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August 28, 2025

Alaska Retirement Management Board
State of Alaska, Department of Revenue
Treasury Division
333 Willoughby Avenue, 11th Floor
Juneau, Alaska 99801

Dear Board Members:

This letter reviews the investment performance of assets under the purview of the Alaska Retirement Management Board (ARMB) for the fiscal year ended June 30, 2025.

Callan LLC (Callan) calculates time-weighted performance statistics based primarily on underlying custodial data provided by the Board's custodian, State Street Bank and Trust Company. The performance calculations were made using a time-weighted return methodology based upon fair values reported by the custodian.

Callan serves as ARMB's independent general investment consultant and evaluates ARMB's performance in relation to market benchmarks, appropriate manager peer groups and other public pension systems. The performance calculations are made using a methodology broadly similar to the Global Investment Performance Standards.

ARMB purposely seeks to invest assets prudently, expertly, and according to governing law and industry practices. The objective of this approach is to responsibly invest Plan assets that, in combination with contributions, will be sufficient to pay promised benefits to members and beneficiaries. In pursuit of this objective, ARMB periodically evaluates liabilities, expected contributions and potential earnings. This analysis considers a wide range of potentially viable investment strategies. With thoughtful consideration of multiple factors, ARMB selects a strategic investment policy that balances long-term growth potential and acceptable risk. A policy benchmark is constructed that mirrors ARMB's strategic decision regarding asset allocation policy. The custom policy benchmark comprises equity, fixed income, real estate, and other market indices weighted in proportions corresponding to ARMB's investment policy.

2025 Fiscal Year Market Overview

Donald Trump's election as the 47th president of the United States, along with a Republican sweep in Congress, set the tone for fiscal year 2025. While monetary policy shifts and fiscal uncertainty produced mixed results in late 2024, the calendar year closed strongly. U.S. markets benefited from a resilient economy, rapid advances in artificial intelligence (AI), and an improving—though increasingly uncertain—outlook for inflation. Global markets, however, faced slowing momentum, geopolitical strife, and persistent currency volatility. The Federal Reserve delivered two rate cuts and investor focus quickly shifted to the potential impacts of the new administration's policy agenda, introducing significant uncertainty for 2025 and beyond.

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Those risks materialized quickly as 2025 began, when sweeping policy changes from the new administration, including federal spending cuts and aggressive trade measures, heightened volatility across financial markets, pushed inflation expectations higher, and provoked strong reactions abroad. Investors sought traditional safe havens such as Treasuries and gold, and U.S. equities repriced to reflect a more uncertain macroeconomic backdrop.

Liberation Day marked the start of 2Q25 and set off a pattern that market participants soon dubbed the “TACO trade,” for “Trump always chickens out.” The president’s executive order imposed a baseline 10% tariff on all imported goods, along with additional reciprocal tariffs targeting specific countries. In response, the S&P 500 plunged, suffering one of its worst two-day declines in 75 years, with a drop of 10.5%, while long-term U.S. Treasury yields moved higher. Seven days later, the White House announced a 90-day pause on the reciprocal tariffs, which acted as a catalyst for a strong market rebound. Similarly, on May 12, the U.S. and China announced a 90-day pause on opposing tariffs, which had escalated to triple-digit levels. Investors appeared increasingly attuned to the White House’s tendency to pivot on trade policy, as the S&P 500 continued to rally and ultimately delivered a strong recovery.

Economic data underscored the more fragile backdrop. Real GDP grew at an annual rate of 2.4% in 4Q24, down from 3.1% in the prior quarter. Growth slowed further with a contraction in 1Q25 as net exports weighed heavily on output, before rebounding in 2Q25 with a 3.3% gain, aided by a sharp decline in imports.

Monetary policy shifted meaningfully during the fiscal year as the Fed moved from holding rates steady to easing, and then back to a more cautious stance. The first significant move came in September, when the FOMC voted 11–1 to lower the federal funds rate by 50 bps to 4.75%–5.00%—a sharp pivot from just three months earlier, when policymakers had signaled only a single, smaller cut for the year. The easing cycle continued in December with a 25 bps reduction, bringing the target range to 4.25%–4.50% and marking the fourth cut of the cycle. Despite this shift, the Fed maintained a cautious tone, emphasizing slow progress toward its 2% inflation target and uncertainty surrounding the inflationary impact of trade policy. At its March 2025 meeting, the FOMC held rates steady while continuing to assess evolving risks.

Inflation data showed little immediate impact from tariffs. In May, headline CPI rose just 0.1% month-over-month and 2.4% year-over-year, while core CPI increased 0.1% and 2.8%, respectively. Price pressures were concentrated in food and shelter, offsetting declines in energy, vehicles, and apparel. The Fed’s preferred inflation gauge, core PCE, rose 0.1% in May and 2.7% year-over-year, slightly above April’s reading—underscoring the slow and uneven progress toward the central bank’s inflation goal.

The labor market remained on solid footing, with the unemployment rate holding steady at 4.2% in May, roughly the same level as one year ago. However, there were signs of softening: the U.S. economy added 139,000 jobs in May, down from 177,000 in April, with employment declining in manufacturing, retail, and government sectors. The latest Job Openings and Labor Turnover Survey (JOLTS) showed an increase in job openings in May, but hiring remained subdued.

The dollar endured one of its weakest starts in decades, spiraling lower as the trade war escalated, marking one of its worst starts to a year since 1973, when the U.S. left the gold standard. The ICE U.S. Dollar Index, which measures the dollar against a basket of six major currencies, fell roughly 10% through the first half of 2025. This sharp decline reflected a mix of factors, including expectations of Federal Reserve policy easing and lower yields, concerns over U.S. fiscal sustainability, and efforts by foreign central banks to diversify reserves as part of a broader push to reduce reliance on the dollar.

