December 2025

BUILDING THE TRUST

Investment Management

Teacher Retirement System of Texas
4655 Muller Blvd.
Austin, Texas
78723

TEACHER RETIREMENT SYSTEM OF TEXAS MEETING
BOARD OF TRUSTEES
AND
INVESTMENT MANAGEMENT COMMITTEE

All or part of the December 4, 2025, meeting of the TRS Investment Management Committee and Board of Trustees may be held by telephone or video conference call as authorized under Sections 551.130 and 551.127 of the Texas Government Code. The Board intends to have a quorum and the presiding officer of the meeting physically present at the following location, which will be open to the public during the open portions of the meeting: ***4655 Mueller Blvd, 2nd Floor, Boardroom.***

The open portions of the December 4, 2025, meeting are being broadcast over the Internet. Access to the Internet broadcast and agenda materials of the meeting is provided at www.trs.texas.gov. A recording of the meeting will be available at www.trs.texas.gov.

AGENDA
December 4, 2025 – 11:00 a.m.

1. Call roll of Committee members.

2. Consider the approval of the proposed minutes of the September 2025 committee meeting – Committee Chair.

3. CIO Update including Talent Management; Accomplishments; Notices; Awards; Key Dates and Upcoming Events – Jase Auby.

4. Discuss the Third Quarter 2025 Performance Review – Colin Bebee and Mika Malone, Meketa.

5. Update on Investment Operations – Kendall Courtney

6. Annual Update on Risk and Portfolio Management – James Nield and Mark Telschow.

NOTE: The Board of Trustees (Board) of the Teacher Retirement System of Texas will not consider or act upon any item before the Investment Management Committee (Committee) at this meeting of the Committee. This meeting is not a regular meeting of the Board. However, because the full Committee constitutes a quorum of the Board, the meeting of the Committee is also being posted as a meeting of the Board out of an abundance of caution.

Minutes of the Investment Management Committee
September 18, 2025

The Investment Management Committee of the Board of Trustees of the Teacher Retirement System of Texas met on Thursday, September 18, 2025, in the boardroom located on the Second Floor of TRS' offices located at 4655 Mueller Blvd, Austin, Texas, 78723.

Committee members present:
Mr. David Corpus, Chair
Mr. Mike Ball
Mr. John Elliott
Mr. Robert H. Walls, Jr.
Mr. Elvis Williams

Other TRS Board Members present:
Ms. Brittny Allred
Ms. Laronda Graf
Mr. John R. Rutherford

Others present:
Brian Guthrie, TRS
Caasi Lamb, TRS
Heather Traeger, TRS
Jase Auby, TRS
Amanda Jenami, TRS
Don Green, TRS
James Nield, TRS
Stephen Kim, TRS
Katherine Farrell, TRS
Suzanne Dugan, Cohen Milstein
Dr. Keith Brown, Board Advisor
Ashley Woeste, Aon
Greg Jensen, Bridgewater Associates

Investment Management Committee Chair, Mr. David Corpus, called the meeting to order at 10:15 a.m.

1. Call roll of Committee members.

Ms. Farrell called the roll. A quorum was present.

2. Consider the approval of the proposed minutes of the July 2025, Investment Management Committee meeting – Chair David Corpus.

On a motion by Mr. Williams, seconded by Mr. Elliott, the committee approved the proposed minutes for the July 2025 Investment Management Committee meeting as presented.

3. CIO Update including Fleet Strategy; Talent Management; Accomplishments; Notices; Awards; Key Dates and Upcoming Events – Jase Auby.

Mr. Jase Auby provided a high-level review reporting the Trust ended the second quarter of 2025 with a one-year return of 10.8 percent with 140 basis points of excess points or alpha. He reported IMD had conducted the annual Management Committee offsite where all 254 members of IMD's performance were reviewed.

Mr. Auby concluded his report by providing background on artificial intelligence (AI) impact on the market and businesses. He said in 2024 four companies: Amazon, Alphabet, Meta and Microsoft invested $217 billion to build new things in support of AI and for 2025 the projected spend so far is $338 billion and increasing. He said surveys show 42 percent of American businesses have subscribed to these products. He noted it took the internet six years to be at the same place that AI is today. He said within IMD there is a pilot AI program prior to a rollout across the IMD with already 24 distinct potential use cases for AI already identified.

4. Receive presentation on Developments in the Artificial Intelligence Landscape – Greg Jensen, Bridgewater Associates.

Mr. Auby provided a brief introduction to Mr. Greg Jensen, CIO of Bridgewater Associates the largest hedge fund in the world. He said Mr. Jensen has personally led the AI strategy at Bridgwater and was one of the earliest funders of OpenAI as well as Anthropic.

Mr. Jensen provided the background of Bridgewater being on the edge of technology to identify AI tools and how they are now building an artificial investor that one day would compete with or be better than any human investor. He recommended to the Board that the risk to an organization is now in not using the tools for it would slow down the organization and risk losing talent.

5. Discuss the Second Quarter 2025 Performance Review – Ashley Woeste, Aon.

Ms. Asley Woeste began by noting it was the last of many presentations that Aon has given the Board over the years. She was appreciative and happy to end their service on a high note as performance was truly phenomenal. She said the quarter was dominated by equity markets with the Mag Seven driving performance. She said non-US equities continued to perform very well with the global equity policy benchmark up 9.3 percent in the second quarter. She reported the public equity returns to be up 12 percent. She said there were mixed results from bonds over the quarter. She noted the long U.S. Treasuries as the only class during the second quarter to be negative. She reported TRS was up 6.6 percent in the second quarter, nearly one percentage point ahead of the benchmark. The ENRI portfolio added 50 basis points which she said is a small allocation to add that much alpha. She concluded with reporting TRS compared to peers is performing well against other large public pension funds, ranking 12th for the quarter, 19th year to date and 22nd for the one-year period.

Mr. Walls and Mr. Corpus both expressed appreciation to Aon and specifically Ms. Woeste for the service they have provided TRS for more than 20 years.

6. Review of the Semi-annual Risk Report – James Nield and Stephen Kim.

Mr. James Nield began by reporting all eight key metrics remain in compliance with policy. He reviewed the following metrics: asset allocation, liquidity and derivatives. He said for asset allocation there was an increase in global equity based upon the SAA target being increased to 3 percent global equities and stands at 58.3 percent. He reported the total investment exposure at 104.2 percent which is in line with the target of 104.0. For liquidity he reported 79.5 billion of the total $221 billion Trust is comprised of liquid public assets. He said based upon a hypothetical stress event, greater than anything seen to date, the Trust has 5.6 times the amount of liquidity.

Mr. Stephen Kim said the mixture of derivatives has changed due to the implementation of the new SAA. He reported the derivative gross notional of 22.4 precent nets down to 13.5 percent. He provided background on what a derivative is and how TRS utilizes them. Mr. Nield concluded by stating the Trust is aligned with the policy targets set by the Board and that liquidity remains very strong.

There being no more business before the Investment Management Committee, the committee adjourned at 11:50 a.m.

Approved by the Investment Management Committee of the Board of Trustees of the Teacher Retirement System of Texas on December __ 2025.

______________________________ __________________

Katherine H. Farrell Date
Secretary to the Board of Trustees
Teacher Retirement Systems of Texas

CIO Update

Jase Auby, Chief Investment Officer

December 2025

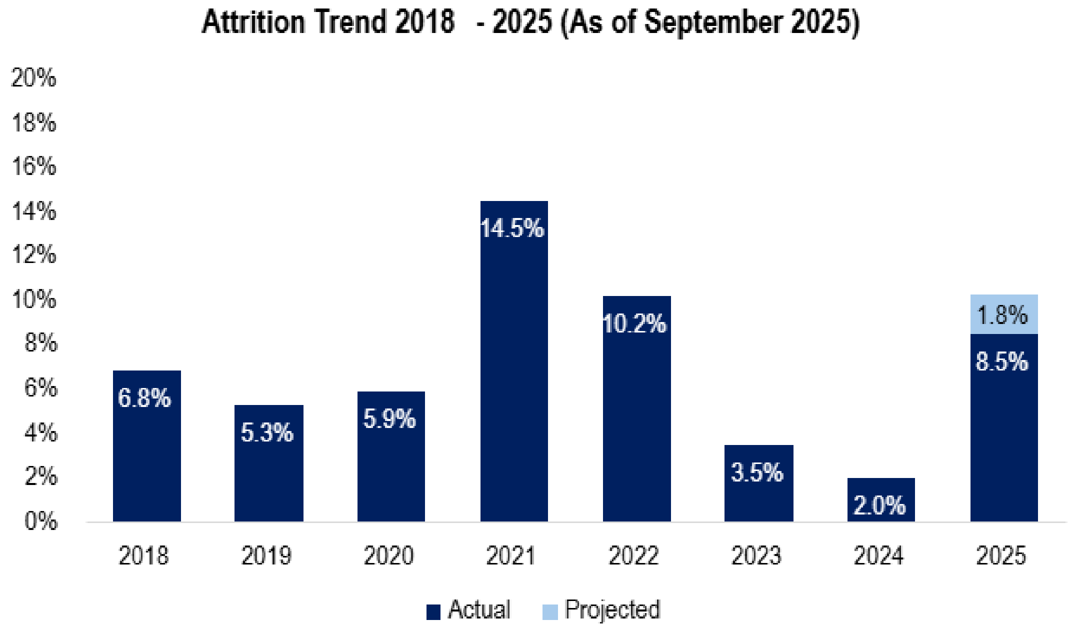
IMD at a Glance

Priorities

- **Performance.** Trust ended the third quarter of 2025 with a 1-year return of 10.7% and +150bp of excess return. The 3-year return is 11.5% with +190bp of excess return
- **SPN Summit.** Hosted Strategic Partnership Network (SPN) Public Summit in New York
- **Annual Planning.** Engaged in annual priority-setting and capital-planning processes in preparation for 2026
- **TRICOT.** The TRICOT office marked their 10-year anniversary
- **Federal Reserve Bank of Dallas.** Jase Auby will be a member of the Bank's Financial Sector Advisory Council

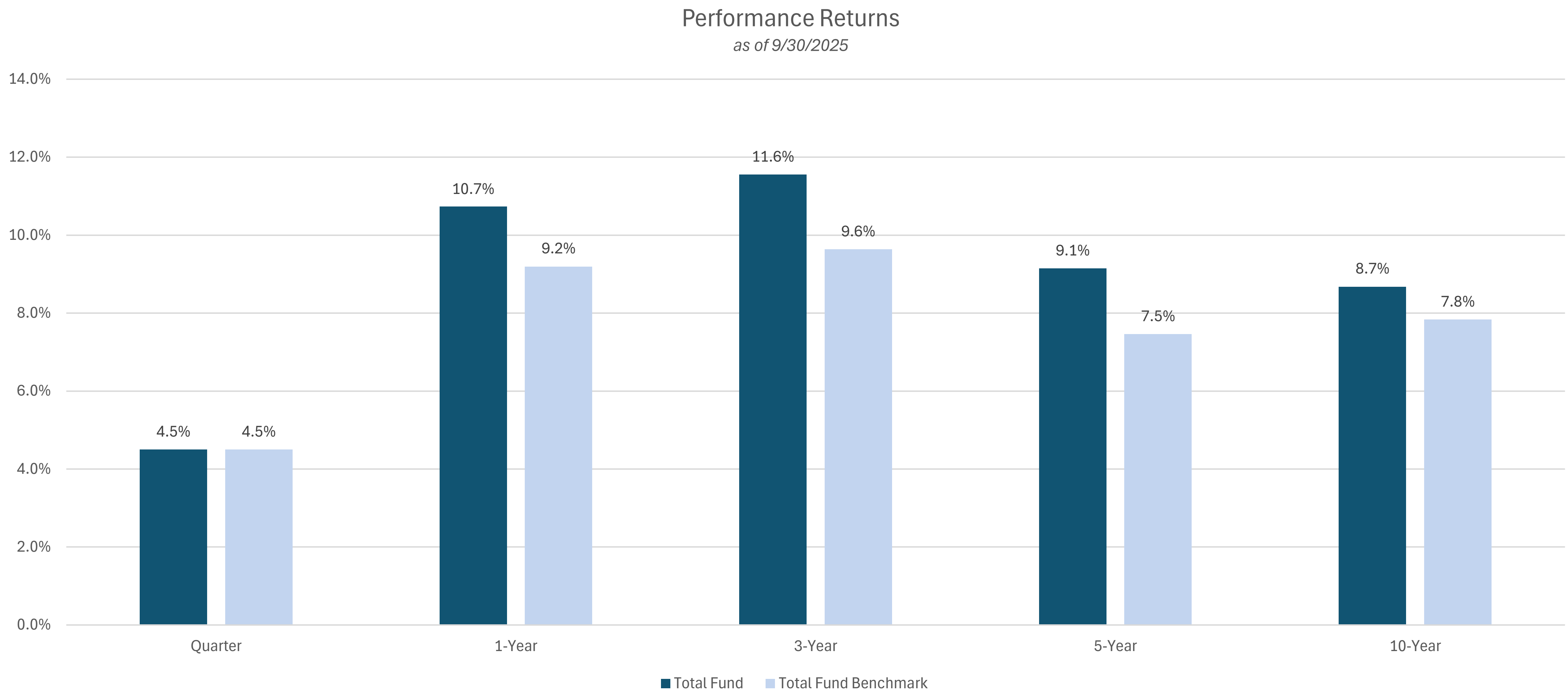
Our People

Snapshot as of September 2025	
IMD FTEs	255
Contractors	6



Source: State Street Bank, TRS IMD

Performance Returns



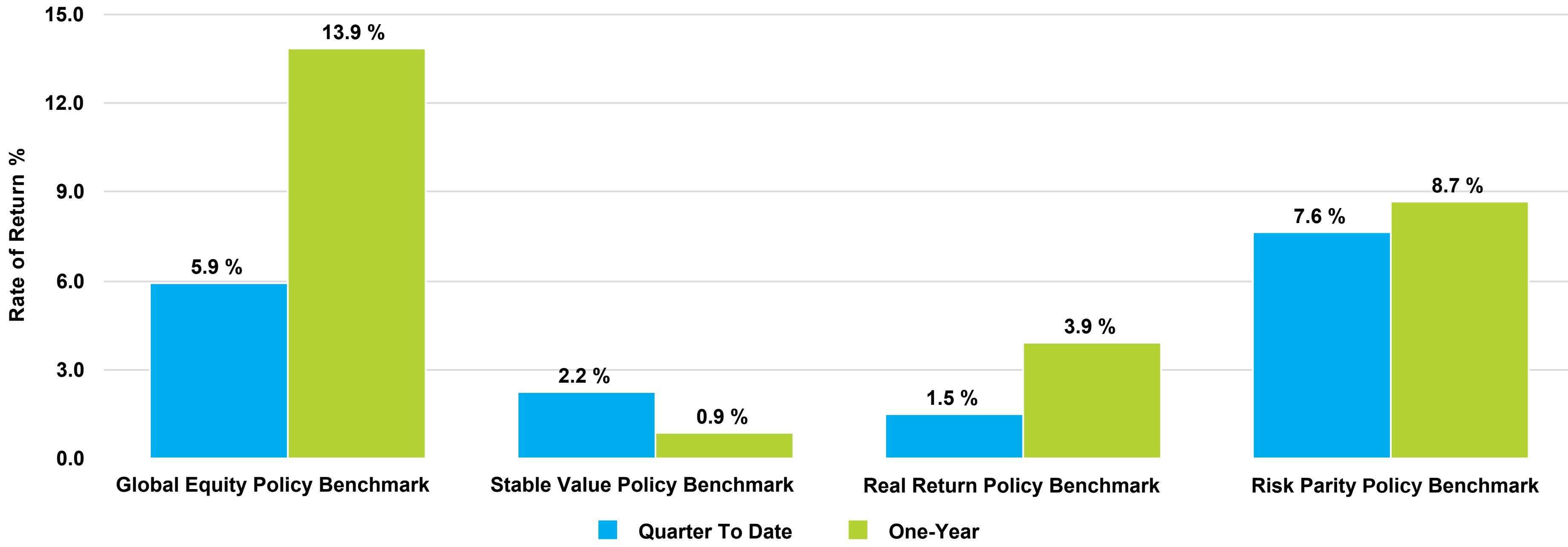
Source: State Street as of 9/30/2025

MEKETA

Teacher Retirement System of Texas

As of September 30, 2025

Performance Review
Third Quarter of 2025



- A strong equity market, driven by Fed rate cut optimism and AI enthusiasm, drove equity market returns into double digits for the year, and the Global Equity Policy Benchmark posted a 5.9% return for Q3.
- Fixed Income markets were also resilient as stable (but elevated) inflation, a slowing labor market, and the first Fed cut of 2025 helped bolster the market segment. The Stable Value Policy Benchmark posted a 2.2% return for the quarter.
- The Real Return Policy Benchmark posted a positive 1.5% return, while the Risk Parity Policy Benchmark was up 7.6% for Q3.

