September 2025

BUILDING THE TRUST

Investment Management

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

All or part of the September 18, 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 September 18, 2025, meeting are being broadcast over the Internet. Access to the Internet broadcast and agenda materials of the meeting are provided at www.trs.texas.gov. A recording of the meeting will be available at www.trs.texas.gov.

AGENDA
September 18, 2025 – 10:00 a.m.

1. Call roll of Committee members.

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

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

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

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

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

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
July 17, 2025

The Investment Management Committee of the Board of Trustees of the Teacher Retirement System of Texas met on Thursday, July 17, 2025, in the boardroom located on the Second Floor of TRS' offices located at 4655 Mueller Blvd, Austin, Texas, 78723.

Committee members present:
Mr. Mike Ball, Acting-Chair
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	Ashley Woeste, Aon
Caasi Lamb, TRS	Mike Comstock, Aon
Heather Traeger, TRS	Josh Wilson, Mercer (virtual)
Jase Auby, TRS	Susan Lemke, Mercer (virtual)
Amanda Jenami, TRS	
Don Green, TRS	
Katy Hoffman, TRS	
Eric Lang, TRS	
Carolyn Hansard, TRS	
Neil Randall, TRS	
Grant Walker, TRS	
Katherine Farrell, TRS	
Suzanne Dugan, Cohen Milstein	
Dr. Keith Brown, Board Advisor	

Investment Management Committee Acting-Chair, Mr. Mike Ball, called the meeting to order at 5:25 p.m.

1.   Call roll of Committee members.

Ms. Farrell called the roll. A quorum was present, Mr. Corpus was absent.

2.   Consider the approval of the proposed minutes of the April 2025, Investment Management Committee meeting – Mike Ball.

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

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

Mr. Jase Auby reported the completion of the biannual base compensation review for IMD employees. He said this is done every two year performed by McLagan with active participation of Organizational Excellence and the Board's compensation consultant, Mercer. Ms. Susan Lemke of Mercer stated it was a very collaborative process and they were comfortable with the methodology used and the results. Mr. Auby concluded his CIO update by noting attrition had increased.

4.   Discuss the First Quarter 2025 Performance Review – Mike Comstock and Ashley Woeste, Aon.

Mr. Mike Comstock began by reporting on how global equity represents 57 percent of the assets and drives a lot of the Trust Fund performance. He said compared to peers, TRS has a non-US overweight which had been a headwind but now has turned into a tailwind of late and was especially additive. He reported long Treasuries up 4.7 percent in the first quarter. He said the real return portfolio has stabilized and the outlook for real estate is much more favorable than over the past few years. Ms. Ashley Woeste reported the total market value of the fund as $208 billion. She said the asset allocation is in line with the interim policy targets with slight underweights to public equity and TIPS. She reviewed performance compared to the benchmark. She said risk parity, a small allocation, was the best absolute performing asset class over the quarter, up over four percent.

5.   Annual Review of External Private Markets – Eric Lang, Neil Randall, Carolyn Hansard and Grant Walker.

Mr. Eric Lang reviewed the three tenets of the private markets team: transparency, innovation and industry leadership. He said the long-term allocation for private equity is 12 percent of the trust, which was changed by trustees in the last SAA, down from 14 percent. He reviewed the four teams that make up private markets: ENRI, private equity, real estate and data analytics. He said the five-year returns was 12 percent across the portfolio.

Ms. Carolyn Hansard provided an overview of the Energy, Natural Resources, and Infrastructure (ENRI) portfolio noting it delivered 14.4 percent returns for the year, 8.3 percent above benchmark. She said the target weight between the energy and infrastructure portfolios is 50 – 50. She reported energy as slightly below, at 38.3 by end of last year. She reported 22.2 percent returns on a one-year basis for the energy portfolio. She noted energy is a volatile space and that's where the infrastructure portfolio comes in providing much stabler returns. She said for the year the infrastructure portfolio had a 9.8 return. She concluded with a spotlight topic regarding midstream, an area where there is exposure in both the energy and infrastructure portfolios.

Mr. Neil Randall provided an overview of the private equity (PE) portfolio noting the allocation was moving down to the 12 percent set by the Board last year as part of the asset allocation study. He said performance on a one-year basis was 7.1 percent. He concluded with a spotlight topic on retail capital and its increasing role in the private equity industry.

Mr. Grant Walker provided an overview on the real estate portfolio. He said real estate continues to be challenged by higher interest rates and lower valuations. He reported a negative return of 2.6 percent. He said 53 percent of the portfolio was in principal investments and 46 was funds, noting the target was 50 percent of principal investments in the portfolio. He concluded with a spotlight topic on retail investor impact on the real estate industry.

There being no more business before the Investment Management Committee, the committee adjourned at 6:10 p.m.

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

_____   _____

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

CIO Update

Jase Auby, Chief Investment Officer

September 2025

IMD at a Glance

Priorities

- **Performance.** Trust ended the second quarter of 2025 with a 1-year return of 10.8% and +140 bp of excess return. The 3-year return is 7.9% with +169 bp of excess return

- **Annual Reviews.** Completed Management Committee (MC) Annual Offsite Talent Review

- **Engagement.** Presenting at Texas Retired Teacher Association (TRTA) regional conferences to share key initiatives, performance, and engage with plan members

- **Performance Pay Plans.** Collaborated with Organizational Excellence (OE) on the annual review of Performance Pay Plans

- **Board Advisor.** Hosted Meketa to begin on-boarding and provide an overview of investment processes and portfolios

Our People

Snapshot as of July 2025	
IMD FTEs	254
Contractors	5

Attrition Trend 2018 - 2025 (As of July 2025)

- 2018: 6.8%
- 2019: 5.3%
- 2020: 5.9%
- 2021: 14.5%
- 2022: 10.2%
- 2023: 3.5%
- 2024: 2.0%
- 2025: 12.5% (8.5% YTD Actual, 4.0% Projected)

Source: State Street Bank, TRS IMD
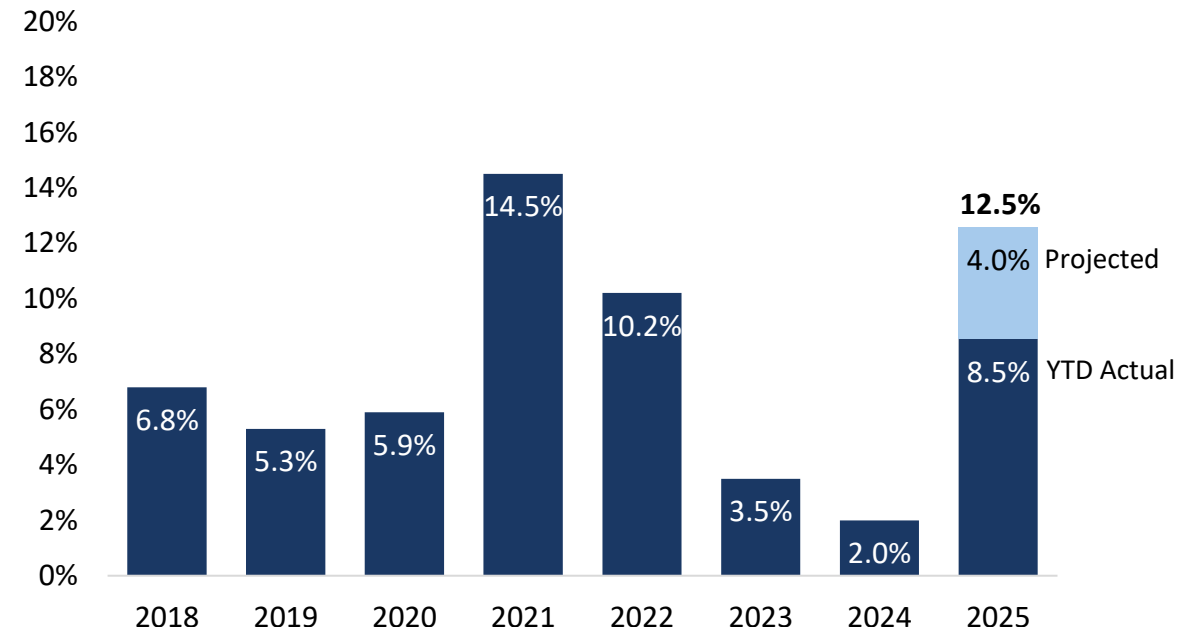
Special Topic Overview

Special Topics

Topic		Date	Topic		Date
1	Recession	September 2017	10	China	February 2022
2	Growth	February 2018	11	Sentiment	September 2022
3	Inflation	September 2018	12	Foreign Currency	February 2023
4	Strategic Asset Allocation	February 2019	13	Artificial Intelligence	September 2023
5	Value	September 2019	14	Strategic Asset Allocation	February 2024
6	Diversification	February 2020	15	Corporate Earnings	September 2024
7	Interest Rates	September 2020	16	US Federal Debt	February 2025
8	Long-Term Investing	February 2021	17	Artificial Intelligence (Pt. 2)	September 2025
9	Commodities	September 2021			

Corporate Earnings (Topic 15)

As of 7/31/25

YoY S&P 500 Earnings Growth Rates

Reported | Projected

Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25
-1.7%	-4.2%	4.9%	4.0%	5.8%	11.2%	7.9%	18.2%	13.3%	10.3%	7.7%	10.0%

Recession (Topic 1)

As of 7/31/25

US Recession Probability (%, Next 12 Months)

35%
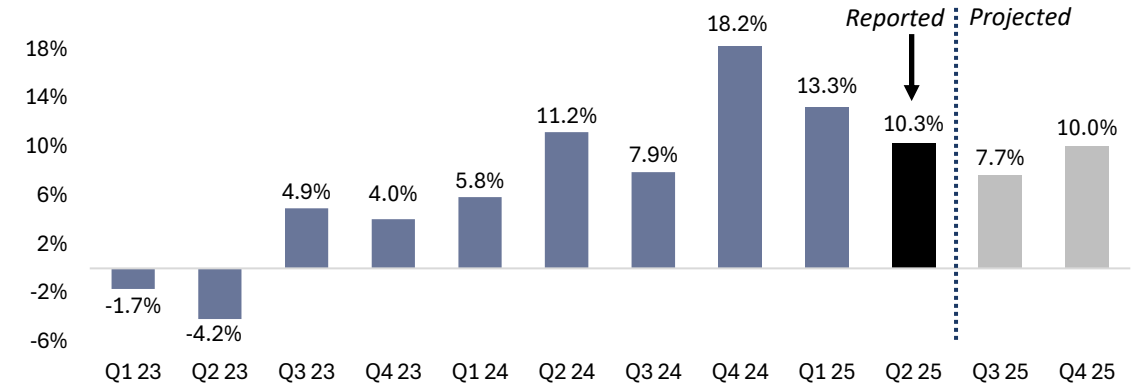
Foreign Currency (Topic 12)

As of 7/31/25

US Trade Weighted Dollar

$118.9

3

AI leaders have driven the bulk of market performance

The largest stocks with AI exposure have driven the bulk of S&P 500 performance since ChatGPT was released...

...as capital spending from major AI leaders is ramping up to meet massive infrastructure needs

Performance of Mag 7 Stocks (Indexed to 100 on 1/1/2021, Price Return)

— S&P 500 Ex Mag 7   — Magnificent 7

Price Returns	2021	2022	2023	2024	YTD 2025	Ann.
S&P 500	27%	-19%	24%	23%	8%	12%
S&P 500 ex-Mag 7	23%	-12%	11%	14%	7%	9%
Magnificent 7	40%	-40%	76%	48%	9%	21%

Sept 2023: AI special topic part I to Board

Apr. 2025: Post-liberation day

Magnificent 7

Nov 2022: Chat GPT Released to Public

S&P 500 ex Mag 7

Major AI Hyperscaler Capital Expenditures (Capex)

Amazon   Alphabet   Meta   Microsoft   ---- Capex % of Operating Cash Flow

Consensus Estimates →

$24 $31 $40 $64 $69 $93 $125 $150 $140 $217 $338 $391 $404
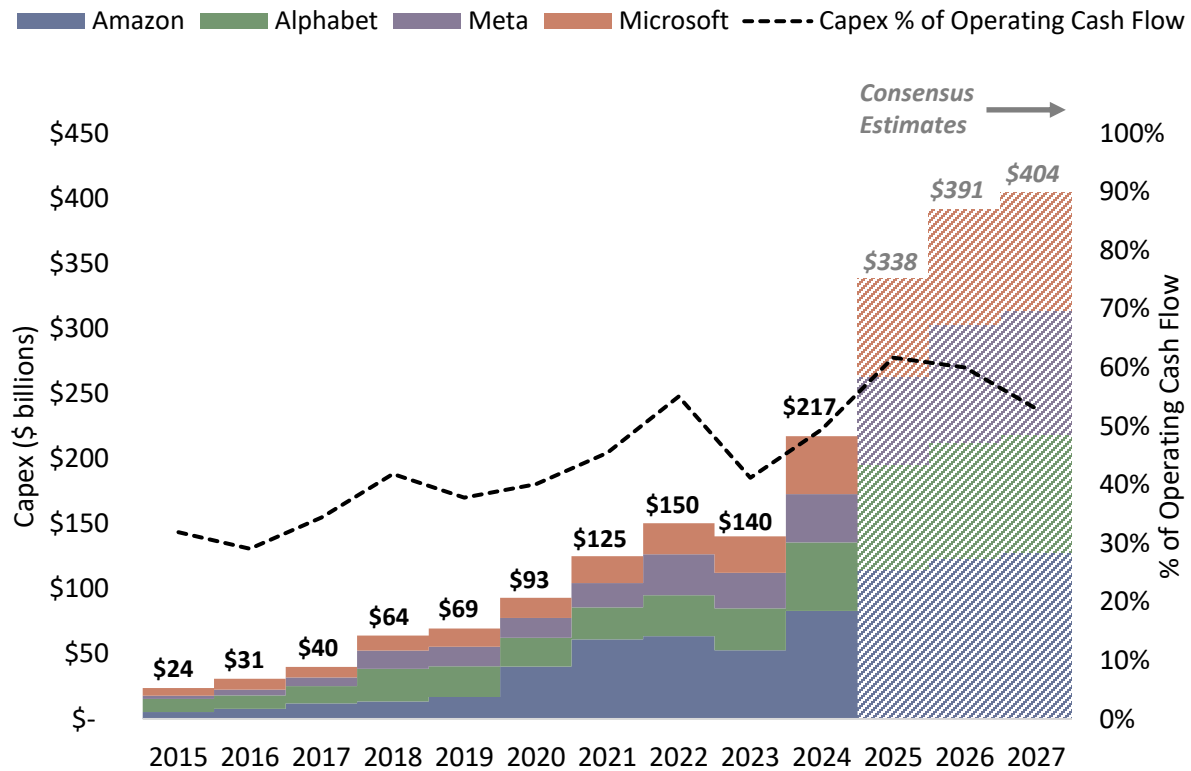
Source: Bloomberg, Factset
Note: Magnificent 7 includes Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia, Tesla

4

An arms race is underway to fuel growing AI demand

AI platform subscriptions are surging, driving widespread adoption among businesses...

... as the adoption rate of generative AI products at work and home continues to grow

Share of US Businesses With Subscriptions to AI Models

Adoption Rate of Generative AI at Work and Home
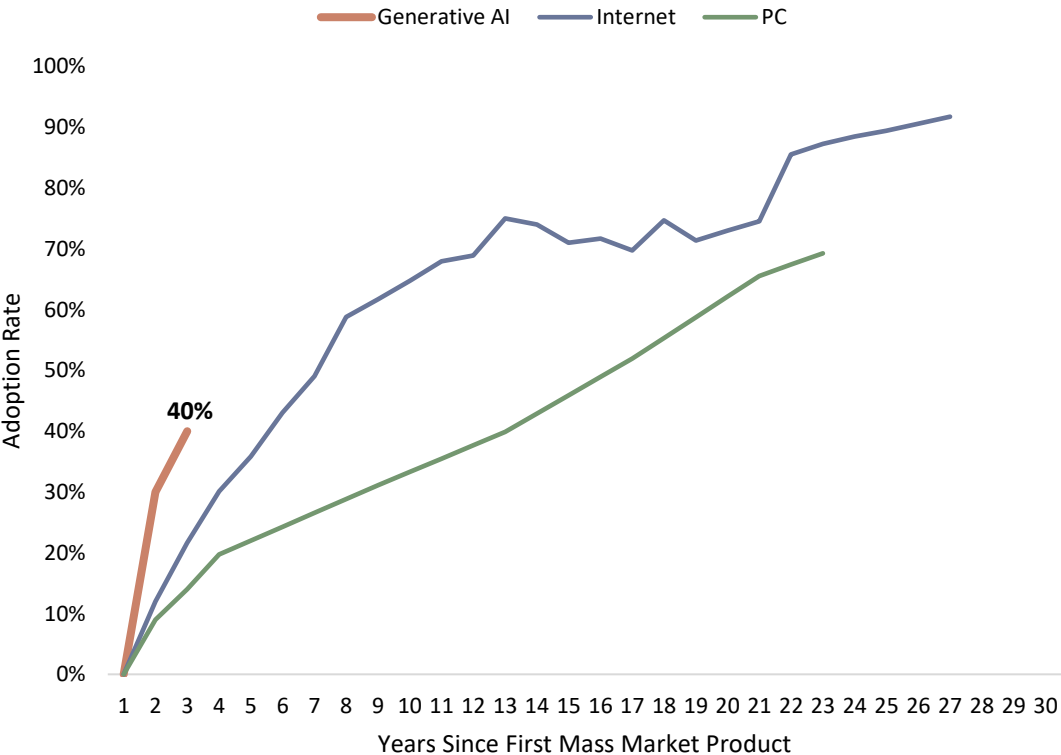
Exploring the potential of AI to shape the future of the Trust

Current State Update

- Widespread demand across the IMD to implement AI

- Pilot AI program launched in Private Markets

- Now common that our external managers are prioritizing AI across research and operations

- Top five public equity holdings are global AI leaders

  o *Nvidia, Microsoft, Apple, Amazon.com, Alphabet*

Future State Considerations

- IMD has identified 24 potential AI use cases that could drive efficiency, enhance decision-making, and strengthen risk management in four categories

Investment Research	Workflow Automation
• Proactive portfolio monitoring • Macro, peer, and consultant research synthesis • TRS GPT (internal LLM for knowledge retrieval)	• Memo creation assistant • Real-time note-taking and meeting summarization • AI email and calendar management
Software Development	Quantitative Modeling
• Semantic search across codebases • Python frameworks for LLM workflows • Pre-trained LLMs for code/document analysis	• Machine learning on structured and time series data • Geopolitical risk agent analyzing unstructured news • Forecasting models for market behavior

Global peer adoption of AI is accelerating

- According to an Accenture survey, **78%** of asset management firms have begun using generative AI and **41%** state they are currently scaling adoption within core parts of their business

- The following pension institutions have recently shared AI-related strategies, tools, or initiatives with their boards or with the public

Peer	Total Assets ($ billions)	Recent AI Developments
CALSTRS	$367	• <u>Broad Strategy</u>: Includes governance, training, and high-impact use cases across operations and investments • <u>AI Boot Camp</u>: **launching in late 2025 to upskill employees and support adoption**
Norges Bank Investment Management	$1,738	• <u>Mandatory AI Adoption</u>: Employees must use AI tools in their daily work. CEO Nicolai Tangen has stated, **"If you don't use it, you will never be promoted"** • <u>Multiple Models</u>: Claude (Anthropic), Microsoft Copilot, Perplexity, Cursor, OpenAI Deep Research, and Google AI are widely used by employees
ADIA — Abu Dhabi Investment Authority	$1,075	• <u>Operational Due Diligence (ODD) Agent</u>: Automates due diligence prep, drafts reports, generates meeting questions, and flags missing data • <u>**Investment Committee (IC) Companion**</u>: **Offers deal analysis and perspectives tailored to different decision-making personas.** • <u>General Partner One Pager</u>: Summarizes key GP data (bios, performance) for analyst use

Welcome Greg Jensen, Bridgewater Associates

Greg Jensen
Co-Chief Investment Officer, Bridgewater Associates

- Co-leads one of the world's largest hedge funds with $92 billion under management

- TRS first invested with Bridgewater in 2009 through the firm's Pure Alpha macro hedge fund strategy

- Oversees Bridgewater's AI strategy, including the Artificial Investment Associate Labs, integrating machine learning into investment processes

- Personally backed OpenAI in its first funding round nearly a decade ago and later became one of the earliest investors in Anthropic

- Named three times to Fortune Magazine's "Top 40 Under 40," and in 2023, named to Insider's "AI 100: The Top People in Artificial Intelligence."

