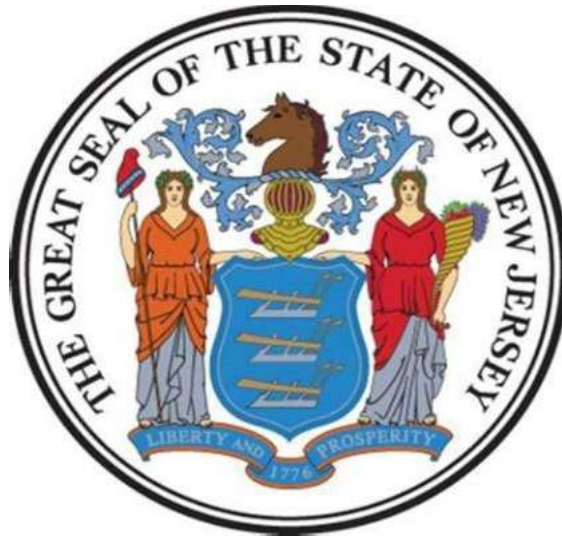


2025 ANNUAL REPORT

NEW JERSEY STATE

INVESTMENT COUNCIL



FOR FISCAL YEAR 2025

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LETTER FROM THE CHAIR

**New Jersey State Investment Council
50 West State Street, 9th Floor
P.O. Box 290
Trenton, NJ 08625**

April 29, 2026

To the Honorable Governor, Legislature, State Treasurer and residents of New Jersey:

As Chair of the State Investment Council, I am pleased to present the Fiscal Year 2025 Annual Report on behalf of the Council and the New Jersey Division of Investment. As fiduciaries for approximately 844,000 members of the Pension Fund, we are pleased to announce that the Pension Fund had a strong fiscal year. As of June 30, 2025, the net asset value of the Pension Fund was \$84 billion, returning +11% (net of fees) for Fiscal Year 2025 and noticeably outperforming the 7% assumed rate of return while slightly underperforming its benchmark. It should also be noted that strong performance was achieved despite relatively high cash holdings to manage portfolio risk. Full funding of the State's annual pension obligations and strong investment performance enabled the continued growth of pension assets.

Fiscal Year 2025 did not come without challenges, and the Pension Fund had to be managed in a market environment requiring caution. As markets continued to rally from the previous year, concerns about investor complacency and an overheated market were top of mind. Additionally with the surge in technology company valuations, concerns of market concentration also remained at the forefront, especially as the group of "Magnificent 7" stocks continued to drive growth of the U.S. large-cap equity market. In April 2025, an adverse market reaction to uncertainties around international trade and tariffs resulted in the Pension Fund giving up gains accumulated over the first 9 months of the fiscal year and dipping into negative territory.

Managing large funds during periods of significant market volatility requires sound investment management accompanied by strong risk and liquidity management. Through diversification and an overweight allocation to cash equivalents throughout the year, the Pension Fund was able to navigate the market downturn with ample liquidity and then proceed to benefit from a constructive market environment that followed, thereby ending the Fiscal Year with strong results. In terms of risk allocation, by deploying less capital to risk assets, the double-digit return generated by the Pension Fund in Fiscal Year 2025 resulted in greater capital efficiency and effectively higher risk-adjusted performance.

Stellar market returns and a strong focus on results by the Division of Investment have allowed the Pension Fund to improve its long-term performance metrics. Strong returns generated over the past three consecutive years have enabled the Pension Fund to deliver a double-digit annualized return over a three-year period while significantly improving the five-year and ten-year annualized performance. Greater portfolio diversification has added meaningful value.

As we look at Fiscal Year 2026, many of the challenges that existed in the previous year continue to linger, requiring finesse while navigating a number of moving parts including upcoming changes at the Federal Reserve, a change in the interest rate regime and ongoing geopolitical events. The level of uncertainty remains elevated as the Pension Fund seeks to continue to deploy its dry powder using a prudent and measured approach. The Division of Investment remains focused on delivering strong risk-adjusted returns through investments in public and private market opportunities. We are confident that the Division, through thoughtful planning, rigorous diligence and vigilant oversight, will continue to lead the Pension Fund in achieving its goals.

In a continued effort to preserve, support and strengthen governance, numerous State Investment Council and committee meetings were held during Fiscal Year 2025, including Audit Committee; Investment Policy Committee; Environmental, Social, Governance (ESG) Policy Committee; and Governance and Operations Committee meetings. Council members' thoughtful input and dedication allows the Council to preserve, support and improve a strong governance structure to protect the interests of the Pension Fund's beneficiaries. With the conclusion of Fiscal Year 2025 and the start of Fiscal Year 2026, I would like to express my gratitude to my fellow Council members for their hard work and time commitment in overseeing the work of the Division of Investment.

I would also like to recognize the support and assistance of the Treasurer's Office and the Governor's Office during the fiscal year and throughout its entire past administration. The State's continued commitment to fully funding the State's annual pension obligations has resulted in substantial value to the Pension Fund. We look forward to working with the new administration to continue to strengthen the Pension Fund on behalf of beneficiaries.

Finally, I would like to thank Division staff, whose relentless and unwavering dedication enables the Pension Fund portfolio to deliver strong risk-adjusted performance, not only during the last fiscal year but over the long term.

Respectfully,



Deepak D. Raj, Chair

INTRODUCTION TO THE COUNCIL AND N.J. DIVISION OF INVESTMENT

DIVISION STAFF

Director:

Shoaib Khan

Deputy Executive Director:

William Connors

Deputy Director:

Lisa Walker

THE STATE INVESTMENT COUNCIL

The State Investment Council (the “Council”) was created by the New Jersey Legislature in 1950 to formulate policies governing the investment of funds by the Director of the Division of Investment (the “Division”), as well as to consult with the Director with respect to the work of the Division.

The Council conducts meetings to discuss major investment policy issues, review Pension Fund performance and accept comments from members of the public. Other investment programs and returns are reviewed annually or when needed.

Council meetings are open to the public. Agendas, meeting times and locations are available on the Division’s website, www.nj.gov/treasury/doinvest under the State Investment Council tab.

Mailing Address:

PO Box 290, Trenton, NJ 08625-0290

Email Address:

doi@treas.nj.gov

COUNCIL MEMBERSHIP:

Council Chair:

Deepak D. Raj

Founder, Raj Associates

Council Vice-Chair:

Adam Liebttag

New Jersey State AFL-CIO Nominee

Council Members:

Theodore R. Aronson

Partner – AJO Vista

Wasseem Boraie

Principal, Boraie Development LLC

Thomas Bruno, Jr.

Public Employees’ Retirement System Designee

Leonard J. Carr

Managing Director, PDT Partners, LLC

Michael Cleary

New Jersey State AFL-CIO Nominee

Vaughn E. Crowe

Managing Partner, Newark Venture Partners

Andrew Michael Greaney

State Troopers Fraternal Association Nominee

James E. Hanson II

CEO, Hampshire Real Estate Company

Timothy McGuckin

New Jersey Education Association Nominee

Samir Pandiri

President, Apex Group Ltd.

Eric E. Richard

Senate President and Assembly Speaker Joint Nominee

Jerome M. St. John, J.A.D. (retired)

Retired Judges Association of New Jersey, designated by Chief Justice of the New Jersey Supreme Court

Edward Yarusinsky

Teachers’ Pension and Annuity Fund Designee

COUNCIL MEMBERSHIP

The Council is comprised of sixteen (16) members pursuant to N.J.S.A. 52:18A-83¹. Nine members are appointed by the Governor for five-year terms and are drawn traditionally from the professional investment community. Of those nine appointments, eight are made with the advice and consent of the State Senate. One appointment is made from nominees submitted jointly by the President of the Senate and Speaker of the Assembly. The statute requires that at least seven of the nine gubernatorial appointments shall be qualified by training and experience in the direct management, analysis, supervision or investment of assets, which training and experience shall have been acquired through academic training or through actual employment in those fields.

Four members are appointed by the Governor from nominees submitted by various employee organizations. Two of the four members are appointed for five-year terms from nominees submitted by the New Jersey State AFL-CIO. One of the four members is appointed for a three-year term from nominees submitted by the New Jersey Education Association. The fourth member is appointed by the Governor for a three-year term from nominees submitted by the State Troopers Fraternal Association. The statute requires that these four appointments shall be qualified by training, experience or long-term interest in the direct management, analysis, supervision or investment of assets and this training, experience or long-term interest shall have been supplemented by academic training in the fields of economics, business, law, finance or actuarial science or by actual employment in those fields.

Two members, representing the Public Employees' Retirement System (PERS), and the Teachers' Pension and Annuity Fund (TPAF), are designated from members of the respective pension system's board of trustees and serve three-year terms. One member is designated by the Chief Justice of the New Jersey Supreme Court from members of the Retired Judges Association of New Jersey and serves a three-year term.

All members serve until reappointed, or a successor is named and has been qualified.

COUNCIL ORGANIZATION CHANGES DURING CALENDAR YEAR 2025

The Council underwent the following changes between January 1, 2025 and December 31, 2025:

- Council Member Vaughn Crowe resigned from the State Investment Council on June 30, 2025.
- Council Member Theodore Aronson resigned from the State Investment Council on September 08, 2025.
- The Council re-elected Deepak Raj as Council Chair and Adam Liebttag as Council Vice-Chair, each for a one-year term on October 29, 2025.
- Domenic DiPiero was appointed to the Council effective December 18, 2025.

¹ As of December 31, 2025, there were 14 Council members, with 2 vacant positions.

THE DIVISION OF INVESTMENT

The Division, under the Council's supervision, is one of the largest U.S. pension fund managers in the U.S.² The Pension Fund supports the retirement plans of approximately 844,000 members in seven public pension systems: the Consolidated Police & Firemen's Pension Fund, the Judicial Retirement System, the Police & Firemen's Retirement System, the Prison Officers' Pension Fund, the Public Employees' Retirement System, the State Police Retirement System and the Teachers' Pension & Annuity Fund (collectively referred to in this report as the "Pension Fund"). Approximately 47% of the members are still working and contributing to the pension plans while 44% are retired. The remaining 9% represent inactive members who are not currently contributing to the pension plans. Pension Fund assets are primarily managed through three common trust funds ("Common Pension Funds"): Common Pension Fund A, Common Pension Fund D and Common Pension Fund E. Common Pension Fund A and Common Pension Fund E invest in alternative investment funds, while Common Pension Fund D invests in public securities. Common Pension Fund A and Common Pension Fund D invest assets of the Judicial Retirement System, the Public Employees' Retirement System, the State Police Retirement System, and the Teachers' Pension and Annuity Fund, while Common Pension Fund E invests assets of those four funds plus Police & Firemen's Retirement System assets.

The net asset value of the Pension Fund assets managed by the Division was \$84.1 billion as of June 30, 2025 compared to \$78.7 billion as of June 30, 2024. The Pension Fund investment return³ for Fiscal Year 2025 was 10.96% (net of all fees) and approximately \$10.3 billion was paid to plan beneficiaries. The Pension Fund received contributions of \$6.5 billion from the State (including net lottery proceeds and receivables of \$1.070 million), \$4.3 billion from local employers, and \$2.5 billion from employees.

The Division also manages the State of New Jersey Cash Management Fund, Supplemental Annuity Collective Trust (a 403b plan), a portion of the NJBEST Fund (a 529 college savings plan) as well as several funds under the New Jersey State Employees Deferred Compensation Plan (a 457 plan).

² Measured by assets as of September 30, 2024. Reported by P&I in February 2025.

³ All investment returns are reported net of all fees.

STATUTORY AUTHORITY AND HISTORY OF THE DIVISION

The Division was created in 1950 by the New Jersey Legislature (P.L. 1950, c.270) to centralize all functions relating to the purchase, sale or exchange of securities for the State's diverse funds under experienced and professional management. The statute also established a State Investment Council to formulate policies that govern the methods, practices or procedures for investment, reinvestment, sale or exchange transactions to be followed by the Director of the Division. The statute vests investment authority in the Director of the Division, who is appointed by the State Treasurer from a list of qualified candidates submitted by the Council.

On July 3, 2018, the Governor signed P.L. 2018, c. 55 (the "PFRS Act") which, among other changes, transferred certain investment authority and duties relating to the assets of the Police and Firemen's Retirement System ("PFRS") to a newly constituted PFRS Board of Trustees (the "PFRS Board"). As of April 1, 2024, the Division transferred to PFRS its proportional share of assets that were in Common Pension Fund D. The Division continues to work with the PFRS Board and PFRS staff to implement the provisions of the PFRS Act.