Note: The returns shown in this presentation may differ from State Street statements due entirely to rounding. These differences are generally within a few basis points and are not material.

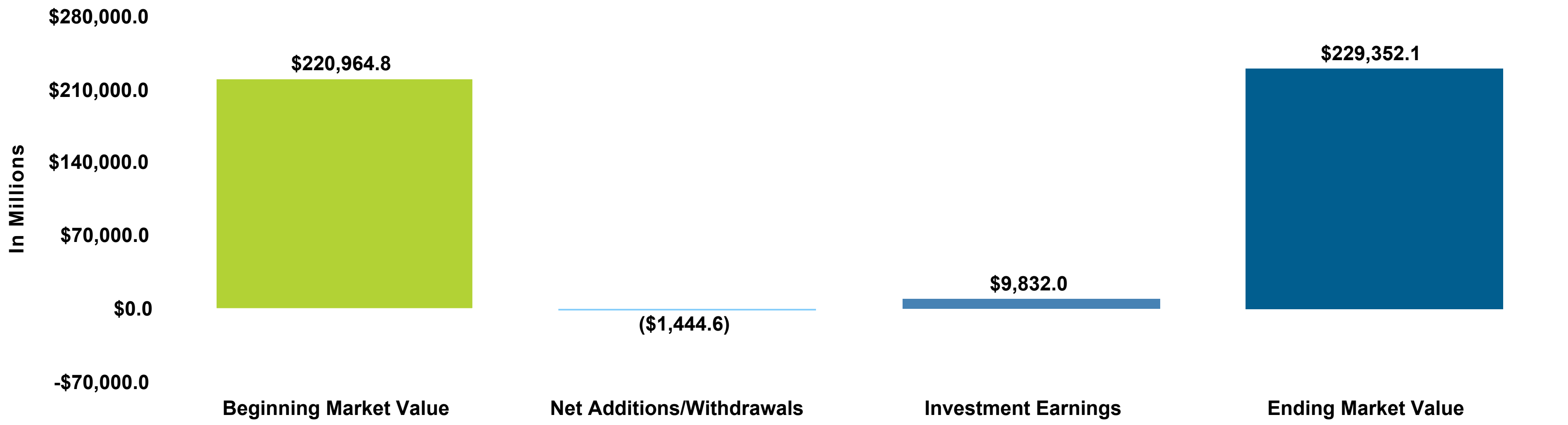
Market Summary | As of September 30, 2025

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Fund						
TRS Policy Benchmark	4.5	11.4	9.2	9.6	7.5	7.8
Global Equity						
Global Equity Policy Benchmark	5.9	15.4	13.9	16.9	13.2	11.3
TRS All Country Benchmark	7.3	17.6	16.4	--	--	--
TRS USA Benchmark	8.2	14.5	17.5	24.2	15.9	14.8
TRS Non-US Developed Benchmark	5.3	25.1	15.6	21.4	11.4	8.3
TRS Emerging Markets Benchmark	6.0	20.5	10.5	15.9	5.7	7.4
Customized State Street Private Equity Index (1Q Lag)	2.7	7.1	8.4	6.5	14.6	12.1
Stable Value						
Stable Value Policy Benchmark	2.2	6.0	0.9	2.6	-4.1	1.2
Bloomberg Long Treasury Index	2.5	5.6	-3.5	0.4	-7.8	-0.1
Bloomberg US TIPS Benchmark	2.1	6.9	3.8	--	--	--
SOFR + 2.5%	1.8	5.3	7.3	--	--	--
Absolute Return Benchmark	2.2	6.5	8.9	9.3	7.0	5.2
Real Return						
Real Return Policy Benchmark	1.5	3.3	3.9	-2.4	5.2	4.9
NCREIF ODCE (1Q Lag)	0.8	2.6	2.7	-6.2	2.5	4.4
Energy, Natural Resources, & Infrastructure Benchmark (1Q Lag)	2.8	4.7	6.5	6.7	11.5	--
Goldman Sachs Commodities Index	4.1	6.1	10.1	4.7	17.6	4.1
Risk Parity						
Risk Parity Policy Benchmark	7.6	15.0	8.7	11.2	3.9	5.7
Cash						
FTSE 3 Month Treasury Bill	1.1	3.3	4.6	5.0	3.1	2.1

Note: The returns shown in this presentation may differ from State Street statements due entirely to rounding. These differences are generally within a few basis points and are not material.

Summary of Market Value Change | As of September 30, 2025

1 Quarter Market Value Change



Total Fund Cash Flow Summary

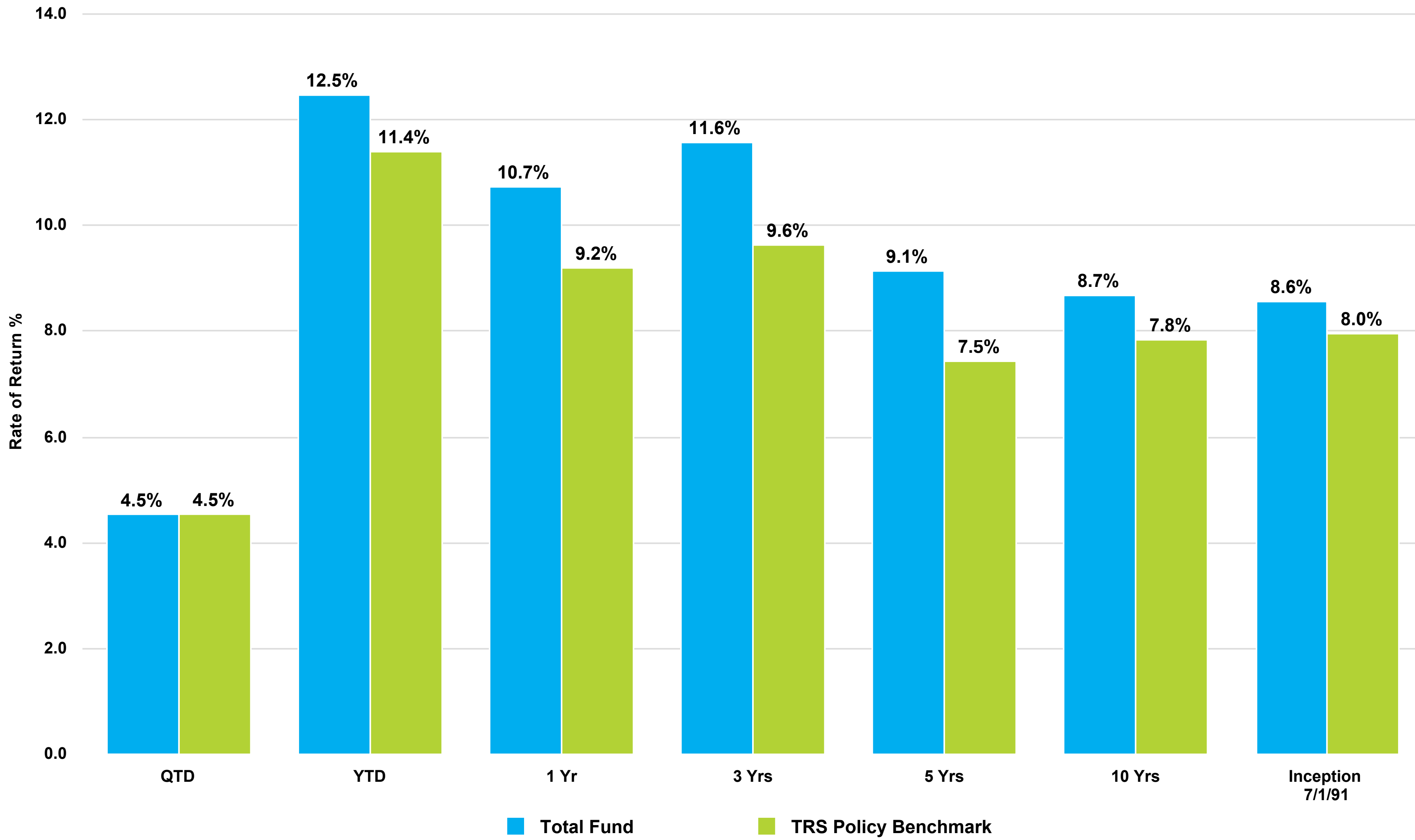
	QTD	YTD	1 Yr	3 Yrs	5 Yrs
Total Fund					
Beginning Market Value	220,964,759,981	207,301,783,683	211,611,346,875	173,277,443,496	162,655,736,486
Net Cash Flows	-1,444,616,681	-3,522,788,914	-4,578,224,107	-9,500,217,527	-18,180,798,893
Gain/Loss	9,832,005,713	25,573,154,244	22,319,026,245	65,574,913,044	84,877,211,420
Ending Market Value	**229,352,149,013**	**229,352,149,013**	**229,352,149,013**	**229,352,149,013**	**229,352,149,013**

Total fund market value reflects the sum of all available underlying composites and sub-composites.

Asset Allocation Compliance | As of September 30, 2025

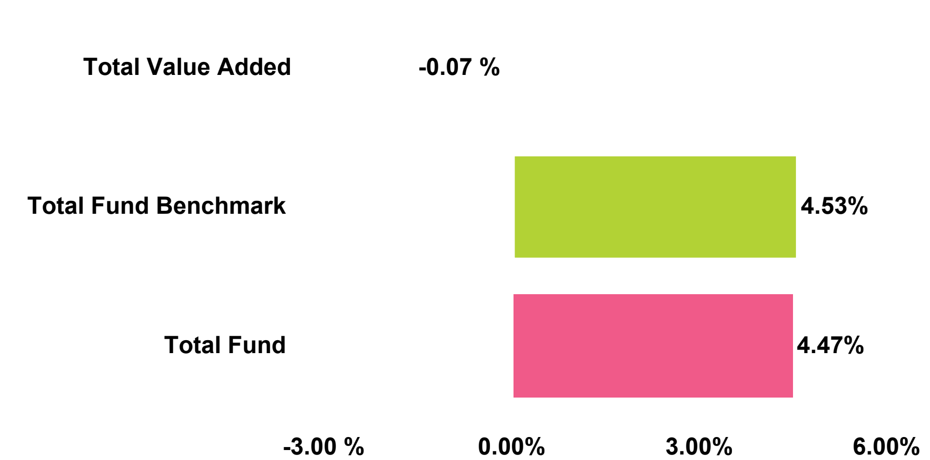
Allocation vs. Targets	Balance ($M)	Current Allocation (%)	Interim Policy Target (%)	Relative to Interim Policy Target (%)	Long Term Policy Target (%)	Relative to Long Term Policy Target (%)	Policy Range (%)	Within IPS Range?
Investment Exposure		**104.7**	**104.0**	**0.7**	**104.0**	**0.7**	**93 - 115**	
Global Equity	**135,398**	**59.0**	**58.8**	**0.3**	**57.0**	**2.0**	**50 - 64**	
All Country	86,310	37.6	37.7	-0.1	39.0	-1.4	29.0 - 44.0	Yes
USA	0.1	0.0	0.0	0.0	0.0	0.0	-5.0 - 5.0	Yes
Non-US Developed	12,415	5.4	4.8	0.6	5.0	0.4	0.0 - 10.0	Yes
Emerging Markets	2,300	1.0	1.0	0.0	1.0	0.0	-4.0 - 6.0	Yes
Private Equity	34,373	15.0	15.2	-0.3	12.0	3.0	7.0 - 19.0	Yes
Stable Value	**47,197**	**20.6**	**20.3**	**0.3**	**21.0**	**-0.4**	**14 - 28**	
Government Bonds - Nominal	20,291	8.8	9.7	-0.8	10.0	-1.2	0.0 - 15.0	Yes
Government Bonds - Real	7,078	3.1	5.8	-2.7	6.0	-2.9	0.0 - 11.0	Yes
Stable Value Hedge Funds	11,211	4.9	4.8	0.1	5.0	-0.1	0.0 - 10.0	Yes
Absolute Return	8,616	3.8	0.0	3.8	0.0	3.8	0.0 - 10.0	Yes
Real Return	**46,249**	**20.2**	**20.1**	**0.1**	**21.0**	**-0.8**	**14 - 28**	
Real Estate	30,407	13.3	13.6	-0.3	15.0	-1.7	10.0 - 20.0	Yes
ENRI	15,429	6.7	6.5	0.2	6.0	0.7	1.0 - 11.0	Yes
Commodities	413	0.2	0.0	0.2	0.0	0.2	0.0 - 5.0	Yes
Risk Parity	**11,257**	**4.9**	**4.8**	**0.1**	**5.0**	**-0.1**	**0 - 10**	
Risk Parity	11,257	4.9	4.8	0.1	5.0	-0.1	0.0 - 10.0	Yes
Net Asset Allocation	**-10,749**	**-4.7**	**-4.0**	**-0.7**	**-4.0**	**-0.7**	**--**	
Cash	4,722	2.1	2.0	0.1	2.0	0.1	0.0 - 7.0	Yes
Asset Allocation Leverage	-15,471	-6.7	-6.0	-0.7	-6.0	-0.7	--	Yes
Total Fund	**229,352**	**100.0**	**100.0**	**0.0**	**100.0**	**0.0**	**--**	