AI Generated Image

Source: AI generated image created with OpenAI - Sora

8

Investing on the Edge of a Productivity Miracle

Greg Jensen

CIO, Bridgewater Associates & AIA Labs

September 2025

Agenda

1. The Current AI Landscape

2. AI at Bridgewater

   - "Rebuilding the factory" in AIA Labs

   - Integrating AI into our existing process

The Intelligence Is Here, and Progress Is Not Slowing
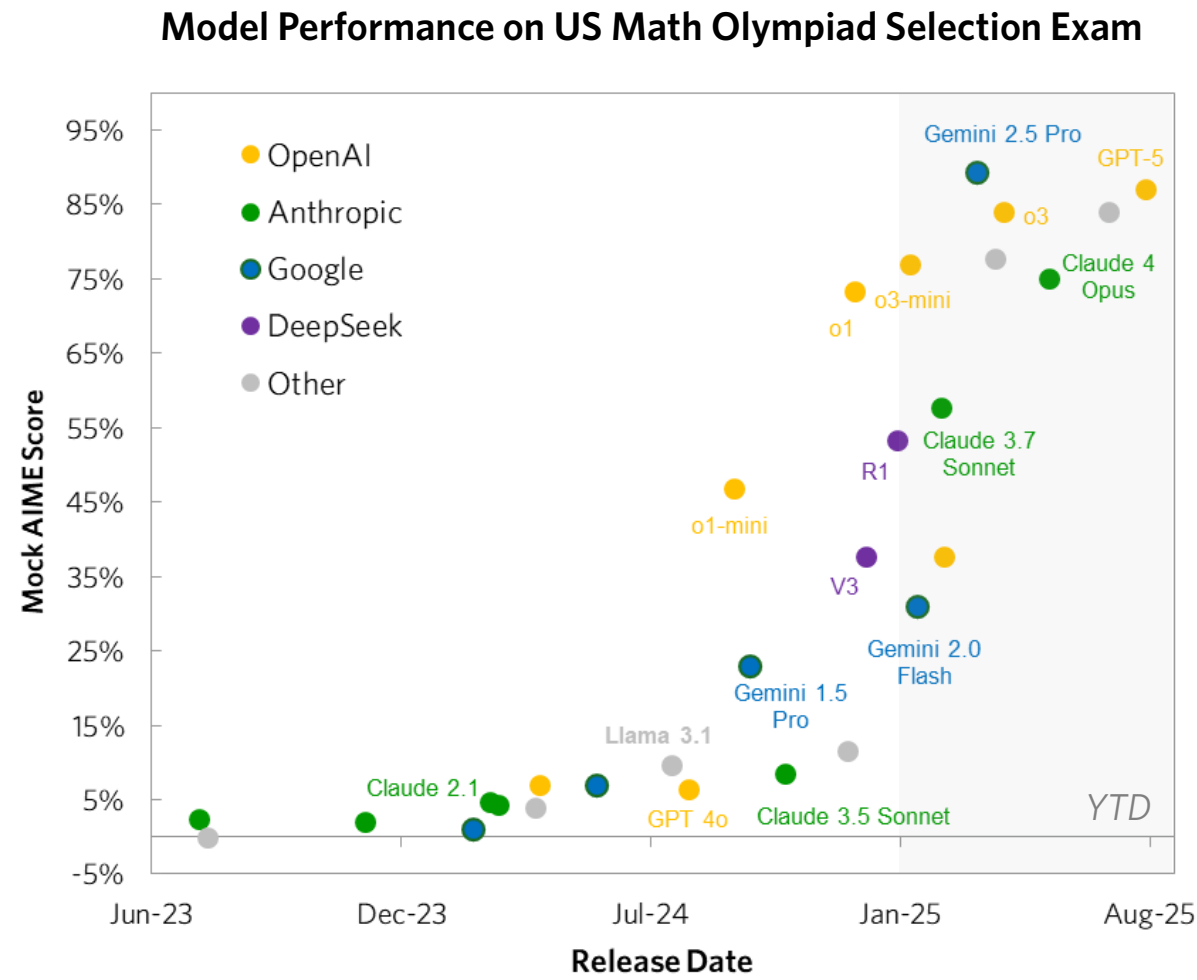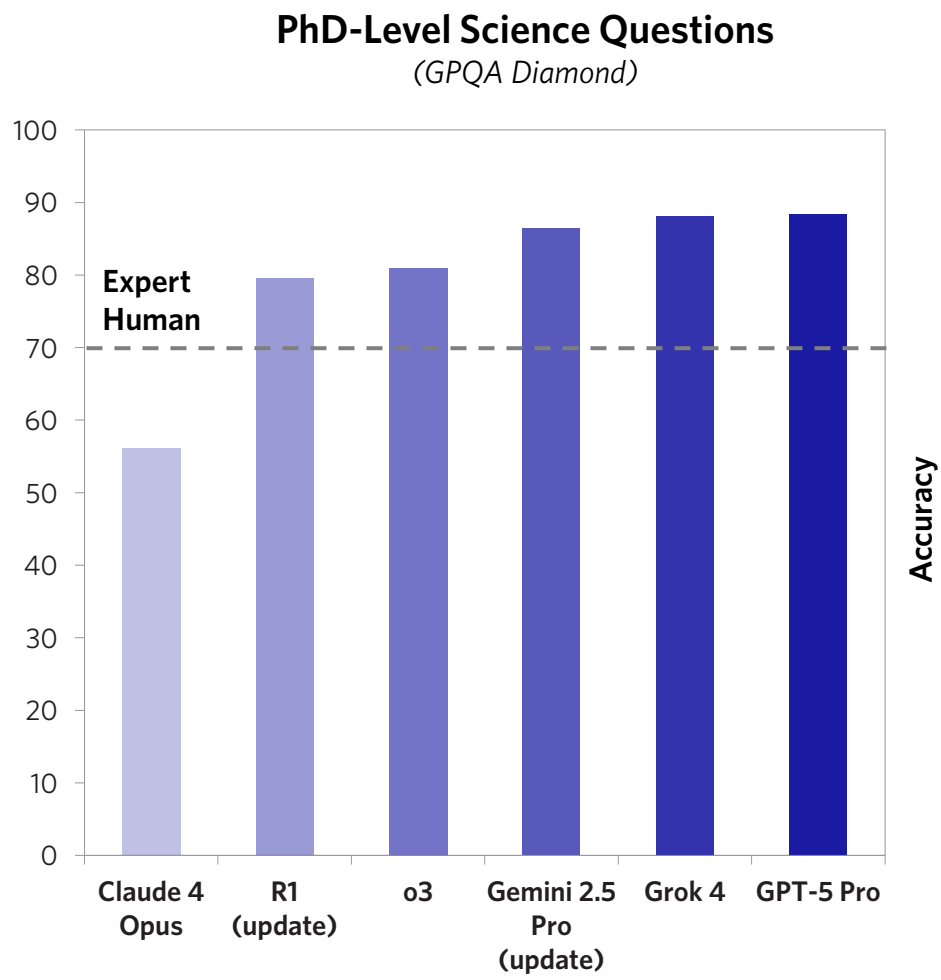
PhD-Level Science Questions
(GPQA Diamond)

Model Performance on US Math Olympiad Selection Exam

LLMs Have Struggled with Systematic Reasoning

- The International Math Olympiad (IMO) has been a particularly challenging math benchmark for LLMs, because it tests for mathematical reasoning and not just end results
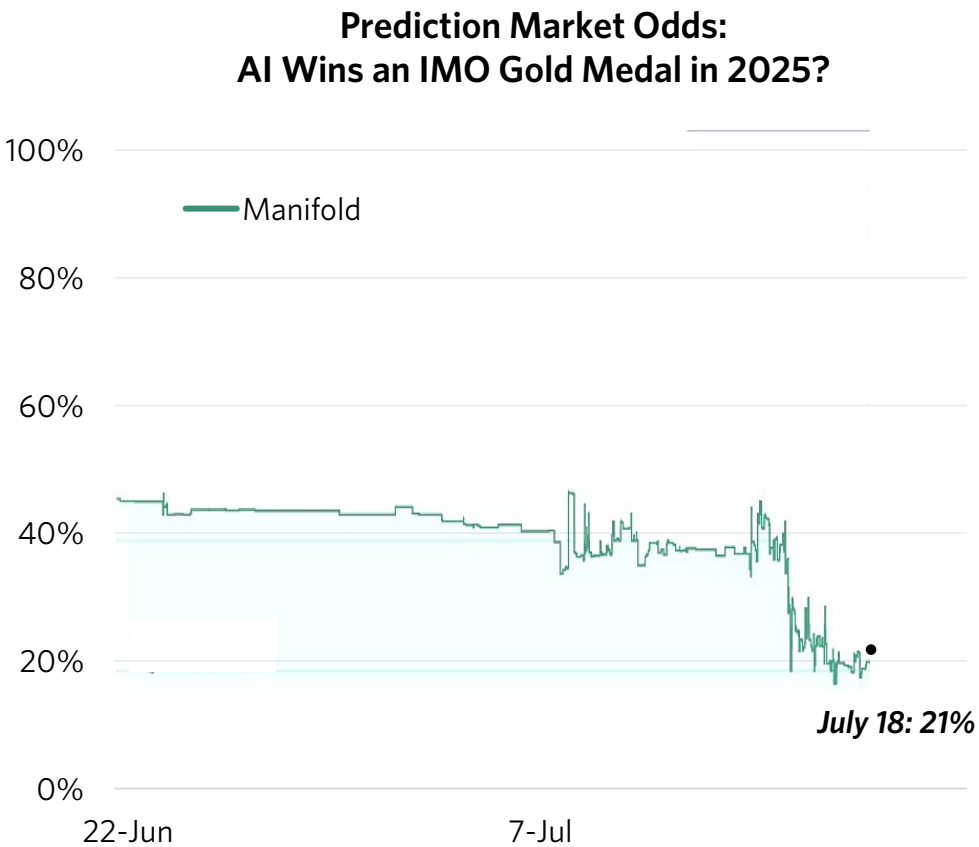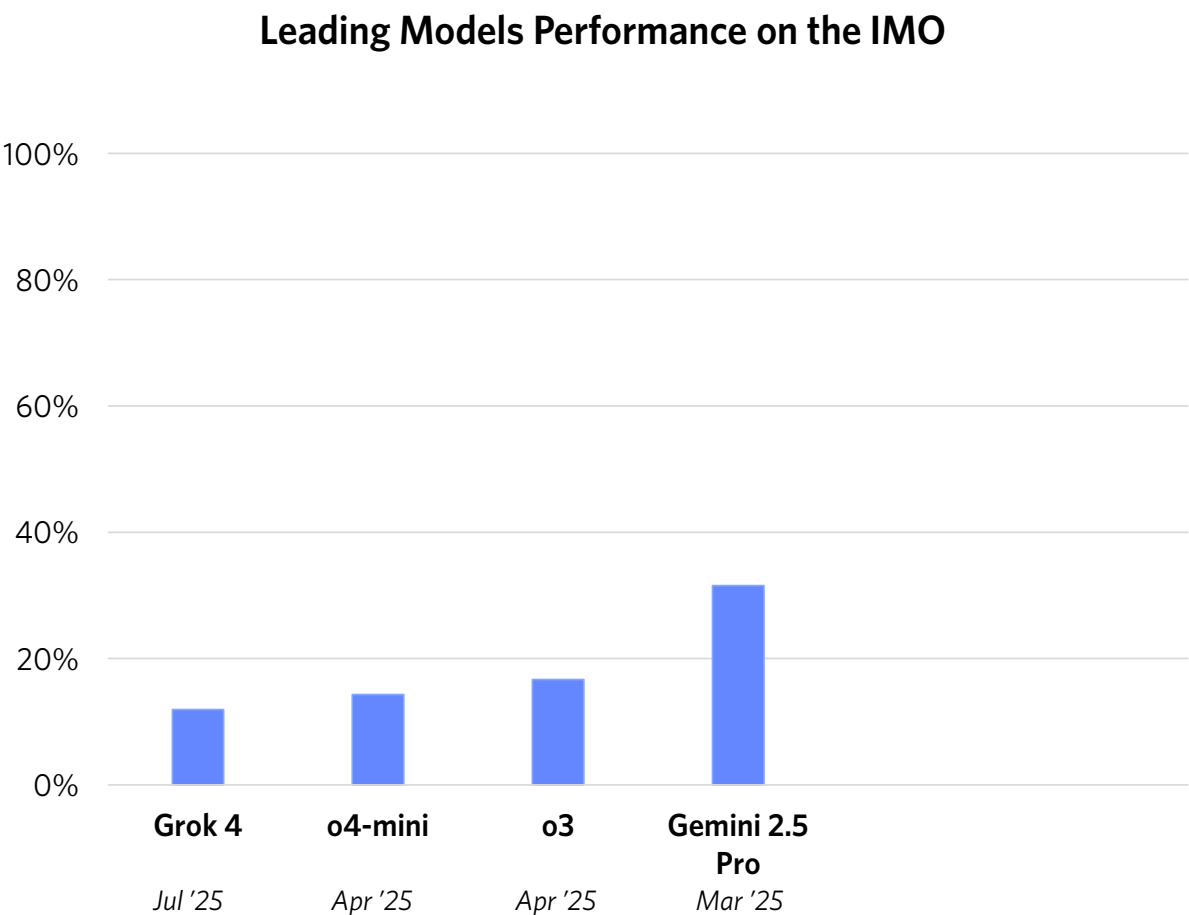
Leading Models Performance on the IMO

Grok 4	o4-mini	o3	Gemini 2.5 Pro
Jul '25	Apr '25	Apr '25	Mar '25

**Prediction Market Odds:
AI Wins an IMO Gold Medal in 2025?**

— Manifold

July 18: 21%

The Latest IMO Gold Medal Reflects Systematic Reasoning

- Both Google and OpenAI just achieved gold at IMO 2025 with general experimental models
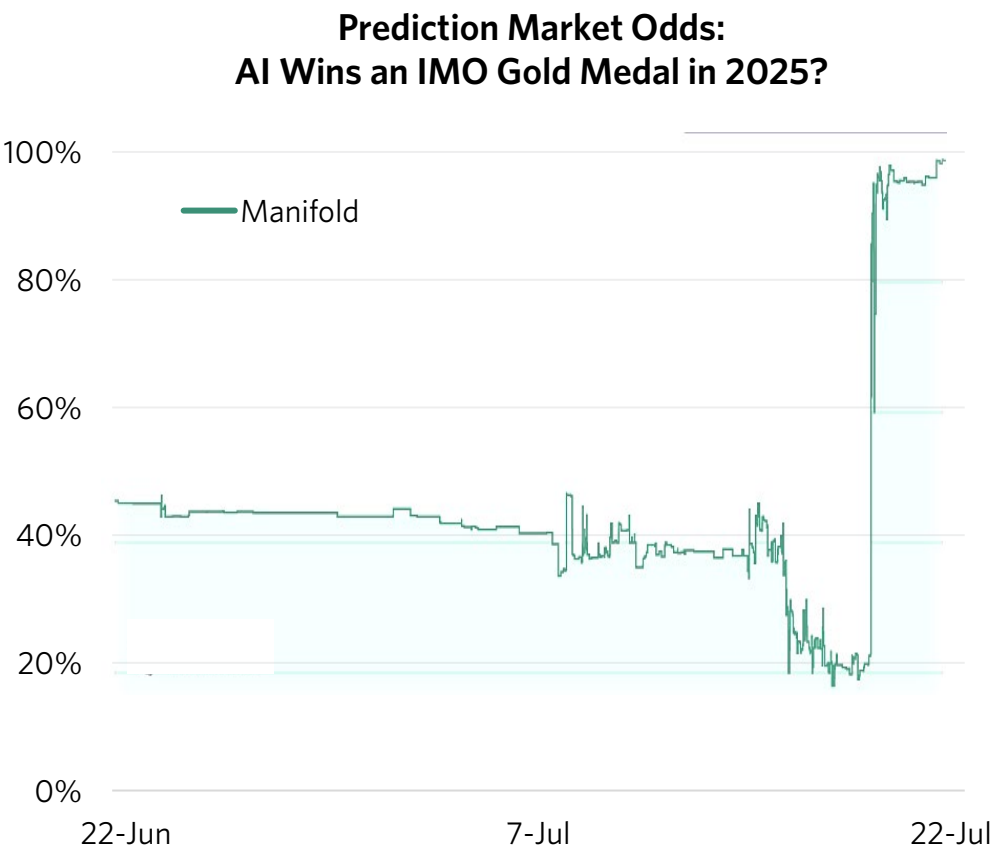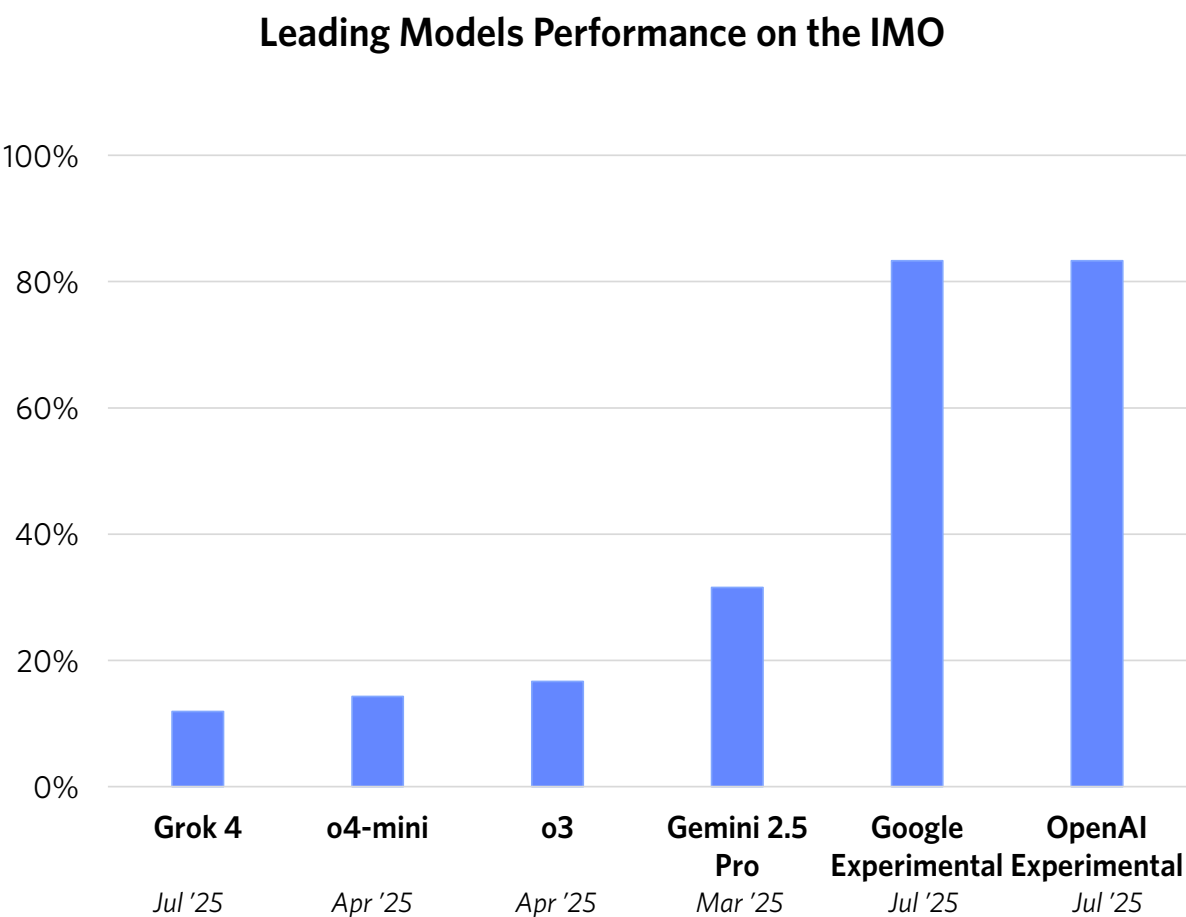
Leading Models Performance on the IMO

Model	Grok 4	o4-mini	o3	Gemini 2.5 Pro	Google Experimental	OpenAI Experimental
Date	Jul '25	Apr '25	Apr '25	Mar '25	Jul '25	Jul '25

Prediction Market Odds: AI Wins an IMO Gold Medal in 2025?

Manifold

How Technology Impacts Productivity and Growth

Narrowest impact

LEVEL 1:
TASK-BASED

Improve efficiency of existing tasks
Historical example: word processor
Clearly happening w/AI: e.g., medical diagnoses, climate prediction, efficient farming...

LEVEL 2:
KNOWLEDGE-BASED

Foster scientific development & innovations
Historical example: digital computer
Emerging with AI: Protein folding, discovery of new antibiotics...

LEVEL 3:
INSTITUTIONAL

Improve institutions & efficiency of cooperation
Historical example: financial markets, property rights, rule of law
Future potential: early cautionary example, AI-empowered social networks

Broadest impact

Please review the "Important Disclosures and Other Information" located at the end of this presentation.

AIA Labs | BRIDGEWATER 6

We Are Harnessing AI For Productivity Gains at All Levels

For illustrative purposes only. Please review the "Important Disclosures and Other Information" located at the end of this presentation.

⅄ AIA Labs | BRIDGEWATER 7
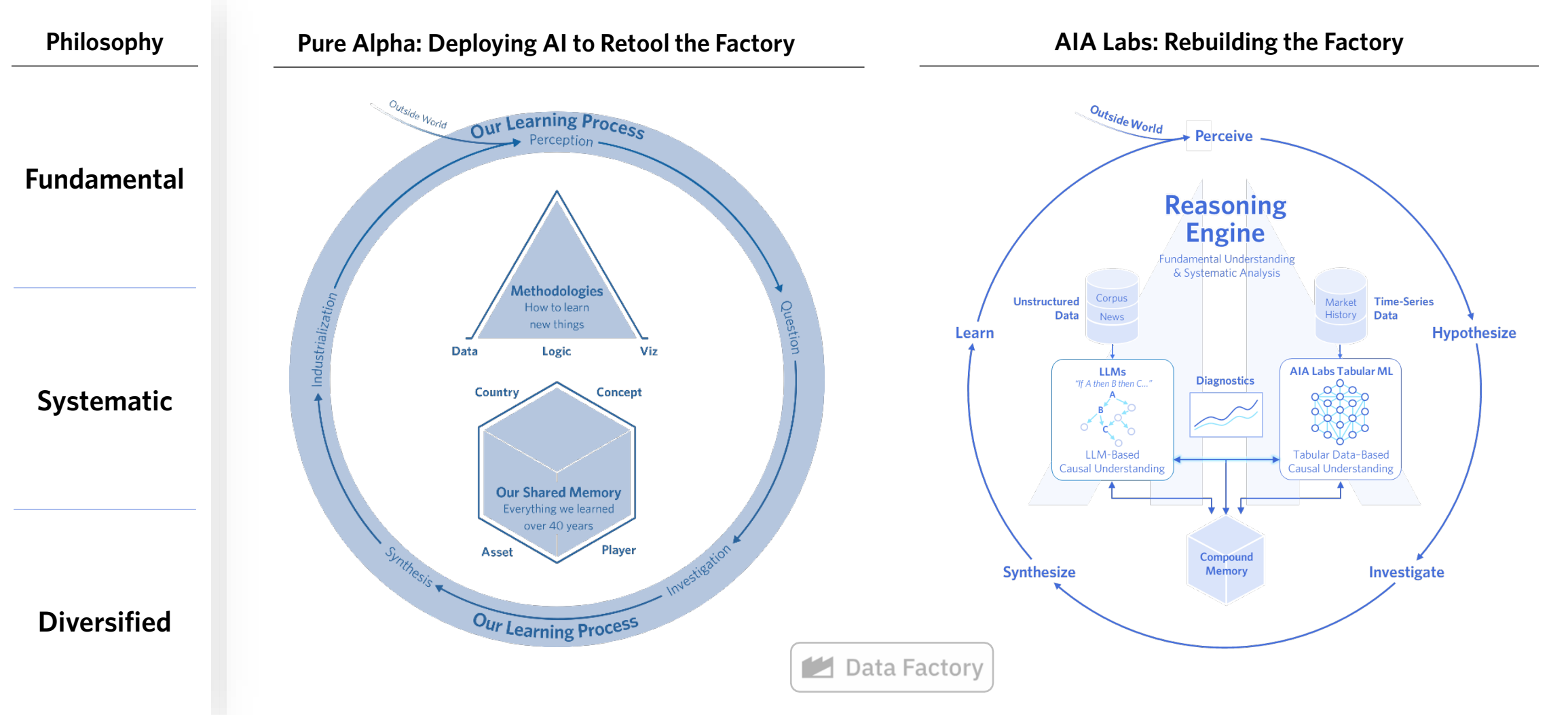
Challenges of Using AI to Trade Markets

- Small data sample size.

