Investment Committee Meeting
August 24, 2026

Meeting Items

- Agenda
- Total Fund Performance Review for period ending June 30, 2026
- 2026 Asset Liability Study Education: Update
- Asset Class Review: Private Credit Portfolio Review for period ending March 31, 2026
- Education: Systematic Trend Benchmark Review & Approve
- CIO Update
- Approval of Minutes – May 26, 2026

Board Packet Documents are available to the public for inspection on the Employees' Retirement System's Website: https://ers.ehawaii.gov/board-and-committee-agendas-and-meeting-packets, and in the Employees' Retirement System's Office, 201 Merchant Street, Suite 1400, Honolulu, HI 96813

NOTICE OF REGULAR MEETING

AGENCY: Investment Committee of the Board of Trustees of the Employees' Retirement System of the State of Hawaii

DATE: Monday, August 24, 2026; 9:00 a.m.

PLACE: City Financial Tower, 201 Merchant Street, Suite 1200, Honolulu, Hawaii 96813

The meeting will be conducted pursuant to HRS § 92-3.7, under which Members of the Investment Committee of the Board of Trustees may participate via interactive conference technology or in person at the meeting place stated above.

Members of the public may also attend the meeting by teleconference either audio or video, at the following link and phone number:

https://teams.microsoft.com/meet/252805837726018?p=yCEwfHWPVImXyG17RD
Meeting ID: 252 805 837 726 018
Passcode: qA6ig6eL

Or

+1 808-829-4853,,451259035# United States, Honolulu
Find a local number
Phone conference ID: 451 259 035#

Members of the public may provide testimony in person or by teleconference. Individuals testifying at the meeting are requested to limit their testimony to three (3) minutes or an amount of time otherwise designated by the Chairperson.

In the event audiovisual communication cannot be maintained with participating Trustees and quorum is lost, the meeting shall be automatically recess for up to 30 minutes, during which time, an attempt to restore audiovisual communication will be made. If such attempt is unsuccessful, all Trustees, members of the public, staff and other interested individuals may continue to participate in the meeting via telephone using the above listed telephone and conference ID numbers, whereby audio-only communication will be established for all participants and the meeting will continue. If reconvening the meeting is not possible because neither audiovisual nor audio-only communication can be re-established, the meeting will be terminated.

AGENDA

CALL TO ORDER/QUORUM

PUBLIC COMMENT

Members of the public may submit written testimony on these agenda items via e-mail or postal mail with receipt recommended by 4:30 p.m. on Thursday, August 20, 2026, in order to ensure it is distributed in time for consideration. Please address written testimony if by e-mail to diana.gomes@hawaii.gov or by postal mail to: Employees' Retirement System of the State of Hawaii, Investment Committee, 201 Merchant Street, Suite 1400, Honolulu, Hawaii 96813.

PRESENTATIONS

1. Total Fund Performance Review for period ending June 30, 2026
   Anthony Goo, ERS Interim Chief Investment Officer and Meketa Investment Group, Inc.

2. 2026 Asset Liability Study Education: Update
   Anthony Goo, Interim ERS Chief Investment Officer and Meketa Investment Group, Inc.

3. Rotating Alternative Asset Class Review: Private Credit Portfolio review for period ending March 31, 2026.
   Andrew Chen, ERS Investment Officer and Meketa Investment Group, Inc.

4. Education: Systematic Trend Benchmark Review & Approve
   Anthony Goo, ERS Interim Chief Investment Officer and Meketa Investment Group

   Pursuant to HRS §§ 88-27.5(a)(1) and 92-5(a)(4), the Committee may enter into Executive Session to conduct discussions and deliberations relating to, and if appropriate, to make a decision on investments or prospective investments by the system that requires the consideration of information or records that are exempt from disclosure under HRS Chapter 92F, including information and records that are proprietary information or confidential business information, and to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities with respect to these matter.

REPORTS BY STAFF

1. Chief Investment Officer Update

APPROVAL OF MINUTES – May 26, 2026

APPROVAL OF EXECUTIVE SESSION MINUTES – May 26, 2026

Pursuant to HRS §§ 88-27.5(a)(1) and 92-5(a)(4), the Committee may enter into Executive Session if such approval requires the discussion of investments or prospective investments by the system that requires the consideration of information or records that are exempt from disclosure under HRS Chapter 92F, including information and records that are proprietary information or confidential business information, and to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities with respect to this matter.

EXECUTIVE SESSION

1. Executive Session, pursuant to HRS §§ 88-27.5(a)(1) and 92-5(a)(4) to conduct discussions and deliberations relating to, and if appropriate, to make a decision on investments or prospective investments by the system that require the consideration of information or records that are exempt from disclosure under HRS Chapter 92F, including information and records that are proprietary information or confidential business information, and to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities with respect to Confidential ERS Investment Portfolio activity to include (1) Annual Investment Activity update and (2) Investment Office updates.

ADJOURNMENT

If you require auxiliary aid/service or other accommodation due to a disability, contact Diana Gomes at (808) 586-0175 or diana.gomes@hawaii.gov as soon as possible, preferably by Thursday, August 20, 2026, and the ERS will try to obtain the auxiliary aid/service or accommodation, but cannot guarantee that the request can be fulfilled.

Upon request, this notice can be made available in large print.

Employees’ Retirement System of the State of Hawaii

August 24, 2026

2026 Q2 Performance Report

Agenda

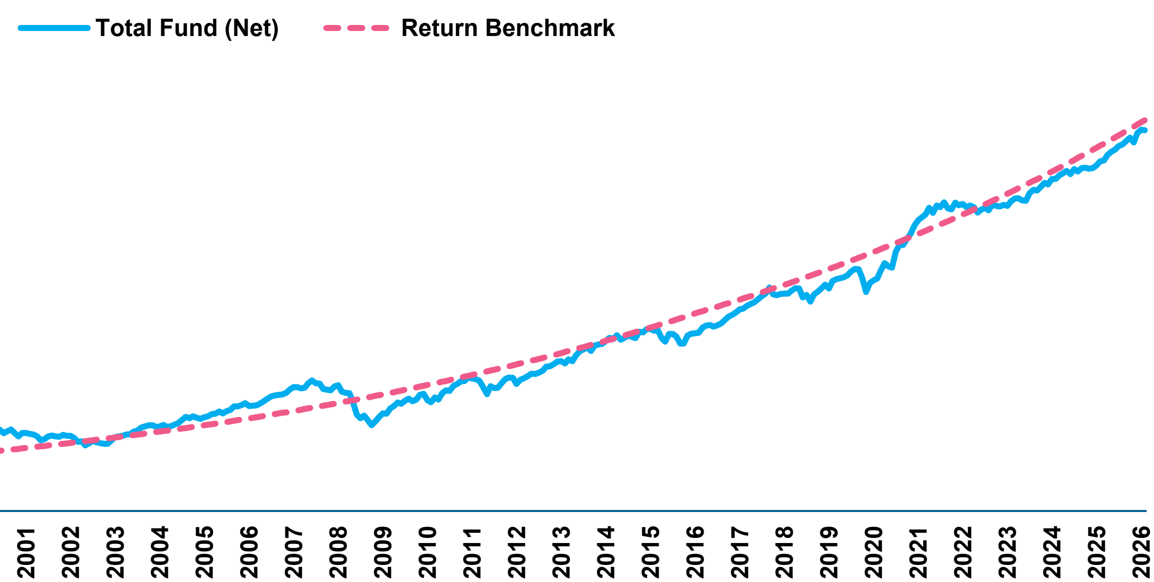
1. Introduction
2. ERS Portfolio Review
3. Plan Sponsor Peer Group Analysis
4. Appendix

Introduction

Executive Summary

- The ERS Board has constructed the investment portfolio to produce steady, compounding returns over time.
- Risk mitigation is critical in order to ensure the long-term sustainability and growth of the ERS.
- Within the ERS's Investment Policy Statement, success is defined as achieving the long-term return that is needed in conjunction with actuarially defined contributions to fund the plan over time.
- As detailed below, ERS has consistently generated steady, compounded growth since its performance inception.[1]

Since Inception Growth of $1



[1] Return Benchmark represents the ERS's actuarial assumption rate, which is 7.0% since July 2016, 7.65% from July 2015 to July 2016, 7.75% July 2011 to July 2015, 8.00% prior to July 2011.

Executive Summary (continued)

→ When considering risk assumed per unit of return received, ERS steadily outpaces its national peer set.

Risk-Adjusted Performance[1] of Hawaii ERS vs. Median Public Fund

	Since Inception	30 Yrs	20 Yrs	10 Yrs	5 Yrs	3 Yrs	1 Yr	FYTD	CYTD	QTD
Total Fund	**7.6**	**7.0**	**6.6**	**7.9**	**5.4**	**7.2**	**9.2**	**9.2**	**4.2**	**3.6**
Risk-Adjusted Peer Median[2]	*7.1*	*6.8*	*6.0*	*5.4*	*2.7*	*4.7*	*6.3*	*6.3*	*3.0*	*4.0*
Excess Return	0.5	0.2	0.6	2.5	2.7	2.6	3.0	3.0	1.2	(0.4)

[1] Performance shown is net of fees since October 1, 2014, and a mix of net and gross of fees prior to October 1, 2014. Fiscal Year beings on July 1. Inception date is June 1, 1990.

[2] The risk-adjusted median normalizes the median fund to the ERS's exhibited volatility. Calculated as: risk-adjusted median return = unadjusted median return × (ERS volatility ÷ median fund volatility), where volatility is measured as standard deviation. Figures for periods greater than one year are annualized.

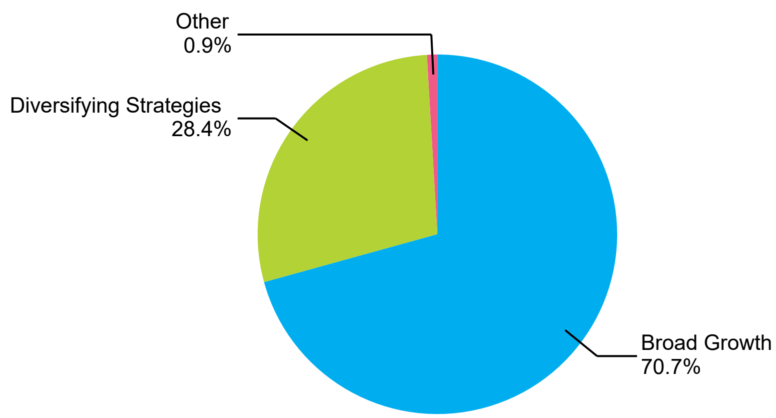
Portfolio Valuation	Quarter-to-Date	Calendar Year-to-Date	One Year
Total Fund			
Beginning Market Value	25,661,497,991	25,618,242,248	24,425,334,635
Net Cash Flows	-27,194,333	-123,906,512	-162,419,691
Gain/Loss	956,013,133	1,095,981,054	2,327,401,846
Ending Market Value	**26,590,316,790**	**26,590,316,790**	**26,590,316,790**

ERS Total Fund Relative Performance	Inception	30 Yrs	20 Yrs	10 Yrs	5 Yrs	3 Yrs	1 Yr	YTD	QTD
Total Fund	**7.6**	**7.0**	**6.6**	**7.9**	**5.4**	**7.2**	**9.2**	**4.2**	**3.6**
Return Benchmark	7.7	7.6	7.4	7.0	7.0	7.0	7.0	3.4	1.7
Excess Return	-0.1	-0.6	-0.8	0.9	-1.6	0.2	2.2	0.7	1.9
Total Fund	**7.6**	**7.0**	**6.6**	**7.9**	**5.4**	**7.2**	**9.2**	**4.2**	**3.6**
Market Benchmark	8.0	7.5	7.1	8.4	7.5	11.7	13.5	4.3	3.6
Excess Return	-0.4	-0.5	-0.4	-0.5	-2.1	-4.4	-4.2	-0.1	0.0
Total Fund	**7.6**	**7.0**	**6.6**	**7.9**	**5.4**	**7.2**	**9.2**	**4.2**	**3.6**
Peer Benchmark	8.1	7.5	7.0	8.7	6.7	11.8	14.3	7.0	8.0
Excess Return	-0.5	-0.5	-0.4	-0.8	-1.3	-4.6	-5.1	-2.8	-4.4
Total Fund Rank	100	98	71	87	94	96	94	91	95

Total Fund performance consists of net of fees returns. Fiscal year begins on July 1. Inception date is June 1, 1990. Current Market Benchmark composition (effective January 1, 2024) is 70% Broad Growth Benchmark and 30% Diversifying Strategies Benchmark. Please see the Appendix for current and historical custom benchmark compositions. Return Benchmark represents the ERS's actuarial assumption rate, which is 7.0% since July 2016, 7.65% from July 2015 to July 2016, 7.75% July 2011 to July 2015, 8.00% prior to July 2011. Peer Benchmark represents the plan sponsor peer group InvMetrics Public DB >$1B Net universe and includes BNY Mellon Total Public Fund >$1B universe and Investment Metrics client data.

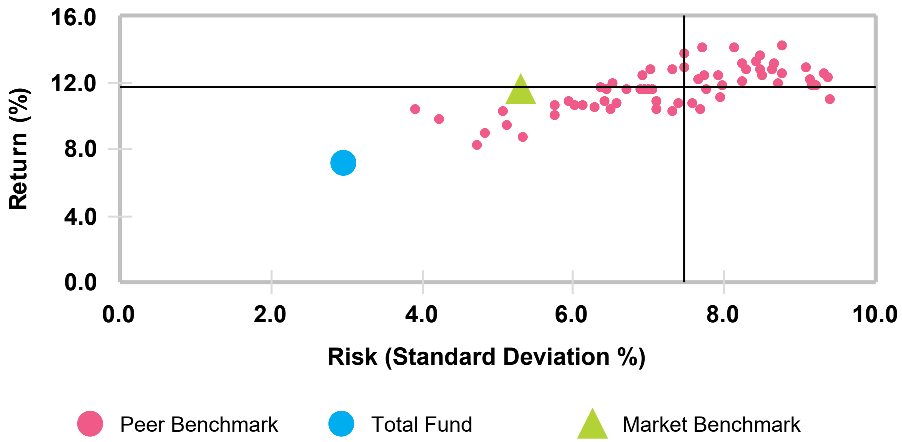
Asset Allocation vs. Target
As of June 30, 2026

	Balance ($)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)
Broad Growth	**18,801,644,683**	**70.7**	**70.0**	**0.7**	**60.0 - 80.0**
Global Equity	10,713,482,303	40.3	39.0	1.3	19.0 - 59.0
Global Credit	2,900,502,492	10.9	12.0	-1.1	6.0 - 18.0
Real Assets	5,187,659,888	19.5	19.0	0.5	9.0 - 29.0
Diversifying Strategies	**7,541,515,251**	**28.4**	**30.0**	**-1.6**	**20.0 - 40.0**
Liquid Defensive/Diversifying	6,630,580,266	24.9	26.0	-1.1	15.0 - 30.0
Illiquid Diversifying	910,934,986	3.4	4.0	-0.6	0.0 - 9.0
Other	**247,156,855**	**0.9**	**0.0**	**0.9**	**0.0 - 0.0**
Other	247,156,855	0.9	0.0	0.9	0.0 - 0.0
Total	**26,590,316,790**	**100.0**	**100.0**	**0.0**	



Policy targets effective January 1, 2024. “Other” includes ERS Operating Account and transitional or residual proceeds from liquidating or terminated accounts.

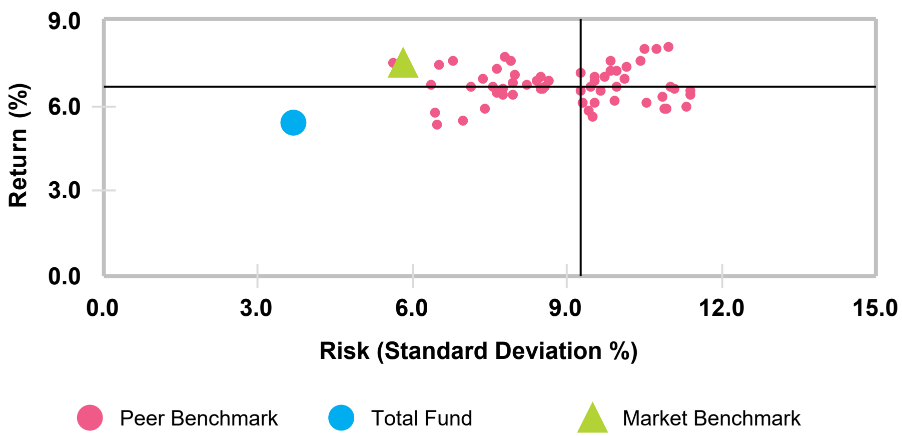
Annualized Return vs. Annualized Standard Deviation
3 Years Ending June 30, 2026



Annualized Risk-Return

	3 Years Return (%)	3 Years Standard Deviation (%)	3 Years Sharpe Ratio (%)
Total Fund	7.2	2.9	0.8
Market Benchmark	11.7	5.3	1.3
Peer Benchmark Median	11.8	7.5	0.9

Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2026

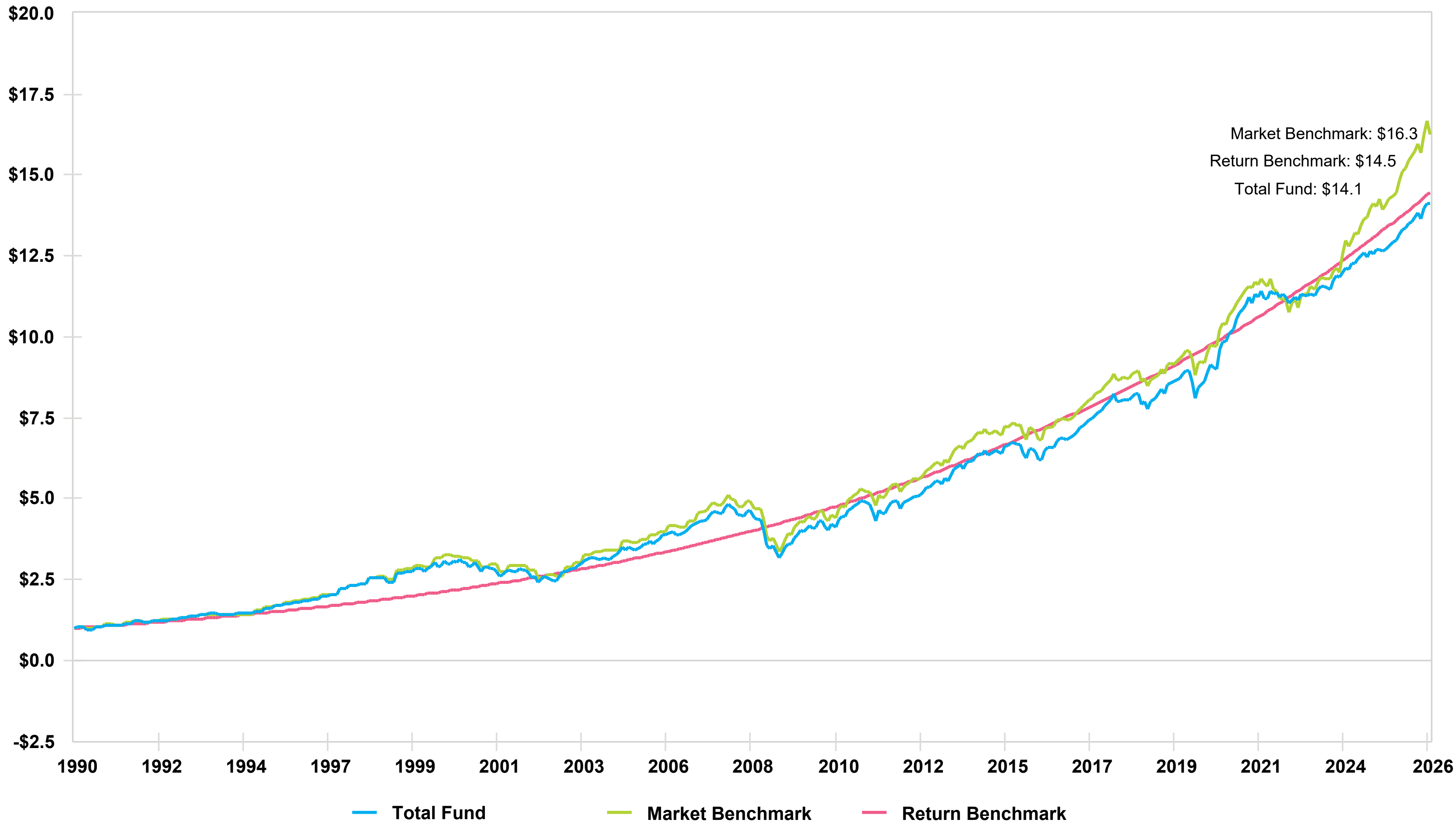


Annualized Risk-Return

	5 Years Return (%)	5 Years Standard Deviation (%)	5 Years Sharpe Ratio (%)
Total Fund	5.4	3.7	0.5
Market Benchmark	7.5	5.8	0.7
Peer Benchmark Median	6.7	9.3	0.4

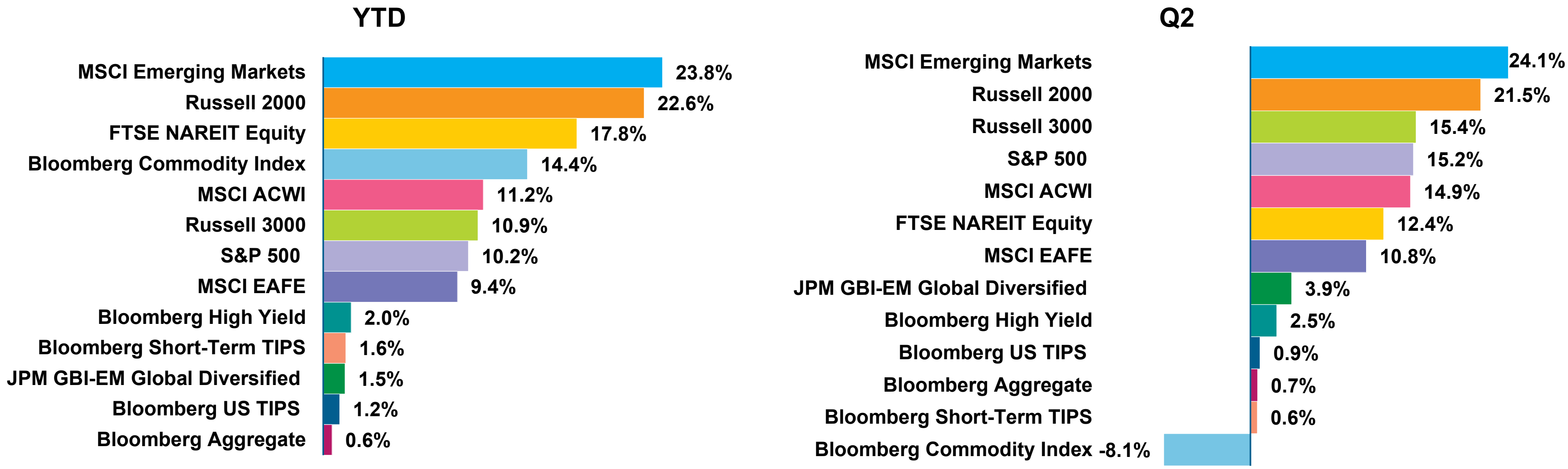
Peer Benchmark represents the plan sponsor peer group InvMetrics Public DB >$1B Net universe and includes BNY Mellon Total Public Fund >$1B universe and Investment Metrics client data.

Since Inception Growth of $1



Inception date is June 1, 1990. Return Benchmark represents the ERS's actuarial assumption rate, which is 7.0% since July 2016, 7.65% from July 2015 to July 2016, 7.75% July 2011 to July 2015, 8.00% prior to July 2011.

Index Returns[1]



- In the second quarter of 2026, equities led performance across asset classes, with emerging markets and small-cap US stocks posting the strongest returns. Resilient earnings, tailwinds from the AI-related infrastructure buildout, and relief from the sharp decline in oil prices were the primary catalysts for the broad advance.
- Commodities were the notable laggard during the quarter, declining 8.1% as oil prices reversed sharply on easing Middle East tensions, after leading all asset classes in the prior quarter.
- The broad bond market generated modest positive returns given the decline in inflation concerns driven by falling energy prices. Emerging market debt and high yield bonds produced the strongest fixed income results given the improvement in risk sentiment.

[1] Source: Bloomberg. Data is as of June 30, 2026.

Key Trends

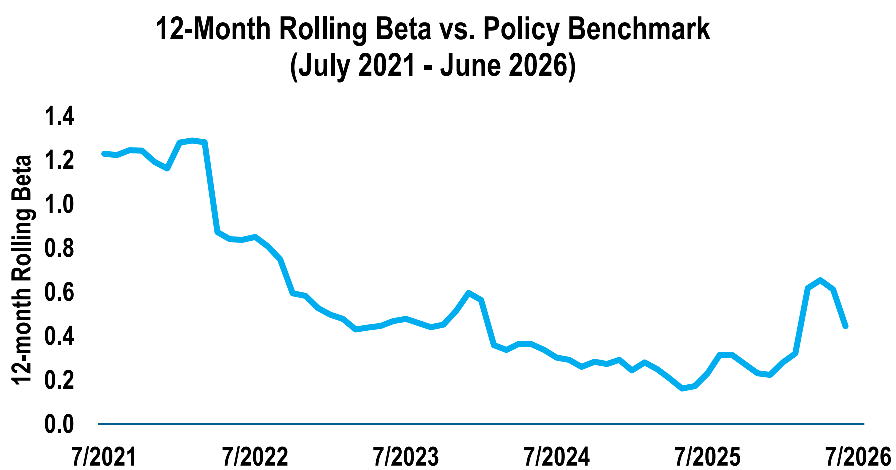
- Global growth expectations remain subdued amid the conflict in the Middle East. The IMF's April 2026 World Economic Outlook cut projected global growth to 3.1% (from 3.3%), and downside risks continue to dominate, with the renewed escalation capable of pushing growth materially lower.
- The dominant macro tension has shifted. The sharp reversal in oil prices late in the second quarter and the below expectations jobs report has effectively taken a July rate hike off the table for the Fed, but it reflects a one-off energy round-trip rather than resolved underlying inflation. With the ceasefire already fraying and the committee split on the balance of risks, the question has moved from whether the energy spike would force the Fed's hand to whether June's disinflation holds into September, when a hike remains a coin flip. The leadership question, by contrast, is largely settled. Chair Warsh has anchored the Fed to an explicit price-stability mandate, with reduced forward guidance and a reaction function that leaves little tolerance for a renewed inflation impulse.
- US consumers show increasing strain at the lower end, and although gasoline has fallen back below $4/gallon, a rising share of younger and rate-sensitive borrowers is falling behind on debt. The unemployment rate has remained in a narrow band this year, but soft participation and widening dispersion in household financial health point to underlying weakness beneath a still-firm headline labor market.
- US equity performance has been strong, with the rally led by technology and the largest mega-cap constituents and extended by robust emerging market gains in Asia. While leadership has broadened on a year-to-date basis, the second-quarter advance again leaned heavily on technology, while energy and other commodity-sensitive sectors gave back ground as oil prices fell. Into the third quarter, that same concentration is the principal risk with scrutiny turning from AI enthusiasm to the gap between soaring capex and still-thin monetization.

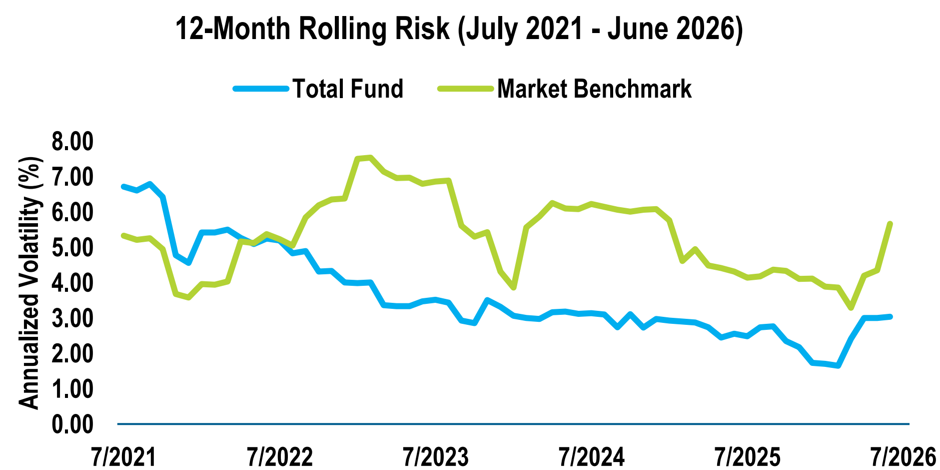
Macro Risk Analytics – Key Takeaways

→ Global growth expectations remain subdued amid the conflict in the Middle East. The dominant macro tension has shifted. The sharp reversal in oil prices late in the second quarter and the below expectations jobs report has effectively taken a July rate hike off the table for the Fed, but it reflects a one-off energy round trip rather than resolved underlying inflation. The leadership question is largely settled. Chair Warsh has anchored the Fed to an explicit price-stability mandate, with reduced forward guidance and a reaction function that leaves little tolerance for a renewed inflation impulse. US consumers show increasing strain at the lower end. The unemployment rate has remained in a narrow band this year, but soft participation and widening dispersion in household financial health point to underlying weakness beneath a still-firm headline labor market.

→ Meketa's Market Sentiment Indicator remained **green** (i.e., positive) during Q2.

→ The Actual Portfolio's beta (on a 12-month basis relative to the Policy Portfolio) has been declining from its 3-year peak in April. Related, trailing 12-month volatility for the Actual Portfolio and Policy Portfolio[1] remain at a relatively widespread and gradually diverging again since April.

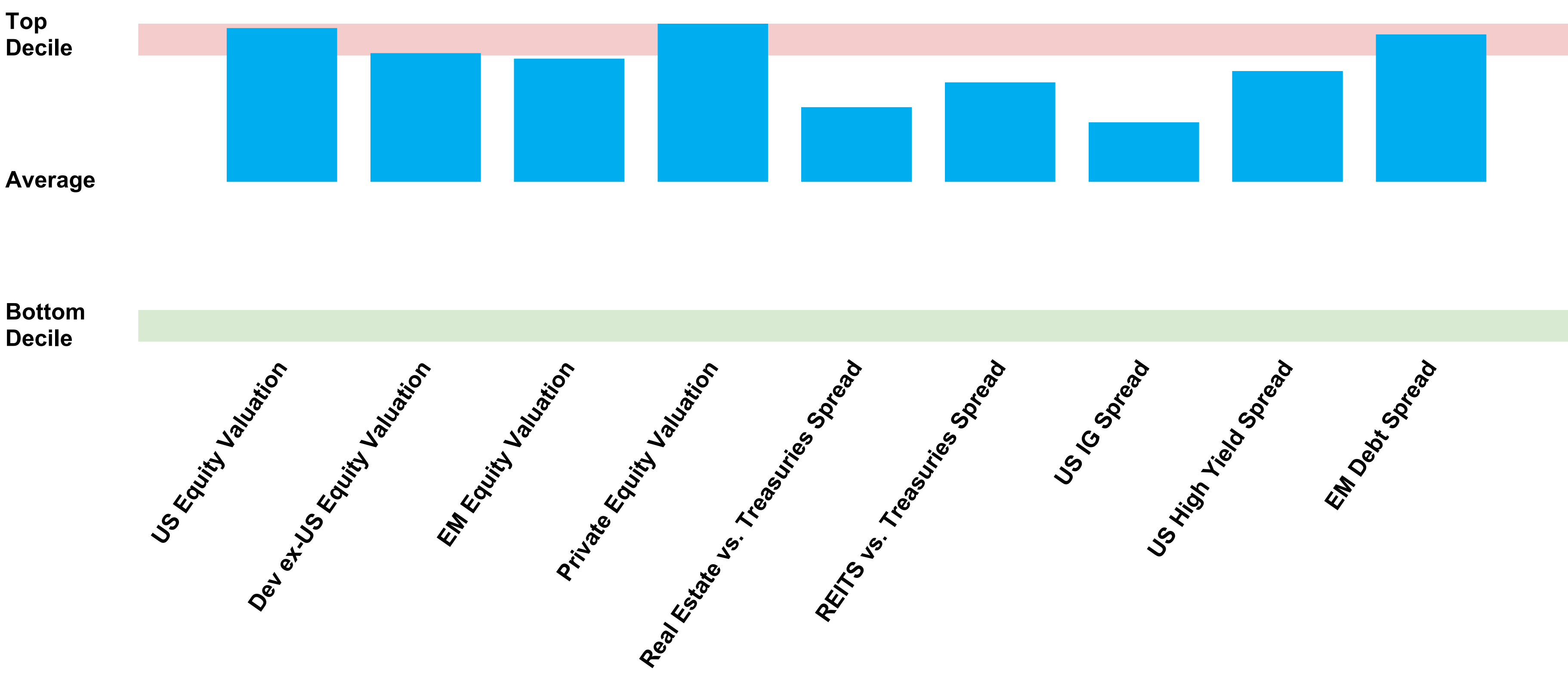




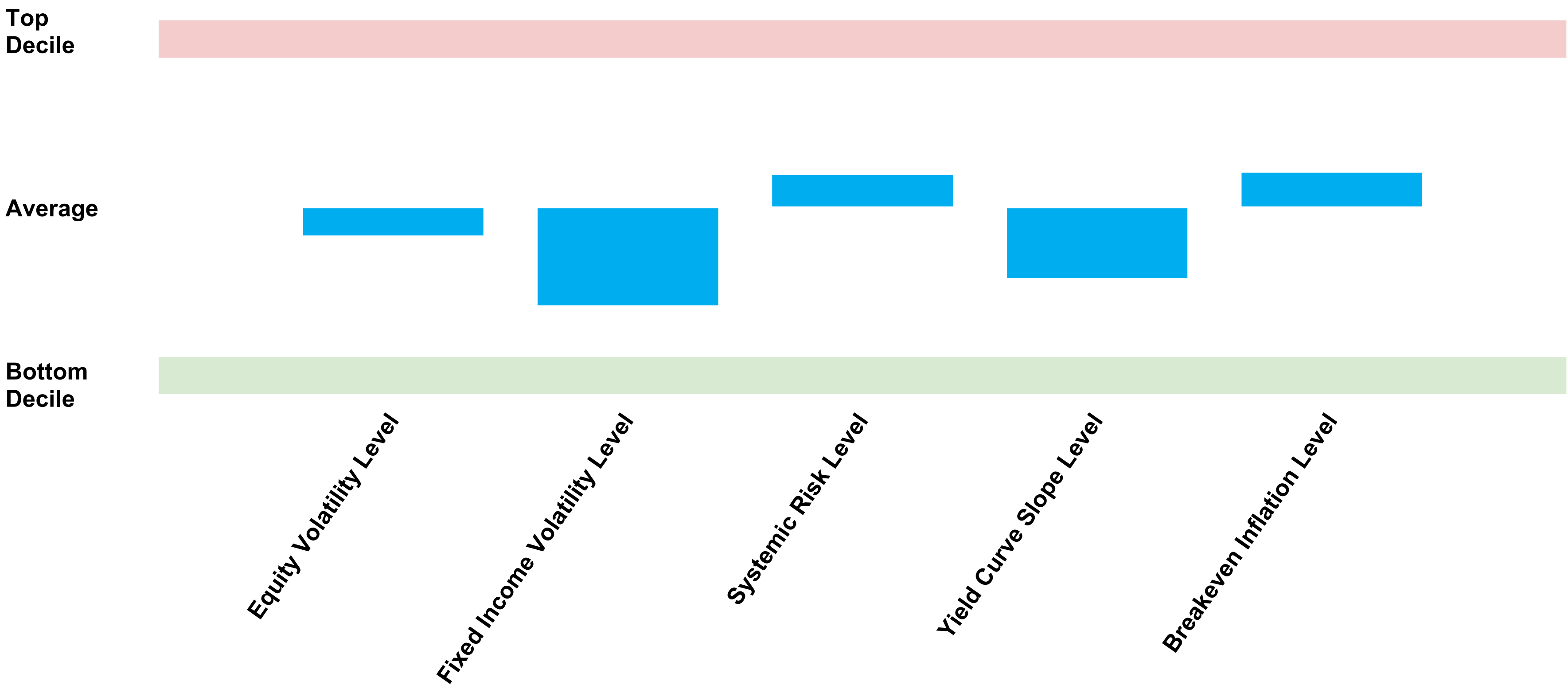
[1] In effect since January 1, 2024.

