

NORTH CAROLINA
DEPARTMENT OF STATE TREASURER



BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA

Investment Management Division

Performance Review



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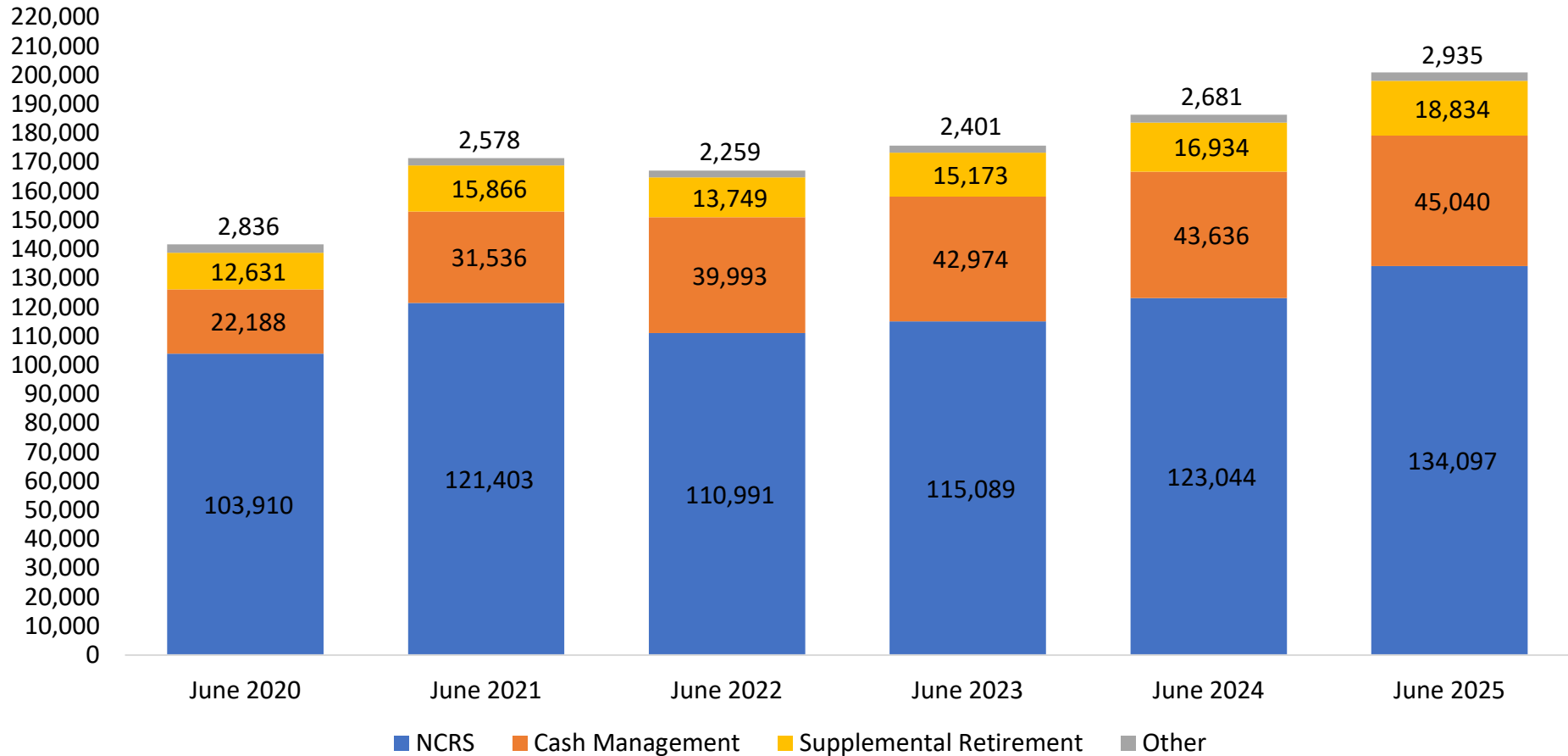


Section 1: Assets Under Management



Assets Under Management (\$MM)

\$200.91 billion as of June 30, 2025



Note: The Cash Management Program does not include Assets with Fiscal Agent, which are reflected in the Bond Proceeds Fund. These funds, which may have been reported in the Cash Management Program previously, have now been removed for all years shown in this report to more accurately reflect the Cash Management Program balance.



Section 2: Macro positioning and recent activity



Summary View of Macro and Markets Environment

Macro

- Continued cross currents in U.S. data
 - ✓ Slowing employment growth and relatively low consumer and business sentiment
 - ✓ Healthy Q2 U.S. earning growth, domestic sales, resilient consumer, and strong AI capex
- Premature to determine the net effect on global growth from U.S. tariffs, deregulation, tax cuts, and Federal budget cuts
- Fed to join global peers in lowering policy rate, but timing/extent remains mostly data driven
 - ✓ Labor market
 - ✓ Tariffs' inflationary effects
 - ✓ (Also, influenced by FOMC/Chair changes)

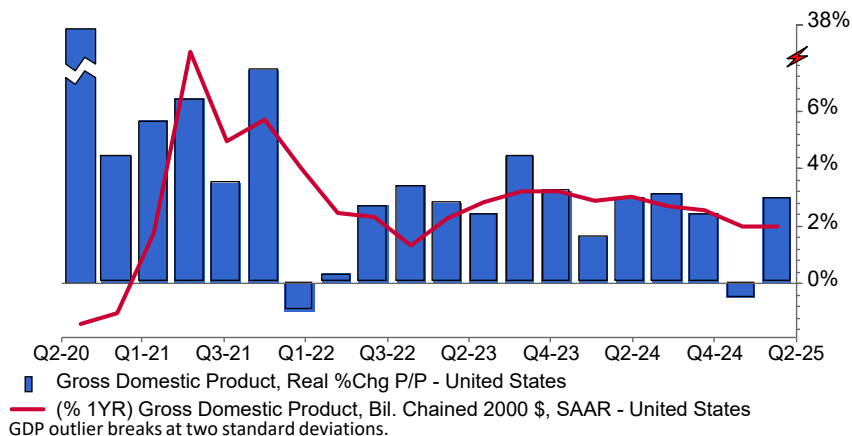
Markets

- Risk-on Narrative (Again)
 - ✓ Expected Fed pivot
 - ✓ Pick up in M&A and IPOs
 - ✓ Non-US equities benefiting from stimulus and U.S. policy uncertainty
- Rates and IG Credit benefit from current yields
 - ✓ Narrative shifts ==> volatility at long-end and potential for higher term premium
 - ✓ Credit fundamentals are sound, but spreads remain very tight
 - ✓ Marginal foreign demand and USD are key factors to consider
- Global Macro discretionary strategies have a richer opportunity set



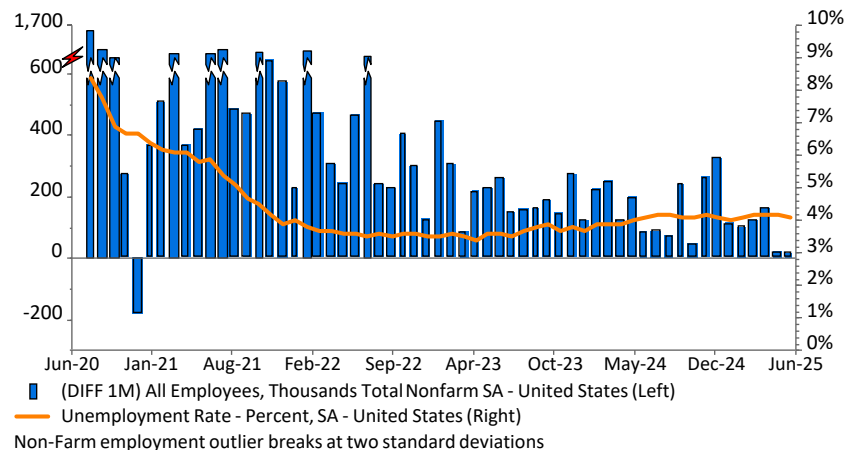
US Economic Environment

US Real GDP Growth



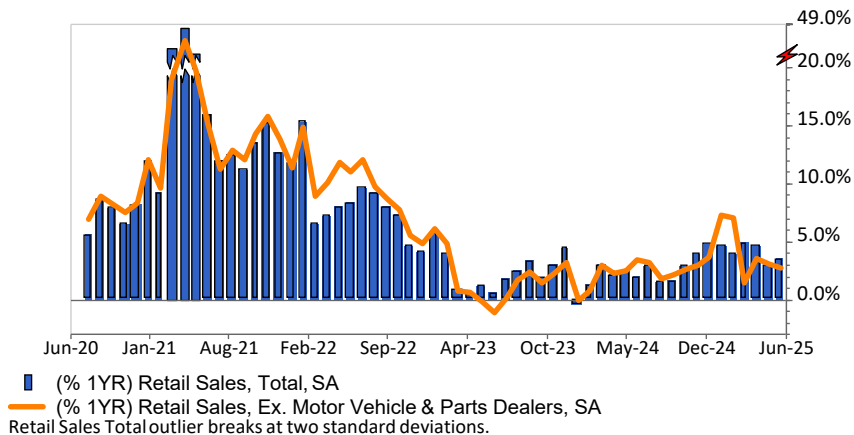
©FactSet Research Systems

US Change in NonFarm Employment & Unemployment Rate



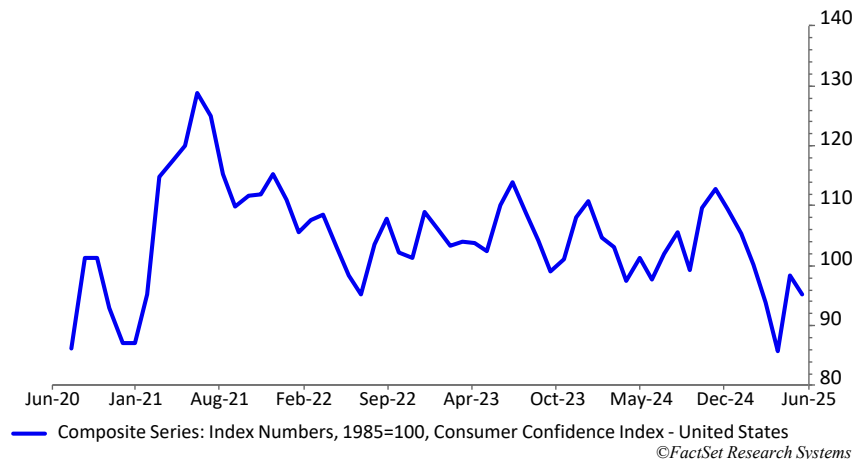
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US Retail Sales



©FactSet Research Systems

US Consumer Confidence

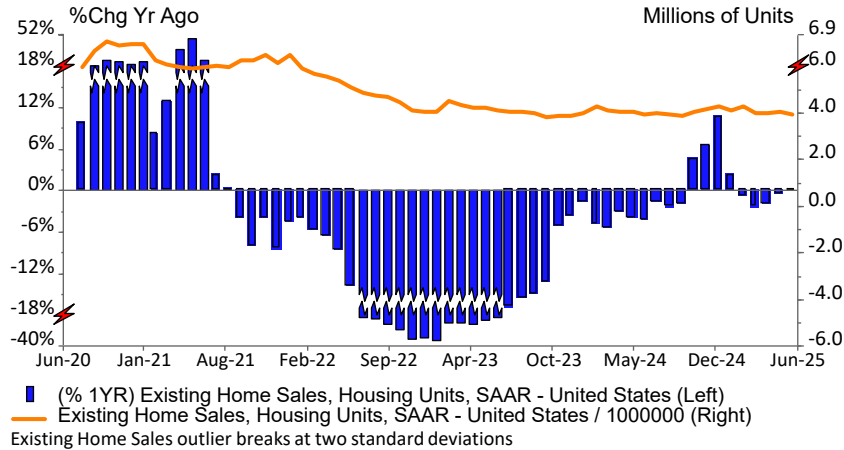


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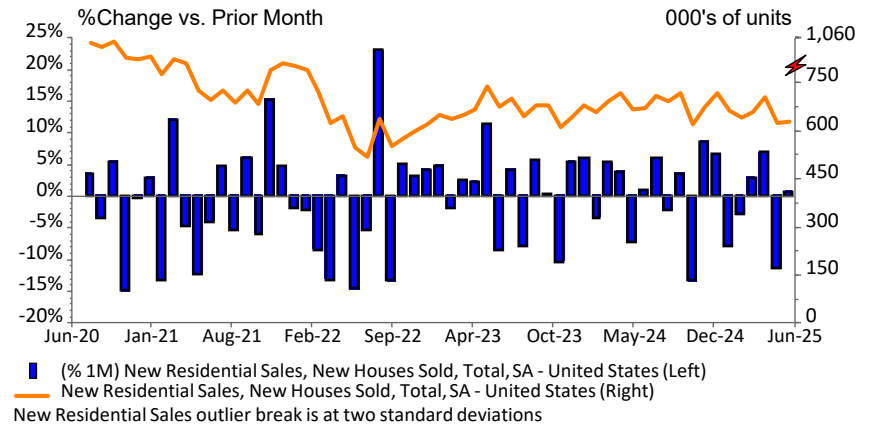
US Economic Environment

US Existing Home Sales



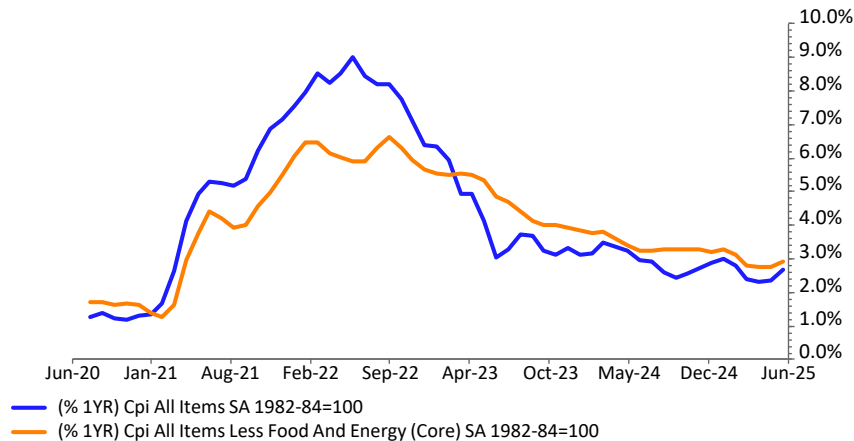
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US New Home Sales



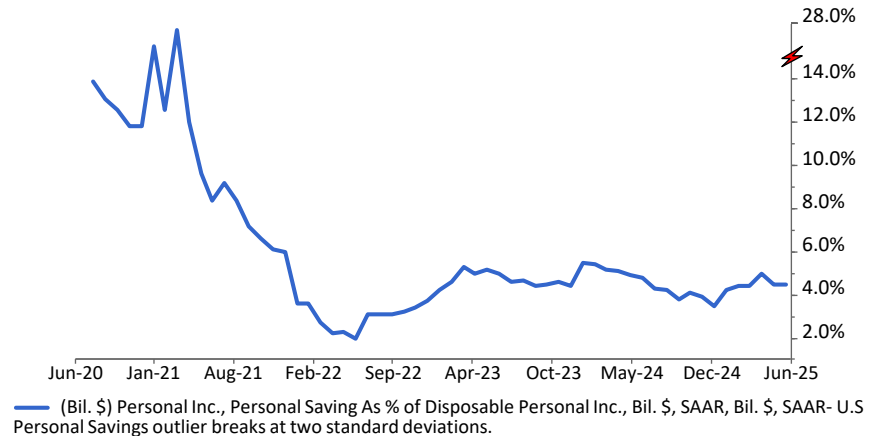
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US Consumer Price Inflation



©FactSet Research Systems

US Personal Savings Rate



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NCRS Asset Allocation

As of June 30, 2025

| | Market Value (\$000) | % | Target | Range | | Relative % | Relative \$ (\$000) |
|---|----------------------|----------------|--------------|--------------|--------------|---------------|----------------------|
| | | | | Minimum | Maximum | | |
| Growth | 75,187,973 | 56.07% | 58.0% | 37.0% | 71.0% | -1.93% | (\$2,588,083) |
| Public Equity | 58,646,540 | 43.73% | 42.0% | 37.0% | 47.0% | 1.73% | 2,325,948 |
| Private Equity | 6,183,254 | 4.61% | 6.0% | 0.0% | 8.75% | -1.39% | (1,862,545) |
| Non Core Real Estate | 2,155,021 | 1.61% | 3.0% | 0.0% | 8.0% | -1.39% | (1,867,878) |
| Opportunistic Fixed Income | 8,203,157 | 6.12% | 7.0% | 0.0% | 7.5% | -0.88% | (1,183,608) |
| Rates & Liquidity | 41,644,481 | 31.06% | 29.0% | 24.0% | 42.0% | 2.06% | 2,756,453 |
| IG Fixed Income & Cash | 36,545,192 | 27.25% | 28.0% | 24.0% | 32.0% | -0.75% | (1,001,869) |
| Pension Cash | 5,099,289 | 3.80% | 1.0% | 0.0% | 10.0% | 2.80% | 3,758,322 |
| Inflation Sensitive & Diversifiers | 14,481,674 | 10.80% | 11.0% | 4.0% | 16.0% | -0.20% | (268,958) |
| Inflation Sensitive | 8,113,611 | 6.05% | 6.0% | 2.0% | 7.5% | 0.05% | 67,812 |
| Core Real Estate | 6,368,063 | 4.75% | 5.0% | 2.0% | 10.0% | -0.25% | (336,770) |
| Multi-Strategy | 2,782,520 | 2.08% | 2.0% | 0.0% | 4.0% | 0.08% | 100,587 |
| Grand Total | 134,096,647 | 100.00% | | | | | |



NCRS Asset Allocation (Preliminary)

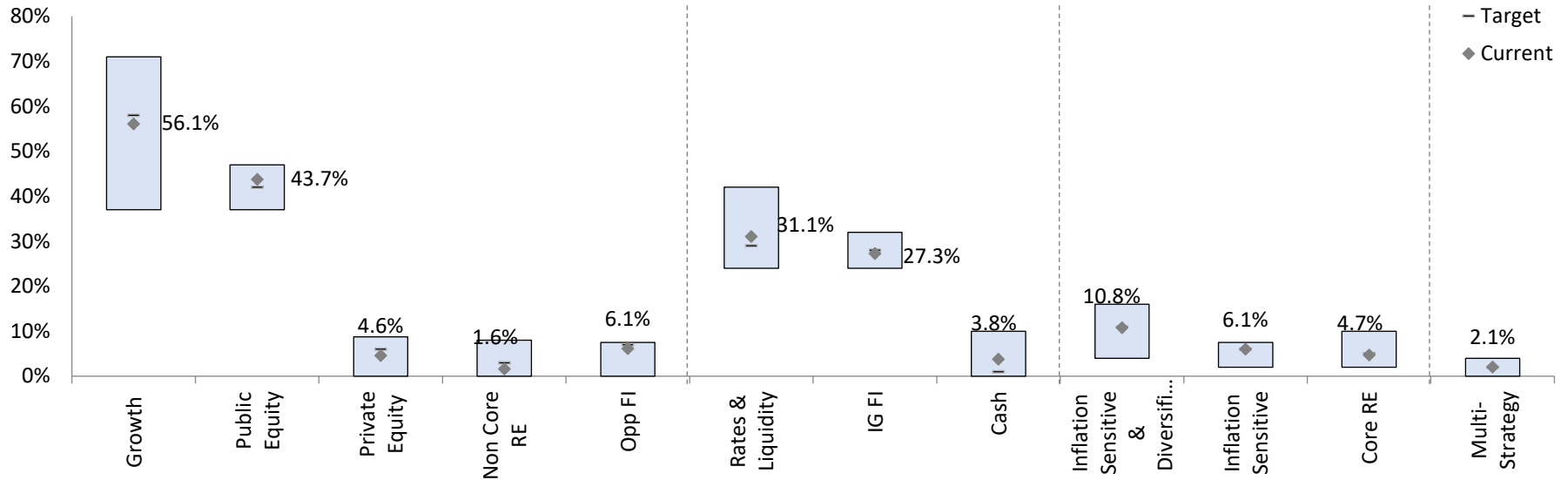
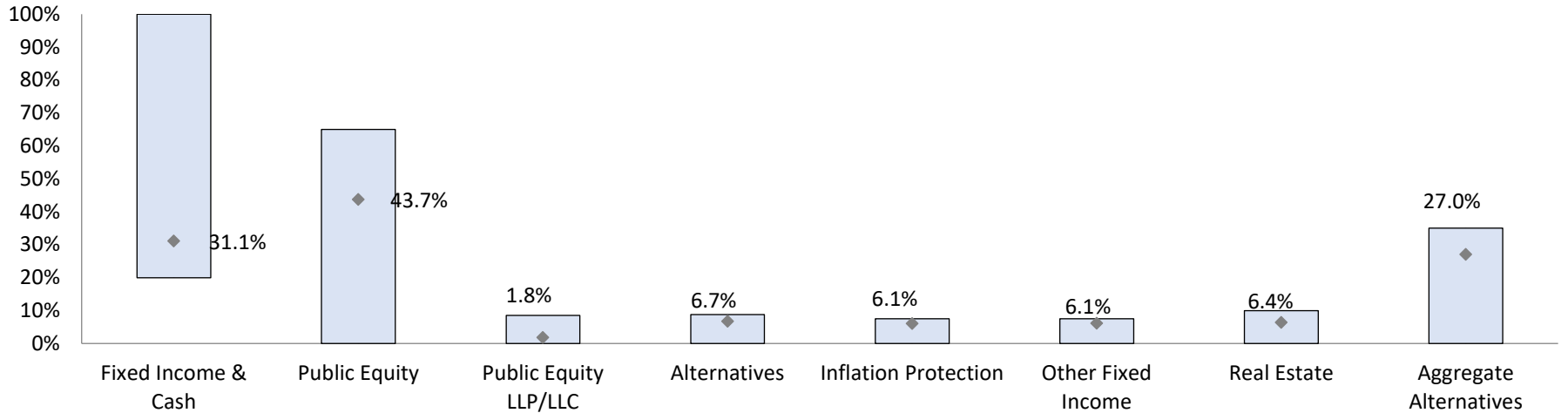
As of August 20, 2025

| | Market Value (\$000) | % | Target | Range | | Relative % | Relative \$ (\$000) |
|---|----------------------|----------------|--------------|--------------|--------------|---------------|---------------------|
| | | | | Minimum | Maximum | | |
| Growth | 77,029,954 | 56.74% | 58.0% | 37.0% | 71.0% | -1.26% | (1,708,204) |
| Public Equity | 60,193,663 | 44.34% | 42.0% | 37.0% | 47.0% | 2.34% | 3,176,376 |
| Private Equity | 6,196,122 | 4.56% | 6.0% | 0.0% | 8.75% | -1.44% | (1,949,204) |
| Non Core Real Estate | 2,191,763 | 1.61% | 3.0% | 0.0% | 8.0% | -1.39% | (1,880,900) |
| Opportunistic Fixed Income | 8,448,406 | 6.22% | 7.0% | 0.0% | 7.5% | -0.78% | (1,054,476) |
| Rates & Liquidity | 41,387,074 | 30.49% | 29.0% | 24.0% | 42.0% | 1.49% | 2,017,995 |
| IG Fixed Income & Cash | 36,745,107 | 27.07% | 28.0% | 24.0% | 32.0% | -0.93% | (1,266,418) |
| Pension Cash | 4,641,967 | 3.42% | 1.0% | 0.0% | 10.0% | 2.42% | 3,284,413 |
| Inflation Sensitive & Diversifiers | 14,552,691 | 10.72% | 11.0% | 4.0% | 16.0% | -0.28% | (380,408) |
| Inflation Sensitive | 8,150,376 | 6.00% | 6.0% | 2.0% | 7.5% | 0.00% | 5,050 |
| Core Real Estate | 6,402,314 | 4.72% | 5.0% | 2.0% | 10.0% | -0.28% | (385,458) |
| Multi-Strategy | 2,785,727 | 2.05% | 2.0% | 0.0% | 4.0% | 0.05% | 70,618 |
| Grand Total | 135,755,445 | 100.00% | | | | | |

Note: Public Equity allocation exceeds the interim rebalancing boundary of +2% relative to its target allocation. Per policy, a waiver to suspend rebalancing was granted on July 21, 2025.