INVESTMENT PARAMETERS

All investments must conform to the heightened "prudent person" standard set by the New Jersey Legislature (P.L. 1997, c.26). This standard requires the Director "to manage and invest the portfolio solely in the interests of the beneficiaries of the portfolio and for the exclusive purpose of providing financial benefits to the beneficiaries of the portfolio."

The mission of the Division is to achieve the best possible return at an acceptable level of risk utilizing the highest fiduciary standards.

COUNCIL REGULATIONS AND STRUCTURE

In addition to investment guidelines established by law, the Council is authorized by statute to establish investment policies that govern the methods, practices or procedures for investment, reinvestment, sale or exchange transactions (N.J.S.A. 52:18A-91).

Proposed regulations and amendments are filed upon approval of the Council with the Office of Administrative Law for publication in *The New Jersey Register*, followed by a 60-day public comment period. After the public comment period, each proposal is returned to the Council for adoption, along with any comments received. The Council's current regulations may be found in the New Jersey Administrative Code ([N.J.A.C. 17:16](#)), and are available for viewing online at [New Jersey Administrative Code online link](#).

LEGISLATION

PROHIBITED INVESTMENTS

The Division maintains a list of companies' ineligible for investment under three State laws: a Sudan divestiture law (P.L. 2005, c. 162), an Iran divestiture law (P.L. 2007, c. 250), and a law requiring divestment of companies boycotting Israel (P.L. 2016, c. 24). The Division uses an independent research firm to assist it in complying with the provisions of the statutes. Reports are filed with the Legislature in accordance with each of the statutes.

Divestitures pose three primary fiscal challenges to the Pension Fund: 1) the requirement of the identification and sale of holdings on a timetable that may not consider market conditions; 2) the impact on risk and return for the Pension Fund; and 3) the reduction of the investment universe available to the Pension Fund. Collectively, the divestiture laws reduced the market capitalization of the investable universe as of June 30, 2025 by approximately 1.01% for the international developed markets and 0.98% for the international emerging markets relative to their respective benchmarks.

In March 2022, Governor Phil Murphy signed legislation (P.L. 2022, c.3) that prohibits the State of New Jersey from investing pension or annuity funds in companies identified by the Department of the Treasury as engaging in prohibited activities in Russia or Belarus and requires the divestment of existing holdings in such companies. The Division of Investment has minimized and continues to monitor its exposure to these companies to the extent possible given operational issues in the Russian market, while keeping in mind its overarching fiduciary responsibility to pension fund beneficiaries.

NORTHERN IRELAND REPORT

The Division has been required since 1987 (P.L. 1987, c. 177) to report annually to the Legislature regarding the adherence of U.S. companies and their subsidiaries doing business in Northern Ireland, in which the assets of any state pension or annuity fund are invested, to the “MacBride Principles.” “MacBride Principles” refers to a body of employment laws aimed at reducing employment discrimination in Northern Ireland. The report is filed each year by January 15th in accordance with the statute.

NET ASSETS UNDER MANAGEMENT

NET ASSETS IN MILLIONS (\$)	June 30, 2025	June 30, 2024
PENSION FUND¹	84,084	78,771
The Pension Fund includes pension assets contributed by participants, Lottery contributions, and State and local employers for participants in seven statewide retirement plans		
Teachers' Pension & Annuity Fund	34,054	30,517
Public Employees' Retirement System	39,643	36,374
Police & Firemen's Retirement System	7,513	9,290
State Police Retirement System	2,579	2,333
Judicial Retirement System	288	252
Prison Officers' Pension Fund	4	4
Consolidated Police & Firemen's Pension Fund	1	1

*Total may not equal sum of components due to rounding

CASH MANAGEMENT FUND²	37,766	41,043
This fund includes the cash balances of State government funds and other non-state government entities (counties, municipalities, school districts and the agencies or authorities created by any of these).		

SUPPLEMENTAL ANNUITY COLLECTIVE TRUST	362	334
This fund includes voluntary investments by employees for retirement income separate from, and in addition to, their basic pension plan		

¹ The net assets of the Pension Fund include the net assets managed by the Division through the Common Pension Funds and exclude certain direct assets and liabilities of the seven underlying pension plans. Year over year change in net assets is impacted by a variety of factors including performance, plan funding and plan design.

² The total for the Cash Management Fund includes \$5.4 billion on June 30, 2025 (\$9.4 billion on June 30, 2024) held for and included in the totals for the Pension Fund, the Supplemental Annuity Collective Trust, Trustees for the Support of Public Schools Fund, the NJBEST Fund and Deferred Compensation Program.

**The Division managed a separate account totaling approximately \$2.0 thousand on behalf of the State of New Jersey as of June 30, 2025.

NJBEST FUND

The Division manages a portion of the State's tax-advantaged 529 college savings program. On June 30, 2025, the Division-managed portion of this fund had a market value of \$93 million compared with \$106 million on June 30, 2024. The year-over-year decrease in market value is attributable to net redemptions.

DEFERRED COMPENSATION PLAN

The Division manages several funds that are included in the New Jersey State Employees Deferred Compensation Plan. Empower Retirement, a business of Great-West Life & Annuity Insurance Company, is the third-party administrator for this plan. The Division manages the Equity Fund and Small Capitalization Equity Fund. As of June 30, 2025, these funds had a combined market value of \$869 million compared with \$833 million as of June 30, 2024. The year-over-year increase in market value is primarily attributable to market performance.

TRUSTEES FOR THE SUPPORT OF PUBLIC SCHOOLS FUND

The Division manages the fund reserve required to support the rating of school bonds issued for the maintenance and support of the State's public schools. As of June 30, 2025, the portfolio had a market value of \$180 million compared with \$177 million as of June 30, 2024.

20-YEAR PENSION FUND FINANCIAL SUMMARY

FISCAL YEAR	NET ASSETS ¹ (\$ billions)	RATE OF RETURN % (net of fees)	GROSS PENSION PAYMENTS ² (\$ billions)
2025	76.5	10.96	10.0
2024	69.5	10.74	12.2
2023	93.2	9.06	12.6
2022	87.5	-7.90	12.4
2021	95.7	28.63	12.0
5-YEAR ANNUALIZED RETURN		9.69	
2020	76.7	1.21	11.7
2019	80.0	6.27	11.2
2018	78.2	9.06	10.8
2017	76.0	13.07	10.4
2016	72.9	-0.93	10.0
10-YEAR ANNUALIZED RETURN		7.63	
2015	79.0	4.09	9.6
2014	81.2	16.79	9.1
2013	74.4	11.72	8.7
2012	70.1	2.47	8.3
2011	73.7	17.97	7.7
15-YEAR ANNUALIZED RETURN		8.55	
2010	66.8	13.34	7.0
2009	62.9	-15.49	6.6
2008	78.6	-2.61	6.1
2007	82.5	17.14	5.6
2006	73.1	9.79	5.2
20-YEAR ANNUALIZED RETURN		7.32	

¹ Excluding Police & Firemen's Retirement System assets on or after April 1, 2024.

² Gross Pension Payments exclude payments to the Police & Firemen's Retirement System assets on or after April 1, 2024.

During Fiscal Year 2025, net transfers of approximately \$3.58 billion were paid from the Common Pension Funds to the pension plans. Included within the transfers are contributions totaling \$1.045 billion to the investment account of Common Pension Fund L in accordance with the Lottery Enterprise Contribution Act (P.L. 2017, c. 98) on behalf of the following pension plans: \$12.54 million for the Police and Fireman's Retirement System, \$219.66 million for the Public Employees' Retirement System and \$812.80 million for the Teachers' Pension & Annuity Fund. Net transfers are the difference between total contributions to the pension plans and liabilities (primarily benefit payments) paid by the pension plans.

PENSION FUND ASSET ALLOCATION

The Council reviews, approves, and adopts an investment plan that includes a targeted asset allocation, as well as allowable ranges for asset classes. The Council's key objective in setting the targeted asset allocation is to provide for a well-diversified portfolio designed to achieve the best possible return at an acceptable level of risk utilizing the highest fiduciary standards.

ACTUAL ALLOCATION AS OF JUNE 30, 2025 VS. TARGETED ASSET ALLOCATION

Asset Class	Actual Allocation %	Target Allocation %	Difference %	Actual Allocation (\$ millions)
U.S. Equity	27.65	28.00	-0.35	21,161.12
Non-U.S. Developed Markets Equity	12.66	12.75	-0.09	9,688.38
Int'l Small Cap Equity	1.31	1.25	0.06	1,004.07
Emerging Markets Equity	5.35	5.50	-0.15	4,097.18
Private Equity	10.31	13.00	-2.69	7,887.62
Equity Hedge Fund Breakout	0	0	0.00	1.64
GLOBAL GROWTH	57.28	60.50	-3.22	43,840.01
Real Estate	5.83	8.00	-2.17	4,465.66
Real Assets	2.51	3.00	-0.49	1,918.41
REAL RETURN	8.34	11.00	-2.66	6,384.07
High Yield	4.29	4.50	-0.21	3,280.39
Private Credit	6.99	8.00	-1.01	5,346.53
Investment Grade Credit	6.81	7.00	-0.19	5,213.97
INCOME	18.08	19.50	-1.41	13,840.90
Cash Equivalents	10.29	2.00	8.29	7,875.77
U.S. Treasuries	4.05	4.00	0.05	3,096.23
Risk Mitigation Strategies	1.77	3.00	-1.23	1,356.51
DEFENSIVE	16.11	9.00	7.11	12,328.51
Other	0.18	-	0.18	140.97
TOTAL PENSION FUND	100.00	100.00	0.00	

Total may not equal sum of components due to rounding

Actual allocation as of June 30, 2025, compared to actual allocation as of June 30, 2024, reflects an increase of 2.30% to Emerging Markets Equity, an increase of 1.09% to Non- U.S. Developed Markets Equity an increase of 0.78% for Real Estate while allocation to Real Assets and U.S. Treasury increased by 0.15% and 0.06% respectively. However, actual allocation for the same period declined 1.31% to U.S. Equity, Cash Equivalent saw decrease of 1.15%, Private Equity 0.73%, Private Credit 0.32% and Investment Grade Credit 0.14%.

A comparison of actual allocations as of June 30, 2025, to target allocation on the same date shows most asset classes were underweight their long-term target allocation. Private Equity by 2.69%, Real Estate 2.17%, , Risk Mitigation 1.23%, Private Credit was below its target by 1.01%, Real Assets by 0.49%, U.S. Equity underweight by 0.35%, Emerging Markets Equity by 0.15% and High Yield underweight by 0.21%. Cash and Cash Equivalent and U.S. Treasuries were overweight by 8.29% and 0.05% respectively...

TARGETED ASSET ALLOCATION AND ALLOWABLE RANGES – EFFECTIVE OCTOBER 1, 2023

Asset Class	Target	Allowable Ranges ¹
U.S. Equity	28.00%	22-32%
Non-U.S. Developed Markets Equity	12.75%	10-14 %
International Small Cap Equity	1.25%	0-3%
Emerging Markets Equity	5.50%	3-8%
Private Equity	13.00%	10-16%
GLOBAL GROWTH	60.50%	
Real Estate	8.00%	5-11%
Real Assets	3.00%	1-5%
REAL RETURN	11.00%	
High Yield	4.50%	1-6%
Private Credit	8.00%	5-11%
Investment Grade Credit	7.00%	5-11%
INCOME	19.50%	
Cash Equivalents	2.00%	1-7%
US Treasuries	4.00%	3-8%
Risk Mitigation Strategies	3.00%	1-6%
DEFENSIVE	9.00%	

¹ Investments are subject to additional limitations as set forth in the Council Regulations

MARKET OVERVIEW FOR FISCAL YEAR 2025

TOTAL PENSION FUND

Fiscal year 2025 was a constructive year in terms of performance for most financial markets, albeit not without meaningful volatility. U.S. equity markets once again delivered stellar double-digit returns in FY 2025 while fixed income markets provided mid-to-high single digits returns. Additionally, International equity markets also ended the year on a high note, allowing the Pension Fund portfolio to deliver double-digit performance for the fiscal year.

While generally following the long-term strategic asset allocation plan, the Division also took advantage of opportunities for shorter-term tactical allocations to navigate an extremely fluid market environment during the fiscal year. Increased market volatility and global trade uncertainty prompted active monitoring of portfolio exposures to protect capital during market downturns while remaining positioned to benefit from subsequent market recoveries. Fiscal year 2025 required a balanced approach that combined defensive positioning with the conviction to maintain exposure to relevant equity markets to capture potential market rebound opportunities.