By fiscal year-end, debates over fiscal sustainability, trade, and monetary policy culminated in a U.S. credit downgrade and contentious budget negotiations. Domestically, tax relief and spending cuts advanced rapidly through Congress, while tariffs repeatedly escalated and de-escalated, fueling market swings. The Fed’s independence came under scrutiny, the dollar remained under pressure, and geopolitical risks intensified abroad. Yet markets recovered strongly into fiscal year-end—underscoring investor resilience despite a highly complex policy environment.

U.S. equity markets closed fiscal year 2025 in positive territory, extending the strong gains of fiscal year 2024. The Russell 3000 Index, a broad measure of U.S. equities, advanced 6.2% in 3Q24 and 2.6% in 4Q24, before falling 4.7% in 1Q25 and

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rebounding 11.0% in 2Q25 to finish the year up 15.3%. The S&P 500 Index followed a similar pattern, gaining 10.9% in the final quarter and 15.2% for the fiscal year. Technology stocks—particularly the “Magnificent 7”—remained the clear leaders as the artificial intelligence race accelerated.

In a reversal from previous years trends, Global ex-U.S. equities outperformed U.S. stocks, supported by a weaker dollar. The MSCI ACWI ex-U.S. IMI (Net) Index, a broad benchmark reflecting developed and emerging markets outside of the U.S., climbed 17.8% for the fiscal year. The MSCI All Country World Index (Net), a broad measure of the total global equity market (including the U.S.), increased 16.2% for the fiscal year. European equities posted broad-based gains amid increased defense spending and supportive monetary policy. Some emerging markets saw a strong quarter as well, with Korea and Taiwan standing out amid renewed enthusiasm for semiconductor and technology supply chains.

The Bloomberg U.S. Aggregate Bond Index, the standard measure of investment-grade domestic bonds, finished the fiscal year up 6.1%, buoyed by safe-haven demand following tariff shocks. Fixed income markets posted modest gains in 2Q25 amid ongoing rate volatility. Treasury yields shifted notably during the fiscal year. In early September, the yield curve un-inverted for the first time since July 2022, with the spread between 2-year and 10-year Treasuries steepening further in 4Q. The index rose 2.8% in 1Q25 as the 10-year yield peaked near 4.8% in January, driven by hotter inflation data—before retreating to 4.2% by quarter-end. Despite mid-quarter swings, including a brief spike above 4.5%, the 10-year yield ultimately ended the fiscal year at 4.2%.

Real estate markets showed signs of recovery. Private real estate, measured by the NCREIF Property Index, posted a 4.2% gain in fiscal year 2025 after two years of negative returns, suggesting valuations may have bottomed outside of the challenged office and hotel sectors. Publicly traded real estate, as measured by the FTSE NAREIT All Equity Index, outpaced private markets once again, returning 9.2% for the fiscal year.

ARMB's actual asset groupings delivered the following one-year returns through June 30, 2025¹:

Domestic Stocks:	13.45%
Global ex-U.S. Stocks:	19.68%
Multi-Asset:	5.20%
Fixed Income:	6.44%
Real Assets:	4.24%
Private Equity:	6.53%

For the fiscal year ending June 30, 2025, the Public Employees Retirement System (PERS) had a time-weighted total return of 10.10%. The Teachers Retirement System (TRS) had a time-weighted total return of 10.12%. Both systems' gross return trailed their strategic policy target return of 10.33% and the median return for Callan's Public Fund Sponsor database of 11.25%.

Over longer time horizons, both PERS and TRS have consistently outperformed their policy targets. The 5-year annualized return was 9.52% for each plan, compared to 9.00% for the benchmark. Over 10 years, both plans delivered an annualized return of 7.98%, exceeding the 10-year target of 7.61%. Across the longest available period of 33.75 years, PERS and TRS achieved annualized total returns of 7.88% and 7.92%, respectively, outperforming the corresponding policy benchmark of 7.71%.

¹Note PERS asset class returns are used to represent the asset class performance of all plans.

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The 2025 fiscal year returns of the PERS and TRS pension (“DB”) and health care (“HC”) programs are listed in the table below.

	PERS DB	PERS HC	TRS DB	TRS HC
FY 2025	10.10%	10.12%	10.12%	10.13%

The pension and health care systems are well diversified and currently have asset allocation policies that, in our opinion, are consistent with achieving a long-term “real” (above inflation) return of 4.5%.

In summary, fiscal year 2025 was a year in which ARMB’s Total Fund returns were positive, as were those of most broad asset class returns. PERS and TRS produced lower returns than the average public fund, with both Plans ranking in the 76th percentile within the Public Fund Sponsor peer group for the one-year period ending June 30, 2025. Lower peer group rankings were a result of the Funds’ relative underweight to public equities and relative overweight to alternatives vs peers.

