Investment Performance Services

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Operating Engineers Local No. 77 JATC Fund

Investment Performance Analysis - GCS
Period Ended
September 30, 2025

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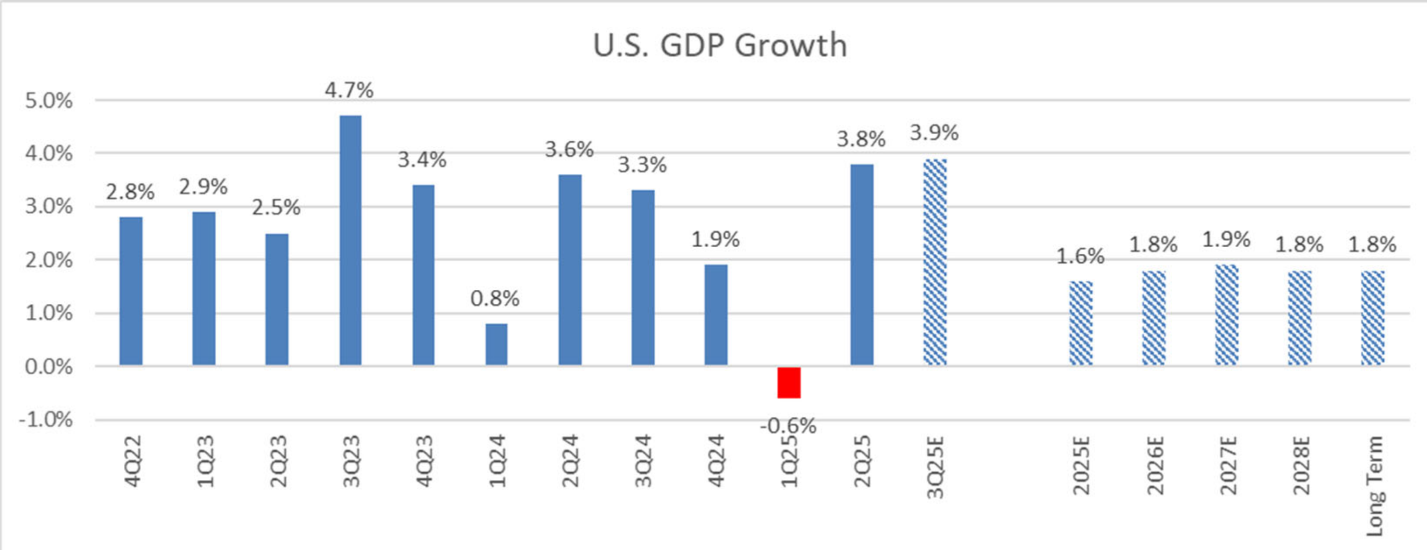
Operating Engineers Local No. 77
JATC Fund

Market Discussion Q3 | 2025

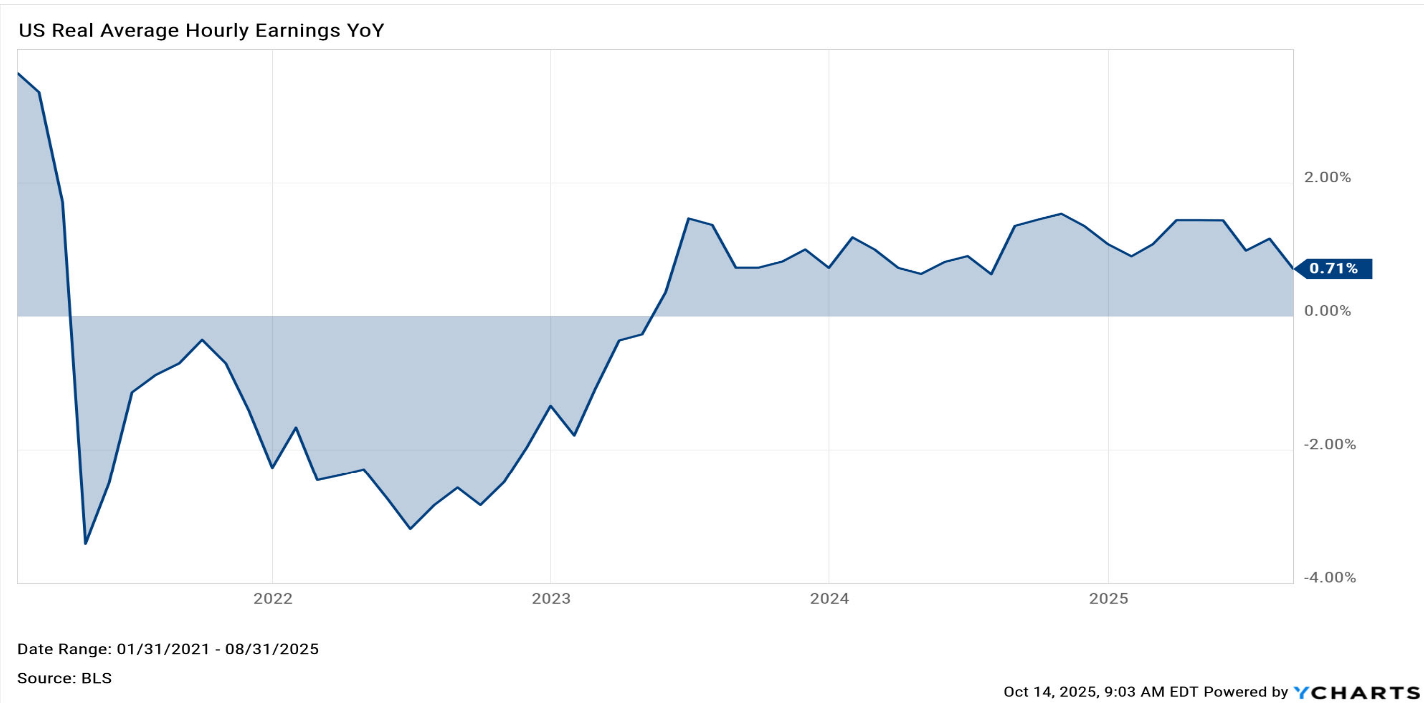
Financial Market Performance – Periods Ending September 30, 2025

Strategy	Sector	Index	QTR	YTD	2024	2023	2022	2021	2020	2019	1-Yr	3-Yr	5-Yr	10-Yr	20-Yr
Stocks	US Large Cap	S&P 500	8.1%	14.8%	25.0%	26.3%	-18.1%	28.7%	18.4%	31.5%	17.6%	24.9%	16.4%	15.3%	11.0%
	US Large Cap Growth	Russell 1000 Growth	10.5%	17.2%	33.4%	42.7%	-29.1%	27.6%	38.5%	36.4%	25.5%	31.6%	17.6%	18.8%	13.3%
	US Large Cap Value	Russell 1000 Value	5.3%	11.6%	14.3%	11.4%	-7.6%	25.1%	2.8%	26.5%	9.4%	16.9%	13.8%	10.7%	8.2%
	US Small Cap	Russell 2000	12.4%	10.4%	11.5%	16.9%	-20.5%	14.8%	19.9%	25.5%	10.7%	15.2%	11.5%	9.7%	8.1%
	Non-US Developed	MSCI EAFE (net)	4.8%	25.1%	3.8%	18.2%	-14.5%	11.3%	7.8%	22.0%	15.0%	21.7%	11.1%	8.2%	5.5%
	Emerging Markets	MSCI EM (net)	10.6%	27.5%	7.5%	9.8%	-20.1%	-2.5%	18.3%	18.4%	17.3%	18.2%	7.0%	8.0%	6.1%
	Int'l Small Cap	MSCI EAFE Small Cap (net)	6.2%	28.4%	1.8%	13.2%	-21.4%	10.1%	12.3%	25.0%	17.7%	19.6%	8.5%	7.9%	6.3%
Bonds	Treasury	Bloomberg US Govt	1.5%	5.4%	0.6%	4.1%	-12.3%	-2.3%	7.9%	6.8%	2.1%	3.6%	-1.3%	1.2%	2.7%
	Broad Market	Bloomberg Aggregate	2.0%	6.1%	1.3%	5.5%	-13.0%	-1.5%	7.5%	8.7%	2.9%	4.9%	-0.4%	1.8%	3.2%
	Intermediate	Bloomberg Gov/Credit Int.	1.5%	5.7%	3.0%	5.2%	-8.2%	-1.4%	6.4%	6.8%	4.0%	5.2%	0.8%	2.1%	3.1%
	High Yield	Bloomberg HY BaB 2% IC	2.3%	7.1%	6.8%	12.6%	-10.6%	4.6%	7.7%	15.2%	7.0%	10.4%	5.0%	5.9%	6.3%
	Short Duration HY	ICE BofA 1-3 Yrs BB US Cash Pay HY	1.6%	5.6%	6.7%	8.9%	-3.1%	3.2%	5.4%	8.7%	6.4%	8.0%	4.9%	4.8%	5.6%
	Global Bonds	FTSE WGBI	0.2%	7.4%	-2.9%	5.2%	-18.3%	-7.0%	10.1%	5.9%	1.6%	4.4%	-3.0%	0.4%	1.9%
GTAA	Unconstrained	65% MSCI World /35% FTSE WGBI	4.8%	14.0%	10.8%	17.0%	-18.1%	11.0%	14.6%	19.9%	11.7%	16.8%	8.2%	8.3%	6.4%
Real Estate	Core	NCREIF ODCE Equal Weighted (net)	0.5%	2.2%	-2.4%	-13.4%	7.6%	21.9%	0.8%	5.2%	3.0%	-6.4%	2.8%	4.4%	4.9%
Hedge Fund of Funds	Diversified FOFs	HFRI FOF Composite	4.3%	7.2%	9.2%	6.1%	-5.3%	6.2%	10.9%	8.4%	9.5%	8.1%	6.2%	4.6%	3.6%
	Equity Long-Short	HFRI Equity Hedge	7.2%	13.6%	11.9%	11.4%	-10.1%	11.7%	17.9%	13.7%	15.1%	13.9%	10.3%	8.0%	5.8%
Commodities	Commodities	Goldman Sachs Commodity	4.1%	6.1%	9.2%	-4.3%	26.0%	40.4%	-23.7%	17.6%	10.1%	4.7%	17.6%	4.1%	-3.2%

U.S. Economy



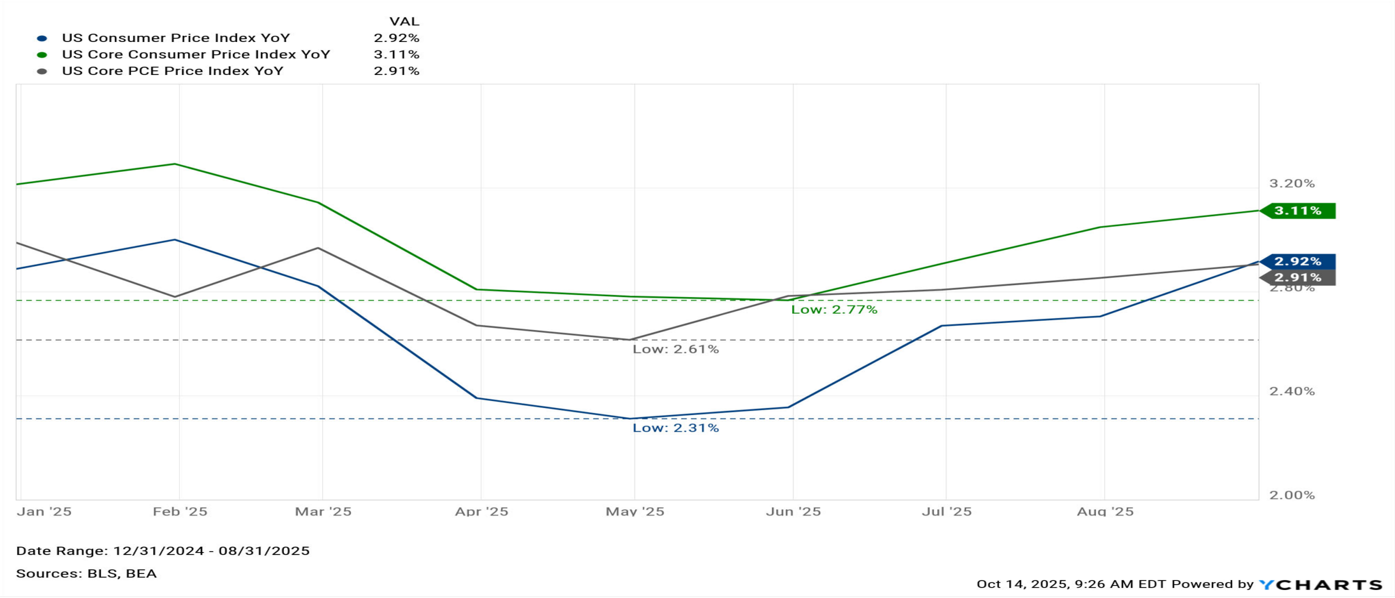
Sources: U.S. Bureau of Economic Analysis, Federal Reserve, Atlanta Federal Reserve

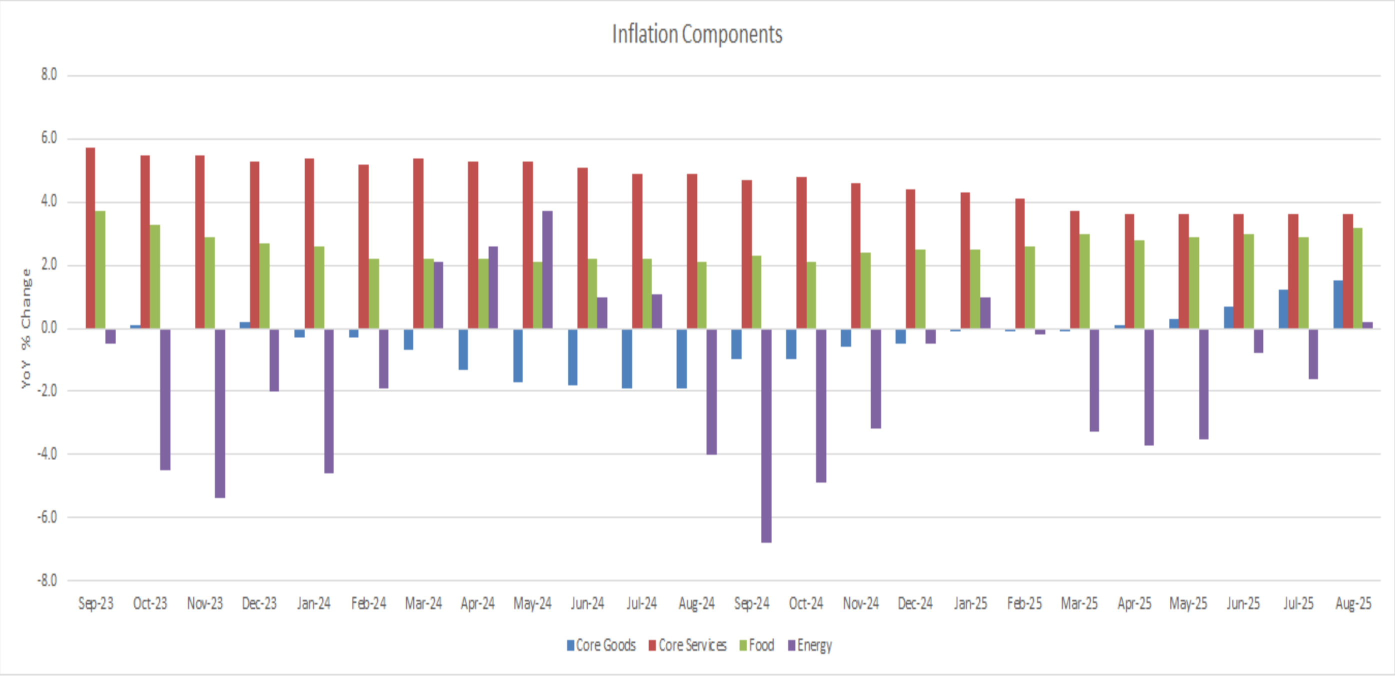


Economic Growth Rebounded Following Dip in 1Q25

- After a 0.6% contraction in Q1 2025, U.S. GDP rebounded sharply, expanding 3.8% in Q2, driven by stronger consumer spending and a pullback in imports as earlier trade distortions faded.
- Growth is expected to remain solid in Q3, with the Atlanta Fed's GDPNow model projecting 3.9% as of October 17, 2025.
- AI-related investment has emerged as a meaningful tailwind, with spending on data centers, semiconductors, and digital infrastructure supporting business investment and offsetting weakness in housing and equipment.
- The ongoing federal government shutdown may temporarily weigh on growth, though much of the lost output is typically recovered once operations resume.
- Real wage gains, up 0.7% year-over-year through August, continue to underpin steady household spending.

