

City of Milwaukee  
Employees' Retirement System

Patrick J. McClain  
Executive Director

David M. Silber, CFA, CAIA  
Chief Investment Officer

Daniel A. Gopalan, CPA  
Deputy Director

Gust P. Petropoulos  
Deputy Director

February 6, 2026

Mr. Jim Owczarski  
City Clerk  
Room 205, City Hall

Dear Mr. Owczarski:

Please be advised that an Investment Committee Meeting of the Annuity and Pension Board has been scheduled for **Thursday, February 12 at 9:00 a.m.** This meeting will be conducted via teleconference.

*Special Notice: Instructions for the public on how to observe the meeting will be available on the ERS's website ([www.cmers.com](http://www.cmers.com)) prior to the meeting.*

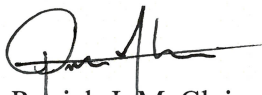
The agenda is as follows:

- I. Appointment of Investment Committee Chair for 2026.
- II. Election of Vice Chair.
- III. Callan 2026 Capital Markets Projections and Asset Allocation Modeling Presentation.

Please be advised that the Investment Committee may vote to convene in closed session on the following items (IV., V., VI., and VII.), as provided in Section 19.85(1)(e), Wisconsin Statutes, to deliberate or negotiate the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session. The Investment Committee may then vote to reconvene in open session following the closed session.

- IV. Callan Core Fixed Income Investment Manager Search Presentation.
- V. Consider, Discuss, and Potentially Approve Fixed Income Manager Search Finalists.
- VI. Consider, Discuss, and Potentially Approve Recommendation regarding Morgan Stanley Prime Property Fund, LLC consent to Restructure.
- VII. Callan Real Assets Benchmark and Structure Changes Update.
- VIII. Approval of Real Assets Structure.
- IX. Approval of Statement of Investment Policy Update.
- X. CMERS 4<sup>th</sup> Quarter 2025 Performance Update.
- XI. Value Add Analysis.

Sincerely,



Patrick J. McClain  
Executive Director

PJM:jmw



February 12, 2026

## City of Milwaukee Employees' Retirement System

### 2026 Capital Market Projections

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**John P. Jackson, CFA**  
Investment Consulting

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Investment Consulting

**Adam Lozinski, CFA**  
Capital Markets Research

Important Disclosures regarding the use of this document are included at the end of this document. These disclosures are an integral part of this document and should be considered by the user.

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# Agenda

**Summary of 2026 projections**

**Current market conditions**

**2026 expectations**

**Fixed Income**

**Equity**

**Private Markets**

**Portfolio implications**

Callan

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## Summary of 2026 Projections

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# Why Make Capital Market Projections?

## Guiding objectives and process

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### **Cornerstone of a prudent process is a long-term strategic investment plan**

- Capital market projections are key elements — set reasonable return and risk expectations for the appropriate time horizon
- Projections represent our best thinking regarding the long-term (10-year) outlook, recognizing our median projections represent the midpoint of a range, rather than a specific number
- Develop results that are readily defensible both for individual asset classes and for total portfolios
- Be conscious of the level of change suggested in strategic allocations for long-term investors: DB plan sponsors, foundations, endowments, trusts, DC participants, families and individuals
- Reflect common sense and recent market developments, within reason

### **Callan's forecasts are informed by current market conditions, but are not built directly from them**

- Balance recent, immediate performance and valuation against long-term equilibrium expectations

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# How Our Capital Markets Assumptions Are Constructed

## Guiding objectives and process

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### **Underlying beliefs guide the development of the projections:**

- An initial bias toward long-run averages
- A conservative bias
- An awareness of risk premiums
- A presumption that markets are ultimately clear and rational

**Reflect our beliefs that long-term equilibrium relationships between the capital markets and lasting trends in global economic growth are key drivers to setting capital markets expectations**

**Long-term compensated risk premiums represent “beta” – exposure to each broad market, whether traditional or “exotic,” with limited dependence on successful realization of alpha**

### **The projection process is built around several key building blocks:**

- Advanced modeling at the individual asset class level (e.g., a detailed bond model, an equity model)
- A path for interest rates and inflation
- A cohesive economic outlook
- A framework that encompasses Callan beliefs about the long-term operation and efficiencies of the capital markets

# How Are Capital Market Projections Constructed?

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**Projections are 10-year forward-looking, representing a medium to long-term planning horizon:**

Differs from the actuarial assumptions, which tend to reflect longer-term horizons of 30-40 years

**Projections consist of return and two measures that contribute to portfolio volatility: standard deviation and correlation**

**Cover most broad asset classes and inflation**

Broad U.S. equity

- Large cap
- Small/mid cap

Global ex-U.S. equity

- Developed market
- Emerging market

U.S. fixed income

- Short duration
- Core U.S. fixed
- TIPS
- High yield
- Long duration (government, credit and G/C)
- Global ex-U.S. fixed income

Real estate

Alternative investments: private equity, hedge funds, private debt

Cash

Inflation

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# Callan's Capital Markets Assumptions: 10 Years (2026–2035)

No key changes from 2025 projections

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## Summary of key forecast points for 2026 Capital Markets Assumptions

- Cash return held constant at 3.0%
- Core fixed income return held at 4.75%
- Long G/C return held at 5.20%; the major peg points for fixed income remain unchanged, with minor adjustments to fixed income sectors
- Public equity returns are unchanged from 2025, with Broad US at 7.35% and Broad Non-US at 7.45%; equity risk premium over cash and over fixed income held at the lowest level in our forecast history
- Inflation held at 2.5%
- Private markets returns are unchanged from 2025

## Allocations within equity reflect neutral weights to the broad markets

- Efficient SMID cap weight set to 15% of broad U.S. equity
- Efficient emerging market equity weight set to 30% of global ex-U.S. equity
- Efficient U.S. / global ex-U.S. equity set to 60/40 neutral weight (not a change, but the market has now caught up to us!)

## Broadening set of diversifying asset classes to consider

- Private credit
- Private infrastructure
- Inflation-sensitive assets – REITs, natural resources, global listed infrastructure, return of commodities (?)

# Callan's 2026-2035 Capital Market Assumptions

Asset Class	Proxy	Expected Return*	Standard Deviation
<b>Equities</b>			
CMERS Public Equity	Custom Blend <sup>1</sup>	7.60%	18.00%
Broad US Equity	Russell 3000	7.35%	17.35%
Large Cap US Equity	S&P 500	7.25%	17.00%
Small/Mid Cap US Equity	Russell 2500	7.45%	22.00%
Global ex-US Equity	MSCI ACWI ex USA	7.45%	21.25%
Developed ex-US Equity	MSCI World ex USA	7.25%	20.15%
Emerging Market Equity	MSCI Emerging Markets	7.45%	25.65%
<b>Fixed Income</b>			
Short Duration Gov't/Credit	Bloomberg 1-3 Yr G/C	3.90%	2.40%
CMERS Fixed Income	Custom Blend <sup>2</sup>	5.30%	5.40%
Core US Fixed	Bloomberg Aggregate	4.75%	4.45%
Global ex-US Fixed	Bloomberg Gbl Agg xUSD	2.90%	9.80%
TIPS	Bloomberg TIPS	4.50%	5.40%
High Yield	Bloomberg High Yield	5.90%	11.75%
Bank Loans	S&P/LSTA Leveraged Loan Index	6.00%	9.90%
EMD	EMBI Global Diversified	5.00%	10.70%
<b>Alternatives</b>			
CMERS Liquid Real Assets	Custom Blend <sup>3</sup>	6.25%	9.65%
Core Real Estate	NCREIF ODCE	6.25%	14.00%
Private Infrastructure	MSCI Glb Infra/FTSE Dev Core 50/50	6.35%	15.20%
Private Equity	Cambridge Private Equity	8.50%	27.60%
Private Credit	Cambridge Senior Debt Index	7.25%	15.70%
Absolute Return	Callan Hedge FoF Database	5.70%	8.20%
Commodities	Bloomberg Commodity	3.90%	18.05%
<b>Cash Equivalents</b>			
	90-Day T-Bill	3.00%	0.90%
<b>Inflation</b>			
	CPI-U	2.50%	1.60%

- Asset classes used in this study are highlighted in blue
- Capital market assumptions represent passive exposure (beta only) with the exception of alternative investments where no passive option exists
- All return expectations are net of fees

<sup>1</sup> 44% Large Cap U.S. Equity / 11% Small/Mid Cap U.S. Equity / 34% Developed ex-U.S. Equity / 11% Emerging Market Equity

<sup>2</sup> 64.5% Core Fixed Income / 35.5% High Yield

<sup>3</sup> 50% Large Cap US Equity / 35% TIPS / 15% Commodities

\*10-year annualized return

## 2026 Asset Allocation Modeling – CMERS Outlook

Asset Class	Target	Target ex Liquid RA
CMERS Public Equity	36.0%	36.0%
CMERS Fixed Income	31.0%	31.0%
Cash Equivalents	1.0%	1.0%
CMERS Liquid Real Assets	3.3%	0.0%
Core Real Estate	8.7%	12.0%
Private Equity	11.0%	11.0%
Absolute Return	9.0%	9.0%
<b>Totals</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Expected Return*</b>	<b>7.03%</b>	<b>7.06%</b>
<b>Projected Standard Deviation</b>	<b>11.57%</b>	<b>11.53%</b>
<b>Projected Sharpe Ratio</b>	<b>0.34</b>	<b>0.34</b>
<b>Actuarial Discount Rate</b>	<b>6.8%</b>	<b>6.8%</b>

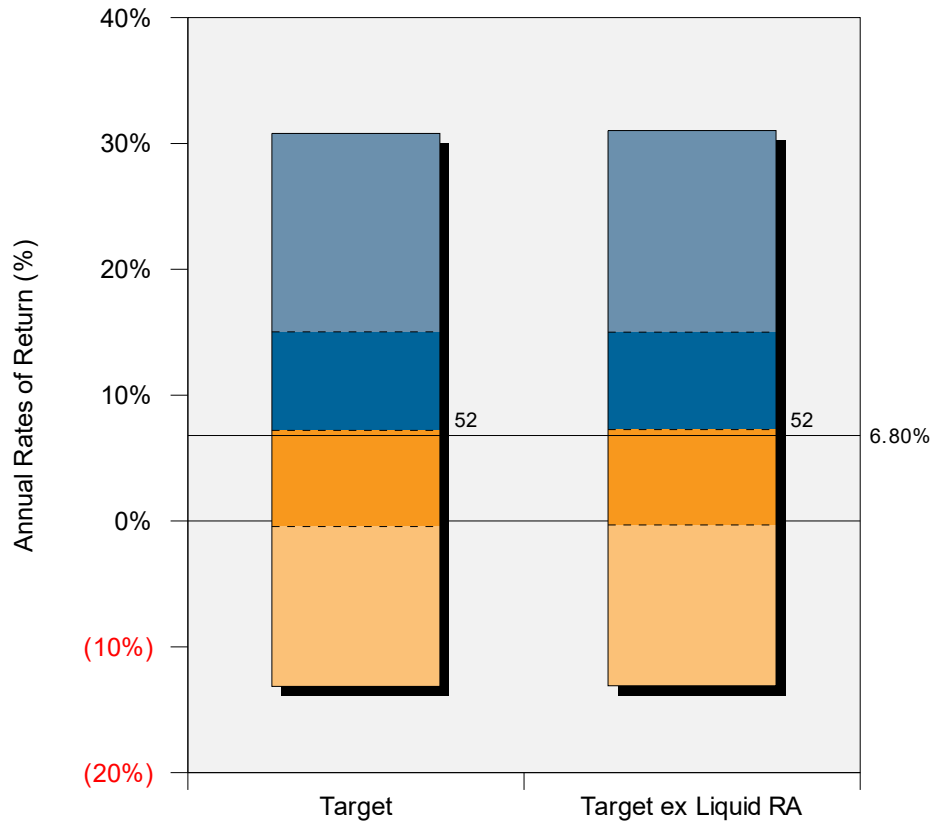
Eliminating Liquid Real Assets and reallocating to Core Real Estate is expected to have only a marginal effect on total portfolio risk and return projections.

Both portfolios are projected to exceed the actuarial discount rate of 6.8%.

Note: Based on Callan's 2026-2035 Capital Market Assumptions.

# 2026 Asset Allocation Modeling – CMERS Range of Potential Outcomes

Range of Projected Rates of Return: 1 Year



Range of Projected Rates of Return: 10 Years



2.5th Percentile	30.8%	31.0%
25th Percentile	15.0%	15.0%
Median	7.2%	7.3%
75th Percentile	(0.4%)	(0.3%)
97.5th Percentile	(13.1%)	(13.1%)
Prob > 6.80%	51.9%	51.9%

2.5th Percentile	14.2%	14.3%
25th Percentile	9.4%	9.5%
Median	7.0%	7.1%
75th Percentile	4.6%	4.6%
97.5th Percentile	0.2%	0.3%
Prob > 6.80%	52.6%	52.6%

Note: Based on Callan's 2026-2035 Capital Market Assumptions.

Callan

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## **Current Market Conditions**

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## A Wild Ride in 2025 But It Leads to the Same 10-Year Projections?

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### **A recession stayed away after we were sure it would show up.**

The economy showed signs of slowing as we entered 2025, but GDP growth surged in 2Q and 3Q and wage growth beat inflation in the US. Around the world, stock markets shot up after the massive tariff uncertainty in 2Q.

- The job market data was inconsistent with mid-year GDP growth surge, as new job creation ground to a halt in April and remained dormant through the end of the year. A sudden drop in foreign-born labor supply cushioned any spike in the unemployment rate, and speculation abounds that AI advances may have boosted productivity and lessened the demand for workers.
- The Federal Reserve's process of rate hikes, from elevated inflation, and spreading geopolitical turmoil barely dented the U.S. economic engine through the end of 2024. The Fed cautiously began to cut rates in the second half of the year, and the Fed Funds rate came down 75 basis points in three 25 bps increments.
  - Inverted yield curve remains in place, but it's been inverted since 2022. The inversion is now concentrated at the short end; the 2–10 is no longer inverted.
- Real incomes rose and real wage growth supported consumer incomes and spending, but consumer confidence is waning, and business investment came to sudden halt mid-year, as the option value of doing nothing rose sharply amid tariff uncertainty.

### **Is recession still inevitable, and if so, when?**

Strong GDP growth conflicts with early signs of easing in labor markets; the prospect for continued inflationary pressure from tariffs is high in the short run, the pressure from the labor market is lessening.

- Getting inflation down to the Fed's stated goal of 2% will take time, and some discomfort. Squeezing out the last of excess inflation will require a period of below trend growth, a substantial loosening of the labor market, and the pain of a rise in unemployment.
- The probability and likelihood of recession keeps falling and being pushed off into the future. The Fed will be in a difficult position to argue for interest rate changes with strong GDP and a stable labor market.

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## Key Macro Theme: Tariffs

Uncertainty in policy and implementation remains, and the impact could still be dramatic

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Tariffs are a tax on the sale of imported goods (and possibly services) to consumers, businesses, and governments.

- The cost is absorbed by the buyer, the seller (U.S. importer), or both.

Tariffs as currently implemented substantially increase the price of many imported goods:

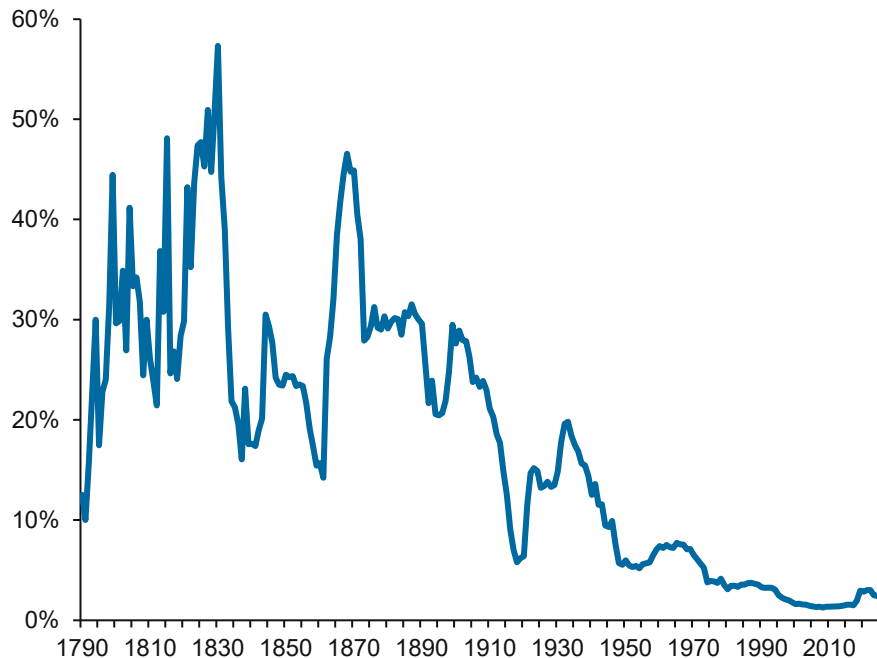
- Final goods such as food, clothing, tools, electronics, and automobiles
- Intermediate goods ranging from raw materials (timber, metals) to processed materials (steel, aluminum) to auto parts

Higher tariffs could meaningfully increase inflation in the shorter term, and possibly over the longer term if they remain in place as a long-term economic policy rather than a negotiating strategy.

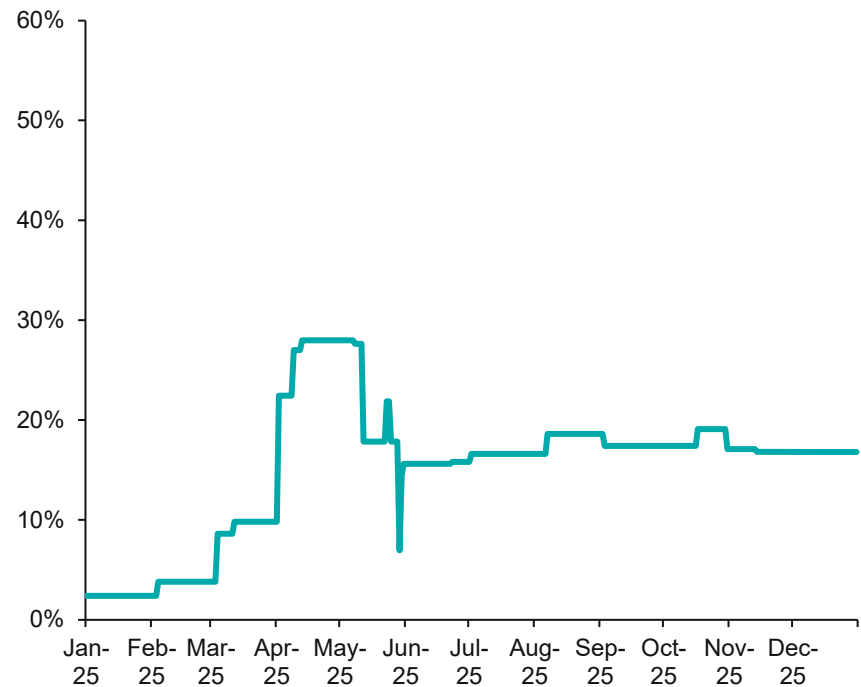
After uncertainty rocked the equity markets in April 2025, global markets now appear to be “looking past” tariffs, with strong reported profits, strong U.S. GDP growth, and falling expectations for recession fueling investor confidence.

# Tracking the Effective Tariff Rate

Historical Effective Tariff Rate



Estimated Average Effective Tariff Rate



**Big picture:** The imposition of tariffs as they have currently evolved will likely raise prices for imported goods, adding to inflation pressures. The potential reduction in purchasing power from higher prices may slow demand and the economy. For goods with a ready domestic substitute, consumers and businesses can shift demand, but the prices paid for goods may still be higher.

- The charts compare the historical effective tariff rate in the United States through 2024 to the estimated average effective tariff rate in 2025 based on the shifting policies throughout the year.
- The current estimate puts the effective tariff rate at the highest level since 1935.

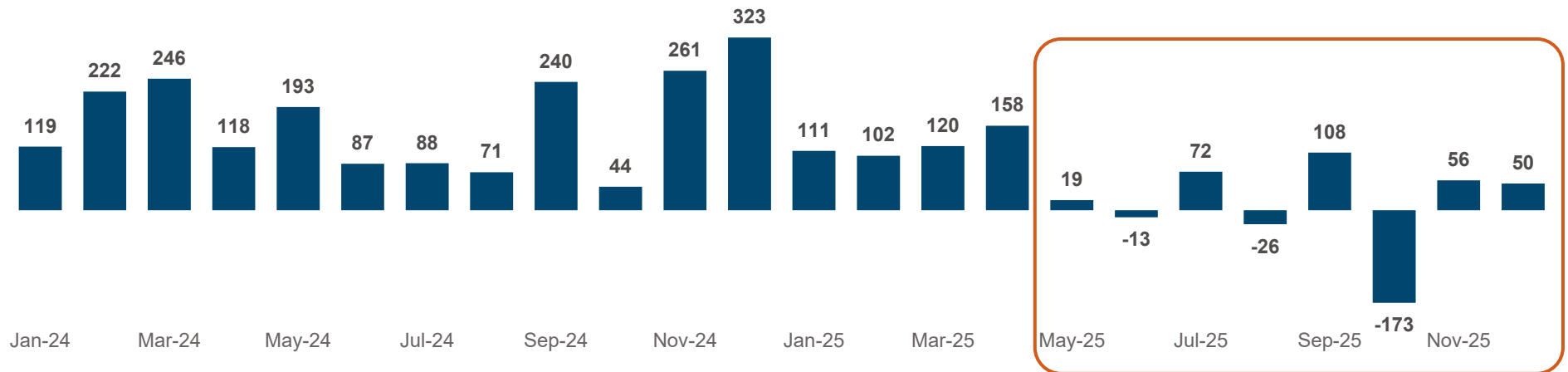
Source: The Budget Lab at Yale

# Key Macro Theme: The Job Market

## Slowdown in hiring is a conundrum

The job market is showing the first sign of a crack in the U.S. economy; the run rate for new jobs through April 2025 had been in the 100,000–200,000 range per month; since April, the U.S. has created 93,000 jobs cumulatively over the eight months ended December.

### Non-Farm Employment Monthly Change (thousands)



The unemployment rate remains low, but job turnover ground to a halt. Digging through the economic data has resulted in few clear signs of an impact from tariffs, whether inflation, GDP, or consumption. (Hard economic data typically lags market responses, especially to policy changes, and the markets can overreact to sentiment.)

Source: U.S. Bureau of Labor Statistics

# Global Equities Continue to Run in 2025

Non-U.S. markets lead U.S. markets by widest margin in last 15 years

## Big gains for global stocks

- S&P 500 rose 17.9% in 2025, while U.S. small caps jumped 12.8%. Non-U.S. developed stocks climbed 31.9% and emerging markets gained 33.6%.

## Solid returns for fixed income

- The Bloomberg Aggregate rose 7.3% in the year. Long duration gained 6.6% as long rates fell more modestly than intermediate.
- Headline CPI-U rose 2.7% (year-over-year) through December. The core index rose by a similar amount, coming in at 2.6%. The headline and core numbers are down from 2.9% and 3.2%, respectively, at the end of 2024. Though inflation is moderating relative to the mid-2022 peak, it has been holding at levels above the Fed's 2% target for the last few years.

## Dislocation in economic growth measures

- The job market stopped expanding after April while GDP growth surged in 2Q and 3Q and is expected to post a gain for all of 2025.
- Consumer spending has surprised on the upside; business spending has paused.

## Returns for Periods ended 12/31/25

	Quarter	1 Year	3 Years	5 Years	10 Years	25 Years
<b>U.S. Equity</b>						
Russell 3000	2.40	17.15	22.25	13.15	14.29	8.86
S&P 500	2.66	17.88	23.01	14.42	14.82	8.83
Russell 2000	2.19	12.81	13.73	6.09	9.62	8.21
<b>Global ex-U.S. Equity</b>						
MSCI World ex USA	5.20	31.85	17.64	9.46	8.55	5.54
MSCI Emerging Markets	4.73	33.57	16.40	4.20	8.42	8.49
MSCI ACWI ex USA Small Cap	2.96	29.26	15.61	6.91	8.13	8.19
<b>Fixed Income</b>						
Bloomberg Aggregate	1.10	7.30	4.66	-0.36	2.01	3.77
90-day T-Bill	0.97	4.18	4.81	3.17	2.18	1.84
Bloomberg Long Gov/Credit	-0.02	6.62	3.06	-4.89	1.98	5.00
Bloomberg Global Agg ex-US	-0.47	8.85	3.29	-3.59	0.56	2.96
<b>Real Estate</b>						
NCREIF:Total Index	1.15	4.91	-1.01	3.79	4.85	7.29
FTSE Nareit Equity	-1.56	2.88	8.36	6.63	5.70	8.94
<b>Alternatives</b>						
Cambridge Private Equity*	2.63	9.51	7.21	12.58	13.36	10.45
Cambridge Senior Debt*	1.06	7.78	10.11	8.33	7.95	4.97
HFRI Fund Weighted	2.76	12.52	10.11	7.11	6.62	5.86
Bloomberg Commodity	5.85	15.77	3.96	10.64	5.73	1.62
Gold Spot Price	12.08	64.37	33.46	18.03	15.14	11.69
<b>Inflation: CPI-U</b>	-0.23	2.68	2.97	4.46	3.20	2.52

\*Cambridge Private Equity and Cambridge Senior Debt data as of 3Q25.

Returns greater than one year are annualized.

Sources: Bloomberg, Callan, Cambridge, FTSE Russell, HFRI, MSCI, NCREIF, S&P Dow Jones Indices

# The Callan Periodic Table of Investment Returns

Annual Returns for Key Indices Ranked in Order of Performance (2006–2025)

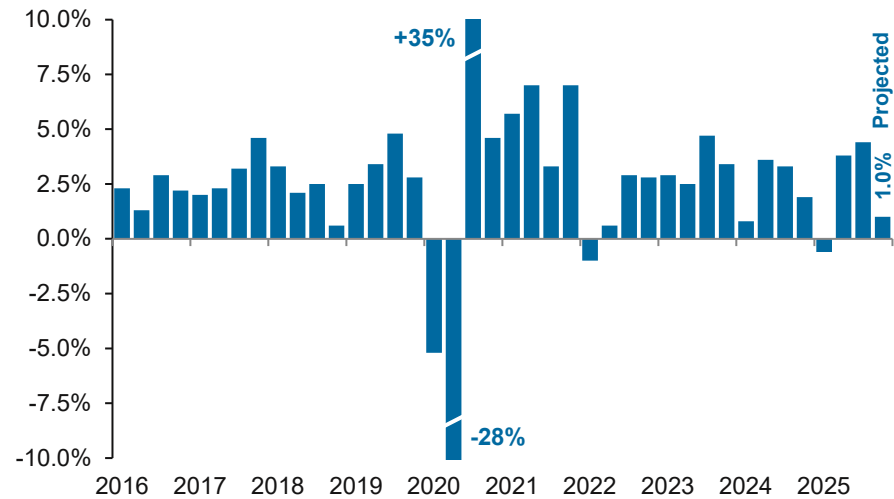
2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Real Estate	Emerging Market Equity	U.S. Fixed Income	Emerging Market Equity	Small Cap Equity	U.S. Fixed Income	Real Estate	Small Cap Equity	Real Estate	Large Cap Equity	Small Cap Equity	Emerging Market Equity	Cash Equivalent	Large Cap Equity	Small Cap Equity	Large Cap Equity	Cash Equivalent	Large Cap Equity	Large Cap Equity	Emerging Market Equity
42.12%	39.38%	5.24%	78.51%	26.85%	7.84%	27.73%	38.82%	15.02%	1.38%	21.31%	37.28%	1.87%	31.49%	19.96%	28.71%	1.46%	26.29%	25.02%	33.57%
Emerging Market Equity	Developed ex-U.S. Equity	Global ex-U.S. Fixed	High Yield	Real Estate	High Yield	Emerging Market Equity	Large Cap Equity	Large Cap Equity	U.S. Fixed Income	High Yield	Developed ex-U.S. Equity	U.S. Fixed Income	Small Cap Equity	Large Cap Equity	Real Estate	High Yield	Developed ex-U.S. Equity	Small Cap Equity	Developed ex-U.S. Equity
32.17%	12.44%	4.39%	58.21%	19.63%	4.98%	18.23%	32.39%	13.69%	0.55%	17.13%	24.21%	0.01%	25.52%	18.40%	26.09%	-11.19%	17.94%	11.54%	31.85%
Developed ex-U.S. Equity	Global ex-U.S. Fixed	Cash Equivalent	Real Estate	Emerging Market Equity	Global ex-U.S. Fixed	Developed ex-U.S. Equity	Developed ex-U.S. Equity	U.S. Fixed Income	Cash Equivalent	Large Cap Equity	Large Cap Equity	High Yield	Developed ex-U.S. Equity	Emerging Market Equity	Small Cap Equity	U.S. Fixed Income	Small Cap Equity	High Yield	Large Cap Equity
25.71%	11.03%	2.06%	37.13%	18.88%	4.36%	16.41%	21.02%	5.97%	0.05%	11.96%	21.83%	-2.08%	22.49%	18.31%	14.82%	-13.01%	16.93%	8.19%	17.88%
Small Cap Equity	U.S. Fixed Income	High Yield	Developed ex-U.S. Equity	High Yield	Large Cap Equity	Small Cap Equity	High Yield	Small Cap Equity	Real Estate	Emerging Market Equity	Small Cap Equity	Global ex-U.S. Fixed	Real Estate	Global ex-U.S. Fixed	Developed ex-U.S. Equity	Developed ex-U.S. Equity	High Yield	Emerging Market Equity	Small Cap Equity
18.37%	6.97%	-26.16%	33.67%	15.12%	2.11%	16.35%	7.44%	4.89%	-0.79%	11.19%	14.65%	-2.15%	21.91%	10.11%	12.62%	-14.29%	13.44%	7.50%	12.81%
Large Cap Equity	Large Cap Equity	Small Cap Equity	Small Cap Equity	Large Cap Equity	Cash Equivalent	Large Cap Equity	Real Estate	High Yield	Developed ex-U.S. Equity	Real Estate	Global ex-U.S. Fixed	Large Cap Equity	Emerging Market Equity	Developed ex-U.S. Equity	High Yield	Large Cap Equity	Emerging Market Equity	Cash Equivalent	Real Estate
15.79%	5.49%	-33.79%	27.17%	15.06%	0.10%	16.00%	3.67%	2.45%	-3.04%	4.06%	10.51%	-4.38%	18.44%	7.59%	5.28%	-18.11%	9.83%	5.25%	9.58%
High Yield	Cash Equivalent	Large Cap Equity	Large Cap Equity	Developed ex-U.S. Equity	Small Cap Equity	High Yield	Cash Equivalent	Cash Equivalent	Small Cap Equity	Developed ex-U.S. Equity	Real Estate	Real Estate	High Yield	U.S. Fixed Income	Cash Equivalent	Global ex-U.S. Fixed	Real Estate	Developed ex-U.S. Equity	Global ex-U.S. Fixed
11.85%	5.00%	-37.00%	26.47%	8.95%	-4.18%	15.81%	0.07%	0.03%	-4.41%	2.75%	10.36%	-5.63%	14.32%	7.51%	0.05%	-18.70%	9.67%	4.70%	8.85%
Global ex-U.S. Fixed	High Yield	Developed ex-U.S. Equity	Global ex-U.S. Fixed	U.S. Fixed Income	Real Estate	U.S. Fixed Income	U.S. Fixed Income	Emerging Market Equity	High Yield	U.S. Fixed Income	High Yield	Small Cap Equity	U.S. Fixed Income	High Yield	U.S. Fixed Income	Emerging Market Equity	Global ex-U.S. Fixed	U.S. Fixed Income	High Yield
8.16%	1.87%	-43.56%	7.53%	6.54%	-6.46%	4.21%	-2.02%	-2.19%	-4.47%	2.65%	7.50%	-11.01%	8.72%	7.11%	-1.54%	-20.09%	5.72%	1.25%	8.62%
Cash Equivalent	Small Cap Equity	Real Estate	U.S. Fixed Income	Global ex-U.S. Fixed	Developed ex-U.S. Equity	Global ex-U.S. Fixed	Emerging Market Equity	Global ex-U.S. Fixed	Global ex-U.S. Fixed	Global ex-U.S. Fixed	U.S. Fixed Income	Developed ex-U.S. Equity	Global ex-U.S. Fixed	Cash Equivalent	Emerging Market Equity	Small Cap Equity	U.S. Fixed Income	Real Estate	U.S. Fixed Income
4.85%	-1.57%	-48.21%	5.93%	4.95%	-12.21%	4.09%	-2.60%	-3.09%	-6.02%	1.49%	3.54%	-14.09%	5.09%	0.67%	-2.54%	-20.44%	5.53%	0.94%	7.30%
U.S. Fixed Income	Real Estate	Emerging Market Equity	Cash Equivalent	Cash Equivalent	Emerging Market Equity	Cash Equivalent	Global ex-U.S. Fixed	Developed ex-U.S. Equity	Emerging Market Equity	Cash Equivalent	Cash Equivalent	Emerging Market Equity	Cash Equivalent	Real Estate	Global ex-U.S. Fixed	Real Estate	Cash Equivalent	Global ex-U.S. Fixed	Cash Equivalent
4.33%	-7.39%	-53.33%	0.21%	0.13%	-18.42%	0.11%	-3.08%	-4.32%	-14.92%	0.33%	0.86%	-14.57%	2.28%	-9.04%	-7.05%	-25.10%	5.01%	-4.22%	4.18%

Sources: ● Bloomberg Aggregate ● Bloomberg High Yield Bond Index ● Bloomberg Global Aggregate ex US ● FTSE EPRA Nareit Developed  
 ● MSCI Emerging Markets ● MSCI World ex USA ● Russell 2000 ● S&P 500 ● 90-day T-bill

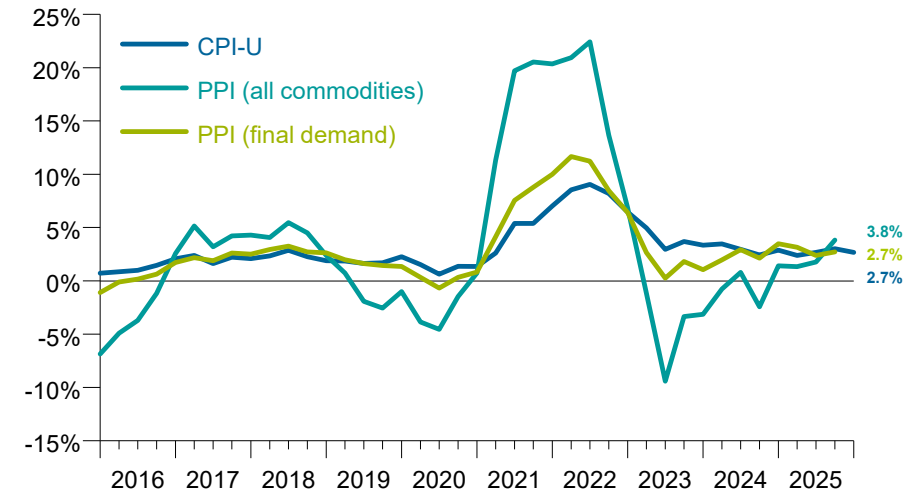
# U.S. Economy

## Summary

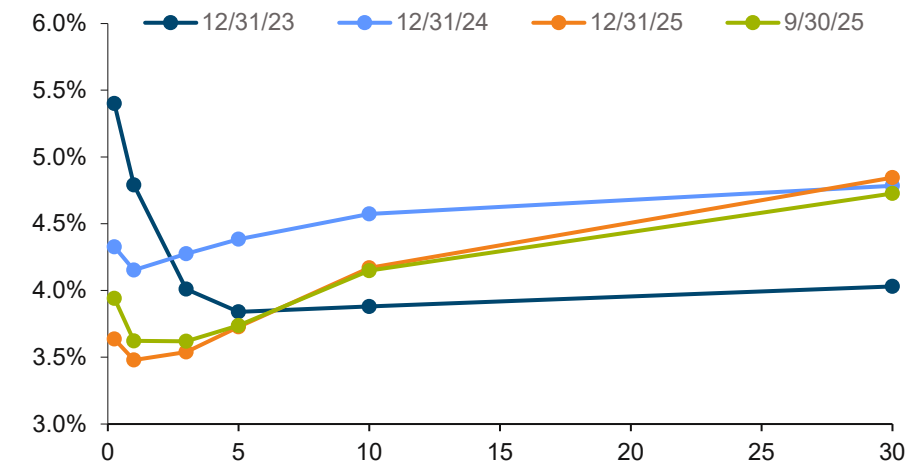
### Quarterly Real GDP Growth



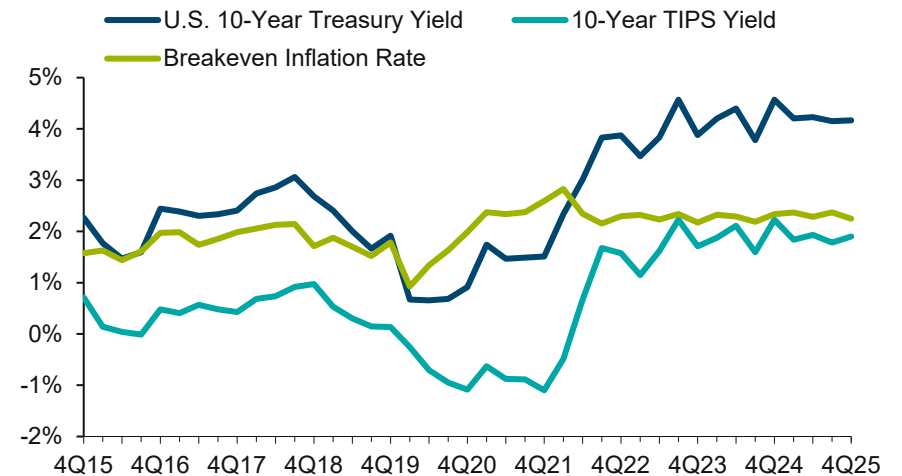
### Inflation Year-Over-Year\*



### U.S. Treasury Yield Curves



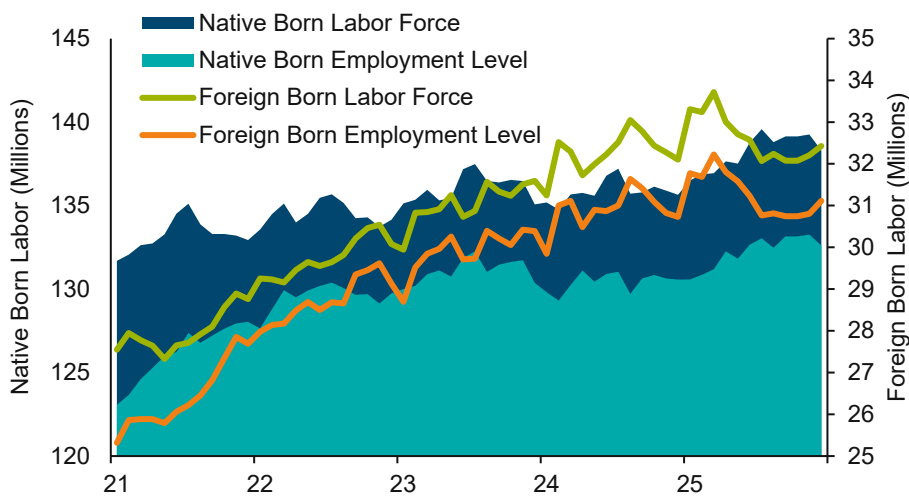
### Historical 10-Year Yields



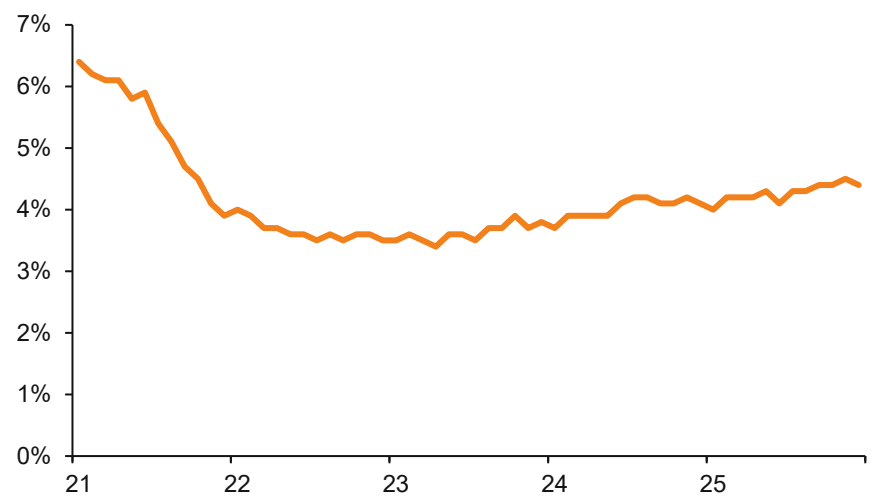
Sources: Bureau of Labor Statistics, Callan, Federal Reserve, Blue Chip consensus for projected GDP. \*PPI data for 4Q25 not yet available.

# Labor

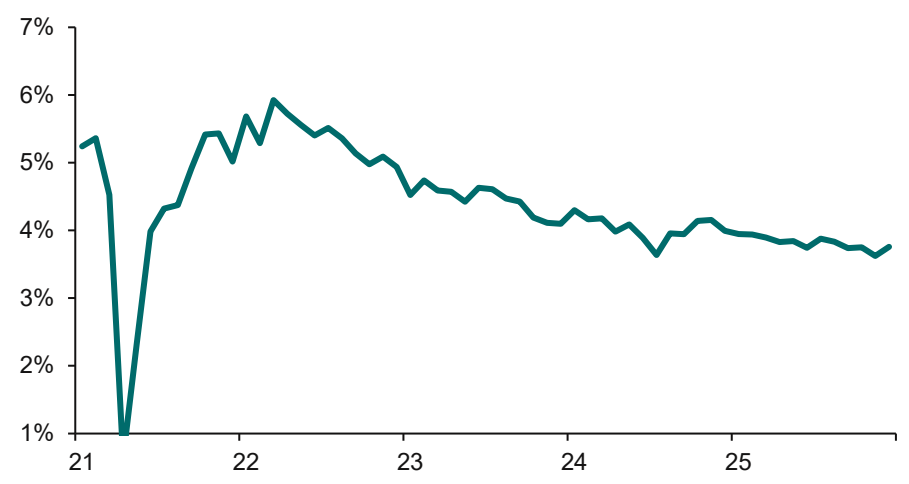
Labor and Employment Details



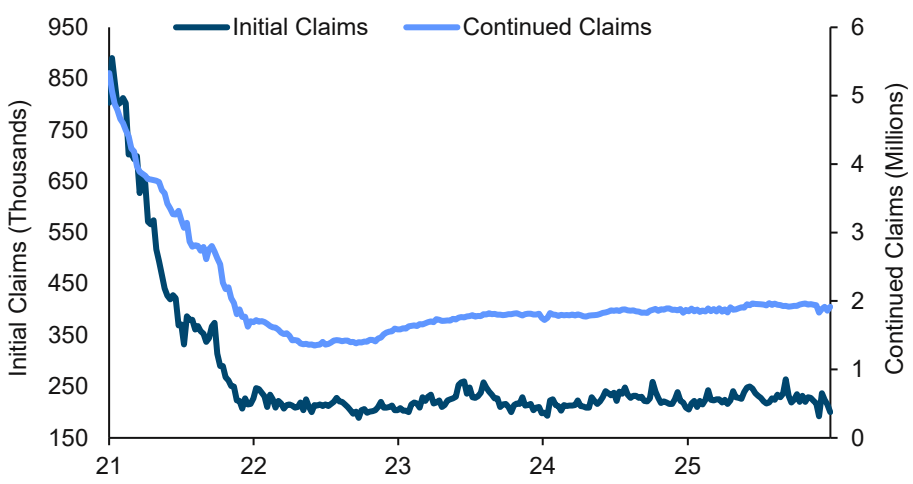
Unemployment Rate



Wage Growth (YoY Average Hourly Earnings)



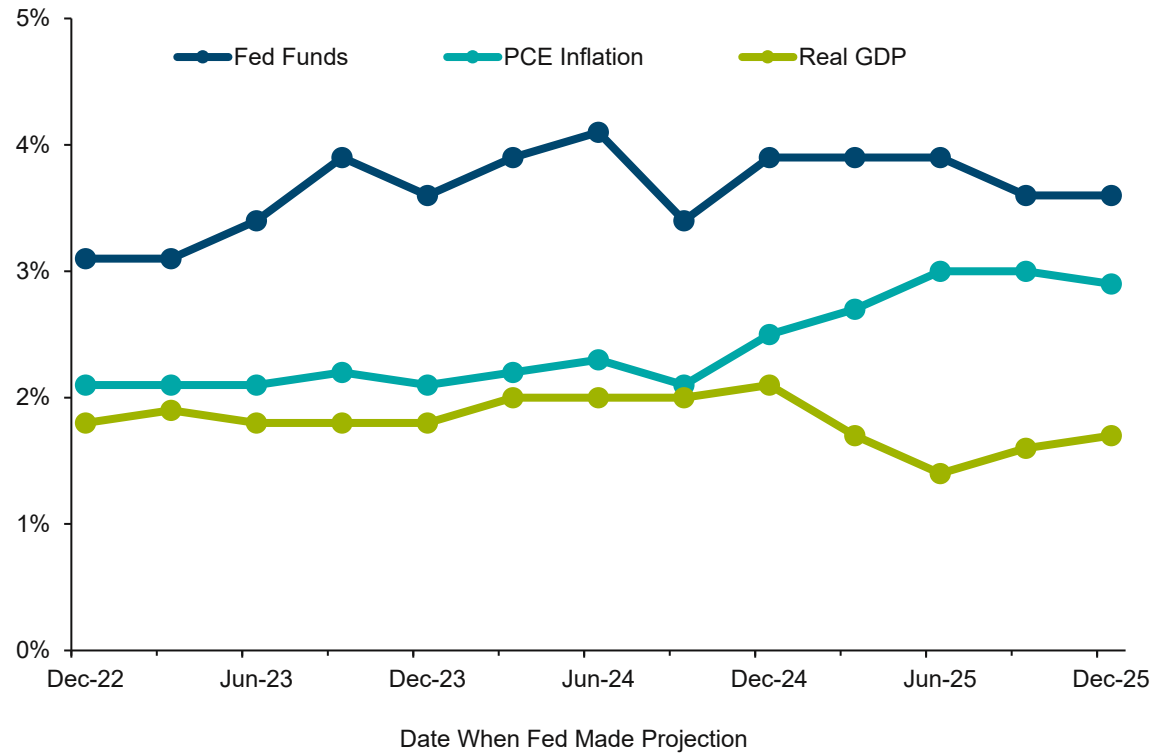
Unemployment Claims



Source: FRED

# The Shifting Mindset at the Fed

Consensus FOMC Economic Projections for 2025



**The Fed Funds Rate received three 25 basis point cuts in 2025, ending in a range of 3.5%–3.75%.**

The median projection among Federal Open Market Committee participants ranged from 2.9% when they made the prediction back in 2022 to 4.1% when they made the prediction in the middle of 2024.

Long-term neutral rate of 3.0% expected to be hit after 2028.

**In the most recent release, the Fed increased its projection for GDP growth and lowered the projection for inflation.**

Inflation is expected to reach Fed's target of 2% in 2028.

Sources: Federal Reserve, Financial Times

# The Fed's 'Dot Plot'

Federal Open Market Committee (FOMC) participants' assessments of appropriate monetary policy

**Fed Funds Rate ended the year in a target range of 3.5%–3.75%.**

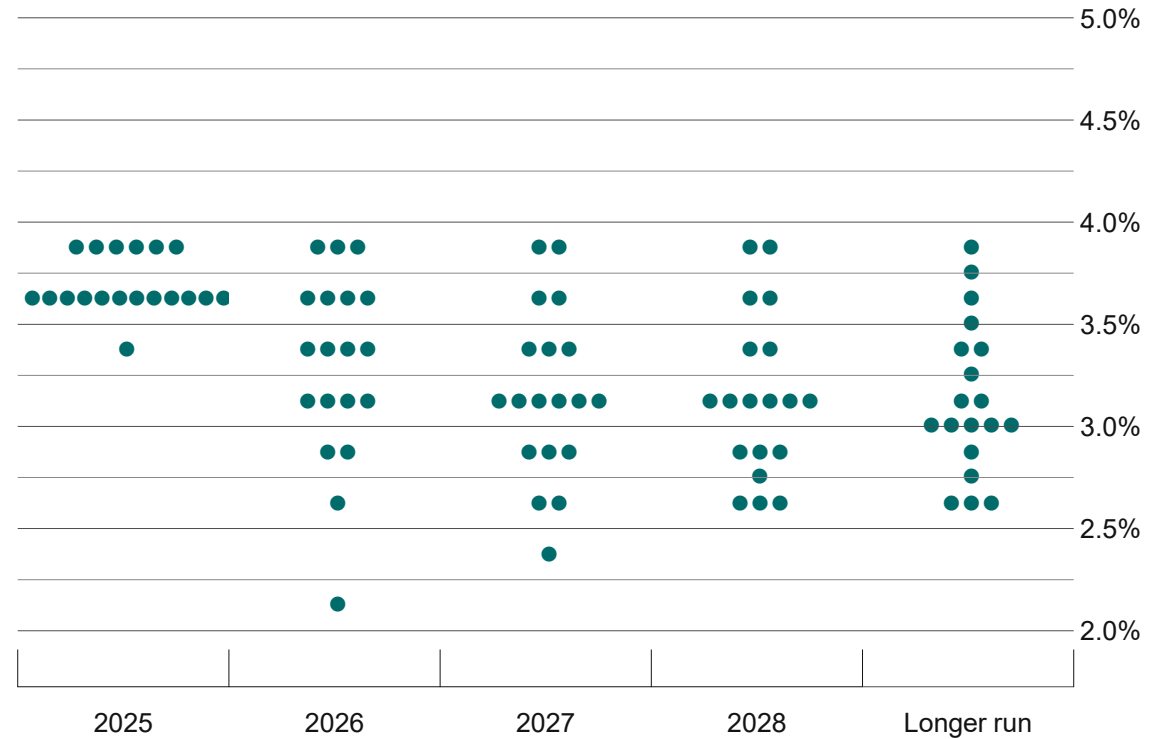
6 of 19 participants thought the rate should stay at 3.75%–4.0%.

1 participant thought the rate should have been lowered to 3.25%–3.5%.

**Dispersion of views among all participants widens in 2026 and beyond.**

**“Longer run” median held at 3.0%**

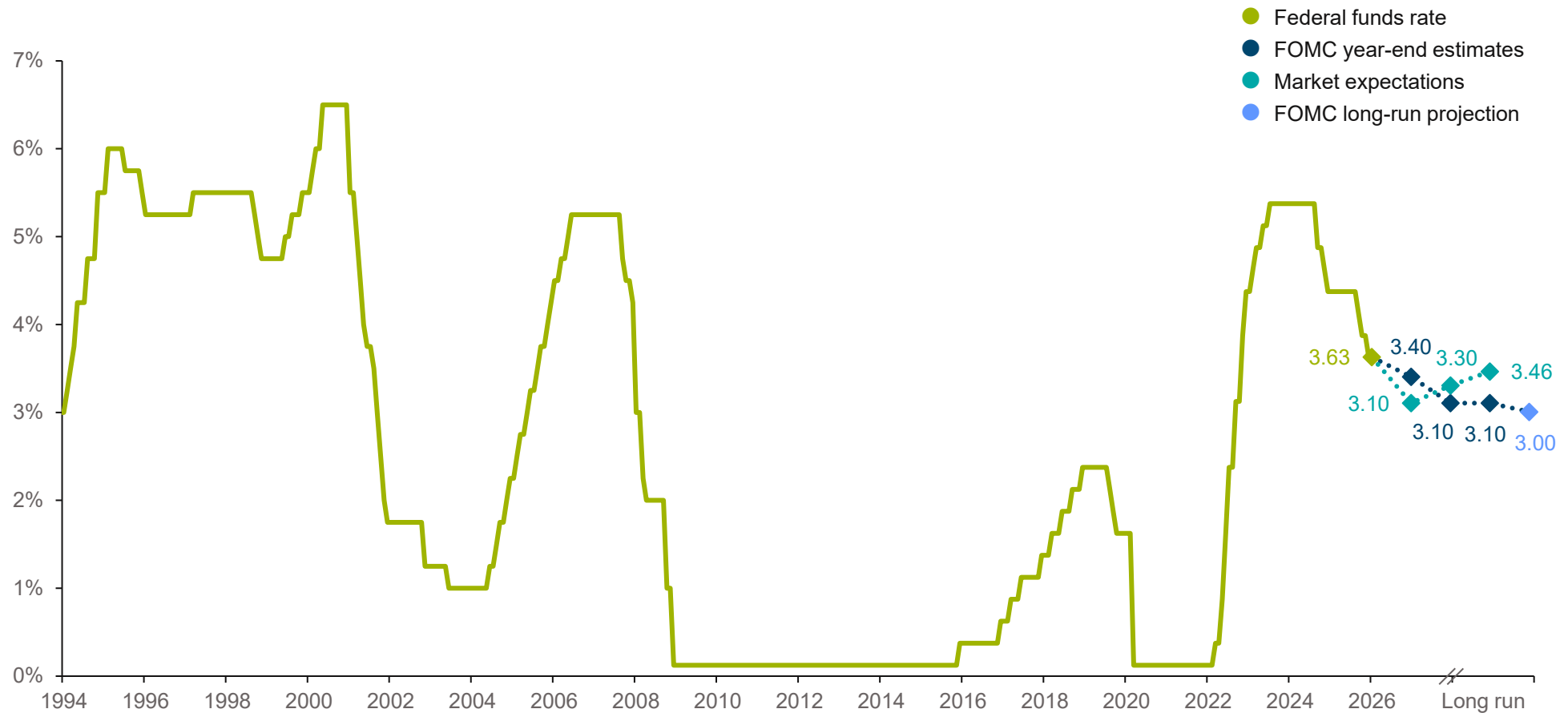
Bias is toward higher rates; lower bound is 2.8% but higher bound is 3.5%.



Source: Federal Reserve; as of 12/10/25

# Market Expectations vs. Fed Expectations

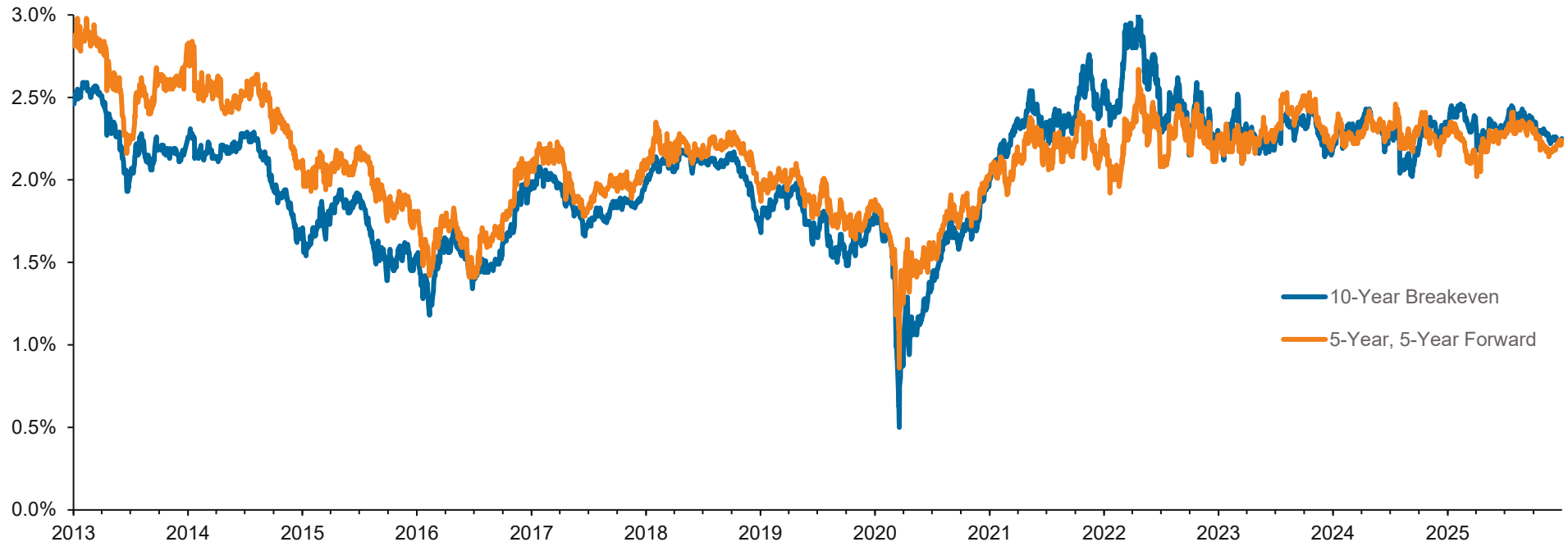
FOMC and market expectations for the federal funds rate



Sources: Bloomberg, FactSet, Federal Reserve, J.P. Morgan Asset Management Guide to the Markets – U.S. Data are as of December 18, 2025.

