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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 Fidelity Investment Asset Management <i>Merrimack, NH</i> MacKay Shields LLC <i>New York, NY</i>	Tactical Asset Allocation Fidelity Investment Asset Management <i>Smithfield, RI</i>
Global Equities – Large Cap Acadian Asset Management, LLC <i>Boston, MA</i> Arrowstreet Capital, LP <i>Boston, MA</i> Baillie Gifford Overseas Ltd. <i>Edinburgh, Scotland</i> Brandes Investment Partners, L.P. <i>San Diego, CA</i> Capital Guardian Trust Co. <i>Los Angeles, CA</i> Dimensional Fund Advisors <i>Austin, TX</i> First Eagle Investments <i>New York, NY</i> Legal and General Investment Management America, Inc. <i>Chicago, IL</i> State Street Global Advisors <i>Boston, MA</i>	Private Equity Abbott Capital Management, L.P. <i>New York, NY</i> Advent International <i>Boston, MA</i> Battery Ventures <i>Boston, MA</i> Clearlake Capital <i>Santa Monica, CA</i> Dyal Capital Partners <i>New York, NY</i> Genstar Capital <i>San Francisco, CA</i> Glendon Capital <i>Santa Monica, CA</i> Insight Partners <i>New York, NY</i> KKR Lending Partners <i>New York, NY</i> Lexington Partners <i>New York, NY</i> Merit Capital Partners <i>Chicago, IL</i> Neuberger Berman <i>New York, NY</i> New Mountain Partners <i>New York, NY</i> NGP <i>Irving, TX</i> Onex Partners <i>New York, NY</i> Pathway Capital Management, LLC <i>Irvine, CA</i> Sentinel Capital Partners <i>New York, NY</i> Summit Partners <i>Boston, MA</i> The Jordan Company <i>New York, NY</i> The Riverside Company <i>New York, NY</i> Warburg Pincus <i>New York, NY</i>
Emerging Markets Dimensional Fund Advisors <i>Austin, TX</i> Legal and General Investment Management America, Inc. <i>Chicago, IL</i>	
Alternate Beta Man Group <i>London, UK</i>	
Alternate Fixed Income Ares Management <i>Los Angeles, CA</i> Comvest Credit Partners <i>West Palm Beach, FL</i> Crestline Investors, Inc. <i>Fort Worth, TX</i> Fortress Credit Opportunities <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
Atlanta, GA
 UBS Farmland Investors, LLC
Hartford, CT

Real Assets – Energy

EIG Global Energy Partners
Washington, D.C.

Real Assets – Infrastructure

IFM
New York, NY
 J.P. Morgan Asset Management
New York, NY

Real Assets – Real Estate Core Commingled Accounts

BlackRock Realty
New York, NY
 J.P. Morgan Asset Management Inc.
New York, NY
 UBS Realty Investors, LLC
Hartford, CT

Real Assets – Real Estate Core Separate Accounts

Sentinel Real Estate Corporation
New York, NY
 UBS Realty Investors, LLC
Hartford, CT

Real Assets – Real Estate Debt

Heitman LLC
Chicago, IL
 Walton Street Capital, LCC
Chicago, IL

Real Assets – Non-Core Commingled Real Estate Funds

Almanac Realty Investors
New York, NY
 Clarion Partners
New York, NY
 KKR & Co.
New York, NY
 Silverpeak Real Estate Partners
New York, NY

Supplemental Benefits System, Deferred Compensation

Plan and Defined Contribution Plans

Baillie Gifford Overseas Ltd.
Edinburgh, Scotland
 BlackRock
San Francisco, CA
 Brandes Investment Partners
San Diego, CA
 J.P. Morgan Asset Management Inc.
New York, NY
 Northern Trust
Chicago, IL
 State Street Global Advisors
Boston, MA
 T. Rowe Price Investment Services
Baltimore, MD

Investment Consultants

Callan Associates, Inc.
Denver, CO

Investment Advisory Council

Ruth Traylor
Monument, CO
 Joshua Rabuck
Indianapolis IN
 William Jennings
Colorado Springs, CO

Independent Auditors

KPMG, LLP
Anchorage, AK

Actuaries

Gallagher (Formerly named Buck)
Denver, CO
 Gabriel, Roeder, Smith & Company
Denver, CO

Global Master Custodian

State Street Bank & Trust Co.
Boston, MA

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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%.

