



Kern County Employees Retirement Association

June 2026

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2nd Quarter 2026 Investment Landscape

Institutional Consulting

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Business Update

Since our last Investment Landscape webinar:

- › We celebrated our successful merger with **Cerity Partners** in April
- › We are excited to welcome our clients to Seattle in July for our **2026 Institutional Client Summit**
- › Recent research
 - *Active Management Environment*
- › Upcoming research
 - *Real Assets Outlook*

Recent Cerity Partners research

Thought Leadership

TOP TEN THOUGHTS FOR 2026

Every year Verus identifies a series of topics that we believe will be important for investors to consider during the coming year. Some of those tend to be economics or markets focused, while others tend to focus on geopolitics or other broader issues. The paper also looks back at the past years' forecasts.

LDI FOR PUBLIC SPONSORS

We explore the dichotomy in LDI adoption between sponsor types. We discuss the characteristics of pension plans that make LDI strategies beneficial. We assess the current environment, to illustrate why LDI may appear relatively attractive today.

STATE OF THE CORE REAL ESTATE FUND UNIVERSE

Verus addresses the state of the core real estate fund universe. Discussion includes the mixed fundamental conditions facing the asset class and the heavy redemption queues that continue to challenge certain funds and frustrate investors who are seeking liquidity.

THIS MATTERS, AND THIS DOESN'T

We offer perspectives regarding what we watch out for to acknowledge or even avoid biases where possible. Deciding what matters most to the portfolio by ensuring a balanced set of information sources, keeping a watchful eye for biases and carefully thinking about incentives, and also determining what doesn't matter.

1st quarter summary

THE ECONOMY

- › U.S. Q4 GDP growth was revised down to 0.7% QoQ annualized, with the government shutdown being the primary cause. Growth is expected to be more moderate throughout the year, likely supported by AI investment and productivity gains, as well as fiscal stimulus from the One Big Beautiful Bill Act. Job growth remains tepid.
- › U.S. inflation jumped to 3.3% YoY in March while core CPI rose to 2.6% YoY. The report reflected a large price increase overall, though energy was effectively the sole cause, with other goods and service prices showing mild movement. Food prices were flat during the month and services (excluding energy services) rose only 0.2%. Shelter inflation continued to cool as rent growth moderated, reinforcing a disinflationary trend given shelter's large CPI weight.

EQUITY

- › The first quarter showed a reversal of many style trends of late: U.S. small cap equities outperformed U.S. large caps (+0.9% vs. -4.3%), Value outperformed Growth (+2.1% vs. -9.8%), and non-U.S. markets outperformed U.S. (-0.7% vs. -4.3%).
- › U.S. equity forward P/E multiples moved sharply lower as equity prices fell but earnings forecasts adjusted further upwards despite fears around the Iran war. Persistent upward earnings guidance, along with the recent drawdown could potentially set U.S. equities up for a rally if a constructive end to the war appears most likely.

FIXED INCOME

- › Fears of a possible private credit crisis continued to circulate, leading to large redemptions from certain retail-focused funds. We believe the current situation can be mostly described as a liquidity mismatch among retail-focused funds driven by panic, and that panic may be somewhat overblown. If larger credit issues become apparent, spread and price movement would likely occur. Investors should focus attention on their private equity exposure if they believe these issues will expand.
- › Software stocks experienced a sharp drawdown amid concerns around AI creative destruction, though credit default activity has been muted. However, distressed credit activity among software has been notable.

ASSET ALLOCATION ISSUES

- › Global equities sold off during Q1 as the Iran conflict escalated and fears spread of a possible energy shock and perhaps a reversal of central bank easing due to inflation fears. The domestic market showed larger losses (S&P 500 -4.3%) with non-U.S. equities down slightly (MSCI EAFE -1.2% vs. MSCI EM -0.2%). Core fixed income and credit were relatively flat.
- › Market-priced volatility rose from 14 to a peak of 31 in late March. Neither U.S. nor Iranian leadership appeared willing to deescalate, with each side divided on core issues such as denuclearization and the Strait of Hormuz. On April 17th Iran announced the Strait of Hormuz was “completely open” following a ceasefire agreement between Israel and Lebanon, sending energy lower.

Global equities sold off during Q1 on the Iran conflict, though equity earnings forecasts continue to be adjusted upwards

Geopolitical shocks tend to have a more muted impact on asset markets, despite headlines and initial investor fears

What drove the market in Q1?

“U.S., Israel and Iran agree to a tentative ceasefire, even as the terms remain unclear”

Oil Price (WTI)				
2/20	2/27	3/9	4/3	4/17
\$66	\$67	\$94	\$111	\$81

Article Source: AP News, April 8th, 2026

“Fed Official Urges Caution on Rate Cuts as Iran War Drags On”

Expected Fed Funds Rate on December 31 st , 2026					
12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	3/31/26
3.66%	3.23%	2.98%	3.03%	3.05%	3.60%

Article Source: The New York Times, March 20th, 2026

“U.S. consumer inflation hot in March amid record surge in gasoline prices”

U.S. Inflation (year-over-year)							
Aug '25	Sep '25	Oct '25	Nov '25	Dec '25	Jan '26	Feb '26	Mar '26
2.9%	3.0%	N/A	2.7%	2.7%	2.4%	2.4%	3.3%

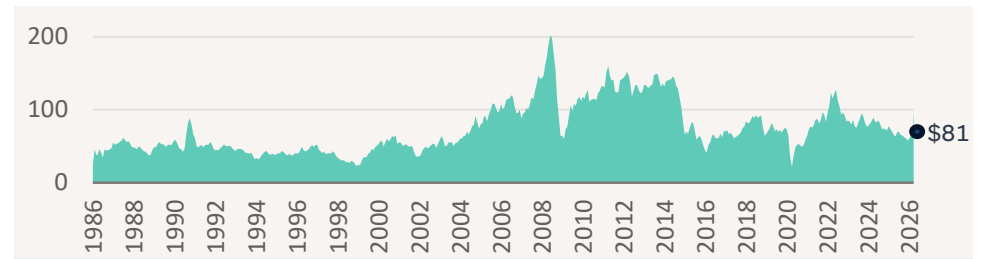
Article Source: Reuters, April 20th, 2026

“Weak Hiring, Layoff Plans Paint a Gloomy Labor-Market Picture”

Change in Employment (% year-over-year)					
Dec '23	June '24	Dec '24	June '25	Dec '25	Mar '26
1.6%	1.2%	0.9%	0.5%	0.07%	0.20%

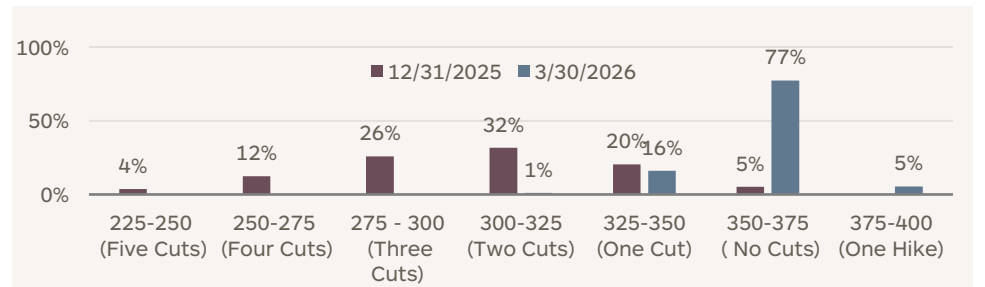
Article Source: Wall Street Journal, February 5th, 2026

OIL SPOT PRICE (WTI INFLATION ADJUSTED)



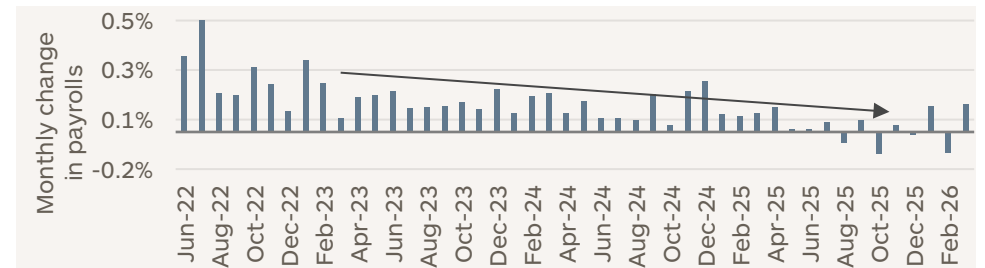
Source: Bloomberg, Cerity Partners, as of 4/17/26

FED FUNDS RATE PATH



Source: CME FedWatch, Cerity Partners, as of 3/30/26

U.S. MONTHLY JOB GROWTH



Source: FRED, Cerity Partners, as of 3/31/26

Economic environment

U.S. economics summary

- › U.S. Q4 GDP growth was revised down to 0.7% QoQ annualized. Less government spending was a notable contributor to poor growth, caused by the government shutdown. Growth in Q1 is also expected to be weak at 1.3% QoQ annualized, according to the Atlanta Fed GDPNow estimate, as of April 9th. The U.S. trade deficit has persisted as an ongoing drag on growth, despite aggressive tariff hikes and other implemented measures.
- › The US-Israel war with Iran began on February 28 with surprise airstrikes on Iranian sites and cities. While damage to Iranian military capabilities has been severe, the IRGC has held onto power and showed little willingness to negotiate. The disruption of the Strait of Hormuz triggered the largest oil supply disruption in history, pushing oil (WTI) to \$119 in overnight trading, fueling global inflation fears and risking central banks tightening. On April 17th Iran announced the Strait of Hormuz was “completely open” following a ceasefire agreement between Israel and Lebanon, sending energy prices lower.
- › U.S. inflation jumped to 3.3% while core CPI rose to 2.6%. This report reflected a very large increase overall, though

energy prices were effectively the sole cause, with other goods and service prices showing mild or flat movement. Food price inflation was 0% during the month and services (excluding energy services) rose only 0.2%. Shelter inflation continued to cool as rent growth moderated, reinforcing a disinflation trend.

- › The rate of unemployment fell from 4.5% to 4.3%, though this appears to be due to workers leaving the job market rather than a strengthening of labor conditions. Hiring activity is extremely low—at a level last seen during the depths of COVID and during 2011 as the economy began to recover from the 2008-2009 Global Financial Crisis.
- › Poor consumer sentiment continued, with the University of Michigan sentiment survey dropping to 47.6, and the Expectations component of the survey falling to the lowest level since 1980. The report indicated poor sentiment across all age, income, and political affiliations. One-year inflation expectations jumped from 3.8% to 4.8%, though it is worth noting that consumer inflation expectations tend to overshoot relative to actual inflation trends.

	Most Recent	12 Months Prior
Real GDP (YoY)	2.0% 12/31/2025	2.4% 12/31/2024
Inflation (CPI YoY, Core)	2.6% 3/31/2026	2.8% 3/31/2025
Expected Inflation (5yr-5yr forward)	2.1% 3/31/2026	2.2% 3/31/2025
Fed Funds Target Range	3.50% - 3.75% 3/31/2026	4.25% - 4.50% 3/31/2025
10-Year Rate	4.3% 3/31/2026	4.2% 3/31/2025
U-3 Unemployment	4.3% 3/31/2026	4.2% 3/31/2025
U-6 Unemployment	8.0% 3/31/2026	7.9% 3/31/2025

Inflation

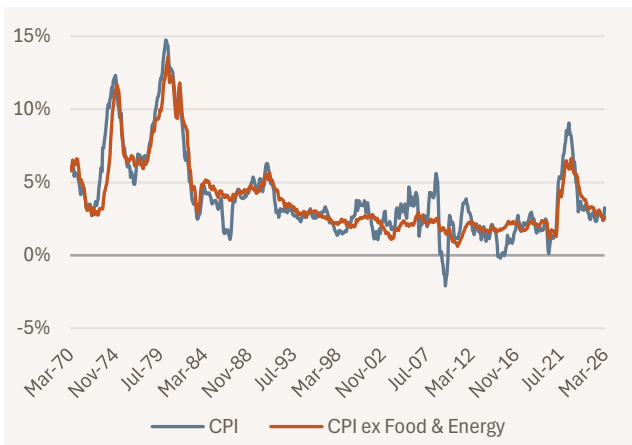
In March, U.S. inflation jumped to 3.3% while core CPI rose at a 2.6% rate. While this report reflected a very large increase overall, energy prices were effectively the sole cause, with other goods and service prices showing mild or flat movement. Food price inflation was 0.0% during the month and services (excluding energy services) rose only 0.2%. Shelter inflation continued to cool as rent growth moderated, reinforcing a disinflation trend given shelter's large CPI weight. Tariff-related price pressures remained muted.

Markets seem to be interpreting the recent energy price shock as a temporary effect. Federal Reserve Chair Jerome Powell stated that Fed is not considering the energy supply shock in its policy decisions. However, we

suspect the label of 'temporary' could change if energy infrastructure damage and/or a more prolonged conflict suggests longer-term damage to supply and severe disruption of refining processes. The length of time that the Strait of Hormuz is closed will likely be a key determinant in deciding the path of U.S. inflation over the coming months and the remainder of the year. On April 17th, Iran announced the Strait of Hormuz was "completely open" following a ceasefire agreement between Israel and Lebanon, sending energy prices lower, though the situation is fluid and it is unclear whether this agreement will hold.

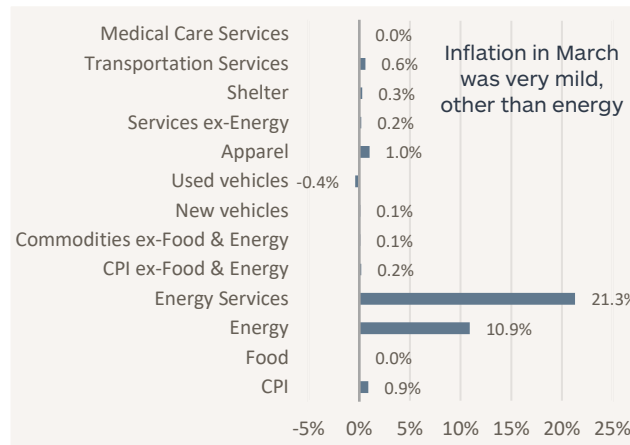
The length of time that the Strait of Hormuz is closed will likely be a key determinant of inflation trends in 2026

U.S. CPI (YOY)



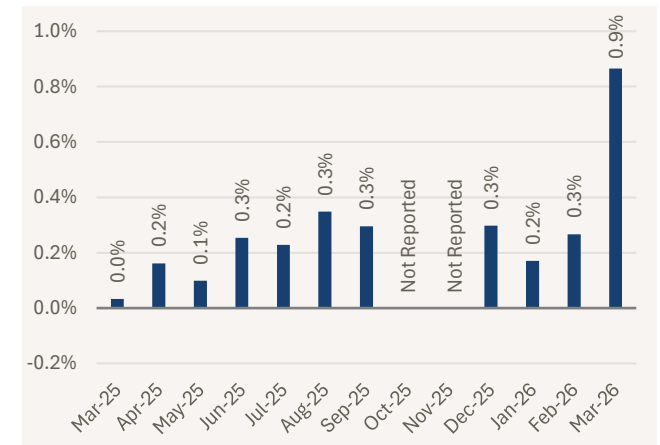
Source: BLS, as of 3/31/26

MARCH CPI (MONTH-OVER-MONTH)



Source: BLS, Cerity Partners, as of 3/31/26

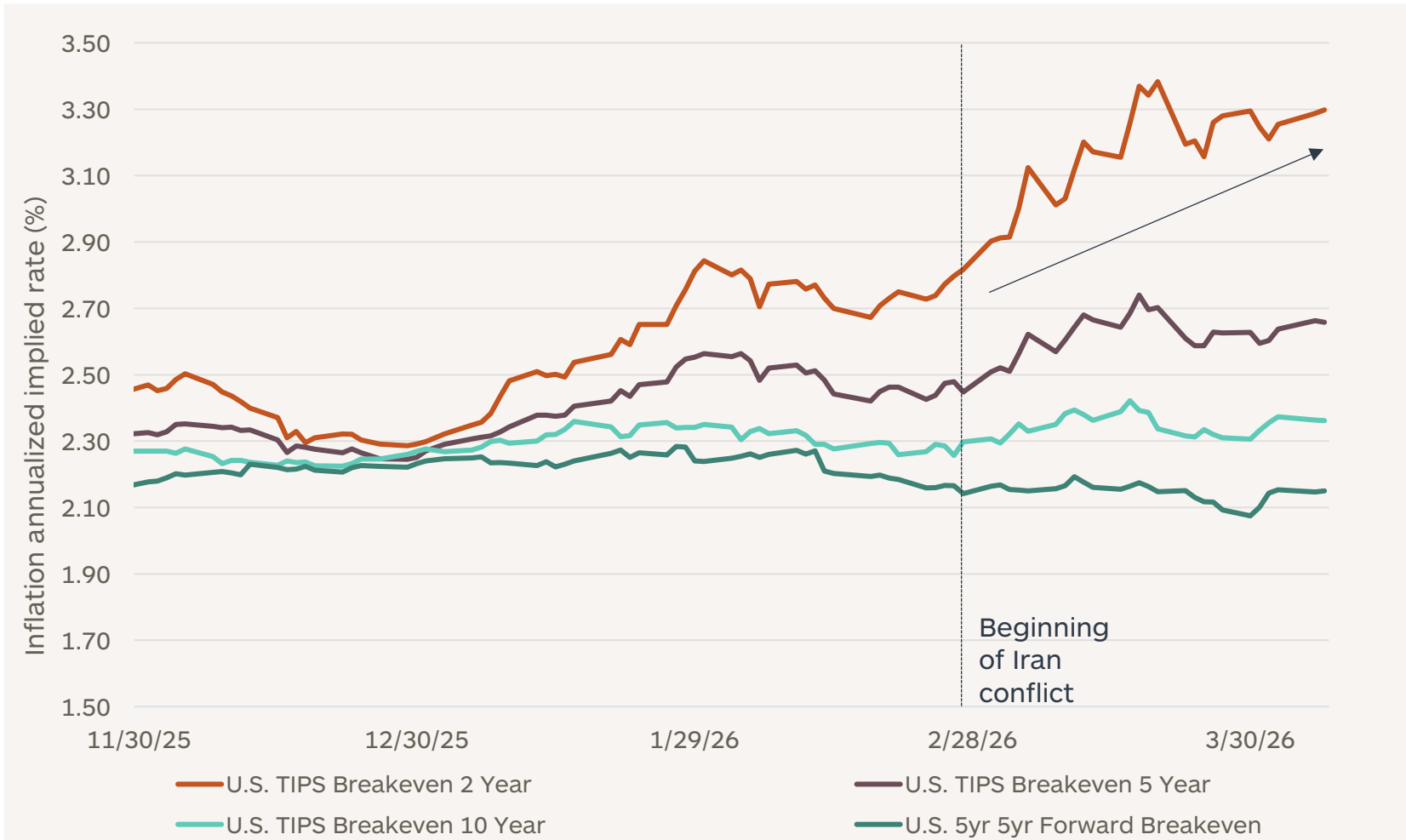
MONTHLY PRICE MOVEMENT (CPI)



Source: BLS, Cerity Partners, as of 3/31/26

How have inflation expectations changed?

MARKET IMPLIED INFLATION RATES



The Iran War has led to a jump in short-term inflation expectations, while medium and longer-term expectations remain little changed

This seems to imply that markets expect energy prices to spike higher but then to come back down thereafter

Source: Cerity Partners, Bloomberg, as of 4/7/26 – 5-year 5-year forward contract represents the rate of inflation starting 5 years from today and ending 10 years from today

GDP Growth

U.S. Q4 real GDP growth was revised down to 0.7% QoQ annualized. This surprisingly weak report reflects moderate consumer spending, mild investment, a sharp drop in government spending, and a trade deficit which served as a drag on the economy. A contraction in government spending was the notable contributor to poor growth, caused by the government shutdown. The trade balance has remained in deficit (more imports than exports), despite aggressive tariff hikes and other efforts from the U.S. administration to encourage domestic production and spending on domestic products.

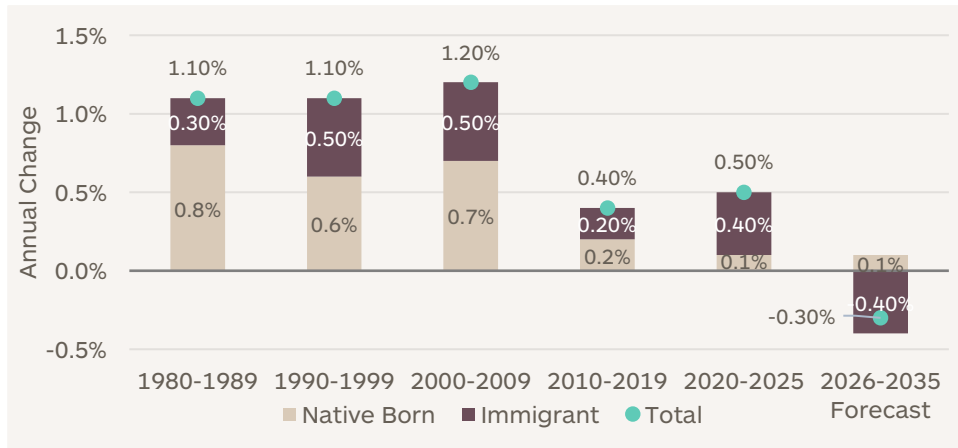
U.S. Q1 real GDP growth is forecast at 1.3% QoQ, as of April 9th according to the Atlanta Fed GDPNow indicator,

suggesting a larger drag from the trade deficit, slowing consumer spending, and weaker investment.

We continue to expect moderate positive economic growth in 2026 in the 2-2.5% range, supported by fiscal and monetary easing, lower taxes and capital investment incentives rolled out in the One Big Beautiful Bill Act. Capital expenditures around AI will likely remain a significant support to overall growth, though job growth may be a weak spot again this year. Border enforcement and shifting immigration policy has materially impacted the U.S. population growth rate. We believe this will impact the economy in a variety of ways, though the negative impacts may be less than some fear.

Growth during Q4 was very weak, and Q1 may show another weak quarter due to the trade deficit and slower consumer spending

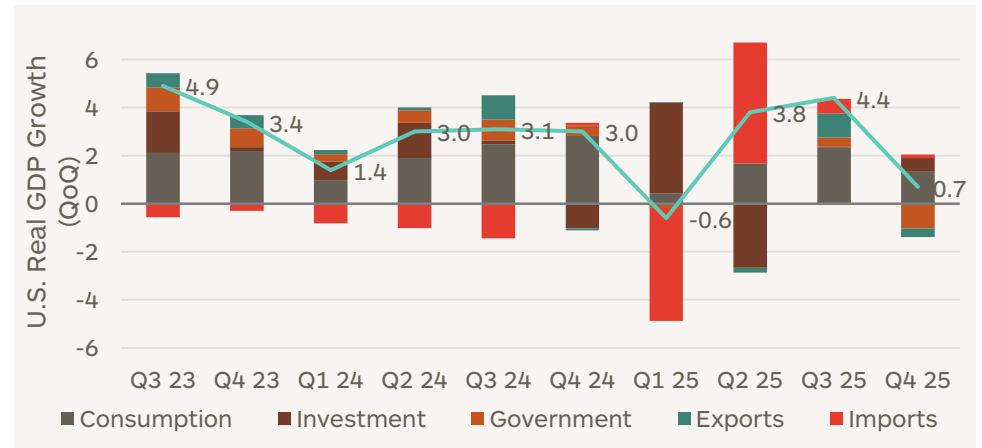
U.S. POPULATION GROWTH TRENDS



Source: J.P. Morgan

*Future working-age population is based on Census Bureau low immigration scenario projections released November 2023, controlled for military enrollment, growth in institutionalized population and demographic trends

U.S. REAL GDP COMPONENTS (QOQ)



Source: FRED, as of 12/31/25

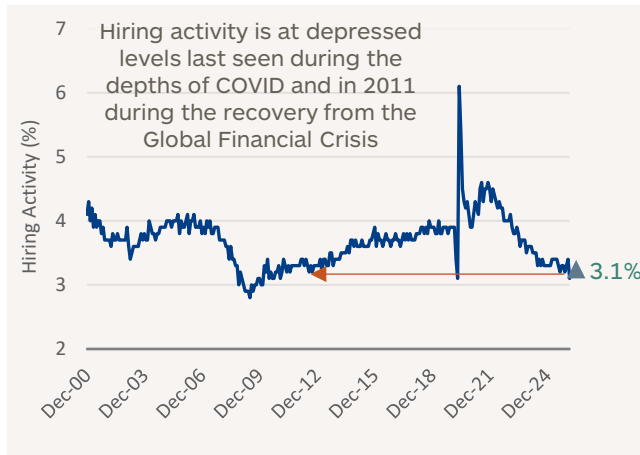
Labor Market

The rate of unemployment fell during the quarter from 4.5% to 4.3%, though this appears to be due to some workers leaving the job market rather than a strengthening of labor conditions (if a worker who is seeking a job gives up and stops their job hunt, this results in lower unemployment). Hiring activity is extremely low—at a level last seen during the depths of COVID and in 2011 as the economy began to recover from the 2008-2009 Global Financial Crisis. Overall, the labor market has remained generally stable with low levels of layoffs, low levels of workers quitting, and extremely low hiring activity.

A sudden drop in the labor participation rate was a notable theme in labor reports of recent months. The ‘labor force participation rate’ is defined as the number of people either working or actively looking for work, as a percentage of civilian population that is able to work. If we look at labor participation rates among different age groups, we see that young workers (ages 16-24) have experienced falling rates, as have older workers (age 55+). Interestingly, workers in the “core” age group of 25-54 have seen not only a stable participation rate in the job market recently, but one of the strongest participation rates of the past year.

Job growth appears to be stabilizing at a very low but positive rate

HIRING ACTIVITY



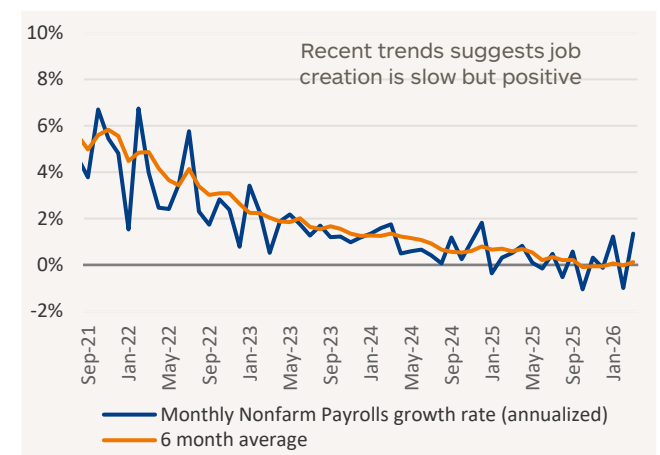
Source: FRED, as of 2/28/26

LABOR PARTICIPATION TRENDS

	Overall Participation	16-19 Years	20-24 Years	25-54 Years	55+ Years
Mar-25	62.5	37.4	71.9	83.3	38.2
Apr-25	62.6	36.7	72.0	83.6	38.4
May-25	62.4	36.0	71.3	83.4	38.1
Jun-25	62.3	35.1	71.0	83.5	38.0
Jul-25	62.2	35.0	71.0	83.4	38.1
Aug-25	62.3	34.8	70.3	83.7	38.1
Sep-25	62.5	36.3	71.1	83.7	38.0
Oct-25	Not reported				
Nov-25	62.5	36.3	71.8	83.8	37.9
Dec-25	62.4	36.6	71.3	83.8	37.9
Jan-26	62.1	35.4	71.3	84.0	37.3
Feb-26	62.0	35.7	71.6	83.9	37.3
Mar-26	61.9	35.7	70.5	83.8	37.2

Source: FRED, Cerity Partners, as of 3/31/26

JOB GROWTH



Source: FRED, Cerity Partners, as of 3/31/26

The consumer

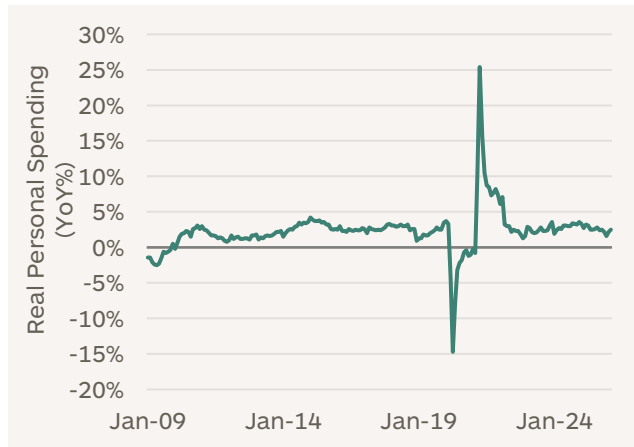
Retail sales grew at a strong pace in February and then increased substantially in March—the strongest month since early 2023. Higher gas prices were the main driver of increased spending, although if gas station purchases were excluded from the report, retail sales still rose at an impressive pace of 0.6%. Consumer spending could show surprising strength in the coming months as large tax refunds are sent to households following the One Big Beautiful Bill Act.

Although consumer spending remains robust by most measures, much debate has occurred regarding how uneven that spending might be across different income groups. This has been referred to as a “K-shaped” spending environment,

where the wealth and spending of upper income households has moved robustly upward. Meanwhile, the spending of lower income households has struggled due to high housing costs and general price rises, as well as higher energy prices more recently.

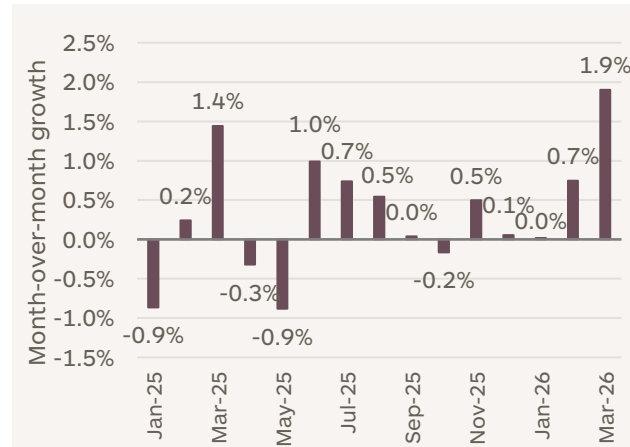
The war in Iran has resulted in greater gas and fuel prices for U.S. households at a time when inflation is already an immense concern for budgets. If inflation were to spike materially above the rate of household wage growth, this could lead to a tenuous situation given that personal savings rates are very low (4.5% as of January), which suggests higher energy costs may impact other types of spending.

REAL PERSONAL SPENDING



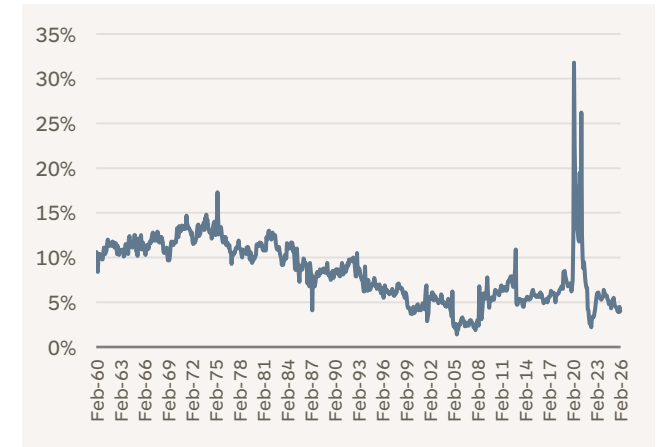
Source: FRED, as of 2/28/26

RETAIL SALES



Source: FRED, as of 3/31/26

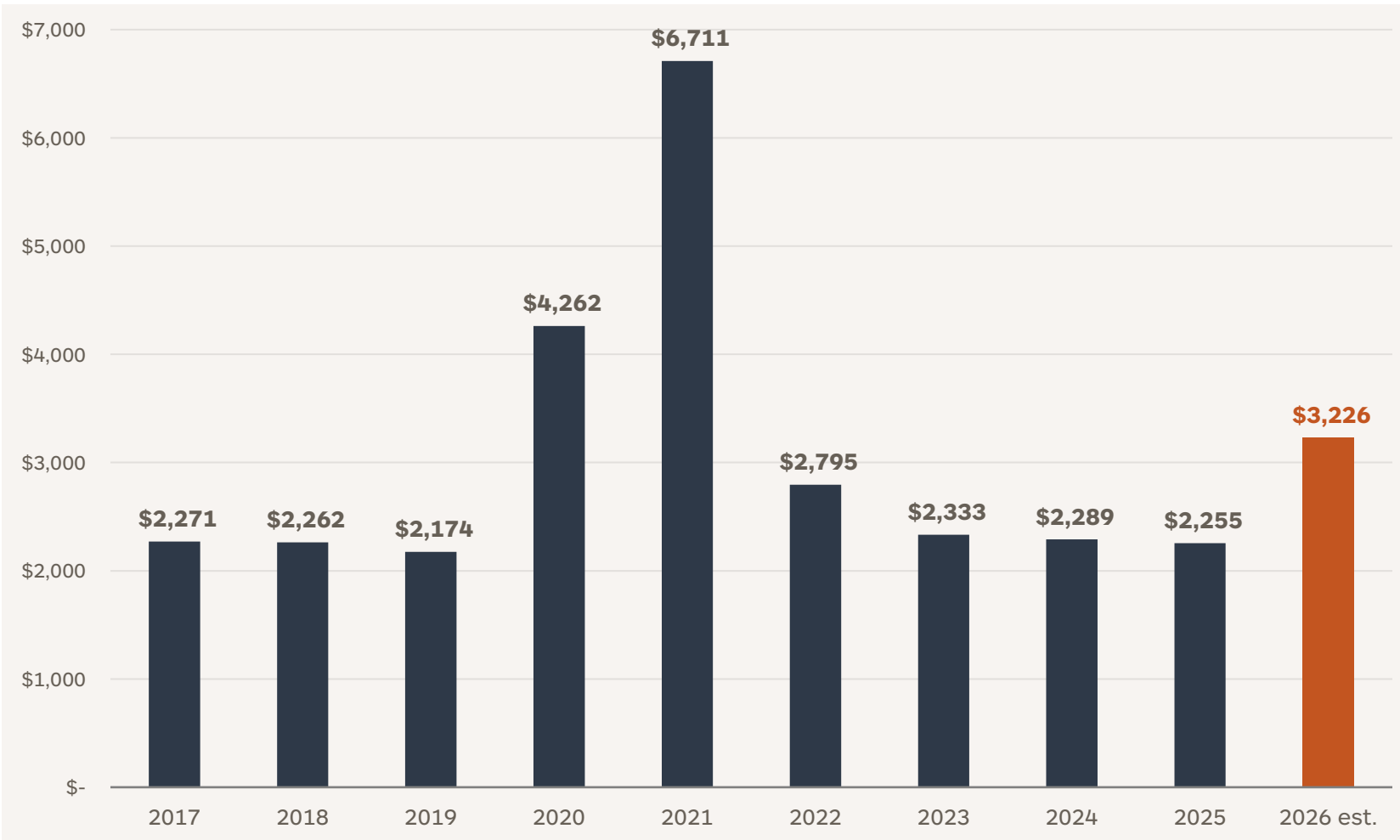
PERSONAL SAVINGS RATE



Source: FRED, as of 2/28/26

OBBBA tax benefits arriving

FEDERAL TAX REFUNDS PER NON-FARM PAYROLL JOB



Larger tax refunds resulting from the One Big Beautiful Bill Act will provide a boost to consumer spending this year

Source: Cerity Partners, Strategas estimates of impact of OBBA on tax refunds, 10/13/25

Sentiment

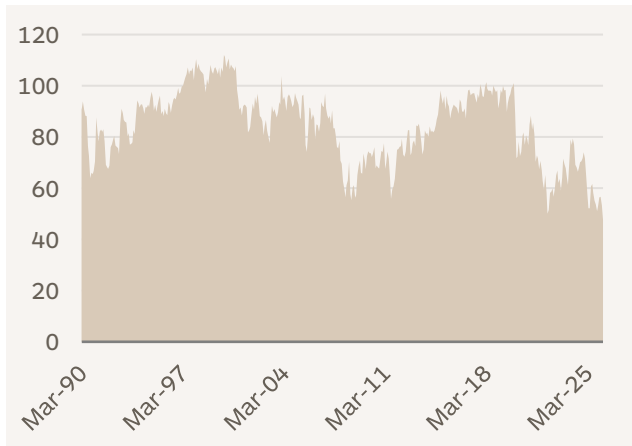
Poor consumer sentiment continued during Q1. The University of Michigan sentiment survey dropped to 47.6, and the Expectations component of the survey fell to the lowest level since 1980. The report indicated poor sentiment across all age, income, and political affiliations. One-year inflation expectations jumped from 3.8% to 4.8%, though it is worth noting that consumer inflation expectations tend to overshoot relative to actual inflation trends.

The Conference Board Consumer Confidence Index also reflected relatively poor sentiment. Feelings about current business and employment conditions improved slightly during the quarter. Interestingly, consumer sentiment among Americans over the age of 45 has deteriorated significantly over

the past year, while at the same time this age group's participation rate in the labor market has fallen.

Small business sentiment continued declining in March as it moved back towards 2024 levels on energy and general price concerns. "The 20% Small Business Deduction and other supportive small business tax provisions in the Working Families Tax Cut Act have had many positives for small business owners," said NFIB Chief Economist Bill Dunkelberg. "However, the dramatic spike in oil prices has spooked consumers and owners alike. Small business owners are having to absorb those higher input costs and pass them along to their customers."

