

State of Alaska
ALASKA RETIREMENT MANAGEMENT BOARD
Relating to Real Assets Annual Investment Plan

Resolution 2025-18

WHEREAS, the Alaska Retirement Management Board (Board) was established by law to serve as trustee to the assets of the State's retirement systems; and

WHEREAS, under AS 37.10.210-220, the Board is to establish and determine the investment objectives and policy for each of the funds entrusted to it; and

WHEREAS, AS 37.10.071 and AS 37.10.210-220 require the Board to apply the prudent investor rule and exercise the fiduciary duty in the sole financial best interest of the funds entrusted to it and treat beneficiaries thereof with impartiality; and

WHEREAS, the Board contracts an independent consultant to provide experience and expertise in asset allocation and other investment matters to come before the Board; and

WHEREAS, the Board has established an asset allocation for the funds that considers earnings and liabilities on a current as well as a future basis; and

WHEREAS, the Board has authorized investments in Real Assets for the Public Employees' Retirement System, Teachers' Retirement System, and Judicial Retirement System, including investments for those systems in the State of Alaska Retirement and Benefits Plans Trust; and

WHEREAS, the Board will establish and on an annual basis review an investment plan for Real Assets asset class.

NOW THEREFORE BE IT RESOLVED THAT THE ALASKA RETIREMENT MANAGEMENT BOARD adopt the Real Assets Annual Investment Plan for Fiscal Year 2026, attached hereto and made a part hereof.

DATED at Fairbanks, Alaska this 18 day of September, 2024.



Chair

ATTEST:

Michael Williams

Digitally signed by Michael
Williams
Date: 2025.09.19 14:40:02 -08'00'

Secretary

Alaska Retirement Management Board

Real Assets

Fiscal Year 2026 Annual Investment Plan

September 2025

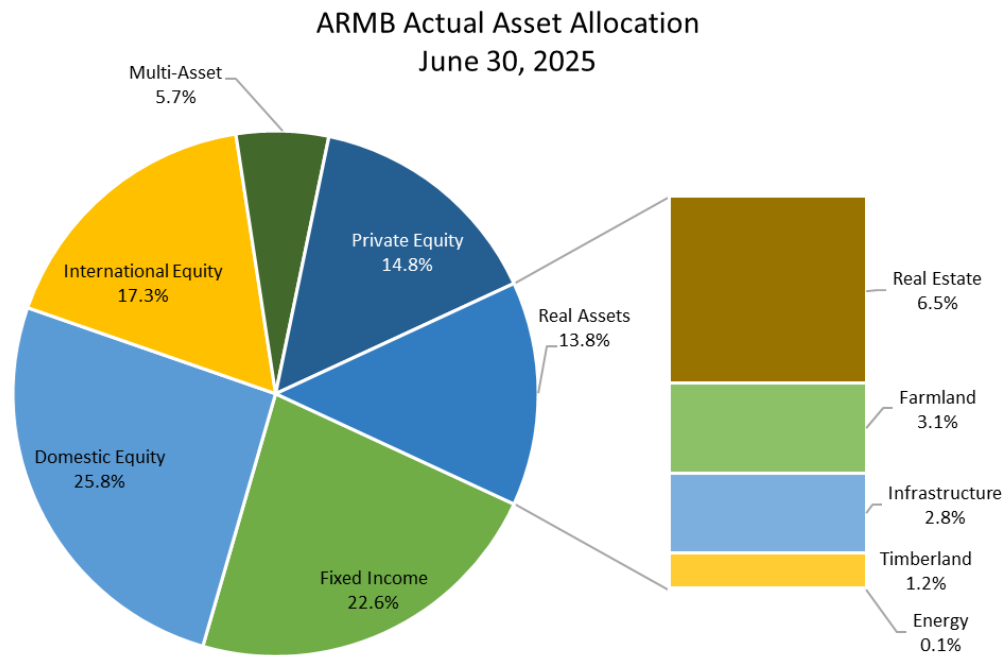
Steve Sikes, CFA, CPA
Director of Real Assets

Agenda

- Real Assets portfolio role
- Fiscal Year 2026 target allocations
- Market backdrop
- ARMB portfolio sector review
- Real Assets Fiscal Year 2026 investment plan

Real Assets Portfolio Role

- Returns between stocks and bonds
- Diversification
- Inflation hedge
- Current income

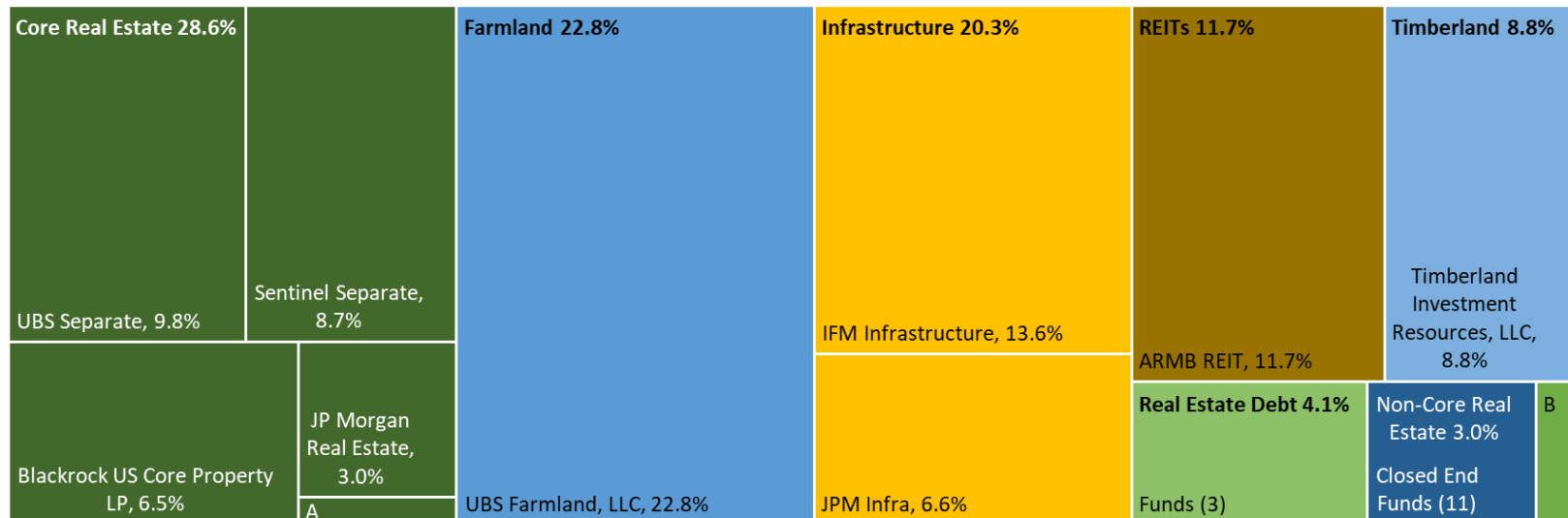


Portfolio Construction

- Actual portfolio weights approximate current target weights

as of June 30, 2025	Actual	Target	Difference
Core Real Estate	28.6%	30%	-1.4%
Non-Core Real Estate	3.0%	5%	-2.0%
Real Estate Debt	4.1%	5%	-0.9%
REITS	11.7%	10%	1.7%
Timberland	8.8%	10%	-1.2%
Farmland	22.8%	20%	2.8%
Infrastructure	20.3%	20%	0.3%
Energy	0.7%	0%	0.7%
Total Real Assets	13.8%	14%	-0.2%

ARMB Real Assets Portfolio
June 30, 2025, \$4.8 billion

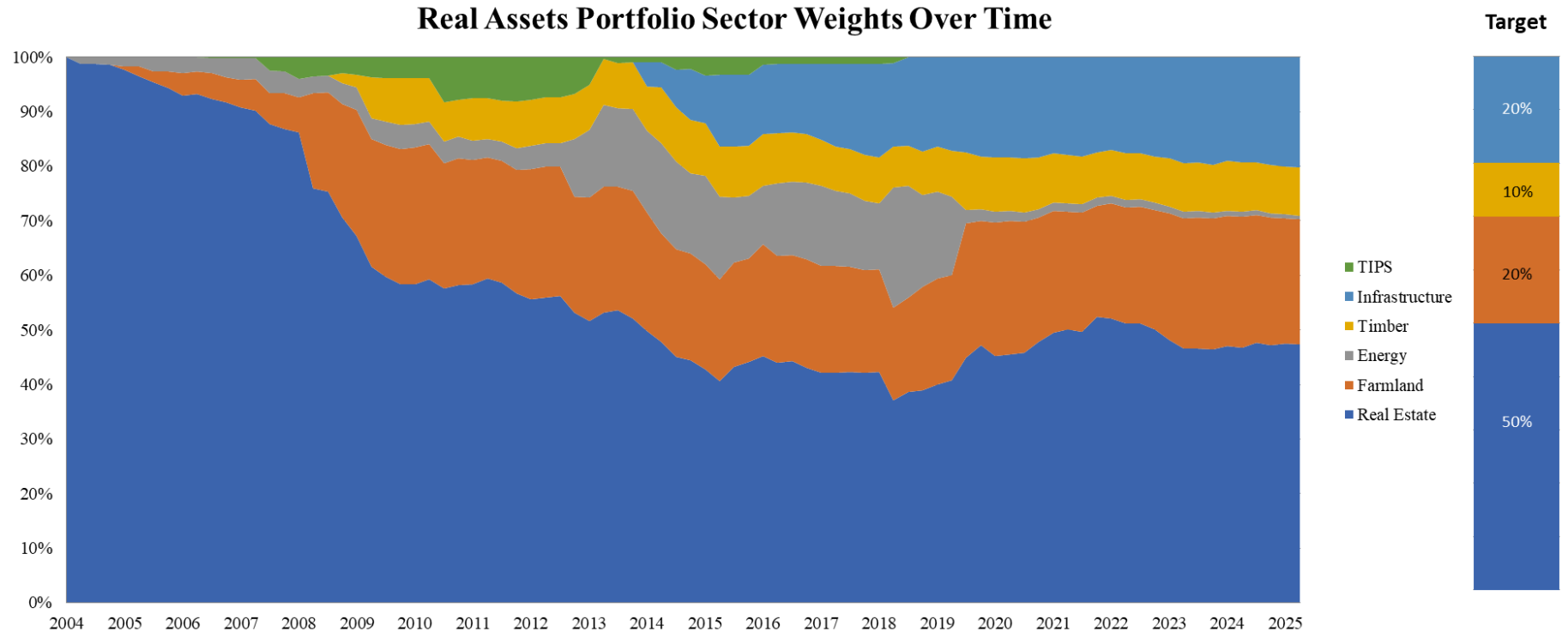


A – UBS Trumbull Property Fund, .53%

B – Energy Funds, .67%

Real Assets Portfolio Evolution

Real Assets Portfolio Sector Weights Over Time



Performance

- The Real Assets portfolio returned 5.20% net in Fiscal Year 2025 compared to the target return of 3.73%.
- Real Assets unperformed stocks and bonds in FY25 but met its objective of producing returns between public equities and fixed income over longer-term periods.
- Real Estate returns were mixed as that market continues to recalibrate to higher cap rates and tighter lending conditions. REITs had a strong year. Initial Real Estate Debt returns are meeting expectations.
- Farmland and Timberland results have slowed due to economic headwinds and past appreciation.
- Infrastructure continues to produce strong results.

