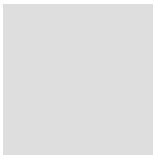
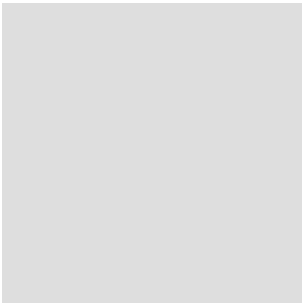
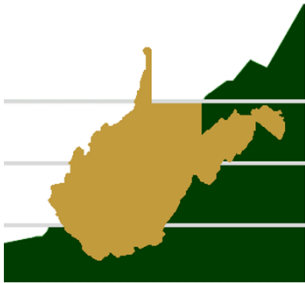


West Virginia Investment Management Board

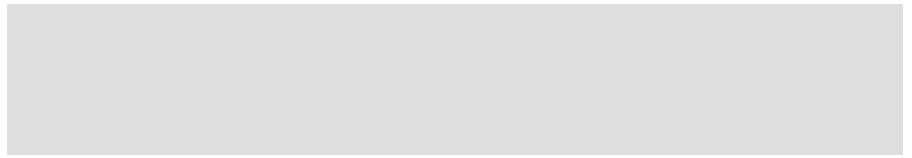
2025 ANNUAL REPORT





ANNUAL REPORT

Year Ended June 30, 2025



Our mission is to exercise our best independent judgment in providing prudent and professional investment management for the exclusive benefit of the beneficiaries.

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Definition of Terms and Abbreviations

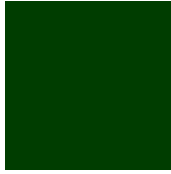
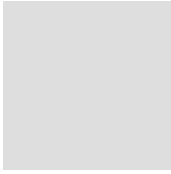
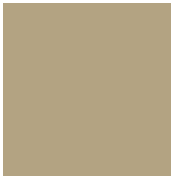
The following terms and abbreviations are used throughout the West Virginia Investment Management Board's Annual Report and are listed here to help with the overall understanding and readability of this document.

Allocation Committee	The Allocation Committee is a committee of the West Virginia Investment Management Board's general investment consultant, as approved by the Board, and the West Virginia Investment Management Board's investment officers: The Executive Director, who is also the Chief Investment Officer, and the Investment Officers with specific asset class responsibilities. The Allocation Committee is permitted to make adjustments within set ranges around the Strategic Allocation, based upon current market conditions and forward-looking market views.
Base Allocation	The allocation between the three major asset classes – global equity, fixed income, and cash – whose purpose is to serve as return generators, or diversifiers, or some combination of both.
Board	The thirteen-member Board of Trustees that governs the West Virginia Investment Management Board.
Cap	Abbreviation for “capitalization,” referring to the size of the investment market for that particular asset style.
Neutral Target	The absolute percentage weighting assigned to an asset class or the secondary components within an allocation to which rebalancing should ultimately occur in the absence of an Allocation Committee modification.
Participant Plan (Participant or Plan)	A specific group of assets entrusted to the West Virginia Investment Management Board. Retirement plans, endowments, and insurance trusts, for example, are all Participant Plans.
Pool	Refers to the specific investment pool created and operated by the West Virginia Investment Management Board for a specific investment asset class.
Range Allocation	The Board has placed ranges (Allocation Ranges) around the Strategic Allocation to maintain appropriate risk controls. Allocation decisions made by the Allocation Committee are defined as the Range Allocation.
Strategic Allocation	The first level of adjustment to the Base Allocation is the principal focus of the asset allocation process and results in the Strategic Allocation. The broad types of assets considered at the Strategic Allocation level include global equities (including portable alpha), fixed income, TIPS, private credit and income, private equity, real estate, and cash, as well as the opportunity set and management style of hedge funds.
WVIMB	The “West Virginia Investment Management Board” including its Trustees, plan Representatives, Committee Members, and staff.

Definition of Terms and Abbreviations

The following terms and abbreviations refer to the investment performance benchmarks used for comparison purposes in the Investment Objectives and Financial Highlights section.

Bloomberg 1-10 Year U.S. TIPS	An index that measures the performance of U.S. Treasury Inflation Protected Securities (TIPS) market with less than 10 years to maturity.
Bloomberg U.S. Aggregate Bond	A broad-based flagship index that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, and both agency and non-agency structured securities.
Bloomberg U.S. TIPS	An index that measures the performance of U.S. Treasury Inflation Protected Securities (TIPS) market.
Bloomberg U.S. Universal Bond	The index covers U.S. dollar-denominated, taxable bonds that are rated either investment-grade or below investment-grade.
Credit Suisse Leveraged Loan	An index designed to mirror the investable universe of the U.S. dollar-denominated leveraged loan market.
FTSE 3 Month T-Bill	The Financial Times Stock Exchange 3 Month U.S. Treasury Bill Index.
HFRI FOF	Hedge Fund Research, Inc.'s composite index of fund of funds.
MSCI ACWI (IMI)	The MSCI ACWI Investable Market Index (IMI) captures large, mid and small cap representation across developed and emerging market countries. This comprehensive, market cap weighted index covers approximately 99 percent of the global equity investment opportunity.
MSCI ACWI ex U.S. (IMI)	The MSCI ACWI ex U.S. Investable Market Index captures large, mid and small cap representation across developed and emerging market countries, excluding the United States. This market cap weighted index covers approximately 99 percent of the global equity investment opportunity set outside the U.S.
MSCI ACWI ex U.S. (Standard)	The MSCI ACWI ex U.S. Standard Index captures large and mid cap representation across developed and emerging market countries, excluding the United States. This market cap weighted index covers approximately 85 percent of the global equity investment opportunity set outside the U.S.
MSCI EAFE	The MSCI Europe, Australasia and the Far East Index is designed to represent the performance of large and mid-cap securities across 21 developed markets, excluding the U.S. & Canada.
NCREIF	National Council of Real Estate Investment Fiduciaries' Property Index.
Russell 2500/ Russell 3000	The Russell 2500 Index is comprised of the smallest 2,500 securities in the Russell 3000 Index, which is a broad market index comprised of the largest 3,000 publicly held U.S. companies, as determined by market capitalization.
S&P 500	Standard & Poor's 500 is a stock market index based on the market capitalizations of 500 large companies having common stock listed on the New York Stock Exchange or NASDAQ.
SOFR	Secured Overnight Financing Rate.



INTRODUCTION

Message from Chairman

October 23, 2025

To the People of West Virginia,

As your 26th State Treasurer of West Virginia and Chairman of the West Virginia Investment Management Board (WVIMB), one of my top priorities is the financial wellness of our state and its great people. The good news is that we have never seen West Virginia in better financial shape in my lifetime. Our obligations, long-term investments, as well as our short-term and rainy-day funds, have never been this well-funded. This is only because we have continued to put fiduciary responsibility at the forefront.

I assure you that the Board is working diligently to maximize returns as well as protect the long-term investments and obligations of the state, which includes passing policies that safeguard taxpayer money. The Board's decision to divest from the People's Republic of China and the Chinese military is a step in the right direction to ensure that we do not put our citizens' dollars at risk. It also means we will continue to invest more dollars in our state and companies that share our way of life.

As we continue to manage \$28.5 billion of state investments, I can promise you we will put West Virginians first by ensuring fiduciary responsibility. That means acting as responsible leaders for the state's finances, but also advocating, providing, and supporting sound policies that make the state a better place to live, work, and raise a family.

God Bless,



West Virginia State Treasurer Larry Pack
Chairman of the Board of Trustees

Message from Executive Director

October 23, 2025

It is with great pleasure that I submit the Annual Report of the West Virginia Investment Management Board (WVIMB). The WVIMB is considered an internal service fund of the State of West Virginia for financial reporting purposes, and as such, the significant financial information contained in the report is also included in the State of West Virginia's comprehensive annual financial report. The information presented in this report is the responsibility of the management of the WVIMB, and sufficient internal accounting controls exist to provide reasonable assurance regarding the safekeeping of assets and fair presentation of the financial statements, supporting schedules, and statistical tables. The report is also designed to comply with the reporting requirements of Chapter 12, Article 6, Section 6 of the *West Virginia Code*, as amended. This report is divided into the following sections:

- **Organization** – Contains general information regarding Trustees and staff, history of the WVIMB, statutory mandate, administrative mandate, and investment philosophy.
- **Investment Objectives and Financial Highlights** – Outlines the more specific objectives and performance of each of the investment pools.
- **Participant Plans** – Contains a brief description of each of the participant plans whose assets are entrusted to the WVIMB.

Please note that the audited financial statements of the investment pools administered by the WVIMB and the WVIMB's Administrative Fund are published as separate documents. The audited financial statements are available at www.wvimb.org.

As an investment organization, the WVIMB's constant focus is the performance of its investments as it seeks to satisfy the investment needs of the beneficiaries of the participant plans entrusted to it. To a large extent, each participant plan's performance is a function of the asset classes in which it invests. As such, a review of asset class performance for the year may be helpful.

As of the fiscal year ending June 30, 2025, the U.S. appeared to be on a path to a soft-landing, precipitating what many thought was a series of rate cuts by the Federal Reserve. Elsewhere, slowing growth in Europe led to a reduction in rates, and China, in a bid to kickstart its economy, embarked on a campaign of monetary and fiscal easing. Meanwhile, the wars in Gaza and Ukraine raged on. By the end of the second quarter, the landscape seemed to have shifted with the election of President Trump to a second term. Expecting easier business conditions, sentiment was decidedly more bullish. The U.S. economy was showing surprising resilience, and inflation continued to soften. Conditions in Europe, however, continued to deteriorate, leading to a fourth rate cut to stimulate growth. Japan saw a rebound, while China claimed increased growth, although significant structural issues persisted. As Trump's new administration took power in the second half of the year, the speed with which it implemented his agenda on tariffs, immigration, and Presidential power created widespread concern over its inflationary potential. Inflation, in fact, proved sticky, rising from 2.4% to 2.7%. Growth, however, still beat expectations. Around the globe, Europe saw continued economic weakness and responded with further rate cuts. China, facing pressure from Trump on tariffs and concern over its business practices, continued to experience modest but unspectacular growth. On the geopolitical front, the wars in Gaza and Ukraine continued to rage. The Trump administration seemed content to leave both in the hands of other parties. With the year coming to a close, domestic equity markets remained resilient, betting that "artificial intelligence" was creating a unique growth dynamic and that Trump's tariff policies would not spawn increased inflation. The Russell 3000 was up 15.3% for the year, primarily on the back of the large tech giants. International stocks outperformed the U.S. for the first time in quite a while at 18.5% (MSCI ACWI ex US IMI). Fixed income was up 6.5% (Bloomberg U.S. Universal).

The WVIMB's performance relative to respective benchmarks was mixed. The WVIMB large-cap U.S. public stock portfolio returned 13.1 percent, underperforming its benchmark (S&P 500) by 2.1 percent. The non-large cap U.S. stock portfolio returned 9.3 percent, underperforming its benchmark (Russell 2500) by 0.6 percent. The WVIMB's international public stock portfolio returned 20.8 percent, outperforming its benchmark (MSCI ACWI ex U.S. IMI) by 2.3 percent. The fixed income portfolio generated a positive return of 7.6 percent, beating the benchmark (Bloomberg U.S. Universal) by 1.1 percent. Performance measurement of private market assets, which includes private equity, private real estate, and private credit, is fraught with measurement issues, so it is less meaningful over shorter time periods. Private equity returned 5.9 percent and real estate returned 2.6 percent. The private credit portfolio returned 5.5 percent for the year. The hedge fund portfolio, which is intended to be a diversifying component of the entire portfolio, returned 12.2 percent, which bettered its benchmark (HFRI FOF plus 1 percent) by 4.3 percent.

Message from Executive Director

The majority of assets managed by the WVIMB are for participants with longer time horizons. These include the defined benefit pension plans, some employment security plans, and other trust assets. Still others, like Revenue Shortfall Reserve Funds A and B, have shorter time horizons of varying degrees.

Defined benefit pension plans make up approximately 81 percent of the WVIMB's total assets under management. For general comparison purposes, the WVIMB uses the Public Employees' Retirement System (PERS) as a proxy for the other pension plans because of its similarity to other statewide public pension plans across the nation. As of June 30, 2025, the return for PERS was 11.1 percent, net of expenses, for the fiscal year. Of greater significance is the longer-term performance. In that regard, over the ten-year period ended June 30, 2025, the WVIMB's annualized return was 8.7 percent versus the base portfolio benchmark of 7.3 percent. This difference represents millions of dollars in value, added by Trustees and staff. The other defined benefit pension plans' returns for the fiscal year ended June 30, 2025, were essentially identical to PERS. Since asset allocations are virtually the same for each plan, any differences in the returns for the various pension plans are a function of the differences in the timing of cash flows into and out of each plan and relative levels of cash equivalent securities necessary to make benefit payments. The Wildlife Endowment Fund, West Virginia State Parks and Recreation Endowment Fund, and the West Virginia Retiree Health Benefit Trust Fund also have similar asset allocations to the defined benefit pension plans and similar returns.

With regard to employment security assets, the reader will note a significant difference in returns from defined benefit plans. This is primarily a function of differences in the time horizon and liquidity needs, which can vary quite significantly by plan. This leads to a divergence in the respective plans' allocations to various asset classes. Regardless, the returns for employment security assets for the fiscal year ended June 30, 2025, were 10.3 percent. The WVIMB manages assets for other state entities as well. Specific data on the returns and objectives of all Participant Plans may be found in the pages that follow.

As an investor, the WVIMB's capacity to generate a return on assets is largely a function of growth in the world capital markets. Diversification helps reduce short-term volatility (commonly referred to as risk) in the capital markets, but it is generally at the expense of long-term growth. Growth is the engine of returns. The WVIMB's asset allocation is tilted towards long-term growth for those assets with long time horizons, such as defined benefit pension plans. These plans are structured to spread risk and cost over multiple generations. The ideal target rate of return is one that fairly does this. While the WVIMB does not set that rate, it has an obligation to advise those who do. The WVIMB believes that the current target is attainable over very long time periods. In the meantime, the world can be a difficult, volatile place to navigate. While the U.S. capital markets have remained resilient, there are storm clouds on the horizon. Tariffs increase costs and reduce trade. Constraints on immigration reduce the supply of labor, potentially driving up wages. Tax cuts without corresponding spending reductions increase government financing, drawing liquidity from the market. While there may be some countervailing benefits to all these steps, the likelihood of inflation, a recession, or both is increasing.

