

San Jose Police and Fire Department Retirement Plan
Private Markets Pacing Plan
Fiscal Year 2026-27

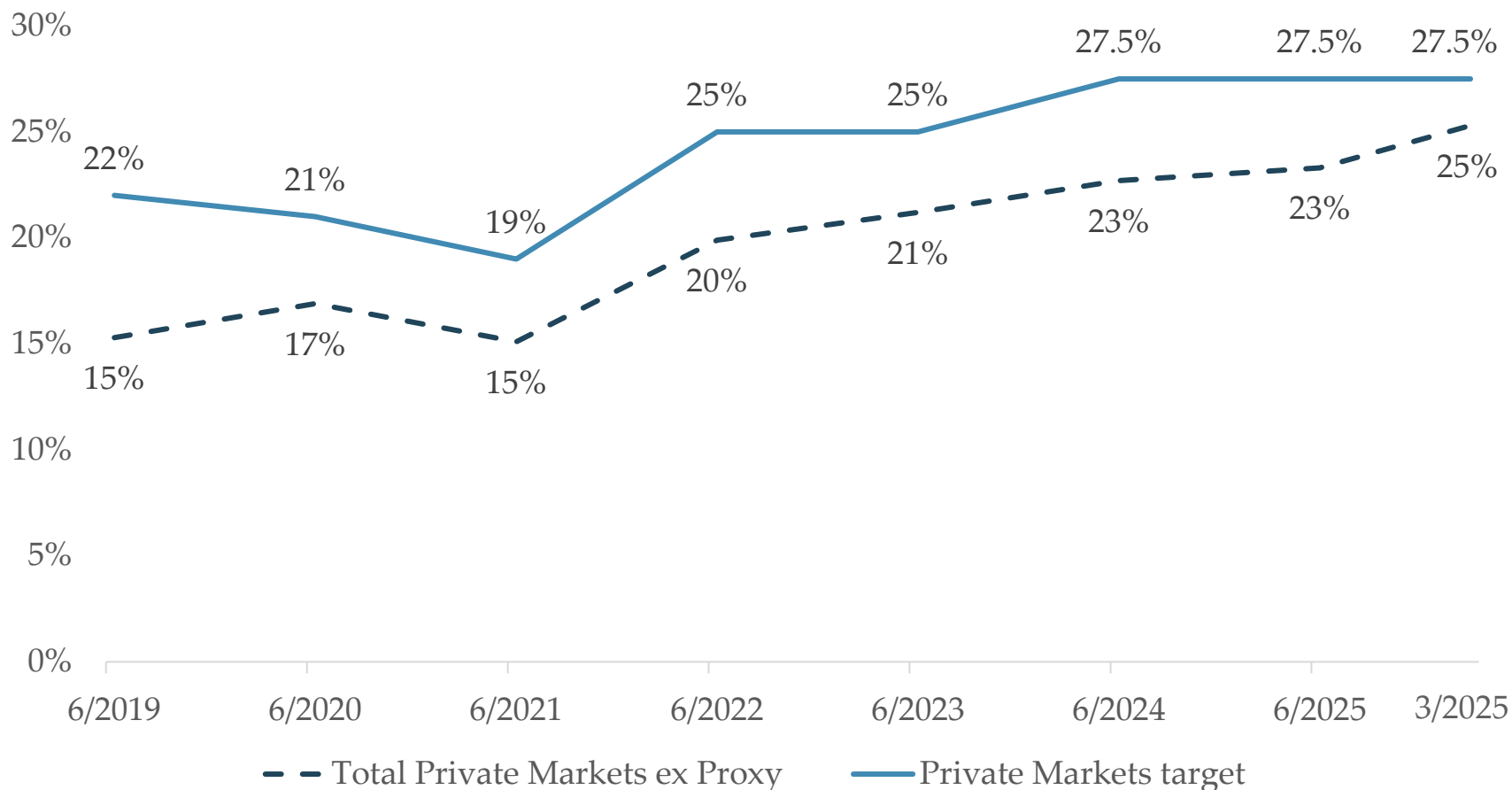
as of April 2026

Purpose

- Seek approval of target commitment amounts (the “pacing plan”) for each private markets asset class in the next fiscal year.
- The pacing plan uses assumptions on future cash flows and Net Asset Values (“NAV’s”) to estimate commitment amounts to reach and maintain target allocations.
- Pacing plan modeling completed by Neuberger Berman (buyout) and Meketa Investment Group (other private asset classes).
- Projections for 10 years shown, but the pacing plan is revisited on an annual basis.

