

## Dallas Police & Fire Pension System

December 31, 2025

Fund Evaluation Report

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

**Executive Summary**  
**As of December 31, 2025**

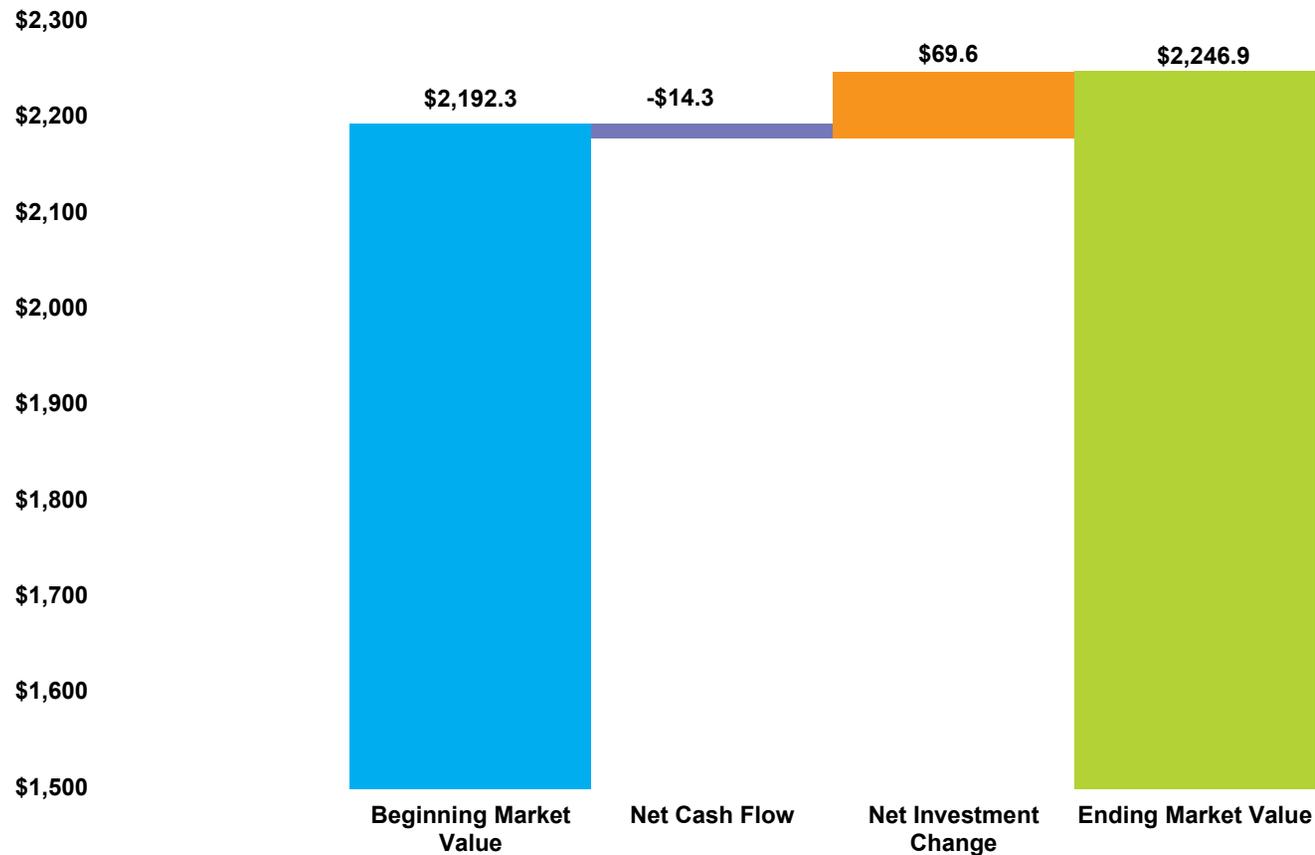
**DPFP Trailing One-Year Flash Summary**

Category	Results	Notes
Total Fund Performance Return	<b>Positive</b>	+16.4%
Performance vs. Policy Index	<b>Matched</b>	+16.4% vs. +16.4%
Performance vs. Peers <sup>1</sup>	<b>Outperformed</b>	+16.4% vs. +13.5% median (8th percentile)
Asset Allocation vs. Targets	<b>Detractive</b>	Underweight to Private Equity and overweight Real Estate detracted
Public Active Management	<b>Outperformed</b>	8 of 11 active public managers beat benchmarks
DPFP Public Markets vs. 60/40 <sup>2</sup>	<b>Outperformed</b>	+18.1% vs. +16.4%
DPFP Public Markets vs. Peer Plans	<b>Outperformed</b>	+18.1% vs. +13.5%
Safety Reserve Exposure	<b>Over Target</b>	\$260.2 million (approximately 11.6%)
Compliance with Targets	<b>Yes</b>	All asset classes in compliance

<sup>1</sup> InvMetrics All Public DB \$1-5 billion.

<sup>2</sup> Performance of Total Fund excluding private market investments relative to a 60% MSCI ACWI IMI Net/40% Barclays Global Aggregate Index.

### Quarterly Change in Market Value



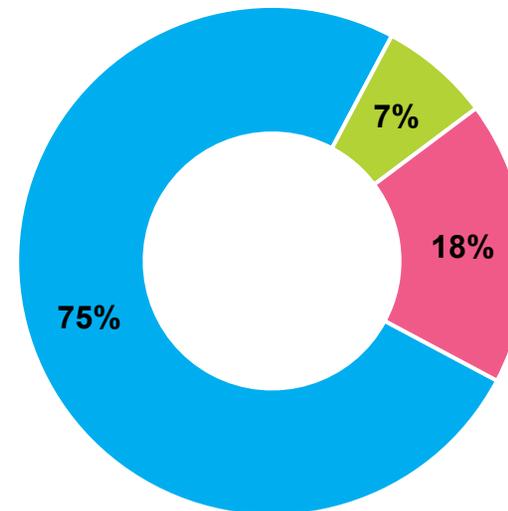
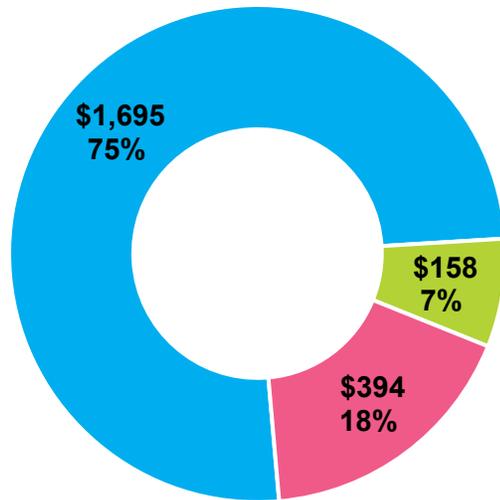
→ Total market value increased due to positive performance despite negative net cash flow.