CONSUMER SENTIMENT (UNIV. OF MICHIGAN)



Source: University of Michigan, as of 3/31/26

CONSUMER CONFIDENCE (CONFERENCE BOARD)



Source: Conference Board, as of 3/31/26

NFIB SMALL BUSINESS SENTIMENT



Source: NFIB, as of 3/31/26

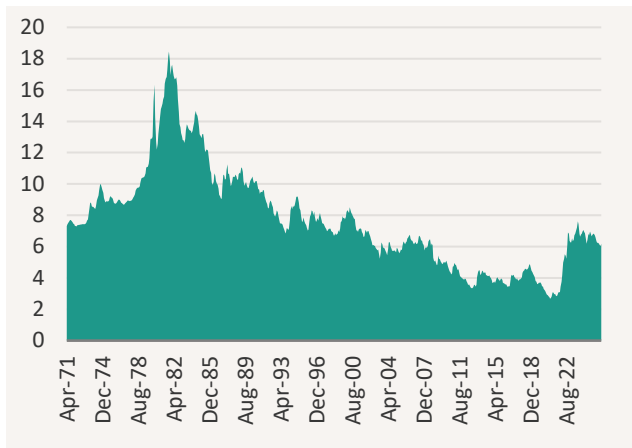
Housing

Home prices appreciated 0.9% in February year-over-year, according to Redfin. Sales activity was down -3.3% during this time. The 30-year average fixed mortgage rate moved lower from 6.2% to closer to 6.0% during the quarter but reversed course back to 6.2% as interest rates and inflation expectations jumped during the Iran conflict.

Home sales activity remains very low while unsold inventory has risen. The net effect of these dynamics is a considerable amount of housing supply on the market relative to sales activity, which seems to be making for more of a buyer's market. This is of course not to say that homes are affordable— affordability remains at depressed levels (measured as the cost of a monthly mortgage on a new average priced home relative to average household income).

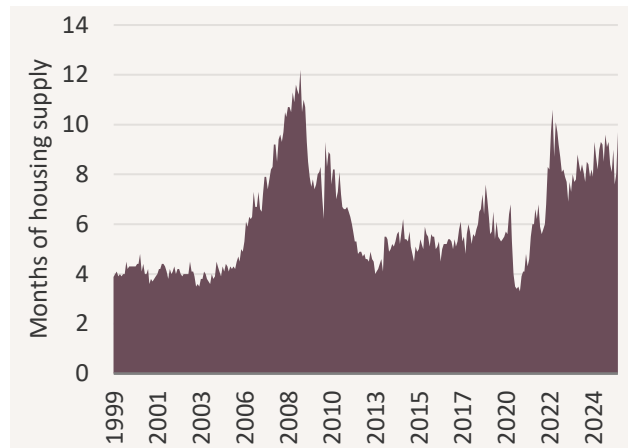
One possible path back to more normal homeownership affordability would be an extended period of low home price appreciation, such as what occurred over the past 12 months. If household wage gains grow at a faster rate than home prices consistently each year, this slowly moves the cost of a monthly mortgage to a more affordable level relative to incomes. Lower mortgage rates could also play a notable role in housing affordability, though markets are generally not expecting a return to the ultra-low interest rate environment of the 2010s, which suggests mortgage rates may not move substantially lower from today's level.

30-YEAR MORTGAGE RATE (%)



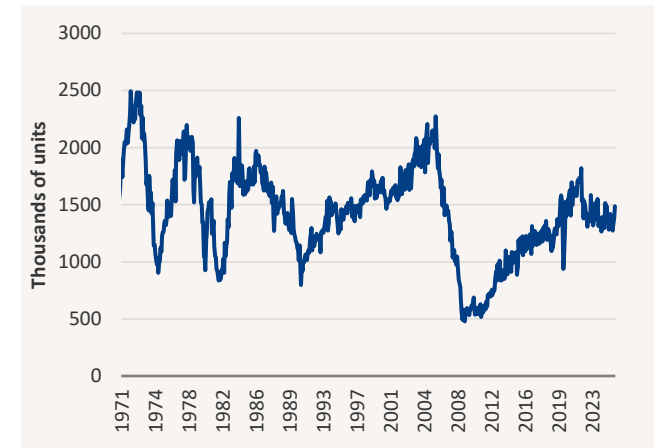
Source: Freddie Mac, as of 3/31/26

HOUSING SALES VS. INVENTORY



Source: FRED, as of 1/31/26

RESIDENTIAL HOME CONSTRUCTION STARTS



Source: FRED, Cerity Partners, as of 1/31/26

International economics summary

- › Eurozone GDP growth was 1.2% YoY in Q4, while Japan and Canada grew at a 0.4% and 0.6% rate, respectively. International growth and forecasts had exceeded expectations since the U.S. trade policy shift last April, but the Middle East war has since weighed on expectations and reignited inflation concerns.
 - › The U.S.-Israel war with Iran triggered severe energy supply disruptions following the effective closure of the Strait of Hormuz, pushing Brent crude oil above \$115/barrel in late March. On April 17th Iran announced the Strait of Hormuz was “completely open” following a ceasefire agreement between Israel and Lebanon, sending energy prices sharply lower. Economies most dependent on gulf energy exports, including Japan, Europe, and China, face greater risks if disruptions persist.
 - › The tariff environment continued to ease, with no major U.S. trade actions implemented and several threatened tariff increases deferred. Early-April’s enactment of the Supreme Court’s ruling invalidating IEEPA-based tariffs introduced partial relief. Some progress toward bilateral agreements—notably momentum toward a U.S. EU trade deal and the signing of a U.S. Ecuador agreement—pointed to selective
- normalization amid ongoing legal and policy uncertainty.
- › The U.S. led talks between Russia and Ukraine in January and February produced a brief pause of attacks on energy infrastructure, though this later collapsed as hostilities re-intensified toward quarter-end. Core disagreements over territory and security guarantees remain unresolved.
 - › Following a series of rate cuts, the ECB and BOE held rates steady at 2.00% and 3.75%, respectively, citing persistent underlying inflationary pressures even prior to the Middle East conflict. Markets now expect possible rate hikes later in 2026 as energy-related inflation uncertainty clouds the outlook.
 - › By contrast, growth risks have emerged in Japan and China. Japan paused interest rate hikes due to war-related economic growth concerns. China entered the year with an already accommodative stance amid weak growth and low inflation, and the war has reinforced the case for continued or additional policy support.
 - › U.S. tensions with NATO have persisted, as many European allies who are very reliant on gulf energy exports have now banned U.S. use of local air bases for operations connected to the Iran war.

	GDP (Real, YoY)	Inflation (CPI, YoY)	Unemployment
United States	2.0% 12/31/2025	3.3% 3/31/2026	4.3% 3/31/2026
Eurozone	1.2% 12/31/2025	2.5% 3/31/2026	6.2% 2/28/2026
Japan	0.4% 12/31/2025	1.3% 2/28/2026	2.6% 2/28/2026
Canada	0.6% 1/31/2026	1.8% 2/28/2026	6.7% 3/31/2026
BRICS Nations	4.4% 12/31/2025	1.9% 3/31/2026	5.3% 3/31/2026
Brazil	1.8% 12/31/2025	4.1% 3/31/2026	5.8% 2/28/2026
Russia	1.0% 12/31/2025	5.9% 3/31/2026	2.1% 2/28/2026
India	7.8% 12/31/2025	3.4% 3/31/2026	8.5% 12/31/2017
China	4.5% 12/31/2025	1.0% 3/31/2026	5.3% 2/28/2026

NOTE: India lacks reliable government unemployment data. Unemployment rate shown above is estimated from the Centre for Monitoring Indian Economy. The Chinese unemployment rate represents the monthly surveyed urban unemployment rate in China.

International economics

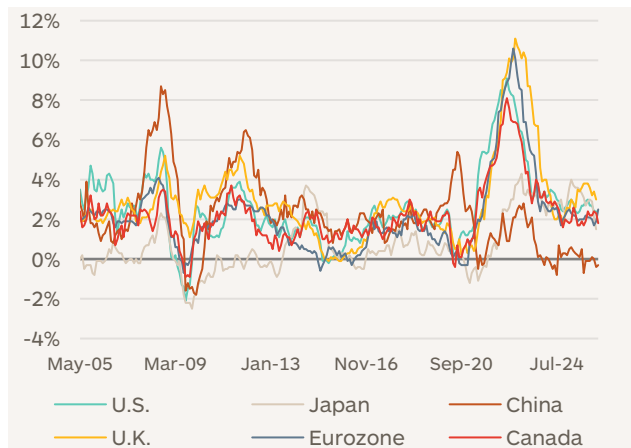
Eurozone GDP growth was 1.2% YoY in Q4, while Japan and Canada grew at 0.4% and 0.6%, respectively. Global growth and growth forecasts had materially outpaced expectations since the U.S. trade policy shift in April 2025 led to fears of a global slowdown. At the same time, Inflation eased in many regions, allowing central banks more flexibility. Conflict in the Middle East has since weighed on growth expectations and reignited inflation concerns, with Eurozone inflation rising notably to 2.5% in March after normalizing around 2.0%.

Following the breakdown of nuclear negotiations, the U.S. and Israel launched strikes on Iranian military and energy infrastructure targets on February 28th. Iran responded by targeting U.S. and allied assets across the Middle East and by severely restricting transit through the Strait of Hormuz, which carries roughly one-fifth of global oil flows.

Tanker traffic collapsed in early March, triggering the largest oil supply disruption in modern history. Brent crude surged from roughly \$70 pre-conflict to above \$115 per barrel by late March, alongside sharp increases in shipping, LNG, and broader energy costs. After U.S.-Iran negotiations failed, the U.S. imposed a formal naval blockade on April 13th, effectively cutting off Iran's foreign revenue stream. On April 17th Iran announced the Strait of Hormuz was "completely open" following a ceasefire agreement between Israel and Lebanon, sending energy prices lower.

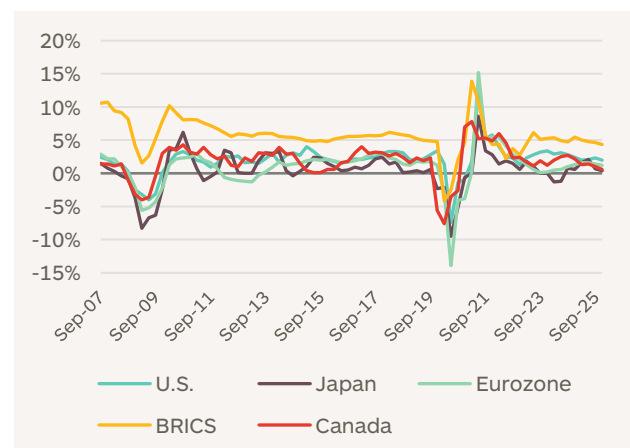
The conflict has complicated central-bank trade-offs between growth and inflation while reinforcing geopolitical uncertainty and exposing divisions among U.S allies, even as the war's intensity moderated from initial fears and markets have recovered somewhat.

INFLATION (CPI YEAR-OVER-YEAR)



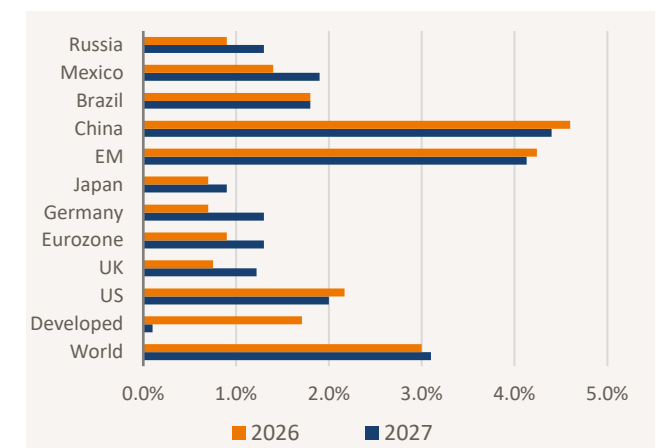
Source: BLS, Cerity Partners, as of 3/31/26

REAL GDP GROWTH (YEAR-OVER-YEAR)



Source: BLS, Cerity Partners, as of 3/31/26

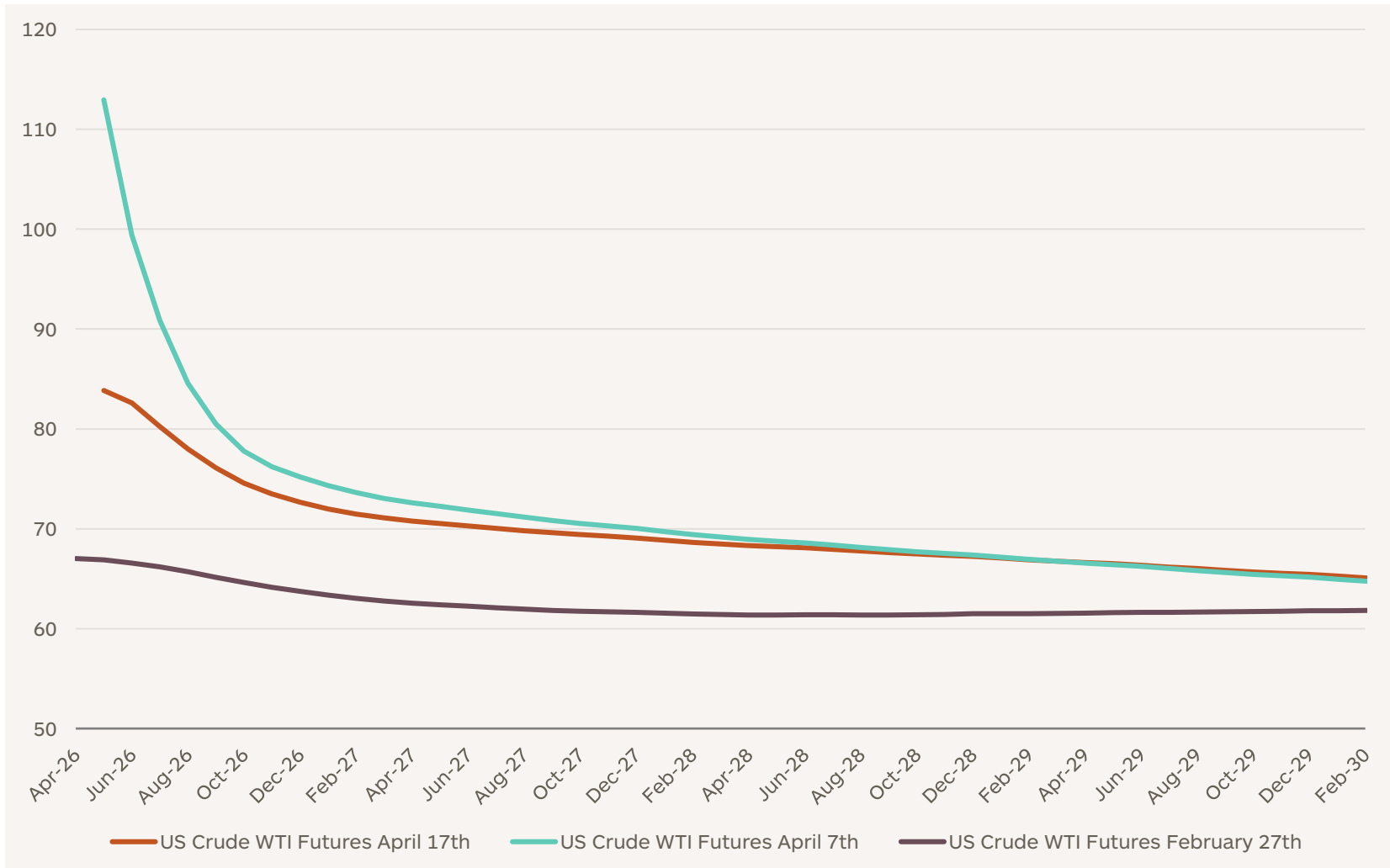
GDP GROWTH EXPECTATIONS



Source: Bloomberg, as of 4/23/26 or most recent date

Iran war & impacts on energy

WTI CRUDE \$ OIL FUTURES CURVE



- › On April 17th Iran announced the Strait of Hormuz was “completely open” following a ceasefire agreement between Israel and Lebanon, sending energy prices lower
- › The situation is fluid and it is unclear whether this agreement will hold

Source: Bloomberg, Cerity Partners, as of 4/7/26

Fixed income rates & credit

Fixed income environment

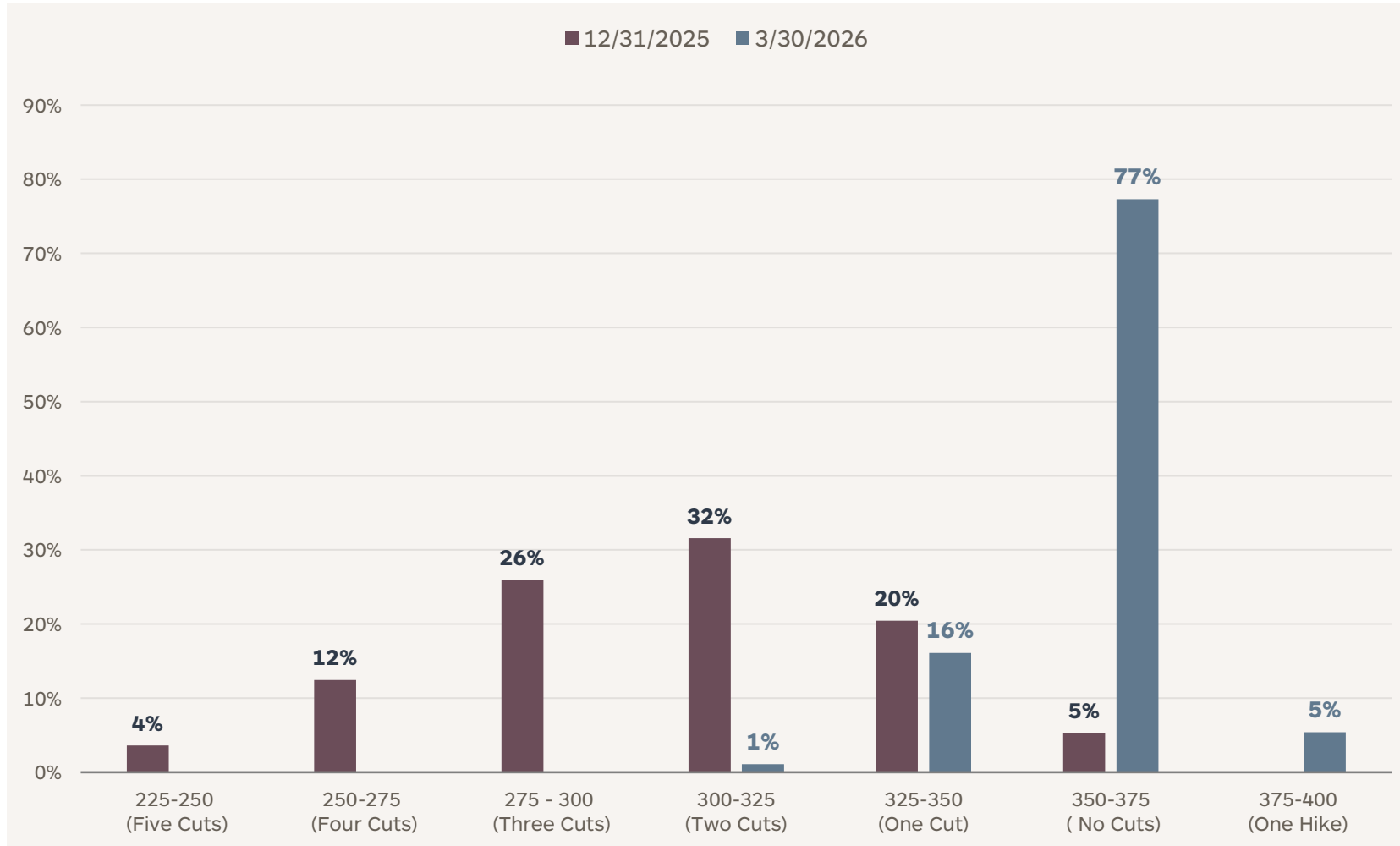
- › During Q1, short duration higher-quality assets outperformed longer duration assets and lower-quality credit. In contrast, shorter-duration high yield and leveraged loans experienced sharper drawdowns tied to spread widening following headline risk in March, sector-specific stress in Technology & Software, and fund outflows, resulting in uneven performance even as floating-rate structures benefitted bank loans.
- › The 10-year U.S. Treasury yield moved upward from 4.16% to 4.32% during the quarter. The Iran war and subsequent energy supply shock led to fears of inflation and pushed rates higher. These shifting conditions translated to a sudden reversal in the expected Federal Reserve rate path, with investors now expecting Fed rate cuts to remain on hold.
- › Market inflation expectations jumped during Q1 as represented by the U.S. TIPS 2-year Breakeven Inflation Rate, which rose from 2.26% to 2.81%. However, markets seem to expect price rises to be short-lived. The 5-year 5-year forward inflation rate fell from 2.24% to 2.06%.
- › Fears of a private credit crisis continued to circulate, although there seems to be little evidence so far of widespread credit defaults or stress. The liquidity issues that are currently a concern are apparent in a small segment of the overall market in funds that have the ability to limit redemption requests at 5% per quarter. Most private fund loans mature at least a year or two from now, which suggests credit stress could remain muted in 2026.
- › Including distressed exchanges, par-weighted U.S. high yield bond default rates increased to 2.1%, low by historical standards but the highest level in two years. Leveraged loan default rates declined to 3.0%, falling meaningfully from early-2025 highs but still above historical norms. While aggregate activity remained elevated relative to Q1 2025, a slowing in March shows that stress remains episodic and issuer-specific rather than systemic, with credit markets continuing to absorb defaults and restructurings without material disruption.

	QTD Total Return	1 Year Total Return
Core Fixed Income (Bloomberg U.S. Aggregate)	0.0%	4.3%
Core Plus Fixed Income (Bloomberg U.S. Universal)	-0.1%	4.6%
U.S. Treasuries (Bloomberg U.S. Treasury)	0.0%	3.3%
U.S. Treasuries: Long (Bloomberg U.S. Treasury 20+)	-0.3%	-0.3%
U.S. High Yield (Bloomberg U.S. Corporate HY)	-0.5%	7.0%
Bank Loans (Morningstar LSTA Leveraged Loan)	-0.6%	4.8%
Emerging Market Debt Local (JPM GBI-EM Global Diversified)	-2.2%	11.8%
Emerging Market Debt Hard (JPM EMBI Global Diversified)	-1.3%	10.4%
Mortgage-Backed Securities (Bloomberg MBS)	0.4%	5.8%

Source: Standard & Poor's, J.P. Morgan, Bloomberg, as of 3/31/26

Shift in expected Fed rate path

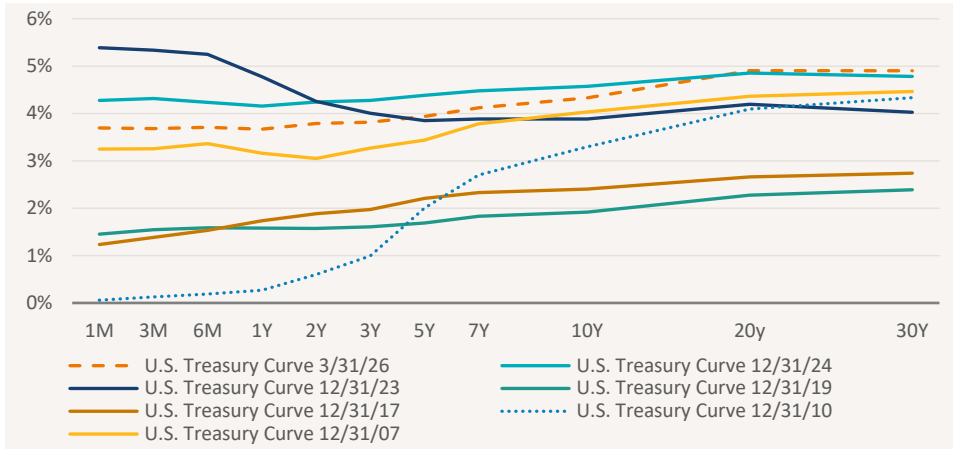
MARKET PROBABILITIES FOR FED FUNDS TARGET RANGE AFTER DECEMBER 2026 MEETING



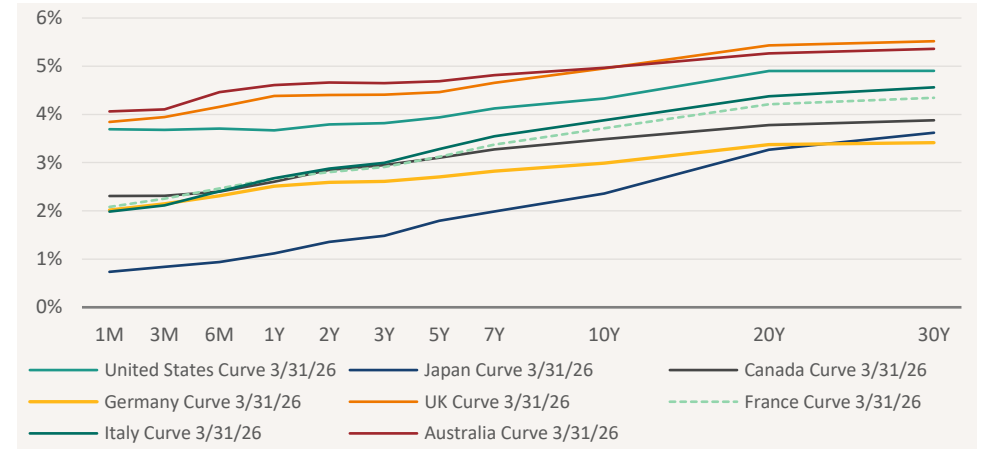
Source: CME FedWatch as of 3/30/2026, Cerity Partners

Yield environment

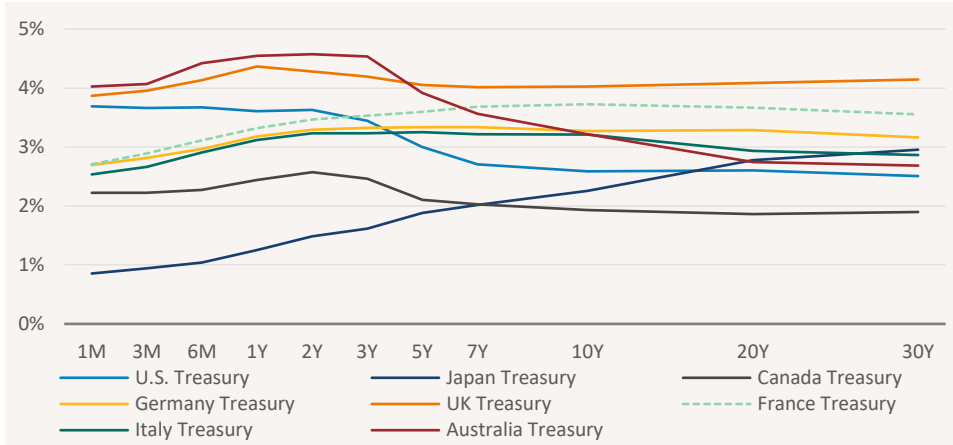
U.S. YIELD CURVE



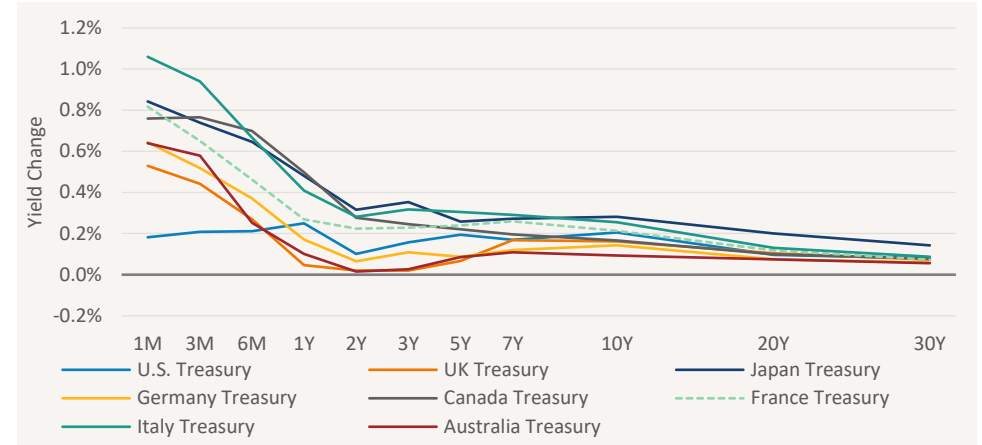
GLOBAL GOVERNMENT YIELD CURVES



YIELD CURVE CHANGES OVER LAST FIVE YEARS



IMPLIED CHANGES OVER NEXT YEAR



Source: Bloomberg, as of 3/31/26

Credit environment

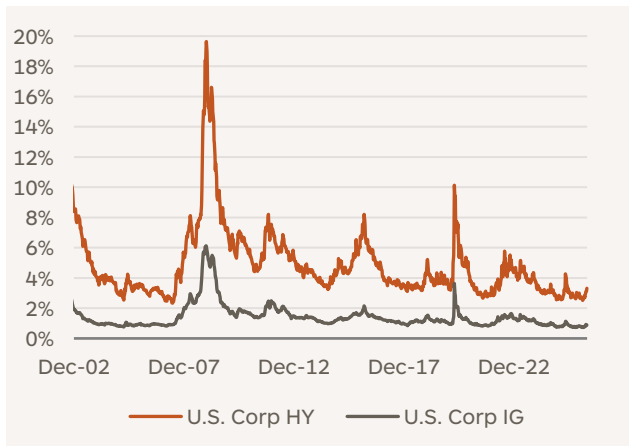
During Q1, credit generated mixed returns. Bank loans and high yield bonds returned -0.6% and -0.5%, respectively (Morningstar LSTA Leveraged Loan index & Bloomberg U.S. Corp. High Yield index. Loans within the software sector returned -5.9% quarter to date, highlighting the concentration of market-perceived issues within that sector.

While leveraged loans ended Q1 with slightly weaker performance than high yield bonds, March was the worst month for high yield since October 2023 and weakest month relative to loans since August 2022. New concerns around rising energy costs pushed yields higher, negatively impacting the price of bonds. As a result, higher quality tranches performed better in both bonds and loans—CCC-rated bonds and loans declined -1.0% and -3.7%, underperforming BB-bonds and loans (-0.2% and +0.5%) and B-rated bonds and loans (-0.4% and -0.9%).

High yield bond spreads increased nearly 50 bps to 3.2% since Q4. Leveraged loan spreads likewise increased 40 bps to 4.7%. Notably, the spread of loans in the index ex-Software was nearly 50 bps below the broader 4.7% figure, further highlighting investor concerns around the sector. Most spread widening for bank loans occurred in the first two months of 2026, while high yield experienced a selloff in March, coinciding with the onset of conflict in the Middle East.

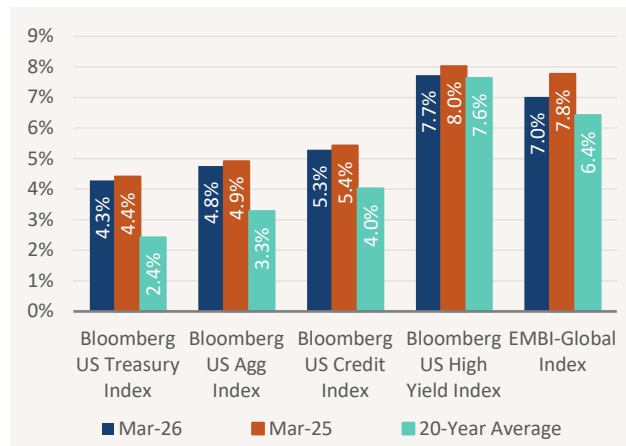
While concerns around geopolitical conflict, rate volatility, and credit fundamentals persisted, capital markets activity suggests investors remain selectively constructive toward higher-quality credit issuers, though negative returns and continued higher yields in lower quality tranches and troubled loan sectors such as Software indicate this sentiment is not reflective of a broad, risk-on tailwind for all of credit.

SPREADS



Source: Barclays, Bloomberg, as of 3/31/26

YIELD TO MATURITY



Source: Morningstar, as of 3/31/26

CREDIT SPREAD (OAS)

Market	3/31/2026	3/31/2025
Long U.S. Corp	1.1%	1.2%
U.S. Inv Grade Corp	0.9%	0.9%
U.S. High Yield	3.2%	3.5%
U.S. Bank Loans*	4.7%	4.7%

Source: Barclays, Credit Suisse, Bloomberg, as of 3/31/26 *Discount margin (4-year life)

Default & issuance

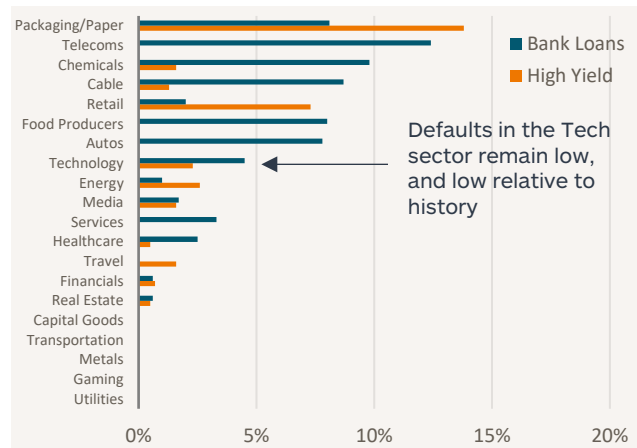
Default and distressed activity remained low during the quarter. Loans represented roughly 90% of distressed volume. A total of \$8.5 billion in payment defaults occurred and loans slightly outpaced bonds (\$4.4B vs \$4.1B), while distressed exchanges and LMEs totaled \$6.4 billion and were overwhelmingly concentrated in loans (\$5.7B) versus bonds (\$0.8B).

Including distressed exchanges, the par-weighted U.S. high yield bond default rate increased to 2.1%, a low level historically speaking but the highest in nearly two years. Leveraged loan default rates declined to 3.0%, falling meaningfully from early-2025 highs but still above historical norms. Software stocks experienced a sharp selloff in Q1, though credit default activity has been muted. Distressed activity among software has been notable—despite lower total default rates, technology, including software, led the quarter in both count and dollar amount of distressed transaction activity. This figure was up 8% from the prior month and up 95% from the prior six months.

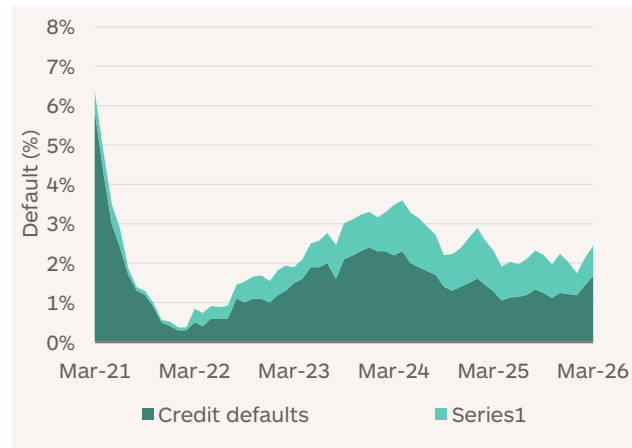
Of the distressed market (loans trading at more than a 20% discount), technology comprised 42%. Within the loan market, the market share of distressed loans increased to its highest level since May 2020 (\$41.6bn or 7.2% of the market, as represented by the MSTA LL index). While these figures might be alarming at first glance, it is debatable if this is reflective of larger underlying issues in the software sector, or intra-quarter risk-off sentiment that impacted prices.

High yield bond issuance was greater over the past year, supported by strong opportunistic refinancing activity. Institutional loan issuance totaled roughly \$224 billion in Q1, though net issuance remained constrained as over half of activity was driven by refinancing of debt. While issuance volumes remained healthy, the composition of activity did reflect some issuer caution, with limited net capital formation and continued focus on liability management.

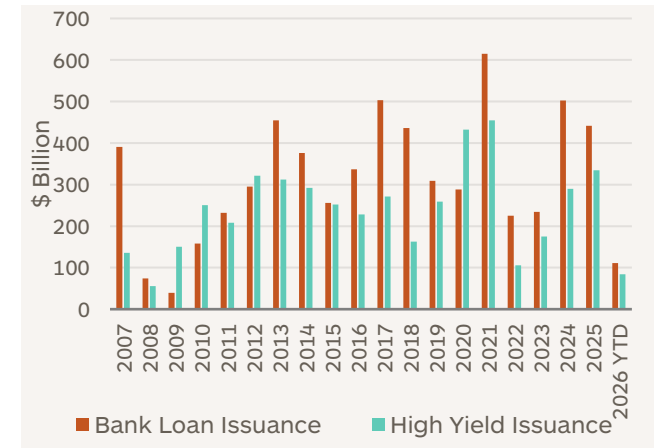
PAST 12 MONTHS (PAR DEFAULT RATE)



U.S. HIGH YIELD: DEFAULTS + LME (PAST YEAR)



DEVELOPED MARKET USD ISSUANCE



Source: BofA Global Research, ICE, LCD /Pitchbook, as of 3/31/26

Source: BofA Merrill Lynch, as of 3/31/26 – par weighted

Source: BofA Merrill Lynch, as of 3/31/26

NOTE: “LME” stands for liability management exercise, which is effectively a renegotiation of debt terms but without an official default

Equity

Equity environment

- › U.S. equities led markets lower during the quarter, losing -4.3% (S&P 500), most of which occurred since the beginning of the Iran conflict. Emerging market equities outpaced other markets overall during Q1 (MSCI EM - 0.2%), followed by international developed (MSCI EAFE -1.2%).
- › ‘Size’ and ‘style’ domestic equity behavior shifted during Q1. Mega-cap growth stocks took a breath during 2025, with most of the Magnificent 7 stocks underperforming, and in 2026 all of those stocks underperformed. Fears around AI contributed to a broad selloff in Tech and Software, negatively impacting Growth. Additionally, the Iran war led to an extreme spike in energy and commodity prices due to supply concerns, which boosted the performance of Value.
- › Year-over-year Q1 S&P 500 earnings growth is expected to come in at +13.2%, according to FactSet, as of April 2nd. Full year 2026 corporate earnings growth is expected to come in at an incredible rate of +17.4%.
- › Chinese equities once again faced dramatic underperformance relative to broader emerging markets. MSCI China fell -8.9% during Q1 which compared to +3.2% from MSCI EM ex-China. China gained +3.9% over the past year relative to +41.3% from emerging markets ex-China.
- › Market-priced volatility (Cboe VIX Index) rose markedly from 14 to a peak of 31 in late March as the Iran conflict expanded and neither President Trump nor Iranian leadership appeared willing to deescalate. The VIX fell to 17 on April 17th after Iran announced the Strait of Hormuz was “completely open” following a ceasefire agreement between Israel and Lebanon.