During the first half of the fiscal year, the Pension Fund portfolio was positioned with a constructive view on public equity and fixed income markets and as a result, positioned either close to or slightly above long-term targets, with the exception of emerging markets where the portfolio remained underweight. Additionally, the Pension Fund portfolio was underweight private market asset classes while overweight cash, allowing it to preserve liquidity and dry powder during a period characterized by an extremely volatile market environment. Subsequent to the announcement in April 2025 with respect to U.S. policy changes to international trade arrangements, tactical adjustments were made to the portfolio in order to accommodate a changing market environment. Nonetheless, consistent with a view that U.S. companies are well positioned to withstand short to medium term volatility, the Pension Fund portfolio's exposure to U.S equity markets was only reduced by a couple of percentage points and essentially maintained near the long-term asset allocations target of 28%.

As markets stabilized and began their upward trajectory in the latter half of April 2025, the Pension Fund portfolio's exposure to U.S. equities was maintained below or close to longer-term targets. However, the outlook for international equity markets turned more positive based on relative valuations. As a result, exposure to emerging markets equities was increased over time to its long-term allocation target. While tactical allocations were utilized on the edges in order to supplement the strategic asset allocation plan in place, it proved to be value adding during times of greater volatility.

During the fiscal year, the Pension Fund portfolio was positioned in a cautiously optimistic posture with ample liquidity and dry powder to be utilized to capture emerging opportunities while limiting downside during periods of market downturn. While equities provided the largest share of the performance contributions during the fiscal year, it should be noted that fixed income was also a positive contributor to the overall performance of the Pension Fund portfolio. More specifically, the high yield fixed income portfolio was a strong performer delivering almost 10% for the year, while investment grade credit and U.S. Treasuries also contributed positively to the overall portfolio returns.

Within alternative investments, all asset classes delivered positive returns for the fiscal year, particularly real assets, risk mitigation strategies and private credit which delivered stellar results. Given that allocations to all private market asset classes were below their long-term target, the Pension Fund portfolio is well positioned through deployment of dry powder to benefit from greater opportunities in the space. Lastly, ample liquidity due to the portfolio's cash positioning should provide it greater flexibility in order to benefit from unplanned opportunities.

GLOBAL EQUITY MARKETS

Global equity markets were subjected to sharp periods of volatility as a result of the major shifts in market dynamics that occurred in fiscal year 2025. During this period, long-running trading narratives including the Magnificent 7, Artificial Intelligence (AI), and U.S. Exceptionalism versus International Markets Diversification, encountered serious re-assessment by investors, resulting in markets experiencing notable selloffs and rallies. Despite an investment environment characterized by significant uncertainty, the risk-on sentiment for stocks persisted, allowing for another fiscal year of strong performance. Global equities returned +16.17% for fiscal year 2025.

The first half of the fiscal year ending in December 2024 saw the U.S. market outperform the major regional markets, returning +8.44% led by the Magnificent 7 (+22.18%), in contrast to the weakness shown in the Non-U.S. Developed Markets (-0.24%) and Emerging Markets (+0.02%). A stronger U.S. dollar also negatively weighed on the performance of International Markets.

An accommodative U.S. Federal Reserve, which cut rates twice during this period, and optimism for the perceived pro-growth policies of the new Trump Administration, fostered the risk-on sentiment for U.S. equities. Conversely, returns for Developed Europe (-3.80%) were negatively affected by recession fears and political instability in heavyweights France, Germany and the United Kingdom.

An unexpected interest rate hike by the Bank of Japan triggered significant volatility and sharp declines across the global markets during the first week in August 2024 (-6.38%). Japan managed to end the fiscal first-half +1.92%, as a weaker yen against the U.S. dollar bolstered earnings of large-cap exporters.

The Emerging Markets ended the fiscal first-half pretty much flat (+0.02%), reflecting the struggle between the positive effect from Chinese stimulus and performance of AI-related Taiwanese technology securities and the adverse impact of political instability, notably in South Korea where the President was impeached.

In January 2025, the start of the second half of the fiscal year, concerns regarding global trade tensions, the U.S. economy, and U.S. Federal Reserve policy caused a reversal of the dominant U.S. buy-trade and a decline in the U.S. dollar. Diversifying away from U.S. equities and into international markets gained traction, especially after the unexpected pivot of European governments towards boosting fiscal budgets. The U.S. dollar, which fell almost 11% during the fiscal second-half ending June 2025, provided a tailwind to equity returns, helping the international markets to outperform U.S. securities for this six-month fiscal period: +17.90% vs.+6.20% respectively.

The U.S. market experienced a -14.98% decline between January and early April, primarily led by the Magnificent 7 (-25.79%), a reversal of the performance which helped to propel the index to all-time highs at the beginning of 2025. On January 27, concerns over the perceived threat to the

U.S. dominance in AI models from a Chinese AI model developed by DeepSeek, added to the risk-off sentiment in U.S. equities. AI-related securities were particularly hit hard, especially NVIDIA, which fell 17% that January day and experienced a loss of \$600 billion in market value – the largest single-day loss in U.S. stock market history.

The uncertainty surrounding AI continued to have a profound effect on the U.S. market, causing the large-cap technology companies to become more volatile and exacerbate the sharp selloffs and rallies that occurred during the fiscal second-half. A notable risk-off event followed the early April announcement of new U.S. tariff policy (“Liberation Day”), which resulted in an 11.52% drop of the U.S. market between April 2 and April 8. The reaction in the immediate aftermath prompted an ease in the severity of the proposed tariffs, causing the market to whip around and turn into a strong risk-on rally that lasted through the end of the fiscal year in June. The U.S. exceptionalism trade made a comeback, as the U.S. market returned +24.92%, led by the Magnificent 7 (+36.99%); the international markets also rebounded from April lows, with Non-U.S. Developed Markets rising +24.90% and the Emerging Markets closing up +23.06% by the end of June.

Fiscal year 2025 saw major shifts in long-held market dynamics, including a notable dispersion of returns among the Magnificent 7 and the displacement of Technology as the highest performing sector. Among the 11 sectors, Financials had the best return at +29.28% in contrast to +15.10% for Technology – a 6th place return. But the most significant event was the replacement of the U.S. market as the dominant equity trade narrative by the international markets’ diversification theme. Foreign equities outperformed U.S. equities for the fiscal year, especially Non-U.S. Developed Markets, which returned +18.70%, followed by +15.29% for the Emerging Markets against +15.16% in performance for the U.S. Market.

Note: All market returns reflect performances of the respective S&P total return and MSCI net total return USD indices. Magnificent 7 returns reflect a Bloomberg index.

FIXED INCOME MARKETS

The Fixed Income markets delivered solid returns over the Fiscal Year, highlighted by positive carry, stable spreads and a steepening yield curve. The period was one of high uncertainty with a looming election in the first half and new policy to absorb with a change in the Administration in the second. The overall theme of the economy over the period is best described as resilient growth and “sticky” inflation. In Rates, the result was higher on the long end and outperformance on the short end. In Credit, spreads remained tight, and valuations were “rich” by historical standards while all in yields were above median by comparison. Fixed Income managed to provide an attractive return of 7.29% for the benchmark.

Fed Policy was supportive in the first half of the fiscal year and erred on the side of caution by cutting three times (100bps). The 2/10 yield curve, which began the year inverted at (-0.38) rose 89bps (+0.51) by Fiscal Year End. With this, long Treasuries posted the worst returns among Fixed Income asset classes. Long credit performed better as GDP growth held in a 1.5 to 2% range and long spreads tightened from +114 to +102 over the period. Overall, lower quality credit outperformed as the valuations had the most room to tighten in an environment where default rates remained low and refinancing channels remained open.

PRIVATE EQUITY

Private equity delivered mixed performance in 2025. Newer vintages generally outperformed, while older vintages struggled under the weight of higher financing costs and a challenging exit environment. Fundraising conditions remained difficult and are expected to stay that way as muted exit activity exists. Exit markets remain stalled, with valuation multiples – especially for larger deals – still elevated due to public comparables. General Partners (GPs) continue to hold out hope that time will rescue high-priced acquisitions in prior vintages. Investment activity is below the 2021 peak, but total deal activity in 2025 was similar to pre-COVID levels and consistent with its 10-year average. Fund managers have been increasingly utilizing alternative liquidity mechanisms such as minority sales, continuation vehicles, NAV loans, and dividend recaps to artificially create distributions for their Limited Partners (LPs) given the slower exit environment. Secondary market activity continues to experience growth (both LP-led and GP-led secondaries) as LPs are increasingly using the secondary market to generate liquidity, rebalance portfolios or reduce over-allocation. Pricing remains firm even with the increased supply as retail money inflows have become the marginal buyer. We believe the total private equity deal activity in 2026 will remain uncertain but pick up from 2025 while still being materially influenced by macroeconomic conditions in the U.S. and global trade policies. Public listings across Private Equity and Venture Capital backed exits through the first half of 2025 represented 40% of the total exit value in 2024. This is promising sign that public markets are re-opening, and some recent successful IPOs are further driving activity. Finally, the rapid adoption of AI is poised to significantly impact private equity in 2026 and beyond. While the full extent of its influence remains unclear, it may benefit future vintages while posing challenges for legacy portfolios.

PRIVATE CREDIT

Fiscal Year 2025 was a period of elevated volatility and investor sentiment swung between exuberance in 1H25 and transitioning to fear and uncertainty around Liberation Day in April. However, despite the elevated volatility, the demand for private credit remained strong throughout the year. Private credit professionals reported positive corporate fundamental trends and continually improving M&A environment. While the M&A transaction volume has improved, the anticipated wave of deals predicted under the new Presidential administration did not materialize.

Public credit markets strengthened throughout the year and capital market activity increased, regaining market share from private credit that had been lost in prior years. In addition, strong public credit markets and investor demand led to public spreads tightening, forcing private credit to follow suit. Large private credit deals became highly competitive with the public loan market and spreads tightened and deal structures loosened which benefited issuers at the expense of investors.

The outlook for Fiscal Year 2026 is positive with expectations that corporate fundamentals will continue to grow at a moderate pace. Defaults will remain limited to idiosyncratic company issues, and M&A activity will increase as corporate management teams have greater clarity on tariffs and earnings. Two recent trends, a growing retail presence and increase importance of private asset-based finance, are expected to be a growing part of the private credit market. The outlook is positive for all of private credit to grow and deal sizes to increase, and for the asset class to continue to be formidable competitor the public markets.

REAL ESTATE

The National Council of Real Estate Investment Fiduciaries (NCREIF) Open End Diversified Core Equity (ODCE) Index, a broad measure of the US private real estate fund market, generated a total return of 1.17% in Fiscal Year 2025. The real estate benchmark was shaped by ongoing valuation pressures from the Federal Reserve's steep rate hikes since 2022, partially offset by strong income generation. The most recent Federal Funds rate cuts have been helpful but not the cure-all the sector had hoped for. The pullback from traditional real estate lenders has continued; however, the impact has been less severe than originally expected as non-traditional lenders have stepped in to provide bridge financing and stretch financing at attractive risk-adjusted returns. The office sector remained under pressure, facing structural headwinds from evolving work patterns and the capital demands of modernizing aging assets. However, there seems to be signs of stabilization in Class A central business districts in select cities. The hotel sector had a mixed year, with waning "revenge travel" demand and rising operational costs from inflation and labor constraints. The retail sector remained resilient, supported by steady income from grocery-anchored shopping centers. The industrial property sector is still adjusting to the post-pandemic supply overhang and evolving distribution patterns influenced by tariffs. The multifamily sector is navigating a similar overbuild, with rising vacancies due to new supply. However, fundamentals are expected to shift back in favor of landlords as constrained construction financing limits future development. The outlook for multifamily and other residential property types remains positive due to the persistent housing shortage.

REAL ASSETS

As public markets continued to perform well, private infrastructure continued to deliver compelling risk-adjusted returns. The Cambridge Associates Natural Resources/Infrastructure Index posted a solid +8.9% return in Fiscal Year 2025. A defining theme of the period was the global push toward energy transition and/or energy addition, accompanied by a heightened focus on energy security and grid stability. Simultaneously, the rapid growth of AI fueled strong demand for digital infrastructure, particularly data centers. These trends are increasingly converging, as AI's rising power requirements place new pressures on energy systems- intensifying the need for resilient, low-carbon infrastructure capable of supporting both technological advancement and sustainability goals. The index's largest segment, Infrastructure, benefited from these ongoing themes, returning +10.5%. The Private Equity Energy segment returned +6.0%. In contrast, Timber and Upstream Energy & Royalties underperformed, with returns of +1.3% and -4.4% over the same period. Regionally, the U.S., which represents approximately 65% of the index, returned +7.7%. However, a weaker U.S. dollar helped boost performance in the global and European exposures- together comprising roughly 33% of the index- which returned +9.1% and +14.9%, respectively.

