MEKETA

San Jose Federated Retiree Health Care 115 Trust

As of June 30, 2026

Quarterly Review

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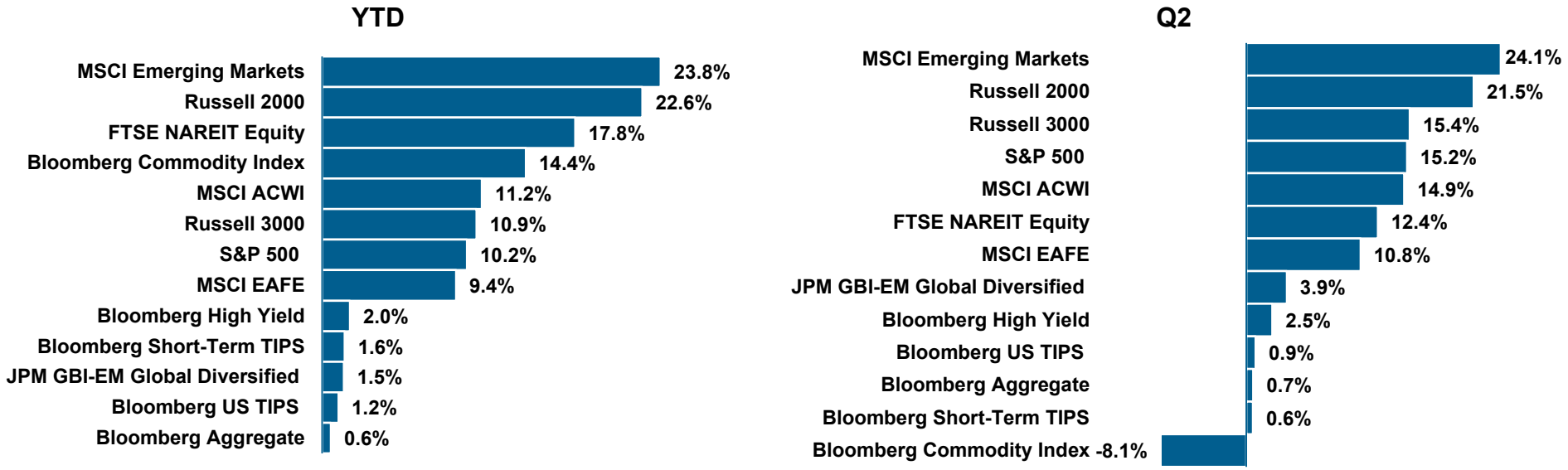
Economic and Market Update
As of June 30, 2026

Commentary

Global equities posted strong returns in the second quarter of 2026, led by emerging markets and US small-cap stocks. Continued enthusiasm around artificial intelligence and a ceasefire in the Middle East helped support risk assets, while bonds benefited from the decline in energy lowering inflation concerns.

- → US equities (Russell 3000) rose 15.4% in the second quarter, recovering first-quarter losses and lifting the year-to-date gain to 10.9%. Growth stocks led the rebound after lagging in the first quarter, with the Russell 1000 Growth Index advancing 16.7% versus 13.9% for the Russell 1000 Value Index. Small cap stocks and strong performance from technology and AI-related companies helped drive the recovery.
- → Emerging markets (MSCI Emerging Markets +24.1%) led global equity markets in the second quarter, significantly outperforming developed markets (MSCI EAFE +10.8%). Strong performance in several Asian markets driven by technology-related industries, particularly South Korea and Taiwan, helped drive returns, while China lagged amid continued economic challenges.
- → Fixed income generated modest positive returns during the second quarter, with credit-sensitive sectors outperforming the broader bond market. The Bloomberg Universal Index gained 0.9%, while emerging market debt (+3.9%) and high yield bonds (+2.5%) benefited from supportive credit conditions and continued investor demand for risk assets.
- → Looking ahead, investors will be focused on whether inflation continues to moderate, if the Federal Reserve signals a shift in policy, how the AI-related technology tracks, and whether corporate earnings can support current equity valuations following the strong second-quarter rally.

Index Returns[1]



- → In the second quarter of 2026, equities led performance across asset classes, with emerging markets and small-cap US stocks posting the strongest returns. Resilient earnings, tailwinds from the AI-related infrastructure buildout, and relief from the sharp decline in oil prices were the primary catalysts for the broad advance.
- → Commodities were the notable laggard during the quarter, declining 8.1% as oil prices reversed sharply on easing Middle East tensions, after leading all asset classes in the prior quarter.
- → The broad bond market generated modest positive returns given the decline in inflation concerns driven by falling energy prices. Emerging market debt and high yield bonds produced the strongest fixed income results given the improvement in risk sentiment.

[1] Source: Bloomberg. Data is as of June 30, 2026.

Domestic Equity Returns[1]

Domestic Equity	June (%)	Q2 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	-1.0	15.2	10.2	22.3	20.6	13.4	15.5
Russell 3000	-0.3	15.4	10.9	22.8	20.3	12.3	15.1
Russell 1000	-0.5	15.1	10.3	22.0	20.4	12.7	15.3
Russell 1000 Growth	-2.7	16.7	5.3	17.7	22.6	13.7	18.6
Russell 1000 Value	2.3	13.9	16.3	27.1	17.8	11.2	11.5
Russell MidCap	3.1	13.8	15.3	21.6	16.5	8.5	12.0
Russell MidCap Growth	2.7	14.5	7.3	6.2	15.6	6.0	13.0
Russell MidCap Value	3.0	13.4	17.6	26.6	16.5	9.5	10.6
Russell 2000	3.7	21.5	22.6	40.8	18.6	7.0	11.6
Russell 2000 Growth	3.6	25.7	22.2	38.7	18.4	5.6	12.0
Russell 2000 Value	4.0	17.2	23.0	43.0	18.7	8.2	10.9

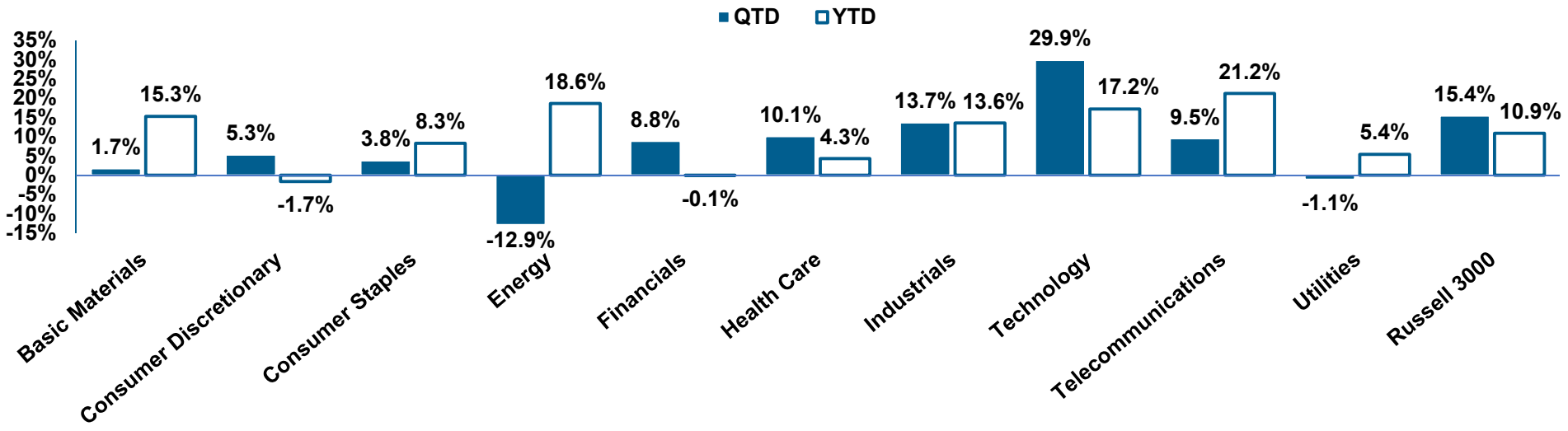
US Equities: The Russell 3000 index rose 15.4% in the second quarter of 2026, bringing the year-to-date return to 10.9%.

→ Growth stocks regained leadership in the second quarter, with the Russell 1000 Growth Index advancing 16.7% compared to 13.9% for the Russell 1000 Value Index. Small-cap equities posted the strongest returns given the resilient US economy, a lower likelihood of rate increases, and strong earnings. The Russell 2000 Index gained 21.5%, outperforming large-cap stocks (Russell 1000: +15.1%).

→ The "Magnificent Seven" contributed meaningfully to the quarter's gains given their substantial index weight, rebounding from first-quarter declines as demand for AI infrastructure and computing capacity supported mega-cap technology shares. Investor confidence in the durability of AI-related revenue growth underpinned the group's leadership through the quarter.

1 Source: Bloomberg. Data is as of June 30, 2026.

Russell 3000 Sector Returns[1]



Sector performance reversed sharply in the second quarter, with technology leading the market and energy the weakest-performing sector. The Russell 3000 rose 15.4% as eight of the ten sectors generated positive returns.

- → Technology led all sectors, rising 29.9% as strength in cloud and AI-related earnings reinforced confidence in the capital-spending cycle. Industrials (+13.7%) and health care (+10.1%) also posted solid gains.
- → Energy was the weakest sector, falling 12.9% as oil prices retreated sharply on easing Middle East tensions, reversing a portion of its strong first-quarter gains. Utilities (-1.1%) were the only other sector to decline.
- → The remaining sectors advanced, led by telecommunications (+9.5%) and financials (+8.8%). On a year-to-date basis, telecommunications (+21.2%) and energy (+18.6%) remain the top performers despite energy's second-quarter reversal.

1 Source: Bloomberg. Data is as of June 30, 2026.

Foreign Equity Returns[1]

Foreign Equity	June (%)	Q2 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI Ex US	-0.6	14.5	13.7	27.7	18.8	8.8	9.9
MSCI EAFE	0.1	10.8	9.4	20.2	16.4	9.0	9.7
MSCI EAFE (Local Currency)	2.4	11.5	11.7	24.9	15.8	11.3	10.6
MSCI EAFE Small Cap	-3.7	9.0	7.6	17.4	15.7	5.3	8.6
MSCI Emerging Markets	-1.4	24.1	23.8	43.5	23.0	7.2	10.1
MSCI Emerging Markets (Local Currency)	-0.1	24.1	26.8	50.2	25.1	10.1	11.8
MSCI EM ex China	0.0	34.5	38.8	63.1	28.3	13.2	12.4
MSCI China	-7.1	-6.6	-15.0	-4.9	7.7	-6.6	4.3

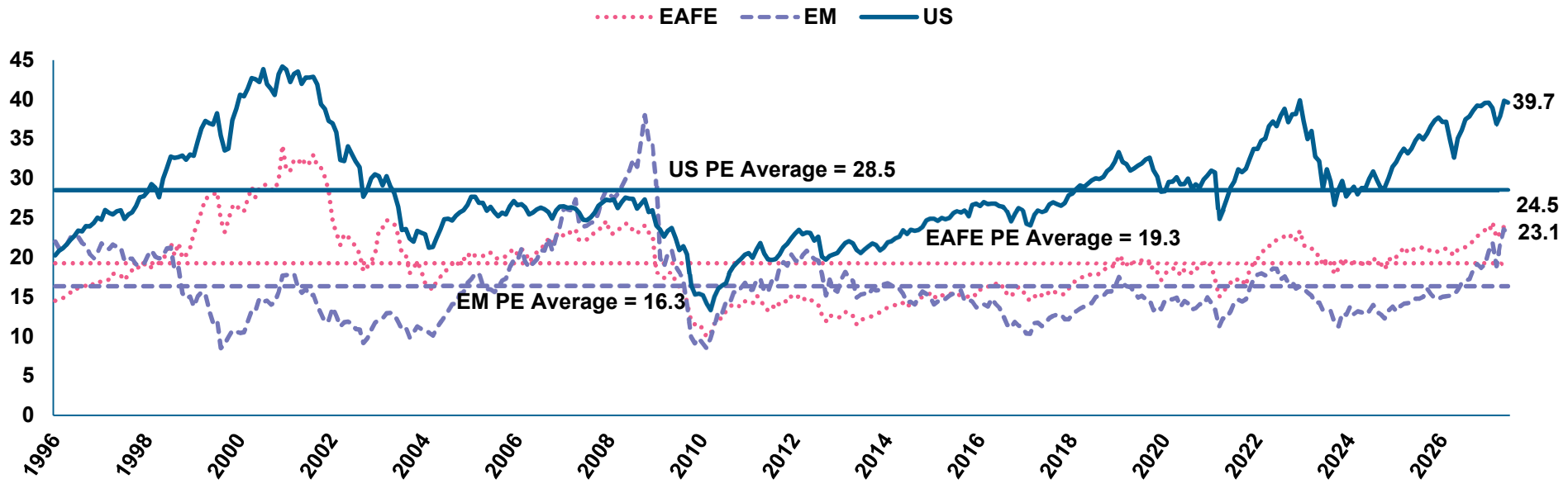
Developed international equities (MSCI EAFE) returned 10.8% in the second quarter of 2026 and emerging markets equities (MSCI Emerging Markets) rose 24.1%, though performance varied significantly by region.

→ Developed market equities rose over the quarter, supported by resilient corporate earnings, strength in semiconductor-related names, and a reduction of Middle East tensions. Europe and Japan both advanced, with Japan aided by firm AI-related hardware demand, though a stronger US dollar trimmed returns for dollar-based investors, with the local-currency EAFE index returning 11.5% compared to 10.8% in USD terms.

→ Emerging markets substantially outperformed developed peers, led by South Korea and Taiwan on robust technology demand. The MSCI Emerging Markets ex-China index returned an impressive 34.5% for the quarter, while China (-6.6%) lagged sharply over the quarter amid continued economic weakness and challenges in the property sector.

