

# Callan



March 2, 2026

## City of Phoenix Employees' Retirement System

Executive Summary  
Fourth Quarter 2025  
Performance Review

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**Alexnader Browning**  
Senior Vice President

**Alex Ford**  
Senior Vice President

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

# Introductions

## City of Phoenix Employees' Retirement System – Callan Consulting Team



**Knowledge  
Experience  
Integrity**

### Our Core Values:

- Keep client interests #1
- Commit to quality and collaboration
- Honor every commitment
- Support the success of each associate
- Work with integrity and inclusiveness



### Alex Browning

- Senior Vice President and Investment Consultant
- COPERS co-Consultant
- 26 years in the industry, 10 years at Callan
- Member of Callan's Alternatives Review Committee and Research Oversight Committee
- Callan Shareholder
- Based in Denver, CO office



### Alex Ford

- Senior Vice President and Investment Consultant
- COPERS co-Consultant
- 18 years in the industry, 6 years at Callan
- Significant public plan experience
- Member of Callan's Manager Search Committee
- Callan Shareholder
- Based in Denver, CO office



### Gwen Lohmann, CFA

- Assistant Vice President
- 4 years in the industry, 2 years at Callan
- Based in Denver, CO office

# Proposed Work Plan

High level priorities and workflow for COPERS

Activity	Task	Proposed Workplan				
		Completed	Q1 2026	Q2 2026	Q3 2026	Beyond
<b>Step 1: Client On-Boarding</b>	Kick-off Meeting	✓				
	Data Collection	✓				
	Finalize Work Plan	✓				
	Conversion from Previous Consultant	✓				
<b>Step 2: Strategic Planning</b>	Review Investment Policy Statement		✓	✓		
	Strategic Asset Allocation / Liability Study			✓	✓	
	Investment Manager Structure Analysis			✓	✓	
<b>Step 3: Implementation</b>	Investment Policy Statement Implementation				✓	
	Public Markets Manager Due Diligence / Searches (as needed)				✓	✓
	Private Markets Manager Due Diligence / Searches (as needed)				✓	✓
<b>Step 4: Monitoring &amp; Evaluation</b>	Quarterly Performance Reviews		✓	✓	✓	✓
	Monthly Flash Performance Reporting		✓	✓	✓	✓
	COPERS Board/IC Meeting Attendance		✓	✓	✓	✓
<b>Step 5: Education &amp; Research</b>	Callan's National Client Conference (Scottsdale, AZ)			✓		✓
	Regional Workshops			✓		✓
	Educational Committee Presentations		✓		✓	✓

Callan

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## **Economic and Market Update**

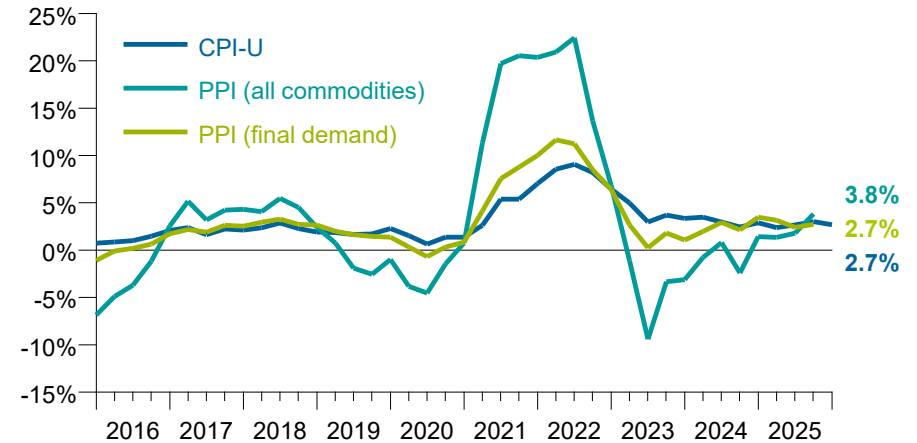
As of December 31, 2025

# U.S. Economy—Summary

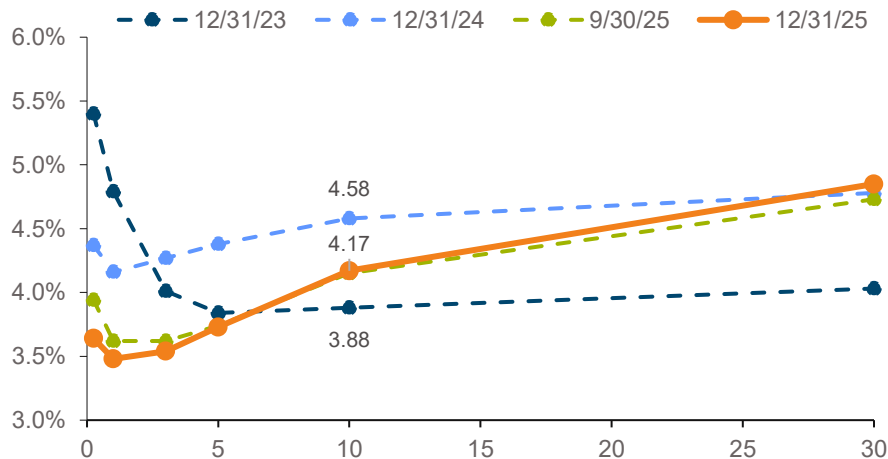
For periods ended 12/31/25

- The unemployment rate declined slightly to 4.4% in December, after reaching 4.5% in November. The November reading was the highest level since October 2021.
- U.S. real GDP expanded at an annualized rate of 4.4% during the third quarter of 2025, according to the BEA’s updated estimate. Fourth quarter GDP slowed to an annual rate of 1.4%, according to the initial estimate.
- Headline CPI increase 2.7% year-over-year in December. The core CPI (ex-food and energy) increased 2.6% over the same period.
- The Federal Reserve approved a 25 basis point cut to the Fed Funds Rate at each of its meetings in September, October, and December. The new 3.50% – 3.75% target range is the lowest in three years, as officials judged that a sharper than anticipated slowdown in hiring currently outweighs inflation which remains above the Fed’s long-term target.

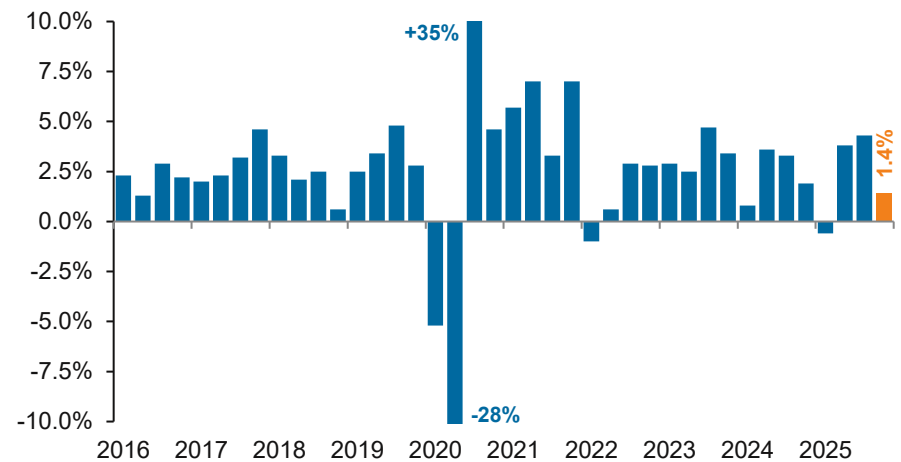
Inflation Year-Over-Year\*



U.S. Treasury Yield Curves



Quarterly Real GDP Growth



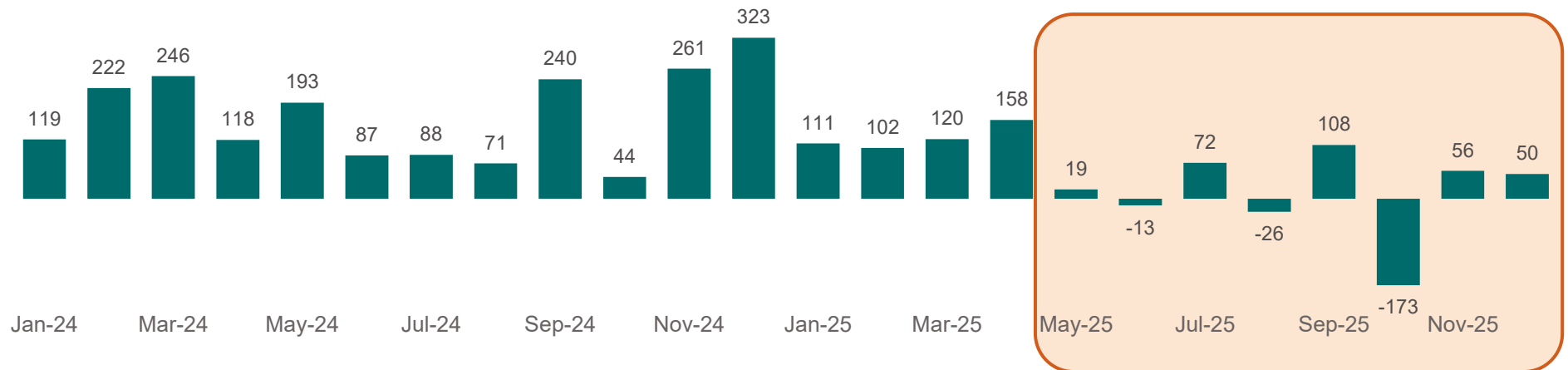
Sources: Bureau of Labor Statistics, Callan, Federal Reserve, Blue Chip consensus for projected GDP; \*PPI data for 4Q25 not yet available.

# Key Macro Theme: The Job Market

## Slowdown in hiring is a conundrum

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

Non-Farm Employment Monthly Change (thousands)



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

# The Fed's 'Dot Plot'

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

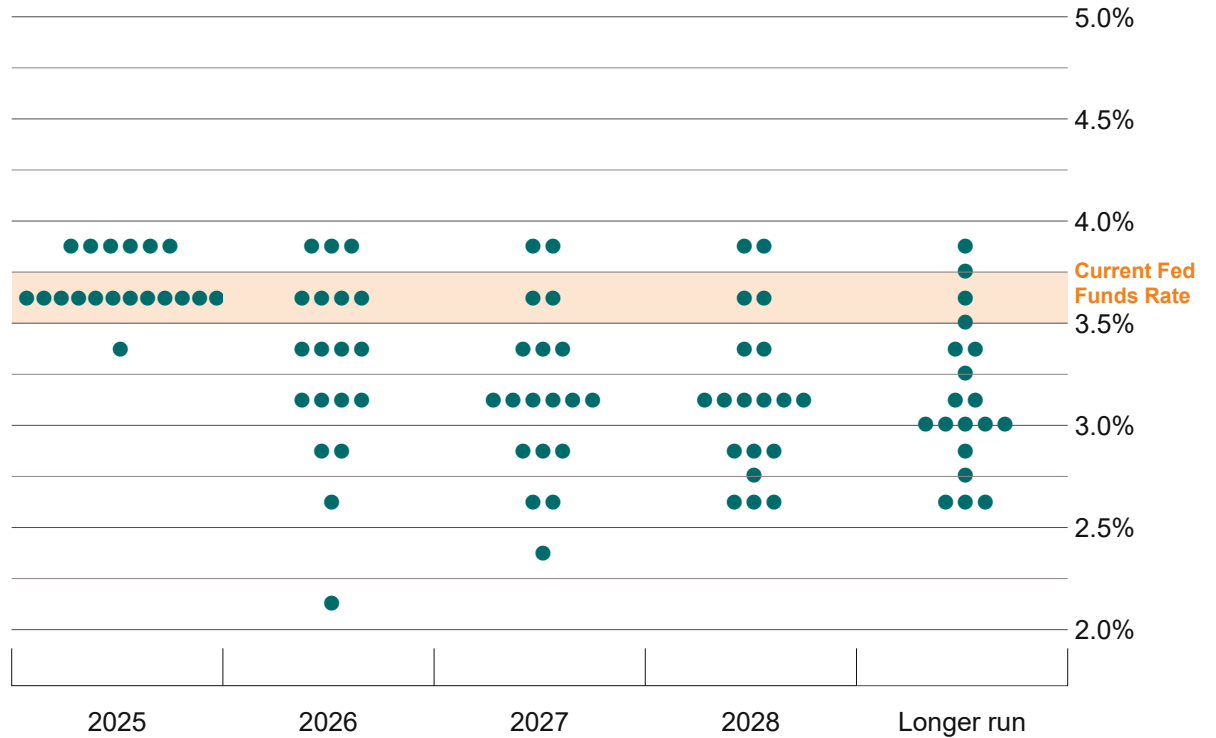
## Fed Funds Rate ended the year in a target range of 3.5%–3.75%.

- 6 of 19 participants thought the rate should stay at 3.75%–4.0%.
- 1 participant thought the rate should have been lowered to 3.25%–3.5%.

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

### “Longer run” median held at 3.0%

- Bias is toward higher rates; lower bound is 2.6% but higher bound is 3.9%.



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

# Global Equities Continue to Run in 2025

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

## Big gains for global stocks

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

## Solid returns for fixed income

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

## Dislocation in economic growth measures

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

Returns for Periods ended 12/31/25

	Quarter	1 Year	3 Years	5 Years	10 Years	25 Years
<b>U.S. Equity</b>						
Russell 3000	2.40	17.15	22.25	13.15	14.29	8.86
S&P 500	2.66	17.88	23.01	14.42	14.82	8.83
Russell 2000	2.19	12.81	13.73	6.09	9.62	8.21
<b>Global ex-U.S. Equity</b>						
MSCI World ex USA	5.20	31.85	17.64	9.46	8.55	5.54
MSCI Emerging Markets	4.73	33.57	16.40	4.20	8.42	8.49
MSCI ACWI ex USA Small Cap	2.96	29.26	15.61	6.91	8.13	8.19
<b>Fixed Income</b>						
Bloomberg Aggregate	1.10	7.30	4.66	-0.36	2.01	3.77
90-day T-Bill	0.97	4.18	4.81	3.17	2.18	1.84
Bloomberg Long Gov/Credit	-0.02	6.62	3.06	-4.89	1.98	5.00
Bloomberg Global Agg ex-US	-0.47	8.85	3.29	-3.59	0.56	2.96
<b>Real Estate</b>						
NCREIF Property	1.15	4.91	-1.01	3.79	4.85	7.29
FTSE Nareit Equity	-1.56	2.88	8.36	6.63	5.70	8.94
<b>Alternatives</b>						
Cambridge Private Equity*	2.63	9.51	7.21	12.58	13.36	10.45
Cambridge Senior Debt*	1.06	7.78	10.11	8.33	7.95	4.97
HFRI Fund Weighted	2.66	12.41	10.08	7.09	6.61	5.86
Bloomberg Commodity	5.85	15.77	3.96	10.64	5.73	1.62
Gold Spot Price	12.08	64.37	33.46	18.03	15.14	11.69
<b>Inflation: CPI-U</b>	-0.23	2.68	2.97	4.46	3.20	2.52

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

Returns greater than one year are annualized.