- Low signal-to-noise.

- Actions of the players change the game.

- Only one "simulation" of the world.

In short: **the future is not like the past.**

Rebuilding the Factory: AIA's Design

AIA combines state-of-the-art AI and ML tools to create a **Reasoning Engine** that is designed to be:

- Grounded in **causal reasoning**

- **Diagnosable**

- **Self-improving**
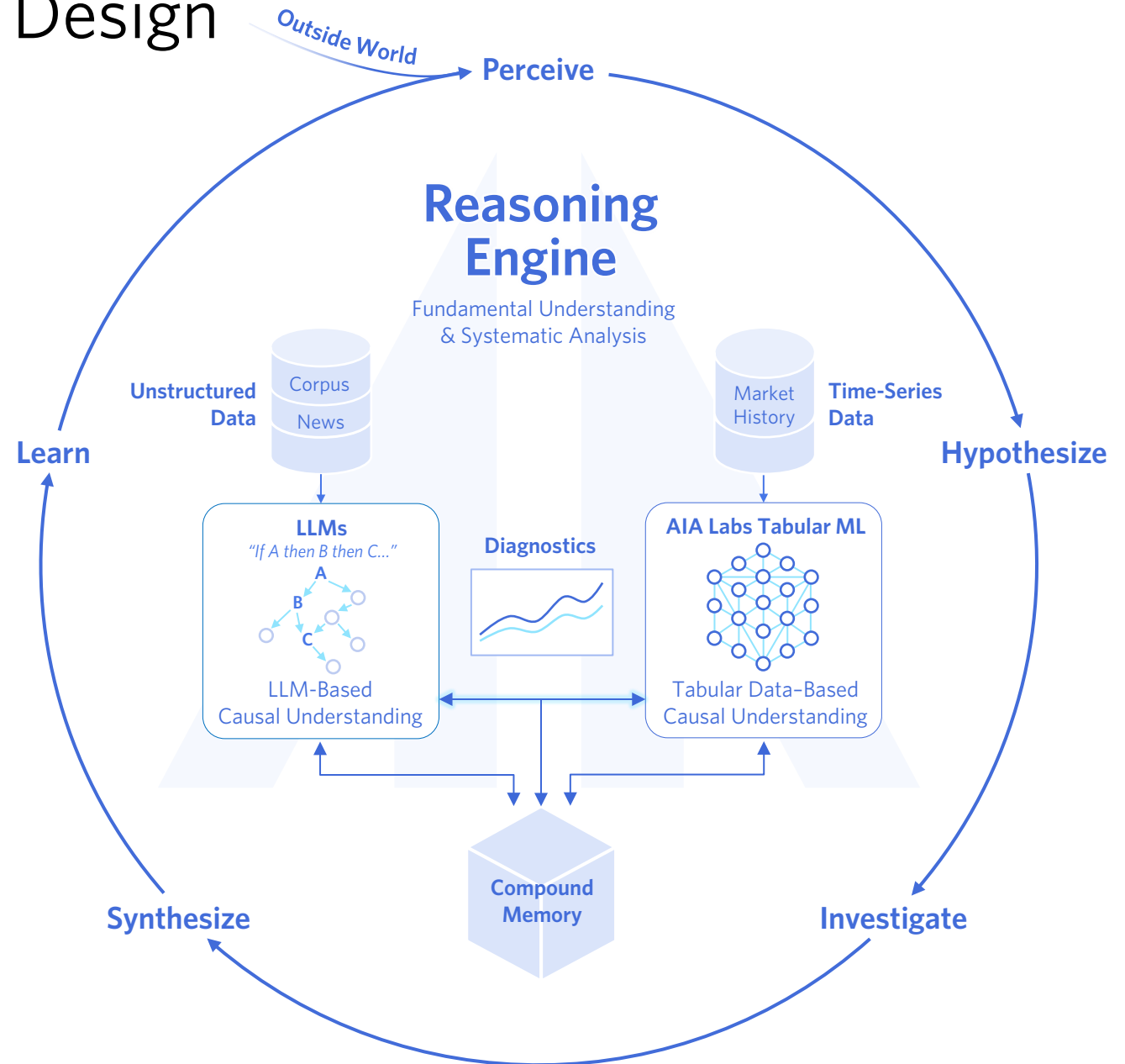
Harnessing Unstructured Data: Example Forecasts

Will Shigeru Ishiba remain the prime minister of Japan on January 1, 2026?

72%

Probability
Across 10 Runs

0 10 20 30 40 50 60 70 80 90

*Will the Dallas Cowboys make the playoffs in 2026?**

34%

Probability
Across 10 Runs

0 10 20 30 40 50 60 70 80 90
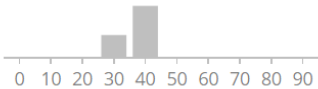
Will the US enter a recession in the next six months?

14%

Probability
Across 10 Runs

0 10 20 30 40 50 60 70 80 90
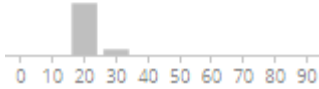
Will more than half of US pension funds be using LLMs to inform their investment thinking by the end of 2027?

62%

Probability
Across 10 Runs

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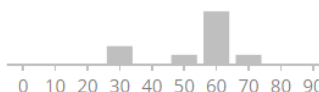
Will OpenAI be profitable by the end of this decade?

58%

Probability
Across 10 Runs

0 10 20 30 40 50 60 70 80 90
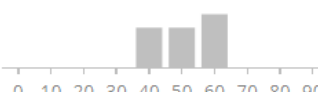
Will the UK lower its interest rate below 3% by the end of 2026?

28%

Probability
Across 10 Runs

0 10 20 30 40 50 60 70 80 90
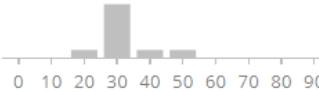
*Forecaster rightly notes that the base rate for any given NFL team to make the playoffs is 44% (14 out of 32 teams).

Retooling the Factory: A New Frontier for Our Existing Process

We've always pushed the bounds of technology to systemize human thinking and now are leveraging AI to (among other things):

1. Reason intelligently over unstructured data at scale, enabling systemization of new indicators
2. Create an "analyst in your pocket" to accelerate our process, consistent with how our analysts currently work
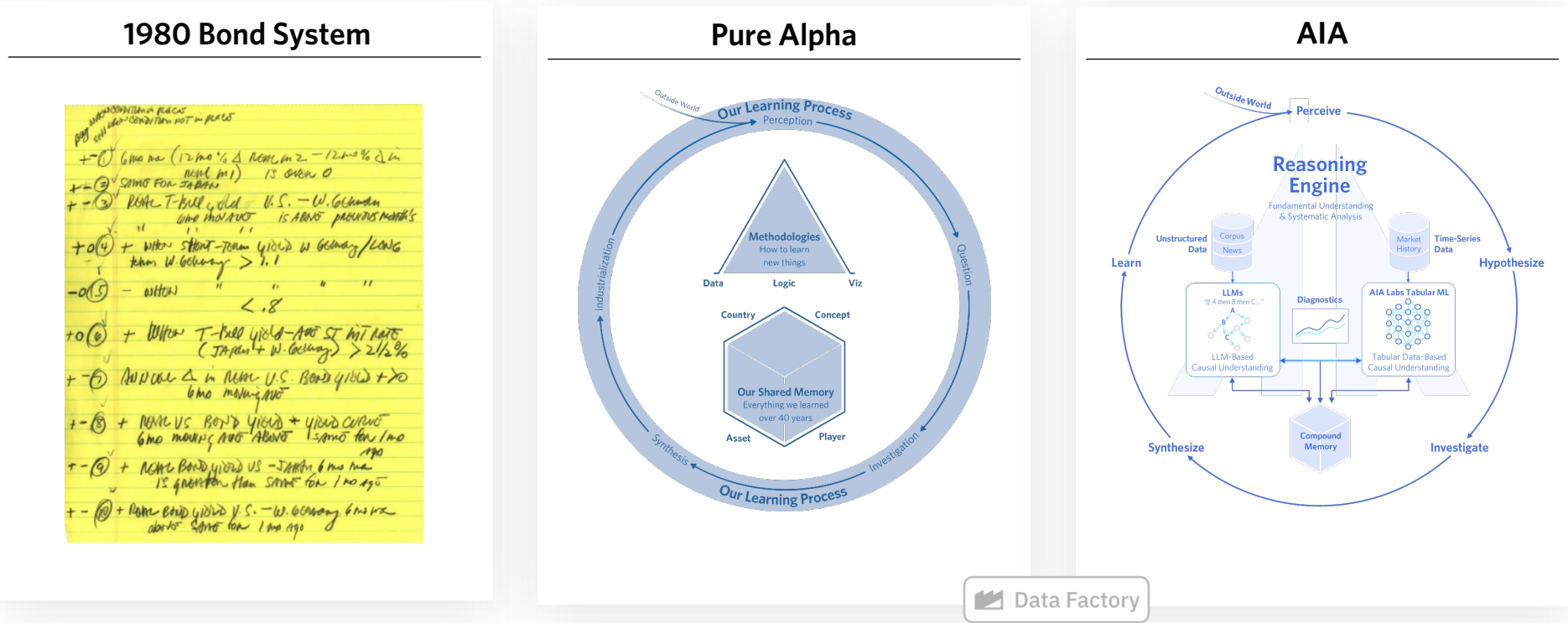
Appendix

AIA Labs: Team

Leadership

Greg Jensen
Bridgewater Co-CIO; CIO, AIA Labs

Greg joined Bridgewater in 1996 and has been Co-CIO since 2011. As Co-Chief Investment Officer, Greg oversees Bridgewater's investment strategies and research efforts and is integrally involved in overseeing Bridgewater's investment engine and investment talent. Greg also won a gold bracelet at the 2022 World Series of Poker. In 2010, 2011, and 2012, Greg was named one of business's rising stars in Fortune Magazine's "Top 40 Under 40," and in 2023, he was named to Insider's "AI 100: The Top People in Artificial Intelligence."

Jas Sekhon
Chief Scientist, AIA Labs
Yale University: Eugene Meyer Prof. of Statistics & Data Science

Jasjeet Sekhon joined Bridgewater in 2018 as the head of Machine Learning. As an internationally-renowned expert, Jas specializes in creating new methods for causal inference and developing interpretable and credible machine-learning techniques for estimating causal relationships when faced with limited and diverse data. He has published many highly-cited research papers and produced methods that are widely used in industry and are part of machine learning platforms at Amazon, Google, Microsoft, and Netflix, among others.

Team

Investment
Nina Lozinski | Oliver Simon
+*team of 5 investors*

Science
Jas Sekhon
+*team of 5 scientists*

Engineering
Linan Qiu
+*team of 5 engineers*

Technology
Aaron Linsky
+*team of 12 technologists*

Client Service
Team of 4 client-facing professionals

Operations
Team of 5 operations professionals

External Partners

ANTHROP\C

amazon

2 EXTERNAL ACADEMIC CONSULTANTS

perplexity

Microsoft

Important Disclosures
and Other Information

Please read carefully the following important disclosures and other information as they provide additional information relevant to understanding the assumptions, research and performance information presented herein. Additional information is available upon request except where the proprietary nature of the information precludes its dissemination.

Important Disclosures

Important Disclosures

Risks Associated With the Use of AI Tools

Risks Associated with Use of AI Tools

In line with advances in computing technology, data analytics, and related fields, there is an increasing trend toward utilizing generative artificial intelligence, large language models, machine learning, artificial neural networks, artificial narrow intelligence, and similar tools, models, and systems generally referred to as "artificial intelligence" (collectively, "AI Tools") as part of portfolio management, trading, portfolio risk management, and other applications in the investment management processes used by various market participants, including Bridgewater Associates, LP ("Bridgewater").

Bridgewater utilizes AI Tools in connection with managing the Bridgewater AIA Labs Macro Strategy (the "Strategy"). Bridgewater's artificial investment associate ("AIA") utilizes AI Tools to generate the investment logic for the Bridgewater AIA Labs Macro Strategy that is implemented by the Strategy. AI Tools will be implemented in connection with asset allocation decisions, pre-trade and post-trade descriptive, predictive, or prescriptive analysis, as well as throughout the associated research processes. Bridgewater will utilize one or more AI Tools directly for investment and asset allocation decisions after determining that such usage and oversight (and the risks associated with them) is consistent with its obligations to the Strategy. AI Tools will also be used as part of or in connection with other aspects of managing the Strategy. While AI Tools are increasingly used by certain market participants in quantitative or algorithmic trading, AI Tools will also be used to perform sophisticated fundamental analysis (which may include the use of textual analysis) and to optimize asset allocations in the Strategy's investment portfolio. The outputs produced from AI Tools will inevitably contain a degree of inaccuracy and error—potentially materially so—and could otherwise be inadequate or flawed, which may diminish the effectiveness of such AI Tools. While the outputs from such use of AI Tools are generally subject to review and oversight by humans such review and oversight may fail to detect errors, defects, so-called "hallucinations" (a phenomenon whereby outputs from such use of AI Tools incorporate fabricated data that appears authentic), and similar faulty results generated by AI Tools.

As the complexity of the tasks for which AI Tools are used increases, opacity can make the review and oversight process increasingly more difficult to implement. Bridgewater and the Strategy could directly or indirectly be further exposed to the risks of AI Tools if third-party service providers or any counterparties, whether or not known to Bridgewater, also use AI Tools in their business activities. Bridgewater will not be in the position to control the manner in which non-proprietary AI Tools are developed or maintained or the manner in which such other AI Tools are provided to Bridgewater and other market participants. While such risks may be mitigated as more AI Tools are developed and additional precautions are implemented, it is possible that interdependent risks will remain throughout the universe of AI Tools and may result in adverse impacts on the performance of the Strategy.

Although AI Tools have certain advantages and benefits for various applications, persons considering an initial or additional investment in the Strategy should also be aware of certain associated actual or perceived risks and downsides with respect to Strategy's use of AI Tools. In particular, many AI Tools (including AIA) are relatively recent developments and may be subject to one or more undetected errors, defects, or security vulnerabilities. Some errors, defects, and/or security vulnerabilities may be discovered, if at all, only after an AI Tool has been used by end customers, including Bridgewater, or after substantial operations in the marketplace, and could result in significant loss of revenues or assets, or material liabilities or sanctions.

Teacher Retirement System of Texas

Performance Review:

Second Quarter 2025
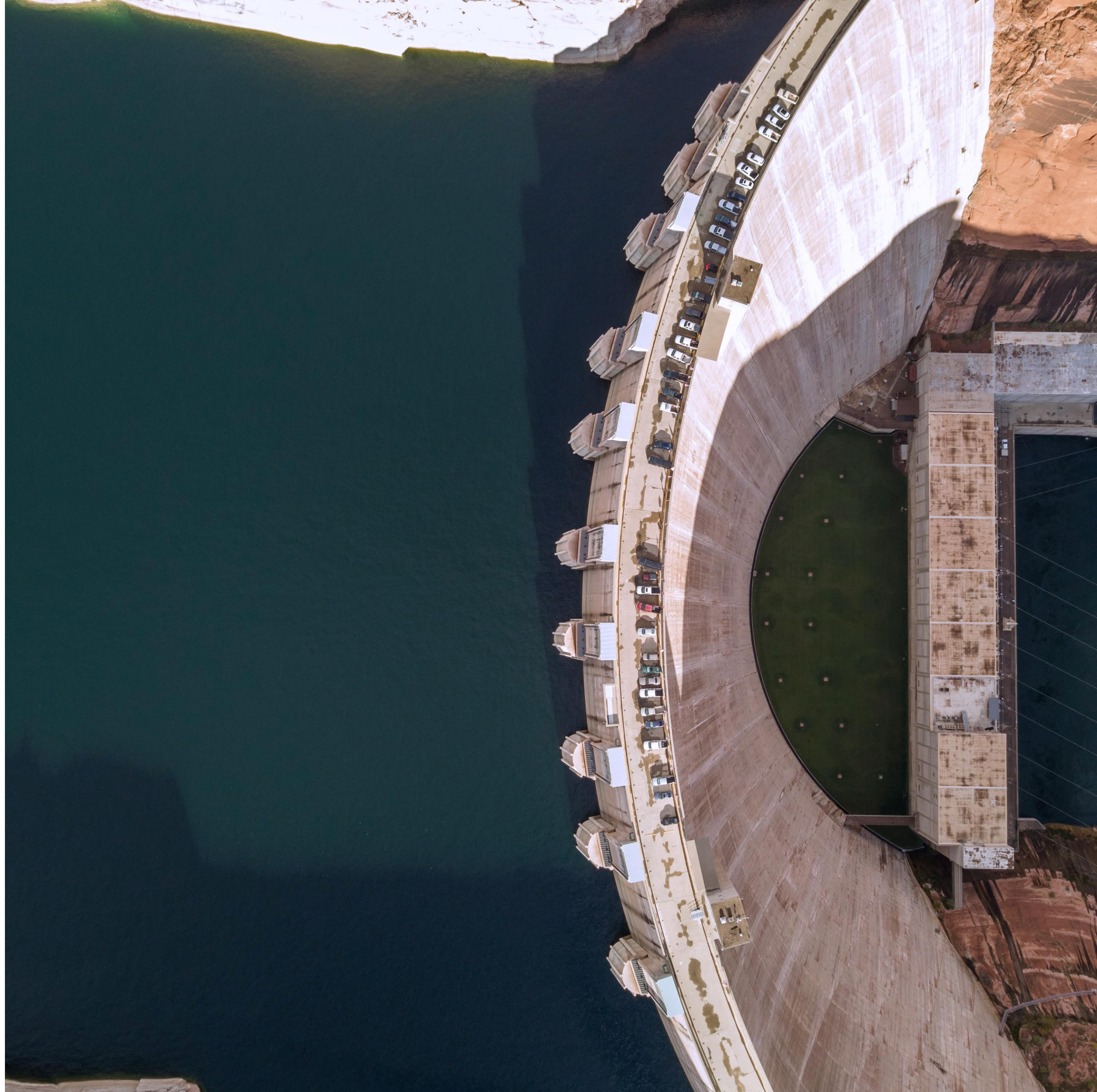
Summary
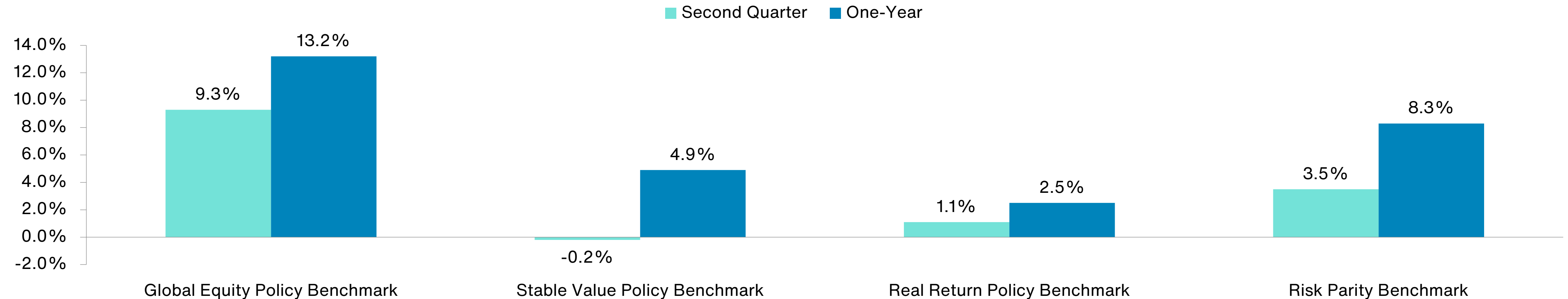
In Q2 2025, the S&P 500 Index rallied as strength in growth stocks which were dominated by AI-themes outweighed uncertainty surrounding trade policy and tariffs. Non-U.S. equities continued to outpace U.S. equities, partially aided by currency appreciation versus the dollar

Global equities returned 9.3% for the quarter and returned 13.2% over a trailing 1-year period

Bonds returns were mixed as yields fell at the shorter end of the curve but rose at the longer end, leading long Treasuries to fall 1.5%

TRS returned 6.6% for the quarter which was nearly one percentage point above its benchmark

–Outperformance at the asset class level for Global Equity along with the Absolute Return allocation were the primary drivers for relative outperformance

–Real Estate was the primary detractor from relative performance.

