



**OREGON
STATE
TREASURY**

Oregon Investment Council

March 4, 2026

Alline Akintore
Chair

Elizabeth Steiner
State Treasurer

Rex Kim
Chief Investment Officer



Investment Division
16290 SW Upper Boones Ferry Road
Tigard, OR 97224
503.431.7900

Main Office
867 Hawthorne Ave SE
Salem, OR 97301
503.378.4000

oregon.gov/treasury
oregon.treasurer@state.or.us



Oregon State Treasury
Investment Division
16290 SW Upper Boones Ferry Road
Tigard, OR 97224

Agenda

March 4, 2026
9:00 AM

<u>Time</u>	<u>Tab</u>		<u>Presenter</u>
9:00 – 9:05	1	Review & Approval of Minutes January 21, 2026	Alline Akintore <i>OIC Chair</i>
	2	Committee Reports	Rex Kim <i>Chief Investment Officer</i>
9:05 – 9:35	3	Energy Transition	John Goldstein <i>Global Head of Sustainability and Impact Solutions, Asset & Wealth Management, Goldman Sachs</i>
9:35 – 9:40	4	OIC Chair and Vice Chair Election (Action Item: Vote on Election)	OIC Members
9:40 – 10:05	5	Capital Markets Assumptions (Action Item: Approval of Assumptions)	Colin Bebee <i>Managing Principal, Meketa</i> Raneen Jalajel <i>Partner, Aon</i>

--BREAK--

10:15 – 10:45 6 **Fiduciary Training**
Mika Malone
Managing Principal, Meketa
Raneen Jalajel
Partner, Aon

10:45 – 11:15 7 **OPERF: Annual Performance Review**
Mika Malone
Managing Principal, Meketa
Paola Nealon
Managing Principal, Meketa
Ashley Woeste
Senior Vice President, Meketa

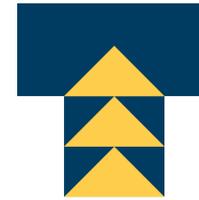
11:15 – 11:45 8 **CSF: Annual Performance Review**
Jamie McCreary
Service Model Program Manager
Tad Ferguson
Director of Private Markets
Raneen Jalajel
Partner, Aon

--BREAK--

After conclusion of scheduled agenda items:

9 **Open Discussion** OIC Members, Staff, Consultants

10 **Public Comments**



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TAB 1

REVIEW AND APPROVAL OF MINUTES

State of Oregon

Office of the State Treasurer

16290 SW Upper Boones Ferry Road
Tigard, Oregon 97224

OREGON INVESTMENT COUNCIL

January 21, 2026

Meeting Minutes

Members Present: Treasurer Elizabeth Steiner, Cara Samples, Alline Akintore, Lorraine Arvin, Pia Wilson-Body, Kevin Olineck

Staff Present: Rex Kim, George Naughton, David Randall, Sybil Ackerman-Munson, Louise Howard, Tad Fergusson, Karl Cheng, Amy Hsiang-Wei, Jen Plett, Philip Larrieu, Byron Williams, Eric Engelson, Chris Ebersole, Kenny Bao, Eric Messer, Claire Illo, Wil Hiles, Perrin Lim, Andrey Voloshinov, Nick Haskins, Elissa Gavette, Ahman Dirks, Jamie McCreary, Tim Kane, Bryson Pate, Jordan Proudfoot

Staff Participating Virtually: Bri Naber, Aaron Schaffer, Aleshia Slaughter, Young Kim, Jason Service, Kiara Cruz, Shain Corey, Alli Gordon, Mark Selfridge, Dana Millican, Trey Petersonwood, Ben Mahon, Carey Gonzalez, Victoria Tan, Erica Hall, Amanda Kingsbury, Ian Huculak, Andrew Coutu, Taylor Bowman, Michael Makale, Debra Day, Anna Totdahl, Tan Cao, Roy Jackaon, Keaton Flannery, Wendi Nelson, Sommer May, Mike Mueller, Paul Koch, Patrick Deptula, Aiese Jacobsen, Erica Hall, Krystal Korthals, Faith Sedberry, Tiffany Zahas, Ashley Daigle, Geoff Hildreth, Robb Cowie, Melissa Sloan, Jeremy Knowles, Scott Robertson, Mohammed Quraishi, Oyin Ajayi, Talia Riordan, Will Hampson, Elena Krupinova

Consultants Present: Allan Emkin, Mika Malone, Raneen Jalajel, Thomas Martin, Christy Fields(attended virtually), Ashley Woeste(attended virtually), Stephen Kennedy(attended virtually)

PERS Present: Kevin Olineck

Legal Counsel Present: Steve Marlowe (Department of Justice)

The Oregon Investment Council (OIC) Regular meeting was called to order at 9:00am by Chair Samples.

<u>Time</u>	<u>Tab</u>		<u>Presenter</u>
9:01 – 9:05	1	<p>Review & Approval of Minutes December 3, 2025</p> <p>Chair Samples asked for approval of the OIC Regular Meeting minutes from December 3, 2025. Member Arvin moved approval, member Wilson-Body seconded the motion, which then passed by a 5/0 vote at 9:02am (Yes votes: <i>Treasurer Elizabeth Steiner, Chair Cara Samples, Vice-Chair Alline Akintore, Lorraine Arvin, and Pia Wilson-Body</i>).</p>	<p>Cara Samples <i>OIC Chair</i></p>
	2	<p>Committee Reports</p> <p><u>OST Investment Committee</u> OPERF: None.</p> <p><u>Staff Discretion</u> OPERF: None.</p> <p>CSF: December 9th Francisco Partners VIII, L.P. \$15M USD December 11th TPG Partners X, L.P. \$15M USD</p>	<p>Rex Kim <i>Chief Investment Officer</i></p>
9:04 – 9:05	3	<p>2027 OIC Calendar Approval (Action Item: Vote on Approval of Meeting Dates)</p> <p>Chair Samples asked for approval of the 2027 OIC meeting calendar. Member Arvin moved approval at 9:05 am, Treasurer Steiner seconded the motion which then passed by a 5/0 vote. (Yes votes: <i>Treasurer Elizabeth Steiner, Chair Cara Samples, Vice-Chair Alline Akintore, Lorraine Arvin, and Pia Wilson-Body</i>).</p>	<p>Cara Samples <i>OIC Chair</i></p>
9:05– 9:27	4	<p>CSF Risk Survey</p> <p>Partner with Aon Raneen Jalajel, presented on the CSF risk survey. The presentation contained results from the survey on risk to provide inputs to consider in the upcoming asset allocation study for the CSF. This survey took place in the fourth quarter of 2025 and was given to the six OIC members and nine OST senior investment officers. The finding is that the OIC and OST staff share a similar view across the majority of topics.</p>	<p>Raneen Jalajel <i>Partner, Aon</i></p>

9:28 – 10:50 5

OPERF: Private Equity Annual Review

Tad Ferguson
Director of Private Markets
 Ahman Dirks
Investment Officer, Private Equity
 Eric Messer
Investment Officer, Private Equity
 Tom Martin
Partner, Co-Head of Private Equity, Aksia
 Derrek Ransford
Managing Director, Pathway Capital Management
 Pete Veravanich
Managing Director, Pathway Capital Management

Tad Ferguson, Director of Private Markets, Ahman Dirks, Investment Officer, Eric Messer, Investment Officer, Tom Martin, Partner and Co-Head of Private Equity with Aksia, Derrek Ransford and Pete Veravanich, both Managing Directors with Pathway Capital Management, presented the OPERF Private Equity Annual Review. The presentation included an economic and market update that discussed 2025 in review, allocation, commitments, and private equity exposure.

OPERF's Private Equity made progress towards target allocation of 20%, ending the past year (as of 9/30/2025) at 25%, within established policy ranges. Returns trailed the policy benchmark on the 1, 3, 5 and 10-year periods.

--BREAK--

10:58 – 11:36 6

OPERF: Public Equity Annual Review

Louise Howard
Director of Capital Markets
 Wil Hiles
Investment Officer, Public Equity
 Claire Illo
Investment Officer, Public Equity

Louise Howard, Director of Capital Markets, Wil Hiles, Investment Officer, Claire Illo, Investment Officer, presented the OPERF Public Equity Annual Review. The presentation included a market review, an overview of the strategic role of the portfolio, the performance of the portfolio, and the forward plan.

OPERF's Public Equity 2025 YTD return (as of 9/30/2025) was in line with policy benchmark and outperformed on the 3, 5, and 10-year periods.

After conclusion of scheduled agenda items:

7

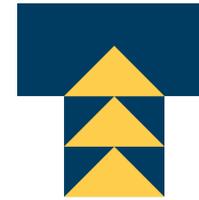
Open Discussion

OIC Members, Staff, Consultants

Treasurer Steiner and Staff thanked Chair Cara Samples and Lorraine Arvin on their service as this was their last meeting.

8 Public Comments

The OIC Regular meeting adjourned at 11:48am.



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TAB 2
COMMITTEE REPORTS



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TAB 3
ENERGY TRANSITION



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TAB 4

OIC CHAIR AND VICE CHAIR ELECTION



TAB 5

CAPITAL MARKETS ASSUMPTIONS

Oregon Investment Council

March 4, 2026

Asset-Liability Study:
2026 Capital Market Assumptions

Table of Contents

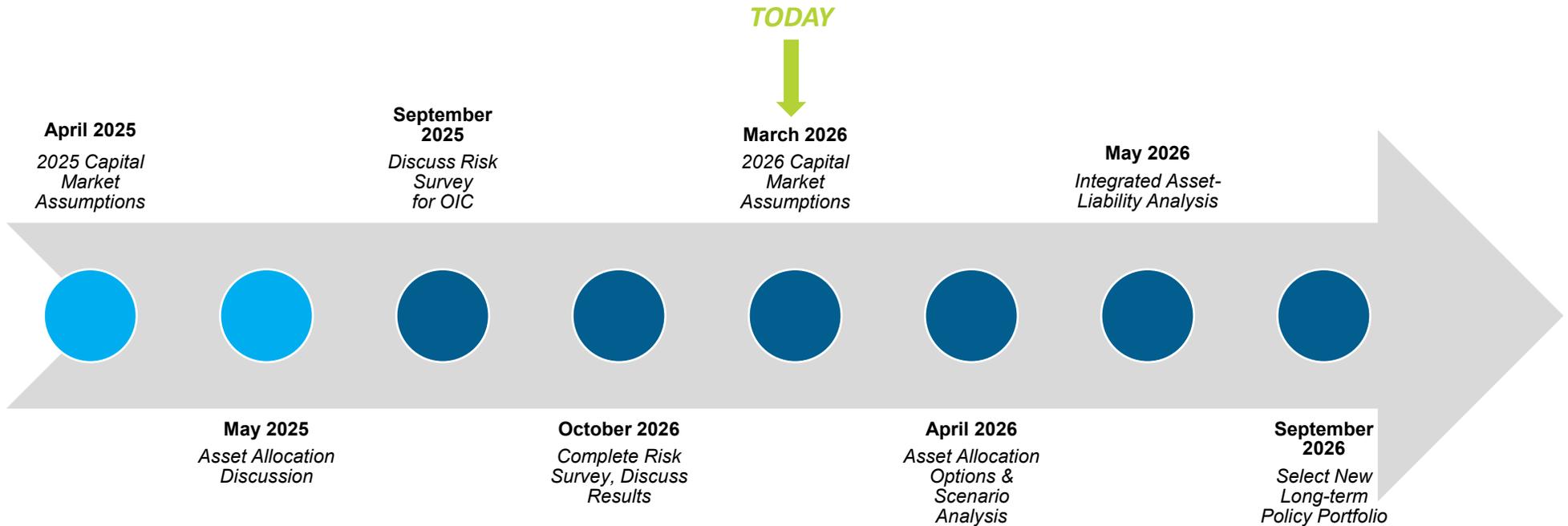
1. Introduction
2. Overview of Process
3. Market Context
4. OPERF Asset Classes
5. Conclusion
6. Appendix

Introduction

Goals of Today

1. Review Asset-Liability Study (“ALS”) timeline.
2. Present combined Meketa/Aon/Staff 2026 Capital Market Assumptions (“CMAs”), including market context and background on the CMA development process.
3. Propose inclusion of one new asset class (Credit) for the modeling process.
4. Seek approval by the OIC to utilize proposed CMAs in the 2026 ALS.

Asset-Liability Study Timeline



- Excluding today (March 2026), there will be three main ALS-oriented OIC meetings (April-September).
- Meketa, Aon, and Staff expect to conclude the Asset-Liability Study in September 2026.

Overview of Process

Setting Capital Market Assumptions (“CMAs”)

- CMAs are the inputs needed to calculate a portfolio’s expected return, volatility, and relationships (i.e., correlations) to the broader markets.
 - CMAs are also used in mean-variance optimization, simulation-based optimization, asset-liability modeling, and every other technique for finding “optimal” portfolios.
- Consultants (including Meketa) generally set them once per year.
 - Our results are published in January based on December 31 data.
- This involves setting long-term expectations for a variety of asset class/strategy attributes:
 - Returns
 - Standard Deviations
 - Correlations
- We do not assume any “alpha generation”, and all assumptions are inclusive of estimated fees.

- Today’s CMA presentation will walk through three items:
 1. Meketa’s process for developing CMAs
 2. Comparison of CMAs across Meketa/Aon/Staff
 3. Expected return and risk profile of the OPERF Policy Targets using Meketa/Aon/Staff averaged CMAs

Asset Class Definitions

- We identify asset classes and strategies that are both investable and appropriate for the long-term allocation of funds.
- Several considerations influence this process:
 - Unique return behavior
 - Observable historical track record
 - A robust market
 - Client requests
- We then make forecasts for each asset class.
 - We created inputs for 115 “asset classes” for our 2026 Capital Markets Assumptions.

Developing Expected Returns

- Market practitioners generally make use of three methods for developing long-term expected returns:
 - Historical average returns
 - Financial/economic theory (e.g., higher risk = higher returns, capital structures, etc.)
 - Current measures (e.g., starting valuations relative to history)
- In addition to the above, practitioners also incorporate general projections for macroeconomic metrics such as GDP and inflation, among others.
- Meketa's methods are in-line with industry standards and represent a mixture of the three mechanisms.
 - Historical average returns play the smallest role in our assumptions.

Building 10-Year Forecasts

→ Our first step is to develop 10-year forecasts based on fundamental models.

- Each model is based on the most important factors that drive returns for that asset class:

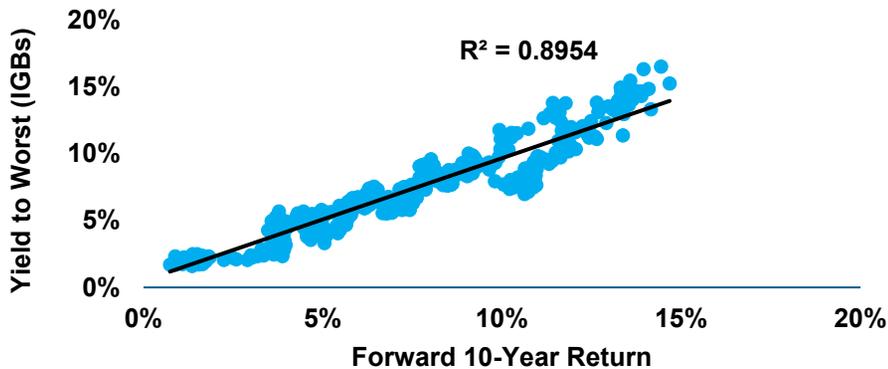
Asset Class Category	Major Factors
Equities	Dividend Yield, Earnings Growth, Valuation
Bonds	Yield to Worst, Default Rate, Recovery Rate
Commodities	Collateral Yield, Roll Yield, Inflation
Infrastructure	Public IS Valuation, Income, Growth, Leverage
Natural Resources	Price per Acre, Income, Public Market Valuation
Real Estate	Cap Rate, Yield, Growth, Leverage
Private Equity	EBITDA Multiple, Leverage, Public VC Valuation
Hedge Funds and Other	Leverage, Alternative Betas

→ The common components are income, growth, and valuation.

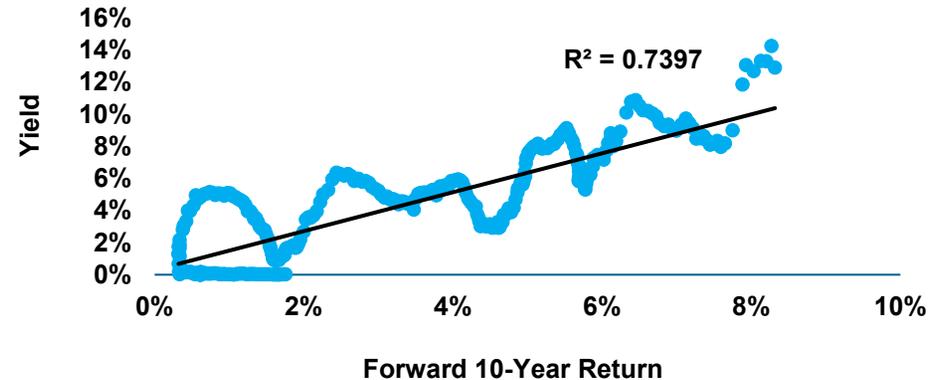
- Leverage and currency impact are also key factors for many strategies.

Some Factors are Naturally More Predictive Than Others

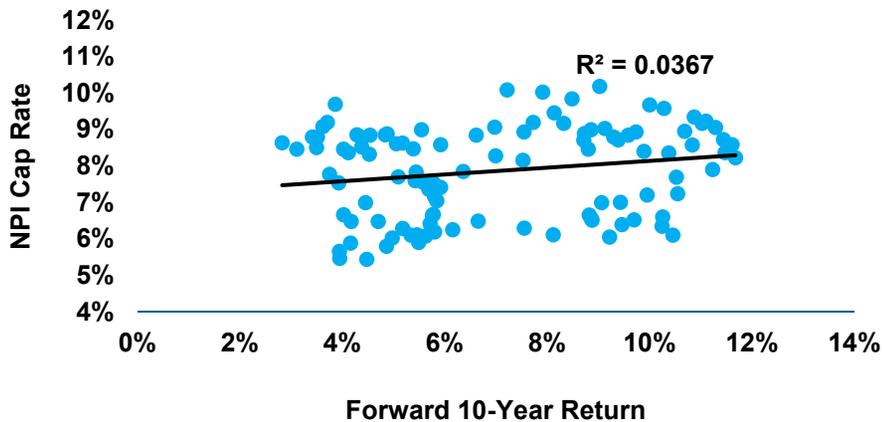
Investment Grade Bonds
Yield to Worst vs. Forward 10-Year Returns



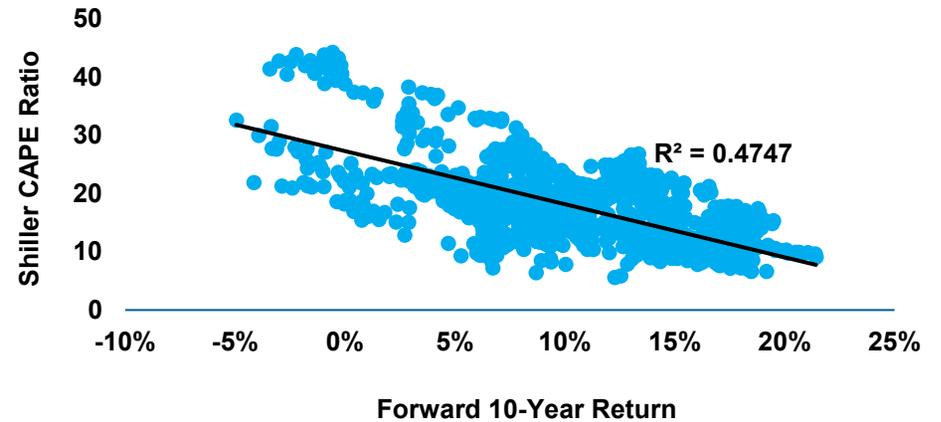
Cash (90-Day T-Bill)
Yield vs. Forward 10-Year Returns



Core Real Estate
Cap Rates vs. Forward 10-Year Returns



US Equities
Shiller CAPE vs. Forward 10-Year Returns



Sources: Bloomberg, FRED, NCREIF, S&P, Robert Shiller (Yale University), and Meketa Investment Group. As of December 31, 2024.

The Other Inputs: Standard Deviation and Correlation

Standard Deviation:

- We review the trailing twenty-year standard deviation, as well as skewness.
- Historical standard deviation serves as the base for our assumptions.
- If there is a negative skew, we increased the volatility assumption based on the size of the historical skewness.
- We also adjust for private market asset classes with “smoothed” return streams.

Correlation:

- We use trailing twenty-year correlations as our guide.
- Again, we make adjustments for “smoothed” return streams.
- Most of our adjustments are conservative in nature (i.e., they increase the standard deviation and correlation).

Generic Asset Classes – Meketa’s Expected Return and Changes from 2025

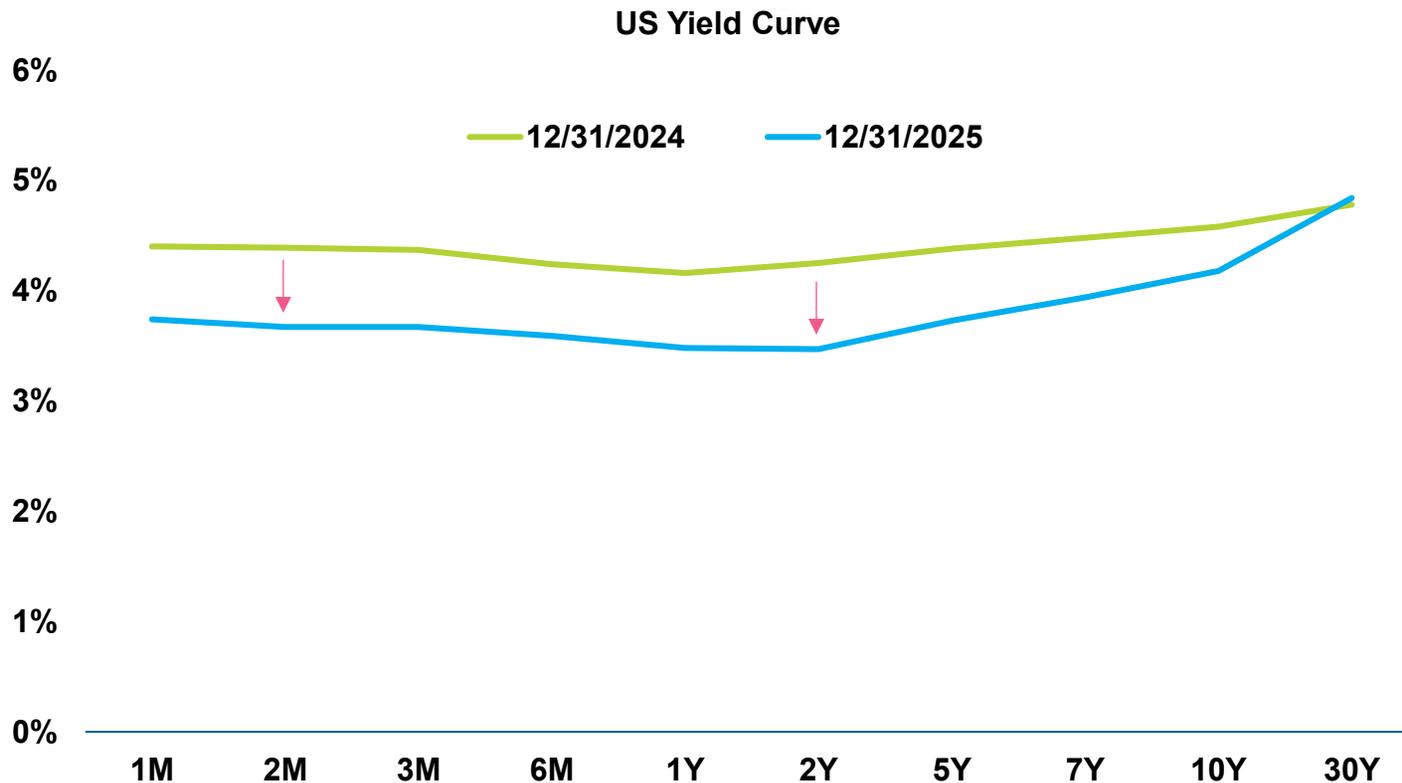
Asset Class	2026 10-year Expected Return (%)	Δ From 2025 (%)
Cash Equivalents	2.8	0.0
Investment Grade Bonds	4.2	-0.7
Long-term Government Bonds	4.5	-0.5
TIPS	3.8	-0.5
High Yield Bonds	5.4	-0.9
Bank Loans	5.6	-0.7
Emerging Market Debt	5.7	-0.6
Private Debt	7.8	-0.9
US Equity	6.3	-0.1
Developed Non-US Equity	6.2	-1.0
Emerging Non-US Equity	6.2	-0.9
Global Equity	6.3	-0.3
Private Equity	9.0	-0.8
Real Estate	7.1	+0.2
Infrastructure	7.4	+0.2
Commodities	5.0	-0.5
Hedge Funds	3.8	-0.4
Inflation	2.3	0.0

Meketa’s 2026 expected returns declined for nearly all asset classes.

Market Context

Falling Interest Rates

- The short and intermediate portions of the yield curve moved down, driven by multiple Fed rate cuts.
- The result was a shift away from the slightly “U”-shaped curve to a somewhat more traditional shape (i.e., upward sloping, at least beyond two years).



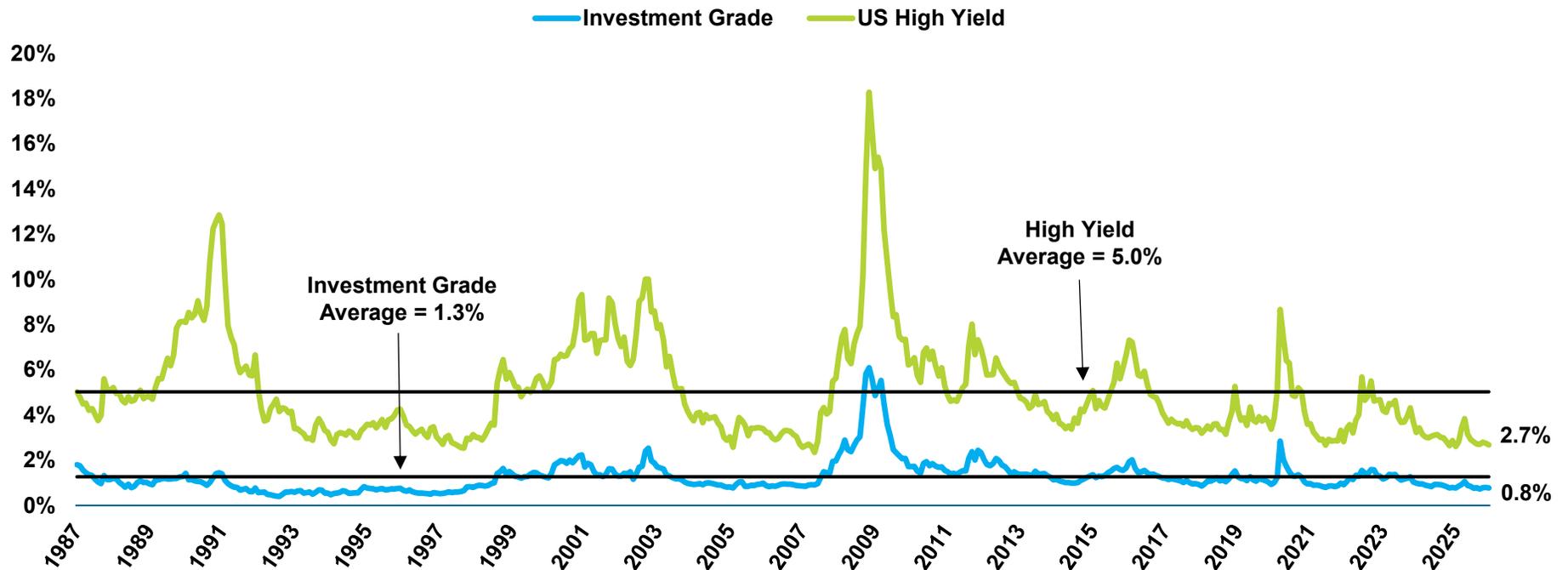
Source: Bloomberg. Data is as of December 31, 2025.

Slightly Narrower Credit Spreads

→ Credit spreads tightened slightly in 2025, moving further below their long-term averages.

- The spread for high yield bonds declined from 287 basis points to 266 basis points, while the spread for investment grade corporates declined from 80 basis points to 78 basis points.

US Investment Grade and High Yield Credit Spreads



Source: Bloomberg. High Yield is proxied by the Bloomberg High Yield Index and Investment Grade Corporates are proxied by the Bloomberg US Corporate Investment Grade Index. Spread is calculated as the difference between the Yield to Worst of the respective index and the 10-Year US Treasury yield. Data is as of December 31, 2025.

Lower Yields

- Short-term interest rates declined as the Fed cut its target rate, and the yield on the 10-year Treasury decreased.
- Tighter credit spreads amplified the yield reduction in credit markets.

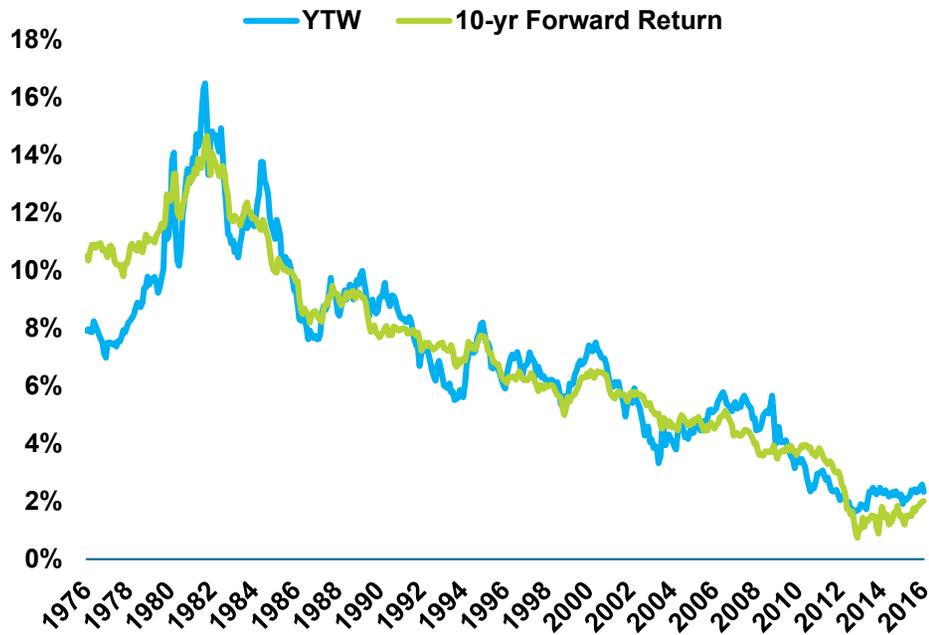
Index	Yield to Worst 12/31/25 (%)	Yield to Worst 12/31/24 (%)
Fed Funds Effective Rate	3.50 – 3.75	4.25 – 4.50
10-year Treasury	4.18	4.58
Bloomberg Aggregate	4.32	4.91
Bloomberg Corporate	4.81	5.33
Bloomberg Securitized	4.61	5.25
Bloomberg Global Aggregate	3.52	3.68
Bloomberg US Corporate High Yield	6.53	7.49

Source: Bloomberg. Data is as of December 31, 2024 and December 31, 2025.

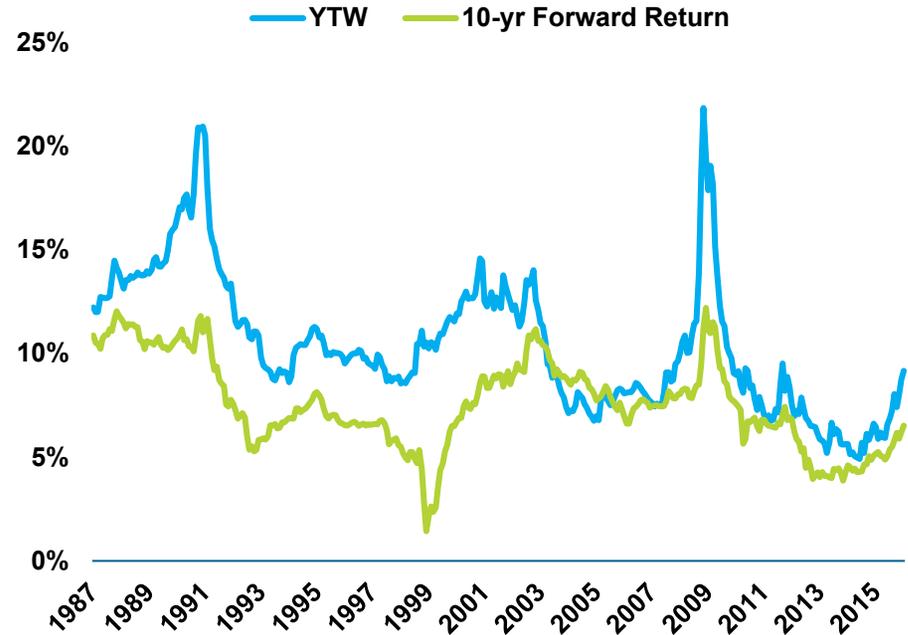
Yields Drive Future Returns

→ Changes in interest rates matter because yields have proven a very good predictor of future returns for bonds,¹ at least over a 10-year horizon.

YTW and Returns for Investment Grade Bonds



YTW and Returns for High Yield Bonds



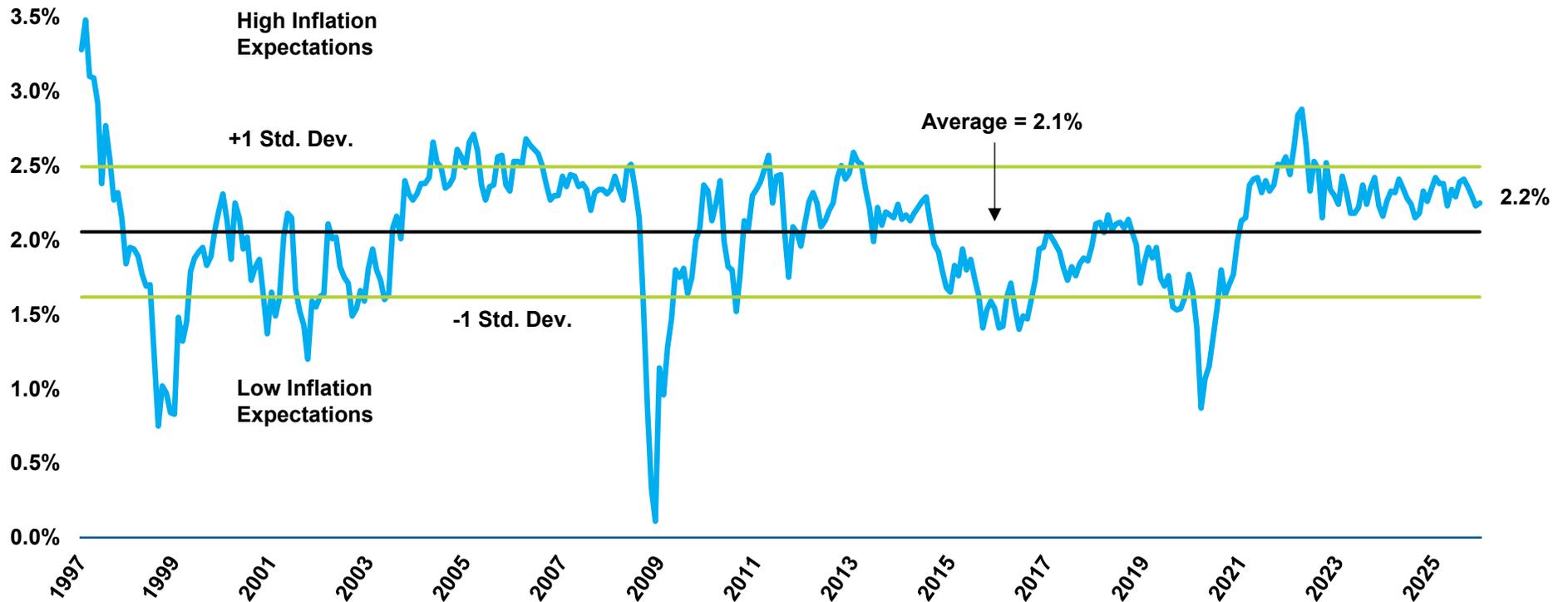
¹ When predicting returns for bonds, default risk should also be taken into account. For example, defaults are why the return for high yield bonds have generally been below the starting yield.
Source: Bloomberg Aggregate and Bloomberg High Yield indices. Data is as of December 31, 2025.

Similar Inflation Expectations

→ Despite many inflation-related headlines during the year, the market’s expectations for inflation were little changed at the end of 2025.

- The 10-year breakeven inflation rate decreased slightly, from 2.3% to 2.2%.

Ten-Year Breakeven Inflation

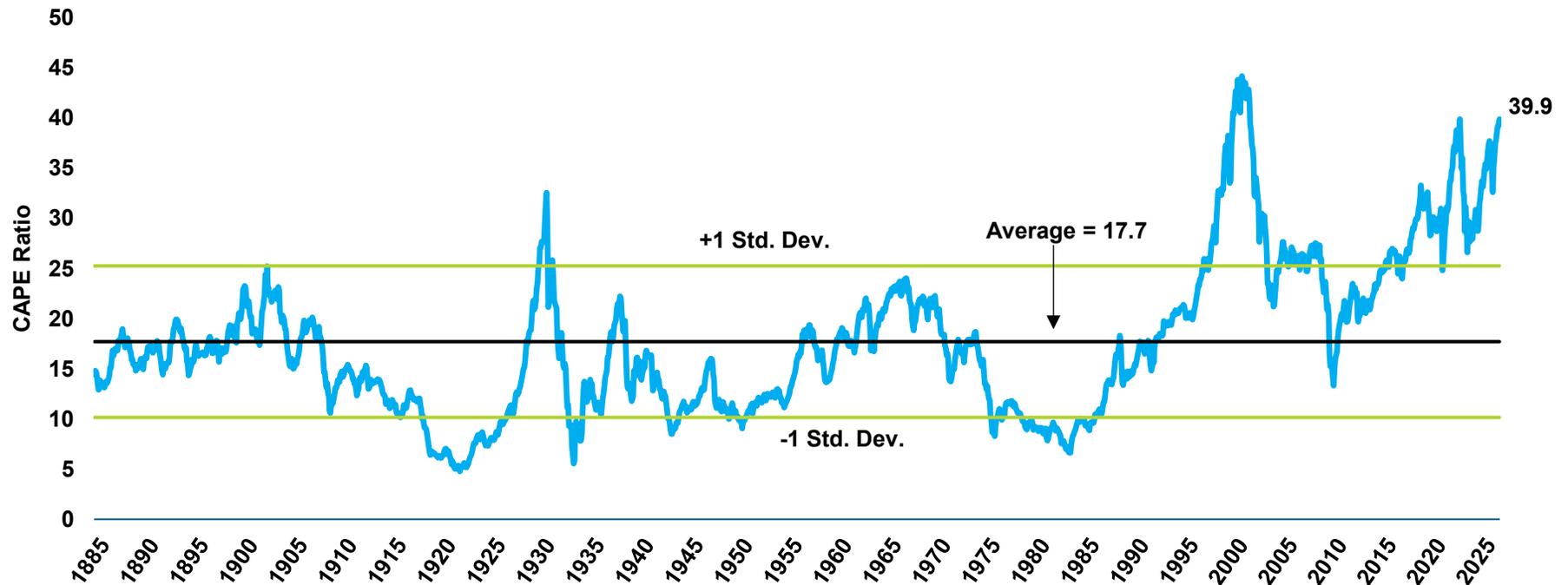


Source: US Treasury and Federal Reserve. Inflation is measured by the Consumer Price Index (CPI-U NSA). Data is as of December 31, 2025.

Surprisingly Little Change in US Equity Valuations

- US stocks had another good year, with the S&P 500 index gaining 17.9%.
- Valuations are higher than one year ago, with the CAPE moving from 38 to 39.9.
- Still, valuations remain elevated relative to their long-term history.

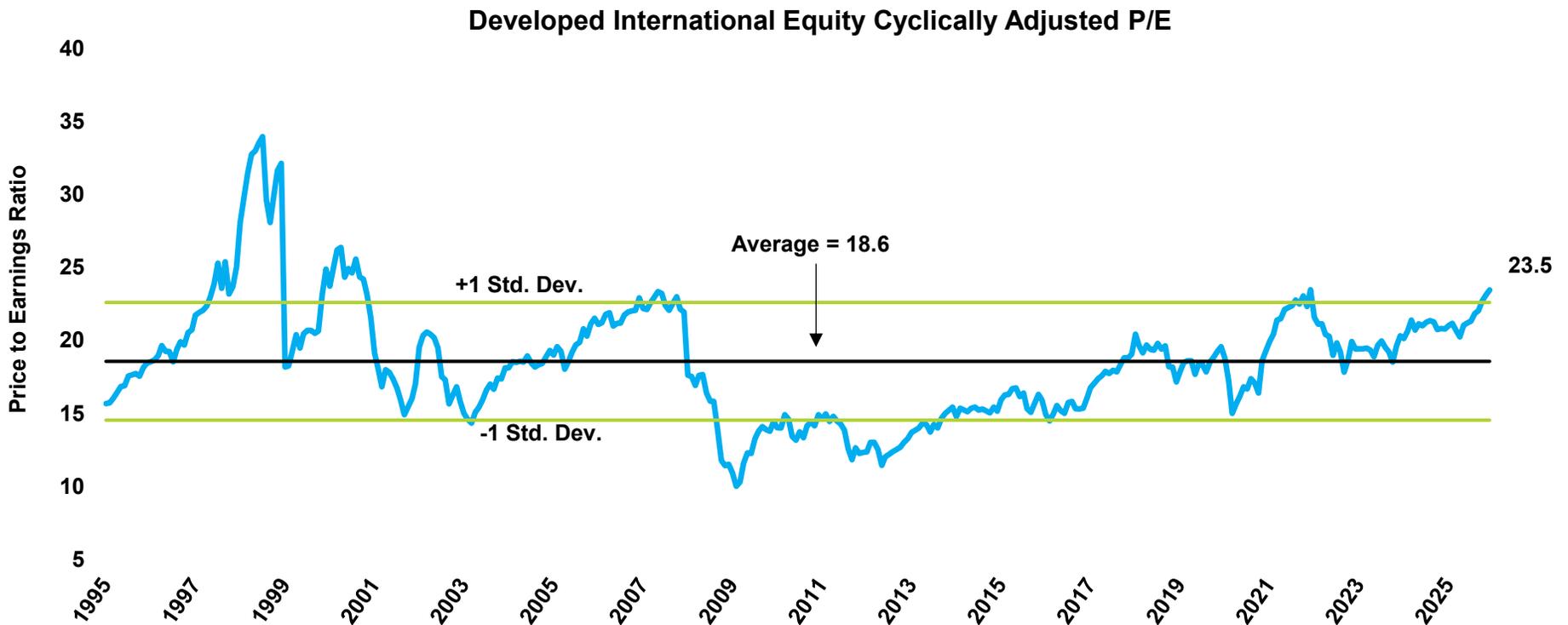
US Equity Cyclically Adjusted Price/Earnings



Source: Robert Shiller, Yale University, and Meketa Investment Group. Data is as of December 31, 2025 for the S&P 500 Index.

Higher Non-US Developed Equity Valuations

- EAFE equities had a great year, posting a 31.2% gain for USD investors.
 - A currency tailwind aided these gains, as EAFE posted a 20.6% return in local currency terms.
- The gains also reflected higher valuations, with the price-earnings ratio going from 21 to 23.5.
 - EAFE valuations are now above their historical average.

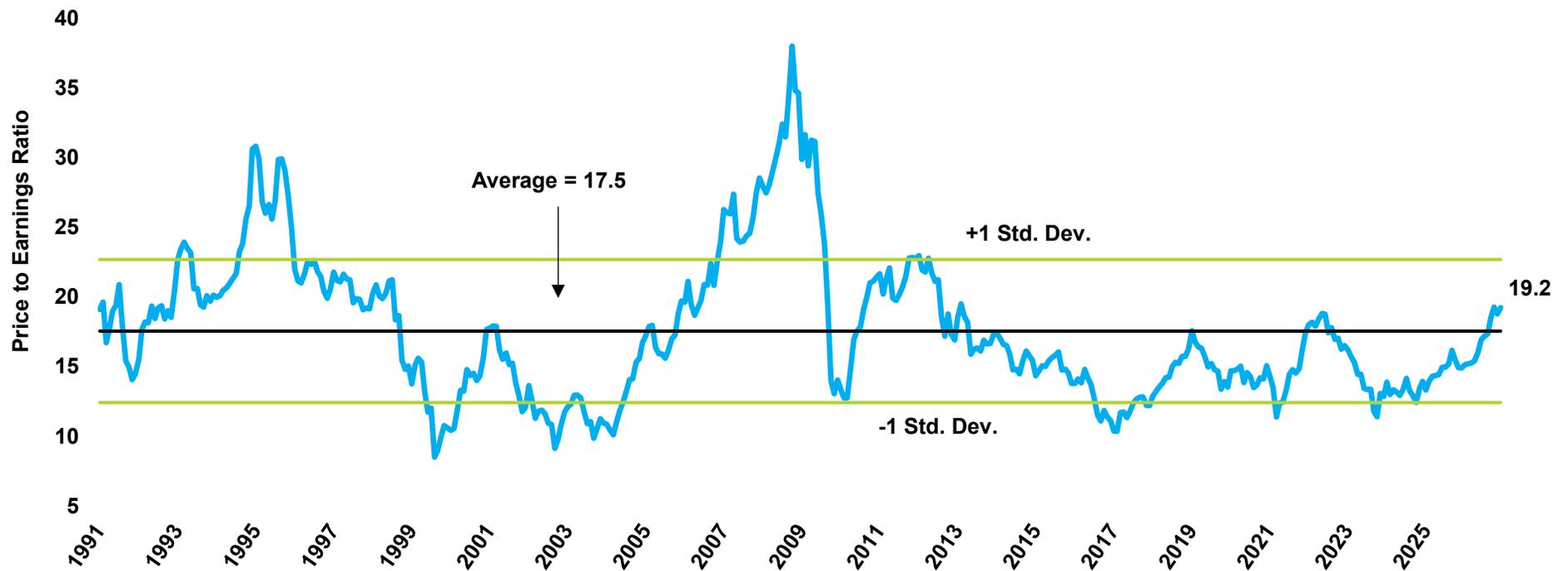


Source: MSCI and Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of December 31, 2025.

Higher Prices in Emerging Market Equities

- Emerging market equities had a great year, gaining 33.5% for USD investors.
- These gains were driven largely by higher valuations, with the price-earnings ratio going from 14.8 to 19.2.
 - As a result, EM equity valuations have also moved above their long-term average, with the EM ex-China index continuing to trade at higher valuations than the China index.

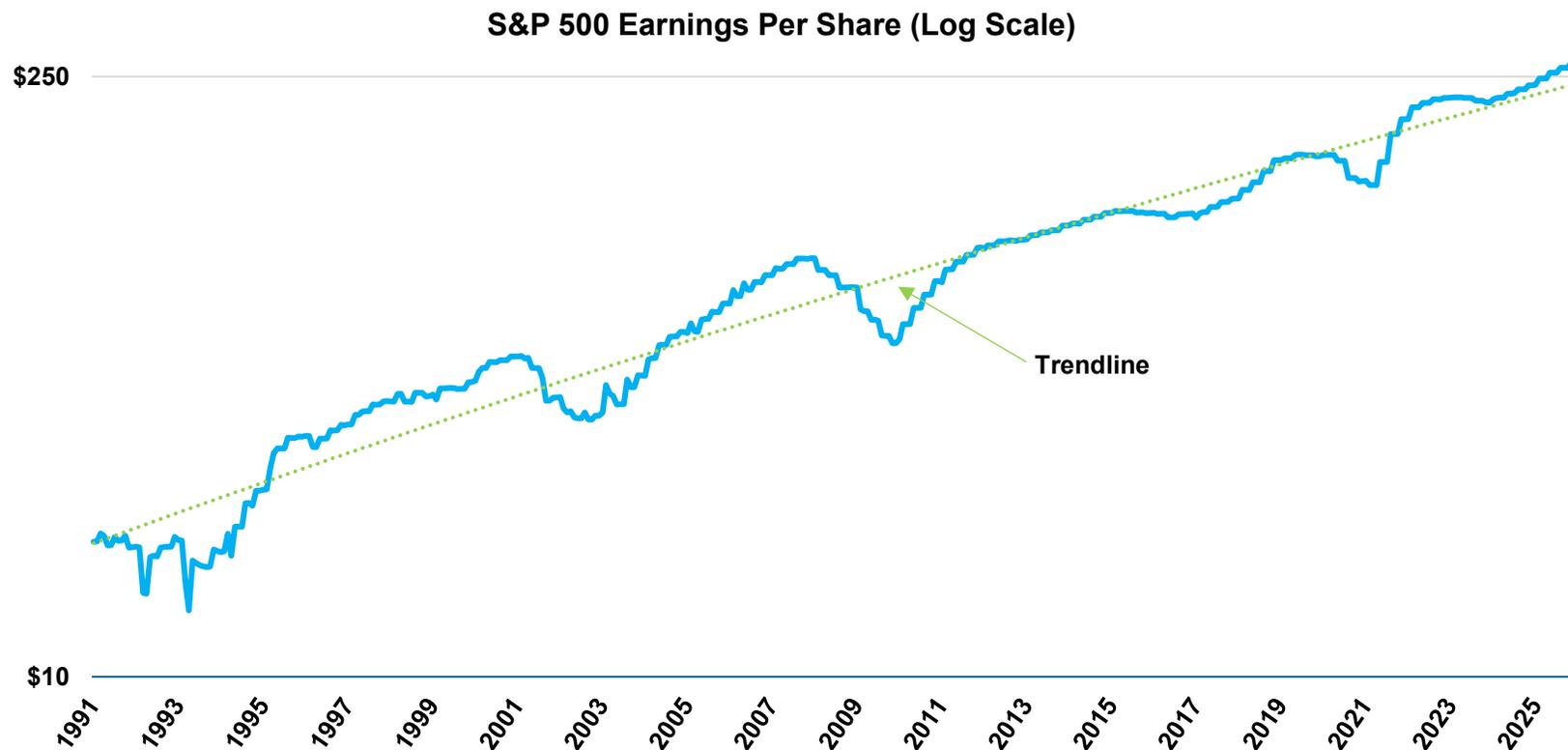
Emerging Market Equity Cyclically Adjusted P/E



Source: MSCI and Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of December 31, 2025.