Valuation Metrics Dashboard

(current measures relative to history)

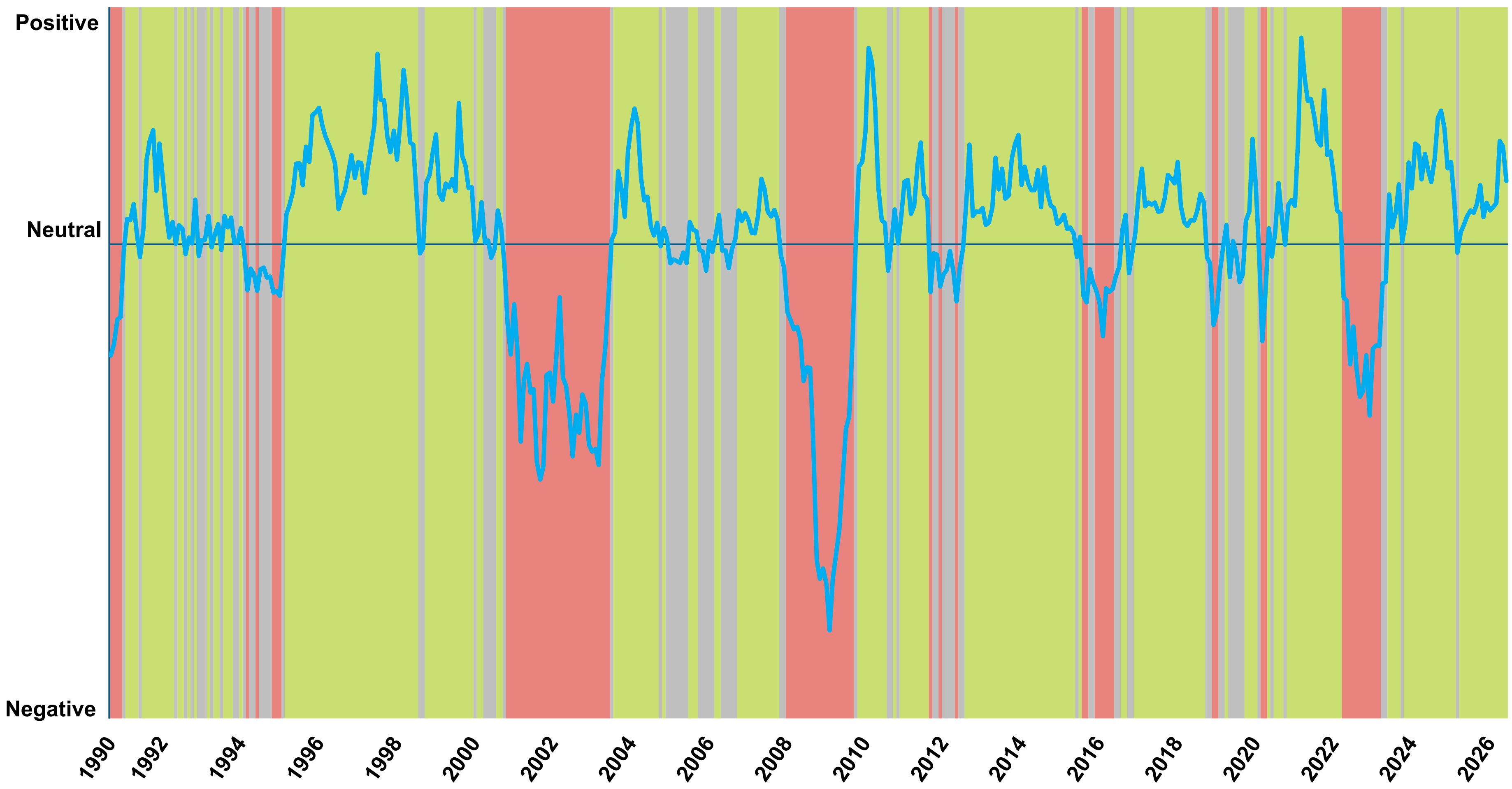


Other Market Metrics Dashboard
(current measures relative to history)



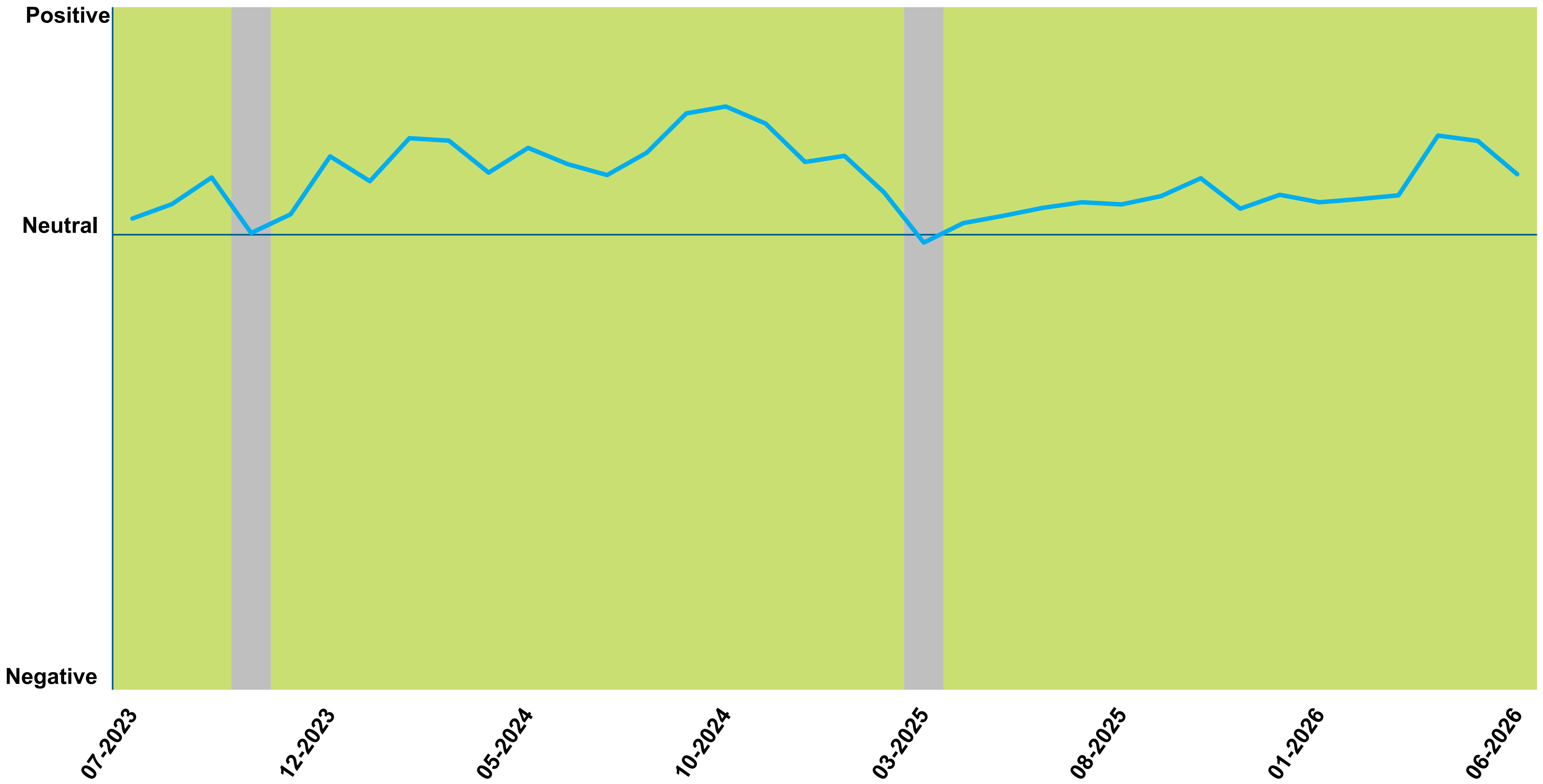
Market Sentiment Indicator (All History)

(As of June 30, 2026)



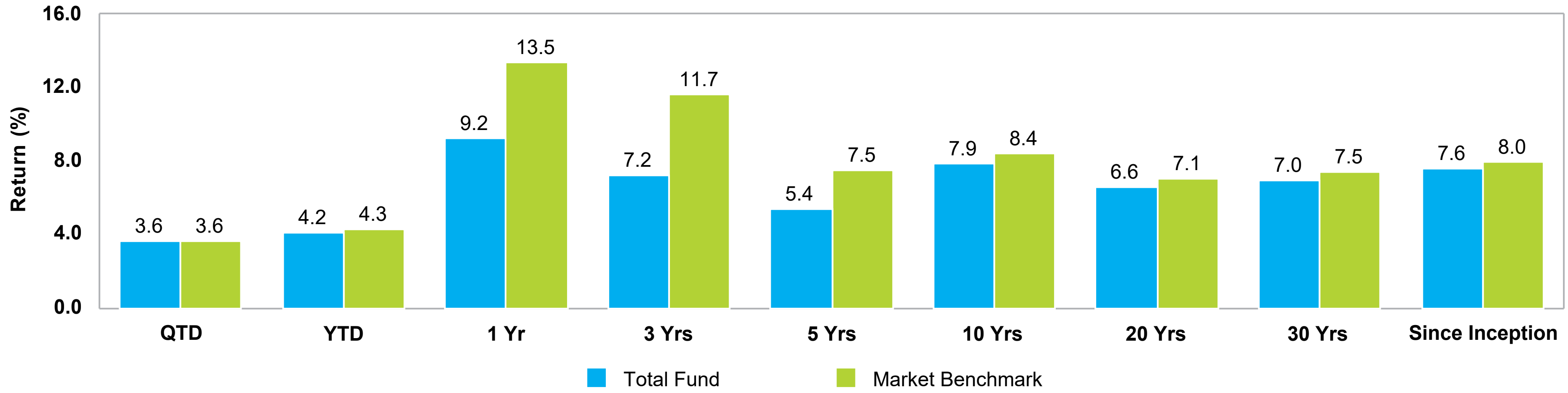
Market Sentiment Indicator (Last Three Years)

(As of June 30, 2026)

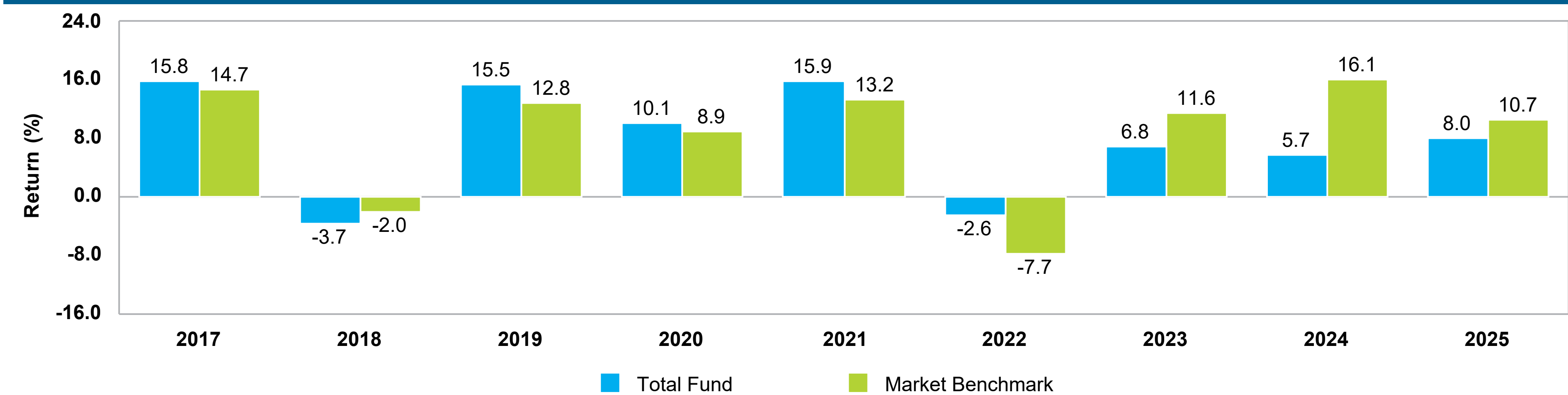


ERS Portfolio Review

Trailing Performance



Calendar Year Performance



Performance shown is net of fees. Inception date is 6/1/1990. Please see the Appendix for the Market Benchmark's composition history.

Performance Attribution[1] vs. Policy Benchmark
Quarter ending June 30, 2026

	Policy[2]		Portfolio[3]		Impact on Return		
	Allocation (%)	Return	Allocation (%)	Return	Weighting	Implementation	Total[4]
Broad Growth	**70.0**	**4.8**	**70.5**	**4.8**	**0.0**	**0.0**	**0.1**
Global Equity	39.2	6.1	40.1	7.4	0.0	0.5	0.6
Global Credit	11.9	0.3	11.0	1.8	0.0	0.2	0.2
Real Assets	18.9	4.7	19.4	1.4	0.0	(0.6)	(0.6)
Diversifying Strategies	**30.0**	**0.5**	**26.7**	**0.9**	**0.1**	**0.1**	**0.2**
Liquid Defensive/Diversifying	26.1	0.3	23.2	0.6	0.1	0.1	0.2
Illiquid Diversifying	3.9	2.2	3.5	3.1	0.0	0.0	0.0
Other Assets	**0.0**	**0.9**	**2.8**	**1.1**	**(0.1)**	**0.0**	**(0.1)**
Total[5]	**100.0**	**3.6**	**100.0**	**3.6**	**0.0**	**0.1**	**0.2**

[1] The underlying data points (asset values and net-of-fees returns) for performance attribution calculation are from BNY Mellon. Performance attribution is calculated using average allocation over the period measure and the period's annualized trailing return. Total impacts may not match period excess return (difference between Portfolio Return and Policy Return) due to rounding, rebalancing, and measurement frequencies. Please see "Performance Attribution Glossary" page in the Appendix for the definition and formula of the Impact on Return factors.

[2] Policy Allocation and Return columns represent those of each component's corresponding primary benchmarks ("Historical Benchmarks") as shown in the other parts of this report and are used in the attribution calculations. For Other Assets, ICE BofA 3-Month US T-Bills Index is used as benchmark.

[3] Portfolio Allocation column illustrates the average beginning-of-month allocation of each component over the period measured.

[4] Total impacts may not sum to excess return due to rounding, rebalancing, and measurement frequencies.

[5] Policy Return and Portfolio Return values for the "Total" row are those of the Market Benchmark (policy benchmark of the total portfolio) and the Total Fund respectively. Values in the Impact on Return columns for "Total" row are the sums of calculated Impact on Return values in each column for Broad Growth, Diversifying Strategies, and Other Assets components. The sum of sub-composites (Global Equity, Global Credit, Real Assets, Liquid Defensive/Diversifying, and Illiquid Diversifying) along with Other Assets may not yield the same figure as obsolete sub-composites are excluded and the recalculated composite asset values may not contain the terminated accounts.

Performance Attribution[1] vs. Policy Benchmark
Calendar Year-to-Date ending June 30, 2026

	Policy[2]		Portfolio[3]		Impact on Return		
	Allocation (%)	Return	Allocation (%)	Return	Weighting	Implementation	Total[4]
Broad Growth	**70.0**	**5.0**	**70.2**	**4.7**	**0.0**	**(0.2)**	**(0.2)**
Global Equity	39.2	6.3	39.9	5.8	0.0	(0.2)	(0.2)
Global Credit	11.9	1.4	11.4	2.4	0.0	0.1	0.1
Real Assets	18.9	4.3	18.9	3.8	(0.0)	(0.1)	(0.1)
Diversifying Strategies	**30.0**	**2.0**	**26.6**	**2.9**	**0.1**	**0.2**	**0.3**
Liquid Defensive/Diversifying	26.1	1.6	23.3	2.2	0.1	0.1	0.2
Illiquid Diversifying	3.9	4.1	3.3	7.9	0.0	0.1	0.1
Other Assets	**0.0**	**1.7**	**3.2**	**2.4**	**(0.1)**	**0.0**	**(0.1)**
Total[5]	**100.0**	**4.3**	**100.0**	**4.2**	**(0.0)**	**0.1**	**0.1**

[1] The underlying data points (asset values and net-of-fees returns) for performance attribution calculation are from BNY Mellon. Performance attribution is calculated using average allocation over the period measure and the period's annualized trailing return. Total impacts may not match period excess return (difference between Portfolio Return and Policy Return) due to rounding, rebalancing, and measurement frequencies. Please see "Performance Attribution Glossary" page in the Appendix for the definition and formula of the Impact on Return factors.

[2] Policy Allocation and Return columns represent those of each component's corresponding primary benchmarks ("Historical Benchmarks") as shown in the other parts of this report and are used in the attribution calculations. For Other Assets, ICE BofA 3-Month US T-Bills Index is used as benchmark.

[3] Portfolio Allocation column illustrates the average beginning-of-month allocation of each component over the period measured.

[4] Total impacts may not sum to excess return due to rounding, rebalancing, and measurement frequencies.

[5] Policy Return and Portfolio Return values for the "Total" row are those of the Market Benchmark (policy benchmark of the total portfolio) and the Total Fund respectively. Values in the Impact on Return columns for "Total" row are the sums of calculated Impact on Return values in each column for Broad Growth, Diversifying Strategies, and Other Assets components. The sum of sub-composites (Global Equity, Global Credit, Real Assets, Liquid Defensive/Diversifying, and Illiquid Diversifying) along with Other Assets may not yield the same figure as obsolete sub-composites are excluded and the recalculated composite asset values may not contain the terminated accounts.

Performance Attribution[1] vs. Policy Benchmarks
1 Year ending June 30, 2026

	Policy[2]		Portfolio[3]		Impact on Return		
	Allocation (%)	Return	Allocation (%)	Return	Weighting	Implementation	Total
Broad Growth	**70.0**	**16.4**	**70.6**	**10.1**	**0.0**	**(4.5)**	**(4.5)**
Global Equity	39.2	22.8	40.0	13.0	0.1	(3.9)	(3.8)
Global Credit	11.9	6.7	11.7	7.2	0.0	0.1	0.1
Real Assets	18.9	9.7	18.9	5.9	(0.0)	(0.7)	(0.7)
Diversifying Strategies	**30.0**	**5.8**	**24.8**	**7.7**	**0.4**	**0.5**	**0.9**
Liquid Defensive/Diversifying	26.1	4.8	21.4	7.2	0.4	0.5	0.9
Illiquid Diversifying	3.9	12.8	3.4	11.4	0.0	(0.0)	(0.0)
Other Assets	**0.0**	**3.8**	**4.6**	**4.8**	**(0.4)**	**0.0**	**(0.4)**
Total[4]	**100.0**	**13.5**	**100.0**	**9.2**	**(0.0)**	**(4.0)**	**(4.0)**

[1] The underlying data points (asset values and net-of-fees returns) for performance attribution calculation are from BNY Mellon. Performance attribution is calculated using average allocation over the period measure and the period's annualized trailing return. Total impacts may not match period excess return (difference between Portfolio Return and Policy Return) due to rounding, rebalancing, and measurement frequencies. Please see "Performance Attribution Glossary" page in the Appendix for the definition and formula of the Impact on Return factors.

[2] Policy Allocation and Return columns represent those of each component's corresponding primary benchmarks ("Historical Benchmarks") as shown in the other parts of this report and are used in the attribution calculations. For Other Assets, ICE BofA 3-Month US T-Bills Index is used as benchmark. Policy Allocation column illustrates the average beginning-of-month target allocation of each component over the period measured; thus, the values may not match any particular set of targets.

[3] Portfolio Allocation column illustrates the average beginning-of-month allocation of each component over the period measured.

[4] Policy Return and Portfolio Return values for the "Total" row are those of the Market Benchmark (policy benchmark of the total portfolio) and the Total Fund respectively. Values in the Impact on Return columns for "Total" row are the sums of calculated Impact on Return values in each column for Broad Growth, Diversifying Strategies, and Other Assets components. The sum of sub-composites (Global Equity, Global Credit, Real Assets, Liquid Defensive/Diversifying, and Illiquid Diversifying) along with Other Assets may not yield the same figure as obsolete sub-composites are excluded and the recalculated composite asset values may not contain the terminated accounts.

Performance Attribution[1] vs. Policy Benchmarks
3 Years ending June 30, 2026

	Policy[2]		Portfolio[3]		Impact on Return		
	Allocation (%)	Return	Allocation (%)	Return	Weighting	Implementation	Total
Broad Growth	**68.8**	**14.7**	**68.7**	**9.0**	**(0.0)**	**(3.9)**	**(3.9)**
Global Equity	39.4	18.5	39.6	11.5	0.0	(2.8)	(2.8)
Global Credit	10.6	9.7	10.7	9.2	(0.0)	(0.1)	(0.1)
Real Assets	17.8	9.2	17.9	3.8	(0.0)	(1.0)	(1.0)
Diversifying Strategies	**31.3**	**4.2**	**28.7**	**3.3**	**0.2**	**(0.3)**	**(0.1)**
Liquid Defensive/Diversifying	27.0	2.7	24.5	2.6	0.2	(0.0)	0.2
Illiquid Diversifying	4.3	12.9	4.2	8.2	(0.0)	(0.2)	(0.2)
Other Assets	**0.0**	**4.6**	**2.6**	**5.2**	**(0.2)**	**0.0**	**(0.2)**
Total[4]	**100.0**	**11.7**	**100.0**	**7.2**	**0.0**	**(4.2)**	**(4.1)**

[1] The underlying data points (asset values and net-of-fees returns) for performance attribution calculation are from BNY Mellon. Performance attribution is calculated using average allocation over the period measure and the period's annualized trailing return. Total impacts may not match period excess return (difference between Portfolio Return and Policy Return) due to rounding, rebalancing, and measurement frequencies. Please see "Performance Attribution Glossary" page in the Appendix for the definition and formula of the Impact on Return factors.
The current plan structure became effective 01/01/2024. Global Equity, Global Credit, and Liquid Defensive/Diversifying composites were not used in the current form prior to 2024. To calculate performance attribution for the prior periods, reconstructed or approximated information is used; this may include but not limited to policy allocation targets reflected in the reconstructed historical benchmarks, the reconstructed historical benchmark returns, and composite asset values as reconstituted and recalculated by BNY Mellon. This reconstituted portfolio structure and asset values (and therefore Portfolio Allocation values) may not include all the underlying historical accounts such as those previously terminated.

[2] Policy Allocation and Return columns represent those of each component's corresponding primary benchmarks ("Historical Benchmarks") as shown in the other parts of this report and are used in the attribution calculations. For Other Assets, ICE BofA 3-Month US T-Bills Index is used as benchmark. Policy Allocation column illustrates the average beginning-of-month target allocation of each component over the period measured; thus, the values may not match any particular set of targets.

[3] Portfolio Allocation column illustrates the average beginning-of-month allocation of each component over the period measured.

[4] Policy Return and Portfolio Return values for the "Total" row are those of the Market Benchmark (policy benchmark of the total portfolio) and the Total Fund respectively. Values in the Impact on Return columns for "Total" row are the sums of calculated Impact on Return values in each column for Broad Growth, Diversifying Strategies, and Other Assets components. The sum of sub-composites (Global Equity, Global Credit, Real Assets, Liquid Defensive/Diversifying, and Illiquid Diversifying) along with Other Assets may not yield the same figure as obsolete sub-composites are excluded and the recalculated composite asset values may not contain the terminated accounts.

Performance Attribution[1] vs. Policy Benchmarks
5 Years ending June 30, 2026

	Policy[2]		Portfolio[3]		Impact on Return		
	Allocation (%)	Return	Allocation (%)	Return	Weighting	Implementation	Total
Broad Growth	**66.5**	**9.0**	**68.7**	**6.2**	**0.0**	**(2.0)**	**(1.9)**
Global Equity	39.0	10.2	40.4	7.9	0.0	(0.9)	(0.9)
Global Credit	6.7	5.8	6.1	6.0	0.0	0.0	0.0
Real Assets	11.8	9.9	12.5	5.4	0.0	(0.6)	(0.5)
Diversifying Strategies	**33.5**	**3.5**	**29.0**	**3.7**	**0.2**	**0.1**	**0.2**
Liquid Defensive/Diversifying	29.4	1.4	25.2	3.5	0.3	0.5	0.8
Illiquid Diversifying	4.2	9.9	3.7	4.9	(0.0)	(0.2)	(0.2)
Other Assets	**0.0**	**3.5**	**2.4**	**1.8**	**(0.1)**	**(0.0)**	**(0.1)**
Total[4]	**100.0**	**7.5**	**100.0**	**5.4**	**0.1**	**(2.0)**	**(1.8)**

[1] The underlying data points (asset values and net-of-fees returns) for performance attribution calculation are from BNY Mellon. Performance attribution is calculated using average allocation over the period measure and the period's annualized trailing return. Total impacts may not match period excess return (difference between Portfolio Return and Policy Return) due to rounding, rebalancing, and measurement frequencies. Please see "Performance Attribution Glossary" page in the Appendix for the definition and formula of the Impact on Return factors.

The current plan structure became effective 01/01/2024. Global Equity, Global Credit, and Liquid Defensive/Diversifying composites were not used in the current form prior to 2024. To calculate performance attribution for the prior periods, reconstructed or approximated information is used; this may include but not limited to policy allocation targets reflected in the reconstructed historical benchmarks, the reconstructed historical benchmark returns, and composite asset values as reconstituted and recalculated by BNY Mellon. This reconstituted portfolio structure and asset values (and therefore Portfolio Allocation values) may not include all the underlying historical accounts such as those previously terminated.

[2] Policy Allocation and Return columns represent those of each component's corresponding primary benchmarks ("Historical Benchmarks") as shown in the other parts of this report and are used in the attribution calculations. For Other Assets, ICE BofA 3-Month US T-Bills Index is used as benchmark. Policy Allocation column illustrates the average beginning-of-month target allocation of each component over the period measured; thus, the values may not match any particular set of targets. The major functional allocation categories of Broad Growth and Diversifying Strategies were adopted starting 07/2020; sum of their corresponding predecessors' policy allocations are assigned to for this calculation (i.e., Broad Growth [2019] and Real Returns as Broad Growth; Crisis Risk Offset and Principal Protection as Diversifying Strategies).

[3] Portfolio Allocation column illustrates the average beginning-of-month allocation of each component over the period measured.

[4] Policy Return and Portfolio Return values for the "Total" row are those of the Market Benchmark (policy benchmark of the total portfolio) and the Total Fund respectively. Values in the Impact on Return columns for "Total" row are the sums of calculated Impact on Return values in each column for Broad Growth, Diversifying Strategies, and Other Assets components. The sum of sub-composites (Global Equity, Global Credit, Real Assets, Liquid Defensive/Diversifying, and Illiquid Diversifying) along with Other Assets may not yield the same figure as obsolete sub-composites are excluded and the recalculated composite asset values may not contain the terminated accounts.

Asset Class Performance Summary	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Total Fund	**3.6**	**9.2**	**7.2**	**5.4**	**7.5**	**7.9**
Market Benchmark	*3.6*	*13.5*	*11.7*	*7.5*	*8.6*	*8.4*
Broad Growth	**4.8**	**10.1**	**9.0**	**6.2**	**8.8**	**9.4**
Broad Growth Historical Benchmark	*4.8*	*16.4*	*14.7*	*9.0*	*10.3*	*10.1*
Global Equity	**7.4**	**13.0**	**11.5**	**7.9**	**11.6**	**12.2**
Global Equity Historical Benchmark	*6.1*	*22.8*	*18.5*	*10.2*	*13.0*	*12.6*
Global Credit	**1.8**	**7.2**	**9.2**	**6.0**	**7.1**	**6.6**
Global Credit Historical Benchmark	*0.3*	*6.7*	*9.7*	*5.8*	*6.3*	*6.1*
Real Assets	**1.4**	**5.9**	**3.8**	**5.4**	**6.1**	**6.6**
Real Assets Historical Benchmark	*4.7*	*9.7*	*9.2*	*9.9*	*7.5*	*7.5*
Diversifying Strategies	**0.9**	**7.7**	**3.3**	**3.7**	**3.7**	**--**
Diversifying Strategies Historical Benchmark	*0.5*	*5.8*	*4.2*	*3.5*	*3.9*	*--*
Liquid Defensive/Diversifying	**0.6**	**7.2**	**2.6**	**3.5**	**3.4**	**--**
Liquid Defensive Historical Benchmark	*0.3*	*4.8*	*2.7*	*1.4*	*2.7*	*--*
Illiquid Diversifying	**3.1**	**11.4**	**8.2**	**4.9**	**--**	**--**
Illiquid Diversifying Historical Benchmark	*2.2*	*12.8*	*12.9*	*9.9*	*--*	*--*

Total Fund performance shown is net of fees.
Relevant valuations may not have been available for all underlying Global Equity, Real Assets, and Diversifying Strategies managers at the time this report was produced; in such cases, most recent available data is used.
Benchmarks for Broad Growth and its underlying components contain lagged index returns. Please see the Appendix for current and historical custom benchmark compositions.

Asset Class Performance Summary	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Global Equity	**10,713,482,303**	**100.0**	**7.4**	**13.0**	**11.5**	**7.9**
Global Equity Historical Benchmark			*6.1*	*22.8*	*18.5*	*10.2*
Public Equity	**5,495,778,879**	**51.3**	**14.4**	**16.7**	**15.5**	**8.0**
MSCI AC World IMI Index (Net)			*14.9*	*24.2*	*19.5*	*10.6*
Active Public Equity	**3,944,125,512**	**36.8**	**14.0**	**13.7**	**13.6**	**6.6**
Alliance Bernstein	540,363,141	5.0	10.7	7.3	12.4	5.8
BlackRock Alpha Tilt	946,267,456	8.8	14.1	26.3	21.3	12.3
Longview	515,395,482	4.8	9.9	-5.9	3.5	4.1
Wellington (Mid-Large Cap)	674,742,656	6.3	15.3	17.7	20.7	10.1
MSCI AC World Index (Net)			*14.9*	*23.7*	*19.7*	*11.0*
Wasatch	552,866,030	5.2	16.4	0.7	8.2	0.7
Wellington (Small Cap)	714,490,747	6.7	16.5	25.6	16.7	8.4
MSCI ACWI Small Cap (Net)			*14.9*	*28.8*	*17.4*	*7.4*
Passive Public Equity	**1,551,653,368**	**14.5**	**15.3**	**24.7**	**20.4**	**11.6**
Legal & General	1,485,194,279	13.9	15.0	24.1	20.0	11.3
Parametric Equity Overlay	66,459,089	0.6	--	--	--	--
MSCI AC World Index (Net)			*14.9*	*23.7*	*19.7*	*11.0*
Private Equity	**5,217,703,424**	**48.7**	**0.8**	**9.2**	**7.5**	**9.1**
Hamilton Lane	4,542,070,452	42.4	0.2	8.5	7.4	9.1
HITIP I Stafford	8,005,214	0.1	0.3	49.1	22.3	8.0
HITIP II Stafford	41,632,654	0.4	0.6	1.4	-2.4	5.2
HITIP III Stafford	72,218,838	0.7	9.5	13.7	4.7	4.7
Other Equity	553,776,266	5.2	4.8	14.6	8.3	10.3
Private Equity Historical Benchmark			*-2.7*	*20.6*	*16.6*	*10.1*

Performance shown is net of fees. Please see the Appendix for current and historical custom benchmark compositions.

