OREGON STATE TREASURY

Oregon Investment Council

May 28, 2025

Cara Samples
Chair

Elizabeth Steiner
State Treasurer

Rex Kim
Chief Investment Officer

Oregon State Treasury
Investment Division
16290 SW Upper Boones Ferry Road
Tigard, OR 97224

Agenda

May 28, 2025
9:00 AM

Time	Tab		Presenter
9:00 – 9:05	1	**Review & Approval of Minutes** April 16, 2025	Cara Samples *OIC Chair*
9:05 – 9:10	2	**Committee Reports**	Rex Kim *Chief Investment Officer*
9:10 – 9:15	3	**OIC Elections** (Action Item: Vice-Chair Election)	Cara Samples *OIC Chair*
9:15-9:20	4	**Real Estate Consultant Contract** (Action Item: Approval of Contract)	Gloria Gil *Senior Investment Officer, Real Estate*
9:20 – 9:30	5	**SAIF Policy** (Action Item: Approval of Policy)	Jamie McCreary *Service Model Program Manager*

9:30 – 10:00	6	**OIC-PERS Board Joint Session**	Matt Larrabee *Principal, Milliman* Scott Preppernau *Principal, Milliman* Jardon Jaramillo, *Board Chair, PERS* John Scanlan, *Vice Chair, PERS* Suzanne Linneen, *PERS* Kristen Connor, *PERS* Bob Hestand, *PERS*
10:00 – 10:30	7	**OPERF Asset Allocation Discussion**	Karl Cheng *Senior Investment Officer, Portfolio Risk & Research* Colin Bebee *Managing Principal, Meketa* Allan Emkin *Managing Principal, Meketa*
--BREAK--			
10:40 – 11:10	8	**OPERF Q1 Performance Review**	Paola Nealon *Managing Principal, Meketa* Mika Malone *Managing Principal, Meketa*
11:10 – 11:35	9	**Individual Account Program**	Jamie McCreary *Service Model Program Manager* Chris Nikolich Head of Glide Path Strategies (US) *Alliance Bernstein* Elena Wang *Portfolio Manager, Alliance Bernstein*
11:35 – 11:55	10	**Oregon Savings Growth Plan**	Jamie McCreary *Service Model Program Manager* Lisa Egly *Deferred Compensation Plan Program Manager, OSGP* Jake O’Shaughnessy, CFA *Managing Director, SageView Advisory Group*

11:55 – 12:15	11	**Coal Act**	Philip Larrieu *Investment Officer, Stewardship*
--BREAK--			
	12	**Open Discussion**	OIC Members, Staff, Consultants
	13	**Public Comments**	

TAB 1

REVIEW & APPROVAL OF MINUTES

State of Oregon
Office of the State Treasurer
16290 SW Upper Boones Ferry Road
Tigard, Oregon 97224
OREGON INVESTMENT COUNCIL
April 16, 2025
Meeting Minutes

Members Present:	Treasurer Elizabeth Steiner, Cara Samples, Lorraine Arvin (Attended Virtually), Pia Wilson-Body, Alline Akintore
Staff Present:	Rex Kim, David Randall, Karl Cheng, Sybil Akerman-Munson, Barry Ford, Louise Howard, Claire Illo, Jamie McCreary, George Naughton, Ben Mahon, Ahman Dirks, Gloria Gil, Eric Engelson, Taylor Bowman, Austin Carmichael, Chris Ebersole, Andrew Coutu, Amanda Kingsbury, Amy Hsiang, Phillip Larrieu, Tara Curran, Faith Sedberry, Ian Huculak, Geoff Hildreth, Alli Sorenson, Nick Haskins, Bryson Pate, Aleshia Slaughter, Asia Slaughter, Jennifer Kersgaard
Staff Participating Virtually:	Oyin Ajayi, Tyler Bernstein, Tan Cao, Kiara Cruz, Bradley Curran, Debra Day, Patrick Deptula, Keaton Flannery, Alli Gordon, Annie Gregory, Wil Hiles, Roy Jackson, Aliese Jacobsen, Josh Jones, Tim Kane, Young Kim, Calvin Kincaid, Jeremy Knowles, Krystal Korthals, Perrin Lim, Keith Locke, Sommer May, Eric Messer, Tim Miller, Wendi Nelson, Jen Plett, Mohammed Quraishi, Jo Recht, Scott Robertson, Angela Schaffers, Mark Selfridge Jason Service, Katie Slebodnik, Melissa Sloan, Victoria Tan, Loren Terry, Anna Totdahl, Andrey Voloshinov
Consultants Present:	Allan Emkin, Mika Malone, Christy Fields, Ashley Woeste, Raneen Jalajel, Paola Nealon, Melissa Grant, Michael Brand, Stephen Kennedy (Virtual), Ryan Fitzgerald (Virtual)
PERS Present:	Kevin Olineck
Legal Counsel Present:	Steve Marlowe (Department of Justice)

The April 16th, 2025, OIC meeting was called to order at 9:00am by Cara Samples, Chair

Time	Tab		Presenter
9:00 – 9:05	1	**Review & Approval of Minutes** March 5, 2025	Cara Samples *OIC Chair*

Chair Samples asked for approval of the March 5, 2025, OIC regular meeting minutes. Member Wilson-Body moved approval at 9:01 am, member Akintore seconded the motion which then passed by a 5/0 vote. ***Yes votes: Treasurer Elizabeth Steiner, Cara Samples, Lorraine Arvin – Attending Virtually), Alline Akintore, Pia Wilson-Body***

9:05 – 9:10 2 **Committee Reports**

Rex Kim
Chief Investment Officer

OST Investment Committee
OPERF:

March 31st	Advent Global Technology III SCSp	$100M USD
March 31st	Advent International Global Private Equity Fund XI SCSp	$250M USD

Staff Discretion
OPERF:

April 7th	Mayfield Select III, L.P.	$5.3M USD

Common School Fund:

March 31st	Advent International Global Private Equity Fund XI SCSp	$15M USD

9:10 – 9:40 3 **2025 Capital Markets Assumptions**

Mika Malone
Managing Principal, Meketa
Allan Emkin
Managing Principle, Meketa
Frank Benham
Director of Research, Meketa

Mika Malone, Managing Principal , Meketa, Allan Emkin, Managing Principal, Meketa, and Frank Benham, Director of Research, Meketa, presented the OPERF 2025 capital market assumptions. The presentation included discussion of the process of setting capital market assumptions, asset class and strategy definitions, 2024 major market events, and a presentation of the CMA's for OPERF's 2025 Asset Allocation Review.

Action Item: Should the OIC adopt the average of the CMAs presented to use in the 2025 AA Review?

Member Wilson-Body moved approval at 9:33 am, member Akintore seconded the motion which then passed by a 5/0 vote. ***Yes votes: Treasurer Elizabeth Steiner, Cara Samples, Lorraine Arvin – Attending Virtually), Alline Akintore, Pia Wilson-Body***

9:40 – 10:20 4 **OPERF Real Assets Annual Review**

Ben Mahon
Senior Investment Officer, Real Assets
Melissa Grant
Director, Co-Head Real Assets, Aksia
Michael Brand
Managing Director, Co-Head Real Assets, Aksia

Ben Mahon, Senior Investment Officer, Real Assets, Melissa Grant, Director, Co-Head Real Assets, Aksia, and Michael Brand, Managing Director, Co-Head Real Assets, Aksia, presented the OPERF Real Assets Annual Review. The presentation included a market update and a review of 2024 commitments, as well as a discussion of risk and pacing.

OPERF's Real Assets returns outperformed the 1-Year and 5-Year benchmark by 3.7% and 2.3% respectively.

--BREAK--

10:30 – 11:10 5 **OPERF Real Estate Annual Review**

Gloria Gil
Senior Investment Officer, Real Estate
Chris Ebersole
Investment Officer
Austin Carmichael
Investment Officer
Christy Fields
Managing Principal, Meketa

Gloria Gil, Senior Investment Officer, Real Estate, Chris Ebersole, Investment Officer, Austin Carmichael, Investment Officer, and Christy Fields, Managing Principal, Meketa, presented the OPERF Real Estate Annual Review. The presentation included a sector market update, as well as a discussion of liquidity, allocation, and future commitments.

OPERF's Real Estate returns outperformed the 1-Year and 5-Year benchmark by 2.37% and 2.43% respectively.

11:10 – 11:30 6 **Public University Fund**
(Action Item: Investment Policy Statement)

Jamie McCreary
Service Model Program Manager

Jamie McCreary, Service Model Program Manager, presented updates to INV 407: Public Universities Common Policy.

The board voted to approve the recommendation to approve policy updates as presented. At 11:25 am Member Akintore moved for approval; member Arvin seconded the motion, which then passed by a vote of 5/0. ***Yes votes: Treasurer Elizabeth Steiner, Cara Samples, Lorraine Arvin – Attending Virtually), Alline Akintore, Pia Wilson-Body***

--BREAK--

After conclusion of scheduled agenda items:

7 **Open Discussion** OIC Members, Staff, Consultants

8 **Public Comments**

TAB 2

COMMITTEE REPORTS

TAB 3

OIC ELECTIONS

TAB 4

REAL ESTATE

CONSULTANT CONTRACT

OIC Consultant Contract Extension Recommendation
OPERF Real Estate Portfolio

Policy

Under INV 210 (attached), consultant contracts are generally awarded for a three-year period, can be renewed no more than twice, and are limited to a final expiration date not more than four years beyond the original expiration date. At the end of seven years, contracts must be re-bid and a new seven-year cycle can begin. Additionally, the OIC retains the contractual right to terminate such contracts, at any time, upon written notice.

Purpose

To address the OIC's consultant contract for the Real Estate Portfolio which is set to expire on June 30, 2025.

Background

The current Real Estate Portfolio consultant contract with Meketa was approved by the OIC on April 22, 2020, and began on July 1, 2020. The initial three-year term ran until June 30, 2023. On May 31, 2023, the OIC approved the first two-year extension which expires June 30, 2025. One additional pre-negotiated two-year extension is available at the Council's discretion.

Recommendation

Staff proposes that the OIC extend its current contract, subject to the existing terms and conditions, for an additional two-year period beginning July 1, 2025, and ending June 30, 2027, on behalf of the Real Estate Portfolio.

Status **Active** PolicyStat ID **17195560**

Origination	12/2010	Owner	Rex Kim: Chief Investment Officer
Last Approved	12/2024	Policy Area	Investments
Last Revised	10/2023		
Next Review	12/2026		

INV 210: Consulting Contracts

OREGON INVESTMENT COUNCIL POLICY INTRODUCTION & OVERVIEW

Summary Policy Statement

This policy outlines the requirements and limitations of written contracts between the Oregon Investment Council (OIC) and external consultants.

Purpose and Goals

The goal of this policy is to establish the parameters within which the OIC may engage and enter into contractual agreements with external consultants.

Applicability

Classified represented, management service, unclassified executive service

POLICY PROVISIONS

Definitions

Placement Agent: includes any third party, affiliated or unaffiliated with an investment manager, investment advisory firm, or a general partnership, that is a party to an agreement or arrangement (whether oral or written) with an investment manager, investment advisory firm, or a general partnership for the direct or indirect payment of a Placement Fee in connection with an OIC investment.

Placement Fee: includes any compensation or payment, directly or indirectly, of a commission, finder's fee, or any other consideration or benefit paid to Placement Agent.

Policy Statements

1. The OIC shall engage consultants using written contracts. Consultants include, but are not limited to, full-service consultants and specific asset class advisors (e.g., real estate, private equity, etc.).
2. Consulting contracts shall have specified expiration dates, termination clauses and renewal/extension terms. Staff shall undertake a formal "request for proposal" (RFP) process before the end of the contract term (including any renewals or extensions) for the purpose of identifying new candidates, upgrading services, ensuring competitive pricing and acquiring any other information or benefits considered relevant to staff and the Council.
3. Consulting contracts shall be negotiated and executed in compliance with Council policy INV 207: Proposals, Solicitations, Contracts, and Agreements.
4. Consulting contracts shall expire on a date not to exceed three years from the effective date of the contract.
5. Consulting contracts shall include a "no-cause" termination clause with a maximum 90-day notice period.
6. The Council directs staff to regularly review and evaluate the work of all contractors on an annual basis.
7. Consulting contracts are limited to a) two renewals or extensions beyond the original expiration date, and b) a final expiration date no more than four years beyond the original expiration date.
8. Upon final expiration of the original contract, or whenever directed by the Council, staff shall undertake and complete an RFP process to include the following:
    a. Identification of potential consulting candidates qualified to provide the required services;
    b. Creation of an RFP which shall include, but not be limited to:
        1. Description of services requested;
        2. Description of the potential or preliminary standards required of the candidates; and
        3. Request for pricing or fee schedule information.
9. Consultants under contract with the Council shall disclose, in written recommendations delivered to the Council, any Placement Agent contact Consultants may have had in connection with such Council recommendations.

Exceptions

None.

Failure to Comply

Failure to comply with this policy may be cause for disciplinary action up to and including dismissal.

PROCEDURES and FORMS

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ADMINISTRATION

Feedback

Your comments are extremely important to improving the effectiveness of this policy. If you would like to comment on the provisions of this policy, you may do so by e-mailing the Policy Analyst. To ensure your comments are received without delay, *please list the policy number and name in your e-mail's subject*. Your comments will be reviewed during the policy revisions process and may result in changes to the policy.

Approval Signatures

Step Description	Approver	Date
Oregon Investment Council	Rex Kim: Chief Investment Officer	12/2024
	Deena Bothello: General Counsel	12/2024
	Jamie McCreary: Service Model Program Manager	12/2024

Oregon Investment Council

OREGON STATE TREASURY

TAB 5

SAIF POLICY

May 28, 2025

INV 1002: SAIF Investment Guidelines

Jamie McCreary
Service Model Program Manager

OREGON
STATE
TREASURY

Policy update

- Maintain fiduciary best practice standards
- Updates to fixed income investment guidelines:
  - Managers to maintain an overall portfolio credit quality rating of at least A3 or higher
  - Remove very specific details which are best suited within manager investment guidelines

Recommendation

Staff recommend OIC approve INV 1002: SAIF Investment Guidelines as submitted.

OREGON
STATE
TREASURY

Elizabeth Steiner, MD
Oregon State Treasurer

16290 SW Upper Boones Ferry Road
Tigard, OR 97224

oregon.gov/treasury

<u>OIC Memo</u>

May 28, 2025

Investment Guidelines for SAIF (INV 1002)

Purpose

To update INV 1002: Investment Guidelines for SAIF; to maintain fiduciary best practice standards, keep consistency among OIC policies, and update portfolio credit quality rating within fixed income investment guidelines.

Background and Objective

Late 2024 OIC approved changes to SAIF asset allocation and INV 1001: SAIF IPS was updated to reflect these changes. Summarized below for reference:

- Update strategic target to private credit exposure (5%), specifically Senior Secured Direct Lending ("SSDL"") strategies
- Remove bank loan targets, allowances and guidelines from applicable policies due to implementation and other challenges.
- Increase fixed income target to 80%, coming from the bank loans target
- Expand allowance to invest in collateralized loan obligation ("CLO") down to BBB- quality
- Benchmark updates:
    - Add a specific CLO benchmark component to benefit portfolio income yield and diversification opportunities.
    - Eliminate intermediate corporate component from SAIF custom fixed income benchmark and replace it with a long corporate component.
    - Add a strategic benchmark component for Private Credit (Senior Secured Direct Lending) (S&P LSTA + 1.5%) to align with recommended asset allocation changes.

Slide from RVK asset allocation presentation to OIC in October 2024.

SAIF Bond Benchmark Analysis

Current Benchmark vs. Prospective Benchmark #4

	Current Benchmark	Prospective Benchmark 4
US Corporate	50%	50%
US Corp Intermediate	10%	0%
US HY Ba/B 2% Capped	5%	5%
US MBS Fixed Rate	20%	20%
US Government	15%	15%
CLOS	0%	5%
US Long Credit	0%	5%

	Current Benchmark	Prospective Benchmark 4
Avg. Maturity	8.78	9.52
Avg. Quality	A1	A2
Coupon Rate	3.78	3.98
Current Yield	4.11	4.44
Effective Duration	6.18	6.42
Yield To Maturity	5.20	5.26
Yield To Worst	5.19	5.27

	1 Year	3 Years	5 Years	7 Years	10 Years	15 Years	Since Incep.	Inception Date
Prospective Benchmark 4	3.73	-1.75	1.21	1.85	2.29	N/A	2.45	02/01/2012
Current Fixed Income Benchmark	3.50	-1.83	1.13	1.75	2.19	3.95	2.35	
Difference	0.23	0.08	0.08	0.10	0.10	N/A	0.10	

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Prospective Benchmark 4	7.60	-13.92	-0.77	8.28	11.70	-1.30	5.19	5.00	-0.21	6.76
Current Fixed Income Benchmark	7.23	-13.56	-0.94	8.19	11.29	-1.04	4.77	4.64	0.07	6.30
Difference	0.37	-0.36	0.17	0.09	0.41	-0.26	0.42	0.36	-0.28	0.46

Since Inception MPT Stats	Standard Deviation	Equity Beta (vs. S&P 500)	Correlation to S&P 500	Sharpe Ratio	Tracking Error (vs. Current BM)	Info Ratio (vs. Current BM)
Prospective BM 4	5.28	0.18	0.49	0.27	0.28	0.39
Current Benchmark	5.08	0.17	0.48	0.26	-	-

Current benchmark performance shown includes the current composition of the custom benchmark extended as far back as data is available.
Data as of 3/31/2024.

Objective:
- Offset/increase duration reduction from CLOs by adjusting corporate benchmark components

Result:
- +5% to CLOs
- +5% to US Long Credit
- -10% to US Corporate Int.

- Increasing duration and decreasing quality results in an increase in current yield (0.33%).
- Return differences are minimal while volatility is higher but still below actual portfolio results)

RVK

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In January of 2025, OIC approved changes and further build out of SAIF Investment Guidelines (INV 1002).

As we were working with managers on updates to the guidelines to implement the updated policies approved by OIC last year and earlier this year, we noticed additional updates to bring forward.

The updated benchmark, which was approved in October 2024, decreases the average quality from A1 to A2. The previous policy allowed for the overall credit quality of each manager’s portfolio to go down one notch vs the benchmark. Therefore, as the new benchmark average quality steps down to A2, we recommend updating the policy to provide managers with the same guideline allowance as before and, thus, have the ability to maintain an overall portfolio credit quality rating of A3. This would keep things consistent with how the portfolio has been managed against the benchmark.

The decrease in average credit quality rating is attributable to multiple factors including, allocation change and adding a CLO component into the benchmark.

Further updates to policy, to keep consistent with the other OIC Investment Guideline policies, were removing some of the more detailed items which we put into the manager guidelines.

Recommendation

Staff recommend OIC approve the Investment Guidelines for SAIF (INV 1002) as submitted.

Investment Guidelines
for
The Industrial Accident Fund on behalf of
The State Accident Insurance Fund Corporation (SAIF)

Adopted ~~January 22, 2025~~May 28, 2025

Table of Contents

INV 1002: SAIF Asset Class Investment Guidelines

1. Introduction

To accomplish the prudent and efficient implementation of investment policies established by the Oregon Investment Council (OIC), Oregon State Treasury (OST) created the SAIF Investment Guidelines (hereinafter referred to as the "Investment Guidelines") to participate in attractive long-term investment opportunities for the programs under the responsibility of OST, including the Industrial Accident Fund managed on behalf of State Accident Insurance Fund Corporation (SAIF and also known as “the Fund”). As opportunities become available, OST will invest assets prudently, productively and in a manner consistent with objectives, OIC policies and applicable law.

Purpose

The Investment Guidelines provide the broad strategic framework for managing the asset class portfolios in conformity with the IPS of the State Accident Insurance Fund (INV 1001).

2. Overview

Portfolio investments provide an appropriate complement to SAIF's investment portfolio, and are consistent with SAIF's general objectives, including:

- Generating a long-term return commensurate with an appropriate level of risk;
- Preserving capital in order to meet benefit/expense payment obligations;
- Generating stable and predictable investment revenue; and
- Maintaining sufficient liquidity to meet SAIF cash needs.

Portfolio investments should exhibit differentiated (i.e., less correlated) returns relative to other Fund assets and therefore the Portfolio is expected to provide diversification benefits to the Fund.

3. Roles and Responsibilities

Pursuant to the applicable provisions of ORS 293, the OIC has the authority to set investment policies for the Fund. The OIC has the responsibility to ensure that all investments are managed in a manner that is consistent with the policies and objectives of the Fund.

Reference the below policies for further information on roles and responsibilities.

a) *SAIF IPS (INV 1001)*
b) *OST Asset Class Committee (INV 1102)*
c) *OST Investment Committee (INV 1101)*
   i. *Manager selection process – (INV 1101 Appendix B)*

4. Asset Class Investment Guidelines

The asset class investment guidelines for each of SAIF’s asset class portfolios are outlined in this section.

Fixed Income Investment Guidelines

I. INVESTMENT OBJECTIVE

The Fixed Income portfolio is expected to outperform the policy benchmark on a net-of-fees basis. The benchmark is a custom fixed income benchmark consisting of: 5% JPM CLOIE Index, 15% Bloomberg U.S. Government Index, 20% Bloomberg Mortgage Backed Fixed Rate Security Index, 50% Bloomberg Corporate Index, 5% Bloomberg Ba to B U.S. High Yield 2% Issuer Cap, and 5% Bloomberg U.S. Credit Long Index, over a market cycle of three to five years. Any changes to the policy benchmark will be approved by the OIC.

Investment objectives of the Fixed Income portfolio are to:

- Provide a positive cash flow.
- Dampen overall fund volatility.
- Provide positive real rates of return.
- Provide an asset class that supports the Fund's cash needs.
- Control market value risk in event of severe cash flow downturns.
- Maintain a well-diversified fixed income portfolio through dynamic, flexible management.
- Manage the portfolio to maximize total return while minimizing trades resulting in recognized losses.

II. ALLOCATION

The fixed income allocation shall consist primarily of U.S. investment grade fixed income securities represented within the benchmark indexes. It may also allow for non-benchmark sectors, including, but not limited to, developed and emerging markets international securities, inflation-linked bonds, as well as below investment grade securities.

III. INVESTABLE INSTRUMENTS AND RESTRICTED INVESTMENTS

A. Allowable Investments

The following fixed income securities, individually or in commingled vehicles, may be held outright and under resale agreement:

- Obligations issued, assumed, or guaranteed by the U.S. Government or its agencies;
- Obligations of U.S. and non-U.S. corporations;
- Obligations of international agencies, supranational entities and foreign governments (or their subdivisions or agencies),
- Obligations issued or guaranteed by U.S. local, city and state governments and agencies;
- Securities defined under Rule 144A and Commercial Paper defined under Section 4(2) of the Securities Act of 1933;
- Asset Backed Securities (including BBB- rated and above CLOs); and
- Yankee Bonds (dollar denominated sovereign and corporate debt);

B. Restricted Investments and Portfolio Limits

All investable instruments and restricted investments shall be determined by Treasury staff on a strategy-by-strategy basis and explicitly defined in each externally managed strategy's investment management agreement (IMA) and guidelines or offering memorandum.

- ~~No more than 12.5% of the total fixed income portfolio, at market value, may be maintained in securities rated less than Baa3 (NAIC class code 3-6).~~
- ~~There shall be a maximum of 25% in any one industry, or Government Agency Debentures,~~

~~excluding Agency Mortgage-Backed Securities. The maximum 25% exposure in one industry shall be applied to the Bloomberg level two sector weightings. FNMA and FHLMC shall be constrained to a 25% maximum per issuer. Mortgage-Backed Securities are excluded from the debt limit for "agencies."~~

- ~~All securities must be denominated in U.S. Dollars.~~
- ~~There shall be no use of leverage in any fixed securities (excluding use of securities in a securities lending program). Securities such as ABS and CMBS shall not be considered as using leverage unless they are part of a broader structure that explicitly use leverage.~~
- ~~Taxable Build America Municipal Bonds (BABs) issued by entities located in the State of Oregon are not permitted.~~
- ~~The maximum allocation to each fixed income sector shall be limited to a percentage of the total market value of the fixed income portfolio, as follows:~~
    - ~~U.S. Treasury Notes 100%~~
    - ~~U.S. Government Agencies 50%~~
    - ~~Mortgage-Backed Securities (Pass Though and CMO) 40%~~
    - ~~Commercial Mortgage-Backed Securities 10%~~
    - ~~U.S. Corporates 85%~~
    - ~~Asset Backed Securities (including AAA rated CLOs) 25%~~
    - ~~Non-U.S. Dollar Denominated 0%~~
    - ~~Tax-Exempt Municipal Bonds 0%~~
    - ~~Taxable Municipal Bonds 25%~~
    - ~~Structured Securities (Combined MBS, CMBS, ABS) 50%~~
    - ~~Surplus Notes and Hybrid Securities combined 5%~~
    - ~~Emerging Market Debt 5%~~
    - ~~Bank Loans 5%~~

IV. RISK MANAGEMENT

The OIC believes that the likelihood of realization of the investment objectives is enhanced through diversification, and per ORS 293.726, the Treasury Staff has a duty to diversify the investments of the Fund unless it is not prudent to do so. The Fixed Income portfolio will aim to diversify assets among various sectors, regions, maturities, quality, and sub-asset class types. The Fixed Income portfolio will maintain a duration within parameters as defined by Treasury staff, with CIO approval.

In addition, the following strategy parameters will be followed:

- Maintain an overall portfolio credit quality rating of at least "A3~~2~~"/A- or higher using a rating to worst methodology[1].
- Maintain an average bond duration level of +/-20% of the custom fixed income benchmark~~)~~. This benchmark was designed to support a strategic duration target of approximately 5 years.

[1] Credit Ratings: With respect to compliance with these Investment Guidelines, the rating agencies include Moody's Investor Service, Standard & Poor's and Fitch Investor Service. If a security is rated by two or more rating agencies, the lower rating will apply. For certain securities, such as newly-issued bonds, expected credit ratings may be used until actual credit ratings are assigned by the credit rating agencies. In such cases, the securities may be purchased if it is anticipated that rating agencies will assign ratings that are compliant with the investment guidelines. Should the actual credit rating assigned to a security diverge from the expected rating, it will not be deemed a breach of these investment guidelines, but the managers and Treasury staff will consult on a strategy to ultimately achieve policy compliance. If an issue remains unrated by these rating agencies or it is anticipated that it will not be rated, then the managers and Treasury staff will consult on a strategy to ultimately achieve policy compliance.

V. REBALANCING

With CIO approval, Treasury staff shall have discretion to rebalance between and among managers within the Fixed Income portfolio. The aggregate structural characteristics of the Fixed Income portfolio will be considered during such rebalancing, while re-allocations between asset classes shall remain governed by OIC Policy.

If the Fixed Income portfolio is found to be out of compliance with one or more investment guidelines or is being managed inconsistently with its objectives, Treasury staff shall take appropriate action as soon as is prudently feasible. Actions to bring the Fixed Income portfolio back into compliance shall be communicated to and approved by all relevant parties.

VI. BROKERAGE AND OTHER INVESTMENT RELATED EXPENSES

All securities transactions shall be executed by reputable (i.e., properly registered with the SEC) broker/dealers or banks (including any bank acting as custodian) and shall be at a best price and best execution basis. Investments shall possess value and quality corroborated by accepted techniques and standards of fundamental economic, financial and security analysis.

Public Equity Investment Guidelines

I. INVESTMENT OBJECTIVE

The Public Equity portfolio is expected to provide one of the highest expected returns among approved SAIF asset classes. Over the long-term, public equity returns are expected to exceed inflation.

Investment objectives of the Public Equity portfolio are to:

- Enhance total Fund return by investing in a broadly diversified portfolio of stocks.
- Achieve a return in line with the benchmark, the MSCI All Country World Index Investable Market Index (ACWI IMI) (net), less fees for an all-passive portfolio. Enhanced or active portfolios should achieve returns above the benchmark on a net-of-fees and risk-adjusted basis over a full market cycle.

II. ALLOCATION

The Public Equity portfolio shall be structured on a global basis, seeking to loosely replicate the region and market capitalization characteristics of the investable universe of public equity securities. A combination of active and passive strategies may be used across multiple vehicle types including but not limited to mutual funds, ETFs, commingled funds, and separately managed accounts.

The size of any allocation to a given investment strategy will be determined by numerous considerations, including but not limited to, that strategy's expected role within and impact on the broader portfolio, Treasury staff's confidence in the strategy's manager, the manager's investment style, the capacity available in/with a particular strategy/manager, and fees.

III. INVESTABLE INSTRUMENTS AND RESTRICTED INVESTMENTS

A. Allowable Investments

Externally managed strategies shall primarily invest in publicly traded global common stock.

B. Restricted Investments

All investable instruments and restricted investments shall be determined by Treasury staff on a strategy-by-strategy basis and explicitly defined in each externally managed strategy’s investment management agreement (IMA) and guidelines or offering memorandum.

There will be no engagement in short sales, purchases on margin, or investments in options, futures, or private placements, unless prior authorization is given by Treasury staff.

IV. RISK MANAGEMENT

The OIC believes that the likelihood of realization of the investment objectives is enhanced through diversification, and per ORS 293.726, the Treasury staff has a duty to diversify the investments of the Fund unless it is not prudent to do so. The Public Equity portfolio will aim to diversify assets among various investment managers, strategies, market capitalizations, sectors, styles, and regions.

V. REBALANCING

With CIO approval, Treasury staff has shall have discretion to rebalance between and among managers within the Portfolio. The aggregate structural characteristics of the Portfolio will be considered during such rebalancing, while re-allocations between asset classes shall remain governed by OIC Policy.

If the Portfolio is found to be out of compliance with one or more investment guidelines or is being managed inconsistently with its objectives, Treasury staff shall take appropriate action as soon as is prudently feasible. Actions to bring the Portfolio back into compliance shall be communicated to and approved by all relevant parties.

VI. BROKERAGE AND OTHER INVESTMENT RELATED EXPENSES

All securities transactions shall be executed by reputable (i.e., properly registered with the SEC) broker/dealers or banks (including any bank acting as custodian) and shall be at a best price and best execution basis. Investments shall possess value and quality corroborated by accepted techniques and standards of fundamental economic, financial and security analysis.

VII. PROCEDURES AND FORMS

Appendix A: OST Exercise of Voting Rights Accompanying Equity Securities INV 1103

Real Estate Investment Guidelines

I. INVESTMENT OBJECTIVE

The Real Estate portfolio's investment performance objective is to generate long-term, net returns to SAIF (i.e., after management fees) above a benchmark comprised of the National Council of Real Estate Fiduciaries (NCREIF) Fund Index ("NFI") Open-end Diversified Core Equity Index ("ODCE") and referred to as NFI-ODCE. Treasury staff will periodically evaluate the Real Estate portfolio's performance objective and benchmark.

This portfolio shall have multiple purposes including to:
- Enhance total return of the Fund.
- Increase the income yield of the Fund.
- Diversify risk and reduce the overall volatility of the Fund.
- Protect the Fund against inflation risks.

II. ALLOCATION

Allowable investments within the Real Estate portfolio include public and private, core and non-core (e.g. value-add and opportunistic), open-end and closed ended real estate investment funds. These funds may consist of equity and debt instruments.

The allocation ranges and targets for each sub-classification are as follows:

Investment Category	**Target Allocation**
Core Real Estate	75-100%
Non-Core Real Estate	0-15%
REITs	0-10%

SAIF's Real Estate portfolio consists of the following three sub-classifications:

A. Core Real Estate

Equity investments in real properties. Typical Core properties will exhibit "institutional" qualities such as good locations within local and regional markets with high quality design and construction. In general, Core properties will be well occupied, though a limited allocation may be invested in properties undergoing redevelopment, new construction or significant re-leasing. Core properties are expected to generate the majority of its returns through income.

B. Non-Core Real Estate

Portfolio is comprised of Non-Core investments in real properties, commingled funds, joint ventures, and private placements. The Non-Core portfolio may include office, retail, industrial and apartment properties, but may also target structured investments in alternative property types such as hotels, student housing, senior housing, debt, specialized retail uses, operating companies, non-performing loans, speculative developments, land, etc. Non-Core real estate may exhibit "institutional" qualities such as good locations within local and regional markets with high quality design and construction but may need redevelopment or significant leasing to achieve stabilized investment value. Non-Core investments may include development opportunities with balanced risk/return profiles.

C. REITS

Equity investments in publicly traded Real Estate Investment Trusts or publicly-traded real estate operating companies.

III. INVESTABLE INSTRUMENTS AND RESTRICTED INVESTMENTS

A. Types of Allowable Investments

Allowable investments within the Real Estate portfolio include open and closed end funds which predominately invest in commercial real estate equity and/or debt. Comparable vehicles such as private REITS or LPs are permitted.

B. Restricted Investments

Property types will be generally limited to the primary real estate sectors of office, retail, industrial, and apartment properties with a limited allowance to invest in other core property types such as storage, senior housing, and medical office. Properties will be limited to real estate markets located in the United States and distributed across the primary real estate geographic regions: West, East, South, and Midwest and must be denominated in U.S. Dollars.

IV. RISK MANAGEMENT

For Real Estate investments, the following section identifies the most significant risks and the method of control.

A. Strategy Type Risk

Treasury staff will diversify investments through exposure to a variety of real estate debt and equity investment strategies. Diversification shall be obtained by participation in one or more diversified commingled investment vehicles.

B. Property Type Risk

The real estate portfolios shall be diversified across property types.

C. Geographic Risk

Geographic risk is controlled through diversification across regional geographic exposures in the U.S. as measured by market value at the portfolio company level.

D. Liquidity Risk

The OIC and SAIF are mindful of both the potential volatility and the lower level of liquidity of the real estate market and choose to dampen both of these potential risks through the diversification and liquidity inherent in institutional fund vehicles.

E. Valuation Risk

Private assets lack the trading frequency to establish values and relies on an assessment process to periodically value investments. Treasury staff will rely on valuation procedures consistent with industry standards, used by general partners/fund managers and subject to annual audits.

F. Leverage

The use of leverage is a prudent tool for enhancing returns and diversifying equity investments, though it does raise the risk profile of the portfolios. Use of leverage is permissible within the Real Estate asset class, subject to a maximum of 40 percent as measured at the fund level.

Private Credit Investment Guidelines

I. INVESTMENT OBJECTIVE

The Private Credit portfolio's investment performance objective is to outperform the Private Credit Benchmark which is the Morningstar Leveraged Loan Index +~~-~~1.5%, net-of-fees, over a market cycle of 3-5 years. Treasury staff will periodically evaluate the Private Credit portfolio's performance objective and the benchmark.

The purposes of the Private Credit portfolio are to:

- Enhance total return of the Fund.
- Increase the income yield of the Fund.
- Diversify risk and reduce the overall volatility of the Fund.
- Reduce rising interest rate sensitivity of the Fund.

II. ALLOCATION

The Private Credit portfolio will be well-diversified by investing in a broad array of credit strategies and asset classes including corporate credit, structured credit, global credit, and real asset credit carrying both investment- and non-investment grade quality ratings.

Portfolio characteristics for the Private Credit portfolio relative to the opportunity set should include the following:

- Higher credit quality
- The ability of manager to achieve a credit rating on the investment vehicle structure and/or the underlying securities
- Conservative loan-to-value and leverage levels
- Medium term and shorter duration investments
- Covenants and other structural protections favoring asset owner

III. INVESTABLE INSTRUMENTS AND RESTRICTED INVESTMENTS

A. Types of Allowable Investments

Permitted holdings shall be defined by a funds' respective partnership agreements, fund prospectuses, or separate account agreement as negotiated and agreed upon by the OST and SAIF. Private Credit assets shall generally include, but are not limited to, the following:

- U.S. corporate credit: middle market loans, high yield, and opportunistic
- Structured credit: CLO liabilities
- Global credit: European loans, European high yield, global financials, and emerging market corporates
- Real asset credit: residential real estate, commercial real estate, and infrastructure credit.

As specific private fund structures can have unique impacts to accounting treatment and regulatory requirements (i.e., higher RBC), the Private Credit portfolio should be implemented using "insurance friendly" fund vehicles if and when possible.

B. Restricted Investments

Portfolio restrictions shall be defined by a funds' respective partnership agreements, fund prospectuses or separate account agreement as negotiated and agreed upon by the OST and SAIF. All securities must be denominated in U.S. Dollars.

IV. RISK MANAGEMENT

Risk is managed through a combination of quantitative and qualitative measures. For Private

Credit portfolio investments, the following section along with the Risk Management Guidelines for Private Asset Classes section identifies the most significant risks and the method of control.

A. Diversification Risk

The OIC and SAIF recognize the need for an appropriate level of diversification to minimize the risk of large losses to the Fund. The Private Credit portfolio seeks to mitigate such risks by investing in a diversified portfolio across a broad mix of industry sectors, asset types, number of holdings, counterparties, and duration.

B. Liquidity Risk

Private asset investments are illiquid and typically have expected holding periods of 7-10 years. Investment vehicles utilized for Private Credit investments shall be considered illiquid and as such SAIF will exclude the asset class as a short-term source for money to be used in the payment of expenses, claims, or other funding purpose. Where appropriate, SAIF may access available liquidity from private credit assets so long as it does not affect fund diversification, fees, strategy or other structural characteristics in a manner inconsistent with policy objectives.

C. Default Risk

Private Credit securities are typically below investment-grade quality and have a higher potential for default than investment-grade securities. Default risk will be mitigated by investing in highly diversified funds consisting of multiple borrowers across various industries.

D. Vintage Risk

A partnership's vintage refers to the year of first capital draw and vintage risk refers to the variability of private asset commitments over time and variability in returns generated by private asset class commitments over time. Treasury staff manages the short and long-term investment pacing that minimizes vintage risk while achieving targeted exposure.

5. Appendix

a) Securities Lending (INV 216)
b) Consideration of Investments and Divestiture Initiatives (INV 205)
c) Sudan and Iran Divestiture (INV 212)
d) Dodd-Frank Regulatory Compliance (INV 203)
e) Minimizing Losses (INV 211)
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g) Proposals, Solicitations, Contracts, and Agreements (INV 207)
h) Consulting Contracts (INV 210)

Investment Guidelines
for
The Industrial Accident Fund on behalf of
The State Accident Insurance Fund Corporation (SAIF)

Adopted May 28, 2025

Table of Contents

INV 1002: SAIF Asset Class Investment Guidelines

1. Introduction

To accomplish the prudent and efficient implementation of investment policies established by the Oregon Investment Council (OIC), Oregon State Treasury (OST) created the SAIF Investment Guidelines (hereinafter referred to as the "Investment Guidelines") to participate in attractive long-term investment opportunities for the programs under the responsibility of OST, including the Industrial Accident Fund managed on behalf of State Accident Insurance Fund Corporation (SAIF and also known as “the Fund”). As opportunities become available, OST will invest assets prudently, productively and in a manner consistent with objectives, OIC policies and applicable law.

Purpose

The Investment Guidelines provide the broad strategic framework for managing the asset class portfolios in conformity with the IPS of the State Accident Insurance Fund (INV 1001).

2. Overview

Portfolio investments provide an appropriate complement to SAIF's investment portfolio, and are consistent with SAIF's general objectives, including:

- Generating a long-term return commensurate with an appropriate level of risk;
- Preserving capital in order to meet benefit/expense payment obligations;
- Generating stable and predictable investment revenue; and
- Maintaining sufficient liquidity to meet SAIF cash needs.

Portfolio investments should exhibit differentiated (i.e., less correlated) returns relative to other Fund assets and therefore the Portfolio is expected to provide diversification benefits to the Fund.

3. Roles and Responsibilities

Pursuant to the applicable provisions of ORS 293, the OIC has the authority to set investment policies for the Fund. The OIC has the responsibility to ensure that all investments are managed in a manner that is consistent with the policies and objectives of the Fund.

Reference the below policies for further information on roles and responsibilities.

a) *SAIF IPS (INV 1001)*
b) *OST Asset Class Committee (INV 1102)*
c) *OST Investment Committee (INV 1101)*
   i. *Manager selection process – (INV 1101 Appendix B)*

4. Asset Class Investment Guidelines

The asset class investment guidelines for each of SAIF’s asset class portfolios are outlined in this section.

Fixed Income Investment Guidelines

I. INVESTMENT OBJECTIVE

The Fixed Income portfolio is expected to outperform the policy benchmark on a net-of-fees basis. The benchmark is a custom fixed income benchmark consisting of: 5% JPM CLOIE Index, 15% Bloomberg U.S. Government Index, 20% Bloomberg Mortgage Backed Fixed Rate Security Index, 50% Bloomberg Corporate Index, 5% Bloomberg Ba to B U.S. High Yield 2% Issuer Cap, and 5% Bloomberg U.S. Credit Long Index, over a market cycle of three to five years. Any changes to the policy benchmark will be approved by the OIC.

Investment objectives of the Fixed Income portfolio are to:

- Provide a positive cash flow.
- Dampen overall fund volatility.
- Provide positive real rates of return.
- Provide an asset class that supports the Fund's cash needs.
- Control market value risk in event of severe cash flow downturns.
- Maintain a well-diversified fixed income portfolio through dynamic, flexible management.
- Manage the portfolio to maximize total return while minimizing trades resulting in recognized losses.

II. ALLOCATION

The fixed income allocation shall consist primarily of U.S. investment grade fixed income securities represented within the benchmark indexes. It may also allow for non-benchmark sectors, including, but not limited to, developed and emerging markets international securities, inflation-linked bonds, as well as below investment grade securities.

III. INVESTABLE INSTRUMENTS AND RESTRICTED INVESTMENTS

A. Allowable Investments

The following fixed income securities, individually or in commingled vehicles, may be held outright and under resale agreement:

- Obligations issued, assumed, or guaranteed by the U.S. Government or its agencies;
- Obligations of U.S. and non-U.S. corporations;
- Obligations of international agencies, supranational entities and foreign governments (or their subdivisions or agencies),
- Obligations issued or guaranteed by U.S. local, city and state governments and agencies;
- Securities defined under Rule 144A and Commercial Paper defined under Section 4(2) of the Securities Act of 1933;
- Asset Backed Securities (including BBB- rated and above CLOs); and
- Yankee Bonds (dollar denominated sovereign and corporate debt);

B. Restricted Investments and Portfolio Limits

All investable instruments and restricted investments shall be determined by Treasury staff on a strategy-by-strategy basis and explicitly defined in each externally managed strategy's investment management agreement (IMA) and guidelines or offering memorandum.

IV. RISK MANAGEMENT

The OIC believes that the likelihood of realization of the investment objectives is enhanced through diversification, and per ORS 293.726, the Treasury Staff has a duty to diversify the investments of the Fund unless it is not prudent to do so. The Fixed Income portfolio will aim to diversify assets among various sectors, regions, maturities, quality, and sub-asset class types. The Fixed Income portfolio will maintain a duration within parameters as defined by Treasury staff, with CIO approval.

In addition, the following strategy parameters will be followed:

- Maintain an overall portfolio credit quality rating of at least "A3"/A- or higher using a rating to worst methodology[1].
- Maintain an average bond duration level of +/-20% of the custom fixed income benchmark. This benchmark was designed to support a strategic duration target of approximately 5 years.

V. REBALANCING

With CIO approval, Treasury staff shall have discretion to rebalance between and among managers within the Fixed Income portfolio. The aggregate structural characteristics of the Fixed Income portfolio will be considered during such rebalancing, while re-allocations between asset classes shall remain governed by OIC Policy.

If the Fixed Income portfolio is found to be out of compliance with one or more investment guidelines or is being managed inconsistently with its objectives, Treasury staff shall take appropriate action as soon as is prudently feasible. Actions to bring the Fixed Income portfolio back into compliance shall be communicated to and approved by all relevant parties.

VI. BROKERAGE AND OTHER INVESTMENT RELATED EXPENSES

All securities transactions shall be executed by reputable (i.e., properly registered with the SEC) broker/dealers or banks (including any bank acting as custodian) and shall be at a best price and best execution basis. Investments shall possess value and quality corroborated by accepted techniques and standards of fundamental economic, financial and security analysis.

[1] Credit Ratings: With respect to compliance with these Investment Guidelines, the rating agencies include Moody's Investor Service, Standard & Poor's and Fitch Investor Service. If a security is rated by two or more rating agencies, the lower rating will apply. For certain securities, such as newly-issued bonds, expected credit ratings may be used until actual credit ratings are assigned by the credit rating agencies. In such cases, the securities may be purchased if it is anticipated that rating agencies will assign ratings that are compliant with the investment guidelines. Should the actual credit rating assigned to a security diverge from the expected rating, it will not be deemed a breach of these investment guidelines, but the managers and Treasury staff will consult on a strategy to ultimately achieve policy compliance. If an issue remains unrated by these rating agencies or it is anticipated that it will not be rated, then the managers and Treasury staff will consult on a strategy to ultimately achieve policy compliance.

Public Equity Investment Guidelines

I. INVESTMENT OBJECTIVE

The Public Equity portfolio is expected to provide one of the highest expected returns among approved SAIF asset classes. Over the long-term, public equity returns are expected to exceed inflation.

Investment objectives of the Public Equity portfolio are to:

- Enhance total Fund return by investing in a broadly diversified portfolio of stocks.
- Achieve a return in line with the benchmark, the MSCI All Country World Index Investable Market Index (ACWI IMI) (net), less fees for an all-passive portfolio. Enhanced or active portfolios should achieve returns above the benchmark on a net-of-fees and risk-adjusted basis over a full market cycle.

II. ALLOCATION

The Public Equity portfolio shall be structured on a global basis, seeking to loosely replicate the region and market capitalization characteristics of the investable universe of public equity securities. A combination of active and passive strategies may be used across multiple vehicle types including but not limited to mutual funds, ETFs, commingled funds, and separately managed accounts.

The size of any allocation to a given investment strategy will be determined by numerous considerations, including but not limited to, that strategy's expected role within and impact on the broader portfolio, Treasury staff's confidence in the strategy's manager, the manager's investment style, the capacity available in/with a particular strategy/manager, and fees.

III. INVESTABLE INSTRUMENTS AND RESTRICTED INVESTMENTS

A. Allowable Investments

Externally managed strategies shall primarily invest in publicly traded global common stock.

B. Restricted Investments

All investable instruments and restricted investments shall be determined by Treasury staff on a strategy-by-strategy basis and explicitly defined in each externally managed strategy's investment management agreement (IMA) and guidelines or offering memorandum.

There will be no engagement in short sales, purchases on margin, or investments in options, futures, or private placements, unless prior authorization is given by Treasury staff.

IV. RISK MANAGEMENT

The OIC believes that the likelihood of realization of the investment objectives is enhanced through diversification, and per ORS 293.726, the Treasury staff has a duty to diversify the investments of the Fund unless it is not prudent to do so. The Public Equity portfolio will aim to diversify assets among various investment managers, strategies, market capitalizations, sectors, styles, and regions.

V. REBALANCING

With CIO approval, Treasury staff has shall have discretion to rebalance between and among managers within the Portfolio. The aggregate structural characteristics of the Portfolio will be considered during such rebalancing, while re-allocations between asset classes shall remain governed by OIC Policy.

If the Portfolio is found to be out of compliance with one or more investment guidelines or is being managed inconsistently with its objectives, Treasury staff shall take appropriate action as soon as is prudently feasible. Actions to bring the Portfolio back into compliance shall be communicated to and approved by all relevant parties.

VI. BROKERAGE AND OTHER INVESTMENT RELATED EXPENSES

All securities transactions shall be executed by reputable (i.e., properly registered with the SEC) broker/dealers or banks (including any bank acting as custodian) and shall be at a best price and best execution basis. Investments shall possess value and quality corroborated by accepted techniques and standards of fundamental economic, financial and security analysis.

VII. PROCEDURES AND FORMS

Appendix A: OST Exercise of Voting Rights Accompanying Equity Securities INV 1103

Real Estate Investment Guidelines

I. INVESTMENT OBJECTIVE

The Real Estate portfolio's investment performance objective is to generate long-term, net returns to SAIF (i.e., after management fees) above a benchmark comprised of the National Council of Real Estate Fiduciaries (NCREIF) Fund Index ("NFI") Open-end Diversified Core Equity Index ("ODCE") and referred to as NFI-ODCE. Treasury staff will periodically evaluate the Real Estate portfolio's performance objective and benchmark.

This portfolio shall have multiple purposes including to:

- Enhance total return of the Fund.
- Increase the income yield of the Fund.
- Diversify risk and reduce the overall volatility of the Fund.
- Protect the Fund against inflation risks.

II. ALLOCATION

Allowable investments within the Real Estate portfolio include public and private, core and non-core (e.g. value-add and opportunistic), open-end and closed ended real estate investment funds. These funds may consist of equity and debt instruments.

The allocation ranges and targets for each sub-classification are as follows:

Investment Category	**Target Allocation**
Core Real Estate	75-100%
Non-Core Real Estate	0-15%
REITs	0-10%

SAIF's Real Estate portfolio consists of the following three sub-classifications:

A. Core Real Estate

Equity investments in real properties. Typical Core properties will exhibit "institutional" qualities such as good locations within local and regional markets with high quality design and construction. In general, Core properties will be well occupied, though a limited allocation may be invested in properties undergoing redevelopment, new construction or significant re-leasing. Core properties are expected to generate the majority of its returns through income.

B. Non-Core Real Estate

Portfolio is comprised of Non-Core investments in real properties, commingled funds, joint ventures, and private placements. The Non-Core portfolio may include office, retail, industrial and apartment properties, but may also target structured investments in alternative property types such as hotels, student housing, senior housing, debt, specialized retail uses, operating companies, non-performing loans, speculative developments, land, etc. Non-Core real estate may exhibit "institutional" qualities such as good locations within local and regional markets with high quality design and construction but may need redevelopment or significant leasing to achieve stabilized investment value. Non-Core investments may include development opportunities with balanced risk/return profiles.

C. REITS

Equity investments in publicly traded Real Estate Investment Trusts or publicly-traded real estate operating companies.

III. INVESTABLE INSTRUMENTS AND RESTRICTED INVESTMENTS

A. Types of Allowable Investments

Allowable investments within the Real Estate portfolio include open and closed end funds which predominately invest in commercial real estate equity and/or debt. Comparable vehicles such as private REITS or LPs are permitted.

B. Restricted Investments

Property types will be generally limited to the primary real estate sectors of office, retail, industrial, and apartment properties with a limited allowance to invest in other core property types such as storage, senior housing, and medical office. Properties will be limited to real estate markets located in the United States and distributed across the primary real estate geographic regions: West, East, South, and Midwest and must be denominated in U.S. Dollars.

IV. RISK MANAGEMENT

For Real Estate investments, the following section identifies the most significant risks and the method of control.

A. Strategy Type Risk

Treasury staff will diversify investments through exposure to a variety of real estate debt and equity investment strategies. Diversification shall be obtained by participation in one or more diversified commingled investment vehicles.

B. Property Type Risk

The real estate portfolios shall be diversified across property types.

C. Geographic Risk

Geographic risk is controlled through diversification across regional geographic exposures in the U.S. as measured by market value at the portfolio company level.

D. Liquidity Risk

The OIC and SAIF are mindful of both the potential volatility and the lower level of liquidity of the real estate market and choose to dampen both of these potential risks through the diversification and liquidity inherent in institutional fund vehicles.

E. Valuation Risk

Private assets lack the trading frequency to establish values and relies on an assessment process to periodically value investments. Treasury staff will rely on valuation procedures consistent with industry standards, used by general partners/fund managers and subject to annual audits.

F. Leverage

The use of leverage is a prudent tool for enhancing returns and diversifying equity investments, though it does raise the risk profile of the portfolios. Use of leverage is permissible within the Real Estate asset class, subject to a maximum of 40 percent as measured at the fund level.

Private Credit Investment Guidelines

I. INVESTMENT OBJECTIVE

The Private Credit portfolio's investment performance objective is to outperform the Private Credit Benchmark which is the Morningstar Leveraged Loan Index +1.5%, net-of-fees, over a market cycle of 3-5 years. Treasury staff will periodically evaluate the Private Credit portfolio's performance objective and the benchmark.

The purposes of the Private Credit portfolio are to:

- Enhance total return of the Fund.
- Increase the income yield of the Fund.
- Diversify risk and reduce the overall volatility of the Fund.
- Reduce rising interest rate sensitivity of the Fund.

II. ALLOCATION

The Private Credit portfolio will be well-diversified by investing in a broad array of credit strategies and asset classes including corporate credit, structured credit, global credit, and real asset credit carrying both investment- and non-investment grade quality ratings.

Portfolio characteristics for the Private Credit portfolio relative to the opportunity set should include the following:

- Higher credit quality
- The ability of manager to achieve a credit rating on the investment vehicle structure and/or the underlying securities
- Conservative loan-to-value and leverage levels
- Medium term and shorter duration investments
- Covenants and other structural protections favoring asset owner

III. INVESTABLE INSTRUMENTS AND RESTRICTED INVESTMENTS

A. Types of Allowable Investments

Permitted holdings shall be defined by a funds’ respective partnership agreements, fund prospectuses, or separate account agreement as negotiated and agreed upon by the OST and SAIF. Private Credit assets shall generally include, but are not limited to, the following:

- U.S. corporate credit: middle market loans, high yield, and opportunistic
- Structured credit: CLO liabilities
- Global credit: European loans, European high yield, global financials, and emerging market corporates
- Real asset credit: residential real estate, commercial real estate, and infrastructure credit.

As specific private fund structures can have unique impacts to accounting treatment and regulatory requirements (i.e., higher RBC), the Private Credit portfolio should be implemented using “insurance friendly” fund vehicles if and when possible.