	QTD TOTAL RETURN		1 YEAR TOTAL RETURN	
	(unhedged)	(hedged)	(unhedged)	(hedged)
U.S. Large Cap (S&P 500)	-4.3%		17.8%	
U.S. Small Cap (Russell 2000)	0.9%		25.7%	
U.S. Equity (Russell 3000)	-4.0%		18.1%	
U.S. Large Value (Russell 1000 Value)	2.1%		15.9%	
U.S. Large Growth (Russell 1000 Growth)	-9.8%		18.8%	
Global Equity (MSCI ACWI)	-3.2%	-2.3%	20.0%	20.0%
International Large (MSCI EAFE)	-1.2%	0.8%	21.3%	20.1%
Eurozone (EURO STOXX 50)	-5.4%	-2.9%	15.9%	11.1%
U.K. (FTSE 100)	1.4%	3.5%	25.2%	22.6%
Japan (TOPIX)	-0.1%	2.3%	27.0%	39.5%
Canada (S&P/TSX)	1.1%	3.4%	33.9%	32.4%
Emerging Markets (MSCI Emerging Markets)	-0.2%	2.7%	29.6%	31.8%

Source: Standard & Poor's, FTSE, MSCI, STOXX, JPX, as of 3/31/26 – performance quoted from perspective of U.S. dollar investor

Domestic equity

U.S. equities led markets lower during the quarter, losing -4.3% (S&P 500), most of which occurred after the beginning of the Iran conflict. Small cap stocks fared materially better over the quarter, up +0.9% (FTSE Russell 2000), and have shown a recent strong run of performance relative to large caps. Small caps have gained +25.7% over the past year relative to +17.8% from large caps, although over the past three years (+13.0% vs +18.3%) and five years (+3.8% vs. +12.1%) underperformance remains substantial.

Year-over-year Q1 S&P 500 earnings growth is expected to come in at +13.2%, according to FactSet,

as of April 2nd. Full year 2026 corporate earnings are expected to grow at an incredible rate of +17.4%. Much of that growth is expected to be driven by a unique sector mix—Information Technology (+37.3%), Materials (+29.4%), and Energy (+19.1%). Persistent strong upward earnings guidance, along with the recent minor drawdown since the onset of the Iran war, could potentially set domestic equities up for a strong rally if markets begin to see a constructive resolution to the war.

- › **U.S. equities were down -4.3% during Q1 as fears grew around the Iran war**
- › **Small caps have shown recent leadership over large caps**

S&P 500 PRICE INDEX



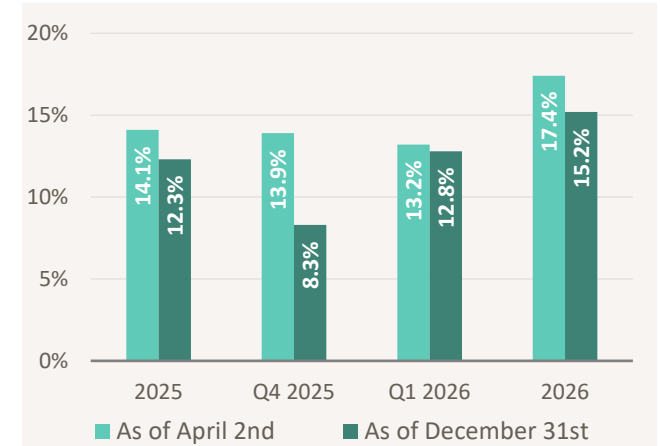
Source: Standard & Poor's, as of 3/31/26

S&P 500 DIVIDEND YIELD



Source: Bloomberg, as of 3/31/26

S&P 500 EARNINGS FORECASTS (YOY)



Source: Factset, Cerity Partners, as of 4/2/26

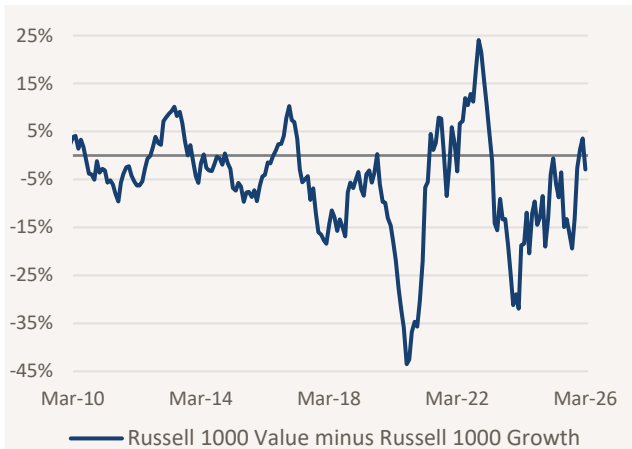
Domestic equity size & style

The first quarter showed a reversal in many style trends of late: U.S. small cap equities outperformed U.S. large caps (FTSE Russell 2000 +0.9% vs. S&P 500 -4.3%), Value outperformed Growth (FTSE Russell 1000 Value +2.1%, FTSE Russell 1000 Growth -9.8%), and non-U.S. markets outperformed U.S. (MSCI ACWI ex-US -0.7%, S&P 500 -4.3%). U.S. small caps are now outperforming on a one-year basis, along with non-U.S. equities over domestic equities, though Growth stocks still lead Value by a wide margin. Over the quarter, small cap value went from the weakest style performance to the top performers on a one-year lookback.

This 'size' and 'style' performance shift ties into some important market and geopolitical themes. Mega-cap growth stocks took a breath during 2025, with most of the Magnificent 7 stocks underperforming, and in 2026 all of those seven stocks have underperformed. Fears around the implications of artificial intelligence for business models of technology and software stocks contributed to a broad selloff in the sector, which negatively affected Growth strategies. Additionally, the Iran war led to an extreme spike in energy and commodity prices due to supply concerns, which boosted the performance of sectors which tend to be concentrated in Value.

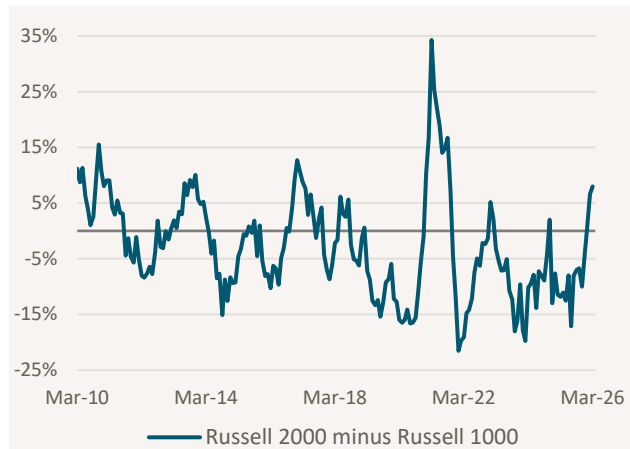
› **Style factor performance remains very difficult to predict in the current environment**

VALUE VS. GROWTH 1-YR ROLLING RELATIVE PERFORMANCE



Source: FTSE, as of 3/31/26

SMALL VS. LARGE 1-YR ROLLING RELATIVE PERFORMANCE



Source: FTSE Russell, as of 3/31/26

1-YEAR SIZE & STYLE PERFORMANCE

	Value	Core	Growth
Large Cap	15.9%	17.7%	18.8%
Mid Cap	17.6%	16.0%	9.6%
Small Cap	28.1%	25.7%	23.6%

Source: FTSE Russell, as of 3/31/26

International developed equity

International developed equity (MSCI EAFE -1.2%) and emerging market equities (MSCI EM -0.2%) led during Q1, while domestic equities lagged (S&P 500 -4.3%). Markets faced headwinds from the Iran conflict, and relative performance across regions in March appeared to be driven by level of reliance on Middle East energy imports. Japanese equities lost -12.4% during March (MSCI Japan), equities in the European Union were down -11.1% (MSCI Euro), while the U.K. lost -7.7%. Results over the full quarter were much better with the U.K. and Japan producing positive results, for example.

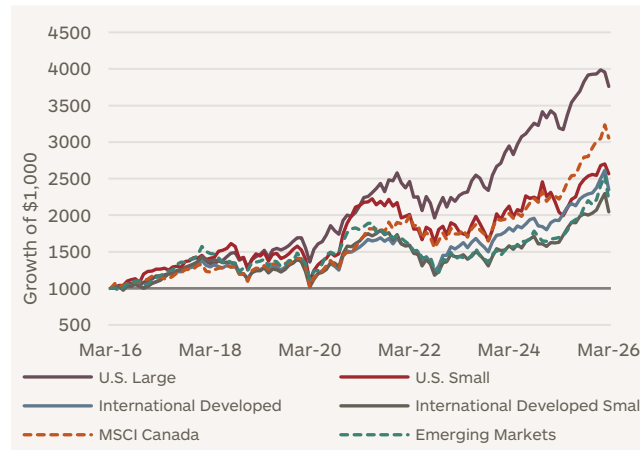
Value stocks were resilient and materially outperformed Growth, similar to themes seen in the U.S. market, as defensive and energy stocks benefited from a market rotation. Consumer discretionary and financials lagged as the prospect of higher energy and food costs pushed bond yields higher and eroded hopes for central bank rate cuts.

INTERNATIONAL DEVELOPED EQUITY



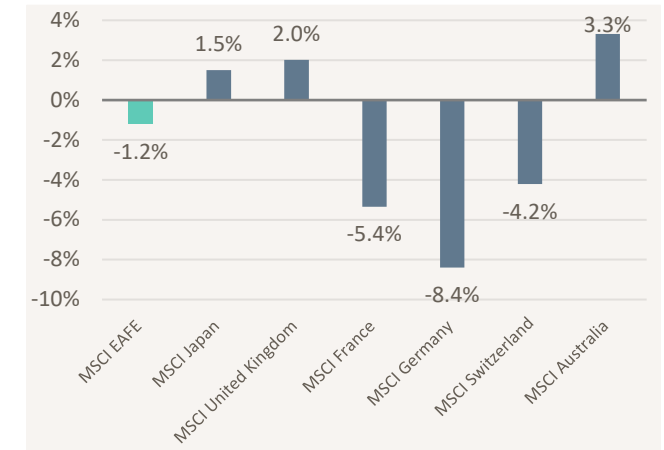
Source: MSCI, as of 3/31/26

CUMULATIVE PERFORMANCE (10 YEARS)



Source: Cerity Partners, as of 3/31/26

REGIONAL RETURNS (QUARTER-TO-DATE)



Source: MSCI Indices, as of 3/31/26

Emerging market equity

Emerging market equities outpaced developed markets during Q1 (MSCI EM -0.2%) but realized sharp losses during March (-13.1%) during the Iran conflict. A very large divide existed within emerging markets over the quarter, as Latin American markets generated a +14.6% return (MSCI EM Latin America) while Asian markets suffered a -1.5% loss (MSCI EM Asia).

Losses were especially acute in the MSCI EM Asia Index likely due to sensitivity to global trade and reliance on energy imports. In contrast, the MSCI EM Latin America Index significantly outperformed, supported by strength in commodity-linked economies that benefited from rising

energy and commodity prices.

Chinese equities once again face dramatic underperformance relative to broader emerging markets. MSCI China fell -8.9% during Q1 which compared to +3.2% from MSCI EM ex-China. China gained +3.9% over the past year relative to +41.3% from emerging markets ex-China.

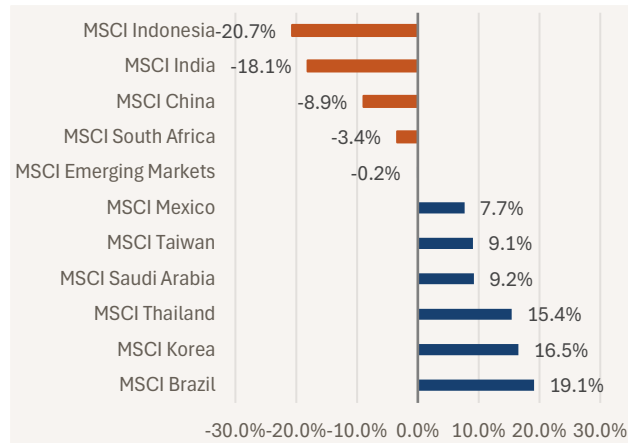
› **EM performance was mixed, with the commodity producing LatAm region seeing large gains, and Asia suffering losses**

EMERGING MARKET EQUITY



Source: MSCI, as of 3/31/26

MSCI EM 2026 Q1 COUNTRY RETURNS (USD)



Source: Bloomberg, Cerity Partners, as of 3/31/26

CHINA PAIN



Source: MSCI, Cerity Partners, as of 3/31/26

Equity valuations

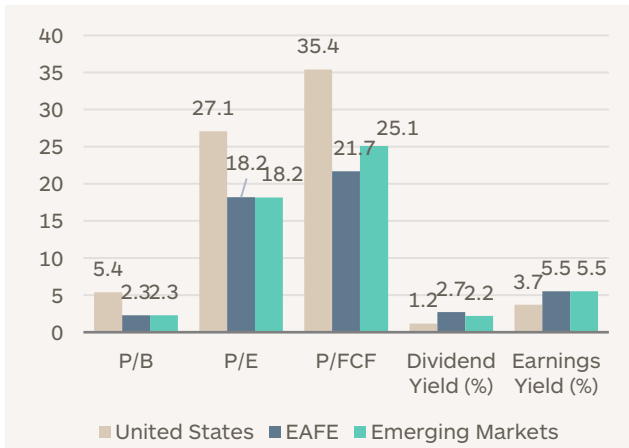
U.S. equity forward P/E multiples moved sharply lower during Q1 as equity prices fell but earnings forecasts continued to be adjusted upwards (a declining numerator but rising denominator in the Price/Earnings equation results in lower valuations). We believe investors should keep an eye on earnings forecasts as the Iran conflict unfolds. If earnings expectations hold steady at very strong levels, this may help limit performance downside throughout the conflict.

Market fears that AI innovation could severely impact the business models and earnings potential of software companies led to a widespread sector selloff early in 2026. While it will take time for investors to gain more clarity around these risks, it is notable that the

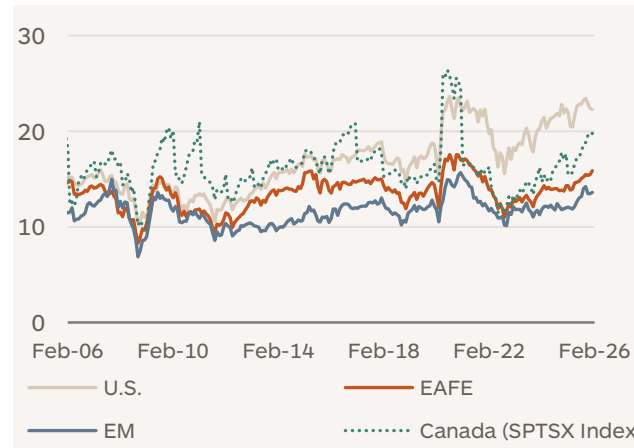
Technology sector of the S&P 500 now trades at effectively the same valuation multiple as the overall index—quite the change from conditions of recent years.

Valuation multiples of many of the largest stocks in the U.S. index have moderated recently as many of these stocks underperformed the index while earnings forecasts remain incredibly strong. This may help assuage some of the ongoing concerns around index concentration and arguably lofty multiples of the Magnificent 7 companies. Most of these seven stocks underperformed the index during 2025, and all of these stocks have underperformed in 2026 year-to-date.

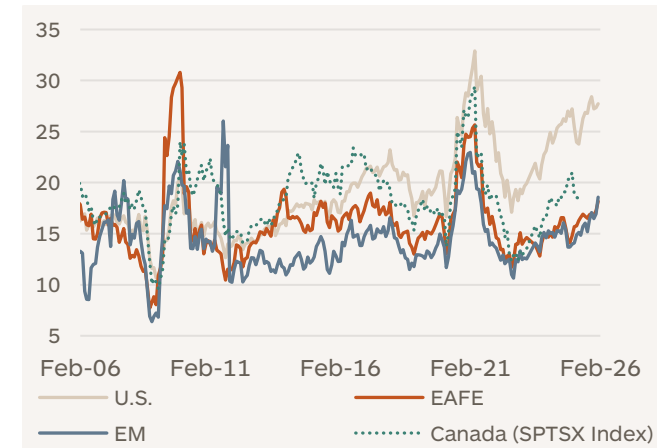
MSCI VALUATION METRICS (3-MONTH AVG)



FORWARD P/E



TRAILING P/E



Source: MSCI, Cerity Partners, as of 3/31/26 – trailing P/E

Source: MSCI, Canada shown as S&P/TSX, as of 2/28/26

Source: MSCI, Canada shown as S&P/TSX, as of 2/28/26

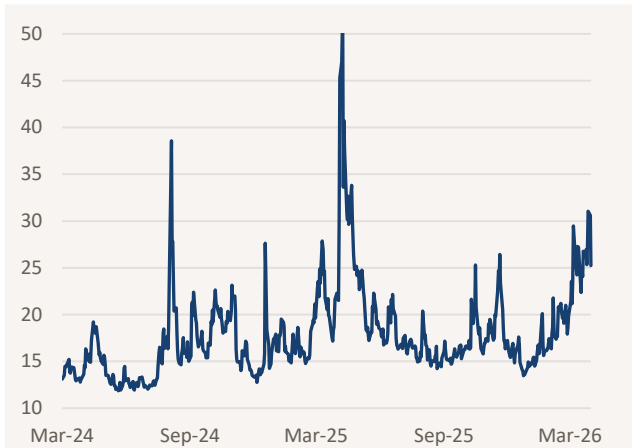
Market volatility

Market-priced volatility (Cboe VIX Index) rose markedly from 14 to a peak of 31 in late March as the Iran conflict heated up. Neither President Trump nor Iranian leadership appeared willing to deescalate, as each side is in direct opposition on certain core issues such as Iran's ability to enrich uranium and Iranian control over the Strait of Hormuz.

Following a twelve-month period of unusually muted market volatility, non-U.S. equities exhibited large moves in March, sending trailing volatility higher. Markets have shown considerable sensitivity to the Iran conflict, especially those economies at risk of an energy supply shock. A flight-to-safety to the U.S. dollar added to equity volatility as a rising U.S. dollar results in even more negative returns for investors without a currency hedging program in place.

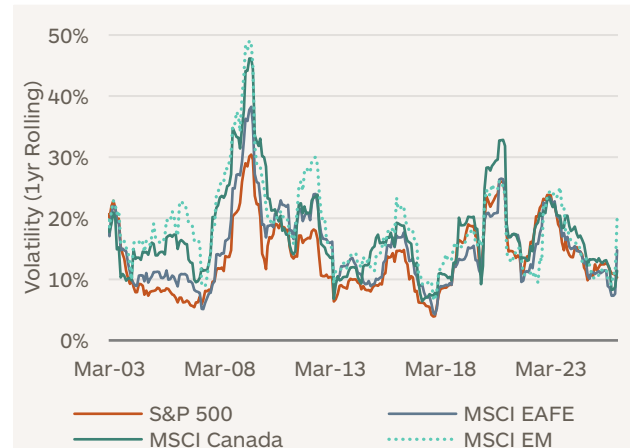
Direct U.S. military conflict with Iran has led to talks of a possible 1970s style energy supply shock, runaway inflation, and U.S. recession. Based on conditions so far, we believe these fears are overblown. First, the U.S. does not depend on foreign oil for the most part which means we are not exposed to supply shocks, and the domestic economy is far less dependent on fossil fuels relative to the 1970s. Second, the inflationary impacts of the recent surge in energy prices is expected to have a mild and temporary upward impact on inflation and perhaps a mild drag on economic growth, but these effects would not likely mean recession or runaway inflation. Third, if market or energy price pressures become too intense, the U.S. administration maintains the option to pause or back out of the conflict.

U.S. IMPLIED VOLATILITY (VIX)



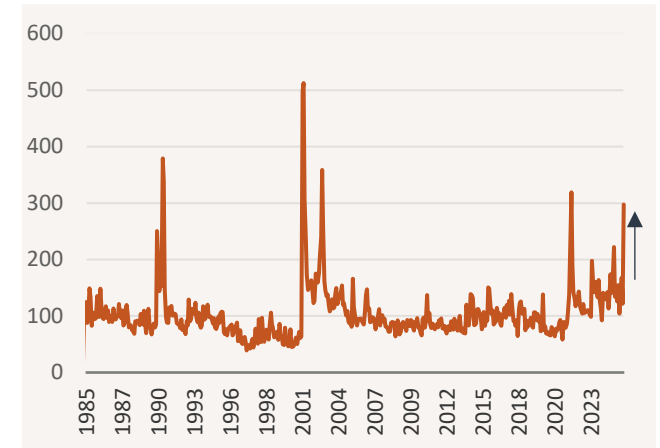
Source: Cboe, as of 3/31/26

REALIZED VOLATILITY



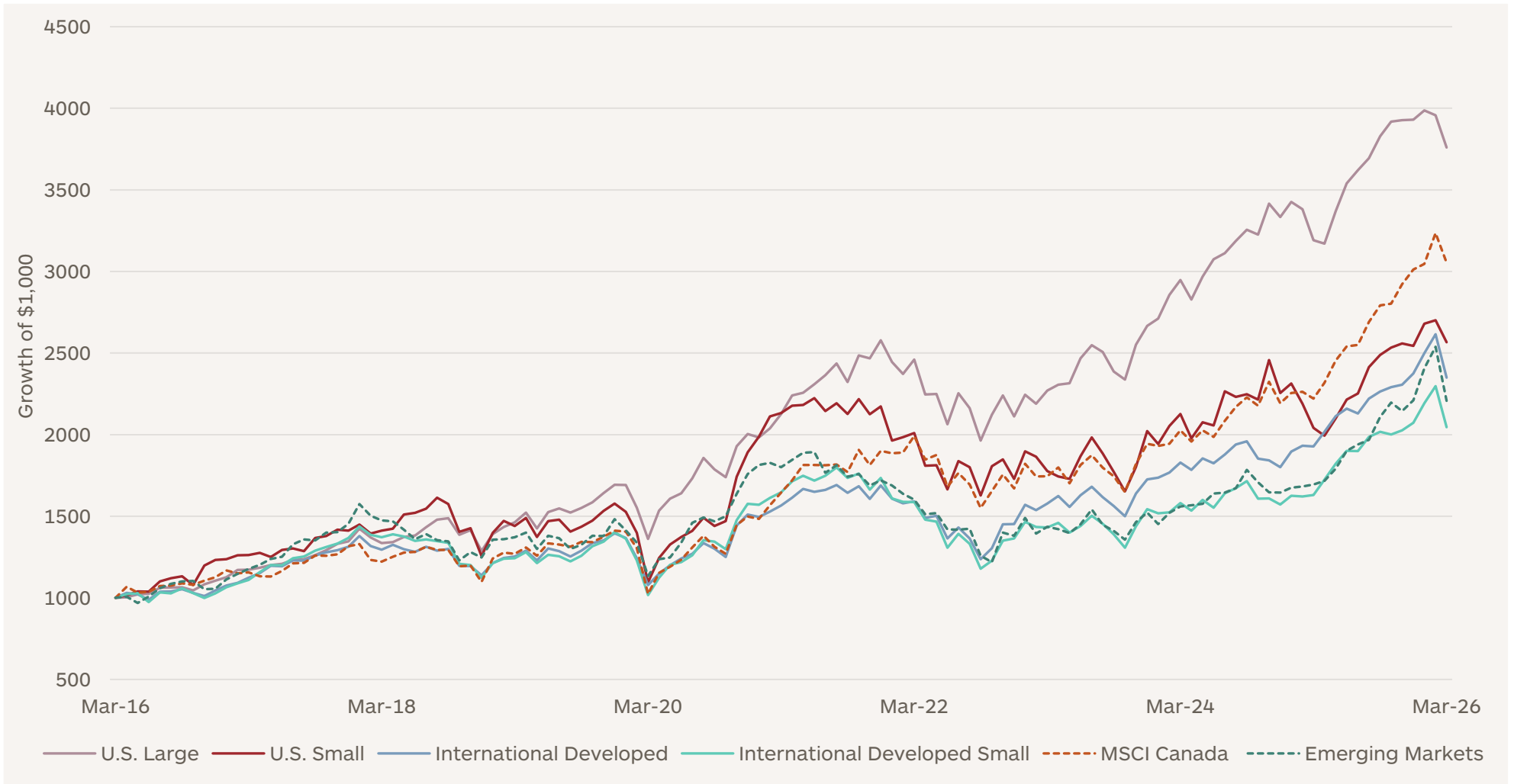
Source: Standard & Poor's, MSCI, Verus, as of 3/31/26

GEOPOLITICAL RISK INDEX



Source: Caldara & Iacoviello GPR Index is based on the number of articles relating to adverse geopolitical events in each newspaper for each month as a share of total news stories

Long-term equity performance



Source: Standard & Poor's, FTSE, MSCI, Cerity Partners, as of 3/31/26

Other assets

Currency

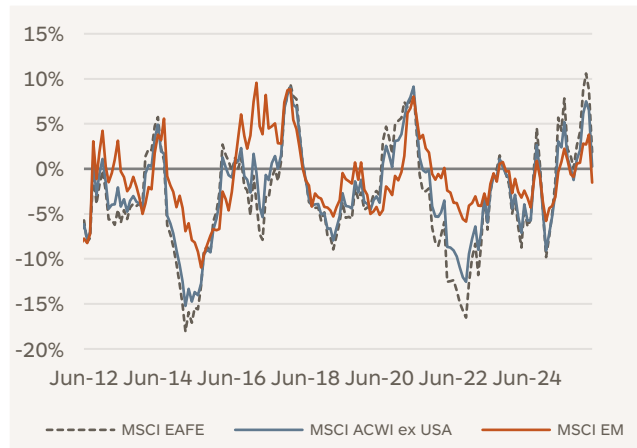
The U.S. dollar appreciated by 1.7% in Q1 (DXY U.S. dollar index), likely benefiting from a flight to safety during the Iran conflict and a material move higher in treasury yields. Appreciation was broad based, with the Euro down -1.6%, British pound -1.8%, and Yen -1.3%. These moves added to March losses for U.S. investors without a currency hedging program in place, as investments in assets denominated in foreign currencies fall in value as those currencies depreciate relative to the U.S. dollar.

Markets arguably exhibited some unusual behavior in March in terms of flight-to-safety. Gold traded at \$5,247 per ounce on February 27th, immediately prior to the Iran conflict, then reached a recent low of \$4,409 on March 26th. This represented a -16% drawdown in price of a safe haven asset during a period of escalating war and rising inflation fears. Another core safe haven asset, U.S. Treasuries, saw the 10-year yield jump from 3.96% to 4.44% during this time, resulting in sharp losses to investors. March offered a useful reminder of the

complexities of portfolio diversifying assets during periods of risk-off sentiment relating to inflation fears.

A more thoughtful portfolio approach to currency exposure has provided lower portfolio volatility and higher long-term returns—a rare proposition. This approach involves reducing the uncompensated risk of unhedged foreign currency exposure, and instead of unhedged exposure, making a passive investment in the currency market by investing in currencies with higher interest rates, undervalued currencies, and currencies showing positive price momentum. This approach, represented by the MSCI Currency Factor Mix Index, has offered a positive one-year rolling return over most periods with far lower volatility than an unhedged approach, although the past year of currency volatility has resulted in an historically less common environment of Currency Factor Mix underperformance relative to embedded (unhedged) currency.

EFFECT OF CURRENCY (1-YEAR ROLLING)



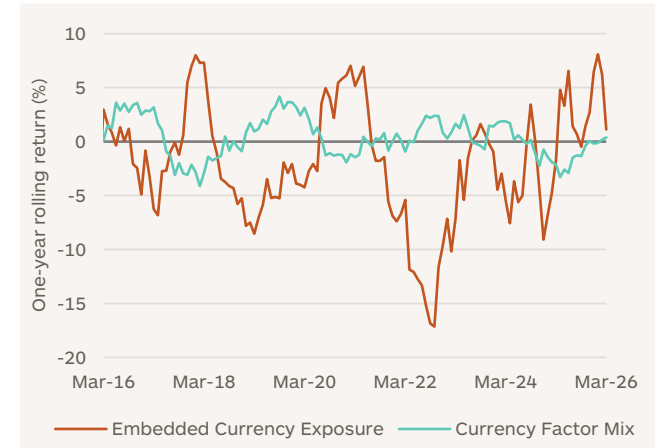
Source: MSCI, Cerity Partners, as of 3/31/26

U.S. DOLLAR MAJOR CURRENCY INDEX



Source: ICE, as of 3/31/26

EMBEDDED CURRENCY VS CURRENCY FACTORS



Source: MSCI, Cerity Partners, as of 3/31/26

Hedge funds

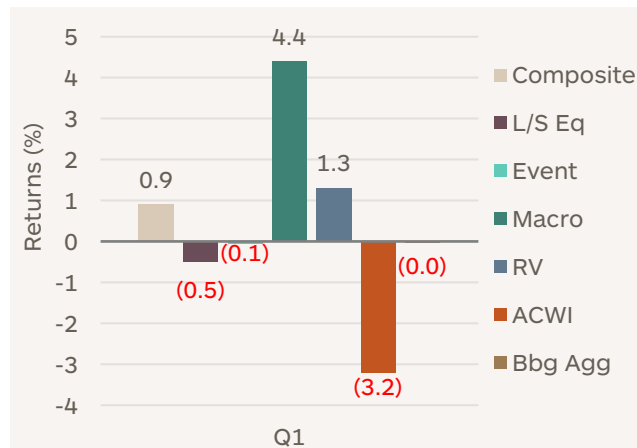
Hedge funds outperformed both stocks and bonds in the first quarter, with the HFRI Fund Weighted Composite gaining +0.9% while the MSCI ACWI declined -3.2% and Bloomberg US Aggregate performance was slightly negative. This was the first quarter since Q3 2023 in which the HFRI Composite was positive while equities and bonds experienced losses, and only the fourth time this happened in the last 20 years.

Credit hedge funds have generally kept pace with high yield and loan indexes over the past 2-3 years. Recently, distressed funds have enjoyed outsized gains relative to other strategy types and high yield markets. As of the end of Q1, the HFRI Event Driven: Distressed/Restructuring index had outperformed the Bloomberg US Corporate High Yield index by nearly 7%, gaining 13.6% vs 7.0% for the index. While some of this success can be attributed to some very large

deals that had broad participation (e.g., EchoStar), most likely it is the result of a rich opportunity set of idiosyncratic credit and credit-related situations. Going forward, credit hedge funds should be well positioned to take advantage of any significant distress that materializes in the private credit markets.

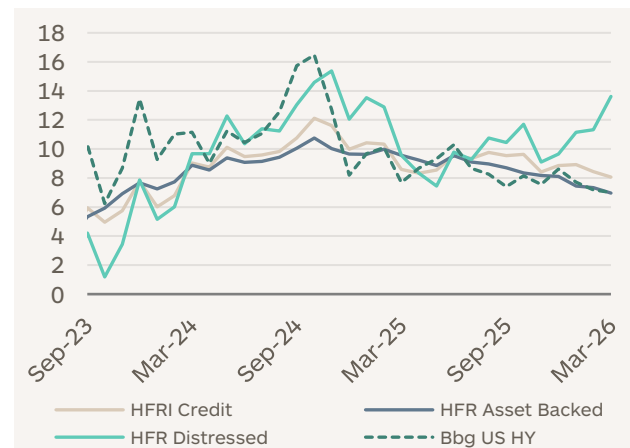
Within equity hedge funds, it should come as no surprise that strategies focused on energy and materials outperformed in the first quarter with a +8.4% gain. TMT-focused funds were the worst performing long/short sub-strategy in Q1, according to HFRI, as concerns around software disruption continued to pressure the sector.