# Bond Market Forecasts of Inflation

## Market Implied Inflation Expectations



**The 10-year breakeven inflation rate is the difference in yield between the nominal 10-year Treasury and the 10-year Treasury Inflation-Protected Security (TIPS).**

- Includes current level of inflation
- Breakeven rate: the rate of inflation that would make an investor indifferent to holding nominal bonds vs. TIPS

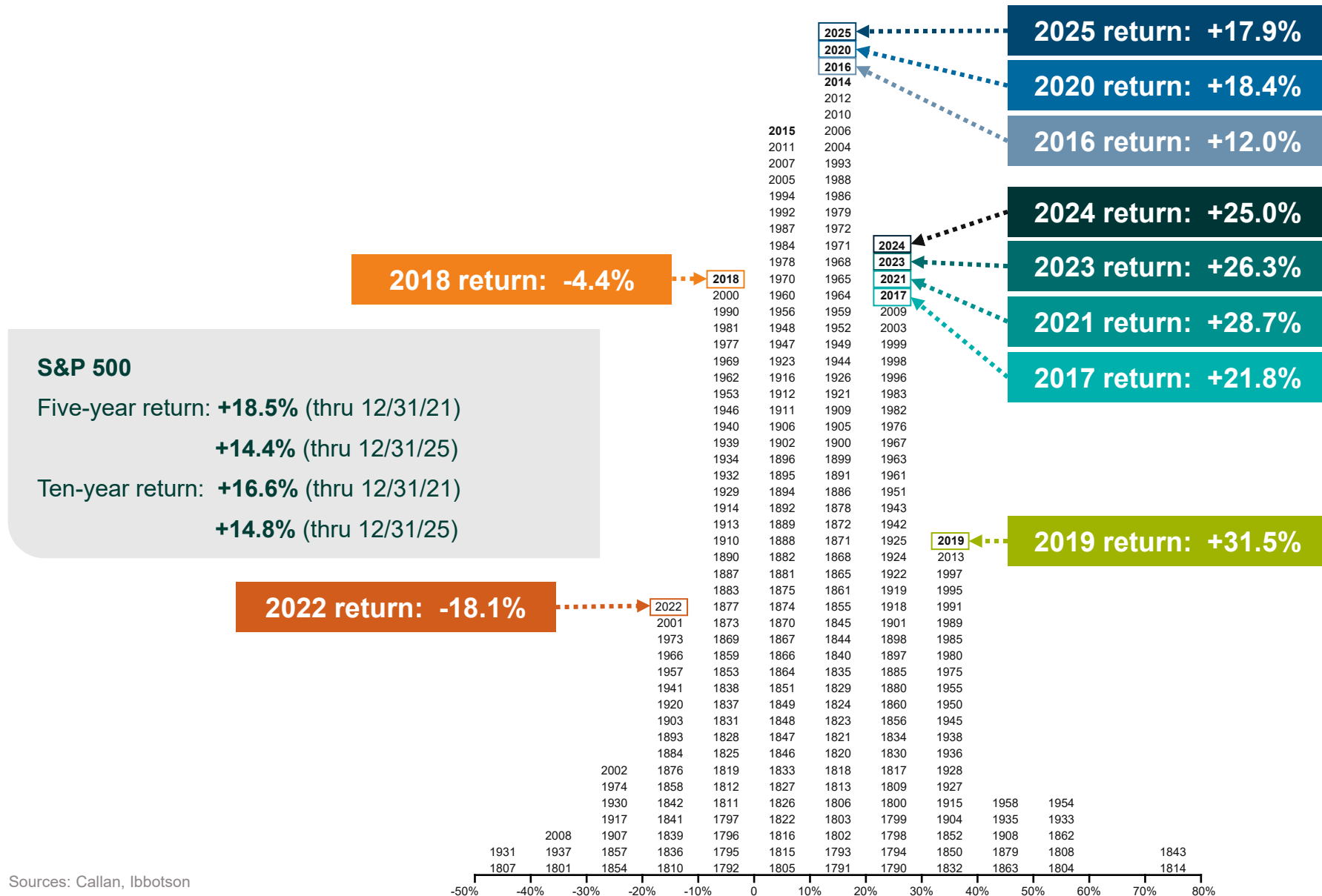
**The 5-year, 5-year forward rate is the bond market's estimate of the 5-year inflation rate 5 years from now.**

Excludes current levels of inflation

Source: Federal Reserve Bank of St. Louis

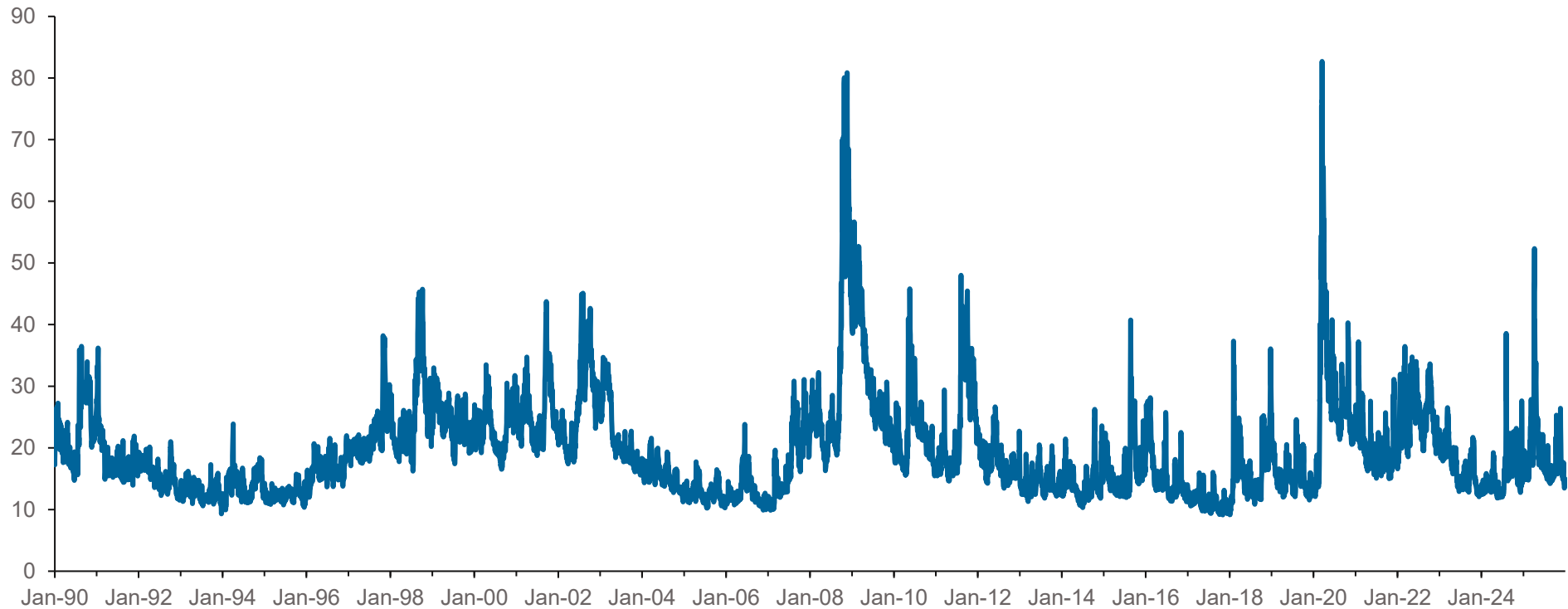
# Stock Market Returns by Calendar Year

Performance in perspective: History of the U.S. stock market (235 years of returns)



# Market Volatility in Context

CBOE Volatility Index (VIX)



- VIX measures the market expectation of near-term volatility conveyed by stock index option prices.
- Implied market volatility has receded after spiking with initial news of tariffs.

Sources: Chicago Board Options Exchange, CBOE Volatility Index: VIX [VIXCLS], retrieved from FRED, Federal Reserve Bank of St. Louis.

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## Fixed Income

2026 Expectations

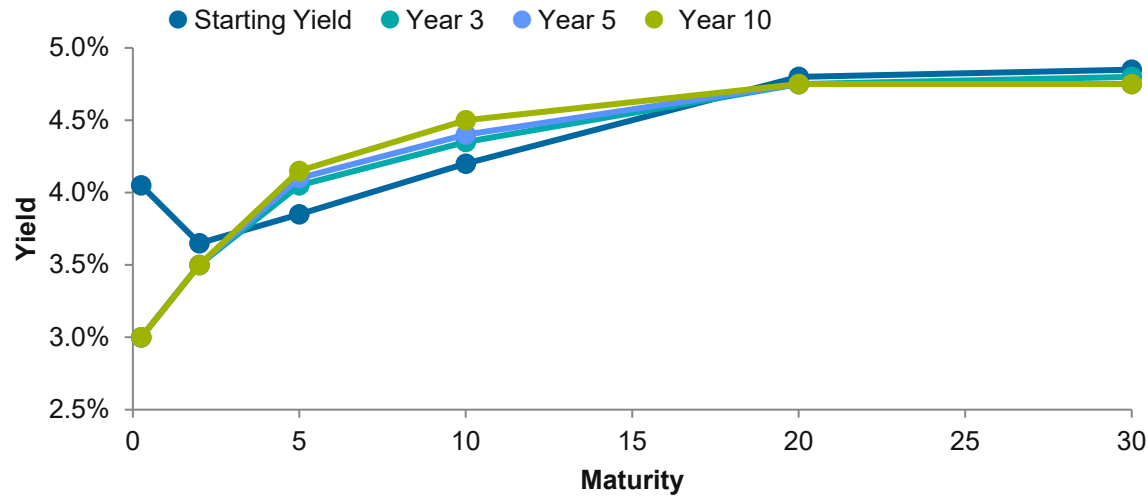
# Projected Fixed Income Returns

10-year projections

	Income Return	+	Capital Gain/Loss	+	Credit Default	+	Roll Return	=	2026 Expected Return	2025 Expected Return	Change vs. 2025
<b>Cash</b>	<b>3.00%</b>		<b>0.00%</b>		<b>0.00%</b>		<b>0.00%</b>		<b>3.00%</b>	<b>3.00%</b>	<b>0.00%</b>
<b>1-3 Year Gov/Credit</b>	<b>3.65%</b>		<b>0.00%</b>		<b>-0.05%</b>		<b>0.30%</b>		<b>3.90%</b>	<b>4.00%</b>	<b>-0.10%</b>
1-3 Year Government	3.50%		0.05%		0.00%		0.25%		3.80%	3.80%	
1-3 Year Credit	4.05%		0.00%		-0.15%		0.35%		4.25%	4.30%	
<b>Intermediate Gov/Credit</b>	<b>4.25%</b>		<b>-0.15%</b>		<b>-0.05%</b>		<b>0.55%</b>		<b>4.60%</b>	<b>4.40%</b>	<b>0.20%</b>
Intermediate Gov	4.00%		-0.10%		0.00%		0.50%		4.40%	4.20%	
Intermediate Credit	4.80%		-0.25%		-0.20%		0.60%		4.95%	4.75%	
<b>Aggregate</b>	<b>4.55%</b>		<b>-0.20%</b>		<b>-0.05%</b>		<b>0.45%</b>		<b>4.75%</b>	<b>4.75%</b>	<b>0.00%</b>
Government	4.15%		-0.20%		0.00%		0.45%		4.40%	4.55%	
Securitized	4.45%		0.15%		0.00%		0.45%		5.05%	4.90%	
Credit	5.35%		-0.55%		-0.25%		0.50%		5.05%	4.95%	
<b>Long Duration Gov/Credit</b>	<b>5.40%</b>		<b>-0.30%</b>		<b>-0.15%</b>		<b>0.25%</b>		<b>5.20%</b>	<b>5.20%</b>	<b>0.00%</b>
Long Government	4.70%		0.05%		0.00%		0.25%		5.00%	4.80%	
Long Credit	5.95%		-0.70%		-0.25%		0.25%		5.25%	5.40%	
<b>TIPS</b>	<b>4.20%</b>		<b>-0.15%</b>		<b>0.00%</b>		<b>0.45%</b>		<b>4.50%</b>	<b>4.55%</b>	<b>-0.05%</b>
<b>Global ex-U.S. Fixed</b>	<b>2.85%</b>		<b>-0.10%</b>		<b>-0.10%</b>		<b>0.25%</b>		<b>2.90%</b>	<b>2.85%</b>	<b>0.05%</b>
<b>High Yield</b>	<b>8.05%</b>		<b>-0.60%</b>		<b>-2.05%</b>		<b>0.50%</b>		<b>5.90%</b>	<b>6.00%</b>	<b>-0.10%</b>
<b>Emerging Market Debt</b>	<b>7.25%</b>		<b>-0.85%</b>		<b>-1.85%</b>		<b>0.45%</b>		<b>5.00%</b>	<b>5.35%</b>	<b>-0.35%</b>
<b>Bank Loans</b>	<b>7.95%</b>		<b>-0.25%</b>		<b>-1.70%</b>		<b>0.00%</b>		<b>6.00%</b>	<b>6.10%</b>	<b>-0.10%</b>

# Shape of Yield Curve at Different Points in Forecast Horizon

## Yield Curve Forecasts

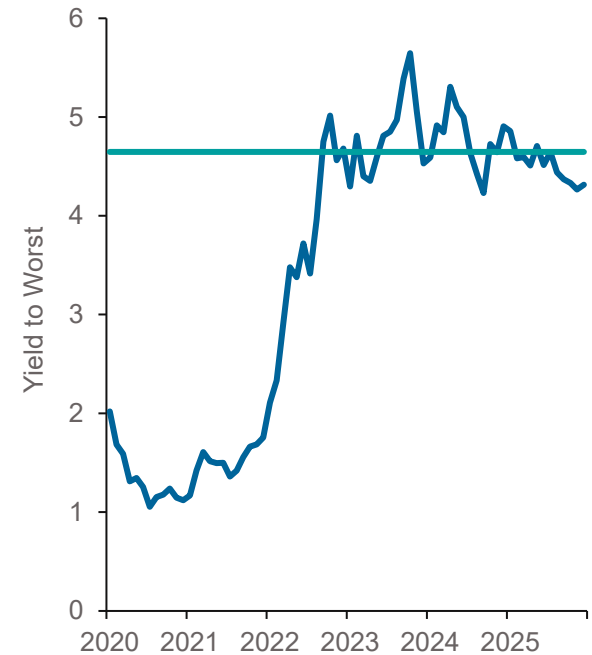
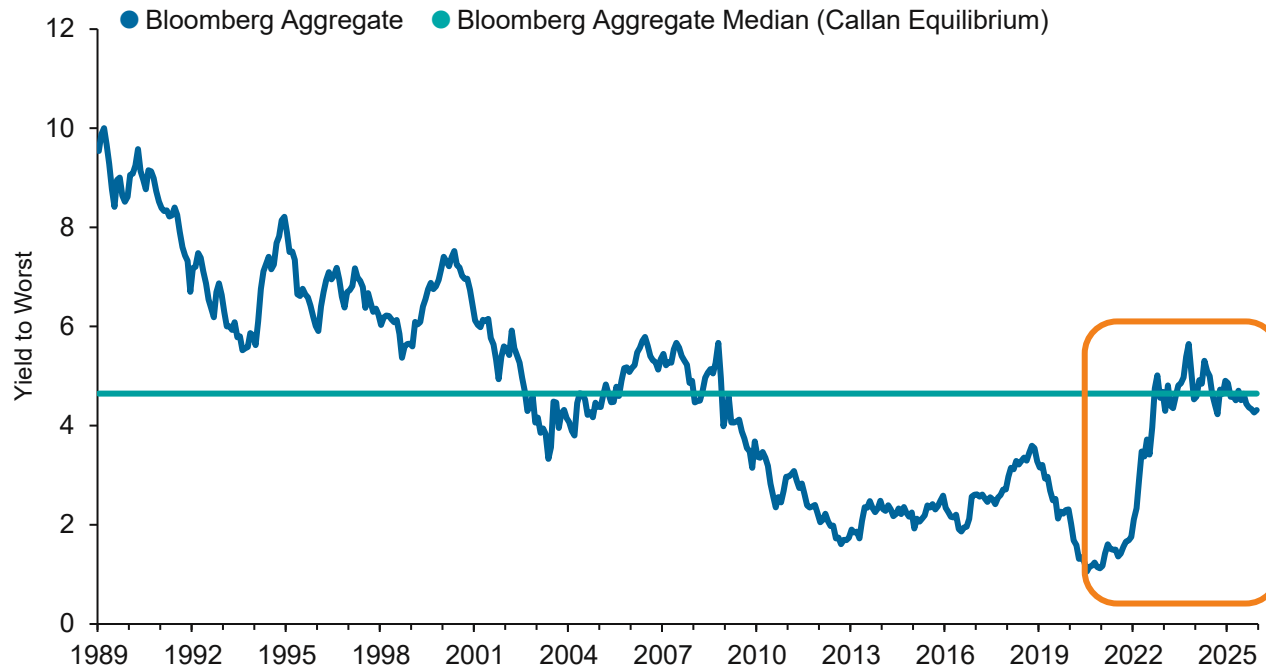


Our fixed income projections assume the yield curve returns to an upward-sloping pattern within the next few years.

Short and long rates fall to Callan's equilibrium while intermediate rates rise to equilibrium.

# Drowning Out the Noise

## Core Fixed Income Historical Yield

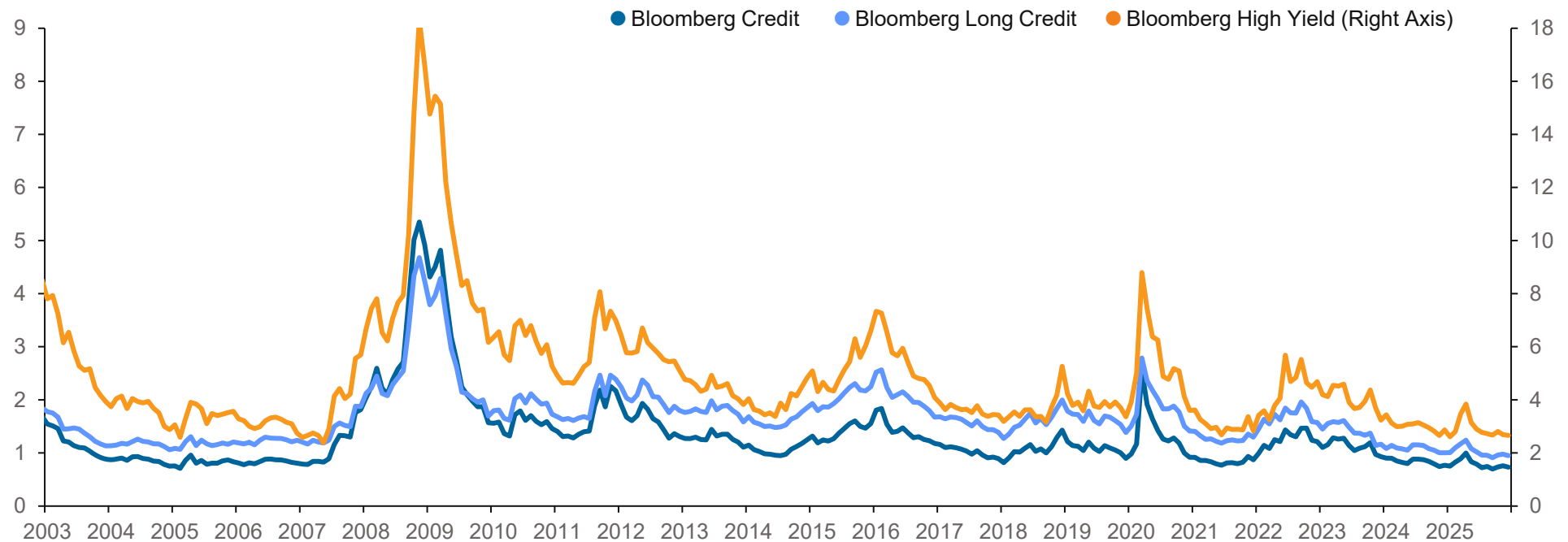


There has been a lot of rate volatility, but rates have been range-bound around our equilibrium.

We have been updating our bond assumptions to drown out the short-term noise and focus more on the longer-term trends.

# Spreads Act as a Headwind

Historical Option Adjusted Spreads (OAS)



**Spreads are at some of the tightest levels they have been in the last 20+ years as the risk-on mentality in the stock market has carried over into bonds.**

We assume spreads will widen to levels consistent with long-term history, which is a headwind to returns.

- This is akin to a valuation adjustment in equities.

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## Public Equity

2026 Expectations

# Equity Forecasts Overview

## Fundamental relationship

$$\text{Equity Return} = \underbrace{\text{Capital Appreciation}}_{\text{Real Earnings Growth + Inflation}} + \underbrace{\text{Income}}_{\text{Dividend Yield + Net Share Buybacks}} + \text{+/- Valuation Adjustment}$$

**Building up U.S. equity (S&P 500) returns from long-term fundamentals we arrive at 7.25%.**

- Real earnings growth is linked to real GDP growth over long horizons; we forecast U.S. real GDP of 2.50% over the next decade.
- Inflation (CPI-U) is forecasted at 2.50% over the next 10 years.
  - Slightly above the Fed's inflation target of 2%
  - *Realized inflation over the past quarter century is 2.6%*
  - In line with the market-based forecast of breakeven inflation (yield difference between Treasuries and TIPS)
- Income return of 2.50% from dividend yield and share buybacks
- U.S. equity valuation adjustment of -0.25% as current valuations exceed historical norms
- Small premium for global ex-U.S. over U.S. stems from emerging market growth potential.

# Equity Forecasts

## Building block model

Index	Forecasted Dividend Yield	Net Buyback Yield	Inflation	Real Earnings Growth	Valuation Adjustment	Total Expected Return
Large Cap U.S. Equity	1.50%	1.00%	2.50%	2.50%	-0.25%	7.25%
Smid Cap U.S. Equity	1.25%	0.25%	2.50%	3.45%	0.00%	7.45%
Developed ex-U.S. Equity	3.25%	0.25%	2.00%	1.75%	0.00%	7.25%
Emerging Markets Equity	3.05%	-2.65%	3.25%	3.80%	0.00%	7.45%

**Our return expectations for U.S. large cap (S&P 500) and developed ex-U.S. markets (MSCI World ex-USA) are the same, but the paths to those returns are different.**

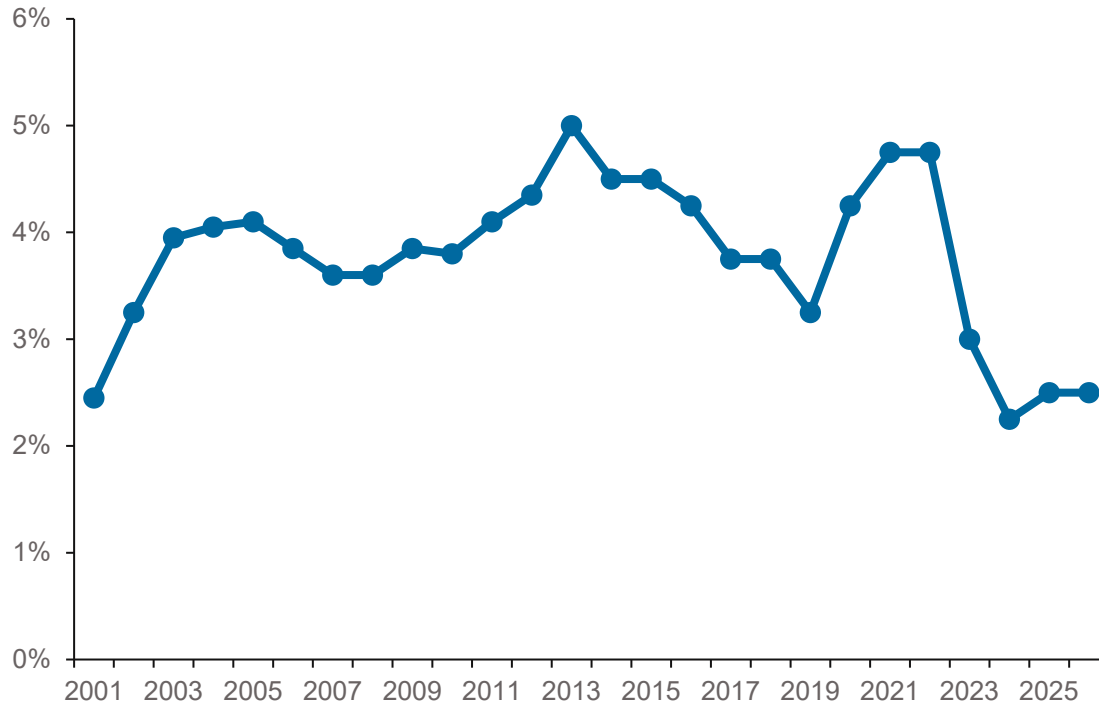
- U.S. companies tend to deliver more return from earnings growth than from return of capital via dividends or buybacks.
- Developed ex-U.S. companies have the opposite relationship.

**Small/mid cap U.S. equity and emerging markets equity maintain a small expected return premium over their large cap and developed markets counterparts.**

# Callan's Equity Risk Premia Forecasts Over Time

S&P 500 forecast minus Bloomberg Aggregate forecast

Forecasted Equity Risk Premium vs. Bonds

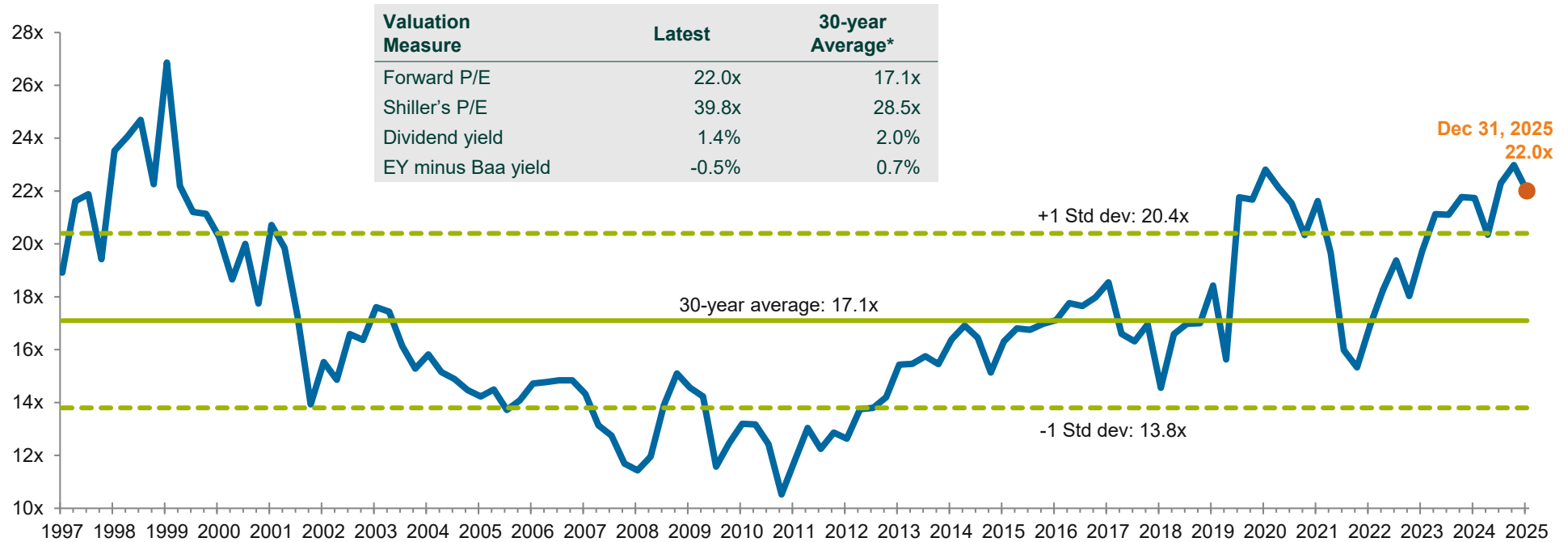


Callan's forecasted return spread between the S&P 500 and the Bloomberg Aggregate (2.50%) remains narrow.

Forecasts are annualized over 10 years.

# U.S. Equity Market: Key Metrics

## S&P 500 forward P/E ratios



Forward P/E of 22.0 is more than one standard deviation above its long-term average of 17.1.

A host of U.S. valuation measures are elevated for large cap equities.

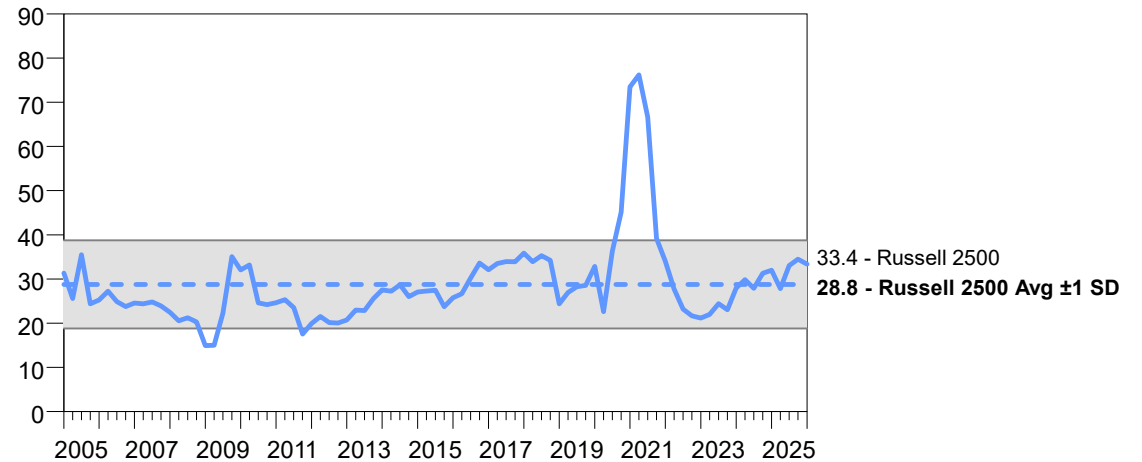
Sources: FactSet, FRB, Refinitiv Datastream, Robert Shiller, Standard & Poor's, Thomson Reuters, J.P. Morgan Asset Management Guide to the Markets.

# Equity Forecasts

## Small/mid cap U.S. equity valuations

In contrast, small/mid cap U.S. equity markets appear less stretched than large cap U.S. equity.

Small/Mid Cap U.S. Equity Price/Earnings Ratio (inc neg)



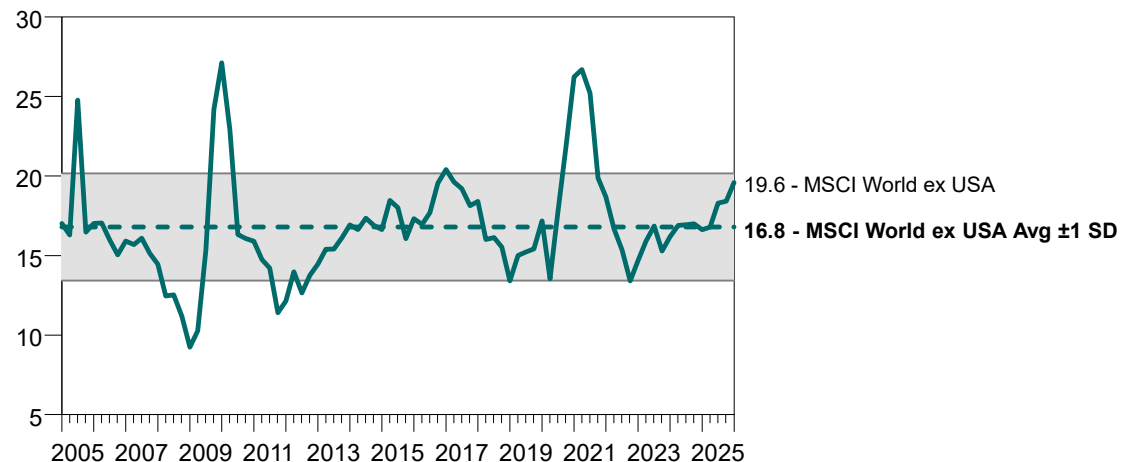
P/E measure is one year trailing.  
Source: MSCI

# Equity Forecasts

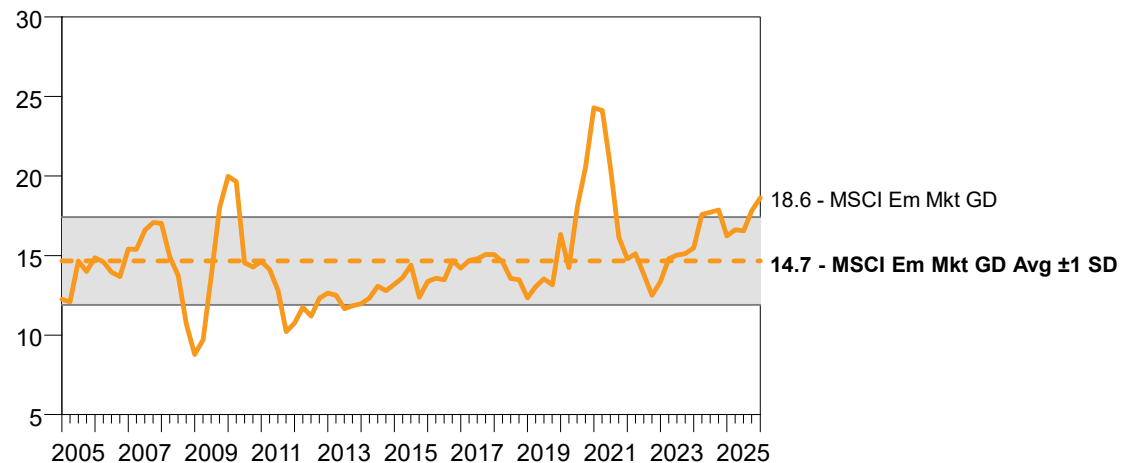
## Global ex-U.S. valuations

Similarly, global ex-U.S. equity markets appear less stretched than large cap U.S. equity.

Developed Markets ex-U.S. Price/Earnings Ratio (inc neg)



Emerging Markets Price/Earnings Ratio (inc neg)

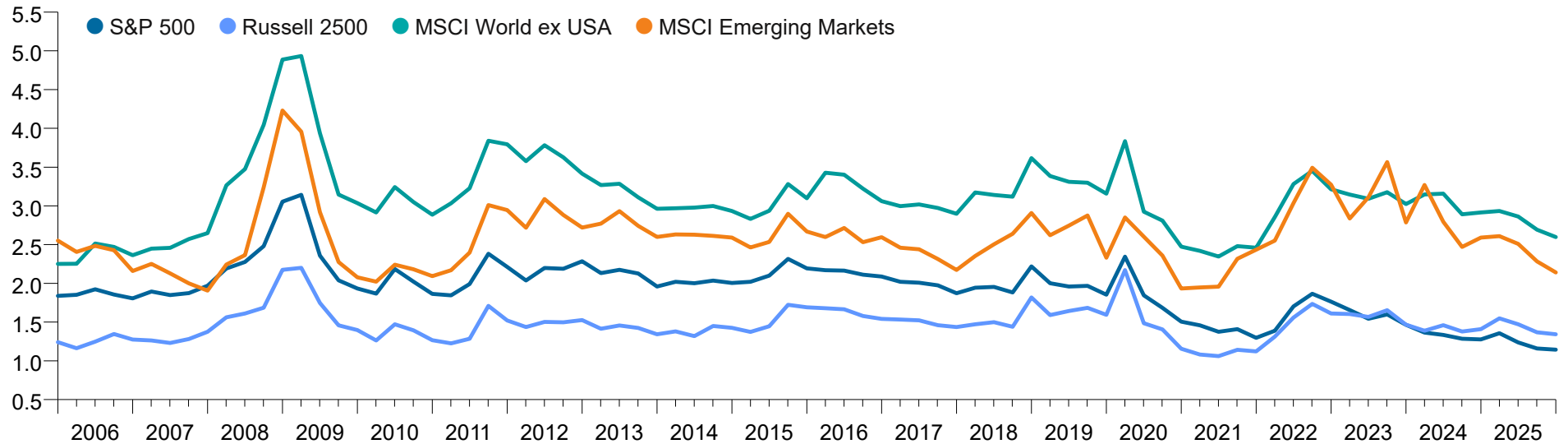


P/E measure is one year trailing.

# Equity Forecasts

## Dividend yields (past 20 years)

Dividend Yield for 20 Years Ended December 31, 2025



Global ex-U.S. equity has consistently provided higher dividend yields than U.S. equity.

Dividend yield measure is one year trailing  
Sources: MSCI, Russell, Standard & Poor's

Callan

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## Private Markets

2026 Expectations

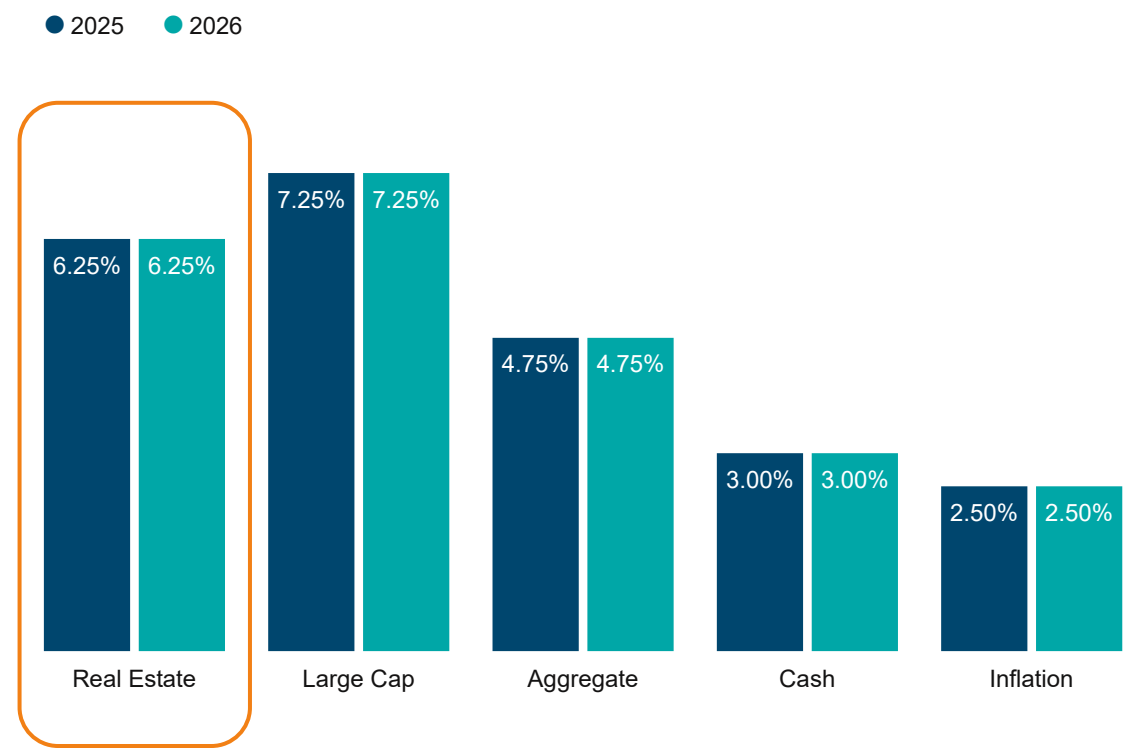
# Core Real Estate

## Background

Real estate has characteristics of equity (ownership and appreciation) and bonds (income from rents). While real estate, especially within offices, could continue to face elevated risks in the short-term, price declines in recent years make more attractive entry points available for long-term investors.

**2026 real estate return projection:  
6.25% (unchanged from 2025)**

## Return Projections



Source: Callan, NCREIF

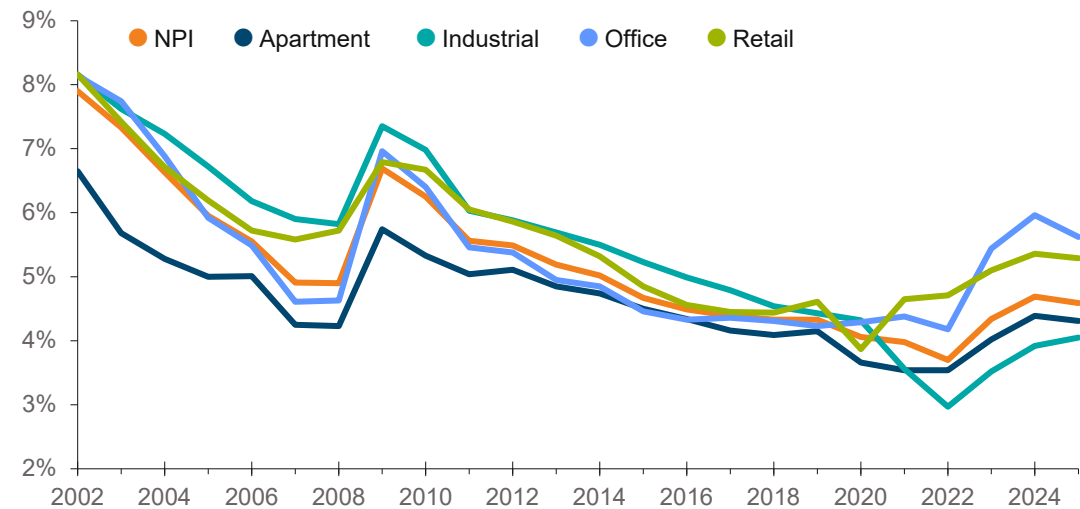
# Core Real Estate

## 6.25% core real estate compound return (net of fees)

Return calculations assume 5.2% cost of leverage and 0.5x debt-to-equity (33% loan-to-value)

Income Return (unlevered property)	4.9%
Appreciation (unlevered property)	1.3%
Total Return (before leverage)	6.2%

## Annual Cap Rates (through September 30, 2025)



## Callan Return Assumptions (unlevered property returns)

	Office	Retail	Industrial	Apartments	Other	NPI Index
Income	5.6%	5.6%	4.2%	4.6%	6.1%	4.9%
Appreciation	1.1%	0.7%	2.1%	0.9%	1.0%	1.3%
Total Return	6.7%	6.3%	6.3%	5.5%	7.1%	6.2%

Source: NCREIF Property Index (NPI) cap rates correspond to unlevered property valuations

# Private Infrastructure

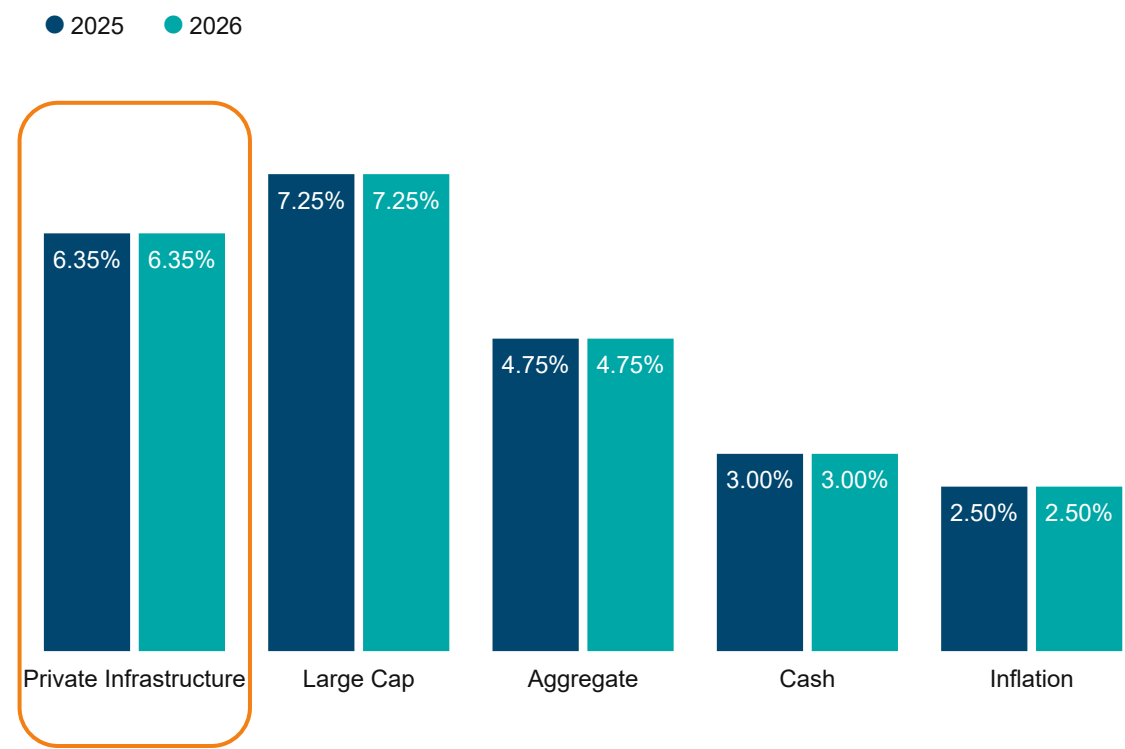
## Background

Infrastructure has characteristics of equity (ownership and appreciation) and bonds (income from fees, tolls, rents).

Infrastructure typically levers steady cash flows with some unique element of monopoly of service, regulated rates, or priority access to dedicated capital like roads, tolls, airports, telecommunication, power supply.

**2026 infrastructure return projection: 6.35% (unchanged from 2025)**

## Return Projections



Source: Callan

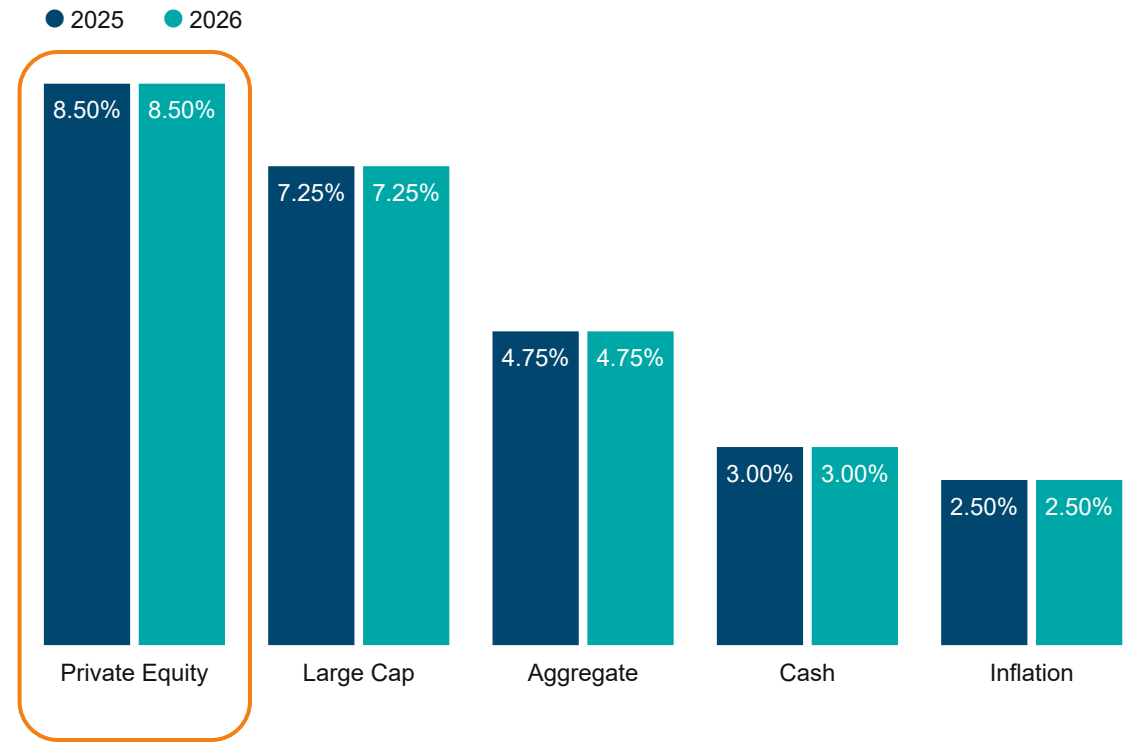
# Private Equity

## Background

We see tremendous disparity between the best- and worst-performing managers. The ability to select skillful managers could result in realized returns significantly greater than projected here.

**2026 private equity return projection:  
8.50% (unchanged from 2025)**

## Return Projections



Source: Callan

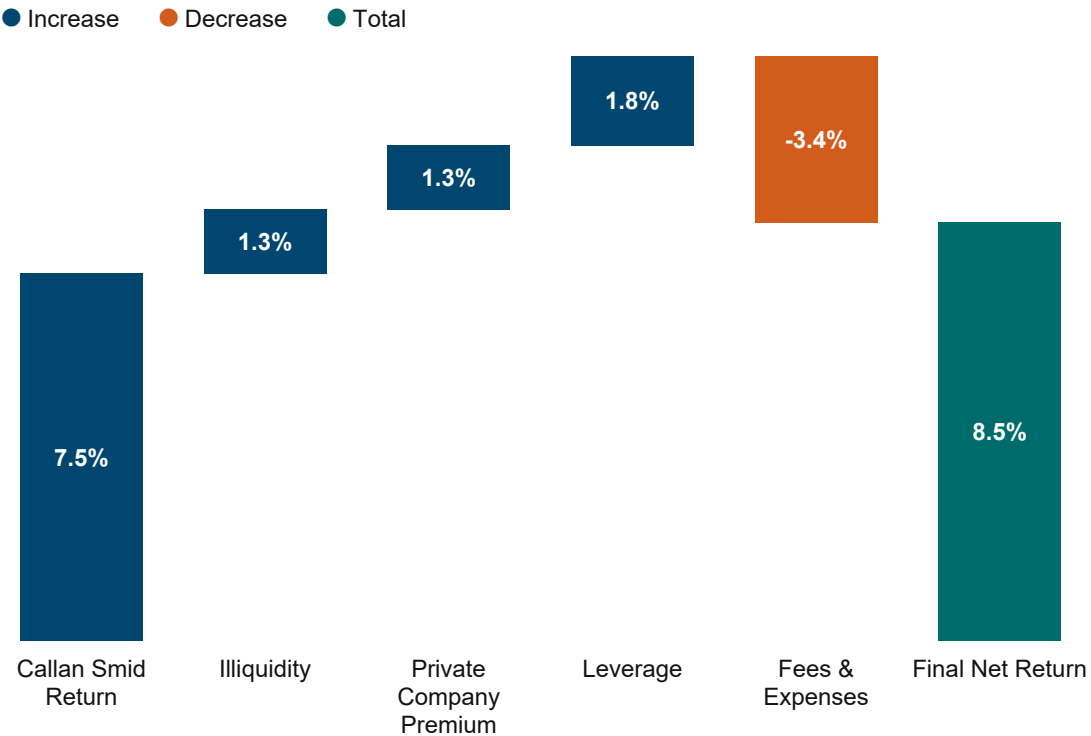
# Private Equity

## Background

The private equity market is driven by many of the same economic factors as public equity markets but is expected to offer an illiquidity premium.

Public Equity Return (SMID)	7.5%
Pvt. & Illiquidity Prem.	2.6%
Incremental Debt-to-Equity	50%
Levered Gross Return	11.9%
Total Fees & Expenses	3.4%
<b>Net Compound Return</b>	<b>8.50%</b>

## Private Equity Return Decomposition



Source: Callan  
Return calculation assumes 6.4% cost of leverage

# Private Credit

## Background

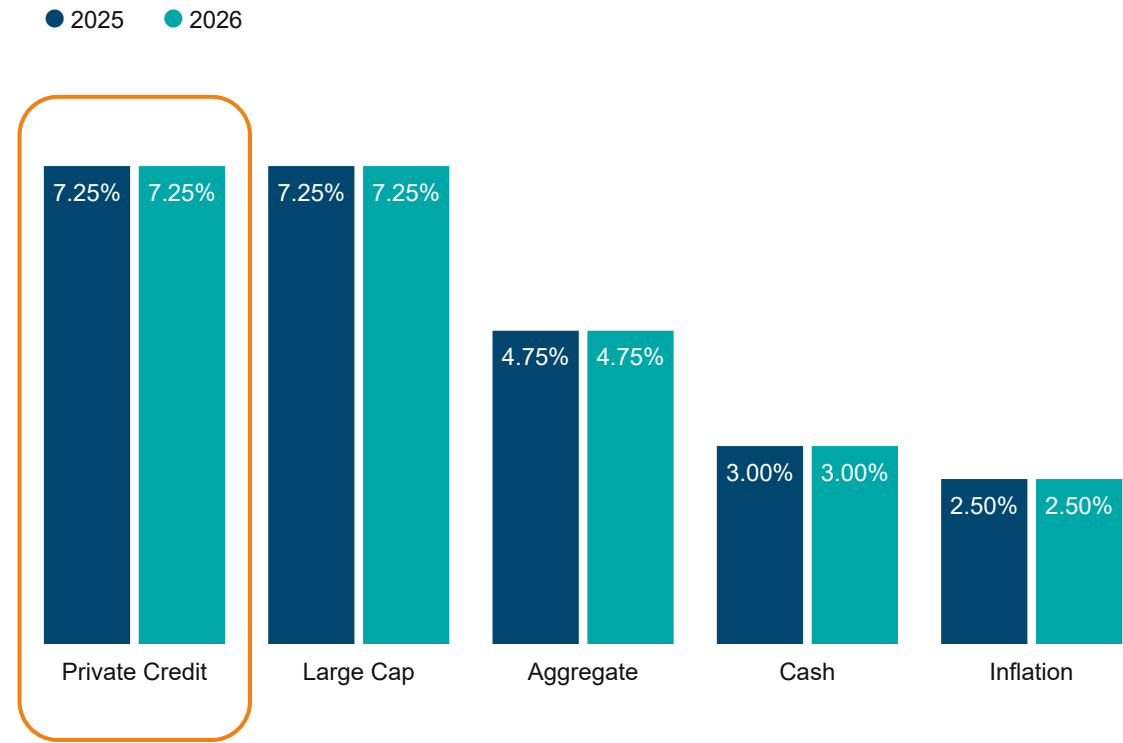
Return projection is anchored on yields for middle market direct lending.

Strong appetite from institutional and retail investors persists.