Statute and IPS Allocation





2025 Rebalancing Activity

| 2025 Completed Rebalancing Activity (\$ Millions) | | | | |
|---|---------------------------|---------------------------|--------------------------|-----------------|
| Asset Class | Phase 1 - Approved 2/5 | Interim Rebalance 4/11 | Interim Rebalance 6/2 | Total Completed |
| Pension Cash | (2,800) | (1,300) | 0 | (4,100) |
| IG Fixed Income | 1,000 | 0 | 0 | 1,000 |
| Public Equity | 1,000 | 1,300 | (1,300) | 1,000 |
| Domestic Equity | 2,941 | 1,300 | (715) | 3,526 |
| International Equity | (1,941) | 0 | (585) | (2,526) |
| Opportunistic Fixed Income | 260 | 0 | 0 | 260 |
| Inflation Sensitive | 700 | 0 | 1,300 | 2,000 |

| | Policy Weight | 1/31 Weight | 8/11 Weight | Change from 1/31 |
|---|----------------|----------------|----------------|---------------------|
| Growth | 58.0% | 54.51% | 56.56% | 2.05% |
| Public Equity | 42.0% | 42.01% | 44.15% | 2.14% |
| Private Equity | 6.0% | 4.72% | 4.58% | -0.14% |
| Non-Core Real Estate | 3.0% | 1.61% | 1.61% | 0.00% |
| Opportunistic Fixed Income | 7.0% | 6.17% | 6.22% | 0.05% |
| Rates & Liquidity | 29.0% | 33.87% | 30.65% | -3.22% |
| IG Fixed Income & Cash | 28.0% | 26.64% | 27.22% | 0.58% |
| Pension Cash | 1.0% | 7.23% | 3.43% | -3.80% |
| Inflation Sensitive & Diversifiers | 11.0% | 9.53% | 10.73% | 1.20% |
| Inflation Sensitive | 6.0% | 4.66% | 6.02% | 1.36% |
| Core Real Estate | 5.0% | 4.87% | 4.71% | -0.16% |
| Multi-Strategy | 2.0% | 2.09% | 2.06% | -0.03% |
| Grand Total | 100.00% | 100.00% | 100.00% | 0.00% |



New & Incremental Investment Commitments

Since May 28th IAC Meeting

| <u>Fund Name</u> | <u>Firm Name</u> | <u>New or Incremental Commitment (\$MM)</u> | <u>Closing Date</u> |
|-----------------------------------|------------------|---|-------------------------|
| Public Equity | | | |
| Coatue (Revolut) | Coatue | \$101 | 8/1 |
| IG Fixed Income | | | |
| Private Equity | | | |
| Levine Leichtman VII | Levine Leichtman | \$100 | 6/30 |
| Stone Point Trident X | Stone Point | \$125 | 7/3 |
| Non-Core Real Estate | | | |
| Harrison Street RE Fund X | Harrison Street | \$150 | 7/17 |
| Harrison Street RE Co-Inv | Harrison Street | \$150 | 7/17 |
| LBA Logistics Value Fund X | LBA | \$200 | 7/22 |
| Opportunistic Fixed Income | | | |
| Inflation Sensitive | | | |
| DoubleLine Blue Diamond III | DoubleLine | \$650 | 6/3 |
| BlackRock Garnet | BlackRock | \$650 | 6/5 |
| Melange Gulf Pipes Co-Inv | Melange | \$50 | 6/19 |
| Core Real Estate | | | |
| Multi-Strategy | | | |
| AG Cataloochee | TPG AG | \$200 | 8/1 |



Exited Investments

Since May 28th IAC Meeting

| <u>Fund Name</u> | <u>Redemption Amount (\$MM)</u> | <u>Redemption Effective</u> |
|-----------------------------------|---------------------------------|-----------------------------|
| Public Equity | | |
| None | | |
| Private Equity | | |
| None | | |
| Non-Core Real Estate | | |
| None | | |
| Opportunistic Fixed Income | | |
| None | | |
| Inflation Sensitive | | |
| None | | |
| Core Real Estate | | |
| None | | |
| Multi Strategy | | |
| None | | |



New Fund Pipeline

as of August 14th, 2025

| Asset Class Pipeline | | | | | |
|----------------------|----------------------------------|--------------|---------------------------|--------------------|--------------|
| Asset Class | Sub-Strategy | New or Re-Up | Commitment/Funding (\$MM) | Status of IRM | Target Close |
| Private Equity | Secondaries / Buyout / Co-inv | New | € 575 | Treasurer Approved | August |
| Private Equity | Co-Invest vehicle | Re-Up | \$100 | Treasurer Approved | August |
| Private Equity | Co-Invest vehicle | Re-Up | \$100 | Treasurer Approved | August |
| Private Equity | Co-Invest | N/A | \$300 | Treasurer Approved | December |
| Public Equity | Growth Equity | New | \$250 to \$350 | Treasurer Approved | August |
| Non Core RE | Opportunistic | New | \$300 | Treasurer Approved | September |
| Core RE | Private Core | Re-Up | \$300 | Treasurer Approved | August |
| OFI | Special Situations | Re-Up | \$200 | Treasurer Approved | September |
| OFI | Special Situations | New | \$1,050 | Treasurer Approved | August |
| RA | Infrastructure (Co-Invest) | New | \$100 | Treasurer Approved | August |
| Private Equity | Secondaries / Co-inv | Re-Up | \$725 | Diligence Stage | September |
| MS | Tactical Trading / Opportunistic | New | \$700 | Diligence Stage | September |
| Private Equity | Venture Capital | New | \$200 | Diligence Stage | September |
| Non Core RE | Opportunistic | New | \$200 | Diligence Stage | September |
| Non Core RE | Value-Add | Re-Up | \$200 | Diligence Stage | September |
| RA | Energy (Co-Invest) | New | \$300 | Diligence Stage | September |
| RA | Infrastructure (Co-Invest) | New | \$750 | Diligence Stage | September |

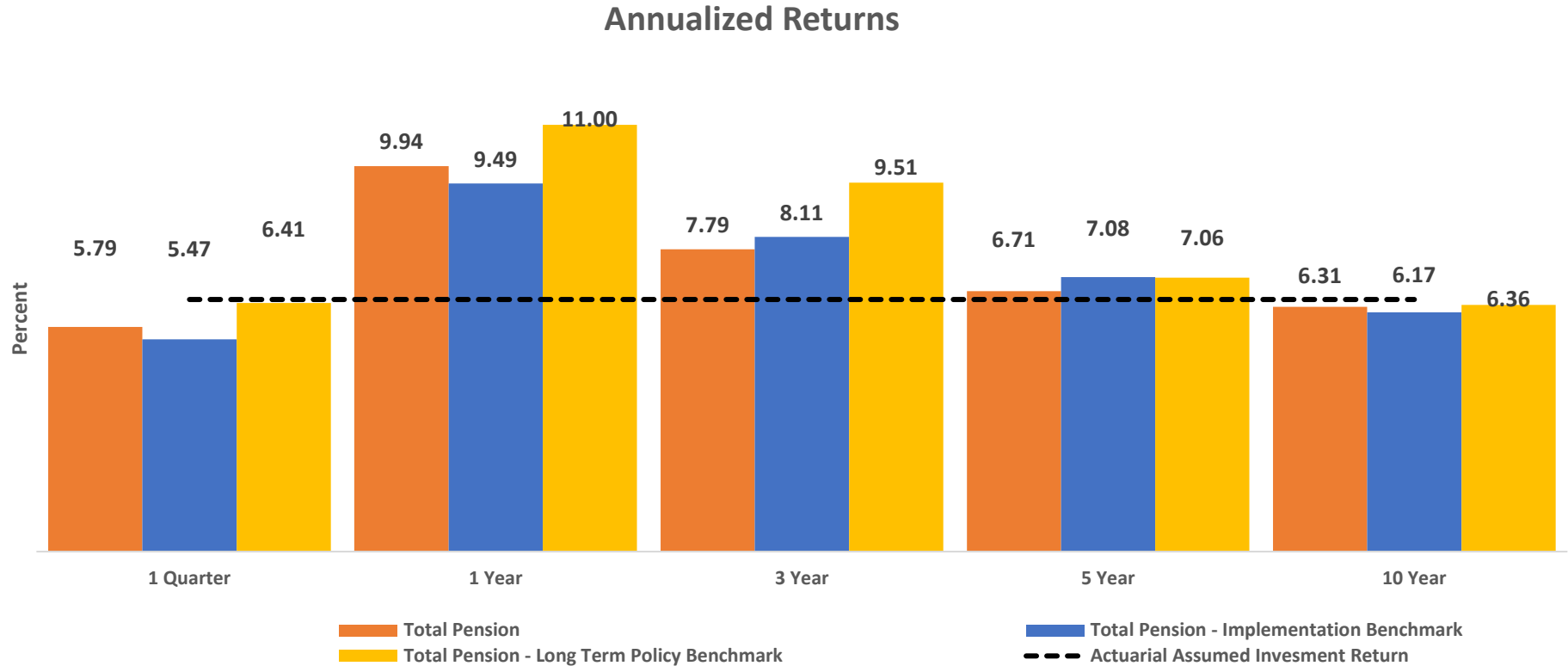


Section 3: Performance Analysis



NCRS Total Net Portfolio Return vs. Benchmarks

As of June 30, 2025



Notes:

Actuarial Assumed Investment Return was lowered from 7.0% to 6.5% as of December 31, 2020

Returns for periods greater than one year are annualized.

Implementation Benchmark is a blend of the Asset Class Benchmarks at policy weights. It is currently weighted as follows: 58% Growth Benchmark, 29% Rates & Liquidity Benchmark, 11% Inflation Sensitive & Diversifiers Benchmark, and 2% Multi-Strategy Benchmark.

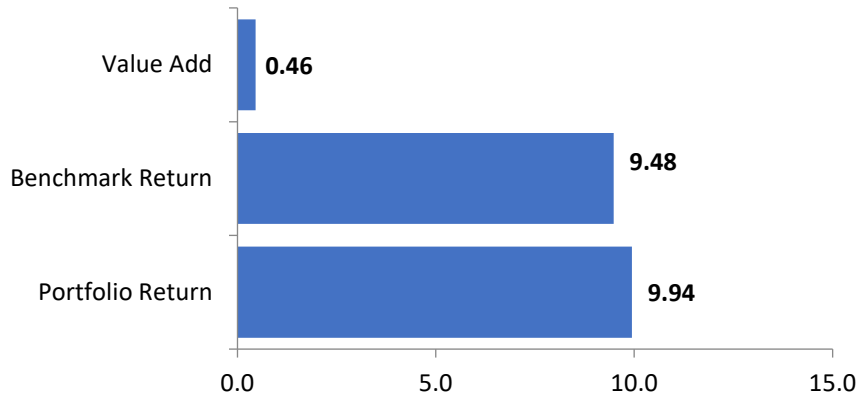
Long-Term Policy Benchmark is comprised of 57% MSCI ACWI IMI Net, 33% ICE BofA 5+ Years U.S. Treasury Index, 6% Bloomberg Commodity Index, and 4% ICE BofA 1-3 Years U.S. Inflation-Linked Treasury Index.