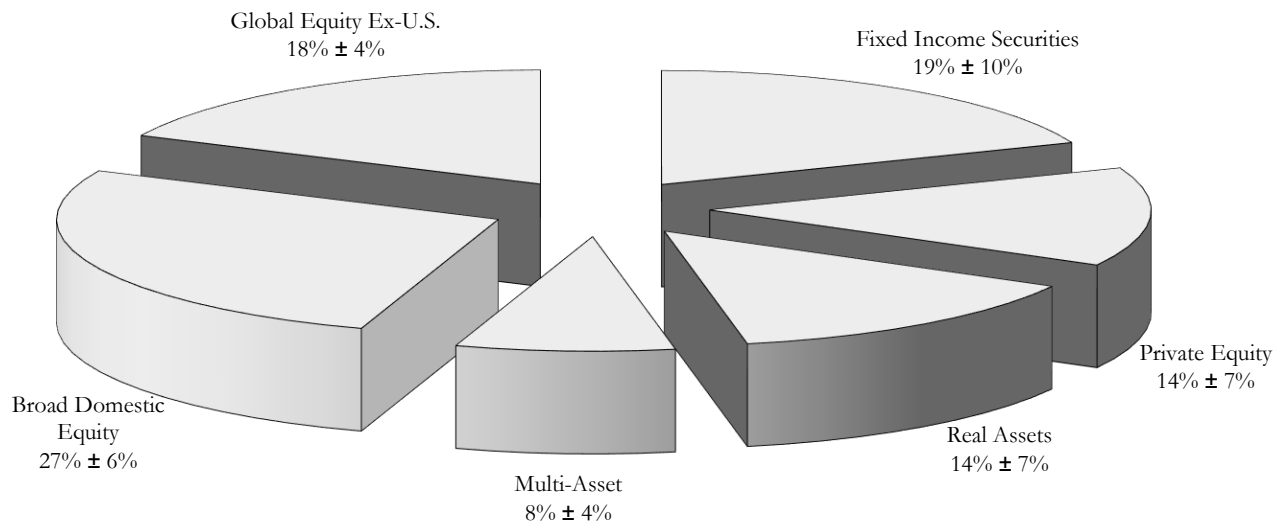
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Public Employees' Retirement System Schedule of Investment Results Fiscal Years Ended June 30							
	2021	2022	2023	2024	2025	Annualized	
						3 Year	5 Year
Total Fund							
PERS	27.62%	(4.08%)	7.03%	9.22%	10.10%	8.78%	9.52%
Custom Composite Index	24.95	(7.86)	7.53	12.62	10.33	10.07	9.00
Actuarial Earnings Rate	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
Custom Composite Index	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
Custom Composite Index	(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
Custom Composite Index	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
Custom Composite Index	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
MSCI ACWI ex-U.S.	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
Custom Composite Index	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-Weighted rate of return based on the market rate of return.							