U.S. Economy

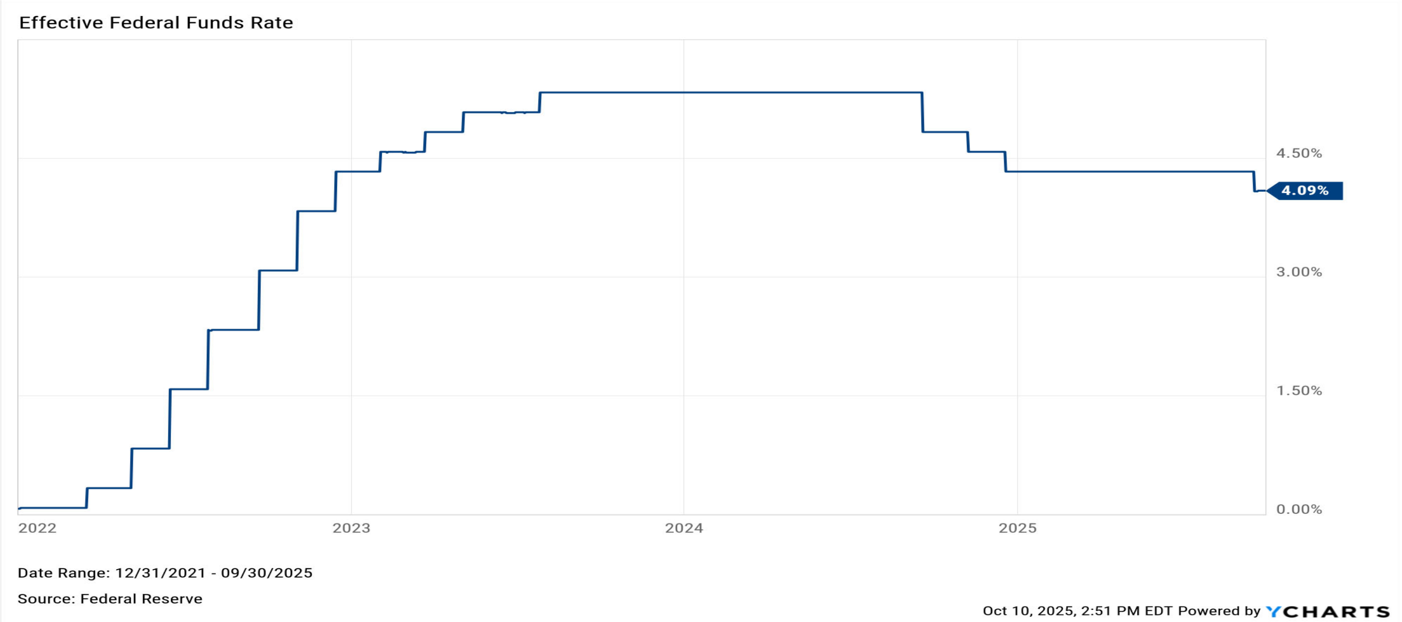


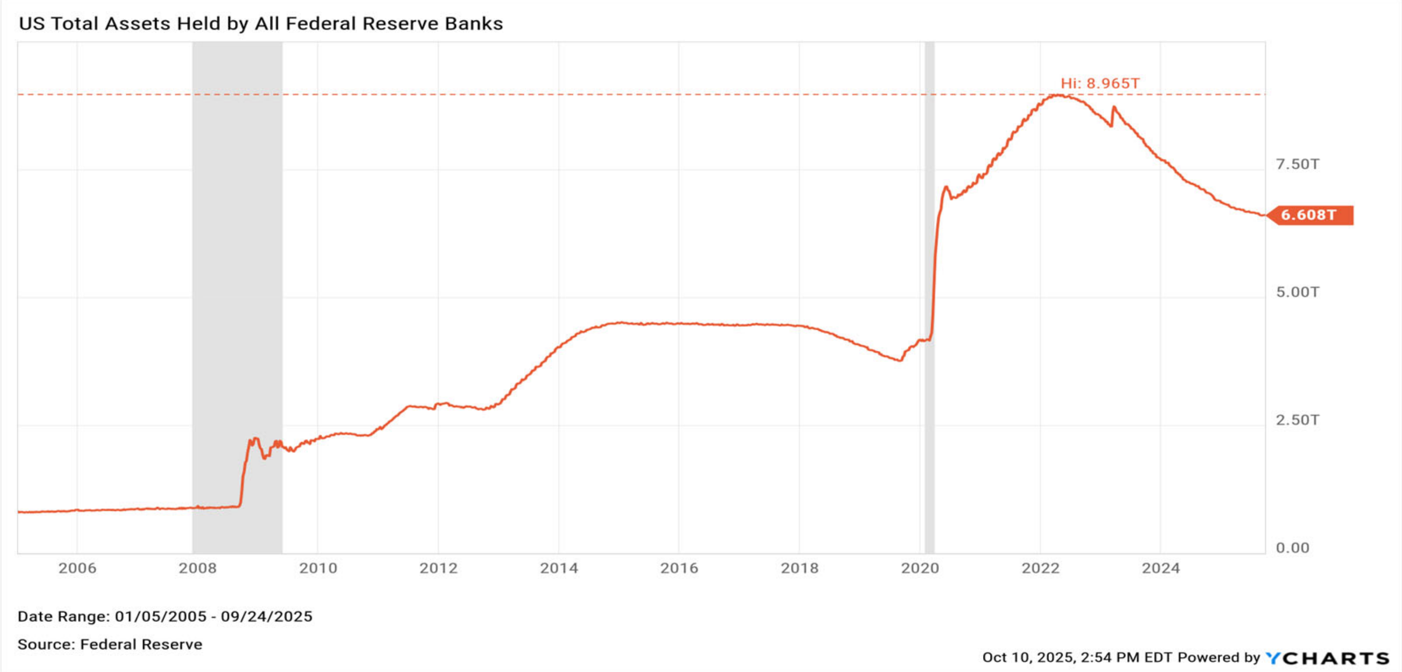


Inflation Drifting Higher

- After easing through the spring, inflation accelerated modestly over the summer, suggesting that price pressures remain more persistent than policymakers anticipated and raising concerns that progress toward the Fed's 2% target may be stalling.
- Headline CPI rose 2.9% year-over-year through August, Core CPI increased 3.1%, and Core PCE, the Fed's preferred measure, was up 2.9%.
- Core services inflation remains elevated above 3.5%, with housing and healthcare costs continuing to rise faster than the broader index.
- Core goods prices, which had been deflationary for much of the past year, turned positive, driven by tariff-sensitive categories and a recovery in durable goods demand.
- Energy prices continue to offset some of these pressures but remain volatile, while food inflation has stabilized near 3%.
- Overall, the latest data indicate that inflation is drifting further from the Fed's 2% goal, complicating the outlook for monetary easing.

U.S. Economy

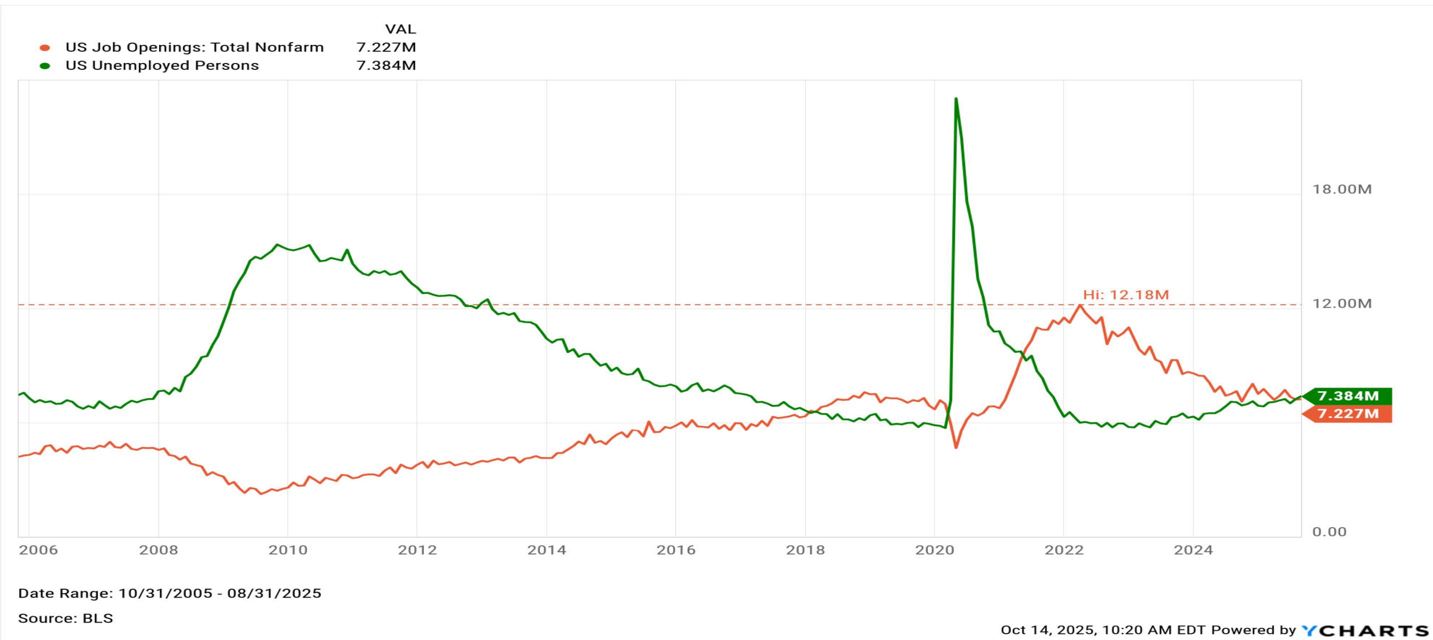




Fed Cuts Rates on Concerns of Weakening Employment

- The Federal Open Market Committee (FOMC) began a measured easing cycle, lowering the target range to 4.00%–4.25%. The effective Fed funds rate now stands at 4.09%, down from a mid-2024 peak of 5.33%.
- The rate cut reflects concern that restrictive policy could slow growth more than intended and was driven largely by signs of weakness in the labor market.
- The Fed's balance sheet has declined to $6.61 trillion, from its 2022 peak of $8.96 trillion, but remains well above pre-pandemic levels.
- The Fed faces a delicate balance between maintaining inflation credibility and avoiding an unnecessary slowdown as financial conditions remain tight.

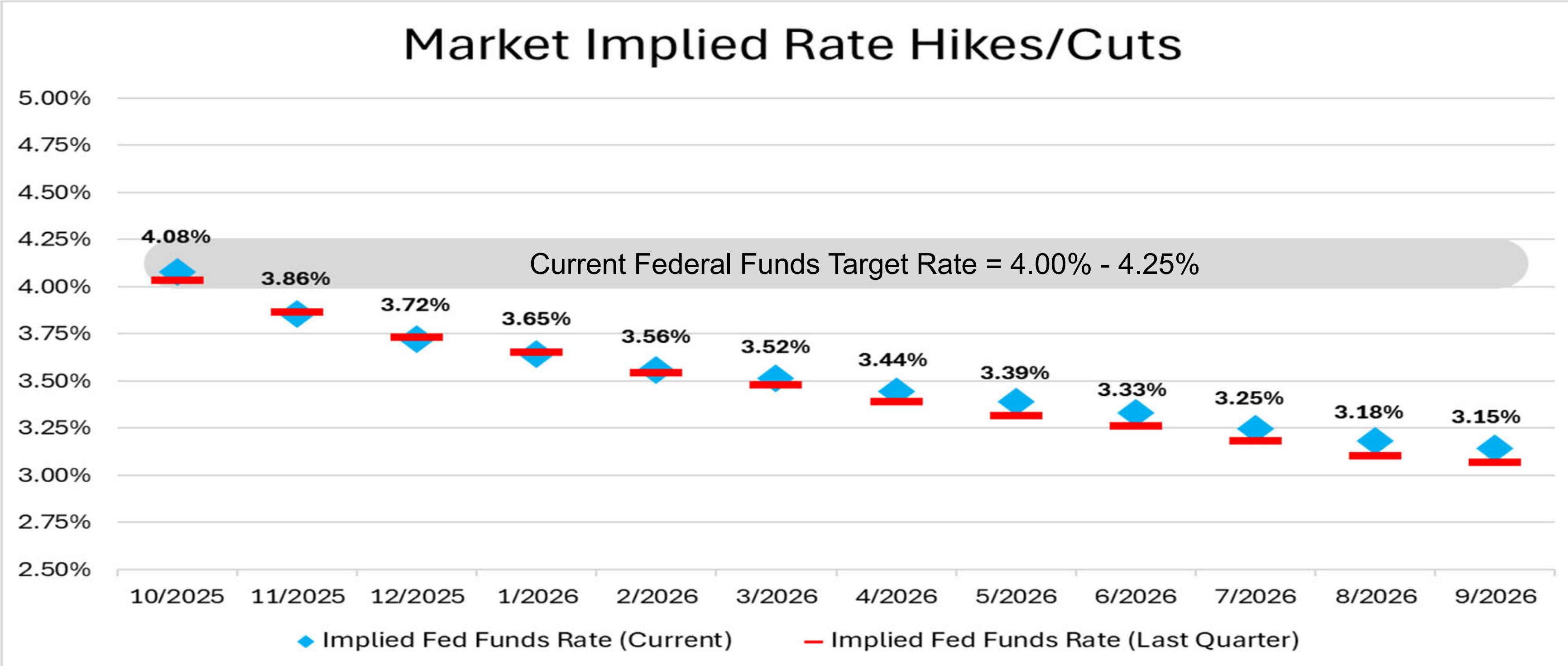
U.S. Economy



Labor Market Showing Early Signs of Stress

- The labor market has softened, with the unemployment rate rising to 4.3%, the highest level since late 2021.
- Nonfarm payroll growth has slowed, with only 107,000 total jobs added from May through August, compared to 491,000 in the first four months of the year.
- Job openings have continued to narrow, falling to 7.2 million, slightly less than the 7.4 million unemployed workers, a sign of a labor market moving closer to equilibrium after years of imbalance.
- Weekly unemployment claims have trended modestly higher, reflecting slower hiring and some cooling in labor demand.
- Overall, the data suggest the labor market is losing momentum, with easing wage pressures and fewer excess job vacancies, key factors behind the Federal Reserve's decision to begin cutting rates.

U.S. Economy



As of 9/30/25

- The Federal Open Market Committee (FOMC) lowered the Federal Funds rate by 25 bps in September, marking the first rate cut of 2025. The move was widely anticipated, resulting in minimal market reaction. The target range now stands at 4.00% - 4.25%.
- At the start of 2025, Chair Jerome Powell signaled that policy could remain restrictive until inflation fell below the 2% target. However, April's tariff announcements and softening labor data led the Fed to adopt a more flexible "wait-and-see" stance, opening the door to rate cuts even before inflation returns to target.
- In September, Powell emphasized rising unemployment risks as the main justification for easing, leaving room for additional cuts in the quarters ahead. As of the end of Q3 2025, the Fed Funds futures market is pricing in another 25-50 bps of cuts by year end, with expectations for a terminal rate near 3.0% in the second half of 2026.

U.S. Equity Market

	Index	3Q25	YTD	2024	2023	2022	2021	2020	2019	1-Year	3-Year	5-Year	10-Year
Large Cap	S&P 500	8.1%	14.8%	25.0%	26.3%	-18.1%	28.7%	18.4%	31.5%	17.6%	24.9%	16.4%	15.3%
	Russell 1000	8.0%	14.6%	24.5%	26.5%	-19.1%	26.4%	21.0%	31.4%	17.7%	24.6%	16.0%	15.0%
	Russell 1000 Value	5.3%	11.6%	14.3%	11.4%	-7.6%	25.1%	2.8%	26.5%	9.4%	16.9%	13.8%	10.7%
	Russell 1000 Growth	10.5%	17.2%	33.4%	42.7%	-29.1%	27.6%	38.5%	36.4%	25.5%	31.6%	17.6%	18.8%
Mid Cap	Russell Mid-Cap	5.3%	10.4%	15.3%	17.2%	-17.3%	22.6%	17.1%	30.5%	11.1%	17.7%	12.7%	11.4%
	Russell Mid-Cap Value	6.2%	9.5%	13.1%	12.7%	-12.0%	28.3%	5.0%	27.0%	7.6%	15.5%	13.6%	9.9%
	Russell Mid-Cap Growth	2.8%	12.8%	22.1%	25.9%	-26.7%	12.7%	35.6%	35.5%	22.0%	22.8%	11.3%	13.4%
Small Cap	Russell 2000	12.4%	10.4%	11.5%	16.9%	-20.5%	14.8%	19.9%	25.5%	10.7%	15.2%	11.5%	9.7%
	Russell 2000 Value	12.6%	9.0%	8.0%	14.6%	-14.5%	28.2%	4.6%	22.4%	7.9%	13.5%	14.5%	9.2%
	Russell 2000 Growth	12.2%	11.6%	15.2%	18.6%	-26.4%	2.8%	34.6%	28.4%	13.5%	16.6%	8.4%	9.9%
Total Market	Wilshire 5000	8.2%	14.4%	23.8%	26.1%	-19.0%	26.7%	20.8%	31.0%	17.5%	24.1%	16.0%	14.9%
	Russell 3000	8.2%	14.4%	23.8%	25.9%	-19.2%	25.6%	20.9%	31.0%	17.4%	24.1%	15.7%	14.7%

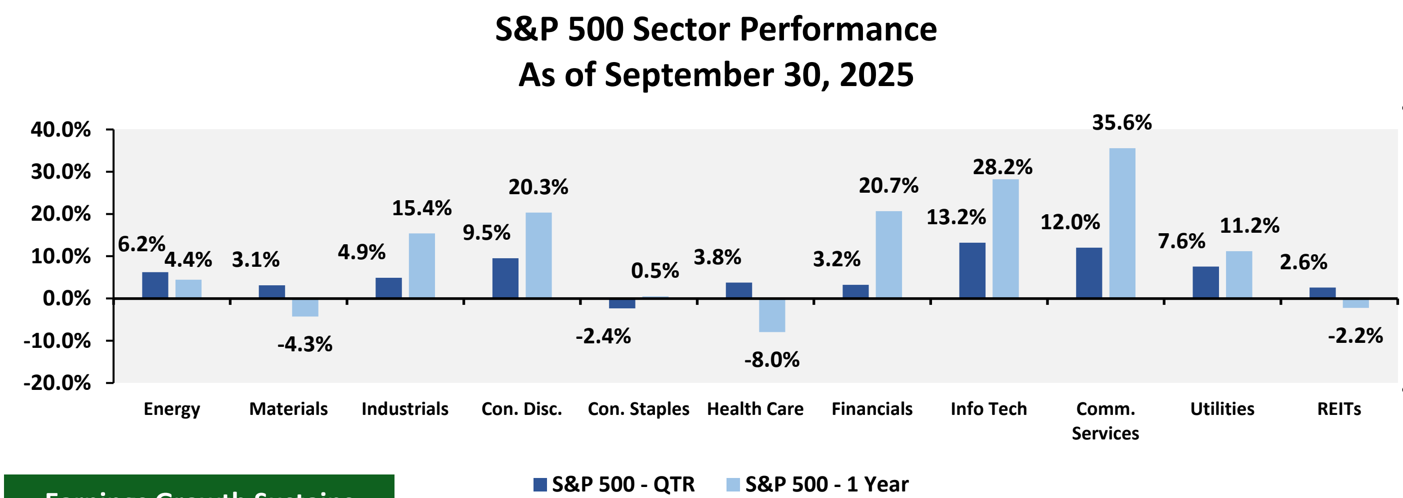
Major Index Total Return as of September 30, 2025

Asset Class	Name	3Q25	% off Low	% Off All Time High
U.S. Large Cap	S&P 500	8.1%	35.1%	-0.1%
U.S. Mid Cap	Russell Midcap	5.3%	29.9%	-0.7%
U.S. Smid Cap	Russell 2500	9.0%	35.5%	-1.4%
U.S. Small Cap	Russell 2000	12.4%	39.3%	-1.2%
International Large Cap	MSCI EAFE (net)	4.8%	27.0%	0.0%
International Small Cap	MSCI EAFE Small Cap (net)	6.2%	32.9%	-0.5%
Emerging Markets	MSCI EM (net)	10.6%	36.0%	-0.4%
Global Equity	MSCI AC World Index (net)	7.6%	33.6%	0.0%

*% off Low as of April 8, 2025

- After gaining 10.9% in Q2 2025, the S&P 500 Index advanced another 8.1% in Q3 2025, lifting year-to-date returns to +14.8%.
- The year’s changing narrative moved markets through several distinct stages. Early in Q2 2025, tariff headlines sparked volatility and briefly unsettled sentiment; however, markets quickly recovered and delivered strong overall gains as trade concerns subsided.
- By Q3, focus shifted toward rate cuts, steady earnings growth, and a broad “risk-on” continuation of the artificial intelligence (AI) theme that helped lift markets to new highs.
- Gains in Q3 2025 were broad-based, led by small cap stocks, as the Russell 2000 (+12.4%), briefly reached its first new high since 2021. Small caps and higher-beta sectors rebounded sharply as easing expectations on interest rates fueled renewed risk appetite.