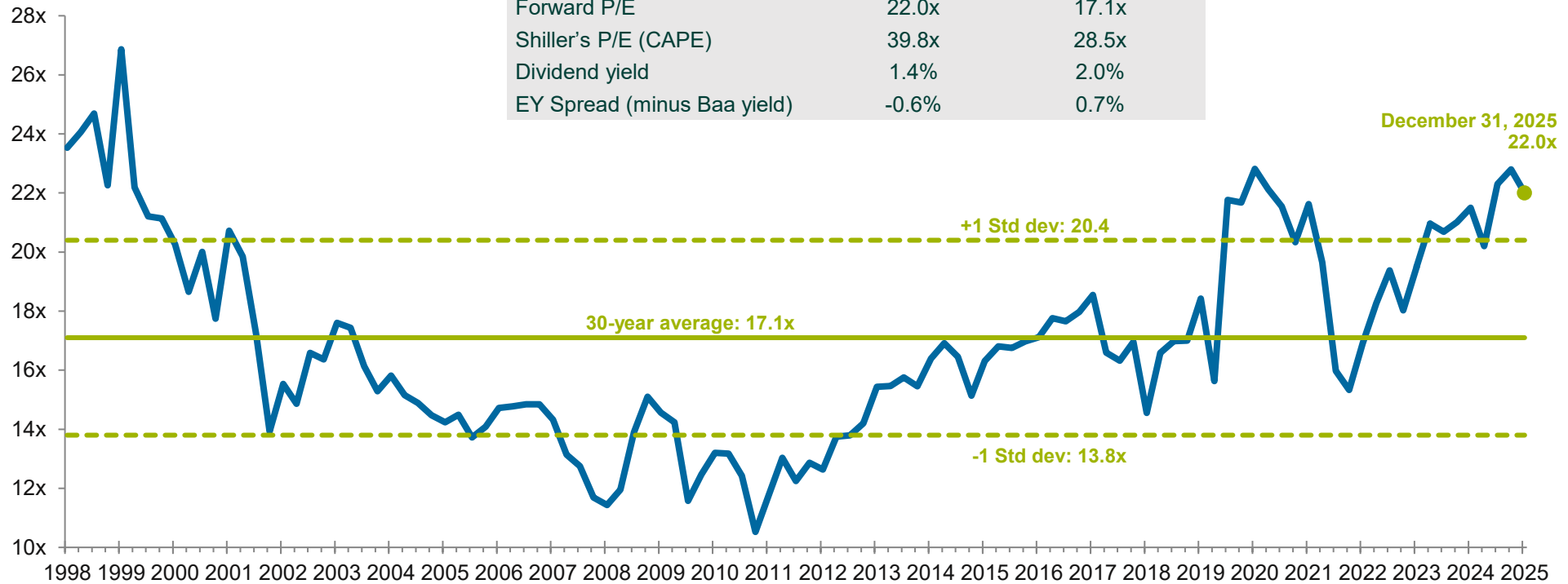
Sources: Bloomberg, Callan, Cambridge, FTSE Russell, HFRI, MSCI, NCREIF, S&P Dow Jones Indices

# U.S. Equity Market: Key Metrics

## S&P 500 valuation measures

S&P 500 Index: Forward P/E Ratio

Valuation Measure	December 2025	30-Year Average
Forward P/E	22.0x	17.1x
Shiller's P/E (CAPE)	39.8x	28.5x
Dividend yield	1.4%	2.0%
EY Spread (minus Baa yield)	-0.6%	0.7%



– Forward P/E (22.0x) is approximately 1.5 standard deviations above its long-term average (17.1x).

Source: Bloomberg, FactSet, Moody's, Refinitiv Datastream, Robert Shiller, Standard & Poor's, J.P. Morgan Asset Management.

Forward P/E ratio is the most recent S&P 500 index price divided by consensus analyst estimates for earnings in the next 12 months, provided by IBES since March 1994 and FactSet since January 2022. Shiller's P/E uses trailing 10-years of inflation-adjusted earnings as reported by companies. Dividend yield is calculated as consensus estimates of dividends in the next 12 months, provided by FactSet, divided by the most recent S&P 500 index price. EY minus Baa yield is the forward earnings yield (the inverse of the forward P/E ratio) minus the Bloomberg U.S. corporate Baa yield since December 2008 and interpolated using the Moody's Baa seasoned corporate bond yield for values beforehand.

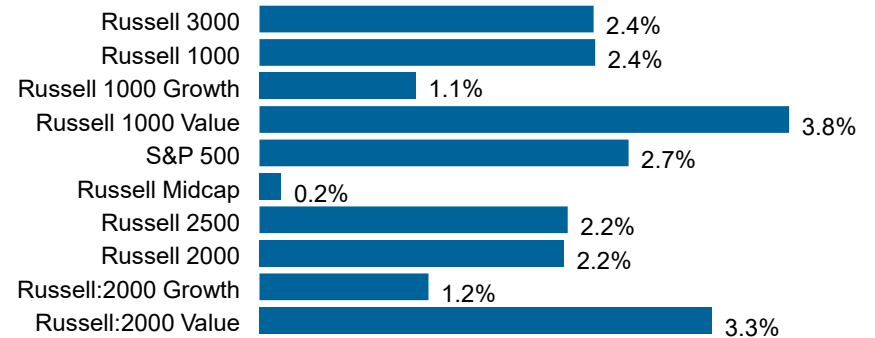
J.P Morgan Asset Management | *Guide to the Markets 1Q 2026* (as of December 31, 2025).

# U.S. Equity Performance: 4Q25

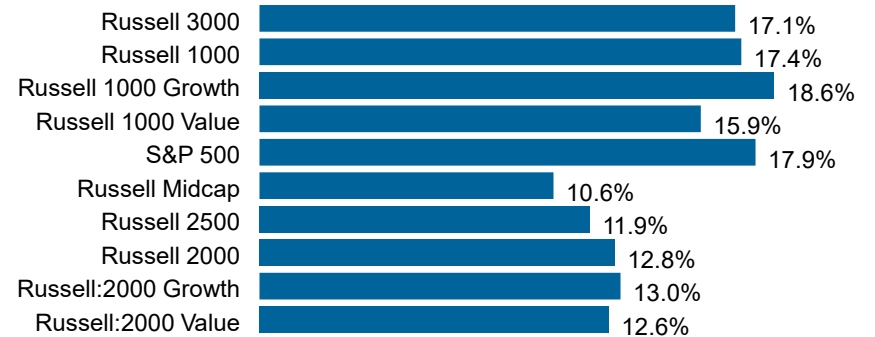
The S&P 500 Index hits all-time highs as investors turn more cautious

- The S&P 500 Index rose 2.7% in 4Q25, supported by a strong earnings season and continued enthusiasm around artificial intelligence.
- All S&P sectors posted gains except Real Estate and Utilities. Health Care (+11.7%) and Communication Services (+7.3%) were the top-performing sectors. Notably, the Technology sector underperformed the broad market amid rising concerns about the durability/trajectory of growth from some of the mega-cap stocks.
- Large cap indices outperformed small cap indices slightly. Value outperformed growth across the market-cap spectrum for the quarter.

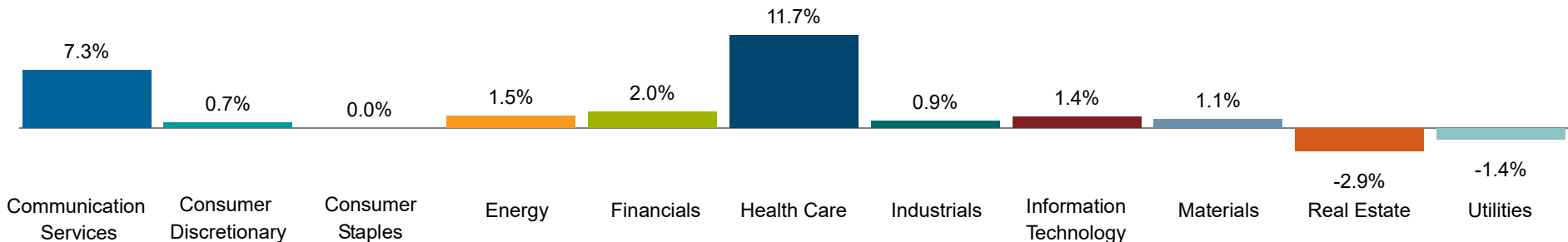
## U.S. Equity: Quarter Ended 12/31/25



## U.S. Equity: One Year Ended 12/31/25



## Industry Sector Quarterly Performance (S&P 500) as of 12/31/25



Sources: FTSE Russell, S&P Dow Jones Indices

# Early Signals of Increasing Market Breadth

Artificial intelligence remains the dominant theme

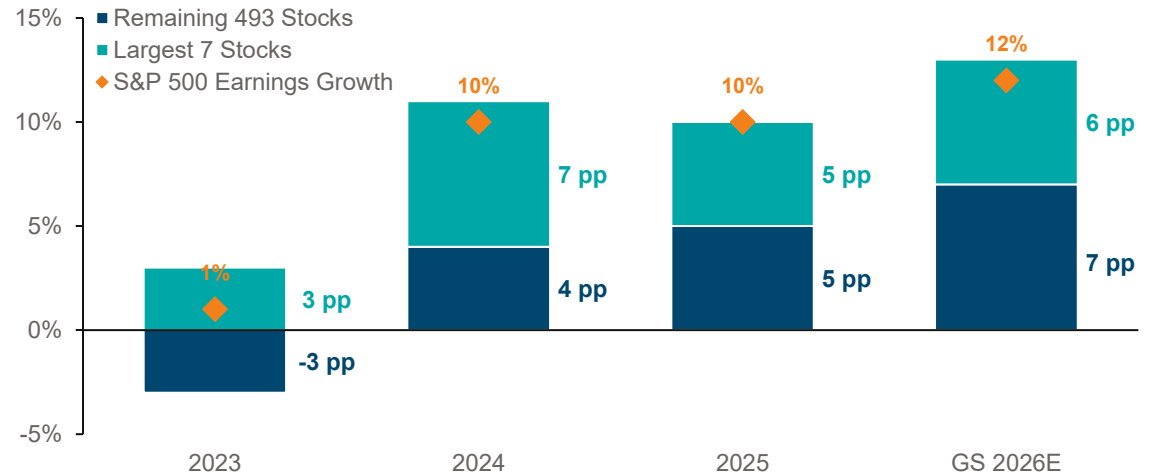
- Concentration risk remains elevated, with the top 10 companies in the S&P 500 Index representing over 40% of the index’s total market capitalization.
- Market leadership has begun to broaden beyond the hyper-scalers; for example, only two of the Magnificent Seven stocks outperformed the S&P 500 Index in 2025.
- Earnings growth outside the Magnificent Seven has increased as a share of total S&P 500 Index EPS growth, which may position active managers that employ a more diversified approach in both holdings and alpha generation more favorably.

Only Two Mag 7 Stocks Have Outperformed the Broad Market

Mag 7	2025 Returns
GOOGL	66.0%
NVDA	38.9%
SPX	16.4%
MSFT	15.6%
META	13.1%
TSLA	11.4%
AAPL	9.0%
AMZN	5.2%

← Overall market return

Earnings Growth Contributions to the S&P 500 Index



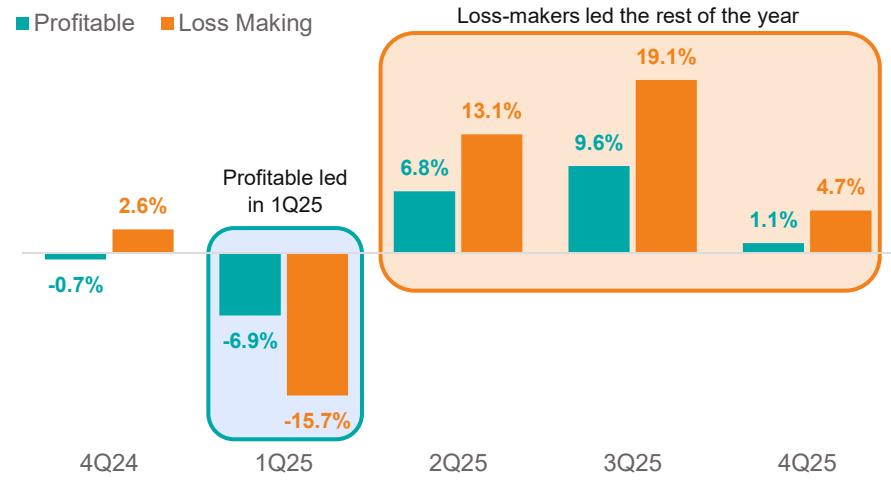
Source: Goldman Sachs

# Quality Factor Headwinds Persist, Particularly With Small Cap Managers

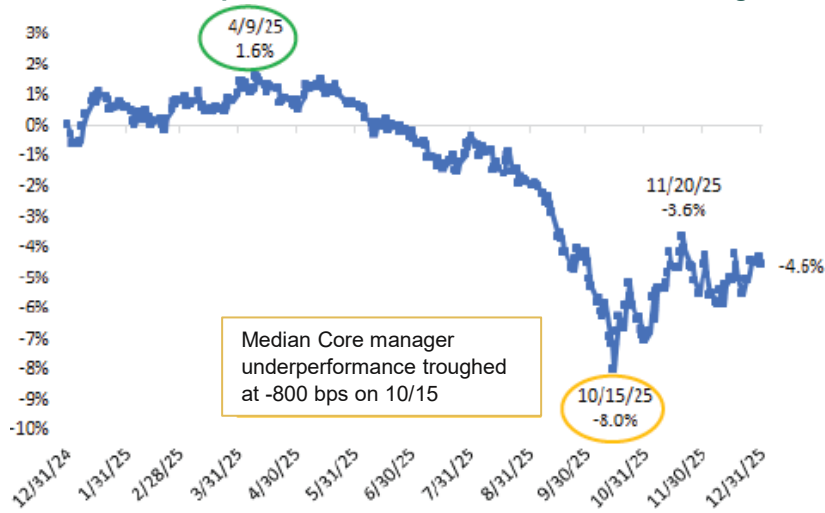
Low-quality stocks, including non-earners, outperformed high-quality equities

- Lower-quality stocks including unprofitable companies—those with low return on equity, high short interest, and negative free cash flow—outperformed in 2025.
- Most small-cap active managers were underweight non-earners, resulting in significant relative underperformance.
- Biopharma accounted for nearly one-third of the Russell 2000's annual return. Many managers held little to no exposure due to reluctance to invest in binary outcomes or a lack of in-house biopharma expertise.