For the trailing twelve months, TRS returned 10.8% versus the benchmark return of 9.3%

–Outperformance from the Global Equity and Real Return (specifically ENRI) asset classes along with the Absolute Return allocation were the primary drivers of relative outperformance

1. Market Summary – Second Quarter 2025

	Second Quarter	YTD	One Year	Three Years	Five Years	Ten Years
Global Equity:						
TRS All Country Benchmark	**12.0%**	**9.5%**	**--**	**--**	**--**	**--**
TF USA Benchmark	**11.1%**	**5.8%**	**15.2%**	**19.2%**	**16.1%**	**13.1%**
TRS Non-US Developed Benchmark	**12.7%**	**18.8%**	**18.2%**	**15.5%**	**11.3%**	**6.6%**
TRS Emerging Markets Benchmark	**16.7%**	**13.6%**	**10.8%**	**9.1%**	**6.4%**	**4.7%**
Customized State Street Private Equity Index (quarter lagged)	**2.0%**	**4.3%**	**7.6%**	**3.8%**	**16.1%**	**12.2%**
Global Equity Policy Benchmark	***9.3%***	***8.9%***	***13.2%***	***12.1%***	***13.7%***	***9.8%***
Stable Value:						
Bloomberg Long Treasury Index	**-1.5%**	**3.1%**	**1.6%**	**-3.7%**	**-8.2%**	**0.1%**
Bloomberg U.S. TIPS Index	**0.5%**	**4.7%**	**--**	**--**	**--**	**--**
SOFR + 2.5%	**1.7%**	**3.5%**	**--**	**--**	**--**	**--**
Absolute Return Benchmark	**2.1%**	**4.3%**	**9.2%**	**9.1%**	**6.6%**	**5.1%**
90 Day U.S. Treasury Bill	**1.1%**	**2.2%**	**4.9%**	**4.8%**	**2.9%**	**2.0%**
Stable Value Policy Benchmark	***-0.2%***	***3.7%***	***4.9%***	***-0.7%***	***-4.4%***	***1.3%***
Real Return:						
NCREIF ODCE (quarter lagged)	**0.9%**	**1.8%**	**1.2%**	**-5.1%**	**2.0%**	**4.7%**
Energy, Natural Resources & Infrastructure Benchmark	**1.5%**	**1.8%**	**5.4%**	**6.5%**	**11.5%**	**--**
Goldman Sachs Commodities Index	**-2.8%**	**1.9%**	**0.3%**	**-0.4%**	**17.7%**	**1.5%**
Real Return Policy Benchmark	***1.1%***	***1.8%***	***2.5%***	***-1.7%***	***4.7%***	***5.0%***
Risk Parity:						
Risk Parity Benchmark	***3.5%***	***6.8%***	***8.3%***	***4.4%***	***3.3%***	***4.1%***
TRS Policy Benchmark	**5.7%**	**6.6%**	**9.3%**	**6.2%**	**7.6%**	**6.9%**

2. Market Value Change

From April 1, 2025 to June 30, 2025
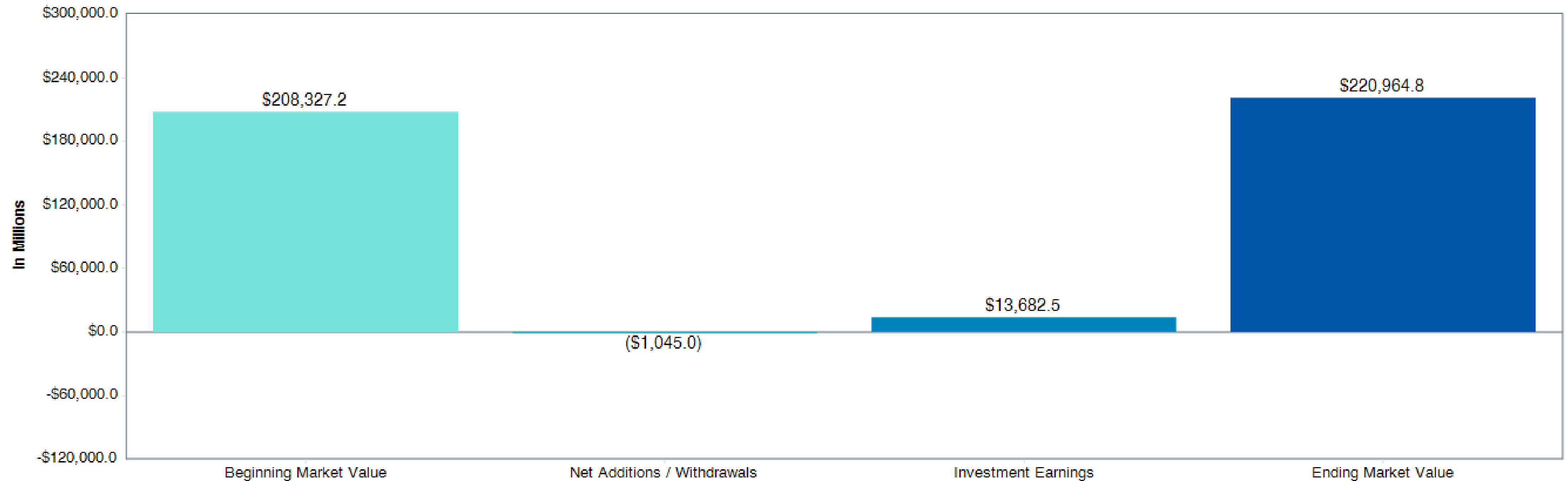
Summary of Cash Flows					
	1 Quarter	Year to Date	1 Year	3 Years	5 Years
Total Fund					
Beginning Market Value	208,327,218,856	207,301,783,683	203,692,767,909	184,398,784,440	155,202,490,183
+ Additions / Withdrawals	-1,044,999,999	-2,078,172,233	-4,334,447,914	-9,070,387,058	-17,575,656,707
+ Investment Earnings	13,682,541,125	15,741,148,531	21,606,439,986	45,636,362,600	83,337,926,505
= Ending Market Value	**220,964,759,981**	**220,964,759,981**	**220,964,759,981**	**220,964,759,981**	**220,964,759,981**

3. Asset Allocation Detail

	Market Value $ in millions) as of 6/30/2025		Interim Policy Target	Relative to Interim Policy Target	Long Term Policy Target	Long Term Policy Ranges
	($)	(%)				
Investment Exposure	**--**	**104.2%**	**104.0%**	**+0.2%**	**104.0%**	**93-115%**
Total All Country	$81,258	36.8%	36.6%	+0.2%	39.0	29-44%
Non-U.S. Developed	$11,779	5.3%	4.7%	+0.6%	5.0	0-10%
Emerging Markets	$2,159	1.0%	1.0%	0.0%	1.0	-4-6%
Private Equity	$33,678	15.2%	15.9%	-0.7%	12.0	7-19%
Global Equity	**$128,874**	**58.3%**	**58.2%**	**+0.1%**	**57.0%**	**50-64%**
Government Bonds - Nominal	$19,656	8.9%	9.4%	-0.5%	10.0	0-15%
Government Bonds - Real	$6,873	3.1%	5.6%	-2.5%	6.0	0-11%
Stable Value Hedge Funds	$10,987	5.0%	4.7%	+0.3%	5.0	0-10%
Absolute Return	$8,616	3.9%	0.0%	+3.9%	0.0	0-10%
Stable Value	**$46,132**	**20.9%**	**19.7%**	**+1.2%**	**21.0%**	**14-28%**
Real Estate	$30,000	13.6%	14.3%	-0.7%	15.0	10-20%
Energy, Natural Resource and Inf.	$14,438	6.5%	7.1%	-0.6%	6.0	1-11%
Commodities	$312	0.1%	0.0%	+0.1%	0.0	0-5%
Real Return	**$44,750**	**20.3%**	**21.4%**	**-1.1%**	**21.0%**	**14-28%**
Risk Parity	$10,552	4.8%	4.7%	+0.1%	5.0	0-10%
Risk Parity	**$10,552**	**4.8%**	**4.7%**	**+0.1%**	**5.0%**	**0-10%**
Cash	$4,622	2.1%	2.0%	+0.1%	2.0	0-7%
Asset Allocation Leverage	-$13,965	-6.3%	-6.0%	-0.3%	-6.0	--
Net Asset Allocation	**-$9,343**	**-4.2%**	**-4.0%**	**-0.2%**	**-4.0%**	**--**
Total Fund	**$220,965**	**100%**	**100%**	**---**	**100.0%**	**--**

Note: Asset allocation information shown above is based upon MOPAR reporting. The excess returns shown above may not be a perfect difference between the actual and benchmark returns due entirely to rounding.

4. Total TRS Performance Ending 6/30/2025

Return Summary

Legend: Total Fund, Total Fund Benchmark

Period	Total Fund	Total Fund Benchmark
1 Quarter	6.6%	5.7%
YTD	7.7%	6.6%
1 Year	10.8%	9.3%
3 Years	7.9%	6.2%
5 Years	9.3%	7.6%
10 Years	7.8%	6.9%
Inception 7/1/91	8.5%	7.9%

Total Fund vs. Total Fund Benchmark

Total Fund Performance	
Total Value Added	0.90%
Total Fund Benchmark	5.69%
Total Fund	6.59%

Total Value Added: 0.90%	
Asset Allocation	0.44%
Security Selection Value Added	0.41%
Other	0.05%

Total Asset Allocation: 0.44%

	Average Active Weight	Asset Allocation Value Added	Security Selection Value Added
Total All County	-0.96%	-0.05%	0.30%
Non-U.S. Developed	0.49%	0.03%	0.07%
Emerging Markets	-0.04%	0.00%	0.00%
Private Equity	-0.09%	0.00%	0.11%
Gov't Bonds - Nominal	-0.25%	0.01%	-0.07%
Gov't Bonds - Real	-2.46%	0.13%	-0.01%
Absolute Return	3.69%	0.32%	0.00%
Stable Value Hedge Funds	0.47%	0.01%	0.05%
Real Estate	-0.26%	-0.01%	-0.32%
Commodities	0.12%	-0.01%	0.00%
ENRI	-0.13%	0.01%	0.09%
Risk Parity	0.09%	0.00%	0.06%
Cash Equivalents	0.01%	0.01%	0.00%
Asset Allocation Leverage	-0.73%	0.00%	0.08%

Total Security Selection Value Added: 0.41%

Legend: Average Active Weight · Asset Allocation Value Added · Security Selection Value Added

5. Total Fund Attribution – One Year Ending 6/30/2025

Total Fund vs. Total Fund Benchmark

Total Fund Performance

Total Value Added	1.42%
Total Fund Benchmark	9.35%
Total Fund	10.77%

Total Value Added: 1.42%

Asset Allocation	0.44%
Security Selection Value Added	0.88%
Other	0.10%

Total Asset Allocation: 0.44%

	Average Active Weight	Asset Allocation Value Added
Total All County	-0.81%	-0.02%
Total USA	-0.08%	-0.01%
Non-U.S. Developed	0.03%	0.01%
Emerging Markets	0.01%	
Private Equity	-0.12%	-0.01%
Gov't Bonds - Nominal	-0.41%	-0.02%
Gov't Bonds - Real	-1.99%	-0.11%
Absolute Return	3.58%	0.07% / 0.51%
Stable Value Hedge Funds	0.31%	-0.01%
Real Estate	-0.11%	0.01%
Commodities	0.11%	-0.02%
ENRI	-0.04%	0.00%
Risk Parity	-0.02%	-0.03%
Cash Equivalents	0.25%	0.05%
Asset Allocation Leverage	-0.70%	0.00%

Total Security Selection Value Added: 0.88%

	Security Selection Value Added
Total All County	0.60%
Total USA	0.06%
Non-U.S. Developed	0.24%
Emerging Markets	-0.14%
Private Equity	-0.05%
Gov't Bonds - Nominal	-0.35%
Gov't Bonds - Real	-0.03%
Absolute Return	0.00%
Stable Value Hedge Funds	0.05%
Real Estate	-0.53%
Commodities	0.00%
ENRI	0.54%
Risk Parity	0.10%
Cash Equivalents	0.00%
Asset Allocation Leverage	0.37%

Legend: ■ Average Active Weight   ■ Asset Allocation Value Added   ■ Security Selection Value Added

Note: Month-end market values for September, October, and November 2024 were adjusted to match the beginning market values reported by State Street on the first of the following month (October, November, and December, respectively). These adjustments were made to conform to the new asset allocation targets as outlined in the IPS that was approved in September 2024.

6. Risk Profile: Total Fund Risk-Return vs. Peers

Annualized Return vs. Annualized Standard Deviation 3 Years Ending June 30, 2025
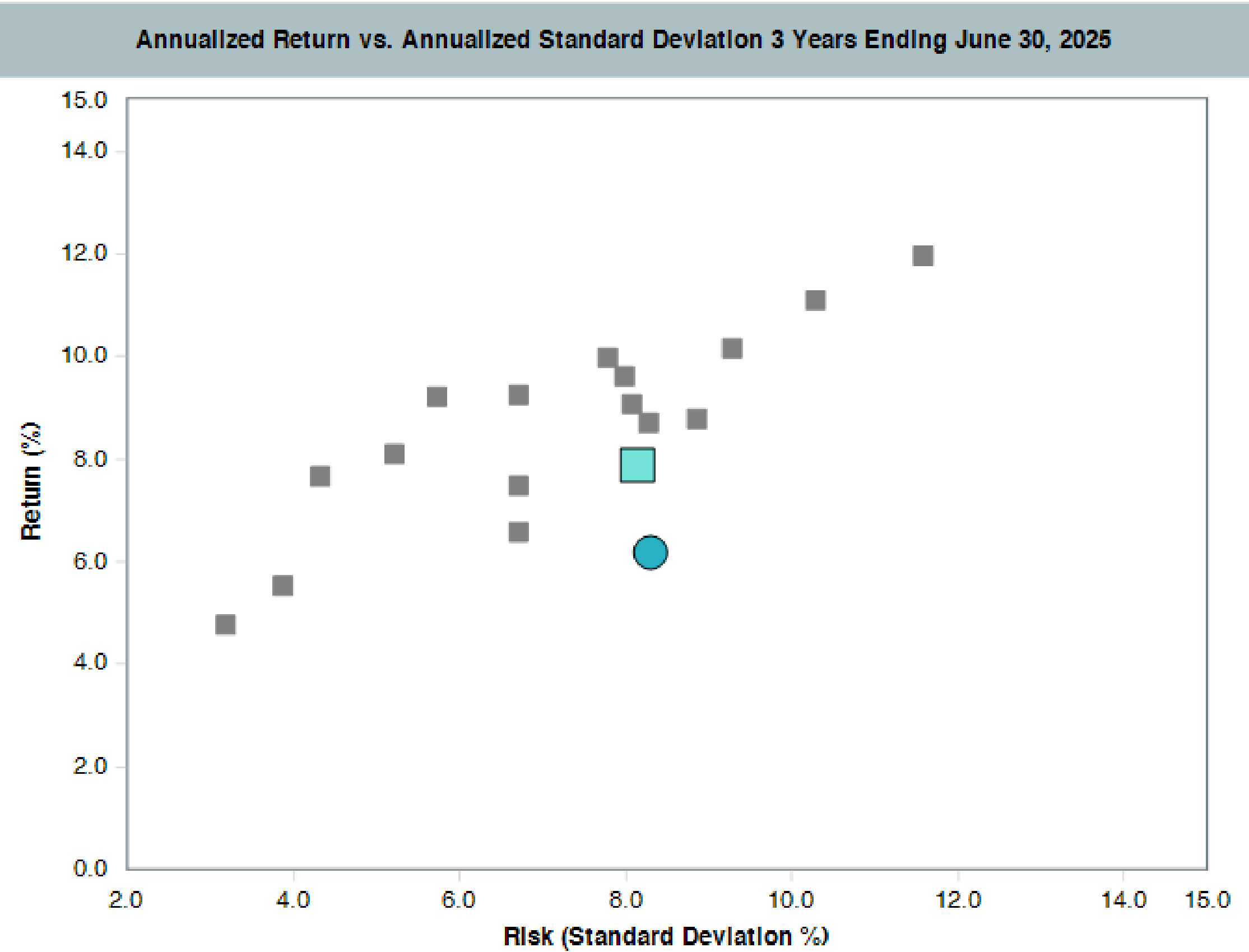
	Return	Standard Deviation
Total Fund	7.9	8.1
Total Fund Benchmark	6.2	8.3
Median	8.9	7.2

Annualized Return vs. Annualized Standard Deviation 5 Years Ending June 30, 2025
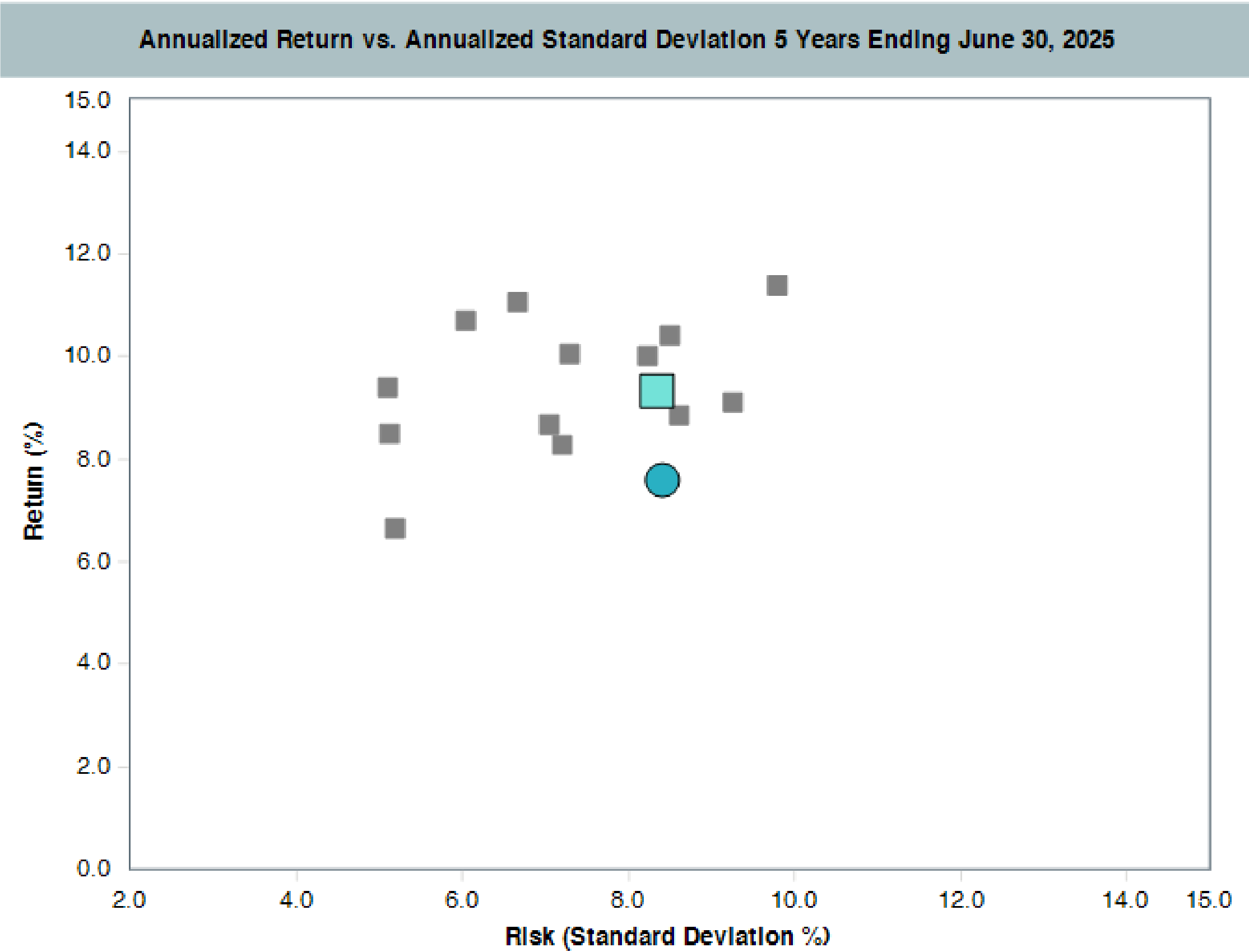
	Return	Standard Deviation
Total Fund	9.3	8.3
Total Fund Benchmark	7.6	8.4
Median	9.4	7.2

Note: Public Plan peer group composed of 16 and 13 public funds, for 3- and 5-year periods, with total assets in excess of $10B as of 6/30/2025. An exhibit outlining the asset allocation of the peer portfolios is provided in the appendix of this report.