Portfolio Weight	as of June 30, 2025 (net of fees)	Qtr	1yr	6yr	10yr	15yr
100.00%	ARMB Real Assets	1.01%	5.20%	5.39%	5.39%	7.22%
	ARMB Real Assets Target	0.81%	3.73%	4.30%	5.17%	6.84%
	Russell 3000	10.99%	15.30%	14.33%	12.96%	14.46%
	Bloomberg Barclays Aggregate	1.21%	6.08%	0.79%	1.76%	2.29%
	CPI	0.86%	2.67%	3.92%	3.06%	2.65%
28.60%	Core	1.11%	3.75%	3.82%	5.31%	7.55%
	NCREIF ODCE	0.81%	2.67%	2.34%	4.42%	7.31%
3.00%	Non-Core	1.87%	4.56%	3.64%	6.09%	8.52%
	NCREIF ODCE +1.5%	1.18%	4.17%	3.85%	5.93%	8.82%
11.70%	REITs	-0.91%	9.22%	4.35%	6.56%	9.14%
	FTSE NAREIT All Equity	-0.93%	9.20%	4.35%	6.61%	9.13%
4.10%	Real Estate Debt	2.23%	9.65%	-	-	-
	NCREIF ODCE	0.81%	2.67%	-	-	-
22.80%	Farmland	0.48%	0.89%	6.05%	5.29%	6.98%
	NCREIF Farmland (80/20 Blend)	0.79%	2.04%	7.18%	6.59%	8.57%
8.80%	Timberland	0.49%	2.69%	5.47%	4.10%	5.10%
	NCREIF Timberland	1.44%	5.32%	6.87%	5.43%	5.65%
20.30%	Infrastructure	2.53%	11.40%	9.23%	10.02%	-
	CPI+4%	1.82%	6.67%	7.92%	7.06%	-
0.70%	Energy	0.42%	-4.87%	-3.30%	-2.83%	-1.13%
	CPI+4%	1.82%	6.67%	7.92%	7.06%	6.65%

Source: Callan Real Assets Quarterly Report June 30, 2025

Fiscal Year 2026 Target Allocations

Callan Real Assets Capital Market Assumptions

Customized 20-Year ARMB Capital Market Projections – PERS, TRS and JRS Target

ARMB Asset Allocation Model FY2026-FY2045

Asset Class	Target Weight	PROJECTED RETURN		PROJECTED RISK	
		1-Year Arithmetic	20-Year Geometric Return	Annualized Standard Deviation	Projected Yield
Public Equities	43.00%				
Broad US Equity	26.00%	8.90%	7.55%	17.35%	1.70%
Global Ex-US Equity	17.00%	9.65%	7.65%	21.25%	3.45%
Fixed Income	23.00%				
ARMB Core Fixed Income	23.00%	4.80%	4.75%	4.20%	4.50%
Multi-Asset	6.00%				
Multi-Asset	6.00%	7.50%	6.95%	10.90%	3.30%
Private Equity	14.00%				
Private Equity	14.00%	12.00%	8.65%	27.60%	0.00%
Real Assets	14.00%	7.55%	6.85%	12.20%	4.25%
Real Estate	4.20%	7.35%	6.45%	14.00%	4.00%
Non-Core Real Estate	0.70%	8.85%	7.80%	15.55%	2.70%
Real Estate Debt	0.70%	6.45%	6.25%	6.25%	5.00%
REITs	1.40%	9.10%	7.15%	20.90%	4.45%
Timber	1.40%	6.95%	5.80%	15.60%	3.75%
Farmland	2.80%	7.20%	6.00%	15.95%	4.30%
Private Infrastructure	2.80%	7.70%	6.65%	15.20%	4.90%
Cash Equivalents	0.00%				
Cash Equivalents	0.00%	3.00%	3.00%	0.90%	3.00%
Inflation			2.50%	1.60%	
Total Fund	100.00%	8.25%	7.49%	13.00%	2.86%

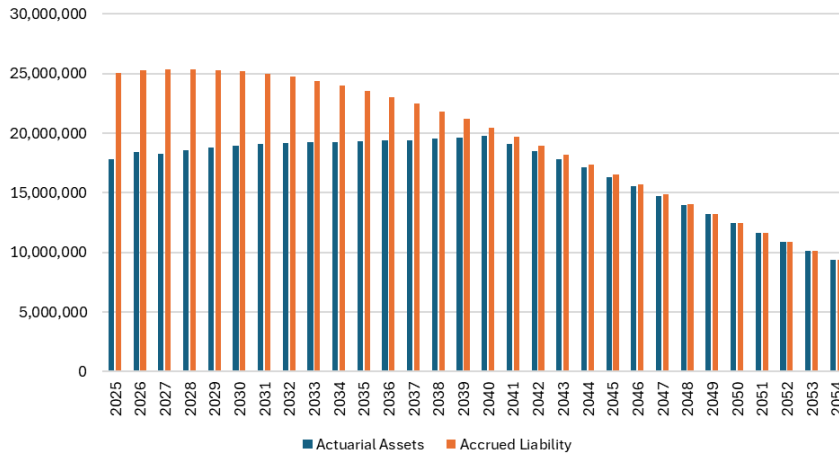
Projection set customized to reflect specific ARMB strategies:

- Real assets, multi-asset and fixed income

Source: Callan ARMB Presentation, FY 2026 Asset Allocation Options, June 18, 2025

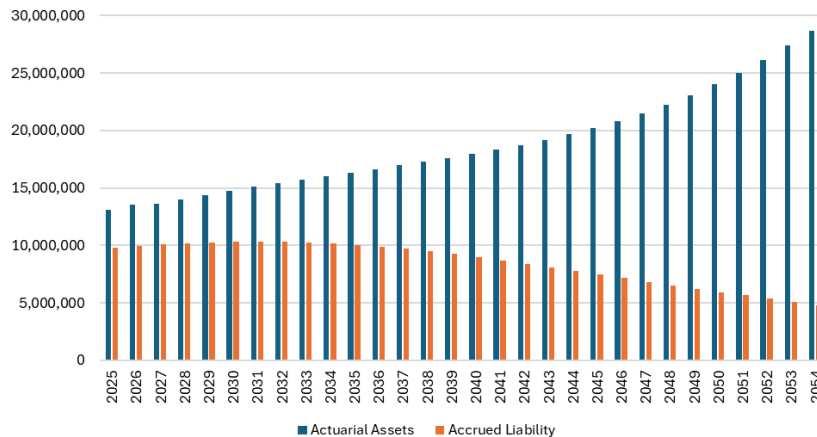
Actuarial Projections

PERS and TRS Pension Projections
\$ in thousands

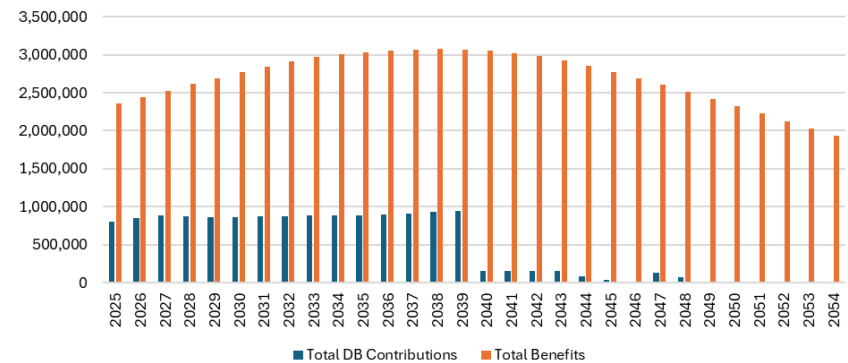


- Pension plan assets begin to decline during FY 2040.
- Healthcare plans' increasing overfunded status may reduce risk tolerance over time.
- Reduction in DB contributions in FY 2040 suggests increased need for portfolio liquidity thereafter.

PERS and TRS Healthcare Projections
\$ in thousands



PERS and TRS Projections
Total DB Contributions and Benefit Payments
\$ in thousands



Source: State of Alaska Public Employees' Retirement System Actuarial Valuation Report as of June 30, 2024, and State of Alaska Teachers' Retirement System Actuarial Valuation Report as of June 30, 2024

Note: Healthcare plan projections assume no normal cost contributions.

Optimizing Real Assets for Evolving Liquidity Needs

Impact:

- While not imminent, the size of the Real Assets asset class will likely need to glide down over time as a function of declining pension assets and need for more liquid investments to manage increasing benefit payments.

Long Term Strategy Thoughts:

- Favor investments that can be reduced while maintaining diversification:
 - Open-end Funds
 - Public securities
- Favor investments that offer superior returns in the context of defined exit timelines:
 - Closed-end Funds
- Favor categories with the greatest market depth and breadth:
 - Real Estate
 - Infrastructure

Fiscal Year 2026 Real Assets Target Allocations

- Begin adjusting portfolio to be more dynamically positioned for likely asset class decreases in the future.
- Reduce Farmland and Timberland to create most attractive portfolios in highest conviction properties.
- Increase Non-Core Real Estate and Infrastructure to increase expected returns and liquidity.
- Implementation will be a multi-year transition.

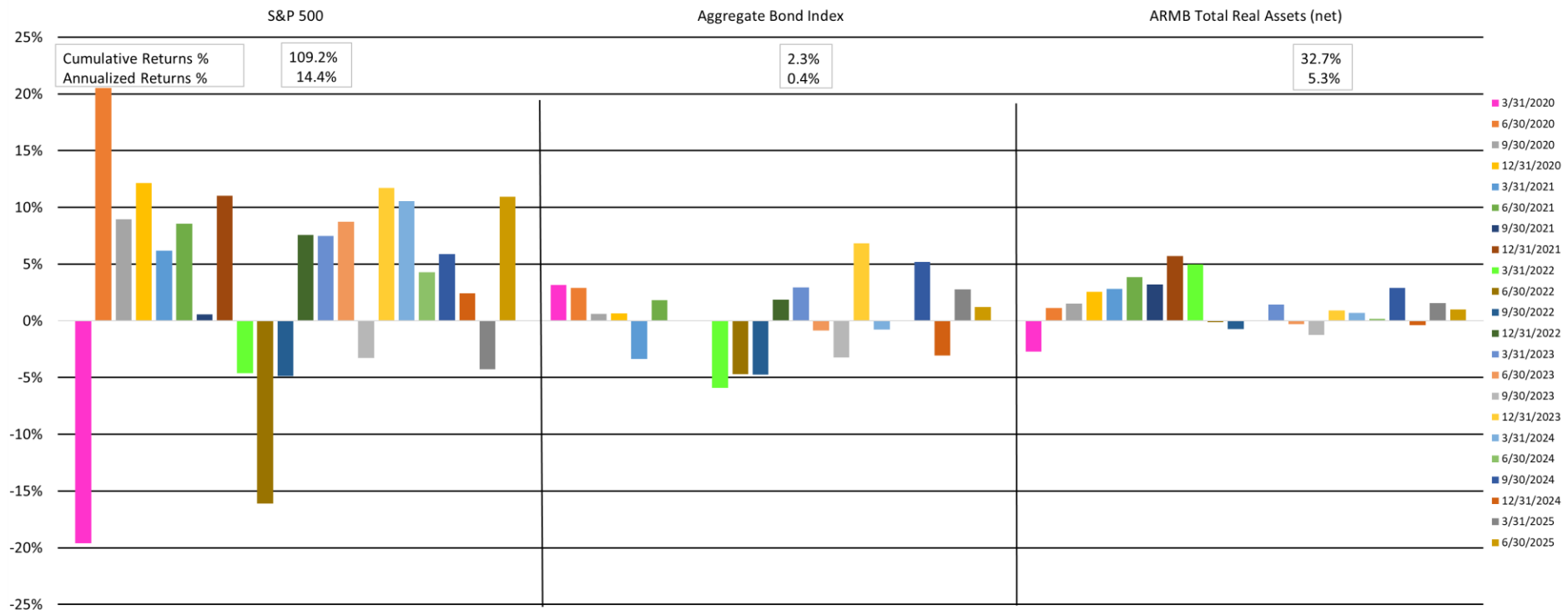
(% targets)	Current Target	Proposed FY26 Target	Target Change
Core Real Estate	30%	30%	0%
Non-Core Real Estate	5%	7%	2%
Real Estate Debt	5%	5%	0%
REITS	10%	10%	0%
Timber	10%	7%	-3%
Farmland	20%	18%	-2%
Private Infrastructure	20%	23%	3%
Energy	0%	0%	0%
Plan level Total	14%	14%	0%