Russell 2000 Index Profitable vs. Loss-Making Companies

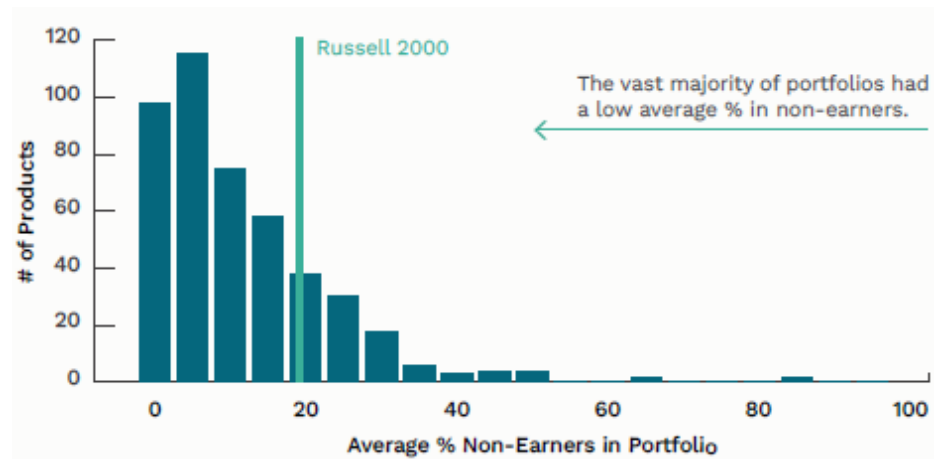


Median Small Cap Core Fund Relative Performance During 2025



Sources: Furey Research Partners, Morningstar, FactSet, PanAgora

Average Non-Earner Exposure Among Small Cap Managers



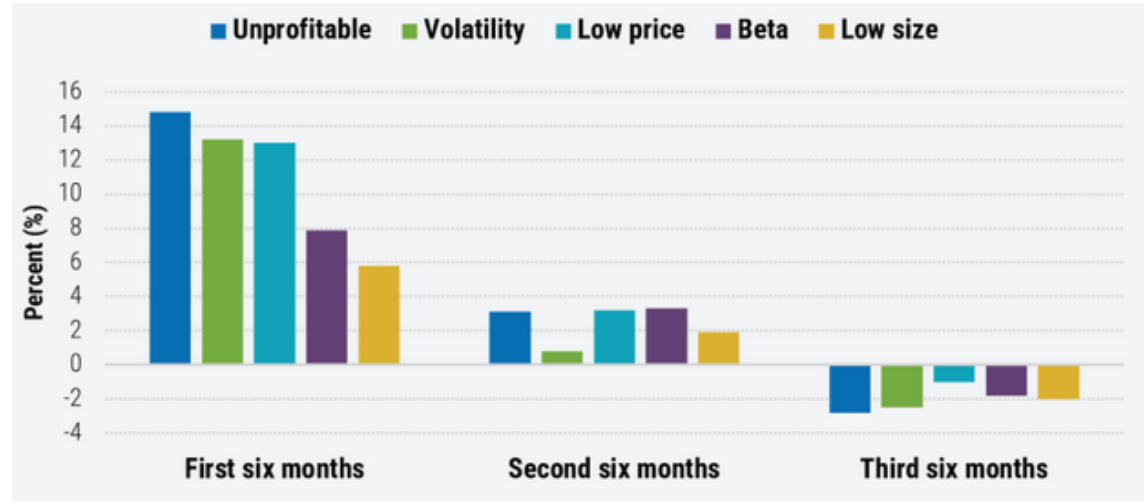
# Small Caps Still Lag Large Caps

Some signs point to a rebound in small cap stock performance

- Historically, higher-quality small cap stocks tend to outperform after the first year of a bear market.
- Small cap earnings appear to be at an inflection point, based on analyst consensus estimates.
- The prospect of additional Fed rate cuts in 2026, combined with attractive relative valuations, suggests a possibly compelling entry point for small caps.

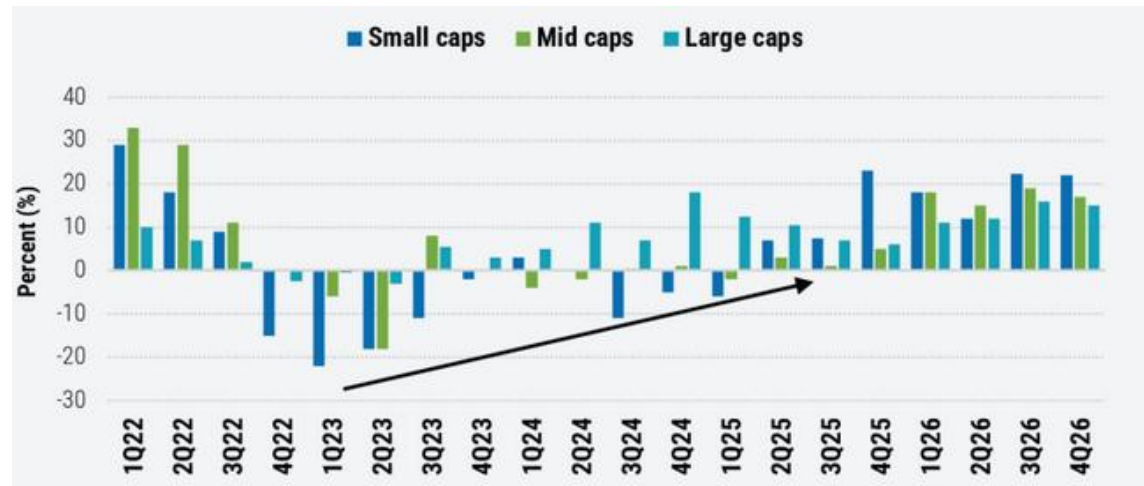
## High-Quality Factors Tend to Outperform in the Year After a Bear Market

Median relative returns of investment factors vs. Russell 2000 Index from 2002-24



## Small Cap Earnings May Be Near an Inflection Point

Year-over-year quarterly EPS growth for the S&P 600, S&P 400, and S&P 500



Sources: BofA US Equity & US Quant Strategy, Boston Partners, Factset, FRP

# Global / Global ex-U.S. Equity Performance: 4Q25

Best annual return for EAFE since 2009

## Broad market

- Global ex-U.S. equities outpaced the U.S. in 4Q25 and for the full calendar year as well.
- MSCI EAFE index delivered its best annual return since 2009.
- The U.K. was the strongest region for the quarter, assisted by a second rate cut in December and a heavy weighting in mining and resource companies that benefit from a continued metals rally.
- In 4Q25, global ex-U.S. small caps trailed large caps, but were assisted by Canadian small caps and their large weight in mining companies.
- China reversed course following a strong 3Q. Investors were disappointed by below-expectation government stimulus, property-sector issues, and deflation fears.

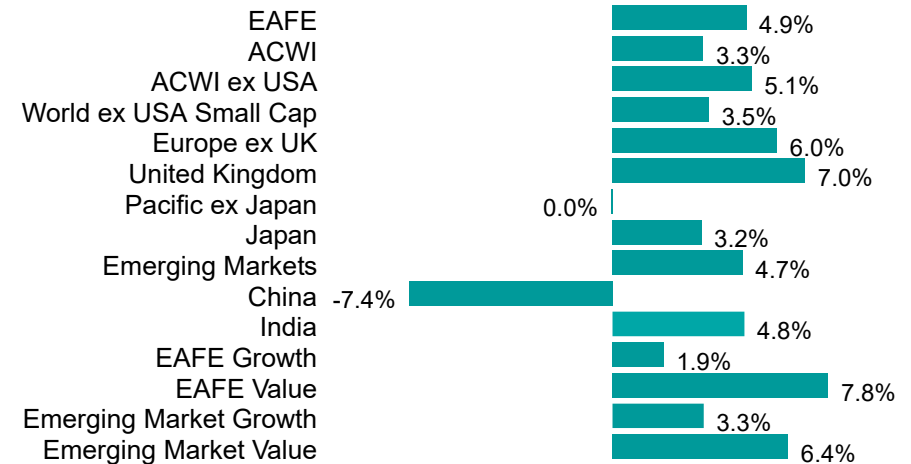
## Growth vs. value

- EAFE Value’s 2025 returns were its highest since 2003 and beat the EAFE Growth by the most since the index’s inception.

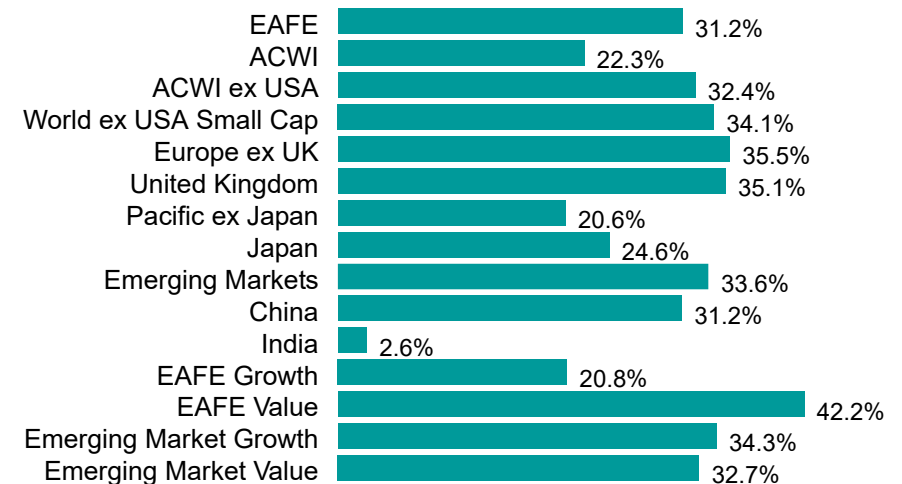
## U.S. dollar

- The U.S. dollar stabilized in 4Q following a sharp decline in the first half of the year (-10%). For the full year, the dollar provided a substantial boost, accounting for around 11.5% of the EAFE Index’s 31.2% gains, though its impact in the second half was negligible.

## Global Equity Returns: Quarter Ended 12/31/25



## Global Equity Returns: One Year Ended 12/31/25



Source: MSCI

# Value vs. Growth

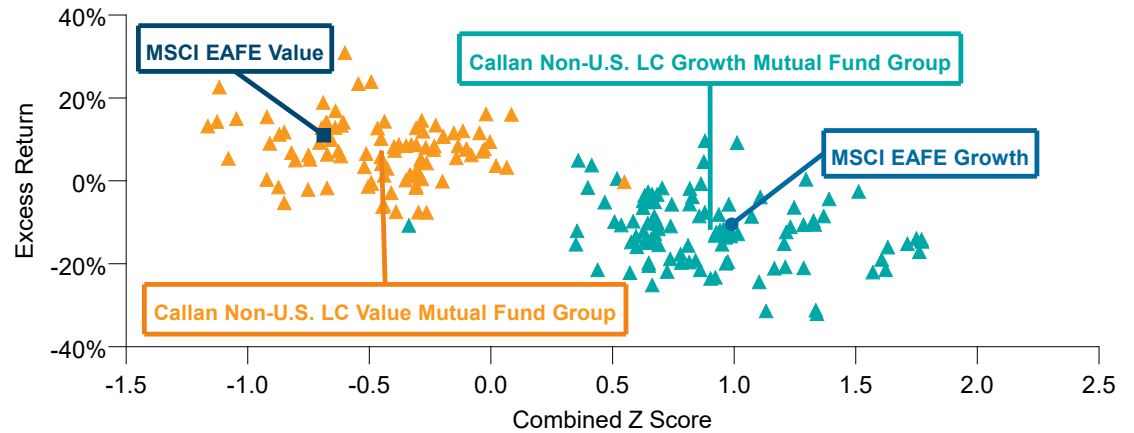
Value dominates, but active growth managers have more success against the benchmark

**Value dominated outside the U.S. in 4Q25 and for the full calendar year.**

**However, growth managers had better success versus their respective benchmark given the concentration in the value index.**

- 96% of growth managers underperformed the core benchmark, while 57% underperformed the growth benchmark.
- 15% of value managers underperformed the core benchmark, while 67% underperformed the value benchmark.

Scatter Chart for 1 Year Ended 12/31/25  
Benchmark: MSCI EAFE for Excess Return



Average Financial Sector Allocation by Active Managers (MSCI EAFE Value Index held ~37%)

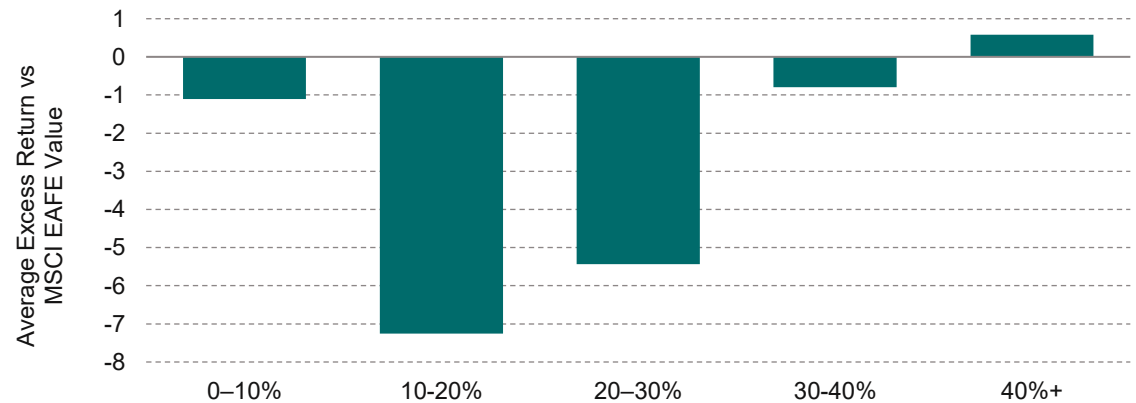


Chart show the average Financial sector weighting for active managers benchmarked to MSCI EAFE Value, by percentage buckets, on the horizontal scale, and the average excess return versus the benchmark in 2025 on the vertical scale. Managers with 10-20% in the Financial sector significantly underperformed.

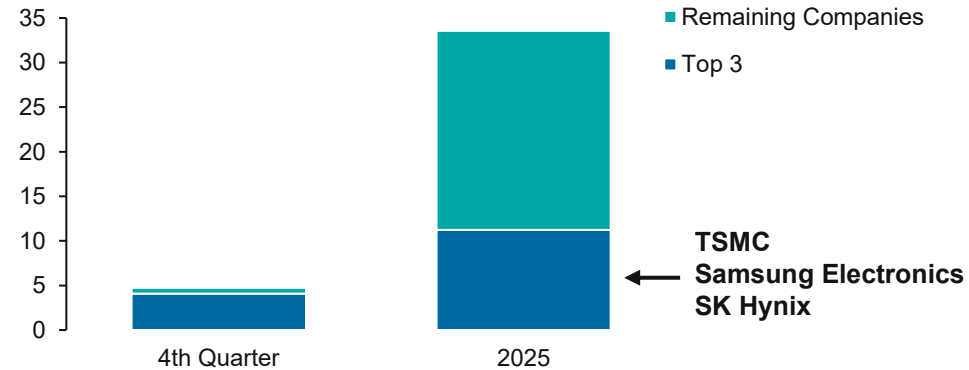
Sources: J.P. Morgan, MSCI

# Narrow Emerging Market Leadership

Still room for growth from others?