Return Summary
Ending September 30, 2025

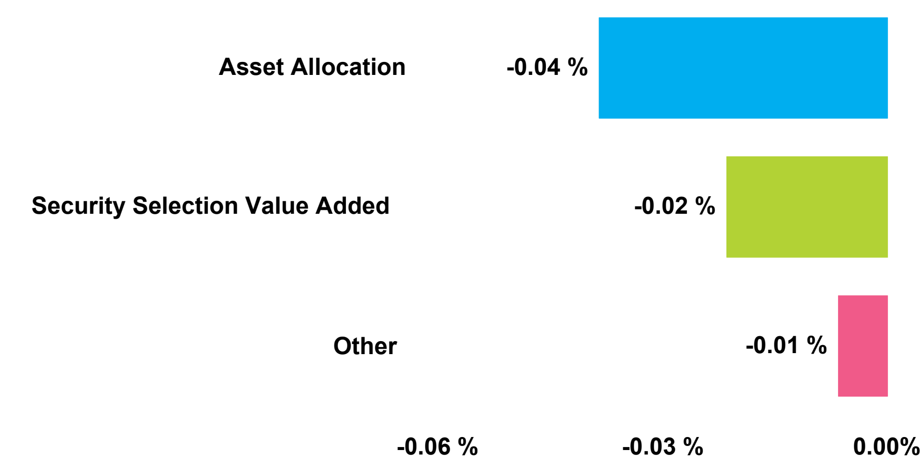


Total Fund Attribution | 1 Quarter Ending September 30, 2025

Total Fund Performance

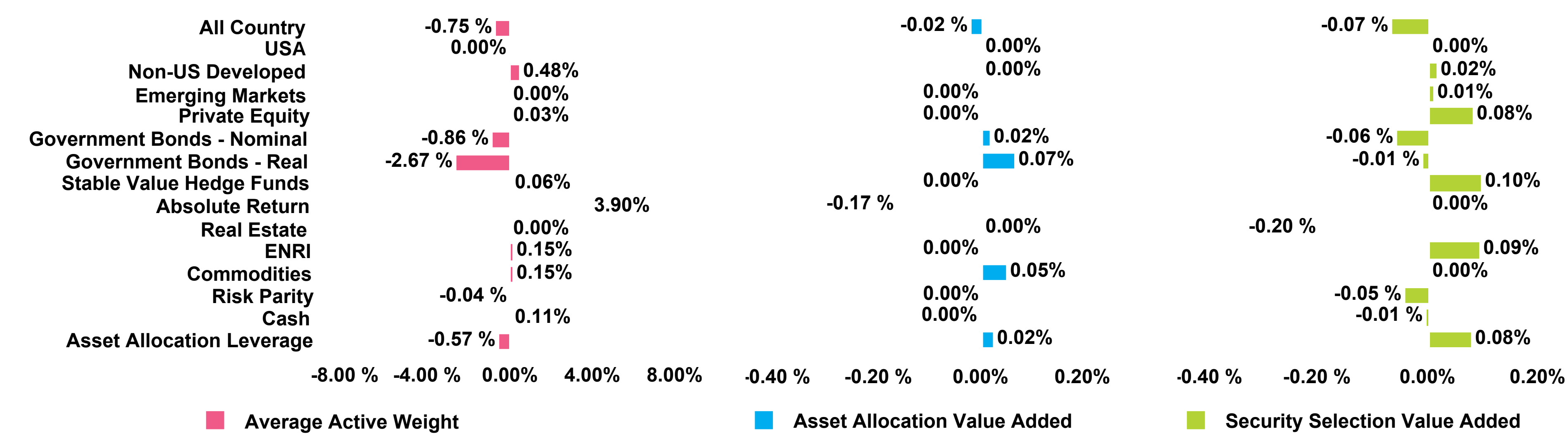


Total Value Added:-0.07 %



Asset Allocation Value Added: -0.04 %

Total Security Selection Value Added:-0.02 %



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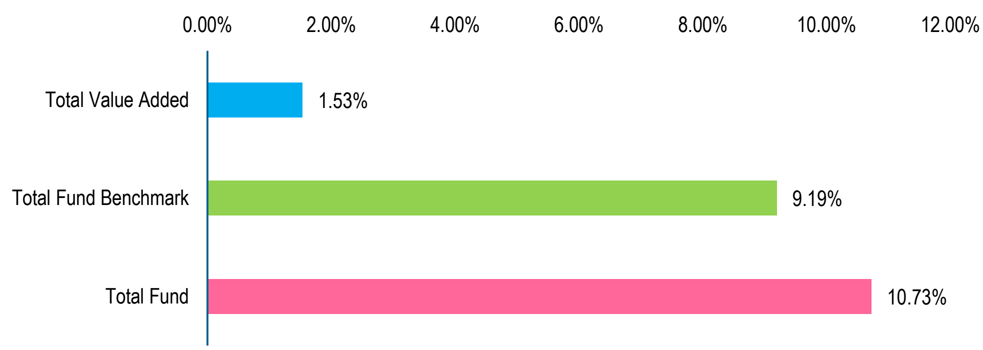
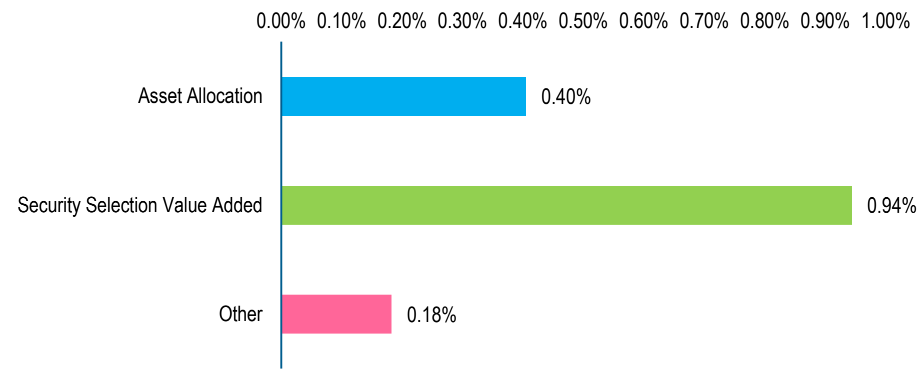
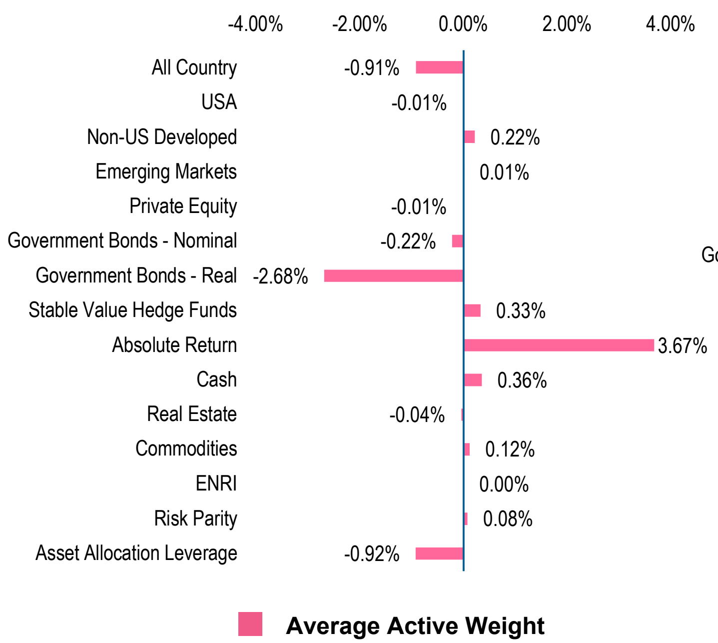
Total Fund Attribution | 1 Year Ending September 30, 2025

Total Fund Performance

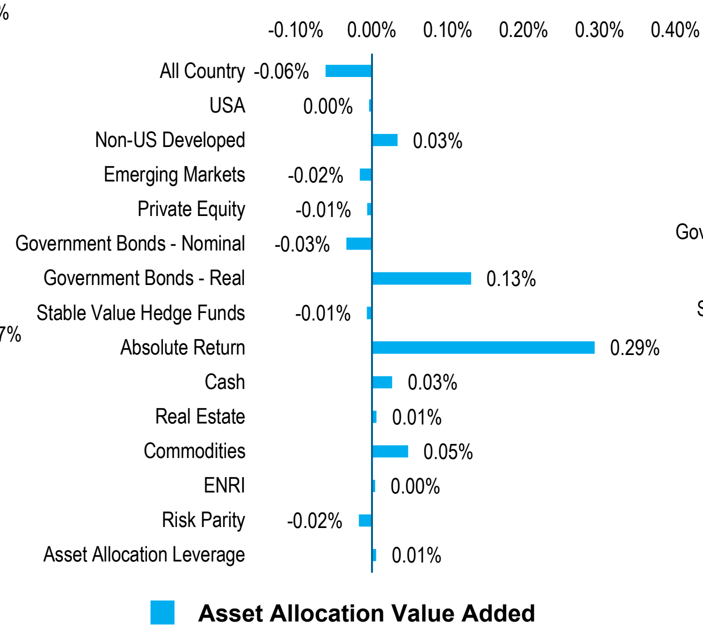


Total Value Added: 1.53 %

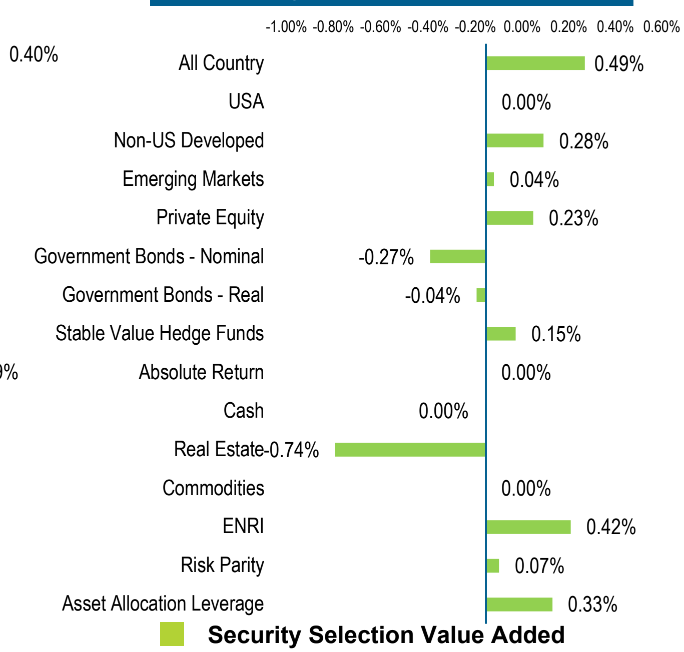




Asset Allocation Value Added: 0.40 %



Total Security Selection Value Added: 0.94 %



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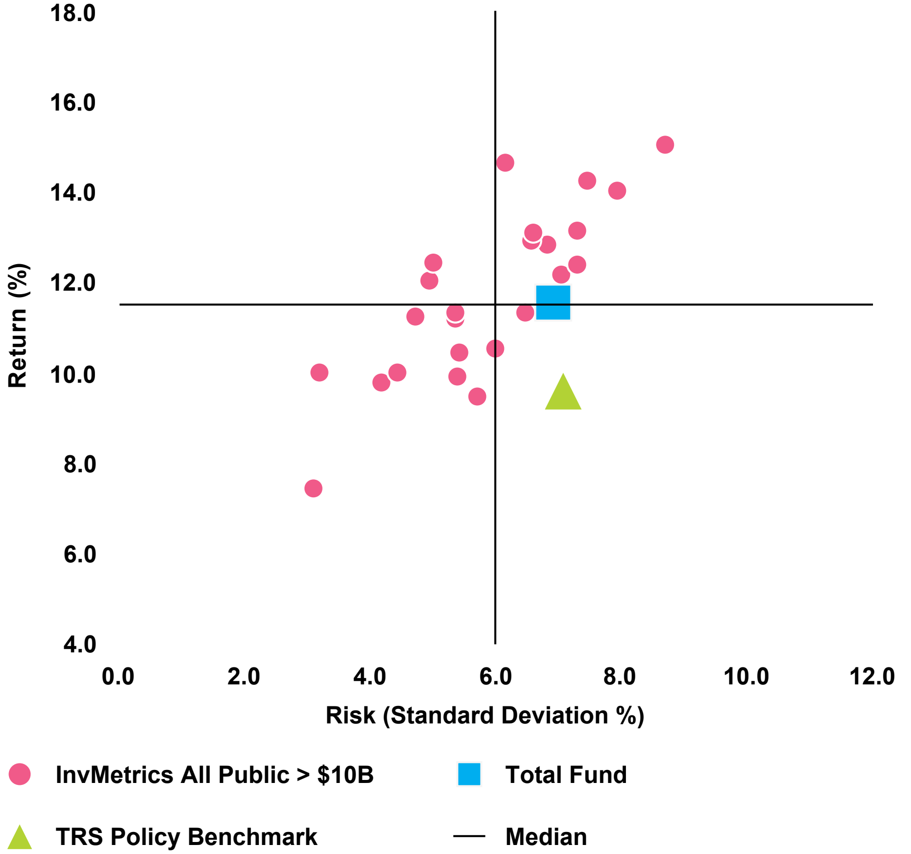
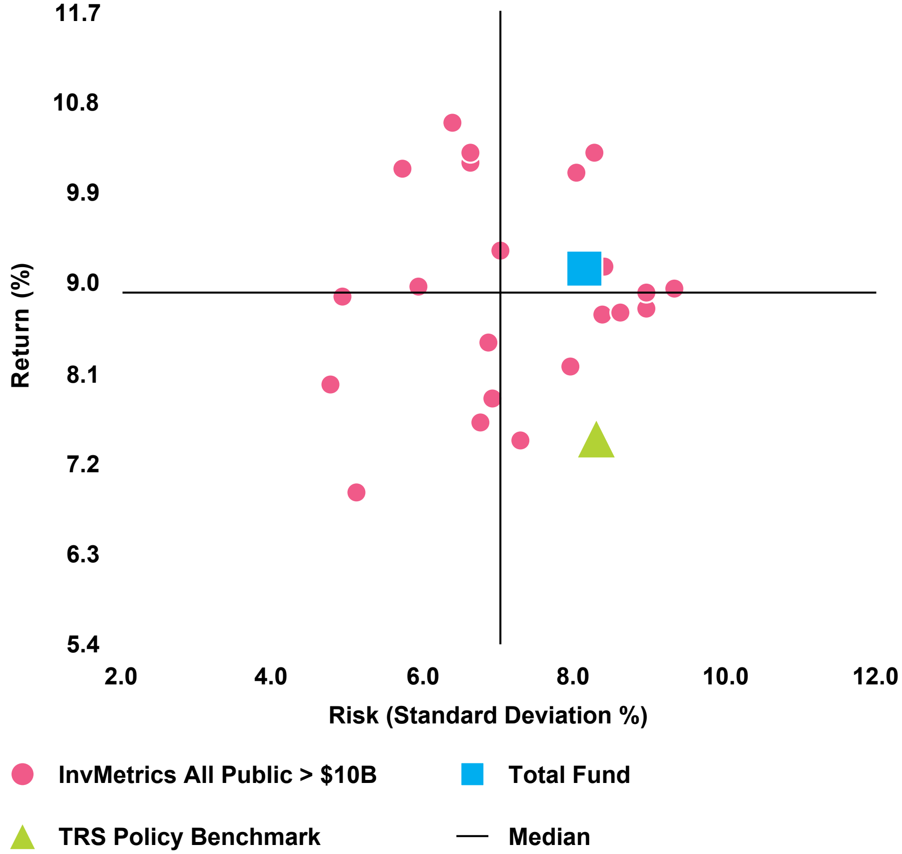
Risk Profile: Total Fund Risk-Return vs. Peers | As of September 30, 2025

Annualized Net Return vs. Annualized Standard Deviation 3 Years Ending September 30, 2025



	Return	Standard Deviation
Total Fund	11.6	6.9
TRS Policy Benchmark	9.6	7.1
Median	11.5	6.0