Private Markets % of Plan Over Time

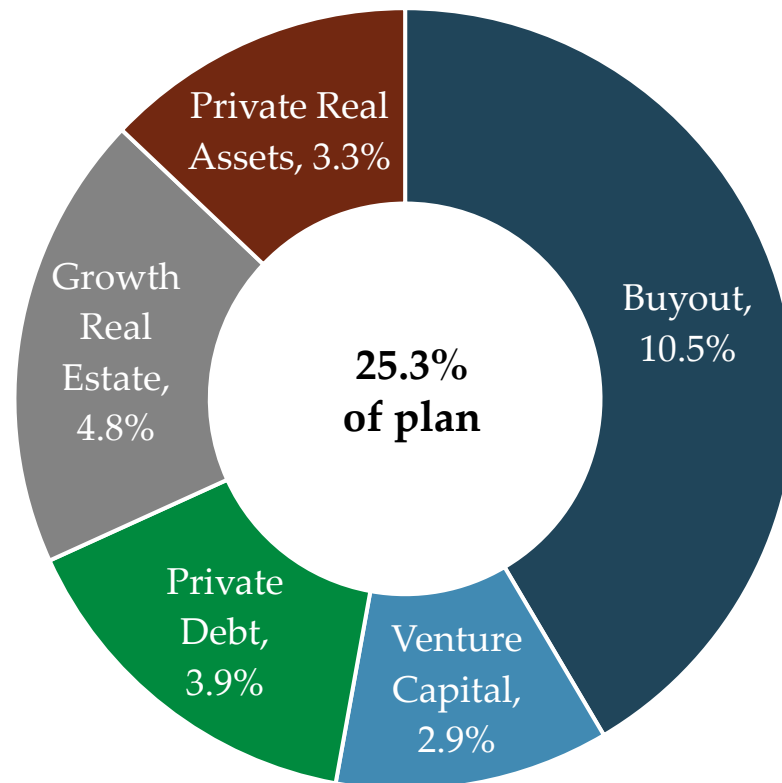
- The Private Markets allocation is currently 2% below target.
- The Board adjusted the Private Markets target allocation from 25% to 27.5% in May 2024, from 19% to 25% in March 2022, from 21% to 19% in April 2021, and from 22% to 21% in April 2020.



Private Markets Allocation Snapshot

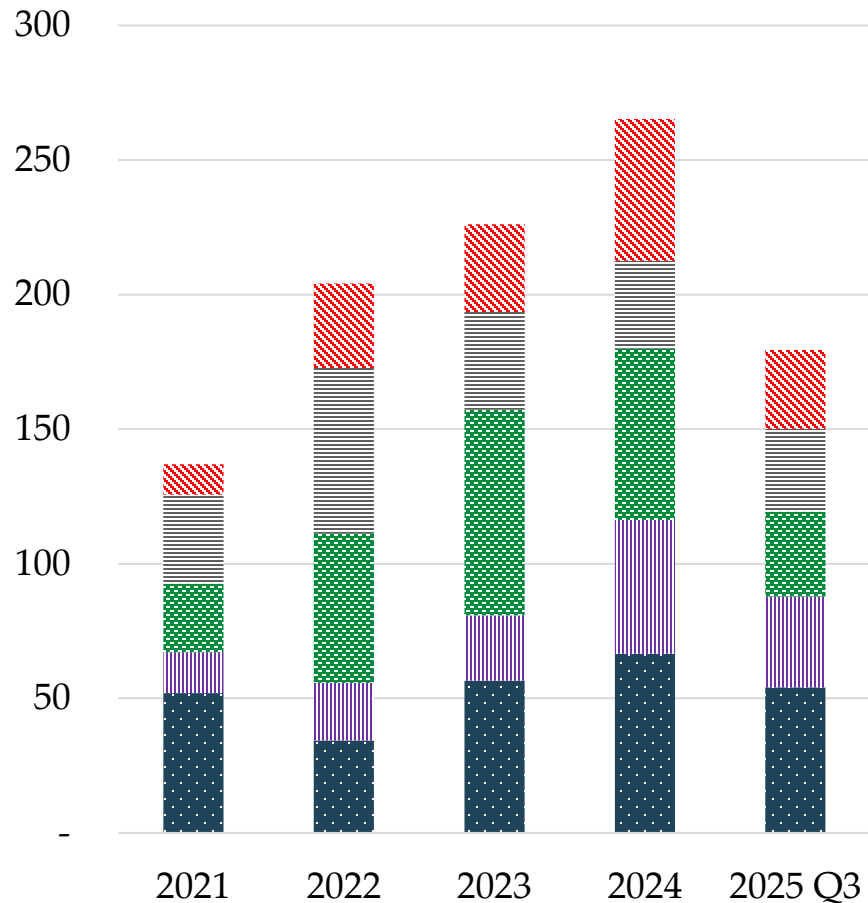
| Asset Class | % of Plan | Target | Diff. |
|------------------------------|--------------|--------------|--------------|
| Buyout | 10.5% | 10% | 0.5% |
| Venture Capital | 2.9% | 4.5% | -1.6% |
| Private Debt | 3.9% | 5% | -1.1% |
| Growth Real Estate | 4.8% | 4% | 0.8% |
| Private Real Assets | 3.3% | 4% | -0.7% |
| Total Private Markets | 25.3% | 27.5% | -2.2% |