PENSION FUND RETURN VS. BENCHMARK

	Annualized Returns (%)					
	FY25	3 Years	5 Years	10 Years	20 Years	25 Years
Pension Fund	10.96	10.25	9.69	7.63	7.32	6.05
Pension Fund Benchmark ¹	11.70	10.31	10.17	8.35	7.13	6.10

¹ Benchmark is a weighted composite of index returns in each asset class

- During Fiscal Year 2025, the Pension Fund returned 10.96% versus a benchmark of 11.70%. The underperformance of 0.74% was generated by both public and private market asset classes. Given the cautiously optimistic positioning of the Pension Fund portfolio's tilt towards preserving capital in a volatile environment characterized by high market valuations, we are pleased with the double-digit return. Despite volatile market conditions, the Pension Fund's public equities portfolio was able to deliver stellar returns with the U.S. Equity allocation producing 15.21%, while Non-U.S. Developed Market Equity, International Small Cap Equity and Emerging Market Equity generated 18.95%, 24.04% and 16.33%, respectively. In Fixed Income, the Pension Fund's Investment Grade Credit portfolio produced a return of 6.51% outperforming its benchmark by 0.04%, while the U.S. Treasuries portfolio ended the fiscal year with a return of 5.55%, outperforming its benchmark by 0.25%. Despite the High Yield portfolio underperforming its benchmark by 0.39%, it produced a strong 9.90% return for the fiscal year. A key reason for the underperformance of the High Yield portfolio was the relative under-allocation to lower quality names in a year in which lower quality did well. Nonetheless, in our view a tilt towards a higher quality portfolio within the High Yield space during a volatile year seems prudent.
- The Pension Fund also benefited from positive performance in private market asset classes with each asset class delivering positive returns. Real Assets was the best performing private market asset class returning 11.11%, followed by Risk Mitigation Strategies and Private Credit returning 8.85% and 7.73%, respectively. Private Equity and Real Estate rounded out the Pension Fund's private market asset class portfolio producing 5.10% and 4.29%, respectively.

U.S. EQUITY HIGHLIGHTS OF FISCAL YEAR 2025

	Annualized Returns (%)			
	FY25	3 Years	5 Years	10 Years
U.S. Equity Only (Ex Cash and hedges)	15.21	19.15	16.08	12.35
Policy Benchmark	15.23	19.20	16.11	13.22

- For fiscal year 2025, the Total U.S. Equity Portfolio ¹ returned +15.21% versus +15.23% for the USA IMI benchmark, an underperformance of -2 basis points. The largest component – the Passive Portfolio – returned +15.33% versus +15.23% for the MSCI USA IMI benchmark, an outperformance of +10 basis points.
- Economic concerns due to an evolving tariff policy, coupled with investor uncertainty over Federal Reserve policy, allowed for periods of sharp rises in volatility during the fiscal year.
- While Technology remained a dominant driver of market returns, the Magnificent 7 experienced a dispersion in performance among members, allowing for a rise in new contenders such as Broadcom and Palantir. These two securities were respectively the 2nd and 8th largest contributors to the MSCI USA IMI +15.23% fiscal year return. Alphabet and Apple were not in the top 10.
- The shifts in market dynamics also saw greater rotation among the 11 sectors regarding performance. For the fiscal year, Financials, and not Technology, led with a +29.28% return, followed by +23.21% for Utilities. Although Technology placed 6th at +15.90%, as the largest sector in the MSCI USA IMI, its performance was strong enough to allow Technology to be the largest contributor to the MSCI USA IMI fiscal year return, comprising almost 5%.
- The largest component of the Total U.S. Equity Portfolio is passively managed to be in alignment to the benchmark, using a quantitative, optimization methodology. A risk model is used to construct a portfolio comprised of a subset of the benchmark that closely tracks the volatility and return profile of the benchmark. For the fiscal year, the Passive Portfolio component performed as expected. The -2 basis points of relative performance for the Total U.S. Equity Portfolio stemmed from a broad market ETF position, which is used as an agile, tactical allocation vehicle.
- As of June 30, 2025, the Total U.S. Equity Portfolio consisted of close to 1,400 securities versus approximately 2,200 in the benchmark and retained a broadly diversified profile across sectors.

² The Total U.S. Portfolio also includes a small ETF portfolio used for asset allocation purposes.

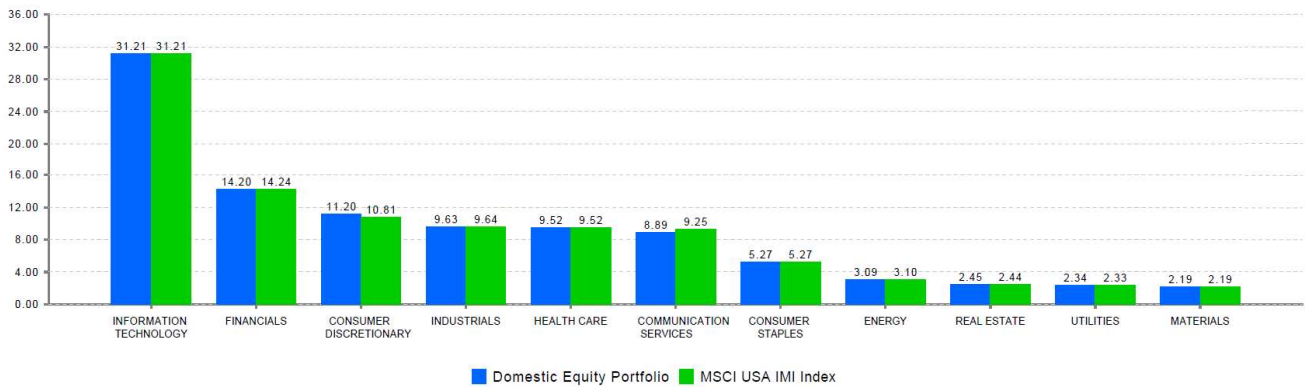
The top 10 holdings (including related receivables) in the Total U.S. Equity portfolio represent 34.02% of the Portfolio.

TOP HOLDINGS IN U.S. EQUITY PORTFOLIO AS OF JUNE 30, 2025*

Security Name	% of Portfolio
NVIDIA CORP	6.13
MICROSOFT CORP	5.58
VANGUARD TOTAL STOCK MARKET ETF	5.06
APPLE INC	4.90
AMAZON.COM INC	3.33
META PLATFORMS INC CLASS A	2.57
BROADCOM INC	1.96
ALPHABET INC CL A	1.63
TESLA INC	1.46
ALPHABET INC CL C	1.40

*Holdings include accruals

SECTOR WEIGHTINGS OF US EQUITY PORTFOLIO vs. BENCHMARK INDEX AS OF JUNE 30, 2025 (%) **



**Index sector weightings reflect the calculations of State Street and may differ from those of MSCI; ETF positions are excluded from sector weight calculations.

INTERNATIONAL EQUITY HIGHLIGHTS OF FISCAL YEAR 2025

	Annualized Returns (%)			
	FY25	3 Years	5 Years	10 Years
International Equity with Cash, Hedges, Miscellaneous	18.85	14.66	10.70	6.45
Custom International Equity Markets Benchmark ¹	17.87	14.02	10.29	6.30
Non-U.S. Developed Market Equity Portfolio	18.95	16.04	11.82	6.95
Custom International Developed Markets Benchmark ¹	18.62	15.64	11.44	6.60
Int'l Small Cap Equity Portfolio	24.04	13.89	9.04	*
Custom International Small Cap Benchmark ¹	18.36	13.47	10.73	*
Emerging Market Equity Portfolio	16.33	11.14	8.04	5.18
Custom International Emerging Markets Benchmark ¹	15.44	9.64	6.75	4.88

¹ Source: MSCI. Each benchmark is a custom index calculated by MSCI for, and as requested by, the Division, based on screening criteria defined by the Division. These benchmarks exclude those securities deemed ineligible for investment under the State statutes governing investments in Iran, Sudan and companies that boycott Israel. The MSCI data is for internal use only and may not be redistributed or used in connection with creating or offering any securities, financial products or indices. Neither MSCI nor any other third party involved in or related to compiling, computing or creating the MSCI data (the "MSCI Parties") makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and the MSCI Parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to such data. Without limiting any of the foregoing, in no event shall any of the MSCI Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

*Return not available for 10-year period.

- The Total International Equity Portfolio is broadly diversified, with investments in approximately 2,700+ publicly traded stocks across more than 50 countries in both the Non-U.S. Developed Markets and Emerging Markets. The Non-U.S. Developed Market Equity (DM) portfolio is primarily managed passively but may include opportunistic Exchange Traded Fund (ETF) positions. The International Small Cap (ISC) portfolio includes a combination of actively managed strategies as well as passive ETF positions, and the Emerging Market Equity (EM) portfolio includes both actively managed strategies and opportunistic ETF positions.
- During fiscal year 2025, the Total International Equity Portfolio returned +18.85% versus +17.87% for the benchmark, outperforming by 98 basis points. The strategies within the allocation to Small Cap provided strong performance, which caused this asset class to be the top contributor to the excess return of the Total International Equity Portfolio.
- The Non-U.S. Developed Market Equity (DM) portfolio returned +18.95% versus +18.62% for the benchmark, an outperformance of +33 basis points. The largest component of the portfolio is internally managed using a quantitative methodology, with a return profile that benefits from a favorable dividend withholding policy granted to the Pension Plan.
- The International Small Cap Equity (SC) portfolio returned +24.04% versus +18.36% for the benchmark outperforming its benchmark by 568 basis points. Actively managed strategies, particularly growth focused strategies, were the largest contributors providing outsized returns driven by a very strong calendar year 2025 second quarter.
- The Emerging Market Equity (EM) portfolio outperformed its benchmark by 89 basis points, returning +16.33% versus +15.44% respectively. An aggregate underweight exposure to India was the largest contributor as the country index barely returned 1% for the fiscal year compared to the broader policy benchmark return of over 15%.

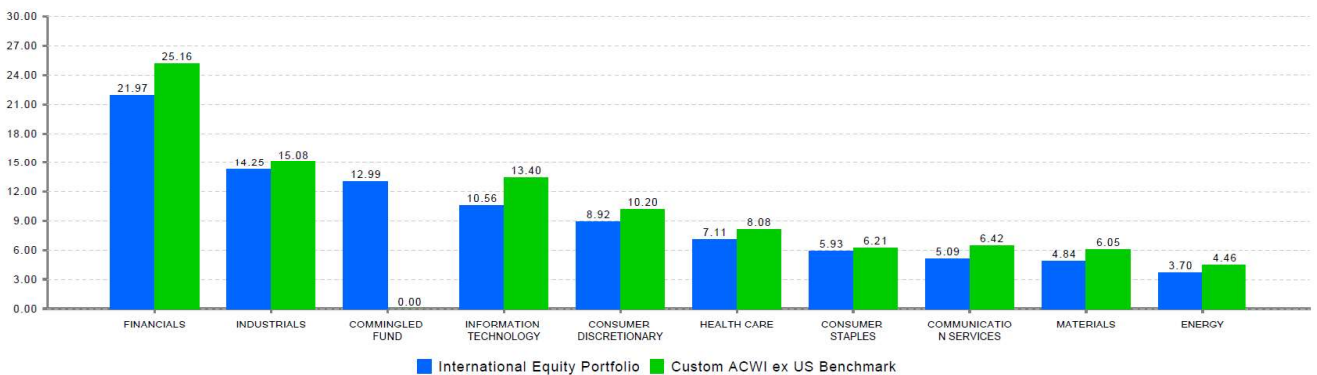
The top 10 holdings (including related receivables) in the International Equity Portfolio represent 19.47% of the total Portfolio.

TOP HOLDINGS IN INTERNATIONAL EQUITY PORTFOLIO AS OF JUNE 30, 2025*

Security Name	% of Portfolio
ISHARES CORE MSCI EMERGING MARKETS	8.49
ISHARES MSCI INDIA ETF	2.61
ISHARES MSCI EAFE SMALL CAP ETF	1.75
TAIWAN SEMICONDUCTOR SP ADR	1.56
SAP SE	1.00
ASML HOLDING NV	0.97
NESTLE SA REG	0.84
TENCENT HOLDINGS LTD	0.77
ROCHE HOLDING AG GENUSSCHEIN	0.74
NOVARTIS AG REG	0.74

*Holdings include accruals

SELECT SECTOR WEIGHTINGS OF INTERNATIONAL EQUITY PORTFOLIO vs. BENCHMARK INDEX AS OF JUNE 30, 2025 (%)**



**Index sector weightings reflect the calculations of State Street and may also appear skewed due to the inclusion of ETFs.