Sincerely,



Steven J Center, CFA

Senior Vice President

c: Zachary Hanna

Ivan Cliff

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Department of Revenue Treasury Division Staff As of June 30, 2025			
Commissioner Adam Crum	Head of Investment Operations Scott Jones, CPA	Investment Officers Shane Carson, CFA James Cheng Casey Colton, CFA Victor Djajalie, CFA Kevin Elliot Benjamin Garrett Emily Howard, CFA Sean Howard, CFA	Tyler McCormack Robyn Mesdag, CFA Mark Moon Cahal Morehouse Nicholas Orr, CFA Stephanie Pham Steve Sikes, CFA
Treasury Division Director Pamela Leary, CPA	Cash Management Jesse Blackwell, CTP, AAP		
Chief Investment Officer Zachary Hanna, CFA	ARMB Liaison Officer Alysia Jones		
External Money Managers and Consultants			
Opportunistic Fixed Income		Tactical Asset Allocation	
Fidelity Investment Asset Management <i>Merrimack, NH</i>		Fidelity Investment Asset Management <i>Smithfield, RI</i>	
MacKay Shields LLC <i>New York, NY</i>		Private Equity	
		Abbott Capital Management, L.P. <i>New York, NY</i>	
Global Equities – Large Cap		Advent International <i>Boston, MA</i>	
Acadian Asset Management, LLC <i>Boston, MA</i>		Battery Ventures <i>Boston, MA</i>	
Arrowstreet Capital, LP <i>Boston, MA</i>		Clearlake Capital <i>Santa Monica, CA</i>	
Baillie Gifford Overseas Ltd. <i>Edinburgh, Scotland</i>		Dyal Capital Partners <i>New York, NY</i>	
Brandes Investment Partners, L.P. <i>San Diego, CA</i>		Genstar Capital <i>San Francisco, CA</i>	
Capital Guardian Trust Co. <i>Los Angeles, CA</i>		Glendon Capital <i>Santa Monica, CA</i>	
Dimensional Fund Advisors <i>Austin, TX</i>		Insight Partners <i>New York, NY</i>	
First Eagle Investments <i>New York, NY</i>		KKR Lending Partners <i>New York, NY</i>	
Legal and General Investment Management America, Inc. <i>Chicago, IL</i>		Lexington Partners <i>New York, NY</i>	
State Street Global Advisors <i>Boston, MA</i>		Merit Capital Partners <i>Chicago, IL</i>	
Emerging Markets		Neuberger Berman <i>New York, NY</i>	
Dimensional Fund Advisors <i>Austin, TX</i>		New Mountain Partners <i>New York, NY</i>	
Legal and General Investment Management America, Inc. <i>Chicago, IL</i>		NGP <i>Irving, TX</i>	
Alternate Beta		Onex Partners <i>New York, NY</i>	
Man Group <i>London, UK</i>		Pathway Capital Management, LLC <i>Irvine, CA</i>	
Alternate Fixed Income		Sentinel Capital Partners <i>New York, NY</i>	
Ares Management <i>Los Angeles, CA</i>		Summit Partners <i>Boston, MA</i>	
Comvest Credit Partners <i>West Palm Beach, FL</i>		The Jordan Company <i>New York, NY</i>	
Crestline Investors, Inc. <i>Fort Worth, TX</i>		The Riverside Company <i>New York, NY</i>	
Fortress Credit Opportunities <i>New York, NY</i>		Warburg Pincus <i>New York, NY</i>	
Kennedy Lewis Investment Management <i>New York, NY</i>			
Prisma Capital <i>New York, NY</i>			

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External Money Managers and Consultants (cont.)	
Real Assets – Farmland and Timber Timberland Investment Resources LLC <i>Atlanta, GA</i> UBS Farmland Investors, LLC <i>Hartford, CT</i>	Investment Consultants Callan Associates, Inc. <i>Denver, CO</i>
Real Assets – Energy EIG Global Energy Partners <i>Washington, D.C.</i>	Investment Advisory Council Ruth Taylor <i>Monument, CO</i> Joshua Rabuck <i>Indianapolis IN</i> William Jennings <i>Colorado Springs, CO</i>
Real Assets – Infrastructure IFM <i>New York, NY</i> J.P. Morgan Asset Management <i>New York, NY</i>	Independent Auditors KPMG, LLP <i>Anchorage, AK</i>
Real Assets – Real Estate Core Commingled Accounts BlackRock Realty <i>New York, NY</i> J.P. Morgan Asset Management Inc. <i>New York, NY</i> UBS Realty Investors, LLC <i>Hartford, CT</i>	Actuaries Gallagher (Formerly named Buck) <i>Denver, CO</i> Gabriel, Roeder, Smith & Company <i>Denver, CO</i>
Real Assets – Real Estate Core Separate Accounts Sentinel Real Estate Corporation <i>New York, NY</i> UBS Realty Investors, LLC <i>Hartford, CT</i>	Global Master Custodian State Street Bank & Trust Co. <i>Boston, MA</i>
Real Assets – Real Estate Debt Heitman LLC <i>Chicago, IL</i> Walton Street Capital, LCC <i>Chicago, IL</i>	
Real Assets – Non-Core Commingled Real Estate Funds Almanac Realty Investors <i>New York, NY</i> Clarion Partners <i>New York, NY</i> KKR & Co. <i>New York, NY</i> Silverpeak Real Estate Partners <i>New York, NY</i>	
Supplemental Benefits System, Deferred Compensation Plan and Defined Contribution Plans Baillie Gifford Overseas Ltd. <i>Edinburgh, Scotland</i> BlackRock <i>San Francisco, CA</i> Brandes Investment Partners <i>San Diego, CA</i> J.P. Morgan Asset Management Inc. <i>New York, NY</i> Northern Trust <i>Chicago, IL</i> State Street Global Advisors <i>Boston, MA</i> T. Rowe Price Investment Services <i>Baltimore, MD</i>	

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Public Employees' Retirement System Investment Report

INVESTMENTS

The investment goals of the State of Alaska Public Employees' Retirement System are the long term return and sustainability of the pension funds under management. Annually, the Alaska Retirement Management Board (ARMB) sets its asset allocation strategy in order to reflect changes in the marketplace while still retaining an expected optimal risk/return level within the set constraints and objectives of the ARMB.

The ARMB categorizes its investments into six asset classes: Broad Domestic Equity, Global Equity Ex-US, Fixed Income, Multi-Asset, Real Assets, and Private Equity. The performance of each asset class is compared with a benchmark comprised of one or more market indices. The performance for the total portfolio is compared with its policy portfolio, determined by calculating the weighted performance of the underlying asset class benchmarks at the portfolio's target asset allocation. The asset class benchmarks are illustrated below:

Asset Class	Benchmark
Broad Domestic Equity	Russell 3000
Global Equities Ex-U.S.	MSCI All Country World Ex-U.S. IMI Net
Fixed Income	95% Bloomberg Barclays U.S. Aggregate 5% 3-Month Treasury Bill
Multi-Asset	60% MSCI All Country World IMI Net 40% Bloomberg Barclays U.S. Aggregate
Real Assets	40% NCREIF-ODCE Index 10% NAREIT All Equity Index 20% NCREIF Farmland (80/20) 10% NCREIF Timberland Index 20% CPI+4%
Private Equity	1/3 S&P 500 1/3 Russell 2000 1/3 MSCI EAFE Net

The target asset allocation is determined by the ARMB, utilizing capital market assumptions provided by its independent general investment consultant, Callan LLC. During the fiscal year, the ARMB's target asset allocation was 26% Broad Domestic Equity, 17% Global Equities Ex-US, 23% Fixed Income, 6% Multi-Asset, 14% Real Assets, and 14% Private Equity. Over the next 20 years, the target asset allocation is expected to generate a return of 7.81% with a standard deviation of 13.06%.