Asset Class Performance Summary	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Global Credit	**2,900,502,492**	**100.0**	**1.8**	**7.2**	**9.2**	**6.0**
Global Credit Historical Benchmark			*0.3*	*6.7*	*9.7*	*5.8*
Private Credit	**1,680,599,685**	**57.9**	**1.4**	**8.7**	**9.1**	**6.8**
Private Credit Historical Benchmark			*-0.8*	*6.9*	*9.8*	*6.0*
Public Credit	**1,219,902,807**	**42.1**	**2.4**	**5.1**	**10.0**	**5.7**
HPS Credit	1,027,067,045	35.4	2.0	4.6	9.2	5.2
Parametric Credit Overlay	192,835,762	6.6	--	--	--	--
Public Credit Historical Benchmark			*2.5*	*6.2*	*9.2*	*5.4*

Performance shown is net of fees. Please see the Appendix for current and historical custom benchmark compositions.

Asset Class Performance Summary

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Real Assets	**5,187,659,888**	**100.0**	**1.4**	**5.9**	**3.8**	**5.4**
Real Assets Historical Benchmark			*4.7*	*9.7*	*9.2*	*9.9*
Real Estate	**2,294,079,816**	**44.2**	**1.1**	**3.0**	**-0.8**	**3.2**
Real Estate Historical Benchmark			*1.2*	*7.8*	*7.5*	*8.9*
Core Real Estate	**1,115,140,933**	**21.5**	**1.5**	**3.5**	**0.1**	**4.2**
Core Real Estate Historical Benchmark			*1.2*	*7.8*	*7.4*	*8.7*
Non-Core Real Estate	**1,178,938,884**	**22.7**	**0.8**	**2.6**	**-1.8**	**2.1**
Non-Core Real Estate Historical Benchmark			*1.2*	*7.8*	*7.6*	*9.2*
Agriculture	**426,987,764**	**8.2**	**0.5**	**2.8**	**2.5**	**--**
Agriculture Historical Benchmark			*4.6*	*-3.0*	*-1.4*	*--*
Timber	**218,620,309**	**4.2**	**0.3**	**-1.7**	**5.4**	**8.1**
Timber Historical Benchmark			*-2.7*	*-4.5*	*0.6*	*4.8*
Infrastructure	**2,247,971,998**	**43.3**	**2.0**	**10.7**	**10.0**	**8.8**
Infrastructure Historical Benchmark			*11.1*	*18.0*	*17.4*	*14.5*
Private Infrastructure	**1,094,055,632**	**21.1**	**1.9**	**7.6**	**8.2**	**7.7**
Infrastructure Historical Benchmark			*11.1*	*18.0*	*17.4*	*14.5*
Public Infrastructure	**411,720,222**	**7.9**	**-0.3**	**13.1**	**--**	**--**
Morgan Stanley Infrastructure	411,720,222	7.9	-0.3	13.1	--	--
Dow Jones Brookfield Global Infrastructure			*-0.4*	*12.4*	*--*	*--*
Other Real Assets	**742,196,144**	**14.3**	**3.5**	**13.6**	**8.4**	**--**
Morgan Stanley Olomana	740,437,151	14.3	3.6	13.6	8.8	--
Parametric Real Assets Overlay	1,758,992	0.0	--	--	--	--
Infrastructure Historical Benchmark			*11.1*	*18.0*	*17.4*	*--*

Performance shown is net of fees. Both performance and benchmark data for Real Assets component are sourced from BNY Mellon's time-weighted data. Please see the Appendix for current and historical custom benchmark compositions.

Asset Class Performance Summary

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Liquid Defensive/Diversifying	**6,630,580,266**	**100.0**	**0.6**	**7.2**	**2.6**	**3.5**
Liquid Defensive Historical Benchmark			*0.3*	*4.8*	*2.7*	*1.4*
Defensive Return Capture	**293,172,440**	**4.4**	**-1.3**	**-0.4**	**-2.4**	**0.6**
36 South	293,172,440	4.4	-1.3	6.3	-3.5	--
Long Treasury Historical Benchmark			*0.9*	*2.9*	*-0.5*	*-4.9*
Discretionary Alpha	**810,820,566**	**12.2**	**5.4**	**14.3**	**9.4**	**7.0**
Aequim Relative Value Arbitrage	284,217,090	4.3	2.0	9.2	10.4	10.6
Aristeia Relative Value Arbitrage	254,139,168	3.8	2.8	6.6	6.6	5.2
Melqart Relative Value Arbitrage	240,626,054	3.6	1.7	8.6	11.5	--
Discretionary Alpha Benchmark			*0.2*	*2.7*	*4.4*	*4.4*
Intermediate Duration Treasury	**2,959,253,794**	**44.6**	**0.3**	**2.9**	**--**	**--**
Bank of Hawai'i Intermediate Duration	303,767,561	4.6	0.4	3.5	4.4	1.0
First Hawaiian Intermediate Duration	185,401,669	2.8	0.3	2.9	4.1	0.8
PIMCO Intermediate Duration	500,701,053	7.6	0.3	--	--	--
SLC Intermediate Duration	1,377,655,506	20.8	0.3	2.8	--	--
Parametric Intermediate Duration Overlay	591,728,005	8.9	--	--	--	--
Blmbg. U.S. Treasury: Intermediate			*0.2*	*2.7*	*4.1*	*0.9*
Long Duration Treasury	**724,095,169**	**10.9**	**0.8**	**2.9**	**-0.4**	**-3.1**
SLC Long Treasury	724,095,169	10.9	0.8	2.9	-0.4	-4.8
Long Treasury Historical Benchmark			*0.9*	*2.9*	*-0.5*	*-4.9*
Systematic Trend Following	**1,843,238,297**	**27.8**	**-1.0**	**16.1**	**-0.5**	**5.1**
Aspect	239,050,373	3.6	-0.6	13.8	-0.6	9.3
Broad Reach	180,433,710	2.7	-7.8	17.0	1.0	--
Crabel Advanced Trend	191,766,641	2.9	-0.3	25.7	-0.2	3.1
Mount Lucas	323,790,526	4.9	-0.1	8.3	-1.1	0.2
Parametric Trend Overlay	908,197,049	13.7	--	--	--	--
MLM Global Index EV Blend 15V			*0.1*	*9.3*	*1.0*	*2.0*

Performance shown is net of fees. Please see the Appendix for current and historical custom benchmark compositions. Market value for Discretionary Alpha includes that of Brevan Howard Disc Global Macro which is undergoing liquidation.

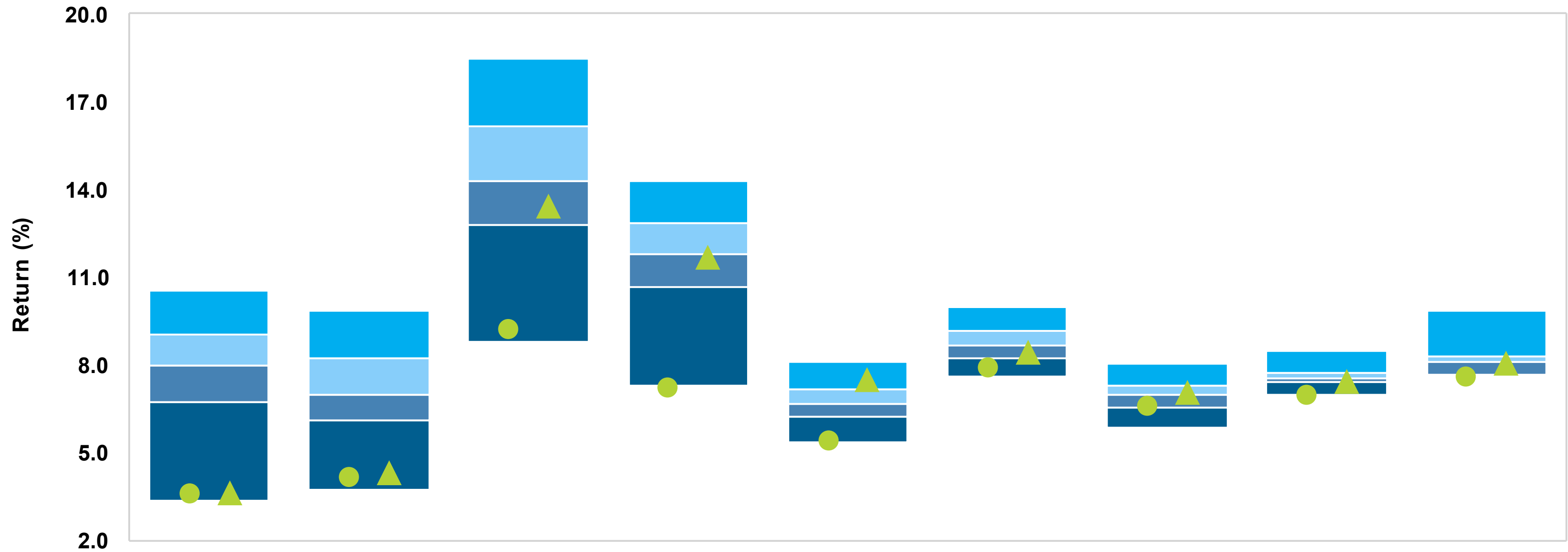
Asset Class Performance Summary

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Illiquid Diversifying	**910,934,986**	**100.0**	**3.1**	**11.4**	**8.2**	**4.9**
Illiquid Diversifying Historical Benchmark			*2.2*	*12.8*	*12.9*	*9.9*
Idiosyncratic Return Capture	**671,769,058**	**73.7**	**3.8**	**12.5**	**6.3**	**5.3**
Idiosyncratic Return Capture Historical Benchmark			*2.2*	*12.8*	*12.4*	*9.6*
Insurance Linked	**239,165,928**	**26.3**	**1.1**	**7.1**	**10.0**	**4.3**
Swiss Re Global Catastrophe Bond Index (Hedged)			*2.2*	*12.8*	*13.8*	*10.4*

Performance shown is net of fees. Please see the Appendix for current and historical custom benchmark compositions.

Plan Sponsor Peer Group Analysis

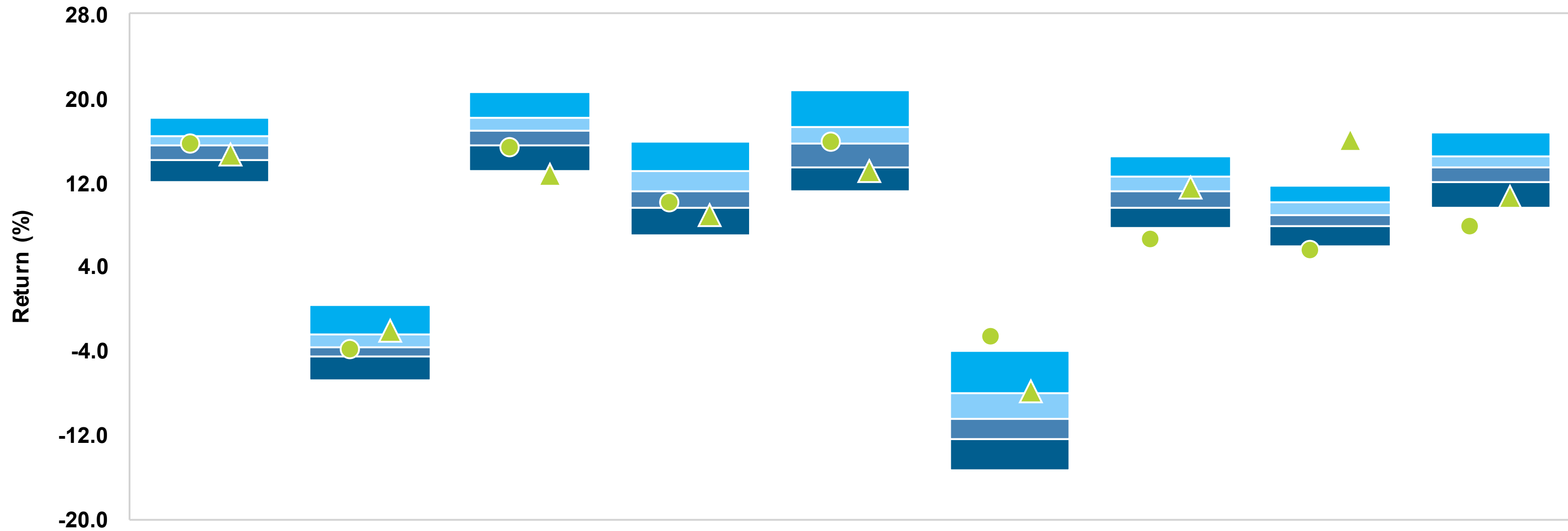
Peer Group Performance Comparison
Trailing Periods Ending June 30, 2026



	QTD	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	20 Yrs	30 Yrs	Since Inception
● Total Fund	3.6 (95)	4.2 (91)	9.2 (94)	7.2 (96)	5.4 (94)	7.9 (87)	6.6 (71)	7.0 (98)	7.6 (100)
▲ Market Benchmark	3.6 (95)	4.3 (90)	13.5 (69)	11.7 (55)	7.5 (18)	8.4 (67)	7.1 (46)	7.5 (67)	8.0 (54)
5th Percentile	10.5	9.9	18.5	14.3	8.2	10.0	8.1	8.5	9.9
1st Quartile	9.1	8.3	16.2	12.8	7.2	9.2	7.3	7.7	8.3
Median	8.0	7.0	14.3	11.8	6.7	8.7	7.0	7.5	8.1
3rd Quartile	6.7	6.1	12.8	10.7	6.2	8.2	6.6	7.4	7.7
95th Percentile	3.4	3.7	8.8	7.3	5.3	7.6	5.8	7.0	7.7
Population	75	75	75	75	71	69	47	19	7

Calculation based on monthly periodicity. Fiscal year begins on July 1. The plan sponsor peer group, InvMetrics Public DB >$1B Net universe, includes BNY Mellon Total Public Fund >$1B universe and Investment Metrics client data. Parenthesized numbers represent peer group percentile ranking.

Peer Group Performance Comparison
Calendar Year Returns



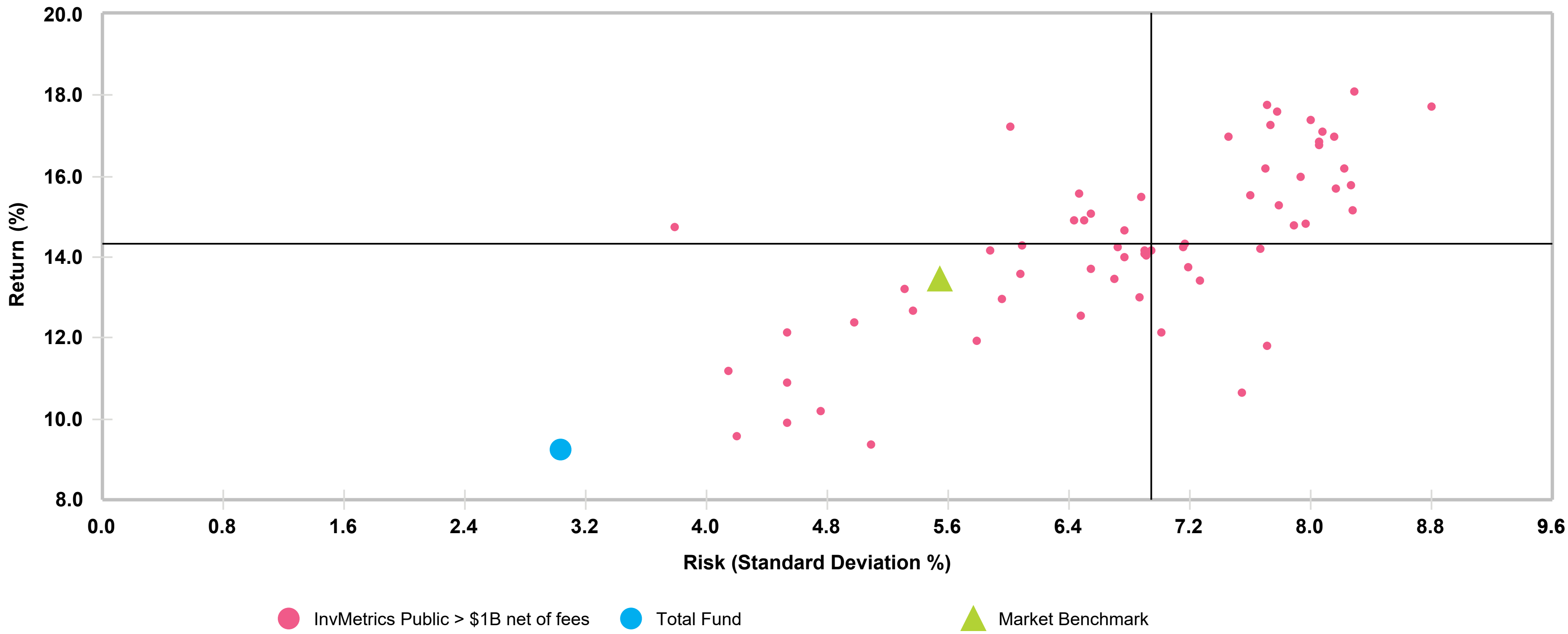
	2017 (%)	2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)	2023 (%)	2024 (%)	2025 (%)
● Total Fund	15.8 (46)	-3.7 (56)	15.5 (78)	10.1 (72)	15.9 (49)	-2.6 (4)	6.8 (98)	5.7 (97)	8.0 (98)
▲ Market Benchmark	14.7 (64)	-2.0 (23)	12.8 (97)	8.9 (84)	13.2 (78)	-7.7 (22)	11.6 (42)	16.1 (1)	10.7 (92)
5th Percentile	18.2	0.5	20.7	15.9	20.8	-4.0	14.6	11.8	16.8
1st Quartile	16.5	-2.3	18.3	13.1	17.3	-8.0	12.7	10.1	14.5
Median	15.6	-3.5	17.0	11.3	15.8	-10.3	11.3	9.0	13.6
3rd Quartile	14.2	-4.5	15.6	9.7	13.5	-12.3	9.7	8.0	12.1
95th Percentile	12.1	-6.7	13.2	7.0	11.3	-15.3	7.8	6.1	9.7
Population	189	177	201	225	217	186	196	188	176

Calculation based on monthly periodicity. The plan sponsor peer group, InvMetrics Public DB >$1B Net universe, includes BNY Mellon Total Public Fund >$1B universe and Investment Metrics client data. Parenthesized numbers represent peer group percentile ranking.

Risk/Return Statistics	1 Yr		3 Yrs		5 Yrs		7 Yrs		10 Yrs	
	Total Fund	Benchmark	Total Fund	Benchmark	Total Fund	Benchmark	Total Fund	Benchmark	Total Fund	Benchmark
RETURN SUMMARY STATISTICS										
Return	9.2	13.5	7.2	11.7	5.4	7.5	7.5	8.6	7.9	8.4
Excess Performance	-4.2	0.0	-4.4	0.0	-2.1	0.0	-1.1	0.0	-0.5	0.0
RISK SUMMARY STATISTICS										
Standard Deviation	3.0	5.5	2.9	5.3	3.7	5.8	5.5	6.3	5.6	5.9
Beta	0.5	1.0	0.4	1.0	0.5	1.0	0.7	1.0	0.8	1.0
RISK/RETURN SUMMARY STATISTICS										
Information Ratio	-1.1	-	-1.0	-	-0.5	-	-0.3	-	-0.2	-
Sharpe Ratio	1.7	1.6	0.8	1.3	0.5	0.7	0.8	0.9	1.0	1.0
Tracking Error	3.5	0.0	4.1	0.0	3.9	0.0	3.6	0.0	3.1	0.0

Net of fees performance is shown or used in calculating the statistics on this page.

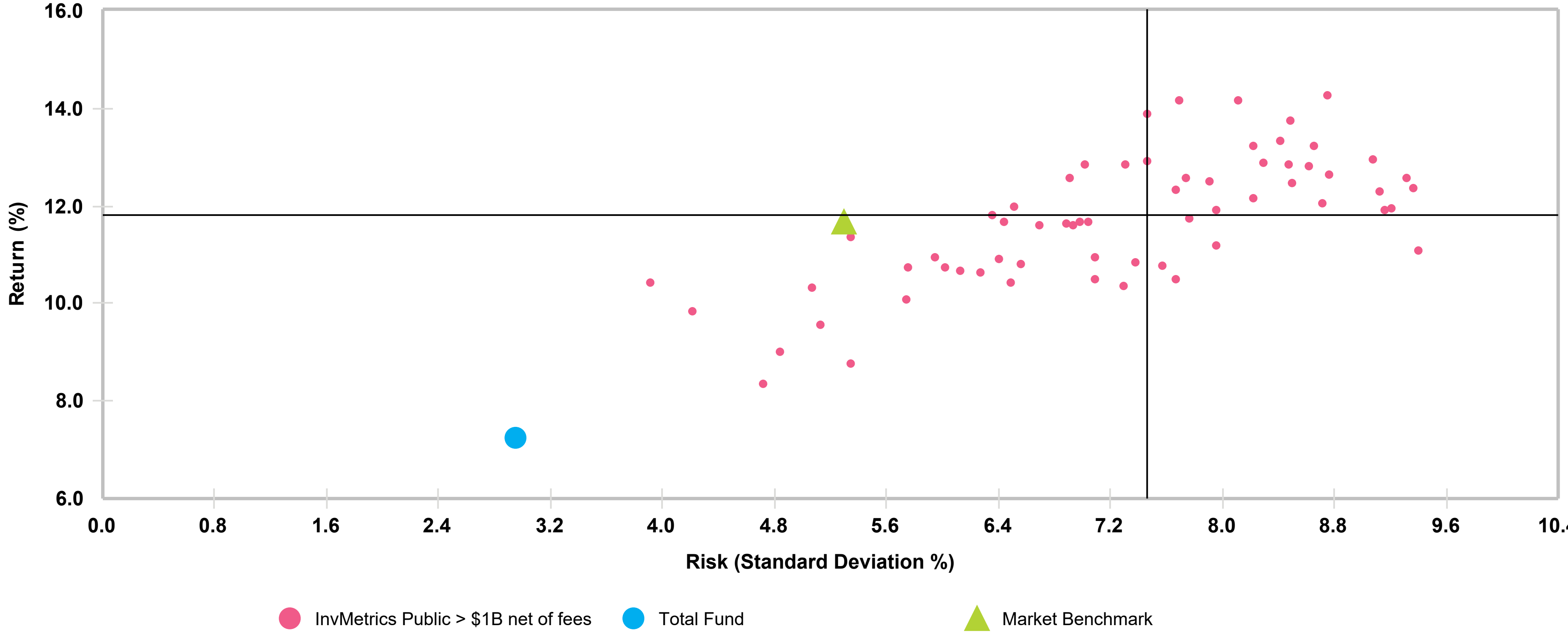
Annualized Return vs. Annualized Standard Deviation
1 Year ending June 30, 2026



	Return	Standard Deviation	Sharpe Ratio	Information Ratio
Total Fund	9.2 (94)	3.0 (3)	1.7 (7)	-1.1 (94)
Market Benchmark	13.5 (69)	5.5 (20)	1.6 (17)	-
Peer Benchmark Median	14.3	6.9	1.5	0.2

Peer Benchmark represents the plan sponsor peer group Peer Benchmark Net universe. Includes BNY Mellon Total Public Fund >$1B universe and Investment Metrics client data. Parenthesized numbers represent peer group percentile rank.

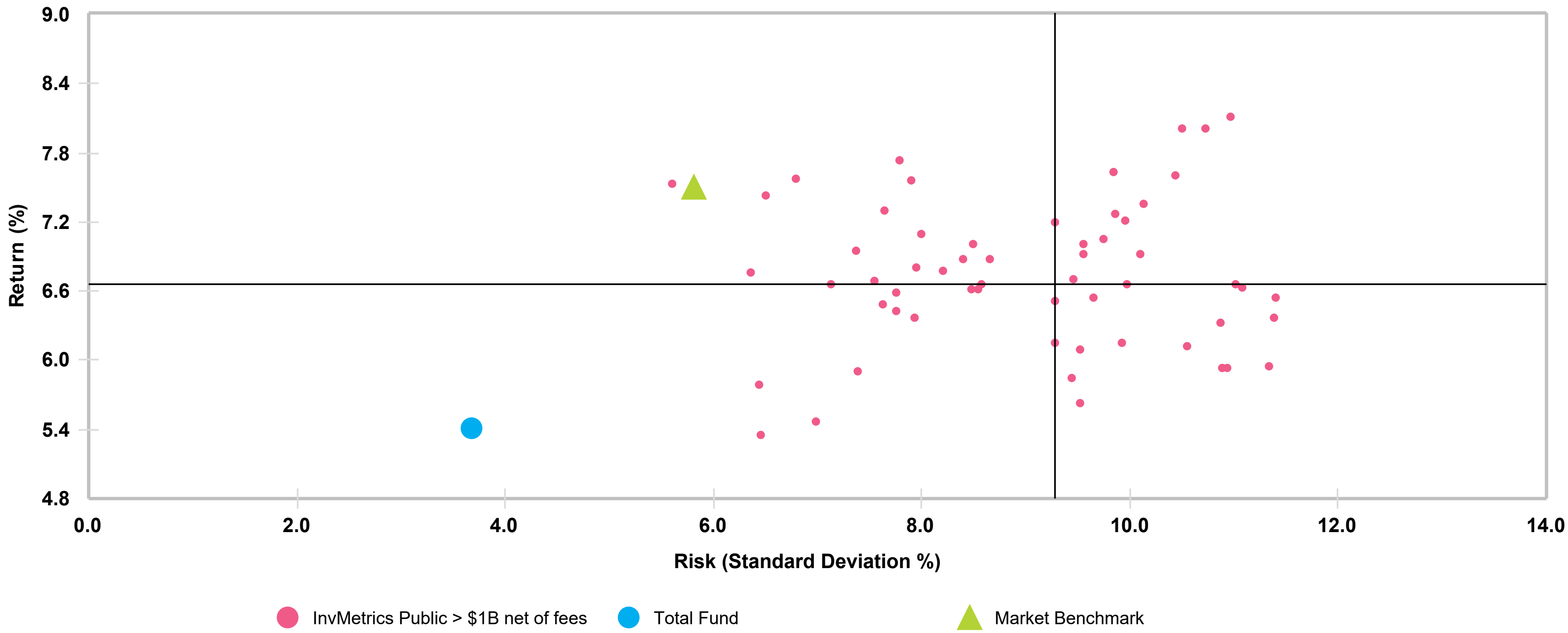
Annualized Return vs. Annualized Standard Deviation
3 Years ending June 30, 2026



	Return	Standard Deviation	Sharpe Ratio	Information Ratio
Total Fund	7.2 (96)	2.9 (2)	0.8 (74)	-1.0 (96)
Market Benchmark	11.7 (55)	5.3 (14)	1.3 (1)	-
Peer Benchmark Median	11.8	7.5	0.9	0.0

Peer Benchmark represents the plan sponsor peer group Peer Benchmark Net universe. Includes BNY Mellon Total Public Fund >$1B universe and Investment Metrics client data. Parenthesized numbers represent peer group percentile rank.

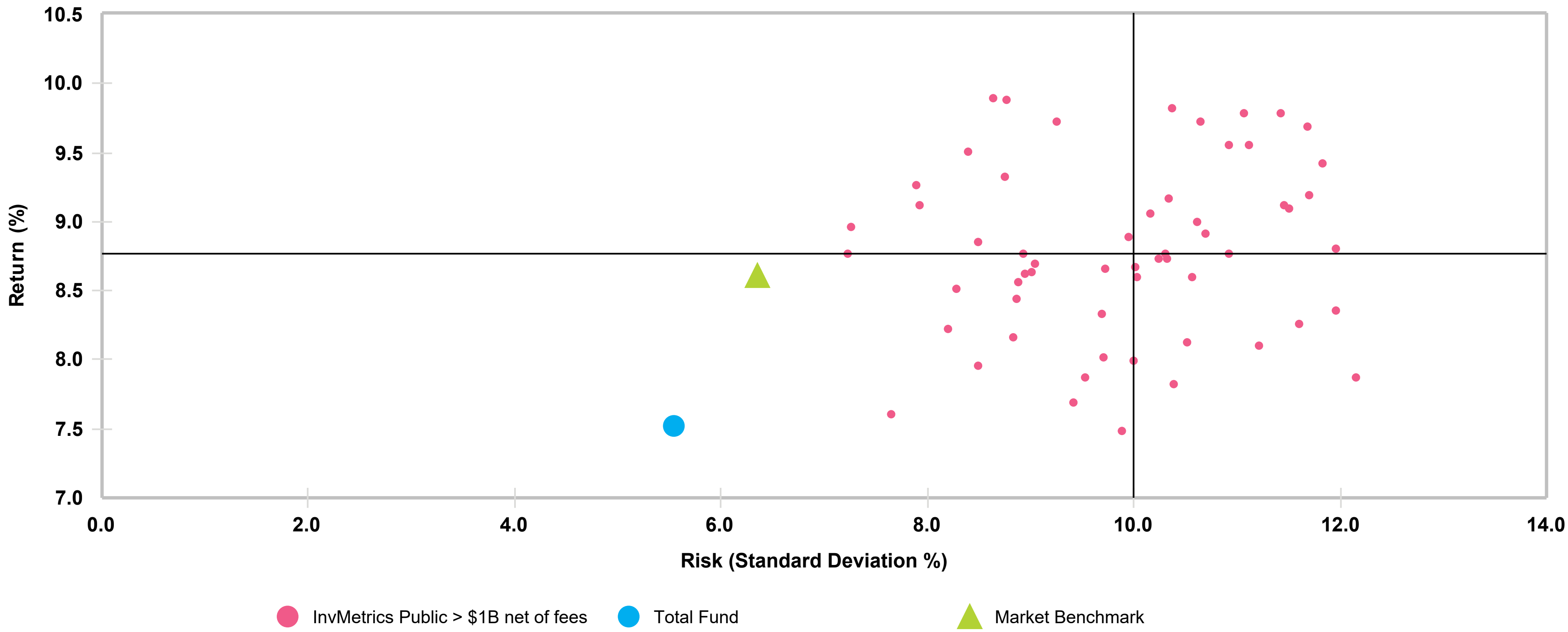
Annualized Return vs. Annualized Standard Deviation
5 Years ending June 30, 2026



	Return	Standard Deviation	Sharpe Ratio	Information Ratio
Total Fund	5.4 (94)	3.7 (1)	0.5 (18)	-0.5 (100)
Market Benchmark	7.5 (18)	5.8 (6)	0.7 (1)	-
Peer Benchmark Median	6.7	9.3	0.4	-0.1

Peer Benchmark represents the plan sponsor peer group Peer Benchmark Net universe. Includes BNY Mellon Total Public Fund >$1B universe and Investment Metrics client data. Parenthesized numbers represent peer group percentile rank.

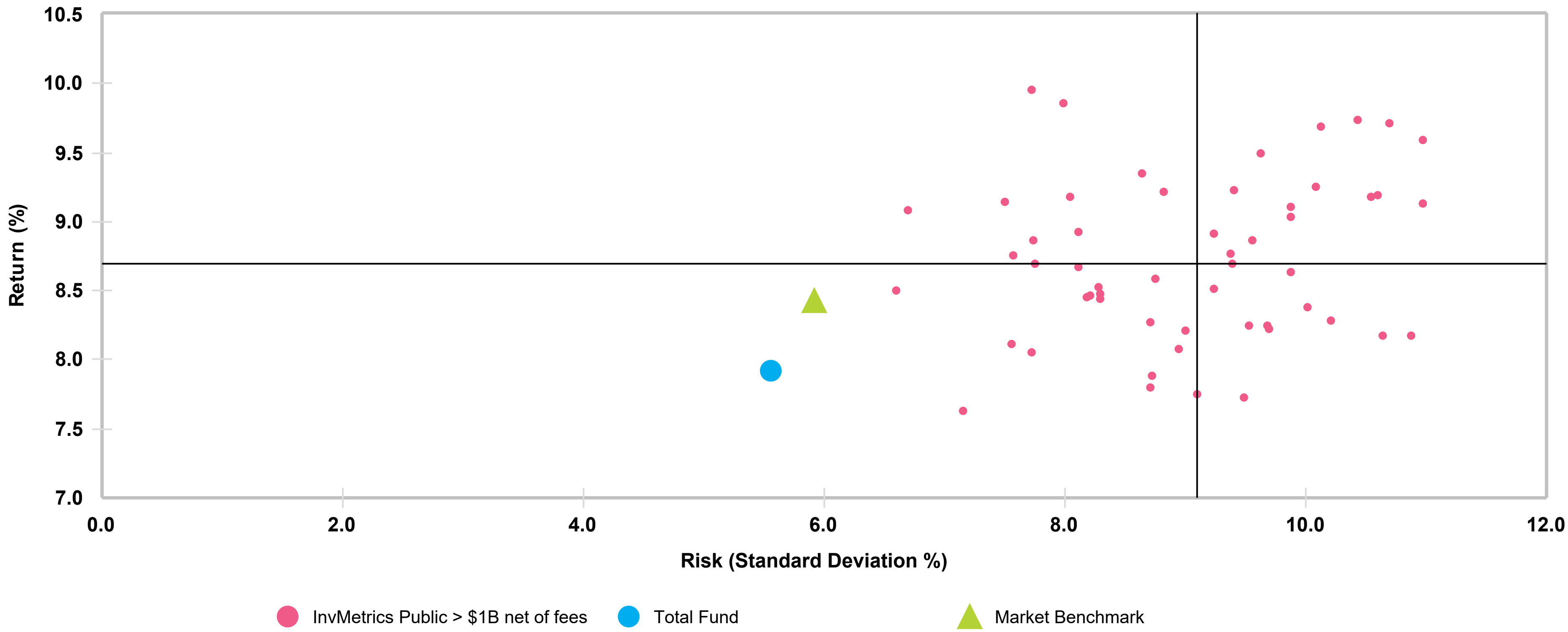
Annualized Return vs. Annualized Standard Deviation
7 Years ending June 30, 2026



	Return	Standard Deviation	Sharpe Ratio	Information Ratio
Total Fund	7.5 (94)	5.5 (1)	0.8 (5)	-0.3 (97)
Market Benchmark	8.6 (63)	6.3 (3)	0.9 (3)	-
Peer Benchmark Median	8.8	10.0	0.6	0.1

Peer Benchmark represents the plan sponsor peer group Peer Benchmark Net universe. Includes BNY Mellon Total Public Fund >$1B universe and Investment Metrics client data. Parenthesized numbers represent peer group percentile rank.