B. Restricted Investments

Portfolio restrictions shall be defined by a funds' respective partnership agreements, fund prospectuses or separate account agreement as negotiated and agreed upon by the OST and SAIF. All securities must be denominated in U.S. Dollars.

IV. RISK MANAGEMENT

Risk is managed through a combination of quantitative and qualitative measures. For Private

Credit portfolio investments, the following section along with the Risk Management Guidelines for Private Asset Classes section identifies the most significant risks and the method of control.

A. Diversification Risk

The OIC and SAIF recognize the need for an appropriate level of diversification to minimize the risk of large losses to the Fund. The Private Credit portfolio seeks to mitigate such risks by investing in a diversified portfolio across a broad mix of industry sectors, asset types, number of holdings, counterparties, and duration.

B. Liquidity Risk

Private asset investments are illiquid and typically have expected holding periods of 7-10 years. Investment vehicles utilized for Private Credit investments shall be considered illiquid and as such SAIF will exclude the asset class as a short-term source for money to be used in the payment of expenses, claims, or other funding purpose. Where appropriate, SAIF may access available liquidity from private credit assets so long as it does not affect fund diversification, fees, strategy or other structural characteristics in a manner inconsistent with policy objectives.

C. Default Risk

Private Credit securities are typically below investment-grade quality and have a higher potential for default than investment-grade securities. Default risk will be mitigated by investing in highly diversified funds consisting of multiple borrowers across various industries.

D. Vintage Risk

A partnership's vintage refers to the year of first capital draw and vintage risk refers to the variability of private asset commitments over time and variability in returns generated by private asset class commitments over time. Treasury staff manages the short and long-term investment pacing that minimizes vintage risk while achieving targeted exposure.

5. Appendix

a) Securities Lending (INV 216)

b) Consideration of Investments and Divestiture Initiatives (INV 205)

c) Sudan and Iran Divestiture (INV 212)

d) Dodd-Frank Regulatory Compliance (INV 203)

e) Minimizing Losses (INV 211)

f) Rotating Internal Control and Operational Reviews (INV 209)

g) Proposals, Solicitations, Contracts, and Agreements (INV 207)

h) Consulting Contracts (INV 210)

TAB 6

OIC – PERS BOARD

JOINT SESSION

Joint Meeting of OIC and PERS Board

OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM

Presented by:

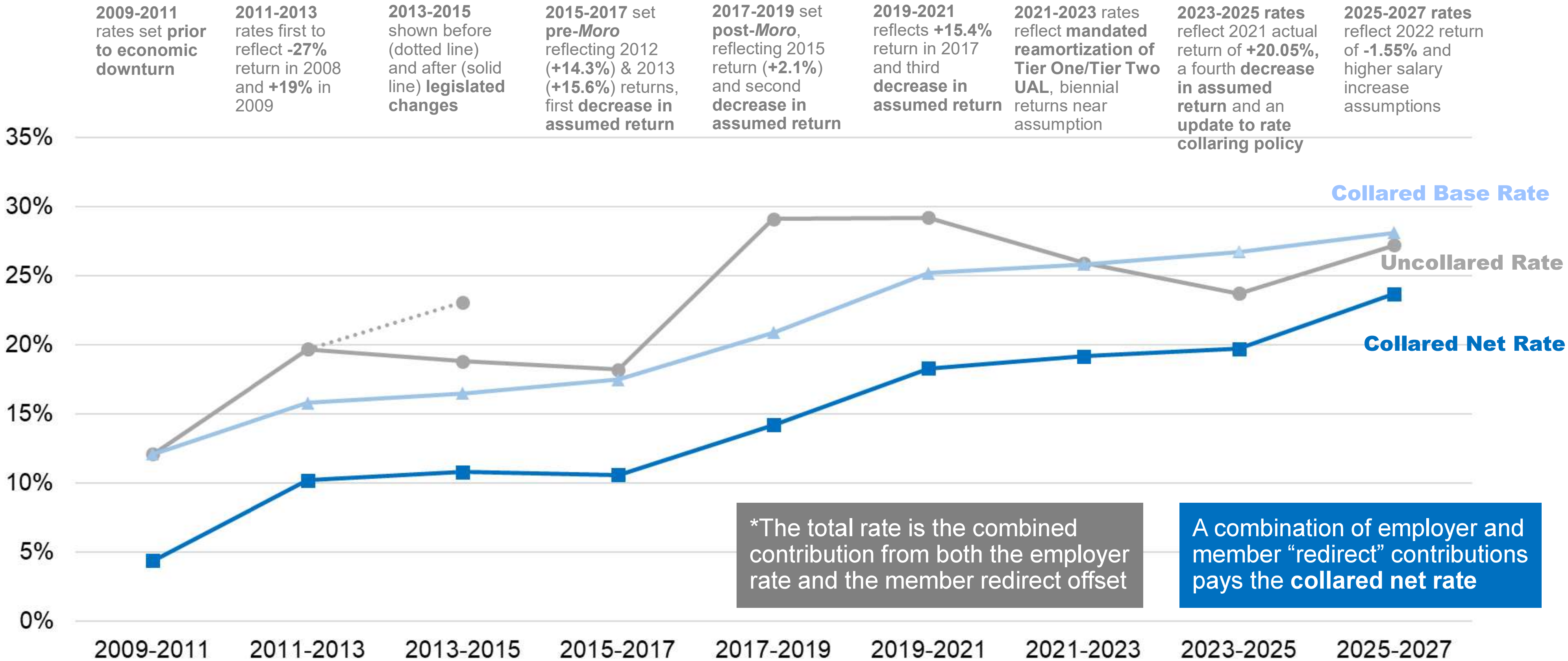
Matt Larrabee, FSA, EA
Scott Preppernau, FSA, EA

May 28, 2025

Background Regarding Today's Slides

- The following slides have either been presented at prior PERS Board meetings, have been adapted from prior PERS Board meeting presentations to reflect published 2024 full-year investment returns, or will be presented at the May 30, 2025 PERS Board meeting
- Information on the data, assumptions, methods, and provisions used in developing the slides from prior presentations, including the limitations of use of the material, is incorporated into this material by reference

System-Average Weighted Total* Pension-Only Rates

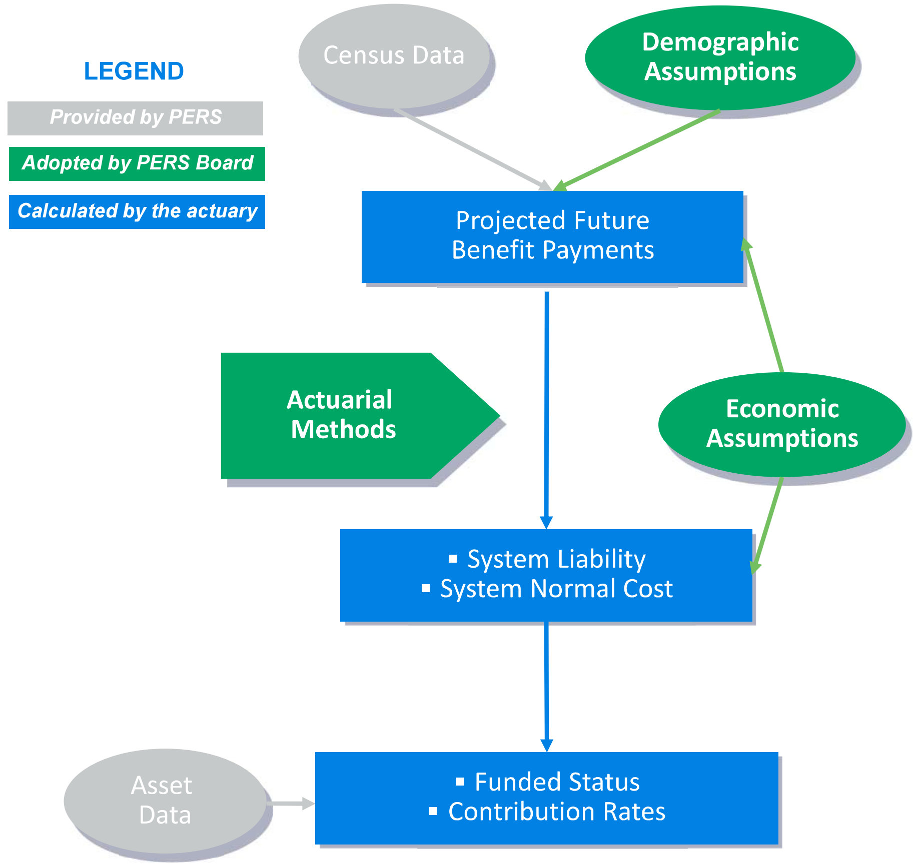


Assumed Return:	2009-2011	2011-2013	2013-2015	2015-2017	2017-2019	2019-2021	2021-2023	2023-2025	2025-2027
	8.00%	8.00%	8.00%	7.75%	7.50%	7.20%	7.20%	6.90%	6.90%

Milliman

Two-Year Rate-Setting Cycle

- **July 2025: Assumptions & methods adopted by Board in consultation with the actuary**
- September 2025: System-wide 12/31/24 actuarial valuation results
- December 2025: Advisory 2027-2029 employer-specific contribution rates
- July 2026: System-wide 12/31/25 actuarial valuation results
- September 2026: Disclosure & adoption of employer-specific **2027-2029 contribution rates**



Valuation Process and Timeline

- Actuarial valuations are conducted annually
  - Alternate between “rate-setting” and “advisory” valuations
  - This valuation as of 12/31/2024 is advisory
- Board adopts contribution rates developed in rate-setting valuations, and those rates go into effect 18 months after the valuation date

Valuation Date	Employer Contribution Rates
12/31/2021 →	July 2023 – June 2025
12/31/2023 →	July 2025 – June 2027
12/31/2025 →	July 2027 – June 2029

Board Objectives - Methods & Assumptions

- Transparent
- Predictable and stable rates
- Protect funded status
- Equitable across generations
- Actuarially sound
- GASB compliant

Some of the objectives can conflict, particularly in periods with significant volatility in investment return or projected benefit levels. Overall system funding policies should seek an appropriate balance between conflicting objectives.

The Fundamental Cost Equation

- Long-term program costs are the contributions, which are governed by the “fundamental cost equation”:

BENEFITS =

CONTRIBUTIONS +

EARNINGS

Governance Structure

- Benefits:
  - Plan design set by Oregon Legislature
  - Subject to judicial review
- Earnings:
  - Asset allocation set by OIC
  - Actual returns determined by market
- Contributions:
  - Funding, including methods & assumptions, set by PERS Board
  - Since contributions are the balancing item in the fundamental cost equation, PERS Board policies primarily affect the **timing** of contributions
  - Different actuarial methods and assumptions produce different projected future contribution patterns

Assumptions to Be Reviewed (Other than Investment Return)

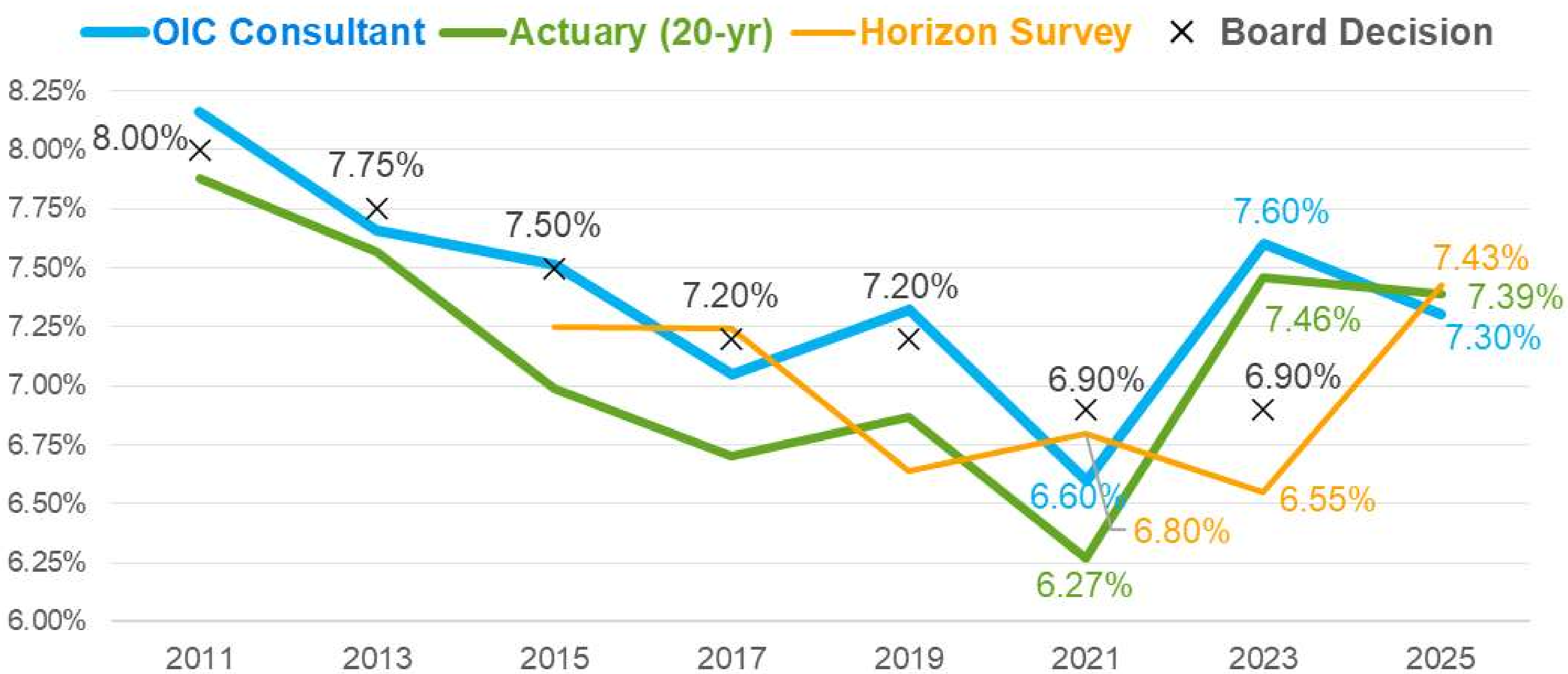
	12/31/2023 Valuation Assumptions	12/31/2024 Valuation Proposed* Assumptions
Inflation	2.4%	2.4%
Real Wage Growth	1.0%	1.0%
System Payroll Growth	3.4%	3.4%

No explicit assumption is made for investment-related expenses, which are accounted for implicitly in the analysis of the long-term investment return assumption.

*All assumptions and methods will be adopted at the July 2025 PERS Board meeting

Investment Return 50th Percentile Outlooks

Geometric Returns from Outlook Models in Current and Prior Seven Reviews



Horizon survey has a larger time lag than the other two outlooks

Investment Return 50th Percentile Outlooks

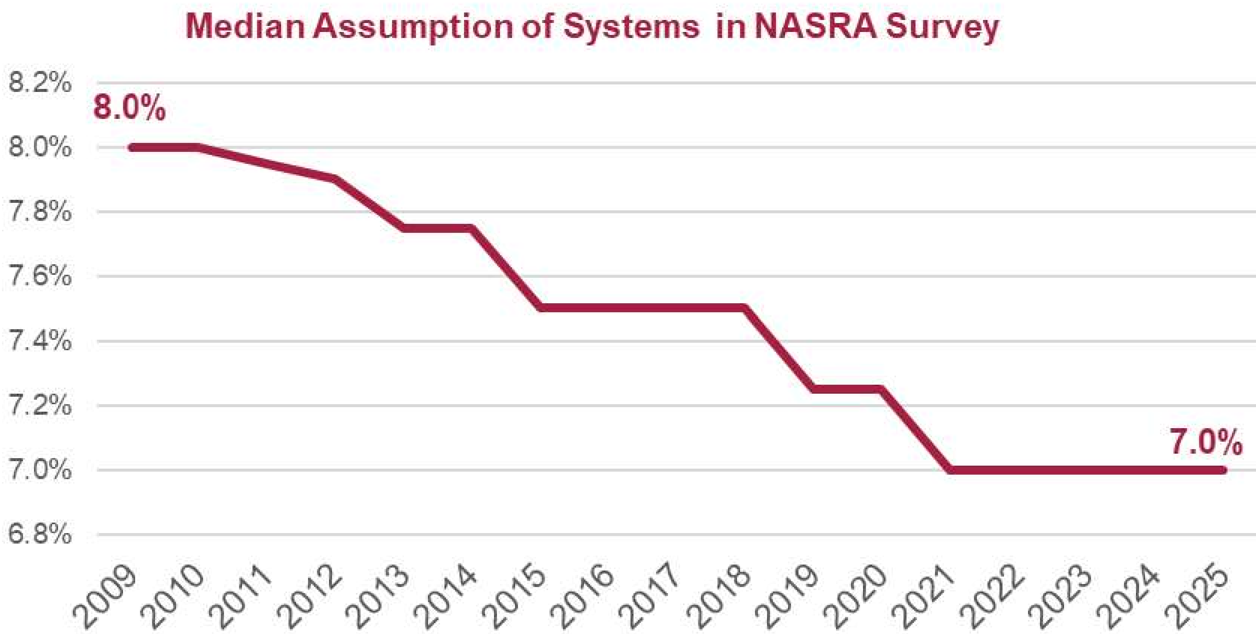
- Estimates are shown based on the OIC's long-term asset allocation

	OIC Consultant	Milliman	Milliman	Horizon
Median Annualized Return	**7.3%**	**7.07%**	**7.39%**	**7.43%**
Assumed Inflation	2.3%	2.37%	2.31%	2.42%
Timeframe Modeled	10 years	10 years	20 years	10 years

The median returns shown above are geometric annualized average returns over the timeframes indicated above for each provided set of capital market assumptions

Comparison to Peer Systems

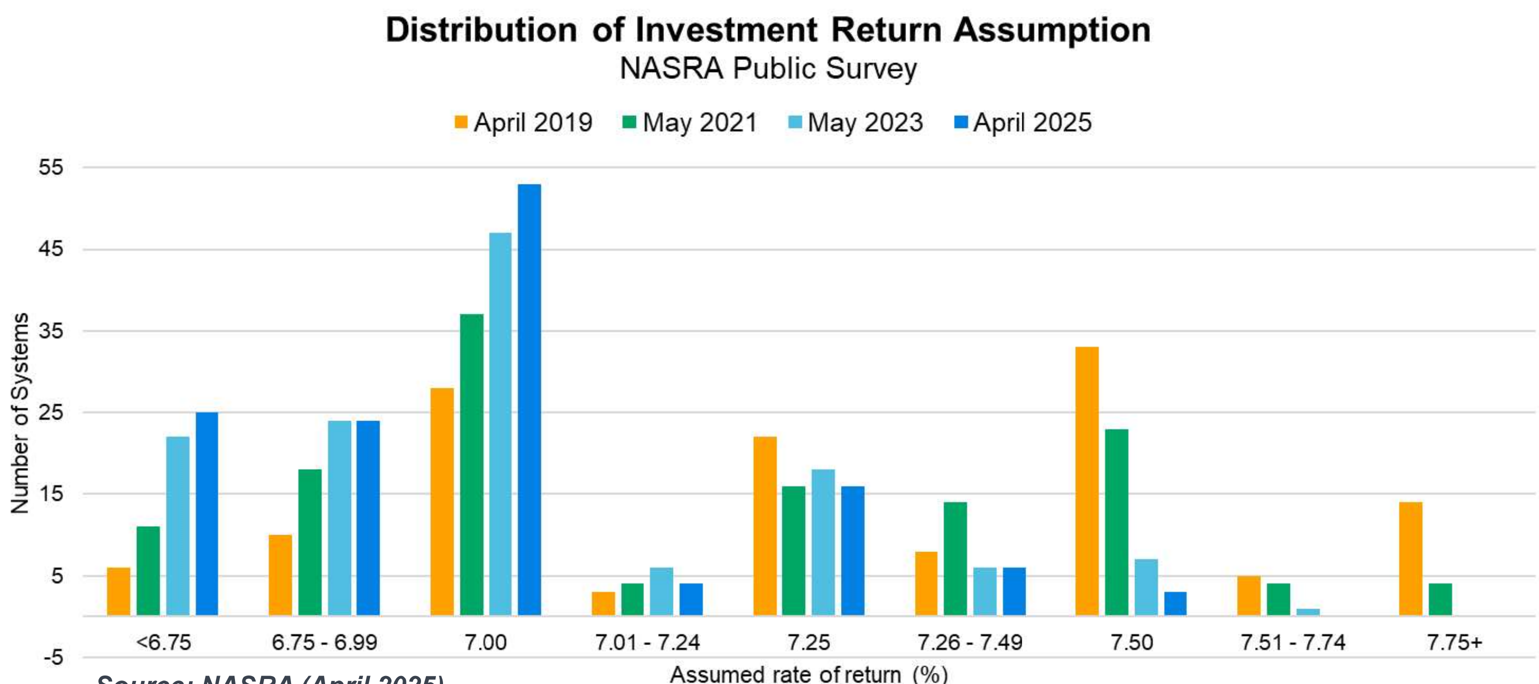
- There has been a downward trend in public plan return assumptions, with a current median assumption for large public systems of 7.00%; the mean average rate is approximately 6.90%
  - While capital market expectations have increased in the last couple years, so far large systems have generally not responded with increased return assumptions



Source: NASRA (April 2025)

Comparison to Peer Systems

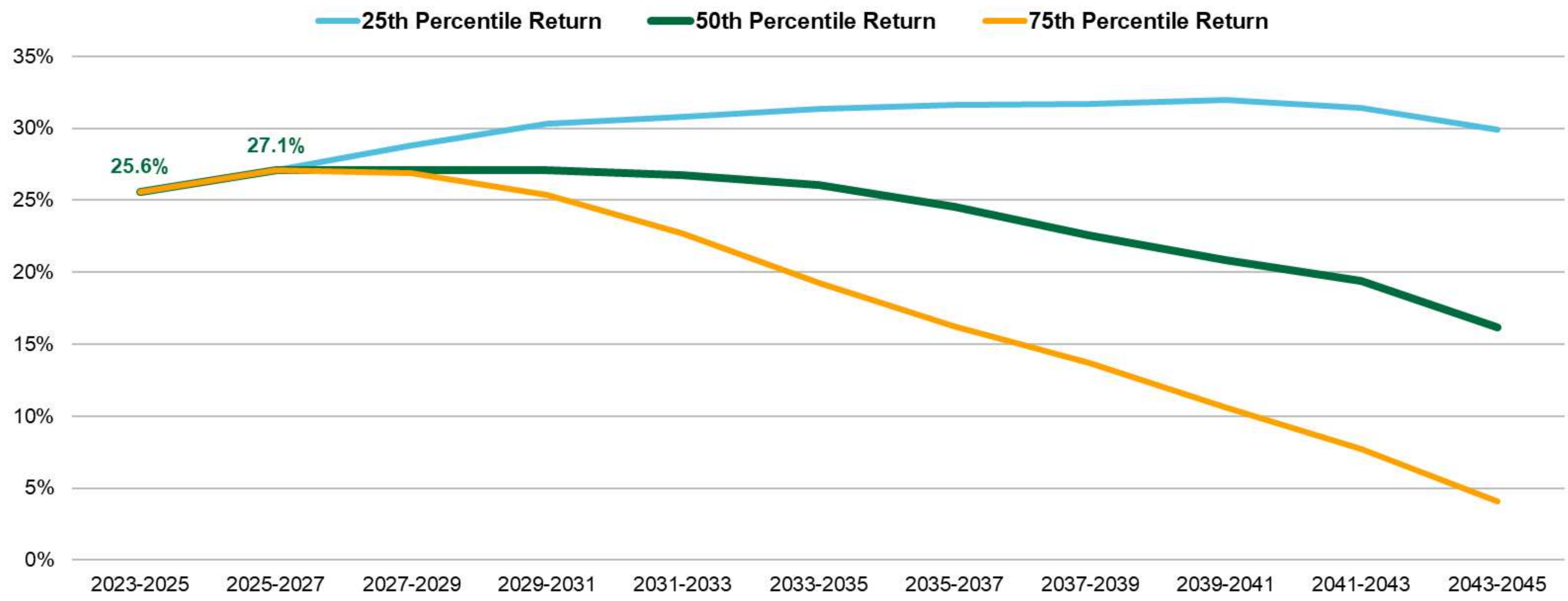
- The distribution of about 130 systems tracked by the NASRA Public Fund Survey is shown below
- Six years ago, the most common assumption was 7.50%; now the most common assumption is 7.00% and over 75% of all plans have an assumption of 7.00% or lower



Source: NASRA (April 2025)

Actual Future Returns Projected Effect on Contribution Rates

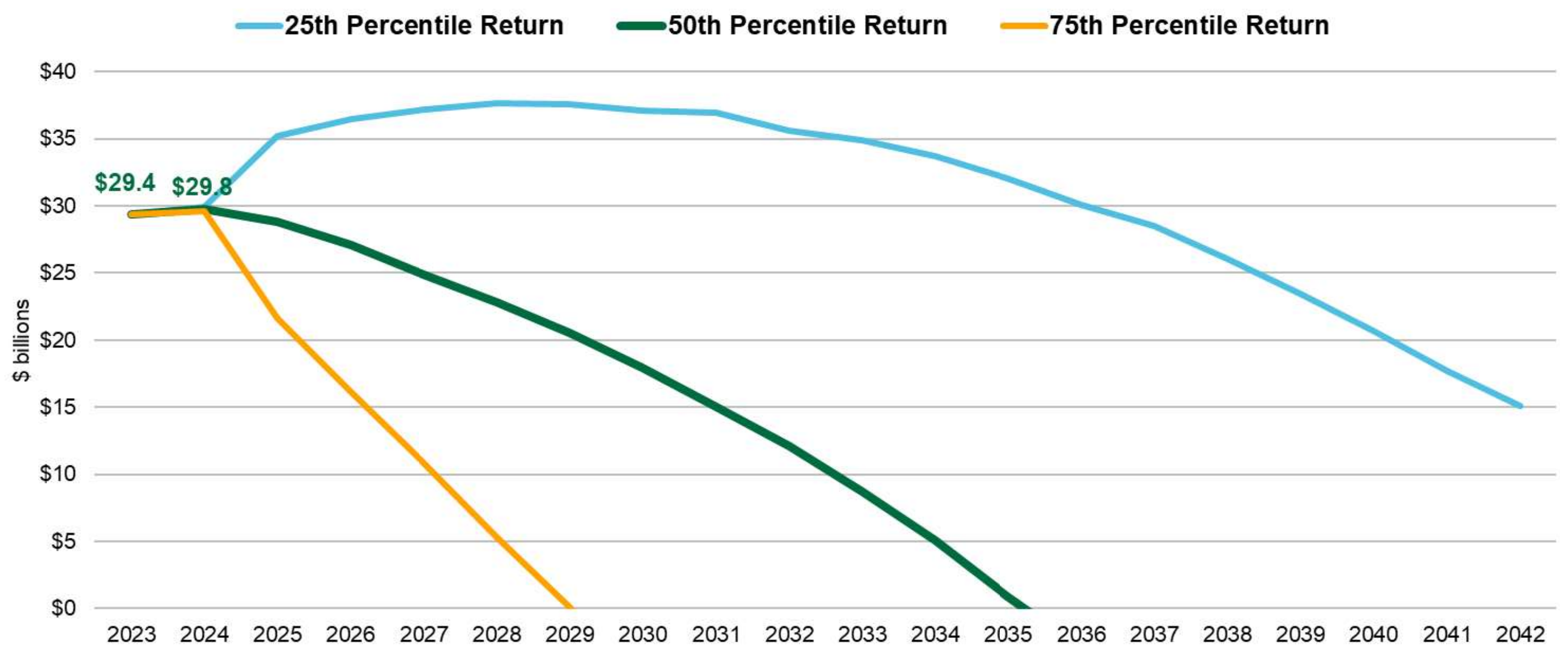
- PERS Board policy for near-term contribution rate changes is intentionally asymmetrical
  - Employer rates increase if actual returns are below assumption; rates held steady for above-assumption returns
  - Employer rate decreases allowed in future if system funded ratio nears or exceeds 90%
- Projected employer collared base contribution rates shown from annual financial modeling



Source: Adapted from December 2024 PERS Board Financial Modeling Presentation to reflect actual 2024 investment returns

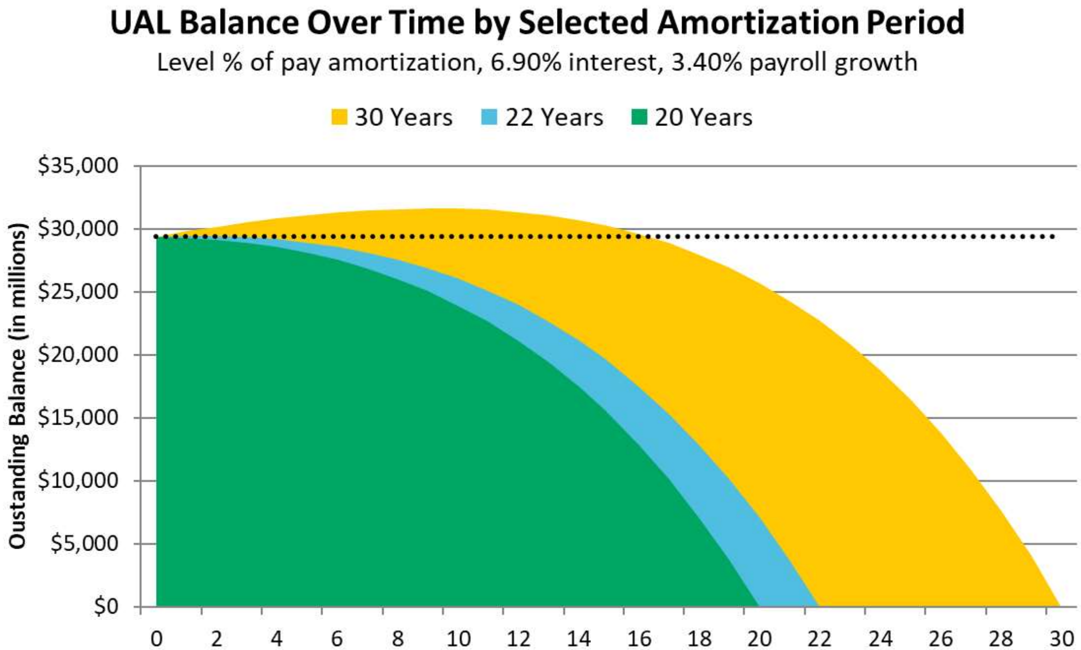
Future Returns Effect on Unfunded Actuarial Liability (UAL)

- Contribution rate policy is assessed for sufficient responsiveness to below-assumption returns
  - Responsiveness is in part assessed by downward curvature of the 25th percentile return line
- Projected UAL excluding side accounts shown from annual financial modeling



Source: Adapted from December 2024 PERS Board Financial Modeling Presentation to reflect actual 2024 investment returns

Remaining Balances for 20-, 22-, & 30-Year Amortizations



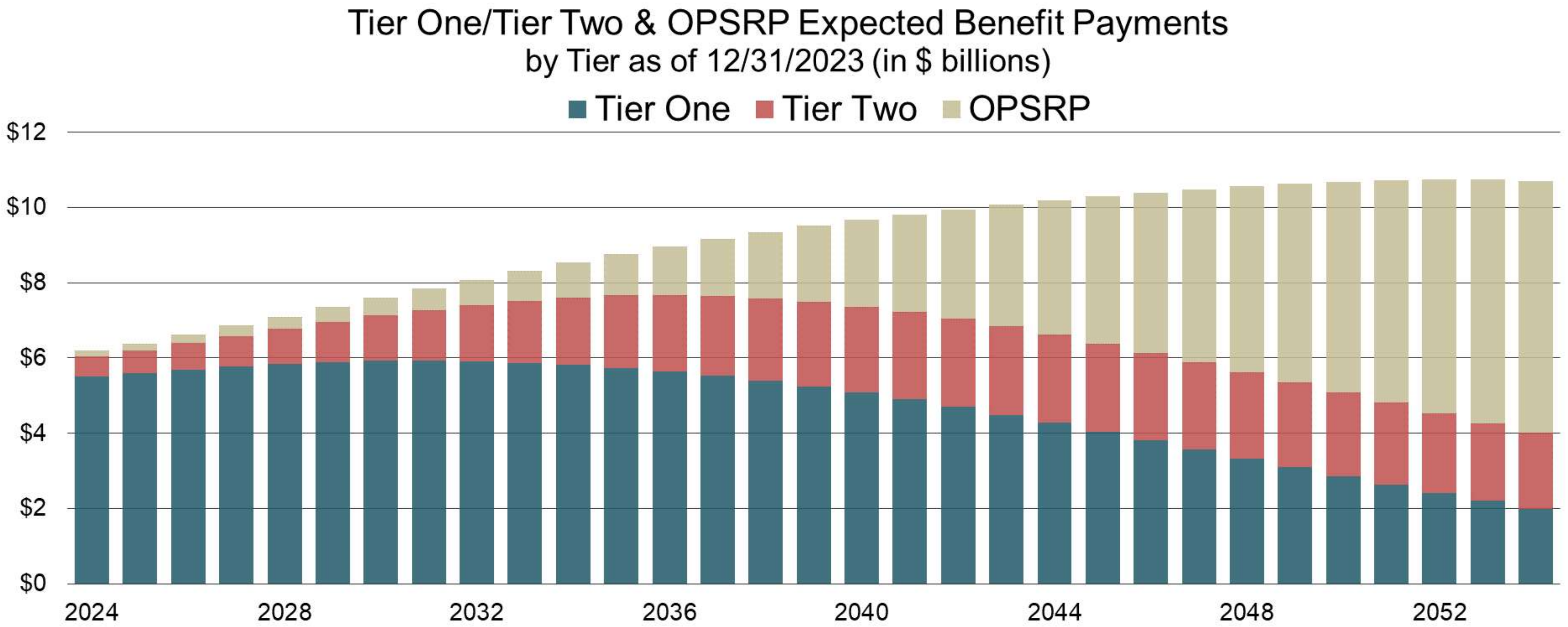
Current ongoing policy

- Tier One / Tier Two: **20 years**
- OPSRP: **16 years**

- **Why 20 years or less?** If actual experience matches the assumption…
  - with 22 years zero progress is made in decreasing the initial UAL until year 3
  - with 30 years the UAL has increased by about 8% after the first decade, and zero progress is made in decreasing the initial UAL until year 17

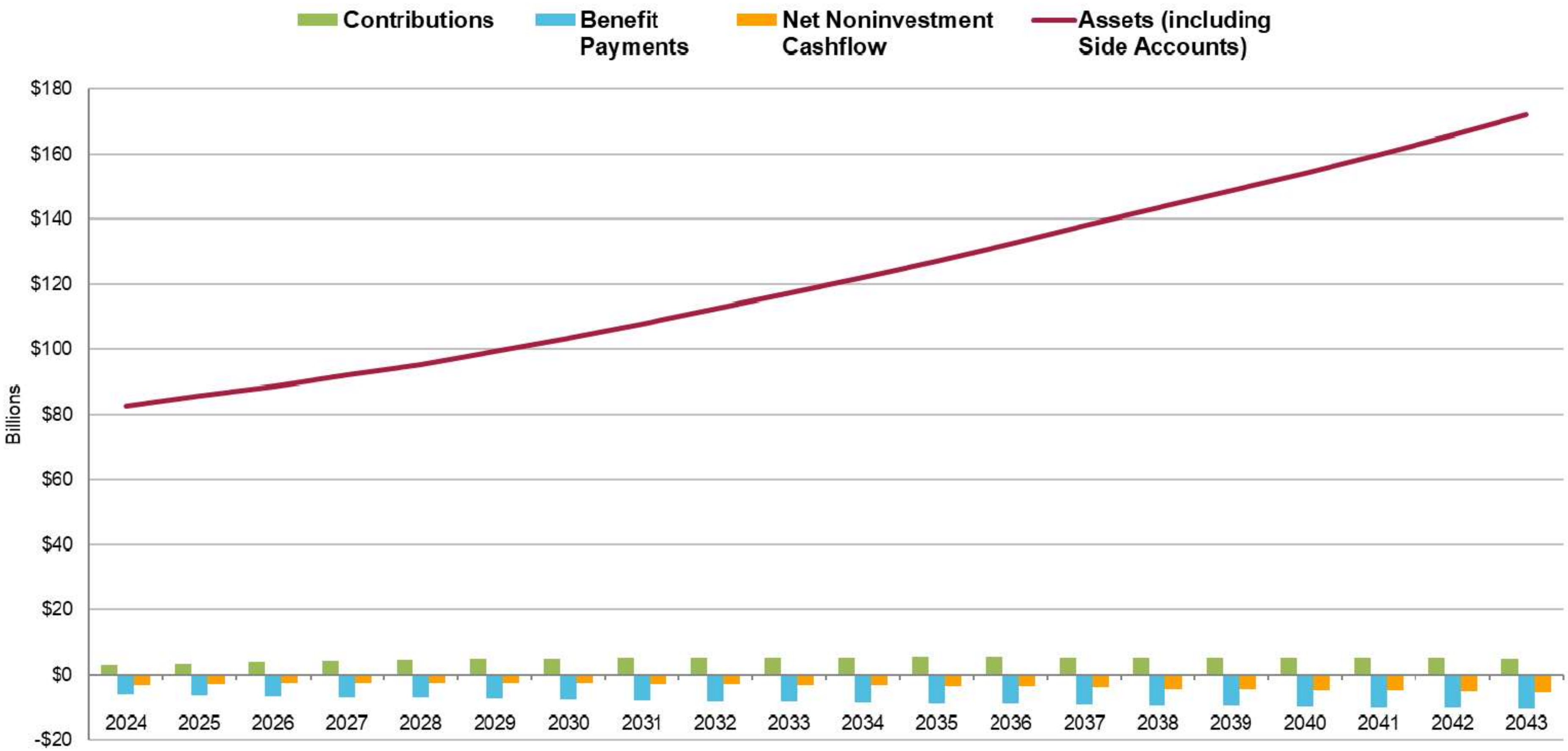
Projected Benefit Payments by Tier for Members as of 12/31/2023

Does Not Include Projected Benefit Payments for Anyone Joining OPSRP After 12/31/2023

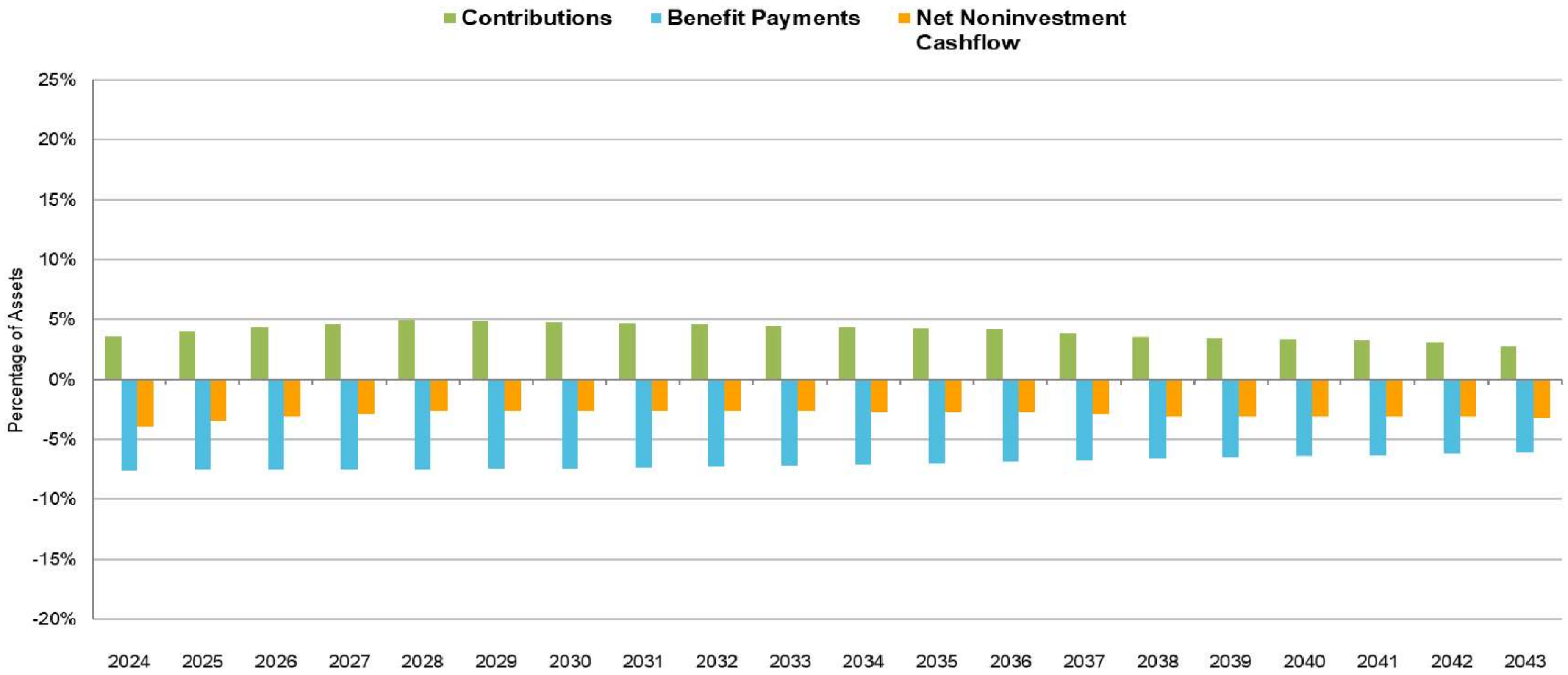


Milliman

Cash Flow and Asset Balance at +6.90% Actual Return in All Future Years



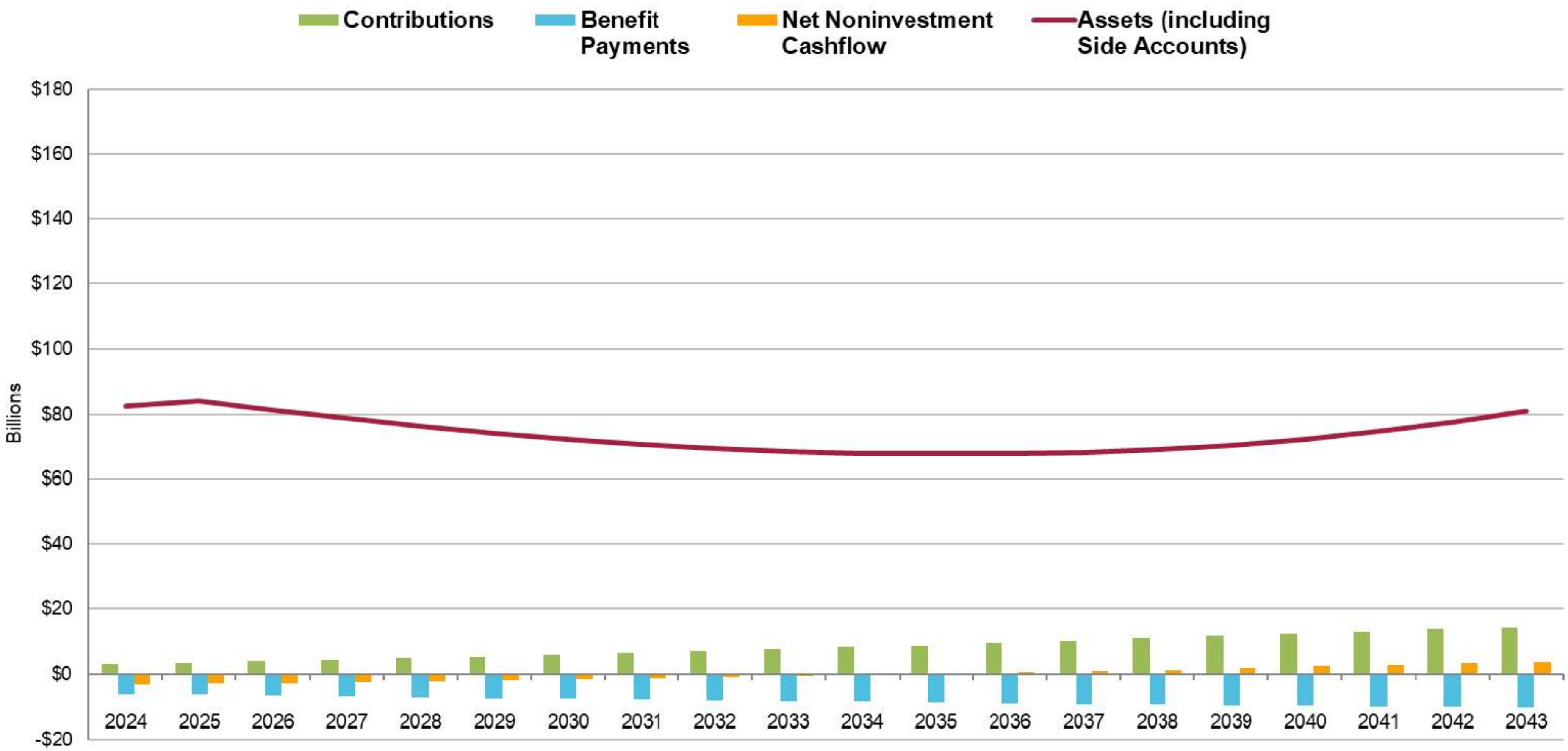
Cash Flows as % of Assets at +6.90% Actual Return in All Future Years



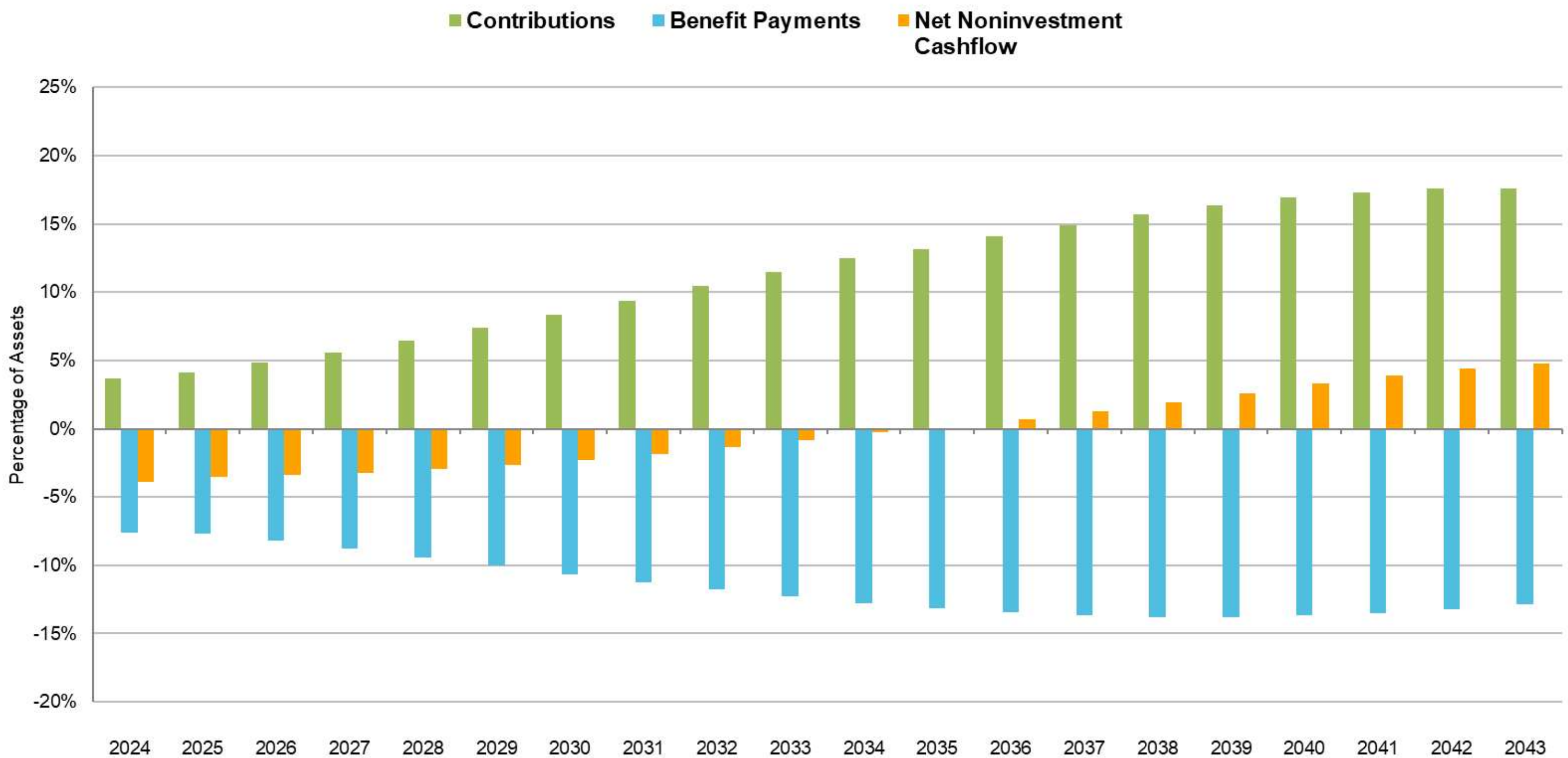
Net Noninvestment Cashflow = Contributions – Benefit Payments

Milliman

Cash Flow and Asset Balance at +0.00% Actual Return in All Future Years



Cash Flows as % of Assets at +0.00% Actual Return in All Future Years



Net Noninvestment Cashflow = Contributions – Benefit Payments

Appendix

Certification

This presentation discusses actuarial methods and assumptions for use in the valuation of the Oregon Public Employees Retirement System ("PERS" or "the System"). For the most recent complete actuarial valuation results, including cautions regarding the limitations of use of valuation calculations, please refer to our formal Actuarial Valuation Report as of December 31, 2023 ("the Valuation Report") published on September 19, 2024. The Valuation Report, including all supporting information regarding data, assumptions, methods, and provisions, is incorporated by reference into this presentation. The statements of reliance and limitations on the use of this material is reflected in the actuarial report and still apply to this presentation. The Valuation Report should be referenced for additional detail on the assumptions, methods, and plan provisions underlying this presentation.

In preparing this presentation, we relied, without audit, on information (some oral and some in writing) supplied by the System's staff. This information includes, but is not limited to, statutory provisions, member census data, and financial information. We found this information to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is inaccurate or incomplete our results may be different, and our calculations may need to be revised.

Actuarial assumptions, including discount rates, mortality tables, and others identified in this report, and actuarial cost methods are adopted by the PERS Board, which is responsible for selecting the plan's funding policy, actuarial valuation methods, asset valuation methods, and assumptions. The policies, methods, and assumptions used in this valuation are those that have been so adopted and are described in this report. The System is solely responsible for communicating to Milliman any changes required thereto. All costs, liabilities, rates of interest, and other factors for the System have been determined on the basis of actuarial assumptions and methods which, in our professional opinion, are individually reasonable (taking into account the experience of the System and reasonable expectations); and which, in combination, offer a reasonable estimate of anticipated experience affecting the System and are expected to have no significant bias . The valuation results were developed using models intended for valuations that use standard actuarial techniques. We have reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice.

This valuation report is only an estimate of the System's financial condition as of a single date. It can neither predict the System's future condition nor guarantee future financial soundness. Actuarial valuations do not affect the ultimate cost of System benefits, only the timing of System contributions. While the valuation is based on an array of individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. No one set of assumptions is uniquely correct. Determining results using alternative assumptions is outside the scope of our engagement.

Certification

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or modifications to contribution calculations based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements. Our annual financial modeling presentation to the PERS Board should be referenced for additional analysis of the potential variation in future measurements. Our December 31, 2023 Actuarial Valuation Report provides additional discussion of the System's risks. The PERS Board has the final decision regarding the selection of the assumptions and actuarial cost methods.

Milliman's work is prepared solely for the internal business use of the Oregon Public Employees Retirement System. Milliman does not intend to benefit or create a legal duty to any third-party recipient of this report. No third-party recipient of Milliman's work product should rely upon this report. Such recipients should engage qualified professionals for advice appropriate to their own specific needs. No third-party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

The consultants who worked on this assignment are retirement actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel. The signing actuaries are independent of the System. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the *Code of Professional Conduct* and *Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States* published by the American Academy of Actuaries. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

Appendix
Actuarial Basis

Capital Market Assumptions - Milliman

For this purpose, we considered the Oregon PERS Fund to be allocated among the model's asset classes as shown below. This allocation is based on input provided by Meketa (OIC's primary consultant) and reflects changes to the OIC's target allocation for the Oregon PERS fund adopted at the January 25, 2023 OIC meeting.

Reflects Milliman's capital market assumptions as of December 31, 2024.

	Annual Arithmetic Mean	20-Year Annualized Geometric Mean	Annual Standard Deviation	Policy Allocation
Global Equity	8.18%	6.63%	18.30%	27.500%
Private Equity	12.46%	8.38%	30.00%	25.500%
Real Estate	8.00%	6.69%	16.79%	12.250%
US Core Fixed Income	4.70%	4.61%	4.44%	25.000%
Hedge Fund – Macro	5.78%	5.52%	6.11%	5.625%
Hedge Fund – Equity Hedge	6.87%	6.01%	11.81%	0.625%
Hedge Fund – Multistrategy	6.36%	5.90%	8.74%	1.250%
Infrastructure	8.13%	6.75%	17.18%	1.500%
Master Limited Partnerships	8.89%	5.62%	26.46%	0.750%
US Inflation (CPI-U)	2.32%	2.31%	1.46%	**N/A**
Fund Total (reflecting asset class correlations)	**8.22%**	**7.43%***	**13.48%**	**100.00%**

* The model's 20-year annualized geometric median is **7.39%**.