6. Risk Profile: Trailing 3-Year and 5-Year Risk Metrics Peer Comparison

Total Fund vs. All Public Plans > $10B
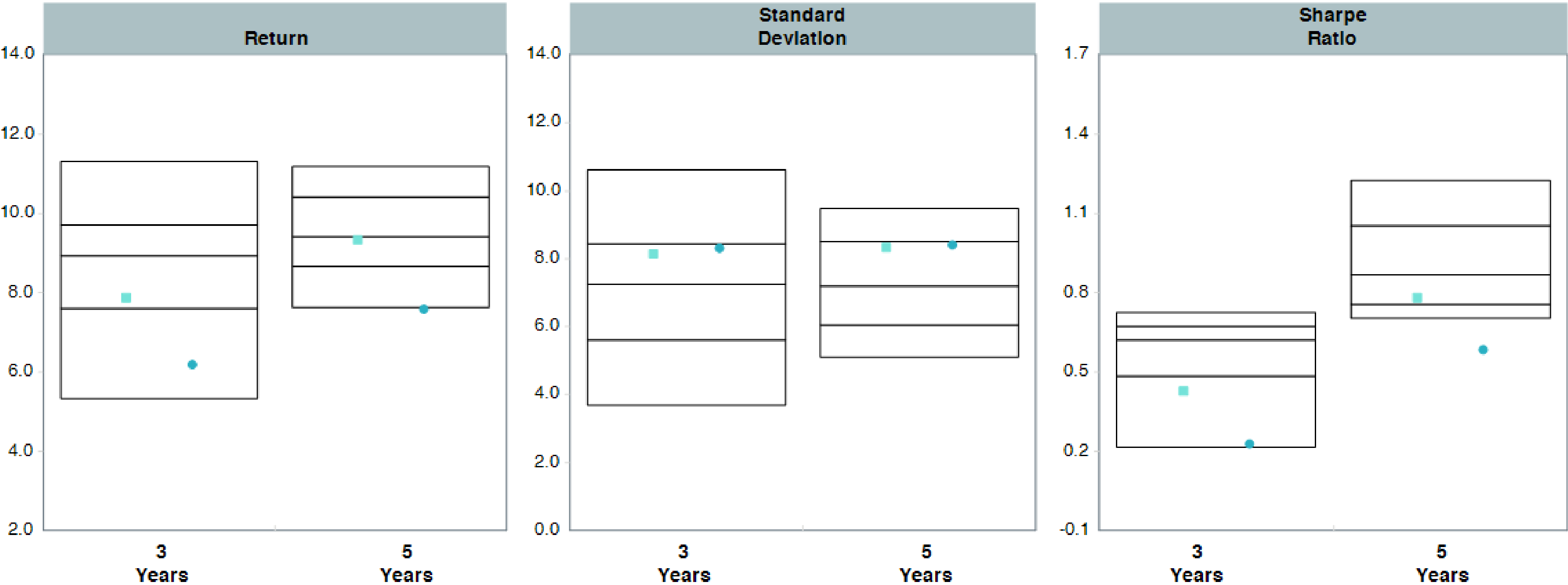
	3 Years	5 Years	3 Years	5 Years	3 Years	5 Years
■ Total Fund	7.9 (70)	9.3 (53)	8.1 (32)	8.3 (30)	0.4 (82)	0.8 (72)
● Total Fund Benchmark	6.2 (90)	7.6 (96)	8.3 (27)	8.4 (28)	0.2 (95)	0.6 (100)
5th Percentile	11.3	11.2	10.6	9.5	0.7	1.2
1st Quartile	9.7	10.4	8.4	8.5	0.7	1.1
Median	8.9	9.4	7.2	7.2	0.6	0.9
3rd Quartile	7.6	8.7	5.6	6.0	0.5	0.8
95th Percentile	5.3	7.6	3.7	5.1	0.2	0.7
Population	16	13	16	13	16	13

Parentheses contain percentile rankings.

6. TRS Performance vs. Peers (>$10 Billion) as of 6/30/2025
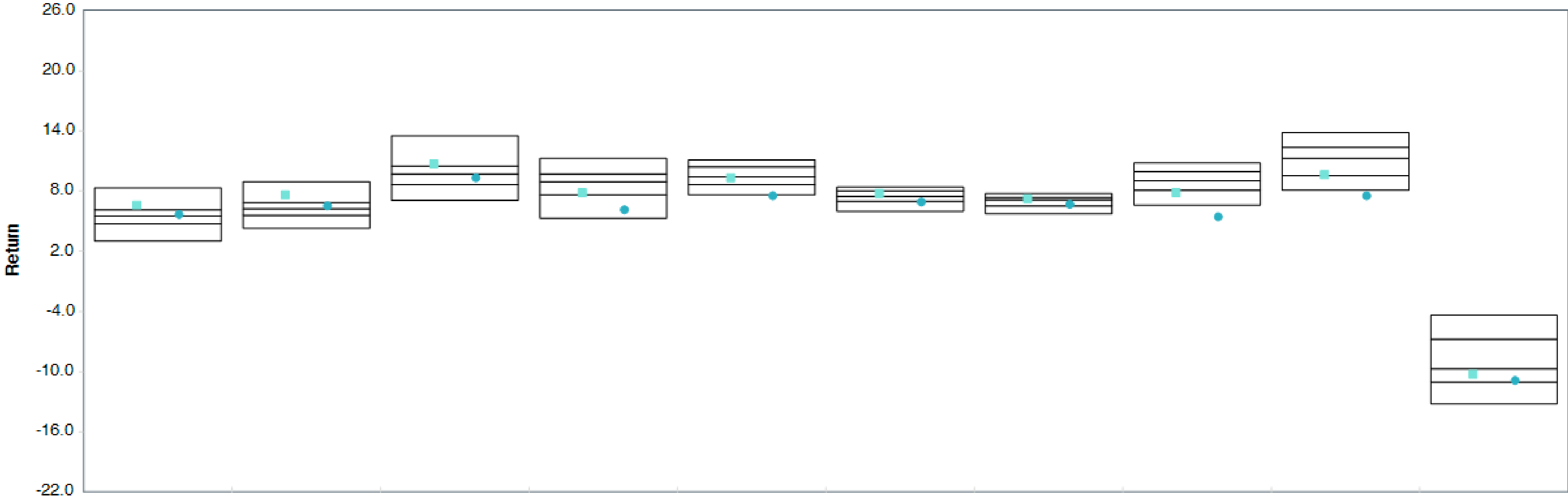
	1 Quarter	Year to Date	1 Year	3 Years	5 Years	10 Years	20 Years	2024	2023	2022
■ Total Fund	6.6 (12)	7.7 (19)	10.8 (22)	7.9 (70)	9.3 (53)	7.8 (32)	7.3 (40)	7.9 (80)	9.7 (72)	-10.3 (59)
● Total Fund Benchmark	5.7 (49)	6.6 (33)	9.3 (65)	6.2 (90)	7.6 (96)	6.9 (79)	6.7 (70)	5.5 (99)	7.6 (98)	-10.9 (75)
5th Percentile	8.3	9.0	13.5	11.3	11.2	8.4	7.8	10.8	13.8	-4.4
1st Quartile	6.1	6.9	10.6	9.7	10.4	8.0	7.4	10.0	12.4	-6.7
Median	5.6	6.2	9.8	8.9	9.4	7.5	7.2	9.1	11.3	-9.7
3rd Quartile	4.7	5.6	8.7	7.6	8.7	7.0	6.5	8.1	9.6	-11.0
95th Percentile	3.0	4.3	7.1	5.3	7.6	6.0	5.8	6.6	8.1	-13.2
Population	17	17	17	16	13	12	11	60	65	66

Parentheses contain percentile rankings.

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7. IPS Stated Trust Return Objectives ending 6/30/2025

	Five Year	Seven Year	Ten Year	Twenty Year
Total Fund	**9.3**	**7.8**	**7.8**	**7.3**
Total Fund Benchmark	7.6	6.8	6.9	6.7
Difference	*+1.7*	*+1.0*	*+0.9*	*+0.6*
Total Fund	**9.3**	**7.8**	**7.8**	**7.3**
Assumed Rate of Return	7.1	7.2	7.4	7.7
Difference	*+2.2*	*+0.6*	*+0.4*	*-0.4*
Total Fund	**9.3**	**7.8**	**7.8**	**7.3**
CPI + 5%	9.8	8.8	8.2	7.7
Difference	*-0.5*	*-1.0*	*-0.4*	*-0.4*

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

8. Global Equity: Performance Summary Ending 6/30/2025

	Second Quarter	YTD	One Year	Three Year	Five Year	Ten Year
Total Global Equity	**10.2**	**10.6**	**14.4**	**12.8**	**14.2**	**9.7**
Total Global Equity Benchmark	9.3	8.9	13.2	12.1	13.7	9.8
Difference	*+0.9*	*+1.7*	*+1.2*	*+0.7*	*+0.5*	*-0.1*
Total All Country	**12.8**	**10.8**	--	--	--	--
TRS All Country Benchmark	12.0	9.5	--	--	--	--
Difference	*+0.8*	*+1.3*	--	--	--	--
Non-U.S. Developed	**14.1**	**24.8**	**24.3**	**18.8**	**13.0**	**7.4**
TRS Non-U.S. Developed Benchmark	12.7	18.8	18.2	15.5	11.3	6.6
Difference	*+1.5*	*+6.0*	*+6.1*	*+3.3*	*+1.7*	*+0.8*
Emerging Markets	**17.2**	**13.1**	**9.1**	**9.4**	**7.3**	**5.5**
TRS Emerging Market Benchmark	16.7	13.6	10.8	9.1	6.4	4.7
Difference	*+0.5*	*-0.5*	*-1.7*	*+0.3*	*+0.9*	*+0.8*

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

8. Global Equity: Performance Summary Ending 6/30/2025 (cont'd)

	Second Quarter	YTD	One Year	Three Year	Five Year	Ten Year
Total Public Equity	**13.1**	**12.4**	**17.2**	**17.1**	**13.6**	**9.0**
Public Equity Benchmark	12.2	10.7	15.3	15.9	12.5	9.0
Difference	*+0.9*	*+1.7*	*+1.9*	*+1.2*	*+1.1*	*0.0*
Total Private Equity	**2.7**	**5.6**	**7.3**	**4.0**	**15.6**	**12.0**
Private Equity Benchmark	2.0	4.3	7.6	3.8	16.1	12.2
Difference	*+0.7*	*+1.3*	*-0.3*	*+0.2*	*-0.5*	*-0.2*

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

9. Stable Value: Performance Summary Ending 6/30/2025

	Second Quarter	YTD	One Year	Three Year	Five Year	Ten Year
Total Stable Value	**2.1**	**4.8**	**6.1**	**0.6**	**-2.0**	**2.8**
Total Stable Value Benchmark	-0.2	3.7	4.9	-0.7	-4.4	1.3
Difference	*+2.3*	*+1.1*	*+1.2*	*+1.3*	*+2.4*	*+1.5*
Government Bonds – Nominal	**-2.3**	**1.6**	**-1.4**	**-6.3**	**-9.9**	**-0.6**
Government Bonds Benchmark	-1.5	3.1	1.6	-3.7	-8.2	0.1
Difference	*-0.8*	*-1.5*	*-3.0*	*-2.6*	*-1.7*	*-0.7*
Government Bonds – Real	**0.0**	**3.8**	**--**	**--**	**--**	**--**
TIPS Benchmark	0.5	4.7	--	--	--	--
Difference	*-0.5*	*-0.9*				
Stable Value Hedge Funds	**2.7**	**3.9**	**8.1**	**8.0**	**9.3**	**6.7**
Hedge Funds Benchmark	1.7	3.5	7.1	5.9	6.4	3.9
Difference	*+1.0*	*+0.4*	*+1.0*	*+2.1*	*+2.9*	*+2.8*
Absolute Return	**14.6**	**14.7**	**24.1**	**16.1**	**13.9**	**9.3**
Absolute Return Benchmark	2.1	4.3	9.2	9.1	6.6	5.1
Difference	*+12.5*	*+10.4*	*+14.9*	*+7.0*	*+7.3*	*+4.2*

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

10. Real Return: Performance Summary Ending 6/30/2025

	Second Quarter	YTD	One Year	Three Year	Five Year	Ten Year
Total Real Return	0.3	0.3	2.5	1.4	8.2	7.4
Real Return Benchmark	1.1	1.8	2.5	-1.7	4.7	5.0
Difference	*-0.8*	*-1.5*	*0.0*	*+3.1*	*+3.5*	*+2.4*
Real Estate	**-0.9**	**-2.2**	**-2.3**	**-2.8**	**5.6**	**7.6**
Real Estate Benchmark	0.9	1.8	1.2	-5.1	2.0	4.7
Difference	*-1.8*	*-4.0*	*-3.5*	*+2.3*	*+3.6*	*+2.9*
Energy, Natural Resources, and Infrastructure	2.7	5.3	13.2	11.6	14.2	--
Energy and Natural Res. Benchmark	1.5	1.8	5.4	6.5	11.5	--
Difference	*+1.2*	*+3.5*	*+7.8*	*+5.1*	*+2.7*	
Commodities	3.3	29.0	5.2	0.2	6.0	2.9
Commodities Benchmark	-2.8	1.9	0.3	-0.4	17.7	1.5
Difference	*+6.1*	*+27.1*	*+4.9*	*+0.6*	*-11.7*	*+1.4*

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

11. Risk Parity: Performance Summary Ending 6/30/2025

	Second Quarter	YTD	One Year	Three Year	Five Year	Ten Year
Total Risk Parity	**4.8**	**9.2**	**10.5**	**6.6**	**5.1**	**4.7**
Risk Parity Benchmark	3.5	6.8	8.3	4.4	3.3	4.1
Difference	+1.3	+2.4	+2.2	+2.2	+1.8	+0.6

Note: The excess 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.

12. Cash Equivalents: Performance Summary Ending 6/30/2025

	Second Quarter	YTD	One Year	Three Year	Five Year	Ten Year
Cash Equivalents	**1.1**	**2.2**	**5.1**	**5.6**	**3.6**	**2.7**
Cash Benchmark	1.1	2.2	4.9	4.8	2.9	2.0
Difference	*0.0*	*0.0*	*+0.2*	*+0.8*	*+0.7*	*+0.7*

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

Investment advice and consulting services provided by Aon Investments USA Inc.

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Appendix – Supplemental Reporting

Investment advice and consulting services provided by Aon Investments USA Inc.

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TRS Commitment Levels vs. Peers (>$10 Billion) as of 6/30/2025

▪The chart below depicts the asset allocation of peer public funds with assets greater than $10 billion.

  –The ends of each line represent the 95th and 5th percentile of exposures, the middle light blue and grey lines represent the 25th and 75th percentile of exposures, the purple square represents the median, and the green dot represents TRS exposure.
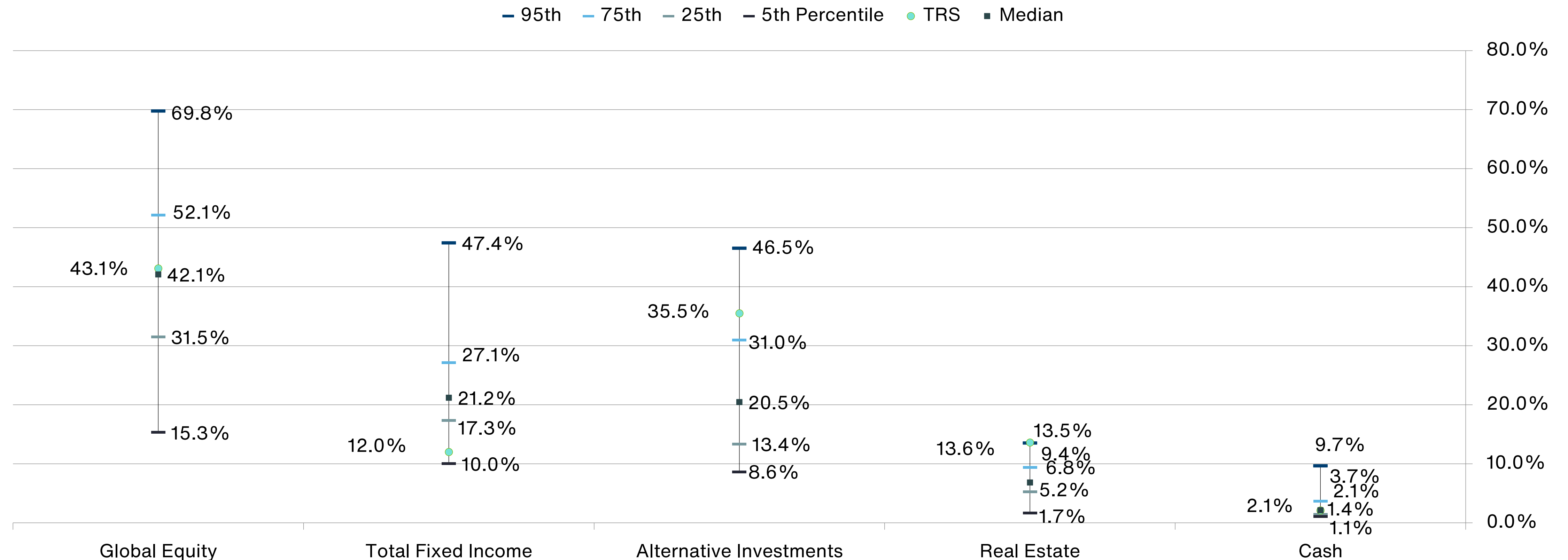
Historical Excess Performance Ending 6/30/2025

Total Fund vs. Total Fund Benchmark

TRS Asset Growth

Total Fund Historical Growth (September 1997 - June 2025)

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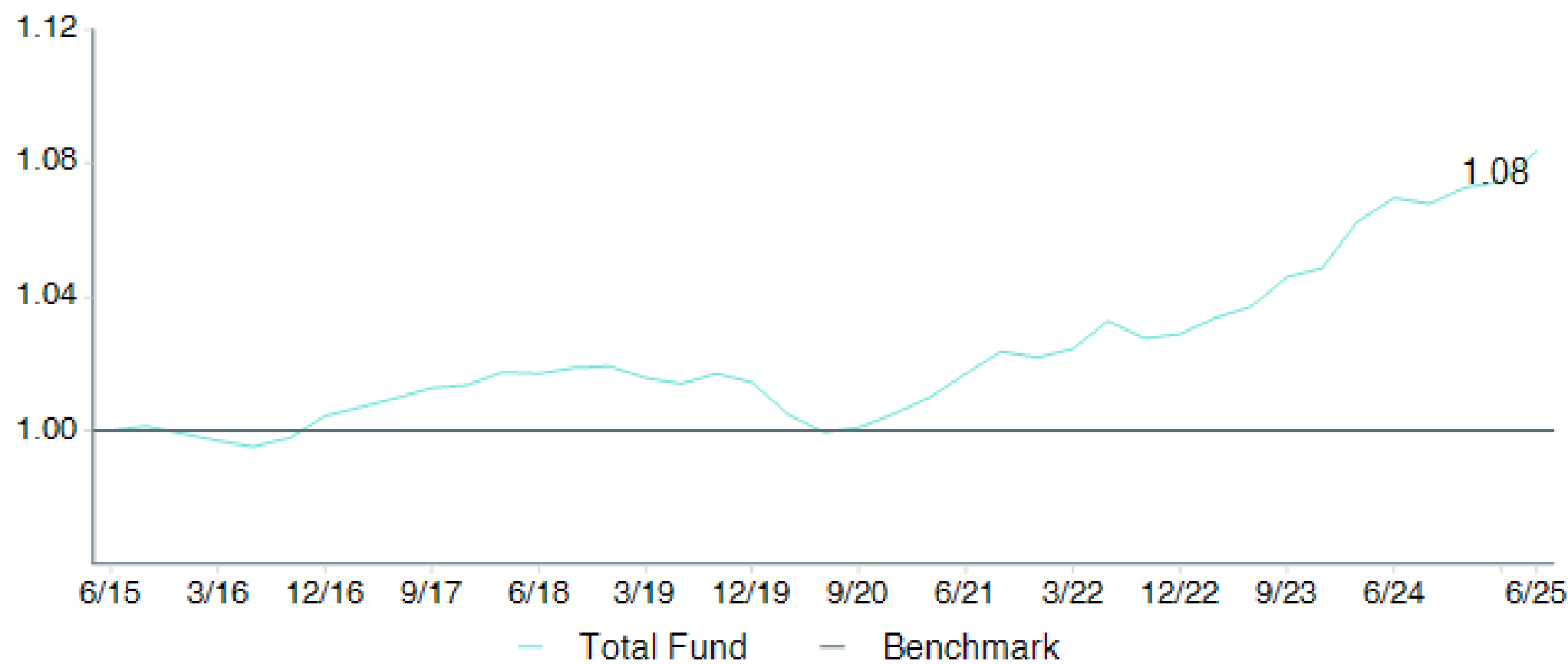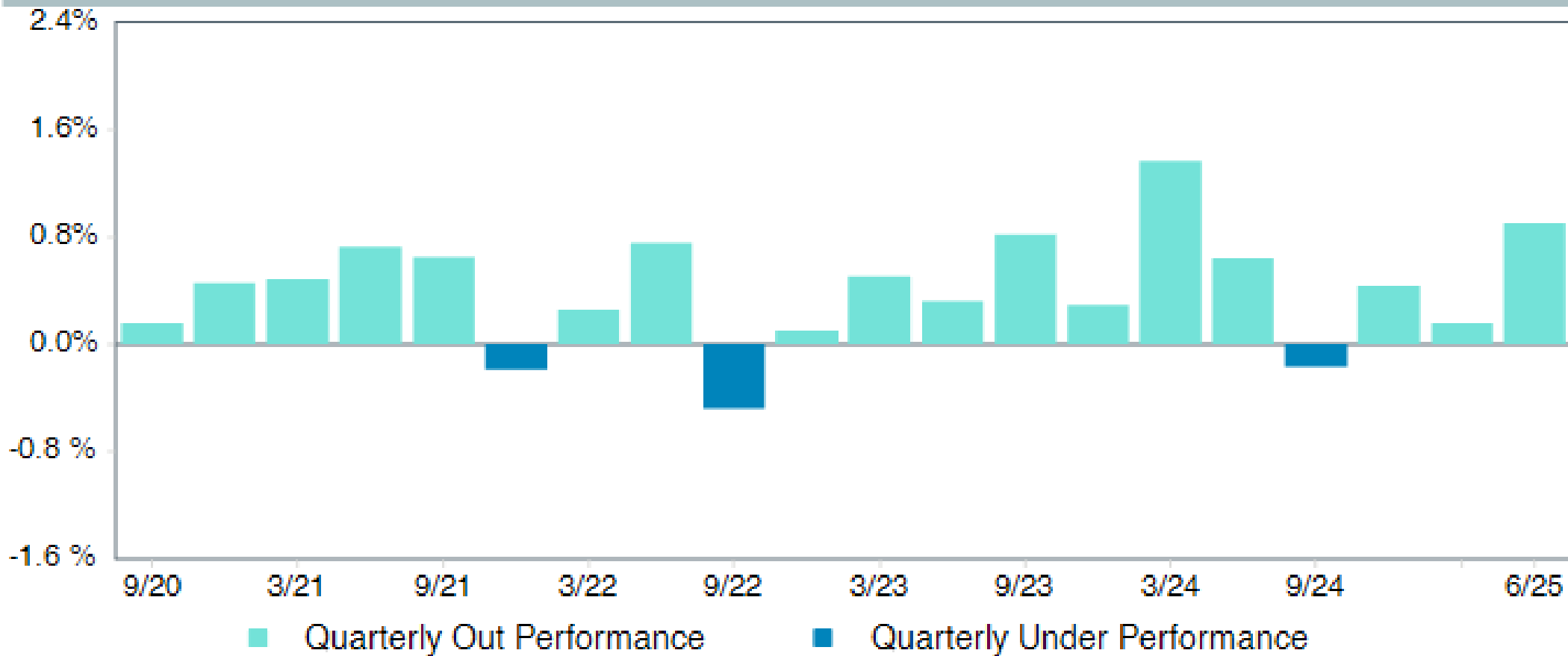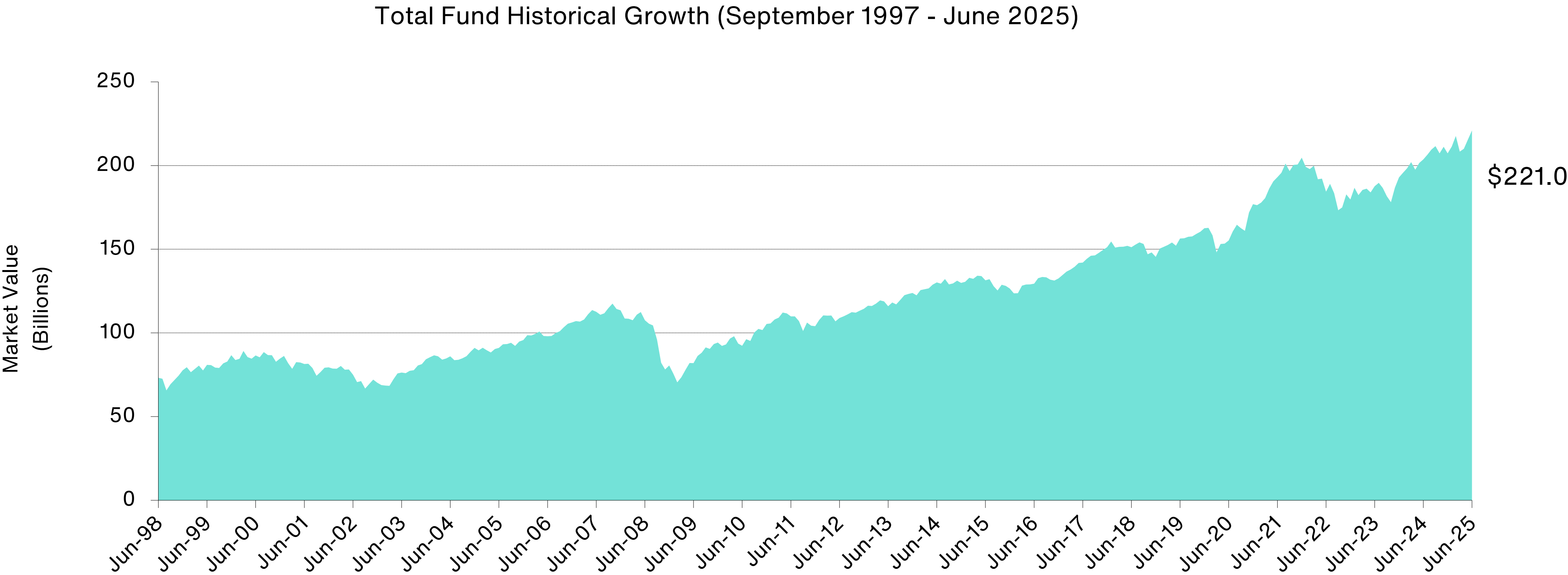
External Manager Program: Public Equity Performance as of 6/30/2025