Strong US Earnings Growth

- S&P 500 earnings (EPS) had a good year, growing by 13%.
- At year-end, estimates were that EPS had hit a new peak.

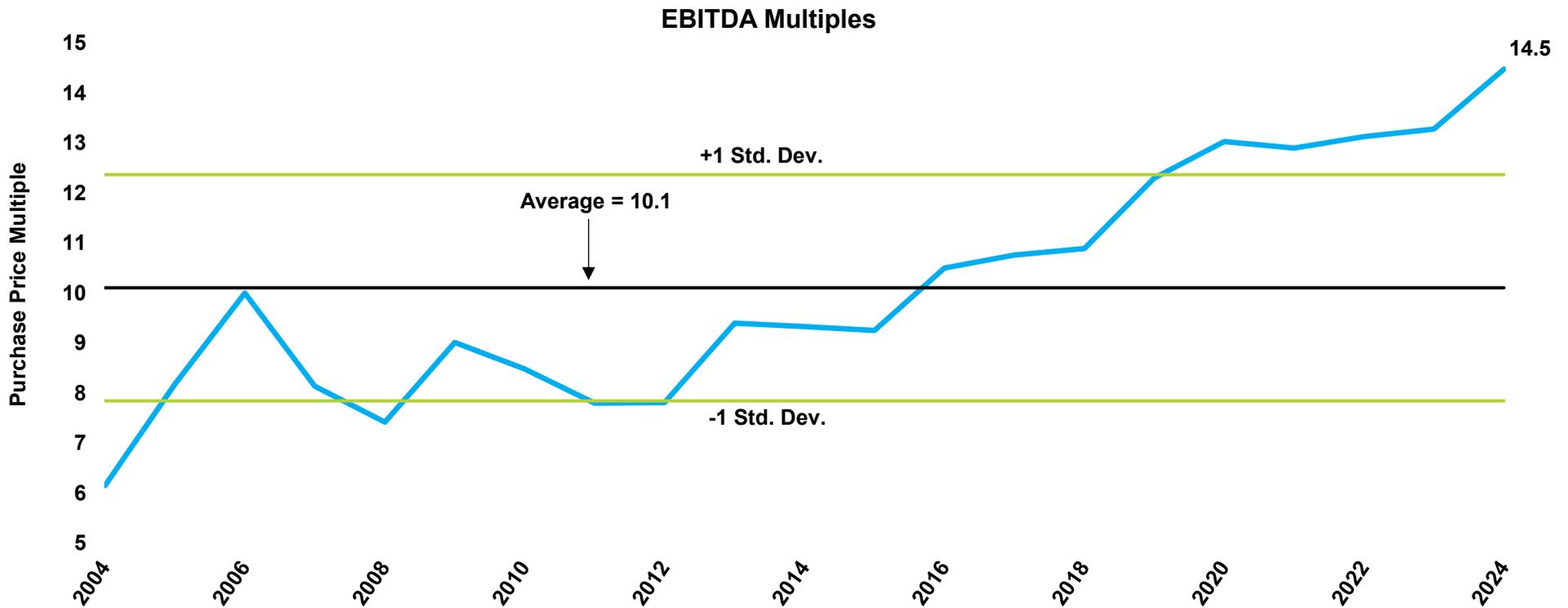


Source: S&P 500 Index data from Bloomberg. Represents trailing 12-month "as reported" earnings per share. Data is as of December 31, 2025.

Private Equity Prices Rebounding

→ EBITDA multiples for buyouts have risen substantially over the past ten years.

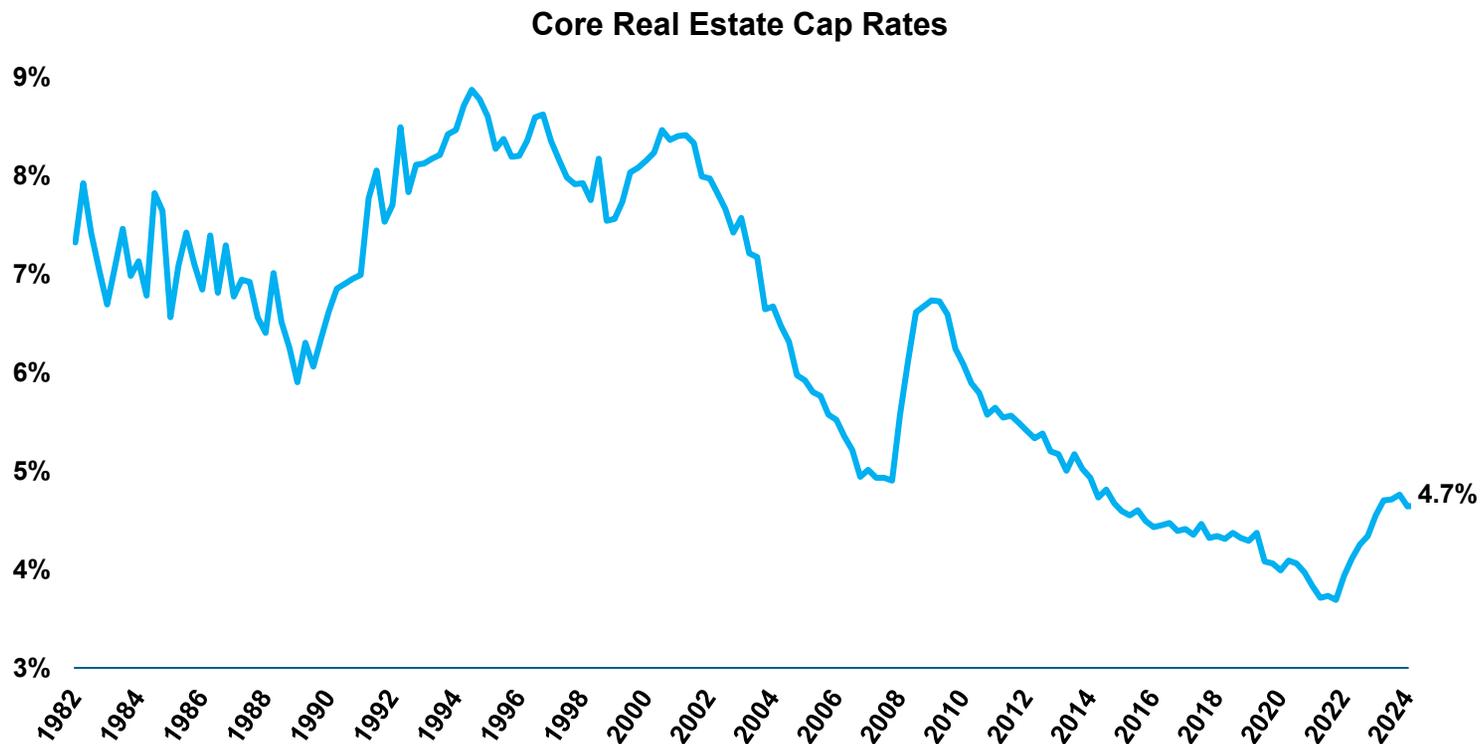
- Preliminary data for 2025 show a slight downtick in multiples, but that is based on a very small fraction of the anticipated number of deals (~15% of the number of deals from 2024).



Source: Preqin Median EBITDA Multiples Paid in All LBOs. Data pulled as of 1/8/2025.

Real Estate Valuations Solidifying

- Cap rates appeared to level off in 2025.
 - This is likely welcomed by investors who have seen cap rates rise (and prices fall) for several years.
- Still, cap rates remain below the trough experienced during the Global Financial Crisis (“the GFC”).

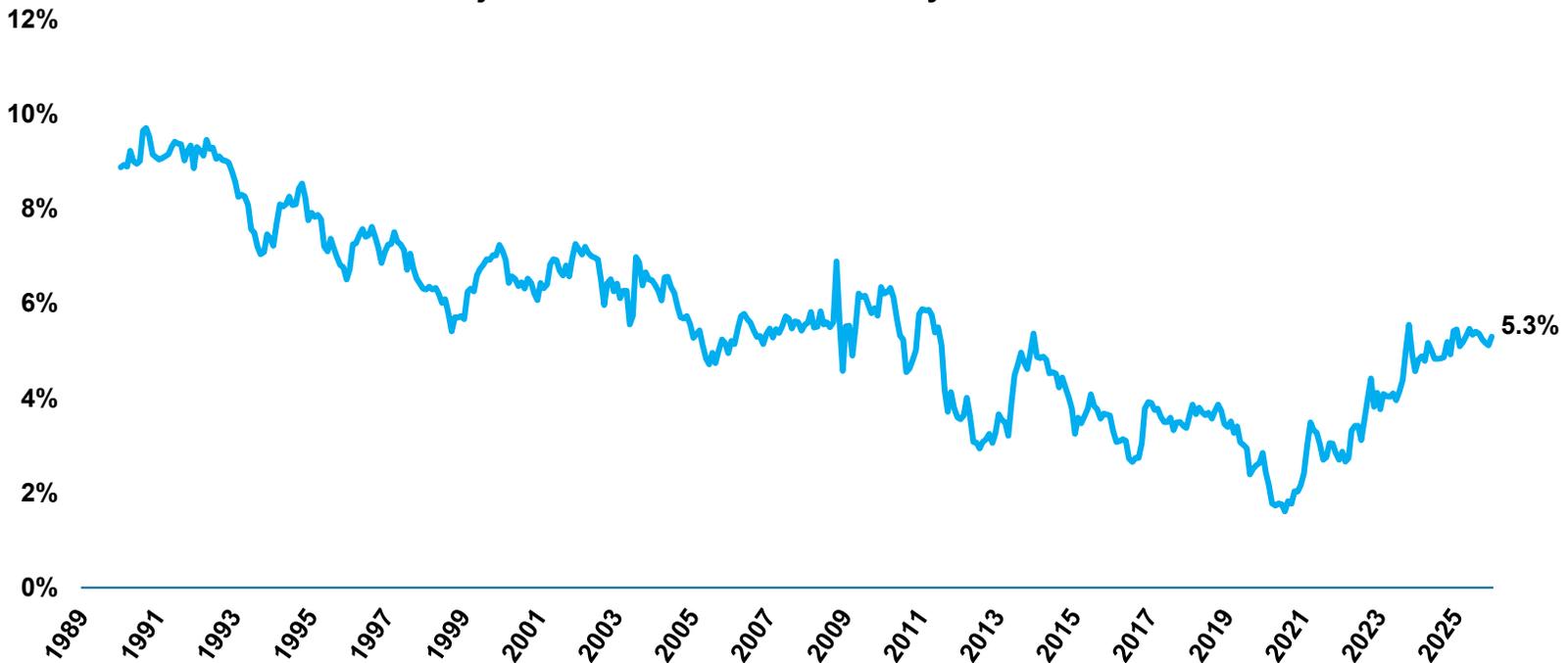


Source: NCREIF NPI value-weighted cap rates. As of September 30, 2025.

Slightly Lower Projected Rates in the Future

- As interest rates have declined, so have the market’s predictions for future interest rates.
 - The market is forecasting that the 10-year Treasury yield in ten years will be 5.30%, versus a prediction of 5.42% twelve months ago.
- Lower future interest rates for “risk-free” assets implies lower expected returns for any forecasting model that includes a risk premium approach.

Market Projection for the 10-Year Treasury Yield in Ten Years



Source: FRED. Represents the Fitted Instantaneous Forward Rate 10 Years Hence, as of December 31, 2025.

OPERF Asset Classes

OPERF Asset Classes

→ For OPERF Asset Allocation and Asset-Liability Studies, the modeling process has historically focused on the major strategic classes:

Strategic Class	Notes
Public Equity	Global Equity (i.e., MSCI ACWI)
Fixed Income	Investment Grade Bonds (i.e., Bloomberg Aggregate)
Private Equity	Standard Private Equity (i.e., Buyout tilted)
Real Estate	Mixture of Core and Non-Core Real Estate
Real Assets	Mixture of Infrastructure and Natural Resources
Diversifying Strategies	Hedge Fund portfolio focused on moderate returns and low correlation to traditional asset classes

→ As indicated in the *Risk and Implementation Survey*, there was general consensus within and across the OIC and Staff to view Fixed Income on a more segmented basis.

- As such, a new “Credit” class is recommended to be incorporated into the 2026 ALS.
- This class is focused on below investment grade securities.

What is Credit?

- Credit can be defined as an arrangement in which one party (borrower) borrows money from another (lender) with the expectation that the money will be repaid.
- Credit risk is the associated probability that the original amount (principal), along with any corresponding interest, may not be paid back.
- In the best-case scenario, a lender will receive the principal and interest payments in accordance with the arranged agreement.
- In the worst-case scenario, a lender will not receive the principal nor interest payments and the borrower will default on the debt.
 - Even under a default, however, there is often some portion of the principal that can be recovered.
- Due to the asymmetric nature of credit, the underwriting process (i.e., determining quality of borrower, collateral, etc.) is critical to success.
- **Key Points**
 - Credit currently exists within the OPERF Fixed Income and Opportunity portfolios.
 - The current Total OPERF Credit exposure is approximately 4%, split relatively equally across Public (i.e., high yield, bank loans, emerging markets debt, etc.) and Private Credit.
 - Meketa/Aon/Staff developed assumptions for a Credit class that is 50% Public and 50% Private; reflecting both the current exposures as well as a forward-looking indifference across the liquidity spectrum.

OPERF – Starting CMAs

- The CMAs below represent the initial starting point for OPERF’s 2026 Asset-Liability Study.
- The “Average” column are the proposed CMAs

Expected Returns (%)

Strategic Class	Meketa	Aon	Staff	Average
Public Equity	6.3	6.9	7.5	6.9
Fixed Income	4.2	4.8	4.3	4.4
Private Equity	9.0	10.2	9.8	9.6
Real Estate	6.7	6.6	6.7	6.7
Real Assets	6.9	9.0	8.0	8.0
Diversifying Strategies	5.2	5.8	6.3	5.7
Credit	6.8	6.6	6.8	6.7

Annual Volatility (%)

Strategic Class	Meketa	Aon	Staff	Average
Public Equity	17.0	17.3	17.0	17.1
Fixed Income	4.0	5.0	5.0	4.7
Private Equity	26.0	20.0	20.0	22.0
Real Estate	14.4	15.6	12.0	14.0
Real Assets	15.5	11.7	13.6	13.6
Diversifying Strategies	6.0	6.0	6.0	6.0
Credit	12.1	8.4	8.0	9.5

OPERF – 2025 vs. 2026 CMAs

- With the exception of Fixed Income, the majority of asset classes exhibit stable expected returns when comparing the average of Meketa/Aon/Staff 2025 vs. 2026 expected returns.
- The forecasted volatility levels remained relatively stable with the exception of:
 - *Real Estate*: 2026 reflects a higher forward-looking allocation to Core Real Estate.
 - *Real Assets*: 2026 reflects a higher forward-looking allocation to Core Infrastructure.
 - *Diversifying Strategies*: 2026 more closely aligns with the forward-looking construction of the class.

Expected Returns (%)

Strategic Class	2025 Average	2026 Average	Change
Public Equity	6.8	6.9	0.1
Fixed Income	5.1	4.4	-0.7
Private Equity	9.5	9.6	0.1
Real Estate	6.5	6.7	0.2
Real Assets	7.9	8.0	0.1
Diversifying Strategies	5.6	5.7	0.1
Credit	---	6.7	---

Annual Volatility (%)

Strategic Class	2025 Average	2026 Average	Change
Public Equity	17.5	17.1	-0.4
Fixed Income	4.8	4.7	-0.1
Private Equity	22.3	22.0	-0.3
Real Estate	15.2	14.0	-1.2
Real Assets	15.2	13.6	-1.6
Diversifying Strategies	4.8	6.0	1.2
Credit	---	9.5	---

OPERF – 2022 vs. 2026 CMAs

→ The table below examines the proposed 2026 CMAs and how they compare to what was used in the 2022 ALS.

- Public Equity, Private Equity, and Real Assets expected returns are lower in 2026 than in 2022.
- Fixed Income and Real Estate expected returns are higher in 2026 than in 2022.
- With the exception of Fixed Income, projected volatility levels are lower in 2026 than in 2022.

Expected Returns (%)

Strategic Class	2022 ALS	2026 Average	Change
Public Equity	7.5	6.9	-0.6
Fixed Income	3.8	4.4	0.6
Private Equity	10.1	9.6	-0.5
Real Estate	6.2	6.7	0.5
Real Assets	9.2	8.0	-1.2
Diversifying Strategies	5.7	5.7	0.0
Credit	---	6.7	---

Annual Volatility (%)

Strategic Class	2022 ALS	2026 Average	Change
Public Equity	18.8	17.1	-1.7
Fixed Income	4.3	4.7	0.4
Private Equity	26.5	22.0	-4.5
Real Estate	15.0	14.0	-1.0
Real Assets	17.2	13.6	-3.6
Diversifying Strategies	8.2	6.0	-2.2
Credit	---	9.5	---

OPERF - Correlations

→ Similar to prior years, the proposed correlation matrix is based on Meketa’s assumptions.

	Public Equity	Fixed Income	Private Equity	Real Estate	Real Assets	Diversifying Strategies	Credit
Public Equity	1.00	0.27	0.91	0.53	0.69	0.12	0.77
Fixed Income	0.27	1.00	0.00	0.26	0.26	0.17	0.17
Private Equity	0.91	0.00	1.00	0.47	0.54	0.09	0.71
Real Estate	0.53	0.26	0.47	1.00	0.64	0.03	0.52
Real Assets	0.69	0.26	0.54	0.64	1.00	0.04	0.61
Diversifying Strategies	0.12	0.17	0.09	0.03	0.04	1.00	0.13
Credit	0.77	0.17	0.71	0.52	0.61	0.13	1.00

OPERF – Total Portfolio Expectations

→ The table below highlights the expected return and risk for the OPERF Policy Portfolio with the proposed CMAs.

OPERF Policy	
Strategic Class	(%)
Public Equity	27.5
Fixed Income	25.0
Private Equity	20.0
Real Estate	12.5
Real Assets	7.5
Diversifying Strategies	7.5
Credit	---
Expected Return (10yr)	7.2
Annual Volatility	11.0

- The current policy portfolio is projected to generate a return above the OPERF actuarial rate.
- Modifications to the policy target allocations may result from the 2026 Asset-Liability Study, which will incorporate a scenario analysis for OPERF as a whole (e.g., contributions, funded status, etc.), liquidity analysis, and OIC viewpoints.

Conclusion

Conclusion

- Asset allocation is the most important decision the OIC makes.
 - It is the area we believe the most time should be spent on.
 - Changes should not be undertaken lightly, nor should year over year changes to CMAs drive a decision to adjust targets
- The asset allocation process is not one-size-fits-all.
 - Constructing/modeling asset classes should be congruent with the asset allocation process.
 - Certain classes (e.g., private markets) should be reflected as they are, and as they are planned to be, in the asset allocation stage.
- Meketa, Aon, and OST Staff have shared data, methodologies, and discussed the CMAs to be used in the 2026 OPERF Asset-Liability Study.
- **Meketa, Aon, and OST Staff recommend the OIC approve the CMAs as presented.**

OPERF – Proposed CMA

Expected Returns (%)

Strategic Class	Proposed
Public Equity	6.9
Fixed Income	4.4
Private Equity	9.6
Real Estate	6.7
Real Assets	8.0
Diversifying Strategies	5.7
Credit	6.7

Annual Volatility (%)

Strategic Class	Proposed
Public Equity	17.1
Fixed Income	4.7
Private Equity	22.0
Real Estate	14.0
Real Assets	13.6
Diversifying Strategies	6.0
Credit	9.5

Correlation Matrix

	Public Equity	Fixed Income	Private Equity	Real Estate	Real Assets	Diversifying Strategies	Credit
Public Equity	1.00	0.27	0.91	0.53	0.69	0.12	0.77
Fixed Income	0.27	1.00	0.00	0.26	0.26	0.17	0.17
Private Equity	0.91	0.00	1.00	0.47	0.54	0.09	0.71
Real Estate	0.53	0.26	0.47	1.00	0.64	0.03	0.52
Real Assets	0.69	0.26	0.54	0.64	1.00	0.04	0.61
Diversifying Strategies	0.12	0.17	0.09	0.03	0.04	1.00	0.13
Credit	0.77	0.17	0.71	0.52	0.61	0.13	1.00

Appendix

2026 Peer Comparison Sample

- The table below highlights 10-year expected returns from a sample of investment consultants & asset managers.
- Data was sourced from publicly available documents/websites on 2/15/26.
 - Peer data are all 2026 CMAs but represented a mix of 11/30 and 12/31 end dates for inputs.

Asset Class	Meketa (%)	Verus (%)	Wilshire (%)	Callan (%)	Vanguard (%)	BlackRock (%)	Northern Trust (%)	Average (ex Meketa) (%)
US Equity	6.3	5.5	4.5	7.4	4.9	5.2	6.8	5.7
Developed Non-US Equity	6.2	6.8	5.5	7.3	5.9	7.1	6.8	6.6
Emerging Markets Equity	6.2	6.7	5.7	7.5	4.2	5.9	6.9	6.1
Investment Grade Bonds	4.2	4.7	4.9	4.8	4.6	4.1	5.0	4.7
High Yield Bonds	5.4	5.7	6.1	5.9	4.8	5.7	5.5	5.6
Private Equity	9.0	9.0	6.1	8.5	---	12.9	10.2	9.3
Private Real Estate*	7.2	8.5	6.9	---	---	---	7.9	7.8
Core Private Real Estate	5.8	7.2	6.0	6.3	---	5.8	---	6.3

*Private Real Estate represents the firm’s stated, single line item assumption or an assumed blend of 50% Core / 25% Value Add / 25% Opportunistic.

2025 Peer Survey

- Annually, Horizon Actuarial Services, LLC publishes a survey of capital market assumptions that they collect from various investment advisors.¹
- The Horizon survey is a useful tool to determine whether a consultant’s expectations for returns (and risk) are reasonable.

Asset Class	Horizon 10-Year Average (%)	Meketa 10-Year (%)
Cash Equivalents	3.6	2.8
TIPS	4.4	4.3
US Core Bonds	5.0	4.9
US High Yield Bonds	6.0	6.3
Emerging Market Debt	6.0	6.3
Private Debt	7.9	8.7
US Equity (large cap)	6.4	6.4
Developed Non-US Equity	7.0	7.2
Emerging Non-US Equity	7.4	7.1
Private Equity	9.1	9.8
Real Estate	6.2	6.9
Infrastructure	7.2	7.2
Commodities	4.7	5.5
Hedge Funds	5.9	4.2
Inflation	2.4	2.3

¹ The 10-year horizon included all 41 respondents to the survey. Figures are based on Meketa’s 2025 CMAs. The survey is typically published in August.

Equities

→ We use a fundamental model for equities that combine income and capital appreciation:

$$E(R) = \text{Dividend Yield} + \text{Price Return} + \text{Currency Effect}$$

$$\text{Price Return} = \text{Earnings Growth} + \text{Multiple Effect}$$

→ We use the current dividend yield on the respective index.¹

→ Our basis for earnings growth is a combination of real GDP growth, inflation, and exposure to foreign revenue sources.

- We adjust this using an estimate of what percentage of economic growth will translate to earnings growth.

→ We use a combination of valuation metrics to calculate the multiple effect.

- These include PE, PE10, and a form of the dividend discount model.

→ The models assume reversion to the mean or fair value.

→ We arrive at our preliminary 10-year assumption (in local currency).

$$\text{US Equity } E(R) = 1.2\% + [(1 + 6.4\%) \times (1 - 1.1\%) - 1] = 6.3\%$$

→ For non-US equities, we add the expected currency effect vs. the US Dollar to the local expected return.

¹ The source for dividend yields is S&P 500 for the US and MSCI for non-US equities. Note that in multiple places in this presentation, we display rounded values in the inputs, which may result in minor discrepancies in the results.

Equities: Earnings Growth

- For projected earnings growth, we add expected real GDP and expected inflation to arrive at nominal GDP.¹
 - The model is based on the theory that a region's companies will grow at roughly the same rate as its economy, as defined by GDP, over the long term.
- However, the amount of economic growth that translates to EPS growth has been quite different among markets historically.
 - This is due to a variety of factors, including the global footprint of companies, market composition, profitability, the level of interest rates, government policies, societal norms, and net issuance of shares.
- Therefore, we use an estimate of the percentage of GDP growth that will translate to EPS growth for each market.

	US	EAFE	EM	China	ACWI
Estimated % of Growth Translating to EPS	130	85	73	60	109

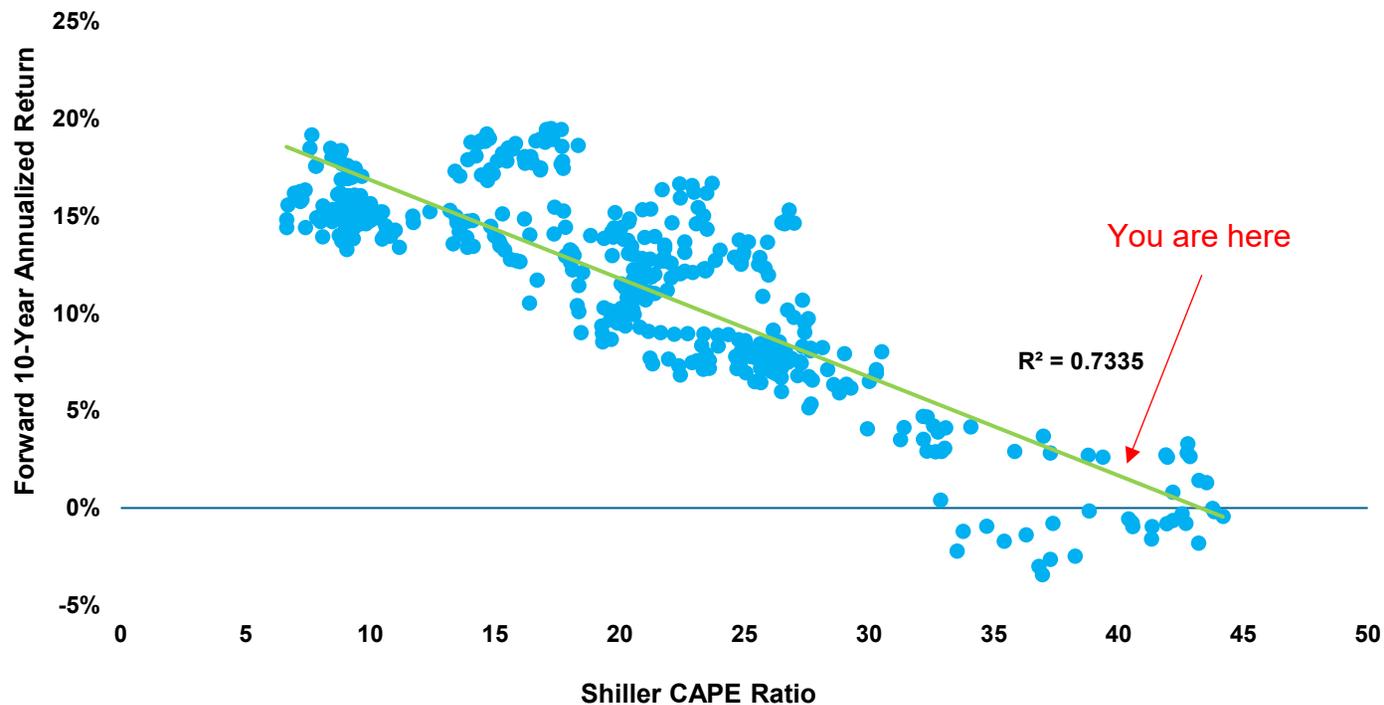
¹ We constructed 5-year GDP based on the IMF World Economic Outlook as of October 2025 and Oxford Economics projections, and then use Oxford Economics projections for the remaining five years to arrive at a ten-year forecast for each. We constructed inflation projections based on the IMF World Economic Outlook as of October 2025, historical averages and 5-year Inflation swaps maturing 5 years from now where available (e.g., US, Euro Area, UK).

Equities: Impact of Prices on Returns

→ Valuations have mattered, historically. Relative prices have been indicative of future equity returns.

- Higher prices have led to lower future returns, and vice versa.

US Equities: Shiller CAPE vs. Forward 10-Year Returns



Source: Robert Shiller, Yale University, and Meketa Investment Group. Data is based on monthly returns and Cyclically Adjusted P/E ratio on S&P 500 Index for the period from January 1980 through December 2025.

Equities: Valuation Model 1

- We use several models with different lenses on valuations for public equities.
- In model one, to calculate the price return, we estimate the fair value of the index in ten years.
 - We first calculate future earnings per share (EPS) by compounding current EPS¹ at our projected earnings growth rate.
 - We average the next ten years of projected EPS to arrive at an EPS 10 in ten years.

Index	US	EAFE	EM	EAFE Sm	EM Small	Frontier
Average EPS10 in 10 years	384.3	205.6	109.7	22.2	94.0	71.6

- We multiply EPS10 by our projected PE10 ratio to arrive at a ten-year price target.
 - We assume investors will pay slightly different ratios for earnings in different regions.¹

$$US\ Price\ Target = 3843 \times 28.3 = 10,861$$

- We divide this future price by the current price and then annualize the price change.

$$US\ Price\ Return = (10861 \div 6846)^{1/10} - 1 = 4.7\%$$

- We subtract the projected earnings growth from the price change to arrive at the multiple effect.

$$Multiple\ Effect_{Model\ 1} = 4.7\% - 6.4\% = -1.7\%$$

¹ We assume that PE10 reverts 75% of the way back to its historical median. We use the median PE10 for the trailing 20 years. Throughout this document, numbers may not sum due to rounding.

Equities: Valuation Model 2

→ In model 2, to calculate the price return, we estimate the fair value of the index in ten years.

→ We first calculate future EPS by multiplying current EPS by projected earnings growth.

$$US\ EPS = 269.3 \times (1 + 6.4\%)^{10} = 499.7$$

→ We multiply EPS by our projected PE ratio¹ to arrive at a ten-year price target.²

$$US\ Price\ Target = 499.7 \times 19.4 = 9,699$$

→ We divide this future price by the current price and then annualize the price change.

$$US\ Price\ Return = (9699 \div 6846)^{1/10} - 1 = 3.5\%$$

→ We subtract the projected earnings growth from the US price return to arrive at the multiple effect.

$$Multiple\ Effect_{Model\ 2} = 3.5\% - 6.4\% = -2.8\%$$

¹ We assume that PE reverts 75% of the way back to its historical median. We use a historical PE (trailing twelve months) that is consistent with the median for the past twenty years.

² Throughout this document, numbers may not sum due to rounding.

Equities: Valuation Models 3 and 4

- Our third and fourth equity models use a form of the dividend discount model (DDM).
- This is based on the premise that the level of interest rates affect current valuations when discounting future cash flows (or earnings).
- This time value of money concept can be quantified by using the DDM.
 - The DDM calculates a present value for the stock market based on interest rates.
- First, we determine what the implied cost of equity (i.e., discount rate) has been historically.
 - This is based on historical interest rates, growth rates, inflation, and prices.
- We then turn that into a “premium” over government bond rates that can be applied to the current level of interest rates to arrive at a new discount rate.

Equities: Valuation Models 3 and 4 (continued)

→ To calculate fair value, we use the Dividend Discount Model.

$$Fair\ Value = E \times (1 + G) \div (D - G)$$

- For earnings (E), we use EPS10 for model 3 and current EPS for model 4.
- For the growth rate (G), we use our projected earnings growth rate.
- For the discount rate (D), we add the current level of short-term interest rates to an expected premium over this rate.¹

$$US\ Implied\ Discount\ Rate = 3.7\% + 5.5\% = 9.2\%$$

→ The fair value can be calculated as:

$$Fair\ Value_{Model\ 3} = 179.5 \times (1 + 6.4\%) \div (9.2\% - 6.4\%) = 6,840$$

$$Fair\ Value_{Model\ 4} = 269.3 \times (1 + 6.4\%) \div (9.2\% - 6.4\%) = 10,259$$

→ We find the difference between fair value and current value, and we assume 75% reversion to fair value is achieved over a ten-year period.

$$Multiplier\ Effect_{Model\ 3} = 0.75 \times [(1 + (6839 - 6846) \div 6846) ^ (1/10) - 1] = 0.0\%$$

$$Multiplier\ Effect_{Model\ 4} = 0.75 \times [(1 + (10259 - 6846) \div 6846) ^ (1/10) - 1] = 3.1\%$$

¹ We use the historical discount rate as a starting point, but projected discount rates can vary. For example, in 2026 we are using discount rates slightly below the historical average with the exception of China.

Equities: Combined Impact of Equity Valuations

- Looking at multiple valuation metrics increases the confidence we have in our models.
 - This is especially true when different models point in opposing directions.
- Combining the four approaches also smooths out the changes from year to year.

Average Multiple Effect Based on the Valuation Models (per annum)

US Equities (%)	EAFE Equities (%)	EM Equities (%)	Global Equities (%)	China Equities (%)
-1.1	-0.7	-1.7	-1.0	-1.3

Source: Meketa analysis of MSCI and Bloomberg data.

Currency Effect

- For non-US equities (and all assets with non-USD exposure), we calculate an adjustment for the expected impact of currency movements.
 - We use a two-factor model that is based on PPP theory and IRP theory.
 - PPP posits that money will flow to the currency with lower cost of goods and services.¹
 - IRP posits that money will flow to the currency with the higher interest rate.²
 - For developed markets, we put 60% weight on IRP and 40% on PPP.
 - For emerging markets, we put 75% weight on PPP and 25% on IRP.
- We cap the currency adjustment at +/- 0.5% per annum, given the unpredictable nature of currency markets.

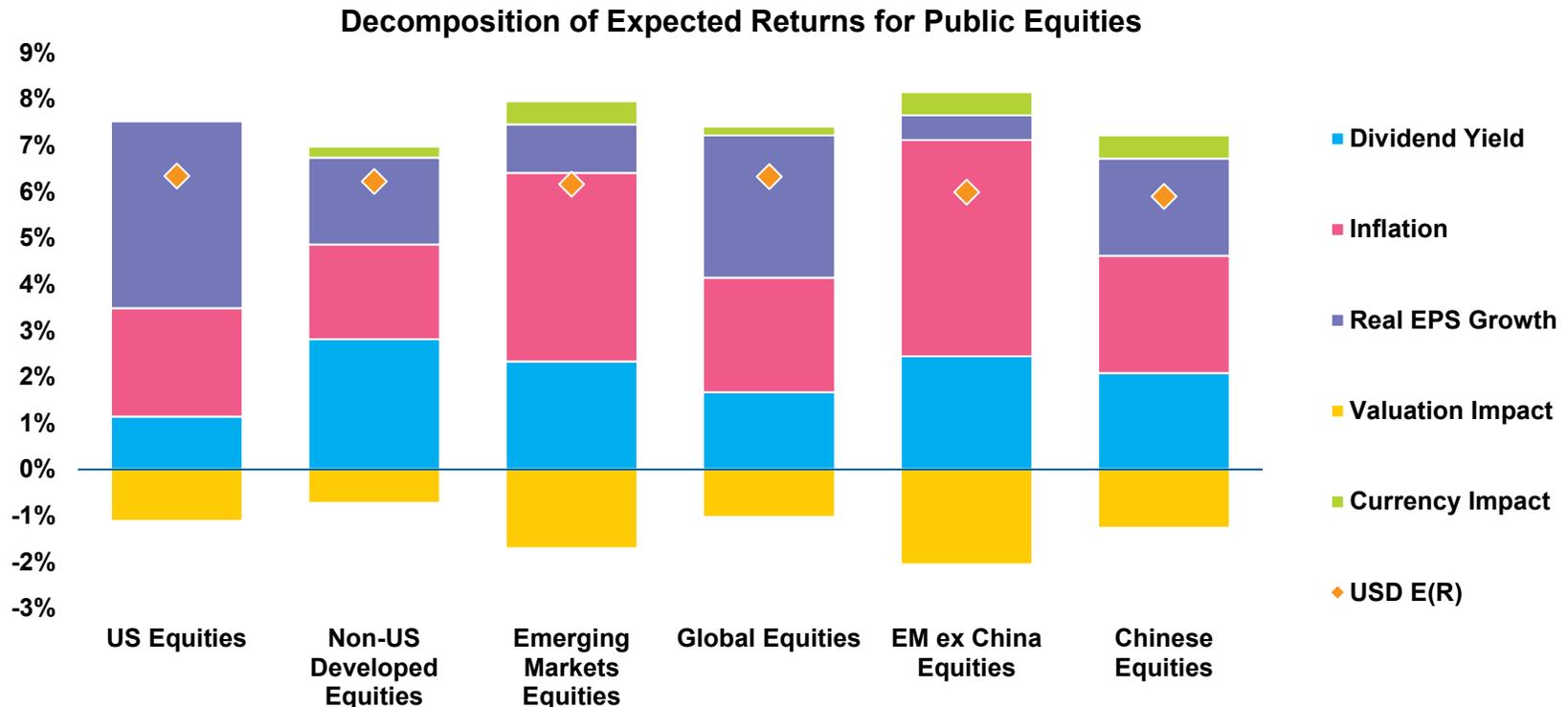
Market	PPP Impact (%)	IRP Impact (%)	Net Effect (%)	Capped Net Effect (%)
EAFE	2.3	-1.1	0.2	0.2
EM	7.0	0.7	5.4	0.5
Global	1.3	-0.2	0.2	0.2
China	3.5	-0.7	2.5	0.5

¹ Sources for PPP data: World Bank (PPP Conversion Factor) and The Economist (Big Mac Index).

² We use the central bank discount rate or equivalent for the major countries of each region (source: FRED).

Equities: Comparing Drivers of Expected Return

- Real EPS growth is the main driver of expected return for US equities.
 - Despite relatively low anticipated inflation, US equities also have the highest nominal EPS growth.
- The valuation headwind is expected to be the largest for emerging markets and EM ex-China.



Source: Meketa analysis of MSCI and Bloomberg data.

Equities: US Mid, Small, and Micro

- The models smaller cap stocks are similar to that used for the overall equity model.
- To calculate the price return, we estimate the fair value of the index in ten years. We do this using both price-earnings and price-book ratios.
- We calculate future EPS by looking at a similar ratio of historical earnings growth for each index vs. the Russell 1000 index.
 - We assume earnings will grow at the same rate for midcap, at 0.95x for small cap, and 0.9x for microcap (this is subjective and reflects have smaller stocks have switched from out-earning to under-earning large cap).
 - We multiply EPS by our projected PE ratio¹ to arrive at a ten-year price target.
- We take a similar approach for price-book, comparing current ratios to historical ratios.
 - Price-book can be particularly helpful for small and micro cap, as short-term earnings volatility can distort PE comparisons.
- We divide the future price by the current price and then annualize the price change.
- We add the price change to the dividend yield to arrive at the expected return.

¹ For the US, we use the median PE (trailing twelve months) for the longest available period. We assume a higher PE for mid, small, and micro that is consistent with their historical valuations relative to large cap. We assume reversion 75% back toward the historical median.

Bonds

- The short version for most investment grade bond models is: $E(R) = \text{current yield to worst}$.
- The longer version accounts for the expected term structure in the future, as well as credit risk.
 - If the average duration is roughly five years, we calculate the expected yield in five years.
 - The net effect tends to be minimal; for example, if rates rise, higher income in years 5 to 10 is offset by price declines in years 1 to 5.
- For cash, we use an average of the current rate and the rate suggested by the Taylor Rule (inputs are current and potential GDP, current and desired inflation).
- For TIPS, we add the real yield for the TIPS index to the expected Inflation rate.
- As with equities, we also make currency adjustments when necessary.
 - This impacts foreign and EM local currency debt.

Bonds: Credit

→ For anything with credit risk, we take into account our expected default and recovery rates.

	Inv. Grade Corporate (%)	Long Term Corporate (%)	Foreign Debt (%)	EM Debt (major) (%)	EM Debt (local) (%)	High Yield (%)	Bank Loans (%)
Default Rate	0.08	0.08	0.09	1.72	0.36	2.50	2.50
Loss Rate	50	50	50	50	50	45	40

→ As a guide, we use historical global default and recovery data for each asset class.

- When the composition of an asset class changes over time (e.g., for emerging market debt), we look at each rating bucket as it is currently weighted.

Private Credit

- For direct lending and asset based lending, we use a building blocks approach that is based on income and loss thereof.
- For income, we use the most recent yield and spread data available for the Lincoln Senior Debt Index.
 - We add an upfront fee (paid by the borrower) or original issue discount if applicable.
 - This usually ranges between 1% and 3%.
 - We incorporate default and recovery rates.
 - We use a default rate that is 1-2% higher than for bank loans.
 - While the data that is available on direct lending supports this level, we do not have access to long-term data on private credit defaults (e.g., that incorporates major default events like the GFC).
 - Where applicable, we add leverage and subtract the cost of borrowing.
 - We add an equity kicker (more applicable in asset based lending), adjusted for defaults.
 - Managers expect 2.5% to 5% return from warrants, co-invests or other equity structures.
 - We subtract estimated management fees and carried interest.

Private Credit: Aggregate

- For Special Situations Lending, we use a combination of models for capital solutions and more traditional distressed debt.
 - The capital solutions model resembles that for direct lending, but with higher equity kickers, coupons, and default rates.
 - The distressed debt model resembles that for public high yield bonds and is based on data for the Bloomberg US CCC and Ca-D indices.
 - It uses a much higher default rate than high yield bonds (often in the range of 20-35%).
 - We subtract estimated management fees and carried interest.
- For aggregate private credit, we take a weighted average based on a mix of the broad opportunity set and a typical client allocation to private debt.

Component	Weight (%)	10-Year E(R) (%)
Direct Lending	45	7.0
Asset Based Lending	30	7.9
Special Situations	25	8.9
Private Debt Composite	NA	7.8

Private Equity: Buyouts

- For Buyouts, we start with public equity expected returns.
- We add a premium or discount based on the pricing of buyouts relative to stocks.
 - We use the most recently available EV/EBITDA multiples from Preqin to provide an indication of valuations.
- We add a premium for control (e.g., for greater operational efficiencies) and leverage.
 - We assume leverage of 1.25x - 1.35x.
- We subtract borrowing costs and estimated fees, including carry.
 - We assume borrowing costs are consistent with the yield on bank loans.
- We also look at how closely valuations compared to price changes occurring in the public markets, noting that buyouts pricing often lags that of public equities.

Private Equity: VC and Growth Equity

- For Venture Capital (VC), we create a public market proxy that we can compare through time.
 - This composite is composed of: traditional technology, biotech, pharmaceuticals, life sciences, IT services, internet, AI, and clean tech and environmental stocks.
 - The weighting to each sector varies through time.
 - The data is an imperfect proxy and the correlation with future returns is not high.
 - Still, this proxy provides some indication of pricing relative to the broader market.
 - We also note any lag we observe between VC valuations and price changes for public markets.
 - We use this to make an assessment of what size the return premium should be relative to public markets.
- For Growth Equity, we infer a return that is between that of buyouts and venture capital.
 - The relative weightings place the return closer to that of VC than buyouts.
- For VC and growth equity, we subtract estimated fees, including carry.

Private Equity: Aggregate

→ For aggregate private equity, we take a weighted average based on a mix of the broad opportunity set and a typical client allocation to private equity.

Component	Weight (%)	10-Year E(R) (%)
Buyouts	65	8.6
Growth Equity	10	9.4
Venture Capital	25	9.8
Private Equity Composite	NA	9.0

Real Estate: Core

- For Core Real Estate (RE), we use two models.
- The first model adds a premium to the most recently available value-weighted cap rate from NCREIF.
 - Core RE has historically returned approximately 1.3% more than its value-weighted cap rate at the start of the period over the subsequent ten years.
 - The second model combines income with capital appreciation potential.
 - The income for core RE has historically been the cap rate minus 2-3% (for Cap Ex).
 - We assume income (NOI) grows at the rate of inflation.
 - We assume there is some measure of fair value for cap rates relative to bond yields.
 - We make a price adjustment based on the forward yield curve.
 - We adjust for leverage, borrowing costs, and estimated fees.

Real Estate: Non-Core

- For non-core real estate, we start with historical premiums versus core RE.
 - This includes the effect of greater control, development, buying at distress, etc.
- We add a non-US component (e.g., premium for lower cap rates) and a currency effect.
 - We assume 10% to 30% of non-core commitments will be ex-US (with the majority in Europe).
- We lever the portfolio and then subtract the cost of borrowing.
 - We assume value-added leverage ranges 50-60% while opportunistic ranges 60-75%.
 - The cost of debt is higher for value added than core, and higher still for opportunistic.
- Finally, we subtract estimated management fees and carried interest.
- For high yield real estate debt, we use our high yield bond model.
 - We use the YTW on the Bloomberg CMBS BBB index and then add a “high yield” spread on top of this.
 - Data is sparse on default rates and spreads.
 - We are using a higher default rate than for high yield bonds.
 - We adjust for leverage, borrowing costs, and estimated fees.

Real Estate: Aggregate

→ To arrive at the aggregate private real estate assumption, we take a weighted average of our expectations for each of the four components.

- These reflect the weights of a typical client portfolio, balanced with the market opportunity set.

Component	Weight (%)	10-Year E(R) (%)
Core Private RE	55	5.8
Value-added RE	25	8.7
Opportunistic RE	10	9.8
High Yield RE Debt	10	8.5
Private Real Estate	NA	7.2

→ The aggregate real estate composite is 90% private real estate and 10% REITs.

Infrastructure: Core and Non-Core

- For private infrastructure, our model combines income and capital appreciation.
- For income, we use our best estimate of expected yield based on the funds that we track.
 - We assume a range of 4-5% for core and 2-4% for non-core.
- We assume asset prices grow at the rate of inflation or GDP growth, whichever is greater.
 - Inflation-linked assets often can pass along their costs, even if it may be at a lag.
- We add a premium or discount based on the pricing of unlisted infrastructure.
 - We use the most recently available EV/EBITDA transaction multiples from Macquarie to provide an indication of relative valuations.
- We add a control premium for non-core IS (as these more closely resemble buyouts).
- We lever the portfolios and then subtract the cost of borrowing.
 - We assume core is levered at 30%-45%, and non-core at 40%-65%.
 - We assume the cost of debt for non-core is much higher than for core, though below that for buyouts.
- Finally, we add any currency effect and subtract estimated management fees and carry.

Infrastructure: Aggregate

→ To arrive at the aggregate private infrastructure assumption, we take a weighted average of our expectations for each of the two components.

- These reflect the weights of a typical client portfolio, balanced with the market opportunity set.

Component	Weight (%)	10-Year E(R) (%)
Core Infrastructure	50	6.5
Non-Core Infrastructure	50	8.4
Private Infrastructure	NA	7.4

→ The aggregate infrastructure composite is 90% private infrastructure and 10% public infrastructure.

Hedge Funds

- To construct the hedge fund models, we use a variety of traditional and alternative betas:¹
 - Traditional betas include:
 - Equities, distressed debt, credit, commodities, bonds
 - Alternative betas include :
 - Carry trade, convert arb, currency, momentum
- We also add leverage (where appropriate) and subtract the cost of debt and estimated fees.
- For example, our long-short equity model is fairly straight forward.
 - We assume the average fund is 50-60% net long and has an equivalent beta to the global stock market.
 - We multiply this beta times our expected return for global equities, then add this to our cash expected return for the portion that is not invested.

$$\text{Gross } E(R) = 0.6 * 6.3\% + 0.4 * 2.8\% = 4.9\%$$

- We then subtract estimated management fees and carried interest to arrive at a net return.

¹ Note that we do not assume "alpha" for hedge funds nor any other asset class.

Risk Mitigating Strategies

- We include expectations for a Risk Mitigating Strategies (RMS) aggregate as well as for one of the potential underlying categories, RMS Diversifiers.
- The RMS Aggregate is composed of three categories that we refer to as first responders, second responders, and diversifiers.¹
 - The composition represents a typical client weight, though many clients use different allocations.

Composite	Long-Term Government Bonds	Long Volatility	CTAs (trend following)	RMS Diversifiers
RMS Aggregate	1/6th	1/6th	1/3rd	1/3rd

- The RMS Diversifiers Aggregate is composed of strategies that are designed to have a modestly positive expected return without being highly correlated with a broader (growth-driven) portfolio.
 - Again, the composition represents a typical client weight.

Composite	Global Macro (%)	Alternative Risk Premia (%)	Market Neutral (%)	Insurance Linked Strategies (%)	Relative Value (%)	Event Driven (%)
RMS Diversifiers	30	40	10	10	5	5

¹ Note that we combine long-term government bonds and long volatility strategies to form the "first responders" category.

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Aon Investments' Capital Market Assumptions

Explanation of Capital Market Assumptions—12/31/2025

The following capital market assumptions were developed by Aon's Global Asset Allocation Team and represent the long-term capital market outlook (i.e., 10 years) based on data at the end of the fourth quarter of 2025. The assumptions were developed using a building block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economics forecast and market data sources including, but not limited to MSCI, FactSet and Bloomberg. Our long-term assumptions for other asset classes are based on historical results, current market characteristics, and our professional judgment. Expected returns are using Aon 10 Year Capital Market Assumptions as of 12/31/2025. CMAs contain projections about future returns on asset classes. Our CMA projections are designed to reflect the typical cost of implementing an investment program. Expected returns are calculated using weighted allocations of the underlying CMAs. Expected Returns are geometric (long-term compounded; rounded to the nearest decimal) assuming portfolio weights are rebalanced annually. Expected returns presented are models and do not represent the returns of an actual client account. Your actual returns will be reduced by your advisory fees and other expenses you may incur as a client. Aon's advisory fees are described in Part 2A of Aon's Form ADV. Not a guarantee of future results.

Inflation – Expected Level (2.3%)

Based on Consensus Economics long-term estimates and our near-term economic outlook, we expect U.S. consumer price inflation to be approximately 2.3% during the next 10 years.