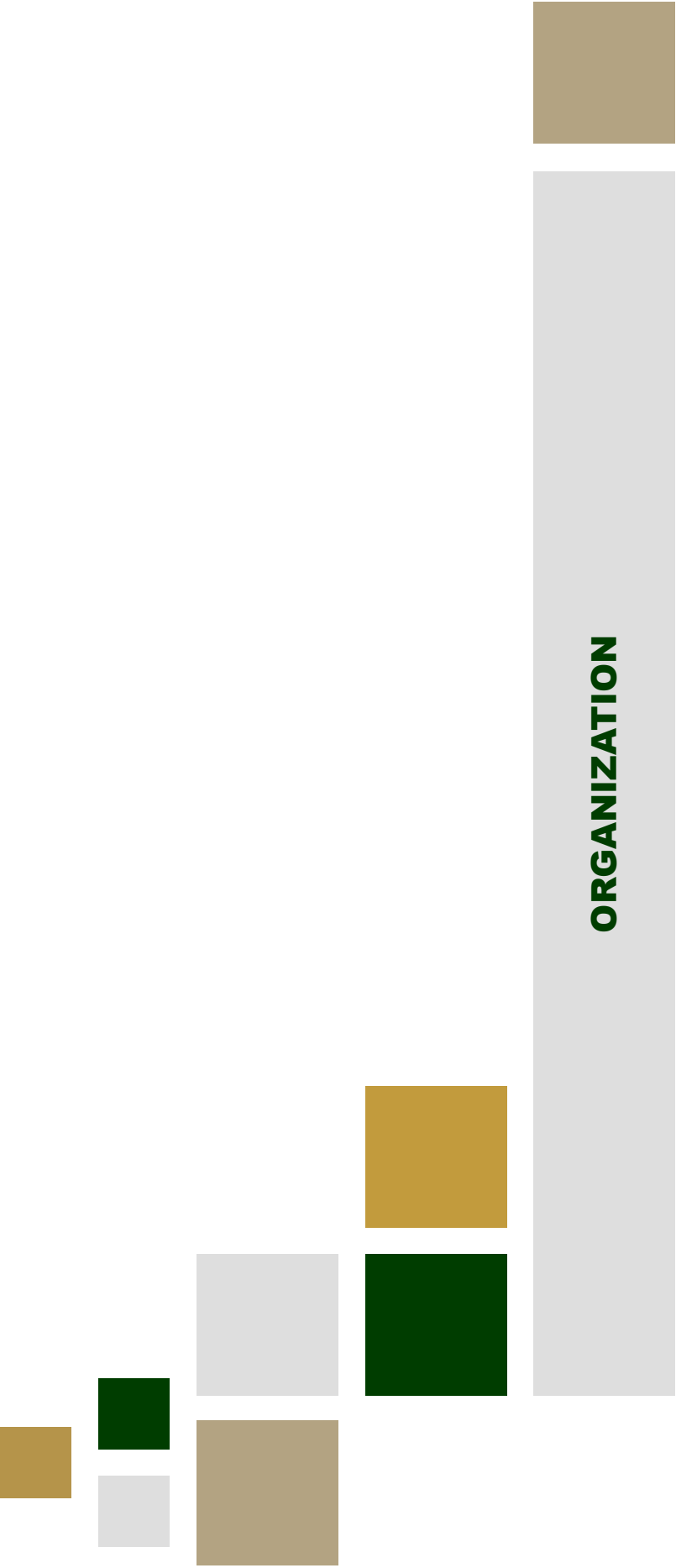
In prior years, I have talked about the changing geopolitical landscape and its potential negative effects on global growth. The tensions these changes generate certainly have not abated. Liberal democracy and the rule of law, the framework for continued economic growth, seems to be on the run. All of this is just another way of saying that investing is fraught with great risk, and the risks continue to grow.

There is much to be concerned about. Nevertheless, the future is unknowable. The WVIMB's portfolio is built for the long-term, seeking returns from risky assets while diversifying to reduce risk. The WVIMB will continue to monitor its portfolio, moderate the structure on the margins to accommodate what we believe the markets are offering, but not so much as to compromise the portfolio's ability to take advantage of long-term growth. The staff looks forward to helping Trustees meet these challenges as fiscal year 2026 unfolds.

Respectfully Submitted,



Craig Slaughter, JD, CFA
Executive Director/Chief Investment Officer



Board of Trustees – Fiscal Year 2025

Larry Pack (*Chairman effective July 1, 2025*)

Treasurer of the State of West Virginia

Patrick Morrisey (*Previous Chairman*)

Governor of the State of West Virginia

Mark Hunt

Auditor of the State of West Virginia

Patrick Bond

General Partner, Mountaineer Capital, LP

G. Kurt Dettinger

Member in Steptoe & Johnson, PLLC

Georgette Rashid George

CEO, Monarch Holdings, LLC

Mike Hall

President, First Avenue Strategies

Charles S. Houck (*Vice-Chairman*)

Director of Public Relations, Little General Stores, Inc

Marie L. Prezioso

Executive Director, West Virginia Water Development Authority

Jack Rossi

Executive Vice President of Business Development, Burke & Herbert Bank

Steven L. Smith (*Secretary*)

Retired Executive

Randall E. Snider

Executive Chairman of the Board, Community Bank

Byrd E. White

Retired Executive

Deputy Sheriffs Retirement System

Adam Ryan Crawford, Representative

Anthony Cremeans, Committee Member

Paul O'Dell, Committee Member

Emergency Medical Services Retirement System

Justin Lutsy, Representative

Matthew Ashcraft, Committee Member

Patrick Cornell, Committee Member

Michelle Lee, Committee Member

Judges' Retirement System

David M. Hammer, Representative

Municipal Police Officers and Firefighters Retirement System

Joseph W. Koher, Representative

Natural Resource Police Officers Retirement System

Bobby Lynn Cales, Representative

Public Employees' Retirement System

Terasa L. Miller, Representative

State Police Death, Disability and Retirement Fund

Thomas Barrick, Representative

State Police Retirement System

Brad L. Mankins, Representative

Teachers' Retirement System

Tony Lautar, Jr., Representative

Workers' Compensation Old Fund and Coal Workers' Pneumoconiosis Fund

Melinda Kiss, Representative

Cheri Harpold, Committee Member

Rhonda Hartwell, Committee Member

By statute, the Consolidated Public Retirement Board and the West Virginia Offices of the Insurance Commissioner are responsible for appointing a representative for each plan who may select a committee of up to three individuals. The Representative and Committee Members work with the WVIMB to develop the investment policy for their respective plan. They are appointed on an annual basis.

Staff Members – Fiscal Year 2025

Executive Staff

Craig Slaughter, J.D., CFA, Executive Director / Chief Investment Officer

Melissa Petit, CPA, CIA, CIDA, MBA, Chief Financial Officer / Chief Operating Officer

Internal Audit

Johnna Campbell, CPA, CIA, Director of Internal Audit

Steve Stout, CPA, Internal Auditor

Investments Division

Tom Sauvageot, CAIA, MBA, Senior Investment Officer

Jim Herrington, CFA, CAIA, MBA/MSM, Private Equity Investment Officer

Trent Gregory, CFA, Public Equity Investment Officer

Ryan Owens, CFA, Hedge Fund Investment Officer

Peter Rafferty, CFA, Fixed Income Investment Officer

Luke George, Investment Analyst

Kelly Castleberry, CAIA, Investment Analyst

Accounting Division

Anna Scott, CPA, CGMA, MS, Director of Operations

Kesa Young, CPA, Financial Reporting Manager

James Atkins, CPA, CAIA, CGMA, Alternative Investment Accounting Manager

Mallory Samples, CPA, Senior Investment Accountant – Special Projects

Aaron Souza, CPA, Investment Accountant – Special Projects

J.R. Tenney, CPA, Investment Accountant

Jennifer Scott, CPA, Investment Accountant

Rachel Mitchell, CPA, Investment Accountant

Jennifer Snow, CPA, CGFM, Investment Accountant

Administration Division

Shane Jividen, CPA, MA, Director of Office Administration

Milly Torman, Senior Administrative Assistant

Margy McCroskey, Senior Administrative Assistant

Technology Division

Darius Walker, CEH, MSCE, CompTIA Security+, Director of Technology

Fred Branham, CISSP, MSCE, MCSA, CompTIA Security+, Senior Network Engineer

Rick Greathouse, CompTIA: Security+, Network+, A+, Network Administrator

Rebecca King, CPA, CCSP, Enterprise Information Architect / Corporate Secretary

Organizational History

The West Virginia Investment Management Board came into existence in the spring of 1997 after years of hard work modernizing the State's investment management structure. This structural modernization was widely acknowledged as a necessary precursor to the passage of a constitutional referendum to allow investment in stocks. The risks were perceived to be too great to be managed by anything but a modern, professional entity.

Although the West Virginia Investment Management Board's predecessors, the West Virginia State Board of Investments and the West Virginia Trust Fund, Inc., brought about vast improvements, each had significant shortcomings. However, with the creation of the West Virginia Investment Management Board, the State achieved a balance between control and independence that helps foster efficient and prudent investment management of long-term assets well into the future.

The beginning of the modern era in investment management by the State goes back to the late 1970s with the consolidation of the investment authority for the State's defined benefit plans, employment security plans, and other assets into a newly created West Virginia State Board of Investments. One of the goals of the legislation was to achieve economies of scale by commingling like assets.

Significantly, this newly created West Virginia Board of Investments was staffed by the State Treasury, which reported to the State Treasurer. The board, however, was made up of the State's Governor, Treasurer, and Auditor. The dueling lines of authority created a significant structural weakness.

This structural weakness was a contributing factor in the late 1980s when the Board suffered significant financial losses. In an effort to ameliorate the structural weakness the Legislature expanded the board to seven members, adding four members from the private sector including an attorney experienced in financial matters and a Certified Public Accountant, but it did not completely solve the core problem.

In the fall of 1990, the Legislature finally made the critical change by creating a staff for the West Virginia State Board of Investments separate from the staff of the Treasury. This provided clear accountability to the Board of Investments – something that did not exist previously. Other very important control features included: (1) a statutory requirement for an Internal Auditor, (2) an annual external audit by a certified public accounting firm, and (3) monthly reporting requirements to government leaders in accordance with generally accepted accounting principles. This last feature dictated that all pools with a weighted average maturity in excess of 90 days must be marked-to-market (carried at market value), something that had not been done in the 1980s. At the same time, the West Virginia Board of Investments made its first tepid step towards a diversified portfolio to be invested in stocks domiciled in the United States. Although it made some initial stock purchases in 1993, which were subsequently liquidated at a gain, the statute was challenged and the West Virginia Supreme Court ruled that investing in equities was unconstitutional.

In 1996, in an effort to satisfy the constitutional strictures, the Legislature carved out the pension and employment security funds with long time horizons and placed them in a trust to be managed by a new entity called the West Virginia Trust Fund, Inc. As a vehicle to allow investment in stocks, the creation of the trust failed to satisfy the constitutional concerns of the Supreme Court. It did, however, bring about three very important changes. The Legislature, demonstrating impeccable managerial foresight, granted the West Virginia Trust Fund, Inc. control over its own budget. With the same foresight, the Legislature imposed personal fiduciary liability on the board and staff of the West Virginia Trust Fund, Inc. Of no less importance was the creation of representative roles for members of the retirement systems and employment security systems.

With the failure of the West Virginia Trust Fund, Inc. as a vehicle to allow investments in stocks, it and the West Virginia State Board of Investments were combined in 1997 to form a new entity, the present day West Virginia Investment Management Board, followed by a successful referendum to amend the constitutional prohibition on stock ownership. The basic modernization process was complete. All of the improvements made in the Board of Investments and the West Virginia Trust Fund, Inc. were incorporated into the new entity.

The Legislature, for policy reasons, transferred the Consolidated Fund on July 8, 2005 to a newly created West Virginia Board of Treasury Investments, chaired by the State Treasurer. This was widely perceived as a policy move to ensure direct governmental oversight of State general and special revenue funds. The West Virginia Investment Management Board continues to manage the retirement funds, the employment security funds, and other assets with long time horizons.

In 2007, the Legislature expanded the investable universe of assets, increasing the allowable allocation to public equity and international securities, while also providing for a significant allocation to "alternative investments," loosely defined as hedge funds and private equity. Then, in 2014, the Legislature eliminated the percentage limitations on allowable asset classes or securities, joining most of its peers in recognizing the prudent investor standard of care as the most effective control on investor behavior for institutions.

Statutory Mandate

The bill creating the West Virginia Investment Management Board passed during the 1997 legislative session and is cited as the *West Virginia Investment Management Board Act* (the Act). The legislative findings of the Act make it clear that the West Virginia Investment Management Board was intended to be a professional, apolitical, financial management organization dedicated to the interests of the State's teachers, public employees and workers in general. The Act was intended to give the West Virginia Investment Management Board "...the authority to develop, implement and maintain an efficient and modern system for the investment and management of the State's money." In order to accomplish this purpose, the Act further stated that the West Virginia Investment Management Board must "...operate as an independent board with its own full-time staff of financial professionals immune to changing political climates..." [West Virginia Code §12-6-1(a)(b)] The Act also mandates that the assets contributed by the public employee and employer to the 401(a) Plans and the assets of the Workers' Compensation Fund and the Coal Workers' Pneumoconiosis Fund, are "declared to be irrevocable trusts, available for no use or purpose other than for the benefit of those public employees...workers, miners and their beneficiaries..." [West Virginia Code §12-6-1(c)(d)] The West Virginia Investment Management Board is further "empowered by this Article to act as Trustee of the irrevocable trusts created by this Article, and to manage and invest other state funds." [West Virginia Code §12-6-1a(f)]

The standard of care mandated by the Statute is that codified in the "Uniform Prudent Investor Act," Article 6C of Chapter 44 of the *West Virginia Code*. The West Virginia Investment Management Board is further subject to the following requirements:

- (a) Trustees shall discharge their duties with respect to the 401(a) Plans for the exclusive purpose of providing benefits to participants and their beneficiaries;
- (b) Trustees shall diversify fund investments so as to minimize the risk of large losses unless, under the circumstances, it is clearly prudent not to do so;
- (c) Trustees shall defray reasonable expenses of investing and operating the funds under management;
- (d) Trustees shall discharge their duties in accordance with the trust documents and instruments governing the trusts or other funds under the management insofar as the documents and instruments are consistent with provisions of this Article; and
- (e) The duties of the Board apply only with respect to those assets deposited with or otherwise held by it. [West Virginia Code §12-6-11]

Administrative Mandate

Governance of the West Virginia Investment Management Board is vested, by statute, in a thirteen-member Board of Trustees. Three members of the Board serve by virtue of their office: the Governor, the Auditor, and the Treasurer. The other ten are appointed by the Governor and confirmed by the Senate. All appointees must have experience in pension management, institutional management or financial markets. In addition, one must be an attorney experienced in finance and investment matters and another must be a Certified Public Accountant. Only six of the ten appointed Trustees may be from the same political party. The Treasurer serves as Chairman of the Board (as of July 1, 2025). A Vice-Chairman is elected by the Trustees. A Secretary, who need not be a member of the Board, is also elected by the Trustees to keep a record of the proceedings of the Board.