1 Source: Bloomberg. Data is as of June 30, 2026.

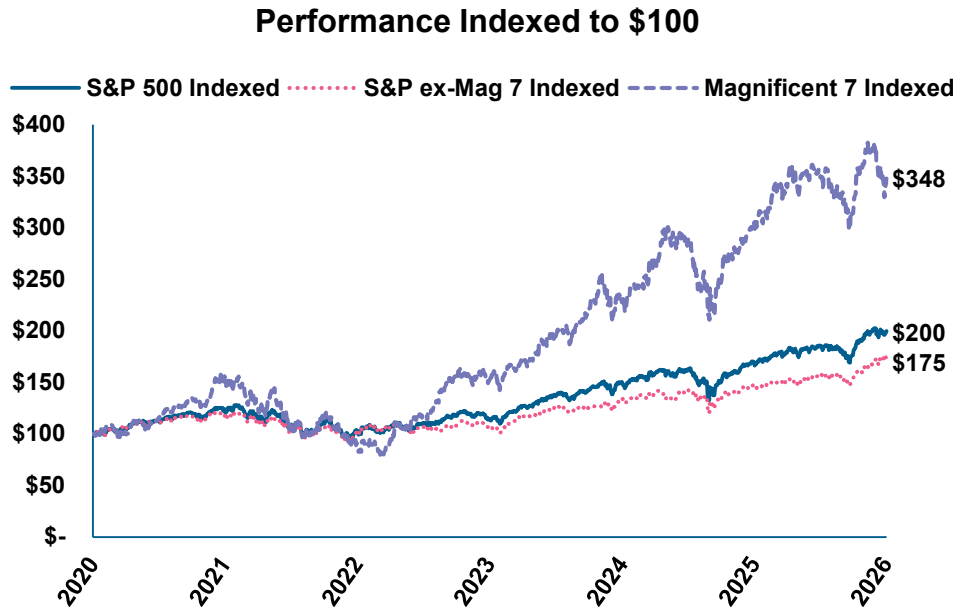
Equity Cyclically Adjusted P/E Ratios[1]

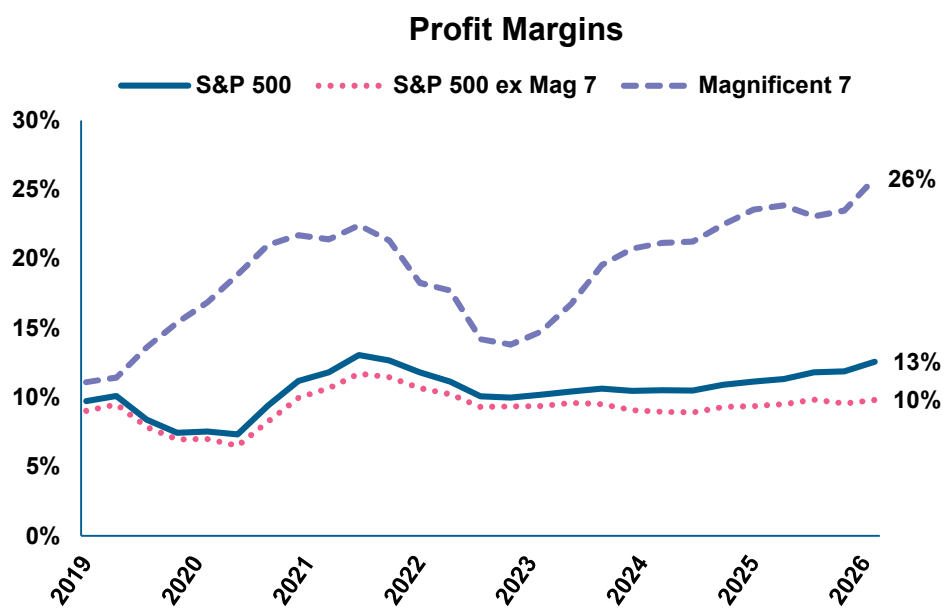


- → Cyclically adjusted US equity valuations rose over the second quarter as strong market performance lifted the US CAPE to 39.7, well above its long-run average of 28.5.
- → Non-US developed market valuations (EAFE) also rose, reaching 24.5 versus a long-run average of 19.3. Despite trading above historical norms, EAFE valuations remain considerably less expensive than those in the US.
- → Emerging market valuations increased to 23.1, moving further above their long-run average of 16.3. The continued multiple expansion reflects elevated investor confidence in AI-related hardware and semiconductor demand across developing markets.

1 US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E Source: Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of June 2026. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end,respectively.

Performance and Profit Margins: S&P 500 and "Magnificent 7"[1]





- → The "Magnificent Seven" rebounded from first-quarter weakness and contributed meaningfully to the strong performance of US equities given their large weight in the index. Despite periodic concerns around valuations, capital spending, and the return on investment, the group remains a dominant driver of index returns.
- → The group's profitability continues to differentiate it from the broader market. Average profit margins for the "Magnificent Seven" reached 26%, compared to 13% for the S&P 500, and 10% for the S&P 500 excluding the "Magnificent Seven".

1 Source: Bloomberg. Data is as of June 30, 2026.

Fixed Income Returns[1]

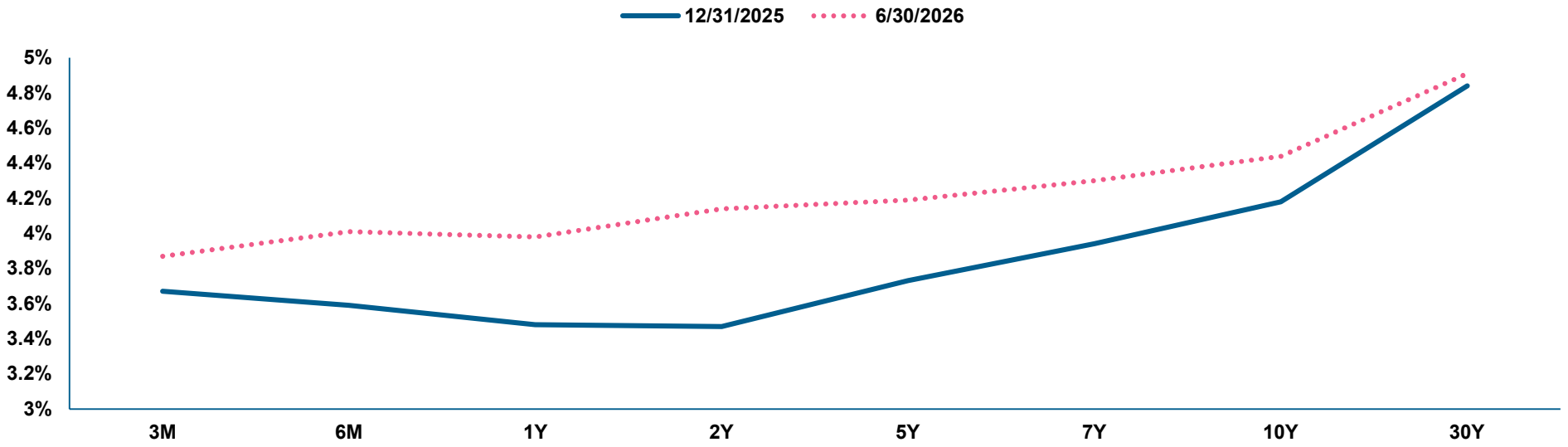
Fixed Income	June (%)	Q2 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	0.3	0.9	0.8	4.2	4.7	0.4	1.9	4.9	5.8
Bloomberg Aggregate	0.2	0.7	0.6	3.8	4.2	0.1	1.5	4.7	6.0
Bloomberg US TIPS	-0.5	0.9	1.2	3.4	4.0	1.0	2.6	4.4	6.5
Bloomberg Short-term TIPS	-0.4	0.6	1.6	3.6	5.1	3.3	3.1	4.2	2.4
Bloomberg US Long Treasury	1.0	0.9	0.4	2.9	-0.5	-5.6	-1.3	4.9	14.3
Bloomberg High Yield	0.3	2.5	2.0	5.9	8.8	4.2	5.8	7.2	3.2
JPM GBI-EM Global Diversified (USD)	0.2	3.9	1.5	7.9	7.3	2.1	2.7	--	--

Fixed Income: The Bloomberg Universal index returned 0.9% in the second quarter of 2026, bringing the year-to-date return to 0.8%.

- → Fixed income posted modest gains over the second quarter as inflation concerns eased and credit conditions remained supportive. The Federal Reserve held rates steady at its June meeting, with markets continuing to price a potential rate hike as inflation remains elevated despite recent declines in energy prices.
- → Credit-oriented sectors led fixed income performance, with emerging market debt (+3.9%) and high yield bonds (+2.5%) posting the strongest returns. Longer-term Treasuries managed modest gains, with the Bloomberg US Long Treasury index up 0.9% as l yields at the long-end of the curve held roughly steady.
- → TIPS also posted modest positive returns (Bloomberg US TIPS +0.9%; Bloomberg Short-term TIPS +0.6%), reflecting inflation that remained above long-term central bank targets despite some easing in inflation concerns during the quarter.

[1] Source: Bloomberg. Data is as of June 30, 2026. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration, respectively. JPM GBI-EM data is from J.P. Morgan. Current yield and duration data is not available.

US Yield Curve[1]

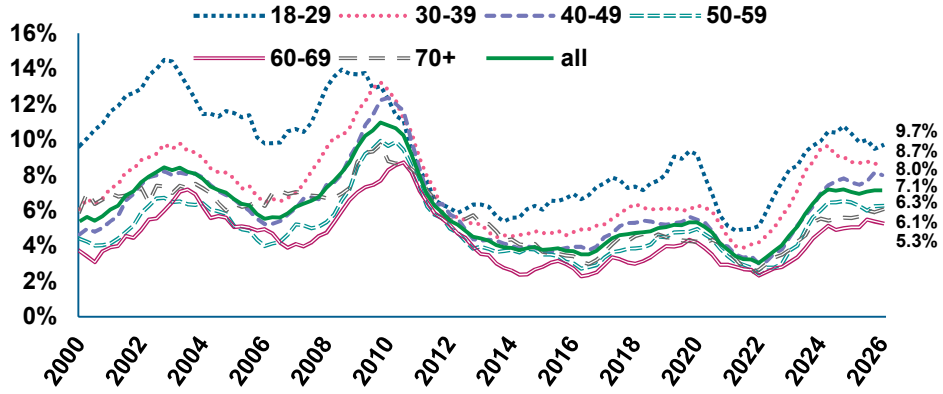


- → Treasury yields continued to increase in the second quarter across most of the curve as the Middle East conflict and resulting energy shock lifted inflation concerns and reduced expectations of interest rate cuts from the Federal Reserve. Yields did retreat modestly from their May highs though as oil prices fell and tensions eased into quarter-end.
- → The policy-sensitive 2-year nominal Treasury yield rose from 3.80% at the end of the first quarter to 4.18%, reflecting growing expectations of a potential interest rate increase by the Fed. The 10-year nominal Treasury yield increased from 4.32% to 4.47%, while the 30-year nominal Treasury yield rose from 4.91% to 4.96%.
- → As the front end of the curve rose more than longer-dated yields, the spread between the two-year and ten-year Treasury narrowed from 53 basis points to 30 basis points over the quarter.

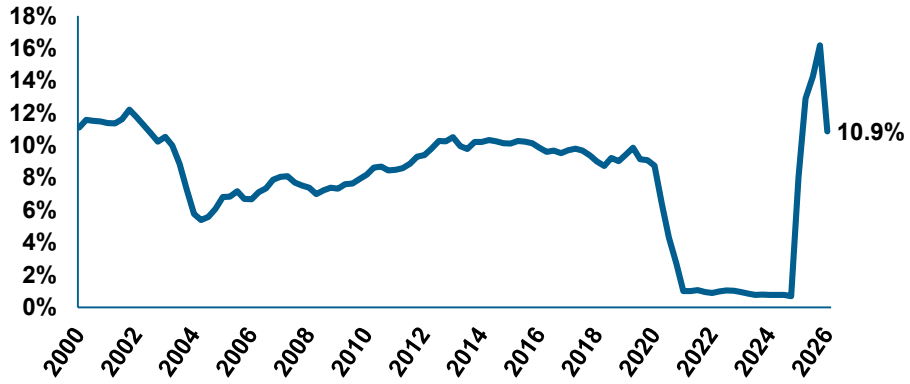
[1] Source: Bloomberg. Data is as of June 30, 2026.

Stress is Building Among Some US Consumers[1]

Transition into Serious Delinquency for Credit Cards by Age



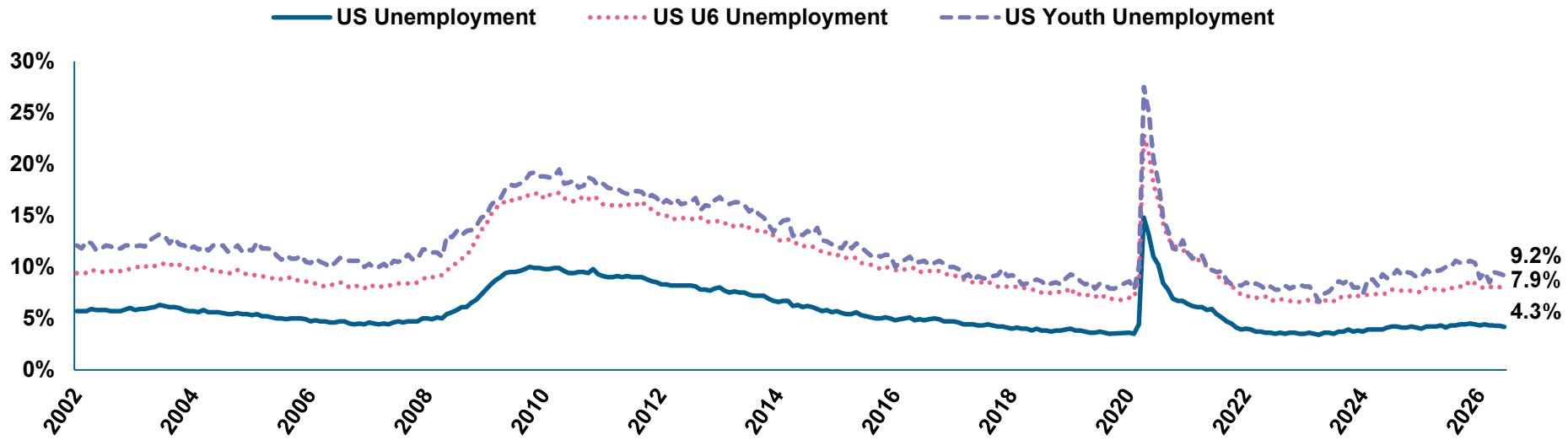
Transition Into Serious Delinquency (90+ Days) for Student Loans[2]



- → US consumer trends remain increasingly K-shaped: higher-income households show resilience, while younger, rate-sensitive borrowers face mounting pressure from elevated borrowing cost and inflation that, while moderating, remains above the Federal Reserve's target.
- → Delinquencies remain elevated relative to pandemic lows, particularly among younger cohorts. While overall delinquency rates remain below levels seen during prior economic downturns, differences in household financial health have continued to widen.
- → Student loan repayment also remains a pressure point for some households. The serious delinquency rate decline from 16.2% to 10.9% does not represent an improvement but a fading of the initial post pandemic one-time spike caused by a backlog of old unpaid loans all hitting credit reports at once.

1 Source: New York Federal Reserve, Quarterly Household Debt and Credit Report. See also FRED. Data is as of March 31, 2026.
2 Source: New York Federal Reserve, Quarterly Household Debt and Credit Report. Percent of student loan holders transitioning in serious default (90-days or more) based on four quarter moving average. Delays in reporting may cause fluctuations. Data is as of March 31, 2026.