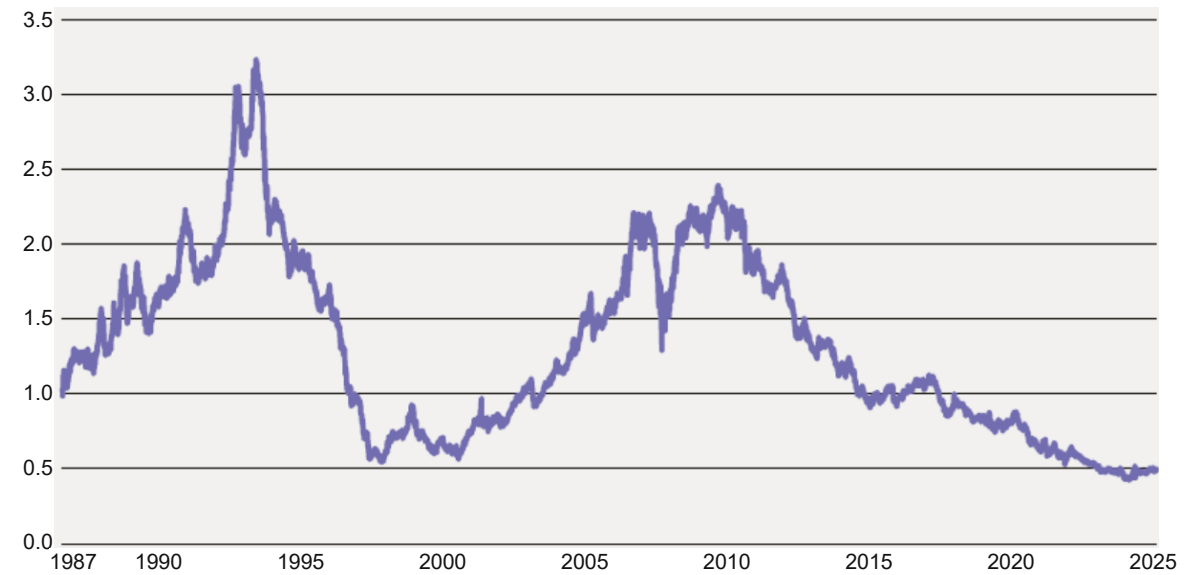
- The top three names within emerging markets—*Taiwan Semiconductor Manufacturing, Samsung Electronics, and SK Hynix*—contributed 4% in 4Q and more than 11% for the full calendar year.
- The MSCI Emerging Markets Index is at a 40-year performance low vs. the MSCI USA Index.
- EM equity net flows, according to EPRF Global & J.P. Morgan, turned positive in May 2025 and moderately accelerated through year end 2025.

MSCI Emerging Markets Index Return



Emerging Markets at a 40-Year Low

Performance of MSCI Emerging Market measured against MSCI US Index



Sources: Acadian, Allspring, C WorldWide, MSCI

# Private Equity Trends

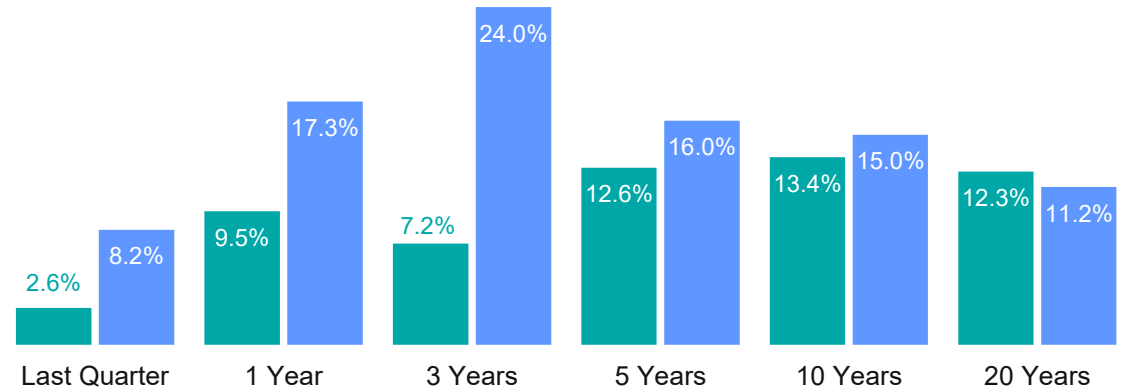
Private equity sees steady gains quarter to quarter

## Quarterly Snapshot

- Private equity posted steady gains of 2.6%, although trailing public equity's strong performance.
- Over the short term, private equity's more conservative valuation practices means the asset class lags when public equity posts such outsized returns.
- By strategy type, venture capital led performance, reflecting improved market conditions for growth assets and strong valuations within late-stage.

Net IRRs as of 9/30/25

■ Private Equity ■ Russell 3000 PME



## Long-Term Performance

- Over the 3-year period, private equity returns remain pressured by the 2022-2023 drawdown, resulting in a meaningful gap versus public equity.
- Over the 10-year period, private equity exhibited a 67% dispersion between the top and the bottom funds – highlighting significant opportunities for outperformance not reflected in the headline returns.

Net IRRs by Strategy as of 9/30/25

Strategy	Last Quarter	1 Year	3 Years	5 Years	10 Years	20 Years
Venture Capital	5.4%	14.4%	2.6%	12.2%	13.6%	12.4%
Growth Equity	3.0%	10.9%	6.3%	11.1%	13.6%	12.9%
Buyouts	1.7%	8.3%	9.5%	13.6%	14.2%	12.8%
<b>Private Equity</b>	<b>2.6%</b>	<b>9.5%</b>	<b>7.2%</b>	<b>12.6%</b>	<b>13.4%</b>	<b>12.3%</b>

Source: LSEG/Cambridge. PME: Public Market Equivalent

# U.S. Fixed Income Performance: 4Q25

The Fed cut rates again; Aggregate finishes the year strong

## Macro environment: Hawkish policy expected

- The Fed cut rates at the December meeting, with long-end rates moving higher for the quarter.
- Sentiment around monetary policy changed toward the end of the year, with markets anticipating more hawkish policy early in 2026.
- The yield curve steepened modestly, with the 2s/10s spread ending at 70 bps, up from 56 bps at the end of 3Q.

## Performance and drivers: Falling short-term Treasury yields

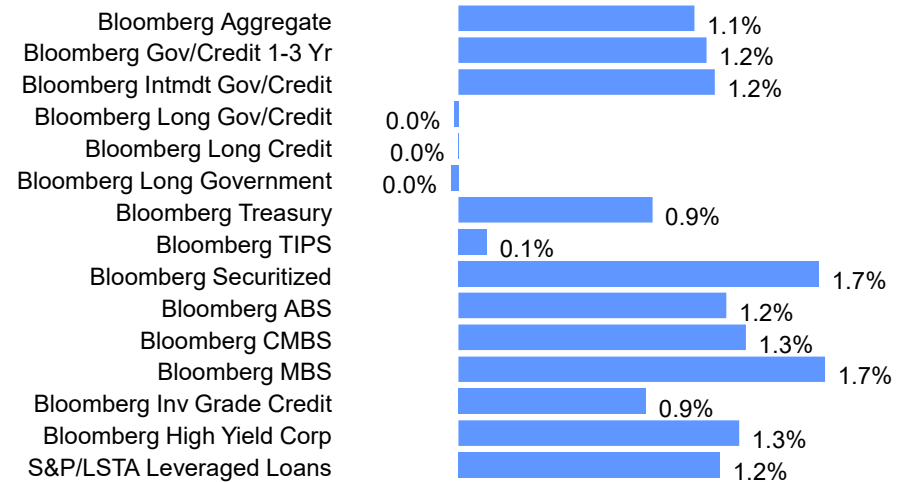
- The Bloomberg US Aggregate Bond Index gained over 1%, supported by declining short-term Treasury yields.
- IG corporate returns matched Treasuries due to rate cuts and steady spreads in corporate markets.

## Valuations: Yields will drive returns

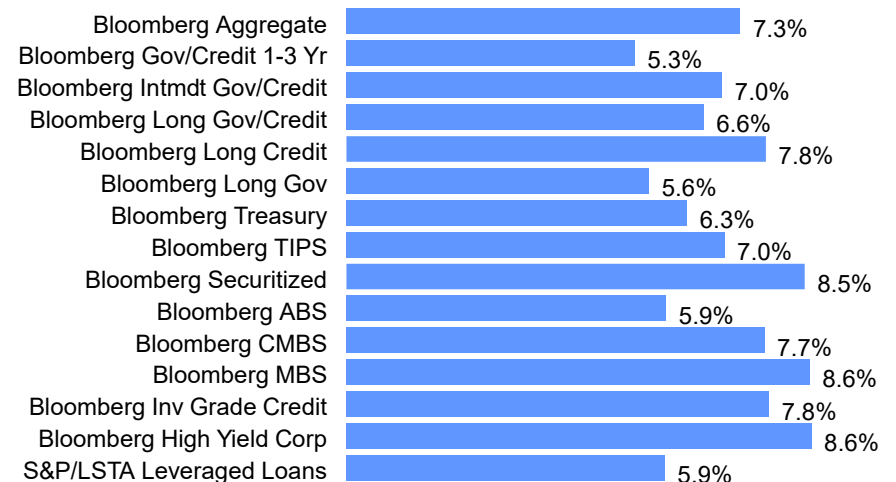
- Corporate credit spreads stayed relatively consistent versus 3Q but remain at tight levels, with value being in question.
- Overall, yield itself should be the primary driver of fixed income returns moving forward as yield curves have steepened, and the bulk of spread tightening appears to be behind us.

Sources: Bloomberg, Callan, SIFMA Research, S&P Dow Jones Indices, U.S. Treasury

## U.S. Fixed Income Returns: Quarter Ended 12/31/25



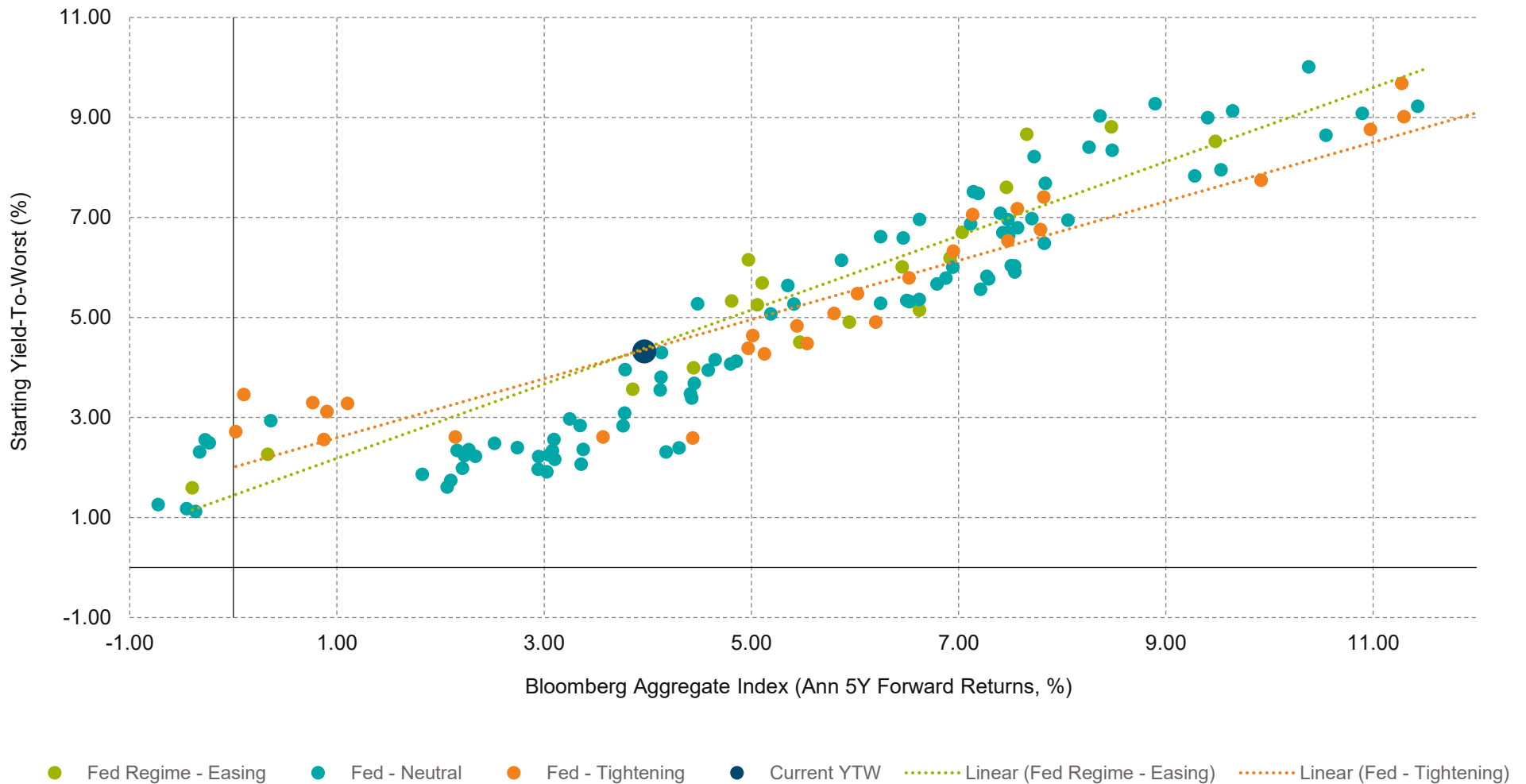
## U.S. Fixed Income Returns: One Year Ended 12/31/25



# Fixed Income Themes

## Comparing Bloomberg Aggregate's starting YTW to its subsequent 5-year total returns

Starting Yield-to-Worst (YTW) has proven to be an indicator of future returns.

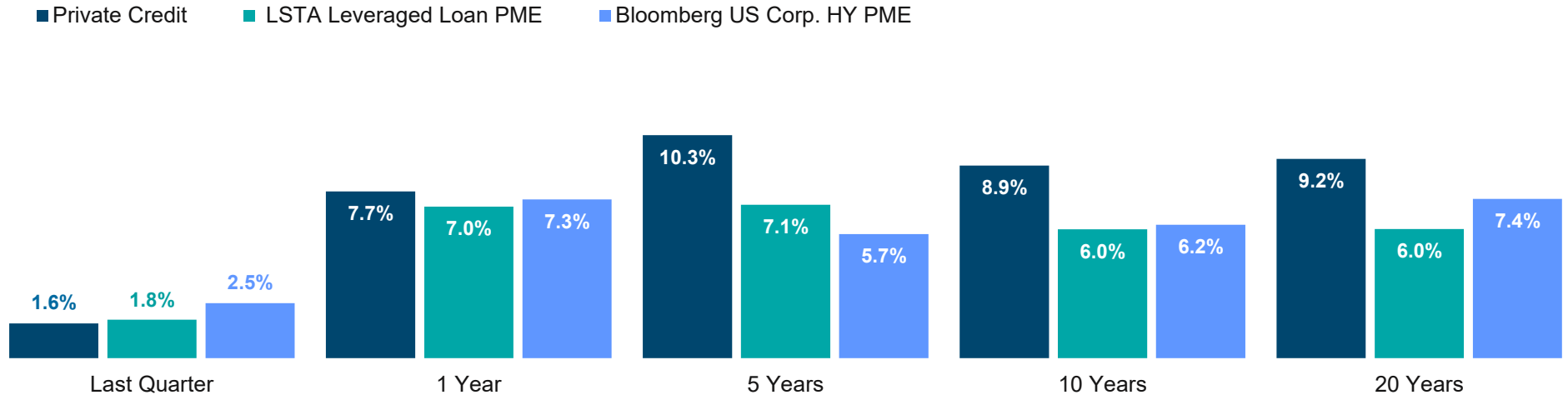


Sources: Bloomberg, Callan

# Private Credit Market Overview

Outperformed leveraged loans and high yield over last 1, 5, 10, and 20 years ended 3Q25

Pooled Horizon Net IRRs as of 9/30/25



Pooled Horizon Net IRRs by Strategy as of 9/30/25

Strategy	Last Quarter	1 Year	5 Years	10 Years	20 Years
Senior Debt	1.1	7.7	8.3	7.9	7.8
Subordinated	2.0	9.9	12.1	11.0	10.9
Credit Opportunities	1.8	7.0	10.6	8.5	9.0
<b>Total Private Credit</b>	<b>1.6</b>	<b>7.7</b>	<b>10.3</b>	<b>8.9</b>	<b>9.2</b>

Over the past 10 years the asset class has generated a net IRR of 8.9%, outperforming leveraged loans and high yield as of Sept. 30, 2025. Higher-risk strategies have performed better than lower-risk strategies.

