quarterly limit imposed by many funds. In several cases, redemptions have come disproportionately from a small subset of investors—suggesting greater underlying stability than the headlines imply.
- The par-weighted high yield bond default rate including distressed exchanges (2.7%) rose above the loan default rate (2.3%) for the first time since December 2022, representing a reversal of the multi-year pattern in which loans consistently defaulted at a higher rate than bonds. On a year-over-year basis, first-half 2026 HY bond issuance of $186.9 billion is running ahead of the $144.6 billion issued one year prior, while loan issuance of $438 billion YTD is roughly flat.

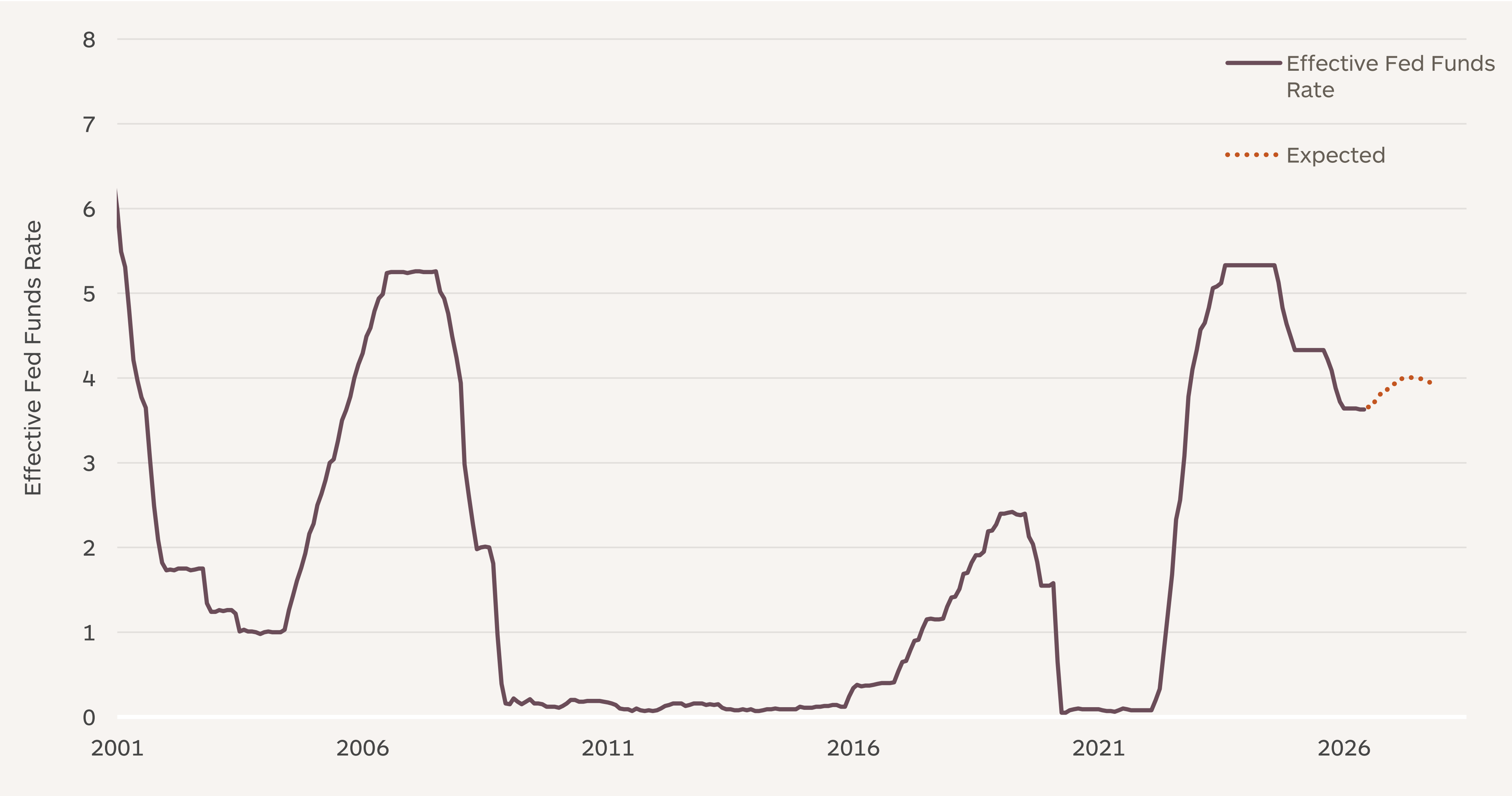
	QTD Total Return	1 Year Total Return
Core Fixed Income (Bloomberg U.S. Aggregate)	0.7%	3.8%
Core Plus Fixed Income (Bloomberg U.S. Universal)	1.1%	4.2%
U.S. Treasuries (Bloomberg U.S. Treasury)	0.4%	2.7%
U.S. Treasuries: Long (Bloomberg U.S. Treasury 20+)	0.8%	2.5%
U.S. High Yield (Bloomberg U.S. Corporate HY)	3.1%	5.9%
Bank Loans (Morningstar LSTA Leveraged Loan)	1.9%	4.4%
Emerging Market Debt Local (JPM GBI-EM Global Diversified)	4.2%	7.8%
Emerging Market Debt Hard (JPM EMBI Global Diversified)	5.0%	11.8%
Mortgage-Backed Securities (Bloomberg MBS)	0.9%	5.2%

***Source**: Standard & Poor's, J.P. Morgan, Bloomberg, as of 6/30/26*

Markets are pricing in a hawkish Fed

After a surprisingly soft June inflation report, markets expect one or more hikes later in 2026, then stabilization

EXPECTED PATH OF FED FUNDS RATE

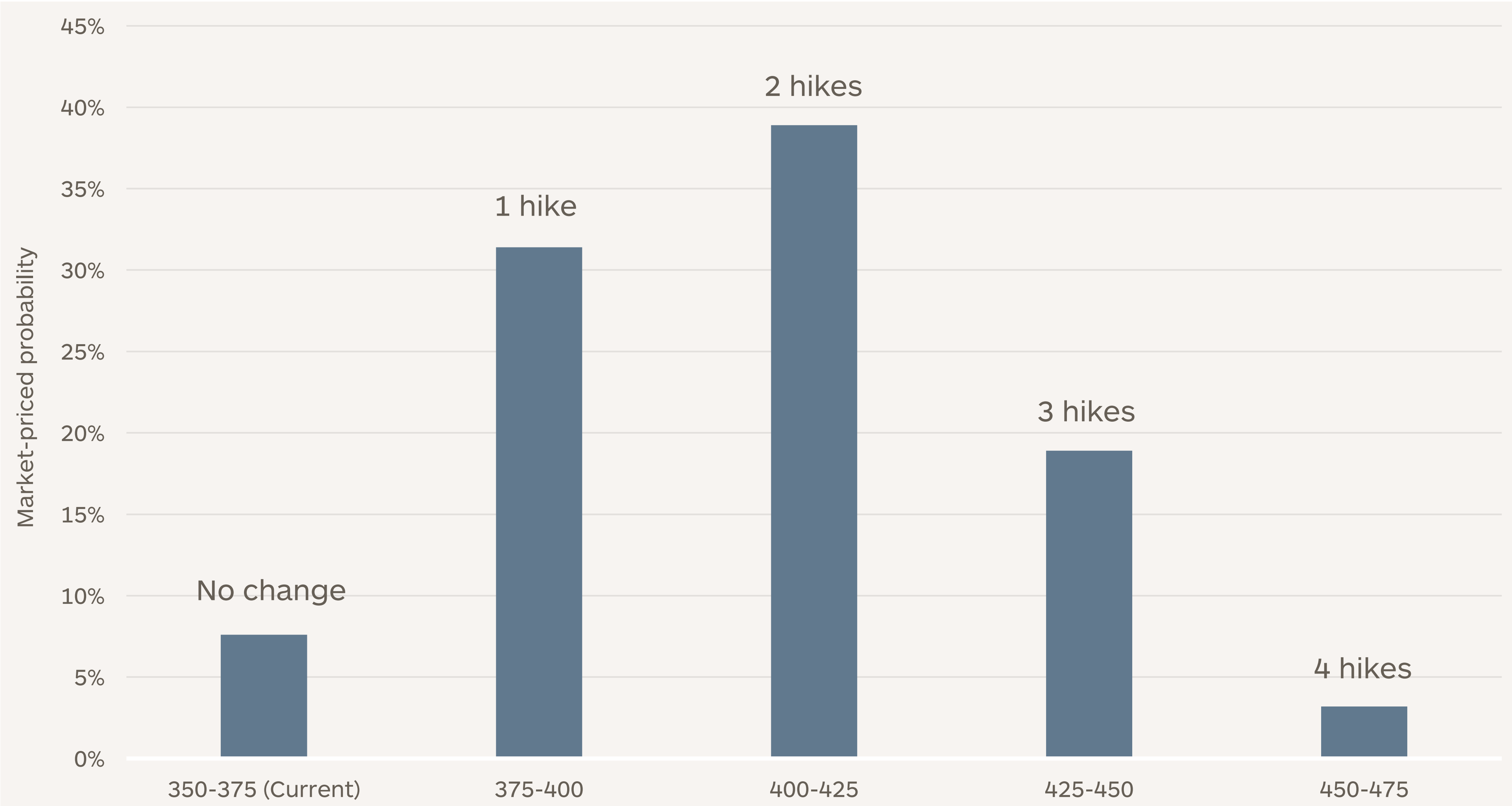


Source: CPIC, Bloomberg, estimate as of 7/15/26

Market rate expectations

Probabilities suggest a rate hike - maybe multiple

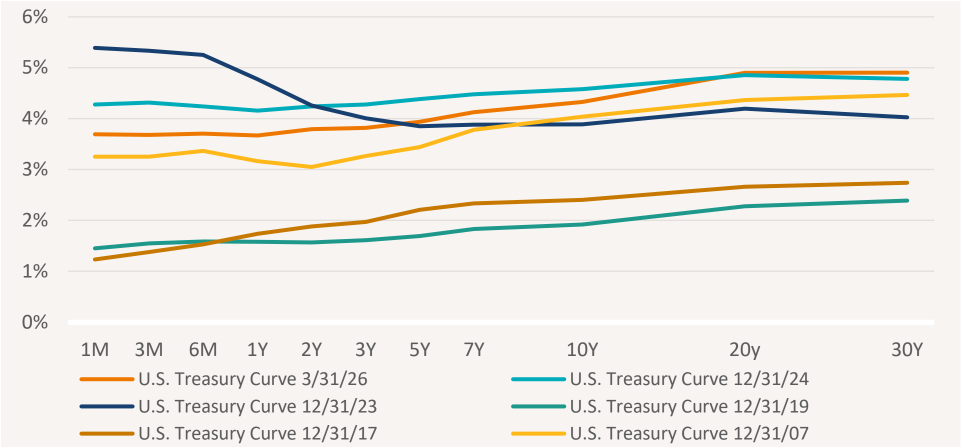
EXPECTED FED FUNDS RATE AT DECEMBER 9TH 2026 FED MEETING



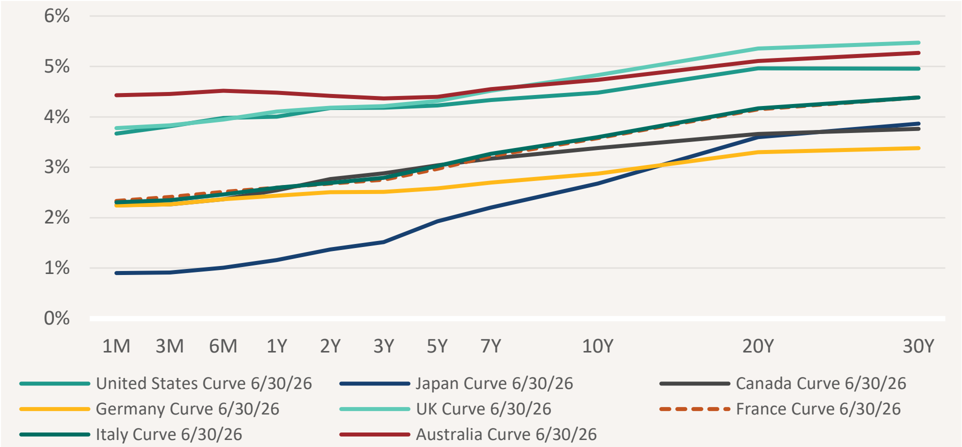
Source: CME Watch, Cerity Partners Institutional Consulting, as of 7/23/26

Yield environment

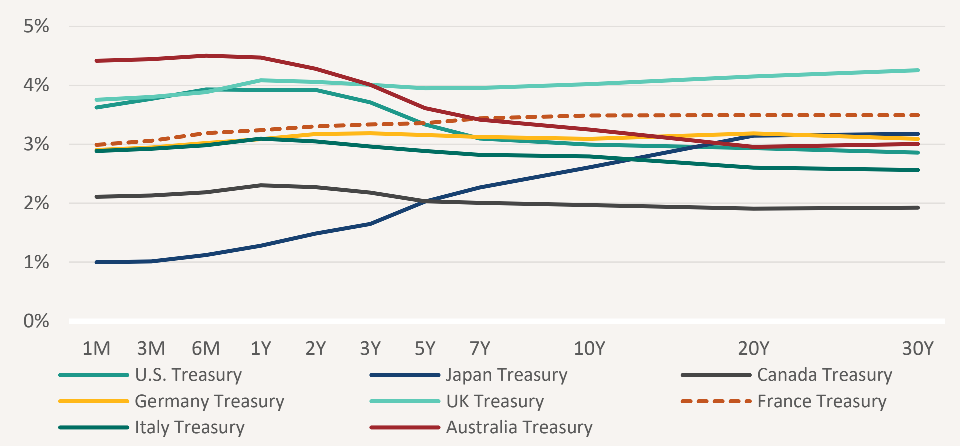
U.S. YIELD CURVE



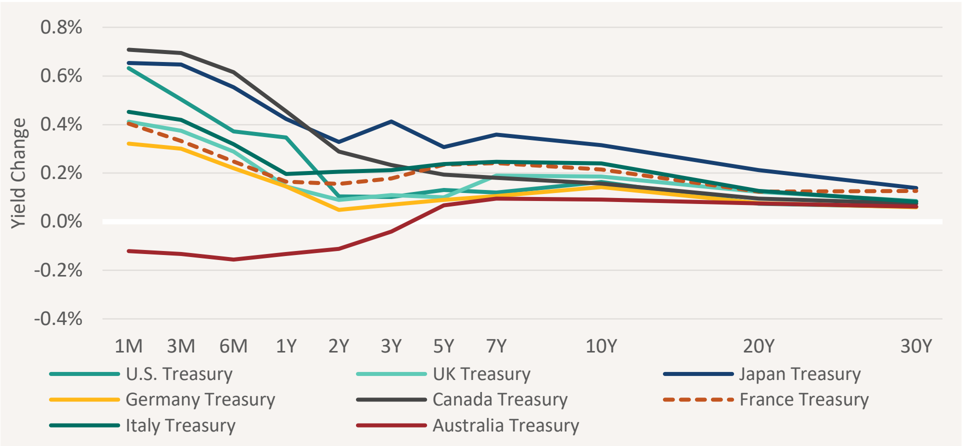
GLOBAL GOVERNMENT YIELD CURVES



YIELD CURVE CHANGES OVER LAST FIVE YEARS



IMPLIED CHANGES OVER NEXT YEAR



***Source**: Bloomberg, as of 6/30/26*

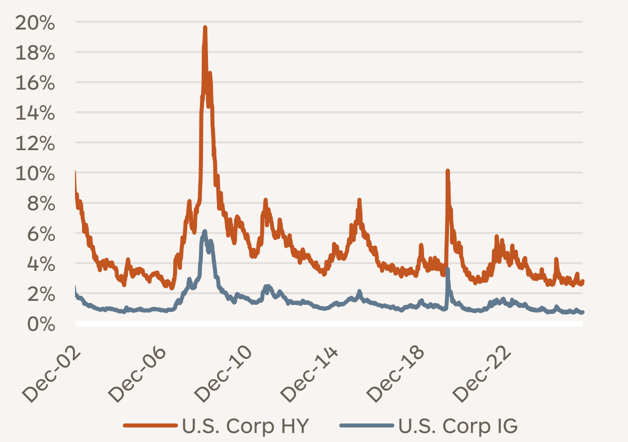
Credit environment

High yield bonds gained +3.1% in Q2 (BBG U.S. Corporate High Yield), a reversal from -0.5% in Q1, while bank loans were up +1.9% relative to -0.6% in Q1 (Morningstar LSTA Leveraged Loan Index), lifting the year-to-date gain for loans to +1.5% (+2.5% ex-Software). The persistent laggard in both asset classes has been Technology, which was the only negative returning sector year-to-date in bank loans (-4.2%), as software-specific fears remained a dominant market theme. Within high yield, higher quality outperformed lower quality.

High yield bond spreads tightened -50 bps in Q2, from 320 bps at the beginning of April to 270 bps at the end of June, as easing of U.S.-Iran tensions and a temporary ceasefire likely drove the bulk of the move in April before spreads stabilized in May and June. Bank loan spreads tightened a more modest -12 bps, from 472 bps to 460 bps. Spreads compressed through April and May before widening to a new high in June on renewed software weakness and softer technicals.

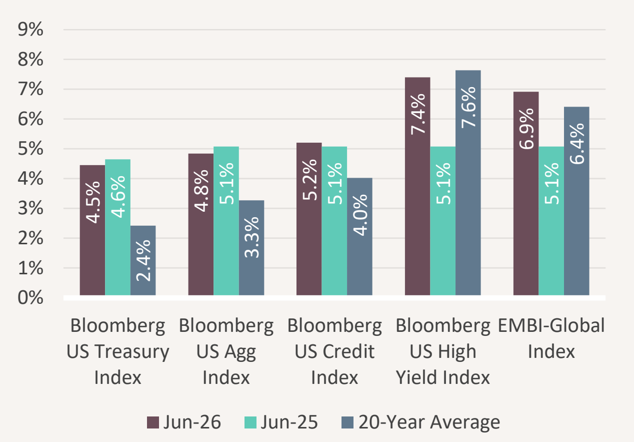
High yield spreads went from -150 bps less than bank loans in April to -190 bps in June. This level continues to be well below the post-Global Financial Crisis average of ~+25bps, while the gap between high yield bonds and bank loans reached a 2-year high (7.4% high yield bond yield vs. 8.9% bank loan yield). Both of those trends suggest a changing relationship between the two asset classes, though each still provides an ample premium over investment grade credit (which offered a 5.2% yield as of June 30th).

SPREADS



***Source**: Barclays, Bloomberg, as of 6/30/26*

YIELD TO MATURITY



***Source**: Morningstar, as of 6/30/26*

CREDIT SPREAD (OAS)

Market	6/30/2026	6/30/2025
Long U.S. Corp	0.9%	1.0%
U.S. Inv Grade Corp	0.7%	0.8%
U.S. High Yield	2.7%	2.9%
U.S. Bank Loans*	4.6%	4.4%

***Source**: Barclays, Credit Suisse, Bloomberg, as of 6/30/26*
**Discount margin (4-year life)*

Default & issuance

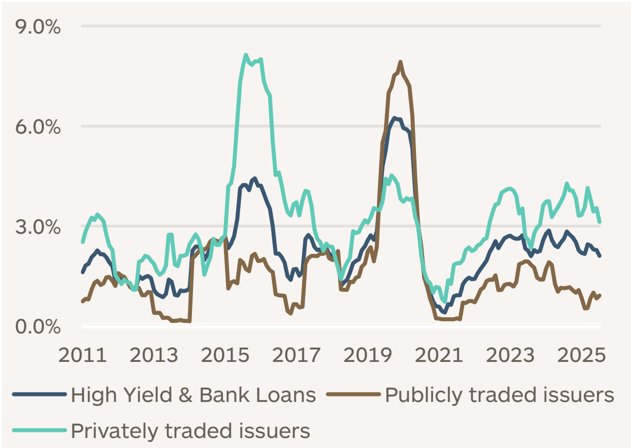
Default and distressed activity in Q2 continued to slow, with April and May being unusually quiet while June saw a significant uptick in activity due to a single event. High yield bonds made up most default activity, though high yield and bank loans were fairly evenly split across distressed activity, a reversal of a loan-heavy Q1.

April recorded one default and distressed exchange in high yield bonds. No default or distressed activity occurred in bank loans during April, for the first time since March 2021. June saw a surge in default activity to $13.1 billion across six borrowers, the largest monthly total since December 2024, driven almost entirely by Dish DBS's $9.75 billion Chapter 11 filing, the second-largest post-pandemic default behind Envision Healthcare in 2023. The total activity of Q2 was $12.2 billion in defaults ($11.95 billion in bonds and $267 million in loans) and $4.9 billion in distressed exchanges ($2.8 billion bonds, $2.1 billion loans).

That single event pushed the par-weighted high yield bond default rate including distressed exchanges (2.7%) above the loan default rate (2.3%) for the first time since 2022, representing a reversal of the multi-year pattern in which loans had consistently defaulted at a higher rate than bonds. However, this change was mostly driven by a single borrower default, which to us does not suggest a meaningful change in the environment.

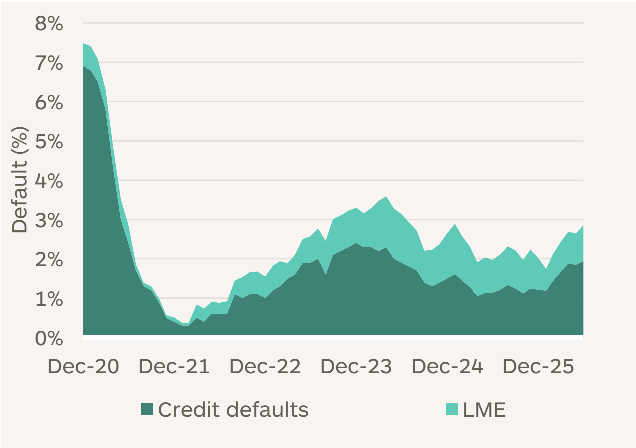
High yield bond issuance totaled $106 billion during Q2, lifting year-to-date volume to $186.9 billion versus $144.6 billion one year ago, while bank loan issuance totaled roughly $214.6 billion over the quarter, pushing year-to-date volume to $438 billion—roughly flat year-over-year.

PAST 12 MONTHS (PAR DEFAULT RATE)



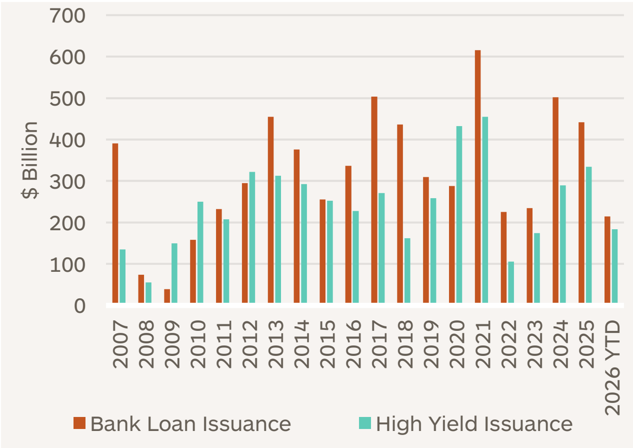
***Source**: BofA Global Research, ICE, LCD /Pitchbook, as of 6/30/26*

U.S. HIGH YIELD: DEFAULTS + LME (PAST YEAR)



***Source**: BofA Merrill Lynch, as of 6/30/26 – par weighted. "LME" stands for liability management exercise, which is effectively a renegotiation of debt terms but without an official default*

DEVELOPED MARKET USD ISSUANCE



***Source**: BofA Merrill Lynch, as of 6/30/26*

Equity

Equity environment

- Emerging market equity outperformed in Q2, up +24.1%. The U.S. market returned +15.2%, while international developed markets lagged but still posted a solid +10.8%. Emerging market strength continues to be driven by AI semiconductor and software names across Asia—TSMC, SK Hynix, and Samsung among them.
- Small caps again outpaced large caps (FTSE Russell 2000 +21.5% vs. S&P 500 +15.2%), extending a one-year run in which small caps led by +18.5%. Small caps nonetheless remain well behind on a 3- and 5-year trailing basis.
- Growth led Value in Q2 (FTSE Russell 1000 Growth +16.7% vs. Value +13.9%), though Value retains a +9.8% edge over the past year. Sector effects drove much of the style dispersion, underscored by a standout quarter for Information Technology (+31.8%).
- Chinese equity underperformance accelerated in Q2. MSCI China has fallen -4.8% over the past year, against +63.1% for MSCI EM ex-China, and trailed the broader emerging markets index by -41% during the quarter.
- Market-priced volatility stayed relatively subdued in Q2 despite the range of risks posed by the Iran conflict. Headline U.S. inflation pushed above 4%, leading markets to price future Fed rate *hikes* rather than the cuts anticipated earlier in the year. U.S. and Iranian leaders signed the Islamabad Memorandum—an interim agreement establishing a 60-day window to negotiate a permanent peace treaty. The VIX ended the quarter at 16.5.
- SpaceX went public on June 12th with the company valued at a historic $1.77 trillion—triple the size of the prior largest IPO. The offering was structured unusually in that 30% of shares were allocated to retail investors (single digit allocations are more common). The stock was priced at $135/share, opened trading at $150 and roared above $210 before falling below $120 by mid-July with substantial short-seller positioning.

	QTD TOTAL RETURN		1 YEAR TOTAL RETURN	
	(unhedged)	(hedged)	(unhedged)	(hedged)
U.S. Large Cap (S&P 500)	15.2%		22.3%	
U.S. Small Cap (Russell 2000)	21.5%		40.8%	
U.S. Equity (Russell 3000)	15.4%		22.8%	
U.S. Large Value (Russell 1000 Value)	13.9%		27.1%	
U.S. Large Growth (Russell 1000 Growth)	16.7%		17.7%	
Global Equity (MSCI ACWI)	14.9%	15.3%	23.7%	26.3%
International Large (MSCI EAFE)	10.8%	12.1%	20.2%	27.9%
Eurozone (EURO STOXX 50)	14.3%	15.7%	18.8%	24.7%
U.K. (FTSE 100)	4.7%	4.1%	19.7%	23.6%
Japan (TOPIX)	11.8%	15.3%	27.0%	48.0%
Canada (S&P/TSX)	6.3%	8.6%	25.7%	33.1%
Emerging Markets (MSCI Emerging Markets)	24.1%	24.3%	43.5%	51.6%

Source*: Standard & Poor's, FTSE, MSCI, STOXX, JPX, as of 6/30/26 – performance quoted from perspective of U.S. dollar investor*

Domestic equity

U.S. equities gained +15.2% in the quarter (S&P 500), trailing emerging markets but outpacing non-U.S. developed markets.

Beneath the calm surface of the index lay several notable rotations. First, the Magnificent 7 lagged the broader S&P 500 by roughly -10% year-to-date, with those seven names collectively flat at 0%. Second, the "HALO" stocks—Heavy on Assets and at Low risk of Obsolescence—cooled in Q2 after a strong Q1 rally. Finally, investors began to favor "picks and shovels" AI infrastructure names that supply chips and memory.

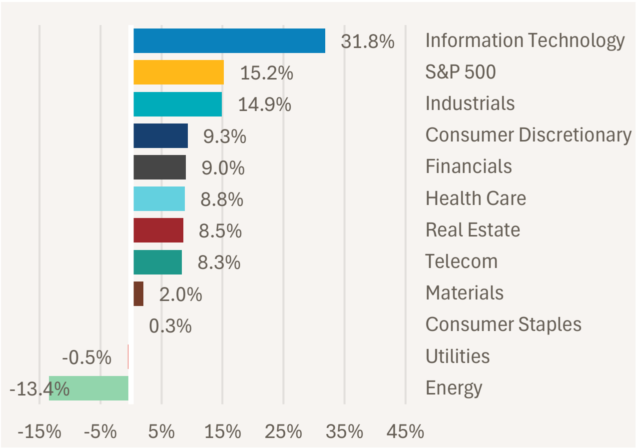
Year-over-year Q2 S&P 500 earnings growth is expected to reach +23.3% (FactSet, as of July 2nd). Full-year 2026 corporate earnings are projected to grow a remarkable +24.1%. Tempting as it is to credit AI alone, the gains look more broad-based: Energy earnings are expected to grow +66.2% in 2026, Materials +39.7%, Communication Services +27.1%, and Consumer Discretionary +14.0%. Equity concentration remains a topic on many investors' minds, though the domestic market has exhibited some broadening out in 2026.

- U.S. equities delivered an impressive +15.2% return in Q2 on rapid profit growth and AI buildout
- Small caps fared even better, up +21.5%

S&P 500 PRICE INDEX

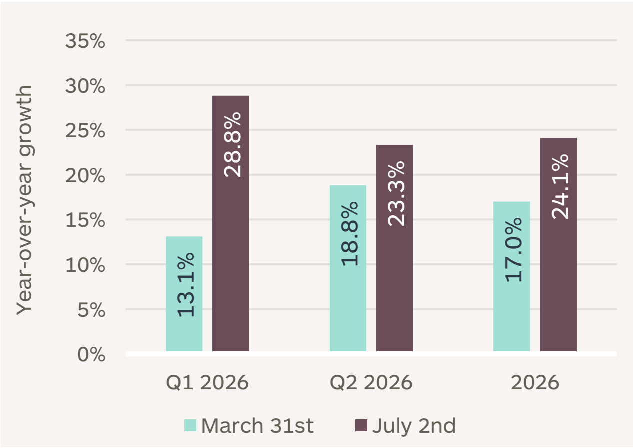
***Source**: Standard & Poor's, as of 6/30/26*

Q2 SECTOR PERFORMANCE



***Source**: Bloomberg, as of 6/30/26*

S&P 500 EARNINGS FORECASTS (YOY)

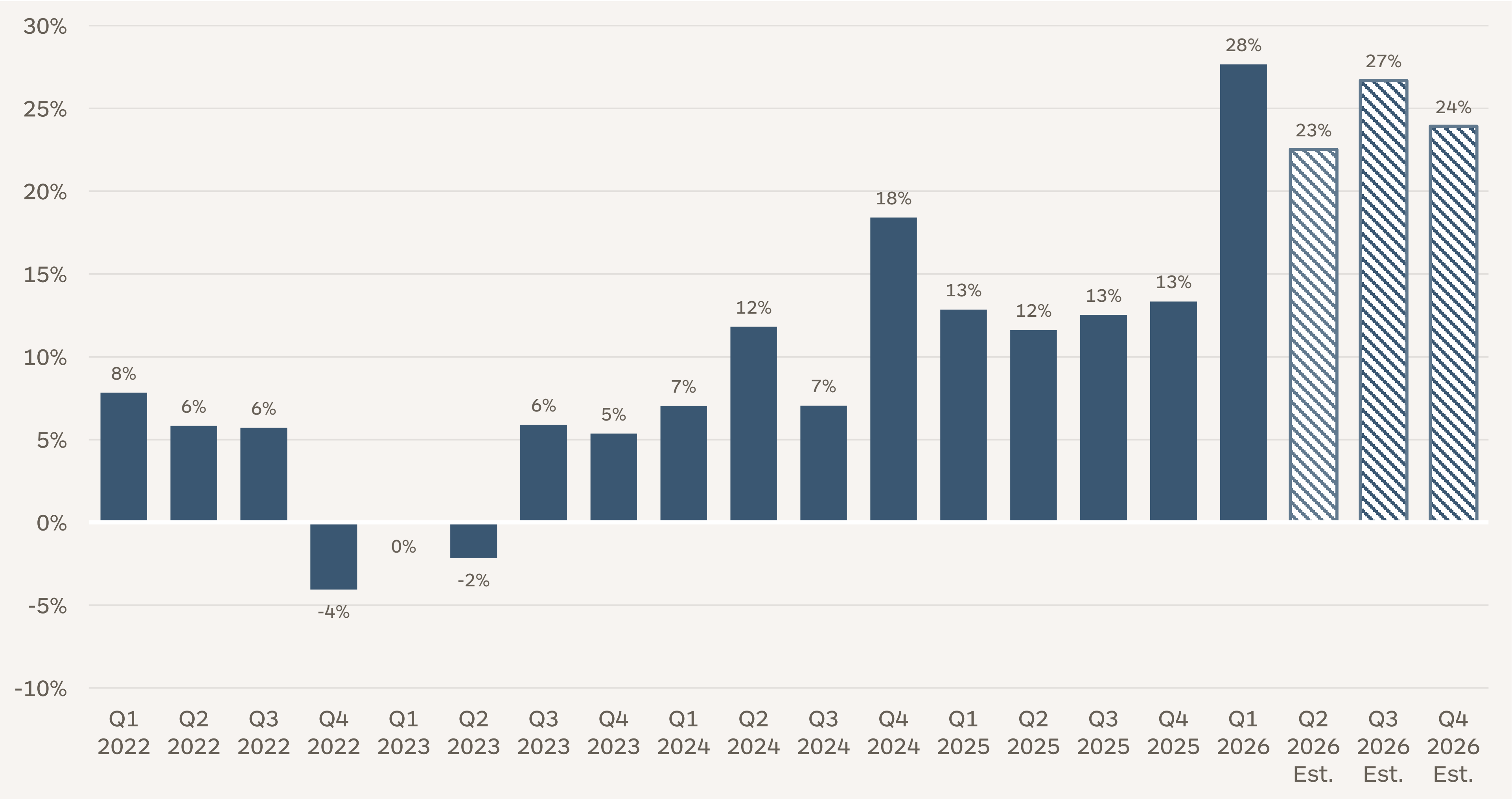


***Source**: Factset, CPIC, as of 7/2/26*

Analysts expect the good times to keep rolling

Four straight quarters of 20%+ YoY earnings growth are now expected for 2026

S&P 500: EARNINGS GROWTH YEAR-OVER-YEAR



Source: CPIC, FactSet estimates as of 7/7/26

SpaceX initial public offering...