**2026 private credit return projection:  
7.25% (unchanged from 2025)**

Unlevered Yield	9.5%
Leverage	0.85x
Levered Yield	12.8%
Loss Ratio	2.4%
Net Arithmetic	8.4%
<b>Net Compound Return</b>	<b>7.25%</b>

## Return Projections



Source: Callan  
Return calculation assumes 5.5% cost of leverage and 1.3% unlevered loss ratio

# Hedge Funds

## Background

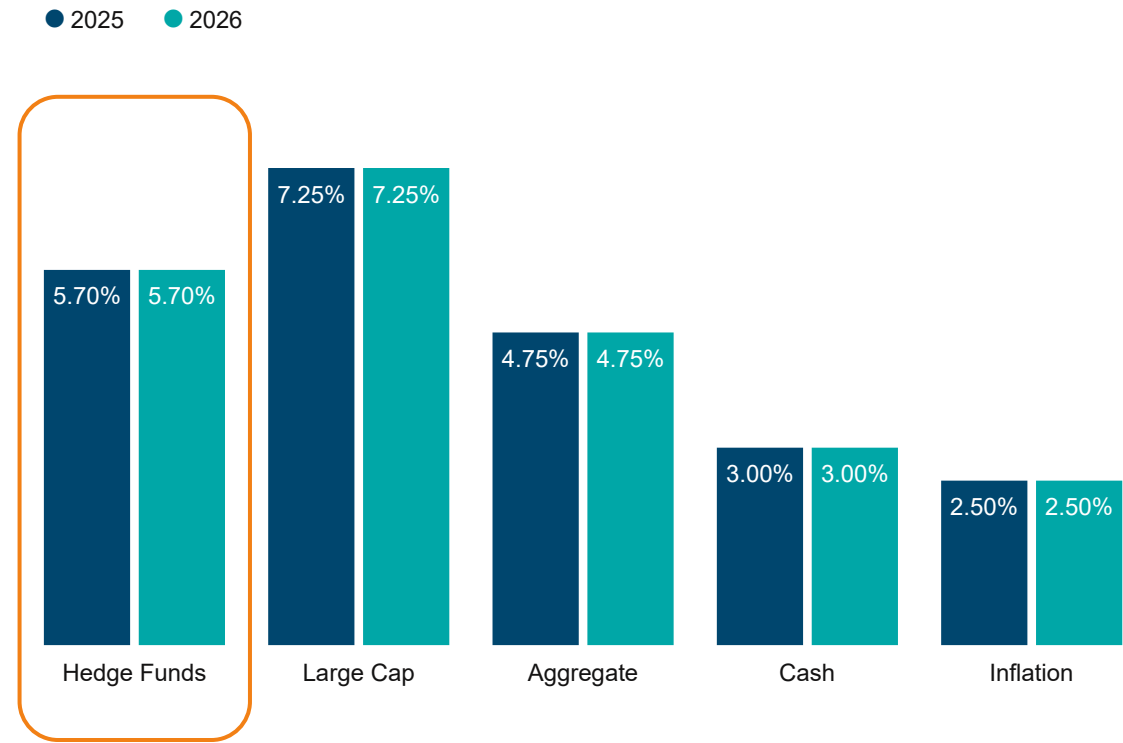
Our hedge fund model is:

Expected Return = Cash + Equity Beta x  
(Equity-Cash) + Exotic Beta + Net Alpha

**2026 hedge fund return projection: 5.70%**  
**(unchanged from 2025)**

Cash Projection	3.0%
Equity Beta	0.4
Exotic Beta + Net Alpha	0.5 - 1.5%
<b>Net Compound Return</b>	<b>5.7%</b>

## Return Projections



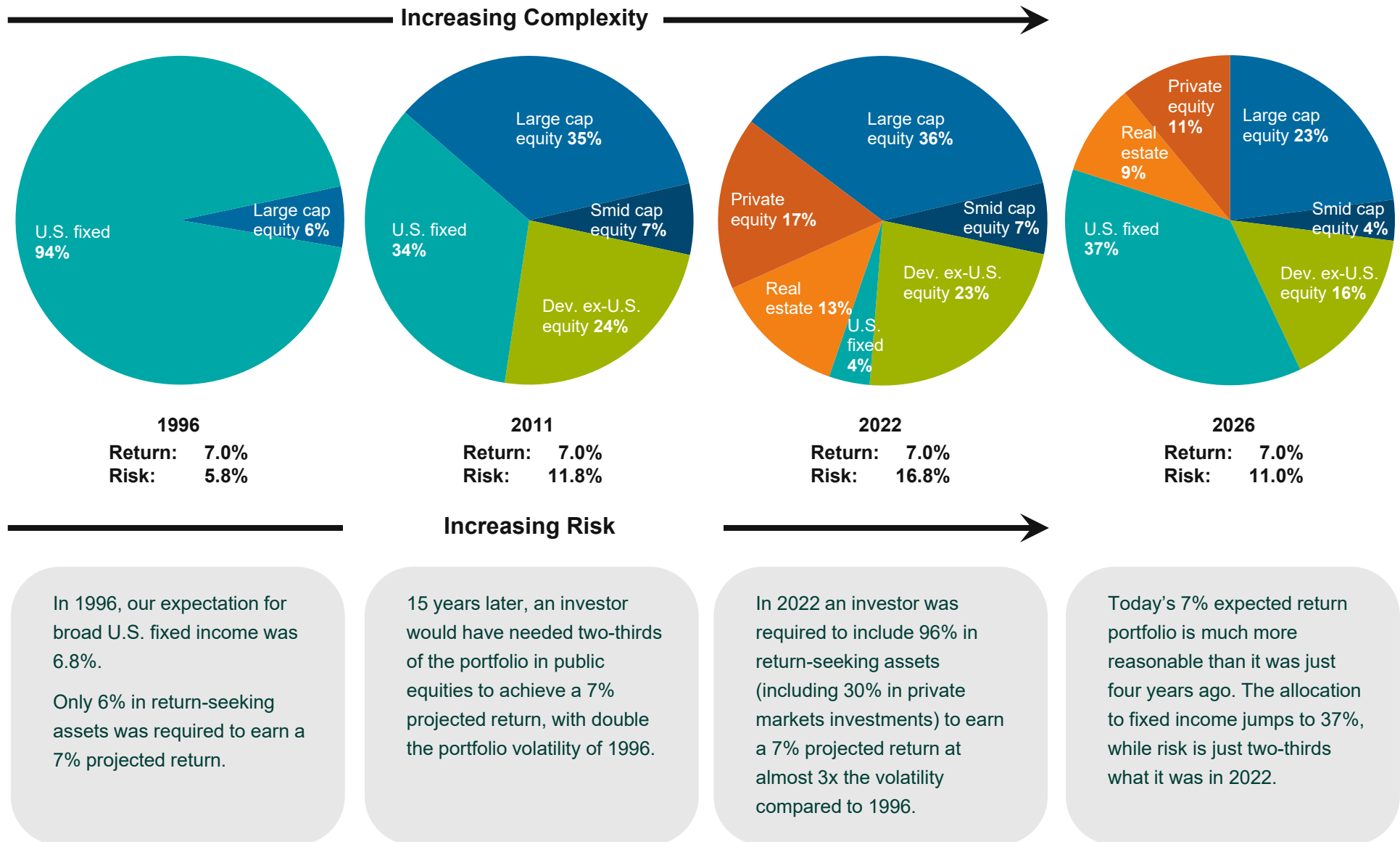
Source: Callan

Callan

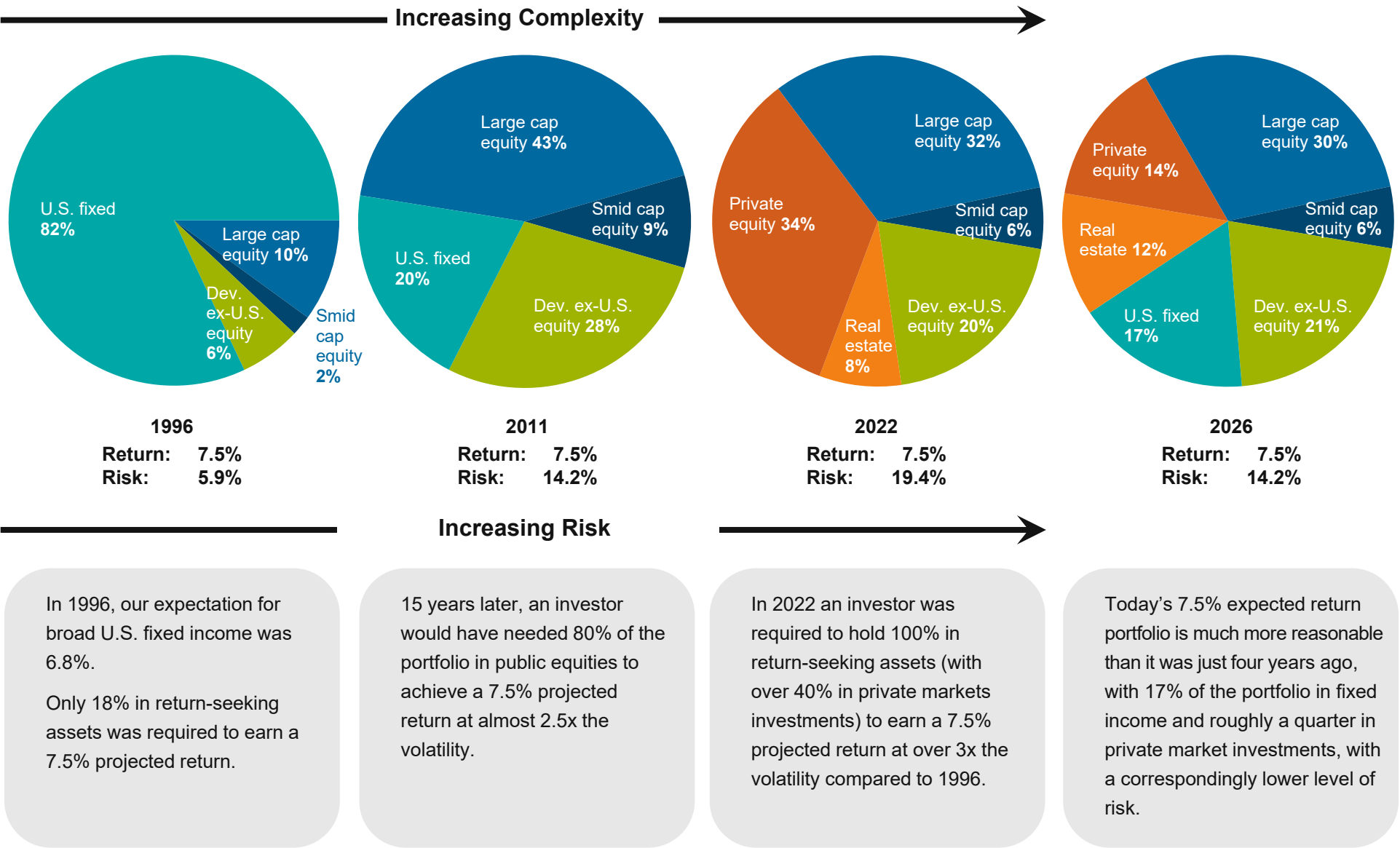
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## Portfolio Implications

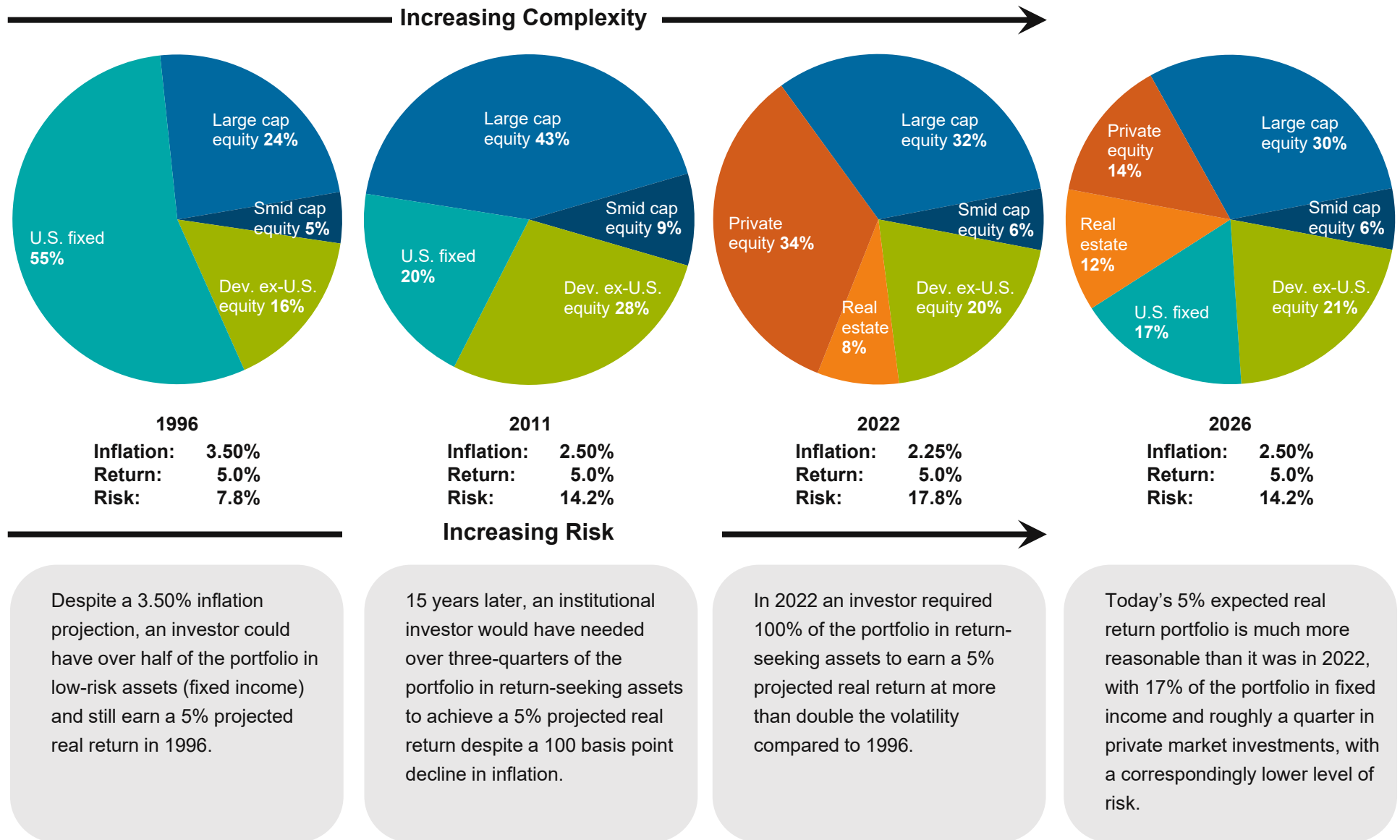
# 7% Expected Returns Over Past 30 Years



# 7.5% Expected Returns Over Past 30 Years



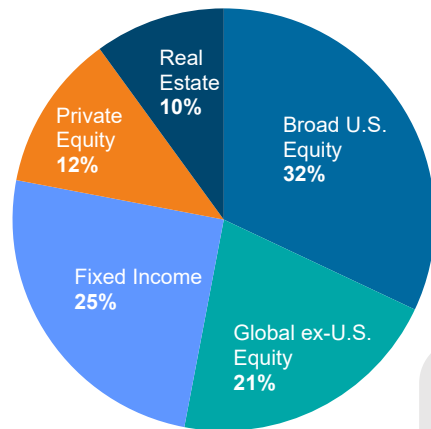
# 5% Expected Real Returns Over Past 30 Years



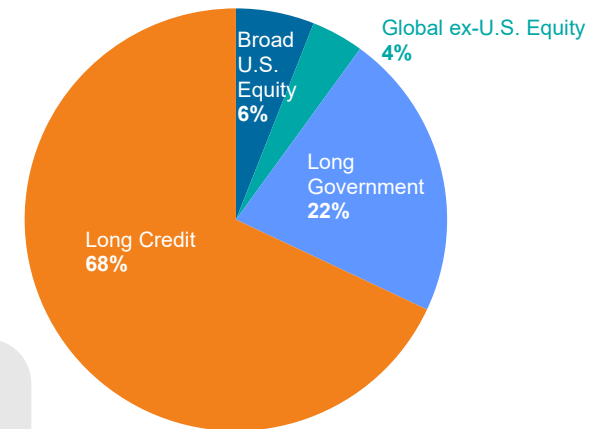
# Sample Portfolios in 2026 vs. 2025

## Total return and LDI

Sample Public Defined Benefit



Sample LDI Corporate Defined Benefit



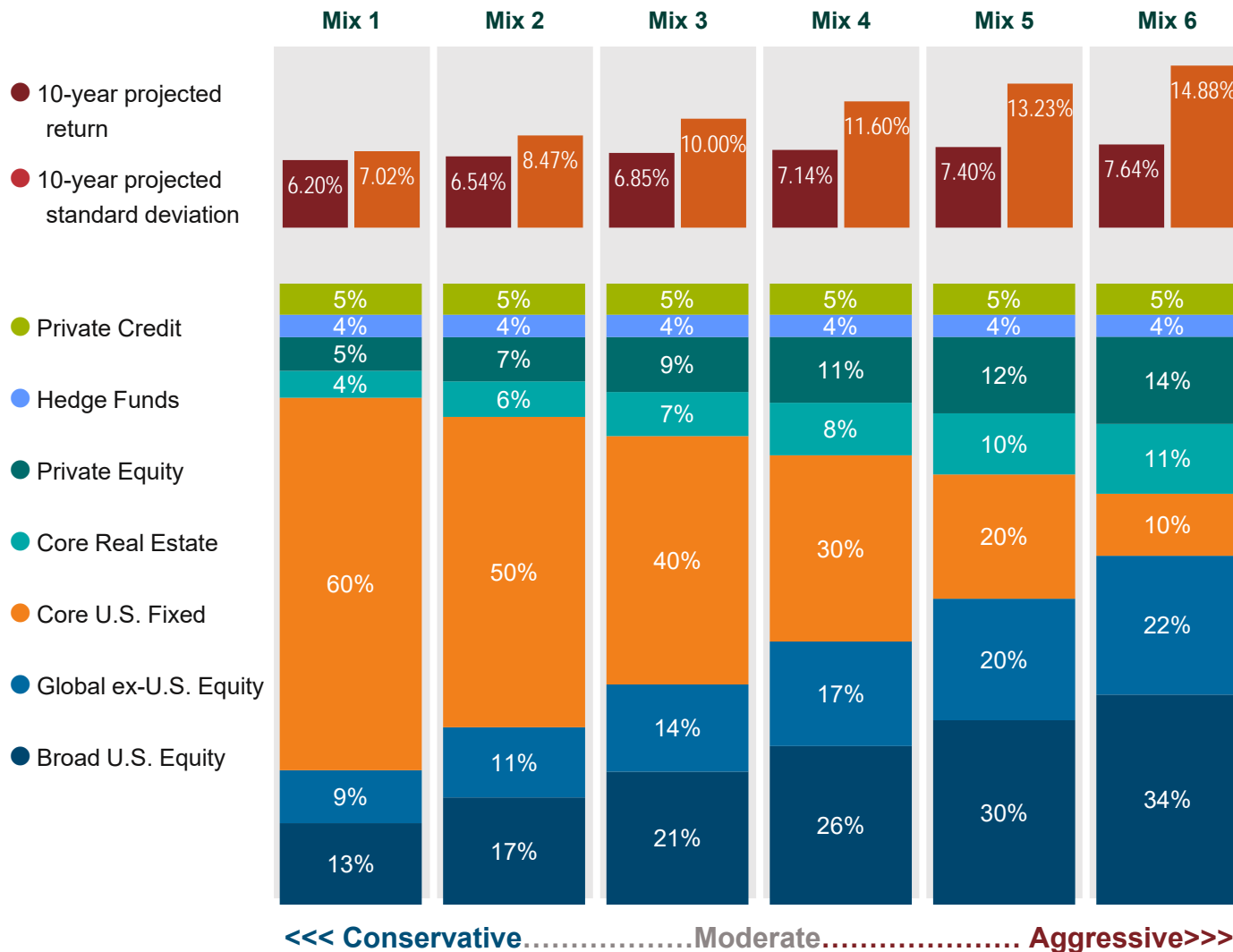
**Inflation: no change**  
**Cash: no change**  
**Public/Private Equity: no change**  
**Fixed Income: between -0.35% to +0.20%**  
**Real Estate: no change**

Mix Characteristics	2026	2025	Difference
Expected Return (nominal)	7.34%	7.34%	0.00%
Expected Return (real)	4.84%	4.84%	0.00%
Standard Deviation	13.12%	13.06%	+0.06%
Sharpe Ratio	0.32	0.32	0.00

Mix Characteristics	2026	2025	Difference
Expected Return (nominal)	5.60%	5.67%	-0.07%
Expected Return (real)	3.10%	3.17%	-0.07%
Standard Deviation	11.05%	11.13%	-0.08%
Sharpe Ratio	0.24	0.24	0.00

# Optimization Set – Public Stocks and Bonds Plus Alternatives

## Asset mix alternatives



### Constraints:

Private Credit  $\leq 5\%$

Private Equity  $\leq 0.25 \times$  Pub Eq

Real Estate  $\leq 0.20 \times$  Pub Eq

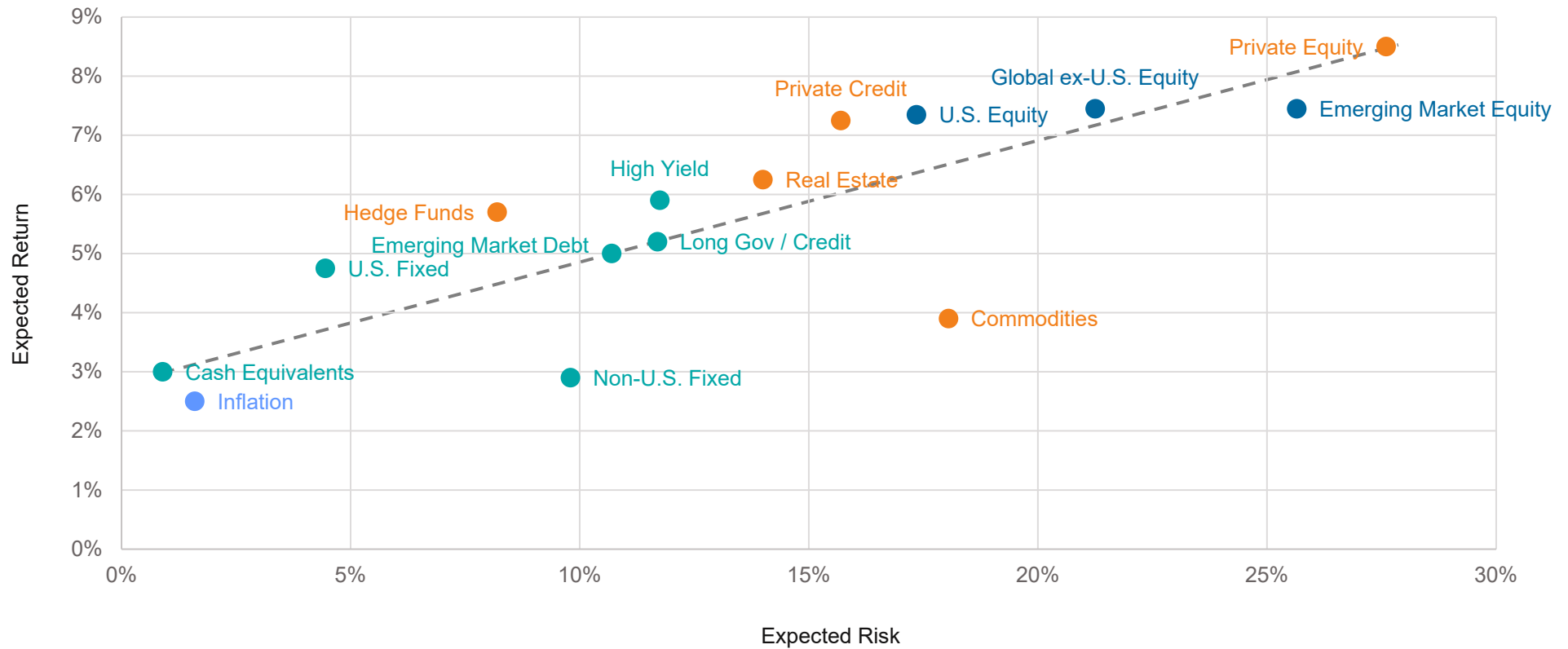
### Note on public equity:

We tune large cap, small cap, developed ex-U.S. and emerging separately.

Prefer to optimize portfolios with broad U.S. and broad global ex-U.S. equity

# Risk Aversion

## Visualizing Callan's 2026–2035 Capital Market Assumptions



Source: Callan 2026–2035 return-risk capital markets assumptions

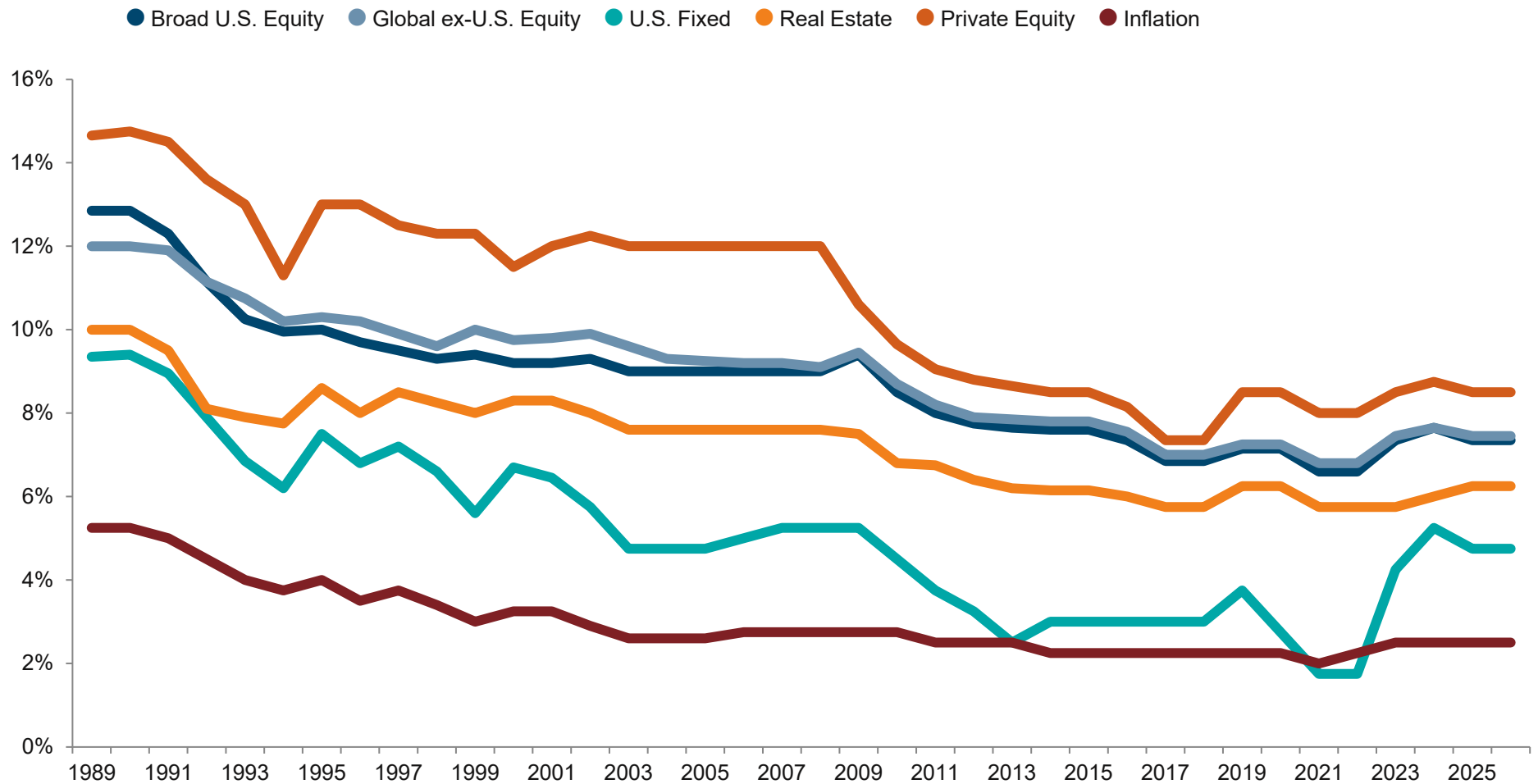
## 2026–2035 Callan Capital Markets Assumptions Correlations

Large Cap U.S. Equity	1.00																					
Smid Cap U.S. Equity	0.86	1.00																				
Dev ex-U.S. Equity	0.70	0.81	1.00																			
Emerging Market Equity	0.74	0.81	0.89	1.00																		
Short Duration	0.07	0.03	0.06	0.01	1.00																	
Core U.S. Fixed	0.14	0.08	0.11	0.06	0.80	1.00																
Long Government	0.07	0.05	0.08	0.05	0.67	0.83	1.00															
Long Credit	0.40	0.35	0.35	0.35	0.64	0.81	0.72	1.00														
TIPS	0.02	0.00	0.01	-0.02	0.55	0.75	0.56	0.54	1.00													
High Yield	0.73	0.73	0.70	0.73	0.13	0.15	0.05	0.45	0.06	1.00												
Global ex-U.S. Fixed	0.15	0.14	0.17	0.13	0.50	0.53	0.43	0.53	0.40	0.16	1.00											
EM Sovereign Debt	0.61	0.62	0.63	0.67	0.17	0.23	0.13	0.46	0.11	0.62	0.17	1.00										
Core Real Estate	0.38	0.31	0.33	0.28	0.17	0.21	0.10	0.30	0.13	0.30	0.15	0.22	1.00									
Private Infrastructure	0.47	0.45	0.45	0.43	0.14	0.18	0.10	0.33	0.08	0.34	0.18	0.32	0.65	1.00								
Private Equity	0.79	0.76	0.75	0.73	-0.02	0.02	-0.06	0.26	-0.07	0.55	0.10	0.45	0.44	0.52	1.00							
Private Credit	0.65	0.64	0.62	0.63	0.04	0.00	-0.02	0.31	-0.05	0.55	0.11	0.47	0.26	0.27	0.65	1.00						
Hedge Funds	0.62	0.58	0.55	0.55	0.28	0.41	0.27	0.52	0.26	0.50	0.25	0.48	0.20	0.31	0.42	0.47	1.00					
Commodities	0.20	0.20	0.20	0.20	-0.04	-0.05	-0.10	0.05	0.00	0.18	0.05	0.15	0.16	0.15	0.16	0.14	0.17	1.00				
Cash Equivalents	-0.02	-0.07	-0.08	-0.08	0.27	0.16	0.12	0.04	0.14	-0.03	0.10	-0.02	0.02	-0.04	-0.04	-0.04	0.00	-0.02	1.00			
Inflation	0.00	0.02	0.00	0.02	-0.20	-0.22	-0.30	-0.20	0.25	-0.03	-0.12	-0.04	0.20	0.10	0.04	-0.04	-0.01	0.35	0.02	1.00		
	Large Cap	Smid Cap	Dev ex-US	EM Equity	Short Dur	Core Fix	Long Gov	Long Credit	TIPS	High Yield	Gl ex-US Fixed	EMD	Core RE	Pvt Infra	Pvt Equity	Pvt Credit	Hedge Fund	Comm	Cash Eq	Inflation		

Source: Callan

# Return Projections: Major Asset Classes

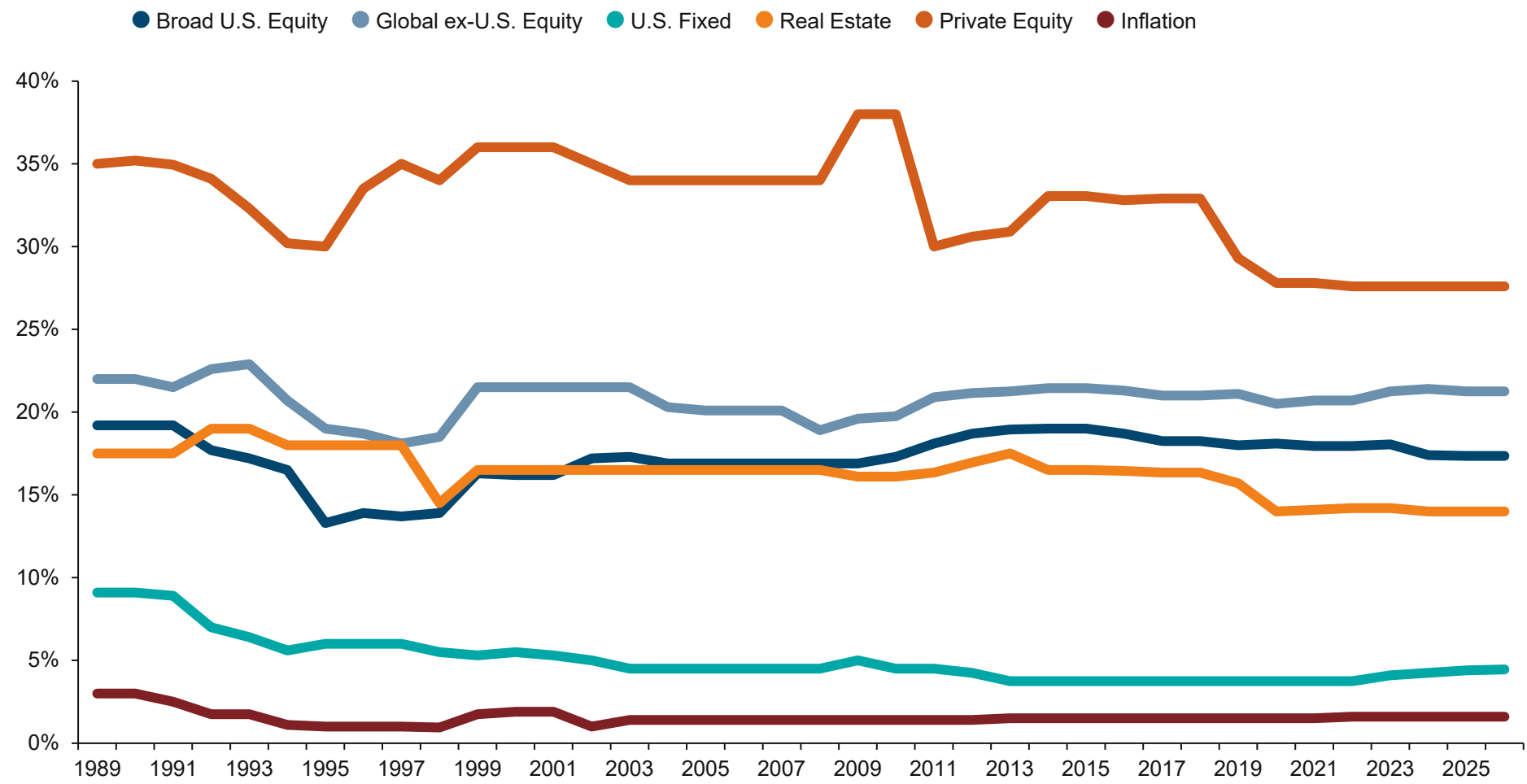
1989–2026



Source: Callan

# Risk Projections: Major Asset Classes

1989–2026



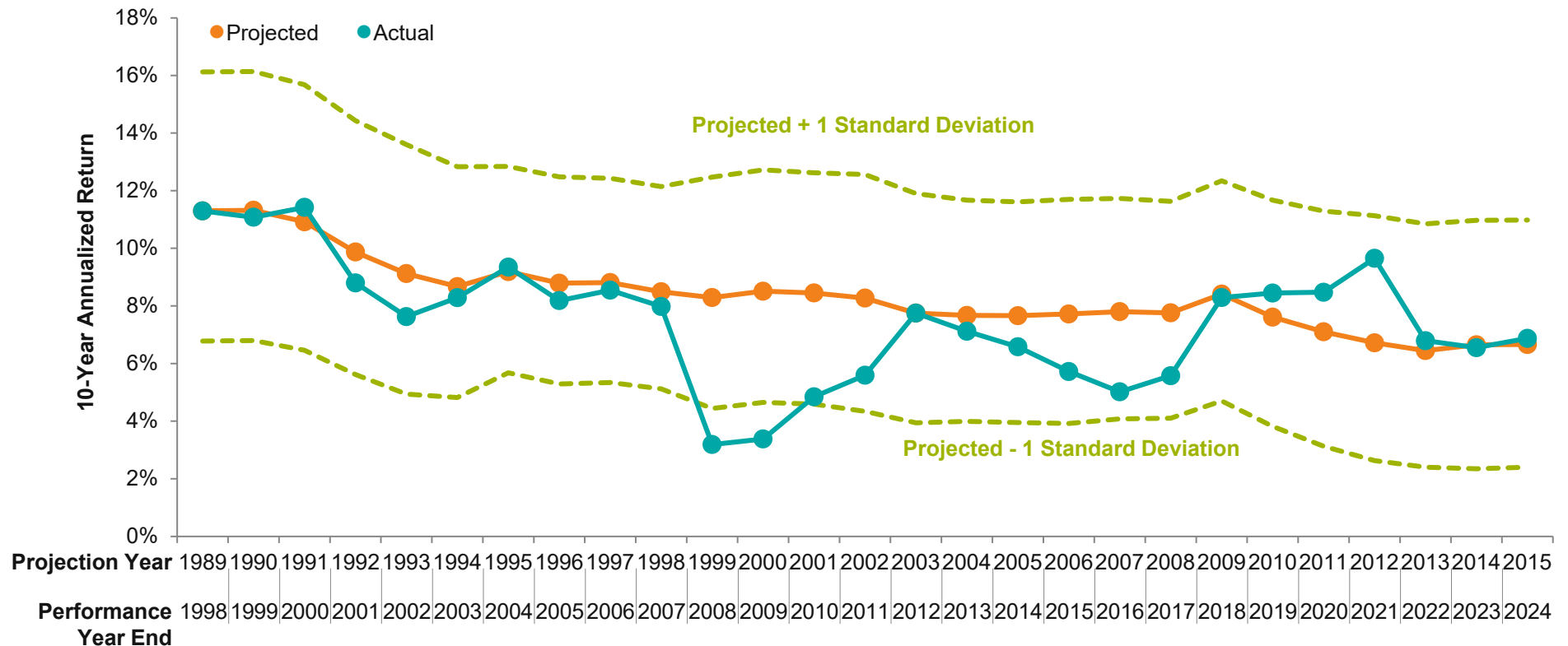
Source: Callan

# Actual Returns vs. Callan Projections

Projection Years 1989–2015

## Historical Comparison: Actual Returns vs. Callan Capital Markets Projections

Portfolio (60% Equity, 30% Fixed, 10% Real Estate)



- Our projections are generally within one standard deviation of the actual return experienced
- The glaring exceptions are the 10-year periods ended in 2008 and 2009 which contained not one but two major collapses in the equity market: the Dot-Com Bubble in 2001-02 and the Global Financial Crisis in 2008

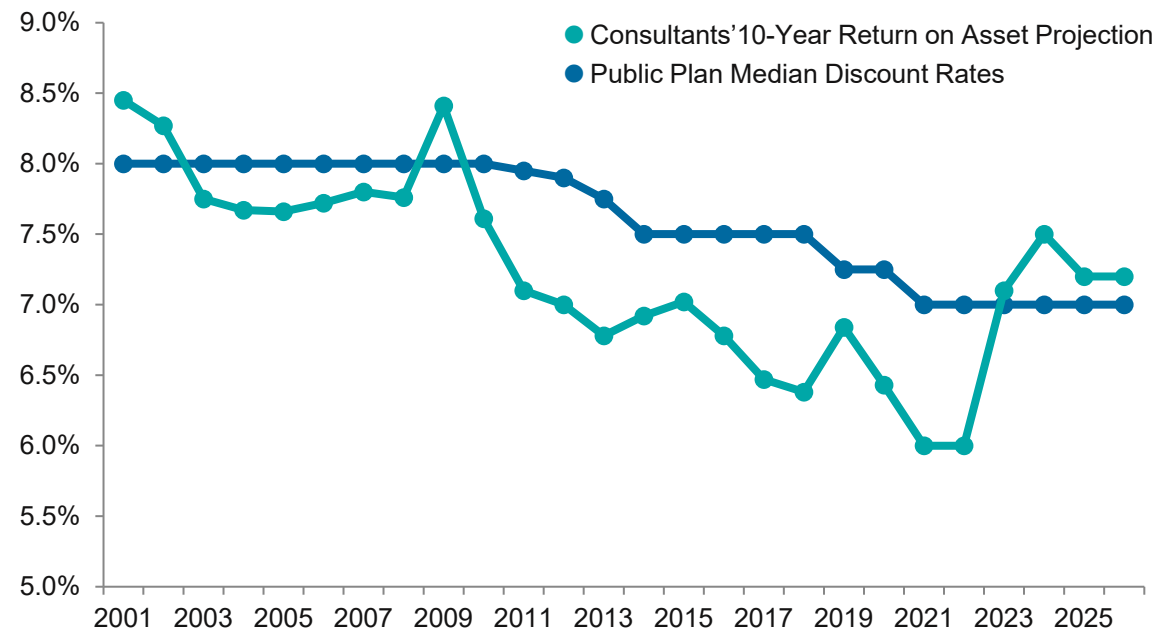
# Public Plan Return Assumptions

Public pension system actuaries took over 10 years to lower rates to current levels; any reversal of the trend will likely be gradual.

We believe there is now an increased probability of achieving the current return assumption vs. 10 years ago.

Callan's return assumption for a diversified public fund portfolio is now more in line with many actuaries' projections.

## Discount Rates



Source: Callan, NASRA

Consensus public plan allocation modeled as 60% global equity / 30% fixed income / 10% real estate from 2001-2011. Consensus allocation modeled as 60% global equity / 25% fixed income / 10% real estate / 5% private equity for 2012-2025 to reflect the shift to more aggressive asset mixes over time.

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## Important Disclosures

Information contained in this document may include confidential, trade secret and/or proprietary information of Callan and the client. It is incumbent upon the user to maintain such information in strict confidence. Neither this document nor any specific information contained herein is to be used other than by the intended recipient for its intended purpose.

The content of this document is particular to the client and should not be relied upon by any other individual or entity. There can be no assurance that the performance of any account or investment will be comparable to the performance information presented in this document.

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Callan's performance measurement service may report on illiquid asset classes, including, but not limited to, private real estate, private equity, private credit, hedge funds and infrastructure. The final valuation reports, which Callan receives from third parties, for of these types of asset classes may not be available at the time a Callan performance report is issued. As a result, the estimated returns and market values reported for these illiquid asset classes, as well as for any composites including these illiquid asset classes, including any total fund composite prepared, may not reflect final data, and therefore may be subject to revision in future quarters.

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## Important Disclosures (continued)

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Callan undertakes no obligation to update the information contained herein except as specifically requested by the client.

Past performance is no guarantee of future results.

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# About Callan

Callan was founded as an employee-owned investment consulting firm in 1973. Ever since, we have empowered institutional investor with creative, customized investment solutions backed by proprietary research, exclusive data, and ongoing education. Today, Callan provides advisory services to institutional investor clients with more than \$3 trillion in total assets, which makes it among the largest independently owned investment consulting firms in the U.S. Callan uses a client-focused consulting model to serve pension and defined contribution plan sponsors, endowments, foundations, independent investment advisers, investment managers, and other asset owners. Callan has six offices throughout the U.S. For more information, please visit [www.callan.com](http://www.callan.com).



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## Regional Offices

Atlanta  
Chicago  
Denver  
New Jersey  
Portland



Callan

## Memorandum

**To:** City of Milwaukee Employees' Retirement System  
**From:** Callan LLC  
**Date:** February 12, 2026  
**Subject:** Real Assets Benchmark and Structure Changes

In January 2026, CMERS approved terminating the investment manager that was responsible for implementing the 3.3% exposure to Public Diversified Real Assets.

As next steps, Callan and Staff evaluated Real Assets portfolio structure alternatives with and without various components of Public Diversified Real Assets. Considerations included:

- Implications of various Public Diversified Real Assets sub-asset class scenarios from implementation, timing, manager selection, and interim re-balancing efforts
- Current status of Private Real Estate manager lineup
- Using Callan's 2025 Capital Market Assumptions, review of model scenarios with and without Public Diversified Real Assets, and impacts on CMERS Total Fund modeled volatility and total return

Callan and Staff recommend allocating 3.3% to the existing Private Real Estate portfolio, in line with the Fund's existing Real Estate manager targets, in proportion with the approved structure in November 2025. Further, Callan and Staff recommend interim allowable bands as the capital is rebalanced to the new target.

	Prior Target	February Proposal
Core Real Estate	8.7%	12.0%
Non-Core Real Estate	0.0%	0.0%
Total Real Estate	8.7%	12.0%
Public Diversified Real Assets	3.3%	0.0%
<b>Total Real Assets</b>	<b>12.0%</b>	<b>12.0%</b>

## Callan Capital Market Assumptions 2026

Asset Class	Target	Target ex Public DRA
CMERS Public Equity	36.00%	36.00%
CMERS Fixed Income	31.00%	31.00%
Cash Equivalents	1.00%	1.00%
CMERS Public Diversified Real Assets	3.30%	0.00%
Core Real Estate	8.70%	12.00%
Private Equity	11.00%	11.00%
Absolute Return	9.00%	9.00%
<b>Totals</b>	<b>100.00%</b>	<b>100.00%</b>
<b>Expected Return*</b>	<b>7.03%</b>	<b>7.06%</b>
<b>Projected Standard Deviation</b>	<b>11.57%</b>	<b>11.53%</b>
<b>Projected Sharpe Ratio</b>	<b>0.34</b>	<b>0.34</b>

**STATEMENT OF INVESTMENT POLICY**  
Updated ~~January~~February 2026

**THE EMPLOYEES' RETIREMENT  
SYSTEM OF THE CITY OF MILWAUKEE**  
789 N. Water Street, 3<sup>rd</sup> Floor  
Milwaukee, WI 53202  
(414) 286-3557

Individual manager guidelines are updated upon Annuity and Pension Board Approval

## TARGET ALLOCATIONS

The Board has determined that the following asset allocation policy is appropriate for the Fund. This allocation policy will be reviewed periodically and may be modified, if appropriate, in light of changes in the structure or goals of the Fund. The Target, Minimum, and Maximum allocations are monitored by Staff using data from the Custodian's Manager Mix Daily Data report (Daily Data), modified as necessary by Staff to incorporate performance estimates, and any other information that impacts market value estimates, that are not incorporated into the Daily Data. To calculate the numerator, each individual investment manager mandate, with the exception of the Employees' Reserve Fund, is sorted into one of the categories below, and the entire estimated market value of each respective mandate is added together for each respective category. The denominator represents the Total Market Value from the Daily Data, excluding the Employees' Reserve Fund, modified as necessary to incorporate any information that impacts market value estimates not yet incorporated into the Custodian's data.

<b><u>Public Equity</u></b>	<b><u>Target</u></b>	<b><u>Minimum</u></b>	<b><u>Maximum</u></b>
Domestic Equity			
Passive Large Cap	6.4%		
Active Large Cap	4.0%		
Active Mid/Small Cap	5.8%		
Total Domestic Equity	16.2%		
Total International Equity	12.6%		
Total Global Equity	7.2%		
<b>Total Public Equity</b>	<b>36%</b>	<b>32%</b>	<b>40%</b>
<b><u>Fixed Income</u></b>			
Cash	1%	0%	5.0%
Passive Fixed Income	7.75%		
Active Fixed Income	23.25%		
<b>Total Fixed Income</b>	<b>32%</b>	<b>27%</b>	<b>35%/37%*</b>
<b><u>Real Assets</u></b>			
— Private Real Estate	8.7%		
— Public Diversified Real Assets	3.3%	0%	5.3%
<b><u>Total Real Assets</u></b>	<b>12%</b>	<b>9%/6%**</b>	<b>15%</b>
<b><u>Private Equity</u></b>	<b>11%</b>	<b>8%</b>	<b>16%</b>
<b><u>Absolute Return</u></b>	<b>9%</b>	<b>6%</b>	<b>14%</b>
<b><u>Total</u></b>	<b>100%</b>		

\*Fixed Income Maximum 37% through June 30, 2026 to accommodate an investment manager restructure. Maximum reverts back to 35% on July 1, 2026.

\*\*~~Total Real Assets~~ Private Real Estate Minimum 6% through March 31, 2027 to accommodate an investment manager restructure. Minimum reverts back to 9% on April 1, 2027.

## TOTAL FUND PERFORMANCE REVIEW AND EVALUATION

Investment Objectives

<u>Time Horizon</u>	<u>Performance Standard</u>	<u>Index</u>
One market cycle (rolling 5-year periods).		Exceed the return on a benchmark Index net of fees. <sup>1</sup>

Investment Guidelines

- The investment guidelines governing each asset class/manager will together constitute the Total Fund guidelines.
- The Board is responsible for the overall asset allocation of the Fund. Each manager will be responsible for adhering to the guidelines for its portion of Fund assets only.

<sup>1</sup> As measured by a composite index designed to track the target asset allocation.

From: To:	1/1/00- 4/30/06	5/1/06- 6/30/08	7/1/08- 9/30/10	10/1/10- 12/31/12	1/1/13- 12/31/13	1/1/14- 12/31/14	1/1/15- 12/31/15	1/1/16- 6/30/16	7/1/16- 12/31/16	1/1/17- 3/31/18	4/1/18- 12/31/18	1/1/19- 12/31/19	1/1/20- 3/31/21	4/1/21- 3/31/22	4/1/22- 9/30/22	10/1/22- 6/30/23	7/1/23- 6/30/25	7/1/25- Present 3/31/26	4/1/26- Present
ACWI IMI (net)	-	-	-	-	-	-	-	56%	56%	55%	50%	47%	43%	44%	44%	44%	39%	36%	36%
Bloomberg U.S. Agg.	30%	28%	28%	28%	28%	28%	28%	25%	22%	22%	25%	25%	26%	23%	23%	23%	29%	32%	32%
NFI-ODDE (1 Qtr Arrears)	-	-	-	-	-	-	7%	7%	7%	7%	7.7%	7.7%	7.7%	9.1%	9.1%	9.7%	9.7%	8.7%	128.7%
90-Day T-bill + 3%	-	-	-	-	-	-	5%	5%	8%	8%	9%	9%	10%	10%	10%	10%	7%	9%	9%
Russell 3000 + 2% (1 Qtr Arrears)	-	-	-	-	-	-	-	-	-	-	-	-	10%	10%	10%	10%	12%	11%	11%
15% Bloomberg U.S. TIPS / 30% S&P Global Infrastructure / 15% S&P Global Natural Resources / 25% FTSE EPRA/NAREIT Developed / 15% Bloomberg Commodity Total Return	-	-	-	-	-	-	-	-	-	-	-	-	-	3.9%	3.3%	3.3%	3.3%	-	-3.3%
35% Barclays TIPS / 20% S&P Global Infrastructure / 20% Global Natural Resources / 10% FTSE EPRA/NAREIT Developed / 15% Bloomberg Commodity Total Return	-	-	-	-	-	-	-	3%	3%	3.3%	3.3%	3.3%	3.3%	3.9%	-	-	-	-	-
Russell 3000 + 3% (1 Qtr Arrears)	-	-	-	2%	2%	2%	4%	4%	5%	5%	8%	-	-	-	-	-	-	-	-
40% ACWI / 40% Barclays TIPS / 20% Bloomberg Commodity Total Return	-	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	-	-
Russell 3000	50%	45%	45%	33%	31%	31%	28%	-	-	-	-	-	-	-	-	-	-	-	-
MSCI EAFE (net)	15%	20%	20%	22%	22%	22%	20%	-	-	-	-	-	-	-	-	-	-	-	-
ACWI (net)	-	-	-	-	-	10%	10%	-	-	-	-	-	-	-	-	-	-	-	-
NCREIF (NPI 1 Qtr Arrears)	-	-	7%	7%	7%	7%	-	-	-	-	-	-	-	-	-	-	-	-	-
MSCI World (net)	-	-	-	10%	10%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NCREIF (NPI)	5%	7%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**STATEMENT OF INVESTMENT POLICY**  
**Updated February 2026**

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<b><u>Private Real Estate</u></b>	<b>12%</b>	<b>9%/6%**</b>	<b>15%</b>
<b><u>Private Equity</u></b>	<b>11%</b>	<b>8%</b>	<b>16%</b>
<b><u>Absolute Return</u></b>	<b>9%</b>	<b>6%</b>	<b>14%</b>
<b><u>Total</u></b>	<b><u>100%</u></b>		

\*Fixed Income Maximum 37% through June 30, 2026 to accommodate an investment manager restructure. Maximum reverts back to 35% on July 1, 2026.

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Investment Objectives

<u>Performance Standard</u>	<u>Time Horizon</u>	<u>Index</u>
	One market cycle (rolling 5-year periods).	Exceed the return on a benchmark Index net of fees. <sup>1</sup>

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<sup>1</sup> As measured by a composite index designed to track the target asset allocation.

From: To:	1/1/00- 4/30/06	5/1/06- 6/30/08	7/1/08- 9/30/10	10/1/10- 12/31/12	1/1/13- 12/31/13	1/1/14- 12/31/14	1/1/15- 12/31/15	1/1/16- 6/30/16	7/1/16- 12/31/16	1/1/17- 3/31/18	4/1/18- 12/31/18	1/1/19- 12/31/19	1/1/20- 3/31/21	4/1/21- 3/31/22	4/1/22- 9/30/22	10/1/22- 6/30/23	7/1/23- 6/30/25	7/1/25- 3/31/26	4/1/26- Present
ACWI IMI (net)	-	-	-	-	-	-	-	56%	56%	55%	50%	47%	43%	44%	44%	44%	39%	36%	36%
Bloomberg U.S. Agg.	30%	28%	28%	28%	28%	28%	28%	25%	22%	22%	25%	25%	26%	23%	23%	23%	29%	32%	32%
NFI-ODCE (1 Qtr Arrears)	-	-	-	-	-	-	7%	7%	7%	7%	7.7%	7.7%	7.7%	9.1%	9.1%	9.7%	9.7%	8.7%	12%
90-Day T-bill + 3%	-	-	-	-	-	-	5%	5%	8%	8%	9%	9%	10%	10%	10%	10%	7%	9%	9%
Russell 3000 + 2% (1 Qtr Arrears)	-	-	-	-	-	-	-	-	-	-	-	-	10%	10%	10%	10%	12%	11%	11%
15% Bloomberg U.S. TIPS / 30% S&P Global Infrastructure / 15% S&P Global Natural Resources / 25% FTSE EPRA/NAREIT Developed / 15% Bloomberg Commodity Total Return	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.9%	3.3%	3.3%	3.3	-
35% Barclays TIPS / 20% S&P Global Infrastructure / 20% Global Natural Resources / 10% FTSE EPRA/NAREIT Developed / 15% Bloomberg Commodity Total Return	-	-	-	-	-	-	-	-	3%	3%	3.3%	3.3%	3.3%	3.9%	-	-	-	-	-
Russell 3000 + 3% (1 Qtr Arrears)	-	-	-	2%	2%	2%	4%	4%	5%	5%	8%	-	-	-	-	-	-	-	-
40% ACWI / 40% Barclays TIPS / 20% Bloomberg Commodity Total Return	-	-	-	-	-	-	3%	-	-	-	-	-	-	-	-	-	-	-	-
Russell 3000	50%	45%	45%	33%	31%	31%	28%	-	-	-	-	-	-	-	-	-	-	-	-
MSCI EAFE (net)	15%	20%	20%	22%	22%	22%	20%	-	-	-	-	-	-	-	-	-	-	-	-
ACWI (net)	-	-	-	-	-	10%	10%	-	-	-	-	-	-	-	-	-	-	-	-
NCREIF (NPI 1 Qtr Arrears)	-	-	7%	7%	7%	7%	-	-	-	-	-	-	-	-	-	-	-	-	-
MSCI World (net)	-	-	-	10%	10%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NCREIF (NPI)	5%	7%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

# **4th Quarter 2025 Performance Report**

February 12, 2026

Employees' Retirement System

# Presentation Agenda

- Fund Overview
- Public Equity
- Fixed Income
- Absolute Return
- Private Equity
- Recent Performance Update
- Appendix: Manager Charts & Statistics

# Market Environment

Asset Class	Benchmark	Target Weight	Benchmark Return Q4 2025
Public Equity	MSCI ACWI IMI	36%	3.2%
Fixed Income	Bloomberg U.S. Agg.	32%	1.1%
Real Assets <sup>(1)</sup>	Blended Benchmark	12%	1.0%
Private Equity <sup>(1)</sup>	Russell 3000 + 2%	11%	8.6%
Absolute Return	90-Day T-Bill + 3%	9%	1.7%

	Q4 2025
<b>CMERS Benchmark</b>	<b>2.7%</b>

<sup>(1)</sup>Real Estate and Private Equity benchmark returns are reported on a 1-quarter lag.

# Relative Performance Expectations

		Q4 2025		Q4 2025	Q4 2025
<b>Value Equity Bias</b>	Russell 3000 Value	3.8%	Russell 3000 Growth	1.1%	↑
<b>Small Cap Equity Bias</b>	Russell 2000	2.2%	Russell 1000	2.4%	↓
<b>Fixed Income Credit</b>	Loomis Sayles (net)	1.7%	Bloomberg US Agg.	1.1%	↑
<b>Private Equity<sup>(1)(2)</sup></b>	CMERS PE (net)	2.4%	PE Benchmark	8.6%	↓↓

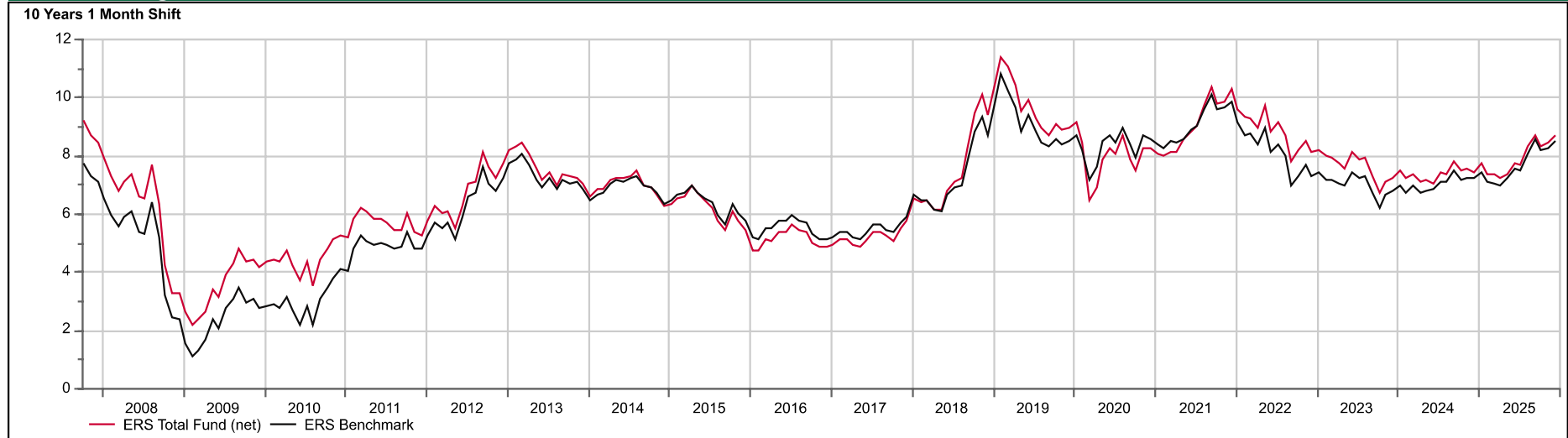
	Q4 2025
<b>CMERS Total Fund (net)</b>	<b>2.5%</b>
<b>CMERS Benchmark</b>	<b>2.7%</b>

<sup>(1)</sup>Private Equity benchmark return is reported on a 1-quarter lag.

<sup>(2)</sup>All of the Fund's Q3 2025 Private Equity Returns are reflected in the October-December time period.

# Total Fund Performance

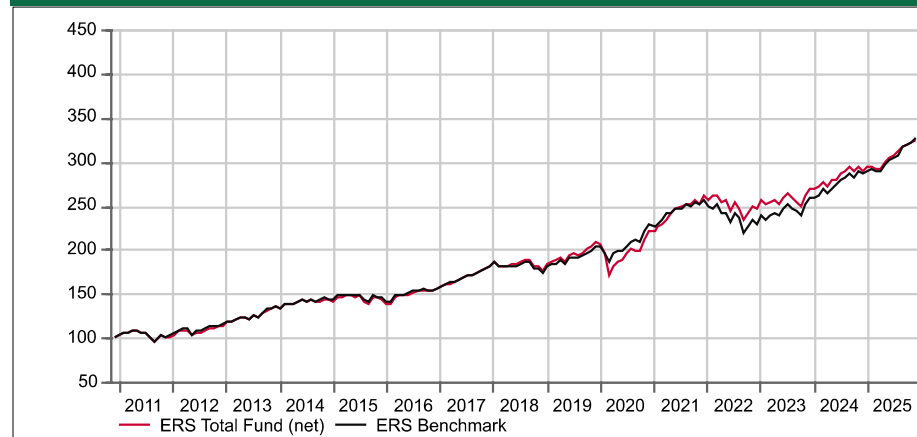
## 10 Year Rolling Returns – 11/1/1997 to 12/31/2025



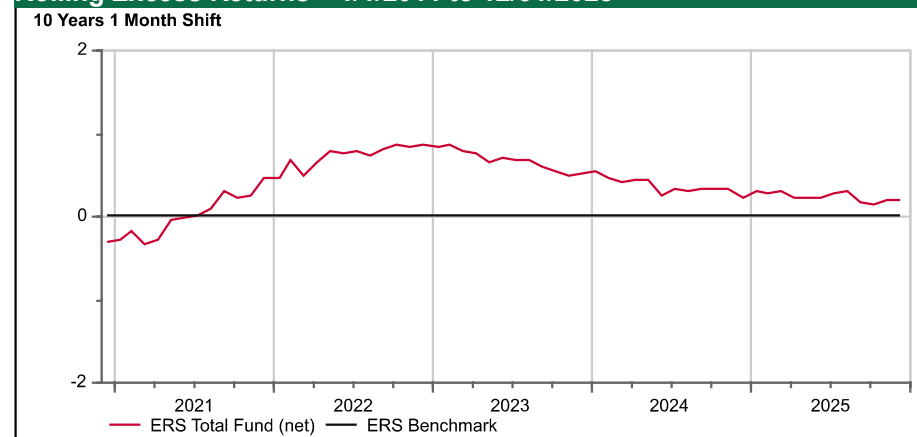
## Trailing Returns

	Annualized Return						
	QTR	1 Year	3 Year	5 Year	7 Year	10 Year	15 Year
ERS Total Fund (net)	2.5	12.9	9.9	8.1	9.3	8.6	8.2
ERS Benchmark	2.7	14.0	12.4	7.4	9.4	8.5	8.2

## Investment Growth – 1/1/2011 to 12/31/2025



## Rolling Excess Returns – 1/1/2011 to 12/31/2025



# ERS Fund Attribution – 4th Quarter 2025

Asset Class	Benchmark	Average Weight %	Policy Weight %	+/-	Portfolio Return	Benchmark Return	+/-	Attribution Effect(%)			
								Broad Category Group Allocation	Manager Selection	Style Bias	Total Active Return
Public Equity	MSCI ACWI IMI NR USD	36.4	36.0	0.4	3.9	3.2	0.6	0.0	0.2	0.0	0.2
Fixed Income	Bbg US Agg Bond TR USD	31.6	32.0	-0.4	1.2	1.1	0.1	0.0	0.1	0.0	0.0
Private Equity <sup>(2)</sup>	Russell 3000 (Qtr Lag) + 200bps <sup>(1)</sup>	13.0	11.0	2.0	2.4	8.6	-6.2	0.1	-0.8	0.0	-0.7
Real Assets <sup>(2)</sup>	Real Assets Benchmark <sup>(1)</sup>	11.0	12.0	-1.1	1.3	1.0	0.2	0.0	0.0	0.0	0.0
Absolute Return	90 Day T-Bill +3%	8.1	9.0	-0.9	3.5	1.7	1.8	0.0	0.1	0.0	0.2
Total		100.0	100.0	0.0	2.5	2.7	-0.2	0.2	-0.4	0.0	-0.2

## Main Drivers of Q4 2025 Relative Performance

### Manager Performance

Private Equity  
DFA International  
Earnest  
UBS  
Aptitude  
Loomis

## Impact %

-0.81%  
0.13%  
0.11%  
0.07%  
0.06%  
0.05%

## Attribution Category

Manager Selection  
Manager Selection  
Manager Selection  
Manager Selection  
Manager Selection  
Manager Selection

### Overall Allocation

Primarily Overweight to Private Equity

0.16%

Group Allocation

<sup>(1)</sup>Real Estate and Private Equity benchmark returns are reported on a 1-quarter lag.

<sup>(2)</sup>All of the Fund's Q3 2025 Private Equity returns are reflected in the Oct-Dec time period. Some Real Estate Returns are reported on a 1-quarter lag.

<sup>(3)</sup>Glidepath approved in April, 2025, became effective July 1, 2025 for benchmarking purposes.

# ERS Fund Attribution – 2025

Asset Class	Benchmark	Average Weight %	Policy Weight %	+/-	Portfolio Return	Benchmark Return	+/-	Attribution Effect(%)			
								Broad Category Group Allocation	Manager Selection	Style Bias	Total Active Return
Public Equity	MSCI ACWI IMI NR USD	36.8	37.5	0.8	21.6	22.1	-0.5	-0.3	-0.1	0.0	-0.4
Fixed Income	Bbg US Agg Bond TR USD	31.4	30.5	-0.6	8.0	7.3	0.7	-0.1	0.4	-0.2	0.2
Private Equity <sup>(2)</sup>	Russell 3000 (Qtr Lag) + 200bps <sup>(1)</sup>	12.8	11.5	1.8	8.5	19.4	-10.9	0.2	-1.5	0.0	-1.3
Real Assets <sup>(2)</sup>	Real Assets Benchmark <sup>(1)</sup>	11.1	12.5	-0.9	6.5	6.6	0.0	0.1	0.0	0.0	0.1
Absolute Return	90 Day T-Bill +3%	8.0	8.0	-1.0	10.6	7.2	3.4	0.0	0.2	0.1	0.3
Total		100.0	100.0	0.0	12.8	14.0	-1.2	0.0	-1.1	-0.1	-1.2

## Main Drivers of 2025 Relative Performance

### Manager Performance

Private Equity

Loomis

Reams

## Impact %

-1.51%

0.20%

0.18%

## Attribution Category

Manager Selection

Manager Selection

Manager Selection

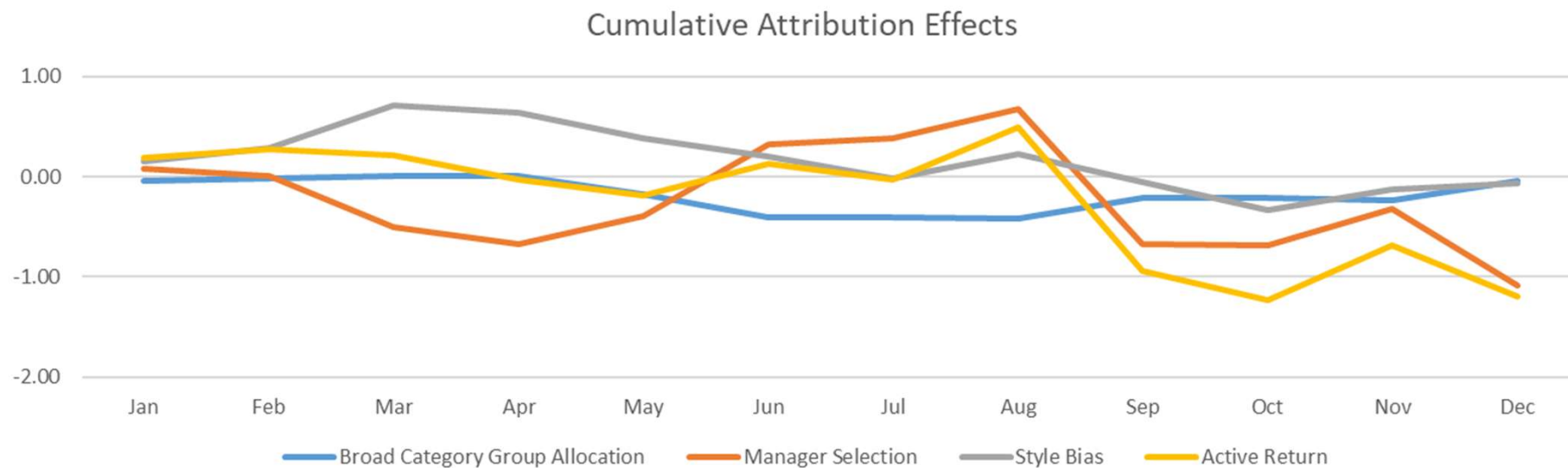
<sup>(1)</sup>Real Estate and Private Equity benchmark returns are reported on a 1-quarter lag.