1Q 2026 RETURN



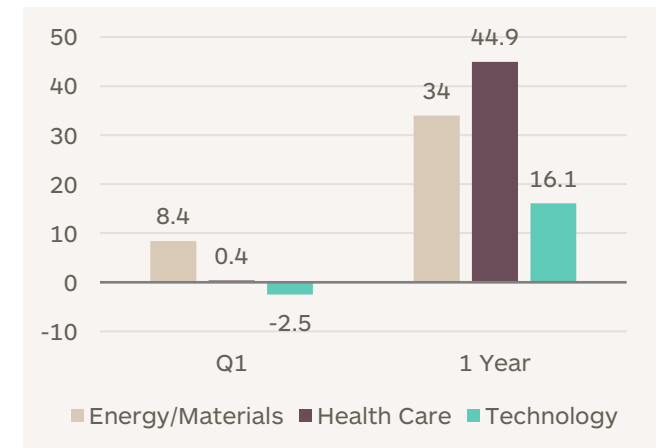
Source: MPI, HFR

12M RETURNS – CREDIT STRATEGIES



Source: MPI, HFR

L/S EQUITY – SECTOR SPECIALIST RETURNS



Source: MPI, HFR

Appendix

Periodic table of returns

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	YTD	5-Year	10-Year
Commodities	32.1%	39.4%	5.2%	78.5%	29.1%	11.0%	18.2%	43.3%	13.5%	13.3%	31.7%	37.3%	6.7%	36.4%	38.5%	28.3%	16.1%	42.7%	33.4%	33.6%	24.4%	14.0%	16.8%
Small Cap Value	26.3%	16.2%	1.8%	37.2%	26.9%	7.8%	18.1%	38.8%	13.2%	5.7%	21.3%	30.2%	1.8%	31.4%	34.6%	27.6%	9.4%	26.5%	24.5%	31.2%	5.0%	12.8%	14.0%
Hedge Funds of Funds	23.5%	15.8%	-6.5%	34.5%	24.5%	2.6%	17.5%	34.5%	13.0%	0.9%	17.3%	25.0%	0.0%	28.5%	21.0%	27.1%	1.5%	18.7%	15.2%	18.6%	3.0%	11.3%	10.6%
Large Cap Value	22.2%	11.8%	-21.4%	31.8%	18.9%	1.5%	17.3%	33.5%	11.8%	0.5%	12.1%	22.2%	-1.5%	26.5%	20.0%	26.5%	-5.6%	18.2%	14.4%	17.4%	2.1%	9.4%	9.9%
Small Cap Equity	18.4%	11.2%	-23.4%	28.4%	16.8%	0.4%	16.4%	33.1%	6.0%	0.0%	11.8%	21.7%	-4.0%	25.5%	18.3%	25.2%	-7.5%	16.9%	11.5%	16.7%	0.9%	7.9%	9.8%
Cash	15.5%	10.8%	-28.9%	27.2%	16.7%	0.1%	16.4%	32.5%	5.6%	-0.3%	11.3%	17.3%	-4.8%	22.4%	13.4%	17.7%	-13.0%	15.6%	9.8%	15.9%	0.9%	5.8%	9.6%
Real Estate	15.2%	10.3%	-33.8%	23.5%	16.1%	-2.2%	15.3%	22.8%	4.9%	-0.8%	11.2%	14.6%	-6.1%	22.0%	10.9%	14.8%	-14.5%	14.6%	9.2%	15.8%	0.0%	5.3%	8.4%
US Bonds	13.3%	7.0%	-35.6%	20.6%	15.5%	-2.9%	14.6%	12.6%	4.2%	-1.4%	7.1%	13.7%	-8.3%	18.7%	7.8%	11.3%	-14.5%	11.5%	8.1%	13.0%	0.0%	5.1%	8.0%
Emerging Markets Equity	11.6%	7.0%	-36.8%	19.7%	13.1%	-4.2%	11.4%	11.0%	3.4%	-2.7%	6.1%	7.8%	-9.3%	18.4%	7.5%	9.2%	-17.5%	9.8%	7.5%	12.8%	-0.2%	3.8%	7.8%
International Equity	9.1%	5.8%	-37.6%	18.9%	9.8%	-5.2%	10.5%	9.0%	2.7%	-3.8%	5.6%	6.8%	-11.0%	8.7%	4.6%	6.2%	-19.1%	5.5%	5.4%	12.6%	-1.2%	3.7%	7.0%
60/40 Global Portfolio	8.5%	4.8%	-38.4%	11.5%	7.8%	-5.5%	4.8%	0.0%	0.0%	-4.4%	2.6%	5.1%	-11.2%	8.4%	2.8%	2.8%	-20.1%	5.1%	5.3%	10.4%	-2.4%	3.4%	5.5%
Small Cap Growth	4.8%	-0.2%	-38.5%	5.9%	6.5%	-12.1%	4.2%	-2.0%	-2.2%	-7.5%	1.0%	3.5%	-12.9%	7.7%	1.6%	0.0%	-20.4%	3.9%	3.8%	7.3%	-2.8%	3.4%	4.6%
Large Cap Equity	4.3%	-1.6%	-43.4%	0.1%	5.7%	-13.3%	0.1%	-2.6%	-4.9%	-14.9%	0.3%	1.7%	-13.8%	6.4%	0.5%	-1.5%	-26.4%	-5.1%	1.3%	4.9%	-4.2%	1.6%	2.3%
Large Cap Growth	2.1%	-9.8%	-53.3%	-16.8%	0.1%	-18.4%	-1.1%	-9.5%	-17.0%	-24.7%	-0.4%	0.8%	-14.6%	2.2%	-3.1%	-2.5%	-29.1%	-7.9%	0.4%	4.3%	-9.8%	0.3%	1.7%

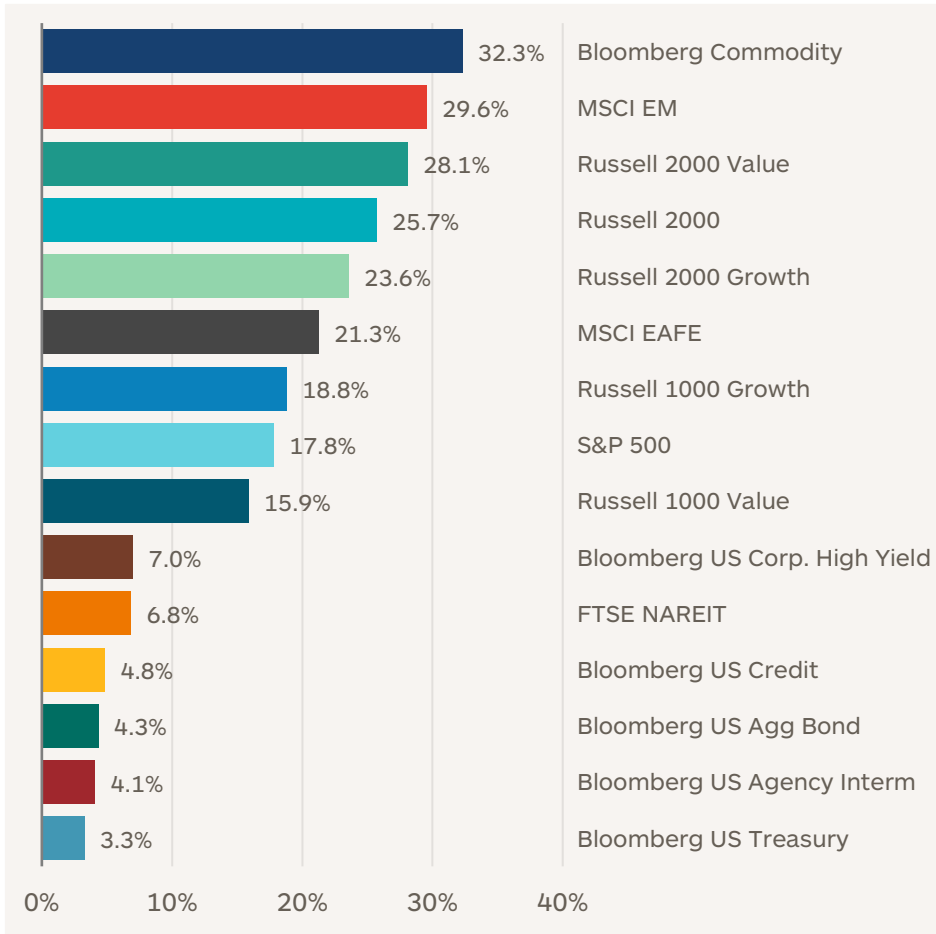
BEST
↑
↓
WORST

 Large Cap Equity	 Small Cap Growth	 Commodities
 Large Cap Value	 International Equity	 Real Estate
 Large Cap Growth	 Emerging Markets Equity	 Hedge Funds of Funds
 Small Cap Equity	 US Bonds	 60% MSCI ACWI/40% Bloomberg Global Bond
 Small Cap Value	 Cash	

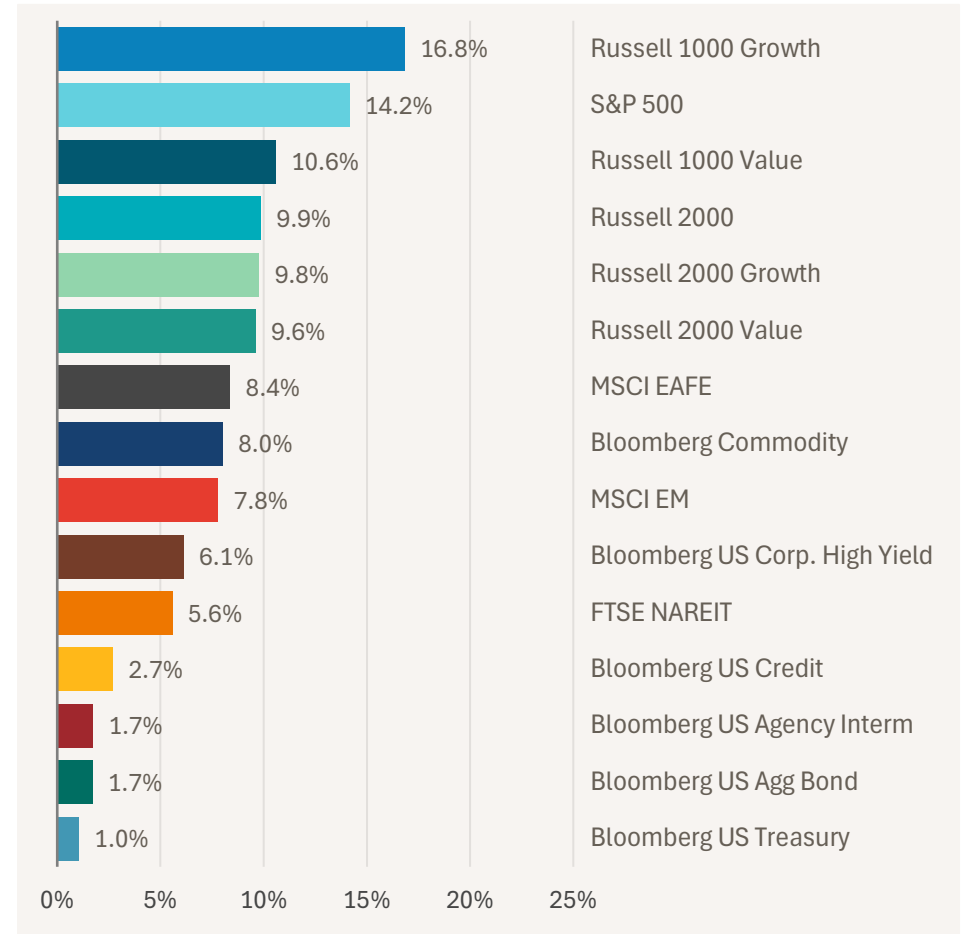
Source Data: Bloomberg, Hedge Fund Research, Inc. (HFR), National Council of Real Estate Investment Fiduciaries (NCREIF). Indices used: Russell 1000, Russell 1000 Value, Russell 1000 Growth, Russell 2000, Russell 2000 Value, Russell 2000 Growth, MSCI EAFE, MSCI EM, Bloomberg US Aggregate, 90-Day T-Bills, Bloomberg Commodity, NCREIF Property, HFRI FOF, MSCI ACWI, Bloomberg Global Bond. NCREIF Property Index performance data as of 3/31/26.

Major asset class returns

ONE YEAR ENDING MARCH



TEN YEARS ENDING MARCH



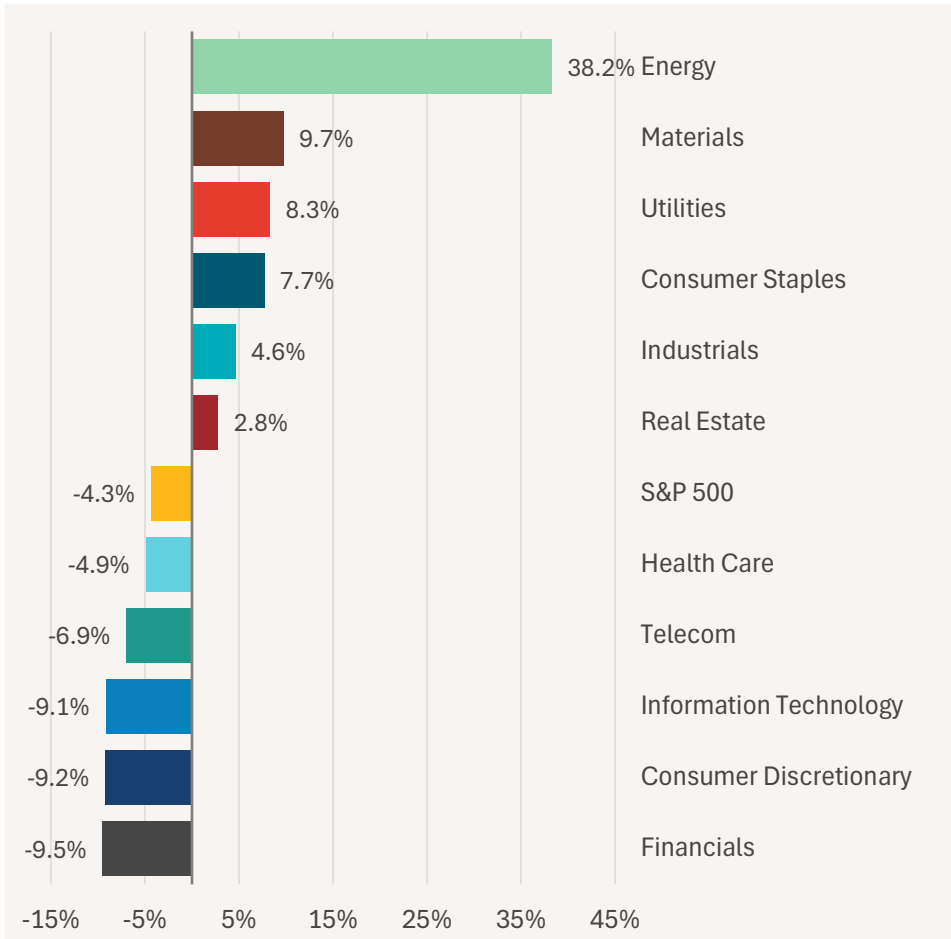
*Only publicly traded asset performance is shown here. Performance of private assets is typically released with a 3- to 6-month delay.

Source: Bloomberg, as of 3/31/26

Source: Bloomberg, as of 3/31/26

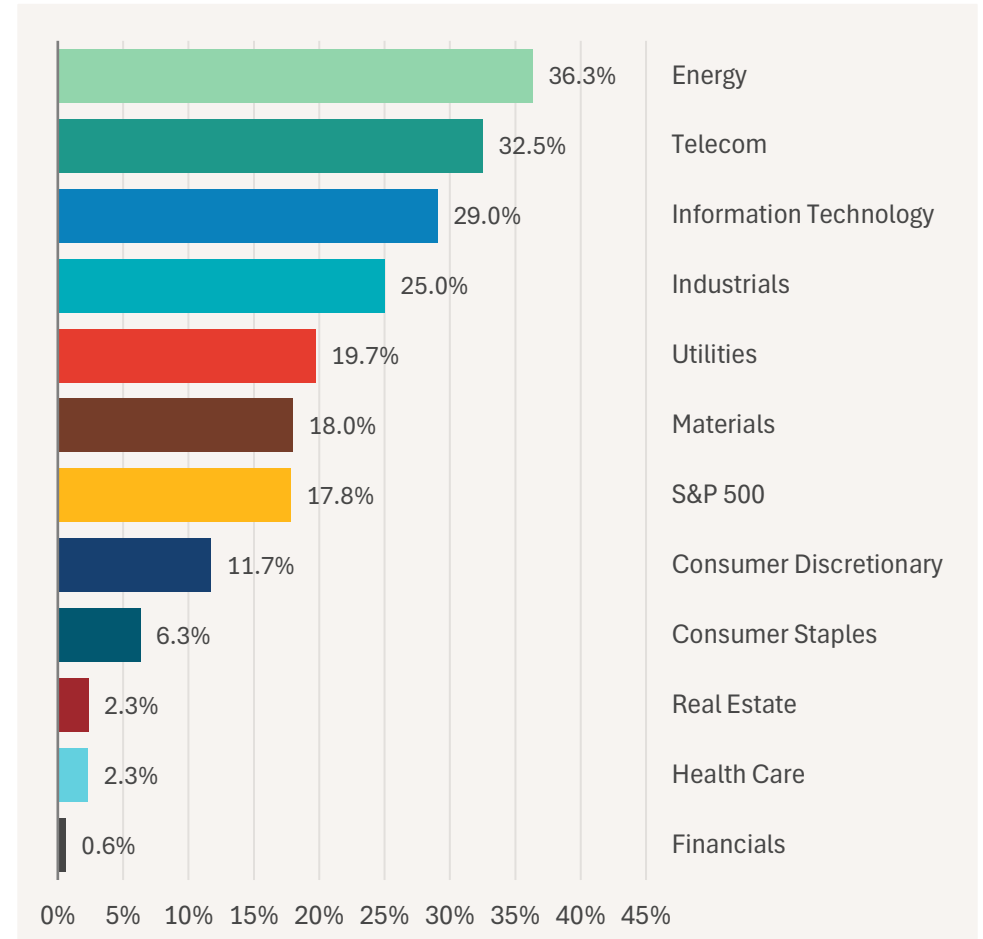
S&P 500 sector returns

QTD



Source: Bloomberg, as of 3/31/26

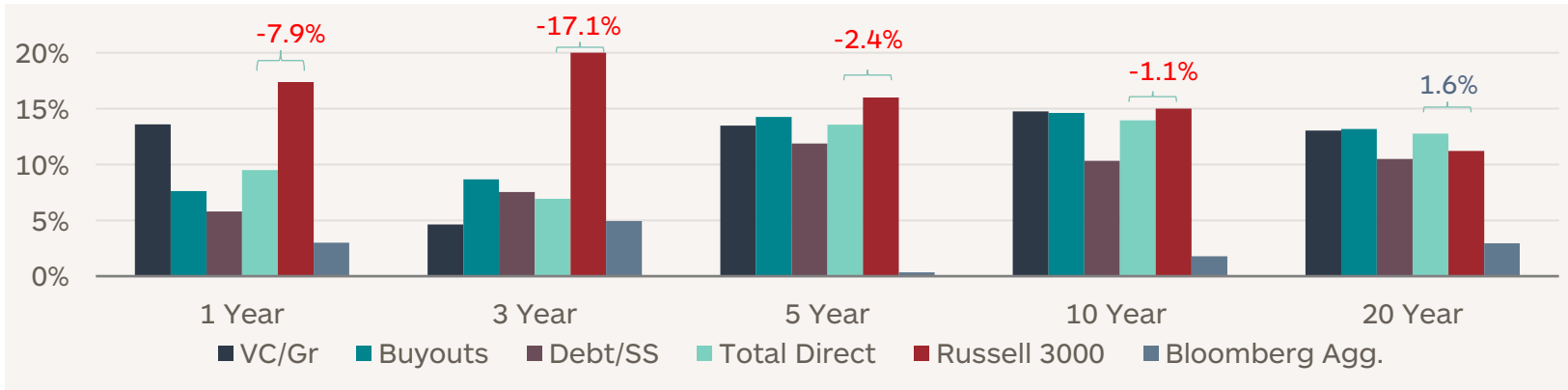
ONE YEAR ENDING MARCH



Source: Bloomberg, as of 3/31/26

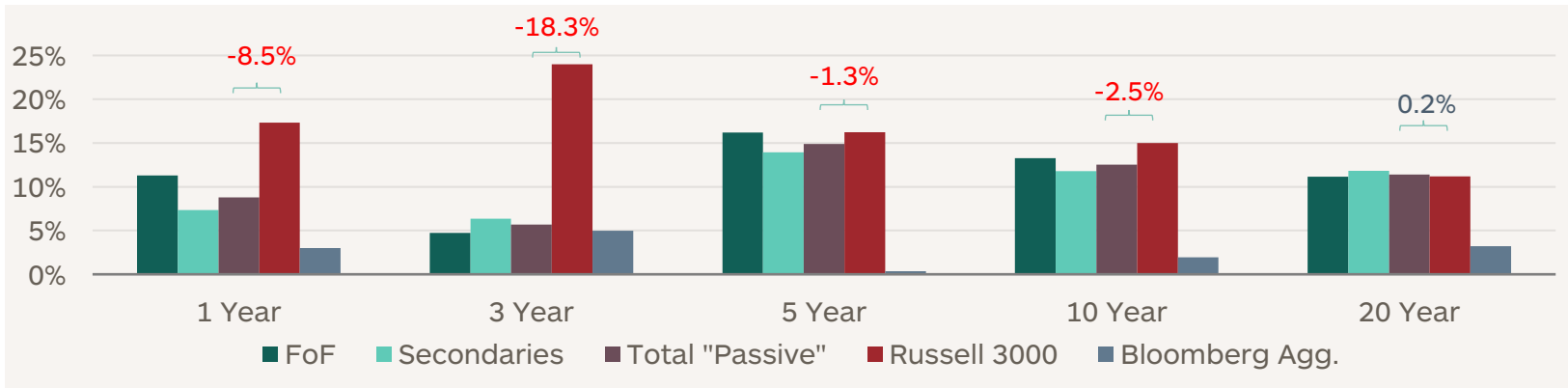
Private equity vs. traditional assets performance

DIRECT PRIVATE EQUITY AND CREDIT FUND INVESTMENTS



› Direct P.E Fund Investments underperformed public equities in most time periods.

“PASSIVE” STRATEGIES

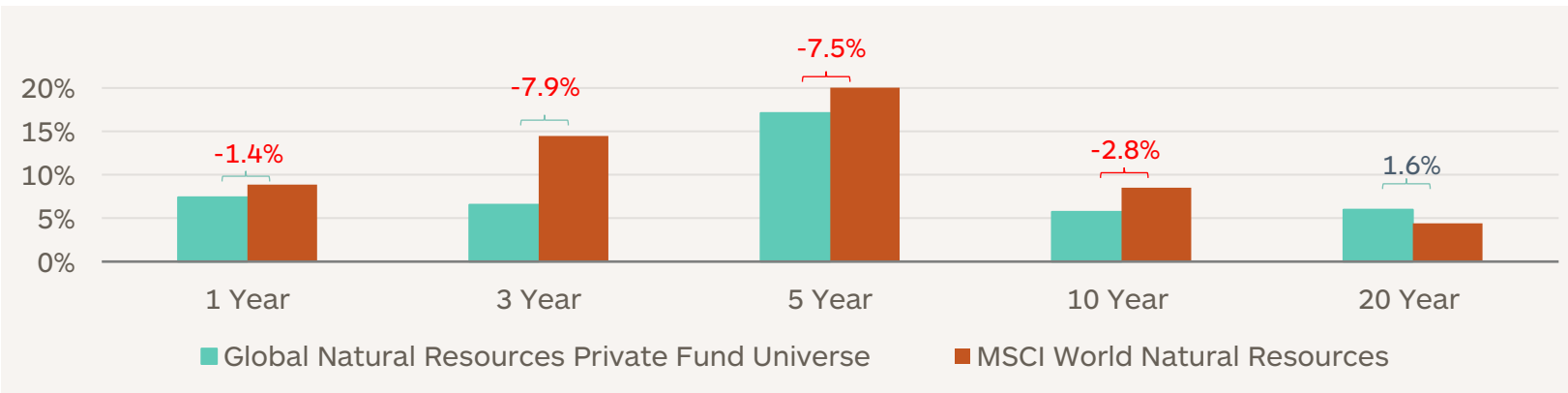


› “Passive” strategies have underperformed public equities in most time periods.

Sources: FTSE PME: U.S. Direct Private Equity and “Passive” returns are as of September 30, 2025. Public Market Equivalent returns resulted from “Total Passive” and Total Direct’s identical cash flows invested into and distributed from respective traditional asset comparable.

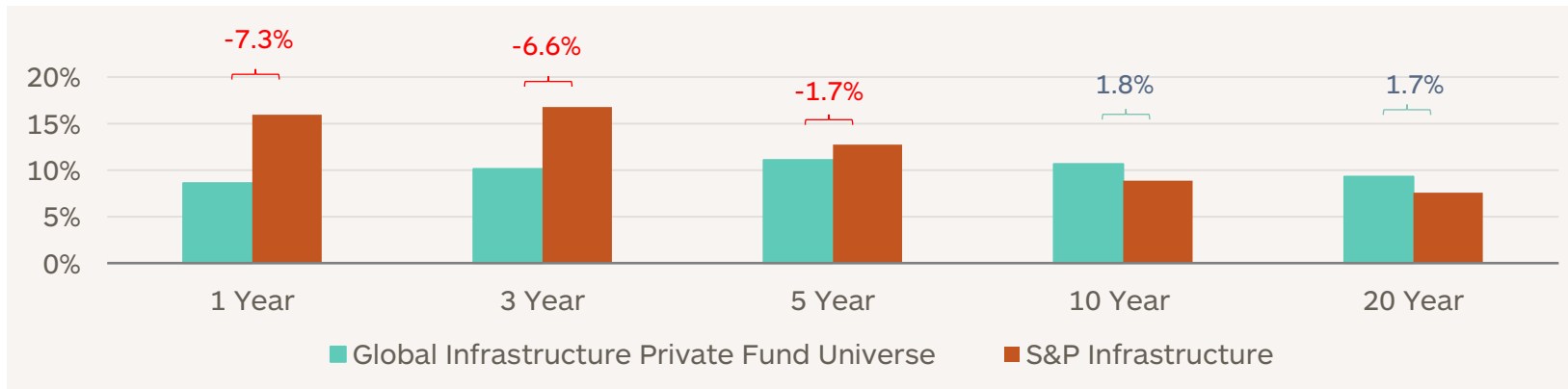
Private vs. liquid real assets performance

GLOBAL NATURAL RESOURCES FUNDS



› N.R. funds underperformed MSCI World Natural Resources across most time periods.

GLOBAL INFRASTRUCTURE FUNDS

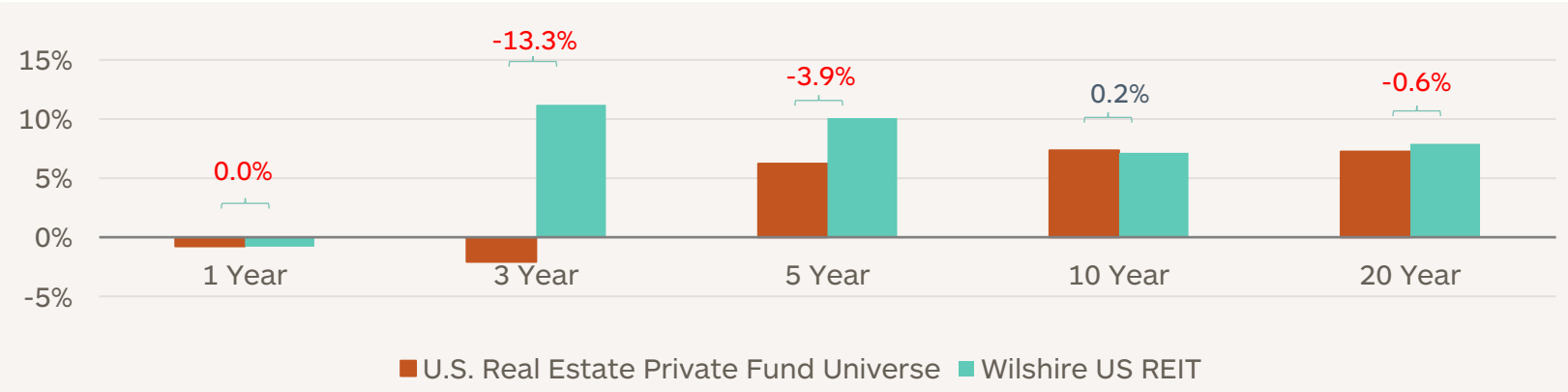


› Infra. funds outperformed S&P Infra. across longer periods.

Sources: FTSE PME: Global Natural Resources (vintage 1999 and later, inception of MSCI World Natural Resources benchmark) and Global Infrastructure (vintage 2002 and later, inception of S&P Infrastructure benchmark) universes as of September 30, 2025. Public Market Equivalent returns resulted from identical cash flows invested into and distributed from respective liquid real assets universes.

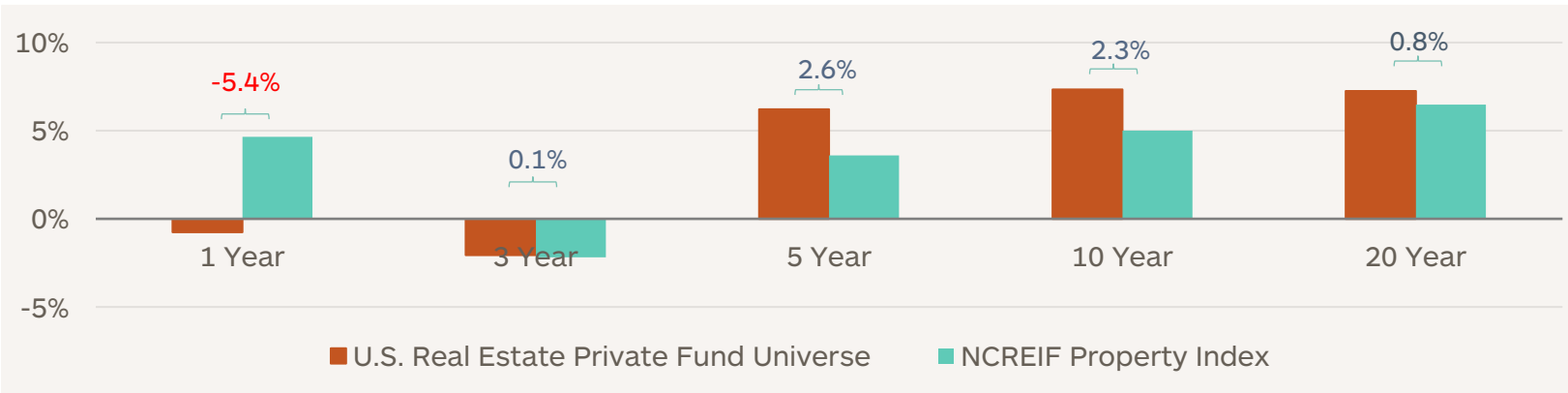
Private vs. liquid and core real estate performance

U.S. PRIVATE REAL ESTATE FUNDS VS. LIQUID UNIVERSE



› U.S. Private R.E. funds underperformed the Wilshire U.S. REIT across most time periods.

U.S. PRIVATE REAL ESTATE FUNDS VS. CORE FUNDS



› U.S. Private R.E. Funds outperformed the NCREIF Property Index across most time periods.

Sources: FTSE PME: U.S. Real Estate universes as of September 30, 2025. Public Market Equivalent returns resulted from identical cash flows invested into and distributed from respective liquid real estate universes.

Detailed index performance

DOMESTIC EQUITY	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Index							
S&P 500	-5.0%	-4.3%	-4.3%	17.8%	18.3%	12.1%	14.2%
S&P 500 Equal Weighted	-6.0%	0.7%	0.7%	12.9%	11.9%	8.2%	11.4%
DJ Industrial Average	-5.2%	-3.2%	-3.2%	12.2%	13.8%	9.1%	12.5%
Russell Top 200	-4.9%	-5.5%	-5.5%	18.2%	19.7%	12.7%	15.0%
Russell 1000	-5.0%	-4.2%	-4.2%	17.7%	18.1%	11.3%	14.0%
Russell 2000	-5.0%	0.9%	0.9%	25.7%	13.0%	3.8%	9.9%
Russell 3000	-5.0%	-4.0%	-4.0%	18.1%	17.8%	10.9%	13.7%
Russell Mid Cap	-5.3%	1.3%	1.3%	16.0%	13.3%	7.3%	10.9%
Style Index							
Russell 1000 Growth	-5.2%	-9.8%	-9.8%	18.8%	21.2%	12.8%	16.8%
Russell 1000 Value	-4.8%	2.1%	2.1%	15.9%	14.3%	9.4%	10.6%
Russell 2000 Growth	-6.3%	-2.8%	-2.8%	23.6%	12.3%	1.6%	9.8%
Russell 2000 Value	-3.6%	5.0%	5.0%	28.1%	13.8%	5.8%	9.6%

INTERNATIONAL EQUITY	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Index							
MSCI ACWI	-7.2%	-3.2%	-3.2%	20.0%	16.6%	9.5%	11.3%
MSCI ACWI ex US	-10.8%	-0.7%	-0.7%	24.9%	14.5%	7.0%	8.4%
MSCI EAFE	-10.3%	-1.2%	-1.2%	21.3%	13.6%	7.9%	8.4%
MSCI EM	-13.1%	-0.2%	-0.2%	29.6%	14.8%	3.7%	7.8%
MSCI EAFE Small Cap	-10.9%	-1.3%	-1.3%	25.6%	12.6%	4.4%	7.4%
Style Index							
MSCI EAFE Growth	-11.8%	-4.7%	-4.7%	12.7%	7.5%	3.5%	7.1%
MSCI EAFE Value	-8.9%	2.0%	2.0%	30.1%	19.8%	12.2%	9.3%
Regional Index							
MSCI UK	-7.7%	2.0%	2.0%	25.7%	16.8%	12.4%	8.3%
MSCI Japan	-12.4%	1.4%	1.4%	25.9%	15.7%	6.6%	8.5%
MSCI Euro	-11.1%	-5.0%	-5.0%	17.8%	13.4%	8.7%	8.7%
MSCI EM Asia	-14.4%	-1.5%	-1.5%	28.4%	14.4%	2.8%	8.5%
MSCI EM Latin America	-4.3%	14.6%	14.6%	57.4%	18.6%	12.9%	8.4%

Source: Bloomberg, HFRI, as of 3/31/26

FIXED INCOME	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Index							
Bloomberg US TIPS	-1.3%	0.3%	0.3%	3.0%	3.2%	1.5%	2.7%
Bloomberg US Treasury Bills	0.3%	0.9%	0.9%	4.1%	4.8%	3.4%	2.3%
Bloomberg US Agg Bond	-1.8%	0.0%	0.0%	4.3%	3.6%	0.3%	1.7%
Bloomberg US Universal	-1.8%	-0.1%	-0.1%	4.6%	4.2%	0.7%	2.1%
Duration							
Bloomberg US Treasury 1-3 Yr	-0.5%	0.3%	0.3%	3.8%	4.0%	1.8%	1.8%
Bloomberg US Treasury 20+ Yr	-4.2%	-0.3%	-0.3%	-0.3%	-2.6%	-5.5%	-1.3%
Bloomberg US Treasury	-1.7%	0.0%	0.0%	3.3%	2.6%	-0.1%	1.0%
Issuer							
Bloomberg US MBS	-1.6%	0.4%	0.4%	5.8%	4.2%	0.4%	1.4%
Bloomberg US Corp. High Yield	-1.2%	-0.5%	-0.5%	7.0%	8.6%	4.2%	6.1%
Bloomberg US Agency Interm	-0.8%	0.2%	0.2%	4.1%	4.2%	1.5%	1.7%
Bloomberg US Credit	-2.0%	-0.5%	-0.5%	4.8%	4.6%	0.8%	2.7%

OTHER	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Index							
Bloomberg Commodity	11.5%	24.4%	24.4%	32.3%	13.9%	14.0%	8.0%
FTSE NAREIT Equity REITS	-5.8%	4.8%	4.8%	6.8%	9.1%	5.8%	5.6%
Morningstar LSTA US LL	0.6%	-0.6%	-0.6%	4.8%	8.0%	5.9%	5.6%
S&P Global Infrastructure	-4.1%	8.3%	8.3%	26.9%	16.2%	12.1%	9.4%
Alerian MLP Infrastructure	1.3%	17.2%	17.2%	12.9%	24.3%	24.7%	10.5%
Emerging Market Debt							
JPM EMBI Global Div	-3.3%	-1.3%	-1.3%	10.4%	9.4%	2.5%	3.8%
JPM GBI-EM Global Div	-5.5%	-2.2%	-2.2%	11.8%	6.8%	2.1%	2.6%
Hedge Funds							
HFRI Composite	0.0%	3.9%	3.9%	17.2%	11.0%	6.7%	7.1%
HFRI FOF Composite	0.0%	3.0%	3.0%	14.1%	9.3%	5.3%	5.5%
Currency (Spot vs. USD)							
Euro	-2.2%	-1.6%	-1.6%	6.8%	2.1%	-0.3%	0.2%
Pound Sterling	-1.9%	-1.8%	-1.8%	2.4%	2.3%	-0.8%	-0.8%
Yen	-1.7%	-1.3%	-1.3%	-5.5%	-5.8%	-7.0%	-3.4%

Definitions

Bloomberg US Weekly Consumer Comfort Index - tracks the public's economic attitudes each week, providing a high-frequency read on consumer sentiment. The index, based on cell and landline telephone interviews with a random, representative national sample of U.S. adults, tracks Americans' ratings of the national economy, their personal finances and the buying climate on a weekly basis, with views of the economy's direction measured separately each month. (www.langerresearch.com)

University of Michigan Consumer Sentiment Index - A survey of consumer attitudes concerning both the present situation as well as expectations regarding economic conditions conducted by the University of Michigan. For the preliminary release approximately three hundred consumers are surveyed while five hundred are interviewed for the final figure. The level of consumer sentiment is related to the strength of consumer spending. (www.Bloomberg.com)

NFIB Small Business Outlook - Small Business Economic Trends (SBET) is a monthly assessment of the U.S. small-business economy and its near-term prospects. Its data are collected through mail surveys to random samples of the National Federal of Independent Business (NFIB) membership. The survey contains three broad question types: recent performance, near-term forecasts, and demographics. The topics addressed include: outlook, sales, earnings, employment, employee compensation, investment, inventories, credit conditions, and single most important problem. (<http://www.nfib-sbet.org/about/>)

NAHB Housing Market Index – the housing market index is a weighted average of separate diffusion indices for three key single-family indices: market conditions for the sale of new homes at the present time, market conditions for the sale of new homes in the next six months, and the traffic of prospective buyers of new homes. The first two series are rated on a scale of Good, Fair, and Poor and the last is rated on a scale of High/Very High, Average, and Low/Very Low. A diffusion index is calculated for each series by applying the formula $“(Good-Poor + 100)/2”$ to the present and future sales series and $“(High/Very High-Low/Very Low + 100)/2”$ to the traffic series. Each resulting index is then seasonally adjusted and weighted to produce the HMI. Based on this calculation, the HMI can range between 0 and 100.

Disclosures

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Certain statements in this presentation may constitute forward-looking statements based on assumptions and projections. These statements involve known and unknown risks and uncertainties that may cause actual results to differ materially from those expressed or implied.

All return projections, yield estimates, and financial models presented herein are based on assumptions that may not be realized. Key assumptions include, but are not limited to: interest rate environment, inflation expectations, market liquidity, economic growth forecasts, and historical volatility data. These assumptions are subject to change without notice.