...has not gone to the moon

- SpaceX went public on June 12th with the company valued at a historic $1.77 trillion—triple the size of the prior largest IPO. The offering was structured unusually in that 30% of shares were allocated to retail investors (single-digit allocations are more common).
- The stock was priced at $135/share, opened trading at $150 and roared above $210 before falling below $120 by mid-July. Reportedly around 185 million shares (29% of the tradeable shares) were being sold short mid-month.
- Other upcoming mega-IPOs include Anthropic and OpenAI.

Source: Bloomberg

Domestic equity size & style

In Q2, small caps again outperformed large caps (FTSE Russell 2000 +21.5% vs. S&P 500 +15.2%), extending a one-year run of +18.5% relative outperformance. Even so, small caps remain materially behind on a 3- and 5-year trailing basis.

Growth led Value in Q2 (FTSE Russell 1000 Growth +16.7% vs. Value +13.9%), though Value holds a +9.8% edge over the past year. Sector composition drove much of the style dispersion: Information Technology, which skews heavily Growth, surged +31.8%, while Value-oriented sectors such as Energy, Utilities, and Materials lagged.

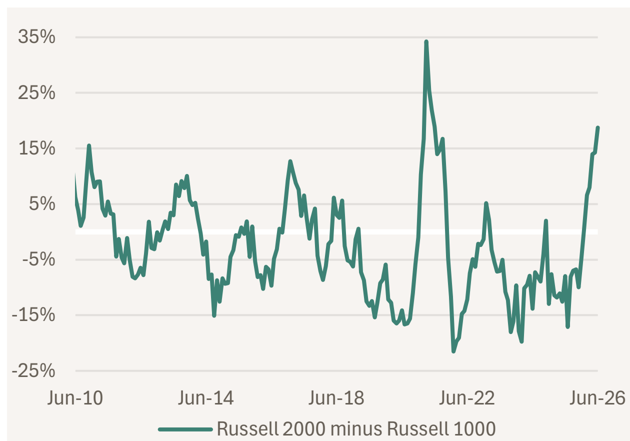
U.S. market concentration remains a popular talking point. Concentration has risen sharply over the past decade, back to levels last seen in the 1960s. What the coverage often omits is that such concentration is not unusual—it characterized much of the 20th century, frequently rising during periods of rapid technological change, and today's level of concentration is fairly average relative to other regional markets. None of this disputes that a smaller set of companies may exert an outsized influence on portfolio outcomes going forward *(which could be positive or negative, depending on whether those companies continue to display strong performance).*

- Small caps and Value have displayed a rebound over the past year, but still lag considerably on a 3- and 5-year trailing basis

VALUE VS. GROWTH 1-YR ROLLING RELATIVE PERFORMANCE

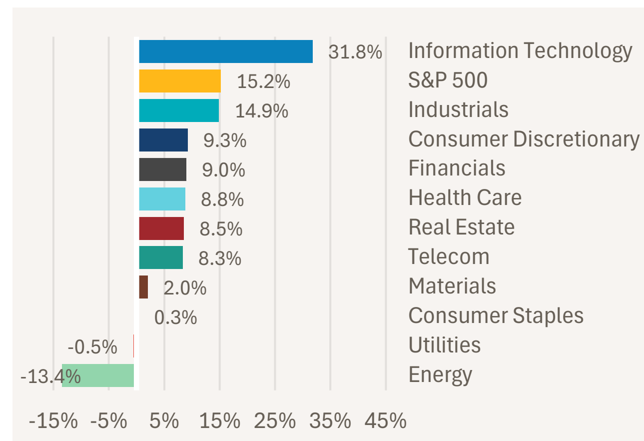
***Source**: FTSE, as of 6/30/26*

SMALL VS. LARGE 1-YR ROLLING RELATIVE PERFORMANCE



***Source**: FTSE Russell, as of 6/30/26*

1-YEAR SIZE & STYLE PERFORMANCE



***Source**: Bloomberg, as of 6/30/26*

International developed equity

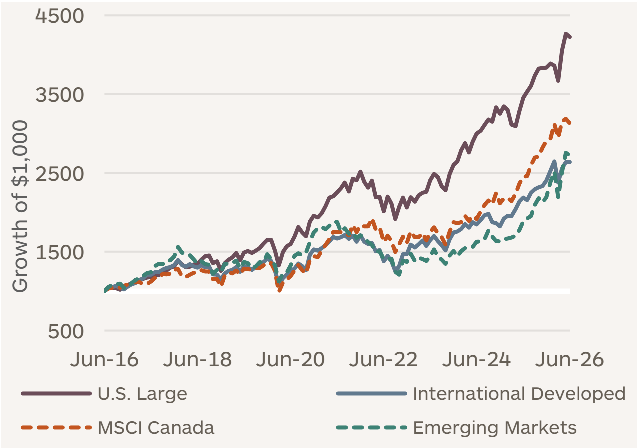
International developed equity delivered strong Q2 returns (MSCI EAFE +10.8%) but trailed both emerging markets (MSCI EM +24.1%) and U.S. equities (S&P 500 +15.2%). Developed market equity has once again fallen behind the performance of the United States (on a YTD, 1-year, 2-year, 3-year, 5-year, and 10-year basis), despite many predictions that shifting U.S. trade policy would lead to a "Sell America" trend and that domestic equities would be left behind the rest of the world.

The fundamental problems of Europe continue to exist—namely, a lack of entrepreneurialism and business formation, heavy regulation, and fierce competition from China on industrial goods and autos, for example. More recently, the lack of AI innovation in Europe could pose a particularly acute risk of falling further behind the United States. In developed markets, Japan has stood out with robust performance as the Takaichi administration rolls out an agenda of strategic economic investment, a looser fiscal stance, while showing a broadly pro-market stance. Significant declines in the value of the Japanese yen have meant a -21% performance difference over the past year for investors without a currency hedging program in place.

INTERNATIONAL DEVELOPED EQUITY

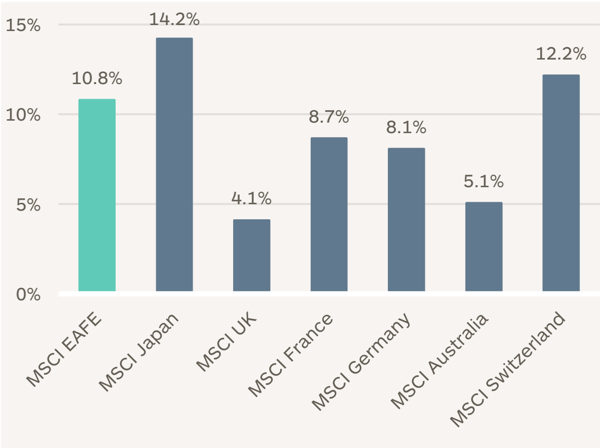
***Source**: MSCI, as of 6/30/26*

CUMULATIVE PERFORMANCE (10 YEARS)



***Source**: CPIC, as of 6/30/26*

Q2 REGIONAL RETURNS



***Source**: MSCI, as of 6/30/26*

Emerging market equity

Emerging market equities outpaced developed markets by an impressive margin in Q1 (MSCI EM +24.1%) though performance was bifurcated, with Asia gaining +30.2% (MSCI EM Asia) and Latin America falling -3.6% (MSCI EM Latin America). AI is a powerful theme driving overall emerging market behavior: for example, Korean semiconductor business SK Hynix rose roughly 280% in price year-to-date, and at quarter end was 7.7% of the total MSCI EM Index, single-handedly driving a large portion of index gains (MSCI South Korea gained +87.6% during the past quarter). While Asia is substantially weighted in tech, seeing massive AI tailwinds, the Latin America region is highly concentrated in Materials and Energy stocks which performed less well in Q2.

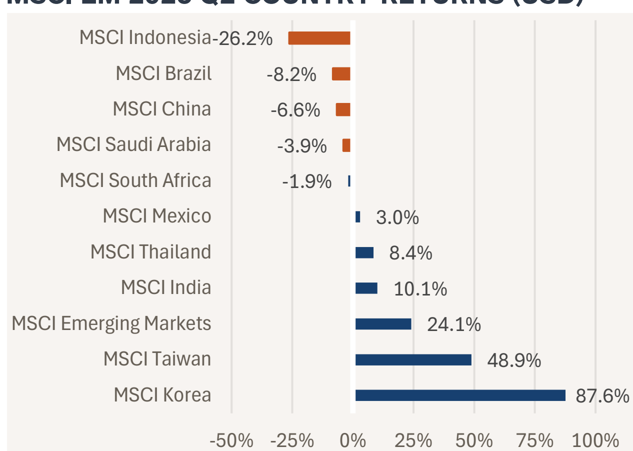
Chinese equity underperformance accelerated in Q2. MSCI China has declined -4.8% over the past year, relative to a +63.1% gain from MSCI EM ex-China, trailing the broader emerging markets index by -41% during just the past quarter. The country continues to grapple with real estate overinvestment and broad-based price deterioration, weak consumer spending, and headwinds from a lack of foreign direct investment. However, China's incredible success in AI innovation and other technology such as electric vehicles has demonstrated that the country can continue to push forward economically despite its problems.

› EM delivered exceptional performance during Q2, though performance disparity across regions was extreme

EMERGING MARKET EQUITY

***Source**: MSCI, as of 6/30/26*

MSCI EM 2026 Q2 COUNTRY RETURNS (USD)



***Source:** Bloomberg, CPIC, as of 6/30/26*

CHINA PAIN

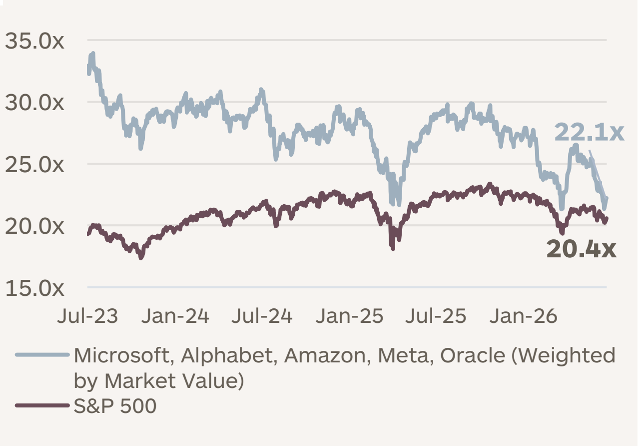
***Source:** MSCI, CPIC, as of 6/30/26*

Equity valuations

Equity forward P/E multiples across many regions have moved lower in 2026 as earnings growth outpaced price appreciation. Put differently, despite broad enthusiasm for AI and concerns over rising concentration, equities continue to offer a fundamentals-driven rally rather than a valuation-led one. While much of the earnings growth has been concentrated in Information Technology (+54.8% YoY in Q1), notable growth is also evident in Communication Services (+48.9%), Materials (+42.5%), and Consumer Discretionary (+40.8%). Full-year 2026 earnings are expected to grow +24.1% on +10.8% revenue growth (*all performance data quoted from FactSet, as of July 2nd).*

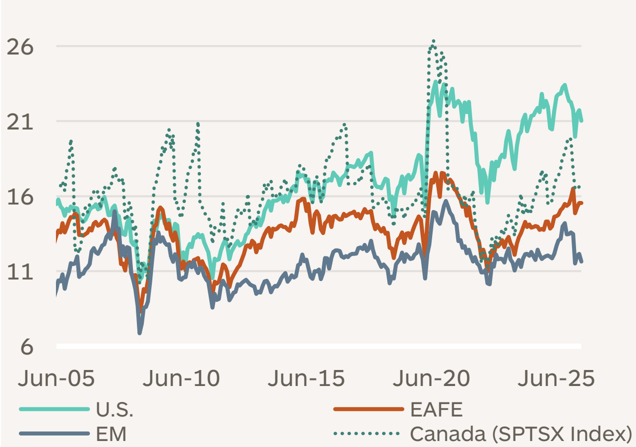
U.S. equity market concentration has been a popular topic of late—specifically, concerns that a handful of mega-cap stocks now make up outsized portions of domestic indexes. *Could these incredibly large companies crash and bring down the overall index?* Interestingly, the valuations of the Magnificent 7 have been falling as their earnings growth far outstrips their price appreciation. The Mag 7's forward price-to-earnings ratio is now only moderately elevated relative to the rest of the index (23.7x versus 19.1x, as of July 7th, per Yardeni Research). This convergence between high-growth valuations and the broader market is also evident in hyperscaler valuations.

HYPERSCALER FORWARD P/E VS. INDEX



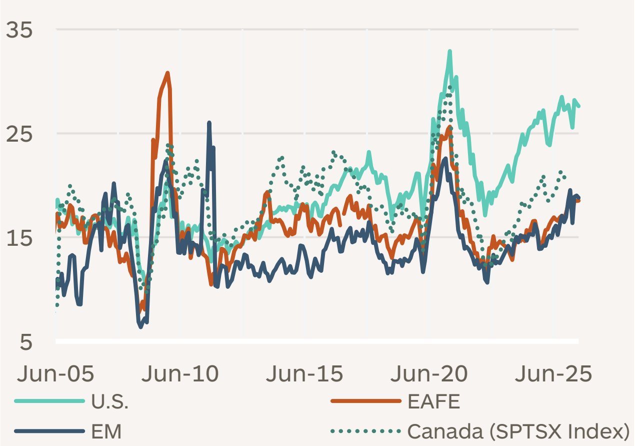
***Source**: CPIC, FactSet, as of 6/30/26*

FORWARD P/E



***Source**: MSCI, Canada shown as S&P/TSX, as of 6/30/26*

TRAILING P/E



***Source**: MSCI, Canada shown as S&P/TSX, as of 6/30/26*

International developed equity

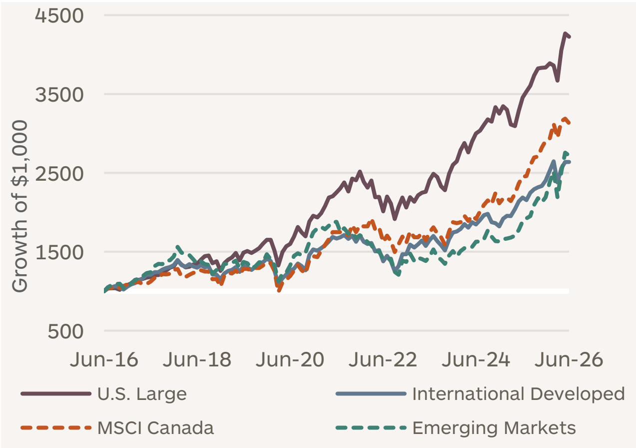
International developed equity delivered strong Q2 returns (MSCI EAFE +10.8%) but trailed both emerging markets (MSCI EM +24.1%) and U.S. equities (S&P 500 +15.2%). Developed market equity has once again fallen behind the performance of the United States (on a YTD, 1-year, 2-year, 3-year, 5-year, and 10-year basis), despite many predictions that shifting U.S. trade policy would lead to a "Sell America" trend and that domestic equities would be left behind the rest of the world.

The fundamental problems of Europe continue to exist—namely, a lack of entrepreneurialism and business formation, heavy regulation, and fierce competition from China on industrial goods and autos, for example. More recently, the lack of AI innovation in Europe could pose a particularly acute risk of falling further behind the United States. In developed markets, Japan has stood out with robust performance as the Takaichi administration rolls out an agenda of strategic economic investment, a looser fiscal stance, while showing a broadly pro-market stance. Significant declines in the value of the Japanese yen has meant a -21% performance difference over the past year for investors without a currency hedging program in place.

INTERNATIONAL DEVELOPED EQUITY

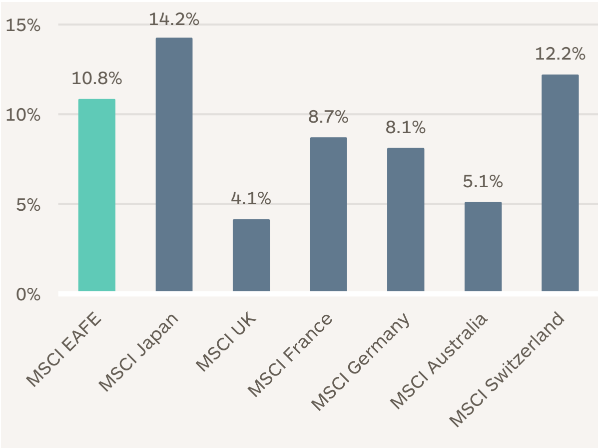
***Source**: MSCI, as of 6/30/26*

CUMULATIVE PERFORMANCE (10 YEARS)



***Source**: CPIC, as of 6/30/26*

Q2 REGIONAL RETURNS



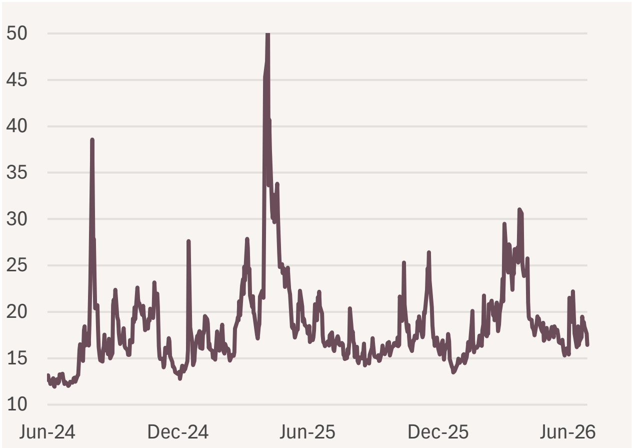
***Source**: MSCI, as of 6/30/26*

Market volatility

Market-priced volatility (Cboe VIX Index) stayed relatively subdued in Q2 despite the range of risks posed by the Iran conflict. Headline U.S. inflation pushed well above 4%—double the Federal Reserve's 2% target—leading markets to price future Fed rate *hikes* rather than the cuts anticipated earlier in the year. U.S. and Iranian leaders signed the Islamabad Memorandum, an interim agreement establishing a 60-day window to negotiate a permanent peace treaty. The VIX ended the quarter at 16.5.

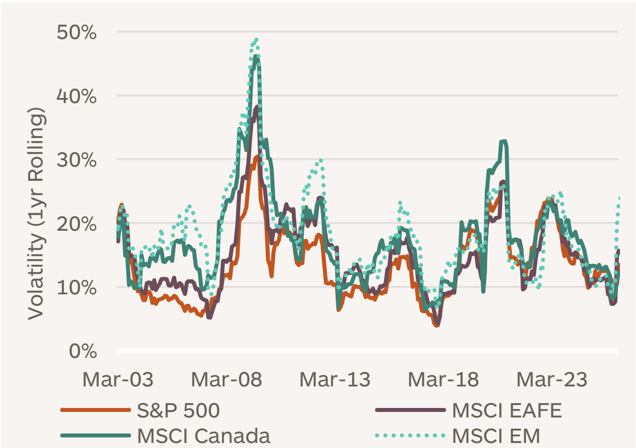
The U.S.–Iran conflict caused a historically significant disruption to energy supplies through the Strait of Hormuz, yet produced surprisingly little equity market volatility and less upward pressure on energy prices than many expected. We see a few central reasons. First, major economies such as China drew on their own deep energy reserves during the crisis, easing global supply pressure. Second, some Gulf producers exported via alternate routes—such as Saudi Arabia's East-West pipeline—bypassing the Strait entirely. Third, the global energy market entered the conflict in surplus rather than scarcity. It is also worth noting that global reliance on fossil fuels is far lower than in past energy crises, muting both the economic impact and the regional inflationary effect, as households now spend less of their budgets on fuel.

U.S. IMPLIED VOLATILITY (VIX)



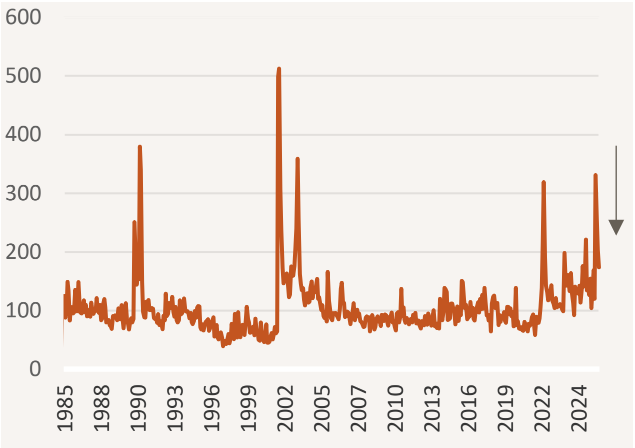
***Source**: Cboe, as of 6/30/26*

REALIZED VOLATILITY



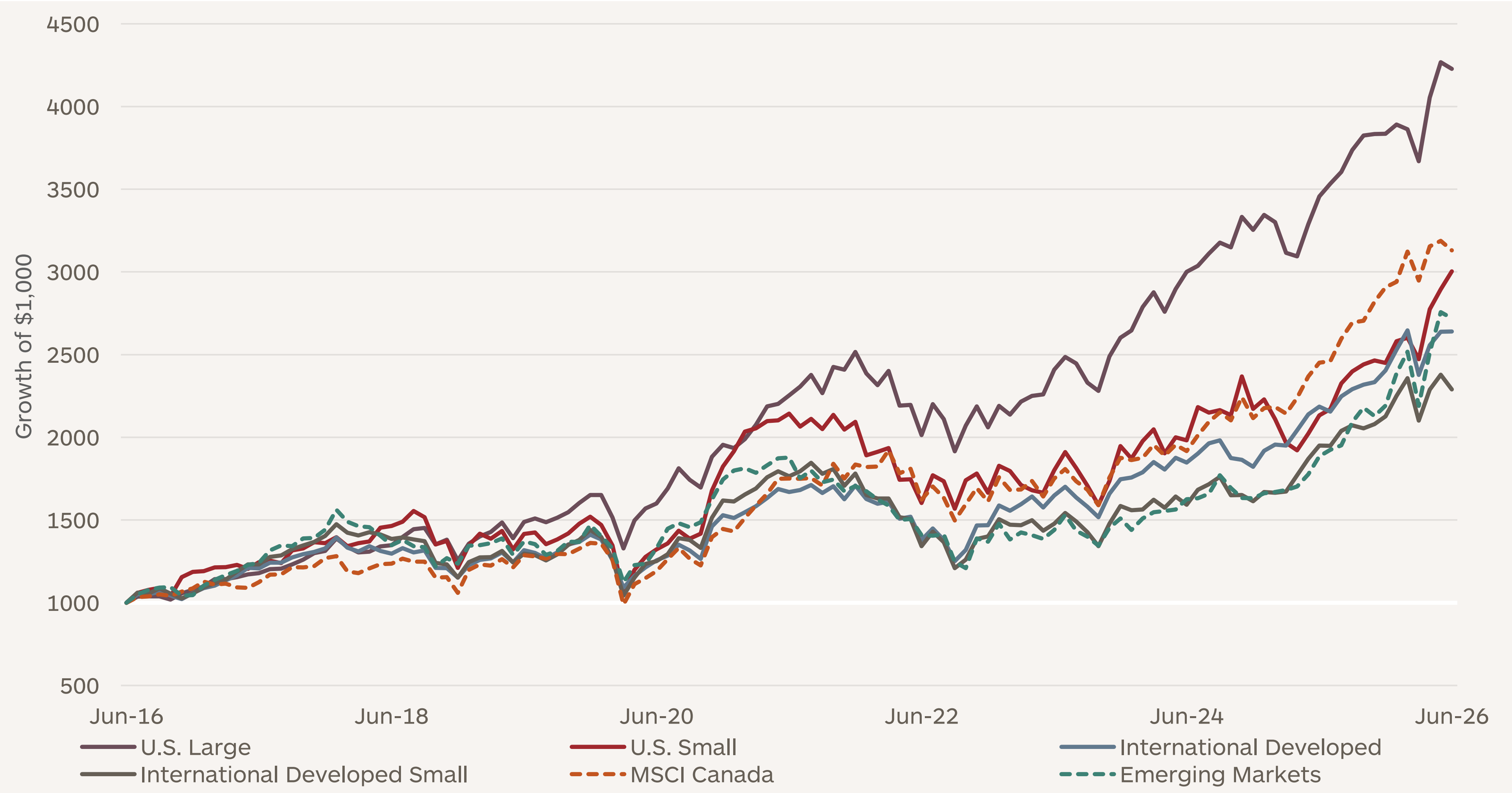
***Source**: Standard & Poor's, MSCI, Verus, as of 6/30/26*

GEOPOLITICAL RISK INDEX



***Source**: Caldara & Iacoviello GPR Index is based on the number of articles relating to adverse geopolitical events in each newspaper for each month as a share of total news stories*

Long-term equity performance



***Source**: Standard & Poor's, FTSE, MSCI, CPIC, as of 6/30/26*

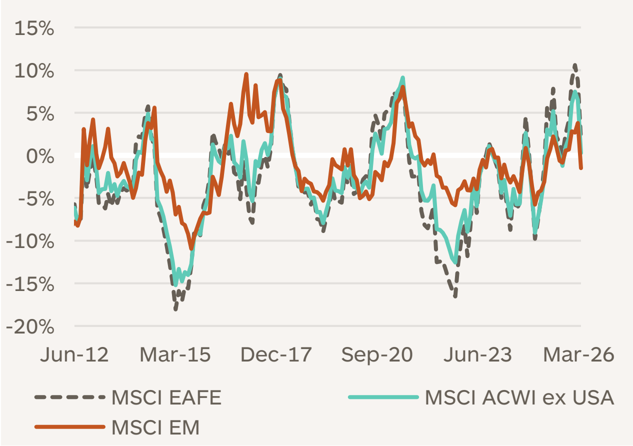
Other assets

Currency

The U.S. dollar appreciated 1% in Q2 (DXY), holding within a stable range after a +10% rally in Q4 2025 and a subsequent retracement in Q1 2026 back to prior levels. Currency moves had a mild effect on unhedged U.S. investors during the quarter: those with international developed equity exposure (MSCI EAFE) gave up -1.3% to currency in Q2, and a larger -7.5% over the past year. The yen lost -2.3% during the quarter relative to the U.S. dollar, while the euro lost -1.1%, and the British pound was up +0.3%.

A more deliberate approach to currency exposure has delivered both lower volatility and higher long-term returns—a rare combination. It reduces the uncompensated risk of unhedged foreign currency and, in its place, makes a passive allocation to the currency market by favoring higher-yielding, undervalued, and positively trending currencies. Represented by the MSCI Currency Factor Mix Index, this approach has generated positive one-year rolling returns across most periods with far lower volatility than an unhedged stance. The benefit was on display over the past year: an unhedged U.S. investor in international developed equities (MSCI EAFE) lost -5.8% to currency amid considerable volatility, while the MSCI Currency Factor Mix Index gained +1.6%.

EFFECT OF CURRENCY (1-YEAR ROLLING)

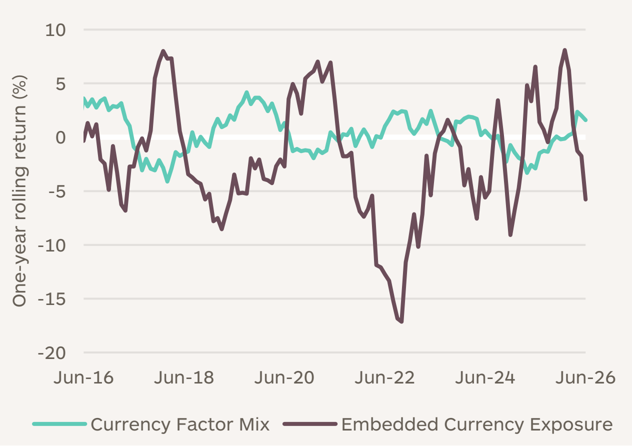


***Source**: MSCI, CPIC, as of 6/30/26*

U.S. DOLLAR MAJOR CURRENCY INDEX

***Source**: ICE, as of 6/30/26*

EMBEDDED CURRENCY VS CURRENCY FACTORS



***Source**: MSCI, CPIC, as of 6/30/26*

Hedge funds

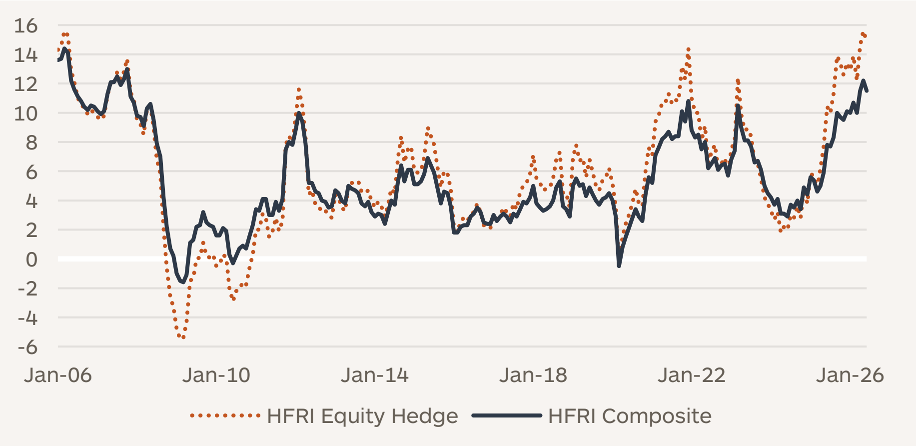
Hedge funds have enjoyed tremendous performance over the last three years with trailing 36 month returns the highest since 2006-2007 for the overall universe (HFRI Composite +10.5% annualized), and equity-focused funds (HFRI Equity Hedge +14.9% annualized), which typically dominate the composites.

Equity hedge funds have taken advantage of several market dynamics that work in their favor, allowing the more unconstrained funds to find greater opportunities for gains. These factors include, but are not limited to, the following: concentrated bets in the AI/semiconductor space (especially in memory-related stocks in the U.S. and Korea), and exponential growth in some of the largest and highest-profile private companies that are widely held across equity hedge funds, including Anthropic, xAI, OpenAI, and SpaceX, among others. Additionally, many of the largest, growth-oriented hedge funds have been very active in the private markets since the pandemic.

Corporate activity has picked up in recent years, with IPO and spin-off activity both increasing and being rewarded by the market.

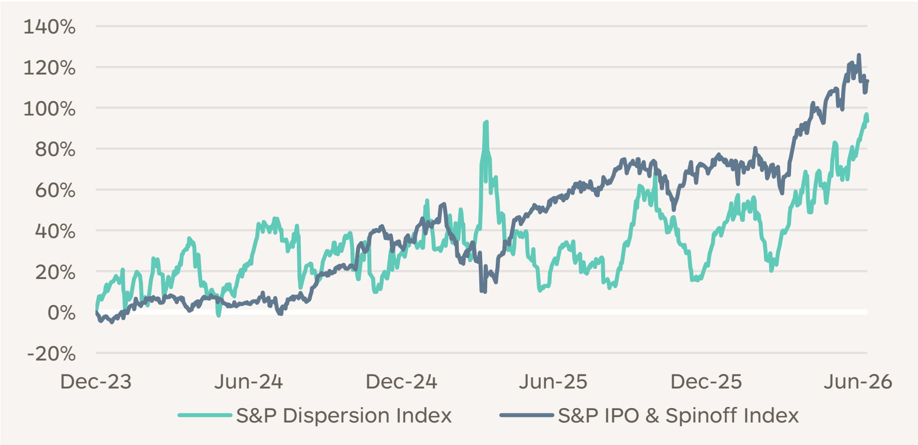
Increasing dispersion within equity markets, as Magnificent 7 leadership has faltered, capital has flowed into opportunities down-market. Hedge fund portfolios are typically skewed heavily towards small/mid/large-cap compared to the mega-cap heavy indexes.