As of March 31, 2026

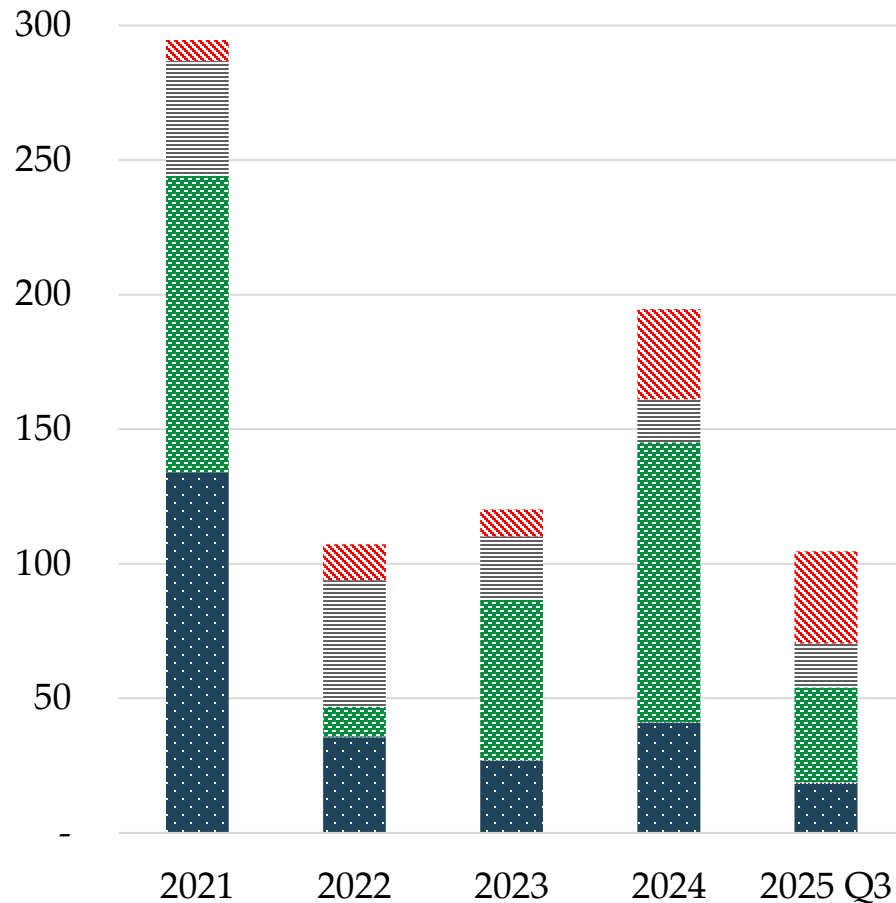


Private Markets Cash Flow Dynamics

Capital Calls (\$ millions)