Real Returns for Asset Classes

Fixed Income		
Cash	1.5%	Over the long run, we expect the real yield on cash and money market instruments to produce a real return of 1.5% in a moderate to high-inflationary environment.
TIPS	2.1%	We expect intermediate duration Treasury Inflation-Protected Securities to produce a real return of about 2.1%.
Core Fixed Income (i.e., Market Duration)	2.4%	We expect intermediate duration Treasuries to produce a real return of about 1.9%. We estimate the fair value credit spread (credit risk premium - expected losses from defaults and downgrades) to be 0.5%, resulting in a long-term real return of 2.4%.

Aon Investments' Capital Market Assumptions

Explanation of Capital Market Assumptions—12/31/2025

Fixed Income		
Core Plus Bonds	2.7%	Modeled as 20% 5 duration gov't bonds real return of 1.9% and 80% 5 duration corporate bonds real return of 3.0%
Long Duration Bonds – Government and Credit	3.2%	We expect Treasuries with a duration of ~14 to produce a real return of 3.1%. We estimate the fair value credit spread (credit risk premium - expected losses from defaults and downgrades) to be 0.1%, resulting in an expected real return of 3.2%.
Long Duration Bonds – Credit	3.3%	We expect Treasuries with a duration of ~12 years comparable to produce a real return of 3.1%. We estimate the fair value credit spread (credit risk premium - expected losses from defaults and downgrades) to be 0.2%, resulting in an expected real return of 3.3%.
Long Duration Bonds – Government	3.1%	We expect Treasuries with a duration of ~16 years to produce a real return of 3.1% during the next 10 years.
High Yield Bonds	3.3%	We expect intermediate duration Treasuries to produce a real return of about 1.9%. We estimate the fair value credit spread (credit risk premium - expected losses from defaults and downgrades) to be 1.4%, resulting in an expected real return of 3.3%.
Bank Loans	3.5%	We expect cash to produce a real return of about 1.5%. We estimate the fair value credit spread (credit risk premium - expected losses from defaults) to be 2.0%, resulting in an expected real return of 3.5%.
Non-U.S. Developed Bonds: 50% Hedged	2.0%	We forecast real returns for non-US developed market bonds to be 2.0% over a 10-year period after adjusting for a 50% currency hedge. We assume a blend of one-third investment grade corporate bonds and two-thirds government bonds. We also produce assumptions for 0% hedged and 100% hedged non-US developed bonds.
Emerging Market Bonds (Sovereign; USD)	3.4%	We forecast real returns for emerging market sovereign bonds denominated in US dollars to be 3.4% over a 10-year period.
Emerging Market Bonds (Corporate; USD)	3.4%	We forecast real returns for emerging market corporate bonds denominated in US dollars to be 3.4% over a 10-year period.
Emerging Market Bonds (Sovereign; Local)	3.0%	We forecast real returns for emerging market sovereign bonds denominated in local currency to be 3.0% over a 10-year period.

Aon Investments' Capital Market Assumptions

Explanation of Capital Market Assumptions—12/31/2025

Liquid Return-Seeking Fixed Income Institutional Quality	4.2%	We assume real returns from beta exposure to high yield, bank loans and emerging market debt to add 3.5% plus 0.7% from alpha for institutional quality managers, over a 10-year period.
Liquid Return-Seeking Fixed Income Universe	3.5%	We assume real returns from beta exposure to high yield, bank loans and emerging market debt to add 3.5%. We assume no alpha from universe funds, over a 10-year period.
eCore	3.8%	Consists of investment grade bonds; 25% securitized, 20% private placements, 45% asset-based finance, 10% real estate debt.
Private Debt-Direct Lending	4.9%	The base building block is bank loans 3.5% + spread 1.4% (net of management fees and performance incentives). There is 100% leverage included in the assumption with the cost of financing at LIBOR +2.0%.
Equities		
Large Cap U.S. Equity	4.3%	This assumption is based on 1.03 beta to global equities plus inflation and real cash return
Small Cap U.S. Equity	4.5%	Adding a 0.2% return premium for small cap U.S. equity over large cap U.S. equity results in an expected real return of 4.5%. This return premium is theoretically justified by the higher risk inherent in small cap U.S. equity versus large cap U.S. equity and is also justified by historical data. In recent years, higher small cap valuations relative to large cap equity has reduced the small cap premium.
Global Equity (Developed & Emerging Markets)	4.5%	We employ a building block process to develop discounted cash flows using the developed and emerging markets that comprise the MSCI All-Country World Index. Our roll-up model produces an expected real return of 4.5% for global equity.
International (Non-U.S.) Equity, Developed Markets	4.0%	This assumption is based on 0.85 beta to global equities plus inflation and real cash return
Emerging Market Stocks	4.3%	This assumption is based on 1.14 beta to global equities plus inflation and real cash return
85% ACWI/15% Russell 3000	4.5%	Based on a mix of Global (Developed & Emerging Markets)/U.S. Large and Small Caps

Aon Investments' Capital Market Assumptions

Explanation of Capital Market Assumptions—12/31/2025

Alternative Asset Classes		
Low Beta (Defensive) Hedge Funds	2.4%	Encompasses defensive/low volatility hedge fund strategies with low correlations to risk assets. This assumption represents median manager performance. 1% base fee + 10% performance fee is deducted from the return expectation.
Low Beta (Defensive) Hedge Funds Institutional Quality	3.4%	Represent defensive/low volatility hedge fund strategies with low correlations to risk assets. 1% base fee + 7% performance fee is deducted from return expectations. To use this category the funds must be institutional quality.
High Beta (Return Enhancing) Hedge Funds	3.4%	Encompasses return enhancing/higher volatility hedge fund strategies with higher correlations to risk assets. The assumption represents median manager performance. 1% base fee + 10% performance fee is deducted from the return expectations.
High Beta (Return Enhancing) Hedge Funds Institutional Quality	5.4%	Represents return enhancing/higher volatility hedge fund strategies with higher correlations to risk assets. 1% base fee + 7% performance fee is deducted from return expectations. To use this category the funds must be institutional quality.
Direct Hedge Funds Universe	2.9%	Generic hedge fund investments which represents a portfolio of diversified strategies. We assume 50% defensive/50% return enhancing strategies. 1% base fee + 10% performance fee is deducted from the return expectations.
Direct Hedge Funds Institutional Quality	4.5%	Generic hedge fund investments which represents a portfolio of diversified strategies. We assume 50% defensive institutional quality/50% return enhancing institutional quality strategies. To use this category the funds must be institutional quality. 1% base fee + 7% performance fee is deducted from the return expectations.
Core Real Estate	3.5%	Our real return assumption for core real estate is based a gross income of about 3.9%, management fees of roughly 1%, 25% leverage and future capital appreciation near the rate of inflation during the next 10 years. We assume a portfolio of equity real estate holdings that is diversified by property and by geographic region.
Non-Core Real Estate	5.3%	Core real estate is levered approximately 100% as the base building block for this assumption. We subtract financing costs for the leverage and 2% management costs. We also assume nominal alpha of 2% over core real estate. We assume a 50/50 mix of value-add and opportunistic investments.
U.S. REITs	4.1%	Our real return assumption for U.S. REITs is based on income of about 4.1% and future capital appreciation near the rate of inflation during the next 10 years. REITs are a sub-set of U.S. small/mid cap equity universe.

Aon Investments' Capital Market Assumptions

Explanation of Capital Market Assumptions—12/31/2025

Commodities	1.5%	Our commodity assumption is for a diversified portfolio of commodity futures contracts. Commodity futures returns are composed of three parts: spot price appreciation, collateral return, and roll return (positive or negative change implied by the shape of the future curve). We believe that spot prices will converge with CPI over the long run (i.e., 2.3%). Collateral is assumed to be Gov't cash (1.5%). Also, we believe the roll effect will be -2.3%, resulting in a real return of about 1.5% for commodities.
Private Equity	7.7%	Our private equity assumption reflects a diversified fund of funds with exposure to buyouts and venture capital
Open-End Infrastructure	5.6%	Our open-end infrastructure assumption assumes a mix of 65% core, 25% value-add and 10% opportunistic strategies. Return formulated through estimates of income and capital growth, leverage, debt costs, taxes and management expenses.
Closed-End Infrastructure	6.6%	Our closed-end infrastructure assumption assumes a mix of 50% value-add, 35% opportunistic and 15% private equity strategies. Return formulated through estimates of income and capital growth, leverage, debt costs, taxes and management expenses.
eLDI	3.7%	Combination of various long credit strategies (1/6 real estate debt, 1/3 securitized debt, 1/6 CMOs, 1/3 private placements).
Open-End Real Assets	4.9%	Combination of 50% Core Real Estate and 50% Open-End Infrastructure
Closed-End Real Assets	6.7%	Combination of 50% Non-Core Real Estate and 50% Closed-End Infrastructure

Volatility/Correlation Assumptions

Assumed volatilities are formulated with reference to implied volatilities priced into option contracts of various terms, as well as with regard to historical volatility levels. For asset classes which are not marked to market (for example real estate), we “de-smooth” historical returns before calculating volatilities. Importantly, we consider expected volatility trends in the future – in recent years we assumed the re-emergence of an economic cycle and a loss of confidence in central bankers would lead to an increase in volatility. Correlation assumptions are generally similar to actual historical results; however, we do make adjustments to reflect our forward-looking views as well as current market fundamentals.

Expected Returns and Risks

12/31/2025 Assumptions (10-Year)

	10-yr	10-yr	10-yr
	Expected Real Return ¹	Expected Nominal Return ¹	Expected Volatility ¹
Equity			
Large Cap U.S. Equity	4.3%	6.7%	18.0%
Small Cap U.S. Equity	4.5%	6.9%	24.0%
Global Equity (Developed & Emerging)	4.5%	6.9%	17.3%
International (Non-U.S.) Equity (Developed)	4.0%	6.4%	18.5%
Emerging Markets Equity	4.3%	6.7%	21.0%
Fixed Income			
Cash (Gov't)	1.5%	3.8%	1.2%
TIPS	2.1%	4.4%	4.3%
Core U.S. Fixed Income (Market Duration)	2.4%	4.8%	5.0%
Long Duration Bonds – Gov't / Credit	3.2%	5.6%	9.3%
Long Duration Bonds – Credit	3.3%	5.7%	10.6%
Long Duration Bonds – Gov't	3.1%	5.5%	9.7%
High Yield Bonds	3.3%	5.7%	10.5%
Bank Loans	3.5%	5.9%	7.0%
Non-US Developed Bond (100% Hedged)	2.2%	4.5%	3.5%
Short Duration Bonds - Gov't	1.6%	3.9%	1.9%
Short Duration Bonds - Credit	2.2%	4.6%	2.2%
Intermediate Duration Bonds - Gov't	1.9%	4.2%	3.6%
Intermediate Duration Bonds - Credit	2.7%	5.1%	4.7%
Market Duration Bonds - Gov't (Model Portfolios)	2.0%	4.3%	4.3%
Core Plus - Fixed Income (Model Portfolios)	2.7%	5.1%	5.9%
STRIPS (25 Duration)	2.9%	5.3%	15.1%
Emerging Market Bonds (Sov. USD)	3.4%	5.8%	11.0%
Emerging Market Bonds (Corporate USD)	3.4%	5.8%	11.0%
Emerging Market Bonds (Sov. Local)	3.0%	5.4%	13.0%
Alternative Investments			
Hedge Funds - Direct (Universe)	2.9%	5.3%	5.7%
Hedge Funds - Direct (Institutional Quality)	4.5%	6.9%	5.7%
eLDI	3.7%	6.1%	6.0%
Private Real Estate (Core)	3.5%	5.9%	14.4%
Private Real Estate (Non-Core)	5.3%	7.7%	25.0%
U.S. REITs	4.1%	6.5%	18.5%
Infrastructure (Open-End)	5.6%	8.0%	12.5%
Infrastructure (Closed-End)	6.6%	9.1%	16.0%
Open-End Real Assets (Model Portfolios)	4.9%	7.3%	10.1%
Closed-End Real Assets (Model Portfolio)	6.7%	9.2%	16.1%
Private Equity	7.7%	10.2%	20.0%
Commodities	1.5%	3.8%	17.0%
Hedge Funds - Low Volatility (Universe)	2.4%	4.8%	6.0%
Hedge Funds - High Volatility (Universe)	3.4%	5.8%	8.0%
Hedge Funds - Low Volatility (Institutional Quality)	3.4%	5.8%	6.0%
Hedge Funds - High Volatility (Institutional Quality)	5.4%	7.8%	8.0%
Private Debt -- Direct Lending	4.9%	7.3%	9.6%
Timberland	2.4%	4.8%	11.9%
Farmland	3.1%	5.5%	15.0%
Liquid Return-Seeking Fixed Income (Institutional Quality)	4.2%	6.6%	8.8%
Liquid Return-Seeking Fixed Income (Universe)	3.5%	5.9%	8.5%
Insurance-Linked Securities (Catastrophe Bonds)	4.4%	6.8%	5.5%
85% ACWI/ 15% Russell 3000	4.5%	6.9%	17.4%
7-10 Yr Capital Efficiency	2.2%	4.5%	24.2%
Long Treasury Capital Efficiency	3.5%	5.9%	28.2%
eCore	3.8%	6.2%	4.3%
Inflation	0.0%	2.3%	1.7%

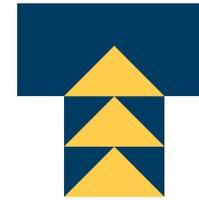
¹ Expected returns are using Aon 10 Year Capital Market Assumptions as of 12/31/2025. CMAs contain projections about future returns on asset classes. Our CMA projections are designed to reflect the typical cost of implementing an investment program. Expected returns are calculated using weighted allocations of the underlying CMAs. Expected Returns are geometric (long-term compounded; rounded to the nearest decimal) assuming portfolio weights are rebalanced annually. Expected returns presented are models and do not represent the returns of an actual client account. Your actual returns will be reduced by your advisory fees and other expenses you may incur as a client. Aon's advisory fees are described in Part 2A of Aon's Form ADV. Not a guarantee of future results.



Expected Nominal Correlations

12/31/2025 Assumptions (10-Year)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51		
1 Large Cap U.S. Equity	1.00	0.93	0.98	0.78	0.70	0.09	-0.02	0.03	-0.03	0.07	-0.10	0.53	0.45	0.02	0.03	0.07	-0.04	0.06	-0.06	0.07	-0.10	0.38	0.40	0.57	0.56	0.56	0.16	0.34	0.43	0.68	0.26	0.33	0.40	0.50	0.59	0.46	0.48	0.45	0.49	0.45	0.41	0.02	0.01	0.56	0.58	0.02	0.98	-0.11	-0.11	0.26	0.08		
2 Small Cap U.S. Equity		1.00	0.91	0.72	0.66	0.08	-0.02	0.03	-0.03	0.07	-0.10	0.50	0.42	0.01	0.02	0.06	-0.04	0.06	-0.06	0.07	-0.10	0.35	0.37	0.50	0.52	0.52	0.15	0.32	0.41	0.63	0.25	0.32	0.38	0.47	0.57	0.41	0.45	0.41	0.45	0.42	0.39	0.02	0.01	0.52	0.53	0.02	0.92	-0.10	-0.11	0.25	0.07		
3 Global Equity (Developed & Emerging)			1.00	0.88	0.80	0.08	-0.02	0.03	-0.03	0.08	-0.11	0.58	0.46	0.02	0.02	0.06	-0.05	0.06	-0.06	0.07	-0.10	0.41	0.44	0.61	0.56	0.56	0.16	0.36	0.45	0.68	0.26	0.34	0.41	0.52	0.60	0.49	0.49	0.44	0.50	0.44	0.42	0.02	0.01	0.59	0.62	0.02	1.00	-0.11	-0.12	0.27	0.09		
4 International (Non-U.S.) Equity (Developed)				1.00	0.73	0.04	-0.02	0.02	-0.03	0.07	-0.10	0.52	0.39	0.02	-0.01	0.03	-0.06	0.04	-0.07	0.06	-0.10	0.37	0.41	0.60	0.46	0.46	0.14	0.34	0.42	0.55	0.22	0.29	0.38	0.47	0.52	0.49	0.43	0.35	0.43	0.35	0.36	0.03	0.02	0.54	0.56	0.01	0.86	-0.10	-0.11	0.22	0.10		
5 Emerging Markets Equity					1.00	0.07	-0.02	0.03	-0.02	0.09	-0.10	0.61	0.38	0.02	0.01	0.05	-0.05	0.06	-0.06	0.08	-0.10	0.43	0.45	0.52	0.43	0.43	0.15	0.32	0.39	0.50	0.21	0.27	0.35	0.43	0.50	0.35	0.40	0.32	0.41	0.32	0.34	0.02	0.01	0.56	0.58	0.01	0.78	-0.11	-0.11	0.24	0.08		
6 Cash (Gov't)						1.00	0.46	0.42	0.25	0.21	0.24	0.12	0.15	0.57	0.86	0.76	0.55	0.44	0.47	0.37	0.16	0.17	0.07	0.02	0.19	0.18	0.34	0.16	0.14	0.09	0.10	0.13	0.17	0.17	0.09	0.19	0.13	0.17	0.13	0.17	0.08	0.09	0.05	0.12	0.13	0.26	0.08	0.11	0.09	0.42	0.38		
7 TIPS							1.00	0.51	0.48	0.39	0.47	0.05	-0.08	0.24	0.58	0.52	0.58	0.47	0.57	0.45	0.39	0.17	0.02	-0.01	0.05	0.05	0.41	0.05	0.04	0.00	0.03	0.04	0.05	0.05	-0.01	0.13	0.02	0.06	0.03	0.06	-0.09	0.05	0.03	0.01	0.01	0.12	-0.02	0.45	0.42	0.31	0.25		
8 Core U.S. Fixed Income (Market Duration)								1.00	0.88	0.89	0.75	0.34	0.11	0.57	0.74	0.84	0.88	0.97	0.88	0.98	0.62	0.58	0.24	0.20	0.20	0.20	0.89	0.06	0.05	0.03	0.04	0.06	0.07	0.07	0.04	0.04	0.12	0.20	0.13	0.20	0.05	0.01	0.00	0.30	0.31	0.12	0.03	0.80	0.70	0.73	-0.01		
9 Long Duration Bonds - Gov't / Credit									1.00	0.89	0.95	0.13	-0.08	0.48	0.55	0.59	0.78	0.78	0.83	0.83	0.90	0.41	0.12	0.12	0.09	0.09	0.79	0.01	0.00	-0.01	0.01	0.01	0.01	0.01	-0.02	-0.02	0.03	0.11	0.04	0.10	-0.10	-0.02	-0.02	0.11	0.11	0.07	-0.03	0.89	0.93	0.51	-0.14		
10 Long Duration Bonds - Credit										1.00	0.70	0.49	0.28	0.47	0.45	0.62	0.61	0.88	0.65	0.94	0.65	0.69	0.33	0.30	0.27	0.27	0.91	0.05	0.05	0.05	0.04	0.06	0.06	0.07	0.07	0.01	0.18	0.25	0.18	0.25	0.22	-0.01	-0.01	0.45	0.47	0.06	0.08	0.67	0.68	0.75	-0.10		
11 Long Duration Bonds - Gov't											1.00	-0.15	-0.33	0.43	0.55	0.49	0.79	0.61	0.86	0.64	0.96	0.16	-0.06	-0.03	-0.04	-0.05	0.60	-0.03	-0.04	-0.06	-0.02	-0.02	-0.03	-0.04	-0.09	-0.04	-0.08	-0.01	-0.07	-0.02	-0.32	-0.03	-0.02	-0.15	-0.16	0.06	-0.10	0.93	0.99	0.28	-0.15		
12 High Yield Bonds												1.00	0.16	0.09	0.30	0.00	0.44	-0.03	0.49	-0.18	0.82	0.64	0.63	0.54	0.54	0.52	0.22	0.27	0.37	0.17	0.22	0.26	0.32	0.38	0.39	0.46	0.43	0.46	0.44	0.65	0.04	0.02	0.91	0.94	0.04	0.57	-0.12	-0.17	0.67	0.17			
13 Bank Loans													1.00	0.11	-0.07	0.25	-0.26	0.29	-0.29	0.29	-0.29	0.52	0.58	0.47	0.49	0.50	0.36	0.19	0.23	0.32	0.14	0.18	0.22	0.27	0.32	0.24	0.40	0.41	0.40	0.42	0.89	0.04	0.02	0.81	0.84	0.04	0.46	-0.39	-0.36	0.64	0.15		
14 Non-US Developed Bond (100% Hedged)														1.00	0.62	0.63	0.56	0.56	0.53	0.54	0.36	0.31	0.15	0.18	0.15	0.15	0.50	0.06	0.06	0.03	0.04	0.05	0.07	0.07	0.01	0.11	0.10	0.15	0.09	0.14	0.05	0.04	0.02	0.19	0.19	0.16	0.02	0.38	0.35	0.46	0.15		
15 Short Duration Bonds - Gov't															1.00	0.89	0.89	0.70	0.84	0.64	0.39	0.25	0.06	0.02	0.13	0.12	0.56	0.11	0.10	0.05	0.07	0.09	0.12	0.12	0.04	0.14	0.07	0.13	0.07	0.12	-0.11	0.06	0.03	0.05	0.05	0.23	0.02	0.55	0.43	0.49	0.24		
16 Short Duration Bonds - Credit																1.00	0.80	0.88	0.75	0.81	0.34	0.47	0.20	0.15	0.23	0.23	0.73	0.12	0.11	0.07	0.08	0.10	0.13	0.13	0.07	0.12	0.15	0.23	0.15	0.22	0.17	0.05	0.03	0.29	0.30	0.21	0.06	0.49	0.38	0.74	0.21		
17 Intermediate Duration Bonds - Gov't																	1.00	0.78	0.99	0.75	0.63	0.25	0.02	0.01	0.04	0.04	0.65	0.05	0.03	-0.01	0.02	0.03	0.05	0.04	-0.03	0.05	0.00	0.06	0.00	0.05	-0.27	0.02	0.01	-0.04	-0.05	0.15	-0.05	0.85	0.73	0.44	0.05		
18 Intermediate Duration Bonds - Credit																		1.00	0.77	0.99	0.48	0.65	0.30	0.25	0.27	0.26	0.90	0.08	0.07	0.05	0.05	0.07	0.09	0.09	0.06	0.06	0.17	0.26	0.18	0.25	0.22	0.02	0.00	0.42	0.43	0.13	0.06	0.66	0.55	0.83	0.03		
19 Market Duration Bonds - Gov't (Model Portfolios)																			1.00	0.76	0.71	0.24	0.01	0.00	0.02	0.01	0.66	0.03	0.01	-0.03	0.01	0.02	0.03	0.02	-0.04	0.03	-0.02	0.04	-0.02	0.03	-0.30	0.01	0.00	-0.07	-0.07	0.13	-0.06	0.91	0.81	0.42	-0.01		
20 Core Plus - Fixed Income (Model Portfolios)																					1.00	0.53	0.69	0.33	0.28	0.28	0.27	0.93	0.07	0.07	0.06	0.05	0.07	0.08	0.09	0.07	0.04	0.18	0.26	0.18	0.26	0.22	0.01	0.00	0.45	0.46	0.11	0.07	0.69	0.60	0.82	-0.01	
21 STRIPS (25 Duration)																						1.00	0.11	-0.08	-0.05	-0.06	-0.06	0.53	-0.04	-0.05	-0.07	-0.02	-0.03	-0.04	-0.05	-0.09	-0.05	-0.08	-0.02	-0.08	-0.03	-0.28	-0.03	-0.02	-0.16	-0.17	0.04	-0.10	0.84	0.96	0.20	-0.19	
22 Emerging Market Bonds (Sov. USD)																							1.00	0.69	0.62	0.46	0.46	0.68	0.16	0.20	0.26	0.12	0.16	0.19	0.23	0.27	0.19	0.37	0.39	0.37	0.39	0.44	0.02	0.00	0.79	0.82	0.05	0.40	0.18	0.14	0.71	0.04	
23 Emerging Market Bonds (Corporate USD)																								1.00	0.62	0.38	0.38	0.37	0.15	0.19	0.27	0.10	0.13	0.16	0.21	0.24	0.27	0.33	0.30	0.32	0.31	0.51	0.02	0.01	0.74	0.77	0.02	0.44	-0.04	-0.07	0.48	0.06	
24 Emerging Market Bonds (Sov. Local)																									1.00	0.40	0.41	0.33	0.09	0.17	0.36	0.06	0.08	0.10	0.17	0.17	0.45	0.36	0.31	0.37	0.31	0.41	0.00	0.00	0.75	0.78	0.01	0.60	-0.02	-0.04	0.40	-0.01	
25 Hedge Funds - Direct (Universe)																										1.00	0.71	0.32	0.25	0.29	0.40	0.18	0.24	0.29	0.34	0.39	0.25	0.76	0.88	0.58	0.59	0.44	0.03	0.01	0.54	0.56	0.05	0.56	-0.06	-0.07	0.42	0.09	
26 Hedge Funds - Direct (Institutional Quality)																											1.00	0.31	0.25	0.29	0.40	0.18	0.24	0.29	0.34	0.39	0.26	0.58	0.59	0.76	0.88	0.44	0.03	0.01	0.54	0.56	0.05	0.56	-0.07	-0.08	0.42	0.10	
27 eLDI																												1.00	0.10	0.11	0.12	0.07	0.09	0.11	0.13	0.12	0.09	0.22	0.29	0.23	0.29	0.29	0.17	0.01	0.00	0.50	0.51	0.10	0.16	0.61	0.57	0.80	-0.01
28 Private Real Estate (Core)																													1.00	0.86	0.46	0.15	0.19	0.80	0.75	0.32	0.11	0.20	0.21	0.20	0.21	0.17	0.02	0.01	0.20	0.20	0.04	0.36	-0.04	-0.05	0.15	0.08	
29 Private Real Estate (Non-Core)																														1.00	0.47	0.16	0.21	0.70	0.87	0.35	0.17	0.24	0.24	0.24	0.24	0.20	0.02	0.01	0.25	0.26	0.03						



OREGON
STATE
TREASURY

TAB 6
FIDUCIARY TRAINING

Oregon Investment Council

March 4, 2026

Fiduciary Education by Meketa
and Aon Consulting Teams

OIC Oversight – Investment Pool Overview

Policy Dimension	Oregon Public Employees retirement Fund (OPERF)	State Accident Insurance Fund (SAIF)	Common School Fund (CSF)	Oregon Environmental Restoration Fund (OERF)
Market Value as of Dec. 31, 2025	\$101.3B	\$4.6B	\$2.8B	\$0.6B
Purpose	A state-wide, defined benefit retirement plan managed to support the timely payment of promised benefits to current and future participants	Perpetual fund managed to support Oregon’s workers’ compensation obligations	Perpetual fund managed to benefit present and future beneficiaries of Oregon’s Department of Education	OERF exists to benefit Oregon’s environment and communities over the long-term
Investment Objective	Generating long-term returns sufficient to support timely payment of promised benefits while keeping plan costs and volatility at reasonable levels	Generate a long-term return with an appropriate level of risk while preserving capital, generating stable and predictable investment revenue, and maintaining sufficient liquidity to meet SAIF cash needs	Generate a real rate of return above inflation sufficient to support the Fund’s spending needs and preserving purchasing power of assets into perpetuity	Generate a real rate of return above inflation sufficient to support the Fund’s spending needs and preserving purchasing power of assets over the long-term
Governance				
<i>OIC</i>	OIC sets investment policies and oversees the investment portfolio			
<i>OST</i>	OST staff executes day-to-day management of the Funds			
<i>Governing Body (administering the funds)</i>	Oregon Public Employees Retirement System (PERS) Board sets the actuarial assumed rate of return	SAIF Corporation oversees operations consistent with all applicable provisions of law	Department of State Land’s Board sets distribution policy	Oregon Environmental Restoration Council sets the distribution policy

FIDUCIARY EDUCATION OUTLINE

Your Blueprint for Building Resilient Investment Governance

1

Fiduciary Training

- 1. Fiduciary Obligations**
- 2. Key Concepts**
- 3. Governing Documents**
- 4. Importance of Process**

2

Understanding Liabilities

1

Fiduciary Training



What is a Fiduciary?

A fiduciary is a person or organization who's required to act in the best interest of another party, rather than their own financial interests.

Fiduciaries have important responsibilities in protecting retirement benefits (or participant assets).



Who is a Fiduciary?

Fiduciary status is determined by role/function, not title- Trustees, Treasurers, Staff members, Consultants, and others who are making investment related decisions or providing advice are generally fiduciaries. The decision to delegate authority to Staff, for example, is itself a Fiduciary function requiring prudence.



Who isn't a Fiduciary?

Typically, professionals acting in a purely advisory or ministerial capacity, such as:

- Accountants conducting audits
- Attorneys providing general legal advice
- Actuaries performing calculations
- Third-party administrators (custodians)
- Employers making business decisions



Fiduciaries Come in Many Flavors

Council Members

**Investment
Advisors**

**Staff + Individuals
Exercising
Discretion in Plan
Administration**

Act with Care, Loyalty and Prudence

—
Make informed thoughtful decisions following a disciplined approach.
Research thoroughly and seek expert advice.

Follow Plan Documents

—
Establish and review policies and procedures.
Keep clear records to demonstrate accountability and transparency.

Avoid Conflicts of Interest

—
Ensures decisions are made in the best interest of others and not influenced by personal gain.

Diversification

—
Understand investment types (asset classes) and risks associated with them
Confirm the assets are well balanced to reduce risk

On-going Monitoring

—
Routinely review investment results versus benchmarks.
Evaluate the asset allocation, investment structure, process used by Staff to identify investment managers and fees

Violation of Duties

—
Results in a serious breach of trust and can undermine the integrity of the plan.
Board members are exposed to significant consequences – personal liability, lawsuits and regulatory penalties.

The Council's Primary Duties: Fiduciaries are Held to a High Standard of Conduct

Duty of Care

Act solely in the best interest of the beneficiaries by making informed and prudent decisions.

Requires thorough research, seeking expert advice, and continuously monitoring investment performance.

Duty of Prudence

Act with same care, skill and caution that a prudent person would exercise in similar circumstances.

This includes diversifying investments to minimize risk.

Duty to Delegate

Prudent delegation allowed to other qualified individuals or entities.

Due diligence must be exercised in this process.

Responsibilities cannot be abdicated.



Duty of Loyalty

Prioritize the Plan's interest ahead of other interests.

Avoid conflicts of interest and ensure that decisions benefit the stakeholders.

Duty of Obedience

Adhere to governing documents and the entity's mission.

Comply with relevant laws and regulations.

Duty to Disclose

Full transparency is required regarding potential conflicts of interest and any information that might affect investment decisions.

PRUDENT INVESTOR RULE

Uniform Prudent Investor Act

Modernized Standards for Fiduciary Investment Management

Key Principles

Diversification, Risk and Return Objectives, Duty to Monitor Investments and Delegation of Investment Functions

Fiduciary Duty

Obligated to Act in the Best Interest of Clients or Beneficiaries

Rooted in the principles of fiduciary duty and prudent investment practices

PRUDENT EXPERT RULE

Fiduciaries must discharge their duties with the care, skill, prudence, and diligence of a professional familiar with such matters would use in the situation. This is a higher standard than, and evolved from, the older “prudent person” rule under ERISA.



Legal Principle

Guides



Fiduciary or Trustee (Board Members)

To



Manage Trust Assets with Care, Diligence and Intelligence



Familiar Professional

What to Remember

An investment policy sets clear guidelines for managing assets, including goals, risk tolerance and asset allocation. It ensures responsible decision-making and regulatory compliance.

- Written procedures are critical
- Oversight needed to maintain a compliant plan
- Framework for making effective decisions
- Protects against liability



Investment Policy Statement

Why it is important...

- Demonstrates processes and procedures for making decisions
- Helps committees meet fiduciary responsibilities
- Demonstrates compliance with regulatory and compliance requirements
- Helps mitigate risk
- Maintains consistency even when board members or staff change
- Affirms commitment to prudent investment practices to stakeholders

Best Practice Elements of an Investment Policy Statement

→ An investment policy statement includes sections to address:

- Purpose
- Program summary
- Roles and responsibilities
- Statement of objectives
- Permitted / excluded investments
- Objectives and parameters of specific portfolios
- Sets forth guidelines and criteria for monitoring and reviewing the portfolios and underlying strategies
- Selection of investment managers/delegated authority



A clearly articulated investment policy statement is central to communicating a Board's governance structure and investment decision making practices.

→ Dynamic process

- Review the investment policy periodically
- Identify weaknesses and gaps between actual and best practices and between expectations and reality
- Resulting in a document that is easily understood and requires somewhat infrequent changes
- Outlasts the longevity of the current administration and other involved parties



PROCESS, PROCESS, PROCESS

- Fiduciaries are judged on how decisions are made, not the investment results.
- This puts a premium on the process not an outcome.

Examples of Fiduciary Pitfalls

Failing to operate the System prudently and for the exclusive benefit of participants	Failure to document decisions	Failure to periodically review policies	Failure to engage in ongoing education
Failure to engage in succession planning	Inconsistent actions	Failure to identify problems and act when needed	Failure to follow the plan documents (unless inconsistent with law)
Overreaction to recent information	Failure to have a strategic plan and/or follow it	Failure to properly select and monitor service providers	Operating in a vacuum, not knowing what the industry and your peers are doing

Key Takeaways for the OIC

- **Below are some examples of the most important items the OIC should be thinking about as they execute their duties of overseeing the investment of assets across all applicable investment pools:**
- Ensure thorough understanding of each pool's IPS, focusing on the objectives, constraints, and roles and responsibilities sections
 - Familiarize yourself with all aspects of delegation including what has been delegated and to whom across all investment pools
 - The OIC recently completed a robust delegation project that resulted in changes...review this in detail to ensure proper oversight and monitoring is occurring
 - Focus time and effort on upcoming and future asset allocation and asset-liability studies as studies have shown asset allocation can impact upwards of 90%+ of the variability of returns in an investment program
 - Review investment beliefs that set the foundation for implementation of investments across the investment pools and confirm all are being followed or if changes should be contemplated
 - Continue having robust discussions during OIC and asset class meetings!
 - Asking questions, debating recommendations, and providing unique perspectives are all paramount to providing proper oversight of the investment program

2

Understanding Liabilities

Obligations

Pension vs. Endowment

Pension

- **Core obligation:** Invest to support the timely payment of promised benefits and manage long-term plan cost/risk.
- **Funded Status:** The ratio of a pension plans assets measured against its liabilities, indicating its ability to meet long-term obligations to retirees
- **Policy:** Strategic allocation is informed by asset-liability studies that include liability structure, funded status, and liquidity needs

Endowment

- **Core obligation:** Preserve and enhance real (inflation-adjusted) market value over the long term, net of spending and expenses.
- **Spending obligation:** Annual fixed spend rate applied to a rolling market value average
- **Policy:** Strategic allocation is informed by spending needs with the goal to preserve real value in perpetuity, and liquidity/cash-flow considerations, with periodic asset allocation reviews

Both are long-term investment pools that accept short-term volatility in order to meet objectives that extend across generations.

Oregon Public Employees Retirement Fund (OPERF)

Supports the Public Employees Retirement System (PERS). OPERF exists to ensure the timely payment of promised retirement benefits to current and future public employees while maintaining the long-term financial sustainability of the pension system.

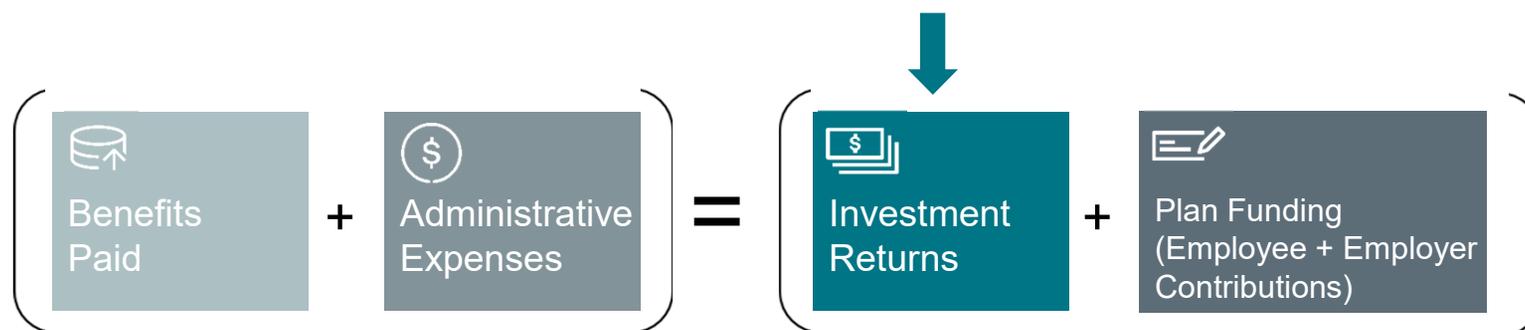
Common School Fund (CSF)

Established to support Oregon’s public education system. Its assets are managed to benefit both current and future generations, with a strong emphasis on preserving the Fund’s real (inflation-adjusted) value over time while providing a stable and predictable source of annual distributions to education beneficiaries.

OPERF Liabilities

Ultimate retirement benefit cost equation

The cost ultimately borne by the Plan will be represented by the financing equation shown below:



Contributions fund future benefit payments to the extent investment returns do not

Actuarial rules dictate how ultimate cost attributed to different periods (e.g., timing of cost recognition)

An asset-liability study will analyze the variability of future investment returns on the Plan financials

Higher than expected returns will result in lower future Plan costs

Lower than expected returns will result in higher future Plan costs

CSF Spending Needs

The return objective needed for the CSF to preserve real purchasing power of existing corpus net of forecasted annual payout is represented by the following equation:

$$\begin{array}{ccccccccc}
 \text{Annual Spend Rate} & + & \text{Administrative Expenses} & + & \text{PERS Distribution}^1 & - & \text{Net Unclaimed Property Receipts} & + & \text{Long-Term Inflation Rate} & = & \text{Nominal Return Objective}
 \end{array}$$

- **Annual Spend Rate** is applied to a 3-year market value average to reduce spending volatility
- **PERS Distribution** is the minimum of [investment earnings generated by unclaimed property receipts or unclaimed property receipts minus operating expenses]
- **Net Unclaimed Property Receipts** are net annual inflows to the Common School Fund
- **Long-Term Inflation Rate** is added to the return objective to capture the need to preserve principal into perpetuity

An asset allocation study will evaluate the CSF's asset allocation in conjunction with net cash flows from spending policy, unclaimed property, PERS distributions and expenses to ascertain the impacts on purchasing power over time

¹ PERS Distribution is also known as Senate Bill 1566 set to expire January 2027

Appendix

What is a Benchmark?

- A benchmark is a standard measure that can be used to analyze the allocation, risk and return of a portfolio or investment strategy.
- In investing, benchmarks typically come in two flavors:

Index	Peer Universe
<ul style="list-style-type: none"> → Indexes include multiple securities, assets, or other instruments which represent the investable universe for a specific style of investing. 	<ul style="list-style-type: none"> → Provides a funds comparative standings (or rank) within an appropriate peer group of fund with similar mandates and objectives.
<ul style="list-style-type: none"> → Provides context in understanding a portfolio's absolute performance. 	<ul style="list-style-type: none"> → Helps gauge the effectiveness of a fund's management team versus similar funds especially in periods when absolute results are outside of historical norms.
<ul style="list-style-type: none"> → Indexes represent a portfolio of unmanaged securities that represent a designated market segment. <ul style="list-style-type: none"> • Index providers create and calculate market indices and then license their products. • Each follow their own standardized methodology. 	<ul style="list-style-type: none"> → Peer groups can be broad in nature as well as broken down into segments based on portfolio characteristics. → There are a variety of databases for the institutional and the mutual fund market.

- There are benchmarks for every type of investment and strategy.

Asset Allocation and Diversification

What's the difference?

Asset Allocation

The portion, or percentage, of each asset class that an investor has in their portfolio. For example, 60% stocks and 40% bonds.

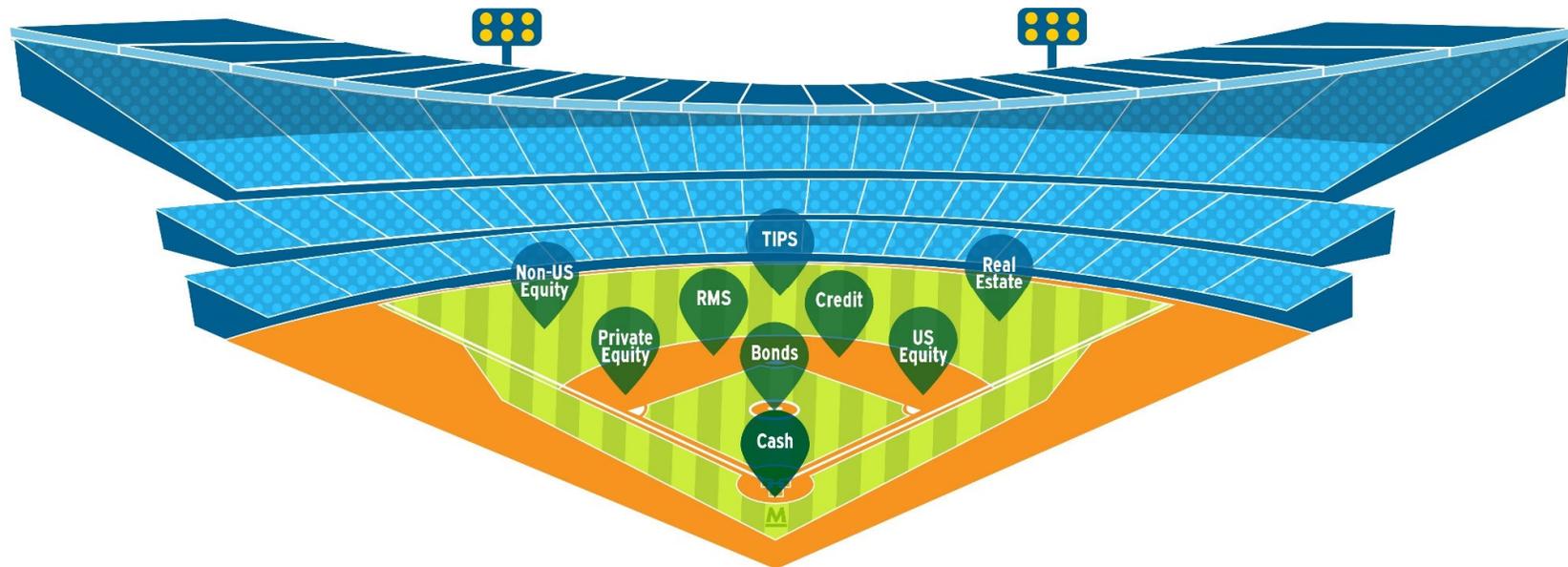
Diversification

A risk management practice to reduce the impact of any one investment, by investing in a mix of assets that move up and down under different market conditions.

Different, but related.

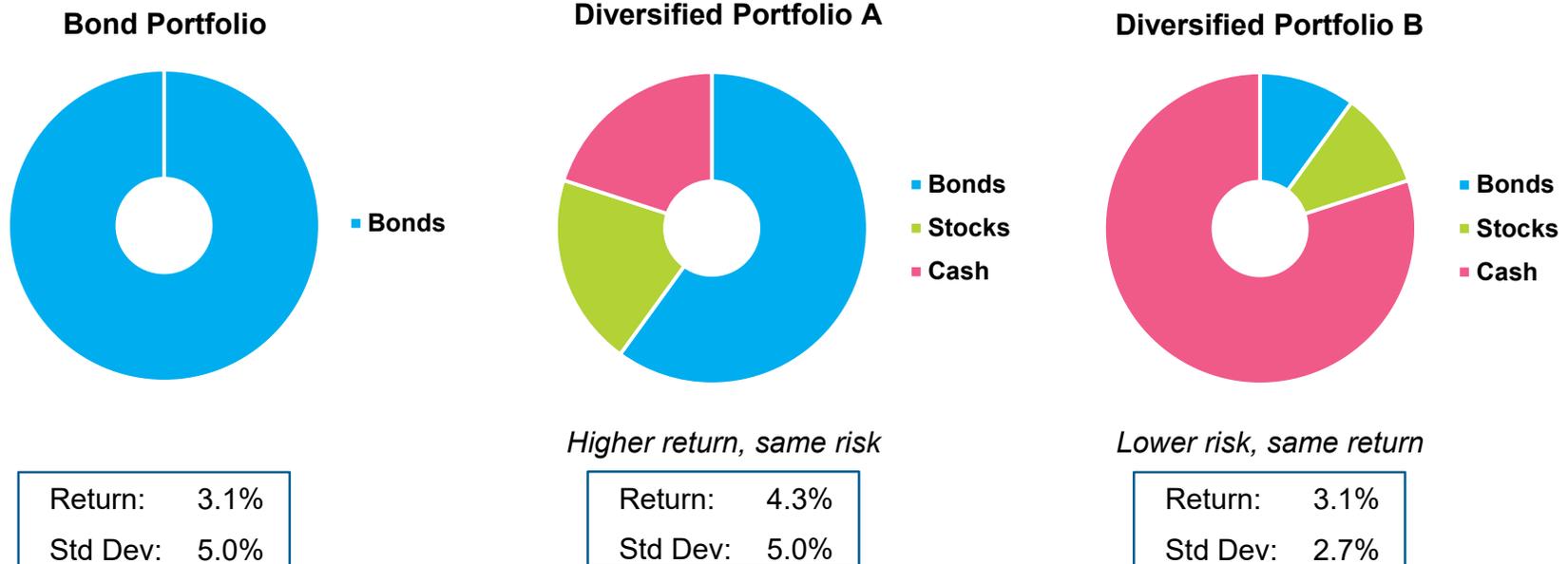
Each Asset Class Should Play a Specific Role

- To be a successful team, each position plays a different and important role.
- The same concept applies to portfolios: different asset classes should operate together like a well-rounded team.
- Like players on a team, some assets may have “slumps” or “hot streaks”.
- A diversified team protects the portfolio from the volatile swings of individual assets.



Benefits of Portfolio Diversification

→ By diversifying, investors have the ability to create more efficient portfolios.



→ The addition of multiple asset classes allows for a portfolio with the same risk and higher return or the same return with lower risk.

 An efficient portfolio provides optimal Risk-Return balance – maximizing returns without taking on unnecessary risk.

Note: based on proprietary expected return, standard deviation and correlation inputs.

Standard Deviation: A Measure of Risk

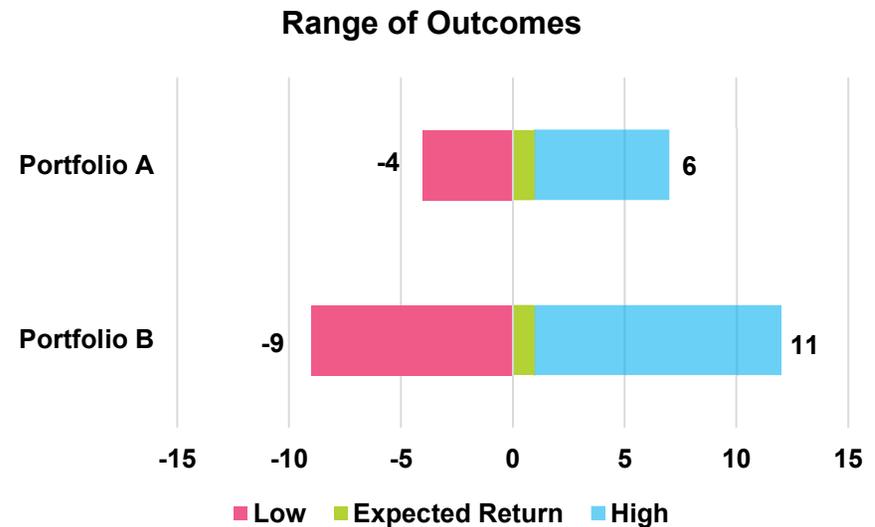
- Standard deviation is a common measure of risk in investments
- It measures the variability (or volatility) of a dataset
 - Low standard deviation = low volatility
 - High standard deviation = high volatility
- It's a quick way to see how varied the data is
- Two-thirds of the time, outcomes fall within one standard deviation



Think of standard deviation as a measure of how spread out the numbers are in a set of data.

