

Callan

August 2025



Idaho Endowment Fund Investment Board

Second Quarter 2025
Performance Review

Alex Browning
Senior Vice President

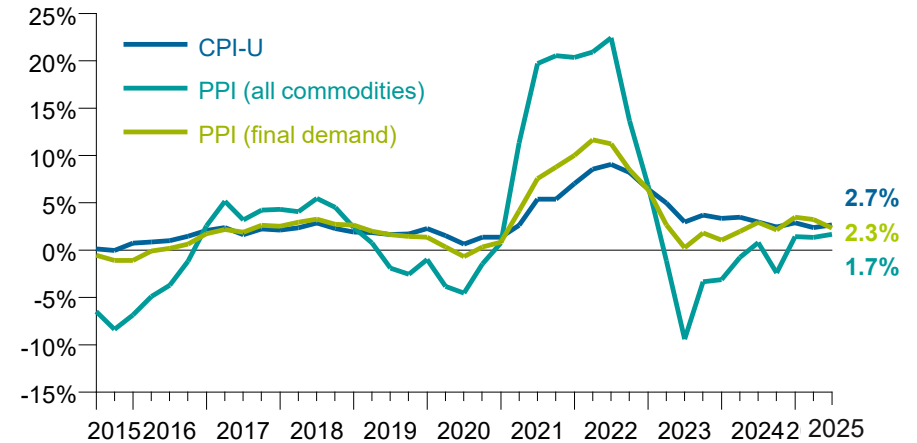
Evan Williams, CFA, CAIA
Vice President

U.S. Economy—Summary

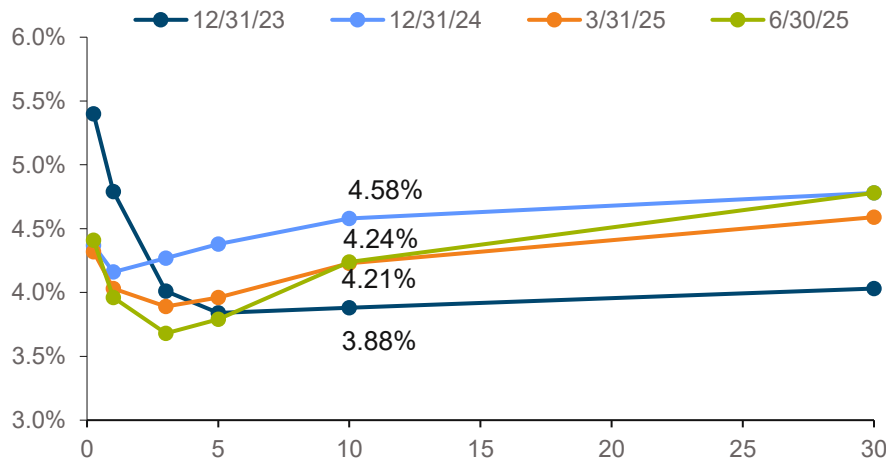
For periods ended 6/30/25

- The unemployment rate in June was 4.1%, down slightly from 4.2% in both April and May. This is in line with the 4.1% rate at the start of the year.
- GDP advanced 3.0% in 2Q according to the advance estimate. A rebound from the -0.5% decline in 1Q after a pull forward of imports ahead of tariffs.
- Headline CPI reaccelerated to 2.7% year-over-year in June while core CPI (ex-food and energy) increased 2.9% over the same period.
- The Fed held rates steady in both May and June, keeping the target rate at 4.25%-4.50%. Fed commentary reflected uncertainty around policy and economic impact.

Inflation Year-Over-Year

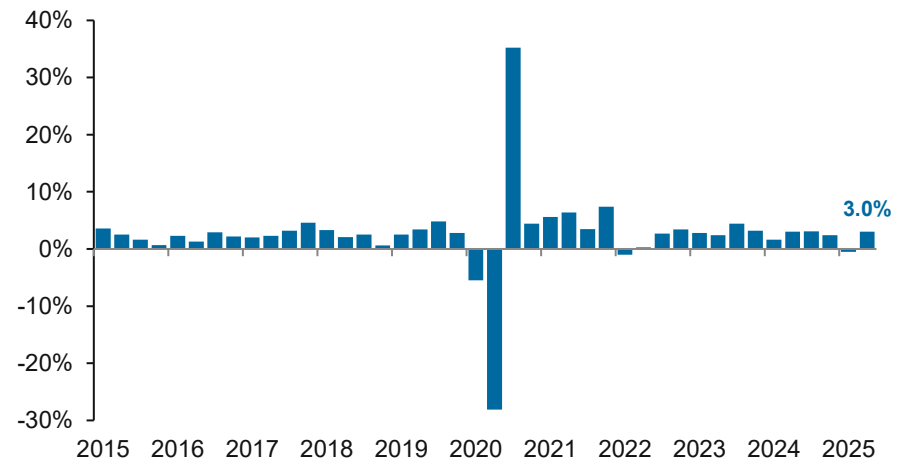


U.S. Treasury Yield Curves



Sources: Bureau of Labor Statistics, Callan, Federal Reserve

Quarterly Real GDP Growth



U.S. Equity Markets Back Up Sharply in 2Q25

Global ex-U.S. markets lead the way for the second quarter in a row, showing diversification

Big gains for U.S. stocks

- S&P 500 rose 11% in 2Q25. U.S. small cap gained 8.5%. Both markets were spooked by tariff policy early in the quarter, then recovered when the implementation was delayed.

Weaker 2Q for core fixed income

- The Bloomberg Aggregate rose 1.2%, down from the surge in 1Q. Long duration lost 0.2%.
- CPI-U came in at 2.7% (year-over-year) through June, and the core index rose 2.9%. Both figures are up from May. Energy continues to push down the total headline number.

Solid economic growth resumed

- The job market keeps expanding and real incomes are rising. 1Q GDP came in at -0.5% but grew 3.0% in 2Q. Consumer spending held up while business spending has paused.

Returns for Periods ended 6/30/25

	Quarter	1 Year	3 Years	5 Years	10 Years	25 Years
U.S. Equity						
Russell 3000	10.99	15.30	19.08	15.96	12.96	8.04
S&P 500	10.94	15.16	19.71	16.64	13.65	7.98
Russell 2000	8.50	7.68	10.00	10.04	7.12	7.35
Global ex-U.S. Equity						
MSCI World ex USA	12.05	18.70	15.73	11.51	6.65	4.63
MSCI Emerging Markets	11.99	15.29	9.70	6.81	4.82	--
MSCI ACWI ex USA Small Cap	16.93	18.34	13.46	10.74	6.54	7.02
Fixed Income						
Bloomberg Aggregate	1.21	6.08	2.55	-0.73	1.76	3.94
90-day T-Bill	1.04	4.68	4.56	2.76	1.98	1.88
Bloomberg Long Gov/Credit	-0.18	3.32	-0.31	-4.93	1.79	5.24
Bloomberg Global Agg ex-US	7.29	11.21	2.74	-1.63	0.61	2.94
Real Estate						
NCREIF Property Index [^]	1.28	2.72	-2.11	3.25	5.42	7.54
FTSE Nareit Equity	-1.16	8.60	5.35	8.63	6.32	9.29
Alternatives						
Cambridge Private Equity [*]	0.77	5.85	1.17	13.28	13.12	11.01
Cambridge Senior Debt [*]	-1.81	4.14	6.07	6.81	7.11	4.36
HFRI Fund Weighted	4.32	8.43	7.78	8.56	5.40	5.46
Bloomberg Commodity	-3.08	5.77	0.13	12.68	1.99	1.73
Gold Spot Price	5.00	41.38	22.32	12.93	10.93	10.20
Inflation: CPI-U	0.86	2.67	2.87	4.58	3.06	2.54

^{*}Cambridge Private Equity and Cambridge Senior Debt data as of 4Q24. [^]NCREIF Property Index data as of 1Q25.

Returns greater than one year are annualized.

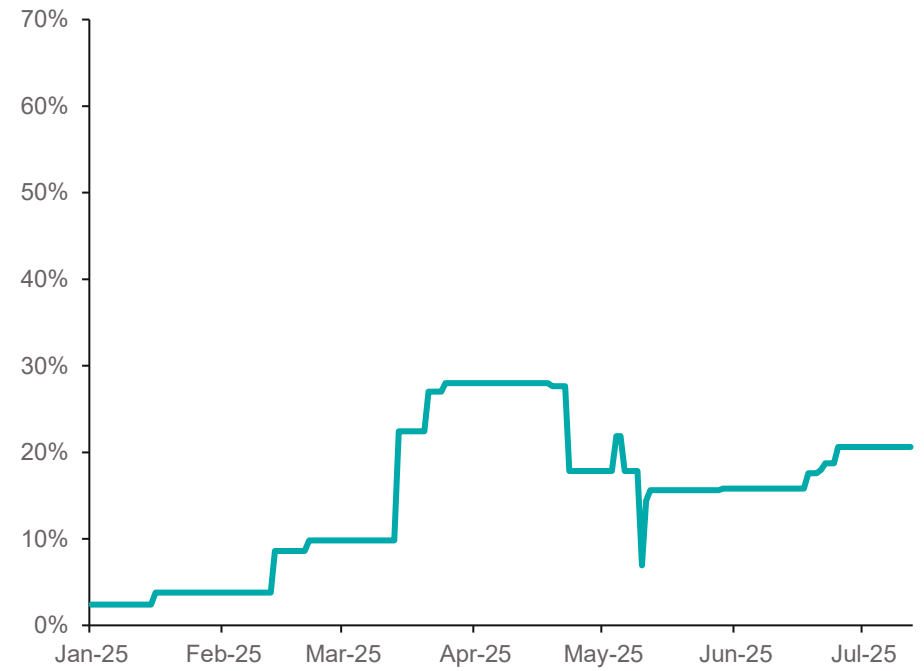
Sources: Bloomberg, Callan, Cambridge, FTSE Russell, HFRI, MSCI, NCREIF, S&P Dow Jones Indices

Tracking the Effective Tariff Rate

Historical Effective Tariff Rate



Estimated Average Effective Tariff Rate

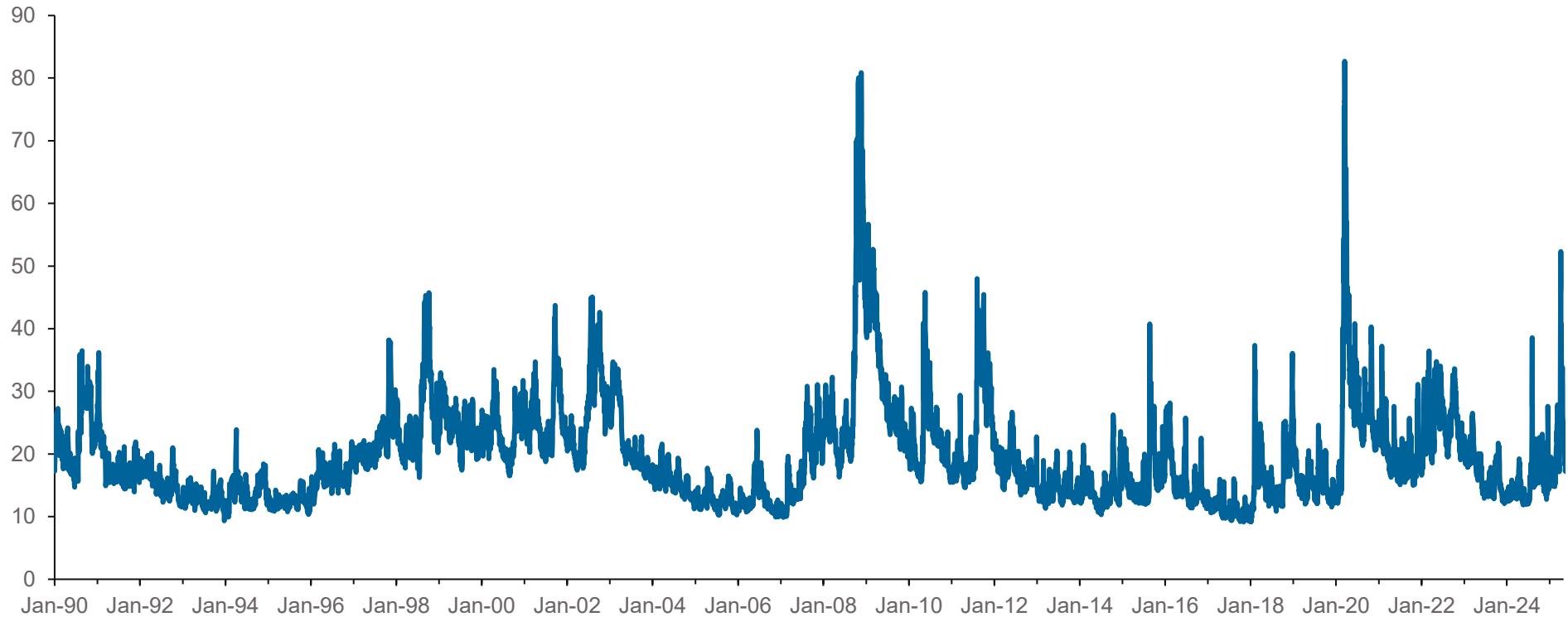


- The charts compare the historical effective tariff rate in the United States through 2024 to the estimated average effective tariff rate in 2025 based on the shifting policies throughout the year.
- The current estimate would put the effective tariff rate at the highest since 1910.