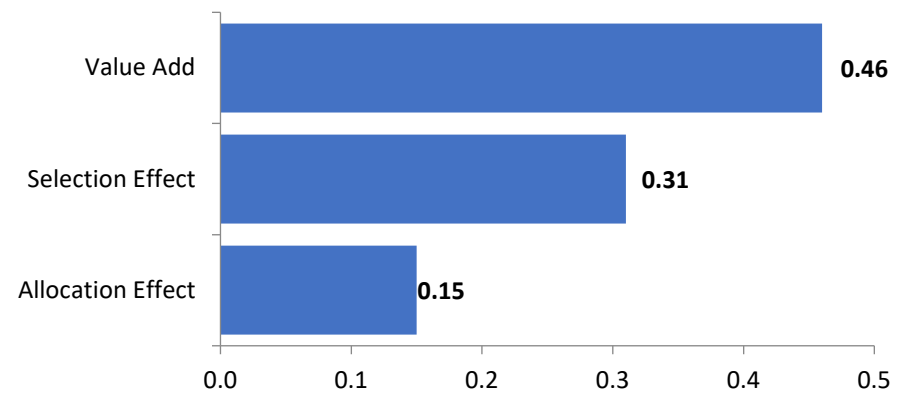
NCRS Net of Fees Return Attribution

Total Fund vs. Implementation Benchmark: 1 Year Ending June 30, 2025

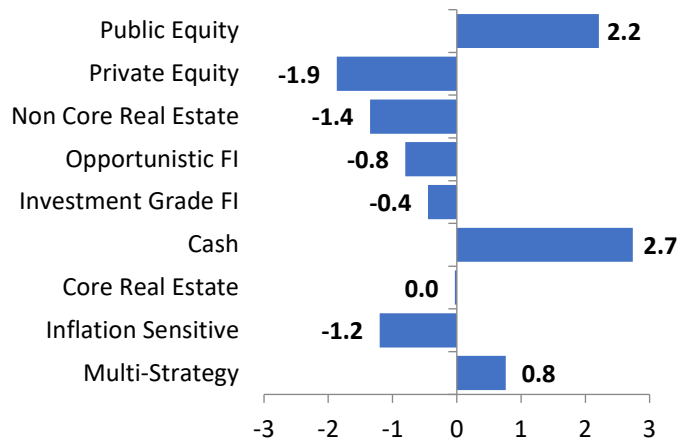
Total Fund Performance



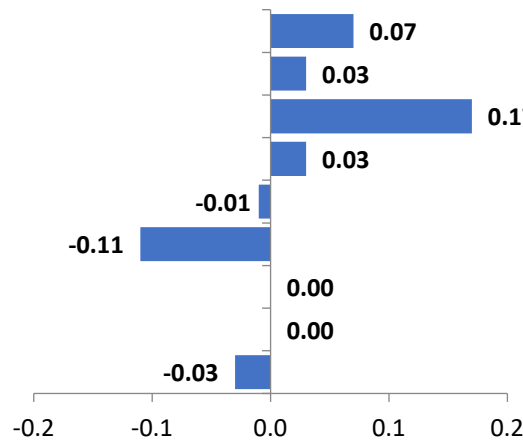
Attribution



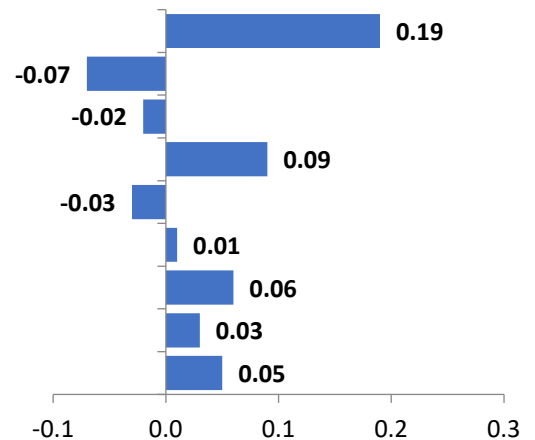
Avg Active Weight



Allocation Effect



Selection Effect

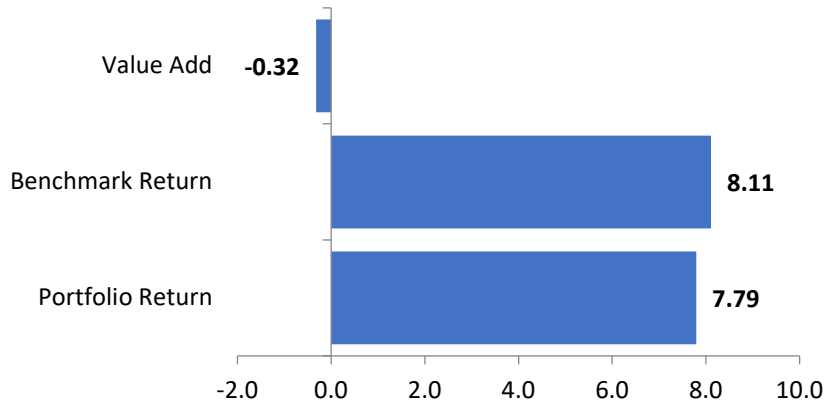




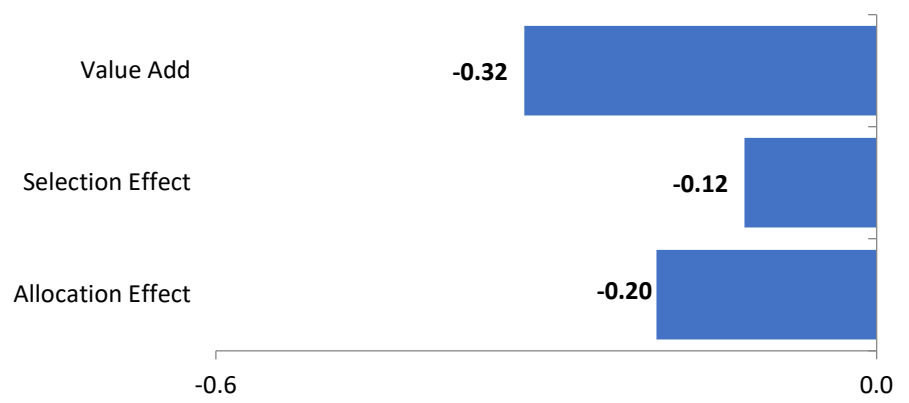
NCRS Net of Fees Return Attribution

Total Fund vs. Implementation Benchmark: 3 Years Ending June 30, 2025

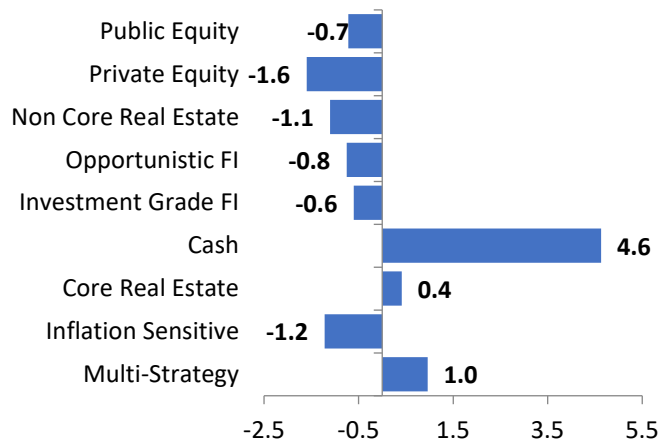
Total Fund Performance



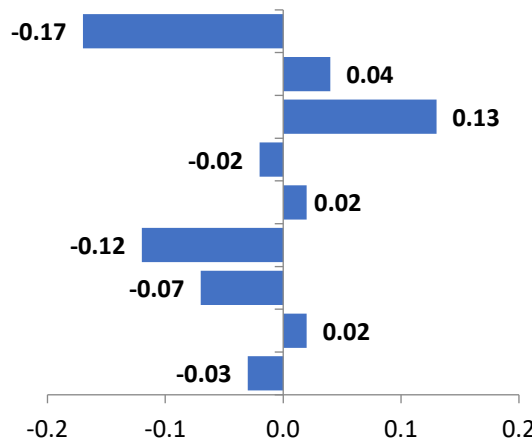
Attribution



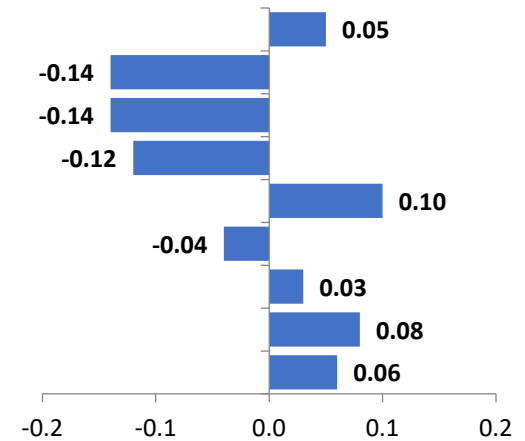
Avg Active Weight



Allocation Effect



Selection Effect

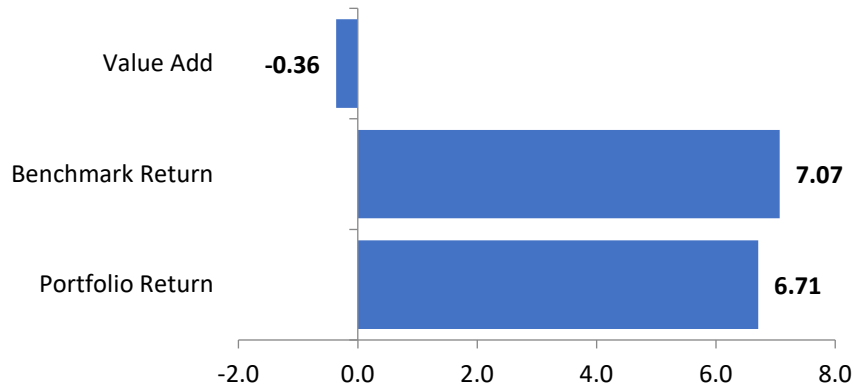




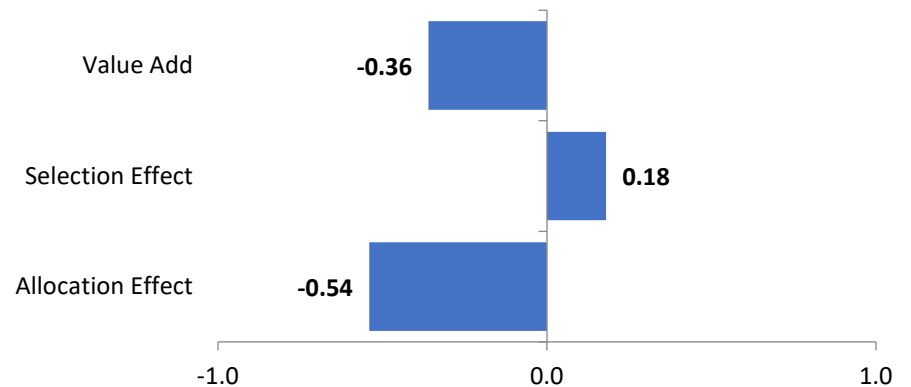
NCRS Net of Fees Return Attribution

Total Fund vs. Implementation Benchmark: 5 Years Ending June 30, 2025

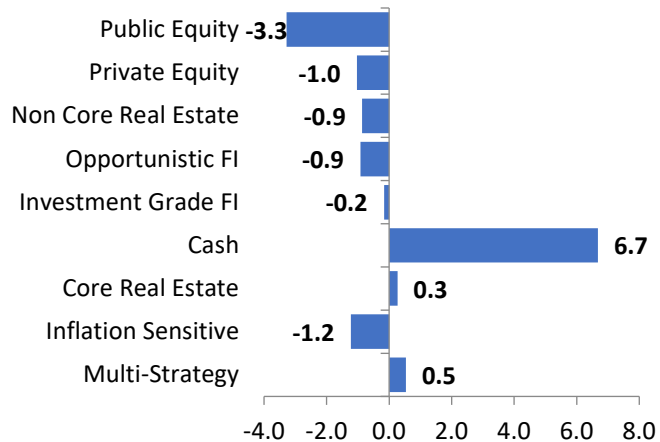
Total Fund Performance



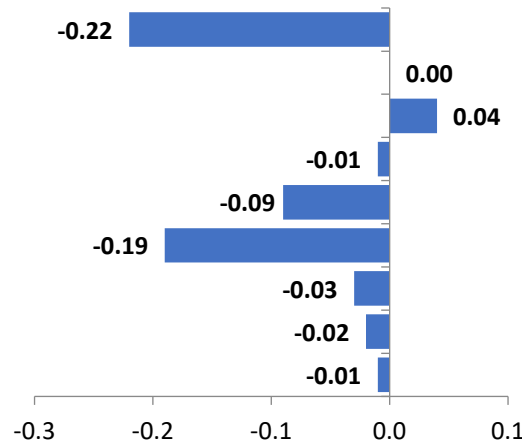
Attribution



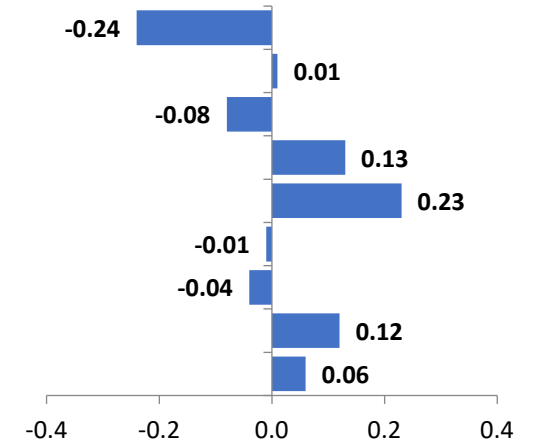
Avg Active Weight



Allocation Effect



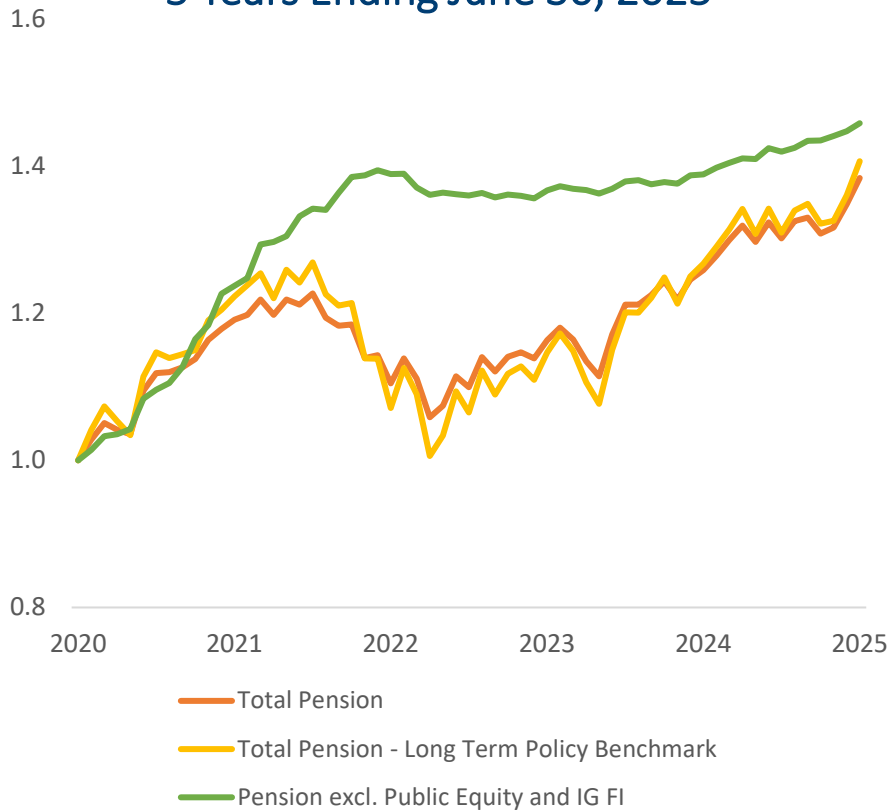
Selection Effect





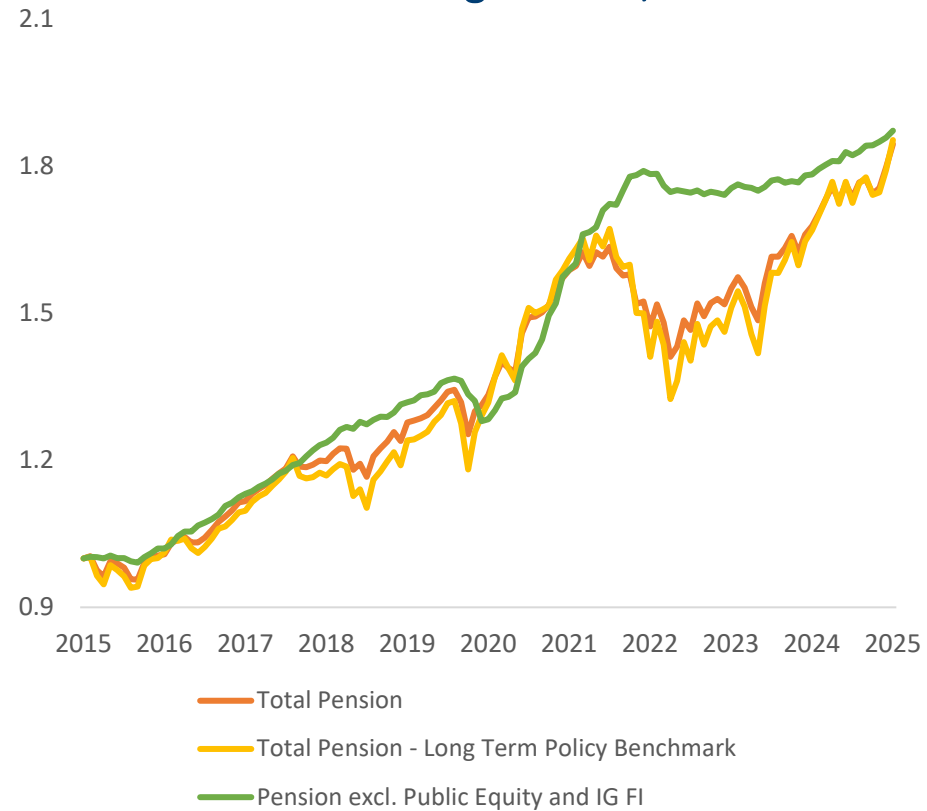
Growth of a Dollar

5 Years Ending June 30, 2025



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10 Years Ending June 30, 2025



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Note: Pension excl. Public Equity and IG FI includes the following: Core Real Estate; Inflation Sensitive – Private Natural Resources; Inflation Sensitive – Real Assets and Other Diversifiers; Multi-Strategy Investments; Non-Core Real Estate; Opportunistic Fixed Income; Private Equity; Equity Hedge Strategies; and closed-end Public Natural Resource funds.



NCRS Gross of Fees Return and Risk

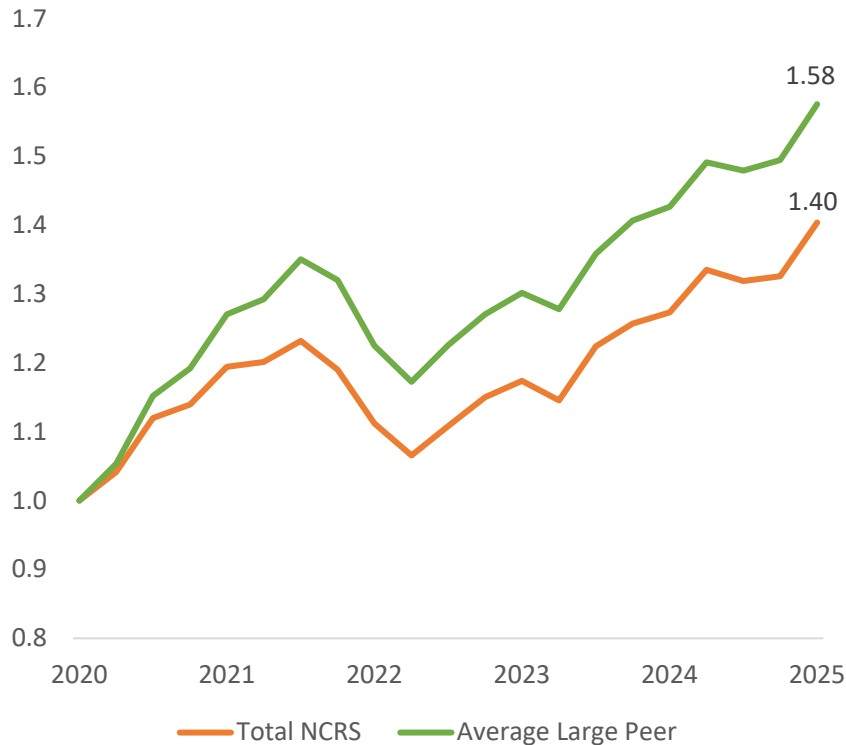
BNY Mellon Universe: US Public Funds > \$20B; Data as of June 30, 2025

| Returns | 1 Year | 3 Years | 5 Years | 5 Years Ending 2019 | 5 Years Ending 2014 |
|---|--------------|-------------|--------------|---------------------|---------------------|
| Median Percentile | 10.48 | 9.13 | 10.11 | 7.56 | 9.90 |
| NCRS | 10.23 | 8.08 | 7.02 | 7.08 | 9.22 |
| Percentile Rank (1 = highest performance) | 57 | 67 | 87 | 77 | 73 |
| Risk | | | | | |
| Median Percentile | 5.22 | 7.91 | 8.02 | 5.76 | 7.94 |
| NCRS | 5.37 | 7.50 | 7.36 | 4.86 | 6.73 |
| Percentile Rank | 44 | 60 | 60 | 83 | 80 |
| Sharpe | | | | | |
| Median Percentile | 1.13 | 0.59 | 0.83 | 1.09 | 1.22 |
| NCRS | 0.99 | 0.48 | 0.59 | 1.22 | 1.34 |
| Percentile Rank | 82 | 74 | 87 | 24 | 30 |



Growth of a Dollar vs Average Large Peer

5 Years Ending June 30, 2025



10 Years Ending June 30, 2025



Note: Data shown is gross of fees with the exception of incentive payments, which have been deducted from NAV when applicable.

BNY Mellon Universe: US Public Funds > \$20B; Data as of June 30, 2025



NCRS Asset Class Net of Fees Performance

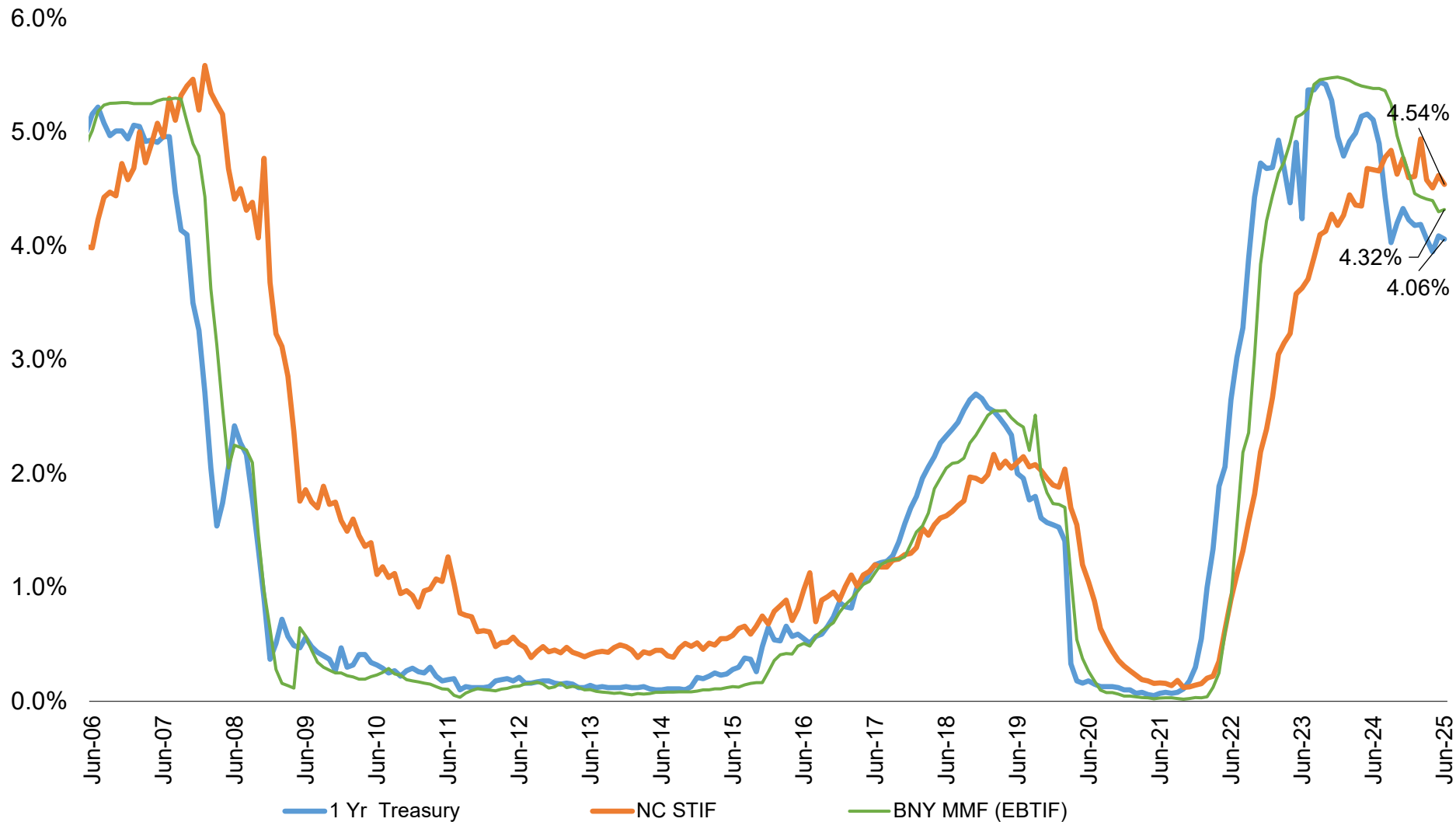
As of June 30, 2025

| | Market Value (\$MM) | 1 Year | 3 Years | 5 Years | 10 Years | 15 Years | 20 Years |
|---|---------------------|---------------|---------------|---------------|---------------|---------------|--------------|
| Growth | 75,188 | 13.54% | 12.68% | 12.01% | 9.44% | 10.55% | 7.79% |
| Benchmark ¹ | | 12.51% | 13.0% | 12.07% | 8.79% | 9.8% | 7.27% |
| Public Equity | 58,647 | 16.37% | 16.93% | 12.6% | 9.9% | 10.91% | 8.06% |
| Benchmark ² | | 15.89% | 16.8% | 13.35% | 9.51% | 10.41% | 7.59% |
| Private Equity | 6,183 | 4.75% | 0.57% | 13.18% | 10.99% | 10.98% | 9.92% |
| Benchmark ³ | | 6.15% | 2.86% | 13.03% | 9.94% | 10.77% | 10.63% |
| Non-Core Real Estate | 2,155 | -3.90% | -9.93% | -0.51% | 4.52% | 7.78% | 4.83% |
| Benchmark ⁴ | | -2.73% | -3.75% | 3.19% | 4.39% | 6.82% | 4.72% |
| Opportunistic Fixed Income | 8,203 | 6.63% | 6.65% | 9.66% | 5.74% | 6.79% | - |
| Benchmark ⁵ | | 5.31% | 8.58% | 7.44% | 4.45% | 3.99% | - |
| Rates & Liquidity | 41,644 | 5.47% | 3.05% | 0.34% | 2.42% | 3.2% | 4.01% |
| Benchmark ⁶ | | 5.52% | 2.52% | -1.19% | 1.91% | 2.81% | 3.56% |
| IG Fixed Income | 36,545 | 5.63% | 2.46% | -0.73% | 2.16% | 3.03% | 3.88% |
| Benchmark ⁷ | | 5.74% | 2.12% | -1.52% | 1.81% | 2.75% | 3.51% |
| Cash | 5,099 | 4.81% | 4.29% | 2.68% | 2.07% | - | - |
| Benchmark ⁸ | | 4.67% | 4.60% | 2.77% | 1.94% | - | - |
| Inflation Sensitive & Diversifiers | 14,482 | 5.70% | 0.84% | 5.40% | 4.64% | 3.81% | 3.61% |
| Benchmark ⁹ | | 4.97% | 0.63% | 4.97% | 3.93% | 4.32% | 3.04% |
| Inflation Sensitive | 8,114 | 6.87% | 6.33% | 8.98% | 5.2% | 1.77% | 3.59% |
| Benchmark ¹⁰ | | 6.23% | 4.73% | 6.41% | 3.39% | 1.56% | 3.83% |
| Core Real Estate | 6,368 | 4.65% | -3.66% | 2.40% | 4.55% | 6.93% | 5.05% |
| Benchmark ¹¹ | | 3.46% | -4.15% | 3.20% | 4.51% | 7.37% | 5.27% |
| Multi-Strategy | 2,783 | 8.21% | 8.45% | 6.91% | 4.77% | 6.58% | 5.51% |
| Benchmark ¹² | | 5.95% | 5.52% | 4.13% | 3.44% | 5.15% | 5.93% |
| Total Pension Plan | 134,097 | 9.94% | 7.79% | 6.71% | 6.31% | 7.35% | 6.24% |
| Implementation Benchmark ¹³ | | 9.48% | 8.11% | 7.07% | 6.17% | 7.05% | 5.93% |
| Long-Term Policy Benchmark ¹⁴ | | 11.00% | 9.51% | 7.06% | 6.36% | 7.08% | 6.19% |



