

**NEW HAMPSHIRE RETIREMENT SYSTEM  
BOARD MEETING  
Tuesday, December 9, 2025  
Agenda**

- |          |  |                  |               |
|----------|--|------------------|---------------|
| 10:00 am | <b>1. Ascertain Quorum and Call to Order</b>   |                  | M. Kelliher   |
| 10:05 am | <b>2. Approval of Minutes</b><br>October 14, 2025<br><i>(Action Expected)</i>  | <b>(Pg. 3)</b>   | M. Kelliher   |
| 10:10 am | <b>3. Standing Committee Reports</b>   |                  |               |
|          | <ul style="list-style-type: none"> <li>• Audit <b>(Pg. 8)</b> M. Mezzapelle           <ul style="list-style-type: none"> <li>○ Audit Charter and Policy Review<br/><i>(Action Expected)</i></li> <li>○ ACFR Recommendation<br/><i>(Action Expected)</i></li> <li>○ Internal Audit RFP</li> </ul> </li> <li>• Governance <b>(Pg. 49)</b> D. Roy</li> <li>• Investment <b>(Pg. 50)</b> M. Kelliher           <ul style="list-style-type: none"> <li>○ IIC Monthly Report R. Leveque</li> <li>○ IIC Quarterly Report R. Leveque</li> <li>○ CAIR Recommendation R. Leveque</li> <li><i>(Action Expected)</i></li> <li>○ 2026 IIC Meeting Schedule R. Leveque</li> <li>○ CEM Benchmarking Review K. Vandolder, CEM</li> </ul> </li> <li>• Legislative <b>(Pg. 157)</b> K. Merrifield</li> <li>• Benefits <b>(Pg. 159)</b> J. Frederick           <ul style="list-style-type: none"> <li>○ Disability Consent Agenda Reports</li> </ul> </li> <li>• PPCC <b>(Pg. 162)</b> S. Hannan</li> <li>• Ad Hoc Real Estate Committee <b>(Pg. 163)</b> J. Quigley</li> </ul> |                  |               |
| 11:15 am | <b>4. Infrastructure Modernization Presentation</b><br><i>(Non-public Expected)</i><br><i>(Action Expected)</i>  | <b>(Pg. 164)</b> | S. Gonzalez   |
| 11:25 am | <b>5. Actuarial Presentation - GRS</b>   | <b>(Pg. 167)</b> | H. Barry, GRS |
| 11:55 am | <b>6. Operating Reports</b>  |                  |               |
|          | <ul style="list-style-type: none"> <li>• Executive <b>(Pg. 188)</b> J. Goodwin           <ul style="list-style-type: none"> <li>○ Building Update<br/><i>(Non-public Expected)</i><br/><i>(Action Expected)</i></li> </ul> </li> <li>• PIO <b>(Pg. 204)</b> J. Goodwin</li> </ul>  |                  |               |

- IT **(Pg. 211)** S. Gonzalez
    - LRS Enhancement Hours  
**(Action Expected)**
    - LRS PG Secure  
**(Action Expected)**
    - Software & Project Management Support Services  
**(Action Expected)**
    - Document Digitization RFP  
**(Action Expected)**
  - Legal **(Pg. 223)** A. Gregori
  - Investments **(Pg. 227)** R. Leveque
  - Member Services **(Pg. 232)** N. Miller
  - Finance **(Pg. 237)** M. Mullen
  - Human Resources **(Pg. 245)** R. Cain
- 12:40 pm **7. Consent Agenda** **(Pg. 248)** M. Kelliher  
**(Action Expected)**
- 12:45 pm **8. Trustee Travel Reports/Requests** **(Pg. 315)** M. Kelliher
- 12:50 pm **9. Action Items – October 14, 2025** **(Pg. 316)** J. Goodwin
- 12:55 pm **10. Board Checkpoint Discussion** **(Pg. 317)** M. Kelliher  
  - Discussion on Personnel Matters  
**(Non-public Expected)**
- 1:30 pm **11. Adjournment** M. Kelliher
- 12. Informational Materials** **(Pg. 318)**  
 2026 Board Action Calendar  
 Trustee Appointments and Terms  
 Committee Membership  
 Trustee Confidential Contact Information  
 NHRS Conference Resource List  
 NHRS Acronyms  
 Results of the Annual Ethics Survey

**Remote access information is available at:**

<https://www.nhrs.org/meetings-events/event/2025/12/09/default-calendar/board-of-trustees-meeting>

*The following email will be monitored throughout the meeting by someone who can assist with and alert the Board to any technical issues:  
public\_relations@nhrs.org*

NHRS Board of Trustees

**DRAFT** Minutes – October 14, 2025

**Note:** These **draft** minutes from the October 14, 2025, Public Session are subject to approval at a subsequent Board of Trustees meeting.

**Board of Trustees**

**October 14, 2025**

**DRAFT Public Minutes**

**New Hampshire Retirement System  
54 Regional Drive  
Concord, New Hampshire 03301**

Participating: *Maureen Kelliher, Chair; Trustees Jon Frederick, Sue Hannan, Jason Henry, Robert Maloney, Andrew Martineau, Leah McKenna, Ken Merrifield, Monica Mezzapelle, Paul Provost, Joshua Quigley, Don Roy, and \*Steve Saltzman.*

*\*This Trustee participated remotely as permitted under RSA 91-A:2. As a result, all votes were by roll call.*

Staff: *Jan Goodwin, Executive Director; Annie Gregori, Chief Legal Counsel; Rosamond Cain, Director of Human Resources (HR); Rick Fabrizio, Director of Communications & Legislative Affairs; Sonja Gonzalez, Chief Information Technology Officer (CITO); Raynald Leveque, Chief Investment Officer (CIO); Nancy Miller, Director of Member Services (MS); Marie Mullen, Director of Finance; and Mariel Holdredge, Executive Assistant.*

Guests: *Bob Robicsek and Ryan Tirrell: Lavallee Brensinger Architects (LBA); Dean Mello: On Point Construction Consulting Group.*

Chair Maureen Kelliher called the October 14, 2025, regular meeting of the NHRS Board of Trustees to order at 10:02 a.m. Chair Kelliher recognized Trustee Paul Provost for his service as a public member on the Board.

A quorum was established and Chair Kelliher called for a vote to approve the public and non-public minutes of the August 12, 2025, Board meeting. On a motion by Trustee Henry, seconded by Trustee Mezzapelle, the Board voted to approve the meeting minutes.

Trustee Mezzapelle reported that the Audit Committee met earlier that morning. Internal Audit reviewed current activities, the FY 26 Internal Audit Plan, and proposed updates to the Audit Policy and Charter. Director Mullen and CITO Gonzalez provided updates on departmental projects and priorities.

Trustee Roy provided the Governance Committee report, noting that the Committee met on October 13, 2025, with four members participating. The Committee reviewed staff's recommendation to select Gabriel, Roeder & Smith (GRS) as NHRS' actuarial services provider for a five-year term, subject to successful contract negotiations, and voted to

approve the selection. On a motion by Trustee Provost, seconded by Trustee Frederick, the Board voted to accept the recommendation of the Governance Committee to approve the selection of GRS as the actuarial services provider.

The Committee also reviewed staff's recommendation to select Sulloway & Hollis as NH Counsel for general NHRS matters following the NH Counsel RFP process and voted unanimously to approve the recommendation. On a motion by Trustee Hannan, seconded by Trustee Henry, the Board voted to accept the recommendation of the Governance Committee to approve the selection of Sulloway & Hollis as NH Counsel.

Trustee Provost reported on the August 26, 2025, Independent Investment Committee (IIC, Committee) meeting, with all five members participating and one vacant position. The Committee reviewed investment returns through FY 25, portfolio holdings, and the current Work Plan, and voted unanimously to approve both the Work Plan for the second quarter of FY 26 and the updated meeting schedule for the remainder of 2025. The Committee also voted unanimously to commit up to \$100 million each to J.P. Morgan Infrastructure Investments Fund and ICG Europe Fund IX, subject to contract and legal review, and to renew investment management agreements with AllianceBernstein and Thompson, Siegel & Walmsley for their respective U.S. SMID Cap Equity mandates through August 2026.

Trustee Provost invited CIO Raynald Leveque to provide the remainder of the Committee report. Mr. Leveque went on to review investment performance as of August 31, 2025, highlighting solid returns across asset classes, favorable long-term results relative to benchmarks and actuarial targets, and continued benefits from diversification. He also discussed asset allocation positioning, recent rebalancing activity, and active management trends across equity and fixed income portfolios. As of August 31, 2025, trust fund assets totaled approximately \$14 billion.

Trustee Merrifield reported that the Legislative Committee met on October 1, 2025, to discuss legislative service requests filed for the 2026 session and potential proposals relevant to NHRS. The Committee reviewed a request to allow the Independent Investment Committee to achieve a quorum through virtual participation to facilitate scheduling and attendance, while maintaining compliance with public meeting requirements. On a motion by Trustee Henry, seconded by Trustee Merrifield, the Board voted to accept the recommendation of the Legislative Committee to support this proposed legislative change, with Trustee Mezzapelle abstaining.

Following the Committee's report, Director of Communications and Legislative Affairs Rick Fabrizio provided an update on 2026 legislative service requests related to NHRS, noting several proposals concerning investment restrictions, post-retirement employment, and benefit adjustments, as well as the disposition of retained legislation from the prior session.

Trustee Frederick reported that the Benefits Committee met twice since the last Board meeting, on September 2, 2025, and October 7, 2025. At both meetings, the Committee approved the minutes of the prior meeting and reviewed a total of nine disability applications.

Trustee Hannan delivered her report for the Personnel Performance and Compensation Committee (PPCC), which met virtually on September 1, 2025, with all members participating. The Committee approved the public and non-public minutes of the August 1 meeting, received staffing and recruitment updates, and discussed ongoing efforts to reassess positions and develop new job descriptions across multiple departments. The Committee also reviewed the 2025 Succession Plan, noting NHRS' commitment to strengthening leadership

depth across the organization.

Next, Trustee Quigley reported that the Ad Hoc Real Estate Committee (AHREC) met virtually on October 9, 2025, with staff, Lavallee Brensinger Architects (LBA), and On Point Construction Consulting Group (On Point) to review renovation plans and the proposed budget for 80 Commercial Street. Executive Director Goodwin introduced representatives from LBA and the project's owner's representative, Dean Mello, who provided guidance on cost-saving strategies. The Committee also noted ongoing support from GID Consulting in identifying efficiencies and assisting with contract negotiations. Representatives from LBA and On Point then presented renovation plans for 80 Commercial Street, outlining design updates, space reconfigurations, and cost-saving measures to enhance functionality, security, and energy efficiency.

Following the design presentation, Director Mullen and Mr. Mello reviewed the preliminary renovation budget for 80 Commercial Street, outlining estimated construction costs, technology and security upgrades, design and project management fees, furniture and equipment needs, and overall project contingencies. A discussion followed regarding project scope, timeline, and cost management, during which staff and consultants addressed trustees' questions on budget details and implementation planning.

On a motion by Trustee Henry, seconded by Trustee Roy, the Board voted to accept the recommendation of the AHREC to approve the renovation and relocation budget for the move to 80 Commercial Street and to authorize the Executive Director to execute the required documents in connection with the budget, subject to final due diligence, legal review, and negotiations.

Following the Board's action, Executive Director Goodwin presented the Executive operating report, noting collaboration among Legal, IT, and external counsel to implement House Bill (HB) 282. She reported key performance measure (KPM) achievement rates for August and September and outlined plans to brief staff on the 80 Commercial Street renovation at an upcoming all-staff meeting. Executive Director Goodwin also discussed ongoing efforts to emphasize quality and accuracy across the organization, provided updates on qualifying payments and recent contract approvals, and reviewed progress on her current action plan. A discussion followed regarding communication plans for recent Group I and Group II benefit changes, during which staff outlined efforts to provide updated information through FAQs, schedules, and website resources.

Next, Director of HR Rosamond Cain reported that recruitment and position development have been the primary focus in recent months, with a controller scheduled to start the following week and additional offers pending for IT positions. She noted ongoing succession planning efforts for 2025, continued work to strengthen organizational depth, and successful completion of all HR KPMs. Director Cain also highlighted the success of the September Employee Appreciation Day event and provided an update on HR's action plan.

Director of Communications and Legislative Affairs Rick Fabrizio presented the Public Information Office (PIO) operating report, highlighting continued outreach and communication initiatives. He reported that the PIO launched *Communicate with Excellence*, an internal training program to strengthen employee communication skills, and partnered with third-party website designer and host, SilverTech, and NHRS IT to enhance website accessibility and usability. PIO also met all applicable KPMs, conducted 14 educational events in August and September, and is coordinating upcoming outreach activities, including communications related to NHRS' transition to 80 Commercial Street.

CITO Sonja Gonzalez reported that two major projects – the Canoe Intelligence platform for the Investment Office and the DocStar AP Workflow for Finance – were successfully moved into production, improving efficiency and automation. She also highlighted ongoing recruitment efforts, recent security enhancements, and updates to the IT dashboard and project portfolio, noting that all IT KPMs were met in August and September. A brief discussion followed regarding potential future uses of AI technology and website enhancements, as well as clarification on the in-person nature of current IT recruitment positions.

Executive Director Goodwin introduced Chief Legal Counsel Annie Gregori, noting her recent appointment and positive contributions to the Legal Department. Chief Legal Counsel Gregori reported that Legal completed 16 employer audits with eight in progress, achieved all KPMs for August and September, and continues to focus on implementing and interpreting HB 282 in coordination with other business units and outside counsel. She also highlighted ongoing enhancements to support the employer audit process and progress on the updated Legal Strategic Plan, concluding with the presentation of the proposed 2026 Board meeting schedule for approval.

On a motion by Trustee Quigley, seconded by Trustee McKenna, the Board voted to approve the 2026 Board meeting schedule as presented.

CIO Raynald Leveque presented the Investment Office operating report, highlighting recruitment for key investment operations roles, implementation of the Canoe Analytics platform to improve data management, and onboarding of the Albourne fee transparency service to strengthen oversight of investment expenses. He noted that a benchmarking study of investment and operating costs is underway to support continued efficiency and transparency within the investment program.

Trustee Mezzapelle then excused herself from the meeting at 11:30 a.m. and was absent for the remainder of the session.

Director of Member Services (MS) Nancy Miller presented the MS operating report, highlighting recruitment for a Contact Center Manager, ongoing improvements to reporting and training materials, and successful issuance of member annual statements. She also provided an update on progress toward implementing HB 282, noting coordination across departments to develop system programming and calculations for the affected member population. A brief discussion followed regarding the implementation timeline for HB 282, during which staff outlined the complexity of programming and testing benefit calculations and addressed questions about integration with NHRS' online benefit estimator tool.

Director of Finance Marie Mullen presented the Finance operating report, noting preparation for the FY 25 external audit, updates on employer compliance and payments, and that FY 26 administrative expenses remain within budget. She also reported on preliminary net position and cash flow and outlined plans to launch an employer survey to gather feedback on NHRS services.

With no further questions, Chair Kelliher turned the Board's attention to the Consent Agenda. On a motion by Trustee Maloney, seconded by Trustee Hannan, the Board voted to approve the Consent Agenda, as presented.

There were no travel requests or reports.

Executive Director Goodwin reported that all Action Items from the August 12, 2025 Board meeting have been completed except for finalizing the construction contract with Milestone Construction for the 80 Commercial Street project, which remains under negotiation.

During the Board Checkpoint Discussion, Chair Kelliher thanked the Trustees for completing the annual Ethics Survey, noting full participation by the Board.

With no further business to discuss, on a motion by Trustee Henry, seconded by Trustee Hannan, the Board voted unanimously to adjourn the meeting at 11:45 a.m.

Respectfully submitted,

Mariel Holdrege,  
Executive Assistant

DRAFT

**AUDIT COMMITTEE**

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To: NHRS Audit Committee  
From: Jan Goodwin, Executive Director  
Date: 12/1/2025  
Re: Audit Committee Charter Revisions  
Item: Action: X      Discussion:      Informational:

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### **Purpose**

This year, Legal staff determined that it would be a best practice to ask outside counsel to provide a comprehensive review of the committee charters. Although the charters have been reviewed annually and revised to reflect changes in the law and NHRS policies, a comprehensive review by outside counsel has not been conducted in over 10 years.

Ice Miller was tasked with this project, and this memo summarizes the recommendations by staff based on Ice Miller's input, as contained in the attached draft for your consideration. Committee members are requested to provide any additional changes or input they may have to the Legal Department.

### **Summary of Proposed Substantive Changes**

- **Authority Section**

No substantive changes

- **Composition Section**

No substantive changes

- **Meetings Section**

General clarifying language regarding the scheduling, attendance, conduct and voting for Committee meetings.

- **Responsibilities Section**

Changes reflect use of an external provider for Internal Audit.

**Summary of Formatting Improvements**

- **General Improvements**

There are numerous suggested edits that are intended to improve readability, but do not alter the meaning or intent of the Charter. These improvements include word selection, tone synchronization, terminology alignment, and overall conciseness.

Staff respectfully requests that the Committee vote to recommend to the Board that it adopt the proposed revisions to the Audit Committee Charter.

## Audit Committee Charter

### Purpose

The Audit Committee is a standing committee established to assist the Board of Trustees in fulfilling its fiduciary and oversight responsibilities with respect to the integrity of NHRS's financial reporting, effectiveness of internal control systems, the performance of internal and external audit functions, and NHRS' compliance with applicable laws, regulations, and the Board's Ethics Policy.

### Authority

The Audit Committee is authorized to carry out its responsibilities in accordance with RSA 100-A and is empowered to:

- Select a qualified independent auditor to conduct audits pursuant to RSA 100-A:15, VI;
- Resolve any disagreements between management and the internal or external auditors regarding financial reporting, internal controls, or compliance with applicable laws, regulations, and the Ethics Policy;
- Approve all audit and non-audit services to be performed by the external auditors;
- Recommend independent counsel, accountants, or other professionals to the full Board for final approval to advise the Committee or assist in fiduciary reviews or investigations;
- Request and obtain any information necessary from employees (all of whom are directed to cooperate with the Committee's requests) or external parties; and,
- Meet with officers, internal auditors, and external auditors as necessary to fulfill its oversight duties.

### Composition

The Audit Committee shall consist of up to five members appointed by the Board Chair. The Chair of the Audit Committee shall also be appointed by the Board Chair. The State Treasurer shall serve as a permanent member of the Committee.

### Meetings

- The Audit Committee shall meet at least six times per year, with authority to convene additional meetings, as circumstances require.

- Meetings will be held in accordance with New Hampshire open meeting requirements under RSA 91-A, RSA 100-A:14-a and the Board Meeting Protocol in Section VIII of the NHRS Governance Manual.
- Members may attend meetings in person or via teleconference or video-conference. A quorum shall consist of a majority of the Committee members. Any Trustee may attend and participate in discussions; only Committee members may vote. If any Committee member is attending via teleconference or video-conference, all votes shall be by roll call.
- Meeting agendas and briefing materials shall be distributed in advance.
- Minutes shall be prepared by staff and maintained in accordance with NHRS records policies.
- The Committee may invite members of staff or others to attend meetings and provide pertinent information, as necessary.

### **Staffing**

The Executive Director will appoint a senior staff member to serve as staff liaison to the Committee. NHRS staff shall support the Committee in fulfilling its responsibilities.

### **Responsibilities**

The Audit Committee shall:

1. Financial Statements:
  - As determined by the Director of Finance and the external auditor, review significant accounting and reporting issues, including complex or unusual transactions, subjective areas, and recent professional or regulatory pronouncements, and assess their impact on the financial statements;
  - Review with management and the internal and external auditors the results of their respective audits, including any difficulties encountered;
  - Review the annual financial statements for completeness, consistency, and adherence to appropriate accounting principles;
  - Review and approve the Annual Comprehensive Financial Report prior to its release for accuracy and completeness;
  - Review with management and the external auditor all matters required to be communicated under Generally Accepted Governmental Auditing Standards; and,

- Review interim financial reports with management and external auditors before filing confirming completeness and consistency.

## 2. Internal Control:

- Evaluate the effectiveness of internal control systems, including information technology security and controls; and,
- Understand the scope of internal and external auditors' review of internal control over financial reporting, and review significant findings and management's responses.

## 3. Internal Audit:

- Review the internal audit function's activities, staffing, and annual work plan with the Executive Director and the Internal Auditor provider;
- Assess the effectiveness of the internal audit function, including compliance with the Institute of Internal Auditors' Global Internal Audit Standards and the American Institute of Certified Public Accountants;
- Meet regularly with the Executive Director and Internal Auditor provider to discuss any matters that should be brought before the Committee; and,

## 4. External Audit:

- Review the external auditors' proposed audit scope, contract terms, and approach, including coordination with internal audit;
- Evaluate the performance of the external auditors and approve their appointment or termination; and,
- Confirm the independence of the external auditors by reviewing statements regarding relationships with NHRS, including non-audit services.

## 5. Compliance:

- Review NHRS' effectiveness in monitoring compliance with laws, regulations, and the Ethics Policy, including management's investigations and follow-up actions;
- Review findings from regulatory examinations and external audits;
- Review the process for communicating and monitoring compliance with the Ethics Policy across personnel, the Board, and the Independent Investment Committee; and,

- Receive regular updates on compliance matters from the Executive Director and/or Internal Auditor .

6. Reporting Responsibilities:

- Regularly report to the Board of Trustees on Committee activities, issues, and recommendations;
- Maintain open communication between the Internal Auditor provider, external auditors, and the Board of Trustees; and,
- Review any NHRS reports relevant to the Committee's responsibilities.

7. Other Responsibilities:

- Institute and oversee special investigations, as needed;
- Oversee periodic actuarial peer audits as recommended by the GFOA and approved by the Board, unless there has been a change in actuarial firms since the last actuarial audit;
- Perform other audit-related activities as requested by the Board of Trustees, and;
- Review this Charter at least annually and recommend revisions for Board approval.

**(REDLINE VERSION)****Purpose**

The ~~purpose of the~~ Audit Committee is a standing committee established of the Board of Trustees ~~is~~ to assist the Board of Trustees in fulfilling its fiduciary and oversight responsibilities ~~for the~~ with respect to the integrity of NHRS's financial reporting ~~process,~~ the system effectiveness of internal control systems, the performance of internal and external audit ~~processes~~ functions, and ~~the process for monitoring~~ NHRS' compliance with applicable laws, regulations, and the Board's Ethics Policy.

**Authority**

The Audit Committee ~~has is~~ authorized to ~~conduct or authorize investigations into any matters within~~ carry out its ~~scope of responsibility~~ responsibilities consistent in accordance with RSA 100-A. ~~It and~~ is empowered to:

- Select a qualified independent auditor to conduct audits pursuant to RSA 100-A:15, VI;
- Resolve any disagreements between management and the internal or external auditors regarding financial reporting, internal controls, ~~and or~~ compliance with applicable laws, regulations, and the Ethics Policy;
- Approve all audit and non-audit services to be performed by the external auditors;
- Recommend independent counsel, accountants, or others professionals to the full Board for final approval to advise the ~~committee~~ Committee or assist in ~~the conduct of a~~ fiduciary reviews or ~~an~~ investigations;
- ~~Seek~~ Request and obtain any information ~~it requires~~ necessary from employees (all of whom are directed to cooperate with the Committee's requests) or external parties, and,
- Meet with officers, internal auditors, and external auditors as necessary to fulfill its oversight duties.

**Composition**

The Audit Committee ~~will~~ shall consist of up to five members appointed by the Board Chair. The Chair of the Audit Committee ~~will~~ shall also be appointed by the Board Chair. The State Treasurer shall ~~be serve as~~ a permanent member of the Committee.

**Meetings**

- The Audit Committee ~~will~~ shall meet at least six times ~~a per~~ per year, with authority to convene additional meetings, as circumstances require.

- Meetings will be held in accordance with New Hampshire open meeting requirements under RSA 91-A, and RSA 100-A:14-a and the Board Meeting Protocol in Section VIII of the NHRS Governance Manual.
- All committee members are may expected to attend each meetings in person or via teleconference or video-conference. A quorum shall consist of a majority of the Committee members. Any Trustee may attend and participate in discussions; only Committee members may vote. If any Committee member is attending via teleconference or video-conference, all votes shall be by roll call.
- Meeting agendas and briefing materials willshall be prepared and provideddistributed in advance to members, along with appropriate briefing materials.
- Minutes of the meeting discussions and decisions willshall be prepared by the staff and maintained in accordance with NHRS records policies. Meetings will be held in accordance with New Hampshire open meeting requirements under RSA 91-A and RSA 100-A:14-a.
- Any Trustee may attend the Committee's meetings and participate in discussions; however, only Committee members may vote. The Committee may invite members of staff or others to attend meetings and provide pertinent information, as necessary.
- ~~Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes of the meeting discussions and decisions will be prepared by the staff.~~
- ~~Any Trustee may attend the Committee's meetings and participate in discussions; however, only Committee members may vote.~~

## Staffing

The Executive Director will appoint a senior staff member who will act as to serve as staff liaison to the Committee. NHRS staff will assistshall support the Committee in the dischargefulfilling of its responsibilities.

## Responsibilities

The Audit Committee will have the following responsibilitiesshall:

### 1. Financial Statements:

- As determined by the Director of Finance and the external auditor, ~~r~~Review significant accounting and reporting issues, including complex or unusual transactions, and highly subjective areas, and recent professional and or regulatory pronouncements, and assess their impact on the financial statements;

- Review with management and the internal and external auditors the results of their respective audits, ~~identifying including~~ any difficulties encountered;
- Review the annual financial statements, ~~and consider whether they are for completeness, consistent consistency, and adherence to with information known to Committee members, and reflect~~ appropriate accounting principles;
- Review and approve the Annual Comprehensive Financial Report ~~before prior to its release and consider the for~~ accuracy and completeness ~~of the information~~;
- Review with management and the external auditor all matters required to be communicated ~~to the Committee~~ under Generally Accepted Governmental Auditing Standards; and,
- Review interim financial reports with management and ~~the~~ external auditors before filing ~~as required by statute, and confirming they are~~ completeness and ~~consistency consistent with the information known to Committee members.~~

2. \_\_\_\_\_ Internal Control:

- ~~Consider~~ Evaluate the effectiveness of internal control systems, including information technology security and controls; and,
- Understand the scope of internal and external auditors' review of internal control over financial reporting, and ~~obtain reports on~~ review significant findings and ~~recommendations, together with~~ management's responses.

3. \_\_\_\_\_ Internal Audit:

- Review ~~with the Executive Director and the Internal Auditor~~ the internal audit function's activities, staffing, and annual work plan ~~for with the internal audit function~~ Executive Director and the Internal Auditor provider;
- ~~Review~~ Assess the effectiveness of the internal audit function, including compliance with the Institute of Internal Auditors' Global Internal Audit Standards and the American Institute of Certified Public Accountants;
- ~~On a regular basis, m~~ Meet regularly with the Executive Director and Internal Auditor provider to discuss any matters that should be brought before the Committee; and,

- ~~Provide input for the Executive Director's to consideration when preparing in the Internal Auditor's annual performance review.~~

4. ~~External Audit:~~

- Review the external auditors' proposed audit scope, contract terms, and approach, including coordination ~~of audit effort~~ with internal audit;
- ~~Review~~ Evaluate the performance of the external auditors, and ~~exercise final approval~~ approve on their appointment or termination ~~of the auditors~~; and,
- ~~Review and c~~Confirm the independence of the external auditors by ~~obtaining~~ reviewing statements ~~from the auditors on~~ regarding relationships ~~between the auditors and~~ with NHRS, including non-audit services, ~~and discussing the relationships with the auditors.~~

5. ~~Compliance:~~

- Review ~~the NHRS'~~ effectiveness ~~of NHRS for in~~ monitoring compliance with laws, ~~and~~ regulations, ~~and the Ethics Policy, the results of~~ including management's investigations ~~and follow-up (including disciplinary action) of any instances of noncompliance actions~~;
- Review ~~the findings of any examinations by~~ from regulatory agencies ~~examinations~~ and ~~any~~ external auditors;
- Review the process for communicating ~~and monitoring compliance with the Ethics Policy to across~~ personnel, the Board, and the Independent Investment Committee, ~~and for monitoring compliance therewith~~; and,
- ~~Obtain~~ Receive regular updates on compliance matters from the Executive Director ~~and/or Internal Auditor regarding compliance matters.~~

6. ~~Reporting Responsibilities:~~

- Regularly report to the Board of Trustees ~~regarding~~ Audit Committee activities, issues, and ~~related~~ recommendations;
- ~~Provide an~~ Maintain open ~~avenue of~~ communication between the Internal Auditor provider, ~~the~~ external auditors, and the Board of Trustees; and,
- Review any ~~other~~ NHRS reports ~~NHRS issues that relate~~ relevant to Audit ~~the~~ Committee's responsibilities.

7. ~~Other Responsibilities:~~

- Institute and oversee special investigations, as needed;

- Oversee ~~an periodic~~ actuarial peer audits ~~on a periodic basis~~ as recommended by the GFOA and approved by the Board, unless there has been a change in actuarial firms since the last actuarial audit;
- Perform other audit-related activities ~~related to this Charter~~ as requested by the Board of Trustees, and;
- Review ~~its this~~ Charter at least annually and ~~make recommend recommendations revisions to the~~for Board ~~for approval and adoption of the Charter, including any additions, deletions or modifications, as may be deemed appropriate.~~



To: Audit Committee  
 From: Jan Goodwin, Executive Director  
 Date: December 2, 2025  
 Re: Recommendation for Changes to Audit Policy  
 Item: Action:  Discussion:  Informational:

The purpose of this memorandum is to request that the Audit Committee recommend to the Board of Trustees approval of changes to NHRS' Audit Policy related to the outsourcing of the Internal Audit function to a qualified external provider. This request follows an assessment of NHRS' risk profile, staffing capacity, regulatory expectations, and the expertise required to maintain a high-quality internal control environment.

### Background

The pension plan's Internal Audit function plays a critical role in providing independent, objective assurance regarding the adequacy and effectiveness of internal controls, governance processes, and risk management. In recent years, the plan's operations, investment portfolio and evolution to an Investment Office, and technology platforms have grown in complexity. Concurrently, regulatory guidance for public pension systems increasingly emphasizes robust audit coverage, specialized subject-matter expertise, and independence.

The current internal audit structure faces limitations, including:

- **Resource Constraints:** Maintaining a fully staffed and credentialed internal audit team with the breadth of expertise required (IT audit, cybersecurity, investment operations, compliance, and enterprise risk) presents ongoing recruitment and retention challenges.
- **Specialized Expertise Needs:** Emerging areas such as alternative investments, cybersecurity, cloud infrastructure, and data governance require specialized skills not typically available within a small in-house team.
- **Scalability and Flexibility:** Outsourcing allows the audit program to scale in response to evolving risks and changing regulatory expectations without requiring permanent increases in headcount.

### Rationale for Outsourcing

Outsourcing the Internal Audit function to an experienced firm provides several advantages:

1. **Enhanced Expertise and Capability**  
 External providers bring multidisciplinary, up-to-date expertise across technology, investments, operations, and compliance. This allows the audit plan to cover risk areas more comprehensively and with deeper technical understanding.
2. **Improved Independence and Objectivity**  
 An outsourced model strengthens the perception and reality of auditor independence, aligning with best practices in the public pension industry.
3. **Access to Tools and Methodologies**  
 Professional audit firms offer mature methodologies, benchmarking data, risk

**Our Mission: To provide secure retirement benefits and superior service.**

assessment tools, and quality assurance processes, improving the rigor and consistency of audit work.

4. **Continuity and Reduced Operational Risk**

Outsourcing mitigates the risk associated with staff turnover, gaps in institutional knowledge, or reliance on a single person internal team.

**Conclusion**

Outsourcing the Internal Audit function will strengthen assurance, expand subject-matter expertise, improve flexibility, and align our practices with industry standards for public pension governance. We believe this approach best supports NHRS' mission, fiduciary responsibilities, and long-term operational resilience.

## **Audit Policy – Revisions approved at the October 9, 2018 NHRS Board meeting.**

### **I. Purpose and Intent**

State law requires that NHRS undergo an independent financial audit every year. The Board has the overall responsibility for both the external financial audit and the internal audit program for NHRS. The purpose of this policy is to establish the parameters within which those responsibilities shall be performed.

### **II. Policy**

**A. External Financial Audits.** An external financial audit of NHRS accounting records will take place annually by an outside independent accounting firm. The firm will be selected by the Audit Committee through an RFP process and monitoring of the annual audit will be performed by the Audit Committee. The Audit Committee may establish an Advisory Committee consisting of non-board members who are certified public accountants and others working in the public accounting field to assist in its auditing functions.

The Board determines the scope of the audit engagement and may add other areas to the audit in addition to those required by RSA 100-A:15, VI. The auditor shall present the audited financial report and resulting findings to the Audit Committee for its approval and acceptance by December 31 of each year unless the Board of Trustees, for good cause, shall extend such period.

The Staff is expected to cooperate fully with reasonable requests of the auditors. Written audit findings and management letters will be provided to the Audit Committee along with staff responses to the findings. The documents will be distributed to the Audit Committee as soon as is practicable before the meeting at which they are to be discussed. The Audit Committee Chair will arrange for the Director of Finance to periodically update the full Board on the progress and status of the annual audit.

**B. Performance Audits.** The Audit Committee may select a qualified independent auditor to conduct performance audits on any topic and at any time it deems prudent and appropriate.

**C. Internal Audit.** NHRS will either outsource or maintain, at the discretion of the Executive Director, an internal audit function to provide independent, objective assurance and guidance to improve operations and ascertain that the assets are appropriately safeguarded and that sound internal controls exist.

The provider responsible for this function shall take a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, internal control, and the governance processes. Specifically, the provider shall:

- Periodically perform a risk assessment to identify all business processes and assess the risk level associated with each;
- Present to the Audit Committee for approval an annual audit plan incorporating functional areas or processes identified as high risk and those with known concerns;
- Provide advice to the management of NHRS as a result of its activities in a consultative manner to improve their operations; and

- Report regularly to the Audit Committee on its plans, activities, and accomplishments.

To ensure the proper exercise of the responsibilities of the function, the provider shall have unrestricted access to the Audit Committee and Board of Trustees; similarly, the Audit Committee shall have unrestricted access to the provider, including meetings held in non-public session in conformity with RSA 91-A whenever necessary. The provider shall have complete access to all of the records, files, information systems, personnel, contractors, physical properties and any other relevant items to aid in accomplishing its mission.

Written audit findings and recommendations will be provided to the Audit Committee and/or the Board along with staff responses to the findings.

The provider of internal audit services shall be professionally trained and follow the standards of the Institute of Internal Auditors' International Standards or the American Institute of Certified public Accountants for the Professional Practice of Internal Auditing, as appropriate.

**(REDLINE VERSION)****Audit Policy – Revisions approved at the October 9, 2018 NHRS Board meeting.****I. Purpose and Intent**

State law requires that NHRS undergo an independent financial audit every year. The Board has the overall responsibility for both the external financial audit and the internal audit program for NHRS. The purpose of this policy is to establish the parameters within which those responsibilities shall be performed.

**II. Policy**

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The Board determines the scope of the audit engagement and may add other areas to the audit in addition to those required by RSA 100-A:15, VI. The auditor shall present the audited financial report and resulting findings to the Audit Committee for its approval and acceptance by December 31 of each year unless the Board of Trustees, for good cause, shall extend such period.

The Staff is expected to cooperate fully with reasonable requests of the auditors. Written audit findings and management letters will be provided to the Audit Committee along with staff responses to the findings. The documents will be distributed to the Audit Committee as soon as is practicable before the meeting at which they are to be discussed. The Audit Committee Chair will arrange for the Director of Finance to periodically update the full Board on the progress and status of the annual audit.

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**C. Internal Audit.** NHRS will either outsource or maintain, at the discretion of the Executive Director, an internal audit function to provide independent, objective assurance and guidance to improve operations and ascertain that the assets are appropriately safeguarded and that sound internal controls exist.

The Internal Auditor is provider responsible for this function ~~and~~ shall take a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, internal control, and the governance processes. Specifically, the Internal Auditor provider shall:

- ~~Perform Periodically perform an annual~~ risk assessment to identify all business processes and assess the risk level associated with each;
- Present to the Audit Committee for approval an annual audit plan incorporating functional areas or processes identified as high risk and those with known concerns;
- ~~On behalf of the external auditors, administer the GASB Census Data audits performed by the NHRS Employer Auditors.~~
- Provide advice to the management of NHRS as a result of its activities in a consultative manner to improve their operations; and

- Report regularly to the Audit Committee on its plans, activities, ~~staffing~~ and accomplishments.

~~The Internal Auditor shall report to the Executive Director of NHRS and to the Audit Committee. So as to~~ To ensure the proper exercise of the responsibilities of the ~~positionfunction~~, the ~~Internal Auditor~~ provider shall have unrestricted access to the Audit Committee and Board of Trustees; similarly, the Audit Committee shall have unrestricted access to the ~~Internal Auditor~~ provider, including meetings held in non-public session in conformity with RSA 91-A whenever necessary. ~~While the Internal Auditor will typically have no operating responsibilities other than the internal audit function, the Executive Director may from time to time assign the Internal Auditor such special projects and analyses that in the judgment of the Executive Director shall be appropriate.~~ The ~~Internal Auditor~~ provider shall have complete access to all of the records, files, information systems, personnel, contractors, physical properties and any other relevant items to aid in accomplishing its mission.

Written audit findings and recommendations will be provided to the Audit Committee and/or the Board along with staff responses to the findings.

The ~~provider of internal audit services Internal Auditor and the audit staff~~ shall be professionally trained and follow the standards of the Institute of Internal Auditors' International Standards or the American Institute of Certified public Accountants for the Professional Practice of Internal Auditing, as appropriate.



To: Audit Committee  
From: Jan Goodwin, Executive Director  
Date: December 2, 2025  
Re: RFP for Internal Audit Services  
Item: Action:  Discussion:  Informational:

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NHRS staff requests that the Audit Committee recommend that the Board of Trustees authorizes the issuance of an RFP for internal audit services. This recommendation follows an assessment of the pension plan's risk profile, staffing capacity, regulatory expectations, and the expertise required to maintain a high-quality internal control environment.

The pension plan's Internal Audit function plays a critical role in providing independent, objective assurance regarding the adequacy and effectiveness of internal controls, governance processes, and risk management. In recent years, the plan's operations, investment portfolio and evolution into an Investment office, and technology platforms have grown in complexity. Concurrently, regulatory guidance for public pension systems increasingly emphasizes robust audit coverage, specialized subject-matter expertise, and independence.



**REQUEST FOR PROPOSALS**

**FOR**

**INTERNAL AUDIT SERVICES**

**NEW HAMPSHIRE RETIREMENT SYSTEM**

**54 Regional Drive  
Concord, NH 03301**

**Jan Goodwin  
Executive Director  
December 9, 2025**

## TABLE OF CONTENTS

### INTRODUCTION

1.0 Invitation to Submit Proposal .....	1
1.1 Contact Person .....	1
1.2 Tentative Timetable .....	2
1.3 Pension Plan Background and Additional Information .....	2

### NATURE OF SERVICES REQUIRED

2.0 Scope of Work to be Performed.....	3
2.1 Internal Audit Standards to be Followed .....	4
2.2 Reports to be Issued.....	4
2.3 Internal Audit Documentation and Retention and Access to Internal Audit Documentation .....	4

### ASSISTANCE TO BE PROVIDED TO THE SELECTED INTERNAL AUDITOR

3.0 NHRS Assistance.....	5
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### PROPOSAL SUBMISSION REQUIREMENTS

4.0 Proposal Format and Content.....	6
4.1 Proposal Delivery.....	8
4.2 Proposal Conditions and Disclaimers .....	8

### EVALUATION PROCESS AND FINAL SELECTION

5.0 Methodology For Evaluating Proposals.....	9
5.1 Notice of Selection.....	10

APPENDIX A .....	11
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EXHIBIT 1 .....	12
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**NEW HAMPSHIRE RETIREMENT SYSTEM  
REQUEST FOR PROPOSAL  
AUDIT SERVICES**

## **INTRODUCTION**

### **1.0 INVITATION TO SUBMIT PROPOSAL**

The Audit Committee of the New Hampshire Retirement System (NHRS), through its Executive Director, Jan Goodwin, requests proposals from firms interested in providing internal audit services to the NHRS. This Request for Proposal (RFP) is to select the highest qualified organization to provide Internal Audit services. The term of this contract is one year, with up to two additional two-year renewals for a maximum of five years.

The objectives of these internal audit services are to provide independent assurance to the NHRS Audit Committee and Board of Trustees (Board), NHRS members and beneficiaries, management and the citizens of New Hampshire that NHRS' assets are safeguarded with appropriate internal controls, that operating efficiency is enhanced, that reporting by managers, custodians, consultants and NHRS is accurate, well designed, appropriately informative and under adequate controls, and compliance is maintained with prescribed laws, and Board and management policies. These objectives include independent assessment of NHRS' risk awareness and management, reliability and integrity of the organization's data and achievement of NHRS' goals and objectives.

### **1.1 CONTACT PERSON**

Direct all questions and correspondence regarding this RFP to:

**Jan Goodwin, Executive Director**  
**New Hampshire Retirement System**  
**54 Regional Drive**  
**Concord, NH 03301**  
**Phone: 603-410-3520**  
**[jan.goodwin@nhrs.org](mailto:jan.goodwin@nhrs.org)**  
**Fax: 603-410-3501**

Only written questions submitted by the question deadline in Section 1.2 will be accepted. Written answers to such questions shall be sent to each person on record as having received an RFP and will be posted on the NHRS website.