FIXED INCOME HIGHLIGHTS OF FISCAL YEAR 2025

	Annualized Returns (%)			
	FY25	3 Years	5 Years	10 Years
Fixed Income	7.19	4.38	0.31	2.65
Fixed Income Blended Benchmark	7.29	4.52	0.51	2.78
U.S. Treasuries	5.55	1.79	-1.44	1.03
Custom Government Benchmark	5.30	1.53	-1.60	1.16
Investment Grade Credit	6.51	3.37	-0.59	2.32
Custom Investment Grade Credit Benchmark	6.47	3.46	-0.44	2.41
High Yield	9.90	9.59	5.92	5.32
Custom High Yield Benchmark	10.29	9.93	5.96	5.37

- The Fixed Income portfolio is comprised of the U.S. Treasuries portfolio, the Investment Grade Credit portfolio, and the Public High Yield portfolio. The Investment Grade and High Yield portfolios are broadly diversified across economic sectors.
- The Fixed Income Portfolio returned +7.19% for the fiscal year. This represented an underperformance of 10 basis points (bps) relative to the policy index. Absolute returns were strong across each of the asset classes, and lower quality credit fared the best, as the High Yield Index returned 10.29%.
- The positioning of the Fixed Income portfolio for most of the fiscal year was overweight Treasuries and underweight credit as spreads were very compressed and valuations were challenging. This was a sensible strategy, but it did cause some underperformance as the economy continued to be resilient and has surprised to the upside.
- Within the Fixed Income portfolio:
 - The Treasury portfolio outperformed the policy index by 25bps over the fiscal year. Nominals contributed 3bps of outperformance while TIPS provided 192bps of alpha. The Fed cut three times (100bps) in the second half of '24 but has been on hold so far in '25. The long end underperformed as the yield curve bull steepened over the fiscal year with the long end rising and the short end dropping. The 2/10 curve began the year inverted (-0.4) but rose 89bps (+0.5) by fiscal year end. The 5/30 curve was less dramatic but similar as it rose 79bp (+0.2 to +0.9). The IG portfolio outperformed the index by 4bps for the fiscal year. The bond portfolio matched the index while the ETF portfolio outperformed by 65bps. The outperformance in the ETF was due to asset specific exposures to IG submarkets; like higher quality CLO tranches and CMBS.
 - High Yield returned +9.9% for the fiscal year. This was a strong absolute return but lagged the index by 38bps (+10.3%). High Yield has delivered absolute returns of 9+% for the second fiscal year in a row. Below CCC has had an astonishing 25+% returns for the past two fiscal years. Looking ahead, there is limited room for spread compression but carry remains attractive as company balance sheets are robust and animal spirits (leverage) has been reigned in via uncertainty of policy.

PRIVATE EQUITY HIGHLIGHTS OF FISCAL YEAR 2025

	Annualized Returns (%)			
	FY25	3 Years	5 Years	10 Years
Private Equity	5.10	4.15	12.14	10.84
Custom Cambridge Associates Blended Benchmark ¹	6.91	4.08	15.94	13.00

¹ Benchmark returns are reported on a one-quarter lag. Effective October 1, 2019, the benchmark is Cambridge Associates Buyouts, Growth, Distressed for Control, Subordinated Debt and Credit Custom Benchmark.

- As of June 30, 2025, the Private Equity portfolio had a current market value of \$7.89 billion and consisted of 125 commingled funds or separate account vehicles. The Division closed on approximately \$875 million to seven Private Equity partnerships during fiscal year 2025. The Private Equity portfolio generated \$127.23 million net cash flow during fiscal year 2025.
- The Private Equity portfolio, similar to other large institutional US pensions, is broadly diversified across strategy, sector, vintage year, manager, and geography. Private equity investment time horizons are typically 10 to 12 years.
- During fiscal year 2025, the Private Equity portfolio returned +5.10%, versus +6.91% for the Custom Cambridge Associates Blended Benchmark. Although underperforming the benchmark for the FY25 period, the Private Equity portfolio benefited from its exposure to Small/Medium Buyouts, Mezzanine, Emerging Managers and Early-Stage Venture Capital.
- Co-Investments drove the largest impact with a net 9.20% return for the period. We look to co-investments to capture alpha and return capital earlier, and our mature program is delivering on both counts. Co-investment NAV is 16.16% of the private equity portfolio and is outperforming the broader PE portfolio.
- The underperformance in FY25 was primarily driven by older vintages (specifically vintages 2006 – 2014 which produced returns of 1.1% for the fiscal year) and legacy relationships (Core relationships outperformed non-core relationships by 100 basis points during the same period).
- The diversified private equity portfolio remains net cash flow positive despite the slower exit environment that General Partners and other Limited Partners have broadly experienced over the past few years. We expect the Private Equity portfolio to go cash flow negative over the next few years as recent commitments begin to overwhelm older vintage runoff.
- We will look to commit capital over FY 2026 to Best-in-Class managers with a continued focus on Small Midsized Buyouts, Sector Specific, and Strategic Partnerships.
- A contemplated sale of fund interests on the secondary market could reduce exposure to non-core relationships and overweight General Partners. This, combined with strategic reinvestment, is expected to drive improved performance going forward.

PRIVATE CREDIT HIGHLIGHTS OF FISCAL YEAR 2025

	Annualized Returns (%)			
	FY25	3 Years	5 Years	10 Years
Private Credit ¹	7.73	8.97	10.11	8.07
Custom Benchmark ²	10.40	7.81	6.84	6.07

¹ Effective October 1, 2019, certain legacy hedge funds are included in the performance of Private Credit.

² Reported on a one-month lag. Effective October 1, 2019, the Custom Benchmark is the Bloomberg Barclays U.S. Corporate High Yield Index plus 100 bps compounded monthly.

- As of June 30, 2025, the Private Credit portfolio had a market value of \$5.3 billion, or 6.99% allocation of the portfolio. The allocation consists of investments in more than 30 private credit commingled funds or separate account vehicles, a portfolio of legacy hedge fund strategies, as well as a publicly traded Business Development Company (BDC). The BDC is generally comprised of direct lending investments.
- The Private Credit portfolio is diversified across strategy, sector, vintage year, manager, and geography. Private Credit investment agreements specify the investment horizon, with a wide range of possible time horizons and liquidation periods. The typical investment horizon identified in private credit investment agreements is 5 to 10 years.
- For the fiscal year 2025, the Private Credit portfolio returned 7.73% versus 10.40%, for the Custom Benchmark. The Private Credit portfolio underperformed the benchmark in fiscal year 2025. However, the portfolio has outperformed over time, beating the benchmark in the trailing 3-year, 5-year, and 10-year periods.
- During the year, the Private Credit portfolio made contributions of \$862.8 million and received distributions of \$1,005.2 million, for a net cash inflow of \$142.4 million. The Division closed commitments of approximately \$1.6 billion to 4 private credit funds specializing in corporate direct lending and opportunistic credit during fiscal year 2025. Looking forward to 2026, the Private Credit portfolio is anticipated to continue grow and increase the allocation percentage closer to the 8.0% target.

REAL ESTATE HIGHLIGHTS OF FISCAL YEAR 2025

	Annualized Returns (%)			
	FY25	3 Years	5 Years	10 Years
Real Estate	4.29	0.15	6.29	6.92
Real Estate Index ¹	1.17	-5.07	2.01	4.71

¹ Benchmark returns are reported on a one-quarter lag. The index is the NCREIF Open End Diversified Core Equity (ODCE).

- As of June 30, 2025, the Real Estate portfolio had a market value of \$4.5 billion and consisted of equity and debt-related investments across 57 commingled funds or separate account vehicles, as well as investments in publicly traded Real Estate Investment Trusts (REITs). During Fiscal Year 2025, the Division closed on \$1.1 billion to four Real Estate fund investments.
- The Real Estate portfolio is diversified across strategy, sector, vintage year, manager, and geography. Real estate investment agreements specify the investment horizon, with a wide range of possible time periods. The typical investment horizon identified in real estate investment agreements is 10 to 12 years.
- The Real Estate portfolio is predominately comprised of private real estate funds, including both open-end core and closed-end non-core funds, with a concentration in non-core strategies. The private Real Estate portfolio is also geographically diversified with non-US real estate exposure comprising approximately 21% of the private real estate portfolio. The benchmark index (NCREIF ODCE) is exclusively comprised of U.S. open-end core funds.
- The overall Real Estate portfolio continues to be impacted by the market disruption and valuation adjustments in the wake of Federal Reserve action, although this impact is subsiding as the Federal Reserve has begun a rate-cutting cycle. Public REITs comprise 36% of the real estate portfolio and their strong 9.7% performance in FY25 contributed significantly to overall returns. During Fiscal Year 2025, the Real Estate portfolio returned 4.29% versus 1.17% for the NCREIF ODCE benchmark.
- The Real Estate portfolio outperformed the benchmark in Fiscal Year 2025 as well as over the 3-, 5- and 10-year time horizons. The portfolio's long-term outperformance is driven by a heavier weight to non-core strategies and non-traditional property sectors. Additionally, the Division utilized REITs to tactically capitalize on market disruption.
- The Real Estate portfolio became a net investor in FY25, making net contributions of \$99 million despite a volatile macro environment. This was the first net contribution after taking cash out of the Real Estate market for the past 12 years.

REAL ASSETS HIGHLIGHTS OF FISCAL YEAR 2025

	Annualized Returns (%)			
	FY25	3 Years	5 Years	10 Years
Real Assets	11.11	5.42	12.09	4.98
Custom Cambridge Associates Real Asset Benchmark ¹	5.60	6.99	13.84	4.91

¹ Benchmark returns are reported on a one-quarter lag. Effective October 1, 2019, the benchmark is a custom blend of the Cambridge Associates Natural Resources and Cambridge Associates Infrastructure Indexes.

- As of June 30, 2025, the Real Assets portfolio had a market value of \$1.92 billion and consisted of 26 debt and equity investments consummated via commingled funds, co-investments and separate accounts. During Fiscal Year 2025, the Real Assets portfolio closed 3 infrastructure commitments totaling ~\$900 million.
- The Real Assets portfolio primarily consists of diversified and sector-specific private infrastructure funds and separate accounts with a small portion of legacy commodity-based and diversified investments. Investment agreements specify the investment horizon, with a wide range of possible time periods. The typical investment horizon identified in real assets investment agreements is 10 to 12 years.
- During Fiscal Year 2025, the Real Assets portfolio returned +11.11% versus the +5.60% custom Cambridge Associates benchmark. The drivers of outperformance were broad - the portfolio benefited from exposures in Infrastructure, Traditional Energy, and Diversified investments. Key contributors include the targeted and thematic sector exposures within infrastructure, successful co-investments, and value-creation events across legacy investments.
- The convergence of Digital Infrastructure and Energy Addition/Transition themes played a central role in driving returns, particularly as demand accelerated due to AI-related growth. These sectors, which have increasingly overlapped in recent years, were well-represented in the portfolio through both primary fund commitments and co-investments. Notably, two of the top-performing investments had exposure to these themes, highlighting the importance of thematic investing in generating strong, outsized returns.
- Legacy investments, which comprise of Traditional Energy, Metals & Mining, and other Diversified exposures, delivered mixed, but overall positive results. The declining exposure to Traditional Energy and Diversified investments continued to provide steady distributions and stable performance, Agriculture and Metals & Mining underperformed on a relative basis compared to other exposures. However, select gold mining investments partially offset the broader weakness in this space.
- Real Assets delivered negative net cash flow (distributions less contributions) of -\$87 million in Fiscal Year 2025. The portfolio's meaningful distributions were offset by contributions to new, thematic infrastructure commitments.