Appendix
Actuarial Basis

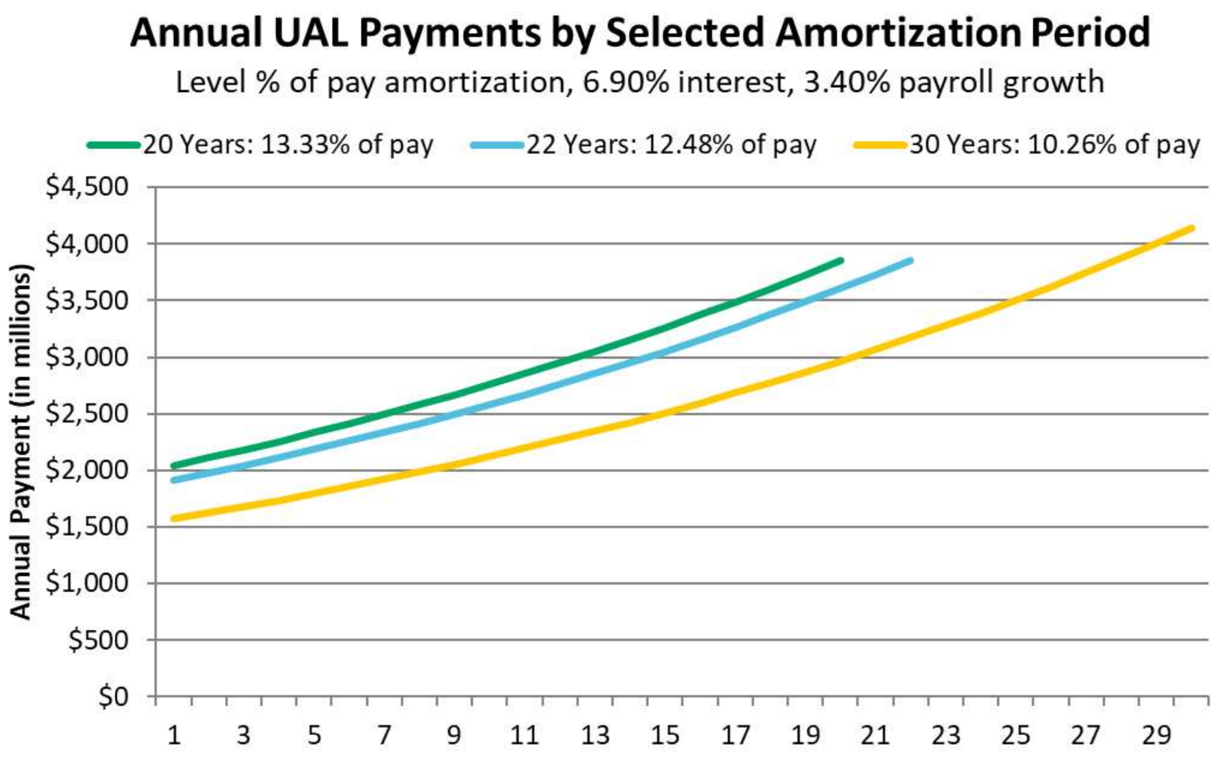
Capital Market Assumptions – Horizon Survey

For assessing the expected portfolio return under an additional set of capital market assumptions, we applied the assumptions from the 2024 Survey of Capital Market Assumptions published by Horizon Actuarial Services, LLC. According to the survey report, the 10-year return assumptions shown below represent an average of the expectations for 41 investment advisors responding to the survey.

	10-Year Annualized Geometric Mean	Annual Standard Deviation	Policy Allocation
US Equity – Large Cap	6.46%	16.52%	**12.375%**
Non-US Equity – Developed	7.08%	18.06%	**12.375%**
Non-US Equity – Emerging	7.70%	23.61%	**2.750%**
US Corporate Bonds – Core	4.93%	5.90%	**25.000%**
Real Estate	6.06%	16.61%	**12.250%**
Hedge Funds	5.90%	8.03%	**7.500%**
Infrastructure	7.26%	16.02%	**2.250%**
Private Equity	9.09%	22.57%	**25.500%**
Inflation	2.42%		**N/A**
Fund Total (reflecting asset class correlations)	**7.49%***	**12.10%**	**100.00%**

* 10-year annualized geometric median is **7.43%**.

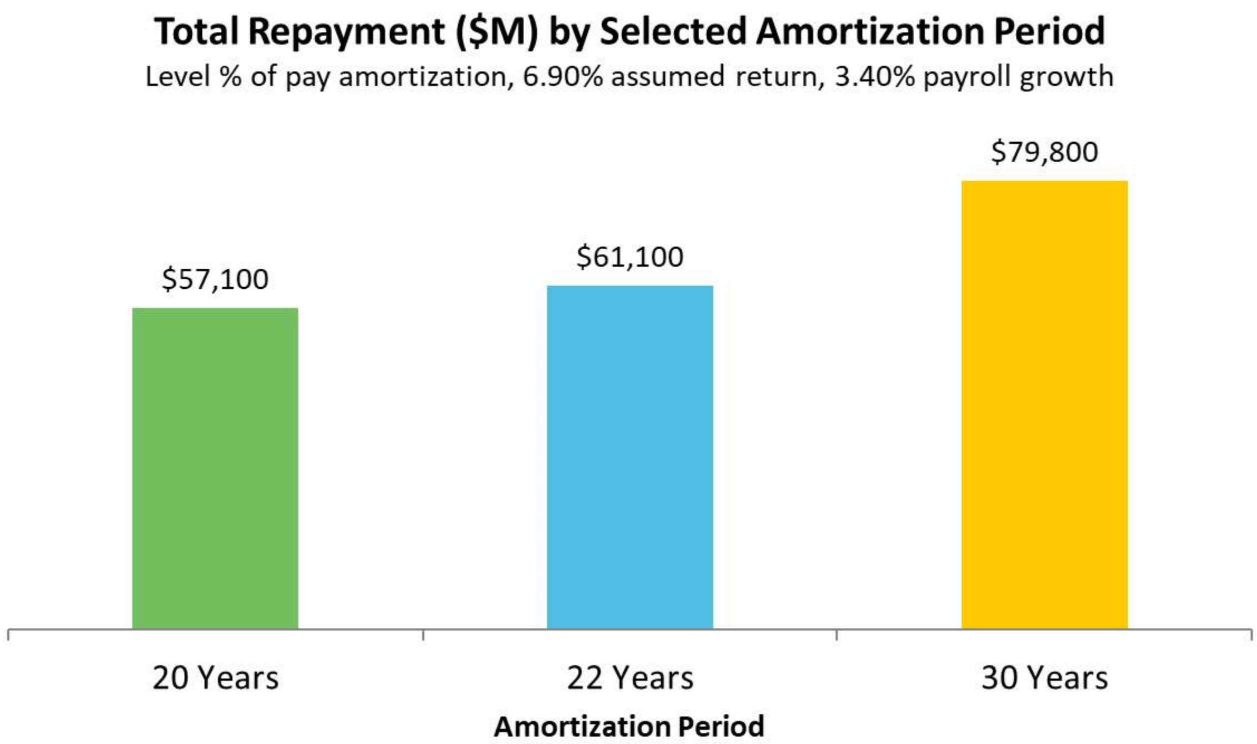
Illustration of UAL Amortization Periods



<u>Current policy</u>

- Tier One / Tier Two: **20 years**
- OPSRP: **16 years**

Illustration of UAL Amortization Periods



<u>Current policy</u>

- Tier One / Tier Two: **20 years**
- OPSRP: **16 years**

This illustrates total amortization payments for a $29.4 billion shortfall over periods of 20, 22 or 30 years

TAB 7

OPERF ASSET ALLOCATION

DISCUSSION

MEKETA

Oregon Investment Council

May 28, 2025

2025 Asset Allocation Review

Part II - Risk/Return Analysis

Table of Contents

Introduction

Introduction

- At the April 16th meeting, the OIC reviewed Meketa's capital market assumption ("CMAs) development process.
  - Forward-looking projections for expected returns and volatilities were provided by Meketa, Aon, and Staff.
  - These assumptions reflect both 10-year and longer (20-30 year) timeframes.
- For the purposes of the 2025 Asset Allocation Review, the OIC elected to utilize an average of the three sets of assumptions, with a request to review the return/risk profile of both current policy and actual allocations.
  - To streamline the process, Meketa's correlation assumptions were applied.

- **Today's objective is to review the expected return and risk profile of the OPERF portfolio and run scenario analyses for the portfolio.**
- **In 2026, a comprehensive asset-liability study will be conducted, where the OIC may elect to modify the policy target weights as an outcome.**

OPERF Capital Market Assumptions

Capital Market Assumptions

10 Year Expected Returns (%)

Strategic Class	Meketa	Aon	Staff
Public Equity	6.7	7.2	6.5
Fixed Income	4.9	5.3	5.0
Private Equity	9.8	9.1	9.5
Real Estate	6.3	6.3	6.9
Real Assets	7.4	9.2	7.0
Diversifying Strategies	4.4	6.3	6.0

20-30 Year Expected Returns (%)

Strategic Class	Meketa	Aon	Staff
Public Equity	8.5	7.2	6.8
Fixed Income	5.3	5.0	4.7
Private Equity	11.2	9.2	10.3
Real Estate	8.1	6.2	7.5
Real Assets	9.3	9.3	7.5
Diversifying Strategies	6.0	6.2	6.3

10 Year Volatility (%)

Strategic Class	Meketa	Aon	Staff
Public Equity	17.0	18.4	17.0
Fixed Income	4.0	5.4	5.0
Private Equity	25.0	20.0	22.0
Real Estate	13.8	16.9	15.0
Real Assets	17.3	14.3	14.0
Diversifying Strategies	5.3	4.0	5.0

20-30 Year Volatility (%)

Strategic Class	Meketa	Aon	Staff
Public Equity	17.0	18.9	17.0
Fixed Income	4.0	5.5	5.0
Private Equity	25.0	20.4	22.0
Real Estate	13.8	17.2	15.0
Real Assets	17.3	14.7	14.0
Diversifying Strategies	5.3	4.3	5.0

→ The three sets of capital market assumptions exhibit modest differences for both expected returns and volatilities.
  - Meketa's assumptions exhibit the greatest variability across time periods.

→ Importantly, however, the general rank ordering of assumptions are congruent among the asset classes.

→ Given the humility required in forecasting the capital markets, an "averaging" approach is appropriate.

OPERF Capital Market Assumptions

10 Year Expected Returns (%)

Strategic Class	Average
Public Equity	6.8
Fixed Income	5.1
Private Equity	9.5
Real Estate	6.5
Real Assets	7.9
Diversifying Strategies	5.6

20-30 Year Expected Returns (%)

Strategic Class	Average
Public Equity	7.5
Fixed Income	5.0
Private Equity	10.2
Real Estate	7.3
Real Assets	8.7
Diversifying Strategies	6.1

10 Year Volatility (%)

Strategic Class	Average
Public Equity	17.5
Fixed Income	4.8
Private Equity	22.3
Real Estate	15.2
Real Assets	15.2
Diversifying Strategies	4.8

20-30 Year Volatility (%)

Strategic Class	Average
Public Equity	17.6
Fixed Income	4.8
Private Equity	22.5
Real Estate	15.3
Real Assets	15.3
Diversifying Strategies	4.9

- The capital market assumptions above represent the average of Meketa, Aon, and Staff.
- The subsequent section incorporates these CMAs in order to provide expected risk/return information for OPERF's policy target allocations, actual OPERF (3/31/2025) allocations, and a reference portfolio (i.e., simple equity/bond mix).

Risk/Return Analysis and Scenario Analysis

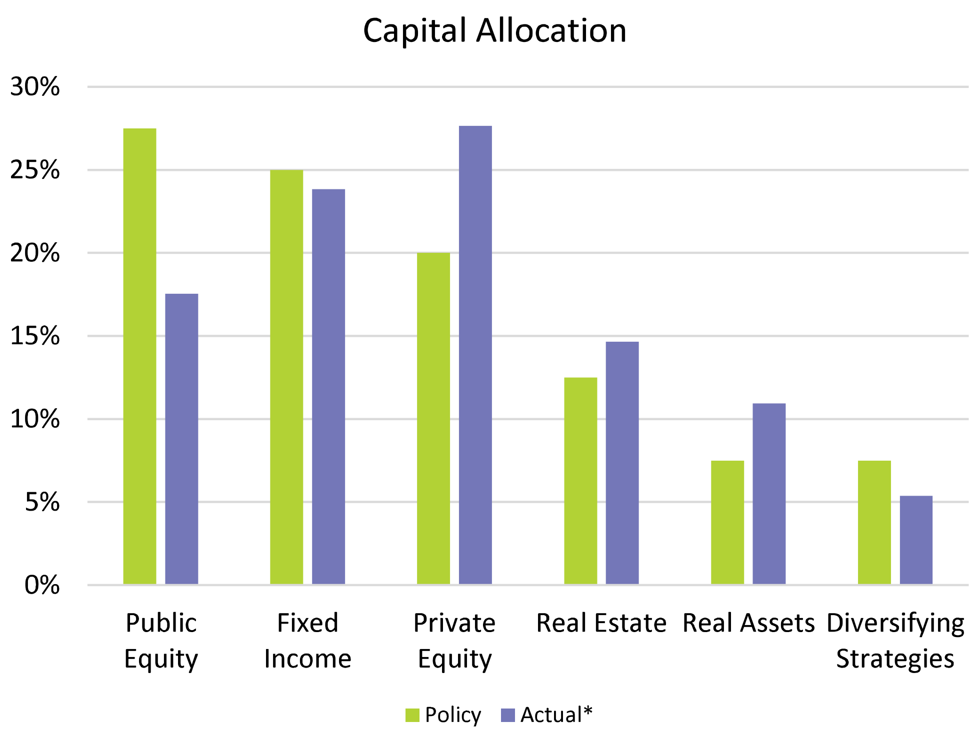
OPERF – Expected Return and Risk

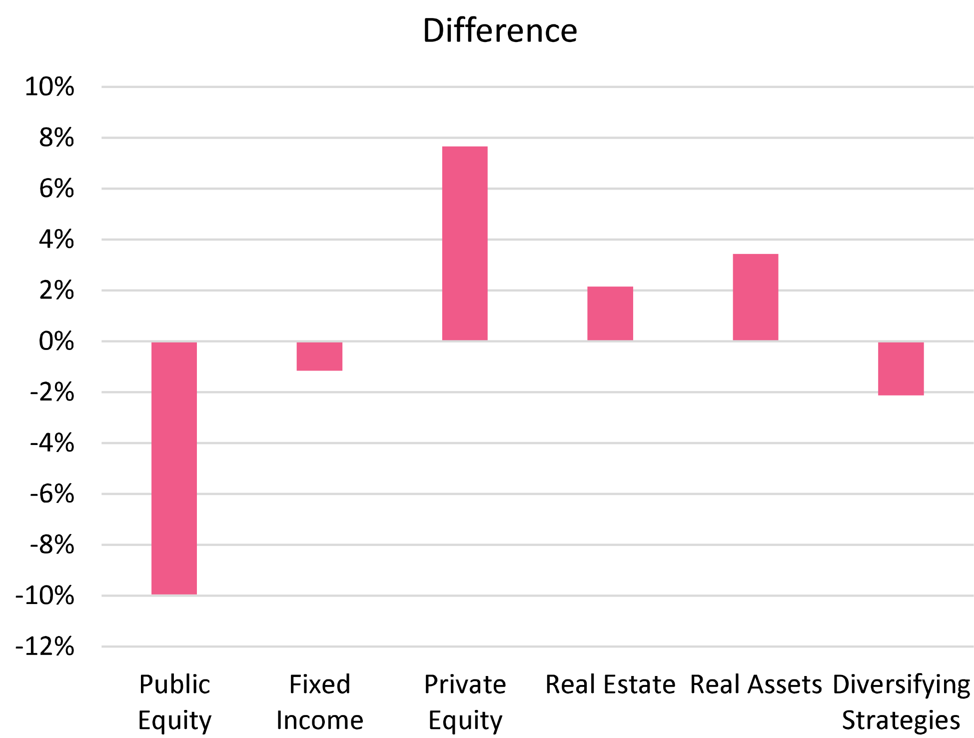
Strategic Class	Policy Weight	Actual Weight*	Reference Portfolio
Public Equity	27.5	17.5	62.5
Fixed Income	25.0	23.8	37.5
Private Equity	20.0	27.7	---
Real Estate	12.5	14.7	---
Real Assets	7.5	10.9	---
Diversifying Strategies	7.5	5.4	---
10yr Expected Return	7.3	7.6	6.4
10yr Volatility	11.4	11.9	11.5
20-30yr Expected Return	7.8	8.2	6.9
20-30yr Volatility	11.5	12.0	11.6

- The Policy portfolio is well positioned to achieve the long-term return objectives of OPERF.
- The Reference Portfolio represents a simple equity/bond mix that approximates the policy portfolio risk.
- Given the relative over/underweights of the Actual portfolio, the Actual portfolio exhibits marginally higher risk and return expectations compared to Policy.
- During the 2026 Asset-Liability Study, the OIC will review and potentially modify the Policy target weights. An important component of this review will be the mechanisms by which the Actual portfolio can achieve the targets.

*Actual weights are as of 3/31/25 and account for the overlay program. The weight of 3.1% to "Opportunity" was allocated pro-rata to the remaining classes based on their actual weights.

OPERF – Capital Allocations

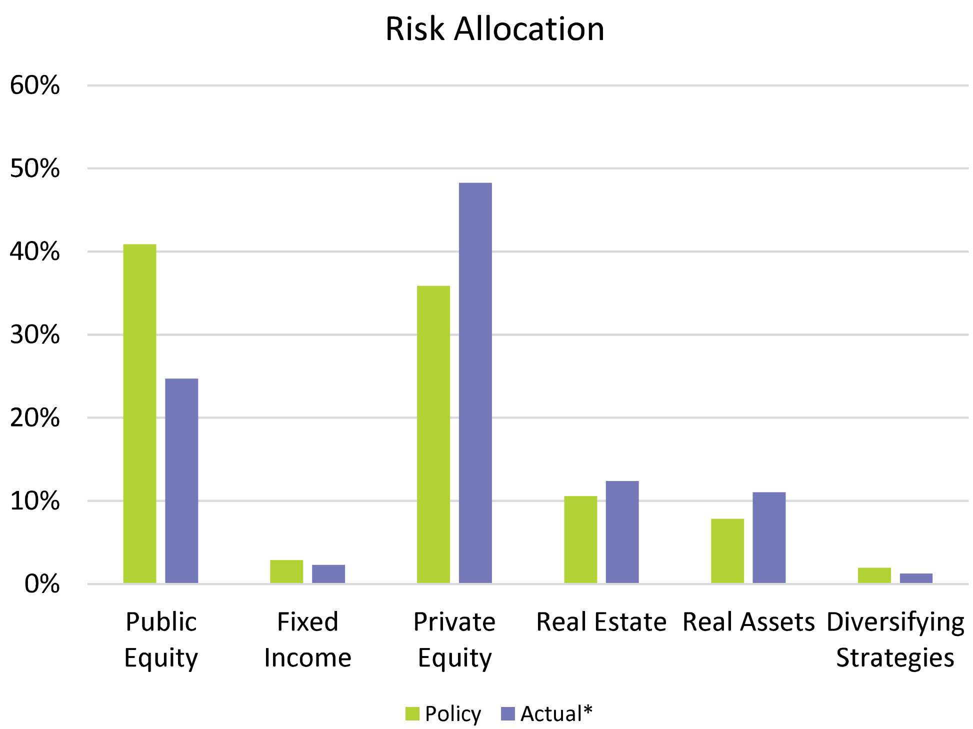


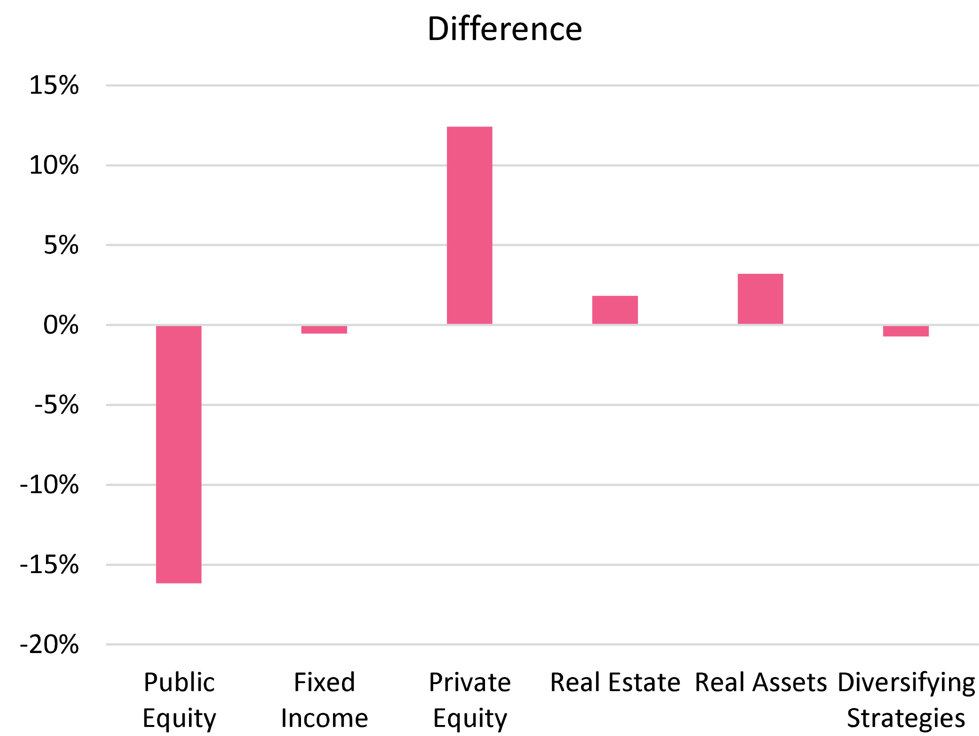


- Capital allocations represent the actual dollars (as a % of the total portfolio) allocated to each class.
- It is well understood that the actual portfolio is overweight private markets (largely Private Equity) and underweight public markets (largely Public Equity).

*Actual weights are as of 3/31/25 and account for the overlay program. The weight of 3.1% to "Opportunity" was allocated pro-rata to the remaining classes based on their actual weights.

OPERF – Risk Allocations





- Given different volatilities and correlations, the "risk weights" of a portfolio can meaningfully differ from "capital weights". Roughly 75% of the portfolio's risk stems from Public and Private Equity.
- Risk weights can be interpreted as "which classes will drive the month-to-month variability in returns".
- Compared to policy, the actual portfolio is more susceptible to Private Equity results and less susceptible to Public Equity results.

*Actual weights are as of 3/31/25 and account for the overlay program. The weight of 3.1% to "Opportunity" was allocated pro-rata to the remaining classes based on their actual weights.

Historical Scenario Analysis – Negative Events

Scenario	Policy	Actual*	Reference Portfolio
Post-COVID Rate Hikes(Jan 2022-Oct 2023)	-5.73%	-3.69%	-13.75%
COVID-19 Market Shock (Feb 2020-Mar 2020)	-11.95%	-9.32%	-22.19%
Taper Tantrum (May - Aug 2013)	0.73%	1.51%	-1.72%
Global Financial Crisis (Oct 2007 - Mar 2009)	-19.39%	-17.10%	-29.07%
Popping of the TMT Bubble (Apr 2000 - Sep 2002)	-5.53%	-2.45%	-20.39%
LTCM (Jul - Aug 1998)	-4.24%	-3.09%	-8.44%
Asian Financial Crisis (Aug 97 - Jan 98)	5.64%	7.41%	-0.34%
Rate spike (1994 Calendar Year)	4.19%	4.73%	2.25%
Early 1990s Recession (Jun - Oct 1990)	-1.34%	-0.17%	-5.89%
Crash of 1987 (Sep - Nov 1987)	-4.94%	-2.93%	-12.55%
Strong dollar (Jan 1981 - Sep 1982)	7.81%	8.60%	3.26%
Volcker Recession (Jan - Mar 1980)	-3.36%	-2.92%	-6.54%
Stagflation (Jan 1973 - Sep 1974)	-13.54%	-11.18%	-23.51%

- The policy and actual portfolios exhibit directionally similar behavior during historical (negative) events.
- The primary driver of differences relates to Public Equity and Private Equity behavior during the events.
- Due to private market behavior, the policy and actual portfolio exhibit less sensitivity to these scenarios.

*Actual weights are as of 3/31/25 and account for the overlay program. The weight of 3.1% to “Opportunity” was allocated pro-rata to the remaining classes based on their actual weights.

Historical Scenario Analysis – Positive Events

Scenario	Policy	Actual*	Reference Portfolio
Covid Recovery (Apr 2020-Dec 2021)	49.21%	50.90%	49.83%
Global Financial Crisis Recovery (Mar 2009 - Nov 2009)	22.49%	17.62%	42.06%
Real Estate and Buyout Boom (Oct 2004-Sept 2007)	66.01%	72.70%	50.39%
Best of Great Moderation (Apr 2003 - Feb 2004)	21.61%	19.10%	31.62%
Peak of the TMT Bubble (Oct 1998 - Mar 2000)	39.38%	41.74%	36.25%
Short Rate Decrease Cycle (Jan 1995-Dec 1995)	17.90%	17.74%	19.11%
Recession Recovery (Nov 1990-March 1992)	11.79%	10.86%	14.16%
Plummeting Dollar (Jan 1986 - Aug 1987)	39.17%	31.24%	69.19%
Long Rate Decrease Cycle (June 1984-August 1986)	68.07%	57.66%	109.50%
Volcker Recovery (Aug 1982 - Apr 1983)	24.46%	20.80%	39.32%
Bretton Wood Recovery (Oct 1974 - Jun 1975)	19.82%	16.92%	31.70%

- As expected, the policy and actual portfolios exhibit directionally similar behavior during historical (positive) events.
- The primary driver of differences relates to Public Equity and Private Equity behavior during the events.
- Depending on the market event, private markets exposures were additive or detractive compared to the Reference Portfolio.

*Actual weights are as of 3/31/25 and account for the overlay program. The weight of 3.1% to "Opportunity" was allocated pro-rata to the remaining classes based on their actual weights.

Stress Test Analysis – Negative Events

Stress Test Scenario	Policy	Actual*	Reference Portfolio
10-year Treasury Bond rates rise 100 bps	2.81%	2.73%	3.29%
10-year Treasury Bond rates rise 200 bps	-1.79%	-1.64%	-3.15%
10-year Treasury Bond rates rise 300 bps	-3.80%	-4.03%	-4.05%
Baa Spreads widen by 50 bps, High Yield by 200 bps	1.11%	1.16%	0.97%
Baa Spreads widen by 300 bps, High Yield by 1000 bps	-16.14%	-14.99%	-21.58%
Trade Weighted Dollar gains 10%	-2.65%	-2.06%	-5.42%
Trade Weighted Dollar gains 20%	-0.85%	-0.96%	-1.99%
U.S. Equities decline 10%	-4.30%	-4.18%	-5.53%
U.S. Equities decline 25%	-13.41%	-13.26%	-15.20%
U.S. Equities decline 40%	-19.85%	-18.66%	-25.69%
Bull Steepener	1.62%	1.43%	2.18%

- On a forward-looking basis, both the Policy and Actual portfolios are expected to behave similarly during stress tests.
- Similar to the historical events, the primary difference between the Policy/Actual portfolios and the Reference Portfolio relates to private markets behavior.

*Actual weights are as of 3/31/25 and account for the overlay program. The weight of 3.1% to "Opportunity" was allocated pro-rata to the remaining classes based on their actual weights.

Stress Test Analysis – Positive Events

Stress Test Scenario	Policy	Actual*	Reference Portfolio
10-year Treasury Bond rates drop 100 bps	2.08%	2.10%	2.04%
10-year Treasury Bond rates drop 200 bps	7.80%	6.56%	12.86%
10-year Treasury Bond rates drop 300 bps	10.19%	8.70%	16.59%
Baa Spreads narrow by 30bps, High Yield by 100 bps	5.86%	5.86%	6.40%
Baa Spreads narrow by 100bps, High Yield by 300 bps	8.81%	7.54%	14.07%
Trade Weighted Dollar drops 10%	6.09%	5.65%	8.12%
Trade Weighted Dollar drops 20%	17.47%	15.52%	26.25%
U.S. Equities rise 10%	5.79%	5.91%	5.90%
U.S. Equities rise 30%	11.62%	10.35%	17.12%
Bear Steepener	3.40%	3.01%	5.14%

→ For positive stress tests, similar takeaways apply when examining the Policy, Actual, and Reference Portfolio results.

*Actual weights are as of 3/31/25 and account for the overlay program. The weight of 3.1% to "Opportunity" was allocated pro-rata to the remaining classes based on their actual weights.

Inflation Scenarios

Negative Events	Policy	Actual*	Reference Portfolio
Inflation slightly higher than expected	-0.18%	-0.11%	-0.43%
Inflation meaningfully higher than expected	-2.99%	-2.02%	-6.60%
Low Growth and Low Inflation	-4.41%	-3.09%	-9.13%
Low Growth and High Inflation	-6.25%	-4.02%	-14.24%
Brief, moderate inflation spike	-1.91%	-1.35%	-4.02%
Extended, moderate inflation spike	-3.92%	-3.11%	-7.20%
Brief, extreme inflation spike	-5.20%	-4.23%	-9.26%
Extended, extreme inflation spike	-6.98%	-5.84%	-11.97%
Positive Events	**Policy**	**Actual***	**Reference Portfolio**
High Growth and Low Inflation	7.78%	6.79%	12.00%
High Growth and Moderate Inflation	6.67%	6.31%	8.68%
High Growth and High Inflation	5.29%	5.47%	5.30%

→ When examining potential inflation scenarios, both the Policy and Actual portfolios exhibit similar behavior – both of which are generally less sensitive than the Reference Portfolio.

*Actual weights are as of 3/31/25 and account for the overlay program. The weight of 3.1% to "Opportunity" was allocated pro-rata to the remaining classes based on their actual weights.

Conclusion

Conclusion

- Asset allocation is the most important decision the OIC makes.
  - It is the area we believe the most time should be spent.
  - Changes should not be undertaken lightly, nor should year over year changes to CMAs drive a decision to adjust targets

- Both the current Policy and Actual portfolios are positioned to achieve the long-term objectives of OPERF.
  - Differences between the two portfolios are largely the result of a higher actual allocation to Private Equity and a lower actual allocation to Public Equity.
  - This difference is currently resulting in a higher risk/return posture of the Actual OPERF portfolio compared to Policy.

- With any portfolio that contains a meaningful allocation to private markets, it is important to exhibit humility when examining stress/scenario test results.
  - "Economic reality" may not always appear during short-term market events, however, long-term asset allocation decisions are based on CMAs that do seek to reflect economic reality.

- **In 2026, a comprehensive asset-liability study will be conducted, where the OIC may elect to modify the policy target weights as an outcome.**

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

TAB 8

OPERF Q1

PERFORMANCE REVIEW

MEKETA

Oregon Public Employees Retirement Fund

May 28, 2025

Q1 Performance as of March 31, 2025

Table of Contents

Economic and Market Update

Data as of March 31, 2025

Commentary

In the first quarter of 2025, investment flows rotated out of US stocks to non-US stocks while bond markets rallied on uncertainty related to tariffs and growth.

→ Domestic equities sold off in the first quarter (Russell 3000: -4.7%) with growth underperforming value, small-cap trailing large-cap, and defensive sectors outperforming.

→ Non-US developed market stocks (MSCI EAFE: +6.9%) outperformed US markets at the start of the year, supported by rate cuts from the ECB, EU planned increases in defense spending, and a weakening US dollar.

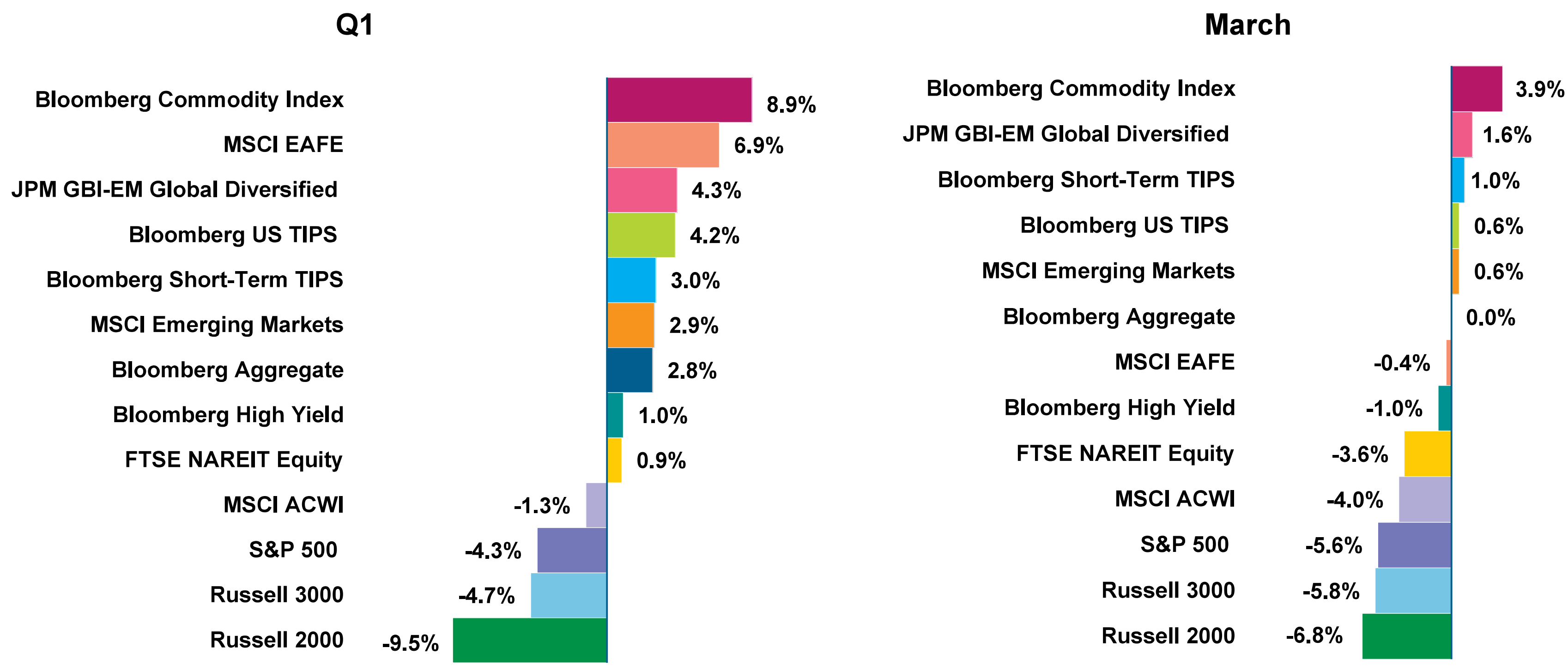
→ Emerging market equities returned +2.9% in the first quarter, largely supported by a rally in Chinese stocks (they rose an impressive +15.0%) on DeepSeek AI enthusiasm.

→ In February, the Federal Reserve held rates steady with inflation, while improving, remaining above target and with the unemployment rate at near historic lows.

→ Most fixed income markets posted positive returns in the first quarter with the broad bond market (Bloomberg Aggregate) up 2.8%. Long Treasuries (+4.7%) were the best performer in the falling rate environment while high yield bonds (+1.0%) produced the smallest gains given the economic uncertainty in the US.

→ Looking ahead, continued uncertainty related to the US administration’s tariff policies and their impact on the economy, inflation, and Fed policy will be key. The path of China’s economy and relations with the US, as well as concerns over elevated valuations and technology-driven concentration in the US equity market will also be important focuses of 2025.

Index Returns[1]



- At the end of the first quarter, global investors rotated away from the US, with domestic equities in negative territory (particularly small cap), while other asset classes were positive.
- Commodities led the way during the quarter due to safe havens like gold, while non-US developed markets followed, driven by strong results in Europe.
- In March, ahead of tariff announcements in the US, riskier assets generally sold off.

[1] Source: Bloomberg. Data is as of March 31, 2025.

Domestic Equity Returns[1]

Domestic Equity	March (%)	Q1 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	-5.6	-4.3	8.3	9.1	18.6	12.5
Russell 3000	-5.8	-4.7	7.2	8.2	18.2	11.8
Russell 1000	-5.8	-4.5	7.8	8.6	18.4	12.2
Russell 1000 Growth	-8.4	-10.0	7.8	10.1	20.1	15.1
Russell 1000 Value	-2.8	2.1	7.2	6.6	16.1	8.8
Russell MidCap	-4.6	-3.4	2.6	4.6	16.3	8.8
Russell MidCap Growth	-7.4	-7.1	3.6	6.2	14.8	10.1
Russell MidCap Value	-3.7	-2.1	2.3	3.8	16.7	7.6
Russell 2000	-6.8	-9.5	-4.0	0.5	13.3	6.3
Russell 2000 Growth	-7.6	-11.1	-4.9	0.8	10.8	6.1
Russell 2000 Value	-6.0	-7.7	-3.1	0.0	15.3	6.1

US Equities: In the first quarter the Russell 3000 fell -4.7%.

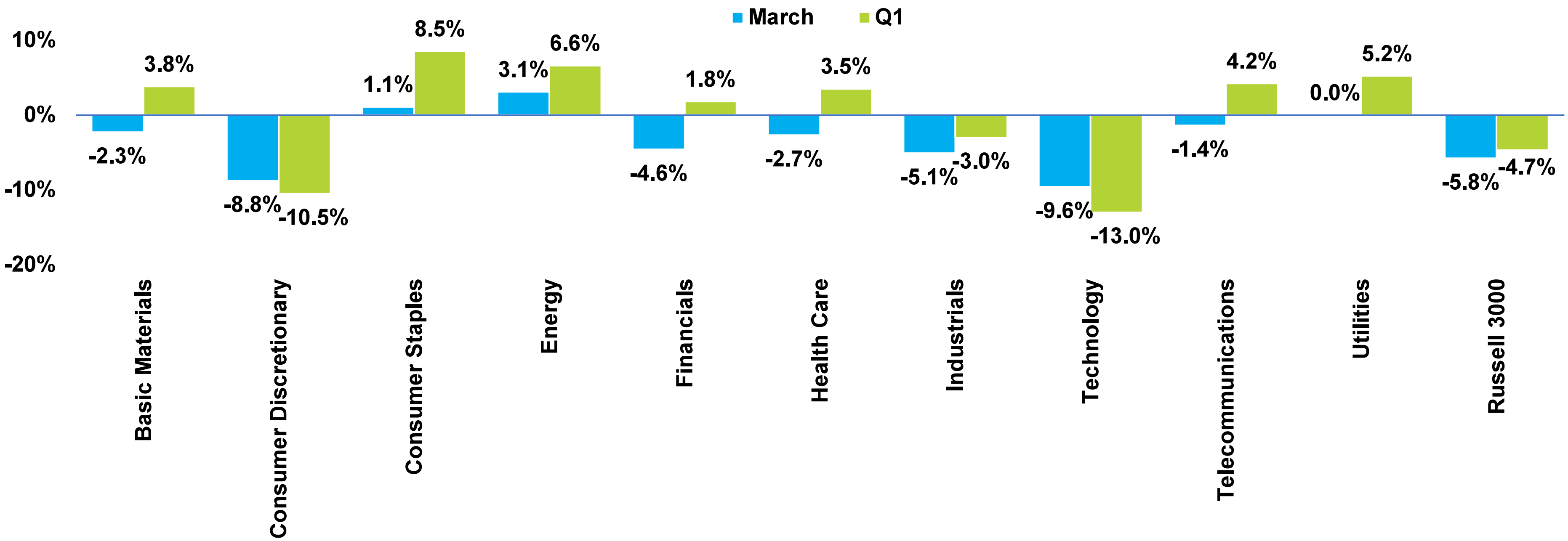
→ After a strong start to the year, US equities ended the quarter lower. In late January China's DeepSeek introduced an AI model comparable to market leaders but at a much lower cost. This took investors by surprise and heavily weighed on technology stocks, particularly the "Magnificent 7". Renewed trade tensions between the US and its trading partners also caused investors to lower expectations.

→ Growth stocks were harder hit than value stocks across the market cap spectrum. In the large cap space, this dynamic was driven by technology stocks (NVIDIA, Broadcom, Microsoft, Apple), along with Tesla. In the small cap space, where the divergence was less pronounced, technology stocks were again the driver, mainly due to software and semiconductor stocks.

→ Small cap stocks (Russell 2000) trailed large cap stocks (Russell 1000) over the quarter as recession fears grew.

[1] Source: Bloomberg. Data is as of March 31, 2025.

Russell 3000 Sector Returns[1]



- There was wide performance dispersion among sectors in the first quarter, from -13.0% (technology) to +8.5% (consumer staples). Overall, the defensive sectors performed better than growth-oriented sectors.
- The so-called "Magnificent 7" stocks came under pressure weighing on both the technology and consumer discretionary sectors. The announcement of DeepSeek out of China and weak results from Tesla and Amazon drove results.
- Consumer staples was a bright spot as more defensive, dividend-paying stocks, such as Coca-Cola and Philip Morris International, fared relatively well. Energy and utilities also performed well due to broader growth and inflation concerns.

[1] Source: Bloomberg. Data is as of March 31, 2025.

Foreign Equity Returns[1]

Foreign Equity	March (%)	Q1 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI Ex US	-0.2	5.2	6.1	4.5	10.9	5.0
MSCI EAFE	-0.4	6.9	4.9	6.0	11.8	5.4
MSCI EAFE (Local Currency)	-2.8	2.9	4.1	8.7	13.2	6.3
MSCI EAFE Small Cap	0.5	3.7	3.1	0.9	9.9	5.3
MSCI Emerging Markets	0.6	2.9	8.1	1.4	7.9	3.7
MSCI Emerging Markets (Local Currency)	0.3	2.7	11.1	4.7	9.6	5.7
MSCI EM ex China	0.0	-1.7	-2.1	0.7	12.0	4.5
MSCI China	2.0	15.0	40.4	3.5	1.5	2.5

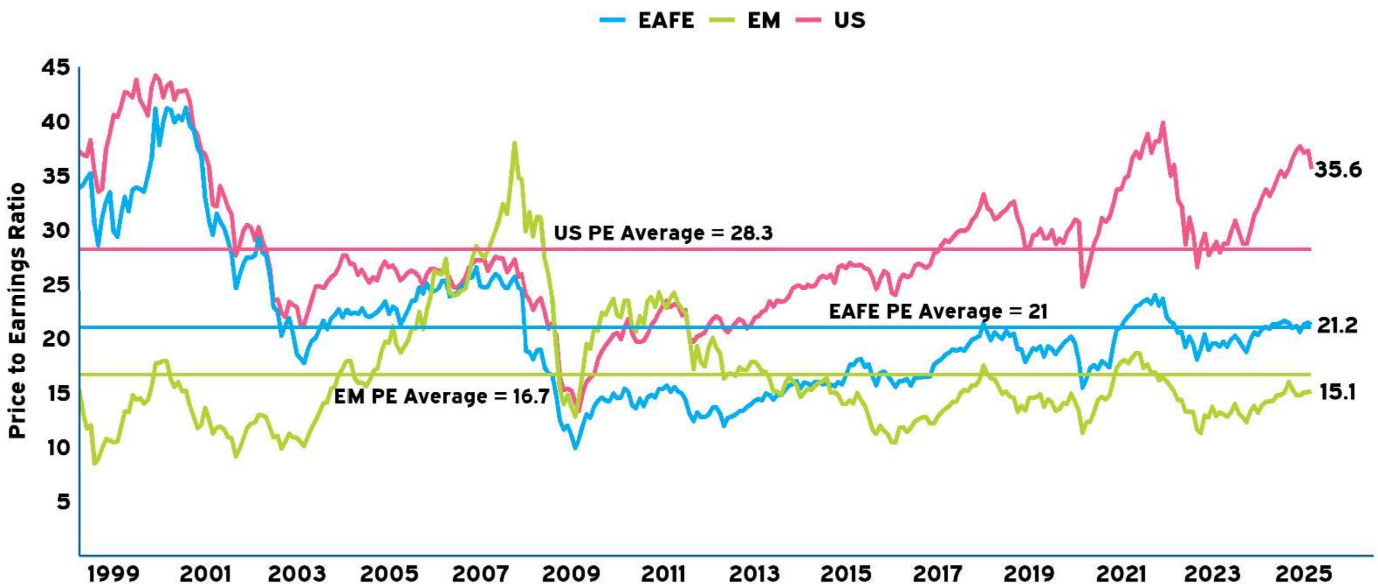
Foreign Equity: Developed international equities (MSCI EAFE) returned 6.9% in the first quarter and emerging market equities (MSCI Emerging Markets) rose 2.9%.

→ By contrast to the US, developed market equities rose in the first quarter benefiting from the rotation away from US technology companies. Eurozone stocks saw the highest returns, driven by plans in Germany to increase defense and infrastructure spending, strong gains in the financial sector (particularly banks), and continued rate cuts from the ECB. The UK followed closely behind, with gains led by returns in large cap energy and financials. Japan saw moderate losses, due to global trade uncertainties hurting exporters.

→ Emerging markets saw modest gains in the first quarter, driven largely by China. China's gains were a combination of improving sentiment towards tech following DeepSeek's promising AI debut and the announcement of additional stimulus measures. Brazil was another strong performer in Q1, benefitting from strong commodity gains and a strengthening currency. India saw declines due to slowing growth and weakening demand for their exports.

[1] Source: Bloomberg. Data is as of March 31, 2025.

Equity Cyclically Adjusted P/E Ratios[1]



- Valuations in US stocks came down over the quarter but remained at a significant premium to non-US developed and emerging market stocks.
- US equities, priced at 35.6 times earnings, continued to trade well above their long-run P/E average of 28.3.
- Non-US developed market valuations (21.2 times) increased over the quarter due in part to strong results in Europe and are trading slightly above their long-term average. Emerging market valuations (15.1 times) also increased in Q1 but remain below their long-run average.

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[1] US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E Source: Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of March 2025. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end, respectively.

Fixed Income Returns[1]

Fixed Income	March (%)	Q1 (%)	1 Yr (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	0.0	2.7	5.2	1.0	0.3	1.8	4.9	5.9
Bloomberg Aggregate	0.0	2.8	4.9	0.5	-0.4	1.5	4.6	6.1
Bloomberg US TIPS	0.6	4.2	6.2	0.1	2.4	2.5	4.2	6.8
Bloomberg Short-term TIPS	1.0	3.0	7.0	3.2	4.1	2.8	4.1	2.4
Bloomberg US Long Treasury	-0.9	4.7	1.3	-7.2	-7.9	-0.6	4.6	14.9
Bloomberg High Yield	-1.0	1.0	7.7	5.0	7.3	5.0	7.7	3.5
JPM GBI-EM Global Diversified (USD)	1.6	4.3	4.0	2.7	2.3	1.3	--	--

Fixed Income: The Bloomberg Universal index rose 2.7% in the first quarter.

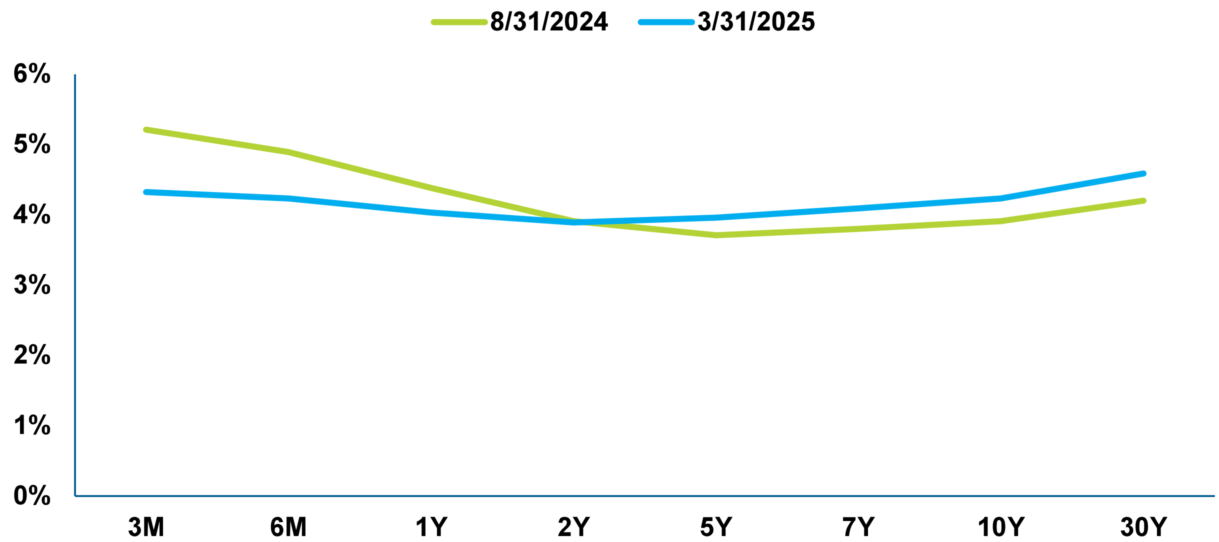
→ Uncertainty related to tariffs and growing worries about economic growth drove investors to high quality bonds over the quarter.

→ The broad US bond market (Bloomberg Aggregate) rose 2.8% with both short- (+3.0%) and longer-dated (+4.2%) TIPS outperforming as inflation risks rose modestly. Long-term Treasuries (+4.7%) particularly benefited in this environment of uncertainty and falling interest rates.

→ High yield bonds (+1.0%) rose the least during the quarter as uncertainty and risk aversion grew ahead of the planned tariff announcement from the US in early April.

[1] Source: Bloomberg. Data is as of March 31, 2025. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration, respectively. JPM GBI-EM data is from J.P. Morgan. Current yield and duration data is not available.

US Yield Curve[1]

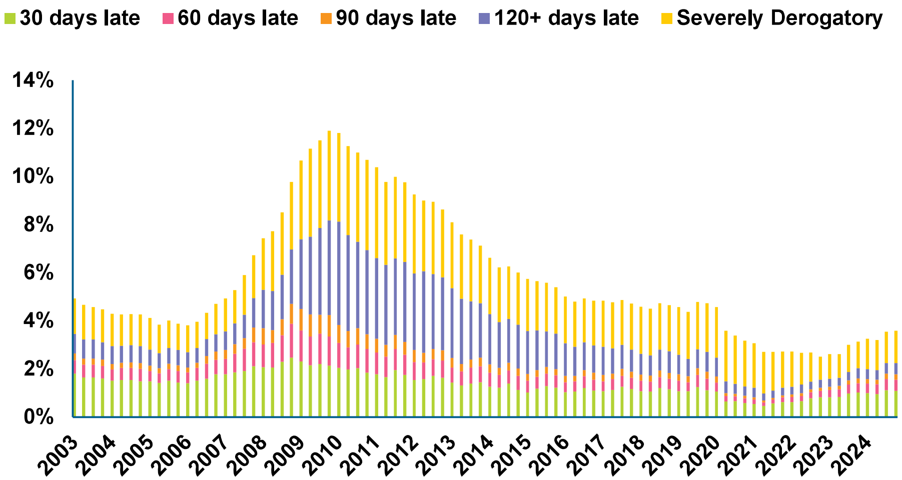


- US Treasury yields declined significantly over the quarter, as investors expressed concerns about the potential policies of the new US administration, economic data related to consumers weakened, and overall growth expectations fell.
- The more policy sensitive 2-year Treasury yield fell from 4.24% to 3.89%, while the 10-year Treasury yield declined from 4.57% to 4.21%.
- After the Fed started reducing interest rates in September 2024, the yield curve stopped being inverted (short-term interest rates higher than long-term interest rates) given expectations for inflation to continue to decline and policy rates to continue lower.

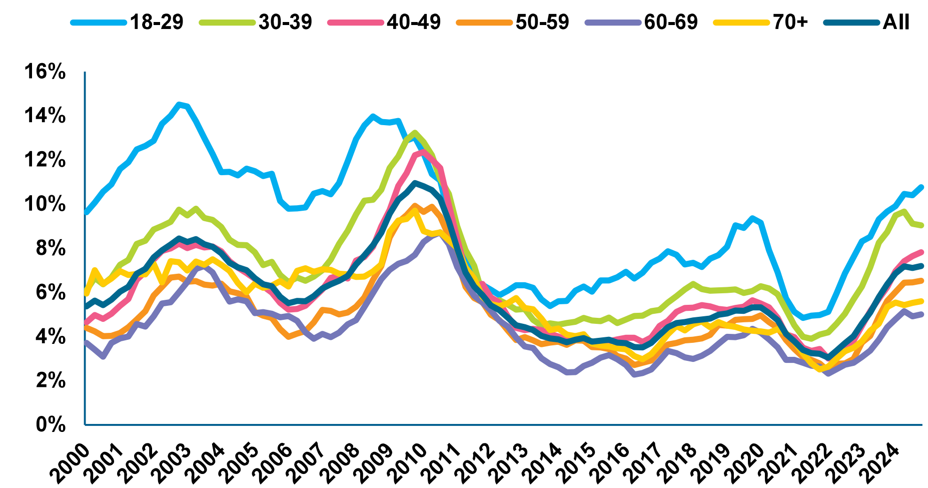
[1] Source: Bloomberg. Data is as of March 31, 2025. The August 2024 Treasury yields are shown as a reference before the first interest rate cut.