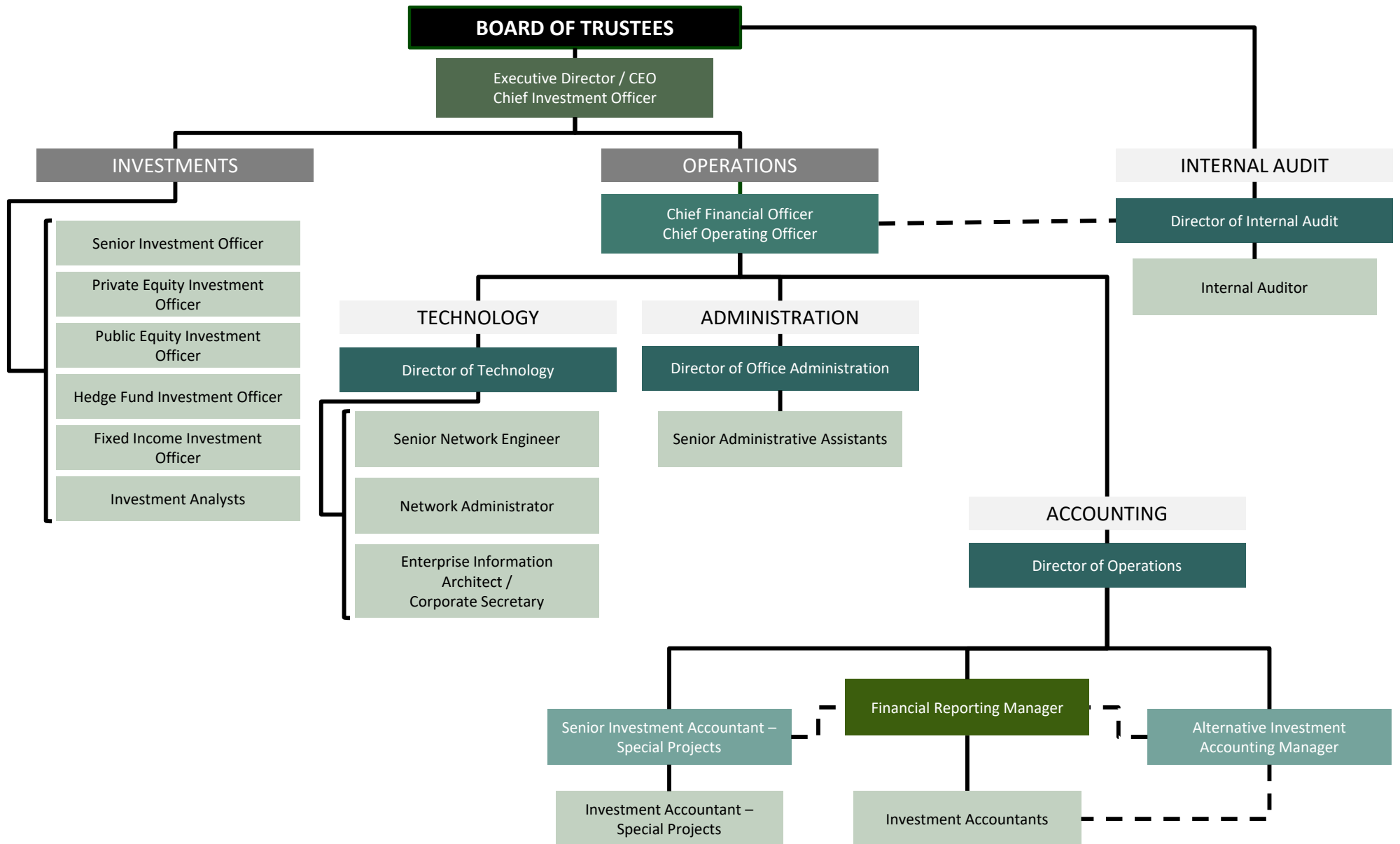
A member of each defined benefit retirement plan is designated by the Consolidated Public Retirement Board to represent the Participant Plans' interests. Likewise, the West Virginia Insurance Commission designates a representative for the Coal Workers' Pneumoconiosis Fund and the Workers' Compensation Old Fund. Each of the Representatives may designate up to three persons to comprise a committee representing their respective plan's beneficiaries. The Representatives and Committee Members do not have a vote but have the right to be heard at the annual meetings of the Board and are subject to the same code of conduct and requirements of confidentiality that apply to the Trustees.

The day-to-day management of the West Virginia Investment Management Board is delegated to the Executive Director who is appointed by the Board and serves at its will and pleasure. The Executive Director acts as an advisor to the Board on all matters.

The staff of the West Virginia Investment Management Board is divided into two principal divisions—Investments and Operations.

The Operations Division is focused on providing the back office support necessary for the organization to function on a day-to-day basis. The Investments Division is structured to devote its time and resources to staying current with new developments and research in the investment field and being prepared to apply this knowledge to the investment of assets for the West Virginia Investment Management Board. See the organization chart on the following page.

Organization Chart



Investment Philosophy

The primary objective of the investment pools is to provide benefits to its participants and beneficiaries. Based on general beliefs about the investment return available from a well-diversified, prudently invested portfolio, the Board has adopted specific investment objectives for each Participant Plan.

In order to achieve the investment objectives for each Participant Plan, the WVIMB relies on prevailing financial theory. This is a philosophy that is generally characterized by prudent diversification across different asset classes (stocks, bonds, cash, non-traditional, etc.) to reduce risk, taking into account each Participant Plan's time horizon, liquidity needs, financial condition (funded status), and return objectives in determining each Participant Plan's appropriate allocation to various assets. Diversification is not just limited to asset classes although it is, generally, considered the most significant factor. Other factors, including, but not limited to, geography/country, industry, maturity, and cash flow projections, are also considered from the Participant Plan's perspective. These factors may also dictate the extent to which the Participant Plan may be impacted by general business conditions. Importantly, the factors mentioned here are not intended to be limiting; rather, they are outlined as a general indication of the importance of diversification and customization to proper asset allocation. The Board determines the proper allocation among asset classes and managers, based on advice and analysis provided by the WVIMB and an external general investment consultant.

The Board recognizes that even though its investments may be subject to short-term volatility, it is critical that the WVIMB maintain a focus on longer time horizons for most Participant Plans, during which time the impact of short-term market volatility generally averages out. Impulsive reactions to short-term market events are not conducive to achieving long-term investment objectives. The strategies employed for each Participant Plan factor in an acceptable level of expected volatility given the relevant time horizon and liquidity needs for that Participant Plan. This prevents ad-hoc revisions to its philosophy and policies in reaction to either speculation or short-term market fluctuations. It is important to note that the Board recognizes that markets may become dislocated due to behavioral or other factors. When major dislocations occur, the Board has allowed for minor adjustments to the asset allocation for each Participant Plan through its Allocation Committee. In order to preserve a longer-term perspective generally, however, the Board of Trustees has adopted the following formal review schedule:

Agenda Item	Review Schedule
Investment Performance	Quarterly
Investment Policy	Every Year
Allocation Ranges	Every Three Years
Asset Allocation Review for Each Participant Plan	At Least Every Three Years

The Board may hire investment managers to implement its objectives. These managers will be given specific tactical roles within the overall strategic investment plan. Depending on their assignments, the managers may be judged on some or all of the following: (1) consistency of philosophy, style and key personnel, (2) performance relative to an appropriate index or proxy group, and (3) ability to add incremental value after costs. The Board and staff shall monitor performance and supervise all fund managers.

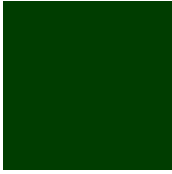
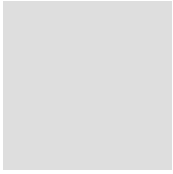
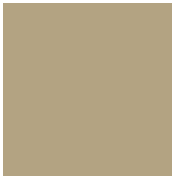
In determining the appropriate level of risk, the Board considers, in addition to its fiduciary obligations and statutory requirements, each entity's purpose and characteristics, financial condition, liquidity needs, sources and level of contributions, income and general business conditions. Based upon these many factors, the Board identifies where either a more aggressive or more conservative investment approach is warranted, on an individual plan-by-plan basis.

INVESTMENT OBJECTIVES

"Trustees, at the annual meeting...shall review, establish and modify, if necessary, the investment objectives of the individual participant plans, as incorporated in the investment policy statements of the respective trusts so as to provide for the financial security of the trust funds giving consideration to the following: (1) Preservation of Capital; (2) Diversification; (3) Risk Tolerance; (4) Rate of Return; (5) Stability; (6) Turnover; (7) Liquidity; and (8) Reasonable Costs of Fees." [West Virginia Code §12-6-11(a)(5)]

PARTICIPANT PLANS

The Board's objective is to manage the Participant Plans' moneys in an efficient and economical manner, managing risk as it seeks to achieve the specific goals set out in each Participant Plan's investment program.



INVESTMENT OBJECTIVES & FINANCIAL HIGHLIGHTS



Equity Pool

OBJECTIVES

The main objective for the Equity Pool is to provide for long-term growth for all participants. The Equity Pool is comprised of sub-components that enable adequate diversification when taken in aggregate. Separate investment pools have been established for each investment style or to comply with specific legal and accounting requirements.

Each Participant invested in the Equity Pool has its own Equity Strategic Allocation, set out in each Participant Plan Description within Appendix A of the WVIMB's Investment Policy Statement. The Allocation Committee has the authority to adjust a Participant's Equity Strategic Allocation within a 10 percent of the approved allocation. As an example, if a Participant has a 50 percent Strategic Allocation to Equity, the Strategic Range would be 45 to 55 percent.

The Allocation Committee also has the authority to adjust strategic asset class sub-components of the Equity Pool, as outlined below:

Strategic Asset Class Sub-Components	Neutral Target*	Allocation Range
Domestic vs. International	Domestic vs. International Percentage in MSCI ACWI (IMI)	0.5 to 2.5 times benchmark weight Sum must equal 100% of Equity allocation
U.S. Large Cap vs. U.S. Non-Large Cap	Large = 1 minus Non-Large Non-Large = Russell 2500/Russell 3000	0.5 to 2.5 times benchmark weight Sum must equal 100% of Domestic Equity allocation
U.S. Non-Large Value vs. U.S. Non-Large Growth	Value vs. Growth Percentage in Russell 2500	0.5 to 2.5 times benchmark weight Sum must equal 100% of Non-Large Cap Domestic Equity allocation
International Large Cap vs. International Small Cap vs. Emerging Markets	Large vs. Small vs. Emerging Percentage in MSCI ACWI ex U.S. (IMI)	0.5 to 2.5 times benchmark weight Sum must equal 100% of International Equity allocation

* The Neutral Target is established based on these index weights every June 30.

Equity Pool

MANAGEMENT STRUCTURE

The equity pools are managed by the following firms, in accordance with a particular investment style.

Manager	Style
Portable Alpha Pool	
<i>U.S. Large Cap</i>	
BlackRock Institutional Trust Company	Index Core
Russell Investments Implementation Services	Equity Beta Replication (including margin accounts)
Hedge Fund Committee/Albourne America (consultant)	Alternative Risk Premia
Large Cap Domestic Equity Pool	
<i>U.S. Large Cap</i>	
BlackRock Institutional Trust Company	Index Core
Non-Large Cap Domestic Equity Pool	
<i>U.S. Non-Large Cap</i>	
Cooper Creek Partners Management	Value
Westfield Capital Management Company	Growth
International Qualified and International Nonqualified Pools	
<i>International Large Cap</i>	
Silchester International Investors	All Country, Value
International Equity Pool	
<i>International Large Cap</i>	
LSV Asset Management	All Country, Relative Value
<i>International Small Cap</i>	
Acadian Asset Management	All Country, Quantitative Value
Oberweis Asset Management	All Country, Growth
<i>Emerging Markets</i>	
Axiom International Investors	Emerging Market, Growth
Numeric Investors	Emerging Market, Quantitative Value

FINANCIAL HIGHLIGHTS (in \$000s)

Audited financial statements are prepared for each of the equity pools and are available at www.wvimb.org. Financial Highlights for each pool are presented below:

Condensed Statement of Net Position

	Portable Alpha	Large Cap Domestic Equity	Non-Large Cap Domestic Equity
Investments	\$ 6,924,328	\$ 392,795	\$ 1,300,368
Derivative instruments	106,471	-	-
Cash	-	-	273
Cash due to broker for futures contracts	(89,150)	-	-
Receivable for investments sold	8,149	-	6,078
Other assets and liabilities, net	6,376	(18)	(1,967)
Payable for investments purchased	(7,944)	-	(12,008)
Payable upon return of securities loaned	-	-	(116,689)
Net position - June 30, 2025	<u>\$ 6,948,230</u>	<u>\$ 392,777</u>	<u>\$ 1,176,055</u>

Equity Pool

FINANCIAL HIGHLIGHTS (continued in \$000s)

Condensed Statement of Net Position

	International Qualified	International Nonqualified	International Equity
Investments	\$ 1,266,329	\$ 204,179	\$ 3,262,512
Cash	-	-	34,900
Receivable for investments sold	-	-	24,662
Other assets and liabilities, net	(44)	(7)	10,746
Payable for investments purchased	-	-	(5,403)
Payable upon return of securities loaned	-	-	(47,645)
Net position - June 30, 2025	<u>\$ 1,266,285</u>	<u>\$ 204,172</u>	<u>\$ 3,279,772</u>

Investments

Portable Alpha

	Fair Value	Percent of Securities
Notional value of S&P 500 derivatives	\$ 3,610,603	51.4%
S&P 500 index fund	3,202,356	45.5
Total S&P 500 exposure	<u>6,812,959</u>	<u>96.9</u>
Margin accounts:		
Money market mutual fund	734,820	10.5
Enhanced cash collateral	309,889	4.4
Downside protection (U.S. Treasuries)	473,849	6.7
Total available margin	<u>1,518,558</u>	<u>21.6</u>
Alternative risk premia funds	2,136,414	30.4
Money market mutual fund	67,000	1.0
Total investment exposure	<u>10,534,931</u>	<u>149.9</u>
Reconciliation to total investments:		
Less: Notional value of S&P 500 derivatives	(3,610,603)	(51.4)
Add: Unrealized appreciation of S&P 500 derivatives	106,471	1.5
Total	<u>\$ 7,030,799</u>	<u>100.0%</u>

Investments

Large Cap Domestic Equity

	Fair Value	Percent of Securities
S&P 500 index fund	\$ 375,845	95.7%
Money market mutual fund	16,950	4.3
Total	<u>\$ 392,795</u>	<u>100.0%</u>

Equity Pool

FINANCIAL HIGHLIGHTS (continued in \$000s)

Investments

Non-Large Cap Domestic Equity

	Fair Value	Percent of Securities
Equity sector exposure:		
Basic Materials	\$ 62,680	4.8%
Communications Services	21,300	1.6
Consumer Discretionary	251,024	19.3
Consumer Staples	29,832	2.3
Energy	62,258	4.8
Financial Services	78,115	6.1
Health Care	136,632	10.5
Industrials	333,905	25.7
Technology	168,231	12.9
Utilities	6,897	0.5
Total equities	1,150,874	88.5
Money market mutual funds	32,805	2.5
Securities lending collateral	116,689	9.0
Total	\$ 1,300,368	100.0%

Investments

International Qualified

International Nonqualified

	Fair Value	Percent of Securities	Fair Value	Percent of Securities
MSCI EAFE commingled fund	\$ 1,266,329	100.0%	\$ 204,179	100.0%

Investments

International Equity

	Fair Value	Percent of Securities
Equity exposure by country:		
Brazil	\$ 81,810	2.5%
Canada	114,253	3.5
China	424,612	13.0
France	98,970	3.0
Germany	102,418	3.1
India	275,123	8.4
Japan	293,451	9.0
Korea	230,889	7.1
Netherlands	72,768	2.2
Sweden	79,760	2.4
Switzerland	80,952	2.5
Taiwan	288,811	8.9
United Kingdom	192,278	5.9
All others (none greater than 2%)	727,216	22.4
Total equities	3,063,311	93.9
Money market mutual fund	151,364	4.6
Rights	192	0.0*
Securities lending collateral	47,645	1.5
Total	\$ 3,262,512	100.0%

*Rounds to less than 0.05 percent.