Short Term Portfolio (STIF) Rate History

\$49.8 Billion AUM as of June 30, 2025



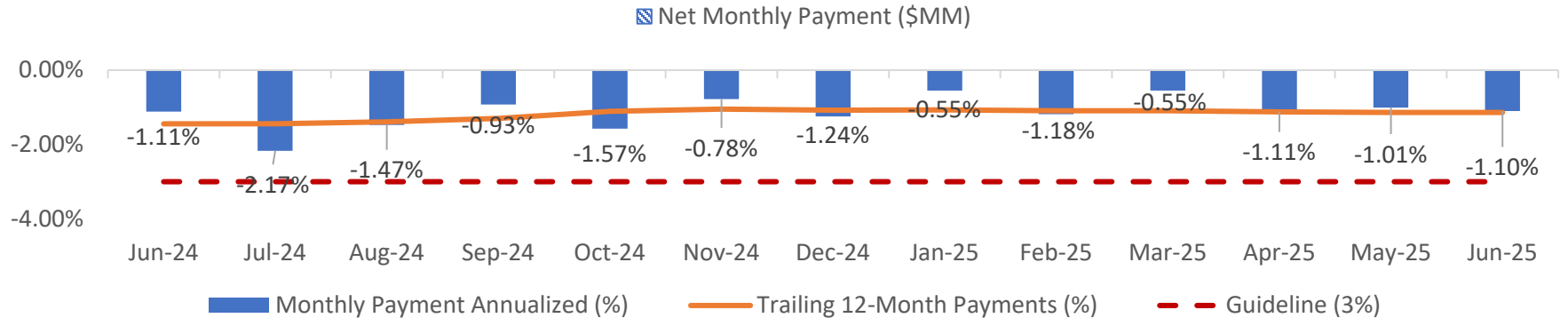
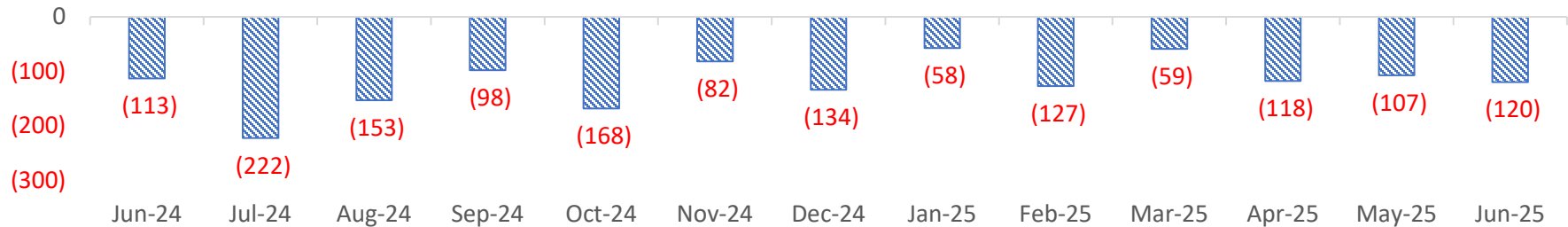


Section 4: Risk Metrics



Risk Statistics

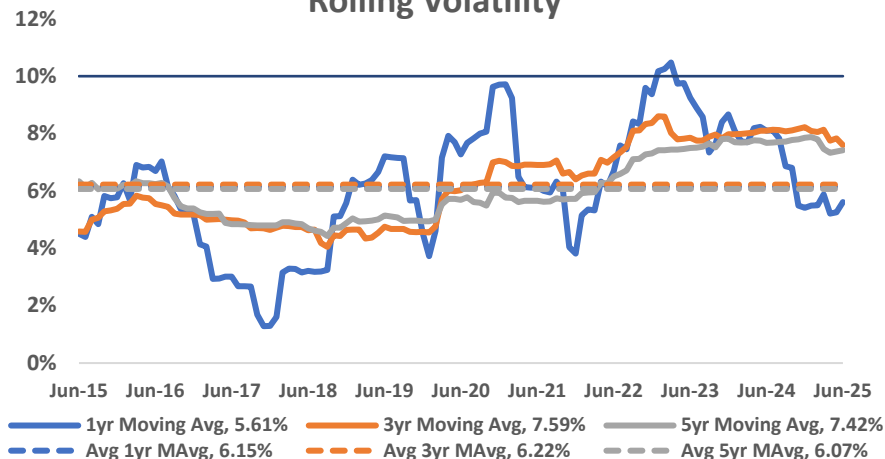
| Metric | 1 Year | | 3 Year | | 5 Year | | Policy Guidelines | |
|----------------------|--------|-------|---------|-------|---------|-------|-------------------|--------|
| | Port | Bmk | Port | Bmk | Port | Bmk | 3yr Target | Status |
| Return | 9.94% | 9.49% | 7.79% | 8.11% | 6.71% | 7.08% | - | - |
| Volatility | 5.61% | 5.66% | 7.59% | 8.55% | 7.42% | 8.62% | <10% | Pass |
| Sharpe Ratio | 0.94 | 0.85 | 0.41 | 0.40 | 0.52 | 0.49 | >0.40 | Pass |
| Value Add | 0.45% | -- | (0.32%) | -- | (0.36%) | -- | -- | -- |
| Tracking Error | 0.52% | -- | 1.26% | -- | 1.50% | -- | 0.50-1.50% | Pass |
| Information Ratio | 0.83 | -- | (0.25) | -- | (0.24) | -- | >0.30 | Fail |
| Beta - Equity Market | 0.51 | 0.50 | 0.49 | 0.56 | 0.47 | 0.55 | <0.60 | Pass |
| Beta - Bond Market | 0.53 | 0.56 | 0.84 | 0.95 | 0.81 | 0.91 | <0.30 | Fail |





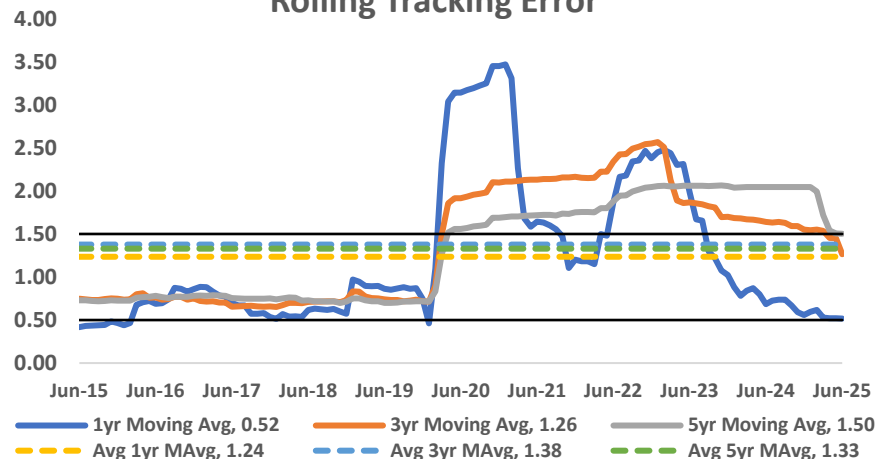
NCRS Net of Fees Risk Metrics As of June 30, 2025

Rolling Volatility



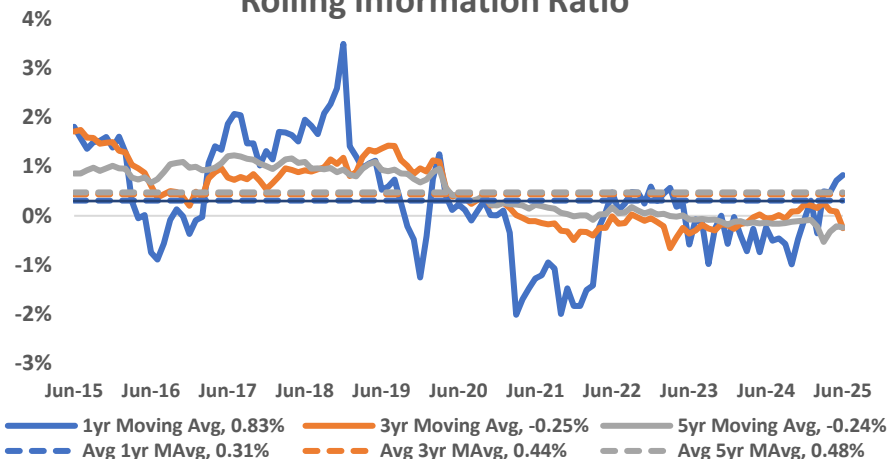
@FactSet Research Systems

Rolling Tracking Error



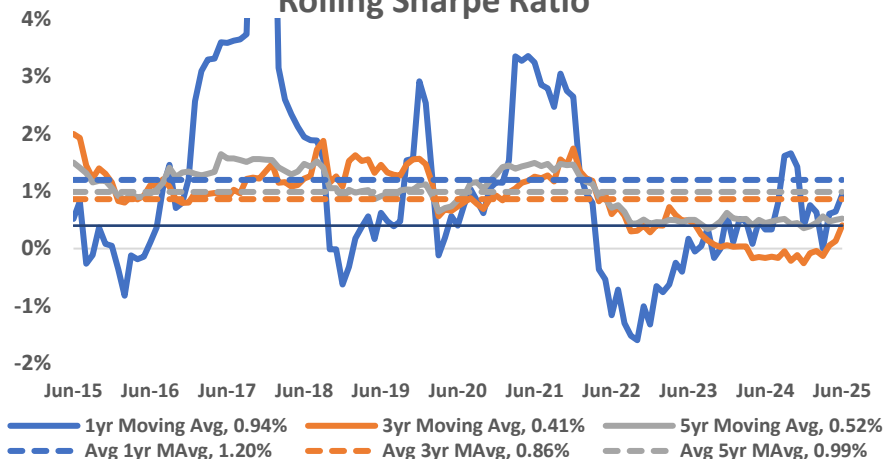
@FactSet Research Systems

Rolling Information Ratio



@FactSet Research Systems

Rolling Sharpe Ratio



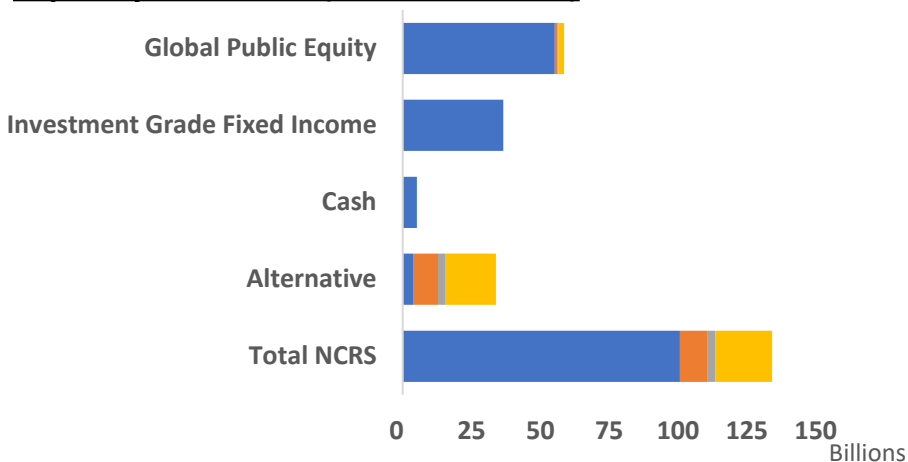
@FactSet Research Systems



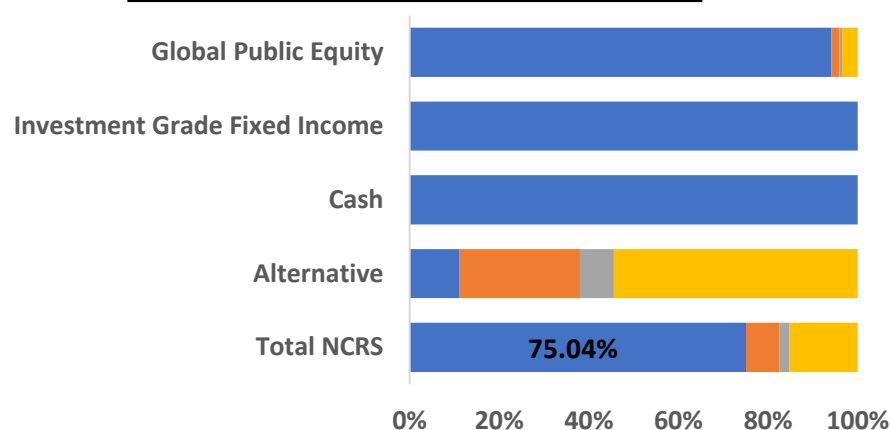
NCRS Liquidity Profile

As of June 30, 2025

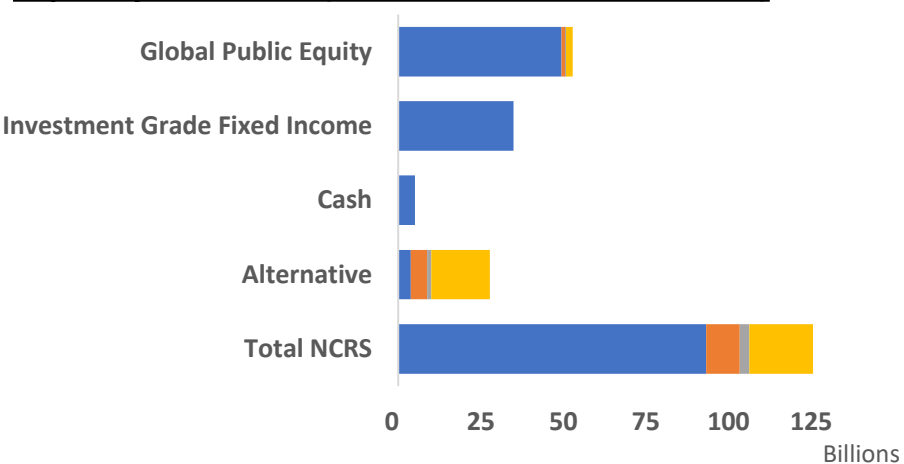
Liquidity Allocation (\$ Market Value)



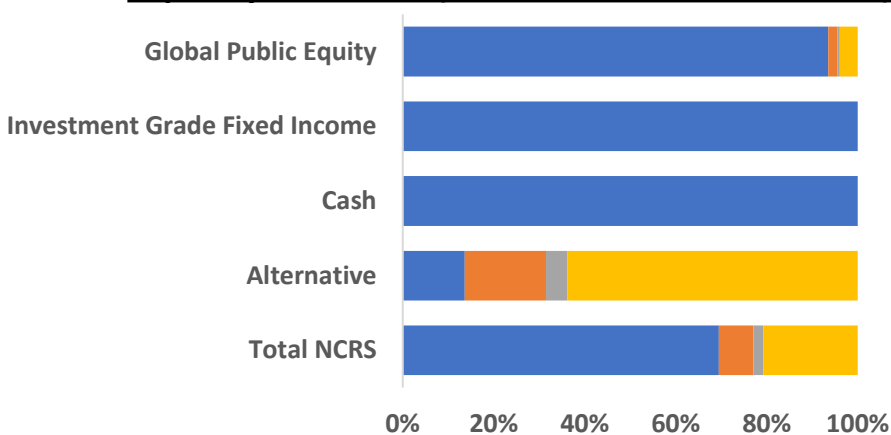
Liquidity Allocation (% Market Value)



Liquidity Allocation (\$ Market Value + Unfunded)



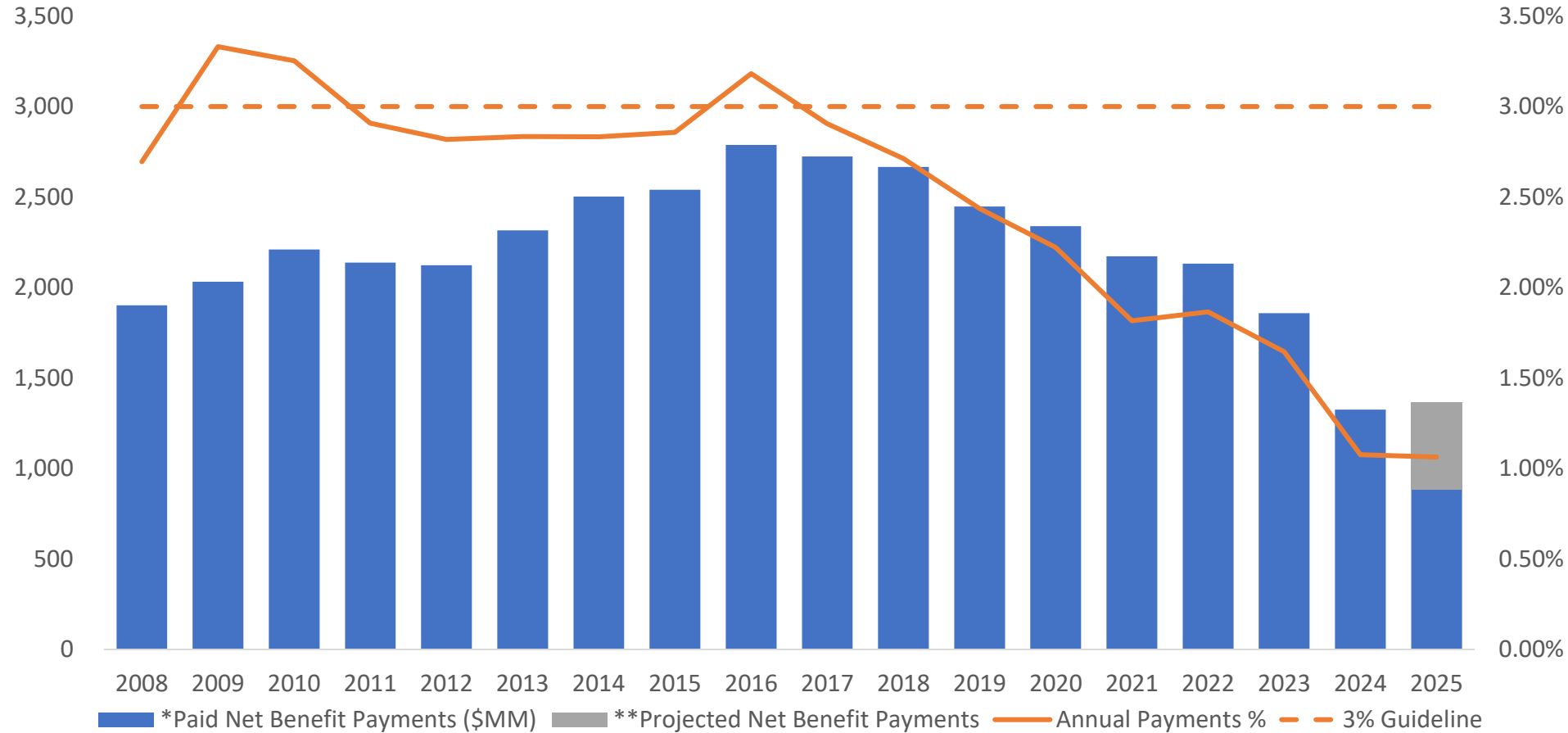
Liquidity Allocation (% Market Value + Unfunded)





NCRS Liquidity Profile

Net benefit payments by calendar year



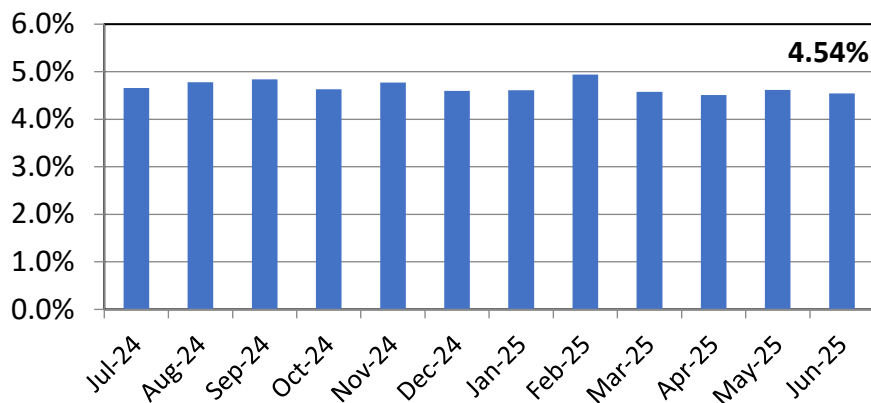
*Benefit payments exclude transfers from the Retiree Health Premium Fund as of January 1, 2022

**Projected Net Benefit Payments for remainder of calendar year

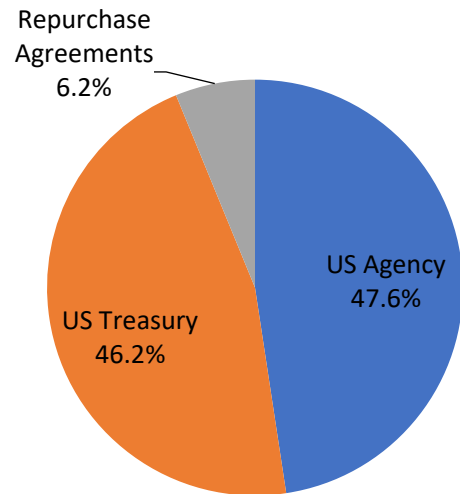


Cash Management Risk Profile

Historical Annualized Net Cash Return



STIF Allocation



Portfolio Characteristics

Month ending 06/30/25

| | |
|------------------------------------|--------|
| Current Annualized Net Cash Return | 4.54% |
| Effective Duration | .62 |
| Average Maturity (Yrs) | 2.1 |
| Average Credit Rating (Moody's) | Aa1 |
| Average Price | 100.00 |
| Average Coupon | 4.18% |