Annualized Return vs. Annualized Standard Deviation
10 Years ending June 30, 2026



	Return	Standard Deviation	Sharpe Ratio	Information Ratio
Total Fund	7.9 (87)	5.6 (2)	1.0 (5)	-0.2 (95)
Market Benchmark	8.4 (67)	5.9 (3)	1.0 (3)	-
Peer Benchmark Median	8.7	9.1	0.7	0.1

Peer Benchmark represents the plan sponsor peer group Peer Benchmark Net universe. Includes BNY Mellon Total Public Fund >$1B universe and Investment Metrics client data. Parenthesized numbers represent peer group percentile rank.

Appendix

Definition of Benchmarks

Bloomberg Aggregate is an index comprised of approximately 6,000 publicly traded investment-grade bonds including US Government, mortgage-backed, corporate, and yankee bonds with an approximate average maturity of 10 years.

Bloomberg Global High Yield is a multi-currency measure of the global high yield debt market. The Index is comprised of the US High Yield, the Pan-European High Yield, and Emerging Markets Hard Currency High Yield Indices. The high yield and emerging markets sub-components are mutually exclusive.

Bloomberg High Yield covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (e.g., Argentina, Brazil, Venezuela, etc.) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included. Original issue zeroes, step-up coupon structures, 144-As and pay-in-kind bonds (PIKs, as of October 1, 2009) are also included. Must be rated high yield (Ba1/BB+ or lower) by at least two of the following ratings agencies: Moody's, S&P, Fitch. If only two of the three agencies rate the security, the lower rating is used to determine index eligibility. All issues must have at least one year to final maturity regardless of call features and have at least $150 million par amount outstanding.

Bloomberg Multiverse Non-US Hedged provides a broad-based measure of the international fixed-income bond market. The index represents the union of the BC Global Aggregate Index and the BC Global High Yield Index. In this sense, the term "Multiverse" refers to the concept of multiple universes in a single macro index.

Bloomberg US Credit includes publicly issued US corporate and foreign debentures and secured notes that which are rated investment grade or higher by Moody's Investor Services, Standard and Poor's Corporation, or Fitch Investors Service, with all issues having at least one year to maturity and an outstanding par value of at least $250 million. Issues must be publicly issued, dollar-denominated and non-convertible.

Bloomberg Universal includes market coverage by the Aggregate Bond Index fixed rate debt issues, which are rated investment grade or higher by Moody's Investor Services, Standard and Poor's Corporation, or Fitch Investors Service, with all issues having at least one year to maturity and an outstanding par value of at least $100 million) and includes exposures to high yield CMBS securities. All returns are market value weighted inclusive of accrued interest.

Bloomberg World Govt Inflation-Linked Bond (WGILB) measures the performance of the major government inflation-linked bond markets. The index is designed to include only those markets in which a global government linker fund is likely and able to invest. To be included a market must have aggregate issuance of $4 billion or more and have minimum rating of A3/A- for G7 and euro-zone issuers, Aa3/AA- otherwise, using the middle rating from Moody's, S&P and Fitch ("two out of three" rule). The index is available in local currency and in most major currencies hedged or un-hedged.

CBOE S&P 500 Buy Write Index (BXM) is a benchmark index designed to track the performance of a hypothetical buy-write strategy on the S&P 500 Index. Announced in April 2002, the BXM Index was developed by the CBOE in cooperation with Standard & Poor's. To help in the development of the BXM Index, the CBOE commissioned Professor Robert Whaley to compile and analyze relevant data from the time period from June 1988 through December 2001. Data on daily BXM prices now is available from June 30, 1986, to the present time (see below). The BXM is a passive total return index based on (1) buying an S&P 500 stock index portfolio, and (2) "writing" (or selling) the near-term S&P 500 Index (SPXSM) "covered" call option, generally on the third Friday of each month. The SPX call written will have about one month remaining to expiration, with an exercise price just above the prevailing index level (i.e., slightly out of the money). The SPX call is held until expiration and cash settled, at which time a new one-month, near-the-money call is written. Please visit the BXM FAQ for more information about the construction of the index.

CBOE S&P 500 Put Write Index (PUT) is a benchmark index designed to track the performance of a hypothetical cash-secured put-write strategy on the S&P 500 Index. Announced in June 2007, the PUT strategy is designed to sell a sequence of one-month, at-the-money, S&P 500 Index puts and invest cash at one- and three-month Treasury Bill rates. The number of puts sold varies from month to month, but is limited so that the amount held in Treasury Bills can finance the maximum possible loss from final settlement of the S&P 500 Index puts.

ICE BofA 3-Month US Treasury Bills (90-Day T-bills) tracks the performance of US Treasury bills with 3-month maturity.

Definition of Benchmarks (continued)

MLM Global Index is the first passive index of returns to futures investing. The objective of the Index strategy is to provide pure systematic trending following exposure in a consistent, efficient, and cost effective manner which captures the price risk premium offered by those who seek price certainty.

MSCI ACWI is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The Index captures large and mid-cap representation across 47 country indices comprising 23 developed and 24 emerging market country indices. The developed market country indices included are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States. The emerging market country indices included are: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Russia, Qatar, South Africa, Taiwan, Thailand, Turkey, and the United Arab Emirates.

MSCI ACWI ex US ND comprises both developed and emerging markets less the United States. The index consisted of 22 counties classified as developed markets and 24 classified as emerging markets. This series approximates the minimum possible dividend reinvestment. The dividend is reinvested after deduction of withholding tax, applying the rate to non-resident individuals who do not benefit from double taxation treaties. MSCI uses withholding tax rates applicable to Luxembourg holding companies, as Luxembourg applies the highest rates.

MSCI ACWI IMI captures large, mid, and small cap representation across 23 developed markets and 24 emerging markets countries. The Index is comprehensive, covering approximately 99% of the global equity investment opportunity set.

MSCI ACWI Minimum Volatility is a global equity (developed and emerging markets) index constructed by MSCI that utilizes an estimated security co-variance matrix to produce an index that has the lowest absolute volatility for a given set of constraints. The estimated security co-variance matrix is based on the relevant Barra multi-factor equity model.

MSCI ACWI Small Cap is a free float-adjusted market capitalization weighted index captures the small cap representation across 23 developed markets and 24 emerging markets countries.

MSCI EAFE Free (Europe, Australasia, Far East) ND is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the US & Canada. This series approximates the minimum possible dividend reinvestment. The dividend is reinvested after deduction of withholding tax, applying the rate to non-resident individuals who do not benefit from double taxation treaties. MSCI Barra uses withholding tax rates applicable to Luxembourg holding companies, as Luxembourg applies the highest rates.

MSCI EM (Emerging Markets) GD is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. This series approximates the maximum possible dividend reinvestment. The amount reinvested is the entire dividend distributed to individuals resident in the country of the company, but does not include tax credits.

MSCI Europe is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe. As of June 2007, this index consisted of the following 16 developed market country indices: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

MSCI Pacific is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in the Pacific region. As of June 2007, this index consisted of the following 5 Developed Market countries: Australia, Hong Kong, Japan, New Zealand, and Singapore.

MSCI USA is a free float adjusted market capitalization index that is designed to measure large- and mid-cap US equity market performance. The MSCI USA Index is member of the MSCI Global Equity Indices and represents the US equity portion of the global benchmark MSCI ACWI Index.

MSCI World ex US ND is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI World Index consists of the following 22 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.

Definition of Benchmarks (continued)

Morningstar Leveraged Loan (formerly **S&P Leveraged Loan)** is a capitalization-weighted syndicated loan index based upon market weightings, spreads, and interest payments. The Index covers the US market back to 1997.

NAREIT Index consists of all tax-qualified REITs listed on the New York Stock Exchange, American Stock Exchange, and the NASDAQ National Market System. The data is market weighted.

NCREIF Property Index (NPI) the NPI contains investment-grade, non-agricultural, income-producing properties which may be financed in excess of 5% gross market value; were acquired on behalf of tax exempt institutions; and are held in a fiduciary environment. Returns are gross of fees; including income, realized gains/losses, and appreciation/depreciation; and are market value weighted.

NCREIF Timberland Index is a quarterly time series composite return measure of investment performance of a large pool of individual timber properties acquired in the private market for investment purposes only. All properties in the Timberland Index have been acquired, at least in part, on behalf of tax-exempt institutional investors - the great majority being pension funds. As such, all properties are held in a fiduciary environment.

Russell 1000 measures the performance of the 1,000 largest securities in the Russell 3000 Index. Russell 1000 is highly correlated with the S&P 500 Index and capitalization weighted.

Russell 1000 Growth measures the performance of those Russell 1000 securities with a greater-than-average growth orientation. Securities in this index tend to exhibit higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values than the Value universe.

Russell 1000 Value measures the performance of those Russell 1000 securities with a less-than-average growth orientation. Securities in this index tend to exhibit lower price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values than the Growth universe.

Russell 2000 measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index.

Russell 2000 Growth measures the performance of those Russell 2000 securities with a greater-than-average growth orientation. Securities in this index tend to exhibit higher price-to-book and price-to-earnings ratios.

Russell 2000 Value measures the performance of those Russell 2000 securities with a less-than-average growth orientation. Securities in this index tend to exhibit lower price-to-book and price-to-earnings ratios.

Russell 3000 represents the largest 3,000 US companies based on total market capitalization, representing approximately 98% of the investable US equity market.

S&P 500 is an index of 500 stocks chosen for market size, liquidity and industry grouping, among other factors. The S&P 500 is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe.

Plan Structure Evolution

Prior to 10/2014, Employees' Retirement System of the State of Hawaii ("ERS" or "Plan") had an allocation policy based asset classes (such as US Large Cap Equity, Developed International Equity, Real Estate). Since 10/2014, the ERS has adopted a risk-based, functional framework which uses strategic/functional classes designed to achieve a certain goal and/or be exposed to a specific set of macroeconomic risks through various underlying asset classes and strategies. Since then, the plan structure and the nomenclature of its components have evolved over time to fit the ERS's needs. This page summarizes this evolution since 10/2014 on a high level.

<table>
<tr><th>10/2014-06/2016</th><th>07/2016-03/2017</th><th>04/2017-06/2020</th><th>07/2020-12/2023</th><th>01/2024-Current</th></tr>
<tr>
<td>Total Fund
→ Broad Growth
→ Principal Protection
→ Real Return
→ Real Estate</td>
<td>Total Fund
→ Broad Growth
→ Principal Protection
→ Real Return</td>
<td>Total Fund
→ Broad Growth
→ Principal Protection
→ Real Return
→ Crisis Risk Offset (CRO)</td>
<td colspan="2">Total Fund
→ Broad Growth
→ Diversifying Strategies</td>
</tr>
<tr>
<td>Broad Growth
→ Growth-Oriented
→ Private Growth
→ Stabilized Growth</td>
<td colspan="2" rowspan="2">Broad Growth
→ Traditional Growth
→ Private Growth
→ Stabilized Growth</td>
<td rowspan="3">Broad Growth
→ Public Growth
• Traditional Growth
• Stabilized Growth
→ Private Growth
→ Real Assets</td>
<td rowspan="3">Broad Growth
→ Global Equity
→ Global Credit
→ Real Assets</td>
</tr>
<tr><td>Real Estate</td></tr>
<tr><td colspan="3">Real Return
→ Public Inflation-Linked
→ Private Inflation-Linked</td></tr>
<tr>
<td colspan="3">Principal Protection</td>
<td rowspan="2">Diversifying Strategies
→ Liquid Defensive
• Treasury / Agency Duration
• Systematic Trend
• Defensive Return
→ Liquid Diversifying
• Alternative Return
• Relative Value
→ Illiquid Diversifying
• Insurance-Linked
• Idiosyncratic Return</td>
<td rowspan="2">Diversifying Strategies
→ Liquid Defensive / Diversifying
• Systematic Trend
• Defensive Return
• Intermediate Duration
• Long Duration
• Discretionary Alpha
→ Illiquid Diversifying
• Insurance-Linked
• Idiosyncratic Return</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Crisis Risk Offset (CRO)
→ Treasury Duration Capture
→ Systematic Trend Following
→ Alternative Return Capture</td>
</tr>
</table>

Custom Benchmarks

This section includes the compositions of custom benchmarks currently in use. Policy Benchmarks for Total Fund, Broad Growth, and Diversifying Strategies are presented first, followed by the benchmarks of their lower-level composites sorted according to the Plan structure. Discontinued custom benchmarks are listed separately afterward and are noted as such when they appear in this section.

Market Benchmark (Total Fund Policy Benchmark)

From	To	Market Benchmark (Total Fund Policy Benchmark)
01/01/2024	Current	70% Broad Growth Historical Benchmark, 30% Diversifying Strategies Historical Benchmark
07/01/2022	12/31/2023	65% Broad Growth Benchmark, 35% Diversifying Strategies Benchmark
07/01/2021	06/30/2022	67.5% Broad Growth Benchmark, 32.5% Diversifying Strategies Benchmark
07/01/2020	06/30/2021	72% Broad Growth Benchmark, 28% Diversifying Strategies Benchmark
01/01/2019	06/30/2020	68% Broad Growth Benchmark, 16% Crisis Risk Offset Benchmark, 8% Principal Protection Benchmark, 8% Real Return Benchmark
01/01/2018	12/31/2018	72% Broad Growth Benchmark, 13% Crisis Risk Offset Benchmark, 8% Principal Protection Benchmark, 7% Real Return Benchmark
04/01/2017	12/31/2017	76% Broad Growth Benchmark, 10% Crisis Risk Offset Benchmark, 9% Principal Protection Benchmark, 5% Real Return Benchmark
07/01/2016	03/31/2017	83% Broad Growth Benchmark, 12% Principal Protection Benchmark, 5% Real Return Benchmark
10/01/2014	06/30/2016	76% Broad Growth Benchmark, 12% Principal Protection Benchmark, 5% Real Return Benchmark, 7% NCREIF Property Index (Qtr Lagged)

From	To	Total Fund Asset-Based Policy Benchmarks (prior to the Functional Allocation Framework)
07/01/2013	09/30/2014	30% Russell 3000, 26% MSCI AC World ex US (Net), 15% Bloomberg Universal, 5% Bloomberg Multiverse ex US (Hedged), 7% NCREIF Property Index (Qtr Lagged), 7% ERS Private Equity Performance, 5% ERS Real Return Performance, 5% CBOE S&P 500 BuyWrite (BXM)
07/01/2012	06/30/2013	30% Russell 3000, 26% MSCI AC World ex US (Net), 15.75% Bloomberg Universal, 5.25% Bloomberg Multiverse ex US (Hedged), 7% NCREIF Property Index (Qtr Lagged), 6% ERS Private Equity Performance, 5% ERS Real Return Performance, 5% CBOE S&P 500 BuyWrite (BXM)
10/01/2011	06/30/2012	35% Russell 3000, 18% MSCI World ex US, 3% MSCI Emerging Markets, 18% Bloomberg Universal, 6% Bloomberg Multiverse ex US (Hedged), 7% NCREIF Property Index (Qtr Lagged), 5% ERS Private Equity Performance, 5% ERS Real Return Performance, 3% CBOE S&P 500 BuyWrite (BXM)
07/01/2011	09/30/2011	41% Russell 3000, 14.5% MSCI World ex US, 2.5% MSCI Emerging Markets (Net), 21% Bloomberg Universal, 7% Bloomberg Multiverse ex US (Hedged), 9% NCREIF Property Index (Qtr Lagged), 5% ERS Alternative Investments Performance
01/01/2009	06/30/2011	41% Russell 3000, 14.5% MSCI EAFE Free, 2.5% MSCI Emerging Markets (Net), 21% Bloomberg Universal, 7% Bloomberg Multiverse ex US (Hedged), 9% NCREIF Property Index (Qtr Lagged), 5% ERS Alternative Investments Performance
06/01/1990	12/31/2008	34.9% S&P 500, 4.5% S&P 400 MidCap, 4.5% Russell 2000, 14.5% MSCI EAFE Free, 2.5% MSCI Emerging Markets, 21% Bloomberg Aggregate, 7% Bloomberg Multiverse ex US (Hedged), 7.5% NCREIF Property Index (Qtr Lagged), 3.6% ERS Alternative Investments Performance

Custom Benchmarks: Immediate Sub-Composites of Total Fund

Broad Growth Historical Benchmark

From	To	Broad Growth Historical Benchmark
01/01/2024	Current	56% Global Equity Historical Benchmark, 17% Global Credit Historical Benchmark, 27% Real Assets Historical Benchmark
07/01/2022	12/31/2023	50% Public Growth Benchmark, 28% Private Growth Benchmark, 22% Real Assets Historical Benchmark
07/01/2021	06/30/2022	66% Public Growth Benchmark, 20% Private Growth Benchmark, 14% Real Assets Historical Benchmark
07/01/2020	06/30/2021	70% Public Growth Benchmark, 16% Private Growth Benchmark, 14% Real Assets Historical Benchmark
01/01/2019	06/30/2020	41% Traditional Growth Benchmark, 41% Stabilized Growth Benchmark, 18% Private Growth Benchmark
01/01/2018	12/31/2018	43% Traditional Growth Benchmark, 43% Stabilized Growth Benchmark, 14% Private Growth Benchmark
07/01/2016	12/31/2017	45% Traditional Growth Benchmark, 45% Stabilized Growth Benchmark, 10% Private Growth Benchmark
01/01/2016	06/30/2016	77% Traditional Growth Benchmark, 17% Stabilized Growth Benchmark, 6% Private Growth Benchmark
10/01/2014	12/31/2015	78% Traditional Growth Benchmark, 17% Stabilized Growth Benchmark, 5% Private Growth Benchmark

For the historical components Traditional Growth Benchmark and Private Growth Benchmark please refer to Public Equity Benchmark and Private Equity Benchmark, respectively.

Public Growth Benchmark and Stabilized Growth Benchmark are no longer in use. Please see their historical compositions in the "Discontinued Custom Benchmarks" section.

Diversifying Strategies Benchmark

From	To	Diversifying Strategies Benchmark
01/01/2024	Current	86.7% Liquid Defensive Historical Benchmark, 13.3% Illiquid Diversifying Historical Benchmark
07/01/2022	12/31/2023	45% Liquid Defensive Historical Benchmark, 40% Liquid Diversifying Benchmark, 15% Illiquid Diversifying Historical Benchmark
04/01/2017	06/30/2022	50% Liquid Defensive Historical Benchmark, 40% Liquid Diversifying Benchmark, 10% Illiquid Diversifying Historical Benchmark

Liquid Diversifying Benchmark is no longer in use. Please see its historical compositions in the "Discontinued Custom Benchmarks" section.

Custom Benchmarks: Global Equity Composite

Global Equity Historical Benchmark

Global Equity composite was created effective on 01/01/2024 to aggregate the Public and Private Equity components which had previously existed within separate higher-level composites. Accordingly, the Global Equity Policy Benchmark was retroactively reconstructed for periods prior to 01/01/2024 reflecting the historical policy targets for the underlying Public and Private Equity components.

From	To	Global Equity Historical Benchmark
01/01/2024	Current	51.3% Public Equity Historical Benchmark, 48.7% Private Equity Historical Benchmark
07/01/2022	12/31/2023	54.3% Public Equity Historical Benchmark, 45.7% Private Equity Historical Benchmark
07/01/2021	06/30/2022	64.7% Public Equity Historical Benchmark, 35.3% Private Equity Historical Benchmark
07/01/2020	06/30/2021	70.8% Public Equity Historical Benchmark, 29.2% Private Equity Historical Benchmark
01/01/2019	06/30/2020	69.5% Public Equity Historical Benchmark, 30.5% Private Equity Historical Benchmark
01/01/2018	12/31/2018	75.4% Public Equity Historical Benchmark, 24.6% Private Equity Historical Benchmark
07/01/2016	12/31/2017	81.8% Public Equity Historical Benchmark, 18.2% Private Equity Historical Benchmark
01/01/2016	06/30/2016	92.8% Public Equity Historical Benchmark, 7.2% Private Equity Historical Benchmark
10/01/2014	12/31/2015	94.0% Public Equity Historical Benchmark, 6.0% Private Equity Historical Benchmark
07/01/2013	09/30/2014	88.9% Public Equity Historical Benchmark, 11.1% Private Equity Historical Benchmark

Public Equity Historical Benchmark

From 10/2014 through 12/2023, public equity assets have resided within the Broad Growth strategic class with names such as "Traditional Growth" or "Traditional Equity". Thus, Public Equity Benchmark may be considered the successor of Traditional Growth and Traditional Equity Benchmarks. Please note that Public Equity Benchmark is different from the discontinued Public Growth Benchmark; its historical benchmark composition is included in the "Discontinued Custom Benchmarks" section.

From	To	Public Equity Historical Benchmark
10/01/2014	Current	100% MSCI All Country World Investable Market Index (Net)
07/01/2012	09/30/2014	53.6% Russell 3000, 46.4% MSCI All Country World ex US (Net)
10/01/2011	06/60/2014	62.5% Russell 3000, 32.1% MSCI World ex US (Net), 5.4% MSCI Emerging Markets (Net)
07/01/2011	09/30/2011	70.7% Russell 3000, 25.0% MSCI World ex US (Net), 4.3% MSCI Emerging Markets (Net)
01/01/2009	06/30/2011	70.7% Russell 3000, 25.0% MSCI EAFE (Net), 4.3% MSCI Emerging Markets (Net)
03/01/2008	12/31/2008	57.3% S&P 500, 7.4% S&P Mid Cap 400, 7.4% Russell 2000, 23.8% MSCI EAFE (Net), 4.1% MSCI Emerging Markets (Net)

Custom Benchmarks: Global Equity Composite (continued)

Private Equity Historical Benchmark

From 10/2014 through 12/2023, private equity assets have resided within the Broad Growth strategic class as "Private Growth". Thus, Private Equity Benchmark may be considered the successor of Private Growth Benchmark.

From	To	Private Equity Historical Benchmark
01/01/2024	Current	100% MSCI ACWI IMI (Net) (Quarter Lagged)
10/01/2014	12/31/2023	100% MSCI ACWI IMI (Net) +2% (Quarter Lagged)
10/01/2011	09/30/2014	Private Equity Actual Performance

Custom Benchmarks: Global Credit Composite

Global Credit Historical Benchmark

From	To	Global Credit Historical Benchmark
01/01/2024	Current	33.3% Public Credit Historical Benchmark, 66.7% Private Credit Historical Benchmark
07/01/2021	12/31/2023	50% Public Credit Historical Benchmark, 50% Private Credit Historical Benchmark
07/01/2020	06/30/2021	25% Public Credit Historical Benchmark, 75% Private Credit Historical Benchmark
10/01/2014	06/30/2020	100% Public Credit Historical Benchmark

Public Credit Historical Benchmark

From	To	Public Credit Historical Benchmark
07/01/2021	Current	50% Bloomberg Global High Yield (Hedged), 50% Morningstar LSTA US Leveraged Loan 100 Index
07/01/2020	06/30/2021	50% Bloomberg Global High Yield (Hedged), 50% Morningstar LSTA US Leveraged Loan 100 Index*
10/01/2014	06/30/2020	50% Bloomberg Global Credit (Hedged) 33.3% Bloomberg Global High Yield (Hedged), 16.7% Morningstar LSTA US Leveraged Loan 100 Index*

Private Credit Historical Benchmark

From	To	Private Credit Historical Benchmark
01/01/2024	Current	50% Bloomberg Global High Yield (Hedged) (Quarter Lagged), 50% Morningstar LSTA US Leveraged Loan 100 Index (Quarter Lagged)
07/01/2021	12/31/2023	25% Bloomberg Global High Yield (Hedged) +1% (Month Lagged), 25% Morningstar LSTA US Leveraged Loan 100 Index +1% (Month Lagged), 25% Bloomberg Global High Yield (Hedged) +1% (Quarter Lagged), 25% Morningstar LSTA US Leveraged Loan 100 Index +1% (Quarter Lagged)
07/01/2020	06/30/2021	50% Bloomberg Global High Yield (Hedged) +1% (Month Lagged), 50% Morningstar LSTA US Leveraged Loan 100 Index +1% (Month Lagged)*
11/01/2019	06/30/2020	100% Public Credit Historical Benchmark

From 11/2019 to 06/2020, Private Credit Benchmark is the same as Public Credit Benchmark.

Notes on Component Indices

Historically, prior to 07/01/2021, Morningstar LSTA US Leveraged Loan Index (formerly known as "S&P LSTA US Leveraged Loan Index") was used in the places where Morningstar LSTA US Leveraged Loan 100 Index occurs on this page. Due to licensing issues, Morningstar LSTA US Leveraged Loan 100 Index is applied retroactively to periods prior to 07/2021. Compositions which historically used Morningstar LSTA US Leveraged Loan Index are marked on this page with an asterisk (*).

Custom Benchmarks: Real Assets Composite

Real Assets Historical Benchmark

Real Assets composite contains the following asset classes: Real Estate (Core and Non-Core), Agriculture (or Farmland), Timberland, Infrastructure (Private and Public), and Other Real Assets. They existed separately under various higher level composites at different points in the Plan's history prior to the Real Asset composite's inception in 07/2020.

Prior to 07/2016, **Real Estate** was an immediate sub-composite of Total Fund. From 07/2016 through 06/2020, Core Real Estate and Non-Core Real Estate were separately subsumed into Stabilized Growth and Private Growth categories respectively (which were both contained within Broad Growth). From 10/2014 to 07/2020, **Agriculture, Timber, and Infrastructure** constituted the Private Inflation-Linked component within Real Return, an immediate subordinate of Total Fund.

The Real Assets Policy Benchmark for periods prior to 07/2020 were retroactively reconstructed using the historical policy allocation targets for the underlying components.

From	To	Real Assets Historical Benchmark
01/01/2024	Current	47% Real Estate Historical Benchmark, 7% Agriculture Historical Benchmark, 9% Timber Historical Benchmark, 37% Infrastructure Historical Benchmark
07/01/2022	12/31/2023	70% Real Estate Historical Benchmark, 10% Agriculture Historical Benchmark, 10% Timber Historical Benchmark, 10% Infrastructure Historical Benchmark
07/01/2021	06/30/2022	70% Real Estate Historical Benchmark, 8% Agriculture Historical Benchmark, 12% Timber Historical Benchmark, 10% Infrastructure Historical Benchmark
07/01/2020	06/30/2021	75% Real Estate Historical Benchmark, 5% Agriculture Historical Benchmark, 12.5% Timber Historical Benchmark, 7.5% Infrastructure Historical Benchmark
01/01/2019	06/30/2020	52% Real Estate Historical Benchmark, 48% Real Return Benchmark
01/01/2018	12/31/2018	57% Real Estate Historical Benchmark, 43% Real Return Benchmark
04/01/2017	12/31/2017	70% Real Estate Historical Benchmark, 30% Real Return Benchmark
07/01/2016	06/30/2017	75% Real Estate Historical Benchmark, 25% Real Return Benchmark
01/01/2016	06/30/2016	80% Real Estate Historical Benchmark, 20% Real Return Benchmark
10/01/2014	12/31/2015	83% Real Estate Historical Benchmark, 17% Real Return Benchmark

Custom Benchmarks: Real Assets Composite (continued)

Real Estate Historical Benchmark

Real Estate composite became effective in 01/2024 as an aggregate of the Core and Non-Core Real Estate components. The Real Estate Policy Benchmark was retroactively reconstructed for periods prior to 01/2024 reflecting the historical policy allocation targets for the underlying Core and Non-Core components.

From	To	Real Estate Historical Benchmark
01/01/2024	Current	100% FTSE EPRA NAREIT Global REITs Index (Gross) (Quarter Lagged)
07/01/2022	12/31/2023	57.1% Core Real Estate Historical Benchmark, 42.9% Non-Core Real Estate Historical Benchmark
07/01/2021	06/30/2022	55.7% Core Real Estate Historical Benchmark, 44.3% Non-Core Real Estate Historical Benchmark
07/01/2020	06/30/2021	53.3% Core Real Estate Historical Benchmark, 46.7% Non-Core Real Estate Historical Benchmark
07/01/2019	06/30/2020	60% Core Real Estate Historical Benchmark, 40% Non-Core Real Estate Historical Benchmark
07/01/2018	06/30/2019	66% Core Real Estate Historical Benchmark, 34% Non-Core Real Estate Historical Benchmark
07/01/2017	06/30/2018	73% Core Real Estate Historical Benchmark, 27% Non-Core Real Estate Historical Benchmark
07/01/2016	06/30/2017	80% Core Real Estate Historical Benchmark, 20% Non-Core Real Estate Historical Benchmark
07/01/2013	06/30/2016	100% Core Real Estate Historical Benchmark

Core Real Estate Historical Benchmark

From	To	Core Real Estate Historical Benchmark
01/01/2024	Current	100% FTSE EPRA NAREIT Global REITs Index (Gross) (Quarter Lagged)
01/01/2018	12/31/2023	100% NCREIF ODCE (Net) (Quarter Lagged)
07/01/2013	12/31/2017	100% NCREIF Property Index (Net) (Quarter Lagged)

Non-Core Real Estate Historical Benchmark

From 07/2016-06/2020, this composite sat within Private Growth segment and was benchmarked against Private Equity Benchmark (formerly, “Private Growth Benchmark”).

From	To	Non-Core Real Estate Historical Benchmark
01/01/2024	Current	100% FTSE EPRA NAREIT Global REITs Index (Gross) (Quarter Lagged)
07/01/2020	12/31/2023	100% NCREIF ODCE (Net) +1% (Quarter Lagged)
07/01/2016	06/30/2020	100% Private Equity Historical Benchmark
07/01/2013	06/30/2016	100% NCREIF Property Index (Net) (Quarter Lagged)

Custom Benchmarks: Real Assets Composite (continued)

Agriculture Historical Benchmark

From	To	Agriculture Historical Benchmark
01/01/2024	Current	100% S&P GCSI Agriculture Index (Quarter Lagged)
10/01/2021	12/31/2023	100% NCREIF Farmland Index (Quarter Lagged)

Timber Historical Benchmark

From	To	Timber Historical Benchmark
01/01/2024	Current	100% S&P Global Timber & Forestry Index (Net) (Quarter Lagged)
09/01/1999	12/31/2023	100% NCREIF Timberland Index (Quarter Lagged)

Infrastructure Historical Benchmark

From	To	Infrastructure Historical Benchmark
01/01/2024	Current	100% Dow Jones Brookfield Global Infrastructure Index (Net) (Quarter Lagged)
12/01/2014	12/31/2023	100% Consumer Price Index (Seasonally Adjusted) +4%

Custom Benchmarks: Diversifying Strategies Composite

Liquid Defensive Historical Benchmark

From	To	Liquid Defensive Historical Benchmark
01/01/2024	Current	30.8% MLM Global Index EV (Blend), 15.4% Bloomberg US Treasury: Long Index, 53.8% Bloomberg US Treasury: Intermediate Index
07/01/2022	12/31/2023	40% MLM Global Index EV (Blend), 40% 90-Day T-Bill +2.5%, 15% Bloomberg US Treasury: Long Index, 5% Bloomberg US Intermediate Aggregate ex Credit
07/01/2021	06/30/2022	35% MLM Global Index EV (Blend), 20% 90-Day T-Bill +2.5%, 15% Bloomberg US Treasury: Long Index, 15% Bloomberg US Intermediate Aggregate ex Credit, 15% Bloomberg US TIPS 5+ Year Index
07/01/2016	06/30/2021	40% MLM Global Index EV (Blend), 30% Bloomberg US Treasury: Long Index, 30% Bloomberg US Intermediate Aggregate ex Credit Index

Defensive Return Capture

Defensive Return Capture composite uses the Long Duration Treasury Historical Benchmark as its benchmark. Historically, it had used a historical benchmark with the same composition as Discretionary Alpha Benchmark.

Discretionary Alpha Benchmark

From	To	Discretionary Alpha Benchmark
01/01/2024	Current	100% Bloomberg US Treasury: Intermediate Index
07/01/2020	12/31/2023	100% 90-Day T-Bill +2.5%

Intermediate Duration Treasury Benchmark

From	To	Intermediate Duration Treasury Benchmark
01/01/2024	Current	100% Bloomberg US Treasury: Intermediate Index
04/01/2017	12/31/2023	100% Bloomberg US Intermediate Aggregate ex Credit

Long Duration Treasury Historical Benchmark

From	To	Long Duration Treasury Historical Benchmark
04/01/2022	Current	100% Bloomberg US Treasury: Long Index
02/01/2021	03/31/2022	50% Bloomberg US Treasury: Long Index, 50% Bloomberg TIPS 5+ Year Index
04/01/2017	01/31/2021	100% Bloomberg US Treasury: Long Index

Custom Benchmarks: Diversifying Strategies Composite (continued)

MLM Global Index EV (Blend)

MLM Global Index EV (Blend) is used as the benchmark for the Systematic Trend Following composite and as a component of other custom benchmarks.