Equity Pool

FINANCIAL HIGHLIGHTS (continued in \$000s)

Progression of Net Position

	Portable Alpha	Large Cap Domestic Equity	Non-Large Cap Domestic Equity
Net position - June 30, 2024	\$ 5,831,419	\$ 335,073	\$ 1,139,863
Net investment income	803,925	50,888	105,910
Net increase (decrease) from unit transactions	312,886	6,816	(69,718)
Net position - June 30, 2025	<u>\$ 6,948,230</u>	<u>\$ 392,777</u>	<u>\$ 1,176,055</u>

Progression of Net Position

	International Qualified	International Nonqualified	International Equity
Net position - June 30, 2024	\$ 1,136,613	\$ 188,933	\$ 3,104,038
Net investment income	189,337	30,185	630,177
Net decrease from unit transactions	(59,665)	(14,946)	(454,443)
Net position - June 30, 2025	<u>\$ 1,266,285</u>	<u>\$ 204,172</u>	<u>\$ 3,279,772</u>

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of investment advisor fees.

	Portable Alpha		Large Cap Domestic Equity		Non-Large Cap Domestic Equity	
Period	Actual	S&P 500	Actual	S&P 500	Actual	Russell 2500
One-year	13.0%	15.2%	15.1%	15.2%	9.3%	9.9%
Three-year	18.6%	19.7%	19.6%	19.7%	15.6%	11.3%
Five-year	16.3%	16.6%	16.6%	16.6%	13.6%	11.4%
Ten-year	N/A	N/A	13.4%	13.7%	9.0%	8.4%
Twenty-year	N/A	N/A	10.7%	10.7%	9.3%	8.7%

	International Qualified		International Nonqualified		International Equity	
Period	Actual	MSCI EAFE	Actual	MSCI EAFE	Actual	MSCI ACWI ex U.S.(IMI)*
One-year	17.1%	18.3%	16.6%	18.3%	22.6%	18.5%
Three-year	14.7%	16.6%	14.3%	16.6%	16.3%	14.5%
Five-year	12.3%	11.7%	12.0%	11.7%	12.3%	10.8%
Ten-year	6.9%	7.0%	6.6%	7.0%	7.8%	6.7%
Twenty-year	8.3%	6.3%	8.0%	6.3%	7.1%	6.4%

*Prior to January 2014, the benchmark was MSCI ACWI ex U.S. (Standard).

Equity Pool

EXPENSES

The WVIMB charges each investment pool for its direct investment-related expenses, such as investment advisor fees, custodian bank fees, and certain professional service fees, and an allocated share of other expenses. Expense ratios and trading costs do not reflect the pool's proportionate share of expenses of the underlying investee funds. The Equity Pool's expenses for the year, divided by the average net position, are as follows:

Expense Ratios (in basis points)	Portable Alpha	Large Cap Domestic Equity	Non-Large Cap Domestic Equity	International Qualified	International Nonqualified	International Equity
Investment advisor fees	2.0	0.8	78.0	51.5	59.3	49.3
Trustee fees	0.0*	0.0*	0.0*	0.0*	0.0*	0.0*
Custodian bank fees	0.0*	0.0*	0.4	N/A	N/A	5.0
Management fees	2.4	2.4	2.4	2.4	2.4	2.4
Fiduciary bond fees	0.0*	0.0*	0.0*	0.0*	0.0*	0.0*
Professional service fees	0.7	0.5	0.5	0.5	0.5	0.5
Total	5.1	3.7	81.3	54.4	62.2	57.2

* Rounds to less than 0.1 basis points.

Trading Costs (in \$000s)	Portable Alpha	Large Cap Domestic Equity	Non-Large Cap Domestic Equity	International Qualified	International Nonqualified	International Equity
Commission costs	\$ 213	N/A	\$ 1,867	N/A	N/A	\$ 3,443

Short-Term Fixed Income Pool

OBJECTIVES

The Short-Term Fixed Income Pool was created to maintain sufficient liquidity to meet the daily disbursements requested by the Participants and to invest any contributions until the time the money is transferred to other asset classes without sustaining capital losses and while earning a small return above inflation. The Short-Term Fixed Income Pool is structured as a money market fund where the goal is a stable dollar value per share, thus preserving principal. The pool's risk factor is low and managed through numerous maturity restrictions, diversification guidelines, and credit limits. The participants are paid on an income basis that includes interest income net of expenses.

MANAGEMENT STRUCTURE

The Short-Term Fixed Income Pool is managed by JPMorgan Investment Advisors.

FINANCIAL HIGHLIGHTS (in \$000s)

Audited financial statements for the Short-Term Fixed Income Pool are available at www.wvimb.org. Financial Highlights are presented below.

Condensed Statement of Net Position

Investments	\$ 282,498
Other assets and liabilities, net	(3)
Net position - June 30, 2025	<u>\$ 282,495</u>

Investments

	Fair Value	Percent of Securities
Repurchase agreement	\$ 60,859	21.5%
U.S. Government agency bonds	196,679	69.7
U.S. Treasury issues	24,960	8.8
Total	<u>\$ 282,498</u>	<u>100.0%</u>

Progression of Net Position

Net position - June 30, 2024	\$ 263,473
Net investment income	10,137
Distributions to unitholders	(10,137)
Net increase from unit transactions	19,022
Net position - June 30, 2025	<u>\$ 282,495</u>

Short-Term Fixed Income Pool

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of investment advisor fees.

Period	Actual	FTSE 3 Month T-Bill*
One-year	4.7%	4.9%
Three-year	4.6%	4.8%
Five-year	2.8%	2.9%
Ten-year	1.9%	2.0%
Twenty-year	1.7%	1.7%

**Prior to January 2014, the benchmark was FTSE 3 Month T-Bill plus 15 basis points.*

EXPENSES

The WVIMB charges the pool for its direct investment-related expenses, such as investment advisor fees and custodian bank fees. Expense ratios do not reflect the pool's proportionate share of expenses of the underlying investee funds. The Short-Term Fixed Income Pool's expenses for the year, divided by the average net position, are as follows:

Expense Ratios (in basis points)

Investment advisor fees	5.0
Custodian bank fees	0.4
Total	5.4

Fixed Income Pool

OBJECTIVES

The main objectives for the Fixed Income Pool are to generate investment income, provide stability, and enhance diversification but not at the expense of total return. Separate investment pools have been established for particular investment styles or to comply with specific accounting requirements.

Each Participant invested in the Fixed Income Pool has its own Fixed Income Strategic Allocation, set out in each Participant Plan Description within Appendix A of the WVIMB's Investment Policy Statement. The Allocation Committee has the authority to adjust a Participant's Fixed Income Strategic Allocation within a 5 percent range of the approved allocation. As an example, if a Participant has a 20 percent Strategic Allocation to Fixed Income, the Strategic Range would be 15 to 25 percent.

The Allocation Committee also has the authority to adjust strategic asset class sub-components of the Fixed Income Pool, as outlined below:

Neutral Target	Allocation Range
Equity-centric plans:	
50% Core Fixed Income	Minimum 30% to Maximum 70%
50% Total Return Fixed Income	Minimum 30% to Maximum 70%
	Sum must equal 100% of the Fixed Income allocation
Fixed income-centric plans:	
30% Core Fixed Income	Minimum 20% to Maximum 70%
70% Total Return Fixed Income	Minimum 30% to Maximum 80%
	Sum must equal 100% of the Fixed Income allocation

MANAGEMENT STRUCTURE

The fixed income pools are managed by the following firms, in accordance with a particular investment style.

Manager	Style
Total Return Fixed Income Pool	
Western Asset Management Company	Core Plus Fixed Income
Dodge & Cox	Core Plus Fixed Income
Franklin Templeton Investments	Emerging Markets Fixed Income
Core Fixed Income Pool	
JPMorgan Investment Advisors	Core Fixed Income

Fixed Income Pool

FINANCIAL HIGHLIGHTS (in \$000s)

Audited financial statements are prepared for each of the fixed income pools and are available at www.wvimb.org. Financial Highlights for each pool are presented below.

Condensed Statement of Net Position

	Total Return Fixed Income	Core Fixed Income
Investments	\$ 3,191,001	\$ 2,334,364
Derivative instruments	2,802	-
Cash	9,238	-
Cash due to broker, net	(3,540)	-
Receivable for investments sold	10,982	27
Other assets and liabilities, net	22,436	15,688
Payable for investments purchased	(535,081)	(106,282)
Payable upon return of securities loaned	(53,684)	(67,937)
Net position – June 30, 2025	<u>\$ 2,644,154</u>	<u>\$ 2,175,860</u>

Investments

	Total Return Fixed Income		Core Fixed Income	
	Fair Value	Percentage of Securities	Fair Value	Percentage of Securities
Bank loans	\$ 3,636	0.1%	\$ -	0.0%
Commingled debt funds	174,575	5.5	-	0.0
Corporate ABS	117,606	3.7	227,337	9.7
Corporate CMO	105,219	3.3	104,028	4.5
Corporate preferred securities	11,442	0.4	-	0.0
Foreign ABS	103,589	3.2	2,469	0.1
Foreign corporate bonds	256,842	8.0	199,174	8.5
Foreign currency forward contracts	(4,016)	(0.1)	-	0.0
Foreign equity investments	147	0.0*	-	0.0
Foreign government bonds	198,138	6.2	10,746	0.5
Futures contracts	(3,021)	(0.1)	-	0.0
Money market mutual fund	282,726	8.9	19,939	0.9
Municipal bonds	17,027	0.5	8,429	0.4
Option contracts purchased	2,022	0.1	-	0.0
Option contracts written	(2,720)	(0.1)	-	0.0
Repurchase agreement	37,000	1.2	-	0.0
Securities lending collateral	53,684	1.7	67,937	2.9
Swaps	10,537	0.3	-	0.0
U.S. corporate bonds	328,356	10.3	370,172	15.9
U.S. Government agency bonds	2,581	0.1	-	0.0
U.S. Government agency CMO	98,825	3.1	114,520	4.9
U.S. Government agency MBS	836,392	26.1	509,205	21.7
U.S. Treasury issues	563,216	17.6	700,408	30.0
Total	<u>\$ 3,193,803</u>	<u>100.0%</u>	<u>\$ 2,334,364</u>	<u>100.0%</u>

*Rounds to less than 0.05 percent.

Progression of Net Position

	Total Return Fixed Income	Core Fixed Income
Net position - June 30, 2024	\$ 2,527,366	\$ 2,085,712
Net investment income	212,641	141,233
Net decrease from unit transactions	(95,853)	(51,085)
Net position - June 30, 2025	<u>\$ 2,644,154</u>	<u>\$ 2,175,860</u>

Fixed Income Pool

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of investment advisor fees.

Period	Total Return Fixed Income		Core Fixed Income	
	Actual	Bloomberg U.S. Universal Bond*	Actual	Bloomberg U.S. Aggregate Bond
One-year	8.4%	6.5%	6.6%	6.1%
Three-year	5.6%	3.3%	3.3%	2.5%
Five-year	2.0%	(0.1)%	0.3%	(0.7)%
Ten-year	3.3%	2.1%	2.4%	1.8%
Twenty-year	4.2%	3.4%	N/A	N/A

* Prior to April 2008, the benchmark was custom.

EXPENSES

The WVIMB charges each investment pool for its direct investment-related expenses, such as investment advisor fees, custodian bank fees, and certain professional service fees, and an allocated share of other expenses. Expense ratios and trading costs do not reflect the pool's proportionate share of expenses of the underlying investee funds. The Fixed Income Pools' expenses for the operating period, divided by the average net position, are as follows:

Expense Ratios (in basis points)

	Total Return Fixed Income	Core Fixed Income
Investment advisor fees	21.5	14.6
Trustee fees	0.0*	0.0*
Custodian bank fees	0.6	0.2
Management fees	2.4	2.4
Fiduciary bond fees	0.0*	0.0*
Professional service fees	0.5	0.5
Total	25.0	17.7

* Rounds to less than 0.1 basis points.

Trading Costs (in \$000s)

	Total Return Fixed Income	Core Fixed Income
Commission costs	\$ 1,213	N/A

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TIPS Pool

OBJECTIVES

The TIPS Pool was established to offer an additional level of diversification over and above nominal fixed income securities in an attempt to mitigate the risk of inflation. The main objective for the pool is to generate a return that exceeds the rate of inflation over a market cycle, to provide investment income and stability of principal, and to diversify interest rate exposure.

MANAGEMENT STRUCTURE

The TIPS Pool is managed by Northern Trust Investments.

FINANCIAL HIGHLIGHTS (in \$000s)

Audited financial statements for the TIPS Pool are available at www.wvimb.org. Financial Highlights are presented below.

Condensed Statement of Net Position

Investments	\$ 537,449
Receivable for investments sold	10,177
Other assets and liabilities, net	2,038
Payable for investments purchased	(10,179)
Net position - June 30, 2025	<u>\$ 539,485</u>

Investments

	Fair Value	Percent of Securities
Money market mutual fund	\$ 99	0.0%*
U.S. Treasury inflation protected securities	537,350	100.0
Total	<u>\$ 537,449</u>	<u>100.0%</u>

*Rounds to less than 0.05 percent.

Progression of Net Position

Net position - June 30, 2024	\$ 513,693
Net investment income	34,970
Net decrease from unit transactions	(9,178)
Net position - June 30, 2025	<u>\$ 539,485</u>

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of investment advisor fees.

Period	Actual	Bloomberg 1-10 Year U.S. TIPS*
One-year	6.9%	6.9%
Three-year	3.2%	3.1%
Five-year	2.1%	2.1%
Ten-year	3.0%	2.9%

*Prior to June 2023, the benchmark was Bloomberg U.S. TIPS.

TIPS Pool

EXPENSES

The WVIMB charges the pool for its direct investment-related expenses, such as investment advisor fees, custodian bank fees, and certain professional service fees, and an allocated share of other expenses. Expense ratios do not reflect the pool's proportionate share of expenses of the underlying investee funds. The TIPS Pool's expenses for the operating period, divided by the average net position, are as follows:

Expense Ratios (in basis points)

Investment advisor fees	1.3
Trustee fees	0.0*
Custodian bank fees	0.0*
Management fees	2.4
Fiduciary bond fees	0.0*
Professional service fees	0.5
Total	4.2

* Rounds to less than 0.1 basis points.

Private Markets Pool

OBJECTIVES

The objective of the Private Markets Pool is to enhance the diversification and stability of the portfolio, while generating a higher level of income than generally available in the public fixed income markets and to provide for long-term growth of participants' assets and risk-reduction through diversification. The Private Markets Pool is comprised of the private credit & income, private equity, and real estate strategies. Prior to July 1, 2017, each of these strategies were operated as individual investment pools. For operational efficiencies, the three pools were combined on July 1, 2017 to form the Private Markets Pool. Investment performance for the Private Markets Pool and each of these strategies is presented on the following page.

The private credit & income strategy is comprised of the following categories and target range allocations:

Category	Target	Target Range
Core Private Credit	50%	Minimum 40% to Maximum 65%
Asset-Backed	35%	Minimum 25% to Maximum 45%
Specialty and Opportunistic Credit	15%	Minimum 5% to Maximum 25%

The private equity strategy is comprised of the following categories, long-term target range allocations, and annual commitments:

Category	Target Range	Annual Commitments
Corporate Finance	80-100%	90-100%
Venture Capital	0-20%	0-10%

The real estate strategy is comprised of the following categories and target range allocations:

Category	Target	Target Range
Core	50%	+/- 20% (30% to 70%)
Value-Added	30%	+/- 20% (10% to 50%)
Opportunistic	20%	+/- 10% (10% to 30%)

MANAGEMENT STRUCTURE

Franklin Park, StepStone Group, and Verus provide consulting services related to the selection of limited partnerships and funds. The selection of investments are approved by the Private Equity or Real Estate Committees.

FINANCIAL HIGHLIGHTS (in \$000s)

Audited financial statements for the Private Markets Pool are available at www.wvimb.org. Financial Highlights are presented below.