RISK MITIGATION STRATEGIES HIGHLIGHTS OF FISCAL YEAR 2025

	Annualized Returns (%)			
	FY25	3 Years	5 Years	10 Years
Risk Mitigation Strategies	8.85	7.61	8.28	5.38
T-Bill + 300 BPS	7.83	7.71	5.88	5.07

- As of June 30, 2025, the Risk Mitigation Strategies (RMS) portfolio had a market value of \$1.36 billion and consisted of investments in 9 limited partnerships. During the Fiscal Year 2025, the RMS portfolio received \$969.4 million of distributions as part of the ongoing restructuring plan for the strategy.
- The RMS portfolio is comprised of limited partnership vehicles with a range of subscription terms. The Risk Mitigation Strategies portfolio is intended to provide downside protection against equity market drawdowns, liquidity in the event of a drawdown, and returns with low or negative correlation to equities. The RMS portfolio includes various investment strategies, including discretionary macro, systematic macro, relative value, and market neutral strategies.
- During Fiscal Year 2025, the RMS portfolio returned +8.85% versus +7.83% for the benchmark, an outperformance of 102 basis points. The RMS portfolio outperformance was attributable to macro strategies and gains in event driven situations. Over longer periods, including 5- and 10-year periods, the RMS portfolio has outperformed the benchmark by +2.40% and +0.31% respectively.
- While global equities had strong returns for the fiscal year, the RMS portfolio protected capital in the three months when the MSCI ACWI lost more than 2% with a cumulative gain of +3.06% for the RMS portfolio versus a cumulative loss of -8.33% for equities. Over the fiscal year, the RMS portfolio had a beta of -0.2 to equities (MSCI ACWI) reflecting no directional market exposure. Due to the lack of equity market exposure, the RMS portfolio did not fully participate in the beta rally, however, the RMS portfolio delivered 55% of the equity market gains with only 26% of the risk of the market.
- Key factors impacting relative outperformance were broad-based, driven by gains across discretionary macro strategies, with additional contribution from event-driven situations, quantitative equities and reinsurance strategies. The portfolio delivered strong returns in tactical trading within the discretionary macro strategies with exposure to equities, rates, currencies and commodities. In addition, event-oriented strategies including special situations equities and corporate credit contributed to positive returns. Some detractors included exposure to systematic macro strategies which were whipsawed by market volatility and trend reversals especially in the beginning of the calendar year 2025 including 'liberation day' in April.
- Looking ahead, we expect continued periods of higher volatility and dispersion within asset classes given the changing interest rate environment and rising geopolitical tensions. This backdrop is expected to create enhanced alpha opportunities for RMS. The forward-looking environment favors trading strategies which can capture dislocations in fair value and wider spreads between related securities.
- The Division is continuing to implement the RMS portfolio restructuring plan which has already improved downside protection by increasing convexity while also enhancing liquidity and reducing fees for the program as new investments are funded.

CASH MANAGEMENT FUND

	FY25	Annualized Returns (%) ¹	
		3 Years	5 Years

¹Returns represent the annual rate for the period based on the average daily rate of return.

- The Cash Management Fund (CMF) is the Local Government Investment Pool (LGIP) utilized by the Pension Fund, the State of New Jersey and local towns, municipalities, school districts, agencies, and authorities for its cash management needs. Participation is voluntary. As of June 30, 2025, the net asset value of the Cash Management Fund was \$37.76 billion.
- The CMF was primarily invested in U.S. Treasury and Agency obligations and other highly rated government debt as of June 30, 2025.
- The CMF’s yield decreased in Fiscal Year 2025, primarily as a result of the Federal Reserve decreasing short-term interest rates during the first half of the fiscal year.
- The Non-State Participants’ return is reduced by an Administrative Expense Fund Fee (0.05% per year) and a Reserve Fund Fee (0.01% per year). The Administrative Expense Fund Fee is used to reimburse the State of New Jersey for administrative and custodial fees of the CMF. The Reserve Fund fees are reinvested and participate in the CMF.

CASH MANAGEMENT FUND PORTFOLIO HOLDINGS¹ AS OF JUNE 30, 2025

	Portfolio Holdings (%)	Portfolio Holdings (\$ millions)
US TREASURY BILLS	84.52	31,914.99
GOVERNMENT AGENCY	14.42	5,444.02
US TREASURY NOTES	1.06	400.29
STATE STREET STIF	0.00	0.23
TOTAL	100.00	37,759.53

¹Excludes receivables and payables

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) AND SUSTAINABLE INVESTING

In 2018, the Council formally adopted its Environmental, Social, and Governance (ESG) Policy which, among other things, laid the foundation to address the growing risks to the Pension Fund from climate change and the ongoing investment in renewable energy. Since then, the Division has taken numerous steps to measure and manage ESG risks across its portfolios, most notably on issues pertaining to Artificial Intelligence over the past couple of years.

In Fiscal Year 2022, the Division of Investment developed Principles and Practices Regarding Climate Change as a framework to implement the Council's ESG Policy and to convey how the Division plans to address and manage climate-related risks and opportunities. The Division continues to build off this framework. The Sustainable Investing team continually researches the state of the traditional energy market as well as the market for energy transition/climate solution products and services across the global economy and provides an annual update to the Director.

The annual updates serve to keep the Director and Division staff current on developments related to climate science and the energy transition, including the state of climate change, the history of and outlook for fossil fuel energy, clean and renewable technologies supporting the energy transition, and opportunities for investing in the transition toward a lower carbon economy.

Throughout Fiscal Year 2025, the Division advanced its investment stewardship priorities, both through proxy voting and corporate engagement. The Division believes that active engagement produces the best financial outcomes for the Pension Fund. With respect to proxy voting, the Division focused on financial materiality and generally supported resolutions that improve corporate disclosure and accountability regarding financial, physical, or regulatory risks related to climate change and other issues.

Within Alternative Investments, the Division completed ESG due diligence assessments of all prospective private market investments. Engagement calls with fund manager sustainability leads were held with every manager with the focus of driving positive financial outcomes across their respective funds. ESG due diligence assessments are completed for Investment Policy Committee consideration and in support of the Division's ongoing monitoring of ESG integration of its investment partners.

COSTS OF MANAGEMENT

All investment returns for the Pension Fund and the various asset classes are reported net of external fees and expenses associated with investing the assets. The Division strives to minimize costs, with the key objective to realize attractive risk-adjusted net returns. The Division continues to utilize internal resources to minimize costs, with the Pension Fund representing one of the highest percentages of internally managed plans amongst public pension funds.

The Division utilizes external advisers and fund managers for strategies that require greater resources than are currently available internally. Most of the fees and expenses within the Pension Fund are incurred by the \$25.8 billion Alternative Investment Program (AIP) that includes private equity funds, real estate funds, real asset funds, opportunistic funds, hedge funds, and private credit funds. The Division paid \$395.4 million in management fees and expenses in Fiscal Year 2025 to fund managers within the AIP.

While more costly, the AIP provides important investment benefits for the Pension Fund, including an expected long-term performance advantage (net of fees) on both an absolute and risk-adjusted basis, enhanced portfolio diversification, and better downside protection. Moreover, certain strategies within the AIP provide exposure to rapidly growing segments of the global market which are not investable in the public market.

The Division paid an additional \$24.7 million to advisers with respect to its emerging market equity, international small cap equity and high-yield fixed income portfolios in Fiscal Year 2025. Investments in these portfolios totaled \$5.2 billion as of June 30, 2025.

Operating expenses for staff compensation, overhead and equipment were \$14.0 million for the fiscal year and represent approximately 3.14% of fees and expenses or .01% of \$117.9 billion in total assets under management.

Fees for consulting services, custodial banking, and legal services were \$10.8 million for the fiscal year and represent approximately 2.43% of fees and expenses or .01% of \$117.9 billion in total assets under management.

In total, costs to manage the portfolios were \$445.0 million, or .38% of \$117.9 billion in total assets under management. The following chart summarizes total fees and expenses for Fiscal Year 2025.

	Fiscal Year Ended June 30, 2025 (\$ millions)
Fees & Expenses ¹	
Private Equity Funds	159.0
Private Credit Funds	102.0
Real Estate Funds	61.5
Real Asset Funds	39.6
Hedge Funds	33.3
SUBTOTAL	395.4
High-Yield, Small Cap and Emerging Market Advisers	24.7
Division Operations	14.0
Consulting Fees	4.7
Custodial Banking Fees	3.1
Legal Fees	3.1
TOTAL	445.0

¹ Alternative Investment Program fees and expenses are based on information provided by the manager.

PERFORMANCE ALLOCATIONS

The Council also provides detailed information regarding the performance allocation earned by the fund managers within the AIP. By way of background, fund managers may earn a performance allocation or share of the investment profits, also known as carried interest, if certain conditions and objectives are met. Typically, a private equity limited partner (e.g., the Common Pension Fund) must receive a net minimum return, also known as a hurdle rate or preferred rate, before the fund manager can collect a performance allocation. Other requirements may include prior repayment of contributed capital, management fees, and other expenses to limited partners. The Division is committed to negotiating preferential terms that incentivize strong performance, provide the Division with meaningful governance rights, and ensure alignment of interests.

Total performance allocation may exceed the average hurdle rate of the funds within an asset class (e.g., private equity) since a fund within a given asset class may realize strong returns and, therefore, earn carried interest at the same time another fund within the same asset class may realize negative returns that reduce total asset class profits. There may also be timing mismatches between the crystallization and payment of performance allocation. For example, certain portions of performance allocation paid during Fiscal Year 2025 may have crystallized during Fiscal Year 2024. Similarly, certain portions of performance allocation that were realized during Fiscal Year 2025 may have crystallized at the close of calendar year 2024, following a longer-term period of generally strong investment returns.

The table below summarizes the performance allocation for the AIP for Fiscal Year 2025.

	Performance Allocation		
	Amount (\$ Millions)	As % of Assets	As % of Gross Profit
Private Equity	103.9	0.93	12.81
Real Estate	7.5	0.19	4.14
Private Credit	46.3	0.71	7.35
Hedge Funds	52.8	2.16	19.94
Real Assets	14.2	0.61	4.95

For Fiscal Year 2025, the AIP earned a net return of 5.98% and generated \$1.6 billion of net profits. The AIP has been a significant driver of favorable returns for the total Pension Fund over longer-term periods. For the ten years ended June 30, 2025, the AIP has returned 7.37%, in line with the Total Pension Fund.

The table below summarizes the net returns and profits for the AIP for Fiscal Year 2025.

	Estimated Average Gross Assets (\$ Millions)	Estimated Gross Profit (Loss) (\$ Millions)	Estimated Net Profit (Loss) (\$ Millions)	FY25 Net Return (%)
Private Equity	11,187.8	811.8	548.9	5.10
Private Credit	6,567.7	630.4	482.0	7.73
Real Estate	4,050.2	182.2	113.1	4.29
Hedge Funds	2,445.3	264.6	178.5	7.96
Real Assets	2,328.0	287.2	233.4	11.11
TOTAL¹	26,578.9	2,176.1	1,555.9	5.98%

¹Total may not equal sum of components due to rounding.

Performance allocations were \$46.1 million lower in Fiscal Year 2025 versus Fiscal Year 2024 primarily due to reductions in performance allocations across Private Credit, Private Equity, Real Estate and Real Assets. Fees and expenses within the AIP were \$17.9 million higher in Fiscal Year 2025 versus Fiscal Year 2024, driven by increased allocations across most asset classes.

The table below summarizes year-over-year changes in AIP fees and expenses, performance allocation, and estimated net profits.

	FY25 (\$ Millions)	FY24 (\$ Millions)	Year over Year Change (\$ Millions)
Fees and Expenses	395.4	377.5	17.9
Performance Allocation	224.8	270.9	(46.1)
Estimated Net Profit (Loss)	1,555.9	1,150.8	405.1

REPORTING STANDARDS AND COMPARISONS TO OTHER FUNDS

Public pension funds do not have a uniform standard for the reporting of investment fees and expenses, including performance allocations. As a result, comparisons to other public funds may not be meaningful because other funds may not provide comparable disclosure. For example, the Council includes performance allocation in this report, whereas other public funds may not include performance allocation in similar reports. Accordingly, it is possible that the Council reports more types of costs and, therefore, higher costs than other funds, while the Pension Fund may actually incur lower costs than those same funds.

ADDITIONAL INFORMATION REGARDING ALTERNATIVE INVESTMENT PROGRAM FEES AND EXPENSES

The Division and the Council are both committed to demonstrating industry leadership in transparency. As part of this commitment, the Council also includes a report of fees and expenses, along with performance allocation and returns over the past five fiscal years, in Appendix 1 of this Annual Report.

In accordance with N.J.S.A. 52:18A-91(b), the Council is also including a schedule of the percentage and amount of fees, expenses and performance allocations that were paid to AIP fund managers in connection with commitments made from January 1, 2018 through June 30, 2025 in Appendix 2 of this Annual Report.

COMMISSIONS

The Division incurred broker/dealer commission costs totaling \$1.0 million for Fiscal Year 2025.

The Division purchases and sells certain investments with no involvement by a broker/dealer, including commercial paper, certificates of deposit, foreign currency transactions and investments in alternative investment funds by transacting directly with the issuer, partnership or fund; as a result, no direct commissions are paid.