<sup>(2)</sup>All of the Fund's Q3 2025 Private Equity returns are reflected in the Oct-Dec time period. Some Real Estate Returns are reported on a 1-quarter lag.

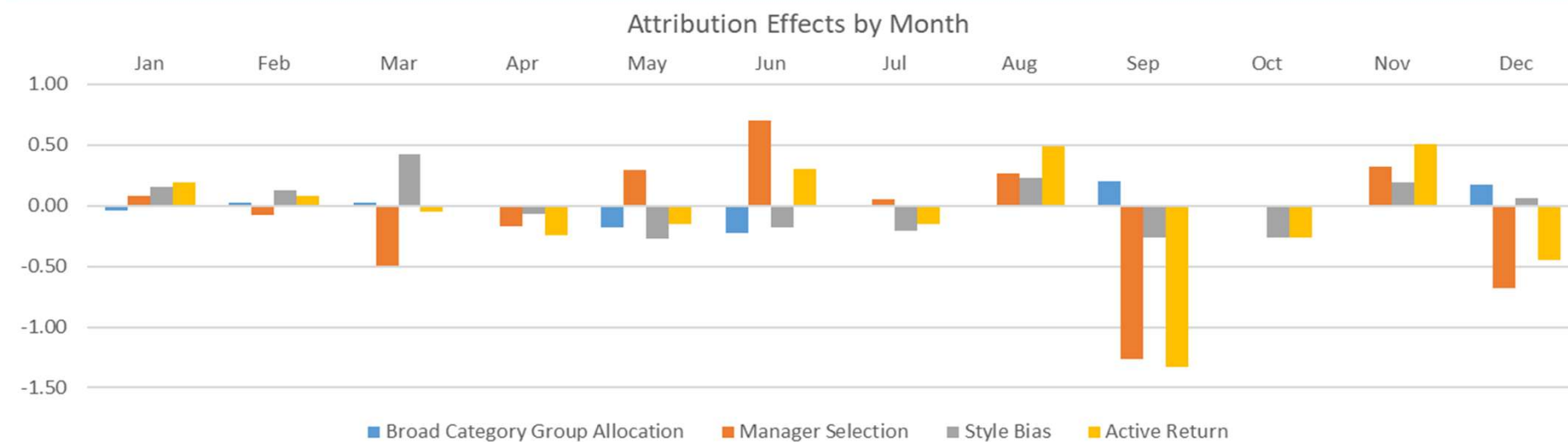
<sup>(3)</sup>Glidepath approved in April, 2025, became effective July 1, 2025 for benchmarking purposes.

# 2025 Attribution

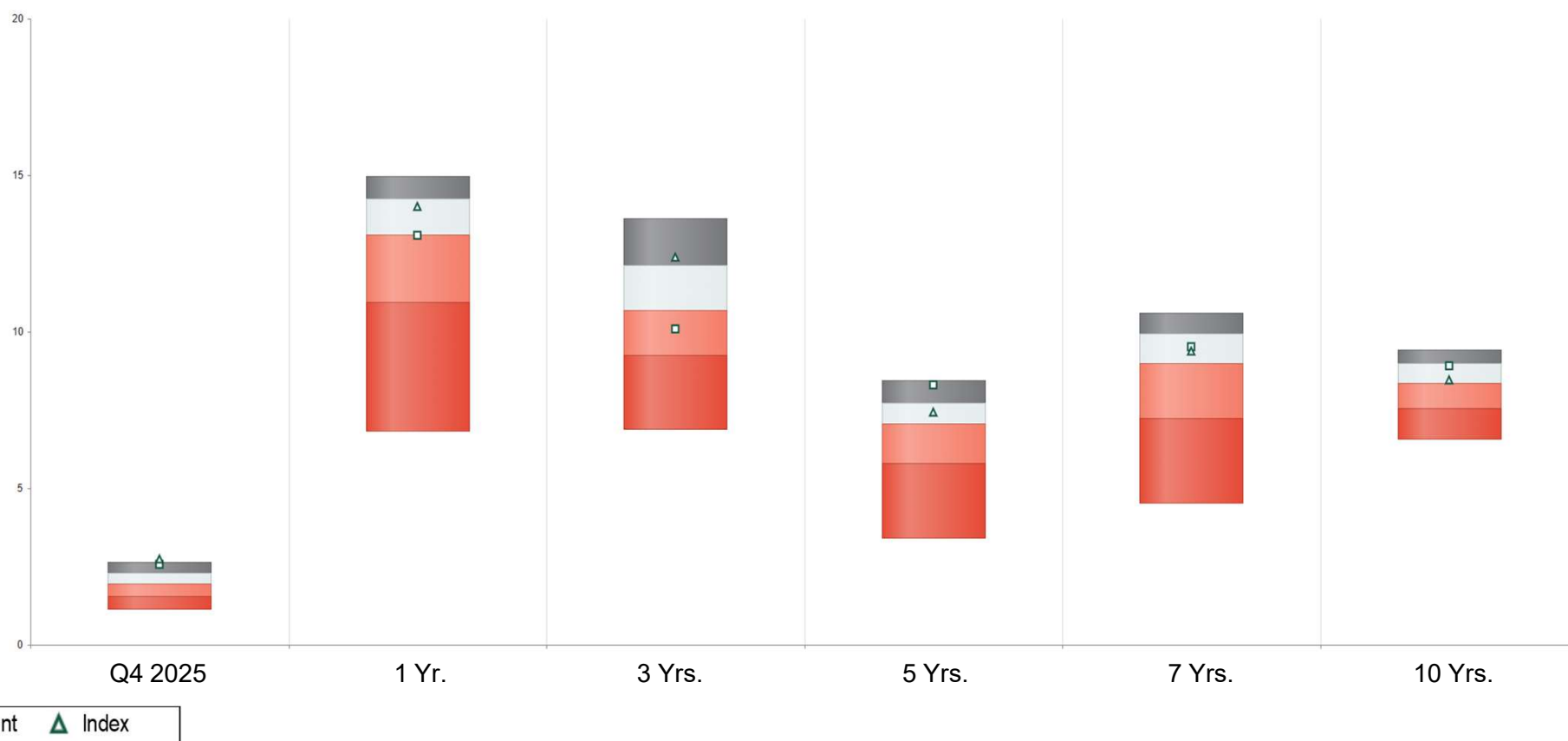
## Cumulative Attribution Effects



## Monthly Attribution Effects

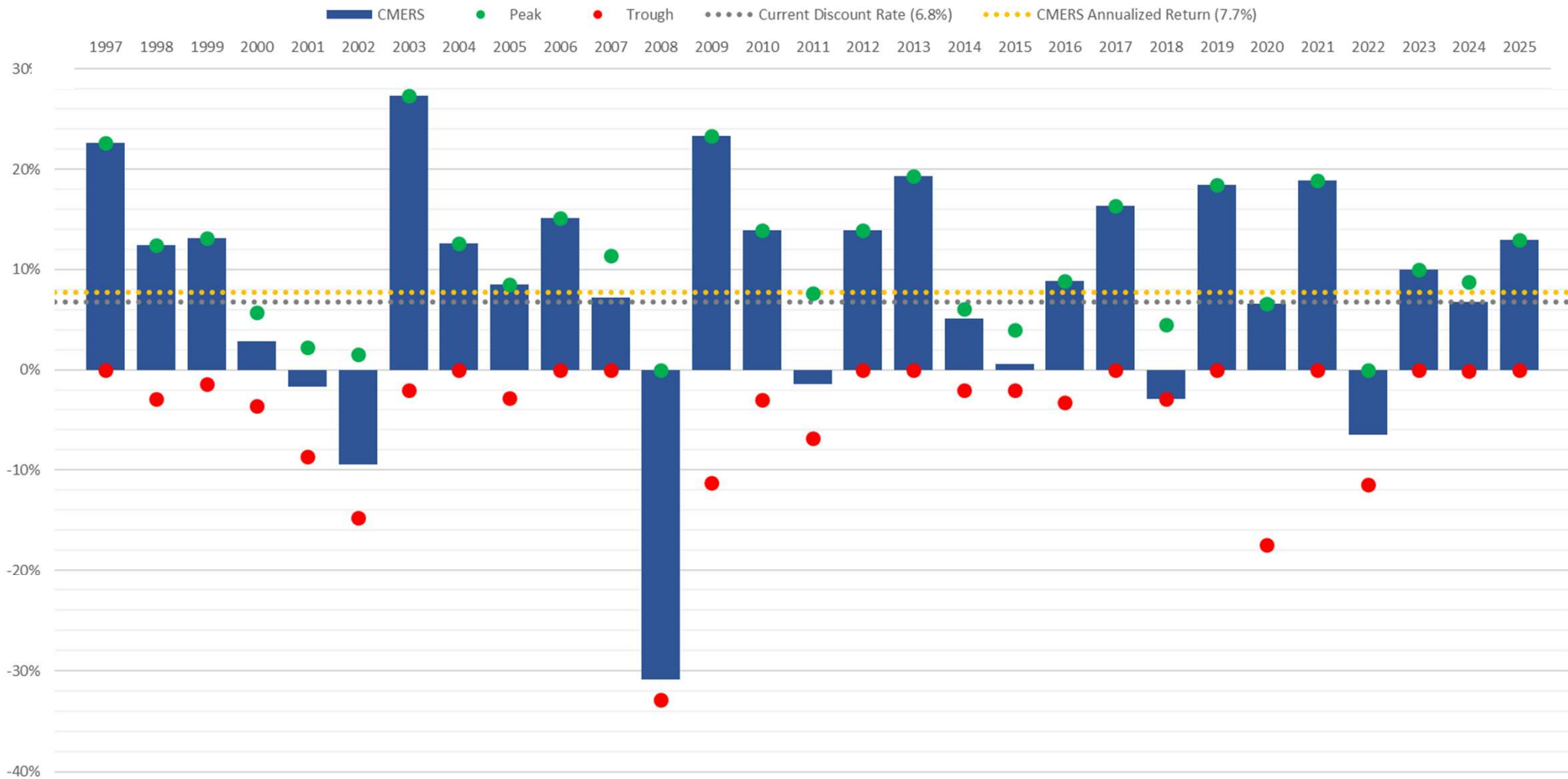


# Total Fund vs Universe



	<b>Q4 2025</b>	<b>1 Yr.</b>	<b>3 Yrs.</b>	<b>5 Yrs.</b>	<b>7 Yrs.</b>	<b>10 Yrs.</b>
Account Return	2.6	13.1	10.1	8.3	9.5	8.9
Percentile Rank	16	51	58	12	32	34
Index Return	2.7	14.0	12.4	7.4	9.4	8.5
Percentile Rank	8	34	22	32	36	45
1st Quartile	2.3	14.3	12.1	7.7	9.9	9.0
Median	1.9	13.1	10.7	7.1	9.0	8.3
3rd Quartile	1.6	10.9	9.3	5.8	7.2	7.6
Observations	48	48	46	45	42	36

# Annual Returns, Peaks, and Troughs

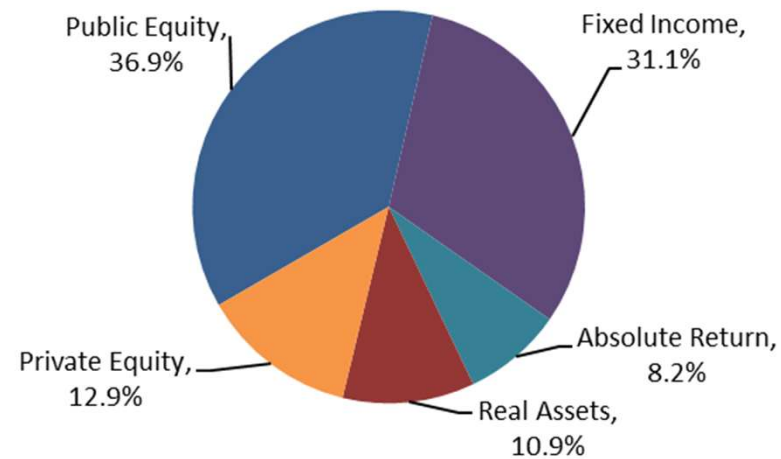


	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD 2025
CMERS	22.7%	12.4%	13.1%	2.8%	-1.7%	-9.4%	27.3%	12.6%	8.5%	15.1%	7.2%	-30.8%	23.3%	13.9%	-1.4%	13.9%	19.3%	5.1%	0.5%	8.8%	16.4%	-2.9%	18.4%	6.6%	18.9%	-6.5%	10.0%	6.8%	12.9%
Peak	22.7%	12.4%	13.1%	5.7%	2.3%	1.5%	27.3%	12.6%	8.5%	15.1%	11.4%	0.0%	23.3%	13.9%	7.6%	13.9%	19.3%	6.0%	4.0%	8.8%	16.4%	4.5%	18.4%	6.6%	18.9%	0.0%	10.0%	8.7%	12.9%
Trough	0.0%	-2.9%	-1.4%	-3.6%	-8.6%	-14.7%	-2.0%	0.0%	-2.9%	0.0%	0.0%	-32.9%	-11.3%	-3.0%	-6.8%	0.0%	0.0%	-2.1%	-2.0%	-3.3%	0.0%	-2.9%	0.0%	-17.5%	0.0%	-11.4%	0.0%	-0.1%	0.0%

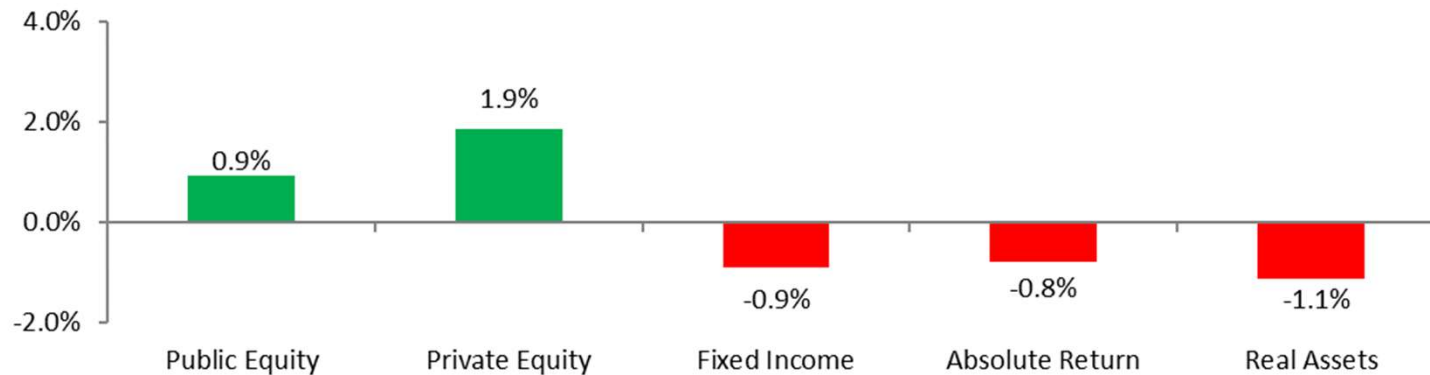
\*Net of Fees

# Asset Allocation as of December 31, 2025

## Actual Asset Allocation\*



## Actual Asset Allocation vs. Policy Target



# 2025 Market Value Change

December 31, 2024 Market Value including City Reserve & PABF Accounts			\$ 5,946,620,135
Monthly Cash Outflows thru	<u>December 31, 2025</u>		
Retiree Payroll Expense		\$ (491,304,252)	
PABF Payroll Expense		\$ -	
Expenses Paid		\$ (19,758,553)	
GPS Benefit Payments		\$ (6,187,362)	
Sub-Total Monthly Cash Outflows			\$ (517,250,167)
Monthly Cash Inflows thru	<u>December 31, 2025</u>		
Contributions		\$ 281,111,636	
PABF Contribution		\$ -	
Sub-Total Monthly Contributions			\$ 281,111,636
Capital Market Gain/(Loss)			<u>\$ 763,549,720</u>
Value including City Reserve & PABF Accounts as of	<u>December 31, 2025</u>		<u>\$ 6,474,031,325</u>
Less City Reserve Account <sup>1</sup>			\$ 93,954,449
Less PABF Fund <sup>2</sup>			\$ 2,572
Net Projected ERS Fund Value as of	<u>December 31, 2025</u>		<u><u>\$ 6,380,074,304</u></u>

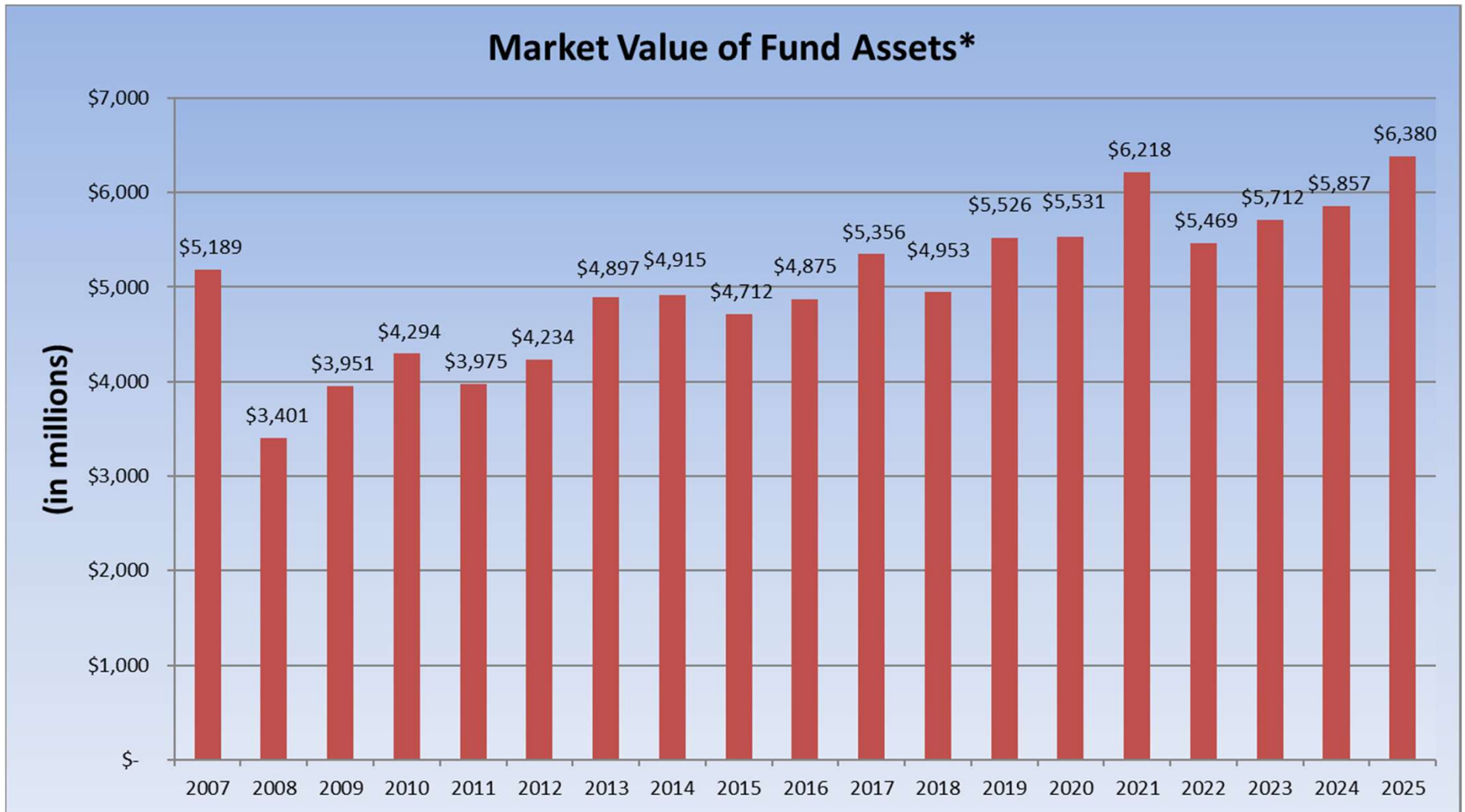
1 The City Reserve Account balance equals the market value currently held in the Baird account.

2 PABF Fund balance equals the market value currently held in the PABF account.

Monthly Cash Outflows, Monthly Cash Inflows, and Capital Market Gain/(Loss) amounts are calculated using estimates of cash flows into and out of the Fund. These amounts are not audited and may not tie to CMERS Financial Statements.

# Fund Value of Assets: 2007 – December 31, 2025

(Reflects 12/31 Fund Values)



Most recent Actuarial valuation projects benefit payments to total \$5.8 billion in next 10 years.

<b>Benefit Payments</b>	\$6.7 billion
<b>Expenses</b>	\$320 million
<b>Contributions</b>	\$2.1 billion
<b>Investment Gain</b>	\$6.0 billion

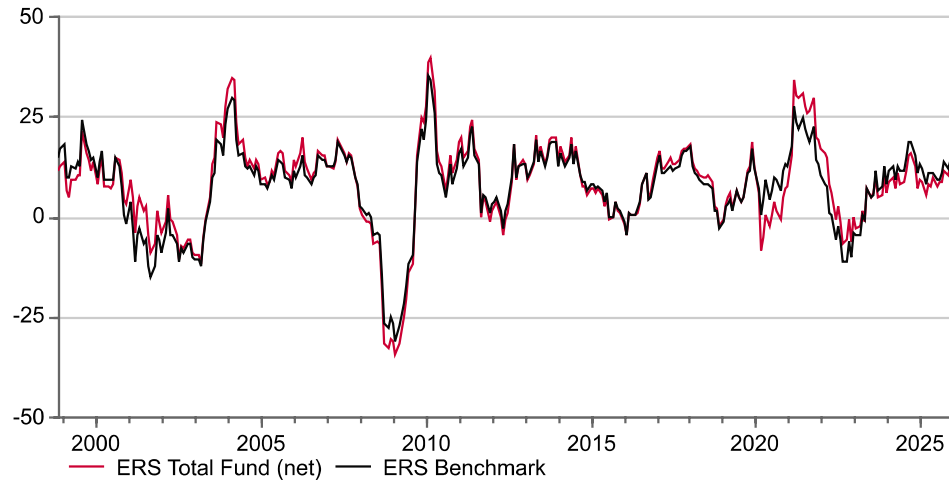
18 Year Estimates (1/1/2008 - 12/31/2025)

Benefit Payments, Expenses, Contributions, and Investment Gain amounts are calculated using estimates of cash flows into and out of the Fund. These amounts are not audited and may not tie to CMERS Financial Statements.

# Total Fund Rolling Returns as of December 31, 2025

## 1 Year Rolling Returns – 12/1/1997 to 12/31/2025

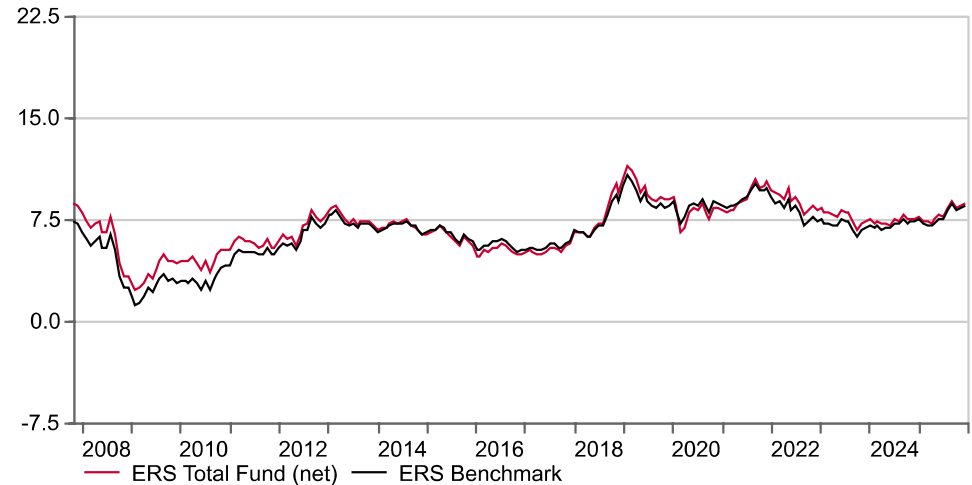
### 1 Year 1 Month Shift



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## 10 Year Rolling Returns – 12/1/1997 to 12/31/2025

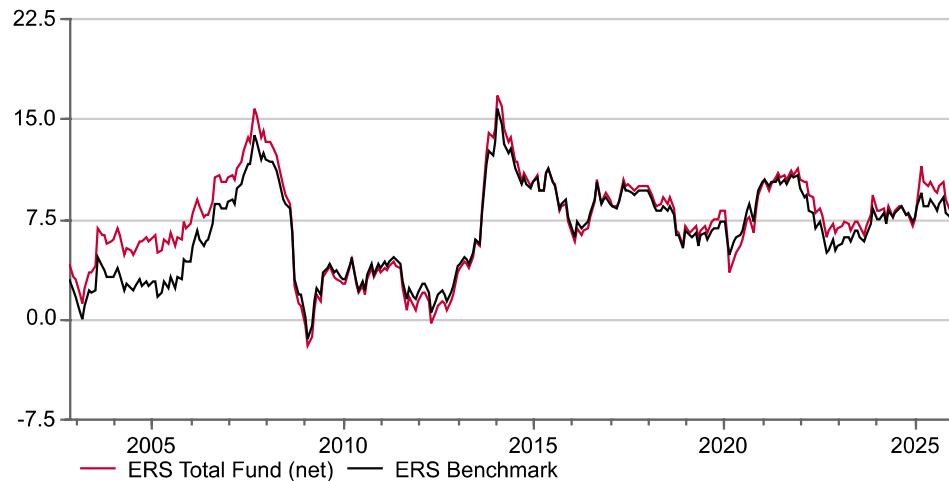
### 10 Years 1 Month Shift



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## 5 Year Rolling Returns – 12/1/1997 to 12/31/2025

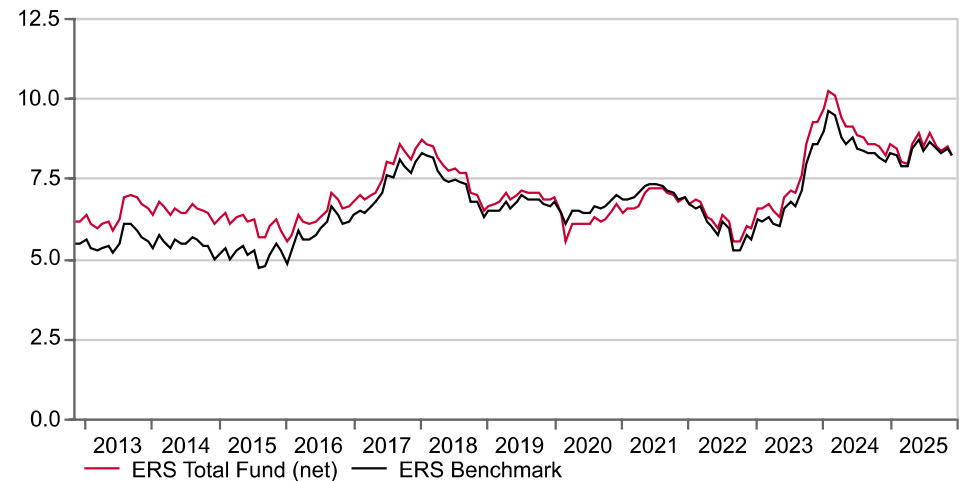
### 5 Years 1 Month Shift



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## 15 Year Rolling Returns – 12/1/1997 to 12/31/2025

### 15 Years 1 Month Shift

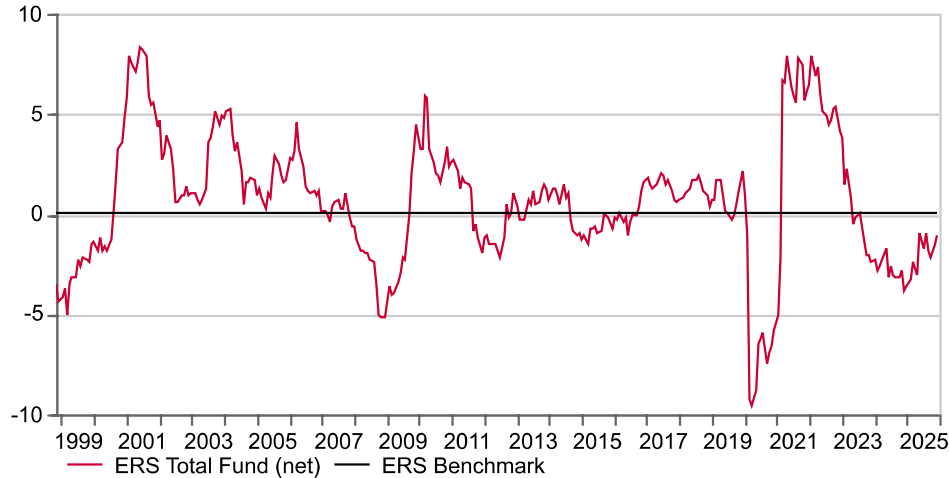


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# Total Fund Rolling Excess Returns as of December 31, 2025

## 1 Year Rolling Excess Returns – 12/1/1997 to 12/31/2025

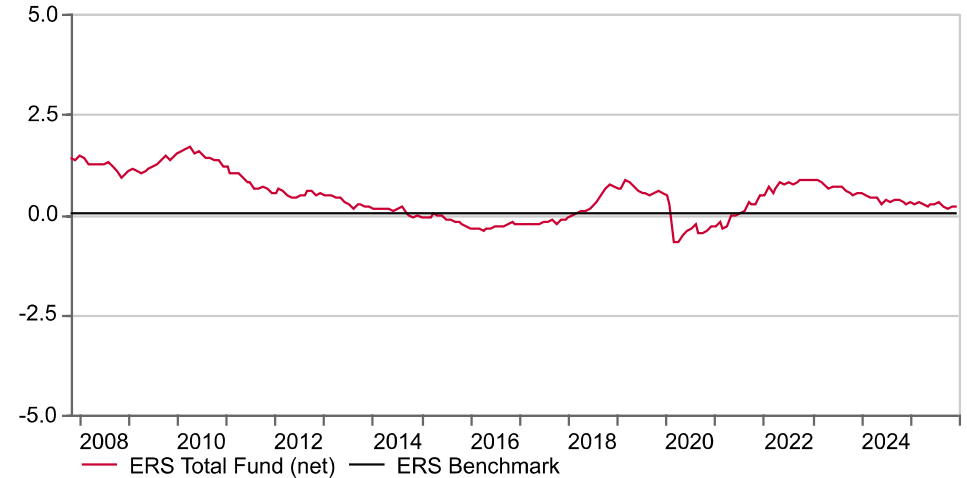
### 1 Year 1 Month Shift



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## 10 Year Rolling Excess Returns – 12/1/1997 to 12/31/2025

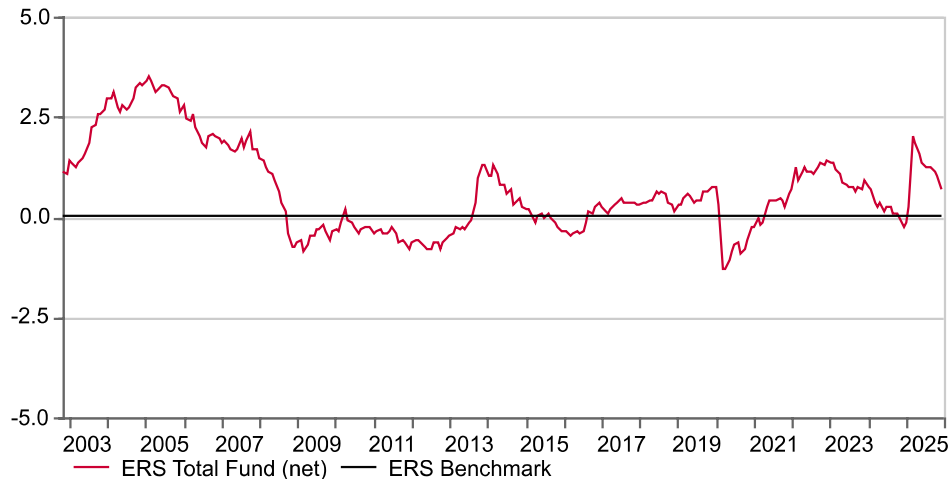
### 10 Years 1 Month Shift



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## 5 Year Rolling Excess Returns – 12/1/1997 to 12/31/2025

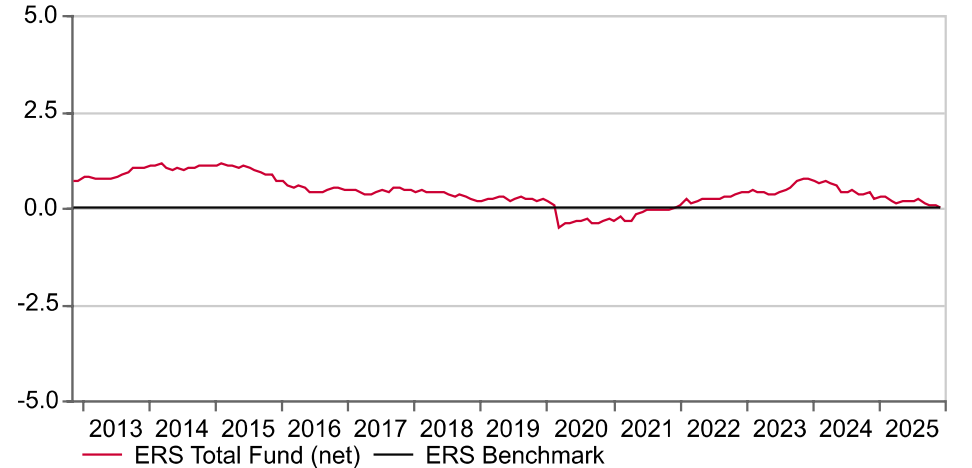
### 5 Years 1 Month Shift



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## 15 Year Rolling Excess Returns – 12/1/1997 to 12/31/2025

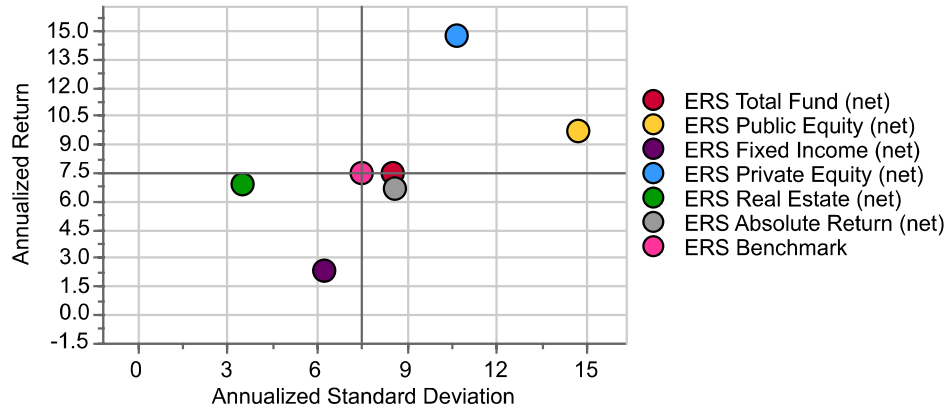
### 15 Years 1 Month Shift



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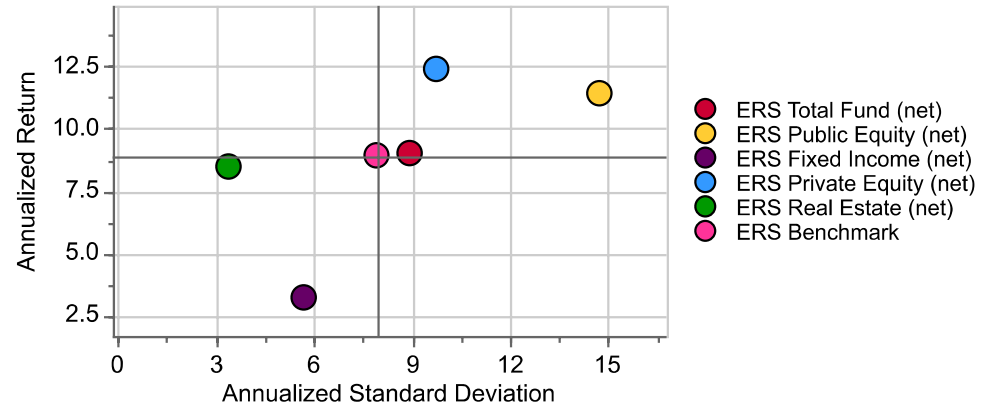
# Total Fund Statistics

**Risk-Reward Since Absolute Return Inception – 7/1/2014 to 12/31/2025**



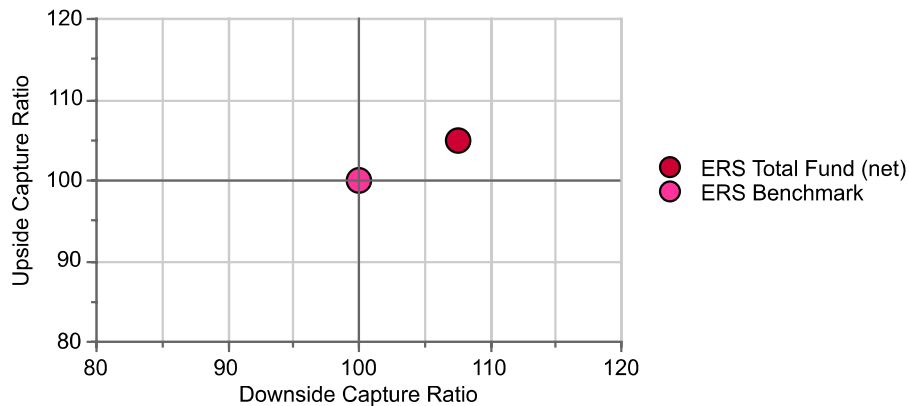
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**Risk-Reward Since Private Equity Inception – 7/1/2010 to 12/31/2025**



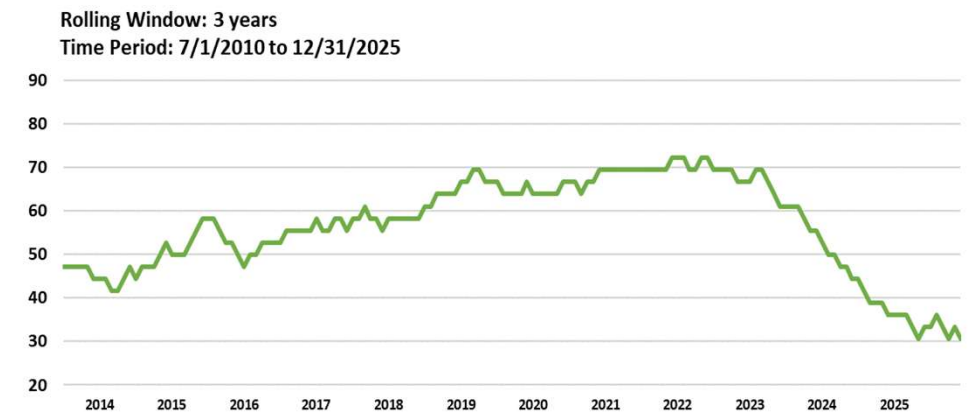
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**Upside-Downside Since Absolute Return Inception – 7/1/2014 to 12/31/2025**



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**Batting Average Since Private Equity Inception – 7/1/2010 to 12/31/2025**



**Risk Since Absolute Return Inception – 7/1/2014 to 12/31/2025**

	Annualized Return	Standard Deviation	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
ERS Total Fund (net)	7.5	8.5	0.0	0.6	0.0	3.0	1.1
ERS Benchmark	7.5	7.5	0.0	0.7	--	--	1.0

**Risk Since Private Equity Inception – 7/1/2010 to 12/31/2025**

	Annualized Return	Standard Deviation	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
ERS Total Fund (net)	9.0	8.9	0.0	0.8	0.0	2.6	1.1
ERS Benchmark	8.9	7.9	0.0	0.9	--	--	1.0

# Notable CMERS Manager Events

Manager	Event	Date
Prologis	<p>Announced that Kosta Karmaniolas joined USLF, the fund CMERS is invested in, as a VP of fund management. He replaces Jake Thibeault, who moved to Prologis' U.S. Agility Fund I. Mr. Karmaniolas has been with Prologis for 14 years, serving most recently as Head of Client relations for Western US and Canada, and prior to that, on the portfolio management team for Prologis' Mexico-focused industrial fund. Additionally, Prologis announced that at the end of 2026, Mr. Karmaniolas will assume the role of USLF fund manager from Bobby Bransfield. Mr. Bransfield will continue in his role as global head of fund management, with oversight for all private Prologis ventures, including USLF. Importantly, the Investment Committee for USLF remains unchanged.</p>	January, 2026

# Public Equity

# Public Equity Performance

## 10 Year Rolling Returns – 7/1/2000 to 12/31/2025



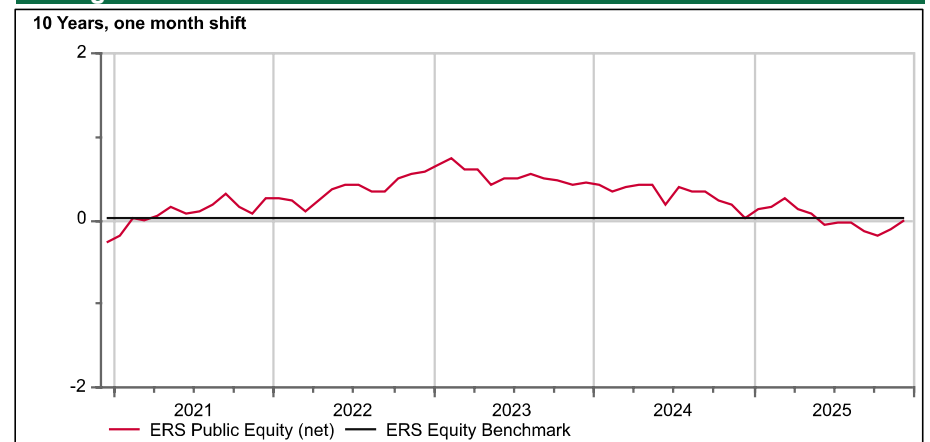
## Trailing Returns

	Annualized Return						
	QTR	1 Year	3 Year	5 Year	7 Year	10 Year	15 Year
ERS Public Equity (Gross)	3.9	21.9	18.4	11.1	13.8	11.8	10.6
ERS Public Equity (Net)	3.9	21.5	18.0	10.8	13.4	11.4	10.2
ERS Public Equity Benchmark	3.2	22.1	20.0	10.7	13.6	11.4	10.4
MSCI AC World IMI	3.2	22.1	20.0	10.7	13.6	11.4	9.6

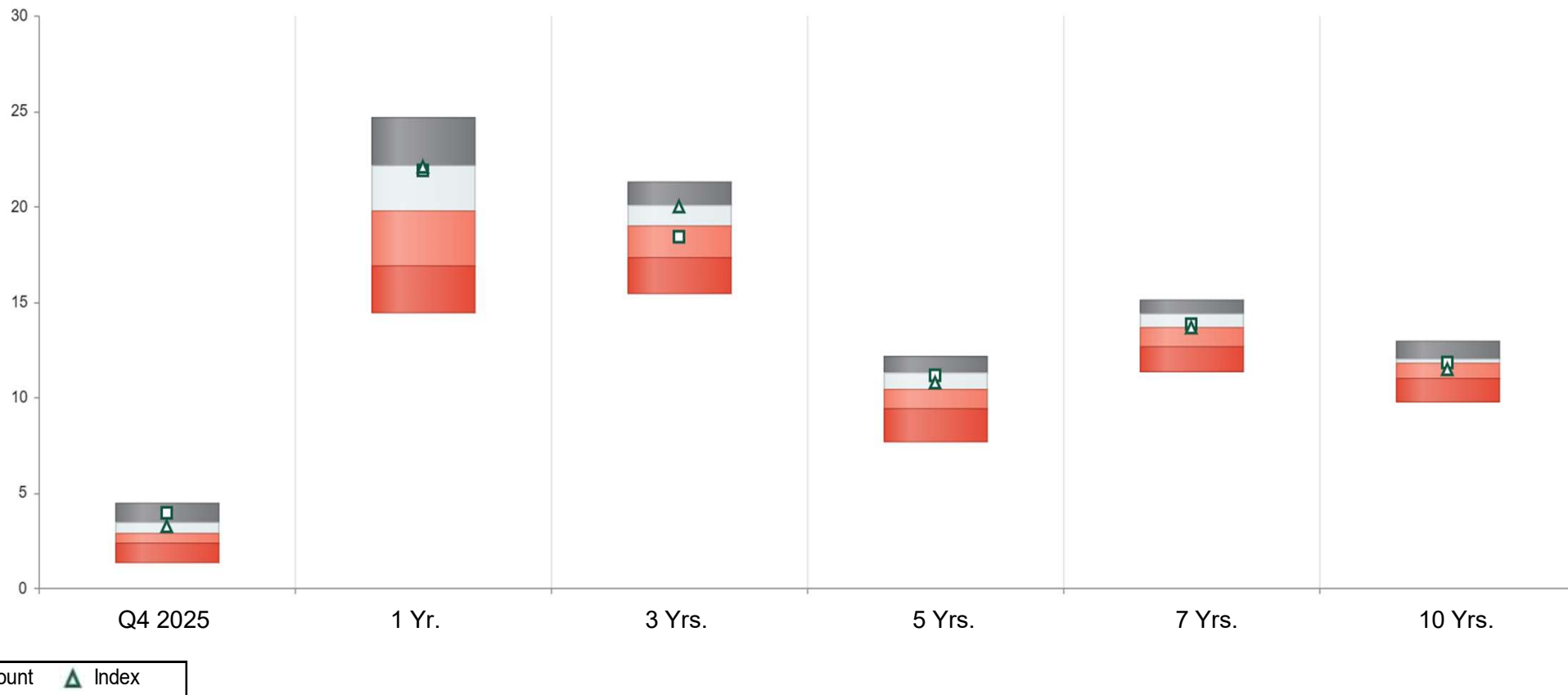
## Investment Growth – 1/1/2011 to 12/31/2025



## Rolling Excess Returns – 1/1/2011 to 12/31/2025



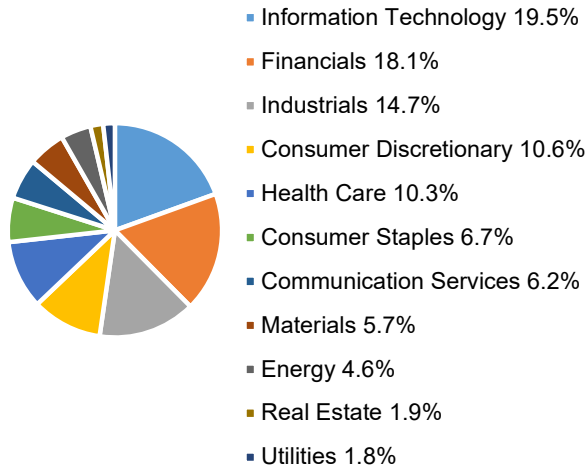
# Public Equity vs Universe



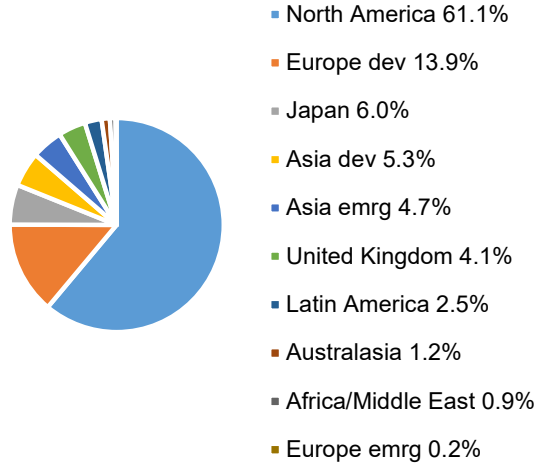
	Q4 2025	1 Yr.	3 Yrs.	5 Yrs.	7 Yrs.	10 Yrs.
Account Return	3.9	21.9	18.4	11.1	13.8	11.8
Percentile Rank	17	28	63	30	43	45
Index Return	3.2	22.1	20.0	10.7	13.6	11.4
Percentile Rank	35	26	27	41	51	3rd Quartile
1st Quartile	3.4	22.1	20.1	11.3	14.4	12.1
Median	2.9	19.8	19.0	10.5	13.7	11.8
3rd Quartile	2.4	16.9	17.3	9.4	12.7	11.0
Observations	117	115	115	115	116	110

# Public Equity Portfolio Snapshot

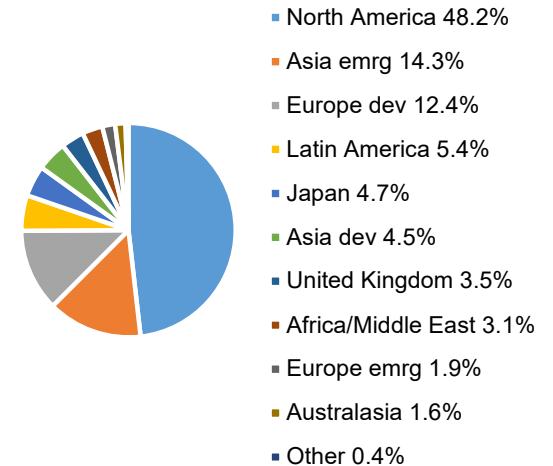
## Equity Sector Exposure (GICS)



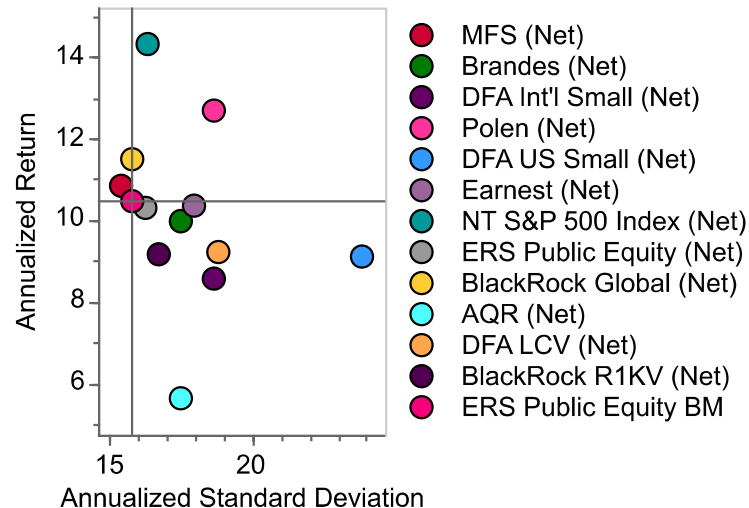
## Regional Exposure by Domicile



## Regional Exposure by Source of Revenue



## Risk – Reward – 12/1/2017 to 12/31/2025



## Top 10 Holdings

Portfolio Date 12/31/25	Weight %	Return %
Microsoft Corporation	2.3	-6.5
NVIDIA Corporation	2.0	0.0
Taiwan Semi Mfg. Co.	2.0	13.8
Alphabet Inc.	1.9	28.9
Amazon.com, Inc.	1.7	5.1
Apple Inc.	1.7	6.9
JPMorgan Chase & Co.	1.0	2.6
Samsung Electronics	0.9	35.2
Tencent Holdings Limited	0.9	-9.7
Visa Inc.	0.8	2.9

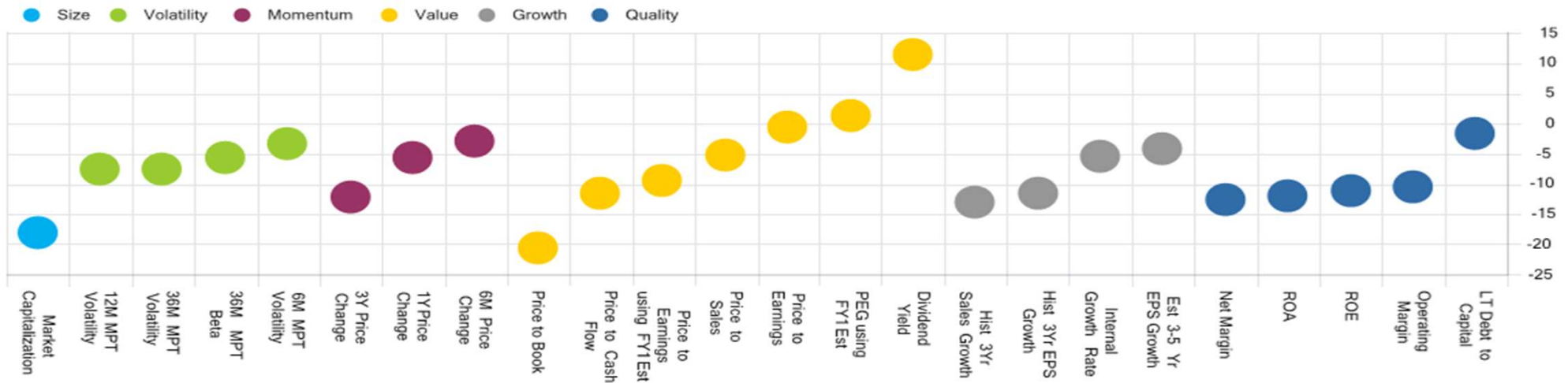
## Top 10 Managers

Portfolio Date 12/31/25	Weight %
Brandes Int'l Value	13.5
BlackRock Global Core	11.0
BlkRck ACWI ex US Growth	9.6
MFS Global Growth	8.9
BlackRock R1000 Value Index	8.8
NTQA S&P 500 Index Core	8.7
DFA US Small Cap Value	8.3
Earnest Mid Cap Core	8.1
DFA Int'l Small Cap Value	7.7
DFA US Large Cap Value	6.3

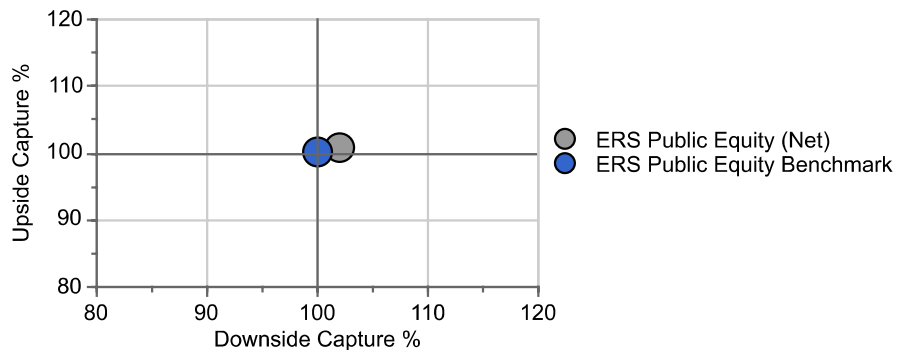
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# Public Equity Statistics

## Characteristics Tilt vs MSCI ACWI IMI 12/31/2025



## 15 Year Upside-Downside – 1/1/2011 to 12/31/2025



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## 15 Year Risk – 1/1/2011 to 12/31/2025

	Annualized Return	Standard Deviation	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
ERS Public Equity (Net)	10.2	14.5	0.0	0.6	0.0	1.9	1.0
ERS Public Equity Benchmark	10.4	14.0	0.0	0.6	--	--	1.0

## Batting Average

Rolling Window: 3 years  
Time Period: 1/1/2011 to 12/31/2025



## Risk – 7/1/2013 to 12/31/2025

	Annualized Return	Standard Deviation	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
ERS Public Equity (Net)	10.9	14.4	0.0	0.6	0.0	2.0	1.0
ERS Public Equity Benchmark	10.8	14.0	0.0	0.6	--	--	1.0

# Public Equity Valuation Characteristics

As of December 31, 2025

	Price/ Earnings	P/E using FY2 Est	Price/ Book	Price/ CF	Dividend Yield	Est. 3-5 yr. EPS Growth
ERS Public Equity	18.5	14.8	2.0	9.8	2.0	11.1
MSCI AC World IMI	21.2	17.3	2.6	12.6	1.7	12.1

Domestic Managers	Price/ Earnings	P/E using FY2 Est	Price/ Book	Price/ CF	Dividend Yield
BlackRock R1000 Value Index	20.5	16.6	2.8	12.9	1.8
DFA Large Value	17.9	14.0	2.4	10.3	2.0
DFA Small Value	12.3	10.4	1.1	6.3	2.0
Earnest Mid Core	21.5	16.4	2.6	13.1	1.4
NT S&P 500 Index	26.5	20.8	4.1	16.9	1.1
Polen Large Growth	36.3	25.8	9.9	25.4	0.6

Global & International Managers	Price/ Earnings	P/E using FY2 Est	Price/ Book	Price/ CF	Dividend Yield
AQR Emerging Markets Core	12.5	10.2	1.8	7.0	2.7
BlackRock Global Core	20.0	16.4	2.8	11.7	2.0
Brandes Int'l Value	14.6	11.4	1.4	6.3	3.8
DFA Int'l Small Value	13.0	10.9	1.1	6.3	3.0
MFS Global Growth	28.9	22.2	5.0	20.1	1.1
BlackRock ACWI ex US Growth	19.7	22.7	3.2	11.8	1.9

\*"Price/Earnings" and "P/E using FY2 Est" values exclude companies with negative earnings from calculations.