	Allocation ($ in billions)	Second Quarter	YTD	One Year	Three Year	Five Year
EP Total Global Equity	**$50.3**	**13.8**	**12.2**	**19.4**	**18.1**	**15.2**
EP Global Equity Benchmark	--	11.9	9.5	15.4	16.0	12.7
Difference	--	*+1.9*	*+2.7*	*+4.0*	*+2.1*	*+2.5*
EP All Country	**$35.8**	**14.9**	**13.1**	**22.0**	**22.3**	**18.7**
EP All Country Benchmark	--	12.0	9.5	15.6	17.1	13.7
Difference	--	*+2.9*	*+3.6*	*+6.4*	*+5.2*	*+5.0*
EP U.S.A.	**$8.7**	**8.8**	**4.3**	**11.6**	**16.7**	**16.7**
EP U.S.A. Benchmark	--	11.1	5.8	15.2	19.2	16.1
Difference	--	*-2.3*	*-1.5*	*-3.6*	*-2.5*	*+0.6*
EP Non-U.S. Developed	**$5.1**	**15.5**	**25.6**	**26.2**	**20.7**	**13.5**
MSCI EAFE + Canada Policy Index	--	12.7	18.8	18.2	15.5	11.3
Difference	--	*+2.8*	*+6.8*	*+8.0*	*+5.2*	*+2.2*
EP Emerging Markets	**$0.8**	**6.5**	**-38.3**	**-54.4**	**-18.7**	**-9.0**
MSCI Emerging Markets Policy Index	--	16.7	13.6	10.8	9.1	6.4
Difference	--	*-10.2*	*-51.9*	*-65.2*	*-27.8*	*-15.4*

Note: The excess 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.

External Manager Program: Stable Value/Total Program Performance as of 6/30/2025

	Allocation ($ in billions)	Second Quarter	YTD	One Year	Three Year
EP Total Stable Value	**$11.0**	**2.7**	**3.9**	**8.1**	**8.0**
EP Stable Value Benchmark	--	1.7	3.5	7.1	5.9
Difference	*--*	*+1.0*	*+0.4*	*+1.0*	*+2.1*
Total External Public Program	**$64.4**	**11.5**	**10.6**	**17.0**	**15.1**
EP External Public Benchmark	--	9.8	8.4	13.9	13.2
Difference	*--*	*+1.7*	*+2.2*	*+3.1*	*+1.9*

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

Public Strategic Partnership Program (SPN): Performance as of 6/30/2025

|	Allocation ($ in billions)	Second Quarter	YTD	One Year	Three Year
Public Strategic Partnership	**$3.2**	**9.0**	**8.7**	**12.6**	**10.4**
Public SPN Benchmark	--	8.9	8.2	13.2	10.6
Difference	*--*	*+0.1*	*+0.5*	*-0.6*	*-0.2*
JP Morgan	**$3.2**	**8.2**	**8.2**	**11.2**	**9.7**

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

Benchmarks

Total Fund Performance Benchmark – 36.6% MSCI ACWI IMI ex CN ex HK, 4.7% MSCI EAFE plus Canada IMI ex HK, 1.0% MSCI Emerging Markets Index ex CN, 15.9% Customized State Street Private Equity Index (1 quarter lagged), 9.4% Blmbg. Long Term Treasury Index, 5.6% U.S. TIPS Daily, 4.7% SOFR + 2.5%, 2.0% Citigroup 3 Mo. T-Bill Index, 14.3% NCREIF ODCE Index (1 quarter lagged), 7.1% Energy and Natural Resources Benchmark, 4.7% Risk Parity Benchmark, and -6.0% Asset Allocation Leverage Benchmark.

Global Equity Benchmark – 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, and 27.0% State Street Private Equity Index (1 quarter lagged)

- TRS All Country Benchmark – MSCI ACWI IMI ex CN ex HK

- Emerging Markets Equity Benchmark – MSCI Emerging Markets Index ex CN

- Non-US Developed Equity Benchmark– MSCI EAFE + Canada IMI ex HK

- Private Equity Benchmark – Customized State Street Private Equity Index (1 quarter lagged)*

Effective September 2024, the SSPEI Index is modified to match the vintage year exposures of the PE portfolio and remove funds $1 billion or less in size

Benchmarks (cont'd)

Stable Value Benchmark – 47.7% Blmbg. Long Term Treasury Index, 28.6%, U.S. TIPS Daily, and 23.6% SOFR + 2.5%

- Government Bonds Nominal – Bloomberg Long Term Treasury Index

- Government Bonds Real – TIPS Benchmark

- Stable Value Hedge Funds – SOFR + 2.5%

- Absolute Return Benchmark - SOFR + 4%

Real Return Benchmark – 68.0% NCREIF ODCE Index and 32.0% Energy & Natural Resources Benchmark

- Real Estate Benchmark – NCREIF ODCE Index (1 quarter lagged)

- Energy and Natural Resources Benchmark – 75% Cambridge Associates Natural Resources Index (reweighted) and 25% quarterly Seasonally-Adjusted Consumer Price Index (1 quarter lagged)

- Commodities Benchmark – Goldman Sachs Commodity Index

Risk Parity Benchmark – 100% HFR Risk Parity Vol 12 Institutional Index

Asset Allocation Leverage Benchmark – SOFR + Fallback Rate

Description of Performance Attribution

- A measure of the source of the deviation of a fund's performance from that of its policy benchmark. Each bar on the attribution graph represents the contribution made by the asset class to the total difference in performance. A positive value for a component indicates a positive contribution to the aggregate relative performance. A negative value indicates a detrimental impact. The magnitude of each component's contribution is a function of (1) the performance of the component relative to its benchmark, and (2) the weight (beginning of period) of the component in the aggregate.
- The individual Asset Class effect, also called **Selection Effect**, is calculated as

    Actual Weight of Asset Class x (Actual Asset Class Return – Asset Class Benchmark Return)
- The bar labeled **Allocation Effect** illustrates the effect that a Total Fund's asset allocation has on its relative performance. Allocation Effect calculation = (Asset Class Benchmark Return –Total Benchmark Return) x (Actual Weight of Asset Class – Target Policy Weight of Asset Class).
- The bar labeled **Other** is a combination of Cash Flow Effect and Benchmark Effect:
    - **Cash Flow Effect** describes the impact of asset movements on the Total Fund results. Cash Flow Effect calculation = (Total Fund Actual Return – Total Fund Policy Return) – Current Selection Effect – Current Allocation Effect
    - **Benchmark Effect** results from the weighted average return of the asset classes' benchmarks being different from the Total Funds' policy benchmark return. Benchmark Effect calculation = Total Fund Policy Return – (Asset Class Benchmark Return x Target Policy Weight of Asset Class)
- **Cumulative Effect**
    Cumulative Effect calculation = Current Effect t *(1+Cumulative Total Fund Actual Return t-1) +
    Cumulative Effect t-1*(1+Total Fund Benchmark Return t)

Disclaimers and Notes

Investment advice and consulting services provided by Aon Investments USA Inc.

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Disclaimers and Notes

Disclaimers:

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- The client portfolio data presented in this report have been obtained from the custodian. Aon has compared this information to the investment managers' reported returns and believes the information to be accurate. Aon has not conducted additional audits and cannot warrant its accuracy or completeness. This document is not intended to provide, and shall not be relied upon for, accounting and legal or tax advice.

- Refer to Hedge Fund Research, Inc. www.hedgefundresearch.com for more information on HFR indices

Notes:

- The rates of return contained in this report are shown on an after-fees basis unless otherwise noted. They are geometric and time weighted. Returns for periods longer than one year are annualized.

- Universe percentiles are based upon an ordering system in which 1 is the best ranking and 100 is the worst ranking.

- Due to rounding throughout the report, percentage totals displayed may not sum up to 100.0%. Additionally, individual fund totals in dollar terms may not sum up to the plan totals.

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Aon Investments USA Inc.
200 E. Randolph Street
Suite 700
Chicago, IL 60601
ATTN: Aon Investments Compliance Officer

Investment Risk Report

James Nield, Chief Risk Officer

Stephen Kim, Director

September 2025

All Metrics in Compliance

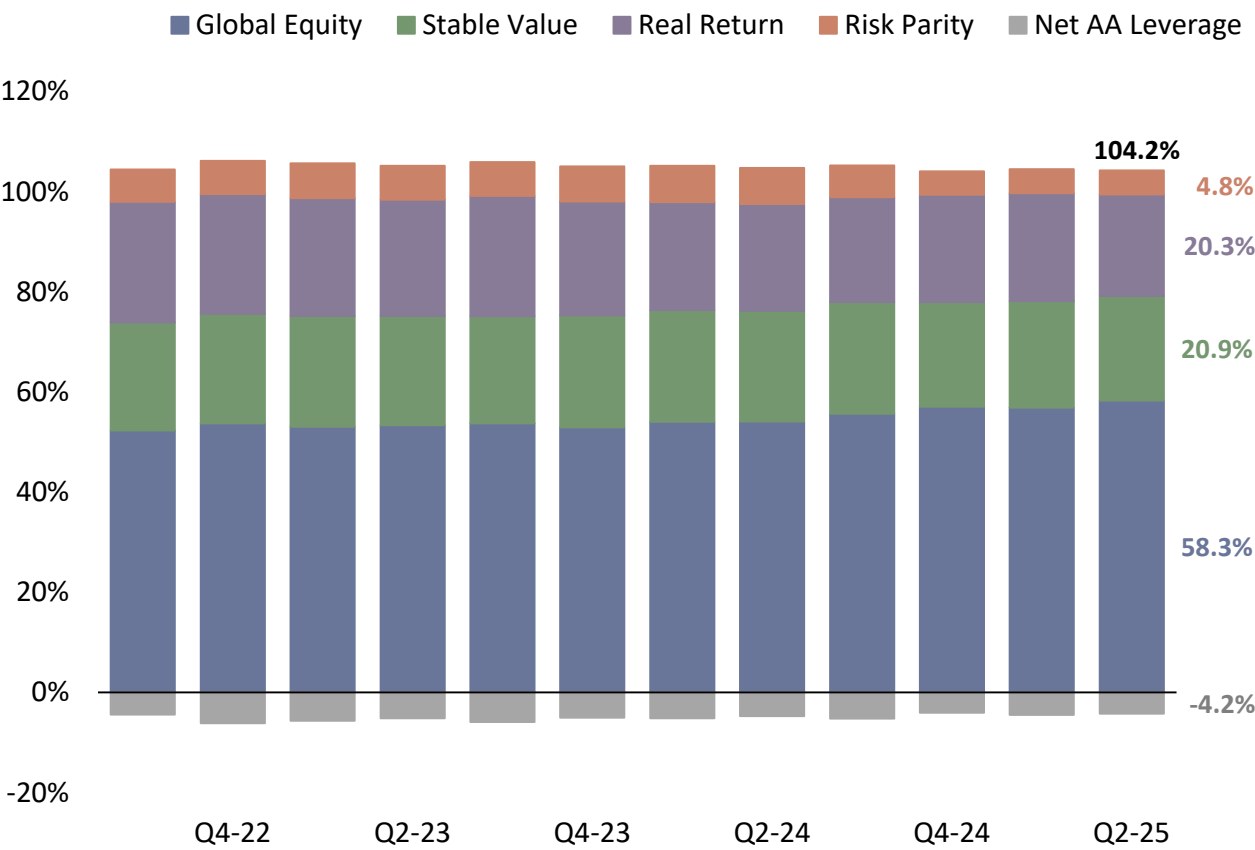| Risk Metric	Value	In Compliance?	Page(s)
1. Asset Allocation (AA): Overweight Stable Value	Overweight 1.2%	✓	3 - 4
2. Drawdown Risk: VaR estimate stable	6.2% VaR	✓	5 - 6
3. Tracking Error (TE): Public TE range bound	146 bp Realized	✓	7
4. Liquidity: Remained strong	5.6x Coverage Ratio	✓	8
5. Leverage: Trust gross leverage decreased slightly	27.2% Gross	✓	9 - 10
6. Derivatives: Net notional exposure stable	13.5% Net Notional	✓	11
7. Counterparty Risk: Within Policy limits	Lowest Rating: A-	✓	11
8. Securities Lending: Utilization decreased	11.1% Utilization	✓	12

Unless otherwise noted, data presented as of June 30, 2025

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INVESTMENT
MANAGEMENT DIVISION

Stable Value Overweight Combined with an Underweight to Real Return

Asset Class Weights Trend

Legend: Global Equity, Stable Value, Real Return, Risk Parity, Net AA Leverage

Q2-25 values: 104.2%, 4.8%, 20.3%, 20.9%, 58.3%, -4.2%

Asset Class Relative Weights
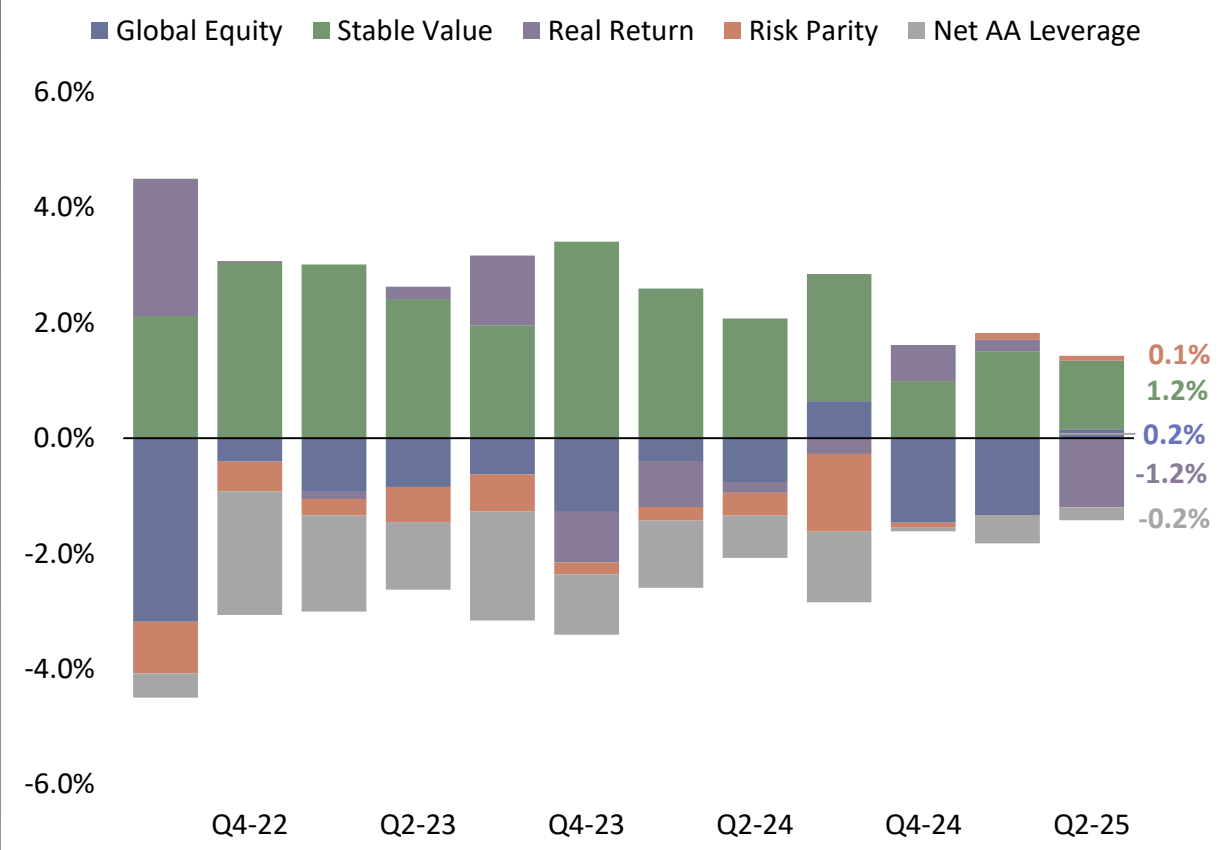
Legend: Global Equity, Stable Value, Real Return, Risk Parity, Net AA Leverage

Q2-25 values: 0.1%, 1.2%, 0.2%, -1.2%, -0.2%

3

Overweight Absolute Return Has Been Additive

Global Equity OW 0.2%   Stable Value OW 1.2%   Real Return UW -1.2%

Category	Value
All Country	0.2%
USA	0.0%
Non-US Developed	0.6%
Emerging Markets	0.0%
Private Equity	-0.7%
Govt Bonds Nominal	-0.5%
Govt Bonds Real	-2.5%
Stable Value HF	0.3%
Absolute Return	3.9%
Real Estate	-0.8%
ENRI	-0.6%
Commodities	0.1%

Source: State Street Bank
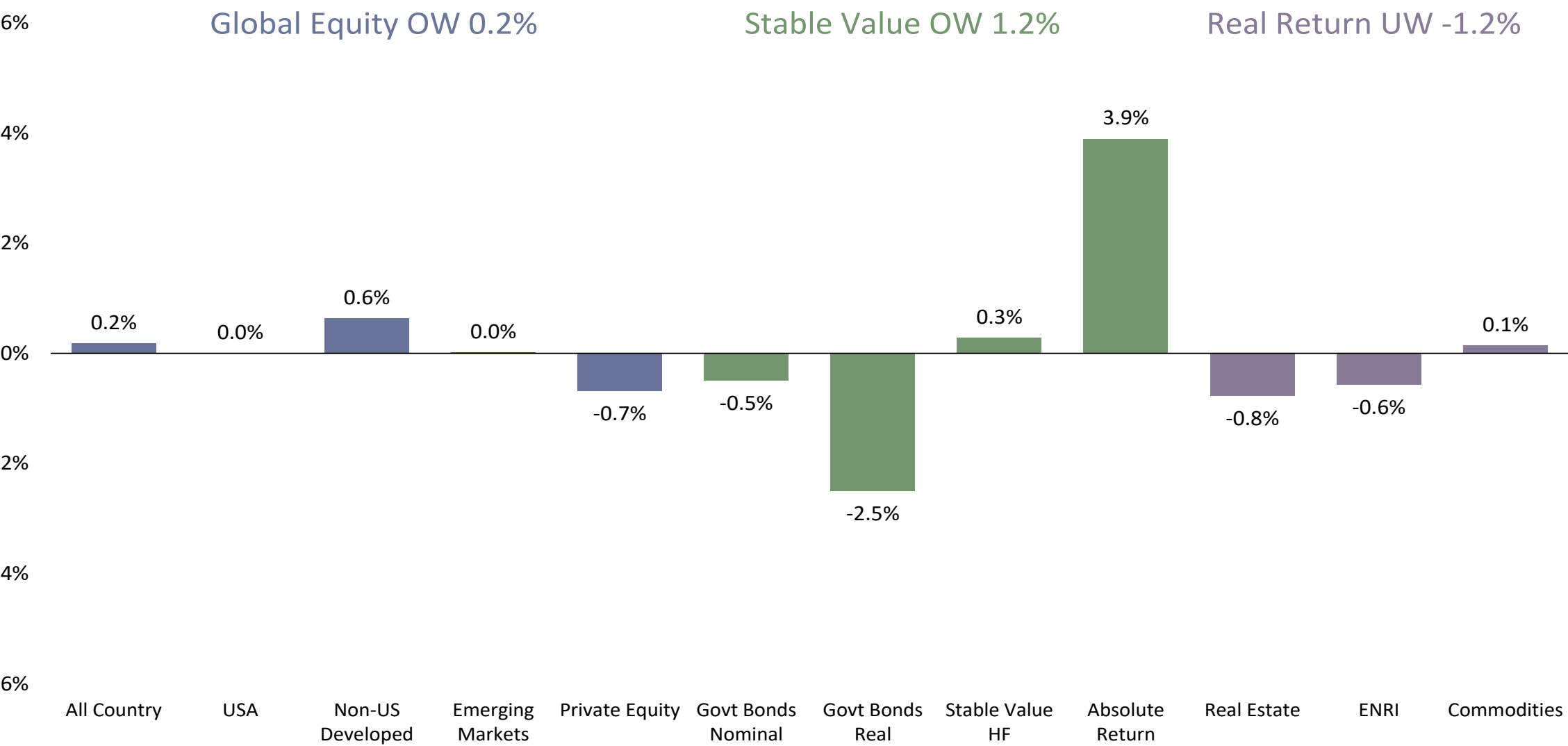
Stable Value Provides Diversification

