



Investment Committee

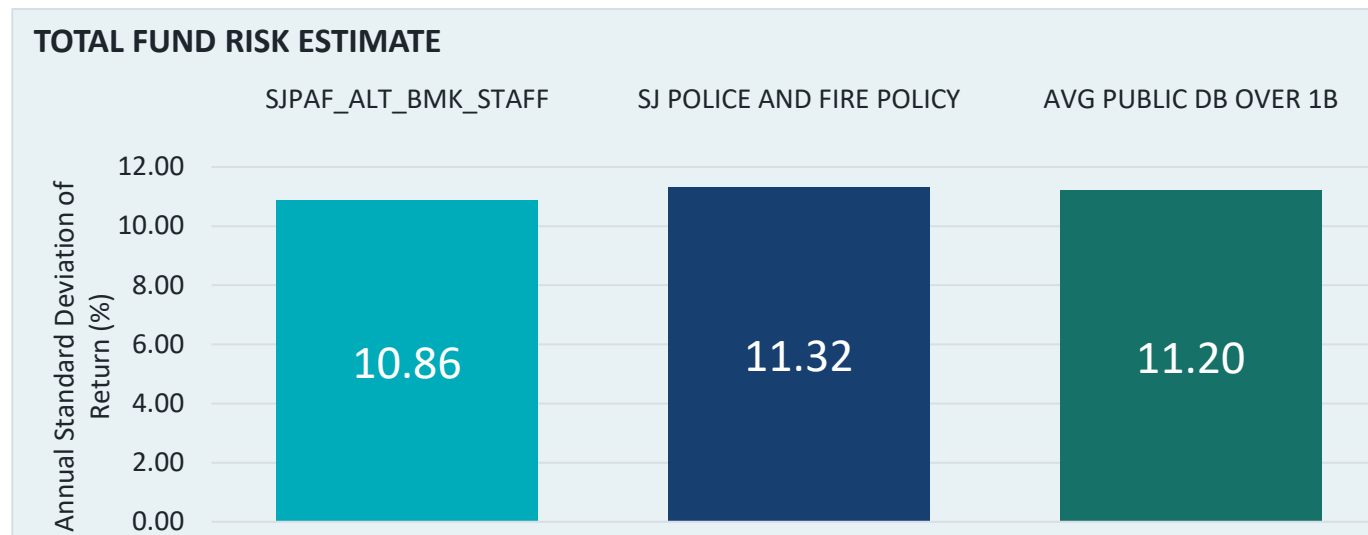
San Jose Police & Fire Retirement Plan

Asset Mixes Risk Analysis

August 2026 (Analysis Date 6/30/26)

Total Fund Volatility (Recommended Mix)

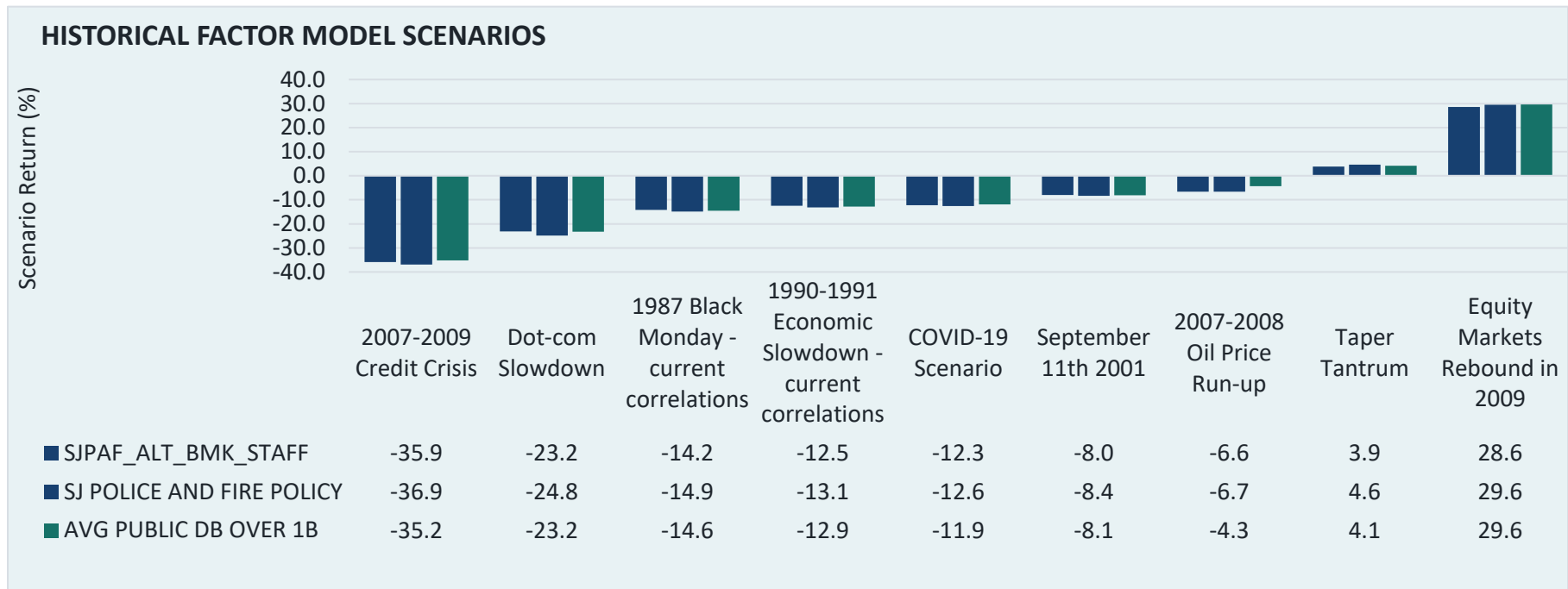
- The factor model confirms the recommended mix represents only a marginal reduction in expected total fund volatility
- Equity factors continue to be the primary sources of total fund volatility