ROLLING 3-YEAR ANNUALIZED RETURNS



***Source**: MPI, HFR*

EQUITY DISPERSION AND IPO/SPIN-OFF INDEXES SINCE 2023



***Source**: MPI, S&P Global*

Appendix

Periodic table of returns

BEST

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	YTD	5-Year	10-Year
Emerging Markets Equity	32.1%	39.4%	5.2%	78.5%	29.1%	11.8%	18.2%	43.3%	13.5%	13.5%	31.7%	37.3%	6.7%	36.4%	38.5%	28.3%	16.1%	42.7%	33.4%	33.6%	23.8%	13.7%	18.6%
Small Cap Value	26.3%	16.2%	1.8%	37.2%	26.9%	7.8%	18.1%	38.8%	13.2%	5.7%	21.3%	30.2%	1.8%	31.4%	34.6%	27.6%	9.4%	26.5%	24.5%	31.2%	23.0%	12.7%	15.3%
Small Cap Equity	23.5%	15.8%	-6.5%	34.5%	24.5%	2.6%	17.5%	34.5%	13.0%	0.9%	17.3%	25.0%	0.0%	28.5%	21.0%	27.1%	1.5%	18.7%	15.2%	18.6%	22.6%	11.2%	12.0%
Small Cap Growth	22.2%	11.8%	-21.4%	31.8%	18.9%	1.5%	17.3%	33.5%	12.0%	0.5%	12.1%	22.2%	-1.5%	26.5%	20.0%	26.5%	-5.6%	18.2%	14.4%	17.4%	22.2%	9.4%	11.6%
Large Cap Value	18.4%	11.2%	-23.4%	28.4%	16.8%	0.4%	16.4%	33.1%	6.0%	0.0%	11.8%	21.7%	-4.0%	25.5%	18.3%	25.2%	-7.5%	16.9%	11.5%	16.7%	16.3%	9.0%	11.5%
Commodities	15.5%	10.8%	-28.9%	27.2%	16.7%	0.1%	16.4%	32.5%	5.6%	-0.3%	11.3%	17.3%	-4.8%	22.4%	13.4%	17.4%	-13.0%	15.6%	9.8%	15.9%	14.4%	8.2%	10.9%
Large Cap Equity	15.2%	10.3%	-33.8%	23.5%	16.1%	-2.2%	15.3%	22.8%	4.9%	-0.8%	11.2%	14.6%	-6.1%	22.0%	10.9%	14.8%	-14.5%	14.6%	9.2%	15.8%	10.3%	7.2%	10.1%
International Equity	13.3%	7.0%	-35.6%	20.6%	15.5%	-2.9%	14.6%	12.6%	4.2%	-1.4%	7.1%	13.7%	-8.3%	18.7%	7.8%	11.3%	-14.5%	11.5%	8.1%	13.0%	9.4%	7.0%	9.7%
Hedge Funds of Funds	11.6%	7.0%	-36.8%	19.7%	13.1%	-4.2%	11.4%	11.1%	3.4%	-2.7%	6.2%	7.8%	-9.3%	18.4%	7.5%	9.2%	-17.5%	9.8%	7.5%	12.8%	7.3%	6.0%	7.8%
60/40 Global Portfolio	9.1%	5.8%	-37.6%	18.9%	9.8%	-5.2%	10.8%	9.0%	2.7%	-3.8%	5.6%	6.8%	-11.0%	8.7%	4.6%	6.2%	-19.1%	5.5%	5.4%	12.6%	6.7%	5.6%	5.9%
Large Cap Growth	8.5%	4.8%	-38.4%	11.5%	7.8%	-5.5%	4.8%	0.0%	0.0%	-4.4%	2.6%	5.2%	-11.2%	8.4%	2.8%	2.8%	-20.1%	5.1%	5.3%	10.5%	5.3%	5.6%	5.8%
Cash	4.8%	-0.2%	-38.5%	5.9%	6.5%	-12.1%	4.2%	-2.0%	-2.2%	-7.5%	1.0%	3.5%	-12.9%	7.7%	1.8%	0.0%	-20.4%	3.9%	3.8%	7.3%	1.8%	3.6%	4.6%
Real Estate	4.3%	-1.6%	-43.4%	0.1%	5.7%	-13.3%	0.1%	-2.6%	-4.9%	-14.9%	0.3%	1.7%	-13.8%	6.4%	0.5%	-1.5%	-26.4%	-4.8%	1.3%	5.0%	1.2%	3.1%	2.3%
US Bonds	2.1%	-9.8%	-53.3%	-16.8%	0.1%	-18.4%	-1.1%	-9.5%	-17.0%	-24.7%	-0.4%	0.8%	-14.6%	2.2%	-3.1%	-2.5%	-29.1%	-7.9%	0.6%	4.3%	0.6%	0.1%	1.5%

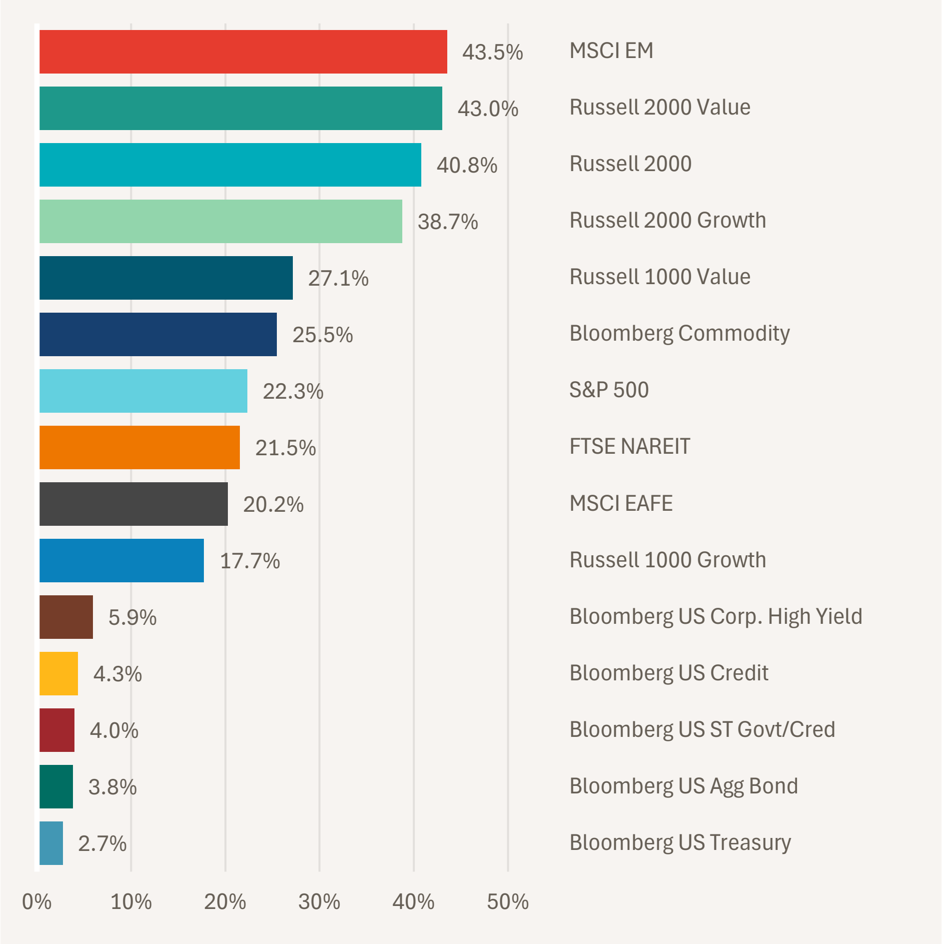
WORST

- Large Cap Equity
- Large Cap Value
- Large Cap Growth
- Small Cap Equity
- Small Cap Value
- Small Cap Growth
- International Equity
- Emerging Markets Equity
- US Bonds
- Cash
- Commodities
- Real Estate
- Hedge Funds of Funds
- 60% MSCI ACWI/40% Bloomberg Global Bond

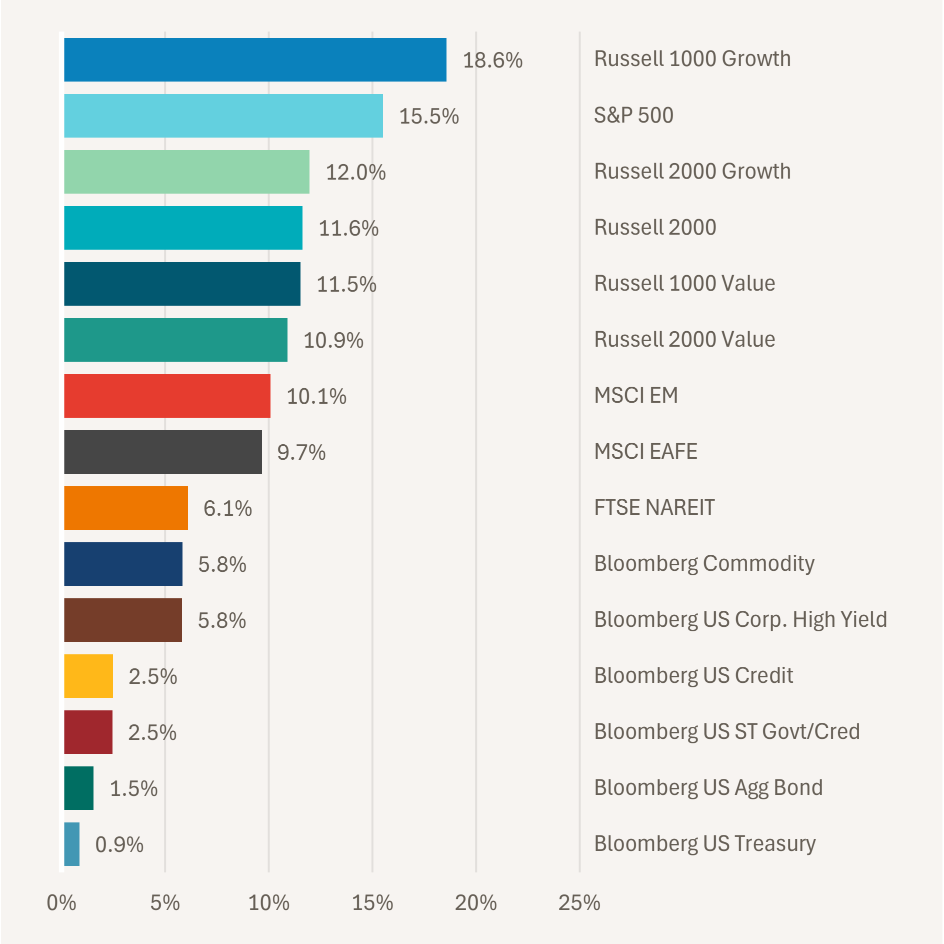
***Source Data**: Bloomberg, Hedge Fund Research, Inc. (HFR), National Council of Real Estate Investment Fiduciaries (NCREIF). Indices used: Russell 1000, Russell 1000 Value, Russell 1000 Growth, Russell 2000, Russell 2000 Value, Russell 2000 Growth, MSCI EAFE, MSCI EM, Bloomberg US Aggregate, 90-Day T-Bills, Bloomberg Commodity, NCREIF Property, HFRI FOF, MSCI ACWI, Bloomberg Global Bond. NCREIF Property Index performance data as of 6/30/26.*

Major asset class returns

ONE YEAR ENDING JUNE



TEN YEARS ENDING JUNE



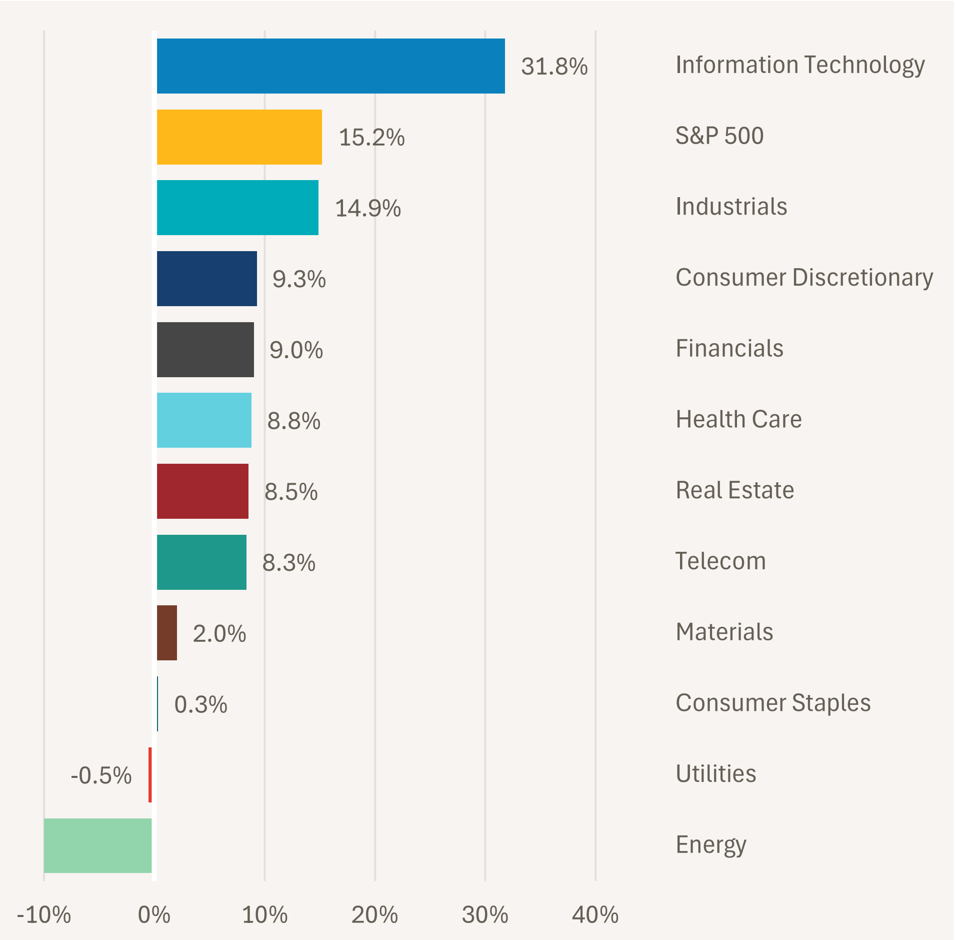
**Only publicly traded asset performance is shown here. Performance of private assets is typically released with a 3- to 6-month delay.*

***Source**: Bloomberg, as of 6/30/26*

***Source**: Bloomberg, as of 6/30/26*

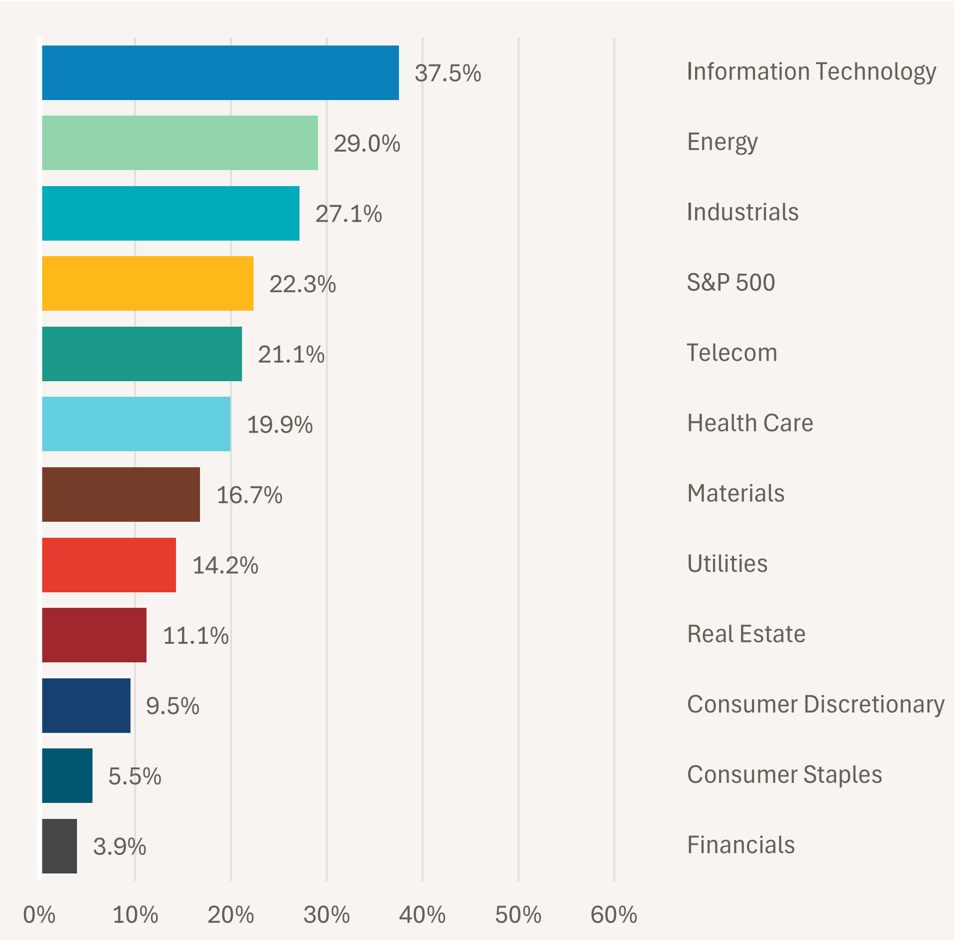
S&P 500 sector returns

QTD



***Source**: Bloomberg, as of 6/30/26*

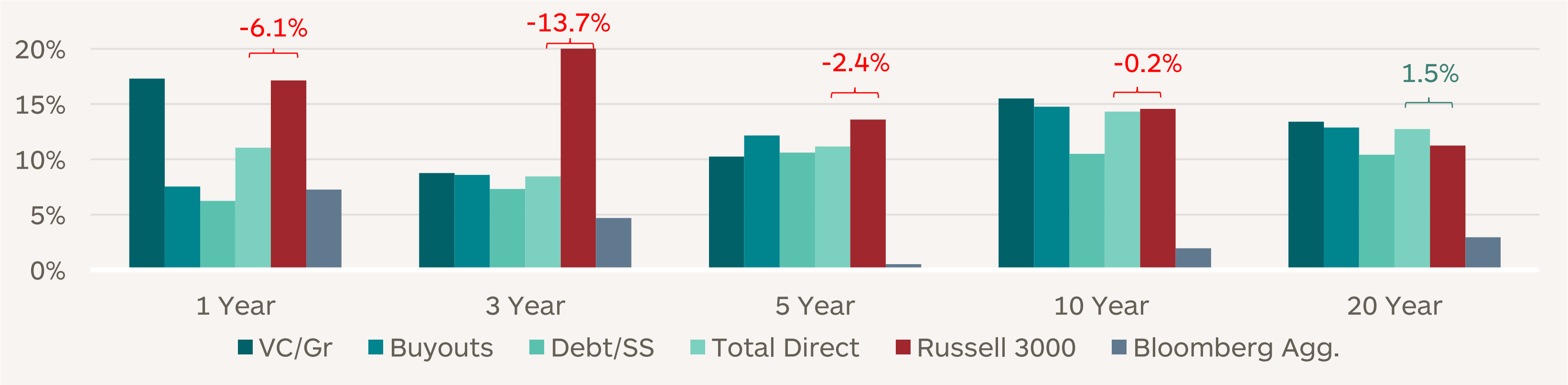
ONE YEAR ENDING JUNE



***Source**: Bloomberg, as of 6/30/26*

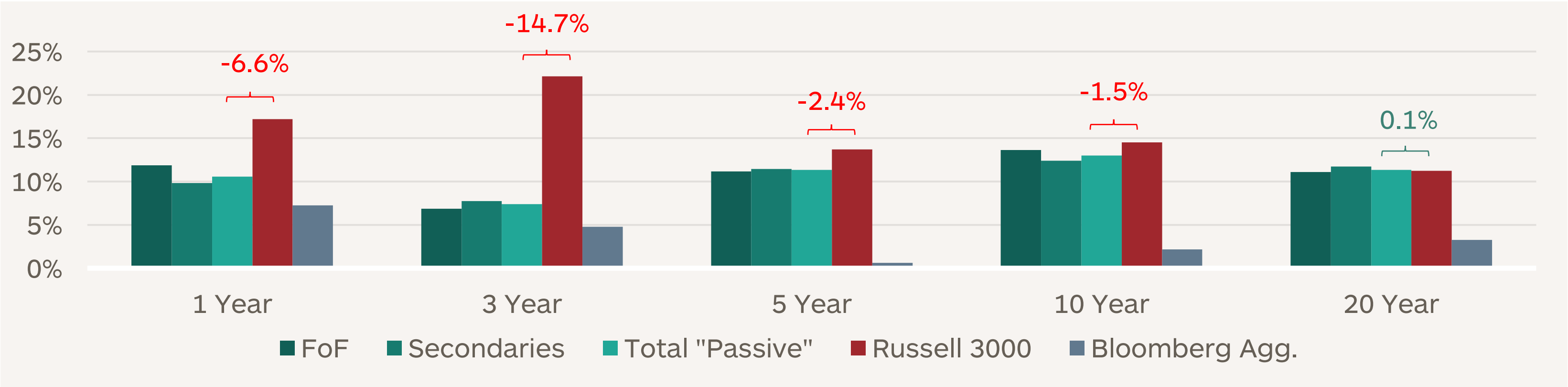
Private equity vs. traditional assets performance

DIRECT PRIVATE EQUITY AND CREDIT FUND INVESTMENTS



- Direct P.E. Fund Investments underperformed public equities in most time periods.

"PASSIVE" STRATEGIES

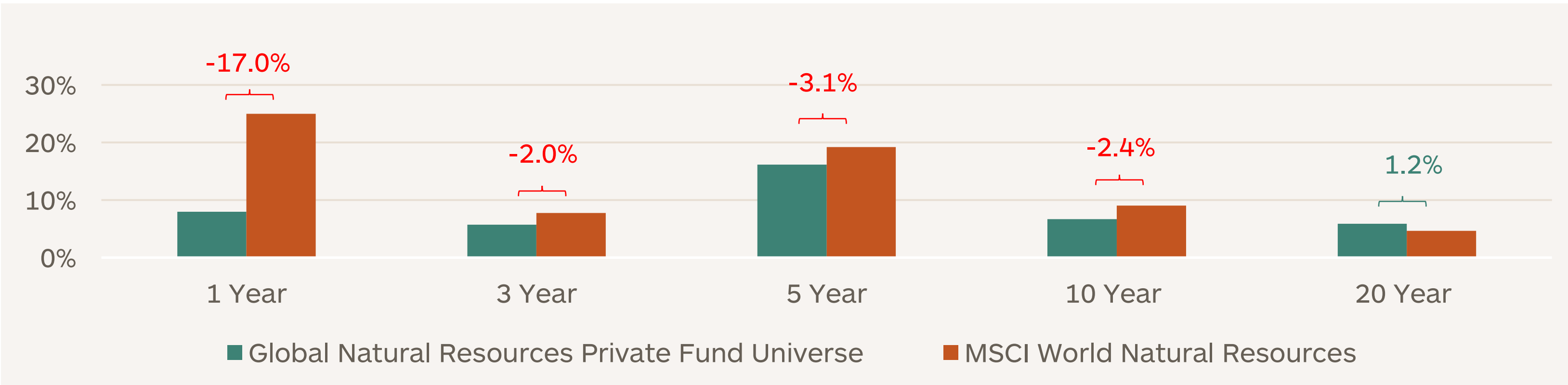


- "Passive" strategies have underperformed public equities in most time periods.

Sources: *FTSE PME: U.S. Direct Private Equity and "Passive" returns are as of December 31, 2025. Public Market Equivalent returns resulted from "Total Passive" and Total Direct's identical cash flows invested into and distributed from respective traditional asset comparable.*

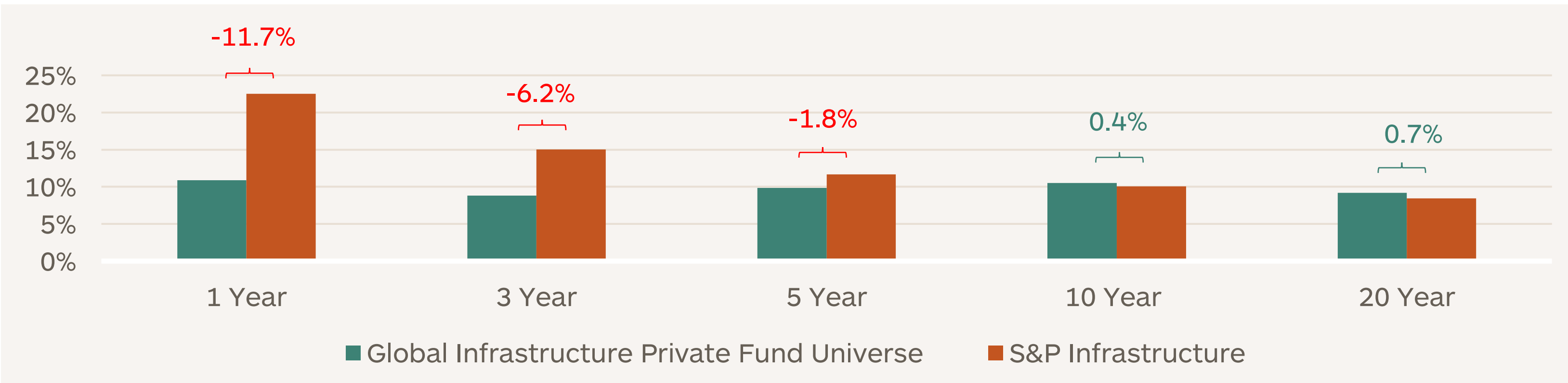
Private vs. liquid real assets performance

GLOBAL NATURAL RESOURCES FUNDS



- N.R. funds underperformed MSCI World Natural Resources across most time periods.

GLOBAL INFRASTRUCTURE FUNDS

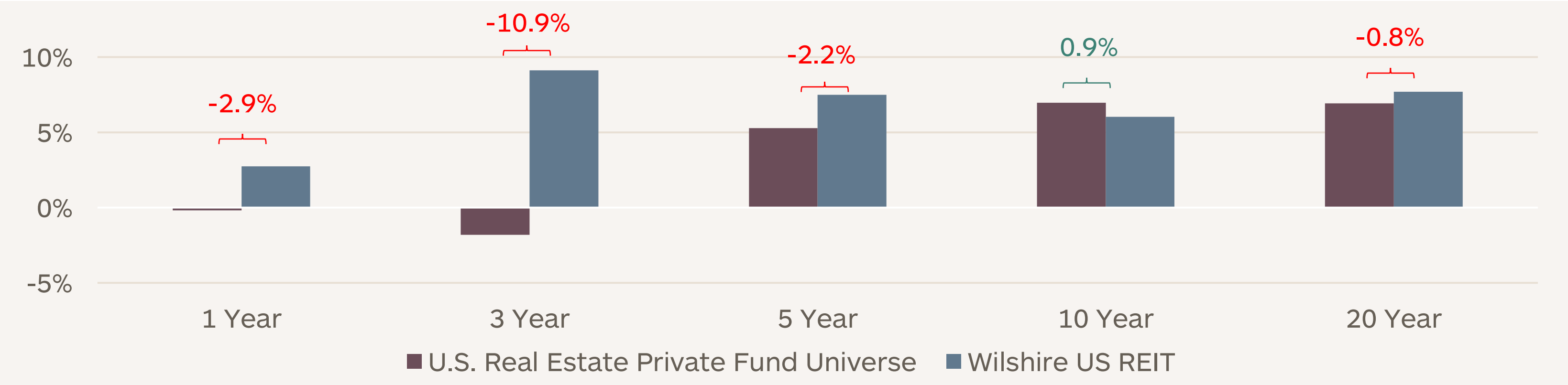


- Infra. funds outperformed S&P Infra. across longer periods.

***Sources**: FTSE PME: Global Natural Resources (vintage 1999 and later, inception of MSCI World Natural Resources benchmark) and Global Infrastructure (vintage 2002 and later, inception of S&P Infrastructure benchmark) universes as of December 31st, 2025. Public Market Equivalent returns resulted from identical cash flows invested into and distributed from respective liquid real assets universes.*

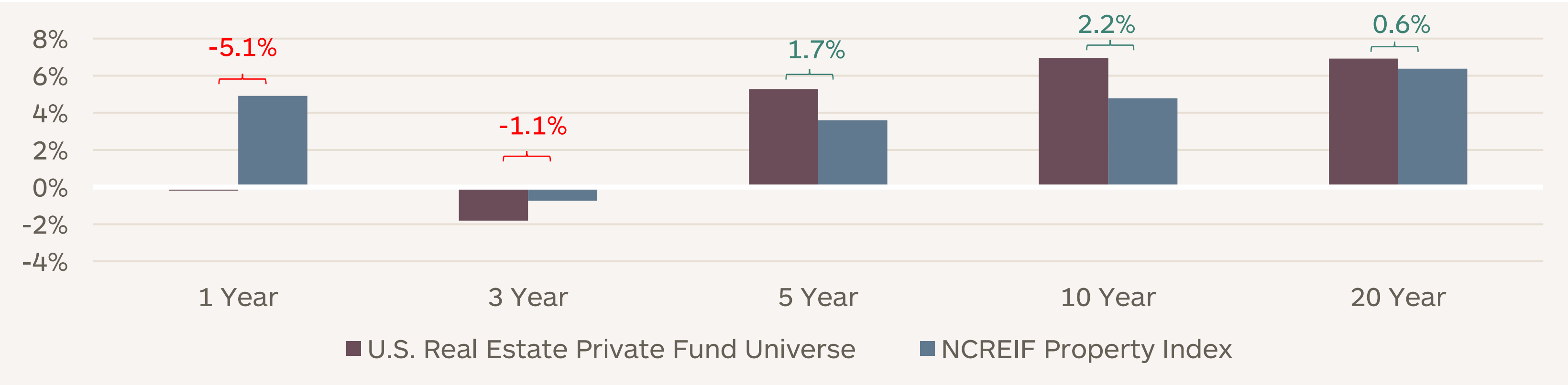
Private vs. liquid and core real estate performance

U.S. PRIVATE REAL ESTATE FUNDS VS. LIQUID UNIVERSE



- U.S. Private R.E. funds underperformed the Wilshire U.S. REIT across most time periods.

U.S. PRIVATE REAL ESTATE FUNDS VS. CORE FUNDS



- U.S. Private R.E. Funds outperformed the NCREIF Property Index across most time periods.