### Liquidity Exposure As of December 31, 2025

Exposure (\$M)			Targets		
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■ Daily or Weekly ■ Monthly ■ Illiquid

■ Daily or Weekly ■ Monthly ■ Illiquid



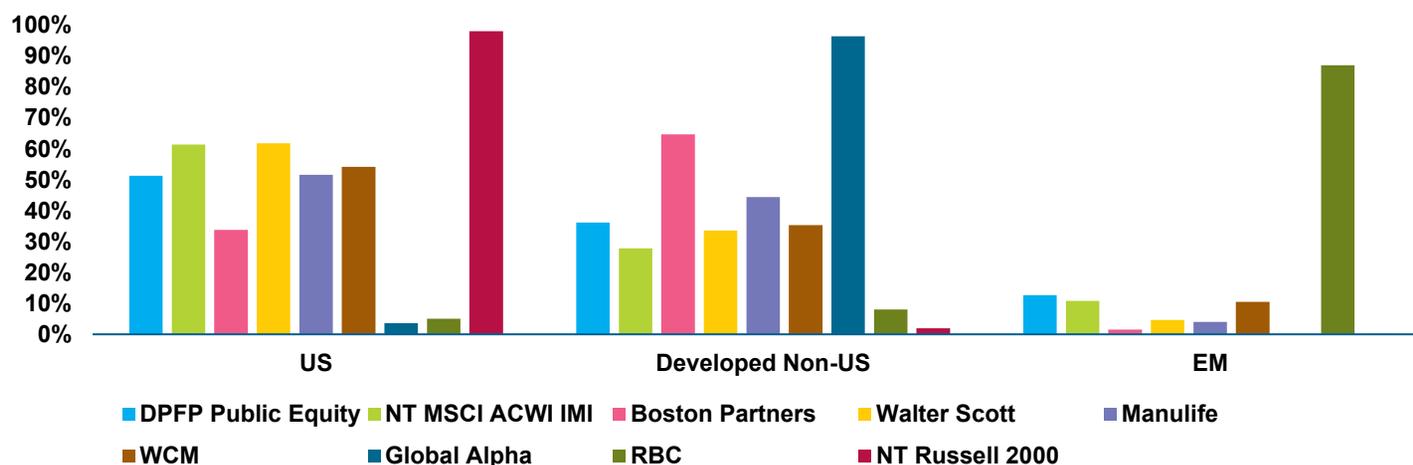
→ Approximately 18% of the DFPF's assets are illiquid versus 18% of the target allocation.

### Quarterly Manager Scorecard

	1-Year Outperformance vs. Benchmark	3-Year Outperformance vs. Benchmark	5-Year Outperformance vs. Benchmark
Boston Partners Global Equity Fund	Yes	No	Yes
Manulife Global Equity Strategy	No	No	No
Walter Scott Global Equity Fund	No	No	No
WCM Global Equity	Yes	NA	NA
Global Alpha Int'l Small Cap	No	No	NA
RBC Emerging Markets Equity	Yes	Yes	Yes
IR&M 1-3 Year Strategy	Yes	Yes	Yes
Longfellow Core Fixed Income	Yes	Yes	Yes
Aristotle Pacific Capital Bank Loan	Yes	Yes	Yes
Loomis High Yield Fund	Yes	No	No
Metlife Emerging Markets Debt	Yes	Yes	NA

### Equity Regional Exposure<sup>1</sup>

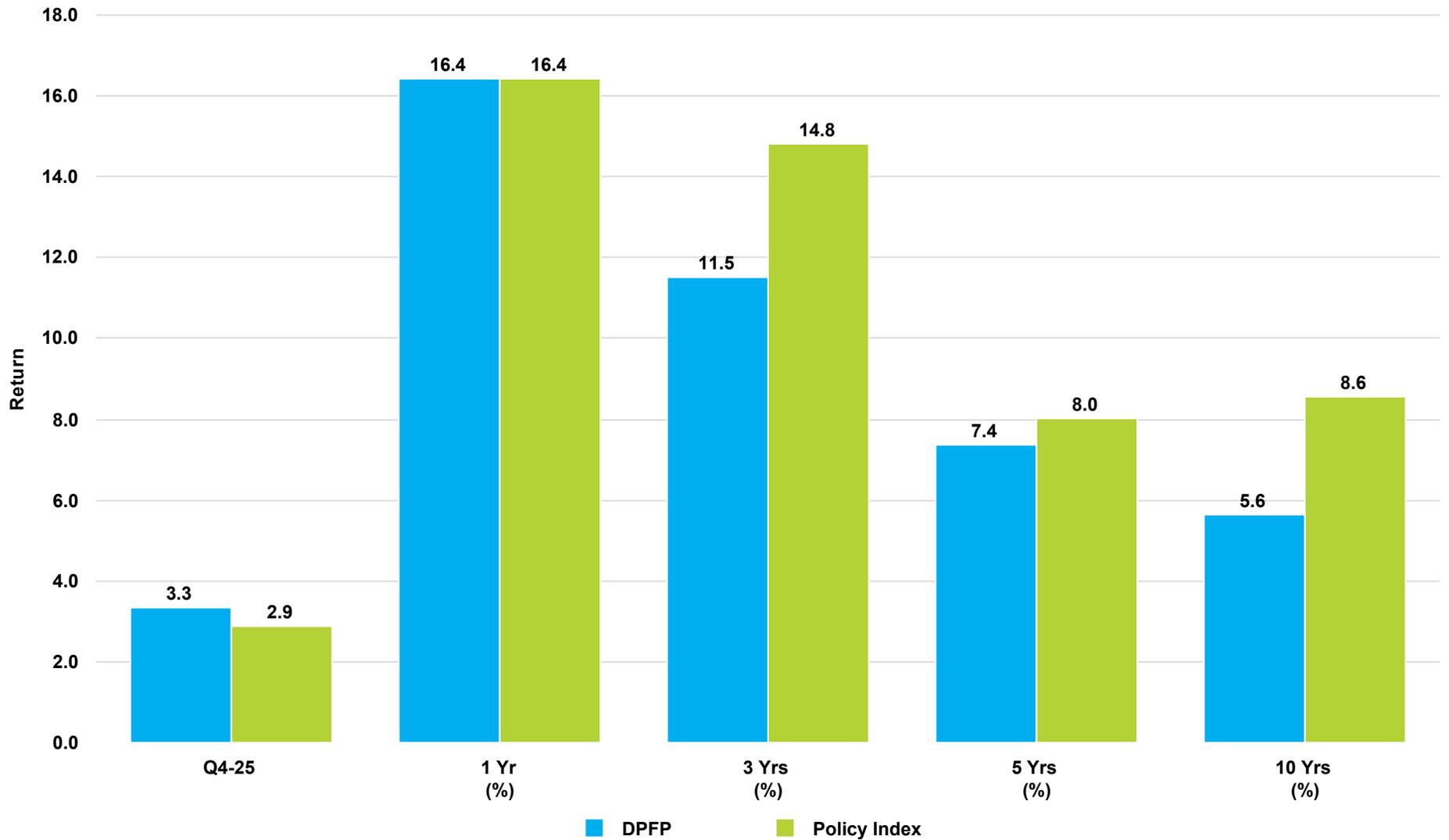
	Market Value (\$)	% of DFPF Public Equity	US (%)	Developed Non-US (%)	EM (%)
NT MSCI ACWI IMI	483,916,885	39	61	28	11
Boston Partners	138,910,207	11	34	65	2
Manulife	137,580,080	11	52	44	4
Walter Scott	133,290,933	11	62	34	5
WCM	129,680,650	10	54	35	11
RBC	88,388,701	7	5	8	87
NT Russell 2000	62,080,097	5	98	2	--
Global Alpha	65,156,552	5	4	96	--
<b>DFPF Public Equity</b>	<b>1,239,004,105</b>	<b>100</b>	<b>51</b>	<b>36</b>	<b>13</b>
<i>MSCI ACWI IMI</i>			<i>61</i>	<i>28</i>	<i>11</i>