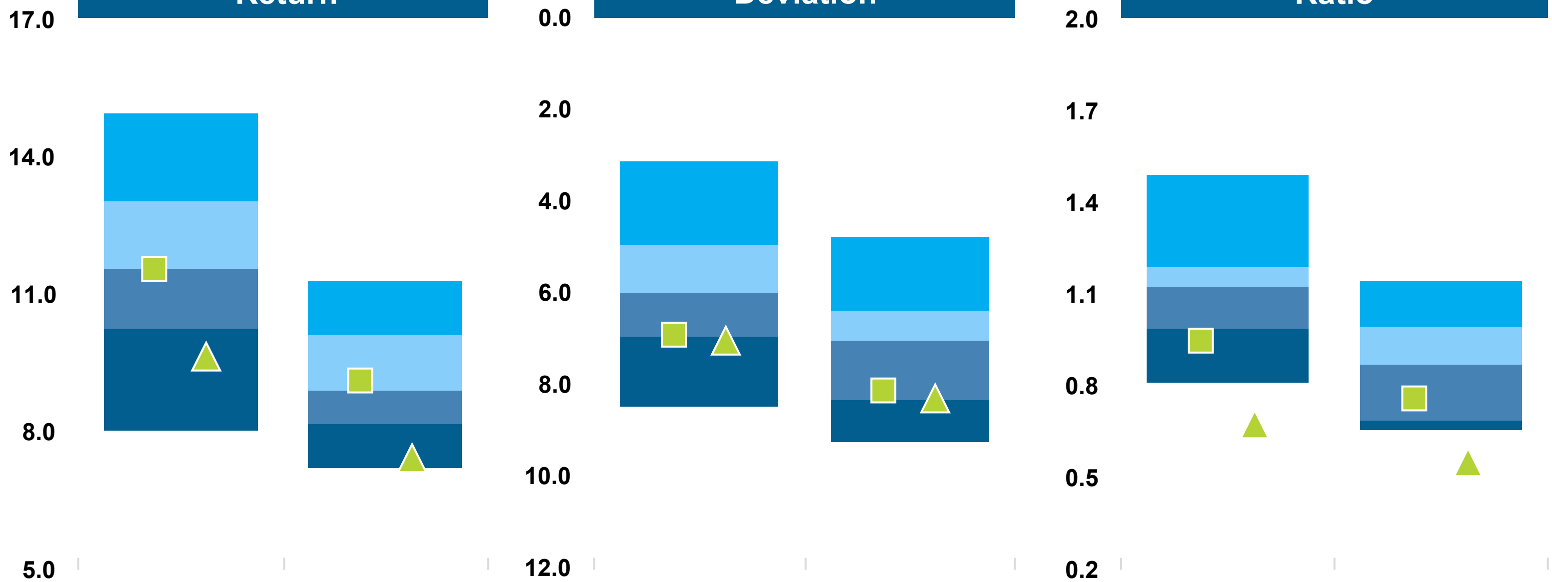
Annualized Net Return vs. Annualized Standard Deviation 5 Years Ending September 30, 2025



	Return	Standard Deviation
Total Fund	9.1	8.1
TRS Policy Benchmark	7.4	8.3
Median	8.9	7.0

Risk Profile: Trailing 3-Year and 5-Year Risk Metrics Peer Comparison | As of September 30, 2025

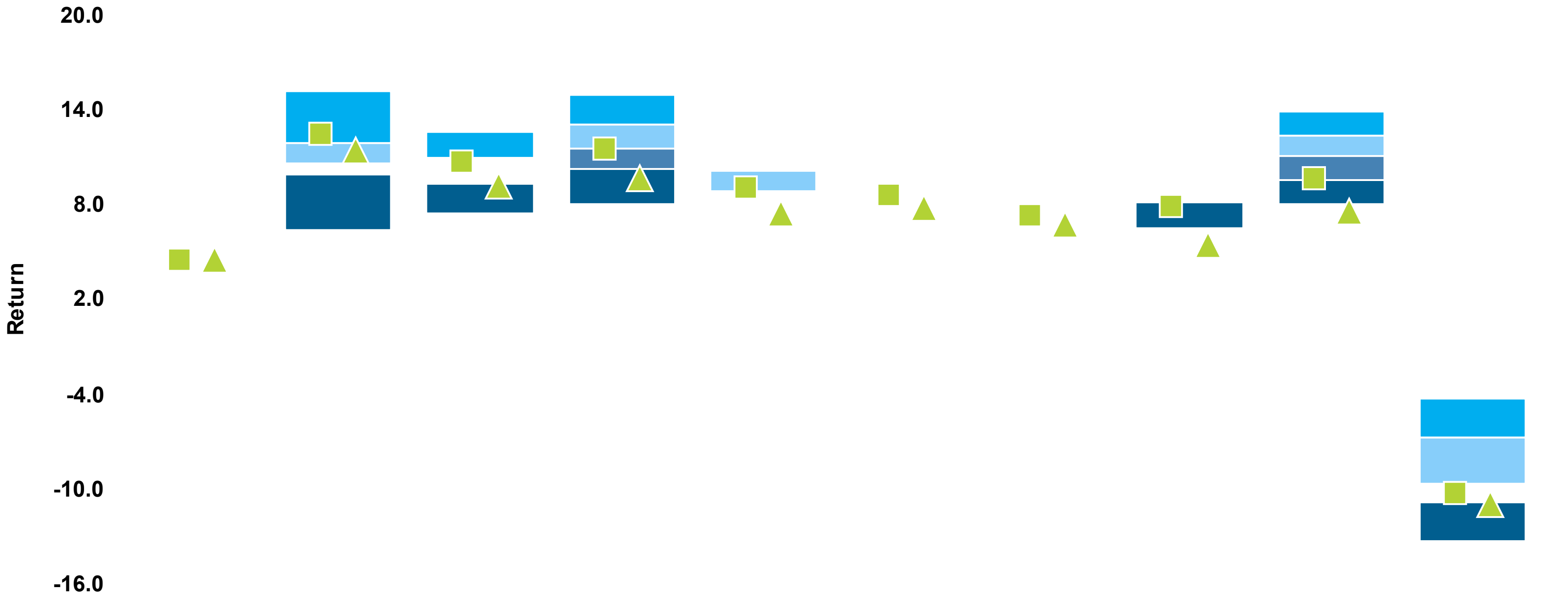
Total Fund vs. All Public Plans > $10B



	Return 3 Yrs (%)	Return 5 Yrs (%)	Standard Deviation 3 Yrs (%)	Standard Deviation 5 Yrs (%)	Sharpe Ratio 3 Yrs (%)	Sharpe Ratio 5 Yrs (%)
■ Total Fund	11.6 (50)	9.1 (38)	6.9 (73)	8.1 (68)	0.9 (81)	0.8 (60)
▲ TRS Policy Benchmark	9.6 (91)	7.4 (92)	7.1 (77)	8.3 (72)	0.7 (99)	0.6 (100)
5th Percentile	15.0	11.3	3.1	4.8	1.5	1.1
1st Quartile	13.0	10.1	5.0	6.4	1.2	1.0
Median	11.5	8.9	6.0	7.0	1.1	0.9
3rd Quartile	10.3	8.2	7.0	8.4	1.0	0.7
95th Percentile	8.1	7.2	8.5	9.2	0.8	0.7
Population	27	25	27	25	27	25

Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

Total Fund vs. All Public Plans > $10B



	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	2024 (%)	2023 (%)	2022 (%)
■ Total Fund	4.5 (35)	12.5 (15)	10.7 (29)	11.6 (50)	9.1 (38)	8.7 (27)	7.3 (38)	7.9 (81)	9.7 (73)	-10.3 (59)
▲ TRS Policy Benchmark	4.5 (32)	11.4 (35)	9.2 (78)	9.6 (91)	7.4 (92)	7.8 (80)	6.7 (80)	5.5 (99)	7.6 (98)	-10.9 (76)
5th Percentile	5.3	15.2	12.7	15.0	11.3	9.6	7.9	10.9	13.8	-4.3
1st Quartile	4.8	11.9	11.0	13.0	10.1	8.9	7.5	10.0	12.4	-6.7
Median	4.2	10.6	10.0	11.5	8.9	8.3	7.2	8.9	11.1	-9.7
3rd Quartile	3.8	10.0	9.3	10.3	8.2	7.9	6.9	8.2	9.6	-10.8
95th Percentile	2.8	6.4	7.5	8.1	7.2	7.2	6.1	6.5	8.0	-13.2
Population	30	28	27	27	25	22	36	57	62	64

Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

IPS Stated Trust Return Objectives | As of September 30, 2025

	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	20 Yrs (%)
Total Fund	**9.15**	**8.15**	**8.68**	**7.27**
Total Fund Benchmark	*7.45*	*7.22*	*7.83*	*6.71*
Difference	1.70	0.94	0.85	0.56
Total Fund	**9.15**	**8.15**	**8.68**	**7.27**
Assumed Rate of Return	*7.09*	*7.14*	*7.38*	*7.70*
Difference	2.06	1.02	1.29	-0.43
Total Fund	**9.15**	**8.15**	**8.68**	**7.27**
CPI + 5%	*9.52*	*8.67*	*8.17*	*7.48*
Difference	-0.37	-0.51	0.51	-0.20

Note: The returns shown in this presentation may differ from State Street statements due entirely to rounding. These differences are generally within a few basis points and are not material.

Trailing Net Performance | As of September 30, 2025

	Market Value ($)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Global Equity	**135,397,927,934**	**6.0**	**17.2**	**15.9**	**17.9**	**13.7**	**11.2**
Global Equity Policy Benchmark		*5.9*	*15.4*	*13.9*	*16.9*	*13.2*	*11.3*
Over/Under		0.0	1.8	2.0	1.0	0.5	-0.1
All Country	86,310,380,643	7.1	18.7	18.0	--	--	--
TRS All Country Benchmark		*7.3*	*17.6*	*16.4*	*--*	*--*	*--*
Over/Under		-0.2	1.1	1.6	--	--	--
USA	62,765						
TRS USA Benchmark		*8.2*	*14.5*	*17.5*	*24.3*	*15.9*	*14.8*
Over/Under		--	--	--	--	--	--
Non-US Developed	12,415,007,881	5.6	31.8	22.3	24.9	12.8	9.0
TRS Non-US Developed Benchmark		*5.3*	*25.1*	*15.6*	*21.4*	*11.4*	*8.3*
Over/Under		0.3	6.7	6.7	3.6	1.3	0.6
Emerging Markets	2,299,762,847	7.0	21.1	11.8	16.4	6.7	8.2
TRS Emerging Markets Benchmark		*6.0*	*20.5*	*10.5*	*15.9*	*5.7*	*7.4*
Over/Under		1.0	0.6	1.3	0.5	1.0	0.9
Total Public Equity	101,025,214,134	6.9	20.2	17.9	23.0	13.4	10.9
Public Equity Benchmark		*7.1*	*18.5*	*15.7*	*21.7*	*12.3*	*10.9*
Over/Under		-0.1	1.7	2.2	1.3	1.0	0.0
Private Equity	34,372,713,799	3.2	9.0	10.0	7.5	14.5	12.0
Customized State Street Private Equity Index (1Q Lag)		*2.7*	*7.1*	*8.4*	*6.5*	*14.6*	*12.1*
Over/Under		0.5	2.0	1.6	1.0	-0.1	-0.1

Trailing Net Performance | As of September 30, 2025

	Market Value ($)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Stable Value	**47,196,566,027**	**1.9**	**6.8**	**2.5**	**3.3**	**-2.0**	**2.6**
Stable Value Benchmark		*2.2*	*6.0*	*0.9*	*2.6*	*-4.1*	*1.2*
Over/Under		-0.3	0.8	1.6	0.7	2.2	1.3
Government Bonds - Nominal	20,291,036,468	1.8	3.4	-6.2	-2.3	-9.6	-0.8
Blmbg. U.S. Treasury: Long		*2.5*	*5.6*	*-3.5*	*0.4*	*-7.8*	*-0.1*
Over/Under		-0.7	-2.2	-2.7	-2.8	-1.8	-0.7
Government Bonds - Real	7,078,194,397	1.7	5.5	2.3	--	--	--
Blmbg. U.S. TIPS Benchmark		*2.1*	*6.9*	*3.8*	*--*	*--*	*--*
Over/Under		-0.4	-1.3	-1.5	--	--	--
Stable Value Hedge Funds	11,210,977,558	3.8	7.8	10.5	8.8	9.7	7.0
Hedge Fund Benchmark		*1.8*	*5.3*	*7.3*	*6.4*	*6.3*	*4.3*
Over/Under		2.0	2.5	3.2	2.4	3.4	2.7
Absolute Return	8,616,357,604	0.3	15.0	18.2	16.2	12.6	9.3
Absolute Return Benchmark		*2.2*	*6.5*	*8.9*	*9.3*	*7.0*	*5.2*
Over/Under		-1.9	8.5	9.3	6.9	5.7	4.1

Trailing Net Performance | As of September 30, 2025

	Market Value ($)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Real Return	**46,249,270,370**	**1.2**	**1.5**	**2.6**	**1.1**	**8.3**	**7.4**
Real Return Policy Benchmark		*1.5*	*3.3*	*3.9*	*-2.4*	*5.2*	*4.9*
Over/Under		-0.2	-1.8	-1.3	3.6	3.1	2.4
Real Estate	30,407,267,309	-0.6	-2.9	-2.6	-3.6	5.5	7.2
NCREIF ODCE (1Q Lag)		*0.8*	*2.6*	*2.7*	*-6.2*	*2.5*	*4.4*
Over/Under		-1.5	-5.5	-5.3	2.7	3.0	2.7
ENRI	15,428,819,913	4.3	9.9	13.4	12.2	14.6	--
ENRI Benchmark (1Q Lag)		*2.8*	*4.7*	*6.5*	*6.7*	*11.5*	*--*
Over/Under		1.5	5.2	6.9	5.4	3.1	--
Commodities	413,183,149	37.9	77.9	59.8	15.7	11.3	9.6
Goldman Sachs Commodities Benchmark		*4.1*	*6.1*	*10.1*	*4.7*	*17.6*	*4.1*
Over/Under		33.9	71.8	49.6	11.0	-6.2	5.5