Source: The Budget Lab at Yale

Market Volatility in Context

CBOE Volatility Index (VIX)



VIX measures the market expectation of near-term volatility conveyed by stock index option prices.

Implied market volatility spiked to high but not unprecedented levels in April before receding in May and June.

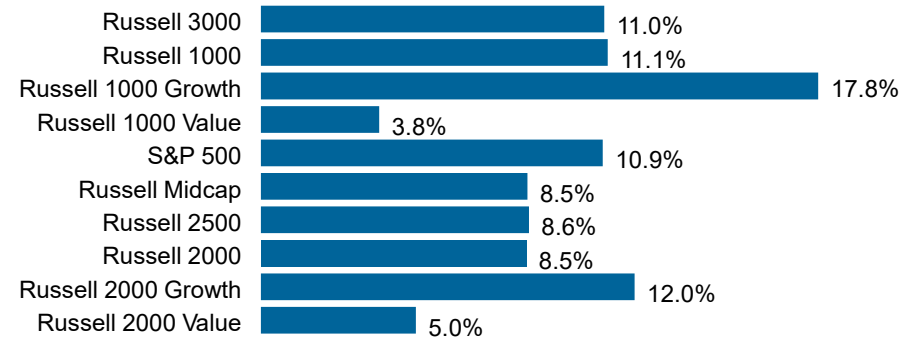
Sources: Chicago Board Options Exchange, CBOE Volatility Index: VIX [VIXCLS], retrieved from FRED, Federal Reserve Bank of St. Louis.

U.S. Equity Performance: 2Q25

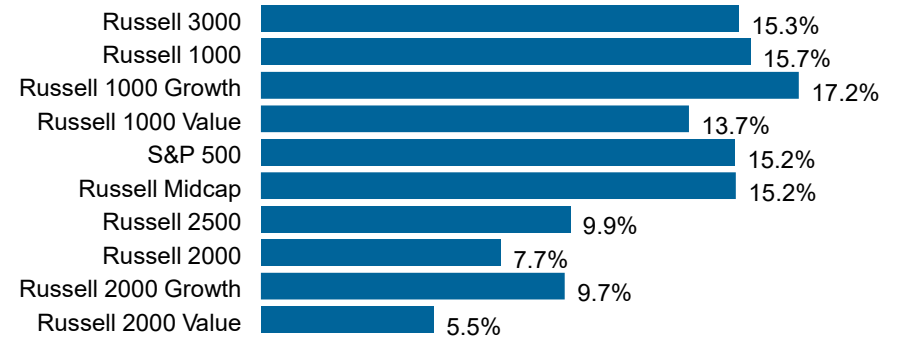
Reversal of fortune leads to gains across large and mid-cap indices YTD

- The U.S. equity market reversed 1Q25 losses in 2Q25 as the S&P 500 Index gained 10.9%, driven by a pause in tariff implementation, continued earnings growth, and stronger than expected economic indicators.
- Technology, Communication Services, Consumer Discretionary, and Industrials all gained over 10% during the quarter; Energy and Health Care performed the worst.
- Market cap performance was monotonic, with large cap stocks performing best followed by mid-cap and then small cap stocks.
- Growth outperformed value across the market cap spectrum, reversing the 1Q25 pattern and returning to the long-term trend of growth outperformance.
- Strong results in 2Q25 offset poor results in 1Q25, leading to gains of 6.2% YTD for the S&P 500.

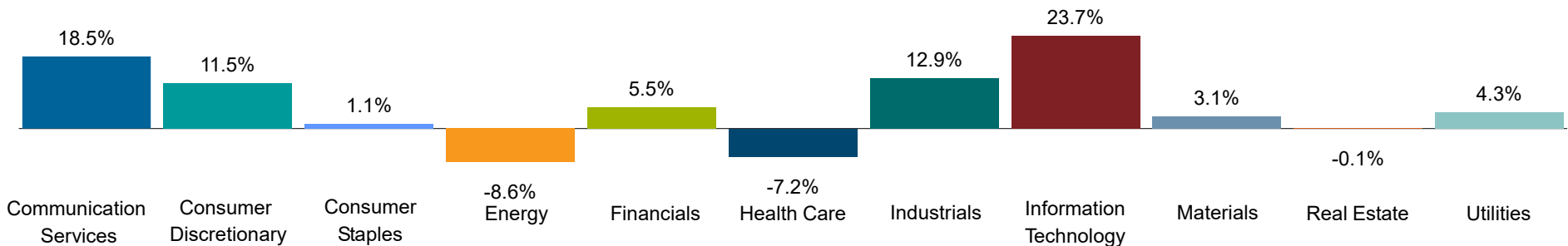
U.S. Equity: Quarter Ended 6/30/25



U.S. Equity: One Year Ended 6/30/25



Industry Sector Quarterly Performance (S&P 500) as of 6/30/25



Sources: FTSE Russell, S&P Dow Jones Indices

Global/Global ex-U.S. Equity Performance: 2Q25

Modest edge for global ex-U.S. markets

Broad market

- Global ex-U.S. equities outperformed the U.S. Both had strong absolute results as tariff concerns subsided, and Technology stocks led the market rally.

Emerging markets

- Emerging markets rose 12%, supported by a weaker U.S. dollar and strong gains in Tech and Industrials; year-to-date returns (MSCI Emerging Markets: +15.3%) are more than double those of the S&P 500 (+6.2%).
- India gained 9%, though investor caution is rising due to high valuations and slowing earnings after a multi-year rally.
- China underperformed, up only 2%, with modest gains offset by weakness in consumer discretionary stocks.

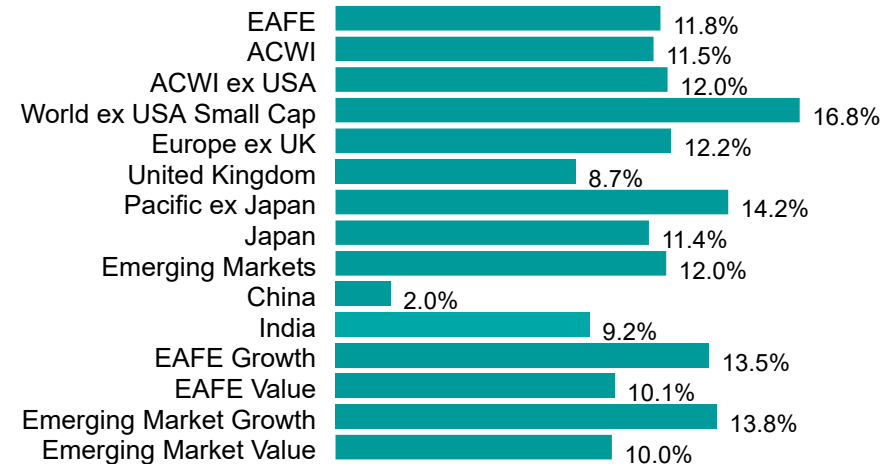
Growth vs. value

- Growth outperformed value as markets favored risk, with high-volatility stocks leading the way. Technology was a standout, while quality lagged and Energy fell due to lower oil prices.

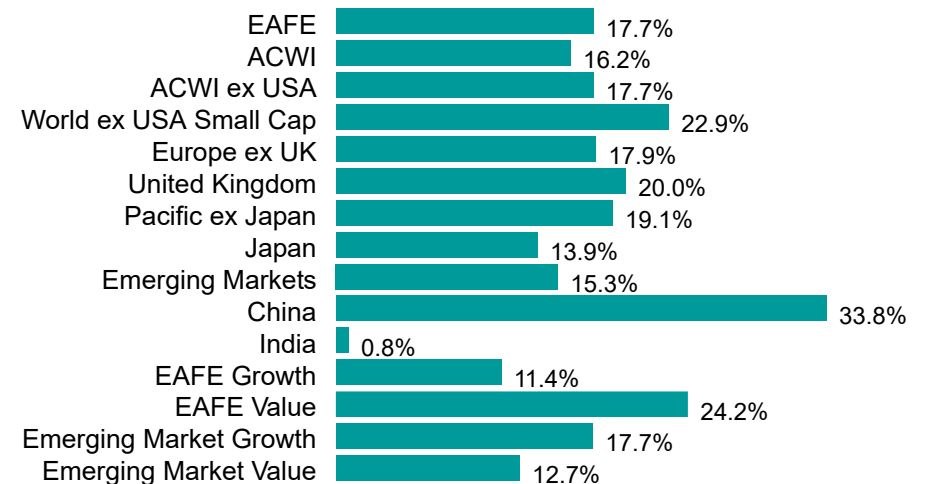
U.S. dollar

- The U.S. dollar posted its worst start to a year since 1973, falling about 10% year to date amid trade tensions, Fed policy-easing expectations, fiscal concerns, and global efforts to reduce dollar reliance.

Global Equity Returns: Quarter Ended 6/30/25



Global Equity Returns: One Year Ended 6/30/25



Source: MSCI

U.S. Fixed Income Performance: 2Q25

With Fed on hold, yield curve steepens as intermediate and long-end rates diverge

Macro environment

- The Fed held rates steady at both meetings during the quarter, citing persistent inflation and economic uncertainty.
- U.S. Treasury yields were mixed, with intermediate rates declining while yields at the long end moved higher.
- The yield curve steepened, with the 2s/10s spread-widening as much as 67 bps—the steepest level since the curve first inverted in 2022—before ending at 52 bps.

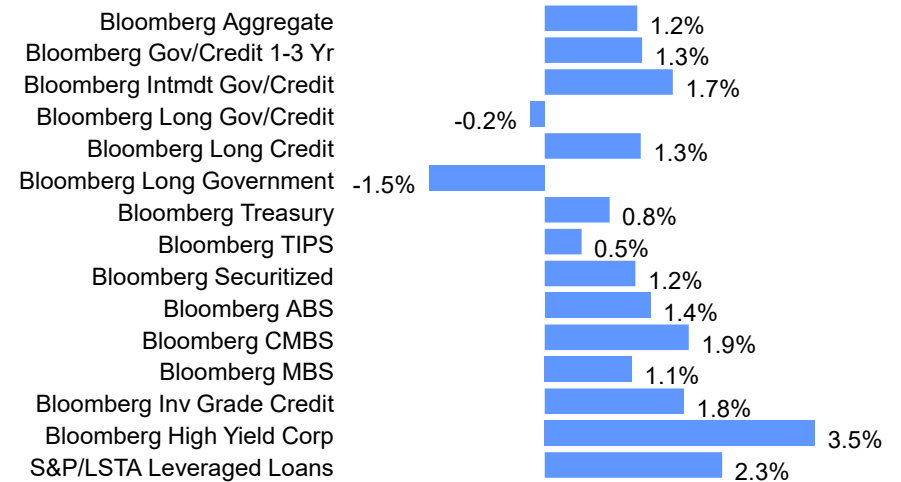
Performance and drivers

- Despite the rise in long-term rates, the Bloomberg US Aggregate Bond Index rose 1.2%, supported by the rate declines between one- and seven-year maturities.
- IG corporates outperformed Treasuries on a duration-adjusted basis amid modestly tighter spreads; securitized also outperformed, though by a smaller margin.
- HY and bank loans delivered the strongest returns as non-investment grade spreads tightened, though dispersion across quality tiers was relatively modest.

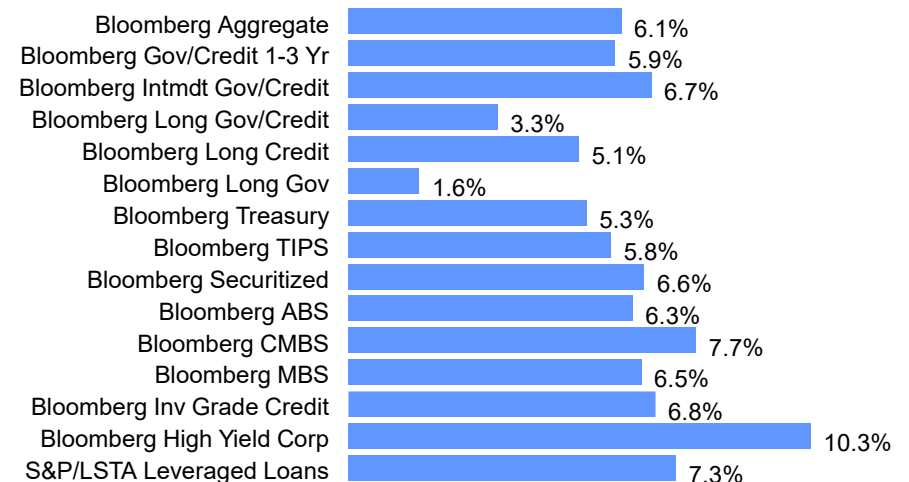
Valuations

- Corporate credit spreads widened sharply following Liberation Day but retraced in the second half, ending below 1Q levels.
- New issuance slowed from 1Q, but volumes remained healthy with \$396 billion in IG and \$73 billion in HY, contributing to strong YTD totals.