***Sources**: FTSE PME: U.S. Real Estate universes as of December 31st, 2025. Public Market Equivalent returns resulted from identical cash flows invested into and distributed from respective liquid real estate universes.*

Detailed index performance

DOMESTIC EQUITY	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Index							
S&P 500	-1.0%	15.2%	10.2%	22.3%	20.6%	13.4%	15.5%
S&P 500 Equal Weighted	2.4%	11.4%	12.1%	19.2%	14.5%	9.1%	12.4%
DJ Industrial Average	2.7%	13.4%	9.8%	20.6%	17.1%	10.8%	13.7%
Russell Top 200	-1.4%	15.5%	9.1%	22.1%	21.7%	14.0%	16.4%
Russell 1000	-0.5%	15.1%	10.3%	22.0%	20.4%	12.7%	15.3%
Russell 2000	3.7%	21.5%	22.6%	40.8%	18.6%	7.0%	11.6%
Russell 3000	-0.3%	15.4%	10.9%	22.8%	20.3%	12.3%	15.1%
Russell Mid Cap	3.1%	13.8%	15.3%	21.6%	16.5%	8.5%	12.0%
Style Index							
Russell 1000 Growth	-2.7%	16.7%	5.3%	17.7%	22.6%	13.7%	18.6%
Russell 1000 Value	2.3%	13.9%	16.3%	27.1%	17.8%	11.2%	11.5%
Russell 2000 Growth	3.6%	25.7%	22.2%	38.7%	18.4%	5.6%	12.0%
Russell 2000 Value	4.0%	17.2%	23.0%	43.0%	18.7%	8.2%	10.9%

FIXED INCOME	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Index							
Bloomberg US TIPS	-0.5%	0.9%	1.2%	3.4%	4.0%	1.0%	2.6%
Bloomberg US Treasury Bills	0.3%	0.9%	1.8%	4.0%	4.7%	3.5%	2.4%
Bloomberg US Agg Bond	0.2%	0.7%	0.6%	3.8%	4.2%	0.1%	1.5%
Bloomberg US Universal	0.3%	0.9%	0.8%	4.2%	4.7%	0.4%	1.9%
Duration							
Bloomberg US Treasury 1-3 Yr	0.1%	0.4%	0.6%	2.9%	4.4%	1.9%	1.8%
Bloomberg US Treasury 20+ Yr	1.2%	0.9%	0.6%	2.5%	-1.5%	-6.6%	-1.8%
Bloomberg US Treasury	0.3%	0.3%	0.3%	2.7%	3.2%	-0.4%	0.9%
Issuer							
Bloomberg US MBS	0.2%	0.6%	1.0%	5.2%	4.6%	0.5%	1.4%
Bloomberg US Corp. High Yield	0.3%	2.5%	2.0%	5.9%	8.8%	4.2%	5.8%
Bloomberg US ST Govt/Cred	0.2%	0.9%	1.7%	4.0%	4.8%	3.4%	2.5%
Bloomberg US Credit	0.2%	1.3%	0.8%	4.3%	5.2%	0.4%	2.5%

INTERNATIONAL EQUITY	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Index							
MSCI ACWI	-0.8%	14.9%	11.2%	23.7%	19.7%	11.0%	12.8%
MSCI ACWI ex US	-0.6%	14.5%	13.7%	27.7%	18.8%	8.8%	9.9%
MSCI EAFE	0.1%	10.8%	9.4%	20.2%	16.4%	9.0%	9.7%
MSCI EM	-1.4%	24.1%	23.8%	43.5%	23.0%	7.2%	10.1%
MSCI EAFE Small Cap	-3.7%	9.0%	7.6%	17.4%	15.7%	5.3%	8.6%
Style Index							
MSCI EAFE Growth	0.8%	14.5%	9.1%	13.7%	11.5%	4.9%	8.6%
MSCI EAFE Value	-0.7%	7.5%	9.6%	27.0%	21.5%	13.1%	10.4%
Regional Index							
MSCI UK	-0.8%	4.1%	6.2%	20.3%	17.5%	12.0%	8.8%
MSCI Japan	-0.3%	14.2%	15.8%	29.1%	18.5%	9.5%	9.8%
MSCI Euro	2.5%	15.3%	9.6%	20.5%	17.4%	10.4%	10.9%
MSCI EM Asia	-1.1%	30.2%	28.2%	48.7%	25.2%	7.6%	11.4%
MSCI EM Latin America	-2.4%	-3.6%	10.5%	31.7%	12.1%	9.0%	7.4%

OTHER	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Index							
Bloomberg Commodity	-8.5%	-8.1%	14.4%	25.5%	11.7%	9.4%	5.8%
FTSE NAREIT Equity REITS	3.1%	12.4%	17.8%	21.5%	12.5%	5.9%	6.1%
Morningstar LSTA US LL	0.1%	1.9%	1.3%	4.4%	7.5%	6.0%	5.5%
S&P Global Infrastructure	1.3%	1.6%	10.0%	16.8%	16.9%	11.9%	9.0%
Alerian MLP Infrastructure	0.5%	0.9%	18.2%	19.4%	22.2%	20.0%	8.6%
Emerging Market Debt							
JPM EMBI Global Div	0.7%	4.6%	3.3%	11.8%	10.3%	2.6%	3.7%
JPM GBI-EM Global Div	0.2%	3.9%	1.5%	7.8%	7.3%	2.1%	2.7%
Hedge Funds							
HFRI Composite	0.0%	6.1%	7.1%	15.9%	11.4%	6.5%	7.2%
HFRI FOF Composite	0.0%	6.5%	7.3%	15.3%	10.3%	5.6%	5.9%
Currency (Spot vs. USD)							
Euro	-2.0%	-1.1%	-2.8%	-3.1%	1.5%	-0.7%	0.3%
Pound Sterling	-1.4%	0.3%	-1.6%	-3.4%	1.4%	-0.8%	0.0%
Yen	-2.0%	-2.3%	-3.6%	-11.4%	-3.9%	-7.3%	-4.4%

***Source**: Bloomberg, HFRI, as of 6/30/26*

Definitions

Bloomberg US Weekly Consumer Comfort Index - tracks the public's economic attitudes each week, providing a high-frequency read on consumer sentiment. The index, based on cell and landline telephone interviews with a random, representative national sample of U.S. adults, tracks Americans' ratings of the national economy, their personal finances and the buying climate on a weekly basis, with views of the economy's direction measured separately each month. (www.langerresearch.com)

University of Michigan Consumer Sentiment Index - A survey of consumer attitudes concerning both the present situation as well as expectations regarding economic conditions conducted by the University of Michigan. For the preliminary release approximately three hundred consumers are surveyed while five hundred are interviewed for the final figure. The level of consumer sentiment is related to the strength of consumer spending. (www.Bloomberg.com)

NFIB Small Business Outlook - Small Business Economic Trends (SBET) is a monthly assessment of the U.S. small-business economy and its near-term prospects. Its data are collected through mail surveys to random samples of the National Federation of Independent Business (NFIB) membership. The survey contains three broad question types: recent performance, near-term forecasts, and demographics. The topics addressed include: outlook, sales, earnings, employment, employee compensation, investment, inventories, credit conditions, and single most important problem. (http://www.nfib-sbet.org/about/)

NAHB Housing Market Index – the housing market index is a weighted average of separate diffusion indices for three key single-family indices: market conditions for the sale of new homes at the present time, market conditions for the sale of new homes in the next six months, and the traffic of prospective buyers of new homes. The first two series are rated on a scale of Good, Fair, and Poor and the last is rated on a scale of High/Very High, Average, and Low/Very Low. A diffusion index is calculated for each series by applying the formula "(Good-Poor + 100)/2" to the present and future sales series and "(High/Very High-Low/Very Low + 100)/2" to the traffic series. Each resulting index is then seasonally adjusted and weighted to produce the HMI. Based on this calculation, the HMI can range between 0 and 100.

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All return projections, yield estimates, and financial models presented herein are based on assumptions that may not be realized. Key assumptions include, but are not limited to: interest rate environment, inflation expectations, market liquidity, economic growth forecasts, and historical volatility data. These assumptions are subject to change without notice.

Earnings growth figures that may be shown in any slides are estimates/projections as of 7/2/26 and are not guaranteed. Actual earnings results may differ materially from earnings growth estimates due to changes in economic conditions, market conditions, or other factors. Projected earnings growth should not be viewed as indicative of future investment returns.

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Kern County Employees Retirement Association

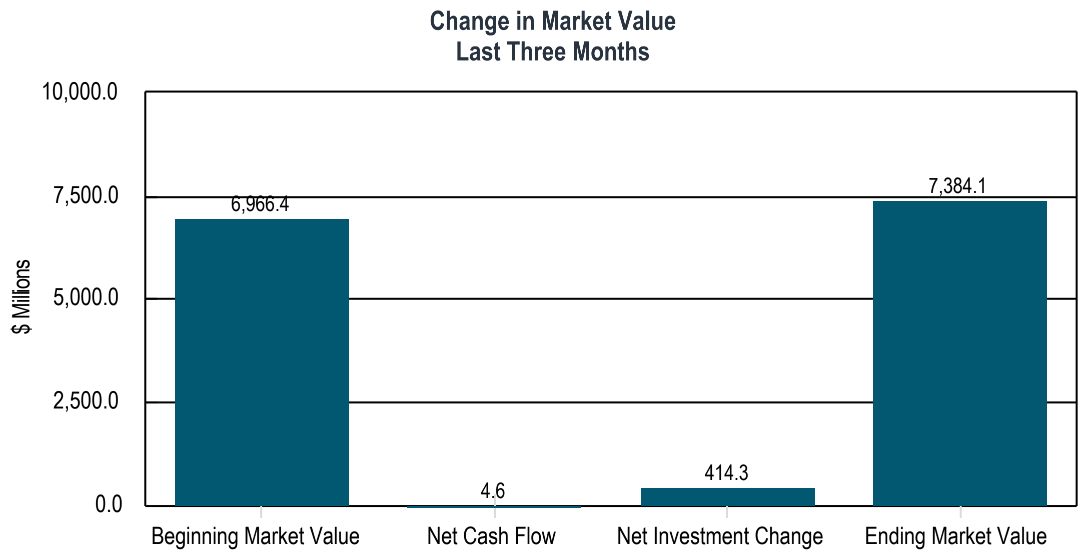
Investment Performance Review

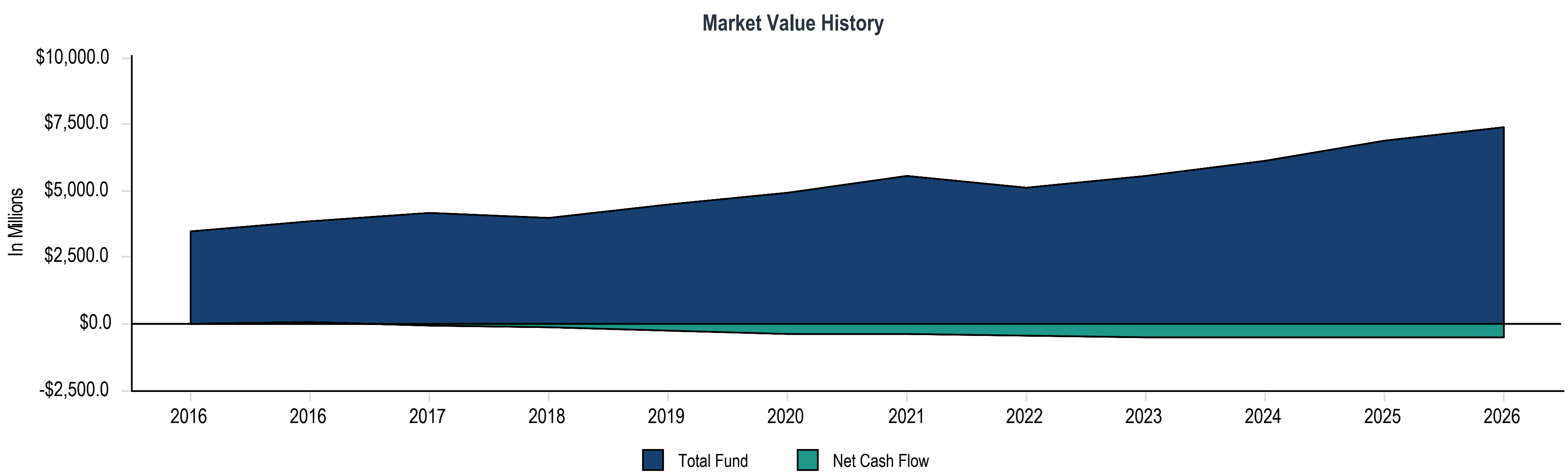
Period Ending: June 30, 2026

CERITY PARTNERS®

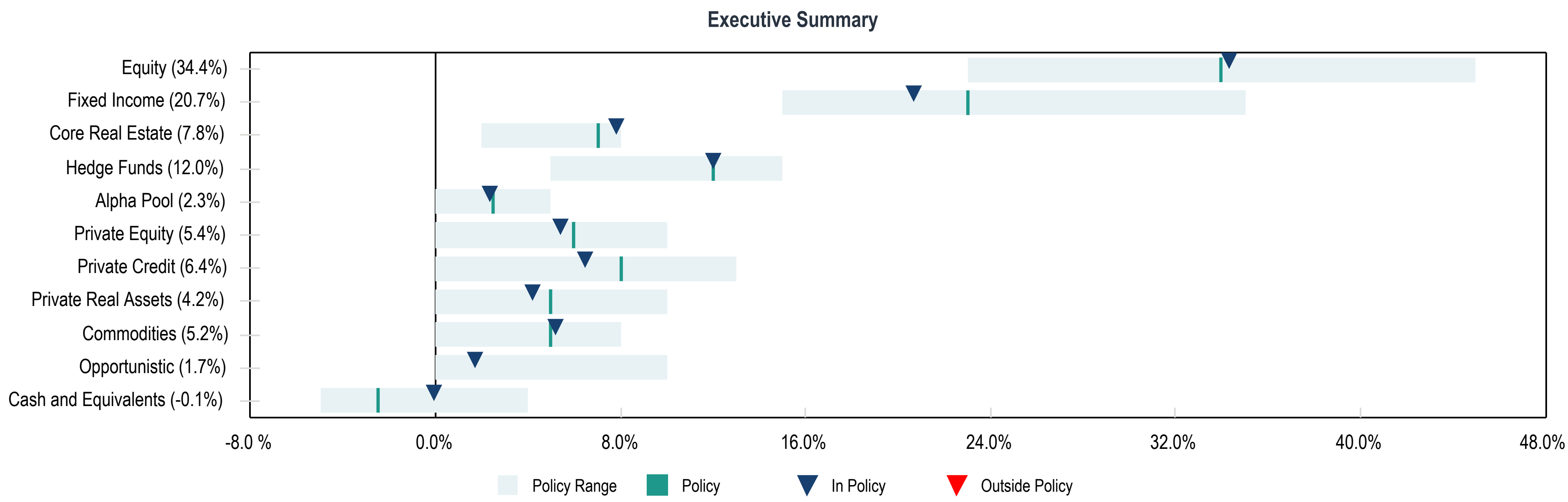
Portfolio Reconciliation

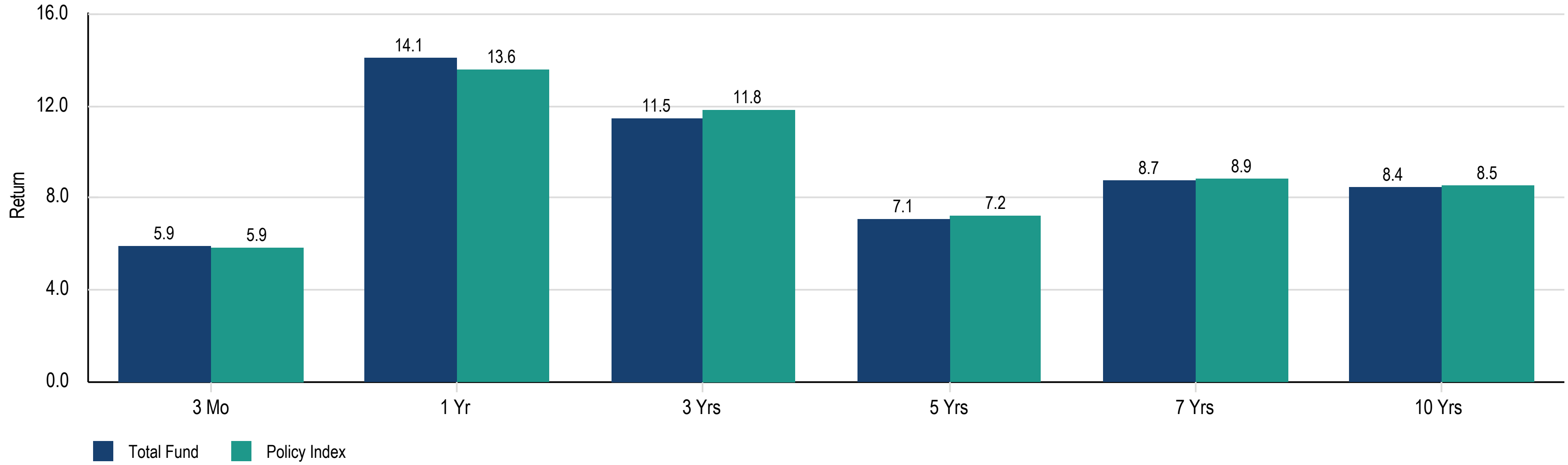
	Last Three Months
Beginning Market Value	$6,966,404,182
Net Cash Flows	$4,614,687
Net Investment Change	$414,302,437
Ending Market Value	$7,384,145,875





	Current Balance ($)	Current Allocation (%)	Policy Allocation (%)	Excess Allocation (%)	Policy Range (%)	Within IPS Range?
Equity	2,536,576,049	34.4	34.0	0.4	23.0 - 45.0	Yes
Fixed Income	1,528,828,788	20.7	23.0	-2.3	15.0 - 35.0	Yes
Core Real Estate	574,770,764	7.8	7.0	0.8	2.0 - 8.0	Yes
Hedge Funds	886,731,719	12.0	12.0	0.0	5.0 - 15.0	Yes
Alpha Pool	172,042,612	2.3	2.5	-0.2	0.0 - 5.0	Yes
Private Equity	397,542,572	5.4	6.0	-0.6	0.0 - 10.0	Yes
Private Credit	475,507,670	6.4	8.0	-1.6	0.0 - 13.0	Yes
Private Real Assets	311,482,155	4.2	5.0	-0.8	0.0 - 10.0	Yes
Commodities	382,229,637	5.2	5.0	0.2	0.0 - 8.0	Yes
Opportunistic	124,773,381	1.7	0.0	1.7	0.0 - 10.0	Yes
Cash and Equivalents	-6,339,473	-0.1	-2.5	2.4	-5.0 - 4.0	Yes
Total	**7,384,145,875**	**100.0**	**100.0**	**0.0**		

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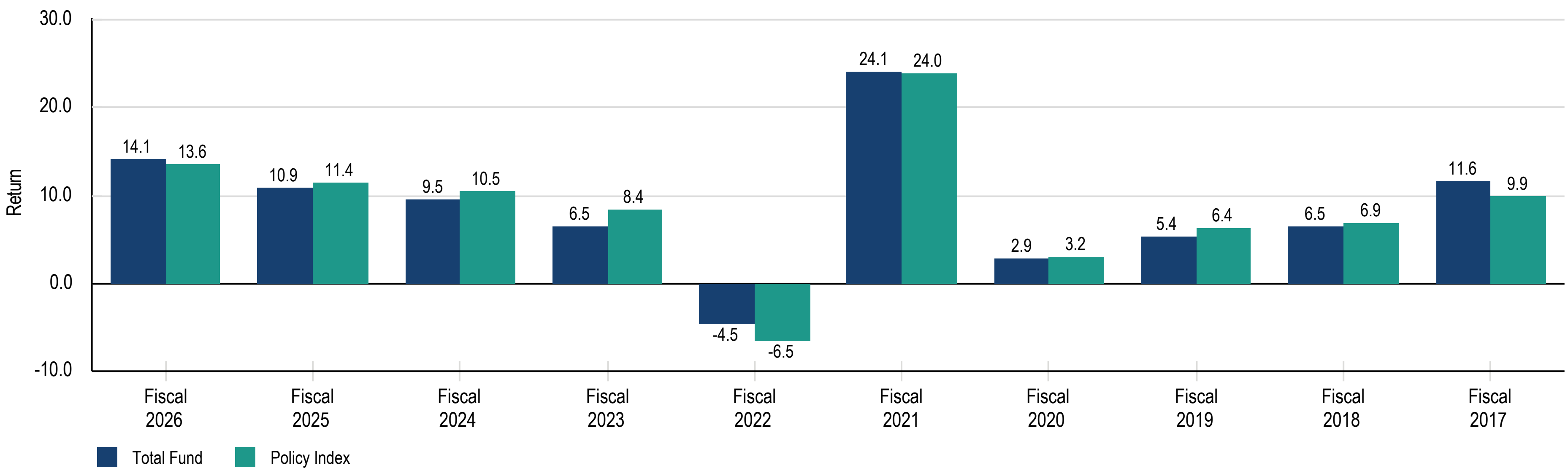
Total Fund
Policy Index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Fiscal 2026
Fiscal 2025
Fiscal 2024
Fiscal 2023
Fiscal 2022
Fiscal 2021
Fiscal 2020
Fiscal 2019
Fiscal 2018
Fiscal 2017
Total Fund
Policy Index

	Market Value	% of Portfolio	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021
Total Fund	**7,384,145,875**	**100.0**	**6.0**	**14.5**	**14.5**	**11.6**	**7.3**	**8.7**	**10.7**	**9.7**	**6.7**	**-4.3**	**24.4**
Policy Index			*5.9*	*13.6*	*13.6*	*11.8*	*7.2*	*8.5*	*11.4*	*10.5*	*8.4*	*-6.5*	*24.0*
InvMetrics Public DB > $1B Rank			*85*	*41*	*41*	*46*	*26*	*51*	*48*	*57*	*73*	*37*	*89*
Equity	**2,536,576,049**	**34.4**	**14.7**	**24.4**	**24.4**	**18.7**	**10.5**	**12.8**	**14.8**	**17.1**	**15.9**	**-14.9**	**41.2**
MSCI AC World IMI Index (Net)			*14.9*	*24.2*	*24.2*	*19.5*	*10.6*	*12.5*	*15.9*	*18.4*	*16.1*	*-16.5*	*40.9*
Domestic Equity	1,426,804,833	19.3	14.8	21.4	21.4	18.8	11.7	14.9	12.9	22.4	17.9	-12.0	43.6
MSCI USA IMI			*15.7*	*23.3*	*23.3*	*20.5*	*12.5*	*15.2*	*15.2*	*23.3*	*19.2*	*-13.7*	*44.4*
International Developed Equity	779,475,455	10.6	10.6	21.7	21.7	16.8	8.5	10.0	17.8	11.0	17.2	-19.6	37.0
MSCI World ex U.S. IMI Index (Net)			*9.9*	*20.8*	*20.8*	*16.9*	*8.8*	*9.7*	*19.3*	*10.8*	*16.3*	*-17.7*	*34.8*
Emerging Markets Equity	330,293,104	4.5	25.1	46.6	46.6	25.2	10.2	9.8	17.0	14.2	5.3	-21.4	40.6
MSCI Emerging Markets IMI (Net)			*22.7*	*40.3*	*40.3*	*22.1*	*7.2*	*10.0*	*14.3*	*13.6*	*3.2*	*-24.8*	*43.2*
Fixed Income	**1,528,828,788**	**20.7**	**1.5**	**5.5**	**5.5**	**5.7**	**1.2**	**3.1**	**7.5**	**4.2**	**3.1**	**-12.7**	**5.4**
Fixed Income Custom Benchmark			*1.1*	*4.2*	*4.2*	*5.5*	*1.1*	*2.6*	*7.4*	*4.8*	*1.9*	*-11.6*	*4.0*
Core Fixed Income	783,256,156	10.6	0.7	4.0	4.0	4.0	-0.2	1.8	5.6	2.5	-0.9	-11.2	1.0
Core Fixed Income Benchmark			*0.7*	*3.7*	*3.7*	*4.0*	*0.0*	*1.5*	*5.8*	*2.5*	*-0.9*	*-10.3*	*-0.3*
Credit Fixed Income	745,386,611	10.1	2.4	7.1	7.1	8.1	3.4	4.7	10.1	7.1	9.3	-14.2	11.6
Credit Fixed Income Benchmark			*1.8*	*5.4*	*5.4*	*8.0*	*3.0*	*4.5*	*10.5*	*8.2*	*9.2*	*-15.7*	*12.2*
Commodities	**382,229,637**	**5.2**	**-8.1**	**23.7**	**23.7**	**14.8**	**11.2**	**8.4**	**6.6**	**14.6**	**-6.3**	**20.1**	**43.5**
Bloomberg Commodity Index Total Return			*-8.1*	*25.5*	*25.5*	*11.7*	*9.4*	*5.8*	*5.8*	*5.0*	*-9.6*	*24.3*	*45.6*
Hedge Funds	**886,731,719**	**12.0**	**6.3**	**10.9**	**10.9**	**9.6**	**7.7**	**8.0**	**8.9**	**9.2**	**6.9**	**2.9**	**16.3**
75% (3 Month T-Bill + 3%) + 25% MSCI ACWI Net			*4.9*	*11.1*	*11.1*	*10.8*	*7.9*	*7.4*	*10.0*	*11.4*	*9.4*	*-1.7*	*11.4*
Alpha Pool	**172,042,612**	**2.3**	**2.7**	**7.9**	**7.9**	**4.9**	**3.0**	**-**	**6.2**	**0.7**	**-0.9**	**1.5**	**14.5**
3-Month Treasury Bill +3%			*1.6*	*7.0*	*7.0*	*7.8*	*6.6*	-	*7.8*	*8.6*	*6.7*	*3.2*	*3.1*
Core Real Estate	**573,084,040**	**7.8**	**2.0**	**9.4**	**9.4**	**-2.7**	**0.4**	**3.0**	**4.9**	**-19.8**	**-11.9**	**25.6**	**6.6**
NCREIF ODCE (Net)			*1.3*	*3.6*	*3.6*	*-1.4*	*1.9*	*3.7*	*2.7*	*-10.0*	*-10.7*	*28.3*	*7.1*
Private Real Assets	**307,249,481**	**4.2**	**2.2**	**8.7**	**8.7**	**0.7**	**8.9**	**7.9**	**0.4**	**-6.4**	**7.9**	**38.8**	**9.6**
			2.2	*8.7*	*8.7*	*0.7*	*8.9*	*7.9*	*0.4*	*-6.4*	*7.9*	*38.8*	*9.6*
Private Equity	**399,617,727**	**5.4**	**0.9**	**12.5**	**12.5**	**11.2**	**10.7**	**11.2**	**9.1**	**11.9**	**-0.6**	**21.5**	**41.9**
			0.9	*12.5*	*12.5*	*11.2*	*10.7*	*11.2*	*9.1*	*11.9*	*-0.6*	*21.5*	*41.9*
Private Credit	**475,507,670**	**6.4**	**4.4**	**11.3**	**11.3**	**11.4**	**7.4**	**7.6**	**9.7**	**13.1**	**3.2**	**0.3**	**4.8**
			4.4	*11.3*	*11.3*	*11.4*	*7.4*	*7.6*	*9.7*	*13.1*	*3.2*	*0.3*	*4.8*
Opportunistic	**128,617,624**	**1.7**	**1.1**	**15.3**	**15.3**	**12.0**	**6.0**	**-**	**18.4**	**2.9**	**0.6**	**-5.3**	**60.3**
Assumed Rate of Return +3%			*2.4*	*10.0*	*10.0*	*10.0*	*10.0*	-	*10.0*	*10.0*	*10.0*	*10.0*	*10.0*
Cash	**109,732,876**	**1.5**	**1.2**	**4.6**	**4.6**	**5.5**	**3.7**	**2.8**	**5.4**	**6.4**	**2.6**	**-0.1**	**0.1**
3 Month T-Bill			*0.9*	*3.8*	*3.8*	*4.6*	*3.5*	*2.3*	*4.7*	*5.4*	*3.6*	*0.2*	*0.1*

Policy Index: 34% MSCI ACWI IMI (Net), 23% Fixed Income Blend - 13% Core (3% ICE BofAML 7-10 Year US Treasury Index, 2% ICE BofAML US Treasury 10+ Index, 4% Bloomberg US Aggregate Index, 4% Bloomberg US Corporate Credit 1-3 Year Index). 10% Credit (5% Securitized (2.5% Bloomberg Non-Agency CMBS Index; 1.67% Bloomberg ABS Index; 0.83% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index. 2.5% Emerging Market Debt (2.5% JPM EMBI Global Div - Hard currency only), 5% Bloomberg Commodity Index, 12% Hedge fund (9% 3-Month T-bill + 3%, 3% MSCI ACWI Net), 2.5% 3-Month T-Bill + 3%, 7% NCREIF-ODCE Net Monthly, 6% actual timeweighted Private Equity Returns, 8% actual time-weighted Private Credit Returns*, 5% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -2.5% 3-Month T-bill. Fixed Income Beta Exposure return includes overlay cash and an implied hurdle rate also applied to the Alpha pool. Hedge fund data sourced from Albourne. Estimated return for Hudson Bay Real Estate Opportunities and TPG AG Essential Housing III is 2%. Estimate for HBC Financing Partners Fund is 1% (6/30/2026)*

Performance and Attribution

	Market Value	% of Portfolio	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Inception	Inception Date
Total Fund	**7,384,145,875**	**100.0**	**5.9**	**14.1**	**14.1**	**11.5**	**7.1**	**8.4**	**10.9**	**9.5**	**6.5**	**-4.5**	**24.1**	**7.4**	**Jun-11**
Policy Index			*5.9*	*13.6*	*13.6*	*11.8*	*7.2*	*8.5*	*11.4*	*10.5*	*8.4*	*-6.5*	*24.0*	*7.4*	
Equity	**2,536,576,049**	**34.4**	**14.6**	**24.0**	**24.0**	**18.5**	**10.3**	**12.5**	**14.6**	**16.9**	**15.7**	**-15.1**	**40.7**	**10.6**	**Jun-11**
MSCI AC World IMI Index (Net)			*14.9*	*24.2*	*24.2*	*19.5*	*10.6*	*12.5*	*15.9*	*18.4*	*16.1*	*-16.5*	*40.9*	*10.2*	
Domestic Equity	**1,426,804,833**	**19.3**	**14.7**	**21.1**	**21.1**	**18.6**	**11.5**	**14.6**	**12.7**	**22.1**	**17.6**	**-12.2**	**43.2**	**13.0**	**Jul-14**
MSCI USA IMI			*15.7*	*23.3*	*23.3*	*20.5*	*12.5*	*15.2*	*15.2*	*23.3*	*19.2*	*-13.7*	*44.4*	*13.4*	
Mellon DB SL Stock Index Fund	848,137,011	11.5	15.2	22.3	22.3	20.6	13.4	-	15.1	24.5	19.6	-10.6	40.8	15.0	Oct-17
S&P 500 Index			*15.2*	*22.3*	*22.3*	*20.6*	*13.4*	-	*15.2*	*24.6*	*19.6*	*-10.6*	*40.8*	*15.0*	
PIMCO StocksPLUS	206,962,278	2.8	15.8	22.9	22.9	21.2	13.0	15.5	15.1	25.6	18.8	-12.8	41.7	12.0	Jul-03
S&P 500 Index			*15.2*	*22.3*	*22.3*	*20.6*	*13.4*	*15.5*	*15.2*	*24.6*	*19.6*	*-10.6*	*40.8*	*11.3*	
Chilton High Conviction Equity	227,095,087	3.1	11.6	19.7	19.7	-	-	-	-	-	-	-	-	25.4	May-25
S&P 500 Index			*15.2*	*22.3*	*22.3*	-	-	-	-	-	-	-	-	*27.0*	
Geneva Capital Small Cap Growth	71,948,337	1.0	14.6	6.1	6.1	6.3	1.6	10.1	3.3	9.8	15.6	-22.1	37.6	9.1	Jul-15
Russell 2000 Growth Index			*25.7*	*38.7*	*38.7*	*18.4*	*5.6*	*12.0*	*9.7*	*9.1*	*18.5*	*-33.4*	*51.4*	*9.6*	
Congress Small Cap Value	97,066,901	1.3	18.3	-	-	-	-	-	-	-	-	-	-	14.1	Feb-26
Russell 2000 Value Index			*17.2*	-	-	-	-	-	-	-	-	-	-	*11.5*	
Parametric Domestic Overlay	-24,404,782	-0.3	-14.3	-	-	-	-	-	-	-	-	-	-	-14.3	Mar-26
International Developed Equity	**779,475,455**	**10.6**	**10.6**	**21.5**	**21.5**	**16.6**	**8.8**	**10.0**	**17.7**	**10.9**	**17.1**	**-17.8**	**36.7**	**7.2**	**Jul-14**
MSCI World ex U.S. IMI Index (Net)			*9.9*	*20.8*	*20.8*	*16.9*	*8.8*	*9.7*	*19.3*	*10.8*	*16.3*	*-17.7*	*34.8*	*6.7*	
Mellon DB SL World ex-US Index Fund	413,388,142	5.6	10.3	21.3	21.3	17.3	9.8	-	19.0	11.7	17.9	-16.1	35.6	9.5	Jul-18
MSCI World ex U.S. IMI Index (Net)			*9.9*	*20.8*	*20.8*	*16.9*	*8.8*	-	*19.3*	*10.8*	*16.3*	*-17.7*	*34.8*	*8.7*	
Cevian Capital II	65,320,242	0.9	11.8	21.9	21.9	18.9	14.1	13.0	13.2	21.8	25.3	-8.2	46.8	10.4	Dec-14
MSCI Europe (Net)			*10.9*	*18.6*	*18.6*	*16.2*	*9.5*	*9.9*	*18.4*	*11.7*	*21.8*	*-17.6*	*35.1*	*7.7*	
Lazard Japanese Equity	186,689,095	2.5	14.8	28.9	28.9	-	-	-	14.1	-	-	-	-	23.2	Nov-23
TOPIX Net Total Return Index			*11.4*	*26.3*	*26.3*	-	-	-	*15.5*	-	-	-	-	*21.6*	
American Century Non-US Small Cap	34,511,843	0.5	8.3	16.7	16.7	13.9	3.0	-	16.9	8.3	7.9	-27.4	-	5.3	Dec-20
MSCI World ex U.S. Small Cap Growth Index (Net)			*10.5*	*18.5*	*18.5*	*15.2*	*3.6*	-	*22.1*	*5.6*	*9.5*	*-28.6*	-	*5.5*	
Dalton Japan Long Only	89,285,338	1.2	4.5	13.1	13.1	-	-	-	23.5	-	-	-	-	18.7	Oct-23
MSCI Japan Small Cap Index (Net)			*12.5*	*28.5*	*28.5*	-	-	-	*22.9*	-	-	-	-	*23.4*	
Parametric International Overlay	-9,719,204	-0.1	-14.3	-	-	-	-	-	-	-	-	-	-	-14.3	Mar-26
Emerging Markets Equity	**330,293,104**	**4.5**	**24.8**	**45.6**	**45.6**	**24.5**	**9.5**	**9.0**	**16.5**	**13.8**	**4.6**	**-21.9**	**39.5**	**6.4**	**Jul-14**
MSCI Emerging Markets IMI (Net)			*22.7*	*40.3*	*40.3*	*22.1*	*7.2*	*10.0*	*14.3*	*13.6*	*3.2*	*-24.8*	*43.2*	*6.7*	
Mellon Emerging Markets Stock Index Fund	5,269,441	0.1	24.0	44.0	44.0	23.0	7.1	-	15.5	12.0	1.6	-25.5	41.1	11.9	Jun-20
MSCI Emerging Markets IMI (Net)			*22.7*	*40.3*	*40.3*	*22.1*	*7.2*	-	*14.3*	*13.6*	*3.2*	*-24.8*	*43.2*	*13.6*	
ABS Emerging Market Direct	114,176,953	1.5	21.4	46.1	46.1	-	-	-	-	-	-	-	-	30.4	Aug-24
MSCI Emerging Markets IMI (Net)			*22.7*	*40.3*	*40.3*	-	-	-	-	-	-	-	-	*28.2*	
Carrhae Capital Long Master Fund Ltd	131,171,946	1.8	35.8	53.5	53.5	-	-	-	-	-	-	-	-	38.8	Aug-24
MSCI Emerging Markets IMI (Net)			*22.7*	*40.3*	*40.3*	-	-	-	-	-	-	-	-	*27.8*	
DFA Emerging Markets Value I	84,469,473	1.1	15.9	35.8	35.8	21.0	10.8	10.8	11.9	16.7	7.9	-12.9	47.6	7.8	Mar-14
MSCI Emerging Markets Value (Net)			*21.7*	*42.3*	*42.3*	*22.3*	*9.2*	*9.4*	*12.7*	*14.1*	*4.1*	*-18.6*	*41.6*	*6.5*	
Parametric EM Overlay	-4,794,709	-0.1	-14.3	-	-	-	-	-	-	-	-	-	-	-14.3	Mar-26