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Kern County Employees Retirement Association

Investment Performance Review

Period Ending: March 31, 2026

Total Fund
Portfolio Reconciliation

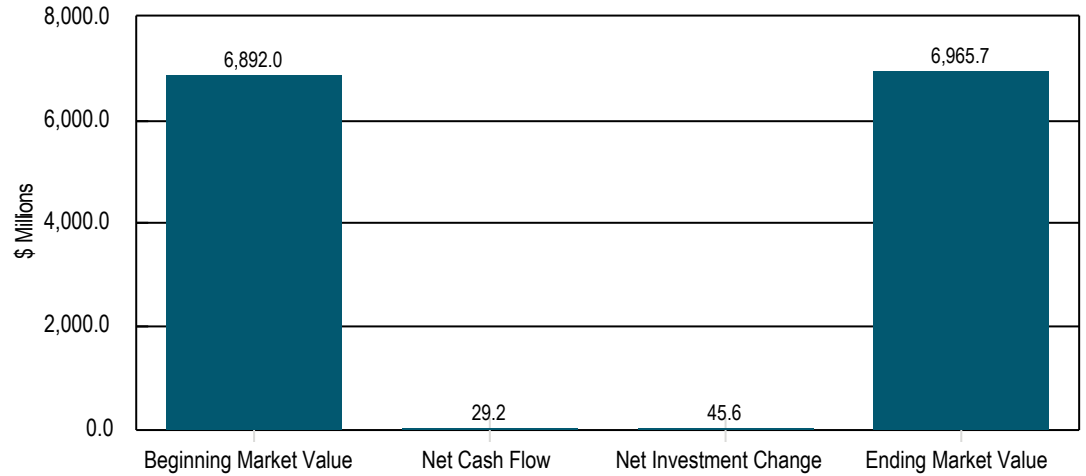
Kern County Employees' Retirement Association
Period Ending: March 31, 2026

Portfolio Reconciliation

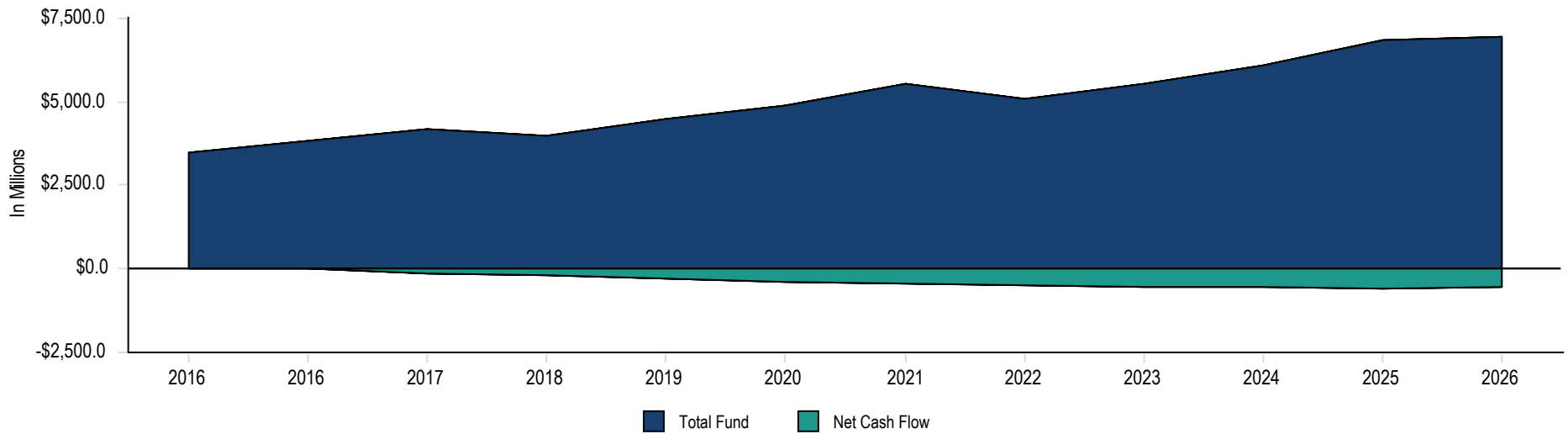
Last Three Months

Beginning Market Value	\$6,891,986,768
Net Cash Flows	\$29,167,097
Net Investment Change	\$45,568,866
Ending Market Value	\$6,965,694,061

Change in Market Value
Last Three Months



Market Value History



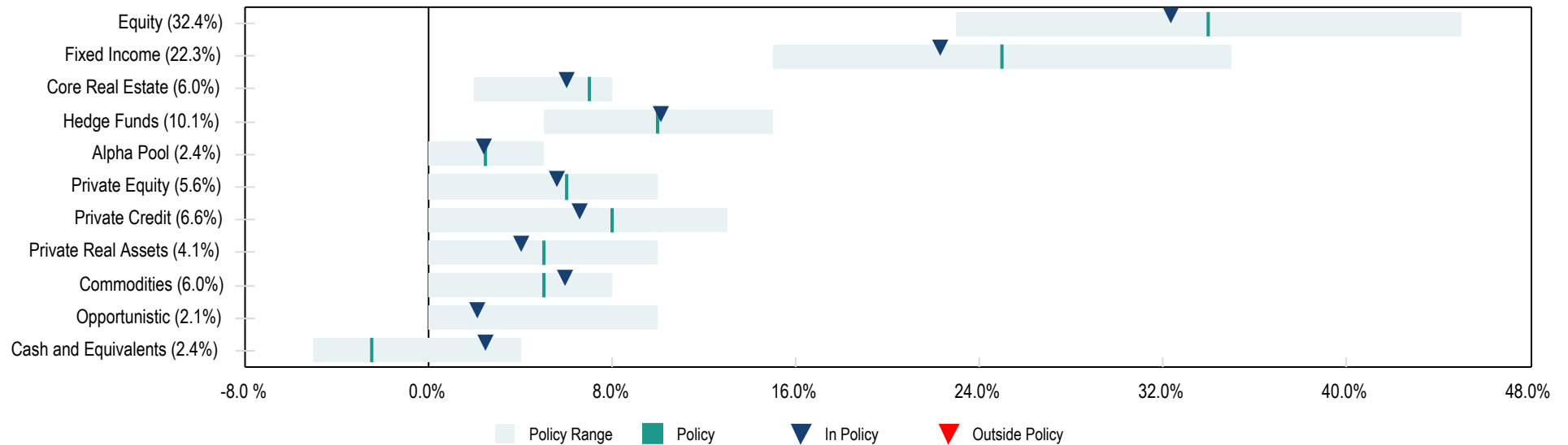
Total Fund

Asset Allocation vs. Policy

Kern County Employees Retirement Association
 Period Ending: March 31, 2026

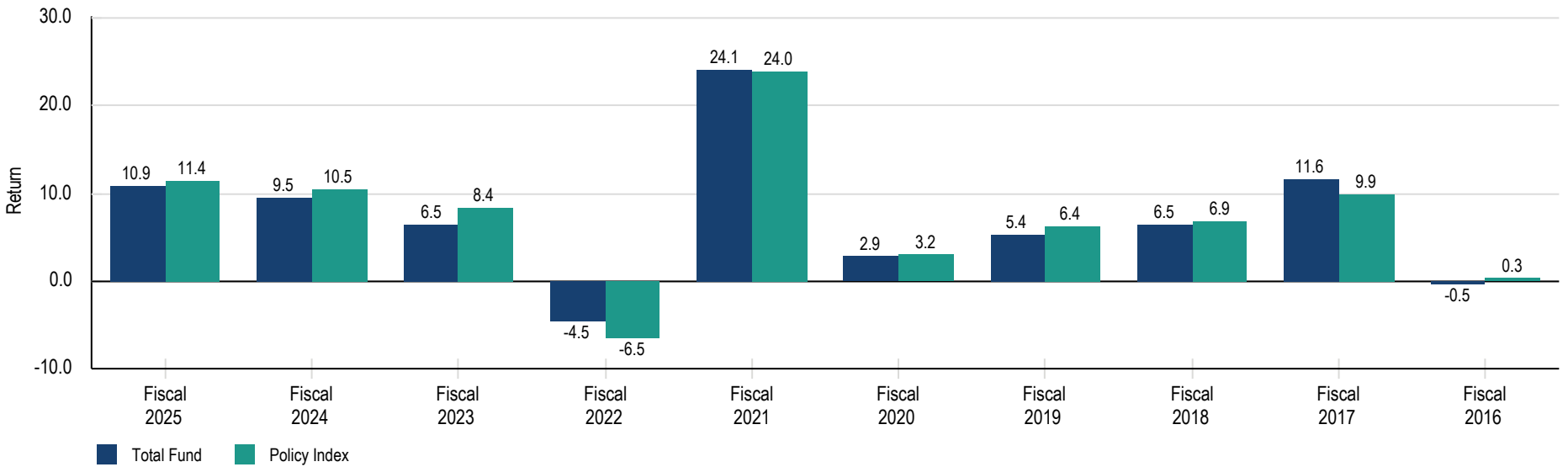
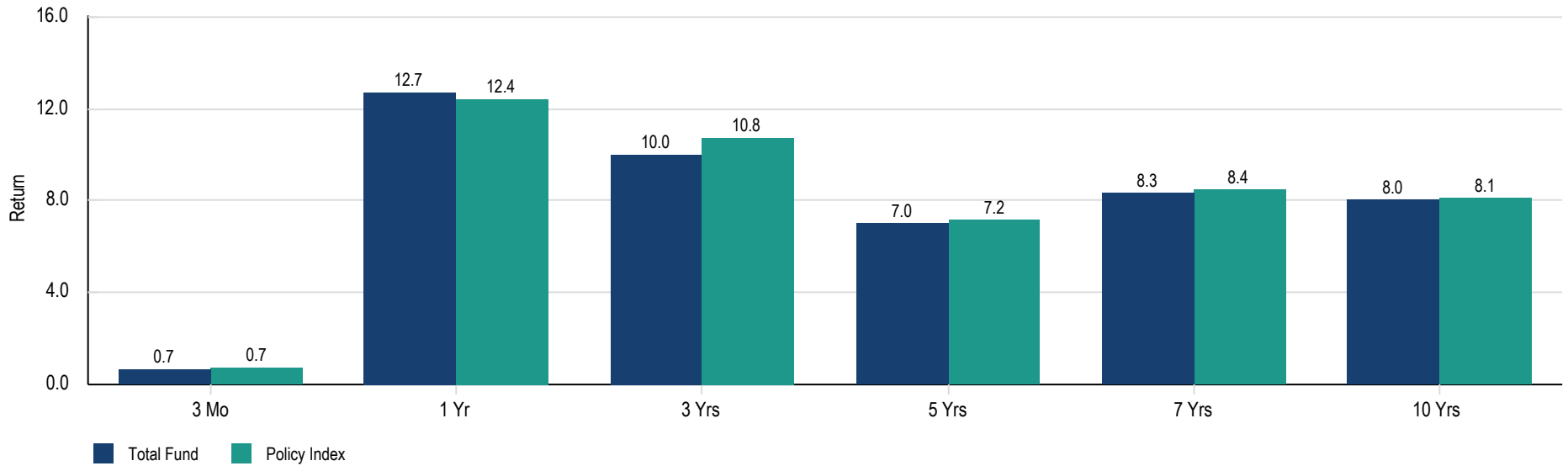
	Current Balance (\$)	Current Allocation (%)	Policy Allocation (%)	Excess Allocation (%)	Policy Range (%)	Within IPS Range?
Equity	2,255,424,781	32.4	34.0	-1.6	23.0 - 45.0	Yes
Fixed Income	1,554,423,293	22.3	25.0	-2.7	15.0 - 35.0	Yes
Core Real Estate	419,218,259	6.0	7.0	-1.0	2.0 - 8.0	Yes
Hedge Funds	703,415,554	10.1	10.0	0.1	5.0 - 15.0	Yes
Alpha Pool	167,284,184	2.4	2.5	-0.1	0.0 - 5.0	Yes
Private Equity	390,533,860	5.6	6.0	-0.4	0.0 - 10.0	Yes
Private Credit	458,208,256	6.6	8.0	-1.4	0.0 - 13.0	Yes
Private Real Assets	282,555,598	4.1	5.0	-0.9	0.0 - 10.0	Yes
Commodities	416,049,839	6.0	5.0	1.0	0.0 - 8.0	Yes
Opportunistic	148,965,374	2.1	0.0	2.1	0.0 - 10.0	Yes
Cash and Equivalents	170,325,186	2.4	-2.5	4.9	-5.0 - 4.0	Yes
Total	6,966,404,182	100.0	100.0	0.0		

Executive Summary



Total Fund
Performance vs. Policy (Net of Fees)

Kern County Employees' Retirement Association
Period Ending: March 31, 2026



Total Fund
Executive Summary (Gross of Fees)

Kern County Employees' Retirement Association
Period Ending: March 31, 2026

	Market Value	% of Portfolio	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021
Total Fund	6,965,694,061	100.0	0.7	8.0	12.7	10.2	7.2	8.3	10.7	9.7	6.7	-4.3	24.4
<i>Policy Index</i>			0.7	7.3	12.4	10.8	7.2	8.1	11.4	10.5	8.4	-6.5	24.0
<i>InvMetrics Public DB > \$1B Rank</i>			7	4	41	39	21	42	48	58	72	37	89
Equity	2,255,424,781	32.4	-2.4	8.4	20.2	15.4	9.0	11.4	14.8	17.1	15.9	-14.9	41.2
<i>MSCI AC World IMI Index (Net)</i>			-2.7	8.1	20.6	16.2	9.0	11.1	15.9	18.4	16.1	-16.5	40.9
Domestic Equity	1,254,788,671	18.0	-3.9	5.7	15.8	16.4	10.4	13.7	12.9	22.4	17.9	-12.0	43.6
<i>MSCI USA IMI</i>			-3.9	6.6	18.4	18.0	11.0	13.8	15.2	23.3	19.2	-13.7	44.4
International Developed Equity	732,446,726	10.5	-0.8	10.0	23.3	13.9	7.5	8.7	17.8	11.0	17.2	-19.6	37.0
<i>MSCI World ex U.S. IMI Index (Net)</i>			-0.9	9.9	23.8	14.2	8.0	8.6	19.3	10.8	16.3	-17.7	34.8
Emerging Markets Equity	268,187,131	3.9	0.0	17.2	34.0	17.3	6.3	7.8	17.0	14.2	5.3	-21.4	40.6
<i>MSCI Emerging Markets IMI (Net)</i>			-0.2	14.3	28.9	14.7	4.0	7.8	14.3	13.6	3.2	-24.8	43.2
Fixed Income	1,554,423,293	22.3	-0.1	3.9	5.9	5.2	1.5	3.2	7.5	4.2	3.1	-12.7	5.4
<i>Fixed Income Custom Benchmark</i>			-0.1	3.1	5.3	5.0	1.4	2.8	7.4	4.8	1.9	-11.6	4.0
Core Fixed Income	822,624,304	11.8	0.0	3.3	4.5	3.4	0.1	2.0	5.6	2.5	-0.9	-11.2	1.0
<i>Core Fixed Income Benchmark</i>			0.0	3.0	4.3	3.5	0.2	1.7	5.8	2.5	-0.9	-10.3	-0.3
Credit Fixed Income	731,611,724	10.5	-0.2	4.5	7.7	8.0	3.7	4.9	10.1	7.1	9.3	-14.2	11.6
<i>Credit Fixed Income Benchmark</i>			-0.4	3.5	7.3	8.0	3.3	4.8	10.5	8.2	9.2	-15.7	12.2
Commodities	416,049,839	6.0	19.1	34.7	34.2	17.0	15.7	10.5	6.6	14.6	-6.3	20.1	43.5
<i>Bloomberg Commodity Index Total Return</i>			24.4	36.5	32.3	13.9	14.0	8.0	5.8	5.0	-9.6	24.3	45.6
Hedge Funds	703,415,554	10.1	-0.3	4.3	7.2	8.0	6.8	7.5	8.9	9.2	6.9	2.9	16.3
<i>75% (3 Month T-Bill + 3%) + 25% MSCI ACWI Net</i>			0.4	5.9	10.3	10.1	7.4	7.0	10.0	11.4	9.4	-1.7	11.4
Alpha Pool	167,284,184	2.4	0.7	5.1	6.4	3.5	2.8	-	6.2	0.7	-0.9	1.5	14.5
<i>3-Month Treasury Bill +3%</i>			1.6	5.2	7.1	7.9	6.4	-	7.8	8.6	6.7	3.2	3.1
Core Real Estate	410,445,581	5.9	2.1	7.3	10.3	-4.7	0.5	3.0	4.9	-19.8	-11.9	25.6	6.6
<i>NCREIF ODCE (Net)</i>			1.0	2.3	3.1	-2.8	2.3	3.8	2.7	-10.0	-10.7	28.3	7.1
Private Real Assets	289,879,831	4.2	1.0	6.4	6.2	-0.3	8.5	7.9	0.4	-6.4	7.9	38.8	9.6
			1.0	6.4	6.2	-0.3	8.5	7.9	0.4	-6.4	7.9	38.8	9.6
Private Equity	390,533,860	5.6	3.6	11.5	15.2	11.9	11.6	11.0	9.1	11.9	-0.6	21.5	41.9
			3.6	11.5	15.2	11.9	11.6	11.0	9.1	11.9	-0.6	21.5	41.9
Private Credit	458,693,982	6.6	1.6	6.7	7.3	10.8	7.1	7.4	9.7	13.1	3.2	0.3	4.8
			1.6	6.7	7.3	10.8	7.1	7.4	9.7	13.1	3.2	0.3	4.8
Opportunistic	135,760,509	1.9	3.2	13.4	17.8	11.8	7.9	-	18.4	2.9	0.6	-5.3	60.3
<i>Assumed Rate of Return +3%</i>			2.4	7.4	10.0	10.0	10.0	-	10.0	10.0	10.0	10.0	10.0
Cash	153,162,713	2.2	1.0	3.4	4.7	5.3	3.5	2.8	5.4	6.4	2.6	-0.1	0.1
<i>3 Month T-Bill</i>			0.8	2.9	4.0	4.7	3.3	2.3	4.7	5.4	3.6	0.2	0.1

Policy Index: 35% MSCI ACWI IMI (Net), 27% Fixed Income Blend - 17% Core (10% Bloomberg US Aggregate Index, 3% ICE BofAML 7-10 Year US Treasury Index, 4% Bloomberg US Corporate Credit 1-3 Year Index), 10% Credit (5% Securitized (2.5% Bloomberg Non-Agency CMBS Index; 1.67% Bloomberg ABS Index; 0.83% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index, 2.5% Emerging Market Debt (2.5% JPM EMBI Global Div - Hard currency only, 5% Bloomberg Commodity Index), 10% Hedge fund (7.5% 3-Month T-bill + 3%, 2.5% MSCI ACWI (Net)), 2.5% 3-Month T-Bill + 3%, 7% NCREIF-ODCE Net Monthly, 5% actual timeweighted Private Equity Returns*, 6% actual time-weighted Private Credit Returns*, 5% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -2.5% 3-Month T-bill. Fixed Income Beta Exposure return includes overlay cash and an implied hurdle rate also applied to the Alpha pool. Hedge fund data sourced from Albourne. TPG AG Essential Housing III is estimated to be 3.52 for the quarter.

Performance and Attribution

Total Fund Performance (Net of Fees)

Kern County Employees' Retirement Association Period Ending: March 31, 2026

	Market Value	% of Portfolio	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Inception	Inception Date
Total Fund	6,965,694,061	100.0	0.7	7.7	12.7	10.0	7.0	8.0	10.9	9.5	6.5	-4.5	24.1	7.1	Jun-11
<i>Policy Index</i>			0.7	7.3	12.4	10.8	7.2	8.1	11.4	10.5	8.4	-6.5	24.0	7.1	
Equity	2,255,424,781	32.4	-2.5	8.2	20.0	15.1	8.8	11.1	14.6	16.9	15.7	-15.1	40.7	9.8	Jun-11
<i>MSCI AC World IMI Index (Net)</i>			-2.7	8.1	20.6	16.2	9.0	11.1	15.9	18.4	16.1	-16.5	40.9	9.3	
Domestic Equity	1,254,788,671	18.0	-3.9	5.5	15.5	16.1	10.1	13.4	12.7	22.1	17.6	-12.2	43.2	12.0	Jul-14
<i>MSCI USA IMI</i>			-3.9	6.6	18.4	18.0	11.0	13.8	15.2	23.3	19.2	-13.7	44.4	12.3	
Mellon DB SL Stock Index Fund	753,572,812	10.8	-4.3	6.2	17.8	18.3	12.0	-	15.1	24.5	19.6	-10.6	40.8	13.6	Oct-17
<i>S&P 500 Index</i>			-4.3	6.2	17.8	18.3	12.1	-	15.2	24.6	19.6	-10.6	40.8	13.5	
PIMCO StocksPLUS	178,796,629	2.6	-4.6	6.2	17.8	18.7	11.6	14.2	15.1	25.6	18.8	-12.8	41.7	11.4	Jul-03
<i>S&P 500 Index</i>			-4.3	6.2	17.8	18.3	12.1	14.2	15.2	24.6	19.6	-10.6	40.8	10.7	
Chilton High Conviction Equity	203,336,331	2.9	-3.0	7.3	-	-	-	-	-	-	-	-	-	14.9	May-25
<i>S&P 500 Index</i>			-4.3	6.2	-	-	-	-	-	-	-	-	-	13.0	
Geneva Capital Small Cap Growth	81,147,346	1.2	-4.5	-7.5	-3.4	3.5	-0.2	9.1	3.3	9.8	15.6	-22.1	37.6	7.9	Jul-15
<i>Russell 2000 Growth Index</i>			-2.8	10.4	23.6	12.3	1.6	9.8	9.7	9.1	18.5	-33.4	51.4	7.5	
Congress Small Cap Value	82,030,312	1.2	-	-	-	-	-	-	-	-	-	-	-	-3.6	Feb-26
<i>Russell 2000 Value Index</i>			-	-	-	-	-	-	-	-	-	-	-	-4.8	
Parametric Domestic Overlay	-44,094,759	-0.6	-	-	-	-	-	-	-	-	-	-	-	0.0	Mar-26
International Developed Equity	732,446,726	10.5	-0.9	9.9	23.1	13.8	7.9	8.7	17.7	10.9	17.1	-17.8	36.7	6.5	Jul-14
<i>MSCI World ex U.S. IMI Index (Net)</i>			-0.9	9.9	23.8	14.2	8.0	8.6	19.3	10.8	16.3	-17.7	34.8	6.0	
Mellon DB SL World ex-US Index Fund	385,684,236	5.5	-0.9	10.0	23.5	14.8	9.0	-	19.0	11.7	17.9	-16.1	35.6	8.5	Jul-18
<i>MSCI World ex U.S. IMI Index (Net)</i>			-0.9	9.9	23.8	14.2	8.0	-	19.3	10.8	16.3	-17.7	34.8	7.7	
Cevian Capital II	58,450,530	0.8	-6.7	9.1	14.8	15.6	11.9	11.4	13.2	21.8	25.3	-8.2	46.8	9.5	Dec-14
<i>MSCI Europe (Net)</i>			-2.8	6.9	19.1	13.2	8.8	8.5	18.4	11.7	21.8	-17.6	35.1	6.9	
Lazard Japanese Equity	171,110,814	2.5	0.5	12.2	23.5	-	-	-	14.1	-	-	-	-	18.9	Nov-23
<i>TOPIX Net Total Return Index</i>			1.7	13.3	26.1	-	-	-	15.5	-	-	-	-	18.6	
American Century Non-US Small Cap	49,969,403	0.7	0.0	7.8	29.7	10.5	2.7	-	16.9	8.3	7.9	-27.4	-	4.0	Dec-20
<i>MSCI World ex U.S. Small Cap Growth Index (Net)</i>			-0.6	7.3	27.7	11.5	2.6	-	22.1	5.6	9.5	-28.6	-	3.8	
Dalton Japan Long Only	85,429,580	1.2	0.8	8.2	21.2	-	-	-	23.5	-	-	-	-	18.6	Oct-23
<i>MSCI Japan Small Cap Index (Net)</i>			3.5	14.3	28.4	-	-	-	22.9	-	-	-	-	20.1	
Parametric International Overlay	-18,197,837	-0.3	-	-	-	-	-	-	-	-	-	-	-	0.0	Mar-26
Emerging Markets Equity	268,187,131	3.9	-0.1	16.6	33.1	16.7	5.7	7.0	16.5	13.8	4.6	-21.9	39.5	4.5	Jul-14
<i>MSCI Emerging Markets IMI (Net)</i>			-0.2	14.3	28.9	14.7	4.0	7.8	14.3	13.6	3.2	-24.8	43.2	5.0	
Mellon Emerging Markets Stock Index Fund	12,332,087	0.2	0.2	16.2	30.0	14.8	3.6	-	15.5	12.0	1.6	-25.5	41.1	8.4	Jun-20
<i>MSCI Emerging Markets IMI (Net)</i>			-0.2	14.3	28.9	14.7	4.0	-	14.3	13.6	3.2	-24.8	43.2	10.3	
ABS Emerging Market Direct	94,049,657	1.4	4.0	20.4	37.4	-	-	-	-	-	-	-	-	20.3	Aug-24
<i>MSCI Emerging Markets IMI (Net)</i>			-0.2	14.3	28.9	-	-	-	-	-	-	-	-	17.2	
Carrhae Capital Long Master Fund Ltd	96,621,847	1.4	-6.3	13.1	32.4	-	-	-	-	-	-	-	-	21.3	Aug-24
<i>MSCI Emerging Markets IMI (Net)</i>			-0.2	14.3	28.9	-	-	-	-	-	-	-	-	17.2	
DFA Emerging Markets Value I	72,882,625	1.0	3.7	17.2	30.1	17.0	9.0	9.3	11.9	16.7	7.9	-12.9	47.6	6.6	Mar-14
<i>MSCI Emerging Markets Value (Net)</i>			1.1	16.9	28.6	15.5	6.1	7.3	12.7	14.1	4.1	-18.6	41.6	4.9	
Parametric EM Overlay	-7,699,085	-0.1	-	-	-	-	-	-	-	-	-	-	-	0.0	Mar-26
Fixed Income	1,554,423,293	22.3	-0.1	3.7	5.6	5.0	1.2	3.0	7.2	3.9	2.9	-13.0	5.1	3.5	Jun-10
<i>Fixed Income Custom Benchmark</i>			-0.1	3.1	5.3	5.0	1.4	2.8	7.4	4.8	1.9	-11.6	4.0	3.3	

Policy Index: 35% MSCI ACWI IMI (Net), 27% Fixed Income Blend - 17% Core (10% Bloomberg US Aggregate Index, 3% ICE BofAML 7-10 Year US Treasury Index, 4% Bloomberg US Corporate Credit 1-3 Year Index), 10% Credit (5% Securitized (2.5% Bloomberg Non-Agency CMBS Index; 1.67% Bloomberg ABS Index; 0.83% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index. 2.5% Emerging Market Debt (2.5% JPM EMBI Global Div - Hard currency only, 5% Bloomberg Commodity Index), 10% Hedge fund (7.5% 3-Month T-bill + 3%, 2.5% MSCI ACWI (Net)), 2.5% 3-Month T-Bill + 3%, 7% NCREIF-ODCE Net Monthly, 5% actual timeweighted Private Equity Returns*, 6% actual time-weighted Private Credit Returns*, 5% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -2.5% 3-Month T-bill. Fixed Income Beta Exposure return includes overlay cash and an implied hurdle rate also applied to the Alpha pool. Hedge fund data sourced from Albourne. TPG AG Essential Housing III is estimated to be 3.52 for the quarter.

Total Fund
Performance (Net of Fees)

Kern County Employees' Retirement Association
Period Ending: March 31, 2026

	Market Value	% of Portfolio	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Inception	Inception Date
Core Fixed Income	822,624,304	11.8	0.0	3.2	4.4	3.3	0.0	1.9	5.5	2.4	-1.0	-11.4	0.8	2.0	Jul-14
Core Fixed Income Benchmark			0.0	3.0	4.3	3.5	0.2	1.7	5.8	2.5	-0.9	-10.3	-0.3	1.9	
Fixed Income Beta Exposure	106,099,520	1.5	-0.3	2.4	4.1	2.7	-	-	5.5	1.7	-2.5	-	-	2.5	Jun-22
ICE BofA 7-10 Year U.S. Treasury Index			-0.1	2.6	4.0	2.4	-	-	6.2	0.3	-3.3	-	-	1.3	
Mellon DB SL Aggregate Bond Index Fund	224,019,942	3.2	-0.1	3.1	4.3	3.6	0.3	1.7	6.1	2.6	-0.9	-10.4	-0.4	2.3	Jan-11
Bloomberg U.S. Aggregate Index			0.0	3.1	4.3	3.6	0.3	1.7	6.1	2.6	-0.9	-10.3	-0.3	2.4	
Fidelity Broad Market Duration	217,701,746	3.1	-	-	-	-	-	-	-	-	-	-	-	-1.0	Feb-26
Bloomberg U.S. Aggregate Index			-	-	-	-	-	-	-	-	-	-	-	-1.1	
Aristotle Short Duration Bond Strategy	274,770,069	3.9	0.3	3.1	4.7	-	-	-	-	-	-	-	-	5.5	Jan-25
Bloomberg U.S. Corporate 1-3 Year Index			0.3	3.0	4.5	-	-	-	-	-	-	-	-	5.0	
Credit Fixed Income	731,611,724	10.5	-0.3	4.2	7.3	7.6	3.2	4.4	9.6	6.7	8.9	-14.6	11.1	2.8	Jul-14
Credit Fixed Income Benchmark			-0.4	3.5	7.3	8.0	3.3	4.8	10.5	8.2	9.2	-15.7	12.2	3.7	
KKR US Broadly Syndicated Loan Fund	171,659,591	2.5	-0.3	2.4	4.2	-	-	-	-	-	-	-	-	3.6	Oct-24
Morningstar LSTA U.S. Leveraged Loan			-0.6	2.4	4.8	-	-	-	-	-	-	-	-	4.7	
Guggenheim Structured Credit	192,118,982	2.8	0.4	4.0	-	-	-	-	-	-	-	-	-	4.4	Jun-25
50% Bloomberg Non-Agency CMBS Index, 33.33% Bloomberg ABS Index, 16.67% JPM CL			0.2	2.4	-	-	-	-	-	-	-	-	-	3.2	
Schroders Credit	191,536,148	2.7	0.4	3.9	-	-	-	-	-	-	-	-	-	3.9	Jun-25
50% Bloomberg Non-Agency CMBS Index, 33.33% Bloomberg ABS Index, 16.67% JPM CL			0.2	2.4	-	-	-	-	-	-	-	-	-	2.9	
PIMCO EMD	176,297,003	2.5	-1.6	6.6	11.7	8.9	3.3	-	11.8	5.6	11.3	-19.2	8.7	2.7	Feb-20
JPM EMBI Global Diversified			-1.3	6.8	10.4	9.5	2.5	-	10.0	9.2	7.4	-21.2	7.5	1.8	
Commodities	416,049,839	6.0	18.9	33.9	33.2	16.2	14.9	9.8	5.9	13.7	-7.0	19.3	42.5	3.5	Jul-13
Bloomberg Commodity Index Total Return			24.4	36.5	32.3	13.9	14.0	8.0	5.8	5.0	-9.6	24.3	45.6	2.5	
Wellington Commodities	416,049,839	6.0	18.9	33.9	33.2	16.6	15.1	10.6	5.8	15.5	-5.2	17.2	40.2	4.2	Sep-13
S&P GSCI Commodity Equal Weighted			19.6	33.2	32.1	13.5	13.9	9.5	4.8	10.4	-6.0	19.0	40.9	3.8	
Hedge Funds	703,415,554	10.1	-0.5	3.6	6.4	7.4	6.7	7.1	8.2	8.9	7.0	3.4	16.1	5.8	Jun-13
75% (3 Month T-Bill + 3%) + 25% MSCI ACWI Net			0.4	5.9	10.3	10.1	7.4	7.0	10.0	11.4	9.4	-1.7	11.4	6.3	
Aristeia International Limited	82,883,342	1.2	1.2	4.0	5.4	5.8	5.0	8.3	6.9	5.1	5.5	1.8	21.6	5.4	May-14
Brevan Howard Fund	59,819,279	0.9	-0.9	0.5	6.0	2.3	4.4	6.7	6.3	3.1	-1.0	15.2	6.1	6.4	Sep-13
D.E. Shaw Composite Fund	81,509,790	1.2	4.9	15.7	20.7	17.0	18.3	15.4	19.3	12.9	11.0	29.0	19.0	14.9	Jul-13
HBK Fund II	58,022,206	0.8	1.9	6.1	8.1	9.0	7.6	6.7	9.3	11.1	7.9	2.3	11.0	5.6	Nov-13
Hudson Bay Cap Structure Arbitrage Enhanced Fund	90,304,233	1.3	1.0	4.3	6.5	6.0	6.8	-	8.6	4.0	7.7	7.7	14.2	9.2	Jun-19
Indus Pacific Opportunities Fund	57,204,908	0.8	1.7	3.1	9.7	6.3	4.0	7.0	13.1	5.8	-0.4	-8.2	38.0	7.0	Jul-14
Pharo Macro Fund	93,601,287	1.3	4.4	13.5	20.7	15.1	6.0	-	16.2	12.7	1.2	-11.1	3.5	5.8	Dec-19
PIMCO Commodity Alpha Fund	59,302,886	0.9	-23.1	-21.8	-24.5	-4.0	1.9	-	-8.1	15.6	18.3	8.6	14.2	5.9	Jun-16
Elliott Associates	67,726,123	1.0	1.2	5.0	5.9	-	-	-	5.5	-	-	-	-	6.0	Jul-24
Hawk Ridge Partners II	53,041,500	0.8	5.5	-	-	-	-	-	-	-	-	-	-	6.1	Aug-25
Alpha Pool	167,284,184	2.4	0.7	5.1	6.4	3.5	2.8	-	6.2	0.7	-0.9	1.5	14.5	4.6	Jul-20
3-Month Treasury Bill +3%			1.6	5.2	7.1	7.9	6.4	-	7.8	8.6	6.7	3.2	3.1	6.0	
Hudson Bay - Alpha Pool	41,117,169	0.6	1.1	4.0	5.3	1.7	2.7	-	5.7	-2.8	-1.1	6.7	-	4.3	Aug-20
Davidson Kempner Institutional Partners	59,797,341	0.9	1.5	6.7	8.1	4.7	2.1	-	8.0	1.2	-4.1	-3.4	-	3.0	Dec-20
HBK Fund II	21,526,073	0.3	1.9	5.9	7.0	4.7	3.6	-	6.4	4.0	-1.0	1.3	-	4.0	Dec-20
Garda Fixed Income Relative Value Opportunity Fund	44,843,601	0.6	-1.5	3.6	5.0	3.0	-	-	4.2	1.8	3.6	-	-	4.1	Sep-21

Policy Index: 35% MSCI ACWI IMI (Net), 27% Fixed Income Blend - 17% Core (10% Bloomberg US Aggregate Index, 3% ICE BofAML 7-10 Year US Treasury Index, 4% Bloomberg US Corporate Credit 1-3 Year Index), 10% Credit (5% Securitized (2.5% Bloomberg Non-Agency CMBS Index; 1.67% Bloomberg ABS Index; 0.83% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index, 2.5% Emerging Market Debt (2.5% JPM EMBI Global Div - Hard currency only, 5% Bloomberg Commodity Index), 10% Hedge fund (7.5% 3-Month T-bill + 3%, 2.5% MSCI ACWI (Net)), 2.5% 3-Month T-Bill + 3%, 7% NCREIF-ODCE Net Monthly, 5% actual timeweighted Private Equity Returns*, 6% actual time-weighted Private Credit Returns*, 5% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -2.5% 3-Month T-bill. Fixed Income Beta Exposure return includes overlay cash and an implied hurdle rate also applied to the Alpha pool. Hedge fund data sourced from Albourne. TPG AG Essential Housing III is estimated to be 3.52 for the quarter.

Total Fund
Performance (Net of Fees)

Kern County Employees' Retirement Association
Period Ending: March 31, 2026

	Market Value	% of Portfolio	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Inception	Inception Date
Core Real Estate	410,445,581	5.9	2.0	7.1	10.0	-5.1	0.0	2.5	4.5	-20.2	-12.4	24.8	5.6	3.9	Oct-14
<i>NCREIF ODCE (Net)</i>			1.0	2.3	3.1	-2.8	2.3	3.8	2.7	-10.0	-10.7	28.3	7.1	4.9	
ASB Allegiance Real Estate Fund	105,439,746	1.5	1.1	3.0	4.8	-8.9	-2.5	0.9	2.8	-23.9	-13.3	23.0	5.4	3.3	Sep-13
<i>NCREIF ODCE (Net)</i>			1.0	2.3	3.1	-2.8	2.3	3.8	2.7	-10.0	-10.7	28.3	7.1	5.4	
JPMCB Strategic Property Fund	82,672,380	1.2	1.1	3.1	4.1	-3.6	1.2	3.2	3.9	-14.9	-11.4	27.9	5.9	4.4	Jul-14
<i>NCREIF ODCE (Net)</i>			1.0	2.3	3.1	-2.8	2.3	3.8	2.7	-10.0	-10.7	28.3	7.1	5.1	
Blue Owl Real Estate Fund VI	55,272,661	0.8	2.8	14.2	27.7	-	-	-	12.0	-	-	-	-	6.0	May-24
<i>NCREIF ODCE (Net)</i>			1.0	2.3	3.1	-	-	-	2.7	-	-	-	-	2.2	
Sculptor Diversified REIT	83,330,573	1.2	2.5	14.0	17.1	-	-	-	-	-	-	-	-	11.3	Dec-24
<i>NCREIF ODCE (Net)</i>			1.0	2.3	3.1	-	-	-	-	-	-	-	-	3.7	
Hudson Bay Real Estate Opportunities	38,318,862	0.6	2.6	8.7	12.2	-	-	-	-	-	-	-	-	11.0	Jan-25
<i>NCREIF ODCE (Net)</i>			1.0	2.3	3.1	-	-	-	-	-	-	-	-	3.2	
TPG AG Essential Housing III	29,230,258	0.4	3.5	9.9	12.3	-	-	-	-	-	-	-	-	11.1	Dec-24
<i>NCREIF ODCE (Net)</i>			1.0	2.3	3.1	-	-	-	-	-	-	-	-	3.7	
BPC Real Estate Debt Fund LP	16,181,101	0.2	3.0	9.1	12.6	-	-	-	-	-	-	-	-	16.9	Mar-25
<i>NCREIF ODCE (Net)</i>			1.0	2.3	3.1	-	-	-	-	-	-	-	-	3.7	
Private Real Assets	289,879,831	4.2	1.0	6.4	6.2	-0.3	8.5	7.9	0.4	-6.4	7.9	38.8	9.6	10.7	Mar-11
<i>NCREIF ODCE (Net)</i>			1.0	6.4	6.2	-0.3	8.5	7.9	0.4	-6.4	7.9	38.8	9.6	10.4	
Private Equity	390,533,860	5.6	3.6	11.5	15.2	11.9	11.6	11.0	9.1	11.9	-0.6	21.5	41.9	11.1	Sep-10
<i>NCREIF ODCE (Net)</i>			3.6	11.5	15.2	11.9	11.6	11.0	9.1	11.9	-0.6	21.5	41.9	10.9	
Private Credit	458,693,982	6.6	1.6	6.7	7.3	10.8	7.1	7.4	9.7	13.1	3.2	0.3	4.8	7.9	Jan-16
<i>NCREIF ODCE (Net)</i>			1.6	6.7	7.3	10.8	7.1	7.4	9.7	13.1	3.2	0.3	4.8	7.9	
Opportunistic	135,760,509	1.9	3.2	13.4	17.8	11.8	7.9	-	18.4	2.9	0.6	-5.4	60.3	11.1	Jan-20
<i>Assumed Rate of Return +3%</i>			2.4	7.4	10.0	10.0	10.0	-	10.0	10.0	10.0	10.0	10.0	10.0	
Sixth Street TAO Partners (D)	60,282,276	0.9	6.2	16.6	18.6	13.8	11.5	-	8.3	11.3	4.4	9.6	39.6	14.4	Mar-20
<i>Assumed Rate of Return +3%</i>			2.4	7.4	10.0	10.0	10.0	-	10.0	10.0	10.0	10.0	10.0	10.0	
Aristeia Select Opportunities II	64,001,501	0.9	0.6	8.5	15.4	8.9	-	-	35.1	-9.7	-7.2	-	-	5.5	Jul-21
<i>Assumed Rate of Return +3%</i>			2.4	7.4	10.0	10.0	-	-	10.0	10.0	10.0	10.0	-	10.0	
Hudson Bay Special Opportunities Fund LP	9,973,927	0.1	5.3	9.0	24.4	-	-	-	65.0	-	-	-	-	42.8	Feb-24
<i>Assumed Rate of Return +3%</i>			2.4	7.4	10.0	-	-	-	10.0	-	-	-	-	10.0	
Pharo Opportunities Fund SPC	-	0.0	-0.1	17.6	23.2	-	-	-	18.5	-	-	-	-	20.8	Jun-24
<i>Assumed Rate of Return +3%</i>			2.4	7.4	10.0	-	-	-	10.0	-	-	-	-	10.0	
BPC Real Estate Debt Fund Co-Investment	1,502,805	0.0	4.3	-	-	-	-	-	-	-	-	-	-	5.1	Aug-25
<i>Assumed Rate of Return +3%</i>			2.4	-	-	-	-	-	-	-	-	-	-	6.6	
Cash	153,162,713	2.2	0.9	3.3	4.5	5.2	3.4	2.7	5.2	6.3	2.5	-0.2	0.1	2.1	Apr-11
<i>3 Month T-Bill</i>			0.8	2.9	4.0	4.7	3.3	2.3	4.7	5.4	3.6	0.2	0.1	1.5	

Policy Index: 35% MSCI ACWI IMI (Net), 27% Fixed Income Blend - 17% Core (10% Bloomberg US Aggregate Index, 3% ICE BofAML 7-10 Year US Treasury Index, 4% Bloomberg US Corporate Credit 1-3 Year Index), 10% Credit (5% Securitized (2.5% Bloomberg Non-Agency CMBS Index; 1.67% Bloomberg ABS Index; 0.83% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index, 2.5% Emerging Market Debt (2.5% JPM EMBI Global Div - Hard currency only, 5% Bloomberg Commodity Index), 10% Hedge fund (7.5% 3-Month T-bill + 3%, 2.5% MSCI ACWI (Net)), 2.5% 3-Month T-Bill + 3%, 7% NCREIF-ODCE Net Monthly, 5% actual timeweighted Private Equity Returns*, 6% actual time-weighted Private Credit Returns*, 5% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -2.5% 3-Month T-bill. Fixed Income Beta Exposure return includes overlay cash and an implied hurdle rate also applied to the Alpha pool. Hedge fund data sourced from Albourne. TPG AG Essential Housing III is estimated to be 3.52 for the quarter.