As of December 5, 2025, firms that intend to submit a Proposal should not contact any NHRS Staff, Board Trustee, or Independent Investment Committee (IIC) member other than to submit written questions to the "Contact Person". Communicating directly or indirectly with any other NHRS staff, Board Trustee or IIC members during this RFP process will result in immediate elimination from the selection process.

## 1.2 TENTATIVE TIMETABLE

The following is the tentative time schedule applicable to this RFP. All dates are subject to modification by NHRS.

**Issuance of RFP and official notices placed: December 9, 2025**

**RFP Question deadline: January 2, 2026**

**RFP deadline: January 9, 2026**

**RFP evaluations by NHRS staff: January 12-23, 2026**

**Finalist interviews by the NHRS (if necessary): January 26-30, 2026**

**Audit Committee & Board approval: February 10, 2026**

**Contract award: February 24, 2026**

## 1.3 PENSION PLAN BACKGROUND AND ADDITIONAL INFORMATION

The NHRS is a \$13.4 billion (FY 25), multi-employer contributory defined benefit plan (Plan) qualified as a tax-exempt entity under section 401(a) and 501(a) of the Internal Revenue Code. The Plan has more than 49,000 contributing members, over 45,000 retirees and beneficiaries, approximately 460 contributing employers, and is managed in accordance with the provisions of New Hampshire RSA 100-A:14, 15, and 16. The NHRS provides retirement, disability, and death benefits to its members and their beneficiaries. The NHRS also administers a separate post-retirement medical (OPEB) plan which provides subsidy for post-retirement medical premiums for eligible members.

The NHRS is administered by the Board of Trustees with certain investment related responsibilities delegated to the IIC as described in statute (NH RSA Chapter 100-A).

**Board of Trustees:** The Board is comprised of thirteen members: four public members, four employer members, four employee members and the State Treasurer as an ex-officio member. The Board of Trustees formulates administrative policies and procedures and authorizes benefit payments to members. Regarding the management and investment of the trust funds, based on recommendations of the IIC, the Board, in accordance with applicable State laws, has the power to set investment policy and hire the investment consultant(s).

**Audit Committee:** The Board has an Audit Committee comprised of five members, one of whom is the State Treasurer, an Ex Officio member of the Board. Pursuant to RSA 100-A:15, VI, the Audit Committee is responsible for selecting an Internal auditor to assess NHRS' internal controls and make recommendations to improve operating efficiencies.

**Independent Investment Committee:** The IIC is a committee of six members, that consists of three public members and up to two representatives of the Board who are all voting members with one non-voting public employee member. The IIC manages investments based on the investment policy and asset allocation approved by the Board of Trustees. The IIC continuously monitors and evaluates performance and makes determinations regarding the hiring, retention,

and termination of investment managers, custodian, and other related investment agents.

**Additional Information:**

The Board of Trustees, IIC, and the Audit Committee each typically meet every two months. The NHRS submits an Annual Comprehensive Financial Report (ACFR) for each fiscal year ending on June 30<sup>th</sup> to the Governor, Speaker of the House, Senate President, and Commissioner of Administrative Services.

**Plan Custodian:** The Bank of New York Mellon serves as the master custodian of assets and provides the official book of record for investment valuations.

**Investment Consultant:** Callan, the investment consultant, provides investment performance reporting for total plan and asset classes.

**Financial Systems:** NHRS uses an accounting software system for its accounting functions, including general ledger and accounts payable. NHRS plans to upgrade its current Enterprise Resource Planning (ERP) system or implement a new ERP system within the next year. NHRS uses a pension administration system for member and employer recordkeeping, including benefit payments and contributions.

**NHRS Internal Audit Coordination:** Jan Goodwin, Executive Director is responsible for acting as the system's liaison with the Audit Committee and will coordinate the NHRS working relationship with the Internal Auditor. The Executive Director will assist the Internal Auditor in day-to-day contacts during the audit fieldwork.

## **NATURE OF SERVICES REQUIRED**

### **2.0 SCOPE OF WORK TO BE PERFORMED**

The Internal Auditor shall provide to NHRS independent, objective internal audit services designed to add value and improve NHRS's operations. These services will assist NHRS in accomplishing its mission by contributing to the evaluation and improvement of the effectiveness of risk management, internal control, and governance processes.

The selected Internal Auditor shall perform the following work:

1. Initiate, develop and finalize an internal audit plan and timetable after performing initial surveys and reviews of NHRS. The internal audit plan shall be designed to:
  - a) Provide a wide range of quality, independent internal auditing services for NHRS and the NHRS Audit Committee.
  - b) Perform independent assessments on the systems of risk management, internal controls, and operating efficiency guided by professional standards.

- c) Meet with the NHRS Audit Committee to review findings from reports and recommend improvements to operations.
- d) Support NHRS' efforts to achieve its mission through independent internal auditing services.

## **2.1 INTERNAL AUDITING STANDARDS TO BE FOLLOWED**

The Internal Auditor shall provide services in conformance with the American Institute of Certified Public Accountants Consulting Standards and/or The Institute of Internal Auditors Standards of Internal Auditing.

## **2.2 REPORTS TO BE ISSUED**

The Internal Auditor shall prepare reports on NHRS' risk management, internal controls and recommendations to improve operating efficiency.

In addition, the Internal Auditor's reports must be made in writing and presented, either remotely or in person, to the Audit Committee of the NHRS established under NH RSA 100-A:14-a, I.

## **2.3 INTERNAL AUDIT DOCUMENTATION AND RETENTION AND ACCESS TO INTERNAL AUDIT DOCUMENTATION**

All internal audit documentation and reports must be retained, at the Internal Auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by the NHRS of the need to extend the retention period. The Internal Auditor will be required to make audit documentation available, upon request, to the NHRS or its designees.

The bidder must ensure that all documentation, reports, and related data are protected using industry-recognized best practices for data security. This includes:

- **Data in Transit:** All data transmitted between systems, users, or services must be encrypted using secure protocols (e.g., TLS 1.2 or higher).
- **Data at Rest:** All stored data must be encrypted using strong encryption standards (e.g., AES-256) and protected against unauthorized access.
- **Data Retention and Destruction:** The bidder must implement and adhere to a data retention policy that aligns with the requirements specified in this RFP. Upon expiration of the retention period, all data must be securely and irreversibly destroyed using methods compliant with NIST SP 800-88 or equivalent standards.

The bidder must provide documentation of their data protection and destruction procedures upon request.

## **ASSISTANCE TO BE PROVIDED TO THE SELECTED AUDITOR**

### **3.0 NHRS ASSISTANCE**

NHRS staff will be responsible for providing prior internal audit reports prepared by NHRS staff and will be available during the audit to assist the firm by providing information, documentation, and explanations as necessary.

## PROPOSAL SUBMISSION REQUIREMENTS

The purpose of this section is to demonstrate the qualifications and competence of the Internal Auditors seeking to undertake the audit work identified in this RFP. Each proposer must adhere to the proposal requirements contained in this section for proposal content and format to ensure comparability among proposals.

### 4.0 PROPOSAL FORMAT AND CONTENT

- Title Page –The proposal title page should show the proposal title, name of the firm, local address, telephone number, name and address of the contact person authorized to represent the firm, and the date the proposal was submitted.
- Table of Contents – The table of contents should clearly identify all items of the proposal by section: transmittal letter, qualifications and experience section, and internal audit fee section (Appendix A).
- Transmittal Letter – The proposal should be sent with a transmittal letter on letterhead of the firm. The letter must state it is part of the proposal being submitted and that it is signed by an individual authorized to legally bind the firm and, further, that the firm is solely responsible for all aspects of the engagement. It should state the Internal Auditor’s understanding of the RFP and the work to be performed. It should make a positive statement regarding the firm’s commitment to perform the work required as specified and on schedule, and state the proposal is valid one hundred-twenty (120) days from the deadline for submission and thereafter, until the firm withdraws it, or a contract is executed between the firm and the NHRS, or the RFP is cancelled, whichever occurs first. The transmittal letter should also state the firm complies with each of the mandatory elements listed below:

#### Mandatory Elements

- The Internal Auditor is independent and licensed to practice in the State of New Hampshire.
- The Internal Auditor affirmatively states it has no known or perceived conflicts of interest that would prevent it from completing the required internal audit work.
- The Internal Auditor has an internal quality control system in place and has had an external quality control review performed within the last three years or is currently under contract to have one performed.
- The Internal Auditor adheres to the instructions of this RFP in preparing and submitting the proposal and agrees to all its conditions.
- The Internal Auditor will be required to enter into NHRS standard services agreement (attached hereto as Exhibit 1). Internal Auditor should clearly identify any terms that the Internal Auditor rejects and agrees to enter into good faith negotiations on any rejected terms.

- The Internal Auditor agrees to read and abide by the NHRS Board of Trustees ethics and political contributions policies, a copy of which can be found on NHRS website. <https://www.nhrs.org/about-nhrs/policies>

#### Qualifications and Experience

- Categorize your firm as a local, regional, national, or international firm.
- State the size of the firm, size of the firm's governmental and/or public pension plan audit staff, location of the office from which the work will be performed, and the number and nature of the professional staff to be assigned to this engagement on a full-time and a part-time basis.
- Identify and provide a brief biography of the principal supervisory and management staff, including engagement partners, audit manager, other supervisors, and specialists, who would be assigned to the engagement.
- List similar engagements, retirement plans, or other relevant internal audit engagements performed in the last four years.
- Provide at least three references for the most recent, relevant, and comparable internal audit work of the type requested in this RFP. The NHRS reserves the right to contact references included in the proposal and to conduct inquiries of any other parties regarding the proposer as it deems appropriate.

#### Internal Audit Fee

All proposals must include the internal audit fee summary by year as prescribed in Appendix A. The internal audit fee is to be one, all-inclusive price for each year of the five-year period, but shown by detailed internal audit service to be provided. Expenses, overhead and all other costs are to be included in the one, all-inclusive price for each year. Internal Auditors should be prepared to identify the level of staff, billing rates and approximate number of hours that are included in the proposed fee.

#### Internal Audit Proposal Authorization

All proposals must include the name of firm, authorized signature, title, and date.

#### **4.1 PROPOSAL DELIVERY**

Deliver proposals: one (1) electronic copy, to the Contact Person at the above listed address, NO LATER THAN 4:00 p.m. EDT on the Response Deadline of January 9, 2026. All responses and materials related to this RFP will become the property of NHRS.

**PROPOSALS NOT RECEIVED BY THE RESPONSE DEADLINE AT THE ABOVE ADDRESS WILL NOT BE CONSIDERED.**

#### **4.2 PROPOSAL CONDITIONS AND DISCLAIMERS**

**WAIVER/CURE OF MINOR INFORMALITIES, ERRORS AND OMISSIONS:** NHRS in its sole discretion, reserves the right to waive or permit cure of minor informalities, errors or omissions with respect to this RFP.

**REJECTION OF PROPOSALS:** NHRS reserves the right to reject without prejudice any or all proposals, to waive any informality and to retain all proposals submitted and use any idea or concept in a submitted proposal regardless of whether that proposal is selected.

**PRE-PROPOSAL QUESTIONS:** Specific questions or explanations desired by a bidder concerning the RFP should be submitted electronically to the Contact Person by the Question Deadline.

**COSTS OF PREPARING THE PROPOSAL:** The costs and delivery of the proposal are solely the responsibility of the Internal Auditor. NHRS is not liable for any costs incurred by the proposer in replying to this RFP.

**ADDENDA:** Any supplemental instructions, amendments, or changes in this RFP, or attached documents, shall be in the form of a written addendum to this Request. If issued, such addenda shall be sent electronically to all firms on record as having submitted an RFP.

**CHANGES TO PROPOSAL:** NHRS shall unconditionally accept a proposal without alteration or correction, except as provided in this paragraph. If, prior to the final filing date for submission of proposals, an Internal Auditor discovers an error or omission in a proposal already submitted to NHRS, the Internal Auditor may correct the original submission by sending the changed content from the original response in a Word document and making the necessary corrections using track changes so the changes can be easily identified. Modification offered in any other manner - oral, written, electronically or facsimile transmission - will not be considered.

## EVALUATION PROCESS AND FINAL SELECTION

### 5.0 METHODOLOGY FOR EVALUATING PROPOSALS

The contract for internal audit services will be awarded based on demonstrated competence and qualifications to perform the services for a fair and reasonable price. The following is the evaluation process that NHRS will use for evaluating proposals and making the contract award:

- The Executive Director will designate an ad hoc committee (Committee) to facilitate the proposal evaluation process. The Committee will consist of available Audit Committee members and selected NHRS staff.
- All proposals timely received that meet the submission requirements will be evaluated by the Committee.
- The Committee will evaluate the qualifications and experience of the Internal Auditor and proposed internal audit fee based on the evaluation factors below, to determine the top three finalists.
- At the discretion of the Committee, the Internal Auditors submitting responses may be requested to provide supplemental information.
- The top three finalists, based on the evaluation factors below, may be asked to make a verbal presentation as part of the evaluation process. In those interviews, which may be conducted virtually, the proposed Internal Audit partner and manager for NHRS engagement must participate.
- The Committee will select a finalist for consideration by the full NHRS Audit Committee.
- The NHRS Audit Committee will review the Committee's work, the suggested finalist's proposal and vote to accept or reject the proposal per RSA 100-A:15, VI(b).

The following is a summary of evaluation factors with points assigned to each. These weighted factors will be used in the evaluation of individual potential Offeror proposals by sub-category.

<b>Evaluation Factors</b> <i>(Correspond to Section 4.0)</i>	<b>Points Available</b>
<b>Mandatory Elements</b>	
Internal Auditor Independence	Pass/Fail
Conflict of Interest	Pass/Fail
Internal Quality Control System	15
External Quality Control Review	Pass/Fail
Adherence to RFP Instructions	Pass/Fail
<b>Qualifications and Experience</b>	
Internal Audit Firm Categorization	10
Internal Audit Firm Size, Location, and Staff Assigned	10
Biography of Assigned Internal Audit Firm Staff	Pass/Fail
Internal Audit Firm Experience with public pension systems	30
List of Similar Engagements	10
References	5
<b>Internal Audit Fee</b>	
Cost	20
<b>Internal Audit Proposal Authorization</b>	
Internal Audit Proposal Authorization	Pass/Fail
<b>TOTAL POINTS AVAILABLE</b>	<b>100</b>

The evaluation of each Offeror's cost proposal will be conducted using the following formula:

$$\frac{\text{Lowest Responsive Offeror's Proposal}}{\text{Offeror's Proposal}} \times \text{Available Award Points}$$

## 5.1 NOTICE OF SELECTION

NHRS will provide notice to the Internal Auditor selected and provide a service agreement for signature to formalize the agreement.

Appendix A

**New Hampshire Retirement System**  
**Internal Audit Fee Summary**  
**Total Internal Audit Fee Detailed By**  
**Internal Audit Service March 2026**  
**through February 2031**

<b>Twelve Months Ended</b>	<b>Conduct Initial Assessment of Control Environment</b>	<b>Conduct Assessments and Report Findings and Recommendations</b>	<b>Total All- Inclusive Fee</b>
2027			
2028			
2029			
2030			
2031			
<b>All-Inclusive Total</b>			

## EXHIBIT 1

**NHRS SERVICES AGREEMENT**

THIS INTERNAL AUDIT SERVICES AGREEMENT (“Agreement”) is made this [ \_ ]day of [MONTH], 2025, by and between the NEW HAMPSHIRE RETIREMENT SYSTEM (“NHRS”) and the Contractor [ Name], (the “Contractor”). NOW, THEREFORE, NHRS and the Contractor hereby agree as follows:

**Section 1 SERVICES OF THE CONTRACTOR**

- 1.1 Scope of Services.** The Contractor shall furnish services as requested by NHRS and as set forth in the Contractor’s response to NHRS request for proposal (RFP), which is incorporated herein by reference and portions of which are attached hereto as Exhibit 1, to the extent that there is a conflict among the body of this Agreement and the Exhibit 1, the body of this Agreement shall take priority.
- 1.2 Compliance with Law.** The Contractor warrants and represents that it will comply with all governmental ordinances, laws and regulations. This Agreement shall be governed in all respects by the laws, statutes and regulations of the United States of America and the State of New Hampshire. Any judicial proceeding brought by one party against the other party shall be brought in the courts of the State of New Hampshire.
- 1.3 Licenses, Permits, and Fees.** The Contractor shall obtain, at its sole cost and expense, such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement.
- 1.4 Insurance.** The Contractor shall keep in force Commercial liability insurance coverage of at least \$1,000,000 per occurrence and \$2,000,000 aggregate excess; and Workers’ compensation coverage as required by applicable insurance laws. Prior to the execution of this Agreement, and subsequently at the request of NHRS, the Contractor shall furnish NHRS with written or photocopied verification of the existence of such insurance.
- 1.5 Independent Contractor.** In the performance of this Agreement, the parties hereto agree that the Contractor, and any agents and employees of the Contractor, shall act in the capacity of an independent contractor and not as officers or employees or agents of NHRS.

## EXHIBIT 1

**Section 2 COMPENSATION**

- 2.1 Contract Pricing.** \$150/Hour
- 2.2 Method of Payment.** Payment terms NET 30. Invoices and all other billing communications should be directed to:

NHRS  
Accounts Payable  
54 Regional Drive  
Concord, NH 03301  
payable@nhrs.org  
(603) 410-3500

**Section 3 COORDINATION OF WORK**

- 3.1 Agreement Administrator.** Sonja Gonzalez is designated to be the NHRS Agreement Administrator during the term of this Agreement (“Agreement Administrator”). NHRS shall have the right to designate another Agreement Administrator upon written notice to the Contractor. All correspondence and related submission from the Contractor shall be submitted to:

Jan Goodwin  
Executive Director  
54 Regional Drive  
Concord, NH 03301  
Jan.Goodwin@nhrs.org

- 3.2 Amendments.** This Agreement may be modified, amended, changed, added to or subtracted from by the mutual consent of the parties hereto, if such amendment or change is in written form and executed with the same formalities as this Agreement and attached to the original Agreement to maintain continuity.
- 3.3 Assignment.** The Contractor shall not assign or subcontract the whole or any part of this Agreement without the prior written consent of NHRS, and any attempt to so assign or subcontract shall be invalid. No assignment shall relieve the Contractor of its obligations hereunder. This Agreement will be binding upon the Contractor’s successors and permitted assignees.

## EXHIBIT 1

**Section 4 TERM**

- 4.1 **Term.** Unless earlier terminated by NHRS in accordance with subsection 4.2 below, the term for this Contract shall begin on [Month/Date/Year], and shall continue through [Month/Date/year], except that subsections 5.4, 5.7, 5.8, and 5.9 below shall survive. The Term may be extended up to Three (3) years(s), ("Extended Term") at the sole option of NHRS, subject to the parties prior written Agreement on applicable fees for each extended Term, under the same terms and conditions, subject to approval and funding.
- 4.2 **Termination.** NHRS may terminate this agreement for any reason by giving the Contractor at least 30-days written notice of termination. In the event of Termination, all liabilities between the parties shall cease, except that Contractor shall be entitled to payment for actual services performed and reasonable expenses paid or incurred prior to the effective date of termination.

**Section 5 MISCELLANEOUS PROVISIONS**

- 5.1 **Conflicts of Interest.** The Contractor shall not engage any Trustee or employee of NHRS in a position that would constitute a violation of New Hampshire Code of Ethics, a copy of which can be found on NHRS website <https://www.nhrs.org/about-nhrs/policies> (the "Ethics Policy")
- 5.2 **Background Checks.** The Contractor shall perform a criminal background check on all of its employees who perform work on NHRS' property. The Contractor's employees performing work on NHRS' must not have been convicted of a felony or any crime involving theft. A list of employees authorized to work on NHRS' property and the results of their background checks shall be provided to NHRS by the Contractor upon request.
- 5.3 **Unauthorized Persons.** Unless specifically authorized by the Agreement Administrator, under no circumstance shall another person or persons accompany the Contractor or the Contractor's employees onto NHRS' property while the Contractor is conducting work under this contract.
- 5.4 **Confidential Information/Security.** Confidentiality of NHRS information is required. All materials and documents provided by NHRS, employers or participants in the plans administered by NHRS, or NHRS' vendors, or located in NHRS buildings, shall constitute confidential information. The Contractor shall maintain confidentiality in accordance with industry standards and State and federal law. Neither the Contractor nor its employees will disclose, release or communicate any confidential information to any third person, individual, organization or entity without specific authorization by NHRS. Any violation or

## EXHIBIT 1

breach of this provision will constitute grounds for immediate termination of the Agreement and shall entitle NHRS to all remedies available in law or equity.

- 5.5 **Solicitation/Political Contributions.** The Contractor warrants that it has not employed or contracted with any company or person, other than for assistance with the normal study and preparation of a proposal, to solicit or secure this Agreement and that it has not paid, or agreed to pay, any company or person, other than a bona fide employee working solely for the Contractor, any fee, commission, percentage, brokerage fee, gift, or any other Agreement. For breach or violation of this warranty, NHRS shall have the right to annul this Agreement without liability or, in its discretion to otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee. Licensor acknowledges that Licensee is required to comply with Licensee's Political Contributions Policy adopted by the Licensee, revised January 14, 2014, and a copy of which can be found on NHRS website <https://www.nhrs.org/about-nhrs/policies> (the "Contribution Policy").
- 5.6 **Non-Discrimination in Employment:** NHRS' contracts for services are subject to statutory conditions related to non-discrimination in employment, RSA 354-A. The Contractor has read and agrees to these conditions.
- 5.7 **Access to Records.** The Contractor shall maintain all books, documents, payrolls, papers, accounting records and other evidence pertaining to this Agreement for a period of seven (7) years following termination of this Agreement. The Contractor shall allow inspection of pertinent documents by NHRS or its authorized representatives at the Contractor's office upon reasonable notice and shall furnish copies of the documents if requested.
- 5.8 **Indemnity.** The Contractor will indemnify, defend, and save harmless NHRS, its Trustees, employees, and agents from any and all claims, costs, expenses, injuries, liabilities, losses and damages of every kind and description resulting from or arising out of the performance of this Agreement by the Contractor, its employees, agents, or subcontractors. This indemnification does not extend to a claim that results solely and directly from (i) NHRS' negligence or unlawful act, or (ii) action by the Contractor taken in reasonable reliance upon an instruction or direction given by an authorized person acting on behalf of NHRS in accordance with this Agreement. Nothing in this Agreement shall be construed as a waiver of the privileges or immunities of NHRS, its Board of Trustees, or its employees.
- 5.9 **Notice of Claims.** The Contractor shall give the Agreement Administrator immediate notice in writing of any legal action or suit filed related in any way to this Agreement or which may affect the performance of the Contractor under this Agreement.

## EXHIBIT 1

- 5.10 **Severability.** The invalidity or unenforceability of any particular provision or part thereof of this Agreement shall not affect the remainder of said provisions, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision or part thereof had been omitted.
- 5.11 **Force Majeure.** The performance of an obligation by a party under this Agreement shall be excused in the event that performance of that obligation by that party is prevented by an act of God, act of war, riot, fire, explosion, flood or other catastrophe, sabotage, severe shortage of fuel, power or raw materials, change in law, court order, national defense requirement, or strike or labor dispute, provided that any such event and the delay caused thereby is beyond the control of, and could not reasonably be avoided by, that party. In the event of the Contractor's non-performance caused by any of the foregoing reasons, NHRS may, at its discretion, extend the time period for performance of the obligation excused under this section by the period of the excused delay together with a reasonable period to reinstate compliance with the terms of this Agreement.
- 5.12 **Vendor Security Requirements.** The Contractor will comply with requests for Contractor's financial statements, NHRS ethics survey, business continuity plans, information security plans, policies and reports.
- 5.13 **Entire Agreement.** This document contains the entire Agreement of the parties, and neither party shall be bound by any statement or representation not contained herein. No waiver shall be deemed to have been made by any of the parties unless expressed in writing and signed by the waiving party. The parties expressly agree that they shall not assert in any action relating to the Agreement that any implied waiver occurred between the parties which is not expressed in writing. The failure of any party to insist in any one or more instances upon strict performance of any of the terms or provisions of the Agreement, or to exercise an option or election under the Agreement, shall not be construed as a waiver or relinquishment for the future of such terms, provisions, option or election, but the same shall continue in full force and effect, and no waiver by any party of any one or more of its rights or remedies under the Agreement shall be deemed to be a waiver of any prior or subsequent rights or remedy under the Agreement or at law.

**IN WITNESS WHEREOF, NHRS and the Contractor, by their representatives duly authorized, have entered into this Agreement as of the date first written above.**

EXHIBIT 1

**New Hampshire Retirement System**

By:

Name:

Title:

**The Contractor [Business Name]**

By:

Name:

Title:

## **GOVERNANCE COMMITTEE**

**INDEPENDENT INVESTMENT COMMITTEE (IIC)**

# Independent Investment Committee's Monthly Report to the Board

NHRS Investment Team  
Board of Trustees Meeting  
December 9, 2025

# Total Plan Performance as of September 30, 2025 (Preliminary)



Net of Fees Returns for Periods Ended September 30, 2025									
Composite	Total Fund Weighting As of 9/30/2025	Last Month	Last 3 Months	FYTD	CYTD	LTM	3-YR	5-YR	10-YR
<b>Total Global Equity</b>	<b>51.09%</b>	<b>2.12%</b>	<b>5.99%</b>	<b>5.99%</b>	<b>14.94%</b>	<b>13.60%</b>	-	-	-
MSCI ACWI IMI		3.44%	7.67%	7.67%	18.25%	16.79%	-	-	-
Excess Return		-1.32%	-1.69%	-1.69%	-3.31%	-3.19%	-	-	-
<b>Total Domestic Equity</b>	<b>30.13%</b>	<b>2.01%</b>	<b>6.82%</b>	<b>6.82%</b>	<b>10.34%</b>	<b>12.10%</b>	<b>20.43%</b>	<b>14.66%</b>	<b>12.94%</b>
Domestic Equity Benchmark(1)		3.45%	8.18%	8.18%	14.40%	17.41%	24.12%	15.25%	14.70%
Excess Return		-1.44%	-1.36%	-1.36%	-4.06%	-5.31%	-3.69%	-0.59%	-1.76%
<b>Total Non US Equity</b>	<b>20.96%</b>	<b>2.29%</b>	<b>4.81%</b>	<b>4.81%</b>	<b>22.77%</b>	<b>15.50%</b>	<b>21.51%</b>	<b>10.24%</b>	<b>8.45%</b>
Non US Equity Benchmark(2)		3.39%	6.86%	6.86%	25.97%	16.39%	20.70%	10.27%	8.23%
Excess Return		-1.11%	-2.05%	-2.05%	-3.20%	-0.89%	0.81%	-0.03%	0.22%
<b>Total Fixed Income</b>	<b>22.81%</b>	<b>1.05%</b>	<b>1.97%</b>	<b>1.97%</b>	<b>6.95%</b>	<b>3.63%</b>	<b>6.06%</b>	<b>1.08%</b>	<b>3.03%</b>
Bloomberg Capital Universe Bond Index		1.06%	2.13%	2.13%	6.31%	3.40%	5.60%	0.08%	2.26%
Excess Return		-0.01%	-0.16%	-0.16%	0.64%	0.22%	0.46%	1.00%	0.77%
<b>Total Cash</b>	<b>1.32%</b>	<b>0.35%</b>	<b>1.07%</b>	<b>1.07%</b>	<b>3.26%</b>	<b>4.51%</b>	<b>4.89%</b>	<b>3.05%</b>	<b>2.18%</b>
3-Month Treasury Bill		0.33%	1.08%	1.08%	3.17%	4.38%	4.77%	2.98%	2.08%
Excess Return		0.01%	-0.01%	-0.01%	0.08%	0.12%	0.12%	0.08%	0.09%
<b>Total Real Estate (Q2)*</b>	<b>8.02%</b>	<b>-0.12%</b>	<b>-0.07%</b>	<b>-0.07%</b>	<b>4.14%</b>	<b>3.95%</b>	<b>-3.46%</b>	<b>6.05%</b>	<b>7.40%</b>
Real Estate Benchmark(3)		0.27%	0.81%	0.81%	2.65%	2.67%	-6.21%	2.54%	4.42%
Excess Return		-0.39%	-0.88%	-0.88%	1.49%	1.28%	2.75%	3.52%	2.98%
<b>Total Private Equity (Q2)*</b>	<b>11.74%</b>	<b>0.02%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>3.37%</b>	<b>4.89%</b>	<b>4.38%</b>	<b>13.55%</b>	<b>11.63%</b>
Private Equity Benchmark(4)		5.18%	11.38%	11.38%	10.18%	17.50%	21.42%	18.83%	16.49%
Excess Return		-5.16%	-11.38%	-11.38%	-6.80%	-12.61%	-17.04%	-5.28%	-4.86%
<b>Total Private Debt (Q2)*</b>	<b>5.02%</b>	<b>0.15%</b>	<b>0.15%</b>	<b>0.15%</b>	<b>4.73%</b>	<b>6.54%</b>	<b>5.73%</b>	<b>7.53%</b>	<b>6.05%</b>
Private Debt Benchmark(5)		1.34%	3.36%	3.36%	6.00%	10.05%	11.08%	7.05%	4.98%
Excess Return		-1.19%	-3.21%	-3.21%	-1.27%	-3.51%	-5.35%	0.48%	1.07%
<b>Total Fund Composite</b>	<b>100.00%</b>	<b>1.32%</b>	<b>3.45%</b>	<b>3.45%</b>	<b>9.89%</b>	<b>8.91%</b>	<b>11.59%</b>	<b>9.49%</b>	<b>8.72%</b>
Total Fund Benchmark(6)		2.60%	5.73%	5.73%	12.31%	11.81%	14.70%	9.33%	9.08%
Excess Return		-1.28%	-2.28%	-2.28%	-2.43%	-2.90%	-3.11%	0.17%	-0.36%

(1) The Domestic Equity Benchmark is the Russell 3000 Index as of 7/1/2021.

(2) The Non US Equity Index is the MSCI ACWI ex US IMI Index as of 7/1/2024. Prior to 7/1/2024, it was the MSCI ACWI Ex-US Index.

(3) The Real Estate Benchmark is the NCREIF NFI-ODCE Value Weight Net Index lagged 1 quarter as of 7/1/2015.

(4) The Private Equity Benchmark is the Russell 3000 Index + 2% lagged 1 quarter as of 7/1/2022.

(5) The Private Debt Benchmark is (50% MStar LSTA Leveraged Loan 100 Idx + 50% Bloomberg High Yield Index) + 1% lagged 1 quarter as of 7/1/2022.

(6) Current Month Target = 50.0% MSCI ACWI IMI, 25.0% Bloomberg Universal, 10.0% NCREIF NFI-ODCE Value Weight Net lagged 3 months, 10.0% Russell 3000 Index lagged 3 months+2.0%, 2.5% Bloomberg High Yield Corp lagged 3 months+1.0% and 2.5% MStar LSTA Lev Loan 100 lagged 3 months +1.0%.

(7) For the trailing 25 year period ended 6/30/25, the Total Fund has returned 6.23% versus the Total Fund Custom Benchmark return of 6.62%.

\*Real Estate and Alternatives market values reflect current custodian valuations, which are typically lagged approximately 1 quarter.

FYTD Fiscal Year to Date

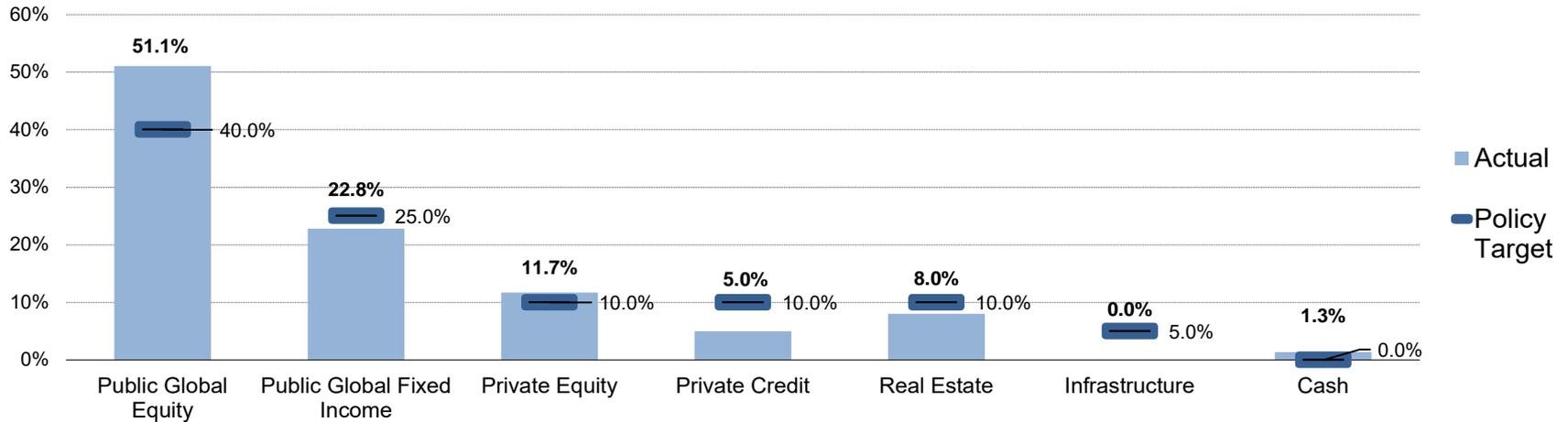
CYTD Calendar Year to Date

LTM Last Twelve Months

Source: Callan

# Asset Class Policy Targets vs. Actual Allocation

## Asset Class Targets vs. Actual Allocation as of September 30, 2025 (Preliminary)



Figures in **bold** represent actual allocation amount.

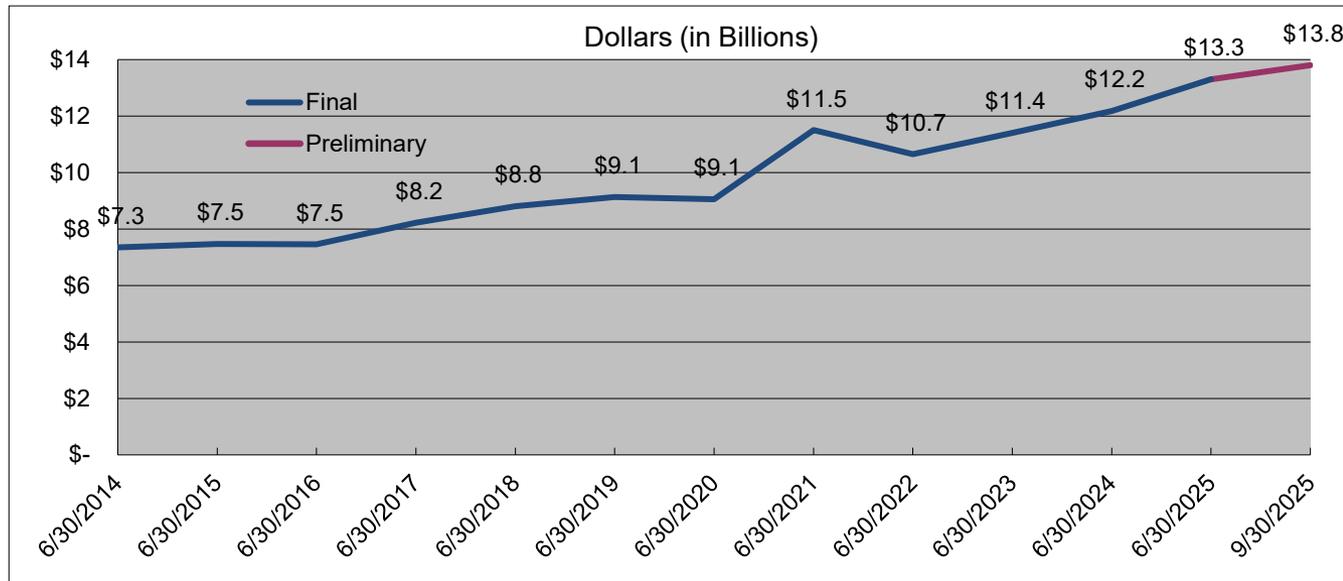
Asset Class	Policy Target	Actual	Range
Public Global Equity	40.0%	<b>51.3%</b>	30 - 50%
Public Global Fixed Income	25.0%	<b>22.9%</b>	18 - 32%
Private Equity	10.0%	<b>11.6%</b>	5 - 15%
Private Credit	10.0%	<b>4.8%</b>	0 - 15%
Real Estate	10.0%	<b>8.0%</b>	5 - 20%
Infrastructure	5.0%	<b>0.0%</b>	0 - 15%
Cash	0.0%	<b>1.4%</b>	0 - 5%
	100.0%		

Note: private infrastructure and private credit allocations will be scaled up incrementally in subsequent periods to meet target allocations effective as of 7/1/2024.

Source: NHRS

# Total Fund Market Value

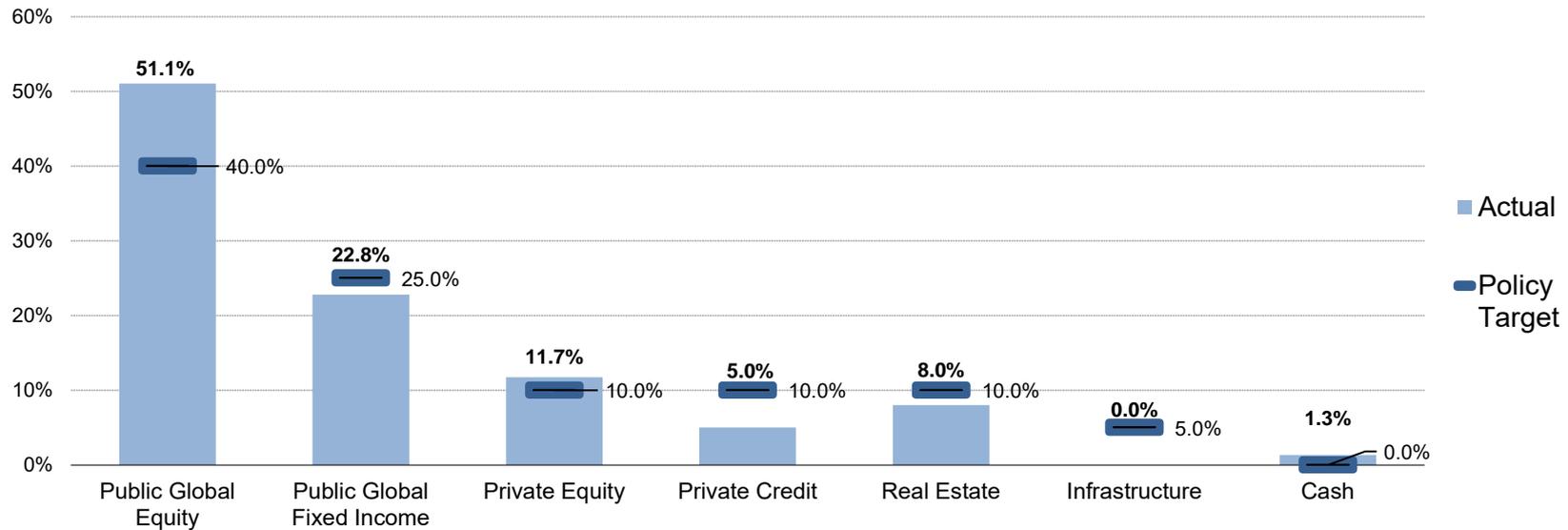
Fiscal Year	Dollars (in Billions)
June 30, 2014	\$7.3
June 30, 2015	\$7.5
June 30, 2016	\$7.5
June 30, 2017	\$8.2
June 30, 2018	\$8.8
June 30, 2019	\$9.1
June 30, 2020	\$9.1
June 30, 2021	\$11.5
June 30, 2022	\$10.7
June 30, 2023	\$11.4
June 30, 2024	\$12.2
June 30, 2025	\$13.3
September 30, 2025	\$13.8



Source: NHRS

# Current Status

## Class Targets vs. Actual Allocation as of September 30, 2025 (Preliminary)



Figures in **bold** represent actual allocation amount.

Note: private infrastructure and private credit allocations will be scaled up incrementally in subsequent periods to meet target allocations effective as of 7/1/2024.

# Asset Class Allocations Relative to Policy Targets and Ranges

As of September 30, 2025 (preliminary)

Asset Class	Range <sup>1</sup>	Allocation			Objective	Comments
		Target	Actual	Variance		
<b>Public Markets</b>						
Global Equity	30 - 50%	40.0%	51.1%	11.1%	<b>Monitor</b>	The Global Equity target will be achieved over several years as investments are made to Private Credit and Infrastructure. A rebalance from Global Equity to Fixed Income of \$400MM took place on 10/21/2025.
Fixed Income	18 - 32%	25.0%	22.8%	-2.2%	<b>Monitor</b>	No immediate action needed.
<b>Private Markets</b>						
Equity <sup>1</sup>	5 - 15%	10.0%	11.7%	1.7%	<b>Monitor</b>	No immediate action needed.
Credit <sup>1</sup>	0 - 15%	10.0%	5.0%	-5.0%	<b>Action</b>	To be scaled up incrementally over subsequent periods as part of SAA implementation.
Infrastructure	0 - 15%	5.0%	0.0%	-5.0%	<b>Action</b>	To be scaled up incrementally over subsequent periods as part of SAA implementation.
Real Estate (RE)	5 - 20%	10.0%	8.0%	-2.0%	<b>Monitor</b>	No immediate action needed.
<b>Cash Equivalents</b>	0 - 5%	0.0%	1.3%	1.3%	<b>No Action</b>	Minimal cash balance to provide liquidity, as needed, for annuities, capital calls and other plan needs.
		100.0%	100.0%	0.0%		

<sup>1</sup>As reported on the September 30, 2025 Callan Monthly Review.