# Relative Investment Performance – Active Equity Managers as of December 31, 2025

## Outperforming Equity Managers

	4th Qtr	1 Year	3 Year	5 Year	7 Year	10 Year
DFA International <i>MSCI EAFE Small Cap</i>	7.4% 4.7%	52.1% 20.2%	24.5% 9.5%	15.1% 9.4%	13.7% 4.6%	10.1% 2.6%
Earnest <i>Russell Midcap</i>	4.1% 3.9%	10.1% 0.5%	11.5% 2.8%	8.0% 0.7%	13.6% 0.9%	12.3% 1.3%
AQR <i>MSCI EM</i>	6.5% 1.8%	30.9% 2.7%	18.1% 1.7%	5.5% 1.3%	9.1% 1.0%	N/A
Blackrock Global Alpha Tilts <i>MSCI ACWI</i>	4.2% 0.9%	24.5% 2.2%	22.0% 1.3%	12.3% 1.1%	14.8% 0.8%	N/A
DFA U.S. Large Value <i>Russell 1000 Value</i>	4.6% 0.8%	16.7% 0.8%	14.2% 0.3%	12.5% 1.1%	12.2% 0.1%	N/A
Brandes <i>MSCI EAFE</i>	5.4% 0.6%	39.5% 8.3%	24.9% 7.7%	15.6% 6.6%	12.8% 2.3%	10.2% 2.0%
DFA U.S. Small Value <i>Russell 2000 Value</i>	3.4% 0.1%	8.6% 4.0%	12.1% 0.4%	14.1% 5.2%	13.2% 3.1%	10.9% 1.6%
ERS Public Equity <i>ERS Equity Benchmark</i>	3.9% 0.6%	21.5% 0.6%	18.0% 2.0%	10.8% 0.0%	13.4% 0.2%	11.4% 0.0%

\*Returns net of fees

Relative outperformance in blue

Relative underperformance in red

# Relative Investment Performance – Active Equity Managers as of December 31, 2025

## Underperforming Equity Managers

	4th Qtr	1 Year	3 Year	5 Year	7 Year	10 Year
Polen <i>S&amp;P 500</i>	-1.5% 4.1%	4.8% 13.1%	18.7% 4.3%	5.3% 9.1%	13.4% 3.9%	12.9% 1.9%
MFS <i>MSCI ACWI</i>	1.6% 1.7%	8.3% 14.0%	13.4% 7.3%	7.2% 4.0%	13.0% 1.0%	12.2% 0.5%
ERS Public Equity <i>ERS Equity Benchmark</i>	3.9% 0.6%	21.5% 0.6%	18.0% 2.0%	10.8% 0.0%	13.4% 0.2%	11.4% 0.0%

Relative outperformance in blue

Relative underperformance in red

\*Returns net of fees

# Relative Investment Performance – Passive Equity Managers & Other as of December 31, 2025

## Passive Equity Managers

	4th Qtr	1 Year	3 Year	5 Year	7 Year	10 Year
Northern Trust S&P 500 Index <i>S&amp;P 500</i>	2.7% 0.0%	17.9% 0.0%	23.0% 0.0%	14.4% 0.0%	17.3% 0.0%	14.8% 0.0%
BlackRock Russell 1000 Value Index <i>Russell 1000 Value</i>	3.8% 0.0%	15.9% 0.0%	13.9% 0.0%	11.3% 0.0%	12.1% 0.0%	N/A
BlackRock ACWI Ex U.S. Growth <sup>(1)</sup> <i>MSCI ACWI xUSA Growth Net</i>	3.1% 0.5%	N/A	N/A	N/A	N/A	N/A

## Real Assets Manager

	4th Qtr	1 Year	3 Year	5 Year	7 Year	10 Year
Principal Diversified Real Assets <i>Blended Benchmark</i>	2.6% 0.2%	14.8% 1.7%	7.0% 1.2%	6.3% 0.6%	7.1% 0.1%	N/A

Relative outperformance in blue

Relative underperformance in red

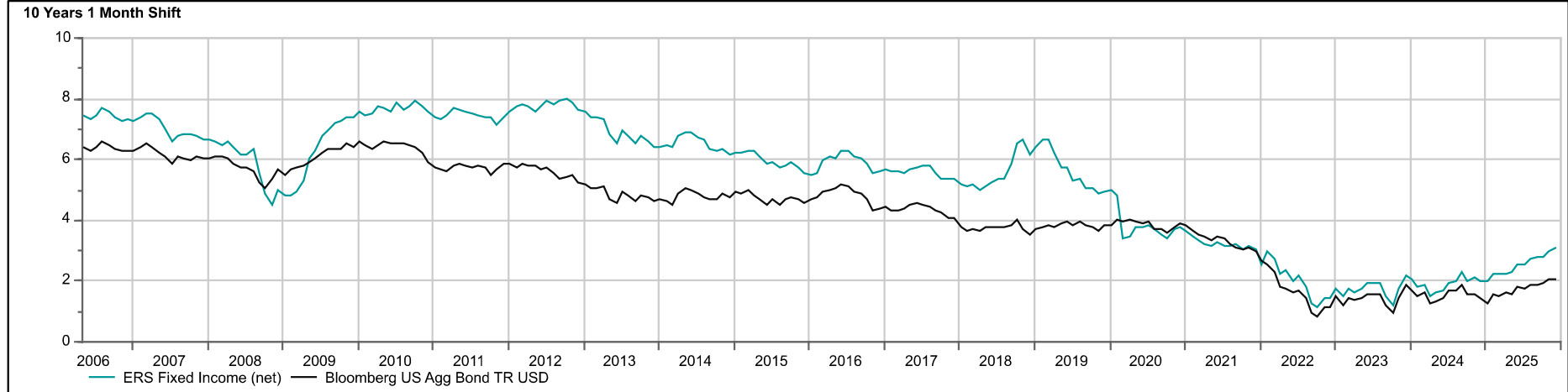
\*Returns net of fees

<sup>(1)</sup> Blackrock ACWI Ex U.S. Growth inception date June 12, 2025

# Fixed Income

# Fixed Income Performance

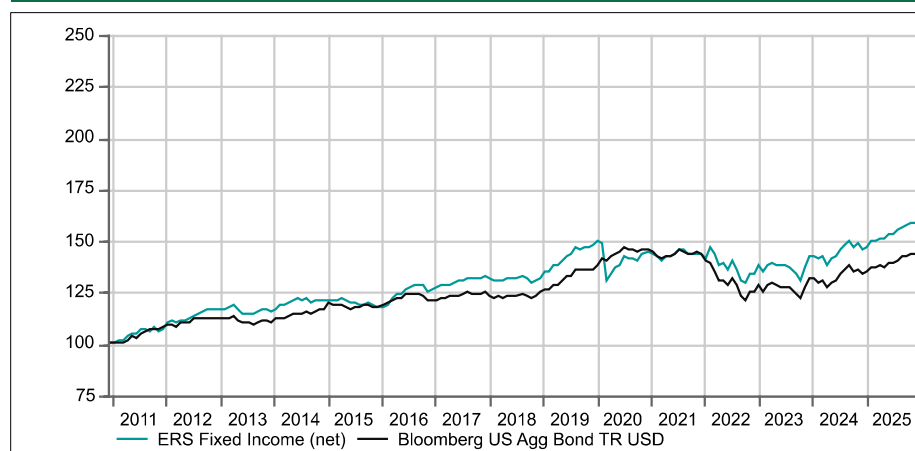
## 10 Year Rolling Returns – 6/1/1996 to 12/31/2025



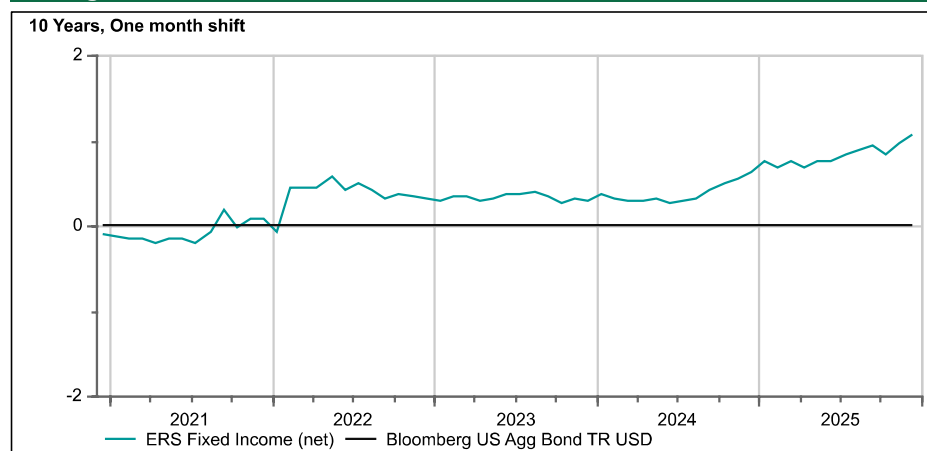
## Trailing Returns

	Annualized Return						
	QTR	1 Year	3 Year	5 Year	7 Year	10 Year	15 Year
Total Fixed Income (Gross)	1.2	8.4	5.9	1.9	2.7	3.2	3.2
Total Fixed Income (Net)	1.2	8.3	5.8	1.8	2.6	3.0	3.1
Bloomberg US Aggregate	1.1	7.3	4.7	-0.4	2.0	2.0	2.4

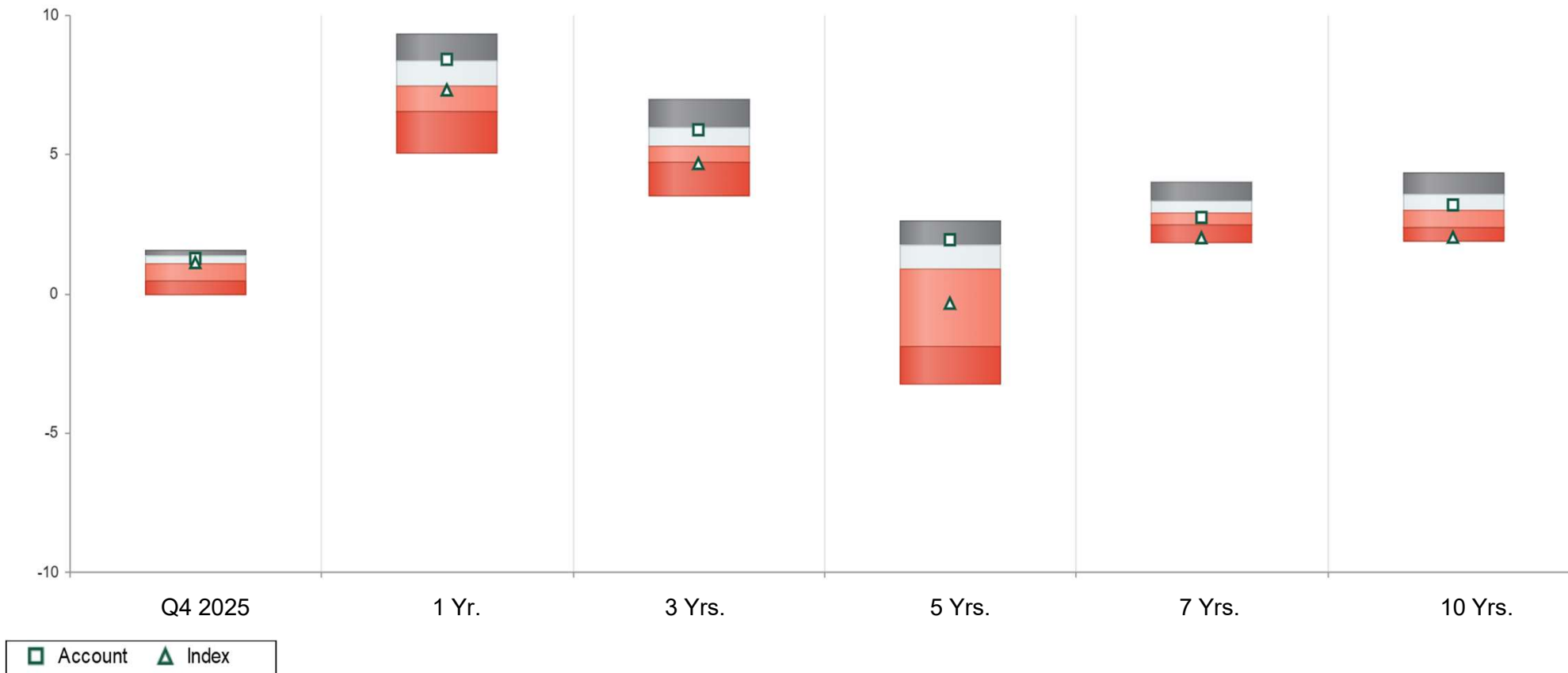
## Investment Growth – 1/1/2011 to 12/31/2025



## Rolling Excess Return – 1/1/2011 to 12/31/2025



# Fixed Income vs Universe



	<b>Q4 2025</b>	<b>1 Yr.</b>	<b>3 Yrs.</b>	<b>5 Yrs.</b>	<b>7 Yrs.</b>	<b>10 Yrs.</b>
Account Return	1.2	8.4	5.9	1.9	2.7	3.2
Percentile Rank	34	25	29	22	63	43
Index Return	1.1	7.3	4.7	-0.4	2.0	2.0
Percentile Rank	50	55	79	72	87	88
1st Quartile	1.3	8.3	6.0	1.7	3.3	3.6
Median	1.1	7.4	5.3	0.9	2.9	3.0
3rd Quartile	0.5	6.6	4.7	-1.9	2.5	2.4
Observations	87	87	85	86	84	85

## Relative Investment Performance – Fixed Income Managers as of December 31, 2025

	4th Qtr	1 Year	3 Year	5 Year	7 Year	10 Year
Loomis Sayles <i>Bloomberg U.S. Agg.</i>	1.7% 0.6%	9.6% 2.3%	7.7% 3.0%	2.2% 2.6%	4.6% 2.6%	5.1% 3.1%
Reams <i>Bloomberg U.S. Agg.</i>	1.2% 0.1%	8.6% 1.3%	5.6% 1.0%	0.6% 0.9%	3.9% 1.9%	3.7% 1.7%
BlackRock US Government Index <i>Bloomberg U.S. Government</i>	0.8% 0.1%	6.2% 0.1%	3.7% 0.1%	N/A	N/A	N/A
BlackRock US Aggregate Index <sup>(1)</sup> <i>Bloomberg U.S. Agg.</i>	1.0% 0.1%	N/A	N/A	N/A	N/A	N/A
ERS Fixed Income <i>Bloomberg U.S. Agg.</i>	1.2% 0.1%	8.3% 1.0%	5.8% 1.1%	1.8% 2.2%	2.6% 0.6%	3.0% 1.0%

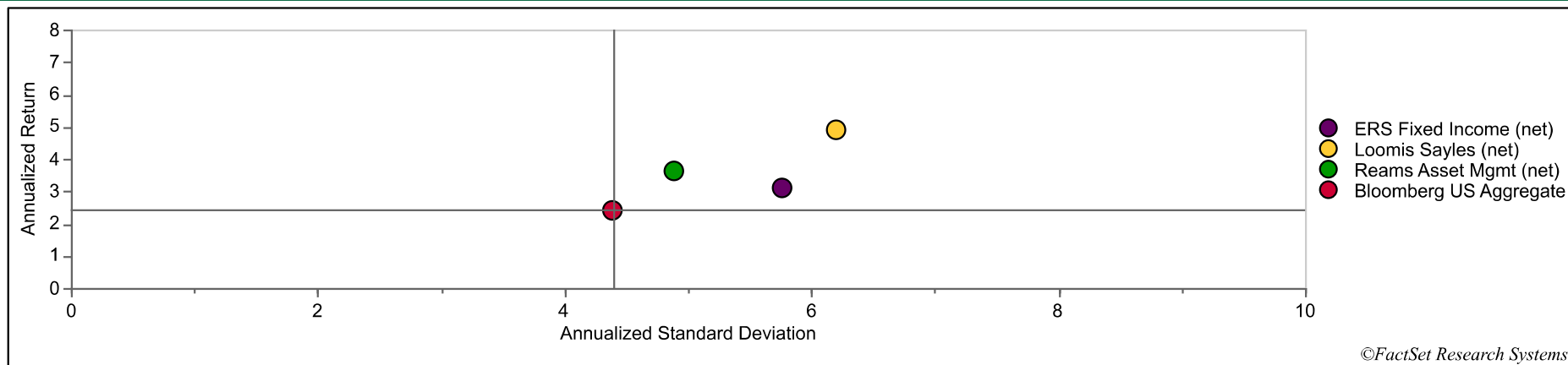
Relative outperformance in blue
Relative underperformance in red

\*Returns net of fees

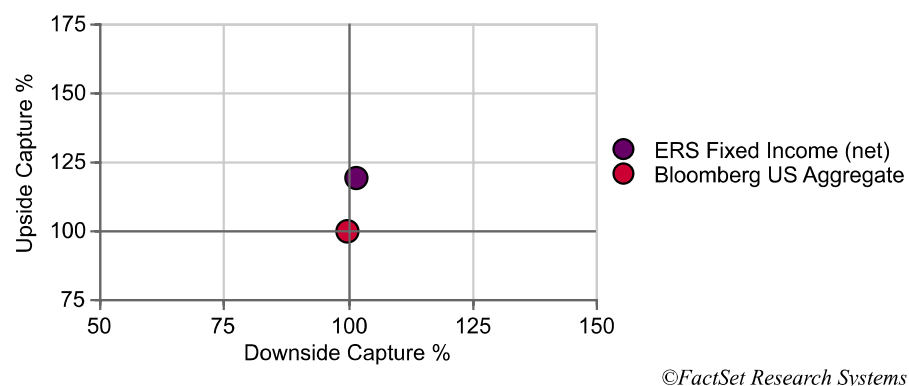
<sup>(1)</sup> Blackrock US Aggregate Index inception date May 21, 2025

# Fixed Income Statistics

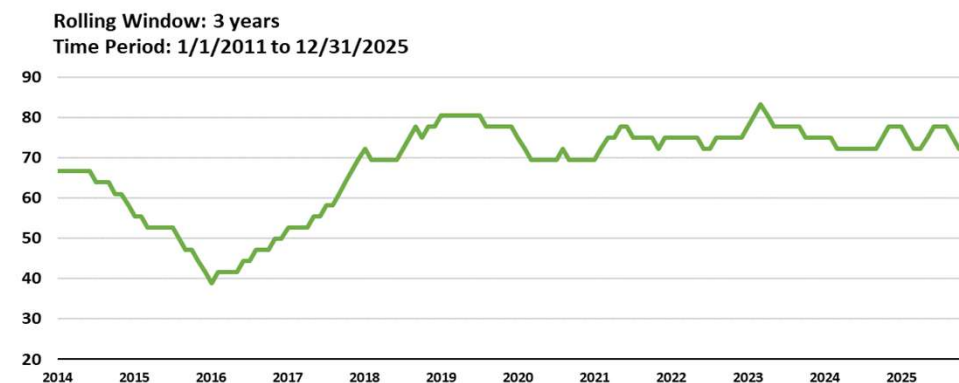
## Risk – Reward –1/1/2011 to 12/31/2025



## 15 Year Upside-Downside – 1/1/2011 to 12/31/2025



## Batting Average



## 15 Year Risk – 1/1/2011 to 12/31/2025

	Annualized Return	Standard Deviation	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
Total Fixed Income (Net)	3.1	5.8	0.1	0.3	0.1	3.8	1.0
Bloomberg US Aggregate	2.4	4.4	0.0	0.2	--	--	1.0

## Risk – 7/1/2013 to 12/31/2025

	Annualized Return	Standard Deviation	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
Total Fixed Income (Net)	2.6	6.1	0.1	0.1	0.0	4.0	1.0
Bloomberg US Aggregate	2.2	4.6	0.0	0.1	--	--	1.0

# Absolute Return

## Relative Investment Performance – Absolute Return Managers as of December 31, 2025

	4th Qtr	1 Year	3 Year	5 Year	7 Year	10 Year
<b>Aptitude</b> <i>1 Year Libor / SOFR + 4%</i>	3.8% 1.8%	11.9% 3.6%	10.1% 1.2%	N/A	N/A	N/A
<b>UBS A&amp;Q</b> <i>1 Year Libor / SOFR + 4%</i>	3.3% 1.4%	9.7% 1.4%	9.0% 0.1%	8.8% 1.7%	9.4% 2.3%	7.5% 0.7%
<b>ERS Absolute Return</b> <i>3 Month T-Bill + 3%</i>	3.5% 1.8%	10.6% 3.4%	9.5% 1.5%	12.0% 5.7%	7.9% 2.1%	6.7% 1.5%

Relative outperformance in blue

Relative underperformance in red

### Risk Adjusted Returns (07/1/14 - 12/31/25)

	Return	Std Dev	Sharpe Ratio	Max Drawdown
ERS Public Equity (net)	9.7%	14.8%	0.5	-25.3%
ERS Fixed Income (net)	2.3%	6.3%	0.1	-13.6%
ERS Absolute Return (net)	6.6%	8.7%	0.5	-27.1%

\*Returns net of fees

# Private Equity

## Milwaukee ERS Private Equity Portfolio as of September 30, 2025

### PE Summary - Portfolio Capital Calls, Distributions, NAV & Returns

Partnership	Vintage Year	Committed	Invested Capital*	Uncalled Commitments*	Distributions*	NAV	NAV Change	IRR*	TVPI*	DPI*	RVPI*
Abbott 2010	2010	35,000,000	34,650,405	349,595	58,979,889	12,379,402	(653,693)	13.61%	2.06	1.70	0.36
Abbott 2011	2011	55,000,000	54,730,191	269,809	93,303,494	25,116,619	992,873	14.92%	2.16	1.70	0.46
Abbott 2012	2012	40,000,000	39,600,000	400,000	63,302,456	24,001,834	800,000	15.34%	2.20	1.60	0.61
Abbott 2013	2013	35,000,000	34,650,000	350,000	54,968,168	23,484,311	188,672	16.42%	2.26	1.59	0.68
Abbott 2014	2014	35,000,000	34,300,000	700,000	51,060,612	27,997,657	285,516	16.45%	2.30	1.49	0.82
Abbott 2015	2015	25,000,000	25,050,000	-	30,381,250	24,674,434	260,987	16.53%	2.20	1.21	0.99
Abbott 2016	2016	20,000,000	19,717,500	282,500	19,072,500	23,311,541	446,298	17.35%	2.15	0.97	1.18
Abbott 2018	2018	20,000,000	19,315,000	685,000	5,790,000	26,269,293	383,856	13.89%	1.66	0.30	1.36
Abbott 2019	2019	20,000,000	18,270,000	1,730,000	3,140,000	25,493,315	642,788	14.26%	1.57	0.17	1.40
Abbott 2020	2020	40,000,000	33,070,000	6,930,000	2,360,000	40,302,664	1,250,698	10.04%	1.29	0.07	1.22
Abbott 2021	2021	20,000,000	12,554,749	7,445,251	-	14,979,428	438,556	6.96%	1.19	0.00	1.19
Abbott 2022	2022	35,000,000	18,089,110	16,910,890	-	18,691,802	179,260	1.74%	1.03	0.00	1.03
Abbott 2023	2023	30,000,000	9,054,375	20,945,625	-	10,681,666	238,521	16.05%	1.18	0.00	1.18
Abbott 2024	2024	40,000,000	10,475,000	29,525,000	-	11,728,456	313,789	18.58%	1.12	0.00	1.12
Abbott 2025	2025	40,000,000	5,600,000	34,400,000	-	5,765,793	174,602	11.93%	1.03	0.00	1.03
Mesirow V	2008	75,000,000	71,846,194	3,153,806	149,623,045	24,675,447	1,245,452	16.01%	2.43	2.08	0.34
Mesirow VI	2013	60,000,000	54,360,000	5,640,000	94,836,748	48,513,617	185,393	18.57%	2.64	1.74	0.89
Mesirow VII	2017	100,000,000	87,214,499	12,785,501	35,198,942	127,723,465	2,069,004	13.68%	1.87	0.40	1.46
Mesirow VIII	2020	120,000,000	83,400,000	36,600,000	-	100,599,904	3,754,105	13.58%	1.21	0.00	1.21
Mesirow IX	2024	120,000,000	21,000,000	99,000,000	-	24,491,408	610,073	NMF	1.17	0.00	1.17
Neuberger Berman III	2013	30,000,000	32,126,733	-	42,877,607	6,283,687	172,814	15.91%	1.53	1.33	0.20
Neuberger Berman IV	2017	25,000,000	26,373,659	-	24,468,789	15,498,613	214,593	16.28%	1.52	0.93	0.59
Neuberger Berman V	2021	100,000,000	62,052,982	37,947,018	20,029,299	65,169,236	1,866,781	23.24%	1.37	0.32	1.05
Private Advisors VI	2014	30,000,000	34,747,823	-	48,325,079	19,364,000	152,880	18.13%	1.95	1.39	0.56
Private Advisors VII	2016	15,000,000	18,794,968	-	21,860,581	10,796,036	46,176	15.68%	1.74	1.16	0.57
Private Advisors VIII	2018	15,000,000	17,255,573	-	13,967,329	17,634,041	385,901	19.27%	1.83	0.81	1.02
Private Advisors IX	2019	35,000,000	42,267,950	-	22,573,080	40,499,555	1,523,317	18.56%	1.49	0.53	0.96
Private Advisors X	2022	30,000,000	15,058,372	14,941,628	2,760,803	21,284,954	1,248,217	19.73%	1.60	0.18	1.41
Private Advisors XI	2024	40,000,000	3,150,115	36,849,885	-	3,815,994	258,164	NMF	0.00	0.00	0.00
Total ERS		1,285,000,000	938,775,199	367,841,508	858,879,670	841,228,172	19,675,593	16.75%	1.81	0.91	0.90
% of ERS Fund				5.8%		13.3%					

### Sub-Asset Class Breakdown



Approximately 5.7% of Private Equity allocation exposure is held in Public Equity investments.

### NAV by Vintage Year



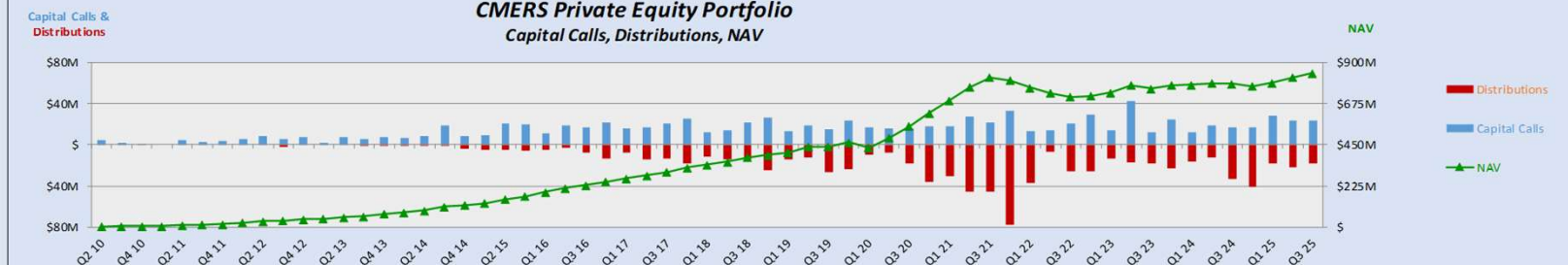
### Vintage Year\*\*



### Age of Investment\*\*\*



### CMERS Private Equity Portfolio Capital Calls, Distributions, NAV



\* Invested capital, uncalled commitments, IRR calculations, and distributions will not necessarily match partnership statement. Estimates reflect best efforts to incorporate actual ERS experience. TVPI stands for "Total Value to Paid in Capital." It is calculated as the sum of NAV & Distributions, divided by Invested Capital. DPI stands for "Distributed to Paid in Capital" (Distributions/Invested Capital). RVPI stands for "Residual Value to Paid in Capital" (NAV/Invested Capital).

\*\* Vintage Year Investments Prior to 2005 are deemed to not be material figures and are not illustrated in above graph. Excludes Neuberger Berman.

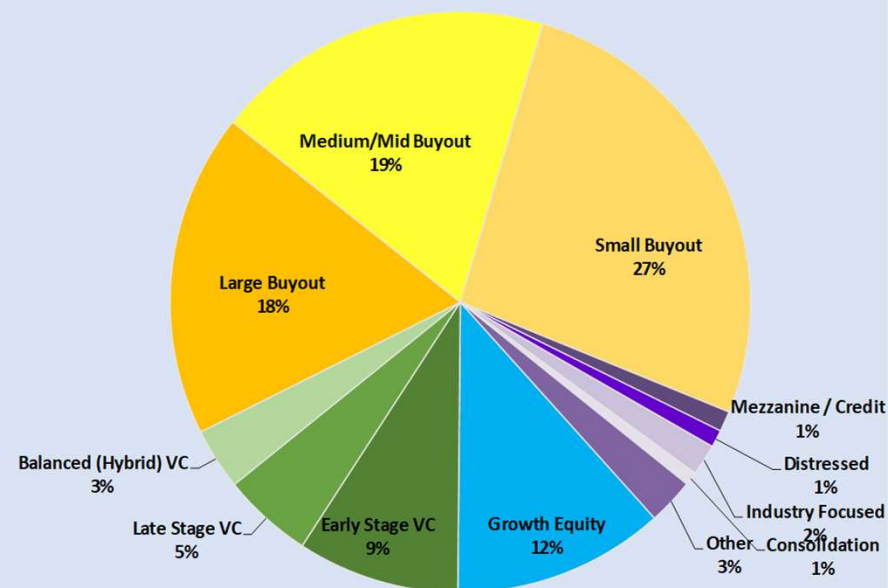
\*\*\* Portfolio Companies by Age of Investment figures have not been fully adjusted for overlapping investments. Excludes Neuberger Berman.

# Private Equity Continued

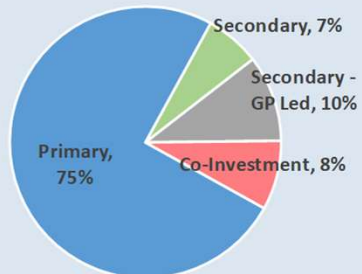
Total Managers	270*
Number of Partnerships	751*
Number of Portfolio Companies	6,976*

\*Data in the above table is estimated. Actual data may be slightly different.

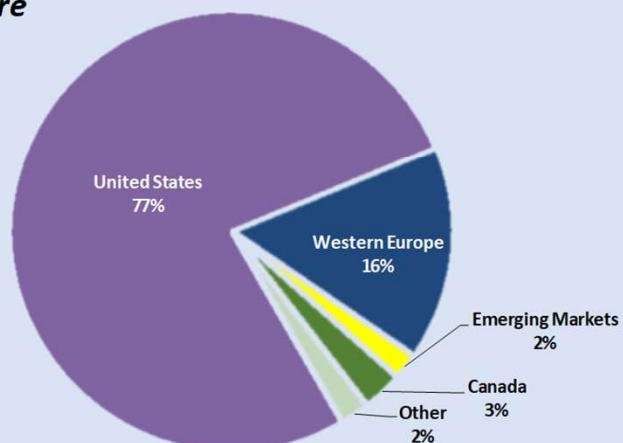
## Strategy Exposure



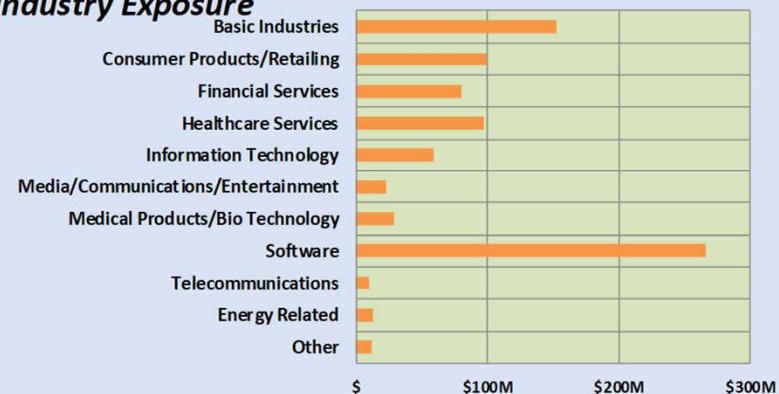
## Transaction Type



## Geographic Exposure



## Industry Exposure



# Performance Update

# Performance Update

Estimated ERS Total Fund Market Value is \$6.66 billion as of February 5, 2026

Period	ERS Fund*	Benchmark
January (Estimate)	1.8%	1.4%
February MTD (Estimate)	-0.1%	-0.4%
YTD through February 5, 2026 (Estimate)	1.7%	1.0%

\*Returns Net of Fees

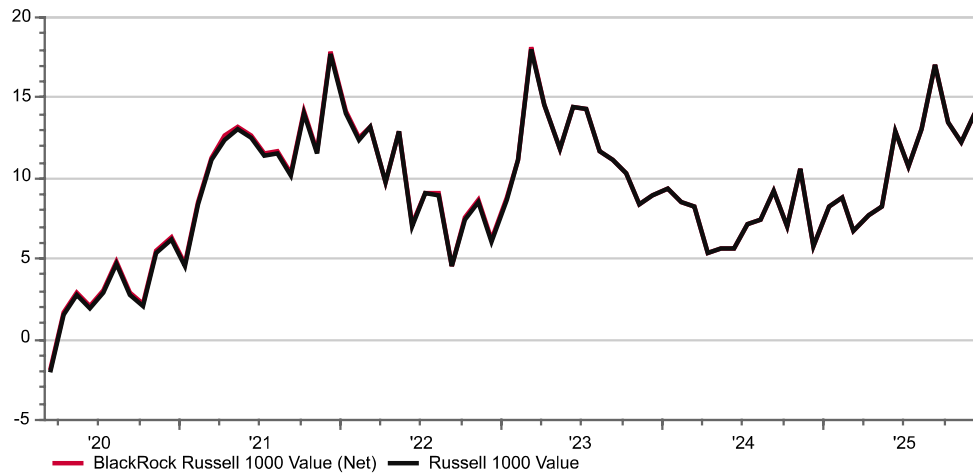
# Appendix

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# BlackRock Russell 1000 Value Portfolio Snapshot – December 31, 2025

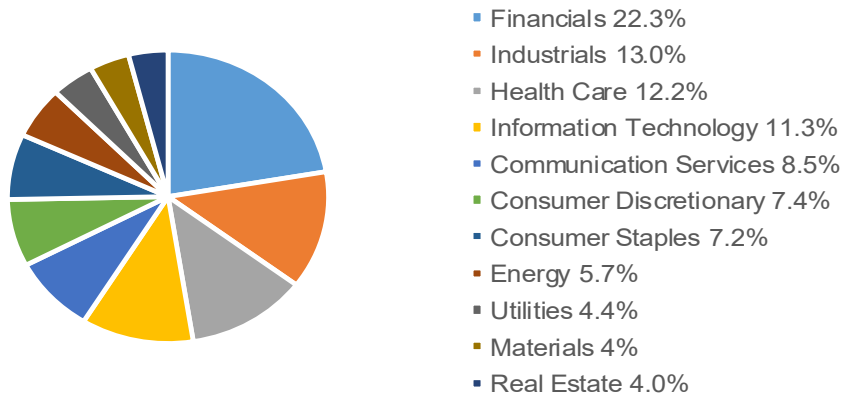
## Rolling Returns Since Inception 4/1/2017 (Three Year, One Month Shift)



## Trailing Returns

	QTR	1 Year	3 Year	5 Year	Inception 4/1/2017
BlackRock R1000 Value (Net)	3.8	15.9	13.9	11.3	9.8
Russell 1000 Value	3.8	15.9	13.9	11.3	9.7

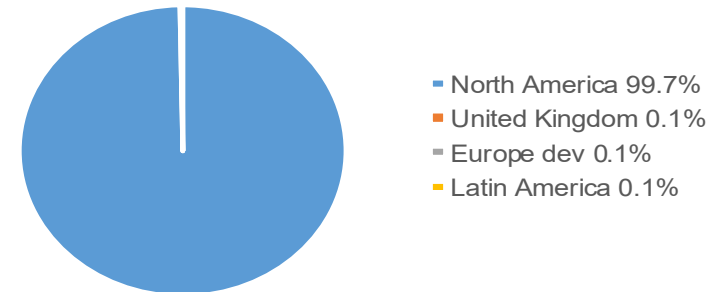
## Equity Sector Exposure (GICS)



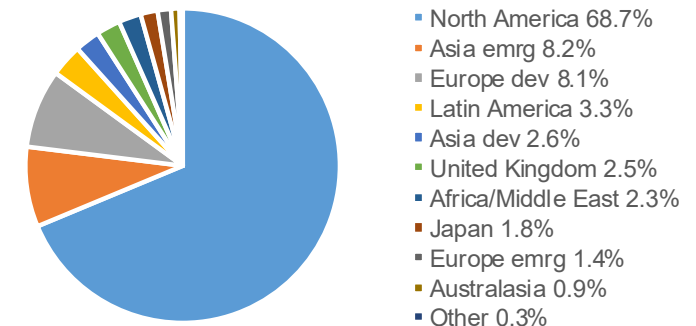
## Top 10 Holdings

	Portfolio Weight	Quarterly Return
Alphabet Inc.	3.92	28.88
Berkshire Hathaway Inc.	3.10	-0.02
JPMorgan Chase & Co.	2.93	2.65
Amazon.com, Inc.	2.04	5.12
Exxon Mobil Corporation	1.70	7.68
Johnson & Johnson	1.67	12.31
Walmart Inc.	1.46	8.33
Bank of America Corporation	1.13	7.15
Procter & Gamble Company	1.13	-6.07
Micron Technology, Inc.	1.07	70.73

## Regional Exposure by Domicile



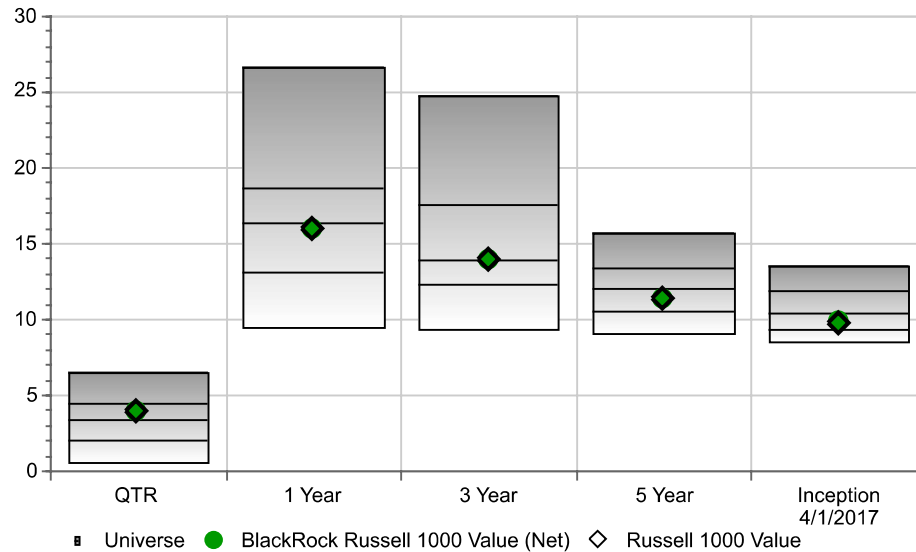
## Regional Exposure by Source of Revenue



# BlackRock Russell 1000 Value vs Universe & Benchmark

## Performance Relative to Peer Group as of 12/31/2025

Universe: Lipper US:Large-Cap Value



©FactSet Research Systems

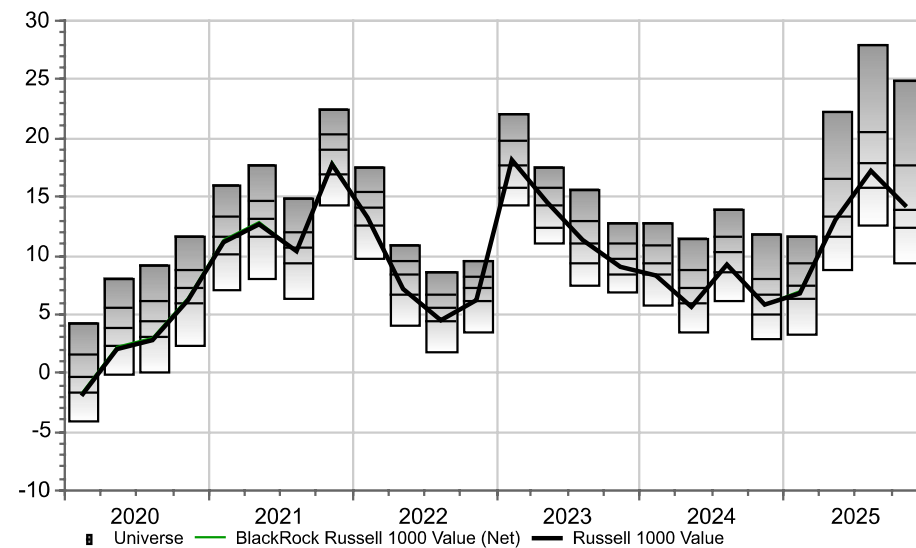
## Investment Growth Since Inception 4/1/2017



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## Rolling Returns 4/1/2017 – 12/31/2025 (3 Year, 3 Month Shift)

Universe: Lipper US:Large-Cap Value



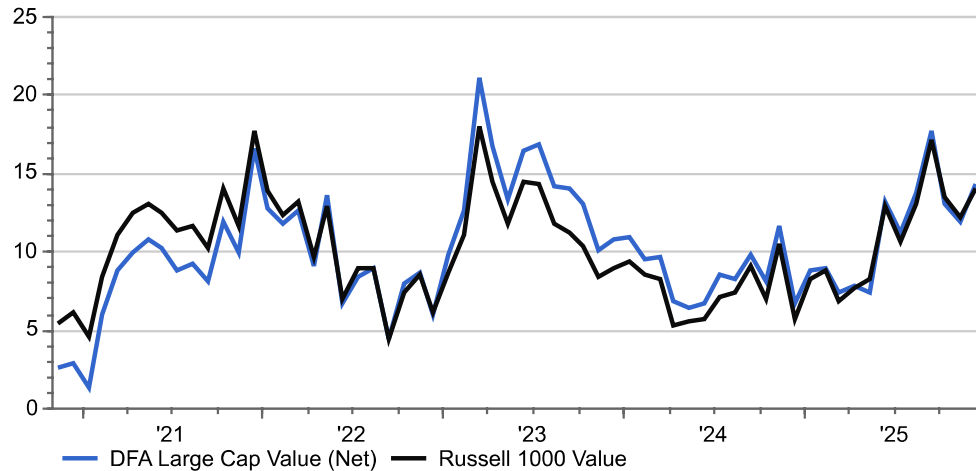
©FactSet Research Systems

## Risk Since Inception 4/1/2017

	Return	Std Dev	Sharpe Ratio	Tracking Error
BlackRock R1000 Value (Net)	9.8	16.0	0.5	0.0
Russell 1000 Value	9.7	16.0	0.4	--

# DFA LCV Portfolio Snapshot – December 31, 2025

## Rolling Returns Since Inception 12/1/2017 (Three Year, One Month Shift)



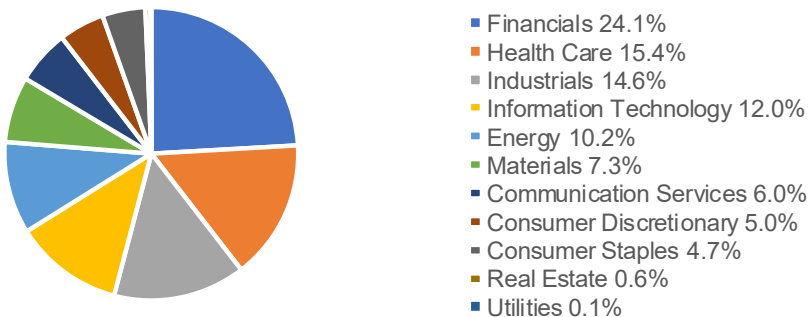
## Top 10 Holdings

	Portfolio Weight	Quarterly Return
JPMorgan Chase & Co.	4.73	2.65
Exxon Mobil Corporation	2.50	7.68
Johnson & Johnson	2.27	12.31
Berkshire Hathaway Inc.	1.97	-0.02
Micron Technology, Inc.	1.81	70.73
Cisco Systems, Inc.	1.71	13.22
UnitedHealth Group Incorporated	1.68	-3.76
Chevron Corporation	1.40	-0.74
Wells Fargo & Company	1.26	11.77
Goldman Sachs Group, Inc.	1.16	10.88

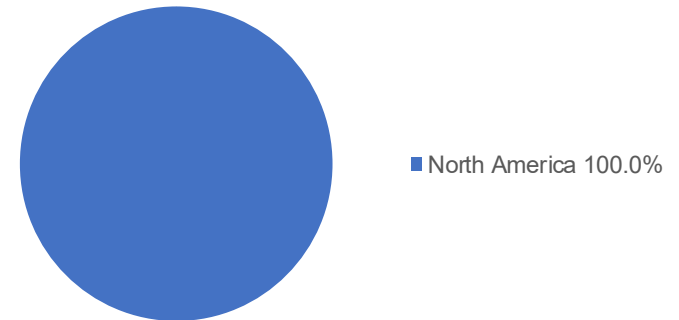
## Trailing Returns

	QTR	1 Year	3 Year	5 Year	Inception 12/1/2017
DFA US Large Value (Net)	4.6	16.7	14.2	12.5	9.0
Russell 1000 Value	3.8	15.9	13.9	11.3	9.4

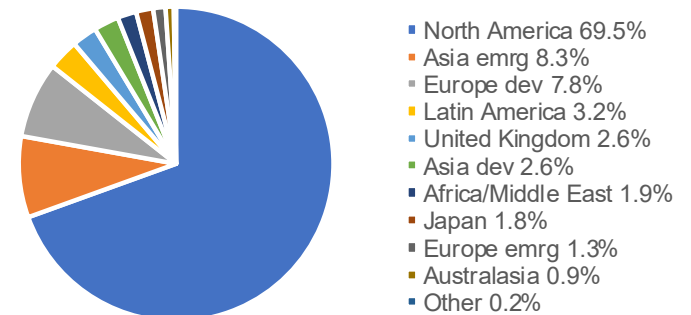
## Equity Sector Exposure (GICS)



## Regional Exposure by Domicile



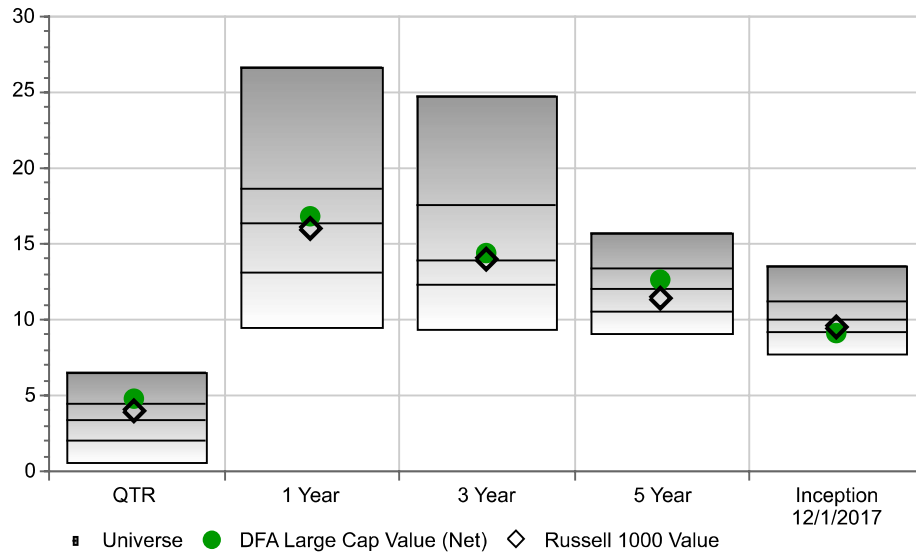
## Regional Exposure by Source of Revenue



# DFA LCV vs Universe & Benchmark

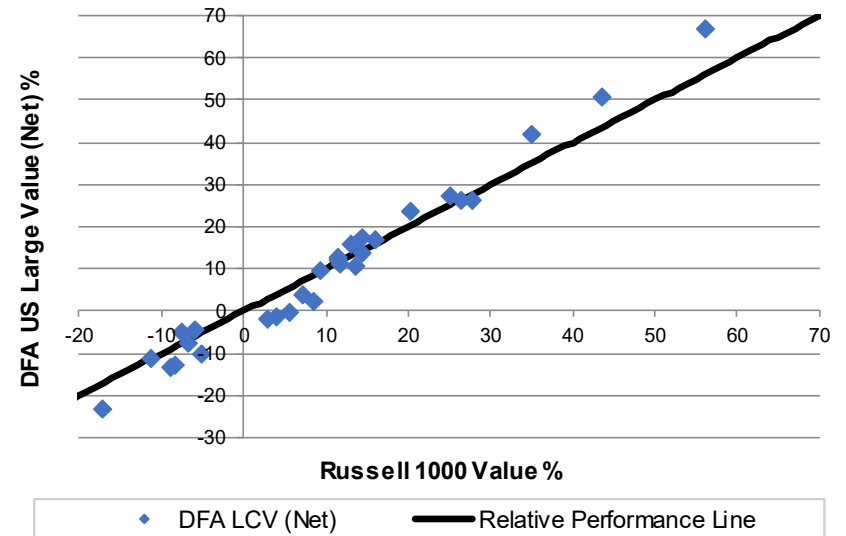
## Performance Relative to Peer Group as of 12/31/2025

Universe: Lipper US Large Cap Value



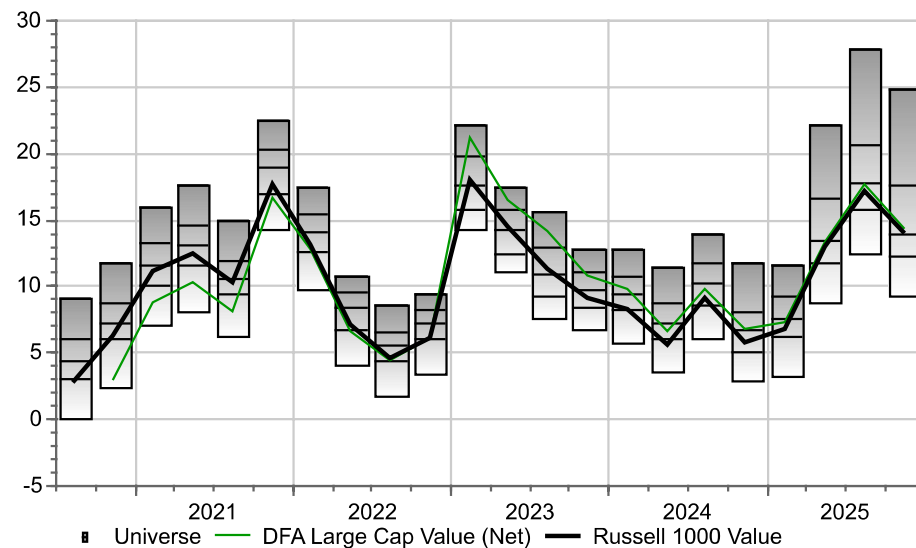
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## One-Year Rolling Return Versus Benchmark



## Rolling Returns 12/1/2017 – 12/31/2025 (3 Year, 3 Month Shift)

Universe: Lipper US Large Cap Value



©FactSet Research Systems

## Over/Under Benchmark Analysis

14	Outperform
15	Underperform
29	# Observations
48%	% Outperform

## DFA LCV Attribution Analysis – December 31, 2025

### Top 10 Leading Contributors

	Avg. Weights	Relative Weights	Active Return
Micron Technology, Inc.	1.38	0.58	0.34
General Motors Company	0.87	0.65	0.20
Freeport-McMoRan, Inc.	0.61	0.41	0.12
Cummins Inc.	0.72	0.51	0.10
Delta Air Lines, Inc.	0.56	0.42	0.09
Cognizant Technology Solutions Corp.	0.51	0.39	0.09
Cisco Systems, Inc.	1.63	0.64	0.08
Albemarle Corporation	0.17	0.13	0.08
Dollar Tree, Inc.	0.30	0.23	0.07
Procter & Gamble Company	0.15	-1.06	0.06

### Top 10 Leading Detractors

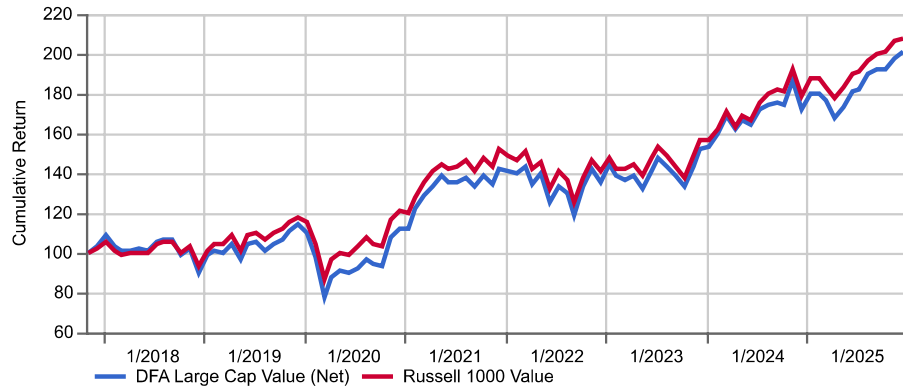
	Avg. Weights	Relative Weights	Active Return
Alphabet Inc.	0.51	-3.07	-0.75
Caterpillar Inc.	0.00	-0.75	-0.14
Merck & Co., Inc.	0.26	-0.52	-0.13
Walmart Inc.	0.00	-1.40	-0.11
Amazon.com, Inc.	0.05	-2.04	-0.11
Applied Materials, Inc.	0.04	-0.41	-0.09
Fiserv, Inc.	0.22	0.10	-0.08
AT&T Inc.	1.24	0.61	-0.08
Marathon Petroleum Corporation	0.66	0.45	-0.07
Int'l Business Machines Corp.	0.00	-0.95	-0.05

### Sector Attribution

	Average relative weighting (%)	Portfolio returns (%)	Benchmark returns (%)	Sector allocation (%)	Stock selection (%)	Relative contribution (%)
Communication Services	-1.9	-1.1	8.5	-0.1	-0.6	-0.7
Consumer Discretionary	-2.2	2.2	-0.1	0.1	0.1	0.2
Consumer Staples	-2.8	1.0	0.3	0.1	0.0	0.1
Energy	4.2	0.5	1.2	-0.1	-0.1	-0.2
Financials	1.7	3.9	2.5	0.0	0.3	0.3
Health Care	2.9	6.6	8.2	0.1	-0.2	-0.1
Industrials	2.0	3.3	3.1	0.0	0.0	0.0
Information Technology	0.6	16.5	11.0	0.0	0.6	0.6
Materials	3.2	3.5	2.7	0.0	0.1	0.0
Real Estate	-3.6	5.4	-2.4	0.2	0.0	0.3
Utilities	-4.4	-6.2	-0.7	0.2	0.0	0.2
Cash	0.3	0.9	0.0	0.0	0.0	0.0
Total	0.0	4.6	3.8	0.5	0.3	0.8

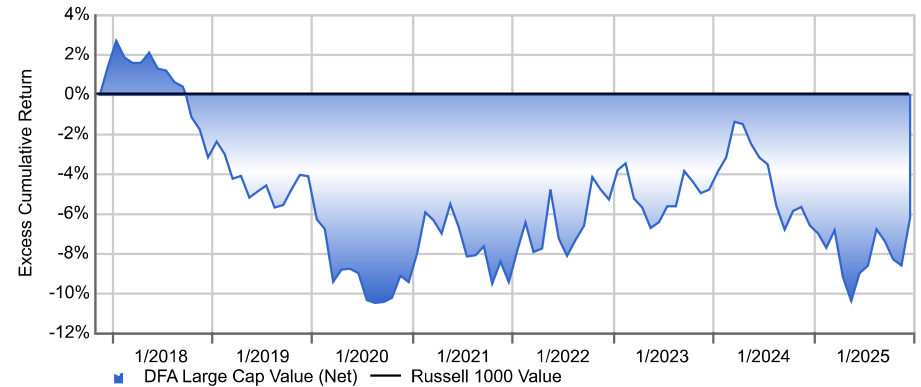
# DFA LCV Inception Performance & Statistics

## Investment Growth Since Inception 12/1/2017



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## Relative Cumulative Performance Since Inception 12/1/2017

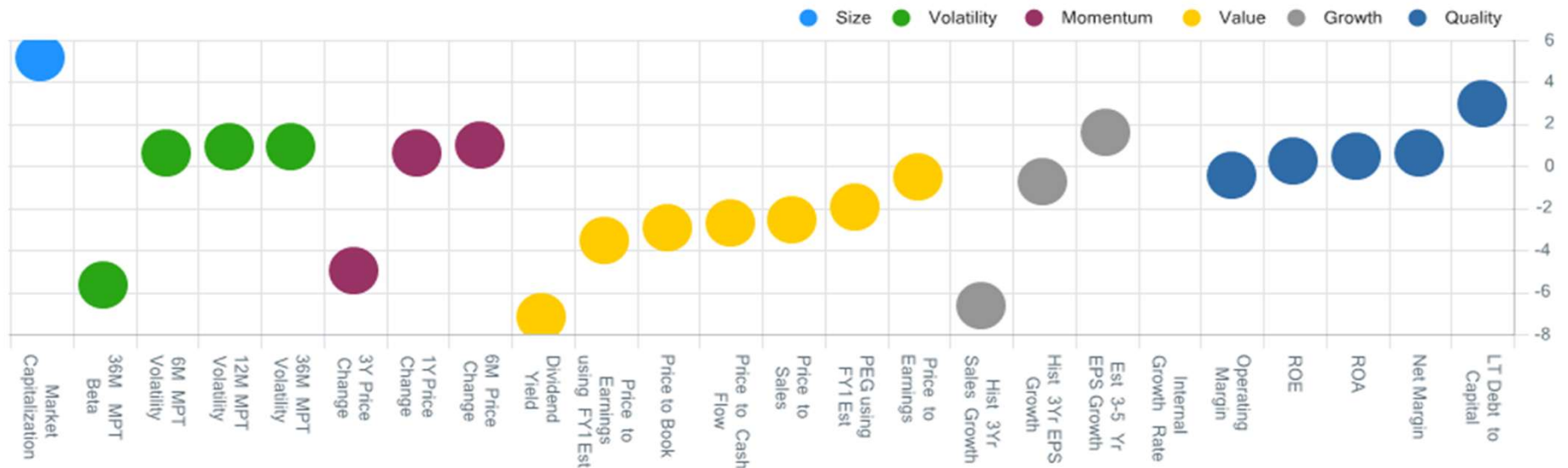


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## Risk Since Inception 12/1/2017

	Return	Std Dev	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
DFA US Large Value (Net)	9.0	18.8	-0.9	0.3	-0.1	3.6	1.1
Russell 1000 Value	9.4	16.6	--	0.4	--	--	1.0

## Characteristics Tilt vs Benchmark 12/31/2025



# DFA US SCV Portfolio Snapshot – December 31, 2025

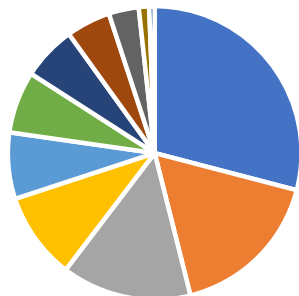
## Rolling Returns Since Inception 10/1/1996 (Ten Year, One Month Shift)



## Trailing Returns

	QTR	1 Year	3 Year	5 Year	10 Year	15 Year
DFA Small Cap Value (Net)	3.4	8.6	12.1	14.1	10.9	10.4
Russell 2000 Value	3.3	12.6	11.7	8.9	9.3	8.7

## Equity Sector Exposure (GICS)

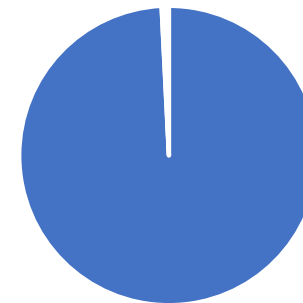


- Financials 29.0%
- Industrials 17.0%
- Consumer Discretionary 14.3%
- Energy 9.6%
- Health Care 7.3%
- Materials 6.9%
- Information Technology 5.9%
- Consumer Staples 4.9%
- Communication Services 3.3%
- Real Estate 1.1%
- Utilities 0.6%