Distributions (\$ millions)



- Buyout
- Venture Capital
- Private Debt
- Growth Real Estate
- Private Real Assets

- Buyout
- Venture Capital
- Private Debt
- Growth Real Estate
- Private Real Assets

FY 2025-26: \$396 million of commitments expected (1 of 2)

| Asset Class / Fund | Style | Date | Executed (\$mm) | Target (\$mm) | % of Target |
|---|--------------------|------------|-----------------|---------------|-------------|
| Buyout | | | 125 | 125 | 100% |
| PE Strategic Partnership SJPF, L.P. | Fund-of-one | 7/1/2025 | 125 | | |
| Venture Capital | | | 55 | 40 | 138% |
| Tiger Iron SJPF, L.P. | Fund-of-one | n/a | 12 | | |
| Tribeca Access Fund II, L.P. | Mid Stage | 11/19/2025 | 7 | | |
| Northgate Select Opportunities III, L.P. | Early Stage | 12/11/2025 | 5 | | |
| Red Tree Venture Fund II, L.P. | Early Stage | 1/26/2026 | 5 | | |
| Kyber Knight Capital 2, L.P. | Early Stage | 4/10/2026 | 7 | | |
| Oceans Ventures III, L.P. | Early Stage | 4/10/2026 | 5 | | |
| <i>Expected to close soon (2 investments)</i> | <i>Early Stage</i> | <i>TBD</i> | <i>14</i> | | |
| Private Debt | | | 112 | 80 | 140% |
| Eagle Point Defensive Income Fund III US LP | Par Credit | 10/7/2025 | 28 | | |
| GC Customer Value Fund, L.P. | Par Credit | 12/31/2025 | 28 | | |
| NB Capital Solutions Fund III LP | Stress | 3/20/2026 | 28 | | |
| <i>Expected to close soon</i> | <i>Stress</i> | <i>TBD</i> | <i>28</i> | | |

FY 2025-26: \$396 million of commitments expected (2 of 2)

| Asset Class / Fund | Style | Date | Executed (\$mm) | Target (\$mm) | % of Target |
|---|-----------------------|------------|-----------------|---------------|-------------|
| Growth Real Estate | | | 41 | 75 | 55% |
| Corebridge U.S. Real Estate Fund V (A), LP | Value Added | 8/8/2025 | 17 | | |
| Kayne Anderson Real Estate Partners VII, L.P. | Value Added | 12/31/2025 | 7 | | |
| Foundry Owners' Fund III, LP | Value Added | 3/11/2026 | 17 | | |
| Private Real Assets | | | 63 | 55 | 115% |
| Tembo Capital Mining Fund IV Parallel LP | Nat. Resources | 12/23/2025 | 12 | | |
| Seraya Partners Fund II, LP | Infrastructure | 12/31/2025 | 17 | | |
| Warwick Partners V, LP | Nat. Resources | 3/30/2026 | 17 | | |
| <i>Expected to close soon</i> | <i>Infrastructure</i> | <i>TBD</i> | 17 | | |
| Total Private Markets | | | 396 | 375 | 106% |

Strategy Delivering Alpha Beyond Public Pension Peers

| Asset Class | 5-Year Net Return | 5-Year Median Net Return | Percentile (99th is best) |
|---------------------|--------------------------|---------------------------------|---|
| Buyout | 12.2%* | 12.9% | 34 th |
| Private Debt | 12.2% | n/a** | n/a |
| Growth Real Estate | 8.8% | 3.4% | 97 th |
| Private Real Assets | 14.8% | 9.5% | 90 th |

As of December 31, 2025.

Source: Meketa, Investment Metrics (InvMetrics Public DB > \$1B net of fees).

* The PE Strategic Partnership established in 2017 is the only actively investing account during this period and generated a 17.3% return.

** Investment Metrics does not have a Private Debt universe.

Outperformance Validated Against Private Funds Universe

| | Percentile (99th is best) | 5-Year Alpha to Median |
|------------------------------|---|-----------------------------------|
| Buyout | 68 th | \$106 million |
| Private Debt | 82 nd | \$47 million |
| Growth Real Estate | 60 th | \$27 million |
| Private Real Assets | 77 th | \$34 million |
| Total Private Markets | | \$214 million |

As of June 30, 2025 for Vintage Years 2017 - 2025.