Condensed Statement of Net Position

Investments	\$ 6,391,041
Fund distributions receivable	14,416
Other assets and liabilities, net	1,283
Payable upon return of securities loaned	(18,646)
Net position - June 30, 2025	<u>\$ 6,388,094</u>

Private Markets Pool

FINANCIAL HIGHLIGHTS (in \$000s) (continued)

Investments	Fair Value	Percent of Securities
Corporate bonds	\$ 14,272	0.2%
Equity investments	198,779	3.1
Money market mutual fund	124,661	2.0
Private credit & income funds	1,200,492	18.8
Private equity partnerships	2,549,811	39.9
Real estate limited partnerships and funds	2,284,380	35.7
Securities lending collateral	18,646	0.3
Total	<u>\$ 6,391,041</u>	<u>100.0%</u>

Progression of Net Position

Net position - June 30, 2024	\$ 6,287,247
Net investment income	272,908
Net decrease from unit transactions	(172,061)
Net position - June 30, 2025	<u>\$ 6,388,094</u>

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of external investment management and/or partnership fees and expenses.

Period	Private Credit & Income		Private Equity	
	Actual	SOFR plus 400 basis points*	Actual	Russell 3000 plus 300 basis points
One-year	5.5%	8.8%	5.9%	18.3%
Three-year	5.1%	9.5%	5.4%	22.1%
Five-year	7.0%	8.2%	15.1%	19.0%
Ten-year	N/A	N/A	16.1%	16.0%

**Prior to June 2023, the benchmark was Credit Suisse Leveraged Loan plus 200 basis points. Prior to April 2017, the benchmark was Credit Suisse Leveraged Loan plus 250 basis points.*

Period	Real Estate		Private Markets Pool*
	Actual	NCREIF plus 100 basis points	Actual
One-year	2.6%	3.7%	4.5%
Three-year	(3.0)%	(1.1)%	1.9%
Five-year	3.4%	4.3%	9.2%
Ten-year	5.3%	6.4%	N/A

**The Pool does not have a benchmark.*

Private Markets Pool

EXPENSES

The WVIMB charges the pool for its direct investment-related expenses, such as investment advisor fees, custodian bank fees, and certain professional service fees, and an allocated share of other expenses. Expense ratios and trading costs do not reflect the pool's proportionate share of expenses of the underlying investee funds. Commission trading costs were \$163,000 for the year ended June 30, 2025. The Private Market Pool's expenses for the year, divided by the average net position, are as follows:

Expense Ratio (in basis points)

Investment advisor fees	1.6
Trustee fees	0.0*
Custodian bank fees	0.1
Management fees	2.4
Fiduciary bond fees	0.0*
External fees/Fund closing costs	11.9
Professional service fees	3.5
Total	19.5

* Rounds to less than 0.1 basis points.

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Hedge Fund Pool

OBJECTIVES

The main objective for the Hedge Fund Pool is to reduce risk through diversification of participants' assets. Secondly, the Hedge Fund Pool should provide for long-term growth.

The Hedge Funds are comprised of the following strategic categories and target range allocations:

Category	Target Range	Allocation Range
Core		
Relative Value	25-35%	20-50%
Event Driven	20-30%	15-35%
Long-Short Equity	20-30%	15-35%
Directional	10-20%	5-25%
Supplemental		
Long Biased	3-15%	0-20%
Private Equity	0-3%	0-5%
Private Credit	0-3%	0-5%
Real Assets	0-3%	0-5%

MANAGEMENT STRUCTURE

Albourne America has been retained by the WVIMB to provide consulting services for this investment strategy. The selection of investments are approved by the Hedge Fund Committee.

FINANCIAL HIGHLIGHTS (in \$000s)

Audited financial statements for the Hedge Fund Pool are available at www.wvimb.org. Financial Highlights are presented below.

Condensed Statement of Net Position

Investments	\$ 3,129,041
Investment funds redeemed	726
Other assets and liabilities, net	(191)
Net position - June 30, 2025	<u>\$ 3,129,576</u>

Investments

	Fair Value	Percent of Securities
Hedge funds	\$ 3,129,041	100.0%
Total	<u>\$ 3,129,041</u>	<u>100.0%</u>

Progression of Net Position

Net position - June 30, 2024	\$ 2,901,905
Net investment income	340,452
Net decrease from unit transactions	(112,781)
Net position - June 30, 2025	<u>\$ 3,129,576</u>

Hedge Fund Pool

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of external investment management and/or partnership fees and expenses.

Period	Actual	HFRI FOF plus 100 basis points
One-year	12.2%	8.0%
Three-year	10.3%	7.4%
Five-year	10.1%	7.2%
Ten-year	5.9%	4.8%

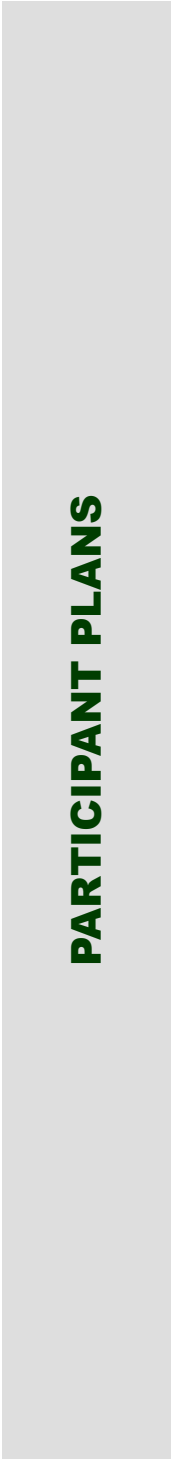
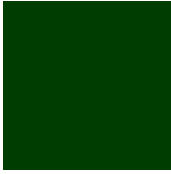
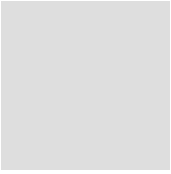
EXPENSES

The WVIMB charges the pool for its direct investment-related expenses, such as custodian bank fees and certain professional service fees, and an allocated share of other expenses. Expense ratios do not reflect the pool's proportionate share of expenses of the underlying investee funds. The Hedge Fund Pool's expenses for the year, divided by the average net position, are as follows:

Expense Ratio (in basis points)

Trustee fees	0.0*
Custodian bank fees	0.0*
Management fees	2.4
Fiduciary bond fees	0.0*
Professional service fees	2.2
Total	4.6

* Rounds to less than 0.1 basis points.



PARTICIPANT PLANS

Participant Plans Overview

FINANCIAL HIGHLIGHTS (in \$000s)

Plan Balances as of June 30, 2025

	Assets	Percent of Total	Page Reference
Pension Assets			
Deputy Sheriffs Retirement System	\$ 391,740	1.4%	31
Emergency Medical Services Retirement System	229,658	0.8	33
Judges' Retirement System	336,145	1.2	35
Municipal Police Officers' and Firefighters' Retirement System	59,690	0.2	37
Municipal Policemen's or Firemen's Pension and Relief Funds	287,358	1.0	39
Natural Resources Police Officer Retirement System	36,913	0.1	42
Public Employees' Retirement System	9,730,266	34.2	44
State Police Death, Disability and Retirement Fund	862,049	3.1	46
State Police Retirement System	412,617	1.5	48
Teachers' Retirement System	10,757,862	37.8	50
Insurance Assets			
Board of Risk and Insurance Management	75,840	0.3	52
Coal Workers' Pneumoconiosis Fund	204,228	0.7	54
Public Employees Insurance Agency	164,023	0.6	56
West Virginia Retiree Health Benefit Trust Fund	2,157,394	7.6	58
Workers' Compensation Old Fund	835,890	2.9	60
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	44,023	0.1	62
Workers' Compensation Self-Insured Employer Security Risk Pool	53,653	0.2	64
Workers' Compensation Uninsured Employers' Fund	21,114	0.1	66
Endowment Assets			
Berkeley County Development Authority	7,552	0.0*	68
Revenue Shortfall Reserve Fund	662,866	2.4	70
Revenue Shortfall Reserve Fund - Part B	606,161	2.1	72
West Virginia Department of Environmental Protection Agency	339,859	1.2	74
West Virginia Department of Environmental Protection Trust	9,172	0.0*	76
West Virginia State Parks and Recreation Endowment Fund	61,751	0.2	78
Wildlife Endowment Fund	79,131	0.3	80
Total	\$ 28,426,955	100.0%	

*Rounds to less than 0.05 percent.

Deputy Sheriffs Retirement System

HISTORY

The Deputy Sheriffs Retirement System (DSRS) was created in 1998.

LIQUIDITY NEEDS

DSRS currently has positive net cash flows.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.25 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments and not subject DSRS to an undue level of risk.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for DSRS. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. The domestic large capitalization allocation to Equity will be implemented through the use of the Portable Alpha Pool described in Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from DSRS will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity (including Portable Alpha)	60.0%	45.0%
Fixed Income	40.0%	15.0%
Private Markets		
Private Credit and Income	0.0%	6.0%
Private Equity	0.0%	12.0%
Real Estate	0.0%	12.0%
Hedge Funds	0.0%	10.0%

Deputy Sheriffs Retirement System

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$	352,093
Contributions		9,586
Withdrawals		(8,934)
Net		652
Investment income		93
Net appreciation		38,902
June 30, 2025	\$	391,740

Asset Allocation

	Amount	Percent of Total
Portable Alpha	\$ 107,461	27.5%
Non-Large Cap Domestic Equity	17,161	4.4
International Qualified	21,504	5.5
International Equity	47,777	12.2
Short-Term Fixed Income	2,145	0.5
Total Return Fixed Income	28,194	7.2
Core Fixed Income	28,197	7.2
Private Markets	96,411	24.6
Hedge Fund	42,890	10.9
Total	\$ 391,740	100.0%

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

Period	Actual	Target
One-year	11.1%	7.25%
Three-year	10.4%	7.25%
Five-year	10.7%	7.25%
Ten-year	8.7%	7.25%
Twenty-year	7.9%	7.25%

Emergency Medical Services Retirement System

HISTORY

The Emergency Medical Services Retirement System (EMSRS) was created by the *Emergency Medical Services Retirement System Act* effective January 1, 2008, under *West Virginia Code §16-5V-4*. EMSRS members with benefits earned in the Public Employees' Retirement System (PERS) transferred their full membership and benefits under PERS to EMSRS on the effective date.

LIQUIDITY NEEDS

EMSRS is expected to be in a positive net cash flow position for the foreseeable future.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.25 percent per annum, net of fees.
- Maintain adequate liquidity to satisfy benefit payments and not subject EMSRS to an undue level of risk.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for EMSRS. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. The domestic large capitalization allocation to Equity will be implemented through the use of the Portable Alpha Pool described in Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from EMSRS will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity (including Portable Alpha)	60.0%	45.0%
Fixed Income	40.0%	15.0%
Private Markets		
Private Credit and Income	0.0%	6.0%
Private Equity	0.0%	12.0%
Real Estate	0.0%	12.0%
Hedge Funds	0.0%	10.0%

Emergency Medical Services Retirement System

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$	142,608
Contributions		67,938
Withdrawals		(1,297)
Net		66,641
Investment income		201
Net appreciation		20,208
June 30, 2025	\$	229,658

Asset Allocation

	Amount	Percent of Total
Portable Alpha	\$ 62,839	27.4%
Non-Large Cap Domestic Equity	9,972	4.3
International Qualified	12,555	5.5
International Equity	27,934	12.2
Short-Term Fixed Income	1,898	0.8
Total Return Fixed Income	16,550	7.2
Core Fixed Income	16,571	7.2
Private Markets	56,296	24.5
Hedge Fund	25,043	10.9
Total	\$ 229,658	100.0%

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

Period	Actual	Target
One-year	11.4%	7.25%
Three-year	10.4%	7.25%
Five-year	10.7%	7.25%
Ten-year	8.7%	7.25%

Judges' Retirement System

HISTORY

The Judges' Retirement System (JRS) was created in 1949.

LIQUIDITY NEEDS

JRS currently has slightly negative net cash flows.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.25 percent per annum, net of fees.
- Maintain adequate liquidity to satisfy benefit payments and not subject JRS to an undue level of risk.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for JRS. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. The domestic large capitalization allocation to Equity will be implemented through the use of the Portable Alpha Pool described in Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from JRS will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity (including Portable Alpha)	60.0%	45.0%
Fixed Income	40.0%	15.0%
Private Markets		
Private Credit and Income	0.0%	6.0%
Private Equity	0.0%	12.0%
Real Estate	0.0%	12.0%
Hedge Funds	0.0%	10.0%

Judges' Retirement System

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$	306,539
Contributions		1,230
Withdrawals		(5,300)
Net		(4,070)
Investment income		21
Net appreciation		33,655
June 30, 2025	\$	336,145

Asset Allocation

	Amount	Percent of Total
Portable Alpha	\$ 92,222	27.6%
Non-Large Cap Domestic Equity	14,766	4.4
International Qualified	18,477	5.5
International Equity	41,139	12.2
Short-Term Fixed Income	465	0.1
Total Return Fixed Income	24,699	7.3
Core Fixed Income	24,691	7.3
Private Markets	82,835	24.6
Hedge Fund	36,851	11.0
Total	\$ 336,145	100.0%

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

Period	Actual	Target
One-year	11.1%	7.25%
Three-year	10.4%	7.25%
Five-year	10.7%	7.25%
Ten-year	8.7%	7.25%
Twenty-year	7.9%	7.25%

Municipal Police Officers' and Firefighters' Retirement System

HISTORY

Municipal Police Officers' and Firefighters' Retirement System (MPFRS) was created in 2010.

LIQUIDITY NEEDS

There are no anticipated liquidity needs at this time.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.25 percent per annum, net of fees.
- Maintain adequate liquidity to satisfy benefit payments and not subject MPFRS to an undue level of risk.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for MPFRS. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. The domestic large capitalization allocation to Equity will be implemented through the use of the Portable Alpha Pool described in Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from MPFRS will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity (including Portable Alpha)	60.0%	45.0%
Fixed Income	40.0%	15.0%
Private Markets		
Private Credit and Income	0.0%	6.0%
Private Equity	0.0%	12.0%
Real Estate	0.0%	12.0%
Hedge Funds	0.0%	10.0%

Municipal Police Officers' and Firefighters' Retirement System

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$	46,198
Contributions		8,317
Withdrawals		(410)
Net		7,907
Investment income		36
Net appreciation		5,549
June 30, 2025	\$	59,690

Asset Allocation

	Amount	Percent of Total
Portable Alpha	\$ 16,151	27.1%
Non-Large Cap Domestic Equity	2,570	4.3
International Qualified	3,231	5.4
International Equity	7,225	12.1
Short-Term Fixed Income	1,136	1.8
Total Return Fixed Income	4,215	7.1
Core Fixed Income	4,227	7.1
Private Markets	14,490	24.3
Hedge Fund	6,445	10.8
Total	\$ 59,690	100.0%

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

Period	Actual	Target
One-year	11.1%	7.25%
Three-year	10.3%	7.25%
Five-year	10.6%	7.25%
Ten-year	8.6%	7.25%

Municipal Policemen's or Firemen's Pension and Relief Funds

HISTORY

West Virginia Code §8-22-22 offers municipalities the ability to invest Policemen's or Firemen's Pension and Relief Funds (Municipal Plan) established under West Virginia Code §8-22 in the investment pools operated by the WVIMB. Collectively all municipal plans will be grouped in this section and referred to as the Municipal Policemen's or Firemen's Pension and Relief Funds. The WVIMB received monies from the first municipality on July 17, 2013.