STIF Liquidity Profile as of 6/30/25

| | Allocation | Policy Target |
|-------------------|------------|---------------|
| Maturity < 1 Year | 54.6% | 40% Min |
| Maturity 1-3 Year | 8.6% | 40% Max |
| Maturity 3-5 Year | 36.7% | 40% Max |

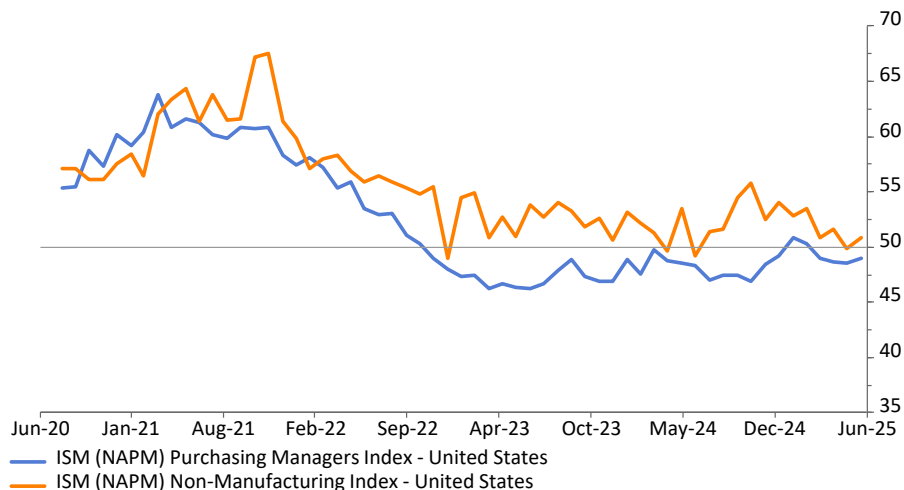


Appendix 1: Macro Charts



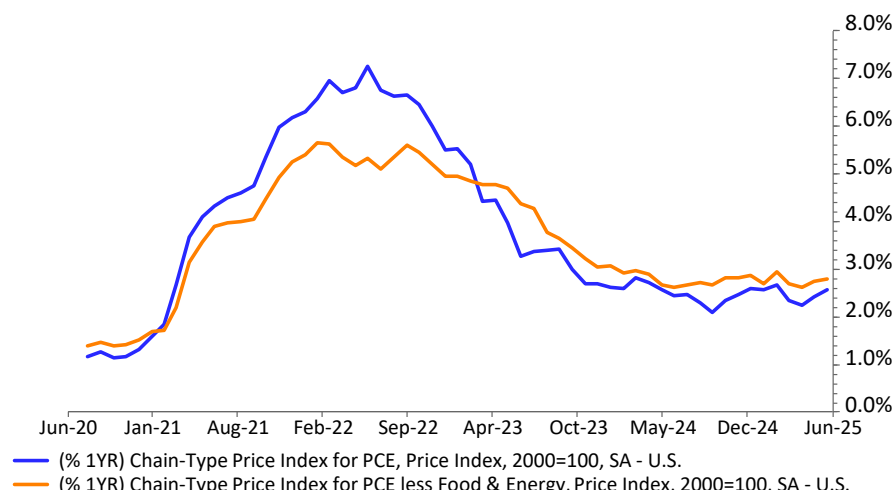
US and Global Economic Environment

ISM Report on Business



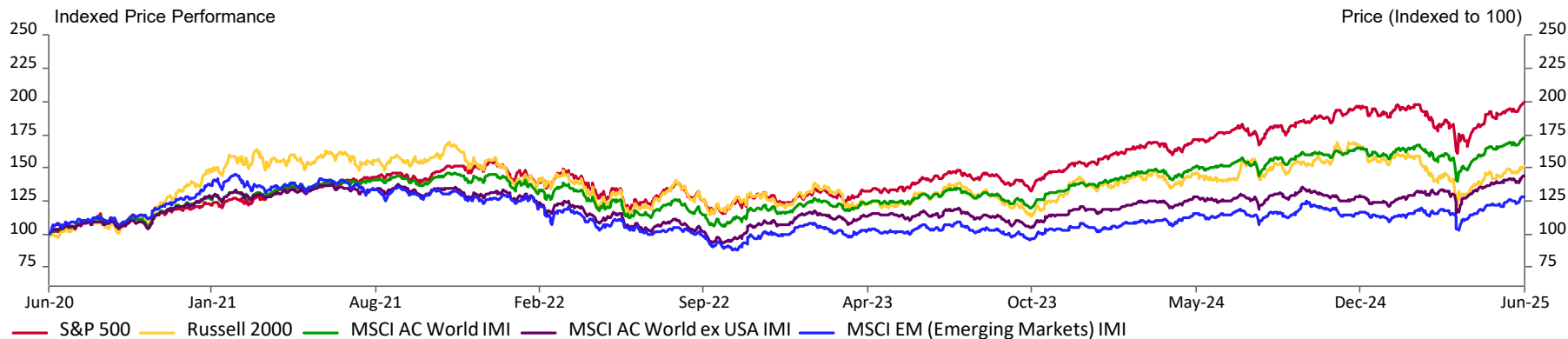
©FactSet Research Systems

US PCE Inflation



©FactSet Research Systems

S&P 500 vs. Peers

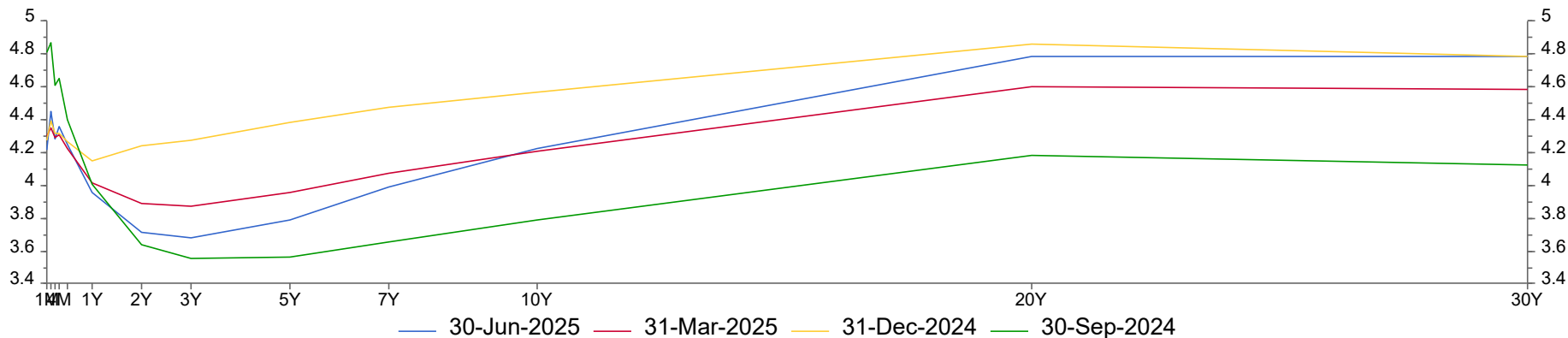


Source: FactSet Prices



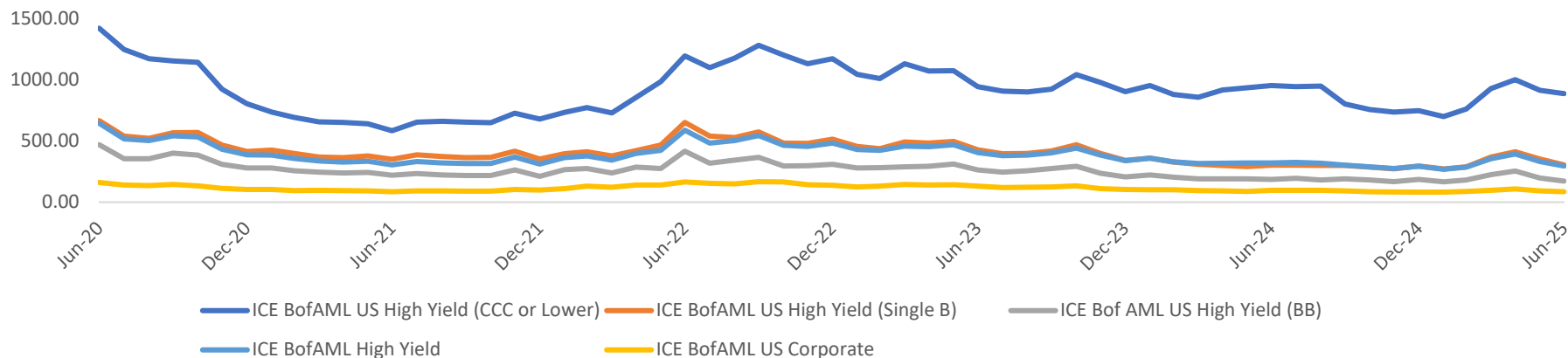
Market Environment

United States Treasury Yield Curve



Source: FactSet Interest Rate Database

Corporate Credit OAS (ICE BAML Indices)

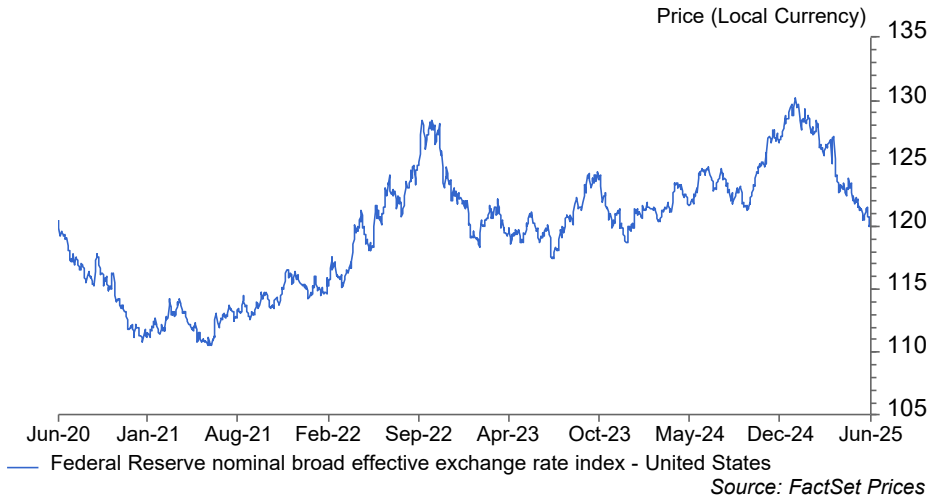


Source: ICE BAML

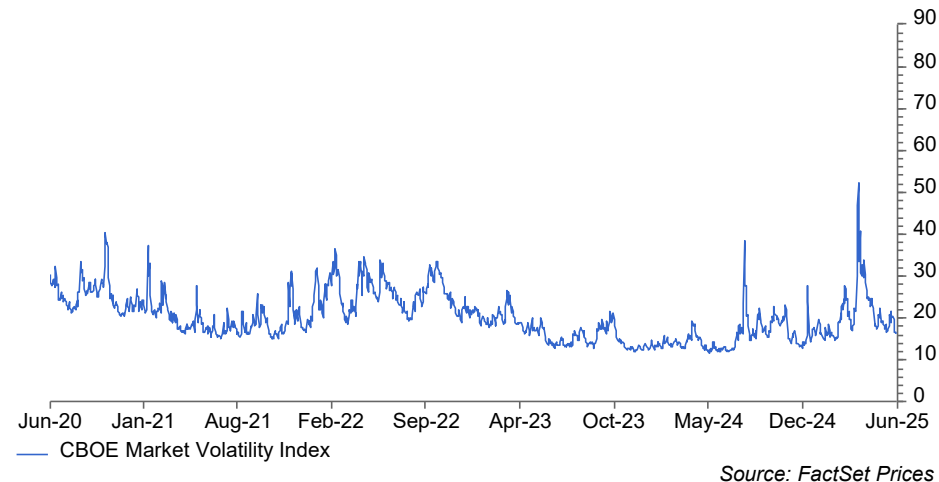


Market Environment

Closing Price Fed Nominal Broad Dollar Index



Closing Price CBOE VIX Index



| Countries | Real GDP YoY | | Unemployment | | CPI YoY | | Countries | Real GDP YoY | | Unemployment | | CPI YoY | |
|---------------|--------------|-------|--------------|-------|---------|-------|---------------------------|--------------|-------|--------------|-------|---------|-------|
| | Date | Value | Date | Value | Date | Value | | Date | Value | Date | Value | Date | Value |
| U.S. | 06/25 | 2.0 | 06/25 | 4.1 | 06/25 | 2.7 | Asia/Pacific/Latam | | | | | | |
| Europe | | | | | | | China | 06/25 | 5.2 | | | 06/25 | 0.1 |
| Germany | 06/25 | 0.4 | 06/25 | 6.3 | 06/25 | 2.0 | India | 03/25 | 7.4 | | | 06/25 | 2.6 |
| France | 06/25 | 0.7 | 06/25 | 7.0 | 06/25 | 1.0 | Japan | 03/25 | 1.7 | 06/25 | 2.5 | 06/25 | 3.3 |
| U.K. | 03/25 | 1.3 | 05/25 | 4.7 | 06/25 | 3.6 | Indonesia | 06/25 | 5.1 | | | 06/25 | 1.9 |
| Italy | 06/25 | 0.4 | 06/25 | 6.3 | 06/25 | 1.7 | Brazil | 03/25 | 2.9 | | | 06/25 | 5.4 |
| Spain | 06/25 | 2.8 | 06/25 | 10.4 | 06/25 | 2.3 | Australia | 03/25 | 1.3 | 06/25 | 4.3 | 06/25 | 2.1 |

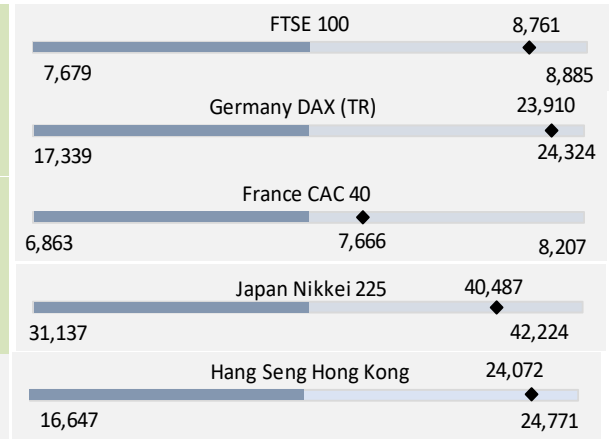
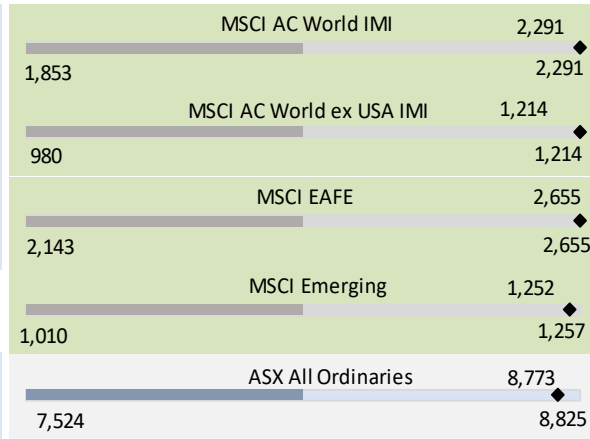
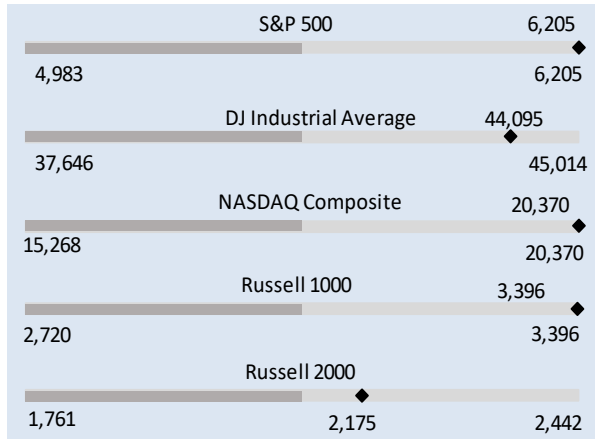
Source: Bloomberg



Economic Environment

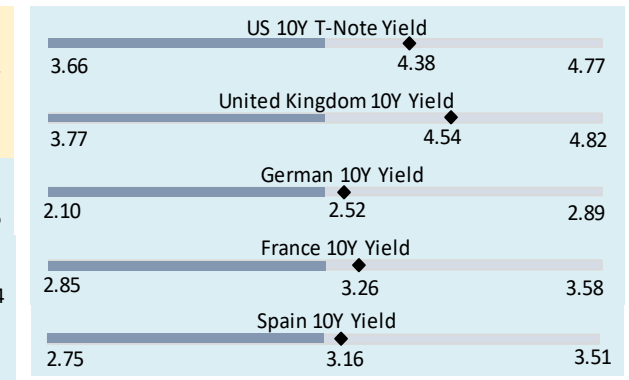
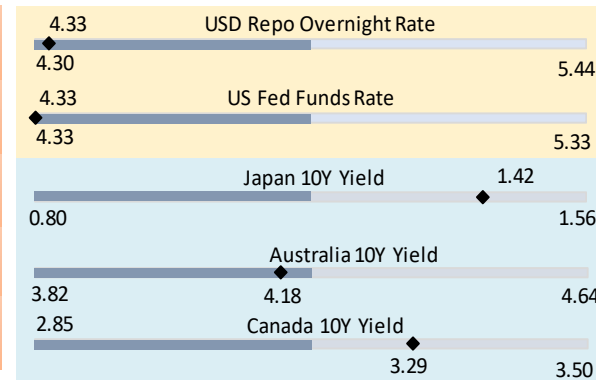
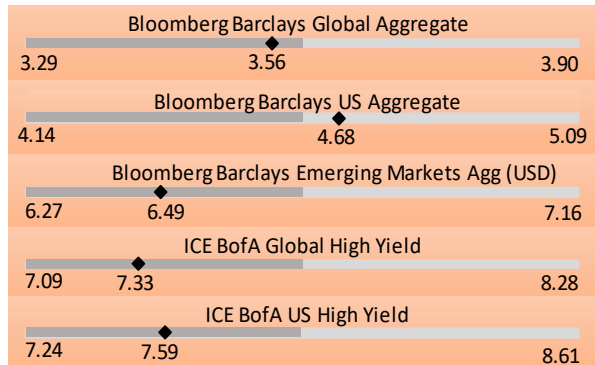
Index 52 Week range as of June 30, 2025

Price



Source: Factset Prices

Yield



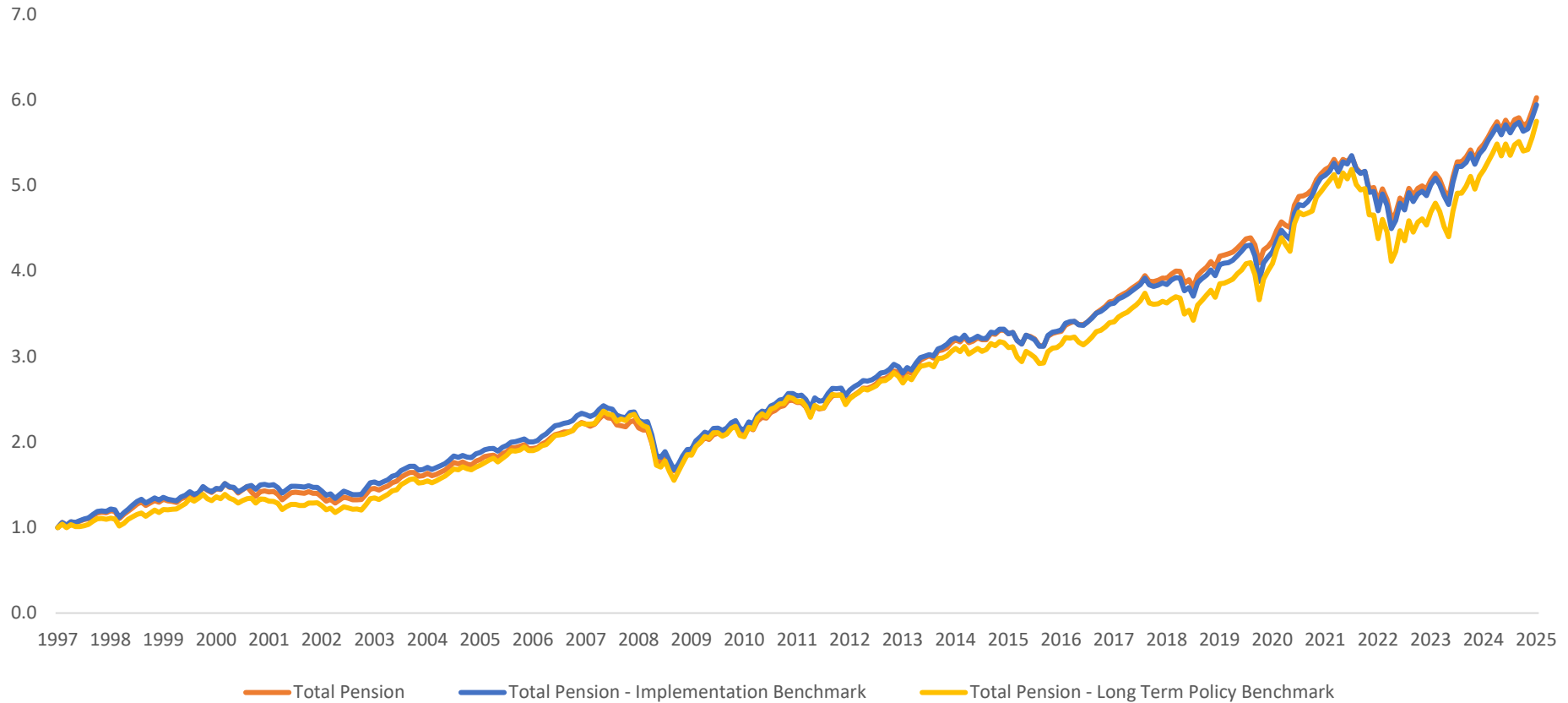
Source: Factset Interest Rate Database



Appendix 2: Other Portfolio Information and Asset Class Performance/Characteristics



Growth of a Dollar Through June 30, 2025



Notes:

Implementation Benchmark is a blend of the Asset Class Benchmarks at policy weights. It is currently weighted as follows: 58% Growth Benchmark, 29% Rates & Liquidity Benchmark, 11% Inflation Sensitive & Diversifiers Benchmark, and 2% Multi-Strategy Benchmark.