VaR History

Legend: Policy Max / Min · Total Fund · Benchmark
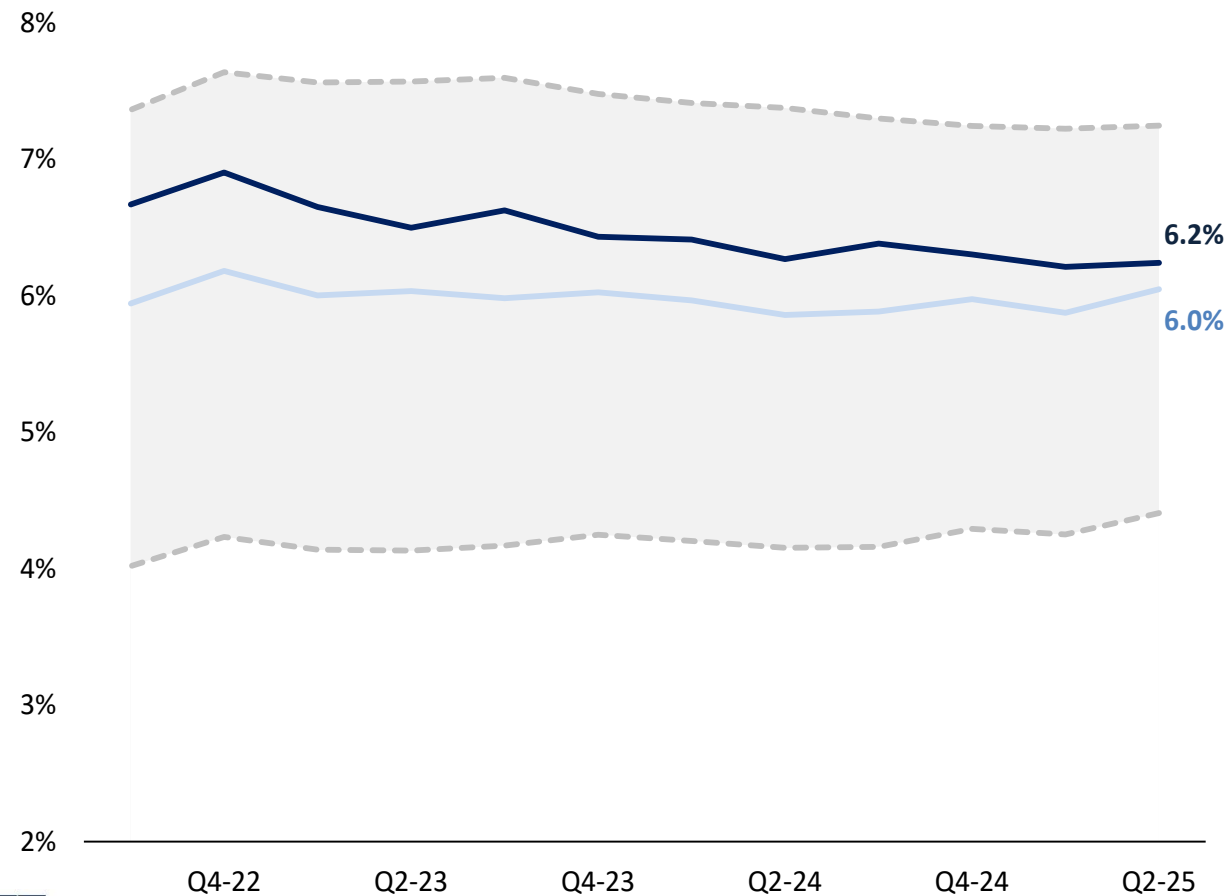
- Total Fund (Q2-25): **6.2%**
- Benchmark (Q2-25): **6.0%**
- 0.1%

X-axis: Q4-22, Q2-23, Q4-23, Q2-24, Q4-24, Q2-25
Y-axis: 2%, 3%, 4%, 5%, 6%, 7%, 8%

VaR Contribution

Legend: Global Equity · Stable Value · Real Return · Risk Parity · Net AA Leverage

Y-axis: -20%, 0%, 20%, 40%, 60%, 80%, 100%, 120%

% of Assets
- Risk Parity: 4.8%
- Real Return: 20.3%
- Stable Value: 20.9%
- Global Equity: 58.3%
- Net AA Leverage: -4.2%

% of VaR
- Risk Parity: 3.7%
- Real Return: 23.6%
- Global Equity: 72.5%
- 0.1%

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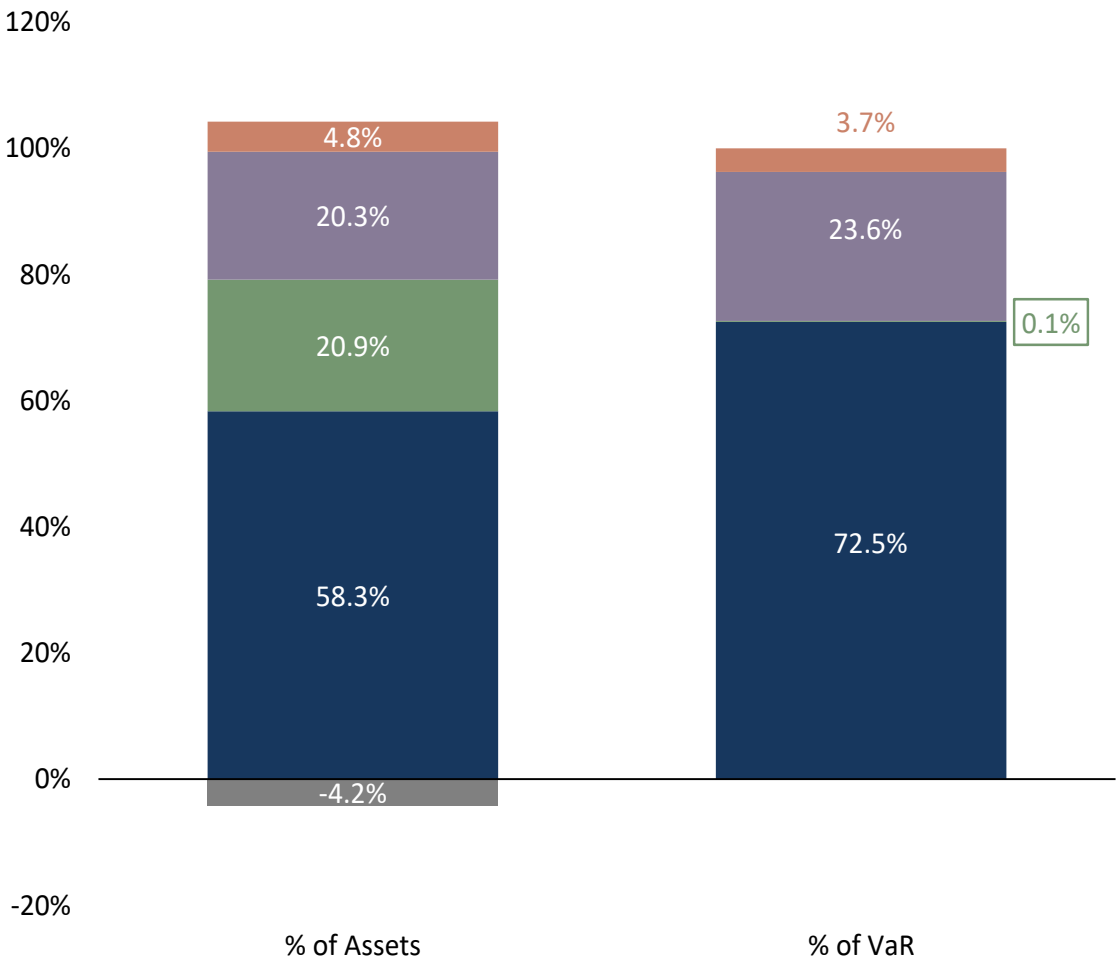
Predicted Trust Drawdowns in Line with Benchmark

Scenario Analysis
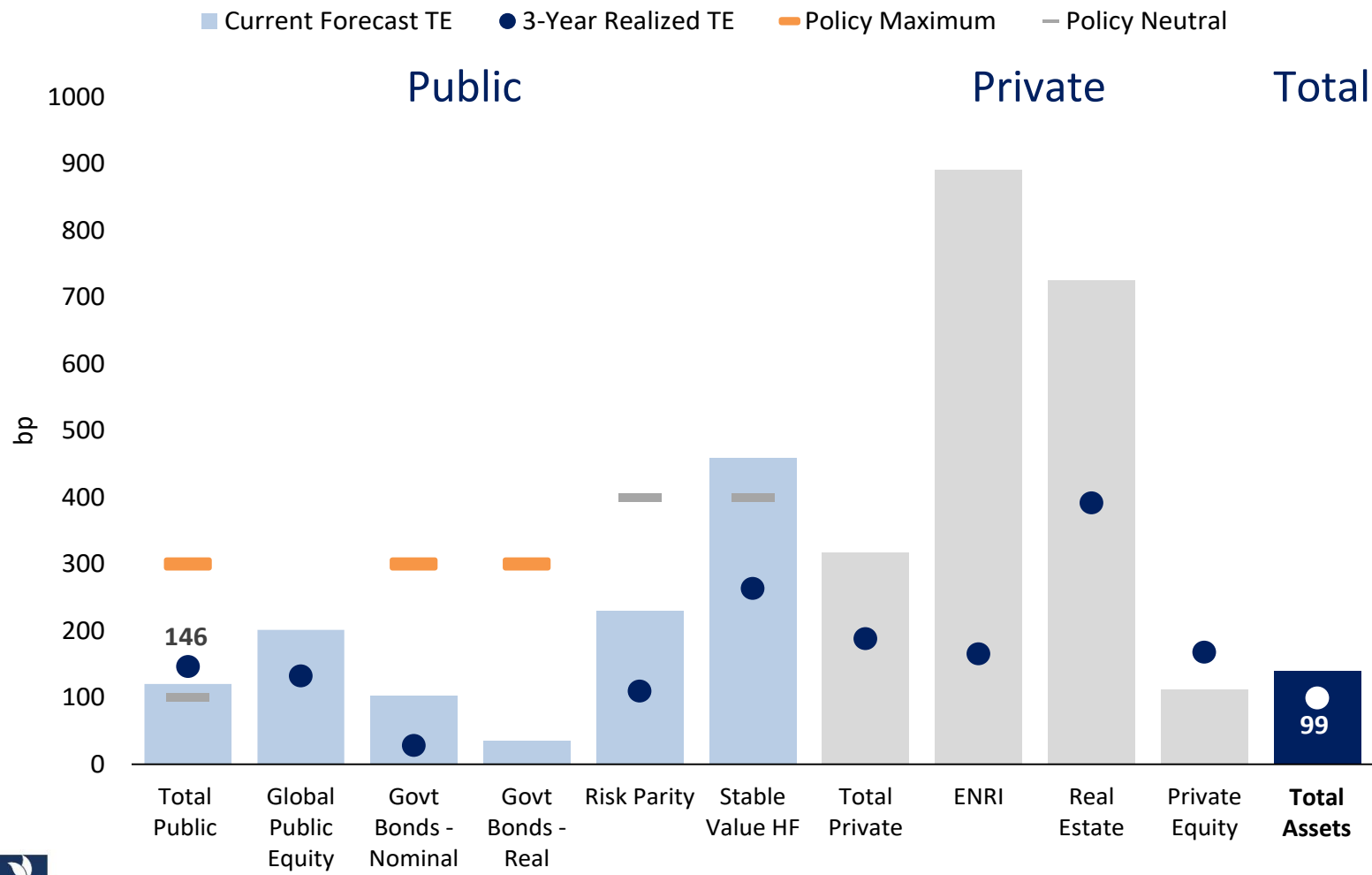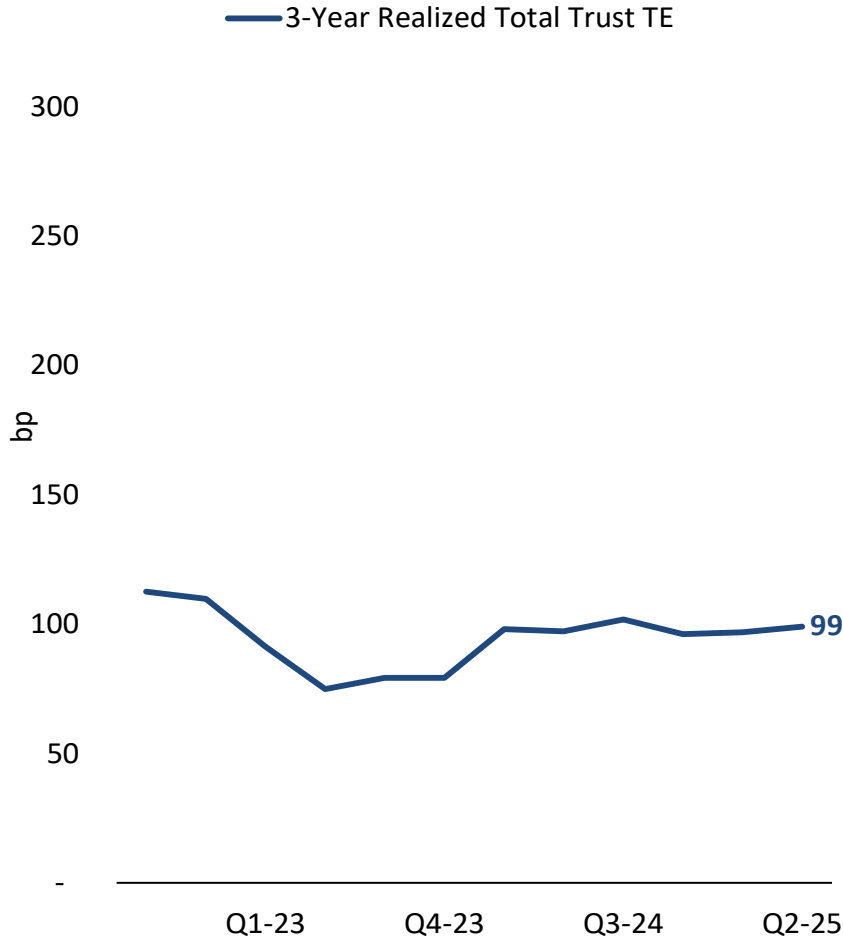
■ Total Fund ■ Benchmark
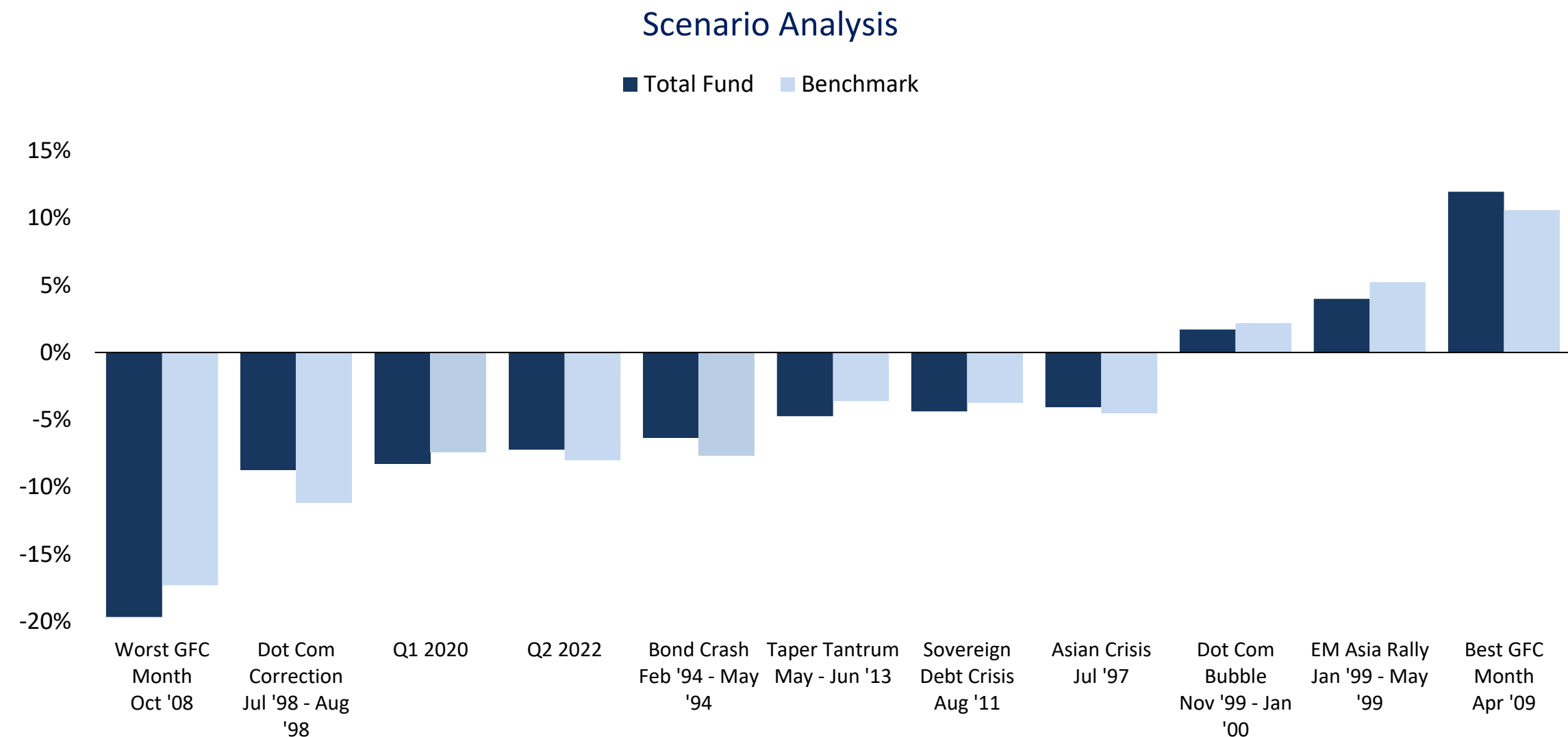
Source: State Street Bank; note: data shown are predicted drawdowns given current allocation, except for Q1 2020 and Q2 2022, which reflect realized performance