Trailing Net Performance | As of September 30, 2025

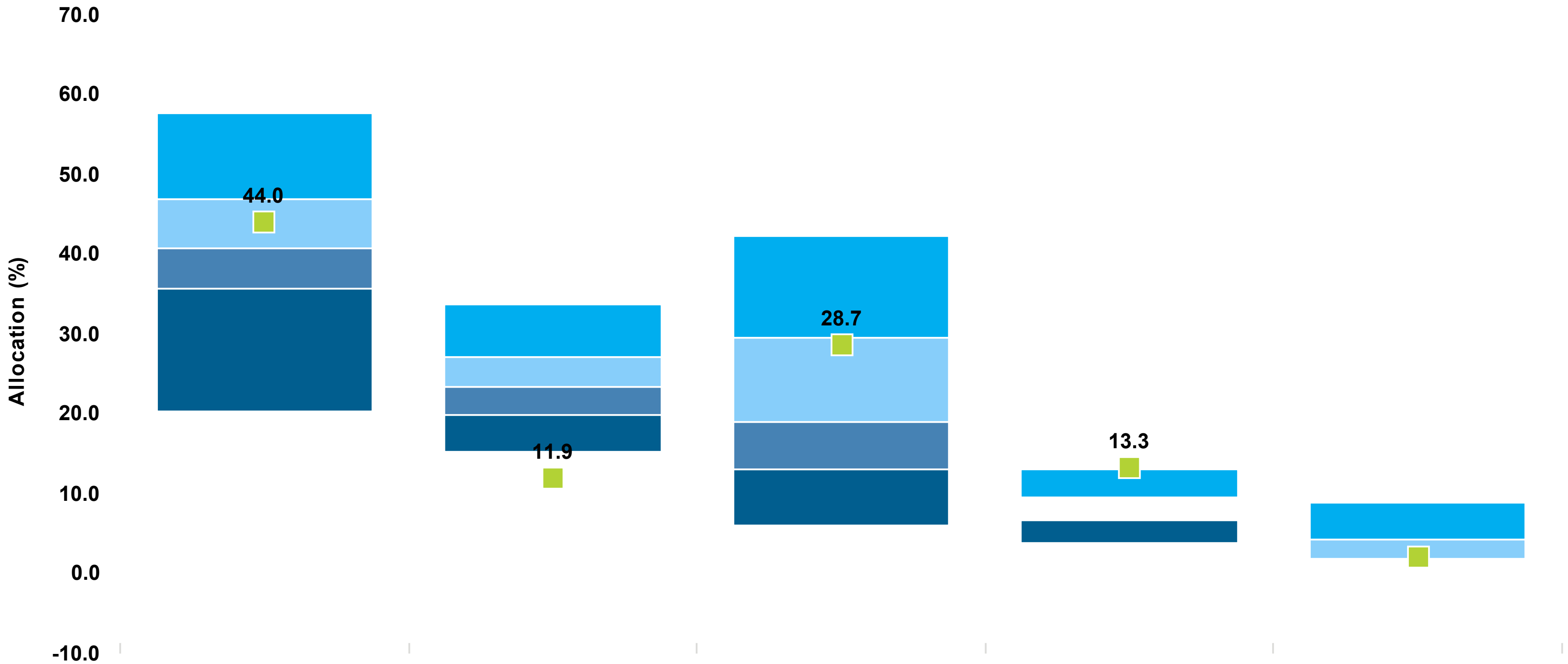
	Market Value ($)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Risk Parity	**11,257,113,876**	**6.7**	**16.5**	**10.0**	**13.1**	**5.6**	**6.2**
Risk Parity Policy Benchmark		*7.6*	*15.0*	*8.7*	*11.2*	*3.9*	*5.7*
Over/Under		-1.0	1.5	1.3	2.0	1.7	0.5

Trailing Net Performance | As of September 30, 2025

	Market Value ($)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Cash	**4,722,187,249**	**0.8**	**3.1**	**4.3**	**5.6**	**3.7**	**2.7**
Cash Benchmark		*1.1*	*3.3*	*4.6*	*5.0*	*3.1*	*2.1*
Over/Under		-0.3	-0.3	-0.3	0.6	0.6	0.5

Appendix

TRS Commitment Levels vs. Peers (>$10Billion) | As of September 30, 2025

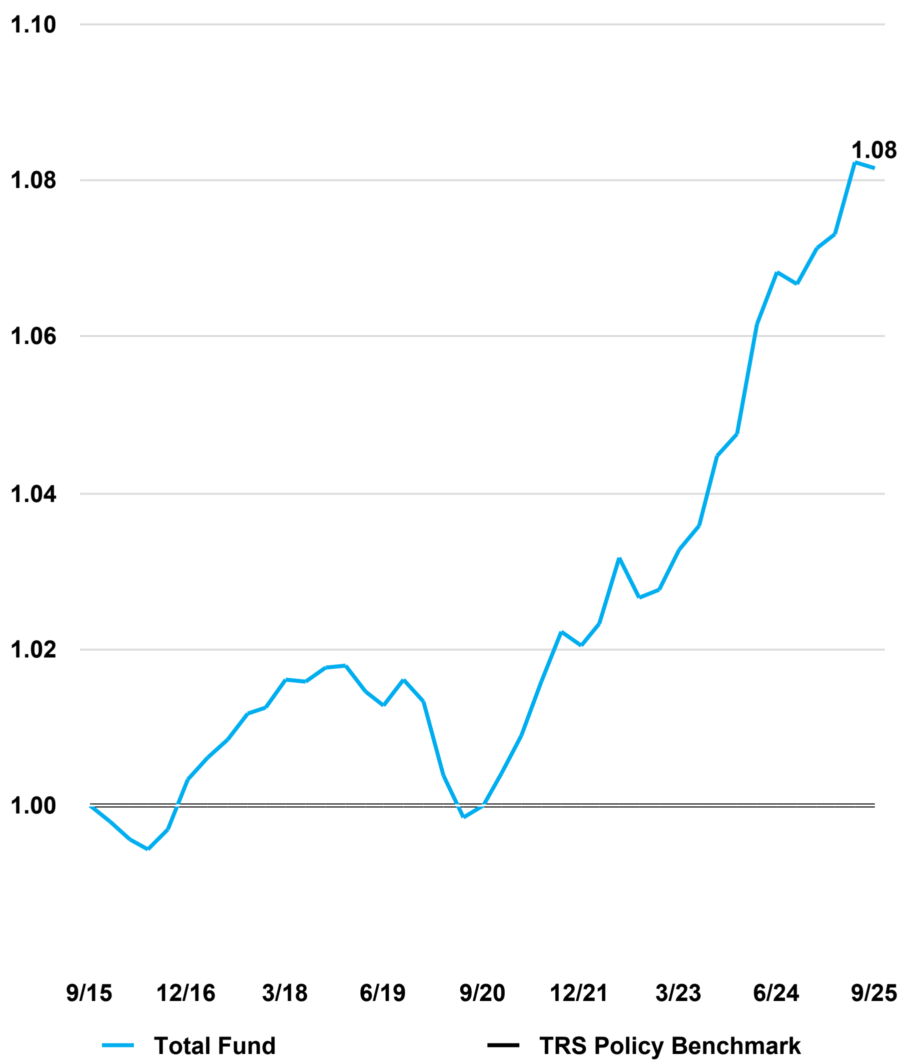


	Total Equity	Total Fixed Income	Alternatives	Total Real Estate	Cash
Total Fund	44.0 (43)	11.9 (100)	28.7 (27)	13.3 (5)	2.1 (47)
5th Percentile	57.8	33.7	42.2	13.0	9.0
1st Quartile	47.0	27.1	29.5	9.5	4.2
Median	40.8	23.3	19.0	7.8	1.8
3rd Quartile	35.6	19.8	13.0	6.7	1.2
95th Percentile	20.3	15.3	6.0	3.8	0.4
Population	33	33	32	30	31

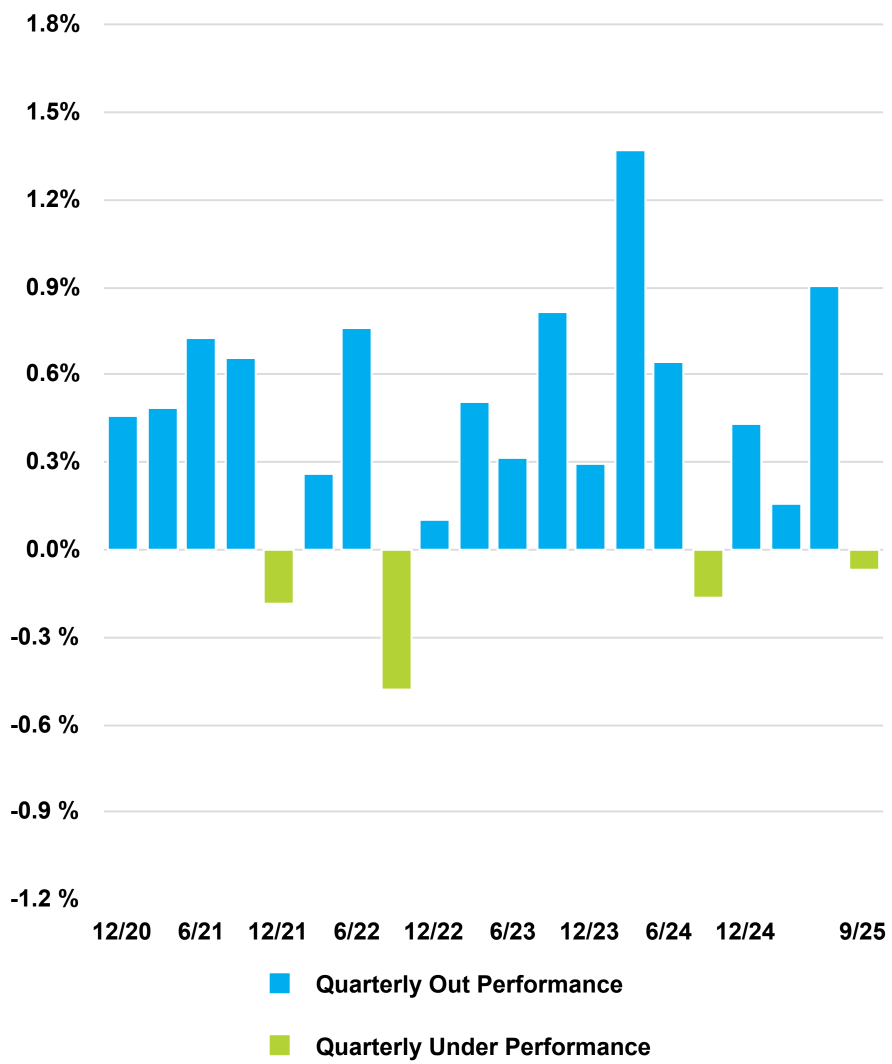
Parentheses contain percentile rankings.

Total Fund vs. Total Fund Benchmark | As of September 30, 2025

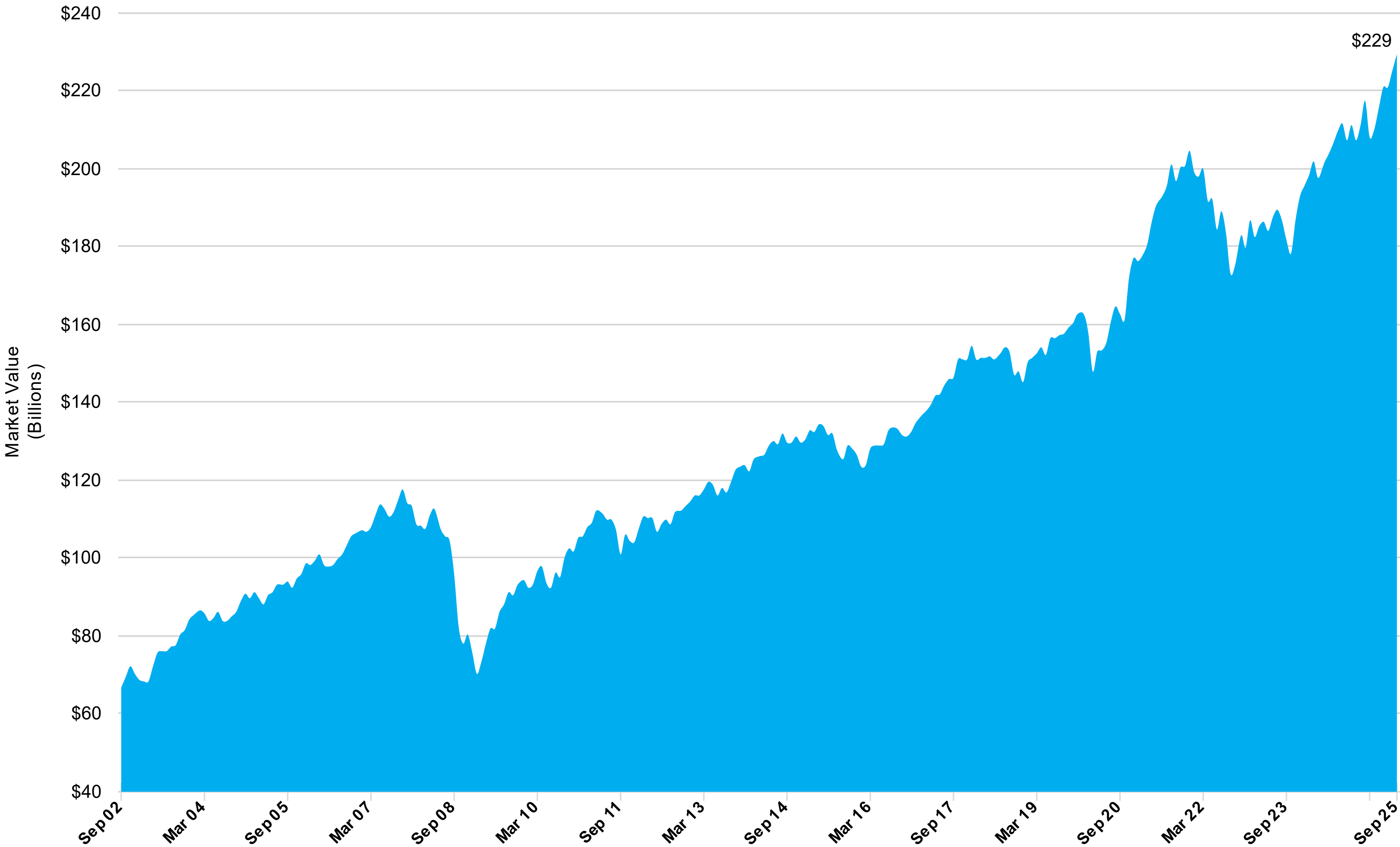
Ratio of Cumulative Wealth - 10 Years



Quarterly Excess Performance



Total Fund Historical Growth (September 2002 - June 2025)



Benchmark History	
	Benchmark
Total Fund	
	37.7% MSCI ACWI IMI ex CN ex HK, 4.8% MSCI EAFE plus Canada IMI ex HK, 1.0% MSCI Emerging Markets Index ex CN, 15.2% Customized State Street Private Equity Index (1Q Lag), 9.7% Blmbg. Long Term Treasury Index, 5.8% Blmbg. U.S. TIPS Index, 4.8% Hedge Fund Benchmark, 13.6% NCREIF ODCE (1Q Lag, Monthly), 6.5% Energy and Natural Resources Benchmark, 4.8% Risk Parity Benchmark, 2.0% Citigroup 3 Mo. T-Bill Index, -6.0% Asset Allocation Leverage Benchmark
Global Equity	
	63.2% MSCI ACWI IMI ex CN ex HK, 8.0% MSCI EAFE plus Canada IMI ex HK, 1.7% MSCI Emerging Markets Index ex CN, 27.0% Customized State Street Private Equity Index (1Q Lag)
Stable Value	
	47.7% Blmbg. Long Term Treasury Index, 28.6% U.S. TIPS Daily, 23.6% SOFR + 2.5%
Real Return	
	68.0% NCREIF ODCE (1Q Lag), 32.0% Energy and Natural Resources Benchmark
Risk Parity	
	100% HFR Risk Parity Vol 12 Institutional Index

External Manager Program: Public Equity
Performance as of 9/30/2025

	Allocation ($B)	Third Quarter	YTD	1 Year	3 Year	5 Year
EP Total Global Equity	**60.2**	**7.9**	**21.1**	**21.4**	**24.1**	**15.0**
EP Global Equity Benchmark	*--*	*7.3*	*17.4*	*16.1*	*21.9*	*12.5*
Difference	--	0.6	3.6	5.3	2.2	2.5
EP All Country	**40.3**	**8.1**	**22.3**	**24.0**	**27.8**	**19.0**
EP All Country Benchmark	*--*	*7.3*	*17.6*	*16.4*	*22.7*	*13.5*
Difference	--	0.8	4.7	7.5	5.2	5.5
EP USA	**14.4**	**7.4**	**12.0**	**14.1**	**21.3**	**16.3**
EP USA Benchmark	*--*	*8.2*	*14.5*	*17.5*	*24.2*	*15.9*
Difference	--	-0.8	-2.5	-3.3	-2.9	0.4
EP Non-US Developed	**4.6**	**6.6**	**34.0**	**22.6**	**27.0**	**13.1**
MSCI EAFE + Canada Policy Index	*--*	*5.3*	*25.1*	*15.6*	*21.4*	*11.4*
Difference	--	1.3	8.8	7.0	5.6	1.6
EP Emerging Markets	**0.9**	**9.3**	**-32.5**	**-52.1**	**-12.8**	**-9.2**
MSCI Emerging Markets Policy Index	*--*	*6.0*	*20.5*	*10.5*	*15.9*	*5.7*
Difference	--	3.3	-53.0	-62.6	-28.7	-14.9

Stable Value Hedge Funds
Performance as of 9/30/2025

	Allocation ($B)	Third Quarter	YTD	1 Year	3 Year
EP Total Stable Value	**11.2**	**3.8**	**7.8**	**10.5**	**8.8**
EP Stable Value Benchmark	*--*	*1.8*	*5.3*	*7.3*	*6.4*
Difference	--	2.0	2.5	3.2	2.4

THIS REPORT (THE “REPORT”) HAS BEEN PREPARED FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE “RECIPIENT”).