U.S. Equity Market

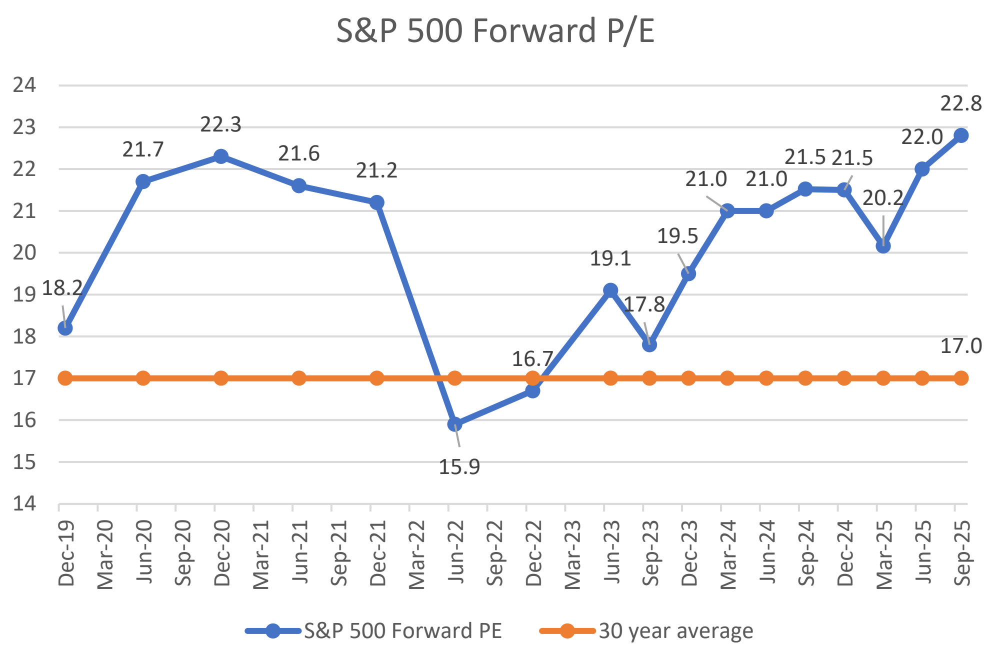


Broad Melt-Up Driven by AI and Rate Easing

- Q3 2025 opened on firm footing, extending late Q2 momentum as markets entered a broad melt-up fueled by optimism over rate cuts and resilient economic growth, ultimately closing the quarter near all-time highs.
- Technology again set the pace for the quarter as AI enthusiasm continued to dominate market leadership. Strength in semiconductors and hyperscale infrastructure buildouts underscored the ongoing capital cycle around AI investment. Higher beta stocks outperformed as optimism over rate cuts and improving growth spurred a shift toward cyclical and growth-oriented areas, including consumer discretionary.
- REITs lagged as much of the sector's data center exposure is tied to older, legacy facilities that have not benefited from the AI-driven demand for next-generation infrastructure. Lower beta defensive sectors, such as consumer staples, continued to underperform as investors embraced a risk-on posture throughout the quarter.

Earnings Growth Sustains Market Valuations

- Analysts project S&P 500 earnings will rise 8.0% year over year in Q3 2025, the ninth straight quarter of growth. Eight of eleven sectors are projected to post year-over-year gains, led by technology, utilities, materials, and financials, while energy and consumer staples are expected to decline.
- While the S&P 500's forward P/E ratio remains above historical averages, ongoing earnings growth and confidence in the profit outlook have kept valuations relatively steady.



Source: J.P. Morgan Asset Management

U.S. Equity Market

High Valuations Extend Across the S&P 500 Index

- The S&P 500 Index has experienced concentration through many cycles, though the makeup of today's top ten companies is distinct. Most are asset-light, innovation-driven businesses that generate strong earnings growth and high returns on equity, supported by scalable models and resilient profit margins.

- The mega caps continue to generate significant cash flow and earnings growth that justify much of their market value, even as valuations sit above long-term averages.

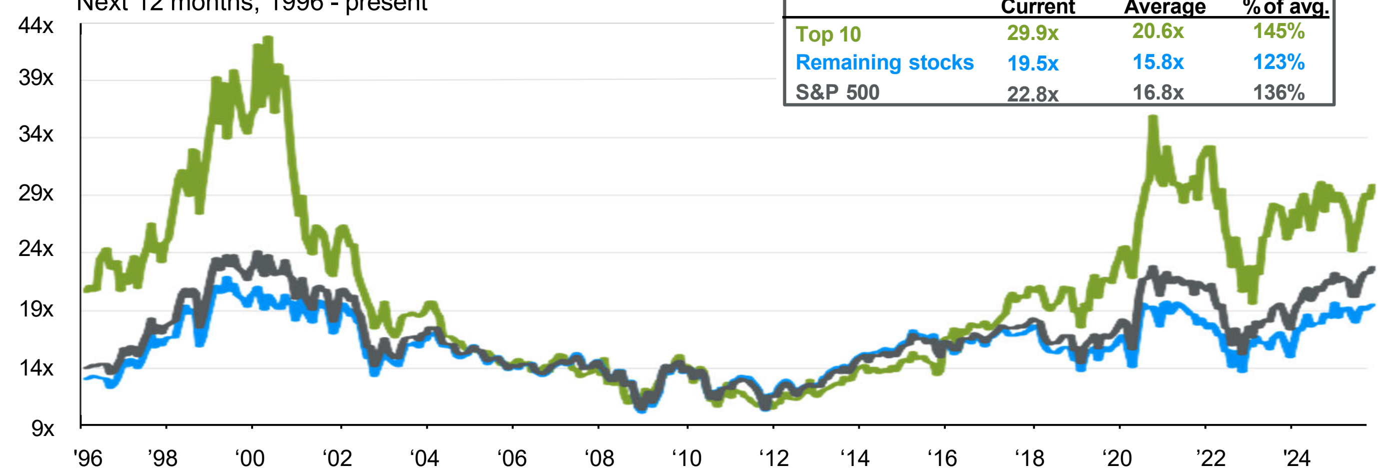
- Valuations across the broader index also remain elevated, suggesting that higher price-to-earnings ratios are now a feature of the overall market environment, not just concentrated among the largest companies.

Weight of the top 10 companies in the S&P 500

% of market capitalization, % of last 12 months' earnings

P/E of the top 10 and remaining stocks in the S&P 500

Next 12 months, 1996 - present



	Current	Average	% of avg.
Top 10	29.9x	20.6x	145%
Remaining stocks	19.5x	15.8x	123%
S&P 500	22.8x	16.8x	136%

Source: J.P. Morgan Asset Management.

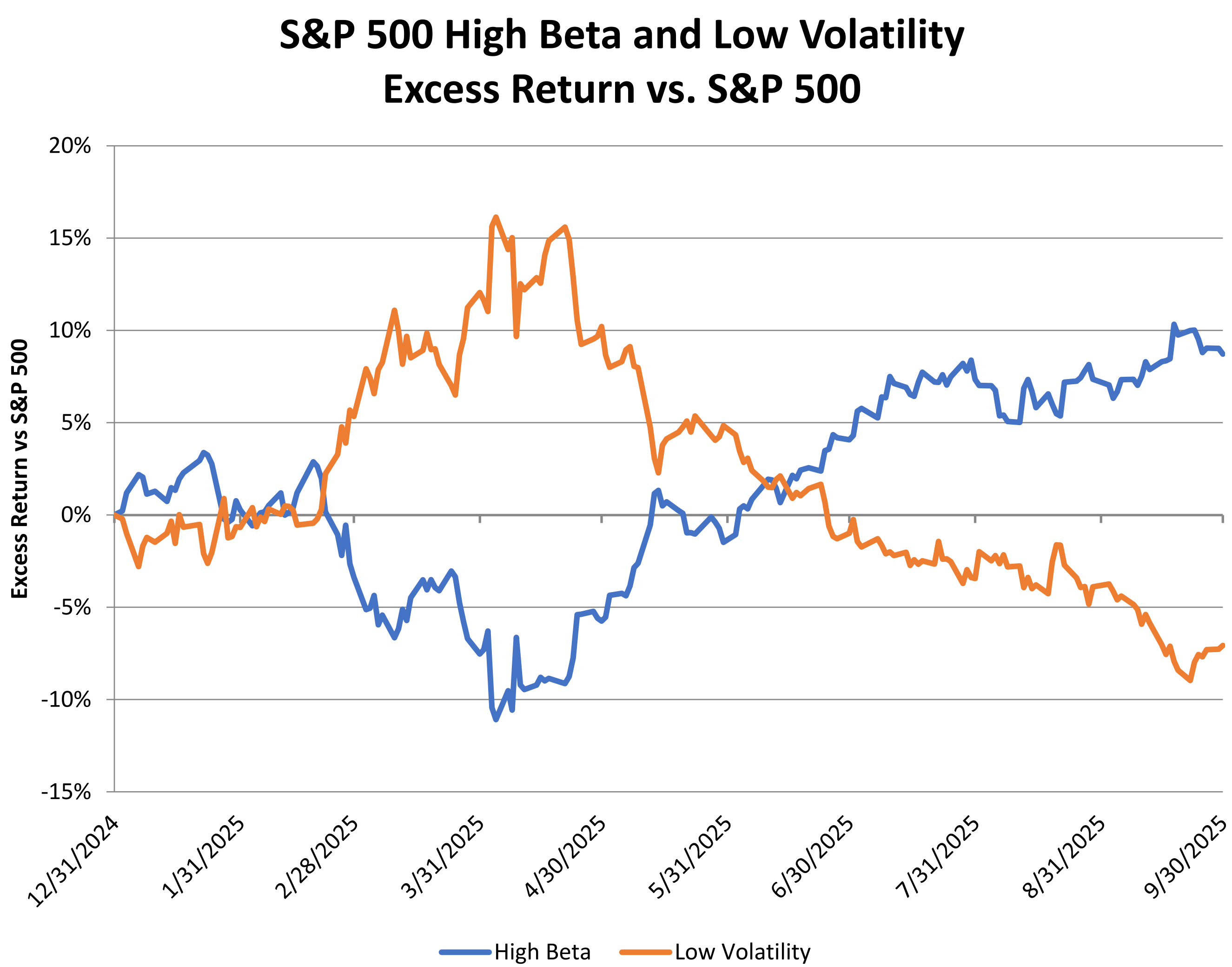
U.S. Equity Market

Risk Appetite Reawakens After Tariff Shock

- The chart shows the cumulative excess returns of the S&P 500 high beta and low volatility indices versus the S&P 500. Factor leadership reversed sharply after April 2nd ("Liberation Day"), when the spread between high beta and low volatility peaked around the tariff announcement, marking a clear inflection in market tone and risk appetite.

- High beta includes stocks that move more than the market and react quickly to shifts in sentiment, while low volatility represents steadier, defensive stocks. As tariff concerns faded and confidence returned, high beta accelerated while low volatility lost traction and failed to keep pace with the broader rally.

- Active managers with quality, valuation-focused, or downside-protective styles lagged in Q3 2025 as the market's rotation toward high beta and momentum-driven leadership rewarded risk-taking over fundamentals and left defensively positioned portfolios behind.