For example, if we look at two portfolios:

	Portfolio A	Portfolio B
Expected Return	1%	1%
Standard Deviation	5%	10%
Range of Outcomes	± 5%	± 10%



Asset Class Historical Returns

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 YTD
Real Estate 13.3%	High Yield 17.1%	Emerging Equity 37.3%	Private Equity 12.4%	US Equity 31.5%	Private Equity 29.2%	Private Equity 42.0%	Commodities 16.1%	US Equity 26.3%	US Equity 25.0%	EAFE Equity 22.8%
Private Equity 10.3%	Private Equity 12.3%	EAFE Equity 25.0%	Real Estate 6.7%	EAFE Equity 22.0%	US Equity 18.4%	US Equity 28.7%	Real Estate 5.5%	EAFE Equity 18.2%	Hedge Funds 9.8%	Emerging Equity 19.0%
Diversified 2.2%	US Equity 12.0%	US Equity 21.8%	Cash 1.9%	Diversified 18.7%	Emerging Equity 18.3%	Commodities 27.1%	Cash 1.5%	High Yield 13.4%	Diversified 9.2%	Debt 11.3%
US Equity 1.4%	Commodities 11.8%	Private Equity 20.5%	Bonds 0.0%	Private Equity 18.6%	Diversified 13.8%	Real Estate 17.7%	Hedge Funds -4.1%	Diversified 12.7%	High Yield 8.2%	US Equity 10.8%
Bonds 0.5%	Emerging Equity 11.2%	Diversified 15.1%	TIPS -1.3%	Emerging Equity 18.4%	Hedge Funds 11.8%	Diversified 15.1%	Private Equity -4.2%	Debt 11.9%	Emerging Equity 7.5%	Diversified 9.4%
Cash 0.0%	Debt 10.2%	Debt 12.7%	High Yield -2.1%	High Yield 14.3%	TIPS 11.0%	EAFE Equity 11.3%	High Yield -11.2%	Emerging Equity 9.8%	Private Equity 6.1%	Hedge Funds 7.2%
EAFE Equity -0.8%	Real Estate 8.0%	Hedge Funds 8.6%	Diversified -2.2%	Debt 14.3%	EAFE Equity 7.8%	Hedge Funds 10.2%	TIPS -11.7%	Private Equity 9.3%	Commodities 5.4%	Commodities 7.1%
Hedge Funds -1.1%	Diversified 7.3%	High Yield 7.5%	US Equity -4.4%	Hedge Funds 10.4%	Bonds 7.5%	TIPS 6.0%	Diversified -12.2%	Hedge Funds 8.1%	Cash 5.3%	TIPS 6.4%
TIPS -1.4%	Hedge Funds 5.4%	Real Estate 7.0%	Hedge Funds -4.7%	Bonds 8.7%	High Yield 7.1%	High Yield 5.3%	Bonds -13.0%	Bonds 5.5%	EAFE Equity 3.8%	High Yield 6.4%
High Yield -4.5%	TIPS 4.7%	Bonds 3.5%	Debt -5.2%	TIPS 8.4%	Debt 4.0%	Cash 0.0%	EAFE Equity -14.5%	Cash 5.0%	Debt 2.0%	Bonds 5.0%
Debt -7.1%	Bonds 2.6%	TIPS 3.0%	Commodities -11.2%	Commodities 7.7%	Real Estate 1.6%	Bonds -1.5%	Debt -14.8%	TIPS 3.9%	TIPS 1.8%	Cash 2.8%
Emerging Equity -14.9%	EAFE Equity 1.0%	Commodities 1.7%	EAFE Equity -13.8%	Real Estate 6.4%	Cash 0.7%	Emerging Equity -2.5%	US Equity -18.1%	Commodities -7.9%	Bonds 1.3%	Real Estate 2.5%
Commodities -24.7%	Cash 0.3%	Cash 0.9%	Emerging Equity -14.6%	Cash 2.3%	Commodities -3.1%	Debt -5.3%	Emerging Equity -20.1%	Real Estate -7.9%	Real Estate 0.4%	Private Equity 1.1%

Asset classes are represented by the following indices: US Equity, S&P 500; EAFE Equity, MSCI EAFE (Net); Emerging Equity, MSCI Emerging Markets Index (Net); Bonds, Bloomberg US Aggregate Bond Index; TIPS, Bloomberg US TIPS Index; High Yield, Bloomberg US Corporate High Yield Index; Emerging Markets Debt, 50% JPM EMBI Global Diversified, 50% JPM GBI-EM Global Diversified; Private Equity, Cambridge Associates US Private Equity; Real Estate, NCREIF Property Index; Hedge Funds, HFRI Fund Weighted Composite; Commodities, Bloomberg Commodity Index Total Return; Cash, 90-Day US Treasury Bills; Diversified is composed of: 30% US Equity, 30% Bonds, 15% EAFE Equity, 5% Emerging Equity, 10% Private Equity, and 10% Real Estate.

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Aon Investments USA Inc.
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TAB 7

OPERF: ANNUAL PERFORMANCE REVIEW

Oregon Public Employees Retirement Fund

March 4, 2026

Fourth Quarter 2025
Performance

- 1. Economic and Market Update as of December 31, 2025**
- 2. Executive Summary**
- 3. Performance Update as of December 31, 2025**
- 4. Disclaimer, Glossary, and Notes**

Economic and Market Update

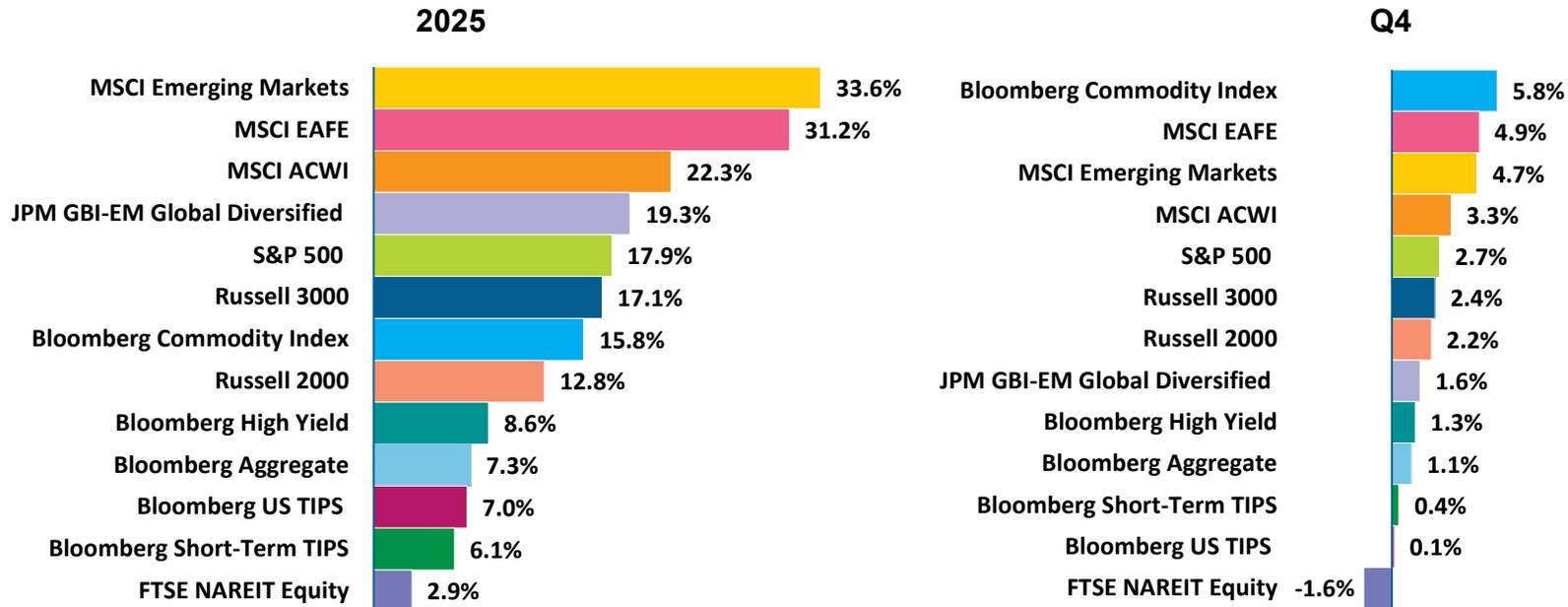
Data as of December 31, 2025

Commentary

Despite considerable policy and trade uncertainty, most major markets posted positive returns in the fourth quarter and for the year, with non-US equities leading the way.

- In the fourth quarter US equities (Russell 3000) returned 2.4% bringing the full year results to 17.1%. Value outperformed growth for the quarter as market sentiment turned cautious given valuations in the AI related tech sector.
- Non-US equities outperformed US stocks in the fourth quarter and for the year, supported by attractive valuations, a rotation out of US tech stocks, a weaker US dollar, and defense and infrastructure spending.
 - Non-US developed stocks (MSCI EAFE) rose 4.9% in the fourth quarter and 31.2% in 2025.
 - Emerging markets (MSCI Emerging Markets) gained 4.7% for the quarter and led the way in 2025 returning 33.6%. Although Chinese stocks declined in the fourth quarter (MSCI China: -7.8%), the broad emerging market group rallied, supported by strong returns in South Korea and Taiwan.
- Most major bond markets finished the fourth quarter in positive territory with strong overall results for the year, particularly for riskier bonds. In the fourth quarter the broad US bond market (Bloomberg Aggregate) returned 1.1%, while cooling inflation led to lower returns for TIPS (+0.1%) and short-term TIPS (+0.4%). High yield and emerging market debt led the way, returning 1.3% and 1.6%, respectively.
- The government reopened in mid-November but the longest shutdown on record likely had a meaningful short-term impact on the economy, while delayed and, in some cases, skipped economic data releases increased uncertainty for policymakers and financial markets.
- Key questions going forward include how the Fed will manage interest rates given competing pressures on its dual mandate of inflation and employment, will the impact of tariffs on inflation grow, can earnings growth remain resilient in the US, will the significant investment in the AI infrastructure buildout pay off, and how will China's economy and relations with the US track.

Index Returns¹



- In the fourth quarter, except for REITs, markets delivered positive returns. Non-US developed and emerging market stocks outperformed US stocks while bond markets benefited from stable inflation and lower interest rates. Commodities were the top performer given the significant run in precious and industrial metals.
- In 2025, all asset classes rose, with international equities leading the way. Key drivers of the strong performance last year include resilient earnings, AI optimism, a weaker US dollar, and expectations for lower interest rates.

¹ Source: Bloomberg. Data is as of December 31, 2025.

Domestic Equity Returns¹

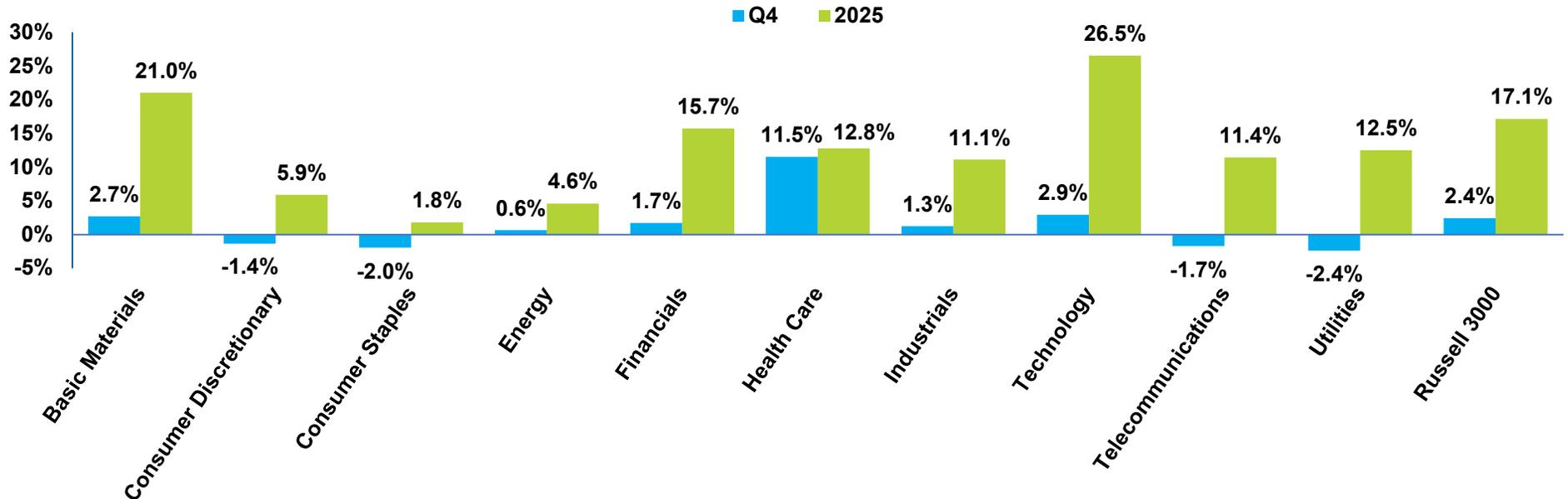
Domestic Equity	December (%)	Q4 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	0.1	2.7	17.9	23.0	14.4	14.8
Russell 3000	0.0	2.4	17.1	22.2	13.1	14.3
Russell 1000	0.0	2.4	17.4	22.7	13.6	14.6
Russell 1000 Growth	-0.6	1.1	18.6	31.1	15.3	18.1
Russell 1000 Value	0.7	3.8	15.9	13.9	11.3	10.5
Russell MidCap	-0.3	0.2	10.6	14.3	8.7	11.0
Russell MidCap Growth	-1.3	-3.7	8.7	18.6	6.6	12.5
Russell MidCap Value	0.1	1.4	11.0	12.3	9.8	9.8
Russell 2000	-0.6	2.2	12.8	13.7	6.1	9.6
Russell 2000 Growth	-1.3	1.2	13.0	15.6	3.2	9.6
Russell 2000 Value	0.2	3.3	12.6	11.7	8.9	9.3

US Equities: The Russell 3000 index returned 2.4% in the fourth quarter and 17.1% in 2025.

- The gains in Q4 were driven mainly by a double-digit rebound in health care stocks. For the full calendar year, roughly half the 17.1% return came from the “Magnificent 7” stocks. Besides enthusiasm for the AI trade, the Fed starting to cut interest rates, an overall resilient economy, and strong earnings all helped US equity markets have another double-digit return year.
- Growth stocks trailed value for the quarter given concerns over valuations for AI-related companies and a shift in sentiment toward more “reasonably” priced economically sensitive areas.
- Large (Russell 1000) and small (Russell 2000) cap stocks had similar returns for the quarter, but large cap outperformed by close to 5.0% for the full year. The 2025 outperformance was mostly driven by the “Magnificent 7” stocks. Large cap banks also contributed to this divergence in performance. While small cap stocks rose nearly 13% for the full year, unprofitable stocks rose nearly twice as much as profitable stocks.

¹ Source: Bloomberg. Data is as of December 31, 2025.

Russell 3000 Sector Returns¹



- For the quarter, sector results were mixed with seven sectors increasing and four declining.
- Health care stocks (+11.5%) significantly outperformed other sectors in the fourth quarter. Eli Lilly rose over 40% during the quarter as investors expressed enthusiasm for its lead in the GLP-1 market. The technology and materials sectors both returned over 2.0%, given AI momentum and strength in metals/mining, respectively. More defensive sectors like utilities and consumer staples trailed in Q4.
- For the full year, technology led the way, driven by the “Magnificent 7” stocks, plus Broadcom. Materials also rose over 20% in 2025, given easing trade tensions and stronger demand for industrial and energy transition metals.

¹ Source: Bloomberg. Data is as of December 31, 2025.

Foreign Equity Returns¹

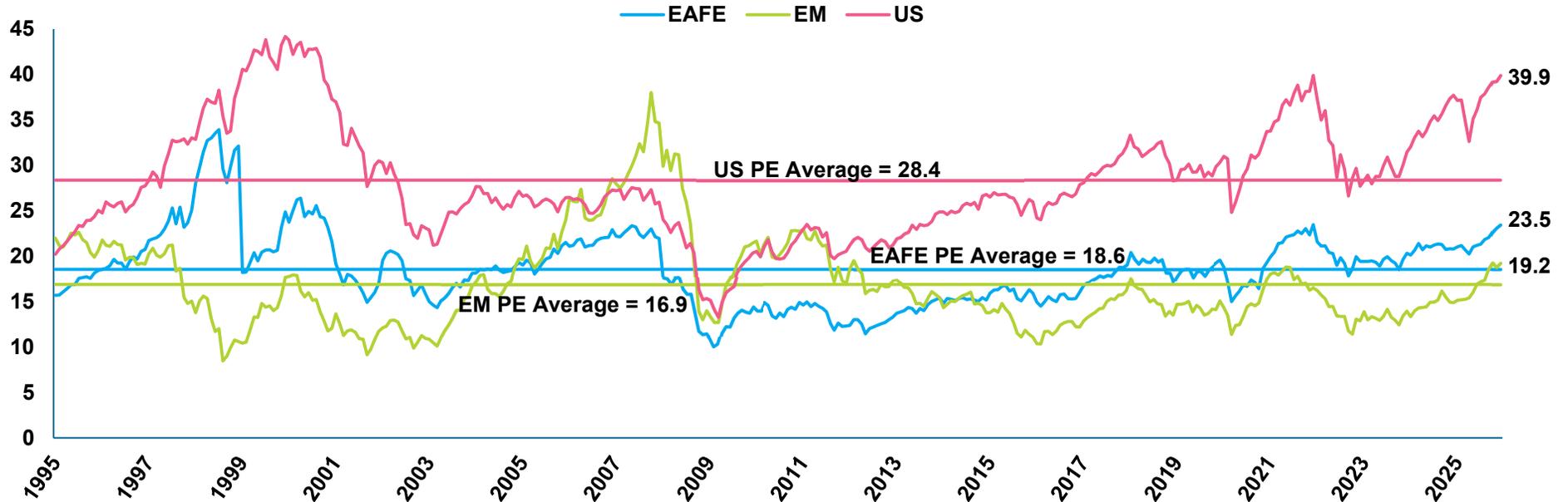
Foreign Equity	December (%)	Q4 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI Ex US	3.0	5.1	32.4	17.3	7.9	8.4
MSCI EAFE	3.0	4.9	31.2	17.2	8.9	8.2
MSCI EAFE (Local Currency)	2.1	6.1	20.6	15.9	11.5	8.6
MSCI EAFE Small Cap	2.3	2.7	31.8	14.9	5.6	7.5
MSCI Emerging Markets	3.0	4.7	33.6	16.4	4.2	8.4
MSCI Emerging Markets (Local Currency)	2.6	5.6	31.3	17.7	6.6	9.5
MSCI EM ex China	4.7	10.2	34.6	18.7	8.2	9.9
MSCI China	-1.2	-7.4	31.2	11.6	-3.2	5.5

Foreign Equity: Developed international equities (MSCI EAFE) returned 4.9% in the fourth quarter and 31.2% in 2025. Emerging markets equities rose 4.7% in the fourth quarter, returning 33.6% for the full year.

- Developed markets posted solid gains in the fourth quarter, outperforming US equities. Eurozone performance was broad-based with financials, health care, and utilities leading. The UK saw similarly strong performance led by financials. Japanese equities rose significantly, with AI investment generating enthusiasm, yen weakness boosting exporters, and the newly elected government announcing stimulus measures.
- Emerging market stocks had strong fourth quarter performance, also benefitting from AI themes and central bank easing. Korea and Taiwan saw solid gains, driven by record-high profits in the tech sector, particularly among semiconductor companies. India rose modestly, benefitting from easing inflation and strong exports, despite steep US tariffs. China fell over the quarter amid lackluster economic data, weak domestic consumption, and slowing US exports.

¹ Source: Bloomberg. Data is as of December 31, 2025.

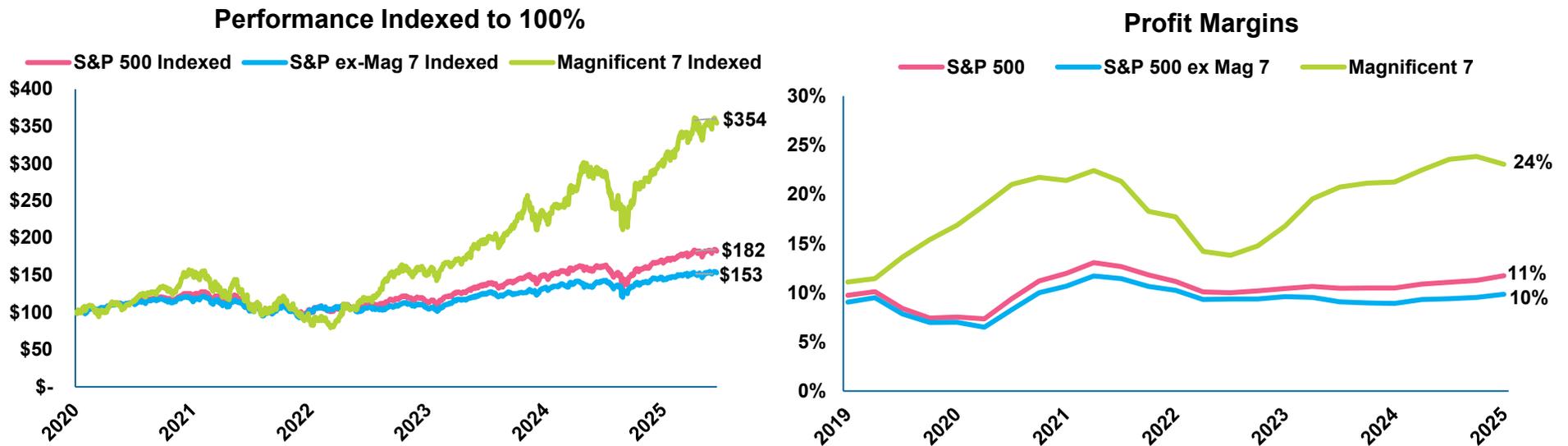
Equity Cyclically Adjusted P/E Ratios¹



- Cyclically adjusted US stock valuations finished the year just shy of 40, a level slightly above the post-pandemic peak. AI-related optimism has been a key driver pushing valuations higher since the April lows.
- Given strong results this year in non-US developed stocks, valuations moved further above their long-run P/E ratio (23.5 versus 18.6).
- As emerging market stocks led the way in 2025, their valuations are now also trading at levels above their long-run average (19.2 versus 16.9).

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 December 2025. 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



- Despite an over 25% decline to start last year, the so-called “Magnificent 7” AI-related technology stocks continued to drive market results, gaining close to 25% for 2025. Since 2020, these stocks increased roughly 3.5x while the other members of the S&P 500 increased about 1.5x.
- The relatively strong performance of the “Magnificent 7” has led to them currently comprising roughly a third of the entire S&P 500 index by market-capitalization, making their performance going forward key to overall market results.
- Profit margins have been relatively strong for these companies, with the latest readings more than double the broad market (24% versus 11%).

¹ Source: Bloomberg. Data is as of December 31, 2025, for index prices and September 30, 2025, for profit margins.

Fixed Income Returns¹

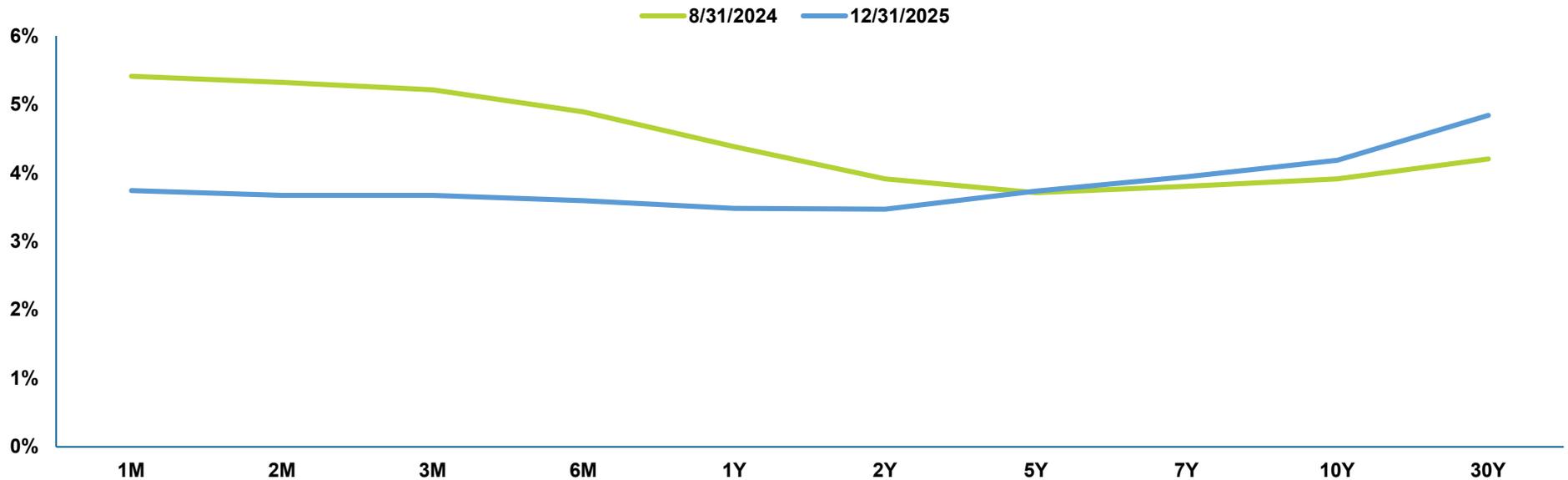
Fixed Income	December (%)	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-0.1	1.2	7.6	5.2	0.1	2.4	4.5	5.8
Bloomberg Aggregate	-0.1	1.1	7.3	4.7	-0.4	2.0	4.3	6.0
Bloomberg US TIPS	-0.4	0.1	7.0	4.2	1.1	3.1	4.0	6.5
Bloomberg Short-term TIPS	0.1	0.4	6.1	5.1	3.5	3.2	3.6	2.4
Bloomberg US Long Treasury	-1.1	0.1	5.6	0.6	-7.2	0.0	4.8	14.5
Bloomberg High Yield	0.6	1.3	8.6	10.0	4.5	6.5	6.5	3.0
JPM GBI-EM Global Diversified (USD)	2.2	1.6	19.3	9.5	1.1	3.9	--	--

Fixed Income: The Bloomberg Universal index rose 1.2% in the fourth quarter, returning 7.6% in 2025.

- In the fourth quarter falling short-term interest rates and relatively stable credit spreads led to overall gains in the bond market.
- The broad US bond market (Bloomberg Aggregate) rose 1.1% with longer-dated US Treasuries essentially flat. Shorter and longer-dated TIPS gained 0.4% and 0.1%, respectively, as inflation concerns eased modestly.
- As overall risk appetite remained strong, riskier bonds led the way with emerging market debt and US high yield returning 1.6% and 1.3%, respectively. In 2025 emerging market bonds returned an impressive 19.3% given relatively high yields, an earlier start to central bank easing, and generally contained inflation.

¹ Source: Bloomberg. Data is as of December 31, 2025. 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 Curve¹

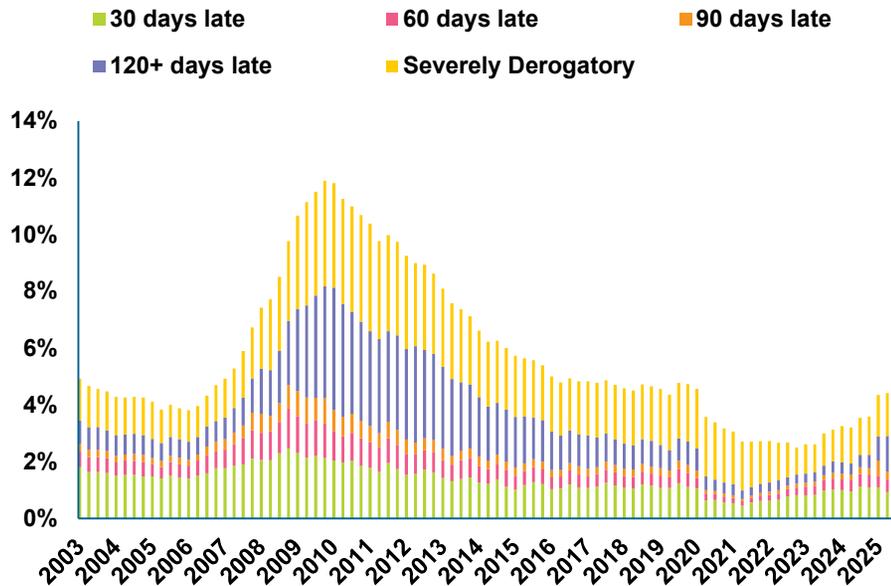


- In the fourth quarter interest rates for shorter maturities fell, while rates for longer-dated maturities stayed stable or rose. These dynamics were driven by expectations for additional interest rate cuts by the Fed and rising term premium, lingering inflation, and fiscal uncertainty.
- The policy-sensitive 2-year nominal Treasury yield fell from 3.61% to 3.48%. The 10-year nominal Treasury yield rose from 4.15% to 4.17%, while the 30-year nominal Treasury yield moved from 4.73% to 4.84%.
- Given these dynamics the yield curve steepened further in the fourth quarter. The spread between a two-year and ten-year Treasury increased from 54 basis points to 70 basis points.

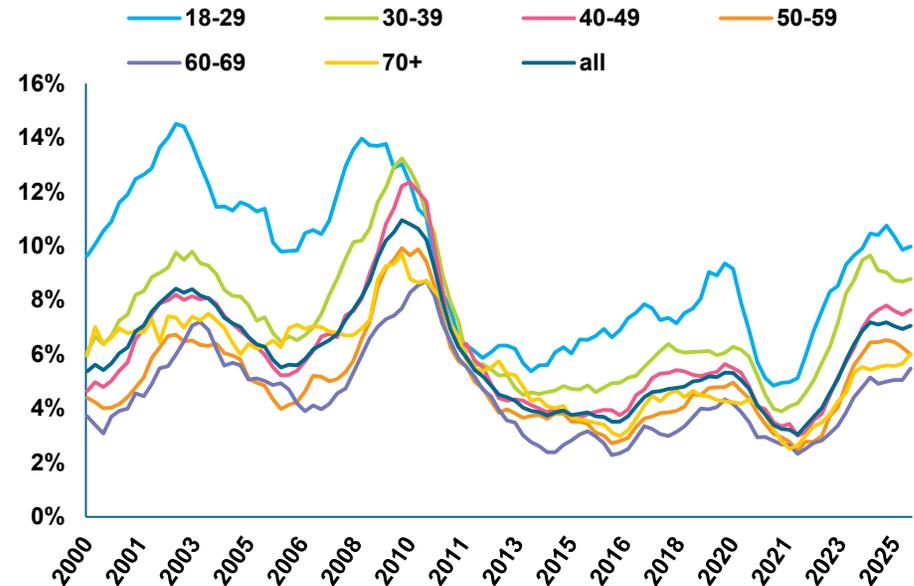
¹ Source: Bloomberg. Data is as of December 31, 2025. The August 2024 Treasury yields are shown as a reference before the first interest rate cut.

Stress is Building Among US Consumers

Percent of Total Outstanding Credit Card Balance by Delinquency Status¹



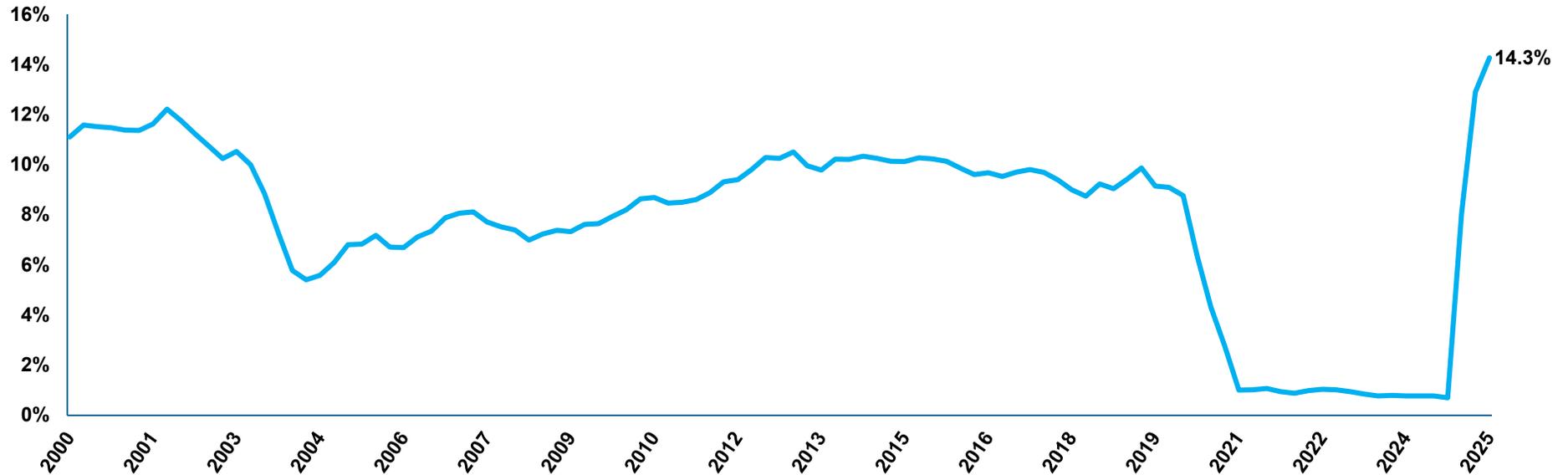
Transition into Serious Delinquency for Credit Cards by Age¹



- Signs of stress on the US consumer have started to emerge, given persistently higher prices and interest rates.
- After falling to historic lows during the pandemic, loan delinquencies have increased.
- Parts of the credit card market, especially for younger cohorts, have begun to show stress as most borrowers are subject to variable and higher borrowing costs. Total delinquencies are below pre-pandemic levels though.

¹ Source: New York Federal Reserve, Quarterly Household Debt and Credit Report. See also FRED. Data is as of September 30, 2025.

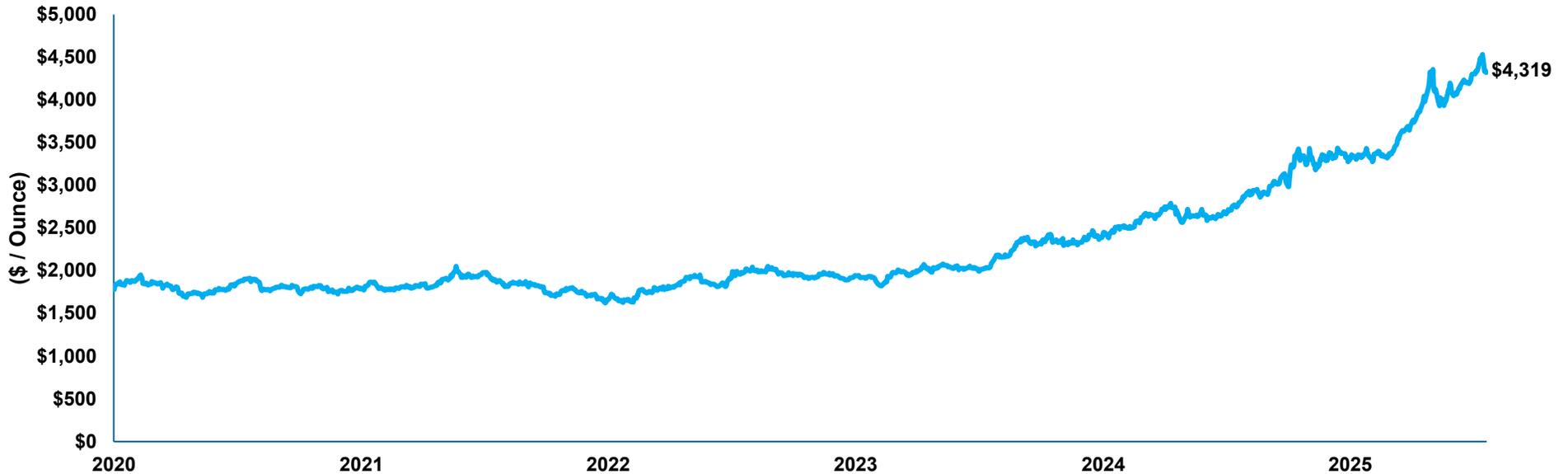
Transition Into Serious Delinquency (90+ Days) for Student Loans¹



- The restarting of student loan payments and reporting for those in default could add further pressures to consumers.
- During the pandemic, student loan repayments were suspended with an estimated 43 million borrowers deferring payments.
- Pressures have been growing in the student loan market. Roughly nine million borrowers missed at least one loan payment last year and approximately 14.3% of student debt has moved into seriously delinquent status.

¹ Source: New York Federal Reserve, Quarterly Household Debt and Credit Report. See also FRED. Data is as of September 30, 2025. 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.

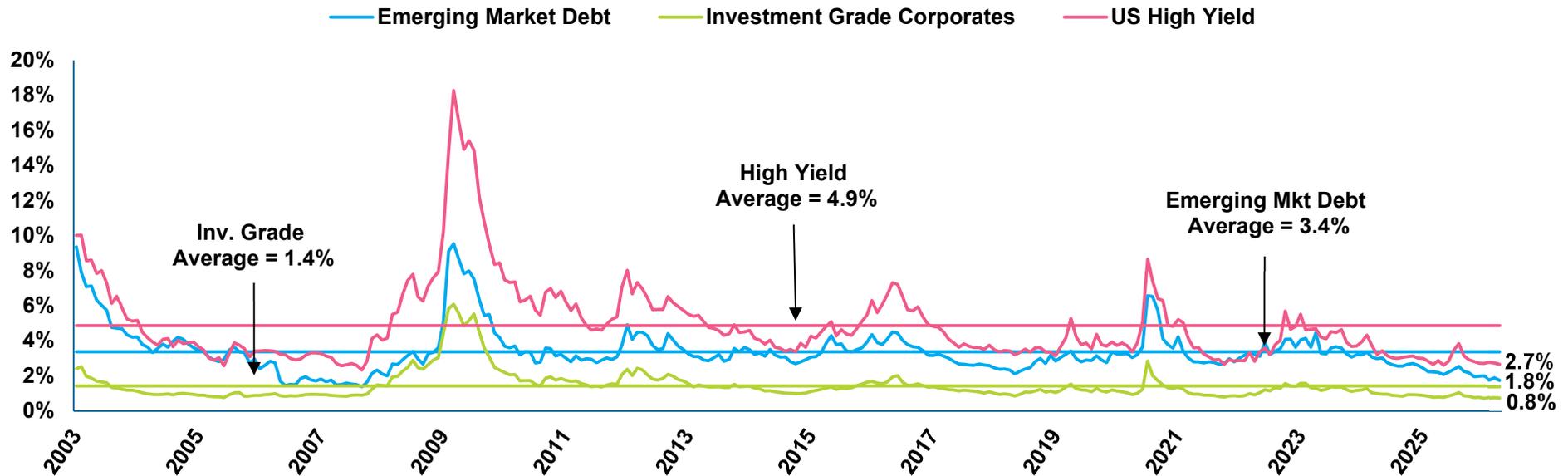
Gold¹



- In a year where risk assets did particularly well, gold, which is usually perceived as a safe haven, did even better, gaining close to 65%.
- Key drivers of gold's strong year include central bank demand, a weaker US dollar, inflation concerns, central banks purchasing bullion, and expectations for lower rates.
- In 2025, the price of gold rose from just over \$2,600 an ounce to over \$4,300 an ounce.

¹ Source: Bloomberg as of December 31, 2025. Gold Spot Price is quoted as US Dollars per Troy Ounce.

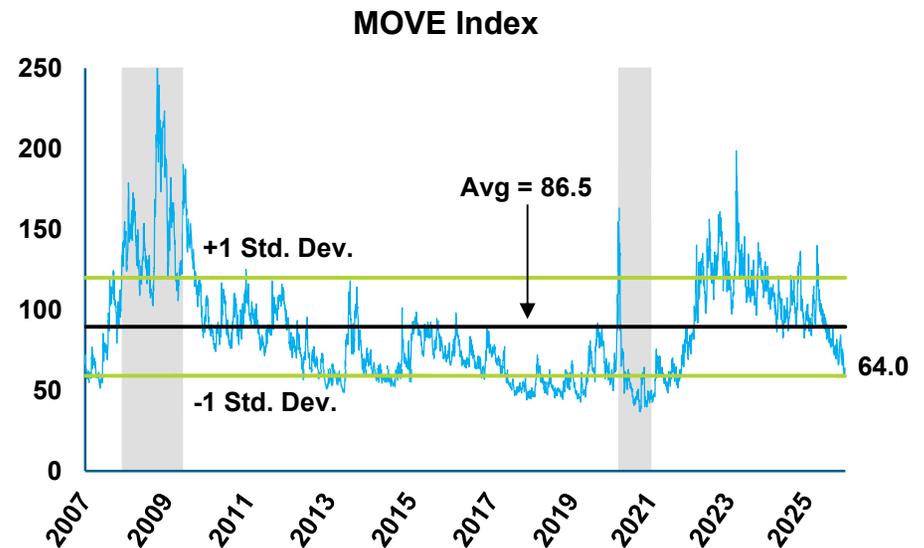
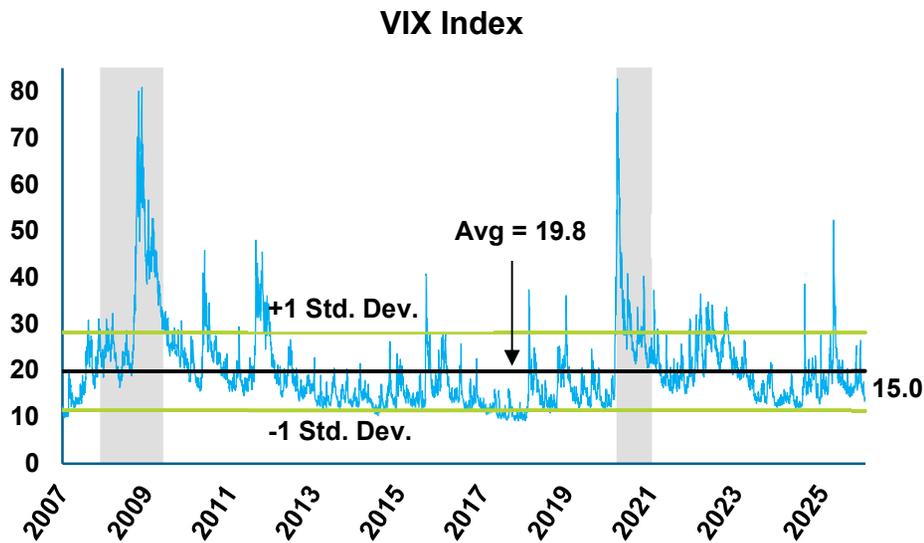
Credit Spreads vs. US Treasury Bonds¹



- Credit spreads (the difference in yield from a comparable maturity Treasury) remained relatively stable over the quarter at historically tight levels. A resilient US economy, strong corporate balance sheets/low default rates, and investor demand for yield have all contributed to tight spreads.
- Investment grade spreads remained below 1.0% in December.
- High yield spreads stayed at 2.7% for the quarter, while emerging market spreads tightened from 2.0% to 1.8%.
- All yield spreads remained well below their respective long-run averages, especially high yield (2.7% versus 4.9%).

¹ Source: Bloomberg. Data is as of December 31, 2025. 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.

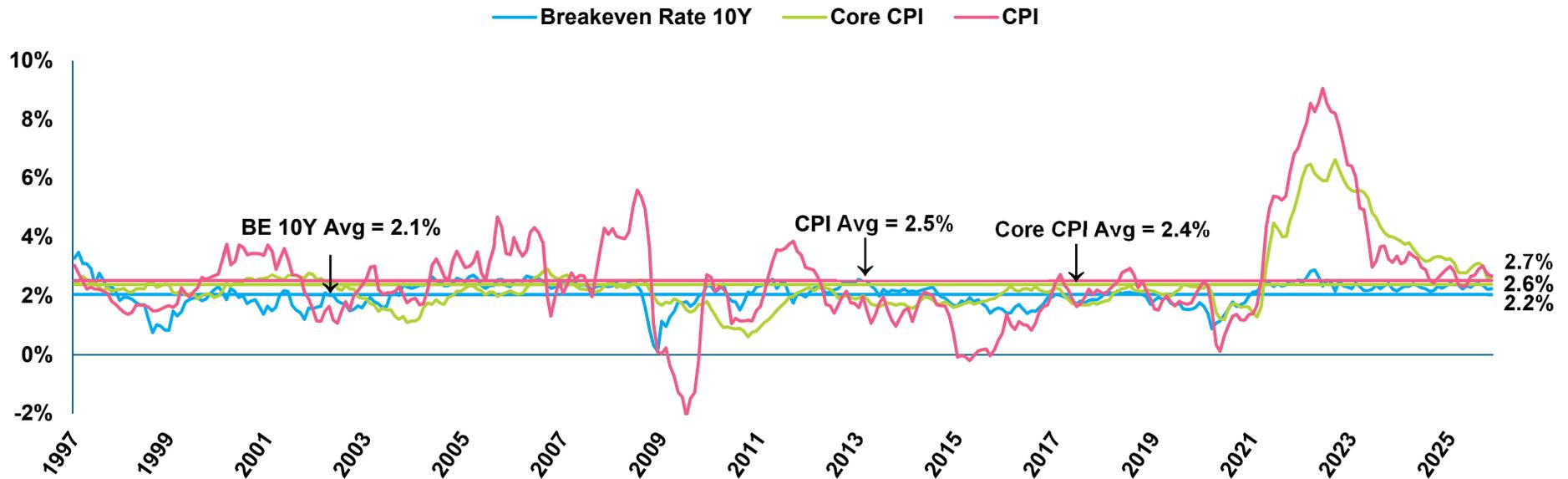
Equity and Fixed Income Volatility¹



- Equity and bond market volatility eased in the fourth quarter to levels well below their long-run averages but there were several spikes in volatility during the quarter.
- Equity market volatility (VIX) finished the quarter at 15.0 versus a long-term average of 19.8. There were spikes above the 25 level in October and November in the wake of geopolitical tensions, questions about the path of interest rates given Fed messaging, and mixed economic data.
- Despite several spikes, bond market volatility (MOVE) ended the quarter at 64.0, below a long-term average of 86.5. Interest-rate uncertainty declining as inflation moderated and the Fed’s policy path became clearer drove bond market volatility lower over the quarter.

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 December 31, 2025. The average line indicated is the average of the VIX and MOVE values between January 2007 and December 2025.

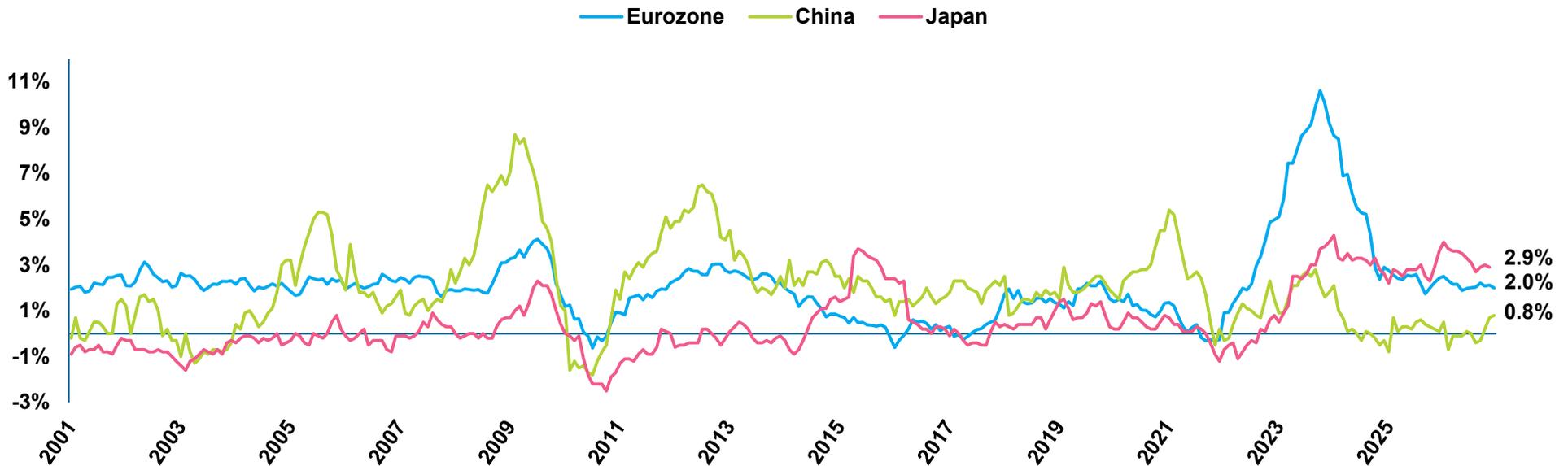
US Inflation¹



- In the final quarter of 2025, year-on-year headline inflation fell 0.3% to 2.7% (matching expectations). This was driven by a drop in services, as prices for goods, food, and energy remained stable. The month-on-month rate was 0.3% (like September). This was the only monthly reading during the quarter given the government shutdown.
- Core inflation year-on-year fell from 3.0% to 2.6% (below expectations of 2.7%) in Q4 largely due to a decline in services, particularly shelter. The monthly growth rate came in at 0.2% in December (the same as September) slightly below expectations. This was also the only monthly reading during the quarter.
- Long-term inflation expectations fell slightly over the quarter (2.4% to 2.2%) and remain well anchored close to their long-run average of 2.1%.

¹ Source: FRED. Data is as of December 31, 2025. This represents the latest inflation data. The October report was canceled given the government shutdown.

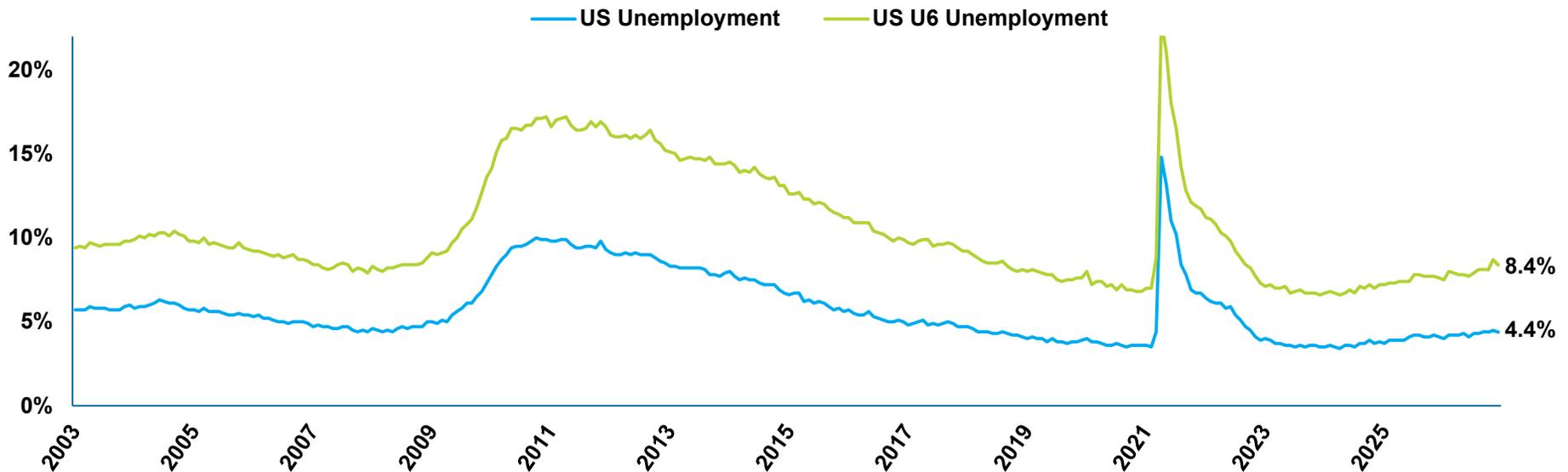
Global Inflation (CPI Trailing Twelve Months)¹



- With inflation at its 2.0% target, the ECB has held policy rates steady at 2.0% with disinflationary pressures expected to continue in 2026.
- In December the Bank of Japan raised interest rates to their highest level in three decades from 0.5% to 0.75%. Inflation in Japan fell slightly (3.0% to 2.9%) but remains above target. Despite the slight drop, inflation levels continue to be roughly 1% above the Bank of Japan's target level.
- China's annual inflation rate moved into positive territory in the fourth quarter. It finished the year at 0.8%, the highest level since early 2023, largely driven by higher food prices particularly fresh vegetables (+18.2% yoy). Despite the positive reading, inflation in China remains stubbornly low even after significant stimulus.