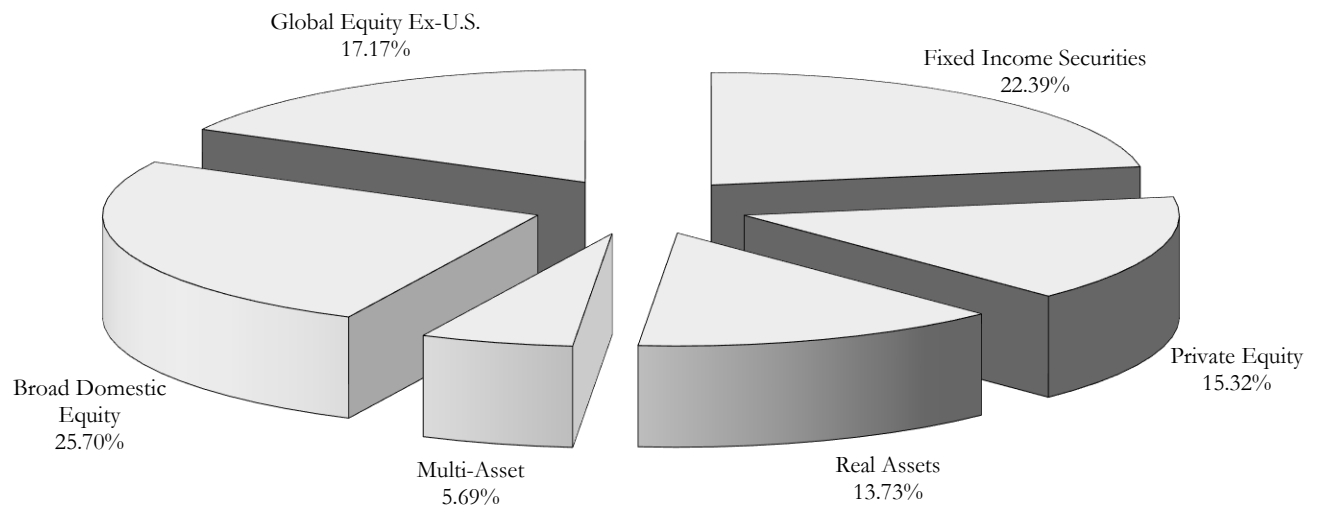
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Public Employees' Retirement System Asset Allocation June 30, 2025