Stress is Building on US Consumers

Total Balance by Delinquency Status[1]



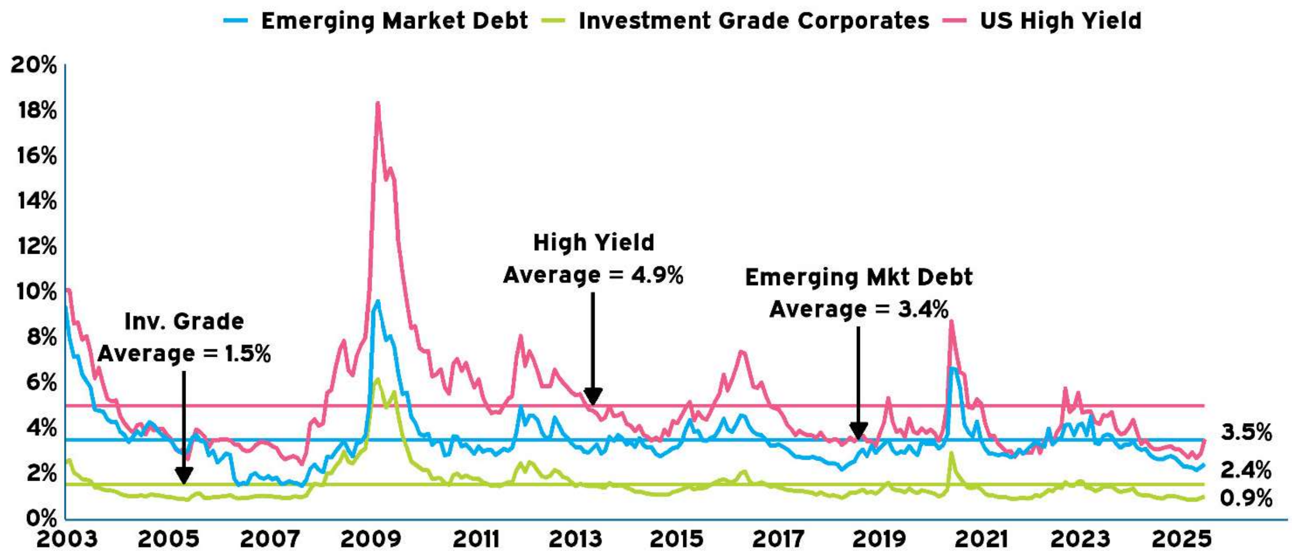
Transition into Serious Delinquency for Credit Cards by Age[2]



- Some signs of stress on the US consumer have started to emerge given persistently higher prices and interest rates.
- After falling to historic lows during the pandemic, loan delinquencies recently started rising.
- While some segments of the credit market have started to show signs of stress, total delinquencies remain well below pre-pandemic levels.
- While total delinquency rates are below pre-pandemic levels, the credit card segment is showing more signs of distress where borrowers are subject to variable and higher borrowing costs.
- Credit card delinquencies are rising rapidly, especially for borrowers under the age of forty.

[1] Source: New York Federal Reserve, Quarterly Household Debt and Credit Report, February 2025. See also FRED. Data is as of February 28, 2025.
[2] Source: FRED. Data is as of February 28, 2025.

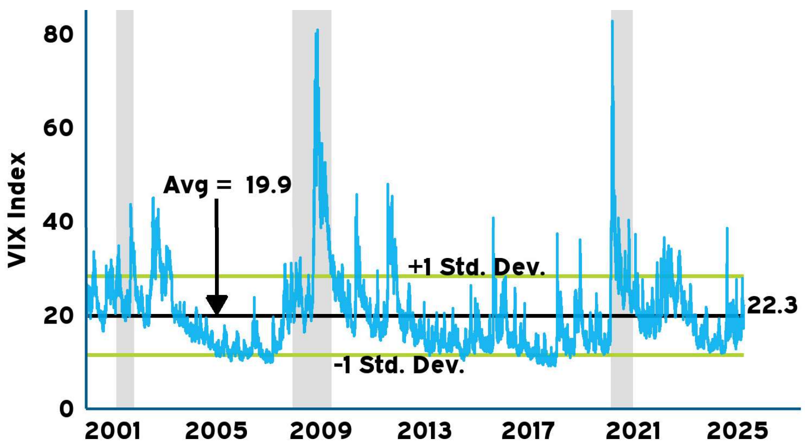
Credit Spreads vs. US Treasury Bonds[1]

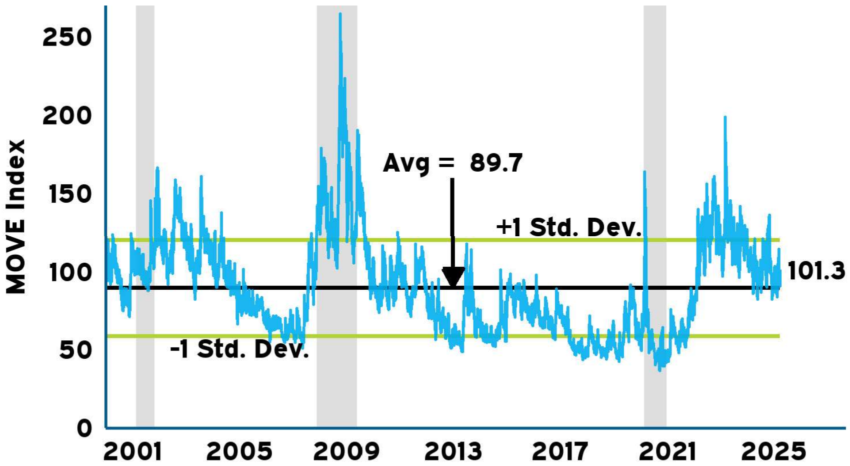


- Given all the uncertainty, spreads (the yield above a comparable maturity Treasury) widened in the first quarter.
- High yield spreads moved the most (2.9% to 3.5%) due to the concerns related to the US economy.
- All yield spreads remained below their respective long-run averages, particularly high yield (3.5% versus 4.9%).
- Although spreads are tight, absolute bond yields remain at above-average levels compared to the last two decades.

[1] Source: Bloomberg. Data is as March 31, 2025. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

Equity and Fixed Income Volatility[1]

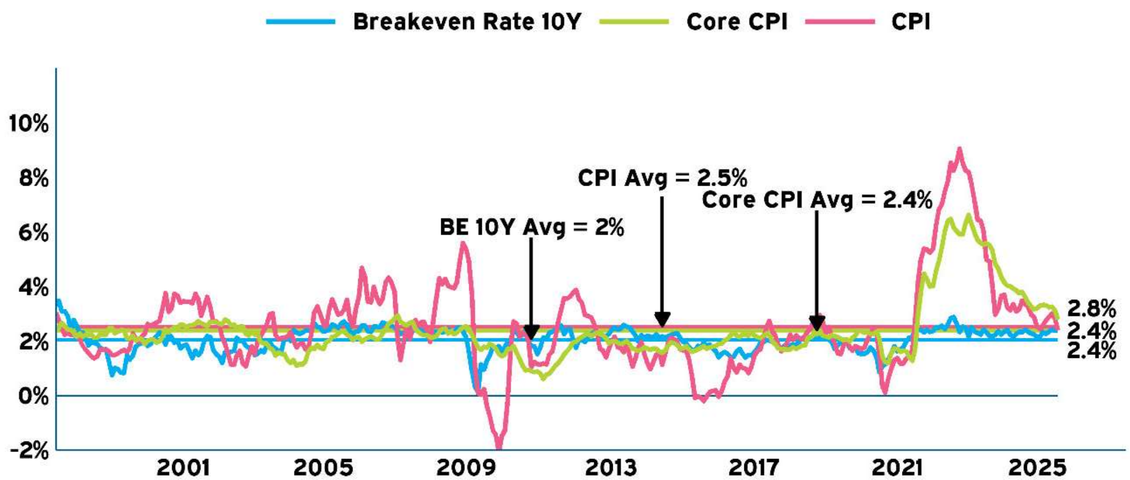




- Bond and equity volatility rose in the first quarter driven mainly by policy and trade uncertainty.
- Volatility levels (VIX) in the US stock market and bond market (MOVE) finished the quarter above their respective long-run averages.

[1] Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of March 31, 2025. The average line indicated is the average of the VIX and MOVE values between January 2000 and March 2025.

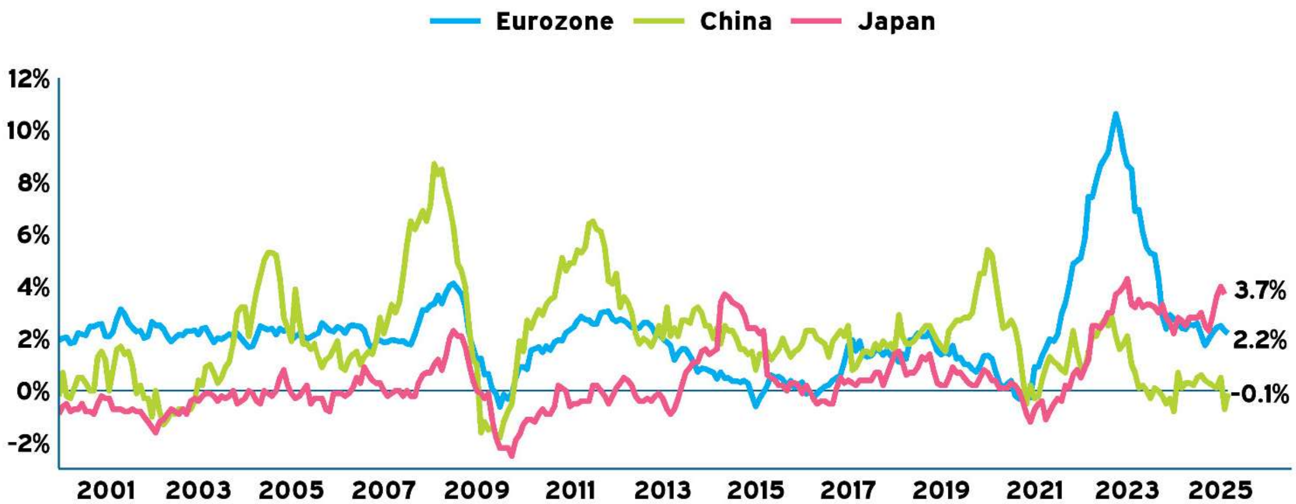
US Ten-Year Breakeven Inflation and CPI[1]



- While inflation has been slow to return to the Fed's 2% average target, over the quarter the year-over-year rate fell from 2.9% to 2.4%. The month-over-month rate moved into negative territory at quarter-end (-0.1%). A slowing in the rate of increase in the services sector along with a drop in energy prices contributed to the recent decline.
- Core inflation year-over-year also declined over the quarter (3.2% to 2.8%) with the month-over-month rate slowing to 0.1%. A decline in the pace of shelter price increases drove results.
- Inflation expectations (breakevens) stayed relatively stable over the quarter as investors continued to evaluate the potential inflationary impacts of the new US administration's policies.

[1] Source: FRED. Data is as of March 2025. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

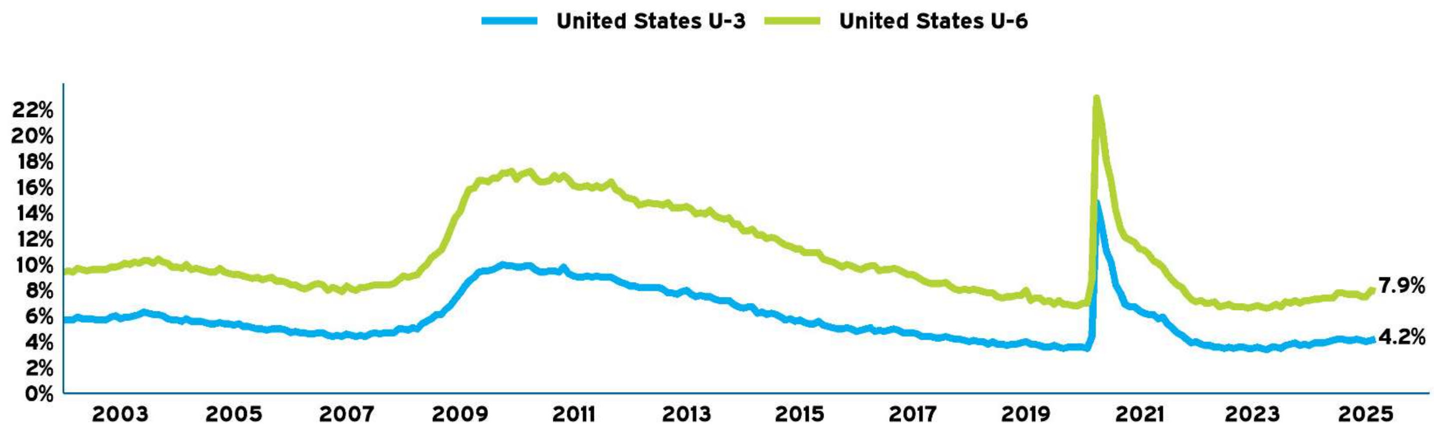
Global Inflation (CPI Trailing Twelve Months)[1]



- Inflation in the eurozone fell over the quarter (2.4% to 2.2%), due largely to declines in energy costs and services. Levels remain slightly below the US.
- The latest reading of inflation in Japan dropped from 4.0% to 3.7% as energy subsidies were reintroduced.
- In China, despite record policy stimulus consumer prices moved back into negative territory over the quarter. In March, prices fell by 0.1% compared to a year prior, a lower decline than the February reading of -0.7%. Despite years of policy stimulus to counter the real estate crisis and economy, the Chinese consumer has remained weak.

[1] Source: Bloomberg. Data is as March 2025, except Japan which is as of February 2025.

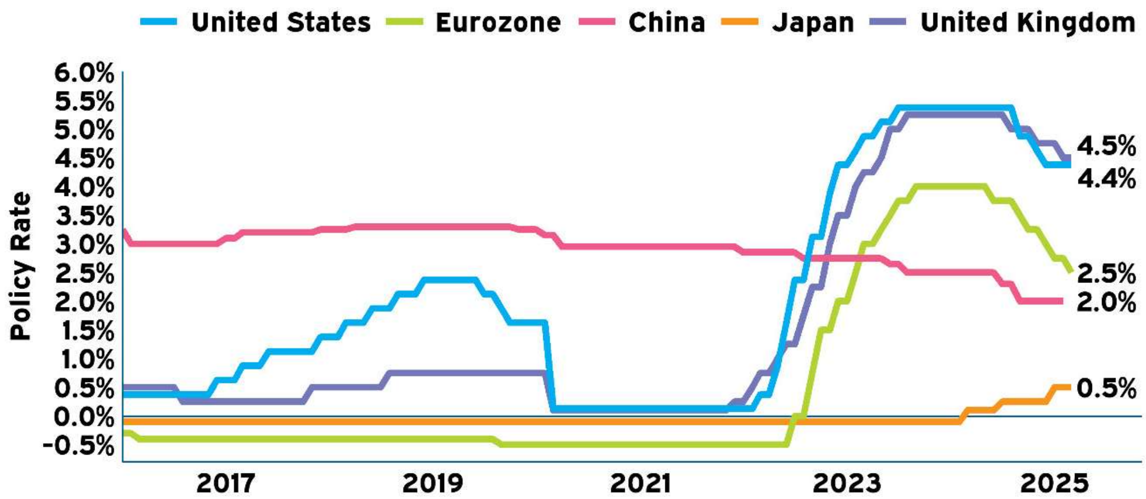
US Unemployment[1]



- In March, the US added 228,000 jobs (above expectations of 140,000). The unemployment rate rose slightly to 4.2% but remained in the tight range of 4.0% to 4.2% it has been in since May of last year. There were 7.1 million jobseekers (little changed from the prior reading) of which 1.5 million have been without work for more than 27 weeks.
- A broader measure of total unemployed (U-6) that includes those marginally attached to the labor force and employed part-time for economic reasons, fell slightly to 7.9%.
- Health care (+54k), social assistance (+24k), retail (+24k), and transportation (+23k) added jobs in March while the Federal government lost 4,000 jobs adding to the 11,000 lost in February.
- The last reading of job opening fell slightly to 7.6 million, a level well below the pandemic highs (>12 million); the number of openings exceeded the number of unemployed workers looking for work (7.1 million).
- Separations (5.3 million) and hires (5.4 million) remained steady and average hourly wages continued to grow at approximately 4.0% annually.

[1] Source: FRED and BLS. Data is as of March 31, 2025.

Policy Rates[1]



- The Fed kept US interest rates steady at their March meeting after reducing rates by 0.25% twice over the final quarter of 2024 to a range of 4.25% to 4.50%. Given growing concerns about growth, markets recently increased expectations for the number of rate cuts in 2025 to over three.
- In February, the Bank of England cut interest rates for the third time by 0.25% to 4.5%, while in March the European Central Bank cut rates by another 0.25% to 2.5%. In addition to cutting interest rates, the People's Bank of China has also reduced reserve requirements, lowered mortgage rates, and supported the stock market.
- In contrast to many other central banks, the Bank of Japan increased interest rates in January to 0.5%, in the face of persistent inflation. Rate cutting by other major central banks are complicating prospects for further policy rate hikes in Japan.

[1] Source: Bloomberg. Data is as of March 31, 2025. United States rate is the mid-point of the Federal Funds Target Rate range. Eurozone rate is the ECB Deposit Facility Announcement Rate. Japan rate is the Bank of Japan Unsecured Overnight Call Rate Expected. China rate is the China Central Bank 1-Year Medium Term Interest Rate. UK rate is the UK Bank of England Official Bank Rate.

US Dollar vs. Broad Currencies[1]

- After largely strengthening through 2024, the US dollar recently started to weaken.
- Concerns over changing US administration policies, slower growth, and corresponding lower yields have recently weighed on the value of the dollar.

[1] Source: Bloomberg. Data as of March 31, 2025.

Summary

Key Trends:

→ According to the International Monetary Fund's (IMF) January report, global growth in 2025 is expected to be slightly higher than 2024 (3.3% versus 3.2%). Growth forecast in the US (+2.7%) and China (+4.6%) are lower for this year compared to last, while growth in the EU (+1.0%) is projected to be slightly higher in 2025.

→ Elevated levels of uncertainty along with higher tariffs could weigh on growth while at the same time fan inflation. Inflation levels will likely lead to a slower pace of interest rate cuts by the Fed. Uncertainty in the US and the potential for slower growth could continue the rotation out of US assets and the pressure on the dollar.

→ Signs of stress have started to emerge on the US consumer with sentiment weakening. Consumers are particularly concerned about losing their jobs and the potential for higher prices. Overall risk to economic growth and to inflation from tariffs, as well as elevated borrowing costs, could put further pressure on consumers and lead to a weaker job market.

→ US equities have recently come under pressure. A focus going forward will be whether earnings can remain resilient if growth slows. Also, the future paths of the large technology companies that have driven market gains will continue to be important.

→ Trade tensions between the US and China will remain a key focus. As tariffs have soared on both sides, China has allowed its currency to weaken against the dollar. Outside of tariffs, China continues to focus on supporting its economy/asset prices with a suite of fiscal and financial policy stimulus measures. Advances in AI technologies have also contributed to some optimism. Despite the policy support, consumer spending is still weak and issues remain in the real estate sector.

Executive Summary

Q1 2025

Performance Review Summary

Category	Quarterly Results	5 Year Results
Performance vs. OPERF Policy Benchmark	**Outperform** **1.8% vs. 1.3%**	**Underperform** **9.3% vs. 9.8%**
Performance vs. 6.9% Actuarial Rate	NA	**Outperform** **9.3% vs. 6.9%**
Performance vs. InvMetrics All DB > $5B Net Median	**Outperform** **1.8% vs. 0.6%**	**Underperform** **9.3% vs. 9.6%**
Actively Managed Public Markets[1] vs. Benchmarks	12 of the 26 actively managed stock and bond portfolios outperformed their respective benchmarks (after fees)	14 of the 17 actively managed stock and bond portfolios outperformed their respective benchmarks (after fees)

Category	Quarter-End	Notes
Compliance with Targets[2]	**Out of Compliance**	**Private Equity is within its Policy range, while public equity and fixed income are underweight. Real Assets are overweight.**

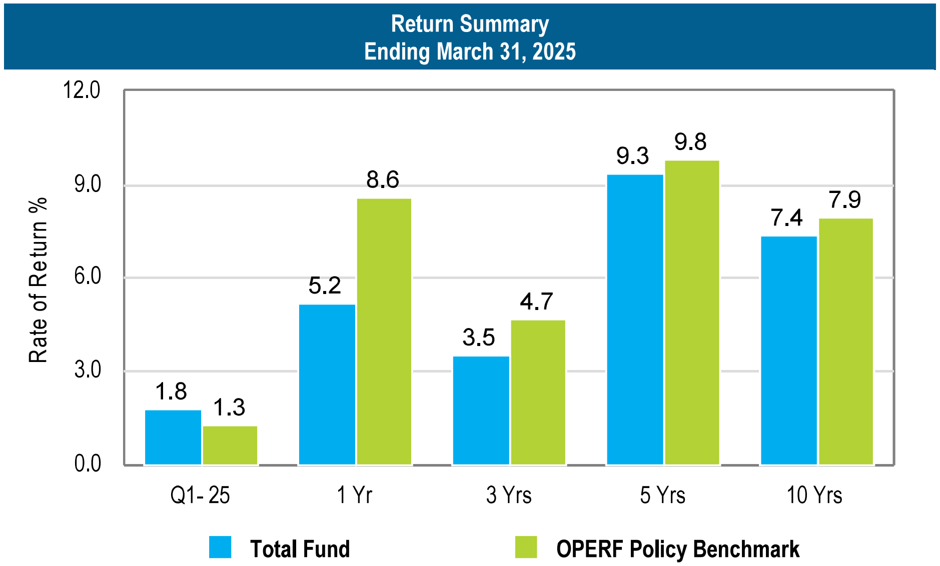
→ Per the Russell Overlay Report[3] dated March 31, 2025 allocations including synthetic positions were as follows.

	Physical	Synthetic	Net	Target	Range
Public Equity	19.1%	-2.1%	17.0%	27.5%	22.5% - 32.5%
Private Equity	26.8%	0.0%	26.8%	20.0%	17.5% - 27.5%
Fixed Income	18.5%	4.5%	23.1%	25.0%	20.0% - 30.0%
Cash	2.5%	-2.5%	0.0%	0.0%	--

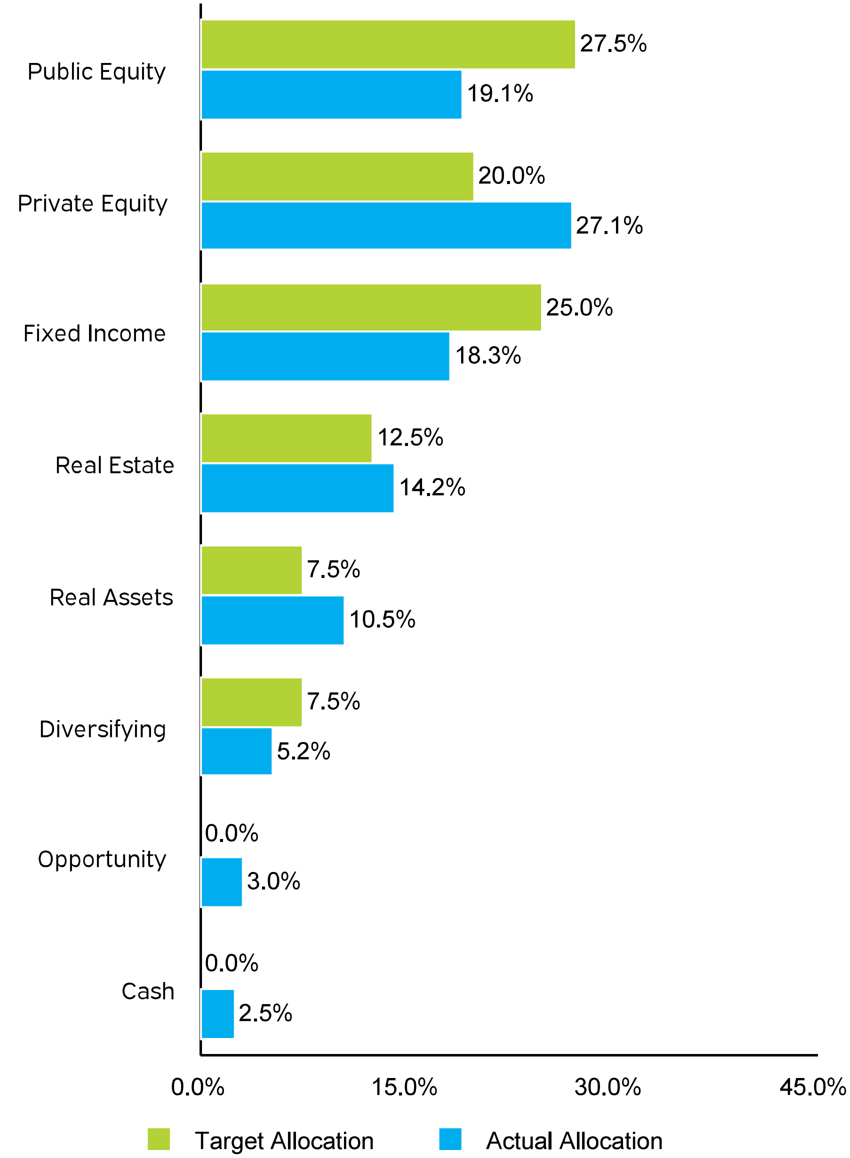
[1] Actively Managed Public Markets (Public Equity, Fixed Income, and REITS) includes managers with at least one quarter of performance. Managers currently being liquidated are excluded.

[2] Compliance with Targets reflects physical allocation not inclusive of overlay positions.

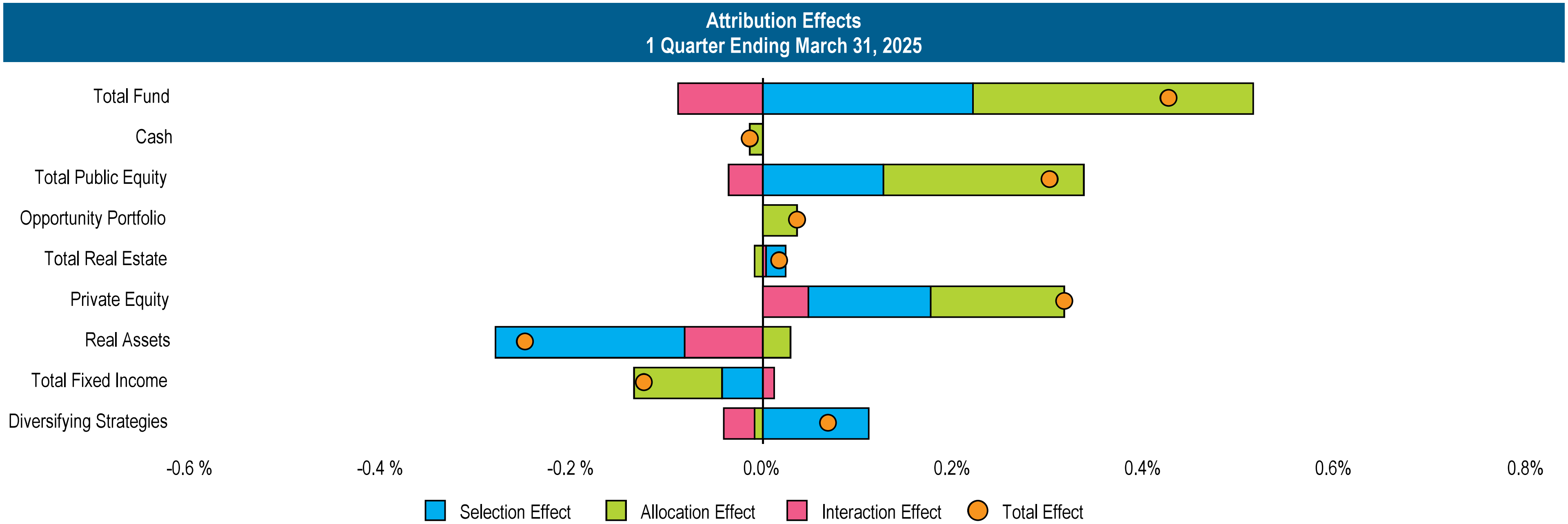
[3] Exposures may not sum evenly due to rounding.



	Q1- 25 (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Fund	1.8	5.2	3.5	9.3	7.4
OPERF Policy Benchmark	*1.3*	*8.6*	*4.7*	*9.8*	*7.9*
Excess Return	0.5	-3.4	-1.2	-0.5	-0.5
InvMetrics All DB > $5B Median	*0.6*	*5.5*	*3.9*	*9.6*	*6.6*
Total Fund Rank	19	56	62	64	15



Quarterly Commentary



→ Key Contributors

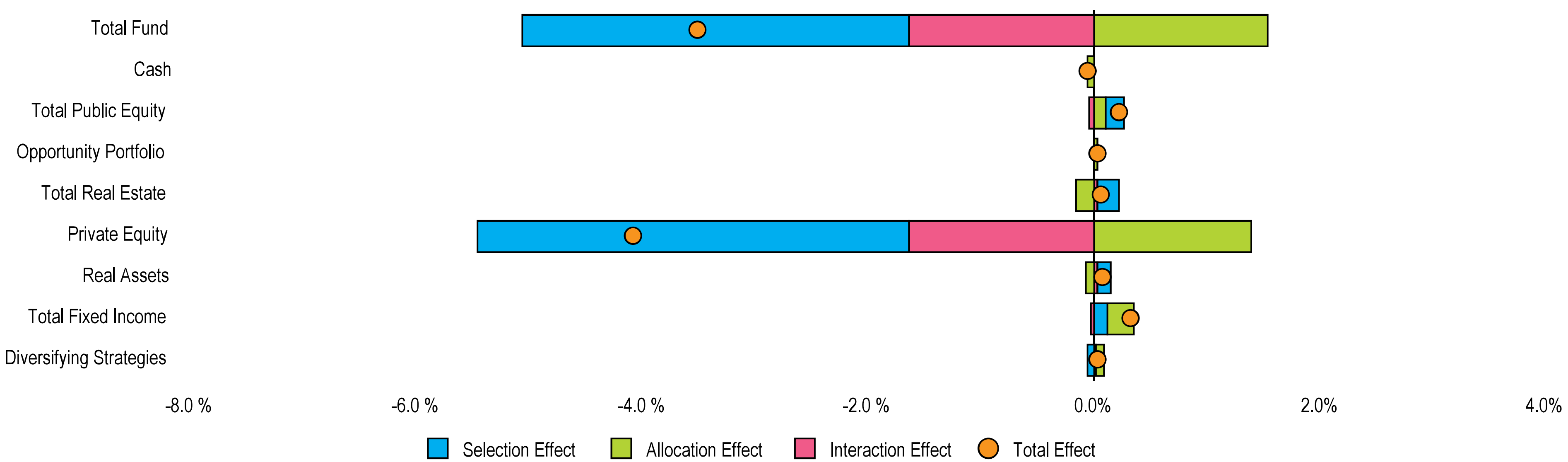
- Private Equity – Overweight to Policy and manager selection (performance) contributed to returns.
- Total Public Equity – Underweight to Policy and manager selection (performance) contributed to returns. International Market Oriented (Core) and International Value were the strongest contributors.

→ Key Detractors

- Real Assets – Manager selection (performance) was primary detractor.

One Year Commentary

Attribution Effects
1 Year Ending March 31, 2025



→ Key Contributors

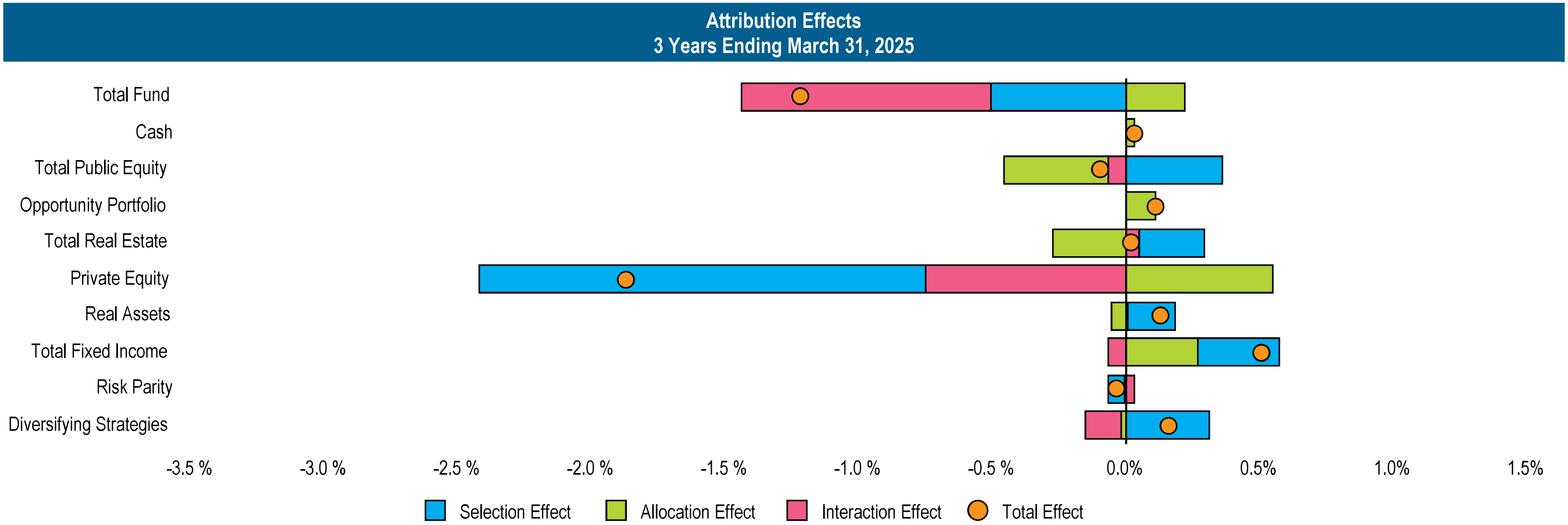
- Fixed Income – The portfolio underweight to Fixed Income assets contributed to benchmark relative returns. Manager selection (performance) within Core and Non-Core Fixed Income contributed marginally to relative returns.

- Public Equity – Positive absolute and benchmark relative returns.

→ Key Detractors

- Private Equity – Manager selection (performance) was a primary detractor. Benchmark is a public markets index lagged one quarter which can lead to short - term volatility versus the index.

Three Year Commentary



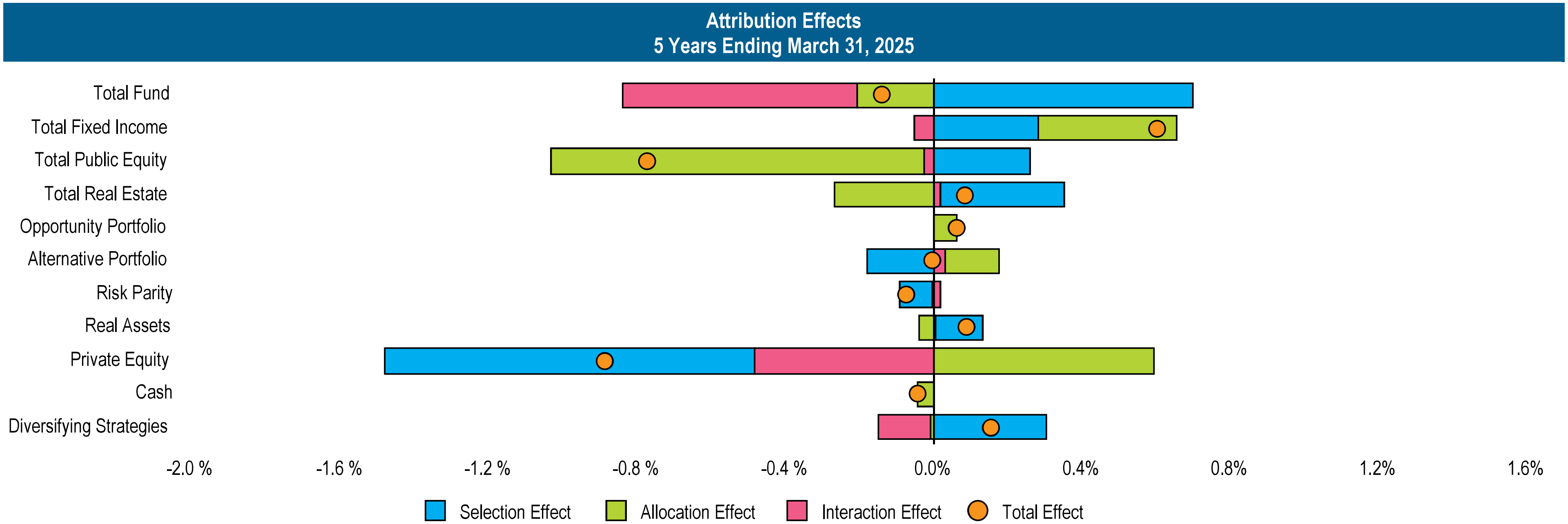
→ Key Contributors

- Fixed Income - Strongest contributor relative to the benchmark. Both the asset class underweight (allocation) and manager selection (performance) contributed meaningfully.
- Diversifying Strategies – Strong performance through manager selection has positively impacted Total Fund returns on an absolute and relative basis.

→ Key Detractors

- Private Equity – Weakest performance relative to benchmark. Benchmark is a public markets index lagged one quarter. The negative selection attribution was partially offset by the overweight allocation vs target. However, the underperformance combined with the overweight negatively impacted returns.

Five Year Commentary



→ Key Contributors

- Total Fixed Income – The portfolio underweight was a contributor to benchmark relative returns. Additionally, selection (performance) within the Core and Non-Core Fixed Income portfolios was positive.

- Diversifying Strategies - Outperformance relative to the benchmark due to manager selection.

→ Key Detractors

- Private Equity – Weakest performance relative to benchmark. Benchmark is a public markets index lagged one quarter. The negative selection attribution was partially offset by the overweight allocation vs target.

- Public Equity - Positive absolute returns. Underweight vs. Policy detracted from benchmark relative returns. Manager selection (performance) provided marginal relative return contribution.

Statistics Summary | As of March 31, 2025

1 Year Ending March 31, 2025	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Total Fund	5.2	2.8	-1.9	0.7	0.1	1.7
OPERF Policy Benchmark	8.6	3.8	-	1.0	0.9	0.0

3 Years Ending March 31, 2025	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Total Fund	3.5	4.2	-0.4	0.6	-0.1	3.0
OPERF Policy Benchmark	4.7	6.7	-	1.0	0.1	0.0

5 Years Ending March 31, 2025	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Total Fund	9.3	5.1	-0.2	0.7	1.2	3.0
OPERF Policy Benchmark	9.8	6.4	-	1.0	1.1	0.0

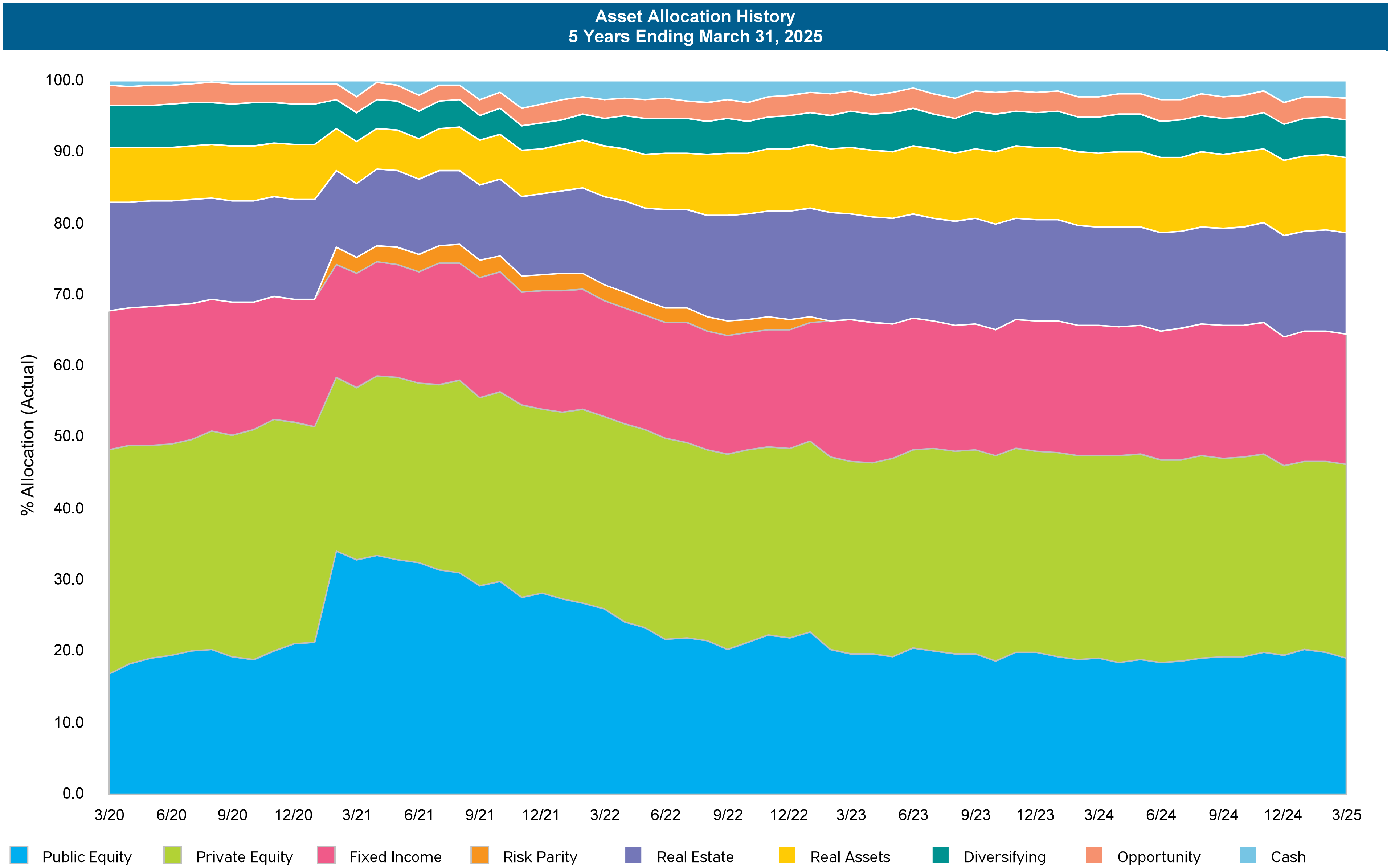
10 Years Ending March 31, 2025	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Total Fund	7.4	5.2	-0.2	0.8	1.0	2.4
OPERF Policy Benchmark	7.9	6.0	-	1.0	1.0	0.0

Performance Update
As of March 31, 2025

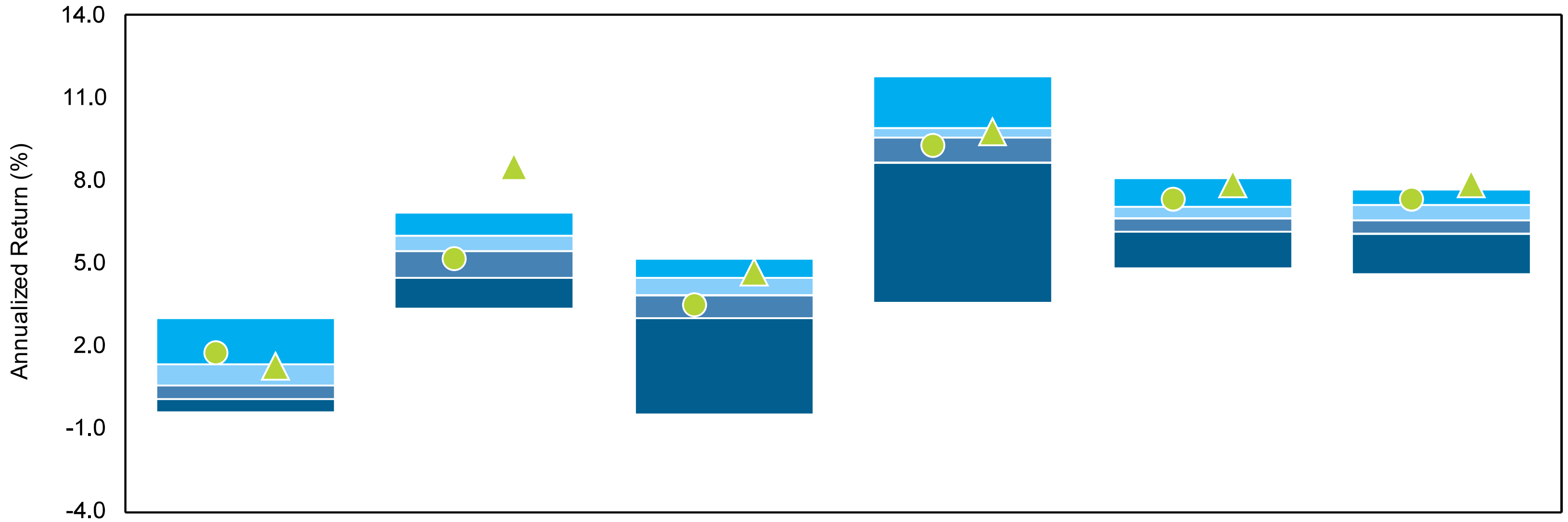
Asset Allocation vs Target As of March 31, 2025	Balance ($)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
Public Equity	18,334,062,416	19.1	27.5	-8.4	22.5 - 32.5	No
Private Equity	26,025,199,454	27.1	20.0	7.1	17.5 - 27.5	Yes
Fixed Income	17,598,864,813	18.3	25.0	-6.7	20.0 - 30.0	No
Real Estate	13,603,788,792	14.2	12.5	1.7	9.0 - 16.5	Yes
Real Assets	10,091,033,014	10.5	7.5	3.0	2.5 - 10.0	No
Diversifying	4,997,471,299	5.2	7.5	-2.3	2.5 - 10.0	Yes
Opportunity	2,906,071,033	3.0	0.0	3.0	0.0 - 5.0	Yes
Cash	2,424,260,324	2.5	0.0	2.5	0.0 - 100.0	Yes
Total	**95,980,751,145**	**100.0**	**100.0**	**0.0**		

The table above reflects physical asset allocation and excludes Overlay impact.
Total Public Equity includes Other Equity and Cash includes Russell Overlay Cash Balance for allocation purposes.
The target allocation was revised effective April 1, 2023. Plan rebalancing is currently underway.

Historical Asset Allocation | 5 Years Ending March 31, 2025



InvMetrics All DB > $5B Net Return Comparison
Ending March 31, 2025

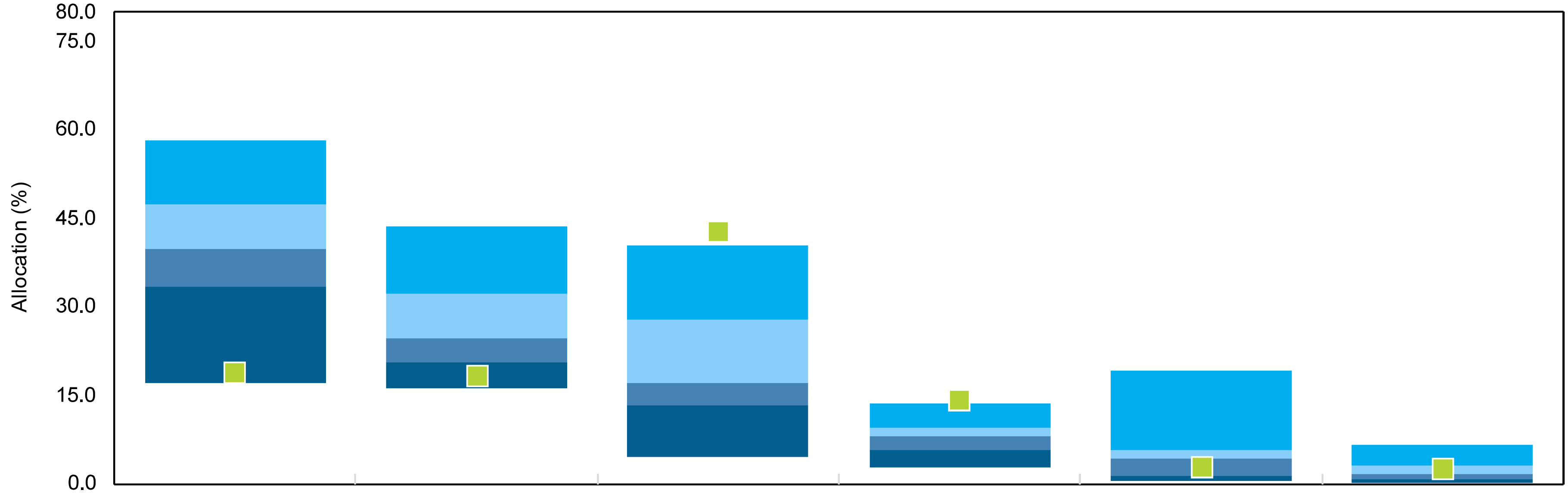


	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
● Total Fund	1.8 (19)	5.2 (56)	3.5 (62)	9.3 (64)	7.4 (20)	7.4 (15)
▲ OPERF Policy Benchmark	1.3 (27)	8.6 (2)	4.7 (21)	9.8 (41)	7.9 (7)	7.9 (1)
5th Percentile	3.0	6.9	5.2	11.9	8.1	7.8
1st Quartile	1.4	6.1	4.5	10.0	7.1	7.2
Median	0.6	5.5	3.9	9.6	6.7	6.6
3rd Quartile	0.1	4.5	3.0	8.7	6.2	6.1
95th Percentile	-0.4	3.4	-0.4	3.6	4.9	4.7
Population	44	44	43	39	37	36

Parentheses contain percentile rankings.

Plan Sponsor TF Asset Allocation | As of March 31, 2025

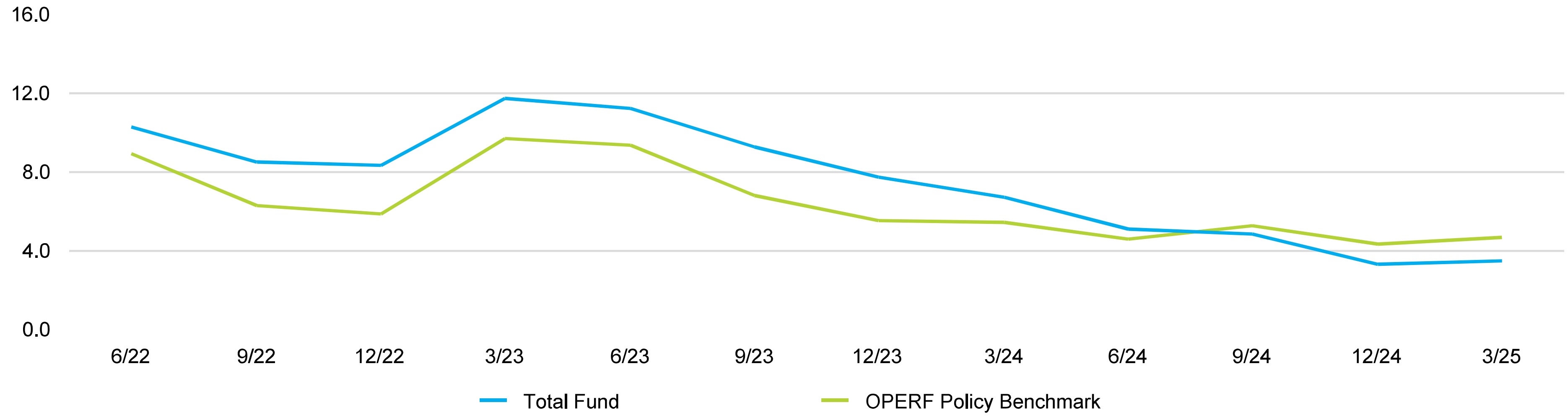
Total Plan Allocation vs. InvMetrics All DB > $5B



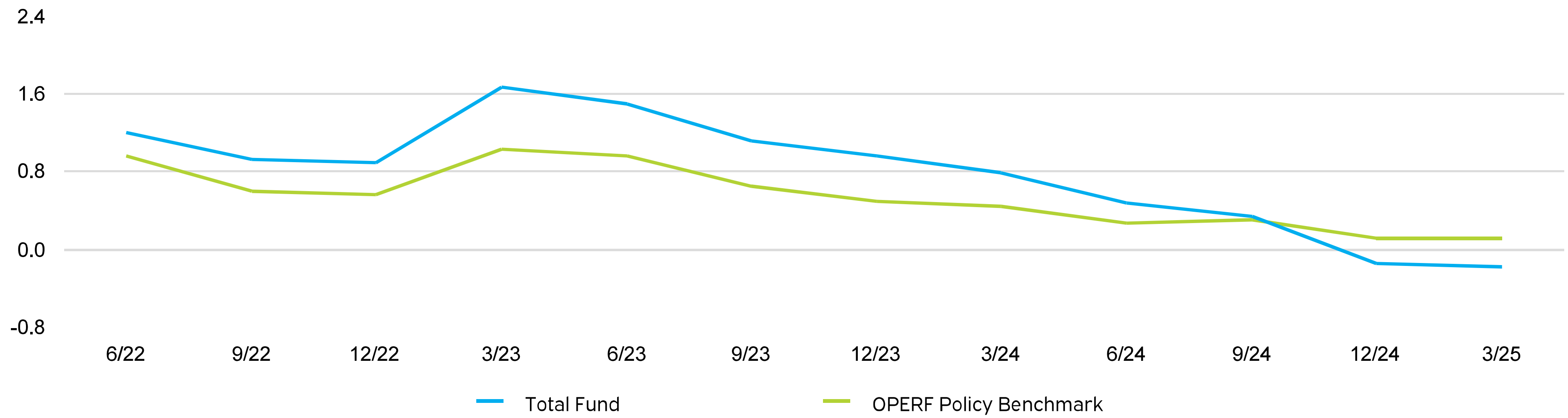
	Total Equity	Total Fixed Income	Alternatives	Total Real Estate	Multi-Asset	Cash & Equivalents
Total Fund	19.1 (92)	18.3 (86)	42.8 (3)	14.2 (5)	2.8 (59)	2.5 (34)
5th Percentile	58.5	43.8	40.5	13.7	19.2	6.6
1st Quartile	47.6	32.3	28.0	9.8	5.7	3.1
Median	39.9	24.9	17.1	8.1	4.2	1.7
3rd Quartile	33.7	20.7	13.3	5.7	1.5	0.9
95th Percentile	17.2	16.2	4.6	2.8	0.5	0.4

Parentheses contain percentile rankings.
Alternatives is classified to contain the following sub-asset classes: Hedge Funds, Venture Capital, Private Equity, Real Assets, and Commodities.
Multi-Asset is classified to contain the following sub-asset classes: Balanced, Tactical Asset Allocation, and Other.