Policy Index: 34% MSCI ACWI IMI (Net), 23% Fixed Income Blend - 13% Core (3% ICE BofAML 7-10 Year US Treasury Index, 2% ICE BofAML US Treasury 10+ Index, 4% Bloomberg US Aggregate Index, 4% Bloomberg US Corporate Credit 1-3 Year Index). 10% Credit (5% Securitized (2.5% Bloomberg Non-Agency CMBS Index; 1.67% Bloomberg ABS Index; 0.83% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index. 2.5% Emerging Market Debt (2.5% JPM EMBI Global Div - Hard currency only), 5% Bloomberg Commodity Index, 12% Hedge fund (9% 3-Month T-bill + 3%, 3% MSCI ACWI Net), 2.5% 3-Month T-Bill + 3%, 7% NCREIF-ODCE Net Monthly, 6% actual timeweighted Private Equity Returns, 8% actual time-weighted Private Credit Returns*, 5% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -2.5% 3-Month T-bill. Fixed Income Beta Exposure return includes overlay cash and an implied hurdle rate also applied to the Alpha pool. Hedge fund data sourced from Albourne. Estimated return for Hudson Bay Real Estate Opportunities and TPG AG Essential Housing III is 2%. Estimate for HBC Financing Partners Fund is 1% (6/30/2026)*

	Market Value	% of Portfolio	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Inception	Inception Date
Fixed Income	**1,528,828,788**	**20.7**	**1.4**	**5.2**	**5.2**	**5.4**	**1.0**	**2.8**	**7.2**	**3.9**	**2.9**	**-13.0**	**5.1**	**3.5**	**Jun-10**
Fixed Income Custom Benchmark			*1.1*	*4.2*	*4.2*	*5.5*	*1.1*	*2.6*	*7.4*	*4.8*	*1.9*	*-11.6*	*4.0*	*3.4*	
Core Fixed Income	**783,256,156**	**10.6**	**0.7**	**3.9**	**3.9**	**3.9**	**-0.3**	**1.7**	**5.5**	**2.4**	**-1.0**	**-11.4**	**0.8**	**2.0**	**Jul-14**
Core Fixed Income Benchmark			*0.7*	*3.7*	*3.7*	*4.0*	*0.0*	*1.5*	*5.8*	*2.5*	*-0.9*	*-10.3*	*-0.3*	*1.9*	
Fixed Income Beta Exposure	106,278,112	1.4	0.0	2.4	2.4	3.2	-	-	5.5	1.7	-2.5	-	-	2.3	Jun-22
ICE BofA 7-10 Year U.S. Treasury Index			*0.1*	*2.7*	*2.7*	*3.1*	-	-	*6.2*	*0.3*	*-3.3*	-	-	*1.2*	
Mellon DB SL Aggregate Bond Index Fund	180,630,915	2.4	0.7	3.8	3.8	4.1	0.0	1.5	6.1	2.6	-0.9	-10.4	-0.4	2.3	Jan-11
Bloomberg U.S. Aggregate Index			*0.7*	*3.8*	*3.8*	*4.2*	*0.1*	*1.5*	*6.1*	*2.6*	*-0.9*	*-10.3*	*-0.3*	*2.4*	
Fidelity Broad Market Duration	219,166,547	3.0	0.7	-	-	-	-	-	-	-	-	-	-	-0.4	Feb-26
Bloomberg U.S. Aggregate Index			*0.7*	-	-	-	-	-	-	-	-	-	-	*-0.4*	
Aristotle Short Duration Bond Strategy	277,176,482	3.8	0.9	4.0	4.0	-	-	-	-	-	-	-	-	5.2	Jan-25
Bloomberg U.S. Corporate 1-3 Year Index			*0.9*	*3.9*	*3.9*	-	-	-	-	-	-	-	-	*4.7*	
Credit Fixed Income	**745,386,611**	**10.1**	**2.3**	**6.6**	**6.6**	**7.6**	**3.0**	**4.2**	**9.6**	**6.7**	**8.9**	**-14.6**	**11.1**	**2.9**	**Jul-14**
Credit Fixed Income Benchmark			*1.8*	*5.4*	*5.4*	*8.0*	*3.0*	*4.5*	*10.5*	*8.2*	*9.2*	*-15.7*	*12.2*	*3.7*	
KKR US Broadly Syndicated Loan Fund	171,260,031	2.3	1.8	4.3	4.3	-	-	-	-	-	-	-	-	4.1	Oct-24
Morningstar LSTA U.S. Leveraged Loan			*1.9*	*4.4*	*4.4*	-	-	-	-	-	-	-	-	*5.2*	
Guggenheim Structured Credit	194,513,361	2.6	1.2	5.2	5.2	-	-	-	-	-	-	-	-	5.2	Jun-25
50% Bloomberg Non-Agency CMBS Index, 33.33% Bloomberg ABS Index, 16.67% JPM CL			*0.4*	*2.7*	*2.7*	-	-	-	-	-	-	-	-	*3.3*	
Schroders Credit	194,447,352	2.6	1.5	5.5	5.5	-	-	-	-	-	-	-	-	5.2	Jun-25
50% Bloomberg Non-Agency CMBS Index, 33.33% Bloomberg ABS Index, 16.67% JPM CL			*0.4*	*2.7*	*2.7*	-	-	-	-	-	-	-	-	*3.1*	
PIMCO EMD	185,165,867	2.5	5.0	11.9	11.9	9.7	3.5	-	11.8	5.6	11.3	-19.2	8.7	3.4	Feb-20
JPM EMBI Global Diversified			*4.6*	*11.8*	*11.8*	*10.3*	*2.6*	-	*10.0*	*9.2*	*7.4*	*-21.2*	*7.5*	*2.5*	
Commodities	**382,229,637**	**5.2**	**-8.3**	**22.8**	**22.8**	**13.9**	**10.4**	**7.8**	**5.9**	**13.7**	**-7.0**	**19.3**	**42.5**	**2.7**	**Jul-13**
Bloomberg Commodity Index Total Return			*-8.1*	*25.5*	*25.5*	*11.7*	*9.4*	*5.8*	*5.8*	*5.0*	*-9.6*	*24.3*	*45.6*	*1.8*	
Wellington Commodities	382,229,637	5.2	-8.3	22.8	22.8	14.5	10.8	8.5	5.8	15.5	-5.2	17.2	40.2	3.5	Sep-13
S&P GSCI Commodity Equal Weighted			*-8.4*	*22.0*	*22.0*	*12.2*	*9.6*	*7.6*	*4.8*	*10.4*	*-6.0*	*19.0*	*40.9*	*3.0*	
Hedge Funds	**886,731,719**	**12.0**	**6.1**	**9.9**	**9.9**	**9.0**	**7.5**	**7.7**	**8.2**	**8.9**	**7.0**	**3.4**	**16.1**	**6.2**	**Jun-13**
75% (3 Month T-Bill + 3%) + 25% MSCI ACWI Net			*4.9*	*11.1*	*11.1*	*10.8*	*7.9*	*7.4*	*10.0*	*11.4*	*9.4*	*-1.7*	*11.4*	*6.5*	
Aristeia International Limited	84,343,292	1.1	1.8	5.9	5.9	6.0	5.0	7.9	6.9	5.1	5.5	1.8	21.6	5.5	May-14
Brevan Howard Fund	61,732,175	0.8	3.2	3.7	3.7	4.3	5.3	7.4	6.3	3.1	-1.0	15.2	6.1	6.5	Sep-13
D.E. Shaw Composite Fund	88,357,094	1.2	8.4	25.4	25.4	19.1	19.3	16.1	19.3	12.9	11.0	29.0	19.0	15.3	Jul-13
HBK Fund II	59,449,410	0.8	2.5	8.7	8.7	9.7	7.8	6.6	9.3	11.1	7.9	2.3	11.0	5.7	Nov-13
Hudson Bay Cap Structure Arbitrage Enhanced Fund	92,573,331	1.3	2.5	6.9	6.9	6.5	7.0	-	8.6	4.0	7.7	7.7	14.2	9.2	Jun-19
Indus Pacific Opportunities Fund	66,005,871	0.9	15.4	18.9	18.9	12.5	5.4	8.4	13.1	5.8	-0.4	-8.2	38.0	8.1	Jul-14
Pharo Macro Fund	98,071,570	1.3	5.1	19.3	19.3	16.0	7.1	-	16.2	12.7	1.2	-11.1	3.5	6.4	Dec-19
PIMCO Commodity Alpha Fund	66,816,812	0.9	12.7	-11.9	-11.9	-2.2	3.8	6.9	-8.1	15.6	18.3	8.6	14.2	7.0	Jun-16
Elliott Associates	68,221,849	0.9	0.7	5.8	5.8	-	-	-	5.5	-	-	-	-	5.6	Jul-24
Hawk Ridge Partners II	92,188,725	1.2	14.9	-	-	-	-	-	-	-	-	-	-	21.9	Aug-25
PIMCO Absolute Return Strategy V Fund	48,971,591	0.7	-	-	-	-	-	-	-	-	-	-	-	-	Aug-25
Frontier Commodities Fund LP	60,000,000	0.8	-	-	-	-	-	-	-	-	-	-	-	0.0	Jun-26

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	Market Value	% of Portfolio	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Inception	Inception Date
Alpha Pool	**172,042,612**	**2.3**	**2.7**	**7.9**	**7.9**	**4.9**	**3.0**	**-**	**6.2**	**0.7**	**-0.9**	**1.5**	**14.5**	**4.9**	**Jul-20**
3-Month Treasury Bill +3%			*1.6*	*7.0*	*7.0*	*7.8*	*6.6*	-	*7.8*	*8.6*	*6.7*	*3.2*	*3.1*	*6.0*	
Hudson Bay - Alpha Pool	42,150,331	0.6	2.3	6.4	6.4	3.0	2.9	-	5.7	-2.8	-1.1	6.7	-	4.5	Aug-20
Davidson Kempner Institutional Partners	61,758,028	0.8	3.1	10.0	10.0	6.4	2.2	-	8.0	1.2	-4.1	-3.4	-	3.5	Dec-20
HBK Fund II	22,055,561	0.3	2.3	8.3	8.3	6.2	3.7	-	6.4	4.0	-1.0	1.3	-	4.3	Dec-20
Garda Fixed Income Relative Value Opportunity Fund	46,078,692	0.6	2.6	6.3	6.3	4.1	-	-	4.2	1.8	3.6	-	-	4.4	Sep-21
Core Real Estate	**573,084,040**	**7.8**	**2.0**	**9.2**	**9.2**	**-3.1**	**-0.1**	**2.5**	**4.5**	**-20.2**	**-12.4**	**24.8**	**5.6**	**4.0**	**Oct-14**
NCREIF ODCE (Net)			*1.3*	*3.6*	*3.6*	*-1.4*	*1.9*	*3.7*	*2.7*	*-10.0*	*-10.7*	*28.3*	*7.1*	*4.9*	
ASB Allegiance Real Estate Fund	102,606,695	1.4	1.9	5.0	5.0	-6.4	-2.6	1.0	2.8	-23.9	-13.3	23.0	5.4	3.4	Sep-13
NCREIF ODCE (Net)			*1.3*	*3.6*	*3.6*	*-1.4*	*1.9*	*3.7*	*2.7*	*-10.0*	*-10.7*	*28.3*	*7.1*	*5.4*	
JPMCB Strategic Property Fund	81,157,068	1.1	1.4	4.5	4.5	-2.6	0.9	3.1	3.9	-14.9	-11.4	27.9	5.9	4.4	Jul-14
NCREIF ODCE (Net)			*1.3*	*3.6*	*3.6*	*-1.4*	*1.9*	*3.7*	*2.7*	*-10.0*	*-10.7*	*28.3*	*7.1*	*5.1*	
Blue Owl Real Estate Fund VI	56,468,324	0.8	4.0	18.7	18.7	-	-	-	12.0	-	-	-	-	7.2	May-24
NCREIF ODCE (Net)			*1.3*	*3.6*	*3.6*	-	-	-	*2.7*	-	-	-	-	*2.6*	
Sculptor Diversified REIT	82,827,438	1.1	1.2	15.4	15.4	-	-	-	-	-	-	-	-	10.2	Dec-24
NCREIF ODCE (Net)			*1.3*	*3.6*	*3.6*	-	-	-	-	-	-	-	-	*3.9*	
Hudson Bay Real Estate Opportunities	44,190,129	0.6	2.0	10.9	10.9	-	-	-	-	-	-	-	-	10.5	Jan-25
NCREIF ODCE (Net)			*1.3*	*3.6*	*3.6*	-	-	-	-	-	-	-	-	*3.5*	
TPG AG Essential Housing III	31,931,363	0.4	2.0	12.1	12.1	-	-	-	-	-	-	-	-	10.7	Dec-24
NCREIF ODCE (Net)			*1.3*	*3.6*	*3.6*	-	-	-	-	-	-	-	-	*4.0*	
Sculptor Real Estate Fund MI Fund	10,393,974	0.1	0.0	-	-	-	-	-	-	-	-	-	-	-	Dec-24
NCREIF-ODCE			*1.5*	*4.4*	*4.4*	-	-	-	-	-	-	-	-	*4.8*	
BPC Real Estate Debt Fund LP	16,917,168	0.2	3.5	12.9	12.9	-	-	-	-	-	-	-	-	16.5	Mar-25
NCREIF ODCE (Net)			*1.3*	*3.6*	*3.6*	-	-	-	-	-	-	-	-	*4.0*	
Fortress CRE Enhanced Income Fund	55,196,229	0.7	2.3	-	-	-	-	-	-	-	-	-	-	2.3	Dec-25
NCREIF-ODCE			*1.5*	-	-	-	-	-	-	-	-	-	-	*3.7*	
HBC Financing Partners Fund	91,395,652	1.2	-	-	-	-	-	-	-	-	-	-	-	1.0	May-26
NCREIF ODCE (Net)			-	-	-	-	-	-	-	-	-	-	-	*1.3*	
Private Real Assets	**307,249,481**	**4.2**	**2.2**	**8.7**	**8.7**	**0.7**	**8.9**	**7.9**	**0.4**	**-6.4**	**7.9**	**38.8**	**9.6**	**10.7**	**Mar-11**
			2.2	*8.7*	*8.7*	*0.7*	*8.9*	*7.9*	*0.4*	*-6.4*	*7.9*	*38.8*	*9.6*	*10.3*	
Private Equity	**399,617,727**	**5.4**	**0.9**	**12.5**	**12.5**	**11.2**	**10.7**	**11.2**	**9.1**	**11.9**	**-0.6**	**21.5**	**41.9**	**10.9**	**Sep-10**
			0.9	*12.5*	*12.5*	*11.2*	*10.7*	*11.2*	*9.1*	*11.9*	*-0.6*	*21.5*	*41.9*	*10.8*	
Private Credit	**475,507,670**	**6.4**	**4.4**	**11.3**	**11.3**	**11.4**	**7.4**	**7.6**	**9.7**	**13.1**	**3.2**	**0.3**	**4.8**	**8.1**	**Jan-16**
			4.4	*11.3*	*11.3*	*11.4*	*7.4*	*7.6*	*9.7*	*13.1*	*3.2*	*0.3*	*4.8*	*8.1*	

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	Market Value	% of Portfolio	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Inception	Inception Date
Opportunistic	**128,617,624**	**1.7**	**1.1**	**15.3**	**15.3**	**12.0**	**6.0**	**-**	**18.4**	**2.9**	**0.6**	**-5.4**	**60.3**	**10.9**	**Jan-20**
Assumed Rate of Return +3%			*2.4*	*10.0*	*10.0*	*10.0*	*10.0*	*-*	*10.0*	*10.0*	*10.0*	*10.0*	*10.0*	*10.0*	
Sixth Street TAO Partners (D)	53,789,931	0.7	1.5	18.3	18.3	12.6	10.3	-	8.3	11.3	4.4	9.6	39.6	14.1	Mar-20
Assumed Rate of Return +3%			*2.4*	*10.0*	*10.0*	*10.0*	*10.0*	*-*	*10.0*	*10.0*	*10.0*	*10.0*	*10.0*	*10.0*	
Aristeia Select Opportunities II	64,899,011	0.9	1.4	10.0	10.0	10.3	-	-	35.1	-9.7	-7.2	-	-	5.5	Jul-21
Assumed Rate of Return +3%			*2.4*	*10.0*	*10.0*	*10.0*	*10.0*	*-*	*10.0*	*10.0*	*10.0*	*10.0*	*-*	*10.0*	
Hudson Bay Special Opportunities Fund LP	6,084,439	0.1	5.3	14.8	14.8	-	-	-	65.0	-	-	-	-	40.6	Feb-24
Assumed Rate of Return +3%			*2.4*	*10.0*	*10.0*	*-*	*-*	*-*	*10.0*	*-*	*-*	*-*	*-*	*10.0*	
BPC Real Estate Debt Fund Co-Investment	2,328,930	0.0	-0.2	-	-	-	-	-	-	-	-	-	-	4.9	Aug-25
Assumed Rate of Return +3%			*2.4*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*9.1*	
Beach Point Capital Real Estate Debt - Fulton	1,515,313	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	Jun-26
NCREIF ODCE (Net)			*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*1.3*	
Cash	**109,732,876**	**1.5**	**1.1**	**4.5**	**4.5**	**5.3**	**3.6**	**2.7**	**5.2**	**6.3**	**2.5**	**-0.2**	**0.1**	**2.2**	**Apr-11**
3 Month T-Bill			*0.9*	*3.8*	*3.8*	*4.6*	*3.5*	*2.3*	*4.7*	*5.4*	*3.6*	*0.2*	*0.1*	*1.5*	

Policy Index: 34% MSCI ACWI IMI (Net), 23% Fixed Income Blend - 13% Core (3% ICE BofAML 7-10 Year US Treasury Index, 2% ICE BofAML US Treasury 10+ Index, 4% Bloomberg US Aggregate Index, 4% Bloomberg US Corporate Credit 1-3 Year Index). 10% Credit (5% Securitized (2.5% Bloomberg Non-Agency CMBS Index; 1.67% Bloomberg ABS Index; 0.83% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index. 2.5% Emerging Market Debt (2.5% JPM EMBI Global Div - Hard currency only), 5% Bloomberg Commodity Index, 12% Hedge fund (9% 3-Month T-bill + 3%, 3% MSCI ACWI Net), 2.5% 3-Month T-Bill + 3%, 7% NCREIF-ODCE Net Monthly, 6% actual timeweighted Private Equity Returns, 8% actual time-weighted Private Credit Returns*, 5% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -2.5% 3-Month T-bill. Fixed Income Beta Exposure return includes overlay cash and an implied hurdle rate also applied to the Alpha pool. Hedge fund data sourced from Albourne. Estimated return for Hudson Bay Real Estate Opportunities and TPG AG Essential Housing III is 2%. Estimate for HBC Financing Partners Fund is 1% (6/30/2026)*

			IRR Analysis as of IRR date									
Vintage Year	Manager/Fund	Estimated Market Value as of 6/30/26	Total Commitment	Capital Called	% Called	Remaining Commitment	Capital Returned	Market Value as of IRR date	Distrib./ Paid-In (DPI)[1]	Tot. Value/ Paid-In (TVPI)[2]	Net IRR Since Inception[3]	IRR Date
Private Equity												
2008	Abbott Capital PE VI	$1,127,501	$50,000,000	$50,000,000	100%	$0	$94,226,910	$6,810,805	*1.88x*	*1.91x*	*15.3%*	12/31/25
2006	Pantheon Global III	$535,597	$50,000,000	$47,300,000	95%	$2,700,000	$52,000,000	$537,225	*1.10x*	*1.11x*	*1.9%*	12/31/24
2002	Pantheon USA V	$30,817	$25,000,000	$24,350,000	97%	$650,000	$38,291,224	$30,817	*1.57x*	*1.57x*	*9.0%*	12/31/24
2004	Pantheon USA VI	$311,635	$35,000,000	$33,075,000	95%	$1,925,000	$50,623,827	$311,850	*1.53x*	*1.54x*	*7.3%*	12/31/24
2006	Pantheon USA VII	$1,343,333	$50,000,000	$46,600,000	93%	$3,400,000	$85,479,998	$3,043,333	*1.83x*	*1.86x*	*7.3%*	12/31/25
2020	Vista Foundation Fund IV	$21,881,634	$25,000,000	$22,051,958	88%	$2,948,042	$831,242	$21,881,634	*0.04x*	*1.03x*	*-1.9%*	06/30/26
2021	Crown Global Secondaries V Master S.C.Sp	$38,880,737	$50,000,000	$35,150,000	70%	$14,850,000	$12,550,000	$38,880,737	*0.36x*	*1.46x*	*14.7%*	06/30/26
2021	Brighton Park Capital Fund I	$38,667,752	$30,000,000	$28,164,111	94%	$1,835,889	$8,050,138	$38,667,752	*0.29x*	*1.66x*	*12.0%*	06/30/26
2021	Warren Equity Partners Fund III	$45,335,937	$32,500,000	$29,582,245	91%	$2,917,755	$3,247,297	$45,335,937	*0.11x*	*1.64x*	*13.2%*	06/30/26
2021	Peak Rock Capital Fund III	$23,598,064	$30,000,000	$26,597,930	89%	$3,402,070	$20,773,642	$23,598,064	*0.78x*	*1.67x*	*24.3%*	06/30/26
2021	Level Equity Growth Partners V	$17,757,002	$15,000,000	$12,838,118	86%	$2,161,882	$134,351	$17,757,002	*0.01x*	*1.39x*	*13.1%*	06/30/26
2021	Level Equity Opportunities Fund 2021	$19,320,287	$15,000,000	$11,130,356	74%	$3,869,644	$140,206	$19,320,287	*0.01x*	*1.75x*	*18.6%*	06/30/26
2022	Linden Capital Partners V LP	$23,701,563	$22,500,000	$20,782,237	92%	$1,717,763	$623,163	$23,701,563	*0.03x*	*1.17x*	*7.9%*	06/30/26
2022	Rubicon Technology Partners IV LP	$20,250,561	$30,000,000	$16,421,334	55%	$13,578,666	$490,744	$18,407,049	*0.03x*	*1.26x*	*12.0%*	03/31/26
2022	OrbiMed Private Investments IX, LP	$7,584,847	$10,000,000	$6,409,777	64%	$3,590,223	$1,796,662	$6,904,565	*0.28x*	*1.46x*	*30.4%*	03/31/26
2022	Brighton Park Capital Fund II	$23,322,590	$30,000,000	$23,801,560	79%	$6,198,440	$4,144,143	$23,322,590	*0.17x*	*1.15x*	*7.0%*	06/30/26
2022	Linden Co-Investment V LP	$9,808,519	$7,500,000	$7,223,331	96%	$276,669	$470,008	$9,808,519	*0.07x*	*1.42x*	*14.4%*	06/30/26
2022	Warren Equity Partners Fund IV	$38,053,352	$32,500,000	$16,127,705	50%	$16,372,295	$806,265	$38,053,352	*0.05x*	*2.41x*	*21.7%*	06/30/26
2023	WEP Co-Invest IV	$11,644,391	$10,000,000	$9,757,415	98%	$242,585	$173,170	$11,644,391	*0.02x*	*1.21x*	*11.7%*	06/30/26
2023	Crown Global Secondaries Fund VI	$14,979,944	$30,000,000	$11,250,000	38%	$18,750,000	$0	$14,979,944	*0.00x*	*1.33x*	*33.5%*	06/30/26
2023	Parthenon Investors VII	$12,689,130	$30,000,000	$16,620,636	55%	$13,379,364	$392,741	$12,689,130	*0.02x*	*0.79x*	*4.2%*	06/30/26
2024	Longreach Capital Partners	$4,716,564	$15,000,000	$5,586,606	37%	$9,413,394	$421,772	$4,581,046	*0.08x*	*0.92x*	*-1.8%*	03/31/26
2024	Blue Owl Strategic Equity	$5,193,628	$25,000,000	$8,309,672	33%	$16,690,328	$7,739,432	N/A	*0.93x*	*1.56x*	*N/A*	N/A
2025	WEP IV TreeCo Co-Invest	$4,518,961	$5,000,000	$3,866,955	77%	$1,133,045	$0	$4,518,961	*0.00x*	*1.17x*	*6.8%*	06/30/26
2025	Accel-KKR Capital Partners VII	$3,147,678	$25,000,000	$2,386,418	10%	$22,613,582	$51,361	N/A	*0.02x*	*1.34x*	*N/A*	N/A
2025	Petershill PES II	$813,903	$25,000,000	$813,903	3%	$24,186,097	$0	N/A	*0.00x*	*1.00x*	*N/A*	N/A
2025	Blue Owl Strategic Equity Holdco LLC	$0	$25,000,000	$31,250	0%	$24,968,750	$65,456	N/A	*2.09x*	*2.09x*	*N/A*	N/A
2026	Level Equity Growth Partners VI	$2,191,995	$15,000,000	$2,191,995	15%	$12,808,005	$0	N/A	*0.00x*	*1.00x*	*N/A*	N/A
2026	OrbiMed Private Investments X, LP	$2,409,418	$20,000,000	$2,400,000	12%	$17,600,000	$0	N/A	*0.00x*	*1.00x*	*N/A*	N/A
2026	Merit Hill Self-Storage VI, LP.	$2,075,155	$40,000,000	$4,150,310	10%	$35,849,690	$0	N/A	*0.00x*	*0.50x*	*N/A*	N/A
2026	Atlas Capital Resources V LP	$3,725,232	$90,000,000	$7,492,151	8%	$82,507,849	$41,686	N/A	*0.01x*	*0.50x*	*N/A*	N/A
2026	Level Equity Opportunities Fund 2025	$0	$15,000,000	$0	0%	$15,000,000	$0	N/A	*N/A*	N/A	*N/A*	N/A
2026	Linden Capital Partners VI	$0	$30,000,000	$0	0%	$30,000,000	$0	N/A	*N/A*	N/A	*N/A*	N/A
2026	Warren Equity Partners V	$0	$30,000,000	$0	0%	$30,000,000	$0	N/A	*N/A*	N/A	*N/A*	N/A
	Total Private Equity	**$399,617,727**	$940,000,000	$532,462,972	57%	$407,537,028	$383,565,436	$384,786,554	*0.72x*	*1.47x*		
	% of Portfolio (Market Value)	***5.4%***										

[1](DPI) is equal to (capital returned / capital called)

[2](TVPI) is equal to (market value + capital returned) / capital called

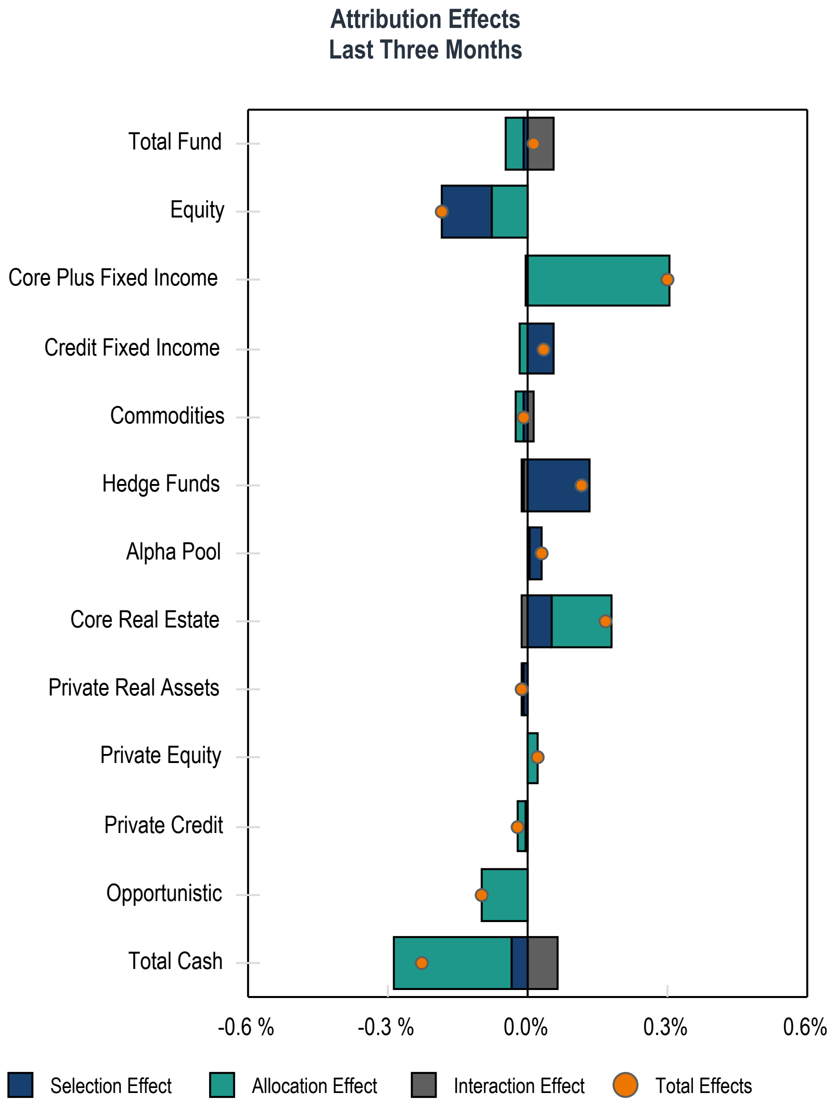
[3]Net IRR is calculated on the cash flows of all the limited partners of the fund and is net of all fees. Each IRR is provided by the Fund manager and is reflective of the Fund IRR, rather than KCERA's specific IRR.