Source: Meketa, Neuberger Berman, Burgiss.

Burgiss Universes: Buyout (Equity ex. Venture Capital), Private Debt (Debt), Growth Real Estate (Real Estate), Private Real Assets (Infrastructure, Natural Resources).

\$16.8 Million Estimated Fee Savings for CY 2025 Investments

- Estimated fee savings from commitments made in calendar year 2025 over the projected life of the investments for the San Police and Fire plan.
- Fund Commitments fee savings from Staff negotiations, early closing discounts, and volume discounts.
- Additional fee savings not modeled: fee structures of fund-of-ones compared to fund-of-funds alternative, upside performance of investments with incentive fee discounts, commitments to funds with standard fees below asset class averages, and fee savings from investments made prior to January 2025.

| Category | Fee Savings |
|------------------------------------|-----------------------|
| Buyout Co-Investments | \$11.5 million |
| Fund Commitments | \$5.3 million |
| Total Estimated Fee Savings | \$16.8 million |

Pacing Plan Modeling

NAV Forecasts Slightly Higher Than Last Year

| As of Date | Current NAV Forecast | Prior Year NAV Forecast | Difference |
|-------------------|-----------------------------|--------------------------------|-------------------|
| 6/30/2026 | 6,204 | 5,877 | 6% |
| 6/30/2027 | 6,547 | 6,217 | 5% |
| 6/30/2028 | 6,892 | 6,565 | 5% |
| 6/30/2029 | 7,240 | 6,923 | 5% |
| 6/30/2030 | 7,580 | 7,280 | 4% |
| 6/30/2031 | 7,903 | 7,628 | 4% |
| 6/30/2032 | 8,227 | 7,981 | 3% |
| 6/30/2033 | 8,541 | 8,328 | 3% |
| 6/30/2034 | 8,833 | 8,658 | 2% |
| 6/30/2035 | 9,122 | 8,991 | 1% |

Values in \$ millions

Current Positioning as Anticipated in Prior Year Pacing Plan

| | Prior Pacing | Current Estimates | Difference |
|------------------------------|---------------------|--------------------------|-------------------|
| Buyout | 10.5% | 10.9% | 0.5% |
| Venture Capital | 3.0% | 2.9% | -0.1% |
| Private Debt | 4.5% | 4.0% | -0.5% |
| Growth Real Estate | 4.0% | 4.4% | 0.4% |
| Private Real Assets | 3.3% | 3.0% | -0.3% |
| Total Private Markets | 25.3% | 25.2% | 0.1% |