Rolling 3 Year Annualized Return (%)
Total Fund vs OPERF Policy Benchmark



Rolling 3 Year Sharpe Ratio
Total Fund vs OPERF Policy Benchmark



Total Fund | As of March 31, 2025

Asset Class Performance Summary	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception
Total Fund	**95,980,751,145**	**100.0**	**1.8**	**5.2**	**3.5**	**9.3**	**7.4**	**7.7**
OPERF Policy Benchmark			*1.3*	*8.6*	*4.7*	*9.8*	*7.9*	*7.7*
InvMetrics All DB > $5B Median			*0.6*	*5.5*	*3.9*	*9.6*	*6.6*	*6.9*
InvMetrics All DB > $5B Rank			*19*	*56*	*62*	*64*	*15*	*1*
Total Fixed Income	**17,598,864,813**	**18.3**	**2.6**	**5.3**	**1.8**	**1.1**	**2.1**	**6.4**
Oregon Custom FI Benchmark			*2.8*	*4.9*	*0.5*	*-0.1*	*1.5*	*--*
Core Fixed Income	**5,813,444,973**	**6.1**	**2.9**	**4.9**	**0.9**	**0.5**	**1.9**	**4.7**
Oregon Custom External FI BM			*2.8*	*4.9*	*0.5*	*-0.4*	*1.5*	*4.0*
U.S. Government	**7,464,269,270**	**7.8**	**2.9**	**4.6**	**0.0**	**-1.7**	**0.8**	**0.9**
Government Blended Index			*2.9*	*4.5*	*0.0*	*-1.7*	*0.8*	*0.8*
Non-Core Fixed Income	**1,598,538,362**	**1.7**	**0.6**	**7.6**	**8.7**	**10.1**	**5.8**	**6.8**
Custom Non-Core Fixed Income Index			*0.6*	*7.1*	*6.7*	*8.6*	*5.0*	*5.8*
Emerging Markets Debt	**263,333,501**	**0.3**	**1.9**	**7.0**	**3.0**	**--**	**--**	**-0.6**
JPM EMBI Global Diversified			*2.2*	*6.8*	*3.4*	*3.5*	*3.2*	*0.0*
Structured Credit Products	**1,578,311,455**	**1.6**	**2.3**	**7.3**	**3.3**	**--**	**--**	**1.7**
Oregon Structured Credit Products FI BM			*2.4*	*6.6*	*3.2*	*--*	*--*	*1.5*
Investment Grade Credit	**866,051,290**	**0.9**	**2.5**	**5.1**	**--**	**--**	**--**	**4.9**
Bloomberg US Credit			*2.4*	*4.9*	*1.1*	*1.3*	*2.3*	*3.9*

See appendix for custom Policy Benchmark descriptions.

Total Fund | As of March 31, 2025

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception
Total Public Equity	**18,246,864,511**	**19.0**	**-1.2**	**6.9**	**7.7**	**16.1**	**8.9**	**7.6**
MSCI ACWI IMI Net (Daily)			*-1.6*	*6.3*	*6.3*	*15.0*	*8.6*	*6.7*
U.S. Equity	**9,791,113,306**	**10.2**	**-5.1**	**6.1**	**7.4**	**17.7**	**10.5**	**--**
Russell 3000 Index			*-4.7*	*7.2*	*8.2*	*18.2*	*11.8*	*11.1*
Small Cap Growth	**249,515,754**	**0.3**	**-16.1**	**-6.1**	**-2.2**	**15.0**	**7.8**	**11.5**
Russell 2000 Growth Index			*-11.1*	*-4.9*	*0.8*	*10.8*	*6.1*	*10.4*
Market Oriented (CORE)	**9,541,597,553**	**9.9**	**-4.8**	**6.5**	**7.7**	**17.6**	**11.0**	**13.1**
Russell 3000 Index			*-4.7*	*7.2*	*8.2*	*18.2*	*11.8*	*13.6*
Non-U.S. Equity	**5,826,274,283**	**6.1**	**5.0**	**7.5**	**7.3**	**14.6**	**7.1**	**9.8**
Oregon MSCI ACWI Ex US IMI (Net)			*4.6*	*5.5*	*4.0*	*11.0*	*5.0*	*--*
Total International Overlay Accounts	**50,147,579**	**0.1**						
International Market Oriented (Core)	**2,485,775,750**	**2.6**	**9.7**	**13.8**	**9.7**	**15.8**	**7.8**	**8.3**
MSCI World ex U.S. IMI Index (Net)			*5.8*	*5.1*	*5.0*	*11.9*	*5.5*	*6.3*
International Value	**1,213,731,591**	**1.3**	**7.3**	**13.7**	**10.1**	**17.6**	**7.8**	**7.7**
Oregon MSCI ACWI Ex US Value IMI (Net)			*7.8*	*10.3*	*6.7*	*13.6*	*4.8*	*5.9*
International Growth	**1,398,925,717**	**1.5**	**-0.3**	**-5.4**	**1.6**	**7.7**	**6.5**	**6.7**
Oregon MSCI WORLD Ex US (Net)			*6.2*	*5.3*	*5.7*	*12.2*	*5.5*	*5.3*
International Small Cap	**152,154,887**	**0.2**	**-5.0**	**-8.3**	**0.9**	**13.5**	**4.9**	**6.9**
MSCI World ex U.S. Small Value (Net)			*5.8*	*5.9*	*3.4*	*12.8*	*5.3*	*6.9*
Emerging Markets	**575,580,232**	**0.6**	**-0.7**	**3.0**	**4.7**	**13.1**	**5.9**	**6.8**
ORE MSCI Emerging Markets IMI (Net)			*1.7*	*6.6*	*1.5*	*8.8*	*3.8*	*4.3*

See appendix for custom Policy Benchmark descriptions.

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception
Global Equity	**2,629,476,921**	**2.7**	**1.0**	**7.6**	**9.4**	**14.4**	**8.1**	**5.6**
MSCI ACWI IMI Net (Daily)			*-1.6*	*6.3*	*6.3*	*15.0*	*8.6*	*6.6*
Global Equity Low Volatility	**1,199,091,217**	**1.2**	**4.5**	**12.0**	**9.9**	**14.6**	**--**	**10.5**
MSCI AC World (Daily Const)			*-1.3*	*7.2*	*6.9*	*15.2*	*8.8*	*10.4*
Other Equity	**37,050,327**	**0.0**						
Total Real Estate	**13,603,788,792**	**14.2**	**1.1**	**-0.8**	**-1.3**	**4.6**	**6.3**	**8.9**
NCREIF ODCE (Custom) (Adj.)			*1.0*	*-2.3*	*-3.1*	*2.0*	*4.9*	*7.9*
Real Estate excluding REITS	**13,286,006,797**	**13.8**	**1.1**	**-1.2**	**-1.3**	**4.4**	**7.0**	**9.1**
Total REITS	**317,781,995**	**0.3**	**3.5**	**16.2**	**4.9**	**11.3**	**4.8**	**8.7**
Opportunity Portfolio	**2,906,071,033**	**3.0**	**2.6**	**9.6**	**8.9**	**12.1**	**9.0**	**--**
Opportunity Custom Benchmark			*1.4*	*8.7*	*10.1*	*10.4*	*8.6*	*7.8*
Alternative Portfolio	**15,088,504,313**	**15.7**	**0.9**	**6.8**	**9.4**	**8.9**	**5.2**	**4.2**
CPI +4%			*2.3*	*6.5*	*7.6*	*8.5*	*7.2*	*6.6*
Diversifying Strategies	**4,997,471,299**	**5.2**	**3.2**	**4.6**	**8.4**	**6.7**	**3.0**	**3.5**
HFRI FOF Conservative Index			*0.8*	*4.5*	*4.2*	*6.9*	*3.6*	*4.0*
Real Assets	**10,091,033,014**	**10.5**	**-0.3**	**7.9**	**10.0**	**10.4**	**6.9**	**5.1**
CPI +4%			*2.3*	*6.5*	*7.6*	*8.5*	*7.2*	*6.6*
Private Equity	**26,025,199,454**	**27.1**	**4.0**	**6.2**	**2.7**	**12.5**	**12.5**	**12.2**
Russell 3000 + 300 BPS QTR LAG (Adj.)			*3.4*	*26.8*	*11.0*	*17.1*	*15.8*	*13.9*
Cash	**1,554,402,029**	**1.6**	**1.2**	**5.4**	**4.4**	**2.9**	**2.2**	**3.3**
ICE BofA 3 Month U.S. T-Bill			*1.0*	*5.0*	*4.2*	*2.6*	*1.9*	*2.9*

See appendix for custom Policy Benchmark descriptions.

Trailing Net Performance | As of March 31, 2025

Trailing Net Performance	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Total Fund	**95,980,751,145**	**100.0**	**1.8**	**5.2**	**3.5**	**9.3**	**7.4**	**7.7**	**Jul-97**
OPERF Policy Benchmark			*1.3*	*8.6*	*4.7*	*9.8*	*7.9*	*7.7*	
60% MSCI ACWI / 40% Bloomberg Aggregate			*0.3*	*6.3*	*4.5*	*8.9*	*6.1*	*5.9*	
70% MSCI ACWI/30% Barclays Agg			*-0.1*	*6.5*	*5.1*	*10.5*	*6.8*	*6.2*	
InvMetrics All DB > $5B Median			*0.6*	*5.5*	*3.9*	*9.6*	*6.6*	*6.9*	
InvMetrics All DB > $5B Rank			*19*	*56*	*62*	*64*	*15*	*1*	
Total Fixed Income	**17,598,864,813**	**18.3**	**2.6**	**5.3**	**1.8**	**1.1**	**2.1**	**6.4**	**Jan-88**
Oregon Custom FI Benchmark			*2.8*	*4.9*	*0.5*	*-0.1*	*1.5*	*--*	
Blmbg. U.S. Aggregate Index			*2.8*	*4.9*	*0.5*	*-0.4*	*1.5*	*5.4*	
Fixed Income Weighted BM			*2.4*	*4.9*	*1.0*	*0.1*	*1.7*	*--*	
Core Fixed Income	**5,813,444,973**	**6.1**	**2.9**	**4.9**	**0.9**	**0.5**	**1.9**	**4.7**	**Apr-00**
Oregon Custom External FI BM			*2.8*	*4.9*	*0.5*	*-0.4*	*1.5*	*4.0*	
Blackrock	1,902,329,815	2.0	2.8	5.1	0.8	0.3	1.8	4.1	May-01
Oregon Custom External FI BM			*2.8*	*4.9*	*0.5*	*-0.4*	*1.5*	*3.8*	
Wellington	1,973,595,517	2.1	2.7	5.3	1.1	0.5	2.1	4.7	Apr-00
Oregon Custom External FI BM			*2.8*	*4.9*	*0.5*	*-0.4*	*1.5*	*4.0*	
Western Asset	1,937,519,641	2.0	3.1	4.4	0.6	0.8	2.0	5.1	Apr-00
Oregon Custom External FI BM			*2.8*	*4.9*	*0.5*	*-0.4*	*1.5*	*4.0*	
U.S. Government	**7,464,269,270**	**7.8**	**2.9**	**4.6**	**0.0**	**-1.7**	**0.8**	**0.9**	**Jan-14**
Government Blended Index			*2.9*	*4.5*	*0.0*	*-1.7*	*0.8*	*0.8*	
Government Portfolio	7,464,269,270	7.8	2.9	4.6	0.0	-1.7	--	1.0	Jun-17
Government Blended Index			*2.9*	*4.5*	*0.0*	*-1.7*	*0.8*	*0.9*	
Non-Core Fixed Income	**1,598,538,362**	**1.7**	**0.6**	**7.6**	**8.7**	**10.1**	**5.8**	**6.8**	**Aug-08**
Custom Non-Core Fixed Income Index			*0.6*	*7.1*	*6.7*	*8.6*	*5.0*	*5.8*	
Oak Hill	1,177,687,615	1.2	0.5	7.7	9.1	10.1	6.4	6.9	Jul-09
Oak Hill Custom Lev Loan & Bond Index			*0.6*	*7.0*	*6.9*	*8.8*	*5.0*	*6.2*	
Beach Point	420,850,747	0.4	0.9	6.7	--	--	--	8.6	Apr-23
Beachpoint Custom FI Benchmark			*1.0*	*8.1*	*--*	*--*	*--*	*10.0*	

Trailing Net Performance | As of March 31, 2025

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Emerging Markets Debt	**263,333,501**	**0.3**	**1.9**	**7.0**	**3.0**	**--**	**--**	**-0.6**	**May-21**
JPM EMBI Global Diversified			*2.2*	*6.8*	*3.4*	*3.5*	*3.2*	*0.0*	
Global Evolution EMD	133,614,661	0.1	1.8	7.4	3.8	--	--	0.4	May-21
JPM EMBI Global Diversified			*2.2*	*6.8*	*3.4*	*3.5*	*3.2*	*0.0*	
PGIM EMD	129,718,839	0.1	2.0	6.7	3.5	--	--	0.0	May-21
JPM EMBI Global Diversified			*2.2*	*6.8*	*3.4*	*3.5*	*3.2*	*0.0*	
Structured Credit Products	**1,578,311,455**	**1.6**	**2.3**	**7.3**	**3.3**	**--**	**--**	**1.7**	**Dec-21**
Oregon Structured Credit Products FI BM			*2.4*	*6.6*	*3.2*	*--*	*--*	*1.5*	
Schroders SCP	919,228,753	1.0	2.3	6.5	4.0	--	--	2.6	Dec-21
ICE BofA AA-BBB US Asset Backed Sec Idx			*2.0*	*7.2*	*4.5*	*4.6*	*3.2*	*2.7*	
Guggenheim SCP	659,082,702	0.7	2.5	8.4	4.8	--	--	3.7	Dec-21
ICE BofA AA-BBB US Asset Backed Sec Idx			*2.0*	*7.2*	*4.5*	*4.6*	*3.2*	*2.7*	
Investment Grade Credit	**866,051,290**	**0.9**	**2.5**	**5.1**	**--**	**--**	**--**	**4.9**	**Jul-22**
Bloomberg US Credit			*2.4*	*4.9*	*1.1*	*1.3*	*2.3*	*3.9*	
Fidelity	866,051,290	0.9	2.5	5.1	--	--	--	4.9	Jul-22
Bloomberg US Credit			*2.4*	*4.9*	*1.1*	*1.3*	*2.3*	*3.9*	
Total Public Equity	**18,246,864,511**	**19.0**	**-1.2**	**6.9**	**7.7**	**16.1**	**8.9**	**7.6**	**Jul-97**
MSCI ACWI IMI Net (Daily)			*-1.6*	*6.3*	*6.3*	*15.0*	*8.6*	*6.7*	
U.S. Equity	**9,791,113,306**	**10.2**	**-5.1**	**6.1**	**7.4**	**17.7**	**10.5**	**--**	**Dec-80**
Russell 3000 Index			*-4.7*	*7.2*	*8.2*	*18.2*	*11.8*	*11.1*	
Small Cap Growth	**249,515,754**	**0.3**	**-16.1**	**-6.1**	**-2.2**	**15.0**	**7.8**	**11.5**	**Aug-09**
Russell 2000 Growth Index			*-11.1*	*-4.9*	*0.8*	*10.8*	*6.1*	*10.4*	
IMC MicroCap Growth	249,515,754	0.3	-16.1	-6.1	-2.2	15.0	7.8	12.2	Jul-09
Russell Microcap Growth Index (Daily)			*-17.7*	*-5.9*	*-3.8*	*8.2*	*2.7*	*8.3*	

Trailing Net Performance | As of March 31, 2025

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Market Oriented (CORE)	**9,541,597,553**	**9.9**	**-4.8**	**6.5**	**7.7**	**17.6**	**11.0**	**13.1**	**Aug-09**
Russell 3000 Index			*-4.7*	*7.2*	*8.2*	*18.2*	*11.8*	*13.6*	
Russell 2000 Synthetic - OST managed	290,477,419	0.3	-8.9	-3.4	0.8	15.2	6.9	9.7	Apr-10
S&P 600 Custom			*-8.9*	*-3.4*	*0.7*	*15.1*	*6.6*	*9.2*	
S&P 500 - OST managed	4,091,564,028	4.3	-4.3	8.2	9.0	18.6	12.5	13.6	Oct-09
S&P 500 Index (Daily)			*-4.3*	*8.3*	*9.1*	*18.6*	*12.5*	*13.5*	
S&P 400 - OST managed	559,008,295	0.6	-6.1	-2.7	4.5	16.9	8.6	11.6	Oct-09
S&P 400 Midcap Index (Daily)			*-6.1*	*-2.7*	*4.4*	*16.9*	*8.4*	*11.5*	
BR Russell 3000	3,245,415,917	3.4	-4.7	7.2	--	--	--	13.5	Aug-23
Russell 3000 Index			*-4.7*	*7.2*	*8.2*	*18.2*	*11.8*	*13.5*	
DFA All Cap Core	1,355,131,894	1.4	-4.8	6.2	--	--	--	14.7	Jul-23
Russell 3000 Index			*-4.7*	*7.2*	*8.2*	*18.2*	*11.8*	*15.1*	
Non-U.S. Equity	**5,826,274,283**	**6.1**	**5.0**	**7.5**	**7.3**	**14.6**	**7.1**	**9.8**	**Apr-85**
Oregon MSCI ACWI Ex US IMI (Net)			*4.6*	*5.5*	*4.0*	*11.0*	*5.0*	*--*	
Total International Overlay Accounts	**50,147,579**	**0.1**							
PERS-Adrian Lee Active Currency	32,965,780	0.0							
PERS-P/E Global Active Currency	17,181,798	0.0							
International Market Oriented (Core)	**2,485,775,750**	**2.6**	**9.7**	**13.8**	**9.7**	**15.8**	**7.8**	**8.3**	**Aug-09**
MSCI World ex U.S. IMI Index (Net)			*5.8*	*5.1*	*5.0*	*11.9*	*5.5*	*6.3*	
Arrowstreet Capital	888,191,617	0.9	12.9	19.8	15.7	22.8	11.8	12.4	Nov-02
Oregon MSCI ACWI Ex US IMI (Net)			*4.6*	*5.5*	*4.0*	*11.0*	*5.0*	*7.5*	
Lazard International CEF	507,266,926	0.5	3.0	8.9	3.2	11.2	6.1	6.5	Aug-13
Oregon MSCI ACWI Ex US (Net)			*5.2*	*6.1*	*4.5*	*10.9*	*5.0*	*5.1*	
OST Int'l Risk Premia	1,090,317,208	1.1	10.2	12.1	9.1	14.6	--	8.2	Jun-17
MSCI World x US Custom Div Multiple-Factor			*10.1*	*11.5*	*8.8*	*14.2*	*--*	*7.9*	
MSCI World ex USA Net Index			*6.2*	*5.3*	*5.7*	*12.2*	*5.5*	*6.0*	

Trailing Net Performance | As of March 31, 2025

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
International Value	**1,213,731,591**	**1.3**	**7.3**	**13.7**	**10.1**	**17.6**	**7.8**	**7.7**	**Feb-98**
Oregon MSCI ACWI Ex US Value IMI (Net)			*7.8*	*10.3*	*6.7*	*13.6*	*4.8*	*5.9*	
Acadian Asset Management	792,982,598	0.8	5.9	14.3	7.6	17.6	8.8	--	Mar-92
Oregon MSCI ACWI Ex US Value IMI (Net)			*7.8*	*10.3*	*6.7*	*13.6*	*4.8*	*--*	
Brandes Investment Partners	420,748,993	0.4	10.1	12.5	12.6	17.6	6.8	7.6	Jan-98
Oregon MSCI ACWI Ex US Value (Net)			*8.6*	*11.4*	*7.2*	*13.6*	*4.7*	*5.9*	
International Growth	**1,398,925,717**	**1.5**	**-0.3**	**-5.4**	**1.6**	**7.7**	**6.5**	**6.7**	**Jan-05**
Oregon MSCI WORLD Ex US (Net)			*6.2*	*5.3*	*5.7*	*12.2*	*5.5*	*5.3*	
Walter Scott Management	805,299,831	0.8	-0.7	-5.8	1.5	7.6	7.1	7.4	Dec-04
Oregon MSCI WORLD Ex US (Net)			*6.2*	*5.3*	*5.7*	*12.2*	*5.5*	*5.5*	
MFS International Growth	301,346,537	0.3	--	--	--	--	--	-1.0	Feb-25
Oregon MSCI WORLD Ex US (Net)			*6.2*	*5.3*	*5.7*	*12.2*	*5.5*	*1.2*	
Lazard International Quality	292,279,349	0.3	--	--	--	--	--	-4.9	Feb-25
Oregon MSCI WORLD Ex US (Net)			*6.2*	*5.3*	*5.7*	*12.2*	*5.5*	*1.2*	
International Small Cap	**152,154,887**	**0.2**	**-5.0**	**-8.3**	**0.9**	**13.5**	**4.9**	**6.9**	**Aug-09**
MSCI World ex U.S. Small Value (Net)			*5.8*	*5.9*	*3.4*	*12.8*	*5.3*	*6.9*	
Harris Associates	985,837	0.0							
MSCI AC World ex USA Small Value (Net)			*2.9*	*4.1*	*3.5*	*13.7*	*5.5*	*9.4*	
IMC International Micro Cap	151,169,050	0.2	-5.0	-8.7	-2.4	13.6	6.4	6.4	May-14
Oregon FTSE Global Ex US Micro Cap			*-0.8*	*1.2*	*-1.2*	*14.8*	*6.1*	*5.3*	

Trailing Net Performance | As of March 31, 2025

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Emerging Markets	**575,580,232**	**0.6**	**-0.7**	**3.0**	**4.7**	**13.1**	**5.9**	**6.8**	**Aug-09**
ORE MSCI Emerging Markets IMI (Net)			*1.7*	*6.6*	*1.5*	*8.8*	*3.8*	*4.3*	
Arrowstreet Emerging Markets	265,843,974	0.3	2.0	9.6	7.9	18.0	8.0	9.4	Sep-06
ORE MSCI Emerging Markets IMI (Net)			*1.7*	*6.6*	*1.5*	*8.8*	*3.8*	*4.6*	
Westwood Global Investment	137,512,137	0.1	0.4	-6.9	0.8	10.7	4.8	4.6	May-10
MSCI Emerging Markets IMI (Net)			*1.7*	*6.6*	*1.5*	*8.8*	*3.8*	*3.1*	
William Blair and Company	172,224,121	0.2	-5.3	1.3	-3.8	7.8	4.1	5.1	Dec-11
MSCI Emerging Markets Growth (Net)			*1.7*	*8.5*	*0.2*	*6.1*	*4.1*	*4.7*	
Global Equity	**2,629,476,921**	**2.7**	**1.0**	**7.6**	**9.4**	**14.4**	**8.1**	**5.6**	**Mar-07**
MSCI ACWI IMI Net (Daily)			*-1.6*	*6.3*	*6.3*	*15.0*	*8.6*	*6.6*	
Cantillion	971,437,271	1.0	-2.8	4.6	--	--	--	14.7	Mar-23
MSCI ACWI IMI Net (Daily)			*-1.6*	*6.3*	*6.3*	*15.0*	*8.6*	*14.8*	
GQG Global Equity	458,948,434	0.5	0.7	3.3	--	--	--	18.7	Sep-23
Oregon MSCI ACWI Ex US (Net)			*5.2*	*6.1*	*4.5*	*10.9*	*5.0*	*11.0*	
Global Equity Low Volatility	**1,199,091,217**	**1.2**	**4.5**	**12.0**	**9.9**	**14.6**	**--**	**10.5**	**Jan-17**
MSCI AC World (Daily Const)			*-1.3*	*7.2*	*6.9*	*15.2*	*8.8*	*10.4*	
LACM Global Equity Low Volatility	586,886,936	0.6	3.8	10.0	6.6	13.5	--	9.9	Dec-16
MSCI AC World (Daily Const)			*-1.3*	*7.2*	*6.9*	*15.2*	*8.8*	*10.6*	
Arrowstreet Global Low Volatility	612,204,281	0.6	5.1	14.0	13.4	18.0	--	12.7	May-17
MSCI ACWI IMI Net (Daily)			*-1.6*	*6.3*	*6.3*	*15.0*	*8.6*	*9.3*	
Other Equity	**37,050,327**	**0.0**							
Transitional & Closed Accounts	37,050,327	0.0							
Transition & Closed Accounts II - International Equity	106,107	0.0							

The Opportunity Portfolio benchmark changed from CPI +5% to OPERF Policy Benchmark beginning April 1, 2023.

MEKETA

Trailing Net Performance | As of March 31, 2025

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Total Real Estate	**13,603,788,792**	**14.2**	**1.1**	**-0.8**	**-1.3**	**4.6**	**6.3**	**8.9**	**Jul-97**
NCREIF ODCE (Custom) (Adj.)			*1.0*	*-2.3*	*-3.1*	*2.0*	*4.9*	*7.9*	
Real Estate excluding REITS	**13,286,006,797**	**13.8**	**1.1**	**-1.2**	**-1.3**	**4.4**	**7.0**	**9.1**	**Dec-96**
NCREIF ODCE (Custom) (Adj.)			*1.0*	*-2.3*	*-3.1*	*2.0*	*4.9*	*8.1*	
Total REITS	**317,781,995**	**0.3**	**3.5**	**16.2**	**4.9**	**11.3**	**4.8**	**8.7**	**Jul-97**
ABKB - LaSalle Advisors	317,781,995	0.3	3.5	16.2	4.1	13.9	8.5	9.8	Mar-97
FTSE NAREIT All Equity REITs			*2.8*	*9.2*	*-1.6*	*9.6*	*5.7*	*8.6*	
Opportunity Portfolio	**2,906,071,033**	**3.0**	**2.6**	**9.6**	**8.9**	**12.1**	**9.0**	**--**	**Mar-07**
Opportunity Custom Benchmark			*1.4*	*8.7*	*10.1*	*10.4*	*8.6*	*7.8*	
OPERF Policy Benchmark			*1.3*	*8.6*	*4.7*	*9.8*	*7.9*	*7.2*	
Portfolio Holdings - Opportunity	225,450,000	0.2	1.6	11.5	11.9	--	--	10.6	Oct-21
Alternative Portfolio	**15,088,504,313**	**15.7**	**0.9**	**6.8**	**9.4**	**8.9**	**5.2**	**4.2**	**Jul-11**
CPI +4%			*2.3*	*6.5*	*7.6*	*8.5*	*7.2*	*6.6*	
Diversifying Strategies	**4,997,471,299**	**5.2**	**3.2**	**4.6**	**8.4**	**6.7**	**3.0**	**3.5**	**Dec-11**
HFRI FOF Conservative Index			*0.8*	*4.5*	*4.2*	*6.9*	*3.6*	*4.0*	
Diversifiying Strategies	4,997,471,299	5.2	3.2	4.6	8.4	6.7	--	2.8	Nov-16
HFRI FOF Conservative Index			*0.8*	*4.5*	*4.2*	*6.9*	*3.6*	*4.5*	
Real Assets	**10,091,033,014**	**10.5**	**-0.3**	**7.9**	**10.0**	**10.4**	**6.9**	**5.1**	**Jul-11**
CPI +4%			*2.3*	*6.5*	*7.6*	*8.5*	*7.2*	*6.6*	
Infrastructure	7,015,143,503	7.3	0.7	9.0	9.3	10.8	--	10.3	Jan-19
CPI +4%			*2.3*	*6.5*	*7.6*	*8.5*	*7.2*	*8.0*	
Natural Resources	3,075,889,511	3.2	-2.4	5.7	11.4	9.4	--	5.0	Jan-19
CPI +4%			*2.3*	*6.5*	*7.6*	*8.5*	*7.2*	*8.0*	
Private Equity	**26,025,199,454**	**27.1**	**4.0**	**6.2**	**2.7**	**12.5**	**12.5**	**12.2**	**Jul-97**
Russell 3000 + 300 BPS QTR LAG (Adj.)			*3.4*	*26.8*	*11.0*	*17.1*	*15.8*	*13.9*	
MSCI ACWI+3% (1 quarter lagged)			*-0.3*	*21.0*	*8.6*	*13.3*	*12.5*	*--*	
Cash	**1,554,402,029**	**1.6**	**1.2**	**5.4**	**4.4**	**2.9**	**2.2**	**3.3**	**Dec-89**
ICE BofA 3 Month U.S. T-Bill			*1.0*	*5.0*	*4.2*	*2.6*	*1.9*	*2.9*	
Cash	1,554,402,029	1.6	1.2	5.4	4.4	--	--	3.6	Oct-21

Trailing Net Performance | As of March 31, 2025

	Calendar Year Performance									
	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Total Fund	**5.7**	**6.0**	**-1.5**	**20.0**	**7.7**	**13.6**	**0.5**	**15.4**	**7.1**	**2.0**
OPERF Policy Benchmark	*11.7*	*11.4*	*-8.6*	*15.6*	*12.4*	*14.0*	*1.2*	*15.6*	*9.0*	*1.6*
60% MSCI ACWI / 40% Bloomberg Aggregate	*10.8*	*15.4*	*-16.0*	*10.2*	*13.5*	*19.4*	*-5.5*	*15.4*	*5.9*	*-1.0*
70% MSCI ACWI/30% Barclays Agg	*12.4*	*17.1*	*-16.6*	*12.2*	*14.3*	*21.2*	*-6.5*	*17.5*	*6.4*	*-1.3*
InvMetrics All DB > $5B Median	*8.8*	*10.8*	*-10.3*	*15.6*	*12.3*	*17.1*	*-2.8*	*16.0*	*7.7*	*0.3*
InvMetrics All DB > $5B Rank	*88*	*99*	*1*	*8*	*94*	*92*	*9*	*63*	*82*	*12*
Total Fixed Income	**2.7**	**7.0**	**-11.3**	**-0.9**	**7.7**	**8.8**	**0.3**	**3.7**	**2.8**	**0.6**
Oregon Custom FI Benchmark	*1.3*	*5.5*	*-13.0*	*-0.9*	*7.3*	*8.3*	*0.3*	*3.3*	*2.5*	*0.2*
Core Fixed Income	**1.6**	**6.7**	**-13.9**	**-1.1**	**8.7**	**9.8**	**-0.2**	**4.6**	**3.4**	**0.6**
Oregon Custom External FI BM	*1.3*	*5.5*	*-13.0*	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.7*	*0.6*
Blackrock	1.8	6.2	-13.2	-1.4	9.1	8.9	0.1	3.8	2.8	0.9
Oregon Custom External FI BM	*1.3*	*5.5*	*-13.0*	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.7*	*0.6*
Wellington	2.5	6.7	-14.3	-0.9	9.6	9.8	-0.4	4.6	4.0	0.8
Oregon Custom External FI BM	*1.3*	*5.5*	*-13.0*	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.7*	*0.6*
Western Asset	0.6	6.9	-14.9	-1.2	9.4	11.6	-0.7	5.6	3.7	0.4
Oregon Custom External FI BM	*1.3*	*5.5*	*-13.0*	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.7*	*0.6*
U.S. Government	**0.8**	**4.1**	**-12.5**	**-2.3**	**8.1**	**6.9**	**0.9**	**2.3**	**-1.6**	**0.9**
Government Blended Index	*0.6*	*4.1*	*-12.5*	*-2.3*	*8.0*	*6.9*	*0.9*	*2.3*	*-1.3*	*0.7*
Government Portfolio	0.8	4.1	-12.5	-2.3	8.1	6.9	0.9	--	--	--
Government Blended Index	*0.6*	*4.1*	*-12.5*	*-2.3*	*8.0*	*6.9*	*0.9*	*2.3*	*-1.3*	*0.7*
Non-Core Fixed Income	**9.8**	**14.7**	**0.3**	**6.4**	**3.7**	**10.5**	**0.1**	**4.9**	**10.1**	**0.2**
Custom Non-Core Fixed Income Index	*8.8*	*13.4*	*-3.3*	*5.3*	*3.9*	*10.1*	*-0.2*	*5.0*	*12.0*	*-1.7*
Oak Hill	10.6	14.8	1.3	5.7	4.9	10.5	0.5	6.3	11.2	0.9
Oak Hill Custom Lev Loan & Bond Index	*8.8*	*13.4*	*-2.2*	*5.2*	*3.6*	*9.5*	*0.0*	*4.6*	*11.2*	*-1.3*
Beach Point	7.7	--	--	--	--	--	--	--	--	--
Beachpoint Custom FI Benchmark	*9.2*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*

Trailing Net Performance | As of March 31, 2025

	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Emerging Markets Debt	**7.6**	**10.5**	**-18.4**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
JPM EMBI Global Diversified	*6.5*	*11.1*	*-17.8*	*-1.8*	*5.3*	*15.0*	*-4.3*	*10.3*	*10.2*	*1.2*
Global Evolution EMD	8.1	11.8	-16.6	--	--	--	--	--	--	--
JPM EMBI Global Diversified	*6.5*	*11.1*	*-17.8*	*-1.8*	*5.3*	*15.0*	*-4.3*	*10.3*	*10.2*	*1.2*
PGIM EMD	7.0	10.5	-17.6	--	--	--	--	--	--	--
JPM EMBI Global Diversified	*6.5*	*11.1*	*-17.8*	*-1.8*	*5.3*	*15.0*	*-4.3*	*10.3*	*10.2*	*1.2*
Structured Credit Products	**6.1**	**7.0**	**-9.3**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
Oregon Structured Credit Products FI BM	*5.2*	*7.3*	*-9.0*	*--*	*--*	*--*	*--*	*--*	*--*	*--*
Schroders SCP	5.3	8.1	-6.5	--	--	--	--	--	--	--
ICE BofA AA-BBB US Asset Backed Sec Idx	*7.2*	*8.3*	*-7.6*	*1.7*	*4.2*	*5.2*	*3.0*	*4.2*	*3.4*	*2.0*
Guggenheim SCP	7.3	9.2	-5.9	--	--	--	--	--	--	--
ICE BofA AA-BBB US Asset Backed Sec Idx	*7.2*	*8.3*	*-7.6*	*1.7*	*4.2*	*5.2*	*3.0*	*4.2*	*3.4*	*2.0*
Investment Grade Credit	**2.4**	**10.6**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
Bloomberg US Credit	*2.0*	*8.2*	*-15.3*	*-1.1*	*9.4*	*13.8*	*-2.1*	*6.2*	*5.6*	*-0.8*
Fidelity	2.4	10.6	--	--	--	--	--	--	--	--
Bloomberg US Credit	*2.0*	*8.2*	*-15.3*	*-1.1*	*9.4*	*13.8*	*-2.1*	*6.2*	*5.6*	*-0.8*
Total Public Equity	**17.4**	**19.8**	**-14.3**	**20.0**	**12.7**	**25.3**	**-10.5**	**24.5**	**9.8**	**-1.7**
MSCI ACWI IMI Net (Daily)	*16.4*	*21.6*	*-18.4*	*18.2*	*16.3*	*26.4*	*-10.1*	*24.0*	*8.3*	*-2.1*
U.S. Equity	**22.8**	**20.4**	**-16.0**	**27.2**	**13.6**	**29.0**	**-7.9**	**20.3**	**14.9**	**-0.8**
Russell 3000 Index	*23.8*	*26.0*	*-19.2*	*25.7*	*20.9*	*31.0*	*-5.2*	*21.1*	*12.7*	*0.5*
Small Cap Growth	**26.2**	**3.6**	**-23.9**	**19.6**	**38.9**	**33.9**	**-4.7**	**26.8**	**6.3**	**-5.0**
Russell 2000 Growth Index	*15.2*	*18.7*	*-26.4*	*2.8*	*34.6*	*28.5*	*-9.3*	*22.2*	*11.3*	*-1.4*
IMC MicroCap Growth	26.2	3.6	-23.9	19.6	38.9	33.9	-4.7	26.8	6.3	-5.7
Russell Microcap Growth Index (Daily)	*21.9*	*9.1*	*-29.8*	*0.9*	*40.1*	*23.3*	*-14.2*	*16.7*	*6.9*	*-3.9*

Trailing Net Performance | As of March 31, 2025

	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Market Oriented (CORE)	**22.9**	**21.2**	**-16.3**	**26.6**	**15.2**	**30.1**	**-7.1**	**22.0**	**14.8**	**-1.7**
Russell 3000 Index	*23.8*	*26.0*	*-19.2*	*25.7*	*20.9*	*31.0*	*-5.2*	*21.1*	*12.7*	*0.5*
Russell 2000 Synthetic - OST managed	8.8	16.2	-16.2	27.1	11.8	23.4	-11.3	14.5	23.4	-3.6
S&P 600 Custom	*8.7*	*16.1*	*-16.1*	*26.8*	*11.3*	*22.8*	*-11.0*	*14.7*	*21.3*	*-4.4*
S&P 500 - OST managed	25.0	26.3	-18.2	28.7	18.4	31.7	-4.4	21.8	12.0	1.5
S&P 500 Index (Daily)	*25.0*	*26.3*	*-18.1*	*28.7*	*18.4*	*31.5*	*-4.4*	*21.8*	*12.0*	*1.4*
S&P 400 - OST managed	13.9	16.5	-13.0	24.6	13.5	26.6	-10.9	16.7	21.1	-2.0
S&P 400 Midcap Index (Daily)	*13.9*	*16.4*	*-13.1*	*24.8*	*13.7*	*26.2*	*-11.1*	*16.3*	*20.7*	*-2.2*
BR Russell 3000	23.8	--	--	--	--	--	--	--	--	--
Russell 3000 Index	*23.8*	*26.0*	*-19.2*	*25.7*	*20.9*	*31.0*	*-5.2*	*21.1*	*12.7*	*0.5*
DFA All Cap Core	23.1	--	--	--	--	--	--	--	--	--
Russell 3000 Index	*23.8*	*26.0*	*-19.2*	*25.7*	*20.9*	*31.0*	*-5.2*	*21.1*	*12.7*	*0.5*
Non-U.S. Equity	**8.4**	**19.5**	**-14.3**	**12.7**	**13.5**	**22.6**	**-14.9**	**30.4**	**4.6**	**-2.6**
Oregon MSCI ACWI Ex US IMI (Net)	*5.2*	*15.6*	*-16.6*	*8.5*	*11.1*	*21.6*	*-14.8*	*27.8*	*4.4*	*-4.6*
Total International Overlay Accounts										
PERS-Adrian Lee Active Currency										
PERS-P/E Global Active Currency										
International Market Oriented (Core)	**12.0**	**17.5**	**-13.5**	**13.1**	**12.5**	**23.2**	**-14.3**	**31.0**	**2.5**	**-1.2**
MSCI World ex U.S. IMI Index (Net)	*4.4*	*17.2*	*-15.3*	*12.4*	*8.3*	*22.9*	*-14.7*	*25.2*	*3.0*	*-2.0*
Arrowstreet Capital	17.4	21.7	-5.5	24.5	9.1	23.2	-10.3	35.4	4.7	0.4
Oregon MSCI ACWI Ex US IMI (Net)	*5.2*	*15.6*	*-16.6*	*8.5*	*11.1*	*21.6*	*-14.8*	*27.8*	*4.4*	*-4.6*
Lazard International CEF	9.7	10.5	-25.7	4.5	30.2	29.0	-17.2	39.8	0.1	-0.2
Oregon MSCI ACWI Ex US (Net)	*5.5*	*15.6*	*-16.0*	*7.8*	*10.7*	*21.5*	*-14.2*	*27.2*	*4.5*	*-5.5*
OST Int'l Risk Premia	10.2	19.8	-11.5	15.6	7.7	22.8	-12.0	--	--	--
MSCI World x US Custom Div Multiple-Factor	*10.0*	*19.3*	*-11.8*	*15.0*	*7.3*	*22.4*	*-12.3*	*--*	*--*	*--*
MSCI World ex USA Net Index	*4.7*	*17.9*	*-14.3*	*12.6*	*7.6*	*22.5*	*-14.1*	*24.2*	*2.8*	*-3.0*

Trailing Net Performance | As of March 31, 2025

	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
International Value	**10.7**	**23.2**	**-10.9**	**18.0**	**4.9**	**17.8**	**-12.4**	**25.7**	**9.8**	**-4.5**
Oregon MSCI ACWI Ex US Value IMI (Net)	*5.7*	*17.3*	*-9.3*	*11.0*	*-0.1*	*16.3*	*-14.6*	*23.6*	*8.8*	*-8.9*
Acadian Asset Management	15.0	16.5	-13.9	21.7	11.5	19.4	-15.4	35.1	11.8	-7.2
Oregon MSCI ACWI Ex US Value IMI (Net)	*5.7*	*17.3*	*-9.3*	*11.0*	*-0.1*	*16.3*	*-14.6*	*23.6*	*8.8*	*-8.9*
Brandes Investment Partners	3.4	32.3	-7.4	14.1	-1.3	16.4	-9.4	16.3	7.9	-1.6
Oregon MSCI ACWI Ex US Value (Net)	*6.0*	*17.3*	*-8.6*	*10.5*	*-0.8*	*15.7*	*-14.0*	*22.7*	*8.9*	*-10.1*
International Growth	**-0.9**	**19.2**	**-21.0**	**12.4**	**19.9**	**28.1**	**-6.4**	**27.5**	**1.3**	**1.9**
Oregon MSCI WORLD Ex US (Net)	*4.7*	*17.9*	*-14.3*	*12.6*	*7.6*	*22.5*	*-14.1*	*24.2*	*2.8*	*-3.0*
Walter Scott Management	-0.9	19.2	-21.0	12.4	19.9	28.0	-6.3	27.5	6.4	1.2
Oregon MSCI WORLD Ex US (Net)	*4.7*	*17.9*	*-14.3*	*12.6*	*7.6*	*22.5*	*-14.1*	*24.2*	*2.8*	*-3.0*
International Small Cap	**0.3**	**19.8**	**-15.0**	**18.1**	**9.3**	**24.1**	**-24.3**	**30.2**	**4.9**	**6.1**
MSCI World ex U.S. Small Value (Net)	*3.0*	*14.7*	*-14.0*	*13.3*	*2.6*	*22.8*	*-18.4*	*27.9*	*7.9*	*1.1*
Harris Associates	-2.2	20.7	-13.8	20.1	5.0	33.4	-24.1	27.2	7.1	1.0
MSCI AC World ex USA Small Value (Net)	*3.6*	*17.2*	*-13.6*	*14.2*	*4.7*	*20.3*	*-18.2*	*29.7*	*8.2*	*-1.3*
IMC International Micro Cap	3.7	17.5	-25.2	17.8	38.4	20.3	-33.6	45.3	2.2	23.5
Oregon FTSE Global Ex US Micro Cap	*3.9*	*14.5*	*-21.1*	*18.0*	*27.9*	*16.6*	*-20.0*	*31.4*	*6.0*	*2.9*
Emerging Markets	**5.7**	**24.3**	**-16.9**	**4.3**	**23.5**	**22.1**	**-17.4**	**35.7**	**10.3**	**-14.5**
ORE MSCI Emerging Markets IMI (Net)	*7.1*	*11.7*	*-19.8*	*-0.3*	*18.4*	*17.6*	*-15.0*	*37.0*	*9.9*	*-13.9*
Arrowstreet Emerging Markets	9.8	21.3	-10.5	9.6	32.1	23.7	-19.5	35.4	11.2	-15.8
ORE MSCI Emerging Markets IMI (Net)	*7.1*	*11.7*	*-19.8*	*-0.3*	*18.4*	*17.6*	*-15.0*	*37.0*	*9.9*	*-13.9*
Westwood Global Investment	-8.3	22.8	-4.1	3.6	10.1	9.8	-9.3	29.5	19.0	-16.1
MSCI Emerging Markets IMI (Net)	*7.1*	*11.7*	*-19.8*	*-0.3*	*18.4*	*17.7*	*-15.0*	*36.8*	*9.9*	*-13.9*
William Blair and Company	11.8	10.7	-33.3	4.4	41.4	29.1	-21.6	50.2	1.9	-14.1
MSCI Emerging Markets Growth (Net)	*10.3*	*5.8*	*-24.0*	*-8.4*	*31.3*	*25.1*	*-18.3*	*46.8*	*7.6*	*-11.3*

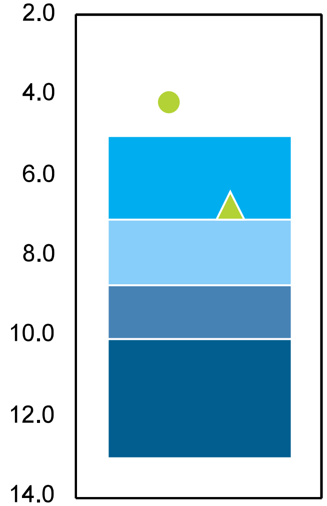
Trailing Net Performance | As of March 31, 2025

	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Global Equity	**17.3**	**19.3**	**-9.8**	**15.5**	**7.4**	**21.6**	**-7.9**	**22.3**	**9.4**	**-3.3**
MSCI ACWI IMI Net (Daily)	*16.4*	*21.6*	*-18.4*	*18.2*	*16.3*	*26.4*	*-10.1*	*24.0*	*8.3*	*-2.1*
Cantillion	16.1	--	--	--	--	--	--	--	--	--
MSCI ACWI IMI Net (Daily)	*16.4*	*21.6*	*-18.4*	*18.2*	*16.3*	*26.4*	*-10.1*	*24.0*	*8.3*	*-2.1*
GQG Global Equity	22.7	--	--	--	--	--	--	--	--	--
Oregon MSCI ACWI Ex US (Net)	*5.5*	*15.6*	*-16.0*	*7.8*	*10.7*	*21.5*	*-14.2*	*27.2*	*4.5*	*-5.5*
Global Equity Low Volatility	**16.6**	**17.2**	**-9.2**	**15.2**	**7.9**	**21.7**	**-5.5**	**22.5**	**--**	**--**
MSCI AC World (Daily Const)	*17.5*	*22.2*	*-18.4*	*18.5*	*16.3*	*26.6*	*-9.4*	*24.0*	*7.9*	*-2.4*
LACM Global Equity Low Volatility	14.6	15.8	-14.9	15.4	15.0	23.1	-6.6	22.7	--	--
MSCI AC World (Daily Const)	*17.5*	*22.2*	*-18.4*	*18.5*	*16.3*	*26.6*	*-9.4*	*24.0*	*7.9*	*-2.4*
Arrowstreet Global Low Volatility	18.6	20.0	-2.7	15.1	12.6	22.3	-2.7	--	--	--
MSCI ACWI IMI Net (Daily)	*16.4*	*21.6*	*-18.4*	*18.2*	*16.3*	*26.4*	*-10.1*	*24.0*	*8.3*	*-2.1*
Other Equity										
Transitional & Closed Accounts										
Transition & Closed Accounts II - International Equity										
Total Real Estate	**-4.0**	**-10.2**	**20.0**	**19.0**	**2.7**	**7.2**	**8.0**	**10.0**	**7.9**	**9.9**
NCREIF ODCE (Custom) (Adj.)	*-8.0*	*-12.9*	*21.0*	*13.6*	*0.6*	*4.7*	*7.7*	*6.7*	*8.9*	*13.5*
Real Estate excluding REITS	**-4.3**	**-10.7**	**21.6**	**18.6**	**3.0**	**7.3**	**8.9**	**11.2**	**10.0**	**12.7**
NCREIF ODCE (Custom) (Adj.)	*-8.0*	*-12.9*	*21.0*	*13.6*	*0.6*	*4.7*	*7.7*	*6.7*	*8.9*	*13.5*
Total REITS	**11.3**	**14.4**	**-16.4**	**28.2**	**-0.9**	**7.2**	**-2.0**	**9.8**	**1.1**	**2.0**
ABKB - LaSalle Advisors	11.1	15.6	-18.6	36.2	3.0	29.9	3.2	7.4	5.4	2.9
FTSE NAREIT All Equity REITs	*4.9*	*11.4*	*-24.9*	*41.3*	*-5.1*	*28.7*	*-4.0*	*8.7*	*8.6*	*2.8*
Opportunity Portfolio	**11.2**	**13.9**	**1.3**	**22.7**	**10.2**	**6.2**	**5.8**	**10.5**	**6.1**	**2.1**
Opportunity Custom Benchmark	*11.7*	*10.1*	*11.7*	*12.4*	*6.4*	*7.4*	*7.0*	*7.2*	*7.2*	*5.8*
OPERF Policy Benchmark	*11.7*	*11.4*	*-8.6*	*15.6*	*12.4*	*14.0*	*1.2*	*15.6*	*9.0*	*1.6*
Portfolio Holdings - Opportunity	17.2	37.8	-15.5	--	--	--	--	--	--	--

Trailing Net Performance | As of March 31, 2025

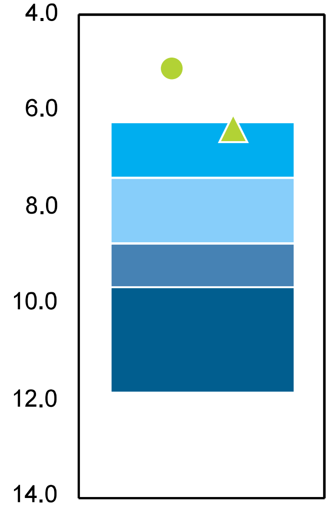
	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Alternative Portfolio	**9.3**	**5.3**	**19.1**	**14.8**	**-6.6**	**-1.3**	**-2.4**	**8.3**	**6.6**	**-4.3**
CPI +4%	*7.0*	*7.5*	*10.4*	*11.3*	*5.4*	*6.4*	*6.0*	*6.2*	*6.2*	*4.8*
Diversifying Strategies	**7.6**	**0.8**	**21.4**	**8.7**	**-12.1**	**-1.0**	**-11.5**	**8.0**	**0.5**	**6.4**
HFRI FOF Conservative Index	*6.4*	*5.5*	*0.1*	*7.6*	*6.5*	*6.3*	*-0.9*	*4.1*	*1.9*	*0.4*
Diversifiying Strategies	7.6	0.8	21.4	8.7	-12.1	-1.0	-11.5	8.0	--	--
HFRI FOF Conservative Index	*6.4*	*5.5*	*0.1*	*7.6*	*6.5*	*6.3*	*-0.9*	*4.1*	*1.9*	*0.4*
Real Assets	**10.1**	**7.8**	**18.2**	**19.0**	**-2.0**	**-1.6**	**4.9**	**8.4**	**9.0**	**-7.9**
CPI +4%	*7.0*	*7.5*	*10.4*	*11.3*	*5.4*	*6.4*	*6.0*	*6.2*	*6.2*	*4.8*
Infrastructure	10.7	8.6	13.9	16.6	5.6	8.9	--	--	--	--
CPI +4%	*7.0*	*7.5*	*10.4*	*11.3*	*5.4*	*6.4*	*6.0*	*6.2*	*6.2*	*4.8*
Natural Resources	8.8	5.9	27.7	23.9	-12.8	-12.5	--	--	--	--
CPI +4%	*7.0*	*7.5*	*10.4*	*11.3*	*5.4*	*6.4*	*6.0*	*6.2*	*6.2*	*4.8*
Private Equity	**4.1**	**6.4**	**1.2**	**41.8**	**12.7**	**11.1**	**18.1**	**17.3**	**6.3**	**7.3**
Russell 3000 + 300 BPS QTR LAG (Adj.)	*38.4*	*24.0*	*-15.1*	*35.7*	*18.4*	*6.0*	*21.1*	*22.2*	*18.4*	*2.5*
MSCI ACWI+3% (1 quarter lagged)	*35.6*	*24.4*	*-18.2*	*31.2*	*13.7*	*4.4*	*13.0*	*22.2*	*15.3*	*-3.8*
Cash	**5.6**	**5.5**	**0.5**	**0.1**	**1.6**	**3.3**	**2.0**	**1.3**	**1.2**	**0.5**
ICE BofA 3 Month U.S. T-Bill	*5.3*	*5.0*	*1.5*	*0.0*	*0.7*	*2.3*	*1.9*	*0.9*	*0.3*	*0.1*
PERS-Russell Overlay Cash Balance										

Annualized Standard Deivation
3 Years Ending March 31, 2025



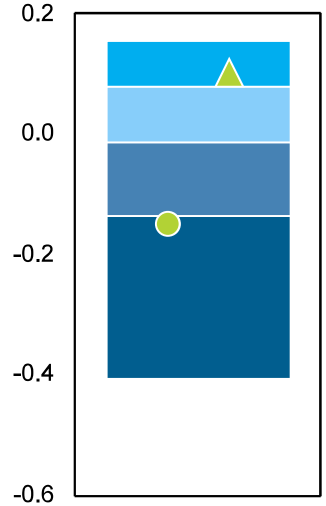
Total Fund	4.2 (1)
OPERF Policy Benchmark	6.7 (15)
5th Percentile	5.0
1st Quartile	7.1
Median	8.7
3rd Quartile	10.1
95th Percentile	13.1
Population	43

Annualized Standard Deviation
5 Years Ending March 31, 2025



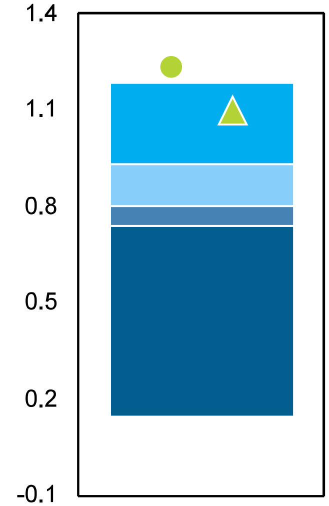
Total Fund	5.1 (1)
OPERF Policy Benchmark	6.4 (5)
5th Percentile	6.2
1st Quartile	7.4
Median	8.7
3rd Quartile	9.7
95th Percentile	11.9
Population	39

Sharpe Ratio
3 Years Ending March 31, 2025



Total Fund	-0.1 (86)
OPERF Policy Benchmark	0.1 (20)
5th Percentile	0.2
1st Quartile	0.1
Median	0.0
3rd Quartile	-0.1
95th Percentile	-0.4
Population	43

Sharpe Ratio
5 Years Ending March 31, 2025



Total Fund	1.2 (3)
OPERF Policy Benchmark	1.1 (8)
5th Percentile	1.2
1st Quartile	0.9
Median	0.8
3rd Quartile	0.7
95th Percentile	0.1
Population	39

Parentheses contain percentile rankings.