Policy



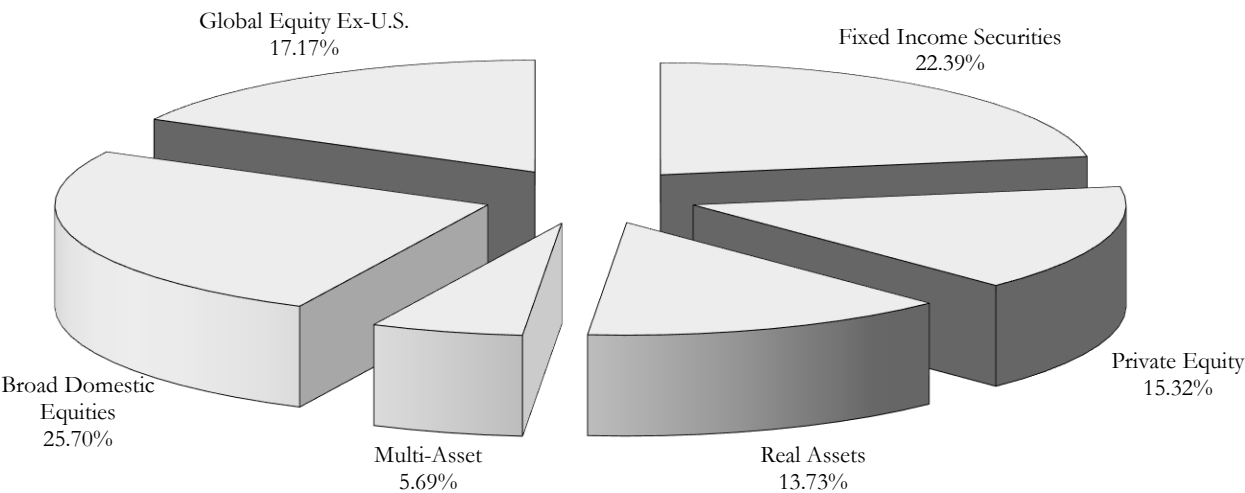
Actual – Defined Benefit Pension



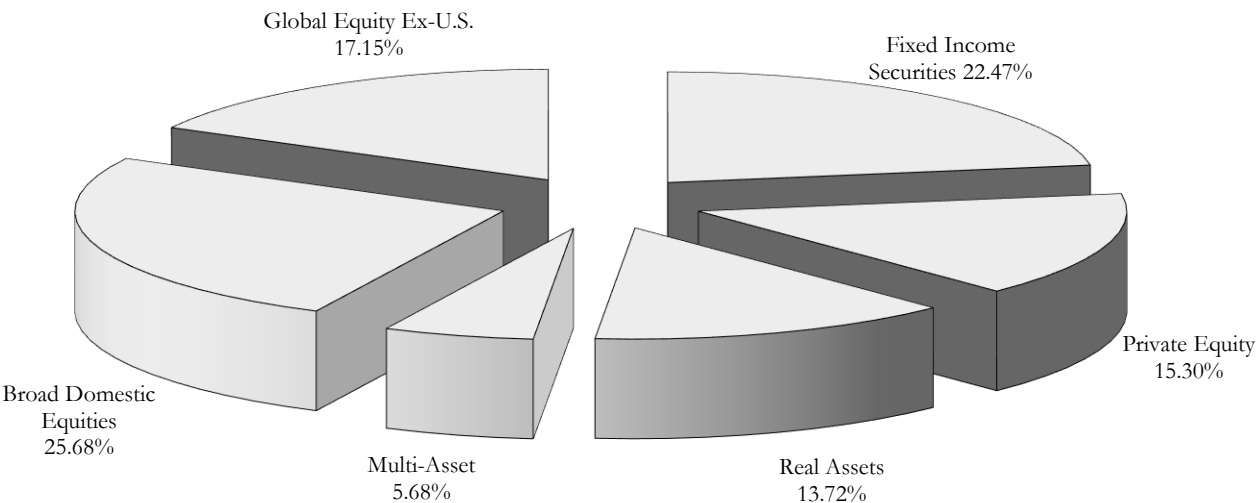
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Public Employees' Retirement System Asset Allocation June 30, 2025