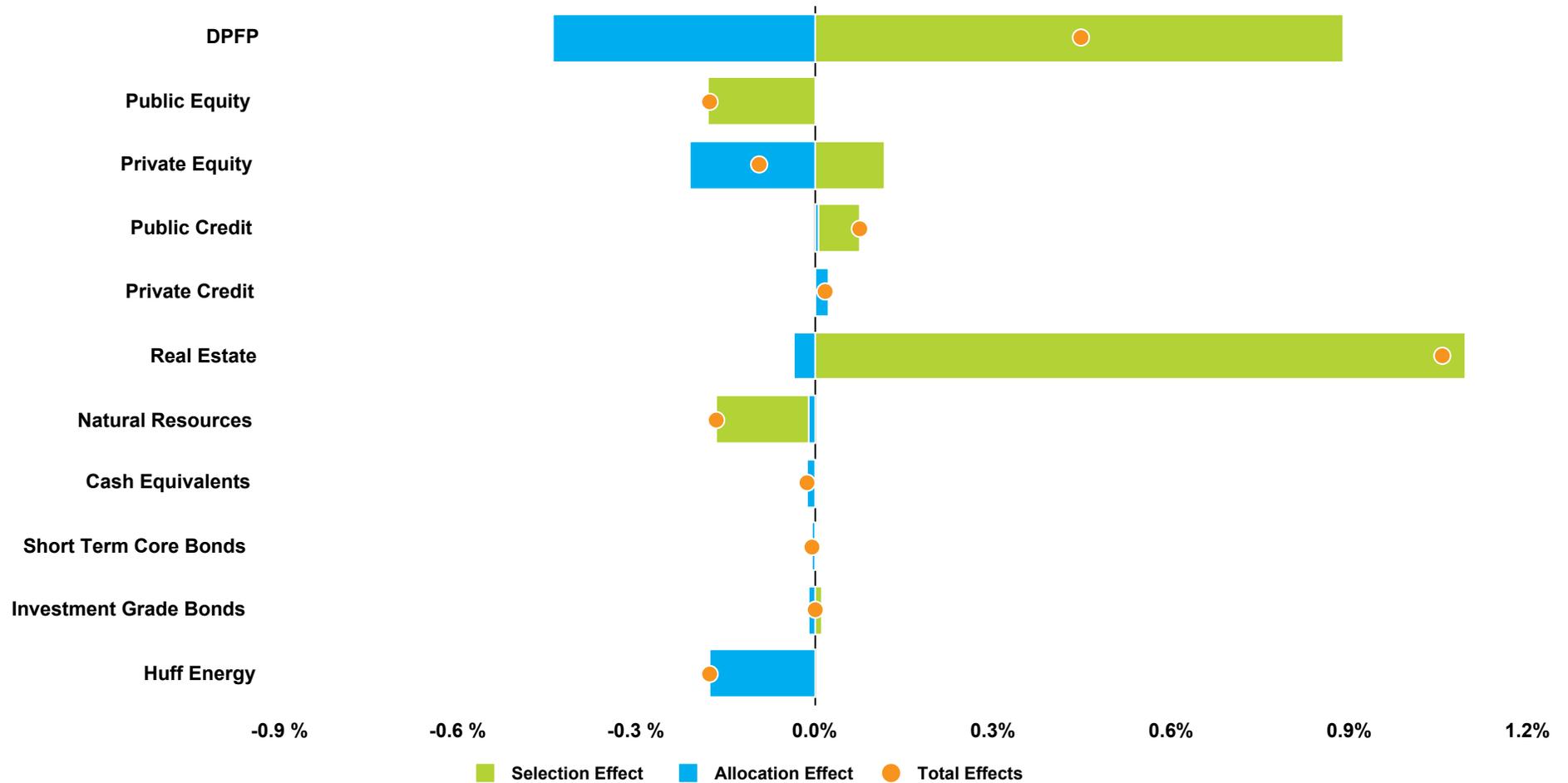
<sup>1</sup> Percentages may not always sum to 100% due to rounding. Given the multinational nature of many of the underlying holdings in these strategies, country allocation is not always clear and can vary between different data sources.