From	To	MLM Global Index EV (Blend)
04/01/2019	Current	100% MLM Global Index EV (15V)
04/01/2017	03/31/2019	100% MLM Global Index LT 15V

Illiquid Diversifying Historical Benchmark

From	To	Illiquid Diversifying Historical Benchmark
01/01/2024	Current	100% Swiss RE Global Catastrophe Bond Hedged Index
07/01/2022	12/31/2023	65% 90-Day T-Bills +3.5%, 35% Swiss RE Global Catastrophe Bond Hedged Index
07/01/2021	06/30/2022	50% 90-Day T-Bills +3.5%, 50% Swiss RE Global Catastrophe Bond Hedged Index
04/01/2014	06/30/2021	65% 90-Day T-Bills +3.5%, 35% Swiss RE Global Catastrophe Bond Hedged Index

Idiosyncratic Return Capture Historical Benchmark

From	To	Idiosyncratic Return Capture Historical Benchmark
01/01/2024	Current	100% Swiss RE Global Catastrophe Bond Hedged Index
07/01/2020	12/31/2023	100% 90-Day T-Bills +3.5%

Discontinued Custom Benchmarks

This section includes only the discontinued custom benchmarks which have been a component of current custom benchmarks' history and does not include all the discontinued historical custom benchmarks. The items in this section are ordered alphabetically.

Crisis Risk Offset (CRO) Benchmark

Crisis Risk Offset (CRO) Benchmark was a component of Total Fund Policy Benchmark from 2017 to 2020. The composite consisted of Systematic Trend Following, Alternative Return Capture, and Treasury Duration Capture (in the form of long duration treasuries) components.

From	To	Crisis Risk Offset (CRO) Benchmark
04/01/2019	06/30/2020	35% MLM Global Index EV (Blend), 40% 90-day T-Bills +2.5%, 25% Bloomberg US Treasury: Long Index
04/01/2017	03/31/2019	45% MLM Global Index EV (Blend), 30% 90-day T-Bills +5%, 25% Bloomberg US Treasury: Long Index

Liquid Diversifying Benchmark

Liquid Diversifying Benchmark was a component of Diversifying Strategies Benchmark from 2017 through 2023.

From	To	Liquid Diversifying Benchmark
04/01/2017	12/31/2023	100% 90-Day T-Bills +2.5%

Options-Based Equity Benchmark

Options-Based Equity Benchmark was a component of Public Growth Benchmark from 2020 to 2022.

From	To	Options-Based Equity Benchmark
07/01/2020	06/30/2022	50% CBOE S&P 500 PutWrite (PUT), 35% CBOE MSCI EAFE PutWrite (PXEA), 15% CBOE MSCI Emerging Markets PutWrite (PXEF)

Principal Protection Benchmark

Principal Protection Benchmark was a component of Total Fund Policy Benchmark from 2014 to 2020. The composite primarily consisted of intermediate duration bonds.

From	To	Principal Protection Benchmark
01/01/2018	06/30/2020	55% Bloomberg US Intermediate ex Credit Index, 45% Bloomberg Global Intermediate ex Credit Index (Hedged)
10/01/2014	12/31/2017	100% Bloomberg Global Intermediate ex Credit Index (Hedged)

Discontinued Custom Benchmarks (continued)

Public Growth Benchmark

Public Growth Benchmark was a component of Broad Growth Benchmark from 2020 through 2023. Please see Global Credit Benchmark and Traditional Growth Benchmark in the Current Custom Benchmarks section under Global Credit Benchmark and Public Equity Benchmark respectively.

From	To	Public Growth Benchmark
07/01/2022	12/31/2023	66.5% Traditional Growth Benchmark, 20% Global Credit Benchmark, 8% MSCI ACWI Minimum Volatility (Net), 5.5% ICE BofA All US Convertibles All Qualities (VXA0)
07/01/2021	06/30/2022	55.5% Traditional Growth Benchmark, 16% Options-Based Equity Benchmark, 15.5% Global Credit Benchmark, 9% MSCI ACWI Minimum Volatility (Net), 4% ICE BofA All US Convertibles All Qualities (VXA0)
07/01/2020	06/30/2021	55.5% Traditional Growth Benchmark, 20% Options-Based Equity Benchmark, 15.5% Global Credit Benchmark, 9% MSCI ACWI Minimum Volatility (Net)

Real Return Benchmark

Real Return Benchmark was a component of Total Fund Policy Benchmark from 2014 to 2020.

From	To	Real Return Benchmark
10/01/2014	06/30/2020	100% Consumer Price Index (Seasonally Adjusted) +3%

Stabilized Growth Benchmark

Stabilized Growth Benchmark was a component of Broad Growth Benchmark from 2014 to 2020.

From	To	Stabilized Growth Benchmark
01/01/2018	06/30/2020	8.5% Bloomberg Global Credit (Hedged), 5.67% Bloomberg Global High Yield (Hedged), 17% CBOE S&P 500 BuyWrite (BXM), 17% CBOE S&P 500 PutWrite (PUT), 2.83% Morningstar LSTA Leveraged Loan, 8.5% MSCI ACWI ex US (Net), 8.5% 90-day T-Bills, 17% MSCI ACWI Minimum Volatility (Net), 15% NCREIF ODCE Index (Net) (Quarter Lagged)
07/01/2016	12/31/2017	8.5% Bloomberg Global Credit (Hedged), 5.67% Bloomberg Global High Yield (Hedged), 17% CBOE S&P 500 BuyWrite (BXM), 17% CBOE S&P 500 PutWrite (PUT), 2.83% Morningstar LSTA Leveraged Loan, 8.5% MSCI ACWI ex US (Net), 8.5% 90-day T-Bills, 17% MSCI ACWI Minimum Volatility (Net), 15% NCREIF Property Index (Net) (Quarter Lagged)
10/01/2014	06/30/2016	30% Bloomberg Global Credit (Hedged), 20% Bloomberg Global High Yield (Hedged), 40% CBOE S&P 500 BuyWrite (BXM), 10% Morningstar LSTA Leveraged Loan Index

Performance Attribution Glossary

Performance Attribution is the process of comparing a portfolio's performance with its benchmark identifying and quantifying the sources of differential returns (also called active returns).

Differential Returns / Active Returns / Value Added are the difference between the return on a portfolio and the return on the benchmark.

Impact on Return

Attribution Segment	Definition	Formula	Where:
Weighting (also called allocation, sector allocation, or pure sector allocation)	The effects of portfolio manager decisions to over/underweight each sector	$(w_i - W_i) \times (b_i - b)$	w_i= portfolio segment weight W_i = benchmark segment weight b_i= benchmark segment return b = total benchmark return
Selection (also called within-sector selection)	The effects of portfolio manager decision to buy specific securities	$(r_i - b_i) \times W_i$	r_i= portfolio segment return b_i = benchmark segment return W_i = benchmark segment weight
Interaction (also called allocation/selection interaction)	The effects of portfolio managers decisions to security selection can inadvertently cause sector over/underweighting	$(r_i - b_i) \times (w_i - W_i)$	r_i= portfolio segment return b_i = benchmark segment return w_i = portfolio segment weight W_i = benchmark segment weight

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Employees' Retirement System of the State of Hawaii

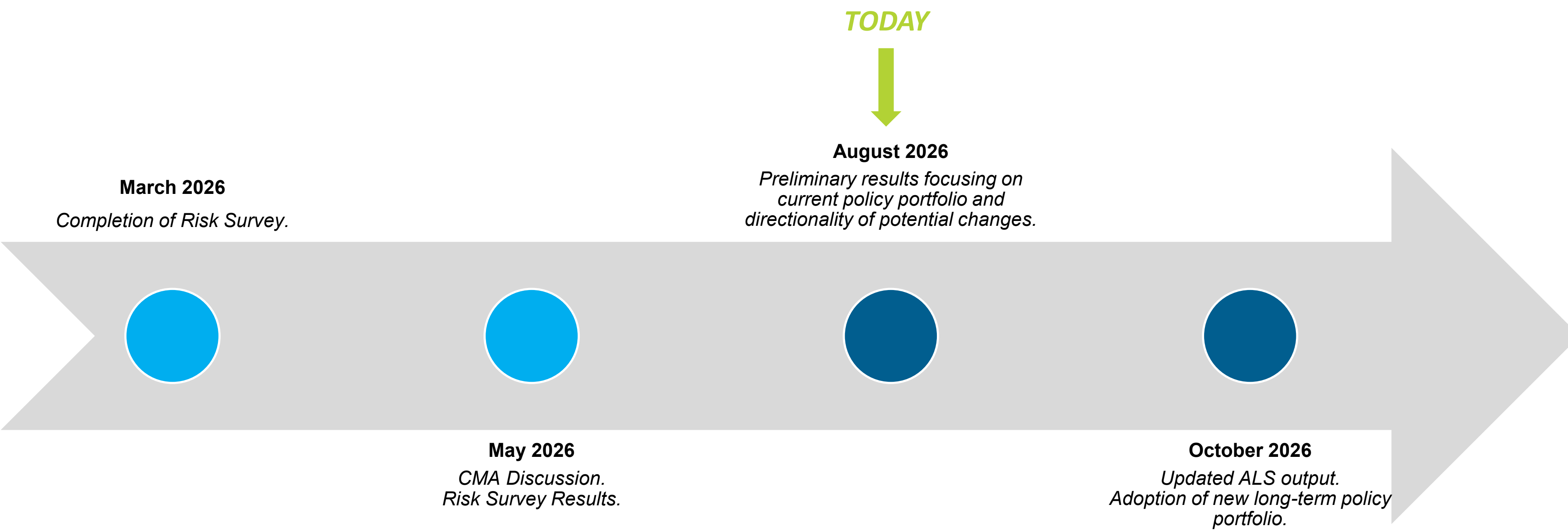
August 24, 2026

Asset-Liability Study Part 2: Baseline Model Output

Goals of Today

1. Review *Asset-Liability Study* (“ALS”) timeline
2. Review key takeaways from *Risk & Implementation Survey*
3. Examine historical context from prior asset-liability studies
4. Present baseline asset-liability modeling results, focused on current policy portfolio
5. Discuss preliminary asset-only output, examining potential directional changes
6. Receive feedback/guidance for final modeling process

Asset-Liability Study Timeline



→ Meketa and Staff expect to conclude the Asset-Liability Study at the 2026 HIERS Summit.

Important Notes

→ **From an asset allocation perspective, the ERS portfolio is already in an attractive position.**

- Any changes will either be marginal and/or reflect new Board/IC perspectives.
- A critical consideration for the ERS will be the tradeoff between Illiquid classes and Public Equity.
- Throughout all modeled scenarios, overall ERS liquidity is not a major risk.

→ <u>From Meketa's perspective, the end result of this asset-liability study will be a refinement of the portfolio and an improved understanding of the overall financial condition of the ERS.</u>

Risk and Implementation Survey Results - Review

Risk & Implementation Survey – Key Takeaways

- For some of the most important questions, there was general consensus within and across the Board and Staff.
- *Compared to prior HIERS surveys, as well as other Meketa clients, there are more areas of divergent responses.*
  - This is not necessarily a negative, but it should encourage additional dialogue during the overall asset-liability modeling process.
  - Moreover, the areas of divergence are likely due, in part, to new members of the Board and Staff.

- <u>Primary objectives highlighted throughout the responses:</u>
  - Both groups are critically focused on improving the funded ratio over both the medium- and long-term; this is a critical objective.
    - This is consistent across previous asset-liability studies.
  - No respondent from either group favors reducing portfolio risk; it is largely a decision about keeping risk the same or increasing.
  - It will be important to examine probabilities of experiencing downside scenarios (for investment returns and funded status) and their corresponding impacts (e.g., liquidity, contributions, etc.).
    - Certain viewpoints on downside funded ratio thresholds may be unrealistic if the global capital markets were to experience significantly deteriorating economic conditions.

Historical Context: Prior Asset-Liability Studies

Prior Asset-Liability Studies

2009	2015	2019	2023
• 1st comprehensive ALS • ERS begins to operate through a risk-first lens	• 2nd comprehensive ALS • Further refinement of risk management at ERS • Development of the CRO/DS blueprint (implemented in 2017)	• 3rd comprehensive ALS • Expansion of CRO into a broader DS class	• Latest comprehensive ALS • Continued commitment to private markets classes

→ The ERS was materially impacted by the 08'/09 GFC experience.

→ Throughout all asset-liability studies completed in the last 17 years, there was a continual focus on building a well diversified, risk-focused asset allocation.

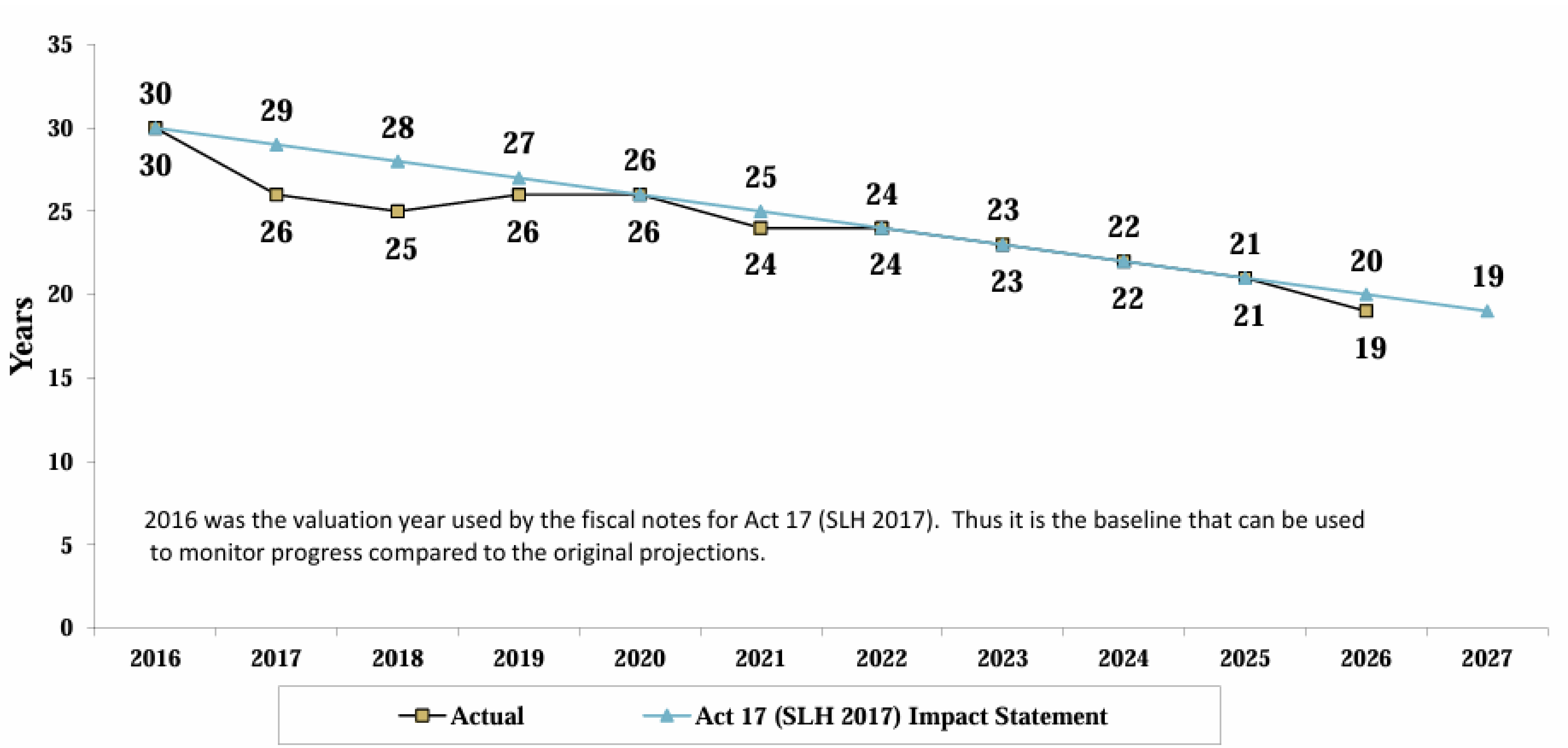
→ ERS Board desired to develop an allocation that would minimize surprises relative to the actuarial/funding projections of the ERS.

- The last three studies explicitly sought to "maximize return subject to funded status volatility."

FY 2026 Funded Status Projections from <u>Prior ALS</u>	Preliminary Actual FY 2026 Funded Status
• 2019 ALS = ~65% • 2023 ALS = ~65%	• GRS Preliminary Valuation = ~65%

→ ERS's actual experience has been aligned with previously stated goals.

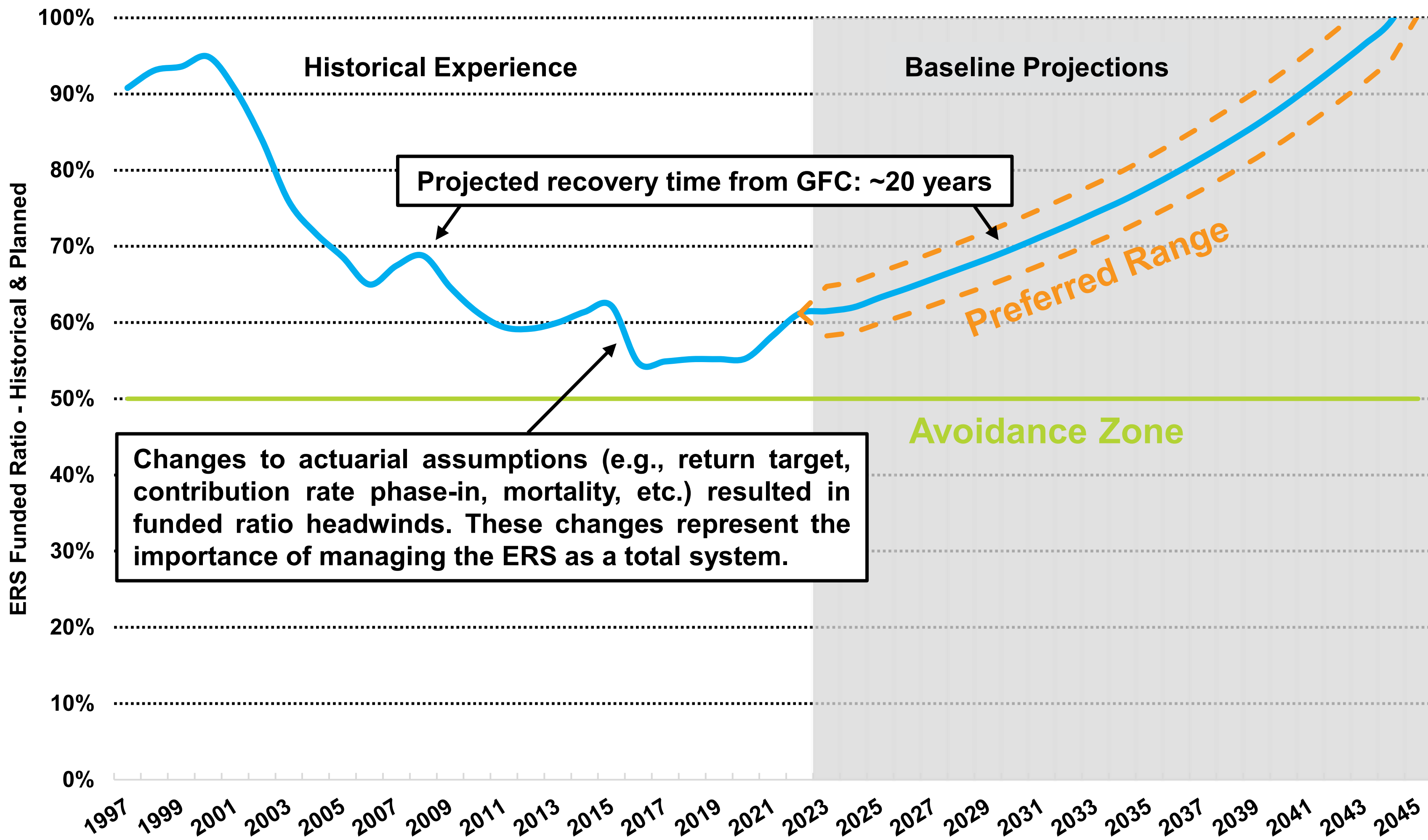
Projection of Funding Period from 2016 Legislative Impact Statement vs. Actual Outcome*



→ The ERS has continued to follow the projection path, but the allocation structure (i.e., less Public Equity) came at a cost: the ERS did not benefit as much as peers in the Public Equity bull market of the last 10+ years.

*Source: GRS July 2026 presentation to the ERS Board

Funded Status Projection from 2023 ALS



→ In the 2023 ALS, an explicit goal was to stay as close to the funded status projection as possible.

Source: GRS valuation reports and ACFRs

Takeaways for 2026 ALS

- The most critical consideration for the ERS during the 2026 ALS is how much, if at all, does the ERS want to deviate from the allocation decisions of the last 10+ years.
  - This largely relates to the amount of Public Equity in the ERS portfolio.
  - Public Equity can act as a material tailwind or headwind for the overall health of the ERS.
    - Very few other asset classes can exhibit this influence on the overall portfolio.

- As detailed in the preliminary results (shown later in the presentation), it is possible to modestly increase the Public Equity allocation within the ERS while generally staying true to the existing risk-focused structure of the ERS that was put in place 10+ years ago.

ALS Process - Overview

What is an asset-liability study?

An asset-liability study evaluates whether the Plan's investment strategy is positioned to meet its projected benefit obligations across a range of scenarios.

Integrated modeling

Models the Plan's assets and liabilities together, rather than evaluating investment strategy in isolation

Multi-year projections

Projects funded status, contribution requirements, and cash flow needs over a multi-year horizon

Enterprise risk stress-testing

Stress-tests the portfolio against risks determined to be material via enterprise risk analysis

Strategy comparison

Compares alternative asset allocation strategies on a risk-adjusted basis

Goal: The study turns funding objectives into an actionable investment policy.

How does the asset-liability study benefit the Board?

The study gives the Board an objective, forward-looking framework for setting investment policy and satisfying its fiduciary obligations.

Independent analysis
Provides an independent, data-driven basis for asset allocation decisions

Risk/return clarity
Clarifies the risk/return trade-offs across candidate portfolios before a policy is adopted

Funding impact
Quantifies the funding and contribution implications of alternative strategies

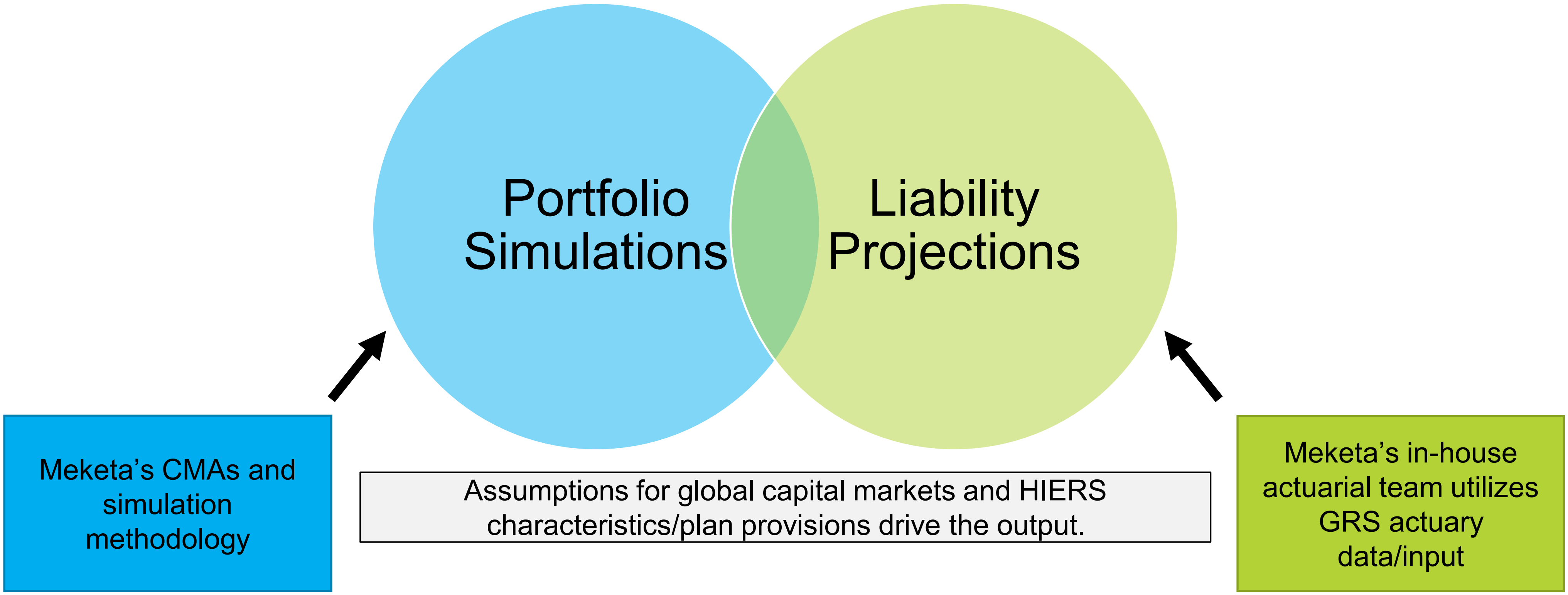
Fiduciary documentation
Documents the Board's due diligence process for regulatory and audit purposes

Ongoing framework
Establishes a shared framework for revisiting policy as the Plan's circumstances change

The study gives the Board a defensible basis for its policy decisions.

Approach to Asset-Liability Studies

- Asset-liability studies are the intersection of asset and liability projections.



Approach to Asset-Liability Studies

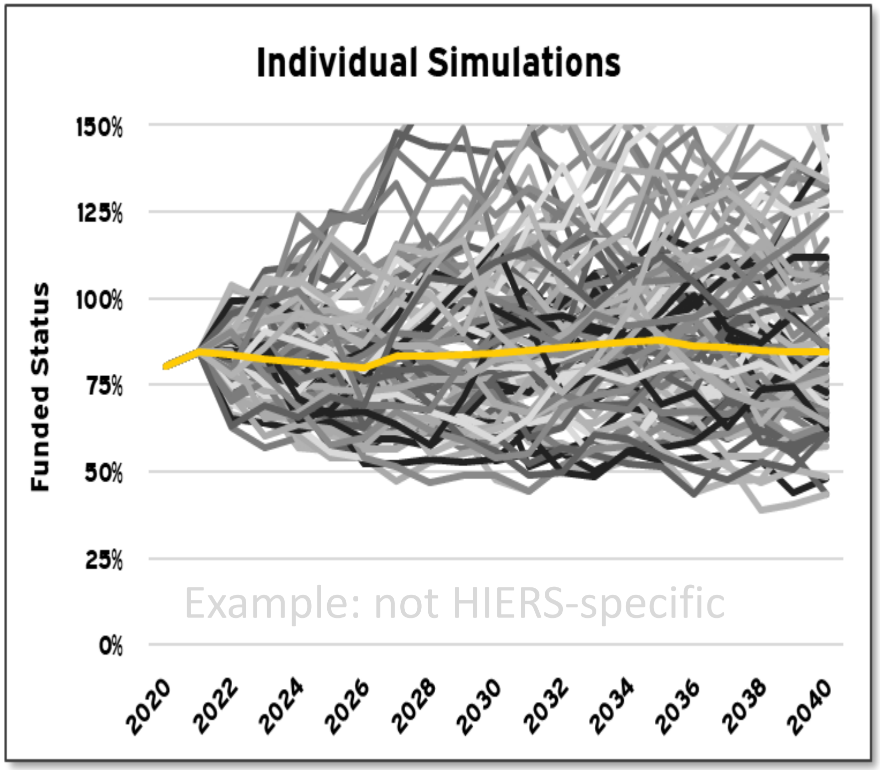
- The actuarial value of assets (AVA) and actuarial accrued liability (AAL) change from one year to the next in a formulaic fashion.
  - Note: actuarial losses/gains are important considerations that are generally related to experience vs. assumptions.

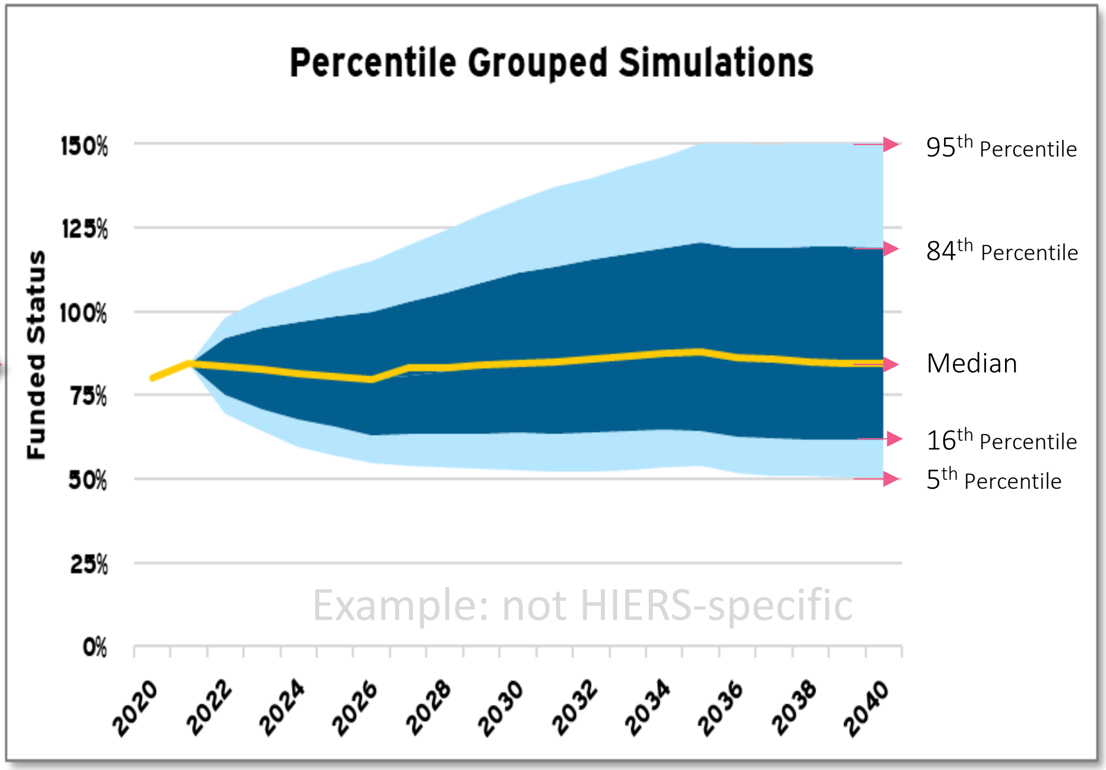
Asset-liability studies examine a wide range of modeled returns and corresponding impacts.

Example: Change in AVA and AAL	
AVA at Beginning of Year	**AAL at Beginning of Year**
+ Contributions	+ Service cost (benefits accrued during year)
+ Actual return (accounting for any smoothing)	+ Interest cost
- Benefits paid	+/- Actuarial losses/gains during the year
- Expenses	- Benefits paid
= AVA at End of Year	**= AAL at End of year**

Example Asset-Liability Output

- Individual simulations that explore major asset-liability metrics (e.g., funded ratio) are combined into corridors of percentiles.
- Discussions shift to focus on probabilities/groupings rather than point estimates.





Capital Market Assumptions

As presented in May

Setting Capital Market Assumptions ("CMAs")

→ CMAs are the inputs needed to calculate a portfolio's expected return, volatility, and relationships (i.e., correlations) to the broader markets.

- CMAs are also used in mean-variance optimization, simulation-based optimization, asset-liability modeling, and every other technique for finding "optimal" portfolios.

→ Consultants (including Meketa) generally set their CMAs once per year.

- Our results are typically published in January based on previous December 31 data.

→ This process involves setting long-term expectations for a variety of asset class/strategy attributes:

- Returns
- Standard Deviations
- Correlations

→ Meketa's process relies on both quantitative and qualitative methodologies.

→ We do not assume any "alpha generation", and all assumptions are inclusive of estimated fees.