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Investment Operations Update

Kendall Courtney, Managing Director

Head of Investment Operations

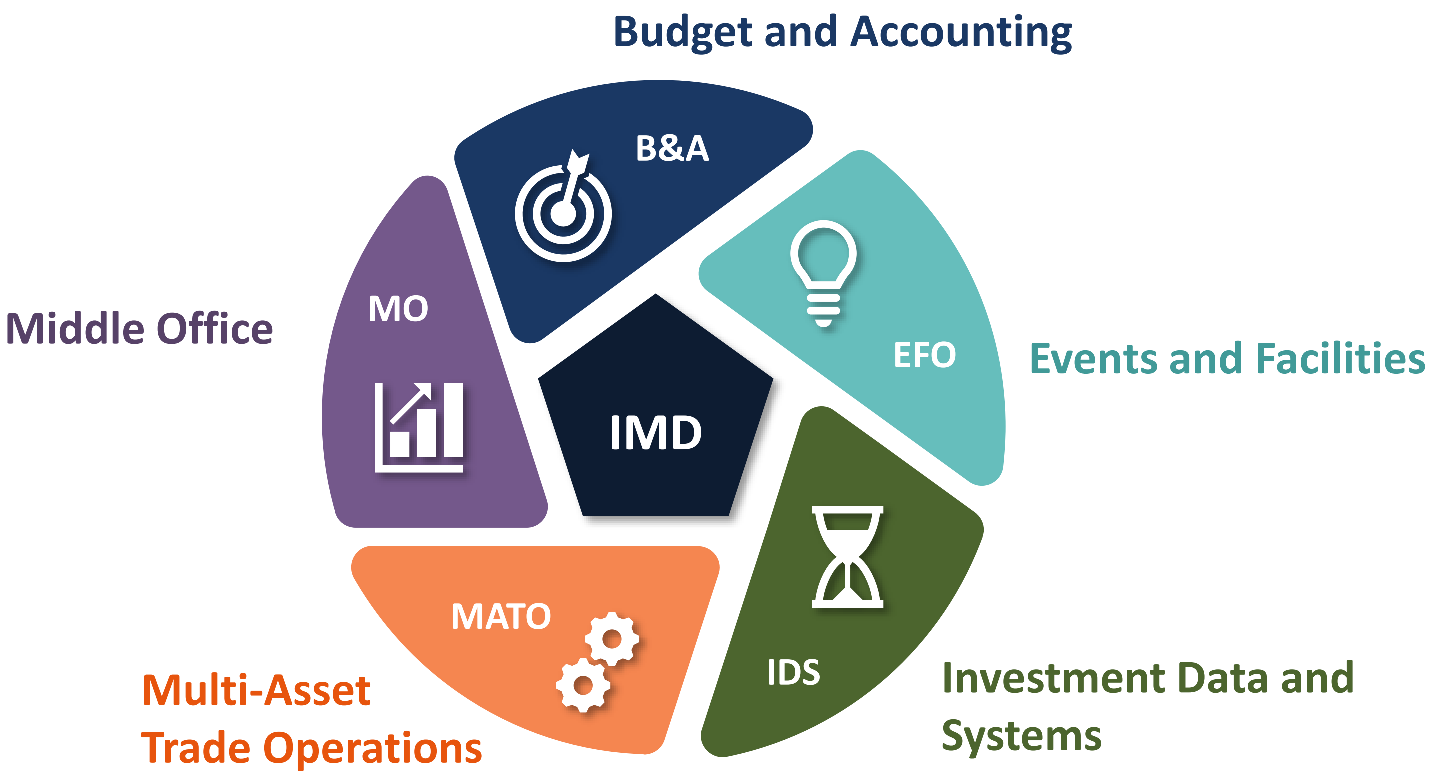
December 2025

TEACHER RETIREMENT SYSTEM OF TEXAS

TRS INVESTMENT MANAGEMENT DIVISION

Investment Operations
Mission

- Our mission is to manage a scalable operating model to support:
  - Execution of all investment decisions
  - Execution of all investment division business services



Investment Operations

Vision & Strategic Goals

- To effectively balance and coordinate a sustainable and scalable way of how our people, process, and technology support the IMD and their investment decisions

Goal 1

Enable the integration of technology, data and analytics into the IMD

Goal 2

Generate non-investment Alpha

Goal 3

Foster a culture of collaboration and innovation

Goal 4

Streamline operations and mitigate operational risk

Investment Operations
Organization

Head of Investment Operations

Kendall Courtney
Managing Director
BA, Mathematics, University of Texas
MBA, St. Edwards University

Leadership Team with **31 Years** Average Direct Experience

Head of Multi Asset Trade Operations

Kerry Skehan
Investment Manager
BA, Management
MS, Management
Southern Nazarene Univ.

- Trade support & settlement for all assets: securities, derivatives, cash and collateral

Head of Middle Office

Kelly Newhall
Investment Manager
BBA, Marketing
University of Texas

- Supports data and services between trade operations and portfolio management

Head of Investment Data & Systems

David Cox
Investment Manager
BBA, Information Systems
Baylor University

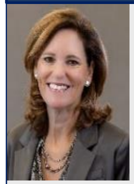
- Ensures the IMD has the technology, data and automation for portfolio management

Head of Budget & Accounting

Stephen Machicek, CPA
Investment Manager
BS, Accounting
Univ. of Texas at El Paso

- Provides business services for the IMD and provides portfolio management services

Head of Events & Facilities



Gay Clifton
Associate
BS, Advertising
University of Texas

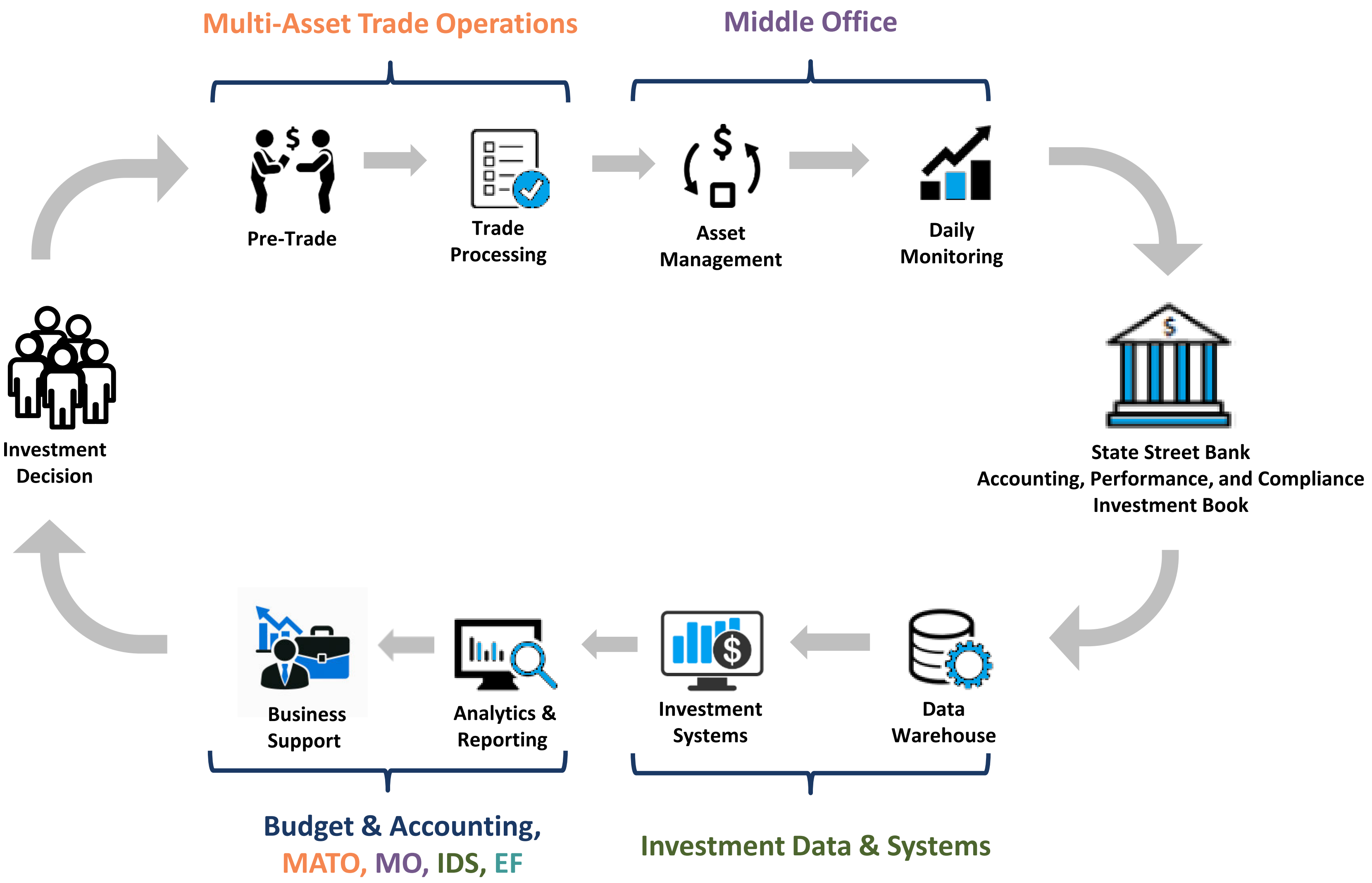
- Executes all IMD events, meetings, and facilities management

59 Staff	**23** Masters Degrees	**4** CPAs	**2** CFAs	**33** Certifications & Tech Designations

TRS TEACHER RETIREMENT SYSTEM OF TEXAS INVESTMENT MANAGEMENT DIVISION

Investment Operations

Role in the Trust – The Investment Process



Investment Operations

Global Reach, Breadth, and Impact

- Global Reach and Breadth

SETTLED $1.6 TRILLION

Settled $1.6 trillion transactions over **269.3 thousand** across **56** markets

$66.6 BILLION

Internal Transition Management team led $66.6 billion in transfers across **198** different accounts

DELIVER 152

daily custom reports

MANAGE 9,000+

data fields, **316** technology data feeds

208

208 investment applications and services managed

- Impact

$34.2 MILLION

Saved $34.2 million in tax reclaims

SAVED $32.0 MILLION

in Relief at Source tax savings

$15.5 MILLION

Received in revenue from securities lending program

GENERATED $431 MILLION

by leveraging the State Street short-term investment fund

$28.9 MILLION SAVED

by implementing enhanced custody (since inception 2018)

TRS TEACHER RETIREMENT SYSTEM OF TEXAS INVESTMENT MANAGEMENT DIVISION

Source: TRS IMD and State Street Bank

Note: All transaction amounts are as of 12/31/24 unless otherwise noted

Priority Update

State Street Custody Contract

- Relationship Update - strong partnership, engagement and leadership
  - 95% completion in response to our specific requirements requested in 2022, remaining 5% are in process and expected to be completed 2026
  - 87% completion of new contractual commitments since contract execution in 2023, remaining 13% are in process and expected to be completed 2027
  - 90% of relationship in a green state, focus on moving remaining 10% to green
  - Solid partnership on 14 additional key initiatives either completed or scheduled for completion by 2026
  - New State Street leadership has strengthened our partnership with renewed commitment across the relationship
- Extended contract from a 3-year to a 5-year term through September 1, 2028
- Return in December 2027 for the Board to consider exercising the two, one-year renewals
  - TRS plans to conduct an RFP during the two-year renewal period

Priority Update

Investment Data Modernization (IDM) Program

- The strategic goal of this program is to modernize TRS' data management systems with industry standard solutions that provide reliable data in support of investment decision making
- Program on track and within Board approved budget

Key Milestones

Milestone	Original Date	Revised 2023	Status
Investment Data Governance Office Launched	6/31/22	8/1/22	**complete**
Systems & Platform RFP			
RFP Posted	3/10/23	7/14/23	**complete**
Proposals Due	4/24/23	8/21/23	**complete**
Evaluations Due	5/5/23	10/09/23	**complete**
Demos Complete	5/19/23	12/14/23	**complete**
Vendor Selected	6/23/23	2/12/24	**complete**
Contract Negotiation Completed	8/17/23	8/13/24	**complete**
Full Implementation	Q3 2025	Q4 2026	on track
Professional Managed Advisory Service RFP Completed	4/17/24	2/22/24	**complete**
Investment Data Hub Implemented	Q4 2025	Q4 2026	on track
Intelligent Document Processing Implemented	Q2 2025	Q2 2026	on track

TRS TEACHER RETIREMENT SYSTEM OF TEXAS INVESTMENT MANAGEMENT DIVISION

Priority Update

Investment Data Modernization (IDM) Program

110+
Stakeholders

40+
Workshops

≈64
Vendor Partners

60+
Interfaces

Approx 2,923 hours including prep and execution of testing for 558 test cases run for drops 1 & 2

323 hours of vendor and supplemental training delivered in drops 1 & 2 for over 60 learners

Over 20 data integrations improving speed and accuracy of information for the Trust

TRS Teacher Retirement System of Texas Investment Management Division

Investment Operations

Accomplishments & Priorities

- **Strengthening Resilience & Scalability**
  - Delivered critical enhancements with State Street to bolster operational resilience and scalability
- **Modernizing Investment Data & Technology**
  - Completed IDM vendor selection, contract negotiation, and launched implementation to support long-term modernization goals
- **Strategic Alignment & Market Readiness**
  - Successfully implemented 2024 Strategic Asset Allocation (SAA), aligning strategy with evolving market conditions
  - Achieved operational readiness for T+1 settlement in the U.S. and Canada, ensuring compliance and market alignment
- **Enhancing Visibility & Decision-Making**
  - Launched Investment Operations Dashboard to improve performance tracking and transparency
- **Driving Data Excellence**
  - Advanced data quality initiatives to enable accurate reporting and analytics across investment operations
- **Accelerating Efficiency**
  - Established a dedicated Process Automation Team to reduce manual workflows and drive operational efficiency
- **Elevating Fiduciary Standards**
  - Strengthened investment practices and performance evaluation frameworks to support fiduciary excellence
- **Expanding Investment Capabilities**
  - Onboarded a second securities lending agent, a fourth Futures Clearing Merchant (FCM), and pledging equities as collateral to broaden investment capabilities
- **Fostering Collaboration & Innovation**
  - Hosted the Investment Operations Forum with peers to promote alignment, innovation, and shared accountability