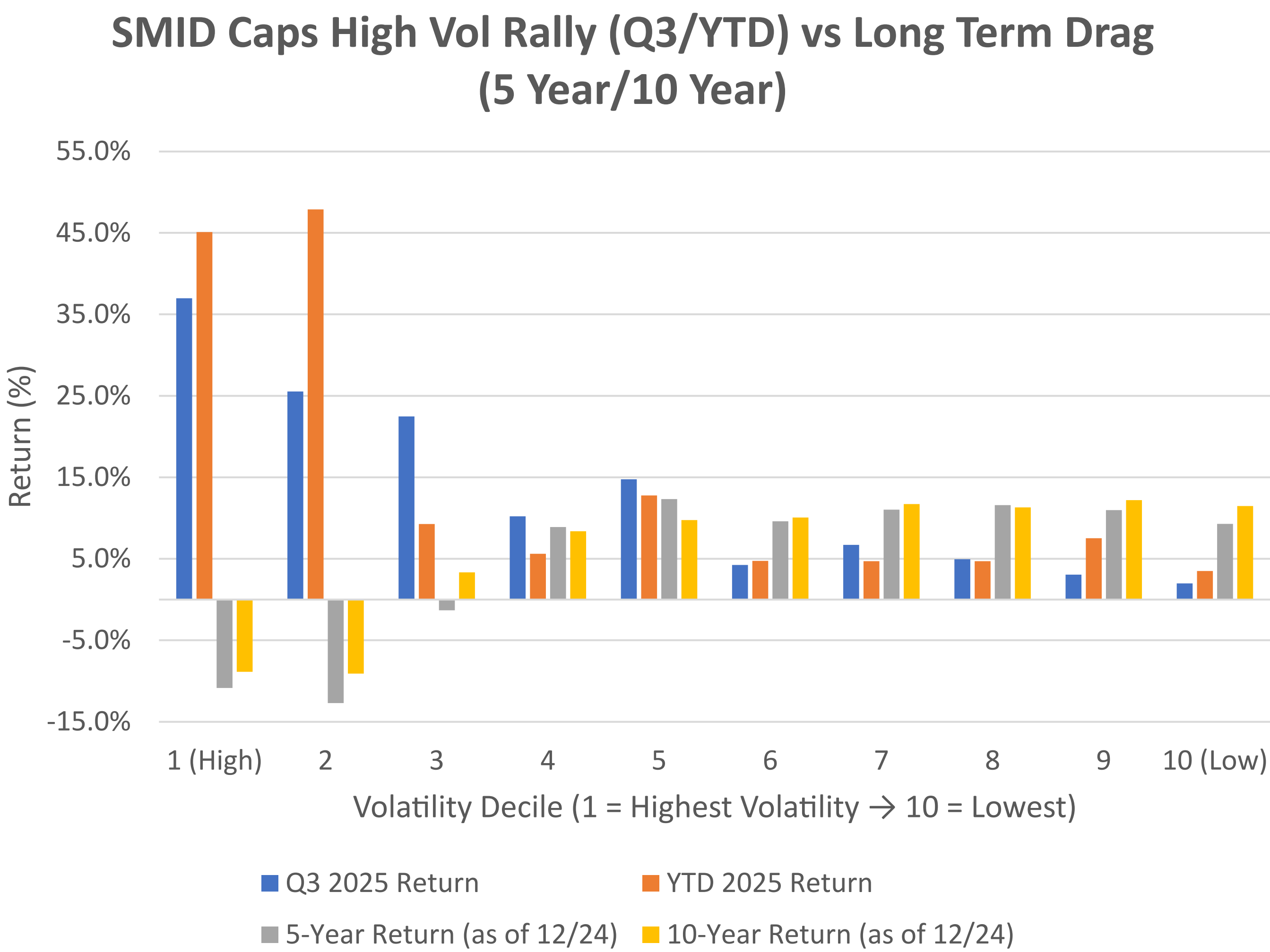


Source: Bloomberg

U.S. Equity Market

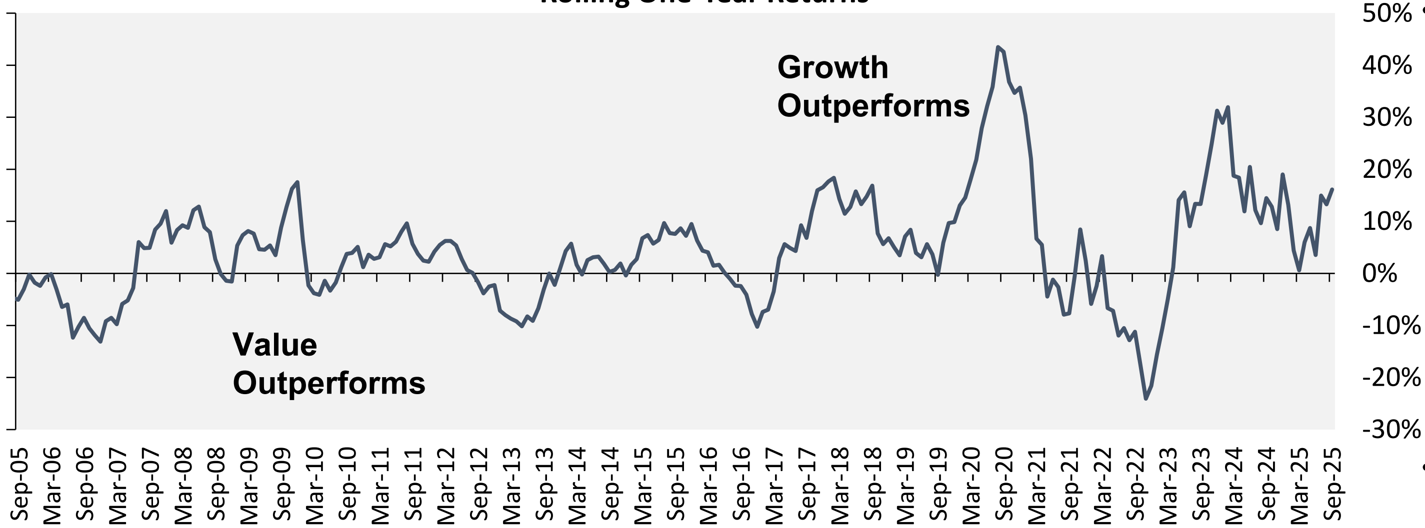
Volatility Trend Strongest Within SMID

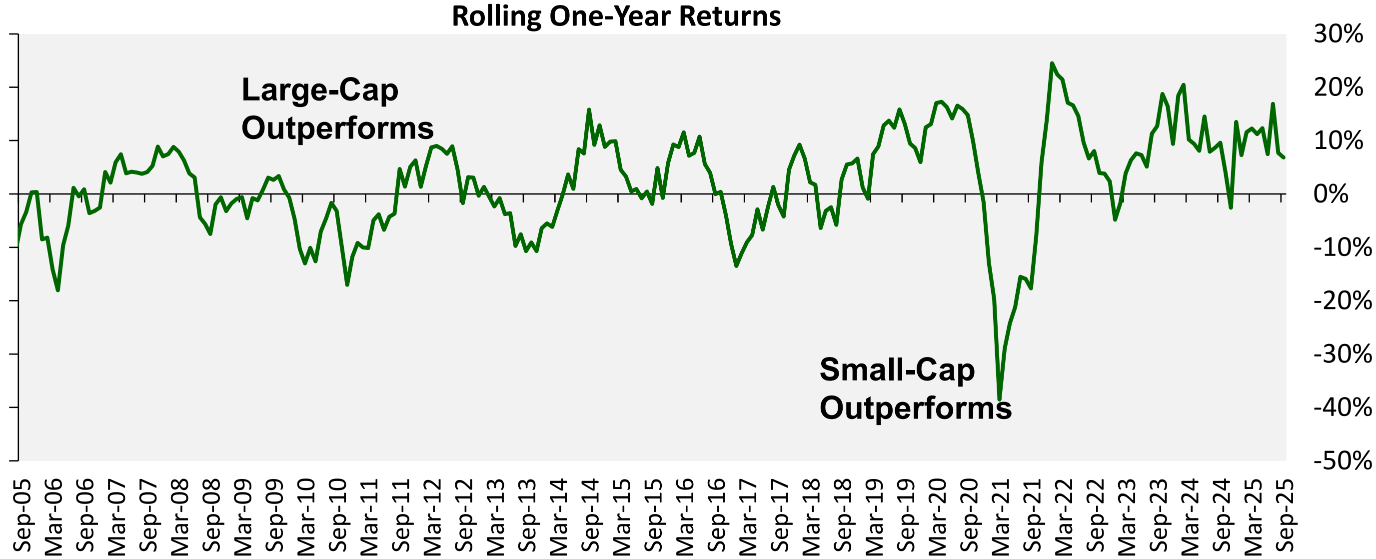
- The chart shows returns by volatility decile within the Russell 2500 (SMID) for the third quarter, year to date, and long-term periods through 2024.
- In 2025, high volatility segments have led, even though these top deciles have historically added no value and instead detracted from long-term returns. High volatility stocks often overlap with high-beta names, but volatility measures total price fluctuation rather than market sensitivity.
- The 2025 small and mid cap volatility dynamic has been driven by enthusiasm for AI infrastructure, nuclear energy, defense and drone technology, advanced materials, and biotechnology. Parts of the trade have drifted from fundamentals, rewarding volatility over earnings.
- Elevated valuations have made some AI-linked, high-ROIC names appear strong yet difficult for active managers to own within disciplined, quality-focused approaches.



Source: Factset

U.S. Equity Market



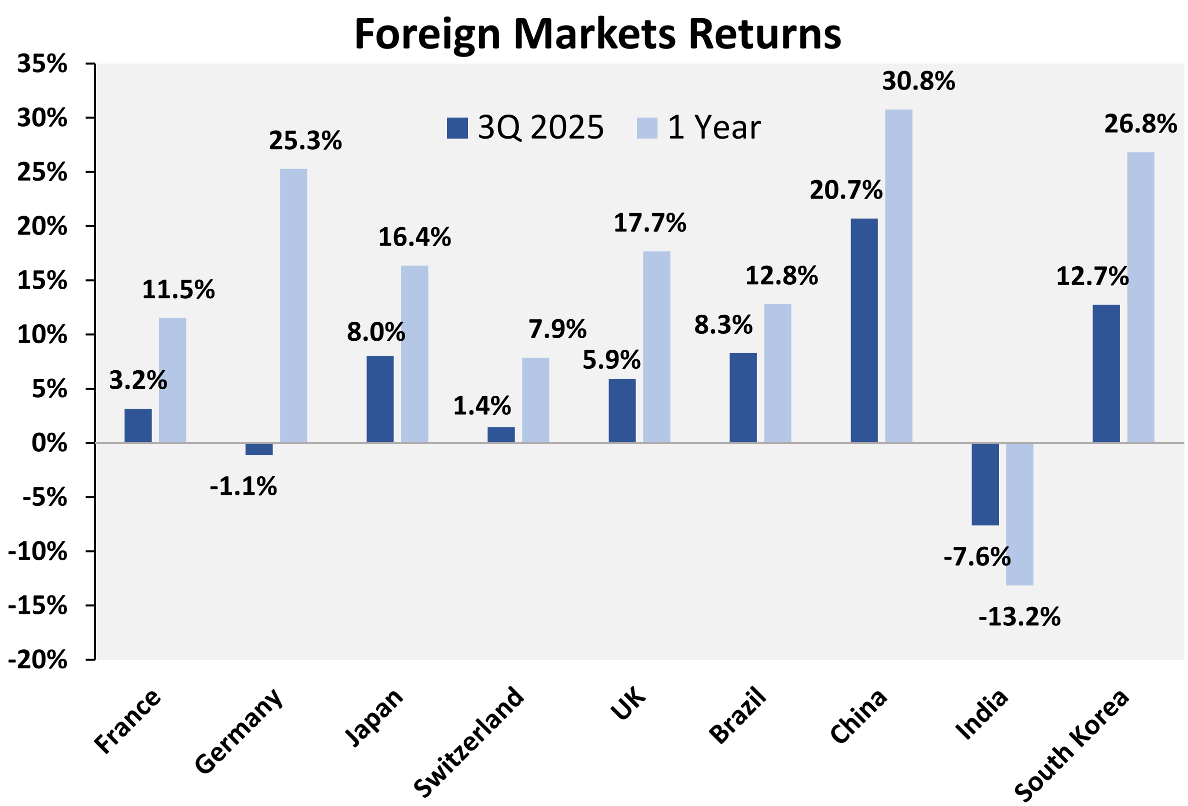


Q3's Paradox: Mega and Micros Thrived, Middle Faded

- Growth outpaced value in Q3, supported by continued strength in mega-cap stocks that anchor the growth segment. Value underperformed as defensive sectors, particularly consumer staples, were left behind in the broader market rally. With tariff concerns subsiding, investors rotated out of defensive positions and back toward cyclical exposure.
- Small caps outperformed large caps for the first time since the same quarter last year, though the pattern was far from typical. The quarter resembled a crooked smile of returns across market caps, with performance strongest at both extremes.
- The Russell Microcap Index surged 17% in Q3 2025, reflecting enthusiasm for the very smallest and most rate-sensitive companies, while the Russell Top 50 gained 10.7% on continued mega-cap leadership. The broad middle of the market delivered positive but measured results, as leadership was concentrated at the upper and lower ends of the size spectrum.

International Equity Market

	Index	3Q25	YTD	2024	2023	2022	2021	2020	2019	1-Year	3-Year	5-Year	10-Year
Global	MSCI AC World Index (net)	7.6%	18.4%	17.5%	22.2%	-18.4%	18.5%	16.3%	26.6%	17.3%	23.1%	13.5%	11.9%
	MSCI World Small Cap (net)	8.5%	16.6%	8.2%	15.8%	-18.8%	15.8%	16.0%	26.2%	13.6%	17.3%	11.2%	9.6%
	MSCI World ex US (net)	5.3%	25.3%	4.7%	17.9%	-14.3%	12.6%	7.6%	22.5%	16.0%	21.6%	11.6%	8.4%
	MSCI World ex US Small Cap (net)	7.2%	29.5%	2.8%	12.6%	-20.6%	11.1%	12.8%	25.4%	19.4%	20.0%	9.2%	8.3%
Developed ex US	MSCI EAFE (net)	4.8%	25.1%	3.8%	18.2%	-14.5%	11.3%	7.8%	22.0%	15.0%	21.7%	11.1%	8.2%
	MSCI EAFE Value (net)	7.4%	31.9%	5.7%	19.0%	-5.6%	10.9%	-2.6%	16.1%	22.5%	25.6%	15.7%	8.2%
	MSCI EAFE Growth (net)	2.2%	18.5%	2.0%	17.6%	-22.9%	11.3%	18.3%	27.9%	7.8%	17.8%	6.6%	7.9%
	MSCI EAFE Small Cap (net)	6.2%	28.4%	1.8%	13.2%	-21.4%	10.1%	12.3%	25.0%	17.7%	19.6%	8.5%	7.9%
Emerging Markets	MSCI Emerging Markets (net)	10.6%	27.5%	7.5%	9.8%	-20.1%	-2.5%	18.3%	18.4%	17.3%	18.2%	7.0%	8.0%

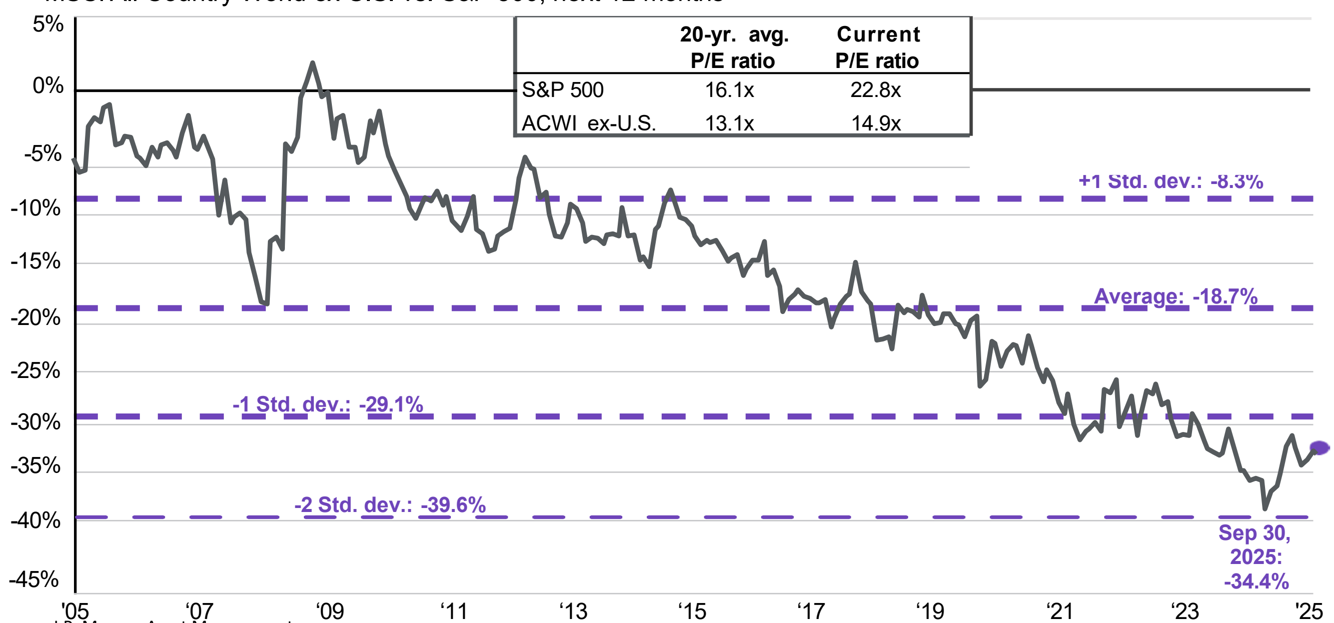


- European equities rose in Q3 2025, with gains in financials and healthcare, while telecom and communication services lagged. Political instability weighed on France, making it one of the region's weaker markets. In contrast, within the UK, the FTSE 100 posted its strongest quarter since late 2022 as a weaker British pound improved competitiveness and earnings for U.K. companies with a global footprint.

- Japanese equities reached record highs, supported by a new U.S. trade agreement that reduced tariffs to 15% and by governance reforms reshaping corporate practices.

- Emerging markets also delivered strong Q3 2025 results, with the MSCI Emerging Markets Index outperforming the MSCI World in U.S. dollar terms. Gains were driven by China, Taiwan, and South Korea, with progress in U.S.–China trade discussions and the Fed's September rate cut also contributing to a lift in sentiment across the region.

International Equity Market & Currencies



	20-yr. avg. P/E ratio	Current P/E ratio
S&P 500	16.1x	22.8x
ACWI ex-U.S.	13.1x	14.9x

Source: J.P. Morgan Asset Management.

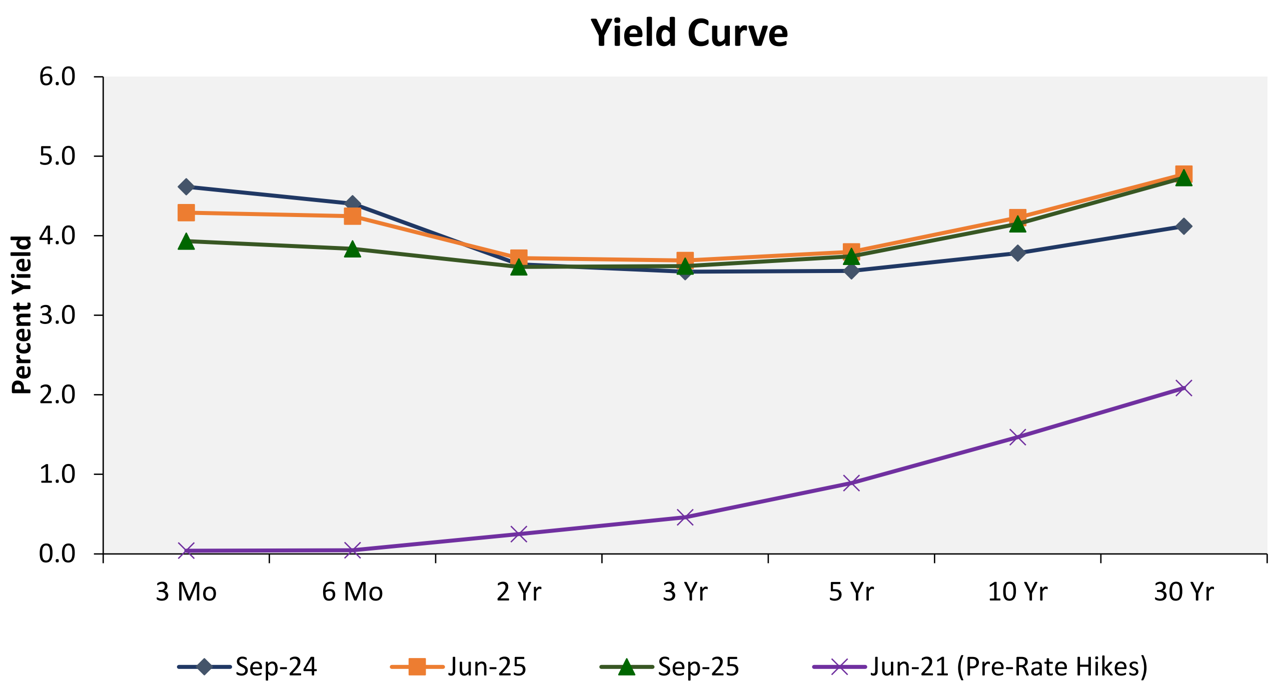
Dollar Steadies Amid Ongoing Gold Rally

- After a steep decline in the first half of the year, the U.S. dollar stabilized as tariff tensions eased, and economic growth stayed resilient. However, the continued strength in precious metals suggested a more cautious undertone. Gold surged to over $3,800 per ounce, surpassing its 1980 inflation-adjusted peak, while silver climbed above $45 per ounce for the first time since 2011. The rally reflected persistent geopolitical risks, lingering concerns about stagflation, questions over the Federal Reserve's independence, and sustained central bank accumulation.

- The valuation gap between international and U.S. equities remained in place during Q3 2025. While international markets have recovered a portion of the underperformance experienced over the last decade, relative valuations continue to reflect structural sector differences: the U.S. market is dominated by high-growth technology, whereas international markets have heavier exposure to cyclical sectors such as financials and industrials, which generally carry more variable earnings and lower growth expectations.