**Performance Update  
As of December 31, 2025**

#### Net Return Summary Ending December 31, 2025

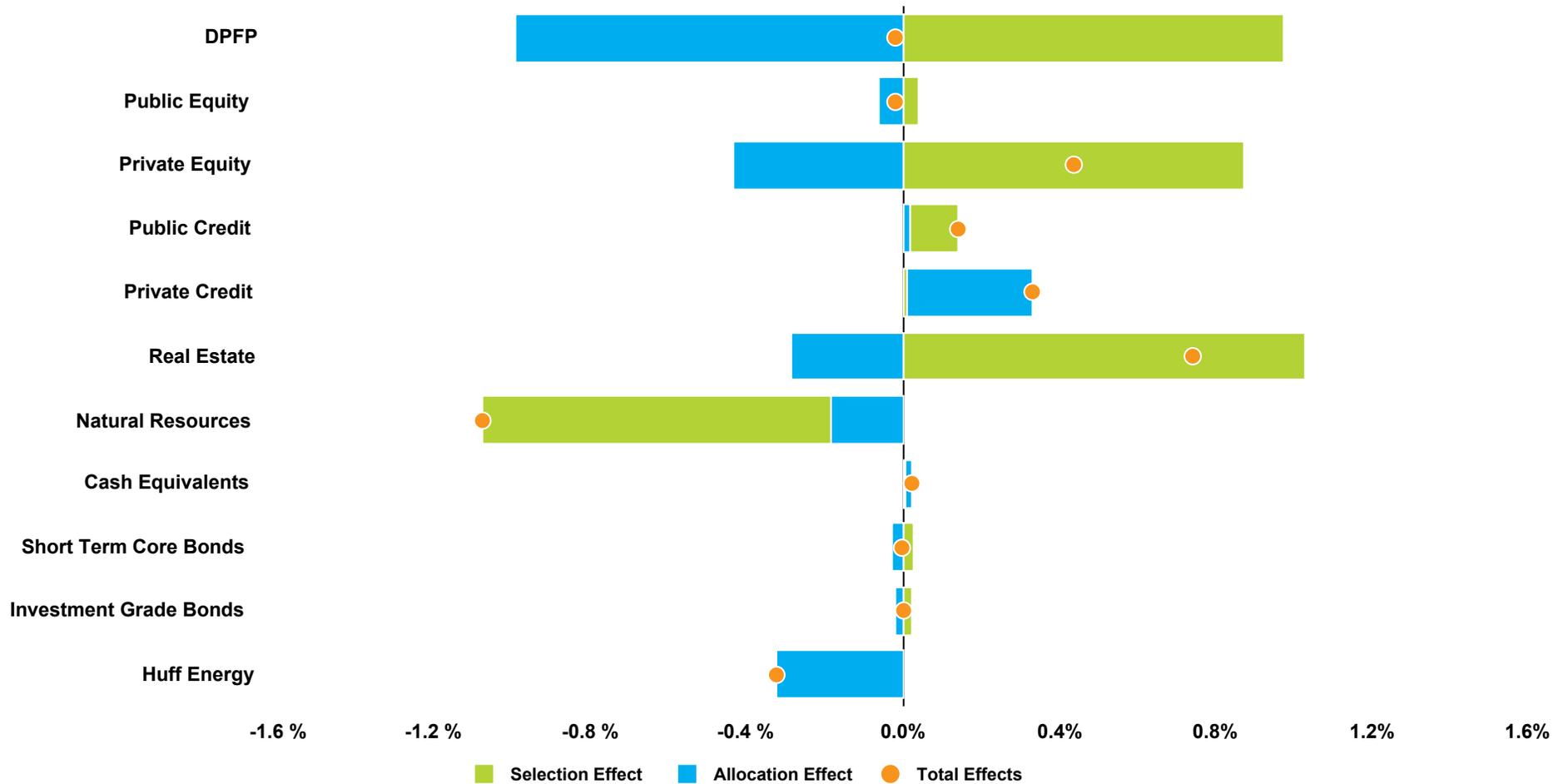


#### Attribution Effects vs. Policy Benchmark 3 Months Ending December 31, 2025



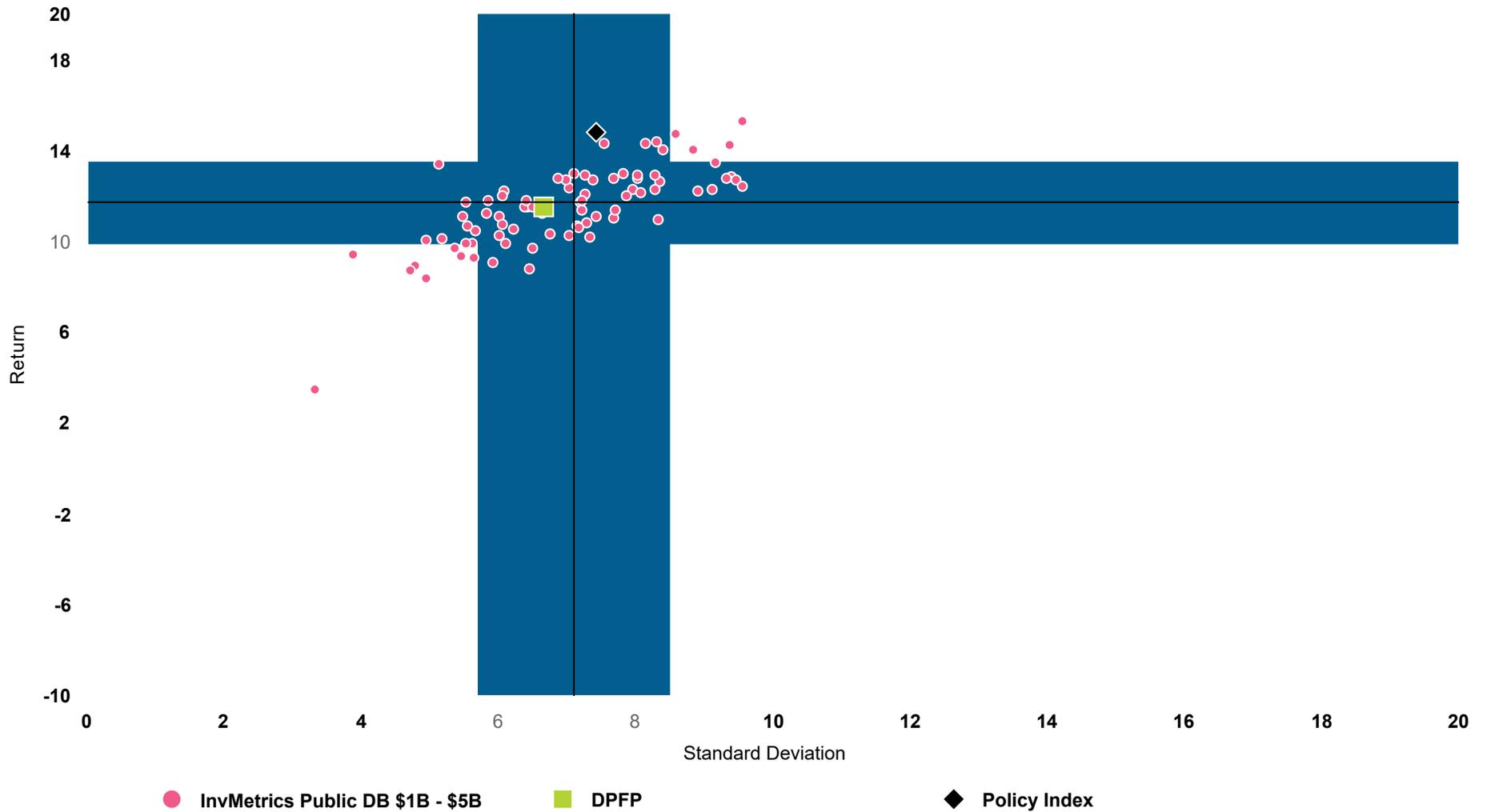
The performance calculation methodology in attribution tables is different from the standard time weighted returns (geometric linkage of monthly returns) found throughout the rest of the report. In attribution tables, the average weight of each asset class (over the specified time period) is multiplied by the time period performance of that asset class and summed. Values may not sum due to rounding.

#### Attribution Effects vs. Policy Benchmark 1 Year Ending December 31, 2025



The performance calculation methodology in attribution tables is different from the standard time weighted returns (geometric linkage of monthly returns) found throughout the rest of the report. In attribution tables, the average weight of each asset class (over the specified time period) is multiplied by the time period performance of that asset class and summed. Values may not sum due to rounding.

### Annualized Return vs. Annualized Standard Deviation 3 Years Ending December 31, 2025



## Trailing Net Performance | As of December 31, 2025

Asset Class Performance Summary (Net)									
	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
<b>DPFP</b>	<b>2,246,866,463</b>	<b>100.0</b>	<b>3.3</b>	<b>16.4</b>	<b>11.5</b>	<b>7.4</b>	<b>5.6</b>	<b>6.0</b>	<b>Jun-96</b>
<i>Policy Index</i>			2.9	16.4	14.8	8.0	8.6	--	
<i>Allocation Index</i>			2.5	15.9	13.1	8.1	8.3	7.5	
<i>Total Fund Ex Private Markets</i>			2.6	18.1	15.3	7.5	8.9	--	
<i>60% MSCI ACWI IMI Net/40% Bloomberg Global Aggregate Index</i>			2.0	16.4	13.4	5.5	7.5	6.3	
<b>Public Equity</b>	<b>1,239,004,105</b>	<b>55.1</b>	<b>3.0</b>	<b>22.8</b>	<b>18.8</b>	<b>10.2</b>	<b>11.6</b>	<b>8.2</b>	<b>Jul-06</b>
<i>MSCI AC World IMI Index (Net)</i>			3.2	22.1	20.0	10.7	11.4	8.0	
<b>Private Equity</b>	<b>48,505,686</b>	<b>2.2</b>	<b>14.2</b>	<b>68.8</b>	<b>15.1</b>	<b>18.0</b>	<b>3.0</b>	<b>2.7</b>	<b>Oct-05</b>
<i>MSCI ACWI IMI (Net) +2% (Q Lag)</i>			8.2	19.1	24.9	15.5	13.8	10.6	
<b>Huff Energy</b>	<b>130,338,350</b>	<b>5.8</b>	<b>-0.1</b>	<b>8.8</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>8.8</b>	<b>Jan-25</b>
<b>Public Credit</b>	<b>233,730,594</b>	<b>10.4</b>	<b>2.3</b>	<b>10.2</b>	<b>10.4</b>	<b>3.5</b>	<b>--</b>	<b>3.9</b>	<b>May-18</b>
<i>Credit Blended Benchmark</i>			1.6	9.0	9.6	4.5	--	4.9	
<b>Private Credit</b>	<b>1,003,689</b>	<b>0.0</b>	<b>-4.9</b>	<b>17.3</b>	<b>6.8</b>	<b>20.3</b>	<b>--</b>	<b>-8.5</b>	<b>Jan-18</b>
<i>50% Bloomberg US HY / 50% S&amp;P UBS Lev Loan +1% 1Q Lag</i>			2.4	8.3	11.5	7.3	--	6.3	
<b>Real Estate</b>	<b>128,613,217</b>	<b>5.7</b>	<b>24.1</b>	<b>25.3</b>	<b>12.0</b>	<b>8.8</b>	<b>5.1</b>	<b>4.2</b>	<b>Mar-85</b>
<i>NCREIF Property (1Qtr Lagged)</i>			1.2	4.6	-2.6	3.8	5.0	7.3	
<b>Natural Resources</b>	<b>72,534,562</b>	<b>3.2</b>	<b>-4.0</b>	<b>-18.8</b>	<b>-13.7</b>	<b>-7.9</b>	<b>-4.5</b>	<b>-0.5</b>	<b>Jan-11</b>
<i>NCREIF Farmland (Q Lag)</i>			0.5	-0.4	2.6	4.7	5.4	8.8	
<b>Infrastructure</b>	<b>12,816,183</b>	<b>0.6</b>	<b>-4.8</b>	<b>-8.1</b>	<b>-1.5</b>	<b>11.6</b>	<b>7.2</b>	<b>5.9</b>	<b>Jul-12</b>
<i>S&amp;P Global Infrastructure TR USD</i>			2.4	22.6	14.6	11.0	9.4	8.6	