Values expected as of 6/30/2026

Unfunded Commitments

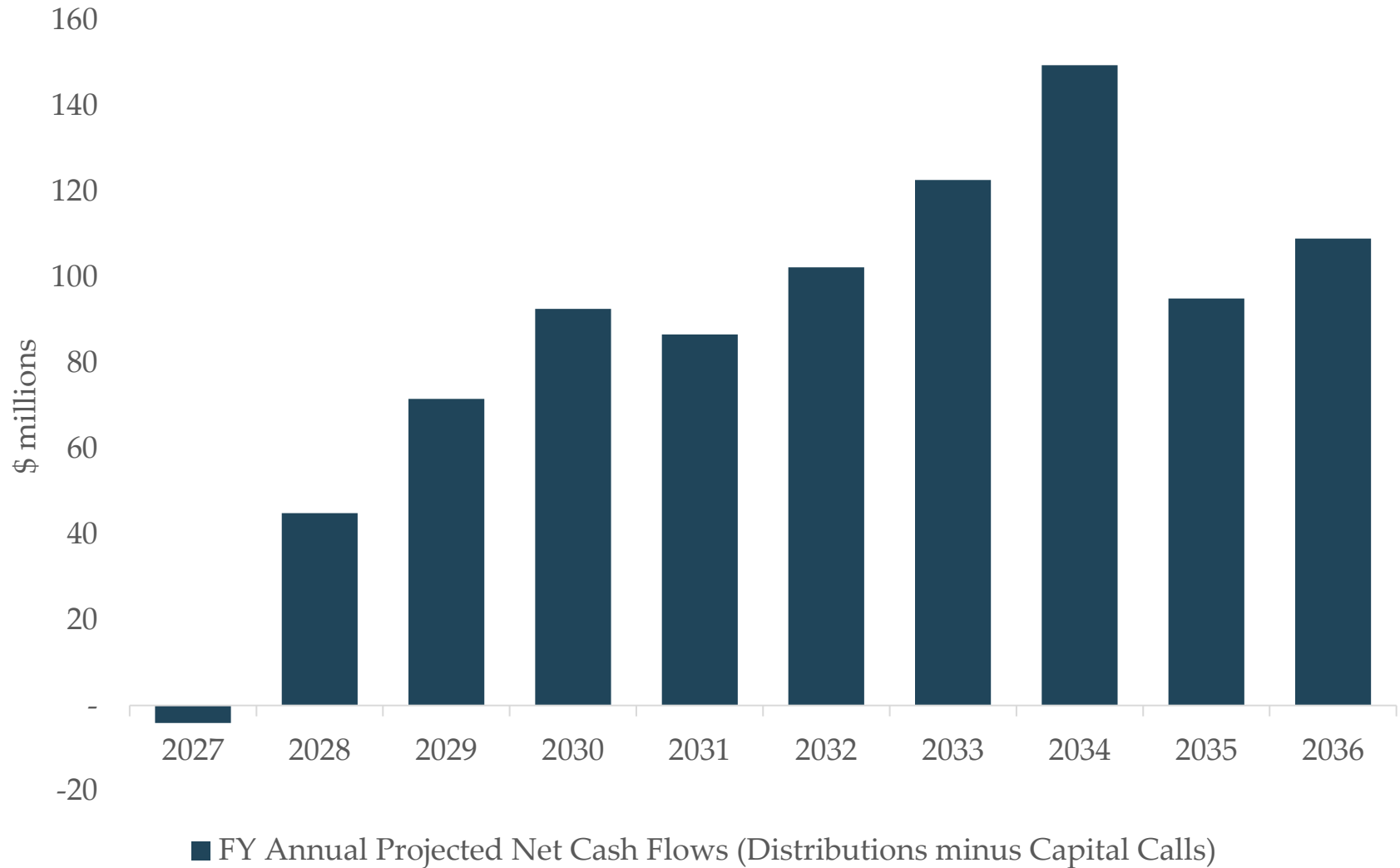
| | Unfunded Commitments | % of Plan |
|------------------------------|---------------------------------|------------------|
| Buyout | 253 | 4.3% |
| Venture Capital | 104 | 1.8% |
| Private Debt | 232 | 3.9% |
| Growth Real Estate | 121 | 2.0% |
| Private Real Assets | 106 | 1.8% |
| Total Private Markets | 816 | 13.8% |