\$ millions	Actual NAV 6/30/2025	Proposed FY26 Target \$	Change \$
Core Real Estate	1,367	1,456	89
Non-Core Real Estate	143	340	197
Real Estate Debt	198	243	45
REITS	558	485	(73)
Timber	421	340	(81)
Farmland	1,091	874	(218)
Private Infrastructure	970	1,116	147
Energy	32	-	(32)
Total	4,780	4,854	74

Market Backdrop

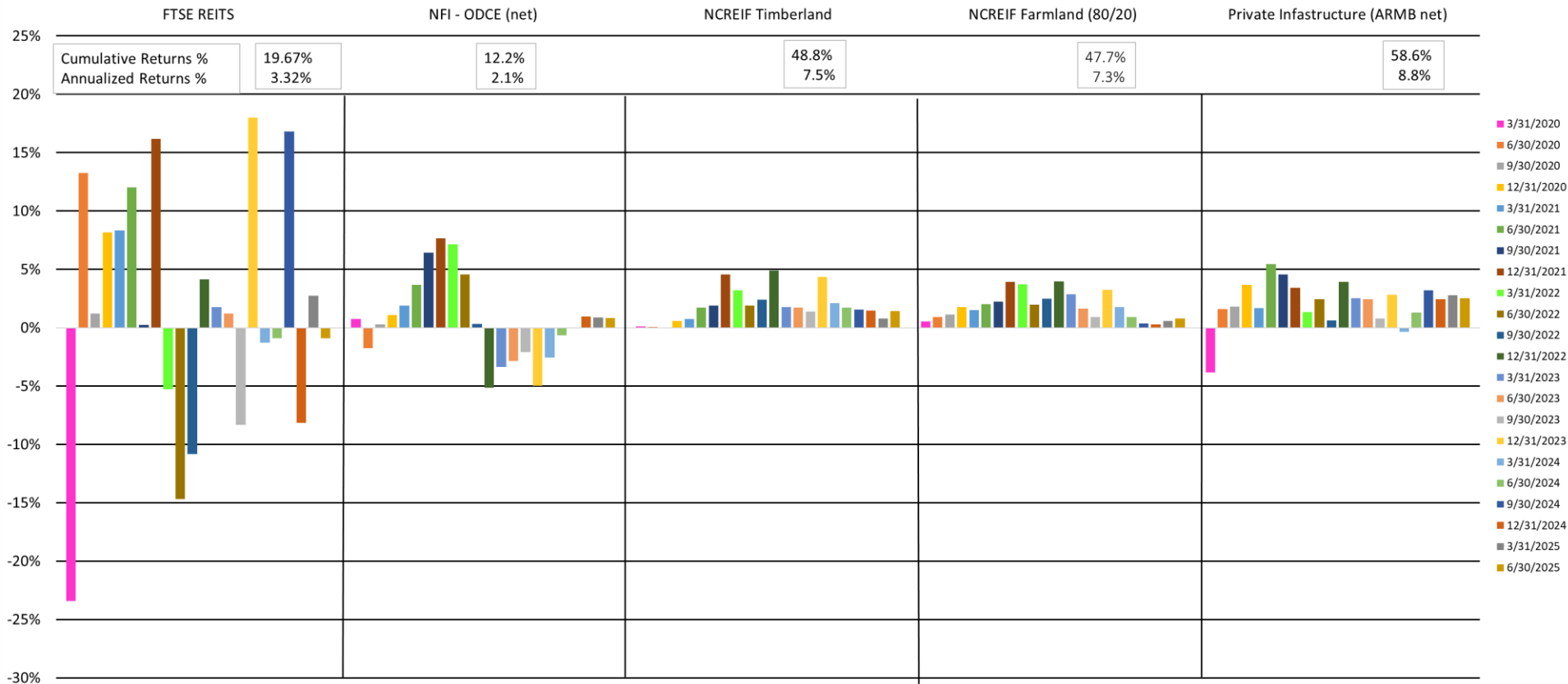
Market Asset Class Performance

Quarterly Returns March 2020 through June 2025



Real Assets Sector Performance

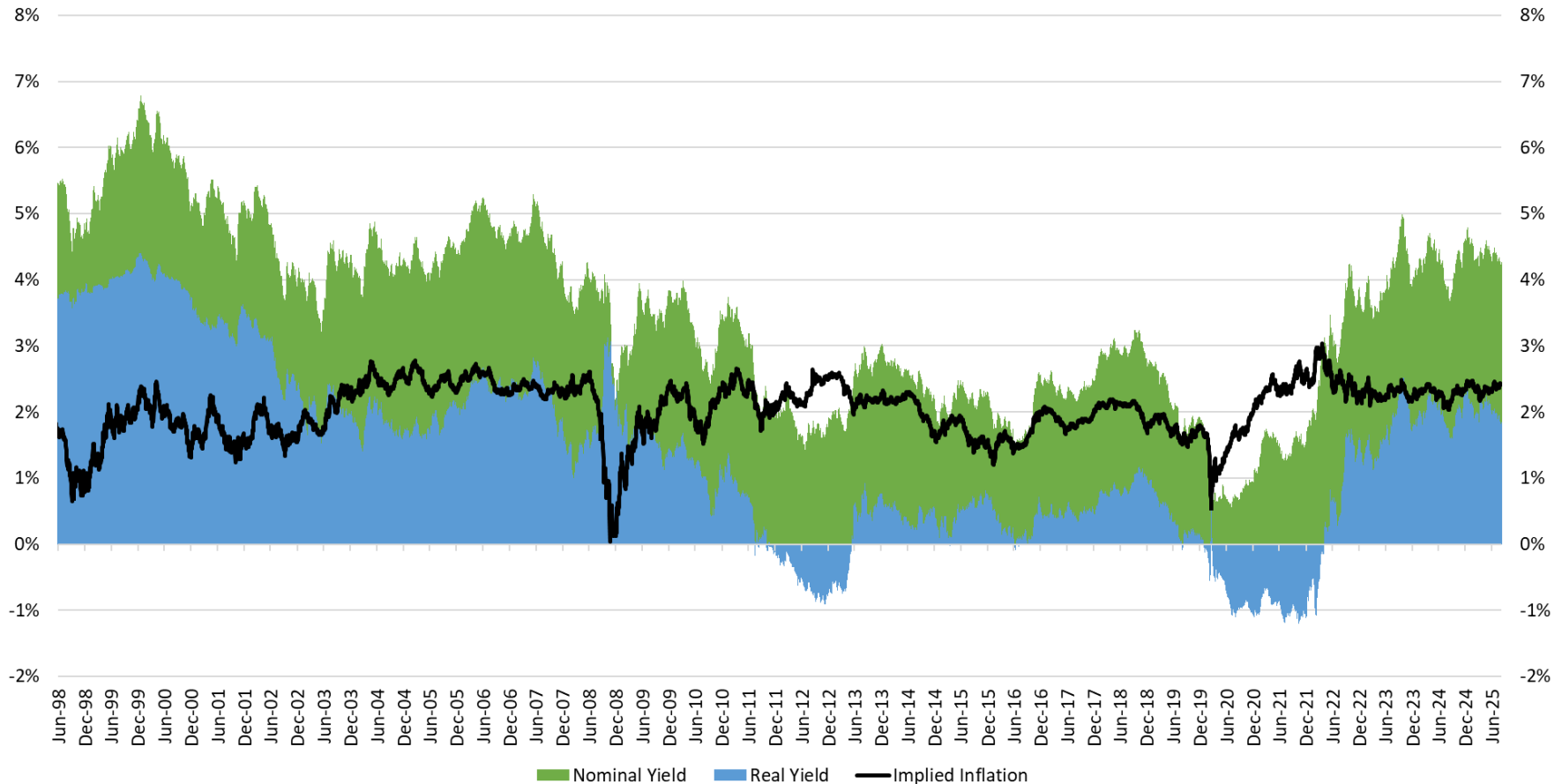
Quarterly Returns March 2020 through June 2025



U.S. 10-year Treasury Yields

U.S. Treasury 10-year yields
1997 through August 2025

	Average 1997 - 2025	Current
Nominal 10yr Yield	3.50%	4.22%
Real 10yr Yield	1.46%	1.81%
Implied 10yr Inflation	2.04%	2.41%



ARMB Portfolio Sector Review

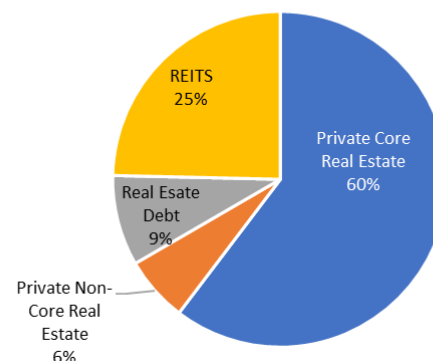
Real Estate Overview

- Two core separate account managers make investments on a discretionary basis within the parameters defined by ARMB's guidelines and annual investment plan up to approved allocations. These investments represent 39% of the real estate portfolio and are currently comprised of 17 assets within the apartment, industrial, office, and retail sectors across the U.S. ARMB owns 100% interest in these assets.
- Three core open-end commingled funds make investments on a discretionary basis according to each fund's strategy. These funds represent 21% of the real estate portfolio and offer well diversified exposure across asset types, markets, and size. ARMB owns units in these funds along with other institutional investors.
- Fund investments with two non-core commingled fund managers represent the majority of non-core real estate strategies. Non-core funds represent 6% of the real estate portfolio. Real estate debt investments reflect 9% of the real estate portfolio.
- The remaining 25% of the real estate portfolio is a passive publicly traded REIT equity portfolio invested internally by staff.

Real Estate Portfolio June 30, 2025

- Net Asset Value: \$2.2 billion
- Number of Assets: 17 + commingled fund interests
- Core Structure: 2 separate accounts, 3 open-end funds
- Non-Core Structure: 11 commingled funds
- Real Estate Debt: 3 commingled funds
- U.S. Domestic REITs

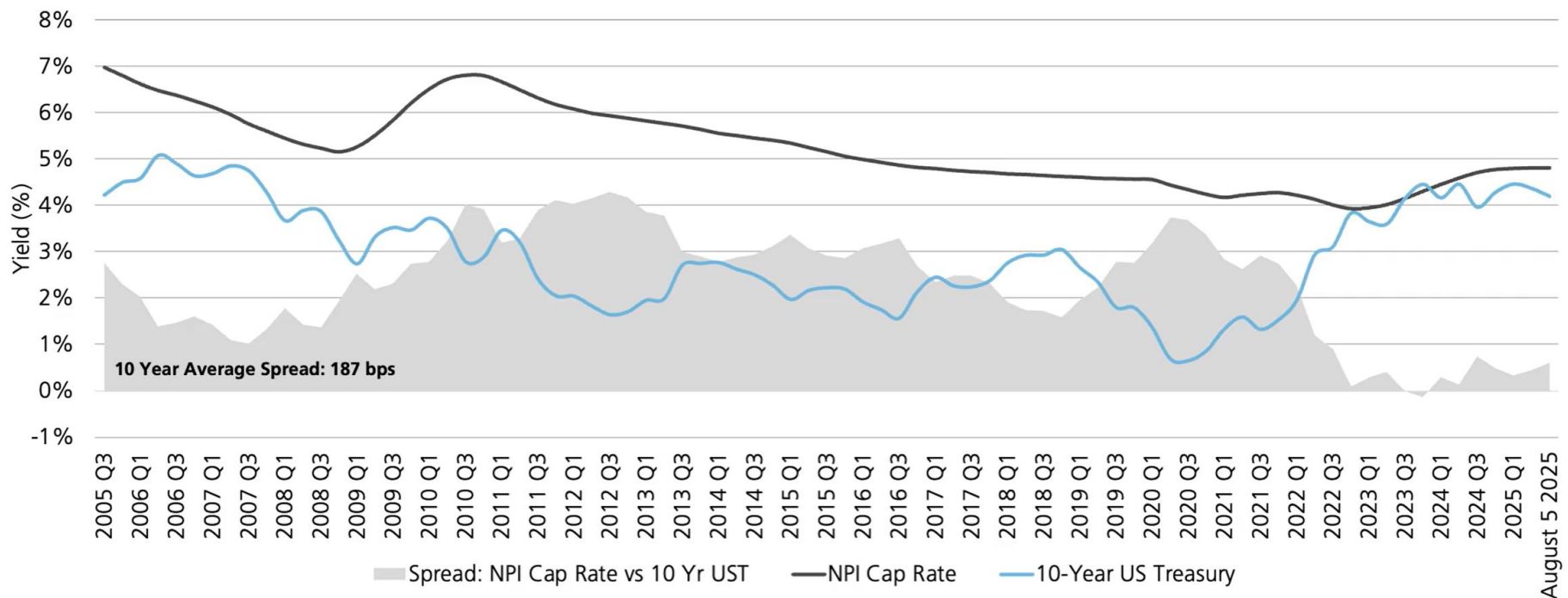
ARMB Real Estate Weights as of
June 30, 2025