APPENDIX

TEACHER RETIREMENT SYSTEM OF TEXAS
INVESTMENT
MANAGEMENT DIVISION

Investment Operations

Multi-Asset Trade Operations

Head of Multi Asset Trade Operations

Kerry Skehan
Investment Manager
MS, Management
Southern Nazarene University

6 Masters Degrees
1 PhD Candidate
15 years average direct experience

Derivative Operations

Yohan Skaria
Team Lead
Sr. Associate
BS, Economics
College of Staten Island

Vitaliy Klebanov
Associate
MSFS, International Relations
Georgetown University

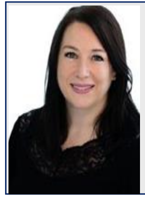
Talon Grimm
Sr. Analyst
BA, Finance
University of Washington

Marvin Davis
Sr. Analyst
MBA
California Baptist University

Cash Operations

Marnesyl Yap, CIMA, CBA
Team Lead
Sr. Associate
BS, Accounting
Xavier University – Ateneo de Cagayan

Security Operations



Beth Sullivan
Team Lead
Sr. Associate
MS, Finance
Northeastern University

Paige Cook
Sr. Analyst
BA, International Studies
Washington College

Brenden Reilly
Sr. Analyst
BS, Business Administration
University of Nebraska-Lincoln

Vacant
Hiring in process

TRS TEACHER RETIREMENT SYSTEM OF TEXAS INVESTMENT MANAGEMENT DIVISION

Investment Operations

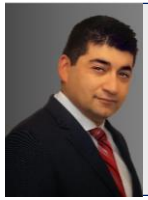
Middle Office

Head of Middle Office

Kelly Newhall
Investment Manager
BBA, Marketing
University of Texas

7 Masters Degrees
1 CFA, 1 CPA
14 years average direct experience

Investment Book of Record/ Portfolio Management Services



Maz Rohani
Team Lead
Sr. Associate
MBA, MIS
Binghamton University

Anita Wong
Associate
BS, Actuarial Science
University of Texas

Gideon Belflower
Associate
MBA
Texas State University

Jason Jeng, CFA
Associate
BBA, Finance
University of Texas

Ryker Ford
Associate
MS, Business Analytics
University of Nevada

Katie Knapp
Sr. Analyst
BS, Finance
University of Pittsburgh

Hudson Kuczaj
Analyst
MS, Finance
University of Texas

Diana Barragan
Associate
MS, Accounting
University of Phoenix

Vacant
Hiring in process

Account Services

Matthew Napoliello
Team Lead
Sr. Associate
BBA, Business Admin.
Loyola University
Maryland

Tina Ding, CPA
Associate
MS, Accounting
Texas A&M University

Ian Chen
Sr. Analyst
BA, Econ and Chinese
University of Wisconsin

Investment Operations

Investment Data & Systems

Head of Investment Data & Systems

David Cox
Investment Manager
BBA, Information Systems
Baylor University

7 Masters Degrees
5 Cert Scrum Master, 2 Cert Product Owners, 2 PMPs, 1 MCP, 1 SAFe
18 years average direct experience

Investment Data, Governance, Quality Assurance, Process Automation, Metadata Management

Lisa Peavy
Team Lead
Sr. Associate
MS, Recreation Admin.
Texas State University

Nick Wulff-Gonzalez
Associate
BA, Econ & Poly Science
Florida International University

Tom Shields
Associate
MS, Instructional Design & Educational Technology
Texas A&M University

April Knarr
Associate
BBA, Marketing
University of Texas

Brandon Barouh
Associate
BBA, Finance
Indiana University

William Herring
Analyst
BBA, Finance/MIS
University of Texas

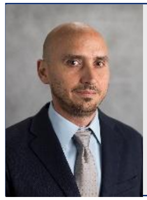
Emily Russell
Sr. Analyst
MS, Information Science,
University of North Texas

Partner RM

Barbara Forssell
Team Lead
Sr. Associate
BS, Business Analysis
Texas A&M University

Analytics & Product Development

Peter Parchesky
Team Lead
Sr. Associate
BBA, Finance Technology
Dean College



Yangers Puentes
Sr. Associate
BA, Math/Computer Sci
BA, Business Admin
Havana University

Philip Nacamuli
Associate
MS, Analytics & Data Science
Rutgers University

Siva Arunachalam
Associate
MS, Applied Electronics
NIT

Trading Systems Admin & Support

Roy Kurian
Sr. Associate
MS, Computer Science
Bharathidasan University

Florin Basca
Sr. Associate
MS, Finance, Inv. Mgmt.
Golden Gate University

Investment Operations

Budget & Accounting

Head of Budget & Accounting

Stephen Machicek, CPA
Investment Manager
BS, Accounting,
Univ. of Texas at El Paso

3 Masters Degrees
2 CPAs, 1 CFA
6 CTCMs, 3 CTCDs
15 years average direct experience

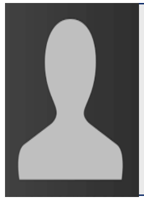
Portfolio Management Services

Kate Rhoden, CFA, CPA
Team Lead
Sr. Associate
BBA, Finance & Accounting
Univ of Texas at San Antonio

Alyssa Farmer, CTCM
Analyst
BS, Neuroscience
University of Texas

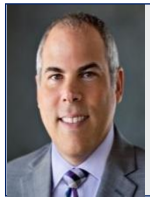
Wendy Lorfing,
Sr. Analyst
MS, Accounting
Texas A&M University

Nayah Mang
Analyst
BBA, Real Estate
Univ. of British
Columbia



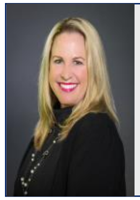
Vacant
Hiring in process

Business Services



Greg Reisman
Team Lead
Sr. Associate
MPA, Accounting
University of Texas

Sanchez Salvador
Analyst
BS, Business Administration
Houston-Tillotson University



Kelly Shand
Analyst

Procurement & Contract Management

Kristi Vorce, CTCM
Team Lead
Sr. Associate

Jacqueline Lichtenberger, CTCM, CTCD
Sr. Analyst
BSA, Biology
University of Texas

D'Ann DeLeon, CTCM, CTCD
Analyst

Grace Muraida, CTCM, CTCD
Sr. Analyst

Gladys Aurelio-Schuck
Analyst
BS, Accounting
Loyola Marymount
University

TRS
TEACHER RETIREMENT SYSTEM OF TEXAS
INVESTMENT MANAGEMENT DIVISION

Investment Operations

Events & Facilities Operations

Head of Events & Facilities

Gay Clifton
Associate
BS, Advertising
University of Texas

14 years average direct experience

Events

Sadie Williams
Contractor
BA, Psychology
Univ. of NC Wilmington

Jordan Tovar
Contractor

Facilities

Hugo Rangel
Assistant

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Annual Update to the Board
Risk and Portfolio Management

James Nield, Chief Risk Officer
Mark Telschow, Director

December 2025

RPM delivers four mandates to the Trust

Risk Management

- Monitor daily signals
- Identify key risks
- Provide risk reports
- Develop battle plans

Multi Asset Strategies

- Manage portfolios:
  - Risk Parity
  - Alternative Risk Premia (ARP)
- Provide hedging solutions

Trust Management

- Finance Trust liquidity needs
- Manage fixed income portfolios
- Rebalance Trust as needed
- Optimize balance sheet

Trust Strategy

- Coordinate Strategic Asset Allocation
- Provide market intelligence
- Analyze peer strategies
- Organize Trust-wide research

Risk and Portfolio Management team

James Nield, CFA, FRM
Chief Risk Officer
MBA, Finance,
New York University
BS, Finance,
Pennsylvania State University

14 Years of average investment experience

29 Advanced degrees and certifications

4 New team members

Risk Management

Stephen Kim
Director
MBA, Finance,
University of Texas,
BS, Computer Science,
Dartmouth College

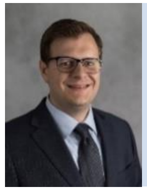
Melissa Jerkins, PhD
Investment Manager
PhD, Physics,
University of Texas
BS, Abilene Christian University

Chris Pan
Investment Manager
MPA, Accounting
University of Texas
BBA, Accounting,
University of Texas

Deral Robison
Senior Analyst
BS, Finance, Analytics &
Technology,
Trinity University

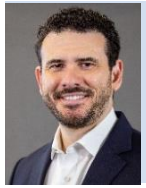
Multi Asset Strategies

Mark Telschow, CFA
Director
BS, Civil Engineering,
University of Texas



Matt Talbert, PhD
Director
PhD, Economics,
University of Texas
MS, Economics,
University of Texas

Teresa Lwin, PhD
Investment Manager
PhD, Finance,
MBA, Chicago Booth
School of Business



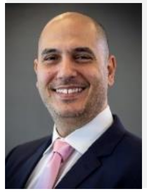
Gabriel Salinas, PhD
Investment Manager
PhD, Economics,
University of Texas
MS, Economics,
University of Texas

Bardia Farajnejad
Associate
MFE, Financial Engineering,
UCLA Anderson
BS, Joint Math Econ,
UC San Diego

Emily Lu
Associate
BS, Statistics & Data Science,
UC Santa Barbara

Blake Moya, PhD
Associate
PhD, Statistics
University of Texas
MS, ACN
University of Texas at Dallas

Trust Management



Hasim Mardin, FRM
Director
MS, Economics,
University of Texas
BA Econ, Minor Mathematics
Sabanci University

Andrew Arts
Investment Manager
BA, Economics,
University of Wisconsin-Madison

Steven Lambert
Senior Associate
MBA, Finance,
Northeastern University
BS, Business Management,
Saint Joseph's College

Trust Strategy

Mike Simmons, CFA
Director
MPA, Accounting,
University of Texas
BBA, Finance,
Texas A&M University

Mike Attanucci, CFA, CPA
Senior Associate
MPA, Accounting,
University of Texas
BBA, Accounting and Finance,
Texas Christian University

Alex Zhang, PhD, CFA
Senior Associate
PhD, Finance,
University of Kansas
MBA, University of
Wisconsin-Madison

Paul Waclawsky, CFA
Associate
BS, Accounting,
University of Maryland

TRS
TEACHER RETIREMENT SYSTEM OF TEXAS
INVESTMENT
MANAGEMENT DIVISION

RPM portfolios have delivered alpha

OVERVIEW

1. **Government Bonds (Nominal and Real)**
   - Defensive liquid assets
   - Managed internally and passively
   - Added $33mm 1-yr. alpha

2. **Risk Parity**
   - Diversified liquid portfolio
   - Managed internally and externally
   - Added $126mm 1-yr. alpha

3. **Alternative Risk Premia**
   - Alpha seeking quantitative strategy
   - Transitioned to RPM from MSG in April 2025
   - Added $109mm 1-yr. alpha

PERFORMANCE

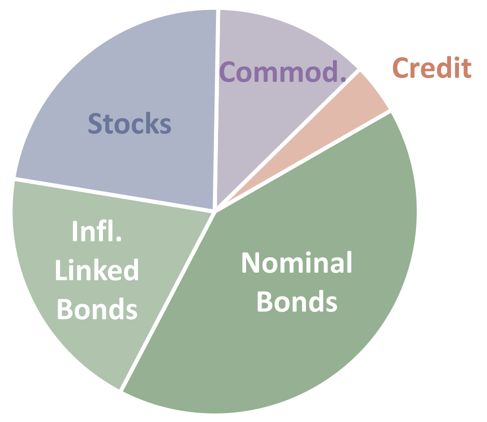
	Assets	1-Year		3-Year	
As of 9/30/2025	$, billion	Return	Alpha (bp)	Return	Alpha (bp)
1. Gov Bonds - Nominal	**$19.4**	**-3.2%**	**25**	**0.6%**	**19**
Gov Bonds - Real	**$6.8**	**3.8%**	**-3**	**--**	**--**
2. Total Risk Parity	**$11.3**	**10.0%**	**134**	**13.1%**	**197**
Internal Risk Parity	$7.5	10.0%	137	13.7%	251
External Risk Parity	$3.8	10.1%	142	12.2%	105
3. Alt Risk Premia	**--**	**$109 mm**		**$165 mm**	

TRS TEACHER RETIREMENT SYSTEM OF TEXAS INVESTMENT MANAGEMENT DIVISION

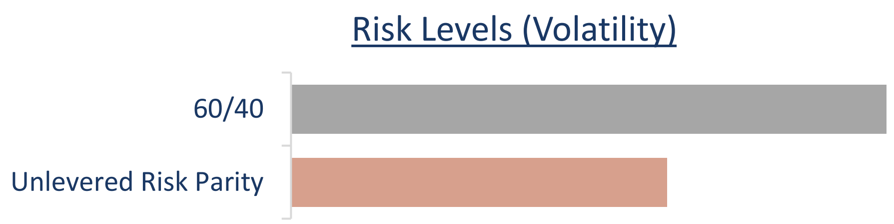
Source: IMD, SSB; ARP performance shown as dollar contribution

What is Risk Parity?

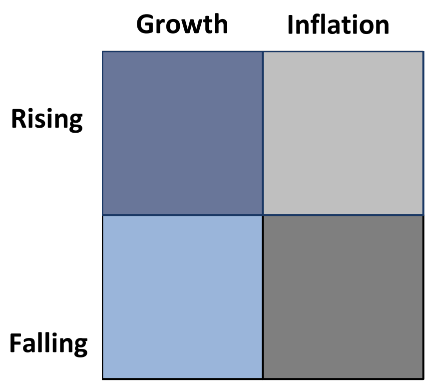
- Diversified portfolio of public-market assets



- Levered prudently given lower risk levels



- Balanced to macro risks



- Designed to be highly liquid
  - Internal portfolio provides $1b in daily liquidity
  - External allocation can be liquidated in a month

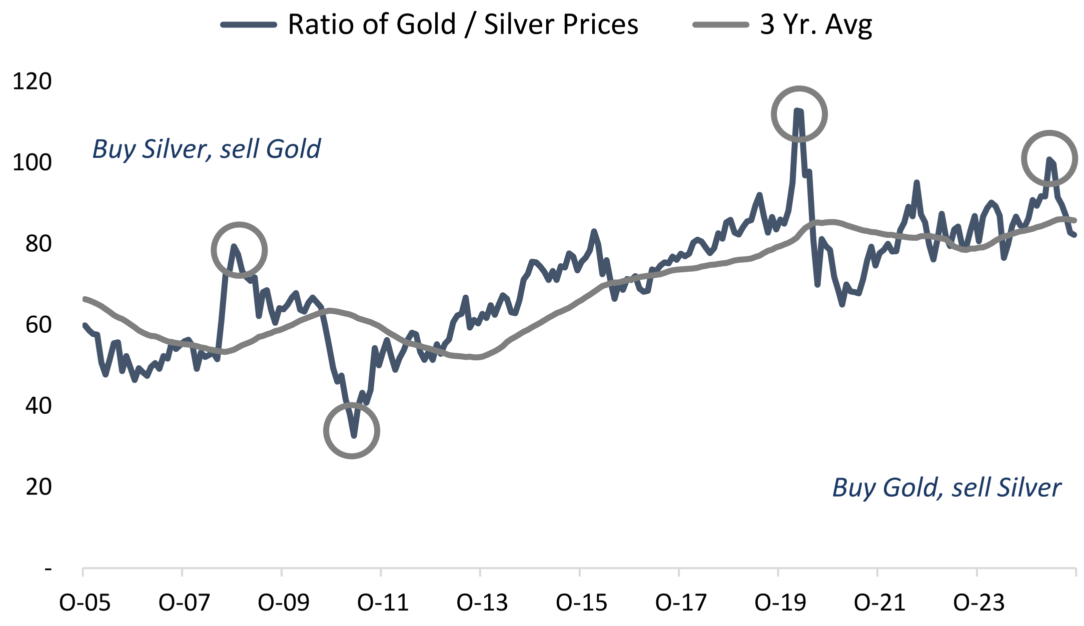
Source: IMD, SSB. Note: 60/40 represents a 60% MSCI ACWI equity allocation and a 40% Bloomberg US Aggregate bond index allocation.