Values in \$ millions
As of September 30, 2025

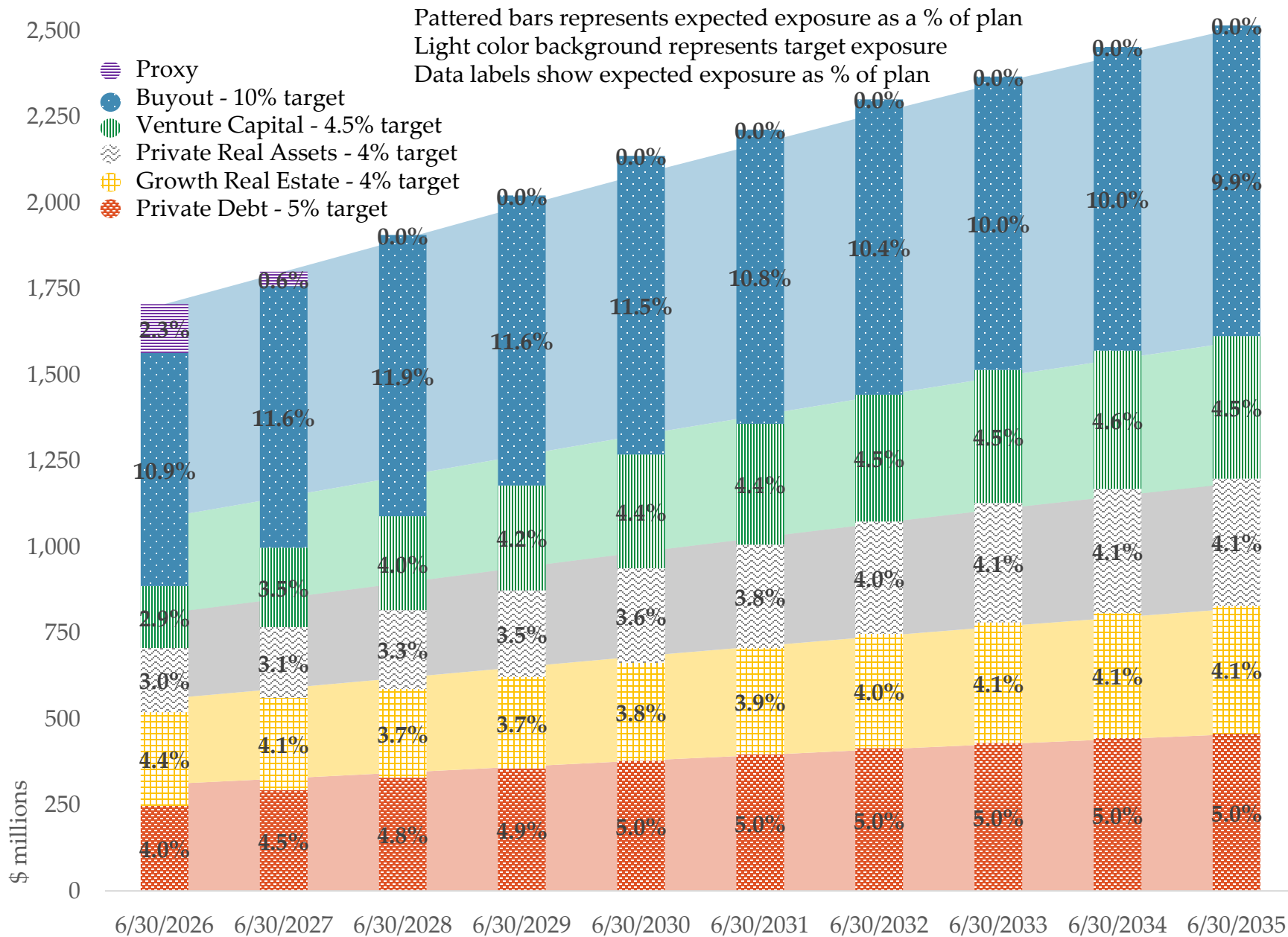
Change in Pacing Plan from Prior Year Modeling

| | FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 | FY 30-31 |
|------------------------------|-----------|------------|------------|------------|------------|
| Buyout | - | -25 | -25 | -25 | -25 |
| Venture Capital | - | - | - | - | -5 |
| Private Debt | - | - | - | - | - |
| Growth Real Estate | - | - | +5 | +5 | +5 |
| Private Real Assets | +5 | +5 | +10 | +10 | +10 |
| Total Private Markets | +5 | -20 | -10 | -10 | -15 |

Cash Flows Expected to Turn Positive in 2028



Forecast Private Markets Net Asset Values



Pacing Plan Recommendation

- Target commitment amounts from pacing plan modeling completed by Neuberger Berman (buyout) and Meketa Investment Group (other private asset classes) are below.
- The IPS commitment limit per asset class is 150% of the pacing plan plus cumulative catch-up for prior year under-commitments. The maximum commitments for FY 26-27 is \$604 million including \$34 million of Growth Real Estate under-commitments.
- **Staff recommends approval of the pacing plan commitment amounts for FY 26-27.**

| | FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 | FY 30-31 |
|------------------------------|------------|------------|------------|------------|------------|
| Buyout | 125 | 100 | 100 | 125 | 125 |
| Venture Capital | 40 | 40 | 40 | 40 | 35 |
| Private Debt | 80 | 80 | 80 | 90 | 90 |
| Growth Real Estate | 75 | 75 | 80 | 80 | 80 |
| Private Real Assets | 60 | 60 | 60 | 60 | 60 |
| Total Private Markets | 380 | 355 | 360 | 395 | 390 |

Values in \$ millions