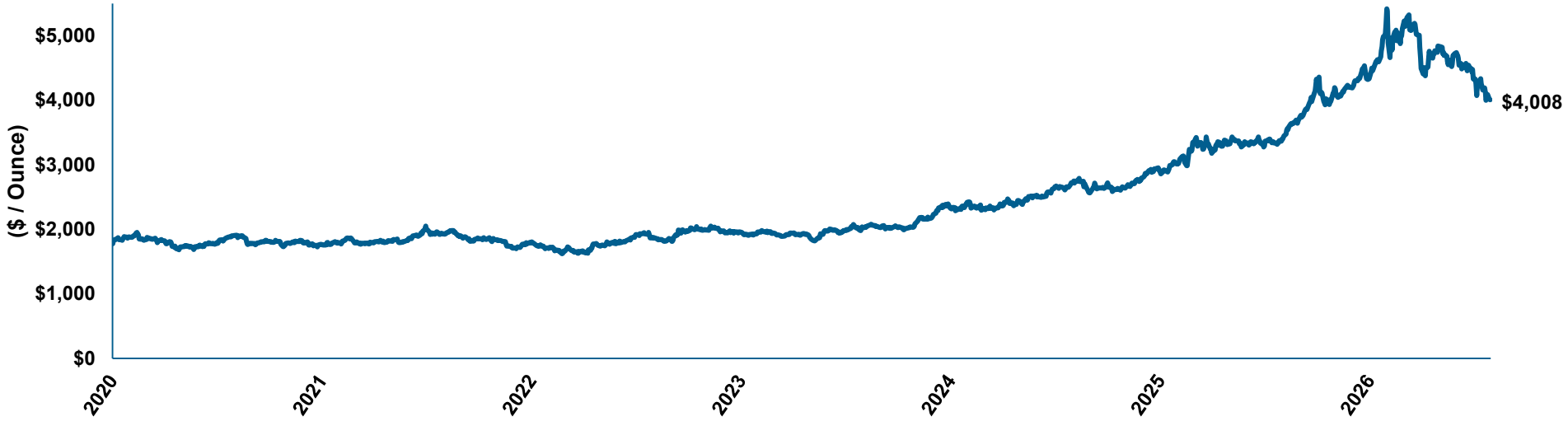
US Unemployment[1]



- → The unemployment rate remains in a relatively narrow band suggesting a labor market that continues to stabilize rather than weaken materially. During the quarter 334,000 jobs were added with more than half the gains coming from the health care sector.
- → Broader labor market indicators were relatively stable during the quarter, with the U-6 underemployment rate edging down from 8.0% to 7.9%. In contrast, youth unemployment increased from 8.5% to 9.2%. Average hourly earnings growth (3.5% YoY) has slowly declined and is now around the pace of headline inflation given the recent increase.
- → Beneath a broadly stable headline, labor force participation (61.5) has drifted toward multi-year lows and hiring has slowed across sectors, pointing to some underlying softening even as the aggregate labor market holds firm.

1 Source: FRED and BLS. Data is as of June 30, 2026. U-3: Total unemployed, as a percent of the civilian labor force (official unemployment rate), U-6: Total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers.

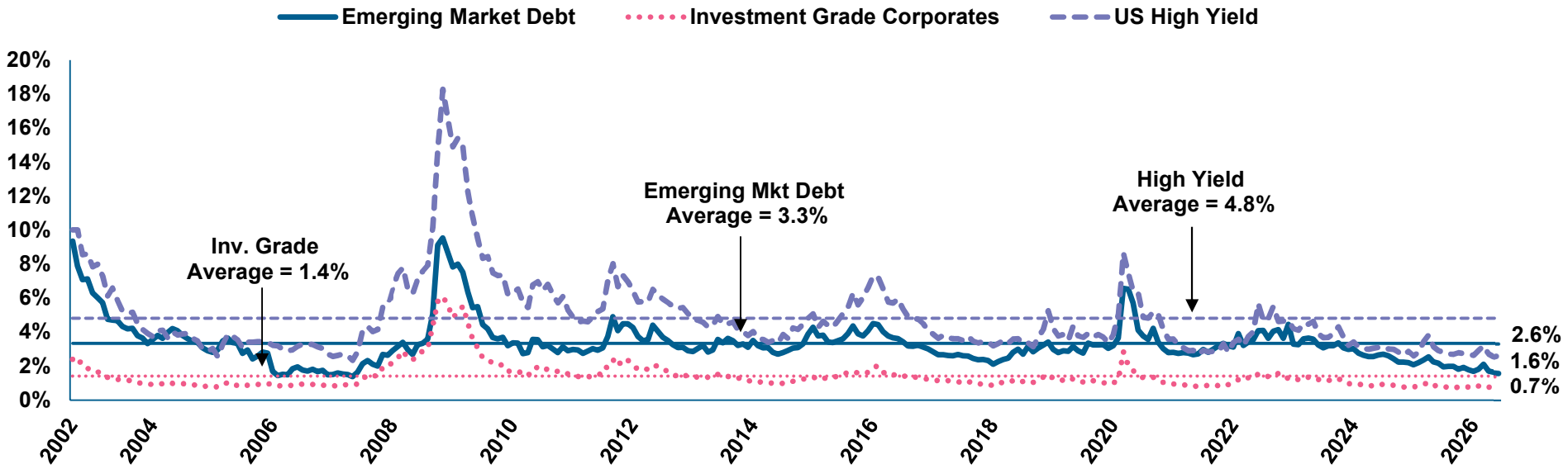
Gold[1]



- Gold declined over the second quarter, falling roughly 14% from $4,668 per ounce at the end of March to $4,008/oz and extending its retreat from record highs of over $5,400/oz earlier this year. Expectations for interest rates to remain higher for longer, a firmer US dollar, and easing geopolitical tensions reduced the appeal of the non-yielding metal.
- Despite the recent pullback, structural support remains intact though, driven by persistent inflation concerns, large fiscal deficits, and ongoing central bank reserve diversification. A return to Federal Reserve rate-cut expectations or renewed geopolitical uncertainty could support prices going forward.

1 Source: Bloomberg. Data is as of June 30, 2026. Gold Spot Price is quoted as US Dollars per Troy Ounce.

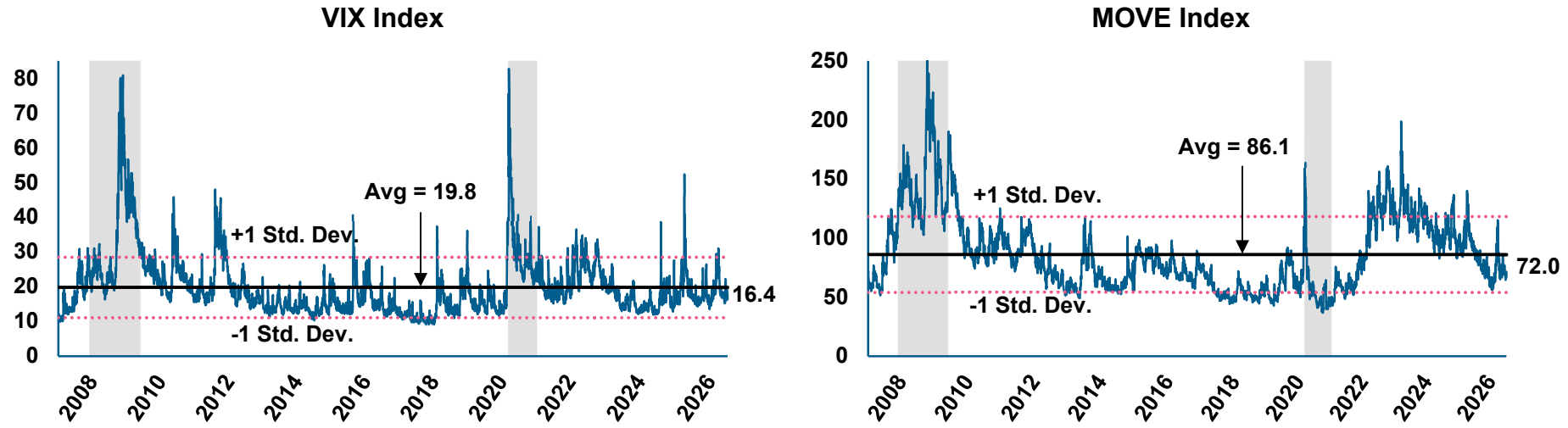
Credit Spreads vs. US Treasury Bonds[1]



- → Credit spreads tightened during the second quarter, reflecting resilient investor sentiment and supportive credit conditions despite ongoing uncertainty around inflation and monetary policy.
- → Investment grade spreads fell from 0.9% to 0.7% during the quarter, well inside the 1.4% long-run average, supported by persistent demand for high-quality credit.
- → High yield spreads tightened to 2.6% (from 3.2% at the end of March), versus a 4.8% long-run average, while emerging market debt spreads tightened to 1.6% (from 2.1%), versus a 3.3% long-run average.
- → All yield spreads remain well below their respective long-run averages, but many investors continue to be attracted to their higher relative yields compared to Treasuries.

[1] Source: Bloomberg. Data is as of June 30, 2026. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

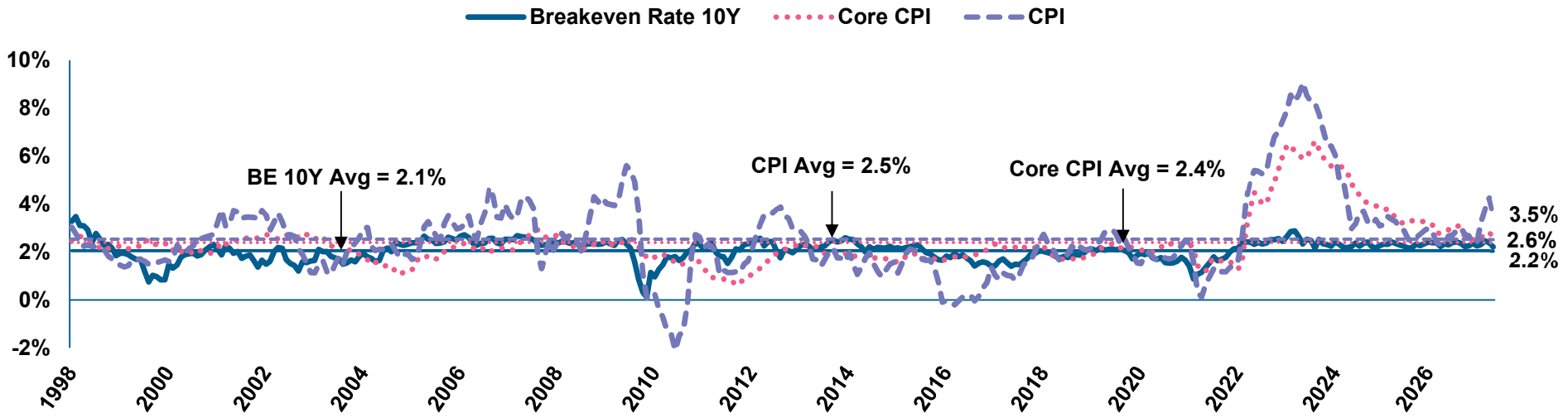
Equity and Fixed Income Volatility[1]



- → Volatility declined meaningfully during the second quarter, with both equity and bond market measures dropping well below their long-run averages as strong equity performance, stable monetary policy, and moderating inflation concerns supported a calmer market environment.
- → Equity volatility (VIX) fell from 25.2 at the end of March to 16.4, moving below its long-run average of 19.8, as resilient earnings and easing geopolitical tensions supported risk sentiment.
- → Bond volatility (MOVE) declined from 96.0 at the end of March to 72.0, also dropping below its long-run average of 86.1 as interest rate expectations stabilized and markets increasingly aligned around a Fed-on-hold outlook.

[1] Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of June 30, 2026. The average line indicated is the average of the VIX and MOVE values between January 2007 and June 2026.

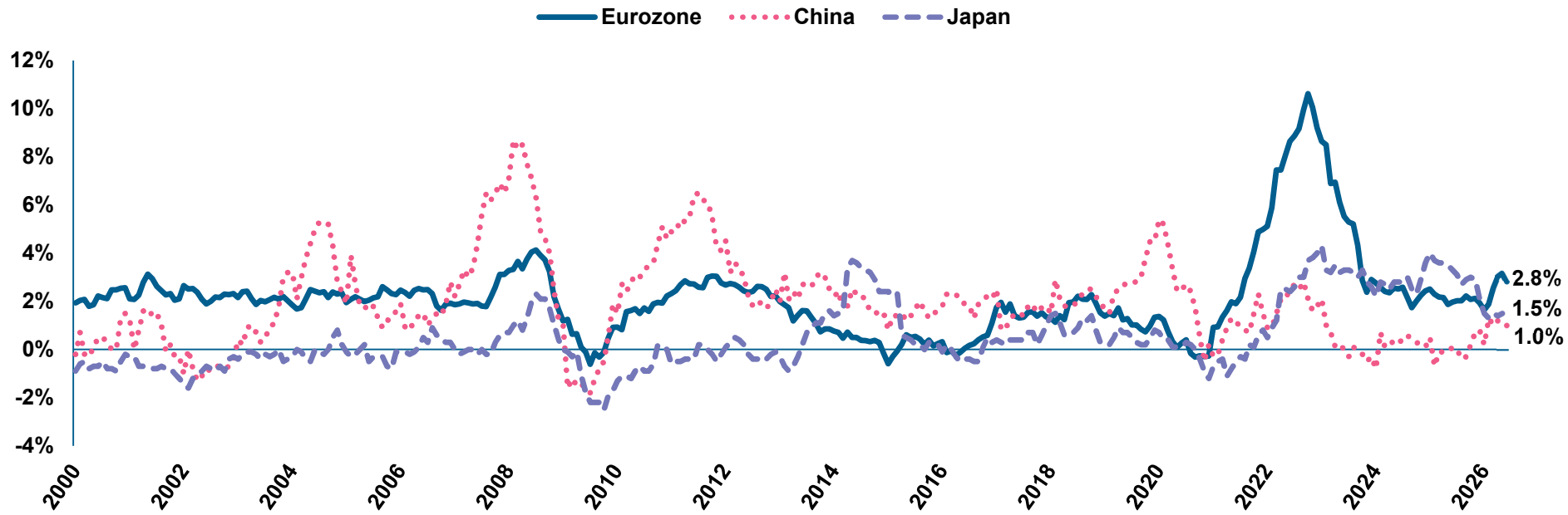
US Inflation[1]



- In June, headline inflation fell from 4.2% to 3.5% YoY, below expectations for a 3.8% reading with an also below expectations monthly reading (-0.4% versus -0.1%). Energy declines on easy tensions in the Middle East was the main driver, falling 5.7% in June after three months of strong increases. Food prices increased 0.5% in April, 0.2% in May, and 0.2% in June with a YoY change through June of 3.0%.
- Core inflation fell from 2.9% YoY to 2.6% (also below expectations), with the monthly pace cooling further from 0.2% to 0.0%, suggesting underlying price pressures continue to moderate. Notably the monthly shelter rate declined over the quarter from 0.6% in April, to 0.3% in May, and 0.1% in June.
- Long-term inflation expectations largely tracked moves of energy over the quarter, with 10-year breakevens finishing June at 2.2% compared to the 2.5% peak in May that corresponded to oil prices peaking.

[1] Source: FRED. Data is as of June 30, 2026.

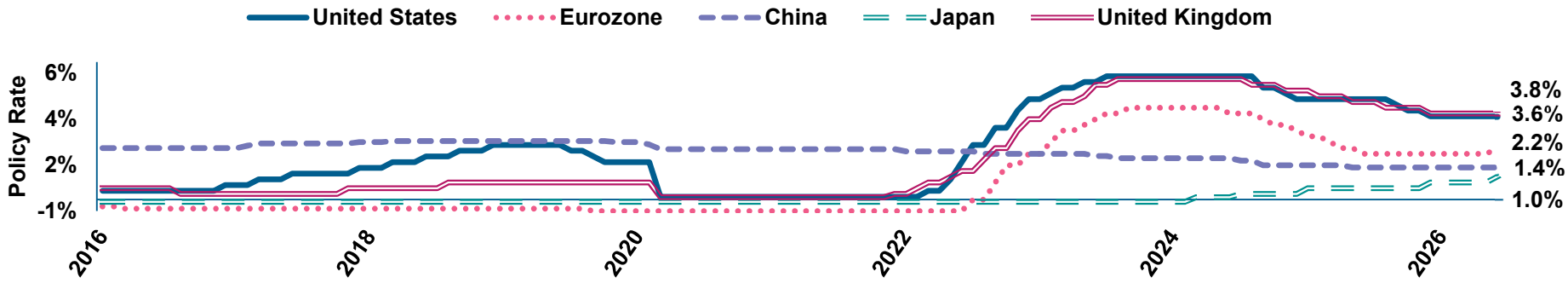
Global Inflation (CPI Trailing Twelve Months)[1]



- → Over the quarter Eurozone inflation rose in April (3.0%) and May (3.2%) YoY before declining in June (2.8%) on easing energy prices. Despite the recent decline inflation remains above the ECB's 2% target.
- → Japan's inflation was 1.5% at the end of May, up slightly from the 1.4% level in April, but still below the BOJ's 2.0% target. The slight increase was driven by the expiration of government subsidies for electricity and gas.
- → China's inflation fell to 1.0% in June from 1.2% in both April and May, mainly because the government cut retail gasoline and diesel prices as the Strait of Hormuz reopened and energy costs fell. Continued food deflation and still-soft core inflation reflecting weak domestic demand also contributed to the lower rate.