U.S. Fixed Income Returns: Quarter Ended 6/30/25



U.S. Fixed Income Returns: One Year Ended 6/30/25



Sources: Bloomberg, Callan, J.P. Morgan, S&P Dow Jones Indices, U.S. Treasury

U.S. Private Real Estate Performance: 2Q25

Sector appreciation turns positive, outside of Office and Hotel

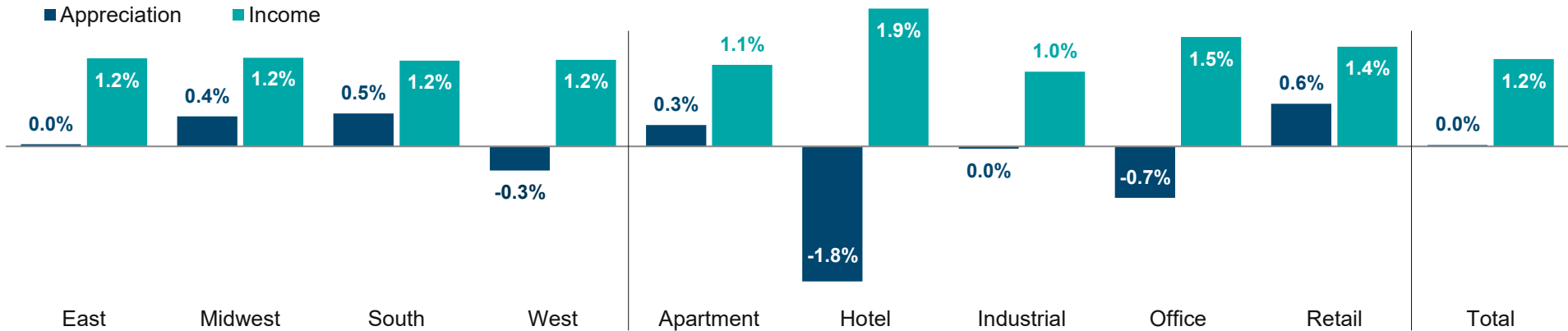
Valuations reflect higher interest rates

- Valuations appear to have bottomed and are in the very early stages of a recovery.
- Income returns were positive across sectors and regions.
- Property sectors were mixed; Office and Hotel experienced negative appreciation, while the remaining sectors had positive appreciation.
- West region underperformance was driven by repricing of industrial in Southern California.
- Return dispersion by manager within the ODCE Index was due to the composition of underlying portfolios.

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
NCREIF ODCE	0.8%	2.7%	-6.2%	2.5%	4.4%
Income	0.8%	3.3%	3.0%	3.0%	3.2%
Appreciation	0.0%	-0.6%	-9.0%	-0.4%	1.4%
NCREIF Property Index	1.2%	4.2%	-2.8%	3.7%	5.2%
Income	1.2%	4.8%	4.5%	4.3%	4.5%
Appreciation	0.0%	-0.6%	-7.0%	-0.6%	0.7%

Returns are geometrically linked

NCREIF Property Index Quarterly Returns by Region and Property Type

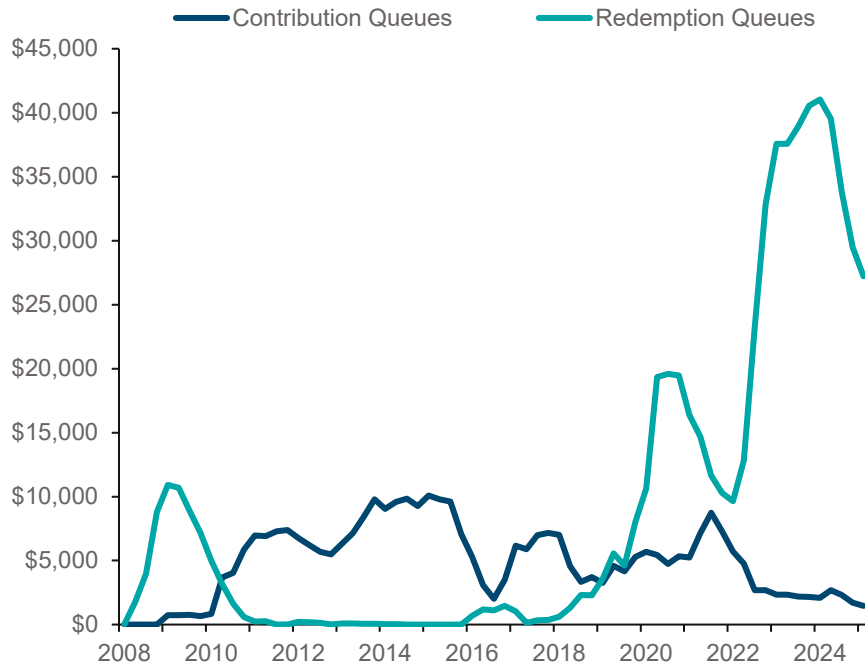


Source: NCREIF; ODCE return is net

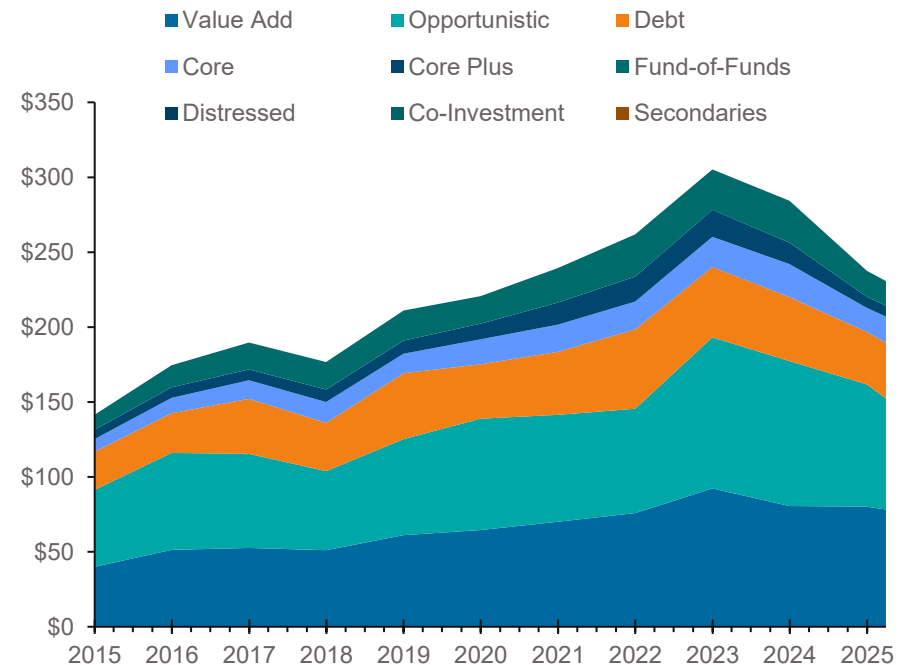
U.S. Private Real Estate Market Trends

Over \$230 billion of dry powder

Core Fund Contribution/Redemption Queues (\$mm)^



Dry Powder for CRE Investment in North America (\$bn)



- ODCE redemption queues are approximately 12.0% of net asset value (NAV) with a median queue of 9.5%. This compares to the Global Financial Crisis, when queues peaked at approximately 15% of NAV.
- Outstanding redemption requests for most large ODCE funds are approximately 0% to 52% of NAV.
- Redemption queues are now sharply decreasing after having peaked at 19.3% of NAV in 1Q24. This has been driven primarily by rescissions of redemption requests within a handful of managers with large queues and increased redemption payments due to increased transactions.

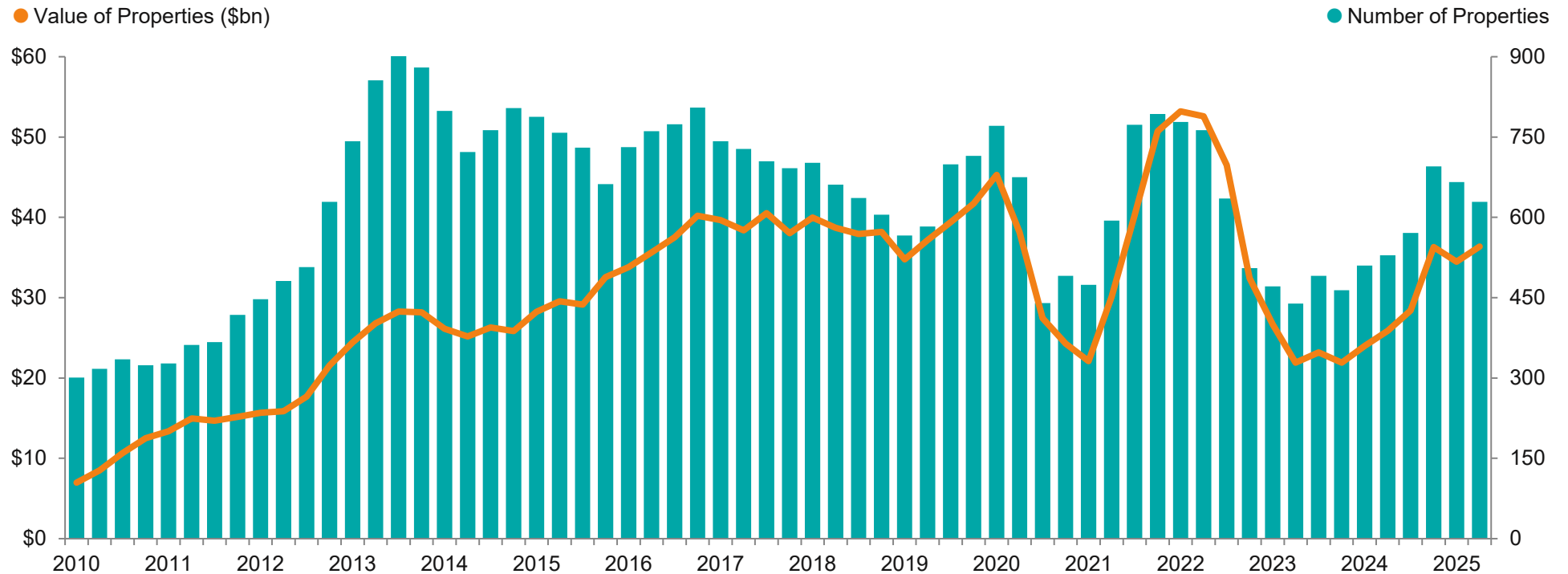
Sources: AEW, NCREIF, Preqin

^Queue data as of 1Q25 the latest available at time of publication

U.S. Private Real Estate Market Trends

Pricing and transaction volumes are increasing after bottoming

NCREIF Property Index Rolling 4-Quarter Transaction Totals

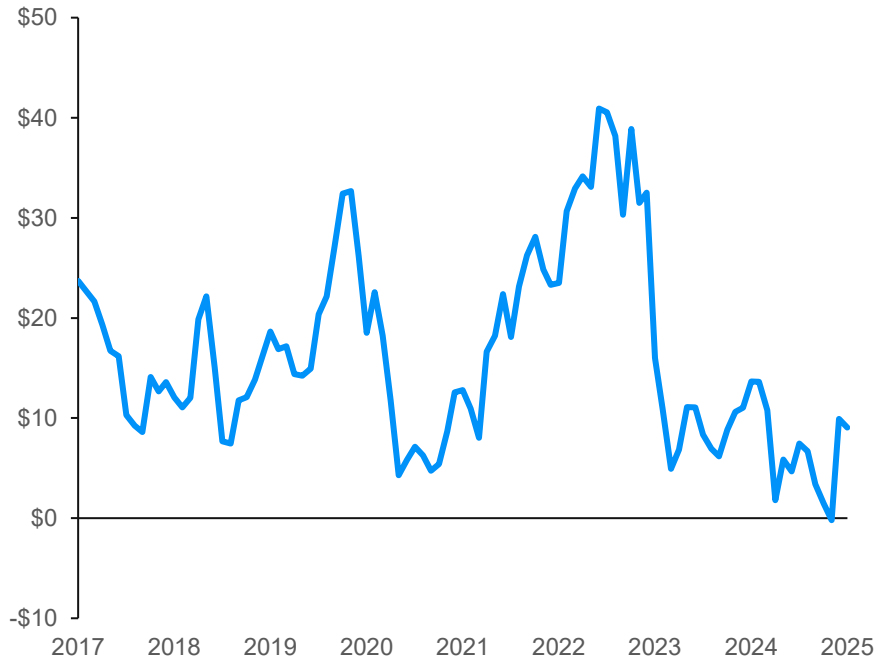


- Transaction volume is increasing on a rolling four-quarter basis yet remains below five-year averages.
- In 2Q25, transaction volume slightly decreased on a quarter-over-quarter basis, driven by the volatility of the tariff announcements. Transaction volume remains lower compared to 2022.
- The volatile rise in interest rates is the driving force behind the slowdown in transactions. Valuations have largely adjusted to increased borrowing costs.