Total Fund
Total Private Equity

Kern County Employees' Retirement Association
Period Ending: March 31, 2026

IRR Analysis as of IRR date												
Vintage	Estimated Market Value	Total	Capital	%	Remaining	Capital		Distrib./	Tot. Value/	Net IRR	IRR	
Year	as of 3/31/26	Commitment	Called	Called	Commitment	Returned	Market Value as of IRR date	Paid-In (DPI) ¹	Paid-In (TVPI) ²	Since Inception ³	Date	
Manager/Fund												
Private Equity												
2008	Abbott Capital PE VI	\$1,091,246	\$50,000,000	\$50,000,000	100%	\$0	\$94,226,910	\$6,810,805	1.88x	1.91x	15.3%	12/31/25
2006	Pantheon Global III	\$535,597	\$50,000,000	\$47,300,000	95%	\$2,700,000	\$52,000,000	\$537,225	1.10x	1.11x	1.9%	12/31/24
2002	Pantheon USA V	\$30,817	\$25,000,000	\$24,350,000	97%	\$650,000	\$38,291,224	\$30,817	1.57x	1.57x	9.0%	12/31/24
2004	Pantheon USA VI	\$311,635	\$35,000,000	\$33,075,000	95%	\$1,925,000	\$50,623,827	\$311,850	1.53x	1.54x	7.3%	12/31/24
2006	Pantheon USA VII	\$2,843,333	\$50,000,000	\$46,600,000	93%	\$3,400,000	\$83,979,998	\$3,043,333	1.80x	1.86x	7.3%	12/31/25
2020	Vista Foundation Fund IV	\$25,479,826	\$25,000,000	\$22,051,958	88%	\$2,948,042	\$30,252	\$25,479,826	0.00x	1.16x	-0.5%	03/31/26
2021	Crown Global Secondaries V Master S.C.Sp	\$40,859,032	\$50,000,000	\$34,500,000	69%	\$15,500,000	\$10,850,000	\$40,989,958	0.31x	1.50x	17.4%	03/31/26
2021	Brighton Park Capital Fund I	\$42,179,575	\$30,000,000	\$30,262,109	101%	-\$262,109	\$5,134,479	\$42,179,575	0.17x	1.56x	12.0%	03/31/26
2021	Warren Equity Partners Fund III	\$42,682,948	\$32,500,000	\$29,582,245	91%	\$2,917,755	\$3,247,297	\$42,682,948	0.11x	1.55x	13.4%	03/31/26
2021	Peak Rock Capital Fund III	\$29,397,345	\$30,000,000	\$26,597,930	89%	\$3,402,070	\$14,750,857	\$29,397,345	0.55x	1.66x	25.6%	09/30/25
2021	Level Equity Growth Partners V	\$17,644,106	\$15,000,000	\$12,838,118	86%	\$2,161,882	\$2,393	\$17,644,106	0.00x	1.37x	13.4%	03/31/26
2021	Level Equity Opportunities Fund 2021	\$17,453,888	\$15,000,000	\$9,737,446	65%	\$5,262,554	\$0	\$17,453,888	0.00x	1.79x	19.3%	03/31/26
2022	Linden Capital Partners V LP	\$23,290,937	\$22,500,000	\$20,782,237	92%	\$1,717,763	\$623,163	\$23,290,937	0.03x	1.15x	7.4%	03/31/26
2022	Rubicon Technology Partners IV LP	\$18,407,049	\$30,000,000	\$14,799,271	49%	\$15,200,729	\$0	\$16,818,206	0.00x	1.24x	12.0%	12/31/25
2022	OrbiMed Private Investments IX, LP	\$6,904,565	\$10,000,000	\$5,849,201	58%	\$4,150,799	\$1,295,896	\$6,714,765	0.22x	1.40x	38.2%	12/31/25
2022	Brighton Park Capital Fund II	\$20,278,218	\$30,000,000	\$20,646,147	69%	\$9,353,853	\$3,722,467	\$20,278,218	0.18x	1.16x	6.0%	03/31/26
2022	Linden Co-Investment V LP	\$8,857,435	\$7,500,000	\$9,657,986	129%	-\$2,157,986	\$551,641	\$8,857,435	0.06x	0.97x	14.5%	03/31/26
2022	Warren Equity Partners Fund IV	\$36,246,348	\$32,500,000	\$15,854,692	49%	\$16,645,308	\$806,265	\$36,246,348	0.05x	2.34x	22.2%	09/30/25
2023	WEP Co-Invest IV	\$11,677,734	\$10,000,000	\$9,757,415	98%	\$242,585	\$173,170	\$11,677,734	0.02x	1.21x	7.7%	03/31/26
2023	Crown Global Secondaries Fund VI	\$12,990,212	\$30,000,000	\$9,450,000	32%	\$20,550,000	\$0	\$12,636,045	0.00x	1.37x	38.2%	03/31/26
2023	Parthenon Investors VII	\$9,873,240	\$30,000,000	\$13,996,647	47%	\$16,003,353	\$392,741	N/A	0.03x	0.73x	N/A	N/A
2024	Longreach Capital Partners	\$4,581,046	\$15,000,000	\$5,445,811	36%	\$9,554,189	\$421,772	\$3,910,200	0.08x	0.92x	-2.3%	12/31/25
2024	Blue Owl Strategic Equity	\$4,517,053	\$25,000,000	\$7,605,049	30%	\$17,394,951	\$7,739,432	N/A	1.02x	1.61x	N/A	N/A
2025	WEP IV TreeCo Co-Invest	\$4,528,160	\$5,000,000	\$3,866,955	77%	\$1,133,045	\$0	\$4,562,927	0.00x	1.17x	14.6%	03/31/26
2025	Accel-KKR Capital Partners VII	\$3,819,042	\$25,000,000	\$2,386,418	10%	\$22,613,582	\$51,361	\$3,431,514	0.02x	1.62x	24.0%	12/31/25
2025	Petershill PES II	\$313,903	\$25,000,000	\$313,903	1%	\$24,686,097	\$0	N/A	0.00x	1.00x	N/A	N/A
2025	Blue Owl Strategic Equity Holdco LLC	\$16,570	\$25,000,000	\$31,250	0%	\$24,968,750	\$14,680	N/A	0.47x	1.00x	N/A	N/A
2026	Level Equity Growth Partners VI	\$2,322,999	\$15,000,000	\$0	0%	\$15,000,000	\$0	N/A	N/A	N/A	N/A	N/A
2026	OrbiMed Private Investments X, LP	\$1,400,000	\$20,000,000	\$1,400,000	7%	\$18,600,000	\$0	N/A	N/A	N/A	N/A	N/A
2026	Level Equity Opportunities Fund 2025	\$0	\$15,000,000	\$0	0%	\$15,000,000	\$0	N/A	N/A	N/A	N/A	N/A
2026	Linden Capital Partners VI	\$0	\$30,000,000	\$0	0%	\$30,000,000	\$0	N/A	N/A	N/A	N/A	N/A
Total Private Equity		\$390,533,860	\$810,000,000	\$508,737,786	63%	\$301,262,214	\$368,929,824	\$374,986,006	0.73x	1.49x		
% of Portfolio (Market Value)		5.6%										

¹(DPI) is equal to (capital returned / capital called)

²(TVPI) is equal to (market value + capital returned) / capital called

³Net IRR is calculated on the cash flows of all the limited partners of the fund and is net of all fees. Each IRR is provided by the Fund manager and is reflective of the Fund IRR, rather than KCERA's specific IRR.

Total Fund
Total Private Credit

Kern County Employees' Retirement Association
Period Ending: March 31, 2026

IRR Analysis as of IRR date												
Vintage		Estimated Market Value	Total	Capital	%	Remaining	Capital		Distrib./	Tot. Value/	Net IRR	IRR
Year	Manager/Fund	3/31/2026	Commitment	Called	Called	Commitment	Returned	Market Value as of IRR date	(DPI) ¹	(TVPI) ²	Since Inception ³	Date
Private Credit												
2015	DC Value Recovery Fund IV ⁴	\$9,372,276	\$74,360,749	\$73,340,099	99%	\$1,020,650	\$45,767,289	N/A	0.62x	0.75x	N/A	N/A
2017	Sixth Street TAO Partners (B)	\$48,026,161	\$108,035,958	\$94,542,865	88%	\$13,493,093	\$56,407,107	\$45,221,664	0.60x	1.10x	10.7%	12/31/25
2017	Brookfield Real Estate Finance Fund V	\$5,688,581	\$50,000,000	\$39,285,243	79%	\$10,714,757	\$39,206,296	\$5,688,581	1.00x	1.14x	4.0%	3/31/26
2018	Magnetar Constellation Fund V	\$9,190,039	\$60,000,000	\$56,445,318	94%	\$3,554,682	\$58,937,637	\$9,475,877	1.04x	1.21x	5.1%	12/31/25
2019	H.I.G Bayside Loan Opportunity Fund V	\$33,280,527	\$60,000,000	\$36,671,764	61%	\$23,328,236	\$35,208,293	\$33,280,527	0.96x	1.87x	13.8%	3/31/26
2020	Blue Torch Credit Opportunities Fund II	\$11,767,742	\$20,000,000	\$17,296,007	86%	\$2,703,993	\$8,935,024	\$12,117,021	0.52x	1.20x	8.0%	12/31/25
2020	Fortress Credit Opportunites Fund V Expansion	\$30,145,299	\$40,000,000	\$43,266,559	108%	\$0	\$22,807,697	\$32,514,475	0.53x	1.22x	10.4%	12/31/25
2021	Fortress Lending Fund II	\$10,299,876	\$40,000,000	\$35,322,373	88%	\$4,677,627	\$34,471,697	\$11,959,443	0.98x	1.27x	28.6%	12/31/25
2022	Blue Torch Credit Opportunities Fund III	\$36,186,895	\$40,000,000	\$40,000,000	100%	\$0	\$16,076,673	\$20,780,748	0.40x	1.31x	15.6%	12/31/25
2022	Fortress Lending Fund III	\$20,461,157	\$40,000,000	\$27,538,798	69%	\$12,461,202	\$13,978,780	\$20,780,748	0.51x	1.25x	11.3%	12/31/25
2022	OrbiMed Royalty & Credit Opportunities IV	\$13,284,124	\$30,000,000	\$18,433,980	61%	\$11,566,020	\$7,125,852	\$14,592,143	0.39x	1.11x	22.0%	12/31/25
2023	Cerberus Business Finance V	\$22,257,529	\$30,000,000	\$25,055,642	84%	\$4,944,358	\$11,400,630	\$22,064,369	0.46x	1.34x	15.6%	3/31/26
2023	Silver Point – Specialty Credit Fund III	\$14,649,361	\$30,000,000	\$22,429,649	75%	\$7,570,351	\$11,537,931	\$14,649,361	0.51x	1.17x	13.5%	3/31/26
2023	Ares Pathfinder II	\$17,856,097	\$30,000,000	\$13,569,391	45%	\$16,430,609	\$209,154	\$17,856,097	0.02x	1.33x	16.5%	3/31/26
2023	Oak Hill Advisors Structured Products Fund III, L.P.	\$19,820,832	\$25,000,000	\$18,598,626	74%	\$6,401,374	\$1,127,312	\$19,963,374	0.06x	1.13x	7.0%	12/31/25
2023	Ares Senior Direct Lending III	\$13,609,511	\$30,000,000	\$10,338,882	34%	\$19,661,118	\$1,087,864	\$11,661,333	0.11x	1.42x	17.3%	12/31/25
2024	ITE Rail Fund, L.P.	\$41,945,345	\$40,000,000	\$34,296,307	86%	\$5,703,693	\$2,228,855	N/A	0.06x	1.29x	N/A	N/A
2024	HPS Special Situations Opportunity Fund II, L.P.	\$14,560,652	\$25,000,000	\$13,508,181	46%	\$11,491,819	\$257,031	\$14,560,652	0.02x	1.10x	12.5%	3/31/26
2024	Castlelake Aviation V Stable Yield	\$8,076,889	\$30,000,000	\$5,960,320	20%	\$24,039,680	\$782,276	\$8,076,889	0.13x	1.49x	28.0%	3/31/26
2025	Fortress Credit Opportunities Fund VI	\$10,741,809	\$25,000,000	\$9,721,980	39%	\$15,278,020	\$1,377,629	\$10,632,544	0.14x	1.25x	17.3%	12/31/25
2025	Quantum Capital Solutions II	\$21,047,884	\$39,600,000	\$11,056,716	28%	\$28,543,284	\$1,146,342	\$16,922,874	0.10x	2.01x	18.0%	12/31/25
2025	Quantum Capital Solutions II Co-Investment Fund, LP	\$4,269,595	\$7,900,000	\$7,042,865	89%	\$857,135	\$228,689	\$2,922,954	0.03x	0.64x	18.0%	12/31/25
2025	Blue Torch Credit Opportunities Fund IV	\$7,623,500	\$25,000,000	\$7,546,878	30%	\$17,453,122	\$345,923	\$5,830,933	0.05x	1.06x	22.0%	12/31/25
2025	OrbiMed Royalty & Credit Opportunities V	\$1,477,696	\$30,000,000	\$1,500,000	5%	\$28,500,000	\$0	N/A	0.00x	0.99x	N/A	N/A
2025	Fortress Legal Assets Fund II	\$10,389,364	\$40,000,000	\$10,444,899	26%	\$29,555,101	\$8,843	N/A	0.00x	1.00x	N/A	N/A
2025	TPG AG Asset Based Credit Evergreen Fund	\$22,665,238	\$30,000,000	\$27,000,000	90%	\$3,000,000	\$136,509	N/A	0.01x	0.84x	N/A	N/A

Total Private Credit \$458,693,982 \$999,896,707 \$700,213,342 70% \$302,949,925 \$370,797,333 \$351,552,608 0.53x 1.18x

% of Portfolio (Market Value) 6.6%

¹(DPI) is equal to (capital returned / capital called)

²(TVPI) is equal to (market value + capital returned) / capital called

³Net IRR is calculated on the cash flows of all the limited partners of the fund and is net of all fees. Each IRR is provided by the Fund manager and is reflective of the Fund IRR, rather than KCERA's specific IRR.

⁴Name changed from Colony Distressed Credit fund to DC Value Recovery Fund IV

Total Fund
Total Private Real Assets

Kern County Employees' Retirement Association
Period Ending: March 31, 2026

IRR Analysis as of IRR date												
Vintage		Estimated Market Value	Total	Capital	%	Remaining	Capital		Distrib./	Tot. Value/	Net IRR	IRR
Year	Manager/Fund	3/31/2026	Commitment	Called	Called	Commitment	Returned	Market Value as of IRR date	Paid-In (DPI) ¹	Paid-In (TVPI) ²	Since Inception ³	Date
Private Real Assets												
2014	Invesco Real Estate Value-Add Fund IV	\$123,076	\$50,000,000	\$43,637,717	87%	\$6,362,283	\$56,824,750	\$157,969	1.30x	1.31x	11.6%	06/30/24
2017	Landmark Real Estate Partners VIII	\$28,285,567	\$60,000,000	\$46,233,098	77%	\$13,766,902	\$28,164,091	\$30,401,054	0.61x	1.22x	7.9%	09/30/25
2018	Long Wharf Real Estate Partners VI	\$26,110,300	\$50,000,000	\$50,000,000	100%	\$0	\$25,668,979	\$26,110,300	0.51x	1.04x	10.8%	03/31/26
2020	Covenant Apartment Fund X	\$25,481,872	\$30,000,000	\$25,507,333	85%	\$4,492,667	\$10,564,887	\$25,481,872	0.41x	1.41x	6.3%	03/31/26
2021	Singerman Real Estate Opportunity Fund IV	\$23,771,133	\$35,000,000	\$25,952,500	74%	\$9,047,500	\$5,074,955	\$24,262,068	0.20x	1.11x	7.3%	12/31/25
2022	LBA Logistics Value Fund IX, L.P.	\$24,215,820	\$40,000,000	\$20,615,384	52%	\$19,384,616	\$0	\$23,387,743	0.00x	1.17x	-1.0%	12/31/25
2022	Covenant Apartment Fund XI	\$31,900,612	\$30,000,000	\$20,850,000	70%	\$38,076,924	\$1,881,732	\$31,900,612	0.09x	1.62x	7.4%	03/31/26
2022	KSL Capital Partners VI	\$8,437,158	\$30,000,000	\$12,297,630	41%	\$17,702,370	\$489,911	\$8,437,158	0.04x	0.73x	-7.7%	03/31/26
2023	Merit Hill V	\$23,492,228	\$30,000,000	\$31,631,775	105%	-\$1,631,774	\$8,440,885	\$24,186,839	0.27x	1.01x	1.2%	12/31/25
2024	Juniper Capital IV, L.P.	\$10,657,071	\$30,000,000	\$10,658,126	36%	\$19,341,874	\$59,700	\$10,657,071	0.01x	1.01x	16.3%	03/31/26
2024	Juniper High Noon Partners, L.P.	\$4,485,359	\$5,000,000	\$3,309,091	66%	\$1,690,909	\$0	\$3,313,080	0.00x	1.36x	46.1%	12/31/24
2024	Landmark Real Estate Partners IX	\$15,706,520	\$40,000,000	\$13,568,185	34%	\$26,431,815	\$0	\$15,674,993	0.00x	1.16x	22.2%	09/30/25
2024	LRAF Holdings 21 Project Yeti II	\$18,238,492	\$25,000,000	\$19,058,622	76%	\$5,941,378	\$2,912,633	\$13,693,257	0.15x	1.11x	11.1%	06/30/25
2024	Post Oak Energy Partners GP V, LP	\$37,139,134	\$40,000,000	\$41,099,805	103%	-\$1,099,805	\$9,747,861	\$37,139,134	0.24x	1.14x	39.7%	03/31/26
2025	Covenant Apartment Fund XII	\$7,269,873	\$30,000,000	\$5,400,000	18%	\$24,600,000	\$38,618	N/A	N/A	N/A	N/A	N/A
2025	Sculptor Real Estate V	\$4,453,115	\$50,000,000	\$4,875,228	10%	\$45,124,772	\$439,033	N/A	N/A	N/A	N/A	N/A
2025	Singerman Real Estate Opportunity Fund V	\$112,500	\$30,000,000	\$112,500	0%	\$29,887,500	\$0	N/A	N/A	N/A	N/A	N/A
Total Private Real Assets		\$289,879,831	\$605,000,000	\$374,806,995	62%	\$259,119,929	\$150,308,034	\$274,803,150	0.40x	1.17x		
% of Portfolio (Market Value)		4.2%										

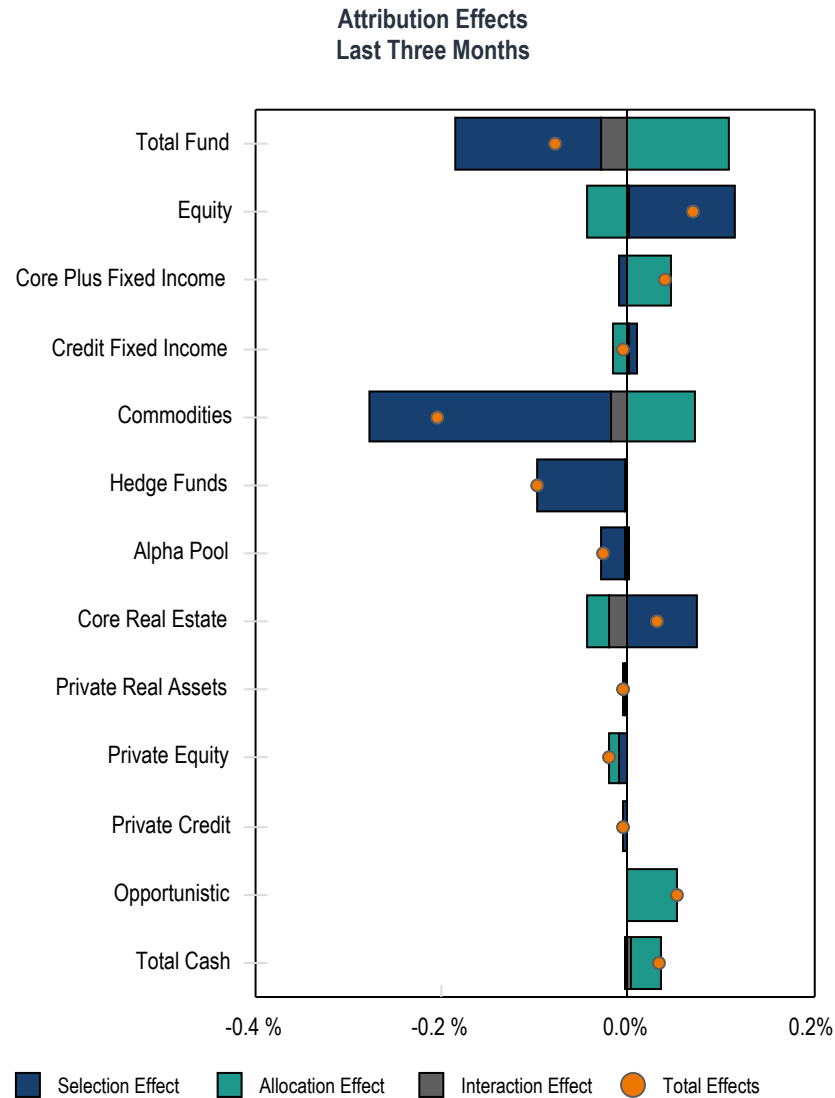
¹(DPI) is equal to (capital returned / capital called)

²(TVPI) is equal to (market value + capital returned) / capital called

³Net IRR is calculated on the cash flows of all the limited partners of the fund and is net of all fees. Each IRR is provided by the Fund manager and is reflective of the Fund IRR, rather than KCERA's specific IRR.

Total Fund
Attribution Analysis - Asset Class Level (Net of Fees)

Kern County Employees' Retirement Association
Period Ending: March 31, 2026



Performance Attribution Last Three Months

Wtd. Actual Return	0.7
Wtd. Index Return	0.7
Excess Return	-0.1
Selection Effect	-0.2
Allocation Effect	0.1
Interaction Effect	0.0

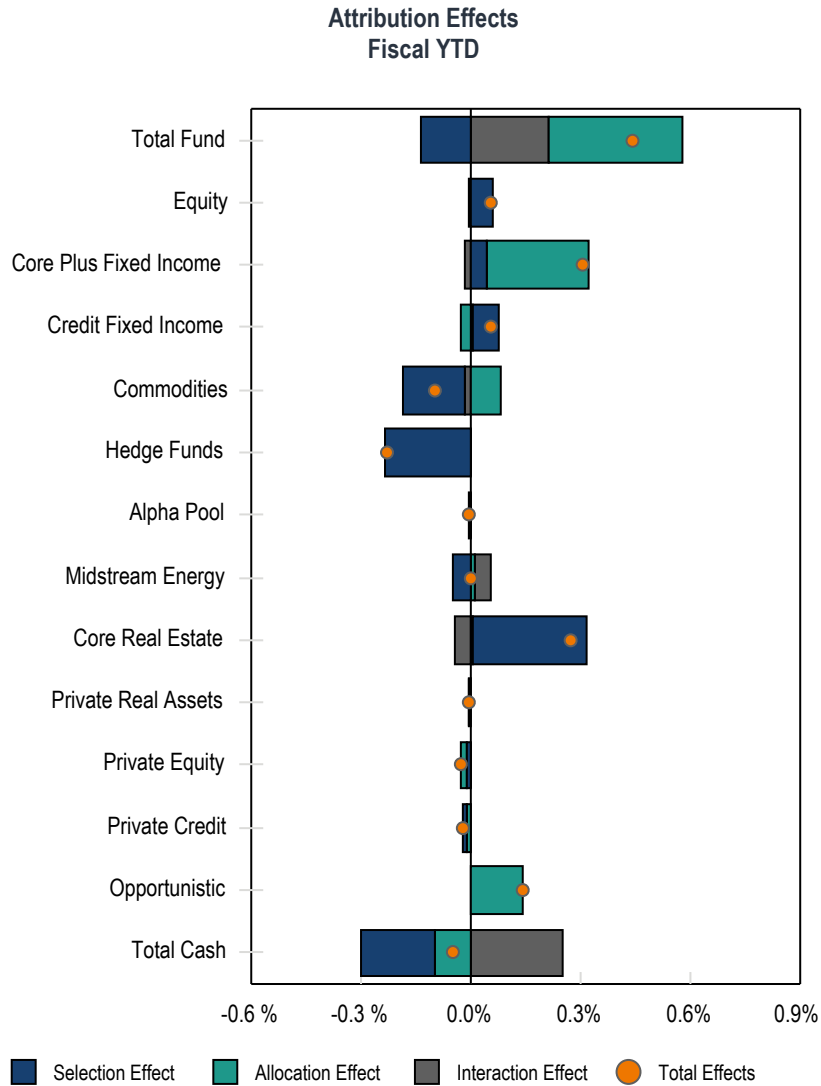
Attribution Summary Last Three Months

	Actual Weight (%)	Policy Weight (%)	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Equity	35.0	34.0	-2.5	-2.7	0.3	0.1	0.0	0.0	0.1
Core Plus Fixed Income	11.8	17.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credit Fixed Income	10.6	10.0	-0.3	-0.4	0.1	0.0	0.0	0.0	0.0
Commodities	5.3	5.0	18.9	24.4	-5.5	-0.3	0.1	0.0	-0.2
Hedge Funds	10.1	10.0	-0.5	0.4	-0.9	-0.1	0.0	0.0	-0.1
Alpha Pool	2.4	2.5	0.7	1.6	-0.9	0.0	0.0	0.0	0.0
Core Real Estate	5.9	8.0	2.0	1.0	0.9	0.1	0.0	0.0	0.0
Private Real Assets	4.1	4.0	0.9	1.0	-0.1	0.0	0.0	0.0	0.0
Private Equity	5.6	6.0	3.4	3.6	-0.1	0.0	0.0	0.0	0.0
Private Credit	6.4	6.0	1.5	1.6	-0.1	0.0	0.0	0.0	0.0
Opportunistic	2.2	0.0	3.2	2.4	0.8	0.0	0.1	0.0	0.1
Total Cash	0.6	-2.5	0.9	0.8	0.1	0.0	0.0	0.0	0.0
Total Fund	100.0	100.0	0.7	0.7	-0.1	-0.2	0.1	0.0	-0.1

Weighted returns shown in attribution analysis may differ from actual returns. Negative cash allocation unable to be shown in Attribution Summary table. Wtd. Index Returns calculated from benchmark returns and weightings of each component. Selection Effect includes Other Effect in the Performance Attribution table.

Total Fund
 Attribution Analysis - Asset Class Level (Net of Fees)

Kern County Employees' Retirement Association
 Period Ending: March 31, 2026



Performance Attribution Fiscal YTD

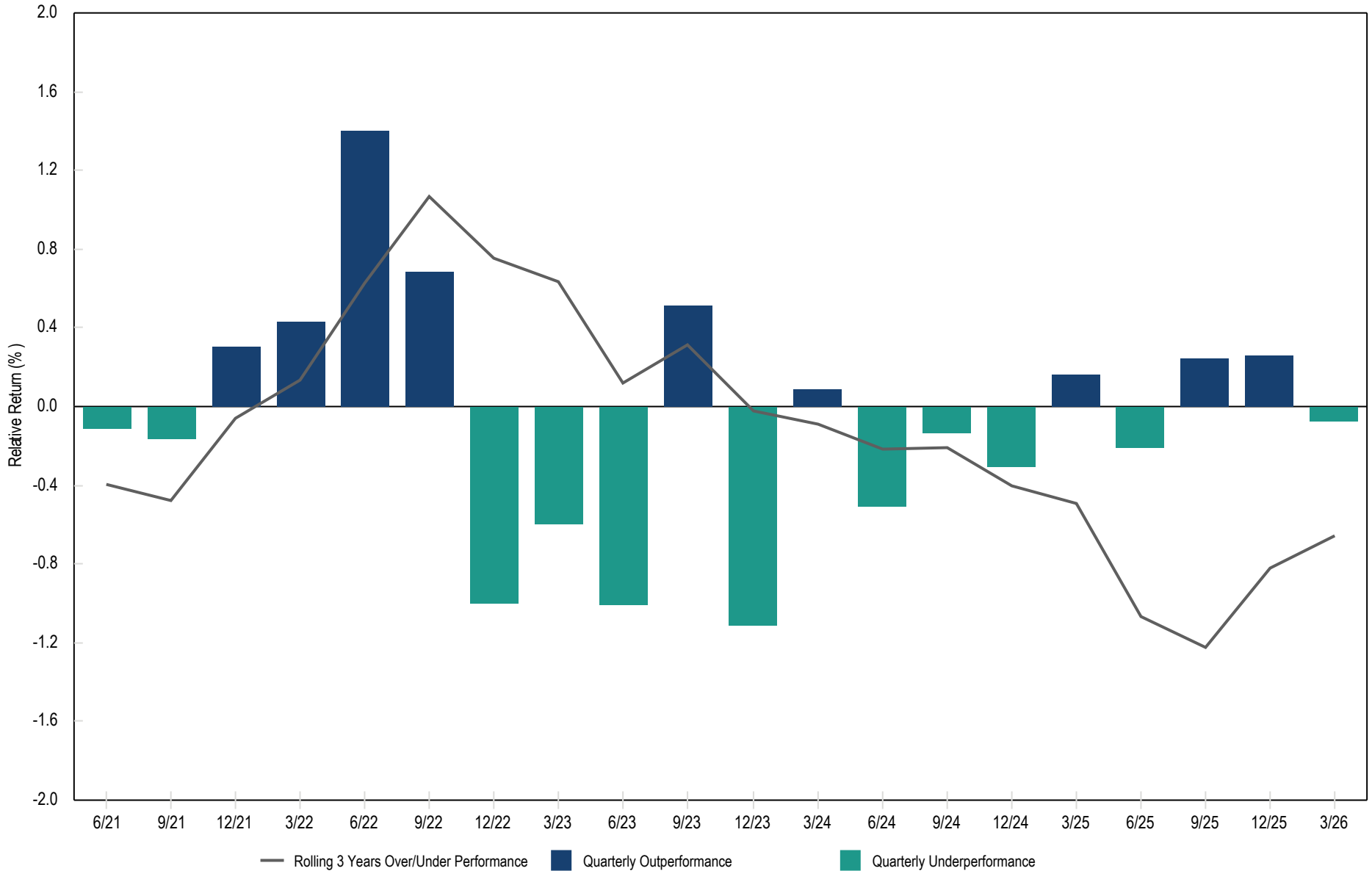
	Fiscal YTD
Wtd. Actual Return	7.7
Wtd. Index Return	7.3
Excess Return	0.4
Selection Effect	-0.1
Allocation Effect	0.4
Interaction Effect	0.2

Attribution Summary FYTD

	Actual Weight (%)	Policy Weight (%)	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Equity	34.2	33.3	8.2	8.1	0.1	0.1	0.0	0.0	0.1
Core Plus Fixed Income	11.0	17.0	3.2	3.0	0.2	0.0	0.3	0.0	0.3
Credit Fixed Income	10.4	10.0	4.2	3.5	0.7	0.1	0.0	0.0	0.1
Commodities	4.4	4.3	33.9	36.5	-2.6	-0.2	0.1	0.0	-0.1
Hedge Funds	9.9	10.0	3.6	5.9	-2.3	-0.2	0.0	0.0	-0.2
Alpha Pool	2.4	2.5	5.1	5.2	-0.2	0.0	0.0	0.0	0.0
Midstream Energy	2.9	3.3	-0.9	-0.1	-0.8	0.0	0.0	0.0	0.0
Core Real Estate	5.6	6.7	7.1	2.3	4.8	0.3	0.0	0.0	0.3
Private Real Assets	4.1	4.0	6.3	6.4	-0.1	0.0	0.0	0.0	0.0
Private Equity	5.5	5.3	11.3	11.5	-0.2	0.0	0.0	0.0	0.0
Private Credit	6.3	6.0	6.5	6.7	-0.2	0.0	0.0	0.0	0.0
Opportunistic	2.4	0.0	13.4	7.4	6.0	0.0	0.1	0.0	0.1
Total Cash	0.7	-2.5	11.0	2.9	8.0	-0.2	-0.1	0.3	0.0
Total Fund	100.0	100.0	7.7	7.3	0.4	-0.1	0.4	0.2	0.4

Weighted returns shown in attribution analysis may differ from actual returns. Negative cash allocation unable to be shown in Attribution Summary table. Wtd. Index Returns calculated from benchmark returns and weightings of each component. Selection Effect includes Other Effect in the Performance Attribution table. Midstream terminated 12/31/2025.