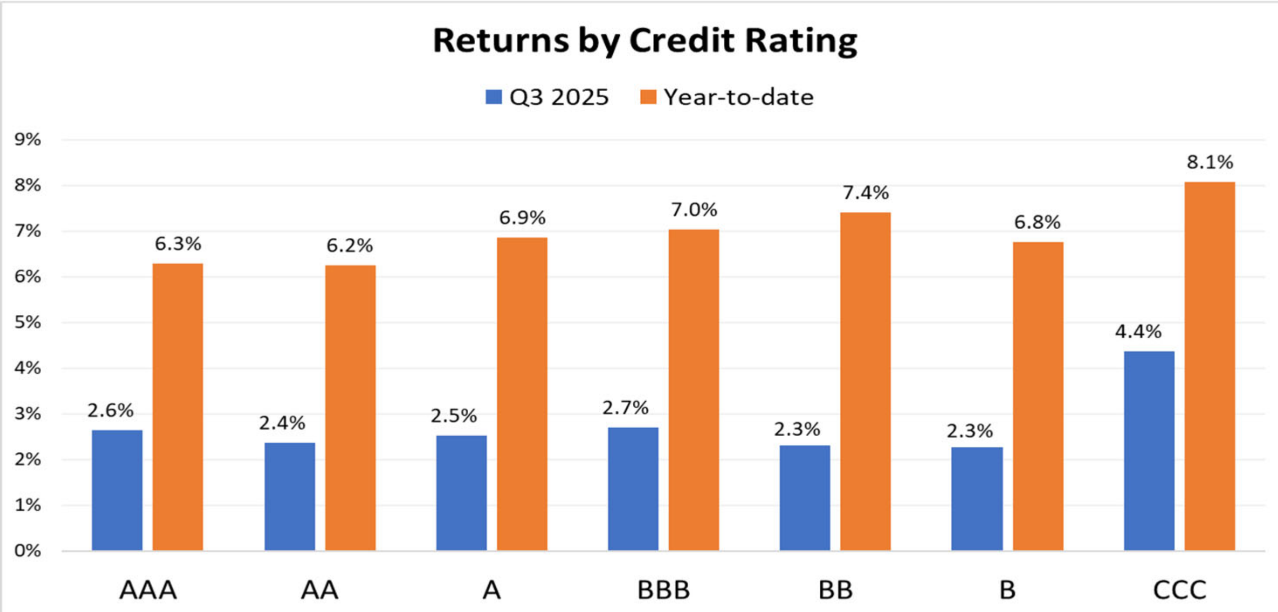
Bond Market

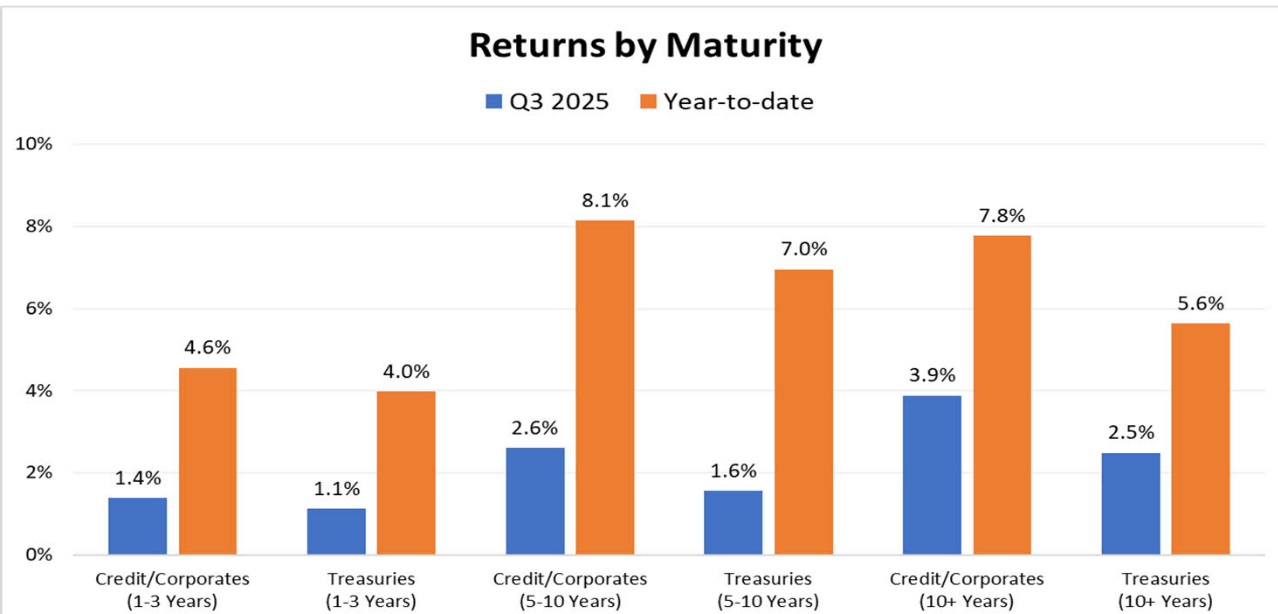
Index	Duration (years)	Yield	3Q25	YTD	2024	2023	2022	2021	2020	2019	1-Year	3-Year	5-Year	10-Year
Bloomberg Aggregate	6.1	4.37%	2.0%	6.1%	1.3%	5.5%	-13.0%	-1.5%	7.5%	8.7%	2.9%	4.9%	-0.4%	1.8%
Bloomberg Govt/Credit	6.3	4.25%	1.9%	5.9%	1.2%	5.7%	-13.6%	-1.7%	8.9%	9.7%	2.7%	4.9%	-0.6%	2.0%
Bloomberg Int Agg	4.4	4.21%	1.8%	6.0%	2.5%	5.2%	-9.5%	-1.3%	5.6%	6.7%	3.8%	5.1%	0.5%	1.9%
Bloomberg Int Govt/Credit	3.8	3.97%	1.5%	5.7%	3.0%	5.2%	-8.2%	-1.4%	6.4%	6.8%	4.0%	5.2%	0.8%	2.1%
Bloomberg U.S. Corporate	7.0	4.81%	2.6%	6.9%	2.1%	8.5%	-15.8%	-1.0%	9.9%	14.5%	3.6%	7.1%	0.3%	3.1%
Bloomberg HY Ba/B 2% IC	3.2	6.10%	2.3%	7.1%	6.8%	12.6%	-10.6%	4.6%	7.7%	15.2%	7.0%	10.4%	5.0%	5.9%
ICE BofA 1-3 Yrs BB US Cash Pay HY	1.7	5.31%	1.6%	5.6%	6.7%	8.9%	-3.1%	3.2%	5.4%	8.7%	6.4%	8.0%	4.9%	4.8%
Bloomberg Mortgage	5.6	4.74%	2.4%	6.8%	1.2%	5.0%	-11.8%	-1.0%	3.9%	6.4%	3.4%	5.0%	-0.1%	1.4%
Bloomberg Treasury	5.9	3.94%	1.5%	5.4%	0.6%	4.1%	-12.5%	-2.3%	8.0%	6.9%	2.1%	3.6%	-1.3%	1.2%
Bloomberg US TIPS	6.6	4.08%	2.1%	6.9%	1.8%	3.9%	-11.8%	6.0%	11.0%	8.4%	3.8%	4.9%	1.4%	3.0%
BofA ML 91 day T-Bills	0.3	3.94%	1.1%	3.2%	5.3%	5.2%	1.5%	0.0%	0.7%	2.3%	4.4%	4.9%	3.0%	2.1%



- In Q3 2025, the U.S. Treasury yield curve steepened as yields on the front end of the curve (0-2 years) declined by ~40 bps while the rest of the curve declined modestly.
- Fixed income returns were positive in Q3 2025 as treasury rates and credit spreads declined while coupons continue to pay investors 1%+ per quarter.
- Year-to-date, bond markets have returned between 5% and 7%, benefitting from higher coupon payments and meaningful uplift from a ~50 bps decline in treasury rates in 2025.

Bond Market

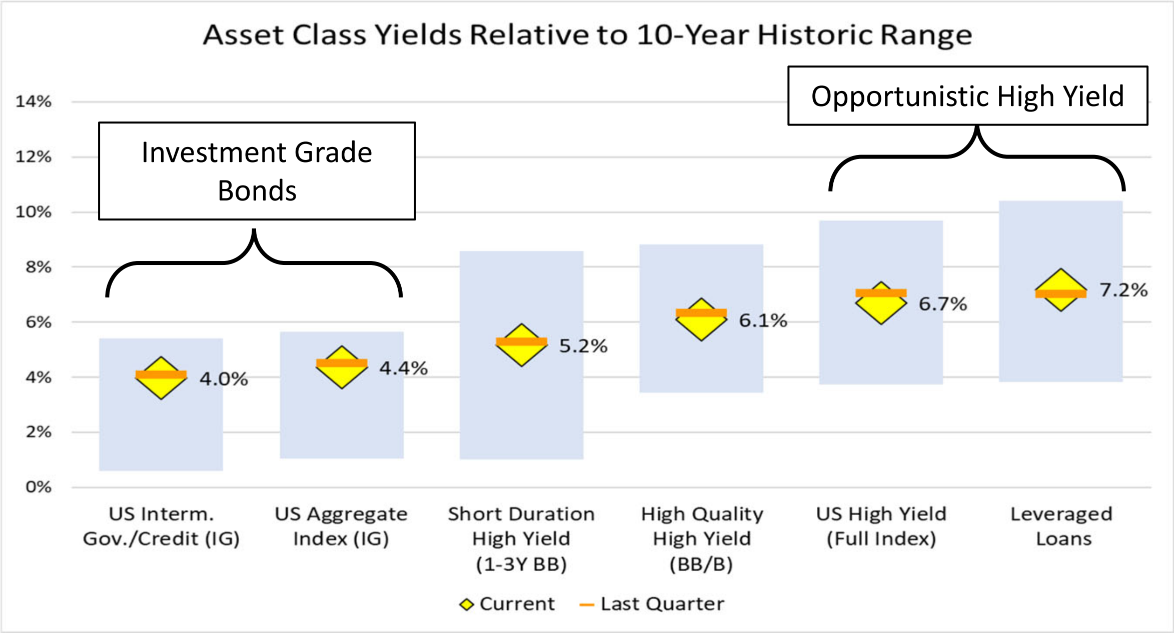


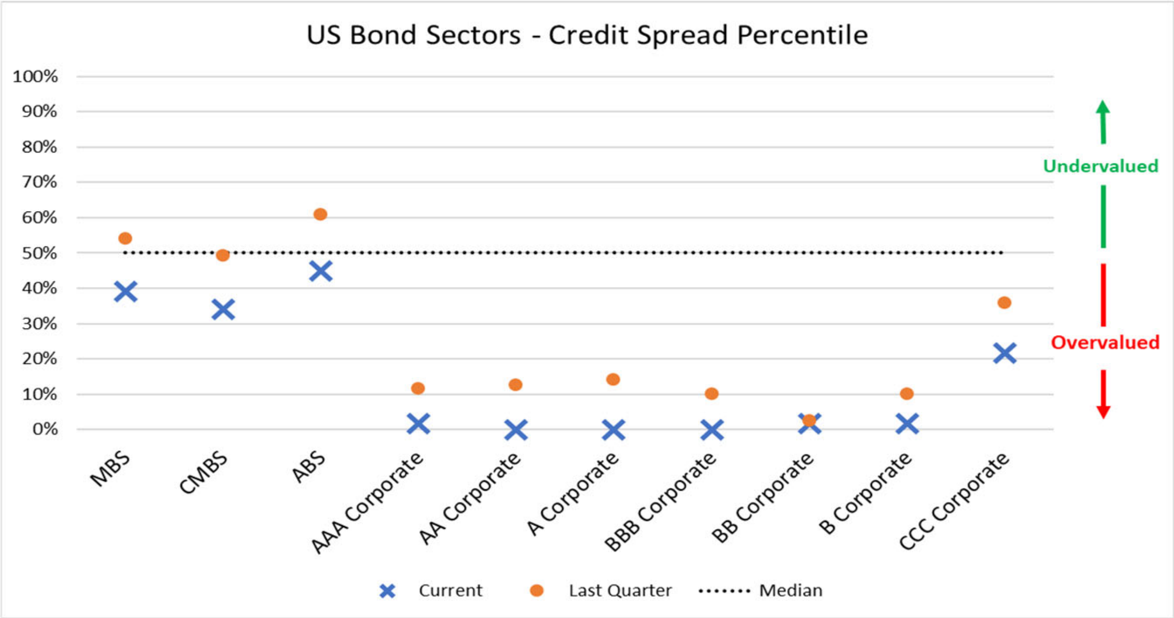


Continued Strong Performance in Q3 2025

- Corporate bonds have experienced strong performance in 2025 due to higher starting yields and an additional lift from declining interest rates.
- While credit spreads have remained tight for the trailing 12-months, the tariff announcements in April created a period of market volatility in Q2 2025 that was short-lived, with credit spreads retracting back to their year-end levels by the start of Q3 2025.
- In Q3 2025, the best performing areas of the market were those that required investors to take outsized credit or duration risk. Low-quality CCC-rated bonds and long-term corporate bonds produced the strongest returns within corporate bonds for the quarter.
- Year-to-date, coupon payments and falling interest rates have driven the majority of bond returns as there has been little room for additional credit spread contraction. As the yield curve has steepened, performance has been strongest in the middle of the curve (5–10 year maturities) and in riskier credits offering higher coupon payments.

Bond Market





Bond Yields

- The decline in bonds yields continued in Q3 2025 as treasury yields fell, and credit spreads continue to grind tighter to historic lows.
- Investment grade (IG) bonds now yield between 4.0% and 4.5%, while non-IG credit yields range from 5.0% to 7.0%.
- Yields on investment grade bonds continue to remain above their 10-year average yield, while historically tight credit spreads have brought high yield bonds in-line with their 10-year averages.

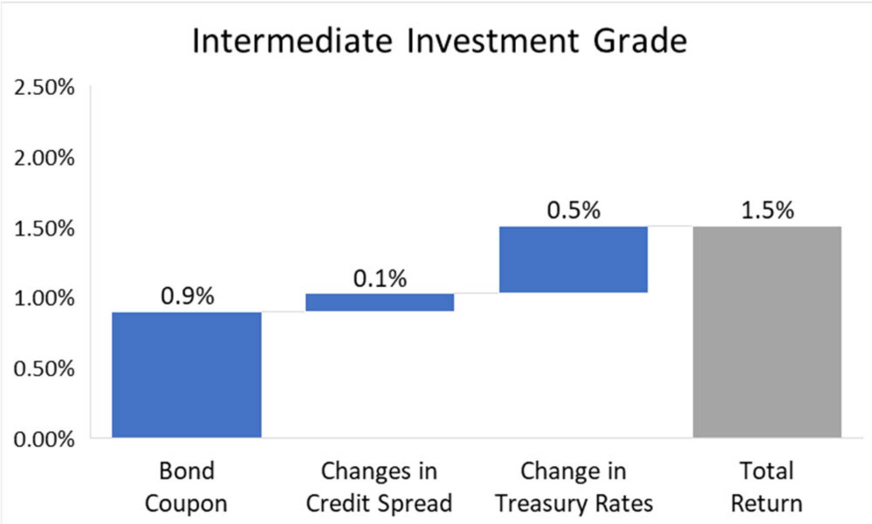
Credit Spreads/Valuations

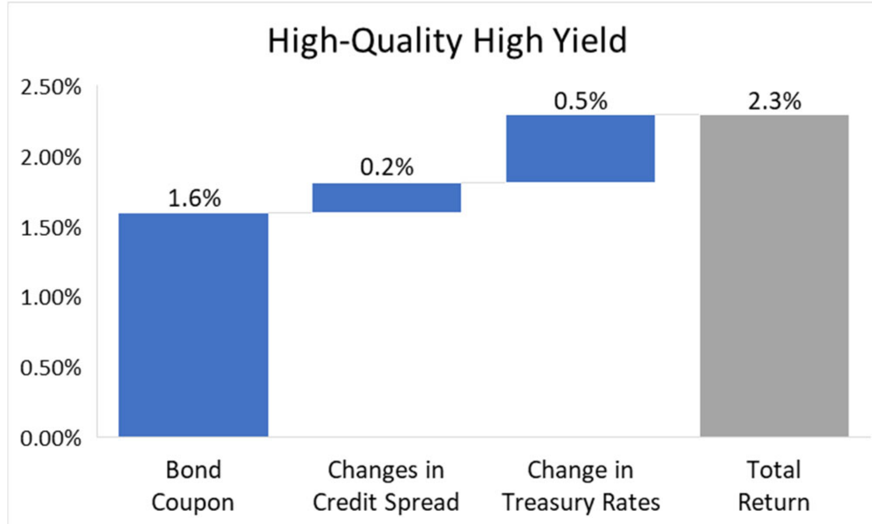
- Credit spreads across bond sectors remain extremely tight, with corporate bonds rated AAA-B now sitting at the lowest levels in 20 years.
- Corporate credit spreads have continued to contract as in-flows into US fixed income markets have remained positive since 2022 while new bond issuance has slowed. This has created an increased bid on the existing bonds available in the market resulting in higher valuations (tighter credit spreads).
- Spreads in structured credit (MBS, CMBS, ABS) remain elevated, continuing to trade more cheaply relative to corporate credit.