## Top 10 Holdings

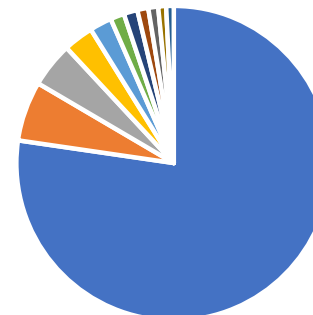
	Portfolio Weight	Quarterly Return
Elanco Animal Health Incorporated	0.84	12.36
Invesco Ltd.	0.79	15.54
Amkor Technology, Inc.	0.78	39.28
Alcoa Corporation	0.77	62.03
Comerica Incorporated	0.74	27.89
BorgWarner Inc.	0.73	2.91
Webster Financial Corporation	0.70	6.63
Air Lease Corporation	0.66	1.26
Commercial Metals Company	0.64	21.21
Knight-Swift Transportation Holdings Inc.	0.64	32.79

## Regional Exposure by Domicile



- North America 99.2%
- Europe emrg 0.4%
- Latin America 0.2%
- Europe dev 0.2%

## Regional Exposure by Revenue Source

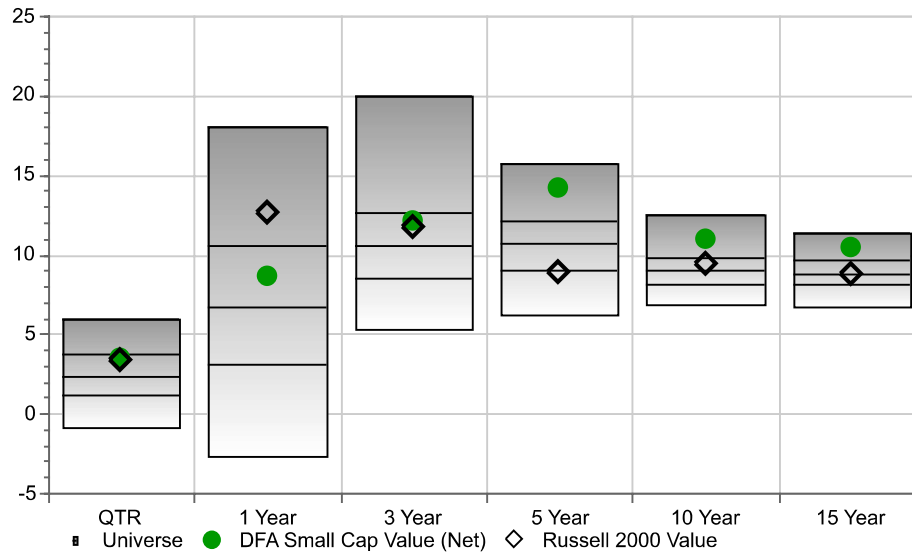


- North America 77.3%
- Europe dev 6.2%
- Asia emrg 4.6%
- Latin America 3.1%
- United Kingdom 2.3%
- Africa/Middle East 1.5%
- Other 1.4%
- Asia dev 1.1%
- Europe emrg 1.0%
- Japan 0.8%
- Australasia 0.8%

# DFA US SCV vs Universe & Benchmark

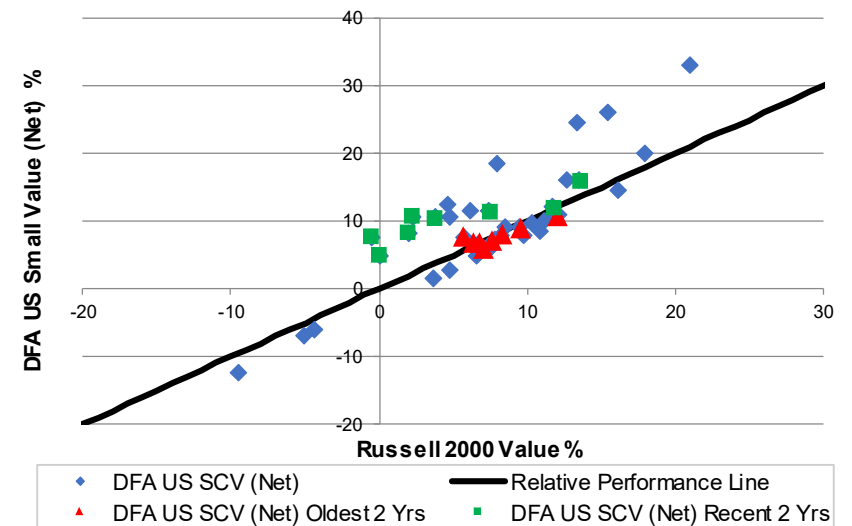
## Performance Relative to Peer Group as of 12/31/2025

Universe: Lipper US Small Cap Value



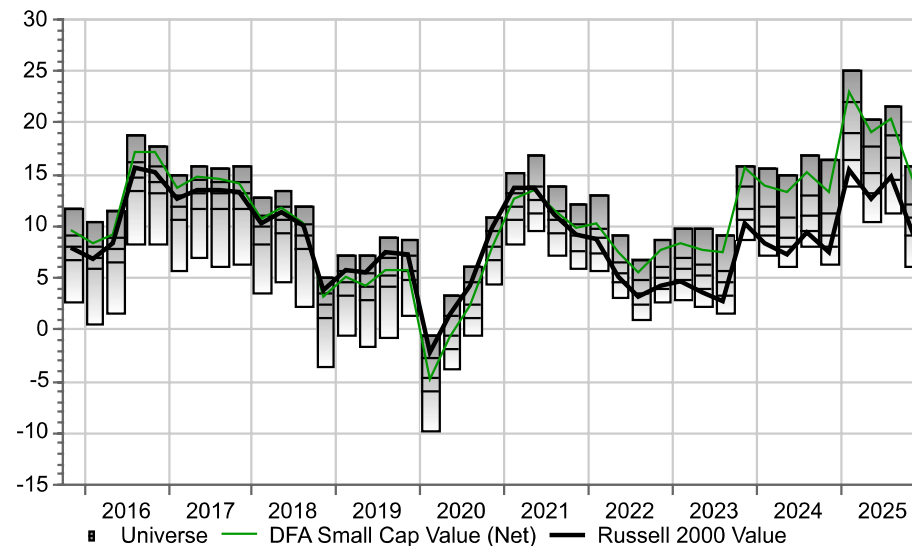
©FactSet Research Systems

## Three-Year Rolling Return Versus Benchmark



## Rolling Returns 7/1/2008 – 12/31/2025 (5 Year, 3 Month Shift)

Universe: Lipper US Small Cap Value



©FactSet Research Systems

## Over/Under Benchmark Analysis

21	Outperform
19	Underperform
40	# Observations
53%	% Outperform

# DFA US SCV Attribution Analysis

## Top 10 Leading Contributors

	Avg. Weights	Relative Weights	Active Return
Alcoa Corporation	0.55	0.55	0.30
Amkor Technology, Inc.	0.69	0.69	0.25
Jazz Pharmaceuticals Public Ltd. Co.	0.62	0.62	0.17
Comerica Incorporated	0.65	0.65	0.17
Globus Medical, Inc.	0.21	0.21	0.17
Knight-Swift Transportation Holdings Inc.	0.54	0.54	0.16
Viatis Inc.	0.57	0.57	0.14
Kirby Corporation	0.42	0.42	0.12
WESCO International, Inc.	0.69	0.69	0.11
Invesco Ltd.	0.73	0.73	0.11

## Top 10 Leading Detractors

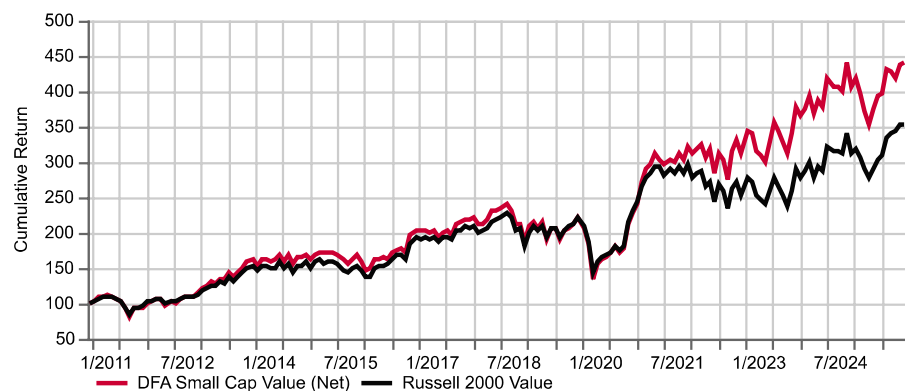
	Avg. Weights	Relative Weights	Active Return
Praxis Precision Medicines, Inc.	0.00	-0.20	-0.32
EchoStar Corporation	0.10	-0.65	-0.27
Hecla Mining Company	0.00	-0.47	-0.24
Mosaic Company	0.50	0.50	-0.18
Terns Pharmaceuticals, Inc.	0.00	-0.08	-0.17
Merck & Co., Inc.	0.00	-0.16	-0.14
Perrigo Company plc	0.23	0.23	-0.10
Victoria's Secret & Co.	0.00	-0.12	-0.10
Mohawk Industries, Inc.	0.56	0.56	-0.10
Nuvation Bio, Inc.	0.00	-0.09	-0.09

## Sector Attribution

	Average relative weighting (%)	Portfolio returns (%)	Benchmark returns (%)	Sector allocation (%)	Stock selection (%)	Relative contribution (%)
Communication Services	0.4	0.2	10.7	0.0	-0.3	-0.3
Consumer Discretionary	4.4	-3.0	-1.8	-0.2	-0.2	-0.4
Consumer Staples	2.9	-0.6	-3.7	-0.2	0.1	-0.1
Energy	3.8	4.6	5.6	0.1	-0.1	0.0
Financials	2.9	6.0	3.5	0.0	0.7	0.7
Health Care	-2.5	8.1	19.7	-0.3	-0.8	-1.2
Industrials	3.9	3.1	0.6	-0.1	0.4	0.3
Information Technology	-2.4	5.0	-4.5	0.2	0.5	0.7
Materials	0.9	7.4	9.7	0.1	-0.1	0.0
Real Estate	-8.7	1.5	-0.2	0.3	0.0	0.3
Utilities	-5.7	6.3	-0.6	0.2	0.0	0.3
Total	0.0	3.6	3.3	0.0	0.3	0.3

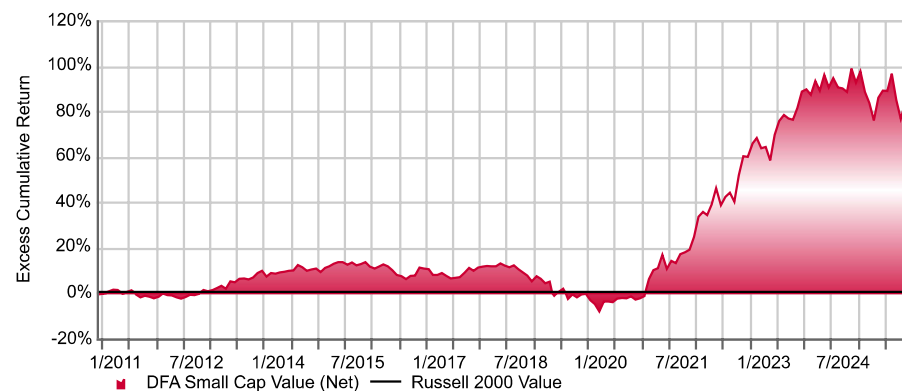
# DFA US SCV 15 Year Performance & Statistics

## Investment Growth – 15 Years



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## Relative Cumulative Performance – 15 Years

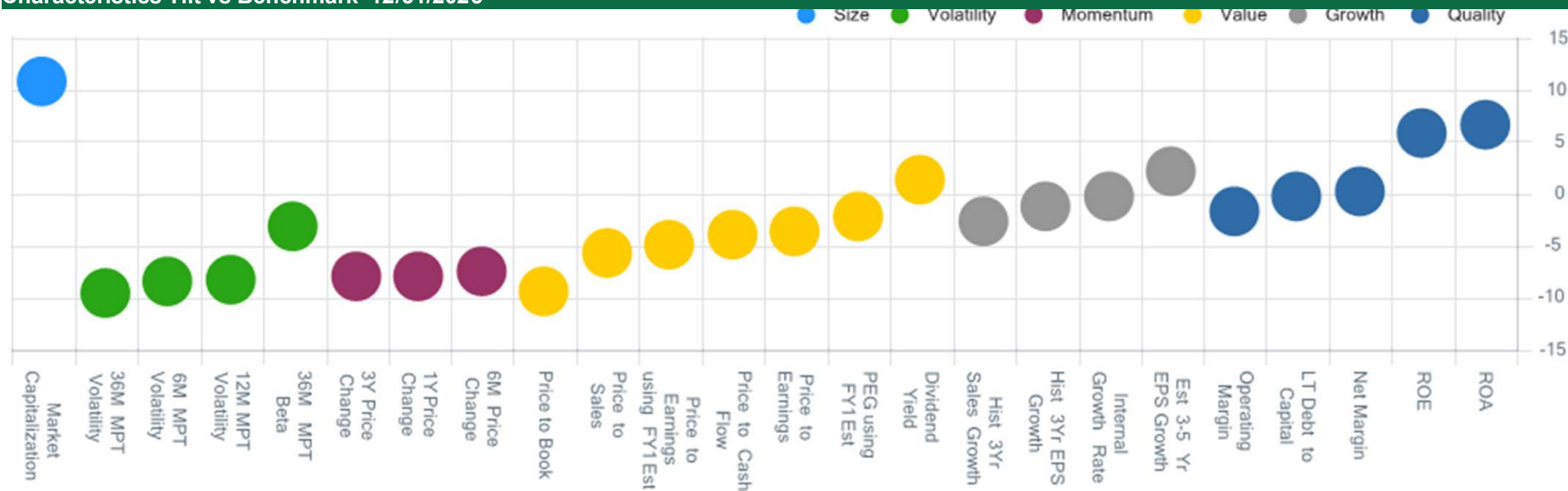


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## Risk – 15 Years

	Return	Std Dev	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
DFA Small Cap Value (Net)	10.4	20.6	1.4	0.4	0.4	3.7	1.0
Russell 2000 Value	8.7	19.4	--	0.4	--	--	1.0

## Characteristics Tilt vs Benchmark 12/31/2025



# Earnest Portfolio Snapshot – December 31, 2025

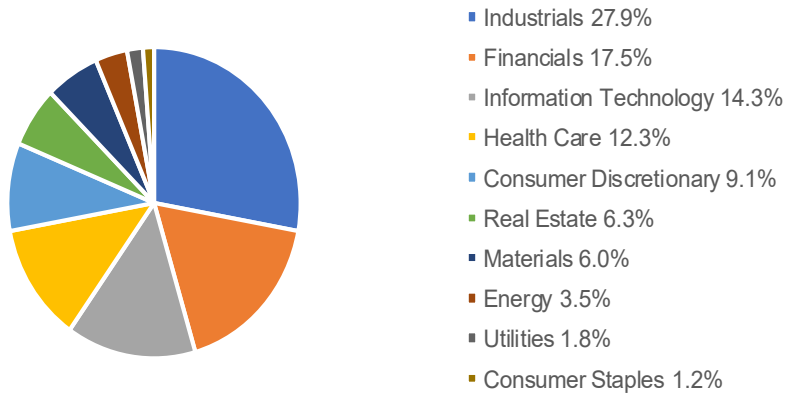
## Rolling Returns Since Inception 5/1/2005 (Ten Year, One Month Shift)



## Trailing Returns

	QTR	1 Year	3 Year	5 Year	10 Year	15 Year
Earnest (Net)	4.1	10.1	11.5	8.0	12.3	11.8
Russell Midcap	0.2	10.6	14.4	8.7	11.0	11.2

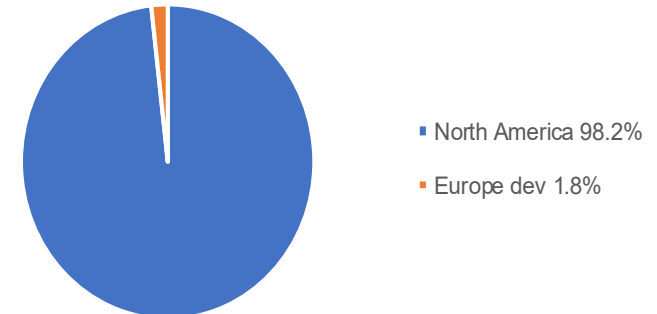
## Equity Sector Exposure (GICS)



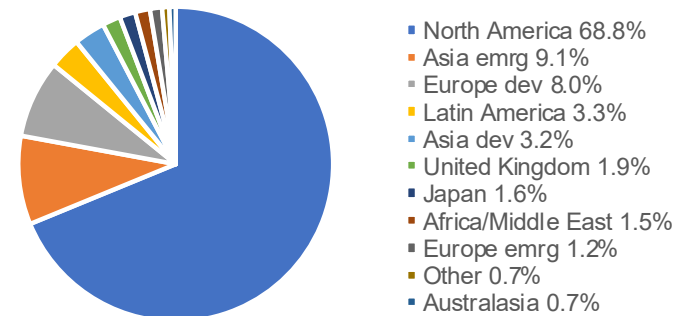
## Top 10 Holdings

	Portfolio Weight	Quarterly Return
Woodward, Inc.	2.99	19.76
CBRE Group, Inc.	2.90	2.05
IQVIA Holdings, Inc.	2.51	18.67
Cummins Inc.	2.44	21.37
Keysight Technologies, Inc.	2.29	16.16
Stifel Financial Corp.	2.14	10.77
Republic Services, Inc.	2.13	-7.39
Reinsurance Group of America, Inc.	2.13	6.42
Ulta Beauty, Inc.	2.11	10.66
Twilio Inc.	2.05	5.46

## Regional Exposure by Domicile



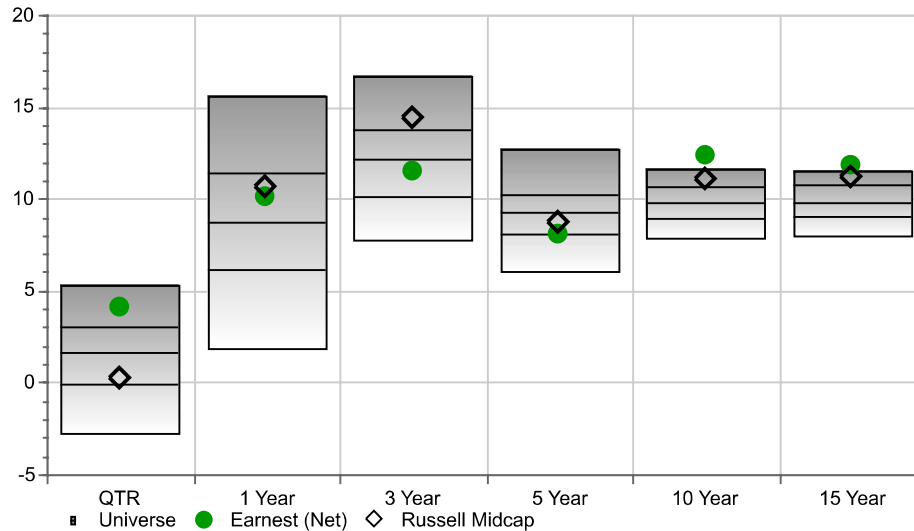
## Regional Exposure by Source of Revenue



# Earnest vs Universe & Benchmark

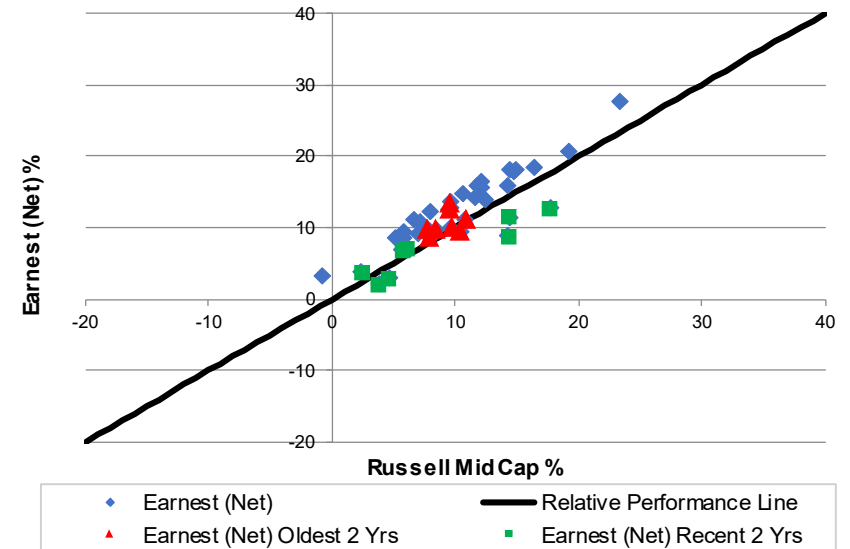
## Performance Relative to Peer Group as of 12/31/2025

Universe: Lipper US: Mid Cap Core



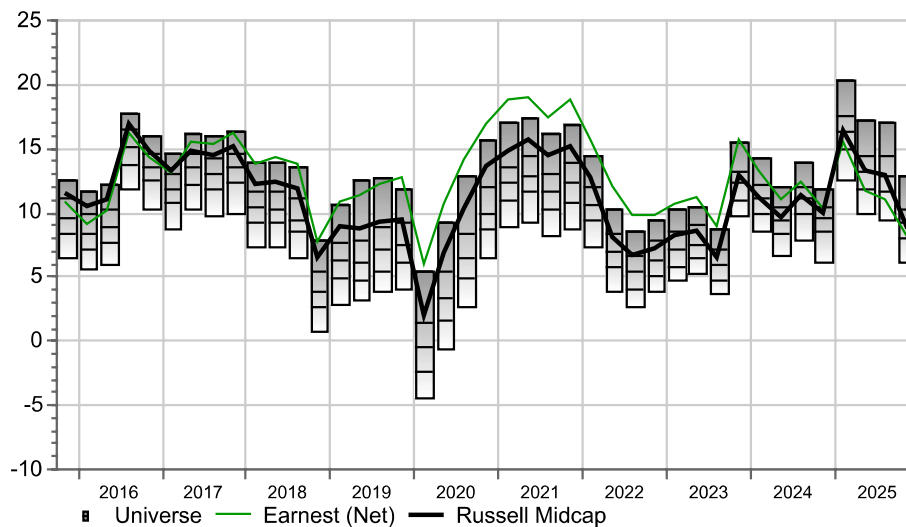
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## Three-Year Rolling Return Versus Benchmark



## Rolling Returns 7/1/2008 – 12/31/2025 (5 Year, 3 Month Shift)

Universe: Lipper US: Mid Cap Core



©FactSet Research Systems

## Over/Under Benchmark Analysis

34	Outperform
6	Underperform
40	# Observations
85%	% Outperform

## Earnest Attribution Analysis – December 31, 2025

### Top 10 Leading Contributors

	Avg. Weights	Relative Weights	Active Return
Albemarle Corporation	1.38	1.29	0.78
Woodward, Inc.	2.77	2.64	0.50
IQVIA Holdings, Inc.	2.44	2.15	0.38
Cummins Inc.	2.23	1.73	0.36
Hexcel Corporation	1.98	1.94	0.33
C.H. Robinson Worldwide, Inc.	1.64	1.50	0.31
Applied Materials, Inc.	1.26	1.26	0.30
Keysight Technologies, Inc.	2.16	1.90	0.30
Dover Corporation	1.76	1.57	0.26
Ross Stores, Inc.	1.74	1.33	0.24

### Top 10 Leading Detractors

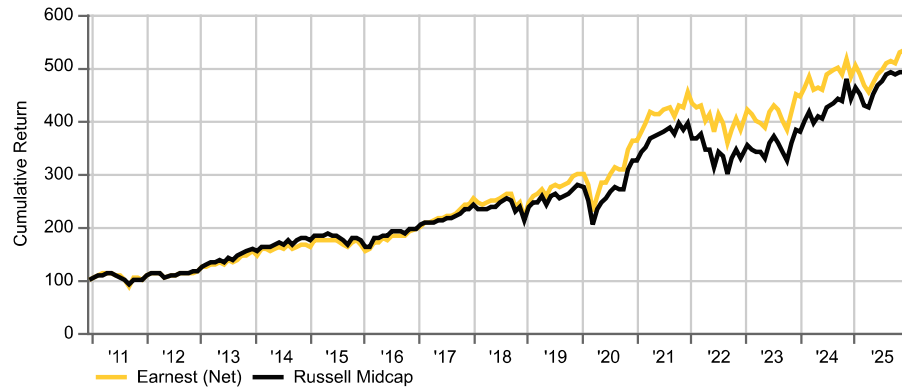
	Avg. Weights	Relative Weights	Active Return
D.R. Horton, Inc.	1.96	1.62	-0.29
Houlihan Lokey, Inc.	1.70	1.62	-0.28
Skyworks Solutions, Inc.	1.67	1.58	-0.28
Vertiv Holdings Co.	0.96	0.43	-0.27
Labcorp Holdings Inc.	1.74	1.56	-0.21
Masco Corporation	2.12	2.01	-0.21
Entegris, Inc.	2.12	2.01	-0.20
Republic Services, Inc.	2.27	2.27	-0.19
Raymond James Financial, Inc.	2.23	1.99	-0.18
Warner Bros. Discovery, Inc.	0.00	-0.41	-0.17

### Sector Attribution

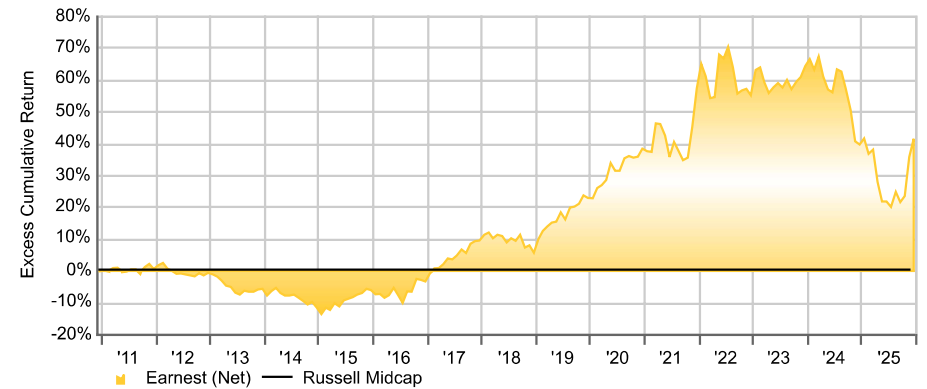
	Average relative weighting (%)	Portfolio returns (%)	Benchmark returns (%)	Sector allocation (%)	Stock selection (%)	Relative contribution (%)
Communication Services	-4.1	0.0	-4.9	0.2	0.0	0.2
Consumer Discretionary	-2.6	2.7	-1.7	0.0	0.4	0.4
Consumer Staples	-3.5	-9.9	-1.2	0.0	-0.1	-0.1
Energy	-2.5	15.3	-2.1	0.1	0.5	0.6
Financials	2.2	0.4	0.2	-0.1	0.0	-0.1
Health Care	2.4	6.1	6.4	0.2	0.0	0.1
Industrials	8.2	4.1	1.5	0.1	0.7	0.8
Information Technology	1.1	1.4	2.7	0.0	-0.1	-0.1
Materials	0.9	17.8	3.7	0.0	0.8	0.8
Real Estate	-0.8	-0.1	-4.7	0.0	0.3	0.3
Utilities	-4.4	-7.2	-3.6	0.2	-0.1	0.1
Cash	3.1	0.9	0.0	0.0	0.0	0.0
Total	0.0	3.4	0.2	0.8	2.4	3.2

# Earnest 15 Year Performance & Statistics

## Investment Growth – 15 Years



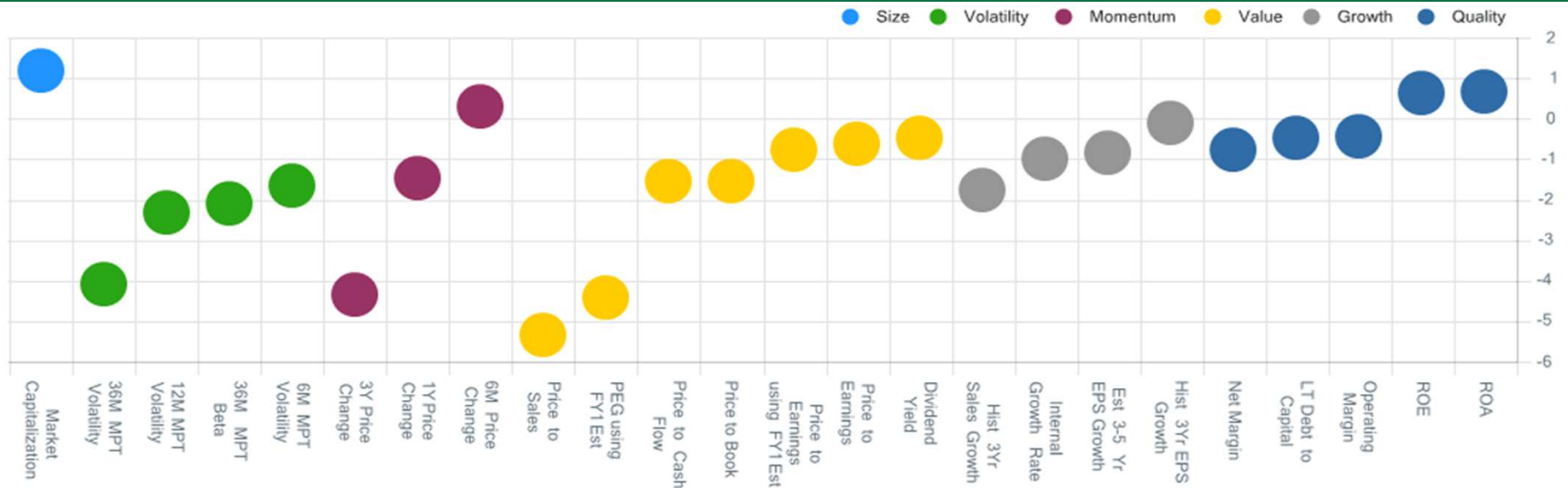
## Relative Cumulative Performance – 15 Years



## Risk – 15 Years

	Return	Std Dev	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
Earnest (Net)	11.8	16.0	0.9	0.6	0.2	3.6	1.0
Russell Midcap	11.2	16.1	--	0.6	--	--	1.0

## Characteristics Tilt vs Benchmark 12/31/2025



# Northern Trust S&P 500 Portfolio Snapshot – December 31, 2025

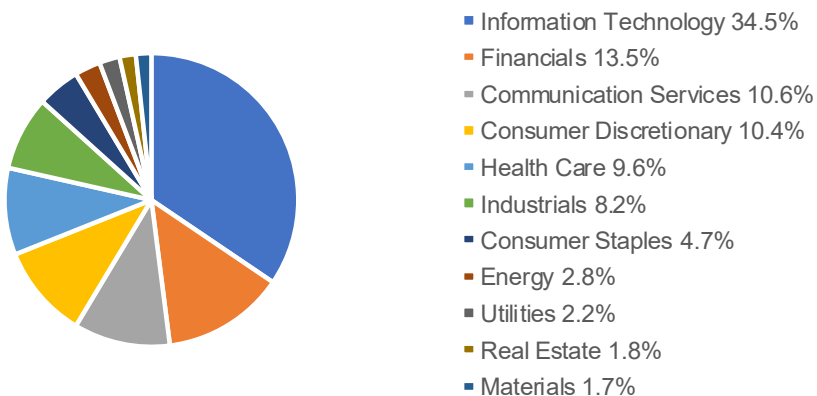
## Rolling Returns Since 10/1/1999 (Ten Year, One Month Shift)



## Trailing Returns

	QTR	1 Year	3 Year	5 Year	10 Year	15 Year
NT S&P 500 Index (Net)	2.7	17.9	23.0	14.4	14.8	14.1
S&P 500	2.7	17.9	23.0	14.4	14.8	14.1

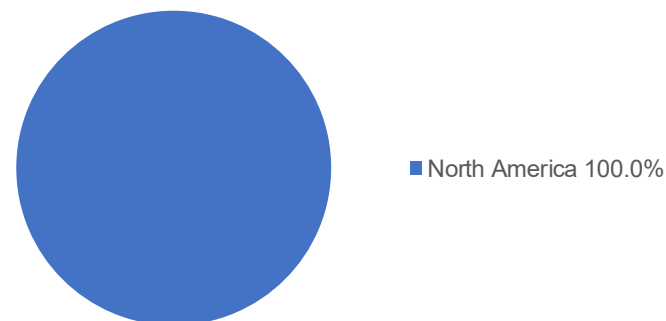
## Equity Sector Exposure (GICS)



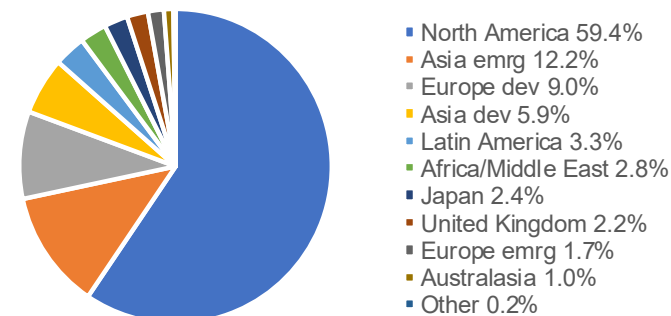
## Top 10 Holdings

	Portfolio Weight	Quarterly Return
NVIDIA Corporation	7.63	-0.04
Apple Inc.	6.76	6.87
Microsoft Corporation	6.03	-6.45
Alphabet Inc.	5.51	28.88
Amazon.com, Inc.	3.75	5.12
Broadcom Inc.	2.73	5.11
Meta Platforms, Inc.	2.40	-10.04
Tesla, Inc.	2.11	1.12
Berkshire Hathaway Inc.	1.54	-0.02
JPMorgan Chase & Co.	1.49	2.65

## Regional Exposure by Domicile



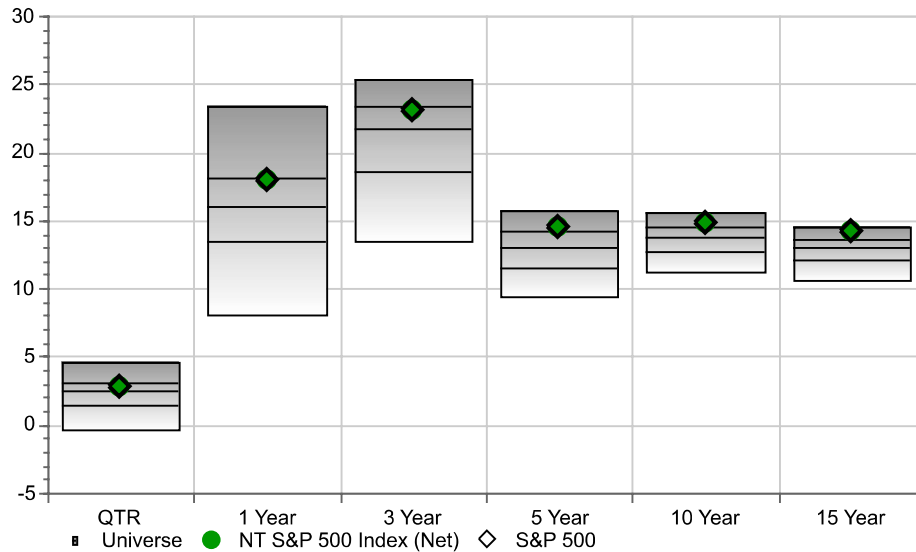
## Regional Exposure by Source of Revenue



# Northern Trust S&P 500 vs Universe & Benchmark

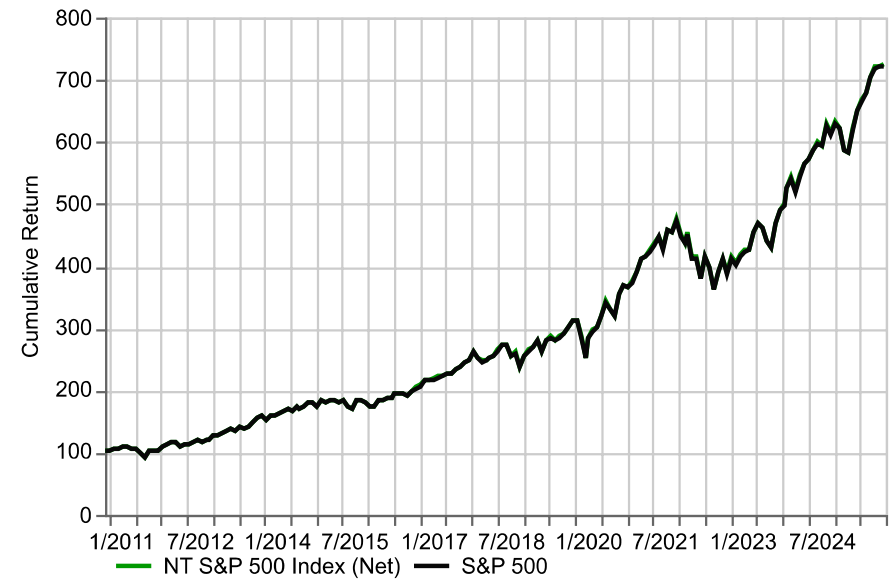
## Performance Relative to Peer Group as of 12/31/2025

Universe: Lipper US: Large Cap Core



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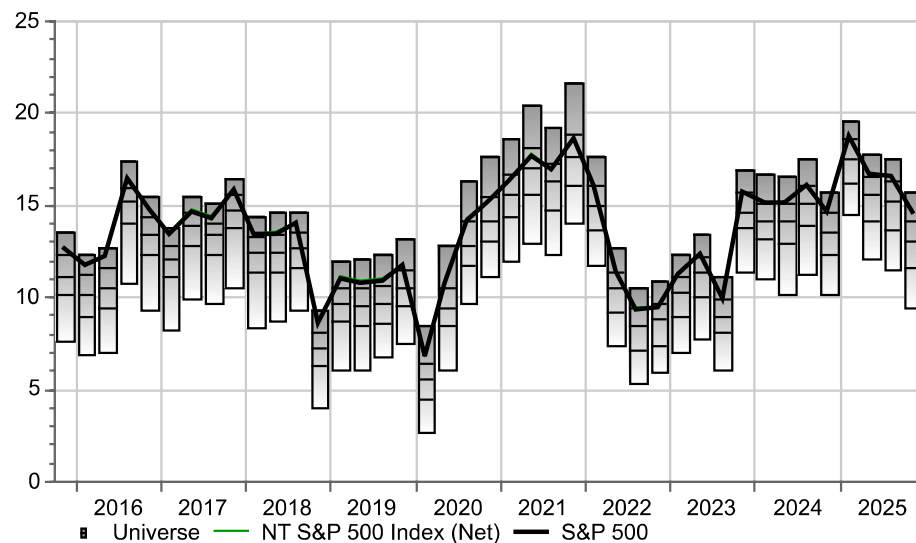
## Investment Growth – 15 Years



©FactSet Research Systems

## Rolling Returns 7/1/2008 – 12/31/2025 (5 Year, 3 Month Shift)

Universe: Lipper US: Large Cap Core



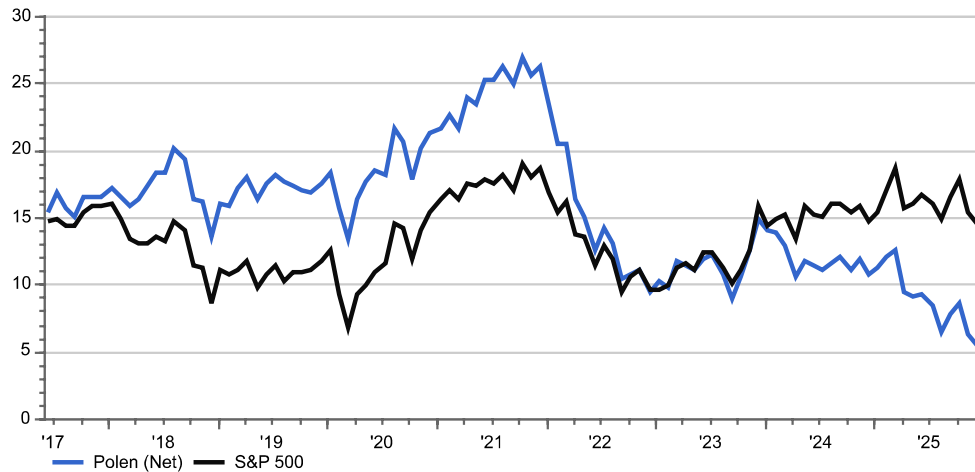
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## Risk – 15 Years

	Return	Std Dev	Sharpe Ratio	Tracking Error
NT S&P 500 Index (Net)	14.1	14.0	0.9	0.0
S&P 500	14.1	14.0	0.9	--

# Polen Portfolio Snapshot – December 31, 2025

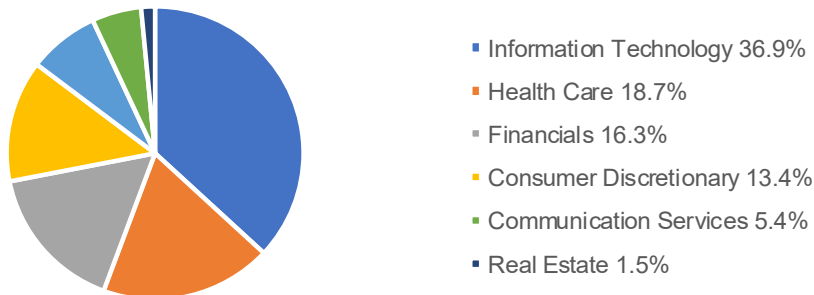
## Rolling Returns Since Inception 7/1/2012 (Five Year, One Month Shift)



## Trailing Returns

		Inception				
	QTR	1 Year	3 Year	5 Year	10 Year	7/1/2012
Polen (Net)	-1.5	4.8	18.7	5.3	12.9	13.9
S&P 500	2.7	17.9	23.0	14.4	14.8	14.8
S&P 500 Growth	2.2	22.2	29.3	15.0	17.0	16.7

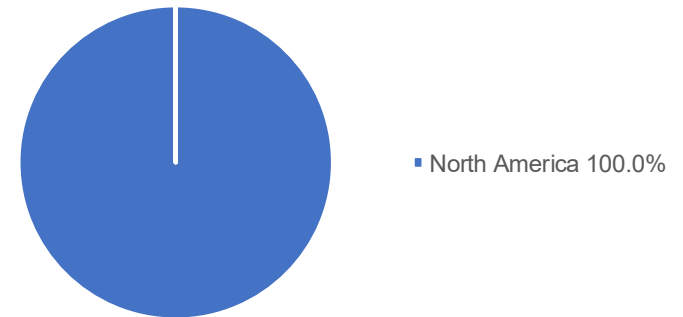
## Equity Sector Exposure (GICS)



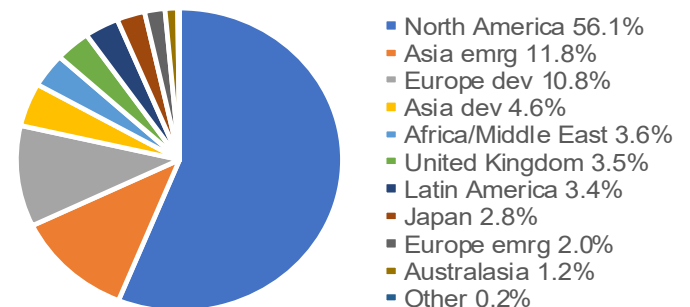
## Top 10 Holdings

	Portfolio Weight	Quarterly Return
Amazon.com, Inc.	8.63	5.12
Microsoft Corporation	8.09	-6.45
Oracle Corporation	5.97	-30.58
Eli Lilly and Company	5.91	41.06
Broadcom Inc.	5.51	5.11
Alphabet Inc.	5.25	28.93
Mastercard Incorporated	5.14	0.50
Visa Inc.	4.96	2.94
Shopify Inc.	4.88	8.32
NVIDIA Corporation	4.13	-0.04

## Regional Exposure by Domicile



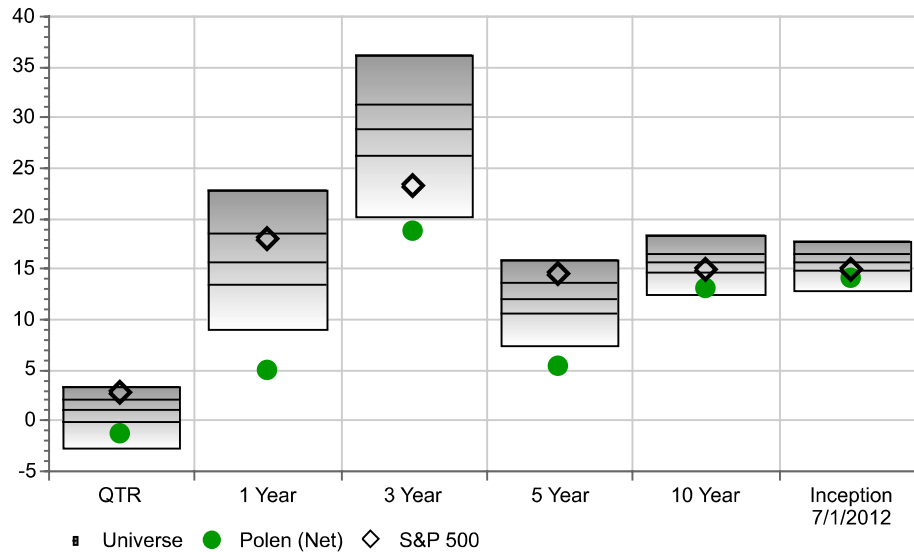
## Regional Exposure by Source of Revenue



# Polen vs Universe & Benchmark

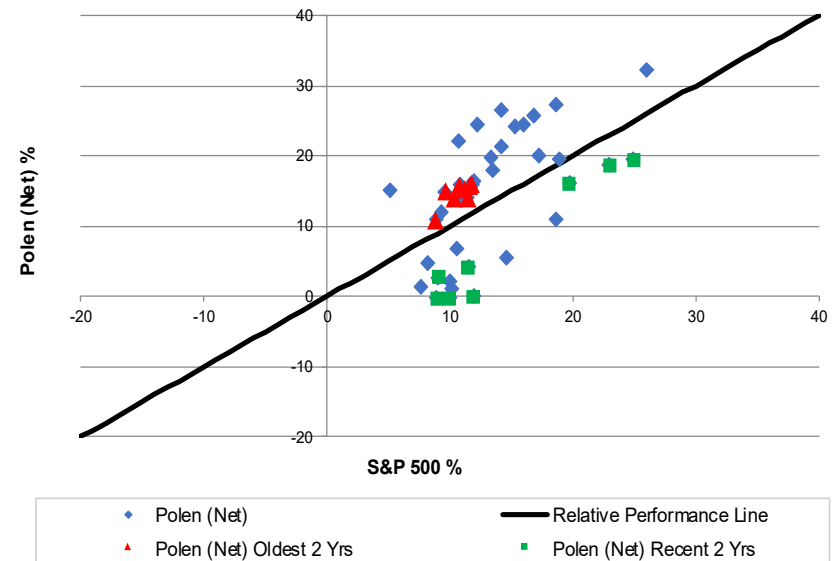
## Performance Relative to Peer Group as of 12/31/2025

Universe: Lipper US Large Cap Growth



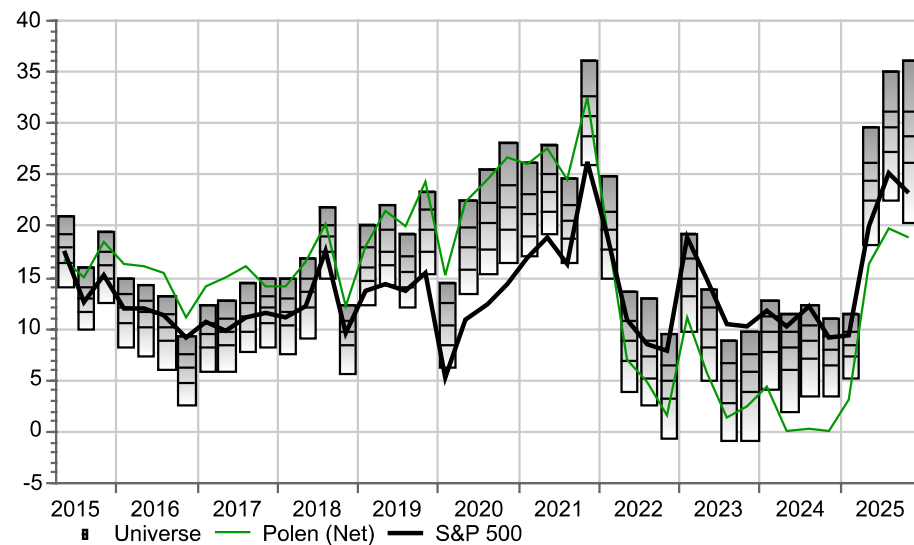
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## Three-Year Rolling Return Versus Benchmark



## Rolling Returns 7/1/2012 – 12/31/2025 (3 Year, 3 Month Shift)

Universe: Lipper US Large Cap Growth



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## Over/Under Benchmark Analysis

25	Outperform
15	Underperform
40	# Observations
63%	% Outperform

## Polen Attribution Analysis – December 31, 2025

### Top 10 Leading Contributors

	Avg. Weights	Relative Weights	Active Return
Eli Lilly and Company	4.87	3.63	1.22
Shopify Inc.	5.32	5.32	0.41
Alphabet Inc.	3.93	2.24	0.74
Amazon.com, Inc.	8.52	4.64	0.20
Airbnb, Inc.	1.71	1.63	0.19
Accenture plc	2.17	1.91	0.18
IDEXX Laboratories, Inc.	2.87	2.78	0.14
Visa Inc.	4.70	3.71	0.11
Broadcom Inc.	5.74	2.77	0.08
Aon plc	2.68	2.54	0.01

### Top 10 Leading Detractors

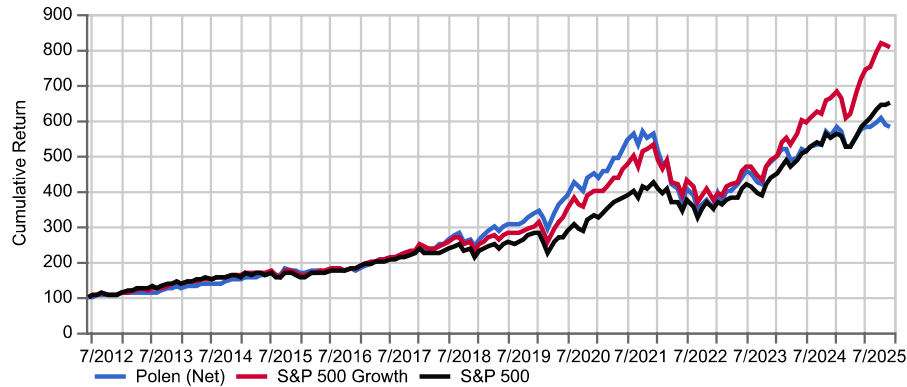
	Avg. Weights	Relative Weights	Active Return
Oracle Corporation	7.47	6.76	-2.28
ServiceNow, Inc.	3.28	2.96	-0.51
Zoetis Inc.	3.52	3.41	-0.48
Apple Inc.	0.00	-6.85	-0.46
Paycom Software, Inc.	1.47	1.46	-0.37
CoStar Group, Inc.	1.60	1.54	-0.35
Netflix, Inc.	1.87	1.04	-0.24
Micron Technology, Inc.	0.00	-0.40	-0.23
Uber Technologies, Inc.	1.55	1.21	-0.21
Abbott Laboratories	3.08	2.69	-0.17

### Sector Attribution

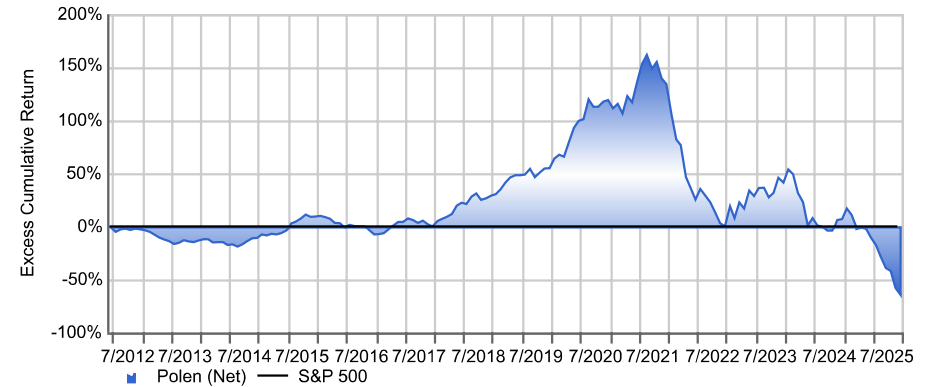
	Average relative weighting (%)	Portfolio returns (%)	Benchmark returns (%)	Sector allocation (%)	Stock selection (%)	Relative contribution (%)
Communication Services	-3.8	12.1	7.3	-0.2	0.3	0.1
Consumer Discretionary	2.3	5.1	0.7	0.0	0.5	0.5
Consumer Staples	-4.8	0.0	0.0	0.1	0.0	0.1
Energy	-2.8	0.0	1.5	0.0	0.0	0.0
Financials	2.1	1.2	2.1	0.0	-0.1	-0.1
Health Care	7.8	7.5	11.7	0.6	-0.7	-0.1
Industrials	0.2	-2.8	0.9	0.0	-0.3	-0.3
Information Technology	2.6	-9.2	1.4	0.1	-4.3	-4.2
Materials	-1.7	0.0	1.3	0.0	0.0	0.0
Real Estate	-0.3	-20.3	-2.9	0.0	-0.3	-0.3
Utilities	-2.3	0.0	-1.4	0.1	0.0	0.1
Cash	0.7	0.9	0.9	0.0	0.0	0.0
Total	0.0	-1.5	2.7	0.6	-4.9	-4.2

# Polen Inception Performance & Statistics

## Investment Growth Since Inception 7/1/2012



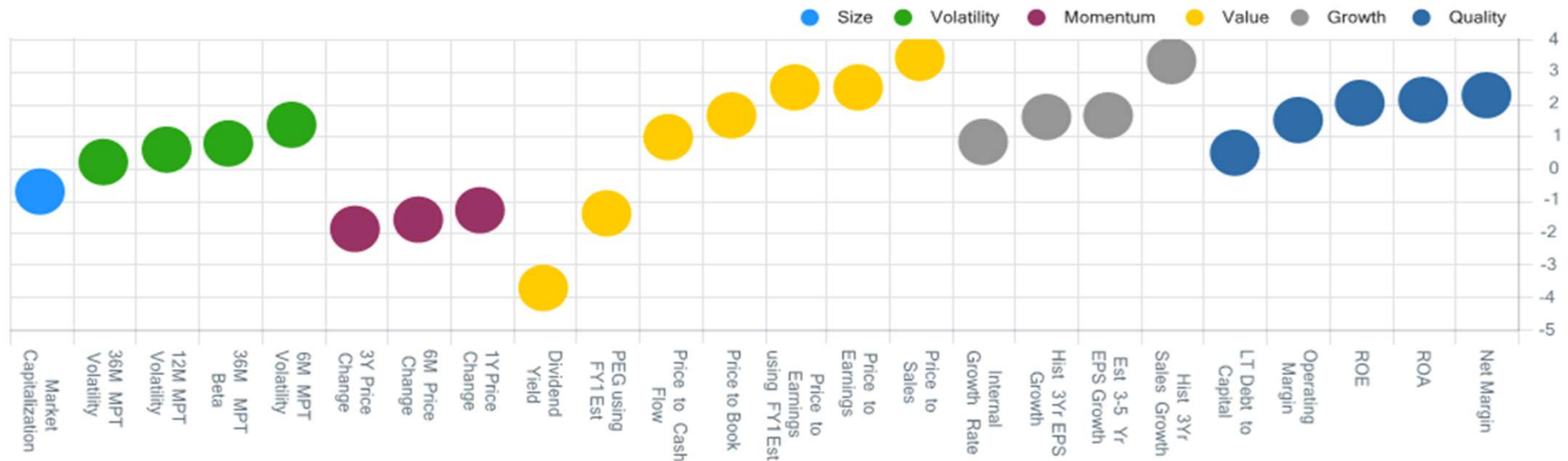
## Relative Cumulative Performance Since Inception 7/1/2012



## Risk Since Inception 7/1/2012

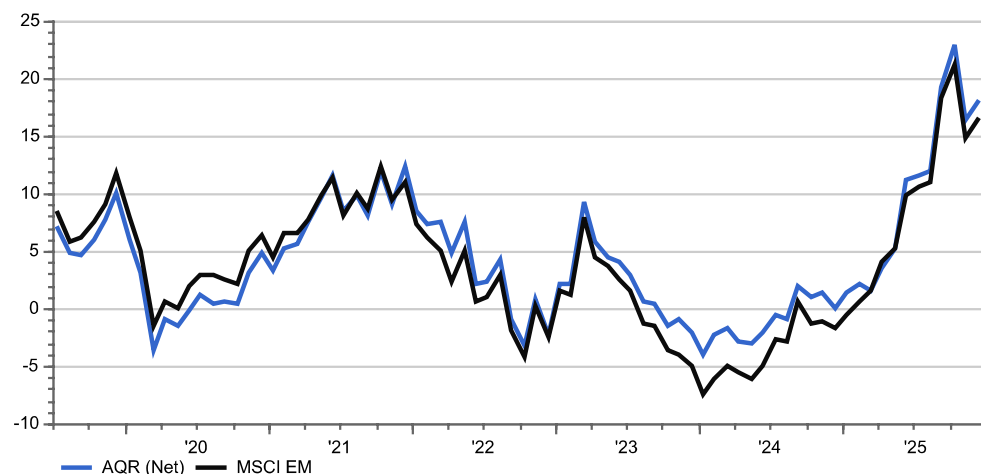
	Return	Std Dev	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
Polen (Net)	13.9	15.8	-0.9	0.8	-0.1	6.6	1.0
S&P 500	14.8	13.9	--	0.9	--	--	1.0
S&P 500 Growth	16.7	15.3	--	1.0	--	--	1.1

## Characteristics Tilt vs Benchmark 12/31/2025



# AQR Portfolio Snapshot – December 31, 2025

## Rolling Returns Since Inception 8/1/2016 (Three Year, One Month Shift)

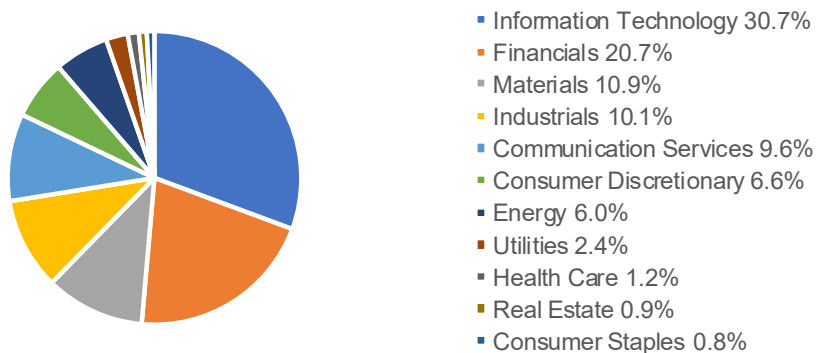


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## Trailing Returns

					Inception
	QTR	1 Year	3 Year	5 Year	8/1/2016
AQR (Net)	6.5	30.9	18.1	5.5	8.0
MSCI EM	4.7	33.6	16.4	4.2	7.7