[1] Source: Bloomberg. Data is as of June 2026 except for Japan which is as of May 2026.

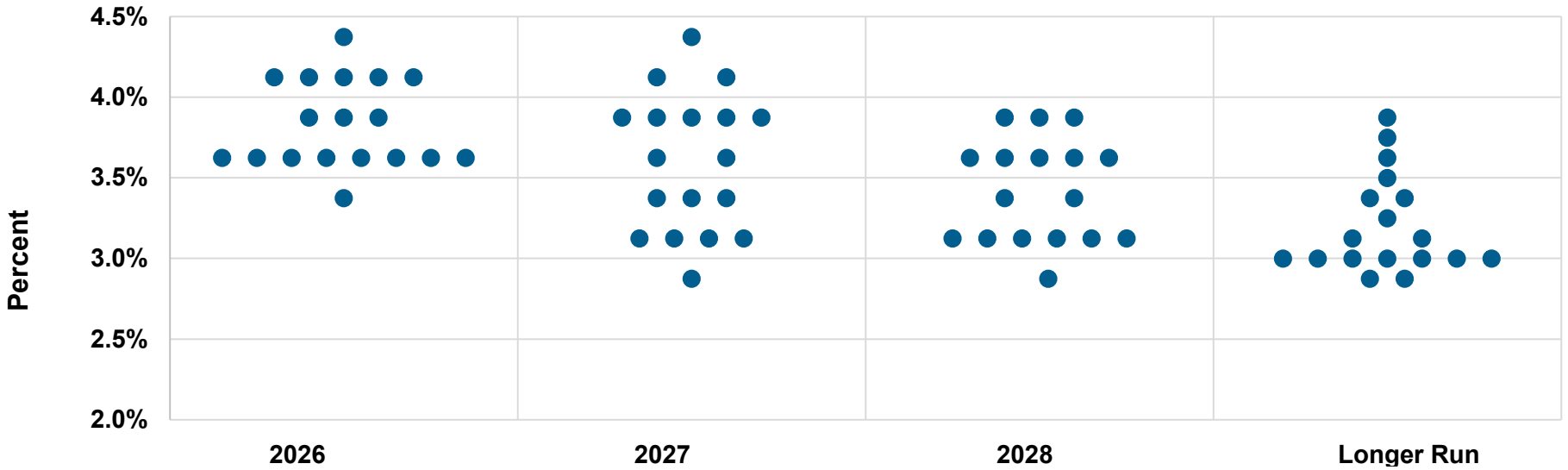
Global Policy Rates[1]



- → Global monetary policy stayed tight through the second quarter, as inflation moderated but generally remained above central bank targets. Energy prices led most major central banks to continue signaling the potential for rate increases later this year and next.
- → The Federal Reserve held rates steady at 3.5%–3.75% during the second quarter as inflation remained above target and the labor market continues to stabilize. Despite the decline in oil prices markets continue to price a modest probability of a rate hike into 2027.
- → The European Central Bank (ECB) raised its policy rate by 0.25% to 2.25% during the quarter given higher energy prices while the Bank of England (BOE) held rates steady. Both the ECB and BOE are expected to tighten further this year, given the impact of higher oil prices on inflation in their regions. Both economies are net importers of oil, exposing them to supply disruption through the Strait of Hormuz.
- → The Bank of Japan also increased interest rates over the quarter by 0.25% with markets expecting potentially one additional hike this year.
- → China is expected to remain accommodative, with the 7-day reverse repo rate held at a record-low 1.40% since May 2025 and subdued inflation and weak domestic growth pointing to further easing ahead.

[1] Source: Bloomberg. Data is as of June 30, 2026. United States rate is the mid-point of the Federal Funds Target Rate range. Eurozone rate is the ECB Deposit Facility Announcement Rate. Japan rate is the Bank of Japan Unsecured Overnight Call Rate Expected. China rate is the PBOC 7-day Reverse Repo Rate. UK rate is the UK Bank of England Official Bank Rate.

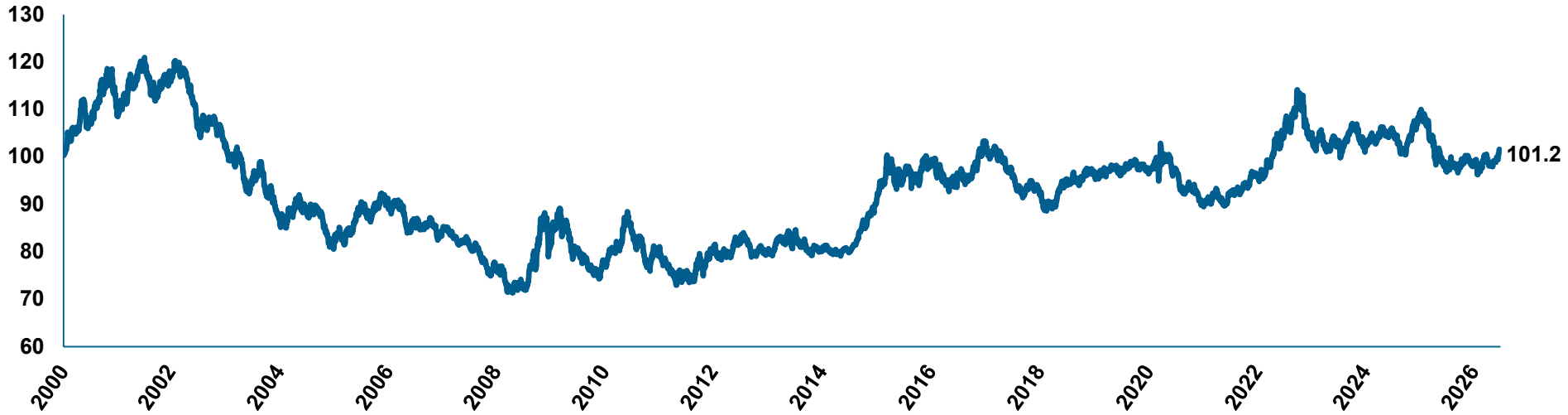
Federal Reserve Dot Plot[1]



- → The Federal Reserve's dot plot reflects expectations for interest rates by each member across various periods. Within the Fed, the dot plot reveals notable disagreement, with some members projecting rate increases, others holding steady, and a minority still anticipating cuts before year-end.
- → The median June FOMC projection clusters around 3.75% (near the current range) for 2026, with dots dispersed across a wide range from 3.4% to 4.4%. It is worth noting that markets are expecting rates to be higher than the Fed's forecast by year-end. The wide range of forecasts suggests limited consensus regarding whether future policy adjustments will involve additional tightening or eventual easing.
- → The median policy rate gradually declines over the projection horizon, implying only modest easing over time. However, the persistent dispersion of forecasts suggests policymakers remain divided on both pace and timing of future rate changes.

1 Source: June 18, 2026, FOMC Summary of Economic Projections.

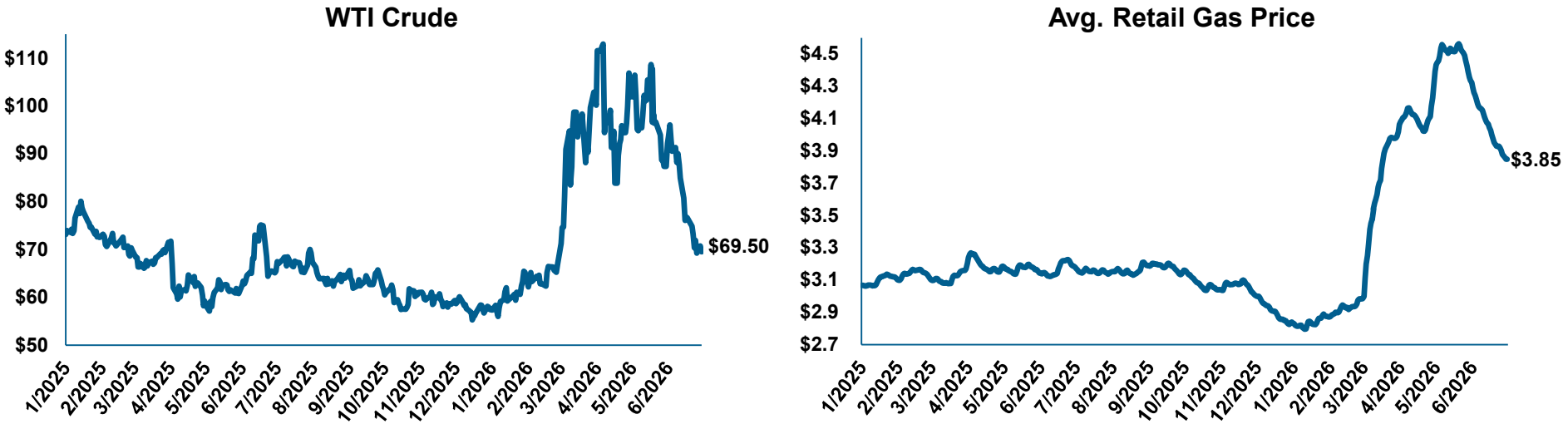
US Dollar vs. Broad Currencies[1]



- → The US dollar firmed over the second quarter, with the DXY rising from 100.0 at the end of March to 101.2 by quarter-end.
- → The gain reflected a higher for longer interest rate backdrop as inflation remained above target and markets reduced expectations for near-term Federal Reserve rate cuts. A stronger dollar modestly reduced returns on unhedged international holdings for US-based investors.
- → The dollar remains sensitive to changes in monetary policy expectations, inflation trends, and geopolitical developments. Additionally, policy divergence across regions continues to play a central role in currency markets.

1 Source: Bloomberg. Data is as of June 30, 2026.

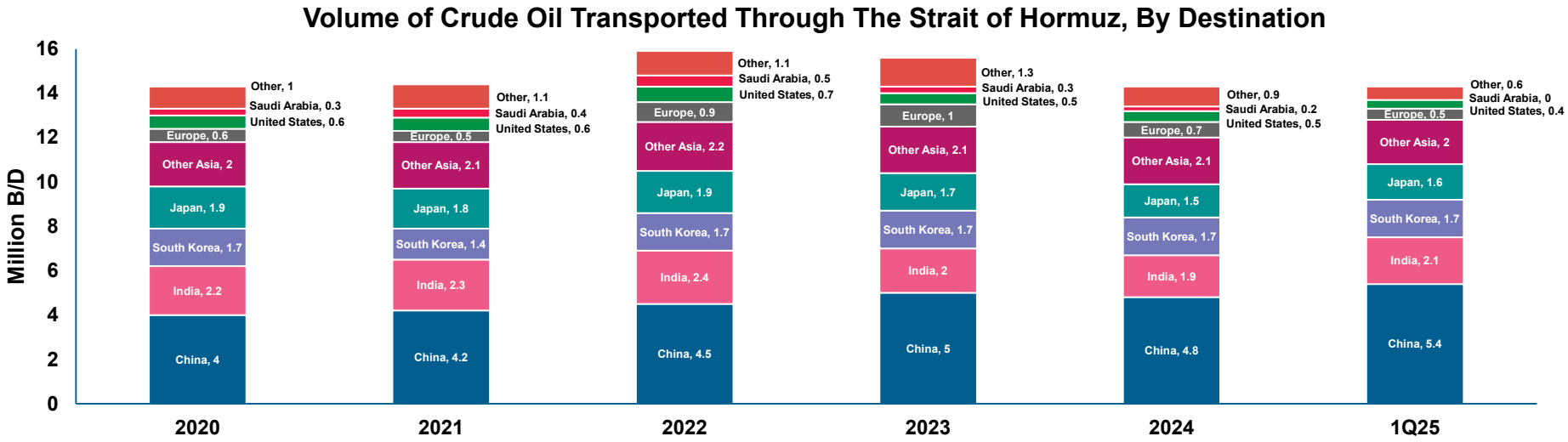
Gas and Oil[1]



- → Oil prices fell sharply during the second quarter, with WTI crude dropping roughly 32% to finish June at $69.50/barrel. Easing tensions around the Strait of Hormuz and growing optimism over de-escalation in the Middle East relieved supply-disruption fears driving the decline in prices. The pullback reversed most of the run-up that had pushed US crude over $110/barrel earlier in the spring.
- → US retail gasoline prices fell to $3.85/gallon by the end of June, falling back below $4/gallon as the decline in crude filtered through to the pump. While conditions improved during the quarter, energy costs continue to weigh most heavily on lower-income households, where fuel represents a larger share of spending.

1 Source: Bloomberg. Data is as of June 30, 2026.

Volume of Crude Oil[1]



- → The impact of the conflict has remained uneven across regions, shaped by oil dependence and trade flows. The Strait of Hormuz remains a critical chokepoint, and any disruption constrains supply from key exporters such as Saudi Arabia, Iraq, and the UAE while limiting global distribution.
- → China remains heavily reliant on Iranian oil (~90% of its imports), while Japan, South Korea, and India depend on broader Gulf supply, amplifying their vulnerability to disruptions.
- → Strong US production continues to provide a partial buffer, limiting WTI's upside relative to global benchmarks. The sharp second-quarter decline in prices suggests markets grew more confident that supply would remain adequate as tensions eased, though a recent re-escalation has led to volatility returning.
- → The duration and trajectory of the conflict remain the key macro variables, shaping the outlook for both inflation and growth.

[1] Source: Apollo Academy. Data is as of March 31, 2025.

Key Trends

- Global growth expectations remain subdued amid the conflict in the Middle East. The IMF's April 2026 World Economic Outlook cut projected global growth to 3.1% (from 3.3%), and downside risks continue to dominate, with the renewed escalation capable of pushing growth materially lower.
- The dominant macro tension has shifted. The sharp reversal in oil prices late in the second quarter and the below expectations jobs report has effectively taken a July rate hike off the table for the Fed, but it reflects a one-off energy round-trip rather than resolved underlying inflation. With the ceasefire already fraying and the committee split on the balance of risks, the question has moved from whether the energy spike would force the Fed's hand to whether June's disinflation holds into September, when a hike remains a coin flip. The leadership question, by contrast, is largely settled. Chair Warsh has anchored the Fed to an explicit price-stability mandate, with reduced forward guidance and a reaction function that leaves little tolerance for a renewed inflation impulse.
- US consumers show increasing strain at the lower end, and although gasoline has fallen back below $4/gallon, a rising share of younger and rate-sensitive borrowers is falling behind on debt. The unemployment rate has remained in a narrow band this year, but soft participation and widening dispersion in household financial health point to underlying weakness beneath a still-firm headline labor market.
- US equity performance has been strong, with the rally led by technology and the largest mega-cap constituents and extended by robust emerging market gains in Asia. While leadership has broadened on a year-to-date basis, the second-quarter advance again leaned heavily on technology, while energy and other commodity-sensitive sectors gave back ground as oil prices fell. Into the third quarter, that same concentration is the principal risk with scrutiny turning from AI enthusiasm to the gap between soaring capex and still-thin monetization.