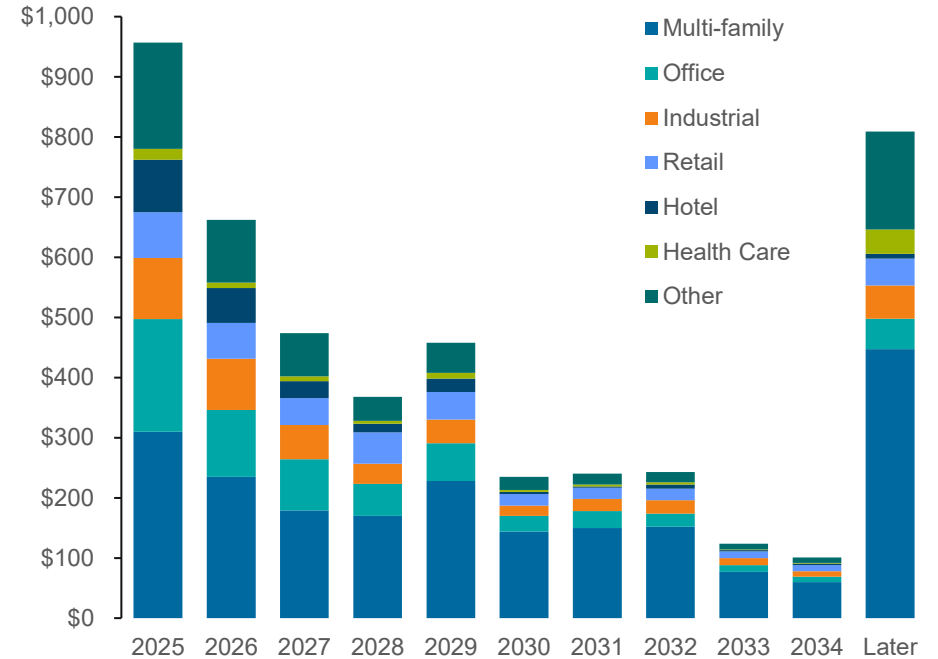
Source: NCREIF

Real Estate Capital Markets

Bank CRE Net issuance (Rolling 3 Months) \$bn



Loan Maturities by Sector (\$bn)



- Bank issuance is increasing, but additional sources of lending are needed, and debt investment opportunities appear increasingly attractive.
- A sizeable pool of loans maturing in 2025 is driven by short-term extensions from prior years, particularly multi-family and office loans, and will put further pressure on lending markets.

Sources: FDIC, JP Morgan Asset Management, MBA, Moody's

Fund Specific Review

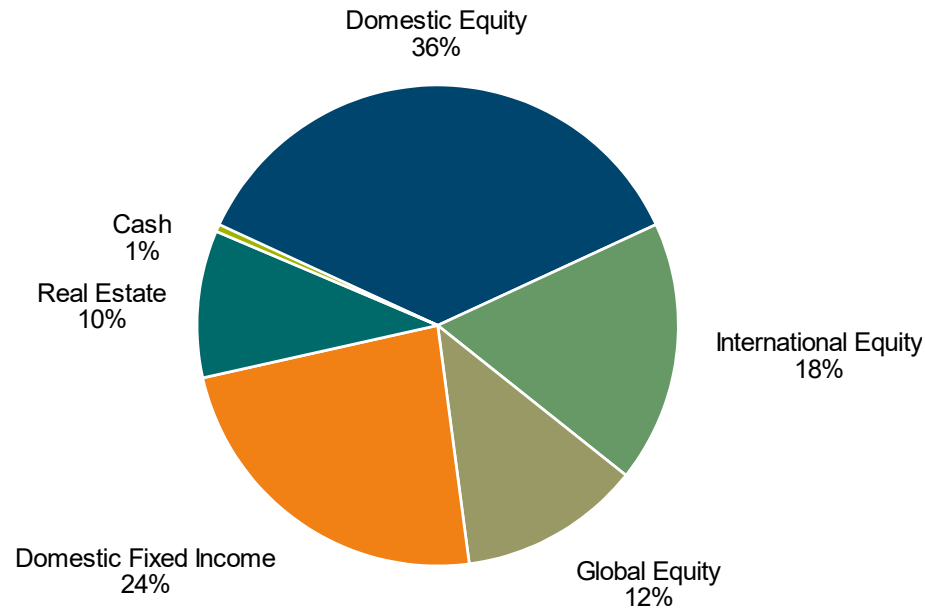
Endowments – Asset Allocation

	June 30, 2025			March 31, 2025		
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
Total Equity	\$2,506,818,072	66.08%	\$(60,006,504)	\$273,284,716	\$2,293,539,860	65.32%
Domestic Equity	\$1,376,535,467	36.29%	\$(5,162)	\$133,120,251	\$1,243,420,379	35.41%
Large Cap Equity	\$976,463,772	25.74%	\$(5,162)	\$99,980,995	\$876,487,939	24.96%
Large Cap Core Composite	\$599,891,814	15.81%	\$0	\$59,005,098	\$540,886,716	15.40%
NTGI S&P 500 SMA	599,891,814	15.81%	0	59,005,098	540,886,716	15.40%
Large Cap Value Composite	\$183,024,501	4.82%	\$(5,162)	\$11,627,398	\$171,402,266	4.88%
Boston Partners	183,024,492	4.82%	0	11,627,388	171,397,104	4.88%
Large Cap Growth Composite	\$193,547,457	5.10%	\$0	\$29,348,499	\$164,198,957	4.68%
William Blair	193,547,457	5.10%	0	29,348,499	164,198,957	4.68%
Mid Cap Equity	\$259,237,926	6.83%	\$0	\$17,764,908	\$241,473,018	6.88%
Sycamore Capital	125,772,195	3.32%	0	2,202,284	123,569,911	3.52%
Times Square	133,465,732	3.52%	0	15,562,624	117,903,107	3.36%
Small Cap Equity	\$140,833,769	3.71%	\$0	\$15,374,347	\$125,459,421	3.57%
Barrow, Hanley	67,562,215	1.78%	0	7,294,996	60,267,219	1.72%
Westfield	73,271,554	1.93%	0	8,079,351	65,192,202	1.86%
International Equity	\$668,263,954	17.62%	\$(50,001,151)	\$100,567,223	\$617,697,882	17.59%
Schroder QEP Intl Value	332,198,096	8.76%	(35,000,000)	42,480,154	324,717,941	9.25%
WCM	336,065,245	8.86%	(15,000,000)	58,085,869	292,979,376	8.34%
Global Equity	\$462,018,651	12.18%	\$(10,000,190)	\$39,597,242	\$432,421,599	12.32%
Dodge & Cox	153,860,589	4.06%	0	11,541,990	142,318,599	4.05%
PineStone	153,771,525	4.05%	0	11,096,792	142,674,733	4.06%
Wellington	154,381,651	4.07%	(10,000,000)	16,957,887	147,423,763	4.20%
Domestic Fixed Income	\$893,963,754	23.56%	\$37,000,000	\$11,943,056	\$845,020,698	24.07%
Dodge & Cox	241,753,905	6.37%	15,000,000	3,417,454	223,336,451	6.36%
DoubleLine	243,229,510	6.41%	7,000,000	3,432,833	232,796,676	6.63%
State Street Global Advisors	408,980,339	10.78%	15,000,000	5,109,589	388,870,750	11.07%
Western	0	0.00%	0	(16,821)	16,821	0.00%
Real Estate	\$373,698,965	9.85%	\$(1,253,976)	\$2,519,105	\$372,433,836	10.61%
CBRE	180,756,032	4.76%	0	(666,261)	181,422,293	5.17%
RREEF America REIT II	183,057,299	4.83%	0	3,014,836	180,042,463	5.13%
UBS Trumbull Property	9,885,633	0.26%	(1,253,976)	170,530	10,969,080	0.31%
Cash	\$19,164,988	0.51%	\$18,810,810	\$92,822	\$261,355	0.01%
Total Plan	\$3,793,645,778	100.0%	\$(5,449,670)	\$287,839,698	\$3,511,255,750	100.0%

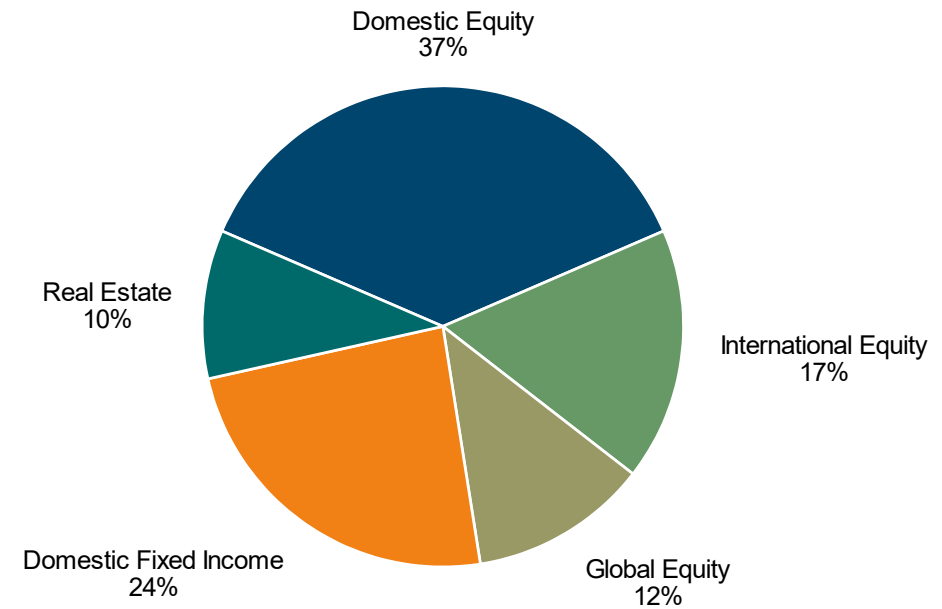
Endowments – Asset Allocation

As of June 30, 2025

Actual Asset Allocation



Target Asset Allocation



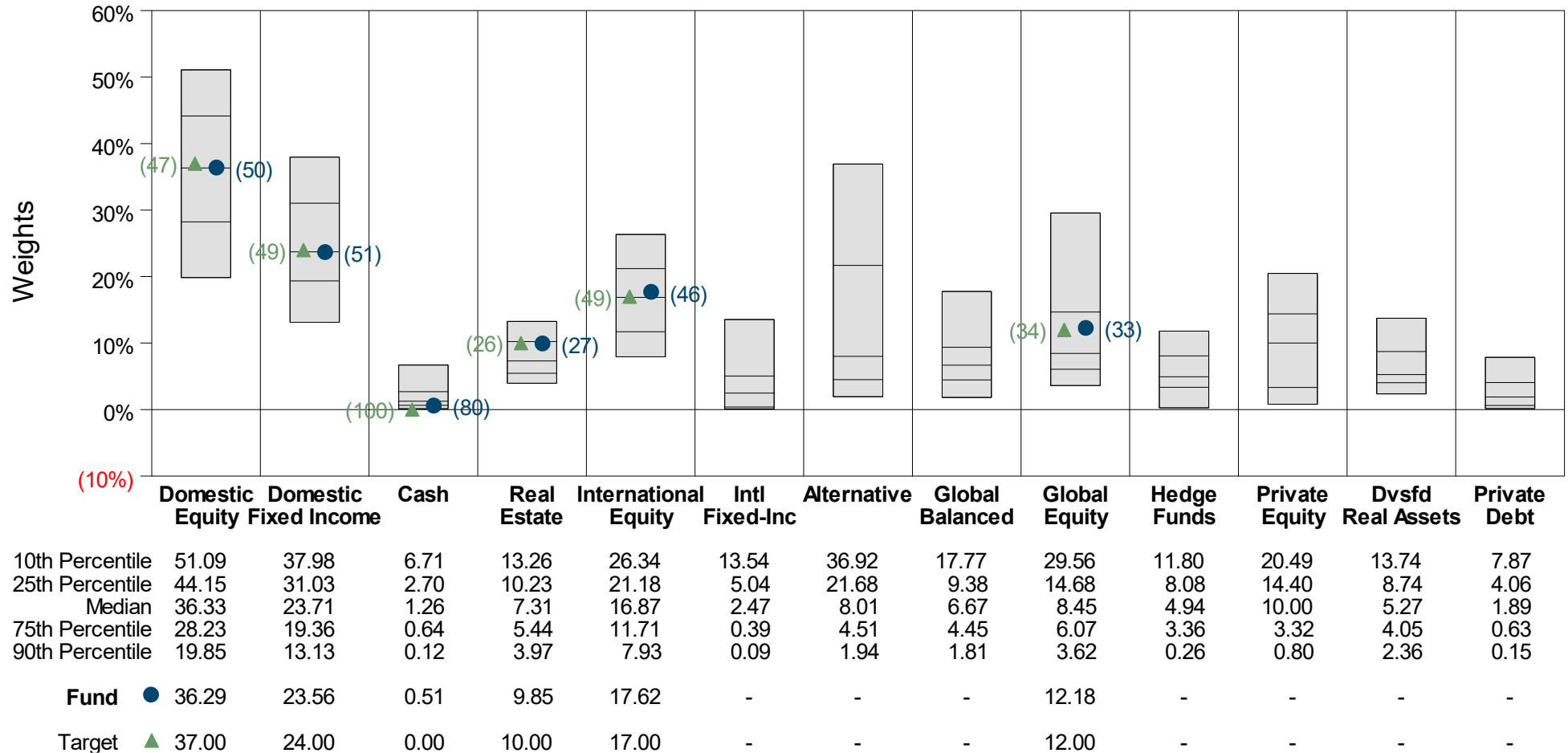
Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Domestic Equity	1,376,535	36.3%	37.0%	(0.7%)	(27,113)
International Equity	668,264	17.6%	17.0%	0.6%	23,344
Global Equity	462,019	12.2%	12.0%	0.2%	6,781
Domestic Fixed Income	893,964	23.6%	24.0%	(0.4%)	(16,511)
Real Estate	373,699	9.9%	10.0%	(0.1%)	(5,666)
Cash	19,165	0.5%	0.0%	0.5%	19,165
Total	3,793,646	100.0%	100.0%		

All asset classes are within their rebalancing ranges.