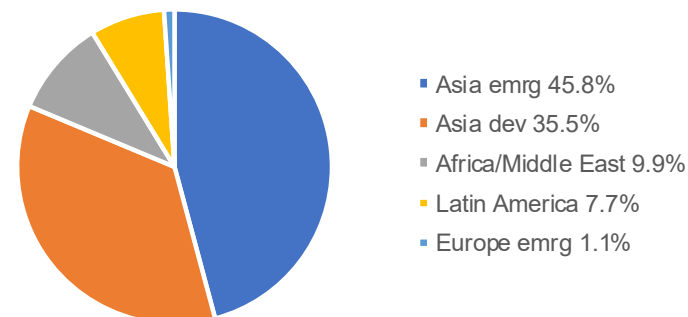
## Equity Sector Exposure (GICS)



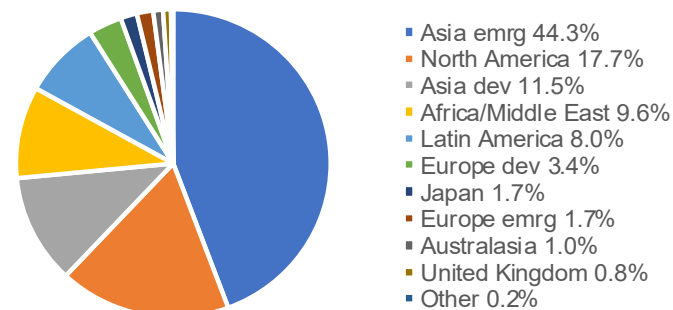
## Top 10 Holdings

	Portfolio Weight	Quarterly Return
Taiwan Semi Mfg. Co. Ltd.	12.57	15.60
Tencent Holdings Limited	5.00	-9.69
Samsung Electronics Co., Ltd.	4.95	39.61
SK hynix Inc.	2.35	82.59
Alibaba Group Holding Limited	1.91	-19.35
Larsen & Toubro Limited	1.44	10.24
Vale S.A.	1.33	27.80
LATAM Airlines Group S.A.	1.27	22.14
Banco Bradesco S.A.	1.25	2.01
KB Financial Group Inc.	1.21	5.89

## Regional Exposure by Domicile



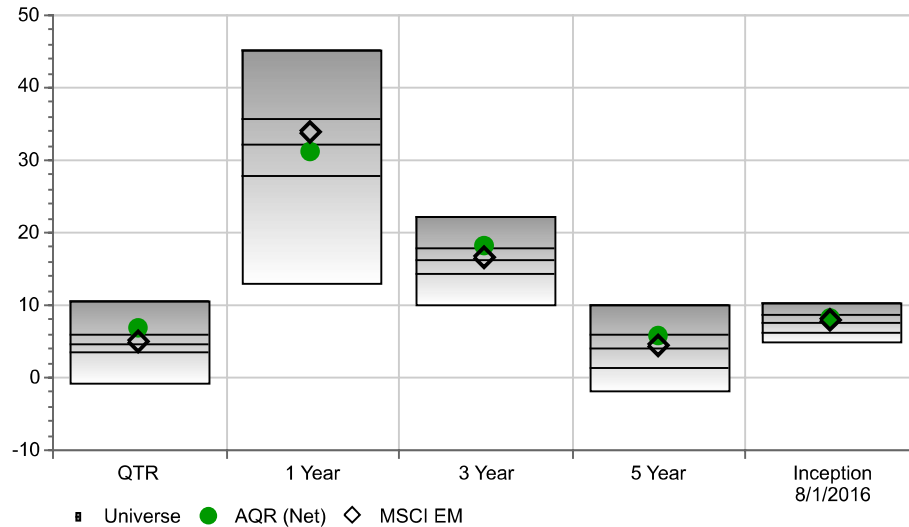
## Regional Exposure by Source of Revenue



# AQR vs Universe & Benchmark

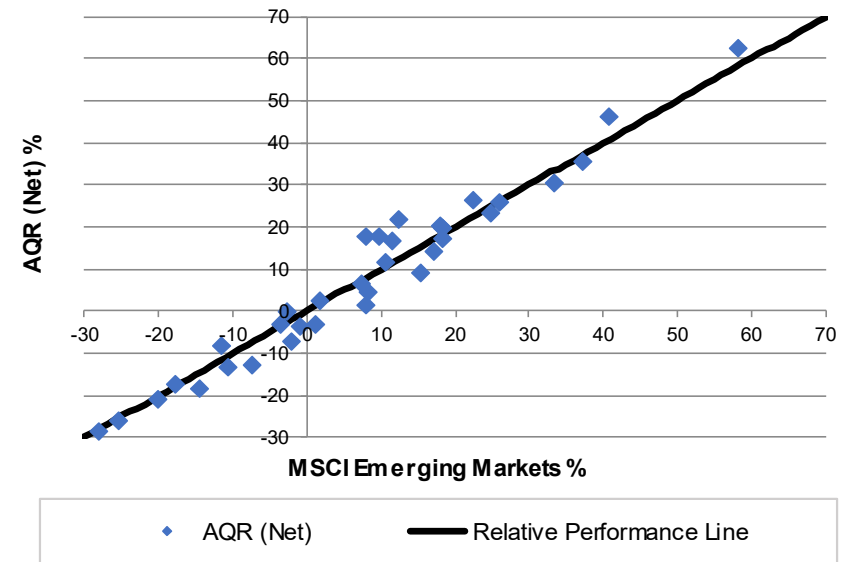
## Performance Relative to Peer Group as of 12/31/2025

Universe: Lipper US Emerging Markets



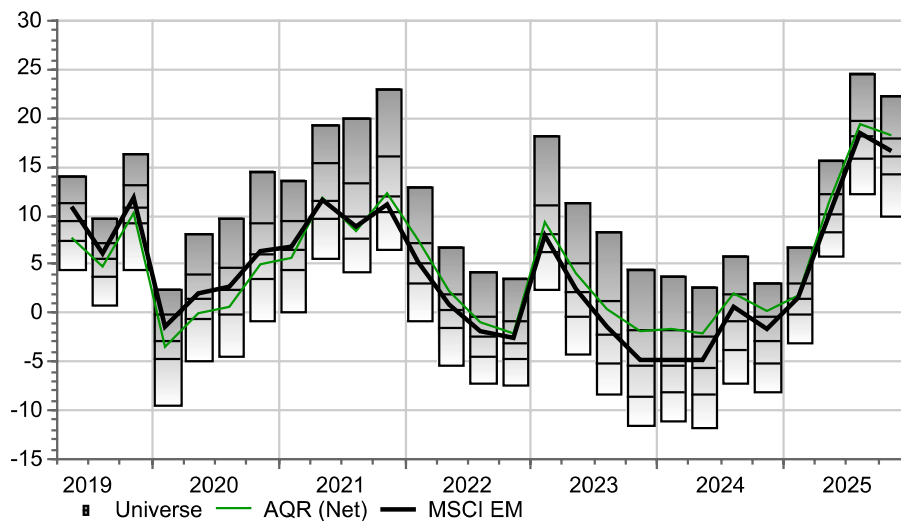
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## One-Year Rolling Return Versus Benchmark



## Rolling Returns 8/1/2016 – 12/31/2025 (3 Year, 3 Month Shift)

Universe: Lipper US Emerging Markets



©FactSet Research Systems

## Over/Under Benchmark Analysis

16	Outperform
18	Underperform
34	# Observations
47%	% Outperform

## AQR Attribution Analysis – December 31, 2025

### Top 10 Leading Contributors

	Avg. Weights	Relative Weights	Active Return
Taiwan Semi Mfg. Co. Ltd.	12.19	0.81	0.31
Vedanta Incorporated	1.11	1.03	0.26
LATAM Airlines Group S.A.	1.28	1.20	0.26
Alibaba Group Holding Limited	2.49	-1.22	0.26
Government of India	3.41	1.74	0.25
Province of Jiangxi	0.61	0.57	0.23
Jardine Matheson Holdings Limited	1.40	1.30	0.20
Larsen & Toubro Limited	1.51	1.17	0.13
Old Mutual Limited	0.71	0.69	0.13
Aluminum Corporation of China Limited	0.27	0.21	0.11

### Top 10 Leading Detractors

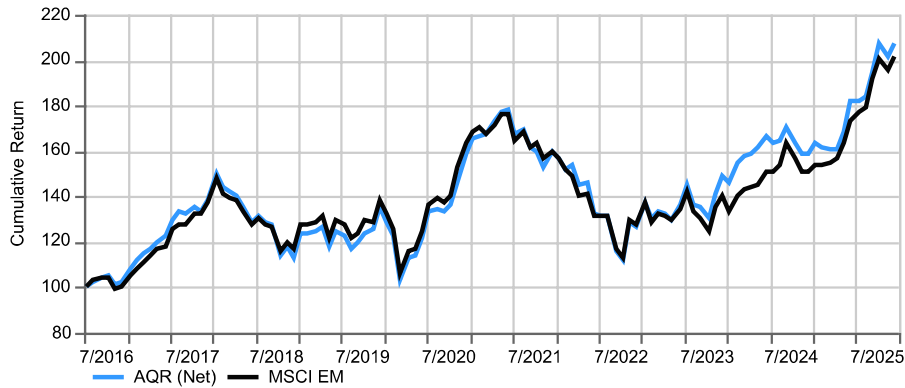
	Avg. Weights	Relative Weights	Active Return
Zhejiang Leapmotor Technology Co., Ltd.	0.72	0.68	-0.21
SK hynix Inc.	1.68	-0.15	-0.18
Realtek Semiconductor Corp	1.23	1.15	-0.17
Samsung Electronics Co., Ltd.	3.40	-0.27	-0.16
Ping An Insurance Co. of China, Ltd.	0.00	-0.55	-0.12
Kingdee Int'l Software Group Co., Ltd.	0.45	0.39	-0.12
XPeng Inc.	0.85	0.71	-0.11
SK Square Co., Ltd.	0.00	-0.16	-0.11
Lenovo Group Limited	0.61	0.50	-0.10
JD.com, Inc.	0.94	0.41	-0.10

### Sector Attribution

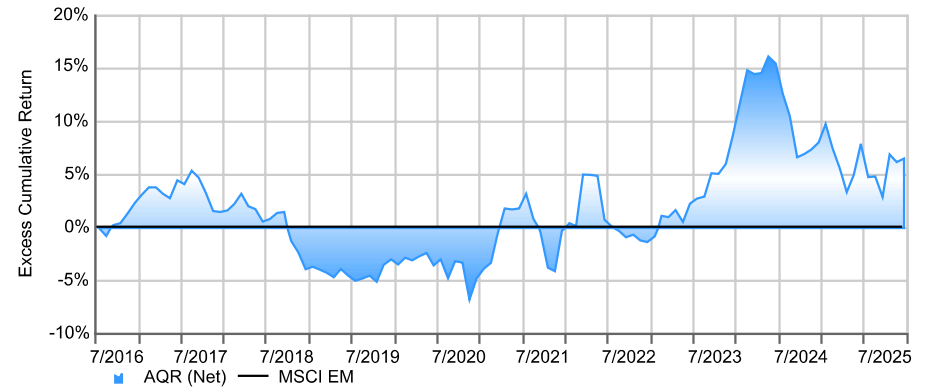
	Average relative weighting (%)	Portfolio returns (%)	Benchmark returns (%)	Sector allocation (%)	Stock selection (%)	Relative contribution (%)
Communication Services	-0.6	-4.8	-6.4	0.1	0.2	0.3
Consumer Discretionary	-4.9	-13.2	-9.2	0.7	-0.4	0.3
Consumer Staples	-2.1	2.0	-2.3	0.2	0.1	0.2
Energy	1.7	7.7	6.9	0.0	0.1	0.1
Financials	1.8	6.4	6.2	0.0	0.1	0.1
Health Care	-2.4	-18.0	-7.1	0.3	-0.1	0.1
Industrials	4.2	8.5	6.5	0.1	0.1	0.3
Information Technology	1.7	12.5	16.1	0.2	-1.0	-0.8
Materials	2.0	18.6	11.7	0.2	0.5	0.8
Real Estate	-0.4	-6.1	-3.7	0.0	0.0	0.0
Utilities	-1.0	4.5	1.9	0.0	0.0	0.1
Total	0.0	6.2	4.7	1.9	-0.5	1.5

# AQR Inception Performance & Statistics

## Investment Growth Since Inception 8/1/2016



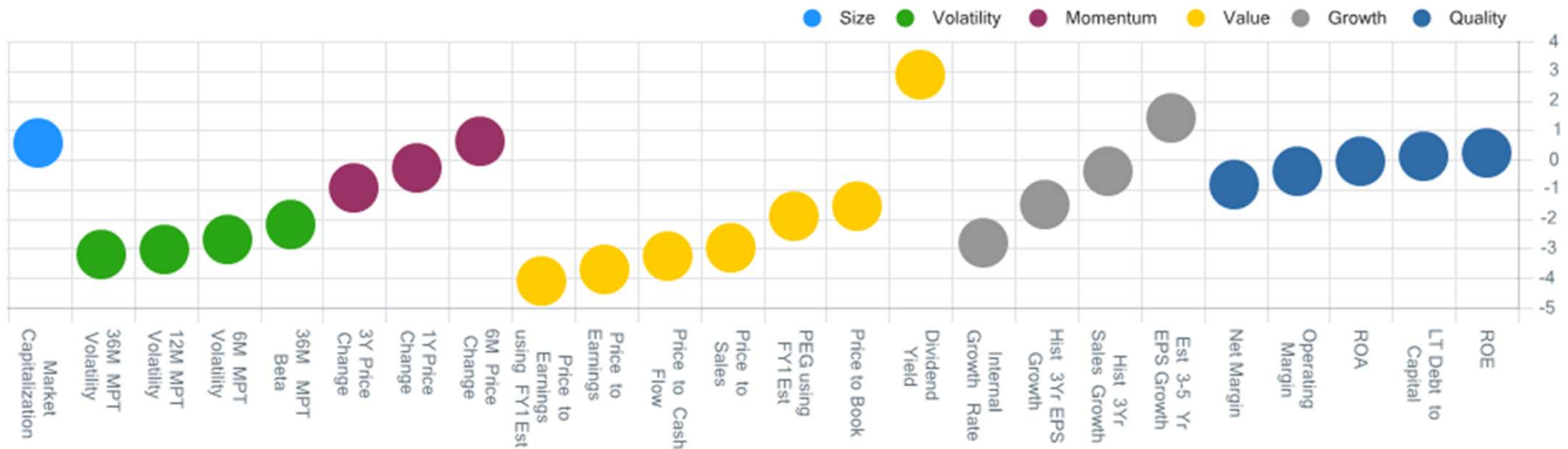
## Relative Cumulative Performance Since Inception 8/1/2016



## Risk Since Inception 8/1/2016

	Return	Std Dev	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
AQR (Net)	8.0	16.6	0.4	0.3	0.1	3.7	1.0
MSCI EM	7.7	16.1	--	0.3	--	--	1.0

## Characteristics Tilt vs Benchmark 12/31/2025



# Brandes Portfolio Snapshot – December 31, 2025

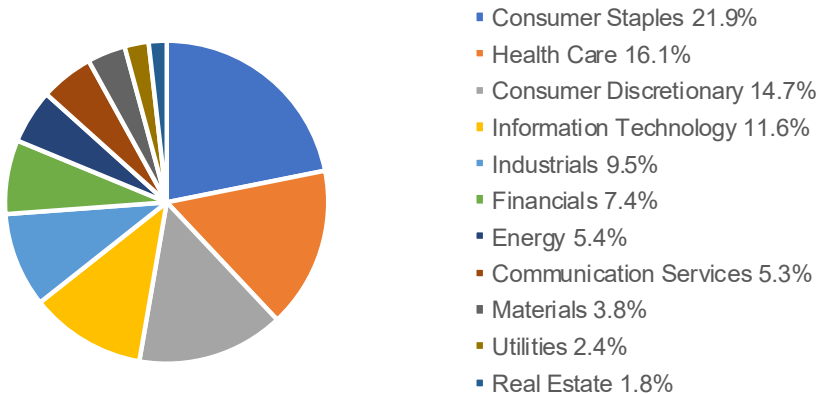
## Rolling Returns Since Inception 2/1/1998 (Ten Year, One Month Shift)



## Trailing Returns

	QTR	1 Year	3 Year	5 Year	10 Year	15 Year
Brandes (Net)	5.4	39.5	24.9	15.6	10.2	8.0
MSCI EAFE	4.9	31.2	17.2	8.9	8.2	6.6
MSCI EAFE Value	7.8	42.2	21.4	13.4	8.7	6.6

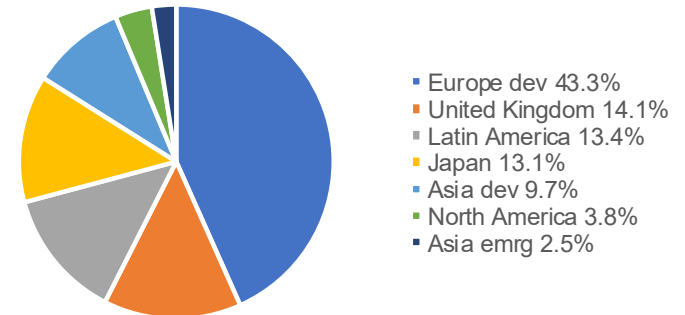
## Equity Sector Exposure (GICS)



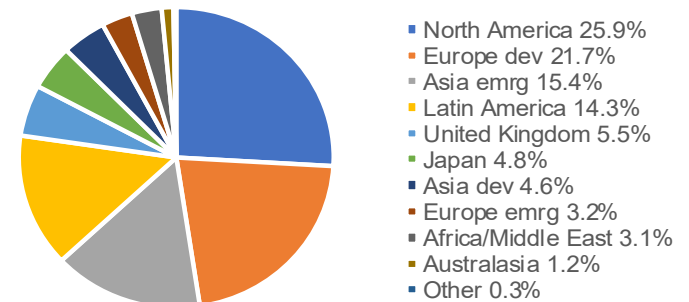
## Top 10 Holdings

	Portfolio Weight	Quarterly Return
Swatch Group AG	2.78	13.84
Sanofi	2.74	5.26
Takeda Pharmaceutical Co. Ltd.	2.63	5.57
Kering	2.51	6.48
GSK plc	2.49	16.80
Samsung Electronics Co., Ltd.	2.47	31.37
Alibaba Group Holding Limited	2.42	-19.35
Heineken Holding N.V.	2.34	6.89
Petroleo Brasileiro S.A.	2.32	-1.83
STMicroelectronics N.V.	2.29	-5.64

## Regional Exposure by Domicile



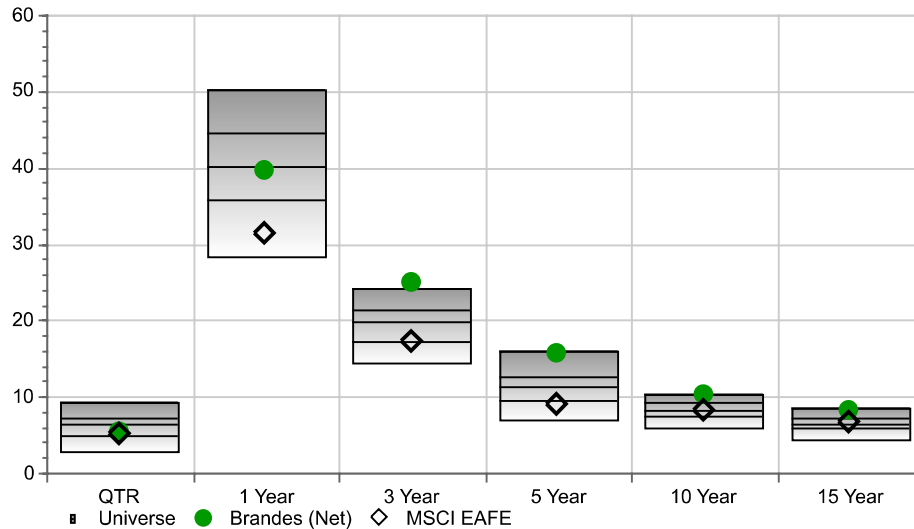
## Regional Exposure by Source of Revenue



# Brandes vs Universe & Benchmark

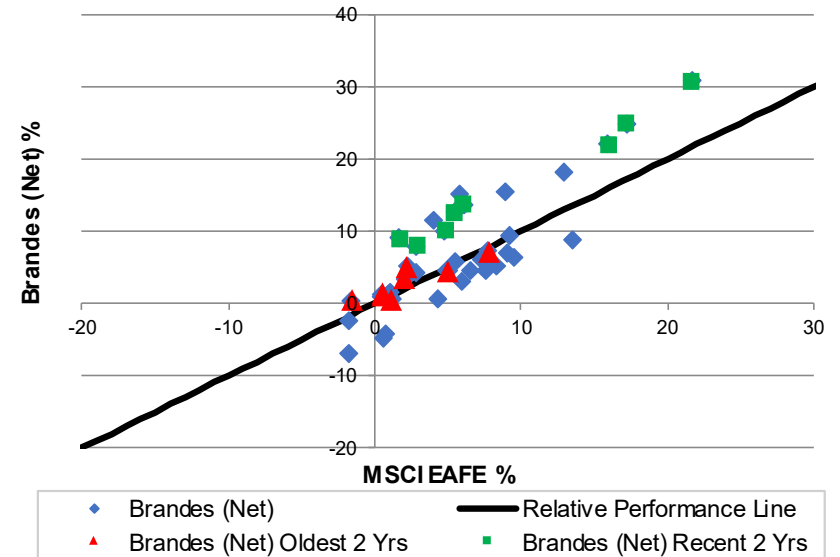
## Performance Relative to Peer Group as of 12/31/2025

Universe: Lipper US Int'l Multi-Cap Value



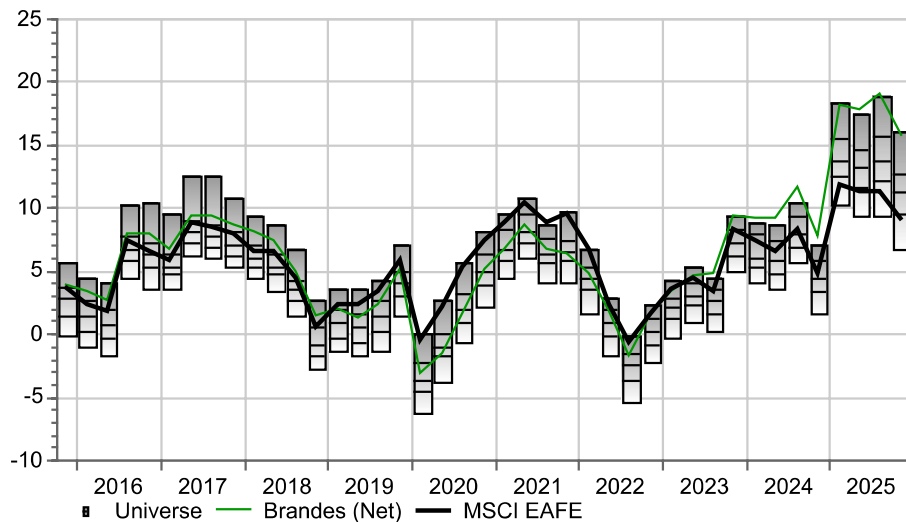
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## Three-Year Rolling Return Versus Benchmark



## Rolling Returns 7/1/2008 – 12/31/2025 (5 Year, 3 Month Shift)

Universe: Lipper US Int'l Multi Cap Value



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## Over/Under Benchmark Analysis

22	Outperform
18	Underperform
40	# Observations
55%	% Outperform

## Brandes Attribution Analysis – December 31, 2025

### Top 10 Leading Contributors

	Avg. Weights	Relative Weights	Active Return
Samsung Electronics Co., Ltd.	2.86	2.86	0.92
Astellas Pharma Inc.	2.25	2.14	0.49
CEMEX, S.A.B. de C.V.	1.54	1.54	0.41
Swatch Group AG	2.71	2.68	0.36
GSK plc	2.55	2.08	0.34
Deutsche Post AG	1.53	1.30	0.29
Hyundai Mobis Co., Ltd	1.11	1.11	0.24
Capgemini SE	1.70	1.57	0.23
Kubota Corporation	1.73	1.66	0.22
Carrefour SA	2.07	2.02	0.21

### Top 10 Leading Detractors

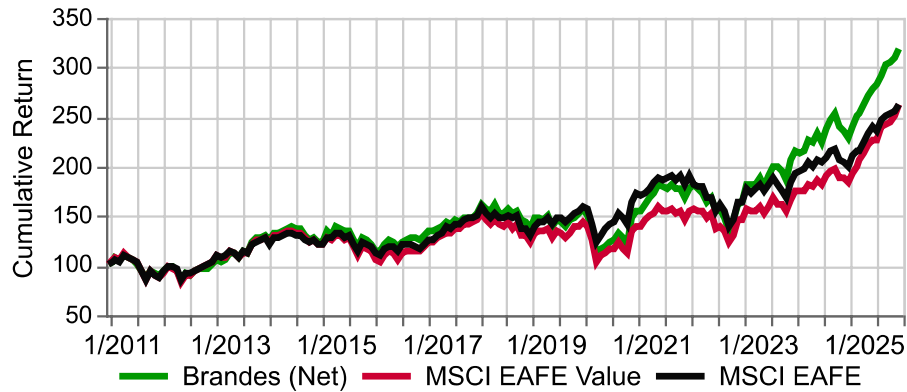
	Avg. Weights	Relative Weights	Active Return
Alibaba Group Holding Limited	2.90	2.90	-0.62
Roche Holding AG	0.00	-1.44	-0.36
AstraZeneca PLC	0.00	-1.31	-0.28
ASML Holding NV	0.00	-2.04	-0.23
LVMH Moet Hennessy Louis Vuitton SE	0.00	-0.87	-0.20
Open Text Corporation	1.50	1.50	-0.19
Grifols, S.A.	1.89	1.87	-0.19
HSBC Holdings Plc	0.00	-1.31	-0.18
Pernod Ricard S.A.	1.67	1.57	-0.16
Banco Bilbao Vizcaya Argentaria, S.A.	0.00	-0.59	-0.14

### Sector Attribution

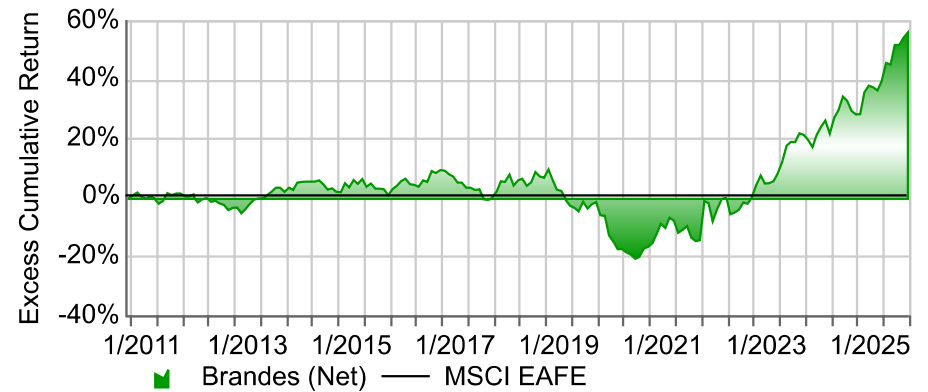
	Average relative weighting (%)	Portfolio returns (%)	Benchmark returns (%)	Sector allocation (%)	Stock selection (%)	Relative contribution (%)
Communication Services	0.7	1.6	-7.3	-0.1	0.3	0.4
Consumer Discretionary	4.6	1.5	1.3	-0.1	-0.1	-0.1
Consumer Staples	13.1	3.0	3.6	-0.2	-0.3	-0.3
Energy	2.9	4.6	5.8	0.0	0.0	0.0
Financials	-16.9	10.6	7.6	-0.4	0.3	-0.3
Health Care	5.0	6.8	9.8	0.2	-0.3	-0.2
Industrials	-9.7	8.3	3.1	0.1	0.6	0.7
Information Technology	2.7	8.8	4.2	0.1	0.4	0.6
Materials	-1.7	17.6	7.4	0.0	0.3	0.3
Real Estate	-0.3	4.2	1.1	0.0	0.0	0.1
Utilities	-1.7	17.7	10.1	-0.1	0.1	0.0
Cash	1.4	0.9	0.0	-0.1	0.0	0.0
Total	0.0	5.9	4.9	-0.5	1.2	1.0

# Brandes 15 Year Performance & Statistics

## Investment Growth – 15 Years



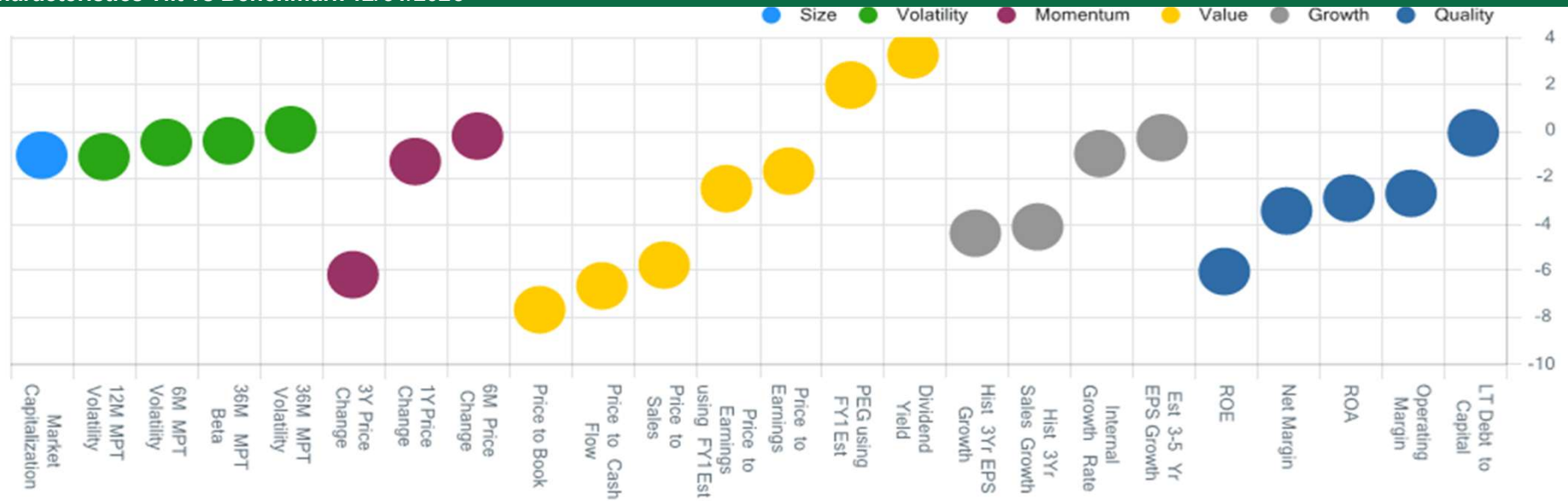
## Relative Cumulative Performance – 15 Years



## Risk – 15 Years

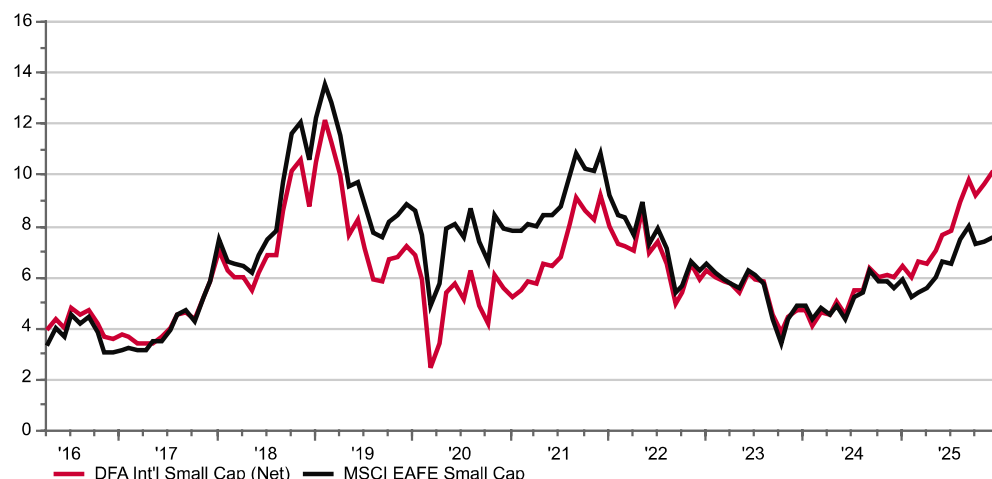
	Return	Std Dev	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
Brandes (Net)	8.0	16.0	1.4	0.4	0.3	5.3	1.0
MSCI EAFE	6.6	14.8	--	0.3	--	--	1.0
MSCI EAFE Value	6.6	15.8	--	0.3	--	--	1.0

## Characteristics Tilt vs Benchmark 12/31/2025



# DFA International Portfolio Snapshot – December 31, 2025

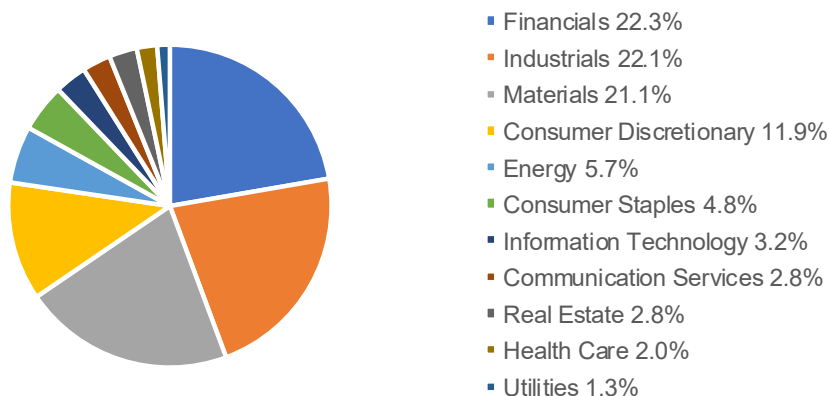
## Rolling Returns Since Inception 5/1/2006 (Ten Year, One Month Shift)



## Trailing Returns

	QTR	1 Year	3 Year	5 Year	10 Year	15 Year
DFA Int'l Small Cap (Net)	7.4	52.1	24.5	15.1	10.1	8.6
MSCI EAFE Small Cap	2.7	31.8	15.0	5.6	7.5	7.1
MSCI World ex US Small Cap Value	5.0	38.6	17.8	9.8	8.5	6.9

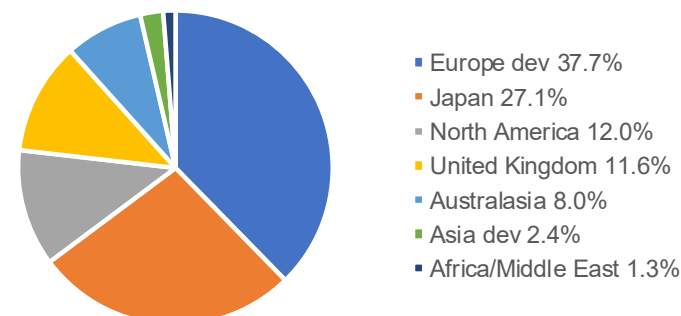
## Equity Sector Exposure (GICS)



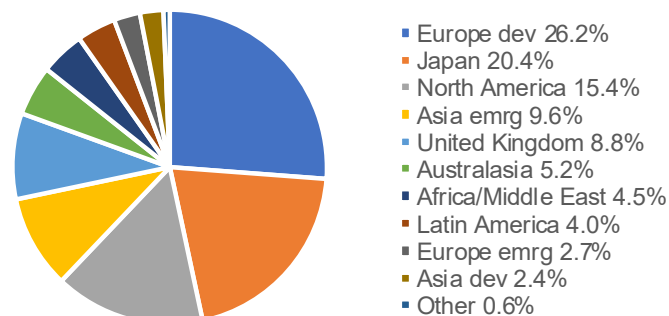
## Top 10 Holdings

	Portfolio Weight	Quarterly Return
Jyske Bank A/S	1.08	23.10
AL Sydbank A/S	1.00	11.54
Bankinter SA	0.88	7.44
Telecom Italia S.p.A.	0.83	16.10
Lion Finance Group PLC	0.78	22.43
Hudbay Minerals Inc.	0.76	30.94
IAMGOLD Corporation	0.75	27.77
Whitecap Resources Inc.	0.74	11.71
Eldorado Gold Corporation	0.74	24.39
Buzzi S.p.A.	0.70	11.15

## Regional Exposure by Domicile



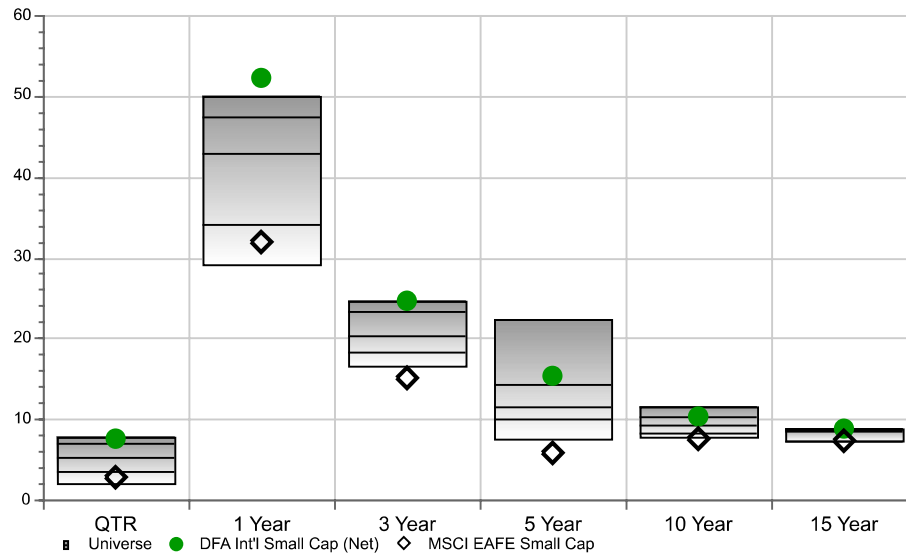
## Regional Exposure by Revenue Source



# DFA International vs Universe & Benchmark

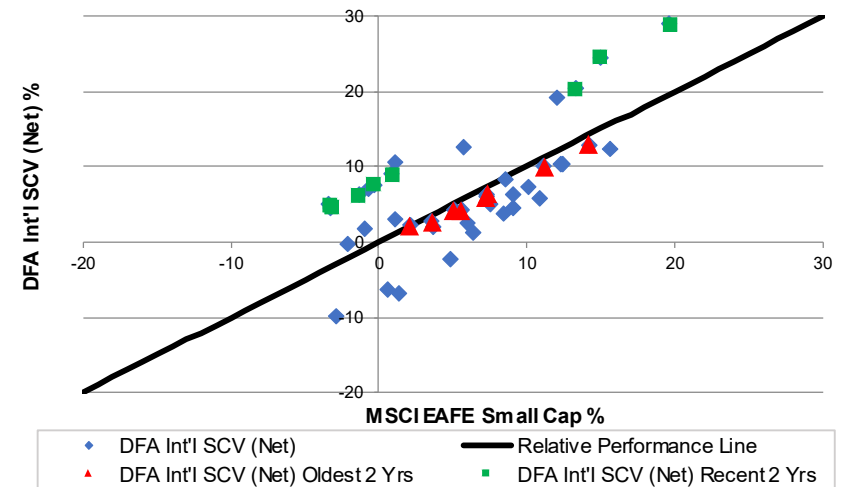
## Performance Relative to Peer Group as of 12/31/2025

Universe: Lipper US: Int'l Sm/Mid Cap Value



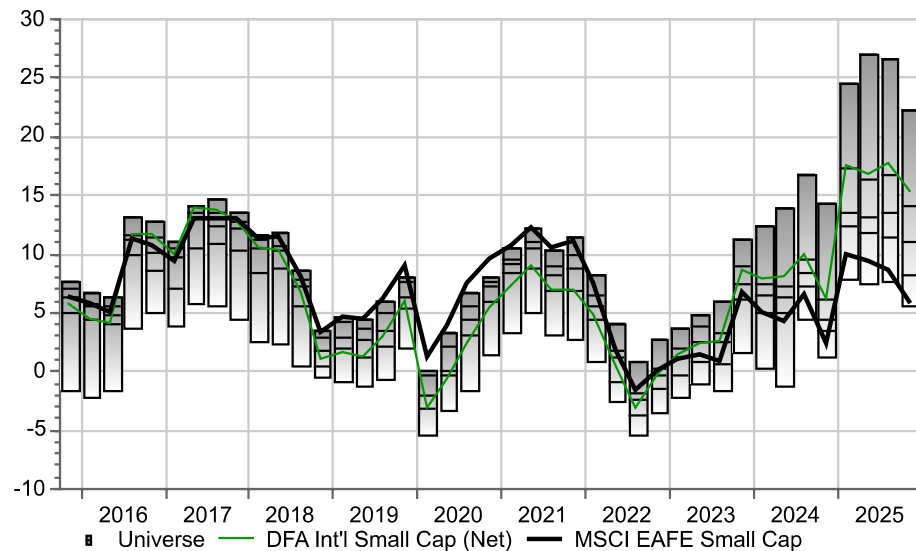
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## Three-Year Rolling Return Versus Benchmark



## Rolling Returns 7/1/2008 – 12/31/2025 (5 Year, 3 Month Shift)

Universe: Lipper US: Int'l Sm/Mid Cap Value



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## Over/Under Benchmark Analysis

16	Outperform
24	Underperform
40	# Observations
40%	% Outperform

# DFA International Attribution Analysis

## Top 10 Leading Contributors

	Avg. Weights	Relative Weights	Active Return
IAMGOLD Corporation	0.76	0.76	0.29
Mitsui Kinzoku Company,Limited	0.44	0.27	0.25
Hudbay Minerals Inc.	0.67	0.67	0.24
Jyske Bank A/S	0.95	0.80	0.24
OceanaGold Corporation	0.45	0.45	0.19
Centerra Gold Inc.	0.41	0.41	0.19
DPM Metals Inc.	0.36	0.36	0.19
Lion Finance Group PLC	0.70	0.58	0.19
Eldorado Gold Corporation	0.61	0.61	0.18
Whitecap Resources Inc.	0.88	0.88	0.16

## Top 10 Leading Detractors

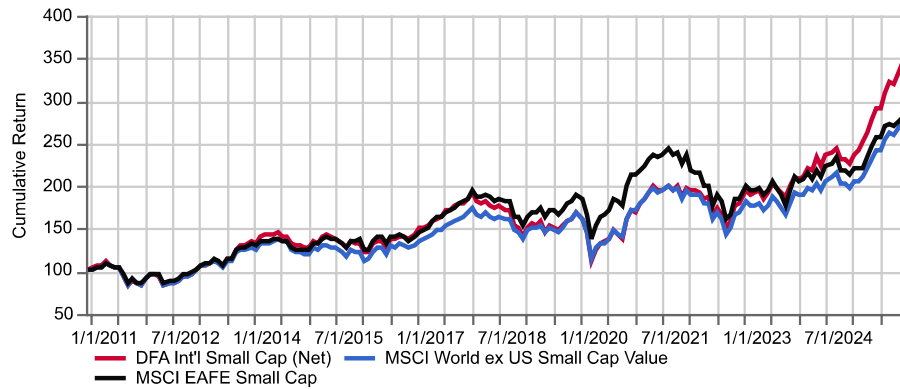
	Avg. Weights	Relative Weights	Active Return
Tower Semiconductor Ltd.	0.00	-0.29	-0.16
PLS Group Limited	0.00	-0.20	-0.11
Northland Power Inc.	0.25	0.25	-0.10
IBIDEN Co., Ltd.	0.00	-0.28	-0.09
B2Gold Corp.	0.52	0.52	-0.07
Games Workshop Group PLC	0.00	-0.22	-0.06
YASKAWA Electric Corporation	0.00	-0.17	-0.06
FirstGroup plc	0.22	0.17	-0.06
Enlight Renewable Energy Ltd	0.00	-0.13	-0.06
Johnson Electric Holdings Limited	0.15	0.09	-0.05

## Sector Attribution

	Average relative weighting (%)	Portfolio returns (%)	Benchmark returns (%)	Sector allocation (%)	Stock selection (%)	Relative contribution (%)
Communication Services	-1.6	4.5	-5.9	0.2	0.3	0.4
Consumer Discretionary	-0.7	2.6	-0.7	0.0	0.3	0.4
Consumer Staples	-0.5	-1.1	-1.2	0.0	-0.1	0.0
Energy	3.0	12.0	3.4	0.0	0.4	0.5
Financials	11.5	9.6	5.1	0.2	1.0	1.3
Health Care	-3.6	-3.5	0.9	0.1	-0.1	0.0
Industrials	-1.6	6.8	3.1	0.0	0.7	0.8
Information Technology	-6.4	5.5	1.2	0.1	0.2	0.2
Materials	9.6	14.7	10.7	0.8	0.6	1.5
Real Estate	-8.5	5.7	2.2	0.1	0.1	0.1
Utilities	-1.4	1.4	9.7	-0.1	-0.1	-0.2
Total	0.0	8.0	2.8	1.3	3.4	5.2

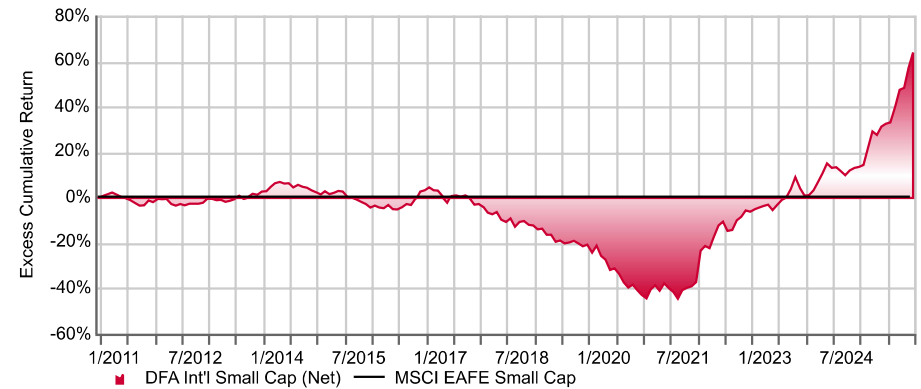
# DFA International Inception Performance & Statistics

## Investment Growth – 15 Years



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## Relative Cumulative Performance – 15 Years

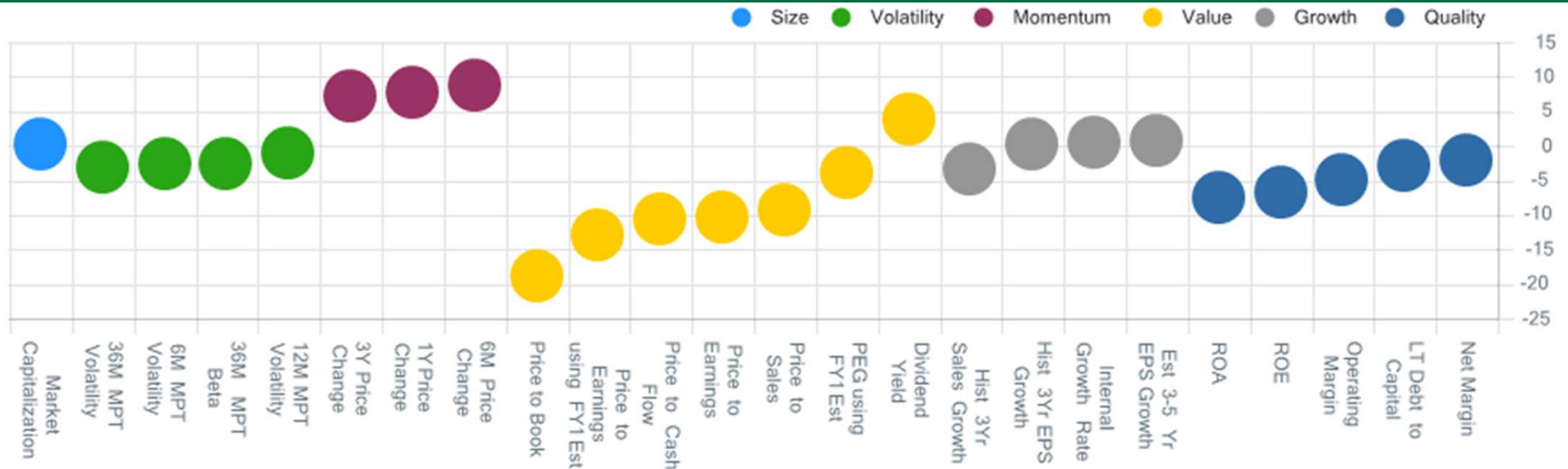


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## Risk – 15 Years

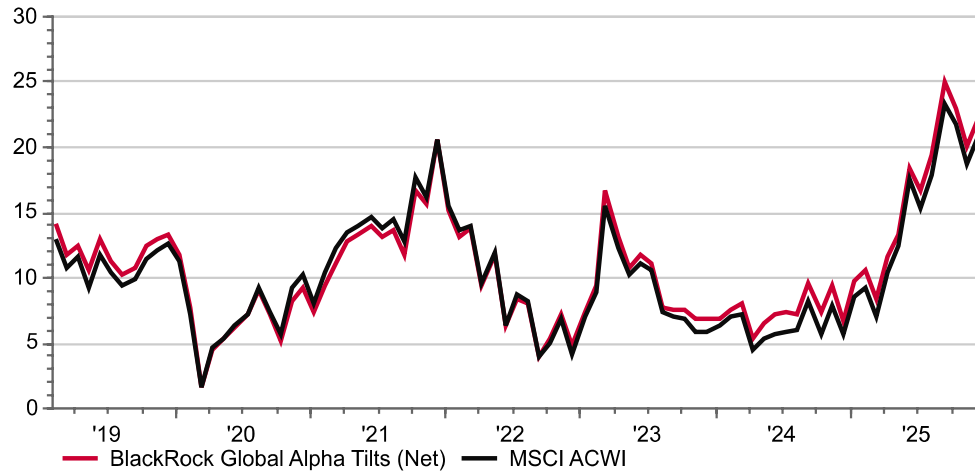
	Return	Std Dev	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
DFA Int'l Small Cap (Net)	8.6	17.0	1.4	0.4	0.3	4.7	1.0
MSCI EAFE Small Cap	7.1	15.8	--	0.4	--	--	1.0
MSCI World ex US Small Cap Value	6.9	16.2	--	0.3	--	--	1.0

## Characteristics Tilt vs Benchmark 12/31/2025



# BlackRock Global Portfolio Snapshot – December 31, 2025

## Rolling Returns Since Inception 3/1/2016 (Three Year, One Month Shift)



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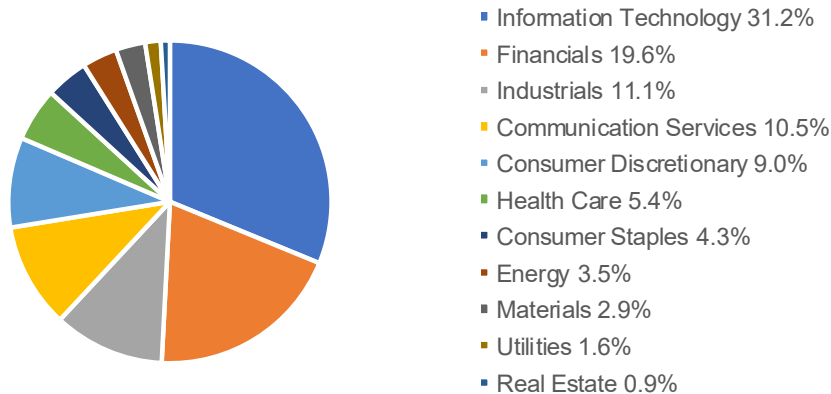
## Top 10 Holdings

	Portfolio Weight	Quarterly Return
NVIDIA Corporation	5.11	-0.04
Apple Inc.	5.10	6.87
Microsoft Corporation	4.48	-6.45
Alphabet Inc.	3.45	28.87
Amazon.com, Inc.	3.21	5.12
JPMorgan Chase & Co.	1.77	2.65
Tesla, Inc.	1.47	1.12
Taiwan Semi Mfg. Co. Ltd.	1.42	15.60
Broadcom Inc.	1.39	5.11
Meta Platforms, Inc.	1.36	-10.04

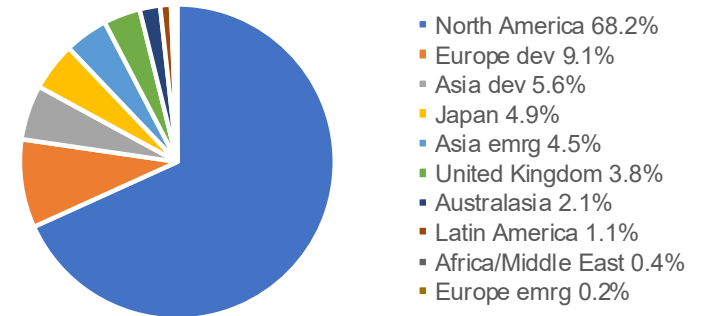
## Trailing Returns

	QTR	1 Year	3 Year	5 Year	Inception 3/1/2016
BlackRock Global Alpha Tilts (Net)	4.2	24.5	22.0	12.3	13.5
MSCI ACWI	3.3	22.3	20.7	11.2	12.7

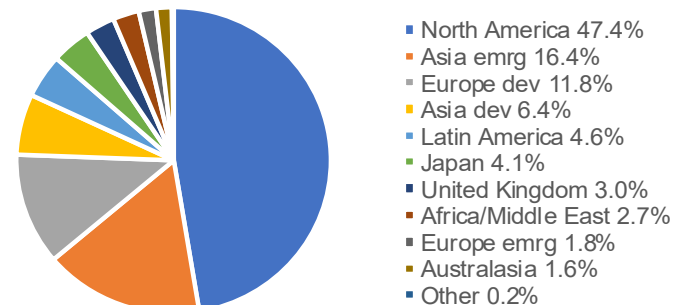
## Equity Sector Exposure (GICS)



## Regional Exposure by Domicile



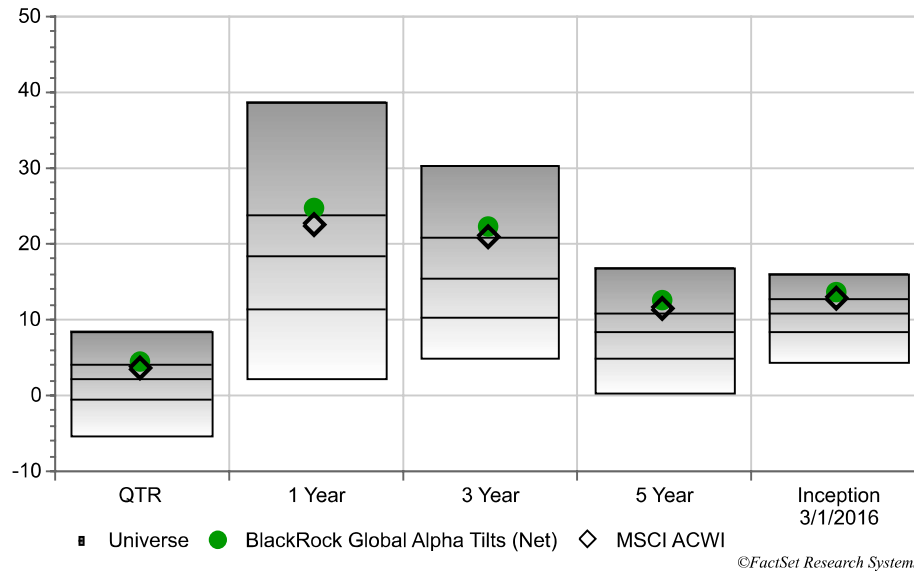
## Regional Exposure by Source of Revenue



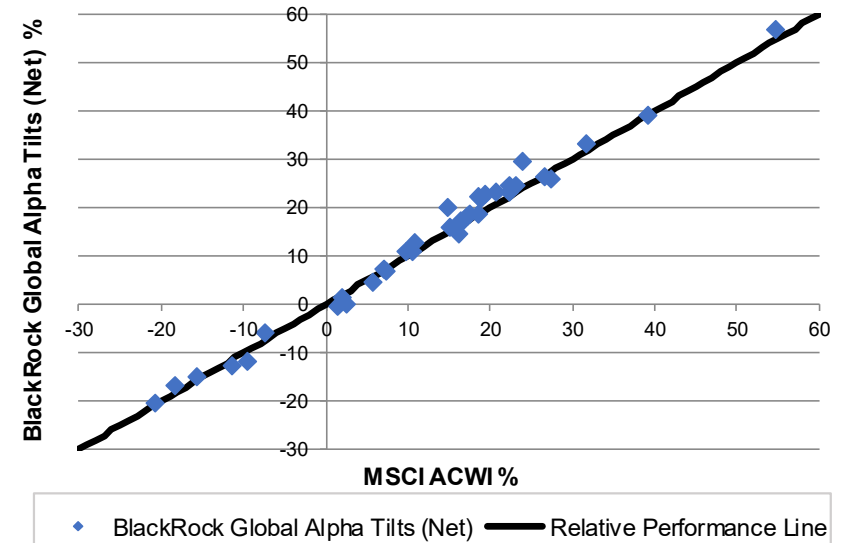
# BlackRock Global vs Universe & Benchmark

## Performance Relative to Peer Group as of 12/31/2025

Universe: Lipper US:Global

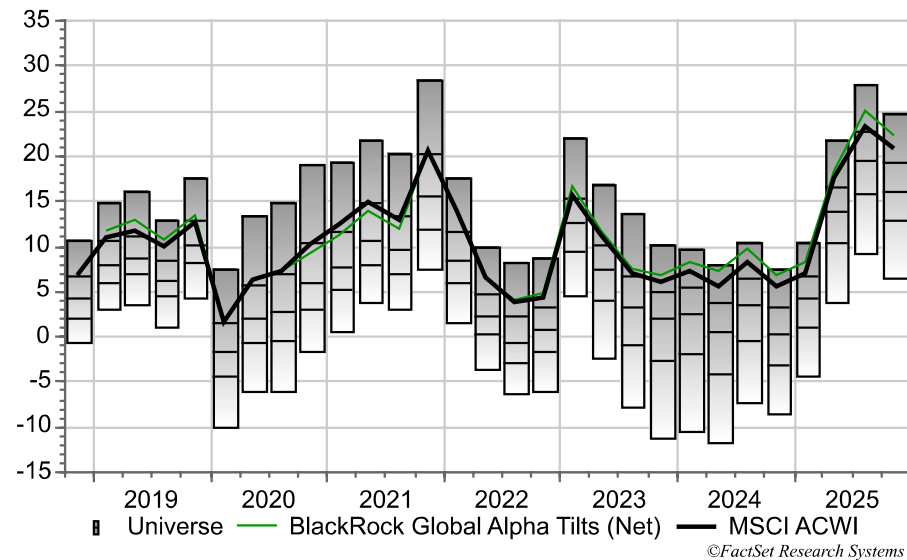


## One-Year Rolling Return Versus Benchmark



## Rolling Returns 3/1/2016 – 12/31/2025 (3 Year, 3 Month Shift)

Universe: Lipper US Global Equity



## Over/Under Benchmark Analysis

25	Outperform
11	Underperform
36	# Observations
69%	% Outperform

# BlackRock Global Attribution Analysis – December 31, 2025

## Top 10 Leading Contributors

	Avg. Weights	Relative Weights	Active Return
Micron Technology, Inc.	0.68	0.42	0.20
Nanya Technology Corporation	0.19	0.19	0.19
SK hynix Inc.	0.38	0.18	0.12
Morgan Stanley	1.18	0.96	0.12
Siemens Energy AG	0.68	0.59	0.11
UniCredit S.p.A.	0.59	0.47	0.11
Citigroup Inc.	0.79	0.59	0.11
Samsung Electronics Co., Ltd.	0.61	0.21	0.09
Power Corporation of Canada	0.41	0.37	0.08
AMETEK, Inc.	0.93	0.89	0.08