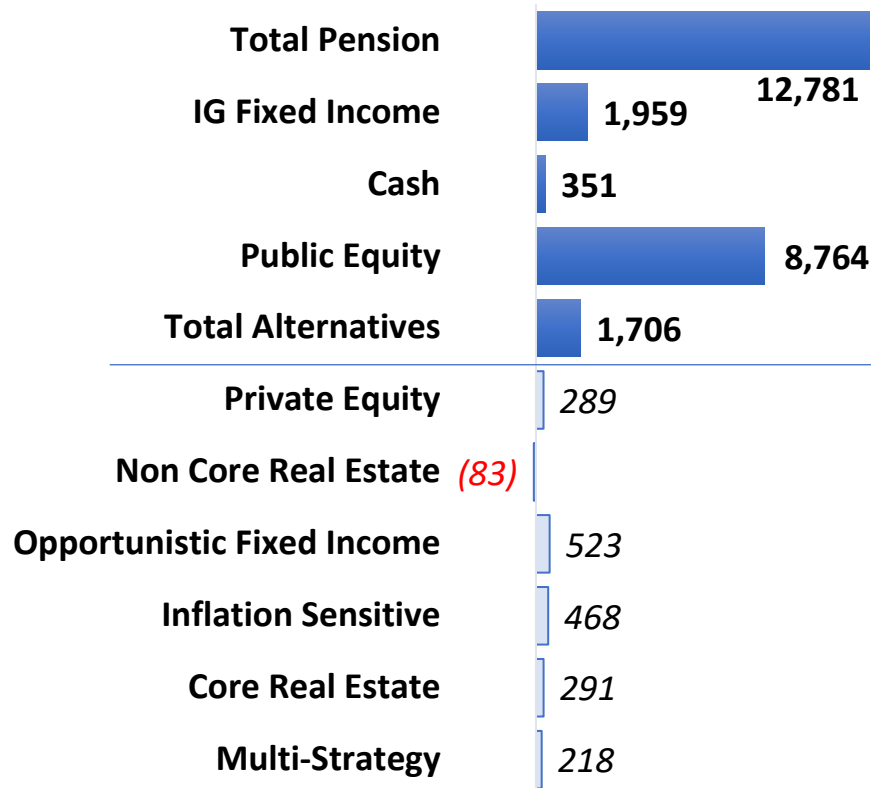
Long-Term Policy Benchmark is comprised of 57% MSCI ACWI IMI Net, 33% ICE BofA 5+ Years U.S. Treasury Index, 6% Bloomberg Commodity Index, and 4% ICE BofA 1-3 Years U.S. Inflation-Linked Treasury Index.



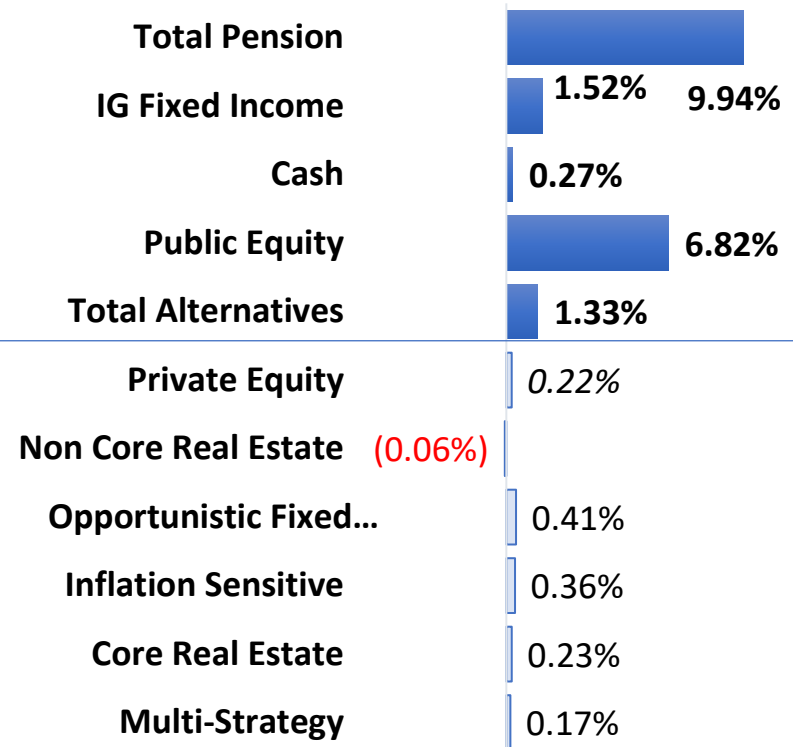
Estimated Contribution to Total Plan Return – 1 Year

As of June 30, 2025

Contribution to Total Plan \$ Earnings



Contribution to Total Plan % Returns



Notes:

1.) Estimated Contributions are based on average market value and the total return for the period.

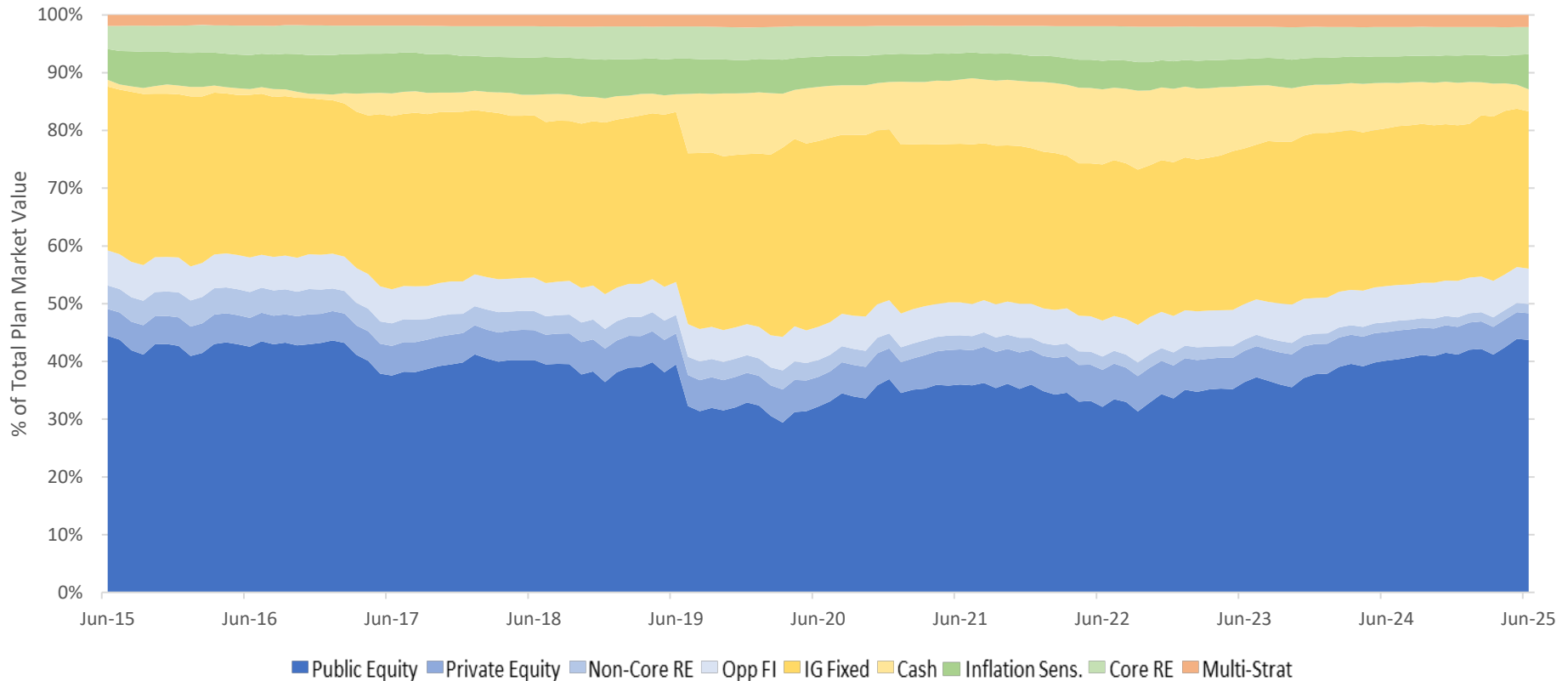
Contribution to Total Plan \$ Earnings = Average \$ Market Value * % Total Return for each asset class

Contribution to Total Plan % Returns = Average Market Value % weight * % Total Return for each asset class

2.) Alternatives for this analysis include the following: Private Equity, Non-Core Real Estate, Opportunistic Fixed Income, Inflation Sensitive, Core Real Estate, and Multi-Strategy investments.

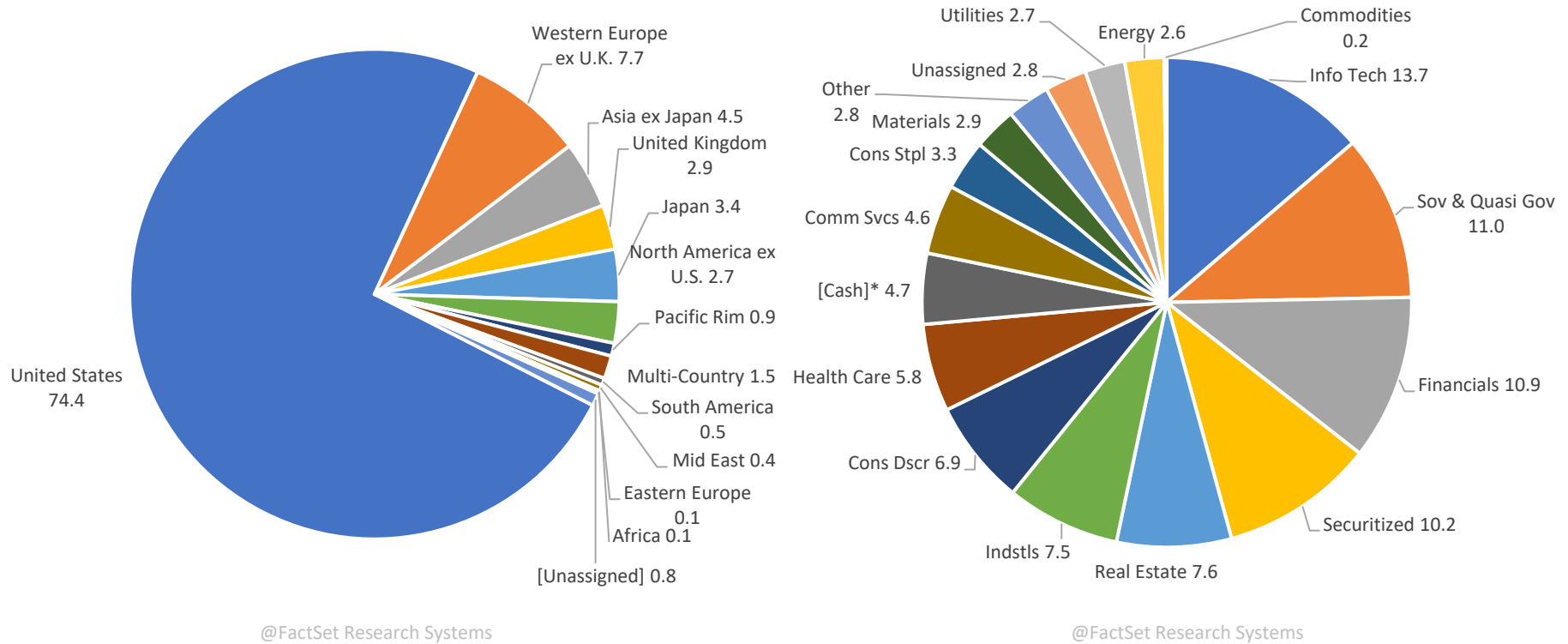


Asset Allocation History as of June 30, 2025





Portfolio Geographical and Sector Exposures



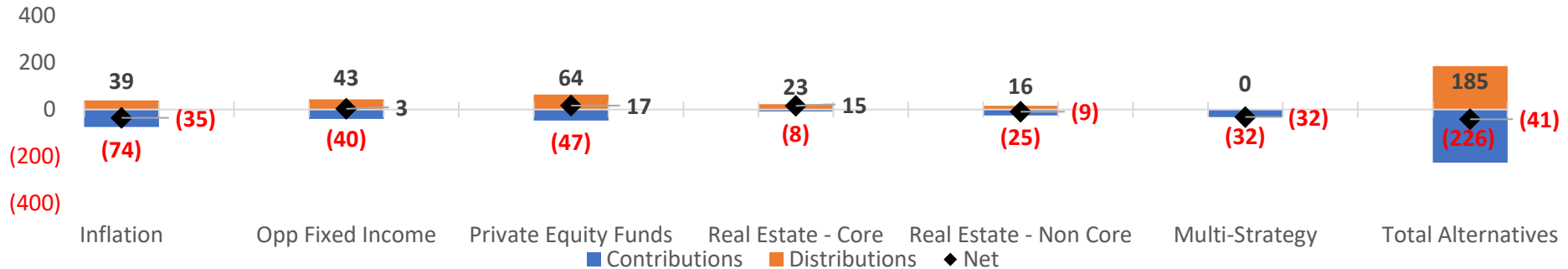
* This report is looking through the STIF account and classifying the underlying securities. [Cash] consists of money market funds, currency, liabilities and temporary cash entries.



NCRS Alternatives Liquidity Profile Through June 30, 2025

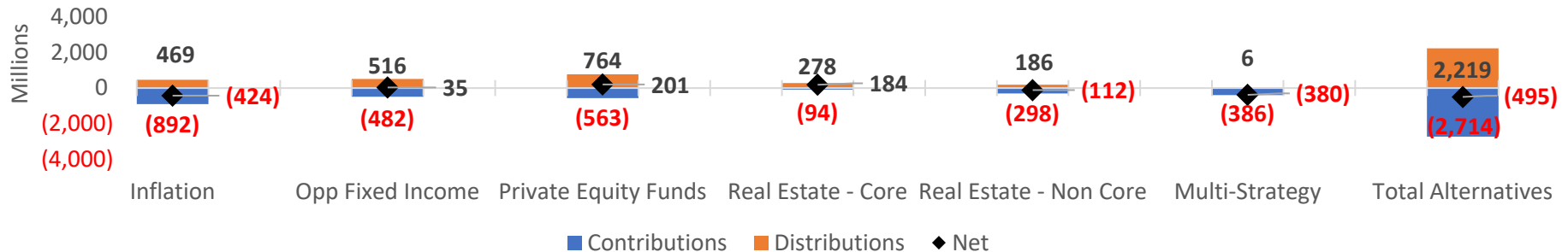
Prior 12-Months

Total Cash Flows by Alternative Asset Class (\$MM)



Prior 12-Months

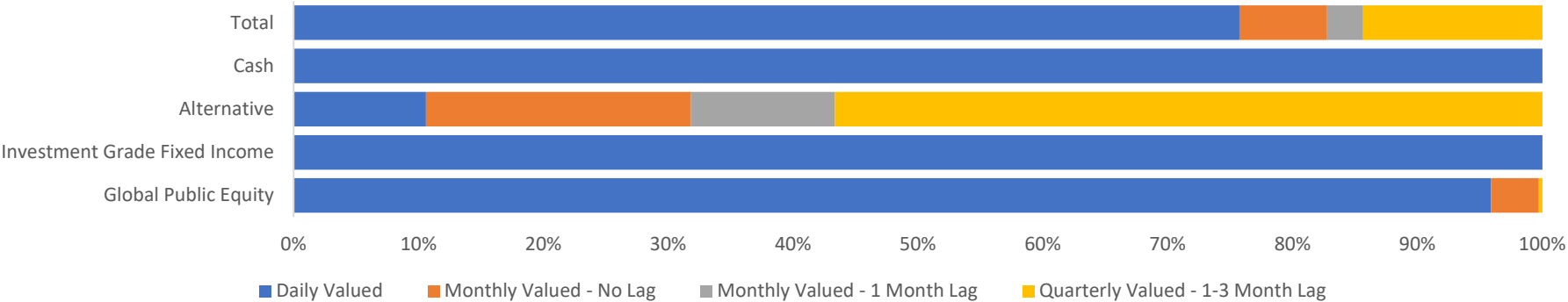
Average Monthly Cash Flows by Alternative Asset Class (\$MM)



NCRS Valuation Lag Profile

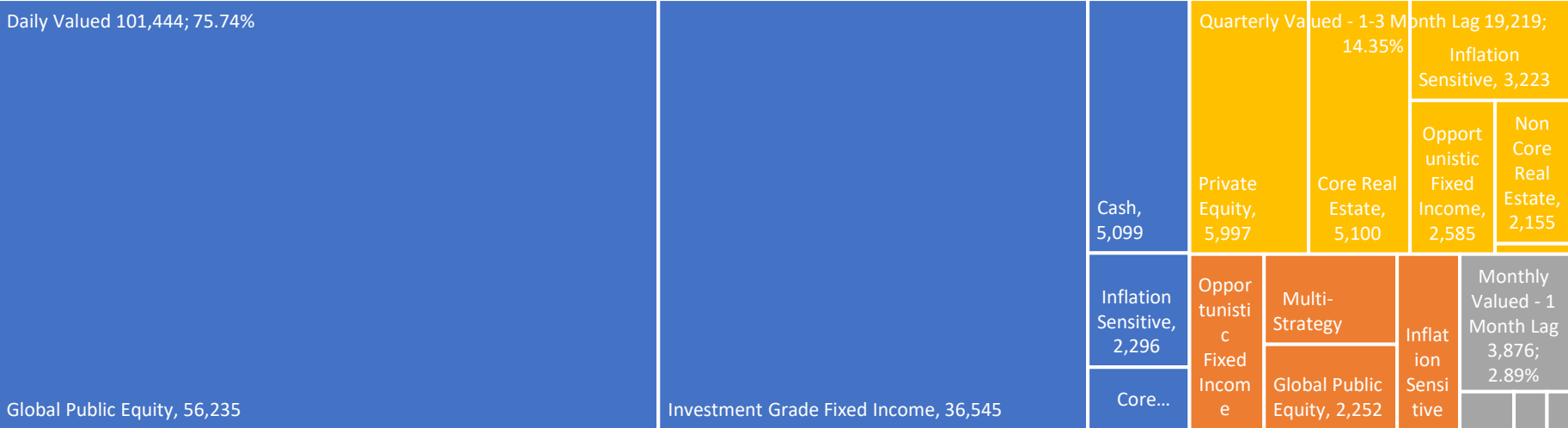
As of June 30, 2025

PORTFOLIO VALUATION LAG



VALUATION LAG BY PORTFOLIO

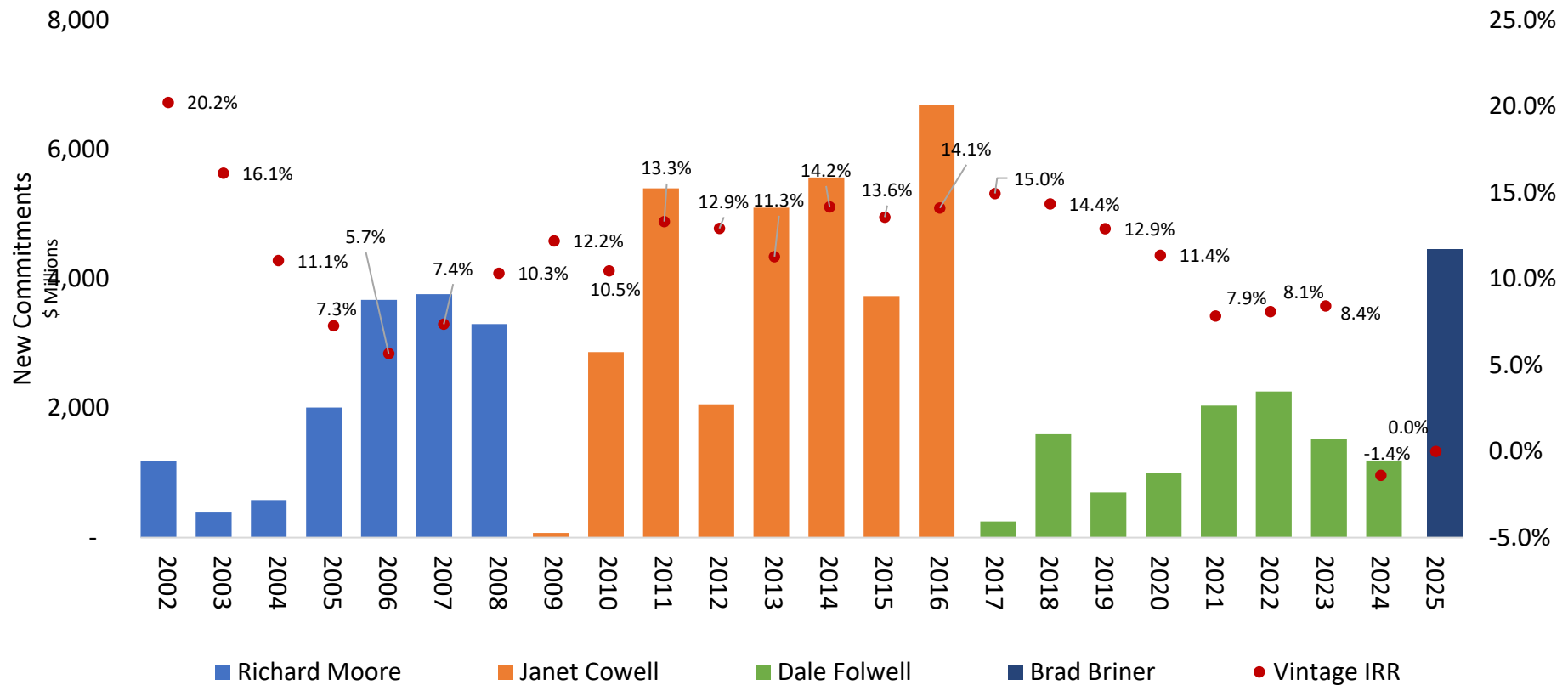
in Millions





Private Asset Class Commitments

By Calendar Year of Closing through June 30, 2025





Unfunded Investment Commitments

As of June 30, 2025

| <u>Asset Class</u> | <u>Unfunded Commitments (\$MM)</u> |
|-----------------------------------|------------------------------------|
| Public Equity | 0 |
| Private Equity | 2,652 |
| Non-Core Real Estate | 1,513 |
| Opportunistic Fixed Income | 1,624 |
| Inflation Sensitive | 1,377 |
| Core Real Estate | 287 |
| Multi Strategy | 0 |
| Total | 7,455 |



NCRS Strategy Breakout

As of June 30, 2025

| | Portfolio | Managers* | Active Funds |
|---|----------------------|-----------|--------------|
| ■ | Public Equity: | 10 | 26 |
| ■ | Pvt Equity: | 38 | 89 |
| ■ | Opportunistic FI: | 20 | 36 |
| ■ | Non-Core RE: | 16 | 57 |
| ■ | Investment Grade FI: | 1 | 6 |
| ■ | Pension Cash: | 1 | 1 |
| ■ | Inflation Sensitive: | 22 | 49 |
| ■ | Core RE: | 7 | 19 |
| ■ | Multi-Strategy: | 2 | 4 |



*Manager count consists of all manager accounts with a market value greater than \$5.0 million.