LIQUIDITY NEEDS

Liquidity needs are analyzed and established on an individual basis as each Municipal Plan elects to invest with the WVIMB.

INVESTMENT OBJECTIVES

Investment objectives are analyzed and established on an individual basis as each Municipal Plan elects to invest with the WVIMB. All Municipal Plans adopt an Investment Policy Statement approved by the WVIMB.

MUNICIPAL RETIREMENT PLANS INVESTMENT ALLOCATIONS

The WVIMB investment staff has created two model allocations that utilize percentage mixes of the investment pools operated by the WVIMB. The models can be found in the tables below. The WVIMB will work with the Municipal Plan's authorized party to determine the appropriate investment model based on information provided by the plan and Municipal Pensions Oversight Board. Model A plans are those that meet statutory or actuarially required minimum employer contributions. Model B plans are those that do not meet statutory or actuarially required minimum employer contributions. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. The domestic large capitalization allocation to Equity for Model A will be implemented through the use of the Portable Alpha Pool described in Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from the Municipal Plan will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

The potential investment models include:

Model / Asset Class	Base Allocation	Strategic Allocation
Model A:		
Equity (including Portable Alpha)	60%	45%
Fixed Income	40%	15%
Private Markets		
Private Credit and Income	0%	6%
Private Equity	0%	12%
Real Estate	0%	12%
Hedge Funds	0%	10%
Model B:		
Equity	55%	55%
Fixed Income	45%	45%

Municipal Policemen's or Firemen's Pension and Relief Funds

SUMMARY OF PLAN BALANCES (in \$000s)

	Amount
Model A:	
Town of Belle Policemen's Pension and Relief Fund	\$ 1,567
City of Chester Policemen's Pension and Relief Fund	2,253
City of Charleston West Virginia Firemen's Pension Plan	63,334
City of Charleston West Virginia Policemen's Pension Plan	66,986
The Firemen's Pension and Relief Fund of Dunbar	1,461
The Fireman's Pension and Relief Fund of Martinsburg	4,558
Policemen's Pension and Relief Fund of Martinsburg	11,752
City of Wheeling Firemen's Pension and Relief Fund	74,595
City of Wheeling Policemen's Pension & Relief Fund	52,222
Williamson Firemen's Pension and Relief Fund	2,638
City of Williamson Policemen's Pension and Protection Fund	1,987
	283,353
Model B:	
The Policemen's Pension and Relief Fund of Point Pleasant	4,005
Total	\$ 287,358

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balances

	Model A	Model B
June 30, 2024	\$ 246,093	\$ 3,287
Contributions	1,500	453
Withdrawals	(8,747)	(171)
Net	(7,247)	282
Investment income	53	4
Net appreciation	44,454	432
June 30, 2025	\$ 283,353	\$ 4,005

	Model A		Model B	
Asset Allocation	Amount	Percent of Total	Amount	Percent of Total
Portable Alpha	\$ 77,655	27.4%	\$ -	0.0%
Large Cap Domestic Equity	-	0.0	1,283	32.0
Non-Large Cap Domestic Equity	12,453	4.4	203	5.1
International Qualified	15,573	5.5	248	6.2
International Equity	34,703	12.2	539	13.5
Short-Term Fixed Income	1,059	0.5	64	1.6
Total Return Fixed Income	20,513	7.2	838	20.9
Core Fixed Income	20,504	7.2	830	20.7
Private Markets	69,832	24.6	-	0.0
Hedge Fund	31,061	11.0	-	0.0
Total	\$ 283,353	100.0%	\$ 4,005	100.0%

Municipal Policemen's or Firemen's Pension and Relief Funds

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

Period	Model A	Model B
One-year	11.0%	12.6%
Three-year	10.8%	11.6%
Five-year	11.2%	8.5%
Ten-year	9.0%	N/A

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Natural Resources Police Officer Retirement System

HISTORY

The Natural Resources Police Officers' Retirement System (NRPORS) was created under the Natural Resources Police Officers' Retirement System Act effective January 2, 2021, under West Virginia Code §20-18-4. NRPORS members with benefits earned in the Public Employees' Retirement System (PERS) transferred their full membership and benefits under PERS to NRPORS on the effective date January 2, 2021.

LIQUIDITY NEEDS

NRPORS is expected to be in a positive net cash flow position through fiscal year 2026.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.25 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments and not subject NRPORS to an undue level of risk.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for NRPORS. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. The domestic large capitalization allocation to Equity will be implemented through the use of the Portable Alpha Pool described in Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from NRPORS will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity (including Portable Alpha)	60.0%	45.0%
Fixed Income	40.0%	15.0%
Private Markets		
Private Credit and Income	0.0%	6.0%
Private Equity	0.0%	12.0%
Real Estate	0.0%	12.0%
Hedge Funds	0.0%	10.0%

Natural Resources Police Officer Retirement System

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$	32,082
Contributions		1,648
Withdrawals		(430)
Net		1,218
Investment income		16
Net appreciation		3,597
June 30, 2025	\$	36,913

Asset Allocation

	Amount	Percent of Total
Portable Alpha	\$ 10,088	27.3%
Non-Large Cap Domestic Equity	1,605	4.3
International Qualified	2,018	5.5
International Equity	4,494	12.2
Short-Term Fixed Income	443	1.3
Total Return Fixed Income	2,594	7.0
Core Fixed Income	2,597	7.0
Private Markets	9,049	24.5
Hedge Fund	4,025	10.9
Total	\$ 36,913	100.0%

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

Period	Actual	Target
One-year	11.0%	7.25%
Three-year	10.3%	7.25%

Public Employees' Retirement System

HISTORY

The Public Employees' Retirement System (PERS) was created in 1961.

LIQUIDITY NEEDS

PERS is expected to have liquidity needs of approximately 3 to 5 percent per year for the foreseeable future.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.25 percent per annum, net of fees.
- Maintain adequate liquidity to satisfy benefit payments and not subject PERS to an undue level of risk.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for PERS. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. The domestic large capitalization allocation to Equity will be implemented through the use of the Portable Alpha Pool described in Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from PERS will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity (including Portable Alpha)	60.0%	45.0%
Fixed Income	40.0%	15.0%
Private Markets		
Private Credit and Income	0.0%	6.0%
Private Equity	0.0%	12.0%
Real Estate	0.0%	12.0%
Hedge Funds	0.0%	10.0%

Public Employees' Retirement System

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$ 9,060,044
Contributions	172,747
Withdrawals	(485,972)
Net	(313,225)
Investment income	1,707
Net appreciation	981,740
June 30, 2025	<u>\$ 9,730,266</u>

Asset Allocation

	Amount	Percent of Total
Portable Alpha	\$ 2,669,588	27.4%
Non-Large Cap Domestic Equity	429,064	4.4
International Qualified	535,564	5.5
International Equity	1,197,833	12.3
Short-Term Fixed Income	25,014	0.3
Total Return Fixed Income	702,213	7.2
Core Fixed Income	701,469	7.2
Private Markets	2,401,207	24.7
Hedge Fund	1,068,314	11.0
Total	<u>\$ 9,730,266</u>	<u>100.0%</u>

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

Period	Actual	Target
One-year	11.1%	7.25%
Three-year	10.4%	7.25%
Five-year	10.7%	7.25%
Ten-year	8.7%	7.25%
Twenty-year	7.9%	7.25%

State Police Death, Disability and Retirement Fund

HISTORY

The State Police Death, Disability and Retirement Fund (SPDDRF) was created in 1925.

LIQUIDITY NEEDS

SPDDRF is now a closed plan and is expected to experience an increasingly negative cash flow position in the near future.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.25 percent per annum, net of fees.
- Maintain adequate liquidity to satisfy benefit payments and not subject SPDDRF to an undue level of risk.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for SPDDRF. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. The domestic large capitalization allocation to Equity will be implemented through the use of the Portable Alpha Pool described in Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from SPDDRF will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity (including Portable Alpha)	60.0%	45.0%
Fixed Income	40.0%	15.0%
Private Markets		
Private Credit and Income	0.0%	6.0%
Private Equity	0.0%	12.0%
Real Estate	0.0%	12.0%
Hedge Funds	0.0%	10.0%

State Police Death, Disability and Retirement Fund

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$	820,831
Contributions		9,265
Withdrawals		(55,330)
Net		(46,065)
Investment income		177
Net appreciation		87,106
June 30, 2025	\$	862,049

Asset Allocation

	Amount	Percent of Total
Portable Alpha	\$ 235,115	27.2%
Non-Large Cap Domestic Equity	37,702	4.4
International Qualified	47,141	5.5
International Equity	104,763	12.2
Short-Term Fixed Income	9,701	1.1
Total Return Fixed Income	61,194	7.1
Core Fixed Income	61,107	7.1
Private Markets	211,313	24.5
Hedge Fund	94,013	10.9
Total	\$ 862,049	100.0%

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

Period	Actual	Target
One-year	11.0%	7.25%
Three-year	10.4%	7.25%
Five-year	10.7%	7.25%
Ten-year	8.7%	7.25%
Twenty-year	7.9%	7.25%

State Police Retirement System

HISTORY

The State Police Retirement System (SPRS) was created in 1994.

LIQUIDITY NEEDS

SPRS is expected to be in a positive net cash flow position for the foreseeable future.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.25 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments and not subject SPRS to an undue level of risk.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for SPRS. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. The domestic large capitalization allocation to Equity will be implemented through the use of the Portable Alpha Pool described in Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from SPRS will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity (including Portable Alpha)	60.0%	45.0%
Fixed Income	40.0%	15.0%
Private Markets		
Private Credit and Income	0.0%	6.0%
Private Equity	0.0%	12.0%
Real Estate	0.0%	12.0%
Hedge Funds	0.0%	10.0%

State Police Retirement System

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$	365,544
Contributions		11,870
Withdrawals		(5,608)
Net		6,262
Investment income		74
Net appreciation		40,737
June 30, 2025	\$	412,617

Asset Allocation

	Amount	Percent of Total
Portable Alpha	\$ 113,181	27.4%
Non-Large Cap Domestic Equity	18,015	4.4
International Qualified	22,606	5.5
International Equity	50,121	12.1
Short-Term Fixed Income	2,170	0.5
Total Return Fixed Income	30,030	7.3
Core Fixed Income	30,045	7.3
Private Markets	101,359	24.6
Hedge Fund	45,090	10.9
Total	\$ 412,617	100.0%

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

Period	Actual	Target
One-year	11.1%	7.25%
Three-year	10.3%	7.25%
Five-year	10.7%	7.25%
Ten-year	8.7%	7.25%
Twenty-year	7.9%	7.25%

Teachers' Retirement System

HISTORY

The Teachers' Retirement System (TRS) was created in 1941. It was closed to new members in 1991 but reopened to first-time hires as of July 1, 2005. Employees hired from 1991 through June 30, 2005, joined the Teachers' Defined Contribution Plan (TDC). In the spring of 2008, more than 78 percent of the participants in the Teachers' Defined Contribution Plan elected to transfer their TDC account balance to TRS and become participants in TRS. This transfer occurred in July 2008.

LIQUIDITY NEEDS

TRS is expected to have liquidity needs of approximately 4 to 8 percent per year for the foreseeable future.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.25 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments and not subject TRS to an undue level of risk.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for TRS. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. The domestic large capitalization allocation to Equity will be implemented through the use of the Portable Alpha Pool described in Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from TRS will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity (including Portable Alpha)	60.0%	45.0%
Fixed Income	40.0%	15.0%
Private Markets		
Private Credit and Income	0.0%	6.0%
Private Equity	0.0%	12.0%
Real Estate	0.0%	12.0%
Hedge Funds	0.0%	10.0%

Teachers' Retirement System

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$ 10,042,974
Contributions	394,823
Withdrawals	(758,915)
Net	(364,092)
Investment income	2,022
Net appreciation	1,076,958
June 30, 2025	<u>\$ 10,757,862</u>

Asset Allocation

	Amount	Percent of Total
Portable Alpha	\$ 2,931,836	27.2%
Non-Large Cap Domestic Equity	470,204	4.4
International Qualified	587,368	5.5
International Equity	1,310,994	12.2
Short-Term Fixed Income	117,456	1.1
Total Return Fixed Income	767,034	7.1
Core Fixed Income	768,007	7.1
Private Markets	2,633,446	24.5
Hedge Fund	1,171,517	10.9
Total	<u>\$ 10,757,862</u>	<u>100.0%</u>

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

Period	Actual	Target
One-year	11.1%	7.25%
Three-year	10.3%	7.25%
Five-year	10.7%	7.25%
Ten-year	8.7%	7.25%
Twenty-year	7.8%	7.25%

Board of Risk and Insurance Management

HISTORY

The Board of Risk and Insurance Management (BRIM) is a State entity charged with providing insurance coverage to all State agencies, as well as cities, counties, and non-profit organizations throughout West Virginia. BRIM also provides a coal mine subsidence reinsurance program that allows homeowners and businesses to obtain insurance coverage up to \$200,000 for collapses and damage caused by underground coal mines.

LIQUIDITY NEEDS

Liquidity needs may increase significantly through June 2027. There is still a significant amount of uncertainty as to the actual amounts needed, or whether there may be other funding sources for the potential liability that has materialized. Approximately 45 percent of the current amounts invested with the WVIMB is in the liability pool from which these potential settlements will be paid. BRIM does not currently believe that all of this will need to be drawn, but it is not possible to make a reliable cash flow projection at this time. BRIM also maintains a cash reserve account in the Consolidated Fund, which is administered by the West Virginia Board of Treasury Investments.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Provide adequate liquidity to meet the cash flow requirements.
- Given the expected infinite life of BRIM, allow for growth of assets in an amount at least equal to expected inflation.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for BRIM. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C.

Asset Class	Base Allocation	Strategic Allocation
Equity	30.0%	25.0%
Fixed Income	70.0%	35.0%
TIPS	0.0%	10.0%
Private Markets		
Private Credit and Income	0.0%	2.0%
Private Equity	0.0%	4.0%
Real Estate	0.0%	4.0%
Hedge Funds	0.0%	15.0%
Cash*	0.0%	5.0%

** WVIMB Staff has authority to change the cash target up to 5 percent during a fiscal year, in consultation with the appropriate representative(s) from BRIM.*

Board of Risk and Insurance Management

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$	90,829
Contributions		-
Withdrawals		(23,200)
Net		(23,200)
Investment income		250
Net appreciation		7,961
June 30, 2025	\$	75,840

Asset Allocation

	Amount	Percent of Total
Large Cap Domestic Equity	\$ 11,349	15.0%
Non-Large Cap Domestic Equity	1,684	2.2
International Nonqualified	2,234	2.9
International Equity	4,876	6.4
Short-Term Fixed Income	5,586	7.4
Total Return Fixed Income	17,231	22.7
Core Fixed Income	7,297	9.6
TIPS	7,206	9.5
Private Markets	6,119	8.1
Hedge Fund	12,258	16.2
Total	\$ 75,840	100.0%

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees. A target rate of return has not been set for this plan.

Period	Actual
One-year	10.2%
Three-year	8.4%
Five-year	6.5%
Ten-year	5.5%
Twenty-year	5.6%

Coal Workers' Pneumoconiosis Fund

HISTORY

The Coal Workers' Pneumoconiosis Fund (CWPF) was formed in 1974 to provide insurance coverage to coal operators for their potential liability under the *Federal Coal Mine Health and Safety Act of 1969*. Upon termination of the West Virginia Workers' Compensation Commission, the assets and liabilities of CWPF remained with the State for administration of the run-off of the liabilities incurred during the years of operation. Effective January 1, 2006, insurance coverage for liabilities incurred under the *Federal Coal Mine Health and Safety Act of 1969* is provided by private insurance carriers and is no longer available through the State.