## Top 10 Leading Detractors

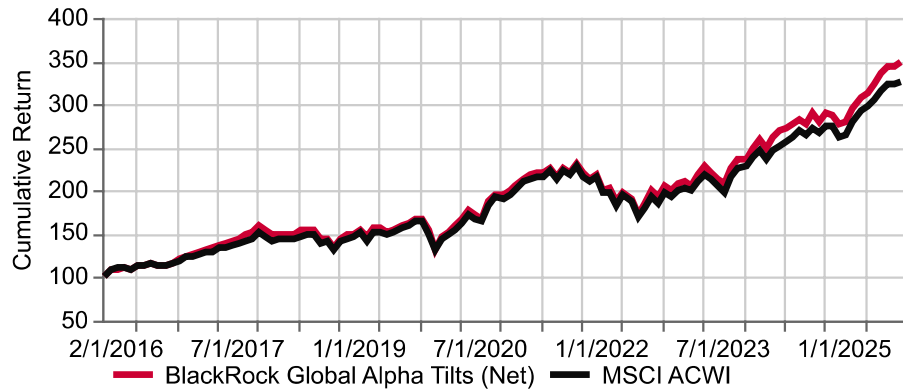
	Avg. Weights	Relative Weights	Active Return
Eli Lilly and Company	0.41	-0.38	-0.16
Alphabet Inc.	2.87	-0.42	-0.14
Xiaomi Corporation	0.46	0.35	-0.12
Motorola Solutions, Inc.	0.59	0.51	-0.10
BAE Systems plc	0.47	0.38	-0.07
Roche Holding AG	0.02	-0.29	-0.07
Tencent Holdings Limited	1.18	0.61	-0.06
Merck & Co., Inc.	0.00	-0.25	-0.06
Sony Group Corporation	0.74	0.55	-0.06
Deutsche Telekom AG	0.78	0.53	-0.06

## Sector Attribution

	Average relative weighting (%)	Portfolio returns (%)	Benchmark returns (%)	Sector allocation (%)	Stock selection (%)	Relative contribution (%)
Communication Services	1.5	-0.4	3.4	0.0	-0.4	-0.4
Consumer Discretionary	-0.4	-0.6	-0.5	0.0	0.0	0.0
Consumer Staples	-1.0	1.6	1.2	0.0	0.0	0.1
Energy	0.4	4.2	2.8	0.0	0.1	0.1
Financials	1.5	6.6	5.0	0.0	0.3	0.3
Health Care	-3.0	7.0	9.9	-0.2	-0.2	-0.4
Industrials	0.5	4.9	1.8	0.0	0.3	0.3
Information Technology	4.1	5.2	2.9	0.0	0.8	0.7
Materials	-1.4	5.4	6.6	0.0	0.0	0.0
Real Estate	-0.7	-3.3	-2.3	0.0	0.0	0.0
Utilities	-1.5	10.3	2.4	0.0	0.1	0.1
Total	0.0	4.1	3.4	-0.1	1.1	0.8

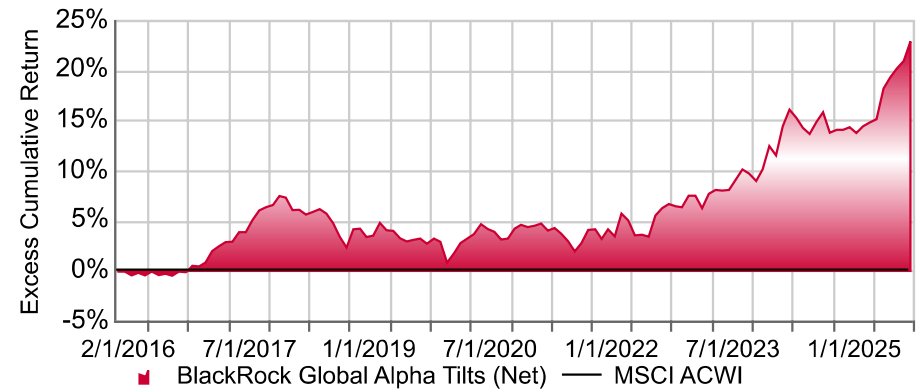
# BlackRock Global Inception Performance & Statistics

## Investment Growth Since Inception 3/1/2016



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## Relative Cumulative Performance Since Inception 3/1/2016

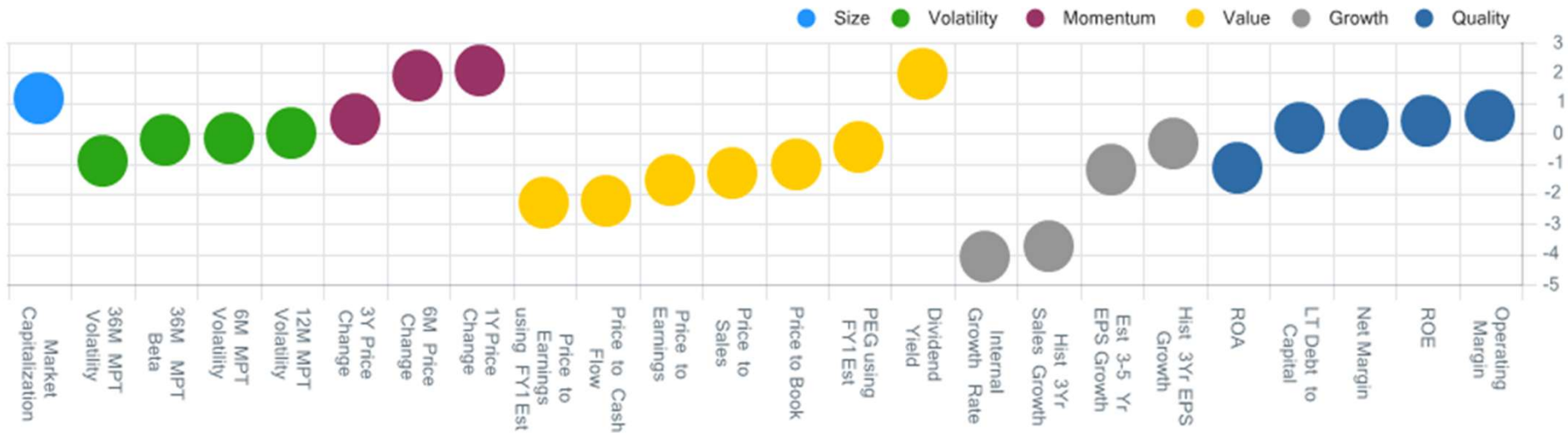


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## Risk Since Inception 3/1/2016

	Return	Std Dev	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
BlackRock Global Alpha Tilts (Net)	13.5	14.6	0.6	0.8	0.5	1.6	1.0
MSCI ACWI	12.7	14.3	--	0.7	--	--	1.0

## Characteristics Tilt vs Benchmark 12/31/2025



# MFS Portfolio Snapshot – December 31, 2025

## Rolling Returns Since Inception 12/1/2012 (Five Year, One Month Shift)



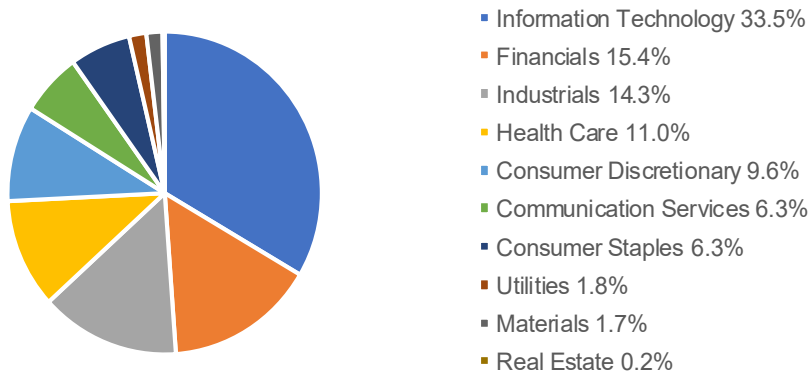
## Top 10 Holdings

	Portfolio Weight	Quarterly Return
Microsoft Corporation	6.89	-6.45
Taiwan Semi Mfg. Co. Ltd.	5.30	15.60
Accenture plc	3.34	9.54
Visa Inc.	3.30	2.94
NVIDIA Corporation	3.22	-0.04
Tencent Holdings Limited	3.07	-9.69
Apple Inc.	2.96	6.87
TransUnion	2.46	2.49
Aon plc	2.33	-0.82
Amphenol Corporation	2.27	9.42

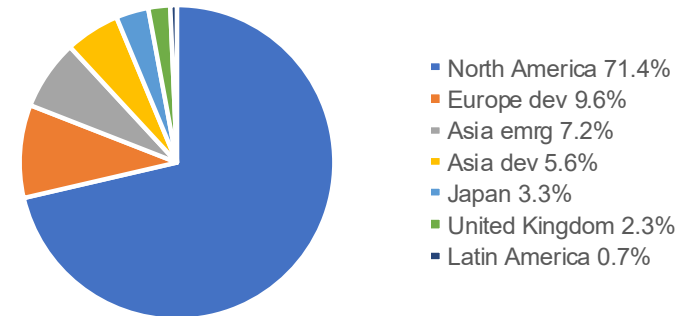
## Trailing Returns

	QTR	1 Year	3 Year	5 Year	10 Year	Inception 12/1/2012
MFS (Net)	1.6	8.3	13.4	7.2	12.2	11.4
MSCI ACWI	3.3	22.3	20.7	11.2	11.7	10.9
MSCI ACWI Growth	2.8	22.4	26.5	11.1	14.0	13.0

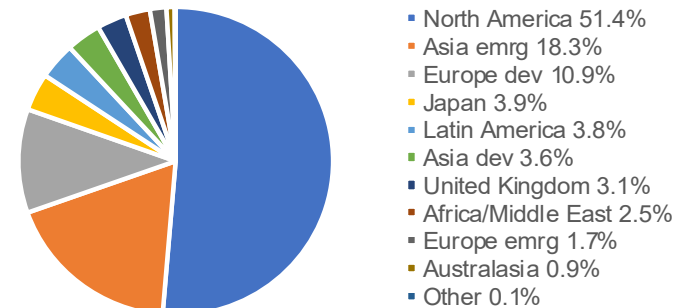
## Equity Sector Exposure (GICS)



## Regional Exposure by Domicile



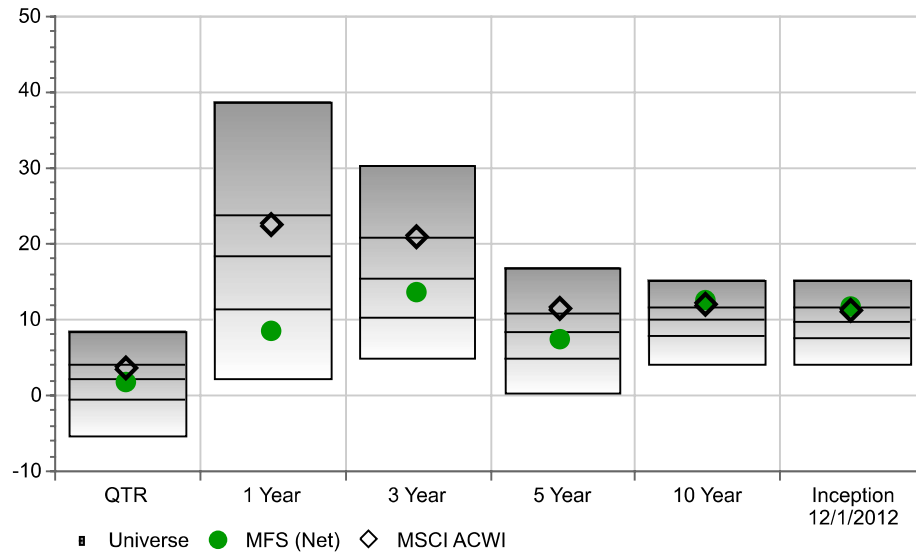
## Regional Exposure by Source of Revenue



# MFS vs Universe & Benchmark

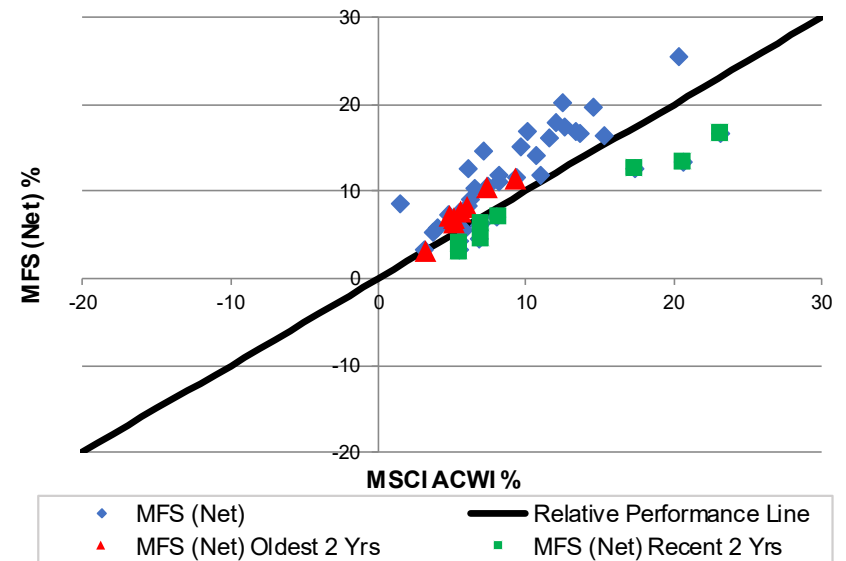
## Performance Relative to Peer Group as of 12/31/2025

Universe: Lipper US:Global



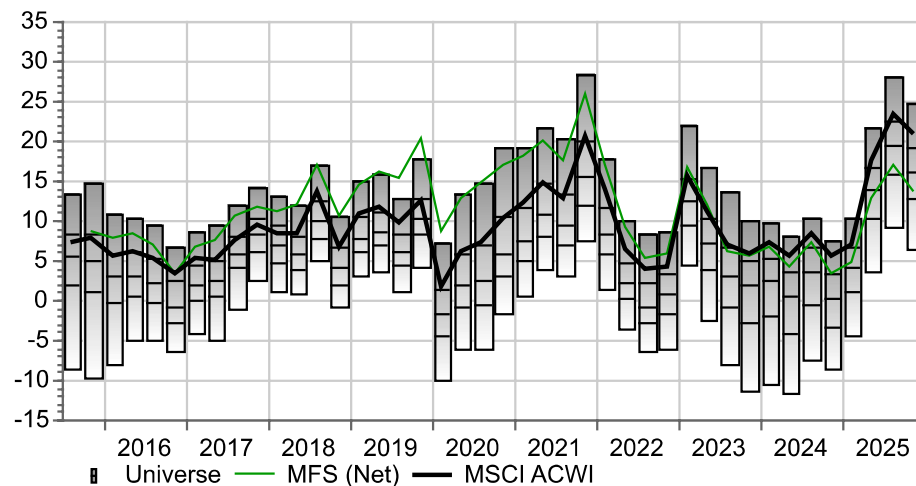
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## Three-Year Rolling Return Versus Benchmark



## Rolling Returns 12/1/2012 – 12/31/2025 (3 Year, 3 Month Shift)

Universe: Lipper US Global Equity



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## Over/Under Benchmark Analysis

30	Outperform
10	Underperform
40	# Observations
75%	% Outperform

# MFS Attribution Analysis – December 31, 2025

## Top 10 Leading Contributors

	Avg. Weights	Relative Weights	Active Return
Taiwan Semi Mfg. Co. Ltd.	5.10	3.87	0.60
LVMH Moët Hennessy Louis Vuitton SE	1.65	1.46	0.33
Accenture plc	2.83	2.66	0.26
Danaher Corporation	1.61	1.46	0.21
Hilton Worldwide Holdings Inc.	2.02	1.96	0.21
Salesforce, Inc.	1.92	1.67	0.20
Ross Stores, Inc.	1.12	1.07	0.19
Amphenol Corporation	2.28	2.10	0.18
Mettler-Toledo International Inc.	1.29	1.25	0.15
Capgemini SE	1.05	1.03	0.15

## Top 10 Leading Detractors

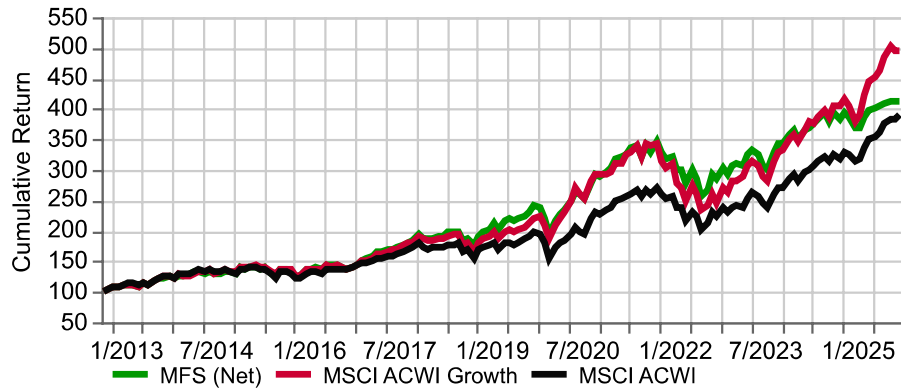
	Avg. Weights	Relative Weights	Active Return
Alphabet Inc.	1.47	-1.82	-0.47
Fiserv, Inc.	0.29	0.24	-0.38
Eli Lilly and Company	0.00	-0.79	-0.28
Tencent Holdings Limited	3.28	2.70	-0.27
Eaton Corporation plc	1.88	1.72	-0.26
Pool Corporation	0.77	0.76	-0.22
Microsoft Corporation	7.31	3.38	-0.22
Amazon.com, Inc.	1.17	-1.25	-0.22
Micron Technology, Inc.	0.00	-0.26	-0.15
Samsung Electronics Co., Ltd.	0.00	-0.40	-0.14

## Sector Attribution

	Average relative weighting (%)	Portfolio returns (%)	Benchmark returns (%)	Sector allocation (%)	Stock selection (%)	Relative contribution (%)
Communication Services	-3.0	-1.1	3.4	0.0	-0.3	-0.3
Consumer Discretionary	-2.0	5.9	-0.5	0.1	0.5	0.7
Consumer Staples	1.5	-0.2	1.2	0.0	-0.2	-0.1
Energy	-3.4	0.0	2.8	0.0	0.0	0.0
Financials	-1.1	-0.5	5.0	0.0	-0.9	-0.9
Health Care	2.5	6.0	9.9	0.2	-0.5	-0.3
Industrials	4.1	-2.4	1.8	0.0	-0.7	-0.7
Information Technology	3.7	4.4	2.9	0.0	0.6	0.4
Materials	-1.8	-6.9	6.6	-0.1	-0.2	-0.3
Real Estate	-1.1	-7.8	-2.3	0.0	-0.1	0.0
Utilities	-0.7	-3.8	2.4	0.0	-0.1	-0.1
Cash	1.3	0.9	0.0	0.0	0.0	0.0
Total	0.0	1.7	3.4	0.1	-1.8	-1.6

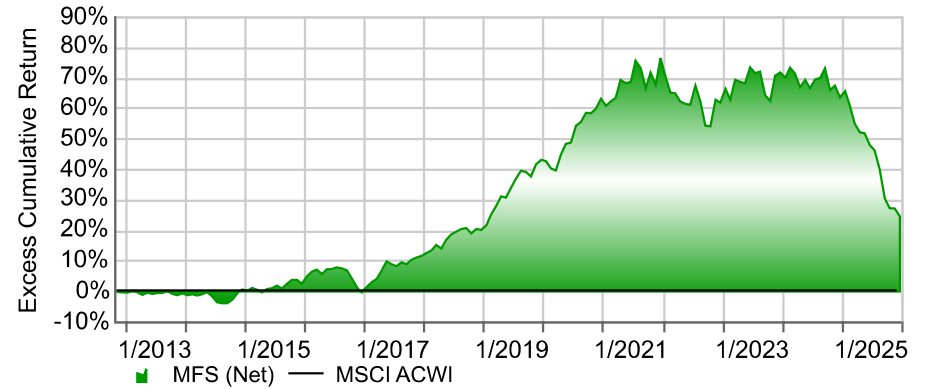
# MFS Inception Performance & Statistics

## Investment Growth Since Inception 12/1/2012



©FactSet Research Systems

## Relative Cumulative Performance Since Inception 12/1/2012

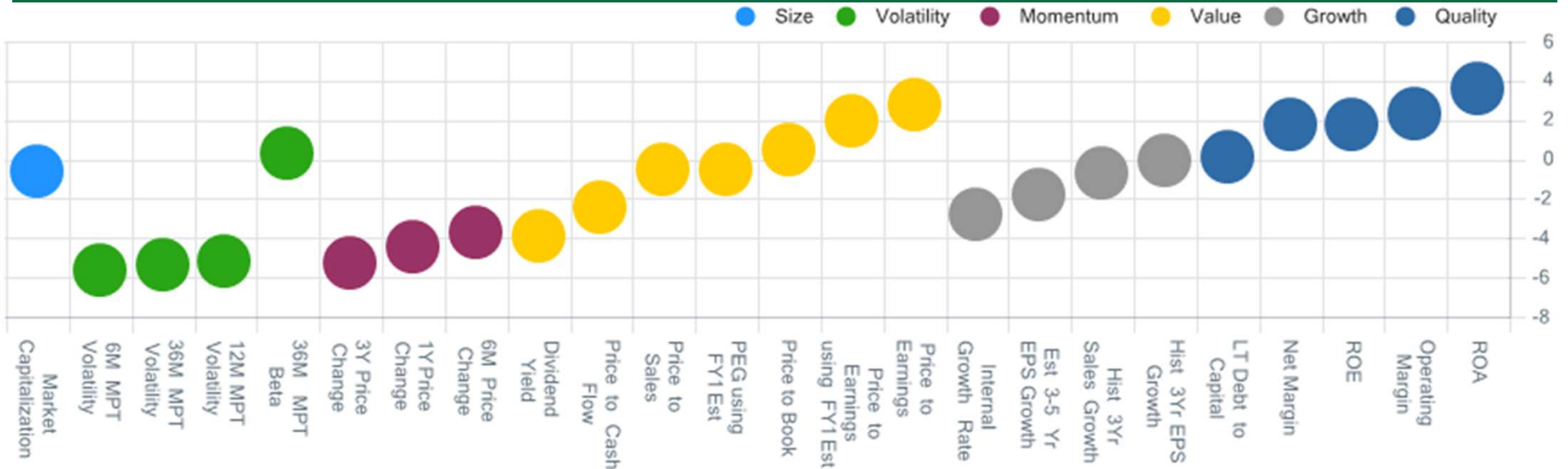


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## Risk Since Inception 12/1/2012

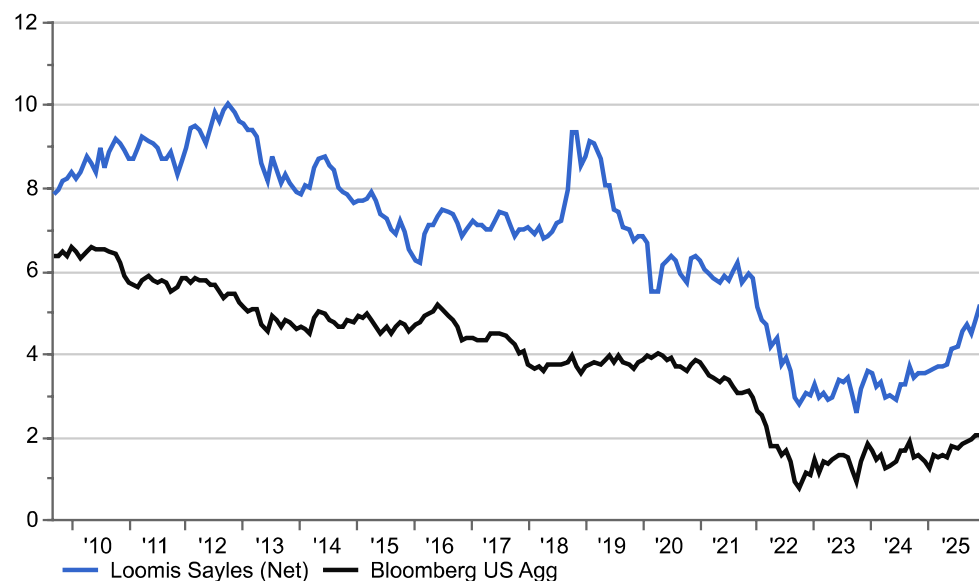
	Return	Std Dev	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
MFS (Net)	11.4	13.8	0.7	0.7	0.2	3.3	1.0
MSCI ACWI	10.9	13.6	--	0.7	--	--	1.0
MSCI ACWI Growth	13.0	15.0	--	0.8	--	--	1.1

## Characteristics Tilt vs Benchmark 12/31/2025



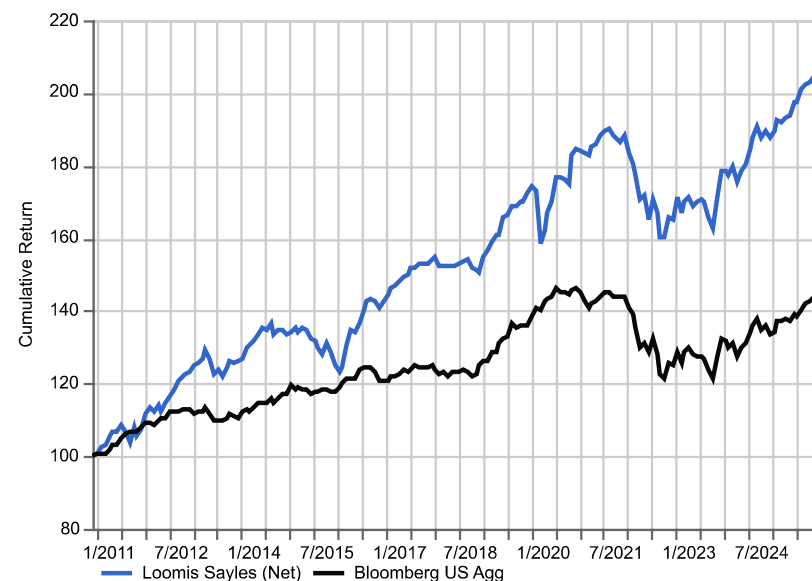
# Loomis Sayles Portfolio Snapshot – December 31, 2025

## Rolling Returns Since 10/1/1999 (Ten Year, One Month Shift)



©FactSet Research Systems

## Investment Growth – 15 Years



©FactSet Research Systems

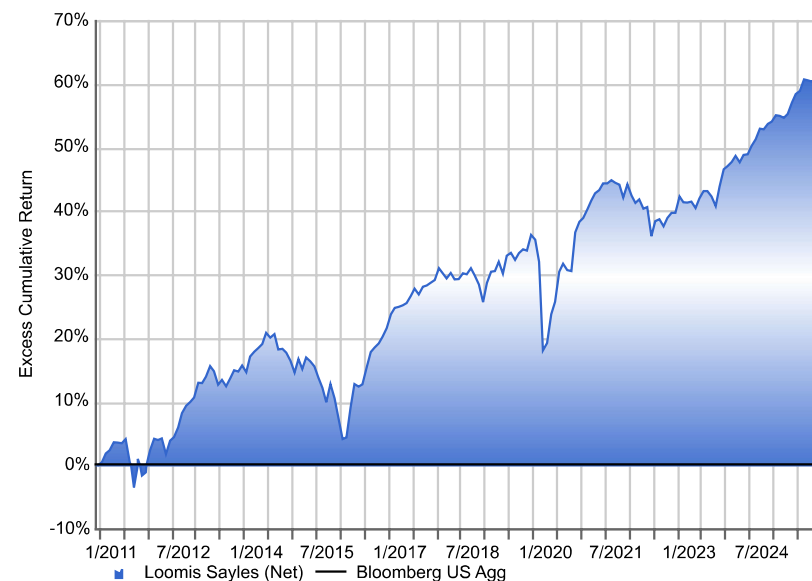
## Trailing Returns

	QTR	1 Year	3 Year	5 Year	10 Year	15 Year
Loomis Sayles (Net)	1.7	9.6	7.7	2.2	5.1	4.9
Bloomberg US Aggregate	1.1	7.3	4.7	-0.4	2.0	2.4

## Risk – 15 Years

	Return	Std Dev	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
Loomis Sayles (Net)	4.9	6.2	2.6	0.6	0.5	4.6	0.9
Bloomberg US Aggregate	2.4	4.4	--	0.2	--	--	1.0

## Relative Cumulative Performance – 15 Years

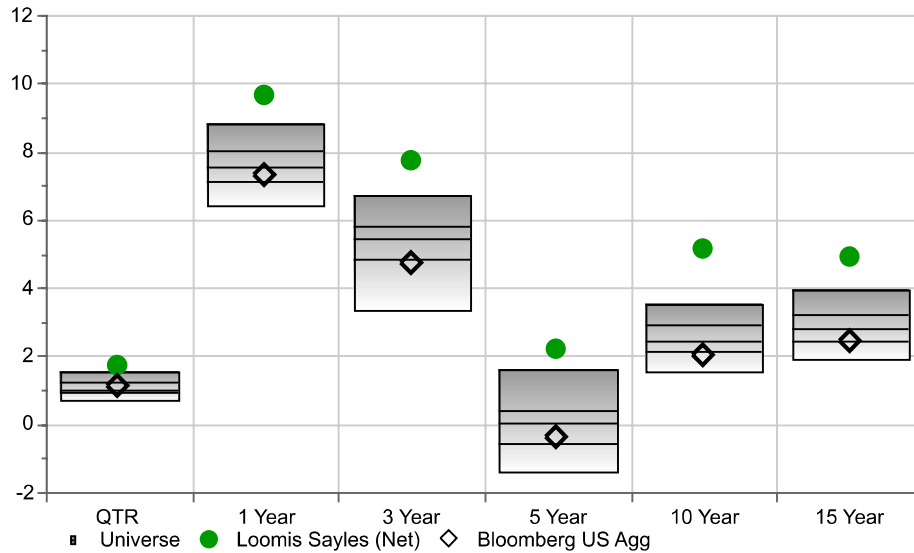


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# Loomis Sayles vs Universe & Benchmark

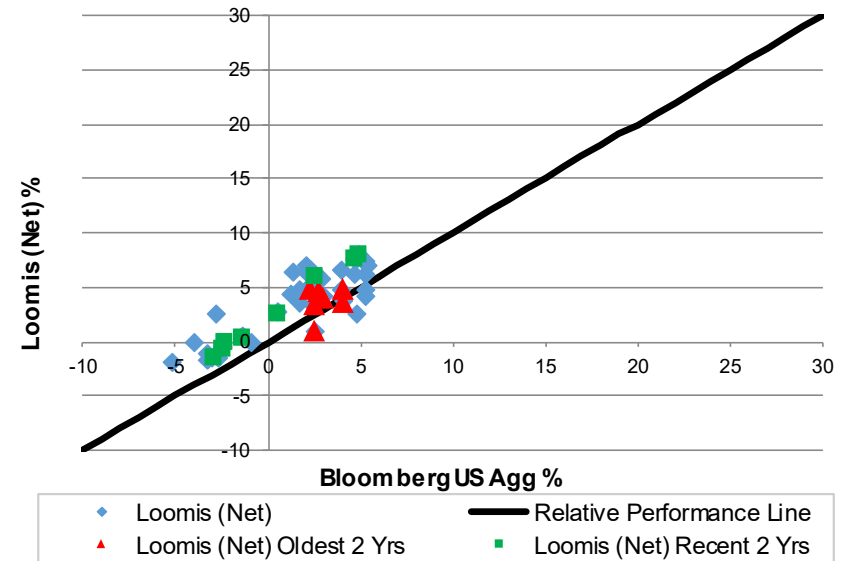
## Performance Relative to Peer Group as of 12/31/2025

Universe: Lipper US Core Plus Bond



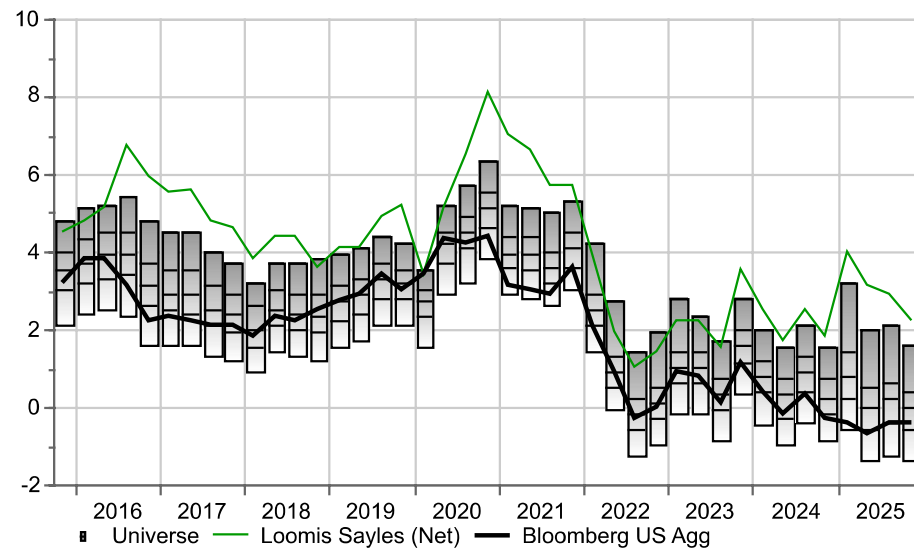
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## Three-Year Rolling Return Versus Benchmark



## Rolling Returns 7/1/2008 – 12/31/2025 (5 Year, 3 Month Shift)

Universe: Lipper US:Core Plus Bond



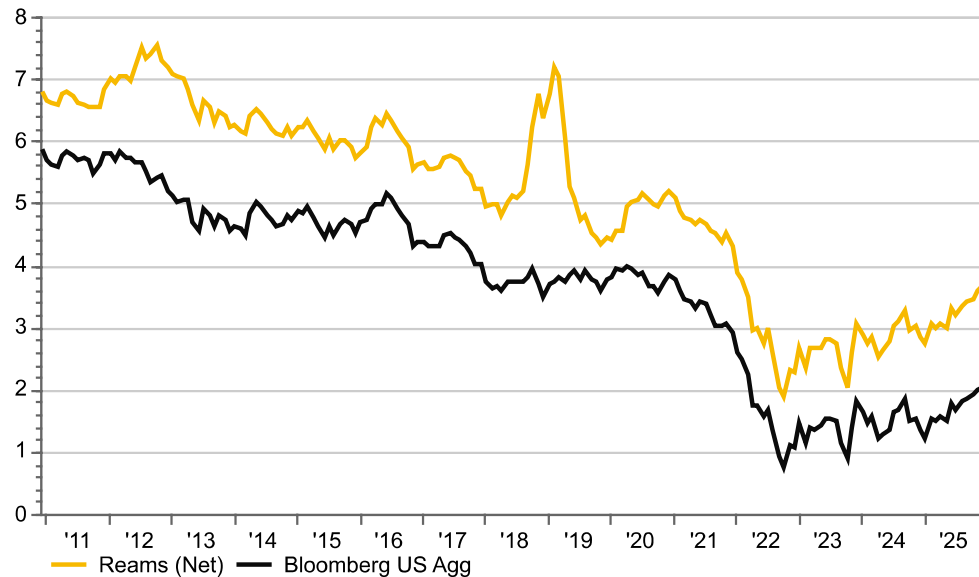
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## Over/Under Benchmark Analysis

35	Outperform
5	Underperform
40	# Observations
88%	% Outperform

# Reams Portfolio Snapshot – December 31, 2025

## Rolling Returns Since Inception 1/1/2001 (Ten Year, One Month Shift)



## Investment Growth – 15 Years



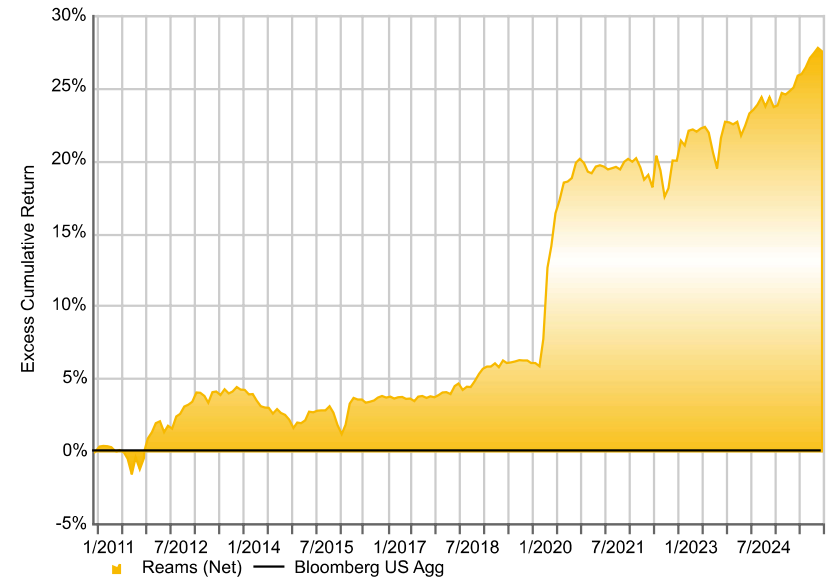
## Trailing Returns

	QTR	1 Year	3 Year	5 Year	10 Year	15 Year
Reams (Net)	1.2	8.6	5.6	0.6	3.7	3.6
Bloomberg US Aggregate	1.1	7.3	4.7	-0.4	2.0	2.4

## Risk – 15 Years

	Return	Std Dev	Alpha	Sharpe Ratio	Information Ratio	Tracking Error	Beta
Reams (Net)	3.6	4.9	1.1	0.4	0.8	1.5	1.1
Bloomberg US Aggregate	2.4	4.4	--	0.2	--	--	1.0

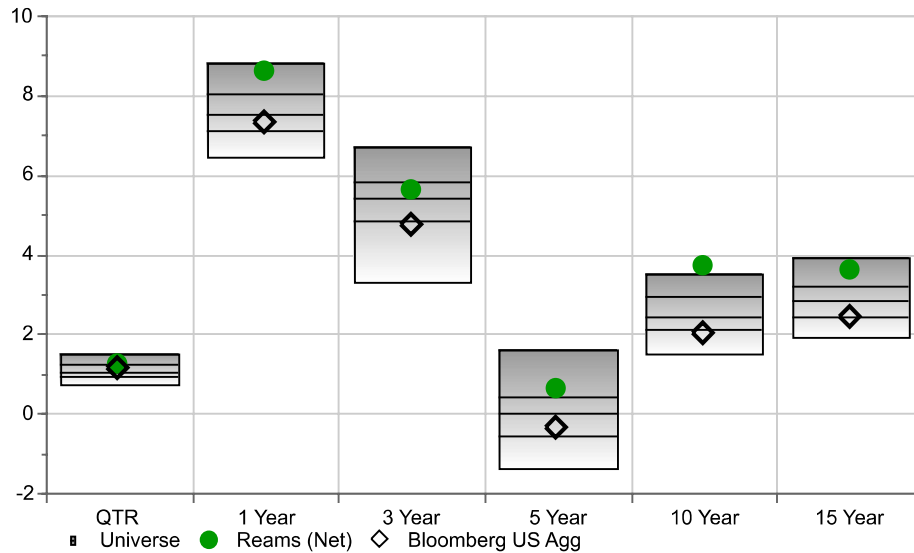
## Relative Cumulative Performance – 15 Years



# Reams vs Universe & Benchmark

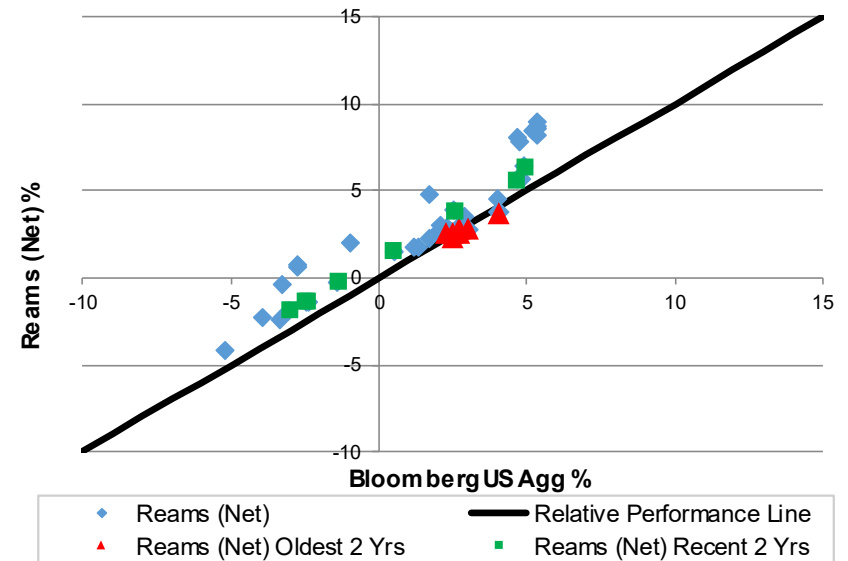
## Performance Relative to Peer Group as of 12/31/2025

Universe: Lipper US Core Plus Bond



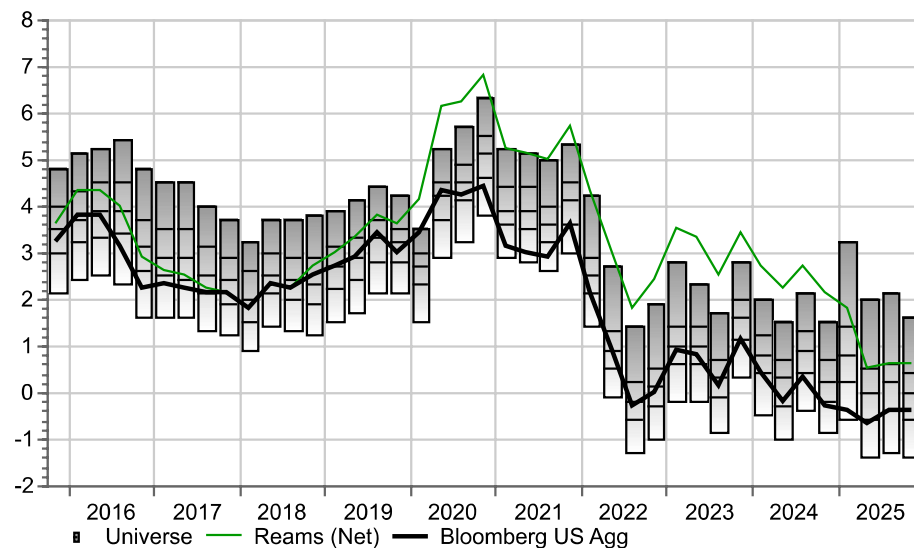
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## Three-Year Rolling Return Versus Benchmark



## Rolling Returns 7/1/2008 – 12/31/2025 (5 Year, 3 Month Shift)

Universe: Lipper US Core Plus Bond

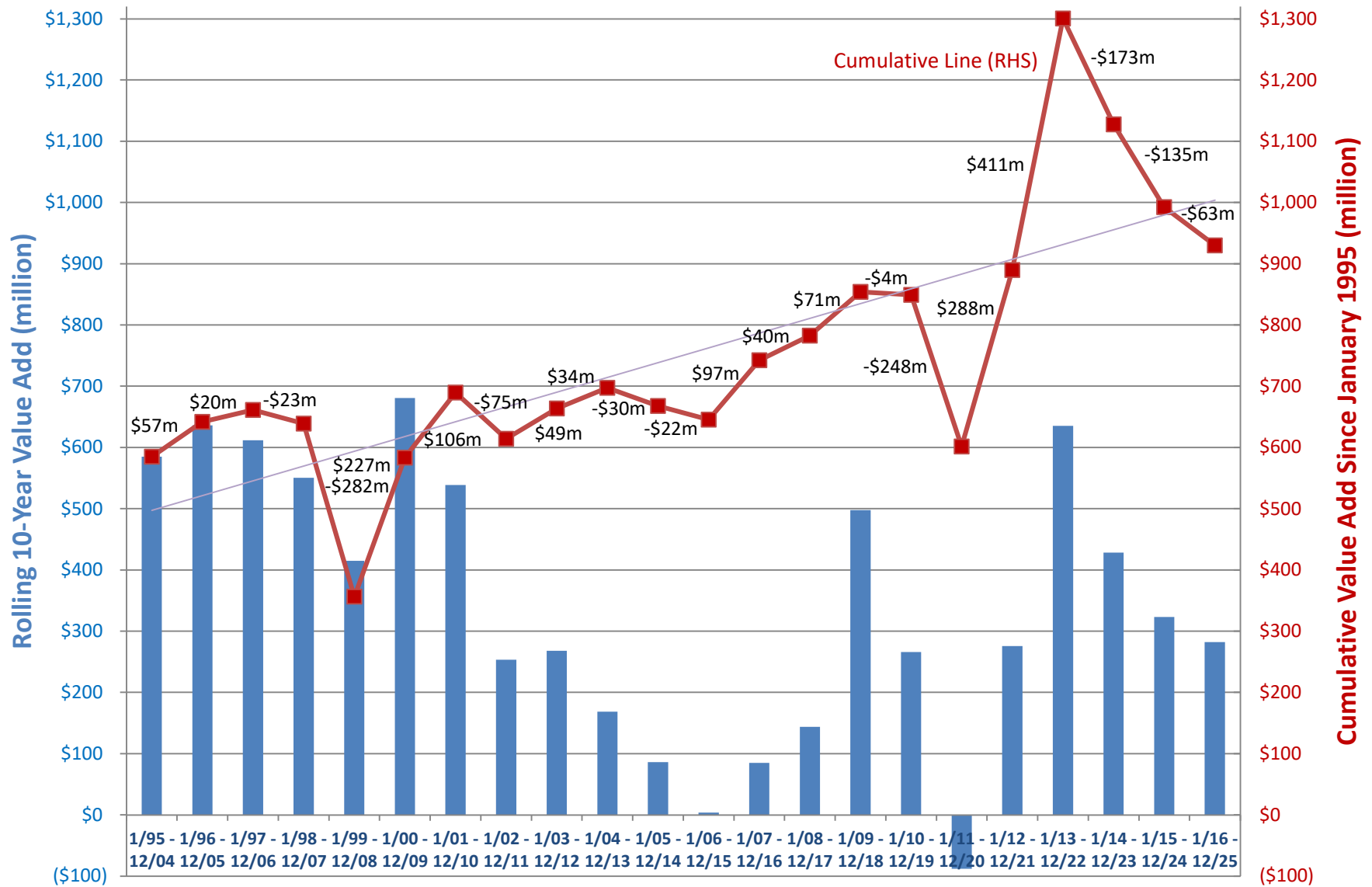


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## Over/Under Benchmark Analysis

35	Outperform
5	Underperform
40	# Observations
88%	% Outperform

# Historical Value Add - January 1, 1995 - December 31, 2025 CMERS Total Fund (everything except Real Assets)



## Historical Value Add - January 1, 1995 - December 31, 2025

### CMERS Total Fund (everything except Real Assets)

<b>MERS' decision to hire some active managers versus hiring only passive managers</b>							
		Time Weighted Returns			Dollar Weighted Estimates (Net of fees)		
		Annualized MERS Asset Class		Annualized Index	Value of a Dollar Invested in		Active Management Impact <sup>(c)</sup>
		Gross	Net of fees	Net of fees <sup>(a)</sup>	MERS Asset Class	Index	\$Millions
<b>Domestic Equity</b>	Russell 3000	10.74%	10.48%	10.99%	\$ 21.94	\$ 25.34	\$ (41.1)
<b>International Equity<sup>(b)</sup></b>	MSCI EAFE	8.02%	7.58%	5.47%	\$ 8.74	\$ 4.86	\$ 457.3
<b>Global Equity<sup>(b)</sup></b>	MSCI World / ACWI	10.45%	10.06%	10.16%	\$ 4.53	\$ 4.59	\$ 1.3
<b>Fixed Income</b>	Bloomberg US Aggregate	5.80%	5.70%	4.63%	\$ 5.57	\$ 4.06	\$ 324.9
<b>Private Equity<sup>(b)</sup></b>	Russell 3000	N/A	12.43%	14.70%	\$ 6.15	\$ 8.38	\$ (30.8)
<b>Absolute Return<sup>(b)</sup></b>	Bloomberg US Aggregate	N/A	6.58%	1.95%	\$ 2.08	\$ 1.25	\$ 218.0
Estimate of Fund's benefit from its decision to hire active managers over past 31 years							\$ 929.7

<sup>(a)</sup>Manager Fees for indices are assumed to be:

Russell 3000 Index - 2 basis points  
 MSCI EAFE Index - 5 basis points  
 MSCI World / ACWI Index - 5 basis points  
 Bloomberg US Aggregate Index - 2 basis points

<sup>(b)</sup>Inception Dates if less than 31 years:

International Equity Composite is May 1, 1996  
 Global Equity Composite is April 1, 2010  
 Private Equity Composite is July 1, 2010  
 Absolute Return Composite is July 1, 2014

<sup>(c)</sup>Active Management Impact \$Millions Estimate is based on monthly ERS asset class balances.

## Historical Value Add - January 1, 2016 - December 31, 2025 CMERS Total Fund (everything except Real Assets)

<b>MERS' decision to hire some active managers versus hiring only passive managers</b>								
		<b>Time Weighted Returns</b>			<b>Dollar Weighted Estimates (Net of fees)</b>			
		<b>Annualized MERS Asset Class</b>		<b>Annualized Index</b>	<b>Value of a Dollar Invested in</b>		<b>Active Management Impact<sup>(b)</sup></b>	
<b>MERS Asset Class</b>	<b>Index</b>	<b>Gross</b>	<b>Net of fees</b>	<b>Net of fees<sup>(a)</sup></b>	<b>MERS Asset Class</b>	<b>Index</b>	<b>\$Millions</b>	
<b>Domestic Equity</b>	Russell 3000	12.67%	12.40%	14.26%	\$ 3.22	\$ 3.79	\$ (163.5)	
<b>International Equity</b>	MSCI EAFE	10.15%	9.63%	8.13%	\$ 2.51	\$ 2.19	\$ 124.5	
<b>Global Equity</b>	MSCI World / ACWI	12.69%	12.30%	11.67%	\$ 3.19	\$ 3.02	\$ 26.7	
<b>Fixed Income</b>	Bloomberg US Aggregate	3.17%	3.05%	1.99%	\$ 1.35	\$ 1.22	\$ 122.1	
<b>Private Equity</b>	Russell 3000	N/A	15.34%	14.26%	\$ 4.17	\$ 3.79	\$ (32.4)	
<b>Absolute Return</b>	Bloomberg US Aggregate	N/A	6.74%	1.99%	\$ 1.92	\$ 1.22	\$ 204.9	
Estimate of Fund's benefit from its decision to hire active managers over past 10 years							\$ 282.3	

<sup>(a)</sup> Manager Fees for indices are assumed to be:

Russell 3000 Index - 2 basis points

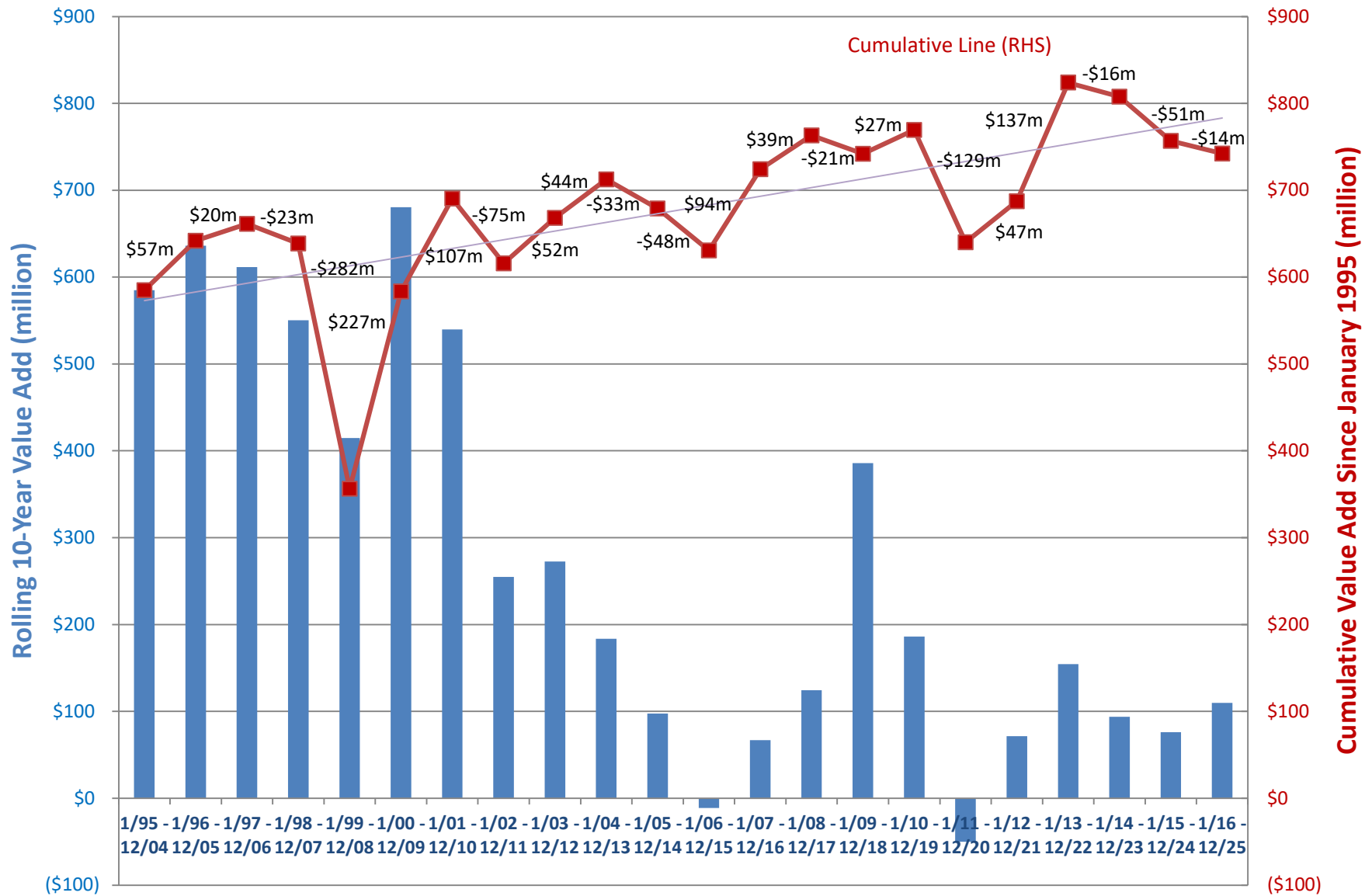
MSCI EAFE Index - 5 basis points

MSCI World / ACWI Index - 5 basis points

Bloomberg US Aggregate Index - 2 basis points

<sup>(b)</sup> Active Management Impact \$Millions  
Estimate is based on monthly ERS asset class balances.

# Historical Value Add - January 1, 1995 - December 31, 2025 CMERS Public Equity and Fixed Income only



## Historical Value Add - January 1, 1995 - December 31, 2025 CMERS Public Equity and Fixed Income only

<b>MERS' decision to hire some active managers versus hiring only passive managers</b>							
MERS Asset Class	Index	Time Weighted Returns			Dollar Weighted Estimates (Net of fees)		
		Annualized MERS Asset Class		Annualized Index	Value of a Dollar Invested in		Active Management Impact <sup>(c)</sup>
		Gross	Net of fees	Net of fees <sup>(a)</sup>	MERS Asset Class	Index	\$Millions
Domestic Equity	Russell 3000	10.74%	10.48%	10.99%	\$ 21.94	\$ 25.34	\$ (41.1)
International Equity <sup>(b)</sup>	MSCI EAFE	8.02%	7.58%	5.47%	\$ 8.74	\$ 4.86	\$ 457.3
Global Equity <sup>(b)</sup>	MSCI World / ACWI	10.45%	10.06%	10.16%	\$ 4.53	\$ 4.59	\$ 1.3
Fixed Income	Bloomberg US Aggregate	5.80%	5.70%	4.63%	\$ 5.57	\$ 4.06	\$ 324.9
Estimate of Fund's benefit from its decision to hire active managers over past 31 years							\$ 742.4

<sup>(a)</sup> Manager Fees for indices are assumed to be:

Russell 3000 Index - 2 basis points  
 MSCI EAFE Index - 5 basis points  
 MSCI World / ACWI Index - 5 basis points  
 Bloomberg US Aggregate Index - 2 basis points

<sup>(b)</sup> Inception Dates if less than 31 years:

International Equity Composite is May 1, 1996  
 Global Equity Composite is April 1, 2010

<sup>(c)</sup> Active Management Impact \$Millions Estimate is based on monthly ERS asset class balances.

## Historical Value Add - January 1, 2016 - December 31, 2025 CMERS Public Equity and Fixed Income only

<b><u>MERS' decision to hire some active managers versus hiring only passive managers</u></b>							
<b>MERS Asset Class</b>	<b>Index</b>	<b>Time Weighted Returns</b>			<b>Dollar Weighted Estimates (Net of fees)</b>		
		<b>Annualized MERS Asset Class</b>		<b>Annualized Index</b>	<b>Value of a Dollar Invested in</b>		<b>Active Management Impact<sup>(b)</sup></b>
		<b>Gross</b>	<b>Net of fees</b>	<b>Net of fees<sup>(a)</sup></b>	<b>MERS Asset Class</b>	<b>Index</b>	<b>\$Millions</b>
<b>Domestic Equity</b>	Russell 3000	12.67%	12.40%	14.26%	\$ 3.22	\$ 3.79	\$ (163.5)
<b>International Equity</b>	MSCI EAFE	10.15%	9.63%	8.13%	\$ 2.51	\$ 2.19	\$ 124.5
<b>Global Equity</b>	MSCI World / ACWI	12.69%	12.30%	11.67%	\$ 3.19	\$ 3.02	\$ 26.7
<b>Fixed Income</b>	Bloomberg US Aggregate	3.17%	3.05%	1.99%	\$ 1.35	\$ 1.22	\$ 122.1
Estimate of Fund's benefit from its decision to hire active managers over past 10 years							\$ 109.8

<sup>(a)</sup> Manager Fees for indices are assumed to be:

Russell 3000 Index - 2 basis points

MSCI EAFE Index - 5 basis points

MSCI World / ACWI Index - 5 basis points

Bloomberg US Aggregate Index - 2 basis points

<sup>(b)</sup> Active Management Impact \$Millions  
Estimate is based on monthly ERS asset class balances.