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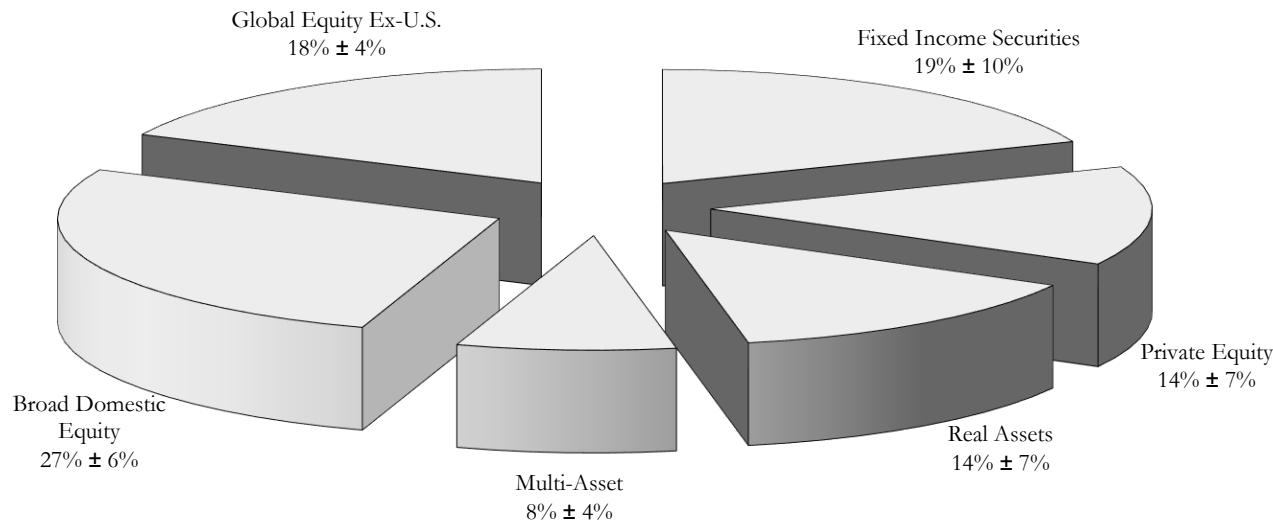
Public Employees' Retirement System Schedule of Investment Results Fiscal Years Ended June 30							
	2021	2022	2023	2024	2025	Annualized	
						3 Year	5 Year
Total Fund							
PERS	27.62%	(4.08%)	7.03%	9.22%	10.10%	8.78%	9.52%
<i>Custom Composite Index</i>	24.95	(7.86)	7.53	12.62	10.33	10.07	9.00
<i>Actuarial Earnings Rate</i>	7.38	7.38	7.25	7.25	7.25	7.25	7.25
Broad Domestic Equity							
PERS	42.69	(11.74)	17.77	21.21	13.45	17.44	15.32
<i>Custom Composite Index</i>	44.16	(13.87)	18.95	23.13	15.30	19.08	15.96
Fixed Income							
PERS	2.20	(6.96)	0.48	3.55	6.44	3.46	1.04
<i>Custom Composite Index</i>	(0.31)	(9.78)	(0.71)	2.78	6.01	2.66	(0.54)
Multi-Asset							
PERS	23.86	(10.58)	4.09	8.03	5.20	5.76	5.55
<i>Custom Composite Index</i>	23.20	(13.89)	9.14	11.94	12.02	11.02	7.74
Real Assets							
PERS	9.86	14.29	2.37	0.04	4.24	2.20	6.03
<i>Custom Composite Index</i>	4.62	14.80	3.41	0.63	3.78	2.14	5.39
Global Equity Ex-U.S.							
PERS	38.54	(20.96)	15.14	12.77	19.68	15.82	11.22
<i>MSCI ACWI ex-U.S.</i>	37.18	(19.86)	12.47	11.57	17.83	13.92	10.20
Private Equity							
PERS	50.67	26.25	(3.29)	4.96	6.53	2.64	15.52
<i>Custom Composite Index</i>	36.80	3.42	(6.83)	21.56	3.33	5.38	10.61

MSCI ACWI = Morgan Stanley Capital International All Country World Index
Returns for periods longer than one year are reported on an annualized basis.
Basis of calculation: Time-Weighed rate of return based on the market rate of return.

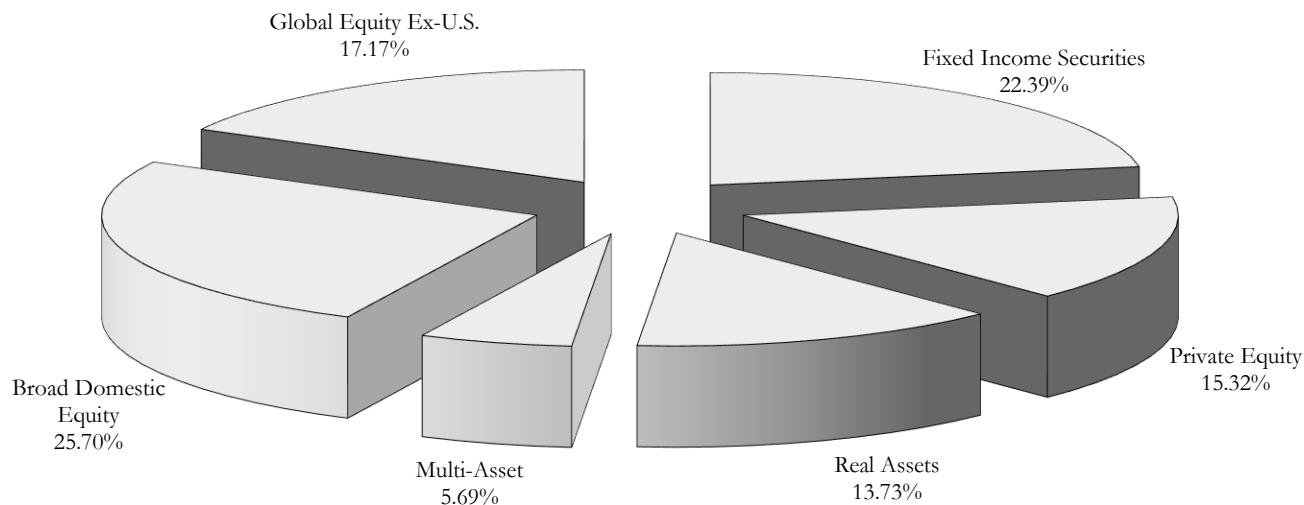
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Public Employees' Retirement System Asset Allocation June 30, 2025