September 30, 2025



## **New Hampshire Retirement System**

**Investment Measurement Service  
Monthly Review**

## Asset Class Excess Returns

The table below details the rates of return for the fund's asset classes over various time periods ended September 30, 2025. Negative manager excess returns are shown in red, positive excess returns in green. Returns for one year or greater are annualized.

Net of Fees Returns for Periods Ended September 30, 2025									
Composite	Total Fund Weighting As of 9/30/2025	Last Month	Last 3 Months	FYTD	CYTD	LTM	3-YR	5-YR	10-YR
<b>Total Global Equity</b>	<b>51.09%</b>	<b>2.12%</b>	<b>5.99%</b>	<b>5.99%</b>	<b>14.94%</b>	<b>13.60%</b>	-	-	-
MSCI ACWI IMI		3.44%	7.67%	7.67%	18.25%	16.79%	-	-	-
Excess Return		-1.32%	-1.69%	-1.69%	-3.31%	-3.19%	-	-	-
<b>Total Domestic Equity</b>	<b>30.13%</b>	<b>2.01%</b>	<b>6.82%</b>	<b>6.82%</b>	<b>10.34%</b>	<b>12.10%</b>	<b>20.43%</b>	<b>14.66%</b>	<b>12.94%</b>
Domestic Equity Benchmark(1)		3.45%	8.18%	8.18%	14.40%	17.41%	24.12%	15.25%	14.70%
Excess Return		-1.44%	-1.36%	-1.36%	-4.06%	-5.31%	-3.69%	-0.59%	-1.76%
<b>Total Non US Equity</b>	<b>20.96%</b>	<b>2.29%</b>	<b>4.81%</b>	<b>4.81%</b>	<b>22.77%</b>	<b>15.50%</b>	<b>21.51%</b>	<b>10.24%</b>	<b>8.45%</b>
Non US Equity Benchmark(2)		3.39%	6.86%	6.86%	25.97%	16.39%	20.70%	10.27%	8.23%
Excess Return		-1.11%	-2.05%	-2.05%	-3.20%	-0.89%	0.81%	-0.03%	0.22%
<b>Total Fixed Income</b>	<b>22.81%</b>	<b>1.05%</b>	<b>1.97%</b>	<b>1.97%</b>	<b>6.95%</b>	<b>3.63%</b>	<b>6.06%</b>	<b>1.08%</b>	<b>3.03%</b>
Bloomberg Capital Universe Bond Index		1.06%	2.13%	2.13%	6.31%	3.40%	5.60%	0.08%	2.26%
Excess Return		-0.01%	-0.16%	-0.16%	0.64%	0.22%	0.46%	1.00%	0.77%
<b>Total Cash</b>	<b>1.32%</b>	<b>0.35%</b>	<b>1.07%</b>	<b>1.07%</b>	<b>3.26%</b>	<b>4.51%</b>	<b>4.89%</b>	<b>3.05%</b>	<b>2.18%</b>
3-Month Treasury Bill		0.33%	1.08%	1.08%	3.17%	4.38%	4.77%	2.98%	2.08%
Excess Return		0.01%	-0.01%	-0.01%	0.08%	0.12%	0.12%	0.08%	0.09%
<b>Total Real Estate (Q2)*</b>	<b>8.02%</b>	<b>-0.12%</b>	<b>-0.07%</b>	<b>-0.07%</b>	<b>4.14%</b>	<b>3.95%</b>	<b>-3.46%</b>	<b>6.05%</b>	<b>7.40%</b>
Real Estate Benchmark(3)		0.27%	0.81%	0.81%	2.65%	2.67%	-6.21%	2.54%	4.42%
Excess Return		-0.39%	-0.88%	-0.88%	1.49%	1.28%	2.75%	3.52%	2.98%
<b>Total Private Equity (Q2)*</b>	<b>11.74%</b>	<b>0.02%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>3.37%</b>	<b>4.89%</b>	<b>4.38%</b>	<b>13.55%</b>	<b>11.63%</b>
Private Equity Benchmark(4)		5.18%	11.38%	11.38%	10.18%	17.50%	21.42%	18.83%	16.49%
Excess Return		-5.16%	-11.38%	-11.38%	-6.80%	-12.61%	-17.04%	-5.28%	-4.86%
<b>Total Private Debt (Q2)*</b>	<b>5.02%</b>	<b>0.15%</b>	<b>0.15%</b>	<b>0.15%</b>	<b>4.73%</b>	<b>6.54%</b>	<b>5.73%</b>	<b>7.53%</b>	<b>6.05%</b>
Private Debt Benchmark(5)		1.34%	3.36%	3.36%	6.00%	10.05%	11.08%	7.05%	4.98%
Excess Return		-1.19%	-3.21%	-3.21%	-1.27%	-3.51%	-5.35%	0.48%	1.07%
<b>Total Fund Composite</b>	<b>100.00%</b>	<b>1.32%</b>	<b>3.45%</b>	<b>3.45%</b>	<b>9.89%</b>	<b>8.91%</b>	<b>11.59%</b>	<b>9.49%</b>	<b>8.72%</b>
Total Fund Benchmark(6)		2.60%	5.73%	5.73%	12.31%	11.81%	14.70%	9.33%	9.08%
Excess Return		-1.28%	-2.28%	-2.28%	-2.43%	-2.90%	-3.11%	0.17%	-0.36%

(1) The Domestic Equity Benchmark is the Russell 3000 Index as of 7/1/2021.

(2) The Non US Equity Index is the MSCI ACWI ex US IMI Index as of 7/1/2024. Prior to 7/1/2024, it was the MSCI ACWI Ex-US Index.

(3) The Real Estate Benchmark is the NCREIF NFI-ODCE Value Weight Net Index lagged 1 quarter as of 7/1/2015.

(4) The Private Equity Benchmark is the Russell 3000 Index + 2% lagged 1 quarter as of 7/1/2022.

(5) The Private Debt Benchmark is (50% MStar LSTA Leveraged Loan 100 Idx + 50% Bloomberg High Yield Index) + 1% lagged 1 quarter as of 7/1/2022.

(6) Current Month Target = 50.0% MSCI ACWI IMI, 25.0% Bloomberg Universal, 10.0% NCREIF NFI-ODCE Value Weight Net lagged 3 months, 10.0% Russell 3000 Index lagged 3 months+2.0%, 2.5% Bloomberg High Yield Corp lagged 3 months+1.0% and 2.5% MStar LSTA Lev Loan 100 lagged 3 months +1.0%.

(7) For the trailing 25 year period ended 9/30/25, the Total Fund has returned 6.35% versus the Total Fund Custom Benchmark return of 6.87%.

\*Real Estate and Alternatives market values reflect current custodian valuations, which are typically lagged approximately 1 quarter.

## Domestic Equity Excess Returns

The table below details the rates of return for the fund's investment managers over various time periods ended September 30, 2025. Negative manager excess returns are shown in red, positive excess returns in green. Returns for one year or greater are annualized.

Net of Fees Returns for Periods Ended September 30, 2025									
Composite	Total Fund Weighting As of 9/30/2025	Last Month	Last 3 Months	FYTD	CYTD	LTM	3-YR	5-YR	10-YR
<b>Total Domestic Equity</b>	<b>30.13%</b>	<b>2.01%</b>	<b>6.82%</b>	<b>6.82%</b>	<b>10.34%</b>	<b>12.10%</b>	<b>20.43%</b>	<b>14.66%</b>	<b>12.94%</b>
<i>Domestic Equity Benchmark(1)</i>		3.45%	8.18%	8.18%	14.40%	17.41%	24.12%	15.25%	14.70%
<i>Excess Return</i>		-1.44%	-1.36%	-1.36%	-4.06%	-5.31%	-3.69%	-0.59%	-1.76%
<b>Large Cap Domestic Equity</b>	<b>17.89%</b>	<b>3.65%</b>	<b>8.13%</b>	<b>8.13%</b>	<b>14.83%</b>	<b>17.59%</b>	<b>24.89%</b>	<b>16.43%</b>	<b>14.49%</b>
<i>S&amp;P 500 Index</i>		3.65%	8.12%	8.12%	14.83%	17.60%	24.94%	16.47%	15.30%
<i>Excess Return</i>		0.00%	0.00%	0.00%	-0.01%	-0.01%	-0.05%	-0.04%	-0.81%
<b>BlackRock S&amp;P 500</b>	<b>17.89%</b>	<b>3.65%</b>	<b>8.13%</b>	<b>8.13%</b>	<b>14.83%</b>	<b>17.59%</b>	<b>24.89%</b>	<b>16.43%</b>	<b>15.27%</b>
<i>S&amp;P 500 Index</i>		3.65%	8.12%	8.12%	14.83%	17.60%	24.94%	16.47%	15.30%
<i>Excess Return</i>		0.00%	0.00%	0.00%	-0.01%	-0.01%	-0.05%	-0.04%	-0.03%
<b>Smid Cap Domestic Equity</b>	<b>5.86%</b>	<b>-1.02%</b>	<b>4.59%</b>	<b>4.59%</b>	<b>4.79%</b>	<b>5.20%</b>	<b>13.69%</b>	<b>11.85%</b>	<b>9.49%</b>
<i>Russell 2500 Index</i>		1.60%	9.00%	9.00%	9.48%	10.16%	15.65%	12.09%	10.52%
<i>Excess Return</i>		-2.62%	-4.41%	-4.41%	-4.69%	-4.96%	-1.96%	-0.24%	-1.03%
<b>AllianceBernstein</b>	<b>3.63%</b>	<b>-0.55%</b>	<b>4.23%</b>	<b>4.23%</b>	<b>2.72%</b>	<b>2.97%</b>	<b>13.71%</b>	<b>10.50%</b>	<b>10.42%</b>
<i>Russell 2500 Index</i>		1.60%	9.00%	9.00%	9.48%	10.16%	15.65%	12.09%	10.52%
<i>Excess Return</i>		-2.15%	-4.77%	-4.77%	-6.76%	-7.19%	-1.93%	-1.59%	-0.10%
<b>TSW</b>	<b>2.23%</b>	<b>-1.78%</b>	<b>5.17%</b>	<b>5.17%</b>	<b>8.34%</b>	<b>9.05%</b>	<b>13.65%</b>	<b>14.29%</b>	<b>8.13%</b>
<i>TSW Blended Benchmark (2)</i>		1.03%	8.17%	8.17%	9.29%	9.00%	15.39%	14.96%	10.34%
<i>Excess Return</i>		-2.81%	-3.00%	-3.00%	-0.95%	0.04%	-1.74%	-0.67%	-2.21%
<b>Small Cap Domestic Equity</b>	<b>6.38%</b>	<b>0.39%</b>	<b>5.30%</b>	<b>5.30%</b>	<b>3.68%</b>	<b>3.85%</b>	<b>14.75%</b>	<b>12.78%</b>	<b>11.70%</b>
<i>Russell 2000 Index</i>		3.11%	12.39%	12.39%	10.39%	10.76%	15.21%	11.56%	9.77%
<i>Excess Return</i>		-2.72%	-7.09%	-7.09%	-6.71%	-6.90%	-0.47%	1.22%	1.94%
<b>Boston Trust</b>	<b>1.88%</b>	<b>-1.33%</b>	<b>0.70%</b>	<b>0.70%</b>	<b>-1.78%</b>	<b>-1.32%</b>	<b>10.89%</b>	<b>12.78%</b>	<b>11.05%</b>
<i>Russell 2000 Index</i>		3.11%	12.39%	12.39%	10.39%	10.76%	15.21%	11.56%	9.77%
<i>Excess Return</i>		-4.44%	-11.69%	-11.69%	-12.17%	-12.08%	-4.33%	1.23%	1.28%
<b>Segall Bryant &amp; Hamill</b>	<b>2.07%</b>	<b>-1.02%</b>	<b>4.49%</b>	<b>4.49%</b>	<b>1.91%</b>	<b>1.86%</b>	<b>13.61%</b>	<b>11.95%</b>	<b>11.36%</b>
<i>Russell 2000 Index</i>		3.11%	12.39%	12.39%	10.39%	10.76%	15.21%	11.56%	9.77%
<i>Excess Return</i>		-4.13%	-7.90%	-7.90%	-8.48%	-8.90%	-1.60%	0.39%	1.60%
<b>Wellington</b>	<b>2.42%</b>	<b>3.04%</b>	<b>9.94%</b>	<b>9.94%</b>	<b>10.07%</b>	<b>10.06%</b>	<b>18.37%</b>	<b>13.71%</b>	<b>12.50%</b>
<i>Russell 2000 Index</i>		3.11%	12.39%	12.39%	10.39%	10.76%	15.21%	11.56%	9.77%
<i>Excess Return</i>		-0.07%	-2.45%	-2.45%	-0.32%	-0.70%	3.15%	2.16%	2.73%

(1) The Domestic Equity Benchmark is the Russell 3000 Index as of 7/1/2021.

(2) TSW Blended Benchmark is the Russell 2500 Value Index as of 7/1/2019. Prior to 7/1/2019 it was the Russell 2500.

## Non-US Equity Excess Returns

The table below details the rates of return for the fund's investment managers over various time periods ended September 30, 2025. Negative manager excess returns are shown in red, positive excess returns in green. Returns for one year or greater are annualized.

Net of Fees Returns for Periods Ended September 30, 2025									
Composite	Total Fund Weighting As of 9/30/2025	Last Month	Last 3 Months	FYTD	CYTD	LTM	3-YR	5-YR	10-YR
<b>Total Non US Equity</b>	<b>20.96%</b>	<b>2.29%</b>	<b>4.81%</b>	<b>4.81%</b>	<b>22.77%</b>	<b>15.50%</b>	<b>21.51%</b>	<b>10.24%</b>	<b>8.45%</b>
Non US Equity Benchmark (1)		3.39%	6.86%	6.86%	25.97%	16.39%	20.70%	10.27%	8.23%
Excess Return		-1.11%	-2.05%	-2.05%	-3.20%	-0.89%	0.81%	-0.03%	0.22%
<b>Core Non US Equity</b>	<b>13.19%</b>	<b>2.19%</b>	<b>5.05%</b>	<b>5.05%</b>	<b>27.58%</b>	<b>19.26%</b>	<b>24.18%</b>	<b>12.39%</b>	<b>8.54%</b>
Core Non US Benchmark (2)		3.60%	6.89%	6.89%	26.02%	16.45%	20.67%	10.26%	8.23%
Excess Return		-1.42%	-1.84%	-1.84%	1.56%	2.81%	3.50%	2.13%	0.31%
<b>Aristotle</b>	<b>2.97%</b>	<b>-0.73%</b>	<b>1.55%</b>	<b>1.55%</b>	<b>17.01%</b>	<b>9.07%</b>	<b>18.73%</b>	-	-
MSCI EAFE		1.91%	4.77%	4.77%	25.14%	14.99%	21.70%	-	-
Excess Return		-2.64%	-3.22%	-3.22%	-8.13%	-5.92%	-2.97%	-	-
<b>Artisan Partners</b>	<b>4.10%</b>	<b>3.41%</b>	<b>5.37%</b>	<b>5.37%</b>	<b>34.52%</b>	<b>29.93%</b>	<b>26.22%</b>	<b>10.77%</b>	<b>9.45%</b>
MSCI EAFE		1.91%	4.77%	4.77%	25.14%	14.99%	21.70%	11.15%	8.17%
Excess Return		1.49%	0.60%	0.60%	9.38%	14.94%	4.52%	-0.39%	1.28%
<b>BlackRock SuperFund</b>	<b>1.83%</b>	<b>3.62%</b>	<b>6.99%</b>	<b>6.99%</b>	<b>26.59%</b>	<b>16.87%</b>	-	-	-
MSCI ACWI Ex-US		3.60%	6.89%	6.89%	26.02%	16.45%	-	-	-
Excess Return		0.02%	0.10%	0.10%	0.57%	0.43%	-	-	-
<b>Causeway Capital</b>	<b>4.27%</b>	<b>2.52%</b>	<b>6.57%</b>	<b>6.57%</b>	<b>29.01%</b>	<b>18.76%</b>	<b>27.94%</b>	<b>17.50%</b>	<b>9.42%</b>
MSCI EAFE		1.91%	4.77%	4.77%	25.14%	14.99%	21.70%	11.15%	8.17%
Excess Return		0.61%	1.80%	1.80%	3.87%	3.77%	6.24%	6.35%	1.25%
<b>Emerging Markets</b>	<b>1.63%</b>	<b>3.93%</b>	<b>6.74%</b>	<b>6.74%</b>	<b>23.17%</b>	<b>11.95%</b>	<b>16.03%</b>	<b>4.36%</b>	<b>5.97%</b>
MSCI EM		7.15%	10.64%	10.64%	27.53%	17.32%	18.21%	7.02%	7.99%
Excess Return		-3.23%	-3.90%	-3.90%	-4.37%	-5.38%	-2.19%	-2.66%	-2.02%
<b>Wellington Emerging Markets</b>	<b>1.63%</b>	<b>3.93%</b>	<b>6.74%</b>	<b>6.74%</b>	<b>23.17%</b>	<b>11.95%</b>	<b>15.12%</b>	<b>4.35%</b>	<b>6.45%</b>
MSCI EM		7.15%	10.64%	10.64%	27.53%	17.32%	18.21%	7.02%	7.99%
Excess Return		-3.23%	-3.90%	-3.90%	-4.37%	-5.38%	-3.09%	-2.67%	-1.54%
<b>Non US Small Cap</b>	<b>1.34%</b>	<b>4.36%</b>	<b>7.86%</b>	<b>7.86%</b>	<b>33.26%</b>	<b>21.07%</b>	<b>21.91%</b>	<b>8.46%</b>	<b>3.78%</b>
MSCI EAFE Small Cap		1.59%	6.20%	6.20%	28.39%	17.65%	19.65%	8.47%	7.92%
Excess Return		2.77%	1.66%	1.66%	4.87%	3.42%	2.26%	-0.01%	-4.13%
<b>Wellington Int'l Small Cap Research</b>	<b>1.34%</b>	<b>4.36%</b>	<b>7.86%</b>	<b>7.86%</b>	<b>33.26%</b>	<b>21.07%</b>	<b>21.91%</b>	-	-
MSCI EAFE Small Cap		1.59%	6.20%	6.20%	28.39%	17.65%	19.65%	-	-
Excess Return		2.77%	1.66%	1.66%	4.87%	3.42%	2.26%	-	-
<b>Global Equity</b>	<b>4.80%</b>	<b>1.46%</b>	<b>2.73%</b>	<b>2.73%</b>	<b>8.95%</b>	<b>6.09%</b>	<b>18.31%</b>	<b>9.92%</b>	<b>11.98%</b>
MSCI ACWI net		3.62%	7.62%	7.62%	18.44%	17.27%	23.12%	13.54%	11.91%
Excess Return		-2.17%	-4.90%	-4.90%	-9.49%	-11.18%	-4.82%	-3.62%	0.07%
<b>Walter Scott Global Equity</b>	<b>4.80%</b>	<b>1.46%</b>	<b>2.73%</b>	<b>2.73%</b>	<b>8.95%</b>	<b>6.09%</b>	<b>18.31%</b>	<b>9.92%</b>	<b>11.98%</b>
Walter Scott Blended Benchmark (3)		3.62%	7.62%	7.62%	18.44%	17.27%	23.12%	13.54%	11.91%
Excess Return		-2.17%	-4.90%	-4.90%	-9.49%	-11.18%	-4.82%	-3.62%	0.07%

(1) The Non US Equity Index is the MSCI ACWI ex US IMI Index as of 7/1/2024. Prior to 7/1/2024, it was the MSCI ACWI Ex-US Index.

(2) The Core Non US Equity Index is the MSCI ACWI ex US Index as of 7/1/2007. Prior to 7/1/2007 it was the MSCI EAFE Index.

(3) The Walter Scott Blended Benchmark is the MSCI ACWI Index as 5/1/2008. Prior to 5/1/2008 it was the MSCI EAFE Index.

## Fixed Income Excess Returns

The table below details the rates of return for the fund's investment managers over various time periods ended September 30, 2025. Negative manager excess returns are shown in red, positive excess returns in green. Returns for one year or greater are annualized.

Net of Fees Returns for Periods Ended September 30, 2025									
Composite	Total Fund Weighting As of 9/30/2025	Last Month	Last 3 Months	FYTD	CYTD	LTM	3-YR	5-YR	10-YR
<b>Total Fixed Income</b>	<b>22.81%</b>	<b>1.05%</b>	<b>1.97%</b>	<b>1.97%</b>	<b>6.95%</b>	<b>3.63%</b>	<b>6.06%</b>	<b>1.08%</b>	<b>3.03%</b>
<i>Fixed Income Benchmark (1)</i>		1.06%	2.13%	2.13%	6.31%	3.40%	5.60%	0.08%	2.26%
<i>Excess Return</i>		-0.01%	-0.16%	-0.16%	0.64%	0.22%	0.46%	1.00%	0.77%
<b>BlackRock SIO Bond Fund</b>	<b>2.18%</b>	<b>0.82%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>6.77%</b>	<b>5.86%</b>	<b>6.91%</b>	<b>3.41%</b>	-
<i>BlackRock Custom Benchmark (2)</i>		0.38%	1.10%	1.10%	3.32%	4.56%	4.95%	3.14%	-
<i>Excess Return</i>		0.44%	1.14%	1.14%	3.45%	1.30%	1.96%	0.28%	-
<b>FIAM (Fidelity) Tactical Bond</b>	<b>2.99%</b>	<b>1.27%</b>	<b>2.22%</b>	<b>2.22%</b>	<b>6.93%</b>	<b>3.66%</b>	<b>6.22%</b>	<b>1.88%</b>	-
<i>Bloomberg Aggregate</i>		1.09%	2.03%	2.03%	6.13%	2.88%	4.93%	-0.45%	-
<i>Excess Return</i>		0.18%	0.19%	0.19%	0.80%	0.78%	1.29%	2.33%	-
<b>Income Research &amp; Management</b>	<b>6.18%</b>	<b>1.14%</b>	<b>2.01%</b>	<b>2.01%</b>	<b>5.99%</b>	<b>2.95%</b>	<b>5.16%</b>	<b>-0.39%</b>	<b>2.33%</b>
<i>Bloomberg Gov/Credit</i>		1.07%	1.91%	1.91%	5.93%	2.67%	4.87%	-0.61%	1.99%
<i>Excess Return</i>		0.07%	0.10%	0.10%	0.06%	0.29%	0.29%	0.22%	0.34%
<b>Loomis Sayles</b>	<b>2.38%</b>	<b>0.75%</b>	<b>2.68%</b>	<b>2.68%</b>	<b>7.97%</b>	<b>6.47%</b>	<b>8.24%</b>	<b>3.24%</b>	<b>4.90%</b>
<i>Loomis Sayles Custom Benchmark (3)</i>		0.99%	2.21%	2.21%	6.53%	4.46%	7.07%	1.64%	3.39%
<i>Excess Return</i>		-0.24%	0.48%	0.48%	1.45%	2.00%	1.17%	1.60%	1.52%
<b>Manulife Core Bond</b>	<b>2.97%</b>	<b>1.06%</b>	-	-	-	-	-	-	-
<i>Bloomberg Aggregate</i>		1.09%	-	-	-	-	-	-	-
<i>Excess Return</i>		-0.03%	-	-	-	-	-	-	-
<b>Mellon US Agg Bond Index</b>	<b>6.10%</b>	<b>1.08%</b>	<b>2.04%</b>	<b>2.04%</b>	<b>6.14%</b>	<b>2.82%</b>	-	-	-
<i>Bloomberg Aggregate Bond Index</i>		1.09%	2.03%	2.03%	6.13%	2.88%	-	-	-
<i>Excess Return</i>		-0.02%	0.01%	0.01%	0.01%	-0.06%	-	-	-
<b>Total Cash</b>	<b>1.32%</b>	<b>0.35%</b>	<b>1.07%</b>	<b>1.07%</b>	<b>3.26%</b>	<b>4.51%</b>	<b>4.89%</b>	<b>3.05%</b>	<b>2.18%</b>
<i>3-month Treasury Bill</i>		0.33%	1.08%	1.08%	3.17%	4.38%	4.77%	2.98%	2.08%
<i>Excess Return</i>		0.01%	-0.01%	-0.01%	0.08%	0.12%	0.12%	0.08%	0.09%
<b>Total Marketable Assets</b>	<b>75.23%</b>	<b>1.76%</b>	<b>4.63%</b>	<b>4.63%</b>	<b>12.02%</b>	<b>10.28%</b>	<b>16.10%</b>	<b>9.28%</b>	<b>8.69%</b>
<i>Total Marketable Index (4)</i>		2.65%	5.80%	5.80%	14.24%	12.26%	16.84%	8.84%	8.93%
<i>Excess Return</i>		-0.88%	-1.17%	-1.17%	-2.22%	-1.98%	-0.74%	0.44%	-0.24%

(1) The Fixed Income Benchmark is the Bloomberg Universal Bond Index as of 7/1/2007.

(2) The BlackRock Custom Benchmark is 3 Month SOFR compounded in arrears as of 1/1/2022.

(3) The Loomis Sayles Custom Benchmark is 65% Bloomberg Aggregate and 35% Bloomberg High Yield.

(4) Marketable Assets Index is 66.7% MSCI ACWI IMI and 33.3% Bloomberg Universal as of 7/1/24. Prior, the benchmark was 40% Russell 3000, 26.7% MSCI ACWI ex US, and 33.3% Bloomberg Universal (as of 7/1/2021).

## Alternatives Excess Returns

The table below details the rates of return for the fund's investment managers over various time periods ended September 30, 2025. Negative manager excess returns are shown in red, positive excess returns in green. Returns for one year or greater are annualized.

Net of Fees Returns for Periods Ended September 30, 2025									
Composite	Total Fund Weighting As of 9/30/2025	Last Month	Last 3 Months	FYTD	CYTD	LTM	3-YR	5-YR	10-YR
<b>Total Real Estate (Q2)* (5)</b>	<b>8.02%</b>	<b>-0.12%</b>	<b>-0.07%</b>	<b>-0.07%</b>	<b>4.14%</b>	<b>3.95%</b>	<b>-3.46%</b>	<b>6.05%</b>	<b>7.40%</b>
<i>Real Estate Benchmark (1)</i>		0.27%	0.81%	0.81%	2.65%	2.67%	-6.21%	2.54%	4.42%
<i>Excess Return</i>		-0.39%	-0.88%	-0.88%	1.49%	1.28%	2.75%	3.52%	2.98%
<b>Strategic Core Real Estate (Q2)*</b>	<b>4.48%</b>	<b>-0.21%</b>	<b>-0.09%</b>	<b>-0.09%</b>	<b>4.43%</b>	<b>4.52%</b>	<b>-5.71%</b>	<b>4.11%</b>	<b>6.05%</b>
<i>Real Estate Benchmark (1)</i>		0.27%	0.81%	0.81%	2.65%	2.67%	-6.21%	2.54%	4.42%
<i>Excess Return</i>		-0.48%	-0.91%	-0.91%	1.78%	1.85%	0.50%	1.57%	1.63%
<b>Tactical Non-Core Real Estate (Q2)*</b>	<b>3.53%</b>	<b>0.00%</b>	<b>-0.03%</b>	<b>-0.03%</b>	<b>3.77%</b>	<b>3.21%</b>	<b>0.61%</b>	<b>9.42%</b>	<b>9.75%</b>
<i>Real Estate Benchmark (1)</i>		0.27%	0.81%	0.81%	2.65%	2.67%	-6.21%	2.54%	4.42%
<i>Excess Return</i>		-0.27%	-0.85%	-0.85%	1.12%	0.54%	6.83%	6.88%	5.32%
<b>Total Alternative Assets (Q2)*</b>	<b>16.76%</b>	<b>0.06%</b>	<b>0.04%</b>	<b>0.04%</b>	<b>3.75%</b>	<b>5.33%</b>	<b>4.73%</b>	<b>11.73%</b>	<b>9.12%</b>
<i>Alternative Assets Benchmark (2)</i>		3.90%	8.69%	8.69%	8.90%	15.10%	18.05%	14.98%	11.67%
<i>Excess Return</i>		-3.84%	-8.64%	-8.64%	-5.16%	-9.77%	-13.32%	-3.25%	-2.55%
<b>Total Private Equity (Q2)*</b>	<b>11.74%</b>	<b>0.02%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>3.37%</b>	<b>4.89%</b>	<b>4.38%</b>	<b>13.55%</b>	<b>11.63%</b>
<i>Private Equity Benchmark (3)</i>		5.18%	11.38%	11.38%	10.18%	17.50%	21.42%	18.83%	16.49%
<i>Excess Return</i>		-5.16%	-11.38%	-11.38%	-6.80%	-12.61%	-17.04%	-5.28%	-4.86%
<b>Total Private Debt (Q2)*</b>	<b>5.02%</b>	<b>0.15%</b>	<b>0.15%</b>	<b>0.15%</b>	<b>4.73%</b>	<b>6.54%</b>	<b>5.73%</b>	<b>7.53%</b>	<b>6.05%</b>
<i>Private Debt Benchmark (4)</i>		1.34%	3.36%	3.36%	6.00%	10.05%	11.08%	7.05%	4.98%
<i>Excess Return</i>		-1.19%	-3.21%	-3.21%	-1.27%	-3.51%	-5.35%	0.48%	1.07%

(1) The Real Estate Benchmark is the NCREIF NFI-ODCE Value Weight Net Index lagged 1 quarter as of 7/1/2015.

(2) The Alternative Assets Benchmark is 66.7% Russell 3000 Index + 2% lagged 1 quarter and 33.3% ((50% S&P LSTA Leveraged Loan 100 Index + 50% Bloomberg High Yield Index) + 1%) lagged 1 quarter as of 7/1/2022.

(3) The Private Equity Benchmark is the Russell 3000 Index + 2% lagged 1 quarter as of 7/1/2022.

(4) The Private Debt Benchmark is (50% MStar LSTA Leveraged Loan 100 Index / 50% Bloomberg High Yield Index) + 1% lagged 1 quarter as of 7/1/2022.

(5) Total Real Estate returns includes Townsend discretionary fee as of 7/1/2022.

\*Real Estate and Alternatives market values reflect current custodian valuations, which are typically lagged approximately 1 quarter.

## Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of September 30, 2025, with the distribution as of August 31, 2025. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

### Asset Distribution Across Investment Managers

	September 30, 2025				August 31, 2025	
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
<b>Global Equity</b>	<b>\$7,027,792,148</b>	<b>51.09%</b>	<b>\$0</b>	<b>\$148,125,643</b>	<b>\$6,879,666,505</b>	<b>50.54%</b>
<b>Total Domestic Equity</b>	<b>\$4,144,454,684</b>	<b>30.13%</b>	<b>\$0</b>	<b>\$82,540,619</b>	<b>\$4,061,914,066</b>	<b>29.84%</b>
<b>Large Cap Domestic Equity</b>	<b>\$2,460,888,497</b>	<b>17.89%</b>	<b>\$0</b>	<b>\$86,603,745</b>	<b>\$2,374,284,752</b>	<b>17.44%</b>
Blackrock S&P 500	2,460,888,497	17.89%	0	86,603,745	2,374,284,752	17.44%
<b>SMid Cap Domestic Equity</b>	<b>\$806,247,432</b>	<b>5.86%</b>	<b>\$0</b>	<b>\$(7,933,692)</b>	<b>\$814,181,125</b>	<b>5.98%</b>
AllianceBernstein	499,436,560	3.63%	0	(2,526,545)	501,963,105	3.69%
TSW	306,810,873	2.23%	0	(5,407,147)	312,218,020	2.29%
<b>Small Cap Domestic Equity</b>	<b>\$877,318,755</b>	<b>6.38%</b>	<b>\$0</b>	<b>\$3,870,566</b>	<b>\$873,448,189</b>	<b>6.42%</b>
Boston Trust	258,707,428	1.88%	0	(3,405,663)	262,113,091	1.93%
Segall Bryant & Hamill	285,356,256	2.07%	0	(2,757,943)	288,114,199	2.12%
Wellington	333,255,070	2.42%	0	10,034,172	323,220,898	2.37%
<b>Total Non US Equity</b>	<b>\$2,883,337,464</b>	<b>20.96%</b>	<b>\$0</b>	<b>\$65,585,025</b>	<b>\$2,817,752,439</b>	<b>20.70%</b>
<b>Core Non US Equity (1)</b>	<b>\$1,814,903,631</b>	<b>13.19%</b>	<b>\$0</b>	<b>\$39,434,734</b>	<b>\$1,775,468,897</b>	<b>13.04%</b>
Aristotle	408,901,840	2.97%	0	(2,857,365)	411,759,204	3.02%
Artisan Partners	564,240,143	4.10%	0	18,805,695	545,434,448	4.01%
BlackRock Superfund	251,745,138	1.83%	0	8,805,040	242,940,098	1.78%
Causeway Capital	587,674,620	4.27%	0	14,709,068	572,965,552	4.21%
Lazard	950,250	0.01%	(29,162)	(29,681)	1,009,093	0.01%
SSGA Transition	837,593	0.01%	29,162	(145)	808,576	0.01%
<b>Emerging Markets</b>	<b>\$224,468,124</b>	<b>1.63%</b>	<b>\$0</b>	<b>\$8,656,307</b>	<b>\$215,811,817</b>	<b>1.59%</b>
Wellington Emerging Markets	224,468,124	1.63%	0	8,656,307	215,811,817	1.59%
<b>Non US Small Cap</b>	<b>\$184,240,657</b>	<b>1.34%</b>	<b>\$0</b>	<b>\$7,796,359</b>	<b>\$176,444,299</b>	<b>1.30%</b>
Wellington Int'l Small Cap Research	184,240,657	1.34%	0	7,796,359	176,444,299	1.30%
<b>World Equity</b>	<b>\$659,725,052</b>	<b>4.80%</b>	<b>\$0</b>	<b>\$9,697,626</b>	<b>\$650,027,427</b>	<b>4.78%</b>
Walter Scott Global Equity	659,725,052	4.80%	0	9,697,626	650,027,427	4.78%
<b>Total Fixed Income</b>	<b>\$3,138,047,586</b>	<b>22.81%</b>	<b>\$2,474</b>	<b>\$33,192,224</b>	<b>\$3,104,852,888</b>	<b>22.81%</b>
BlackRock SIO Bond Fund	300,451,951	2.18%	0	2,562,564	297,889,387	2.19%
Brandywine Asset Mgmt	95,869	0.00%	(6,137)	(153)	102,159	0.00%
FIAM (Fidelity) Tactical Bond	411,494,876	2.99%	0	5,262,724	406,232,153	2.98%
Income Research & Management	850,018,944	6.18%	0	9,667,416	840,351,528	6.17%
Loomis Sayles	327,104,297	2.38%	0	2,519,426	324,584,871	2.38%
Mellon US Agg Bond Index	407,979,883	2.97%	0	4,348,996	403,630,887	2.97%
Manulife Core Bond	838,925,842	6.10%	2,474	8,880,334	830,043,033	6.10%
Fixed Income Transition	1,975,924	0.01%	6,137	(49,083)	2,018,870	0.01%
<b>Total Cash</b>	<b>\$182,103,857</b>	<b>1.32%</b>	<b>\$(55,019,054)</b>	<b>\$776,672</b>	<b>\$236,346,239</b>	<b>1.74%</b>
<b>Total Marketable Assets</b>	<b>\$10,347,943,591</b>	<b>75.23%</b>	<b>\$(55,016,579)</b>	<b>\$182,094,539</b>	<b>\$10,220,865,632</b>	<b>75.08%</b>
<b>Total Real Estate</b>	<b>\$1,102,775,132</b>	<b>8.02%</b>	<b>\$(1,184,900)</b>	<b>\$295,884</b>	<b>\$1,103,664,148</b>	<b>8.11%</b>
Strategic Core Real Estate	616,847,459	4.48%	8,383,173	(686,633)	609,150,919	4.47%
Tactical Non-Core Real Estate	485,927,672	3.53%	(9,152,773)	567,217	494,513,228	3.63%
<b>Total Alternative Assets</b>	<b>\$2,305,252,805</b>	<b>16.76%</b>	<b>\$6,093,968</b>	<b>\$10,753,093</b>	<b>\$2,288,405,744</b>	<b>16.81%</b>
Private Equity	1,615,069,231	11.74%	(19,218,720)	6,165,113	1,628,122,839	11.96%
Private Debt	690,183,574	5.02%	25,312,688	4,587,981	660,282,905	4.85%
<b>Total Fund Composite</b>	<b>\$13,755,971,529</b>	<b>100.0%</b>	<b>\$(50,107,512)</b>	<b>\$193,143,517</b>	<b>\$13,612,935,524</b>	<b>100.0%</b>

-Alternatives market values reflect current custodian valuations, which may not be up to date.

(1) Includes \$554,048 in legacy assets that are not actively managed and in liquidation following the termination of Fisher Investments.

## New Hampshire Retirement System Target History

30-Jun-2024 - 30-Sep-2025		
Domestic Fixed	Bloomberg Universal	25.00%
Real Estate	NCREIF NFI-ODCE Value Weight Net	10.00%
Other Alternatives	Russell 3000 Index+2.00%	10.00%
Other Alternatives	Bloomberg HY Corporate+1.00%	2.50%
Other Alternatives	Morningstar LSTA Leveraged Loan 100+1.00%	2.50%
Global Equity		
Broad	MSCI ACWI IMI (Net)	50.00%
		100.00%

30-Jun-2022 - 30-Jun-2024		
Domestic Broad		
Eq	Russell 3000 Index	30.00%
Domestic Fixed	Bloomberg Universal	25.00%
Real Estate	NCREIF NFI-ODCE Value Weight Net	10.00%
Intl Equity	MSCI ACWI xUS (Net)	20.00%
Other Alternatives	Russell 3000 Index+2.00%	10.00%
Other Alternatives	Bloomberg HY Corporate+1.00%	2.50%
Other Alternatives	Morningstar LSTA Leveraged Loan 100+1.00%	2.50%
		100.00%

30-Jun-2021 - 30-Jun-2022		
Domestic Broad		
Eq	Russell 3000 Index	30.00%
Domestic Fixed	Bloomberg Universal	25.00%
Real Estate	NCREIF NFI-ODCE Value Weight Net	10.00%
Intl Equity	MSCI ACWI xUS (Net)	20.00%
Other Alternatives	S&P 500 Index+3.00%	10.00%
Other Alternatives	Morningstar LSTA Leveraged Loan 100	5.00%
		100.00%

30-Sep-2020 - 30-Jun-2021		
Domestic Broad		
Eq	S&P 500 Index	30.00%
Domestic Fixed	Bloomberg Universal	25.00%
Real Estate	NCREIF NFI-ODCE Value Weight Net	10.00%
Intl Equity	MSCI ACWI xUS (Net)	20.00%
Other Alternatives	S&P 500 Index+3.00%	10.00%
Other Alternatives	Morningstar LSTA Leveraged Loan 100	5.00%
		100.00%

30-Jun-2015 - 30-Sep-2020		
Domestic Broad		
Eq	S&P 500 Index	30.00%
Domestic Fixed	Bloomberg Universal	25.00%
Real Estate	NCREIF NFI-ODCE Value Weight Net	10.00%
Intl Equity	MSCI ACWI xUS (Net)	20.00%
Other Alternatives	Alternative Asset Benchmark	15.00%
		100.00%

31-Mar-2015 - 30-Jun-2015		
Domestic Broad		
Eq	Russell 3000 Index	37.30%
Domestic Fixed	Bloomberg Universal	25.00%
Real Estate	NCREIF Property Index+0.50%	8.70%
Intl Equity	MSCI ACWI xUS (Net)	20.00%
Other Alternatives	S&P 500 Index+5.00%	9.00%
		100.00%

31-Dec-2014 - 31-Mar-2015		
Domestic Broad		
Eq	Russell 3000 Index	37.70%
Domestic Fixed	Bloomberg Universal	25.00%
Real Estate	NCREIF Property Index+0.50%	8.80%
Intl Equity	MSCI ACWI xUS (Net)	20.00%
Other Alternatives	S&P 500 Index+5.00%	8.50%
		100.00%

30-Sep-2014 - 31-Dec-2014		
Domestic Broad		
Eq	Russell 3000 Index	39.00%
Domestic Fixed	Bloomberg Universal	25.00%
Real Estate	NCREIF Property Index+0.50%	8.60%
Intl Equity	MSCI ACWI xUS (Net)	20.00%
Other Alternatives	S&P 500 Index+5.00%	7.40%
		100.00%

30-Jun-2014 - 30-Sep-2014		
Domestic Broad		
Eq	Russell 3000 Index	39.60%
Domestic Fixed	Bloomberg Universal	25.00%
Real Estate	NCREIF Property Index+0.50%	8.90%
Intl Equity	MSCI ACWI xUS (Net)	20.00%
Other Alternatives	S&P 500 Index+5.00%	6.50%
		100.00%

31-Mar-2014 - 30-Jun-2014		
Domestic Broad		
Eq	Russell 3000 Index	42.20%
Domestic Fixed	Bloomberg Universal	25.00%
Real Estate	NCREIF Property Index+0.50%	8.60%
Intl Equity	MSCI ACWI xUS (Net)	20.00%
Other Alternatives	S&P 500 Index+5.00%	4.20%
		100.00%

31-Dec-2013 - 31-Mar-2014		
Domestic Broad		
Eq	Russell 3000 Index	41.80%
Domestic Fixed	Bloomberg Universal	25.00%
Real Estate	NCREIF Property Index+0.50%	9.10%
Intl Equity	MSCI ACWI xUS (Net)	20.00%
Other Alternatives	S&P 500 Index+5.00%	4.10%
		100.00%

30-Sep-2013 - 31-Dec-2013		
Domestic Broad		
Eq	Russell 3000 Index	42.90%
Domestic Fixed	Bloomberg Universal	25.00%
Real Estate	NCREIF Property Index+0.50%	8.60%
Intl Equity	MSCI ACWI xUS (Net)	20.00%
Other Alternatives	S&P 500 Index+5.00%	3.50%
		100.00%

30-Jun-2013 - 30-Sep-2013		
Domestic Broad		
Eq	Russell 3000 Index	42.50%
Domestic Fixed	Bloomberg Universal	25.00%
Real Estate	NCREIF Property Index+0.50%	9.00%
Intl Equity	MSCI ACWI xUS (Net)	20.00%
Other Alternatives	S&P 500 Index+5.00%	3.50%
		100.00%

31-Mar-2013 - 30-Jun-2013		
Domestic Broad		
Eq	Russell 3000 Index	43.00%
Domestic Fixed	Bloomberg Universal	25.00%
Real Estate	NCREIF Property Index+0.50%	8.60%
Intl Equity	MSCI ACWI xUS (Net)	20.00%
Other Alternatives	Alternative Asset Benchmark	3.40%
		100.00%

Alternatives Benchmark represents from 7/1/2022 to present: 66.7% Russell 3000 Idx + 2% (1 qtr lag) and 33.3% ((50% S&P LSTA Leveraged Loan 100 Idx + 50% Bloomberg HY Idx) + 1%) (1 qtr lag).