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
<b>Cash Equivalents</b>	<b>92,562,646</b>	<b>4.1</b>	<b>1.0</b>	<b>4.3</b>	<b>5.0</b>	<b>3.3</b>	<b>2.4</b>	<b>2.3</b>	<b>Apr-15</b>
<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>2.0</i>	
<b>Short Term Core Bonds</b>	<b>167,596,623</b>	<b>7.5</b>	<b>1.2</b>	<b>5.8</b>	<b>5.3</b>	<b>2.4</b>	<b>--</b>	<b>2.7</b>	<b>Jul-17</b>
<i>Blmbg. U.S. Aggregate 1-3 Yrs</i>			<i>1.2</i>	<i>5.4</i>	<i>4.8</i>	<i>2.0</i>	<i>--</i>	<i>2.2</i>	
<b>Investment Grade Bonds</b>	<b>120,160,807</b>	<b>5.3</b>	<b>1.3</b>	<b>7.8</b>	<b>5.4</b>	<b>0.1</b>	<b>--</b>	<b>1.4</b>	<b>Oct-19</b>
<i>Blmbg. U.S. Aggregate Index</i>			<i>1.1</i>	<i>7.3</i>	<i>4.7</i>	<i>-0.4</i>	<i>--</i>	<i>0.9</i>	

## 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
<b>DPFP</b>	<b>2,246,866,463</b>	<b>100.0</b>	<b>3.3</b>	<b>16.4</b>	<b>11.5</b>	<b>7.4</b>	<b>5.6</b>	<b>6.0</b>	<b>Jun-96</b>
<i>Policy Index</i>			2.9	16.4	14.8	8.0	8.6	--	
<i>Allocation Index</i>			2.5	15.9	13.1	8.1	8.3	7.5	
<i>Total Fund Ex Private Markets</i>			2.6	18.1	15.3	7.5	8.9	--	
<i>60% MSCI ACWI IMI Net/40% Bloomberg Global Aggregate Index</i>			2.0	16.4	13.4	5.5	7.5	6.3	
InvMetrics Public DB \$1B - \$5B Rank			1	8	54	42	100	100	
<b>Public Equity</b>	<b>1,239,004,105</b>	<b>55.1</b>	<b>3.0</b>	<b>22.8</b>	<b>18.8</b>	<b>10.2</b>	<b>11.6</b>	<b>8.2</b>	<b>Jul-06</b>
<i>MSCI AC World IMI Index (Net)</i>			3.2	22.1	20.0	10.7	11.4	8.0	
eV All Global Equity Rank			52	36	40	46	35	44	
NT ACWI Index IMI	483,916,885	21.5	3.3	22.4	20.4	--	--	10.6	Apr-21
<i>MSCI AC World IMI Index (Net)</i>			3.2	22.1	20.0	--	--	10.2	
eV Global All Cap Equity Rank			48	41	32	--	--	29	
Walter Scott Global Equity Fund	133,290,933	5.9	1.5	10.2	13.8	7.0	11.1	9.9	Dec-09
<i>MSCI ACWI Net</i>			3.3	22.3	20.7	11.2	11.7	10.1	
eV Global Large Cap Growth Eq Rank			44	66	67	46	55	58	
WCM Global Equity	129,680,650	5.8	-1.2	26.5	--	--	--	31.2	Dec-23
<i>MSCI AC World Index Growth (Net)</i>			2.8	22.4	--	--	--	24.8	
eV Global Large Cap Growth Eq Rank			75	8	--	--	--	5	
Boston Partners Global Equity Fund	138,910,207	6.2	5.6	34.7	18.4	14.8	--	11.0	Jul-17
<i>MSCI World Net</i>			3.1	21.1	21.2	12.1	--	12.2	
eV Global All Cap Value Eq Rank			50	20	41	20	--	18	
Manulife Global Equity Strategy	137,580,080	6.1	3.6	18.7	16.6	10.7	--	10.0	Jul-17
<i>MSCI ACWI Net</i>			3.3	22.3	20.7	11.2	--	11.5	
eV Global Large Cap Value Eq Rank			68	84	36	54	--	27	
NT Russell 2000 Index	62,080,097	2.8	2.2	--	--	--	--	5.3	Sep-25
<i>Russell 2000 Index (Net)</i>			2.1	--	--	--	--	5.2	
eV US Small Cap Equity Rank			45	--	--	--	--	22	