Policy



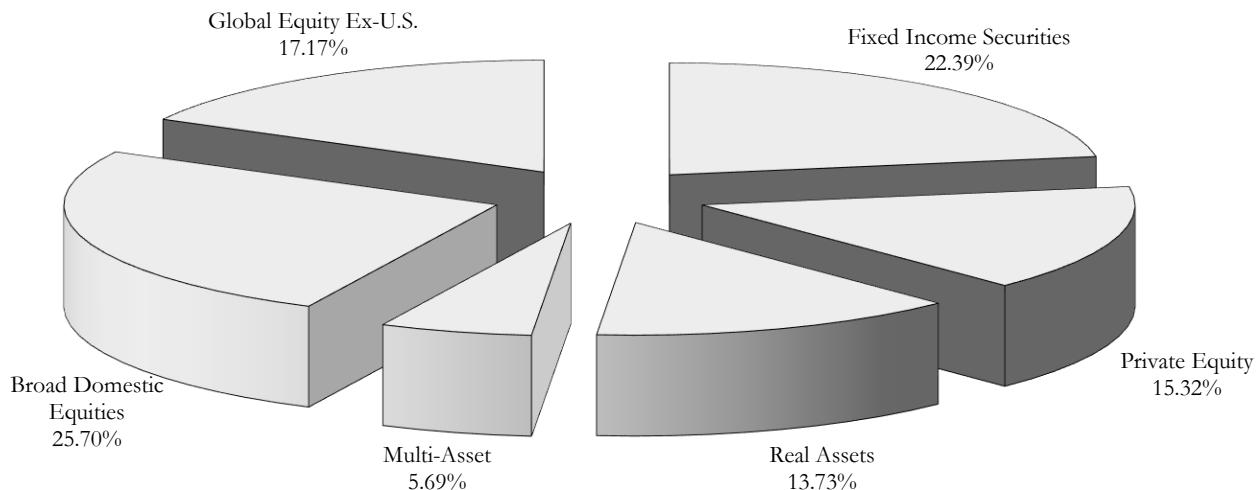
Actual – Defined Benefit Pension



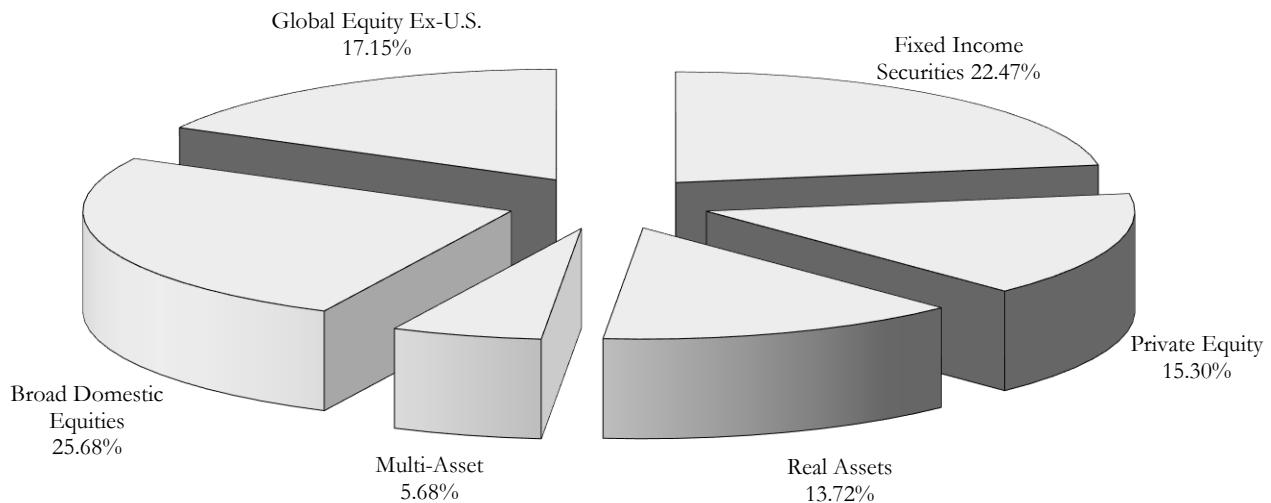
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Public Employees' Retirement System Asset Allocation June 30, 2025