From 7/1/2019 to 7/1/2022: 66.7% S&P 500 +3% (1 qtr lag) + 33.3% S&P LSTA Leverage Loan 100 Index (1 qtr lag). From 7/1/2016 to 7/1/2019: 33.3% S&P 500 +3% (1 qtr lag) + 33.3% S&P LSTA Leverage Loan 100 Index (1 qtr lag) + 33.3% of Cash (6-mo USD LIBOR) + 5%. From 7/1/2015 to 7/1/2016: 33.3% S&P 500 +3% (1qtr lag) + 33.3% S&P LSTA Leverage Loan 100 Idx(1 qtr lag) + 33.3% of Cash (1 month USD LIBID) +5%. From 7/1/2013 to 7/1/2015: S&P 500 plus 5% (1 qtr lag). From 7/1/2011 to 7/1/2013: Qtr ending weight of Private Equity x S&P 500 plus 5% + Qtr ending weight Absolute Return x CPI + 5%. Prior to 7/1/2011: CPI + 5%.

## New Hampshire Retirement System Target History

31-Dec-2012 - 31-Mar-2013			
Domestic Broad			
Eq	Russell 3000 Index	43.60%	
Domestic Fixed	Bloomberg Universal	25.00%	
Real Estate	NCREIF Property Index+0.50%	8.80%	
Intl Equity	MSCI ACWI xUS (Net)	20.00%	
Other Alternatives	Alternative Asset Benchmark	2.60%	
		100.00%	

30-Sep-2012 - 31-Dec-2012			
Domestic Broad			
Eq	Russell 3000 Index	43.90%	
Domestic Fixed	Bloomberg Universal	25.00%	
Real Estate	NCREIF Property Index+0.50%	8.70%	
Intl Equity	MSCI ACWI xUS (Net)	20.00%	
Other Alternatives	Alternative Asset Benchmark	2.40%	
		100.00%	

30-Jun-2012 - 30-Sep-2012			
Domestic Broad			
Eq	Russell 3000 Index	43.50%	
Domestic Fixed	Bloomberg Universal	25.00%	
Real Estate	NCREIF Property Index+0.50%	9.00%	
Intl Equity	MSCI ACWI xUS (Net)	20.00%	
Other Alternatives	Alternative Asset Benchmark	2.50%	
		100.00%	

31-Mar-2012 - 30-Jun-2012			
Domestic Broad			
Eq	Russell 3000 Index	40.10%	
Domestic Fixed	Bloomberg Universal	30.00%	
Real Estate	NCREIF Property Index+0.50%	7.60%	
Intl Equity	MSCI ACWI xUS (Net)	20.00%	
Other Alternatives	Alternative Asset Benchmark	2.30%	
		100.00%	

31-Dec-2011 - 31-Mar-2012			
Domestic Broad			
Eq	Russell 3000 Index	39.70%	
Domestic Fixed	Bloomberg Universal	30.00%	
Real Estate	NCREIF Property Index+0.50%	8.00%	
Intl Equity	MSCI ACWI xUS (Net)	20.00%	
Other Alternatives	Alternative Asset Benchmark	2.30%	
		100.00%	

30-Sep-2011 - 31-Dec-2011			
Domestic Broad			
Eq	Russell 3000 Index	40.20%	
Domestic Fixed	Bloomberg Universal	30.00%	
Real Estate	NCREIF Property Index+0.50%	7.40%	
Intl Equity	MSCI ACWI xUS (Net)	20.00%	
Other Alternatives	Alternative Asset Benchmark	2.40%	
		100.00%	

30-Jun-2011 - 30-Sep-2011			
Domestic Broad			
Eq	Russell 3000 Index	42.50%	
Domestic Fixed	Bloomberg Universal	30.00%	
Real Estate	NCREIF Property Index+0.50%	5.40%	
Intl Equity	MSCI ACWI xUS (Net)	20.00%	
Other Alternatives	Alternative Asset Benchmark	2.10%	
		100.00%	

31-Mar-2011 - 30-Jun-2011			
Domestic Broad			
Eq	Russell 3000 Index	43.00%	
Domestic Fixed	Bloomberg Universal	30.00%	
Real Estate	NCREIF Property Index+0.50%	5.30%	
Intl Equity	MSCI ACWI xUS (Net)	15.00%	
Other Alternatives	Alternative Asset Benchmark	1.70%	
Global Equity Broad	MSCI ACWI (Net)	5.00%	
		100.00%	

31-Dec-2010 - 31-Mar-2011			
Domestic Broad			
Eq	Russell 3000 Index	43.00%	
Domestic Fixed	Bloomberg Universal	30.00%	
Real Estate	NCREIF Property Index+0.50%	5.20%	
Intl Equity	MSCI ACWI xUS (Net)	15.00%	
Other Alternatives	Alternative Asset Benchmark	1.80%	
Global Equity Broad	MSCI ACWI (Net)	5.00%	
		100.00%	

30-Sep-2010 - 31-Dec-2010			
Domestic Broad			
Eq	Russell 3000 Index	42.80%	
Domestic Fixed	Bloomberg Universal	30.00%	
Real Estate	NCREIF Property Index+0.50%	5.40%	
Intl Equity	MSCI ACWI xUS (Net)	15.00%	
Other Alternatives	Alternative Asset Benchmark	1.80%	
Global Equity Broad	MSCI ACWI (Net)	5.00%	
		100.00%	

30-Jun-2010 - 30-Sep-2010			
Domestic Broad			
Eq	Russell 3000 Index	42.90%	
Domestic Fixed	Bloomberg Universal	30.00%	
Real Estate	NCREIF Property Index+0.50%	5.00%	
Intl Equity	MSCI ACWI xUS (Net)	15.00%	
Other Alternatives	Alternative Asset Benchmark	2.10%	
Global Equity Broad	MSCI ACWI (Net)	5.00%	
		100.00%	

31-Dec-2009 - 30-Jun-2010			
Domestic Broad			
Eq	Russell 3000 Index	43.30%	
Domestic Fixed	Bloomberg Universal	30.00%	
Real Estate	NCREIF Property Index+0.50%	4.70%	
Intl Equity	MSCI ACWI xUS (Net)	15.00%	
Other Alternatives	Alternative Asset Benchmark	2.00%	
Global Equity Broad	MSCI ACWI (Net)	5.00%	
		100.00%	

30-Sep-2009 - 31-Dec-2009			
Domestic Broad			
Eq	Russell 3000 Index	42.30%	
Domestic Fixed	Bloomberg Universal	30.00%	
Real Estate	NCREIF Property Index+0.50%	5.50%	
Intl Equity	MSCI ACWI xUS (Net)	15.00%	
Other Alternatives	Alternative Asset Benchmark	2.20%	
Global Equity Broad	MSCI ACWI (Net)	5.00%	
		100.00%	

Alternatives Benchmark represents from 7/1/2022 to present: 66.7% Russell 3000 Idx + 2% (1 qtr lag) and 33.3% ((50% S&P LSTA Leveraged Loan 100 Idx + 50% Bloomberg HY Idx) + 1%) (1 qtr lag).

From 7/1/2019 to 7/1/2022: 66.7% S&P 500 +3% (1 qtr lag) + 33.3% S&P LSTA Leverage Loan 100 Index (1 qtr lag). From 7/1/2016 to 7/1/2019: 33.3% S&P 500 +3% (1 qtr lag) + 33.3% S&P LSTA Leverage Loan 100 Index (1 qtr lag) + 33.3% of Cash (6-mo USD LIBOR) + 5%. From 7/1/2015 to 7/1/2016: 33.3% S&P 500 +3% (1qtr lag) + 33.3% S&P LSTA Leverage Loan 100 Idx(1 qtr lag) + 33.3% of Cash (1 month USD LIBID) +5%. From 7/1/2013 to 7/1/2015: S&P 500 plus 5% (1 qtr lag). From 7/1/2011 to 7/1/2013: Qtr ending weight of Private Equity x S&P 500 plus 5% + Qtr ending weight Absolute Return x CPI + 5%. Prior to 7/1/2011: CPI + 5%.

## New Hampshire Retirement System Target History

30-Jun-2009 - 30-Sep-2009		
Domestic Broad		
Eq	Russell 3000 Index	41.50%
Domestic Fixed	Bloomberg Universal	30.00%
Real Estate	NCREIF Property Index+0.50%	6.20%
Intl Equity	MSCI ACWI xUS (Net)	15.00%
Other Alternatives	Alternative Asset Benchmark	2.30%
Global Equity		
Broad	MSCI ACWI (Net)	5.00%
		100.00%

31-Mar-2009 - 30-Jun-2009		
Domestic Broad		
Eq	Russell 3000 Index	38.00%
Domestic Fixed	Bloomberg Universal	30.00%
Real Estate	NCREIF Property Index+0.50%	9.30%
Intl Equity	MSCI ACWI xUS (Net)	15.00%
Other Alternatives	Alternative Asset Benchmark	2.70%
Global Equity		
Broad	MSCI ACWI (Net)	5.00%
		100.00%

31-Dec-2008 - 31-Mar-2009		
Domestic Broad		
Eq	Russell 3000 Index	37.20%
Domestic Fixed	Bloomberg Universal	30.00%
Real Estate	NCREIF Property Index+0.50%	9.70%
Intl Equity	MSCI ACWI xUS (Net)	15.00%
Other Alternatives	Alternative Asset Benchmark	3.10%
Global Equity		
Broad	MSCI ACWI (Net)	5.00%
		100.00%

30-Sep-2008 - 31-Dec-2008		
Domestic Broad		
Eq	Russell 3000 Index	38.90%
Domestic Fixed	Bloomberg Universal	30.00%
Real Estate	NCREIF Property Index	8.20%
Intl Equity	MSCI ACWI xUS (Net)	15.00%
Other Alternatives	Consumer Price Index (W) + 5%	2.90%
Global Equity		
Broad	MSCI ACWI (Net)	5.00%
		100.00%

30-Jun-2008 - 30-Sep-2008		
Domestic Broad		
Eq	Russell 3000 Index	40.00%
Domestic Fixed	Bloomberg Universal	30.00%
Real Estate	NCREIF Property Index	7.30%
Intl Equity	MSCI ACWI xUS (Net)	15.00%
Other Alternatives	Consumer Price Index (W) + 5%	2.70%
Global Equity		
Broad	MSCI ACWI (Net)	5.00%
		100.00%

30-Jun-2007 - 30-Jun-2008		
Domestic Broad		
Eq	Russell 3000 Index	44.00%
Domestic Fixed	Bloomberg Universal	30.00%
Real Estate	NCREIF Property Index	5.00%
Intl Equity	MSCI ACWI xUS (Net)	16.00%
Other Alternatives	Consumer Price Index (W) + 5%	5.00%
		100.00%

30-Nov-2006 - 30-Jun-2007		
Domestic Broad		
Eq	Russell 3000 Index	44.00%
Domestic Fixed	Bloomberg Universal	26.00%
Real Estate	NCREIF Property Index	5.00%
Intl Equity	MSCI ACWI xUS (Net)	16.00%
Other Alternatives	Consumer Price Index (W) + 5%	5.00%
Global Fixed-Inc	Brandywine Blended Benchmark	4.00%
		100.00%

30-Jun-2003 - 30-Nov-2006		
Domestic Broad		
Eq	Russell 3000 Index	47.00%
Domestic Fixed	Bloomberg Universal	18.00%
Real Estate	NCREIF Property Index	10.00%
Intl Equity	MSCI ACWI xUS (Net)	12.00%
Other Alternatives	Consumer Price Index (W) + 5%	10.00%
Global Fixed-Inc	Brandywine Blended Benchmark	3.00%
		100.00%

31-Oct-1997 - 30-Jun-2003		
Domestic Broad		
Eq	S&P 500 Index	50.00%
Domestic Fixed	Bloomberg Universal	18.00%
Real Estate	NCREIF Property Index	10.00%
Intl Equity	MSCI EAFE (Net)	9.00%
Other Alternatives	Consumer Price Index (W) + 5%	10.00%
Global Fixed-Inc	Brandywine Blended Benchmark	3.00%
		100.00%

31-Mar-1990 - 31-Oct-1997		
Domestic Broad		
Eq	S&P 500 Index	50.00%
Domestic Fixed	Bloomberg Universal	18.00%
Real Estate	NCREIF Property Index	10.00%
Intl Equity	MSCI EAFE (Net)	9.00%
Other Alternatives	Consumer Price Index (W) + 5%	10.00%
Global Fixed-Inc	JPM GBI Global Unhedged USD	3.00%
		100.00%

30-Jun-1975 - 31-Mar-1990		
Domestic Broad		
Eq	S&P 500 Index	50.00%
Real Estate	NCREIF Property Index	10.00%
Intl Equity	MSCI EAFE (Net)	9.00%
Other Alternatives	Consumer Price Index (W) + 5%	10.00%
Global Fixed-Inc	JPM GBI Global Unhedged USD	3.00%
		82.00%

Alternatives Benchmark represents from 7/1/2022 to present: 66.7% Russell 3000 Idx + 2% (1 qtr lag) and 33.3% ((50% S&P LSTA Leveraged Loan 100 Idx + 50% Bloomberg HY Idx) + 1%) (1 qtr lag).

From 7/1/2019 to 7/1/2022: 66.7% S&P 500 +3% (1 qtr lag) + 33.3% S&P LSTA Leveraged Loan 100 Index (1 qtr lag). From 7/1/2016 to 7/1/2019: 33.3% S&P 500 +3% (1 qtr lag) + 33.3% S&P LSTA Leveraged Loan 100 Index (1 qtr lag) + 33.3% of Cash (6-mo USD LIBOR) + 5%. From 7/1/2015 to 7/1/2016: 33.3% S&P 500 +3% (1qtr lag) + 33.3% S&P LSTA Leveraged Loan 100 Idx(1 qtr lag) + 33.3% of Cash (1 month USD LIBID) +5%. From 7/1/2013 to 7/1/2015: S&P 500 plus 5% (1 qtr lag). From 7/1/2011 to 7/1/2013: Qtr ending weight of Private Equity x S&P 500 plus 5% + Qtr ending weight Absolute Return x CPI + 5%. Prior to 7/1/2011: CPI + 5%.

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# Callan



October 30, 2025

**New Hampshire Retirement  
System – Defined Benefit Plan**

Second Quarter 2025

Executive Summary – Finalized FYE

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**Angel G. Haddad**

Senior Vice President, Fund Sponsor Consulting

**Britton M. Murdoch**

Senior Vice President, Fund Sponsor Consulting

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## U.S. Equity Markets Back Up Sharply in 2Q25

Non-U.S. markets lead the way for the second quarter in a row, showing diversification

### Big gains for U.S. stocks

- S&P 500 rose 11% in 2Q25. U.S. small cap stocks gained 8.5%. Both markets were spooked by tariff policy early in the quarter, then recovered when the implementation was delayed.

### Weaker 2Q for core fixed income

- The Bloomberg Aggregate rose 1.2%, down from the surge in 1Q. Long duration bonds were down 0.2%.
- CPI-U came in at 2.7% (year-over-year) through June, and the core index rose 2.9%. Both figures are up from May. Energy continues to push down the total headline number.

### Solid economic growth resumed

- The job market keeps expanding and real incomes are rising. 1Q GDP came in at -0.5% but grew 3.0% in 2Q. Consumer spending held up while business spending has paused.

Returns for Periods ended 6/30/25

	Quarter	1 Year	3 Years	5 Years	10 Years	25 Years
<b>U.S. Equity</b>						
Russell 3000	10.99	15.30	19.08	15.96	12.96	8.04
S&P 500	10.94	15.16	19.71	16.64	13.65	7.98
Russell 2000	8.50	7.68	10.00	10.04	7.12	7.35
<b>Global ex-U.S. Equity</b>						
MSCI World ex USA	12.05	18.70	15.73	11.51	6.65	4.63
MSCI Emerging Markets	11.99	15.29	9.70	6.81	4.82	--
MSCI ACWI ex USA Small Cap	16.93	18.34	13.46	10.74	6.54	7.02
<b>Fixed Income</b>						
Bloomberg Aggregate	1.21	6.08	2.55	-0.73	1.76	3.94
90-day T-Bill	1.04	4.68	4.56	2.76	1.98	1.88
Bloomberg Long Gov/Credit	-0.18	3.32	-0.31	-4.93	1.79	5.24
Bloomberg Global Agg ex-US	7.29	11.21	2.74	-1.63	0.61	2.94
<b>Real Estate</b>						
NCREIF Property	1.20	4.23	-2.75	3.70	5.22	7.46
FTSE Nareit Equity	-1.16	8.60	5.35	8.63	6.32	9.29
<b>Alternatives</b>						
Cambridge Private Equity*	1.67	6.30	2.17	15.66	13.09	10.35
Cambridge Senior Debt*	2.68	6.08	7.06	8.75	7.71	4.62
HFRI Fund Weighted	4.32	8.43	7.78	8.56	5.40	5.46
Bloomberg Commodity	-3.08	5.77	0.13	12.68	1.99	1.73
Gold Spot Price	5.00	41.38	22.32	12.93	10.93	10.20
<b>Inflation: CPI-U</b>	0.86	2.67	2.87	4.58	3.06	2.54

\*Cambridge Private Equity and Cambridge Senior Debt data as of 1Q25.  
Returns greater than one year are annualized.

Sources: Bloomberg, Callan, Cambridge, FTSE Russell, HFRI, MSCI, NCREIF, S&P Dow Jones Indices

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## Key Observations

### NHRS Pension Plan

#### Asset Allocation and Portfolio Structure

- Overall, the Fund's asset allocation was within the permissible Policy ranges at quarter-end. The Fund's allocation to defensive positions, including fixed income and cash, represented 24.7% of total assets. The fixed income allocation was 23.0%, below the policy's 25% target but within the policy's 20%-30% range. The Fund had an overweight to alternatives relative to target and an underweight position to real estate.

#### Investment Performance

- The Fund had a gross return of 6.37% over the fourth quarter of Fiscal Year 2025, underperforming the market benchmark return of 7.49% and ranking in the 35<sup>th</sup> percentile of its peers. On a net-of-fees basis, the Fund returned 6.23%.
  - The Alternative Assets and Global Equity portfolio detracted most from relative performance over the quarter. The Fund's overweight to Alternatives and Global Equity also detracted from performance. By definition, the Alternative Assets portfolio will not keep up with the benchmark during high momentum markets given the benchmark proxies that are used to measure the performance of this component of the portfolio.
  - By contrast, the Fixed Income and Real Estate portfolio contributed to performance.
- Overall, performance is competitive relative to both benchmarks over longer periods measured. The Fund outperformed the peer group median over the long term, ranking in the top 32% of peers for the trailing 10-year period. Over the last 25 years, the Fund's performance is in line with the benchmark and ranked in the 49<sup>th</sup> percentile of peers.
- The Fund exhibits attractive risk-adjusted performance, as measured by the Sharpe Ratio over the last five years. In addition, relative risk-adjusted scores, as measured by the Excess Return Ratio, are also strong. Both of these ratios ranked in the top 35% of peers.

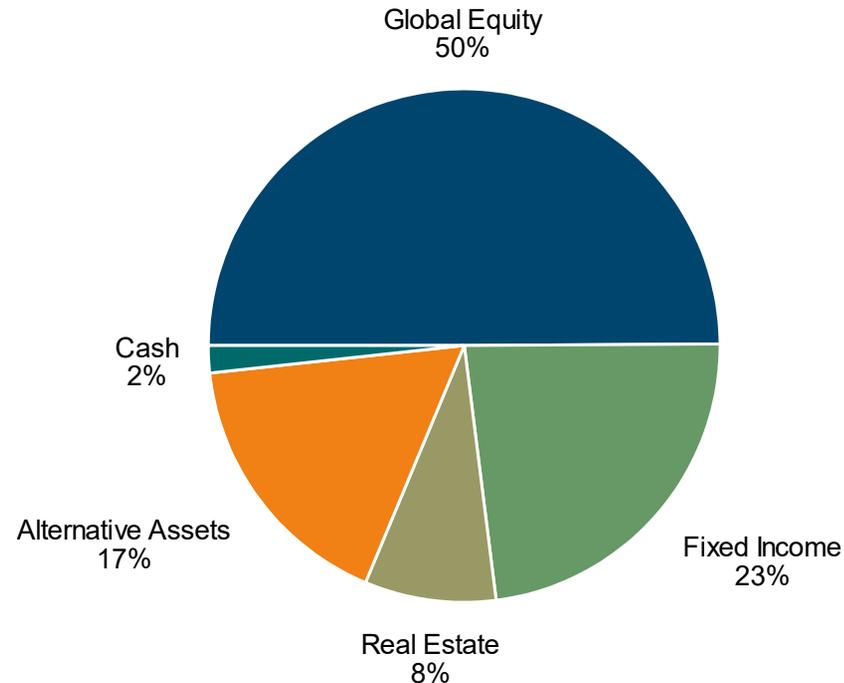
#### Other Developments

- Callan and the NHRS Investment Team are working closely to implement the recently approved asset allocation strategy and reevaluate the global equity manager structure.

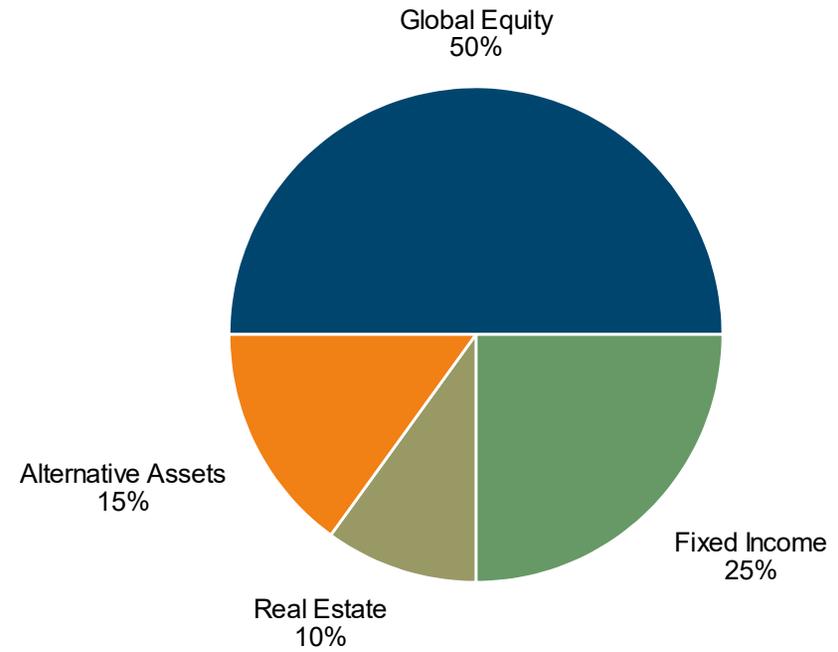
# Total Fund

Actual Asset Allocation vs. Target as of June 30, 2025

### Actual Asset Allocation



### Target Asset Allocation



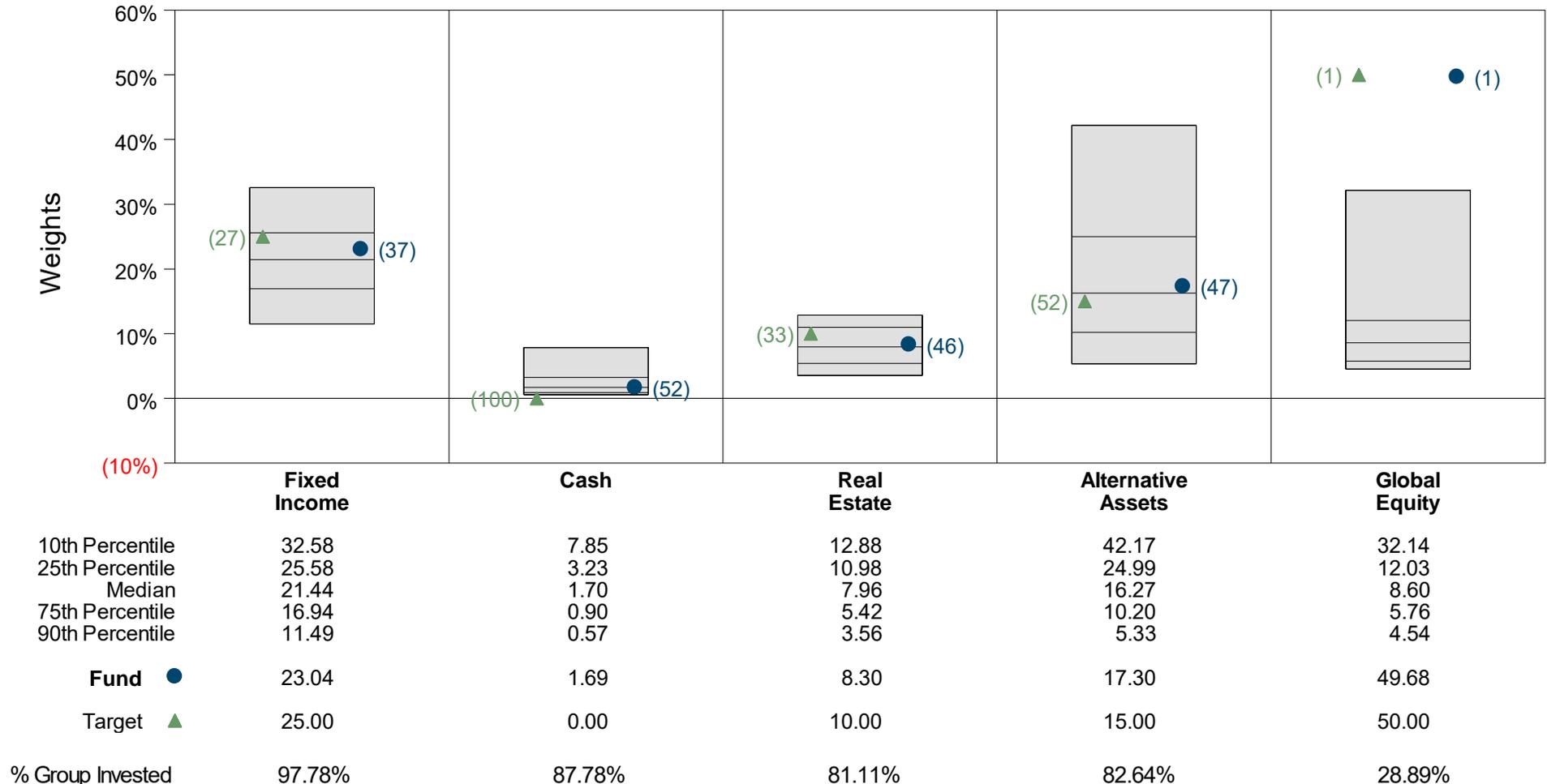
Asset Class	\$Millions Actual	Weight Actual	Target	Percent Difference	\$Millions Difference
Global Equity	6,625	49.7%	50.0%	(0.3%)	(43)
Fixed Income	3,073	23.0%	25.0%	(2.0%)	(262)
Real Estate	1,107	8.3%	10.0%	(1.7%)	(226)
Alternative Assets	2,307	17.3%	15.0%	2.3%	306
Cash	225	1.7%	0.0%	1.7%	225
<b>Total</b>	<b>13,337</b>	<b>100.0%</b>	<b>100.0%</b>		

\*Current Quarter Target = 50.0% MSCI ACWI IMI, 25.0% Bloomberg Universal, 10.0% NCREIF NFI-ODCE Value Weight Net, 10.0% Russell 3000 Index + 2.0%, 2.5% Bloomberg High Yield Corp + 1.0% and 2.5% MStar LSTA Lev Loan 100 + 1.0%.

## Total Fund

Actual Asset Allocation vs. Large Public DB Plan (>\$1B) Peer Group, as of June 30, 2025

### Asset Class Weights vs Callan Public Fund Spons - Large (>1B)



\*Current Quarter Target = 50.0% MSCI ACWI IMI, 25.0% Bloomberg Universal, 10.0% NCREIF NFI-ODCE Value Weight Net, 10.0% Russell 3000 Index + 2.0%, 2.5% Bloomberg High Yield Corp + 1.0% and 2.5% MStar LSTA Lev Loan 100 + 1.0%.

# Total Fund

## Market Values

	June 30, 2025			March 31, 2025		
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
<b>Global Equity</b>	<b>\$6,625,090,401</b>	<b>49.68%</b>	<b>\$(249,792,520)</b>	<b>\$623,482,066</b>	<b>\$6,251,400,856</b>	<b>49.69%</b>
<b>Total Domestic Equity</b>	<b>\$3,877,504,188</b>	<b>29.07%</b>	<b>\$(250,000,000)</b>	<b>\$317,523,857</b>	<b>\$3,809,980,330</b>	<b>30.28%</b>
<b>Large Cap Domestic Equity</b>	<b>\$2,275,861,689</b>	<b>17.06%</b>	<b>\$(250,000,000)</b>	<b>\$225,418,195</b>	<b>\$2,300,443,493</b>	<b>18.28%</b>
Blackrock S&P 500	2,275,861,689	17.06%	(250,000,000)	225,418,195	2,300,443,493	18.28%
<b>SMid Cap Domestic Equity</b>	<b>\$769,801,209</b>	<b>5.77%</b>	<b>\$0</b>	<b>\$47,116,384</b>	<b>\$722,684,825</b>	<b>5.74%</b>
AllianceBernstein	478,524,410	3.59%	0	34,953,681	443,570,728	3.53%
TSW	291,276,799	2.18%	0	12,162,703	279,114,097	2.22%
<b>Small Cap Domestic Equity</b>	<b>\$831,841,290</b>	<b>6.24%</b>	<b>\$0</b>	<b>\$44,989,278</b>	<b>\$786,852,012</b>	<b>6.25%</b>
Boston Trust	256,657,100	1.92%	0	2,239,754	254,417,346	2.02%
Segall Bryant & Hamill	272,607,958	2.04%	0	18,052,220	254,555,738	2.02%
Wellington	302,576,233	2.27%	0	24,697,304	277,878,929	2.21%
<b>Total Non US Equity *</b>	<b>\$2,747,586,214</b>	<b>20.60%</b>	<b>\$207,480</b>	<b>\$305,958,208</b>	<b>\$2,441,420,526</b>	<b>19.41%</b>
<b>Core Non US Equity *</b>	<b>\$1,725,807,578</b>	<b>12.94%</b>	<b>\$207,480</b>	<b>\$198,857,496</b>	<b>\$1,526,742,603</b>	<b>12.14%</b>
Aristotle	402,067,816	3.01%	187,812,059	23,290,659	190,965,098	1.52%
Artisan Partners	534,870,631	4.01%	0	78,313,813	456,556,818	3.63%
BlackRock Superfund	235,282,060	1.76%	0	25,487,016	209,795,044	1.67%
Causeway Capital	550,746,821	4.13%	0	53,648,640	497,098,181	3.95%
Lazard	1,470,755	0.01%	(188,555,792)	18,208,443	171,818,104	1.37%
SSGA Transition	815,978	0.01%	951,213	(135,235)	-	-
<b>Emerging Markets</b>	<b>\$209,753,678</b>	<b>1.57%</b>	<b>\$0</b>	<b>\$21,509,181</b>	<b>\$188,244,497</b>	<b>1.50%</b>
Wellington Emerging Markets	209,753,678	1.57%	0	21,509,181	188,244,497	1.50%
<b>Non US Small Cap</b>	<b>\$170,507,794</b>	<b>1.28%</b>	<b>\$0</b>	<b>\$26,922,715</b>	<b>\$143,585,079</b>	<b>1.14%</b>
Wellington Int'l Small Cap Research	170,507,794	1.28%	0	26,922,715	143,585,079	1.14%
<b>World Equity</b>	<b>\$641,517,164</b>	<b>4.81%</b>	<b>\$0</b>	<b>\$58,668,817</b>	<b>\$582,848,347</b>	<b>4.63%</b>
Walter Scott Global Equity	641,517,164	4.81%	0	58,668,817	582,848,347	4.63%

\*Includes \$553,516 in legacy assets that are not actively managed and in liquidation following the termination of Fisher.

# Total Fund

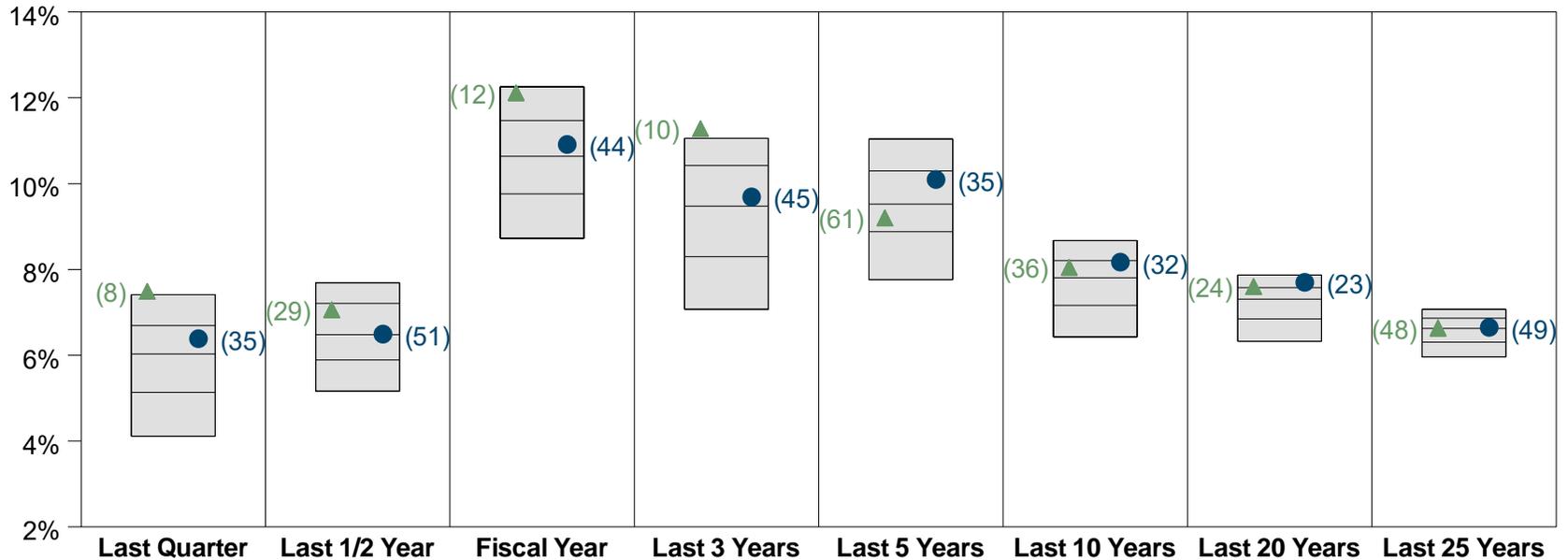
## Market Values

	June 30, 2025			March 31, 2025		
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
<b>Total Fixed Income</b>	<b>\$3,072,517,962</b>	<b>23.04%</b>	<b>\$250,000,000</b>	<b>\$66,518,267</b>	<b>\$2,755,999,694</b>	<b>21.91%</b>
BlackRock SIO Bond Fund	293,494,170	2.20%	0	7,832,581	285,661,589	2.27%
Brandywine Asset Mgmt	246,331,465	1.85%	0	17,677,179	228,654,286	1.82%
FIAM (Fidelity) Tactical Bond	402,222,459	3.02%	0	7,016,974	395,205,485	3.14%
Income Research & Management	832,952,912	6.25%	0	10,328,816	822,624,095	6.54%
Loomis Sayles	318,303,837	2.39%	0	8,994,143	309,309,694	2.46%
Manulife Strategic Fixed Income	232,113,870	1.74%	0	6,471,260	225,642,610	1.79%
Mellon US Agg Bond Index	747,099,250	5.60%	250,000,000	8,197,315	488,901,935	3.89%
<b>Total Cash</b>	<b>\$224,806,348</b>	<b>1.69%</b>	<b>\$49,637,685</b>	<b>\$2,124,368</b>	<b>\$173,044,296</b>	<b>1.38%</b>
<b>Total Marketable Assets</b>	<b>\$9,922,414,711</b>	<b>74.40%</b>	<b>\$49,845,164</b>	<b>\$692,124,701</b>	<b>\$9,180,444,846</b>	<b>72.97%</b>
<b>Total Real Estate</b>	<b>\$1,107,467,290</b>	<b>8.30%</b>	<b>\$(23,921,949)</b>	<b>\$32,530,574</b>	<b>\$1,098,858,666</b>	<b>8.73%</b>
Strategic Core Real Estate	611,116,138	4.58%	(26,544,924)	15,043,588	622,617,474	4.95%
Tactical Non-Core Real Estate	496,351,152	3.72%	3,034,696	17,075,265	476,241,191	3.79%
<b>Total Alternative Assets</b>	<b>\$2,306,643,481</b>	<b>17.30%</b>	<b>\$(67,964,126)</b>	<b>\$72,859,697</b>	<b>\$2,301,747,910</b>	<b>18.30%</b>
Private Equity	1,641,982,978	12.31%	(79,548,405)	49,383,013	1,672,148,369	13.29%
Private Debt	664,660,503	4.98%	11,584,279	23,476,683	629,599,541	5.00%
<b>Total Fund Composite</b>	<b>\$13,336,525,482</b>	<b>100.00%</b>	<b>\$(42,040,911)</b>	<b>\$797,514,971</b>	<b>\$12,581,051,422</b>	<b>100.00%</b>

# Total Fund Performance – Gross of Investment Management Fees

Performance vs. Large Public DB Plan (>\$1B) Peers, as of June 30, 2025

## Performance vs Callan Public Fund Large DB (Gross)



	Last Quarter	Last 1/2 Year	Fiscal Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 20 Years	Last 25 Years
10th Percentile	7.41	7.69	12.26	11.06	11.04	8.67	7.87	7.07
25th Percentile	6.69	7.21	11.47	10.42	10.30	8.21	7.58	6.87
Median	6.03	6.48	10.64	9.47	9.52	7.81	7.31	6.63
75th Percentile	5.14	5.89	9.76	8.30	8.88	7.16	6.85	6.31
90th Percentile	4.12	5.16	8.72	7.07	7.76	6.43	6.32	5.96

### Total Fund Composite

●	6.37	6.47	10.89	9.67	10.07	8.15	7.68	6.63
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### Total Fund Benchmark (Unlagged)

▲	7.49	7.06	12.12	11.28	9.20	8.05	7.61	6.64
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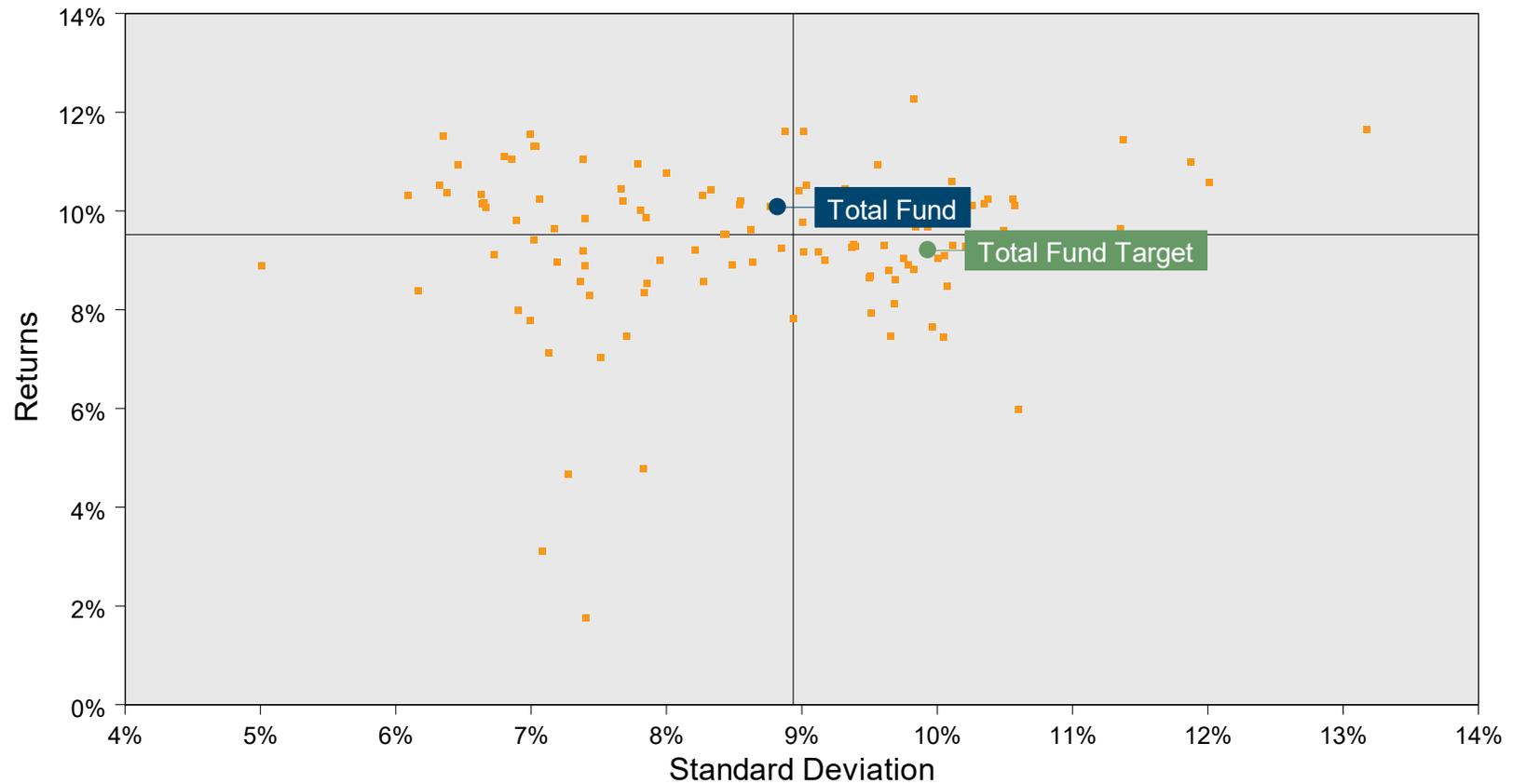
Note: Investment results are shown gross of investment management fees versus corresponding peer group.