APPENDIX 1: FIVE YEAR COST COMPARISON

	Fiscal Year Ended June 30, 2025 (\$)	Fiscal Year Ended June 30, 2024 (\$)	Fiscal Year Ended June 30, 2023 (\$)	Fiscal Year Ended June 30, 2022 (\$)	Fiscal Year Ended June 30, 2021 (\$)
Hedge Funds	33,300,482	41,886,345	39,789,358	38,959,925	29,276,827
Private Equity Funds	158,942,082	147,519,867	135,742,429	119,754,526	112,312,874
Real Estate Funds	61,540,656	54,402,226	62,060,250	49,853,370	48,172,669
Real Asset Funds	39,589,482	31,724,589	35,869,819	26,138,900	25,828,658
Opportunistic Funds	0	0	0	839,556	5,970,979
Private Credit Funds	102,024,716	101,970,963	91,232,705	70,650,155	86,806,864
Division Operations and Internal Management ^{2,3}	49,565,905	57,151,046	50,642,624	51,028,173	47,352,620
Total Fees and Expenses:	444,963,322	434,654,736	415,337,185	357,224,605	355,721,490
Performance Allocation:					
Hedge Funds	52,765,520	55,997,240	32,967,950	39,805,064	50,463,416
Private Equity Funds	103,949,487	120,440,992	186,628,775	240,280,706	308,324,811
Real Estate Funds	7,452,281	15,669,767	55,683,838	70,545,786	52,013,106
Real Asset Funds	14,204,627	22,919,561	5,924,137	7,951,047	23,615,777
Opportunistic Funds ¹	0	0	0	209,799	2,946,274
Private Credit Funds	46,340,385	55,914,714	52,112,023	63,263,429	169,035,022
Total Performance Allocation:	224,802,301	270,922,257	333,316,723	422,055,831	606,398,405
Total Fees, Expenses and Performance Allocation:	669,765,623	705,576,993	748,653,908	779,280,436	962,119,896

¹Opportunistic investments were transferred to Private Equity based on regulation changes.

²Includes costs related to external investment advisers for international small cap, emerging markets equity and high yield, as well as Division operations, consulting fees, legal fees, and custodial banking fees.

³International small cap, emerging markets and high yield assets managed with the support of external investment advisers are considered internally managed.

APPENDIX 2: ALTERNATIVE INVESTMENT DISCLOSURES PURSUANT TO N.J.S.A. 52:18A-91(b).

The table below includes the terms of the commitments made by the Pension Fund from January 1, 2018 to June 30, 2025 and the amounts of fees and expenses paid for Fiscal Year 2025.

Investment	Commitment (Millions)	Annual Management Fee	Performance Fee/Carried Interest	Fees and Expenses Paid	Performance Fees Paid
Aether Real Assets SONJ Fund, L.P Executed March 2018	\$135	Years 1-5: 0.60% Years 6-12: 85% of prior year's fee Years 13-15: 0.1%	4.475% carried interest subject to 7% return.	\$615,922	\$0
Aermont IV ⁱ Executed October 2018	\$116	1.50% of aggregate commitments stepping down to 1.7% of net invested capital during the post investment period.	20% carried interest subject to 9% return.	\$1,227,923	\$0
Ardian IV ⁱⁱ Executed March 2020	\$146	1.5% of total commitments during the investment period; 1.5% of total cost post investment period.	20% carried interest subject to a 8% return	\$589,271	\$0
ABF VII New Jersey S.L.P. ⁱⁱⁱ Executed July 2020	\$58	No management fee.	No Performance Fee/No Carried Interest	\$61,630	\$0
Altaris Health Partners V Executed July 2020	\$100	2% during the commitment period; thereafter 2.0% of an amount equal to the Limited Partner's share of the aggregate capital invested in portfolio investments upon expiration of the Investment Period.	20% carried interest subject to a 8% return.	\$510,287	\$0
Altaris Health Partners VI Executed December 2023	\$150	2% during the commitment period; thereafter 2.0% of an amount equal to the Limited Partner's share of the aggregate capital invested in portfolio investments upon expiration of the Investment Period.	20% carried interest subject to a 8% return.	\$0	\$0
American Industrial Partners VIII Executed May 2023	\$150	2% on committed capital during the investment period;1.5% on contributed capital during the harvest period.	20% carried interest subject to a 8% hurdle	\$3,737,827	\$0
Bain Capital Fund XIV. L.P. Executed June 2025	\$200	1.5% during the investment period; after investment period graduated and based on remaining invested capital	20% carried interest subject to a 7% hurdle	\$1,302,219	\$0
Bain Capital Life Sciences Fund IV. L.P. Executed August 2024	\$150	2% on committed capital during the investment period. 2% on actively invested capital during the harvest period.	20% until Limited Partners have received 250% of their contributed capital, then 25% subject to a 7% hurdle	\$4,491,102	\$0

Bain Capital Real Estate Fund III-A, L.P. Executed October 2024	\$250	1.35% on committed capital during the Investment Period; 1.35% on net invested capital once the Investment Period ends or a successor fund begins to accrue fees	20% with an 8% hurdle	\$9,072,707	\$0
Barings New Jersey Emerging Manager Program Executed July 2023	\$250	Year 1-3: 0.40% on invested capital. Year 4-10: 0.40% on the lower of NAV or invested capital. Thereafter 0%	1% subject to a 1.75x Net MOIC*. 3% subject to a 2.20x Net MOIC	\$4,393,154	\$0
Blue Owl Diversified Lending 2020 Fund (f/k/a Owl Rock Diversified Lending 2020 Fund) Executed August 2022 ^{iv}	\$350	1% of gross assets. No management fee on undrawn capital.	0% through 6/30/2025; thereafter 10% carried interest with a 6% preferred return.	\$3,134,746	\$1,533
Blue Owl Diversified Holdings LLC f/k/a Owl Rock Diversified Holdings LLC Executed August 2022	\$0	0%	10% carried interest with a 6% preferred return through 6/20/2025, none thereafter.	\$718,808	\$1,801,463
Blue Owl Technology Corporation f/k/a Owl Rock Technology Corporation Executed November 2018	\$100	Prior to Exchange Listing: 0.90% of gross assets above 200% asset coverage, plus 1.50% of unfunded capital commitments. After Exchange Listing: 1.50% of gross assets above 200% asset coverage, plus 1.0% of gross assets below 200% asset coverage.	17.5% prior to Exchange Listing subject to a 6% hurdle; 17.5% after Exchange Listing subject to a 6% hurdle.	\$7,685,502	\$1,334,441
Blueprint Cap L.P. Executed May 2018	\$300	0.30% on the first \$225 million; 0.25% on the next \$100 million, 0.20% thereafter.	No Performance Fee/No Carried Interest	\$7,537,713	\$7,815
Brookfield Capital Partners V,L.P. Executed April 2019	\$100	1.675 % during the commitment period; 1.425% in the post commitment period.	20% carried interest subject to a 8% return	\$1,408,531	\$2,916,228
Brookfield Global Transitions Fund -B, Executed June 2022	\$300	1.15% on committed capital	20% carried interest subject to a 8% return	\$5,228,117	\$0
Brookfield Global Transitions Fund Co-Invest (N) Executed June 2022	\$300	0%	No Performance Fee/No Carried Interest	\$61,796	\$0
CVC Capital Partners VIII Executed June 2020 ^v	\$117	During investment period: 1.425% of Total Commitment. After investment period: 1.25% of unreturned cost.	20% carried interest subject to a 8% return	\$1,280,914	\$0

CVC Capital Partners IX Executed June 2023 ^{vi}	\$293	1.375% on committed capital	20% carried interest subject to a 6% hurdle	\$4,772,192	\$0
CVC Credit Partners EU DL II Co-Invest Executed May 2021 ^{vii}	\$117	0.35% on Net Invested Capital.	No Performance Fee/No Carried Interest	\$1,327,889	\$0
CVC Credit Partners EU Direct Lending III, L.P. Executed December 2021 ^{viii}	\$169	0.85% on invested capital.	12.5% carried interest subject to a 7% return.	\$3,087,634	\$0
CVC Credit Partners EU DL III Co-Invest Executed July 2022 ^{ix}	\$169	0%	No Performance Fee/No Carried Interest	\$1,246,341,	
CVC Credit Partners EU DLF IV (DL) SCSP Executed October 2024 ^x	\$167	.0825% on invested capital	12.5% carried interest subject to a 7% return	\$2,268,378	\$0
CVC Credit Partners European Direct Lending Fund IV (Coinvest-DL) SCSP Executed October 2024	\$167	0%	0%	\$720,483	\$0
Carlyle Realty Partners X Executed June 2025	\$300	0.90% on committed capital during the Investment Period; 0.90% on invested, committed and reserved capital post Investment Period.	20% with a 9% preferred return	\$1,358,980	\$0
Cerberus Institutional Real Estate Partners VI Executed January 2024	\$350	1.12% on Commitment during the Investment Period; 1.2% on invested capital post the Investment Period	20% Incentive Fee with a 9% Preferred Return.	\$6,897,850	\$0
Divco West Fund V I-A Executed August 2020	\$100	1.25% on Un-contributed Capital during the commitment period. 1.5% on invested capital after the commitment period.	20% carried interest subject to a 7% preferred return.	\$1,582,950	\$0
Eagle Point Defensive Income Fund NJ Executed December 2021	\$120	0.43% on assets	10% carried interest subject to a 5% preferred return.	\$704,421	\$0
Eagle Point Defensive Income Fund US Executed September 2021	\$55	0.94% on invested capital.	7.5 % carried interest subject to a 8% preferred return.	\$665,481	\$0
EQT Infrastructure V L.P. Executed October 2021	\$160	1.5% on committed capital during the investment period, thereafter 1.5% on invested capital.	20% carried interest subject to a 6% return.	\$1,881,393	\$0
EQT Infrastructure VI Executed March 2025	\$200	1.50% p.a. on committed capital during the investment period, then on invested capital	20% carried interest subject to a 6% hurdle.	\$15,038,288	\$0

EQT NJ Co-Invest Platform LP Executed March 2025	\$200	0%	0%	\$0	\$0
Excellere Capital Fund IV Executed October 2021	\$100	2.0% on committed capital during the investment period, thereafter 2.0% on invested capital.	20% carried interest subject to a 8% return; 25% carried interest subject to a 2.0x net multiple on invested capital and a 8% return.	\$2,277,131	\$0
Exeter Core Industrial Club Fund III Executed June 2019	\$100	0.90% on invested capital	15% carried interest subject to 8% return.	\$992,177	\$0
GCM Grosvenor NJ RE Emerging Manager Program Executed December 2023	\$250	0.80% Management Fee	2.5% to 9.5% (varies by investment type) with a 8% preferred return.	\$1,968,177	\$75,218
GCM Grosvenor NJ Credit Emerging Manager Program Executed December 2024	\$300	0.40% on Invested Capital	3% incentive fee with a 8% preferred return	\$0	\$0
Glendon Opportunities Fund III Executed June 2023	\$150	2% on invested capital during the investment period; 1.5% on invested capital during the harvest period.	20% carried interest with a 8% hurdle rate	\$1,516,636	\$0
Graham Custom Investment Funds I SPC Ltd Executed July 2024 <small>xi</small>	\$300	0.75%	0%	\$2,132,144	\$0
Hammes Partners IV. Executed March 2022	\$65	1.5% on committed capital during the investment period, thereafter 1.5% on invested capital.	20% carried interest subject to 8% return.	\$995,757	\$0
Hellman & Friedman Capital Partners X Executed May 2021	\$125	1.5% of committed capital in aggregate (0.375% management fee and 1.125% Management Profits Interest) stepping down upon the earlier of the end of the commitment period of activation of a subsequent fund to 1.25% of Remaining Cost of investments for the first two years; 1.00% for the following two years; and 0.75% thereafter.	20% carried interest	\$1,843,786	\$0
Homestead III Executed April 2019	\$100	1.5% on committed during investment period (or until successor fund is raised, if earlier), thereafter, 1.5% on invested capital.	15% carried interest subject to 6% compound IRR.	\$1,603,456	\$0