Actual – Defined Benefit Alaska Retiree Healthcare Trust



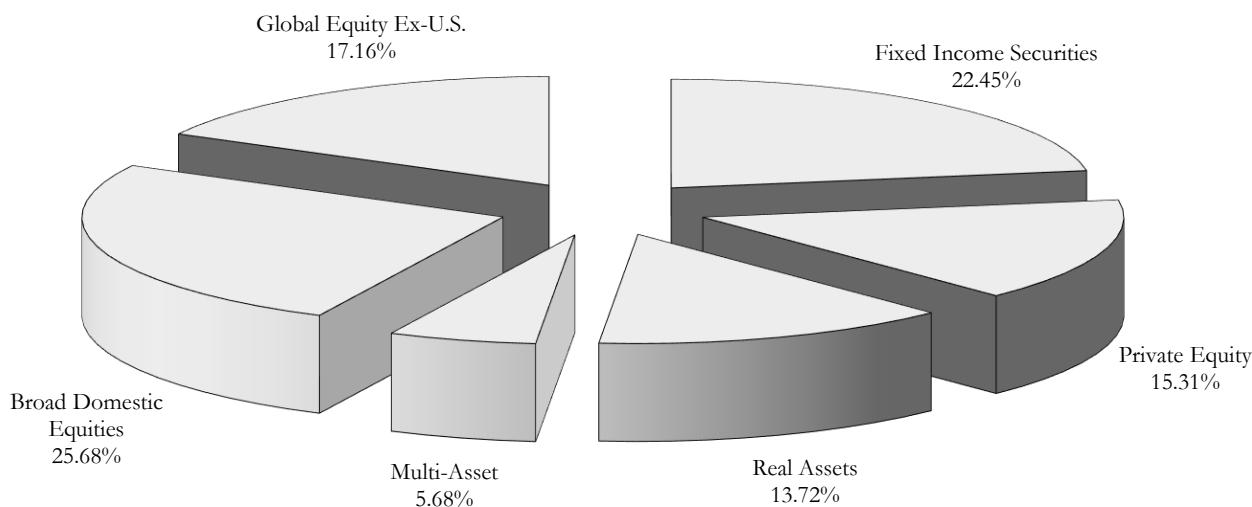
Actual – Occupational Death & Disability



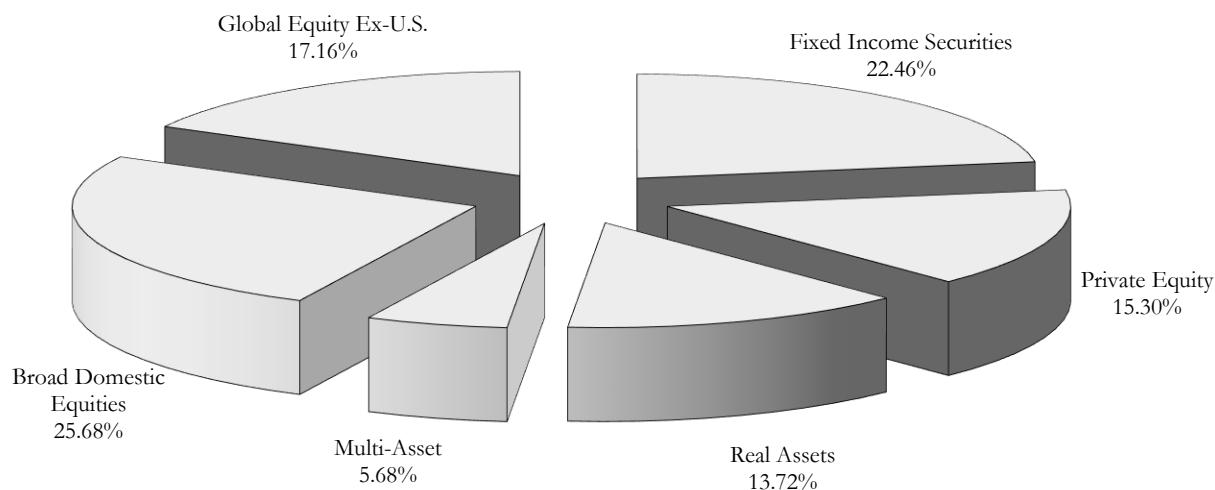
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Public Employees' Retirement System Asset Allocation June 30, 2025

Actual — Retiree Medical Plan



Actual — Health Reimbursement Arrangement



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Alaska Retirement Management Board
Top Ten Holdings by Asset Type
June 30, 2025

Invested assets under the fiduciary responsibility of the ARMB have been commingled in various investment pools to manage the overall cost of the program. Using investment pools increases investment efficiency in three ways. First, combining individual funds' cash inflows and outflows to offset each other reduces the amount of cash on hand needed to support daily operations. Second, pooling investments significantly reduces accounting, budgeting, and administrative costs. Finally, the ARMB can achieve economies of scale by making available investment options that could not otherwise be practically provided for smaller retirement funds. Below are the ten largest fixed income and equity holdings.

Fixed Income

Rank	Largest Fixed Income Holdings	Fair Value	Par Value
1	U.S. Treasury N/B 4.5% 1/15/2028	\$ 220,077,829	\$ 217,243,480
2	U.S. Treasury N/B 3.875% 6/30/2030	154,883,267	154,280,608
3	U.S. Treasury N/B 4.125% 10/31/2029	120,828,313	119,106,846
4	U.S. Treasury N/B 3.875% 6/15/2028	92,403,353	91,907,911
5	FED HM LN PC Pool SD8507 6% 2/1/2055	71,783,193	70,614,963
6	U.S. Treasury N/B 4.875% 5/31/2026	67,133,045	66,656,554
7	U.S. Treasury N/B 4.5% 2/15/2044	60,031,524	62,118,311
8	U.S. Treasury N/B 3.625% 3/31/2028	57,457,160	59,559,528
9	U.S. Treasury N/B 1.375% 11/15/2040	57,533,697	90,337,503
10	U.S. Treasury N/B 3.875% 5/15/2043	56,018,133	62,710,521

Equities

Rank	Largest Equity Holdings	Fair Value	Shares
1	Microsoft Corp.	\$ 352,528,592	708,728
2	Nvidia Corp.	332,400,098	2,103,931
3	Apple Inc	286,212,319	1,395,001
4	Amazon.com Inc.	186,789,366	851,403
5	Meta Platforms Inc. Class A	151,891,514	205,790
6	Broadcom Inc.	115,862,412	420,324
7	Alphabet Inc. Class A	89,061,045	505,368
8	Alphabet Inc. Class C	88,178,511	497,088
9	Berkshire Hathaway Inc. Class B	85,910,725	176,855
10	Tesla Inc.	78,254,815	246,348

Additional investment information may be obtained from the Department of Revenue, Treasury Division, P.O. Box 110405, Juneau, Alaska 99811-0405.