\*Current Quarter Target = 50.0% MSCI ACWI IMI, 25.0% Bloomberg Universal, 10.0% NCREIF NFI-ODCE Value Weight Net, 10.0% Russell 3000 Index + 2.0%, 2.5% Bloomberg High Yield Corp + 1.0% and 2.5% MStar LSTA Lev Loan 100 + 1.0%.

# Total Fund Performance – Gross of Investment Management Fees

Five-Year Risk/Return Analysis as of June 30, 2025

## Five Year Annualized Risk vs Return



Squares represent membership of the Callan Public Fund Spons - Large (>1B)

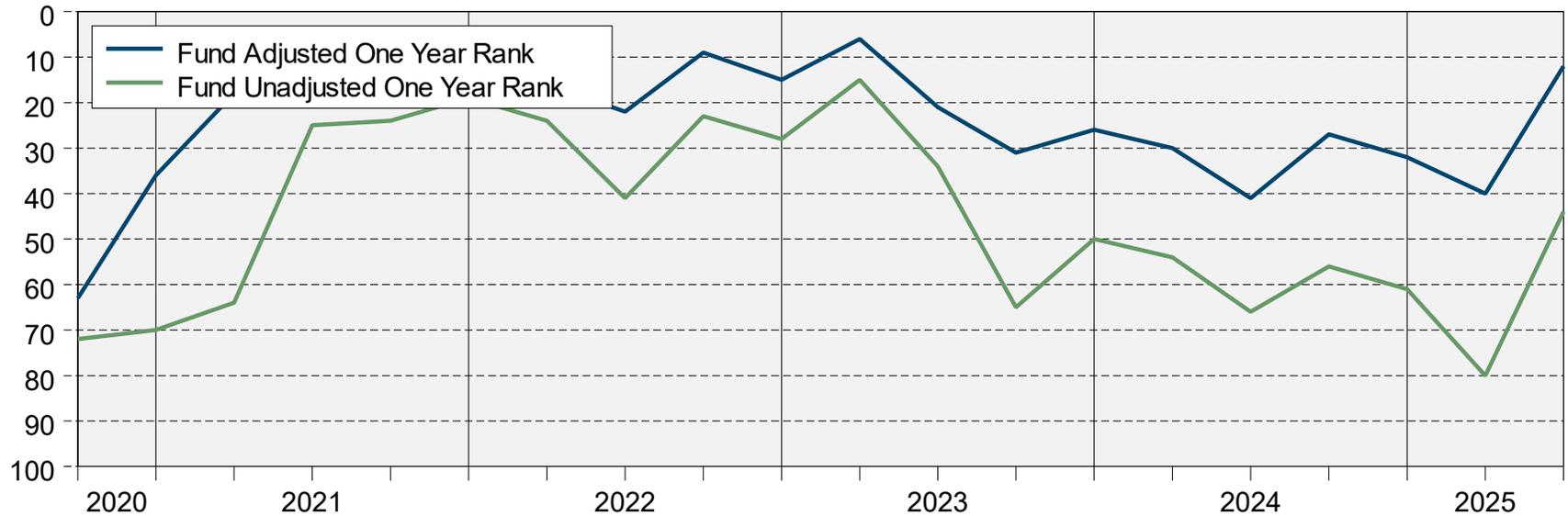
Note: Investment results are shown gross of investment management fees versus corresponding peer group.

\*Current Quarter Target = 50.0% MSCI ACWI IMI, 25.0% Bloomberg Universal, 10.0% NCREIF NFI-ODCE Value Weight Net, 10.0% Russell 3000 Index + 2.0%, 2.5% Bloomberg High Yield Corp + 1.0% and 2.5% MStar LSTA Lev Loan 100 + 1.0%.

## Total Fund Performance – Gross of Investment Management Fees

Rolling One Year Ranking vs. Callan Public Fund (>\$1B) Peer Group, as of June 30, 2025

### Rolling One Year Ranking vs Callan Public Fund Spons - Large (>1B)

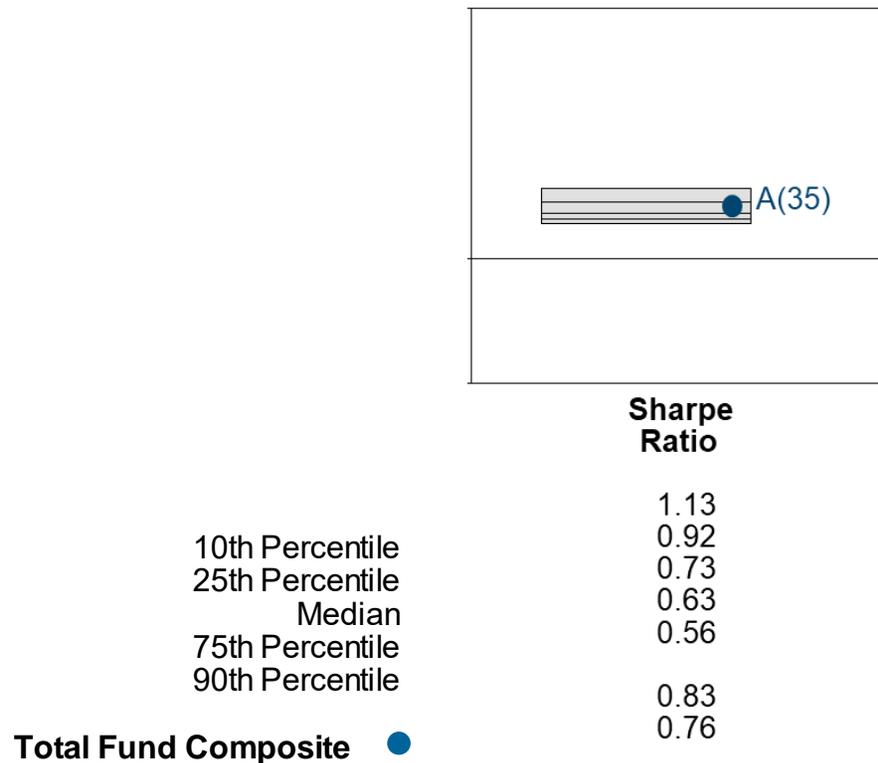


- This exhibit captures the Fund’s ranking versus peers, observing rolling 1-year performance from September 30, 2020 to June 30, 2025
- Since total portfolio rankings are driven by the Fund’s unique asset allocation profile, we are showing both an “Adjusted” output and an “Unadjusted” output. The former forces the peer group to follow the same asset allocation as that of the NHRS portfolio. This captures the incremental value created by the active managers in the NHRS Total Fund. The latter does not make this adjustment
- Rankings are favorable over most time periods

Note: Investment results are shown gross of investment management fees.

## Total Fund Performance – Gross of Investment Management Fees

Five-Year Sharpe Ratio, as of June 30, 2025



- Measures absolute risk-adjusted performance, taking into account the risk-free rate and portfolio volatility
- Ranks above the peer group median

Note: Investment results are shown gross of investment management fees versus corresponding peer group.

## Total Fund Performance – Net of Investment Management Fees

Trailing Quarter Attribution Analysis vs. Policy Benchmark, as of June 30, 2025

### Relative Attribution Effects for Quarter ended June 30, 2025

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Global Equity	49%	50%	10.31%	11.62%	(0.62%)	(0.07%)	(0.69%)
Total Fixed Income	24%	25%	2.18%	1.40%	0.19%	0.08%	0.27%
Total Real Estate	9%	10%	2.76%	0.81%	0.17%	0.10%	0.27%
Total Alternative Assets	18%	15%	2.93%	8.69%	(1.05%)	0.04%	(1.00%)
Total Cash	1%	0%	1.10%	1.10%	0.00%	(0.10%)	(0.10%)
<b>Total</b>			<b>6.23%</b>	<b>= 7.49%</b>	<b>+ (1.30%)</b>	<b>+ 0.05%</b>	<b>(1.26%)</b>

#### What helped relative performance?

- Strong relative performance from the fixed income and real estate portfolios
- An underweight to real estate and fixed income relative to target
- An overweight to alternative assets relative to target

#### What hurt relative performance?

- Weak relative performance from the alternative assets and global equity portfolio
- An overweight to cash relative to target
- A slight underweight to global equity relative to target

\*Current Quarter Target = 50.0% MSCI ACWI IMI, 25.0% Bloomberg Universal, 10.0% NCREIF NFI-ODCE Value Weight Net, 10.0% Russell 3000 Index + 2.0%, 2.5% Bloomberg High Yield Corp + 1.0% and 2.5% MStar LSTA Lev Loan 100 + 1.0%.

Callan

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**Appendix**

# Investment Manager Returns – Net of Investment Management Fees

As of June 30, 2025

	Last Quarter	Fiscal Year	Last 3 Years	Last 5 Years	
<b>Net of Fees</b>					
<b>Global Equity</b>	<b>10.31%</b>	<b>14.90%</b>	-	-	
MSCI ACWI IMI	11.62%	15.89%	16.80%	13.39%	
<b>Total Domestic Equity</b>	<b>8.83%</b>	<b>12.49%</b>	<b>16.20%</b>	<b>14.80%</b>	
Domestic Equity Benchmark (1)	10.99%	15.30%	19.08%	15.41%	
Secondary Domestic Equity Bmk (6)	9.98%	12.76%	16.18%	14.41%	
<b>Large Cap Domestic Equity</b>	<b>10.94%</b>	<b>15.14%</b>	<b>19.66%</b>	<b>16.50%</b>	
S&P 500 Index	10.94%	15.16%	19.71%	16.64%	
Blackrock S&P 500	10.94%	15.14%	19.66%	16.60%	
<b>SMid Cap Domestic Equity</b>	<b>6.38%</b>	<b>8.71%</b>	<b>10.54%</b>	<b>12.21%</b>	
Russell 2500 Index	8.59%	9.91%	11.31%	11.44%	
AllianceBernstein	7.74%	6.74%	11.20%	11.05%	
TSW	4.20%	12.11%	9.50%	14.30%	
TSW Blended Benchmark (2)	7.29%	10.47%	10.69%	13.96%	
<b>Small Cap Domestic Equity</b>	<b>5.56%</b>	<b>8.24%</b>	<b>12.01%</b>	<b>12.79%</b>	
Russell 2000 Index	8.50%	7.68%	10.00%	10.04%	
Boston Trust	0.79%	7.93%	9.27%	13.07%	
Segall Bryant & Hamill	6.91%	3.81%	11.57%	11.97%	
Wellington	8.70%	11.61%	14.04%	13.22%	
<b>Total Non US Equity</b>	<b>12.47%</b>	<b>18.18%</b>	<b>16.17%</b>	<b>10.50%</b>	
Non US Equity Benchmark (3)	12.71%	17.83%	14.02%	10.15%	
<b>Core Non US Equity</b>	<b>13.02%</b>	<b>22.49%</b>	<b>18.38%</b>	<b>12.15%</b>	
Core Non US Benchmark (4)	12.03%	17.72%	13.99%	10.13%	
Aristotle	11.29%	19.16%	14.99%	-	
Artisan Partners	17.02%	30.66%	20.69%	11.08%	
BlackRock Superfund	12.14%	17.92%	-	-	
Causeway Capital	10.66%	21.83%	20.78%	16.38%	
<b>Emerging Markets</b>	<b>11.16%</b>	<b>15.50%</b>	<b>10.12%</b>	<b>4.63%</b>	
MSCI EM	11.99%	15.29%	9.70%	6.81%	
Wellington Emerging Markets	11.16%	15.50%	9.92%	4.68%	
<b>Non US Small Cap</b>	<b>18.55%</b>	<b>23.93%</b>	<b>15.65%</b>	<b>8.47%</b>	
Wellington Int'l Small Cap Research	18.55%	23.93%	15.65%	-	
MSCI EAFE Small Cap	16.59%	22.46%	13.30%	9.28%	
<b>World Equity</b>	<b>9.95%</b>	<b>7.51%</b>	<b>14.38%</b>	<b>11.10%</b>	
MSCI ACWI net	11.53%	16.17%	17.35%	13.65%	
Walter Scott Global Equity	9.95%	7.51%	14.38%	11.10%	
Walter Scott Blended Benchmark (5)	11.53%	16.17%	17.35%	13.65%	

(1) The Domestic Equity Benchmark is the Russell 3000 index as of 7/1/2021. From 7/1/2015 to 6/30/2021 the benchmark was the S&P 500 Index. From 7/1/2003 to 6/30/2015 the benchmark was the Russell 3000 Index. Prior to 7/1/2003 the benchmark was the S&P 500.

(2) TSW Blended Benchmark is the Russell 2500 Value Index as of 7/1/2019. Prior to 7/1/2019 it was the Russell 2500.

(3) The Non US Equity Index is the MSCI ACWI ex US IMI Index as of 7/1/2024. Prior to 7/1/2024, it was the MSCI ACWI Ex-US Index.

(4) The Core Non US Equity Index is the MSCI ACWI ex US as of 7/1/2007. Prior to 7/1/2007 it was the MSCI EAFE Index.

(5) The Walter Scott Blended Benchmark is the MSCI ACWI Index as 5/1/2008. Prior to 5/1/2008 it was the MSCI EAFE Index.

(6) The Secondary Domestic Equity Bmk consists of 60% S&P 500, 20% Russell 2500, and 20% Russell 2000.

# Investment Manager Returns – Net of Investment Management Fees

As of June 30, 2025

	Last Quarter	Fiscal Year	Last 3 Years	Last 5 Years	
<b>Net of Fees</b>					
<b>Total Fixed Income</b>	<b>2.18%</b>	<b>7.12%</b>	<b>3.99%</b>	<b>1.16%</b>	
Fixed Income Benchmark (1)	1.40%	6.51%	3.28%	(0.15%)	
Bloomberg Aggregate	1.21%	6.08%	2.55%	(0.73%)	
BlackRock SIO Bond Fund	2.62%	7.87%	5.52%	3.48%	
BlackRock Custom Benchmark (2)	1.09%	4.87%	4.76%	2.93%	
Brandywine Asset Mgmt	7.68%	10.66%	2.60%	0.20%	
Brandywine Custom Benchmark (3)	4.80%	8.71%	1.63%	(2.54%)	
FIAM (Fidelity) Tactical Bond	1.70%	6.80%	4.50%	2.00%	
Bloomberg Aggregate	1.21%	6.08%	2.55%	(0.73%)	
Income Research & Management	1.22%	5.99%	2.88%	(0.54%)	
Bloomberg Gov/Credit	1.22%	5.89%	2.61%	(0.83%)	
Loomis Sayles	2.83%	9.55%	6.32%	3.33%	
Loomis Sayles Custom Benchmark (4)	2.02%	7.55%	5.10%	1.60%	
Manulife Strategic Fixed Income	2.82%	7.31%	5.21%	2.28%	
Bloomberg Multiverse	4.55%	9.08%	3.10%	(0.87%)	
Mellon US Agg Bond Index	1.20%	6.01%	-	-	
Bloomberg Aggregate	1.21%	6.08%	2.55%	(0.73%)	
<b>Total Cash</b>	<b>1.10%</b>	<b>4.76%</b>	<b>4.69%</b>	<b>2.84%</b>	
3-month Treasury Bill	1.04%	4.68%	4.56%	2.76%	
<b>Total Marketable Assets</b>	<b>7.48%</b>	<b>12.34%</b>	<b>12.45%</b>	<b>9.41%</b>	
Total Marketable Index (5)	8.16%	12.79%	12.37%	8.79%	
<b>Total Real Estate</b>	<b>2.76%</b>	<b>4.20%</b>	<b>(3.56%)</b>	<b>6.10%</b>	
Real Estate Benchmark (6)	0.81%	2.67%	(6.21%)	2.54%	
Strategic Core Real Estate	2.39%	4.64%	(5.69%)	4.13%	
Tactical Non-Core Real Estate	3.23%	3.64%	0.25%	9.53%	
<b>Total Alternative Assets</b>	<b>2.93%</b>	<b>5.32%</b>	<b>4.70%</b>	<b>11.74%</b>	
Alternative Assets Benchmark (7)	8.69%	15.10%	18.05%	15.35%	
Total Private Equity	2.85%	4.93%	4.36%	13.57%	
Private Equity Benchmark (8)	11.38%	17.50%	21.42%	19.12%	
Cambridge Global PE Idx	3.87%	9.30%	5.19%	14.07%	
Total Private Debt	3.14%	6.39%	5.67%	7.52%	
Private Debt Benchmark (9)	3.36%	10.05%	11.08%	7.05%	
Cambridge Private Credit Idx	3.30%	9.32%	9.11%	11.00%	
<b>Total Fund Composite</b>	<b>6.23%</b>	<b>10.31%</b>	<b>9.09%</b>	<b>9.55%</b>	
Total Fund Benchmark - Unlagged*	7.49%	12.12%	11.28%	9.20%	

\*Current Quarter Target = 50.0% MSCI ACWI IMI, 25.0% Bloomberg Universal, 10.0% NCREIF NFI-ODCE Value Weight Net, 10.0% Russell 3000 Index + 2.0%, 2.5% Bloomberg High Yield Corp + 1.0% and 2.5% MStar LSTA Lev Loan 100 + 1.0%.

(1) The Fixed Income Benchmark is the Bloomberg Capital Universal Bond Index as of 7/1/2007.

(2) The BlackRock Custom Benchmark is 3 Month SOFR compounded in arrears as of 1/1/2022.

(3) The Brandywine Blended Benchmark is the FTSE WGBI Ex-China Index as of 11/1/2021.

(4) The Loomis Sayles Custom Benchmark is 65% Bloomberg Aggregate and 35% Bloomberg High Yield.

(5) Marketable Assets Index is 66.7% MSCI ACWI IMI and 33.3% Bloomberg Universal as of 7/1/24. Prior, the benchmark was 40% Russell 3000, 26.7% MSCI ACWI ex US, and 33.3% Bloomberg Universal (as of 7/1/2021).

(6) The Real Estate Benchmark is the NCREIF NFI-ODCE Value Weight Net Index as of 7/1/2015.

(7) The Alternative Assets Benchmark is 66.7% Russell 3000 Index + 2% and 33.3% ((50% S&P LSTA Leveraged Loan 100 Index + 50% Bloomberg High Yield Corp Index) + 1%) as of 7/1/2022.

(8) The Private Equity Benchmark is the Russell 3000 Index + 2% as of 7/1/2022.

(9) The Private Debt Benchmark is (50% Mstar LSTA Leveraged Loan 100 Index & 50% Bloomberg HY Corp Index) + 1% as of 7/1/2022.

(10) Total Real Estate returns includes Townsend discretionary fee as of 7/1/2022.

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# Callan



November 4, 2025

## **New Hampshire Retirement System – Defined Benefit Plan**

Third Quarter 2025

Executive Summary

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### **Angel G. Haddad**

Senior Vice President, Fund Sponsor Consulting

### **Britton M. Murdoch**

Senior Vice President, Fund Sponsor Consulting

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## Global Equity Markets Continue to Run in 3Q25

U.S. markets lead developed ex-U.S. markets; emerging markets continue strength from 1Q and 2Q

### Big gains for global stocks

- S&P 500 rose 8.1% in 3Q25, while U.S. small caps jumped 12.4%. Global markets are looking past the impact of U.S. tariffs and show confidence in the absence of a recession in the U.S. economy.

### Modest 3Q returns for core fixed income

- The Bloomberg Aggregate rose 2.0%, up from 1.2% in 2Q. Long duration rose 3.2% as long rates came down.
- CPI-U rose 3.0% (year-over-year) through September. The core index also rose 3.0%. Both figures are up from June but below economist estimates of 3.1%. There were some signs that tariffs are lifting prices in smaller categories, but modest shelter inflation weighed down the overall index at both the core and headline levels.

### Dislocation in economic growth measures

- The job market stopped expanding in April while GDP growth surged 3.8% in 2Q and is on track for another gain in 3Q.
- Consumer spending has surprised on the upside; business spending has paused.

### Returns for Periods ended 9/30/25

	Quarter	1 Year	3 Years	5 Years	10 Years	25 Years
<b>U.S. Equity</b>						
Russell 3000	8.18	17.41	24.12	15.74	14.71	8.35
S&P 500	8.12	17.60	24.94	16.47	15.30	8.36
Russell 2000	12.39	10.76	15.21	11.56	9.77	7.80
<b>Global ex-U.S. Equity</b>						
MSCI World ex USA	5.33	16.03	21.60	11.60	8.41	5.18
MSCI Emerging Markets	10.64	17.32	18.21	7.02	7.99	--
MSCI ACWI ex USA Small Cap	6.68	15.93	19.36	9.97	8.37	7.62
<b>Fixed Income</b>						
Bloomberg Aggregate	2.03	2.88	4.93	-0.45	1.84	3.90
90-day T-Bill	1.08	4.38	4.77	2.98	2.08	1.86
Bloomberg Long Gov/Credit	3.16	-1.28	3.96	-4.57	1.88	5.25
Bloomberg Global Agg ex-US	-0.59	1.87	5.75	-2.54	0.48	3.12
<b>Real Estate</b>						
NCREIF Property	1.19	4.65	-2.55	3.79	5.03	7.39
FTSE Nareit Equity	4.77	-1.98	10.80	9.33	6.61	9.17
<b>Alternatives</b>						
Cambridge Private Equity*	3.86	9.29	5.02	14.24	12.80	10.45
Cambridge Senior Debt*	4.20	9.74	9.42	8.97	7.92	4.88
HFRI Fund Weighted	5.44	11.08	9.97	8.76	6.41	5.61
Bloomberg Commodity	3.65	8.88	2.76	11.53	3.96	1.73
Gold Spot Price	17.10	45.64	32.32	15.36	13.26	11.13
<b>Inflation: CPI-U</b>	0.69	3.01	3.05	4.53	3.16	2.54

\*Cambridge Private Equity and Cambridge Senior Debt data as of 2Q25.

Returns greater than one year are annualized.

Sources: Bloomberg, Callan, Cambridge, FTSE Russell, HFRI, MSCI, NCREIF, S&P Dow Jones Indices

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## Key Observations

### NHRS Pension Plan

#### Asset Allocation and Portfolio Structure

- Overall, the Fund's asset allocation was within the permissible Policy ranges at quarter-end. The Fund's allocation to defensive positions, including fixed income and cash, represented 24.1% of total assets. The fixed income allocation was 22.8%, below the policy's 25% target but within the policy's 20%-30% range. The Fund had an overweight to global equity and alternatives relative to target and an underweight position to real estate.

#### Investment Performance

- The Fund had a gross return of 3.59% over the first quarter of Fiscal Year 2026, underperforming the market benchmark return of 5.73% and ranking in the 86<sup>th</sup> percentile of its peers. On a net-of-fees basis, the Fund returned 3.45%.
  - The Alternative Assets and Global Equity portfolios detracted most from relative performance over the quarter. By definition, the Alternative Assets portfolio will not keep up with the benchmark during high momentum markets given the public market benchmark proxies that are used to measure the performance of this component of the portfolio.
  - By contrast, the Fixed Income and Real Estate portfolios contributed to performance.
- Overall, performance is competitive relative to both benchmarks over longer periods measured. The Fund outperformed the peer group median over the long term, ranking in the top 28% of peers for the trailing 10-year period. Over the last 25 years, the Fund's performance slightly trailed the benchmark and ranked in the 50<sup>th</sup> percentile of peers.
- The Fund exhibits attractive risk-adjusted performance, as measured by the Sharpe Ratio over the last five years. In addition, relative risk-adjusted scores, as measured by the Excess Return Ratio, are also strong. Both of these ratios ranked in the top 34% of peers.

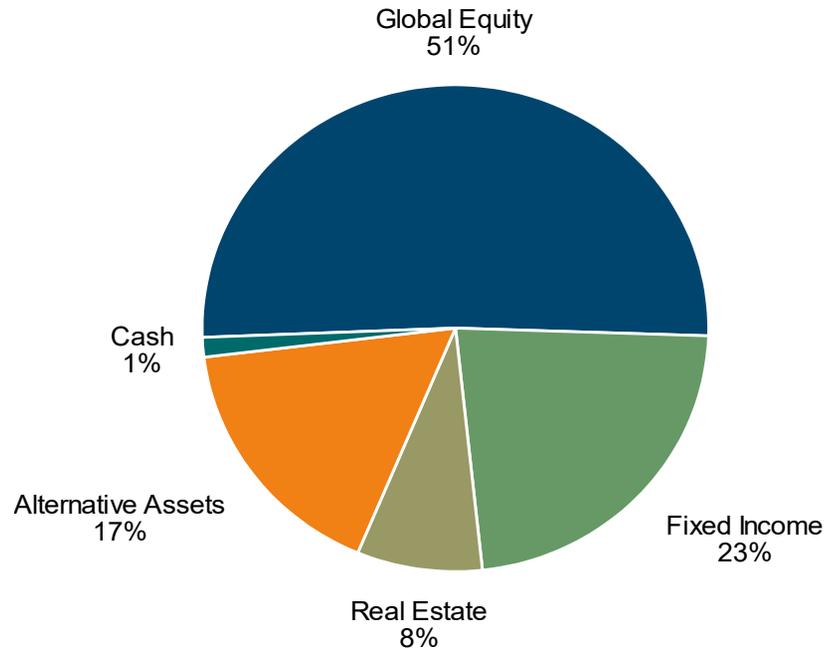
#### Other Developments

- Callan and the NHRS Investment Team are working closely to implement the recently approved asset allocation strategy and reevaluate the global equity manager structure.

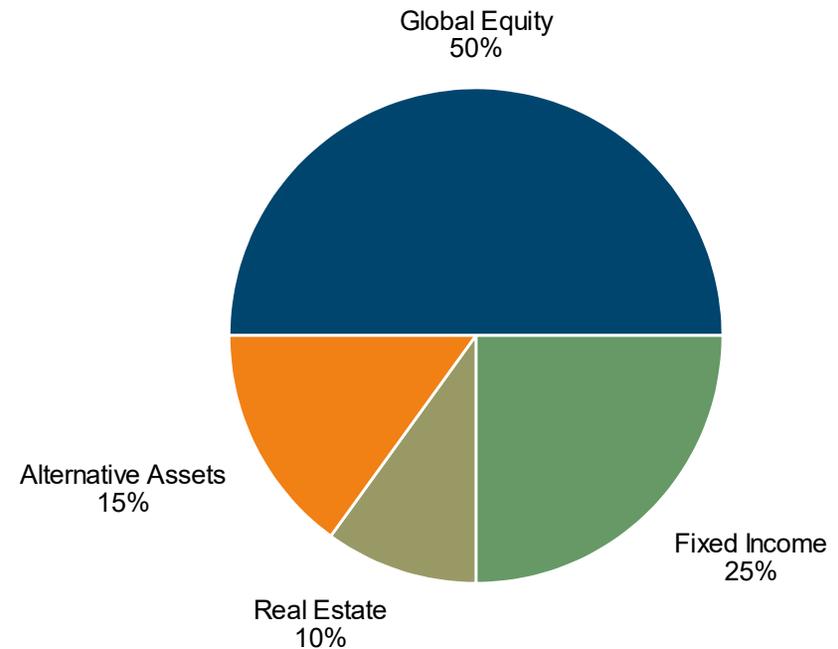
# Total Fund

Actual Asset Allocation vs. Target as of September 30, 2025

### Actual Asset Allocation



### Target Asset Allocation



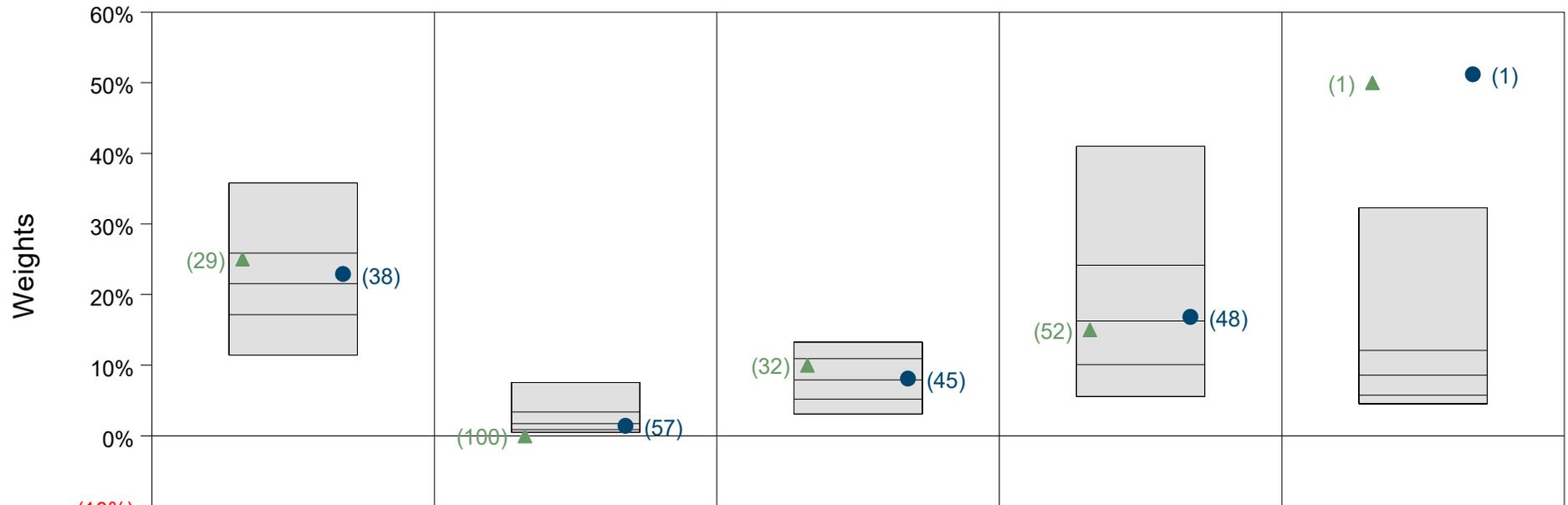
Asset Class	\$Millions Actual	Weight Actual	Target	Percent Difference	\$Millions Difference
Global Equity	7,028	51.1%	50.0%	1.1%	150
Fixed Income	3,138	22.8%	25.0%	(2.2%)	(301)
Real Estate	1,103	8.0%	10.0%	(2.0%)	(273)
Alternative Assets	2,305	16.8%	15.0%	1.8%	242
Cash	182	1.3%	0.0%	1.3%	182
<b>Total</b>	<b>13,756</b>	<b>100.0%</b>	<b>100.0%</b>		

\*Current Quarter Target = 50.0% MSCI ACWI IMI, 25.0% Bloomberg Universal, 10.0% NCREIF NFI-ODCE Value Weight Net lagged 3 months, 10.0% Russell 3000 Index lagged 3 months+2.0%, 2.5% Bloomberg High Yield Corp lagged 3 months+1.0% and 2.5% MStar LSTA Lev Loan 100 lagged 3 months +1.0%.

# Total Fund

Actual Asset Allocation vs. Large Public DB Plan (>\$1B) Peer Group, as of September 30, 2025

## Asset Class Weights vs Callan Public Fund Spons - Large (>1B)



(10%)

	Fixed Income	Cash	Real Estate	Alternative Assets	Global Equity
10th Percentile	35.80	7.54	13.28	41.00	32.27
25th Percentile	25.88	3.39	10.94	24.15	12.10
Median	21.55	1.72	7.92	16.27	8.60
75th Percentile	17.17	0.89	5.21	10.08	5.76
90th Percentile	11.41	0.50	3.08	5.55	4.54
<b>Fund</b> ●	22.81	1.32	8.02	16.76	51.09
<b>Target</b> ▲	25.00	0.00	10.00	15.00	50.00
<b>% Group Invested</b>	97.83%	89.13%	80.43%	82.93%	28.26%

\*Current Quarter Target = 50.0% MSCI ACWI IMI, 25.0% Bloomberg Universal, 10.0% NCREIF NFI-ODCE Value Weight Net lagged 3 months, 10.0% Russell 3000 Index lagged 3 months+2.0%, 2.5% Bloomberg High Yield Corp lagged 3 months+1.0% and 2.5% MStar LSTA Lev Loan 100 lagged 3 months +1.0%.

# Total Fund

## Market Values

	September 30, 2025			June 30, 2025		
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
<b>Global Equity</b>	<b>\$7,027,792,148</b>	<b>51.09%</b>	<b>\$0</b>	<b>\$402,701,747</b>	<b>\$6,625,090,401</b>	<b>49.68%</b>
<b>Total Domestic Equity</b>	<b>\$4,144,454,684</b>	<b>30.13%</b>	<b>\$0</b>	<b>\$266,950,497</b>	<b>\$3,877,504,188</b>	<b>29.07%</b>
<b>Large Cap Domestic Equity</b>	<b>\$2,460,888,497</b>	<b>17.89%</b>	<b>\$0</b>	<b>\$185,026,808</b>	<b>\$2,275,861,689</b>	<b>17.06%</b>
Blackrock S&P 500	2,460,888,497	17.89%	0	185,026,808	2,275,861,689	17.06%
<b>SMid Cap Domestic Equity</b>	<b>\$806,247,432</b>	<b>5.86%</b>	<b>\$0</b>	<b>\$36,446,223</b>	<b>\$769,801,209</b>	<b>5.77%</b>
AllianceBernstein	499,436,560	3.63%	0	20,912,150	478,524,410	3.59%
TSW	306,810,873	2.23%	0	15,534,074	291,276,799	2.18%
<b>Small Cap Domestic Equity</b>	<b>\$877,318,755</b>	<b>6.38%</b>	<b>\$0</b>	<b>\$45,477,465</b>	<b>\$831,841,290</b>	<b>6.24%</b>
Boston Trust	258,707,428	1.88%	0	2,050,328	256,657,100	1.92%
Segall Bryant & Hamill	285,356,256	2.07%	0	12,748,299	272,607,958	2.04%
Wellington	333,255,070	2.42%	0	30,678,838	302,576,233	2.27%
<b>Total Non US Equity *</b>	<b>\$2,883,337,464</b>	<b>20.96%</b>	<b>\$0</b>	<b>\$135,751,250</b>	<b>\$2,747,586,214</b>	<b>20.60%</b>
<b>Core Non US Equity *</b>	<b>\$1,814,903,631</b>	<b>13.19%</b>	<b>\$0</b>	<b>\$89,096,053</b>	<b>\$1,725,807,578</b>	<b>12.94%</b>
Aristotle	408,901,840	2.97%	167,289	6,666,735	402,067,816	3.01%
Artisan Partners	564,240,143	4.10%	0	29,369,512	534,870,631	4.01%
BlackRock Superfund	251,745,138	1.83%	0	16,463,078	235,282,060	1.76%
Causeway Capital	587,674,620	4.27%	0	36,927,798	550,746,821	4.13%
Lazard	950,250	0.01%	(458,426)	(62,079)	1,470,755	0.01%
SSGA Transition	837,593	0.01%	291,137	(269,523)	815,978	0.01%
<b>Emerging Markets</b>	<b>\$224,468,124</b>	<b>1.63%</b>	<b>\$0</b>	<b>\$14,714,446</b>	<b>\$209,753,678</b>	<b>1.57%</b>
Wellington Emerging Markets	224,468,124	1.63%	0	14,714,446	209,753,678	1.57%
<b>Non US Small Cap</b>	<b>\$184,240,657</b>	<b>1.34%</b>	<b>\$0</b>	<b>\$13,732,863</b>	<b>\$170,507,794</b>	<b>1.28%</b>
Wellington Int'l Small Cap Research	184,240,657	1.34%	0	13,732,863	170,507,794	1.28%
<b>World Equity</b>	<b>\$659,725,052</b>	<b>4.80%</b>	<b>\$0</b>	<b>\$18,207,888</b>	<b>\$641,517,164</b>	<b>4.81%</b>
Walter Scott Global Equity	659,725,052	4.80%	0	18,207,888	641,517,164	4.81%

\*Includes \$554,048 in legacy assets that are not actively managed and in liquidation following the termination of Fisher.