Real estate valuations have responded to higher rates

A spread has emerged

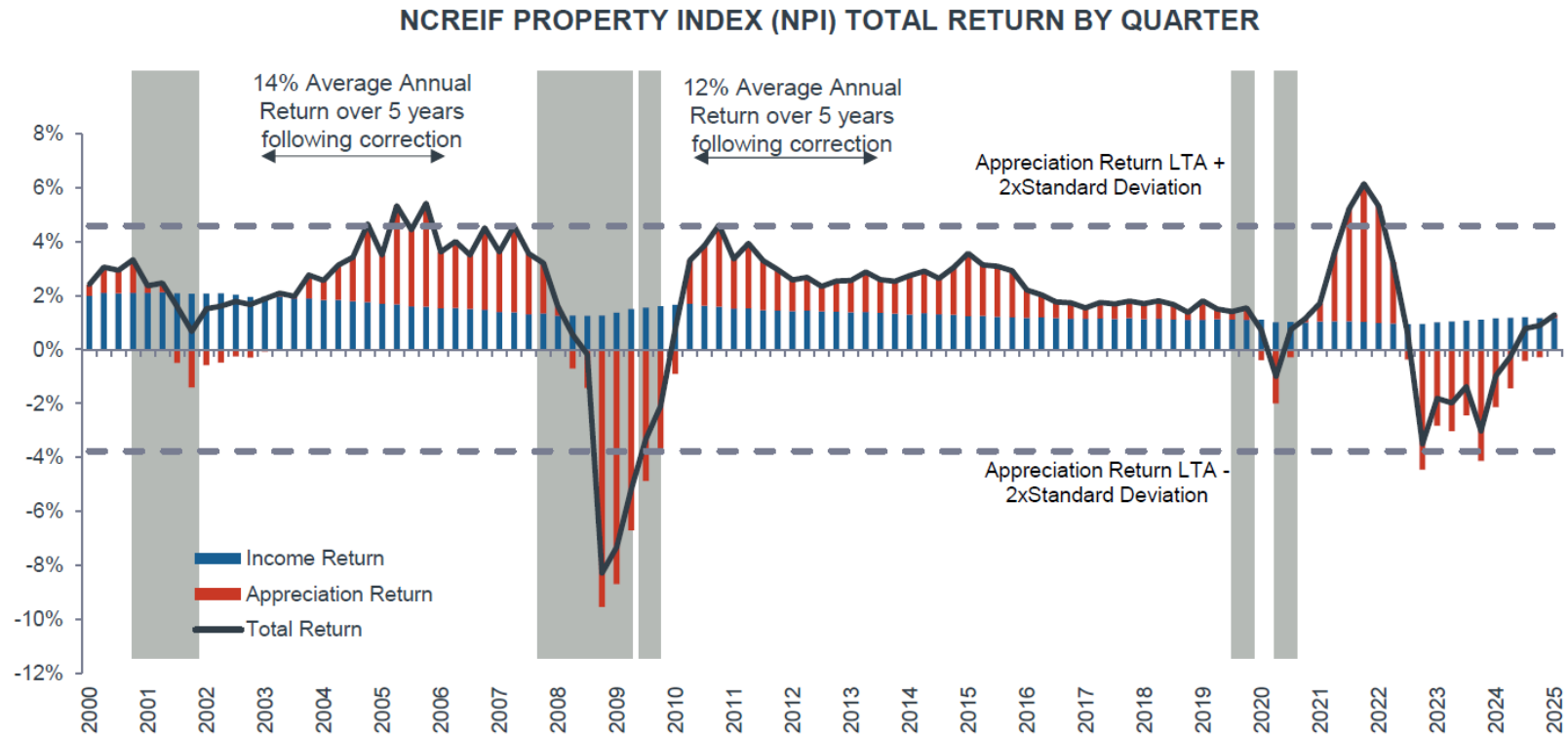
The spread between the RE Cap Rate and Treasury Rate is at +60 bps



Source: NCREIF, Moody's Analytics, data through August 5, 2025

Source: UBS Realty Investors LLC

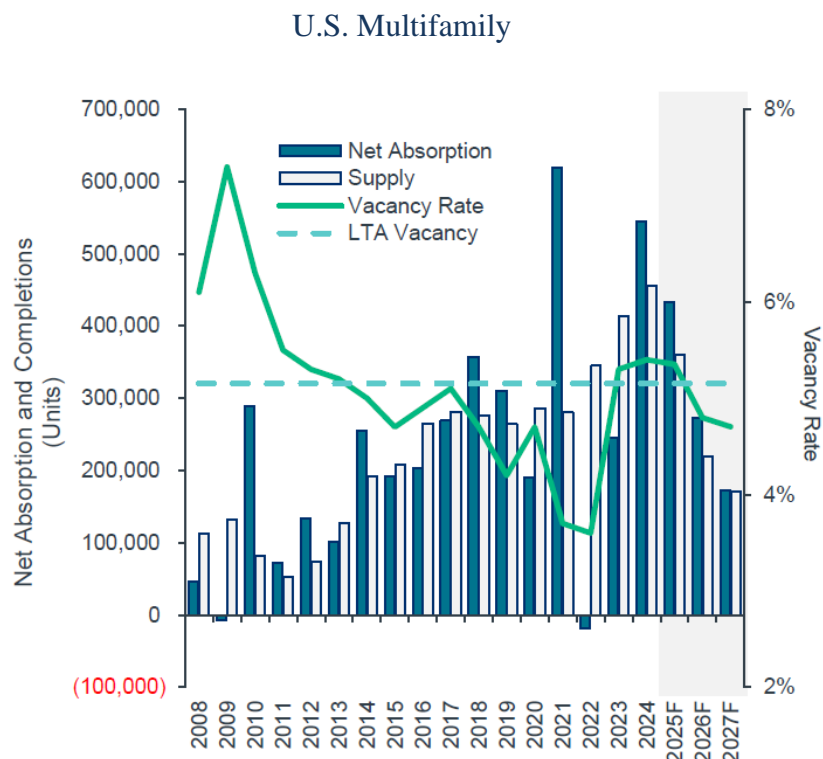
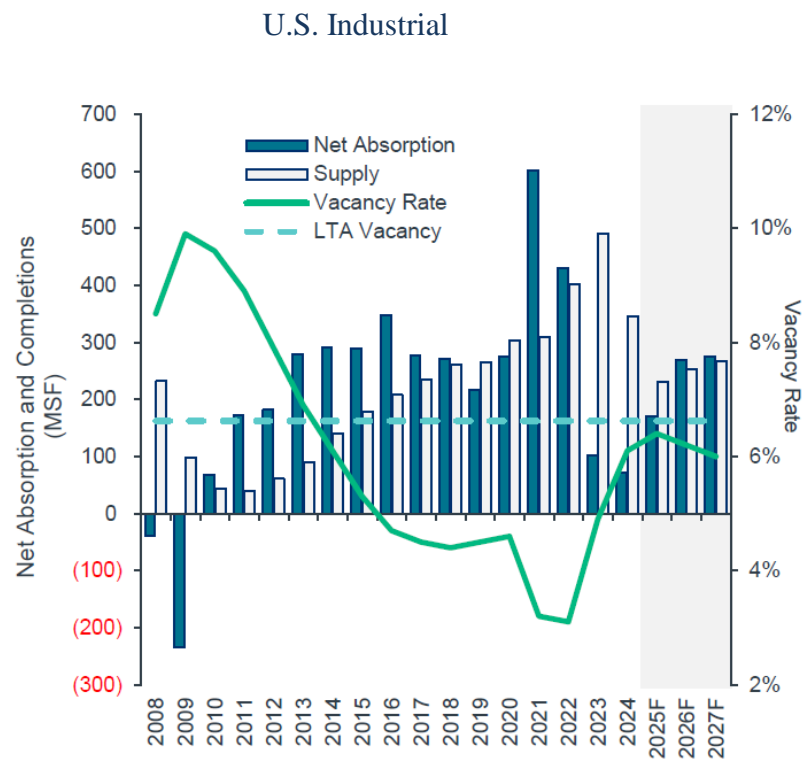
Private real estate returns are improving



Source: Moody's Analytics, NAREIT, Bloomberg, NCREIF (as of Q1 2025), MSCI (as of Q1 2025); Clarion Partners Global Research, as of June 2025.
Note: Past performance is not indicative of future results. Please see the important disclosures at the end of this presentation.