Endowments – Asset Allocation

As of June 30, 2025

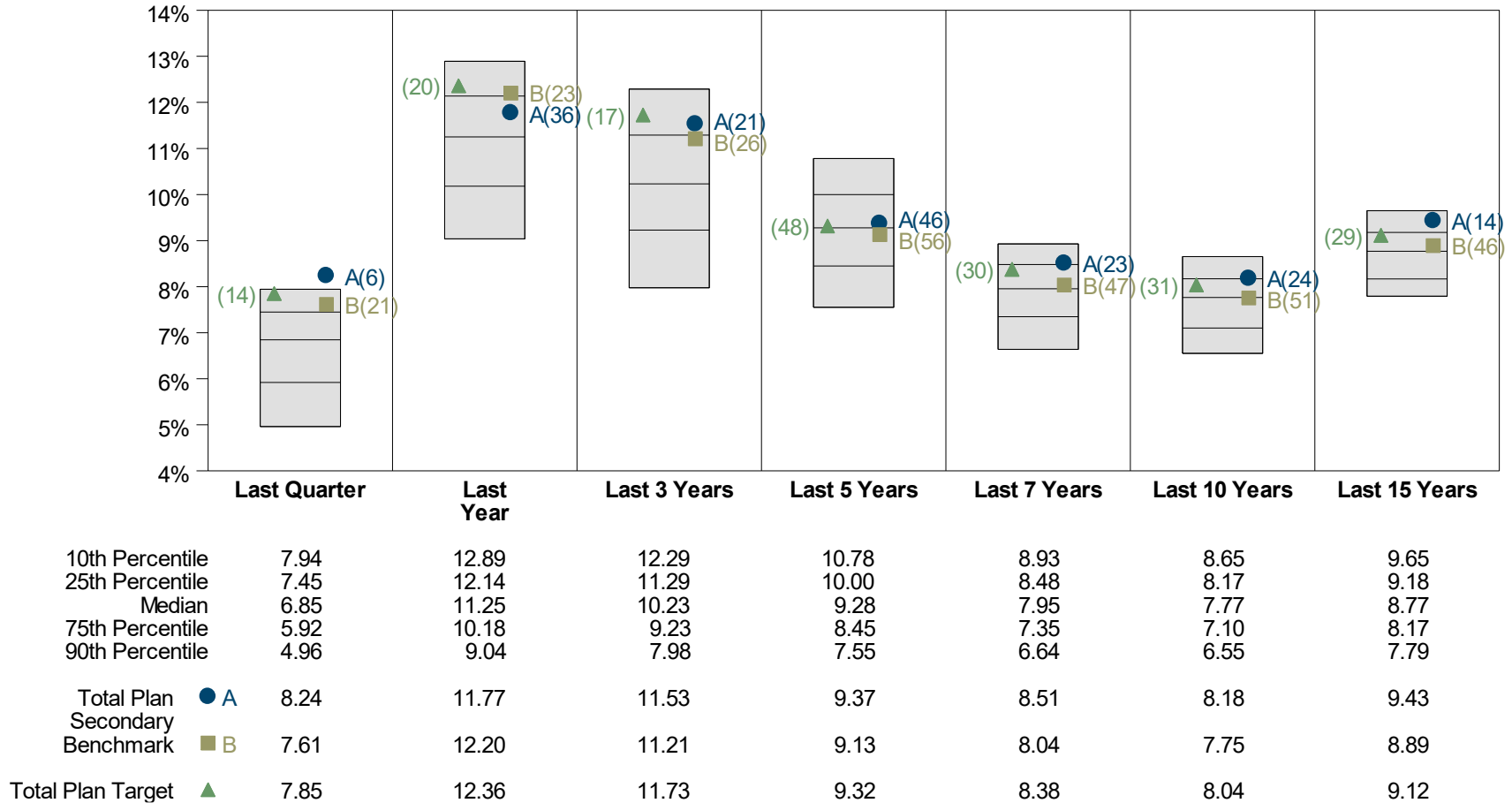
Asset Class Weights vs Callan Public Fund Sponsor Database



Endowments – Total Fund Performance

As of June 30, 2025

Performance vs Callan Public Fund Sponsor Database (Gross)



- For the quarter, the Endowment outperformed the target by 0.39%, ranking 6th percentile against Public Funds and 10nd percentile against Endowment/Foundation Database.
- For the trailing year, the Fund returned 11.8% (36th percentile), 59 bps behind the target benchmark.

Endowments – U.S. Equity Manager Performance

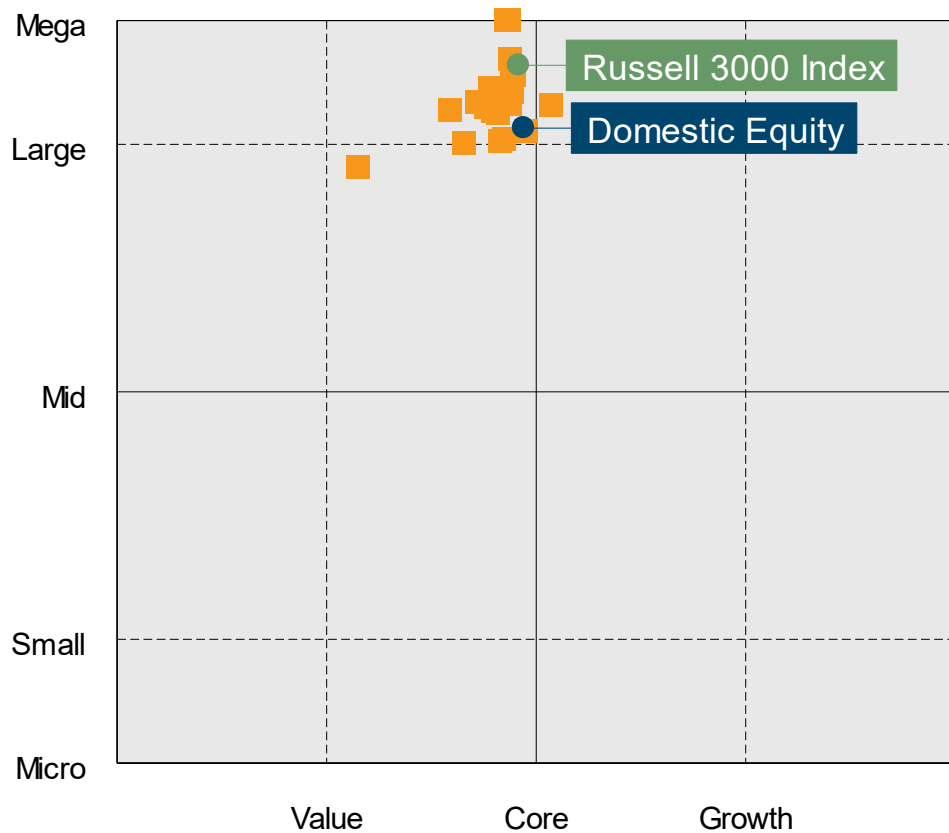
As of June 30, 2025

		Last Quarter	Last Year	Last 3 Years	Last 4 Years	Last 5 Years	
-0.3%	Domestic Equity	10.71%	11.81%	17.31%	7.56%	14.77%	
	Domestic Equity Target (1)	10.33%	14.85%	17.63%	8.40%	15.11%	
	Russell 3000	10.99%	15.30%	19.08%	9.82%	15.96%	
+0.3%	Large Cap	11.41%	13.91%	19.34%	8.71%	15.51%	
	Russell 1000	11.11%	15.66%	19.59%	10.43%	16.30%	
	Large Cap Core	10.91%	15.13%	19.67%	11.21%	16.56%	
	NTGI S&P 500 SMA	10.91%	15.13%	19.67%	11.21%	16.56%	
	S&P 500	10.94%	15.16%	19.71%	11.28%	16.64%	
	Large Cap Value	6.78%	12.77%	15.12%	9.45%	16.82%	} Growth>Value
	Boston Partners	6.78%	12.77%	15.25%	10.25%	17.27%	
Russell 1000 Value	3.79%	13.70%	12.76%	7.51%	13.93%		
Large Cap Growth	17.87%	11.24%	24.73%	(0.61%)	7.63%	} Lg>Md>Sm	
William Blair	17.87%	11.24%	-	-	-		
Russell 1000 Growth	17.84%	17.22%	25.76%	12.74%	18.15%		
-1.2%	Mid Cap	7.36%	9.76%	13.77%	6.70%	14.18%	
	Russell MidCap Index	8.53%	15.21%	14.33%	5.44%	13.11%	
	Sycamore Capital	1.78%	5.16%	10.35%	6.69%	15.18%	
	Russell MidCap Value Idx	5.35%	11.53%	11.34%	5.57%	13.71%	
	Times Square	13.20%	14.48%	17.19%	6.60%	12.88%	
Russell MidCap Growth Idx	18.20%	26.49%	21.46%	5.99%	12.65%		
+3.8%	Small Cap	12.25%	2.41%	10.66%	1.40%	10.44%	
	Russell 2000	8.50%	7.68%	10.00%	(0.11%)	10.04%	
	Barrow, Hanley	12.10%	(0.60%)	10.76%	4.22%	14.68%	
	Russell 2000 Value	4.97%	5.54%	7.45%	0.95%	12.47%	
	Westfield	12.39%	-	-	-	-	
Russell 2000 Growth	11.97%	9.73%	12.38%	(1.41%)	7.42%		

U.S. Equity Style Map

(\$1.4 Billion; 36.3% of the Portfolio)

Style Map vs Pub Pln- Dom Equity Holdings as of June 30, 2025



- The U.S. Equity composite exhibits a smaller capitalization bias, primarily resulting from an overweight to mid cap.
- Index performance for quarter: Large>Mid>Small.
- Large cap continues to dominate performance over the long term.