# Total Fund

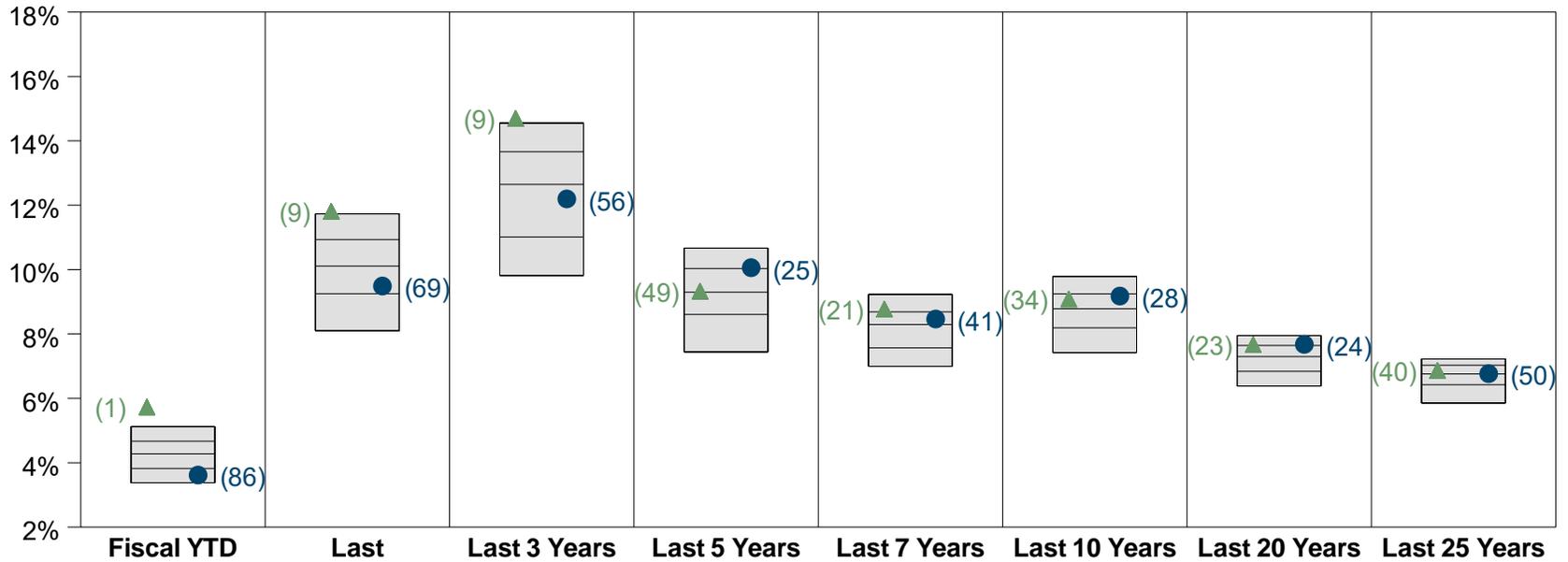
## Market Values

	September 30, 2025			June 30, 2025		
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
<b>Total Fixed Income</b>	<b>\$3,138,047,586</b>	<b>22.81%</b>	<b>\$3,543,028</b>	<b>\$61,986,596</b>	<b>\$3,072,517,962</b>	<b>23.04%</b>
BlackRock SIO Bond Fund	300,451,951	2.18%	0	6,957,781	293,494,170	2.20%
Brandywine Asset Mgmt	95,869	0.00%	(245,087,270)	(1,148,326)	246,331,465	1.85%
FIAM (Fidelity) Tactical Bond	411,494,876	2.99%	0	9,272,418	402,222,459	3.02%
Income Research & Management	850,018,944	6.18%	0	17,066,032	832,952,912	6.25%
Loomis Sayles	327,104,297	2.38%	0	8,800,460	318,303,837	2.39%
Manulife Core Bond	838,925,842	6.10%	824,257,238	14,668,604	-	-
Manulife Strategic Fixed Income	0	0.00%	(233,649,943)	1,536,073	232,113,870	1.74%
Mellon US Agg Bond Index	407,979,883	2.97%	(350,000,000)	10,880,633	747,099,250	5.60%
<b>Total Cash</b>	<b>\$182,103,857</b>	<b>1.32%</b>	<b>\$(45,248,762)</b>	<b>\$2,546,271</b>	<b>\$224,806,348</b>	<b>1.69%</b>
<b>Total Marketable Assets</b>	<b>\$10,347,943,591</b>	<b>75.23%</b>	<b>\$(41,705,734)</b>	<b>\$467,234,614</b>	<b>\$9,922,414,711</b>	<b>74.40%</b>
<b>Total Real Estate</b>	<b>\$1,102,775,132</b>	<b>8.02%</b>	<b>\$(5,541,311)</b>	<b>\$849,153</b>	<b>\$1,107,467,290</b>	<b>8.30%</b>
Strategic Core Real Estate	616,847,459	4.48%	5,681,487	49,835	611,116,138	4.58%
Tactical Non-Core Real Estate	485,927,672	3.53%	(10,807,497)	384,017	496,351,152	3.72%
<b>Total Alternative Assets</b>	<b>\$2,305,252,805</b>	<b>16.76%</b>	<b>\$(11,857,884)</b>	<b>\$10,467,209</b>	<b>\$2,306,643,481</b>	<b>17.30%</b>
Private Equity	1,615,069,231	11.74%	(32,784,170)	5,870,423	1,641,982,978	12.31%
Private Debt	690,183,574	5.02%	20,926,286	4,596,785	664,660,503	4.98%
<b>Total Fund Composite</b>	<b>\$13,755,971,529</b>	<b>100.00%</b>	<b>\$(59,104,928)</b>	<b>\$478,550,975</b>	<b>\$13,336,525,482</b>	<b>100.00%</b>

# Total Fund Performance – Gross of Investment Management Fees

Performance vs. Large Public DB Plan (>\$1B) Peers, as of September 30, 2025

## Performance vs Callan Public Fund Large DB (Gross)



10th Percentile	5.12	11.73	14.55	10.67	9.23	9.79	7.95	7.22
25th Percentile	4.67	10.93	13.66	10.03	8.68	9.24	7.64	7.03
Median	4.27	10.11	12.65	9.30	8.29	8.78	7.30	6.76
75th Percentile	3.82	9.25	11.01	8.60	7.57	8.19	6.84	6.42
90th Percentile	3.38	8.10	9.82	7.44	6.99	7.42	6.38	5.85
<b>Total Fund Composite</b>	● 3.59	9.46	12.17	10.03	8.44	9.15	7.65	6.74
<b>Total Fund Benchmark</b>	▲ 5.73	11.81	14.70	9.33	8.77	9.08	7.67	6.87

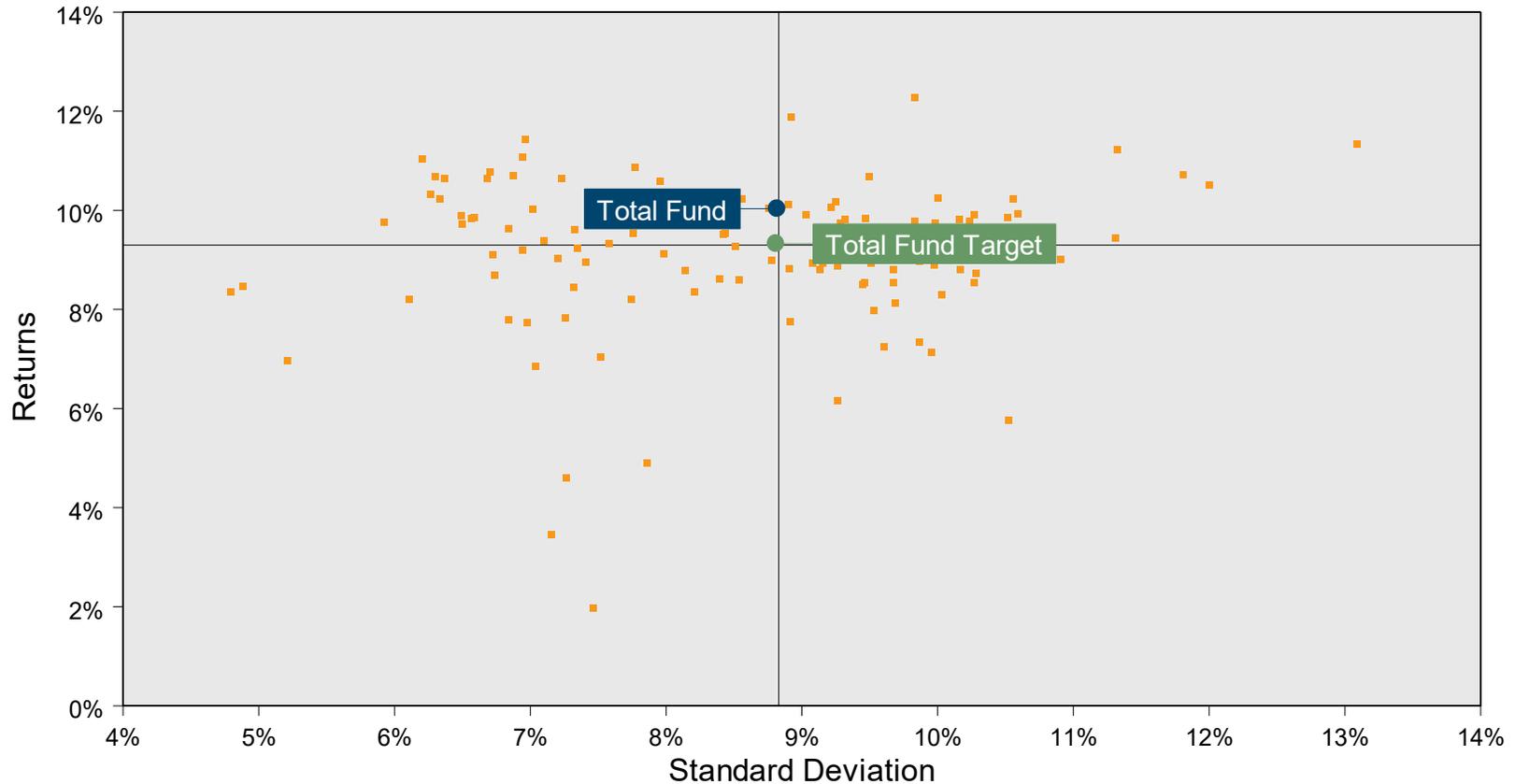
Note: Investment results are shown gross of investment management fees versus corresponding peer group.

\*Current Quarter Target = 50.0% MSCI ACWI IMI, 25.0% Bloomberg Universal, 10.0% NCREIF NFI-ODCE Value Weight Net lagged 3 months, 10.0% Russell 3000 Index lagged 3 months+2.0%, 2.5% Bloomberg High Yield Corp lagged 3 months+1.0% and 2.5% MStar LSTA Lev Loan 100 lagged 3 months +1.0%.

# Total Fund Performance – Gross of Investment Management Fees

Five-Year Risk/Return Analysis as of September 30, 2025

## Five Year Annualized Risk vs Return



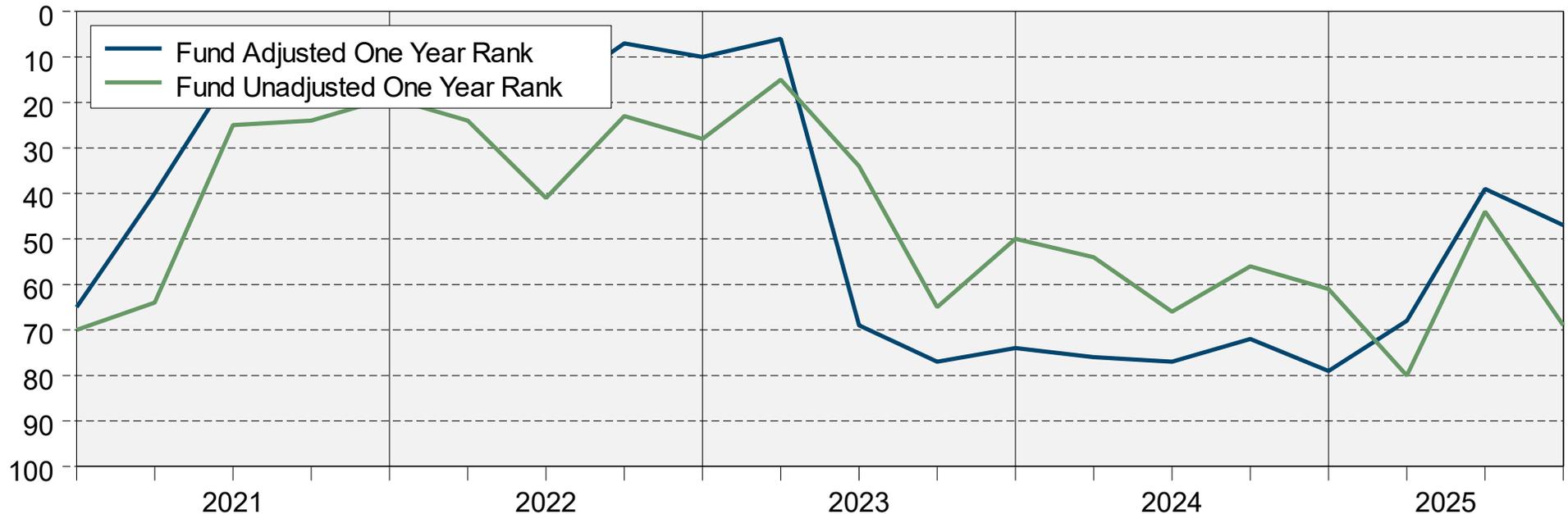
Squares represent membership of the Callan Public Fund Spons - Large (>1B)

Note: Investment results are shown gross of investment management fees versus corresponding peer group.

\*Current Quarter Target = 50.0% MSCI ACWI IMI, 25.0% Bloomberg Universal, 10.0% NCREIF NFI-ODCE Value Weight Net lagged 3 months, 10.0% Russell 3000 Index lagged 3 months+2.0%, 2.5% Bloomberg High Yield Corp lagged 3 months+1.0% and 2.5% MStar LSTA Lev Loan 100 lagged 3 months +1.0%.

## Total Fund Performance – Gross of Investment Management Fees

Rolling One Year Ranking vs. Callan Public Fund (>\$1B) Peer Group, as of September 30, 2025

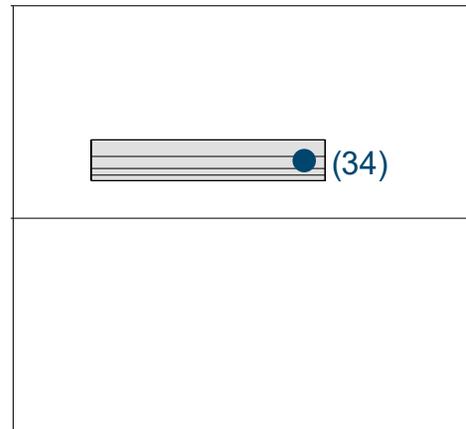


- This exhibit captures the Fund’s ranking versus peers, observing rolling 1-year performance from December 31, 2020 to September 30, 2025
- Since total portfolio rankings are driven by the Fund’s unique asset allocation profile, we are showing both an “Adjusted” output and an “Unadjusted” output. The former forces the peer group to follow the same asset allocation as that of the NHRS portfolio. This captures the incremental value created by the active managers in the NHRS Total Fund. The latter does not make this adjustment

Note: Investment results are shown gross of investment management fees.

## Total Fund Performance – Gross of Investment Management Fees

Five-Year Sharpe Ratio, as of September 30, 2025



**Sharpe  
Ratio**

10th Percentile	1.11
25th Percentile	0.87
Median	0.70
75th Percentile	0.61
90th Percentile	0.53

**Total Fund Composite** ● 0.80

- Measures absolute risk-adjusted performance, taking into account the risk-free rate and portfolio volatility
- Ranks above the peer group median

Note: Investment results are shown gross of investment management fees versus corresponding peer group.

## Total Fund Performance – Net of Investment Management Fees

Trailing Quarter Attribution Analysis vs. Policy Benchmark, as of September 30, 2025

### Relative Attribution Effects for Quarter ended September 30, 2025

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Global Equity	50%	50%	5.99%	7.67%	(0.84%)	0.00%	(0.84%)
Total Fixed Income	23%	25%	1.98%	2.13%	(0.04%)	0.08%	0.04%
Total Real Estate	8%	10%	(0.07%)	0.81%	(0.07%)	0.09%	0.02%
Total Alternative Assets	17%	15%	0.04%	8.69%	(1.48%)	0.06%	(1.42%)
Total Cash	2%	0%	1.07%	1.07%	0.00%	(0.08%)	(0.08%)
<b>Total</b>			<b>3.45%</b>	<b>5.73%</b>	<b>+ (2.43%)</b>	<b>+ 0.15%</b>	<b>(2.28%)</b>

#### What helped relative performance?

- An overweight to alternative assets relative to target
- An underweight to real estate and fixed income relative to target

#### What hurt relative performance?

- Weak relative performance from the alternative assets, global equity, real estate, and fixed income portfolios
- An overweight to cash relative to target

\*Current Quarter Target = 50.0% MSCI ACWI IMI, 25.0% Bloomberg Universal, 10.0% NCREIF NFI-ODCE Value Weight Net lagged 3 months, 10.0% Russell 3000 Index lagged 3 months+2.0%, 2.5% Bloomberg High Yield Corp lagged 3 months+1.0% and 2.5% MStar LSTA Lev Loan 100 lagged 3 months +1.0%.

# Callan

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## Appendix

# Investment Manager Returns – Net of Investment Management Fees

As of September 30, 2025

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	
<b>Net of Fees</b>					
<b>Global Equity</b>	<b>5.99%</b>	<b>13.60%</b>	-	-	
MSCI ACWI IMI	7.67%	16.79%	22.49%	13.30%	
<b>Total Domestic Equity</b>	<b>6.82%</b>	<b>12.10%</b>	<b>20.43%</b>	<b>14.66%</b>	
Domestic Equity Benchmark (1)	8.18%	17.41%	24.12%	15.25%	
Secondary Domestic Equity Bmk (6)	9.17%	14.81%	21.24%	14.76%	
<b>Large Cap Domestic Equity</b>	<b>8.13%</b>	<b>17.59%</b>	<b>24.89%</b>	<b>16.43%</b>	
S&P 500 Index	8.12%	17.60%	24.94%	16.47%	
Blackrock S&P 500	8.13%	17.59%	24.89%	16.43%	
<b>SMid Cap Domestic Equity</b>	<b>4.59%</b>	<b>5.20%</b>	<b>13.69%</b>	<b>11.85%</b>	
Russell 2500 Index	9.00%	10.16%	15.65%	12.09%	
AllianceBernstein	4.23%	2.97%	13.71%	10.50%	
TSW	5.17%	9.05%	13.65%	14.29%	
TSW Blended Benchmark (2)	8.17%	9.00%	15.39%	14.96%	
<b>Small Cap Domestic Equity</b>	<b>5.30%</b>	<b>3.85%</b>	<b>14.75%</b>	<b>12.78%</b>	
Russell 2000 Index	12.39%	10.76%	15.21%	11.56%	
Boston Trust	0.70%	(1.32%)	10.89%	12.78%	
Segall Bryant & Hamill	4.49%	1.86%	13.61%	11.95%	
Wellington	9.94%	10.06%	18.37%	13.71%	
<b>Total Non US Equity</b>	<b>4.81%</b>	<b>15.50%</b>	<b>21.51%</b>	<b>10.24%</b>	
Non US Equity Benchmark (3)	6.86%	16.39%	20.70%	10.27%	
<b>Core Non US Equity</b>	<b>5.05%</b>	<b>19.26%</b>	<b>24.18%</b>	<b>12.39%</b>	
Core Non US Benchmark (4)	6.89%	16.45%	20.67%	10.26%	
Aristotle	1.55%	9.07%	18.73%	-	
Artisan Partners	5.37%	29.93%	26.22%	10.77%	
BlackRock Superfund	6.99%	16.87%	-	-	
Causeway Capital	6.57%	18.76%	27.94%	17.50%	
<b>Emerging Markets</b>	<b>6.74%</b>	<b>11.95%</b>	<b>16.03%</b>	<b>4.36%</b>	
MSCI EM	10.64%	17.32%	18.21%	7.02%	
Wellington Emerging Markets	6.74%	11.95%	15.12%	4.35%	
<b>Non US Small Cap</b>	<b>7.86%</b>	<b>21.07%</b>	<b>21.91%</b>	<b>8.46%</b>	
Wellington Int'l Small Cap Research	7.86%	21.07%	21.91%	-	
MSCI EAFE Small Cap	6.20%	17.65%	19.65%	8.47%	
<b>World Equity</b>	<b>2.73%</b>	<b>6.09%</b>	<b>18.31%</b>	<b>9.92%</b>	
MSCI ACWI net	7.62%	17.27%	23.12%	13.54%	
Walter Scott Global Equity	2.73%	6.09%	18.31%	9.92%	
Walter Scott Blended Benchmark (5)	7.62%	17.27%	23.12%	13.54%	

(1) The Domestic Equity Benchmark is the Russell 3000 index as of 7/1/2021. From 7/1/2015 to 6/30/2021 the benchmark was the S&P 500 Index. From 7/1/2003 to 6/30/2015 the benchmark was the Russell 3000 Index. Prior to 7/1/2003 the benchmark was the S&P 500.

(2) TSW Blended Benchmark is the Russell 2500 Value Index as of 7/1/2019. Prior to 7/1/2019 it was the Russell 2500.

(3) The Non US Equity Index is the MSCI ACWI ex US IMI Index as of 7/1/2024. Prior to 7/1/2024, it was the MSCI ACWI Ex-US Index.

(4) The Core Non US Equity Index is the MSCI ACWI ex US as of 7/1/2007. Prior to 7/1/2007 it was the MSCI EAFE Index.

(5) The Walter Scott Blended Benchmark is the MSCI ACWI Index as 5/1/2008. Prior to 5/1/2008 it was the MSCI EAFE Index.

(6) The Secondary Domestic Equity Bmk consists of 60% S&P 500, 20% Russell 2500, and 20% Russell 2000.

# Investment Manager Returns – Net of Investment Management Fees

As of September 30, 2025

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	
<b>Net of Fees</b>					
<b>Total Fixed Income</b>	<b>1.97%</b>	<b>3.63%</b>	<b>6.06%</b>	<b>1.08%</b>	
Fixed Income Benchmark (1)	2.13%	3.40%	5.60%	0.08%	
Bloomberg Aggregate	2.03%	2.88%	4.93%	(0.45%)	
BlackRock SIO Bond Fund	2.25%	5.86%	6.91%	3.41%	
BlackRock Custom Benchmark (2)	1.10%	4.56%	4.95%	3.14%	
FIAM (Fidelity) Tactical Bond	2.22%	3.66%	6.22%	1.88%	
Bloomberg Aggregate	2.03%	2.88%	4.93%	(0.45%)	
Income Research & Management	2.01%	2.95%	5.16%	(0.39%)	
Bloomberg Gov/Credit	1.91%	2.67%	4.87%	(0.61%)	
Loomis Sayles	2.68%	6.47%	8.24%	3.24%	
Loomis Sayles Custom Benchmark (4)	2.21%	4.46%	7.07%	1.64%	
Mellon US Agg Bond Index	2.04%	2.82%	-	-	
Bloomberg Aggregate	2.03%	2.88%	4.93%	(0.45%)	
<b>Total Cash</b>	<b>1.07%</b>	<b>4.51%</b>	<b>4.89%</b>	<b>3.05%</b>	
3-month Treasury Bill	1.08%	4.38%	4.77%	2.98%	
<b>Total Marketable Assets</b>	<b>4.63%</b>	<b>10.28%</b>	<b>16.10%</b>	<b>9.28%</b>	
Total Marketable Index (5)	5.80%	12.26%	16.84%	8.84%	
<b>Total Real Estate (10)</b>	<b>(0.07%)</b>	<b>3.95%</b>	<b>(3.46%)</b>	<b>6.05%</b>	
Real Estate Benchmark (6)	0.81%	2.67%	(6.21%)	2.54%	
Strategic Core Real Estate	(0.09%)	4.52%	(5.71%)	4.11%	
Tactical Non-Core Real Estate	(0.03%)	3.21%	0.61%	9.42%	
<b>Total Alternative Assets</b>	<b>0.04%</b>	<b>5.33%</b>	<b>4.73%</b>	<b>11.73%</b>	
Alternative Assets Benchmark (7)	8.69%	15.10%	18.05%	14.98%	
Total Private Equity	(0.00%)	4.89%	4.38%	13.55%	
Private Equity Benchmark (8)	11.38%	17.50%	21.42%	18.83%	
Cambridge Global PE Idx 1 Qtr Lag	0.00%	5.23%	3.87%	13.21%	
Total Private Debt	0.15%	6.54%	5.73%	7.53%	
Private Debt Benchmark (9)	3.36%	10.05%	11.08%	7.05%	
Cambridge Private Credit Idx 1 Qtr Lag	0.00%	5.82%	7.93%	10.28%	
<b>Total Fund Composite</b>	<b>3.45%</b>	<b>8.91%</b>	<b>11.59%</b>	<b>9.49%</b>	
Total Fund Benchmark *	5.73%	11.81%	14.70%	9.33%	

\*Current Quarter Target = 50.0% MSCI ACWI IMI, 25.0% Bloomberg Universal, 10.0% NCREIF NFI-ODCE Value Weight Net lagged 3 months, 10.0% Russell 3000 Index lagged 3 months+2.0%, 2.5% Bloomberg High Yield Corp lagged 3 months+1.0% and 2.5% MStar LSTA Lev Loan 100 lagged 3 months +1.0%.

(1) The Fixed Income Benchmark is the Bloomberg Capital Universal Bond Index as of 7/1/2007.

(2) The BlackRock Custom Benchmark is 3 Month SOFR compounded in arrears as of 1/1/2022.

(3) The Brandywine Blended Benchmark is the FTSE WGBI Ex-China Index as of 11/1/2021.

(4) The Loomis Sayles Custom Benchmark is 65% Bloomberg Aggregate and 35% Bloomberg High Yield.

(5) Marketable Assets Index is 66.7% MSCI ACWI IMI and 33.3% Bloomberg Universal as of 7/1/24. Prior, the benchmark was 40% Russell 3000, 26.7% MSCI ACWI ex US, and 33.3% Bloomberg Universal (as of 7/1/2021).

(6) The Real Estate Benchmark is the NCREIF NFI-ODCE Value Weight Net Index as of 7/1/2015.

(7) The Alternative Assets Benchmark is 66.7% Russell 3000 Index + 2% and 33.3% ((50% S&P LSTA Leveraged Loan 100 Index + 50% Bloomberg High Yield Index) + 1%) as of 7/1/2022.

(8) The Private Equity Benchmark is the Russell 3000 Index + 2% as of 7/1/2022.

(9) The Private Debt Benchmark is (50% S&P LSTA Leveraged Loan 100 Index & 50% Bloomberg HY Index) + 1% as of 7/1/2022..

(10) Total Real Estate returns includes Townsend discretionary fee as of 7/1/2022.

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Callan's performance measurement service may report on illiquid asset classes, including, but not limited to, private real estate, private equity, private credit, hedge funds and infrastructure. The final valuation reports, which Callan receives from third parties, for of these types of asset classes may not be available at the time a Callan performance report is issued. As a result, the estimated returns and market values reported for these illiquid asset classes, as well as for any composites including these illiquid asset classes, including any total fund composite prepared, may not reflect final data, and therefore may be subject to revision in future quarters.

The content of this document may consist of statements of opinion, which are made as of the date they are expressed and are not statements of fact. The opinions expressed herein may change based upon changes in economic, market, financial and political conditions and other factors. Callan has no obligation to bring current the opinions expressed herein.

The information contained herein may include forward-looking statements regarding future results. The forward-looking statements herein: (i) are best estimations consistent with the information available as of the date hereof and (ii) involve known and unknown risks and uncertainties. Actual results may vary, perhaps materially, from the future results projected in this document. Undue reliance should not be placed on forward-looking statements.

Callan is not responsible for reviewing the risks of individual securities or the compliance/non-compliance of individual security holdings with a client's investment policy guidelines.

This document should not be construed as legal or tax advice on any matter. You should consult with legal and tax advisers before applying any of this information to your particular situation.

Reference to, or inclusion in this document of, any product, service or entity should not necessarily be construed as recommendation, approval, or endorsement or such product, service or entity by Callan. This document is provided in connection with Callan's consulting services and should not be viewed as an advertisement of Callan, or of the strategies or products discussed or referenced herein.

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## Important Disclosures (continued)

The issues considered and risks highlighted herein are not comprehensive and other risks may exist that the user of this document may deem material regarding the enclosed information. Please see any applicable full performance report or annual communication for other important disclosures.

Unless Callan has been specifically engaged to do so, Callan does not conduct background checks or in-depth due diligence of the operations of any investment manager search candidate or investment vehicle, as may be typically performed in an operational due diligence evaluation assignment and in no event does Callan conduct due diligence beyond what is described in its report to the client.

Any decision made on the basis of this document is sole responsibility of the client, as the intended recipient, and it is incumbent upon the client to make an independent determination of the suitability and consequences of such a decision.

Callan undertakes no obligation to update the information contained herein except as specifically requested by the client.

Past performance is no guarantee of future results.

# **New Hampshire Retirement System**

A Component Unit of the State of New Hampshire

## **Comprehensive Annual Investment Report**

**For the Fiscal Year Ended June 30, 2025**



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## Table of Contents

### **Comprehensive Annual Investment Report**

#### **Letter from the Independent Investment Committee**

#### **Appendix A**

Investment Consultant's Letter

Investment Performance Review & Market Commentary

Investment Reports

#### **Appendix B**

Gabriel Roeder Smith & Company - Actuarial Opinion Letter

#### **Appendix C**

Investment Manual

NHRS Investment Philosophy

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December 09, 2025

The Honorable Kelly Ayotte, Governor  
 The Honorable Sharon Carson, President of the Senate  
 The Honorable Sherman Packard, Speaker of the House of Representatives

Annual Report for Fiscal Year 2025

The Independent Investment Committee (Investment Committee) of the New Hampshire Retirement System (NHRS, System) is pleased to present the Comprehensive Annual Investment Report for the Fiscal Year ended June 30, 2025, in accordance with the provisions of the Revised Statutes Annotated (RSA) 100-A:15, VII of the State of New Hampshire.

Asset Allocation & Summary of Results

Total assets at the end of Fiscal Year 2025 were \$13.3 billion, reflecting a \$1.1 billion increase compared to \$12.2 billion the prior year. The System's investment portfolio is prudently managed for the long-term in order to generate adequate returns to support benefit payments promised to members. To achieve that goal, investments are broadly diversified across the following asset classes: domestic (U.S.) and non-U.S. stocks, bonds, real estate, and alternative investments.

The target allocation and range for each asset class shown below was adopted by the Board of Trustees on December 10, 2024, based on a recommendation of the Investment Committee.

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Allocation Range</b>	<b>Actual Allocation at June 30, 2025*</b>
Global Equity	40%	30 - 50%	49.7%
Fixed Income	25%	18 - 32%	23.0%
Real Estate	10%	5 - 20%	8.3%
Infrastructure	5%	0 - 10%	0%
Alternative Investments	20%	5 - 25%	17.3%

\* Fixed Income includes cash. Refer to Appendix C for additional detail.

As illustrated in the table, as of June 30, 2025, all asset classes were within the allocation ranges.

The NHRS return was 10.31% net of fees for the Fiscal Year ended June 30, 2025, compared to the benchmark return of 12.12%. The five-year annualized net of fees return was 9.55% compared to the benchmark return of 9.20%. The ten-year annualized net of fees return was 7.73% compared to the benchmark return of 8.05%. Note that these benchmarks do not include any management fees which would be incurred if NHRS invested in the underlying indices. Compared to our peers, NHRS ranked in the top 35% and 32% for the five and ten-year trailing periods, respectively. These rankings are based on the Callan Public Fund Large Defined Benefit Gross Universe.

Over the long-term, the 25-year annualized net of fees return was 6.63%. The System's actuarial assumed rate of return is 6.75%.

*Please refer to Appendix A for a detailed review of investment performance as well as market commentary.*

#### The Investment Committee

The Investment Committee is responsible for investing in accordance with policies established by the NHRS Board of Trustees (Board), and making recommendations to the Board regarding asset allocation, investment consultants, and other investment policy matters. In addition, the Investment Committee is responsible for selecting investment managers, agents, custodial banks, and reviewing performance.

The Investment Committee meets most months and is comprised of six members: three independent voting members and an active non-voting member of the retirement system appointed by the Governor and Executive Council; and two voting members of the Board of Trustees appointed by the Chair of the Board. All members are required by statute to have significant experience in institutional investing or finance. As of June 30, 2025, the Chair of the IIC was Christine Clinton, CFA, the independent member was Brian Bickford, CFA; and the active non-voting member was Michael McMahon.

The two Board members serving on the Investment Committee were Maureen Kelliher, CFA (Chair); and Paul Provost, CFP®. One vacancy remains for an independent voting member. Brief biographies and photographs of the Investment Committee members as of June 30, 2025, follow this report.

### Investment Manual

The NHRS Investment Manual provides governance and oversight of the pension fund assets and is presented in Appendix C of this report. Highlights are listed below:

- The Investment Policy and Accountability Matrix provide a description of the roles and responsibilities of the Board, the Investment Committee, NHRS Staff, and the System's service providers.
- The Proxy Voting Policy and Securities Lending Policy provide specific guidance on these individual topics.
- The program's benchmarks and asset allocation policy are detailed along with discussions of risk management, liquidity, rebalancing and portfolio monitoring controls.
- Various considerations related to the oversight of investments are described, including the selection of service providers and use of active or passive strategies.
- Asset class guidelines detail portfolio construction, permissible and prohibited investment vehicles, as well as concentration limits.

The Board sets the assumed rate of return based on the recommendations of the System's actuary, NHRS Staff, the Investment Committee, and analysis provided by the investment consultant and other industry experts. A written opinion letter on this subject is included in this report as Appendix B.

### Governance, Benchmarks and Measurement of Outcomes

The management and administration of the pension trust is a complex effort involving multiple stakeholders with distinct roles and responsibilities as described in the Investment Manual and in statute. At each regular meeting of the Board or Investment Committee, status reports are provided

regarding the outcomes of various investment initiatives. Additionally, performance is reviewed versus benchmarks at the manager-level, asset class-level, and portfolio-level on a monthly and quarterly basis, as appropriate, and over various time-periods since the inception of a particular investment mandate or strategy to continually evaluate the portfolio.

NHRS continuously monitors the investment fees paid to managers and discloses alternative investment fees on an aggregate basis each quarter in compliance with the New Hampshire House Bill (HB) 173 passed in 2021.

### Administrative Comments

The Investment Committee meets at the System's offices eight times per year and as needed. Notice is provided regarding the time, agenda and location of these meetings pursuant to RSA 91-A:2, II. The Investment Committee promotes transparency regarding the investment program through these public meetings, investment materials and reports. Meeting minutes are posted on the NHRS website. Certain investment matters may require discussion in non-public session in accordance with statute. On a regular basis, the Investment Committee receives presentations from investment managers currently retained by NHRS as well as from prospective managers.

Raynald D. Leveque was the System's Chief Investment Officer for the Fiscal Year ending June 30, 2025. Leading a team of four investment professionals, Mr. Leveque served as the primary staff liaison on investment matters. In addition, the investment team directs all aspects of the System's investment program including the development of recommendations regarding the System's overall investment strategy and asset allocation; oversight of external portfolio managers; and promoting productive relationships with investment consultants and service providers. A biography of Mr. Leveque follows this report.

Each fiscal year, NHRS produces an Annual Comprehensive Financial Report (ACFR), which details the operation and financial condition of the retirement system. This report also includes a financial section which outlines the funded status and unfunded actuarial accrued liability, in addition to other actuarial statistics. ACFR reports are available on the System's website, [www.nhrs.org](http://www.nhrs.org).

Overview of Significant Investment Committee Initiatives during the 2025 Fiscal Year:

- Transitioned to a global equity portfolio to enhance diversification and align with the Fund’s long-term strategic objectives.
  - Approved the revised Investment Manual, including adoption of the new Global Equity benchmark.
- Implemented manager transitions within public equity and public fixed income to improve risk-adjusted performance.
- Advanced the buildout of the private equity and private credit portfolios with aggregate commitments of \$400 million across six Funds.
- Expanded the Investment Office team and resources to further strengthen internal investment capabilities.
- Continued to grow the alternative investments program in alignment with the Fund’s diversification and return objectives.
- Executed the annual real estate investment plan consistent with the long-term pacing and allocation framework.
- Continued implementation of the Strategic Asset Allocation to maintain alignment with the Fund’s return and risk targets.
- Reviewed the long-term performance of all marketable investment managers against benchmarks and renewed contracts where appropriate.
- Implemented Canoe and Pitchbook platforms to enhance data management, investment research, and reporting capabilities in line with the Fund’s strategic plan.
- Performed a comprehensive review of all private credit and equity commitments made since the program’s restart in 2009 and adopted an annual private credit and equity investment plan.

The Investment Committee is dedicated to achieving the best long-term investment results possible within acceptable levels of risk and consistent with prudent policies and practices.

Respectfully submitted,

Christine Clinton, Chair IIC  
 Maureen Kelliher, Member IIC  
 Brian Bickford, Member IIC  
 Paul Provost, Member IIC  
 Michael McMahon, Member IIC

Jan Goodwin, Executive Director  
 Raynald Leveque, Chief Investment Officer



### **Christine Clinton**

Christine Clinton has been working in the investment management industry for more than two decades after cofounding Bluestone Wealth Management LLC. Prior to Bluestone, she worked as a Corporate Controller for several high-tech start-ups in the communications, finance, and biotech industries in the Boston area. Christine is a CPA as well as a Chartered Financial Analyst® (CFA) charterholder. She is a member of the CFA Institute and Boston Securities Analysts Society. She lives in Dublin.



### **Brian Bickford**

Brian Bickford has over 30 years of investment management experience and has been managing money in New Hampshire for more than 25 years. He is a senior vice president and director of client portfolio management at Cambridge Trust. Brian earned a Bachelor of Science degree in Business Administration at the University of Maine and a Master of Science degree in Finance at Florida International University. He is a Chartered Financial Analyst® (CFA®), a Certified Financial Planner® professional and a Chartered Market Technician® CMT®. Brian serves on the finance committee for the Pope Memorial SPCA in Concord, NH. He lives in Hopkinton.



### **Maureen Kelliher**

Maureen Kelliher has over four decades of investment management experience, having served as Co-Chief and Chief Investment Officer for trust and investment management firms, as well as Money Desk Manager for several banks. She holds the Chartered Financial Analyst® (CFA®) designation and is a member of the CFA Institute. Maureen resides in Dover, New Hampshire.



### **Mike McMahon**

Mike McMahon has been a member of Hampton Fire Rescue for nearly 30 years, where he currently serves as Fire Chief. During this time, he has served in a variety of financial and investment roles. He has spent over two decades in credit union leadership and is currently a director at Service Credit Union. Mike was a member of the 2017 Decennial Retirement Commission and serves in many other community leadership roles.



### **Paul Provost**

Paul Provost is a 30-year veteran of the wealth management and trust business, he has led the wealth management businesses for local community banks in New Hampshire since 2002. He is the president of New Hampshire Trust Company (NHTrust), a subsidiary of New Hampshire Mutual Bancorp headquartered in Concord. Paul earned a bachelor's degree from the University of Vermont and a master's degree in Administrative Management from Saint Michael's College. He is a Certified Financial Planner. He also serves on the boards of the New Hampshire Higher Education Loan Corporation and the Concord Hospital Trust. He previously served as a board chair for the NH Charitable Foundation, Capital Region, and the Central New Hampshire Boys & Girls Club. He lives in Concord.



### **Raynald Leveque**

Raynald Leveque is the Chief Investment Officer for the New Hampshire Retirement System. Before joining New Hampshire in 2022, Raynald was the Deputy Chief Investment Officer for the State of Connecticut's \$41 billion Retirement Plans and Trust Funds. Prior to the State of Connecticut, Raynald held leadership roles in strategic asset allocation, risk management and quantitative portfolio management at the \$254 billion New York State Common Retirement Fund, and Invesco (formerly OppenheimerFunds). Raynald earned his master's degree in finance from Fordham University and a bachelor's degree in computer engineering from the Rochester Institute of Technology.

## **Appendix A**

Investment Consultant's Letter

Investment Performance Review & Market Commentary

Investment Reports

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Callan LLC  
1 Deforest Avenue  
Suite 101  
Summit, NJ 07901

Main 908.522.3880  
Fax 908.277.1503

[www.callan.com](http://www.callan.com)

October 27, 2025

Board of Trustees  
Investment Committee  
Chief Investment Officer  
Executive Director  
**The New Hampshire Retirement System**  
54 Regional Drive, Concord, NH 03301-8507

Dear NHRS Fiduciaries:

Callan LLC (Callan) is pleased to provide an overview of the New Hampshire Retirement System (NHRS) investment program for the fiscal year ended June 30, 2025. The capital markets registered strong returns over Fiscal Year 2025 (FY2025) across virtually all market segments. Global equity markets led the way with a return of 15.9%, as measured by MSCI ACWI IMI Index, due in part to sustained enthusiasm for AI and tech-driven growth. FY2025 was eventful from a policy and capital markets perspective, driven by President Trump's proposed universal tariff on all imports and concentrated tariffs on Chinese goods which sparked concerns over a potential trade war, supply chain disruptions, and put upward pressure on inflation. However, the U.S. economy was resilient over the Fiscal Year, notching a GDP gain of 3% (annual rate) amid interest rate cuts as the labor market showed mixed signals with a slight increase in the unemployment rate coinciding with an increase in inflation.

Despite mixed results driven by shifting monetary policies and fiscal uncertainties, FY2025 concluded with strong annual returns supported by a resilient U.S. economy, advancements in artificial intelligence (AI), and an improved outlook for inflation which gradually became muddled. The public stock and bond markets experienced significant volatility over the second half of the fiscal year. The stock market fell in 1Q25 and the bottom dropped out the first weeks of April, as investors feared a trade war and recession. An intensifying war in Gaza and Ukraine added to the anxiety. The bond market exercised its muscle in response to the policy announcements, with a sell-off and rising interest rates. Nevertheless, the markets staged an astounding comeback, which played out against a complex policy backdrop highlighted by a U.S. credit downgrade and budget negotiations in Washington. By the end of June, the Russell 3000 Index had rebounded from its 4.7% loss in 1Q25 to show a gain of 11.0% in 2Q25 and a 15.3% gain over the fiscal year. The global ex-U.S. equity markets showed their long dormant potential to diversify U.S. equities, with the MSCI ACWI ex-US Index posting a gain of 17.7% during the fiscal year amid U.S. dollar weakness, increased EU defense spending and supportive monetary policy. Emerging markets rose 15.3%, supported by a weaker U.S. dollar, strong returns from China, and strong gains in the Technology and Industrials sectors.

NHRS follows an investment strategy designed to meet its funding requirements over the long-term. Assets are allocated efficiently to ensure that beneficiaries will receive the benefits they were promised. The Fund is managed on a total return basis, while recognizing the importance of capital preservation and prudent risk management. Additionally, the Independent Investment Committee (IIC) administers the Fund in accordance with sound fiduciary standards and industry best practices. The Fund's strategic asset allocation and related objectives, parameters and specific delegation of responsibilities are explicitly defined in the Investment Policy Statement. The IIC manages the investment program pursuant to the investment policy, develops asset class guidelines, monitors and evaluates performance, and makes decisions regarding the retention or termination of asset managers. The investment manual includes all investment policies and asset class guidelines and may be obtained from the NHRS website at [www.nhrs.org](http://www.nhrs.org). The following pages report on the performance and attributes of the investment program for FY2025.