## Trailing Net Performance | As of December 31, 2025

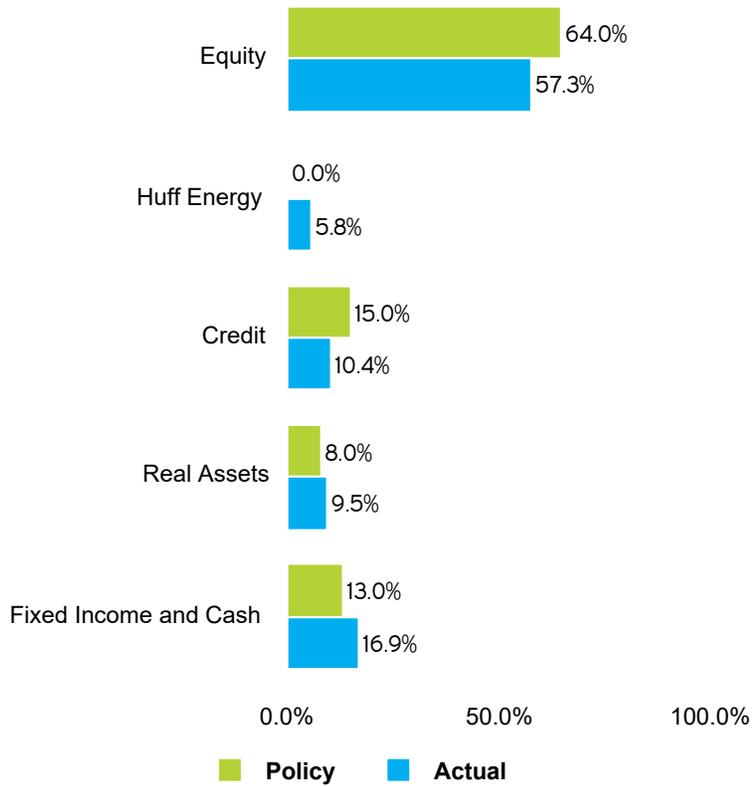
	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Global Alpha International Small Cap	65,156,552	2.9	2.2	22.5	7.9	--	--	3.7	May-22
<i>MSCI EAFE Small Cap (Net)</i>			2.7	31.8	15.0	--	--	9.6	
eV Global Small Cap Equity Rank			53	28	79	--	--	87	
RBC Emerging Markets Equity	88,388,701	3.9	6.8	34.0	16.7	5.5	--	6.1	Jan-18
<i>MSCI Emerging Markets IMI (Net)</i>			4.3	31.4	16.3	4.7	--	5.1	
eV Emg Mkts Equity Rank			15	42	51	48	--	34	
<b>Private Equity</b>	<b>48,505,686</b>	<b>2.2</b>	<b>14.2</b>	<b>68.8</b>	<b>15.1</b>	<b>18.0</b>	<b>3.0</b>	<b>2.7</b>	<b>Oct-05</b>
<i>MSCI ACWI IMI (Net) +2% (Q Lag)</i>			8.2	19.1	24.9	15.5	13.8	10.6	
<b>Huff Energy</b>	<b>130,338,350</b>	<b>5.8</b>	<b>-0.1</b>	<b>8.8</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>8.8</b>	<b>Jan-25</b>
<b>Public Credit</b>	<b>233,730,594</b>	<b>10.4</b>	<b>2.3</b>	<b>10.2</b>	<b>10.4</b>	<b>3.5</b>	<b>--</b>	<b>3.9</b>	<b>May-18</b>
<i>Credit Blended Benchmark</i>			1.6	9.0	9.6	4.5	--	4.9	
Aristotle Pacific Capital Bank Loan	89,752,901	4.0	1.8	6.8	9.8	6.8	--	5.6	Aug-17
<i>S&amp;P UBS Leveraged Loan Index</i>			1.2	5.9	9.3	6.4	--	5.4	
eV US Float-Rate Bank Loan Fixed Inc Rank			1	5	8	5	--	4	
Loomis US High Yield Fund	75,324,496	3.4	1.3	9.9	10.1	4.0	--	4.0	Dec-20
<i>Blmbg. U.S. High Yield - 2% Issuer Cap</i>			1.3	8.6	10.1	4.5	--	4.8	
eV US High Yield Fixed Inc Rank			59	4	17	72	--	89	
Metlife Emerging Markets Debt Blend	68,653,197	3.1	4.0	15.5	11.1	--	--	12.7	Oct-22
<i>Metlife Custom Benchmark</i>			2.5	13.5	9.3	--	--	10.8	
eV All Emg Mkts Fixed Inc Rank			19	42	32	--	--	39	
<b>Private Credit</b>	<b>1,003,689</b>	<b>0.0</b>	<b>-4.9</b>	<b>17.3</b>	<b>6.8</b>	<b>20.3</b>	<b>--</b>	<b>-8.5</b>	<b>Jan-18</b>
<i>50% Bloomberg US HY / 50% S&amp;P UBS Lev Loan +1% 1Q Lag</i>			2.4	8.3	11.5	7.3	--	6.3	
<b>Real Estate</b>	<b>128,613,217</b>	<b>5.7</b>	<b>24.1</b>	<b>25.3</b>	<b>12.0</b>	<b>8.8</b>	<b>5.1</b>	<b>4.2</b>	<b>Mar-85</b>
<i>NCREIF Property (1Qtr Lagged)</i>			1.2	4.6	-2.6	3.8	5.0	7.3	
<b>Natural Resources</b>	<b>72,534,562</b>	<b>3.2</b>	<b>-4.0</b>	<b>-18.8</b>	<b>-13.7</b>	<b>-7.9</b>	<b>-4.5</b>	<b>-0.5</b>	<b>Jan-11</b>
<i>NCREIF Farmland (Q Lag)</i>			0.5	-0.4	2.6	4.7	5.4	8.8	
<b>Infrastructure</b>	<b>12,816,183</b>	<b>0.6</b>	<b>-4.8</b>	<b>-8.1</b>	<b>-1.5</b>	<b>11.6</b>	<b>7.2</b>	<b>5.9</b>	<b>Jul-12</b>
<i>S&amp;P Global Infrastructure TR USD</i>			2.4	22.6	14.6	11.0	9.4	8.6	

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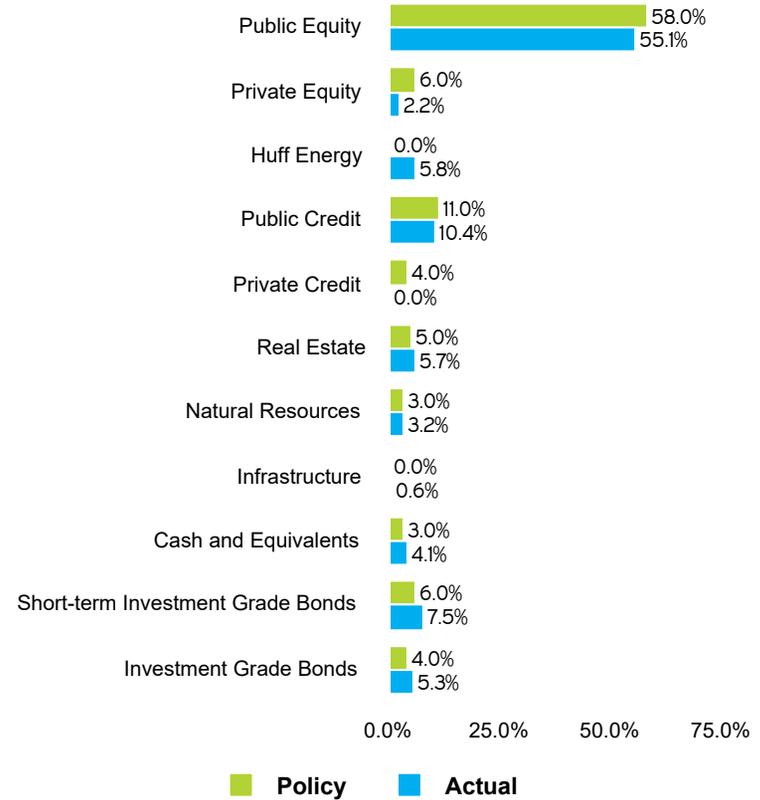
	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
<b>Fixed Income and Cash</b>	<b>380,320,076</b>	<b>16.9</b>	<b>1.2</b>	<b>5.9</b>	<b>5.1</b>	<b>1.8</b>	<b>--</b>	<b>2.4</b>	<b>May-18</b>
<i>Fixed Income and Cash Blended Benchmark</i>			<i>1.1</i>	<i>5.7</i>	<i>4.8</i>	<i>1.5</i>	<i>--</i>	<i>2.4</i>	
Cash Equivalents	92,562,646	4.1	1.0	4.3	5.0	3.3	2.4	4.7	Jul-96
<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>2.4</i>	
IR&M 1-3 Year Strategy	167,596,623	7.5	1.2	5.8	5.3	2.4	--	2.7	Jul-17
<i>Blmbg. U.S. Aggregate 1-3 Yrs</i>			<i>1.2</i>	<i>5.4</i>	<i>4.8</i>	<i>2.0</i>	<i>--</i>	<i>2.2</i>	
eV US Short Duration Fixed Inc Rank			34	47	45	43	--	33	
Longfellow Core Fixed Income	120,160,807	5.3	1.3	7.8	5.5	0.2	--	0.5	Jul-20
<i>Blmbg. U.S. Aggregate Index</i>			<i>1.1</i>	<i>7.3</i>	<i>4.7</i>	<i>-0.4</i>	<i>--</i>	<i>-0.1</i>	
eV US Core Fixed Inc Rank			3	16	15	18	--	26	