Top 20 Investment Managers

As of June 30, 2025

| # | Investment Manager | Market Value by Investment Program | | | | Total \$MV | % Total MV | % Total MV Cum. |
|-------|--------------------------------------|------------------------------------|---------------|----------------|----------------|-----------------|------------|-----------------|
| | | NCRS | Other | SRP | CASH MGMT | | | |
| 1 | Internal Fixed Income | 41,644,481,026 | - | - | 45,040,313,908 | 86,684,794,934 | 43.1% | 43.1% |
| 2 | Internal Equity | 31,202,164,160 | - | - | | 31,202,164,160 | 15.5% | 58.7% |
| 3 | BlackRock, Inc. | 11,975,854,350 | 2,764,675,714 | 7,724,865,417 | | 22,465,395,480 | 11.2% | 69.9% |
| 4 | Wellington Management | 4,797,221,351 | - | - | | 4,797,221,351 | 2.4% | 72.2% |
| 5 | Baillie Gifford | 3,375,557,208 | - | 1,415,870,888 | | 4,791,428,096 | 2.4% | 74.6% |
| 6 | Mondrian Investment Partners Limited | 3,326,851,097 | - | 1,375,842,668 | | 4,702,693,765 | 2.3% | 77.0% |
| 7 | Ares Management | 3,176,305,115 | - | - | | 3,176,305,115 | 1.6% | 78.6% |
| 8 | Walter Scott & Partners | 2,820,736,863 | - | - | | 2,820,736,863 | 1.4% | 80.0% |
| 9 | Rockwood Capital | 2,468,908,471 | - | - | | 2,468,908,471 | 1.2% | 81.2% |
| 10 | Gladius Capital Management LP | 2,367,883,967 | - | - | | 2,367,883,967 | 1.2% | 82.4% |
| 11 | ValueAct Capital | 2,250,370,777 | - | - | | 2,250,370,777 | 1.1% | 83.5% |
| 12 | Galliard Capital Management | - | - | 2,203,945,422 | | 2,203,945,422 | 1.1% | 84.6% |
| 13 | Blackstone Group | 2,075,958,167 | 5,074 | - | | 2,075,963,241 | 1.0% | 85.6% |
| 14 | DoubleLine Capital LP | 2,003,716,284 | - | - | | 2,003,716,284 | 1.0% | 86.6% |
| 15 | Angelo, Gordon & Co. | 1,915,446,384 | 13,408,030 | - | | 1,928,854,414 | 1.0% | 87.6% |
| 16 | HPS Investment Partners, LLC | 1,435,771,614 | - | - | | 1,435,771,614 | 0.7% | 88.3% |
| 17 | LBA Realty | 1,427,695,291 | - | - | | 1,427,695,291 | 0.7% | 89.0% |
| 18 | Earnest Partners | 933,988,005 | - | 388,693,507 | | 1,322,681,512 | 0.7% | 89.7% |
| 19 | Prudential Investment Management | - | - | 1,227,195,628 | | 1,227,195,628 | 0.6% | 90.3% |
| 20 | Trust Company of the West (TCW) | - | - | 1,225,167,664 | | 1,225,167,664 | 0.6% | 90.9% |
| | 85 Remaining Managers* | 14,897,737,328 | 156,426,442 | 3,274,134,603 | | 18,328,298,373 | 9.1% | 100.0% |
| Total | | 134,096,647,458 | 2,934,515,260 | 18,835,715,799 | 45,040,313,908 | 200,907,192,424 | 100.0% | |

*Manager count consists of all manager accounts with a market value greater than \$5.0 million and new, not yet funded, accounts.



NCRS Calendar Year Asset Class Return Diversification

As of June 30, 2025

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------------------|---------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Non-Core Real Estate 14.84% | Non-Core Real Estate 11.73% | Public Equity 24.44% | Private Equity 18.32% | Public Equity 27.91% | Public Equity 22.23% | Private Equity 48.03% | Inflation Sensitive 9.43% | Public Equity 22.3% | Public Equity 15.98% | Public Equity 10.23% |
| Private Equity 9.20% | Public Equity 7.33% | Multi-Strategy 13.58% | Non-Core Real Estate 13.32% | Total Pension 14.88% | Private Equity 18.86% | Opportunistic Fixed Income 17.46% | Non-Core Real Estate 6.6% | Multi-Strategy 10.31% | Opportunistic Fixed Income 9.74% | Total Pension 6.32% |
| Core Real Estate 8.28% | Inflation Sensitive 7.19% | Total Pension 13.53% | Inflation Sensitive 6.88% | Multi-Strategy 14.82% | Total Pension 11.30% | Non-Core Real Estate 16.75% | Core Real Estate 5.76% | Total Pension 10.18% | Multi-Strategy 8.18% | Multi-Strategy 4.87% |
| Multi-Strategy 0.85% | Opportunistic Fixed Income 7.09% | Non-Core Real Estate 12.40% | Opportunistic Fixed Income 5.69% | Core Real Estate 10.71% | IG Fixed Income & Cash 9.34% | Public Equity 14.51% | Pension Cash 1.22% | Opportunistic Fixed Income 9.67% | Total Pension 7.43% | IG Fixed Income & Cash 4.09% |
| Pension Cash 0.58% | Core Real Estate 6.68% | Private Equity 11.95% | Core Real Estate 5.67% | IG Fixed Income & Cash 10.33% | Opportunistic Fixed Income 2.85% | Core Real Estate 14.51% | Opportunistic Fixed Income (1.91%) | Inflation Sensitive 7.92% | Inflation Sensitive 7.34% | Private Equity 3.88% |
| Total Pension 0.29% | Total Pension 6.26% | Core Real Estate 10.12% | Pension Cash 1.88% | Non-Core Real Estate 9.93% | Pension Cash 1.06% | Inflation Sensitive 11.97% | Multi-Strategy (4.48%) | IG Fixed Income & Cash 5.92% | Pension Cash 5.11% | Core Real Estate 3.41% |
| IG Fixed Income & Cash 0.28% | Private Equity 6.05% | Inflation Sensitive 7.53% | IG Fixed Income & Cash (0.57%) | Private Equity 8.15% | Non-Core Real Estate 0.45% | Total Pension 9.71% | Private Equity (5.81%) | Pension Cash 4.44% | Private Equity 3.23% | Inflation Sensitive 2.71% |
| Public Equity (1.26%) | Multi-Strategy 6.00% | Opportunistic Fixed Income 7.05% | Total Pension (1.47%) | Opportunistic Fixed Income 3.61% | Core Real Estate (0.13%) | Multi-Strategy 7.74% | Total Pension (10.39%) | Private Equity 2.42% | IG Fixed Income & Cash 0.51% | Opportunistic Fixed Income 2.43% |
| Opportunistic Fixed Income (2.61%) | IG Fixed Income & Cash 3.24% | IG Fixed Income & Cash 4.42% | Multi-Strategy (4.79%) | Pension Cash 2.20% | Inflation Sensitive (3.50%) | Pension Cash 0.15% | IG Fixed Income & Cash (12.74%) | Core Real Estate (9.27%) | Core Real Estate (4.79%) | Pension Cash 2.25% |
| Inflation Sensitive (9.05%) | Pension Cash 0.98% | Pension Cash 1.12% | Public Equity (9.32%) | Inflation Sensitive 2.09% | Multi-Strategy (4.13%) | IG Fixed Income & Cash (1.84%) | Public Equity (20.5%) | Non-Core Real Estate (13.66%) | Non-Core Real Estate (10.69%) | Non-Core Real Estate (1.55%) |



NCRS Public Equity Net of Fees Performance

As of June 30, 2025

| | Market Value (\$MM) | 3 Month | 1 Year | 3 Years | 5 Years | 10 Years |
|---------------------------|------------------------|--------------|--------------|--------------|--------------|--------------|
| Public Equity | \$58,647 | 12.02 | 16.37 | 16.93 | 12.60 | 9.90 |
| Benchmark ² | | 11.62 | 15.89 | 16.80 | 13.35 | 9.51 |
| Domestic Portfolio | \$37,259 | 11.31 | 15.58 | 19.36 | 15.63 | 13.02 |
| Russell 3000 | | 10.99 | 15.30 | 19.08 | 15.96 | 12.96 |
| Non-US Portfolio | \$21,383 | 12.94 | 18.04 | 14.05 | 9.22 | 6.93 |
| Custom Benchmark | | 12.71 | 17.83 | 13.92 | 10.20 | 6.18 |

Russell 3000: Data is sourced from BNY Mellon

Non-US Custom Benchmark: As of October 2010, the Non U.S. Benchmark is the MSCI ACWI ex US IMI Net Index. Prior to October 2010, the Non-U.S. Benchmark was a blend of MSCI EAFE and MSCI Emerging Markets at policy weights. This data is also sourced from BNY Mellon



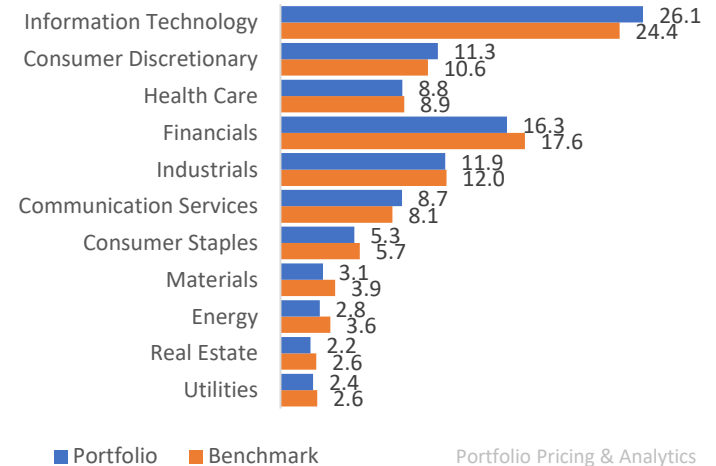
NCRS Public Equity Portfolio Characteristics

As of June 30, 2025

| Portfolio Characteristics | | |
|---------------------------|------------|---------------|
| | Portfolio | MSCI ACWI IMI |
| Price/Earnings | 22.2 | 21.1 |
| Dividend Yield | 1.6% | 1.8% |
| Price/Book | 3.4 | 3.0 |
| Market Capitalization | \$ 711,061 | \$ 668,697 |
| Return On Equity | 22.4% | 20.8% |

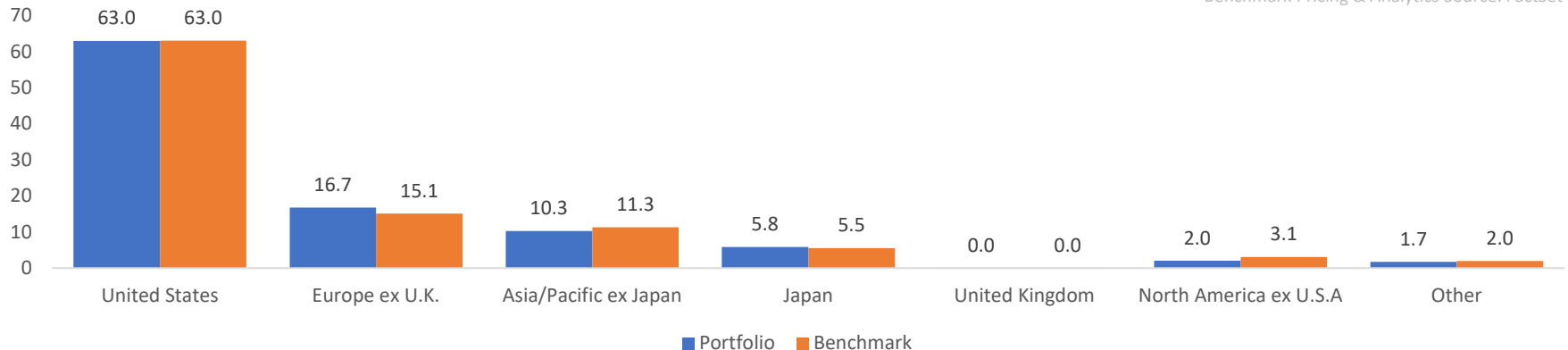
@FactSet Research Systems

Sector Allocation (%)



Portfolio Pricing & Analytics
Source: FactSet
Benchmark Pricing &
Analytics Source: FactSet

Total Equity Regional Allocation



Portfolio Pricing & Analytics Source: FactSet
Benchmark Pricing & Analytics Source: FactSet



NCRS Private Equity Portfolio

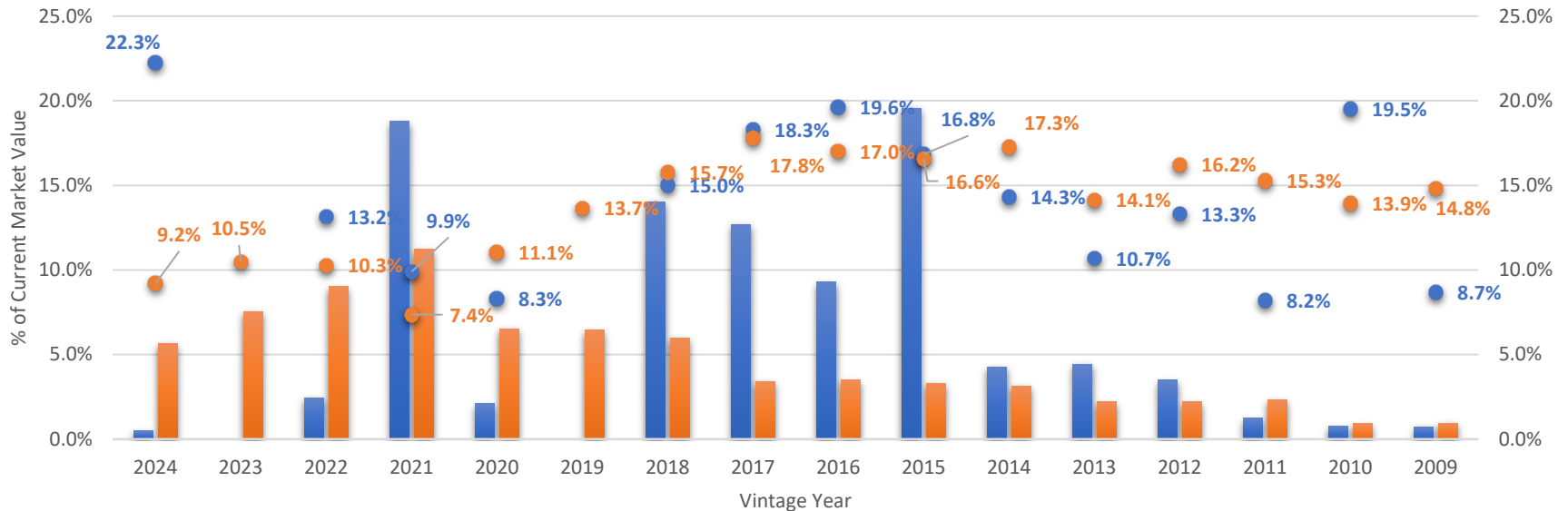
As of June 30, 2025

Net of Fees Performance (%)

| | Market Value (\$MM) | 3 Month | 1 Year | 3 Years | 5 Years | 10 Years |
|------------------------|---------------------|-------------|-------------|-------------|--------------|--------------|
| Private Equity | \$6,183 | 1.76 | 4.75 | 0.57 | 13.18 | 10.99 |
| Benchmark ³ | | 1.40 | 6.15 | 2.86 | 13.03 | 9.94 |

| | | | | | | |
|---------------------------|----------------|---------------|---------------|---------------|--------------|--------------|
| Buyout | \$1,942 | 0.22 | 4.08 | 1.62 | 14.87 | 11.75 |
| Growth | \$922 | (1.22) | (1.36) | (4.34) | 7.67 | 9.25 |
| Special Situations | \$2,840 | 3.81 | 8.20 | 3.61 | 15.71 | 10.52 |
| Fund of Funds | \$480 | 2.50 | 2.66 | (4.18) | 10.58 | 9.99 |

Total Private Equity - IRR and Current MV Weight (in bars) by Vintage (IRR on Right Axis)



IRR and MV Weights are as of 3/31/25 Reported Valuations

■ Port Wt ■ Burgiss Wt ● Port IRR ● Burgiss IRR

*Private Equity returns include a stock distribution account, in the amount of roughly \$2 million, which does not fall under any specific sub-section.



NCRS Private Equity Portfolio Structure

| Portfolio Component* | Target* | 6/30/25 | +/- | Maximum* |
|----------------------|---------|---------|---------|----------|
| Growth | 25% | 20.19% | -4.81% | 35% |
| Buyout | 45% | 34.66% | -10.34% | 60% |
| Special Situations | 30% | 45.15% | 15.15% | 45% |

* Portfolio Components come from the Investment Policy Statement for North Carolina Retirement Systems

*Private Equity returns include a stock distribution account, in the amount of roughly \$2.5 million, which does not fall under any specific sub-section.