As presented in May

HIERS Classes and Respective Expected Returns

		Notes/Primary Drivers of Changes	
Global Equity	**Public Equity**	Higher prices without commensurate earnings power/growth offset	↓
	Private Equity	Pricing and distribution/liquidity challenges	↓
Global Credit	**Liquid Credit**	Lower yields/spreads and base rates	↓
	Private Credit	Lower yields, updated opportunity set weightings, and increased default/loss assumptions	↓
Real Assets	**Real Estate**	Lower borrowing costs, more stabilized pricing, improved cap rates	↑
	Infrastructure	Lower borrowing costs, continued strong fundamentals/growth	↑
	Timberland and Agriculture	Lower borrowing costs, continued strong fundamentals/growth	↑
Liquid Defensive	**Systematic Trend Following**	*De minimis change*	↔
	Long US Treasuries	Lower yields	↓
	Intermediate Duration Govt Bonds	Lower yields	↓
Illiquid Diversifying	**Reinsurance**	Lower coupons/premium in catastrophe bond market	↓

As presented in May

HIERS Classes and Respective Expected Returns

		2025 ER (%)	2026 ER (%)
Global Equity	Public Equity	6.7	6.3 ⬇
	Private Equity	9.8	9.0 ⬇
Global Credit	Liquid Credit	6.3	5.5 ⬇
	Private Credit	8.7	7.8 ⬇
Real Assets	Real Estate	7.2	7.5 ⬆
	Infrastructure	7.3	7.6 ⬆
	Timberland and Agriculture	4.6	5.7 ⬆
Liquid Defensive	Systematic Trend Following	3.4	3.5 ⬌
	Long US Treasuries	5.0	4.5 ⬇
	Intermediate Duration Govt Bonds	4.4	3.7 ⬇
Illiquid Diversifying	Reinsurance	7.6	6.5 ⬇

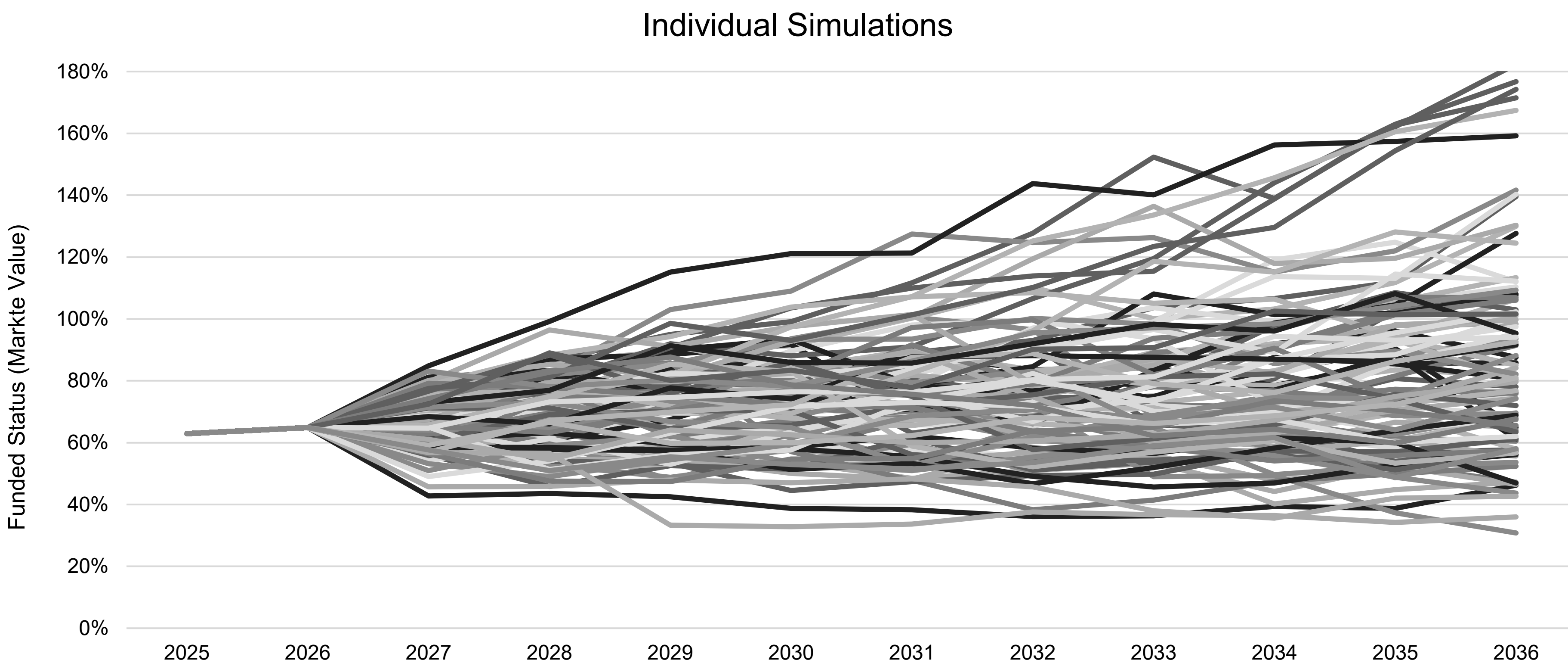
As presented in May

HIERS Classes and Respective Volatilities

		2025 Volatility (%)	2026 Volatility (%)
Global Equity	Public Equity	17.0	17.0
	Private Equity	25.0	26.0 ⬆
Global Credit	Liquid Credit	10.0	10.0
	Private Credit	15.0	15.0
Real Assets	Real Estate	16.2	16.2
	Infrastructure	17.8	19.3 ⬆
	Timberland and Agriculture	11.4	11.4
Liquid Defensive	Systematic Trend Following	15.0	15.0
	Long US Treasuries	12.0	12.0
	Intermediate Duration Govt Bonds	3.0	3.0
Illiquid Diversifying	Reinsurance	7.0	7.0

Baseline Asset-Liability Output

Stochastic Forecast of the Current Policy Allocation

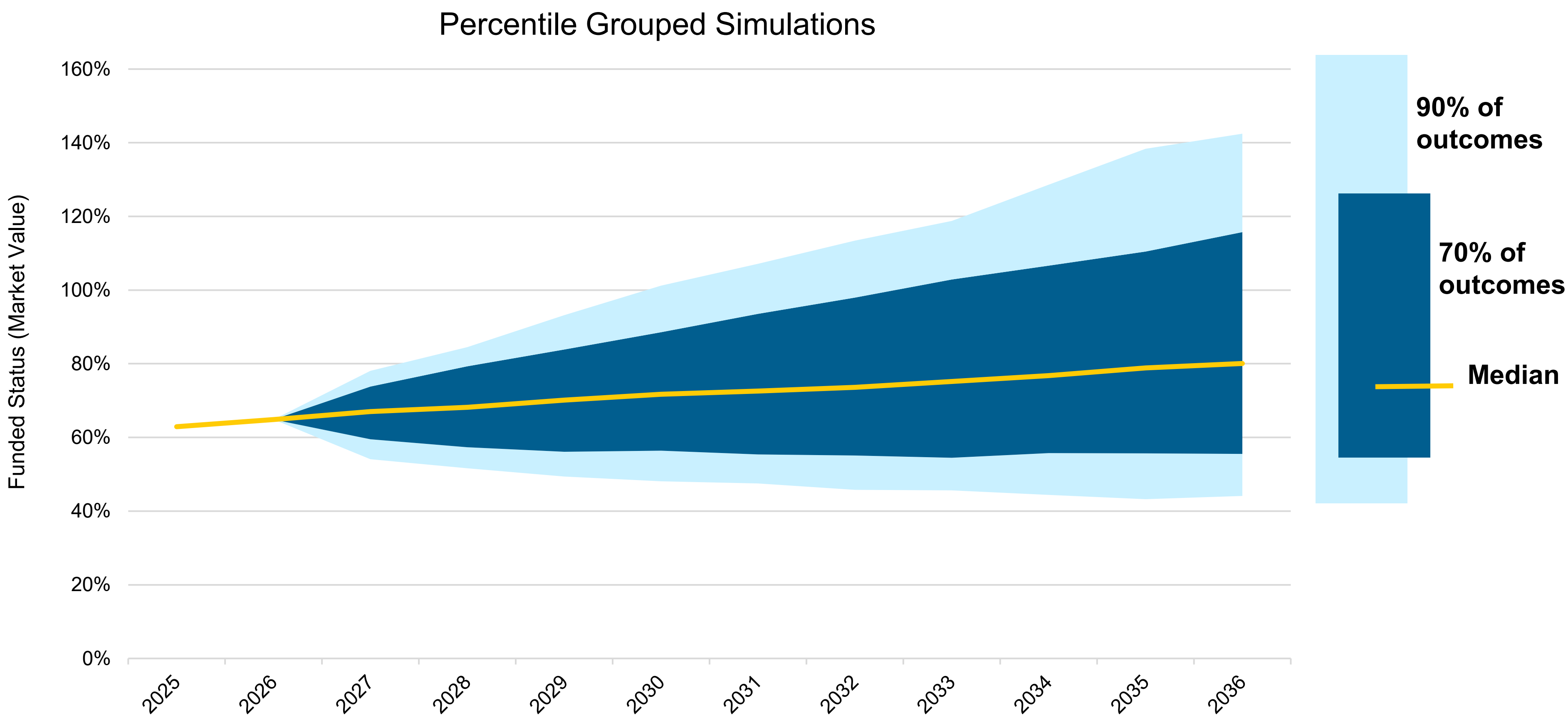


→ Funded status (assets divided by liabilities) is simulated in a variety of market environments.

→ Analysis reflects the current:

- Asset allocation
- Projected benefit payments
- Funding policy (statutory)
- Plan provisions
- Actuarial assumptions
- Meketa 2026 Capital Market Assumptions

Stochastic Forecast of the Current Policy Allocation (continued)

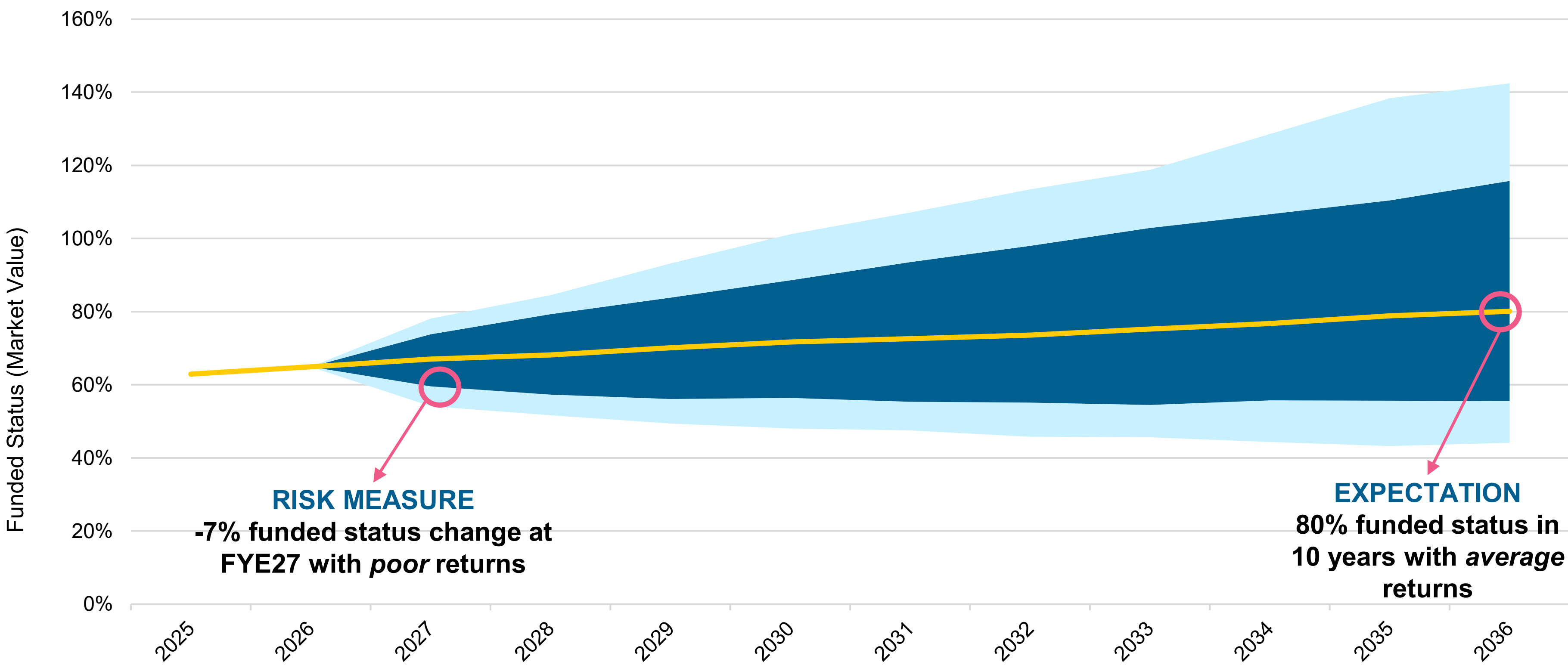


- → Simulations are summarized into percentiles, providing a quantitative analysis of the funded status, given the current asset allocation.
- → As an example, the median (50th Percentile) funded status at FYE 2036 is 80% → there is a 50% probability the funded status will be greater than 80% and 50% probability it will be less than 80%.

Record Key Observations

→ Key observations are determined during objective setting discussion and analyzed in a "Expectation/Risk Measure" framework.

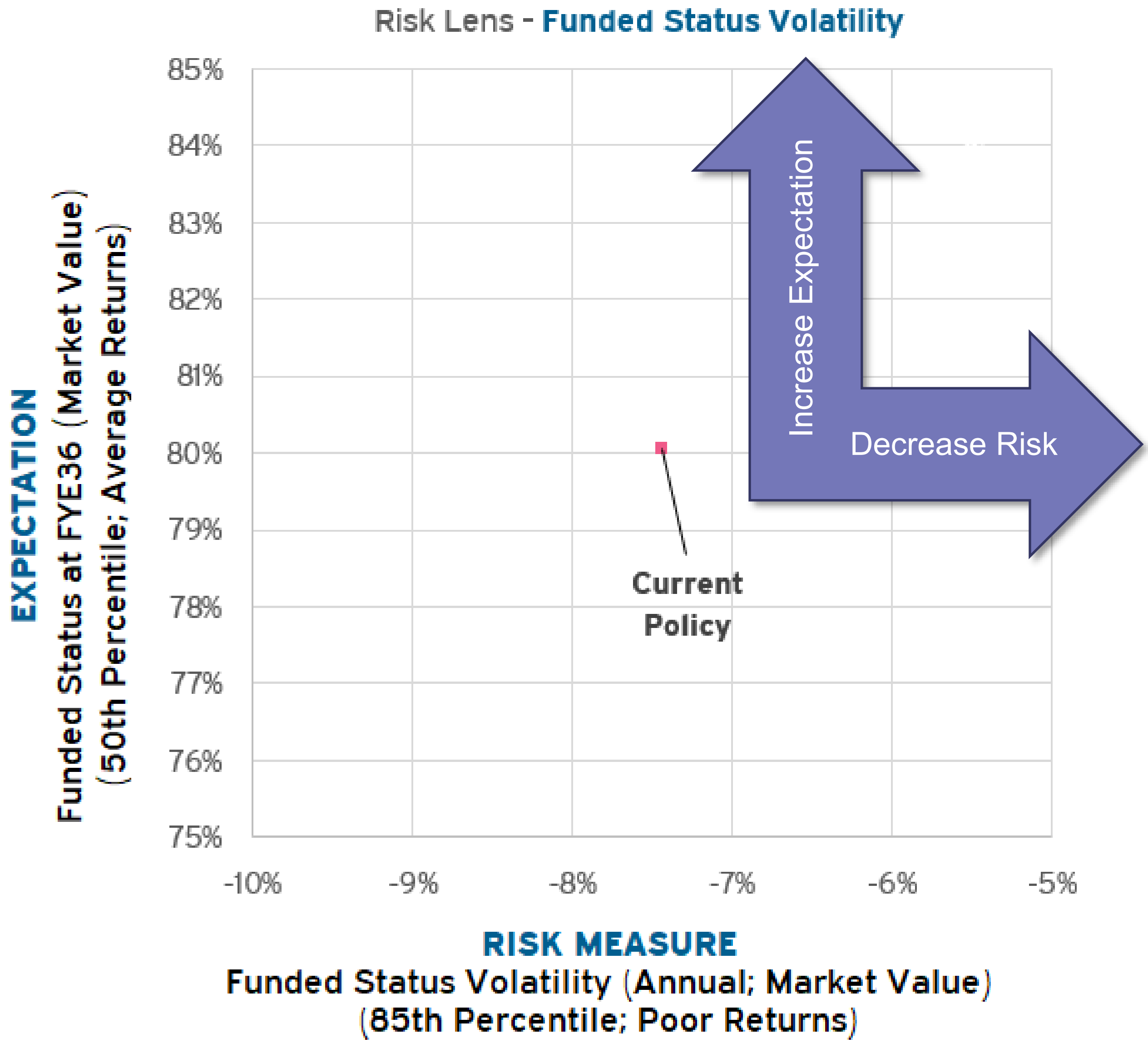
- **Expectation** – Outcome where all the underlying assumptions prove to be accurate over the long-term (Example: 50th percentile over a 10-year time horizon).
- **Risk Measure –** Outcome with a lower probability (Ex: 85th percentile) and detrimental impact, especially when that outcome occurs in the short-term (Ex: 1-year time horizon).



Plot the Baseline (i.e., Current Policy)

Notes

- The goal of optimization is to align the projected health of the system to match the objectives and risk tolerance of the Board.
- Est. market value funded status as of 6/30/2026 = 65%



Preliminary Asset-Only Optimization Output

Asset-Only Optimizations

→ HIERS exhibits several characteristics that are common among mature public pension systems:

- Moderate funded status (~65%)
- Modest negative net cash flow (-1.0% to -2.0%)

→ With the above parameters, a portfolio that optimizes the tradeoff between expected return and risk (e.g., volatility, expected max drawdown, etc.) will likely result in the best integrated asset-liability metrics.

→ Asset-only optimizations are a quicker, exploratory exercise to preview where optimal portfolios may end up.

→ Meketa's simulation model utilizes non-normal distributions for asset classes:

- Skewness and kurtosis for asset classes are based on history.
  - Equity, credit, and private markets asset classes have negative skew and positive kurtosis (i.e., fat tails).
  - Historical positive skew for fixed income assets (due to 40-year period of declining interest rates) is neutralized.

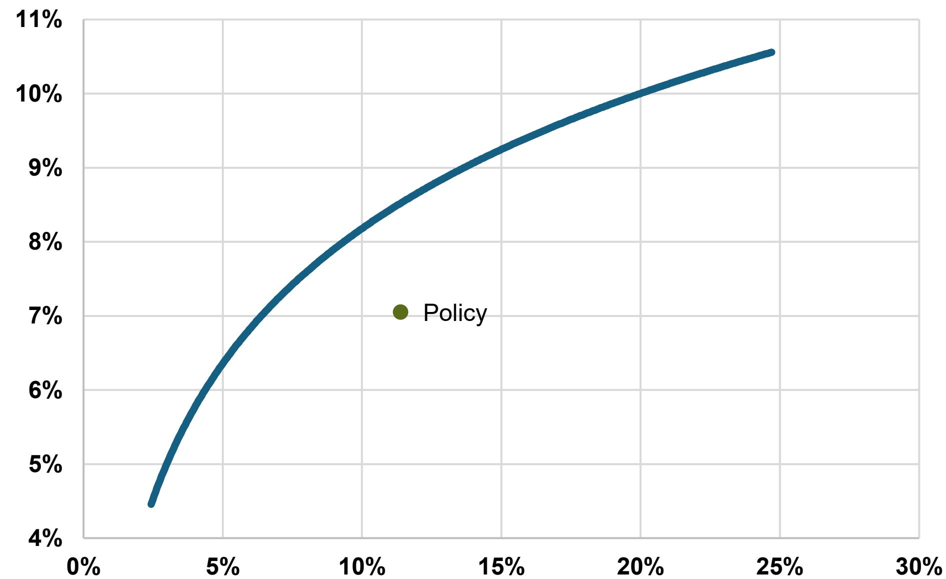
Optimization Steps

1. **Unconstrained optimization depicts where the model gravitates towards without limitation.**
2. **Incorporation of modest constraints to improve implementation feasibility.**
3. **Develop example portfolio options that indicate potential directionality of allocation changes.**

Unconstrained Optimization

	Policy (%)	Min (%)	Max (%)
Public Equity	20	---	100
Private Equity	19	---	100
Liquid Credit	4	---	100
Private Credit	8	---	100
Real Estate	9	---	100
Infrastructure	7	---	100
Timberland and Agriculture	3	---	100
Systematic Trend Following	8	---	100
Long US Treasuries	4	---	100
Intermediate Treasuries	14	---	100
ILS/Reinsurance	4	---	100

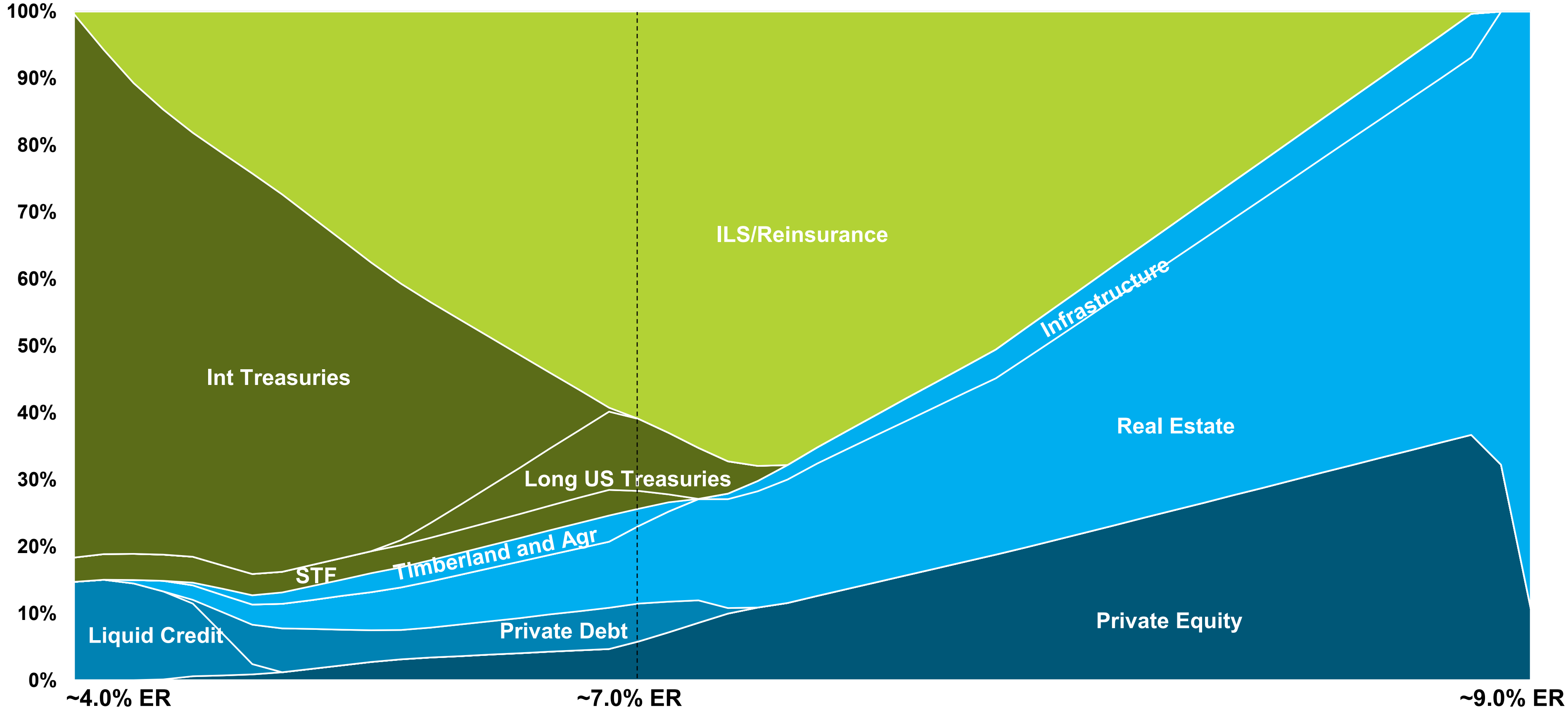
Efficient Frontier | MVO Return & Volatility



- Unconstrained optimization generates an efficient frontier that is above/left relative to the *Policy* portfolio.
- As detailed on the next page, the efficient frontier portfolios exhibit asset class concentrations and unrealistic allocations.

Unconstrained Optimization

Efficient Frontier - Allocations



- At lower risk/return, model favors Intermediate Treasuries, STF, ILS, and Liquid Credit.
- At higher risk/return, model becomes concentrated in Private Equity and Real Assets.
- Public Equity does not receive allocations in any "optimal" portfolios. ILS/Reinsurance is present in nearly all.

Constraints

→ Unconstrained optimizations result in unrealistic (i.e., unimplementable) portfolios.

→ The primary challenge relates to Illiquid classes and the ability to increase/decrease these allocations in a ~3-year time frame.

→ The ERS's current targets to Illiquid classes represent the largest driver of peer relative return differences.

- The ERS has taken a more diversified exposure to "Growth" risk, which has resulted in a Public Equity allocation that is roughly half of other large-scale peer systems.

→ Meketa and ERS Staff developed constraints for Illiquid classes that would allow for implementable targets.

- Actual allocations to Illiquid classes matter more than policy targets for modeling constraints.

Illiquid Classes	Policy (%)	6/30 Actual (%)*
Private Equity	19	19.6
Private Credit	8	6.3
Real Estate	9	8.6
Infrastructure	7	4.1
Timberland and Agriculture	3	2.4

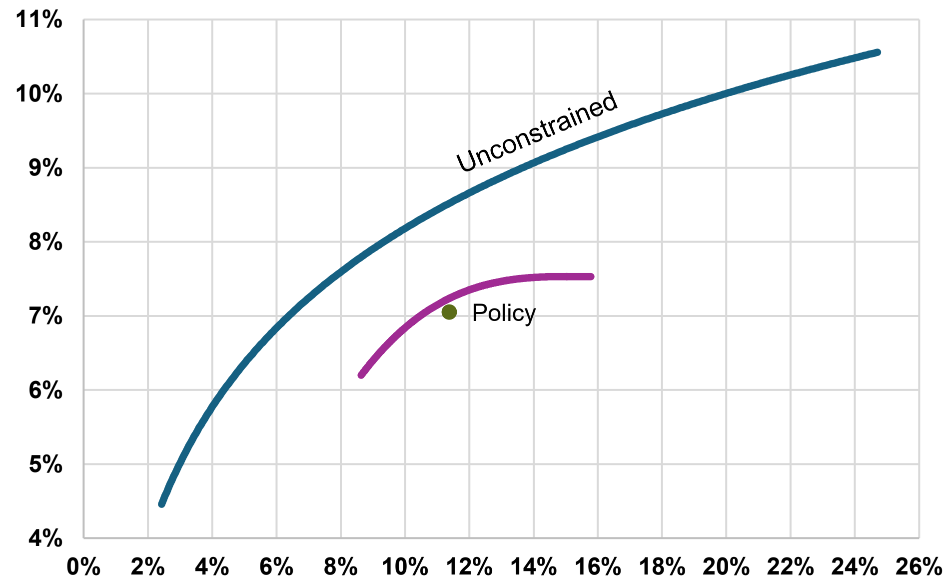
*Actual allocations exclude liquid market proxies utilized within the illiquid classes.

→ Additional constraints for Liquid classes were developed to ensure appropriate liquidity, diversification, and to reflect the risk tolerance of the Board.

Constrained Optimization

	Policy (%)	Min (%)	Max (%)
Public Equity	20	20	50
Private Equity	19	15	19
Liquid Credit	4	---	10
Private Credit	8	4	10
Real Estate	9	5	10
Infrastructure	7	4	8
Timberland and Agriculture	3	---	3
Systematic Trend Following	8	---	12
Long US Treasuries	4	---	7
Intermediate Treasuries	14	5	50
ILS/Reinsurance	4	---	5

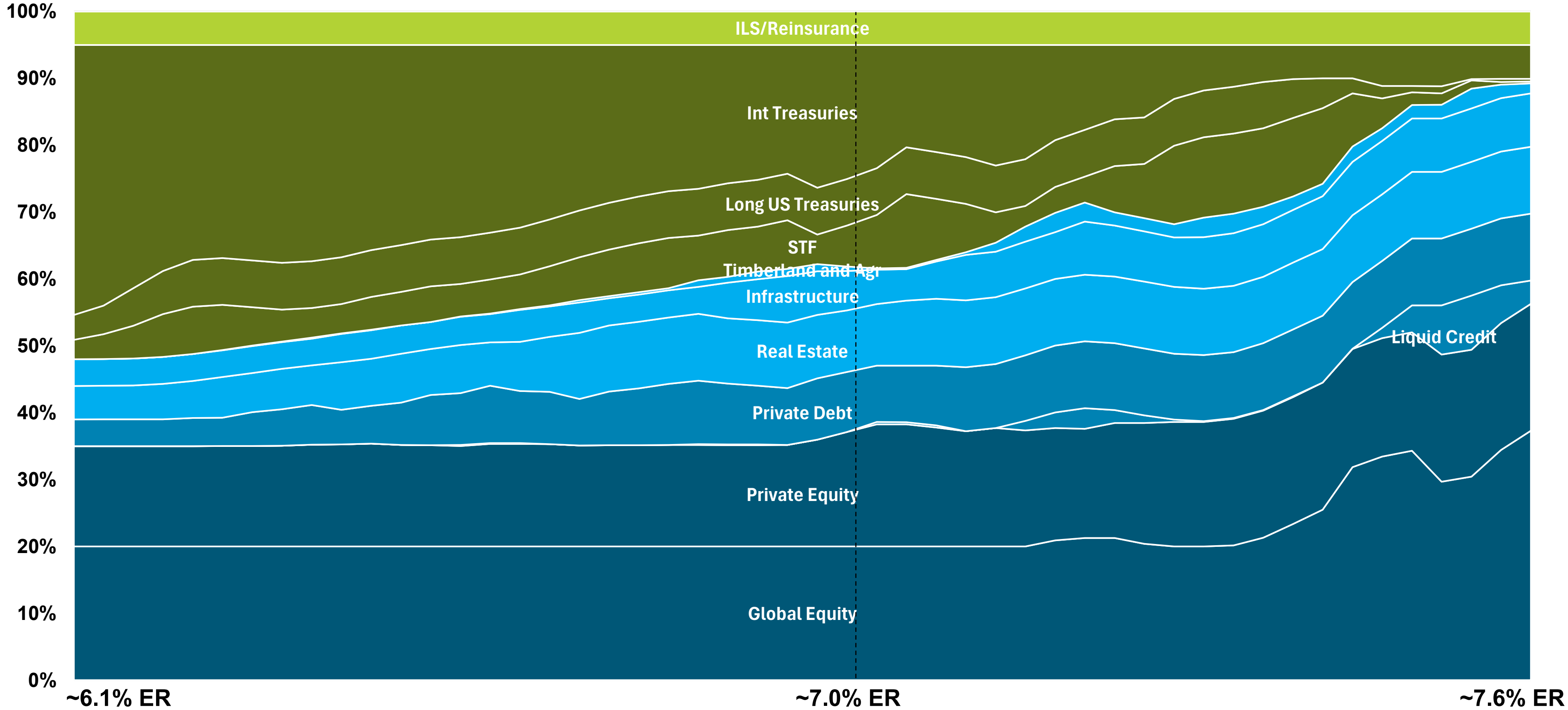
Efficient Frontier | MVO Return & Volatility



- Constraints shift the efficient frontier down and to the right. *Policy* portfolio is very close to the efficient frontier (i.e., near optimal).
- Restrictions (i.e., maximums) on Illiquid classes and ILS are the primary drivers of the change.

Constrained Optimization

Efficient Frontier - Allocations



→ There is a natural tradeoff from Diversifying Strategies (green) to return-oriented strategies (blue) as the return/risk increases.

→ At a ~7.0% expected return, the optimal allocation looks similar to the ERS's existing policy allocation.

Preliminary Allocation Options

→ The table below highlights three potential portfolios for initial consideration:

Class	Policy (%)	A (%)	B (%)	C (%)
Public Equity	20	25	28	32
Private Equity	19	17	16	17
Liquid Credit	4	4	4	3
Private Credit	8	8	8	7
Real Estate	9	8	8	8
Infrastructure	7	7	8	7
Timberland and Agriculture	3	2	3	2
Systematic Trend Following	8	7	7	7
Long US Treasuries	4	4	4	4
Intermediate Treasuries	14	14	10	9
ILS/Reinsurance	4	4	4	4
Expected Return (10yr)	7.1	7.0	7.1	7.1
Annual Volatility	11.4	11.5	12.0	12.5
Expected Max Drawdown	38.6	39.4	41.3	43.6
Illiquid Classes*	46.0	42.0	43.0	41.0

Red = lower than policy
Green = higher than policy
Black = same as policy

Portfolio Option	Notes (vs. *Policy*)
A	5% increase to Public Equity, largely sourced from Illiquid classes. Expected Return and Risk are in-line with current policy.
B	8% increase to Public Equity, sourced from Illiquid classes and Int. Treasuries. Slight increase in expected risk projections.
C	12% increase to Public Equity, sourced from Illiquid classes, Liquid Credit, and Int. Treasuries. Moderate increase in expected risk projections.

Next Steps

Conclusion

- On a forward-looking basis, the ERS's policy asset allocation remains highly attractive.
- Recent "challenges" for the ERS relate to public vs. private asset class performance.
  - The preliminary options seek to better insulate the ERS from similar challenges in the future while remaining true to the historical preference of the ERS Board (i.e., risk-focused portfolio seeking to steadily compound).

- Baseline asset-liability modeling results form the starting point for making asset allocation decisions.
- A multitude of lenses/metrics have been provided, which are expected to inform the decision-making process as the asset-liability study progresses.
- Preliminary, directional changes from the asset-only optimizations provide indication of asset allocation changes that may better align with the Board's/IC's preferences.

Next Steps

- Based on direction/guidance from the Board/IC, Meketa and ERS Staff will return in October with refined portfolio allocation options and further asset-liability metrics for discussion and final adoption.