## Market and Economic Review for the Year Ended June 30, 2025

During FY2025, the economy and politics were as intertwined as ever with the U.S. going through an election cycle. The early months of President Trump's second term delivered sweeping policy changes that heightened uncertainty across financial markets. From federal spending cuts to an aggressive shift in trade policy, the administration's "shock-and-awe" approach generated volatility across asset classes, sent inflation expectations higher, and provoked a sharp reaction from counterparts across the globe. As investors grappled with the shift in U.S. policy, they sought traditional safe havens, including U.S. Treasuries and gold, while U.S. equities repriced to reflect a more uncertain macroeconomic backdrop. However, the U.S. equity market reversed 1Q25 losses in 2Q25 due to a pause in tariff implementation, continued earnings growth, and stronger than expected economic indicators. The strength in the U.S. economy through June surprised nearly everyone and seems to counter the case for lower interest rates, even with the tariff uncertainty. Consumption, which makes up 70% of GDP, dipped to a growth rate of 0.4% in 1Q25, but climbed back to 1.4% in 2Q25. Companies built inventories in 4Q24 and 1Q25, which gave a boost to GDP, while inventories were drawn down in 2Q, reducing both potential production and measured GDP. Consumer confidence has rebounded after a drop in March and April and has been supported by a continuing low unemployment rate (4.1%), real wage growth, and no signs yet of a feared spike in inflation.

The Russell 3000 Index rose 15.3% over the fiscal year while the MSCI ACWI Ex-US Index rose 17.7%. Emerging markets equities, as measured by the MSCI Emerging Markets Index, returned 15.3%, underperforming non-U.S. developed markets equities. Within emerging markets, China produced strong returns to more than offset weak return in India. China performed well with excitement around DeepSeek's AI developments along with positive economic indicators. The fixed income market produced more modest yet strong returns despite volatile interest rates, supported by safe-haven demand following tariff-related market shocks. Fixed income ended the Fiscal Year with a return of 6.1%, as measured by the Bloomberg Aggregate Index.

## NHRS Investment Portfolio Review

Total Fund Returns and Rankings for Periods Ended June 30, 2025					
Composite	FY2025	3-YR	5-YR	10-YR	25-YR
<b>Total Fund (Gross of fees)</b>	10.89%	9.67%	10.07%	8.15%	6.63%
<b>Total Fund (Net of Fees)</b>	10.31%	9.09%	9.55%	7.73%	6.24%
<b>Total Fund Benchmark</b>	12.12%	11.28%	9.20%	8.05%	6.64%
<b>Total Fund Ranking (Gross)</b>	44	45	35	32	49

For the fiscal year ended June 30, 2025, the NHRS Total Fund returned 10.9% gross of investment management fees (or "gross") and 10.3% net of investment management fees (or "net"), underperforming the Total Fund Benchmark return of 12.1%. The Fund's 10.9% gross return ranked in the 44<sup>th</sup> percentile relative to peers in Callan's Large Defined Benefit Public Fund Universe, which consisted of 128 constituents as of June 30, 2025 (gross of fees returns are referenced in this section, as peer group returns and related rankings are also gross of fees).

Non-US stocks, domestic stocks and high yield bonds were among the best-performing asset classes over Fiscal Year 2025. The Fund's public equity and alternatives portfolios underperformed their respective benchmarks. The Fund's underperformance over the year was mostly attributable to the more modest valuations impacting private equity and to a lesser extent private credit investments. Additionally, the disconnect between the investment results of these instruments and the public market benchmarks used to measure their performance, and associated premiums to account for liquidity risk, also contributed to these results. The private markets investment portfolio had a total return of 5.3% over the fiscal year, compared to a return of 15.1% of the benchmark. The benchmark reflects the combined return of the Russell 3000 Index, plus a premium of 2%, and the Bloomberg HY Corporate Index, plus a premium of 1%. Consistent with our experience, it is difficult for private market investments to be able

# Callan

to “keep up” with their public market counterparts during high momentum markets, as was the case during the Fiscal Year. In addition, an overweight to small and mid cap U.S. stocks contributed to the Total Fund’s underperformance during the Fiscal Year.

For the trailing three-year period, the Fund returned 9.7%, gross of investment management fees (9.1% net), ranking in the 45<sup>th</sup> percentile of its peers (peer group rankings are measured gross of investment management fees). For the trailing five-year period, the Fund returned 10.1%, gross of investment management fees (9.6% net), ranking in the 35<sup>th</sup> percentile of the peer group. For the trailing ten-year period, the Fund returned 8.2%, gross of investment management fees (7.7% net), ranking in the 32<sup>nd</sup> percentile of its peers, and for the trailing twenty-five-year period, the Fund returned 6.6%, gross of investment management fees (6.2% net), ranking in the 49<sup>th</sup> percentile of its peers.

During fiscal year 2025, the IIC engaged in the following activities:

- **Strategic Asset Allocation Implementation:** The IIC and NHRS Staff continue to implement the new strategic asset allocation adopted in FY2024. The new strategic allocation reduces exposure to public equity by 10%, increases the target allocation to private credit by 5% and introduces private infrastructure investments, with a target allocation of 5%.
- **Portfolio Structure Analysis:** NHRS Staff worked closely with the investment consultant to evaluate the structure of the Fund’s public equity and fixed income portfolios. This analysis is being carried out in different stages to provide the Independent Investment Committee with an evaluation of the current structure and different alternatives for consideration for the eventual implementation of the new strategic asset allocation.
- **Alternative Assets Portfolio:** Continued to implement the approved allocations within the Alternative Assets portfolio as the target allocation to private credit increased from 5% to 10% of the total fund, effective June 30, 2024. The portfolio continued to grow during 2024, with a 9.2% increase in paid-in (contributed) capital and a 13.9% increase in distributed capital through December 31, 2024. The portfolio continued to make commitments to new and existing partnerships during 2024, with \$200 million in private equity commitments to three managers and \$275 million in private credit commitments to three managers, in line with expected pacing. The private equity portfolio is expanding its allocation to U.S. buyout and co-investment opportunities, while the private credit portfolio increased its multi-strategy and direct lending investments during the Fiscal Year.

Callan LLC provides NHRS with strategic planning, implementation, performance monitoring services, and on-going research and education on a variety of relevant topics for institutional investors. The investment performance analysis produced by Callan has been developed using performance evaluation methodologies that are consistent with industry best practices. The performance results presented in this letter are calculated using a time-weighted returns and are reported both gross of investment management fees, as well as net of fees.

Sincerely,



Angel Haddad  
Senior Vice President



Britton M. Murdoch  
Senior Vice President

## Investment Performance Review – Fiscal Year 2025

### Global Equity Markets

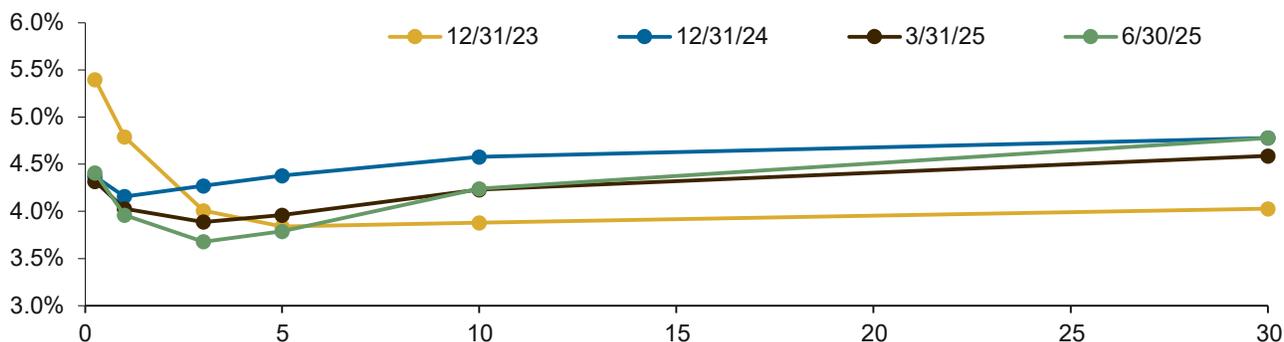
U.S. stocks registered a return of 15.3% over the fiscal year, as measured by the Russell 3000 Index. The annualized return over the past 10 years was 13.0%. All of the sectors represented in one of the most widely known equity index, the S&P 500 Index, produced positive returns over the fiscal year, with the exception of Health Care and Energy. The Financial and Utilities sectors performed best over the fiscal year, posting returns of 29.5% and 23.4%, respectively. Growth stocks outperformed value stocks within the large cap and small cap segments of the market over the period. Small cap stocks produced strong absolute returns but similar to Fiscal Years 2023 and 2024, underperformed large cap stocks, returning 7.7%, as measured by the Russell 2000 Index.

Developed non-U.S. equities and emerging market equities produced positive returns during the fiscal year. The MSCI ACWI Ex-US Index posted a return of 17.7% over the period, and emerging markets, as measured by MSCI Emerging Markets Index, posted a return of 15.3%. Non-U.S. markets delivered strong returns on the continued optimism around artificial intelligence, increased defense spending, and supportive monetary policy. Emerging markets stocks generated strong performance, but underperformed their non-U.S. developed counterparts over the fiscal year. China posted particularly strong returns over the fiscal year, +33.8% as measured by the MSCI China Index, due to with excitement around DeepSeek's AI developments along with positive economic indicators.

### Fixed Income

The fixed income market produced positive returns during the fiscal year, with the Bloomberg Aggregate Index increasing 6.1%, supported by safe-haven demand following the tariff-related shocks. Performance for the Bloomberg Aggregate was strongest over the first quarter of the fiscal year as the Fed lowered rates for the first time since 2020. The Fed cut rates again in December, but held rates steady over the rest of the fiscal year, leading the Bloomberg Aggregate to provide slightly positive performance over the period. The U.S. Treasury yield curve remained inverted and experienced a notable further steepening between the 2-year and 10-year of the term structure near the end of the fiscal year. High yield corporates produced very strong returns over the period as non-investment grade spreads tightened. The 10-year U.S. Treasury yield remained at high levels relative to recent history during fiscal year 2025, beginning at 4.36% as of June 30, 2024, and ending at 4.24% as of June 30, 2025.

### **U.S. Treasury Yield Curves**



### Real Estate and Alternative Investments

The real estate market returned 2.7% for the fiscal year, as measured by the NCREIF ODCE Index, with depreciation of 0.6% and income returns of 3.3%. During fiscal year 2025, ODCE redemption queues sharply decreased, driven primarily by rescissions of redemption requests within a handful of managers with large queues as well as increased redemption payments due to increased transactions. ODCE redemption queues had exhibited significant increases over the previous two fiscal years. Real estate valuations continue to be reflective of the high interest rate environment, which has put upward pressure on capitalization rate and discount rate assumptions.

Income returns remained positive throughout each quarter of the fiscal year across all sectors. Property sectors exhibited mixed performance with the Apartment and Industrial sectors experiencing positive appreciation while the Office and Hotel sectors experienced negative appreciation.

Alternative investments posted positive returns for the fiscal year. Public equity's exceptional performance during fiscal year 2025 has continued to leave private equity in its wake following a similar environment during fiscal year 2024. Due to the "smoothing effect," private equity does not experience the sharp rises and falls that drive the public markets over the short term. Broad private equity returns were positive for the fiscal year, with all strategy types exhibiting mid to high single digit performance other than control oriented distressed strategies, which produced flat returns. Fundraising has exhibited a steep decline in the number of funds raised since 2021, which continued in 2024 with the number of private equity funds raised declining by ~40% as compared to 2023. As was the case in 2023, capital continues to concentrate with larger funds as the 10 largest funds accounted for 20% of 2024 fundraising volume.

### NHRS Total Fund Performance

For the fiscal year ended June 30, 2025, the NHRS Total Fund returned 10.9% gross of investment management fees (or "gross") and 10.3% net of investment management fees (or "net"), underperforming the Total Fund Benchmark return of 12.1%. The Fund's 10.9% gross return ranked in the 44<sup>th</sup> percentile relative to peers in Callan's Large Defined Benefit Public Fund Universe, which consisted of 128 constituents as of June 30, 2025. The Fund's public equity and alternatives portfolios underperformed their respective benchmarks. The Fund's underperformance over the year was mostly attributable to the more modest valuations impacting private equity and to a lesser extent private credit investments. Additionally, the disconnect between the investment results of these instruments and the public market benchmarks used to measure their performance, and associated premiums to account for liquidity risk, also contributed to these results.

### NHRS Asset Class Highlights

NHRS Asset Class	FY 2025 Return (Net of Fees)
<b>Total Fund</b>	<b>10.31%</b>
<i>Total Fund Custom Index</i>	12.12%
<b>Total Global Equity</b>	<b>14.90%</b>
<i>Global Equity Index</i>	15.89%
<b>Total Domestic Equity</b>	<b>12.49%</b>
<i>US Equity Index</i>	15.30%
<b>Total Non-US Equity</b>	<b>18.18%</b>
<i>Non-US Equity Index</i>	17.83%
<b>Total Fixed Income</b>	<b>7.12%</b>
<i>Fixed Income Benchmark</i>	6.51%
<b>Total Real Estate</b>	<b>4.20%</b>
<i>Real Estate Benchmark</i>	2.67%
<b>Total Alternatives</b>	<b>5.32%</b>
<i>Alternative Assets Benchmark</i>	15.10%

The NHRS Total Global Equity portfolio, comprised of both passive and actively managed portfolios, returned 14.9% (net), underperforming the strategic benchmark (MSCI ACWI IMI Index) by 99 basis points over fiscal year 2025.

The NHRS Total Domestic Equity portfolio, comprised of both passive and actively managed portfolios, returned 12.5% (net), underperforming its benchmark (Russell 3000 Index) by 281 basis points over fiscal year 2025. The

# Callan

Domestic Equity portfolio's passive large cap exposure had a 15.1% return compared to 8.7% for the small/mid-cap composite and 8.2% for the small cap composite. The small/mid-cap composite underperformed its Russell 2500 benchmark and the small cap composite outperformed its Russell 2000 benchmark.

The NHRS Total Non-U.S. Equity portfolio, which is comprised of both passive and actively managed portfolios with exposures to both developed and emerging markets, returned 18.2% (net). The Non-U.S. Equity portfolio outperformed its benchmark by 35 basis points during the fiscal year as emerging markets, international small cap, and all active core non-US equity managers outperformed their respective benchmarks.

The NHRS Total Fixed Income portfolio is comprised of passive and broadly diversified actively managed portfolios, including domestic and international exposures. This aggregate portfolio had a 7.1% return (net), outperforming the Total Fixed Income Index return by 61 basis points. An overweight to lower quality and higher yielding issues relative to the Bloomberg Universal Index had a positive impact on relative performance. Exposure to non-U.S. and slightly longer duration issues detracted from relative performance, as non-U.S. bonds and long duration underperformed other fixed income markets over the fiscal year.

The NHRS Real Estate portfolio returned 4.2% (net), outperforming its benchmark return of 2.7%. Outperformance was driven by the Strategic Core Real Estate allocation within the portfolio; the Tactical Non-Core portfolio also contributed to relative results.

Lastly, for fiscal year 2025, the Alternative Investments portfolio generated a return of 5.3% (net) while its benchmark returned 15.1%. Underperformance was driven by the private equity and, to a lesser extent, private debt allocations within the portfolio, given more modest valuations for alternative investments in 2025.

## Investment Market Update (by asset type)

Index Summary (6/30/25)	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
<b>Equity Indices</b>				
S&P 500 Index	15.2%	19.7%	16.6%	13.7%
Russell 1000 Index	15.7%	19.6%	16.3%	13.4%
Russell 1000 Growth Index	17.2%	25.8%	18.2%	17.0%
Russell 1000 Value Index	13.7%	12.8%	13.9%	9.2%
Russell 2000 Index	7.7%	10.0%	10.0%	7.1%
Russell 2000 Growth Index	9.7%	12.4%	7.4%	7.1%
Russell 2000 Value Index	5.5%	7.5%	12.5%	6.7%
Russell 2500 Index	9.9%	11.3%	11.4%	8.4%
Russell 3000 Index	15.3%	19.1%	16.0%	13.0%
MSCI ACWI IMI Index	15.9%	16.8%	13.4%	9.7%
MSCI ACWI Index	16.2%	17.4%	13.7%	10.0%
MSCI ACWI ex US Index	17.7%	14.0%	10.1%	6.1%
MSCI EAFE Index	17.7%	16.0%	11.2%	6.5%
MSCI EAFE Growth Index	11.4%	13.6%	7.9%	6.7%
MSCI EAFE Value Index	24.2%	18.4%	14.3%	6.1%
MSCI Europe Index	18.4%	17.2%	12.4%	6.8%
MSCI Japan Index	13.9%	15.0%	8.8%	6.1%
MSCI Pacific ex JPN Index	19.1%	10.4%	9.0%	5.8%
MSCI EM Index	15.3%	9.7%	6.8%	4.8%
<b>Fixed Income Indices</b>				
Bloomberg Aggregate Index	6.1%	2.6%	-0.7%	1.8%
Bloomberg Gov't/Credit Index	5.9%	2.6%	-0.8%	1.9%
Bloomberg TIPS Index	5.8%	2.3%	1.6%	2.7%
Bloomberg High Yield Corporate Index	10.3%	9.9%	6.0%	5.4%
S&P LSTA Leveraged Loan 100 Index	7.8%	10.1%	6.9%	4.9%
Bloomberg Global Aggregate Index	8.9%	2.8%	-1.2%	1.2%
Bloomberg High Yield Muni Index	1.8%	4.5%	3.2%	4.5%
JPM EMBI Global Diversified Index	10.0%	8.9%	1.8%	3.5%
JPM GBI-EM Global Diversified Index	13.8%	8.5%	1.9%	2.1%
<b>Other Indices</b>				
Bloomberg Commodity Price Index	1.0%	-4.5%	9.4%	-0.1%
S&P GSCI Index	0.3%	-0.4%	17.7%	1.5%
Alerian MLP Index	13.2%	26.1%	28.0%	5.6%
FTSE NAREIT Composite Index	9.2%	3.4%	6.7%	6.4%
NCREIF NFI-ODCE Equal Weight Net Index	2.5%	-6.3%	2.7%	4.7%

## Investment Market Update (sorted by best to worst 1-year performance)

Index Summary (6/30/25)	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
MSCI EAFE Value Index	24.2%	18.4%	14.3%	6.1%
MSCI Pacific ex JPN Index	19.1%	10.4%	9.0%	5.8%
MSCI Europe Index	18.4%	17.2%	12.4%	6.8%
MSCI EAFE Index	17.7%	16.0%	11.2%	6.5%
MSCI ACWI ex US Index	17.7%	14.0%	10.1%	6.1%
Russell 1000 Growth Index	17.2%	25.8%	18.2%	17.0%
MSCI ACWI Index	16.2%	17.4%	13.7%	10.0%
MSCI ACWI IMI Index	15.9%	16.8%	13.4%	9.7%
Russell 1000 Index	15.7%	19.6%	16.3%	13.4%
Russell 3000 Index	15.3%	19.1%	16.0%	13.0%
MSCI EM Index	15.3%	9.7%	6.8%	4.8%
S&P 500 Index	15.2%	19.7%	16.6%	13.7%
MSCI Japan Index	13.9%	15.0%	8.8%	6.1%
JPM GBI-EM Global Diversified Index	13.8%	8.5%	1.9%	2.1%
Russell 1000 Value Index	13.7%	12.8%	13.9%	9.2%
Alerian MLP Index	13.2%	26.1%	28.0%	5.6%
MSCI EAFE Growth Index	11.4%	13.6%	7.9%	6.7%
Bloomberg High Yield Corporate Index	10.3%	9.9%	6.0%	5.4%
JPM EMBI Global Diversified Index	10.0%	8.9%	1.8%	3.5%
Russell 2500 Index	9.9%	11.3%	11.4%	8.4%
Russell 2000 Growth Index	9.7%	12.4%	7.4%	7.1%
FTSE NAREIT Composite Index	9.2%	3.4%	6.7%	6.4%
Bloomberg Global Aggregate Index	8.9%	2.8%	-1.2%	1.2%
S&P LSTA Leveraged Loan 100 Index	7.8%	10.1%	6.9%	4.9%
Russell 2000 Index	7.7%	10.0%	10.0%	7.1%
Bloomberg Aggregate Index	6.1%	2.6%	-0.7%	1.8%
Bloomberg Gov't/Credit Index	5.9%	2.6%	-0.8%	1.9%
Bloomberg TIPS Index	5.8%	2.3%	1.6%	2.7%
Russell 2000 Value Index	5.5%	7.5%	12.5%	6.7%
NCREIF NFI-ODCE Equal Weight Net Index	2.5%	-6.3%	2.7%	4.7%
Bloomberg High Yield Muni Index	1.8%	4.5%	3.2%	4.5%
Bloomberg Commodity Price Index	1.0%	-4.5%	9.4%	-0.1%
S&P GSCI Index	0.3%	-0.4%	17.7%	1.5%

S&P 500 Sectors (sorted by best to worst 1-year performance)

Sector	Benchmark Weight (%) as of 6/30/25	Benchmark Return (%) as of 6/30/25
Financial	14.0%	29.5%
Utilities	2.4%	23.4%
Communication Services	9.8%	23.0%
Industrials	8.6%	22.9%
Consumer Discretionary	10.4%	18.4%
Information Technology	33.1%	15.1%
Consumer Staples	5.5%	12.2%
Real Estate	2.0%	11.7%
Materials	1.9%	1.9%
Energy	3.0%	-4.0%
Health Care	9.3%	-5.9%

Note: Figures may not add up to exactly 100% due to rounding.

Summary

Callan will continue to work closely with the NHRS Investment Staff (Staff or Team) to carry forward the Fund's strategic plan, related initiatives and asset allocation implementation. We believe the new asset allocation strategy will benefit the Fund in several ways, including enhancing diversification opportunities across a mix of complementary asset classes and the potential for favorable expected risk-adjusted outcomes. The capital markets were quite volatile over the last Fiscal Year, but the portfolio continued to exhibit resilience in this environment, producing strong absolute returns above and beyond the actuarial expected rate of return of 6.75%. We will continue to work closely with Staff, as necessary, to support the needs of the Fund going forward.

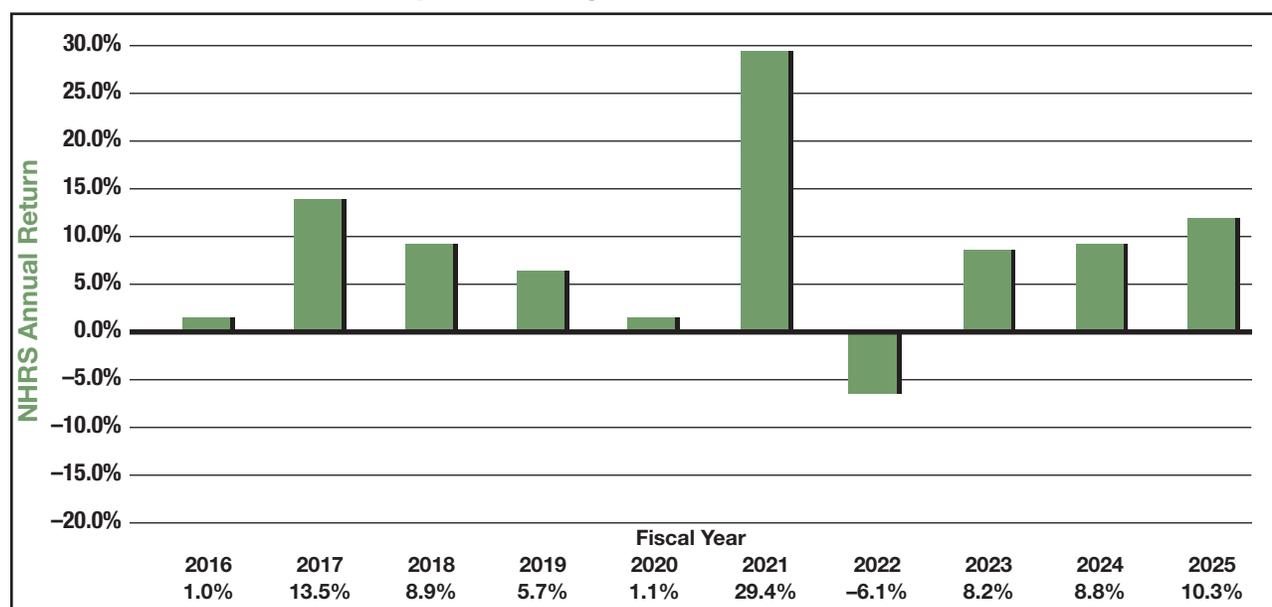
## ANNUALIZED INVESTMENT RETURNS—ACTUAL VERSUS INDICES

	Current Year 2025	3-Year	Annualized 5-Year	10-Year
Total NHRS Fund	10.31%	9.09%	9.55%	7.73%
Total Fund Custom Index*	12.12%	11.28%	9.20%	8.05%
Domestic Equity	12.49%	16.20%	14.80%	11.24%
Total Domestic Equity Blended Benchmark*	15.30%	19.08%	15.41%	13.05%
Non-U.S. Equity	18.18%	16.17%	10.50%	6.68%
Total Non-U.S. Equity Blended Benchmark*	17.83%	14.02%	10.15%	6.13%
Fixed Income	7.12%	3.99%	1.16%	2.68%
Total Fixed Income Blended Benchmark*	6.51%	3.28%	(0.15%)	2.11%
Real Estate	4.20%	(3.56%)	6.10%	7.40%
Total Real Estate Blended Benchmark*	2.67%	(6.21%)	2.54%	4.42%
Alternative Investments	5.32%	4.70%	11.74%	9.08%
Total Alternative Investments Benchmark*	15.10%	18.05%	15.35%	11.85%
Cash Equivalents	4.76%	4.69%	2.84%	2.07%
90 Day T-Bills	4.68%	4.56%	2.76%	1.98%

Performance returns are calculated on a net-of-fees time-weighted rate of return basis.

\*In a dynamic market, strategies and objectives evolve over time. Consequently, these benchmarks are blended due to historical investment strategy decisions. Detailed descriptions of the benchmarks above are available by contacting NHRS.

## Ten-Year History of Time-Weighted Total NHRS Fund Annual Returns



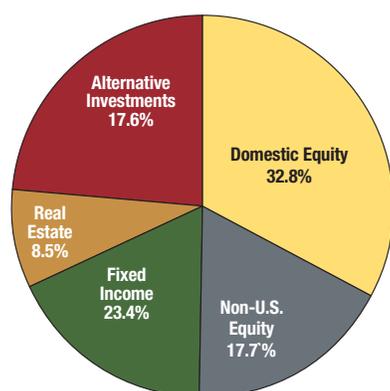
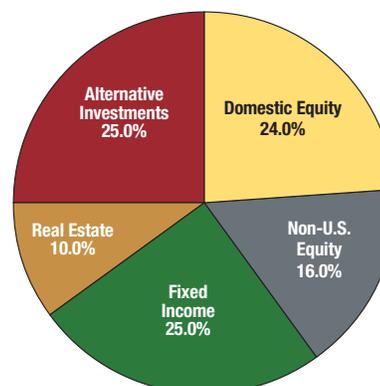
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**ACTUAL ASSET ALLOCATION VERSUS TARGET ASSET ALLOCATION**


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	Actual %	As of June 30, 2025	
		Target %	Target Range %
Broad US Equity	32.8%	24.0%	20–40
Global Ex-U.S. Equity	17.7	16.0	15–25
Fixed Income	23.4	25.0	18–32
Real Estate	8.5	10.0	5–20
Alternative Investments	17.6	25.0	5–25
<b>TOTAL FUND</b>	<b>100.0%</b>	<b>100.0%</b>	

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**Actual Asset Allocation as of June 30, 2025**

**Target Asset Allocation as of June 30, 2025**


**TEN LARGEST STOCK HOLDINGS BY FAIR VALUE\***

(in thousands)

Shares	Stock	June 30, 2025 Fair Value
1	379,476 MICROSOFT CORP	\$188,755
2	1,054,821 NVIDIA CORP	166,651
3	646,011 APPLE INC	132,542
4	499,602 AMAZON.COM INC	109,608
5	93,907 META PLATFORMS INC	69,312
6	203,371 BROADCOM INC	56,059
7	251,729 ALPHABET INC	44,362
8	74,214 MASTERCARD INC	41,704
9	79,313 BERKSHIRE HATHAWAY INC	38,528
10	121,203 TESLA INC	38,501

**TEN LARGEST FIXED INCOME HOLDINGS BY FAIR VALUE\***

(in thousands)

	Par**	Security	June 30, 2025 Fair Value
1	44,520,000	U.S. Treasury Bond—4.375%, 2043	\$42,435
2	28,529,000	U.S. Treasury Note—4.125%, 2029	28,948
3	27,710,000	U.S. Treasury Note—4.625%, 2035	28,589
4	27,331,000	U.S. Treasury Note—4.625%, 2029	28,185
5	22,590,000	U.S. Treasury Note—4.000% 2030	22,800
6	25,823,000	U.S. Treasury Bond—3.625%, 2053	21,062
7	18,805,000	U.S. Treasury Note—3.750%, 2027	18,802
8	17,655,000	U.S. Treasury Note—4.375%, 2028	18,003
9	15,280,000	U.S. Treasury Bond—4.750%, 2055	15,194
10	12,914,000	U.S. Treasury Note—4.375%, 2028	13,183

\*A complete listing of separate account portfolio holdings is available by contacting the NHRS offices. NHRS also invests in various commingled investment vehicles, for which the underlying investments are custodied outside of The Bank of NY Mellon (Master Custodian for NHRS), as reported on the Summary of Investments schedule.

\*\*Par value is denoted in local currency.

**SCHEDULE OF INVESTMENT MANAGEMENT AND SERVICE FEES**

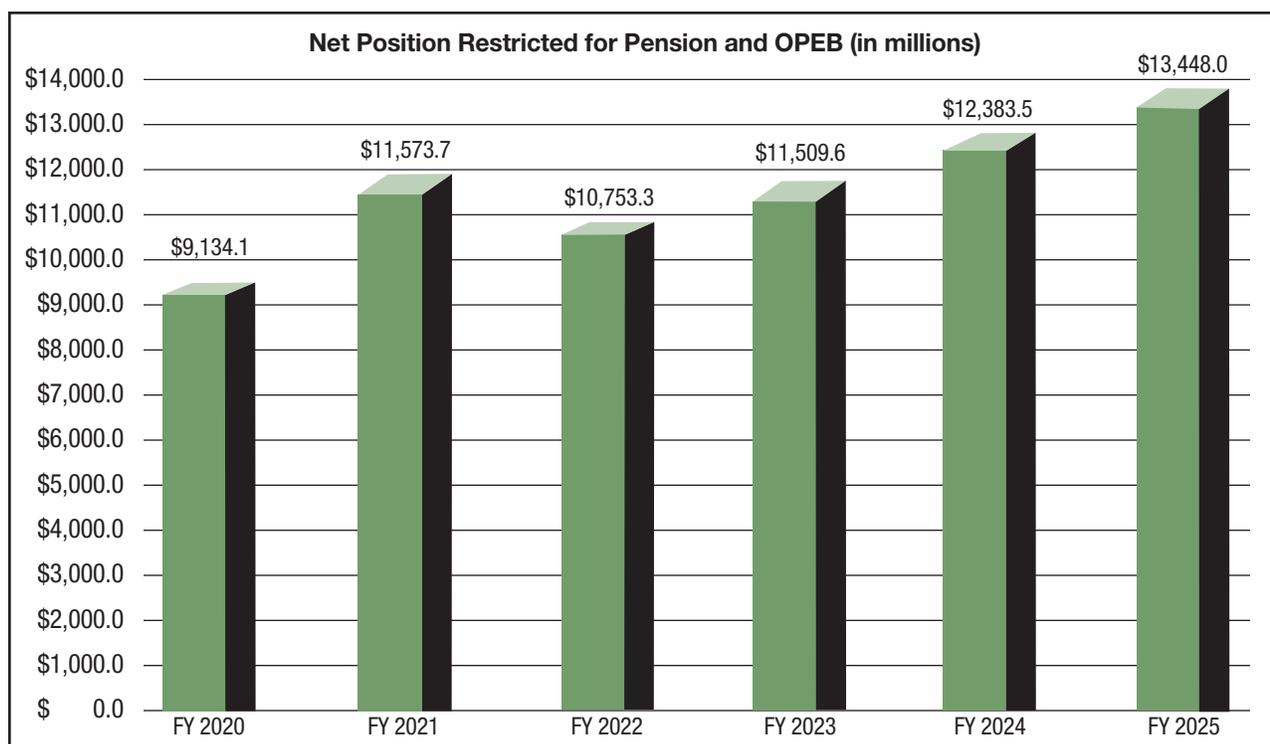
	YEAR ENDED JUNE 30, 2025		
	Assets Under Management (in thousands)	Fees (in thousands)	Average Basis Points
<b>INVESTMENT MANAGEMENT FEES</b>			
Equity Portfolios:			
Domestic	\$ 4,285,612	\$ 12,138	28
Non-U.S.	2,321,492	9,878	43
Fixed Income Portfolios	3,062,364	6,335	21
Alternative Investments*	2,306,643	20,075	87
Real Estate	1,107,467	11,518	104
Cash and Cash Equivalents	224,066	—	—
<b>TOTAL INVESTMENT MANAGEMENT FEES</b>	<b>\$13,307,645</b>	<b>\$ 59,944</b>	<b>45</b>
<b>INVESTMENT SERVICE FEES</b>			
Custodial Fees	\$13,307,645	\$ 1,063	1
Investment Advisor Fees — External	13,307,645	650	—
Investment Professional Fees	13,307,645	602	—
Investment Administrative Expenses — Internal	13,307,645	1,504	1
<b>TOTAL INVESTMENT MANAGEMENT AND SERVICE FEES</b>	<b>\$13,307,645</b>	<b>\$ 63,763</b>	<b>48</b>

\*The custodian records all transactions on a net of fee basis.

**SCHEDULE OF BROKERAGE COMMISSIONS PAID**

Brokerage Firm	YEAR ENDED JUNE 30, 2025		
	Number of Shares Traded (in thousands)	Total Commissions (in thousands)	Commissions Per Share
GOLDMAN SACHS & CO, NY	9,778	\$ 189	0.02
MORGAN STANLEY AND CO., LLC, NEW YORK	10,181	187	0.02
J.P MORGAN SECURITIES INC, NEW YORK	6,778	158	0.02
JEFFERIES & CO INC, NEW YORK	6,870	138	0.02
BANK OF AMERICA CORP, CHARLOTTE	4,107	107	0.03
MERRILL LYNCH INTL LONDON EQUITIES	4,468	79	0.02
UBS SECURITIES LLC, STAMFORD	4,538	70	0.02
RBC CAPITAL MARKETS LLC, NEW YORK	5,185	68	0.01
LIQUIDNET INC, NEW YORK	3,583	67	0.02
J P MORGAN SECS LTD, LONDON	6,332	63	0.01
PERSHING LLC, JERSEY CITY	2,897	55	0.02
UBS EQUITIES, LONDON	3,115	54	0.02
BARCLAYS CAPITAL, LONDON (BARCGB33)	2,293	51	0.02
BMO CAPITAL MARKETS CORP, NEW YORK	2,201	47	0.02
CITIGROUP GLOBAL MARKETS EURO, FRANKFURT	3,850	46	0.01
WELLS FARGO SECURITIES, LLC, NEW YORK	1,765	42	0.02
BNP PARIBAS FINANCIAL MARKETS, PARIS	1,667	39	0.02
INSTINET EUROPE LIMITED, LONDON	2,275	35	0.02
DEUTSCHE BANK AG, FRANKFURT	8,072	35	0.00
All Others (177 not listed separately)	67,486	1,102	0.02
<b>TOTAL BROKERAGE COMMISSIONS PAID</b>	<b>157,441</b>	<b>\$ 2,634</b>	<b>0.02</b>

Commission detail is not included in the schedule above for the commingled funds in which NHRS invests.



## SUMMARY OF INVESTMENTS

TYPE OF INVESTMENT	June 30, 2025	
	Fair Value (in millions)	Percent of Total Fair Value
<b>FIXED INCOME</b>		
Collateralized/Asset Backed Securities	\$ 290.5	2.2%
Corporate Bonds	534.7	4.1%
Government and Agency Bonds	519.5	4.0%
Blackrock Strategic Income Opportunities	293.5	2.3%
Fidelity	402.2	3.1%
Manulife	232.1	1.8%
Mellon US AG Bond	747.1	5.8%
<b>TOTAL FIXED INCOME</b>	<b>\$ 3,019.7</b>	<b>23.2%</b>
<b>EQUITY</b>		
Consumer Cyclical	\$ 662.5	5.1%
Consumer Non-Cyclical	1,139.8	8.8%
Energy	155.1	1.2%
Financial Services	1,045.4	8.1%
Industrial Materials	830.2	6.4%
Technology	1,145.8	8.8%
Basic Materials	215.7	1.7%
Communications	527.8	4.1%
Utilities	167.2	1.3%
Blackrock Superfund	235.2	1.8%
Wellington NHT	8.7	0.1%
Wellington ISCRE	170.5	1.3%
Wellington Emerging Markets Local Equity Fund	209.8	1.6%
<b>TOTAL EQUITY</b>	<b>\$ 6,513.8</b>	<b>50.3%</b>
<b>OTHER INVESTMENTS</b>		
Alternative Investments	\$ 2,306.6	17.8%
Real Estate	1,107.5	8.6%
<b>TOTAL OTHER INVESTMENTS</b>	<b>\$ 3,414.1</b>	<b>26.4%</b>
<b>TOTAL OTHER INVESTMENTS</b>	<b>\$ 12,947.6</b>	<b>100.0%</b>

## **Appendix B**

Gabriel Roeder Smith & Company Actuarial Opinion Letter

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October 24, 2025

Board of Trustees  
New Hampshire Retirement System  
54 Regional Drive  
Concord, New Hampshire 03301

**Re: Reasonableness of the Assumed Rate of Return**

Dear Board Members:

The purpose of this letter is to provide our actuarial opinion regarding the reasonableness of the assumed rate of return for the New Hampshire Retirement System and to address any differences between the assumed rate of return and the expected rate of return under the System's investment policy statement as required under New Hampshire statute.

**Background:**

The requirement under New Hampshire statute is as follows:

**RSA 100-A:15 VII.**

- (c) An annual investment policy statement which shall incorporate the following:
- (1) A clear statement of investment objectives including the adoption of a reasonable and sound expected rate of return the retirement system is attempting to earn. The expected rate of return utilized for the statement of investment objectives shall bear some reasonable relationship to the assumed rate of return set by the trustees for the biennial actuarial calculation. *The retirement system's actuaries shall issue a written opinion in regard to the reasonableness of the assumed rate of return that shall address any difference between the assumed rate of return and the expected rate of return.*

Board of Trustees  
October 24, 2025

We understand the current asset allocation targets and ranges, adopted by the Board of Trustees effective July 1, 2024, are based on asset liability modeling and asset allocation recommendations from investment consultants. The Independent Investment Committee reviewed the results of asset/liability and asset allocation studies and confirmed the asset allocation targets and ranges remain appropriate. Based on the 2025 capital market assumptions, Callan has indicated the following expectations for NHRS' current asset allocation:

- During the next 10-year period:
  - The expected rate of return is 7.30% per year;
  - The standard deviation is 12.00% per year; and
  - The implicit price inflation rate is 2.50% per year.
  
- During the next 20-year period:
  - The expected rate of return is 7.45% per year;
  - The standard deviation is 12.00% per year; and
  - The implicit price inflation rate is 2.50% per year.

In determining the assumed rate of return for the actuarial valuation, we abide by Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations, as adopted by the Actuarial Standards Board.

Under ASOP No. 27, we determine a reasonable assumption for each economic assumption. The reasonable assumption must be appropriate for the purpose of the measurement, reflect the actuary's professional judgement, take into account relevant historical and current demographic data, reflect the actuary's estimate of future experience or the estimates inherent in the market data and have no significant bias. For the investment return assumption, our analysis is based on forward-looking measures of expected investment return outcomes for the asset classes in the System's current investment policy.

For purposes of this analysis, we have analyzed the System's investment policy with the capital market assumptions from thirteen nationally recognized investment firms and the 2025 GRS Capital Market Assumption Modeler (CMAM). The capital market assumptions in the 2025 CMAM are from the following investment firms (in alphabetical order): Aon, Blackrock, BNY Mellon, Callan, Cambridge, JPMorgan, Meketa, Mercer, NEPC, Northern Trust, RVK, Verus, and Wilshire. Twelve of these firms provide capital market expectations for a 10-year horizon, eight of them provide expectations for longer horizons of 20-30 years. Capital market expectations can vary significantly from year to year and often are contrarian.



Board of Trustees  
October 24, 2025

Our analysis is based on the GRS 2025 CMAM. The purpose of the CMAM is to assess the reasonability of the assumed rate of return for use in the actuarial valuations for the plan. In our professional judgment, the CMAM has the capability to provide results that are consistent with this purpose. We performed tests to ensure that the model reasonably represents that which is intended to be modeled. We are relying on the GRS actuaries and Internal Software, Training, and Processes Team who developed and maintain the model.

**Actuarial Opinion:**

For the June 30, 2025 valuation, the actuarial assumed rate of return is made up of a price inflation assumption of 2.25% and a real rate of return assumption of 4.50% for a total of 6.75% per year, net of investment expenses. This assumption was adopted by the Board to be effective in the June 30, 2023 valuation based on the 2019-2023 Experience Study.

Based on our independent analysis using NHRS' target asset allocation and the 2025 CMAM, the median rate of return is 6.69% over a 10-year horizon.

Over the longer horizon of 20-30 years, the median rate of return is 7.02%. The current NHRS net investment rate assumption of 6.75% is reasonable when compared to our 2025 CMAM medians of 6.69%-7.02% and Callan's 7.30%-7.45% current estimates for the expected rate of return.