DPFP | As of December 31, 2025

**Asset Category Actual vs Target Allocation (%)**  
As of December 31, 2025



**Asset Class Actual vs Target Allocation (%)**  
As of December 31, 2025

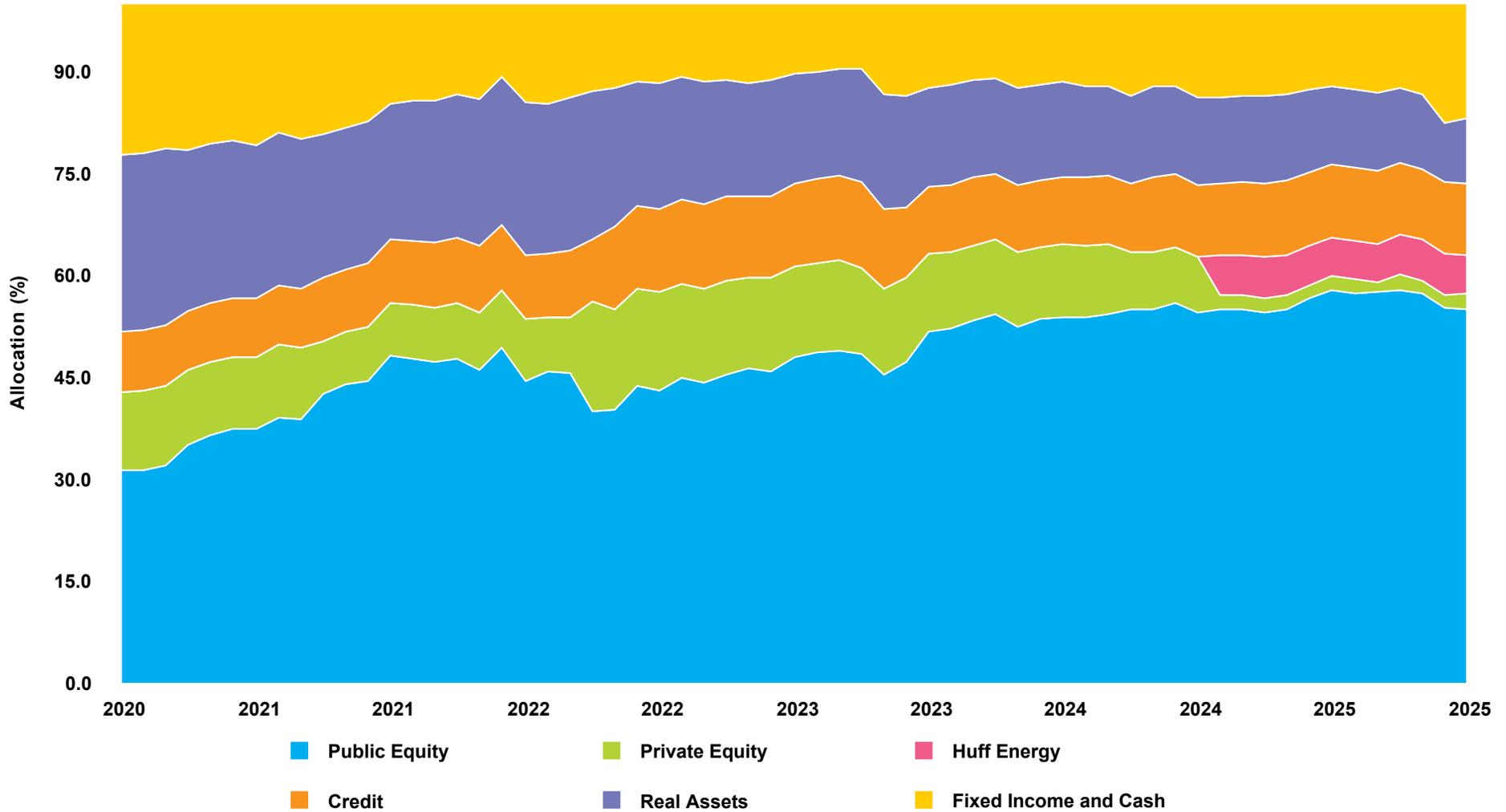


Asset Allocation Compliance | As of December 31, 2025

Allocation vs. Targets					
	Balance (\$)	Current Allocation (%)	Policy (%)	Policy Range (%)	Within IPS Range?
Equity	1,287,509,792	57	64		
Public Equity	1,239,004,105	55	58	50 - 66	Yes
Private Equity	48,505,686	2	6		
Huff Energy	130,338,350	6	0		
Huff Energy	130,338,350	6	0		
Credit	234,734,283	10	15		
Public Credit	233,730,594	10	11	7 - 15	Yes
Private Credit	1,003,689	0	4		
Real Assets	213,963,962	10	8		
Real Estate	128,613,217	6	5		
Natural Resources	72,534,562	3	3		
Infrastructure	12,816,183	1	0		
Fixed Income and Cash	380,320,076	17	13		
Cash and Equivalents	92,562,646	4	3	0 - 6	Yes
Short-term Investment Grade Bonds	167,596,623	7	6	0 - 9	Yes
Investment Grade Bonds	120,160,807	5	4	2 - 6	Yes
<b>Total</b>	<b>2,246,866,463</b>	<b>100</b>	<b>100</b>		

As of 12/31/2025, the Safety Reserve Exposure was approximately \$260.2 million (11.6%).  
 Rebalancing ranges are not established for illiquid assets (Private Equity, Private Debt, Natural Resources, Infrastructure, and Real Estate).

#### Asset Allocation History vs. Policy 5 Years Ending December 31, 2025



Huff Energy was classified with private equity prior to 2025.