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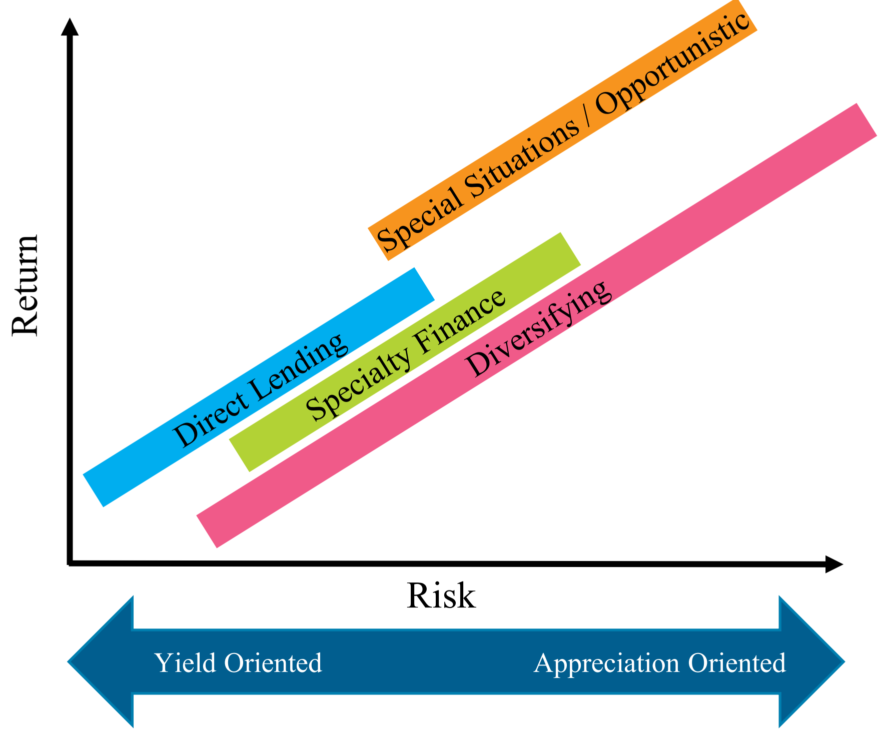
ERS Global Credit Overview

The ERS Global Credit Portfolio is categorized into two strategies: 1. Liquid Credit, and 2. Private Credit. The portfolio is structured to provide a hybrid exposure, balancing capital appreciation and income generation.

<u>Liquid Credit Objectives:</u>
1. Liquidity
2. Income Generation
3. Capital Appreciation

<u>Private Credit Objectives:</u>
1. Diversification
2. Illiquidity Premium
3. Complexity Premium



ERS Global Credit Allocation Targets

	% of Total Fund Market Value	Long-Term Policy Target
Liquid Credit	4.6%	4%
Private Credit	6.3%	8%

Private Credit Strategies	% of Private Credit Market Value	% of Private Credit Commitments
Direct Lending	11%	15%
Specialty Finance	24%	27%
Special Situations / Opportunistic	54%	47%
Diversifying	11%	11%

Source: BNY Mellon (as of June 30, 2026).

Employees' Retirement System of the State of Hawaii

Why Private Credit?

	Public credit	Private credit
Terms	Accept it as issued or do not participate.	Covenants, collateral and information rights negotiated directly with the borrower.
Seniority	Often unsecured, with position varying issue by issue.	Predominantly first lien senior secured, at the top of the capital structure.
Rate exposure	Mostly fixed rate, so the portfolio carries higher duration risk.	Floating rate. The coupon resets with base rates, which limits interest rate risk.
If a borrower struggles	Little influence over the outcome.	Bilateral or small club lending allows direct amendment and enforcement.
Borrower universe	Large companies able to access the public bond market.	Middle market companies with fewer financing alternatives.

ERS Private Credit Strategies

Direct Lending

Senior secured floating rate loans to middle market companies. The core of the allocation.

Return: contractual coupon

Specialty Finance

Lending against contractual cash flows and hard assets rather than corporate earnings. Examples: Consumer and equipment loans, royalties, infrastructure.

Return: coupon plus collateral

Special Situations / Opportunistic Credit

Capital solutions, junior capital, secondaries and stressed situations. Paid for complexity and timing rather than for leverage.

Return: coupon plus upside

Employees' Retirement System
of the State of Hawaii

Global Credit Strategic Summary
March 31, 2026

Market Value

$2.9b
March 31, 2025

$2.9b
March 31, 2026

✓ Stable Market Value with Consistent Income

Private Asset Allocation

By Strategy

Group	Number	Committed ($M)	Contributed ($M)	Unfunded ($M)	Distributed ($M)	Remaining Value ($M)	Exposure ($M)	DPI (X)	TVPI (X)	IRR (%)
Direct Lending	4	450.0	180.3	278.1	34.0	174.8	452.8	0.19	1.16	12.3
Multi-strategy	2	300.0	296.0	64.8	64.5	287.0	351.8	0.22	1.19	7.9
Opportunistic	1	5.3	3.7	1.7	0.1	2.9	4.7	0.03	0.82	-9.6
Real Estate	7	350.0	321.2	41.4	171.8	227.6	269.0	0.53	1.24	5.8
Special Situations	8	1,700.0	1,226.2	530.4	394.3	1,143.1	1,673.5	0.32	1.25	9.6
Total	**22**	**2,805.3**	**2,027.4**	**916.4**	**664.7**	**1,835.4**	**2,751.9**	**0.33**	**1.23**	**8.5**

✓ Diversified Allocations Across Different Strategies

Long-Term Appreciation

6.03%	6.79%	6.11%	9.30%	7.17%
ITD	10-Yrs	5-Yrs	3-Yrs	1-Yr

✓ Consistent Delivery of Long-term Returns

Absolute Returns vs. Policy Benchmark

Public Credit (inception date: 04/01/2015)

	ITD	10-Yrs	5-Yrs	3-Yrs	1-Yr
Public Credit	5.90%	6.61%	5.63%	9.48%	4.50%
Policy Benchmark	5.43%	5.96%	5.34%	9.23%	6.89%

Private Credit (inception date: 11/01/2019)

	ITD	10-Yrs	5-Yrs	3-Yrs	1-Yr
Private Credit	10.44%	n/a	7.07%	9.53%	9.13%
Policy Benchmark	6.88%	n/a	6.47%	10.84%	8.63%

✓ Long-term Returns Exceeding Policy Benchmark

Private Credit Liquidity Management

	2Q 2024	3Q 2024	4Q 2024	1Q 2025	Total
Pd In	(21.33)	(69.17)	(98.97)	(7.66)	(197.13)
Cap. Dist	112.31	128.57	148.86	50.77	440.51
Net	90.98	59.40	49.89	43.11	243.38

✓ Ample Liquidity for Capital Commitments

Near-term Opportunities

Specialty Finance

- Banks continue to retrench under capital pressure, leaving contractual, collateral-backed cash flows to be financed at attractive spreads.
- Repayment depends on the assets rather than corporate earnings, which diversifies the portfolio risk that dominates the rest of private credit.

Capital Solutions and Opportunistic Credit

- Contractual coupon plus warrant or preferred upside, funding sponsor liquidity needs created by the private equity exit backlog.
- Dispersion is widening while defaults stay low, creating idiosyncratic dislocations to underwrite without needing a broad credit cycle.

Europe Direct Lending and Asia Credit

- Bank retrenchment in Europe is genuine, and despite record fundraising the market remains less crowded than the US relative to its addressable borrower base.
- Asia is projected to account for roughly 50% of global GDP in 2026 (source: International Monetary Fund)

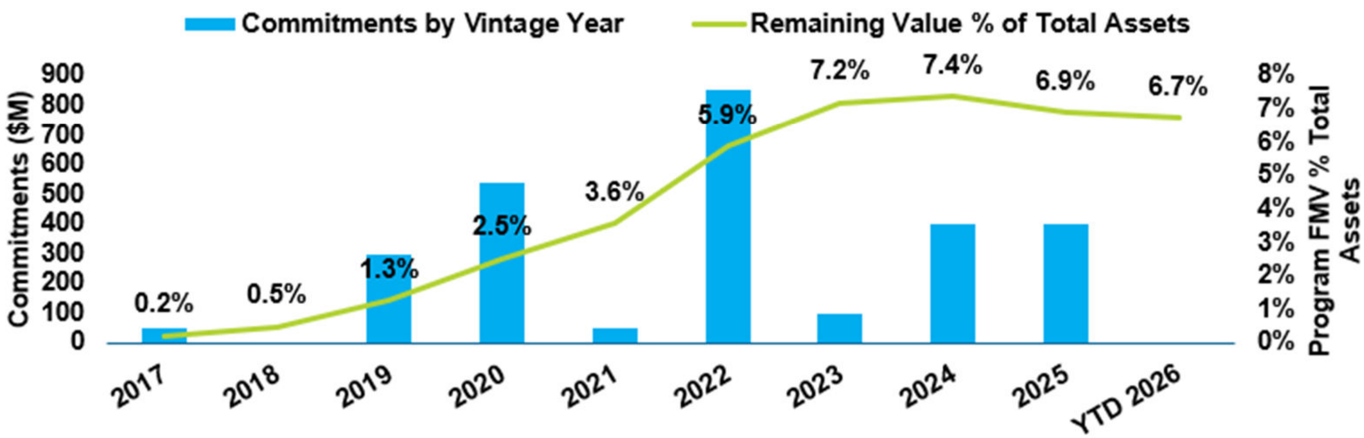
Employees' Retirement System of the State of Hawaii

August 24, 2026

2026 Private Credit Review

Private Credit Program Overview

Employees' Retirement System of the State of Hawaii has an 8% target for the Private Credit Program, increasing from 5.2% in 2023. As of March 31, 2026, the Private Credit Program represented 6.7% of total assets, which includes funds transferred in July 2023. The Program targets a 9-11% net IRR while emphasizing yield-oriented opportunities that distribute income. The Program is currently targeting approximately $600 million of private credit commitments per year.



Program Status

No. of Investments	23
Committed ($M)	3,005.3
Contributed ($M)	2,234.5
Distributed ($M)	1,105.2
Remaining Value ($M)	1,726.5

Performance Since Inception

	Program
DPI	0.49x
TVPI	1.27x
IRR	8.2%

Private Credit Portfolio Overview

HIERS has a 12% target allocation to Global Credit including 8% to Private Credit.

→ Complements Broad Growth components with potential growth and lower volatility.

→ Targets a 9-11% Net IRR .

→ Yield focused with flexibility for exposure to opportunities with additional upside.

Program Highlights:

→ Program has over $3.0 billion committed across Private Credit strategies.

→ Net Asset Value ("NAV") totals $1.7 billion, approximately 6.7% of total plan assets.

→ Total exposure declined modestly from last year (6.9% to 6.7%).

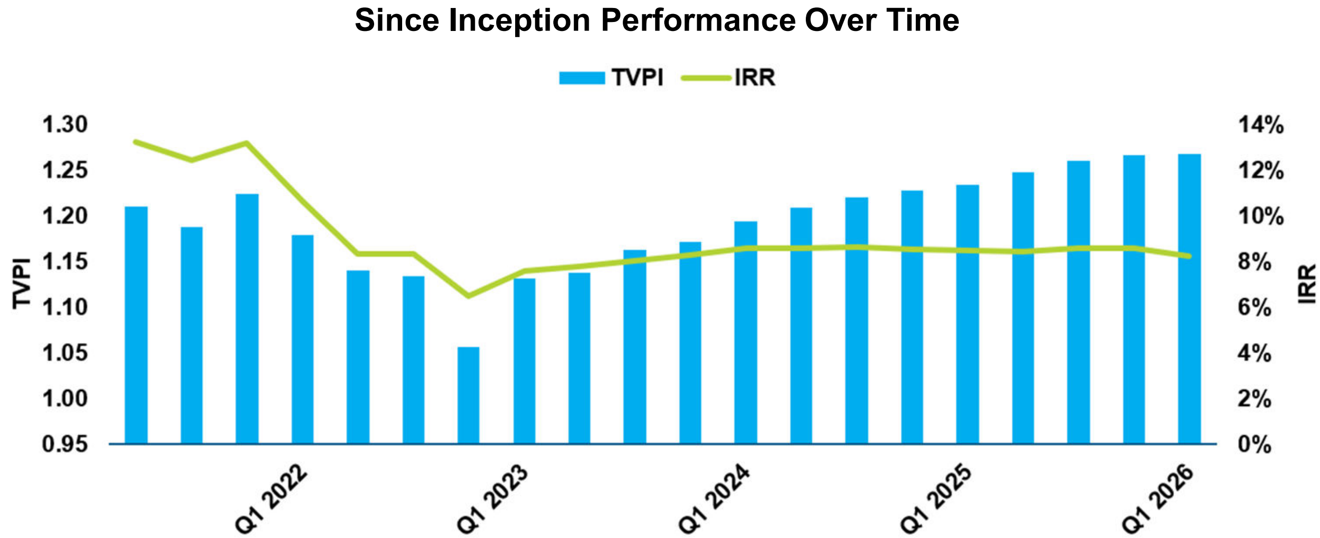
→ Current portfolio is diversified across:

- 23 different fund managers
- 16 distinct funds

Activity Update:

- **Commitments (2025)**: $200m (Asset Based Lending), $350m/$50m (re-up Special Situations).
- **Commitments (2026):** Active commitment deployment anticipated for Q3-2026 through Q1-2027 across Asset Based Lending ($300m), Opportunistic ($75m), and other lending-based strategies (~$200-$400m).

*All data as of March 31, 2026 unless otherwise noted.



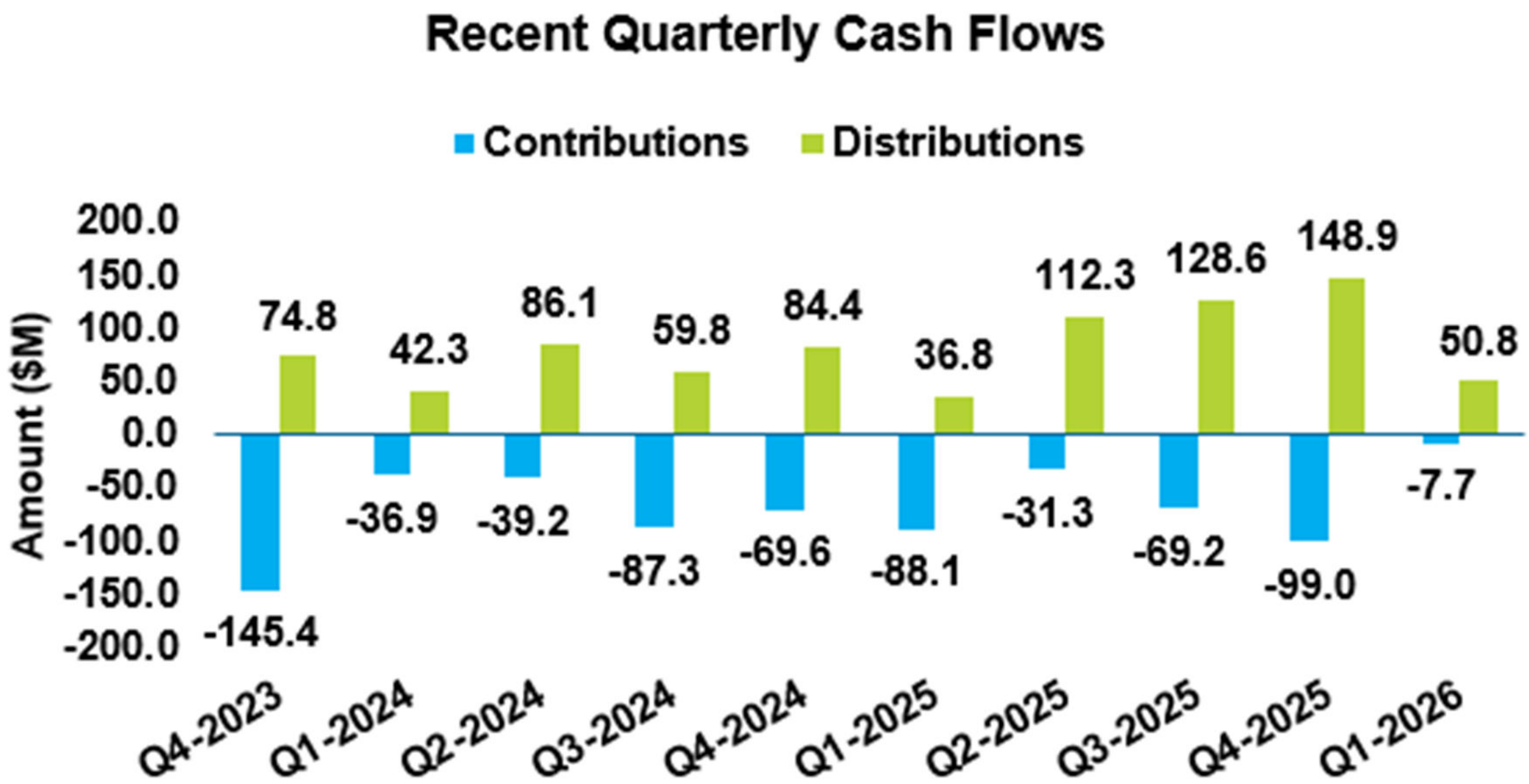
	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception (%)
Aggregate Portfolio	7.3	8.7	7.2	8.2	8.2
PME	7.6	10.3	7.3	7.6	7.6

→ Horizon IRRs over 1- to 5-year driven by i) reallocation of Real Estate Debt to Private Credit, ii) sharp rebound in Global High Yield after Federal Reserve interest rate tightening.

→ Since Inception IRR is strong in view of income focused investment objective.

PME: Public Market Equivalent. The PME utilizes the same Private Credit Policy Benchmark presented in General Consulting Performance Reports, which currently consists of: 50% Bloomberg Global High Yield (Hedged) (Quarter Lagged), 50% Morningstar LSTA US Leveraged Loan 100 Index (Quarter Lagged.).

Cash Flows

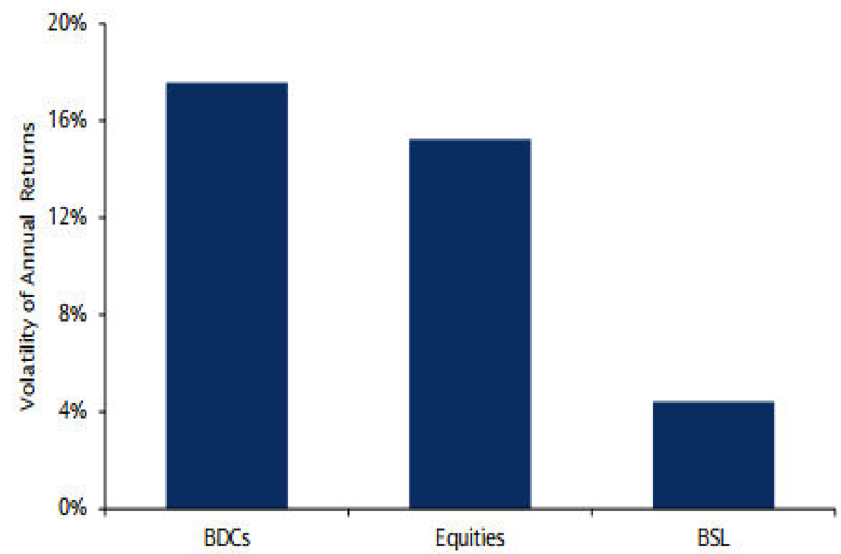

Recent Quarterly Cash Flows
Contributions
Distributions
Amount ($M)
200.0
150.0
100.0
50.0
0.0
-50.0
-100.0
-150.0
-200.0
74.8
42.3
86.1
59.8
84.4
36.8
112.3
128.6
148.9
50.8
-145.4
-36.9
-39.2
-87.3
-69.6
-88.1
-31.3
-69.2
-99.0
-7.7
Q4-2023
Q1-2024
Q2-2024
Q3-2024
Q4-2024
Q1-2025
Q2-2025
Q3-2025
Q4-2025
Q1-2026

Market Environment

- Early 2026 news headlines warned of liquidity troubles impacting semi-liquid vehicles and Business Development Companies (BDCs).

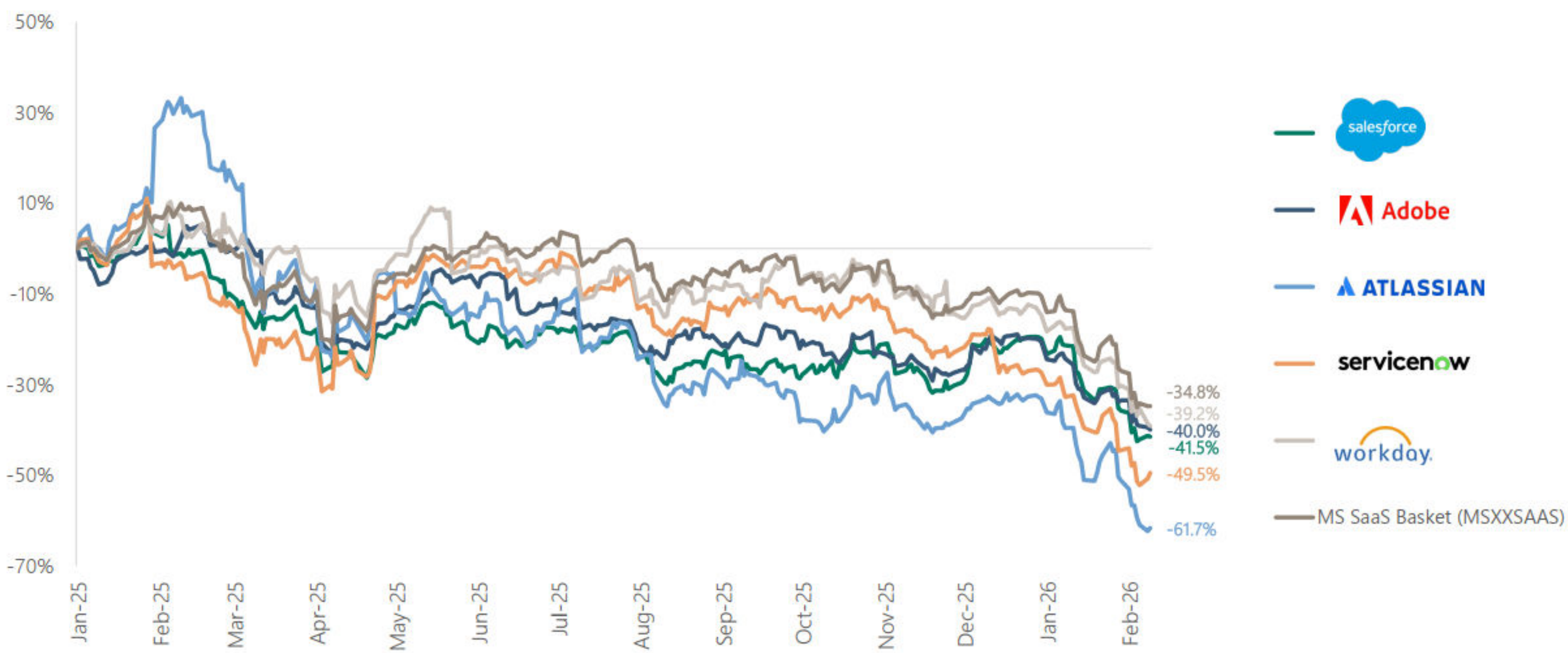
- Public BDCs are NOT institutional funds
  - Retail products that trade daily like a stock
  - Equity-like volatility
  - Distribute 90% of income
  - Different risk profile than institutional Direct Lending funds (e.g., 2X levered, may include CLO equity, or junior debt)

Volatility Comparison – BDCs, Equities, BSL



Source: S&P Global (BDCs), MSCI World (Equities), LSTA (BSL). Volatility of annual returns, 2016-2025.

- Software, notably enterprise software, is a large component of Direct Lending for a reason. Historically, it was marked by:
  - Strong recurring revenue
  - High free cash flow
  - Customer stickiness



Source: Apollo

Private Credit: Market Environment Headlines

- Negative private credit headlines during the first quarter garnered significant attention, mostly relating to retail flows in vehicles focused on the mass affluent and/or software.
- Vintage year differences are pronounced with deals in 2021 and early 2022 experiencing more stress compared to other recent vintages. Businesses in these cohorts have been the most impacted by the change in interest rates with limited time for EBITDA growth (Chart 1)[1]. Across vintages, drivers of selective defaults include conversion from cash to PIK interest, debt maturity extensions, and deferrals of principal or interest obligations.
- The weighted average bid of US leveraged loans continued to fall through March before rebounding modestly. Chart 2 below details how software, which makes up 13% of the index, was the main driver of the decline through Q1 2026 (Chart 2)[2].
- Publicly traded BDCs have experienced significant recent volatility, with most trading below book value. Long-term public BDC have a higher volatility than equities and the BSL market (Chart 3) and generally are a better proxy for financial stocks than direct lending[3].

Chart 1: % of Historical Defaults by Vintage

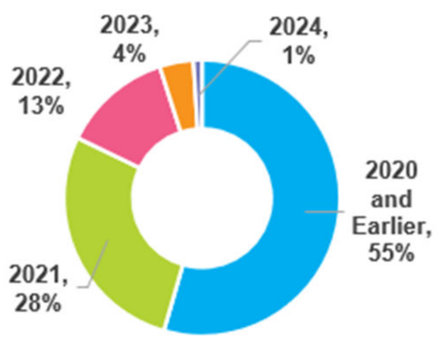


Chart 2: Weighted Average Bid Price of Performing Loans

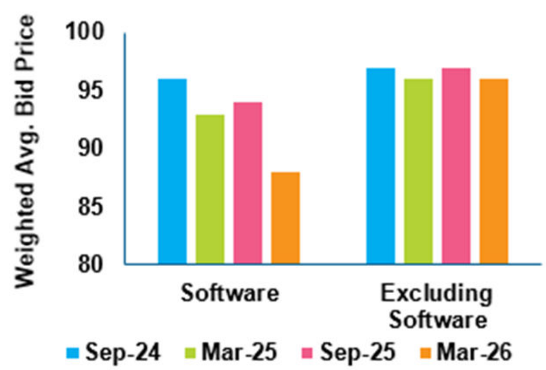
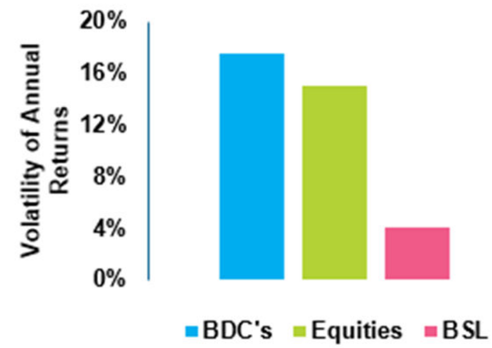


Chart 3: Volatility Comparison of BDCs, Equities, and BSL



[1] Source: S&P Global.
[2] Source: Pitchbook | LCD; Morningstar LSTA US Leveraged Loan Index.
[3] S&P Global (BDCs), MSCI World (Equities), LSTA (BSL). Volatility of annual returns 2016-2025

Special Situations

→ According to the Senior Loan Officers Survey, banks remained cautious in business lending during the first quarter of 2026. Demand for commercial and industrial loans (C&I) was largely unchanged although larger banks noted weaker demand from small business. Reasons for the cautionary stance included economic uncertainty, low risk tolerance and industry specific risks. In real estate lending demand across office, retail, industrial and multi-family was largely unchanged. The moderate easing trend in lending standards for commercial real estate (CRE) continued in the first quarter.[1] (Chart 1)

→ The Fitch Private Credit Default Rate (PCDR) hit 6.0% in April and May 2026. Defaults tended to be weighted towards smaller issuers as 55% of unique defaulters had EBITDA of less than $25 million. Industrial and manufacturing sector default rate (10.3%) surpassed the consumer products sector. Interestingly, software was the sector with the lowest PCDR default rate (2.2%).[2,3] (Chart 2)

→ Credit spreads for the lowest quality borrowers (CCC and below) widened in Q1 2026 before reversing course to historical medians reflecting the resiliency of credit markets.[4]

Chart 1:
Delinquency Rate All Loans;
All Commercial Banks

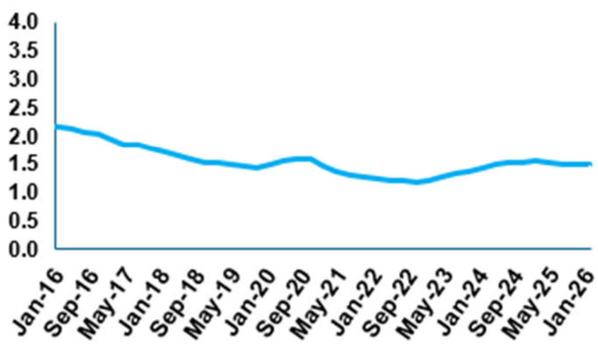


Chart 2:
Fitch Private Credit Default Rate
(Rolling 12-Month)

Chart 3:
ICE BofA (CCC & Lower)
Option Adjusted Spread

[1] FRED: Senior Loan Officers Opinion Survey (Apr-2026)
[2] Fitch Ratings, Non-Rating Action Commentary (June 15, 2026).
[3] The PCDR includes distressed exchanges and PIK toggles, this makes it a "harder" measure than many bank published indicators of default rates
[4] Federal Reserve Bank of St. Louis (FRED), ICE BofA CCC & Lower US High Yield Index Option-Adjusted Spread (BAMLH0A3HYC).

Direct Lending

→ As measured by the Lincoln Senior Debt Index, which tracks the fair market value of 1,600+ middle market, direct lending credit investments across the U.S. and Europe, quarterly returns have averaged 2.1% (8.3% annualized) since 2019. In Q1 2026, the LSDI generated a 1.5% quarterly return, its lowest 3-month return since Q4 2022 and an ~80 basis points decline compared to the average quarterly return in 2025.

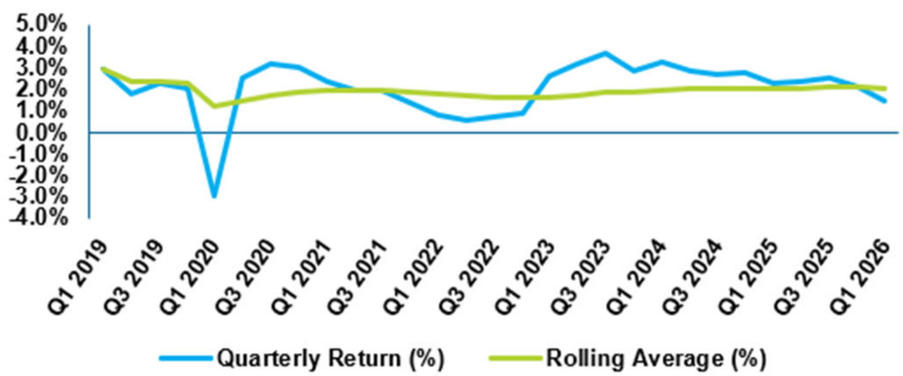
→ Since 2024, leverage multiples and loan-to-value ("LTV") at entry for US buyouts have declined slightly, highlighting increased market conservatism; however, leverage metrics are higher and interest coverage ratios are lower on more dated holdings due to higher interest rate burdens.[1,2]

→ Core middle market direct lending spreads in today's market typically range from 500 to 600 basis points over SOFR, a modest widening of 50 to 100 basis points since late 2025. Software deals, amid fears over AI disruption, are pricing wider, but deal flow is muted.