¹ Source: Bloomberg. Data is as of December 2025 except Japan which is of November.

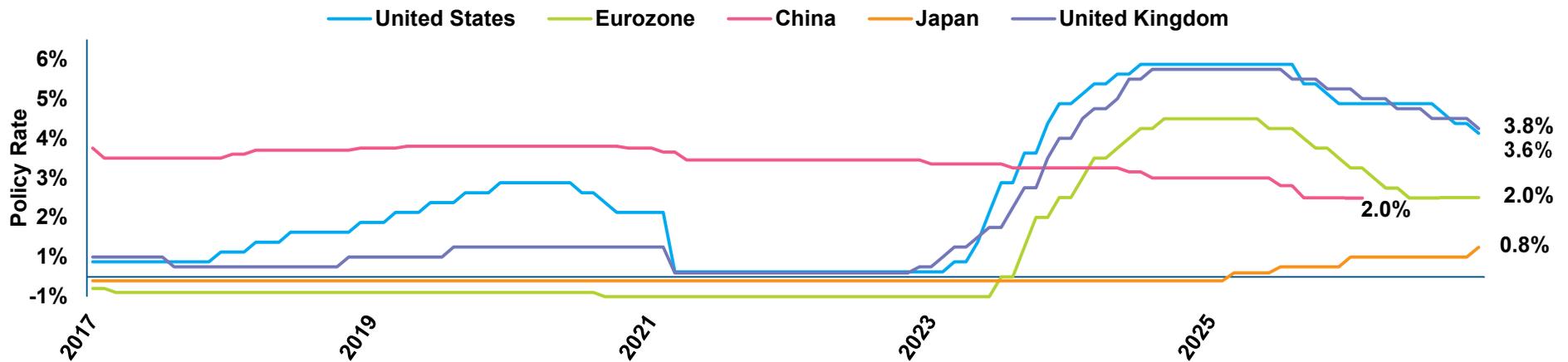
US Unemployment¹



- In December, the US added 50,000 new jobs and the unemployment rate declined slightly from 4.6% to 4.4% (the same level as the end of Q3). Over the quarter the US shed 67,000 jobs, driven by the loss of government jobs in October related to the shutdown.
- Food services, health care, and social assistance sectors added the most jobs in December while the retail sector lost jobs. These steady job gains plus fewer people re-entering the labor force and slowing layoffs drove the decline in the unemployment rate.
- In other labor data, job openings continued to decline and hiring slowed, but layoffs have recently fallen and wages continued to grow above the rate of inflation.

¹ Source: FRED. Data is as of December 31, 2025.

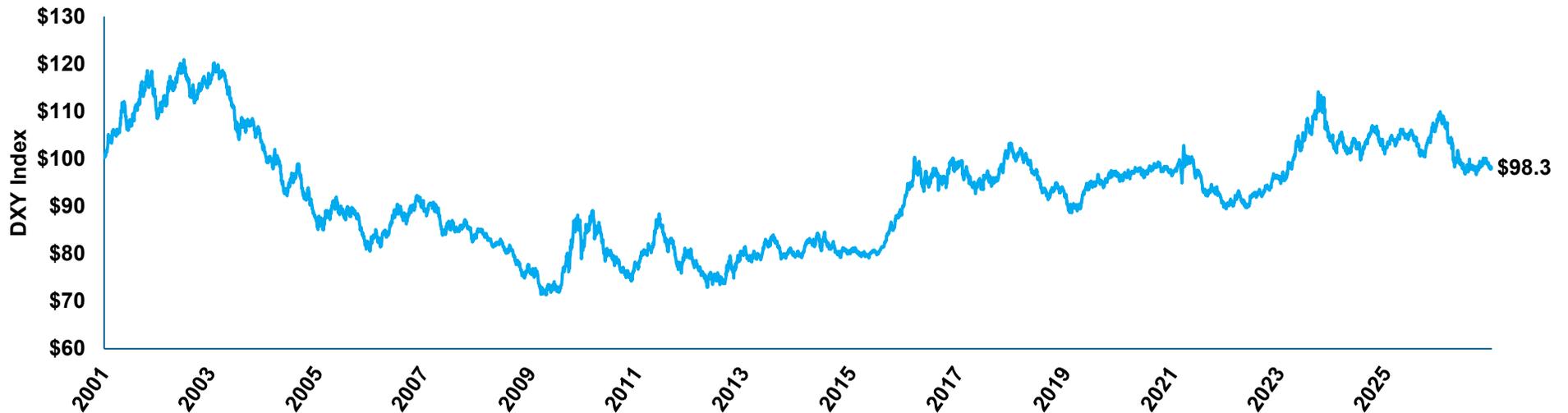
Global Policy Rates¹



- It appears that we are moving into an environment in which the Fed may continue to cut interest rates while other central banks are on hold or are moving rates higher.
- The Fed cut interest rates again in December to a range of 3.5% to 3.75% with market expectations for roughly two more cuts over the next 12 months. Based on comments after the recent meeting it appears the Fed will move cautiously, given inflation remaining elevated despite signs of weakness in the labor market.
- The ECB has held rates steady since last summer. In 2026, there are no expectations of further cuts by the ECB, but markets are pricing in nearly two cuts from the BOE.
- After cutting rates in May of last year, China's central bank has held rates steady, although disinflationary pressures continue to be a concern.
- The BOJ increased rates by 0.25% at their last meeting with markets expecting nearly two more hikes this year, given inflation levels remaining above their 2% target.

¹ Source: Bloomberg. Data is as of December 31, 2025, except China which is as of February 28, 2025. 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 China Central Bank 1-Year Medium Term Interest Rate. UK rate is the UK Bank of England Official Bank Rate.

US Dollar vs. Broad Currencies¹



- The US dollar weakened by over 9% in 2025 on lower rate expectations, slowing growth, and fiscal deficit concerns.
- After a decline in the first half of the year, the dollar largely stayed range bound for the second half of 2025 as expectations for aggressive Fed rate cuts eased, yields in the US remained relatively high, and demand for safe-haven assets rose.

¹ Source: Bloomberg. Data as of December 31, 2025.

Key Trends

- According to the International Monetary Fund's (IMF) October's World Economic Outlook, the global economy will decelerate from 3.2% in 2025 to 3.1% in 2026. The US is expected to modestly accelerate economic growth in 2026 to 2.1% from 2.0% in 2025. The euro area will slow slightly from 1.2% in 2025 to 1.1% in 2026. China's economy is expected to slow from 4.8% in 2025 to 4.2% in 2026.
- Despite the decline in tariff rhetoric since earlier in 2025, questions remain about how tariffs will ultimately impact inflation. Overall, higher tariff levels and continued uncertainty could weigh on growth while increasing prices. Inflation levels and potential developments with tariffs combined with a weakening labor market will complicate the Fed's rate cutting path.
- Some signs of US consumer stress have started to emerge, with weakness in the jobs market and sentiment deteriorating. Consumers are particularly concerned about losing their jobs and the potential for higher prices. Overall, risk to economic growth and to inflation from tariffs, as well as elevated borrowing costs, could put further pressure on consumers and lead to an even weaker job market. The resumption of collecting and reporting delinquent student loans could be a further headwind to consumption.
- US equities continue to reach new highs. Relatively strong earnings, AI optimism, and rate cuts from the Fed all helped drive stocks higher last year. How earnings track from here, particularly for the large AI-related companies that make up a significant portion of the market, will be key going forward. Many questions remain about the return on investment for companies making significant investments in building AI infrastructure. We could see this year a divergence in results within the "Magnificent 7" as well as a rotation into other more economically sensitive sectors.
- Trade tensions between the US and China will remain an important focus as well as the overall health of China's economy. President Trump and President Xi met in late October last year and agreed to suspend trade sanctions for a year. However, it is not clear if China and the US will indeed de-escalate strategic high tech and rare earth tensions despite the official truce. How China manages its slowing economy, and deflationary pressures will also be important. Rising geopolitical tensions related to other countries like Venezuela, Denmark/Greenland, and Iran could also add to volatility this year.

Executive Summary

Q4 2025

OPERF Executive Summary – Notable Items

- Global markets posted positive Q4 returns, supported by strong earnings, AI optimism, a softer US dollar, and declining rates. Equity leadership broadened, with Non-US markets outperforming and US value exceeding growth, while bonds also delivered positive returns.
- OPERF returned 2.2% for the quarter, underperforming the Policy Benchmark (+3.3%) and tracking the peer median return.
 - All asset classes generated positive returns except Real Estate. Public and Private Equity, Diversifying Strategies, and Real Assets led returns, with International and Emerging Markets driving Public Equity performance.
- Over the trailing one-year period, the Total Fund returned nearly 10%, with positive returns across all asset classes.
 - Real Estate and Private Equity were the primary detractors to relative performance over both quarter-to-date and trailing one-year periods, while most other asset classes met or exceeded policy benchmarks.
- Asset Allocation had a negative impact on returns during both periods, primarily due to the underweight in Public Equity and overweight in Private Equity. An overweight to Real Assets helped offset this.

Performance Reporting Update

In response to Council feedback and discussions with staff, Meketa has begun revising performance reports to improve clarity and usefulness. Recent updates are listed below, and future updates will be highlighted as solutions are implemented.

- Total Fund Attribution slides have been removed. Meketa is exploring additional relative return analytics and solutions.
- Asset Allocation inclusive of the Overlay impact has been added to the Performance Review Summary slide providing a comprehensive allocation view.
- Active manager performance ratio removed.
- Asset Class Absolute Contribution to Return charts added to performance dashboard to highlight asset class drivers of returns.
- 5-Year Annualized Risk/Return chart added to performance reports highlighting the risk/return profile of the Total Fund return experience relative to peers and policy benchmark.

Performance Review Summary

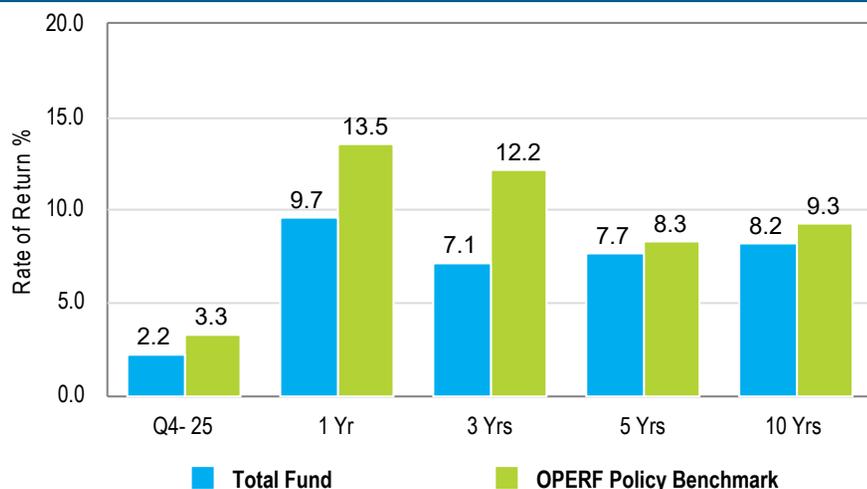
Category	Quarterly Results	5 Year Results
Performance vs. OPERF Policy Benchmark	Underperform 2.2% vs. 3.3%	Underperform 7.7% vs. 8.3%
Performance vs. 6.9% Actuarial Rate	NA	Outperform 7.7% vs. 6.9%
Performance vs. InvMetrics All DB > \$5B Net Median	Neutral 2.2% vs. 2.2%	Outperform 7.7% vs. 7.2%

Asset Allocation (incl. Overlay) ¹					
Asset Class	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Compliance
Public Equity	20.1	27.5	-7.4	22.5 - 32.5	No
Private Equity	24.7	20.0	4.7	15.0 - 27.5	Yes
Fixed Income	23.0	25.0	-2.0	20.0 - 30.0	Yes
Real Estate	13.4	12.5	0.9	7.5 - 17.5	Yes
Real Assets	10.6	7.5	3.1	2.5 - 10.0	No
Diversifying	5.4	7.5	-2.1	2.5 - 10.0	Yes
Opportunity	2.8	0.0	2.8	0.0 - 5.0	Yes
Cash	0.0				

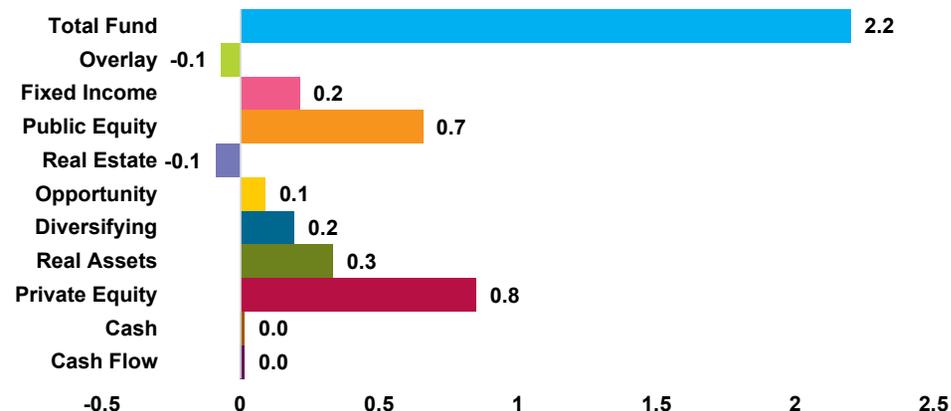
¹ Source: Russell Investments Overlay data and State Street Bank performance statement.

Performance Update
As of December 31, 2025

Return Summary Ending December 31, 2025



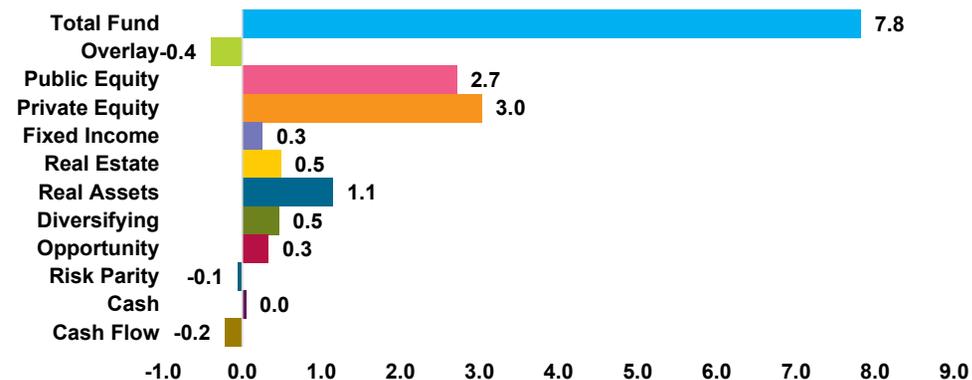
QTD Asset Class Absolute Contribution to Return (%)



Comparative Performance Summary

	Q4- 25 (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Fund	2.2	9.7	7.1	7.7	8.2
<i>OPERF Policy Benchmark</i>	<i>3.3</i>	<i>13.5</i>	<i>12.2</i>	<i>8.3</i>	<i>9.3</i>
Excess Return	-1.1	-3.9	-5.1	-0.6	-1.1
<i>InvMetrics All DB > \$5B Median</i>	<i>2.2</i>	<i>13.2</i>	<i>10.5</i>	<i>7.2</i>	<i>8.1</i>
Total Fund Rank	53	91	85	31	43

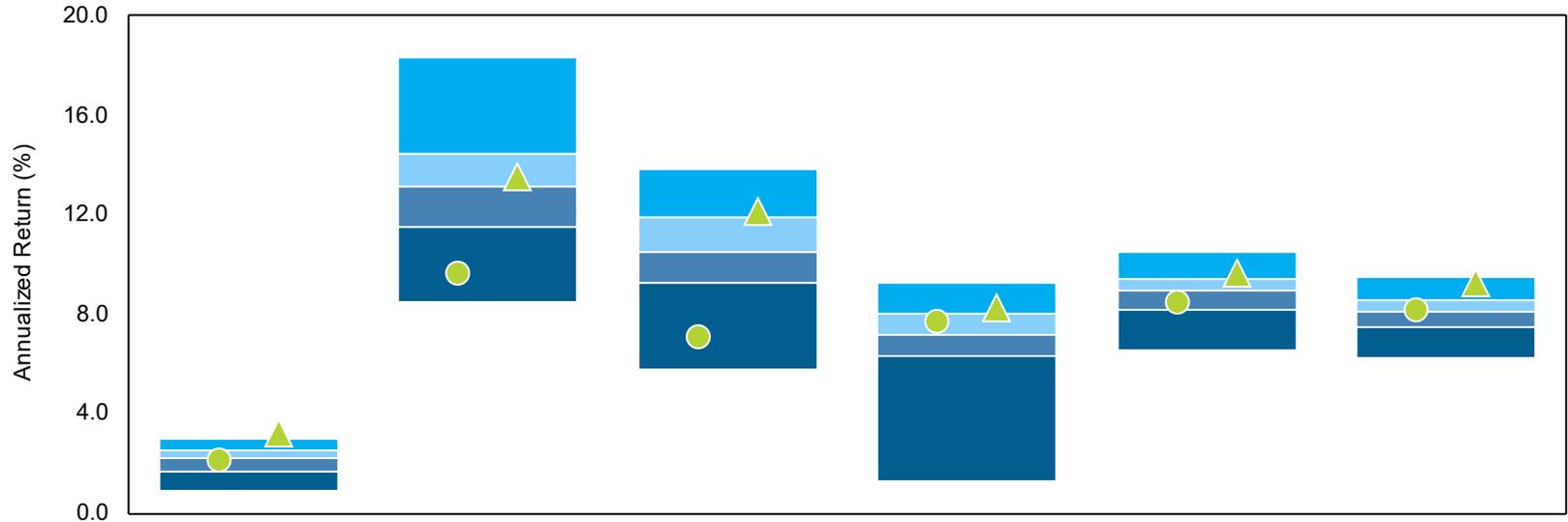
5-Year Asset Class Absolute Contribution to Return (%)



Asset Class Absolute Contribution to Return chart Total Fund return may differ from reported returns due to rounding.

Plan Sponsor Peer Group Analysis | As of December 31, 2025

InvMetrics All DB > \$5B Net Return Comparison
Ending December 31, 2025

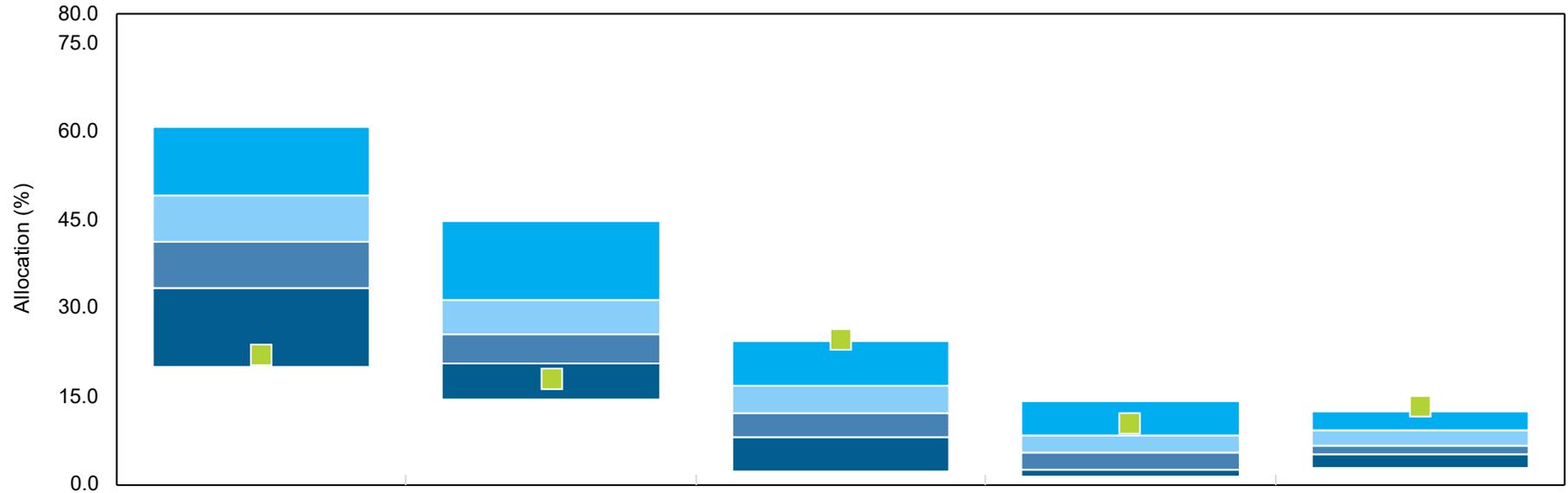


	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
● Total Fund	2.2 (53)	9.7 (91)	7.1 (85)	7.7 (31)	8.5 (72)	8.2 (43)
▲ OPERF Policy Benchmark	3.3 (1)	13.5 (37)	12.2 (19)	8.3 (20)	9.7 (19)	9.3 (8)
5th Percentile	3.0	18.4	13.9	9.3	10.5	9.5
1st Quartile	2.6	14.5	11.9	8.1	9.5	8.6
Median	2.2	13.2	10.5	7.2	9.0	8.1
3rd Quartile	1.7	11.6	9.3	6.4	8.2	7.6
95th Percentile	0.9	8.6	5.8	1.3	6.6	6.3
Population	54	54	54	50	46	46

Parenteses contain percentile rankings.

Plan Sponsor TF Asset Allocation | As of December 31, 2025

Total Plan Allocation vs. InvMetrics All DB > \$5B

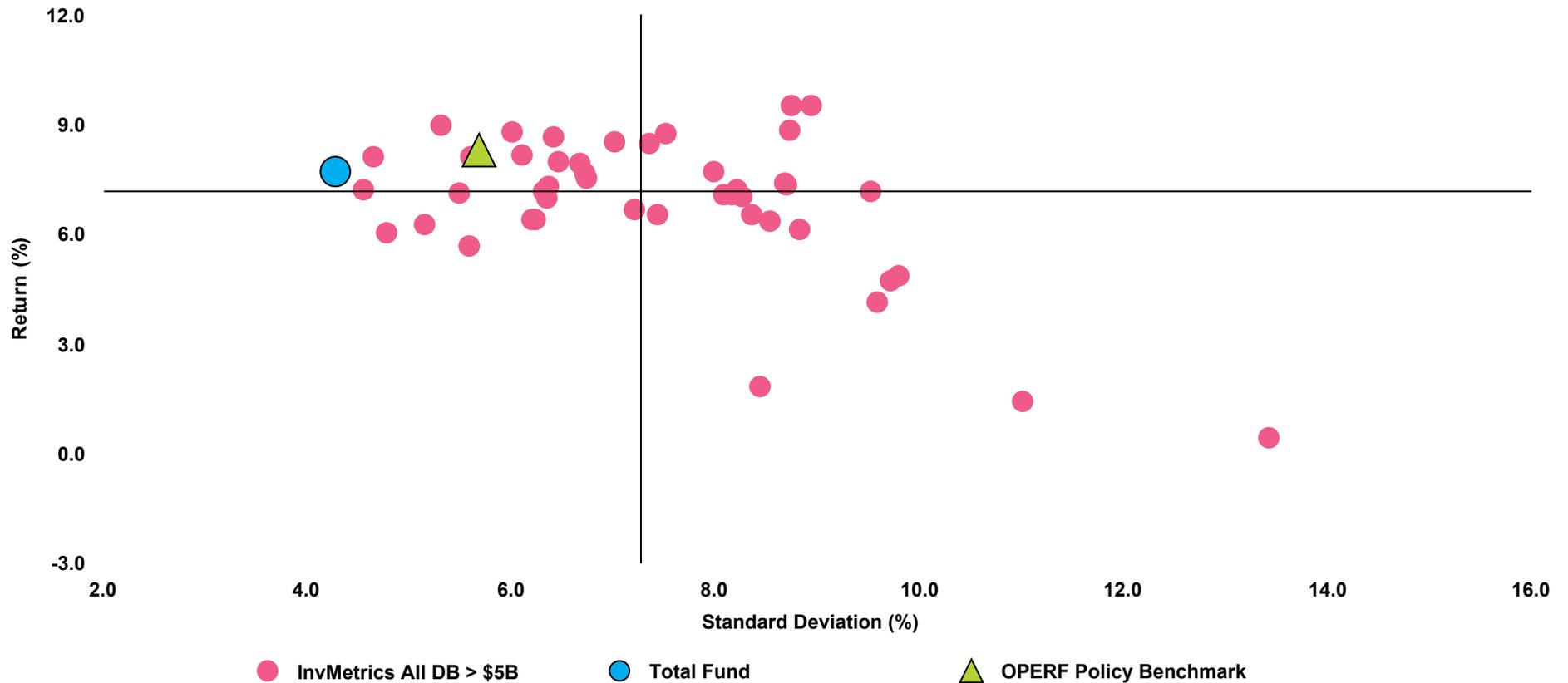


	Total Equity	Total Fixed Income	Private Equity	Real Assets/Commod	Total Real Estate
■ Total Fund	22.2 (89)	18.1 (82)	24.7 (5)	10.6 (20)	13.4 (2)
5th Percentile	61.1	44.9	24.7	14.2	12.6
1st Quartile	49.3	31.4	17.0	8.5	9.5
Median	41.4	25.7	12.2	5.5	6.7
3rd Quartile	33.6	20.8	8.1	2.7	5.2
95th Percentile	20.1	14.6	2.4	1.5	2.9

Parentheses contain percentile rankings.

Allocations will not sum to 100% as Diversifying Strategies (5.4%), Cash (2.8%), the Opportunity Portfolio (2.8%), and Other Equity (0.1%) are not included in the reported asset classes.

Annualized Return vs. Annualized Standard Deviation 5 Years Ending December 31, 2025

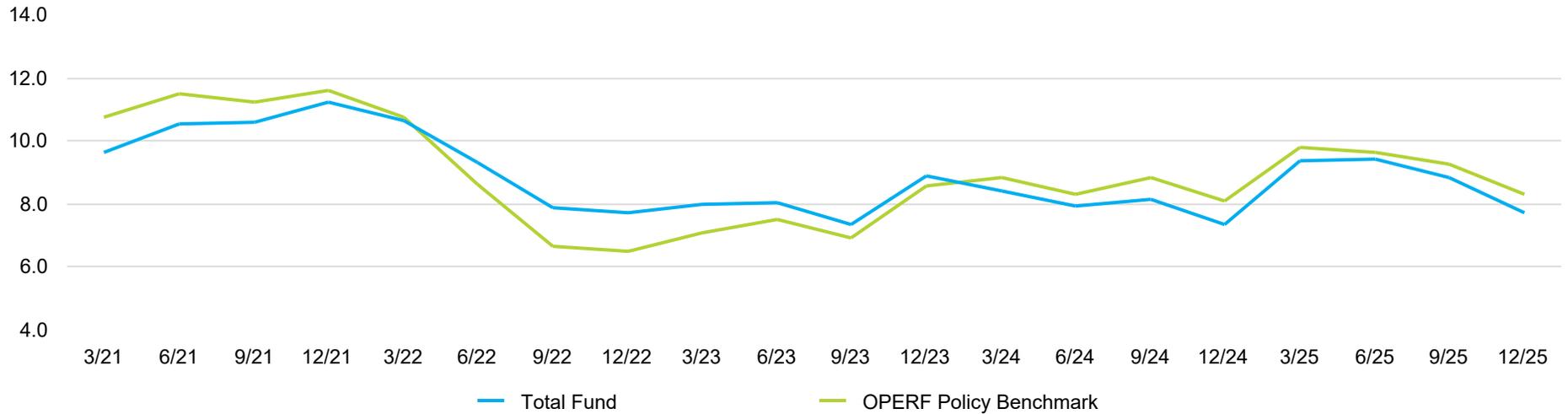


	Return	Standard Deviation
● Total Fund	7.7	4.3
▲ OPERF Policy Benchmark	8.3	5.7
— Median	7.2	7.3

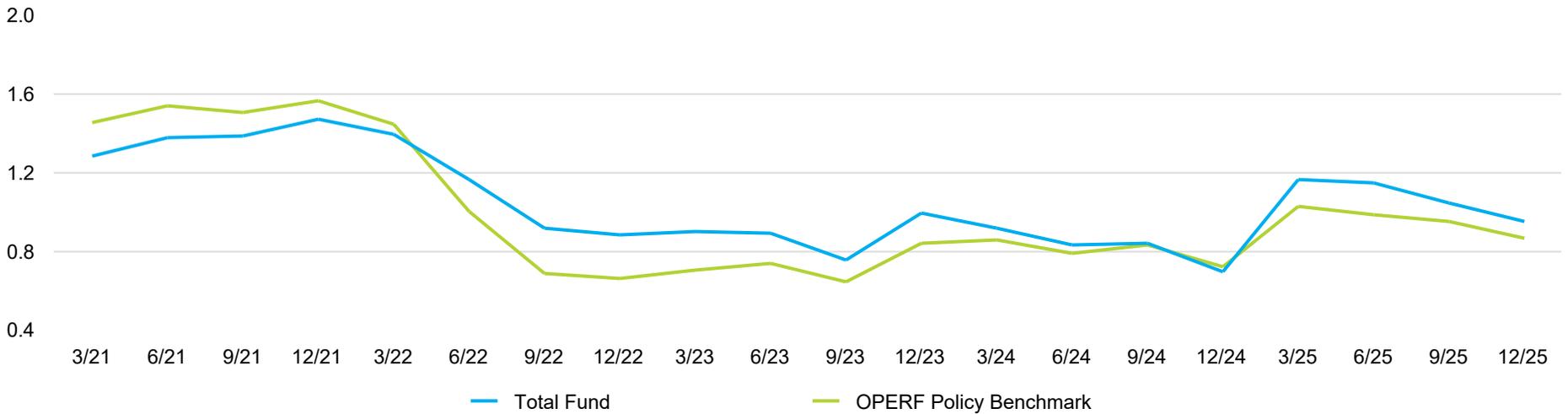
InvMetrics DB > \$5B population over five years includes 50 members as of December 31, 2025.

Total Fund | As of December 31, 2025

Rolling 5 Year Annualized Return (%)
Total Fund vs OPERF Policy Benchmark

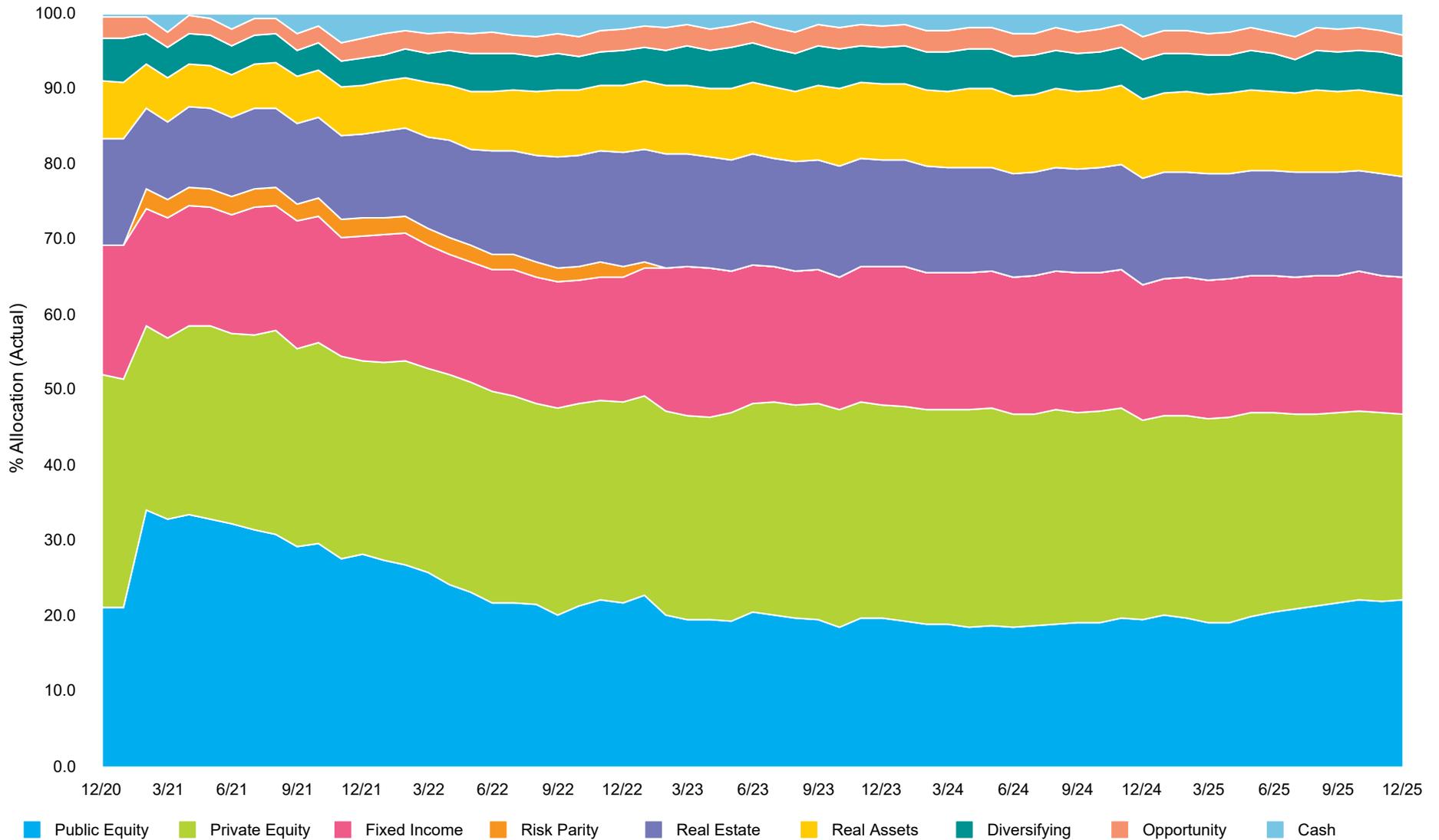


Rolling 5 Year Sharpe Ratio
Total Fund vs OPERF Policy Benchmark



Historical Asset Allocation | 5 Years Ending December 31, 2025

Asset Allocation History
5 Years Ending December 31, 2025



Total Fund | As of December 31, 2025

Asset Class Performance Summary									
	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Total Fund	101,338,832,752	100.0	2.2	9.7	7.1	7.7	8.2	7.7	Jul-97
<i>OPERF Policy Benchmark</i>			3.3	13.5	12.2	8.3	9.3	7.9	
<i>InvMetrics All DB > \$5B Median</i>			2.2	13.2	10.5	7.2	8.1	6.8	
<i>InvMetrics All DB > \$5B Rank</i>			53	91	85	31	43	1	
Total Fixed Income	18,400,217,846	18.2	1.2	7.3	5.6	0.7	2.6	6.4	Jan-88
<i>Oregon Custom FI Benchmark</i>			1.1	7.3	4.7	-0.2	2.0	--	
Core Fixed Income	6,089,468,680	6.0	1.2	7.8	5.3	-0.1	2.5	4.8	Apr-00
<i>Oregon Custom External FI BM</i>			1.1	7.3	4.7	-0.4	2.0	4.1	
U.S. Government	7,720,853,176	7.6	0.9	6.5	3.8	-0.9	1.1	1.1	Jan-14
<i>Government Blended Index</i>			0.9	6.3	3.6	-1.0	1.1	1.1	
Non-Core Fixed Income	1,706,608,785	1.7	1.6	7.1	10.5	7.6	6.7	6.9	Aug-08
<i>Custom Non-Core Fixed Income Index</i>			1.3	6.6	9.5	6.0	6.0	5.9	
Emerging Markets Debt	296,252,634	0.3	3.4	14.6	10.9	--	--	2.1	May-21
<i>JPM EMBI Global Diversified</i>			3.3	14.3	10.6	--	--	2.4	
Structured Credit Products	1,660,224,017	1.6	1.5	7.7	6.9	--	--	2.6	Dec-21
<i>Oregon Structured Credit Products FI BM</i>			1.3	7.1	6.5	--	--	2.3	
Investment Grade Credit	914,347,190	0.9	0.8	8.2	7.0	--	--	5.4	Jul-22
<i>Bloomberg US Credit</i>			0.9	7.8	6.0	--	--	4.6	

See appendix for custom Policy Benchmark descriptions.

Total Fund | As of December 31, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Total Public Equity	22,423,210,941	22.1	3.0	21.2	19.4	11.9	11.7	8.1	Jul-97
<i>MSCI ACWI IMI Net (Daily)</i>			<i>3.2</i>	<i>22.1</i>	<i>20.0</i>	<i>10.7</i>	<i>11.4</i>	<i>7.3</i>	
U.S. Equity	11,994,901,360	11.8	2.5	16.3	19.8	13.0	13.1	--	Dec-80
<i>Russell 3000 Index</i>			<i>2.4</i>	<i>17.1</i>	<i>22.2</i>	<i>13.1</i>	<i>14.3</i>	<i>11.5</i>	
Small Cap Growth	328,476,563	0.3	4.5	10.4	13.0	5.6	12.1	12.8	Aug-09
<i>Russell 2000 Growth Index</i>			<i>1.2</i>	<i>13.0</i>	<i>15.6</i>	<i>3.2</i>	<i>9.6</i>	<i>11.5</i>	
Market Oriented (CORE)	11,666,424,797	11.5	2.5	16.5	20.1	12.9	13.6	13.9	Aug-09
<i>Russell 3000 Index</i>			<i>2.4</i>	<i>17.1</i>	<i>22.2</i>	<i>13.1</i>	<i>14.3</i>	<i>14.3</i>	
Non-U.S. Equity	7,368,407,440	7.3	4.7	31.8	19.5	10.5	10.3	10.2	Apr-85
<i>Oregon MSCI ACWI Ex US IMI (Net)</i>			<i>4.8</i>	<i>32.0</i>	<i>17.1</i>	<i>7.8</i>	<i>8.4</i>	<i>--</i>	
Total International Overlay Accounts	40,737,536	0.0							
International Market Oriented (Core)	3,225,383,711	3.2	5.8	42.2	23.2	12.9	11.3	9.6	Aug-09
<i>MSCI World ex U.S. IMI Index (Net)</i>			<i>5.0</i>	<i>32.2</i>	<i>17.4</i>	<i>9.0</i>	<i>8.5</i>	<i>7.4</i>	
International Value	1,579,709,091	1.6	5.7	34.9	22.6	14.1	11.2	8.4	Feb-98
<i>Oregon MSCI ACWI Ex US Value IMI (Net)</i>			<i>7.1</i>	<i>38.5</i>	<i>19.7</i>	<i>11.6</i>	<i>8.7</i>	<i>6.7</i>	
International Growth	1,556,350,162	1.5	0.9	10.9	9.4	3.1	8.0	7.0	Jan-05
<i>Oregon MSCI WORLD Ex US (Net)</i>			<i>5.2</i>	<i>31.9</i>	<i>17.6</i>	<i>9.5</i>	<i>8.6</i>	<i>6.2</i>	
International Small Cap	217,445,631	0.2	4.3	36.6	18.0	10.5	8.7	9.0	Aug-09
<i>MSCI World ex U.S. Small Value (Net)</i>			<i>5.0</i>	<i>38.6</i>	<i>17.8</i>	<i>9.8</i>	<i>8.5</i>	<i>8.4</i>	
Emerging Markets	789,411,881	0.8	6.4	36.2	21.4	9.2	11.2	8.5	Aug-09
<i>ORE MSCI Emerging Markets IMI (Net)</i>			<i>4.3</i>	<i>31.4</i>	<i>16.3</i>	<i>4.7</i>	<i>8.4</i>	<i>5.8</i>	

See appendix for custom Policy Benchmark descriptions.

Total Fund | As of December 31, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Global Equity	3,019,164,605	3.0	0.8	17.9	18.2	11.4	10.7	6.2	Mar-07
<i>MSCI ACWI IMI Net (Daily)</i>			<i>3.2</i>	<i>22.1</i>	<i>20.0</i>	<i>10.7</i>	<i>11.4</i>	<i>7.6</i>	
Global Equity Low Volatility	732,031,929	0.7	2.2	26.1	19.9	12.5	--	11.9	Jan-17
<i>MSCI AC World (Daily Const)</i>			<i>3.3</i>	<i>22.3</i>	<i>20.7</i>	<i>11.2</i>	<i>--</i>	<i>12.2</i>	
Other Equity	75,485,039	0.1							
Total Real Estate	13,532,760,586	13.4	-0.6	2.1	-4.2	4.7	5.9	8.7	Jul-97
<i>NCREIF ODCE (Custom) (Adj.)</i>			<i>0.5</i>	<i>3.2</i>	<i>-6.1</i>	<i>2.6</i>	<i>4.1</i>	<i>7.8</i>	
Real Estate excluding REITS	13,319,934,965	13.1	-0.6	2.1	-4.5	4.7	6.3	8.9	Dec-96
Total REITS	212,825,621	0.2	-2.2	4.5	10.0	7.4	5.1	8.5	Jul-97
Opportunity Portfolio	2,846,051,571	2.8	3.1	11.2	12.1	11.8	9.8	--	Mar-07
<i>Opportunity Custom Benchmark</i>			<i>3.3</i>	<i>13.5</i>	<i>11.8</i>	<i>11.9</i>	<i>9.4</i>	<i>8.2</i>	
Diversifying Strategies	5,479,402,959	5.4	3.7	10.0	6.1	9.5	2.8	3.8	Dec-11
<i>HFRI FOF Conservative Index</i>			<i>2.4</i>	<i>8.1</i>	<i>6.6</i>	<i>5.5</i>	<i>4.5</i>	<i>4.3</i>	
Real Assets	10,758,008,302	10.6	3.1	11.4	9.7	13.2	8.3	5.6	Jul-11
<i>CPI +4%</i>			<i>1.0</i>	<i>7.0</i>	<i>7.2</i>	<i>8.7</i>	<i>7.3</i>	<i>6.6</i>	
Private Equity	25,005,287,762	24.7	3.4	8.2	6.2	11.4	12.2	12.0	Jul-97
<i>Russell 3000 + 300 BPS QTR LAG (Adj.)</i>			<i>9.0</i>	<i>20.9</i>	<i>27.6</i>	<i>19.0</i>	<i>18.1</i>	<i>14.1</i>	
Cash Ex Overlay	2,207,217,284	2.2	1.1	4.8	5.3	3.3	2.6	3.3	Dec-89
<i>ICE BofA 3 Month U.S. T-Bill</i>			<i>1.0</i>	<i>4.2</i>	<i>4.8</i>	<i>3.2</i>	<i>2.2</i>	<i>2.9</i>	

See appendix for custom Policy Benchmark descriptions.

Trailing Net Performance | As of December 31, 2025

Trailing Net Performance									
	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Total Fund	101,338,832,752	100.0	2.2	9.7	7.1	7.7	8.2	7.7	Jul-97
<i>OPERF Policy Benchmark</i>			3.3	13.5	12.2	8.3	9.3	7.9	
<i>60% MSCI ACWI / 40% Bloomberg Aggregate</i>			2.4	16.2	14.1	6.6	8.0	6.3	
<i>70% MSCI ACWI/30% Barclays Agg</i>			2.6	17.7	15.7	7.7	8.9	6.6	
<i>InvMetrics All DB > \$5B Median</i>			2.2	13.2	10.5	7.2	8.1	6.8	
<i>InvMetrics All DB > \$5B Rank</i>			53	91	85	31	43	1	
Total Fixed Income	18,400,217,846	18.2	1.2	7.3	5.6	0.7	2.6	6.4	Jan-88
<i>Oregon Custom FI Benchmark</i>			1.1	7.3	4.7	-0.2	2.0	--	
<i>Blmbg. U.S. Aggregate Index</i>			1.1	7.3	4.7	-0.4	2.0	5.4	
<i>Fixed Income Weighted BM</i>			1.0	6.6	4.9	0.1	2.2	--	
Core Fixed Income	6,089,468,680	6.0	1.2	7.8	5.3	-0.1	2.5	4.8	Apr-00
<i>Oregon Custom External FI BM</i>			1.1	7.3	4.7	-0.4	2.0	4.1	
Blackrock	1,991,446,020	2.0	1.2	7.6	5.2	-0.1	2.3	4.2	May-01
<i>Oregon Custom External FI BM</i>			1.1	7.3	4.7	-0.4	2.0	3.9	
Wellington	2,063,060,324	2.0	1.1	7.4	5.5	0.0	2.7	4.8	Apr-00
<i>Oregon Custom External FI BM</i>			1.1	7.3	4.7	-0.4	2.0	4.1	
Western Asset	2,034,962,335	2.0	1.2	8.3	5.2	-0.4	2.7	5.1	Apr-00
<i>Oregon Custom External FI BM</i>			1.1	7.3	4.7	-0.4	2.0	4.1	
U.S. Government	7,720,853,176	7.6	0.9	6.5	3.8	-0.9	1.1	1.1	Jan-14
<i>Government Blended Index</i>			0.9	6.3	3.6	-1.0	1.1	1.1	
Government Portfolio	7,720,853,176	7.6	0.9	6.5	3.8	-0.9	--	1.3	Jun-17
<i>Government Blended Index</i>			0.9	6.3	3.6	-1.0	--	1.2	
Non-Core Fixed Income	1,706,608,785	1.7	1.6	7.1	10.5	7.6	6.7	6.9	Aug-08
<i>Custom Non-Core Fixed Income Index</i>			1.3	6.6	9.5	6.0	6.0	5.9	
Oak Hill	1,250,619,117	1.2	1.7	6.7	10.7	7.7	7.2	7.0	Jul-09
<i>Oak Hill Custom Lev Loan & Bond Index</i>			1.2	6.3	9.5	6.2	6.0	6.3	
Beach Point	455,989,668	0.4	1.3	8.4	--	--	--	9.0	Apr-23
<i>Beachpoint Custom FI Benchmark</i>			1.3	8.6	--	--	--	10.0	

Trailing Net Performance | As of December 31, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Emerging Markets Debt	296,252,634	0.3	3.4	14.6	10.9	--	--	2.1	May-21
<i>JPM EMBI Global Diversified</i>			3.3	14.3	10.6	--	--	2.4	
Global Evolution EMD	151,143,898	0.1	3.5	15.1	11.6	--	--	3.0	May-21
<i>JPM EMBI Global Diversified</i>			3.3	14.3	10.6	--	--	2.4	
PGIM EMD	145,108,736	0.1	3.3	14.1	10.5	--	--	2.4	May-21
<i>JPM EMBI Global Diversified</i>			3.3	14.3	10.6	--	--	2.4	
Structured Credit Products	1,660,224,017	1.6	1.5	7.7	6.9	--	--	2.6	Dec-21
<i>Oregon Structured Credit Products FI BM</i>			1.3	7.1	6.5	--	--	2.3	
Schroders SCP	964,743,522	1.0	1.4	7.3	6.9	--	--	3.3	Dec-21
<i>ICE BofA AA-BBB US Asset Backed Sec Idx</i>			1.2	6.3	7.3	--	--	3.2	
Guggenheim SCP	695,480,495	0.7	1.7	8.1	8.2	--	--	4.4	Dec-21
<i>ICE BofA AA-BBB US Asset Backed Sec Idx</i>			1.2	6.3	7.3	--	--	3.2	
Investment Grade Credit	914,347,190	0.9	0.8	8.2	7.0	--	--	5.4	Jul-22
<i>Bloomberg US Credit</i>			0.9	7.8	6.0	--	--	4.6	
Fidelity	914,347,190	0.9	0.8	8.2	7.0	--	--	5.4	Jul-22
<i>Bloomberg US Credit</i>			0.9	7.8	6.0	--	--	4.6	
Total Public Equity	22,423,210,941	22.1	3.0	21.2	19.4	11.9	11.7	8.1	Jul-97
<i>MSCI ACWI IMI Net (Daily)</i>			3.2	22.1	20.0	10.7	11.4	7.3	
U.S. Equity	11,994,901,360	11.8	2.5	16.3	19.8	13.0	13.1	--	Dec-80
<i>Russell 3000 Index</i>			2.4	17.1	22.2	13.1	14.3	11.5	
Small Cap Growth	328,476,563	0.3	4.5	10.4	13.0	5.6	12.1	12.8	Aug-09
<i>Russell 2000 Growth Index</i>			1.2	13.0	15.6	3.2	9.6	11.5	
IMC Small Cap Growth	328,476,563	0.3	4.5	10.4	13.0	5.6	12.1	13.5	Jul-09
<i>IMC US SCG Custom Blend</i>			1.2	13.0	12.4	0.1	6.4	9.7	

Trailing Net Performance | As of December 31, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Market Oriented (CORE)	11,666,424,797	11.5	2.5	16.5	20.1	12.9	13.6	13.9	Aug-09
<i>Russell 3000 Index</i>			2.4	17.1	22.2	13.1	14.3	14.3	
Oregon State Treasury S&P 600 <i>S&P 600 Custom</i>	338,197,639	0.3	1.7 1.7	6.0 6.0	10.2 10.2	7.4 7.3	9.4 9.2	10.3 9.8	Apr-10
S&P 500 - OST managed <i>S&P 500 Index (Daily)</i>	6,698,058,774	6.6	2.7 2.7	17.9 17.9	23.0 23.0	14.4 14.4	14.8 14.8	14.3 14.3	Oct-09
S&P 400 - OST managed <i>S&P 400 Midcap Index (Daily)</i>	640,147,222	0.6	1.6 1.6	7.5 7.5	12.6 12.6	9.1 9.1	10.8 10.7	12.0 11.8	Oct-09
BR Russell 3000 <i>Russell 3000 Index</i>	3,990,021,162	3.9	2.4 2.4	17.2 17.1	-- --	-- --	-- --	18.9 18.9	Aug-23
Non-U.S. Equity	7,368,407,440	7.3	4.7	31.8	19.5	10.5	10.3	10.2	Apr-85
<i>Oregon MSCI ACWI Ex US IMI (Net)</i>			4.8	32.0	17.1	7.8	8.4	--	
Total International Overlay Accounts	40,737,536	0.0							
PERS-Adrian Lee Active Currency	52,718,890	0.1							
PERS-P/E Global Active Currency	-11,986,178	0.0							
International Market Oriented (Core)	3,225,383,711	3.2	5.8	42.2	23.2	12.9	11.3	9.6	Aug-09
<i>MSCI World ex U.S. IMI Index (Net)</i>			5.0	32.2	17.4	9.0	8.5	7.4	
Arrowstreet Capital <i>Oregon MSCI ACWI Ex US IMI (Net)</i>	1,149,864,618	1.1	4.3 4.8	45.6 32.0	27.6 17.1	19.6 7.8	15.4 8.4	13.2 8.3	Nov-02
Lazard International CEF <i>Oregon MSCI ACWI Ex US (Net)</i>	690,881,602	0.7	2.3 5.1	40.3 32.4	19.3 17.3	5.7 7.9	9.9 8.4	8.8 6.8	Aug-13
OST Int'l Risk Premia <i>MSCI World x US Custom Div Multiple-Factor</i> <i>MSCI World ex USA Net Index</i>	1,384,637,491	1.4	8.9 8.9 5.2	40.0 39.7 31.9	22.7 22.4 17.6	13.6 13.2 9.5	-- -- --	10.5 10.2 8.2	Jun-17

Trailing Net Performance | As of December 31, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
International Value	1,579,709,091	1.6	5.7	34.9	22.6	14.1	11.2	8.4	Feb-98
<i>Oregon MSCI ACWI Ex US Value IMI (Net)</i>			<i>7.1</i>	<i>38.5</i>	<i>19.7</i>	<i>11.6</i>	<i>8.7</i>	<i>6.7</i>	
Acadian Asset Management	993,315,130	1.0	5.8	32.6	21.1	13.2	12.2	--	Mar-92
<i>Oregon MSCI ACWI Ex US Value IMI (Net)</i>			<i>7.1</i>	<i>38.5</i>	<i>19.7</i>	<i>11.6</i>	<i>8.7</i>	<i>--</i>	
Brandes Investment Partners	586,393,961	0.6	5.6	39.5	24.1	15.1	10.2	8.3	Jan-98
<i>Oregon MSCI ACWI Ex US Value (Net)</i>			<i>7.6</i>	<i>39.5</i>	<i>20.2</i>	<i>11.9</i>	<i>8.7</i>	<i>6.6</i>	
International Growth	1,556,350,162	1.5	0.9	10.9	9.4	3.1	8.0	7.0	Jan-05
<i>Oregon MSCI WORLD Ex US (Net)</i>			<i>5.2</i>	<i>31.9</i>	<i>17.6</i>	<i>9.5</i>	<i>8.6</i>	<i>6.2</i>	
Walter Scott Management	678,371,002	0.7	1.6	9.1	8.8	2.7	8.4	7.6	Dec-04
<i>Oregon MSCI WORLD Ex US (Net)</i>			<i>5.2</i>	<i>31.9</i>	<i>17.6</i>	<i>9.5</i>	<i>8.6</i>	<i>6.4</i>	
MFS International Growth	455,293,073	0.4	1.9	--	--	--	--	15.7	Feb-25
<i>Oregon MSCI WORLD Ex US (Net)</i>			<i>5.2</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>25.6</i>	
Lazard International Quality	422,686,087	0.4	-1.3	--	--	--	--	4.9	Feb-25
<i>Oregon MSCI WORLD Ex US (Net)</i>			<i>5.2</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>25.6</i>	
International Small Cap	217,445,631	0.2	4.3	36.6	18.0	10.5	8.7	9.0	Aug-09
<i>MSCI World ex U.S. Small Value (Net)</i>			<i>5.0</i>	<i>38.6</i>	<i>17.8</i>	<i>9.8</i>	<i>8.5</i>	<i>8.4</i>	
IMC International Small Cap	217,445,631	0.2	4.3	36.6	18.5	8.0	9.2	9.3	May-14
<i>IMC INT'L SCG Custom Blend</i>			<i>3.0</i>	<i>29.3</i>	<i>15.2</i>	<i>7.3</i>	<i>9.0</i>	<i>7.3</i>	

Trailing Net Performance | As of December 31, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Emerging Markets	789,411,881	0.8	6.4	36.2	21.4	9.2	11.2	8.5	Aug-09
<i>ORE MSCI Emerging Markets IMI (Net)</i>			<i>4.3</i>	<i>31.4</i>	<i>16.3</i>	<i>4.7</i>	<i>8.4</i>	<i>5.8</i>	
Arrowstreet Emerging Markets	376,799,244	0.4	6.2	44.6	24.4	13.6	14.1	11.0	Sep-06
<i>ORE MSCI Emerging Markets IMI (Net)</i>			<i>4.3</i>	<i>31.4</i>	<i>16.3</i>	<i>4.7</i>	<i>8.4</i>	<i>5.8</i>	
Westwood Global Investment	186,073,756	0.2	9.5	35.9	15.2	8.7	9.9	6.4	May-10
<i>MSCI Emerging Markets</i>			<i>4.7</i>	<i>33.6</i>	<i>16.4</i>	<i>4.2</i>	<i>8.4</i>	<i>4.6</i>	
William Blair and Company	226,538,881	0.2	4.4	24.5	15.5	1.4	8.9	6.9	Dec-11
<i>MSCI Emerging Markets Growth (Net)</i>			<i>3.3</i>	<i>34.3</i>	<i>16.2</i>	<i>1.8</i>	<i>8.8</i>	<i>6.5</i>	
Global Equity	3,019,164,605	3.0	0.8	17.9	18.2	11.4	10.7	6.2	Mar-07
<i>MSCI ACWI IMI Net (Daily)</i>			<i>3.2</i>	<i>22.1</i>	<i>20.0</i>	<i>10.7</i>	<i>11.4</i>	<i>7.6</i>	
Cantillion	1,004,590,905	1.0	-1.1	15.5	--	--	--	17.5	Mar-23
<i>MSCI AC World (Daily Const)</i>			<i>3.3</i>	<i>22.3</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>20.3</i>	
GQG Global Equity	560,799,852	0.6	-0.3	1.1	--	--	--	12.5	Sep-23
<i>MSCI AC World (Daily Const)</i>			<i>3.3</i>	<i>22.3</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>20.0</i>	
LACM Global Equity	721,741,918	0.7	3.3	27.6	19.2	10.7	--	11.6	Dec-16
<i>MSCI AC World (Daily Const)</i>			<i>3.3</i>	<i>22.3</i>	<i>20.7</i>	<i>11.2</i>	<i>--</i>	<i>12.3</i>	
Global Equity Low Volatility	732,031,929	0.7	2.2	26.1	19.9	12.5	--	11.9	Jan-17
<i>MSCI AC World (Daily Const)</i>			<i>3.3</i>	<i>22.3</i>	<i>20.7</i>	<i>11.2</i>	<i>--</i>	<i>12.2</i>	
Arrowstreet Global Low Volatility	732,031,929	0.7	1.9	25.7	21.4	14.9	--	13.8	May-17
<i>MSCI ACWI IMI Net (Daily)</i>			<i>3.2</i>	<i>22.1</i>	<i>20.0</i>	<i>10.7</i>	<i>--</i>	<i>11.2</i>	
Other Equity	75,485,039	0.1							
Transitional & Closed Accounts	75,485,039	0.1							
Transition & Closed Accounts II - International Equity	106,964	0.0							

The Opportunity Portfolio benchmark changed from CPI +5% to OPERF Policy Benchmark beginning April 1, 2023.