			IRR Analysis as of IRR date									
Vintage Year	Manager/Fund	Estimated Market Value 6/30/2026	Total Commitment	Capital Called	% Called	Remaining Commitment	Capital Returned	Market Value as of IRR date	Distrib./ Paid-In (DPI)[1]	Tot. Value/ Paid-In (TVPI)[2]	Net IRR Since Inception[3]	IRR Date
Private Credit												
2015	DC Value Recovery Fund IV[4]	$8,113,539	$74,360,749	$73,340,099	99%	$1,020,650	$46,910,192	N/A	0.64x	0.75x	N/A	N/A
2017	Sixth Street TAO Partners (B)	$53,881,399	$108,035,958	$101,251,760	94%	$6,784,198	$58,379,512	$48,026,161	0.58x	1.11x	10.7%	3/31/26
2017	Brookfield Real Estate Finance Fund V	$5,568,802	$50,000,000	$39,318,573	79%	$10,681,427	$39,415,421	$5,688,581	1.00x	1.14x	4.0%	3/31/26
2018	Magnetar Constellation Fund V	$9,307,360	$60,000,000	$56,445,318	94%	$3,554,682	$58,937,637	$9,307,360	1.04x	1.21x	5.0%	6/30/26
2019	H.I.G Bayside Loan Opportunity Fund V	$34,010,019	$60,000,000	$36,671,764	61%	$23,328,236	$35,892,448	$34,010,019	0.98x	1.91x	17.0%	6/30/26
2020	Blue Torch Credit Opportunities Fund II	$11,884,806	$20,000,000	$17,296,007	86%	$2,703,993	$8,935,024	$11,767,742	0.52x	1.20x	7.8%	3/31/26
2020	Fortress Credit Opportunites Fund V Expansion	$24,985,647	$40,000,000	$43,266,559	108%	$0	$28,608,090	$32,514,475	0.66x	1.24x	10.4%	12/31/25
2021	Fortress Lending Fund II	$10,076,232	$40,000,000	$35,322,373	88%	$4,677,627	$35,257,551	$10,076,232	1.00x	1.28x	8.2%	6/30/26
2022	Blue Torch Credit Opportunities Fund III	$36,511,110	$40,000,000	$40,000,000	100%	$0	$16,635,189	$36,186,895	0.42x	1.33x	15.0%	3/31/26
2022	Fortress Lending Fund III	$19,871,213	$40,000,000	$27,538,798	69%	$12,461,202	$14,834,723	$19,871,213	0.54x	1.26x	11.2%	6/30/26
2022	OrbiMed Royalty & Credit Opportunities IV	$10,501,803	$30,000,000	$18,433,980	61%	$11,566,020	$10,336,992	$13,284,124	0.56x	1.13x	14.2%	3/31/26
2023	Cerberus Business Finance V	$22,861,160	$30,000,000	$25,055,642	84%	$4,944,358	$11,400,630	$22,861,160	0.46x	1.37x	15.3%	6/30/26
2023	Silver Point – Specialty Credit Fund III	$16,129,725	$30,000,000	$24,308,090	81%	$5,691,910	$12,105,949	$16,129,725	0.50x	1.16x	13.6%	6/30/26
2023	Ares Pathfinder II	$20,526,955	$30,000,000	$15,611,589	52%	$14,388,411	$418,937	$17,856,097	0.03x	1.34x	16.5%	3/31/26
2023	Oak Hill Advisors Structured Products Fund III, L.P.	$26,159,541	$25,000,000	$23,598,626	94%	$1,401,374	$1,127,312	$19,820,832	0.05x	1.16x	-2.5%	3/31/26
2023	Ares Senior Direct Lending III	$15,125,657	$30,000,000	$12,031,596	40%	$17,968,404	$1,478,232	$11,661,333	0.12x	1.38x	17.3%	12/31/25
2024	ITE Rail Fund, L.P.	$41,438,304	$40,000,000	$34,296,307	86%	$5,703,693	$3,488,447	N/A	0.10x	1.31x	N/A	N/A
2024	HPS Special Situations Opportunity Fund II, L.P.	$13,289,548	$25,000,000	$13,508,181	46%	$11,491,819	$1,798,337	$13,289,548	0.13x	1.12x	12.1%	6/30/26
2024	Castlelake Aviation V Stable Yield	$9,143,104	$30,000,000	$7,013,250	23%	$22,986,750	$994,385	$9,143,104	0.14x	1.45x	34.0%	6/30/26
2025	Fortress Credit Opportunities Fund VI	$9,210,217	$25,000,000	$11,834,992	47%	$13,165,008	$5,175,300	$9,210,217	0.44x	1.22x	13.0%	6/30/26
2025	Quantum Capital Solutions II	$17,874,645	$39,600,000	$11,056,716	28%	$28,543,284	$5,181,717	$19,934,689	0.47x	2.09x	25.0%	6/30/26
2025	Quantum Capital Solutions II Co-Investment Fund, LP	$3,651,068	$7,900,000	$7,042,865	89%	$857,135	$1,033,895	$4,171,246	0.15x	0.67x	28.0%	6/30/26
2025	Blue Torch Credit Opportunities Fund IV	$9,411,577	$25,000,000	$8,796,878	35%	$16,203,122	$345,923	$7,623,500	0.04x	1.11x	22.0%	3/31/26
2025	OrbiMed Royalty & Credit Opportunities V	$2,986,362	$30,000,000	$3,150,000	11%	$26,850,000	$0	$1,477,696	0.00x	0.95x	38.2%	3/31/26
2025	Fortress Legal Assets Fund II	$15,771,701	$40,000,000	$15,730,086	39%	$24,269,914	$122,839	$10,389,364	0.01x	1.01x	22.7%	3/31/26
2025	TPG AG Asset Based Credit Evergreen Fund	$27,216,176	$30,000,000	$27,000,000	90%	$3,000,000	$136,509	$22,179,512	0.01x	1.01x	23.1%	3/31/26
2026	Ares Partners Fund III	$0	$40,000,000	$0	0%	$40,000,000	$0	$0	N/A	N/A	N/A	N/A
2026	Ares Pathfinder III	$0	$40,000,000	$0	0%	$40,000,000	$0	$0	N/A	N/A	N/A	N/A
	Total Private Credit	**$475,507,670**	$1,079,896,707	$728,920,048	67%	$314,243,218	$398,951,189	$406,480,825	0.55x	1.20x		
	% of Portfolio (Market Value)	**6.4%**										

[1](DPI) is equal to (capital returned / capital called)
[2](TVPI) is equal to (market value + capital returned) / capital called
[3]Net IRR is calculated on the cash flows of all the limited partners of the fund and is net of all fees. Each IRR is provided by the Fund manager and is reflective of the Fund IRR, rather than KCERA's specific IRR.
[4]Name changed from Colony Distressed Credit fund to DC Value Recovery Fund IV

Vintage Year	Manager/Fund	Estimated Market Value 6/30/2026	Total Commitment	Capital Called	% Called	Remaining Commitment	Capital Returned	Market Value as of IRR date	Distrib./ Paid-In (DPI)[1]	Tot. Value/ Paid-In (TVPI)[2]	Net IRR Since Inception[3]	IRR Date
			IRR Analysis as of IRR date									
Private Real Assets												
2017	Landmark Real Estate Partners VIII	$24,487,436	$60,000,000	$48,108,827	80%	$11,891,173	$32,916,613	$28,285,567	0.68x	1.19x	6.6%	03/31/26
2018	Long Wharf Real Estate Partners VI	$25,790,710	$50,000,000	$50,000,000	100%	$0	$26,065,411	$25,790,710	0.52x	1.04x	9.6%	06/30/26
2020	Covenant Apartment Fund X	$23,885,360	$30,000,000	$25,507,333	85%	$4,492,667	$10,641,009	$23,885,360	0.42x	1.35x	5.8%	06/30/26
2021	Singerman Real Estate Opportunity Fund IV	$24,225,037	$35,000,000	$25,952,500	74%	$9,047,500	$5,074,955	$24,225,037	0.20x	1.13x	7.3%	06/30/26
2022	LBA Logistics Value Fund IX, L.P.	$24,176,478	$40,000,000	$20,615,384	52%	$19,384,616	$0	$24,176,478	0.00x	1.17x	-0.5%	06/30/26
2022	Covenant Apartment Fund XI	$32,278,609	$30,000,000	$20,850,000	70%	$38,076,924	$2,196,500	$32,278,609	0.11x	1.65x	7.6%	06/30/26
2022	KSL Capital Partners VI	$14,946,703	$30,000,000	$19,080,650	64%	$10,919,350	$515,201	$14,946,703	0.03x	0.81x	-8.7%	06/30/26
2023	Merit Hill V	$24,571,380	$30,000,000	$32,531,712	108%	-$2,531,711	$8,440,885	$24,186,839	0.26x	1.01x	1.2%	12/31/25
2024	Juniper Capital IV, L.P.	$12,632,581	$30,000,000	$10,658,126	36%	$19,341,874	$59,700	$12,632,581	0.01x	1.19x	10.4%	06/30/26
2024	Juniper High Noon Partners, L.P.	$5,046,967	$5,000,000	$3,309,091	66%	$1,690,909	$0	$3,313,080	0.00x	1.53x	46.1%	12/31/24
2024	Landmark Real Estate Partners IX	$20,843,761	$40,000,000	$17,590,932	44%	$22,409,068	$0	$15,706,520	0.00x	1.18x	24.3%	03/31/26
2024	LRAF Holdings 21 Project Yeti II	$19,204,175	$25,000,000	$19,508,622	78%	$5,491,378	$2,912,633	$13,693,257	0.15x	1.13x	11.1%	06/30/25
2024	Post Oak Energy Partners GP V, LP	$23,725,175	$40,000,000	$41,099,805	103%	-$1,099,805	$24,114,527	$25,725,175	0.59x	1.16x	40.0%	06/30/26
2025	Covenant Apartment Fund XII	$8,236,455	$30,000,000	$6,300,000	21%	$23,700,000	$38,618	$8,236,455	0.01x	1.31x	-0.9%	06/30/26
2025	Sculptor Real Estate V	$4,073,654	$50,000,000	$4,986,260	10%	$45,013,740	$1,083,338	N/A	0.22x	1.03x	N/A	N/A
2025	Singerman Real Estate Opportunity Fund V	$2,025,000	$30,000,000	$2,025,000	7%	$27,975,000	$0	N/A	0.00x	1.00x	N/A	N/A
2026	Kayne Anderson Real Estate Partners VII	$17,100,000	$30,000,000	$17,100,000	57%	$12,900,000	$0	N/A	0.00x	1.00x	N/A	N/A
	Total Private Real Assets	**$307,249,481**	$585,000,000	$365,224,243	62%	$248,702,681	$114,059,391	$277,082,371	0.31x	1.15x		
	% of Portfolio (Market Value)	4.2%										

[1](DPI) is equal to (capital returned / capital called)
[2](TVPI) is equal to (market value + capital returned) / capital called
[3]Net IRR is calculated on the cash flows of all the limited partners of the fund and is net of all fees. Each IRR is provided by the Fund manager and is reflective of the Fund IRR, rather than KCERA's specific IRR.



Performance Attribution

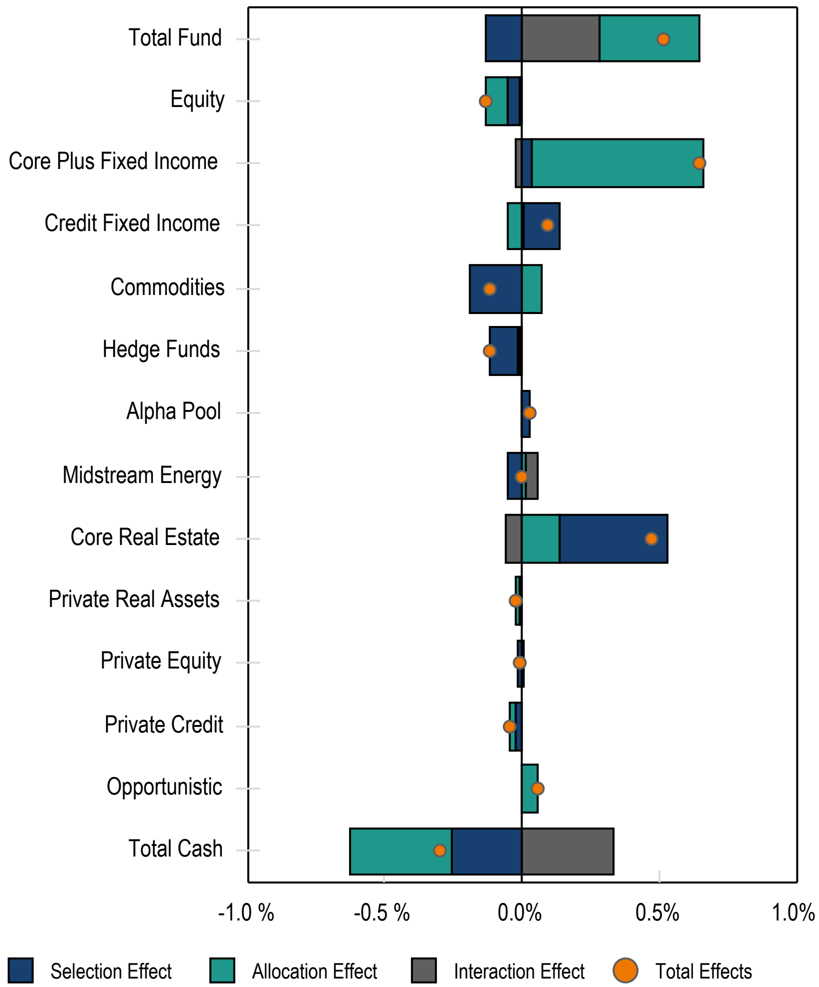
	Last Three Months
Wtd. Actual Return	5.9
Wtd. Index Return	5.9
Excess Return	**0.0**
Selection Effect	0.0
Allocation Effect	0.0
Interaction Effect	0.1

Attribution Summary
Last Three Months

	Actual Weight (%)	Policy Weight (%)	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Equity	34.1	34.0	14.6	14.9	-0.3	-0.1	-0.1	0.0	-0.2
Core Plus Fixed Income	11.4	15.7	0.7	0.7	-0.1	0.0	0.3	0.0	0.3
Credit Fixed Income	10.2	10.0	2.3	1.8	0.5	0.0	0.0	0.0	0.0
Commodities	5.5	5.0	-8.3	-8.1	-0.2	0.0	0.0	0.0	0.0
Hedge Funds	10.4	10.7	6.1	4.9	1.2	0.1	0.0	0.0	0.1
Alpha Pool	2.3	2.5	2.7	1.6	1.0	0.0	0.0	0.0	0.0
Core Real Estate	6.0	7.7	2.0	1.3	0.7	0.0	0.1	0.0	0.2
Private Real Assets	4.1	4.3	2.1	2.2	-0.2	0.0	0.0	0.0	0.0
Private Equity	5.4	6.0	0.9	0.9	0.0	0.0	0.0	0.0	0.0
Private Credit	6.5	6.7	4.3	4.4	-0.1	0.0	0.0	0.0	0.0
Opportunistic	1.9	0.0	1.1	2.4	-1.3	0.0	-0.1	0.0	-0.1
Total Cash	2.2	-2.5	2.3	0.9	1.4	0.0	-0.3	0.1	-0.2
Total Fund	**100.0**	**100.0**	**5.9**	**5.9**	**0.0**	**0.0**	**0.0**	**0.1**	**0.0**

Weighted returns shown in attribution analysis may differ from actual returns. Negative cash allocation unable to be shown in Attribution Summary table. Wtd. Index Returns calculated from benchmark returns and weightings of each component. Selection Effect includes Other Effect in the Performance Attribution table.

Attribution Effects
Fiscal YTD



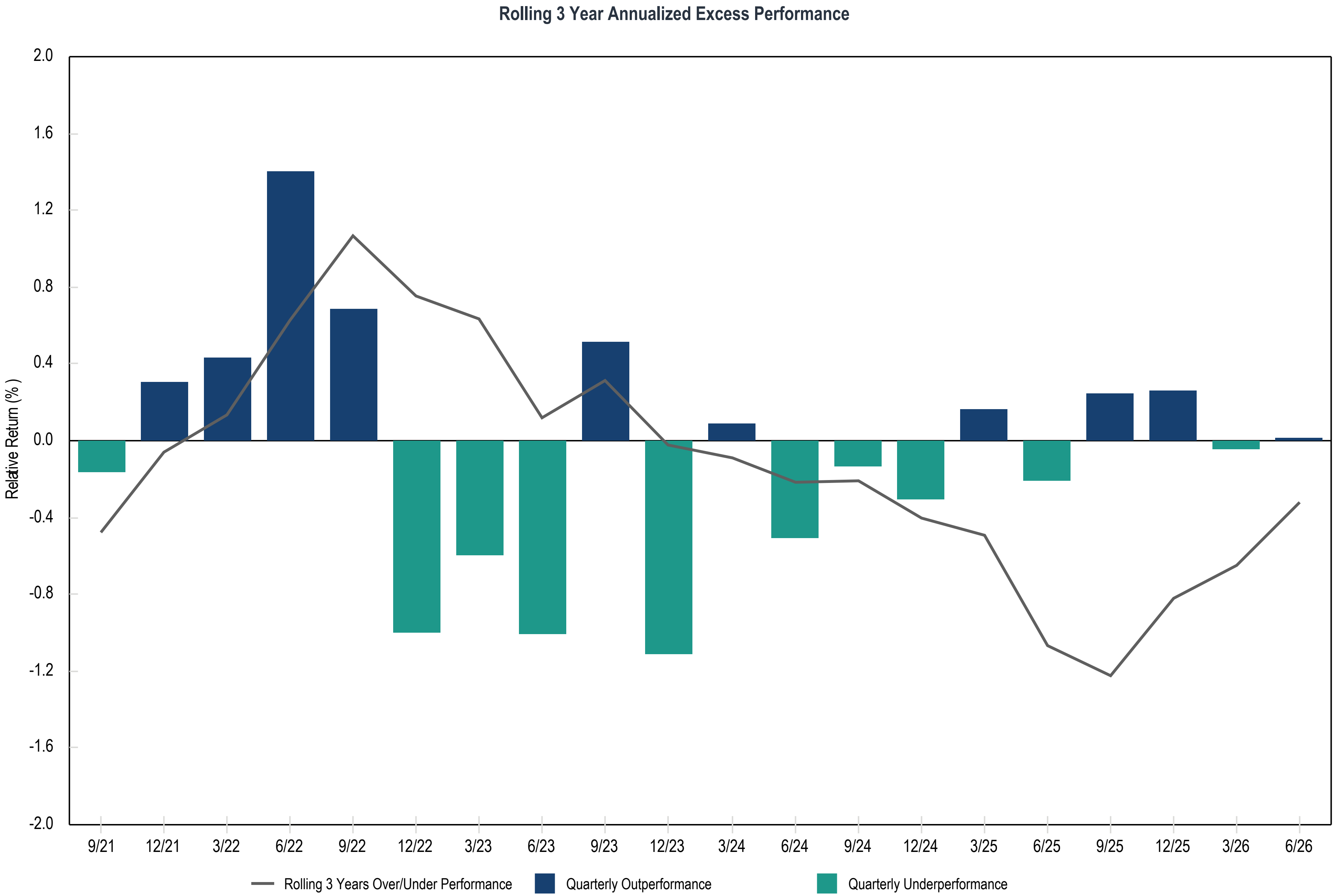
Performance Attribution

	Fiscal YTD
Wtd. Actual Return	14.1
Wtd. Index Return	13.6
Excess Return	**0.5**
Selection Effect	-0.1
Allocation Effect	0.4
Interaction Effect	0.3

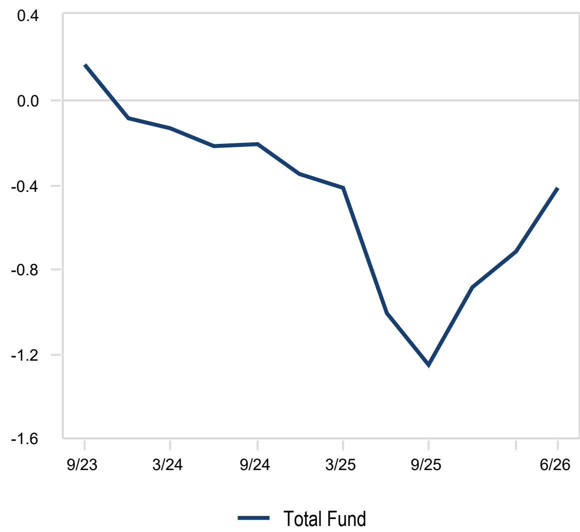
Attribution Summary
FYTD

	Actual Weight (%)	Policy Weight (%)	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Equity	34.2	33.5	24.0	24.2	-0.2	-0.1	-0.1	0.0	-0.1
Core Plus Fixed Income	11.1	16.7	3.9	3.7	0.2	0.0	0.6	0.0	0.6
Credit Fixed Income	10.4	10.0	6.6	5.4	1.3	0.1	0.0	0.0	0.1
Commodities	4.7	4.5	22.8	25.5	-2.6	-0.2	0.1	0.0	-0.1
Hedge Funds	10.0	10.2	9.9	11.1	-1.2	-0.1	0.0	0.0	-0.1
Alpha Pool	2.4	2.5	7.9	7.0	0.9	0.0	0.0	0.0	0.0
Midstream Energy	2.2	2.5	-0.9	-0.1	-0.8	-0.1	0.0	0.0	0.0
Core Real Estate	5.7	6.9	9.2	3.6	5.6	0.4	0.1	-0.1	0.5
Private Real Assets	4.1	4.1	8.5	8.7	-0.2	0.0	0.0	0.0	0.0
Private Equity	5.5	5.5	12.3	12.5	-0.2	0.0	0.0	0.0	0.0
Private Credit	6.4	6.2	11.0	11.3	-0.3	0.0	0.0	0.0	0.0
Opportunistic	2.2	0.0	15.3	10.0	5.3	0.0	0.1	0.0	0.1
Total Cash	1.1	-2.5	13.5	3.8	9.6	-0.3	-0.4	0.3	-0.3
Total Fund	**100.0**	**100.0**	**14.1**	**13.6**	**0.5**	**-0.1**	**0.4**	**0.3**	**0.5**

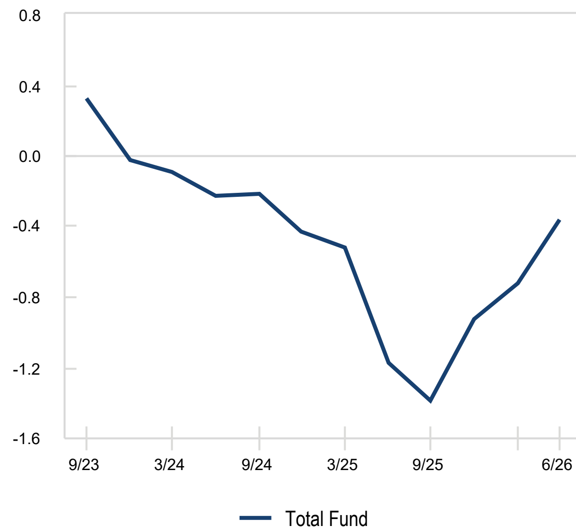
Weighted returns shown in attribution analysis may differ from actual returns. Negative cash allocation unable to be shown in Attribution Summary table. Wtd. Index Returns calculated from benchmark returns and weightings of each component. Selection Effect includes Other Effect in the Performance Attribution table. Midstream terminated 12/31/2025.


Rolling 3 Year Annualized Excess Performance
2.0
1.6
1.2
0.8
0.4
0.0
-0.4
-0.8
-1.2
-1.6
-2.0
Relative Return (%)
9/21
12/21
3/22
6/22
9/22
12/22
3/23
6/23
9/23
12/23
3/24
6/24
9/24
12/24
3/25
6/25
9/25
12/25
3/26
6/26
Rolling 3 Years Over/Under Performance
Quarterly Outperformance
Quarterly Underperformance

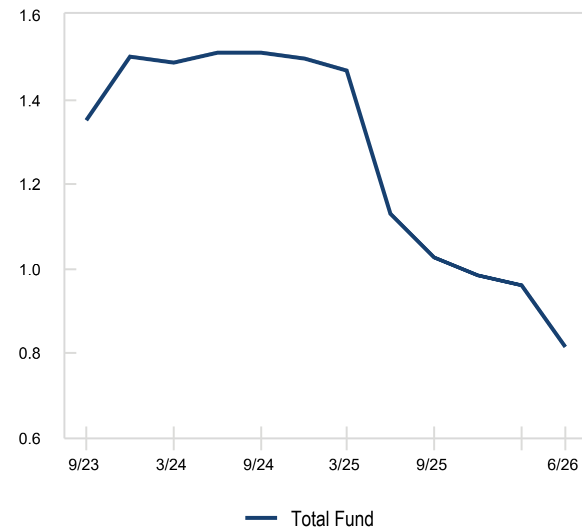
Rolling Information Ratio



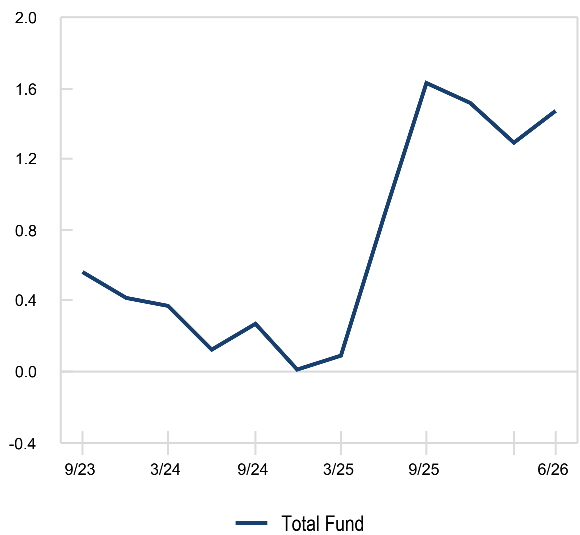
Rolling Annual Excess Benchmark Return



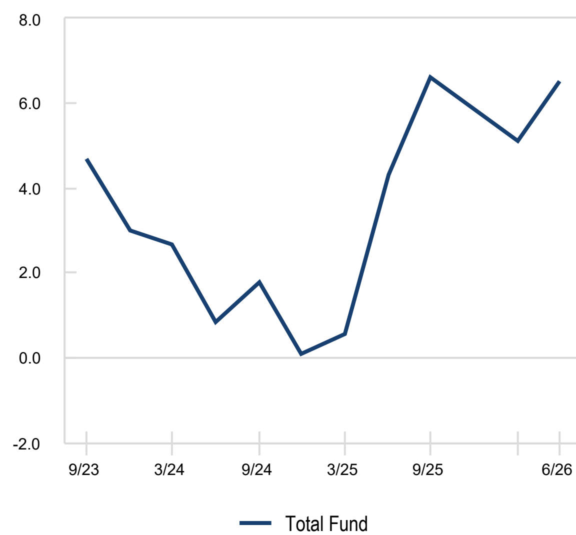
Rolling Tracking Error



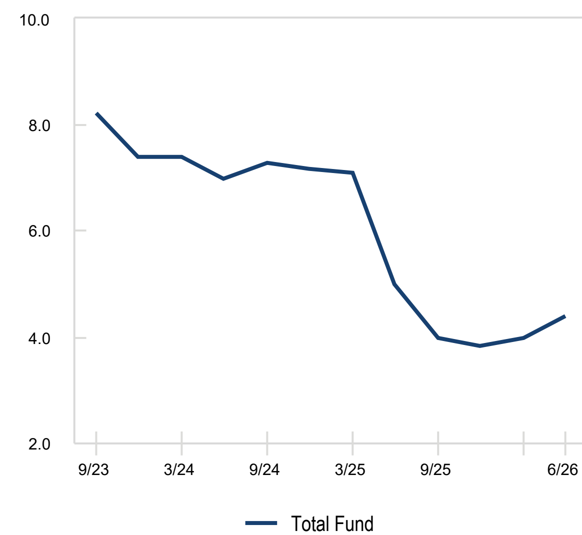
Rolling Sharpe Ratio

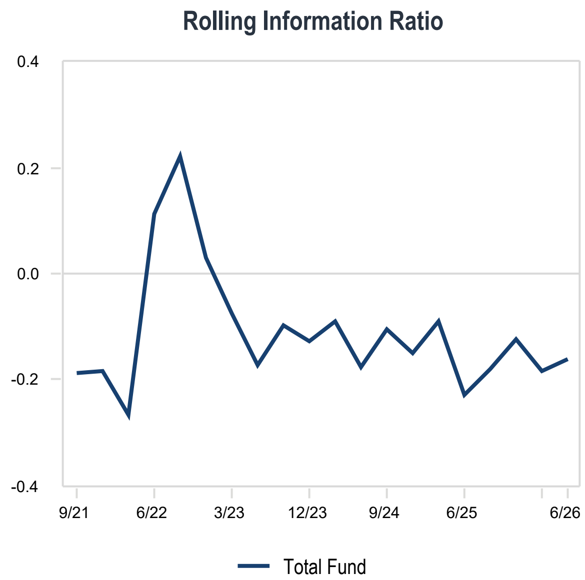


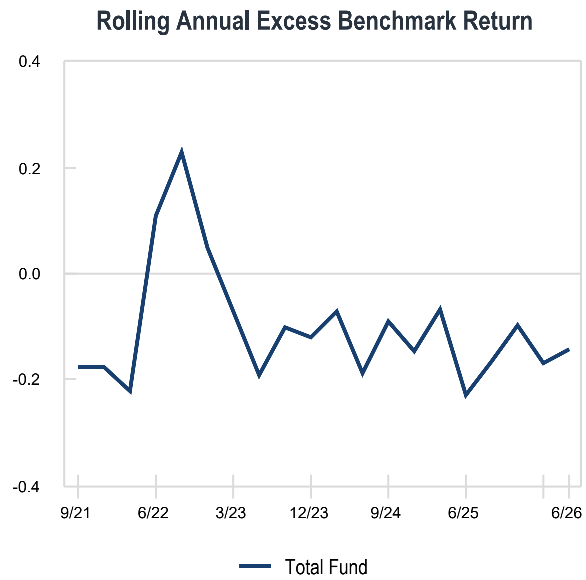
Rolling Annual Excess Risk Free Return

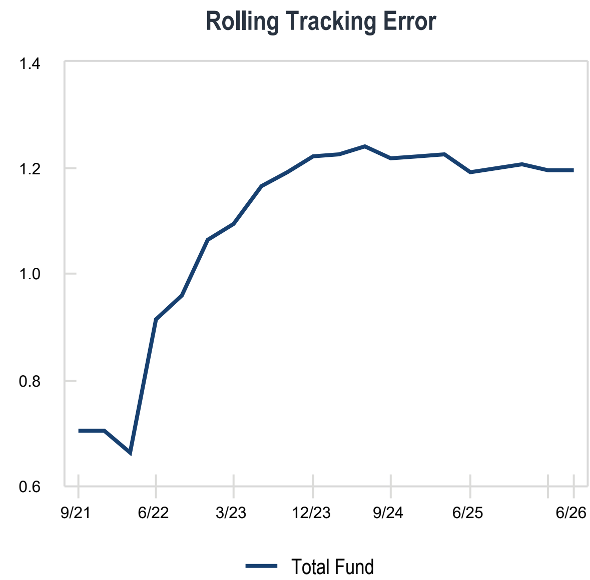


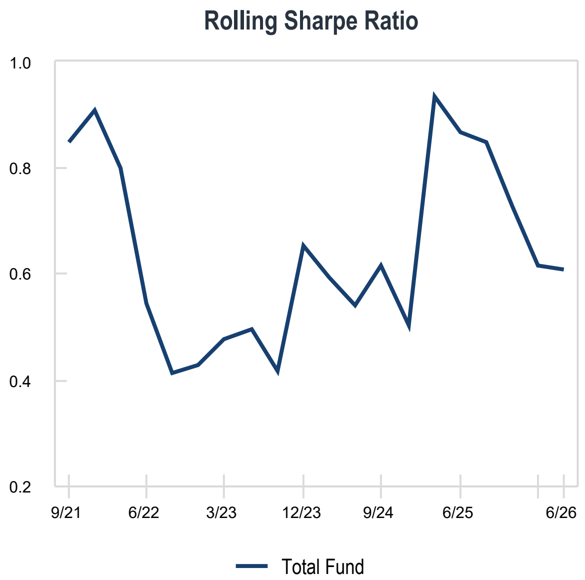
Rolling Annualized Standard Deviation



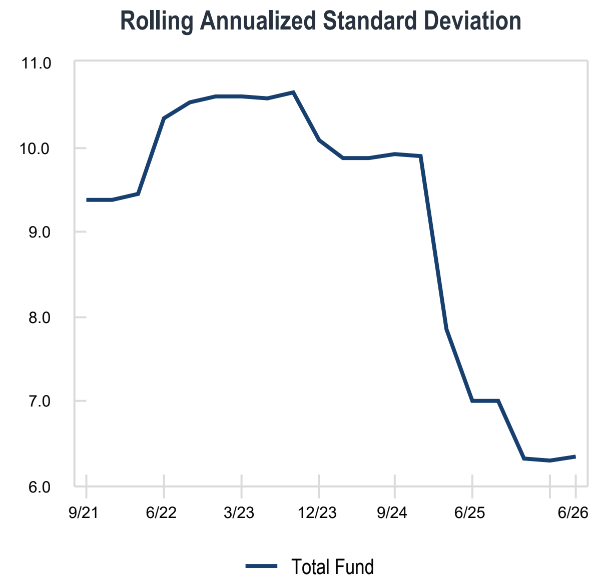

Rolling Information Ratio
0.4
0.2
0.0
-0.2
-0.4
9/21
6/22
3/23
12/23
9/24
6/25
6/26
Total Fund


Rolling Annual Excess Benchmark Return
0.4
0.2
0.0
-0.2
-0.4
9/21
6/22
3/23
12/23
9/24
6/25
6/26
Total Fund


Rolling Tracking Error
1.4
1.2
1.0
0.8
0.6
9/21
6/22
3/23
12/23
9/24
6/25
6/26
Total Fund


Rolling Sharpe Ratio
1.0
0.8
0.6
0.4
0.2
9/21
6/22
3/23
12/23
9/24
6/25
6/26
Total Fund


Rolling Annual Excess Risk Free Return
10.0
8.0
6.0
4.0
2.0
9/21
6/22
3/23
12/23
9/24
6/25
6/26
Total Fund


Rolling Annualized Standard Deviation
11.0
10.0
9.0
8.0
7.0
6.0
9/21
6/22
3/23
12/23
9/24
6/25
6/26
Total Fund