Real Estate supply and absorption trends are favorable

Net absorption, new supply, & vacancy

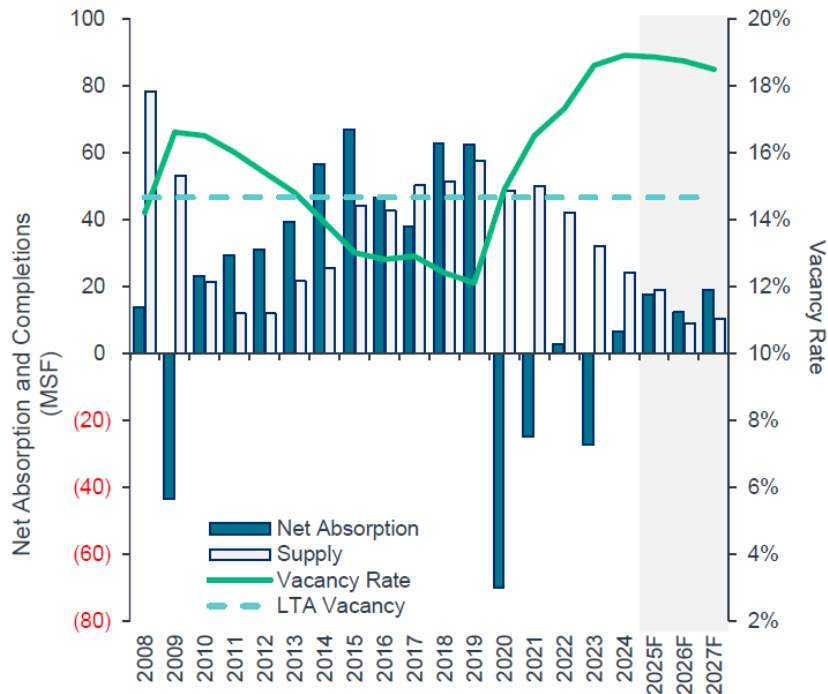


Source: Clarion Partners Investment Research

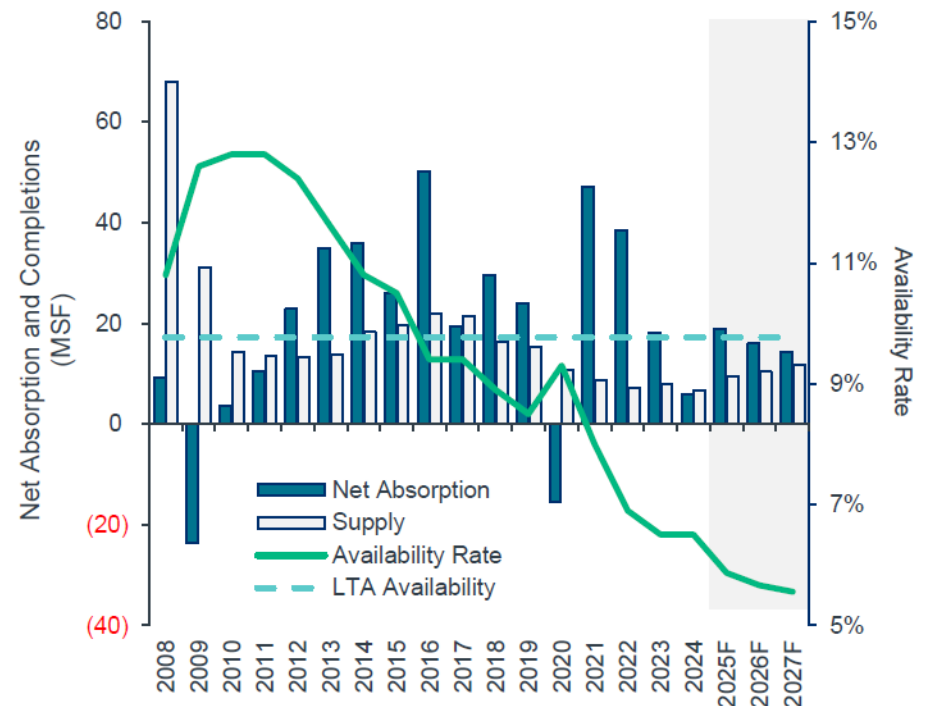
Supply and absorption trends are favorable

Net absorption, new supply, & vacancy

U.S. Office



U.S. Neighborhood Shopping Center

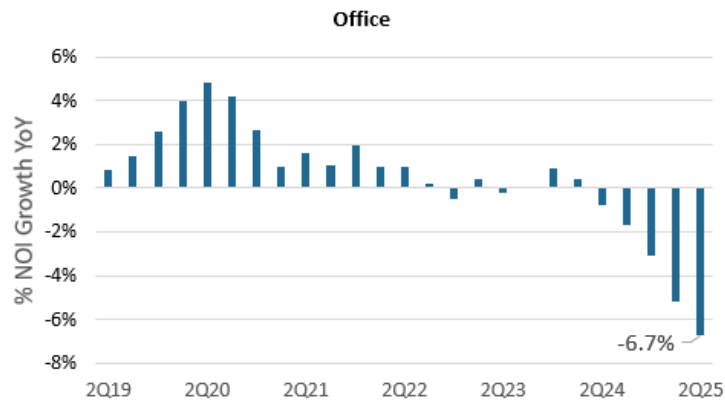
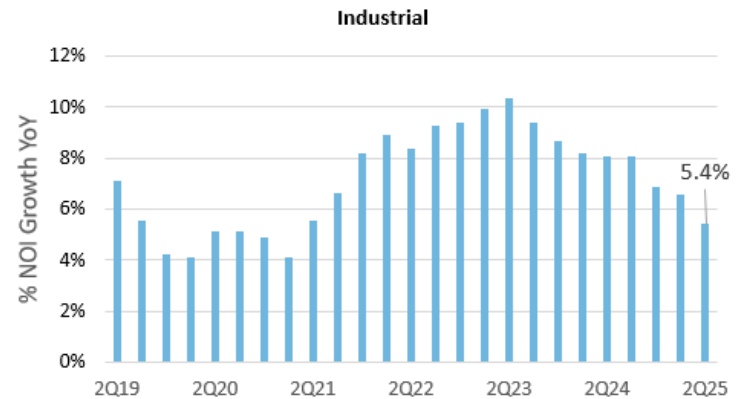
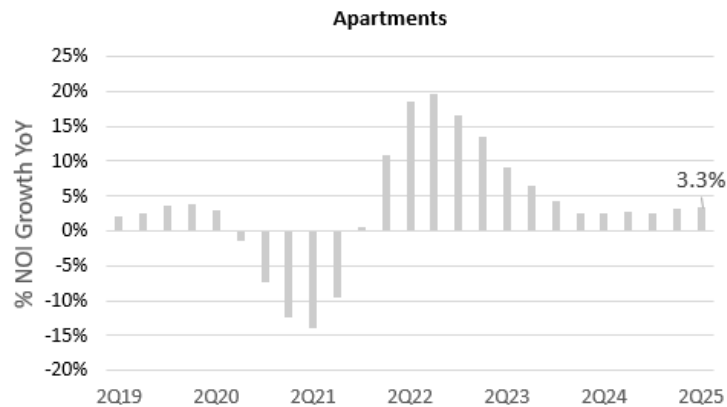


Source: Clarion Partners Investment Research

Income has been growing at healthy levels for most sectors

NOI Growth (YoY) by Property Type

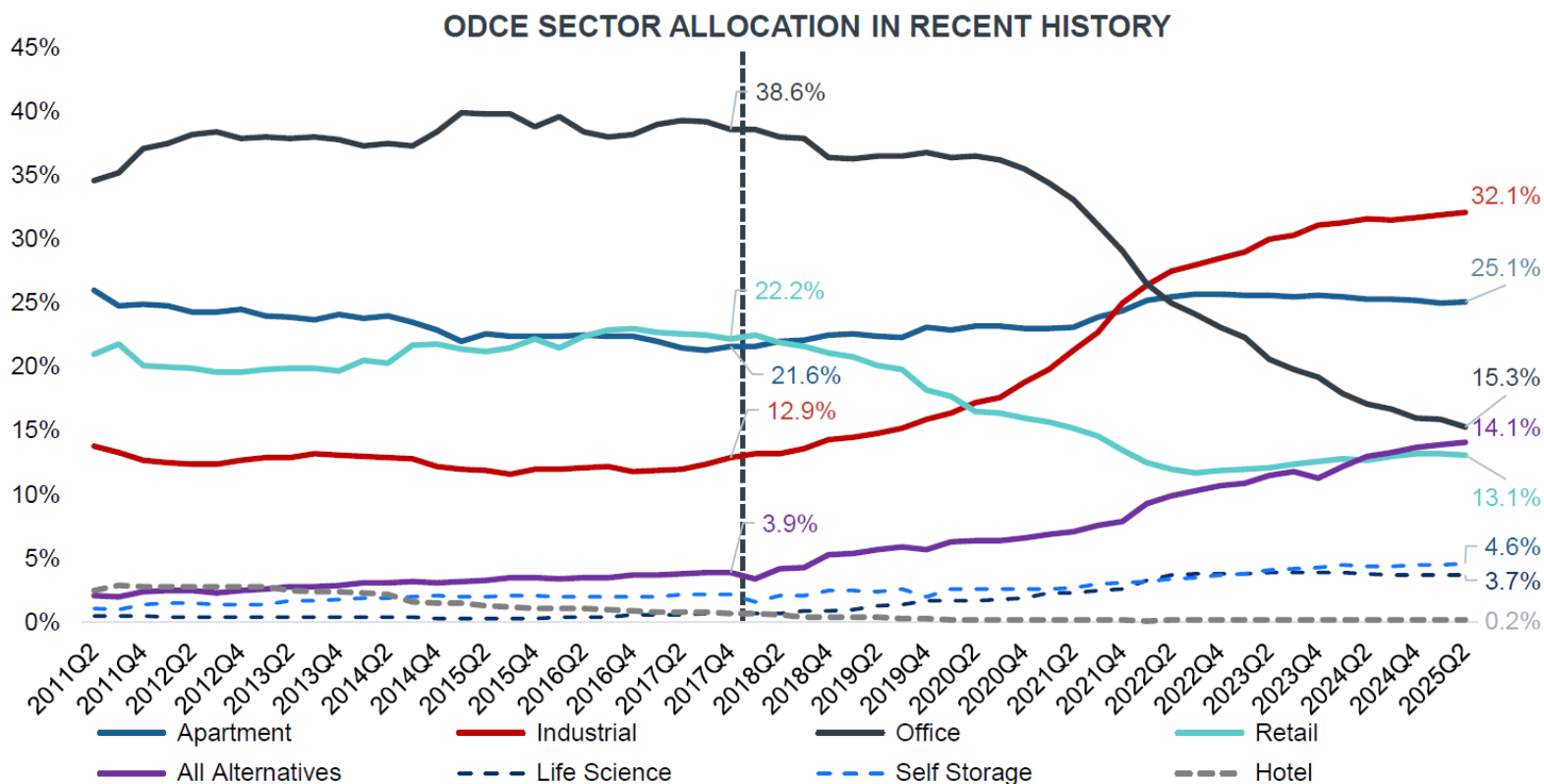
Core diversified portfolio NOI rose 0.9% year-over-year, held back by Office segment performance



Source: UBS Realty Investors, LLC

NCREIF ODCE sector weights over time

- Core portfolios have changes dramatically over the past decade.



Source: NCREIF – Expanded NPI, Clarion Partners Investment Research, Q2 2025.

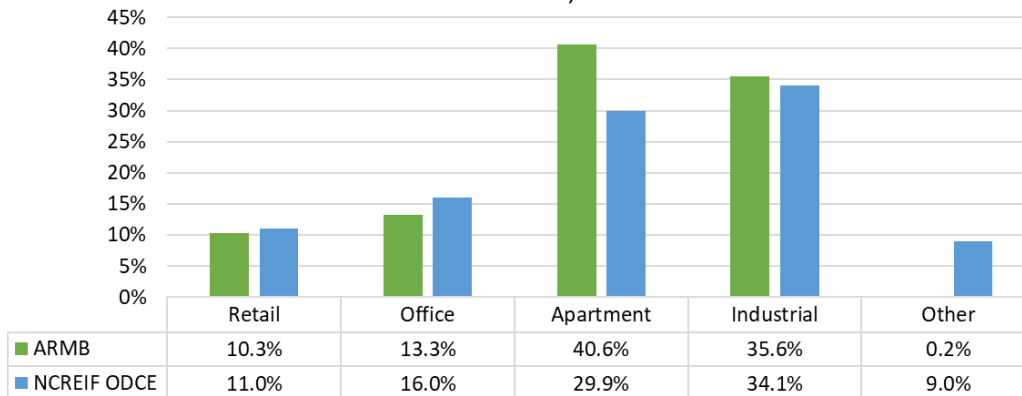
Note: Alternatives include Life Sciences, Medical Office, Manufactured Housing, Single -Family Rental, Student Housing, Self-Storage, Data Center, Senior Housing and Land/Other. Past performance is not indicative of future results. Please see the important disclosures at the end of this presentation.

Core Real Estate Performance

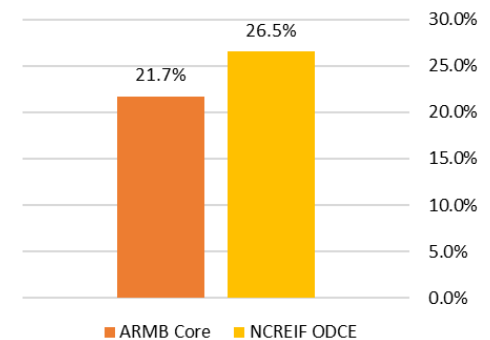
as of June 30, 2025	ARMB NAV		1 Year		3 Year		7 year		10 year	
	\$millions	Core Weight	Income	Total	Income	Total	Income	Total	Income	Total
UBS Separate Account (net)	470	34%	5.96%	6.56%	4.97%	-2.72%	4.65%	6.16%	4.54%	7.55%
Sentinel Separate Account (net)	417	30%	4.65%	2.71%	3.70%	-4.60%	4.25%	5.64%	4.47%	7.16%
BlackRock Core Property Fund (net)	311	23%	2.99%	0.93%	2.60%	-8.98%	3.11%	1.74%	-	-
JPM Strategic Property Fund (net)	144	11%	3.07%	4.12%	2.66%	-7.63%	2.68%	1.66%	2.94%	3.53%
UBS Trumbull Property Fund (net)	25	2%	2.31%	3.23%	2.64%	-7.27%	2.99%	-0.49%	3.21%	1.69%
ARMB Total Core Real Estate (net)	1,367	100%	4.50%	3.75%	3.85%	-5.38%	3.83%	3.95%	3.90%	5.31%
NCREIF ODCE Value Wt (net)				2.67%		-6.21%		2.78%		4.42%

Source: Callan

ARMB Core Real Estate Sector Weights
as of June 30, 2025



Leverage - Loan to Value %



Fiscal Year 2026 Plan - Core Real Estate

FY 2025 Portfolio Actions:

- No strategic actions occurred in the core portfolio.