Trailing Net Performance | As of December 31, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Total Real Estate	13,532,760,586	13.4	-0.6	2.1	-4.2	4.7	5.9	8.7	Jul-97
<i>NCREIF ODCE (Custom) (Adj.)</i>			<i>0.5</i>	<i>3.2</i>	<i>-6.1</i>	<i>2.6</i>	<i>4.1</i>	<i>7.8</i>	
Real Estate excluding REITS	13,319,934,965	13.1	-0.6	2.1	-4.5	4.7	6.3	8.9	Dec-96
<i>NCREIF ODCE (Custom) (Adj.)</i>			<i>0.5</i>	<i>3.2</i>	<i>-6.1</i>	<i>2.6</i>	<i>4.1</i>	<i>7.9</i>	
Total REITS	212,825,621	0.2	-2.2	4.5	10.0	7.4	5.1	8.5	Jul-97
ABKB - LaSalle Advisors	212,825,621	0.2	-2.2	4.5	10.3	8.3	8.8	9.6	Mar-97
<i>FTSE NAREIT All Equity REITs</i>			<i>-2.1</i>	<i>2.3</i>	<i>6.1</i>	<i>4.9</i>	<i>5.8</i>	<i>8.4</i>	
Opportunity Portfolio	2,846,051,571	2.8	3.1	11.2	12.1	11.8	9.8	--	Mar-07
<i>OPERF Policy Benchmark</i>			<i>3.3</i>	<i>13.5</i>	<i>12.2</i>	<i>8.3</i>	<i>9.3</i>	<i>7.6</i>	
<i>Opportunity Custom Benchmark</i>			<i>3.3</i>	<i>13.5</i>	<i>11.8</i>	<i>11.9</i>	<i>9.4</i>	<i>8.2</i>	
Portfolio Holdings - Opportunity	128,000,000	0.1	0.2	-6.3	14.8	--	--	6.6	Oct-21
Diversifying Strategies	5,479,402,959	5.4	3.7	10.0	6.1	9.5	2.8	3.8	Dec-11
<i>HFRI FOF Conservative Index</i>			<i>2.4</i>	<i>8.1</i>	<i>6.6</i>	<i>5.5</i>	<i>4.5</i>	<i>4.3</i>	
Diversifying Strategies	5,479,402,959	5.4	3.7	10.0	6.1	9.5	--	3.3	Nov-16
<i>HFRI FOF Conservative Index</i>			<i>2.4</i>	<i>8.1</i>	<i>6.6</i>	<i>5.5</i>	<i>--</i>	<i>4.9</i>	
Real Assets	10,758,008,302	10.6	3.1	11.4	9.7	13.2	8.3	5.6	Jul-11
<i>CPI +4%</i>			<i>1.0</i>	<i>7.0</i>	<i>7.2</i>	<i>8.7</i>	<i>7.3</i>	<i>6.6</i>	
Infrastructure	7,668,679,571	7.6	3.1	12.9	10.7	12.5	--	11.0	Jan-19
<i>CPI +4%</i>			<i>1.0</i>	<i>7.0</i>	<i>7.2</i>	<i>8.7</i>	<i>--</i>	<i>7.9</i>	
Natural Resources	3,089,328,730	3.0	3.3	7.5	7.4	14.4	--	5.9	Jan-19
<i>CPI +4%</i>			<i>1.0</i>	<i>7.0</i>	<i>7.2</i>	<i>8.7</i>	<i>--</i>	<i>7.9</i>	
Private Equity	25,005,287,762	24.7	3.4	8.2	6.2	11.4	12.2	12.0	Jul-97
<i>Russell 3000 + 300 BPS QTR LAG (Adj.)</i>			<i>9.0</i>	<i>20.9</i>	<i>27.6</i>	<i>19.0</i>	<i>18.1</i>	<i>14.1</i>	
<i>MSCI ACWI+3% (1 quarter lagged)</i>			<i>8.4</i>	<i>20.7</i>	<i>26.8</i>	<i>16.9</i>	<i>15.2</i>	<i>--</i>	
Cash Ex Overlay	2,207,217,284	2.2	1.1	4.8	5.3	3.3	2.6	3.3	Dec-89
<i>ICE BofA 3 Month U.S. T-Bill</i>			<i>1.0</i>	<i>4.2</i>	<i>4.8</i>	<i>3.2</i>	<i>2.2</i>	<i>2.9</i>	
Cash	2,207,217,284	2.2	1.1	4.8	5.3	--	--	3.8	Oct-21

Trailing Net Performance | As of December 31, 2025

	Calendar Year Performance										
	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Total Fund	9.7	5.8	6.0	-1.5	20.0	7.7	13.6	0.5	15.4	7.1	2.0
<i>OPERF Policy Benchmark</i>	13.5	11.7	11.4	-8.6	15.6	12.4	14.0	1.2	15.6	9.0	1.6
<i>60% MSCI ACWI / 40% Bloomberg Aggregate</i>	16.2	10.8	15.4	-16.0	10.2	13.5	19.4	-5.5	15.4	5.9	-1.0
<i>70% MSCI ACWI/30% Barclays Agg</i>	17.7	12.4	17.1	-16.6	12.2	14.3	21.2	-6.5	17.5	6.4	-1.3
<i>InvMetrics All DB > \$5B Median</i>	13.2	8.8	10.8	-10.3	15.7	12.1	17.0	-2.8	16.1	7.8	0.3
<i>InvMetrics All DB > \$5B Rank</i>	91	87	99	1	8	95	92	10	64	82	13
Total Fixed Income	7.3	2.7	7.0	-11.3	-0.9	7.7	8.8	0.3	3.7	2.8	0.6
<i>Oregon Custom FI Benchmark</i>	7.3	1.3	5.5	-13.0	-0.9	7.3	8.3	0.3	3.3	2.5	0.2
Core Fixed Income	7.8	1.6	6.7	-13.9	-1.1	8.7	9.8	-0.2	4.6	3.4	0.6
<i>Oregon Custom External FI BM</i>	7.3	1.3	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.7	0.6
Blackrock	7.6	1.8	6.2	-13.2	-1.4	9.1	8.9	0.1	3.8	2.8	0.9
<i>Oregon Custom External FI BM</i>	7.3	1.3	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.7	0.6
Wellington	7.4	2.5	6.7	-14.3	-0.9	9.6	9.8	-0.4	4.6	4.0	0.8
<i>Oregon Custom External FI BM</i>	7.3	1.3	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.7	0.6
Western Asset	8.3	0.6	6.9	-14.9	-1.2	9.4	11.6	-0.7	5.6	3.7	0.4
<i>Oregon Custom External FI BM</i>	7.3	1.3	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.7	0.6
U.S. Government	6.5	0.8	4.1	-12.5	-2.3	8.1	6.9	0.9	2.3	-1.6	0.9
<i>Government Blended Index</i>	6.3	0.6	4.1	-12.5	-2.3	8.0	6.9	0.9	2.3	-1.3	0.7
Government Portfolio	6.5	0.8	4.1	-12.5	-2.3	8.1	6.9	0.9	--	--	--
<i>Government Blended Index</i>	6.3	0.6	4.1	-12.5	-2.3	8.0	6.9	0.9	--	--	--
Non-Core Fixed Income	7.1	9.8	14.7	0.3	6.4	3.7	10.5	0.1	4.9	10.1	0.2
<i>Custom Non-Core Fixed Income Index</i>	6.6	8.8	13.4	-3.3	5.3	3.9	10.1	-0.2	5.0	12.0	-1.7
Oak Hill	6.7	10.6	14.8	1.3	5.7	4.9	10.5	0.5	6.3	11.2	0.9
<i>Oak Hill Custom Lev Loan & Bond Index</i>	6.3	8.8	13.4	-2.2	5.2	3.6	9.5	0.0	4.6	11.2	-1.3
Beach Point	8.4	7.7	--	--	--	--	--	--	--	--	--
<i>Beachpoint Custom FI Benchmark</i>	8.6	9.2	--	--	--	--	--	--	--	--	--

Trailing Net Performance | As of December 31, 2025

	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Emerging Markets Debt	14.6	7.6	10.5	-18.4	--	--	--	--	--	--	--
<i>JPM EMBI Global Diversified</i>	<i>14.3</i>	<i>6.5</i>	<i>11.1</i>	<i>-17.8</i>	--	--	--	--	--	--	--
Global Evolution EMD	15.1	8.1	11.8	-16.6	--	--	--	--	--	--	--
<i>JPM EMBI Global Diversified</i>	<i>14.3</i>	<i>6.5</i>	<i>11.1</i>	<i>-17.8</i>	--	--	--	--	--	--	--
PGIM EMD	14.1	7.0	10.5	-17.6	--	--	--	--	--	--	--
<i>JPM EMBI Global Diversified</i>	<i>14.3</i>	<i>6.5</i>	<i>11.1</i>	<i>-17.8</i>	--	--	--	--	--	--	--
Structured Credit Products	7.7	6.1	7.0	-9.3	--	--	--	--	--	--	--
<i>Oregon Structured Credit Products FI BM</i>	<i>7.1</i>	<i>5.2</i>	<i>7.3</i>	<i>-9.0</i>	--	--	--	--	--	--	--
Schroders SCP	7.3	5.3	8.1	-6.5	--	--	--	--	--	--	--
<i>ICE BofA AA-BBB US Asset Backed Sec Idx</i>	<i>6.3</i>	<i>7.2</i>	<i>8.3</i>	<i>-7.6</i>	--	--	--	--	--	--	--
Guggenheim SCP	8.1	7.3	9.2	-5.9	--	--	--	--	--	--	--
<i>ICE BofA AA-BBB US Asset Backed Sec Idx</i>	<i>6.3</i>	<i>7.2</i>	<i>8.3</i>	<i>-7.6</i>	--	--	--	--	--	--	--
Investment Grade Credit	8.2	2.4	10.6	--	--	--	--	--	--	--	--
<i>Bloomberg US Credit</i>	<i>7.8</i>	<i>2.0</i>	<i>8.2</i>	--	--	--	--	--	--	--	--
Fidelity	8.2	2.4	10.6	--	--	--	--	--	--	--	--
<i>Bloomberg US Credit</i>	<i>7.8</i>	<i>2.0</i>	<i>8.2</i>	--	--	--	--	--	--	--	--
Total Public Equity	21.2	17.3	19.8	-14.3	20.0	12.7	25.2	-10.5	24.5	9.8	-1.8
<i>MSCI ACWI IMI Net (Daily)</i>	<i>22.1</i>	<i>16.4</i>	<i>21.6</i>	<i>-18.4</i>	<i>18.2</i>	<i>16.3</i>	<i>26.4</i>	<i>-10.1</i>	<i>24.0</i>	<i>8.3</i>	<i>-2.1</i>
U.S. Equity	16.3	22.8	20.4	-16.0	27.2	13.6	29.0	-7.9	20.3	14.9	-0.8
<i>Russell 3000 Index</i>	<i>17.1</i>	<i>23.8</i>	<i>26.0</i>	<i>-19.2</i>	<i>25.7</i>	<i>20.9</i>	<i>31.0</i>	<i>-5.2</i>	<i>21.1</i>	<i>12.7</i>	<i>0.5</i>
Small Cap Growth	10.4	26.2	3.6	-23.9	19.6	38.9	33.9	-4.7	26.8	6.3	-5.0
<i>Russell 2000 Growth Index</i>	<i>13.0</i>	<i>15.2</i>	<i>18.7</i>	<i>-26.4</i>	<i>2.8</i>	<i>34.6</i>	<i>28.5</i>	<i>-9.3</i>	<i>22.2</i>	<i>11.3</i>	<i>-1.4</i>
IMC Small Cap Growth	10.4	26.2	3.6	-23.9	19.6	38.9	33.9	-4.7	26.8	6.3	-5.7
<i>IMC US SCG Custom Blend</i>	<i>13.0</i>	<i>15.2</i>	<i>9.1</i>	<i>-29.8</i>	<i>0.9</i>	<i>40.1</i>	<i>23.3</i>	<i>-14.2</i>	<i>16.7</i>	<i>6.9</i>	<i>-3.9</i>

Trailing Net Performance | As of December 31, 2025

	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Market Oriented (CORE)	16.5	22.9	21.2	-16.3	26.6	15.2	30.1	-7.1	22.0	14.8	-1.7
<i>Russell 3000 Index</i>	<i>17.1</i>	<i>23.8</i>	<i>26.0</i>	<i>-19.2</i>	<i>25.7</i>	<i>20.9</i>	<i>31.0</i>	<i>-5.2</i>	<i>21.1</i>	<i>12.7</i>	<i>0.5</i>
Oregon State Treasury S&P 600	6.0	8.8	16.2	-16.2	27.1	11.8	23.4	-11.3	14.5	23.4	-3.6
<i>S&P 600 Custom</i>	<i>6.0</i>	<i>8.7</i>	<i>16.1</i>	<i>-16.1</i>	<i>26.8</i>	<i>11.3</i>	<i>22.8</i>	<i>-11.0</i>	<i>14.7</i>	<i>21.3</i>	<i>-4.4</i>
S&P 500 - OST managed	17.9	25.0	26.3	-18.2	28.7	18.4	31.7	-4.4	21.8	12.0	1.5
<i>S&P 500 Index (Daily)</i>	<i>17.9</i>	<i>25.0</i>	<i>26.3</i>	<i>-18.1</i>	<i>28.7</i>	<i>18.4</i>	<i>31.5</i>	<i>-4.4</i>	<i>21.8</i>	<i>12.0</i>	<i>1.4</i>
S&P 400 - OST managed	7.5	13.9	16.5	-13.0	24.6	13.5	26.6	-10.9	16.7	21.1	-2.0
<i>S&P 400 Midcap Index (Daily)</i>	<i>7.5</i>	<i>13.9</i>	<i>16.4</i>	<i>-13.1</i>	<i>24.8</i>	<i>13.7</i>	<i>26.2</i>	<i>-11.1</i>	<i>16.3</i>	<i>20.7</i>	<i>-2.2</i>
BR Russell 3000	17.2	23.8	--	--	--	--	--	--	--	--	--
<i>Russell 3000 Index</i>	<i>17.1</i>	<i>23.8</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
Non-U.S. Equity	31.8	8.4	19.5	-14.3	12.7	13.5	22.6	-14.9	30.4	4.6	-2.6
<i>Oregon MSCI ACWI Ex US IMI (Net)</i>	<i>32.0</i>	<i>5.2</i>	<i>15.6</i>	<i>-16.6</i>	<i>8.5</i>	<i>11.1</i>	<i>21.6</i>	<i>-14.8</i>	<i>27.8</i>	<i>4.4</i>	<i>-4.6</i>
Total International Overlay Accounts											
PERS-Adrian Lee Active Currency											
PERS-P/E Global Active Currency											
International Market Oriented (Core)	42.2	12.0	17.5	-13.5	13.1	12.5	23.2	-14.3	31.0	2.5	-1.2
<i>MSCI World ex U.S. IMI Index (Net)</i>	<i>32.2</i>	<i>4.4</i>	<i>17.2</i>	<i>-15.3</i>	<i>12.4</i>	<i>8.3</i>	<i>22.9</i>	<i>-14.7</i>	<i>25.2</i>	<i>3.0</i>	<i>-2.0</i>
Arrowstreet Capital	45.6	17.4	21.7	-5.5	24.5	9.1	23.2	-10.3	35.4	4.7	0.4
<i>Oregon MSCI ACWI Ex US IMI (Net)</i>	<i>32.0</i>	<i>5.2</i>	<i>15.6</i>	<i>-16.6</i>	<i>8.5</i>	<i>11.1</i>	<i>21.6</i>	<i>-14.8</i>	<i>27.8</i>	<i>4.4</i>	<i>-4.6</i>
Lazard International CEF	40.3	9.7	10.5	-25.7	4.5	30.2	29.0	-17.2	39.8	0.1	-0.2
<i>Oregon MSCI ACWI Ex US (Net)</i>	<i>32.4</i>	<i>5.5</i>	<i>15.6</i>	<i>-16.0</i>	<i>7.8</i>	<i>10.7</i>	<i>21.5</i>	<i>-14.2</i>	<i>27.2</i>	<i>4.5</i>	<i>-5.5</i>
OST Int'l Risk Premia	40.0	10.2	19.8	-11.5	15.6	7.7	22.8	-12.0	--	--	--
<i>MSCI World x US Custom Div Multiple-Factor</i>	<i>39.7</i>	<i>10.0</i>	<i>19.3</i>	<i>-11.8</i>	<i>15.0</i>	<i>7.3</i>	<i>22.4</i>	<i>-12.3</i>	<i>--</i>	<i>--</i>	<i>--</i>
<i>MSCI World ex USA Net Index</i>	<i>31.9</i>	<i>4.7</i>	<i>17.9</i>	<i>-14.3</i>	<i>12.6</i>	<i>7.6</i>	<i>22.5</i>	<i>-14.1</i>	<i>--</i>	<i>--</i>	<i>--</i>

Trailing Net Performance | As of December 31, 2025

	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
International Value	34.9	10.7	23.2	-10.9	18.0	4.9	17.8	-12.4	25.7	9.8	-4.5
<i>Oregon MSCI ACWI Ex US Value IMI (Net)</i>	<i>38.5</i>	<i>5.7</i>	<i>17.3</i>	<i>-9.3</i>	<i>11.0</i>	<i>-0.1</i>	<i>16.3</i>	<i>-14.6</i>	<i>23.6</i>	<i>8.8</i>	<i>-8.9</i>
Acadian Asset Management	32.6	15.0	16.5	-13.9	21.7	11.5	19.4	-15.4	35.1	11.8	-7.2
<i>Oregon MSCI ACWI Ex US Value IMI (Net)</i>	<i>38.5</i>	<i>5.7</i>	<i>17.3</i>	<i>-9.3</i>	<i>11.0</i>	<i>-0.1</i>	<i>16.3</i>	<i>-14.6</i>	<i>23.6</i>	<i>8.8</i>	<i>-8.9</i>
Brandes Investment Partners	39.5	3.4	32.3	-7.4	14.1	-1.3	16.4	-9.4	16.3	7.9	-1.6
<i>Oregon MSCI ACWI Ex US Value (Net)</i>	<i>39.5</i>	<i>6.0</i>	<i>17.3</i>	<i>-8.6</i>	<i>10.5</i>	<i>-0.8</i>	<i>15.7</i>	<i>-14.0</i>	<i>22.7</i>	<i>8.9</i>	<i>-10.1</i>
International Growth	10.9	-0.9	19.2	-21.0	12.4	19.9	28.1	-6.4	27.5	1.3	1.9
<i>Oregon MSCI WORLD Ex US (Net)</i>	<i>31.9</i>	<i>4.7</i>	<i>17.9</i>	<i>-14.3</i>	<i>12.6</i>	<i>7.6</i>	<i>22.5</i>	<i>-14.1</i>	<i>24.2</i>	<i>2.8</i>	<i>-3.0</i>
Walter Scott Management	9.1	-0.9	19.2	-21.0	12.4	19.9	28.0	-6.3	27.5	6.4	1.2
<i>Oregon MSCI WORLD Ex US (Net)</i>	<i>31.9</i>	<i>4.7</i>	<i>17.9</i>	<i>-14.3</i>	<i>12.6</i>	<i>7.6</i>	<i>22.5</i>	<i>-14.1</i>	<i>24.2</i>	<i>2.8</i>	<i>-3.0</i>
International Small Cap	36.6	0.3	19.8	-15.0	18.1	9.3	24.1	-24.3	30.2	4.9	6.1
<i>MSCI World ex U.S. Small Value (Net)</i>	<i>38.6</i>	<i>3.0</i>	<i>14.7</i>	<i>-14.0</i>	<i>13.3</i>	<i>2.6</i>	<i>22.8</i>	<i>-18.4</i>	<i>27.9</i>	<i>7.9</i>	<i>1.1</i>
IMC International Small Cap	36.6	3.7	17.5	-25.2	17.8	38.4	20.3	-33.6	45.3	2.2	23.5
<i>IMC INT'L SCG Custom Blend</i>	<i>29.3</i>	<i>3.4</i>	<i>14.5</i>	<i>-21.1</i>	<i>18.0</i>	<i>27.9</i>	<i>16.6</i>	<i>-20.0</i>	<i>31.4</i>	<i>6.0</i>	<i>2.9</i>
Emerging Markets	36.2	5.7	24.3	-16.9	4.3	23.5	22.1	-17.4	35.7	10.3	-14.5
<i>ORE MSCI Emerging Markets IMI (Net)</i>	<i>31.4</i>	<i>7.1</i>	<i>11.7</i>	<i>-19.8</i>	<i>-0.3</i>	<i>18.4</i>	<i>17.6</i>	<i>-15.0</i>	<i>37.0</i>	<i>9.9</i>	<i>-13.9</i>
Arrowstreet Emerging Markets	44.6	9.8	21.3	-10.5	9.6	32.1	23.7	-19.5	35.4	11.2	-15.8
<i>ORE MSCI Emerging Markets IMI (Net)</i>	<i>31.4</i>	<i>7.1</i>	<i>11.7</i>	<i>-19.8</i>	<i>-0.3</i>	<i>18.4</i>	<i>17.6</i>	<i>-15.0</i>	<i>37.0</i>	<i>9.9</i>	<i>-13.9</i>
Westwood Global Investment	35.9	-8.3	22.8	-4.1	3.6	10.1	9.8	-9.3	29.5	19.0	-16.1
<i>MSCI Emerging Markets</i>	<i>33.6</i>	<i>7.5</i>	<i>9.8</i>	<i>-20.1</i>	<i>-2.5</i>	<i>18.3</i>	<i>18.4</i>	<i>-14.6</i>	<i>37.3</i>	<i>11.2</i>	<i>-14.9</i>
William Blair and Company	24.5	11.8	10.7	-33.3	4.4	41.4	29.1	-21.6	50.2	1.9	-14.1
<i>MSCI Emerging Markets Growth (Net)</i>	<i>34.3</i>	<i>10.3</i>	<i>5.8</i>	<i>-24.0</i>	<i>-8.4</i>	<i>31.3</i>	<i>25.1</i>	<i>-18.3</i>	<i>46.8</i>	<i>7.6</i>	<i>-11.3</i>

Trailing Net Performance | As of December 31, 2025

	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Global Equity	17.9	17.3	19.3	-9.8	15.5	7.4	21.6	-7.9	22.3	9.4	-3.3
<i>MSCI ACWI IMI Net (Daily)</i>	<i>22.1</i>	<i>16.4</i>	<i>21.6</i>	<i>-18.4</i>	<i>18.2</i>	<i>16.3</i>	<i>26.4</i>	<i>-10.1</i>	<i>24.0</i>	<i>8.3</i>	<i>-2.1</i>
Cantillon	15.5	16.1	--	--	--	--	--	--	--	--	--
<i>MSCI AC World (Daily Const)</i>	<i>22.3</i>	<i>17.5</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
GQG Global Equity	1.1	22.7	--	--	--	--	--	--	--	--	--
<i>MSCI AC World (Daily Const)</i>	<i>22.3</i>	<i>17.5</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
LACM Global Equity	27.6	14.6	15.8	-14.9	15.4	15.0	23.1	-6.6	22.7	--	--
<i>MSCI AC World (Daily Const)</i>	<i>22.3</i>	<i>17.5</i>	<i>22.2</i>	<i>-18.4</i>	<i>18.5</i>	<i>16.3</i>	<i>26.6</i>	<i>-9.4</i>	<i>24.0</i>	<i>--</i>	<i>--</i>
Global Equity Low Volatility	26.1	16.6	17.2	-9.2	15.2	7.9	21.7	-5.5	22.5	--	--
<i>MSCI AC World (Daily Const)</i>	<i>22.3</i>	<i>17.5</i>	<i>22.2</i>	<i>-18.4</i>	<i>18.5</i>	<i>16.3</i>	<i>26.6</i>	<i>-9.4</i>	<i>24.0</i>	<i>--</i>	<i>--</i>
Arrowstreet Global Low Volatility	25.7	18.6	20.0	-2.7	15.1	12.6	22.3	-2.7	--	--	--
<i>MSCI ACWI IMI Net (Daily)</i>	<i>22.1</i>	<i>16.4</i>	<i>21.6</i>	<i>-18.4</i>	<i>18.2</i>	<i>16.3</i>	<i>26.4</i>	<i>-10.1</i>	<i>--</i>	<i>--</i>	<i>--</i>
Other Equity											
Transitional & Closed Accounts											
Transition & Closed Accounts II - International Equity											
Total Real Estate	2.1	-4.0	-10.2	20.0	19.0	2.7	7.2	8.0	10.0	7.9	9.9
<i>NCREIF ODCE (Custom) (Adj.)</i>	<i>3.2</i>	<i>-8.0</i>	<i>-12.9</i>	<i>21.0</i>	<i>13.6</i>	<i>0.6</i>	<i>4.7</i>	<i>7.7</i>	<i>6.7</i>	<i>8.9</i>	<i>13.5</i>
Real Estate excluding REITS	2.1	-4.3	-10.7	21.6	18.6	3.0	7.3	8.9	11.2	10.0	12.7
<i>NCREIF ODCE (Custom) (Adj.)</i>	<i>3.2</i>	<i>-8.0</i>	<i>-12.9</i>	<i>21.0</i>	<i>13.6</i>	<i>0.6</i>	<i>4.7</i>	<i>7.7</i>	<i>6.7</i>	<i>8.9</i>	<i>13.5</i>
Total REITS	4.5	11.3	14.4	-16.4	28.2	-0.9	7.2	-2.0	9.8	1.1	2.0
ABKB - LaSalle Advisors	4.5	11.1	15.6	-18.6	36.2	3.0	29.9	3.2	7.4	5.4	2.9
<i>FTSE NAREIT All Equity REITs</i>	<i>2.3</i>	<i>4.9</i>	<i>11.4</i>	<i>-24.9</i>	<i>41.3</i>	<i>-5.1</i>	<i>28.7</i>	<i>-4.0</i>	<i>8.7</i>	<i>8.6</i>	<i>2.8</i>
Opportunity Portfolio	11.2	11.2	13.9	1.3	22.7	10.2	6.2	5.8	10.5	6.1	2.1
<i>OPERF Policy Benchmark</i>	<i>13.5</i>	<i>11.7</i>	<i>11.4</i>	<i>-8.6</i>	<i>15.6</i>	<i>12.4</i>	<i>14.0</i>	<i>1.2</i>	<i>15.6</i>	<i>9.0</i>	<i>1.6</i>
<i>Opportunity Custom Benchmark</i>	<i>13.5</i>	<i>11.7</i>	<i>10.1</i>	<i>11.7</i>	<i>12.4</i>	<i>6.4</i>	<i>7.4</i>	<i>7.0</i>	<i>7.2</i>	<i>7.2</i>	<i>5.8</i>
Portfolio Holdings - Opportunity	-6.3	17.2	37.8	-15.5	--	--	--	--	--	--	--

Trailing Net Performance | As of December 31, 2025

	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Diversifying Strategies	10.0	7.6	0.8	21.4	8.7	-12.1	-1.0	-11.5	8.0	0.5	6.4
<i>HFRI FOF Conservative Index</i>	<i>8.1</i>	<i>6.4</i>	<i>5.5</i>	<i>0.1</i>	<i>7.6</i>	<i>6.5</i>	<i>6.3</i>	<i>-0.9</i>	<i>4.1</i>	<i>1.9</i>	<i>0.4</i>
Diversifying Strategies	10.0	7.6	0.8	21.4	8.7	-12.1	-1.0	-11.5	8.0	--	--
<i>HFRI FOF Conservative Index</i>	<i>8.1</i>	<i>6.4</i>	<i>5.5</i>	<i>0.1</i>	<i>7.6</i>	<i>6.5</i>	<i>6.3</i>	<i>-0.9</i>	<i>4.1</i>	<i>--</i>	<i>--</i>
Real Assets	11.4	10.1	7.8	18.2	19.0	-2.0	-1.6	4.9	8.4	9.0	-7.9
<i>CPI +4%</i>	<i>7.0</i>	<i>7.0</i>	<i>7.5</i>	<i>10.7</i>	<i>11.3</i>	<i>5.4</i>	<i>6.4</i>	<i>6.0</i>	<i>6.2</i>	<i>6.1</i>	<i>4.8</i>
Infrastructure	12.9	10.7	8.6	13.9	16.6	5.6	8.9	--	--	--	--
<i>CPI +4%</i>	<i>7.0</i>	<i>7.0</i>	<i>7.5</i>	<i>10.7</i>	<i>11.3</i>	<i>5.4</i>	<i>6.4</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
Natural Resources	7.5	8.8	5.9	27.7	23.9	-12.8	-12.5	--	--	--	--
<i>CPI +4%</i>	<i>7.0</i>	<i>7.0</i>	<i>7.5</i>	<i>10.7</i>	<i>11.3</i>	<i>5.4</i>	<i>6.4</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
Private Equity	8.2	4.1	6.4	1.2	41.8	12.7	11.1	18.1	17.3	6.3	7.3
<i>Russell 3000 + 300 BPS QTR LAG (Adj.)</i>	<i>20.9</i>	<i>38.4</i>	<i>24.0</i>	<i>-15.1</i>	<i>35.7</i>	<i>18.4</i>	<i>6.0</i>	<i>21.1</i>	<i>22.2</i>	<i>18.4</i>	<i>2.5</i>
<i>MSCI ACWI+3% (1 quarter lagged)</i>	<i>20.7</i>	<i>35.6</i>	<i>24.4</i>	<i>-18.2</i>	<i>31.2</i>	<i>13.7</i>	<i>4.4</i>	<i>13.0</i>	<i>22.2</i>	<i>15.3</i>	<i>-3.8</i>
Cash Ex Overlay	4.8	5.6	5.5	0.5	0.1	1.6	3.3	2.0	1.3	1.2	0.5
<i>ICE BofA 3 Month U.S. T-Bill</i>	<i>4.2</i>	<i>5.3</i>	<i>5.0</i>	<i>1.5</i>	<i>0.0</i>	<i>0.7</i>	<i>2.3</i>	<i>1.9</i>	<i>0.9</i>	<i>0.3</i>	<i>0.1</i>

PERS-Russell Overlay Cash Balance

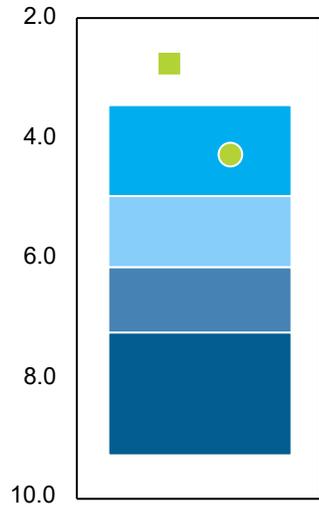
1 Year Ending December 31, 2025						
	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Total Fund	9.7	1.8	-1.5	0.3	2.9	2.4
OPERF Policy Benchmark	13.6	2.6	1.9	1.0	3.4	0.0

3 Years Ending December 31, 2025						
	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Total Fund	7.1	2.8	-2.0	0.6	0.8	2.3
OPERF Policy Benchmark	12.2	4.3	-	1.0	1.6	0.0

5 Years Ending December 31, 2025						
	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Total Fund	7.7	4.3	-0.2	0.6	1.0	3.0
OPERF Policy Benchmark	8.3	5.7	-	1.0	0.9	0.0

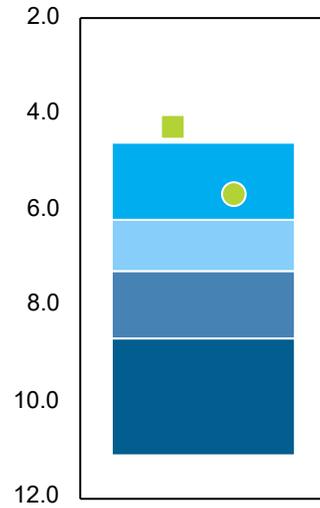
10 Years Ending December 31, 2025						
	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Total Fund	8.2	5.0	-0.4	0.8	1.2	2.4
OPERF Policy Benchmark	9.3	5.8	-	1.0	1.2	0.0

**Annualized Standard Deviation
3 Years Ending December 31, 2025**



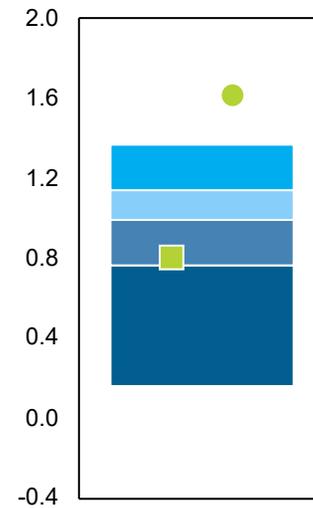
Total Fund	2.8 (1)
OPERF Policy Benchmark	4.3 (12)
5th Percentile	3.5
1st Quartile	5.0
Median	6.2
3rd Quartile	7.2
95th Percentile	9.3
Population	54

**Annualized Standard Deviation
5 Years Ending December 31, 2025**



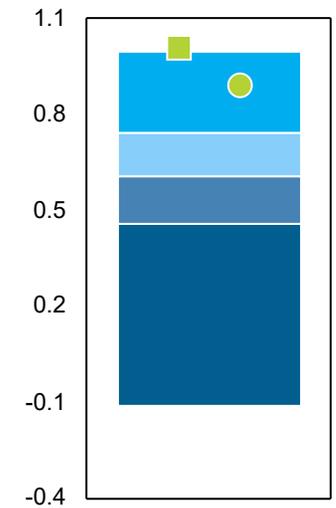
Total Fund	4.3 (2)
OPERF Policy Benchmark	5.7 (18)
5th Percentile	4.6
1st Quartile	6.2
Median	7.3
3rd Quartile	8.7
95th Percentile	11.1
Population	50

**Sharpe Ratio
3 Years Ending December 31, 2025**



Total Fund	0.8 (74)
OPERF Policy Benchmark	1.6 (1)
5th Percentile	1.4
1st Quartile	1.1
Median	1.0
3rd Quartile	0.8
95th Percentile	0.2
Population	54

**Sharpe Ratio
5 Years Ending December 31, 2025**



Total Fund	1.0 (5)
OPERF Policy Benchmark	0.9 (10)
5th Percentile	1.0
1st Quartile	0.7
Median	0.6
3rd Quartile	0.5
95th Percentile	-0.1
Population	50

Parentheses contain percentile rankings.

Benchmark History

OPERF Policy Benchmark

4/1/2023	Present	20% Russell 3000+300 Bps quarter lag / 25% BBG US Agg / 12.50% NCREIF ODCE (Custom) / 27.5% MSCI ACWI IMI Net / 7.50% CPI+4% and 7.50% HFRI FOF Conserv. Indx.
10/1/2021	3/31/2023	20% Russell 3000+300 Bps quarter lag / 20% BBG US Agg / 12.50% NCREIF ODCE (Custom) / 30% MSCI ACWI IMI Net / 7.50% CPI+4% / 7.50% HFRI FOF Conserv. Indx and 2.50% S&P Risk Parity - 12% Target Vol.
7/1/2020	3/30/2021	19% Russell 3000+300 Bps quarter lag / 20% Oregon Custom FI Benchmark / 12.5% Oregon Custom Real Estate Benchmark / 33.5% MSCI ACWI IMI Net / 12.50% CPI+4% and 2.50% S&P Risk Parity - 12% Target Vol.
1/1/2019	6/30/2020	19% Russell 3000+300 Bps quarter lag / 21% Oregon Custom FI Benchmark / 12.5% Oregon Custom Real Estate Benchmark / 37.5% MSCI ACWI IMI Net and 10% CPI+4%
4/1/2018	12/31/2018	19% Russell 3000+300 Bps quarter lag / 22% Oregon Custom FI Benchmark / 12.5% Oregon Custom Real Estate Benchmark / 39% MSCI ACWI IMI Net and 7.5% CPI+4%
7/1/2016	3/31/2018	20% Russell 3000+300 Bps quarter lag / 22.5% Oregon Custom FI Benchmark / 12.5% Oregon Custom Real Estate Benchmark / 40% MSCI ACWI IMI Net and 5% CPI+4%
4/1/2016	6/30/2016	20% Russell 3000+300 Bps quarter lag / 23.5% Oregon Custom FI Benchmark / 12.5% Oregon Custom Real Estate Benchmark / 41.5% MSCI AC World Index and 2.5% CPI+4%
10/1/2013	3/31/2016	20% Russell 3000+300 Bps quarter lag / 23.5% Oregon Custom FI Benchmark / 12.5% NCREIF Property Index quarter lag / 41.5% MSCI AC World Index and 2.5% CPI+4%
5/1/2008	3/30/2023	16% Russell 3000+300 Bps quarter lag / 27% Oregon Custom FI Benchmark / 11% NCREIF Property Index quarter lag and 46% MSCI AC World Index
11/1/2007	4/30/2008	25% MSCI AC World Index ex USA / 12% Russell 3000+300 Bps quarter lag / 27% Oregon Custom FI Benchmark / 28% Russell 3000 and 8% NCREIF Property Index quarter lag
7/1/2007	10/31/2007	20% MSCI AC World Index ex USA / 12% Russell 3000+300 Bps quarter lag / 27% Oregon Custom FI Benchmark / 33% Russell 3000 and 8% NCREIF Property Index quarter lag
5/1/2005	6/30/2007	20% MSCI AC World Index ex USA / 10% Russell 3000+300 Bps quarter lag / 27% Oregon Custom FI Benchmark / 35% Russell 3000 and 8% NCREIF Property Index quarter lag

S&P 600 Custom

1/1/2019	Present	S&P SM 600 Index
3/1/2010	12/31/2016	Russell 2000 Index

Oregon MSCI ACWI Ex US IMI (Net)		
6/1/2008	Present	MSCI ACWI ex US IMI (Net)
1/1/1999	6/1/2008	MSCI ACWI ex US (Net)

Oregon MSCI ACWI Ex US (Net)		
6/1/2010	Present	MSCI ACWI ex US (Net)
1/1/1970	6/1/2010	MSCI World ex US (Net)

Oregon MSCI WORLD Ex US (Net)		
6/1/2008	Present	MSCI World ex US (Net)
1/1/1970	6/1/2008	MSCI World ex US (Gross)

ORE MSCI Emerging Markets IMI (Net)		
6/1/2008	Present	MSCI Emerging Markets IMI
1/1/1988	6/1/2008	MSCI Emerging Markets Free

MSCI Emerging Markets Growth (Net)		
1/1/2018	Present	Emerging Markets Growth Net
6/1/2008	12/31/2017	MSCI Emerging Markets
1/1/1988	6/1/2008	MSCI Emerging Markets Free

Oregon Custom FI Benchmark		
10/1/2021	Present	Bloomberg US Aggregate
3/1/2016	3/30/2021	46% BBG Aggregate Bond, 37% BBG Treasury, 4% BofAML High Yield Master II, and 13% S&P/LSTA
1/1/2014	2/29/2016	Oregon Custom FI Benchmark (40% Barclays Capital U.S. Aggregate Bond, 40% Barclays Capital U.S. 1-3 Govt/Credit Bond Index, 15% S&P/LSTA Leveraged Loan Index, and 5% BofA ML High Yield Master II Index)
3/1/2011	12/31/2023	Oregon Custom FI Benchmark (60% BC US Universal Index, 20% S&P/LSTA Leveraged Loan Index, 10% JPM EMBI Global Index, and 10% BofA ML High Yield Master II Index)
Inception	2/28/2011	Oregon Custom FI 90/10 Benchmark (90% BC US Universal Index and 10% SSBI Non-US World Gov't Bond Hedged Index)

Oregon Custom External FI BM

1/1/2014	Present	Oregon Custom External FI Benchmark (100% BBG U.S. Aggregate Bond)
3/1/2011	12/31/2013	Oregon Custom External FI Benchmark (90% BC US Universal Index and 10% JPM EMBI Global Index)
Inception	2/28/2011	Oregon Custom External FI 90/10 Benchmark (90% BC US Universal and 10% SSBI Non-US World Gov't Bond Hedged Index)

Government Blended Index

3/1/2016	Present	BBG Treasury
Inception	2/29/2016	Barclays 1-3 Year US Govt/Credit

Custom Non-Core Fixed Income Index

7/1/2009	Present	50% custom blend of Morningstar LSTA US Leveraged (65%) and ICE BofA US High Yield (35%), and 50% custom blend of Morningstar LSTA US Leveraged (85%) and ICE BofA US High Yield (15%)
8/1/2008	6/30/2009	Morningstar LSTA US Leveraged (65%) and ICE BofA US High Yield (35%)

Oak Hill Custom Lev Loan & Bond Index

7/1/2009	Present	85% S&P-LSTA/15% Merrill HY Master II
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Beachpoint Custom FI Benchmark

3/1/2024	Present	Bloomberg U.S. Corporate High Yield
Inception	2/29/2024	50% Bloomberg U.S. Corp High Yield and 50% Morningstar LSTA Leveraged Loan

Oregon Structured Credit Products FI BM

1/1/2021	Present	66.67% ICE BofA AA-BBB US Asset Backed index and 33.33% Bloomberg US Mortgage Backed Securities
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NCREIF ODCE (Custom) (Adj.)

4/1/2016	Present	NFI-ODCE QTR LAG Net of Fees
1/1/1990	3/31/2016	NCREIF Property Index QTR Lag

Russell 3000 + 300 BPS QTR LAG (Adj.)		
5/1/2005	6/30/2017	R3000+300 bps, Qtr Lag.
1/1/1979	5/1/2005	R3000+500 bps, Qtr Lag
Opportunity Custom Benchmark		
4/1/2023	Present	OPERF Policy benchmark
9/1/2006	3/31/2023	CPI + 5%
IMC US SCG Custom Blend		
1/1/2024	Present	Russell 2000 Growth Index
Inception	12/31/2023	Russell Microcap Growth Index
IMC IMC INT'L SCG Custom Blend		
1/1/2024	Present	MSCI ACWI ex US Small Cap (Net)
Inception	12/31/2023	100% custom blend of Russell Global ex US Microcap and FTSE Global ex US Microcap

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

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 its 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%.

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

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.

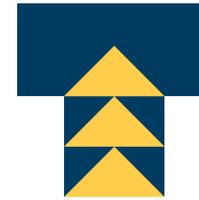
Sources: Investment Terminology, International Foundation of Employee Benefit Plans, 1999.
The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991

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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.