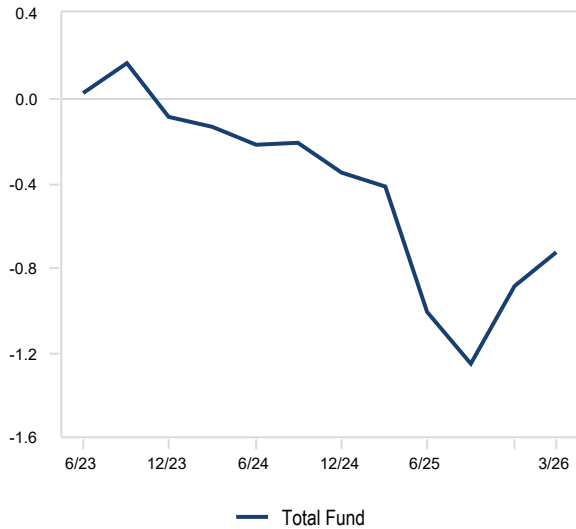
Rolling 3 Year Annualized Excess Performance



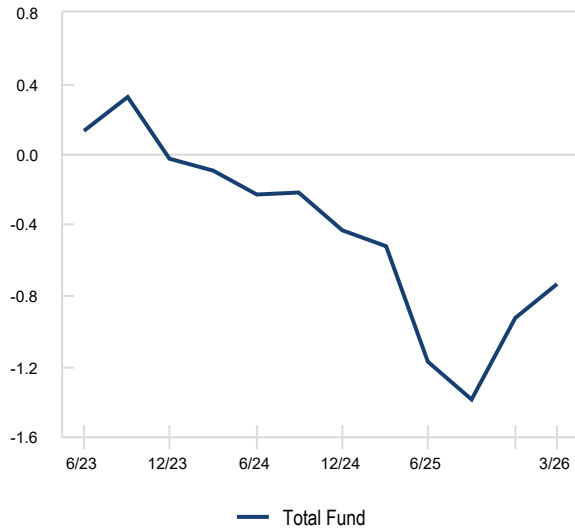
Total Fund
Rolling Risk Statistics: 3 Years (Net of Fees)

Kern County Employees' Retirement Association
Period Ending: March 31, 2026

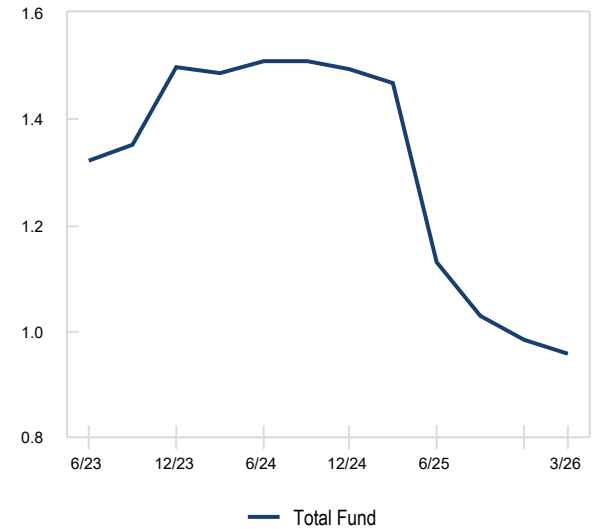
Rolling Information Ratio



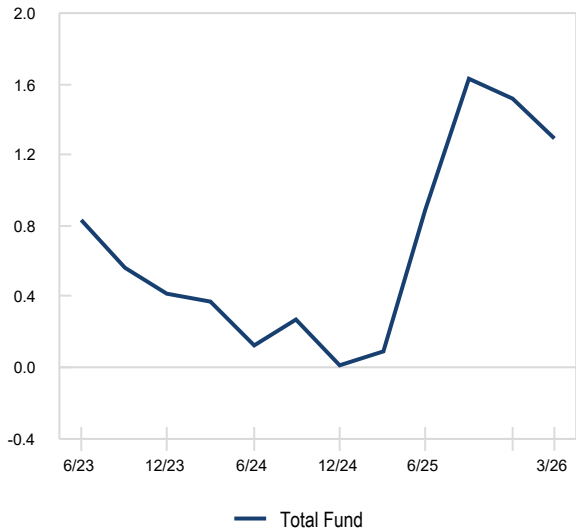
Rolling Annual Excess Benchmark Return



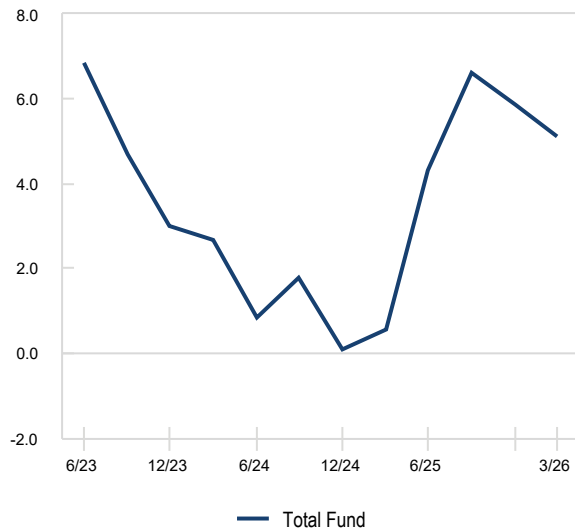
Rolling Tracking Error



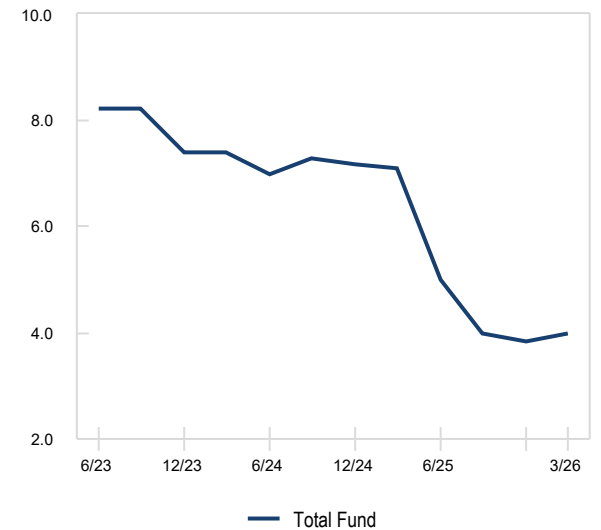
Rolling Sharpe Ratio



Rolling Annual Excess Risk Free Return



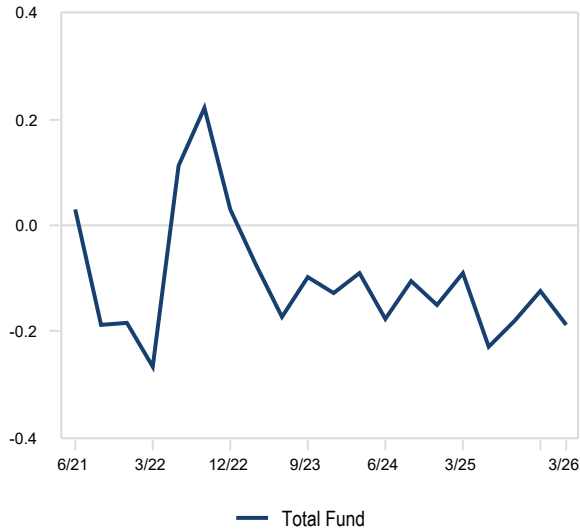
Rolling Annualized Standard Deviation



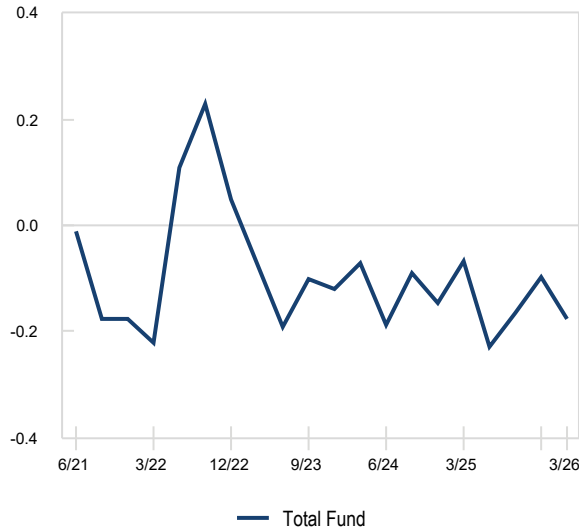
Total Fund
 Rolling Risk Statistics: 5 Years (Net of Fees)

Kern County Employees' Retirement Association
 Period Ending: March 31, 2026

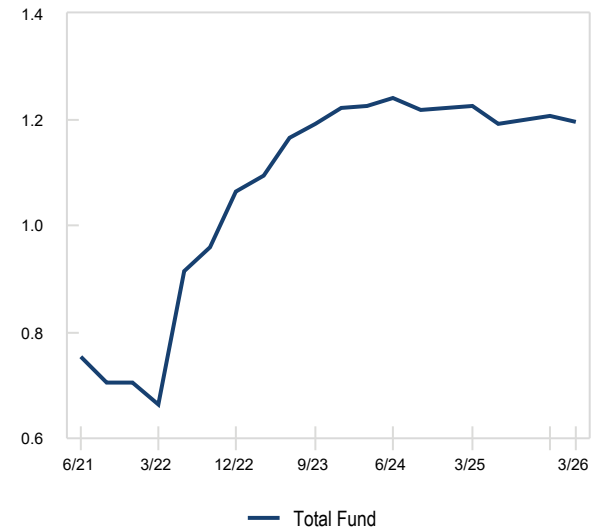
Rolling Information Ratio



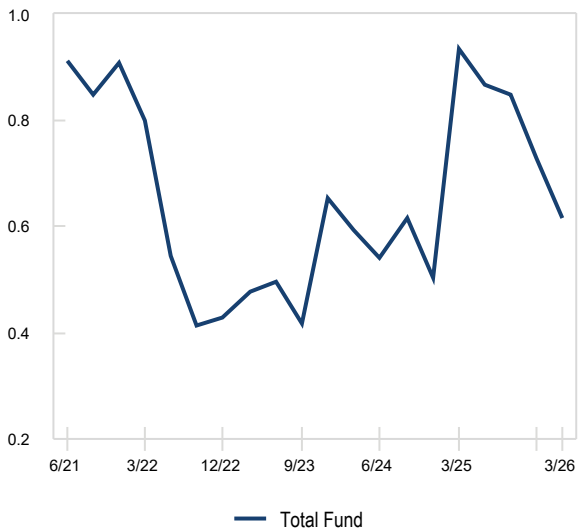
Rolling Annual Excess Benchmark Return



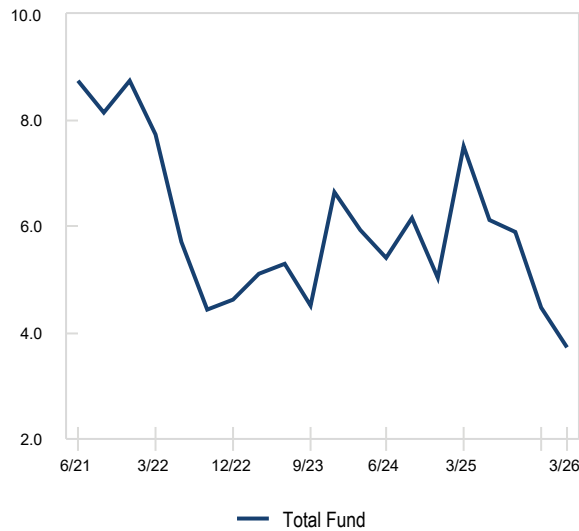
Rolling Tracking Error



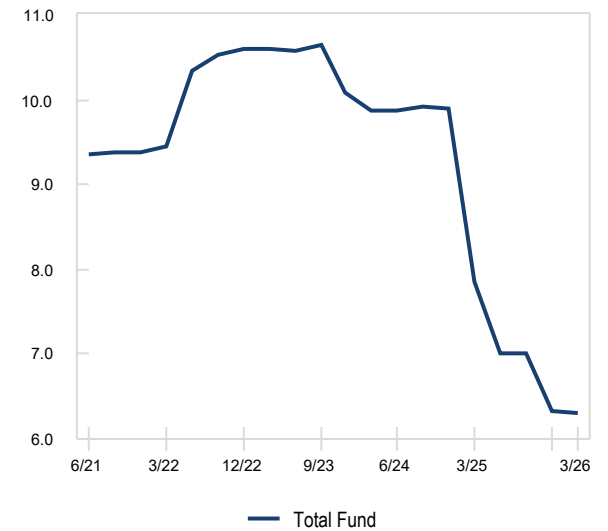
Rolling Sharpe Ratio



Rolling Annual Excess Risk Free Return



Rolling Annualized Standard Deviation



Cash Flows

Total Fund
Net Cash Flow: Last 1 Quarter

Kern County Employees' Retirement Association
Period Ending: March 31, 2026

	Estimated Beginning Market Value	Contributions	Withdrawals	Fees	Net Transfers	Net Investment Change	Estimated Ending Market Value
Equity	2,363,025,800	-70,000,000		-228,728	20,433,912	-57,806,203	2,255,424,781
Mellon DB SL Stock Index Fund	787,720,594					-34,147,783	753,572,812
PIMCO StocksPLUS	187,403,783					-8,607,154	178,796,629
Chilton High Conviction Equity	209,478,959			-183,257		-5,959,371	203,336,331
Geneva Capital Small Cap Growth	84,768,895					-3,621,549	81,147,346
Congress Small Cap Value					85,000,000	-2,969,688	82,030,312
Parametric Domestic Overlay		-44,100,000				5,241	-44,094,759
Russell 2000 Overlay	42,093,360				-44,566,088	2,472,728	
Mellon DB SL World ex-US Index Fund	398,614,912				-10,000,000	-2,930,676	385,684,236
Cevian Capital II	62,627,091					-4,176,561	58,450,530
Lazard Japanese Equity	179,466,395			-145	-10,000,000	1,644,565	171,110,814
American Century Non-US Small Cap	49,966,565					2,838	49,969,403
Dalton Japan Long Only	84,754,601			-45,326		720,306	85,429,580
Parametric International Overlay		-18,200,000				2,163	-18,197,837
Mellon Emerging Markets Stock Index Fund	12,301,521					30,566	12,332,087
ABS Emerging Market Direct	90,410,348					3,639,309	94,049,657
Carrhae Capital Long Master Fund Ltd	103,106,294					-6,484,447	96,621,847
DFA Emerging Markets Value I	70,310,400					2,572,225	72,882,625
Parametric EM Overlay		-7,700,000				915	-7,699,085
Transition Equity	2,084					169	2,253
Fixed Income	1,502,327,582	240,950,706	-271,962,832		84,535,744	-1,427,906	1,554,423,293
Fixed Income Beta Exposure	135,768,894	240,950,706	-271,962,832		106,900	1,235,853	106,099,520
Mellon DB SL Aggregate Bond Index Fund	164,272,726				60,000,000	-252,784	224,019,942
PIMCO Core Plus	191,410,678				-192,085,237	707,585	33,026
Aristotle Short Duration Bond Strategy	273,915,978					854,090	274,770,069
KKR US Broadly Syndicated Loan Fund	175,662,390				-3,462,310	-540,489	171,659,591
Guggenheim Structured Credit	191,145,536					973,446	192,118,982
Schroders Credit	190,863,167					672,980	191,536,148
PIMCO EMD	179,073,997					-2,776,994	176,297,003
Fidelity Broad Market Duration					220,000,000	-2,298,254	217,701,746
Transition Fixed Income	214,216				-23,610	-3,341	187,265

Total Fund
Net Cash Flow: Last 1 Quarter

Kern County Employees' Retirement Association
Period Ending: March 31, 2026

	Estimated Beginning Market Value	Contributions	Withdrawals	Fees	Net Transfers	Net Investment Change	Estimated Ending Market Value
Commodities	349,228,020					66,821,819	416,049,839
Wellington Commodities	349,228,020					66,821,819	416,049,839
Hedge Funds	690,626,501			-251,084	16,272,154	-3,232,017	703,415,554
Aristeia International Limited	81,923,764					959,578	82,883,342
Brevan Howard Fund	60,374,039					-554,759	59,819,279
D.E. Shaw Composite Fund	77,704,657					3,805,133	81,509,790
HBK Fund II	56,954,410					1,067,796	58,022,206
Hudson Bay Cap Structure Arbitrage Enhanced Fund	89,372,360					931,873	90,304,233
Indus Pacific Opportunities Fund	56,254,080					950,828	57,204,908
Pharo Macro Fund	89,672,311					3,928,976	93,601,287
PIMCO Commodity Alpha Fund	77,148,771					-17,845,885	59,302,886
Elliott Associates	50,968,385			-251,084	16,272,154	736,668	67,726,123
Hawk Ridge Partners II	50,253,725					2,787,775	53,041,500
Alpha Pool	166,284,295				-106,900	1,106,789	167,284,184
Hudson Bay - Alpha Pool	40,692,870				-26,275	450,574	41,117,169
Davidson Kempner Institutional Partners	58,922,704				-38,212	912,849	59,797,341
HBK Fund II	21,129,924				-13,756	409,905	21,526,073
Garda Fixed Income Relative Value Opportunity Fund	45,538,796				-28,657	-666,539	44,843,601
Core Real Estate	421,568,570				-19,207,461	8,294,508	410,445,581
ASB Allegiance Real Estate Fund	113,715,161				-9,485,331	1,209,917	105,439,746
JPMCB Strategic Property Fund	90,500,718				-8,736,417	1,118,114	82,672,380
Blue Owl Real Estate Fund VI	52,933,164				844,602	1,494,895	55,272,661
Sculptor Diversified REIT	82,553,001				-1,267,953	2,045,525	83,330,573
Hudson Bay Real Estate Opportunities	38,445,468				-1,087,386	960,780	38,318,862
TPG AG Essential Housing III	25,236,339				3,000,000	993,919	29,230,258
BPC Real Estate Debt Fund LP	18,184,719				-2,474,975	471,357	16,181,101

Total Fund
Net Cash Flow: Last 1 Quarter

Kern County Employees' Retirement Association
Period Ending: March 31, 2026

	Estimated Beginning Market Value	Contributions	Withdrawals	Fees	Net Transfers	Net Investment Change	Estimated Ending Market Value
Private Real Assets	284,442,820			-190,582	2,906,437	2,540,871	289,879,831
Invesco Real Estate Value-Add Fund IV	138,195					-138,954	123,076
Landmark Real Estate Partners VIII	29,628,463				-653,798	-689,098	28,285,567
Long Wharf Real Estate	26,500,297				-495,540	105,543	26,110,300
Covenant Apartment Fund X	25,282,723				-51,123	250,272	25,481,872
Singerman Real Estate Opportunity Fund IV	24,262,068					-490,935	23,771,133
LBA Logistics Value Fund IX, L.P.	23,387,743					828,077	24,215,820
Covenant Apartment Fund XI, LP	31,313,747				-362,900	949,765	31,900,612
KSL Capital Partners VI	8,388,743					48,415	8,437,158
Merit Hill Self-Storage V, LP.	24,186,839				-1,355,905	661,294	23,492,228
Juniper Capital IV, L.P	11,293,956					-636,885	10,657,071
Landmark Real Estate Partners IX	14,702,430				402,275	601,815	15,706,520
Juniper High Noon Partners, L.P	4,977,860					-492,501	4,485,359
LRAF Holdings 21 Yeti II LP	17,308,037				775,000	155,455	18,238,492
Post Oak Energy Partners GP V, LP	34,388,695			-190,582	1,406,848	1,534,173	37,139,134
Covenant Apartment Fund XII	5,297,607				2,061,382	-89,116	7,269,873
Sculptor Real Estate Fund V, LP	3,385,417				1,067,698	-56,450	4,453,115
Singerman Real Estate Opportunity Fund V					112,500		112,500
Private Equity	386,918,517			-500,000	-9,339,999	13,758,918	390,533,860
Abbott VI	6,810,805				-5,715,367	-4,192	1,091,246
Pantheon Secondary III	535,597						535,597
Pantheon V	30,817						30,817
Pantheon VI	311,635						311,635
Pantheon VII	3,043,333				-200,000		2,843,333
Vista Foundation Fund IV	25,048,003				209,926	221,897	25,479,826
Crown Global Secondaries V Master S.C.Sp	41,765,834				-950,000	43,198	40,859,032
Crown Global Secondaries VI Master S.C.Sp	10,877,004				1,500,000	613,208	12,990,212
Brighton Park Capital Fund I	40,398,871				262,109	1,518,595	42,179,575
Warren Equity Partners Fund III	41,188,703				-1,376,185	2,870,430	42,682,948
Peak Rock Capital Fund III	31,070,989				-3,309,278	1,635,634	29,397,345
Level Equity Growth Partners V	17,013,596					630,510	17,644,106
Level Equity Opportunities Fund 2021	16,635,402					818,486	17,453,888
Linden Capital Partners V LP	24,256,654				-623,163	-342,554	23,290,937
Rubicon Technology Partners IV L.P.	16,818,206					1,588,843	18,407,049
OrbiMed Private Investments IX, LP	6,714,765				-197,235	387,035	6,904,565

Total Fund
Net Cash Flow: Last 1 Quarter

Kern County Employees' Retirement Association
Period Ending: March 31, 2026

	Estimated Beginning Market Value	Contributions	Withdrawals	Fees	Net Transfers	Net Investment Change	Estimated Ending Market Value
Brighton Park Capital Fund II, L.P	18,592,432					1,685,786	20,278,218
Linden Co-Investment V LP	9,429,334				-496,137	-75,761	8,857,435
Warren Equity Partners Fund IV	34,515,771					1,730,577	36,246,348
WEP IV TS Co-Investment, L.P.	11,677,734						11,677,734
Parthenon Investors VII	9,851,806					21,434	9,873,240
Longreach Capital Partners	3,910,200				979,868	-309,022	4,581,046
Blue Owl Strategic Equity Partners	5,354,476				-1,197,385	359,962	4,517,053
WEP TreeCo Co-Investment, L.P.	4,562,927					-34,767	4,528,160
Accel-KKR Capital Partners VII	3,431,514			-500,000	387,528	803,576	3,819,042
Petershill PES II	313,903						313,903
Blue Owl Strategic Equity Holdco LLC	31,250				-14,680		16,570
OrbiMed Private Investments X, LP					1,400,000		1,400,000
Private Credit	439,059,768			-228,291	13,036,471	6,474,894	458,693,982
DC Value Recovery Fund IV	9,067,092					305,184	9,372,276
Sixth Street TAO Partners (B)	45,221,664				-2,770,993	5,575,490	48,026,161
Brookfield Real Estate Finance Fund V	5,479,891				-153,632	362,322	5,688,581
Magnetar Constellation Fund V	9,475,877					-285,838	9,190,039
H.I.G. Bayside Loan Opportunity Fund V	34,092,554				-369,077	-442,950	33,280,527
Blue Torch Credit Opportunities Fund II	12,117,021					-349,279	11,767,742
Fortress Credit Opportunitites Fund V Expansion	32,514,475				-2,950,260	581,084	30,145,299
Fortress Lending Fund II	11,959,443				-1,739,941	80,374	10,299,876
Blue Torch Credit Opportunities Fund III	35,822,237				-554,083	918,741	36,186,895
Fortress Lending Fund III	20,780,748				-1,984,405	1,664,814	20,461,157
OrbiMed Royalty & Credit Opportunities IV	14,592,143				-2,531,753	1,223,734	13,284,124
Cerberus Business Finance V	27,755,298			-228,291	-5,862,273	592,795	22,257,529
Silver Point Specialty Credit Fund III, L.P.	13,872,317				370,886	406,158	14,649,361
Ares Pathfinder II	17,605,164				-209,154	460,087	17,856,097
Oak Hill Advisors Structured Products Fund III, L.P.	19,963,374				2,500,000	-2,642,542	19,820,832
ITE Rail Fund, L.P	41,702,227				-614,706	857,824	41,945,345
Ares Senior Direct Lending Fund III LP	11,661,333				1,628,409	319,770	13,609,511
HPS Special Situations Opportunity Fund II, L.P.	11,676,034				2,557,697	326,921	14,560,652
Castlelake Aviation V Stable Yield, L.P.	5,844,577				1,990,595	241,717	8,076,889
Fortress Credit Opportunitites Fund VI Expansion	10,632,544					109,265	10,741,809
Quantum Capital Solutions II	14,751,050				5,959,985	336,849	21,047,884
Quantum Capital Solutions II Co-Investment Fund, LP	2,922,954				1,159,368	187,273	4,269,595

Total Fund
Net Cash Flow: Last 1 Quarter

Kern County Employees' Retirement Association
Period Ending: March 31, 2026

	Estimated Beginning Market Value	Contributions	Withdrawals	Fees	Net Transfers	Net Investment Change	Estimated Ending Market Value
Blue Torch Credit Opportunities Fund IV	5,830,933				1,529,077	263,490	7,623,500
Opportunistic	152,919,596				-22,082,072	4,922,984	135,760,509
Sixth Street TAO Partners (D)	62,017,322				-5,590,965	3,855,919	60,282,276
Aristeia Select Opportunities II	63,615,422					386,079	64,001,501
Hudson Bay Special Opportunities Fund LP	12,568,393				-3,260,831	666,365	9,973,927
Pharo Opportunities Fund SPC	13,960,900				-13,943,190	-17,710	
BPC Real Estate Debt Fund Co-Investment	757,559				712,915	32,331	1,502,805
Cash	174,887,067	1,187,337	-15,814,892	-13,775	-8,698,240	1,249,241	153,162,713
Short Term Investment Funds	100,825,661	1,187,337	-15,814,892	-13,775	-8,698,240	582,930	78,434,996
BlackRock Short Duration Fund	74,061,406					666,311	74,727,717
Other	-158,755,314	88,347,313	56,459,465		44,566,088		30,617,552
Parametric Cash Overlay	15,948,282	4,803,691	-4,480,465		40,837,088		57,108,598
Goldman Sachs Cash Account	240,657	4,172,953	-1,982,128				2,431,482
Futures Offset	-177,862,254	78,901,669	62,922,057				-36,038,528
Collateral Cash	2,918,000	469,000			3,729,000		7,116,000

Total Fund
Cash Flow History

Kern County Employees' Retirement Association
Period Ending: March 31, 2026

Portfolio Reconciliation

	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Beginning Market Value	6,891,986,768	6,444,640,714	6,190,407,316	5,240,888,799	5,116,318,382	3,500,639,098
Contributions	1,619,641,401	3,345,541,233	4,723,092,011	10,141,282,636	16,990,874,385	25,367,124,858
Withdrawals	-1,590,474,303	-3,323,665,340	-4,734,329,302	-10,174,656,114	-17,188,053,338	-25,938,705,251
Fees	-1,412,460	-2,996,953	-3,369,298	-5,571,165	-28,041,560	-101,629,557
Net Cash Flows	29,167,097	21,875,893	-11,237,291	-33,373,478	-197,178,953	-571,580,393
Net Investment Change	44,540,196	499,177,454	786,524,036	1,758,178,740	2,046,554,633	4,036,635,355
Ending Market Value	6,965,694,061	6,965,694,061	6,965,694,061	6,965,694,061	6,965,694,061	6,965,694,061
Net Change \$	73,707,293	521,053,348	775,286,745	1,724,805,262	1,849,375,679	3,465,054,963

Contribution and withdrawals include transfers in and out of accounts. Ending market value is net of fees. Market value and flows do not include the Short Term Cash Account balance.

Risk Metrics

Total Fund
Actual Correlation Matrix

Kern County Employees' Retirement Association
Period Ending: March 31, 2026

Correlation Matrix
3 Years Ending March 31, 2026

	A	B	C	D	E	F	G	H	I	J	K	L
A	1.00											
B	0.97	1.00										
C	0.89	0.93	1.00									
D	0.90	0.91	0.71	1.00								
E	0.75	0.76	0.56	0.77	1.00							
F	0.80	0.76	0.67	0.75	0.52	1.00						
G	0.73	0.67	0.58	0.70	0.44	0.98	1.00					
H	0.82	0.80	0.78	0.72	0.52	0.89	0.81	1.00				
I	0.89	0.87	0.75	0.84	0.72	0.90	0.83	0.84	1.00			
J	0.10	-0.01	-0.09	0.03	0.20	-0.08	-0.12	-0.06	0.03	1.00		
K	0.60	0.63	0.49	0.68	0.61	0.40	0.37	0.39	0.52	-0.15	1.00	
L	-0.14	-0.24	-0.28	-0.17	-0.09	-0.20	-0.20	-0.26	-0.17	0.16	-0.23	1.00

- A = Total Fund
- B = Equity
- C = Domestic Equity
- D = International Developed Equity
- E = Emerging Markets Equity
- F = Fixed Income
- G = Core Fixed Income
- H = High Yield/ Specialty Credit
- I = Emerging Market Debt
- J = Commodities
- K = Hedge Funds
- L = Core Real Estate

Low Interaction
 Moderate Interaction
 Moderate to High Interaction
 High Interaction

Total Fund
Risk Analysis - 3 Years (Net of Fees)

Kern County Employees' Retirement Association
Period Ending: March 31, 2026

	Alpha	Beta	R-Squared	Return	Information Ratio	Excess Performance	Tracking Error	Sharpe Ratio	Excess Return	Standard Deviation	Sortino Ratio	Up Capture	Down Capture
Total Fund	0.4	0.9	1.0	10.0	-0.6	-0.7	1.1	1.0	5.1	5.2	1.6	93.3	93.3
Equity	-0.7	1.0	1.0	15.1	-0.7	-1.1	1.3	0.9	10.2	11.6	1.4	97.5	102.9
Domestic Equity	-1.4	1.0	1.0	16.1	-1.6	-1.9	1.0	0.9	11.1	12.3	1.5	95.8	104.5
International Developed Equity	0.1	1.0	1.0	13.8	-0.2	-0.4	1.9	0.7	9.2	13.0	1.0	97.9	98.9
Emerging Markets Equity	2.1	1.0	1.0	16.7	0.8	2.0	2.1	0.8	12.0	14.8	1.2	103.3	94.2
Fixed Income	0.0	1.0	1.0	5.0	-0.2	-0.1	0.5	0.1	0.3	4.9	0.1	99.4	100.7
Core Fixed Income	-0.1	1.0	1.0	3.3	-0.6	-0.3	0.5	-0.2	-1.2	5.3	-0.3	95.3	97.4
High Yield/ Specialty Credit	1.1	0.7	0.9	7.0	-0.8	-1.5	1.7	0.7	2.2	3.3	1.2	78.5	63.4
Emerging Market Debt	1.0	1.0	1.0	8.9	0.5	0.7	1.3	0.6	4.2	6.9	0.9	100.8	91.6
Commodities	5.6	0.7	0.8	16.2	0.3	2.3	5.7	1.1	11.0	10.1	2.1	87.9	50.6
Hedge Funds	1.6	0.5	0.4	7.4	-1.3	-3.5	2.4	1.0	2.6	2.6	1.3	63.3	-1.1
Alpha Pool	26.9	-2.4	0.1	3.5	-2.6	-5.4	2.0	-0.6	-1.2	1.9	-0.7	40.3	-
Core Real Estate	-2.1	1.5	0.8	-5.1	-0.8	-3.1	3.6	-1.4	-9.7	6.6	-1.4	123.0	187.6
Private Real Assets	0.0	1.0	1.0	-0.3	-0.6	0.0	0.0	-1.3	-4.9	3.7	-1.4	99.3	100.0
Private Equity	0.0	1.0	1.0	11.9	-0.8	-0.1	0.1	1.4	6.7	4.6	5.0	99.5	100.0
Private Credit	-0.1	1.0	1.0	10.7	-2.8	-0.1	0.0	1.2	5.7	4.6	5.5	99.3	110.3
Opportunistic	-	-	-	11.8	0.2	1.8	8.5	0.8	6.9	8.5	1.5	120.6	-

Risk Return Statistics: Last Three Years

Period Ending: March 31, 2026

	3 Years							
	Equity	MSCI AC World IMI (Net)	Core Plus Fixed Income	Bloomberg U.S. Aggregate Index	High Yield/ Specialty Credit	ICE BofA U.S. High Yield Index	Emerging Market Debt	50 JPM EMBI Global Div/ 50 JPM GBI EM Global Div
RETURN SUMMARY STATISTICS								
Up Market Periods	26	26	21	21	28	28	26	26
Down Market Periods	10	10	15	15	8	8	10	10
Maximum Return	8.39	9.24	4.23	4.53	3.52	4.55	5.51	5.47
Minimum Return	-7.75	-7.29	-2.60	-2.54	-1.49	-1.24	-3.49	-4.41
Return	15.14	16.24	3.34	3.63	7.04	8.50	8.91	8.17
Excess Return	10.22	11.19	-1.20	-0.91	2.24	3.64	4.16	3.49
Excess Performance	-1.09	0.00	-0.29	0.00	-1.46	0.00	0.74	0.00
RISK SUMMARY STATISTICS								
Beta	0.98	1.00	0.96	1.00	0.70	1.00	0.96	1.00
Upside Risk	10.34	10.74	4.38	4.63	3.60	4.69	6.25	6.07
Downside Risk	6.79	6.62	3.21	3.25	1.28	1.62	3.79	4.23
RISK/RETURN SUMMARY STATISTICS								
Standard Deviation	11.60	11.76	5.34	5.55	3.26	4.34	6.85	7.02
Alpha	-0.66	0.00	-0.14	0.00	1.07	0.00	1.00	0.00
Sharpe Ratio	0.88	0.95	-0.23	-0.16	0.70	0.85	0.61	0.50
Excess Risk	11.57	11.73	5.34	5.55	3.21	4.29	6.83	7.00
Tracking Error	1.32	0.00	0.52	0.00	1.73	0.00	1.26	0.00
Information Ratio	-0.74	-	-0.56	-	-0.81	-	0.53	-
CORRELATION STATISTICS								
R-Squared	0.99	1.00	0.99	1.00	0.87	1.00	0.97	1.00
Actual Correlation	0.99	1.00	1.00	1.00	0.94	1.00	0.98	1.00

Risk Return Statistics: Last Three Years

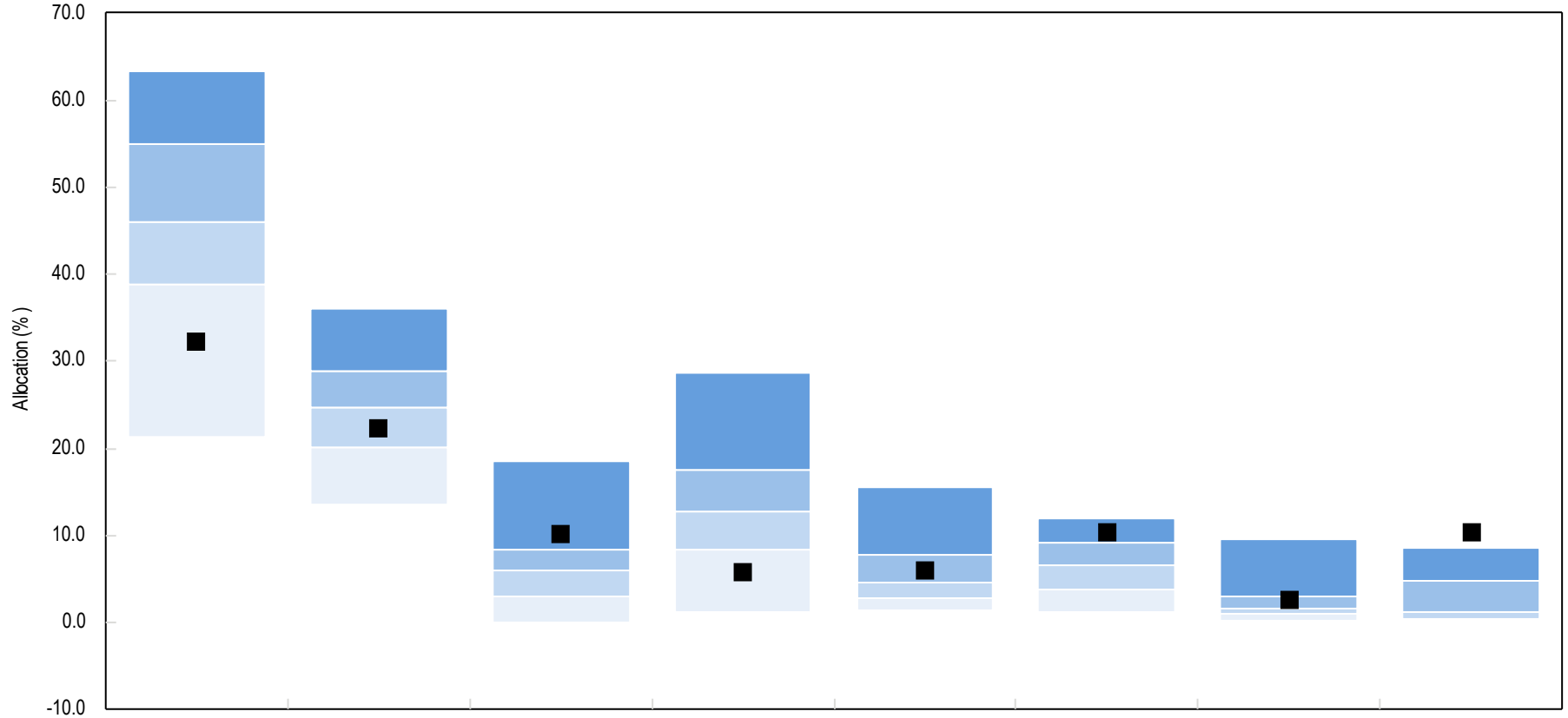
Period Ending: March 31, 2026

	Commodities	Bloomberg Commodity Index Total Return	Hedge Funds	3 Yrs 75% 90 Day TBills +4% / 25% MSCI ACWI (75% 90-Day TBills +4% / 25% MSCI ACWI)	Core Real Estate	NCREIF ODCE	Opportunistic	Assumed Rate of Return +3%
RETURN SUMMARY STATISTICS								
Up Market Periods	22	22	28	28	31	31	36	36
Down Market Periods	14	14	8	8	5	5	0	0
Maximum Return	6.99	11.50	1.99	2.89	2.53	1.25	10.18	0.80
Minimum Return	-5.48	-5.64	-2.82	-1.33	-6.33	-4.83	-6.31	0.80
Return	16.18	13.88	7.45	10.93	-5.12	-2.00	11.78	10.00
Excess Return	10.96	9.17	2.60	5.82	-9.66	-6.58	6.91	4.93
Excess Performance	2.29	0.00	-3.48	0.00	-3.12	0.00	1.78	0.00
RISK SUMMARY STATISTICS								
Beta	0.73	1.00	0.54	1.00	1.50	1.00	-	-
Upside Risk	10.02	11.65	2.87	4.10	2.68	1.47	8.12	2.76
Downside Risk	4.70	5.59	1.64	0.88	6.20	3.65	4.12	0.00
RISK/RETURN SUMMARY STATISTICS								
Standard Deviation	10.10	12.29	2.56	2.91	6.60	3.89	8.48	0.00
Alpha	5.63	0.00	1.60	0.00	-2.09	0.00	-	-
Sharpe Ratio	1.08	0.74	1.04	2.03	-1.44	-1.65	0.81	23.57
Excess Risk	10.17	12.37	2.51	2.87	6.71	3.99	8.51	0.21
Tracking Error	5.67	0.00	2.42	0.00	3.64	0.00	8.48	0.00
Information Ratio	0.32	-	-1.33	-	-0.85	-	0.23	-
CORRELATION STATISTICS								
R-Squared	0.79	1.00	0.38	1.00	0.78	1.00	-	-
Actual Correlation	0.89	1.00	0.61	1.00	0.88	1.00	-	-

Data for unavailable for positions held for less than two years.