FY 2026 Core Plan:

- Work with Callan to perform search to hire one or more Core/Core + managers to improve returns and diversify open-end fund portfolio.
- Rebalance existing open-end portfolio over time.
- Remove JPM Strategic Property Fund from the watchlist. The Fund was placed on the watchlist in December 2023 due to turnover in the leadership of the Fund. This concern has been resolved.

Non-Core Real Estate / Real Estate Debt

Non-Core Real Estate Equity

- Made \$25 million commitment to Sculptor Real Estate Fund V to invest in traditional and non-traditional real estate sectors focusing on growth assets, high quality assets that require recapitalization, and distressed opportunities that require additional capital.
- Fiscal Year 2026 plan is to continue to add complimentary best-in-class higher return strategies as opportunities present.

Real Estate Debt

- The Real Estate debt portfolio is fully committed. No additional commitments are expected in Fiscal Year 2026.
- Current yields continue to be attractive based on healthy base rates and spreads.

Real Estate Strategy	Commitment Date	\$NAV	\$ Commitment	Structure	Yield
Fidelity High Yield CMBS	2015	\$ 157.6	\$ 157.6	Open-end	8.3%
Walton Street Real Estate Debt Core Fund	2024	\$ 32.2	\$ 75.0	Open-end	9.9%
Heitman Real Estate Debt Partners III	2024	\$ 7.7	\$ 75.0	Closed-end	11-12%
Total		\$ 197.5	\$ 307.6		

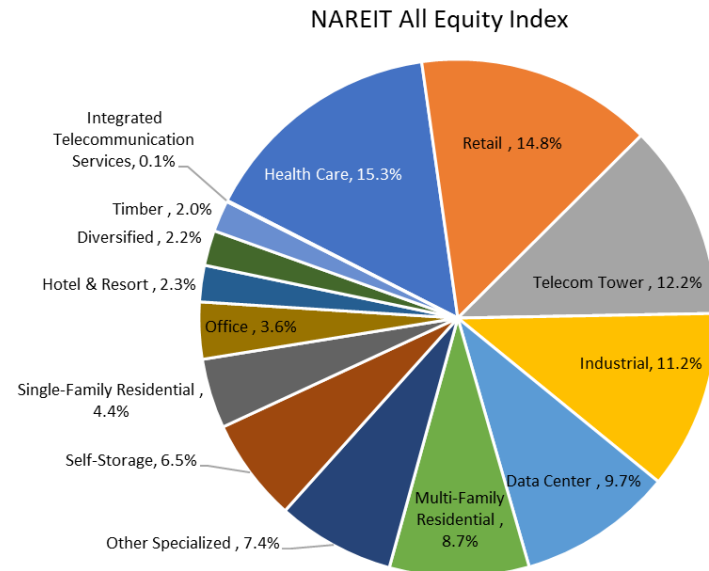
as of June 30, 2025 (net of fees)	Qtr	1yr	6yr	9.75yr
Fidelity High Yield CMBS	2.15%	9.49%	2.05%	3.08%
Walton Street Real Estate Debt Core Fund	2.32%	-	-	-
Heitman Real Estate Debt Partners III	4.01%	-	-	-
Bloomberg CMBS xAaa	1.75%	7.91%	1.35%	2.81%
NCREIF ODCE	0.81%	2.67%	2.34%	4.18%

Real Estate Investment Trusts (REITs)

- U.S. domestic public security portfolio.
- Liquid, diversified, and complimentary to private portfolio.
- Passive strategy managed internally to the FTSE NAREIT Equity Index comprised of 141 stocks totaling \$1.41 trillion in market cap.
- The REIT market provides exposure to some of the best real estate companies in the world and provides diversification through alternative sectors like data centers, self storage, and single-family home rentals.
- REIT income distribution tax rules produce attractive dividend yields. Current trailing 12-month dividend yield is 4.14% compared to the S&P500 at 1.22%.
- No changes are being recommended in the Fiscal Year 2026 Plan.

REIT Portfolio Profile June 30, 2025

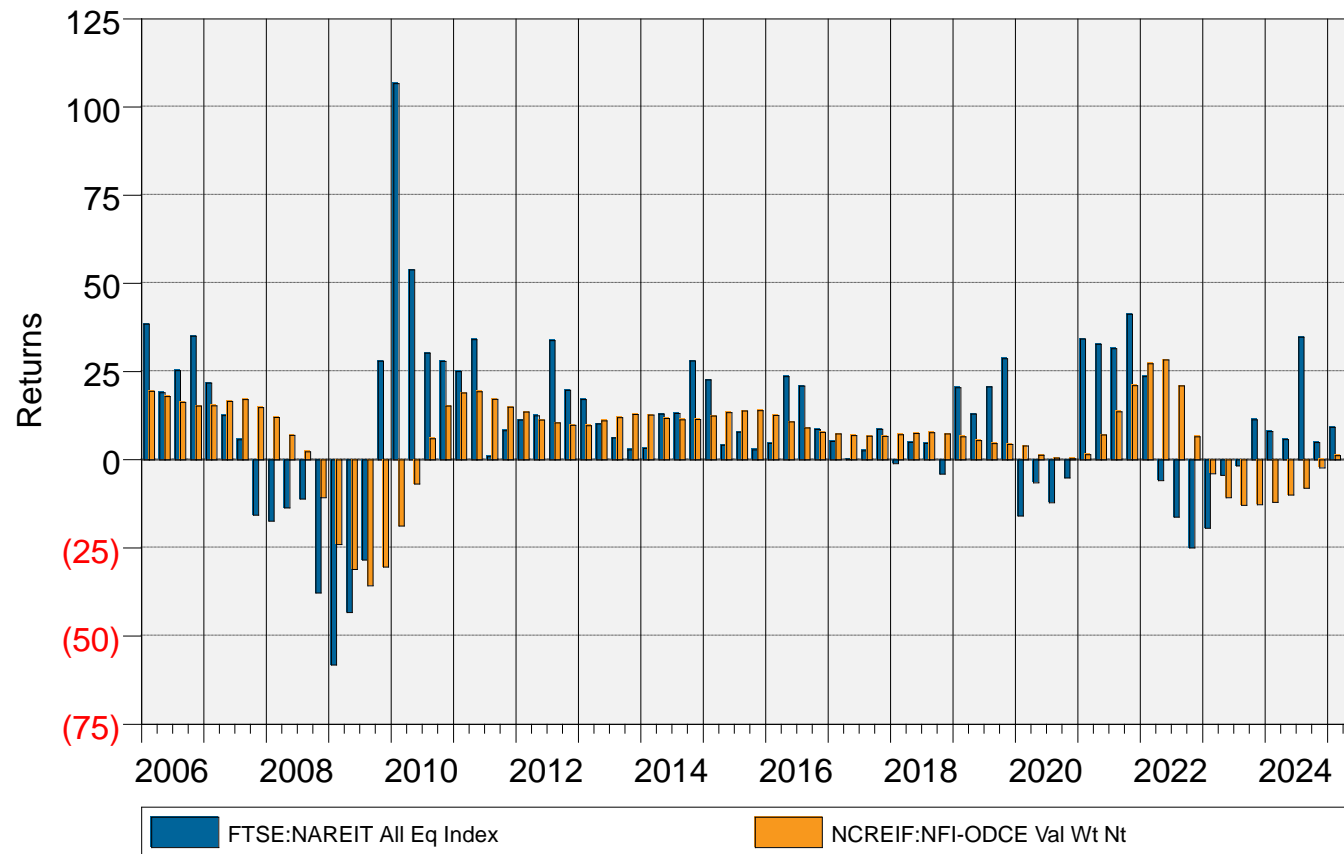
- Total Net Asset Value: \$558.3 million



Public and Private Real Estate Returns

- Public real estate is daily priced. Private real estate is appraisal based and has historically lagged market turns.

Rolling 4 Quarter Returns
for 19 1/2 Years Ended June 30, 2025



Source: Callan PEP

Real Estate Portfolio

Fiscal Year 2026 Strategy Recommendation Summary

Category	Fiscal Year 2026 Plan Recommendation
Core Real Estate	<ul style="list-style-type: none"> • Work with Callan to perform search to hire one or more Core/Core + managers to improve returns and diversify open-end fund portfolio. • Rebalance open-end fund exposures over time. • Remove JPM Strategic Property Fund from the watchlist. The Fund was placed on the watchlist in December 2023 due to turnover in the leadership of the Fund. This concern has been resolved.
Non-Core Real Estate	<ul style="list-style-type: none"> • Add complimentary best-in-class higher return strategies as opportunities present.
Real Estate Debt	<ul style="list-style-type: none"> • None
REITs	<ul style="list-style-type: none"> • None

Farmland Overview

- Investment manager makes investments on a discretionary basis within the parameters defined by the ARMB's guidelines and annual investment plan up to approved allocations.
- Portfolio is composed of U.S. farmland. Strategy is a leased-based approach targeting both row crops and permanent crops. ARMB owns 100% of the assets.
- The farmland portfolio target benchmark is the NCREIF Farmland Index reweighted to reflect 80% leased row crops and 20% leased permanent crops.

Farmland Portfolio June 30, 2025

- Total Net Asset Value: \$1.1 billion
- Number of Assets: 87
- Total acres: 142,406
- Number of states where investments are located: 16
- Row/Permanent Crop Distribution by MV: 90%/10%



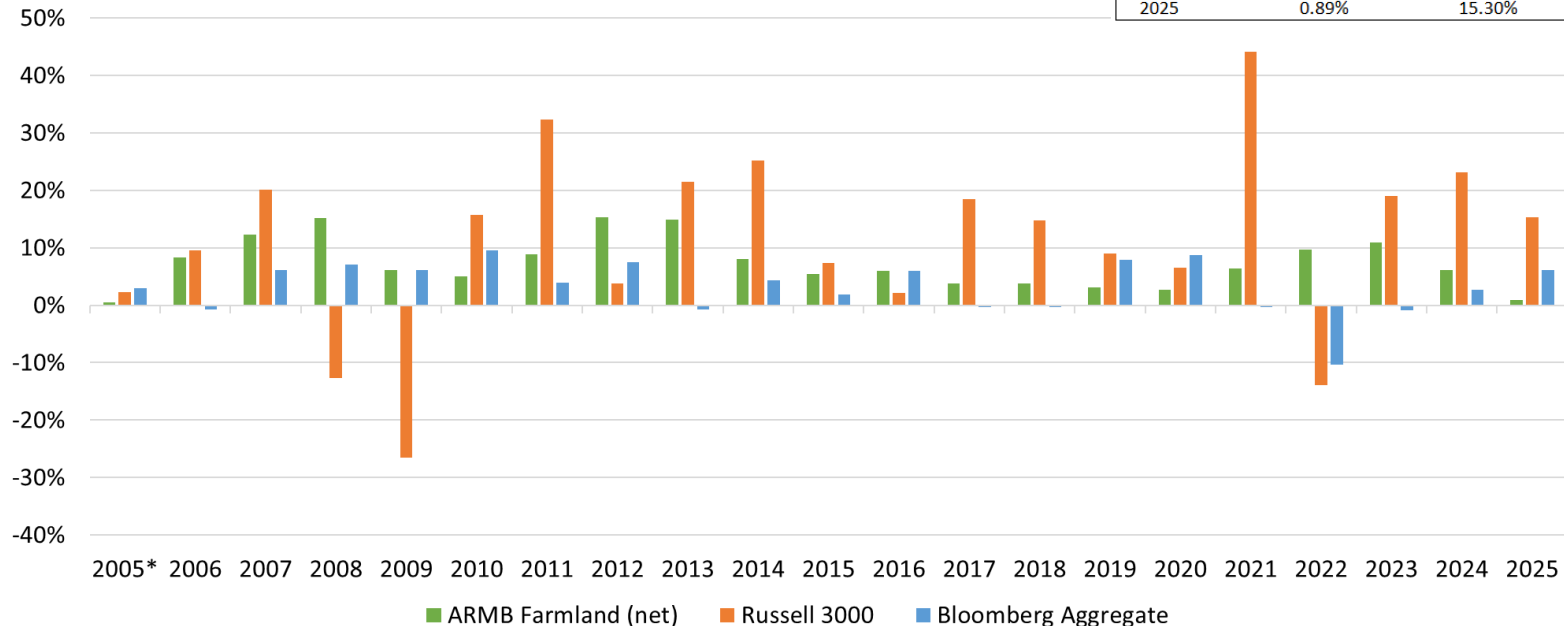
Farmland Performance

- Historical returns have been good.
- Experienced first negative quarterly return in Dec 2024.
- No leverage is used in portfolio construction.