Cash Flows

	Estimated Beginning Market Value	Contributions	Withdrawals	Fees	Net Transfers	Net Investment Change	Estimated Ending Market Value
Equity	**2,255,424,781**	**89,608,101**	**-50,436,314**	**-222,016**	**-92,000,000**	**334,201,496**	**2,536,576,049**
Mellon DB SL Stock Index Fund	753,572,812				-20,000,000	114,564,200	848,137,011
PIMCO StocksPLUS	178,796,629					28,165,649	206,962,278
Chilton High Conviction Equity	203,336,331			-177,974		23,936,731	227,095,087
Geneva Capital Small Cap Growth	81,147,346				-20,000,000	10,800,991	71,948,337
Congress Small Cap Value	82,030,312					15,036,589	97,066,901
Parametric Domestic Overlay	-44,094,759	55,690,198	-31,415,654			-4,584,567	-24,404,782
Mellon DB SL World ex-US Index Fund	385,684,236				-12,000,000	39,703,906	413,388,142
Cevian Capital II	58,450,530					6,869,712	65,320,242
Lazard Japanese Equity	171,110,814			-25	-10,000,000	25,578,306	186,689,095
American Century Non-US Small Cap	49,969,403				-20,000,000	4,542,440	34,511,843
Dalton Japan Long Only	85,429,580			-44,016		3,899,774	89,285,338
Parametric International Overlay	-18,197,837	23,026,815	-12,684,077			-1,864,105	-9,719,204
Mellon Emerging Markets Stock Index Fund	12,332,087				-10,000,000	2,937,355	5,269,441
ABS Emerging Market Direct	94,049,657					20,127,296	114,176,953
Carrhae Capital Long Master Fund Ltd	96,621,847					34,550,099	131,171,946
DFA Emerging Markets Value I	72,882,625					11,586,848	84,469,473
Parametric EM Overlay	-7,699,085	10,891,088	-6,336,582			-1,650,130	-4,794,709
Transition Equity	2,253					403	2,656
Fixed Income	**1,554,423,293**	**548,877**			**-48,751,711**	**22,608,330**	**1,528,828,788**
Fixed Income Beta Exposure	106,099,520	548,877			-272,800	-97,485	106,278,112
Mellon DB SL Aggregate Bond Index Fund	224,019,942				-45,000,000	1,610,973	180,630,915
PIMCO Core Plus	33,026				-29,957	1,030	4,099
Aristotle Short Duration Bond Strategy	274,770,069					2,406,414	277,176,482
KKR US Broadly Syndicated Loan Fund	171,659,591				-3,448,945	3,049,385	171,260,031
Guggenheim Structured Credit	192,118,982					2,394,379	194,513,361
Schroders Credit	191,536,148					2,911,204	194,447,352
PIMCO EMD	176,297,003					8,868,864	185,165,867
Fidelity Broad Market Duration	217,701,746					1,464,801	219,166,547
Transition Fixed Income	187,265				-9	-1,234	186,022

	Estimated Beginning Market Value	Contributions	Withdrawals	Fees	Net Transfers	Net Investment Change	Estimated Ending Market Value
Commodities	**416,049,839**	**87,000,000**			**-87,000,000**	**-33,820,202**	**382,229,637**
Wellington Commodities	416,049,839	87,000,000			-87,000,000	-33,820,202	382,229,637
Hedge Funds	**703,415,554**	**13,532**		**-378,627**	**139,718,962**	**43,962,298**	**886,731,719**
Aristeia International Limited	82,883,342					1,459,950	84,343,292
Brevan Howard Fund	59,819,279	13,532				1,899,363	61,732,175
D.E. Shaw Composite Fund	81,509,790					6,847,304	88,357,094
HBK Fund II	58,022,206					1,427,204	59,449,410
Hudson Bay Cap Structure Arbitrage Enhanced Fund	90,304,233					2,269,098	92,573,331
Indus Pacific Opportunities Fund	57,204,908					8,800,963	66,005,871
Pharo Macro Fund	93,601,287				-281,038	4,751,321	98,071,570
PIMCO Commodity Alpha Fund	59,302,886					7,513,926	66,816,812
Elliott Associates	67,726,123			-378,627		874,353	68,221,849
Hawk Ridge Partners II	53,041,500				30,000,000	9,147,225	92,188,725
Alpha Pool	**167,284,184**				**272,800**	**4,485,628**	**172,042,612**
Hudson Bay - Alpha Pool	41,117,169				66,478	966,684	42,150,331
Davidson Kempner Institutional Partners	59,797,341				98,120	1,862,567	61,758,028
HBK Fund II	21,526,073				34,778	494,710	22,055,561
Garda Fixed Income Relative Value Opportunity Fund	44,843,601				73,423	1,161,668	46,078,692
Core Real Estate	**410,445,581**				**152,528,259**	**10,110,200**	**573,084,040**
ASB Allegiance Real Estate Fund	105,439,746				-4,713,026	1,879,974	102,606,695
JPMCB Strategic Property Fund	82,672,380				-2,832,871	1,317,559	81,157,068
Blue Owl Real Estate Fund VI	55,272,661				-980,651	2,176,315	56,468,324
Sculptor Diversified REIT	83,330,573				-1,462,144	959,009	82,827,438
Hudson Bay Real Estate Opportunities	38,318,862				5,002,343	868,924	44,190,129
TPG AG Essential Housing III	29,230,258				2,075,000	626,105	31,931,363
Sculptor Real Estate Fund MI Fund					10,393,974		10,393,974
BPC Real Estate Debt Fund LP	16,181,101				159,058	577,008	16,917,168
Fortress CRE Enhanced Income Fund					54,000,000	1,196,229	55,196,229
HBC Financing Partners Fund					90,886,576	509,076	91,395,652

	Estimated Beginning Market Value	Contributions	Withdrawals	Fees	Net Transfers	Net Investment Change	Estimated Ending Market Value
Private Real Assets	**289,825,472**			**-448,757**	**11,355,023**	**6,517,744**	**307,249,481**
Invesco Real Estate Value-Add Fund IV	123,076				-123,835	759	
Landmark Real Estate Partners VIII	28,285,567				-2,876,793	-921,338	24,487,436
Long Wharf Real Estate	26,110,300				-396,432	76,842	25,790,710
Covenant Apartment Fund X	25,481,872			-78,343	-76,123	-1,442,046	23,885,360
Singerman Real Estate Opportunity Fund IV	23,771,133					453,904	24,225,037
LBA Logistics Value Fund IX, L.P.	24,215,820					-39,342	24,176,478
Covenant Apartment Fund XI, LP	31,900,612			-93,582	-314,768	786,347	32,278,609
KSL Capital Partners VI	8,437,158				6,757,730	-248,185	14,946,703
Merit Hill Self-Storage V, LP.	23,492,228				899,937	179,215	24,571,380
Juniper Capital IV, L.P	10,657,071					1,975,510	12,632,581
Landmark Real Estate Partners IX	15,706,520				4,022,747	1,114,494	20,843,761
Juniper High Noon Partners, L.P	4,485,359					561,608	5,046,967
LRAF Holdings 21 Yeti II LP	18,238,492				450,000	515,683	19,204,175
Post Oak Energy Partners GP V, LP	37,139,134			-190,582	-16,366,667	3,143,290	23,725,175
Covenant Apartment Fund XII	7,269,873			-86,250	900,000	152,832	8,236,455
Sculptor Real Estate Fund V, LP	4,398,756				-533,273	208,171	4,073,654
Singerman Real Estate Opportunity Fund V	112,500				1,912,500		2,025,000
Kayne Anderson Real Estate Partners VII					17,100,000		17,100,000
Private Equity	**390,533,860**				**5,573,598**	**3,510,270**	**399,617,727**
Abbott VI	1,091,246					36,255	1,127,501
Pantheon Secondary III	535,597						535,597
Pantheon V	30,817						30,817
Pantheon VI	311,635						311,635
Pantheon VII	2,843,333				-1,500,000		1,343,333
Vista Foundation Fund IV	25,479,826				-800,990	-2,797,202	21,881,634
Crown Global Secondaries V Master S.C.Sp	40,859,032				-1,050,000	-928,295	38,880,737
Crown Global Secondaries VI Master S.C.Sp	12,990,212				1,800,000	189,732	14,979,944
Brighton Park Capital Fund I	42,179,575				-2,915,659	-596,164	38,667,752
Warren Equity Partners Fund III	42,682,948					2,652,989	45,335,937
Peak Rock Capital Fund III	29,397,345				-6,022,785	223,504	23,598,064
Level Equity Growth Partners V	17,644,106				-131,958	244,854	17,757,002
Level Equity Opportunities Fund 2021	17,453,888				1,252,704	613,695	19,320,287
Linden Capital Partners V LP	23,290,937					410,626	23,701,563
Rubicon Technology Partners IV L.P.	18,407,049				1,131,319	712,193	20,250,561

	Estimated Beginning Market Value	Contributions	Withdrawals	Fees	Net Transfers	Net Investment Change	Estimated Ending Market Value
OrbiMed Private Investments IX, LP	6,904,565				59,810	620,472	7,584,847
Brighton Park Capital Fund II, L.P	20,278,218				2,733,737	310,635	23,322,590
Linden Co-Investment V LP	8,857,435					951,084	9,808,519
Warren Equity Partners Fund IV	36,246,348				273,013	1,533,991	38,053,352
WEP IV TS Co-Investment, L.P.	11,677,734					-33,343	11,644,391
Parthenon Investors VII	9,873,240				2,623,988	191,902	12,689,130
Longreach Capital Partners	4,581,046				140,796	-5,278	4,716,564
Blue Owl Strategic Equity Partners	4,517,053				704,623	-28,048	5,193,628
WEP TreeCo Co-Investment, L.P.	4,528,160					-9,199	4,518,961
Accel-KKR Capital Partners VII	3,819,042					-671,364	3,147,678
Petershill PES II	313,903				500,000		813,903
Blue Owl Strategic Equity Holdco LLC	16,570				-25,388	8,818	
Level Equity Growth Partners VI	2,322,999					-131,004	2,191,995
OrbiMed Private Investments X, LP	1,400,000				1,000,000	9,418	2,409,418
Merit Hill Self-Storage VI, LP.					2,075,155		2,075,155
Atlas Capital Resources V LP					3,725,232		3,725,232

	Estimated Beginning Market Value	Contributions	Withdrawals	Fees	Net Transfers	Net Investment Change	Estimated Ending Market Value
Private Credit	**458,208,256**			**-364,893**	**-2,027,371**	**19,691,678**	**475,507,670**
DC Value Recovery Fund IV	9,372,276				-1,142,903	-115,834	8,113,539
Sixth Street TAO Partners (B)	48,026,161				4,736,490	1,118,747	53,881,399
Brookfield Real Estate Finance Fund V	5,688,581				-175,795	56,016	5,568,802
Magnetar Constellation Fund V	9,190,039					117,321	9,307,360
H.I.G. Bayside Loan Opportunity Fund V	33,280,527				-684,155	1,413,647	34,010,019
Blue Torch Credit Opportunities Fund II	11,767,742					117,064	11,884,806
Fortress Credit Opportunites Fund V Expansion	30,145,299				-5,800,393	640,741	24,985,647
Fortress Lending Fund II	10,299,876				-785,854	562,210	10,076,232
Blue Torch Credit Opportunities Fund III	36,186,895				-558,516	882,731	36,511,110
Fortress Lending Fund III	20,461,157				-855,942	265,998	19,871,213
OrbiMed Royalty & Credit Opportunities IV	13,284,124				-3,211,140	428,819	10,501,803
Cerberus Levered Loan Opportunities Fund V, L.P.	22,257,529			-259,445		863,076	22,861,160
Silver Point Specialty Credit Fund III, L.P.	14,649,361				1,310,423	169,941	16,129,725
Ares Pathfinder II	17,856,097				1,832,416	838,442	20,526,955
Oak Hill Advisors Structured Products Fund III, L.P.	19,820,832				5,000,000	1,338,709	26,159,541
ITE Rail Fund, L.P	41,945,345			-105,448	-1,259,592	857,999	41,438,304
Ares Senior Direct Lending Fund III LP	13,609,511				1,302,345	213,801	15,125,657
HPS Special Situations Opportunity Fund II, L.P.	14,560,652				-1,541,306	270,202	13,289,548

Total Fund
Net Cash Flow: Last 1 Quarter

Kern County Employees' Retirement Association
Period Ending: June 30, 2026

	Estimated Beginning Market Value	Contributions	Withdrawals	Fees	Net Transfers	Net Investment Change	Estimated Ending Market Value
Castlelake Aviation V Stable Yield, L.P.	8,076,889				840,821	225,394	9,143,104
Fortress Credit Opportunites Fund VI Expansion	10,741,809				-1,684,659	153,067	9,210,217
Quantum Capital Solutions II	21,047,884				-6,095,419	2,922,180	17,874,645
Quantum Capital Solutions II Co-Investment Fund, LP	4,269,595				-1,325,383	706,856	3,651,068
Blue Torch Credit Opportunities Fund IV	7,623,500				1,250,000	538,077	9,411,577
OrbiMed Royalty & Credit Opportunities V	1,477,696				1,650,000	-141,334	2,986,362
Fortress Lending Fund II	10,299,876				-785,854	562,210	10,076,232
TPG AG Asset Based Credit Evergreen Fund	22,179,512					5,036,664	27,216,176
Opportunistic	**150,468,179**		**-278,864**		**-23,130,671**	**1,558,980**	**128,617,624**
Sixth Street TAO Partners (D)	60,282,276				-7,395,144	902,799	53,789,931
Aristeia Select Opportunities II	64,001,501					897,510	64,899,011
Hudson Bay Special Opportunities Fund LP	9,973,927				-4,415,927	526,439	6,084,439
BPC Real Estate Debt Fund Co-Investment	1,502,805				829,413	-3,288	2,328,930
Beach Point Capital Real Estate Debt - Fulton					1,515,313		1,515,313
Cash	**139,705,249**	**15,697,687**	**-15,848,431**	**-5,188**	**-31,538,889**	**1,478,400**	**109,732,876**
Short Term Investment Funds	64,977,532	15,697,687	-15,848,431	-5,188	-31,538,889	490,737	34,017,497
BlackRock Short Duration Fund	74,727,717					987,662	75,715,379
Other	**30,617,552**	**64,373,395**	**-186,063,296**		**-25,000,000**		**-116,072,349**
Parametric Cash Overlay	57,108,598	452,249	-7,384,709		-25,000,000		25,176,138
Goldman Sachs Cash Account	2,431,482	2,781,151	-5,832,487				-619,853
Futures Offset	-36,038,528	60,368,994	-169,882,100				-145,551,633
Collateral Cash	7,116,000	771,000	-2,964,000				4,923,000

Portfolio Reconciliation

	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Beginning Market Value	6,966,404,182	6,444,640,714	6,444,640,714	5,352,263,309	5,374,393,446	3,497,264,699
Contributions	1,002,931,437	4,335,015,206	4,335,015,206	10,761,023,320	17,239,956,492	26,105,557,436
Withdrawals	-998,316,749	-4,308,524,625	-4,308,524,625	-10,798,943,860	-17,405,136,350	-26,604,142,943
Fees	-1,419,480	-4,416,433	-4,416,433	-7,067,778	-25,438,216	-97,571,294
Net Cash Flows	4,614,687	26,490,581	26,490,581	-37,920,541	-165,179,857	-498,585,506
Net Investment Change	413,127,005	913,014,581	913,014,581	2,069,803,106	2,174,932,287	4,385,466,682
Ending Market Value	7,384,145,875	7,384,145,875	7,384,145,875	7,384,145,875	7,384,145,875	7,384,145,875
Net Change $	417,741,693	939,505,161	939,505,161	2,031,882,566	2,009,752,429	3,886,881,176

Contribution and withdrawals include transfers in and out of accounts. Ending market value is net of fees. Market value and flows do not include the Short Term Cash Account balance.

Risk Metrics

Correlation Matrix
3 Years Ending June 30, 2026

	A	B	C	D	E	F	G	H	I	J	K	L
A	1.00											
B	0.98	1.00										
C	0.92	0.94	1.00									
D	0.90	0.91	0.74	1.00								
E	0.79	0.81	0.64	0.78	1.00							
F	0.75	0.70	0.64	0.73	0.45	1.00						
G	0.67	0.63	0.56	0.68	0.37	0.99	1.00					
H	0.75	0.73	0.72	0.68	0.44	0.89	0.83	1.00				
I	0.87	0.84	0.74	0.84	0.69	0.91	0.84	0.82	1.00			
J	0.11	0.00	-0.05	0.01	0.17	-0.11	-0.13	-0.08	-0.02	1.00		
K	0.65	0.70	0.59	0.69	0.71	0.34	0.30	0.32	0.51	-0.15	1.00	
L	-0.10	-0.16	-0.19	-0.13	-0.04	-0.22	-0.24	-0.25	-0.11	0.09	-0.13	1.00

A = Total Fund
B = Equity
C = Domestic Equity
D = International Developed Equity
E = Emerging Markets Equity
F = Fixed Income
G = Core Fixed Income
H = High Yield/ Specialty Credit
I = Emerging Market Debt
J = Commodities
K = Hedge Funds
L = Core Real Estate

Low Interaction
Moderate Interation
Moderate to High Interation
High Interaction

	Alpha	Beta	R-Squared	Return	Information Ratio	Excess Performance	Tracking Error	Sharpe Ratio	Excess Return	Standard Deviation	Sortino Ratio	Up Capture	Down Capture
Total Fund	0.6	0.9	1.0	11.5	-0.3	-0.4	1.0	1.2	6.5	5.5	2.1	95.7	92.5
Equity	-0.5	1.0	1.0	18.5	-0.7	-1.0	1.3	1.1	13.3	12.5	1.8	97.5	101.2
Domestic Equity	-1.4	1.0	1.0	18.6	-1.7	-2.0	1.0	1.0	13.4	13.1	1.9	96.2	105.1
International Developed Equity	0.2	1.0	1.0	16.6	-0.1	-0.2	1.9	0.9	11.8	13.1	1.4	99.0	99.6
Emerging Markets Equity	2.2	1.0	1.0	24.5	0.9	2.4	2.1	1.1	19.1	17.2	1.9	103.4	94.2
Fixed Income	0.1	1.0	1.0	5.4	0.0	0.0	0.5	0.2	0.9	4.8	0.3	100.6	102.0
Core Fixed Income	0.0	1.0	1.0	3.9	-0.4	-0.2	0.5	-0.1	-0.5	5.3	-0.1	95.5	96.0
High Yield/ Specialty Credit	0.8	0.7	0.9	6.9	-1.0	-1.8	1.7	0.7	2.2	3.2	1.2	77.1	68.3
Emerging Market Debt	1.2	1.0	1.0	9.7	0.6	0.9	1.3	0.7	5.0	6.8	1.2	101.4	90.8
Commodities	4.5	0.8	0.8	13.9	0.3	2.2	5.7	0.8	9.2	11.5	1.3	88.4	59.8
Hedge Funds	1.5	0.7	0.5	9.0	-1.0	-2.6	2.5	1.4	4.2	3.0	2.2	72.3	-1.1
Alpha Pool	36.1	-3.1	0.1	4.9	-1.9	-3.9	1.9	0.1	0.3	1.8	0.2	56.6	-
Core Real Estate	-2.1	1.5	0.8	-3.1	-0.7	-2.5	3.6	-1.1	-7.5	6.4	-1.2	133.1	202.0
Private Real Assets	-0.1	1.0	1.0	0.6	-0.8	-0.1	0.1	-1.0	-3.8	3.8	-1.1	98.1	100.0
Private Equity	0.0	1.0	1.0	11.1	-0.8	-0.1	0.1	1.3	6.1	4.6	4.3	99.5	100.0
Private Credit	-0.1	1.0	1.0	11.2	-3.2	-0.1	0.0	1.3	6.3	4.8	6.2	99.1	112.3
Opportunistic	-	-	-	12.0	0.3	2.0	8.3	0.9	7.2	8.3	1.6	122.4	-

	3 Years							
	Equity	MSCI AC World IMI (Net)	Core Plus Fixed Income	Bloomberg U.S. Aggregate Index	High Yield/ Specialty Credit	ICE BofA U.S. High Yield Index	Emerging Market Debt	50 JPM EMBI Global Div/ 50 JPM GBI EM Global Div
RETURN SUMMARY STATISTICS								
Up Market Periods	26	26	23	23	29	29	27	27
Down Market Periods	10	10	13	13	7	7	9	9
Maximum Return	10.06	10.12	4.23	4.53	3.52	4.55	5.51	5.47
Minimum Return	-7.75	-7.29	-2.60	-2.54	-1.49	-1.24	-3.49	-4.41
Return	18.46	19.45	3.95	4.16	6.95	8.79	9.71	8.84
Excess Return	13.29	14.16	-0.53	-0.31	2.24	4.00	4.99	4.20
Excess Performance	-0.99	0.00	-0.21	0.00	-1.84	0.00	0.87	0.00
RISK SUMMARY STATISTICS								
Beta	0.98	1.00	0.96	1.00	0.70	1.00	0.96	1.00
Upside Risk	11.70	12.08	4.38	4.62	3.54	4.67	6.28	6.10
Downside Risk	6.72	6.60	3.13	3.18	1.26	1.52	3.73	4.18
RISK/RETURN SUMMARY STATISTICS								
Standard Deviation	12.47	12.66	5.26	5.48	3.20	4.25	6.77	6.95
Alpha	-0.50	0.00	-0.03	0.00	0.80	0.00	1.17	0.00
Sharpe Ratio	1.07	1.12	-0.10	-0.06	0.71	0.95	0.74	0.60
Excess Risk	12.47	12.66	5.24	5.46	3.16	4.20	6.77	6.95
Tracking Error	1.27	0.00	0.52	0.00	1.74	0.00	1.26	0.00
Information Ratio	-0.68	-	-0.42	-	-1.01	-	0.63	-
CORRELATION STATISTICS								
R-Squared	0.99	1.00	0.99	1.00	0.86	1.00	0.97	1.00
Actual Correlation	0.99	1.00	1.00	1.00	0.93	1.00	0.98	1.00

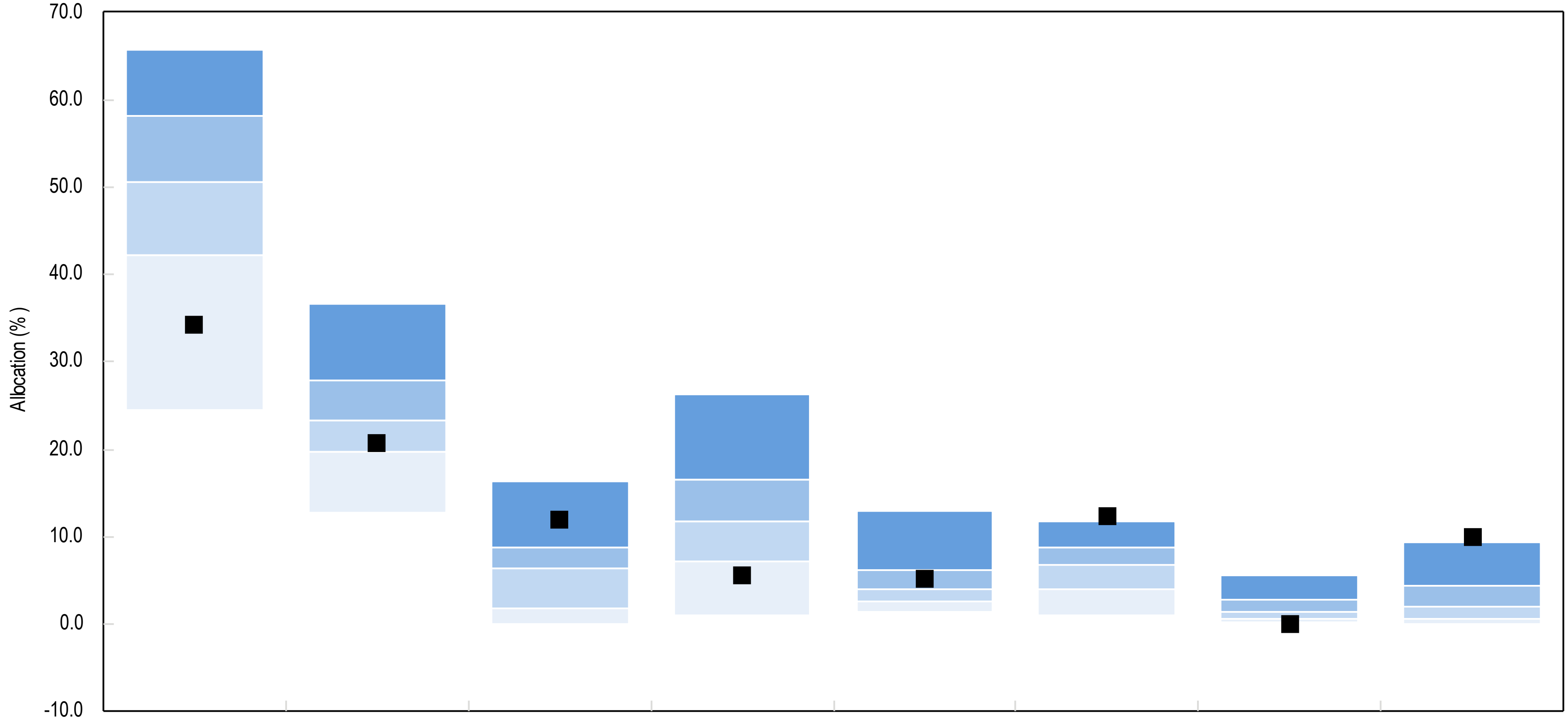
3 Yrs

	Commodities	Bloomberg Commodity Index Total Return	Hedge Funds	75% 90 Day TBills +4% / 25% MSCI ACWI (75% 90-Day TBills +4% / 25% MSCI ACWI)	Core Real Estate	NCREIF ODCE	Opportunistic	Assumed Rate of Return +3%
RETURN SUMMARY STATISTICS								
Up Market Periods	22	22	28	28	32	32	36	36
Down Market Periods	14	14	8	8	4	4	0	0
Maximum Return	6.99	11.50	3.34	3.01	2.53	1.49	10.18	0.80
Minimum Return	-9.60	-8.54	-2.82	-1.33	-6.33	-4.83	-6.31	0.80
Return	13.94	11.69	9.03	11.61	-3.10	-0.62	11.98	10.00
Excess Return	9.24	7.41	4.18	6.54	-7.47	-5.10	7.17	5.03
Excess Performance	2.25	0.00	-2.59	0.00	-2.47	0.00	1.98	0.00
RISK SUMMARY STATISTICS								
Beta	0.79	1.00	0.65	1.00	1.52	1.00	-	-
Upside Risk	10.09	11.67	3.57	4.39	2.83	1.70	8.00	2.76
Downside Risk	6.73	7.00	1.64	0.88	5.83	3.30	4.03	0.00
RISK/RETURN SUMMARY STATISTICS								
Standard Deviation	11.46	13.16	3.02	3.13	6.42	3.71	8.30	0.00
Alpha	4.48	0.00	1.47	0.00	-2.07	0.00	-	-
Sharpe Ratio	0.80	0.56	1.38	2.10	-1.14	-1.34	0.86	22.90
Excess Risk	11.50	13.21	3.02	3.12	6.54	3.82	8.32	0.22
Tracking Error	5.71	0.00	2.46	0.00	3.63	0.00	8.30	0.00
Information Ratio	0.32	-	-0.96	-	-0.65	-	0.26	-
CORRELATION STATISTICS								
R-Squared	0.81	1.00	0.46	1.00	0.77	1.00	-	-
Actual Correlation	0.90	1.00	0.68	1.00	0.88	1.00	-	-

Data for unavailable for positions held for less than two years.

Peer Comparison

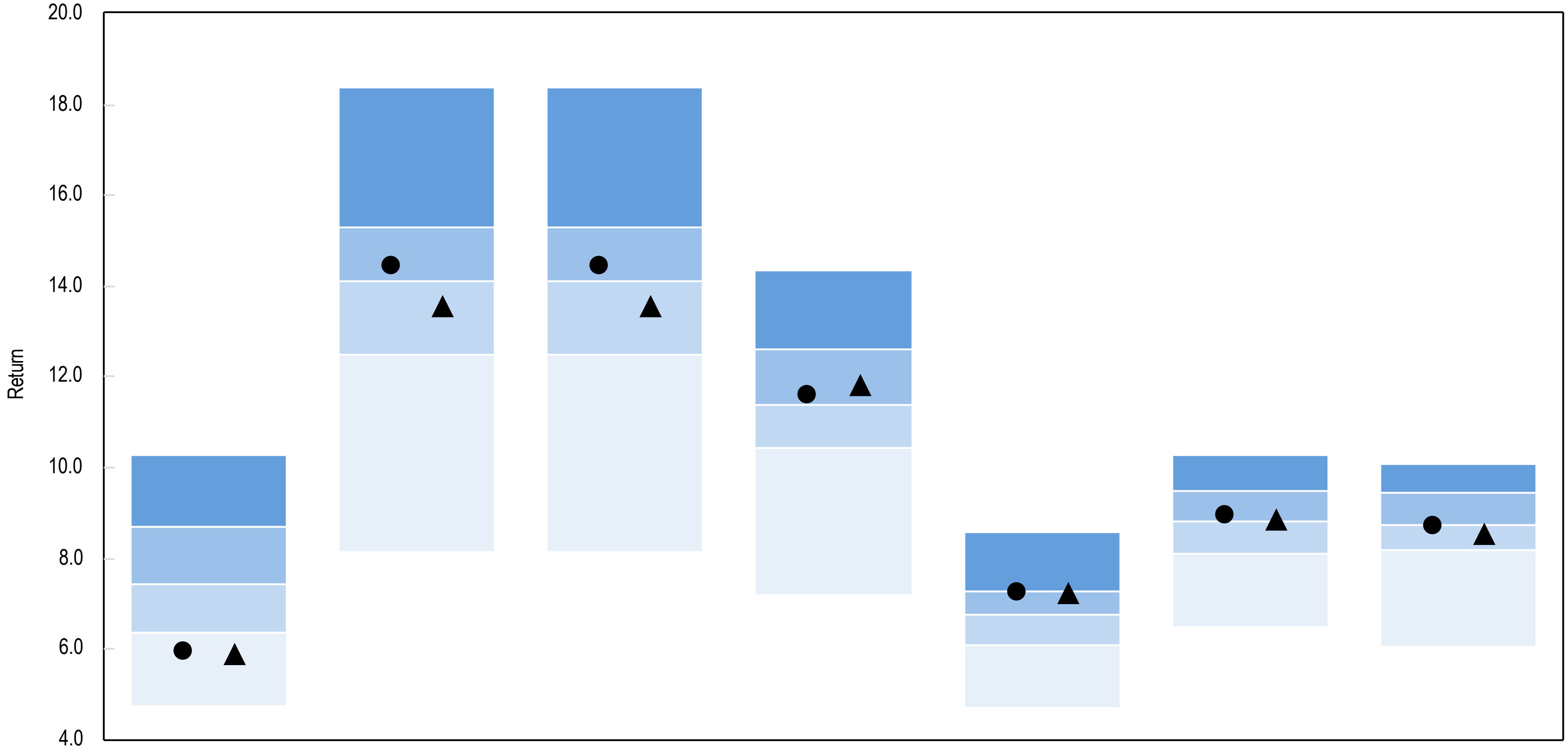
Total Plan Allocation vs. InvMetrics Public DB > $1B
As of June 30, 2026



	Total Equity	Total Fixed Income	Hedge Funds	Private Equity	Real Assets/Commod	Real Estate - Private	Cash & Equivalents	Other
■ Total Fund	34.4 (90)	20.7 (70)	12.0 (11)	5.5 (82)	5.2 (36)	12.4 (4)	-0.1	10.0 (1)
5th Percentile	65.8	36.6	16.3	26.4	12.9	11.8	5.5	9.3
1st Quartile	58.2	28.0	8.7	16.6	6.2	8.8	2.9	4.4
Median	50.6	23.4	6.3	11.8	4.0	6.7	1.4	2.0
3rd Quartile	42.3	19.8	1.8	7.1	2.5	4.0	0.6	0.6
95th Percentile	24.6	12.7	0.0	1.0	1.3	1.0	0.1	0.1
Population	107	108	44	95	72	84	104	23

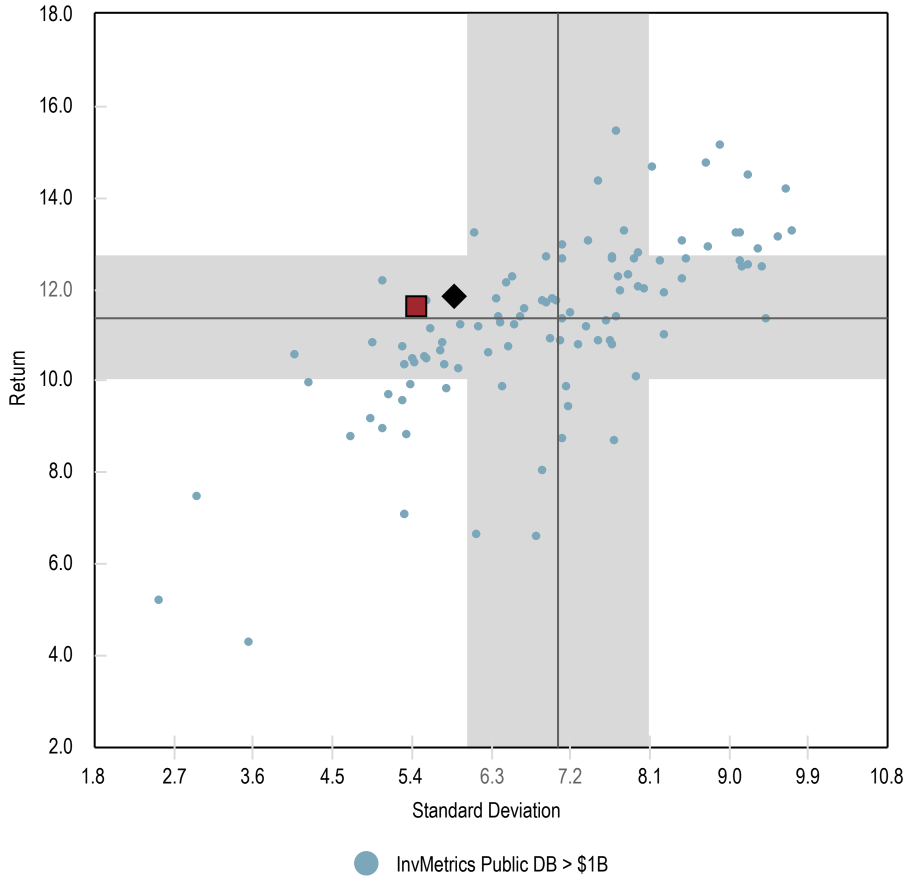
Parentheses contain percentile rankings. Other contains Alpha Pool, Opportunistic, and Private Credit. Real Estate contains Private and Core Real Estate. Real Assets contain Commodities.