Peer Comparison

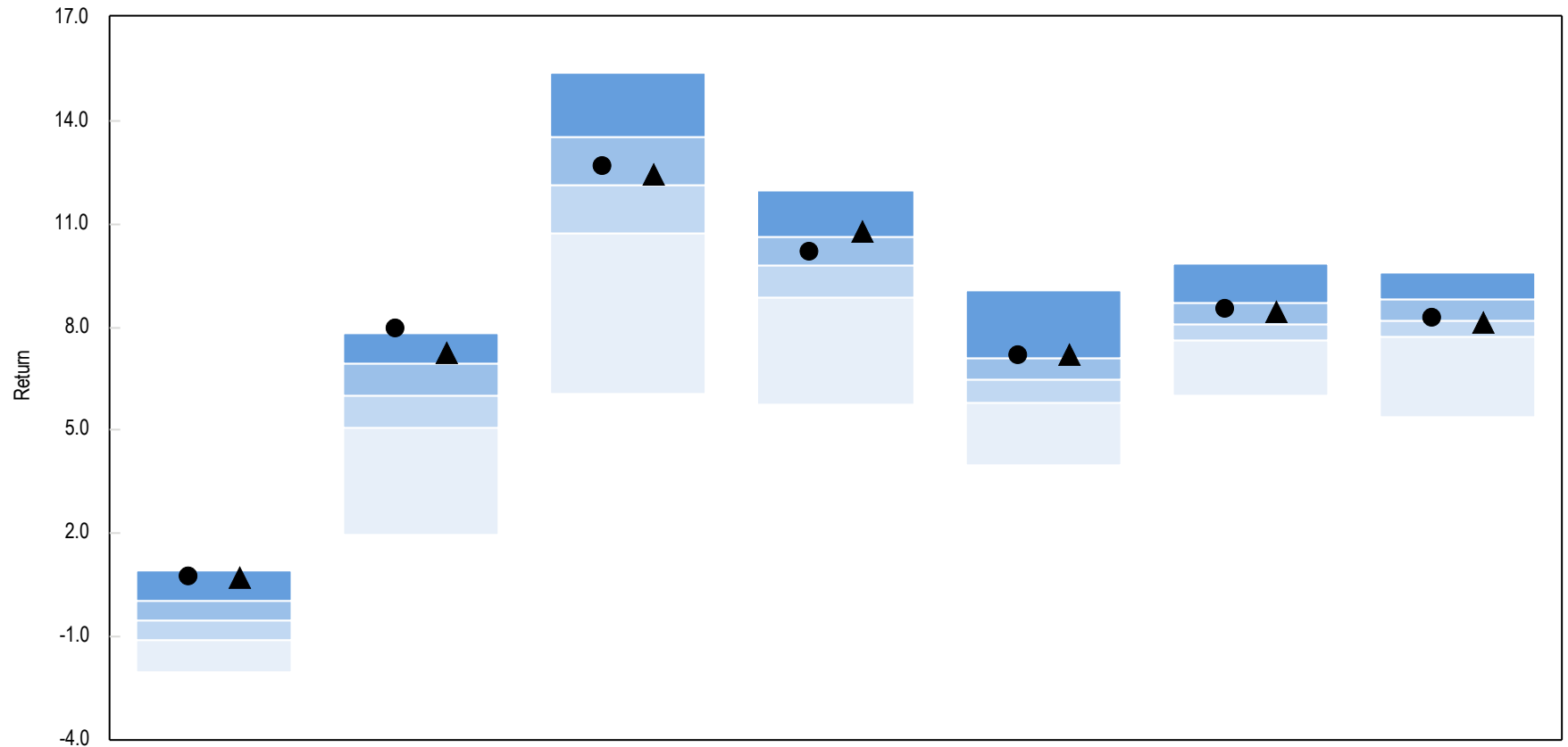
Total Plan Allocation vs. InvMetrics Public DB > \$1B
As of March 31, 2026



	Total Equity	Total Fixed Income	Hedge Funds	Private Equity	Real Assets/Commod	Real Estate - Private	Cash & Equivalents	Other
■ Total Fund	32.4 (86)	22.3 (64)	10.1 (19)	5.7 (87)	6.0 (35)	10.4 (11)	2.6 (33)	10.4 (1)
5th Percentile	63.4	36.2	18.5	28.7	15.6	12.0	9.6	8.6
1st Quartile	55.1	28.9	8.4	17.6	7.8	9.2	3.1	4.7
Median	46.0	24.7	5.9	12.7	4.6	6.6	1.7	1.1
3rd Quartile	38.9	20.1	3.0	8.5	2.7	3.7	0.9	0.5
95th Percentile	21.2	13.5	0.0	1.1	1.4	1.1	0.2	0.1
Population	109	109	49	98	71	89	105	24

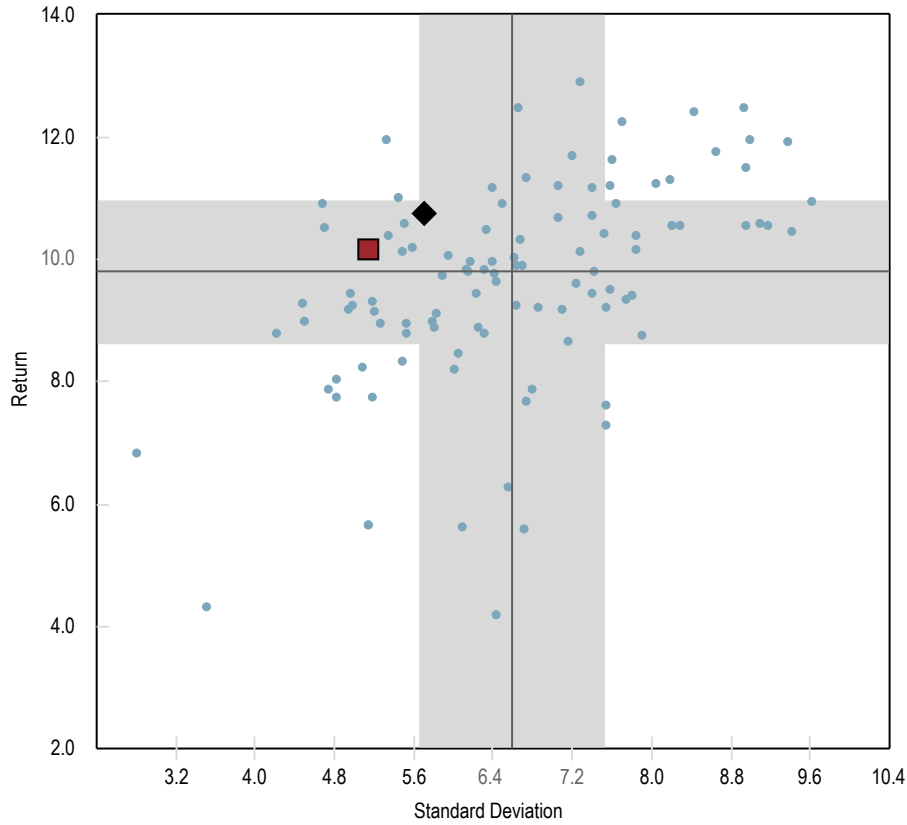
Parentheses contain percentile rankings. Other contains Alpha Pool, Opportunistic, and Private Credit. Real Estate contains Private and Core Real Estate. Real Assets contain Commodities.

Total Fund vs. InvMetrics Public DB > \$1B



	Quarter	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years
● Total Fund	0.7 (7)	8.0 (4)	12.7 (41)	10.2 (39)	7.2 (21)	8.6 (30)	8.3 (42)
▲ Policy Index	0.7 (7)	7.3 (17)	12.4 (45)	10.8 (24)	7.2 (21)	8.4 (34)	8.1 (53)
5th Percentile	0.9	7.8	15.4	12.0	9.1	9.9	9.6
1st Quartile	0.0	7.0	13.5	10.6	7.1	8.7	8.8
Median	-0.5	6.0	12.1	9.8	6.5	8.1	8.2
3rd Quartile	-1.1	5.1	10.7	8.9	5.8	7.6	7.7
95th Percentile	-2.0	1.9	6.1	5.8	4.0	6.0	5.4
Population	104	104	104	104	102	101	99

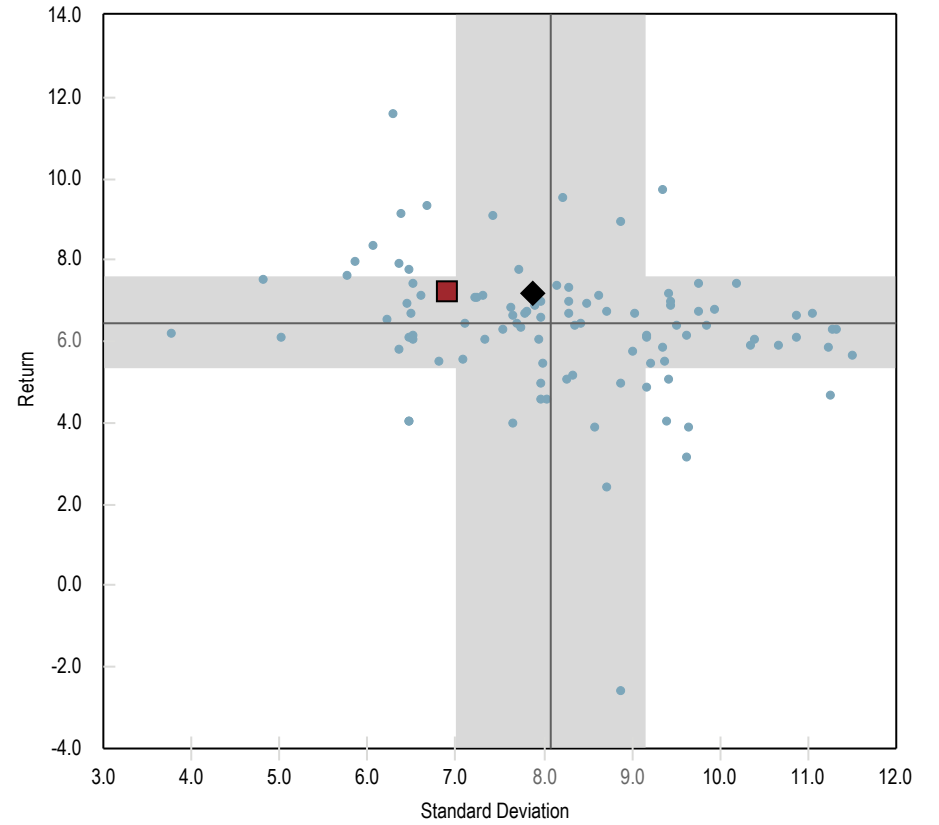
Annualized Return vs. Annualized Standard Deviation
3 Years Ending March 31, 2026



● InvMetrics Public DB > \$1B

	Return	Standard Deviation
■ Total Fund	10.19	5.14
◆ Policy Index	10.78	5.70
— Median	9.80	6.58
Population	104	104

Annualized Return vs. Annualized Standard Deviation
5 Years Ending March 31, 2026



● InvMetrics Public DB > \$1B

	Return	Standard Deviation
■ Total Fund	7.21	6.90
◆ Policy Index	7.18	7.86
— Median	6.47	8.08
Population	102	102

Other

Total Fund
Quarterly Historical Returns (Net of Fees)

Kern County Employees' Retirement Association
Period Ending: March 31, 2026

	2026 Q1	2025 Q4	2025 Q3	2025 Q2	2025 Q1	2024 Q4	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2
Total Fund	0.7	2.4	4.5	4.6	1.6	-0.4	4.8	1.2	3.8	5.1	-0.9	1.9
<i>Policy Index</i>	0.7	2.2	4.2	4.8	1.4	-0.1	4.9	1.8	3.7	6.2	-1.4	2.9

	2023 Q1	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2
Total Fund	3.2	4.5	-3.1	-7.5	-0.8	3.6	0.5	5.5	3.5	8.8	4.4	10.7
<i>Policy Index</i>	3.8	5.5	-3.8	-8.9	-1.3	3.3	0.7	5.6	3.2	8.8	4.5	10.1

	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2
Total Fund	-11.3	4.6	0.2	3.1	6.8	-6.4	2.3	0.3	-0.1	3.0	3.2	2.7
<i>Policy Index</i>	-11.1	4.6	0.8	3.0	7.0	-5.5	2.2	0.7	-0.1	3.1	3.0	2.7

Total Fund Data Sources and Methodology

Kern County Employees' Retirement Association Period Ending: March 31, 2026

Performance Return Calculations
Performance is calculated using a Time Weighted Rates of Return (TWRR) methodology. Monthly returns are linked geometrically and annualized for periods longer than one year.

Data Source
Certy Partners is an independent third party consulting firm and calculates returns from best source book of record data. Returns calculated by Certy Partners may deviate from those shown by the manager in part, but not limited to, differences in prices and market values reported by the custodian and manager, as well as significant cash flows into or out of an account. It is the responsibility of the manager and custodian to provide insight into the pricing methodologies and any difference in valuation.

Illiquid Alternatives
Due to the inability to receive final valuation prior to report production, closed end funds (including but are not limited to Real Estate, Hedge Funds, Private Equity, and Private Credit) performance is typically reported at a one-quarter lag. Valuation is reported at a one-quarter lag, adjusted for current quarter flow (cash flows are captured real time). Closed end fund performance is calculated using a time-weighted return methodology consistent with all portfolio and total fund performance calculations. For Private Markets, performance reports also include Certy Partners-calculated multiples based on flows and valuations (e.g. DPI and TVPI) and manager-provided IRRs.

Manager/Line Up	Fund Incepted	Data Source	Investment Fund or Strategy	Fund Incepted	Data Source
Abbott Capital PE VI	3/31/2008	Abbott Capital	LBA Logistics Value Fund IX, L.P.	2/22/2022	LBA
Accel-KKR Capital Partners VII	2/6/2025	Accel	Level Equity Growth Partners V	11/1/2021	Level Equity
ABS Emerging Market Direct	8/29/2024	ABS	Level Equity Opportunities Fund 2021	11/1/2021	Level Equity
American Century Non-US Small Cap	12/15/2020	American Century	LGT Crown	2/1/2021	LGT
Ares Pathfinder	10/1/2023	Ares	Linden Capital Partners V LP	7/19/2022	Linden
Aristeia International Limited	5/1/2014	Northern Trust	Linden Co-Investment V LP	6/30/2022	Linden
Aristotle Pacific Capital, LLC	1/6/2025	Aristotle	Longreach Capital Partners	5/28/2024	Long Reach
ASB Real Estate	9/30/2013	ASB	Long Wharf Real Estate	6/27/2019	Long Wharf
Barclays Capital Aggregate Rebalancing Overlay	6/15/2022	Parametric	LRAF Holdings 21 Yeti II LP	12/6/2024	Long Wharf
BlackRock Short Duration Fund	9/8/2021	BlackRock	Magnetar Constellation	11/14/2018	Magnetar
Blue Owl Real Estate Fund VI	3/18/2024	Blue Owl	Mellon Aggregate Bond Index Fund	1/14/2011	Mellon
Blue Owl Strategic Equity Partners	9/6/2024	Blue Owl	Mellon EB DV Stock Index	10/18/2017	Mellon
Blue Torch Credit Opportunities	7/24/2020	Blue Torch	Mellon EB DV World ex-US Index	8/1/2018	Mellon
Blue Torch Credit Opportunities Fund IV	9/30/2020	Blue Torch	Merit Hill Self Storage	11/3/2023	Merit
BPC Real Estate Debt Fund LP	3/1/2025	BPC	Myriad Opportunities Offshore	5/19/2016	Northern Trust
BPC Real Estate Debt Fund Co-Investment	8/25/2025	BPC	Oak Hill Advisors	12/22/2023	Oak Hill
Brevan Howard	11/1/2013	Northern Trust	OrbiMed Private Investments IV, LP	11/4/2022	OrbiMed
Brighton Private Equity	3/28/2021	Brighton	OrbiMed Royalty & Credit Opportunities	9/12/2022	OrbiMed
Brighton Park Capital Fund II, L.P.	9/30/2022	Brighton	OrbiMed Private Investments X, LP	11/4/2022	OrbiMed
Brookfield Real Estate Finance Fund V	12/18/2017	Northern Trust	Pantheon Global III	6/30/2000	Pantheon
Carrhae Capital Long Master Fund	8/1/2024	Carrhae	Pantheon USA V	6/30/2005	Pantheon
Castlelake Aviation V Stable Yield, L.P.	10/24/2024	Castlelake	Pantheon USA VI	3/31/2005	Pantheon
Cerberus Business Finance V	8/25/2023	Cerberus	Pantheon USA VII	3/31/2005	Pantheon
Cevian Capital II	12/30/2014	Northern Trust	Parametric Overlay/ Cap Efficiency Program	7/31/2020	Parametric
Chilton High Conviction Equity	5/1/2025	Chilton	Parametric Domestic Overlay	3/26/2026	Parametric
Congress Small Cap Value	2/13/2026	Congress	Parametric International Overlay	3/26/2026	Parametric
Covenant Apartment Fund X	10/29/2020	Covenant	Parametric EM Overlay	3/26/2026	Parametric
Covenant Apartment Fund XII	3/1/2025	Covenant	Peak Rock Capital Fund III	7/13/2021	Peak Rock
Crown Global Secondaries V Master S.C.Sp	2/1/2021	Crown	Petershill PES II	9/25/2025	Petershill
Crown Global Secondaries Fund VI	2/1/2021	Crown	Pharo Opportunities Fund SPC	6/28/2024	Pharo
Dalton Japan Long Only	10/31/2023	Dalton	PIMCO Core Plus	1/21/2011	Northern Trust
DC Value Recovery fund IV	12/28/2015	Colony	PIMCO Commodity Alpha	5/4/2016	PIMCO
D.E. Shaw	6/30/2013	Northern Trust	PIMCO EMD	2/29/2020	Northern Trust
DFA Emerging Markets Value I	3/7/2014	Northern Trust	PIMCO Midstream	10/9/2020	PIMCO
Elliot Associates	7/1/2024	Elliot	PIMCO StocksPLUS	7/14/2003	PIMCO
Fidelity Broad Market Duration	2/12/2026	Fidelity	Post Oak Energy Partners GP V, LP	3/1/2025	Post
Fortress Credit Opportunities	12/17/2020	Fortress	Fidelity Non-US Small Cap Equity	6/10/2008	Northern Trust
Fortress Lending Fund II	3/15/2021	Fortress	Quantum Capital Solutions II	11/1/2024	Quantum
Fortress Credit Opportunities Fund VI Expansion	10/1/2024	Fortress	Quantum Capital Solutions II Co-Investment Fund, LP	11/1/2024	Quantum
Garda Fixed Income Relative Value Opp	9/30/2021	Garda	River Birch	8/3/2015	Northern Trust
Geneva Capital Small Cap Growth	7/22/2015	Geneva	Rubicon Technology Partners IV LP	11/30/2022	Rubicon
Gresham MTAP Commodity	9/3/2013	Gresham	Russell 2000 Overlay	8/31/2025	Parametric
Guggenheim	6/2/2025	Guggenheim	Schroders	6/10/2025	Schroders
Harvest Midstream	9/28/2020	Harvest Midstream	Silver Point Specialty Credit Fund III, L.P.	10/4/2023	Singerman
Hawk Ridge Partners II	8/31/2025	Hawk Ridge	Singerman Real Estate Opportunity Fund IV	10/27/2021	Sculptor
HBK Fund II	11/1/2013	Northern Trust	Singerman Real Estate Opportunity Fund V	2/26/2026	Sculptor
Henderson Smallcap Growth	7/22/2015	Northern Trust	Sculptor Diversified REIT	12/2/2024	Sculptor
H.I.G Bayside Loan Opportunities Fund V	7/24/2019	H.I.G. Capital	Sculptor Enhanced Domestic Partners	3/26/2019	Sculptor
Hudson Bay	6/7/2019	Northern Trust	Sculptor Real Estate Fund V, LP	7/30/2024	Sculptor
Hudson Bay Real Estate Opportunities	1/23/2025	Hudson Bay	Short Term Cash Account	12/31/2000	Northern Trust
Hudson Bay Special Opportunities Fund	2/20/2024	Hudson Bay	Short Term Investment Funds	6/30/2000	Stone Harbor
Indus Pacific Opportunities	6/30/2014	Northern Trust	Stone Harbor Emerging Markets Debt	8/8/2012	TPG Sixth Street
Invesco Real Estate III	6/30/2013	Invesco	TAO Contingent	4/16/2020	TCW
Invesco Real Estate IV	12/18/2015	Invesco	TCW Securitized Opportunities	2/3/2016	Northern Trust
ITE Rail Fund, L.P.	2/27/224	ITE Rail	TPG AG Essential Housing III	11/1/2024	TPG Sixth Street
J.P. Morgan Strategic Property	7/2/2014	J.P. Morgan	Transition Equity	9/30/2010	Northern Trust
Juniper High Noon Partners, L.P.	3/18/2024	Juniper	Transition Fixed Income	9/30/2010	TPG Sixth Street
Juniper Capital IV, L.P.	4/26/2023	Juniper	TSSP Adjacent Opportunities Partners	11/17/2017	Vista Equity
KKR US Broadly Syndicated Loan Fund	10/21/2024	Mellon	Vista Equity Partners	7/24/2020	Warren
KSL Capital Partners VI	4/26/2023	KSL Capital	Warren Equity III	4/1/2021	Warren
Landmark Real Estate Partners VIII	4/29/2018	Landmark	Warren Equity IV	1/1/2023	Wellington
Landmark Real Estate Partners IX	4/1/2024	Landmark	Wellington Alternative Investments	2/9/2023	Wellington
Lazard Japanese Equity	11/1/2023	Lazard	WEP IV TS Co-Investment, L.P.	8/14/2023	Northern Trust
			WEP TreeCo Co-Investment, L.P.	2/7/2025	WEP
			Western Asset Core Plus	5/31/2004	Northern Trust
			Western Asset High Yield Fixed Income	5/31/2005	Western Asset

Total Fund Data Sources and Methodology

Kern County Employees' Retirement Association Period Ending: March 31, 2026

Policy & Custom Index Composition	
Policy Index: 1/1/2026 - Present	Policy Index: 35% MSCI ACWI IMI (Net), 27% Fixed Income Blend - 17% Core (10% Bloomberg US Aggregate Index, 3% ICE BofAML 7-10 Year US Treasury Index, 4% Bloomberg US Corporate Credit 1-3 Year Index), 10% Credit (5% Securitized (2.5% Bloomberg Non-Agency CMBS Index, 1.67% Bloomberg ABS Index, 0.83% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index, 2.5% Emerging Market Debt (2.5% JPM EMBI Global Div - Hard currency only, 5% Bloomberg Commodity Index), 10% Hedge fund (7.5% 3-Month T-bill + 3%, 2.5% MSCI ACWI (Net)), 2.5% 3-Month T-Bill + 3%, 7% NCREIF-ODCE Net Monthly, 5% actual timeweighted Private Equity Returns*, 6% actual time-weighted Private Credit Returns*, 5% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -2.5% 3-Month T-bill.
Policy Index: 7/1/2025 - 1/1/2026	33% MSCI ACWI IMI (Net), 27% Fixed Income Blend - 16% Core (9% Bloomberg US Aggregate Index, 3% ICE BofAML 7-10 Year US Treasury Index, 4% Bloomberg US Corporate Credit 1-3 Year Index), 10% Credit (5% Securitized (2.5% Bloomberg Non-Agency CMBS Index, 1.67% Bloomberg ABS Index, 0.83% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index, 2.5% Emerging Market Debt (2.5% JPM EMBI Global Div - Hard currency only, 4% Bloomberg Commodity Index), 10% Hedge fund (7.5% 3-Month T-bill + 3%, 2.5% MSCI ACWI (Net)), 2.5% 3-Month T-Bill + 3%, 5% Alerian Midstream Energy Index, 6% NCREIF-ODCE Gross Monthly, 5% actual timeweighted Private Equity Returns*, 6% actual time-weighted Private Credit Returns*, 4% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -2.5% 3-Month T-bill.
Policy Index: 5/1/2025 - 7/1/25	33% MSCI ACWI IMI (Net), 27% Fixed Income Blend - 19% Core (12% Bloomberg US Aggregate Index, 3% ICE BofAML 7-10 Year US Treasury Index, 4% Bloomberg US Corporate Credit 1-3 Year Index), 8% Credit (1.5% Securitized (0.75% Bloomberg Non-Agency CMBS Index, 0.50% Bloomberg ABS Index, 0.25% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index, 4% Emerging Market Debt (2% JPM EMBI Global Div / 2% JPM GBI EM Global Div)), 4% Bloomberg Commodity Index, 10% Hedge fund (7.5% 3-Month T-bill + 3%, 2.5% MSCI ACWI (Net)), 2.5% 3-Month T-Bill + 3%, 5% Alerian Midstream Energy Index, 6% NCREIF-ODCE Net Monthly, 5% actual timeweighted Private Equity Returns*, 6% actual time-weighted Private Credit Returns*, 4% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -2.5% 3-Month T-bill.
Policy Index: 1/1/2025 - Present	33% MSCI ACWI IMI (Net), 27% Fixed Income Blend - 19% Core (12% Bloomberg US Aggregate Index, 3% ICE BofAML 7-10 Year US Treasury Index, 4% Bloomberg US Corporate Credit 1-3 Year Index), 8% Credit (1.5% Securitized (0.75% Bloomberg Non-Agency CMBS Index, 0.50% Bloomberg ABS Index, 0.25% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index, 4% Emerging Market Debt (2% JPM EMBI Global Div / 2% JPM GBI EM Global Div)), 4% Bloomberg Commodity Index, 10% Hedge fund (7.5% 3-Month T-bill + 3%, 2.5% MSCI ACWI (Net)), 4% 3-Month T-Bill + 3%, 5% Alerian Midstream Energy Index, 6% NCREIF-ODCE Gross Monthly, 5% actual timeweighted Private Equity Returns*, 6% actual time-weighted Private Credit Returns*, 4% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -4% 3-Month T-bill.
Policy Index: 11/1/2024 - 1/1/2025	Policy Index: 33% MSCI ACWI IMI (Net), 25% Fixed Income Blend - 17% Core (14% Bloomberg US Aggregate Index, 3% ICE BofAML 7-10 Year US Treasury Index), 8% Credit (1.5% Securitized (0.75% Bloomberg Non-Agency CMBS Index, 0.50% Bloomberg ABS Index, 0.25% J.P. Morgan CLOIE AAA Index) 2.5% Morningstar LSTA Leverage Loan Index, 4% Bloomberg Commodity Index, 10% Hedge fund (7.5% 3-Month T-bill + 3%, 2.5% MSCI ACWI (Net)), 4% 3-Month T-Bill + 3%, 5% Alerian Midstream Energy Index, 5% NCREIF-ODCE Gross Monthly, 5% actual time-weighted Private Equity Returns*, 8% actual time-weighted Private Credit Returns*, 5% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -4% 3-Month T-bill.
Policy Index: 10/1/2023 - 11/1/2024	33% MSCI ACWI IMI (Net), 15% Bloomberg US Aggregate, 6% Ice BofAML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets Global Diversified, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +3%, 2.5% MSCI ACWI (Net), 6% 90 Day T-Bill + 3%, 5% Alerian Midstream Energy Index, 5% NCREIF-ODCE Gross Monthly, 5% actual time-weighted Private Equity Returns*, 6% actual time-weighted Private Credit Returns*, 5% actual time-weighted Private Real Estate Returns*, 0% Assumed Rate of Return +3%, -8% 90 Day T-bill.
Policy Index: 4/1/2022-9/30/23	37% MSCI ACWI IMI (Net), 14% Bloomberg US Aggregate, 6% Ice BofAML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets Global Diversified, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +4%, 2.5% MSCI ACWI (Net), 6% 91 Day T-Bill + 4%, 5% NCREIF-ODCE Gross Monthly, 5% actual time-weighted Private Equity Returns*, 5% actual time-weighted Private Credit Returns*, 5% actual time-weighted Private Real Estate Returns*, 5% Alerian Midstream, 0% Assumed Rate of Return +3%, -8% 3-Month T-bill.
Policy Index: 7/1/2021-4/1/2022	37% MSCI ACWI IMI, 14% Bloomberg US Aggregate, 6% Ice BofAML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 2% actual time-weighted Private Equity Returns*, 4% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 3% MSCI ACWI*, 1% Bloomberg US Aggregate*, 4% Bloomberg US Aggregate, 5% Alerian Midstream, 5% 3-Month T-bill +400bps, 91 Day T-Bills, -5% 3-Month T-bill.
Policy Index: 1/1/2021-6/30/2021	37% MSCI ACWI IMI (Net), 19% Bloomberg US Aggregate, 6% Ice BofAML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 1% actual time-weighted Private Equity Returns*, 4% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 4% MSCI ACWI*, 1% Bloomberg US Aggregate*, 4% Bloomberg US Aggregate, 5% Alerian Midstream, 5% 3-Month T-bill +400bps, 91 Day T-Bills, -5% 3-Month T-bill.
Policy Index: 7/1/2020-12/31/2020	37% MSCI ACWI IMI, 14% Bloomberg US Aggregate, 6% Ice BofAML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 1% actual time-weighted Private Equity Returns*, 4% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 4% MSCI ACWI*, 5% Bloomberg US Aggregate, 1% Alerian Midstream, 4% Bloomberg US Aggregate
Policy Index: 4/1/2020-6/30/2020	37% MSCI ACWI IMI, 19% Bloomberg US Aggregate, 6% Ice BofAML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 1% actual time-weighted Private Equity Returns*, 4% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 3% MSCI ACWI*, 5% Bloomberg US Aggregate*.
Policy Index: 1/1/2020-3/31/2020	37% MSCI ACWI IMI, 19% Bloomberg US Aggregate, 6% Ice BofAML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 2% actual time-weighted Private Equity Returns*, 4% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 3% MSCI ACWI*, 5% Bloomberg US Aggregate*.
Policy Index: 10/1/2019-12/31/2019	37% MSCI ACWI IMI, 19% Bloomberg US Aggregate, 6% Ice BofAML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 2% actual time-weighted Private Equity Returns*, 3% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 3% MSCI ACWI*, 6% Bloomberg US Aggregate*.
Policy Index: 7/1/2019-9/30/2019	37% MSCI ACWI IMI, 19% Bloomberg US Aggregate, 6% Ice BofAML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 2% actual time-weighted Private Equity Returns*, 4% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 3% MSCI ACWI*, 5% Bloomberg US Aggregate*.
Policy Index: 4/1/2019-6/30/2019	37% MSCI ACWI IMI, 19% Bloomberg US Aggregate, 6% Ice BofAML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 2% actual time-weighted Private Equity Returns*, 3% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 6% Bloomberg US Aggregate*.
Policy Index: 1/1/2019-3/31/2019	37% MSCI ACWI IMI, 19% Bloomberg US Aggregate, 6% Ice BofAML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 2% actual time-weighted Private Equity Returns*, 3% actual time-weighted Private Credit Returns*, 2% actual time-weighted Private Real Estate Returns*, 3% MSCI ACWI*, 5% Bloomberg US Aggregate*.
Policy Index: 10/1/2018-12/31/2018	37% MSCI ACWI IMI, 19% Bloomberg US Aggregate, 6% Ice BofAML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 2% actual time-weighted Private Equity Returns*, 2% actual time-weighted Private Credit Returns*, 2% actual time-weighted Private Real Estate Returns*, 3% MSCI ACWI*, 6% Bloomberg US Aggregate*.
Policy Index: 7/1/2018-9/30/2018	37% MSCI ACWI IMI, 19% Bloomberg US Aggregate, 6% Ice BofAML High Yield Master II Index, 2% JPM Emerging Markets Bond Index Global Diversified, 2% JPM Government Bond Index-Emerging Markets, 4% Bloomberg Commodity Index, 7.5% 3-Month T-bill +400bps, 2.5% MSCI ACWI, 5% NCREIF-ODCE, 3% actual time-weighted Private Equity Returns*, 2% actual time-weighted Private Credit Returns*, 1% actual time-weighted Private Real Estate Returns*, 2% MSCI ACWI*, 7% Bloomberg US Aggregate*.
Policy Index: 1/1/2017-6/30/2018	19% Russell 3000 Index, 18% MSCI ACWI ex US, 29% Bloomberg US Aggregate, 10% NCREIF-ODCE, 4% Bloomberg Commodity Index, 7.5% 91-day T-bills + 400bps, 2.5% MSCI ACWI, 5% Russell 3000 Index + 300 bps, 5% ICE BofA ML High Yield + 200 bps.
Policy Index: 4/1/2014-12/31/2016	23% Russell 3000 Index, 29% Bloomberg US Aggregate, 22% MSCI ACWI ex US,

Other Disclosures

*Private Asset actual weights, rounded to 1%, and actual time-weighted returns of Private Equity, Private Credit, Private Real Estate used in policy with the difference in weight versus target allocated to private market's public market "equivalent". Private Equity to Global Equity, Private Credit and Private Real Estate to Core Plus. All data prior to 2Q 2011 has been provided by the investment managers.
Effective 1/1/2017, only traditional asset class (public equity, public fixed income, REITs) investment manager fees will be included in the gross of fee return calculation. Fiscal year end: 6/30.

Glossary

Allocation Effect: An attribution effect that describes the amount attributable to the managers' asset allocation decisions, relative to the benchmark.

Alpha: The excess return of a portfolio after adjusting for market risk. This excess return is attributable to the selection skill of the portfolio manager. Alpha is calculated as: $\text{Portfolio Return} - [\text{Risk free Rate} + \text{Portfolio Beta} \times (\text{Market Return} - \text{Risk free Rate})]$.

Benchmark R squared: Measures how well the Benchmark return series fits the manager's return series. The higher the Benchmark R squared, the more appropriate the benchmark is for the manager.

Beta: A measure of systematic, or market risk; the part of risk in a portfolio or security that is attributable to general market movements. Beta is calculated by dividing the covariance of a security by the variance of the market.

Book to Market: The ratio of book value per share to market price per share. Growth managers typically have low book to market ratios while value managers typically have high book to market ratios.

Capture Ratio: A statistical measure of an investment manager's overall performance in up or down markets. The capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen (up market) or fallen (down market). The capture ratio is calculated by dividing the manager's returns by the returns of the index during the up/down market, and multiplying that factor by 100.

Correlation: A measure of the relative movement of returns of one security or asset class relative to another over time. A correlation of 1 means the returns of two securities move in lock step, a correlation of -1 means the returns of two securities move in the exact opposite direction over time. Correlation is used as a measure to help maximize the benefits of diversification when constructing an investment portfolio.

Excess Return: A measure of the difference in appreciation or depreciation in the price of an investment compared to its benchmark, over a given time period. This is usually expressed as a percentage and may be annualized over a number of years or represent a single period.

Information Ratio: A measure of a manager's ability to earn excess return without incurring additional risk. Information ratio is calculated as: excess return divided by tracking error.

Interaction Effect: An attribution effect that describes the portion of active management that is contributable to the cross interaction between the allocation and selection effect. This can also be explained as an effect that cannot be easily traced to a source.

Portfolio Turnover: The percentage of a portfolio that is sold and replaced (turned over) during a given time period. Low portfolio turnover is indicative of a buy and hold strategy while high portfolio turnover implies a more active form of management.

Price to Earnings Ratio (P/E): Also called the earnings multiplier, it is calculated by dividing the price of a company's stock into earnings per share. Growth managers typically hold stocks with high price to earnings ratios whereas value managers hold stocks with low price to earnings ratios.

R Squared: Also called the coefficient of determination, it measures the amount of variation in one variable explained by variations in another, i.e., the goodness of fit to a benchmark. In the case of investments, the term is used to explain the amount of variation in a security or portfolio explained by movements in the market or the portfolio's benchmark.

Selection Effect: An attribution effect that describes the amount attributable to the managers' stock selection decisions, relative to the benchmark.

Sharpe Ratio: A measure of portfolio efficiency. The Sharpe Ratio indicates excess portfolio return for each unit of risk associated with achieving the excess return. The higher the Sharpe Ratio, the more efficient the portfolio. Sharpe ratio is calculated as: $\text{Portfolio Excess Return} / \text{Portfolio Standard Deviation}$.

Sortino Ratio: Measures the risk adjusted return of an investment, portfolio, or strategy. It is a modification of the Sharpe Ratio, but penalizes only those returns falling below a specified benchmark. The Sortino Ratio uses downside deviation in the denominator rather than standard deviation, like the Sharpe Ratio.

Standard Deviation: A measure of volatility, or risk, inherent in a security or portfolio. The standard deviation of a series is a measure of the extent to which observations in the series differ from the arithmetic mean of the series. For example, if a security has an average annual rate of return of 10% and a standard deviation of 5%, then two thirds of the time, one would expect to receive an annual rate of return between 5% and 15%.

Style Analysis: A return based analysis designed to identify combinations of passive investments to closely replicate the performance of funds

Style Map: A specialized form or scatter plot chart typically used to show where a Manager lies in relation to a set of style indices on a two dimensional plane. This is simply a way of viewing the asset loadings in a different context. The coordinates are calculated by rescaling the asset loadings to range from -1 to 1 on each axis and are dependent on the Style Indices comprising the Map.

Disclosure

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For information about RPA's registration status, refer to the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov. For additional information about RPA's services, fees, conflicts of interest, and related persons, please request our Form ADV Part 2A and Form CRS disclosure documents. Please read these documents carefully before engaging our services.

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