Executive Summary
As of June 30, 2026

The value of the San Jose Federated Retiree Health Care Trust's assets was $542.5 million on June 30, 2026, compared to $500.0 million at the end of the prior quarter. The Trust had nearly $100 thousand in net cash outflows for the quarter, and $42.6 million in net investment earnings during the three-month period.

→ The Health Care Trust's net of fees performance was +8.5% for the quarter, compared to the Policy Benchmark return of +8.7%. Over the trailing one-year period, the Trust returned +17.6%, outperforming the Policy Benchmark return of +17.5%. The Trust ranked in the top 4% in the trailing one year and in the top quartile of the peer group for the 1-year, 3-year, 5-year, 10-year, and since inception periods. The Health Care Trust's investment in US and emerging market equities was extremely additive to performance during the quarter ended June 30, 2026, as the Public Equity Benchmark was up +15.4% during the quarter.

- Growth returned +14.8% for the quarter and +25.5% over the trailing one-year period. The Public Equity Benchmark returned +15.4% for the quarter and +25.9% over the trailing one-year period.
- Low Beta returned +0.9% for the quarter and +3.9% over the trailing one-year period, compared to the 90 Day US Treasury Bill return of +0.9% over the quarter and +3.8% over the trailing one-year period.
- Other assets returned -0.5% for the quarter and +7.0% over the trailing one-year period. The Other Benchmark returned -0.4% for the quarter and +6.5% over the trailing one-year period.

→ No new investments were funded or liquidated during the quarter.

Second Quarter Manager Summary

Investment Manager	Asset Class	Changes/ Announcements	Meketa Recommendation[1]	Comments
BlackRock Core Property	Core Real Estate	---	Hold	Watch List
Clarion Lion Properties	Core Real Estate	---[2]	Hold	Watch List
TA Realty Core Property	Core Real Estate	---	---	---
Kayne Anderson Core	Core Real Estate	---	---	---

1 The Meketa Investment Group recommendations are based on organizational or resource changes at each manager.
2 Placement on the Watch List includes qualitative reasons and manager underperformance versus the appropriate benchmark over a three- and or five-year period as outlined in the Investment Policy Statement.

Watch List[1,2]

Investment Manager	Asset Class	Watch List Status	Comments
Blackrock Core Property Fund	Core Real Estate	Monitoring	Underperformance
Clarion Lion Properties Fund	Core Real Estate	Monitoring	Underperformance

1 Watch List excludes Private Markets and Passive Funds.
2 Placement on the Watch List includes qualitative reasons and manager underperformance versus the appropriate benchmark over a three and or five year period as outlined in the Investment Policy Statement.

Watch List (continued)

Blackrock Core Property Fund

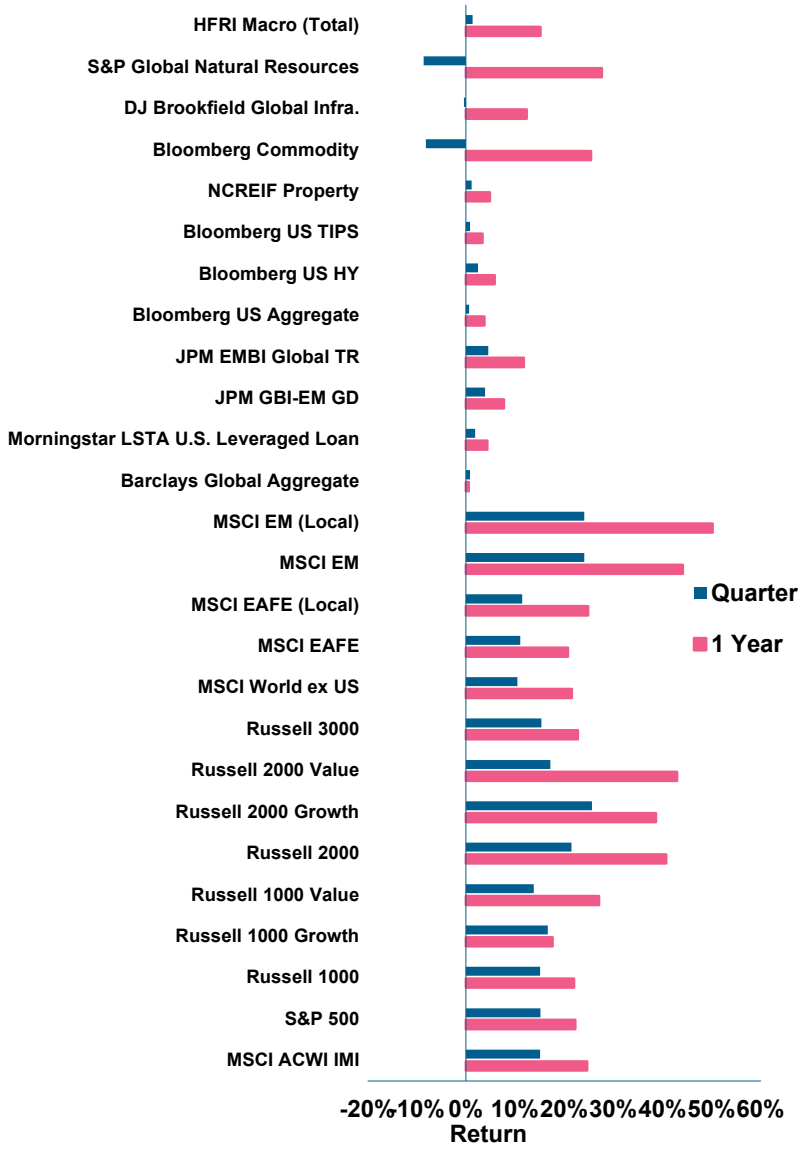
→ Over the three-year period, Blackrock Core Property Fund (-7.1%) underperformed the Core Real Estate Benchmark 2 by 430 basis points. Over the five-year period, Blackrock Core Property Fund (+0.7%) underperformed the Core Real Estate Benchmark 2 by 160 basis points. Since inception in February 2019, Blackrock has underperformed the benchmark by 60 basis points per year, on average.

Clarion Lion Properties Fund

→ Over the three-year period, Clarion Lion Properties Fund (-3.3%) underperformed Core Real Estate Benchmark 2 by 50 basis points. Over the five-year period, Clarion Lion Properties Fund (+2.3%) performed in line with the Core Real Estate Benchmark 2. Since inception in March 2019, Clarion has outperformed the benchmark by 30 basis points per year, on average.

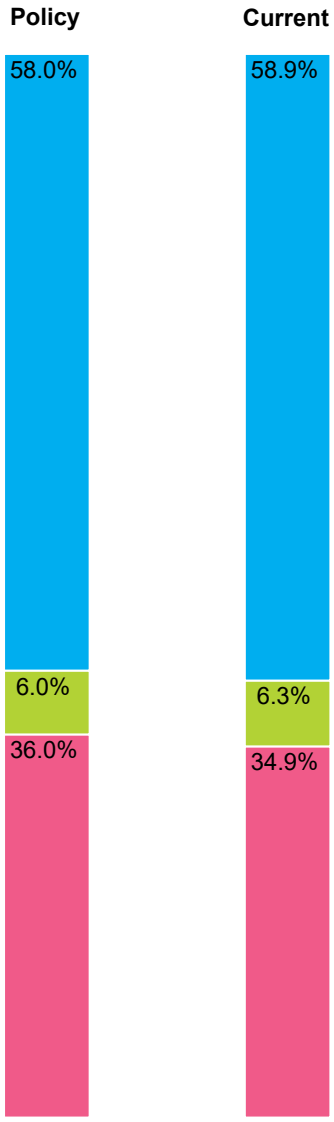
Market Environment – 2Q26 Overview

Benchmark	Scope	2Q26 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
Global Equity						
MSCI ACWI IMI	World	15.1%	24.7%	20.0%	11.1%	13.1%
Domestic Equity						
S&P 500	Large Core	15.2%	22.3%	20.6%	13.4%	15.5%
Russell 1000	Large Core	15.1%	22.0%	20.5%	12.7%	15.3%
Russell 1000 Growth	Large Growth	16.7%	17.7%	22.6%	13.7%	18.6%
Russell 1000 Value	Large Value	13.8%	27.1%	17.8%	11.2%	11.5%
Russell 2000	Small Core	21.5%	40.8%	18.6%	7.0%	11.6%
Russell 2000 Growth	Small Growth	25.7%	38.7%	18.4%	5.6%	12.0%
Russell 2000 Value	Small Value	17.2%	43.0%	18.7%	8.2%	10.9%
Russell 3000	All Cap Core	15.4%	22.8%	20.4%	12.3%	15.1%
International Equity						
MSCI World ex US	World ex-US	10.5%	21.6%	17.5%	9.9%	10.4%
MSCI EAFE	International Developed	11.1%	20.8%	17.0%	9.6%	10.2%
MSCI EAFE (Local)	International Developed (Local Currency)	11.5%	24.9%	15.8%	11.3%	10.6%
MSCI EM	Emerging Markets	24.1%	44.2%	23.6%	7.7%	10.5%
MSCI EM (Local)	Emerging Markets (Local Currency)	24.1%	50.2%	25.1%	10.1%	11.8%
Global Fixed Income						
Barclays Global Aggregate	Global Core Bonds	0.9%	0.6%	3.4%	-1.5%	0.4%
Morningstar LSTA U.S. Leveraged Loan	Bank Loans	1.9%	4.4%	7.6%	6.0%	5.5%
JPM GBI-EM GD	Emerging Markets Bonds (Local Currency)	3.9%	7.8%	7.3%	2.1%	2.7%
JPM EMBI Global TR	Emerging Market Bonds	4.6%	11.8%	10.3%	2.6%	3.7%
Domestic Fixed Income						
Bloomberg US Aggregate	Core Bonds	0.7%	3.8%	4.2%	0.1%	1.5%
Bloomberg US HY	High Yield	2.5%	5.9%	8.9%	4.2%	5.8%
Bloomberg US TIPS	Inflation	0.9%	3.4%	4.0%	1.0%	2.6%
Other						
NCREIF Property	Real Estate	1.2%	4.9%	1.1%	3.2%	4.7%
Bloomberg Commodity	Commodities	-8.1%	25.5%	11.7%	9.4%	5.8%
DJ Brookfield Global Infrastructure	Infrastructure	-0.4%	12.4%	12.7%	7.6%	7.2%
S&P Global Natural Resources	Natural Resources	-8.6%	27.7%	11.2%	8.7%	9.7%
HFRI Macro	Hedge Funds	1.4%	15.2%	6.4%	5.3%	4.3%



2Q26 Review

Total Fund | As of June 30, 2026



Allocation vs. Targets and Policy

	Balance ($)	Current Allocation (%)	Policy (%)
Growth	319,303,797	58.9	58.0
Public Equity	319,303,797	58.9	58.0
Low Beta	34,058,143	6.3	6.0
Short-Term IG Bonds	33,242,934	6.1	6.0
Cash	815,209	0.2	0.0
Other	189,154,438	34.9	36.0
Core Real Estate	57,089,510	10.5	12.0
Commodities	26,791,028	4.9	5.0
Investment Grade Bonds	77,410,001	14.3	14.0
Long-Term Government Bonds	27,863,899	5.1	5.0
Total	**542,516,378**	**100.0**	**100.0**

Asset Class Net Performance Summary

	Market Value ($)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	S.I. (%)	Inception Date
Total Fund Aggregate	**542,516,378**	**100.0**	**8.5**	**8.8**	**17.6**	**12.6**	**6.8**	**7.5**	**6.3**	**Jul-11**
Policy Benchmark			*8.7*	*8.8*	*17.5*	*12.6*	*6.9*	*7.9*	*6.6*	
InvMetrics Health & Welfare Median			*4.3*	*3.7*	*8.8*	*8.5*	*4.2*	*5.3*	*4.9*	
InvMetrics Health & Welfare Rank			*9*	*3*	*4*	*9*	*9*	*15*	*18*	
Growth	**319,303,797**	**58.9**	**14.8**	**12.8**	**25.5**	**19.7**	**10.0**	**11.9**	**11.0**	**Dec-11**
Public Equity Benchmark			*15.4*	*12.8*	*25.9*	*20.0*	*10.3*	*12.5*	*11.3*	
Public Equity	**319,303,797**	**58.9**	**14.8**	**12.8**	**25.5**	**19.7**	**10.0**	**11.9**	**11.0**	**Dec-11**
Public Equity Benchmark			*15.4*	*12.8*	*25.9*	*20.0*	*10.3*	*12.5*	*11.3*	
Global Equity	**--**	**0.0**	**8.7**	**4.8**	**13.3**	**15.9**	**7.9**	**9.4**	**8.3**	**Jul-15**
MSCI AC World IMI Index (Net)			*14.9*	*11.8*	*24.2*	*19.5*	*10.6*	*12.5*	*10.9*	
U.S. Equity	**168,847,857**	**31.1**	**15.5**	**10.9**	**22.9**	**20.3**	**12.3**	**14.8**	**13.6**	**Jul-15**
Russell 3000 Index			*15.4*	*10.9*	*22.8*	*20.4*	*12.3*	*15.1*	*13.8*	
International Equity	**87,029,404**	**16.0**	**9.6**	**9.2**	**19.7**	**16.2**	**9.0**	**9.7**	**7.8**	**Jul-15**
MSCI EAFE (Net)			*10.8*	*9.4*	*20.2*	*16.4*	*9.0*	*9.7*	*7.7*	
Emerging Markets Equity	**63,426,536**	**11.7**	**22.1**	**24.4**	**43.9**	**22.7**	**6.8**	**8.9**	**7.3**	**Jul-15**
MSCI Emerging Markets (Net)			*24.1*	*23.8*	*43.5*	*23.0*	*7.2*	*10.1*	*7.9*	

Fiscal Year begins July 1.
Please see the Appendix for composition of the Policy Benchmark and Public Equity Benchmark.