Returns for Periods Ended June 30, 2025

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Russell:1000 Index	11.1	15.7	19.6	16.3	13.4
Russell:Midcap Index	8.5	15.2	14.3	13.1	9.9
Russell:2000 Index	8.5	7.7	10.0	10.0	7.1

Endowments – International Equity, Fixed Income & RE Performance

As of June 30, 2025

	Last Quarter	Last Year	Last 3 Years	Last 4 Years	Last 5 Years
International Equity	17.03%	24.51%	17.91%	7.05%	13.12%
International Equity Target (2)	12.03%	17.72%	13.99%	4.52%	10.13%
MSCI ACWI x US (Net)	12.03%	17.72%	13.99%	4.52%	10.13%
WCM	20.16%	23.18%	19.15%	5.43%	12.14%
MSCI ACWI ex US Growth	13.84%	14.52%	12.78%	1.64%	7.43%
Schroder	13.92%	25.47%	16.28%	8.26%	13.92%
MSCI ACWI ex US Value	10.77%	22.38%	16.48%	8.55%	13.94%
Global Equity	9.27%	12.82%	16.60%	7.03%	13.09%
Dodge & Cox	8.27%	15.22%	-	-	-
PineStone	7.78%	7.79%	14.31%	6.83%	13.01%
Wellington	11.72%	15.64%	19.96%	7.87%	13.69%
MSCI ACWI - Net	11.53%	16.17%	17.35%	8.02%	13.65%
Domestic Fixed Income	1.32%	6.41%	2.95%	(0.48%)	0.09%
Fixed Income Target (3)	1.21%	6.08%	2.55%	(0.56%)	(0.31%)
State Street Global Advisors	1.21%	6.07%	2.52%	(0.38%)	(0.02%)
SSGA Benchmark (4)	1.21%	6.08%	2.55%	(0.35%)	0.02%
Dodge & Cox	1.44%	-	-	-	-
DoubleLine	1.39%	6.86%	4.03%	0.30%	0.88%
Bimbg Aggregate	1.21%	6.08%	2.55%	(0.82%)	(0.73%)
Real Estate (5)	0.68%	2.12%	(4.52%)	1.88%	1.86%
Real Estate Target (6)	1.06%	2.03%	(3.91%)	1.85%	1.68%
CBRE	(0.37%)	2.34%	(5.03%)	-	-
RREEF America REIT II	1.67%	1.58%	(4.63%)	2.27%	2.24%
NCREIF ODCE Value Wt Lag	1.06%	2.03%	(3.59%)	3.59%	3.33%
UBS Trumbull Property Income	1.59%	3.51%	(0.46%)	5.80%	4.92%
Hybrid Debt Index Lag	1.33%	3.66%	(0.71%)	2.86%	2.23%
Cash	1.07%	4.76%	4.83%	3.64%	2.93%
3-month Treasury Bill	1.04%	4.68%	4.56%	3.44%	2.76%
Total Plan ex Equitization	8.24%	11.78%	11.60%	4.86%	9.43%
Total Plan	8.24%	11.77%	11.53%	4.81%	9.37%
Total Plan Target	7.85%	12.36%	11.73%	5.51%	9.32%
Secondary Benchmark	7.61%	12.20%	11.21%	5.05%	9.13%
CPI All Urban Consumers	0.86%	2.67%	2.87%	4.38%	4.58%

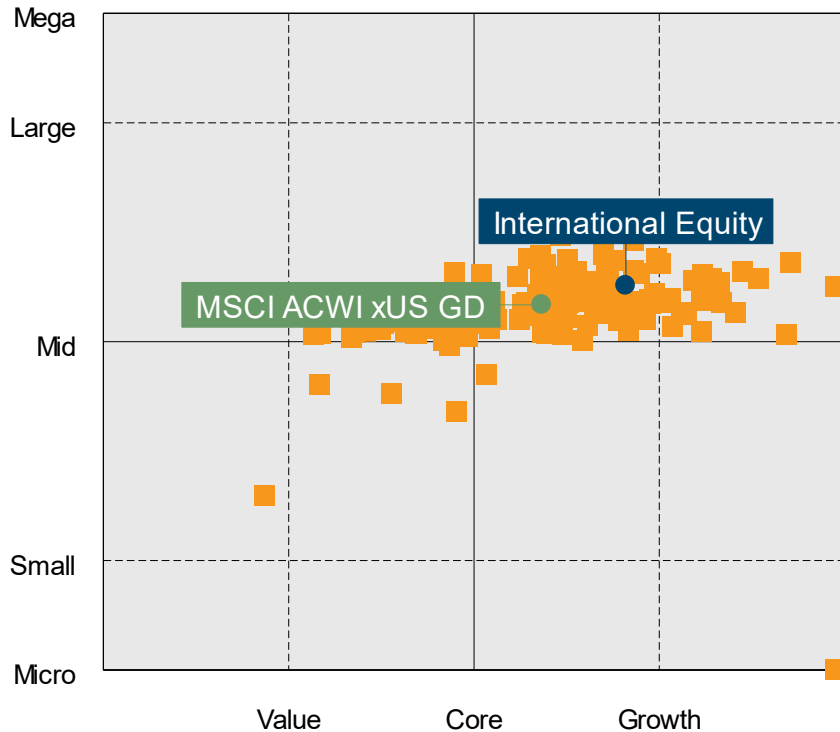
- The international equity composite was up 17.0% for the quarter
- WCM (growth) substantially outperformed Schroder (value)
- Global equity added 9.3%, trailing the benchmark (11.5%)
 - Wellington led for the quarter
- Fixed income posted a return of 1.3%, modestly ahead of the index
- For the year, Real Estate led the benchmark with a return of 2.1%
- The portfolio returned 8.2% for the quarter, well ahead of the target benchmark (7.9%) led by outperformance in international equity

See benchmark footnotes in the appendix

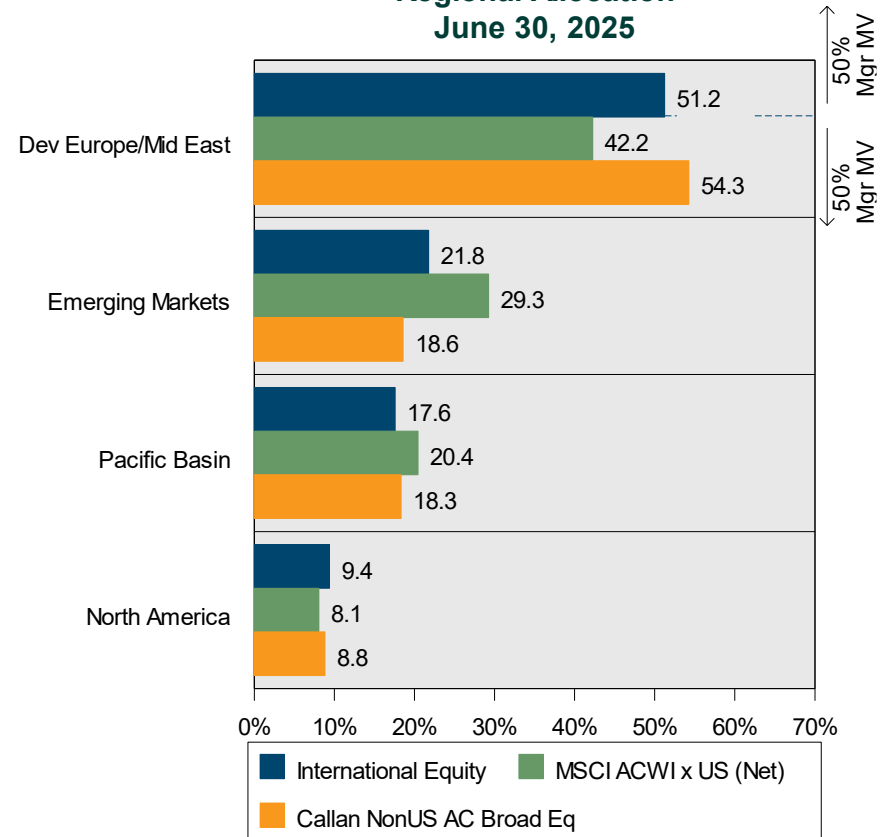
International Equity Style Map and Geographic Exposure

(\$668.3 Million; 17.6% of the Portfolio)

Style Map vs Callan NonUS Eq Holdings as of June 30, 2025



Regional Allocation June 30, 2025

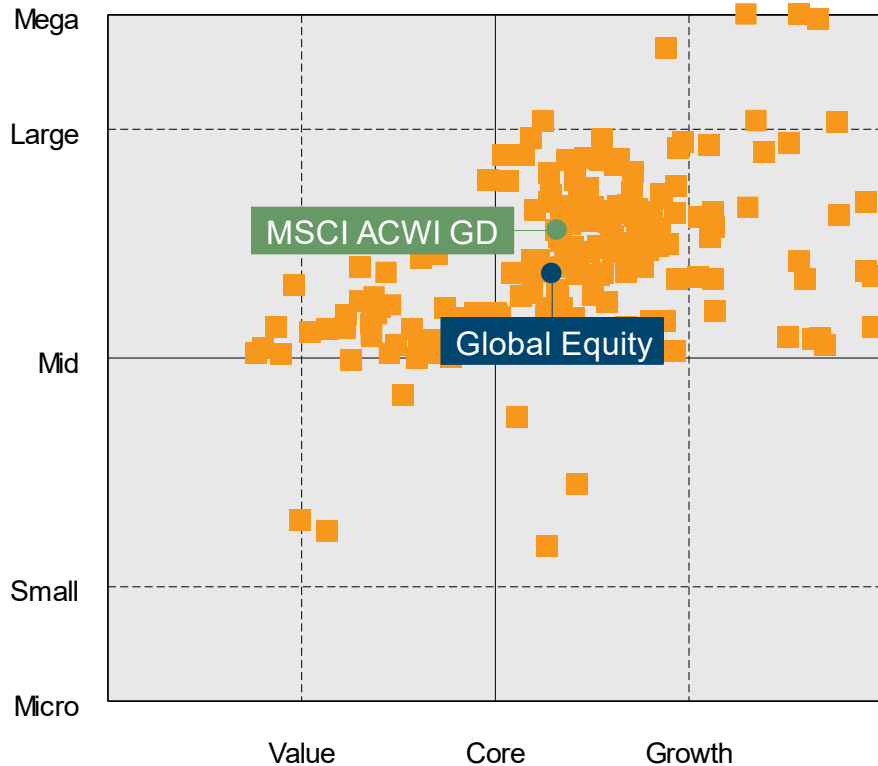


- The International Equity Composite exhibits a growth bias relative to the index due to WCM. Most of the peer group also exhibits a growth bias.
- The largest regional exposure is Developed Europe and Middle East.
- The composite is underweight Emerging Markets relative to the MSCI ACWI ex-US Index but modestly overweight relative to peers.

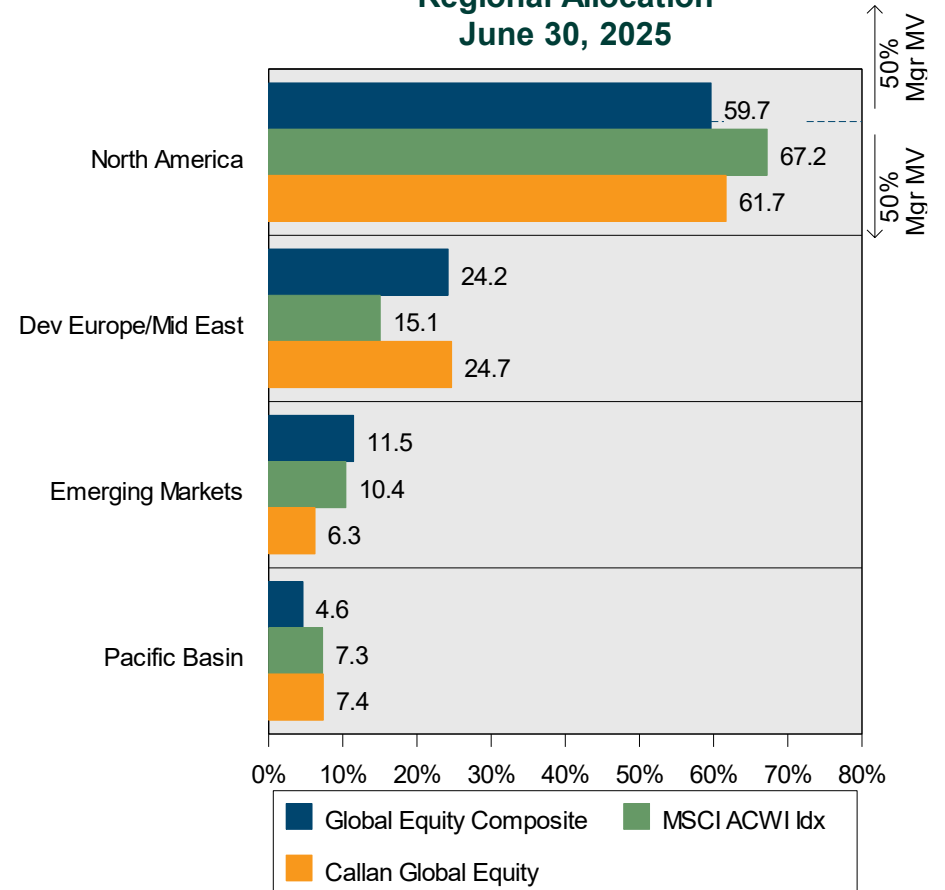
Global Equity Style Map and Geographic Exposure

(\$462.0 Million; 12.2% of the Portfolio)

Style Map vs Callan Global Equity Holdings as of June 30, 2025



Regional Allocation June 30, 2025

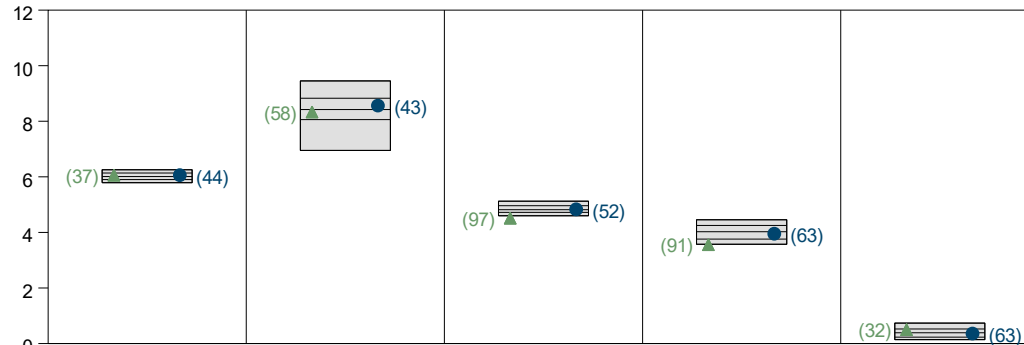


- The Global Equity Composite is roughly in-line with the ACWI index from a style and capitalization perspective but leans slightly down cap.
- The largest regional exposure is North America where the portfolio is underweight relative to the index.
- The composite's largest overweight position is to Developed Europe.