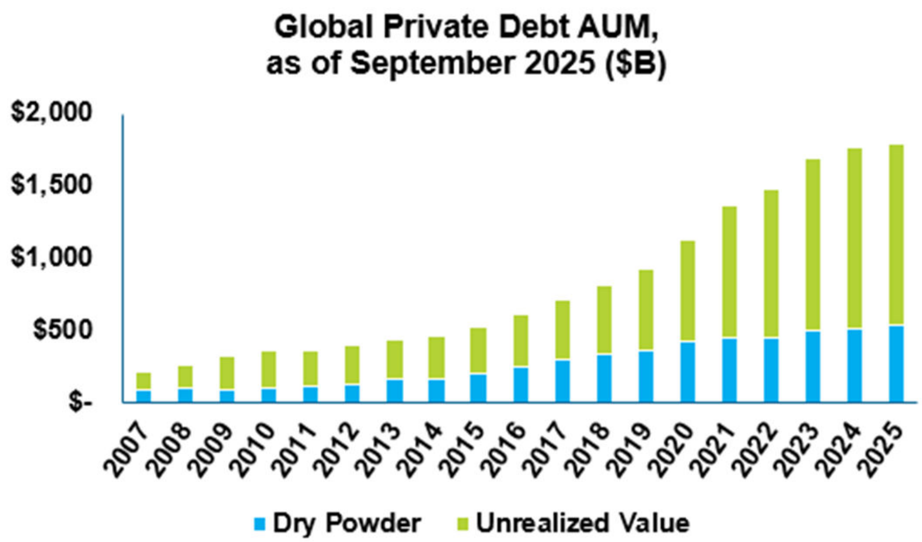
Chart 1:
Indicative Financing Terms – US Private Debt Market[3]

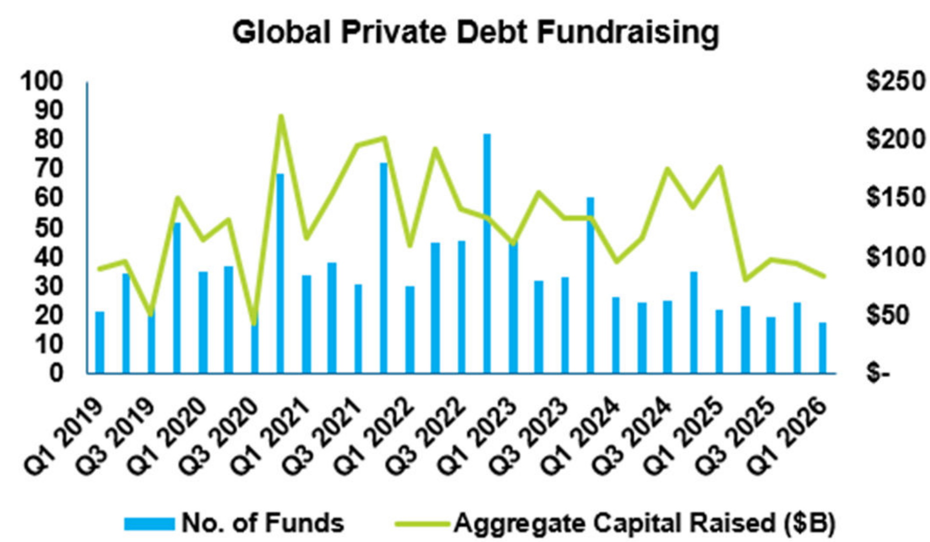
	Q4 2021	Q4 2022	May 2026
Leverage	7.0x to 7.5x	4.75x to 5.75x	5.0x to 6.5x
3M SOFR	0.1%	4.1%	3.7%
Floor	1.0%	1.0%	1.0%
Spread	5.0-5.75%	6.0-7.0%	5.0-6.0%
OID	1-2%	2-3%	1.5-2%
Market Indicative Return	**6.3-7.4%**	**10.8-12.1%**	**9.2-10.4%**

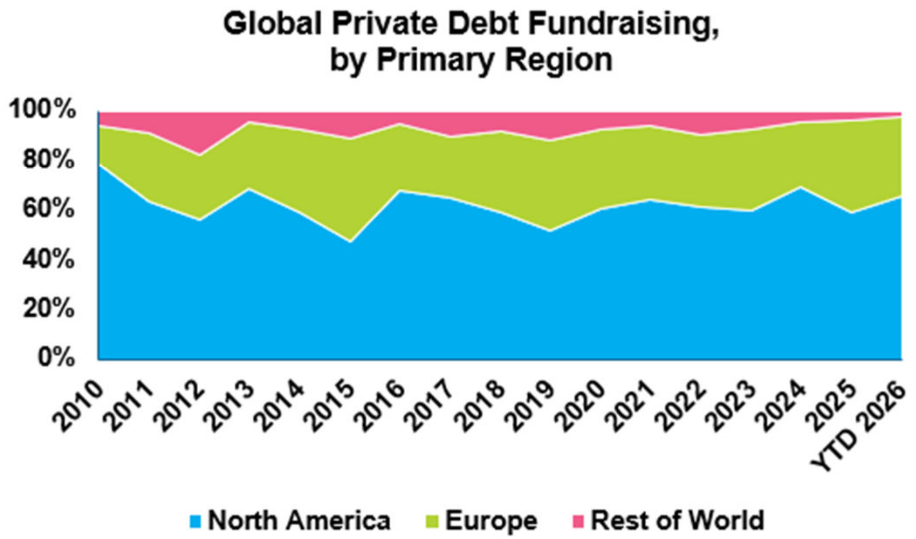
Chart 2:
Lincoln Senior Debt Index – Quarterly Returns[4]

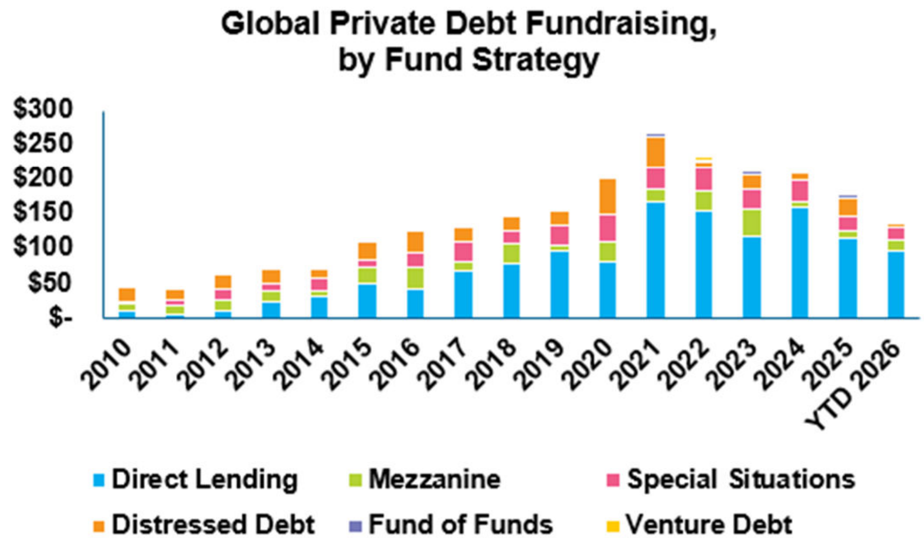


[1] Source: Pitchbook.
[2] Source: LSEG Data and Analytics.
[3] Source: Lincoln International.
[4] Lincoln Senior Debt Index, Quarterly Returns through March 31, 2026.


Global Private Debt AUM,
as of September 2025 ($B)
$2,000
$1,500
$1,000
$500
$-
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
Dry Powder
Unrealized Value


Global Private Debt Fundraising
100
90
80
70
60
50
40
30
20
10
0
$250
$200
$150
$100
$50
$-
Q1 2019
Q3 2019
Q1 2020
Q3 2020
Q1 2021
Q3 2021
Q1 2022
Q3 2022
Q1 2023
Q3 2023
Q1 2024
Q3 2024
Q1 2025
Q3 2025
Q1 2026
No. of Funds
Aggregate Capital Raised ($B)


Global Private Debt Fundraising,
by Primary Region
100%
80%
60%
40%
20%
0%
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
YTD 2026
North America
Europe
Rest of World


Global Private Debt Fundraising,
by Fund Strategy
$300
$250
$200
$150
$100
$50
$-
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
YTD 2026
Direct Lending
Mezzanine
Special Situations
Distressed Debt
Fund of Funds
Venture Debt

Program Exposures

Performance Analysis as of March 31, 2026

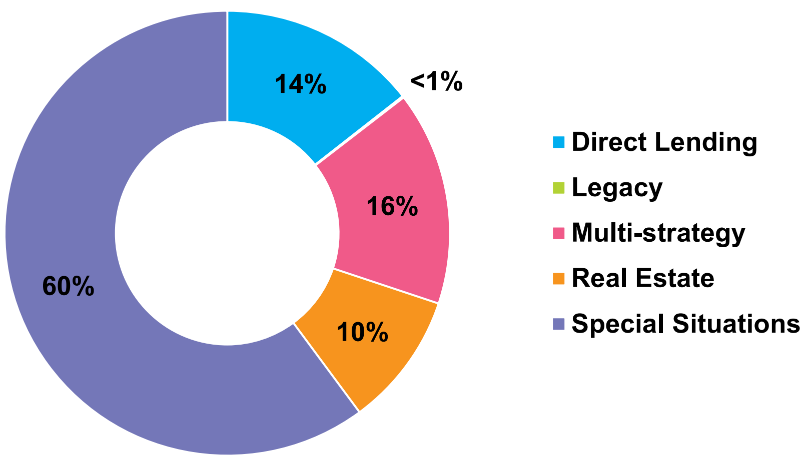
Group	Number	Committed ($M)	Contributed ($M)	Unfunded ($M)	Distributed ($M)	Remaining Value ($M)	Exposure ($M)	DPI (X)	TVPI (X)	IRR (%)
Direct Lending	4	450.0	260.2	200.2	58.9	249.4	449.6	0.23	1.18	11.0
Legacy	1	5.3	3.7	1.8	0.2	2.0	3.8	0.06	0.59	-16.3
Multi-strategy	3	500.0	346.7	219.8	155.2	268.6	488.4	0.45	1.22	8.0
Real Estate	7	350.0	329.4	36.8	235.0	168.9	205.6	0.71	1.23	5.0
Special Situations	8	1,700.0	1,294.4	475.1	655.8	1,037.7	1,512.9	0.51	1.31	9.3
Total	**23**	**3,005.3**	**2,234.5**	**933.8**	**1,105.2**	**1,726.5**	**2,660.3**	**0.49**	**1.27**	**8.2**

Vintage Year

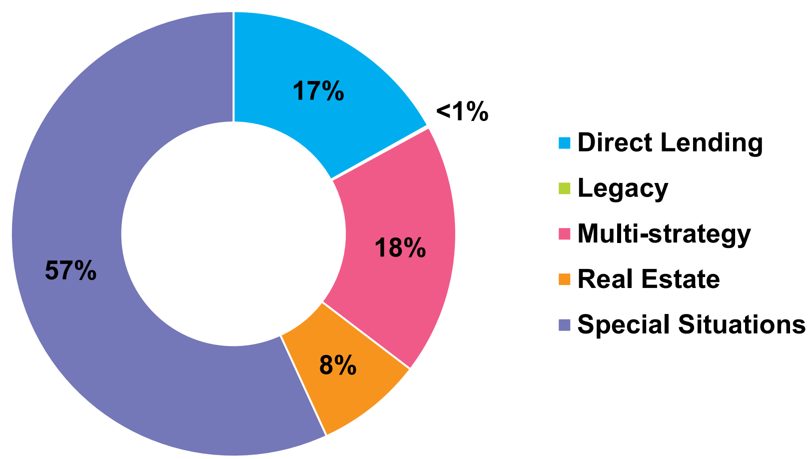
Group	Number	Committed ($M)	Contributed ($M)	Unfunded ($M)	Distributed ($M)	Remaining Value ($M)	Exposure ($M)	DPI (X)	TVPI (X)	IRR (%)
Open-end Fund	3	250.0	256.0	0.0	147.8	166.5	166.5	0.58	1.23	4.4
2015	1	40.0	32.0	8.0	39.8	2.0	10.0	1.24	1.31	9.6
2016	1	20.0	18.7	8.0	9.4	9.4	17.4	0.50	1.01	0.2
2017	1	50.0	45.3	5.0	24.0	41.3	46.3	0.53	1.44	7.5
2019	1	300.0	312.2	16.8	244.9	177.6	194.4	0.78	1.35	8.3
2020	4	540.0	500.2	45.8	276.0	375.8	421.6	0.55	1.30	8.1
2021	1	50.0	56.1	2.0	28.3	43.5	45.5	0.50	1.28	13.8
2022	6	855.3	783.1	174.4	314.8	674.4	848.8	0.40	1.26	11.0
2023	1	100.0	44.1	57.5	3.3	47.4	104.9	0.08	1.15	16.2
2024	2	400.0	124.2	278.9	16.8	123.5	402.5	0.14	1.13	NM
2025	2	400.0	62.7	337.3	0.0	65.1	402.5	0.00	1.04	NM
Total	**23**	**3,005.3**	**2,234.5**	**933.8**	**1,105.2**	**1,726.5**	**2,660.3**	**0.49**	**1.27**	**8.2**

Exposure by Strategy as of March 31, 2026

Percent of FMV

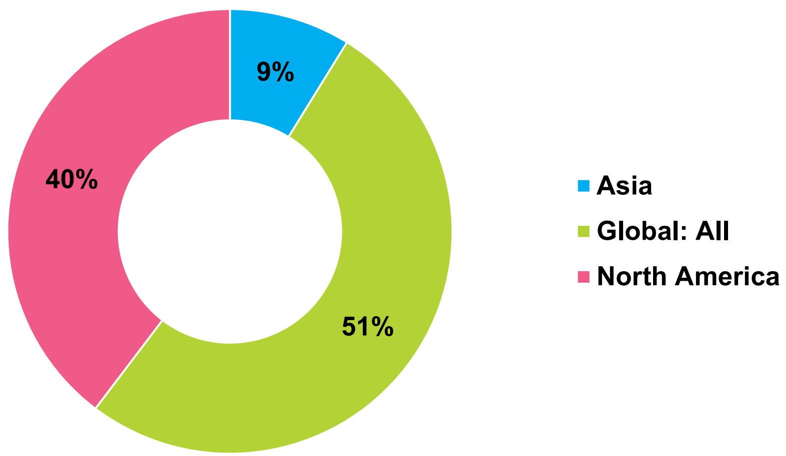


Percent of Exposure

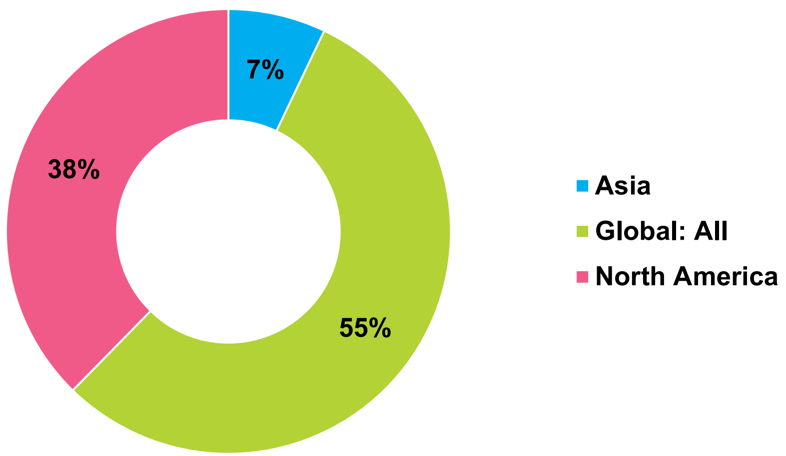


Exposure by Geographic Focus as March 31, 2026

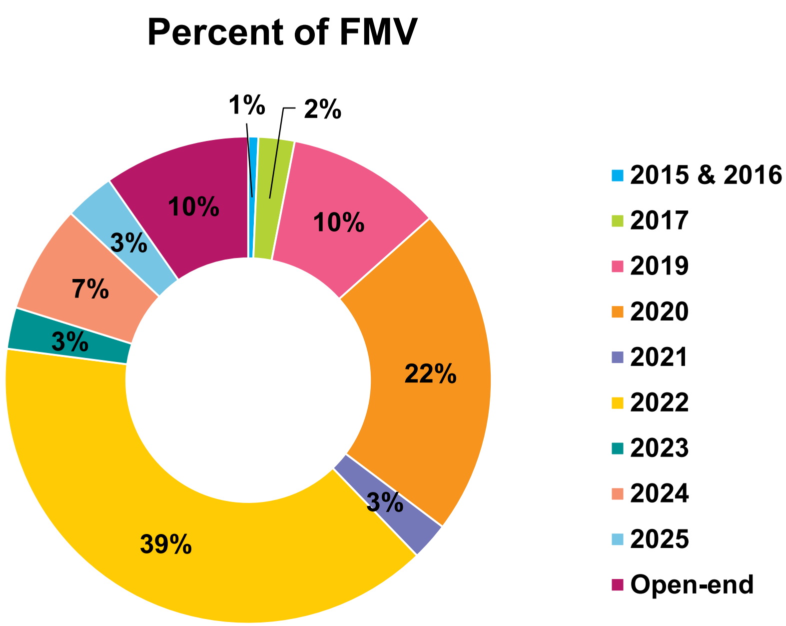
Percent of FMV

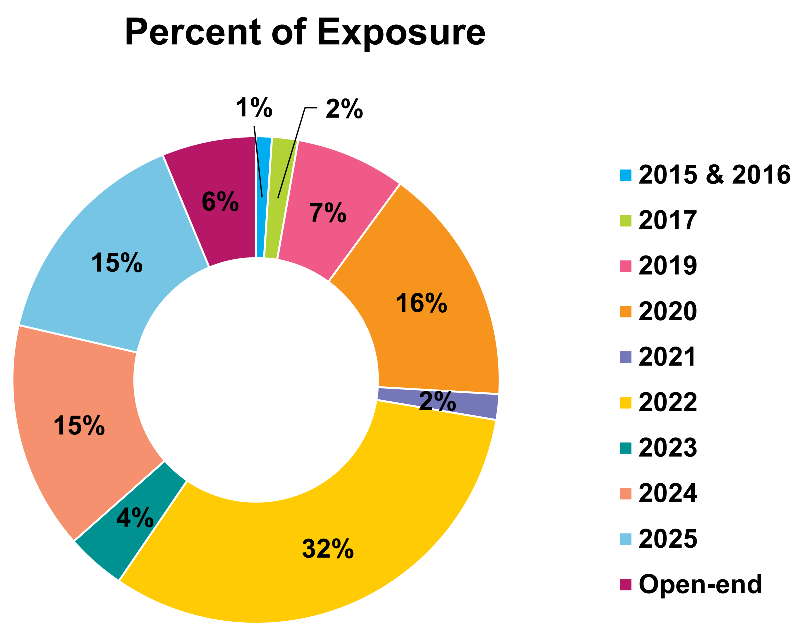


Percent of Exposure



Fund Diversification by Vintage Year





Appendix

Private Credit Policy Benchmark

From	To	Private Credit Benchmark
01/01/2024	Current	50% Bloomberg Global High Yield (Hedged) (Quarter Lagged), 50% Morningstar LSTA US Leveraged Loan 100 Index (Quarter Lagged)
07/01/2021	12/31/2023	25% Bloomberg Global High Yield (Hedged) +1% (Month Lagged), 25% Morningstar LSTA US Leveraged Loan 100 Index +1% (Month Lagged), 25% Bloomberg Global High Yield (Hedged) +1% (Quarter Lagged), 25% Morningstar LSTA US Leveraged Loan 100 Index +1% (Quarter Lagged)
07/01/2020	6/30/2021	50% Bloomberg Global High Yield (Hedged) +1% (Month Lagged), 50% Morningstar LSTA US Leveraged Loan Index +1% (Month Lagged)
11/01/2019	6/30/2020	100% Public Credit Benchmark

Public Credit Policy Benchmark

From	To	Public Credit Benchmark
07/01/2021	Current	50% Bloomberg Global High Yield (Hedged), 50% Morningstar LSTA US Leveraged Loan 100 Index
07/01/2020	6/30/2021	50% Bloomberg Global High Yield (Hedged), 50% Morningstar LSTA US Leveraged Loan Index
10/01/2014	6/30/2020	50% Bloomberg Global Credit (Hedged) 33.3% Bloomberg Global High Yield (Hedged), 16.7% Morningstar LSTA US Leveraged Loan Index

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INVESTMENT GROUP

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503.226.1050
Meketa.com

MEMORANDUM

TO: State of Hawaii Employees' Retirement System ("ERS")
FROM: Meketa Investment Group, Inc. ("Meketa")
DATE: August 24, 2026
RE: Trend Following Benchmark Change Recommendation

Recommendation

Meketa concurs with the ERS Staff recommendation to modify the benchmark utilized for the Systematic Trend Following ("STF") program from the MLM Global EV Index ("MLM Index") to the Societe Generale Trend Index ("SG Trend Index").

Background

Unlike traditional equity and bond markets, there is no market capitalization weighted index for STF portfolios, which is a prerequisite for a "passive" index. When the ERS (and other PCA/Meketa clients) first adopted STF portfolios in ~2017, the primary goal of the adopted benchmark was two-fold:

1) Represent the overall return (or beta) of the STF market segment.
2) Represent an alternative implementation option that could be implemented at a relatively low cost (i.e., passive-like).

At the time, as well as currently in 2026, there were only a few potential options that fulfilled both goals. The ERS elected to utilize the MLM Index largely due to data access/transparency reasons, which were not available for the other potential options. Moreover, the ERS later retained Mount Lucas Management ("MLM") as a manager within the portfolio, further cementing the relationship between the ERS and MLM. While the #2 characteristic was achieved, this came at the expense of the #1 characteristic. The MLM Index is a relatively straight-forward index that trades 28 different markets whereas the broader universe of STF managers has evolved and now trades hundreds of markets with more sophisticated approaches to measuring trends and managing portfolios. This has resulted in material deviations between MLM, the ERS STF portfolio, and the broader STF market segment. These deviations have also made it harder for ERS Staff and Meketa to assess benchmark relative performance, as well as for the ERS's managers to implement active risk management and monitoring decisions.

Meketa, as well as the broader STF universe of managers, tend to view the SG Trend Index as a broad representation of the market segment and behavior of the asset class/strategy type (aligning with characteristic #1 from above). The SG Trend Index is designed to be representative of STF. The index is composed of the 10 largest STF managers that fulfill several criteria:

- Must trade a primarily futures (inc. FX forwards) based strategy (as determined by SG)
- Must be broadly diversified (across asset classes and/or markets) (as determined by SG)
- Must be an industry recognized trend follower (as determined by SG)

- Must exhibit significant correlation to trend following peers and the SG Trend Indicator (as determined by SG)
- Must be open to new investment
- Must report returns on a daily basis (net of fees)

Additional Index Information

- Index is equally weighted
- Index is rebalanced annually on 1st January
- Index is reconstituted annually on 1st January
- Index is net of fees
- Calculated in base currency (i.e. with no currency hedging)
- Index inception date: 1st January 2000

As detailed in the table below, the SG Trend Index not only has generated stronger trailing period returns than the MLM Index, but it also more closely represents how the ERS implements the STF program (as indicated by the ERS's tracking error relative to the MLM and SG Trend indices). Meketa believes that changing the ERS's STF benchmark from the MLM Index to the SG Trend Index will provide for a more efficacious risk budgeting effort while also elevating the hurdle by which the ERS STF portfolio will be measured against.

Trailing and Calendar Year Performance (net)
As of June 30, 2026

	ERS Portfolio	SG Trend Index	MLM Index
Trailing Period Returns (%):			
1 Year	16.1	24.1	9.3
3 Year	-0.5	3.1	1.0
5 Year	5.1	7.3	2.0
Since ERS Inception (4/2017)	4.4	5.8	2.2
Since Inception Tracking Error	---	*7.6*	*9.3*
Calendar Year Returns (%):			
2025	0.3	2.4	-0.6
2024	-4.1	2.6	-2.0
2023	-4.1	-4.1	0.7
2022	38.6	27.4	12.1
2021	4.7	9.2	11.2
2020	11.2	6.3	1.2
2019	7.0	9.2	-5.9
2018	-15.8	-7.0	-6.3

F. 3. RETURN OBJECTIVES & RISK PROFILE

1. Class Return Benchmarks

Within the DS strategic class, the standards for component performance reporting may vary. Keeping this in mind, the ERS utilizes the target benchmark below to monitor the performance results of the aggregate DS strategic class:

DIVERSIFYING STRATEGIES BENCHMARK
87% LIQUID DEFENSIVE BENCHMARK
13% ILLIQIID DIVERSIFYING BENCHMARK
LIQUID DEFENSIVE BENCHMARK
31% ~~MLM Global EV Index (15% Vol)~~ Société Générale (SG) Trend Index
15% Bloomberg U.S. Treasury Long Index
54% Bloomberg U.S. Treasury Intermediate Index
ILLIQUID DIVERSIFYING BENCHMARK
100% Swiss Re Global Cat Bonds (hedged)

The DS class portfolio is expected to match or outperform the above benchmark, net of fees, over a full market cycle. An appropriate measure of a market cycle would be rolling 5-year periods. The DS strategic class should outperform its benchmark, net of fees, over the majority of rolling 5-year periods.

2. Class Risk Profile

The aggregate DS strategic class has a total risk (standard deviation) range/budget in order to effectively counterbalance the volatility experienced in the ERS's Public Growth components. There is also a value-at-risk guideline (one day DS net asset value loss at a 5% probability) established by the DS Crisis Risk Committee to ensure that downside DS risk is contained. These guidelines are provided below.

DS Class Absolute Risk Level Maintenance Policy

Measure	Lower Risk Guideline	Upper Risk Guideline
Annualized Volatility	4%	20%
Value at Risk (5%)	n/a	≤ 2.0%

If the behavior of the DS strategic class causes its recent historical volatility to deviate significantly beyond these limits, then a rebalancing process and/or target volatility adjustment should occur among the DS managers based on recent risk profiles of each manager/component as well as on prospective risk views for each manager/sub-component/component.

MINUTES OF THE INVESTMENT COMMITTEE OF THE
BOARD OF TRUSTEES OF THE EMPLOYEES' RETIREMENT SYSTEM
OF THE STATE OF HAWAII

MAY 26, 2026

CITY FINANCIAL TOWER
201 MERCHANT STREET, SUITE 1200
HONOLULU, HAWAII 96813

Committee Members present: (City Financial Tower)	Mr. Emmit Kane, Chair Ms. Darlene Blakeney, Vice Chair Dr. Genevieve Ley Mr. David Louie
Visiting Trustees present: (via teleconference)	Mr. Vince Barfield
Attorneys present: (City Financial Tower)	Ms. Jenny Nakamoto, Deputy Attorney General
Attorneys present (via teleconference):	Ms. Nietzsche Tolan, Deputy Attorney General
Staff present: (City Financial Tower)	Mr. Kalbert Young, Executive Director Ms. Gail Strohl, Deputy Executive Director Ms. Kristin Varela, Chief Investment Officer Mr. Anthony Goo, Deputy Chief Investment Officer Mr. Aaron Au, Investment Officer – Private Equity Mr. Andrew Chen, Investment Officer – Credit Ms. Lynn Kamimoto – Investment Officer - Risk Ms. Jennifer Kimura – Investment Officer - Operations Mr. Ian Wetzel, Investment Officer – Real Assets Mr. Roman Mahi, Investment Specialist Ms. Masayo Zabinski, Investment Accountant Ms. Andrea Gaspar, Administrative Assistant Ms. Lori Kim, Administrative Assistant Ms. Dale Kehau Kanae, Administrative Assistant Ms. Diana Gomes, Recording Secretary/Administrative Assistant
Guest present: (City Financial Tower)	Mr. Andrew Betz, Stafford Capital Mr. Rick Fratus, Stafford Capital Mr. Paul Yett, Hamilton Lane Ms. Ilene Levinson, Hamilton Lane Mr. Raymond Sin, US Air Force
Guest present: (via teleconference)	Mr. Colin Bebee, Meketa Investment Group, Inc. Ms. Mika Malone, Meketa Investment Group, Inc.
Public present: (via teleconference)	Mr. Akin Greville, Wellington 1-516-916-7742 (unverified)

CALL TO ORDER

A quorum being present (Chair Kane, Trustee Ley and Trustee Louie), Chair Kane called the Investment Committee meeting to order at 1:30 p.m. and requested Board members to identify themselves and confirm that no other individuals are present in the room. Committee members present confirmed. Chair Kane read the following statement, "Motion to hold the meeting allowing Trustees and members of the public to participate by interactive conference technology, pursuant to HRS § 92-3.7, with at least one meeting location open to the public that has audiovisual connection." On a motion made by Chair Kane, seconded by Trustee Louie and unanimously carried, the Investment Committee meeting commenced.

PUBLIC COMMENT PERIOD

Chair Kane called for both written and public comment. There was no public comment or written testimony submitted.

Vice Chair Blakeney joined the meeting in-person at 1:35 pm.

DCIO Goo mentioned that this meeting is CIO Varela's last Investment Committee meeting as she is pursuing a new opportunity in New Mexico. CIO Varela thanked everyone for the privilege of being CIO at ERS for the past three years. She continued to thank the leadership and team for all their support.

PRESENTATIONS

- MEKETA INVESTMENT GROUP, INC. – TOTAL FUND PERFORMANCE REVIEW FOR PERIOD ENDING MARCH 31, 2026

Mr. Colin Bebee of Meketa Investment Group presented the Total Fund Performance Review for period ending March 31, 2026. The ERS portfolio is designed for a steady, compounding rate of return overtime. Key highlights included:

- The ERS Total Portfolio consistently outperformed the Risk Adjusted Peer Median.
- The portfolio is designed to produce steady compounding returns and has consistently done so since its inception.
- Risk mitigation is critical to ensure the long-term sustainability and growth of the ERS.
- The ERS Investment Policy Statement defines success as achieving the long-term return needed to fund the plan over time.
- The portfolio's market value as of March 31, 2026, was $25.6 billion.

- MEKETA INVESTMENT GROUP, INC. – 2026 ASSET LIABILITY STUDY: CAPITAL MARKET ASSUMPTIONS

Meketa and Staff are expected to finish the Asset-Liability Study by October 2026, at the Summit.

- Asset-Liability studies are the intersection of asset and liability projections and investigate a range of modeled returns and corresponding impacts.
- Capital Market Assumptions (CMA) are needed to calculate a portfolio's expected return, volatility, and association to the broader market.
- Meketa sets their CMAs once a year which involves quantitative and qualitative methodologies.

- Asset classes and strategies that are investible and appropriate for long-term allocation of funds are identified. Influencing factors are:
  - Unique return behavior
  - Observable historical track record
  - Robust market
  - Client requests
  - Forecasts are then made for each asset classes.
- The ALS will investigate possible outcomes for ERS' system over time.
- For the 2026 Asset-Liability Study, Meketa and Staff propose to use Meketa's standard CMAs.
- Preliminary ALS output will be presented at the August 2026 Investment Committee meeting.

- MEKETA INVESTMENT GROUP, INC. – 2026 ASSET LIABILITY STUDY: RISK & IMPLEMENTATION SURVEY

The results will serve as a foundation for the asset-liability model and support the current path of ERS.

- The survey consisted of 20 questions covering investment objectives, risk tolerance, macroeconomic concerns, portfolio construction beliefs and benchmark preference.
- Seven Board members and nine Staff responded to the survey.
- All respondents felt it was important to focus on improving medium- and long-term funded ratio.
- Neither group favored reducing portfolio risk but instead keep risk the same or increase it.
- Both groups ranked priority #1 as "maintaining consistent progress toward improving the funded ratio", and priority #2 as "achieving 100% funding."
- The Board's top-ranked risk is monetary loss, while Staff ranked portfolio liquidity as the highest.
- When asked the amount of investment risk in the total portfolio, 57% of the Board preferred the same level of risk and 43% favored more, whereas, with the Staff, 56% favored more risk and 44% the same level.
- The Board indicated a higher tolerance for drawdowns.
- Geopolitical conflict is the top macroeconomic concern for the Board. Staff showed an anxiety about poor economic growth.
- There was support in maintaining the Diversifying Strategies class within the portfolio.
- Fund investment philosophy, risk framework and Diversifying Strategies are topics that present additional education opportunities for the Board.
- Both groups agreed for a focus on net-of-fee results over simple fee minimization.
- The Board prioritizes the HIERS market benchmark.
- There was a consensus across both groups for the questions asked in the survey.

- ROTATING ALTERNATIVE ASSET CLASS REVIEW: PRIVATE EQUITY ANNUAL PORTFOLIO REVIEW FOR

IO Au presented the Private Equity Score Card for period ending December 31, 2025:

- All five scorecard categories earned a Green rating – all areas are meeting or exceeding expectations.

PERIOD ENDING DECEMBER 31, 2025

- Market value stands at $5.15 billion, up $380 million.
- Asset allocation remains in line with strategic targets.
- Long-term returns exceeded benchmarks at the 5-year (10.9%) and 10-year (14.1%) horizons.
- Distributions exceeded contributions-for 2025 the program was self funding.

Hamilton Lane consultants Ms. Ilene Levinson, and Mr. Paul Yett presented the Rotating Alternative Asset Class Review for Private Equity ending as of December 31, 2025.

Highlights include:

- The Private Equity portfolio generate a quarterly IRR of 2.12%, or net value increase of $107.M.
- The portfolio outperformed its public benchmark by 433 bps since inception.
- During a one-year period, the portfolio generated gains of $492.8M.
- Q4 represented 51 of 54 quarters of positive net value gains.
- Foundation Managers outperformed total portfolio by 189 bps and the Hamilton Lane portfolio outperformed the total portfolio by 197 bps.
- Growth Equity continuously generates a strong performance on an IRR and multiple basis.
- The portfolio is diversified by strategy, geography and sector. Strategy, geography and industry remain consistent with Information Technology and Health Care the top two sectors.
- ERS portfolio has some of the best managers that are in high demand.

- EDUCATION – RISK BUDGET POLICY ADOPTION

IO-Risk Lynn Kamimoto and Mr. Colin Bebee of Meketa Investment Group continued the educational session on total-portfolio risk budgeting. Key points included:

- Risk budgeting provides a strategic framework to guide decision-making and strengthen total-portfolio oversight.
- Active Risk Budget – most of the Total Portfolio and Board Growth active risk derived from weighting-illiquidity. For Diversifying Strategies, most of the active risk is from weighting-structure.
- Reporting and Tools – including operational implementation and risk limits breach curing options.
- Total Portfolio Active Risk (ex-ante) Budget proposed at 1-4%. ERS is trending at the upper range of this budget.
- Short-term changes include: 1) Rebalance public market assets, including cash and cash overlay positions, 2) Change from active to passive strategies, and 3) Reduce or pause private markets pacing.
- Long-term changes include: 1) Review contracts to determine if exiting private positions early is net beneficial and 2) Explore a secondary sale of private assets.
- Operational changes include: 1) Update fund/manager agreements, 2) New/update benchmarks, 3) Risk management limits, 4) Liquidity provisions, and 5) Explore investment products with more diversification for the total fund.

	On a motion made by Trustee Louie and seconded by Trustee Ley, and unanimously carried, the Investment Committee accepted the Investment Risk Management Policy, as presented and for board approval.
CIO UPDATE	CIO Varela mentioned that it was a pleasure working with everyone for the past three years and thanked the Investment Committee for the opportunity. The Investment team has two new members. Jennifer Kimura joined the team on March 2nd as an Investment Officer – Operations and Roman Mahi joined on March 30th as an Investment Specialist. This year two summer interns will start on June 1. Both positions are voluntary and mainly to gain knowledge. Shaylin Yamada graduated from Northern Arizona University in May and Maxwell Chin is a sophomore at Boston College. Ian Wetzel has been named to the Markets Group 2026 "Next Elite" list which highlights emerging leaders helping shape the future of institutional investing. The recognition reflects individual contributions, discipline and teamwork. CIO Varela concluded that Anthony Goo will officially be the Interim CIO. DCIO Goo has been a strong team member as well as leader. Along with the leadership team of IOs Kimura and Kamimoto to support DCIO Goo, CIO Varela has confidence in the team during the transition period.
APPROVAL OF MINUTES – FEBRUARY 17, 2026	On a motion made by Trustee Louie and seconded by Vice Chair Blakeney, and unanimously carried, the Investment Committee approved the minutes of February 17, 2026, as presented.
APPROVAL OF EXECUTIVE SESSION MINUTES – FEBRUARY 17, 2026	On a motion made by Trustee Louie and seconded by Vice Chair Blakeney, and unanimously carried, the Investment Committee approved the confidential Executive Session minutes of the February 17, 2026, with modifications.
ENTER EXECUTIVE SESSION	The meeting did not go into Executive Session.
ADJOURNMENT	On a motion made by Trustee Louie, seconded by Vice Chair Blakeney, and unanimously carried, Chair Kane adjourned the meeting at 3:25 p.m.

REDACTED
SIGNATURE

Anthony Goo
Interim Chief Investment Officer
AG/dlg