Actual – Defined Benefit Alaska Retiree Healthcare Trust

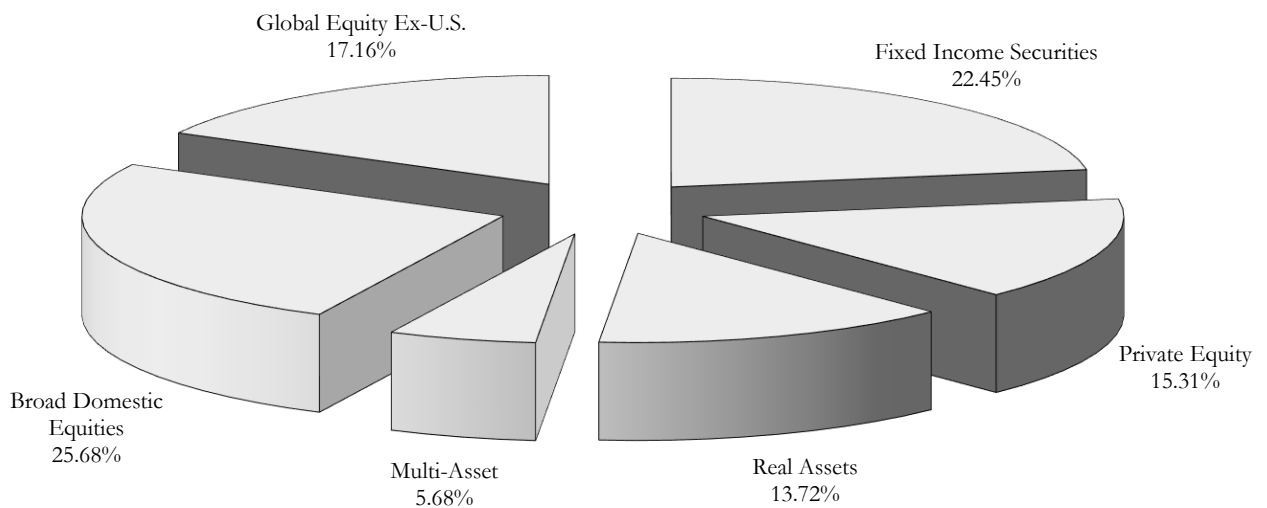


Actual — Occupational Death & Disability

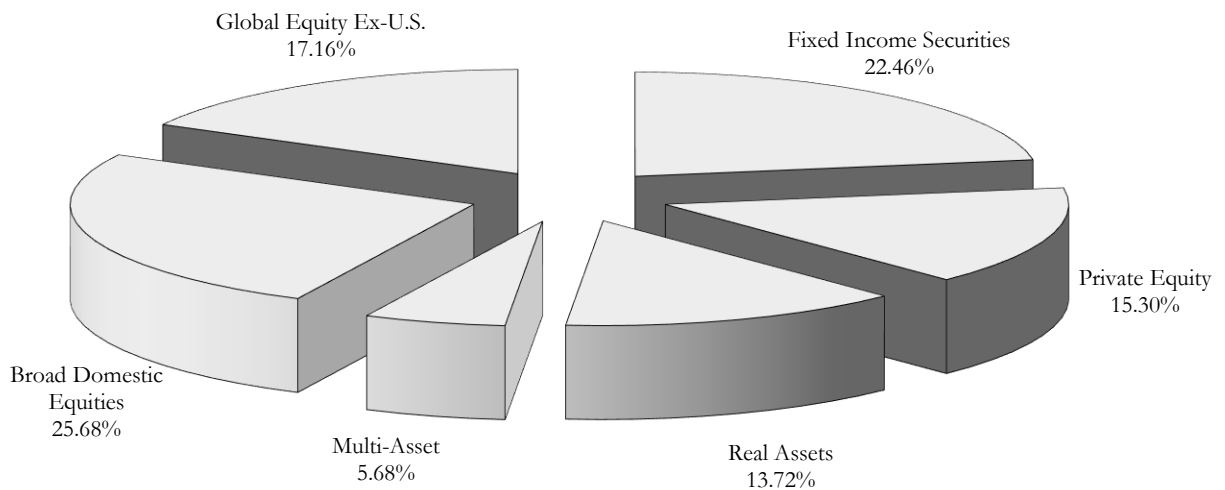


Public Employees' Retirement System Asset Allocation June 30, 2025

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

	<u>Fair Value</u>	<u>Fees</u>
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	15,870,848
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>\$ 23,709,711,250</u>	<u>57,639,348</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%	2,746,034,661	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%	697,199,208	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%	3,151,033,450	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%	2,105,100,479	17.17%
Private Equity				
Private Equity Pool			1,877,748,539	
Total Private Equity	14.00%	± 7%	1,877,748,539	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%	1,682,978,073	13.73%
Total Invested Assets	100.00%		\$ 12,260,094,410	100.00%

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

	Defined Benefit - Alaska Retiree Healthcare Trust			
	Asset Allocation			% of Total Assets
Investments (at Fair Value)	Policy	Range	Fair Value	
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%	2,226,458,293	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%	565,534,175	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%	2,555,952,064	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%	1,707,553,113	17.17%
Private Equity				
Private Equity Pool			1,523,137,975	
Total Private Equity	14.00%	± 7%	1,523,137,975	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%	1,365,149,495	13.73%
Total Invested Assets	100.00%		\$ 9,943,785,115	100.00%

Investment Section

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

	Occupational Death and Disability			
	Asset Allocation			% of Total Assets
Investments (at Fair Value)	Policy	Range	Fair Value	
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%	74,218,283	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%	18,782,389	5.68%
Broad Domestic Equity				
Large Cap Pool			76,846,801	
Small Cap Pool			8,034,136	
Total Broad Domestic Equity	27.00%	± 6%	84,880,937	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%	56,710,013	17.16%
Private Equity				
Private Equity Pool			50,586,099	
Total Private Equity	14.00%	± 7%	50,586,099	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%	45,338,995	13.72%
Total Invested Assets	100.00%		\$ 330,516,716	100.00%

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%	241,713,719	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%	61,164,893	5.68%
Broad Domestic Equity				
Large Cap Pool			250,251,378	
Small Cap Pool			26,163,177	
Total Broad Domestic Equity	27.00%	± 6%	276,414,555	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%	184,675,832	17.16%
Private Equity				
Private Equity Pool			164,733,396	
Total Private Equity	14.00%	± 7%	164,733,396	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	14.00%	± 7%	147,646,297	13.72%
Total Invested Assets	100.00%		\$ 1,076,348,692	100.00%

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	<u>\$ 2,394</u>	<u>305</u>	<u>2,699</u>

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.