FY	ARMB Farmland (net)	Russell 3000	Bloomberg Aggregate
2005*	0.48%	2.24%	3.01%
2006	8.26%	9.56%	-0.81%
2007	12.30%	20.07%	6.12%
2008	15.18%	-12.69%	7.12%
2009	6.09%	-26.56%	6.05%
2010	5.07%	15.72%	9.50%
2011	8.87%	32.37%	3.90%
2012	15.30%	3.84%	7.47%
2013	14.93%	21.46%	-0.69%
2014	8.07%	25.22%	4.37%
2015	5.36%	7.29%	1.86%
2016	6.00%	2.14%	6.00%
2017	3.84%	18.51%	-0.31%
2018	3.81%	14.78%	-0.40%
2019	3.05%	8.98%	7.87%
2020	2.73%	6.53%	8.74%
2021	6.34%	44.16%	-0.33%
2022	9.69%	-13.87%	-10.29%
2023	10.88%	18.95%	-0.94%
2024	6.08%	23.12%	2.63%
2025	0.89%	15.30%	6.08%

20.25-year Annualized Net Return	
ARMB Farmland	7.49%
Russell 3000	10.51%
U.S. Aggregate Bonds	3.20%

ARMB Farmland Returns
Fiscal Year, Since Inception



* 2005 was one quarter of performance

Farmland Portfolio

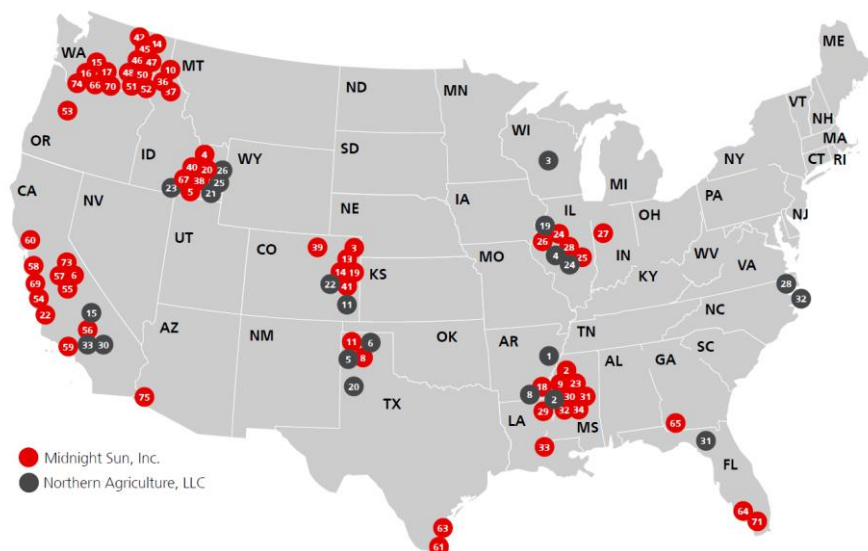
FY 2025 Portfolio Actions:

- In the Fiscal Year 2024 Real Assets plan the target weight was reduced from 25% to 20%. As a result, UBS has sold 3 properties for \$30.2 million and has an additional \$105.2 million actively being marketed or under consideration.

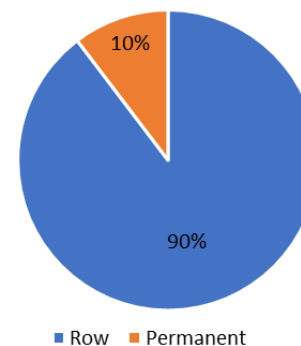
FY 2026 Plan:

- Fiscal Year 2026 plan is to reduce target weight from 20% to 18%.

Midnight Sun property location map
(Unaudited)



ARMB Portfolio by Crop Type
as of June 30, 2025



Timberland Overview

- Investment manager makes investments on a discretionary basis within the parameters defined by ARMB's guidelines and annual investment plan up to approved allocations.
- ARMB allocation is fully invested at current size.
- Portfolios are composed of U.S. timberland. ARMB owns 100% of the assets.
- ARMB portfolio is diversified and well positioned to benefit from building product demand with 69% of portfolio in the U.S. South.

Timberland Portfolio June 30, 2025

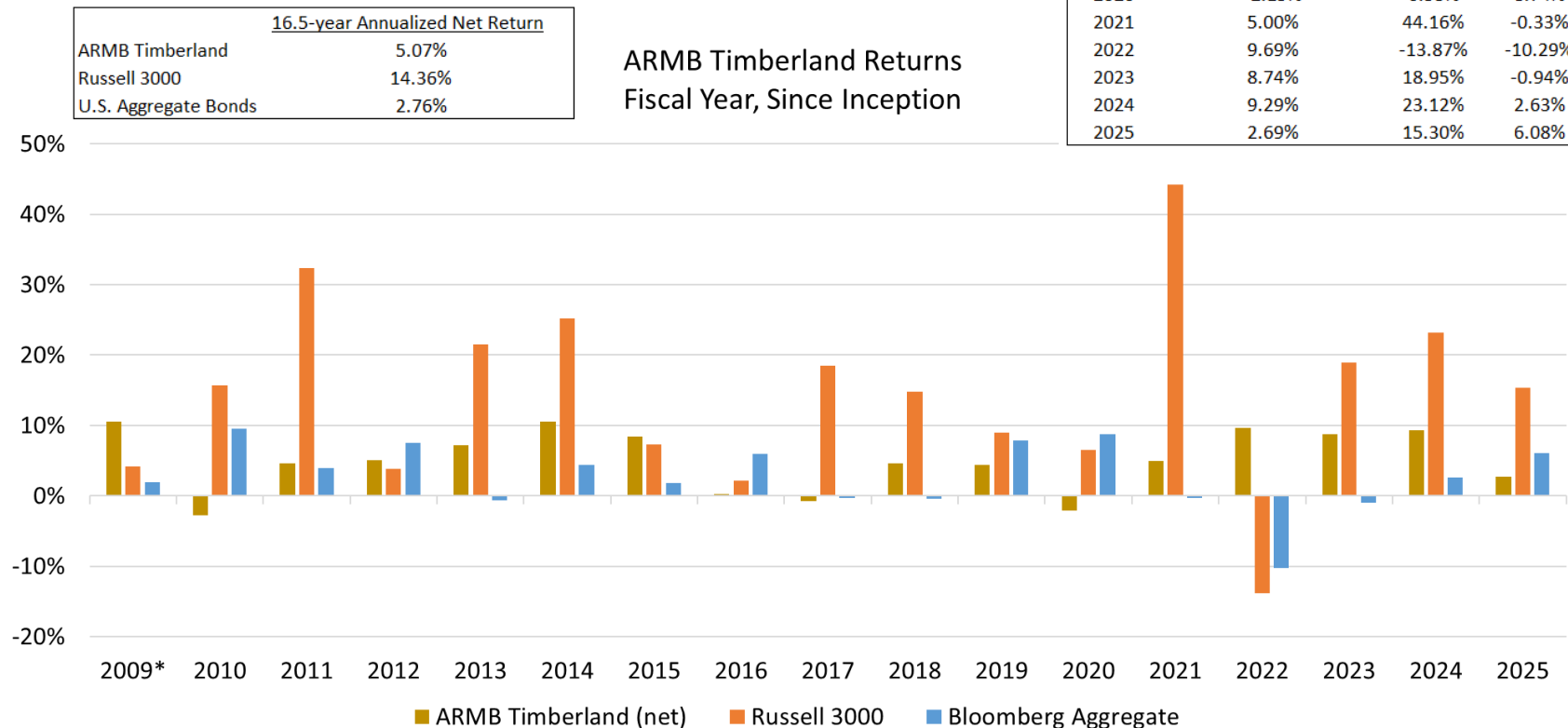
- Total Net Asset Value: \$421 million
- Number of Assets: 17
- Total acres: 144,952
- Number of States where investments are located: 11



Timberland Performance

- Historical returns have been lower than expected but generally positive and between stocks and bonds. Recent returns have been weaker due to lower demand.
- Shallow drawdown experience.
- No leverage is used in portfolio construction.

FY	ARMB Timberland (net)	Russell 3000	Bloomberg Aggregate
2009*	10.50%	4.20%	1.90%
2010	-2.78%	15.72%	9.50%
2011	4.61%	32.37%	3.90%
2012	5.11%	3.84%	7.47%
2013	7.17%	21.46%	-0.69%
2014	10.50%	25.22%	4.37%
2015	8.37%	7.29%	1.86%
2016	0.24%	2.14%	6.00%
2017	-0.81%	18.51%	-0.31%
2018	4.58%	14.78%	-0.40%
2019	4.37%	8.98%	7.87%
2020	-2.15%	6.53%	8.74%
2021	5.00%	44.16%	-0.33%
2022	9.69%	-13.87%	-10.29%
2023	8.74%	18.95%	-0.94%
2024	9.29%	23.12%	2.63%
2025	2.69%	15.30%	6.08%

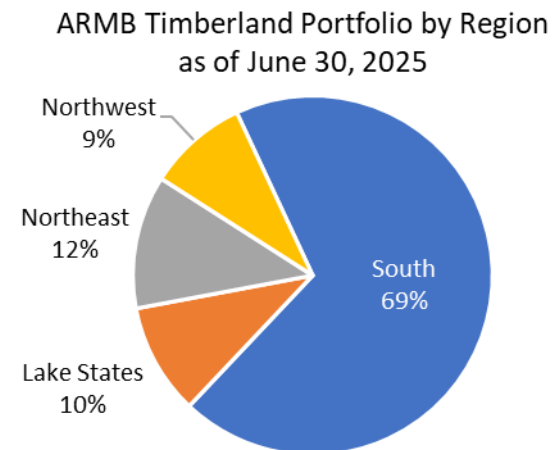


* 2009 was two quarters of performance

Timberland Portfolio

- Fiscal Year 2026 strategy is to reduce target weight from 10% to 7%.

Diversification - Geographically



Infrastructure Overview

- ARMB is invested in two open-end private investment funds, sponsored by J.P. Morgan and Industry Funds Management (IFM).
- Investments are focused on essential core public infrastructure that are both regulated and unregulated. Assets include regulated water, regulated electricity, airports, pipelines, toll roads, and ports. Target return is 8 – 12% net with a high cash yield.
- Portfolio is well diversified with a mix of GDP sensitive assets and regulated or contractually based assets which often include inflation pass-through features.