Bond Market

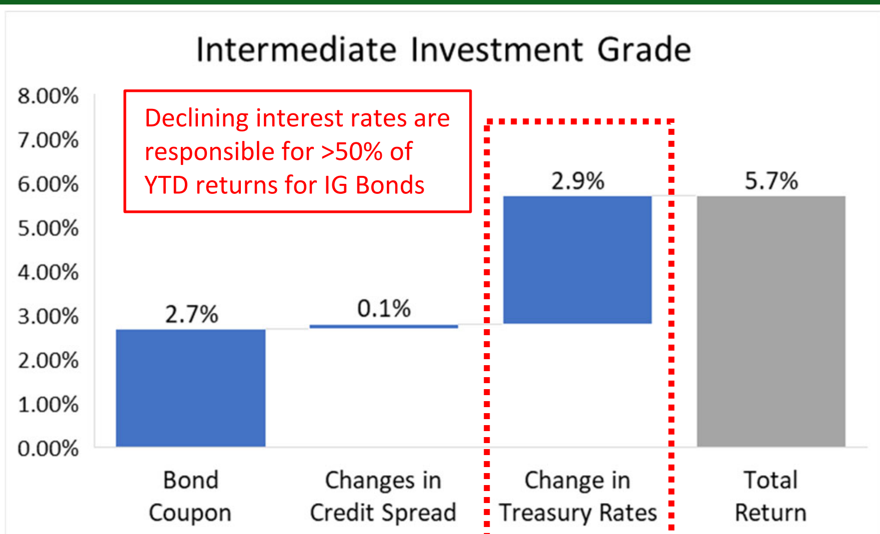
As credit spreads hold steady, coupon & declining interest rates are driving returns in 2025

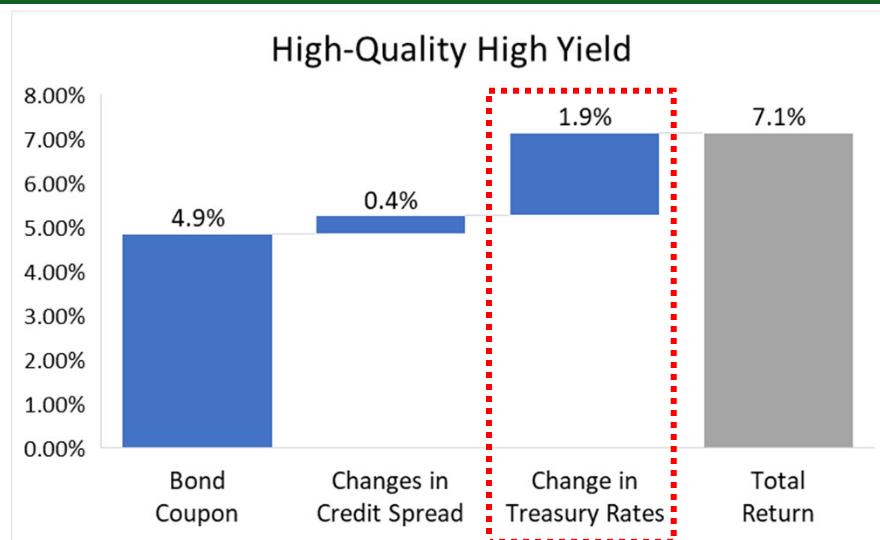
Q3 2025 – Contribution to Total Return



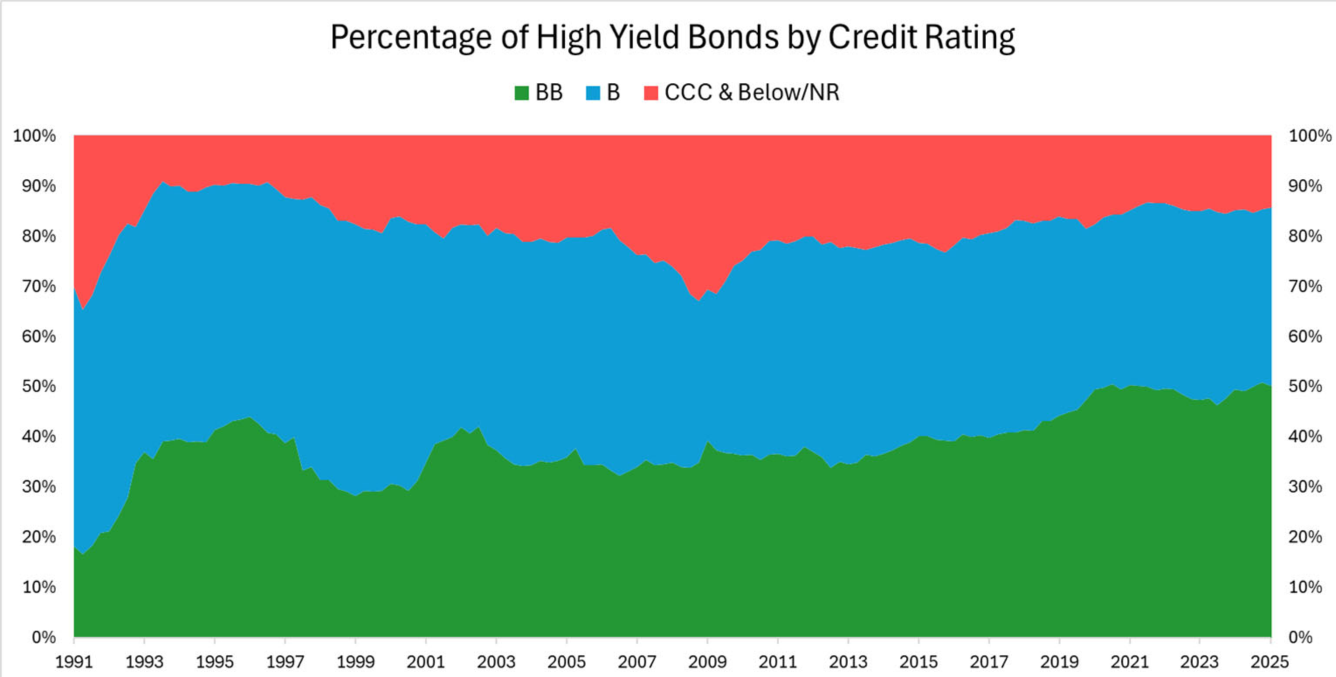


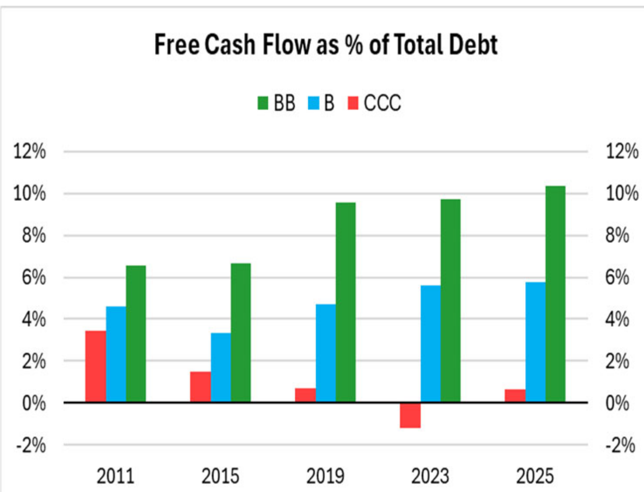
Year-to-Date – Contribution to Total Return

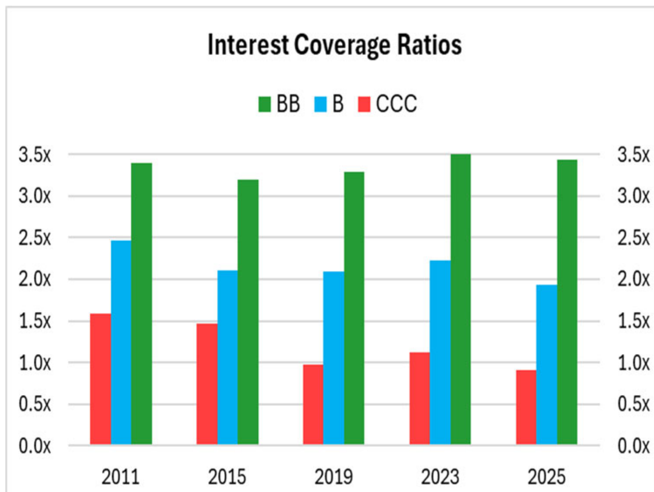




Bond Market







Better Quality in High Yield Bonds

- The U.S. high yield bond market has evolved over recent decades, shifting toward a larger percentage of higher-quality BB-rated issues.
- In the 1990's and 2000's, BB-rated bonds comprised ~33% of the market on average. Since the Global Financial Crisis (GFC) in 2008, there has been a gradual increase in the number of BB-rated bonds while the percentage of Single-B and low-quality issues rated CCC & below have decreased. **Today BB-rated bonds comprise 50% of the U.S. high yield bond market, indicating the high yield market is less risky than it was in prior decades.**
- Not only has the percentage of BB-rated bonds increased, the quality of BB-rated issuers has also increased relative to single-B and CCC-rated issuers.
- BB-rated issuers have seen their free cash flow as a percentage of total debt increase from ~6.5% in 2015 to more than 10% in 2025, while Interest Coverage remains close to 3.5x.
- **While credit spreads sit at historical lows, the increase in underlying credit quality may not allow for an "apples-to-apples" comparison to historical credit spreads.**

Bond Market

Interest Rate Sensitivity

12 Month Holding Period - Annualized Returns as of 09/30/2025

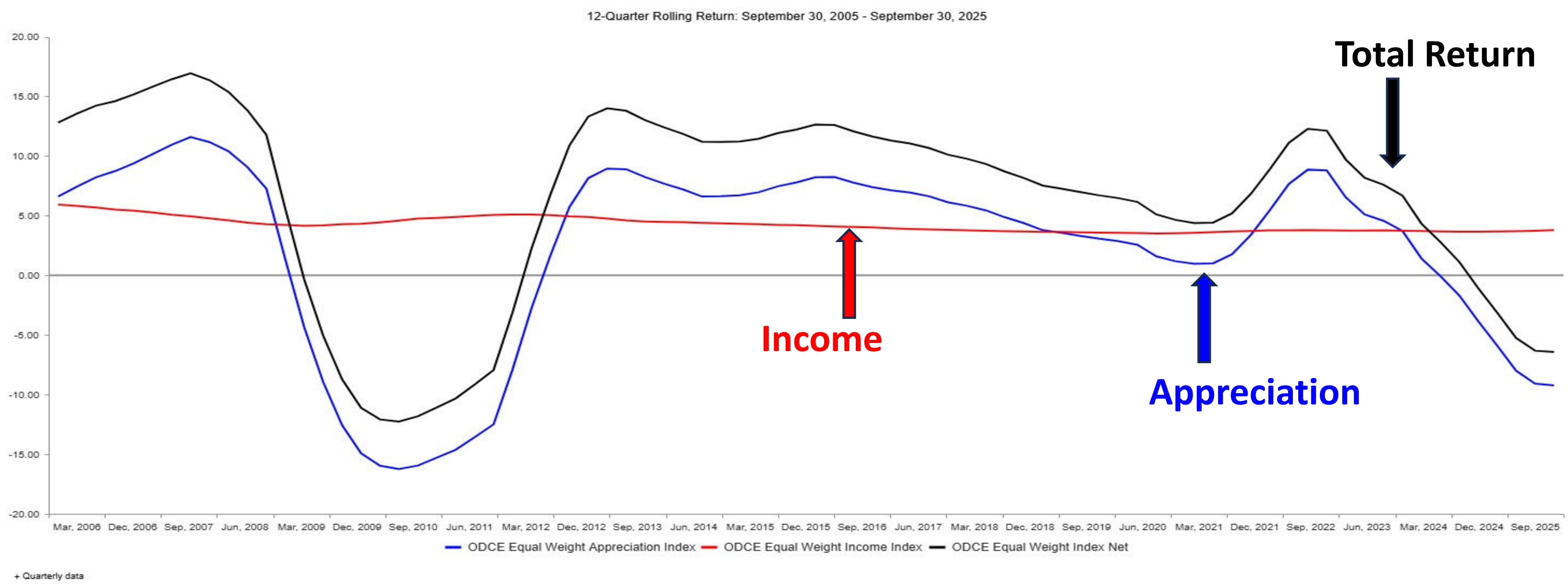
Yield Change (bps)	US Treasuries Bloomberg Treasury	Short-Term IG Bloomberg 1-3 Yr US Govt/Credit	Intermediate IG Bloomberg Interm Govt/Credit	Core Bond Bloomberg Aggregate	Short Duration HY ICE BofA 1-3 Yrs BB US Cash Pay HY	High-Quality HY Bloomberg HY BB/B 2% Capped	Full High Yield Bloomberg US Corporate HY
-300	25.14%	9.65%	16.35%	24.62%	9.10%	14.11%	14.71%
-250	21.13%	8.65%	14.16%	20.96%	8.75%	13.00%	13.57%
-200	17.32%	7.65%	12.02%	17.41%	8.29%	11.79%	12.36%
-150	13.69%	6.67%	9.93%	13.97%	7.71%	10.50%	11.06%
-100	10.25%	5.69%	7.89%	10.66%	7.02%	9.12%	9.68%
-75	8.60%	5.21%	6.89%	9.04%	6.64%	8.40%	8.97%
-50	7.00%	4.72%	5.91%	7.45%	6.22%	7.65%	8.23%
-25	5.45%	4.24%	4.93%	5.90%	5.78%	6.89%	7.47%
0	3.94%	3.77%	3.97%	4.37%	5.31%	6.10%	6.70%
25	2.48%	3.29%	3.02%	2.87%	4.81%	5.29%	5.90%
50	1.07%	2.82%	2.08%	1.40%	4.28%	4.45%	5.08%
75	-0.30%	2.35%	1.16%	-0.04%	3.73%	3.60%	4.25%
100	-1.62%	1.88%	0.24%	-1.45%	3.14%	2.72%	3.39%
150	-4.11%	0.95%	-1.54%	-4.19%	1.89%	0.90%	1.62%
200	-6.42%	0.02%	-3.28%	-6.81%	0.53%	-1.01%	-0.23%
250	-8.54%	-0.89%	-4.97%	-9.31%	-0.95%	-3.00%	-2.16%
300	-10.47%	-1.79%	-6.61%	-11.70%	-2.53%	-5.09%	-4.17%
Duration	5.93	1.91	3.83	6.05	1.94	3.20	3.15
Convexity	0.75	0.04	0.20	0.46	-0.45	-0.35	-0.32

FOR ILLUSTRATIVE PURPOSES ONLY: For each index the current yield to worst as of 9/30/2025 was used as the base case annualized return. The annualized return sensitivity to a uniform increase or decrease in the yield curve was calculated by taking the index's Option-Adjusted Duration as of 9/30/2025 multiplied by the percentage point change in the yield curve (basis point change divided by 100), while adjusting for convexity effects using the index's Option-Adjusted Convexity as of 9/30/2025, and then appropriately adding or subtracting this implied percentage change in the value of the index (due to the shift in the yield curve) to the base case annualized return. This is a rough approximation of the annual return sensitivity to parallel shifts in the yield curve.

Real Estate Market

Sector	Index	3Q25	YTD	2024	2023	2022	2021	2020	2019	1-Year	3-Year	5-Year	10-Year	15-Year	20-Year
US Private	NCREIF ODCE Equal Weighted (net)	0.5%	2.2%	-2.4%	-13.4%	7.6%	21.9%	0.8%	5.2%	3.0%	-6.4%	2.8%	4.4%	7.2%	4.9%
	NCREIF ODCE EW Income Index	1.0%	3.0%	4.0%	3.5%	3.5%	4.1%	3.6%	3.5%	4.1%	3.8%	3.8%	3.7%	3.9%	4.1%
	NCREIF ODCE EW Appreciation Index	-0.3%	-0.3%	-5.5%	-15.8%	4.8%	18.3%	-2.1%	1.7%	-0.3%	-9.2%	-0.3%	1.1%	3.4%	1.0%

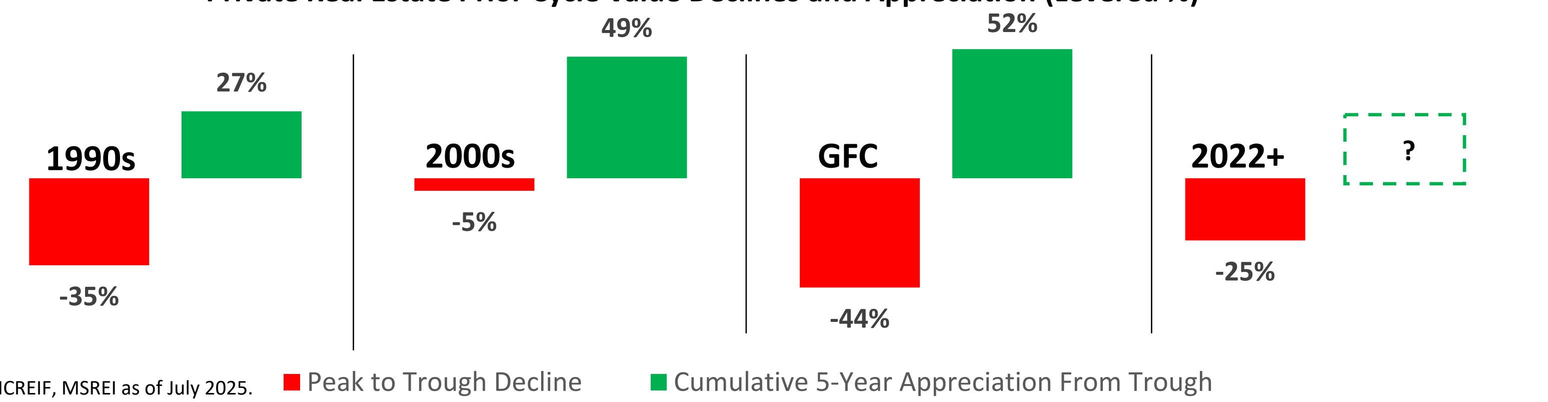
- The NCREIF ODCE Equal Weighted Index (net) increased +0.46% in Q3 2025, posting a positive return for the fourth consecutive quarter. Appreciation during Q3 2025 was modestly negative, while the income return remained stable at +1.0%.
- While a recovery in commercial real estate appears to be underway given steady demand for leased space, improving transaction volumes and increased availability of debt, valuations in some sectors and markets continue to be challenged, meaning recent returns are still below historical long-term averages. Total returns are being buoyed by rental income, the resiliency of which demonstrates much of the attractiveness of the asset class.



Real Estate Market

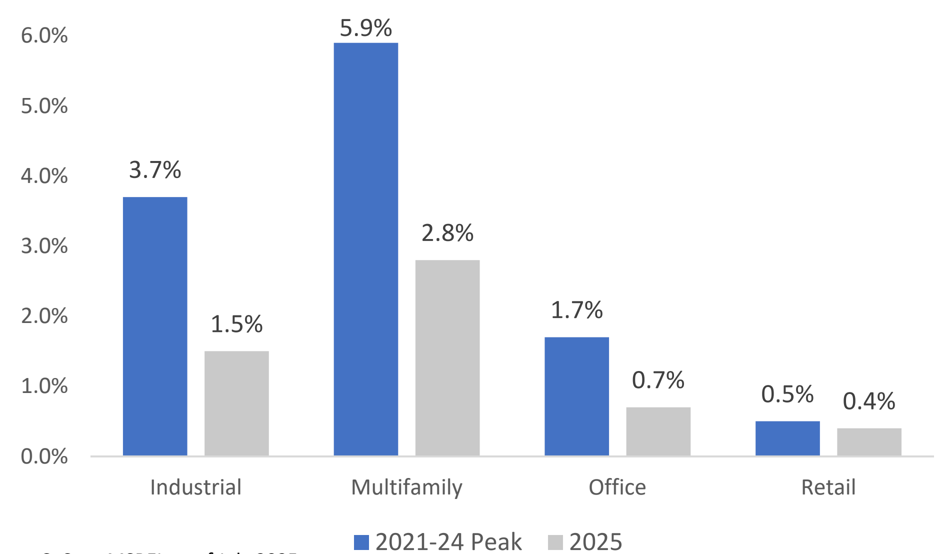
- Real estate returns are cyclical; with valuations appearing to bottom in 2024, many market participants believe the next upward cycle has begun. Lower interest rates, minimal new supply and a relatively healthy economic backdrop should be supportive of rent growth and a moderate recovery in valuations. Economic factors, including the health of the labor market, inflation and the path of interest rates will play a significant role in determining performance going forward.