Historical Scenarios (Recommended Mix)

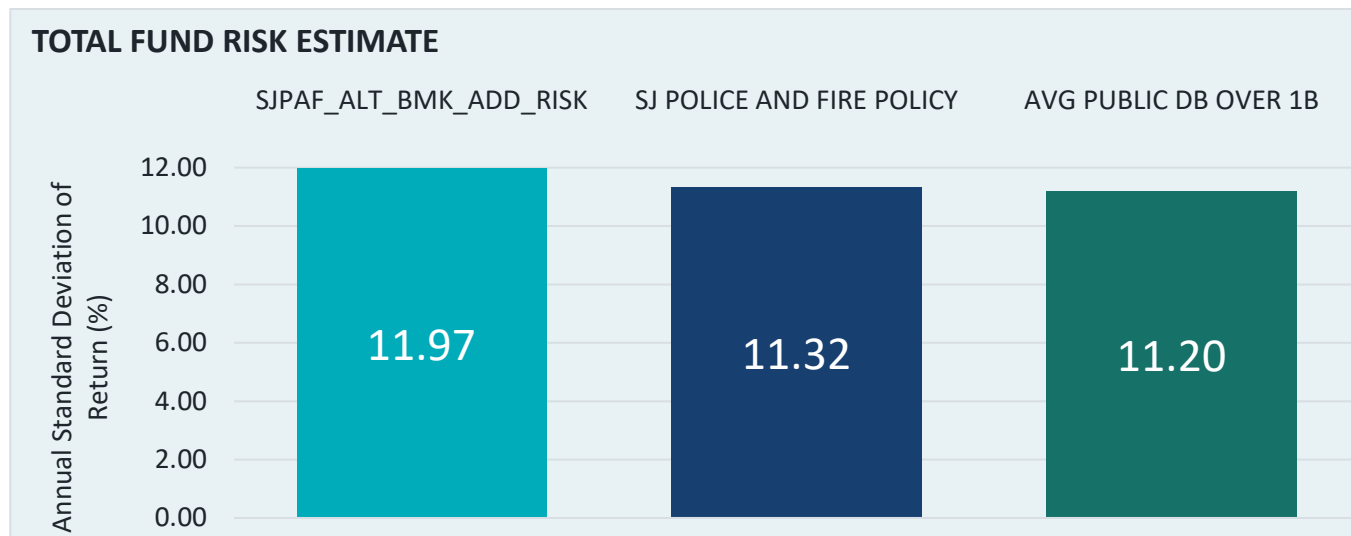
The staff recommended mix is expected to do slightly better than the policy index in almost all these historical drawdown scenarios

The recommended mix is expected to capture almost as much upside in strong equity market scenarios



Total Fund Volatility (Add Risk)

- The factor model confirms the Add Risk mix represents a meaningful increase in expected total fund volatility
- Equity factors continue to be the primary sources of total fund volatility



Historical Scenarios (Add Risk)

The Add Risk mix is expected to draw down a bit more than the current policy in these historical drawdown scenarios

The Add Risk mix is expected to capture more upside in strong equity market scenarios