Infrastructure Portfolio Profile June 30, 2025

- Total Net Asset Value: \$969.60 million
- Number of Company Investments: 40
- Total Combined Fund NAV (all investors): \$111.2 billion



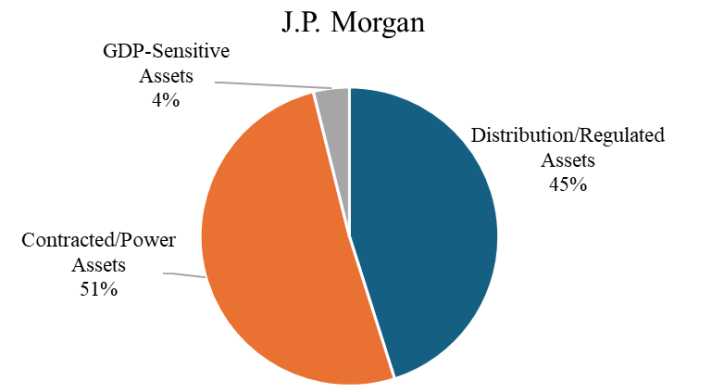
Switch, Inc., IFM



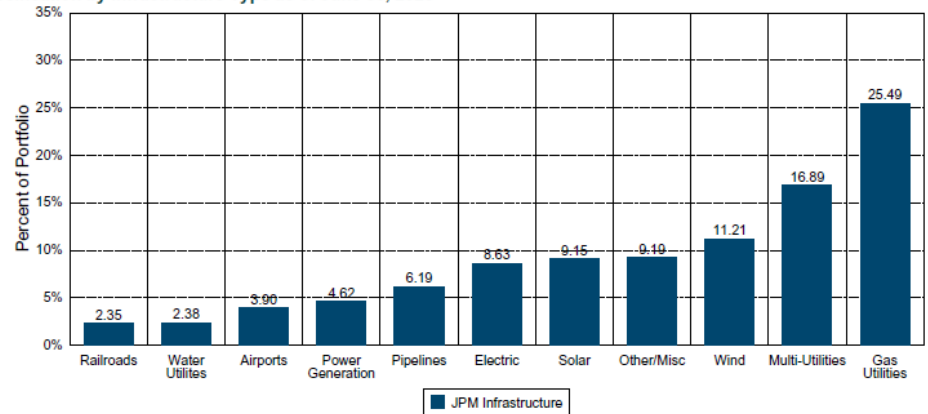
Koole terminals, JPM

Infrastructure Fund Comparison

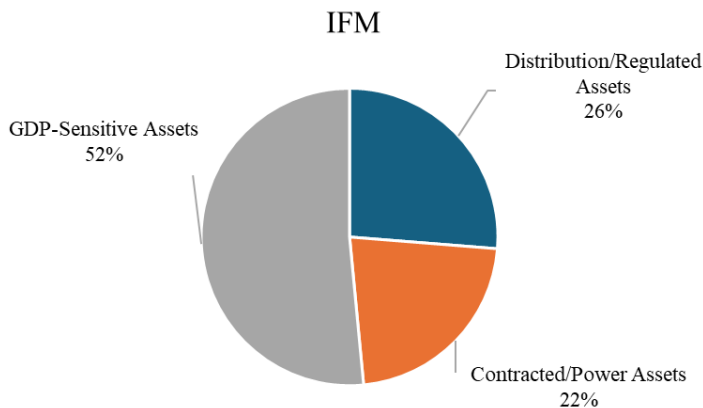
- J.P. Morgan and IFM have different risk and return profiles due to the underlying assets.



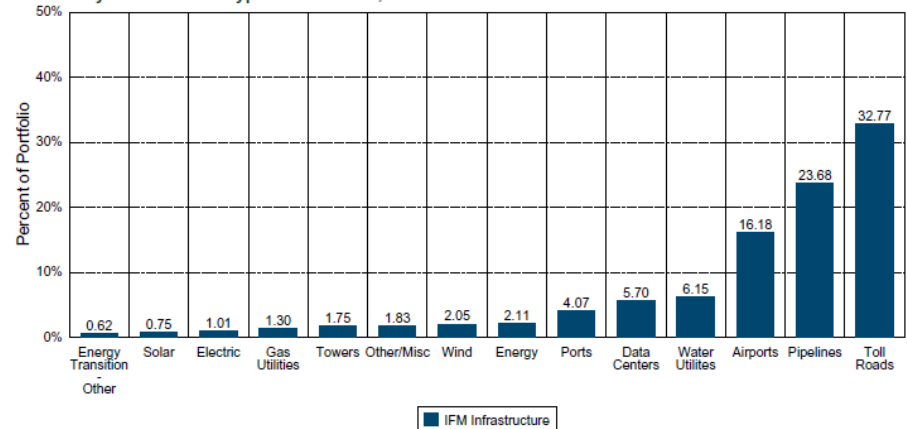
Diversification by Infrastructure Type as of June 30, 2025



JPM Infrastructure	2.35%	2.38%	3.90%	4.62%	6.19%	8.63%	9.15%	9.19%	11.21%	16.89%	25.49%
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Diversification by Infrastructure Type as of June 30, 2025



IFM Infrastructure	0.62%	0.75%	1.01%	1.30%	1.75%	1.83%	2.05%	2.11%	4.07%	5.70%	6.15%	16.18%	23.68%	32.77%
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Source: Callan

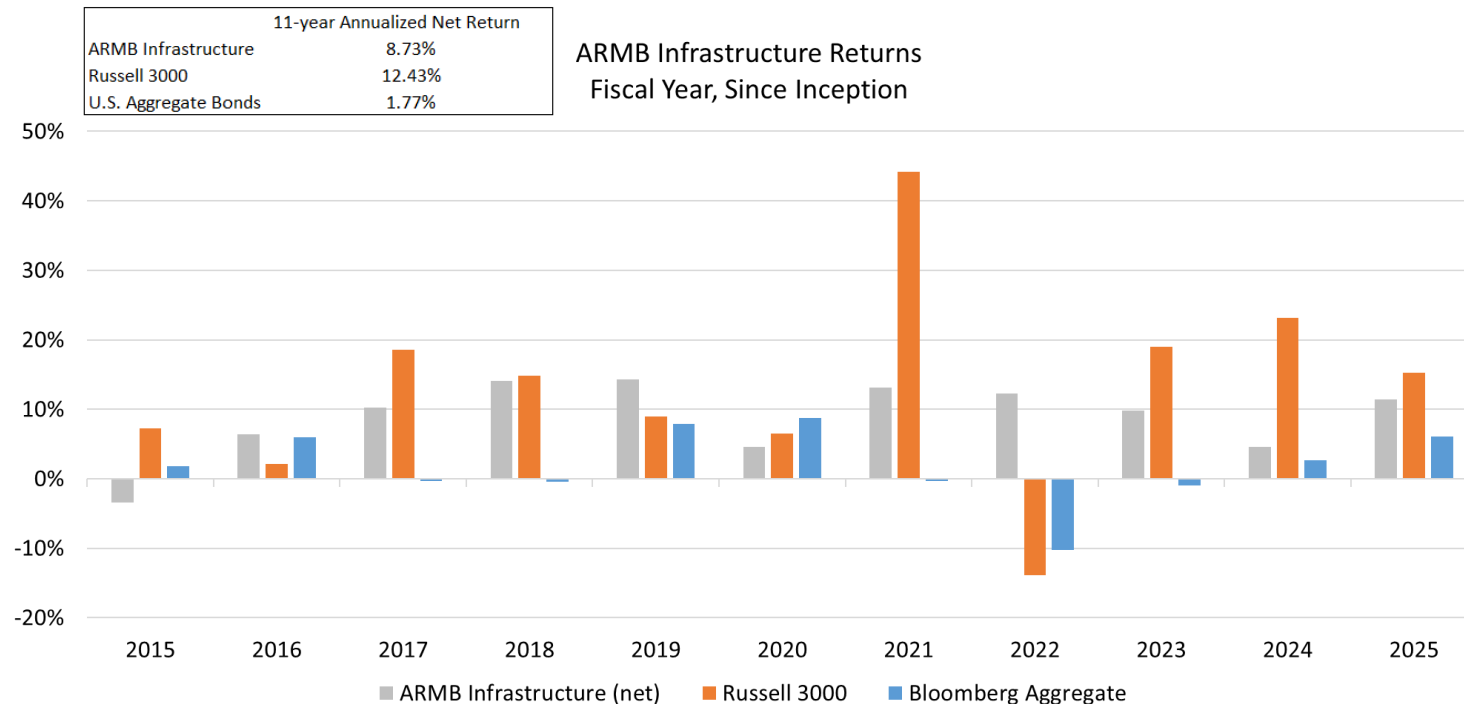
Infrastructure Performance

- Infrastructure has produced steady, generally positive returns. Strong overall results.

Net Returns for Periods Ended June 30, 2025						
	Last Quarter	Last Year	Last 3 Years	Last 6 Years	ITD 11 Years	IFM ITD 10.25 Years
IFM (net)	2.66%	11.83%	8.13%	9.39%	-	10.72%
J.P. Morgan (net)	2.27%	10.23%	10.65%	8.60%	6.59%	-
ARMB Infrastructure (net)	2.53%	11.40%	8.57%	9.23%	8.73%	-
CPI+4%	1.82%	6.67%	6.87%	7.92%	6.79%	7.09%

Source: Callan

FY	ARMB Infrastructure (net)	Russell 3000	Bloomberg Aggregate
2015	-3.37%	7.29%	1.86%
2016	6.34%	2.14%	6.00%
2017	10.27%	18.51%	-0.31%
2018	14.12%	14.78%	-0.40%
2019	14.34%	8.98%	7.87%
2020	4.55%	6.53%	8.74%
2021	13.12%	44.16%	-0.33%
2022	12.21%	-13.87%	-10.29%
2023	9.83%	18.95%	-0.94%
2024	4.60%	23.12%	2.63%
2025	11.40%	15.30%	6.08%



Infrastructure Portfolio Strategy Status

FY 2025 Portfolio Actions:

- A total of \$140 million was transferred from IFM to JPM which completes the rebalancing program.
- Made \$75 million commitment to Global Infrastructure Partners V a closed-end fund focused on energy, transport, digital, and waste/water in OECD countries with a targeted net return of 11-15%.

FY 2026 Plan:

- Add complimentary best-in class higher return strategies as opportunities present.

Real Assets Fiscal Year 2026 Investment Plan

Asset Class	<ul style="list-style-type: none"> Adopt new sector target allocations: Core Real Estate 30%----- Non-core Real Estate 7% Real Estate Debt 5% US REITs 10% ----- Timberland 7% ----- Farmland 18% ----- Infrastructure 23% ----- 	<u>Policy Benchmark:</u> 42% NCREIF ODCE Index 10% NAREIT All Equity Index 7% NCREIF Timberland Index 18% NCREIF Farmland (80/20) 23% CPI+4%	<u>Implementation:</u> Effective Date: 10/1/25 Supersedes Real Assets policy established in Resolutions 2025-09 and 2025-10, relating to plan level asset allocation, on effective date.
Real Estate	<ul style="list-style-type: none"> Work with Callan to perform search to hire one or more Core/Core + managers to improve returns and diversify open-end fund portfolio. Rebalance existing open-end portfolio over time. Remove JPM Strategic Property Fund from the watchlist. The Fund was placed on the watchlist in December 2023 due to turnover in the leadership of the Fund. This concern has been resolved. Add complimentary best-in-class non-core higher return strategies as opportunities present. 		
Farmland	<ul style="list-style-type: none"> No strategy changes recommended. 		
Timberland	<ul style="list-style-type: none"> No strategy changes recommended. 		
Infrastructure	<ul style="list-style-type: none"> Add complimentary best-in-class higher return strategies as opportunities present. 		