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Public Employees' Retirement System
Schedule of Investment Management Fees
Year Ended June 30, 2025

	Fair Value	Fees
Investment Management		
Total Fixed Income	\$ 5,310,661,981	2,088,383
Total Multi-Asset	1,348,303,678	9,984,430
Total Broad Domestic Equity	6,093,692,104	332,725
Total Global Equity Ex-U.S.	4,071,017,004	9,177,592
Total Private Equity	3,631,350,226	15,412,660
Total Real Assets	3,254,686,257	<u>15,870,848</u>
Total Investment Management		<u>52,866,638</u>
Custodian		
State Street Bank		<u>1,091,352</u>
Investment Advisory and Performance		
Callan Associates		555,302
Investment Advisory Council		<u>68,253</u>
Total Investment Advisory and Performance		<u>623,555</u>
Participant Directed		
Custodian - State Street Bank		202,337
Investment Management		2,640,981
Synthetic Investment Contract Wrap Fees		<u>214,485</u>
Total Participant Directed		<u>3,057,803</u>
	<u><u>\$ 23,709,711,250</u></u>	<u><u>57,639,348</u></u>

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Public Employees' Retirement System
Investment Summary Schedule
June 30, 2025

Investments (at Fair Value)	Defined Benefit - Pension			% of Total Assets	
	Asset Allocation		Fair Value		
	Policy	Range			
Fixed Income Securities					
Short-term Fixed Income Pool			\$ 145,735,394		
Opportunistic Fixed Income Pool			544,064,304		
Barclays Aggregate Bond Fund			2,056,234,963		
Total Fixed Income Securities	19.00%	± 10%	<u>2,746,034,661</u>	22.39%	
Multi-Asset					
Tactical Allocation Strategies Pool			250,318,155		
Alternative Beta Pool			122,040,895		
Alternative Fixed Income			324,840,158		
Total Multi-Asset	8.00%	± 4%	<u>697,199,208</u>	5.69%	
Broad Domestic Equity					
Large Cap Pool			2,852,807,089		
Small Cap Pool			298,226,361		
Total Broad Domestic Equity	27.00%	± 6%	<u>3,151,033,450</u>	25.70%	
Global Equity Ex-U.S.					
International Equity Pool			1,776,591,150		
Emerging Markets Equity Pool			328,509,329		
Total Global Equity Ex-U.S.	18.00%	± 4%	<u>2,105,100,479</u>	17.17%	
Private Equity					
Private Equity Pool			1,877,748,539		
Total Private Equity	14.00%	± 7%	<u>1,877,748,539</u>	15.32%	
Real Assets					
Real Estate Pool			601,020,222		
Real Estate Investment Trust Pool			196,363,131		
Infrastructure Private Pool			342,378,935		
Energy Pool			11,337,176		
Farmland Pool			383,836,406		
Timber Pool			148,042,203		
Total Real Assets	14.00%	± 7%	<u>1,682,978,073</u>	13.73%	
Total Invested Assets	<u>100.00%</u>		\$ <u>12,260,094,410</u>	<u>100.00%</u>	

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Public Employees' Retirement System
Investment Summary Schedule
June 30, 2025

Defined Benefit - Alaska Retiree Healthcare Trust				
Investments (at Fair Value)	Asset Allocation		Fair Value	% of Total Assets
	Policy	Range		
Fixed Income Securities				
Short-term Fixed Income Pool			\$ 117,222,405	
Opportunistic Fixed Income Pool			441,318,427	
Barclays Aggregate Bond Fund			1,667,917,461	
Total Fixed Income Securities	19.00%	± 10%	<u>2,226,458,293</u>	22.39%
Multi-Asset				
Tactical Allocation Strategies Pool			203,045,894	
Alternative Beta Pool			98,993,674	
Alternative Fixed Income			263,494,607	
Total Multi-Asset	8.00%	± 4%	<u>565,534,175</u>	5.69%
Broad Domestic Equity				
Large Cap Pool			2,314,045,501	
Small Cap Pool			241,906,563	
Total Broad Domestic Equity	27.00%	± 6%	<u>2,555,952,064</u>	25.70%
Global Equity Ex-U.S.				
International Equity Pool			1,441,082,452	
Emerging Markets Equity Pool			266,470,661	
Total Global Equity Ex-U.S.	18.00%	± 4%	<u>1,707,553,113</u>	17.17%
Private Equity				
Private Equity Pool			1,523,137,975	
Total Private Equity	14.00%	± 7%	<u>1,523,137,975</u>	15.32%
Real Assets				
Real Estate Pool			487,518,098	
Real Estate Investment Trust Pool			159,280,175	
Infrastructure Private Pool			277,721,034	
Energy Pool			9,196,155	
Farmland Pool			311,349,423	
Timber Pool			120,084,610	
Total Real Assets	14.00%	± 7%	<u>1,365,149,495</u>	13.73%
Total Invested Assets	<u>100.00%</u>		\$ <u>9,943,785,115</u>	<u>100.00%</u>