What is Alternative Risk Premia?

- A long/short quantitative derivatives overlay
- Internally managed, launched in 2015
- Generates alpha across public assets and across multiple factors

Assets	Value	Momentum	Carry	Other
Equities	✓	✓	✓	✓
Bonds	✓		✓	
FX	✓		✓	
Commodities	✓		✓	✓

- **Trade Example: Gold vs. Silver**



- Gold and silver are both precious metals
- Although they have different commercial uses, both gold and silver are viewed as a storehold of wealth
- If the price of one commodity is too expensive relative to the other, this may present a **value** trade opportunity

Source: Bloomberg

MAS portfolios leverage the team's strengths

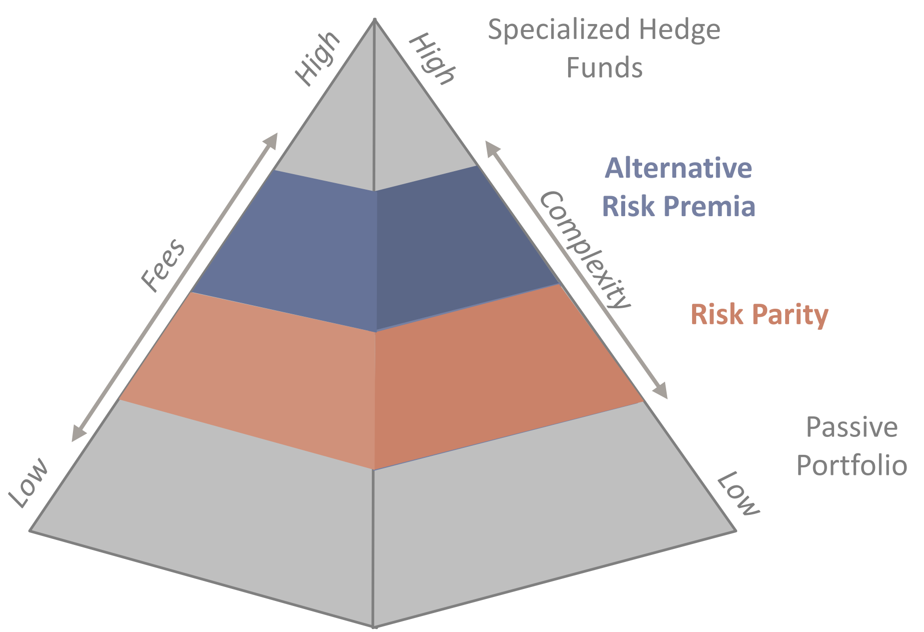
- Risk Parity and Alternative Risk Premia share the same foundation

Risk Parity | **ARP**

Risk Parity	ARP
Funded	Overlay
Long only	Long / Short
Systematic	
Quantitative	
Multi-Asset	
Internal	

- Both strategies capitalize on team's ability to deliver quality portfolios and generate fee savings

MAS Value Proposition



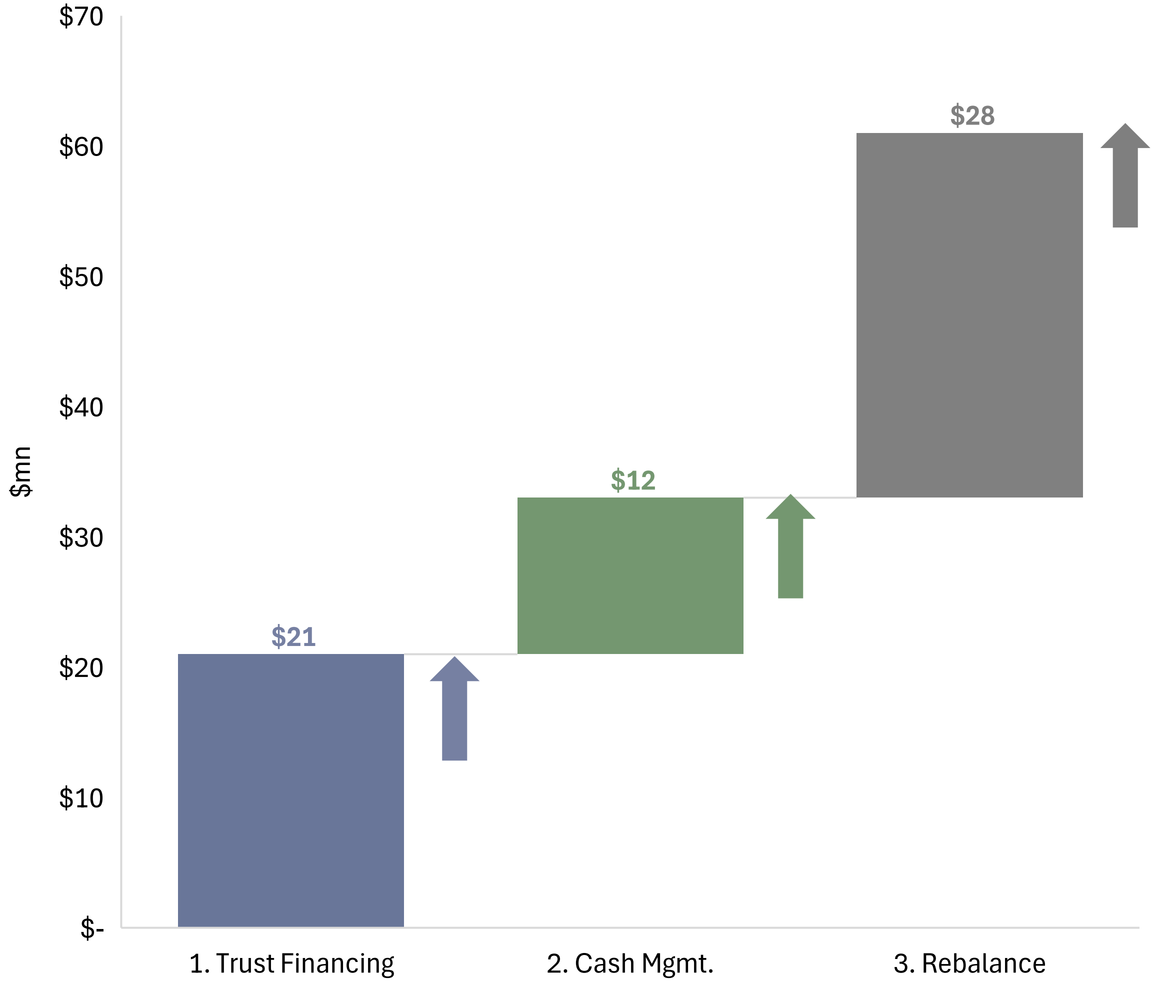
Trust Management also adds value in the following ways

1. **Trust Financing**
   - Repo program: Directly access pools of cash
   - Securities Lending: Capitalize on market demand to borrow TRS equities
   - Internal Financing: Provide TRS internal teams a cost-effective alternative to external financing options

2. **Cash management**
   - Earn incremental yield by investing cash with highly rated counterparties on short-term basis

3. **Rebalance Trust**
   - Optimize frequency of rebalance trades and minimize transaction costs

Estimated Trust Value Added (1- Yr.)

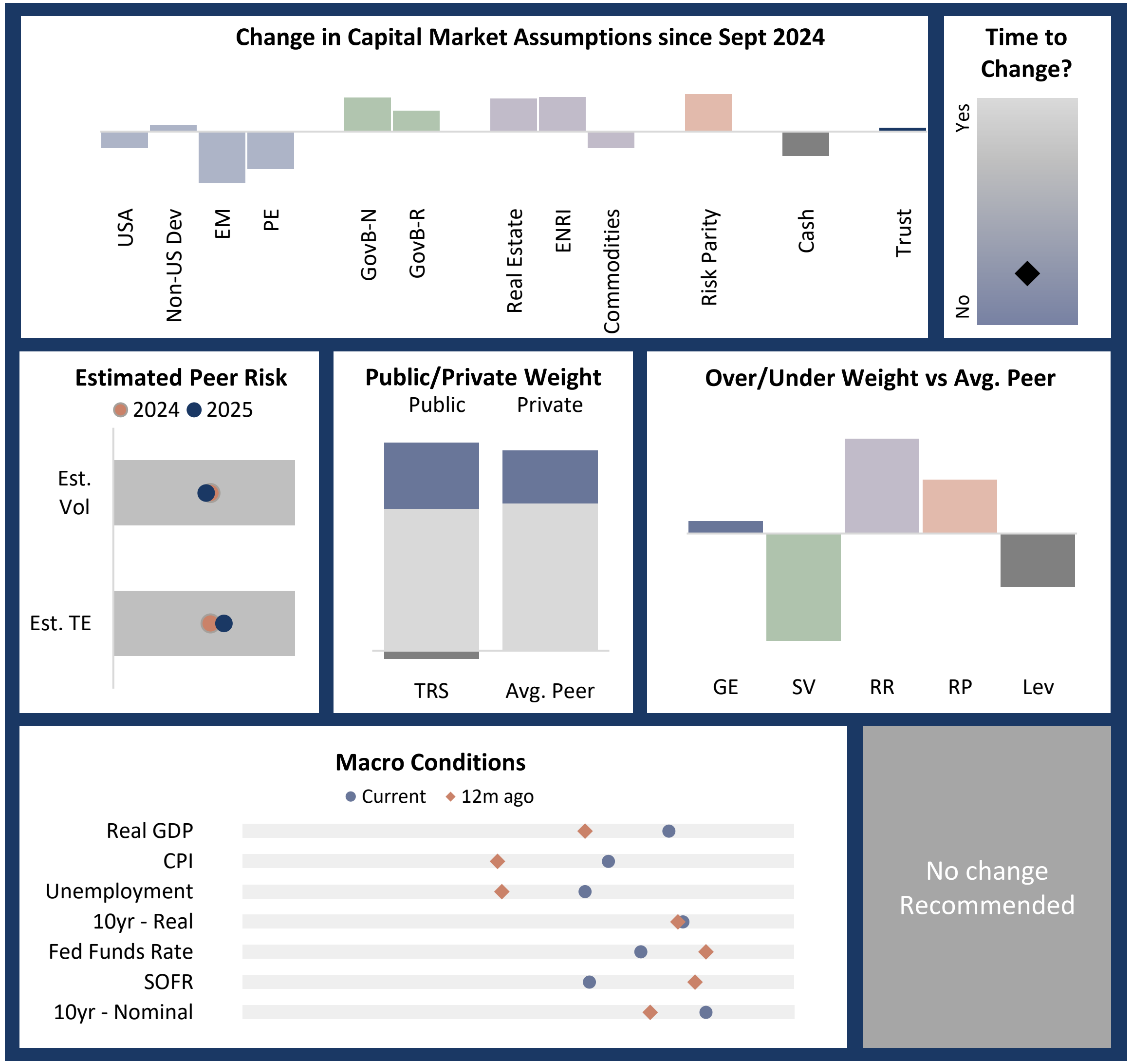


Source: IMD

Trust Strategy monitoring SAA key considerations

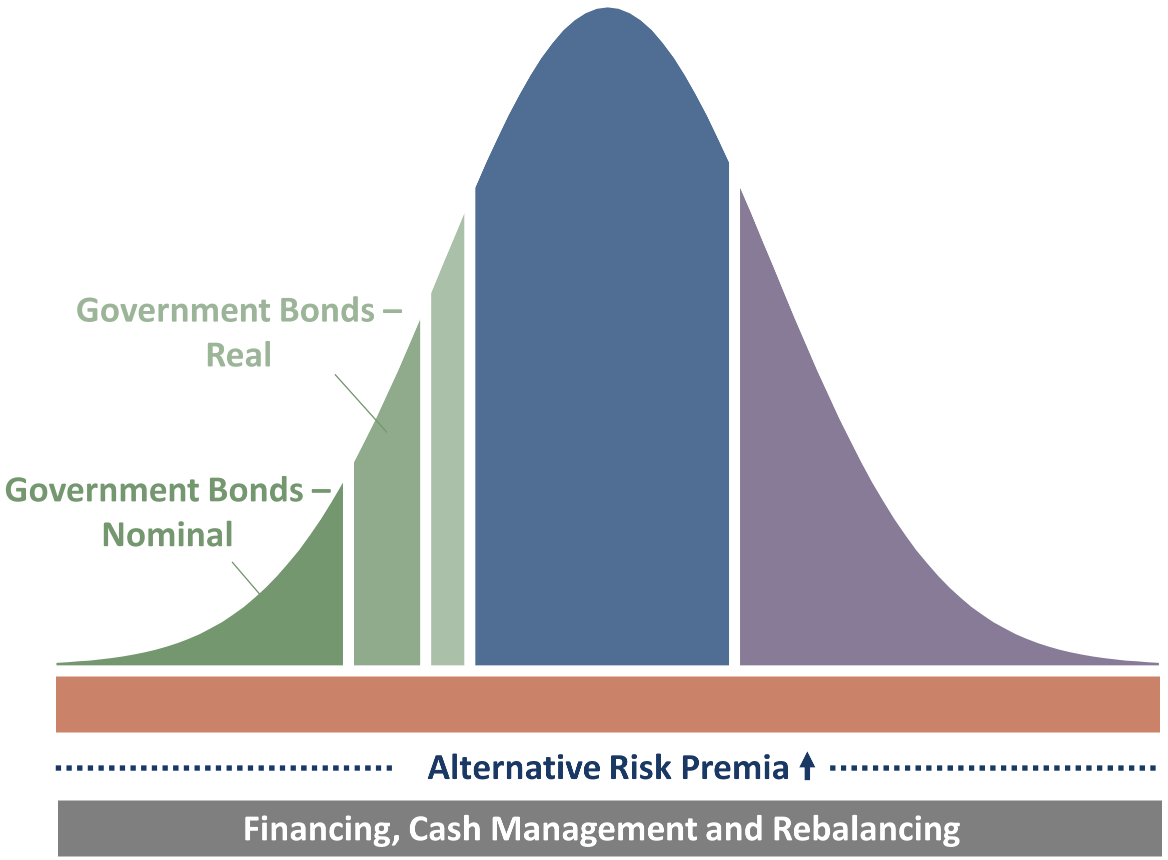
No change recommended to asset allocation based on the following:

1. **Capital Market Assumptions** show little change in expected returns
2. **Peers** have not made material changes; on the margin, they continue to lean into Private Equity
3. **Macro conditions** show an increase in inflation and unemployment since last year; central bank has lowered short-term rates



Putting it all together

RPM's Role in the Trust



In conclusion:

- More than just Risk Management
  - Team delivers on four mandates
- Multi Asset Strategy portfolios have generated alpha
- RPM aims to add value beyond portfolios
- No proposed changes to SAA

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