Total Fund | As of June 30, 2026

	Market Value ($)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	S.I. (%)	Inception Date
Low Beta	**34,058,143**	**6.3**	**0.9**	**1.8**	**3.9**	**4.7**	**3.5**	**2.3**	**1.6**	**Jul-11**
90 Day U.S. Treasury Bill			*0.9*	*1.7*	*3.8*	*4.6*	*3.5*	*2.3*	*1.6*	
Cash	**815,209**	**0.2**	**0.9**	**1.7**	**3.8**	**4.5**	**3.2**	**2.1**	**1.4**	**Jul-11**
90 Day U.S. Treasury Bill			*0.9*	*1.7*	*3.8*	*4.6*	*3.5*	*2.3*	*1.6*	
Short-Term IG Bonds	**33,242,934**	**6.1**	**0.9**	**1.8**	**3.9**	**4.7**	**3.7**	**--**	**2.8**	**Oct-18**
90 Day U.S. Treasury Bill			*0.9*	*1.7*	*3.8*	*4.6*	*3.5*	*--*	*2.7*	
Other	**189,154,438**	**34.9**	**-0.5**	**3.3**	**7.0**	**2.4**	**1.8**	**3.2**	**2.9**	**Jul-15**
Other Benchmark			*-0.4*	*3.0*	*6.5*	*2.4*	*1.6*	*2.5*	*2.7*	
Core Real Estate	**57,089,510**	**10.5**	**0.9**	**1.7**	**3.8**	**-2.5**	**3.5**	**4.5**	**4.8**	**Jul-15**
Core Real Estate Benchmark			*1.0*	*1.7*	*3.1*	*-2.8*	*2.3*	*3.6*	*4.2*	
Commodities	**26,791,028**	**4.9**	**-8.1**	**14.3**	**25.4**	**11.7**	**9.8**	**7.4**	**4.6**	**Jan-15**
Bloomberg Commodity Index Total Return			*-8.1*	*14.4*	*25.5*	*11.7*	*9.4*	*5.8*	*3.6*	
Investment Grade Bonds	**77,410,001**	**14.3**	**0.6**	**0.6**	**3.7**	**4.1**	**0.0**	**--**	**0.1**	**Jun-21**
Blmbg. U.S. Aggregate Index			*0.7*	*0.6*	*3.8*	*4.2*	*0.1*	*--*	*0.2*	
Long-Term Government Bonds	**27,863,899**	**5.1**	**0.8**	**0.7**	**2.9**	**-0.4**	**-5.6**	**--**	**-4.7**	**May-21**
Blmbg. U.S. Treasury: Long			*0.9*	*0.4*	*2.9*	*-0.5*	*-5.6*	*--*	*-4.7*	

Please see the Appendix for composition of the Other Benchmark.

Total Fund | As of June 30, 2026

Trailing Net Performance

	Market Value ($)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund Aggregate	**542,516,378**	**100.0**	**8.5**	**8.8**	**17.6**	**12.6**	**6.8**	**7.5**	**6.3**	**Jul-11**
Policy Benchmark			*8.7*	*8.8*	*17.5*	*12.6*	*6.9*	*7.9*	*6.6*	
InvMetrics Health & Welfare Median			*4.3*	*3.7*	*8.8*	*8.5*	*4.2*	*5.3*	*4.9*	
InvMetrics Health & Welfare Rank			*9*	*3*	*4*	*9*	*9*	*15*	*18*	
Growth	**319,303,797**	**58.9**	**14.8**	**12.8**	**25.5**	**19.7**	**10.0**	**11.9**	**11.0**	**Dec-11**
Public Equity Benchmark			*15.4*	*12.8*	*25.9*	*20.0*	*10.3*	*12.5*	*11.3*	
Public Equity	**319,303,797**	**58.9**	**14.8**	**12.8**	**25.5**	**19.7**	**10.0**	**11.9**	**11.0**	**Dec-11**
Public Equity Benchmark			*15.4*	*12.8*	*25.9*	*20.0*	*10.3*	*12.5*	*11.3*	
Global Equity	**--**	**0.0**	**8.7**	**4.8**	**13.3**	**15.9**	**7.9**	**9.4**	**8.3**	**Jul-15**
MSCI AC World IMI Index (Net)			*14.9*	*11.8*	*24.2*	*19.5*	*10.6*	*12.5*	*10.9*	
U.S. Equity	**168,847,857**	**31.1**	**15.5**	**10.9**	**22.9**	**20.3**	**12.3**	**14.8**	**13.6**	**Jul-15**
Russell 3000 Index			*15.4*	*10.9*	*22.8*	*20.4*	*12.3*	*15.1*	*13.8*	
Northern Trust Russell 3000	168,847,857	31.1	15.5	10.9	22.9	20.3	12.3	15.0	13.5	Jun-15
Russell 3000 Index			*15.4*	*10.9*	*22.8*	*20.4*	*12.3*	*15.1*	*13.5*	

Total Fund | As of June 30, 2026

	Market Value ($)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
International Equity	**87,029,404**	**16.0**	**9.6**	**9.2**	**19.7**	**16.2**	**9.0**	**9.7**	**7.8**	**Jul-15**
MSCI EAFE (Net)			*10.8*	*9.4*	*20.2*	*16.4*	*9.0*	*9.7*	*7.7*	
Northern Trust EAFE Index	87,029,404	16.0	9.6	9.2	19.7	16.2	9.0	9.7	7.8	Jul-15
MSCI EAFE (Net)			*10.8*	*9.4*	*20.2*	*16.4*	*9.0*	*9.7*	*7.7*	
Emerging Markets Equity	**63,426,536**	**11.7**	**22.1**	**24.4**	**43.9**	**22.7**	**6.8**	**8.9**	**7.3**	**Jul-15**
MSCI Emerging Markets (Net)			*24.1*	*23.8*	*43.5*	*23.0*	*7.2*	*10.1*	*7.9*	
Northern Trust MSCI EM	63,426,536	11.7	22.1	24.4	43.9	22.7	6.8	--	8.8	Oct-18
MSCI Emerging Markets (Net)			*24.1*	*23.8*	*43.5*	*23.0*	*7.2*	--	*9.2*	
Low Beta	**34,058,143**	**6.3**	**0.9**	**1.8**	**3.9**	**4.7**	**3.5**	**2.3**	**1.6**	**Jul-11**
90 Day U.S. Treasury Bill			*0.9*	*1.7*	*3.8*	*4.6*	*3.5*	*2.3*	*1.6*	
Cash	**815,209**	**0.2**	**0.9**	**1.7**	**3.8**	**4.5**	**3.2**	**2.1**	**1.4**	**Jul-11**
90 Day U.S. Treasury Bill			*0.9*	*1.7*	*3.8*	*4.6*	*3.5*	*2.3*	*1.6*	
Short-Term IG Bonds	**33,242,934**	**6.1**	**0.9**	**1.8**	**3.9**	**4.7**	**3.7**	**--**	**2.8**	**Nov-18**
90 Day U.S. Treasury Bill			*0.9*	*1.7*	*3.8*	*4.6*	*3.5*	--	*2.7*	
BlackRock 3-Month T-Bill	33,242,934	6.1	0.9	1.8	3.9	4.7	3.7	--	2.8	Nov-18
90 Day U.S. Treasury Bill			*0.9*	*1.7*	*3.8*	*4.6*	*3.5*	--	*2.7*	
Other	**189,154,438**	**34.9**	**-0.5**	**3.3**	**7.0**	**2.4**	**1.8**	**3.2**	**2.9**	**Jul-15**
Other Benchmark			*-0.4*	*3.0*	*6.5*	*2.4*	*1.6*	*2.5*	*2.7*	

Total Fund | As of June 30, 2026

	Market Value ($)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Core Real Estate	**57,089,510**	**10.5**	**0.9**	**1.7**	**3.8**	**-2.5**	**3.5**	**4.5**	**4.8**	**Jul-15**
Core Real Estate Benchmark			*1.0*	*1.7*	*3.1*	*-2.8*	*2.3*	*3.6*	*4.2*	
BlackRock Core Property Fund	6,031,379	1.1	-0.2	-0.9	0.5	-7.1	0.7	--	1.8	Feb-19
Core Real Estate Benchmark 2			*1.0*	*1.7*	*3.1*	*-2.8*	*2.3*	*--*	*2.4*	
Clarion Lion Properties Fund	11,932,416	2.2	1.1	2.3	4.8	-3.3	2.3	--	2.7	May-19
Core Real Estate Benchmark			*1.0*	*1.7*	*3.1*	*-2.8*	*2.3*	*--*	*2.4*	
TA Realty Core Property Fund	26,906,824	5.0	0.7	1.4	2.7	-1.1	--	--	2.6	Oct-21
Core Real Estate Benchmark 3			*1.0*	*1.7*	*3.1*	*-2.8*	*--*	*--*	*0.3*	
Kayne Anderson Core	12,218,891	2.3	1.6	3.3	6.7	--	--	--	5.5	Jan-25
Core Real Estate Benchmark 4			*1.0*	*1.7*	*3.1*	*--*	*--*	*--*	*2.6*	
Commodities	**26,791,028**	**4.9**	**-8.1**	**14.3**	**25.4**	**11.7**	**9.8**	**7.4**	**4.6**	**Jan-15**
Bloomberg Commodity Index Total Return			*-8.1*	*14.4*	*25.5*	*11.7*	*9.4*	*5.8*	*3.6*	
BlackRock Commodities Index	26,791,028	4.9	-8.1	14.3	25.4	11.7	--	--	10.6	Mar-23
Bloomberg Commodity Index Total Return			*-8.1*	*14.4*	*25.5*	*11.7*	*--*	*--*	*9.5*	
Investment Grade Bonds	**77,410,001**	**14.3**	**0.6**	**0.6**	**3.7**	**4.1**	**0.0**	**--**	**0.1**	**Jun-21**
Blmbg. U.S. Aggregate Index			*0.7*	*0.6*	*3.8*	*4.2*	*0.1*	*--*	*0.2*	
Northern Trust Core Bonds	77,410,001	14.3	0.6	0.6	3.7	4.1	0.0	--	0.1	Jun-21
Blmbg. U.S. Aggregate Index			*0.7*	*0.6*	*3.8*	*4.2*	*0.1*	*--*	*0.2*	
Long-Term Government Bonds	**27,863,899**	**5.1**	**0.8**	**0.7**	**2.9**	**-0.4**	**-5.6**	**--**	**-4.7**	**May-21**
Blmbg. U.S. Treasury: Long			*0.9*	*0.4*	*2.9*	*-0.5*	*-5.6*	*--*	*-4.7*	
BlackRock Long Treasury	27,863,899	5.1	0.8	0.7	2.9	-0.4	-5.6	--	-4.7	May-21
Blmbg. U.S. Treasury: Long			*0.9*	*0.4*	*2.9*	*-0.5*	*-5.6*	*--*	*-4.7*	

Total Fund | As of June 30, 2026

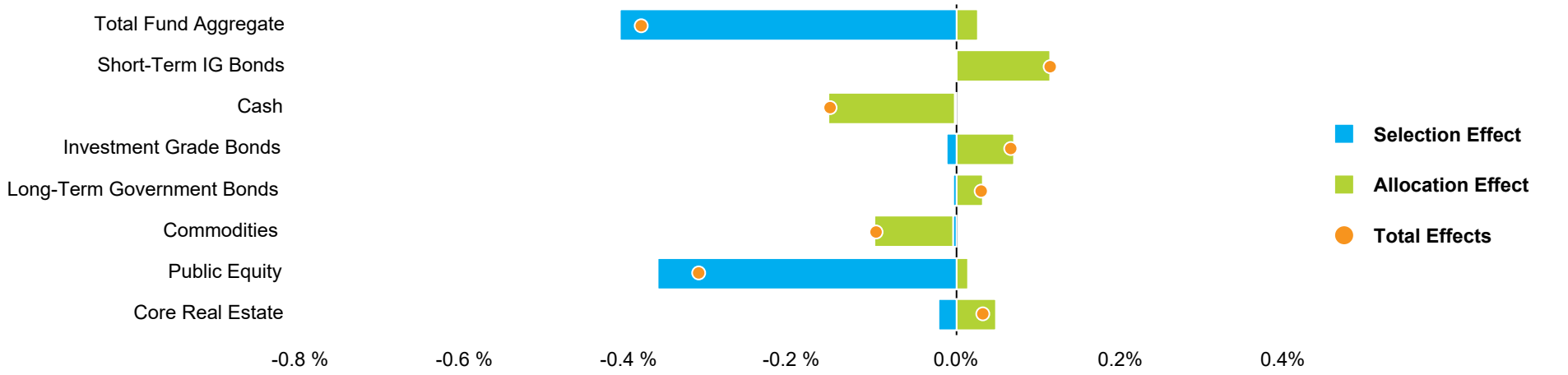
Cash Flow Summary
QTD Ending June 30, 2026

	Beginning Market Value ($)	Contributions ($)	Distributions ($)	Net Cash Flow ($)	Net Investment Change ($)	Ending Market Value ($)
Growth	292,506,785	35,000,000	-51,324,268	-16,324,268	43,121,280	319,303,797
Public Equity	292,506,785	35,000,000	-51,324,268	-16,324,268	43,121,280	319,303,797
Global Equity	35,260,335	-	-38,318,116	-38,318,116	3,057,781	-
Artisan Global Value	19,466,451	-	-21,390,789	-21,390,789	1,924,338	-
Artisan Global Opportunities	15,793,884	-	-16,927,327	-16,927,327	1,133,443	-
U.S. Equity	122,525,765	28,000,000	-1,003,063	26,996,937	19,325,155	168,847,857
Northern Trust Russell 3000	122,525,765	28,000,000	-1,003,063	26,996,937	19,325,155	168,847,857
International Equity	72,944,542	7,000,000	-	7,000,000	7,084,861	87,029,404
Northern Trust EAFE Index	72,944,542	7,000,000	-	7,000,000	7,084,861	87,029,404
Emerging Markets Equity	61,776,143	-	-12,003,089	-12,003,089	13,653,482	63,426,536
Northern Trust MSCI EM	61,776,143	-	-12,003,089	-12,003,089	13,653,482	63,426,536
Low Beta	27,953,467	16,543,621	-10,709,617	5,834,004	270,671	34,058,143
Cash	9,873,650	1,543,621	-10,708,728	-9,165,106	106,665	815,209
Cash	9,873,650	1,543,621	-10,708,728	-9,165,106	106,665	815,209
Short-Term IG Bonds	18,079,817	15,000,000	-889	14,999,111	164,006	33,242,934
BlackRock 3-Month T-Bill	18,079,817	15,000,000	-889	14,999,111	164,006	33,242,934
Other	179,586,163	16,998,326	-6,605,532	10,392,794	-824,519	189,154,438
Core Real Estate	57,122,929	-	-593,187	-593,187	559,767	57,089,510
BlackRock Core Property Fund	6,079,261	-	-36,894	-36,894	-10,988	6,031,379
Clarion Lion Properties Fund	11,885,469	-	-105,073	-105,073	152,020	11,932,416
TA Realty Core Property Fund	26,980,323	-	-272,166	-272,166	198,667	26,906,824
Kayne Anderson Core	12,177,877	-	-179,054	-179,054	220,068	12,218,891

Total Fund | As of June 30, 2026

	Beginning Market Value ($)	Contributions ($)	Distributions ($)	Net Cash Flow ($)	Net Investment Change ($)	Ending Market Value ($)
Commodities	31,873,718	3,000,000	-6,010,943	-3,010,943	-2,071,746	26,791,028
BlackRock Commodities Index	31,873,718	3,000,000	-6,010,943	-3,010,943	-2,071,746	26,791,028
Investment Grade Bonds	66,972,892	9,998,326	-	9,998,326	438,783	77,410,001
Northern Trust Core Bonds	66,972,892	9,998,326	-	9,998,326	438,783	77,410,001
Long-Term Government Bonds	23,616,624	4,000,000	-1,402	3,998,598	248,677	27,863,899
BlackRock Long Treasury	23,616,624	4,000,000	-1,402	3,998,598	248,677	27,863,899
Total Fund Aggregate	**500,046,415**	**68,541,947**	**-68,639,416**	**-97,470**	**42,567,433**	**542,516,378**