OREGON
STATE
TREASURY

TAB 8

CSF: ANNUAL PERFORMANCE REVIEW

March 4, 2026

Common School Fund Annual Review 2025

Jamie McCreary

Service Model Program Manager

Tad Fergusson

Director Private Markets



OREGON
STATE
TREASURY



Agenda

Section	Pages	OIC Investment and Management Beliefs Mapping									
		1	2	3	4	5	6	7	8	9	10
Fund Governance & Objectives	3 - 4										
Fund Evolution	5										
Asset Allocation	6										
Portfolio Structure	7										
Performance	8 - 10										

- 1) The OIC is a policy-setting council
- 2) Investment management is dichotomous – part art and part science
- 3) OPERF has a long-term investment horizon
- 4) Asset allocation drives risk and return
- 5) The equity risk premium should be rewarded
- 6) Private market investments can add significant value
- 7) Capital markets have inefficiencies that can be exploited
- 8) Costs directly impact investment returns and shall be monitored and managed carefully
- 9) The integration of systems to evaluate and monitor environmental, social, and governance (ESG) risks, including proxy voting, similar to other investment risks have the potential to have a beneficial impact on the economic outcome of an investment and aid in the assessment of that investment
- 10) Diversity, in all aspects, is accretive to meeting OIC objectives

Fund Governance

Oregon Investment Council (OIC)

- Has responsibility to ensure that all investments are managed in a manner that is consistent with the policies and objectives of the Fund

Oregon State Treasury (OST)

- Investment policy provides guidance to OST staff and investment consultants regarding approved asset classes, asset allocation, investment guidelines, benchmarking, and reporting requirements

The State Land Board (SLB)

- Determines the distribution policy. The SLB generally seeks advice, guidance and recommendations from the OIC, OST staff, and Council-retained investment consultants on the spending policy for CSF

Department of State Lands

- Controls and administers the Fund

Fund Objectives

Common School Fund (CSF) Investment Policy Statement (INV 901):

- The primary objective of the CSF is to generate a real rate of return, above an appropriate inflation rate (i.e. the Consumer Price Index or CPI) and over time, that is sufficient to support, in perpetuity, the mission of the CSF and its spending needs

Contributions

- On an annual basis, the Common School Fund receives contribution from unclaimed property
- Occasional money from the Land Board's administrative agency, the Department of State Lands

Distribution Policy

- On an annual basis, the Common School Fund distributes 3.5% of the Fund's trailing three-year average market value to the Department of Education to support the State's K-12 education programs
- In addition, with the passage of SB 1566, certain funds (subject to a formula) are distributed to the School Districts Unfunded Liability Fund to help pay down some of the PERS unfunded liability for those local school districts

Fund Evolution

Pre 2017

- ❖ Portfolio asset classes:
 - Public Equity
 - Fixed Income
 - Private Equity

2017

- ❖ Spending and asset allocation study:
 - Added Real Estate and Alternatives (solely Diversifying Strategies) asset classes
- ❖ Updated Investment Policy Statement (IPS)

2018

- ❖ Reviewed asset allocation in response to passing of SB 1566
 - Presented spending study to State Land Board where they updated distribution policy

2022

- ❖ Spending and asset allocation study:
 - Bifurcated Alternatives into Diversifying Strategies and Real Assets
 - Increased Private Equity
 - Increased non-core Real Estate
- ❖ Updated IPS

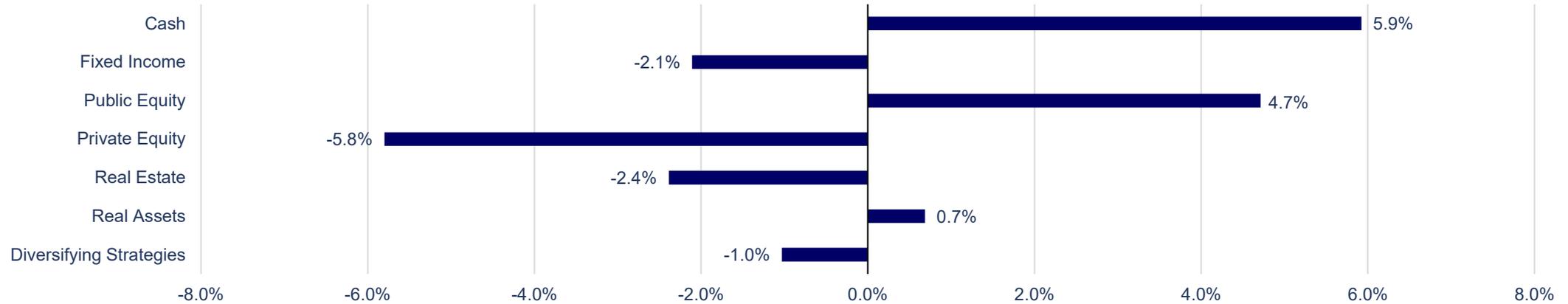
2025

- ❖ Finalized investment guidelines

2027

- ❖ Spending and asset allocation study
- ❖ IPS Review
- ❖ Continue enhancement and diversification of underlying asset classes

Total Fund Asset Allocation (as of 12/31/2025)



Asset Class	Market Value	Current Allocation	Interim Target	Long-Term Target	Active Weight	Approved Range
Cash	\$164.0M	5.9%	0.0%	0.0%	5.9%	0%- 3%
Fixed Income	\$564.7M	20.4%	22.5%	20.0%	-2.1%	15%- 25%
Public Equity	\$1.4B	52.2%	47.5%	45.0%	4.7%	40%- 50%
Private Equity	\$185.6M	6.7%	12.5%	15.0%	-5.8%	10%- 20%
Real Estate	\$210.8M	7.6%	10.0%	10.0%	-2.4%	5%- 15%
Real Assets	\$88.2M	3.2%	2.5%	5.0%	0.7%	0%- 10%
Diversifying Strategies	\$109.9M	4.0%	5.0%	5.0%	-1.0%	0%- 10%
Total Fund	\$2.8B	100%				

Portfolio Structure

<p>Fixed Income</p> <p>Exposures</p> <p>Primarily U.S. investment grade fixed income securities in Blmbg. US Agg Bond</p> <p># of Strategies: 2</p> <p>Portfolio Updates:</p> <ul style="list-style-type: none"> Primary liquidity source Funding source for alternative investments 	<p>Public Equity</p> <p>Exposures</p> <p>60.7% U.S. / 24.5% International Developed / 13.8% Emerging Markets / 1% cash/Other</p> <p># of Strategies: 9</p> <p>Portfolio Updates:</p> <ul style="list-style-type: none"> Liquidity provider for the Fund distributions and alternative asset class commitments 	<p>Private Equity Uncalled Capital: 43%</p> <table border="1"> <thead> <tr> <th>Strategy</th> <th>NAV</th> <th>Committed</th> <th>Target Range</th> </tr> </thead> <tbody> <tr> <td>Corp. Finance</td> <td>61%</td> <td>74%</td> <td>65% - 90%</td> </tr> <tr> <td>Growth/VC</td> <td>37%</td> <td>23%</td> <td>5% - 20%</td> </tr> <tr> <td>Other</td> <td>2%</td> <td>3%</td> <td>0% - 10%</td> </tr> </tbody> </table> <p># of Strategies: 25 Funds/16 GPs</p> <p>Portfolio Updates: Target allocation increased in 2022. Pacing study projects achieving target around 2030/2031.</p>	Strategy	NAV	Committed	Target Range	Corp. Finance	61%	74%	65% - 90%	Growth/VC	37%	23%	5% - 20%	Other	2%	3%	0% - 10%																							
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<p>Real Estate Uncalled Capital: 20%</p> <table border="1"> <thead> <tr> <th>Strategy</th> <th>NAV</th> <th>Committed</th> <th>Target Range</th> </tr> </thead> <tbody> <tr> <td>Core/Core Plus</td> <td>86%</td> <td>71%</td> <td>25% - 75%</td> </tr> <tr> <td>Non-Core</td> <td>6%</td> <td>29%</td> <td>25% - 75%</td> </tr> </tbody> </table> <p># of Strategies: 9</p> <p>Portfolio Updates: Non-core initial funding in 2023 and will take time to build to 50/50 target split. Pacing study projects achieving target near 2028.</p>	Strategy	NAV	Committed	Target Range	Core/Core Plus	86%	71%	25% - 75%	Non-Core	6%	29%	25% - 75%	<p>Real Assets Uncalled Capital: 52%</p> <table border="1"> <thead> <tr> <th>Strategy</th> <th>NAV</th> <th>Committed</th> <th>Target Range</th> </tr> </thead> <tbody> <tr> <td>Infrastructure</td> <td>87%</td> <td>86%</td> <td>50% - 100%</td> </tr> <tr> <td>Natural Resources</td> <td>13%</td> <td>14%</td> <td>0% - 50%</td> </tr> </tbody> </table> <p># of Strategies: 10 fund/8 GPs</p> <p>Portfolio Updates: Initial funding 2018 and per pacing study would expect to reach target near 2027.</p>	Strategy	NAV	Committed	Target Range	Infrastructure	87%	86%	50% - 100%	Natural Resources	13%	14%	0% - 50%	<p>Diversifying Strategies</p> <table border="1"> <thead> <tr> <th>Strategy</th> <th>Actual</th> <th>Target Range</th> </tr> </thead> <tbody> <tr> <td>Equity L/S</td> <td>6%</td> <td>5% - 25%</td> </tr> <tr> <td>Event Driven</td> <td>10%</td> <td>5% - 25%</td> </tr> <tr> <td>Relative Value</td> <td>33%</td> <td>25% - 45%</td> </tr> <tr> <td>Directional</td> <td>51%</td> <td>25% - 45%</td> </tr> </tbody> </table> <p># of Strategies: 10</p> <p>Portfolio Updates: Continue to reduce Directional strategy while building out other three</p>	Strategy	Actual	Target Range	Equity L/S	6%	5% - 25%	Event Driven	10%	5% - 25%	Relative Value	33%	25% - 45%	Directional	51%	25% - 45%
Strategy	NAV	Committed	Target Range																																						
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Performance

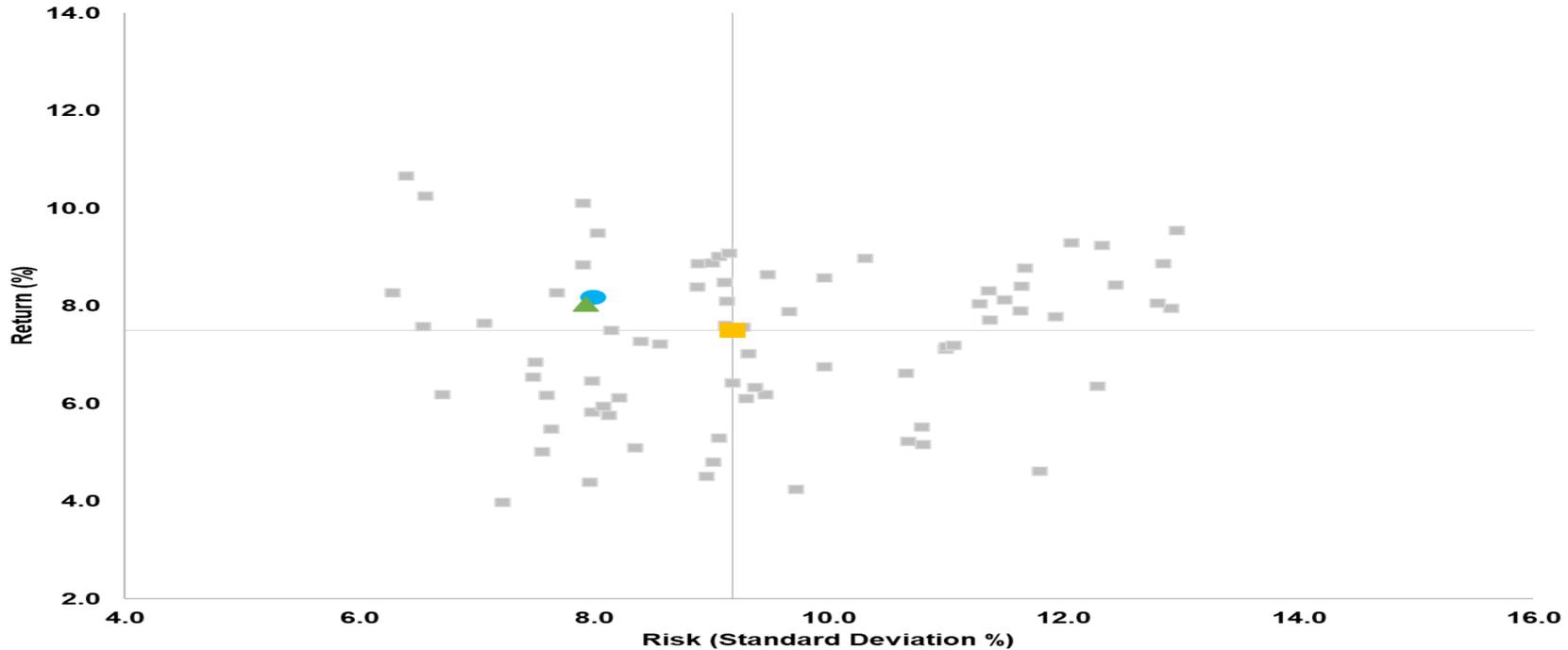
- For the year, the Common School Fund returned 15.4%, slightly trailing its policy and mixed for trailing time frames
- All asset classes generated positive returns and majority of them outperformed their benchmarks

	Market Value	1 Year	3 Years	5 Years	10 Years
Total Fund	\$2.8B	15.4%	12.0%	8.2%	8.3%
Policy Benchmark		15.6%	13.6%	8.0%	9.0%
Excess Return		-0.2%	-1.6%	0.1%	-0.6%

Total Fund	Long-Term Target
10-Year Expected Nominal Return	7.6%
10-Year Expected Standard Deviation	11.4%

5-Year Risk & Return Relative to Peers¹

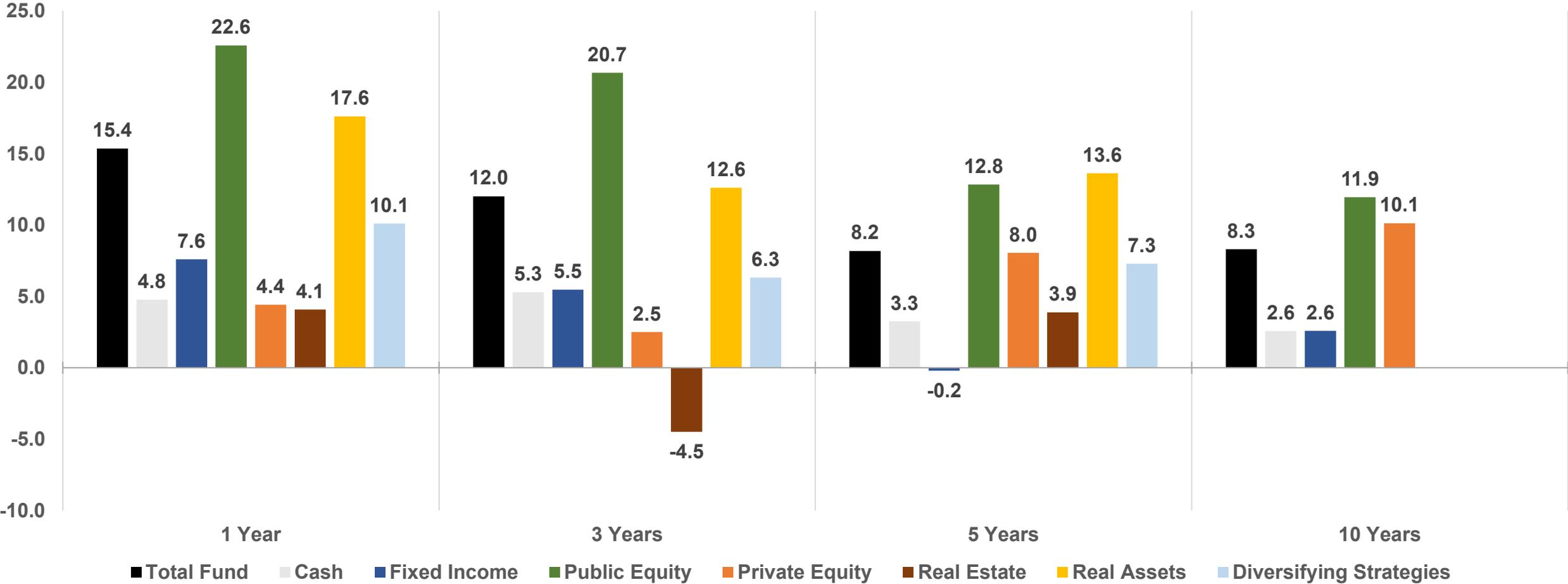
As of December 31, 2025



	Return (%)	Risk (%)	Sharpe Ratio
● Common School Fund	8.2	8.0	0.64
▲ Policy Benchmark	8.0	7.9	0.63
■ Peer Universe Median	7.5	9.2	0.47

¹Investment Metrics universe of Private Foundations with total assets greater than \$50M (87 members as of 12/31/2025)

Net Annualized Performance (%)

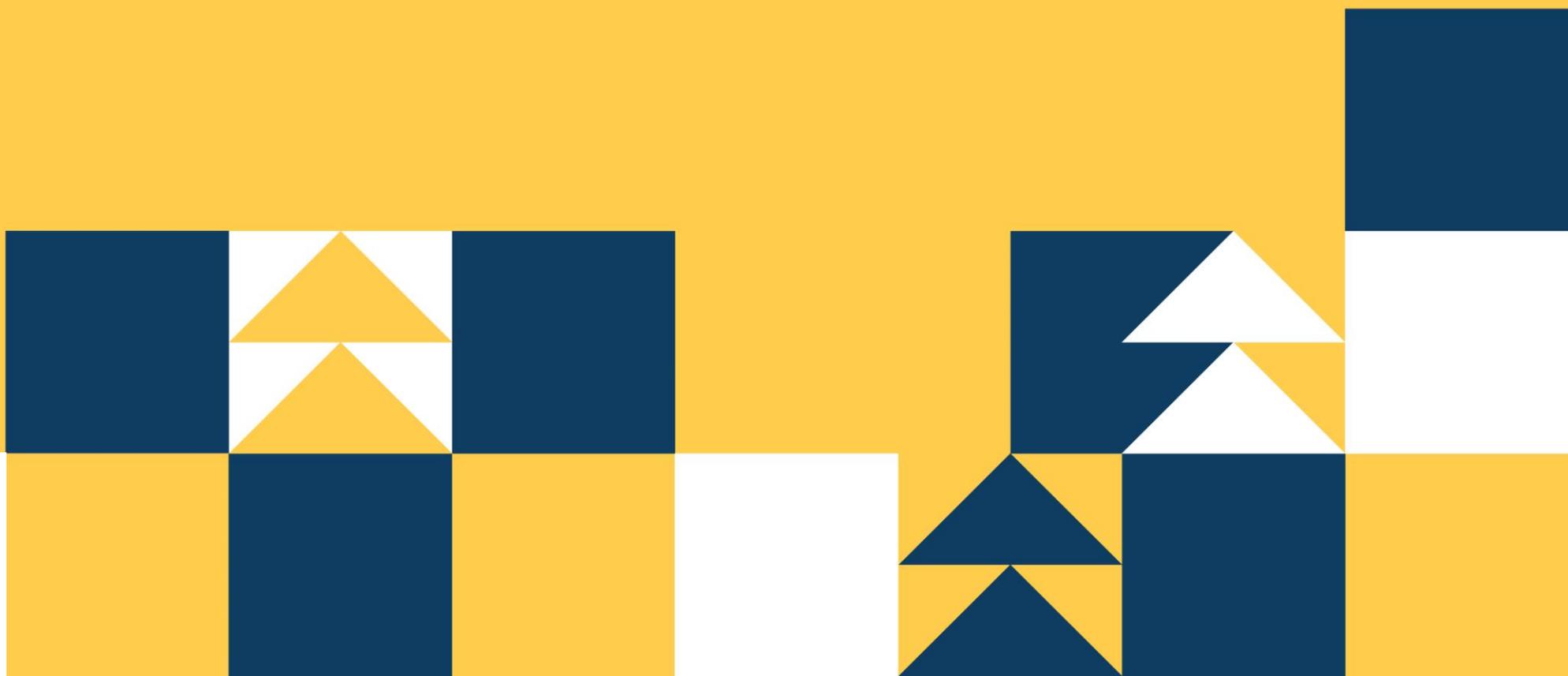


Source: State Street as of 12/31/2025

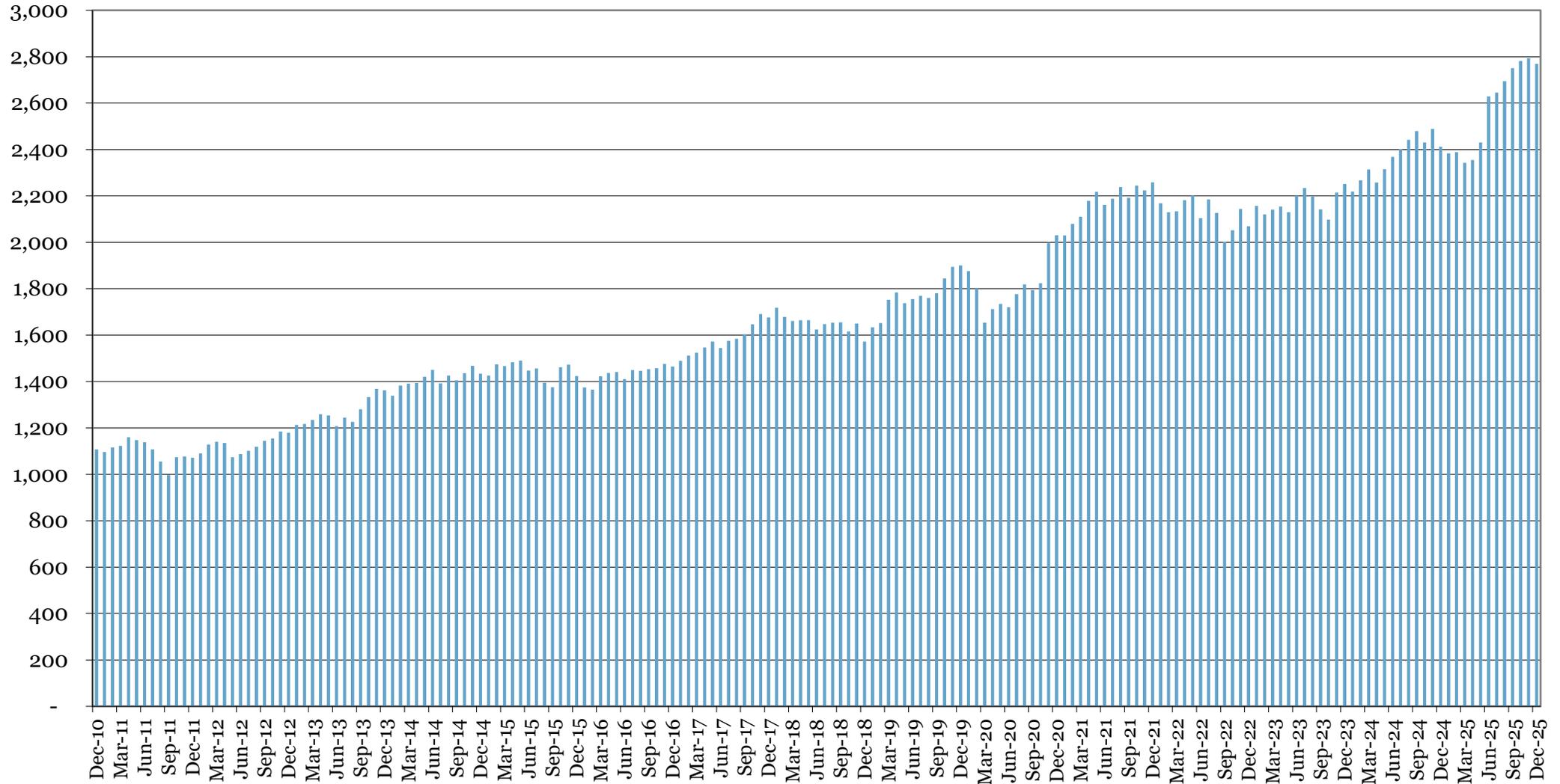
Appendix



OREGON
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CSF NAV
15 years ending December 31, 2025
(\$ in Millions)



	Market Value	Current Allocation	3 Months	1 Year	3 Years	5 Years	10 Years
Cash	\$164M	5.9%	1.1%	4.8%	5.3%	3.3%	2.6%
91 Day T-Bills			1.0%	4.2%	4.8%	3.2%	2.2%
Excess Return			0.2%	0.6%	0.5%	0.1%	0.4%
Fixed Income	\$564.7M	20.4%	1.1%	7.6%	5.5%	-0.2%	2.6%
BBG US Aggregate			1.1%	7.3%	4.7%	-0.4%	2.0%
Excess Return			0.0%	0.3%	0.8%	0.2%	0.5%
Public Equity	\$1.4B	52.2%	2.7%	22.6%	20.7%	12.8%	11.9%
MSCI ACWI IMI (Net)			3.2%	22.1%	20.0%	10.8%	11.5%
Excess Return			-0.6%	0.5%	0.7%	2.1%	0.5%
Private Equity	\$185.6M	6.7%	2.6%	4.4%	2.5%	8.0%	10.1%
Russell 3000 +300bps (Qtr Lag)			9.0%	20.9%	27.6%	19.1%	18.1%
Excess Return			-6.3%	-16.5%	-25.1%	-11.0%	-7.9%
Real Estate	\$210.8M	7.6%	1.6%	4.1%	-4.5%	3.9%	N/A
NCREIF ODCE (Custom) (Adj.)			0.5%	3.2%	-6.2%	2.6%	N/A
Excess Return			1.1%	0.9%	1.7%	1.3%	N/A
Real Assets	\$88.2M	3.2%	3.8%	17.6%	12.6%	13.6%	N/A
CPI +4%			1.5%	7.5%	7.3%	8.8%	N/A
Excess Return			2.3%	10.1%	5.3%	4.9%	N/A
Diversifying Strategies	\$109.9M	4.0%	3.7%	10.1%	6.3%	7.3%	N/A
HFRI FOF- Conservative Index			2.4%	8.1%	6.7%	5.5%	N/A
Excess Return			1.3%	2.0%	-0.3%	1.8%	N/A

Definitions

Equity Long/Short

Equity L/S strategies maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of gross and net exposure, amount of leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios.

Event Driven

Event Driven strategies maintain positions in securities affected by extraordinary transactions or events. Events may be of a wide variety including, but not limited to, mergers, restructurings, financial distress/bankruptcy, tender offers, shareholder buybacks, debt exchanges, security issuance or other capital structure adjustments. Security types can range from most senior in the capital structure to most junior or subordinated, and frequently involve additional derivative securities.

Event Driven exposure includes a combination of sensitivities to equity markets, credit markets and idiosyncratic, company specific developments. Investment insights are typically based on fundamental characteristics (as opposed to quantitative), with the realization of the thesis predicated on a specific development exogenous to the existing capital structure.

Relative Value

Relative Value strategies seek to generate returns by capitalizing on the mispricing of related securities or financial instruments. Generally, these managers avoid taking a directional bias with regard to the price movement of markets.

Directional

Directional strategies typically trade a broad range of markets in which the investment positioning is based on recent price movements or views on underlying economic variables and the impact they may have on markets. Managers may employ a variety of techniques, both discretionary and systematic analysis, combinations of top down and bottom up disciplines, quantitative and fundamental approaches, and long or short term holding periods. While individual positions may be directional in nature, over the long-term, this group of strategies is expected to have low correlation to traditional asset class returns.

Infrastructure

Infrastructure assets provide services and products essential for the functioning of a modern society, and include sub-sectors such as transportation, communication, power, energy, utilities, and social.

Natural Resources

Natural resource assets involve the production, processing, and distribution of commodities or globally traded goods coming from these resources. Sub-sectors may include investments in energy, agriculture, timberland, metals and mining, and other real assets.

Definitions cont.

Corporate Finance

Capital is typically invested in more established companies, meaning those further along the business life cycle, having relatively predictable cash flows and the ability to raise capital throughout the entire capital structure.

Growth Equity and Venture Capital

Growth Equity capital is typically invested in maturing operating companies with proven business models. These companies are at an inflection point where capital can fuel substantial revenue and profitability growth. These are typically not controlling interests. The investments have minimal or no funded debt. Exposure can be obtained through stand-alone growth equity funds or buyout funds that incorporate this strategy.

Venture Capital equity is targeted at companies in the earliest phases of a business lifecycle. Companies may be classified as seed, early, middle or late stage and are characterized by their inability to access public equity or debt. These companies: have uncertain revenues, need cash to build their businesses, and are subject to high failure rates.

Private Equity- Other

Many private equity opportunities have unique characteristics that require a separate classification beyond that of buyouts, growth equity or venture capital. These investments may include distressed debt, turnaround, and opportunistic partnerships.

Core Real Estate

Equity investments in real properties. Typical Core properties will exhibit "institutional" qualities such as good locations within local and regional markets with high quality design and construction. In general, Core properties will be well occupied, though a limited allocation may be invested in properties undergoing redevelopment, new construction or significant re-leasing. Core properties are expected to generate the majority of its returns through income.

Non-Core Real Estate

Portfolio is comprised of Non-Core investments in real properties through commingled funds only. The Non-Core portfolio may include office, retail, industrial and apartment properties, but may also target structured investments in alternative property types such as hotels, student housing, senior housing, debt, specialized retail uses, operating companies, non performing loans, speculative developments, land, etc. Non-Core real estate may exhibit "institutional" qualities such as good locations within local and regional markets with high quality design and construction, but may need redevelopment or significant leasing to achieve stabilized investment value. Non-Core investments may include development opportunities with balanced risk/return profiles.

Endnotes

- Source: State Street. Performance is net of investment management fees and annualized for periods longer than one year. Reminder alternative data is typically lagging 1-3 months.
- Oregon CSF Policy Index:
 - From February 1, 2012 to June 30, 2016, policy benchmark was 30% Russell 3000, 30% MSCI ACWI ex US Net, 30% BC Universal Index, and 10% Russell 3000+300 bps QTR lag. From July 1, 2016 to December 31, 2017, policy benchmark was 30% Russell 3000, 30% MSCI ACWI ex US Net, 30% BC US Aggregate, and 10% Russell 3000+300 bps QTR lag. From January 1, 2018 to December 31, 2022 policy benchmark was dynamically weighted and uses each asset class' value relative to the total market value as its percentage of the total policy benchmark.
 - From January 1, 2023 to present, policy benchmark is 47.5% MSCI ACWI IMI Net (Daily), 12.5% Russell 3000+300 bps quarter lag, 22.5% BBG US Agg, 10% NCREIF ODCE (Custom) (Adj.), 2.5% CPI +4%, and 5% HFRI FOF: Conservative Index.
- Oregon CSF FI Index:
 - Prior to November 1, 2005, index is BC Aggregate. From November 1, 2015 to June 30, 2016 the benchmark was BC Universal Index.
 - From July 1, 2016 to present the benchmark is BBG Aggregate
- Real Estate Policy Index- NCREIF ODCE (Custom) (Adj.):
 - From January 1, 1990 to March 31, 2016, the NCREIF ODCE (Custom) was weighted 100% NCREIF Property Index QTR Lag. From April 1, 2016 to present, the benchmark is weighted 100% - NFI-ODCE QTR LAG Net of Fees. Starting July 1, 2017, methodology for monthly return is calculated by geometrically linking prior months returns and then deriving the monthly returns by calculating the geometric average. Returns are not actual monthly, but rather equivalent for all intra-quarter months, in order to match the actual quarterly return.
- Private Equity Policy Index- Russell 3000 + BPS QRT LAG (Adj.):
 - Prior to May 1, 2005, index is R3000+500 bps, Qtr Lag. Until June 30, 2017 the index is R3000+300 bps, Qtr Lag. From July 1, 2017, the monthly return is calculated as the geometrically linked monthly portion of the quarterly return. Returns are not actual monthly, but rather equivalent for all intra-quarter months, in order to match the actual quarterly return.
- Any information provided herein has been prepared from sources believed to be reliable but is not guaranteed and is for informational purposes only. The information provided herein should not be regarded as an offer to sell or as a solicitation of an offer to buy the products mentioned. No representation is made that any returns will be achieved. Past performance is not indicative of future results. Opinions expressed herein are subject to change without notice.



**OREGON
STATE
TREASURY**



Elizabeth Steiner, MD
Oregon State Treasurer

16290 SW Upper Boones Ferry Road
Tigard, OR 97224

oregon.gov/treasury

Common School Fund

As of December 31, 2024

Q4 Performance Update

1. Executive Summary
2. Performance Update as of December 31, 2025
3. Disclaimer, Glossary, and Notes

Executive Summary

Q4 2025

CSF Executive Summary

- The Common School Fund (the Fund) ended the fourth quarter with a market value of \$2.8 billion, up \$17.9 million from the end of the previous quarter.
 - The change in assets represents roughly \$44.0 million in net outflows from the Fund and investment gains of \$61.9 million.

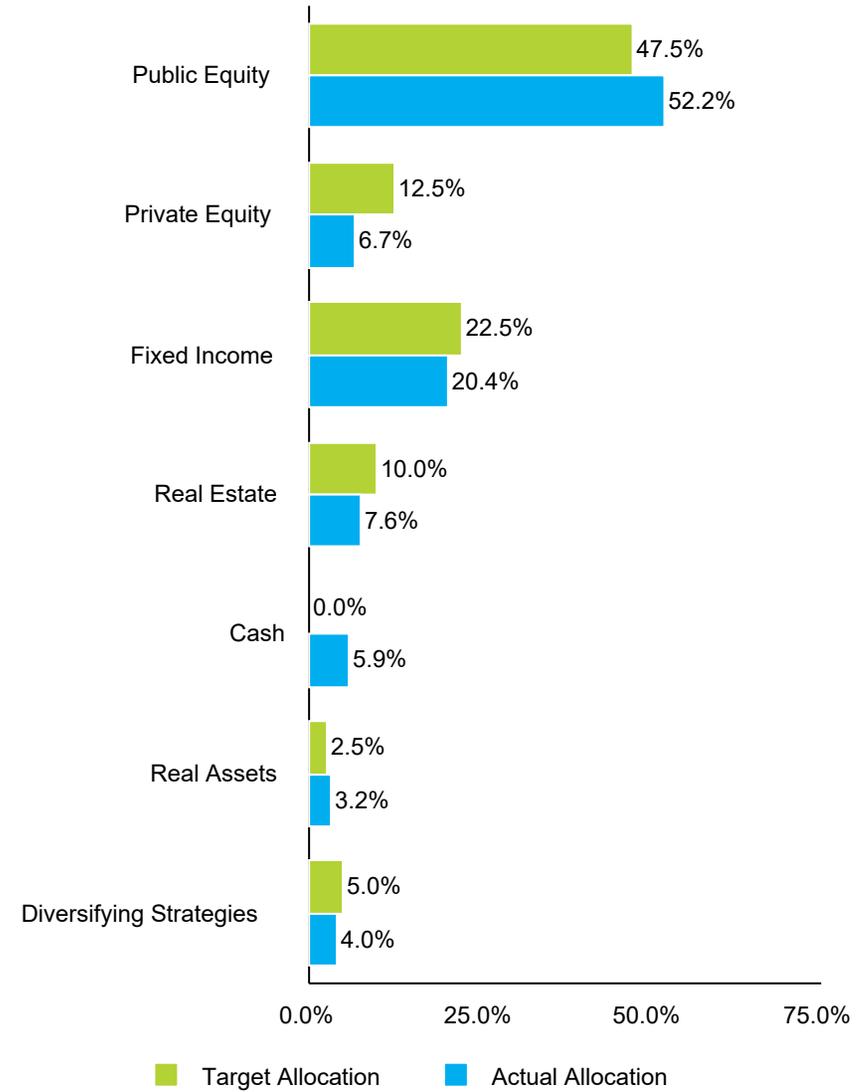
The Fund gained 2.3% in Q4, underperforming the Oregon CSF Policy Index by 0.8%.

- The primary detractor was Private Equity (+2.6%) which trailed the benchmark, Russell 3000+300bps Qtr Lag (+9.0%), by 640 basis points.
 - Public Equity (+2.7%) also detracted and lagged the MSCI ACWI IMI (+3.2%), driven by underperformance within the Global Equity allocation.
- Over the trailing one-year period the Fund has delivered strong returns, up 15.4%, and has roughly tracked the benchmark.
 - During this period all asset classes, apart from Private Equity, outperformed their respective benchmarks.
 - The Common School Fund is currently following an interim asset allocation policy while it transitions to long term targets. As a result of the interim policy targets, asset classes may fall outside of the long-term policy ranges periodically.

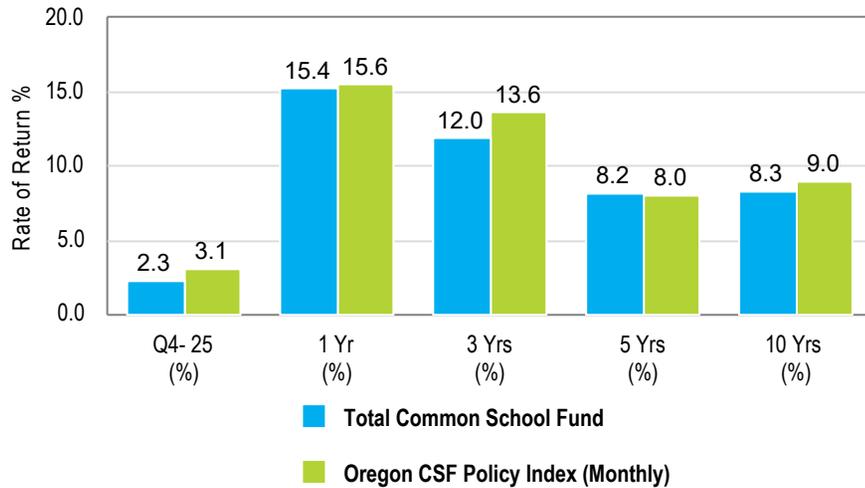
Performance Update
As of December 31, 2025

Total Fund | As of December 31, 2025

Asset Allocation Compliance



Return Summary Ending December 31, 2025



Comparative Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Common School Fund	2.3	15.4	12.0	8.2	8.3
<i>Oregon CSF Policy Index (Monthly)</i>	<i>3.1</i>	<i>15.6</i>	<i>13.6</i>	<i>8.0</i>	<i>9.0</i>
<i>Excess Return</i>	<i>-0.8</i>	<i>-0.2</i>	<i>-1.6</i>	<i>0.1</i>	<i>-0.7</i>
<i>InvMetrics Private Foundation > \$50M Median</i>	<i>2.1</i>	<i>12.6</i>	<i>12.4</i>	<i>7.5</i>	<i>8.3</i>
<i>InvMetrics Private Foundation > \$50mm Rank</i>	<i>39</i>	<i>18</i>	<i>56</i>	<i>35</i>	<i>49</i>

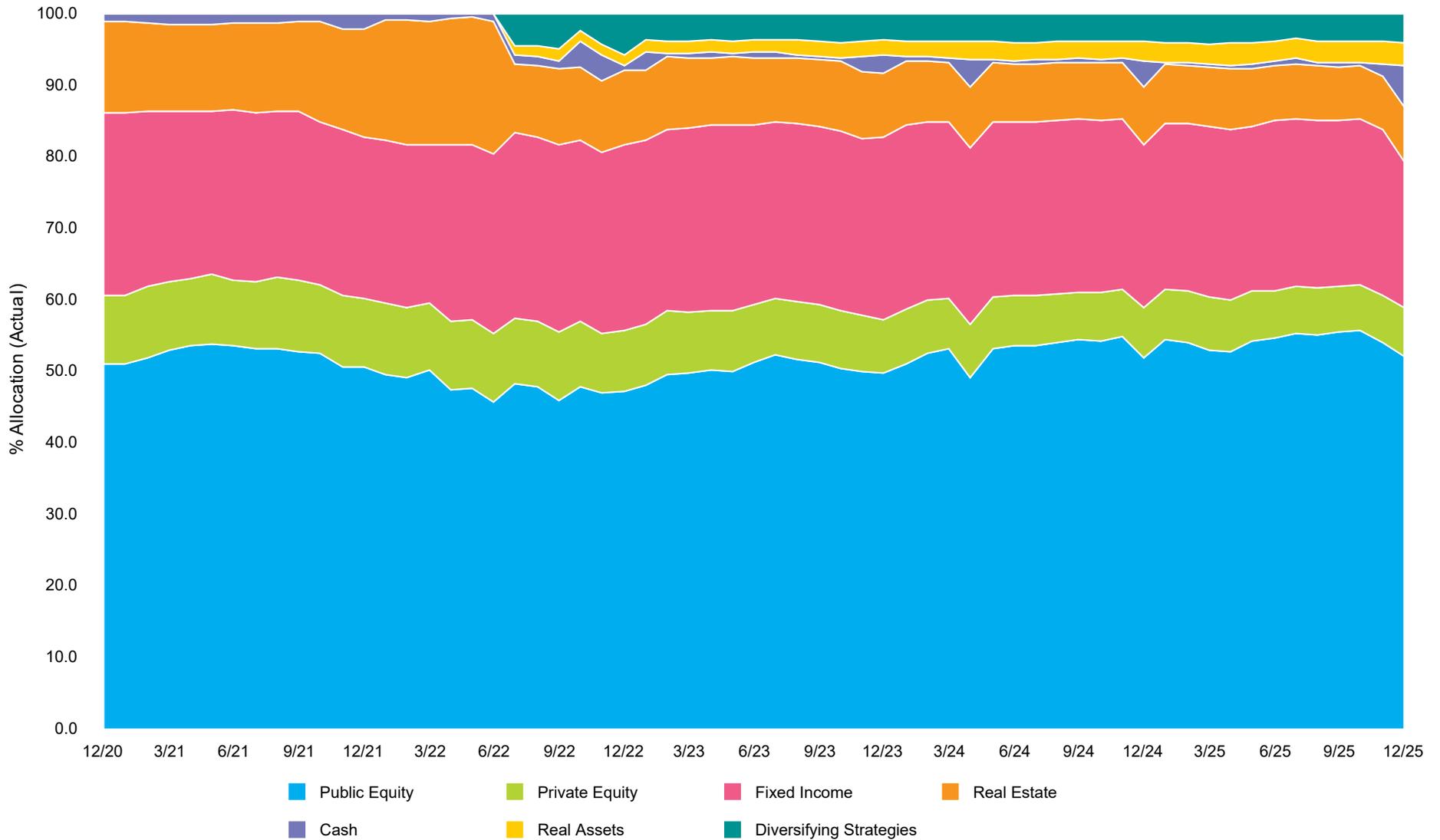
Asset Allocation Compliance | As of December 31, 2025

Asset Allocation vs Target As of December 31, 2025						
	Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
Public Equity	1,445,843,591	52.2	47.5	4.7	40.0 - 50.0	No
Private Equity	185,595,386	6.7	12.5	-5.8	10.0 - 20.0	No
Fixed Income	564,714,663	20.4	22.5	-2.1	15.0 - 25.0	Yes
Real Estate	210,796,654	7.6	10.0	-2.4	5.0 - 15.0	Yes
Cash	163,993,085	5.9	0.0	5.9	0.0 - 3.0	No
Real Assets	88,218,772	3.2	2.5	0.7	0.0 - 10.0	Yes
Diversifying Strategies	109,918,325	4.0	5.0	-1.0	0.0 - 10.0	Yes
Total	2,769,080,475	100.0	100.0	0.0		

Asset Allocation Targets represent CSF Interim Targets.

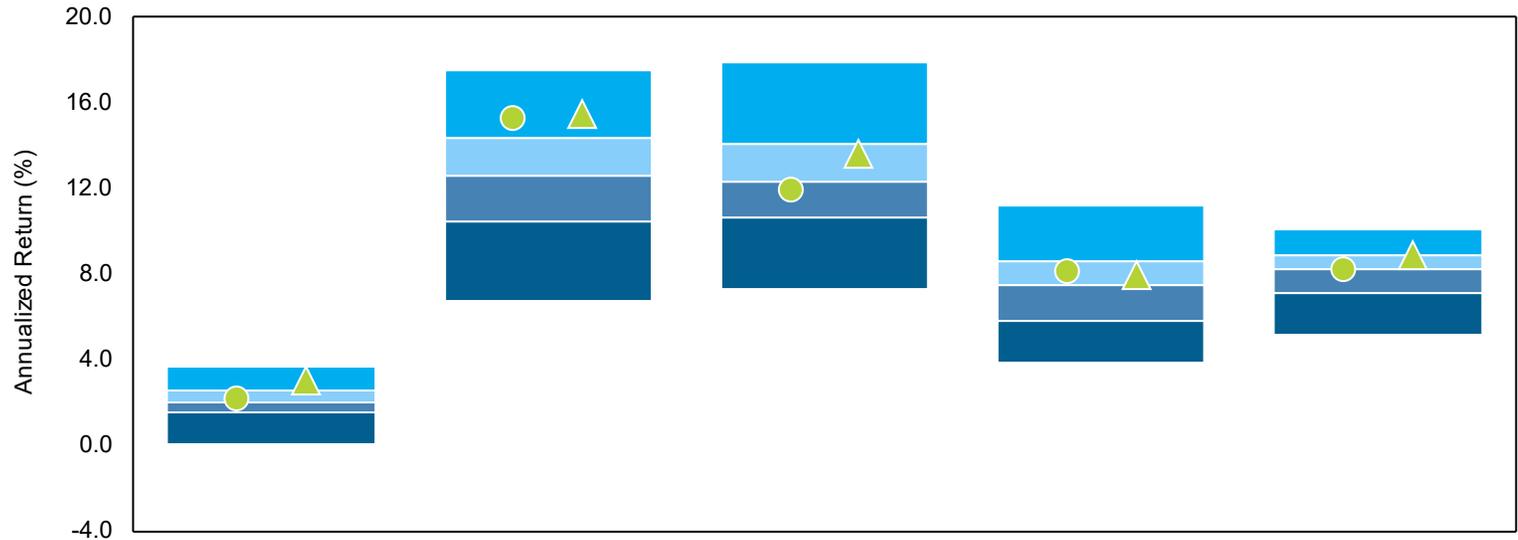
Historical Asset Allocation | 5 Years Ending December 31, 2025

Asset Allocation History
5 Years Ending December 31, 2025



Plan Sponsor Peer Group Analysis | As of December 31, 2025

InvMetrics Private Foundation > \$50M Net Return Comparison Ending December 31, 2025

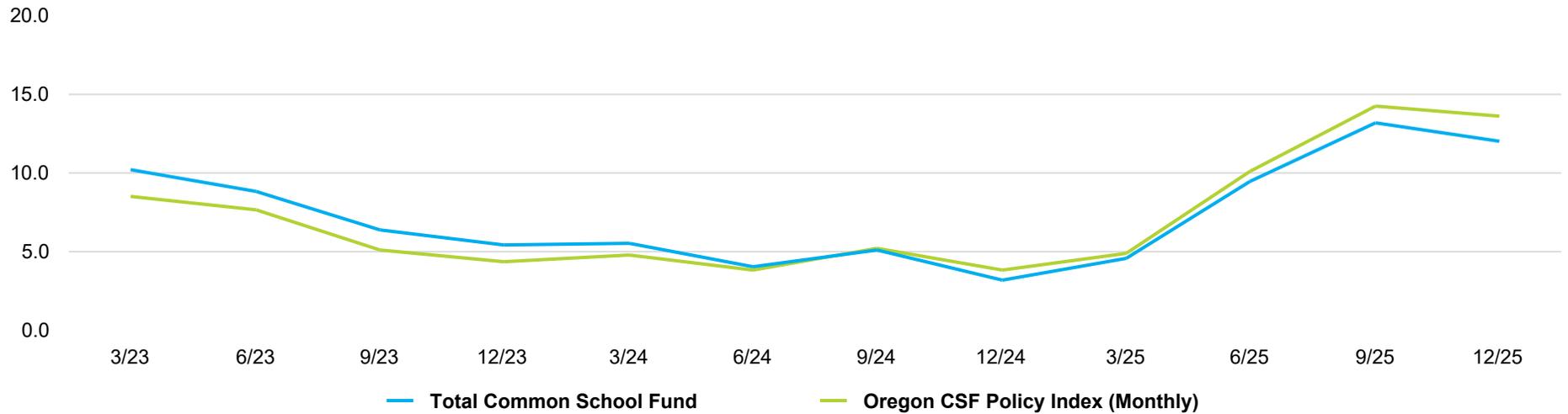


	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
● Total Common School Fund	2.3 (39)	15.4 (18)	12.0 (56)	8.2 (35)	8.3 (49)
▲ Oregon CSF Policy Index (Monthly)	3.1 (10)	15.6 (16)	13.6 (32)	8.0 (39)	9.0 (26)
5th Percentile	3.7	17.6	18.0	11.3	10.2
1st Quartile	2.6	14.4	14.2	8.6	9.0
Median	2.1	12.6	12.4	7.5	8.3
3rd Quartile	1.6	10.5	10.7	5.9	7.2
95th Percentile	0.1	6.8	7.3	3.9	5.2
Population	94	94	92	87	63

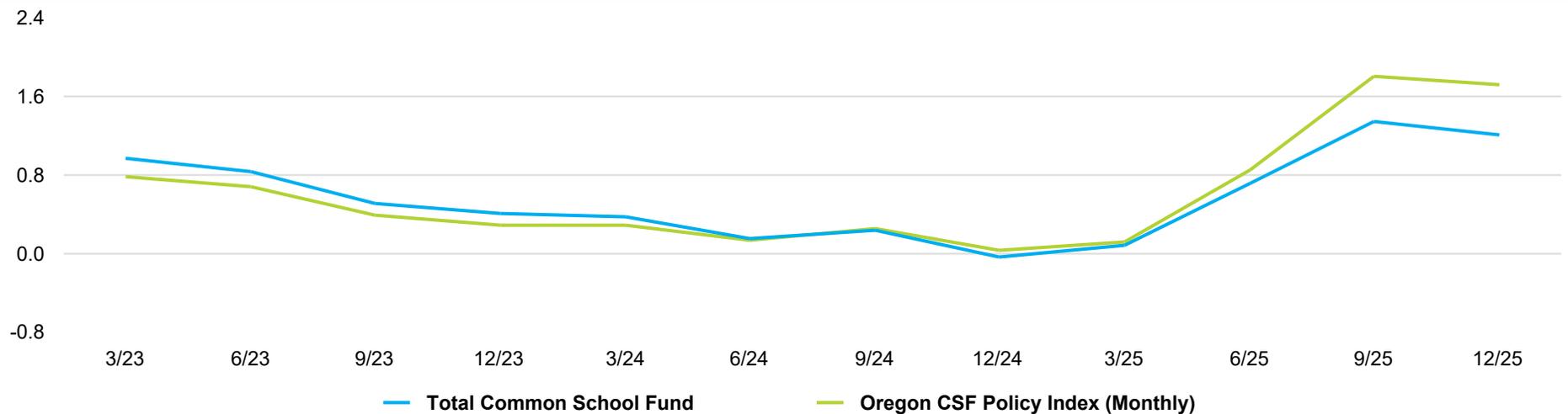
Parentheses contain percentile rankings.