Source: Cambridge

# U.S. Private Real Estate Performance: 4Q25

Sector appreciation mostly turns positive, outside of Office and Hotel

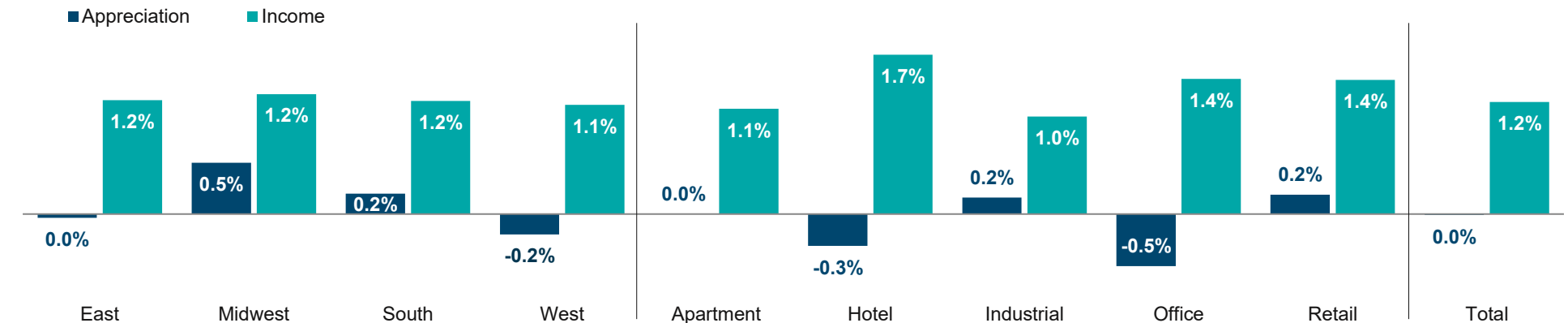
## Real estate recovers but results are mixed

- Valuations appear to have bottomed and are in the early stages of a recovery.
- Income returns were positive across sectors and regions.
- Property sector results were mixed; Office and Hotel experienced negative appreciation, while the remaining sectors had positive or flat appreciation.
- The West region lagged in performance, largely due to softening industrial fundamentals in Southern California.
- Manager return dispersion within the ODCE Index was driven by underlying portfolio composition.

	Last Quarter	1 Year	3 Years	5 Years	10 Years
<b>NCREIF ODCE</b>	<b>0.7%</b>	<b>2.9%</b>	<b>-4.3%</b>	<b>2.5%</b>	<b>3.9%</b>
Income	0.8%	3.2%	3.1%	3.0%	3.1%
Appreciation	-0.1%	-0.3%	-7.2%	-0.5%	0.7%
<b>NCREIF Property Index</b>	<b>1.2%</b>	<b>4.9%</b>	<b>-1.0%</b>	<b>3.8%</b>	<b>4.8%</b>
Income	1.2%	4.8%	4.6%	4.4%	4.5%
Appreciation	0.0%	-0.1%	-5.4%	-0.6%	0.4%

Returns are geometrically linked

## NCREIF Property Index Quarterly Returns by Region and Property Type

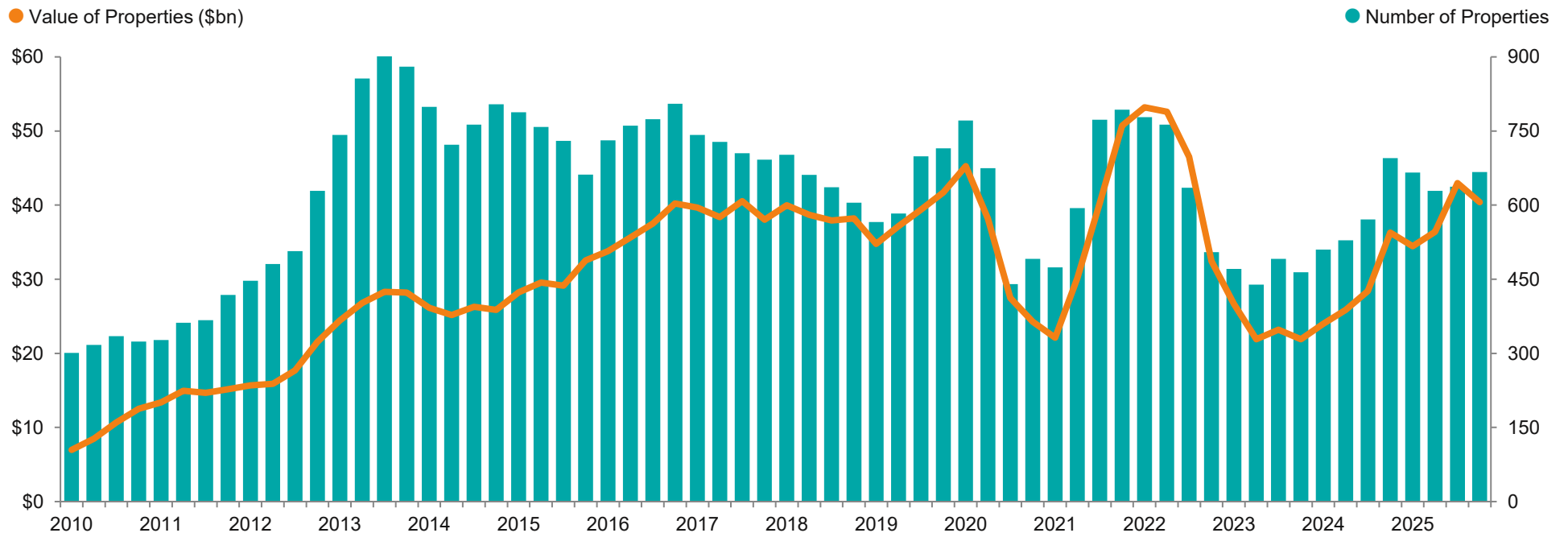


Source: NCREIF; ODCE return is net

# U.S. Private Real Estate Market Trends

Pricing and transaction volumes are increasing after bottoming

NCREIF Property Index Rolling 4-Quarter Transaction Totals



- Transaction volume is increasing on a rolling four-quarter basis yet remains below five-year averages.
- In 4Q25, transaction volume increased by number on a quarter-over-quarter basis, though slightly decreased on overall transaction value. Transaction volume remains lower compared to 2022.
- The volatile rise in interest rates was the driving force behind the slowdown in transactions between 2022 and 2024. Activity has since rebounded as valuations have largely adjusted to increased borrowing costs.

Source: NCREIF

Callan

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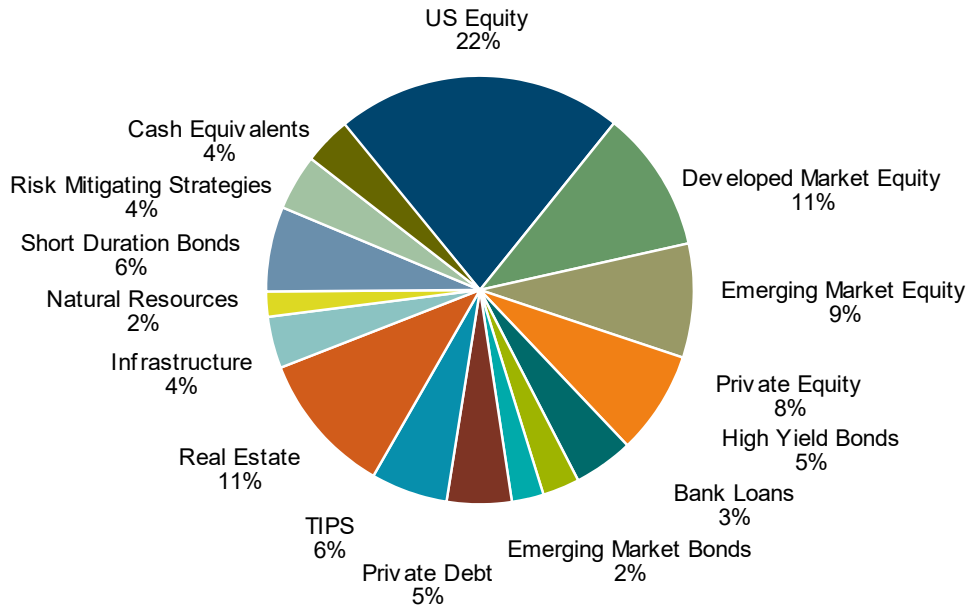
## **City of Phoenix ERS Performance**

As of December 31, 2025

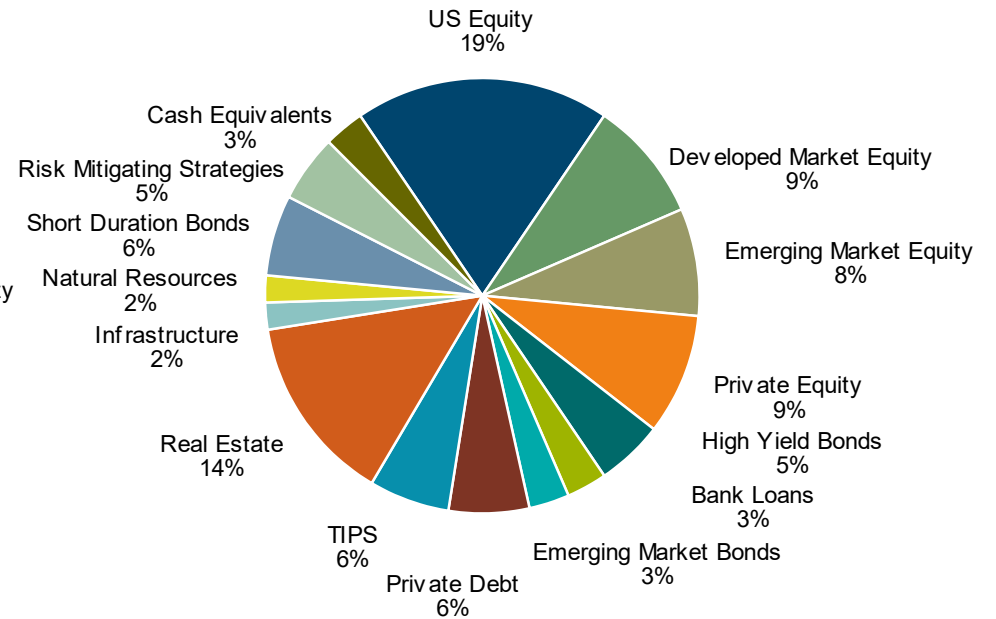
# COPERS Asset Allocation

As of December 31, 2025

Actual Asset Allocation



Target Asset Allocation



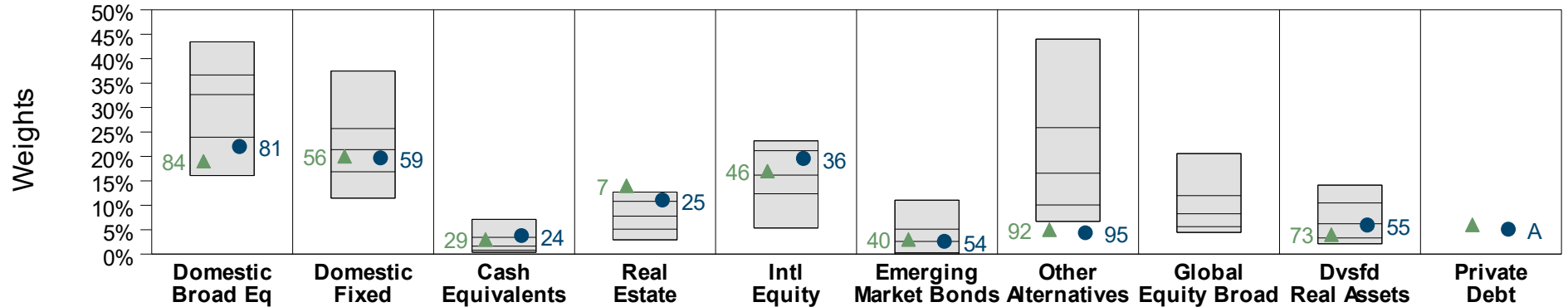
Asset Class	\$000s Actual	Weight Actual	Min Target	Target	Max Target	Percent Difference	\$000s Difference
US Equity	902,571	21.8%	11.0%	19.0%	21.0%	2.8%	116,415
Developed Market Equity	443,994	10.7%	4.0%	9.0%	14.0%	1.7%	71,605
Emerging Market Equity	357,493	8.6%	3.0%	8.0%	13.0%	0.6%	26,480
Private Equity	323,632	7.8%	4.0%	9.0%	14.0%	(1.2%)	(48,758)
High Yield Bonds	186,600	4.5%	0.0%	5.0%	10.0%	(0.5%)	(20,283)
Bank Loans	115,676	2.8%	0.0%	3.0%	6.0%	(0.2%)	(8,453)
Emerging Market Bonds	98,138	2.4%	0.0%	3.0%	6.0%	(0.6%)	(25,992)
Private Debt	200,859	4.9%	5.0%	6.0%	15.0%	(1.1%)	(47,401)
TIPS	240,153	5.8%	1.0%	6.0%	11.0%	(0.2%)	(8,107)
Real Estate	448,453	10.8%	7.0%	14.0%	17.0%	(3.2%)	(130,820)
Infrastructure	160,206	3.9%	0.0%	2.0%	8.0%	1.9%	77,453
Natural Resources	76,600	1.9%	0.0%	2.0%	0.0%	(0.1%)	(6,153)
Short Duration Bonds	262,964	6.4%	1.0%	6.0%	11.0%	0.4%	14,704
Risk Mitigating Strategies	172,002	4.2%	0.0%	5.0%	10.0%	(0.8%)	(34,881)
Cash Equivalents	148,322	3.6%	0.0%	3.0%	5.0%	0.6%	24,192
<b>Total</b>	<b>4,137,664</b>	<b>100.0%</b>		<b>100.0%</b>			

Note: blue text indicates asset classes that are outside of their allowable ranges.