Attribution Effects
3 Months Ending June 30, 2026

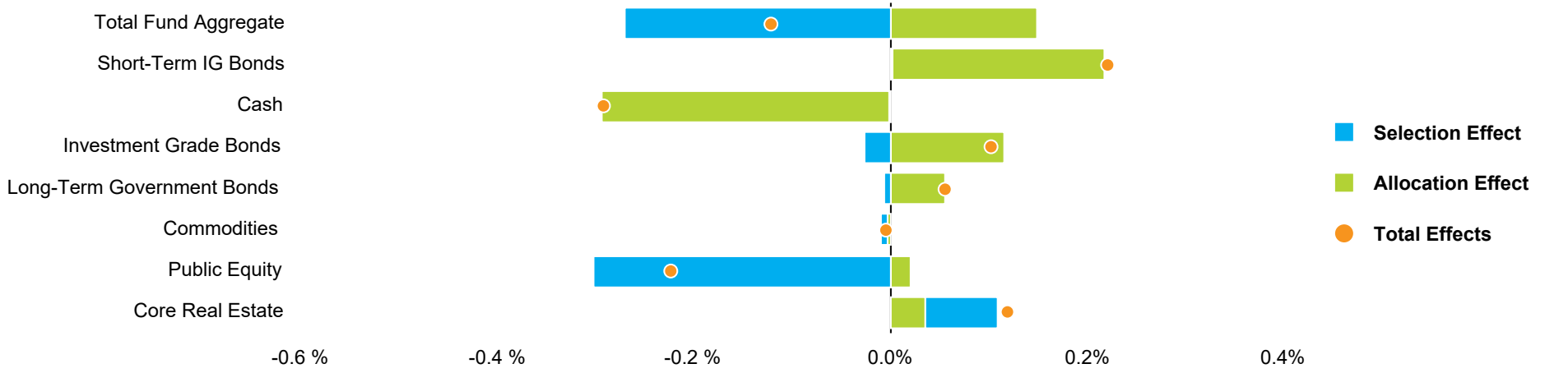


Attribution Summary
3 Months Ending June 30, 2026

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effect
Short-Term IG Bonds	0.9	0.9	0.0	0.0	0.1	0.1
Cash	0.9	0.9	0.0	0.0	-0.2	-0.2
Investment Grade Bonds	0.6	0.7	0.0	0.0	0.1	0.1
Long-Term Government Bonds	0.8	0.9	0.0	0.0	0.0	0.0
Commodities	-8.1	-8.1	0.0	0.0	-0.1	-0.1
Public Equity	14.8	15.4	-0.6	-0.4	0.0	-0.3
Core Real Estate	0.9	1.0	-0.1	0.0	0.0	0.0
Total Fund Aggregate	**8.5**	**8.9**	**-0.4**	**-0.4**	**0.0**	**-0.4**

Difference in attribution returns and returns in performance summary may occur as a result of the different calculation methodologies that are applied by Paris.
Selection effect for each asset class includes prorated residual effects of total portfolio timing and trading.

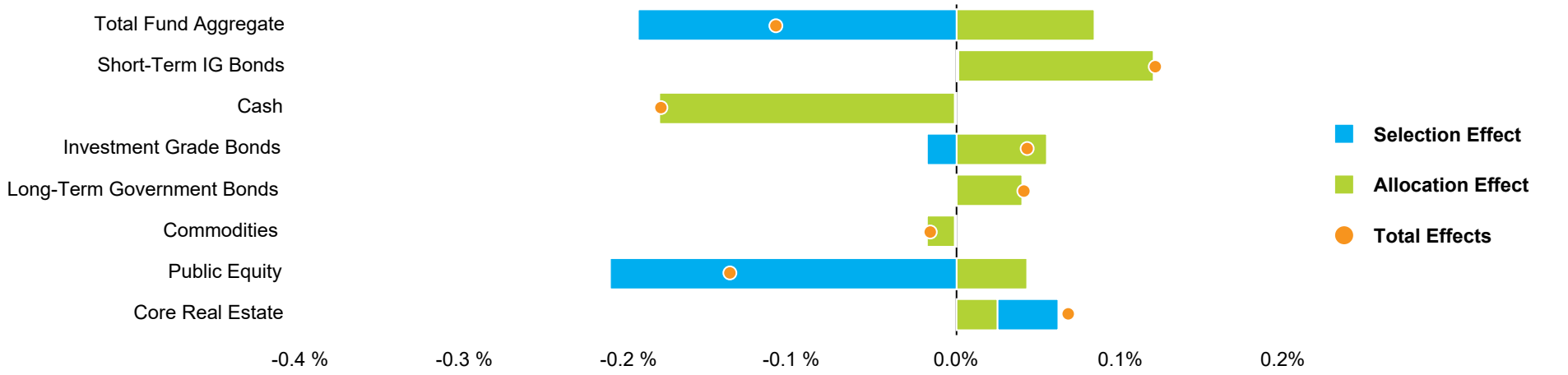
Attribution Attribution Effects
1 Year Ending June 30, 2026



Attribution Summary
1 Year Ending June 30, 2026

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effect
Short-Term IG Bonds	3.9	3.8	0.1	0.0	0.2	0.2
Cash	3.8	3.8	-0.1	0.0	-0.3	-0.3
Investment Grade Bonds	3.7	3.8	-0.1	0.0	0.1	0.1
Long-Term Government Bonds	2.9	2.9	0.0	0.0	0.1	0.1
Commodities	25.4	25.5	0.0	0.0	0.0	0.0
Public Equity	25.5	25.9	-0.4	-0.3	0.0	-0.2
Core Real Estate	3.8	3.1	0.6	0.1	0.0	0.1
Total Fund Aggregate	**17.6**	**17.7**	**-0.1**	**-0.3**	**0.1**	**-0.1**

Attribution Attribution Effects
3 Years Ending June 30, 2026



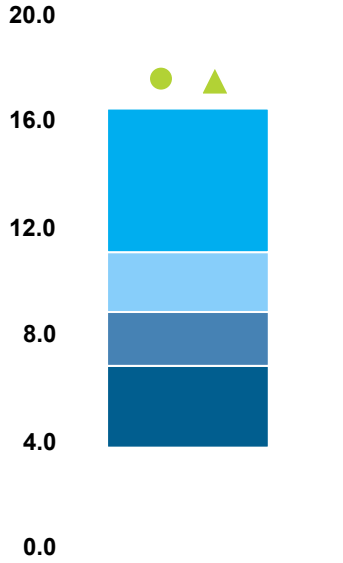
Attribution Summary
3 Years Ending June 30, 2026

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effect
Short-Term IG Bonds	4.7	4.6	0.1	0.0	0.1	0.1
Cash	4.5	4.6	-0.1	0.0	-0.2	-0.2
Investment Grade Bonds	4.1	4.2	-0.1	0.0	0.1	0.0
Long-Term Government Bonds	-0.4	-0.5	0.0	0.0	0.0	0.0
Commodities	11.7	11.7	0.0	0.0	0.0	0.0
Public Equity	19.7	20.0	-0.3	-0.2	0.0	-0.1
Core Real Estate	-2.5	-2.8	0.3	0.0	0.0	0.1
Total Fund Aggregate	**12.6**	**12.7**	**-0.1**	**-0.2**	**0.1**	**-0.1**

San Jose Federated Retiree Health Care 115 Trust

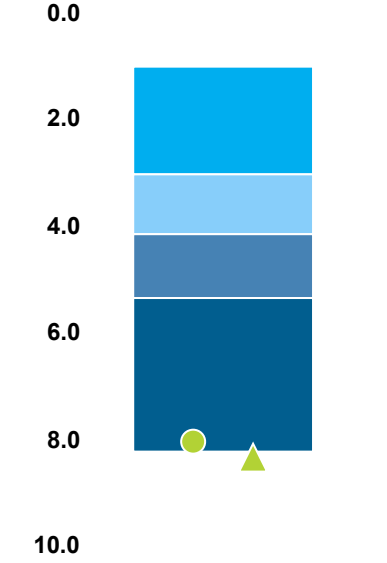
Total Fund | As of June 30, 2026

Annualized Return (%) Trailing 1 Year



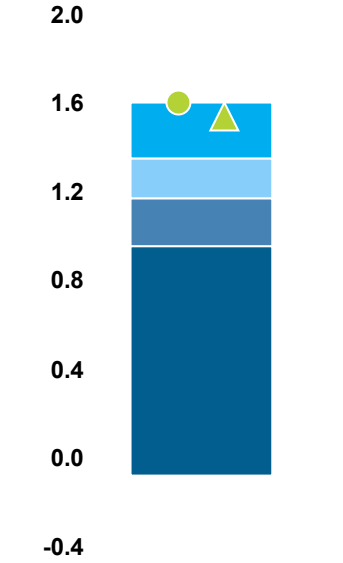
Total Fund Aggregate	17.6	(4)
Policy Benchmark	17.5	(4)
5th Percentile	16.5	
1st Quartile	11.1	
Median	8.8	
3rd Quartile	6.8	
95th Percentile	3.7	

Annualized St. Dev. Trailing 1 Year



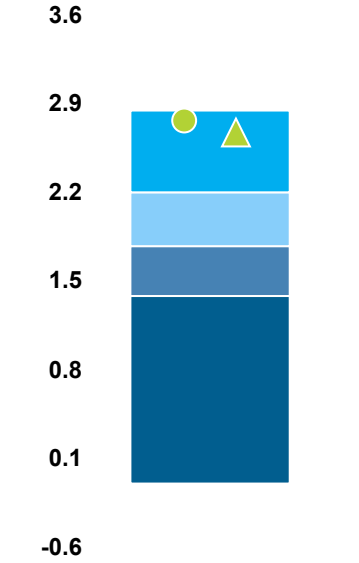
Total Fund Aggregate	8.1	(93)
Policy Benchmark	8.3	(95)
5th Percentile	1.0	
1st Quartile	3.0	
Median	4.2	
3rd Quartile	5.4	
95th Percentile	8.2	

Sharpe Ratio Trailing 1 Year



Total Fund Aggregate	1.6	(6)
Policy Benchmark	1.5	(8)
5th Percentile	1.6	
1st Quartile	1.4	
Median	1.2	
3rd Quartile	1.0	
95th Percentile	-0.1	

Sortino Ratio Trailing 1 Year



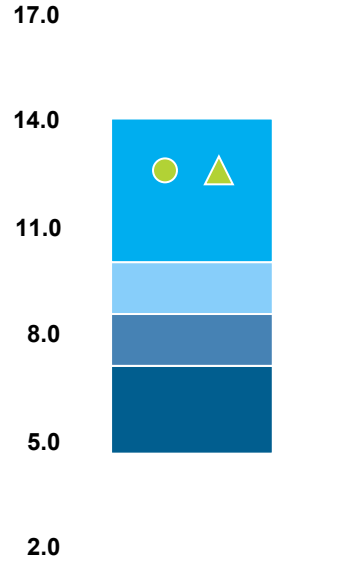
Total Fund Aggregate	2.8	(6)
Policy Benchmark	2.7	(7)
5th Percentile	2.9	
1st Quartile	2.2	
Median	1.8	
3rd Quartile	1.4	
95th Percentile	-0.1	

Data are compared to the InvMetrics Health & Welfare Net Universe. Parentheses contain percentile rankings.

San Jose Federated Retiree Health Care 115 Trust

Total Fund | As of June 30, 2026

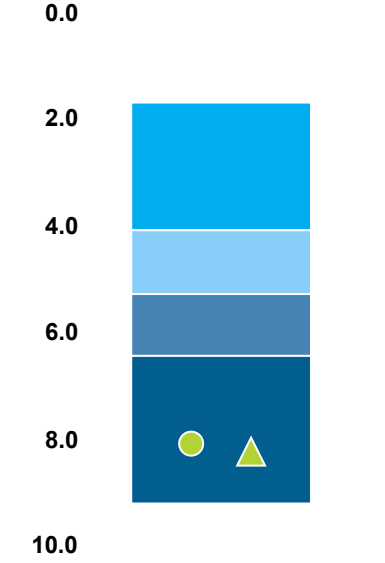
Annualized Return (%) Trailing 3 Years



Total Fund Aggregate	12.6	(9)
Policy Benchmark	12.6	(9)

5th Percentile	14.1
1st Quartile	10.0
Median	8.5
3rd Quartile	7.1
95th Percentile	4.6

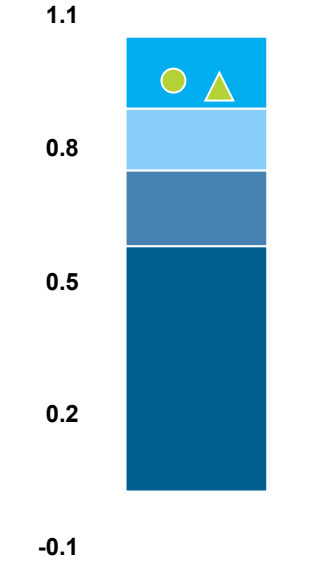
Annualized St. Dev. Trailing 3 Years



Total Fund Aggregate	8.1	(88)
Policy Benchmark	8.2	(89)

5th Percentile	1.7
1st Quartile	4.1
Median	5.3
3rd Quartile	6.4
95th Percentile	9.2

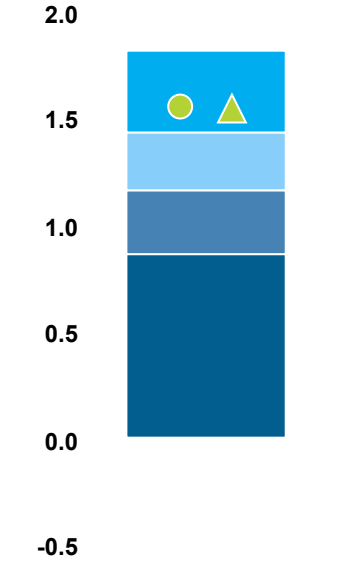
Sharpe Ratio Trailing 3 Years



Total Fund Aggregate	1.0	(17)
Policy Benchmark	0.9	(19)

5th Percentile	1.0
1st Quartile	0.9
Median	0.7
3rd Quartile	0.6
95th Percentile	0.0

Sortino Ratio Trailing 3 Years



Total Fund Aggregate	1.6	(17)
Policy Benchmark	1.6	(18)

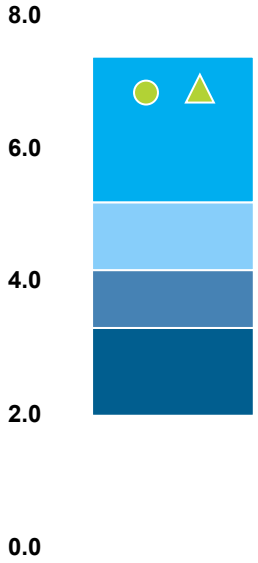
5th Percentile	1.8
1st Quartile	1.4
Median	1.2
3rd Quartile	0.9
95th Percentile	0.0

Data are compared to the InvMetrics Health & Welfare Net Universe. Parentheses contain percentile rankings.