LIQUIDITY NEEDS

Liquidity needs are actuarially determined based on the run-off of liabilities, which are assessed annually.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 3.0 percent per annum, net of fees.
- Maintain the current surplus position.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for CWPF. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C.

Asset Class	Base Allocation	Strategic Allocation
Equity	30.0%	25.0%
Fixed Income	70.0%	35.0%
TIPS	0.0%	10.0%
Private Markets		
Private Credit and Income	0.0%	2.0%
Private Equity	0.0%	4.0%
Real Estate	0.0%	4.0%
Hedge Funds	0.0%	15.0%
Cash*	0.0%	5.0%

* WVIMB Staff has authority to change the cash target up to 5 percent, within a fiscal year, in consultation with the appropriate representative(s) from CWPF.

Coal Workers' Pneumoconiosis Fund

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$	201,841
Contributions		-
Withdrawals		(17,448)
Net		(17,448)
Investment income		408
Net appreciation		19,427
June 30, 2025	\$	204,228

Asset Allocation

	Amount	Percent of Total
Large Cap Domestic Equity	\$ 31,509	15.6%
Non-Large Cap Domestic Equity	4,998	2.4
International Nonqualified	6,223	3.0
International Equity	13,685	6.7
Short-Term Fixed Income	8,506	4.2
Total Return Fixed Income	47,772	23.4
Core Fixed Income	20,314	9.9
TIPS	20,024	9.8
Private Markets	17,049	8.3
Hedge Fund	34,148	16.7
Total	\$ 204,228	100.0%

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

Period	Actual	Target
One-year	10.3%	3.0%
Three-year	8.4%	3.0%
Five-year	6.6%	3.0%
Ten-year	5.5%	3.0%
Twenty-year	5.3%	3.0%

HISTORY

The Public Employees Insurance Agency (PEIA) is a State entity charged with providing health insurance coverage to eligible public employees.

LIQUIDITY NEEDS

PEIA projects net cash outflows from operations every year going forward. This anticipated liquidity need within a three-year time horizon indicates a substantial allocation to cash is appropriate. PEIA currently manages part of its cash allocation and invests this amount with the West Virginia Board of Treasury Investments. The WVIMB collaborates with management at PEIA to monitor combined cash levels.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Provide adequate liquidity to meet the cash flow requirements.
- Given the expected infinite life of PEIA, allow for growth of assets in an amount at least equal to expected inflation.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for PEIA. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from PEIA will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity	20.0%	22.0%
Fixed Income	80.0%	43.0%
TIPS	0.0%	15.0%
Private Markets		
Private Credit and Income	0.0%	0.0%
Private Equity	0.0%	0.0%
Real Estate	0.0%	0.0%
Hedge Funds	0.0%	20.0%

Public Employees Insurance Agency

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$ 148,452
Contributions	-
Withdrawals	-
Net	-
Investment income	-
Net appreciation	15,571
June 30, 2025	<u>\$ 164,023</u>

Asset Allocation

	Amount	Percent of Total
Large Cap Domestic Equity	\$ 21,634	13.1%
Non-Large Cap Domestic Equity	3,363	2.1
International Nonqualified	4,228	2.6
International Equity	9,487	5.8
Short-Term Fixed Income	2	0.0*
Total Return Fixed Income	45,621	27.8
Core Fixed Income	19,393	11.8
TIPS	23,883	14.6
Hedge Fund	36,412	22.2
Total	<u>\$ 164,023</u>	<u>100.0%</u>

*Rounds to less than 0.05 percent.

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees. A target rate of return has not been set for this plan.

Period	Actual
One-year	10.5%
Three-year	8.2%
Five-year	6.0%
Ten-year	5.2%

West Virginia Retiree Health Benefit Trust Fund

HISTORY

The West Virginia Retiree Health Benefit Trust Fund (RHBTF) was created under *West Virginia Code §5-16D* for the purpose of providing for and administering retiree post-employment health care benefits, and the respective revenues and costs of those benefits as a cost sharing multiple employer plan.

LIQUIDITY NEEDS

RHBTF assets managed by the WVIMB are expected to be long-term in nature and have no liquidity needs as deemed by PEIA, which administers these assets. Short-term projected cash needs for RHBTF are calculated by PEIA and held in reserve in RHBT cash accounts.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Exceed the investment return assumption of 7.25 percent per annum, net of fees.
- To provide stable, long term growth of assets, while seeking to minimize the risk of loss.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for RHBTF. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. The domestic large capitalization allocation to Equity will be implemented through the use of the Portable Alpha Pool described in Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from RHBTF will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity (including Portable Alpha)	60.0%	45.0%
Fixed Income	40.0%	15.0%
Private Markets		
Private Credit and Income	0.0%	6.0%
Private Equity	0.0%	12.0%
Real Estate	0.0%	12.0%
Hedge Funds	0.0%	10.0%

West Virginia Retiree Health Benefit Trust Fund

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$ 1,942,456
Contributions	-
Withdrawals	-
Net	-
Investment income	7
Net appreciation	214,931
June 30, 2025	<u>\$ 2,157,394</u>

Asset Allocation

	Amount	Percent of Total
Portable Alpha	\$ 591,554	27.5%
Non-Large Cap Domestic Equity	94,591	4.4
International Nonqualified	118,947	5.5
International Equity	263,707	12.2
Short-Term Fixed Income	157	0.0*
Total Return Fixed Income	160,270	7.4
Core Fixed Income	160,263	7.4
Private Markets	531,474	24.6
Hedge Fund	236,431	11.0
Total	<u>\$ 2,157,394</u>	<u>100.0%</u>

*Rounds to less than 0.05 percent.

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees. A target rate of return has not been set for this plan.

Period	Actual	Target
One-year	11.1%	7.25%
Three-year	10.3%	7.25%
Five-year	10.6%	7.25%
Ten-year	8.7%	7.25%

Workers' Compensation Old Fund

HISTORY

Formed in January 2006, the Workers' Compensation Old Fund (Old Fund) assumed responsibility for payment of all workers' compensation claims and liabilities incurred by the former West Virginia Workers' Compensation Commission prior to July 1, 2005. After July 1, 2005, workers' compensation claims or liabilities incurred are covered by private insurance carriers.

LIQUIDITY NEEDS

Liquidity needs are uncertain due to legislation that reduced funding sources. Regardless, the Old Fund is expected to have a negative net cash flow position. Liquidity needs for short-term cash (amount necessary for approximately 12 months' worth of anticipated claims) will continue to be reviewed annually with the West Virginia Office of the Insurance Commissioner. Currently, a cash balance is held in the Old Fund in an amount equal to 5 percent of assets which should be adequate to meet the needs of the Old Fund even with funding uncertainty.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Preservation of principal and minimization of volatility, while still achieving some investment earnings growth adjusted for inflation.
- Provide adequate liquidity to meet cash flow requirements.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for the Old Fund. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C.

Asset Class	Base Allocation	Strategic Allocation
Equity	30.0%	25.0%
Fixed Income	70.0%	35.0%
TIPS	0.0%	10.0%
Private Markets		
Private Credit and Income	0.0%	2.0%
Private Equity	0.0%	4.0%
Real Estate	0.0%	4.0%
Hedge Funds	0.0%	15.0%
Cash*	0.0%	5.0%

** WVIMB Staff has authority to change the cash target up to 5 percent, during a fiscal year, in consultation with the appropriate representative(s) from the Old Fund.*

Workers' Compensation Old Fund

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$ 836,283
Contributions	335
Withdrawals	(82,427)
Net	(82,092)
Investment income	1,748
Net appreciation	79,951
June 30, 2025	<u>\$ 835,890</u>

Asset Allocation

	Amount	Percent of Total
Large Cap Domestic Equity	\$ 129,040	15.6%
Non-Large Cap Domestic Equity	20,447	2.4
International Nonqualified	25,487	3.0
International Equity	55,901	6.7
Short-Term Fixed Income	34,473	4.1
Total Return Fixed Income	195,809	23.4
Core Fixed Income	83,032	9.9
TIPS	82,021	9.8
Private Markets	69,827	8.4
Hedge Fund	139,853	16.7
Total	<u>\$ 835,890</u>	<u>100.0%</u>

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees. A target rate of return has not been set for this plan.

Period	Actual
One-year	10.3%
Three-year	8.3%
Five-year	6.2%
Ten-year	5.5%

Workers' Compensation Self-Insured Employer Guaranty Risk Pool

HISTORY

The Workers' Compensation Self-Insured Guaranty Risk Pool (Self-Insured Pool) was established on January 1, 2006, for the purpose of paying the workers' compensation claims of defaulted self-insured employers occurring on or after July 1, 2004. It consists of those funds transferred, and any future funds collected, as provided by law.

LIQUIDITY NEEDS

As all current and active self-insured employers are required to provide a bond, security, or other collateral to the West Virginia Office of the Insurance Commissioner in the event of a deteriorating financial condition, it is anticipated that the liquidity position of this plan should remain stable. A small cash reserve will be held in the event of an unforeseen emergency, as is possible with an insurance program of this kind.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Provide adequate liquidity to meet cash flow requirements.
- Given the expected infinite life of the Self-Insured Pool, allow for growth of assets in an amount at least equal to expected inflation.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for the Self-Insured Pool. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C.

Asset Class	Base Allocation	Strategic Allocation
Equity	30.0%	25.0%
Fixed Income	70.0%	35.0%
TIPS	0.0%	10.0%
Private Markets		
Private Credit and Income	0.0%	2.0%
Private Equity	0.0%	4.0%
Real Estate	0.0%	4.0%
Hedge Funds	0.0%	15.0%
Cash*	0.0%	5.0%

** WVIMB Staff has authority to change the cash target up to 5 percent, during a fiscal year, in consultation with the appropriate representative(s) from the Self-Insured Pool.*

Workers' Compensation Self-Insured Employer Guaranty Risk Pool

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$	40,246
Contributions		68
Withdrawals		(417)
Net		(349)
Investment income		95
Net appreciation		4,031
June 30, 2025	\$	44,023

Asset Allocation

	Amount	Percent of Total
Large Cap Domestic Equity	\$ 6,746	15.3%
Non-Large Cap Domestic Equity	1,063	2.4
International Nonqualified	1,333	3.0
International Equity	2,987	6.8
Short-Term Fixed Income	2,102	4.8
Total Return Fixed Income	10,204	23.2
Core Fixed Income	4,352	9.9
TIPS	4,268	9.7
Private Markets	3,654	8.3
Hedge Fund	7,314	16.6
Total	\$ 44,023	100.0%

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees. A target rate of return has not been set for this plan.

Period	Actual
One-year	10.3%
Three-year	8.4%
Five-year	6.6%
Ten-year	5.5%

Workers' Compensation Self-Insured Employer Security Risk Pool

HISTORY

The Workers' Compensation Self-Insured Security Risk Pool (Security Pool) was established on January 1, 2006, and initially funded with the WVIMB in March 2014, for the purpose of paying the workers' compensation claims of defaulted self-insured employers with dates of injury occurring prior to July 1, 2004, provided that the default of the self-insured employer took place on or after the creation of the Security Pool on January 1, 2006.

LIQUIDITY NEEDS

It is anticipated that the Security Pool will have net cash outflows of approximately 4 percent through June 2026. A small cash reserve will be held in the event of an unforeseen emergency, as is possible with an insurance program of this kind.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Provide adequate liquidity to meet cash flow requirements.
- Given the expected infinite life of the Security Pool, allow for growth of assets in an amount at least equal to expected inflation.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for the Security Pool. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C.

Asset Class	Base Allocation	Strategic Allocation
Equity	30.0%	25.0%
Fixed Income	70.0%	35.0%
TIPS	0.0%	10.0%
Private Markets		
Private Credit and Income	0.0%	2.0%
Private Equity	0.0%	4.0%
Real Estate	0.0%	4.0%
Hedge Funds	0.0%	15.0%
Cash*	0.0%	5.0%

** WVIMB Staff has authority to change the cash target up to 5 percent, within a fiscal year, in consultation with the appropriate representative(s) from the Security Pool.*

Workers' Compensation Self-Insured Employer Security Risk Pool

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$	50,726
Contributions		66
Withdrawals		(2,248)
Net		(2,182)
Investment income		115
Net appreciation		4,994
June 30, 2025	\$	53,653

Asset Allocation

	Amount	Percent of Total
Large Cap Domestic Equity	\$ 8,251	15.5%
Non-Large Cap Domestic Equity	1,303	2.4
International Nonqualified	1,628	3.0
International Equity	3,646	6.8
Short-Term Fixed Income	2,432	4.5
Total Return Fixed Income	12,472	23.2
Core Fixed Income	5,296	9.9
TIPS	5,227	9.7
Private Markets	4,461	8.3
Hedge Fund	8,937	16.7
Total	\$ 53,653	100.0%

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees. A target rate of return has not been set for this plan.

Period	Actual
One-year	10.3%
Three-year	8.4%
Five-year	6.6%
Ten-year	5.5%

Workers' Compensation Uninsured Employers' Fund

HISTORY

The Workers' Compensation Uninsured Employers' Fund (Uninsured Fund) was established January 1, 2006, to provide for the benefit of injured workers, whose employers failed to provide mandatory workers' compensation coverage. The Uninsured Fund received initial funding of \$5 million by proclamation of the Governor.

LIQUIDITY NEEDS

There are minimal liquidity needs projected at this time as cash inflows (premiums) are expected to be sufficiently above cash outflows (claims) for the near future. At the Uninsured Fund's request, moderate liquidity needs are being reserved in anticipation of cash that may be needed for a settlement program. A small cash reserve will be held in the event of an unforeseen emergency, as is possible with an insurance program of this kind.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Provide adequate liquidity to meet cash flow requirements.
- Given the expected infinite life of the Uninsured Fund, allow for growth of assets in an amount at least equal to expected inflation.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for the Uninsured Fund. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C.

Asset Class	Base Allocation	Strategic Allocation
Equity	30.0%	25.0%
Fixed Income	70.0%	35.0%
TIPS	0.0%	10.0%
Private Markets		
Private Credit and Income	0.0%	2.0%
Private Equity	0.0%	4.0%
Real Estate	0.0%	4.0%
Hedge Funds	0.0%	15.0%
Cash*	0.0%	5.0%

** WVIMB Staff has authority to change the cash target up to 5 percent, within a fiscal year, in consultation with the appropriate representative(s) from the Uninsured Fund.*

Workers' Compensation Uninsured Employers' Fund

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$	18,638
Contributions		556
Withdrawals		(26)
Net		530
Investment income		47
Net appreciation		1,899
June 30, 2025	\$	21,114

Asset Allocation

	Amount	Percent of Total
Large Cap Domestic Equity	\$ 3,224	15.3%
Non-Large Cap Domestic Equity	511	2.4
International Nonqualified	638	3.0
International Equity	1,422	6.7
Short-Term Fixed Income	1,045	4.9
Total Return Fixed Income	4,888	23.2
Core Fixed Income	2,098	9.9
TIPS	2,038	9.7
Private Markets	1,749	8.3
Hedge Fund	3,501	16.6
Total	\$ 21,114	100.0%

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees. A target rate of return has not been set for this plan.