Benchmark History

OPERF Policy Benchmark		
4/1/2023	Present	20% Russell 3000+300 Bps quarter lag, 25% BBG US Agg, 12.50% NCREIF ODCE (Custom), 27.5% MSCI ACWI IMI Net, 7.50% CPI+4% and 7.50% HFRI FOF Conserv Indx.
10/1/2021	3/31/2023	20% Russell 3000+300 Bps quarter lag, 20% BBG US Agg, 12.50% NCREIF ODCE (Custom), 30% MSCI ACWI IMI Net, 7.50% CPI+4%,7.50% HFRI FOF Conserv Indx and 2.50% S&P Risk Parity - 12% Target Vol.
7/1/2020	3/30/2021	19% Russell 3000+300 Bps quarter lag, 20% Oregon Custom FI Benchmark, 12.5% Oregon Custom Real Estate Benchmark, 33.5% MSCI ACWI IMI Net, 12.50% CPI+4% and 2.50% S&P Risk Parity - 12% Target Vol.
1/1/2019	6/30/2020	19% Russell 3000+300 Bps quarter lag, 21% Oregon Custom FI Benchmark, 12.5% Oregon Custom Real Estate Benchmark, 37.5% MSCI ACWI IMI Net and 10% CPI+4%
4/1/2018	12/31/2018	19% Russell 3000+300 Bps quarter lag, 22% Oregon Custom FI Benchmark, 12.5% Oregon Custom Real Estate Benchmark, 39% MSCI ACWI IMI Net and 7.5% CPI+4%
7/1/2016	3/31/2018	20% Russell 3000+300 Bps quarter lag, 22.5% Oregon Custom FI Benchmark, 12.5% Oregon Custom Real Estate Benchmark, 40% MSCI ACWI IMI Net and 5% CPI+4%
4/1/2016	6/30/2016	20% Russell 3000+300 Bps quarter lag, 23.5% Oregon Custom FI Benchmark, 12.5% Oregon Custom Real Estate Benchmark, 41.5% MSCI AC World Index and 2.5% CPI+4%
10/1/2013	3/31/2016	20% Russell 3000+300 Bps quarter lag, 23.5% Oregon Custom FI Benchmark, 12.5% NCREIF Property Index quarter lag, 41.5% MSCI AC World Index and 2.5% CPI+4%
5/1/2008	3/30/2023	16% Russell 3000+300 Bps quarter lag, 27% Oregon Custom FI Benchmark, 11% NCREIF Property Index quarter lag and 46% MSCI AC World Index
11/1/2007	4/30/2008	25% MSCI AC World Index ex USA, 12% Russell 3000+300 Bps quarter lag, 27% Oregon Custom FI Benchmark, 28% Russell 3000 and 8% NCREIF Property Index quarter lag
7/1/2007	10/31/2007	20% MSCI AC World Index ex USA, 12% Russell 3000+300 Bps quarter lag, 27% Oregon Custom FI Benchmark, 33% Russell 3000 and 8% NCREIF Property Index quarter lag
5/1/2005	6/30/2007	20% MSCI AC World Index ex USA, 10% Russell 3000+300 Bps quarter lag, 27% Oregon Custom FI Benchmark, 35% Russell 3000 and 8% NCREIF Property Index quarter lag
S&P 600 Custom		
1/1/2019	Present	S&P SM 600 Index
3/1/2010	12/31/2016	Russell 2000 Index

Oregon MSCI ACWI Ex US IMI (Net)		
6/1/2008	Present	MSCI ACWI ex US IMI (Net)
1/1/1999	6/1/2008	MSCI ACWI ex US (Net)
Oregon MSCI ACWI Ex US (Net)		
6/1/2010	Present	MSCI ACWI ex US (Net)
1/1/1970	6/1/2010	MSCI World ex US (Net)
Oregon MSCI WORLD Ex US (Net)		
6/1/2008	Present	MSCI World ex US (Net)
1/1/1970	6/1/2008	MSCI World ex US (Gross)
ORE MSCI Emerging Markets IMI (Net)		
6/1/2008	Present	MSCI Emerging Markets IMI
1/1/1988	6/1/2008	MSCI Emerging Markets Free
MSCI Emerging Markets Growth (Net)		
1/1/2018	Present	Emerging Markets Growth Net
6/1/2008	12/31/2017	MSCI Emerging Markets
1/1/1988	6/1/2008	MSCI Emerging Markets Free
Oregon Custom FI Benchmark		
10/1/2021	Present	Bloomberg US Aggregate
3/1/2016	3/30/2021	46% BBG Aggregate Bond, 37% BBG Treasury, 4% BofAML High Yield Master II, and 13% S&P/LSTA
1/1/2014	2/29/2016	Oregon Custom FI Benchmark (40% Barclays Capital U.S. Aggregate Bond, 40% Barclays Capital U.S. 1-3 Govt/Credit Bond Index, 15% S&P/LSTA Leveraged Loan Index, and 5% BofA ML High Yield Master II Index)
3/1/2011	12/31/2013	Oregon Custom FI Benchmark (60% BC US Universal Index, 20% S&P/LSTA Leveraged Loan Index, 10% JPM EMBI Global Index, and 10% BofA ML High Yield Master II Index)
Inception	2/28/2011	Oregon Custom FI 90/10 Benchmark (90% BC US Universal Index and 10% SSBI Non-US World Gov't Bond Hedged Index)
Oregon Custom External FI BM		
1/1/2014	Present	Oregon Custom External FI Benchmark (100% BBG U.S. Aggregate Bond)
3/1/2011	12/31/2013	Oregon Custom External FI Benchmark (90% BC US Universal Index and 10% JPM EMBI Global Index)
Inception	2/28/2011	Oregon Custom External FI 90/10 Benchmark (90% BC US Universal and 10% SSBI Non-US World Gov't Bond Hedged Index)

Government Blended Index		
3/1/2016	Present	BBG Treasury
Inception	2/29/2016	Barclays 1-3 Year US Govt/Credit
Custom Non-Core Fixed Income Index		
7/1/2009	Present	50% custom blend of Morningstar LSTA US Leveraged (65%) and ICE BofA US High Yield (35%), and 50% custom blend of Morningstar LSTA US Leveraged (85%) and ICE BofA US High Yield (15%)
8/1/2008	6/30/2009	Morningstar LSTA US Leveraged (65%) and ICE BofA US High Yield (35%)
Oak Hill Custom Lev Loan & Bond Index		
7/1/2009	Present	85% S&P-LSTA/15% Merrill HY Master II
Beachpoint Custom FI Benchmark		
3/1/2024	Present	Bloomberg U.S. Corporate High Yield
Inception	2/29/2024	50% Bloomberg U.S. Corp High Yield and 50% Morningstar LSTA Leveraged Loan
Oregon Structured Credit Products FI BM		
1/1/2021	Present	66.67% ICE BofA AA-BBB US Asset Backed index and 33.33% Bloomberg US Mortgage Backed Securities
NCREIF ODCE (Custom) (Adj.)		
4/1/2016	Present	NFI-ODCE QTR LAG Net of Fees
1/1/1990	3/31/2016	NCREIF Property Index QTR Lag
Russell 3000 + 300 BPS QTR LAG (Adj.)		
5/1/2005	6/30/2017	R3000+300 bps, Qtr Lag.
1/1/1979	5/1/2005	R3000+500 bps, Qtr Lag
Opportunity Custom Benchmark		
4/1/2023	Present	OPERF Policy benchmark
9/1/2006	3/31/2023	CPI + 5%

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Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security).

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Jensen's Alpha: A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk. Portfolio Return- [Risk Free Rate+Beta*(market return-Risk Free Rate)].

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about is future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Tracking Error: A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a "basis book." For example, a 5% bond pays $5 a year interest on each $100 par value. To figure its current yield, divide $5 by $95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay $100 for the bond that can be bought now for $95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{\text{5\% (discount)}}{\text{5 (yrs. to maturity)}} = \begin{matrix}\text{1\% pro rata, plus} \\ \text{5.26\% (current yield)}\end{matrix} = \text{6.26\% (yield to maturity)}$$

Yield to Worst: The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

NCREIF Property Index (NPI): Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE): Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

Sources: Investment Terminology, International Foundation of Employee Benefit Plans, 1999.
The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.

OREGON
STATE
TREASURY

Elizabeth Steiner, MD
Oregon State Treasurer

George Naughton
Deputy State Treasurer

To: **The Oregon Investment Council**

From: **Karl Cheng, Senior Investment Officer, Portfolio Risk & Research**

Re: **First Quarter 2025 Risk Report for the Oregon Public Employees Retirement Fund**

Executive Summary

This memo summarizes OPERF's predicted volatility, as estimated by Aladdin, Treasury's end-to-end investment analytics platform built by BlackRock. As of March 31, 2025, OPERF's estimated return volatility is 12.9%, higher than that of the OIC-approved target allocation presented by Meketa Investment Group ("Meketa") at the December 2022 meeting. This elevated volatility is primarily driven by the overallocations to private market asset classes relative to the OIC-approved targets.

The predicted active risks for the Public Equity and Fixed Income Portfolios remain within the respective OIC-approved guideline limits.

OPERF Asset Allocation

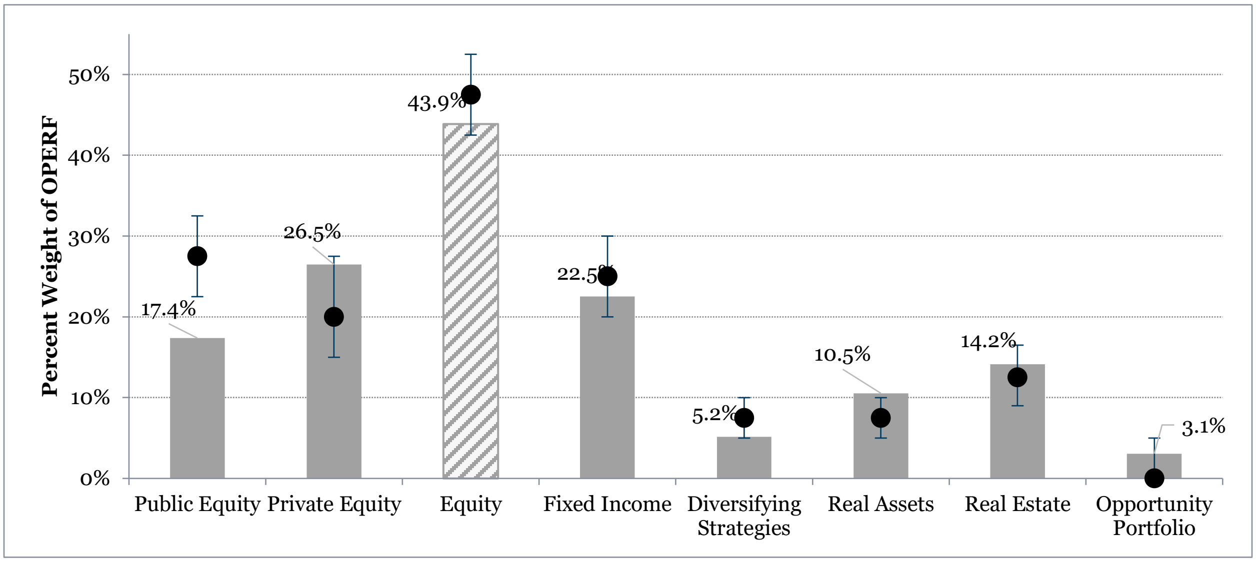
One of the Council's Investment Beliefs is "*Asset Allocation Drives Risk and Return*". The table below shows OPERF's target allocations approved by the Council at the December 2022 meeting.

Table 1. OPERF Target Asset Allocation

Asset Class	**Target Allocation (%)**	**Rebalancing Range (%)**
Public Equity	27.5	22.5 – 32.5
Private Equity	20.0	15.0 – 27.5
Equity	*47.5*	*42.5 – 52.5*
Fixed Income	25.0	20.0 – 30.0
Real Estate	12.5	9.0 – 16.5
Real Assets	7.5	5.0 – 10.0
Diversifying Strategies	7.5	5.0 – 10.0
Total Fund	**100.0**	

Including the synthetic overlays exposures managed by Russell Investments, Figure 1 shows OPERF's current allocation. OPERF Private Markets Allocation – including Private Equity, Real Asset, Real Estate, and Opportunity Portfolios – is 55.0%, about where it was as of December 31, 2023.

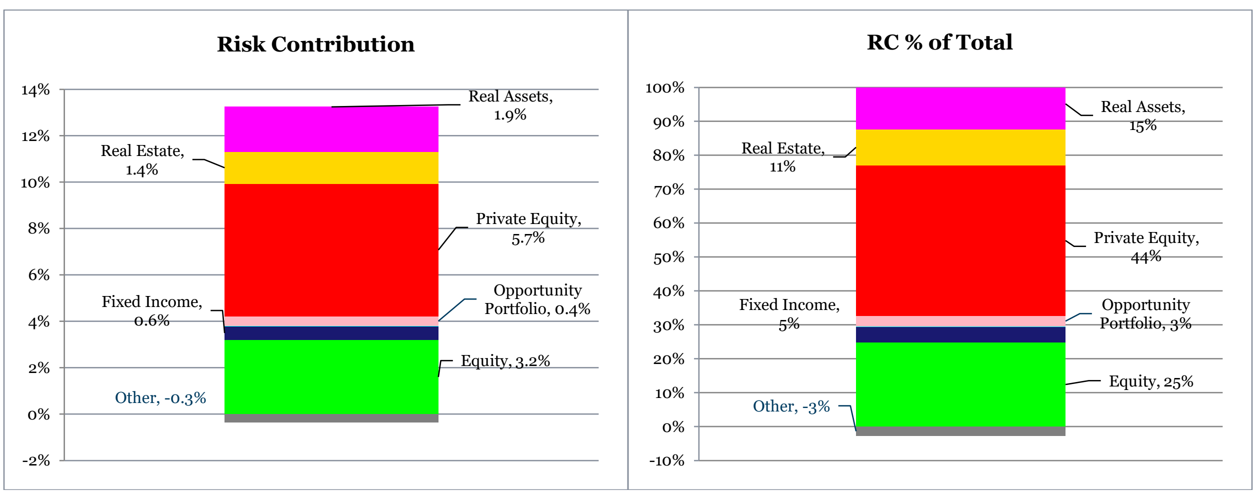
Figure 1. OPERF Actual Allocation versus Target



As of March 2025, OPERF held approximately \$2.5 billion in "Other", which includes \$921 million for collateral and margin purposes in the two synthetic programs (see "OPERF Predicted Risk" below) and \$1.6 billion in Cash, held in the Oregon Short Term Fund. Staff targets to hold approximately 1.5% to 2.0% of OPERF in Cash to meet near-term pension payments and ad hoc capital calls from private market investments.

OPERF Predicted Risk

Figure 2. OPERF Risk Contribution by Asset Class and Risk Contribution as a percent of total OPERF predicted risk



In Figure 2, the negative risk contribution under "Other" are due to the Synthetic and Currency Overlay Programs, with contributions of -0.2% and -0.1% respectively. OPERF continues to be overallocated to "Equity" (the combined total of Public and Private) and underallocated to Fixed Income in its physical investments. The Synthetic Overlay Program, which uses liquid exchange-traded futures to systematically rebalance OPERF back to target allocations, was long \$4.3 billion of Fixed Income and short \$2.0 billion of Public Equity as of quarter end. This positioning results in a large negative correlation to "Equity". Similarly, the Currency Overlay Program – long U.S. dollar and short foreign currencies – is also negatively correlated to “Equity”.

Another noteworthy point from Figure 2 is that “equity” risk, predicted risk contributions from the Public Equity and Private Equity Portfolios, accounts for an estimated 69% of OPERF’s overall predicted risk, making it the largest risk contributor. This aligns with the OIC’s Investment Belief that “*Over the long-term, equity-oriented investments provide return premiums relative to risk-free investments.*”

The total predicted **standard deviation**, or **volatility**, for OPERF is 12.9% as of March 31, 2025. For context, Meketa, the OIC’s investment consultant, estimated OPERF’s long-term volatility at 11.4% using 2022 Capital Market Assumptions, which are a blend of 10- to 20-year assumptions from staff, Meketa, and Aon Investments, the Council’s secondary investment consultant. Because Aladdin’s model uses a medium-term, five-year lookback period, differences between the estimates are expected. OPERF’s current “excess” volatility relative to the Capital Market Assumptions arises from two sources: elevated estimated market volatilities relative to the long-term assumptions and an overallocation to private market asset classes. Modeling a “what if” portfolio using the Strategic Asset Allocation and the March 2025 risk estimates yields a predicted risk of 11.9%. Roughly speaking, compared to the Capital Market Assumptions, the current market environment added 0.5% (11.9% minus 11.4%) to the estimated risk, while the Fund’s misweights added another 1.0% (12.9% minus 11.9%).

The OIC-approved changes to asset allocation, primarily lowering the allocation to Public Equity and increasing allocations to Real Assets and Diversifying Strategies, have reduced OPERF’s realized volatility. Figure 3 plots OPERF’s rolling 20-quarter realized beta to MSCI ACWI IMI, a global public equity index, as well as that of the “Reference Portfolio”, which is a blend of 67.5% MSCI ACWI IMI & 32.5% Bloomberg U.S. Aggregate Index, a U.S. fixed income index. OPERF’s realized beta has steadily declined over the past 20 years. A significant contributor to this decline is the increasing allocation to illiquid investments, which smooth performance and enhance diversification.

It is worth noting that the 20-quarter beta of the Reference Portfolio increased in the past few years due to increasing correlation between the two component indices.

Figure 3. OPERF's Beta to MSCI ACWI IMI

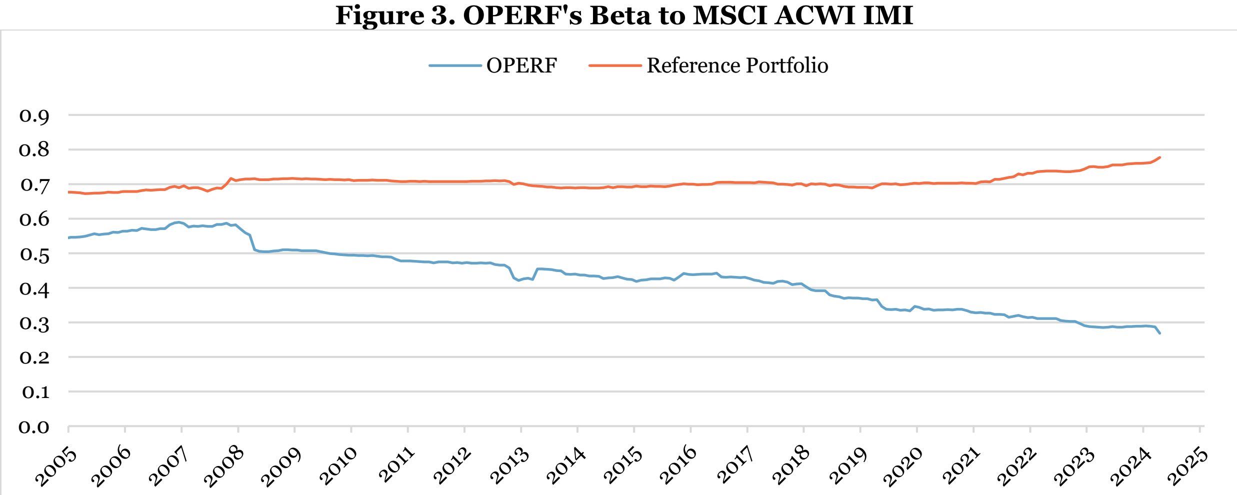
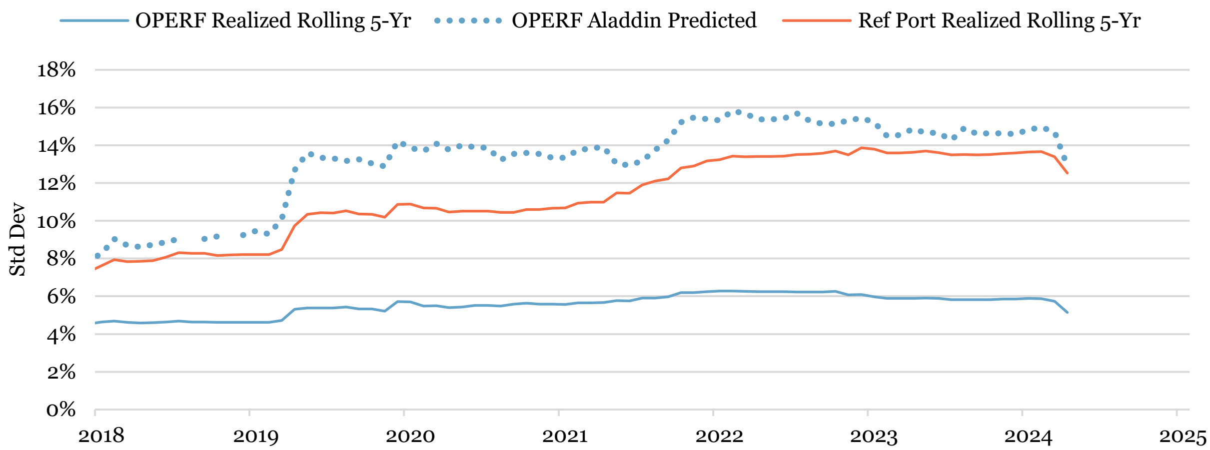


Figure 4 plots OPERF’s predicted volatility from Aladdin over the past six years. Recent estimates are considerably higher than those from five years ago, reflecting both the overweights to private markets and notable changes in the market environment. For comparison, the realized rolling five-year volatility for the Reference Portfolio has also increased over the same period due to the same underlying market environment. However, since the predicted and realized volatilities are based on the trailing five years, the latest estimates are lower than those of the previous quarter due to the volatile returns of Q1 2020 “rolling off” the calculations.

Figure 4. OPERF's Predicted versus Realized Volatility

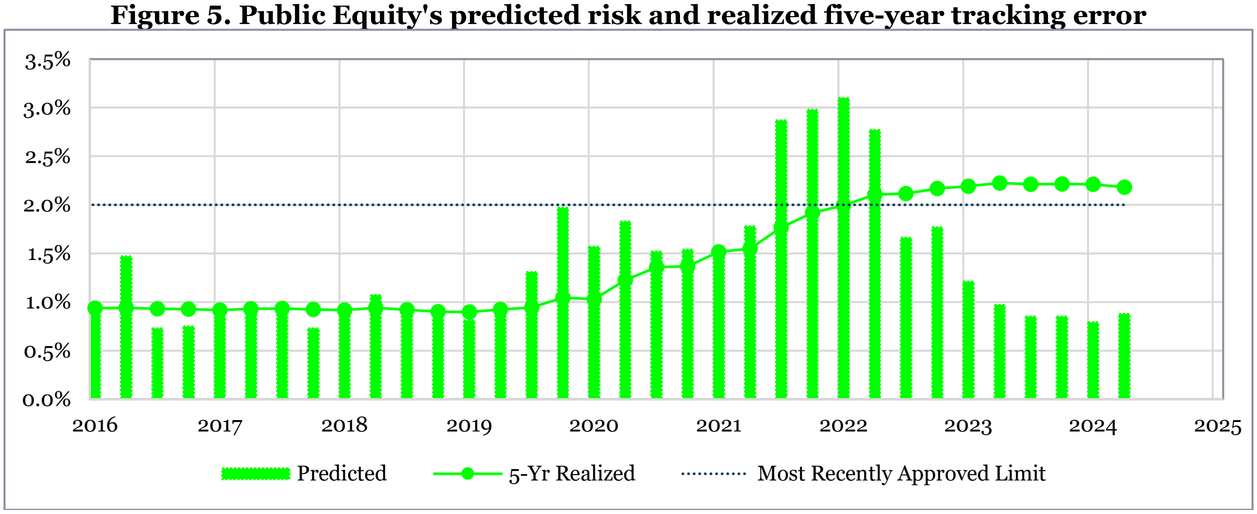


Capital Markets

Public Equity

The Public Equity Portfolio has an OIC-approved **tracking error** range of 0.75% to 2.00%. Based on monthly performance data from State Street, the custodian bank, the five-year *ex post* tracking error for the Portfolio through March, 31 2025 is 2.2%, slightly above the approved range. There have been outsized calendar year active returns of approximately -4%, +2%, +4%, and -2% from 2020 to 2023 principally due to the Portfolio's exposures to Value and Size factors. However, Aladdin estimates an *ex ante* active risk of 0.9%, substantially lower than the peak of 3.1% reached on December 31, 2022. The Public Equity team's rebalancing efforts, coupled with moderated factor correlations, have contributed to the reduced predicted active risk.

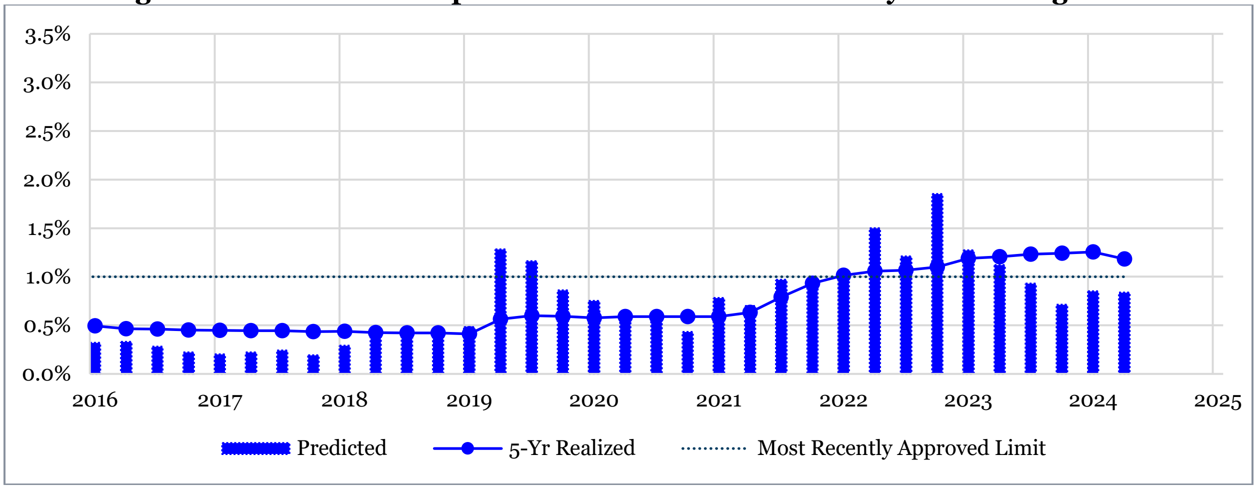
Figure 5. Public Equity's predicted risk and realized five-year tracking error



Fixed Income

The Fixed Income Portfolio, with an OIC-approved **tracking error** of up to 1.0%, has a five-year tracking error of 1.2% through March 31, 2025 based on State Street's monthly data; slightly above the approved range. This is due to the Portfolio's strong active returns of +1.4%, +1.7%, and +1.5% in the past three calendar years driven by the Portfolio's short duration exposure relative to its benchmark. Nonetheless, its predicted active risk is 0.9% is within the approved range.

Figure 6. Fixed Income's predicted risk and realized five-year tracking error



OPERF Cash Flow

Table 2 summarizes the approximate net investment and pension cash flow for Year-to-Date 2025and for the previous five years. YTD net cash flow for the OPERF Private Markets Allocation has improved significantly compared to 2023. Specifically, Table 2 reports a net inflow to OPERF of $1.8 billion from private markets in 2024, compared to a net *outflow* of $2.2 billion in 2023.

Table 2. OPERF Net Cash Flow by Portfolio by Time Period

	Net Cash Flow ($M)					
Asset Class	YTD (2025)	2024	2023	2022	2021	2020
Public Equity	-6	1,177	4,536	3,327	4,047	3,436
Fixed Income	-7	623	-1,384	-1,544	-2,653	3,154
Diversifying Strategies	66	50	-3	-11	381	-621
Other*	-23	-564	961	663	-227	-2,249
Capital Markets	*30*	*1,286*	*4,110*	*2,434*	*1,548*	*3,720*
Private Equity	138	2,157	-542	464	2,503	50
Real Estate	-4	-696	-930	-883	-396	15
Real Assets	-110	351	-804	-706	-572	-509
Opportunity	61	-26	122	-165	-248	86
Private Markets	*84*	*1,786*	*-2,154*	*-1,290*	*1,288*	*-358*
Total Fund	**114**	**3,072**	**1,956**	**1,144**	**2,836**	**3,362**
Net Pension	*-782*	*-206*	*-2,742*	*-2,605*	*-1,243*	*-3,041*

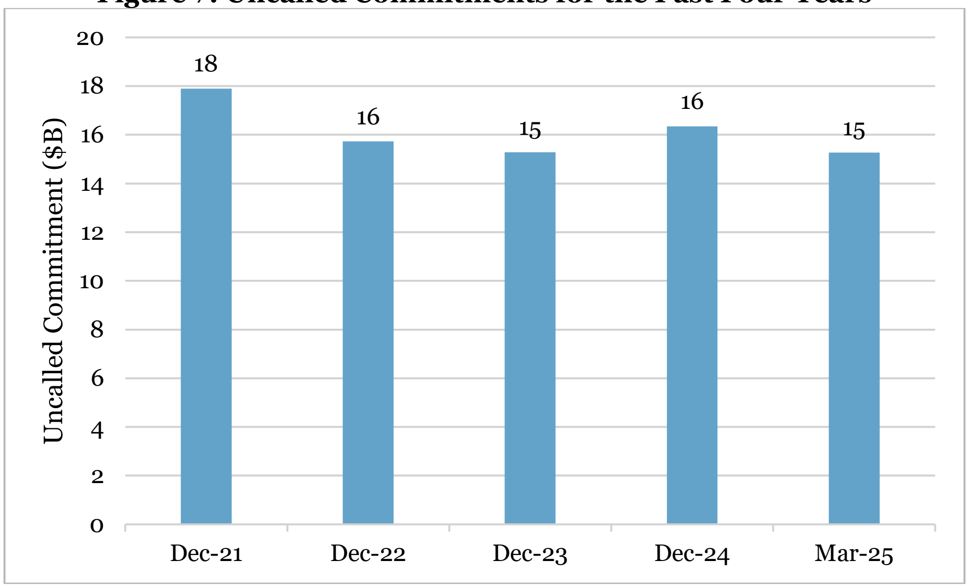
**Includes cash flows from the Synthetic Overlay Program, the Currency Overlay Program, and the terminated OPERF Risk Parity Portfolio.*

Finally, the estimated uncalled commitments for the private market portfolios are tabulated below.

Table 3. OPERF Uncalled Commitments

Asset Class Portfolio	Uncalled Commitment ($B)	Uncalled % of OPERF
Private Equity	$6.8	7.1%
Real Assets	$4.5	4.7%
Real Estate	$2.6	1.4%
Opportunity	$1.4	1.4%
Total	**$15.3**	**15.9%**

Figure 7. Uncalled Commitments for the Past Four Years



TAB 9

INDIVIDUAL ACCOUNT

PROGRAM

May 28, 2025

Individual Account Program (IAP)

Annual Review

Jamie McCreary

Service Model Program Manager

OREGON STATE TREASURY

Agenda

Plan Overview

Oversight, Authority & Administration

The Individual Account Program (IAP) is a Defined Contribution (DC) account-based retirement benefit for members of the Oregon Public Employees Retirement System (PERS)

Individual Account Program (IAP)	
Investment Oversight	OIC and Oregon State Treasury (INV 218)
Administrator	Oregon PERS
Recordkeeper	Voya Financial
Custodian	State Street
Glide Path Manager	AllianceBernstein
Underlying Fund Managers	OST (OPERF) and State Street Global Advisors (SSGA Funds)

Plan Evolution

The Oregon Legislature created IAP in August 2003 as part of a package of PERS reforms. All contributions from Tier One, Tier Two and Oregon Public Service Retirement Plan (OPSRP) members became IAP deposits starting in January 2004.

Passed in 2019, Senate Bill 1049 changed IAP in two ways:

- Redirects a portion of IAP contribution
- Provides members "choice" among the available IAP TDFs, which was implemented by PERS in 2020.

2023 Demographic Refresh Analysis (conducted every 3-5 years)

Conduct glide path review every year. The main three drivers that historically lead to glide path changes are 1) participant demographic changes 2) plan structure changes 3) long-term market projection changes.

2003 | **2017** | **2019** | **2020** | **2023** | **2026**

In 2017, the OIC approved restructuring IAP from investing solely in OPERF to a suite of ten target-date funds (TDFs). Implemented in 2018.

In 2020, implemented glide path changes driven by legislative changes

In 2023, OIC approved an "alternative" glide path which was implemented January 2024. The "alternative" glide path sets maximum OPERF allocation to 75% per target-date fund.

OREGON STATE TREASURY

State of Oregon: Custom Target-Date Funds

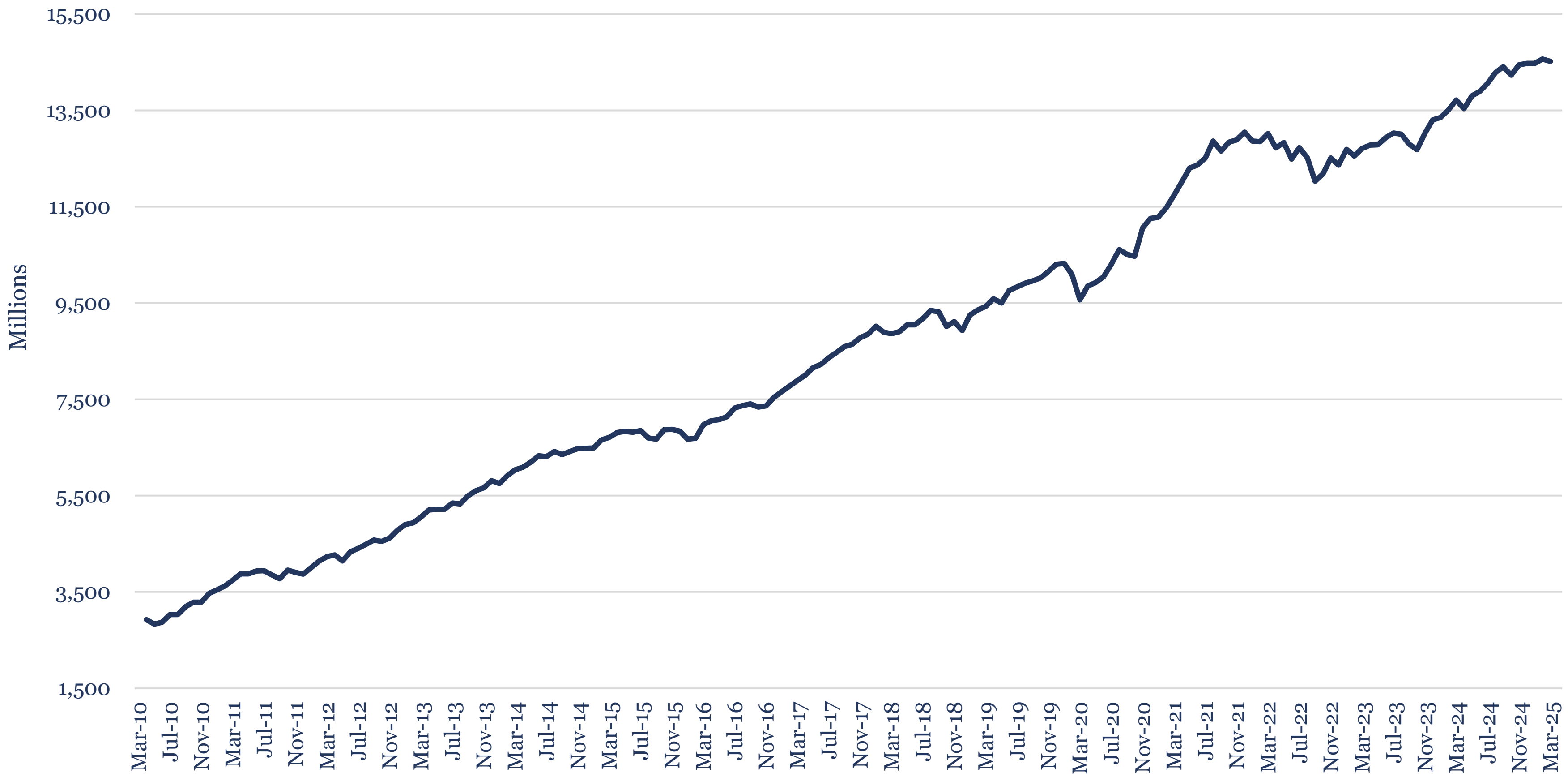
Target-Date Fund	If the Employee was born…	Total Balance ($M) As of 3/31/2025
2070	In 2003 or after	$10
2065	Between 1998 and 2002	$70
2060	Between 1993 and 1997	$233
2055	Between 1988 and 1992	$609
2050	Between 1983 and 1987	$1,283
2045	Between 1978 and 1982	$2,150
2040	Between 1973 and 1977	$2,673
2035	Between 1968 and 1972	$2,776
2030	Between 1963 and 1967	$2,079
Retirement Allocation Fund*	1962 or earlier	$2,634
TOTAL		$14,517

OREGON STATE TREASURY

Source: State Street
*For administrative purposes, there are two retirement funds.

IAP NAV

15 years ending March 31, 2025
($ in Millions)



OREGON STATE TREASURY

Source: State Street

OREGON STATE TREASURY

AllianceBernstein®

State of Oregon Individual Account Program (IAP)

Annual Review

May 28, 2025

Chris Nikolich, Head of Glide Path Strategies (US)—Multi-Asset and Hedge Fund Solutions
Elena Wang, Portfolio Manager—Multi-Asset and Hedge Fund Solutions

Agenda

- IAP Custom Target-Date Fund Design
- Performance Review

IAP Custom Target-Date Fund Design

Key Inputs and Highlights of Target-Date Fund Glide Path Design

Customized Design Tailored to IAP Member Demographics and Plan Structure

Member Demographics

Oregon Public Employees Retirement Fund (OPERF)

Current Capital Market Environment

Glide Path Design

- Designed a customized glide path landing at age 65
- Allocation to OPERF is set by the OIC and incorporated into the design
- OPERF is assessed and non-OPERF allocations are designed accordingly
- Modeled passive implementation for all non-OPERF allocations

Custom Design That Evolves With the Plan, Member Demographics, OPERF, and the Market

Member Demographics & Plan Structure

- Demographic refresh analysis every 3-5 years
  - The latest completed in 2023
- Impact from plan changes
  - Glide path changed in 2020 driven by legislative changes to contributions

OPERF

- Impact from OPERF changes
- OST guided OPERF allocation changes
  - Glide path changed in 2024 as OST reduced OPERF allocation among ages 45-50
- Review actual vs. target allocation within OPERF annually

Market Conditions

- AB capital market assumptions updated every 6 months

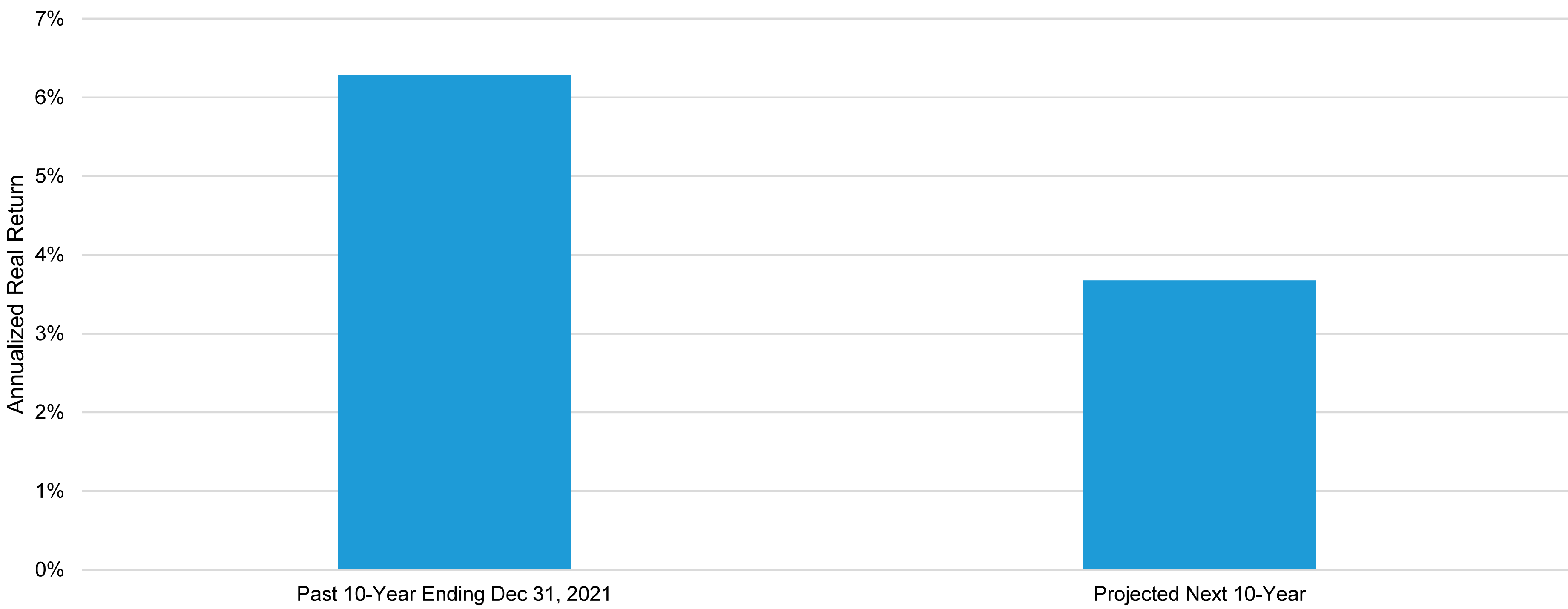
DC Savers Are Expected To Face A Challenging Market Environment

Lower Return, Higher Inflation, Higher Volatility

Challenging Market Outlook

60% Global Equity / 40% US Core Bond Portfolio

Annualized Real Return



Historical analysis and current forecasts do not guarantee future results

Source: MSCI, Bloomberg, AB Capital Market Engine (CME) projection as of December 31, 2024

Selected Custom Innovation Initiatives

Facilitate the incorporation of individualized asset allocation & innovative exposures

Embed Private Exposures into Custom TDFs

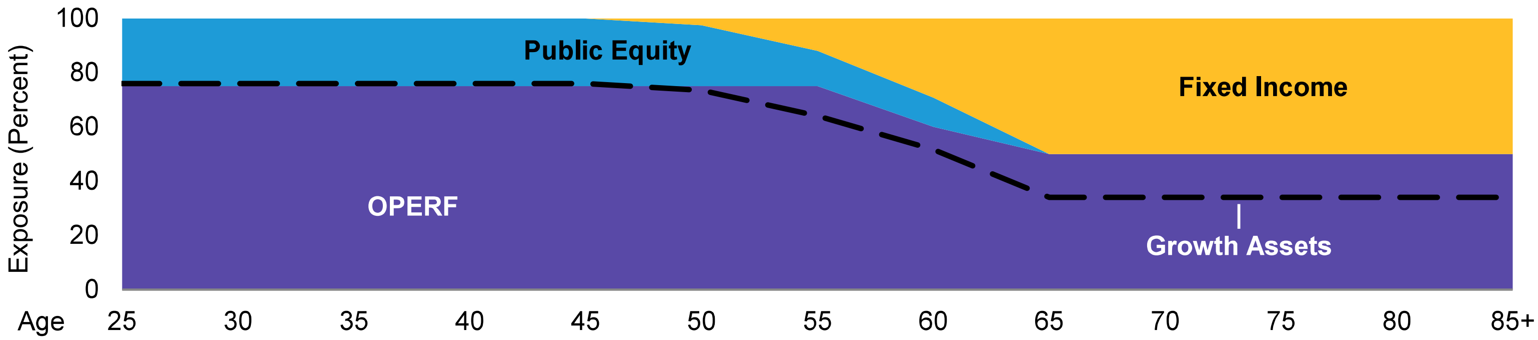
- Evolve TDFs into sophisticated multi-asset class portfolios
- Use both unitized DB exposures and daily liquid strategies
- Seek to deliver superior long-term results while simultaneously minimizing short-term risks

Incorporate Lifetime Income into Custom TDFs

- Transfer longevity risk from participant to insurance companies
- Maintain QDIA status without requiring irrevocable decisions
- Allow for personalization of allocations and insurance coverage

Glide Path Construction

State of Oregon Individual Account Program (IAP)



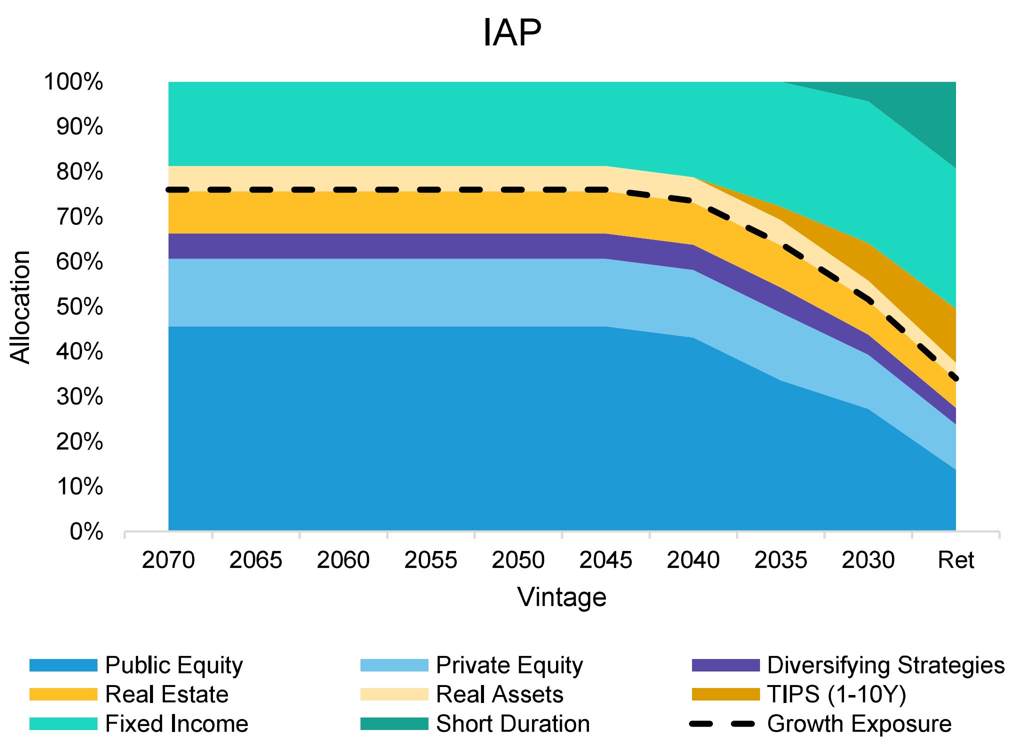
	Young Saver					Midlife Saver			New Retiree		Senior Retiree		
	25	**30**	**35**	**40**	**45**	**50**	**55**	**60**	**65**	**70**	**75**	**80**	**85+**
US All Market Equity	15.00	15.00	15.00	15.00	15.00	14.20	8.55	7.35	—	—	—	—	—
ACWI ex US Equity	10.00	10.00	10.00	10.00	10.00	8.30	4.45	3.45	—	—	—	—	—
Core Bond	—	—	—	—	—	2.50	9.00	16.55	18.65	18.65	18.65	18.65	18.65
TIPS	—	—	—	—	—	—	3.00	8.30	12.05	12.05	12.05	12.05	12.05
Short Duration Bond	—	—	—	—	—	—	—	4.35	19.30	19.30	19.30	19.30	19.30
OPERF*	75.00	75.00	75.00	75.00	75.00	75.00	75.00	60.00	50.00	50.00	50.00	50.00	50.00
Public Equity	**25.00**	**25.00**	**25.00**	**25.00**	**25.00**	**22.50**	**13.00**	**10.80**	—	—	—	—	—
Fixed Income	—	—	—	—	—	**2.50**	**12.00**	**29.20**	**50.00**	**50.00**	**50.00**	**50.00**	**50.00**
OPERF	**75.00**	**75.00**	**75.00**	**75.00**	**75.00**	**75.00**	**75.00**	**60.00**	**50.00**	**50.00**	**50.00**	**50.00**	**50.00**
Total Growth Assets†	**76.00**	**76.00**	**76.00**	**76.00**	**76.00**	**73.50**	**64.00**	**51.60**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**

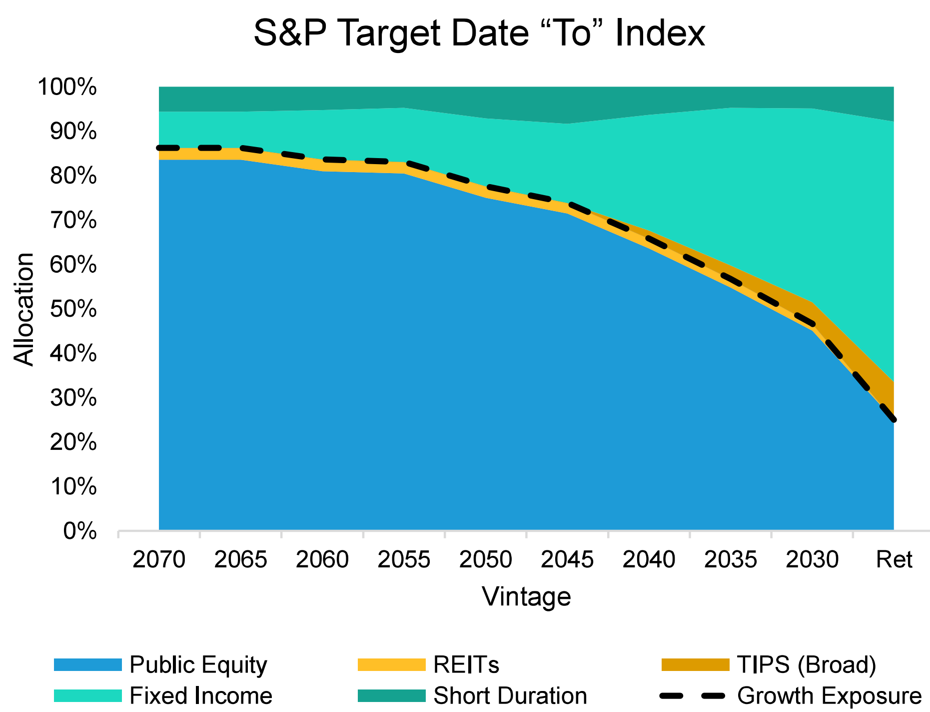
This chart does not represent any particular target-date fund. It is meant to show how the investment mix of any target-date portfolio changes over a lifetime.
Numbers may not sum due to rounding.
*OPERF is managed by the OST under the direction of the OIC and contains a mix of the following asset classes: public and private equity, fixed income, real estate, real assets, and diversifying strategies
†68% of OPERF allocation is counted as growth assets
Source: Oregon State Treasury and AB

IAP Is Well Positioned For The Expected Challenging Market Environment

Compared with S&P Target Date "To" Index:

- Higher allocation in private assets and diversifying strategies
- Higher and more diversified allocation in inflation sensitive assets
- Prudent underlying component selection, e.g., 1-10Y vs. broad TIPS





As of December 31, 2024
Source: AB, S&P

OPERF's Actual vs. Target Allocation

Current Deviation Doesn't Affect Glide Path Design

- AB assessed the current allocation deviation vs. targets within OPERF
  - Private equity overweight and public equity underweight have an offsetting impact
  - The overall allocation deviation doesn't meaningfully change the growth exposure, equity beta, and risk profile that AB modeled for OPERF, thus does not warrant any glide path changes