Private Real Estate Prior Cycle Value Declines and Appreciation (Levered %)



Source: NCREIF, MSREI as of July 2025.

U.S. Space Under Construction, % of Stock



Source: CoStar, MSREI, as of July 2025

Real Estate Market

- The cyclicality of real estate returns extends to its broad sectors, as shown in the chart below.
- Industrial was the strongest returning sector prior to and into the pandemic, as demand trends for properties related to e-commerce, warehouses, last mile distribution centers and data centers drove strong price appreciation in the sector.
- A steep and rapid rise in interest rates drove all sectors lower in late 2022 and into 2023, as real estate cap rates repriced higher.
- Retail has assumed sector leadership more recently, as a dearth of new supply has helped rent growth. Necessity-based retail and grocery-anchored properties have held up better than malls and lower-quality strip retail.
- Residential continues to be supported by strong fundamentals, including high home purchase prices, elevated mortgage rates and declining supply in some markets.
- Office continues to lag, though well-located, Class A properties are seeing stabilization given demand for highly amenitized properties and a moderate increase in return-to-work mandates.

NCREIF Total Returns By Sector (Gross, Unlevered)

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 YTD
Resi. 15.5%	Retail 11.6%	Retail 12.9%	Indust. 13.4%	Retail 15.2%	Indust. 12.2%	Indust. 12.8%	Indust. 14.0%	Indust. 13.3%	Indust. 11.5%	Indust. 43.1%	Indust. 14.5%	Retail -0.9%	Retail 5.3%	Retail 3.7%
Indust. 14.6%	Resi. 11.2%	Indust. 12.4%	Retail 13.1%	Indust. 14.9%	Retail 9.0%	Office 6.2%	Office 6.9%	Office 6.7%	Resi. 1.9%	Resi. 19.7%	Resi. 7.3%	Indust. -4.1%	Indust. 2.6%	Resi. 2.7%
Office 13.8%	Indust. 10.8%	Resi. 10.2%	Office 11.9%	Office 12.8%	Resi. 7.3%	Resi. 6.2%	Resi. 5.9%	Resi. 5.4%	Office 1.9%	Office 6.4%	Retail 2.5%	Resi. -7.1%	Resi. 1.5%	Indust. 2.3%
Retail 13.7%	Office 9.7%	Office 9.9%	Resi. 10.1%	Resi. 11.8%	Office 6.3%	Retail 5.6%	Retail 2.2%	Retail 1.9%	Retail -7.5%	Retail 4.2%	Office -2.8%	Office -16.9%	Office -7.2%	Office 1.6%

Source: NCREIF NPI, via DWS, as of Q2 2025.

Operating Engineers Local No. 77 JATC Fund

Investment Performance Report

Period Ended

September 30, 2025

Total Fund Growth of Assets

	Quarter-To-Date	Fiscal Year-To-Date	One Year	Three Years	Five Years	Inception 11/30/19
Beginning Market Value	$3,216,198	$3,189,011	$3,114,035	$2,736,926	$3,199,096	--
Net Cash Flow	-$267,205	-$358,239	-$301,137	-$477,354	-$964,029	$2,105,559
Net Investment Change	$73,239	$191,461	$209,334	$762,660	$787,166	$916,673
Ending Market Value	$3,022,232	$3,022,232	$3,022,232	$3,022,232	$3,022,232	$3,022,232

- The Fund's fiscal year end is December 31st.

Performance Summary (Gross of Fees) - Annualized

			Ending September 30, 2025						
	Market Value	% of Portfolio	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	Inception	Inception Date
Total Fund	**$3,022,232**	**100.0%**	**2.5%**	**6.5%**	**7.1%**	**8.5%**	**5.1%**	**5.0%**	**Nov-19**
Total Domestic Large Cap Equity	**$503,308**	**16.7%**	**8.1%**	**14.8%**	**17.6%**	**24.9%**	**16.5%**	**15.6%**	**Nov-19**
Total Investment Grade Fixed Income	**$1,280,968**	**42.4%**	**1.4%**	**4.6%**	**4.7%**	**5.4%**	**2.6%**	**2.8%**	**Nov-19**
Total Short Duration High Yield Fixed Income	**$1,181,626**	**39.1%**	**1.5%**	**5.7%**	**6.1%**	**7.7%**	**--**	**4.3%**	**Jul-21**
Total Cash Equivalents	**$56,330**	**1.9%**	**1.0%**	**3.1%**	**4.1%**	**4.0%**	**2.5%**	**2.2%**	**Nov-19**

Performance Summary

	Fiscal Year Ending December 31st (Gross of Fees)					
	Fiscal YTD	2024	2023	2022	2021	2020
Total Fund	**6.4%**	**7.6%**	**8.7%**	**-5.8%**	**6.1%**	**5.7%**
Total Fund Benchmark	*5.7%*	*7.6%*	*10.0%*	*-5.4%*	*5.6%*	*6.5%*

	Fiscal Year Ending December 31st (Net of Fees)					
	Fiscal YTD	2024	2023	2022	2021	2020
Total Fund	**6.2%**	**7.3%**	**8.4%**	**-6.0%**	**6.0%**	**5.6%**
Total Fund Benchmark	*5.7%*	*7.6%*	*10.0%*	*-5.4%*	*5.6%*	*6.5%*

Current vs. Policy

	Current	Current	Policy	Policy Range	Difference	Difference
Domestic Large Cap Equity	$503,308	16.7%	10.0%	5.0% - 15.0%	6.7%	$201,085
Investment Grade Fixed Income	$1,280,968	42.4%	40.0%	35.0% - 45.0%	2.4%	$72,075
Short Duration High Yield Fixed Income	$1,181,626	39.1%	35.0%	30.0% - 40.0%	4.1%	$123,845
Cash Equivalents	$56,330	1.9%	15.0%	10.0% - 20.0%	-13.1%	-$397,005
Total	**$3,022,232**	**100.0%**	**100.0%**			

- Policy adopted May 2023; effective July 2023.

Performance Detail (Net of Fees) - Annualized

			Ending September 30, 2025						
	Market Value	% of Portfolio	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	Inception	Inception Date
Total Fund	**$3,022,232**	**100.0%**	**2.4%**	**6.2%**	**6.8%**	**8.3%**	**4.8%**	**4.8%**	**Nov-19**
Total Fund Benchmark			*2.1%*	*5.7%*	*6.5%*	*8.8%*	*5.1%*	*5.2%*	*Nov-19*
Total Domestic Large Cap Equity	**$503,308**	**16.7%**	**8.1%**	**14.8%**	**17.6%**	**24.9%**	**16.4%**	**15.6%**	**Nov-19**
Vanguard 500 Index Fund Admiral Shares	$503,308	16.7%	8.1%	14.8%	17.6%	24.9%	16.4%	15.6%	Nov-19
S&P 500			*8.1%*	*14.8%*	*17.6%*	*24.9%*	*16.5%*	*15.6%*	*Nov-19*
Total Investment Grade Fixed Income	**$1,280,968**	**42.4%**	**1.3%**	**4.5%**	**4.5%**	**5.3%**	**2.4%**	**2.6%**	**Nov-19**
Chartwell Investment Partners	$1,280,968	42.4%	1.3%	4.5%	4.5%	5.3%	2.4%	2.6%	Dec-19
Bloomberg US Credit 1-3 Yr TR			*1.4%*	*4.6%*	*4.7%*	*5.4%*	*2.3%*	*2.6%*	*Dec-19*
Total Short Duration High Yield Fixed Income	**$1,181,626**	**39.1%**	**1.4%**	**5.3%**	**5.6%**	**7.2%**	**--**	**3.8%**	**Jul-21**
Carillon Chartwell SDHY Fund	$1,181,626	39.1%	1.4%	5.3%	5.6%	7.2%	--	3.8%	Jul-21
ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR			*1.6%*	*5.6%*	*6.4%*	*8.0%*	*--*	*4.4%*	*Jul-21*
Total Cash Equivalents	**$56,330**	**1.9%**	**0.3%**	**2.4%**	**3.4%**	**3.8%**	**2.4%**	**2.1%**	**Nov-19**
PNC Cash	$56,330	1.9%	0.3%	2.4%	3.4%	3.8%	2.4%	2.1%	Nov-19

Account Information

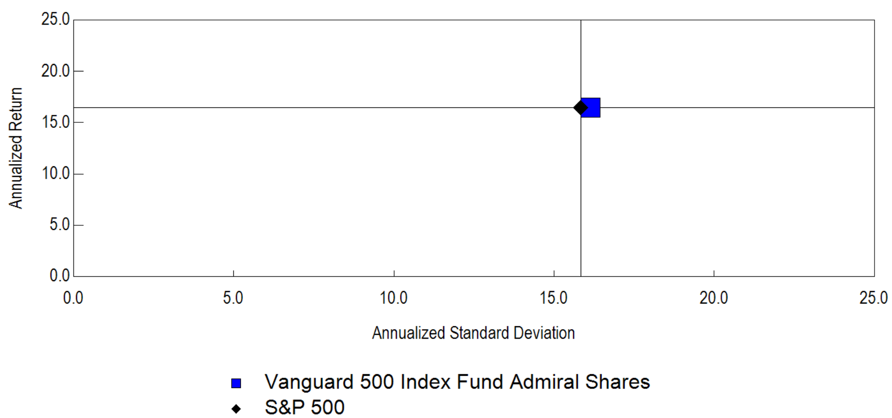
Account Name	**Vanguard 500 Index Fund Admiral Shares**
Account Structure	**Mutual Fund**
Investment Style	**Passive**
Inception Date	**11/30/19**
Account Type	**Domestic Large Cap Core Equity**
Benchmark	**S&P 500**
Universe	**Large Blend MStar MF**

Vanguard 500 Index Fund Admiral Shares

Ending September 30, 2025

	Third Quarter	Inception 11/30/19
Beginning Market Value	$465,537	--
Net Cash Flow	$0	$54,281
Net Investment Change	$37,771	$449,027
Ending Market Value	$503,308	$503,308

Annualized Return vs. Annualized Standard Deviation
5 Years Ending September 30, 2025



3 Years Ending September 30, 2025

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Vanguard 500 Index Fund Admiral Shares	24.9%	14.0%	53.8%	-7.1%
S&P 500	24.9%	13.4%	100.0%	100.0%

5 Years Ending September 30, 2025

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Vanguard 500 Index Fund Admiral Shares	16.4%	16.1%	42.1%	32.7%
S&P 500	16.5%	15.8%	100.0%	100.0%

											Calendar Years											
	QTD	Rank	Fiscal YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	2024	Rank	2023	Rank	2022	Rank	2021	Rank	2020	Rank	Inception	Inception Date
Vanguard 500 Index Fund Admiral Shares	8.1%	24	14.8%	23	17.6%	21	24.9%	20	16.4%	20	25.0%	24	26.2%	27	-18.1%	50	28.7%	23	18.4%	39	15.6%	Nov-19
S&P 500	*8.1%*	*23*	*14.8%*	*20*	*17.6%*	*19*	*24.9%*	*19*	*16.5%*	*19*	*25.0%*	*24*	*26.3%*	*25*	*-18.1%*	*48*	*28.7%*	*22*	*18.4%*	*38*	*15.6%*	*Nov-19*

Note: Returns are net of fees.

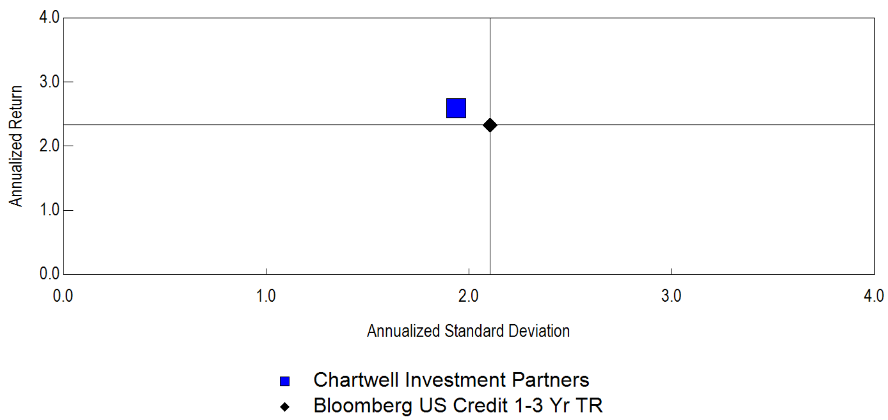
Account Information	
Account Name	**Chartwell Investment Partners**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**12/31/19**
Account Type	**Investment Grade Fixed Income**
Benchmark	**Bloomberg US Credit 1-3 Yr TR**
Universe	

Chartwell Investment Partners

Ending September 30, 2025

	Third Quarter	Inception 12/31/19
Beginning Market Value	$1,312,990	--
Net Cash Flow	-$50,000	$1,050,064
Net Investment Change	$17,978	$230,903
Ending Market Value	$1,280,968	$1,280,968

Annualized Return vs. Annualized Standard Deviation
5 Years Ending September 30, 2025



3 Years Ending September 30, 2025

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Chartwell Investment Partners	5.4%	1.6%	96.2%	71.6%
Bloomberg US Credit 1-3 Yr TR	5.4%	1.8%	100.0%	100.0%

5 Years Ending September 30, 2025

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Chartwell Investment Partners	2.6%	1.9%	98.6%	84.2%
Bloomberg US Credit 1-3 Yr TR	2.3%	2.1%	100.0%	100.0%

						Calendar Years						
	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	2024	2023	2022	2021	2020	Inception	Inception Date
Chartwell Investment Partners	1.4%	4.6%	4.7%	5.4%	2.6%	4.8%	5.7%	-2.8%	0.0%	4.2%	2.8%	Dec-19
Bloomberg US Credit 1-3 Yr TR	*1.4%*	*4.6%*	*4.7%*	*5.4%*	*2.3%*	*5.1%*	*5.3%*	*-3.4%*	*-0.2%*	*3.7%*	*2.6%*	*Dec-19*

Note: Returns are gross of fees.

Account Information

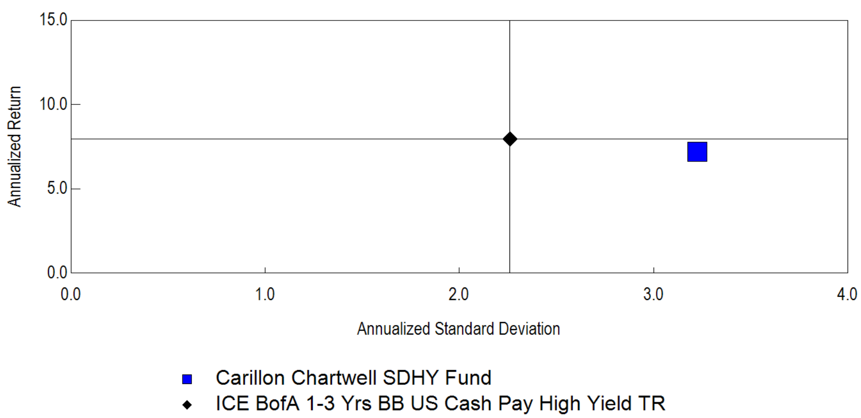
Account Name	**Carillon Chartwell SDHY Fund**
Account Structure	**Mutual Fund**
Investment Style	**Active**
Inception Date	**7/31/21**
Account Type	**Short Duration High Yield Fixed Income**
Benchmark	**ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR**
Universe	

Carillon Chartwell SDHY Fund

Ending September 30, 2025

	Third Quarter	Inception 7/31/21
Beginning Market Value	$1,165,098	$0
Net Cash Flow	$0	$1,000,000
Net Investment Change	$16,528	$181,626
Ending Market Value	$1,181,626	$1,181,626

Annualized Return vs. Annualized Standard Deviation
3 Years Ending September 30, 2025



3 Years Ending September 30, 2025

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Carillon Chartwell SDHY Fund	7.7%	3.2%	75.4%	-251.3%
ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR	8.0%	2.3%	100.0%	100.0%

	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	Calendar Years 2024	2023	2022	2021	2020	Inception	Inception Date
Carillon Chartwell SDHY Fund	1.5%	5.7%	6.1%	7.7%	--	6.3%	8.3%	-2.7%	--	--	4.3%	Jul-21
ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR	*1.6%*	*5.6%*	*6.4%*	*8.0%*	--	*6.7%*	*8.8%*	*-3.1%*	--	--	*4.4%*	*Jul-21*

Note: Returns are net of fees.

Account Information	
Account Name	**PNC Cash**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**11/30/19**
Account Type	**Cash Equivalents**
Benchmark	
Universe	

PNC Cash
Ending September 30, 2025

	Third Quarter	Inception 11/30/19
Beginning Market Value	$272,572	--
Net Cash Flow	-$217,205	$1,481
Net Investment Change	$962	$54,849
Ending Market Value	$56,330	$56,330

Current Yield as of June 30, 2025 is 4.27%

						Calendar Years						
	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	2024	2023	2022	2021	2020	Inception	Inception Date
PNC Cash	0.3%	2.4%	3.4%	3.8%	2.4%	4.4%	4.0%	1.2%	0.1%	0.0%	2.1%	Nov-19

Note: Returns are gross of fees.