Total Fund | As of December 31, 2025

Rolling 3 Year Annualized Return (%)
Total Fund vs CSF Policy Benchmark



Rolling 3 Year Sharpe Ratio
Total Fund vs CSF Policy Benchmark



Total Fund | As of December 31, 2025

Asset Class Trailing Net Performance									
	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Total Common School Fund	2,769,080,475	100.0	2.3	15.4	12.0	8.2	8.3	7.6	Jun-95
<i>Oregon CSF Policy Index (Monthly)</i>			3.1	15.6	13.6	8.0	9.0	7.8	
<i>InvMetrics Private Foundation > \$50M Median</i>			2.1	12.6	12.4	7.5	8.3	7.0	
<i>InvMetrics Private Foundation > \$50M Rank</i>			39	18	56	35	49	1	
Total Public Equity	1,445,843,591	52.2	2.7	22.6	20.7	12.8	11.9	10.0	Jan-95
<i>MSCI ACWI IMI Net (Daily)</i>			3.2	22.1	20.0	10.7	11.4	8.1	
Total Domestic Equity	772,255,265	27.9	2.5	17.3	21.1	14.3	13.6	10.7	Jan-95
<i>Russell 3000 Index</i>			2.4	17.1	22.2	13.1	14.3	11.0	
Total International Equity	513,354,820	18.5	3.5	33.0	20.5	11.8	10.3	7.1	Mar-97
<i>Oregon MSCI ACWI Ex US IMI (Net)</i>			4.8	32.0	17.1	7.8	8.4	6.1	
Developed Ex-U.S. Markets	463,517,368	16.7	3.4	33.6	--	--	--	21.8	Oct-24
<i>MSCI World ex U.S. IMI Index (Net)</i>			5.0	32.2	17.4	9.0	8.5	17.5	
Emerging Markets	49,837,453	1.8	4.9	27.2	--	--	--	13.8	Oct-24
<i>MSCI Emerging Markets (Net)</i>			4.7	33.6	16.4	4.2	8.4	17.9	
Total Global Equity	160,233,505	5.8	0.6	18.0	--	--	--	13.0	Oct-24
<i>MSCI AC World IMI Index (Net)</i>			3.2	22.1	20.0	10.7	11.4	16.1	
Total Fixed Income	564,714,663	20.4	1.1	7.6	5.5	-0.2	2.6	4.9	Jun-95
<i>BC US Aggregate</i>			1.1	7.3	4.7	-0.4	2.0	4.4	
Private Equity	185,595,386	6.7	2.6	4.4	2.5	8.1	10.1	8.5	Nov-07
<i>Russell 3000 + 300 BPS QTR LAG (Adj.)</i>			9.0	20.9	27.6	19.0	18.1	14.0	
Total Real Estate	210,796,654	7.6	1.6	4.1	-4.5	3.9	--	3.7	Apr-18
<i>NCREIF ODCE (Custom) (Adj.)</i>			0.5	3.2	-6.1	2.6	4.1	3.1	

The current policy benchmark is 47.5% MSCI ACWI IMI Net (Daily), 12.5% Russell 3000+300 bps quarter lag, 22.5% BBG US Agg, 10% NCREIF ODCE (Custom) (Adj.), 2.5% CPI +4%, and 5% HFRI FOF: Conservative Index. The Oregon Reference Portfolio is comprised of 70% MSCI ACWI IMI Net and 30% Bloomberg US Aggregate.

Total Fund | As of December 31, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Diversifying Strategies	109,918,325	4.0	3.7	10.1	6.3	7.3	--	0.1	Jan-18
<i>HFRI FOF Conservative Index</i>			<i>2.4</i>	<i>9.5</i>	<i>7.1</i>	<i>5.7</i>	<i>4.6</i>	<i>5.1</i>	
Real Assets	88,218,772	3.2	3.8	17.6	12.6	13.6	--	12.4	Oct-19
<i>CPI +4%</i>			<i>1.0</i>	<i>7.0</i>	<i>7.2</i>	<i>8.7</i>	<i>7.3</i>	<i>8.0</i>	
Cash	163,993,085	5.9	1.1	4.8	5.3	3.3	2.6	3.3	Dec-89
<i>ICE BofA 3 Month U.S. T-Bill</i>			<i>1.0</i>	<i>4.2</i>	<i>4.8</i>	<i>3.2</i>	<i>2.2</i>	<i>2.9</i>	

Total Fund | As of December 31, 2025

	Trailing Net Performance								
	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Total Common School Fund	2,769,080,475	100.0	2.3	15.4	12.0	8.2	8.3	7.6	Jun-95
<i>Oregon CSF Policy Index (Monthly)</i>			3.1	15.6	13.6	8.0	9.0	7.8	
<i>InvMetrics Private Foundation > \$50M Median</i>			2.1	12.6	12.4	7.5	8.3	7.0	
<i>InvMetrics Private Foundation > \$50M Rank</i>			39	18	56	35	49	1	
Total Public Equity	1,445,843,591	52.2	2.7	22.6	20.7	12.8	11.9	10.0	Jan-95
<i>MSCI ACWI IMI Net (Daily)</i>			3.2	22.1	20.0	10.7	11.4	8.1	
Total Domestic Equity	772,255,265	27.9	2.5	17.3	21.1	14.3	13.6	10.7	Jan-95
<i>Russell 3000 Index</i>			2.4	17.1	22.2	13.1	14.3	11.0	
BlackRock S&P 500	290,728,159	10.5	2.7	17.9	23.1	14.5	14.9	14.7	Aug-09
<i>S&P 500 Index (Daily)</i>			2.7	17.9	23.0	14.4	14.8	14.7	
BlackRock Russell 3000	481,442,032	17.4	2.4	16.9	--	--	--	17.3	Feb-24
<i>Russell 3000 Index</i>			2.4	17.1	--	--	--	20.7	
Total International Equity	513,354,820	18.5	3.5	33.0	20.5	11.8	10.3	7.1	Mar-97
<i>Oregon MSCI ACWI Ex US IMI (Net)</i>			4.8	32.0	17.1	7.8	8.4	6.1	
Developed Ex-U.S. Markets	463,517,368	16.7	3.4	33.6	21.4	13.2	11.0	10.0	Jun-13
<i>MSCI World ex U.S. IMI Index (Net)</i>			5.0	32.2	17.4	9.0	8.5	7.6	
Lazard Intl CEF	89,346,051	3.2	2.1	39.9	20.0	5.8	--	11.8	Jul-20
<i>Oregon MSCI ACWI Ex US (Net)</i>			5.1	32.4	17.3	7.9	--	11.5	
Arrowstreet	198,282,176	7.2	4.0	43.4	25.8	18.4	13.6	10.0	May-08
<i>Oregon CSF MSCI ex US IMI Net</i>			4.8	32.0	17.1	7.8	8.0	4.6	
Acadian	94,146,202	3.4	4.7	31.8	--	--	--	23.3	Jun-24
<i>Oregon MSCI ACWI Ex US Value IMI (Net)</i>			7.1	38.5	--	--	--	22.8	
Walter Scott	81,737,698	3.0	1.4	8.3	--	--	--	1.6	May-24
<i>MSCI World ex U.S. (Net)</i>			5.2	31.9	--	--	--	19.4	

Total Fund | As of December 31, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Emerging Markets	49,837,453	1.8	4.9	27.2	13.8	0.7	6.8	4.0	Jun-13
<i>MSCI Emerging Markets (Net)</i>			4.7	33.6	16.4	4.2	8.4	5.7	
William Blair Emerging Markets Growth <i>MSCI Emerging Markets Growth (Net)</i>	49,837,453	1.8	4.9 3.3	27.2 34.3	-- --	-- --	-- --	24.9 31.8	Dec-24
Total Global Equity	160,233,505	5.8	0.6	18.0	19.3	10.4	--	11.4	Jan-20
<i>MSCI AC World IMI Index (Net)</i>			3.2	22.1	20.0	10.7	--	11.6	
BlackRock ACWI IMI <i>MSCI ACWI IMI Net (Daily)</i>	64,598,005	2.3	2.9 3.2	21.9 22.1	20.1 20.0	10.9 10.7	-- --	12.4 12.2	Apr-19
Cantillon Global Core <i>MSCI AC World Index (Net)</i>	95,635,500	3.5	-0.9 3.3	15.4 22.3	-- --	-- --	-- --	15.7 21.0	May-24
Total Fixed Income	564,714,663	20.4	1.1	7.6	5.5	-0.2	2.6	4.9	Jun-95
<i>BC US Aggregate</i>			1.1	7.3	4.7	-0.4	2.0	4.4	
Wellington <i>BC US Aggregate</i>	292,366,031	10.6	1.1 1.1	7.3 7.3	5.6 4.7	-0.2 -0.4	2.4 2.0	4.4 4.0	Oct-00
Western Asset <i>BC US Aggregate</i>	272,348,631	9.8	1.1 1.1	8.0 7.3	5.4 4.7	-0.2 -0.4	2.7 2.0	4.8 4.0	Oct-00
Total Real Estate	210,796,654	7.6	1.6	4.1	-4.5	3.9	--	3.7	Apr-18
<i>NCREIF ODCE (Custom) (Adj.)</i>			0.5	3.2	-6.1	2.6	--	3.1	
Value Add <i>NCREIF ODCE (Custom) (Adj.)</i>	9,034,405	0.3	8.8 0.5	5.5 3.2	-10.7 -6.1	-- --	-- --	-14.7 -5.6	Oct-22
Core Real Estate <i>NCREIF ODCE (Custom) (Adj.)</i>	188,404,138	6.8	1.4 0.5	3.6 3.2	-4.7 -6.1	3.8 2.6	-- --	3.6 3.1	Apr-18
Opportunistic Real Estate <i>NCREIF ODCE (Custom) (Adj.)</i>	13,358,110	0.5	0.1 0.5	9.3 3.2	6.3 -6.1	-- --	-- --	5.1 -2.6	May-22

Total Fund | As of December 31, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Private Equity	185,595,386	6.7	2.6	4.4	2.5	8.1	10.1	8.5	Nov-07
<i>Russell 3000 + 300 BPS QTR LAG (Adj.)</i>			<i>9.0</i>	<i>20.9</i>	<i>27.6</i>	<i>19.0</i>	<i>18.1</i>	<i>14.0</i>	
CSF - Private Equity	185,595,386	6.7	2.6	4.4	2.5	8.0	10.1	8.5	Nov-07
<i>Russell 3000 + 300 BPS QTR LAG (Adj.)</i>			<i>9.0</i>	<i>20.9</i>	<i>27.6</i>	<i>19.0</i>	<i>18.1</i>	<i>14.0</i>	
Real Assets	88,218,772	3.2	3.8	17.6	12.6	13.6	--	12.4	Oct-19
<i>CPI +4%</i>			<i>1.0</i>	<i>7.0</i>	<i>7.2</i>	<i>8.7</i>	<i>--</i>	<i>8.0</i>	
Diversifying Strategies	109,918,325	4.0	3.7	10.1	6.3	7.3	--	0.1	Jan-18
<i>HFRI FOF Conservative Index</i>			<i>2.4</i>	<i>9.5</i>	<i>7.1</i>	<i>5.7</i>	<i>--</i>	<i>5.1</i>	
Diversifying Strategies	109,918,325	4.0	3.7	10.1	6.3	--	--	4.5	Jul-22
<i>HFRI FOF Conservative Index</i>			<i>2.4</i>	<i>9.5</i>	<i>7.1</i>	<i>--</i>	<i>--</i>	<i>6.5</i>	
Cash	163,993,085	5.9	1.1	4.8	5.3	3.3	2.6	3.3	Dec-89
<i>ICE BofA 3 Month U.S. T-Bill</i>			<i>1.0</i>	<i>4.2</i>	<i>4.8</i>	<i>3.2</i>	<i>2.2</i>	<i>2.9</i>	
Cash	163,993,084	5.9							

Diversifying Strategies is a compilation of managers.

Total Fund | As of December 31, 2025

	Market Value (\$)	% of Portfolio	Calendar Year Performance										
			2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Total Common School Fund	2,769,080,475	100.0	15.4	9.7	11.0	-9.7	16.8	8.0	16.0	-3.9	17.2	6.1	0.5
<i>Oregon CSF Policy Index (Monthly)</i>			15.6	12.0	13.4	-11.9	13.8	11.2	15.2	-1.4	17.5	8.0	-0.9
<i>InvMetrics Private Foundation > \$50M Median</i>			12.6	11.5	13.8	-12.8	14.5	12.9	17.4	-4.5	15.4	5.8	-0.3
<i>InvMetrics Private Foundation > \$50M Rank</i>			18	74	75	28	34	88	71	45	28	46	33
Total Public Equity	1,445,843,591	52.2	22.6	18.3	21.2	-14.6	21.8	13.2	26.3	-11.3	24.9	6.8	-0.6
<i>MSCI ACWI IMI Net (Daily)</i>			22.1	16.4	21.6	-18.4	18.2	16.3	26.4	-10.1	24.0	8.3	-2.1
Total Domestic Equity	772,255,265	27.9	17.3	23.4	22.7	-14.3	28.1	13.9	29.4	-7.7	23.7	9.2	1.5
<i>Russell 3000 Index</i>			17.1	23.8	26.0	-19.2	25.7	20.9	31.0	-5.2	21.1	12.7	0.5
BlackRock S&P 500	290,728,159	10.5	17.9	25.1	26.4	-18.1	28.7	18.7	31.5	-4.5	21.9	12.0	1.4
<i>S&P 500 Index (Daily)</i>			17.9	25.0	26.3	-18.1	28.7	18.4	31.5	-4.4	21.8	12.0	1.4
BlackRock Russell 3000	481,442,032	17.4											
<i>Russell 3000 Index</i>			17.1	--	--	--	--	--	--	--	--	--	--
Total International Equity	513,354,820	18.5	33.0	10.6	19.0	-13.9	15.7	11.5	22.8	-14.7	26.2	3.8	-2.2
<i>Oregon MSCI ACWI Ex US IMI (Net)</i>			32.0	5.2	15.6	-16.6	8.5	11.1	21.6	-14.8	27.8	4.4	-4.6
Developed Ex-U.S. Markets	463,517,368	16.7	33.6	11.7	19.9	-12.8	19.2	15.5	--	--	--	--	--
<i>MSCI World ex U.S. IMI Index (Net)</i>			32.2	4.4	17.2	-15.3	12.4	8.3	--	--	--	--	--
Arrowstreet	198,282,176	7.2	43.4	13.1	22.7	-7.5	26.6	10.0	19.6	-12.9	26.5	5.8	2.6
<i>Oregon CSF MSCI ex US IMI Net</i>			32.0	5.2	15.6	-16.6	8.5	11.1	21.3	-14.7	25.2	3.0	-2.0
Lazard Intl CEF	89,346,051	3.2	39.9	11.7	10.5	-26.0	3.8	--	--	--	--	--	--
<i>Oregon MSCI ACWI Ex US (Net)</i>			32.4	5.5	15.6	-16.0	7.8	--	--	--	--	--	--
Acadian	94,146,202	3.4											
<i>Oregon MSCI ACWI Ex US Value IMI (Net)</i>			38.5	--	--	--	--	--	--	--	--	--	--
Walter Scott	81,737,698	3.0											
<i>MSCI World ex U.S. (Net)</i>			31.9	--	--	--	--	--	--	--	--	--	--

Total Fund | As of December 31, 2025

	Market Value (\$)	% of Portfolio	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Emerging Markets	49,837,453	1.8	27.2	4.4	10.9	-24.2	-7.3	17.3	--	--	--	--	--
<i>MSCI Emerging Markets (Net)</i>			33.6	7.5	9.8	-20.1	-2.5	18.3	--	--	--	--	--
William Blair Emerging Markets Growth <i>MSCI Emerging Markets Growth (Net)</i>	49,837,453	1.8	34.3	--	--	--	--	--	--	--	--	--	--
Total Global Equity	160,233,505	5.8	18.0	18.0	21.9	-18.2	18.4	16.6	--	--	--	--	--
<i>MSCI AC World IMI Index (Net)</i>			22.1	16.4	21.6	-18.4	18.2	16.3	--	--	--	--	--
BlackRock ACWI IMI <i>MSCI ACWI IMI Net (Daily)</i>	64,598,005	2.3	21.9	16.5	21.9	-18.2	18.4	16.6	--	--	--	--	--
Cantillon Global Core <i>MSCI AC World Index (Net)</i>	95,635,500	3.5	22.3	--	--	--	--	--	--	--	--	--	--
Total Fixed Income	564,714,663	20.4	7.6	1.8	7.1	-14.4	-1.4	8.8	10.6	-0.7	4.9	4.1	0.0
<i>BC US Aggregate</i>			7.3	1.3	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	3.0	0.4
Wellington <i>BC US Aggregate</i>	292,366,031	10.6	7.3	2.4	7.0	-14.5	-1.5	9.3	9.5	-0.4	4.3	3.1	0.2
Western Asset <i>BC US Aggregate</i>	272,348,631	9.8	8.0	1.1	7.2	-14.3	-1.4	8.2	11.6	-1.0	5.5	5.0	-0.2
Total Real Estate	210,796,654	7.6	4.1	-6.0	-11.0	22.0	13.8	1.5	6.7	--	--	--	--
<i>NCREIF ODCE (Custom) (Adj.)</i>			3.2	-8.0	-12.9	21.0	13.6	0.6	4.7	--	--	--	--
Value Add <i>NCREIF ODCE (Custom) (Adj.)</i>	9,034,405	0.3	5.5	-26.6	-8.1	--	--	--	--	--	--	--	--
Core Real Estate <i>NCREIF ODCE (Custom) (Adj.)</i>	188,404,138	6.8	3.6	-6.1	-11.1	22.2	13.8	1.5	6.7	--	--	--	--
Opportunistic Real Estate <i>NCREIF ODCE (Custom) (Adj.)</i>	13,358,110	0.5	9.3	14.0	-3.7	--	--	--	--	--	--	--	--

Total Fund | As of December 31, 2025

	Market Value (\$)	% of Portfolio	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Private Equity	185,595,386	6.7	4.4	2.4	0.8	-7.9	48.5	11.8	11.1	15.2	15.3	8.0	7.4
<i>Russell 3000 + 300 BPS QTR LAG (Adj.)</i>			<i>20.9</i>	<i>38.4</i>	<i>24.0</i>	<i>-15.1</i>	<i>35.7</i>	<i>18.4</i>	<i>6.0</i>	<i>21.1</i>	<i>22.2</i>	<i>18.4</i>	<i>2.5</i>
CSF - Private Equity	185,595,386	6.7	4.4	2.4	0.7	-7.9	48.5	11.8	11.1	15.2	15.3	8.0	7.4
<i>Russell 3000 + 300 BPS QTR LAG (Adj.)</i>			<i>20.9</i>	<i>38.4</i>	<i>24.0</i>	<i>-15.1</i>	<i>35.7</i>	<i>18.4</i>	<i>6.0</i>	<i>21.1</i>	<i>22.2</i>	<i>18.4</i>	<i>2.5</i>
Diversifying Strategies	109,918,325	4.0	10.1	4.9	4.0	4.2	13.5	-19.6	-1.5	-10.6	--	--	--
<i>HFRI FOF Conservative Index</i>			<i>9.5</i>	<i>6.3</i>	<i>5.5</i>	<i>0.1</i>	<i>7.6</i>	<i>6.5</i>	<i>6.3</i>	<i>-0.9</i>	<i>--</i>	<i>--</i>	<i>--</i>
Diversifying Strategies	109,918,325	4.0	10.1	4.9	4.0	--	--	--	--	--	--	--	--
<i>HFRI FOF Conservative Index</i>			<i>9.5</i>	<i>6.3</i>	<i>5.5</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
Real Assets	88,218,772	3.2	17.6	10.1	10.3	11.9	18.5	8.6	--	--	--	--	--
<i>CPI +4%</i>			<i>7.0</i>	<i>7.0</i>	<i>7.5</i>	<i>10.7</i>	<i>11.3</i>	<i>5.4</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
Cash	163,993,085	5.9	4.8	5.6	5.5	0.5	0.1	1.6	3.3	2.0	1.3	1.2	0.5
<i>ICE BofA 3 Month U.S. T-Bill</i>			<i>4.2</i>	<i>5.3</i>	<i>5.0</i>	<i>1.5</i>	<i>0.0</i>	<i>0.7</i>	<i>2.3</i>	<i>1.9</i>	<i>0.9</i>	<i>0.3</i>	<i>0.1</i>
Cash	163,993,084	5.9											

Statistics Summary | As of December 31, 2025

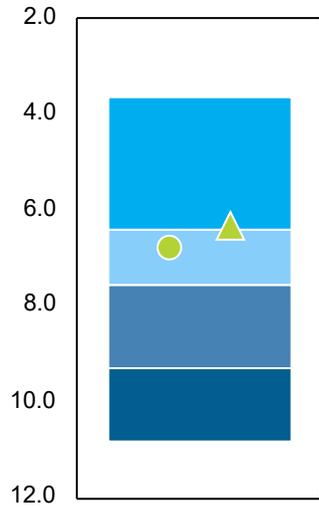
1 Year Ending December 31, 2025						
	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Total Common School Fund	15.4	4.7	-0.1	1.1	2.2	1.2
Oregon CSF Policy Index (Monthly)	15.6	4.0	-	1.0	2.6	0.0

3 Years Ending December 31, 2025						
	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Total Common School Fund	12.0	6.8	-1.3	1.1	1.0	1.1
Oregon CSF Policy Index (Monthly)	13.6	6.3	-	1.0	1.3	0.0

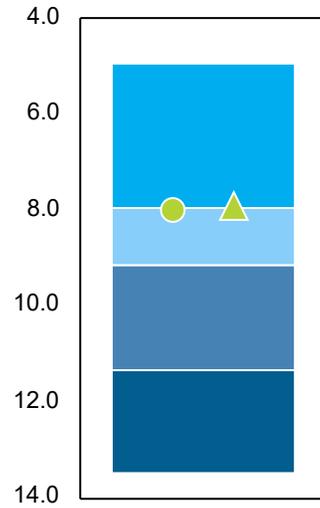
5 Years Ending December 31, 2025						
	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Total Common School Fund	8.2	8.0	0.1	1.0	0.6	1.6
Oregon CSF Policy Index (Monthly)	8.0	7.9	-	1.0	0.6	0.0

10 Years Ending December 31, 2025						
	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Total Common School Fund	8.3	7.9	-0.4	1.0	0.8	1.6
Oregon CSF Policy Index (Monthly)	9.0	7.6	-	1.0	0.9	0.0

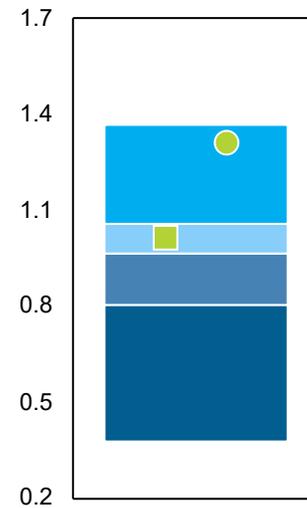
**Annualized Standard Deviation
3 Years Ending December 31, 2025**



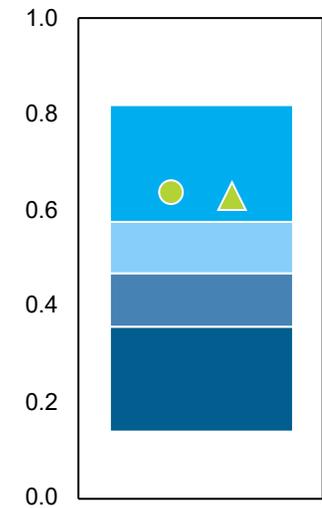
**Annualized Standard Deviation
5 Years Ending December 31, 2025**



**Sharpe Ratio
3 Years Ending December 31, 2025**



**Sharpe Ratio
5 Years Ending December 31, 2025**



Total Common School Fund	6.8 (33)
Oregon CSF Policy Index (Monthly)	6.3 (22)
5th Percentile	3.7
1st Quartile	6.4
Median	7.6
3rd Quartile	9.3
95th Percentile	10.9
Population	92

Total Common School Fund	8.0 (27)
Oregon CSF Policy Index (Monthly)	7.9 (23)
5th Percentile	4.9
1st Quartile	8.0
Median	9.2
3rd Quartile	11.4
95th Percentile	13.5
Population	87

Total Common School Fund	1.0 (35)
Oregon CSF Policy Index (Monthly)	1.3 (7)
5th Percentile	1.4
1st Quartile	1.1
Median	1.0
3rd Quartile	0.8
95th Percentile	0.4
Population	92

Total Common School Fund	0.6 (20)
Oregon CSF Policy Index (Monthly)	0.6 (21)
5th Percentile	0.8
1st Quartile	0.6
Median	0.5
3rd Quartile	0.4
95th Percentile	0.1
Population	87

Parentheses contain percentile rankings.

Benchmark History

Oregon CSF Policy Index (Monthly)

1/1/2023	Present	47.5% MSCI ACWI IMI Net (Daily), 12.5% Russell 3000+300 bps quarter lag, 22.5% BBG US Agg, 10% NCREIF ODCE (Custom) (Adj.), 2.5% CPI +4%, and 5% HFRI FOF: Conservative Index.
1/1/2018	12/31/2022	Policy benchmark was dynamically weighted and uses each asset class value relative to the total market value as its percentage of the total policy benchmark
7/1/2016	12/31/2017	30% Russell 3000, 30% MSCI ACWI ex US Net, 30% BC US Aggregate, and 10% Russell 3000+300 bps QTR lag.
2/1/2012	6/30/2016	30% Russell 3000, 30% MSCI ACWI ex US Net, 30% BC Universal Index, and 10% Russell 3000+300 bps QTR lag

Oregon MSCI ACWI Ex US IMI (Net)

7/1/2017	Present	MSCI ACWI ex-US IMI Net
5/1/2008	6/30/2017	MSCI ACWI ex-US Net Index
1/1/1970	4/31/2008	MSCI World ex-US Standard Gross Index

Oregon MSCI ACWI Ex US (Net)

6/1/2010	Present	MSCI ACWI ex US (Net)
1/1/1970	6/1/2010	MSCI World ex US (Net)

Oregon CSF MSCI ex US IMI Net

2/1/2019	Present	MSCI ACWI ex US IMI Net
Inception	1/31/2019	MSCI World ex USA IMI Net Return

MSCI AC World ex USA Value (Net)

1/1/2008	Present	MSCI ACWI ex US Value IMI
1/1/1970	1/1/2008	MSCI ACWI ex US Value

MSCI World ex U.S. (Net)

1/1/2008	Present	MSCI World ex US (Net)
1/1/1970	1/1/2008	MSCI World ex US (Gross)

MSCI Emerging Markets Growth (Net)

1/1/2018	Present	Emerging Markets Growth Net
6/1/2008	12/31/2017	MSCI Emerging Markets
Inception	6/1/2008	MSCI Emerging Markets Free

BC US Aggregate

7/1/2016	Present	BBG Aggregate
11/1/2015	6/30/2016	BC Universal Index
1/1/1976	11/1/2005	BC Aggregate

NCREIF ODCE (Custom) (Adj.)

4/1/2016	Present	NFI-ODCE QTR LAG Net of Fees
1/1/1990	3/31/2016	NCREIF Property Index QTR Lag

Russell 3000 + 300 BPS QTR LAG (Adj.)

5/1/2005	6/30/2017	R3000+300 bps, Qtr Lag.
1/1/1979	5/1/2005	R3000+500 bps, Qtr Lag

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

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. $\text{Portfolio Return} - [\text{Risk Free Rate} + \text{Beta} * (\text{market return} - \text{Risk Free Rate})]$.

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 its 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%.

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

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.



Elizabeth Steiner, MD
Oregon State Treasurer

George Naughton
Deputy State Treasurer

To: The Oregon Investment Council
From: Jen Plett, Investment Officer, Portfolio Risk & Research
Re: Fourth Quarter 2025 Risk Report for the Common School Fund (CSF)

Executive Summary

This memo summarizes CSF’s predicted volatility, as estimated by Aladdin, Treasury’s end-to-end investment analytics platform built by BlackRock. As of December 31, 2025, Aladdin estimated a portfolio volatility of 10.7% for CSF.

CSF Asset Allocation

INV 901: Common School Fund states: “Given the perpetual nature of the CSF, asset allocation will be the most important determinant of long-term success. The target allocation balances the need to satisfy the long-term return objective and to minimize total investment risk.” CSF’s current Target Strategic Asset Allocation (SAA) was approved at the OIC meeting on July 20, 2022, shown in the table below.

On May 28, 2025, OIC approved OPERF’s 10-Year Capital Market Assumptions (CMA), which were derived from blending asset classes’ forward-looking return and volatility estimates from Meketa, Aon, and Staff. Applying the latest adopted CMA to CSF’s current target allocations produces an estimated return volatility of 12.7%. A “Reference Portfolio” can be constructed with 70% in the MSCI ACWI IMI and 30% in the Bloomberg U.S. Aggregate Bond Index that would reach a similar level of estimated volatility.

Table 1. CSF Target Asset Allocation

Asset Class	Target Allocation (%)	Interim Target (%)	Rebalancing Range (%)
Global Equity	45	47.5	40 - 50
Private Equity	15	12.5	10 - 20
Fixed Income	20	22.5	15 - 25
Real Estate	10	10.0	5 - 15
Real Assets	5	2.5	0 - 10
Diversifying Strategies	5	5.0	0 - 10
Cash	0	0	0 - 3
Total Fund	100	100.0	

Figure 1 below shows CSF’s actual allocation as of December 31, 2025.

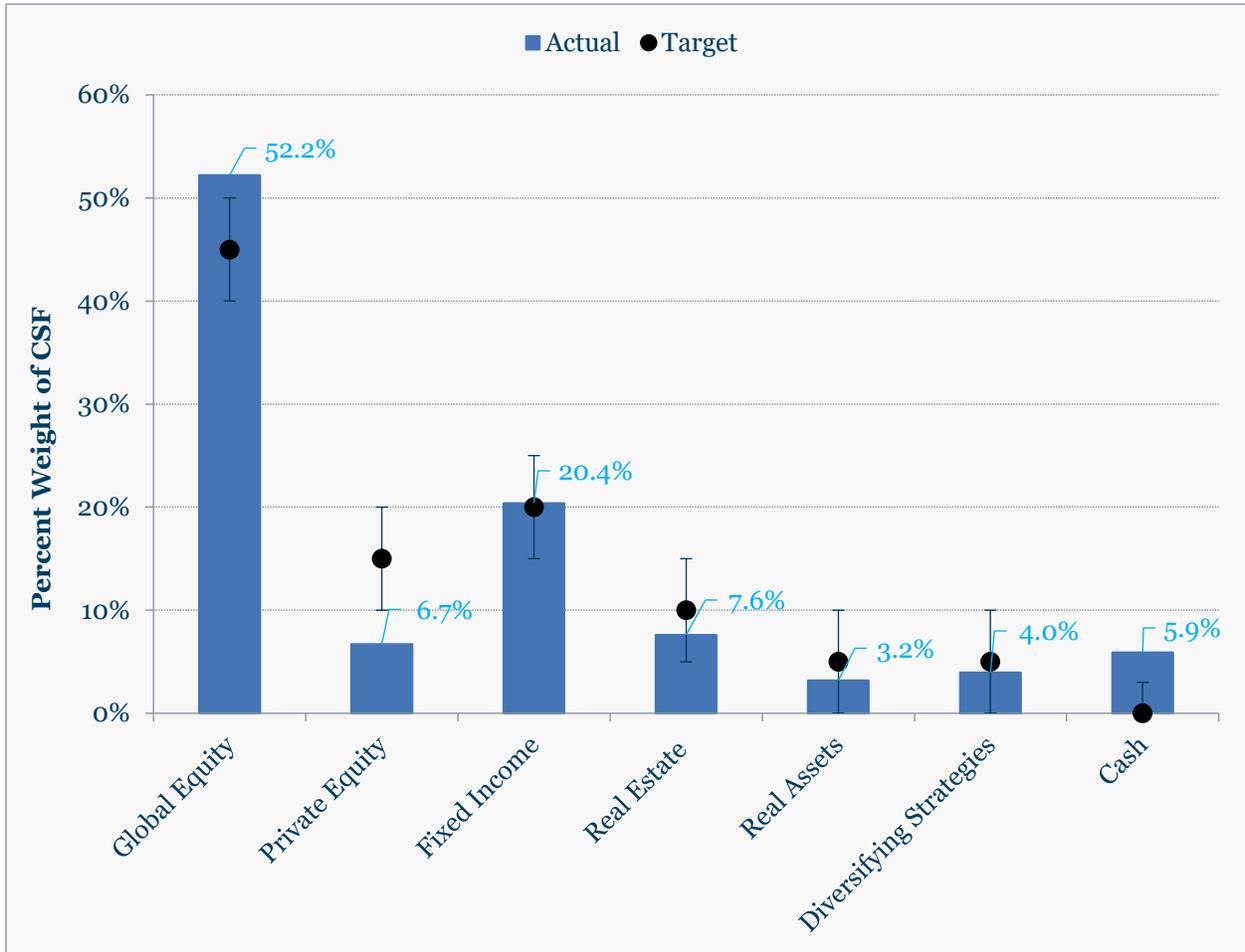


Investment Division
16290 SW Upper Boones Ferry Road
Tigard, OR 97224
503.431.7900

Main Office
867 Hawthorne Ave SE
Salem, OR 97301
503.378.4000

oregon.gov/treasury
oregon.treasurer@state.or.us

Figure 1. CSF Actual Allocation versus Target as of December 31, 2025



As of December 31, 2025, CSF actual allocations were within the policy tolerances relative to the established targets, except for Global Equity, Private Equity and Cash. CSF’s cash balance was elevated from its typical level of around 1% to nearly 6% at the year-end in 2025 to fund its required PERS distribution and fund distribution to Oregon K-12 public school districts in early 2026. Table 2 shows little progress has been made to the Target Allocation for Private Equity increased by the OIC in July 2022 as it has been a slow deal market.

Table 2. CSF Current Actual Asset Allocation vs. the Allocation as of July 2022

Asset Class	Market Value in \$mil		Actual Allocation %		Target Allocation (%)
	7/31/22	12/31/25	7/31/22	12/31/25	
Global Equity	1,055	1,446	48%	52%	45%
Private Equity	202	186	9%	7%	15%
Fixed Income	565	565	26%	20%	20%
Real Estate	213	211	10%	8%	10%
Real Assets	30	88	1%	3%	5%
Diversifying Strategies	97	110	4%	4%	5%
Cash	24	164	1%	6%	0%
Total Fund	2,185	2,769	100%	100%	100%

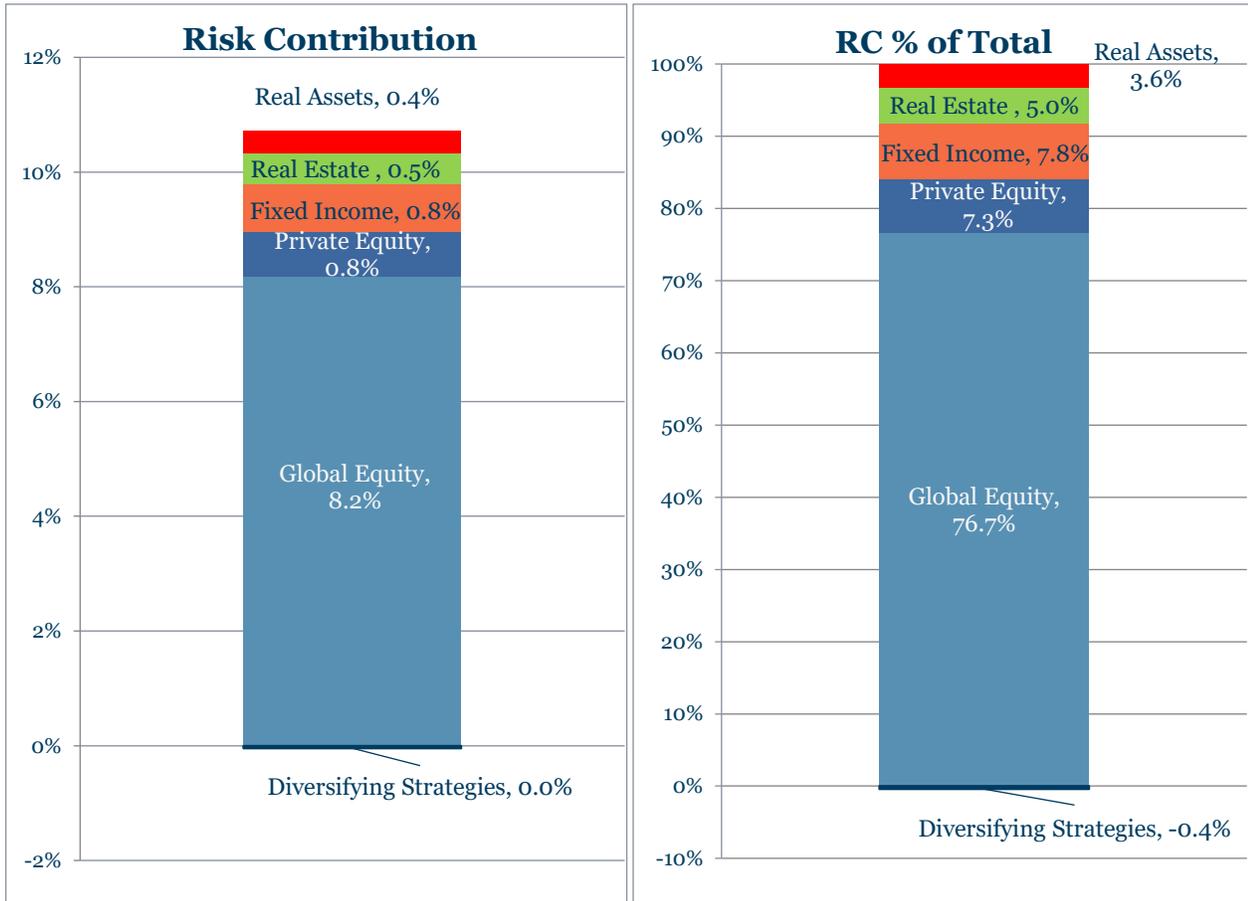
As of 12/31/2025		
Asset Class Portfolio	Uncalled Commitment (\$M)	Uncalled % of CSF
Private Equity	152	5.5%
Real Assets	69	2.5%
Real Estate	27	1.0%
Total	248	9.0%

Source: eFront Insight

CSF Predicted Risk

The risk estimates are shown in the charts below.

Figure 2. CSF Risk Contribution by Asset Class and Risk Contribution as a percent of total CSF predicted risk



The total predicted **standard deviation**, or **volatility**, for CSF is 10.7% as of December 31, 2025. Aladdin’s risk model uses a medium-term, five-year lookback.

Another item of note from Figure 2 is that “equity” risk, that is the predicted risk contributions from Global Equity and Private Equity, is estimated to be 84% of CSF’s predicted risk. Equity risk has always been the largest risk contributor to CSF. INV 901: Common School Fund outlines: “*The strategic role of publicly traded equity securities is to serve as the Fund’s primary return-seeking investments to generate long-term asset growth... The strategic role of private equity investments is to enhance return and diversification opportunities for the Fund.*”. However, equity investments are much more volatile than investment grade fixed income and U.S. Treasuries.

Over time the OIC-approved asset allocation changes have reduced CSF’s volatility. Figure 3 below plots CSF’s rolling 20-quarter realized beta to MSCI ACWI IMI as well as that of the Reference Portfolio of 70% MSCI ACWI IMI and 30% Bloomberg U.S. Aggregate Bond Index. CSF’s realized beta was elevated during the Great Financial Crisis from 2007 to 2009 before steadily trending down. Part of that decline is due to an increasing allocation to illiquid investments, which have smoothed performances, but the other cause is the improved diversification.

Figure 3. CSF's Beta to MSCI ACWI IMI

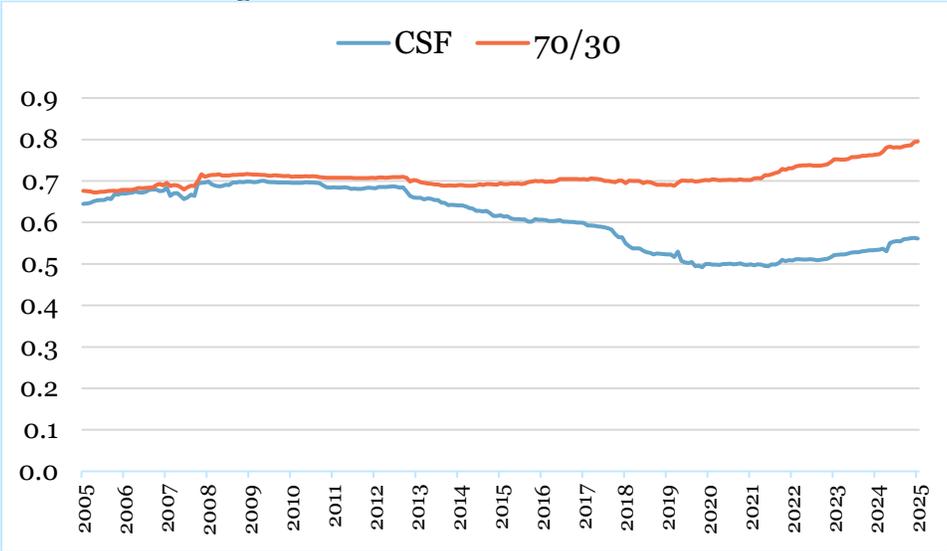


Figure 4. CSF's Rolling 10-Year Realized Volatility



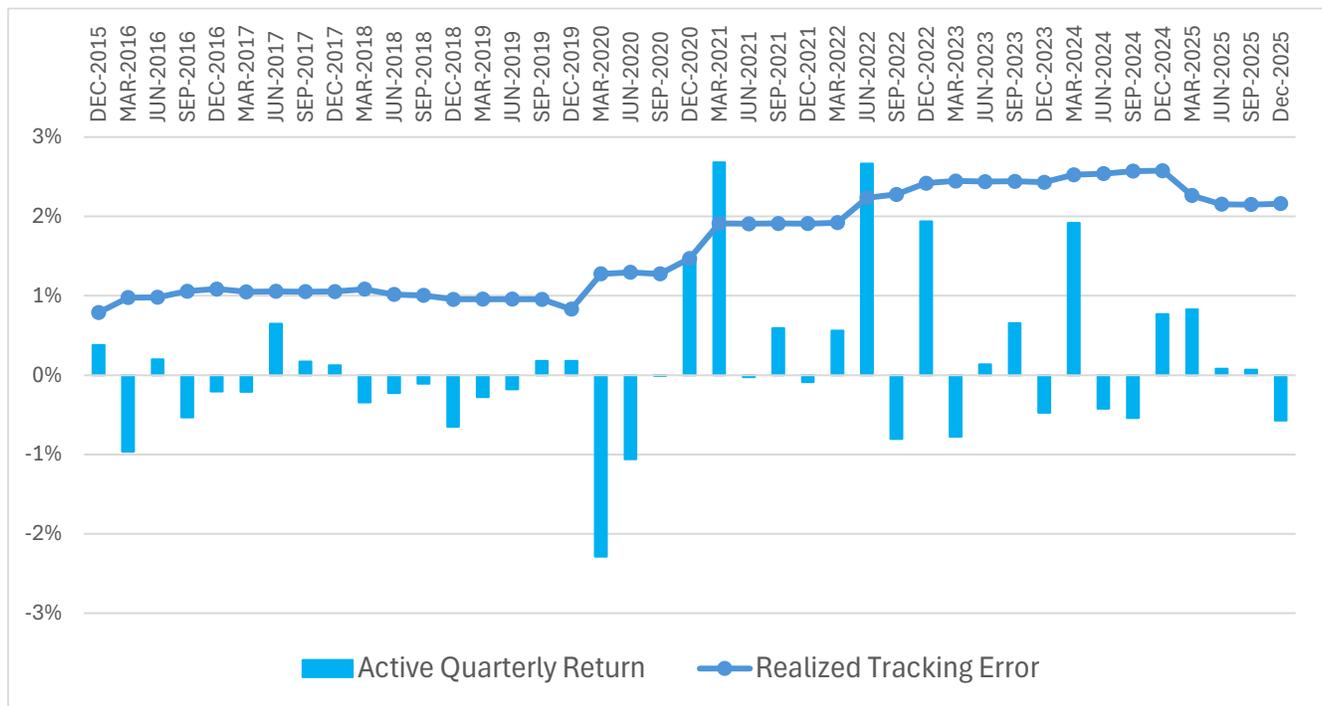
Capital Markets

Public Equity

Aladdin estimated *ex ante* active risk of 106 bps for Public Equity Portfolio compared to its benchmark as of December 31, 2025 using a medium-term risk model, below its investment guideline of up to 2%. This is down from an estimated active risk of 225 bps as of September 30, 2023, due to a combination of the Public Equity team reducing Value and Size tilts via portfolio rebalancing and a general decrease in factor volatilities.

Based on quarterly return data from State Street, the custodian bank, the five-year *ex post* tracking error for the Portfolio through December 31, 2025 is 2.16%. There were several strong quarterly outperformances of approximately +2.68% in March 2021, +2.67% in June 2022, +1.94% in December 2022, and +1.92% in March 2024 principally due to International Equity sleeve, and particularly the Arrowstreet mandate.

Figure 5. Public Equity's active quarterly returns and realized five-year tracking error



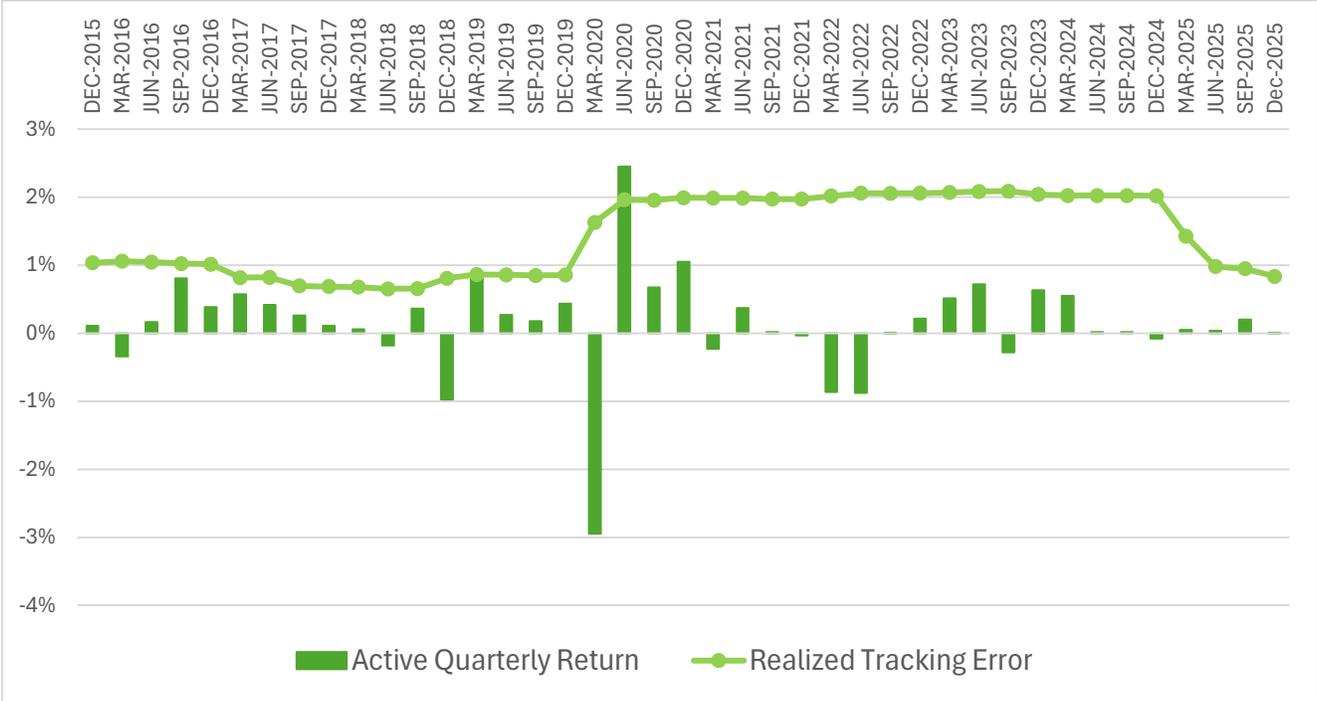
Fixed Income

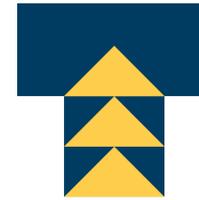
Aladdin estimated *ex ante* active risk of 51 bps for Fixed Income Portfolio compared to its benchmark as of December 31, 2025 using a medium-term risk model, below its investment guideline of up to 1%.

The Fixed Income Portfolio has a five-year *ex post* tracking error of 0.84% through December 31, 2025, based on State Street's quarterly data. This is due to the Portfolio's large quarterly underperformances of -0.86% in March

2022 and -0.87% in June 2022 driven by the Portfolio's U.S. credit and EM factor exposure relative to its benchmark. The Federal Reserve raised interest rates seven times to combat rising inflation throughout 2022. The Fixed Income external managers' overweight in corporate bonds and emerging markets sovereign debts underperformed the portfolio's benchmark in the monetary tightening environment.

Figure 6. Fixed Income's active quarterly returns and realized five-year tracking error





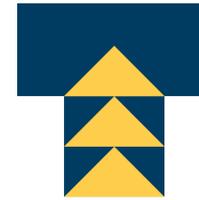
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TAB 9

CALENDAR - FUTURE AGENDA ITEMS

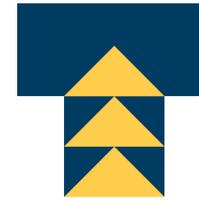
2026 OIC Forward Calendar and Planned Agenda Topics

April 15, 2026	Opportunity Portfolio Review Real Estate Portfolio Review Individual Account Program (IAP) Review OSGP Annual Review
May 27, 2026	Q1 Performance Review: OPERF Fixed Income Portfolio Review: OPERF Diversifying Strategies Portfolio Review Real Assets Portfolio Review
July 15, 2026	TBD
September 2, 2026	Q2 Performance Review: OPERF, CSF
October 21, 2026	Operations Annual Review SAIF Review
December 2, 2026	Q3 OPERF Performance OSTF, OITP Annual Review
January 20, 2027	Public Equity Portfolio Review Private Equity Portfolio Review 2028 OIC Calendar Approval
March 3, 2027	2026 Performance Review: OPERF, CSF



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TAB 10
OPEN DISCUSSION



**OREGON
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TAB 11

PUBLIC COMMENTS