San Jose Federated Retiree Health Care 115 Trust

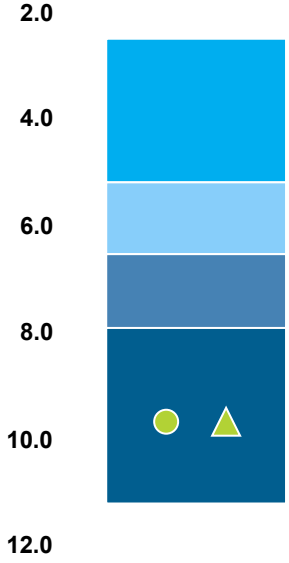
Total Fund | As of June 30, 2026

Annualized Return (%) Trailing 5 Years



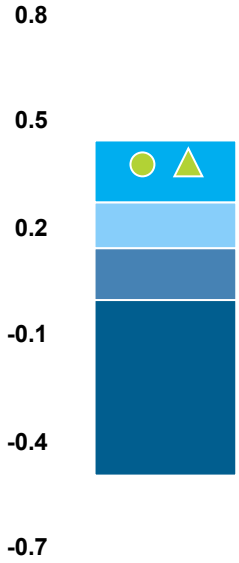
Total Fund Aggregate	6.8	(9)
Policy Benchmark	6.9	(9)
5th Percentile	7.4	
1st Quartile	5.2	
Median	4.2	
3rd Quartile	3.3	
95th Percentile	2.0	

Annualized St. Dev. Trailing 5 Years



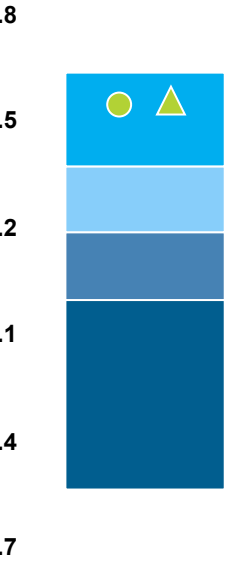
Total Fund Aggregate	9.7	(88)
Policy Benchmark	9.7	(88)
5th Percentile	2.5	
1st Quartile	5.2	
Median	6.5	
3rd Quartile	7.9	
95th Percentile	11.2	

Sharpe Ratio Trailing 5 Years



Total Fund Aggregate	0.4	(10)
Policy Benchmark	0.4	(10)
5th Percentile	0.4	
1st Quartile	0.3	
Median	0.1	
3rd Quartile	0.0	
95th Percentile	-0.5	

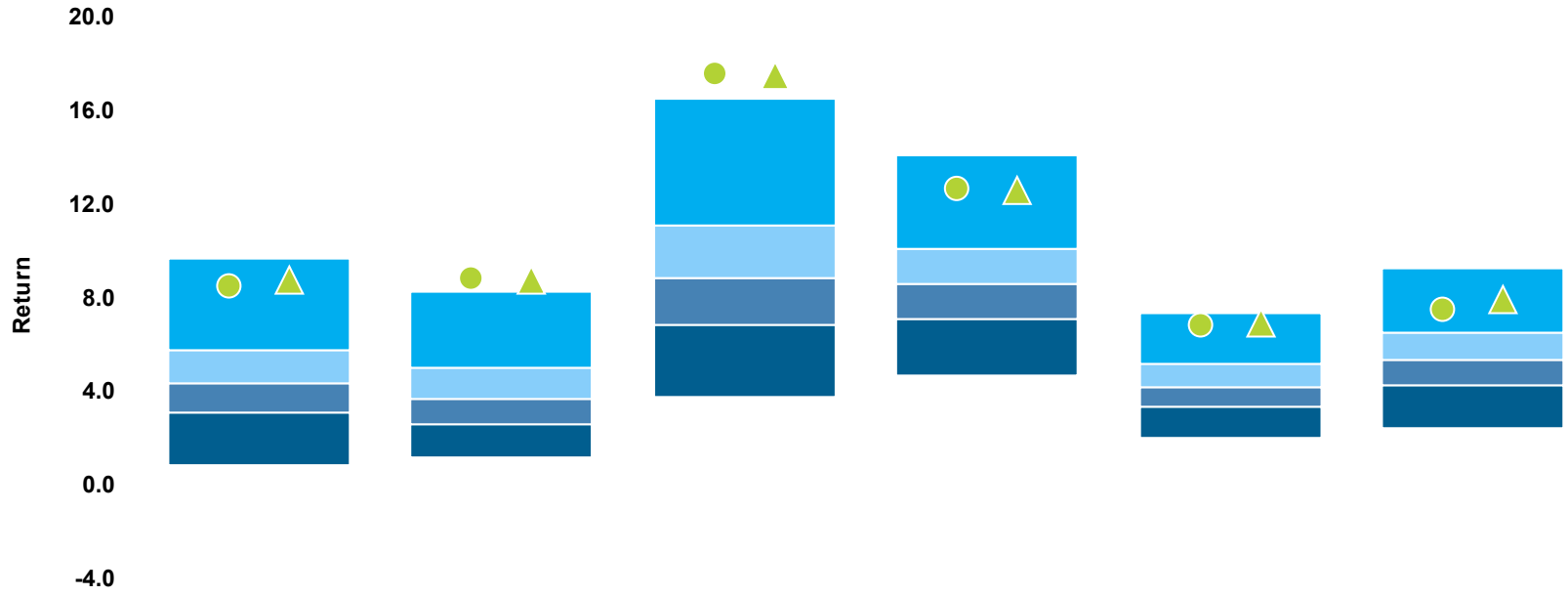
Sortino Ratio Trailing 5 Years



Total Fund Aggregate	0.5	(10)
Policy Benchmark	0.6	(9)
5th Percentile	0.6	
1st Quartile	0.4	
Median	0.2	
3rd Quartile	0.0	
95th Percentile	-0.5	

Data are compared to the InvMetrics Health & Welfare Net Universe. Parentheses contain percentile rankings.

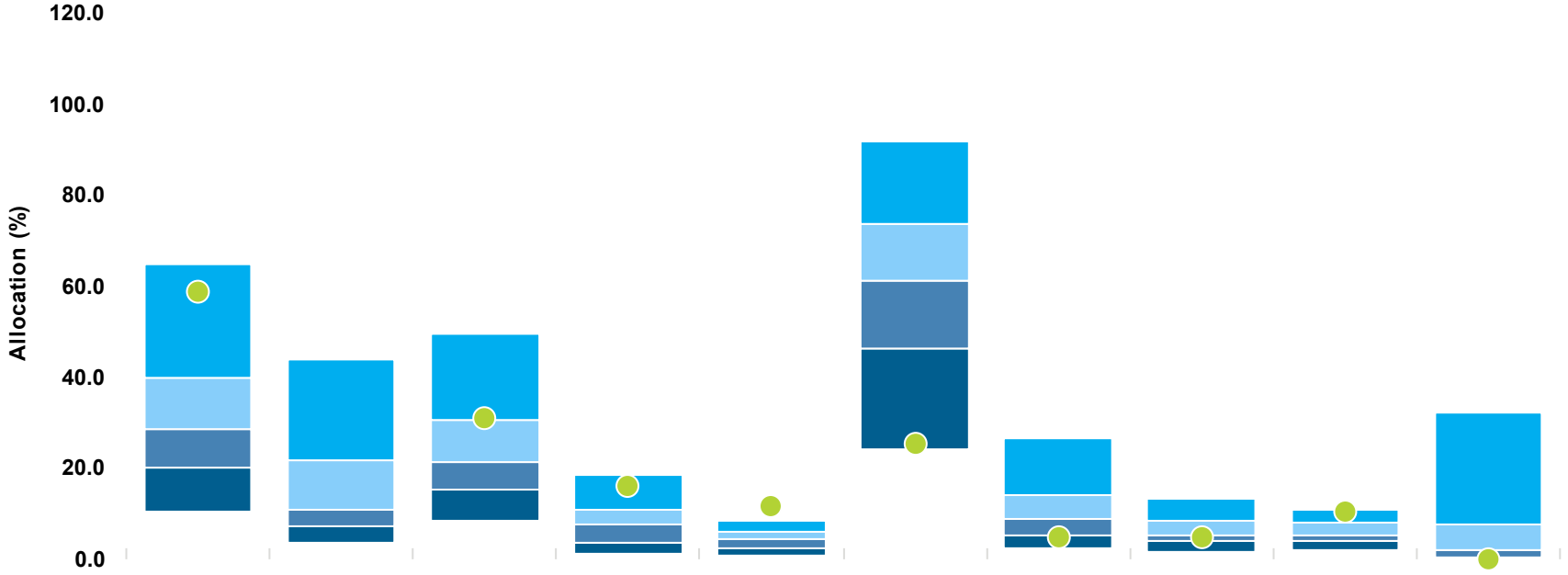
InvMetrics Health & Welfare Return Comparison
Ending June 30, 2026



	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
● Total Fund Aggregate	8.5 (9)	8.8 (3)	17.6 (4)	12.6 (9)	6.8 (9)	7.5 (15)
▲ Policy Benchmark	8.7 (8)	8.8 (3)	17.5 (4)	12.6 (9)	6.9 (9)	7.9 (13)
5th Percentile	9.7	8.3	16.5	14.1	7.4	9.3
1st Quartile	5.7	5.0	11.1	10.0	5.2	6.5
Median	4.3	3.7	8.8	8.5	4.2	5.3
3rd Quartile	3.1	2.6	6.8	7.1	3.3	4.3
95th Percentile	0.8	1.2	3.7	4.6	2.0	2.4
Population	414	411	409	393	379	336

Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

Total Plan Allocation vs. InvMetrics Health & Welfare
As of June 30, 2026



	Total Equity	Global Equity	US Equity	Dev'd ex-US Equity	Emg Mkt Equity	Total Fixed Income	Alternatives	Real Assets/Commod	Total Real Estate	Cash & Equivalents
Total Fund Aggregate	58.9 (11)	-	31.1 (24)	16.0 (12)	11.7 (1)	25.5 (95)	4.9 (80)	4.9 (59)	10.5 (8)	0.2 (84)
5th Percentile	65.0	43.7	49.6	18.7	8.3	91.7	26.5	13.3	10.9	32.1
1st Quartile	39.8	21.6	30.8	10.8	5.8	73.7	14.2	8.5	8.0	7.8
Median	28.5	10.7	21.5	7.5	4.5	61.3	8.8	5.3	5.4	1.9
3rd Quartile	20.2	7.2	15.3	3.5	2.5	46.4	5.2	4.1	4.1	0.3
95th Percentile	10.5	3.6	8.5	1.2	1.0	24.1	2.3	1.8	1.9	0.0
Population	401	62	381	14	43	454	152	73	126	356

Parentheses contain percentile rankings.

Benchmark History		
Total Fund Aggregate		
5/1/2022	Present	30% Russell 3000 / 16% MSCI EAFE / 12% MSCI Emerging Markets / 6% ICE BofA 91 Days T-Bills TR / 14% Bloomberg US Aggregate TR / 5% Bloomberg US Treasury Long TR / 12% Core Real Estate Benchmark / 5% Bloomberg Commodity Index TR USD
5/1/2021	4/30/2022	30% Russell 3000 / 14% MSCI EAFE / 15% MSCI Emerging Markets / 21% 91 Day T-Bills / 2.5% Bloomberg US Aggregate TR / 2.5% Bloomberg US Treasury Long TR / 10% Core Real Estate Benchmark / 5% Bloomberg Commodity Index TR USD
10/1/2018	4/30/2021	28% Russell 3000 / 13% MSCI EAFE / 15% MSCI Emerging Markets / 29% ICE BofA 91 Days T-Bills TR / 10% NCREIF ODCE Equal Weighted / 5%
5/1/2018	9/30/2018	55% MSCI ACWI IMI Net USD / 28% Bloomberg Global Aggregate TR / 5% Bloomberg Commodity Index TR USD / 4% S&P Global Natural Resources Index TR USD / 8% NCREIF ODCE Equal Weighted (Net)
7/1/2011	4/30/2018	46.7% MSCI ACWI IMI Net USD / 30.3% Bloomberg Global Aggregate TR / 6% Bloomberg Commodity Index TR USD / 5% S&P Global Natural Resources Index TR USD / 7% NCREIF ODCE Equal Weighted (Net) / 5% DJ Brookfield Global Infrastructure Net TR USD
Growth		
5/1/2022	Present	5/1/2022 Present 51.7% Russell 3000 / 27.61% MSCI EAFE / 20.7% MSCI Emerging Markets
10/1/2018	4/30/2022	50% Russell 3000 / 23.21% MSCI EAFE / 26.79% MSCI Emerging Markets
12/1/2011	9/30/2018	MSCI ACWI IMI Net USD
Public Equity		
5/1/2022	Present	51.7% Russell 3000 / 27.61% MSCI EAFE / 20.7% MSCI Emerging Markets
10/1/2018	4/30/2022	50% Russell 3000 / 23.21% MSCI EAFE / 26.79% MSCI Emerging Markets
12/1/2011	9/30/2018	MSCI ACWI IMI Net USD
Global Equity		
7/1/2015	Present	MSCI ACWI IMI Net USD
U.S. Equity		
7/1/2015	Present	Russell 3000

Benchmark History		
International Equity		
7/1/2015	Present	MSCI EAFE
Emerging Markets Equity		
7/1/2015	Present	MSCI Emerging Markets
Low Beta		
7/1/2011	Present	ICE BofA 91 Days T-Bills TR
Cash		
7/1/2011	Present	ICE BofA 91 Days T-Bills TR
Short-Term IG Bonds		
10/1/2018	Present	ICE BofA 91 Days T-Bills TR
Other		
5/1/2021	Present	12.5% Bloomberg US Aggregate TR / 12.5% Bloomberg US Treasury Long TR / 50% Core Real Estate Benchmark / 25% Bloomberg Commodity Index TR USD
10/1/2018	4/30/2021	66.67% NCREIF-ODCE / 33.33% Bloomberg Commodity Index TR USD
5/1/2018	9/30/2018	62.22% Bloomberg Global Aggregate TR / 17.78% NCREIF Property Index / 11.11% Bloomberg Commodity Index TR USD / 88.9% S&P Global Natural Resources Index TR USD
7/1/2015	4/30/2018	56.85% Bloomberg Global Aggregate TR / 13.13% NCREIF Property Index / 11.26% Bloomberg Commodity Index TR USD / 93.8% S&P Global Natural Resources Index TR USD / 93.8% DJ Brookfield Global Infrastructure Net TR USD
Core Real Estate		
7/1/2015	Present	Core Real Estate Benchmark
Commodities		
1/1/2015	Present	Bloomberg Commodity Index TR USD
Natural Resources		

Benchmark History		
6/1/2015	Present	S&P Global Natural Resources Index TR USD
Infrastructure		
6/1/2015	Present	DJ Brookfield Global Infrastructure Net TR USD
Investment Grade Bonds		
6/1/2021	Present	Bloomberg US Aggregate TR
TIPS		
3/1/2017	Present	100% Bloomberg US Treasury TIPS 0-5 Yr TR
Long-Term Government Bonds		
6/1/2021	Present	Bloomberg US Treasury Long TR

Glossary and Notes

Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security).

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Jensen's Alpha: A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk. Portfolio Return- [Risk Free Rate+Beta*(market return-Risk Free Rate)].

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about is future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Tracking Error: A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a "basis book." For example, a 5% bond pays $5 a year interest on each $100 par value. To figure its current yield, divide $5 by $95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay $100 for the bond that can be bought now for $95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{\text{5\% (discount)}}{\text{5 (yrs. to maturity)}} = \text{1\% pro rata, plus 5.26\% (current yield)} = \text{6.26\% (yield to maturity)}$$

Yield to Worst: The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

NCREIF Property Index (NPI): Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE): Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

Sources: Investment Terminology, International Foundation of Employee Benefit Plans, 1999.
The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.