# Asset Allocation – Peer Group Comparison

COPERS vs. Callan Public Fund Sponsor Database

## Asset Class Weights vs Callan Public Fund Spons - Large (>1B)



	Domestic Broad Eq	Domestic Fixed	Cash Equivalents	Real Estate	Intl Equity	Emerging Market Bonds	Other Alternatives	Global Equity Broad	Dvsfd Real Assets	Private Debt
10th Percentile	43.43	37.47	7.12	12.72	23.17	11.05	44.00	20.58	14.11	-
25th Percentile	36.65	25.69	3.44	10.81	21.17	5.11	25.88	11.95	10.50	-
Median	32.63	21.38	1.65	7.78	16.19	2.61	16.56	8.28	6.20	-
75th Percentile	23.93	16.86	0.80	5.13	12.35	0.30	10.08	5.64	3.33	-
90th Percentile	16.10	11.44	0.40	2.92	5.36	0.03	6.71	4.44	2.14	-
<b>Fund</b> ●	21.81	19.46	3.58	10.84	19.37	2.37	4.16	-	5.72	4.85
<b>Target</b> ▲	19.00	20.00	3.00	14.00	17.00	3.00	5.00	-	4.00	6.00
<b>% Group Invested</b>	97.62%	97.62%	90.48%	80.95%	96.43%	45.24%	81.25%	29.76%	29.76%	0.00%

# COPERS Asset Distribution

	December 31, 2025			Inv. Return	September 30, 2025	
	Market Value	Weight	Net New Inv.		Market Value	Weight
<b>Growth</b>	<b>\$2,027,690,688</b>	<b>49.01%</b>	<b>\$(20,000,000)</b>	<b>\$60,789,306</b>	<b>\$1,986,901,383</b>	<b>49.08%</b>
<b>US Equity</b>	<b>\$902,571,112</b>	<b>21.81%</b>	<b>\$(25,000,000)</b>	<b>\$21,964,794</b>	<b>\$905,606,318</b>	<b>22.37%</b>
SSIM Russell 3000 Index	902,290,116	21.81%	(25,000,000)	21,958,503	905,331,613	22.36%
Robeco Large Cap Value	89,857	0.00%	0	4,687	85,170	0.00%
Eagle Small Cap Equity	62,100	0.00%	0	467	61,633	0.00%
CRM Small Cap Value	129,040	0.00%	0	1,138	127,902	0.00%
<b>Developed Market Equity</b>	<b>\$443,994,300</b>	<b>10.73%</b>	<b>\$0</b>	<b>\$14,661,586</b>	<b>\$429,332,714</b>	<b>10.61%</b>
Baillie Gifford ACWI ex-U.S.	182,996,221	4.42%	0	2,110,176	180,886,044	4.47%
SSIM FTSE RAFI Dev. ex-U.S. Low Vol Idx	111,655,737	2.70%	0	5,293,815	106,361,922	2.63%
First Eagle International Value	117,587,896	2.84%	0	6,761,698	110,826,198	2.74%
Driehaus International Small Cap Growth	31,754,446	0.77%	0	495,896	31,258,550	0.77%
<b>Emerging Market Equity</b>	<b>\$357,493,455</b>	<b>8.64%</b>	<b>\$0</b>	<b>\$23,372,639</b>	<b>\$334,120,816</b>	<b>8.25%</b>
GQG Emerging Markets Equity	158,211,354	3.82%	0	10,546,070	147,665,284	3.65%
LSV Emerging Markets Value	199,282,102	4.82%	0	12,826,569	186,455,533	4.61%
<b>Private Equity</b>	<b>\$323,631,821</b>	<b>7.82%</b>	<b>\$5,000,000</b>	<b>\$790,287</b>	<b>\$317,841,534</b>	<b>7.85%</b>
Neuberger Berman Sonoran Tranche A	82,082,371	1.98%	(1,000,000)	(1,254,476)	84,336,847	2.08%
Neuberger Berman Sonoran Tranche E	110,991,479	2.68%	3,750,000	7,149,973	100,091,506	2.47%
Neuberger Berman Sonoran Tranche B	127,575,088	3.08%	(750,000)	(5,088,093)	133,413,181	3.30%
Neuberger Berman Sonoran Tranche G	2,982,883	0.07%	3,000,000	(17,117)	-	-

# COPERS Asset Distribution (Continued)

	December 31, 2025			Inv. Return	September 30, 2025	
	Market Value	Weight	Net New Inv.		Market Value	Weight
<b>Income</b>	<b>\$601,273,284</b>	<b>14.53%</b>	<b>\$(2,240,744)</b>	<b>\$10,008,137</b>	<b>\$593,505,891</b>	<b>14.66%</b>
<b>High Yield Bonds</b>	<b>\$186,599,899</b>	<b>4.51%</b>	<b>\$(242,051)</b>	<b>\$2,164,178</b>	<b>\$184,677,772</b>	<b>4.56%</b>
Brigade Traditional High Yield	98,700,979	2.39%	(121,860)	2,031,100	96,791,740	2.39%
Polen Capital Management	87,898,919	2.12%	(120,191)	133,078	87,886,032	2.17%
<b>Bank Loans</b>	<b>\$115,676,463</b>	<b>2.80%</b>	<b>\$0</b>	<b>\$2,023,021</b>	<b>\$113,653,442</b>	<b>2.81%</b>
Pacific Asset Management	115,676,463	2.80%	0	2,023,021	113,653,442	2.81%
<b>Emerging Market Bonds</b>	<b>\$98,138,403</b>	<b>2.37%</b>	<b>\$0</b>	<b>\$3,630,418</b>	<b>\$94,507,985</b>	<b>2.33%</b>
MetLife EM Debt Collective Trust	98,138,403	2.37%	0	3,630,418	94,507,985	2.33%
<b>Private Debt</b>	<b>\$200,858,520</b>	<b>4.85%</b>	<b>\$(1,998,692)</b>	<b>\$2,190,521</b>	<b>\$200,666,692</b>	<b>4.96%</b>
Ares Pathfinder Core Fund	100,923,309	2.44%	(1,998,692)	2,270,203	100,651,798	2.49%
PIMCO Private Income Fund	99,935,212	2.42%	0	(79,683)	100,014,894	2.47%

# COPERS Asset Distribution (Continued)

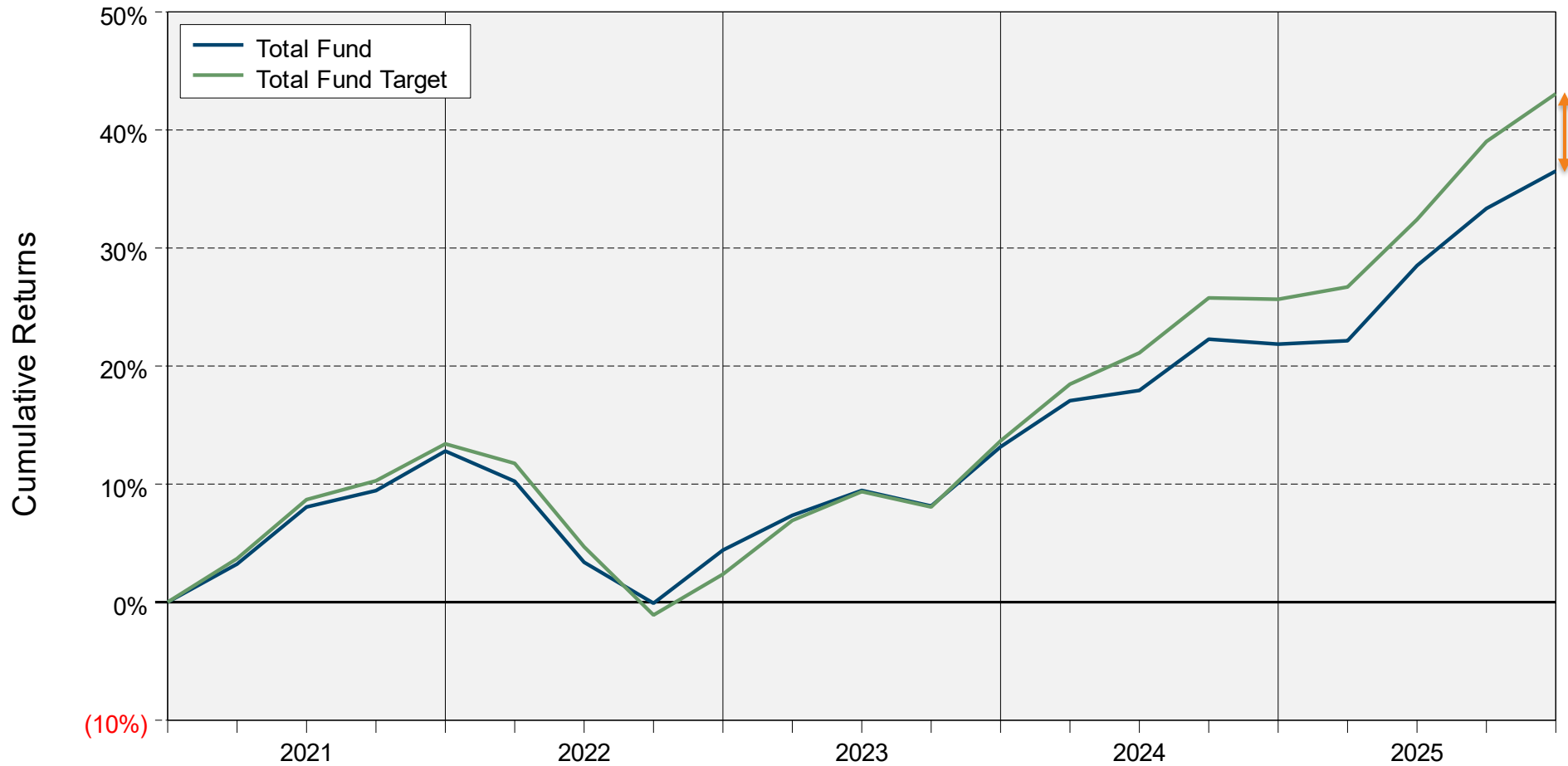
	December 31, 2025			September 30, 2025		
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
<b>Inflation Hedging</b>	<b>\$925,411,764</b>	<b>22.37%</b>	<b>\$3,289,986</b>	<b>\$8,102,241</b>	<b>\$914,019,537</b>	<b>22.58%</b>
<b>TIPS</b>	<b>\$240,152,817</b>	<b>5.80%</b>	<b>\$0</b>	<b>\$7,525</b>	<b>\$240,145,292</b>	<b>5.93%</b>
SSIM U.S. TIPS Index	240,152,817	5.80%	0	7,525	240,145,292	5.93%
<b>Real Estate</b>	<b>\$448,452,813</b>	<b>10.84%</b>	<b>\$(7,210,014)</b>	<b>\$855,546</b>	<b>\$454,807,281</b>	<b>11.24%</b>
<b>Core Real Estate</b>	<b>\$173,909,091</b>	<b>4.20%</b>	<b>\$(5,359,456)</b>	<b>\$2,141,714</b>	<b>\$177,126,833</b>	<b>4.38%</b>
JP Morgan Strategic Property Fund	55,639,794	1.34%	(4,287,526)	747,042	59,180,278	1.46%
MS Prime Property Fund	81,611,225	1.97%	(808,345)	1,048,838	81,370,732	2.01%
Real Term Logistcs	36,658,072	0.89%	(263,585)	345,834	36,575,823	0.90%
<b>Non-Core Real Estate</b>	<b>\$274,543,722</b>	<b>6.64%</b>	<b>\$(1,850,558)</b>	<b>\$(1,286,168)</b>	<b>\$277,680,448</b>	<b>6.86%</b>
Adler Real Estate V	14,500,364	0.35%	(207,326)	85,581	14,622,109	0.36%
American Landmark III	29,888,475	0.72%	(588,936)	358,126	30,119,285	0.74%
American Landmark IV	17,046,015	0.41%	0	405,492	16,640,523	0.41%
Ascentris Value Add III	5,945,659	0.14%	36,000	(1,305,275)	7,214,934	0.18%
Ascentris Value Add III - B	3,295,342	0.08%	332	7,420	3,287,591	0.08%
Focus SH Fund	14,439,512	0.35%	(4,466,667)	292,590	18,613,589	0.46%
Hammes Partners III	18,593,400	0.45%	(269,940)	214,167	18,649,174	0.46%
Hammes Partners IV	5,619,642	0.14%	1,631,117	46,101	3,942,424	0.10%
HSI Real Estate V	83,335	0.00%	(1,793)	4,218	80,910	0.00%
Northwood Real Estate Partners V	34,603,334	0.84%	75,118	(1,258,878)	35,787,094	0.88%
Northwood Real Estate Partners IV	30,171,178	0.73%	84,713	(143,226)	30,229,691	0.75%
Pan Asia Core Plus Real Estate Fund	25,650,926	0.62%	43,820	245,036	25,362,070	0.63%
Real Estate Capital Asia Partners III LP	4,717,062	0.11%	0	(19,280)	4,736,342	0.12%
Real Estate Capital Asia Partners IV LP	7,400,854	0.18%	(10,364)	(153,693)	7,564,911	0.19%
Real Estate Capital Partners V	15,609,592	0.38%	0	(151,647)	15,761,239	0.39%
Wheelock Real Estate Fund	10,420,658	0.25%	1,131,216	(92,439)	9,381,881	0.23%
Wheelock Street Partners	2,511,767	0.06%	0	(7,285)	2,519,052	0.06%
Wheelock Street Partners II	3,651,050	0.09%	0	(29,692)	3,680,742	0.09%
Wheelock Street Partners V	9,119,299	0.22%	0	37,819	9,081,480	0.22%
Wheelock Street Partners VI	21,276,257	0.51%	692,152	178,700	20,405,405	0.50%
<b>Natural Resources</b>	<b>\$76,600,152</b>	<b>1.85%</b>	<b>\$500,000</b>	<b>\$1,617,082</b>	<b>\$74,483,070</b>	<b>1.84%</b>
Neubeger Berman Tranche C	76,117,269	1.84%	0	1,634,199	74,483,070	1.84%
Neuberger Berman Sonoran Tranche H	482,883	0.01%	500,000	(17,117)	-	-

# COPERS Asset Distribution (Continued)

	December 31, 2025			Net New Inv.	Inv. Return	September 30, 2025	
	Market Value	Weight				Market Value	Weight
<b>Infrastructure</b>	<b>\$160,205,982</b>	<b>3.87%</b>		<b>\$10,000,000</b>	<b>\$5,622,088</b>	<b>\$144,583,894</b>	<b>3.57%</b>
Neuberger Berman Tranche D	93,281,860	2.25%		0	4,397,903	88,883,957	2.20%
Neuberger Berman Tranche F	63,932,905	1.55%		7,000,000	1,232,968	55,699,937	1.38%
Neuberger Berman Tranche I	2,991,217	0.07%		3,000,000	(8,783)	-	-
<b>Crisis Risk Offset</b>	<b>\$583,288,233</b>	<b>14.10%</b>		<b>\$18,001,814</b>	<b>\$11,606,895</b>	<b>\$553,679,524</b>	<b>13.68%</b>
<b>Short Duration Bonds</b>	<b>\$262,964,333</b>	<b>6.36%</b>		<b>\$(50,948)</b>	<b>\$3,018,183</b>	<b>\$259,997,098</b>	<b>6.42%</b>
SSIM US 1-3 Year Gov/Cred Index	147,616,403	3.57%		0	1,646,662	145,969,741	3.61%
Longfellow Short Duration	114,984,216	2.78%		(50,948)	1,368,003	113,667,160	2.81%
Western Assets Short Duration	363,714	0.01%		0	3,518	360,196	0.01%
<b>Risk Mitigating Strategies</b>	<b>\$172,002,354</b>	<b>4.16%</b>		<b>\$(88,450)</b>	<b>\$7,433,050</b>	<b>\$164,657,754</b>	<b>4.07%</b>
One River Dynamic Convexity	37,924,984	0.92%		0	(272,019)	38,197,002	0.94%
36 South Kohinoor Series Cayman	42,379,765	1.02%		0	425,304	41,954,461	1.04%
BH-DG Systematic Trading	42,570,975	1.03%		0	3,061,027	39,509,948	0.98%
Crabel Fund, L.P. - Class H	49,126,630	1.19%		(88,450)	4,218,737	44,996,343	1.11%
<b>Cash Equivalents</b>	<b>\$148,321,547</b>	<b>3.58%</b>		<b>\$18,141,212</b>	<b>\$1,155,662</b>	<b>\$129,024,673</b>	<b>3.19%</b>
Dreyfus Government	148,321,547	3.58%		18,141,212	1,155,662	129,024,673	3.19%
<b>Total Fund</b>	<b>\$4,137,663,970</b>	<b>100.0%</b>		<b>\$(948,943)</b>	<b>\$90,506,578</b>	<b>\$4,048,106,335</b>	<b>100.0%</b>