Fixed Income

(\$894.0 Million; 23.6% of the Portfolio)

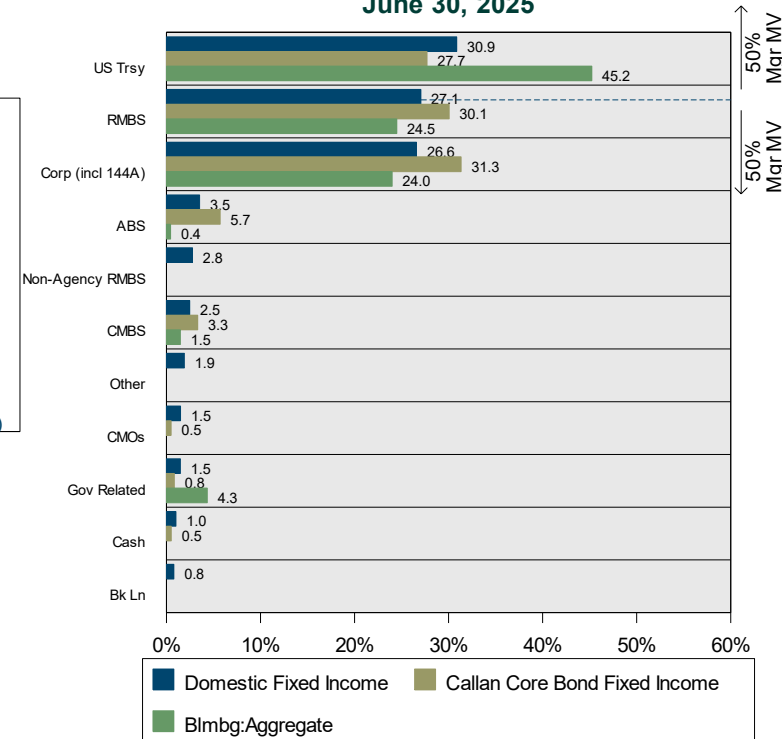
Fixed Income Portfolio Characteristics
Rankings Against Callan Core Bond Fixed Income
as of June 30, 2025



	Duration	Average Life	Effective Yield	Coupon Rate	OA Convexity
10th Percentile	6.26	9.45	5.12	4.46	0.73
25th Percentile	6.14	8.83	4.96	4.25	0.52
Median	6.01	8.43	4.82	4.03	0.39
75th Percentile	5.90	8.06	4.72	3.76	0.23
90th Percentile	5.79	6.95	4.60	3.58	0.14

Domestic Fixed Income ● 6.04 8.55 4.81 3.93 0.34
Blmbg:Aggregate ▲ 6.06 8.33 4.51 3.56 0.50

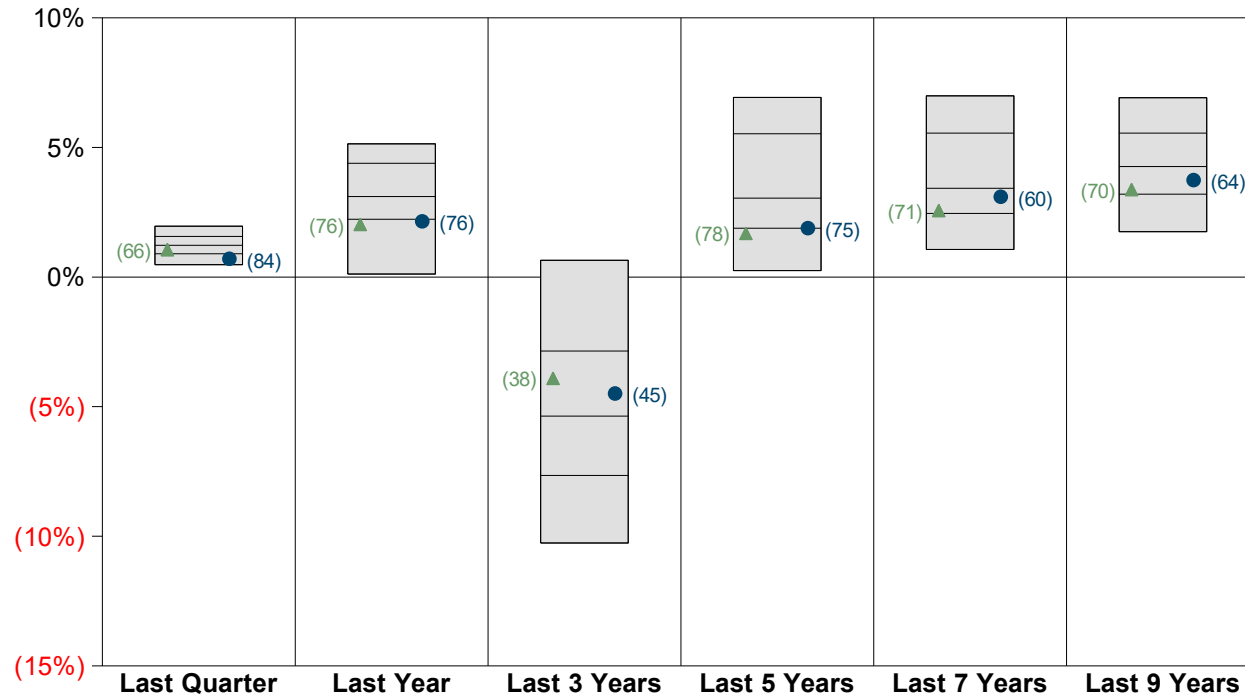
Sector Allocation
June 30, 2025



- The Fixed Income composite duration is roughly in line with the Aggregate Index, while the effective yield is higher.
- DoubleLine was underweight the Aggregate index duration, while Dodge & Cox was overweight.
- The Fixed Income composite is underweight US Treasuries and overweight Credit and non-agency RMBS relative to the Bloomberg Aggregate Index.

Real Estate Performance and Ranking (Performance Lagged 1 Quarter)

Performance vs Callan Open End Core Cmmingled Real Est

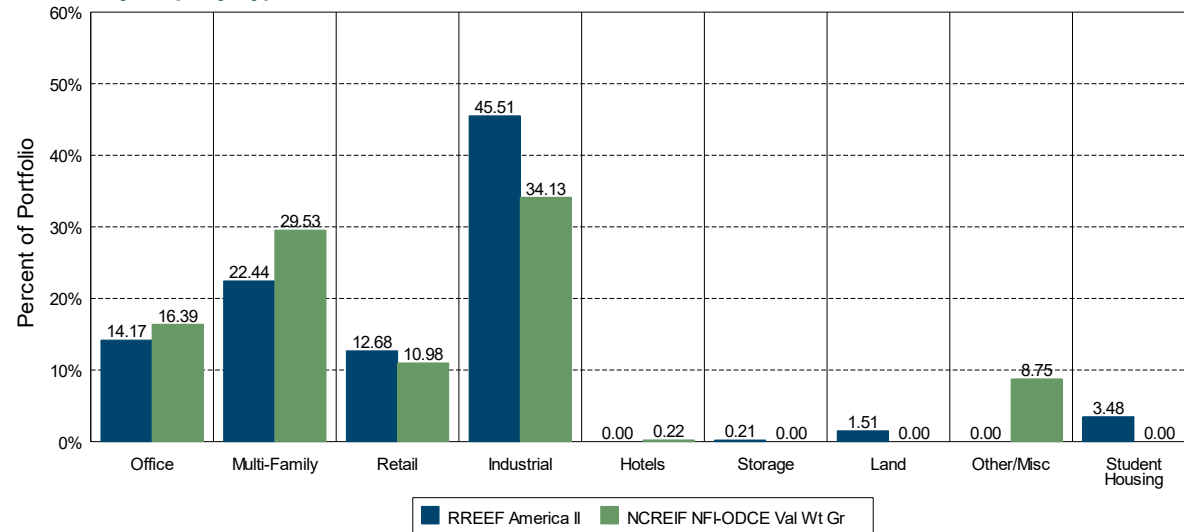


- There are three funds in the Real Estate Portfolio: UBS Trumbull Property Income (in liquidation), RREEF America II, and CBRE.
- CBRE was added March 31, 2022.

Real Estate Funds Property Type Exposure

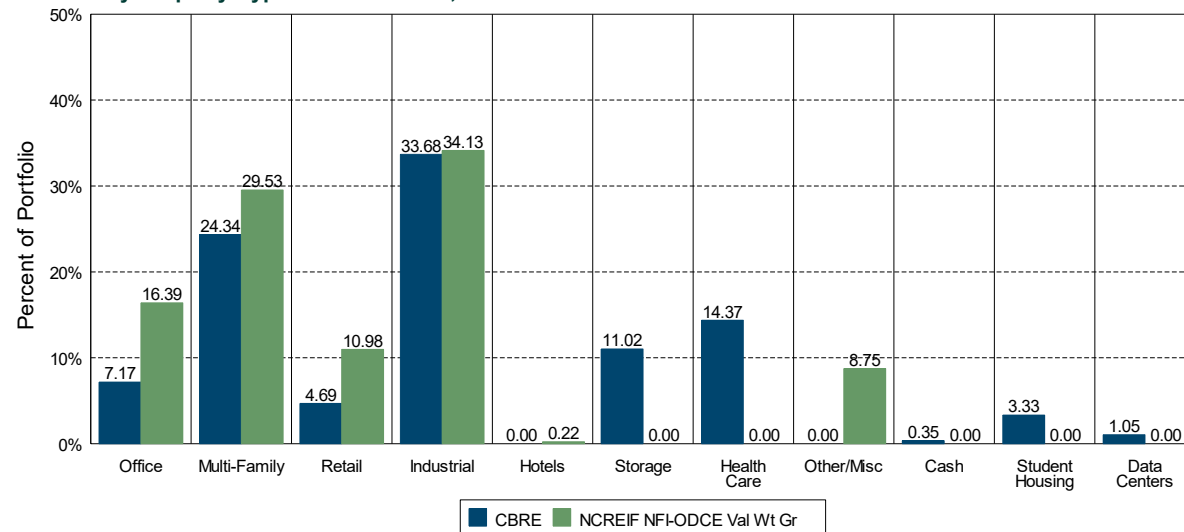
RREEF America II

Diversification by Property Type as of March 31, 2025



CBRE

Diversification by Property Type as of March 31, 2025



Real Assets Monitoring

Returns Period Ending March 31, 2025

	1 Quarter	1 Year	3 Years	5 Years	7 Years	10 Years
Russell:3000 Index	(4.7)	7.2	8.2	18.2	12.5	11.8
MSCI ACWI ex USA	5.2	6.1	4.5	10.9	4.5	5.0
Blmbg:Aggregate	2.8	4.9	0.5	(0.4)	1.6	1.5
IFM Global Infrastructure	3.0	10.2	8.1	10.0	10.1	--
JPMAM:Infrastructure Invmt Fd	4.1	9.2	8.4	8.4	6.6	7.0
First Sentier:Glb Diversfied Infra Fd	2.0	6.6	6.2	9.5	6.5	7.0
NCREIF:NFI-ODCE Val Wt Nt	0.9	1.2	(5.1)	2.0	2.9	4.7
NCREIF:Timberland Index	0.8	5.6	8.9	7.9	6.2	5.3

Standard Deviation for Period Ending March 31, 2025

	4 Years	5 Years	7 Years
Russell:3000 Index	15.4	17.1	19.2
MSCI ACWI ex USA	15.3	16.7	18.5
Blmbg:Aggregate	7.3	6.8	6.1
IFM Global Infrastructure	3.7	3.4	4.3
JPMAM:Infrastructure Invmt Fd	5.2	5.1	5.0
First Sentier:Glb Diversfied Infra Fd	7.2	7.5	8.0
NCREIF:NFI-ODCE Val Wt Nt	8.4	7.6	6.4
NCREIF:Timberland Index	2.5	2.7	2.7

Published Research Highlights: 2Q25

Office-to-Residential Conversions Update



2025 Cost of Doing Business Study



Nuclear Power's Rebound and Institutional Investors



2025 DC Trends Survey



Recent Blog Posts

Wait on Changing Market Cap Weights

Adam Lozinski

Navigating Volatility: An Expert Guide for Nonprofits

Tony Lissuzzo

Historic Market Volatility and Our 10-Year CMAs

Jay Kloepper

Additional Reading

Active vs. Passive quarterly charts
Capital Markets Review quarterly newsletter
Monthly Updates to the Periodic Table
Market Pulse Flipbook quarterly markets update
Market Intelligence (clients-only)
Real Estate Indicators market outlook

Key Findings of the 2025 Callan Cost of Doing Business Study

Callan's *2025 Cost of Doing Business Study* reflects 2024 investment management fees for **180 asset pools** with more than **\$772 billion in assets**, including public defined benefit (DB) plans, corporate DB plans, nonprofits, and insurance pools. These pools generate **\$4.2 billion in fees** per year. In addition to 2024 results, it reveals trends and changes since 2010.