Period	Actual
One-year	10.3%
Three-year	8.4%
Five-year	6.5%
Ten-year	5.4%

HISTORY

Berkeley County is the second most populous county in West Virginia and benefits economically from its close proximity to the Washington, D.C. metropolitan area. The Berkeley County Development Authority (BCDA) seeks to attract business through tax credits and financing programs.

LIQUIDITY NEEDS

No cash outflows are expected, although this forecast is much less certain through June 2027.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Meet or exceed 7.25 percent per annum, net of fees.
- Achieve long-term growth by investing in a well-diversified portfolio.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for BCDA. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. The domestic large capitalization allocation to Equity will be implemented through the use of the Portable Alpha Pool described in Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from BCDA will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity (including Portable Alpha)	60.0%	45.0%
Fixed Income	40.0%	15.0%
Private Markets		
Private Credit and Income	0.0%	6.0%
Private Equity	0.0%	12.0%
Real Estate	0.0%	12.0%
Hedge Funds	0.0%	10.0%

Berkeley County Development Authority

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$	6,800
Contributions		-
Withdrawals		-
Net		-
Investment income		-
Net appreciation		752
June 30, 2025	\$	7,552

Asset Allocation

	Amount	Percent of Total
Portable Alpha	\$ 2,069	27.4%
Non-Large Cap Domestic Equity	331	4.4
International Nonqualified	416	5.5
International Equity	922	12.2
Short-Term Fixed Income	2	0.0*
Total Return Fixed Income	561	7.4
Core Fixed Income	561	7.4
Private Markets	1,862	24.7
Hedge Fund	828	11.0
Total	\$ 7,552	100.0%

*Rounds to less than 0.05 percent.

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

Period	Actual	Target
One-year	11.1%	7.25%
Three-year	10.2%	7.25%
Five-year	10.6%	7.25%

Revenue Shortfall Reserve Fund

HISTORY

The Revenue Shortfall Reserve Fund (Reserve Fund) was created under *West Virginia Code §11B-2-20* and further amended by SB 487 in 2022. Funding will come from state surplus revenues accrued, if any, during the most recent fiscal year subject to specific guidelines as set forth in *West Virginia Code §11B-2-20*. The West Virginia Legislature is authorized to make an appropriation from the Reserve Fund for revenue shortfalls, emergency revenue needs caused by acts of God or natural disasters, or other fiscal needs.

LIQUIDITY NEEDS

The Reserve Fund is intended to be co-managed between the WVIMB and the West Virginia Board of Treasury Investments. A cash account of \$100 million must be invested throughout the life of the Reserve Fund in cash with the West Virginia Board of Treasury Investments. Any assets in excess of \$100 million will be invested with the WVIMB. Statute dictates that expenditures will occur out of the Board of Treasury Investments first until those assets are depleted, and then out of the assets managed at the WVIMB. The West Virginia State Budget Office will monitor these asset balances and will direct both the WVIMB and the West Virginia Board of Treasury Investments when the transfer of funds is necessary from one to the other.

Future cash outflows are uncertain. The assets may be withdrawn, in whole or in part, at any time as directed by the West Virginia Legislature or by executive order.

INVESTMENT OBJECTIVES (for the assets managed by the WVIMB)

The investment objective is to provide for preservation of principal and minimization of volatility. There is no specifically identified target rate of return, as the Reserve Fund is a perpetual, endowment-like fund with no anticipated or scheduled liabilities.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for the Reserve Fund. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the fixed income asset class. The range authority for fixed income is defined in the WVIMB's Investment Policy Statement for the Fixed Income Pool Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from the Reserve Fund will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity	10.0%	10.0%
Fixed Income	90.0%	40.0%
TIPS	0.0%	40.0%
Cash	0.0%	10.0%

** Statutory cash requirements of \$100 million will be invested by the West Virginia Board of Treasury Investments.*

Revenue Shortfall Reserve Fund

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$	609,682
Contributions		4,193
Withdrawals		-
Net		<u>4,193</u>
Investment income		2,915
Net appreciation		46,076
June 30, 2025	\$	<u><u>662,866</u></u>

Asset Allocation

	Amount	Percent of Total
Large Cap Domestic Equity	\$ 40,693	6.1%
Non-Large Cap Domestic Equity	6,265	0.9
International Nonqualified	7,919	1.2
International Equity	17,591	2.7
Short-Term Fixed Income	65,564	9.9
Total Return Fixed Income	184,860	28.0
Core Fixed Income	78,545	11.8
TIPS	261,429	39.4
Total	<u><u>\$ 662,866</u></u>	<u><u>100.0%</u></u>

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees. A target rate of return has not been set for this plan.

Period	Actual
One-year	8.0%
Three-year	5.2%
Five-year	1.8%
Ten-year	2.7%

Revenue Shortfall Reserve Fund – Part B

HISTORY

The Revenue Shortfall Reserve Fund - Part B (Reserve Fund - Part B), created under *West Virginia Code §11B-2-20*, was funded using the entire balance of the assets in the former Tobacco Settlement Medical Trust Fund. The West Virginia Legislature is authorized and may make expenditures from the Reserve Fund - Part B pursuant to *West Virginia Code §11B-2-20* and *§4-11A-3*.

LIQUIDITY NEEDS

The Reserve Fund – Part B is intended to experience no cash outflows, but this is not entirely certain, as the West Virginia Legislature may appropriate a qualified expenditure as noted above. Additionally, no cash inflows are expected.

INVESTMENT OBJECTIVES

The investment objective is to provide for stable, long-term growth of assets, while seeking to minimize risk of loss. There is no specifically identified rate of return target as the Reserve Fund - Part B is a perpetual, endowment-like fund with no anticipated or scheduled liabilities.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for the Reserve Fund - Part B. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from the Reserve Fund - Part B will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity	20.0%	17.5%
Fixed Income	80.0%	50.0%
TIPS	0.0%	22.5%
Private Markets		
Private Credit and Income	0.0%	1.0%
Private Equity	0.0%	2.0%
Real Estate	0.0%	2.0%
Hedge Funds	0.0%	5.0%

Revenue Shortfall Reserve Fund – Part B

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$ 554,537
Contributions	-
Withdrawals	-
Net	-
Investment income	1
Net appreciation	51,623
June 30, 2025	<u>\$ 606,161</u>

Asset Allocation

	Amount	Percent of Total
Large Cap Domestic Equity	\$ 64,910	10.7%
Non-Large Cap Domestic Equity	10,211	1.7
International Nonqualified	12,852	2.1
International Equity	28,658	4.7
Short Term Fixed Income	75	0.0*
Total Return Fixed Income	208,300	34.4
Core Fixed Income	88,435	14.6
TIPS	133,389	22.0
Private Markets	25,410	4.2
Hedge Fund	33,921	5.6
Total	<u>\$ 606,161</u>	<u>100.0%</u>

**Rounds to less than 0.05 percent.*

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees. A target rate of return has not been set for this plan.

Period	Actual
One-year	9.3%
Three-year	6.7%
Five-year	4.2%
Ten-year	4.7%

HISTORY

The West Virginia Department of Environmental Protection Agency (DEP Agency) was established in 1991, for the primary purpose of protecting the environment and the health and welfare of the public, including providing for the long-term maintenance of certain water control facilities. The DEP Agency has established reserve funds for reclamation efforts related to these areas of responsibility.

LIQUIDITY NEEDS

The DEP Agency has had no liquidity needs but anticipates that such needs may increase to fund reclamation activities, although these may be largely offset by revenue inflows or funded with other reserves.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Provide adequate liquidity to meet the cash flow requirements.
- Given the expected infinite life of the DEP Agency, allow for growth of assets in an amount at least equal to expected inflation.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for the DEP Agency. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from the DEP Agency will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity	40.0%	35.0%
Fixed Income	60.0%	40.0%
Private Markets		
Private Credit and Income	0.0%	1.0%
Private Equity	0.0%	2.0%
Real Estate	0.0%	2.0%
Hedge Funds	0.0%	20.0%

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$ 263,748
Contributions	42,000
Withdrawals	-
Net	42,000
Investment income	80
Net appreciation	34,031
June 30, 2025	\$ 339,859

Asset Allocation

	Amount	Percent of Total
Large Cap Domestic Equity	\$ 70,892	20.8%
Non-Large Cap Domestic Equity	11,145	3.3
International Nonqualified	13,919	4.1
International Equity	31,546	9.3
Short Term Fixed Income	8	0.0*
Total Return Fixed Income	87,019	25.6
Core Fixed Income	36,997	10.9
Private Markets	13,932	4.1
Hedge Fund	74,401	21.9
Total	\$ 339,859	100.0%

**Rounds to less than 0.05 percent.*

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees. A target rate of return has not been set for this plan.

Period	Actual
One-year	11.9%
Three-year	10.4%
Five-year	8.0%
Ten-year	6.4%

HISTORY

The West Virginia Department of Environmental Protection Trust (DEP Trust) was established on January 29, 2010, for the primary purpose of protecting the environment and the health and welfare of the public, including providing for the long-term maintenance of certain water control facilities. The DEP Trust seeks to provide an economical way by which funds contributed for that purpose may be invested and managed. The sole trustee of the DEP Trust is the Treasurer of the State of West Virginia. The beneficiary of the DEP Trust is the West Virginia Department of Environmental Protection. The DEP Trust began investing funds with the WVIMB on May 27, 2011.

LIQUIDITY NEEDS

The DEP Trust expects annual cash distributions, on average, to equate to approximately 3 to 5 percent of the market value of the portfolio.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Meet or exceed 7.0 percent per annum. This is the discount rate by the DEP Trust and the Federal Office of Surface Mining in determining the amount of assets invested in the DEP Trust.
- Achieve long-term growth by investing the DEP Trust in a well-diversified portfolio.
- Achieve a real rate of return that is high enough to protect the purchasing power of the DEP Trust.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for the DEP Trust. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from the DEP Trust will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity	65.0%	50.0%
Fixed Income	35.0%	15.0%
Private Markets		
Private Credit and Income	0.0%	5.0%
Private Equity	0.0%	10.0%
Real Estate	0.0%	10.0%
Hedge Funds	0.0%	10.0%

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$ 10,997
Contributions	-
Withdrawals	(3,011)
Net	(3,011)
Investment income	1
Net appreciation	1,185
June 30, 2025	\$ 9,172

Asset Allocation

	Amount	Percent of Total
Large Cap Domestic Equity	\$ 3,246	35.4%
Non-Large Cap Domestic Equity	353	3.8
International Nonqualified	638	7.0
International Equity	769	8.4
Short Term Fixed Income	3	0.0*
Total Return Fixed Income	667	7.3
Core Fixed Income	662	7.2
Private Markets	1,845	20.1
Hedge Fund	989	10.8
Total	\$ 9,172	100.0%

*Rounds to less than 0.05 percent.

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. The actual rate of return is net of fees.

Period	Actual	Target
One-year	11.9%	7.0%
Three-year	11.9%	7.0%
Five-year	10.3%	7.0%
Ten-year	7.7%	7.0%

West Virginia State Parks and Recreation Endowment Fund

HISTORY

The West Virginia State Parks and Recreation Endowment Fund (SPREF) was created by the Legislature in 2020, adding §20-5A-1 and §20-5A-2 to the West Virginia Code. SPREF was created to provide revenues to help support the maintenance, repair and improvement of recreational facilities, and any supporting infrastructure, in the state parks, state forests, and state rail trails. The SPREF Board of Trustees will determine the timing and amount of expenditures from income.

LIQUIDITY NEEDS

SPREF is expected to have annual cash needs of approximately 5.5 percent. Any distributions will be set on an annual basis. SPREF is expected to receive principal contributions from statutorily designated sources going forward, creating a net cash inflow. Expenditures are limited to accrued income. Principal is expected to remain in perpetuity and can be withdrawn only upon a legislative appropriation.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Achieve a total rate of return of at least 6.0 percent per annum, net of fees.
- Provide adequate liquidity to meet cash flow requirements.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for SPREF. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. The domestic large capitalization allocation to Equity will be implemented through the use of the Portable Alpha Pool described in Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from the SPREF will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity (including Portable Alpha)	60.0%	45.0%
Fixed Income	40.0%	15.0%
Private Markets		
Private Credit and Income	0.0%	6.0%
Private Equity	0.0%	12.0%
Real Estate	0.0%	12.0%
Hedge Funds	0.0%	10.0%

West Virginia State Parks and Recreation Endowment Fund

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$	47,125
Contributions		8,926
Withdrawals		-
Net		8,926
Investment income		18
Net appreciation		5,682
June 30, 2025	\$	61,751

Asset Allocation

	Amount	Percent of Total
Portable Alpha	\$ 16,766	27.2%
Non-Large Cap Domestic Equity	2,613	4.2
International Nonqualified	3,356	5.4
International Equity	7,424	12.0
Short-Term Fixed Income	837	1.4
Total Return Fixed Income	4,550	7.4
Core Fixed Income	4,510	7.3
Private Markets	15,018	24.3
Hedge Fund	6,677	10.8
Total	\$ 61,751	100.0%

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

Period	Actual	Target
One-year	11.0%	6.0%
Three-year	10.5%	6.0%

Wildlife Endowment Fund

HISTORY

The Wildlife Endowment Fund (WEF) was created in 1986 to supplement the Division of Natural Resources' annual budget in support of various statewide projects.

LIQUIDITY NEEDS

The liquidity needs of WEF will be set on an annual basis and determined by a separate Wildlife Endowment Board as established by West Virginia State Code.

INVESTMENT OBJECTIVES

The investment objectives are as follows:

- Achieve a total rate of return of at least 6.0 percent per annum, net of fees.
- Provide adequate liquidity to meet cash flow requirements.

ASSET ALLOCATION

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for WEF. Base and Strategic Allocations are established on a market value basis. The Allocation Committee has the authority to change the allocation within an established range around the Strategic Allocation for the public equity and fixed income asset classes. The range authority for public equities and fixed income is defined in the WVIMB's Investment Policy Statement for the Equity and Fixed Income Pools, respectively Appendix C. The domestic large capitalization allocation to Equity will be implemented through the use of the Portable Alpha Pool described in Appendix C. WVIMB Staff, in consultation with the appropriate representative(s) from the WEF will from time to time set a target for transactional cash needs. The Board will receive a report on the target level annually.

Asset Class	Base Allocation	Strategic Allocation
Equity (including Portable Alpha)	60.0%	45.0%
Fixed Income	40.0%	15.0%
Private Markets		
Private Credit and Income	0.0%	6.0%
Private Equity	0.0%	12.0%
Real Estate	0.0%	12.0%
Hedge Funds	0.0%	10.0%

Wildlife Endowment Fund

FINANCIAL HIGHLIGHTS (in \$000s)

Progression of Plan Balance

June 30, 2024	\$	74,682
Contributions		3,217
Withdrawals		(6,720)
Net		(3,503)
Investment income		11
Net appreciation		7,941
June 30, 2025	\$	79,131

Asset Allocation

	Amount	Percent of Total
Portable Alpha	\$ 21,705	27.4%
Non-Large Cap Domestic Equity	3,462	4.4
International Nonqualified	4,354	5.5
International Equity	9,629	12.2
Short-Term Fixed Income	152	0.2
Total Return Fixed Income	5,856	7.4
Core Fixed Income	5,860	7.4
Private Markets	19,456	24.6
Hedge Fund	8,657	10.9
Total	\$ 79,131	100.0%

INVESTMENT PERFORMANCE

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

Period	Actual	Target
One-year	11.0%	6.0%
Three-year	10.3%	6.0%
Five-year	10.7%	6.0%
Ten-year	8.7%	6.0%
Twenty-year	7.9%	6.0%