# COPERS Performance History

## Cumulative Returns Actual vs Target

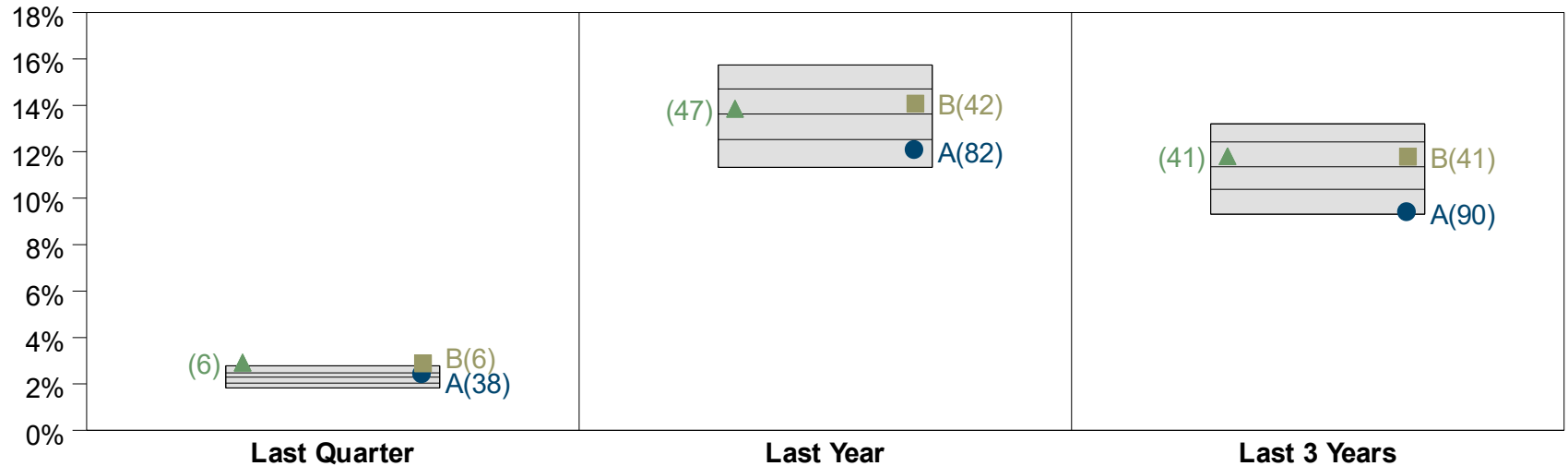


### COPERS Total Fund Results

- ▶ COPERS: 6.0% CAGR (net of fees) over the last 5 years (**blue line**)
- ▶ Target Benchmark: 7.4% CAGR over the last 5 years (**green line**)

# Peer Group Return Comparison

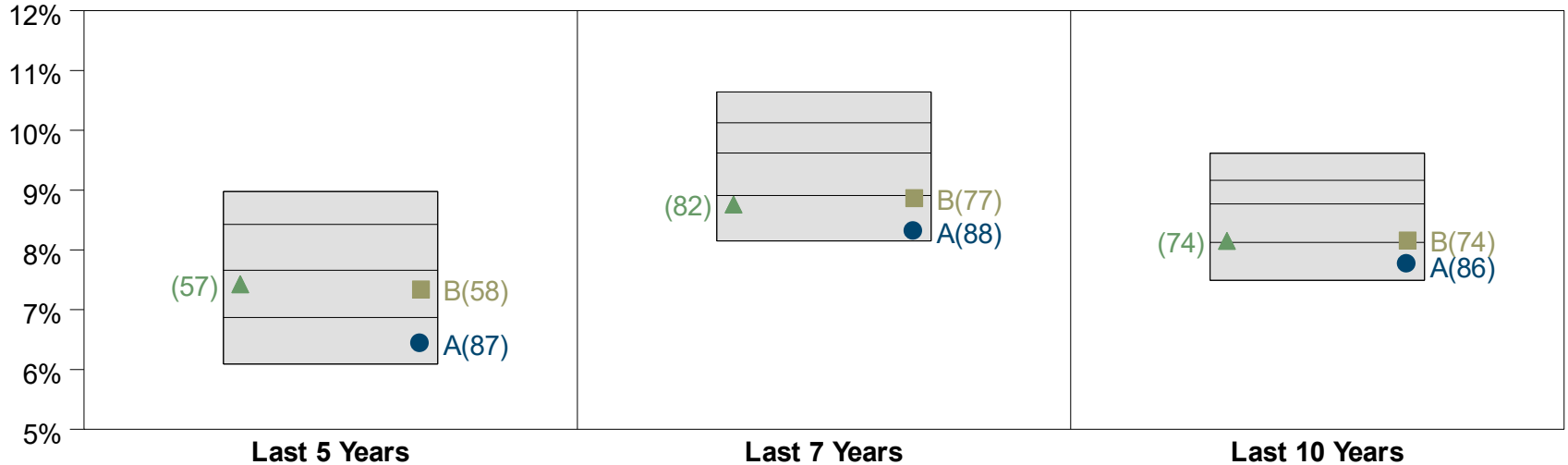
COPERS vs. Callan Public Fund Sponsor Database (Large Plans >\$1B)



	Last Quarter	Last Year	Last 3 Years
10th Percentile	2.78	15.74	13.20
25th Percentile	2.48	14.70	12.42
Median	2.29	13.63	11.35
75th Percentile	2.03	12.52	10.38
90th Percentile	1.82	11.32	9.31
Total Fund - Gross COPERS ● A	2.37	12.03	9.35
Custom Benchmark ■ B	2.89	14.07	11.79
COPERS Policy Benchmark ▲	2.92	13.85	11.81

# Peer Group Return Comparison (Continued)

COPERS vs. Callan Public Fund Sponsor Database (Large Plans >\$1B)



	Last 5 Years	Last 7 Years	Last 10 Years
10th Percentile	8.98	10.64	9.62
25th Percentile	8.43	10.12	9.16
Median	7.66	9.62	8.77
75th Percentile	6.87	8.91	8.12
90th Percentile	6.09	8.15	7.49
Total Fund - Gross COPERS (● A)	6.42	8.30	7.75
Custom Benchmark (■ B)	7.34	8.87	8.16
COPERS Policy Benchmark (▲)	7.43 (57)	8.76 (82)	8.15 (74)

# Performance Attribution

## Relative Attribution Effects for Quarter ended December 31, 2025

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
US Equity	22%	19%	2.40%	2.40%	(0.00%)	(0.02%)	(0.02%)
Developed Market Equity	11%	9%	3.41%	4.86%	(0.15%)	0.03%	(0.12%)
Emerging Market Equity	8%	8%	7.00%	4.73%	0.19%	0.00%	0.19%
Private Equity	8%	9%	1.52%	8.70%	(0.56%)	(0.06%)	(0.63%)
High Yield Bonds	5%	5%	1.04%	1.31%	(0.01%)	0.01%	(0.00%)
Bank Loans	3%	3%	1.78%	1.22%	0.02%	0.00%	0.02%
Emerging Market Bonds	2%	3%	3.84%	2.51%	0.03%	0.00%	0.03%
Private Debt	5%	6%	2.13%	2.18%	(0.00%)	0.01%	0.01%
TIPS	6%	6%	0.00%	0.13%	(0.01%)	0.00%	(0.01%)
Real Estate	11%	14%	0.19%	0.91%	(0.08%)	0.06%	(0.02%)
Natural Resources	2%	2%	2.18%	9.51%	(0.14%)	(0.01%)	(0.14%)
Infrastructure	4%	2%	2.36%	1.64%	0.03%	(0.02%)	0.01%
Short Duration Bonds	6%	6%	1.14%	1.16%	(0.00%)	(0.01%)	(0.01%)
Risk Mitigating Strategie	4%	5%	4.46%	2.04%	0.10%	0.01%	0.11%
Cash Equivalents	3%	3%	0.98%	0.97%	0.00%	(0.00%)	(0.00%)
<b>Total</b>			<b>2.33%</b>	<b>= 2.92%</b>	<b>+ (0.60%)</b>	<b>+ 0.01%</b>	<b>(0.59%)</b>

## One Year Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
US Equity	22%	19%	17.07%	17.15%	(0.02%)	0.03%	0.02%
Developed Market Equity	10%	9%	28.52%	31.22%	(0.25%)	0.15%	(0.10%)
Emerging Market Equity	8%	8%	24.16%	33.57%	(0.68%)	0.01%	(0.67%)
Private Equity	8%	9%	5.90%	19.73%	(1.15%)	(0.08%)	(1.24%)
High Yield Bonds	5%	5%	6.73%	8.62%	(0.09%)	0.02%	(0.07%)
Bank Loans	3%	3%	6.79%	6.06%	0.02%	0.01%	0.03%
Emerging Market Bonds	2%	3%	15.27%	13.50%	0.04%	0.00%	0.04%
Private Debt	5%	6%	7.76%	9.21%	(0.08%)	0.05%	(0.03%)
TIPS	6%	6%	6.91%	7.01%	(0.01%)	(0.01%)	(0.01%)
Real Estate	12%	14%	1.16%	3.79%	(0.36%)	0.23%	(0.13%)
Natural Resources	2%	2%	11.10%	7.04%	0.05%	0.02%	0.07%
Infrastructure	4%	2%	9.55%	6.11%	0.13%	(0.13%)	(0.00%)
Short Duration Bonds	7%	6%	5.45%	5.35%	0.01%	(0.05%)	(0.05%)
Risk Mitigating Strategie	4%	5%	4.02%	4.70%	(0.04%)	0.07%	0.04%
Cash Equivalents	3%	3%	4.19%	4.18%	0.00%	(0.01%)	(0.01%)
<b>Total</b>			<b>11.75%</b>	<b>= 13.85%</b>	<b>+ (2.42%)</b>	<b>+ 0.32%</b>	<b>(2.11%)</b>

Net of fees.

# Asset Class and Manager Performance

As of December 31, 2025

	Last Quarter	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years
<b>NET-OF-FEES PERFORMANCE</b>					
<b>Total Fund - Net</b>	<b>2.33%</b>	<b>6.12%</b>	<b>11.75%</b>	<b>8.96%</b>	<b>6.01%</b>
COPERS Policy Benchmark (1)	2.92%	8.05%	13.85%	11.81%	7.43%
COPERS Custom Benchmark (2)	2.89%	8.05%	14.07%	11.79%	7.34%
<b>GROWTH</b>					
<b>US Equity</b>	<b>2.40%</b>	<b>10.74%</b>	<b>17.07%</b>	<b>15.95%</b>	<b>10.09%</b>
Russell 3000 Index	2.40%	10.78%	17.15%	22.25%	13.15%
SSIM Russell 3000 Index	2.40%	10.74%	17.11%	-	-
Russell 3000 Index	2.40%	10.78%	17.15%	22.25%	13.15%
<b>Developed Market Equity (non-U.S.)</b>	<b>3.41%</b>	<b>6.87%</b>	<b>28.52%</b>	<b>16.28%</b>	<b>5.21%</b>
MSCI EAFE	4.86%	9.86%	31.22%	17.22%	8.92%
Baillie Gifford ACWI ex-U.S.	1.17%	0.83%	19.68%	14.35%	1.20%
MSCI ACWI xUS Growth	2.56%	8.42%	25.65%	14.61%	4.01%
MSCI ACWI xUS	5.11%	12.50%	33.11%	17.95%	8.46%
SSIM FTSE RAFI Dev. ex-U.S. Low Vol Idx	4.98%	9.35%	34.30%	17.82%	11.71%
FTSE RAFI Dev ex US Low Vol Idx	5.03%	9.41%	33.74%	17.51%	11.51%
MSCI EAFE	4.86%	9.86%	31.22%	17.22%	8.92%
First Eagle International Value	6.10%	15.69%	38.38%	17.56%	9.62%
MSCI EAFE Value	7.83%	15.80%	42.25%	21.38%	13.36%
MSCI EAFE	4.86%	9.86%	31.22%	17.22%	8.92%
Driehaus International Small Cap Growth	1.59%	5.10%	29.92%	14.59%	-
MSCI ACWI xUS Sm Growth	1.65%	7.70%	26.16%	14.08%	4.12%
MSCI ACWI xUS	5.11%	12.50%	33.11%	17.95%	8.46%

## Asset Class and Manager Performance (Continued)

As of December 31, 2025

	Last Quarter	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years
<b>NET-OF-FEES PERFORMANCE</b>					
<b>Emerging Markets Equity</b>	<b>7.00%</b>	<b>11.40%</b>	<b>24.16%</b>	<b>19.37%</b>	<b>8.04%</b>
MSCI EM	4.73%	15.88%	33.57%	16.40%	4.20%
GQG Emerging Markets Equity	7.14%	4.27%	9.96%	14.95%	3.11%
MSCI EM Growth	3.31%	16.06%	34.30%	16.17%	1.77%
LSV Emerging Markets Value	6.88%	17.79%	38.34%	23.37%	13.33%
MSCI EM Value	6.37%	15.66%	32.74%	16.58%	6.76%
<b>Private Equity</b>	<b>1.52%</b>	<b>4.92%</b>	<b>5.90%</b>	<b>6.13%</b>	<b>13.18%</b>
Russell 3000 +2% 1Q Lag	8.70%	21.23%	19.73%	26.56%	18.03%
Neuberger Berman Sonoran Tranche A	(1.49%)	(0.11%)	(0.57%)	2.11%	9.41%
Neuberger Berman Sonoran Tranche B	2.32%	6.31%	7.92%	7.51%	16.76%
Neuberger Berman Sonoran Tranche E	3.01%	7.39%	9.36%	(7.27%)	-
<b>INCOME</b>					
<b>High Yield Bonds</b>	<b>1.04%</b>	<b>2.10%</b>	<b>6.73%</b>	<b>9.48%</b>	<b>5.13%</b>
Brigade Traditional High Yield	1.97%	2.36%	8.77%	10.34%	5.76%
Blmbg HY Corp	1.31%	3.88%	8.62%	10.06%	4.51%
Polen Capital Management	0.01%	1.82%	4.53%	8.54%	4.44%
Blmbg HY Corp	1.31%	3.88%	8.62%	10.06%	4.51%
<b>Bank Loans</b>	<b>1.78%</b>	<b>3.78%</b>	<b>6.79%</b>	<b>9.80%</b>	<b>6.72%</b>
Pacific Asset Management	1.78%	3.78%	6.79%	9.80%	6.72%
Bank Loans Custom Benchmark (8)	1.19%	2.89%	5.94%	9.30%	6.37%
<b>Emerging Market Bonds</b>	<b>3.84%</b>	<b>7.92%</b>	<b>15.27%</b>	<b>10.83%</b>	<b>2.60%</b>
Emerging Market Debt Custom BM (3)	2.51%	6.10%	13.50%	9.29%	1.86%
MetLife Emerging Markets Debt Collec	3.84%	7.92%	15.27%	10.83%	2.60%
MetLife Custom Benchmark (4)	2.51%	6.10%	13.50%	9.29%	1.86%