Investment Performance Services

Operating Engineers Local No. 77 JATC Fund

Appendix

Performance Detail (Gross of Fees) - Annualized

			Ending September 30, 2025						
	Market Value	% of Portfolio	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	Inception	Inception Date
Total Fund	**$3,022,232**	**100.0%**	**2.4%**	**6.4%**	**7.0%**	**8.5%**	**5.0%**	**5.0%**	**Nov-19**
Total Fund Benchmark			*2.1%*	*5.7%*	*6.5%*	*8.8%*	*5.1%*	*5.2%*	*Nov-19*
Total Domestic Large Cap Equity	**$503,308**	**16.7%**	**8.1%**	**14.8%**	**17.6%**	**24.9%**	**16.5%**	**15.6%**	**Nov-19**
Vanguard 500 Index Fund Admiral Shares	$503,308	16.7%	8.1%	14.8%	17.6%	24.9%	16.5%	15.6%	Nov-19
S&P 500			*8.1%*	*14.8%*	*17.6%*	*24.9%*	*16.5%*	*15.6%*	*Nov-19*
Total Investment Grade Fixed Income	**$1,280,968**	**42.4%**	**1.4%**	**4.6%**	**4.7%**	**5.4%**	**2.6%**	**2.8%**	**Nov-19**
Chartwell Investment Partners	$1,280,968	42.4%	1.4%	4.6%	4.7%	5.4%	2.6%	2.8%	Dec-19
Bloomberg US Credit 1-3 Yr TR			*1.4%*	*4.6%*	*4.7%*	*5.4%*	*2.3%*	*2.6%*	*Dec-19*
Total Short Duration High Yield Fixed Income	**$1,181,626**	**39.1%**	**1.5%**	**5.7%**	**6.1%**	**7.7%**	**--**	**4.3%**	**Jul-21**
Carillon Chartwell SDHY Fund	$1,181,626	39.1%	1.5%	5.7%	6.1%	7.7%	--	4.3%	Jul-21
ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR			*1.6%*	*5.6%*	*6.4%*	*8.0%*	*--*	*4.4%*	*Jul-21*
Total Cash Equivalents	**$56,330**	**1.9%**	**0.3%**	**2.4%**	**3.4%**	**3.8%**	**2.4%**	**2.1%**	**Nov-19**
PNC Cash	$56,330	1.9%	0.3%	2.4%	3.4%	3.8%	2.4%	2.1%	Nov-19

Account	Fee Schedule	Market Value As of 9/30/2025	% of Portfolio	Estimated Annual Fee ($)	Estimated Annual Fee (%)
Total Domestic Large Cap Equity	**-**	**$503,308**	**16.7%**	**--**	**--**
Vanguard 500 Index Fund Admiral Shares	0.04% of Assets	$503,308	16.7%	$201	0.04%
Total Investment Grade Fixed Income	**-**	**$1,280,968**	**42.4%**	**--**	**--**
Chartwell Investment Partners	0.18% of Assets	$1,280,968	42.4%	$2,306	0.18%
Total Short Duration High Yield Fixed Income	**-**	**$1,181,626**	**39.1%**	**--**	**--**
Carillon Chartwell SDHY Fund	0.49% of Assets	$1,181,626	39.1%	$5,790	0.49%
Total Cash Equivalents	**-**	**$56,330**	**1.9%**	**--**	**--**
PNC Cash	-	$56,330	1.9%	--	--
Investment Management Fee		**$3,022,232**	**100.0%**	**$8,297**	**0.27%**

Note: The above fee schedules may not include incentive fees, operating expenses, custodian fees, or other administrative costs.

Note: The above information utilizes net expense ratio for any mutual fund investment. Management fee is used for all other investment types.

Benchmark History

Total Fund		
7/1/2023	Present	S&P 500 10% / Bloomberg US Credit 1-3 Yr TR 40% / ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR 35% / 91 Day T-Bills 15%
7/1/2021	6/30/2023	S&P 500 20% / Bloomberg US Credit 1-3 Yr TR 35% / ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR 30% / 91 Day T-Bills 15%
11/30/2019	6/30/2021	S&P 500 20% / Bloomberg US Credit 1-3 Yr TR 65% / 91 Day T-Bills 15%

Index Disclosures

- Total Fund Benchmark - The Total Fund Benchmark is comprised of the respective market indices for each asset class weighted at the percentage the asset class represents in the Policy. It is important to acknowledge that not all asset classes have a corresponding market index due to the specialized nature of the asset class (i.e. private equity, private debt, infrastructure, hedge funds) and/or the specialized nature of the investment (opportunistic investments, global tactical asset allocation, absolute return strategies). In such cases, a traditional asset class index may be used as a proxy in the Total Fund Benchmark. The Total Fund Benchmark illustrates how an indexed portfolio with a similar allocation to that of the Policy would have performed during a specific period. The Total Fund Benchmark does not account for ongoing changes in the allocation percentages of the Total Fund resulting from market gains/losses, cash flows, and rebalancing during the same period. While a useful tool in examining performance, due to the static nature of the allocation percentages in the Total Fund Benchmark, the fact that not all asset classes have a representative index, and considering that some indices in the Total Fund Benchmark are not investable, the Total Fund Benchmark should not be used as the primary measure of a Total Fund's success or failure.

Footnotes

- Values, flows, and returns for all commingled funds, mutual funds, partnerships, and all other alternative assets are provided by the firm managing the assets and cannot be independently verified by IPS. Separately managed account returns are calculated by IPS using custodian data.
- The net of fees returns in this report are estimated. Fees do not include: The investment consulting fee paid to IPS, custodian fees, or other administrative costs.
- The information contained in this report is proprietary and confidential information. You are hereby notified that any dissemination, distribution, or copying of this document is strictly prohibited.
- Effective 4Q 2021, mutual fund returns are calculated utilizing the net expense ratio. Prior to 4Q 2021, mutual fund returns were calculated utilizing the mutual fund's management fee.

Glossary of Investment Terminology

Alpha

The amount of an investment's return that is independent of the return of the market. Alpha is generated by active management through security selection and may be positive or negative relative to a given benchmark.

Beta

A measure of an investment's volatility relative to the market. The beta of the market is 1.0 (as represented by a benchmark such as the S&P 500 Index). A beta of greater than 1.0 indicates an investment with greater volatility than the benchmark. A beta of less than 1.0 indicates less volatility than the benchmark.

Capture Ratio

A measurement (usually based on monthly or quarterly time periods) of an investment manager's performance relative to their benchmark in a rising or falling market. Upside capture illustrates how a manager has performed when their benchmark index is positive. In a rising market, a percentage over 100% indicates the manager exceeded the benchmark, while a percentage below 100% indicates the manager lagged the benchmark. Downside capture illustrates how a manager has performed when their benchmark index is negative. In a falling market, a percentage of less than 100% indicates that the manager lost less than the benchmark, while a percentage above 100% indicates the manager lost more than the market. Index funds, in theory, should have 100% upside and downside capture ratios before fees.

Compound Annual Returns

A time-weighted measure of the annual investment return, assuming the investment grew at a constant rate.

Correlation

A statistical measure of how two investments perform in relation to each other. Investments with a correlation of 1.0 have perfect positive correlation (exactly the same). Investments with perfect negative correlation of -1.0 will perform equally but in opposite directions.

Distribution to Paid-In (DPI)

The value of all distributions to limited partners divided by the amount limited partners have contributed to the fund. Often expressed as a ratio, DPI plus the unrealized value of limited partners' investments (RPI) equals the Total Value to Paid In (TVPI) multiple. A DPI of 1 indicates the investor has received capital back equal to what they invested while a DPI over 1 indicates an investor has received more capital back than they invested. DPI is most relevant for closed-end fund structures such as private equity.

Efficient Frontier

Represents the set of possible portfolios that have the greatest expected return for each level of risk (standard deviation of returns).

Glossary of Investment Terminology

Geometric Return	A calculation used when determining an annualized investment return, which tends to dampen the effect of very high or very low values. The result is a number that is smaller than (or equal to) the arithmetic average of the values.
Internal Rate of Return (IRR)	The discount rate at which the net present value of an investment's cash flows is equal to zero (0). IRR is commonly used to gauge fund performance.
Market Cap	The dollar value of a corporation, which is calculated by multiplying the share price of the stock by the number of outstanding shares.
Residual to Paid-In (RPI)	The unrealized value of limited partners' investments divided by the amount limited partners have contributed to the fund. Often expressed as a ratio, RPI plus the amount distributed back to investors (DPI) equals the total value to paid in (TVPI) multiple.
Return/Risk Ratio	The expected return of an investment divided by the expected standard deviation (risk). When comparing return/risk ratios, a higher value is presumed to be better than a lower value.
Standard Deviation	A statistical measurement of the dispersion of a set of data from its mean. The more spread apart the data is, the greater the standard deviation. Standard deviation is the most commonly cited measure of volatility or "risk" in investment returns. It measures total volatility, meaning it does not differentiate "bad" volatility associated with negative returns from "good" volatility associated with positive returns.
Total Return	The annual return on an investment, including appreciation, depreciation and income (interest, dividends, net operating income).
Total Value to Paid in Multiple (TVPI)	A measure of return that expresses how much a fund has made relative to how much was contributed. It is calculated by dividing the sum of the amount of capital distributed to investors and the amount of remaining value by the amount of invested capital. A TVPI below 1 indicates the current value of the investment plus the capital returned to the investor is less than the investor contributed. A TVPI greater than 1 indicates the current value of the investment plus the capital returned to the investor is more than the investor contributed. For closed-end funds such as private equity, DPI and TVPI will be the same at the end of the fund's life.

Impact of Negative Cash Flows

- Most defined benefit pension funds payout more in benefits and expenses than they take in via contributions, resulting in **negative net cash flows** on an annual basis.
- Plans with negative net cash flows require a much higher return in Year 2 following a loss in Year 1 to get back to the starting fund value.
- For example, a plan with a neutral net cash flow that returns -10.0% in Year 1 would require an **11.0% return in Year 2 to break even**.
- A plan with -5.0% net cash flows that experiences a -10.0% return in Year 1 would require a **24.0% return in Year 2 to breakeven (Year 2B).**
- An 11.0% return for a -5.0% net cash flow plan in Year 2 following a -10.0% return in Year 1 would result in an ending value **that is $10.5 million less (Year 2A)** than the neutral cash flow plan, assuming a starting value of $100 million.

Return Needed in Year 2 to Breakeven

Year 1 Return	Cash Flow as Percentage of Beginning Assets: 0.0%	-2.5%	-5.0%	-7.5%	-10.0%
0.0%	0%	5%	11%	16%	22%
-5.0%	5%	11%	17%	23%	29%
-10.0%	**11%**	17%	**24%**	30%	38%
-15.0%	18%	24%	31%	39%	47%
-20.0%	25%	32%	40%	48%	57%

	Neutral Cash Flow Fund		Negative Cash Flow Fund		
	Year 1	Year 2	Year 1	Year 2A	Year 2B
Beginning Assets	$100,00,000	$90,000,000	$100,000,000	$85,000,000	$85,000,000
Net Cash Flows	NA	NA	($5,000,000)	($5,000,000)	($5,000,000)
Investment Return (%)	-10%	11%	-10%	11%	24%
Investment Return ($)	($10,000,000)	$10,000,000	($10,000,000)	$9,444,350	$20,000,000
Ending Value	**$90,000,000**	**$100,000,000**	**$85,000,000**	**89,444,350**	**$100,000,000**

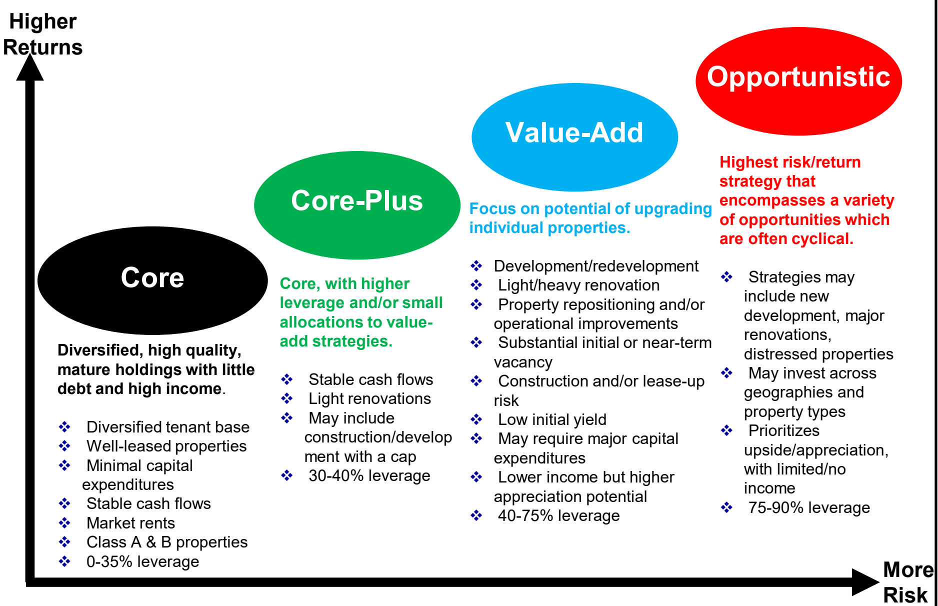
Common Market Capitalization Categories for Equities

Mega Cap	Greater than $250 Billion
Large Cap	$50 Billion to $250 Billion
Mid Cap	$10 Billion to $50 Billion
Small Cap	$1 Billion to $10 Billion
Micro Cap	Less than $1 Billion

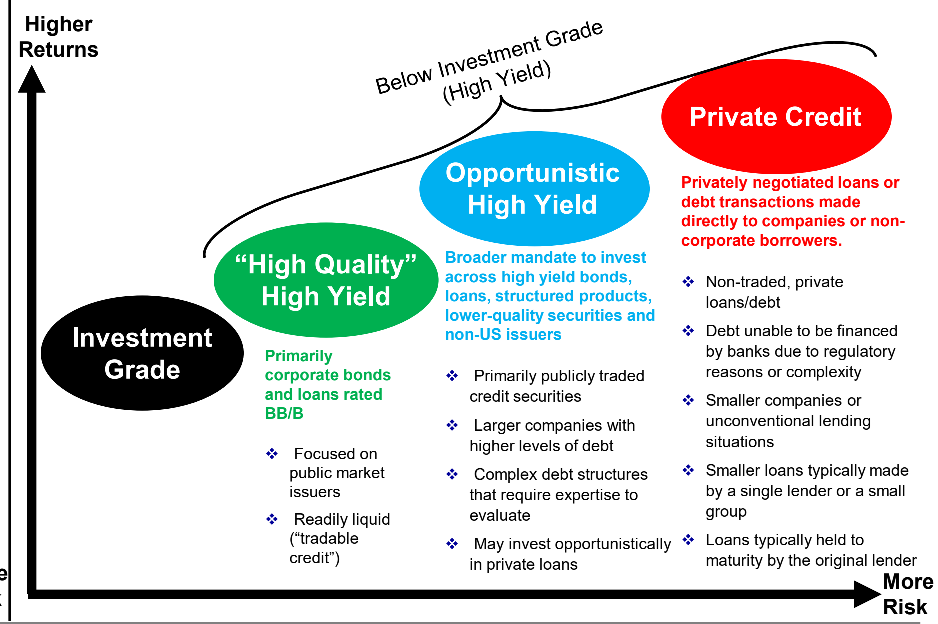
Bond Ratings & Classifications

Classification	Standard & Poor's	Moody's
Investment Grade	AAA	Aaa
	AA	Aa
	A	A
	BBB	Baa
High Quality High Yield	BB	Ba
	B	B
Low Quality High Yield	CCC	Caa
	CC	Ca
	C	C

Real Estate Asset Class



High Yield Credit Asset Class



Disclaimer:

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The Fund’s performance is attributable to factors other than the advice of IPS because, among other things, (a) IPS may act in an advisory capacity (i.e., IPS may not have discretion over Fund assets), (b) the Fund may or may not follow advice provided by IPS, and (c) returns may include investments made prior to the Fund’s relationship with IPS. Nothing contained herein constitutes investment, legal, accounting, actuarial, or tax advice, or a recommendation to buy, sell, or hold a security or pursue a particular investment vehicle or any trading strategy. Past performance is no guaranty of future results.

EPIC

April 29 - May 2, 2025

The following investment managers and providers attended and helped to defray the cost of IPS' annual conference EPIC. EPIC is an educational conference addressing various issues related to employee benefit plans. IPS does not give preferential treatment to investment managers or any other provider that pays to attend EPIC.

400 Capital Management
Adams Street Partners
AFL-CIO Housing Investment Trust
Alliance Bernstein
American Realty Advisors
Arena Capital
Aristotle Capital Management
ASB Real Estate Investments
Atlanta Capital
Barrow Hanley Global Investors
Bentall GreenOak
Blackrock
Blackstone
BNY Investments
Boston Partners
Boyd Watterson Asset Management
BPEA Private Equity
Chartwell / RJIM
Christenson Investment Partners
Columbia Threadneedle
Conestoga Capital Advisors
Constitution Capital Partners
Corbin Capital Partners
CS McKee
Dana Investment Advisors
Dimensional Fund Advisors
EARNEST Partners
Empower
EnTrust Global
Fengate Asset Management
Fidelity Investments
First Eagle
Fisher Investments
F/m Investments
Fred Alger Management
FS Investments (Portfolio Advisors)
GCM Grosvenor
Glouston Capital Partners
GoldenTree Asset Management
Great Lakes Advisors
Hamilton Lane Advisors
Hardman Johnston
HPS Investment Partners
IFM Investors
Income Research + Management
Intercontinental Real Estate
Invesco
Janus Henderson
John Hancock
JP Morgan Asset Management
Kearney Capital
Kelson Group
Loomis Sayles & Company
Lord Abbett
LSV Asset Management
McMorgan & Company
Mesirow Institutional Real Estate
Mesirow Private Equity
National Investment Services
Neuberger Berman
New York Life Investments
Northern Trust Asset Management
Nuveen
OakTree Capital Management
Partners Group
Patriot Financial Partners
PNC Bank
Post Advisory Group
Principal
Richmond Capital Management
Schroder Investment Management
Segall Bryant & Hamill
Sierra Investment Partners, Inc.
Siguler Guff
State Street Global Advisors
Stonepeak Advisors
Ullico Investment Company
Victory Capital
Washington Capital Management
Wedge Capital Management
Wellington Management
Westfield Capital
Westport Capital Partners
William Blair