HPS Garden Private Credit Fund Executed March 2024	\$350 for Separately Managed Investments \$200 for Co-Investments	0.80% Management Fee on Separately Managed Investments 0% on Co-investments	15% Incentive Fee with a 8% Preferred Return on Separately Managed Investments 0% on Co-Investments	\$2,598,363	\$0
ICG Europe Fund VIII SCSp Executed July 2022 ^{xii}	\$234	1.30% on committed capital during the investment period. 1.25% on invested capital post investment period.	20% carried interest subject to 8% return.	\$2,632,718.45	\$0
ICG Global Co-Investment E SCSp Executed October 2022 ^{xiii}	\$117	0%	No Performance Fee/No Carried Interest	\$116,035	\$0
Institutional Venture Partners XVIII Executed January 2024	\$100	1.5% to 2.25% (annualized to 2.08% over the full term).	25% stepped up to 30% at 2.5x distributed capital.	\$1,452,300	\$0
Blue Owl Digital Infrastructure Fund II f/k/a IPI Partners II- A Executed March 2021	\$150	1.425% on committed and invested capital	20% carried interest subject to a 7% return.	\$1,984,535	\$0
JLL Partners Fund VIII Executed February 2019	\$200	2.0% of commitments during the Investment Period; thereafter, 1.5% of actively invested capital.	20% carried interest subject to 8% return.	\$3,045,249	\$11,412,640
JLL Partners Fund IX. L.P Executed February 2025	\$200	1.8% of capital commitments during the investment period; thereafter, 1.25% of actively invested capital	20% carried interest subject to 8% hurdle.	\$3,357,251	\$0
Khosla Ventures Seed F Executed May 2023	\$20	2.5% on committed capital.	30% incentive fee.	\$577,429	\$0
Khosla Venture VIII Executed May 2023	\$80	2% on committed capital	30% incentive fee.	\$1,910,692	\$0
Khosla Opportunity II Executed May 2023	\$100	1% on committed capital	20% incentive fee	\$1,380,273	\$0
KSL Capital Partners V Executed February 2019	\$100	1.75% on committed capital during the investment period;1.25% on invested capital post investment period	20% carried interest subject to 8% return.	\$1,169,283	\$2,011,592
KSL Capital Partners Tactical Opportunities Fund II, L.P. Executed October 2024	\$150	0.75% on undrawn capital commitments plus 1.50% on net invested capital during the Investment Period. 1.5% on net invested capital after the Investment Period.	20% with a 8% Preferred Return	\$974,975	\$0

MBK Partners Fund V Executed December 2019	\$100	1.75% on commitments during the commitment period, thereafter, 1.5% on unreturned capital (including any Partnership borrowings).	20% carried interest subject to 8% return.	\$896,549	\$0
Magenta Fund Ltd. Executed April 2021	\$100	0.85% on invested capital.	No Performance Fee/No Carried Interest	\$1,004,801	\$0
NB/NJ Custom Fund III Executed April 2018	\$200	0.10% on commitment during the investment period; 0.30% on actively invested capital.	10% carried interest subject to 8% return. 15% carried interest subject to 15% return.	\$812,850	\$0
NB/NJ Custom Fund III Tranche B Executed July 2021	\$350	0.30% on invested capital/fair market value	7.5% carried interest subject to 1.5x net multiple on invested capital; 10% carried interest subject to a 1.8x net multiple on invested capital.	\$1,308,661	\$0
NJ High Point VC Fund, L.P. Executed May 2023	\$200	Year 1-5: 0.39% on invested capital; Year 6-9: 0.39% on the lower of NAV or invested capital; Thereafter 0.25% on lower of NAV or invested capital.	1% subject to a 1.75X Net MOIC; 3% subject to a 2.5x Net MOIC	\$2,134,670	\$0
NJ Tenex Co-Invest Fund 2024-25, L.P. Executed August 2024	\$25	0%	0%	\$342,186	\$0
New Jersey Asia Investors Evergreen Executed October 2023	\$100 (Up to \$600 million with recycled capital)	Pro-rata pool 0.80%, stepping down to 0.50%. Overage Pool 0%	5.85% on the pro-rate pool, 0% on the overage pool, subject to a 8% hurdle.	\$7,906,499	\$0
PGIM U.S Leveraged Loans Fund, L.P. Executed March 2025 <small>xiv</small>	\$1,000	0.32% on first \$250 million invested ;0.28% on next \$250 million invested; 0.24% on next \$250 million invested and 0.20% thereafter	0%	\$340,115	\$0
PSG VI LP Executed July 2024	\$100	2.0% on Committed Capital during the Investment Period; 1.5% on Active Invested Capital during the Harvest Period	20% with a 8% Hurdle	\$3,674,261	\$0
SONJ Private Opportunities Fund III, L.P. Executed May 2024	\$250	0.45% on Invested Capital.	10% Carried Interest on Co- Investments subject to a 8% hurdle.	\$1,052,297	\$0
Silver Lake Partners VI, L.P. Executed September 2020	\$100	1.5% on committed capital during the investment period. 1.0% on invested capital after the investment period.	20% carried interest subject to a 8% hurdle.	\$947,314	\$0
Silver Lake Partners VII Executed April 2024	\$100	1.5% on committed capital during the investment period. 1.0% on invested capital	20% carried interest subject to a 8% hurdle.	\$1,930,970	\$0

		after the investment period. 0.5% during the first extension. 0.25% during the second extension. 0% after the third extension.			
Sixth Street Growth II Partners Executed October 2022	\$130	1.25% on unused commitments and 1.5% on invested capital during the investment period; 1.5% on the lower of invested capital or NAV after the investment period.	20% carried interest subject to a 8% hurdle.	\$2,087,884	\$0
Sixth Street Mid-Stage Growth Executed October 2022	\$50	1.25% on invested capital during the investment period; 1.25% on the lower of invested capital or NAV after the investment period.	20% carried interest subject to a 8% hurdle.	\$416,489	\$0
Stellex Capital Partners II, L.P Executed September 2020	\$125	1.75% on committed capital during the investment period; 1.75% on invested capital thereafter.	20% carried interest subject to a 8% hurdle.	\$2,283,896	\$0
StepStone NJ Real Assets SMA, L.P. Executed January 2025	\$500	0.50% on Tactical Investments on invested and 0.20% on Primary Investments on invested capital.	12.5% on tactical investments with a 8% hurdle, 0% on primary investments	\$295,155	\$0
StepStone NJ Real Estate SMA, L.P Executed March 2025	\$400	0.20% on Primary Investments on invested capital; 0.50% on Tactical Investments on Invested Capital and 1.1.25% on SREP V on committed during the Investment Period, and 1.35% on invested capital thereafter.	10% on Tactical Investment with a 8% preferred return. 0% on Primary Investments	\$1,815,072	\$0
Stonepeak CPF Investment Partners Executed April 2023	\$75	0%	No Performance Fee/No Carried Interest	\$269,922	\$0
Stonepeak Global Renewables Fund Executed January 2021	\$100	1% of capital commitments during investment period; thereafter, 1% of net asset value.	10% carried interest subject to a 6% hurdle.	\$714,702	\$0
Stonepeak Infrastructure Fund IV L.P. Executed November 2021	\$125	1.225% on committed capital until the third anniversary of the Fund's effective date on October 31, 2023. Thereafter the management fee resets to 1.35% on committed capital during the investment period and on net investment capital after the investment period ends.	20% carried interest subject to a 8% hurdle.	\$1,659,259	\$0
Strategic Value Special Situations Fund V L.P. Executed April 2021	\$125	0.725% on commitment during the investment period until 50% of the capital has been called. Thereafter, 1.45% of commitments.	20% carried interest subject to a 8% hurdle.	\$2,730,492	\$0

Summit Partners Growth Equity Fund XII A. L.P. Executed October 2024	\$100	1.0% on Commitments - Year 1; 1.85% of Commitments - Year 2; 2% of Commitments the remainder of the Investment Period; thereafter the earliest of (i) the first day of the sixth twelve-month period after the First Draw-Down Date, (ii) Draw Down of Successor Fund occurring on or after the fourth anniversary of the First Draw-Down Date (or the fourth anniversary if a Successor Fund has drawn down prior to such date), or (iii) occurrence of a Cessation Event, annual fee will be reduced to 90% of preceding 12- month period	20% carried interest subject to a 8% hurdle.	\$0	\$0
Sycamore Partners III, L.P Executed January 2018	\$150	2% per annum of commitments during the investment period, thereafter, 2% per annum of invested capital.	20% carried interest subject to 8% return.	\$3,201,962	\$0
TGM Apartment Partners II Executed January 2023	\$300	0.75% on invested capital.	15% carried interest subject to 9% return.	\$68,950	\$0
Tenex Capital Partners IV, L.P. Executed July 2024	\$100	2% on Committed Capital during Investment Period, 1.75% of invested capital thereafter	20% carried interest subject to 8% hurdle.	\$3,065,667	\$0
The Rise Fund II Executed March 2019	\$125	1.75% of capital commitments during the commitment period; following the commitment period 1.25% on actively invested capital. During any extension, 0.50% on actively invested capital.	20% carried interest subject to 8% return.	\$1,357,239	\$1,963,081
Tiger Iron Garden Fund. Executed February 2024	\$250	0.45% on the commitment to each underlying fund. Following the first five years of the closing date of the commitment, the fee will be reduced 0.05% per year through year 10.	1% Incentive Fee with a 8% hurdle.	\$1,930,089	\$0
TPG Growth V, L.P Executed September 2020	\$100	1.75% during the commitment period, 1.25% thereafter. 0.5% during any extensions	20% carried interest subject to 8% return.	\$1,139,189	\$0
TPG Real Estate Thematic Advantage Core-Plus JV. Executed January 2022	\$150	0.7% on Net Asset Value	10% carried interest subject to a preferred return of 7%	\$909,654	\$0
TPG Real Estate Partners III LP Executed May 2018	\$100	1.5% on first \$50 million of invested capital; 1.25% on next \$150 million. The management fee on committed but un-invested equity during the Commitment Period is 0.80% of the blended rate on invested equity.	20% carried interest subject to 8% net return.	\$1,074,735	\$785,049

TPG Rise Climate Executed March 2022	\$150	1.4% on committed capital during the commitment period, thereafter 1.25% on actively invested capital upon the expiration of the commitment period. 0.5% of actively invested capital during any extension period.	20% carried interest subject to 8% return.	\$1,473,719	\$750,014
TSG 8 Executed December 2018	\$100	2.0% of commitments during the Investment Period; thereafter, 2.0% of the cost basis of the remaining investments	20% carried interest subject to 8% return; 25% carried interest subject to a 15% return and 2.0x TVM	\$2,322,326	\$0
Vista Equity Partners VII Executed August 2018	\$300	1.5% of commitments during the Investment Period; thereafter, 1.5% of net invested capital.	20% carried interest subject to 8% net return.	\$4,320,951	\$0
Vista Equity Partners VIII Executed October 2023	\$100	1.5% of commitments during the Investment Period; thereafter, 1.5% of net invested capital.	20% carried interest subject to 8% net return.	\$1,747,909	\$0
Vista Co-Invest Fund 2023-2024, L.P.	\$100	No management fee	No Performance Fee/No Carried Interest	\$104,644	
Vista Foundation Fund IV Executed February 2020	\$100	2% of capital commitments during the Investment Period. 2% of the cost basis of investments, reduced by dispositions and permanent write downs.	20% until cumulative distributions represent a 2.5X multiple. 25% if cumulative distributions equal 2.5X; if the cumulative distributions represent a multiple greater than 2.5X but less than 3.0X, the percentage equal to the product of such multiple (rounded to the nearest tenth) multiplied by 10. 30% if such cumulative distributions represent a multiple of 3.0X or greater. 8% Hurdle Rate.	\$2,215,333	\$0
Warburg Pincus China Southeast Asia II Executed June 2019	\$90	1.4% on commitments during the investment term; 1.4% on cost of investments from years 6-8; 1.25% on cost of investments from years 8-10; 1% on cost of investments thereafter.	20% carried interest.	\$1,978,781	\$0
West Street NJ Private Credit Partners Executed December 2022	\$500	.0.475% on gross assets	12% profit allocation with a 7% preferred return.	\$8,383,158	\$0

West Street NJ BSL Credit Partnership Executed May 2023 ^{xv}	\$1,000	0.22% on first \$500 invested; 0.20% on balance above \$500 million.	0%	\$2,782,442	\$0
Total	\$17,399			\$201,839,610	\$23,232,816

ⁱ Euro 100 Million

Commitment made in October 2018 converted at 6/30/2025

ⁱⁱ Euro 125 Million Commitment made in March 2020 converted at 6/30/2025

ⁱⁱⁱ Euro 50 Million Commitment made in July 2020 converted at 6/30/2025

^{iv} Per the April 2022 SIC Notification, the prior \$200 Million Commitment to Owl Rock Co-Investment was collapsed into this fund.

^v Euro 100 Million Commitment made in June 2020 converted at 6/30/2025.

^{vi} Euro 250 Million Commitment made in June 2023 converted at 6/30/2025

^{vii} Euro 150 Million Commitment made in May 2021 converted at 6/30/2025

^{viii} Euro 150 Million Commitment converted into US dollars at fund execution.

^{ix} Euro 150 Million Commitment converted into US dollars at fund execution.

^x Euro 150 Million Commitment converted into US dollars at fund execution.

^{xi} Administrative expenses are estimated to be 25 bps.

^{xii} Euro 200 Million Commitment made in July 2022 converted at 6/30/2025.

^{xiii} Euro 100 Million Commitment made in October 2022 converted at 6/30/2025

^{xiv} There is no set commitment amount, funding can be up to \$1 billion.

^{xv} There is no set commitment amount, funding can be up to \$1 billion.