## Asset Class and Manager Performance (Continued)

As of December 31, 2025

	Last Quarter	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years
<b>NET-OF-FEES PERFORMANCE</b>					
<b>Private Debt</b>	<b>2.13%</b>	<b>4.28%</b>	<b>7.76%</b>	-	-
S&P UBS Leveraged Loan +2% 1Q	2.16%	5.05%	9.18%	-	-
Ares Pathfinder Core Fund	2.30%	4.54%	7.97%	-	-
S&P UBS Leveraged Loan +2% 1Q	2.16%	5.05%	9.18%	-	-
PIMCO Private Income Fund	1.96%	4.03%	-	-	-
S&P UBS Leveraged Loan +2% 1Q	2.16%	5.05%	9.18%	-	-
<b>INFLATION HEDGING</b>					
<b>TIPS</b>	<b>0.00%</b>	<b>2.11%</b>	<b>6.91%</b>	<b>4.27%</b>	<b>1.10%</b>
Blmbg TIPS	0.13%	2.24%	7.01%	4.23%	1.12%
SSIM U.S. TIPS Index	0.00%	2.11%	6.91%	4.23%	1.08%
Blmbg TIPS	0.13%	2.24%	7.01%	4.23%	1.12%
<b>Real Estate</b>	<b>0.19%</b>	<b>0.99%</b>	<b>1.16%</b>	<b>(3.21%)</b>	<b>3.89%</b>
NCREIF NFI-ODCE (VW)	0.91%	1.65%	3.79%	(3.45%)	3.40%
<b>Non-Core Real Estate</b>	<b>(0.46%)</b>	<b>0.22%</b>	<b>(0.34%)</b>	<b>(3.29%)</b>	<b>4.20%</b>
NCREIF NFI-ODCE (VW)	0.91%	1.65%	3.79%	(3.45%)	3.40%
NCREIF ODCE 1Q Lag	0.73%	1.76%	4.04%	(5.36%)	3.48%
<b>Core Real Estate</b>	<b>1.24%</b>	<b>2.24%</b>	<b>3.61%</b>	<b>(2.82%)</b>	<b>3.74%</b>
NCREIF NFI-ODCE (VW)	0.91%	1.65%	3.79%	(3.45%)	3.40%
<b>Natural Resources</b>	<b>2.18%</b>	<b>2.60%</b>	<b>11.10%</b>	<b>12.67%</b>	<b>21.87%</b>
S&P Global Natural Resources 1Q Lag	9.51%	13.25%	7.04%	10.72%	14.29%
Neuberger Berman Sonoran Tranche C	2.19%	2.62%	11.12%	12.68%	21.88%
S&P Global Natural Resources 1Q Lag	9.51%	13.25%	7.04%	10.72%	14.29%

## Asset Class and Manager Performance (Continued)

As of December 31, 2025

	Last Quarter	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years
<b>NET-OF-FEES PERFORMANCE</b>					
<b>Infrastructure</b>	<b>2.38%</b>	<b>7.27%</b>	<b>9.56%</b>	<b>11.76%</b>	<b>9.37%</b>
CPI +3% (Seasonally Adjusted) 1Q Lag	1.64%	3.00%	6.11%	6.13%	7.65%
Neuberger Berman Sonoran Tranche D	2.64%	7.59%	9.02%	12.32%	9.70%
CPI +3% (Seasonally Adjusted) 1Q Lag	1.64%	3.00%	6.11%	6.13%	7.65%
<b>Crisis Risk Offset</b>					
<b>Short Duration Bonds</b>	<b>1.14%</b>	<b>2.38%</b>	<b>5.45%</b>	<b>4.92%</b>	<b>(0.41%)</b>
Short Duration Bonds Custom BM (5)	1.16%	2.36%	5.35%	4.66%	(0.36%)
SSIM US 1-3 Year Gov/Cred Index	1.13%	2.34%	5.36%	5.01%	(0.21%)
SSIM Custom Benchmark (6)	1.16%	2.36%	5.35%	5.08%	(0.13%)
Longfellow Short Duration	1.16%	2.44%	5.56%	5.07%	(0.03%)
Longfellow Custom Benchmark (7)	1.16%	2.36%	5.35%	4.84%	(0.26%)
<b>Risk Mitigating Strategies</b>	<b>4.46%</b>	<b>8.93%</b>	<b>4.02%</b>	-	-
50/50 HFR Long Volatility & SG Trends	2.04%	7.22%	4.70%	-	-
One River Dynamic Convexity	(0.71%)	(0.53%)	(1.66%)	-	-
HFR Long Volatility Index	(0.66%)	0.97%	6.56%	-	-
36 South Kohinoor Series Cayman	1.01%	2.46%	3.74%	-	-
HFR Long Volatility Index	(0.66%)	0.97%	6.56%	-	-
BH-DG Systematic Trading	7.75%	13.69%	6.61%	(3.46%)	5.44%
SG Trend Index	4.76%	13.75%	2.39%	0.24%	6.95%
Crabel Fund, L.P. - Class H	9.18%	19.90%	6.80%	-	-
SG Trend Index	4.76%	13.75%	2.39%	-	-
<b>Cash Equivalents</b>	<b>0.98%</b>	<b>2.04%</b>	<b>4.19%</b>	<b>4.79%</b>	<b>3.17%</b>
Dreyfus Government Cash Management	0.98%	2.04%	4.19%	4.79%	3.17%
ICE BofA US 3-Mo US TBill	0.97%	2.06%	4.18%	4.81%	3.17%

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# Asset Class and Manager Performance

## Footnotes

- (1) Current Quarter Target = **19.0%** Russell 3000 Index, **14.0%** NCREIF NFI-ODCE Val Wt Gr, **9.0%** Russell 3000 +2% 1Q Lag, **9.0%** MSCI EAFE, **8.0%** MSCI EM, **6.0%** S&P UBS Leveraged Loan +2% 1Q Lag, **6.0%** Blmbg Gov/Cred 1-3 Yr, **6.0%** Blmbg TIPS, **5.0%** Blmbg HY Corp, **3.0%** Mstar LSTA Lev Loan, **3.0%** MetLife Custom Benchmark, **3.0%** ICE BofA US 3-Mo US TBill, **2.5%**, HFR Long Volatility Index, **2.5%** SG Trends Index, **2.0%** S&P Global Nat Res GD lagged 3 months and **2.0%** CPI +3% (Seasonally Adjusted) 1Q Lag.
  - Note that a full history of COPERS Policy Benchmark Definitions is located within the full performance measurement report.
- (2) COPERS Custom Benchmark is calculated monthly using the beginning-of-month asset class weights applied to each corresponding primary benchmark return.
- (3) Emerging Markets Debt Custom Benchmark consists of 100% JPM EMBI Global Diversified through 08/31/2019 and 100% Metlife Custom Benchmark, thereafter.
- (4) Metlife Custom Benchmark consists of 30.0% JPM GBI-EM Global Diversified, 35.0% JPM CEMBI Broad Diversified Index, 35.0% JPM EMBI Global Index (USD).
- (5) Short Duration Bonds Custom Benchmark consists of 100.0% Blmbg. U.S. Aggregate Index through 11/30/2023, 43.4% Blmbg. U.S. Aggregate Index, 28.5% Blmbg. U.S. Aggregate Index, 28.2% Bloomberg U.S. Gov/Credit 1-3 Year Index from 12/01/2023 through 12/31/2023, 43.6% Bloomberg U.S. Gov/Credit 1-3 Year Index, 28.7% Blmbg. U.S. Aggregate Index, 27.7% Bloomberg U.S. Gov/Credit 1-3 Year Index from 01/01/2024 through 01/31/2024 and 100.0% Bloomberg U.S. Gov/Credit 1-3 Year Index, thereafter.
- (6) SSIM Custom Benchmark consists of 100.0% Blmbg. U.S. Aggregate Index through 12/31/2023 and 100.0% Bloomberg U.S. Gov/Credit 1-3 Year Index, thereafter.
- (7) Longfellow Custom Benchmark consists of 100.0% Blmbg. U.S. Aggregate Index through 12/31/2023 and 100.0% Bloomberg U.S. Gov/Credit 1-3 Year Index, thereafter.
- (8) Bank Loans Custom Benchmark consists of 100.0% S&P UBS Leveraged Loan Index through 06/30/2025 and 100.0% Morningstar LSTA U.S. Leveraged Loan, thereafter.

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**Appendix: Callan Updates**

# Published Research Highlights: 4Q25

The Callan Periodic Table of Investment Returns: Year-End 2025



Research Café: Private Equity Secondary Funds



Callan 2025 Investment Management Fee Study



2025 Asset Manager Sustainable Investment Practices Study



## Recent Blog Posts

Putting the 'Frankenstein' of Indices Back in the Lab

Weston Lewis

Corporate DB Plan Risk: What We Know—and Think We Know

Corporate DB Plan Focus Group

You Spent That Much!? How Spending Policies Shape Endowment Sustainability

Adam Lozinski

## Additional Reading

- Active vs. Passive quarterly charts
- Capital Markets Review* quarterly newsletter
- Monthly Updates to the Periodic Table
- Market Pulse Flipbook* quarterly markets update
- Market Intelligence (clients-only)
- Real Estate Indicators* market outlook

# Callan Institute Events

Upcoming conferences, workshops, and webinars

## 2026 National Conference

Registration will open in January for this event in Scottsdale on April 20-22, 2026!

Our annual conference will feature mainstage speakers and Callan-led workshops on a variety of topics.

This year we welcome General Stanley McChrystal, Mark Blythe, and other amazing speakers to the stage! We will continue to update our website as we add additional information regarding this event!

Learn more about this event at:  
[callan.com/events/2026national](https://callan.com/events/2026national)



## Mark Your Calendar

### 2026 Regional Workshops

June 16, 2026 - Denver

June 18, 2026 – Chicago

October 20, 2026 – Atlanta

October 22, 2026 – San Francisco

*Watch your email for further details and an invitation.*

## Upcoming Webinars

### January 21, 2026

Capital Markets Assumptions Webinar

### January 23, 2026

4Q Market Intelligence Webinar

### February 25, 2026

Research Café: Sustainable Investment Interview Series

### March 26, 2026

STAR Webinar

# Introducing Callan On-Demand Education (CODE)

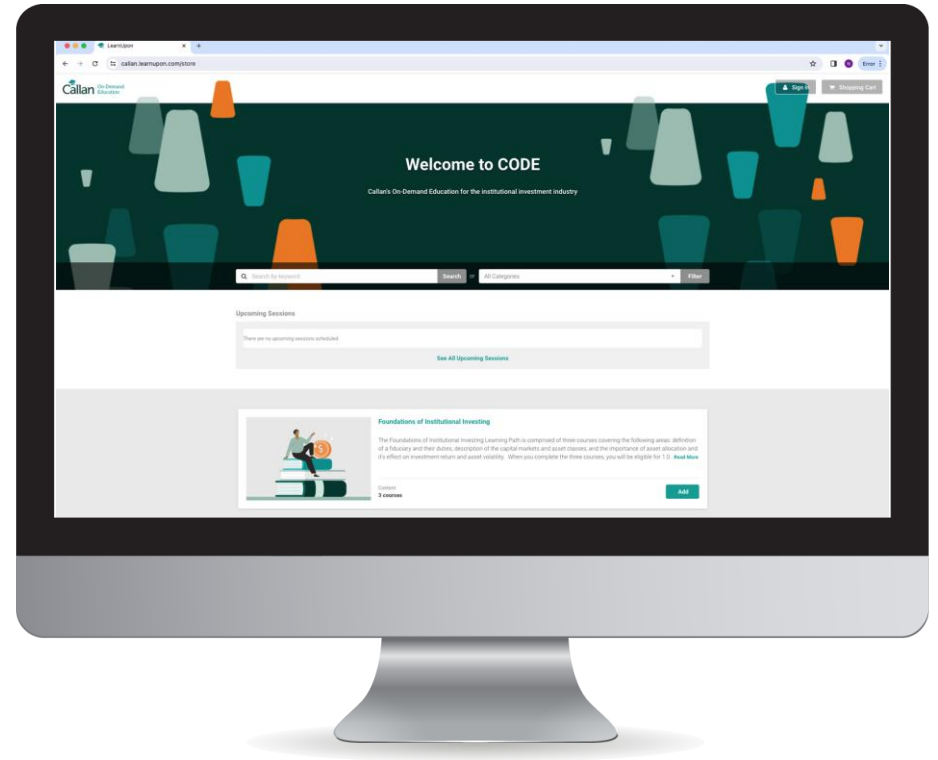


- ▶ Variety of educational courses
- ▶ Interactive and engaging
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- ▶ Learning at your own pace

**CODE** courses are designed for investment professionals of all levels—and they're self-guided. Access them anytime, from anywhere, and get continuing education credits for each completed course.

**CODE** is for you, your colleagues, your new hires, and your interns. It's for anyone interested in learning about institutional investing.

[callan.com/code](https://callan.com/code)



## 3 Reasons to Take CODE Courses

- 1 Become a better fiduciary
- 2 Showcase your skills and knowledge
- 3 Learn from Callan's investment experts

## Callan Updates

Firm updates by the numbers, as of December 31, 2025

**Total Associates:** ~205

**Company Ownership:**

- ▶ 100% employee ownership
- ▶ ~70% of employees are equity owners
- ▶ Well-diversified ownership

Total Investment Consultants: 50+

Total Specialty and Research Consultants: 65+

Total CFA/CAIA/FRMs: 60+

Total Institutional Investor Clients: 475+

Provides advisory services to institutional investor/asset owner clients with more than \$4+ trillion

**“Our study shows continued pressure on actual fees paid for active management, but the pace of fee compression seems to be slowing and may be approaching a practical lower limit for quality institutional products in some asset classes. Although the rate of decrease in active fees appears to be slowing, passive management market share has grown in some areas like U.S. small cap equity and core fixed income, where traditionally active management has been dominant.”**

— Ivan “Butch” Cliff, EVP, director of research, about Callan’s recently released *2025 Investment Management Fee Study*



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**Disclosures**

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## About Callan

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

# Callan

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### Regional Offices

Atlanta  
Chicago  
Denver  
New Jersey  
Portland



Callan