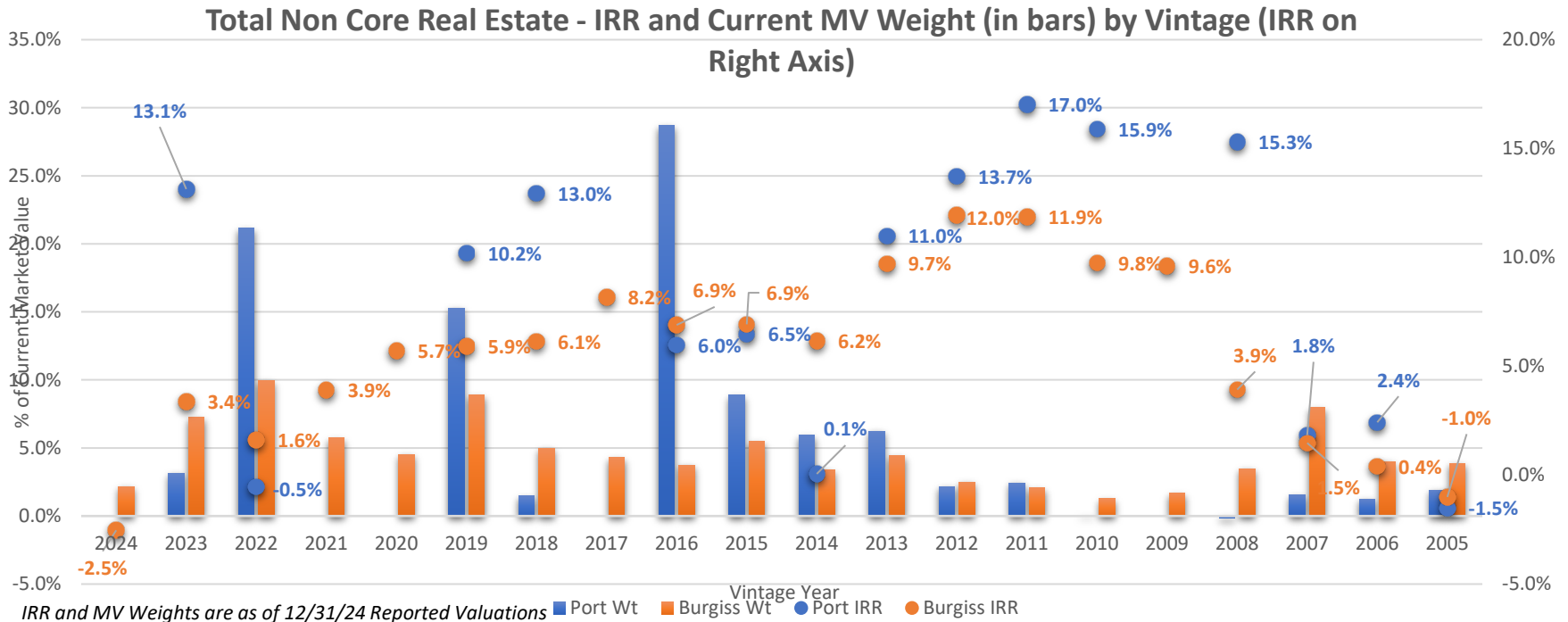
NCRS Non-Core Real Estate Portfolio

As of June 30, 2025

Net of Fees Performance (%)

| | Market Value (\$MM) | 3 Month | 1 Year | 3 Years | 5 Years | 10 Years |
|-----------------------------|---------------------|-------------|---------------|---------------|---------------|-------------|
| Non-Core Real Estate | \$2,155 | 0.70 | (3.90) | (9.93) | (0.52) | 4.52 |
| Benchmark ⁴ | | 0.47 | (2.73) | (3.75) | 3.19 | 4.39 |

| | | | | | | |
|----------------------|----------------|-------------|---------------|----------------|---------------|-------------|
| Opportunistic | \$1,802 | 0.60 | (3.59) | (8.93) | 0.51 | 4.94 |
| Value Add | \$353 | 1.47 | (5.78) | (16.66) | (6.36) | 1.49 |





NCRS Non-Core Real Estate Structure

| Portfolio Component* | Target* | 6/30/25 | +/- | Maximum* |
|----------------------|---------|---------|---------|----------|
| Value | 35% | 16.37% | -18.63% | 60% |
| Opportunistic | 65% | 83.63% | 18.63% | 90% |
| Special Situations | 0% | 0.00% | 0.00% | 30% |

* Portfolio Components come from the Investment Policy Statement for North Carolina Retirement Systems



NCRS Opportunistic Fixed Income Portfolio

As of June 30, 2025

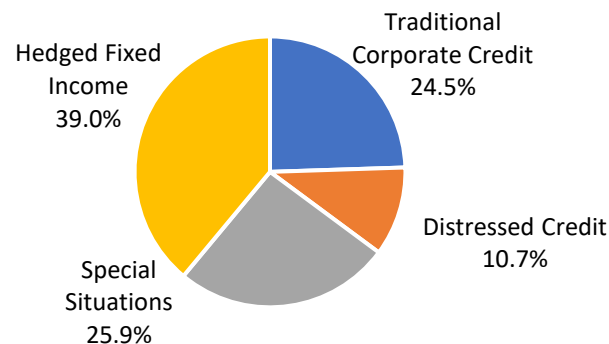
Net of Fees Performance (%)

| | Market Value (\$MM) | 3 Month | 1 Year | 3 Years | 5 Years | 10 Years |
|-------------------------------------|------------------------|-------------|--------------|-------------|--------------|-------------|
| Opportunistic Fixed Income | \$8,203 | 1.09 | 6.63 | 6.65 | 9.66 | 5.74 |
| Benchmark ⁵ | | 0.64 | 5.31 | 8.58 | 7.44 | 4.45 |
| Traditional Corporate Credit | \$2,008 | 0.52 | 5.93 | 7.22 | 8.77 | 6.05 |
| Distressed Credit | \$875 | 2.20 | 10.35 | 7.15 | 13.95 | 8.89 |
| Special Situations | \$2,124 | 1.86 | 7.34 | 7.44 | 10.45 | 7.69 |
| Hedged Fixed Income | \$3,196 | 0.69 | 5.71 | 5.59 | 8.96 | 4.46 |

IRR by Vintage Year (%)

| | <u>Pre 2010</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>Total</u> |
|------------|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| NCRS | 8.67 | 5.32 | 4.91 | 3.69 | 5.05 | 4.42 | 8.32 | 7.87 | 9.24 | N/A | 8.15 | 13.15 | 8.83 | 9.78 | 14.46 | 0.00 | 6.36 |
| # of Funds | 6 | 4 | 9 | 2 | 7 | 3 | 1 | 8 | 2 | N/A | 1 | 2 | 1 | 2 | 1 | 1 | 50 |

Strategy Allocation (Based on Valuation)





NCRS Opportunistic Fixed Income Portfolio Structure

| Portfolio Component* | Target* | 6/30/25 | +/- | Maximum* |
|------------------------------|---------|---------|---------|----------|
| Traditional Corporate Credit | 15% | 24.48% | 9.48% | 50% |
| Distressed Credit | 25% | 10.66% | -14.34% | 50% |
| Hedged Fixed Income | 45% | 38.96% | -6.04% | 75% |
| Special Situations | 15% | 25.90% | 10.90% | 75% |

* Portfolio Components come from the Investment Policy Statement for North Carolina Retirement Systems



NCRS Rates & Liquidity Portfolio

As of June 30, 2025

Net of Fees Performance (%)

| | Market Value (\$MM) | 3 Month | 1 Year | 3 Years | 5 Years | 10 Years |
|------------------------------|------------------------|-------------|-------------|-------------|---------------|-------------|
| Rates & Liquidity | \$41,644 | 1.09 | 5.47 | 3.05 | 0.34 | 2.42 |
| Benchmark ⁶ | | 1.04 | 5.52 | 2.52 | (1.19) | 1.91 |
| IG Fixed Income | \$36,545 | 1.06 | 5.63 | 2.46 | (0.73) | 2.16 |
| Core Fixed Income | \$32,916 | 1.05 | 5.68 | 2.21 | (1.17) | 2.13 |
| IG Fixed Income Cash | \$2,641 | 1.14 | 4.78 | 3.87 | 2.44 | 1.90 |
| IG Short Credit | \$988 | 1.18 | 5.80 | - | - | - |
| Pension Cash | \$5,099 | 1.13 | 4.81 | 4.29 | 2.68 | 2.07 |

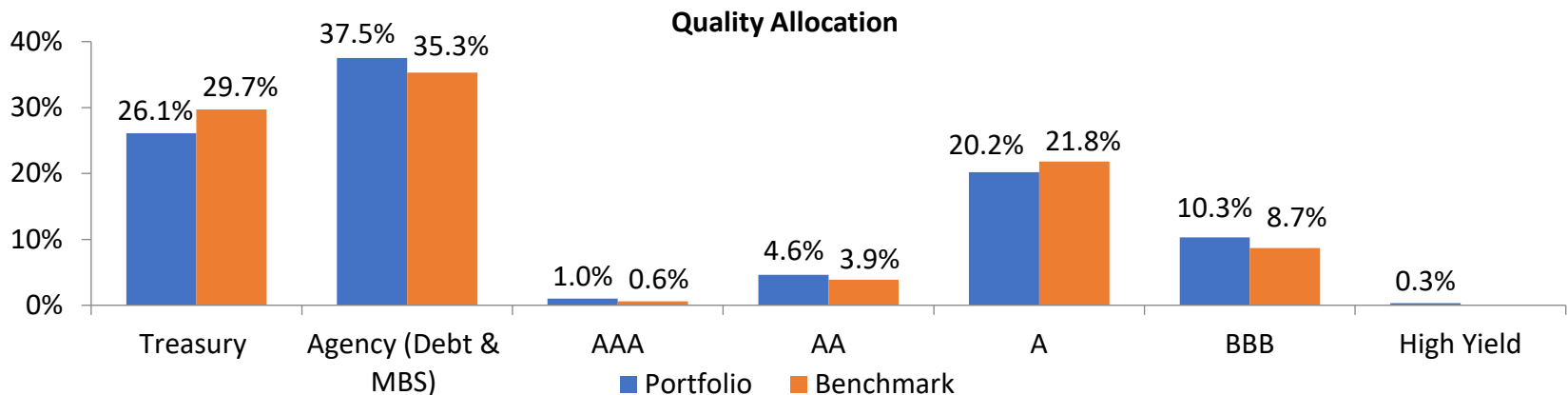
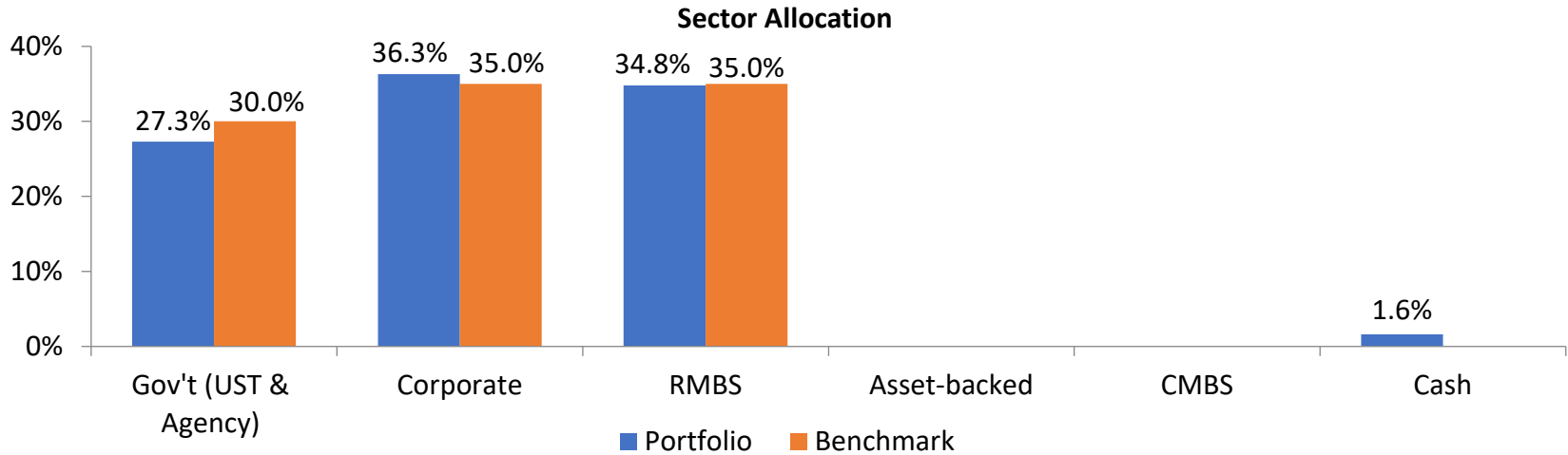
Core Fixed Income Portfolio Characteristics

| | <u>Avg. Coupon</u> | <u>Yield to Worst</u> | <u>Effective Duration</u> |
|--------------------------------|--------------------|-----------------------|---------------------------|
| Government (Treasury & Agency) | 3.5% | 4.4% | 10.6 |
| Corporate | 4.6% | 5.2% | 8.6 |
| Mortgage | 4.0% | 5.0% | 5.6 |
| Total | 4.1% | 4.9% | 8.1 |



NCRS Core Fixed Income Portfolio Characteristics

As of June 30, 2025



Benchmark: The Core Fixed Income Benchmark is a custom ICE BofA Core Investment Grade Index comprised of the following weightings: 30% ICE BofA 5+ Years Governments, 35% ICE BofA 5+ Years Investment Grade Corporates, and 35% ICE BofA Mortgage Master



NCRS Inflation Sensitive Portfolio

As of June 30, 2025

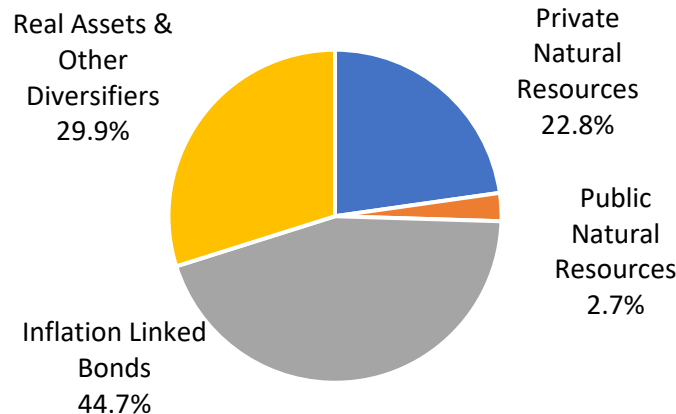
Net of Fees Performance (%)

| | Market Value (\$MM) | 3 Month | 1 Year | 3 Years | 5 Years | 10 Years |
|---|---------------------|---------------|-------------|---------------|--------------|-------------|
| Inflation Sensitive | \$8,114 | 0.84 | 6.87 | 6.33 | 8.98 | 5.20 |
| Benchmark ¹⁰ | | 1.00 | 6.23 | 4.73 | 6.41 | 3.39 |
| Private Natural Resources | \$1,847 | (0.01) | 5.48 | 7.42 | 11.18 | 5.13 |
| Public Natural Resources | \$221 | (2.58) | 6.03 | (0.58) | 12.99 | 1.60 |
| Inflation Linked Bonds | \$3,623 | 1.26 | 7.14 | 6.62 | 5.30 | 3.78 |
| Real Assets & Other Diversifiers | \$2,423 | 1.39 | 7.65 | 5.54 | 8.64 | 7.84 |

IRR by Vintage Year (%)

| | <u>Pre-2010</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>Total</u> |
|------------|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| NCRS | 2.15 | -4.80 | -5.71 | 5.09 | 7.10 | 7.05 | 8.70 | 4.24 | 8.02 | 17.84 | 21.36 | N/A | 15.00 | N/A | 4.94 | 31.45 | 1.50 | 2.95 |
| # of Funds | 8 | 3 | 9 | 7 | 11 | 12 | 4 | 3 | 1 | 3 | 2 | N/A | 5 | N/A | 2 | 2 | 2 | 74 |

Strategy Allocation (Based on Valuation)





NCRS Inflation Sensitive Portfolio Structure

| Portfolio Component* | Target* | 6/30/25 | +/- | Maximum* |
|----------------------------------|---------|---------|---------|----------|
| Inflation-Linked Bonds | 25% | 44.65% | 19.65% | 75% |
| Public Traded Natural Resources | 0% | 2.72% | 2.72% | 50% |
| Private Natural Resources | 50% | 22.76% | -27.24% | 75% |
| Other Real Assets & Diversifiers | 25% | 29.86% | 4.86% | 75% |

* Portfolio Components come from the Investment Policy Statement for North Carolina Retirement Systems



NCRS Core Real Estate Portfolio

As of June 30, 2025

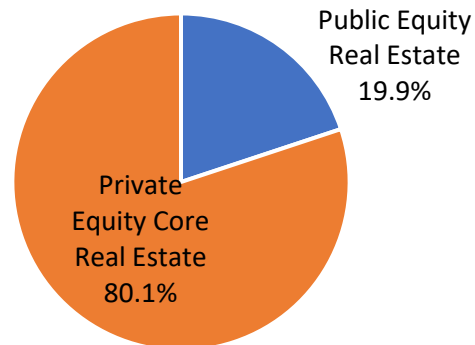
Net of Fees Performance (%)

| | Market Value (\$MM) | 3 Month | 1 Year | 3 Years | 5 Years | 10 Years |
|--|---------------------|-------------|--------------|---------------|-------------|-------------|
| Core Real Estate | \$6,368 | 2.14 | 4.65 | (3.66) | 2.40 | 4.55 |
| Benchmark ¹¹ | | 1.70 | 3.46 | (4.15) | 3.20 | 4.51 |
| Public Equity Real Estate | \$1,268 | 5.25 | 12.39 | 4.51 | 5.15 | 4.61 |
| Private Equity Core Real Estate | \$5,100 | 1.40 | 2.95 | (5.39) | 1.65 | 4.39 |

IRR by Vintage Year (%)

| | <u>Pre-2010</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>Total</u> |
|------------|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| NCRS | 6.51 | 23.62 | N/A | N/A | 4.17 | 3.07 | 1.84 | 6.21 | N/A | 15.77 | N/A | N/A | 4.04 | N/A | N/A | 5.76 |
| # of Funds | 13 | 1 | N/A | N/A | 2 | 6 | 2 | 9 | N/A | 1 | N/A | N/A | 3 | N/A | N/A | 37 |

Strategy Allocation (Based on Valuation)





NCRS Core Real Estate Portfolio Structure

| Portfolio Component* | Target* | 6/30/25 | +/- | Maximum* |
|---------------------------------------|---------|---------|--------|----------|
| Private Equity Core Real Estate | 80% | 80.09% | 0.09% | 90% |
| Private Equity Real Estate Securities | 20% | 19.91% | -0.09% | 40% |
| Special Situations | 0% | 0.00% | 0.00% | 30% |

* Portfolio Components come from the Investment Policy Statement for North Carolina Retirement Systems



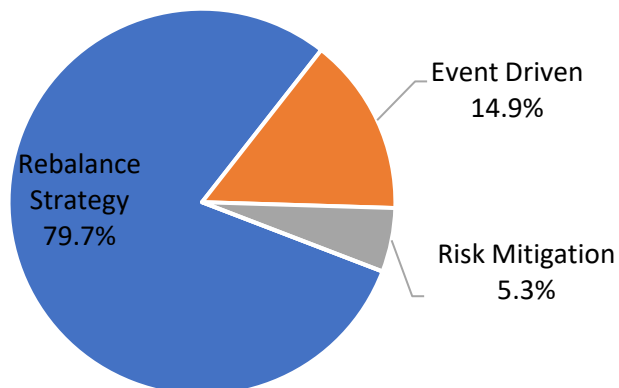
NCRS Multi-Strategy Portfolio

As of June 30, 2025

Net of Fees Performance (%)

| | Market Value (\$MM) | 3 Month | 1 Year | 3 Years | 5 Years | 10 Years |
|---------------------------|---------------------|-------------|--------------|-------------|--------------|-------------|
| Multi-Strategy | \$2,783 | 3.72 | 8.21 | 8.45 | 6.91 | 4.77 |
| Benchmark ¹² | | 3.28 | 5.95 | 5.52 | 4.13 | 3.44 |
| Rebalance Strategy | \$2,219 | 4.11 | 7.82 | 8.91 | 6.68 | 5.73 |
| Event Driven | \$415 | 0.86 | 10.57 | 7.88 | 11.23 | - |
| Risk Mitigation | \$149 | 6.19 | 7.87 | 3.87 | 0.19 | - |
| Volatility Trading | - | - | - | - | - | - |

Strategy Allocation (Based on Valuation)





Notes:

All data presented are based on currently available information at time of publication and may be revised subsequently.

1. The Growth Benchmark is a blend of the Public Equity Benchmark, Private Equity Benchmark, Non-Core Real Estate Benchmark, & Opportunistic FI Benchmark at policy weights.
2. The Public Equity Benchmark is a dynamically weighted combination of the MSCI ACWI IMI Net (Long-Only) and a beta adjusted MSCI ACWI IMI Net (Hedged Equity).
3. The Private Equity Benchmark is comprised of the following MSCI Private Capital indices: Effective 7/1/2022 at 45% Buyout, 25% Venture Capital, and 30% Distressed.
4. The Non-Core Real Estate Benchmark is comprised of the following MSCI Private Capital indices: 80% U.S. Non-Core Real Estate (Opportunistic and Value-Added) and 20% Non-U.S. Non-Core Real Estate (Opportunistic and Value-Added).
5. The Opportunistic Fixed Income Benchmark is comprised of 50% HFRX Distressed Securities Index, 20% HFRX Relative Value Index, 15% Credit Suisse Leveraged Loan Index, and 15% ICE BofA High Yield Index.
6. The Rates & Liquidity Benchmark is a blend of the IG Fixed Income & Cash Benchmark and the Pension Cash Benchmark at policy weights.
7. The IG Fixed Income & Cash Benchmark is comprised 10% iMoneyNet First Tier Institutional Money Market Funds Net Index and 90% custom ICE BofA Core Investment Grade Index. The custom ICE BofA core index comprised of the following weightings: 30% ICE BofA 5+ Years Governments, 35% ICE BofA 5+ Years Investment Grade Corporates, and 35% ICE BofA Mortgage Master.
8. The Pension Cash Benchmark is the iMoneyNet First Tier Institutional Money Market Funds Net Index.
9. The Inflation Sensitive & Diversifiers Benchmark is a blend of the Inflation Sensitive Benchmark and the Core Real Estate Benchmark at policy weights.
10. The Inflation Sensitive Benchmark is the dynamically weighted combination of the ICE BofA 1-3 Years U.S. Inflation-Linked Treasury Index (TIPS), the Bloomberg Commodities Index (Commodities), and a combination of the benchmarks of investments classified within Private Natural Resources or Other Real Assets and Diversifiers.
11. The Core Real Estate Benchmark is comprised of 80% Custom NCREIF ODCE Net Index and 20% FTSE EPRA NAREIT Global Index.
12. The Multi-Strategy Benchmark is comprised of a dynamically weighted combination of the HFRX ED: Multi-Strategy Index, net of fees, and the market value weighted benchmarks for any other total fund strategies within the Portfolio.
13. The Implementation Benchmark is a blend of the Asset Class Benchmarks at policy weights. It is currently weighted as follows: 58% Growth Benchmark, 29% Rates & Liquidity Benchmark, 11% Inflation Sensitive & Diversifiers Benchmark, and 2% Multi-Strategy Benchmark.
14. The Long-Term Policy Benchmark is comprised of 57% MSCI ACWI IMI Net, 33% ICE BofA 5+ Years U.S. Treasury Index, 6% Bloomberg Commodity Index, and 4% ICE BofA 1-3 Years U.S. Inflation-Linked Treasury Index.



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