Multi Time Period Statistics | As of December 31, 2025

Statistics Summary 5 Years Ending December 31, 2025						
	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
DPFP	7.4	7.4	-0.1	0.7	0.6	5.0
Policy Index	8.0	9.0	-	1.0	0.6	0.0
Public Equity	10.2	13.9	-0.3	1.0	0.5	2.0
MSCI AC World IMI Index (Net)	10.7	13.9	-	1.0	0.6	0.0
Private Equity	18.0	55.0	0.2	-0.7	0.4	59.7
Russell 3000 + 2% Lagged	15.6	15.2	-	1.0	0.8	0.0
Huff Energy	-	-	-	-	-	-
Russell 3000 +2% Lagged	15.4	15.2	-	1.0	0.8	0.0
Public Credit	3.5	6.0	0.5	0.7	0.1	3.2
Public Credit Benchmark	1.9	7.5	-	1.0	-0.1	0.0
Private Credit	20.3	35.3	0.5	0.2	0.6	35.5
50% Bloomberg US HY / 50% S&P UBS Lev Loan +1% 1Q Lag	7.3	4.6	-	1.0	0.9	0.0
Total Real Assets	3.5	5.9	-0.1	0.6	0.1	5.6
Total Real Assets Policy Index	4.3	3.6	-	1.0	0.3	0.0
Real Estate	8.8	11.4	0.4	0.1	0.5	12.3
NCREIF Property (1Qtr Lagged)	3.8	5.5	-	1.0	0.1	0.0
Natural Resources	-7.9	7.4	-1.6	0.1	-1.5	7.9
NCREIF Farmland (Q Lag)	4.7	3.1	-	1.0	0.5	0.0
Infrastructure	11.6	14.3	0.0	0.0	0.6	20.1
S&P Global Infrastructure TR USD	11.0	13.8	-	1.0	0.6	0.0
Total Fixed Income and Cash	3.0	3.9	0.7	1.2	0.0	2.0
Fixed Income and Cash Blended Benchmark	1.5	2.9	-	1.0	-0.6	0.0

Multi Time Period Statistics | As of December 31, 2025

	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Cash Equivalents	3.3	0.7	0.5	1.0	0.5	0.3
ICE BofA 3 Month U.S. T-Bill	3.2	0.6	-	1.0	-	0.0
Short Term Core Bonds	2.4	2.0	1.1	1.0	-0.4	0.4
Blmbg. U.S. Aggregate 1-3 Yrs	2.0	2.0	-	1.0	-0.6	0.0
Investment Grade Bonds	0.1	6.3	0.6	1.0	-0.5	0.8
Blmbg. U.S. Aggregate Index	-0.4	6.3	-	1.0	-0.5	0.0

## Benchmark History | As of December 31, 2025

### Benchmark History

From Date	To Date	Benchmark
<b>DPFP</b>		
01/01/2025	Present	4.0% Blmbg. U.S. Aggregate Index, 6.0% Blmbg. U.S. Aggregate 1-3 Yrs, 58.0% MSCI AC World IMI Index, 3.0% ICE BofA 3 Month U.S. T-Bill, 11.0% Public Credit BM, 5.0% NCREIF Property (1Qtr Lagged), 3.0% NCREIF Farmland (Q Lag), 4.0% 50% Bloomberg US HY / 50% S&P UBS Lev Loan +1% 1Q Lag, 6.0% MSCI ACWI IMI (Net) +2% (Q Lag)
10/01/2021	12/31/2024	4.0% Blmbg. U.S. Aggregate Index, 4.0% Blmbg. U.S. Corp: High Yield Index, 6.0% Blmbg. U.S. Aggregate 1-3 Yrs, 5.0% MSCI Emerging Markets IMI (Net), 55.0% MSCI AC World IMI Index (Net), 3.0% ICE BofA 3 Month U.S. T-Bill, 5.0% Russell 3000 +2% 1Q Lag, 5.0% NCREIF Property (1Qtr Lagged), 5.0% NCREIF Farmland (Q Lag), 4.0% 50% JPM EMBI/50% JPM GBI-EM, 4.0% S&P/LSTA Leveraged Loan
08/01/2021	09/30/2021	4.0% Blmbg. U.S. Aggregate Index, 4.0% Blmbg. U.S. Corp: High Yield Index, 6.0% Blmbg. U.S. Aggregate 1-3 Yrs, 5.0% MSCI Emerging Markets IMI (Net), 55.0% MSCI AC World IMI Index (Net), 3.0% ICE BofA 3 Month U.S. T-Bill, 5.0% NCREIF Property (1Qtr Lagged), 5.0% NCREIF Farmland (Q Lag), 4.0% 50% JPM EMBI/50% JPM GBI-EM, 4.0% S&P/LSTA Leveraged Loan, 5.0% Cambridge Associates UE PE and VC (1 Qtr Lag)
01/01/2019	07/31/2021	4.0% Blmbg. U.S. Aggregate Index, 4.0% Blmbg. U.S. Corp: High Yield Index, 12.0% Blmbg. U.S. Aggregate 1-3 Yrs, 10.0% MSCI Emerging Markets IMI (Net), 40.0% MSCI AC World IMI Index (Net), 4.0% Blmbg. Global Aggregate Index, 3.0% ICE BofA 3 Month U.S. T-Bill, 5.0% NCREIF Property (1Qtr Lagged), 5.0% NCREIF Farmland (Q Lag), 4.0% 50% JPM EMBI/50% JPM GBI-EM, 4.0% S&P/LSTA Leveraged Loan, 5.0% Cambridge Associates UE PE and VC (1 Qtr Lag)
10/01/2018	12/31/2018	4.0% Blmbg. U.S. Aggregate Index, 10.0% MSCI Emerging Markets Index, 40.0% MSCI AC World Index, 5.0% NCREIF Property Index, 4.0% Blmbg. U.S. High Yield - 2% Issuer Cap, 12.0% Blmbg. U.S. Aggregate 1-3 Yrs, 4.0% Blmbg. Global Aggregate Index, 3.0% ICE BofA 3 Month U.S. T-Bill, 5.0% Russell 3000 +2% Lagged, 4.0% 50% JPM EMBI/50% JPM GBI-EM, 4.0% S&P/LSTA Leveraged Loan, 5.0% Natural Resources Benchmark (Linked)
04/01/2016	09/30/2018	5.0% MSCI Emerging Markets Index, 20.0% MSCI AC World Index, 2.0% HFRX Absolute Return Index, 12.0% NCREIF Property Index, 2.0% Blmbg. U.S. Aggregate 1-3 Yrs, 3.0% Blmbg. Global Aggregate Index, 5.0% Blmbg. Global High Yield Index, 2.0% ICE BofA 3 Month U.S. T-Bill, 3.0% CPI +5% (Seasonally Adjusted), 5.0% Russell 3000 +2% Lagged, 6.0% 50% JPM EMBI/50% JPM GBI-EM, 6.0% HFRI RV: FI (50/50-ABS/Corp), 5.0% Barclays Global High Yield +2%, 8.0% 60% MSCI ACWI/40% Barclays Global Agg, 5.0% S&P Global Infrastructure TR USD, 6.0% S&P/LSTA Leveraged Loan, 5.0% Natural Resources Benchmark (Linked)
<b>Public Credit</b>		
01/01/2003	Present	35.0% Blmbg. U.S. Corp: High Yield Index, 35.0% S&P UBS Leveraged Loan Index, 30.0% 35% JPMEMBI Global Index/35% JPM CEMBI Broad Diversified Index/ 30% JPMGBI-EM Di
<b>Private Credit</b>		
01/01/1992	Present	50.0% Bloomberg U.S. High Yield 1Q Lagged +1%, 50.0% S&P UBS Leveraged Loans (1Q Lag) +1%
<b>Fixed Income and Cash</b>		
01/01/1993	Present	23.0% ICE BofA 3 Month U.S. T-Bill, 46.0% Blmbg. U.S. Aggregate 1-3 Yrs, 31.0% Blmbg. U.S. Aggregate Index

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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.