Asset Class	Actual With Overlay	Target	Deviation
Private Equity	27.21%	20.00%	7.21%
Fixed Income	22.83%	25.00%	-2.17%
Public Equity	17.09%	27.50%	-10.41%
Real Estate	14.00%	12.50%	1.50%
Real Assets	10.65%	7.50%	3.15%
Diversifying Strategies	5.23%	7.50%	-2.27%
Opportunity Portfolio	2.98%	0.00%	2.98%
Total	100.00%	100.00%	0.00%

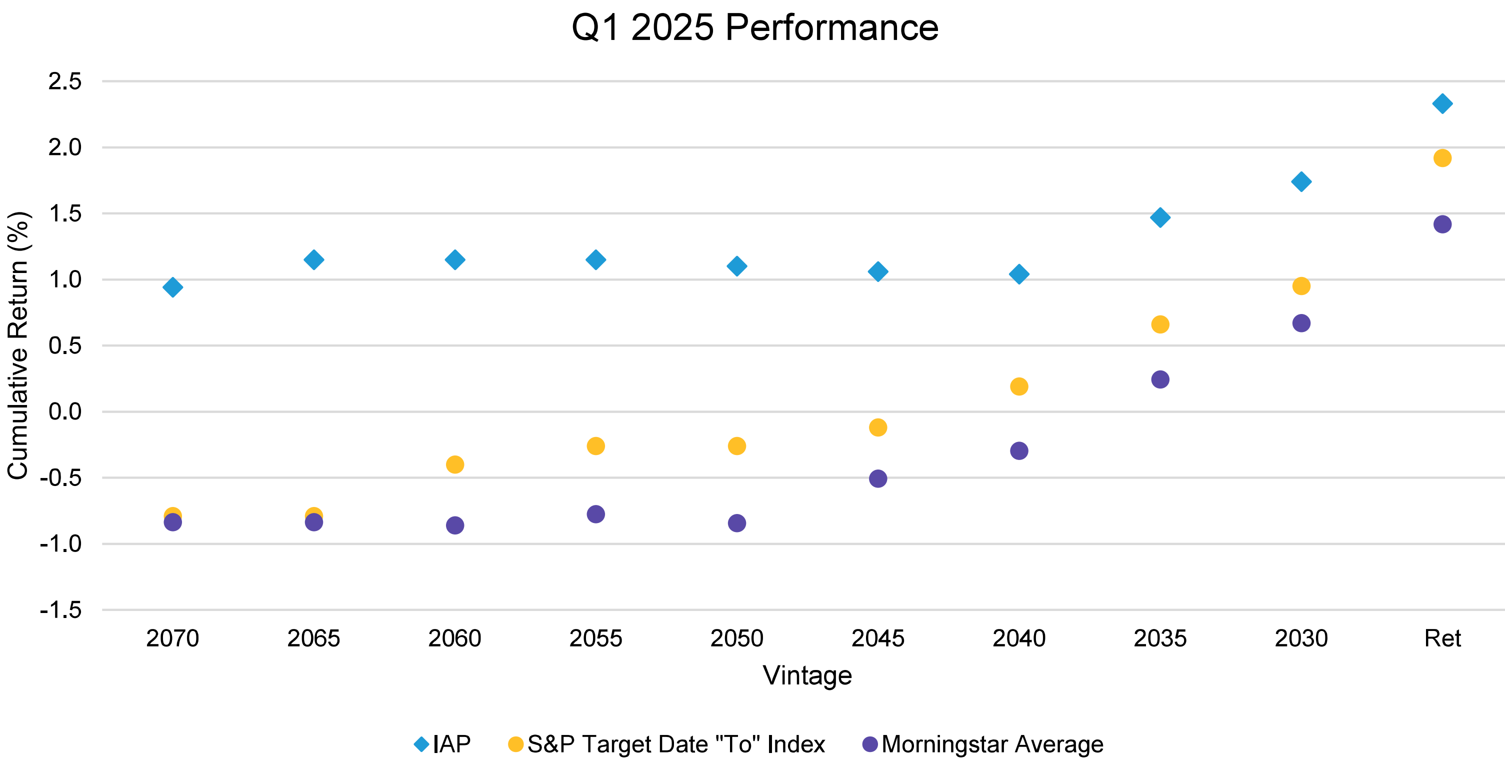
AB Modeled OPERF Characteristics	Actual With Overlay	Target	Deviation
Growth Exposure	69%	68%	-1%
Equity Beta	0.6	0.6	0.0
Volatility (as % of Public Equity Vol)	64%	63%	-1%

As of May 2, 2025
Source: Russell Investments Oregon Asset Summary Report, AB

Performance Review

Strong Relative Returns vs. TDF Peers in Stressed YTD Market

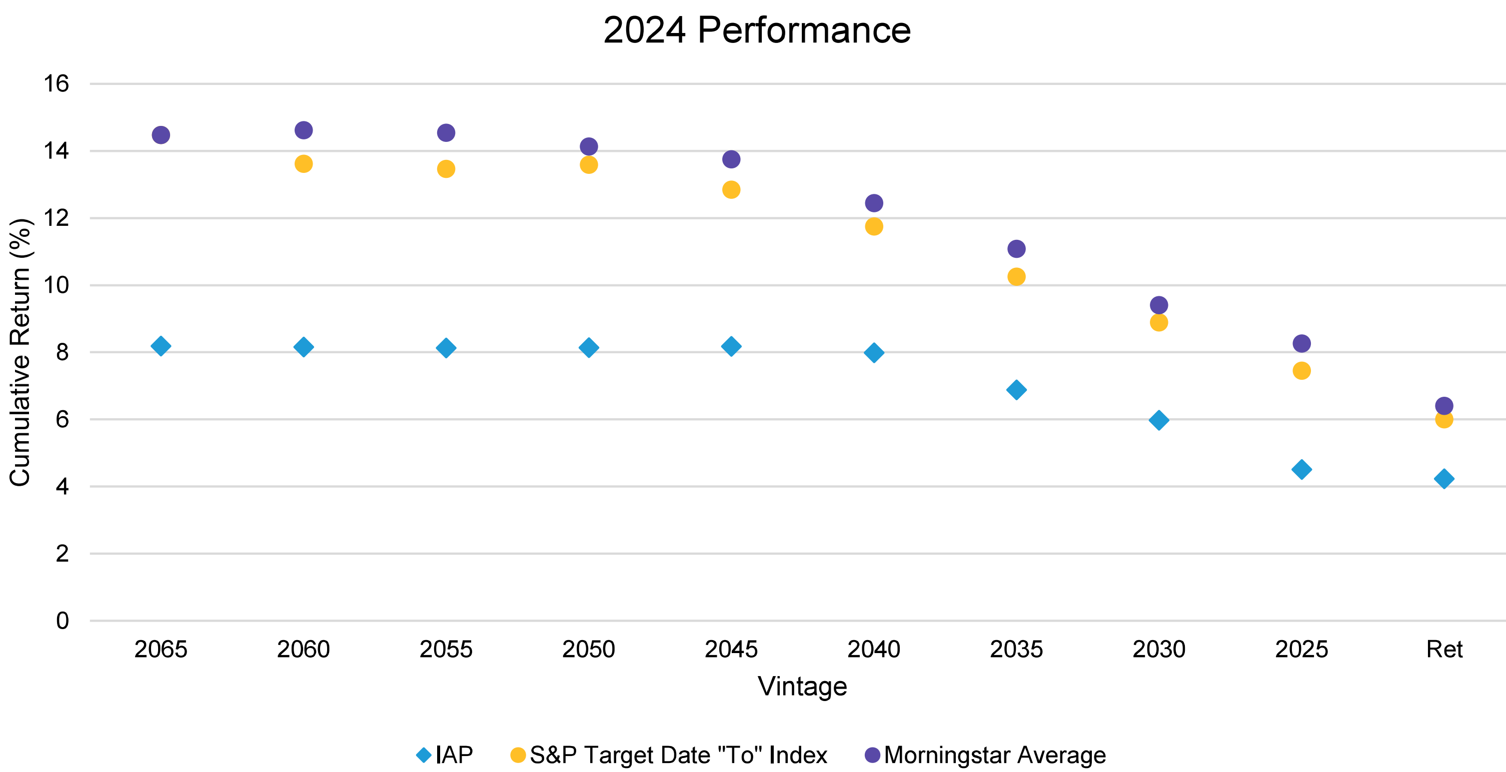
- Key contributors: Diversifying OPERF exposure (+1.8%) outperformed Global Equity (-1.3%), higher allocation in Core Bond (+2.8%) vs. peers among longer-dated funds



As of March 31, 2025
Source: S&P, Morningstar and AB

Lagged Relative Returns vs. TDF Peers in Strong 2024 Market

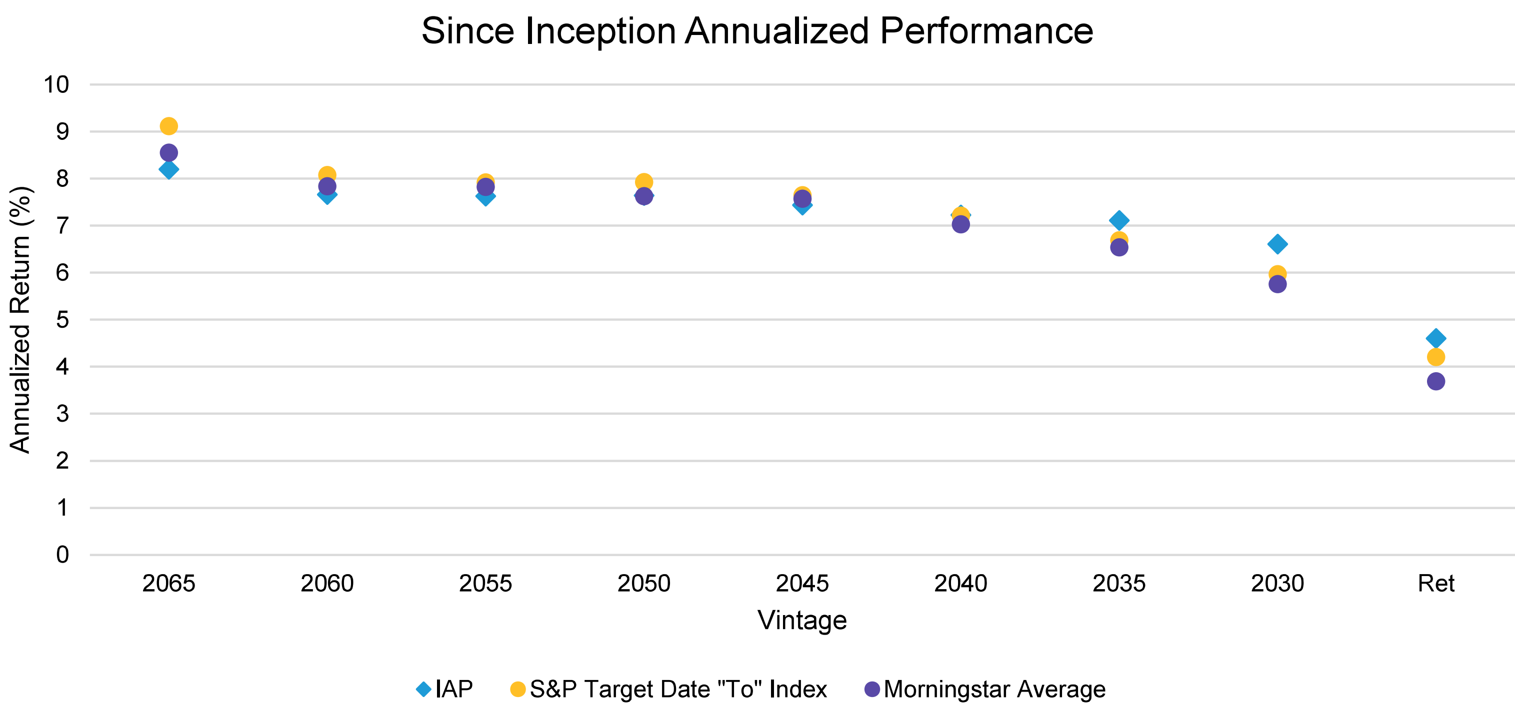
- Key detractors: Diversifying OPERF exposure (+5.5%) underperformed Global Equity (+17.5%), higher allocation in Core Bond (+1.3%) vs. peers among longer-dated funds



As of March 31, 2025
Source: S&P, Morningstar and AB

Strong Since Inception Performance

- Strong absolute annualized returns ranging from 8.2% to 4.6%
- Compared with S&P Target Date “To” Index and Morningstar Average:
  - Similar performance among younger members
  - Better performance among members approaching or in retirement
  - Overall, more consistent performance during recent volatile markets
  - The annualized volatility is approximately half of the S&P Target Date “To” Index



As of March 31, 2025
Source: S&P, Morningstar and AB

Appendix

AB's Role and Responsibilities

Investments

Customized Glide Path Design
- Tailored to IAP member demographics and plan structure
- Evolves over time:
  - Demographic refresh every 3 to 5 years or when plan changes occur
  - Non-OPERF allocations evolve along with OPERF
  - Incorporate latest AB capital market assumptions

Operations

Ongoing Operational Support
- Developed operational structure
- Support cash flow management and rebalancing
- Interface with:
  - Investment Oversight (OIC and OST)
  - Administrator (PERS)
  - Recordkeeper (Voya Financial)
  - Underlying Managers (SSGA and OST)
  - Custodian (State Street)

Communications & Servicing

Participant Communications Support & Client Service
- Implementation
- Ongoing

IAP Custom Target-Date Fund Glide Path Design Evolution Timeline

2018

Fund Launch

Fund inception date: 1/2/2018

Demographic Analysis

Initial Analysis

2019

Legislative Changes Analysis

Assessed / Adjusted glide path given the new legislative changes regarding contribution redirect and final average salary limit

2020

Glide Path Changes

Implemented glide path changes driven by the legislative changes effective 10/1/2020

2021

OPERF Policy Benchmark Changes

Analyzed and concluded no impact on glide path design from OPERF policy benchmark changes, including the addition of risk parity and the bifurcation of the Alternative portfolio

2022

OPERF Allocation Scenario Analysis

Conducted scenario analysis on a maximum OPERF allocation of 75%

2023

OPERF Asset Allocation Changes

Analyzed and concluded no impact on glide path design from OPERF's removal of risk parity and other target updates

Demographic Refresh Analysis

Assessed and concluded no major demographic changes that would warrant glide path changes

2024

OPERF Allocation Changes

Reduced OPERF allocation among ages 45-50 based on guidance from OST. Maximum OPERF allocation is now 75%

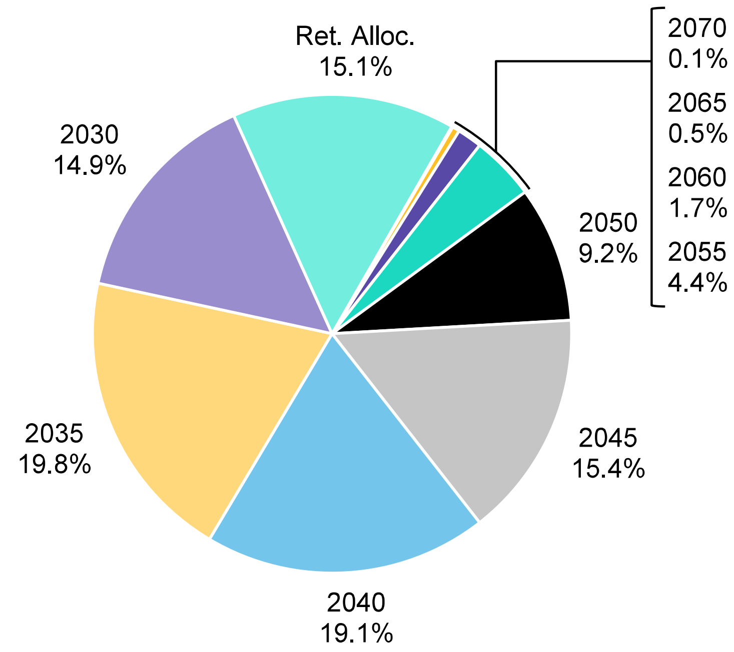
Assets Summary

State of Oregon Individual Account Program (IAP)

Target-Date Funds

- 1Q 2025 Beginning Assets: $ 13,758,508,317
- 1Q 2025 Net Flows: $ 38,359,000
- 1Q 2025 Investment Gain (Loss): $ 194,534,851
- 1Q 2025 Ending Assets: $ 13,991,402,167

Distribution by Vintage



As of March 31, 2025
Note: IAP Retirement Installment account excluded from the above
Source: State Street Bank

Additional S&P Target Date Benchmarks Information

State of Oregon Individual Account Program (IAP)

The S&P Target Date Benchmark is a product of S&P Dow Jones Indices LLC (“SPDJI”), and has been licensed for use by AB. Standard & Poor’s® and S&P® are registered trademarks of Standard & Poor’s Financial Services LLC (“S&P”); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC (“Dow Jones”); These trademarks are trademarks of the licensor; and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by AB. AB's product(s) is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P Target Date Benchmark

For more information on these indices, please visit **www.SPIndices.com**

Disclosure

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DCI-495062-2024-02-06

TAB 10

OREGON SAVINGS

GROWTH PLAN

May 28, 2025

Oregon Savings Growth Plan
Annual Review

Jamie McCreary
Service Model Program Manager

OREGON
STATE
TREASURY

Agenda

Plan Overview

Accomplishments and Strategic Priorities

PERS- Plan highlights

SageView Performance Update

Plan Overview

Background

The Oregon Savings Growth Plan (OSGP) is the State of Oregon's 457 deferred compensation plan that provides Oregon public employees with a convenient way to save for retirement by allowing them to contribute a portion of their salary on a pre- or after-tax (Roth) basis.

Participation

ORS 243.474 authorizes the state to offer its 457 deferred compensation program to all Oregon public **employers,** including local governments and school districts.

All Oregon state **employees** are eligible to participate, as well as local government and school district employees whose employers have adopted the plan.

Plan Overview

Oversight, Authority & Administration

Oregon Savings Growth Plan (OSGP)	
Investment Oversight	OIC and Oregon State Treasury (INV 801)
Trustee	Oregon PERS Board
Recordkeeper	Voya Financial
Custodian	State Street Bank
Administrative support	Oregon PERS: OSGP Staff
Investment Consultant	SageView Advisory Group
Additional Oversight	OSGP Advisory Committee

Accomplishments & Strategic Priorities

2024

- Evaluated administration services and fees
- Fixed income structure evaluation- no changes
- Investment Consultant RFP
  - Per OIC approval- SageView Advisory Group
- Investment Policy Statement review with minor updates
- Collapsed BlackRock LifePath 2025 Fund into BlackRock LifePath Retirement Fund

2025

- Launch BlackRock 2070 Fund
- Target Date Fund Suitability Review
- Assist in the onboarding of new OSGP Advisory Committee members

Team

Claire Illo
Investment Officer
Tenure: 2020

Claire assists with external manager monitoring and research, and leads other research initiatives, such as ESG and climate-focused projects for OPERF Public Equity. Claire also oversees the Oregon Savings Growth Plan. Duties assigned include:

- Serves as portfolio manager and trader for internal enhanced index strategies. Activities include trading securities as well as staying current on trading algorithm strategies;
- Assists in executing cash raises and transitions with OPERF's external investment managers;
- Attends meetings with managers and evaluate prospective managers;
- Identifies new investment opportunities and leads new manager searches;
- Organizes and participates in quarterly portfolio reviews, as well as documenting quarterly analyses of all equity managers;
- Facilitates multi-million dollar cash transfers and assists with other custody activity.

Education & Certifications: B.S. in Economics and Business Administration from University of Oregon.

Kenny Bao
Investment Analyst
Tenure: 2020

Kenny assists with prospective and external manager due diligence and overseeing OSGP. Duties assigned include:

- Participates in quarterly portfolio reviews, as well as documenting quarterly analyses of equity managers;
- Assists in the operations of internally managed funds;
- Facilitates multi-million dollar cash transfers within OPERF accounts;
- Coordinates the opening of new equity markets (countries), which Oregon seeks to invest;
- Produce routine reports pertaining to OPERF and OSGP.

Education & Certifications: B.S. in Economics from Portland State University.

Jamie McCreary
Service Model Program Manager
Tenure: 2023

As the Service Model Program manager, Jamie is responsible for creating and/or maintaining centralized services model standards and manages all aspects of client account relationships with various state managed programs. Duties assigned include:

- Ongoing monitoring and oversight of state managed programs and investment portfolios;
- Supports the application of industry and fiduciary best practice standards across all areas of the Investment Program;
- Investment Policy Statement Review.

Education: B.S. in Interdisciplinary Studies from Southern Oregon University, CERTIFIED FINANCIAL PLANNER™ professional.

OREGON
STATE
TREASURY

Elizabeth Steiner, MD
Oregon State Treasurer

16290 SW Upper Boones Ferry Road
Tigard, OR 97224

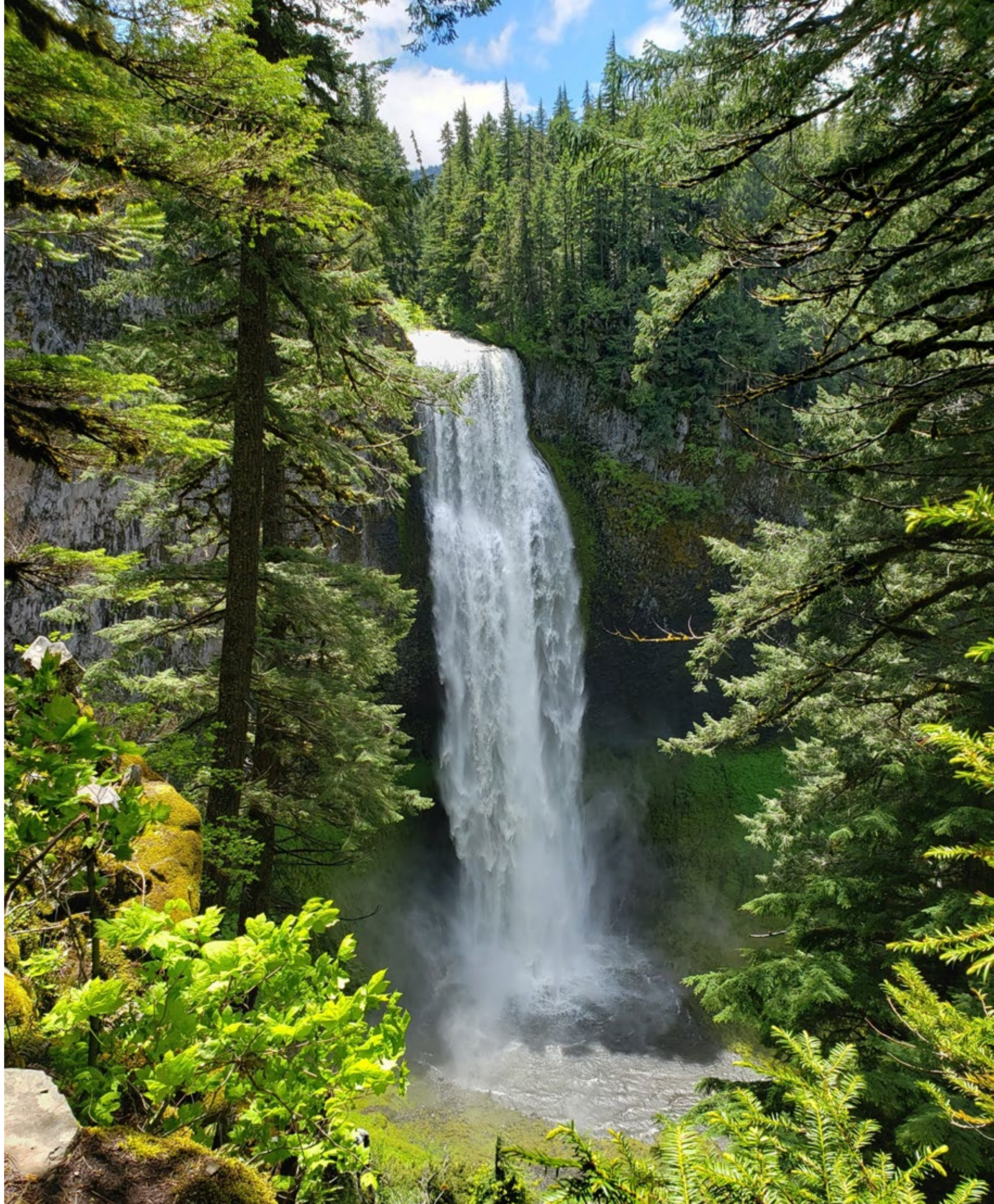
oregon.gov/treasury

OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Oregon Savings Growth Plan Annual Report

Calendar Year 2024



Plan Summary

Assets and Contributions (for year ending December 31, 2024)

Total plan assets	$3.9 billion
Pre-tax contributions	$146 million+
Roth contributions	$29 million+
Rollover-in contributions	$76 million+

Investment Composition

LifePath options	32% of plan assets
Large Company Growth stock option	16% of plan assets
Stock Index option	13% of plan assets
Schwab Brokerage account	739 participants with an average balance of $137,843
Participants with Roth elections	7,026

OREGON PERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

OSGP Fees - Current

Administrative fees	Percentage of assets
State of Oregon Administrative Fee	0.085%
Recordkeeping/Custody/Trust/Communications	0.049%
Total Administrative Fees	**0.134%**

By investment option	Weighted average (%)
LifePath® Portfolios	0.07%
Stable Value	0.30%
Active Fixed Income Option	0.16%
Real Return Fund	0.22%
Large Company Value Stock	0.008%
Stock Index	0.01%
Socially Responsible Investment Option	0.18%
Large Company Growth Stock	0.008%
Active International Stock	0.55%
Passive International Stock	0.04%
Small Company Stock	0.32%

OREGON PERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

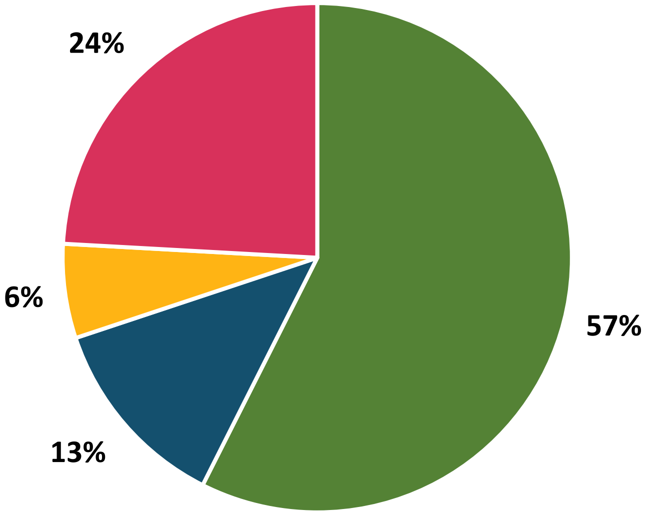
OSGP Rollovers Out

Institution	# of rollovers	% of total	$ amount rolled
OREGON PERS	238	19%	$1,348,646
Charles Schwab	133	11%	$25,521,669
Edward Jones	136	11%	$21,982,460
FIDELITY	104	8%	$15,972,576
VANGUARD	62	5%	$14,051,113
All others	571	46%	$89,054,937

OREGON PERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

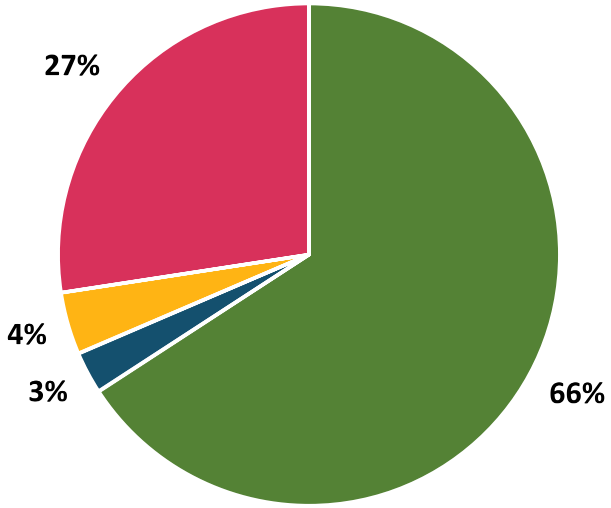
Participant Status Summary – Calendar Years 2023 & 2024

2023



Participant Status	Number of Participants
Active – Contributing	22,878
Active – Not Contributing	4,966
Terminated Receiving Installments	2,383
Terminated with a Balance	9,610
Total	**39,837**

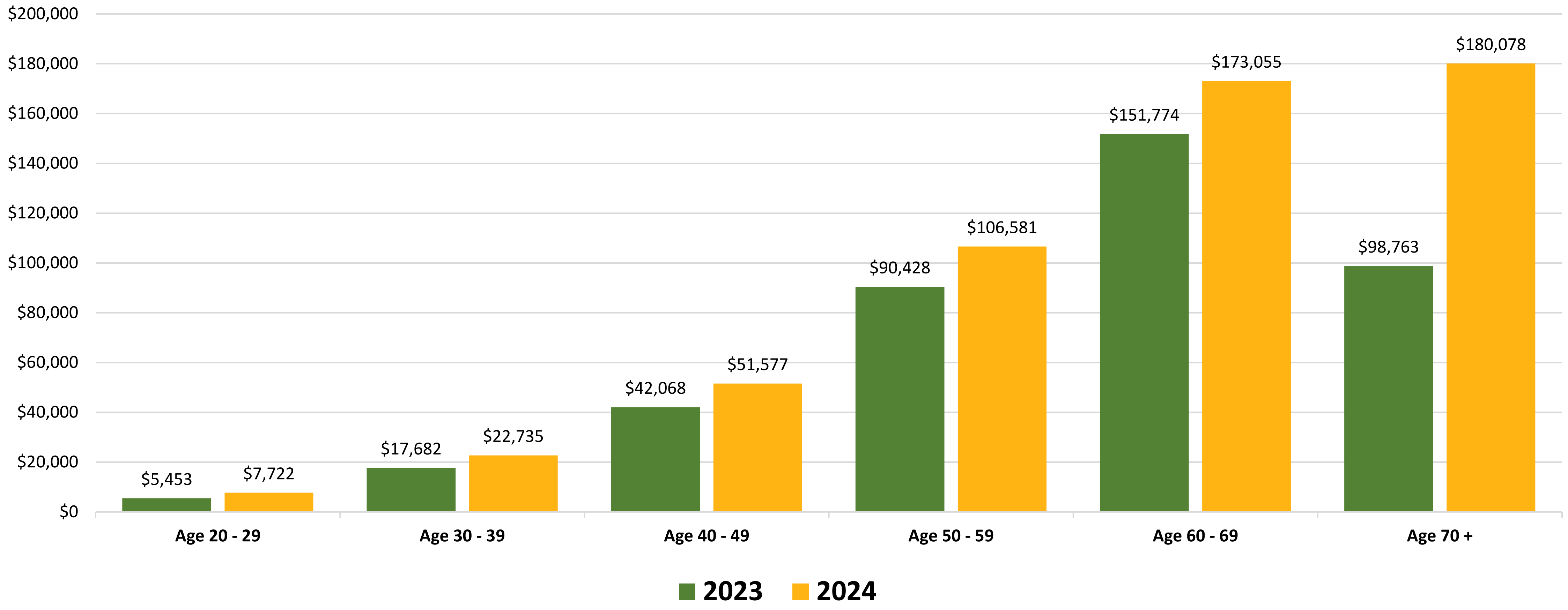
2024



Participant Status	Number of Participants
Active – Contributing	24,224
Active – Not Contributing	1,003
Terminated Receiving Installments	1,479
Terminated with a Balance	10,092
Total	**36,798**

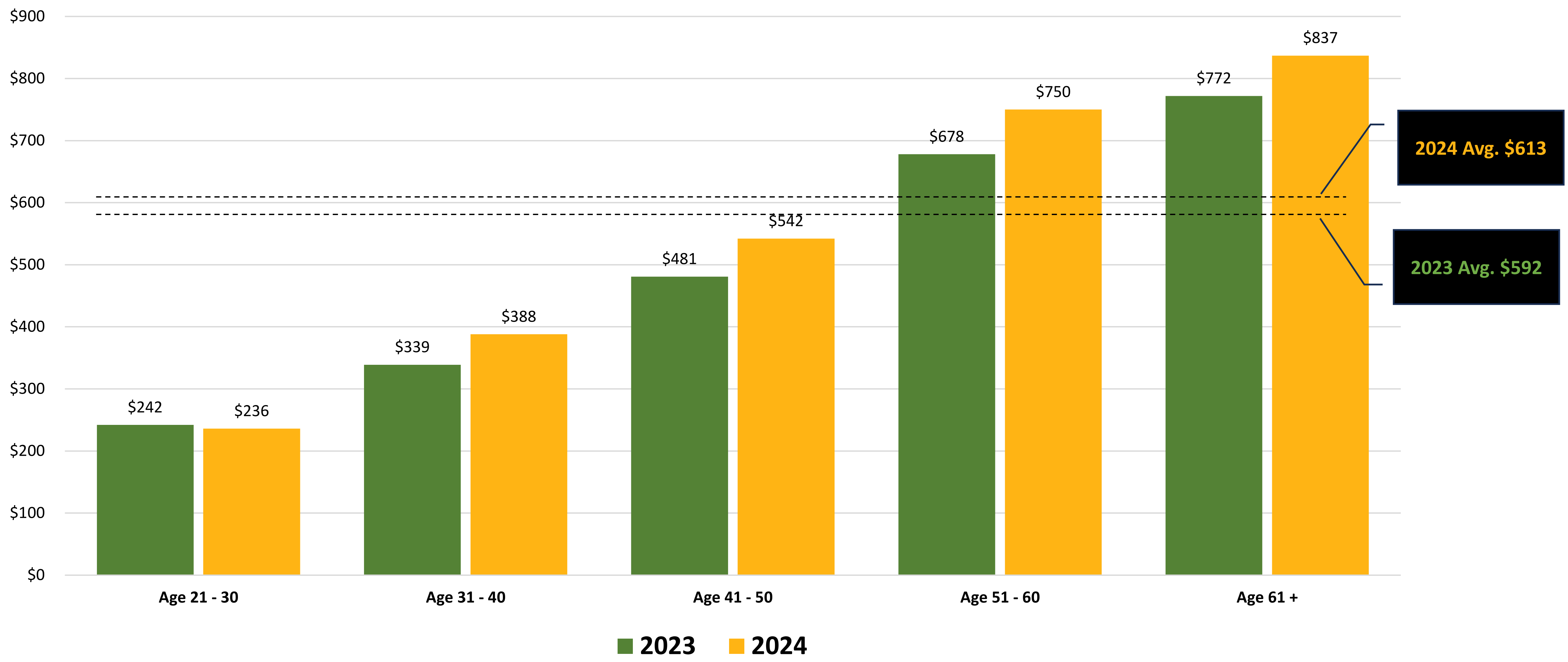
OREGON PERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Participant Status Summary – Average OSGP Balance By Age

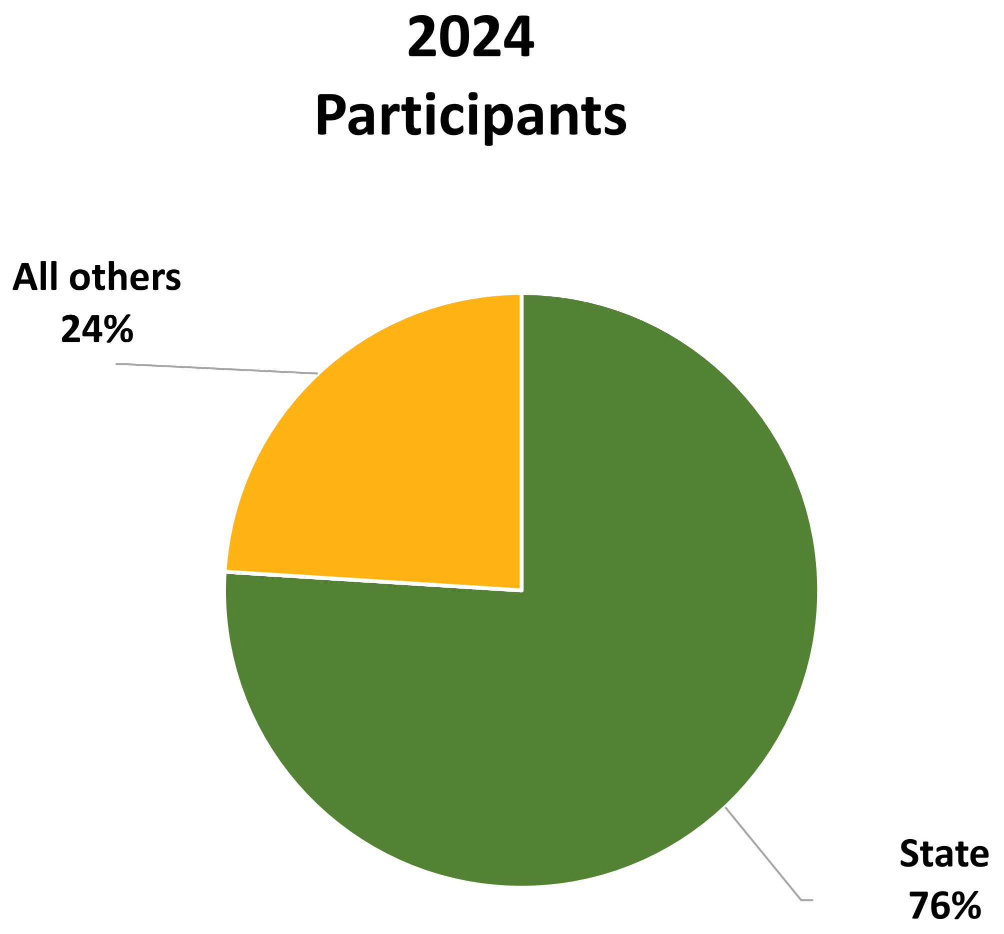


OREGON PERS PUBLIC EMPLOYEES RETIREMENT SYSTEM

Participant Status Summary – Average OSGP Monthly Contributions By Age



State, Local Government, and Miscellaneous Breakdown



Communications Accomplishments

Communications assists with overall OSGP goals through a variety of campaigns while providing a cohesive, professional, and educational overall look and feel to all OSGP materials and the website.

Accomplishments

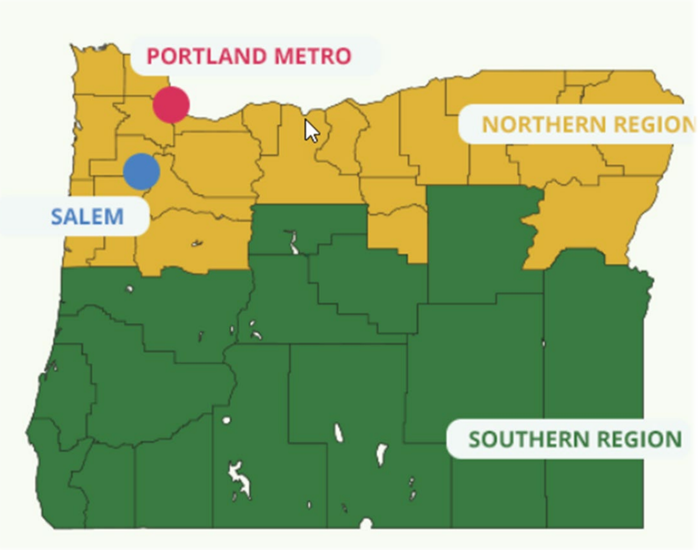
In its third year, OSGP's celebration of America Saves Week continued to be a hit. The format was updated in 2023 to include daily emails promoting each day's activities. By 2024, a daily live virtual Q&A session was added, attracting hundreds of attendees and boosting awareness of OSGP and financial wellness.

In 2024, OSGP was honored as one of three finalists for Plan Sponsor of the Year. This prestigious award recognizes retirement plan sponsors who demonstrate exceptional commitment to participants' financial health and retirement success. The campaign submitted for this recognition was the 2023 percent-of-pay rollout, which utilized the Voya Pennies whitepaper. This whitepaper advocated for using different language (pennies vs. percent) for various income groups, ensuring inclusivity for those who might otherwise overlook the benefits of switching to percent contributions for retirement income. This campaign also earned a 2023 NAGDCA award for Participant Communication.

PLANSPONSOR

OREGON PERS PUBLIC EMPLOYEES RETIREMENT SYSTEM

Education and Outreach Team



- OSGP's team includes a manager and four local representatives.
- Four different workshops offered all year:
  - 243 workshops and group meetings conducted
  - 6538 total attendance
  - All workshops recorded and available on growyourtomorrow.com website
- In 2024, virtual question and answer (Q&A) sessions were conducted:
  - Eleven sessions were conducted throughout the year including Expo
  - Session topics included percent-of-pay, basics of OSGP, nearing and in-retirement, Roth v. Pre-tax, and early to mid-career
- Workshops and Individual meetings offered both in-person and virtually.
- Marketing materials encourage participants to engage with representatives and register for workshops, Q&A sessions, and individual meetings.
- In 2024: 98% satisfaction was recorded for workshop content.
- 56% of attendees took an action after attending a workshop.

Local Government Update – 2024 Calendar Year

Employer Category	Number
Total employers who have adopted OSGP	382
Total employers who were new in 2024	18
Total local-government employers who stopped using OSGP in 2024	4

OREGON PERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Looking Ahead

- Continue to work towards eliminating any unnecessary obstacles to enroll in OSGP.
- Promote increased participation and contributions through email campaigns, videos, in-person and virtual meetings, Q&A's (Question & Answer Sessions about certain topics), presentations and other methods.
- Provide education to both participants and unenrolled employees through the online PERS Expo, America Saves Week, quarterly newsletter and additional, targeted email campaigns.
- Engage with participants early, during, and late in their careers via specific campaigns and interactions.
- Continue to engage with participants in retirement.
- Consistently enhance and update the growyourtomorrow.com website to ensure it is informative, easy to navigate, and a valuable resource for participants and employers.

OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Questions?

SAGE VIEW

Oregon Investment Council 2025 OSGP Update

SageView Advisory Group
Presented by:
Jake O'Shaughnessy, CFA®
Luka Arnerich, CAIA®
Stuart Payment, CFA®

oregon SAVINGS GROWTH PLAN

A Success Story 30+ Years in the Making

1989

- Founded by Chairman Randy Long with HQ in Orange County, CA
- $500 million in assets

2003 - 2006

- Opened offices in LA, DC, Knoxville & Boston
- $3 billion in assets
- 275 Clients

2007 - 2010

- Established DB/Actuarial Group
- Began offering 3(38) services
- $7 billion in assets
- 60+ Staff

2011 - 2016

- Established the SageView Foundation
- Named Multi-Office Retirement Plan Advisor of the Year
- Formalized Not-For-Profit Practice and expanded Government practice
- $60 billion in assets

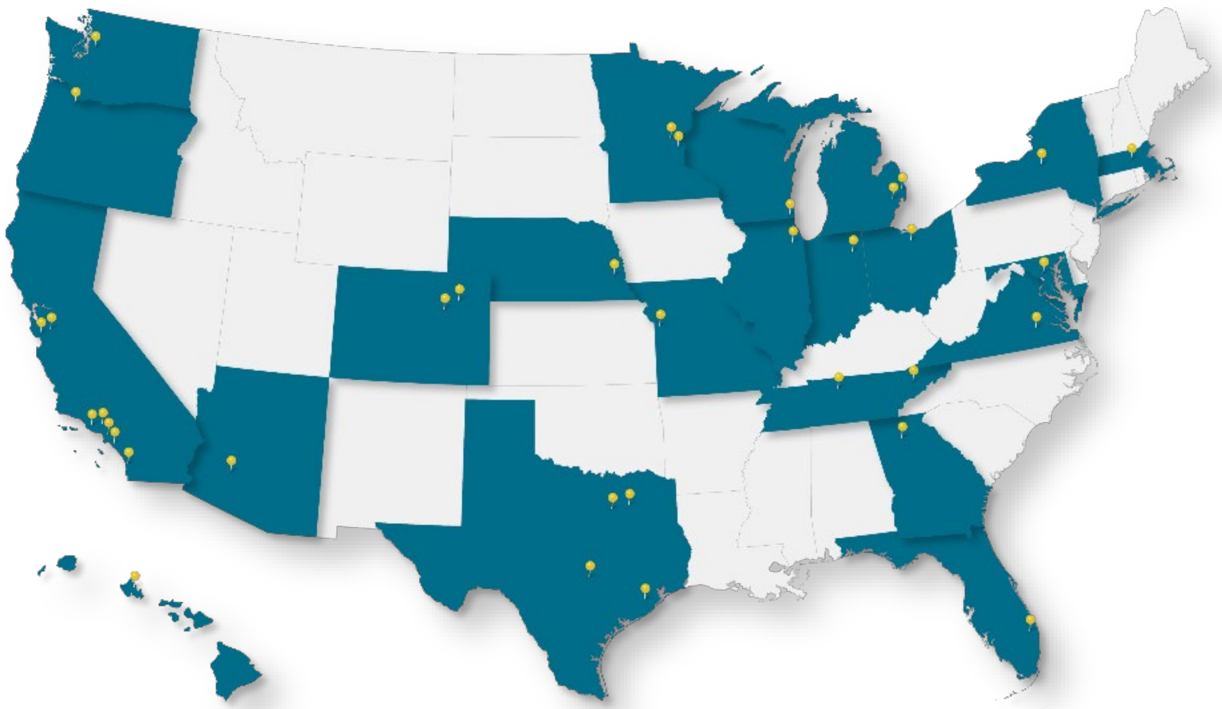
2017 - 2022

- Established strategic partnership with Aquiline Capital Partners to support growth and fuel expansion
- InvestmentNews names SageView among the Best Places to Work for Financial Advisors

2023

- Leader in integrated institutional retirement and wealth management solutions
- SageView Foundation donations exceed $3M
- $199 billion in assets
- 30+ offices in 20 states
- 270 employees

SageView Snapshot



Atlanta, GA
Austin, TX
Bloomfield Hills, MI
Boston, MA
Chicago, IL
Cleveland, OH

Dallas, TX
Denver, CO
Fort Wayne, IN
Fort Worth, TX
Honolulu, HI
Houston, TX

Kansas City, MO
Knoxville, TN
Los Angeles, CA
Milwaukee, WI
Minneapolis, MN (2)
Newport Beach, CA

Northampton, MA
Omaha, NE
Phoenix, AZ
Portland, OR
Richmond, VA
San Diego, CA

San Jose, CA
Seattle, WA
Syracuse, NY
Valencia, CA
Washington, DC
West Palm Beach, FL

Westlake Village, CA
Woodside, CA

$199B
AUA + AUM

270
Employees

2,300+
Retirement Plans

30+
Office Locations

20-Member
Investment Committee

Your Primary SageView Team

Jake O'Shaughnessy, CFA®
Managing Director

Luka Arnerich, NQPA®, CAIA®
Retirement Plan Consultant

Stuart Payment, *CFA*®
Retirement Plan Consultant

Chris Krall
Account Executive

Your Primary SageView Team

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Luka Arnerich, NQPA®, CAIA®
Retirement Plan Consultant

Stuart Payment, *CFA*®
Retirement Plan Consultant

Chris Krall
Account Executive

Additional Support from National Resources

Christina Pao, *CPFA, NQPA*
Sr. Advisory Services Associate

Zack Smith, *CFP*®
Financial Advisor

Jonathan St.Clair, *J.D.*
Chief Fiduciary Officer

Todd Stewart, *CFA*®
Managing Director, Investment Research

Sharina Merid, *J.D.*
Chief Legal Officer

Consulting on the Entire Retirement Program

PROVIDER MANAGEMENT
- Provider search and contract reviews
- More than 100 provider evaluations and RFPs annually
- Direct experience with more than 50 providers

PLAN COST MANAGEMENT
- Cost assessment
- Fiduciary Benchmarks reporting

PLAN COMPLIANCE, OPERATIONS & RECORDS MANAGEMENT
- Compliance evaluation, fiduciary process review
- Plan administrative procedural review

INVESTMENT MONITORING
- Funds watch list due diligence
- Proprietary target date fund decision guide
- Custom portfolio solutions

PLAN DESIGN
- Plan benchmarking resources
- Oversee plan mergers and acquisitions
- Evaluate potential plan enhancements

FIDUCIARY GOVERNANCE
- Fiduciary training
- Establish best practices
- Create checklist to complement IPS
- Fiduciary file in SageView vault

CLIENT MANAGEMENT & STRATEGIC SUPPORT
- Annual business plan establishing objectives
- Supported by credentialed client service team

PARTICIPANT EDUCATION
- Provide insight into effective participant engagement
- Comprehensive financial engagement programs

Designing the Optimal Fund Menu

INVESTMENT MENU CONSIDERATIONS

1. Investment Risk
2. Active vs. Passive
3. Target Date Fund Suitability
4. Mutual Funds vs. Collective Trusts
5. Traditional vs. Alternative Asset Classes
6. Expense Ratios & Fund Revenue

TIERED APPROACH TO INVESTMENT SELECTION

Asset Allocation Tier

Target Date Funds

Index Tier

Money Market / Stable Value

Bond

US Equity

International Stock

Extended Tier

Fixed Income

Domestic Equity

	VALUE	BLEND	GROWTH
LARGE			
MID			
SMALL			

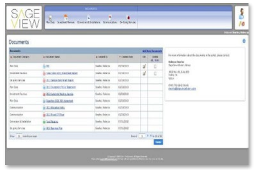
International Funds

Self Directed Tier

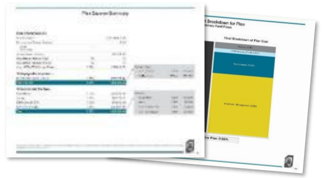
Brokerage Account

Plan Sponsor and Investment Analysis Tools

SAGEVIEW FIDUCIARY RECORDS MANAGEMENT
Easy to access portal with documents for plan audits, an archive of the fiduciary process, and serves as a resource for new committee members. Includes: investment reports, meeting minutes, IPS, SPD, Plan Documents, etc.



FEE ANALYSIS
Our proprietary fee analysis identifies all implicit and explicit fees and charges associated with the plan and identifies who is paying these fees. Fees are trended year over year and benchmarked to similar size plans.



TARGET DATE SELECTION TOOL
Our target date selection tool allows us to build a profile for the average participant in the plan and based on the plan design, match it to the most appropriate target date glide paths in the marketplace.

TARGET DATE FUND ANALYSIS
The target date analytical tool looks in-depth at performance but also important key elements such as the glide path, overall asset allocation, equity and fixed income breakdown, top holdings, fees and more.

STABLE VALUE ANALYSIS
Given the unique nature of stable value funds, our analysis looks at the market to book value, credit quality, wrap allocation, crediting rate and more in addition to performance.