Total Fund vs. InvMetrics Public DB > $1B



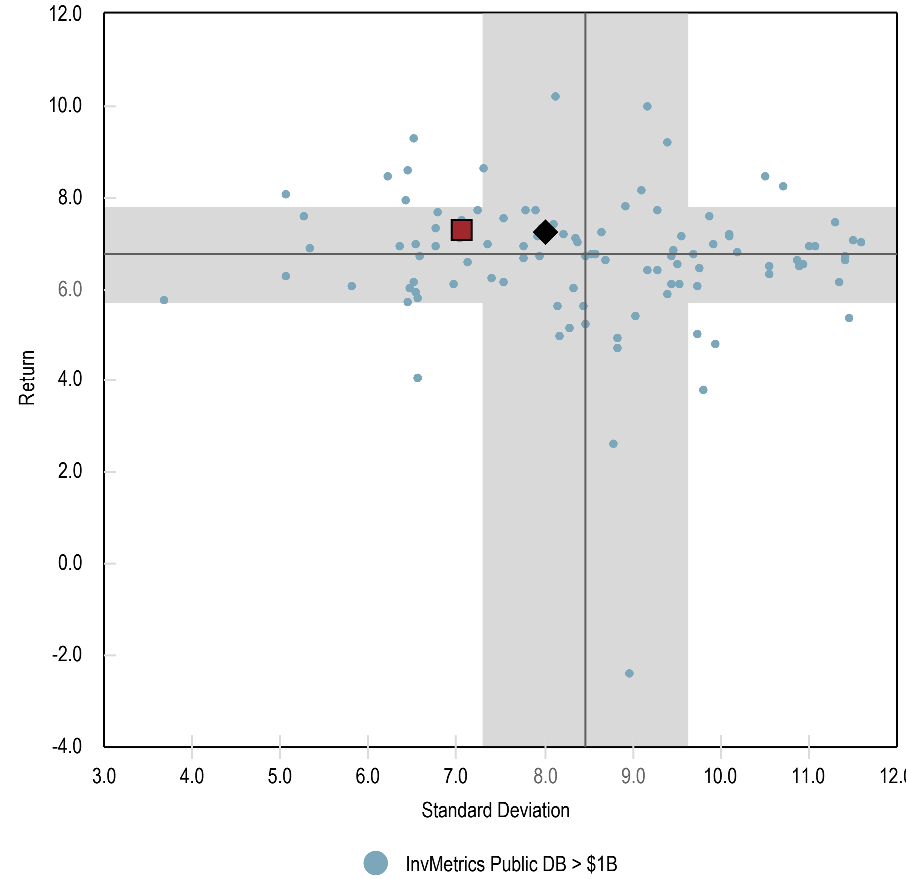
	Quarter	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years
● Total Fund	6.0 (85)	14.5 (41)	14.5 (41)	11.6 (46)	7.3 (26)	9.0 (41)	8.7 (51)
▲ Policy Index	5.9 (86)	13.6 (58)	13.6 (58)	11.8 (39)	7.2 (27)	8.9 (49)	8.5 (62)
5th Percentile	10.3	18.4	18.4	14.4	8.6	10.3	10.1
1st Quartile	8.7	15.3	15.3	12.6	7.3	9.5	9.5
Median	7.4	14.1	14.1	11.4	6.7	8.8	8.8
3rd Quartile	6.4	12.5	12.5	10.4	6.1	8.1	8.2
95th Percentile	4.8	8.1	8.1	7.2	4.7	6.5	6.1
Population	106	106	106	106	103	102	100

Annualized Return vs. Annualized Standard Deviation
3 Years Ending June 30, 2026



	Return	Standard Deviation
Total Fund	11.63	5.45
Policy Index	11.83	5.89
Median	11.39	7.06
Population	106	106

Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2026



	Return	Standard Deviation
Total Fund	7.29	7.06
Policy Index	7.23	8.00
Median	6.75	8.47
Population	103	103

Other

	2026 Q2	2026 Q1	2025 Q4	2025 Q3	2025 Q2	2025 Q1	2024 Q4	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3
Total Fund	**5.9**	**0.7**	**2.4**	**4.5**	**4.6**	**1.6**	**-0.4**	**4.8**	**1.2**	**3.8**	**5.1**	**-0.9**
Policy Index	*5.9*	*0.7*	*2.2*	*4.2*	*4.8*	*1.4*	*-0.1*	*4.9*	*1.8*	*3.7*	*6.2*	*-1.4*

	2023 Q2	2023 Q1	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3	2021 Q2	2021 Q1	2020 Q4	2020 Q3
Total Fund	**1.9**	**3.2**	**4.5**	**-3.1**	**-7.5**	**-0.8**	**3.6**	**0.5**	**5.5**	**3.5**	**8.8**	**4.4**
Policy Index	*2.9*	*3.8*	*5.5*	*-3.8*	*-8.9*	*-1.3*	*3.3*	*0.7*	*5.6*	*3.2*	*8.8*	*4.5*

	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3
Total Fund	**10.7**	**-11.3**	**4.6**	**0.2**	**3.1**	**6.8**	**-6.4**	**2.3**	**0.3**	**-0.1**	**3.0**	**3.2**
Policy Index	*10.1*	*-11.1*	*4.6*	*0.8*	*3.0*	*7.0*	*-5.5*	*2.2*	*0.7*	*-0.1*	*3.1*	*3.0*

Performance Return Calculations

Performance is calculated using a Time Weighted Rates of Return (TWRR) methodology. Monthly returns are linked geometrically and annualized for periods longer than one year.

Data Source

Cerity Partners Retirement Plan Consultants, LLC (d/b/a "Cerity Partners Institutional Consulting" and referenced herein as "CPIC"), is an independent third party consulting firm and calculates returns from best source book of record data. Returns calculated by Cerity Partners may deviate from those shown by the manager in part, but not limited to, differences in prices and market values reported by the custodian and manager, as well as significant cash flows into or out of an account. It is the responsibility of the manager and custodian to provide insight into the pricing methodologies and any difference in valuation.

Illiquid Alternatives

Due to the inability to receive final valuation prior to report production, closed end funds (including but are not limited to Real Estate, Hedge Funds, Private Equity, and Private Credit) performance is typically reported at a one-quarter lag. Valuation is reported at a one-quarter lag, adjusted for current quarter flow (cash flows are captured real time). Closed end fund performance is calculated using a time-weighted return methodology consistent with all portfolio and total fund performance calculations. For Private Markets, performance reports also include Cerity Partners-calculated multiples based on flows and valuations (e.g. DPI and TVPI) and manager-provided IRRs.

Manager Line Up

Investment Fund or Strategy	Fund Incepted	Data Source
Abbott Capital PE VI	3/31/2008	Abbott Capital
Accel-KKR Capital Partners VII	2/6/2025	Accel
ABS Emerging Market Direct	8/29/2024	ABS
American Century Non-US Small Cap	12/15/2020	American Century
Ares Pathfinder	10/1/2023	Ares
Aristeia International Limited	5/1/2014	Northern Trust
Aristotle Pacific Capital, LLC	1/6/2025	Aristotle
Atlas Capital Resource	4/1/2026	Atlas
ASB Real Estate	9/30/2013	ASB
Barclays Capital Aggregate Rebalancing Overlay	6/15/2022	Parametric
BlackRock Short Duration Fund	9/8/2021	BlackRock
Blue Owl Real Estate Fund VI	3/18/2024	Blue Owl
Blue Owl Strategic Equity Partners	9/6/2024	Blue Owl
Blue Torch Credit Opportunities	7/24/2020	Blue Torch
Blue Torch Credit Opportunities Fund IV	9/30/2020	Blue Torch
BPC Real Estate Debt Fund LP	3/1/2025	BPC
BPC Real Estate Debt Fund Co-Investment	8/25/2025	BPC
Brevan Howard	11/1/2013	Northern Trust
Brighton Private Equity	3/28/2021	Brighton
Brighton Park Capital Fund II, L.P	9/30/2022	Brighton
Brookfield Real Estate Finance Fund V	12/18/2017	Northern Trust
Carrhae Capital Long Master Fund	8/1/2024	Carrhae
Castlelake Aviation V Stable Yield, L.P	10/24/2024	Castlelake
Cerberus Business Finance V	8/25/2023	Cerberus
Cevian Capital II	12/30/2014	Northern Trust
Chilton High Conviction Equity	5/1/2025	Chilton
Congress Small Cap Value	2/13/2026	Congress
Covenant Apartment Fund X	10/29/2020	Covenant
Covenant Apartment Fund XII	3/1/2025	Covenant
Crown Global Secondaries V Master S.C.Sp	2/1/2021	Crown
Crown Global Secondaries Fund VI	2/1/2021	Crown
Dalton Japan Long Only	10/31/2023	Dalton
DC Value Recovery fund IV	12/28/2015	Colony
D.E. Shaw	6/30/2013	Northern Trust
DFA Emerging Markets Value I	3/7/2014	Northern Trust
Elliot Associates	7/1/2024	Elliott
Fidelity Broad Market Duration	2/12/2026	Fidelity
Fortress Credit Opportunities	12/17/2020	Fortress
Fortress Legal Asset Fund II	10/7/2025	Fortress
Fortress Lending Fund II	3/15/2021	Fortress
Fortress CRE Enhanced Income Fund	10/15/2025	
Fortress Credit Opportunities Fund VI Expansion	10/1/2024	Fortress
Frontier Commodities Fund	6/30/2026	Frontier
Garda Fixed Income Relative Value Opp	9/30/2021	Garda
Geneva Capital Small Cap Growth	7/22/2015	Geneva
Gresham MTAP Commodity	9/3/2013	Gresham
Guggenheim	6/2/2025	Guggenheim
Harvest Midstream	9/28/2020	Harvest Midstream
Hawk Ridge Partners II	8/31/2025	Hawk Ridge
HBC Financing Partners	5/7/2026	HBC
HBK Fund II	11/1/2013	Northern Trust
Henderson Smallcap Growth	7/22/2015	Northern Trust
H.I.G Bayside Loan Opportunities Fund V	7/24/2019	H.I.G. Capital
Hudson Bay	6/7/2019	Northern Trust
Hudson Bay Real Estate Opportunities	1/23/2025	Hudson Bay
Hudson Bay Special Opportunities Fund	2/20/2024	Hudson Bay
Indus Pacific Opportunities	6/30/2014	Northern Trust
Invesco Real Estate III	6/30/2013	Invesco
Invesco Real Estate IV	12/18/2015	Invesco
ITE Rail Fund, L.P	2/27/224	ITE Rail
J.P. Morgan Strategic Property	7/2/2014	J.P. Morgan
Juniper High Noon Partners, L.P	3/18/2024	Juniper
Juniper Capital IV, L.P.	4/26/2023	Juniper
Kayne Anderson	2/26/2026	Kayne
KKR US Broadly Syndicated Loan Fund	10/21/2024	Mellon
KSL Capital Partners VI	4/26/2023	KSL Capital
Landmark Real Estate Partners VIII	4/29/2018	Landmark
Landmark Real Estate Partners IX	4/1/2024	Landmark
Lazard Japanese Equity	11/1/2023	Lazard
LBA Logistics Value Fund IX, L.P.	2/22/2022	LBA
Level Equity Growth Partners V	11/1/2021	Level Equity

Investment Fund or Strategy	Fund Incepted	Data Source
Level Equity Opportunities Fund 2021	11/1/2021	Level Equity
LGT Crown	2/1/2021	LGT
Linden Capital Partners V LP	7/19/2022	Linden
Linden Co-Investment V LP	6/30/2022	Linden
Longreach Capital Partners	5/28/2024	Long Reach
Long Wharf Real Estate	6/27/2019	Long Wharf
LRAF Holdings 21 Yeti II LP	12/6/2024	Long Wharf
Magnetar Constellation	11/14/2018	Magnetar
Mellon Aggregate Bond Index Fund	1/14/2011	Mellon
Mellon EB DV Stock Index	10/18/2017	Mellon
Mellon EB DV World ex-US Index	8/1/2018	Mellon
Merit Hill Self Storage VI	11/3/2023	Merit
Merit Hill Self Storage V	4/9/2026	Merit
Myriad Opportunities Offshore	5/19/2016	Northern Trust
Oak Hill Advisors	12/22/2023	Oak Hill
OrbiMed Private Investments IV, LP	11/4/2022	OrbiMed
OrbiMed Royalty & Credit Opportunities	9/12/2022	OrbiMed
OrbiMed Private Investments X, LP	11/4/2022	OrbiMed
Pantheon Global III	6/30/2000	Pantheon
Pantheon USA V	6/30/2005	Pantheon
Pantheon USA VI	3/31/2005	Pantheon
Pantheon USA VII	3/31/2005	Pantheon
Parametric Overlay/ Cap Efficiency Program	7/31/2020	Parametric
Parametric Domestic Overlay	3/26/2026	Parametric
Parametric International Overlay	3/26/2026	Parametric
Parametric EM Overlay	3/26/2026	Parametric
Peak Rock Capital Fund III	7/13/2021	Peak Rock
Petershill PES II	9/25/2025	Petershill
Pharo Opportunities Fund SPC	6/28/2024	Pharo
PIMCO Core Plus	1/21/2011	Northern Trust
PIMCO Commodity Alpha	5/4/2016	PIMCO
PIMCO EMD	2/29/2020	Northern Trust
PIMCO Midstream	10/9/2020	PIMCO
PIMCO StocksPLUS	7/14/2003	PIMCO
Post Oak Energy Partners GP V, LP	3/1/2025	Post
Fidelity Non-US Small Cap Equity	6/10/2008	Northern Trust
Quantum Capital Solutions II	11/1/2024	Quantum
Quantum Capital Solutions II Co-Investment Fund, LP	11/1/2024	Quantum
River Birch	8/3/2015	Northern Trust
Rubicon Technology Partners IV LP	11/30/2022	Rubicon
Russell 2000 Overlay	8/31/2025	Parametric
Schroders	6/10/2025	Schroders
Sculptor Real Estate Fund MI	4/12/2026	Sculptor
Silver Point Specialty Credit Fund III, L.P.	10/4/2023	Singerman
Singerman Real Estate Opportunity Fund IV	10/27/2021	Sculptor
Singerman Real Estate Opportunity Fund V	2/26/2026	Sculptor
Sculptor Diversified REIT	12/2/2024	Sculptor
Sculptor Enhanced Domestic Partners	3/26/2019	Sculptor
Sculptor Real Estate Fund V, LP	7/30/2024	Sculptor
Short Term Cash Account	12/31/2000	Northern Trust
Short Term Investment Funds	6/30/2000	Stone Harbor
Stone Harbor Emerging Markets Debt	8/8/2012	TPG Sixth Street
TAO Contingent	4/16/2020	TCW
TCW Securitized Opportunities	2/3/2016	Northern Trust
TPG AG Asset Based Credit Evergreen Fund	1/1/2016	TPG
TPG AG Essential Housing III	11/1/2024	TPG Sixth Street
Transition Equity	9/30/2010	Northern Trust
Transition Fixed Income	9/30/2010	TPG Sixth Street
TSSP Adjacent Opportunities Partners	11/17/2017	Vista Equity
Vista Equity Partners	7/24/2020	Warren
Warren Equity III	4/1/2021	Warren
Warren Equity IV	1/1/2023	Wellington
Wellington Alternative Investments	2/9/2023	Wellington
WEP IV TS Co-Investment, L.P.	8/14/2023	Northern Trust
WEP TreeCo Co-Investment, L.P	2/7/2025	WEP
Western Asset Core Plus	5/31/2004	Northern Trust
Western Asset High Yield Fixed income	5/31/2005	Western Asset

Policy & Custom Index Composition	
Policy Index: 6/1/2026 - Present	Policy Index: 34% MSCI ACWI IMI (Net), 23% Fixed Income Blend - 13% Core (3% ICE BofAML 7-10 Year US Treasury Index, 2% ICE BofAML US Treasury 10+ Index, 4% Bloomberg US Aggregate Index, 4% Bloomberg US Corporate Credit 1-3 Year Index). 10% Credit (5% Securitized (2.5% Bloomberg Non-Agency CMBS Index; 1.67% Bloomberg ABS Index; 0.83% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index. 2.5% Emerging Market Debt (2.5% JPM EMBI Global Div - Hard currency only), 5% Bloomberg Commodity Index, 12% Hedge fund (9% 3-Month T-bill + 3%, 3% MSCI ACWI Net), 2.5% 3-Month T-Bill + 3%, 7% NCREIF-ODCE Net Monthly, 6% actual timeweighted Private Equity Returns*, 8% actual time-weighted Private Credit Returns*, 5% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -2.5% 3-Month T-bill.
Policy Index: 1/1/2026 - Present	Policy Index: 35% MSCI ACWI IMI (Net), 27% Fixed Income Blend - 17% Core (10% Bloomberg US Aggregate Index, 3% ICE BofAML 7-10 Year US Treasury Index, 4% Bloomberg US Corporate Credit 1-3 Year Index). 10% Credit (5% Securitized (2.5% Bloomberg Non-Agency CMBS Index; 1.67% Bloomberg ABS Index; 0.83% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index. 2.5% Emerging Market Debt (2.5% JPM EMBI Global Div - Hard currency only, 5% Bloomberg Commodity Index), 10% Hedge fund (7.5% 3-Month T-bill + 3%, 2.5% MSCI ACWI (Net)), 2.5% 3-Month T-Bill + 3%, 7% NCREIF-ODCE Net Monthly, 5% actual timeweighted Private Equity Returns*, 6% actual time-weighted Private Credit Returns*, 5% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -2.5% 3-Month T-bill.
Policy Index: 7/1/2025 -1/1/2026	33% MSCI ACWI IMI (Net), 27% Fixed Income Blend - 16% Core (9% Bloomberg US Aggregate Index, 3% ICE BofAML 7-10 Year US Treasury Index, 4% Bloomberg US Corporate Credit 1-3 Year Index). 10% Credit (5% Securitized (2.5% Bloomberg Non-Agency CMBS Index; 1.67% Bloomberg ABS Index; 0.83% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index. 2.5% Emerging Market Debt (2.5% JPM EMBI Global Div - Hard currency only, 4% Bloomberg Commodity Index, 10% Hedge fund (7.5% 3-Month T-bill + 3%, 2.5% MSCI ACWI (Net)), 2.5% 3-Month T-Bill + 3%, 5% Alerian Midstream Energy Index, 6% NCREIF-ODCE Gross Monthly, 5% actual timeweighted Private Equity Returns*, 6% actual time-weighted Private Credit Returns*, 4% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -2.5% 3-Month T-bill.
Policy Index: 5/1/2025 - 7/1/25	33% MSCI ACWI IMI (Net), 27% Fixed Income Blend - 19% Core (12% Bloomberg US Aggregate Index, 3% ICE BofAML 7-10 Year US Treasury Index, 4% Bloomberg US Corporate Credit 1-3 Year Index). 8% Credit (1.5% Securitized (0.75% Bloomberg Non-Agency CMBS Index; 0.50% Bloomberg ABS Index; 0.25% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index. 4% Emerging Market Debt (2% JPM EMBI Global Div / 2% JPM GBI EM Global Div)), 4% Bloomberg Commodity Index, 10% Hedge fund (7.5% 3-Month T-bill + 3%, 2.5% MSCI ACWI (Net)), 2.5% 3-Month T-Bill + 3%, 5% Alerian Midstream Energy Index, 6% NCREIF-ODCE Net Monthly, 5% actual timeweighted Private Equity Returns*, 6% actual time-weighted Private Credit Returns*, 4% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -2.5% 3-Month T-bill.
Policy Index: 1/1/2025 - Present	33% MSCI ACWI IMI (Net), 27% Fixed Income Blend - 19% Core (12% Bloomberg US Aggregate Index, 3% ICE BofAML 7-10 Year US Treasury Index, 4% Bloomberg US Corporate Credit 1-3 Year Index). 8% Credit (1.5% Securitized (0.75% Bloomberg Non-Agency CMBS Index; 0.50% Bloomberg ABS Index; 0.25% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index. 4% Emerging Market Debt (2% JPM EMBI Global Div / 2% JPM GBI EM Global Div), 4% Bloomberg Commodity Index, 10% Hedge fund (7.5% 3-Month T-bill + 3%, 2.5% MSCI ACWI (Net)), 4% 3-Month T-Bill + 3%, 5% Alerian Midstream Energy Index, 6% NCREIF-ODCE Gross Monthly, 5% actual timeweighted Private Equity Returns*, 6% actual time-weighted Private Credit Returns*, 4% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -4% 3-Month T-bill.
Policy Index: 11/1/2024 - 1/1/2025	Policy Index: 33% MSCI ACWI IMI (Net), 25% Fixed Income Blend - 17% Core (14% Bloomberg US Aggregate Index, 3% ICE BofAML 7-10 Year US Treasury Index). 8% Credit (1.5% Securitized (0.75% Bloomberg Non-Agency CMBS Index; 0.50% Bloomberg ABS Index; 0.25% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index, 4% Emerging Market Debt (2% JPM EMBI Global Div / 2% JPM GBI EM Global Div), 4% Bloomberg Commodity Index, 10% Hedge fund (7.5% 3-Month T-bill + 3%, 2.5% MSCI ACWI (Net)), 4% 3-Month T-Bill + 3%, 5% Alerian Midstream Energy Index, 5% NCREIF-ODCE Gross Monthly, 5% actual time-weighted Private Equity Returns*, 8% actual time-weighted Private Credit Returns*, 5% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -4% 3-Month T-bill.
Policy Index: 10/1/2023 - 11/1/2024	33% MSCI ACWI IMI (Net), 15% Bloomberg US Aggregate, 6% Ice BofA ML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets Global Diversified, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +3%, 2.5% MSCI ACWI (Net), 8% 90 Day T-Bill + 3%, 5% Alerian Midstream Energy Index, 5% NCREIF-ODCE Gross Monthly, 5% actual time-weighted Private Equity Returns*, 8% actual time-weighted Private Credit Returns*, 5% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -8% 90 Day T-bill.
Policy Index: 4/1/2022-9/30/23	37% MSCI ACWI IMI (Net), 14% Bloomberg US Aggregate, 6% Ice BofA ML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets Global Diversified, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +4%, 2.5% MSCI ACWI (Net), 8% 91 Day T-Bill + 4%, 5% NCREIF-ODCE Gross Monthly, 5% actual time-weighted Private Equity Returns*, 5% actual time-weighted Private Credit Returns*, 5% actual time-weighted Private Real Estate Returns*, 5% Alerian Midstream, 0% Assumed Rate of Return +3%, -8% 3-Month T-bill.
Policy Index: 7/1/2021-4/1/2022	37% MSCI ACWI IMI, 14% Bloomberg US Aggregate, 6% Ice BofA ML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 2% actual time-weighted Private Equity Returns*, 4% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 3% MSCI ACWI*, 1% Bloomberg US Aggregate*, 4% Bloomberg US Aggregate, 5% Alerian Midstream, 5% 3-Month T-bill +400bps, 91 Day T-Bills, -5% 3-Month T-bill.
Policy Index: 1/1/2021-6/30/2021	37% MSCI ACWI IMI, 14% Bloomberg US Aggregate, 6% Ice BofA ML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 1% actual time-weighted Private Equity Returns*, 4% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 4% MSCI ACWI*, 1% Bloomberg US Aggregate*, 4% Bloomberg US Aggregate, 5% Alerian Midstream, 5% 3-Month T-bill +400bps, 91 Day T-Bills, -5% 3-Month T-bill.
Policy Index: 7/1/2020-12/31/2020	37% MSCI ACWI IMI, 14% Bloomberg US Aggregate, 6% Ice BofA ML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 1% actual time-weighted Private Equity Returns*, 4% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 4% MSCI ACWI*, 5% Bloomberg US Aggregate, 1% Alerian Midstream, 4% Bloomberg US Aggregate
Policy Index: 4/1/2020-6/30/2020	37% MSCI ACWI IMI, 19% Bloomberg US Aggregate, 6% Ice BofA ML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 1% actual time-weighted Private Equity Returns*, 4% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 3% MSCI ACWI*, 5% Bloomberg US Aggregate*.
Policy Index: 1/1/2020-3/31/2020	37% MSCI ACWI IMI, 19% Bloomberg US Aggregate, 6% Ice BofA ML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 2% actual time-weighted Private Equity Returns*, 4% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 3% MSCI ACWI*, 5% Bloomberg US Aggregate*.
Policy Index: 10/1/2019-12/31/2019	37% MSCI ACWI IMI, 19% Bloomberg US Aggregate, 6% Ice BofA ML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 2% actual time-weighted Private Equity Returns*, 3% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 3% MSCI ACWI*, 6% Bloomberg US Aggregate*.
Policy Index: 7/1/2019-9/30/2019	37% MSCI ACWI IMI, 19% Bloomberg US Aggregate, 6% Ice BofA ML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 2% actual time-weighted Private Equity Returns*, 4% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 3% MSCI ACWI*, 5% Bloomberg US Aggregate*.
Policy Index: 4/1/2019-6/30/2019	37% MSCI ACWI IMI, 19% Bloomberg US Aggregate, 6% Ice BofA ML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 2% actual time-weighted Private Equity Returns*, 3% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 3% MSCI ACWI*, 6% Bloomberg US Aggregate*.
Policy Index: 1/1/2019-3/31/2019	37% MSCI ACWI IMI, 19% Bloomberg US Aggregate, 6% Ice BofA ML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 2% actual time-weighted Private Equity Returns*, 3% actual time-weighted Private Credit Returns*, 2% actual time-weighted Private Real Estate Returns*, 3% MSCI ACWI*, 5% Bloomberg US Aggregate*.
Policy Index: 10/1/2018-12/31/2018	37% MSCI ACWI IMI, 19% Bloomberg US Aggregate, 6% Ice BofA ML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 2% actual time-weighted Private Equity Returns*, 2% actual time-weighted Private Credit Returns*, 2% actual time-weighted Private Real Estate Returns*, 3% MSCI ACWI*, 6% Bloomberg US Aggregate*.
Policy Index: 7/1/2018-9/30/2018	37% MSCI ACWI IMI, 19% Bloomberg US Aggregate, 6% Ice BofA ML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 3% actual time-weighted Private Equity Returns*, 2% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 2% MSCI ACWI*, 7% Bloomberg US Aggregate*.
Policy Index: 1/1/2017- 6/30/2018	19% Russell 3000 Index, 18% MSCI ACWI ex US, 29% Bloomberg US Aggregate, 10% NCREIF-ODCE, 4% Bloomberg Commodity Index, 7.5% 91-day T-bills + 400bps, 2.5% MSCI ACWI, 5% Russell 3000 Index + 300 bps, 5% ICE BofA ML High Yield + 200 bps.
Policy Index: 4/1/2014-12/31/2016	23% Russell 3000 Index, 29% Bloomberg US Aggregate, 22% MSCI ACWI ex US,

Other Disclosures

*Private Asset actual weights, rounded to 1%, and actual time-weighted returns of Private Equity, Private Credit, Private Real Estate used in policy with the difference in weight versus target allocated to private market's public market "equivalent". Private Equity to Global Equity, Private Credit and Private Real Estate to Core Plus.

All data prior to 2Q 2011 has been provided by the investment managers.

Effective 1/1/2017, only traditional asset class (public equity, public fixed income, REITs) investment manager fees will be included in the gross of fee return calculation. Fiscal year end: 6/30.

Glossary

Allocation Effect: An attribution effect that describes the amount attributable to the managers' asset allocation decisions, relative to the benchmark.

Alpha: The excess return of a portfolio after adjusting for market risk. This excess return is attributable to the selection skill of the portfolio manager. Alpha is calculated as: Portfolio Return [Risk free Rate + Portfolio Beta x (Market Return Risk free Rate)].

Benchmark R squared: Measures how well the Benchmark return series fits the manager's return series. The higher the Benchmark R squared, the more appropriate the benchmark is for the manager.

Beta: A measure of systematic, or market risk; the part of risk in a portfolio or security that is attributable to general market movements. Beta is calculated by dividing the covariance of a security by the variance of the market.

Book to Market: The ratio of book value per share to market price per share. Growth managers typically have low book to market ratios while value managers typically have high book to market ratios.

Capture Ratio: A statistical measure of an investment manager's overall performance in up or down markets. The capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen (up market) or fallen (down market). The capture ratio is calculated by dividing the manager's returns by the returns of the index during the up/down market, and multiplying that factor by 100.

Correlation: A measure of the relative movement of returns of one security or asset class relative to another over time. A correlation of 1 means the returns of two securities move in lock step, a correlation of 1 means the returns of two securities move in the exact opposite direction over time. Correlation is used as a measure to help maximize the benefits of diversification when constructing an investment portfolio.

Excess Return: A measure of the difference in appreciation or depreciation in the price of an investment compared to its benchmark, over a given time period. This is usually expressed as a percentage and may be annualized over a number of years or represent a single period.

Information Ratio: A measure of a manager's ability to earn excess return without incurring additional risk. Information ratio is calculated as: excess return divided by tracking error.

Interaction Effect: An attribution effect that describes the portion of active management that is contributable to the cross interaction between the allocation and selection effect. This can also be explained as an effect that cannot be easily traced to a source.

Portfolio Turnover: The percentage of a portfolio that is sold and replaced (turned over) during a given time period. Low portfolio turnover is indicative of a buy and hold strategy while high portfolio turnover implies a more active form of management.

Price to Earnings Ratio (P/E): Also called the earnings multiplier, it is calculated by dividing the price of a company's stock into earnings per share. Growth managers typically hold stocks with high price to earnings ratios whereas value managers hold stocks with low price to earnings ratios.

R Squared: Also called the coefficient of determination, it measures the amount of variation in one variable explained by variations in another, i.e., the goodness of fit to a benchmark. In the case of investments, the term is used to explain the amount of variation in a security or portfolio explained by movements in the market or the portfolio's benchmark.

Selection Effect: An attribution effect that describes the amount attributable to the managers' stock selection decisions, relative to the benchmark.

Sharpe Ratio: A measure of portfolio efficiency. The Sharpe Ratio indicates excess portfolio return for each unit of risk associated with achieving the excess return. The higher the Sharpe Ratio, the more efficient the portfolio. Sharpe ratio is calculated as: Portfolio Excess Return / Portfolio Standard Deviation.

Sortino Ratio: Measures the risk adjusted return of an investment, portfolio, or strategy. It is a modification of the Sharpe Ratio, but penalizes only those returns falling below a specified benchmark. The Sortino Ratio uses downside deviation in the denominator rather than standard deviation, like the Sharpe Ratio.

Standard Deviation: A measure of volatility, or risk, inherent in a security or portfolio. The standard deviation of a series is a measure of the extent to which observations in the series differ from the arithmetic mean of the series. For example, if a security has an average annual rate of return of 10% and a standard deviation of 5%, then two thirds of the time, one would expect to receive an annual rate of return between 5% and 15%.

Style Analysis: A return based analysis designed to identify combinations of passive investments to closely replicate the performance of funds

Style Map: A specialized form or scatter plot chart typically used to show where a Manager lies in relation to a set of style indices on a two dimensional plane. This is simply a way of viewing the asset loadings in a different context. The coordinates are calculated by rescaling the asset loadings to range from 1 to 1 on each axis and are dependent on the Style Indices comprising the Map.

Disclosure

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Net-of-Fees Returns mean gross-of-fees returns reduced by fees and expenses charged by third-party investment managers on the products of such managers held by client.

Net-of-Fees Returns does not include a reduction of returns for CPIC' investment management and consulting fees, or other expenses incurred by the asset owner, fund or plan.

CPIC receives universe data from InvMetrics, eVestment Alliance, and Morningstar. We believe this data to be robust and appropriate for peer comparison. Nevertheless, these universes may not be comprehensive of all peer investors/managers but rather of the investors/managers that comprise that database. The resulting universe composition is not static and will change over time. Returns are annualized when they cover more than one year. Investment managers may revise their data after report distribution. CPIC will make the appropriate correction to the client account but may or may not disclose the change to the client based on the materiality of the change.