40 bps
Average total investment fees paid by all institutional investors



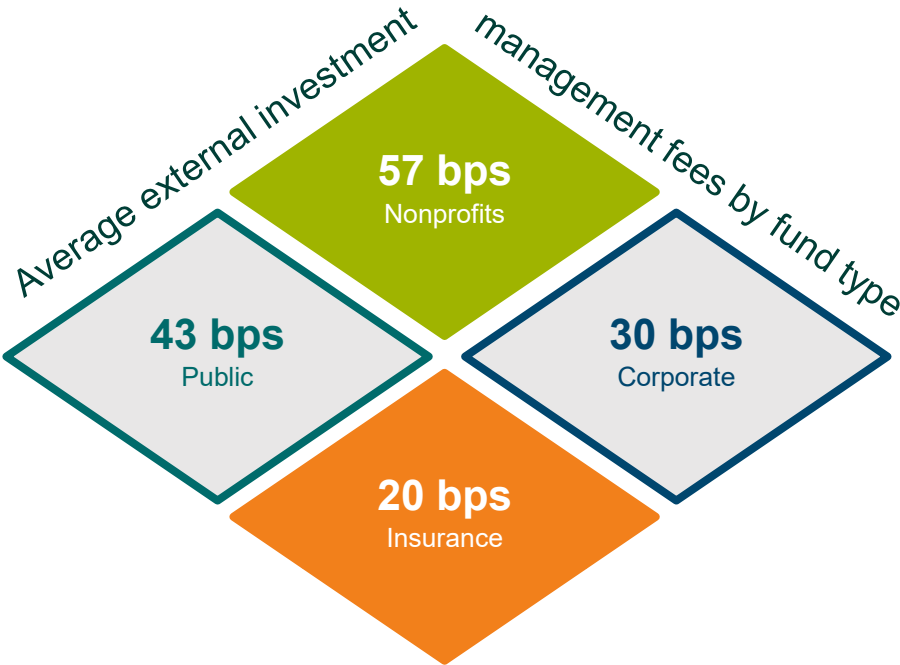
Custody Fees by Fund Size

	Core Fee	Flat Fee Arrangement
< \$500 million	3.7 bps	7%
\$500 million to < \$2 billion	1.2 bps	12%
\$2 to < \$10 billion	0.9 bps	13%
> \$10 billion	0.6 bps	19%

On average larger funds have **24%–37%** higher fees than smaller funds




Corporate TR funds have **50%** higher fees than corporate LDI funds



Average Passive Weight

Corporate	32%
Public	31%
Nonprofit	22%
Insurance	23%

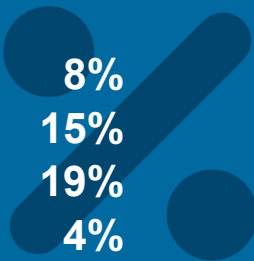


Change to average investment management fees since 2020

Corporate	-17%
Public	-4%
Nonprofit	+16%

Average Alternatives Weight

Corporate	8%
Public	15%
Nonprofit	19%
Insurance	4%



Callan Institute Events

Upcoming conferences, workshops, and virtual events

2025 October Workshop

Assessing the Role of Alternatives in Modern Plan Design

As defined contribution (DC) plans evolve beyond traditional core menus, there is increased interest in exploring alternative investments to enhance outcomes—particularly within target date funds (TDFs) and custom solutions. In this workshop, we will explain why alternatives are being considered, discuss which are most feasible and how to implement, and provide opportunities and challenges with these investments.

Workshop Dates

- ▶ October 28, 2025 – Chicago
- ▶ October 30, 2025 – San Francisco

Workshop Agenda

- ▶ 8:00 - 9:00 AM | Continental Breakfast
- ▶ 9:00 - 10:15 AM | Workshop and Q&A
- ▶ 10:15 - 11:00 AM | Roundtable Discussions

Mark Your Calendar

2026 National Conference

April 20-22, 2026 – Scottsdale, Arizona

Watch your email for further details and an invitation.

Upcoming Virtual Events

August 21, 2025

Research Café: Modeling Returns and Managing Market Cap Weights

Introducing Callan On-Demand Education (CODE)

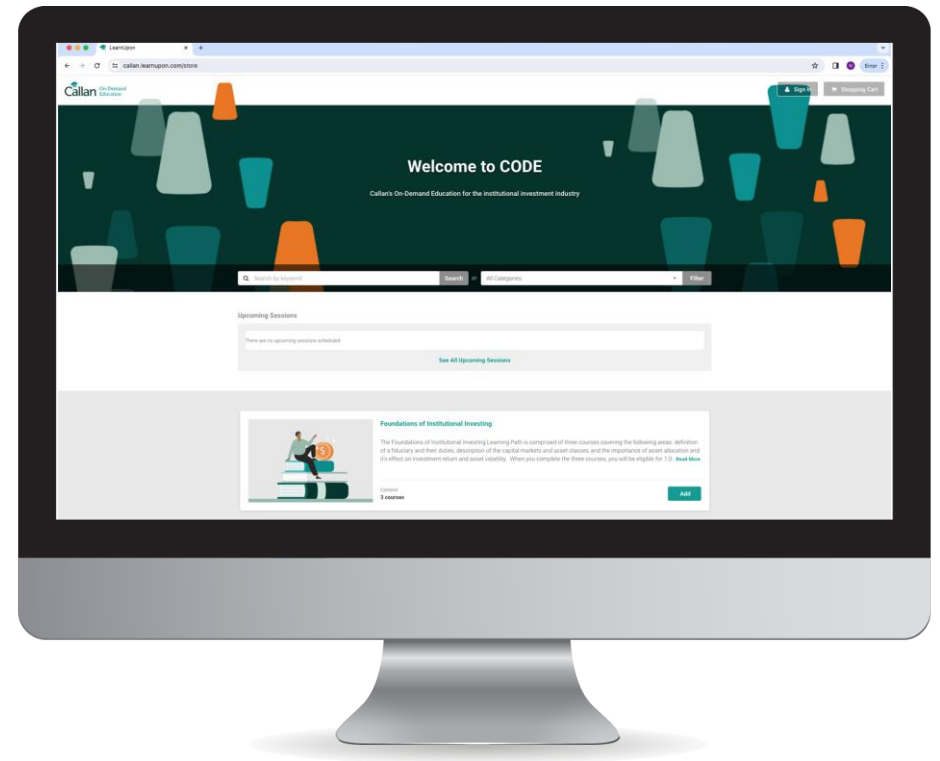


- ▶ Variety of educational courses
- ▶ Interactive and engaging
- ▶ Self-guided modules
- ▶ Eligible for continuing education credits
- ▶ Learning at your own pace

CODE courses are designed for investment professionals of all levels—and they're self-guided. Access them anytime, from anywhere, and get continuing education credits for each completed course.

CODE is for you, your colleagues, your new hires, and your interns. It's for anyone interested in learning about institutional investing.

callan.com/code



3 Reasons to Take CODE Courses

- 1 Become a better fiduciary
- 2 Showcase your skills and knowledge
- 3 Learn from Callan's investment experts

Callan Updates

Firm updates by the numbers, as of June 30, 2025

Total Associates: ~205

Company Ownership:

- ▶ 100% employee ownership
- ▶ ~70% of employees are equity owners
- ▶ Well-diversified ownership

Total Investment Consultants: 50+

Total Specialty and Research Consultants: 65+

Total CFA/CAIA/FRMs: 60+

Total Institutional Investor Clients: 475+

Provides advisory services to institutional investor/asset owner clients with more than \$4+ trillion

NEW ON CODE: Callan clients have free access to all CODE courses, all of which offer continuing education credits.

- ▶ **Framework for Defined Contribution Plans:** Topics include DC plan fiduciary training, legal & regulatory history and trends, fund performance evaluation & monitoring, designing investment menus, and fee studies & monitoring
- ▶ **Coming soon:** Training on CallanDNA, Callan's client portal, where clients can dive deep into their asset allocation and investment managers.

“Callan is a truly special place to develop a career in investment consulting. Since joining the firm, I have enjoyed collaborating with long-tenured colleagues to build successful investment programs for Callan's clients. I look forward to continuing to help my team and clients navigate challenges and seize the opportunities presented in this dynamic industry.”

— Uvan Tseng, CFA, SVP, on his promotion to lead Callan's West Coast Consulting team



Important Disclosures

Information contained in this document may include confidential, trade secret and/or proprietary information of Callan and the client. It is incumbent upon the user to maintain such information in strict confidence. Neither this document nor any specific information contained herein is to be used other than by the intended recipient for its intended purpose.

The content of this document is particular to the client and should not be relied upon by any other individual or entity. There can be no assurance that the performance of any account or investment will be comparable to the performance information presented in this document.

Certain information herein has been compiled by Callan from a variety of sources believed to be reliable but for which Callan has not necessarily verified for accuracy or completeness. Information contained herein may not be current. Callan has no obligation to bring current the information contained herein.

Callan's performance, market value, and, if applicable, liability calculations are inherently estimates based on data available at the time each calculation is performed and may later be determined to be incorrect or require subsequent material adjustment due to many variables including, but not limited to, reliance on third party data, differences in calculation methodology, presence of illiquid assets, the timing and magnitude of unrecognized cash flows, and other data/assumptions needed to prepare such estimated calculations. In no event should the performance measurement and reporting services provided by Callan be used in the calculation, deliberation, policy determination, or any other action of the client as it pertains to determining amounts, timing or activity of contribution levels or funding amounts, rebalancing activity, benefit payments, distribution amounts, and/or performance-based fee amounts, unless the client understands and accepts the inherent limitations of Callan's estimated performance, market value, and liability calculations.

Callan's performance measurement service reports estimated returns for a portfolio and compares them against relevant benchmarks and peer groups, as appropriate; such service may also report on historical portfolio holdings, comparing them to holdings of relevant benchmarks and peer groups, as appropriate ("portfolio holdings analysis"). To the extent that Callan's reports include a portfolio holdings analysis, Callan relies entirely on holdings, pricing, characteristics, and risk data provided by third parties including custodian banks, record keepers, pricing services, index providers, and investment managers. Callan reports the performance and holdings data as received and does not attempt to audit or verify the holdings data. Callan is not responsible for the accuracy or completeness of the performance or holdings data received from third parties and such data may not have been verified for accuracy or completeness.

Callan's performance measurement service may report on illiquid asset classes, including, but not limited to, private real estate, private equity, private credit, hedge funds and infrastructure. The final valuation reports, which Callan receives from third parties, for of these types of asset classes may not be available at the time a Callan performance report is issued. As a result, the estimated returns and market values reported for these illiquid asset classes, as well as for any composites including these illiquid asset classes, including any total fund composite prepared, may not reflect final data, and therefore may be subject to revision in future quarters.

The content of this document may consist of statements of opinion, which are made as of the date they are expressed and are not statements of fact. The opinions expressed herein may change based upon changes in economic, market, financial and political conditions and other factors. Callan has no obligation to bring current the opinions expressed herein.

The information contained herein may include forward-looking statements regarding future results. The forward-looking statements herein: (i) are best estimations consistent with the information available as of the date hereof and (ii) involve known and unknown risks and uncertainties. Actual results may vary, perhaps materially, from the future results projected in this document. Undue reliance should not be placed on forward-looking statements.

Callan is not responsible for reviewing the risks of individual securities or the compliance/non-compliance of individual security holdings with a client's investment policy guidelines.

This document should not be construed as legal or tax advice on any matter. You should consult with legal and tax advisers before applying any of this information to your particular situation.

Reference to, or inclusion in this document of, any product, service or entity should not necessarily be construed as recommendation, approval, or endorsement or such product, service or entity by Callan. This document is provided in connection with Callan's consulting services and should not be viewed as an advertisement of Callan, or of the strategies or products discussed or referenced herein.

Important Disclosures (continued)

The issues considered and risks highlighted herein are not comprehensive and other risks may exist that the user of this document may deem material regarding the enclosed information. Please see any applicable full performance report or annual communication for other important disclosures.

Unless Callan has been specifically engaged to do so, Callan does not conduct background checks or in-depth due diligence of the operations of any investment manager search candidate or investment vehicle, as may be typically performed in an operational due diligence evaluation assignment and in no event does Callan conduct due diligence beyond what is described in its report to the client.

Any decision made on the basis of this document is sole responsibility of the client, as the intended recipient, and it is incumbent upon the client to make an independent determination of the suitability and consequences of such a decision.

Callan undertakes no obligation to update the information contained herein except as specifically requested by the client.

Past performance is no guarantee of future results.