Quantitative & Qualitative Assessment

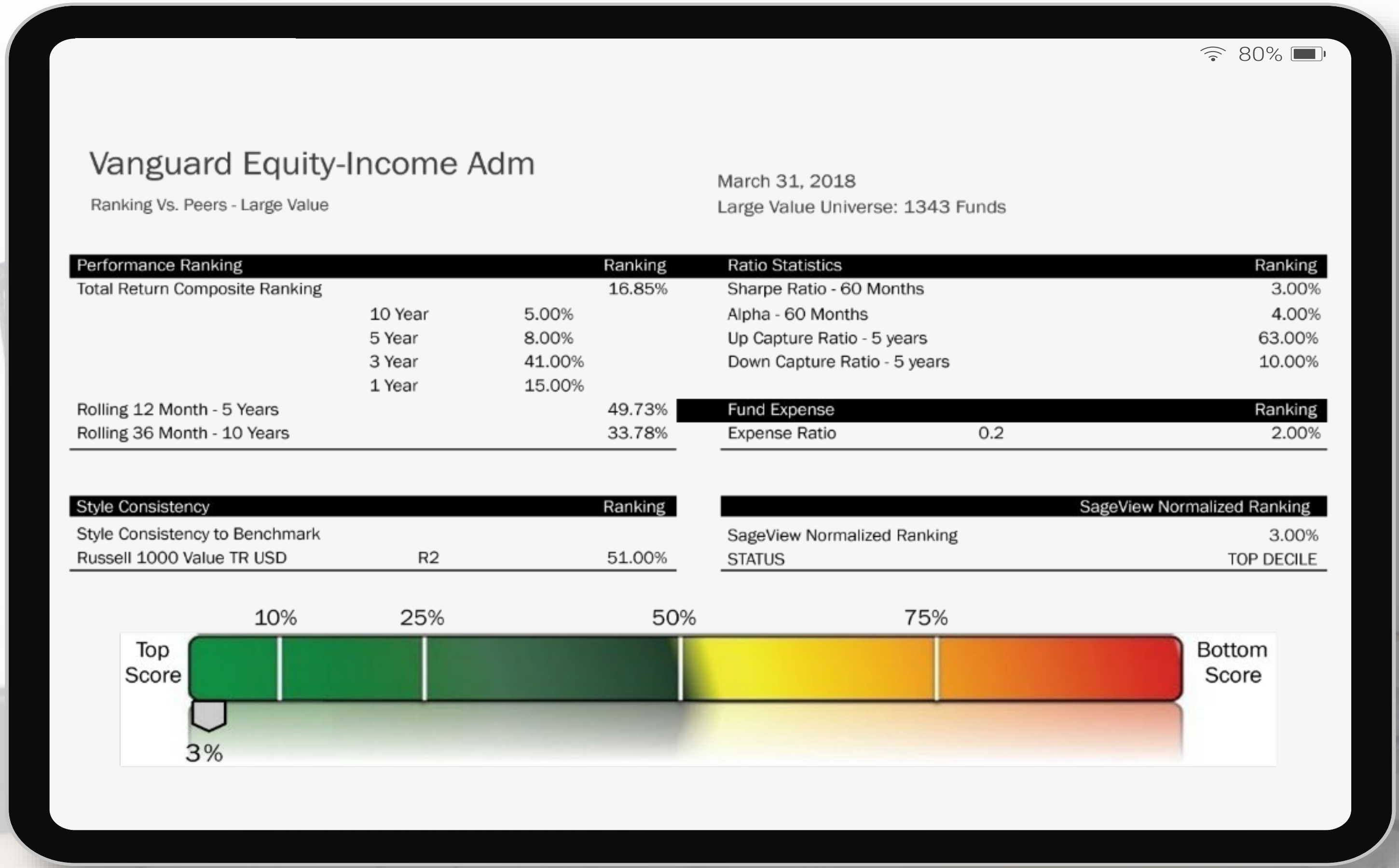
QUANTITATIVE CRITERIA

- Performance Ranking
- Alpha *(Excess Market Returns)*
- Sharpe Ratio *(Risk Efficiency)*
- Up/Down Capture Ratios
- R-Squared *(Style Consistency)*
- Expense Ratio

QUALITATIVE CRITERIA

- Firm Structure/Ownership
- Asset Size, Growth, & Cash Flow
- Investment Team Structure
- Investment Philosophy/Strategy
- Compliance & Operations
- Risk Controls

Proprietary Scoring Methodology



80%

Vanguard Equity-Income Adm

Ranking Vs. Peers - Large Value

March 31, 2018

Large Value Universe: 1343 Funds

Performance Ranking			Ranking
Total Return Composite Ranking			16.85%
	10 Year	5.00%	
	5 Year	8.00%	
	3 Year	41.00%	
	1 Year	15.00%	
Rolling 12 Month - 5 Years			49.73%
Rolling 36 Month - 10 Years			33.78%

Ratio Statistics		Ranking
Sharpe Ratio - 60 Months		3.00%
Alpha - 60 Months		4.00%
Up Capture Ratio - 5 years		63.00%
Down Capture Ratio - 5 years		10.00%

Fund Expense		Ranking
Expense Ratio	0.2	2.00%

Style Consistency		Ranking
Style Consistency to Benchmark		
Russell 1000 Value TR USD	R2	51.00%

	SageView Normalized Ranking
SageView Normalized Ranking	3.00%
STATUS	TOP DECILE

SageView Investment Committee

MANAGER RESEARCH TEAM

Co-Chair: Patrick Raynor, CFA
Co-Chair: Todd Stewart, CFA

Traditional Equity:
1. Bob Noll, CFA
2. Jack Evans, AIF
3. Jack Lockwood
4. Ken Barnes, CFP, CIMA
5. Kevin Kaiser, CIMA
6. Patrick Raynor, CFA
7. Rodney Kauffman, CFA
8. Shana Aleem
9. Valerie McKellar

Traditional Fixed Income:
10. Jeff Schwendig, CPFA
11. Kerrie Casey
12. Stuart Payment, CFA

Asset Allocation & Managed Accounts
13. Mallory Armijo, CFA
14. Todd Stewart, CFA

Real Assets & Alternatives
15. Dan Quirk, CFA, CFP
16. Justin Bogart, CIMA

Environmental, Social, Governance:
17. Ann Cheu
18. Matt Hammonds

Income Products:
19. Bijan Khairollahi

CASH BALANCE TEAM

Chair: Stephen Miskjian, CFA, CFP
1. Dan Homan, EA, MAAA
2. Jon Chambers, CPFA
3. Mallory Armijo, CFA
4. Michael Malone, CPC, AIFA
5. Stephan Miskjian, CFA, CFP
6. Steve Sansone, J.D., AIFA, CPFA
7. Todd Stewart, CFA

PORTFOLIO CONSTRUCTION TEAM

Chair: Todd Stewart, CFA
1. Brock Becker, CFP
2. Chris Martin, CFP
3. David Lum, CIMA
4. Eric Weissman
5. Jack Evans, AIF
6. John Majors, FSA, CFA
7. Kevin Schmeits
8. Mallory Armijo, CFA
9. Todd Stewart, CFA

3(38) FIDUCIARY TEAM

Chair: Matt Hammonds
1. Jonathan St. Clair, J.D.
2. Mark Forkey
3. Matt Hammonds
4. Patrick Raynor, CFA
5. Rodney Kauffman, CFA
6. Stuart Payment, CFA
7. Todd Stewart, CFA

ASSET LIABILITY TEAM

Chair: Rich Ginel, CIMA
1. Bill Reid, FCA, EA
2. Dan Homan, EA, MAAA
3. David Lum, CIMA
4. Ken Barnes, CFP, CIMA
5. Luka Arnerich
6. Michael Burger
7. Rich Ginel, CIMA
8. Stuart Payment, CFA

National Relationships with Investment Managers

SageView leverages its scale and influence to negotiate favorable pricing with investment management firms without compromising independence and objectivity.

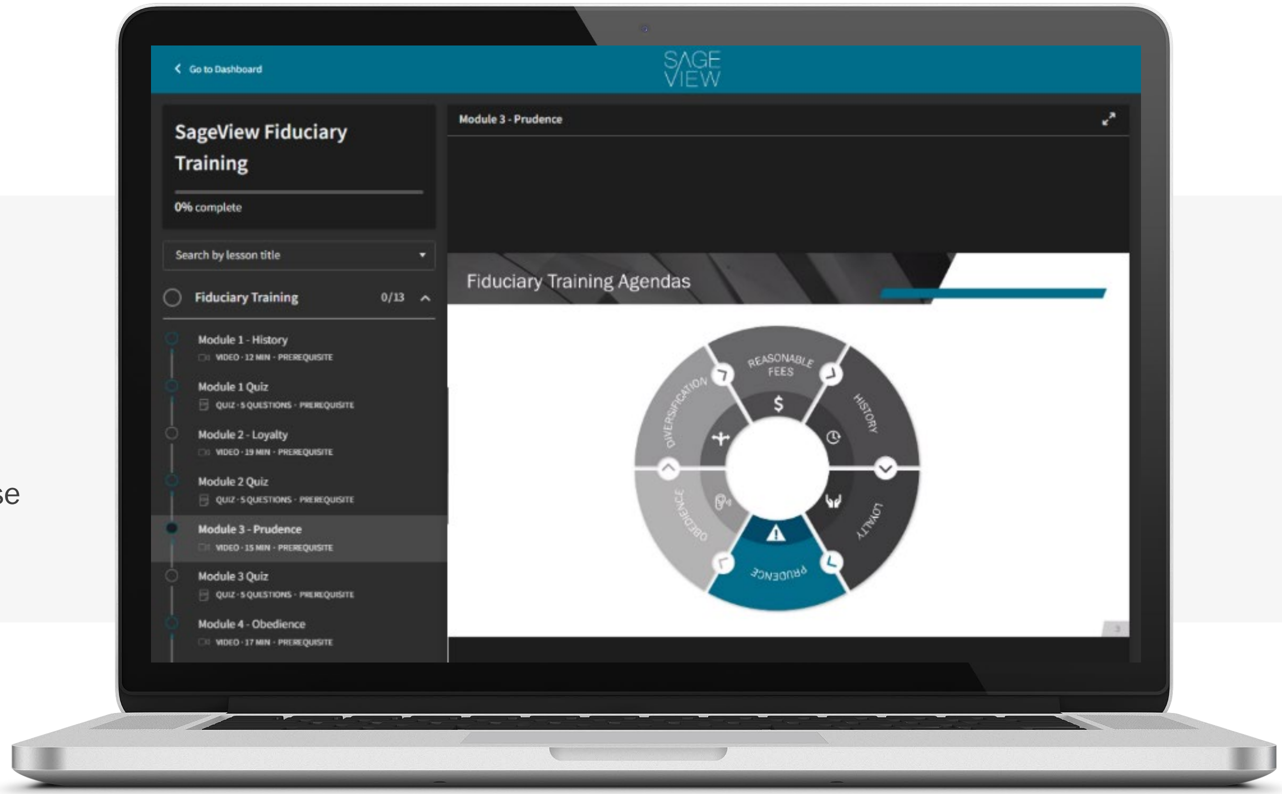
- SageView offers zero proprietary products. Instead, we utilize collective investment trusts (CITs) that are readily available in the marketplace.
- SageView will not make any asset commitments with any investment firms with which it has negotiated pricing arrangements. We negotiate favored CIT pricing solely to benefit plan participants and beneficiaries. ***SageView receives no benefit or compensation of any kind from offering favored pricing to our clients.***
- Most negotiated pricing arrangements save clients at least 10 bps* off of the lowest cost share class of the corresponding mutual fund.

BELOW ARE A FEW TOP FIRMS WITH WHOM SAGEVIEW HAS NEGOTIATED FAVORABLE PRICING ARRANGEMENTS

Goldman Sachs
Invesco
J.P.Morgan Asset Management
Prudential
Fidelity Investments
MFS
State Street Global Advisors
Wellington Management
Franklin Templeton Investments
T.Rowe Price
Putnam Investments
American Century Investments

*Based on the average difference between the Total Expense Ratio (TER) of the CITs for which SageView maintains negotiated pricing arrangements and the prospectus net expense ratios of the mutual funds sharing substantially equivalent investment strategies as of 12/31/2021.

SageView Fiduciary Training



SageView Online Fiduciary Training

- Accessible and efficient online fiduciary training
- Complete the course at your own pace
- The website tracks your progress so you can see your completion rate
- Earn a certificate to keep for your records once you have completed the course
- Receive CE credits when you complete the course

Module 1
HISTORY

Module 2
LOYALTY

Module 3
PRUDENCE

Module 4
OBEDIENCE

Module 5
DIVERSIFICATION

Module 6
FEES

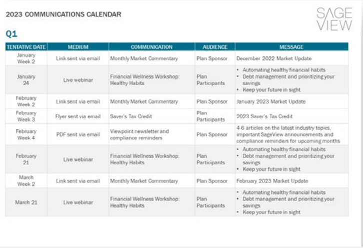
Regular Plan Sponsor Communications

MONTHLY MARKET COMMENTARY

QUARTERLY VIEWPOINT NEWSLETTER

ANNUAL COST OF LIVING ADJUSTMENTS

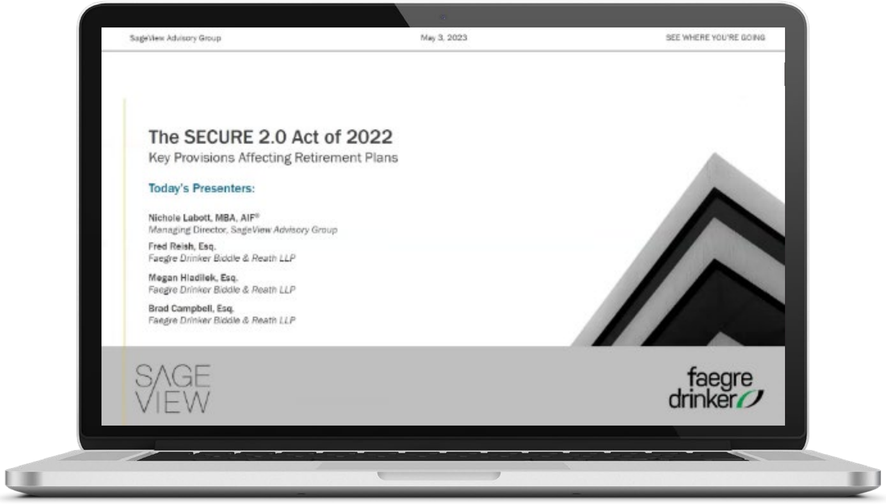
SEMI-ANNUAL COMPLIANCE REMINDERS



ANNUAL COMMUNICATIONS CALENDAR

Legislative Updates and Resources

Email alerts, flyers and webinars for important legislative developments affecting the retirement plan industry.



Our Documented Vendor RFP Project Process

01

Discovery

- Document / data collection
- Set goals & objectives
- Timeline established
- Identify bidder requirements

02

Project Development

- Draft custom RFP Cover Letter
- Draft custom RFP Questionnaire
- Finalize RFP documents
- Finalize bidder universe

03

Project Issuance

- Distribute RFP documents
- Confirm bidder intent to respond
- Facilitate bidder Q&A period
- Bidder proposals submitted

04

Proposal Review ***(objective analysis)***

- Review submitted proposals
- Follow-up on unclear responses
- Prepare and present Summary Analysis to Committee
- Determine next steps *(negotiate with incumbent / interview finalists)*

05

Finalist Presentations *(subjective analysis)*

- Create meeting materials and manage logistics
- Prepare selected bidders for presentation areas of focus
- Attend & manage presentations
- Conduct presentation follow-Up

06

Decision

- Prepare summary of additional follow-up items
- Guide Committee through key decisions to be made
- Notify bidders of project status / result
- Create Management Letter summarizing project process / results

The SageView Difference

We make the outstanding ordinary

CULTURE OF COLLABORATION
Innovative thinking and diversity

FIDUCIARY GUIDANCE AND LEADERSHIP
Local expertise, national presence with a finger on the pulse of DOL trends and litigation

CONFLICT-FREE
SageView receives no benefit or compensation of any kind from offering favored pricing to our clients

INVESTMENT EXCELLENCE
Experienced in-house team committed to in-depth due diligence, analyzing and evaluating investment performance and fees

CONSULTING ON THE WHOLE PLAN
Beyond investments, SageView will consult on plan design, education and communications, plan compliance, and reasonable fees across the board

Plan Investment Review

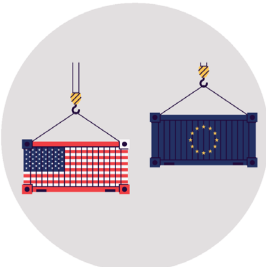
OREGON SAVINGS GROWTH PLAN

For period ending March 31, 2025

Jake O'Shaughnessy, Managing Director, SageView Advisory Group
650 NE Holladay St, Suite 1600, Portland, OR 97232 | T

Q1 2025 By The Numbers

International Outperforming



Foreign equities (MSCI ACWI ex-US) led the S&P 500 by nearly 11%, marking the strongest first-quarter international stock outperformance on record. While investor concerns about high valuations and trade policy uncertainty weighed on domestic markets, European stocks surged, buoyed by German infrastructure and defense stimulus announcements. Also, the dollar's relative strength eased over the quarter, providing a tailwind for both international and emerging market economies.

€500 B
German stimulus announced in March

'Schuld'
German word for both 'debt' and 'guilt'.

- 4.5%
Q1 DXY return

Declining Consumer Confidence

"Uncertainty" dominated the first quarter, as sentiment plummeted amid news of government layoffs, funding cuts, and concerns over tariffs. Disappointing consumer spending, particularly in services, coupled with an increase in the personal savings rate, reflects a shift in consumer behavior. Despite low unemployment, the average time to find a new job has risen compared to last year. The University of Michigan's Consumer Survey revealed three consecutive months of declining sentiment, with negative views cutting across party lines and income groups.

60%
Recession Probability (JPMorgan – 4/4/25)

64.7
Univ of Mich Consumer Sentiment (76.9 in Feb)

22.8
Weeks - Duration of Unemployment (21.6 March '24)

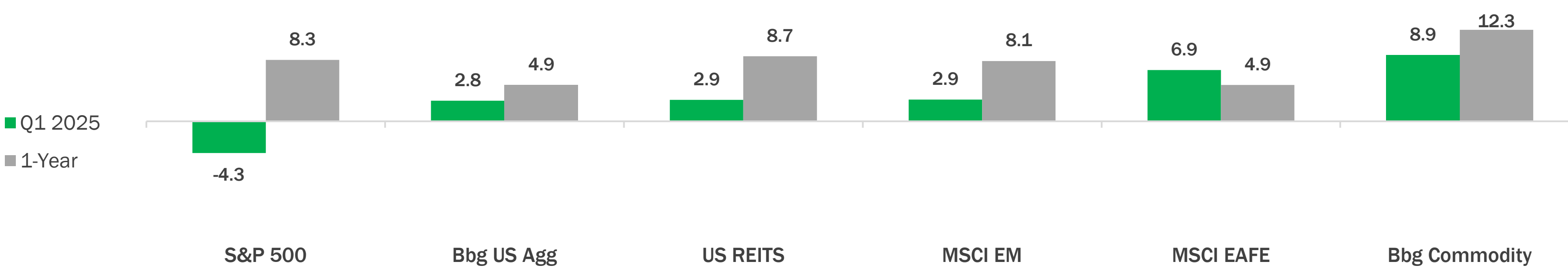
Tariffs

In a bid to reduce trade deficits, the new administration introduced plans to impose tariffs on imports. Trading partners retaliated. Orders for durable goods increased in February as businesses rushed to beat the tariff deadline. While long-term tariff policy remains uncertain, consumers expect imports to become more expensive, contributing to inflation. As global trade negotiations evolve, consumers - the key driver of the US economy—have rapidly become more cautious in spending.

145%
Tariff on Chinese goods (4/10/25)

-15%
Receipts on restaurants, hotels, and motels (Feb)

22.5%
Effective Tariff Rate (Yale Budget Lab, highest since 1909)



Source: Morningstar Direct, accessed April 10, 2025. Returns represent cumulative total return, including dividends US REITS – FTSE NAREIT All REITs.

Economic Scoreboard

Positive	Neutral	Negative
GDP GROWTH Consumer and government spending both played a significant role in driving the economy's 2.4% annualized Q4 growth rate. Imports, which reduce GDP, also declined. However, future growth expectations remain subdued.	**INTEREST RATES** The Federal Reserve kept its benchmark interest rate steady at 4.25% - 4.50% during both the January and February meetings. Fed Chair Powell cited a strong job market and inflation remaining above the 2% target as key reasons for not cutting rates.	**GLOBAL TRADE** Trade relations deteriorated in the first quarter as President Trump announced tariffs on automobiles, semiconductors, pharmaceuticals, steel, and aluminum. Additionally, tariffs on imports from Canada and Mexico were announced but later delayed.
CORPORATE EARNINGS Q4 earnings growth for the S&P 500 of 12.7% was the best quarter in three years. Per FactSet, 80% of S&P 500 companies reported a positive EPS surprise, above the 5-year average. Future earnings expectations are less optimistic.	**CONSUMER SPENDING** After declining 0.3% in January, consumer spending edged up 0.4% in February. However, receipts at hotels, motels, and restaurants dropped by 15%, indicating consumers are cutting back on discretionary spending.	**FISCAL SPENDING** The first half of FY 2025 produced a deficit of $1.31 Trillion, a $245 Billion increase from the same period last year. The deficit is on track to exceed $2 Trillion for FY 2025.
INFLATION Inflation (CPI) eased to 2.4% year-over-year in March, down from 2.8% in February. Core inflation, excluding food and energy, remained at 2.8%, the lowest level since March 2021. Shelter prices, a more persistent CPI component, rose just 0.2%, the smallest increase since November 2021.	**EMPLOYMENT** The 228,000 jobs added in March exceeded expectations, significantly surpassing February's total of 117,000. Job growth was strongest in healthcare, services, and transportation, while unemployment remained at 4.2%.	**HOUSING** March's new home sales increased 8.8% relative to the downwardly revised February rate. Existing home sales remain sluggish, with February's showing a 1.2% (YoY) decline. Per Realtor.com, March delivered a 28.5% (YoY) increase in inventory of homes for sale.
	MANUFACTURING First quarter manufacturing results were mixed. The ISM Manufacturing PMI readings for January and February—50.9% and 50.3%, respectively—indicated expansion, before falling to 49% in March, signaling contraction.	

Calendar of Economic Data Releases

April		May		June	
Q1 Gross Domestic Product	April 30	FOMC Rate Decision	May 6	Nonfarm Payrolls (May)	June 6
		Nonfarm Payrolls (April)	May 2	Consumer Price Index (May)	June 11
		Consumer Price Index (April)	May 13	FOMC Rate Decision	June 17

Asset Allocation by Fund

As of 03/31/2025

Fund	% of Plan Assets	Total Assets
Large Company Growth Stock Option	14.59%	$558,896,844.00
Stock Index Option	12.85%	$492,258,372.00
LifePath Index Retirement Fund	11.82%	$452,916,356.00
Stable Value Option	9.31%	$356,784,266.00
Large Company Value Stock Option	7.78%	$298,039,319.00
Small Company Stock Option	6.46%	$247,484,279.00
Active Fixed Income Option	6.07%	$232,613,198.00
LifePath Index 2030 Fund	5.10%	$195,232,293.00
LifePath Index 2035 Fund	4.36%	$166,908,760.00
LifePath Index 2040 Fund	3.79%	$145,343,312.00
Active International Stock Option	3.42%	$130,972,172.00
LifePath Index 2045 Fund	2.76%	$105,740,515.00
Self-Directed Brokerage	2.73%	$104,539,226.00
Passive International Stock Option	2.73%	$104,500,726.00
LifePath Index 2050 Fund	2.13%	$81,465,227.00
Socially Responsible Investment Option	1.46%	$56,115,428.00
LifePath Index 2055 Fund	1.15%	$43,964,520.00
LifePath Index 2060 Fund	0.64%	$24,369,595.00
Real Return Option	0.62%	$23,745,255.00
LifePath Index 2065 Fund	0.25%	$9,628,236.00
Total Market Value:	100.00%	$3,831,517,899.00

TM

Fund Performance Summary

As of 03/31/2025

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	SageView Ranking
Stable Value Option	Stable Value	9.31%	0.80	0.80	3.21	2.70	2.35	2.14	0.30	See Attached
ICE BofA US 3M Trsy Bill TR USD*			1.02	1.02	4.97	4.23	2.56	1.87		
Cat: Morningstar US SA Stable Value			0.75	0.75	2.97	2.60	1.98	1.89	0.56	
Active Fixed Income Option	Intermediate Core-Plus Bond	6.07%	2.85	2.85	5.57	0.97	0.50	1.88	0.16	2ND QUAR
Bloomberg US Agg Bond TR USD*			2.78	2.78	4.88	0.52	-0.40	1.46		
Cat: Morningstar Intermediate Core-Plus Bond			2.62	2.62	5.27	0.91	0.98	1.80	0.76	
Large Company Value Stock Option	Large Value	7.78%	2.13	2.13	7.19	6.62	16.16	8.83	0.01	Pass
Russell 1000 Value TR USD*			2.14	2.14	7.18	6.64	16.15	8.79		
Cat: Morningstar Large Value			1.49	1.49	6.62	6.86	16.53	8.91	0.87	
Socially Responsible Investment Option	Large Blend	1.46%	-3.18	-3.18	3.89	7.17	16.99	11.09	0.18	3RD QUAR
S&P 500 TR USD*			-4.27	-4.27	8.25	9.06	18.59	12.50		
Cat: Morningstar Large Blend			-3.76	-3.76	5.77	7.83	17.26	10.99	0.76	
Stock Index Option	Large Blend	12.85%	-4.71	-4.71	7.25	8.24	18.23	11.84	0.01	Pass
Russell 3000 TR USD*			-4.72	-4.72	7.22	8.22	18.18	11.80		
Cat: Morningstar Large Blend			-3.76	-3.76	5.77	7.83	17.26	10.99	0.76	
Large Company Growth Stock Option	Large Growth	14.59%	-9.99	-9.99	7.71	10.04	20.06	15.07	0.01	Pass
Russell 1000 Growth TR USD*			-9.97	-9.97	7.76	10.10	20.09	15.12		
Cat: Morningstar Large Growth			-8.49	-8.49	5.02	7.77	16.99	12.60	0.93	
Small Company Stock Option	Small Blend	6.46%	-8.93	-8.93	-2.91	1.99	16.71	7.34	0.32	TOP QUAR
Russell 2000 TR USD*			-9.48	-9.48	-4.01	0.52	13.27	6.30		
Cat: Morningstar Small Blend			-8.05	-8.05	-3.54	2.02	15.28	6.65	0.97	
Active International Stock Option	Foreign Large Blend	3.42%	4.14	4.14	4.04	5.93	13.15	5.62	0.55	TOP DEC
MSCI ACWI Ex USA NR USD*			5.23	5.23	6.09	4.48	10.92	4.98		
Cat: Morningstar Foreign Large Blend			6.51	6.51	6.08	5.59	11.48	5.21	0.88	

*Investment Policy Benchmark

Fund Performance Summary

As of 03/31/2025

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	SageView Ranking
Passive International Stock Option	Foreign Large Blend	2.73%	6.20	6.20	6.85	NA	NA	NA	0.04	NA
MSCI ACWI Ex USA NR USD*			5.23	5.23	6.09	4.48	10.92	4.98		
Cat: Morningstar Foreign Large Blend			6.51	6.51	6.08	5.59	11.48	5.21	0.88	
Real Return Option	Conservative Allocation	0.62%	6.24	6.24	9.55	0.60	11.74	3.96	0.22	3RD QUAR
SSgA Real Return Option Blended Benchmark*			6.13	6.13	9.61	1.00	12.33	5.07		
Cat: Morningstar Conservative Allocation			1.57	1.57	5.18	2.41	4.23	3.08	1.06	
LifePath Index Retirement Fund	Target-Date Retirement	11.82%	1.51	1.51	6.03	2.79	5.97	4.56	0.07	TOP QUAR
BlackRock LifePath Index Retirement Custom Benchmark*			1.44	1.44	6.08	2.89	6.03	4.75		
Cat: Morningstar Target-Date Retirement			1.42	1.42	5.41	2.85	5.13	3.87	0.64	
LifePath Index 2030 Fund	Target-Date 2030	5.10%	0.97	0.97	6.18	3.68	9.18	6.16	0.07	3RD QUAR
BlackRock LifePath Index 2030 Custom Benchmark*			0.86	0.86	6.20	3.74	9.24	6.34		
Cat: Morningstar Target-Date 2030			0.67	0.67	5.49	3.90	9.54	6.29	0.66	
LifePath Index 2035 Fund	Target-Date 2035	4.36%	0.41	0.41	6.29	4.40	10.94	6.94	0.07	3RD QUAR
BlackRock LifePath Index 2035 Custom Benchmark*			0.25	0.25	6.25	4.38	10.97	7.10		
Cat: Morningstar Target-Date 2035			0.24	0.24	5.50	4.56	11.14	6.94	0.66	
LifePath Index 2040 Fund	Target-Date 2040	3.79%	-0.03	-0.03	6.50	5.14	12.61	7.66	0.07	2ND QUAR
BlackRock LifePath Index 2040 Custom Benchmark*			-0.22	-0.22	6.43	5.04	12.60	7.79		
Cat: Morningstar Target-Date 2040			-0.29	-0.29	5.57	5.18	12.46	7.50	0.68	
LifePath Index 2045 Fund	Target-Date 2045	2.76%	-0.53	-0.53	6.64	5.83	13.98	8.22	0.07	TOP QUAR
BlackRock LifePath Index 2045 Custom Benchmark*			-0.76	-0.76	6.50	5.66	13.92	8.34		
Cat: Morningstar Target-Date 2045			-0.51	-0.51	5.61	5.64	13.32	7.83	0.68	
LifePath Index 2050 Fund	Target-Date 2050	2.13%	-0.98	-0.98	6.70	6.27	14.73	8.53	0.07	TOP QUAR
BlackRock LifePath Index 2050 Custom Benchmark*			-1.24	-1.24	6.58	6.09	14.67	8.65		
Cat: Morningstar Target-Date 2050			-0.84	-0.84	5.56	5.83	13.67	7.97	0.69	

*Investment Policy Benchmark

Fund Performance Summary

As of 03/31/2025

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	SageView Ranking
LifePath Index 2055 Fund	**Target-Date 2055**	**1.15%**	**-1.18**	**-1.18**	**6.78**	**6.47**	**14.93**	**8.61**	**0.07**	**TOP DEC**
BlackRock LifePath Index 2055 Custom Benchmark*			**-1.46**	**-1.46**	**6.64**	**6.28**	**14.87**	**8.73**		
Cat: Morningstar Target-Date 2055			-0.77	-0.77	5.59	5.91	13.86	8.02	0.68	
LifePath Index 2060 Fund	**Target-Date 2060**	**0.64%**	**-1.21**	**-1.21**	**6.77**	**6.47**	**14.92**	**8.60**	**0.07**	**TOP QUAR**
BlackRock LifePath Index 2060 Custom Benchmark*			**-1.49**	**-1.49**	**6.65**	**6.28**	**14.87**			
Cat: Morningstar Target-Date 2060			-0.87	-0.87	5.50	5.95	14.02	8.17	0.69	
LifePath Index 2065 Fund	**Target-Date 2065+**	**0.25%**	**-1.21**	**-1.21**	**6.81**	**6.50**	**14.91**	**NA**	**0.07**	**TOP QUAR**
BlackRock LifePath Index 2065 Custom Benchmark*			**-1.49**	**-1.49**	**6.64**	**6.28**	**14.86**			
Cat: Morningstar Target-Date 2065+			-0.83	-0.83	5.48	6.03	14.04	NA	0.66	

*Investment Policy Benchmark

Investment Options Fee Summary

Asset Class and Strategy	Investment Management Fees*	Peer Group Median
Asset Allocation Options		
LifePath Index Retirement, 2030 - 2070 Funds	0.07%	0.65% - 0.70%
Capital Preservation		
Stable Value Option	0.30%	0.57%
Fixed Income		
Active Fixed Income Option	0.16%	0.76%
U.S. Large Cap Equity		
Stock Index Option	0.01%	0.77%
Large Company Value Stock Option	0.008%	0.88%
Large Company Growth Stock Option	0.008%	0.94%
U.S. Small Cap Equity		
Small Company Stock Option	0.32%	0.99%
Active International Equity		
Active International Stock Option	0.55%	0.88%
Passive International Equity		
Passive International Stock Option	0.04%	0.88%
Specialty Options		
Socially Responsible Investment Option	0.18%	0.77%
Real Return Option	0.22%	1.06%

* Fee data provided by OST

Oregon Savings Growth Plan
Periodic Table of Annual Investment Returns

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Small Company Stock Option 26.6%	Active Fixed Income Option 7.8%	Active International Stock Option 20.7%	Small Company Stock Option 38.1%	Stock Index Option 12.6%	Large Company Growth Stock Option 5.2%	Small Company Stock Option 21.4%	Large Company Growth Stock Option 30.2%	Stable Value Option 2.2%	Large Company Growth Stock Option 36.4%	Large Company Growth Stock Option 38.4%	Large Company Growth Stock Option 27.7%	Stable Value Option 1.8%	Large Company Growth Stock Option 42.7%	Large Company Growth Stock Option 33.3%
Stock Index Option 17.2%	LifePath Retirement 3.8%	Large Company Value Stock Option 18.9%	Large Company Value Stock Option 36.9%	Large Company Value Stock Option 12.2%	Stable Value Option 1.6%	Large Company Value Stock Option 17.2%	Active International Stock Option 27.7%	Active Fixed Income Option 0.5%	Socially Responsible Investment Option 31.4%	Stock Index Option 21.0%	Small Company Stock Option 27.5%	Real Return Option 1.7%	Stock Index Option 26.0%	Stock Index Option 23.8%
LifePath 2050 Portfolio 16.5%	Stable Value Option 1.9%	Small Company Stock Option 16.7%	Large Company Growth Stock Option 34.5%	Large Company Growth Stock Option 11.6%	Active Fixed Income Option 0.8%	Socially Responsible Investment Option 13.4%	Stock Index Option 21.2%	Large Company Growth Stock Option -1.6%	Stock Index Option 31.1%	Socially Responsible Investment Option 20.1%	Socially Responsible Investment Option 26.1%	Large Company Value Stock Option -7.6%	Socially Responsible Investment Option 22.3%	Socially Responsible Investment Option 18.1%
Large Company Growth Stock Option 16.0%	Large Company Growth Stock Option 1.7%	LifePath 2050 Portfolio 16.6%	Stock Index Option 33.6%	LifePath 2050 Portfolio 6.4%	Stock Index Option 0.6%	Stock Index Option 12.8%	LifePath 2050 Portfolio 20.9%	LifePath Retirement -3.4%	LifePath 2050 Portfolio 26.7%	LifePath 2050 Portfolio 15.2%	Stock Index Option 25.7%	Active Fixed Income Option -13.5%	LifePath 2050 Portfolio 21.2%	LifePath 2050 Portfolio 15.6%
Large Company Value Stock Option 13.9%	Stock Index Option 1.0%	Stock Index Portfolio 16.4%	LifePath 2050 Portfolio 20.3%	Active Fixed Income Option 6.1%	LifePath Retirement -1.1%	LifePath 2050 Portfolio 9.3%	Socially Responsible Investment Option 20.7%	LifePath 2025 Portfolio -4.8%	Large Company Value Stock Option 26.7%	Small Company Stock Option 14.1%	Large Company Value Stock Option 25.2%	Active International Stock Option -13.8%	Active International Stock Option 19.2%	Large Company Value Stock Option 14.4%
LifePath 2025 Portfolio 13.7%	LifePath 2025 Portfolio 0.2%	Large Company Growth Stock Option 16.4%	Active International Stock Option 19.4%	LifePath 2025 Portfolio 5.8%	LifePath 2025 Portfolio -1.4%	LifePath 2025 Portfolio 7.4%	Small Company Stock Option 14.7%	Stock Index Option -5.2%	Small Company Stock Option 24.2%	Active International Stock Option 12.5%	Real Return Option 19.8%	LifePath Retirement -14.7%	Small Company Stock Option 16.0%	Small Company Stock Option 11.7%
LifePath Retirement 11.0%	Large Company Value Stock Option -1.1%	LifePath 2025 Portfolio 12.3%	LifePath 2025 Portfolio 12.4%	LifePath Retirement 5.4%	LifePath 2050 Portfolio -2.1%	Large Company Growth Stock Option 7.1%	LifePath 2025 Portfolio 14.0%	Socially Responsible Investment Option -5.6%	Active International Stock Option 20.8%	LifePath 2025 Portfolio 12.1%	LifePath 2050 Portfolio 18.6%	LifePath 2025 Portfolio -15.3%	LifePath 2025 Portfolio 12.0%	LifePath 2030 Portfolio 9.1%
Active International Stock Option 9.1%	Small Company Stock Option -3.5%	LifePath Retirement 8.9%	LifePath Retirement 6.7%	Small Company Stock Option 4.7%	Active International Stock Option -2.6%	LifePath Retirement 6.2%	Large Company Value Stock Option 13.8%	Real Return Option -6.1%	LifePath 2025 Portfolio 18.7%	LifePath Retirement 11.9%	LifePath 2025 Portfolio 8.9%	Small Company Stock Option -15.4%	Large Company Value Stock Option 11.4%	LifePath Retirement 7.1%
Active Fixed Income Option 8.2%	LifePath 2050 Portfolio -3.9%	Active Fixed Income Option 6.5%	Stable Value Option 1.6%	Stable Value Option 1.4%	Large Company Value Stock Option -3.8%	Real Return Option 5.3%	LifePath Retirement 10.2%	LifePath 2050 Portfolio -8.1%	LifePath Retirement 15.7%	Active Fixed Income Option 7.5%	Active International Stock Option 8.8%	Socially Responsible Investment Option -17.8%	LifePath Retirement 11.1%	Active International Stock Option 5.8%
Stable Value Option 2.2%	Active International Stock Option -13.4%	Stable Value Option 1.7%	Active Fixed Income Option -1.6%	Active International Stock Option -5.1%	Small Company Stock Option -4.2%	Active Fixed Income Option 3.5%	Real Return Option 7.5%	Large Company Value Stock Option -8.1%	Real Return Option 10.3%	Large Company Value Stock Option 3.0%	LifePath Retirement 6.9%	LifePath 2050 Portfolio -18.2%	Active Fixed Income Option 6.4%	Real Return Option 4.2%
						Active International Stock Option 3.5%	Active Fixed Income Option 4.5%	Small Company Stock Option -11.8%	Active Fixed Income Option 8.4%	Real Return Option 2.5%	Stable Value Option 1.7%	Stock Index Option -19.3%	Stable Value Option 2.8%	Stable Value Option 3.2%
						Stable Value Option 1.8%	Stable Value Option 1.9%	Active International Stock Option -15.6%	Stable Value Option 2.6%	Stable Value Option 2.2%	Active Fixed Income Option -0.9%	Large Company Growth Stock Option -29.3%	Real Return Option 1.0%	Active Fixed Income Option 2.4%

TM

IPS Historical Ranking

Fund Name	06/2022	09/2022	12/2022	03/2023	06/2023	09/2023	12/2023	03/2024	06/2024	09/2024	12/2024	03/2025
Active Fixed Income Option	NA	NA	NA	NA	NA	NA	NA	NA	NA	TOP QUAR	2ND QUAR	2ND QUAR
Large Company Value Stock Option	NA	NA	NA	NA	NA	NA	NA	NA	NA	Pass	Pass	Pass
Socially Responsible Investment Option	NA	NA	NA	NA	NA	NA	NA	NA	NA	3RD QUAR	3RD QUAR	3RD QUAR
Stock Index Option	NA	NA	NA	NA	NA	NA	NA	NA	NA	Pass	Pass	Pass
Large Company Growth Stock Option	NA	NA	NA	NA	NA	NA	NA	NA	NA	Pass	Pass	Pass
Small Company Stock Option	NA	NA	NA	NA	NA	NA	NA	NA	NA	TOP QUAR	TOP QUAR	TOP QUAR
Active International Stock Option	NA	NA	NA	NA	NA	NA	NA	NA	NA	TOP DEC	TOP DEC	TOP DEC
Passive International Stock Option	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Real Return Option	NA	NA	NA	NA	NA	NA	NA	NA	NA	2ND QUAR	TOP QUAR	3RD QUAR
LifePath Index Retirement Fund	NA	NA	NA	NA	NA	NA	NA	NA	NA	TOP QUAR	2ND QUAR	TOP QUAR
LifePath Index 2030 Fund	NA	NA	NA	NA	NA	NA	NA	NA	NA	3RD QUAR	3RD QUAR	3RD QUAR
LifePath Index 2035 Fund	NA	NA	NA	NA	NA	NA	NA	NA	NA	3RD QUAR	3RD QUAR	3RD QUAR
LifePath Index 2040 Fund	NA	NA	NA	NA	NA	NA	NA	NA	NA	2ND QUAR	2ND QUAR	2ND QUAR
LifePath Index 2045 Fund	NA	NA	NA	NA	NA	NA	NA	NA	NA	TOP QUAR	2ND QUAR	TOP QUAR
LifePath Index 2050 Fund	NA	NA	NA	NA	NA	NA	NA	NA	NA	TOP QUAR	TOP QUAR	TOP QUAR
LifePath Index 2055 Fund	NA	NA	NA	NA	NA	NA	NA	NA	NA	TOP DEC	TOP DEC	TOP DEC
LifePath Index 2060 Fund	NA	NA	NA	NA	NA	NA	NA	NA	NA	TOP DEC	TOP DEC	TOP QUAR
LifePath Index 2065 Fund	NA	NA	NA	NA	NA	NA	NA	NA	NA	TOP DEC	TOP QUAR	TOP QUAR

TAB 11

COAL ACT

May 28, 2025

HB 4083 Review

Philip Larrieu
Investment Officer, Stewardship

OREGON
STATE
TREASURY

Purpose of HB 4083

- **Objective:** To require the Oregon Investment Council, consistent with its fiduciary obligations, to undertake a fiduciary review and determine appropriate actions regarding Oregon Public Employees Retirement Fund (OPERF) investments in thermal coal companies, considering their financial risk profile and contribution to climate change.

- **Core Mandate:** The OIC and State Treasurer are to strive to prevent OPERF funds from being invested in thermal coal companies (or funds containing them), with all actions taken reasonably and in a manner consistent with their fiduciary duties.

- **Financial Prudence:** Any divestment must be executed without monetary loss to the funds, through prudent reinvestments generating comparable returns.

- **Legislative Funding Dependent:** The Act specifies that implementation of provisions requiring company engagement, transition monitoring, and detailed annual reporting is contingent on legislative funding.

Key Definitions under HB 4083

- **Thermal Coal Company:** Defined by specific revenue thresholds from thermal coal production, global production percentage, or CO2 emissions potential of reserves.
    - Derives at least 20% of annual revenue from thermal coal production.
    - Accounts for more than 1% of global thermal coal production.
    - Reported coal reserves contain more than 0.3 gigatons of potential CO2 emissions.
- **Investment:** Encompasses commitment of funds/assets, loans, credit, or ownership/control of shares or debt instruments.
- **Subject Investment Funds:** Specifically refers to the Public Employees Retirement Fund (OPERF).

Key Responsibilities under HB 4083

- **Oregon Investment Council (OIC) Role & Responsibilities**
  - **Oversight & Policy Setting:** Shall act reasonably and consistent with fiduciary duties, alongside the Treasurer, to try to ensure subject funds are not invested in thermal coal companies.
  - **Rulemaking Authority:** May adopt rules to define a "reasonable timeline" for clean energy transitions to guide the Treasurer's assessment.
  - **Reporting Oversight:** Receives and reviews the Treasurer's annual report.
- **State Treasurer Role & Responsibilities**
  - **Investigation:** Shall make reasonable efforts to investigate current and potential investments to identify thermal coal companies.
  - **Divestment:** In coordination with OIC, will try to ensure subject funds are not invested in thermal coal companies without viable transition plans, subject to fiduciary duties and avoiding monetary loss.
  - **Transition Assessment:** Evaluate clean energy transition plans of companies.
  - **Engagement:** Engage with identified thermal coal companies regarding State policy and their transition plans.
  - **Notification:** Notify publicly traded thermal coal companies of intent to divest.
  - **Reporting:** Annual report to Legislative Assembly by January 15.

Staff Analysis & Proposed Implementation Framework

- **Leveraging Existing Frameworks:** Staff proposes to utilize existing processes and resources where appropriate.
  - Staff is analyzing existing and pending OST processes including HB 2081 (Net Zero Climate Action) to address elements for HB 4083.
  - The OIC may need to revise OPERF investment policies to ensure existing and proposed OST frameworks effectively address HB 4083's directives within current operations.
- **Fiduciary Duty Remains Paramount:** All actions will be consistent with fiduciary duties (ORS 293.721 and 293.726).
- **Cost Efficiency:** Staff believes that leveraging existing and pending frameworks, such as those needed for HB 2081 (Net Zero Climate Action) would offer a cost-efficient way to fulfill the spirit of HB 4083's engagement and reporting requirements, especially if legislative funds for HB 4083 are not allocated.
    - **Investigation and Identification**
      - Completed and included in the 2024 Net Zero Plan Annual Progress Report.
    - **Transition Assessments**
      - In progress.
      - The 1st phase was completed and included in the 2024 Net Zero Plan Annual Progress Report.
    - **Engagement**
      - Actively investigating providers and partnerships to shape our engagement plan, while also assessing and defining resource needs.
    - **Reporting**
      - Staff may propose policies aligning existing and pending reporting mechanisms to align with the intent of HB 4083.

Next Steps

- **Continued Monitoring:**
  - Staff will continue to monitor thermal coal companies, associated financial risks, and market developments to support OIC policy development and oversight.
- **Policy Development:**
  - Staff will propose policy updates for OIC consideration at its next meeting, which aim to codify the coordinated approach and policy direction of Treasury and the OIC regarding HB 4083.
- **Engagement:**
  - Staff will integrate engagement on thermal coal, reflecting HB 4083's underlying intent, within OPERF's existing overall engagement framework.
- **Reporting:**
  - Contingent on legislative appropriations, prepare reports as required.
  - Absent appropriations, staff will recommend adapting current or planned reporting channels, for OIC policy consideration, to meet the spirit of HB 4083's reporting.

OREGON STATE TREASURY

Elizabeth Steiner, MD
Oregon State Treasurer

16290 SW Upper Boones Ferry Road
Tigard, OR 97224

oregon.gov/treasury

<u>OIC Memo</u>

May 28, 2025

HB 4083 Implementation

Purpose

This memorandum serves to inform the Oregon Investment Council (OIC) about the implications and operational aspects of House Bill 4083 (2024), concerning thermal coal investments within the Oregon Public Employees Retirement Fund (OPERF). It outlines the bill's core mandates and the specific responsibilities assigned to the OIC and the State Treasurer.

Background

Oregon House Bill 4083 aims to have the OIC and Oregon State Treasury (OST) address the financial risks associated with climate change by targeting investments in thermal coal companies in OPERF. The core mandate requires the OIC and the State Treasurer to act reasonably, consistently with their fiduciary duties (ORS 293.721 and 293.726) to try to ensure these funds are not invested in thermal coal companies or funds containing them. Any divestment must be done without monetary loss to the funds through prudent reinvestments generating comparable returns.

Furthermore, the bill establishes requirements for engagement, monitoring, and reporting of identified thermal coal companies in the OPERF portfolio subject to the legislature allocating funds for these purposes and prohibits the use of investment funds for these purposes.

Key Provisions and Implementation Requirements

The Bill creates new obligations for the OIC and Treasurer. Specifically:

Oregon Investment Council:

- Oversight & Policy Setting: Shall act reasonably and consistent with fiduciary duties, alongside the Treasurer, to try to ensure subject funds are not invested in thermal coal companies.
    - Staff believes the OIC can comply with this through setting investment policies consistent with the bills requirements and receiving periodic reporting on application.
- Rulemaking Authority: May adopt rules to define a "reasonable timeline" for clean energy transitions to guide the Treasurer's assessment.
- Reporting Oversight: Receives and reviews the Treasurer's annual report to ensure compliance and transparency.

Oregon State Treasurer (and Staff):

- Investigation: Shall make reasonable efforts to investigate current and potential investments to identify thermal coal companies based on the Act's criteria.
- Transition Assessment: Evaluating any clean energy transition plans presented by engaged companies to determine their credibility, feasibility, and alignment with criteria outlined in OIC Policy if the OIC desires to set a policy.

- Engagement: Engaging with identified thermal coal companies, where appropriate and feasible, to communicate the State's policy, understand company operations and risks, and inquire about potential plans for transitioning away from thermal coal.
    - Notification: The Treasurer shall notify publicly traded thermal coal companies of the intent to divest.
    - The Treasurer will encompass thermal coal into engagement strategies.
- Reporting: The Treasurer shall report annually by January 15 to the Legislative Assembly on actions taken under the law, making reports publicly available online.
- Divestment: The Treasury, in coordination with the OIC, will try to ensure subject funds are not invested in thermal coal companies without viable transition plans if subject to their fiduciary duties, and alternative investment with similar risk/return characteristics can be made without loss of money. Accordingly, where the Treasurer determines retention is not appropriate, divestment must be managed prudently with funds reinvested productively and consistent with fiduciary duties (ORS 293.721, 293.726) and avoid any monetary loss.

Next Steps

To effectively implement HB 4083, staff's primary focus is the development and presentation of policy updates for the OIC's consideration at its next meeting. These policies should formally codify the coordinated approach and policy direction of both Treasury and the OIC regarding the bill. Concurrently, staff will continue to monitor investments, market developments, and research related to thermal coal companies and associated climate financial risks. Additionally, staff will continue to integrate thermal coal considerations and risk assessments into the broader engagement strategy, utilizing established processes and available resources. Staff also remains committed to providing reporting that aligns with the intent of the legislation.

Enrolled
House Bill 4083

Sponsored by Representatives PHAM K, GAMBA, Senator GOLDEN, Representatives ANDERSEN, DEXTER, NGUYEN H, NOSSE, TRAN, Senators CAMPOS, DEMBROW, GELSER BLOUIN, GORSEK, MANNING JR, STEINER; Representatives BOWMAN, BYNUM, CHAICHI, FAHEY, GRAYBER, HARTMAN, HOLVEY, HUDSON, KROPF, LIVELY, MARSH, MCLAIN, NELSON, PHAM H, REYNOLDS, RUIZ, SOSA, VALDERRAMA, WALTERS, Senators JAMA, MEEK, PATTERSON, SOLLMAN (Presession filed.)

CHAPTER ....

AN ACT

Relating to the removal of thermal coal from the State Treasury investment portfolio.

Whereas in 2016 the Legislative Assembly passed Senate Bill 1547 mandating the elimination of coal as an energy source for the state's major utilities by 2030, while the State Treasury continues to hold and invest in coal assets; and

Whereas 200 governments, banks, institutional investors and public pension funds have divested from coal, including CalPERS, CalSTRS, the New York State Common Retirement Fund and the New York City Employees' Retirement System, and CalPERS has estimated the positive impact to the fund due to removing thermal coal in 2015 to be $598 million as of fiscal year 2022; and

Whereas coal's impact on the environment, climate and public health presents a financial risk to Oregon's Public Employees Retirement System and to the overall State Treasury portfolio; and

Whereas coal is damaging to the environment, climate and public health, causing damage to air, soil and waterways and causing human health impacts such as cancer, cardiovascular disease, respiratory disease, kidney disease, mental health problems, adverse birth outcomes, impaired child development and others, and coal across the use continuum impacts vulnerable populations disproportionately; now, therefore,

Be It Enacted by the People of the State of Oregon:

SECTION 1. As used in sections 1 to 5 of this 2024 Act:

(1) "Clean energy" has the meaning given the term "nonemitting electricity" in ORS 469A.400.

(2) "Company" means any sole proprietorship, organization, firm, association, corporation, utility, partnership, venture, public franchise, franchisor, franchisee or its wholly owned subsidiary that exists for profit-making purposes or otherwise to secure economic advantage.

(3) "Investment" means the commitment of funds or other assets to a company, including a loan or other extension of credit made to the company, or the ownership or control of a share or interest in the company or of a bond or other debt instrument issued by the company.

(4) "Subject investment funds" means the Public Employees Retirement Fund.

(5) "Thermal coal company" means a company, or a parent or subsidiary of a company:

(a) That derives at least 20 percent of its annual revenue from thermal coal production;

(b) That accounts for more than one percent of global production of thermal coal; or

(c) Whose reported coal reserves contain more than 0.3 gigatons of potential carbon dioxide emissions.

(6) "Urgewald Global Coal Exit List" means the list of coal industry participants identified by the Urgewald organization.

SECTION 2. (1) The Oregon Investment Council and the State Treasurer, in the State Treasurer's role as investment officer for the council, shall act reasonably and in a manner consistent with ORS 293.721 and 293.726 to try to ensure that moneys in subject investment funds are not invested in any thermal coal company, or any fund containing a thermal coal company.

(2) Divestment and reinvestment of moneys in subject investment funds under this section must be accomplished without monetary loss to the funds through reasonable, prudent and productive investments in companies generating returns that are comparable to the returns generated by the companies subject to divestment.

SECTION 3. (1) The Oregon Investment Council and the State Treasurer, in the State Treasurer's role as investment officer for the council, shall make reasonable efforts to investigate all companies in which the State Treasury has invested or may invest moneys in subject investment funds to determine whether any of those companies are thermal coal companies.

(2) If the State Treasurer determines that subject investment funds are invested in a publicly traded company that is a thermal coal company, the State Treasurer shall give notice to the company that the State Treasury will withdraw moneys in subject investment funds that are invested in the company as described in section 2 of this 2024 Act for as long as the company is a thermal coal company.

(3) The State Treasurer may use the current Urgewald Global Coal Exit List to identify thermal coal companies for purposes of sections 1 to 5 of this 2024 Act.

(4)(a) The State Treasurer may retain an investment in a thermal coal company if the company demonstrates that it is transitioning to clean energy on a reasonable timeline.

(b) The council may adopt rules to define a reasonable timeline for such a transition. The rules may reflect guidelines of the United Nations Intergovernmental Panel on Climate Change regarding necessary decreases in greenhouse gas emissions.

(c) The State Treasurer shall monitor thermal coal companies transitioning to clean energy to ensure that the companies are on track to meet emissions reduction targets.

(5) The State Treasurer may consult with managers of public employee pension funds in California and New York regarding thermal coal companies from which those funds have divested.

SECTION 4. On or before January 15 of each year, the State Treasurer shall report to the Legislative Assembly in the manner provided by ORS 192.245 on actions taken by the State Treasurer and the Oregon Investment Council pursuant to the provisions of sections 1 to 5 of this 2024 Act. Annual reports must be made under this section until no moneys in subject investment funds are invested in thermal coal companies. The State Treasurer shall make reports under this section publicly available via the Internet.

SECTION 5. (1) Sections 3 (2) to (5) and 4 of this 2024 Act apply only if the Legislative Assembly appropriates sufficient moneys to the State Treasurer, other than moneys described by ORS 293.718 or moneys in subject investment funds, to administer sections 3 (2) to (5) and 4 of this 2024 Act.

(2) Any costs incurred by the State Treasurer in administering sections 3 (2) to (5) and 4 of this 2024 Act may not be paid from subject investment funds.

Passed by House February 19, 2024

Repassed by House March 6, 2024

....
Timothy G. Sekerak, Chief Clerk of House

....
Dan Rayfield, Speaker of House

Passed by Senate March 5, 2024

....
Rob Wagner, President of Senate

Received by Governor:

........................M.,..., 2024

Approved:

........................M.,..., 2024

....
Tina Kotek, Governor

Filed in Office of Secretary of State:

........................M.,..., 2024

....
LaVonne Griffin-Valade, Secretary of State

TAB 12

OPEN DISCUSSION

TAB 13

PUBLIC COMMENTS

Public comments can now be found at the OIC website at:

https://www.oregon.gov/treasury/invested-for-oregon/pages/oregon-investment-council.aspx