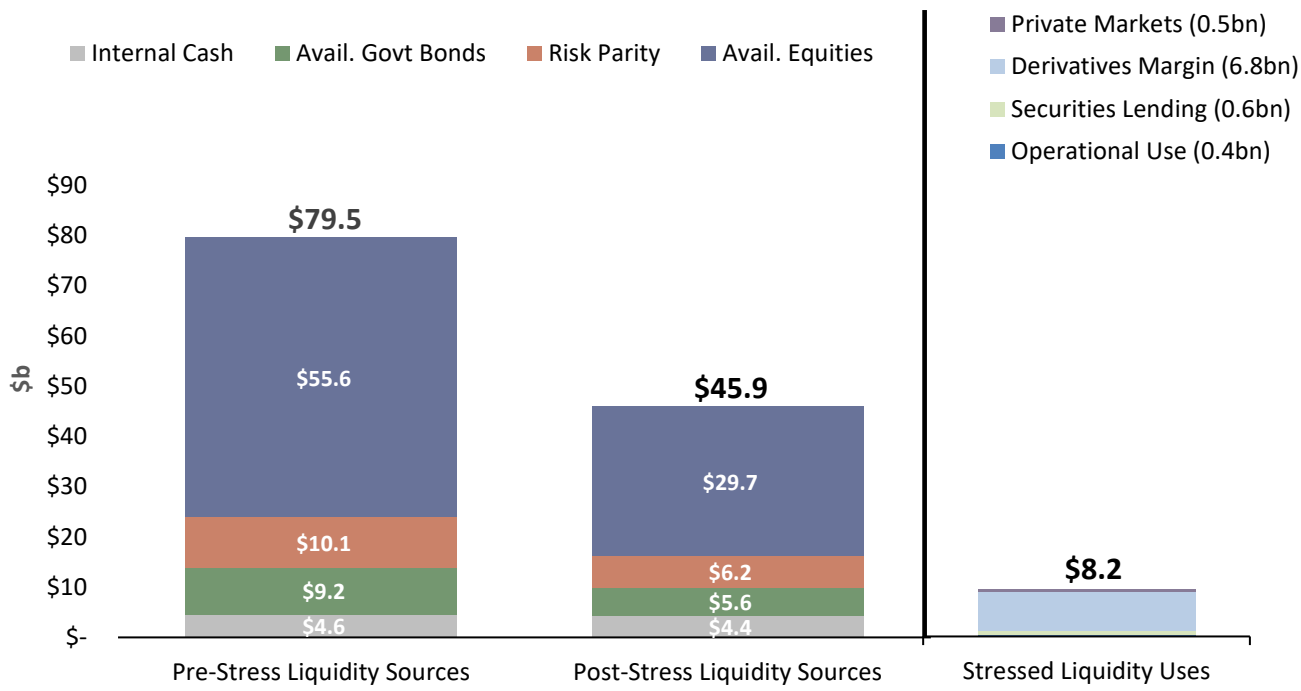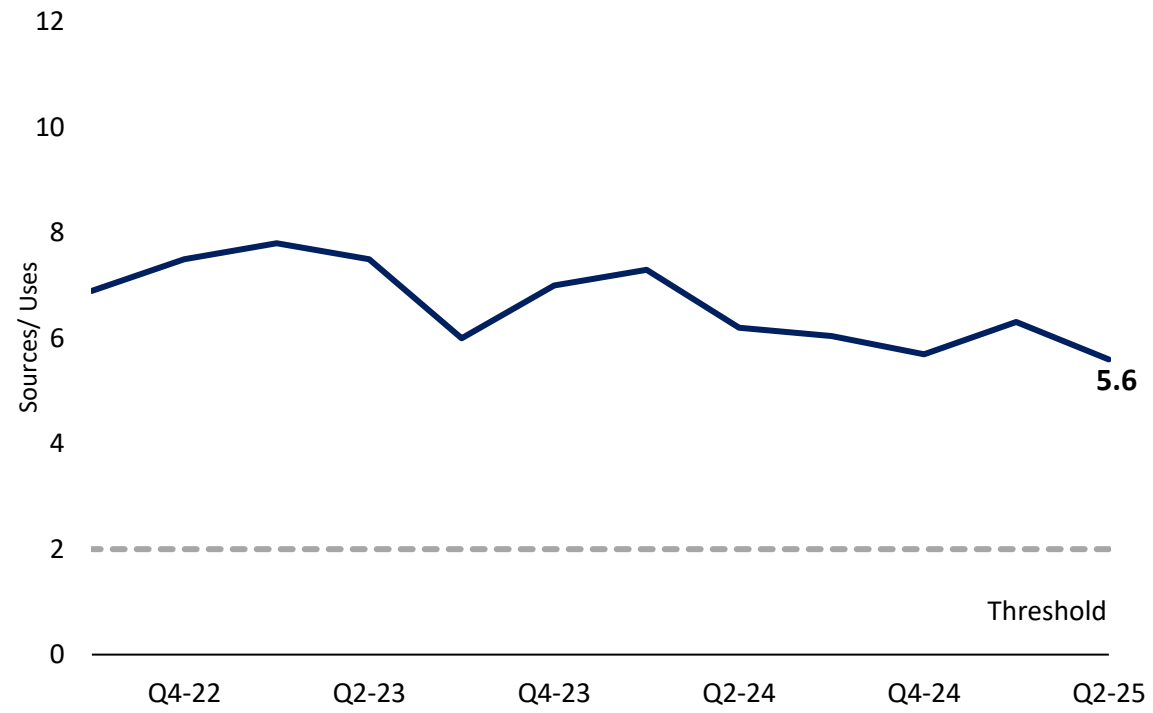# Realized Tracking Error Near Historical Norms

Asset Class Tracking Error

Legend: ■ Current Forecast TE ● 3-Year Realized TE ▬ Policy Maximum — Policy Neutral

Public — **Private** — **Total**

Category	3-Year Realized TE
Total Public	146
Total Assets	99

Y-axis (bp): 0, 100, 200, 300, 400, 500, 600, 700, 800, 900, 1000

Categories: Total Public, Global Public Equity, Govt Bonds - Nominal, Govt Bonds - Real, Risk Parity, Stable Value HF, Total Private, ENRI, Real Estate, Private Equity, **Total Assets**

Historical Trust TE

Legend: —— 3-Year Realized Total Trust TE

Y-axis (bp): -, 50, 100, 150, 200, 250, 300

X-axis: Q1-23, Q4-23, Q3-24, Q2-25

Last value: 99

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Trust Monthly Liquidity Ratio Remained Strong

Liquidity Sources and Uses

Legend (Sources):
- Internal Cash
- Avail. Govt Bonds
- Risk Parity
- Avail. Equities

Legend (Uses):
- Private Markets (0.5bn)
- Derivatives Margin (6.8bn)
- Securities Lending (0.6bn)
- Operational Use (0.4bn)

$b

Pre-Stress Liquidity Sources — $79.5
- Avail. Equities: $55.6
- Risk Parity: $10.1
- Avail. Govt Bonds: $9.2
- Internal Cash: $4.6

Post-Stress Liquidity Sources — $45.9
- Avail. Equities: $29.7
- Risk Parity: $6.2
- Avail. Govt Bonds: $5.6
- Internal Cash: $4.4

Stressed Liquidity Uses — $8.2

Sources ($45.9) / Uses ($8.2) = Liquidity Ratio (5.6)

Liquidity Ratio

Sources/ Uses

y-axis: 0, 2, 4, 6, 8, 10, 12

x-axis: Q4-22, Q2-23, Q4-23, Q2-24, Q4-24, Q2-25

End value: 5.6

Threshold (dashed line at 2)

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Hedge Fund Gross Leverage Increased But Net Leverage Steady

Risk Parity and Hedge Funds

— Risk Parity Gross — Risk Parity Net — Hedge Fund Gross — Hedge Fund Net

262%
219%

Real Estate Loan to Value

— Core — Value-Add — Opportunistic — RASS --- Benchmark
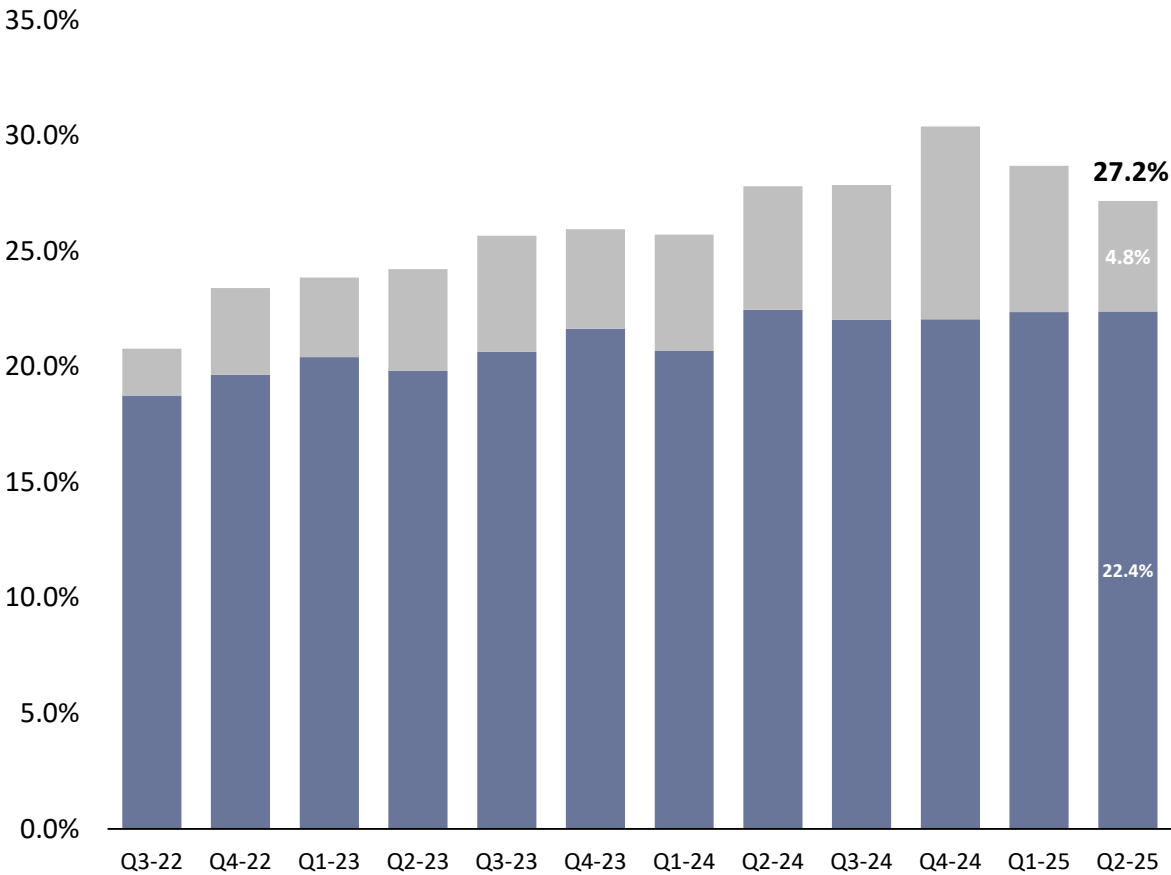
53%
51%
50%
39%
27%
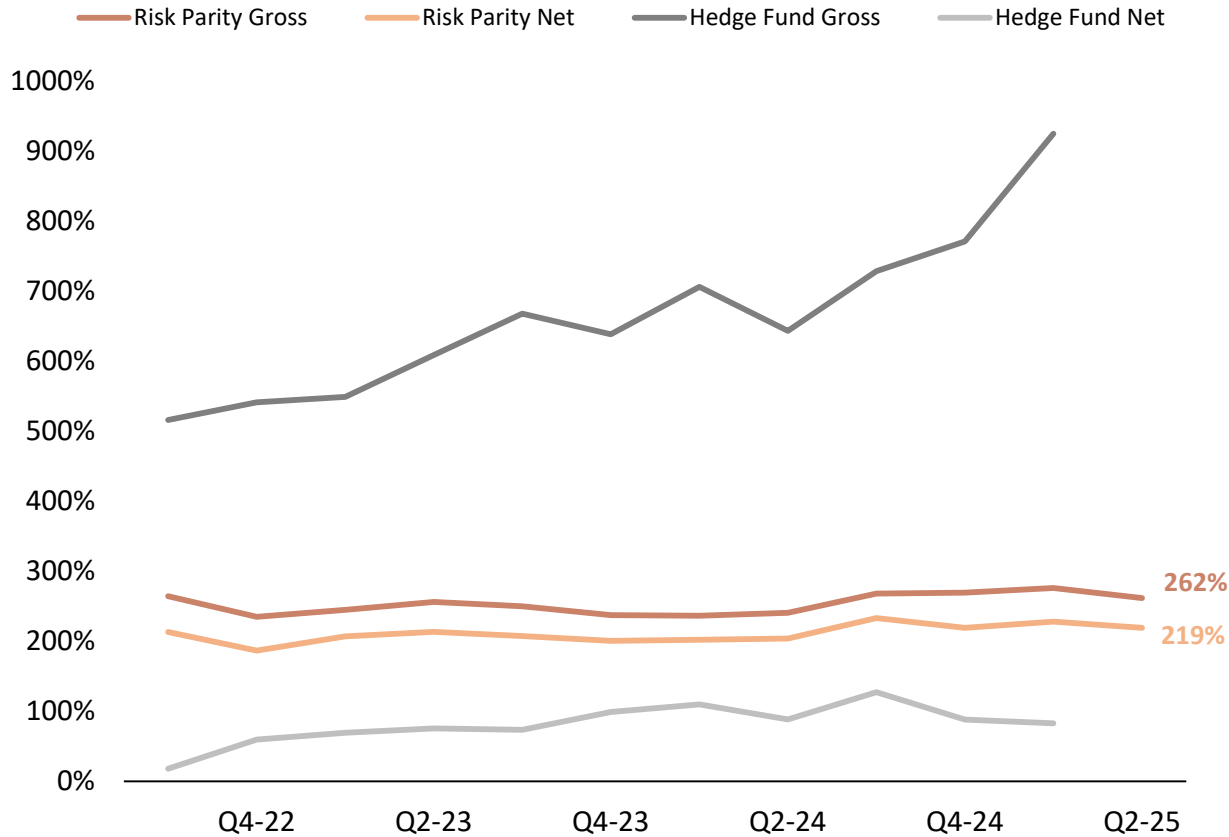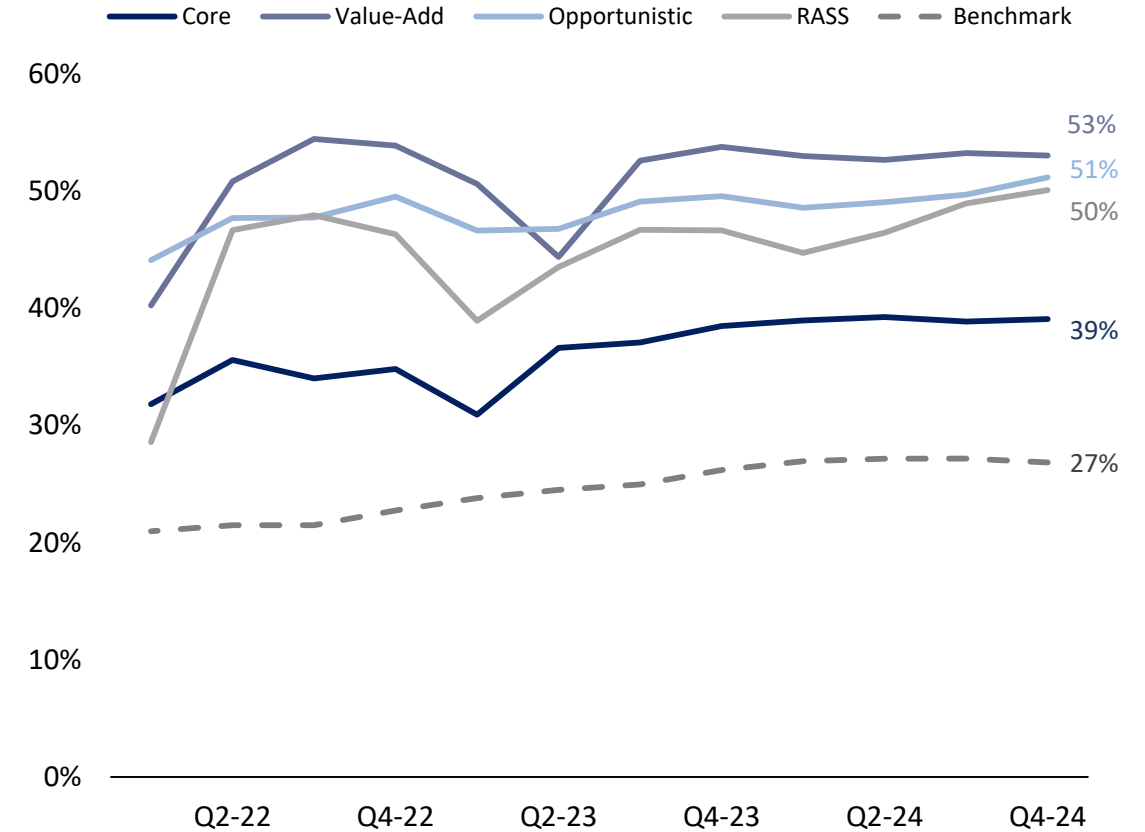
Source: MSCI RiskMetrics, State Street Bank, TRS RE manager data, NCREIF; note: Directional Hedge Fund overlay program includes one non-Hedge Fund. HF leverage is reported on a quarter lag; DHF overlay was 85.6% on a total program size of 13.9bn ; Total Real Estate Loan to Value was 49% as of December 31, 2024 ; Real Estate Loan-to-Values are estimates based on self-reported manager data
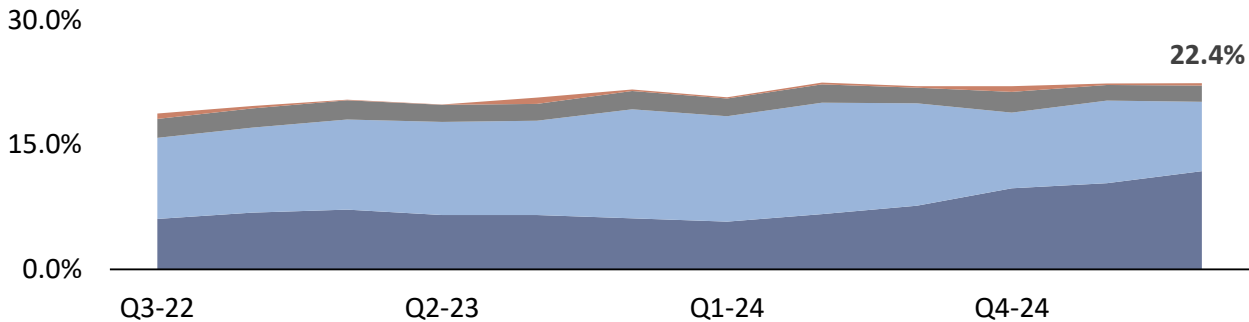
22.4% Gross Derivative Exposure Nets Down to 13.5%
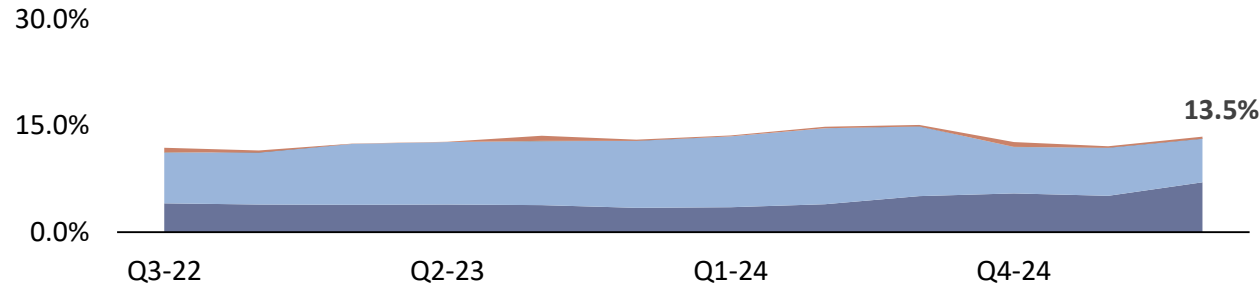

Total Trust Gross Leverage

Legend: Gross Derivatives, Other

27.2%
4.8%
22.4%

Q3-22, Q4-22, Q1-23, Q2-23, Q3-23, Q4-23, Q1-24, Q2-24, Q3-24, Q4-24, Q1-25, Q2-25

Gross Derivative Notional by Instrument
(% of Total Trust)

Legend: Swaps, Futures, Forwards, Options

22.4%

Q3-22, Q2-23, Q1-24, Q4-24

Net Derivative Notional by Instrument
(% of Total Trust)

Legend: Swaps, Futures, Forwards, Options

13.5%

Q3-22, Q2-23, Q1-24, Q4-24

Other sources of gross leverage include the absolute value of short positions and any payables/receivables.

10

The most common types of derivatives for TRS

Futures

September						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17		19	20
21	22	23	24	25	26	27
28	29	30				

- Standardized contract to trade an asset at a given date, quantity and price
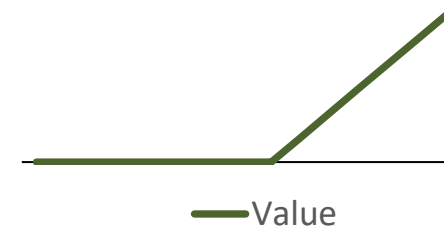
Swaps

Large Cap

Small Cap

- Exchange of cash flows of one investment for another between two counterparties

Currency Forwards

€ ⟷ $
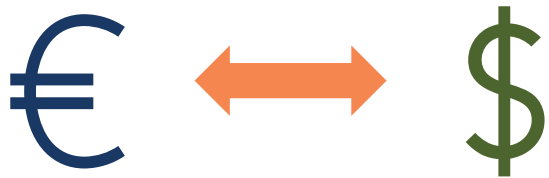
- Negotiated agreement to buy one currency for another at an agreed upon date in the future

Options

Value

- Contract for the right, but not the obligation, to trade an asset in the future at a specific price
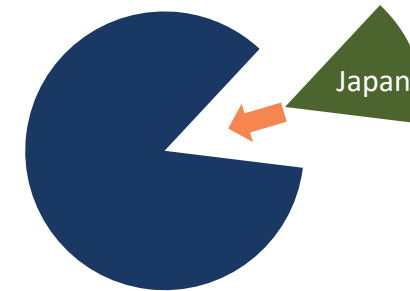
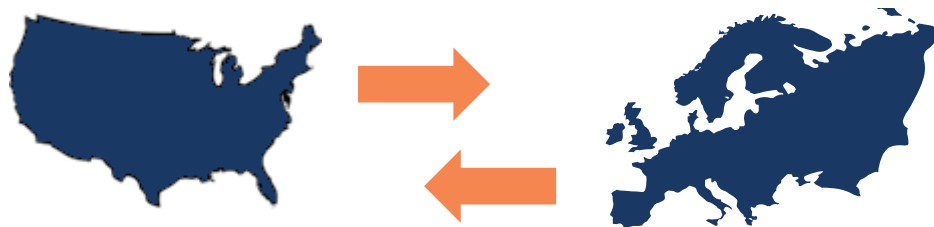# Derivatives are used in many ways at TRS

Futures

- Gain additional exposure without the need for additional cash
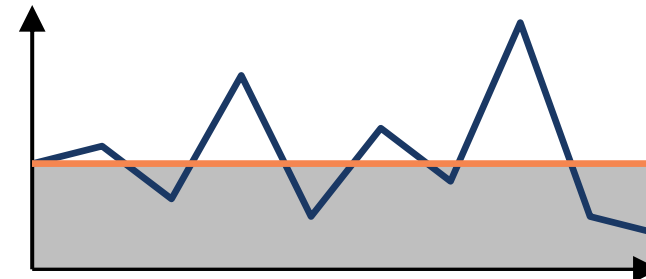- Example: Buy additional equities for tactical overweight

Swaps

- Complete portfolio exposures to reach desired allocation
- Example: Buy Japanese equity to reduce underweight

Currency Forwards

- Hedge currency risk of a foreign investment
- Example: Convert currency risk for German building from EUR to USD

Options

- Hedge the value of specific investments
- Example: Buy a put option to lock in value of a company before TRS exits

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In conclusion…

- Trust Allocations close to policy target

- Derivatives are used to build a better portfolio and counterparty risk is well managed

- Trust liquidity remains strong and remains a focus of our efforts