Investment Section

Public Employees' Retirement System
Investment Summary Schedule
June 30, 2025

Investments (at Fair Value)	Occupational Death and Disability			% of Total Assets	
	Asset Allocation		Fair Value		
	Policy	Range			
Fixed Income Securities					
Short-term Fixed Income Pool			\$ 1,265,327		
Opportunistic Fixed Income Pool			4,387,975		
Barclays Aggregate Bond Fund			16,583,725		
Total Fixed Income Securities	19.00%	± 10%	22,237,027	22.47%	
Multi-Asset					
Tactical Allocation Strategies Pool			2,018,797		
Alternative Beta Pool			984,289		
Alternative Fixed Income			2,619,926		
Total Multi-Asset	8.00%	± 4%	5,623,012	5.68%	
Broad Domestic Equity					
Large Cap Pool			23,005,965		
Small Cap Pool			2,405,133		
Total Broad Domestic Equity	27.00%	± 6%	25,411,098	25.68%	
Global Equity Ex-U.S.					
International Equity Pool			14,328,115		
Emerging Markets Equity Pool			2,649,451		
Total Global Equity Ex-U.S.	18.00%	± 4%	16,977,566	17.15%	
Private Equity					
Private Equity Pool			15,144,217		
Total Private Equity	14.00%	± 7%	15,144,217	15.30%	
Real Assets					
Real Estate Pool			4,847,257		
Real Estate Investment Trust Pool			1,583,641		
Infrastructure Private Pool			2,761,366		
Energy Pool			91,420		
Farmland Pool			3,095,695		
Timber Pool			1,194,019		
Total Real Assets	14.00%	± 7%	13,573,398	13.72%	
Total Invested Assets	100.00%		\$ 98,966,318	100.00%	

Investment Section

Public Employees' Retirement System
Investment Summary Schedule
June 30, 2025

Investments (at Fair Value)	Retiree Medical Plan			% of Total Assets	
	Asset Allocation		Fair Value		
	Policy	Range			
Fixed Income Securities					
Short-term Fixed Income Pool			\$ 4,166,834		
Opportunistic Fixed Income Pool			14,656,958		
Barclays Aggregate Bond Fund			55,394,491		
Total Fixed Income Securities	19.00%	± 10%	<u>74,218,283</u>	22.45%	
Multi-Asset					
Tactical Allocation Strategies Pool			6,743,464		
Alternative Beta Pool			3,287,790		
Alternative Fixed Income			8,751,135		
Total Multi-Asset	8.00%	± 4%	<u>18,782,389</u>	5.68%	
Broad Domestic Equity					
Large Cap Pool			76,846,801		
Small Cap Pool			8,034,136		
Total Broad Domestic Equity	27.00%	± 6%	<u>84,880,937</u>	25.68%	
Global Equity Ex-U.S.					
International Equity Pool			47,860,064		
Emerging Markets Equity Pool			8,849,949		
Total Global Equity Ex-U.S.	18.00%	± 4%	<u>56,710,013</u>	17.16%	
Private Equity					
Private Equity Pool			50,586,099		
Total Private Equity	14.00%	± 7%	<u>50,586,099</u>	15.31%	
Real Assets					
Real Estate Pool			16,191,288		
Real Estate Investment Trust Pool			5,289,971		
Infrastructure Private Pool			9,223,578		
Energy Pool			305,408		
Farmland Pool			10,340,485		
Timber Pool			3,988,265		
Total Real Assets	14.00%	± 7%	<u>45,338,995</u>	13.72%	
Total Invested Assets	<u>100.00%</u>		\$ <u>330,516,716</u>	<u>100.00%</u>	

Investment Section

Public Employees' Retirement System
Investment Summary Schedule
June 30, 2025

Investments (at Fair Value)	Health Reimbursement Arrangement			% of Total Assets	
	Asset Allocation		Fair Value		
	Policy	Range			
Fixed Income Securities					
Short-term Fixed Income Pool			\$ 13,591,507		
Opportunistic Fixed Income Pool			47,730,313		
Barclays Aggregate Bond Fund			180,391,899		
Total Fixed Income Securities	19.00%	± 10%	<u>241,713,719</u>	22.46%	
Multi-Asset					
Tactical Allocation Strategies Pool			21,960,260		
Alternative Beta Pool			10,706,609		
Alternative Fixed Income			28,498,024		
Total Multi-Asset	8.00%	± 4%	<u>61,164,893</u>	5.68%	
Broad Domestic Equity					
Large Cap Pool			250,251,378		
Small Cap Pool			26,163,177		
Total Broad Domestic Equity	27.00%	± 6%	<u>276,414,555</u>	25.68%	
Global Equity Ex-U.S.					
International Equity Pool			155,856,007		
Emerging Markets Equity Pool			28,819,825		
Total Global Equity Ex-U.S.	18.00%	± 4%	<u>184,675,832</u>	17.16%	
Private Equity					
Private Equity Pool			164,733,396		
Total Private Equity	14.00%	± 7%	<u>164,733,396</u>	15.30%	
Real Assets					
Real Estate Pool			52,726,940		
Real Estate Investment Trust Pool			17,226,808		
Infrastructure Private Pool			30,036,604		
Energy Pool			994,648		
Farmland Pool			33,673,643		
Timber Pool			12,987,654		
Total Real Assets	<u>14.00%</u>	± 7%	<u>147,646,297</u>	<u>13.72%</u>	
Total Invested Assets	<u>100.00%</u>		\$ <u>1,076,348,692</u>	<u>100.00%</u>	

Investment Section

**Public Employees' Retirement System
Recaptured Commission Fees
Year Ended June 30, 2025**

Fund	Global Equity			Total
	Ex-U.S.	Multi-Asset		
Defined Benefit Plan – Pension	\$ 1,241	159		1,400
Postemployment Benefit – Alaska Retiree Healthcare Trust	1,009	129		1,138
Postemployment Benefit – Occupational Death and Disability	9	1		10
Postemployment Benefit – Retiree Medical Plan	32	4		36
Postemployment Benefit – Health Reimbursement Arrangement	103	12		115
Total Recapture Commission Fees	\$ 2,394	305		2,699

The ARMB's Commission Recapture program has been in place since 1995, first working with various brokers then switching to the State Street program in 2005. Under a commission recapture program, a portion of the commissions and mark-ups on trades (placed through the State Street broker network) flow directly back to the fund.

The program allows managers to place trades for commission recapture purposes. The ARMB has established direction percentages for the managers to strive for but is only requiring best efforts to meet them given their fiduciary obligation to achieve best execution of transactions.

The current rebate arrangement with State Street Global Markets (SSGM) is: 90% of the commissions received in excess of executing the brokers' execution-only rates; 100% of commissions in excess of its execution-only rates for all trading directed through SSGM.