It should be noted that due to the methods utilized by the GRS CMAM, differences in the underlying inflation assumption between the actuarial valuation (2.25%) and Callan's (2.50%) result in expected returns that may not be directly comparable. For example, if Callan's inflation assumption of 2.50% was used in our analysis, the expected returns discussed above based on the 2025 GRS CMAM would be approximately 0.25% higher.

Differences between the expected rate of return in the System's Investment Policy and the actuarial assumed rate of return are attributable in part to the different objectives of the measurement. Key differences are:

- The Investment Policy focuses on asset allocation decisions and establishes benchmarks for manager performance. The assumed rate of return is a long-term assumption for funding policy.
- The Investment Horizon of 10 years in the Investment Policy is based on a shorter time frame than used to determine the assumed rate of return which can be 20-30 years or longer. When focusing on the 20- to 30-year time horizon, the policy and the actuarial assumption produce similar expected returns.



Board of Trustees  
October 24, 2025

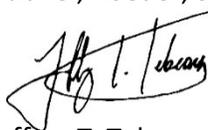
Given the purpose and use of the different assumptions, different results are not uncommon. Under the current actuarial standard of practice, the current assumed rate of return for valuation purposes is reasonable and, therefore, meets the requirements of those standards.

**Governmental Accounting Standards Board (GASB) Statement No. 67:**

The statutory funding requirements of RSA 100-A:16 and the NHRS' Actuarial Funding Policy call for the NHRS pension unfunded actuarial accrued liability as of June 30, 2017 to be amortized through 2039. Each subsequent change in liability as calculated in odd-numbered years shall be separately amortized over a fixed period of no longer than 20 years. Based on this, the GASB discount rate will be equal to the assumed rate of investment return of 6.75%.

Jeffrey T. Tebeau, Heidi G. Barry, and Casey T. Ahlbrandt-Rains are independent of the plan sponsor, are Members of the American Academy of Actuaries (MAAA), and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Respectfully submitted,  
Gabriel, Roeder, Smith & Company



Jeffrey T. Tebeau, FSA, EA, FCA, MAAA



Heidi G. Barry, ASA, FCA, MAAA



Casey T. Ahlbrandt-Rains, ASA, FCA, MAAA

JTT/HGB/CTA:dj



## **Appendix C**

Investment Manual

NHRS Investment Philosophy

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*The NHRS Investment Manual can be accessed by clicking [here](#).*





## Changes to the NHRS Investment Policy

This document outlines changes to the NHRS Investment Policy since the founding of the Independent Investment Committee (IIC) under RSA 100-A:14-b, on January 1, 2009.

### Assumed Rate of Return

The Board of Trustees (Board) approved the following based on recommendations of the IIC. All changes were effective starting July 1 of the fiscal year subsequent to approval.

- May 10, 2011: 8.50% to 7.75%
- May 10, 2016: 7.75% to 7.25%
- June 9, 2020: 7.25% to 6.75%

### Asset Allocation Targets and Ranges

The Board adopted the following changes based on recommendations of the IIC. All changes were effective at the start of the month subsequent to approval.

- July 13, 2010:
  - Domestic Equity allocation range changed from 26 - 43% to 20 - 50%.
  - Non-U.S. Equity target allocation increased from 15% to 20% and the 5% target allocation to Global Equity was removed. The Non-U.S. Equity allocation range changed from 11 - 19% to 15 - 25%.
  - Fixed Income allocation range changed from 26 - 34% to 25 - 35%.
  - Real Estate range changed from 5 - 15% to 0 - 15%.
- September 11, 2012:
  - Fixed income target allocation was reduced from 30% to 25%. The allocation range changed from 25 - 35% to 20 - 30%.
  - Alternative Investments target allocation was increased from 10% to 15%. The allocation range changed from 0 - 15% to 0 - 20%.
- June 9, 2015:
  - Real Estate allocation range changed from 0 - 15% to 5 - 20%.
  - Alternative Investments allocation range changed from 0 - 20% to 5 - 25%.
- May 14, 2019:
  - U.S. Equity allocation range changed from 20 - 50% to 20 - 40%.
- December 12, 2023:
  - Domestic Equity and Non-US Equity target allocation decreased from 50% to 40%.
  - Private Credit target allocation increased from 5% to 10%.
  - Infrastructure asset class was created with a target allocation of 5%.
  - All changes were effective in Fiscal Year 2025.
- **December 10, 2024:**
  - **New allocation range created for Global Equity of 30% to 50%.**
  - **New allocation range created for Global Infrastructure of 0% - 10%.**

- **Private Credit allocation range changed from 0% - 10% to 0 – 15%.**
- **Fixed Income allocation range changed from 20 - 30% to 18 - 32%.**
- **New allocation range for Cash of 0% - 5%.**

### **Benchmark Changes**

The IIC approved the following changes which were subsequently reviewed by the Board. All changes were effective starting July 1 of the fiscal year subsequent to approval.

- **April 24, 2015:**
  - The U.S. Equity benchmark changed from the Russell 3000 Index to the S&P 500 Index.
  - The Real Estate benchmark changed from the NCREIF Property Index + 50 basis points to the NCREIF NFI-ODCE Index.
  - The Alternative Investments benchmark changed from the S&P 500 Index + 5% or Consumer Price Index + 5% to the following:
    - 33.3% Private Equity: S&P 500 Index + 3%.
    - 33.3% Private Debt: S&P/LSTA U.S. Leveraged Loan 100 Index.
    - 33.3% Opportunistic: 1-month LIBID + 5%.
- **May 14, 2019:**
  - The Opportunistic benchmark was eliminated and the Alternative Investments benchmark was changed to the following:
    - 66.7% Private Equity (S&P 500 Index + 3%).
    - 33.3% Private Debt (S&P LSTA Leveraged Loan 100 Index).
- **June 18, 2021:**
  - The U.S. Equity benchmark changed from the S&P 500 Index to the Russell 3000 Index.
- **June 14, 2022:**
  - The Private Equity benchmark was updated from the S&P 500 + 3% to the Russell 3000 +2%.
  - The Private Debt benchmark was updated from the S&P/LSTA U.S. Leveraged Loan 100 Index to a blend of (50% S&P/LSTA 100 Index and 50% Bloomberg High Yield Index) + 1%.
- **December 10, 2024:**
  - **The Global Equity asset class benchmark MSCI All Country World Investable Market Index (MSCI ACWI IMI) was adopted.**
  - **The Global Infrastructure asset class benchmark Consumer Price Index (CPI) + 400 basis points for the asset class was adopted.**
- **February 11, 2025:**
  - **The Non-US Equity benchmark was updated to the MSCI All Country World excluding US Investable Market Index (MSCI ACWI ex. US IMI) from the MSCI All Country World Ex-U.S. Index.**

## **NHRS Investment Philosophy:**

### **Adopted by the Investment Committee at the July 17, 2009 meeting**

**Purpose:** The New Hampshire Retirement System (“NHRS” or “System”) Investment Philosophy sets forth guiding principles for the management of the investment program.

**Description of the Fund:** The NHRS is a defined-benefit pension plan. Contributions to the plan are made by employees and employers participating in the System. These contributions are invested to support the payment of plan benefits and to pay reasonable expenses of administering the System.

The System’s assets are invested pursuant to the Constitution of the State of New Hampshire and all applicable statutes and are managed in accordance with the NHRS Statement of Investment Policy for the exclusive purpose of providing plan benefits to members and beneficiaries. NHRS plan fiduciaries are beholden to a duty of loyalty and a standard of care as described in RSA 100-A:15. The Board of Trustees (“Board”) and the Investment Committee (“Committee”) seek the advice and assistance of internal and external professionals and shall exercise conscious discretion when making investment decisions. The Committee members recognize their fiduciary duty to invest the System's funds prudently and in continued recognition of the fundamental long-term nature of the System.

The NHRS investment program has a distinctive profile. The objective of supporting plan benefits is one primary differentiator from the goals of other types of institutional investors, for example, endowments or foundations. The NHRS also differs from other public pension plans because each plan has its own distinctive characteristics such as benefit structures and legislative mandates. The System has a high proportion of retirees relative to actively-contributing members. The demographics of a mature plan require more liquidity from the investment program because contributions into the plan do not fully offset the benefits paid. Additionally, the size of the NHRS investment program provides the System with the ability to invest in certain opportunities but may not provide the scale necessary to gain access to other opportunities. All of these factors guide the design of the NHRS investment program.

**Investment Objectives:** The NHRS pursues an investment strategy designed to support the long-term funding obligations of the plan. The Board adopts an assumed rate of return and sets asset-allocation policy. The Committee manages the components of the investment program with the goal of achieving the plan’s objectives with a comprehensive understanding of risk. This involves designing a program that balances expected return and risk over long time periods through a range of market conditions. For the reasons previously mentioned, peer performance or universe comparisons are not the most appropriate measurements of the effectiveness of the NHRS investment program. Performance comparisons within the context of the stated investment objectives will promote alignment with the System’s mission.

The primary objective of the Committee is to manage the investment program to support the payment of plan benefits over the long-term. A secondary objective is to exceed the policy benchmark on a net-of-fees basis over a three to five-year period.

## NHRS Investment Philosophy:

**Market View and Context:** The Committee believes that financial markets are largely, but not entirely, efficient. This means that there is a central tendency to the markets and that in some developed and accessible segments it is difficult to gain an advantage relative to other investors. However, there are areas of the market in which inefficiencies exist due to more limited access, information, coverage, or other factors; and investors can benefit from participation in these areas. Investment opportunities emerge and evolve over time and the NHRS Committee, staff, and consultants will remain vigilant concerning market developments in order to identify these opportunities and to build a sustainable advantage.

**Diversification:** The Board and the Committee recognize that it is necessary to maintain broad diversification both among and within various asset classes. The asset allocation of the investment program will be reviewed monthly by staff relative to the asset-class policy targets and ranges established by the Board in the Statement of Investment Policy. Staff shall strive to maintain the System's asset allocation within policy ranges. When rebalancing assets already within ranges, staff will give due consideration to market conditions, costs and risks of implementation, potential impacts on manager-level performance, and other relevant factors.

**Portfolio Structure and Implementation:** The Committee may utilize a combination of passive and active management strategies. The goal of passive management is to gain diversified exposure to the desired asset class while incurring minimal expense and seeking performance returns comparable to the asset class benchmark. The goal of active management is to exceed the performance of the appropriate benchmark on a net-of-fees basis, measured across market cycles, at a commensurate level of risk. The Committee will structure the program and implement its philosophy through the use of external investment management firms.

**Performance Measurement:** The ultimate measurement of the pension plan is how well it achieves its funding objectives and supports plan benefits. This is a shared responsibility between the Board who set the assumed rate of return and also determines the contribution rates and the Committee who seek to augment those contributions with investment returns over the long term. Achievement of the plan objectives in absolute terms is contingent on sound return assumptions and the execution of a clear investment process which recognizes that market conditions will vary over time.

Relative investment performance can be an important measurement tool. The Board adopts specific benchmarks which represent the standards of measurement used for the various asset classes utilized by the NHRS. Individual managers are also measured relative to benchmarks. As a model for performance measurement of the investment program, the NHRS uses a plan-level policy benchmark comprised of index returns (or proxy asset returns in the case of illiquid assets) weighted to reflect the asset-allocation policy targets set by the Board. This provides insight into the ways in which the actual portfolio performs relative to a passively-managed representation of plan policy during various market conditions.

Since investment returns will vary under different economic conditions and market cycles, an optimal period for effectively measuring performance would span three to five years or more. NHRS returns are expected to exceed the relevant benchmark on a net-of-fees basis over time.

**NHRS Investment Philosophy:**

**Risk:** Risk must be viewed within the context of the total portfolio. Since most risks are not readily quantifiable, defining the appropriate level of risk and creating a portfolio that reflects a reasonable balance between potential risk and return is a matter of judgment. Risk comes in a variety of forms including the risk of the unknown, liquidity risk, valuation risk, regulatory risk, geopolitical risk, and volatility risk as well as excessive diversification, fraud, inconsistency of investment discipline, and the risk of the destruction of capital. The Committee takes a broad view of risk in its oversight and endeavors to mitigate risk through rebalancing, monitoring managers, and conducting strategic reviews of the portfolio.



To: Independent Investment Committee  
 From: Raynald Leveque, Chief Investment Officer  
 Date: November 18, 2025  
 Re: **Proposed 2026 Investment Committee Meeting Schedule**  
 Item: Action:  Discussion:  Informational:

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### Recommendation

NHRS staff recommends that the Investment Committee consider meeting in 2026 on a less-than-monthly basis, aligned with the recent approval of the Board of Trustees meeting frequency. Investment Committee meetings require significant time for members to prepare for, travel to, and attend. The NHRS Investment Team spends much time each month preparing, coordinating, and running each meeting.

The following proposed meeting frequency for consideration is a minimum of eight meetings per year. Should NHRS Staff require additional meetings for investment action, those meetings can be scheduled on an ad-hoc basis.

Additionally, the proposed meeting dates below, apart from the February and April meetings, are on the fourth Tuesday of the month per our usual schedule. The February meeting will be held the first Tuesday of March and the April meeting is the third Tuesday of the month.

### Proposed Schedule for 2026 (no meetings scheduled for March, May, July and September)

January 27, 2026  
 March 3, 2026  
 April 21, 2026  
 June 23, 2026  
 August 25, 2026  
 October 27, 2026  
 November 17, 2026  
 December 15, 2026



# Investment Benchmarking

Board of Trustee Report  
December 2025

## CEM benchmarking seeks to meaningfully improve lives of pensioners globally with \$14 Trillion in AUM.

CEM Benchmarking was retained by New Hampshire Retirement System to evaluate total return, net value added (i.e., outperformance vs. benchmark) and investment manager costs relative to CEM’s full U.S. universe of pension funds and a well constructed peer group of similar pension funds on annual basis commencing year end 2022. The analysis on the following slides summarizes key observations and conclusions through year end 2023. Work on Calendar Year 2024 is ongoing and will be complete over the next few months.



## Key takeaways.

### Returns

- Your 5-year net total return of 8.9% was above both the U.S. Public median of 8.7% and the peer median of 8.5%.
- Your 5-year policy return of 8.3% was above both the U.S. Public median of 7.5% and the peer median of 7.3%.

### Value added

- Your 5-year net value added of 0.6% compares to a median of 1.0% for your peers and 1.3% for the U.S. Public universe.

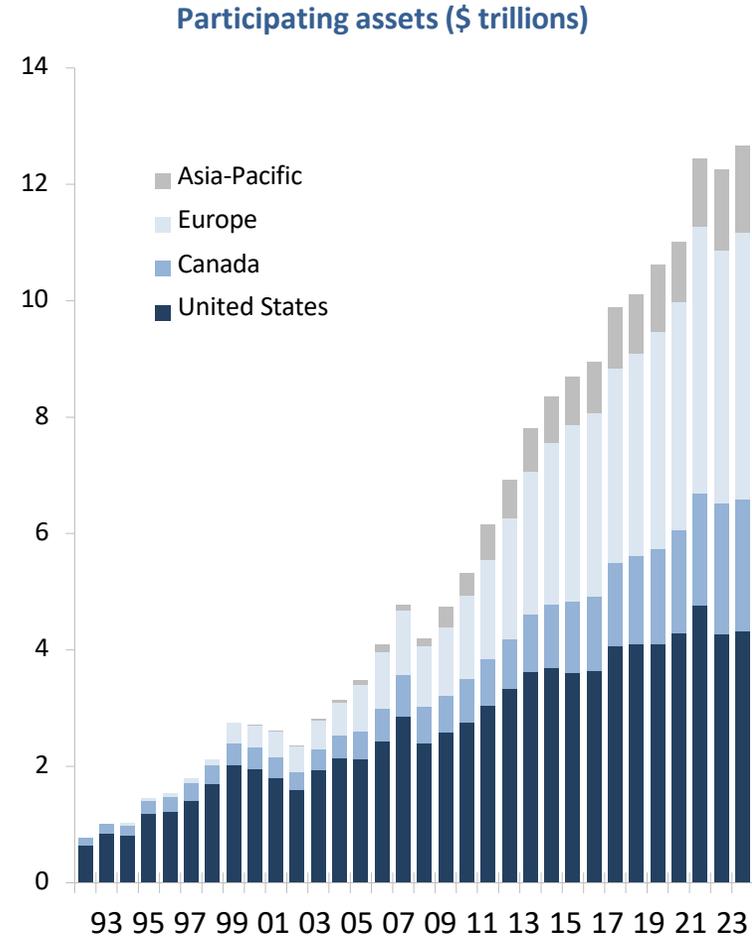
### Cost

- Your investment cost of 76.8 bps was below your benchmark cost of 78.5 bps. This suggests that your fund was slightly low cost compared to your peers.
- Your fund was slightly below benchmark cost because it paid less than peers for similar services. These savings were partly offset by a higher cost implementation style.
- Your costs decreased by 1.2 bps, from 78.0 bps in 2022 to 76.8 bps in 2023, primarily because you paid less in total for similar investment styles. This was partly offset by a higher cost asset mix.

## This benchmarking report compares your cost and performance to the 296 funds in CEM's extensive pension database.

- 150 U.S. pension funds participate. The median U.S. fund had assets of \$10.2 billion and the average U.S. fund had assets of \$28.8 billion. Total participating U.S. assets were \$4.3 trillion.
- 64 Canadian funds participate with assets totaling \$2.3 trillion.
- 65 European funds participate with aggregate assets of \$4.6 trillion. Included are funds from the Netherlands, Norway, Sweden, Finland, Ireland, Denmark and the UK.
- 10 Asia-Pacific funds participate with aggregate assets of \$1.5 trillion. Included are funds from Australia, New Zealand and South Korea.
- 7 funds from other regions participate.

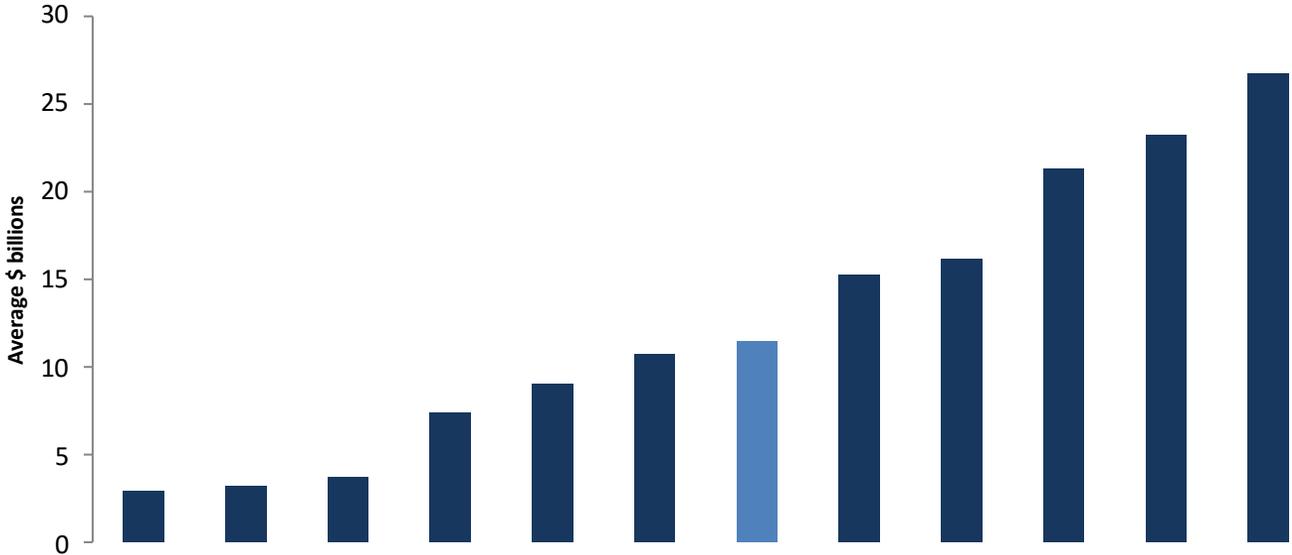
The most meaningful comparisons for your returns and value added are to the U.S. Public universe, which consists of 48 funds. The U.S. Public universe assets totaled \$3.1 trillion and the median fund had assets of \$25.2 billion.



# The most valuable comparisons for cost performance are to your custom peer group because size impacts costs.

## Peer group for New Hampshire Retirement System

- 12 U.S. public sponsors from \$2.9 billion to \$26.7 billion
- Median size of \$11.1 billion versus your \$11.5 billion



To preserve client confidentiality, given potential access to documents as permitted by the Freedom of Information Act, we do not disclose your peers' names in this document. For some of the peers, 2022 cost data was used as a proxy for 2023.

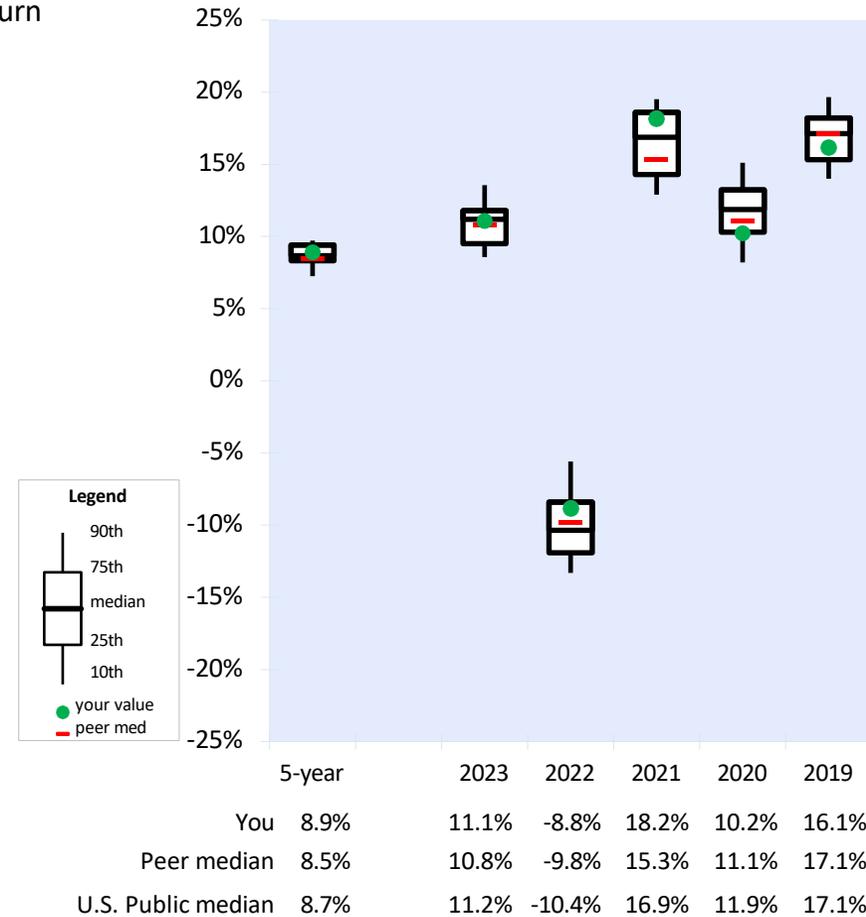
## Your 5-year net total return of 8.9% was above both the U.S. Public median of 8.7% and the peer median of 8.5%.

Total returns, by themselves, provide little insight into the reasons behind relative performance. Therefore, we separate total return into its more meaningful components: policy return and value added.

	Your 5-year
Net total fund return	8.9%
- Policy return	8.3%
= Net value added	0.6%

This approach enables you to understand the contribution from both policy mix decisions (which tend to be the board's responsibility) and implementation decisions (which tend to be management's responsibility).

U.S. Public net total returns - quartile rankings



## Your 5-year policy return of 8.3% was above both the U.S. Public median of 7.5% and the peer median of 7.3%.

Your policy return is the return you could have earned passively by indexing your investments according to your policy mix.

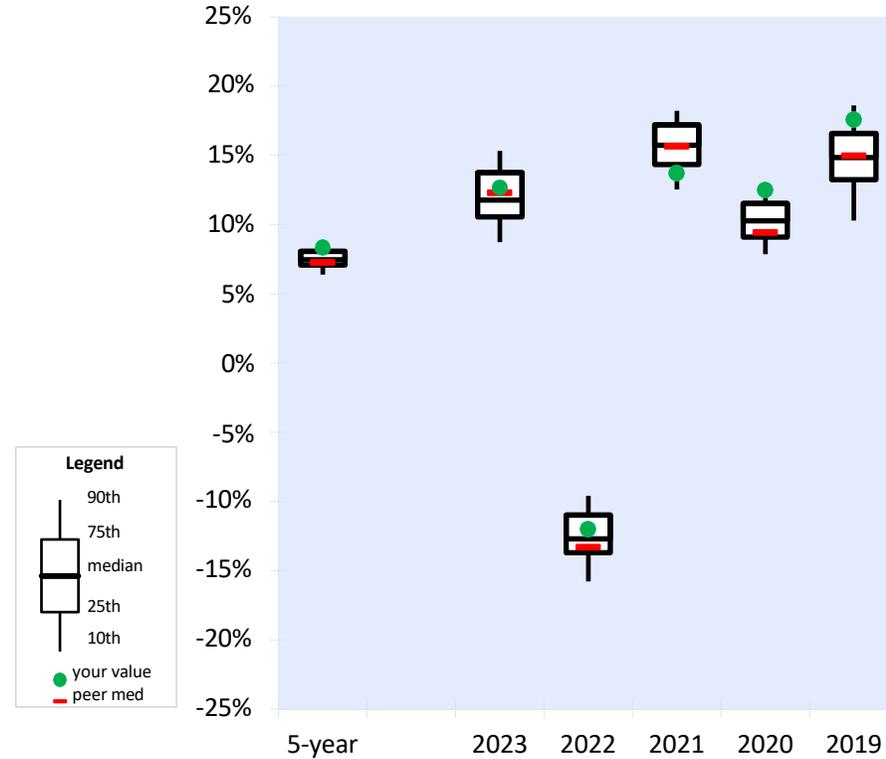
Having a higher or lower relative policy return is not necessarily good or bad. Your policy return reflects your investment policy, which should reflect your:

- Long term capital market expectations
- Liabilities
- Appetite for risk

Each of these three factors is different across funds. Therefore, it is not surprising that policy returns often vary widely between funds.

To enable fairer comparisons, the policy returns of all participants, including your fund, were adjusted to reflect private equity benchmarks based on lagged, investable, public-market indices.

U.S. Public policy returns - quartile rankings



	5-year	2023	2022	2021	2020	2019
You	8.3%	12.7%	-12.0%	13.7%	12.5%	17.6%
Peer median	7.3%	12.3%	-13.3%	15.7%	9.4%	15.0%
U.S. Public median	7.5%	11.8%	-12.7%	15.7%	10.3%	14.9%

# Net value added is the component of total return from active management. Your 5-year net value added was 0.6%.

Net value added equals total net return minus policy return.

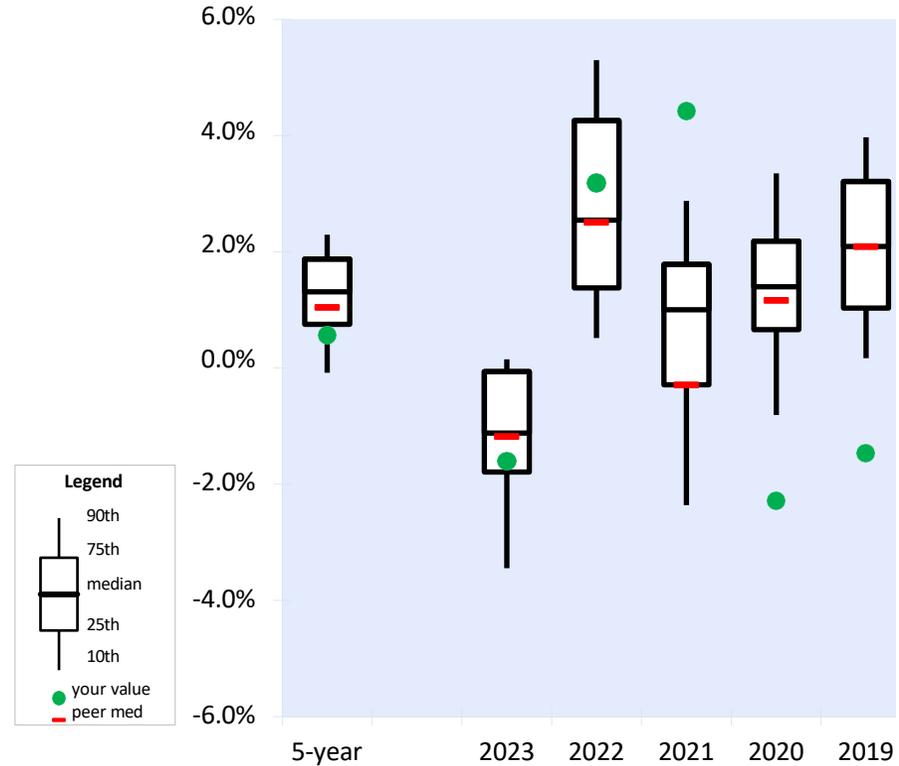
**Value added for New Hampshire Retirement System**

Year	Net return	Policy return	Net value added
2023	11.1%	12.7%	-1.6%
2022	-8.8%	-12.0%	3.2%
2021	18.2%	13.7%	4.4%
2020	10.2%	12.5%	-2.3%
2019	16.1%	17.6%	-1.5%
5-Year	8.9%	8.3%	0.6%

Your 5-year net value added of 0.6% compares to a median of 1.0% for your peers and 1.3% for the U.S. Public universe.

To enable fairer comparisons, the value added for each participant including your fund was adjusted to reflect private equity benchmarks based on lagged, investable public market indices.

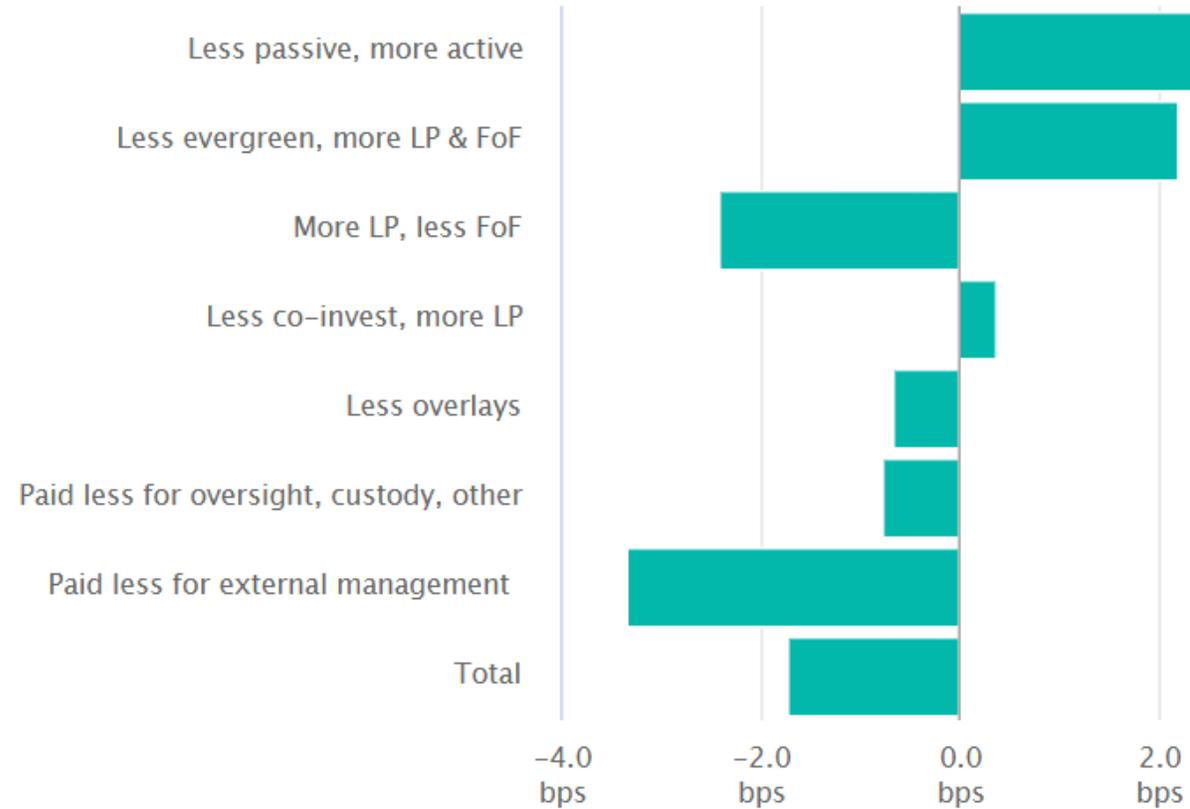
**U.S. Public net value added - quartile rankings**



	5-year	2023	2022	2021	2020	2019
You	0.6%	-1.6%	3.2%	4.4%	-2.3%	-1.5%
Peer median	1.0%	-1.2%	2.5%	-0.3%	1.2%	2.1%
U.S. Public median	1.3%	-1.1%	2.5%	1.0%	1.4%	2.1%

Your fund was slightly below benchmark cost because it paid less than peers for similar services. These savings were partly offset by a higher cost implementation style.

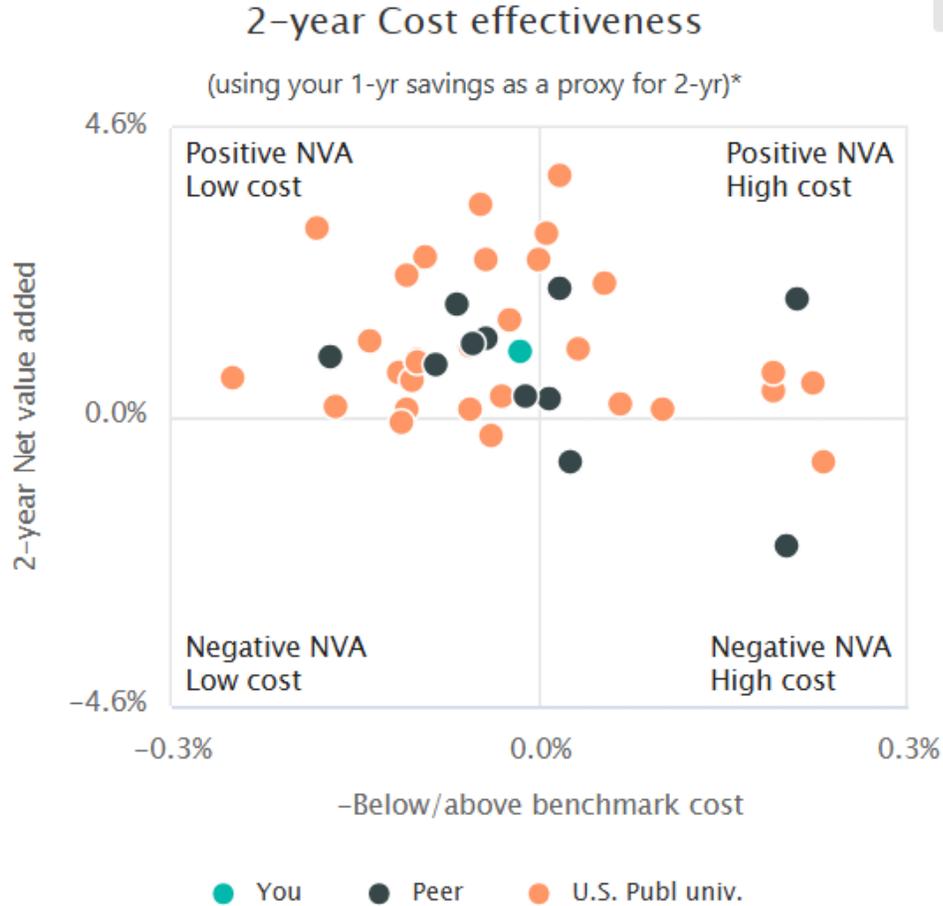
Reasons why your cost was 1.7 bps below the benchmark



## Detailed explanation for the lower cost in basis points and dollars.

	Excess Cost/ (Savings)	
	\$000s	bps
1. Higher cost implementation style		
• More active management, less lower cost passive	3,336	2.9
• More LPs as a percentage of external	2,506	2.2
• Less fund of funds	(2,754)	(2.4)
• Less co-investment as a percentage of LP/Co	418	0.4
• Less overlays	(758)	(0.7)
	<u>2,749</u>	<u>2.4</u>
2. Paying less than peers for similar services		
• External investment management costs	(3,833)	(3.3)
• Oversight, custodial & other costs	(885)	(0.8)
	<u>(4,718)</u>	<u>(4.1)</u>
<b>Total savings</b>	<b>(1,969)</b>	<b>(1.7)</b>

## 2 Year Cost Effectiveness Conclusion





**LEGISLATIVE COMMITTEE**

## House and Senate calendars for 2026 legislative session

### 2025-2026 House Schedule

Friday, Nov. 21 — Last day to sign off LSRs for 2026 session

Friday, Nov. 21 — Last day to report all retained bills

Thursday, Jan. 8, 2026 — Last day to introduce House Bills

### 2025-2026 Senate Schedule

Thursday, Nov. 13 — Deadline for prime sponsors to sign off on legislation.

Thursday, Dec. 11 — Deadline for co-sponsors to sign off on legislation.

Thursday, Dec. 11 — Deadline to report rereferred bills out of committee.

Wednesday, Jan. 7, 2026 — Convening Day

**BENEFITS COMMITTEE**

**New Hampshire Retirement System  
Benefits Committee Meeting**

**Consent Agenda  
November 4, 2025**

**Disability Application Recommendations**

1. P.D. Grant ordinary disability retirement (ODR) to this group I member who has 24 years and 1 month of creditable service, based on medical evidence that supports her claim for permanent incapacity from her work duties due to a medical condition.
2. J.D. Grant accidental disability retirement (ADR) to this group II member who has 7 years and 2 months of creditable service, based on medical evidence that supports his claim for permanent incapacity from his work duties due to a medical condition.
3. A.G. Grant accidental disability retirement (ADR) to this group I member who has 8 years and 1 months of creditable service, based on medical evidence that supports her claim for permanent incapacity from her work duties due to a medical condition.
4. S.L. Grant ordinary disability retirement (ODR) to this group I member who has 28 years and 11 months of creditable service, based on medical evidence that supports his claim for permanent incapacity from his work duties due to a medical condition.
5. T.M. Grant accidental disability retirement (ADR) to this group II member who has 15 years and 2 months of creditable service, based on medical evidence that supports his claim for permanent incapacity from his work duties due to a medical condition.
6. D.S. Grant accidental disability retirement (ADR) to this group I member who has 15 years and 9 months of creditable service, based on medical evidence that supports his claim for permanent incapacity from his work duties due to a medical condition.
7. T.T. Grant ordinary disability retirement (ODR) to this group I member who has 17 years creditable service, based on medical evidence that supports her claim for permanent incapacity from her work duties due to a medical condition.

**New Hampshire Retirement System  
Benefits Committee Meeting**

**Consent Agenda  
December 2, 2025**

**Disability Application Recommendation**

1. J.B. Grant accidental disability retirement (ADR) to this group II member who has 17 years and 7 months of creditable service, based on medical evidence that supports his claim for permanent incapacity from his work duties due to a medical condition.

**PERSONNEL PERFORMANCE & COMPENSATION COMMITTEE**

*Oral Presentation Only*

**AD HOC REAL ESTATE COMMITTEE**

*Oral Presentation Only*

## **INFASTRUCTURE MODERNIZATION PRESENTATION**



To: NHRS Board of Trustees  
 From: Sonja Gonzalez, Chief Information Technology Officer  
 Date: November 25, 2025  
 Re: Infrastructure Modernization – Contract Approval  
 Item: Action:  Discussion:  Informational:

As a part of ongoing efforts to improve the continuity and resilience of NHRS' information technology systems, and in anticipation of the upcoming move to 80 Commercial Street which will necessitate a disruption to premise infrastructure, the NHRS IT team has engaged in the design of a technology stack that emphasizes resilience, continuity, and future-ready capabilities.

After careful consideration of multiple options, a final solution has been selected based on overall value, scalability, and the IT team's ability to support and evolve with the platform. This solution will significantly strengthen NHRS' operational posture and position us for continued modernization.

The estimated cost for Year 1 is \$750,000, with ongoing licensing and maintenance expenses projected for fiscal years two through five. Funding for this initiative will be reallocated from the G5 Licensing project in Years 1 and 2. The G5 Licensing project will be deferred to later years and reassessed to ensure alignment with NHRS' evolving needs.

Year 1 expenses are broken into the following major categories.

<b>Technology</b>	<b>Cost</b>
Hypervisor software licensing	\$140,000
Server and storage hardware	\$335,000
Operating system licensing	\$95,000
Network hardware	\$45,000
Datacenter space and connectivity	\$70,000
Backup software licensing	\$15,000
Professional services	\$50,000
<b>Total</b>	<b>\$750,000</b>

**Our Mission: To provide secure retirement benefits and superior service.**



The 5 year anticipated expenditure is as follows.

<b>Budget year</b>	FY26	FY27	FY28	FY29	FY30
<b>Total</b>	\$750,000	\$320,000	\$320,000	\$230,000	\$230,000

All contracts will be procured adhering to the fiduciary practices as outline in NHRS policies.

Staff recommends approval of this action as a strategic investment to strengthen NHRS' technology posture and ensure long-term operational resilience.

NHRS respectfully requests the Board's approval to give Jan Goodwin as Executive Director the authority to sign contracts related to this project.

**Our Mission: To provide secure retirement benefits and superior service.**

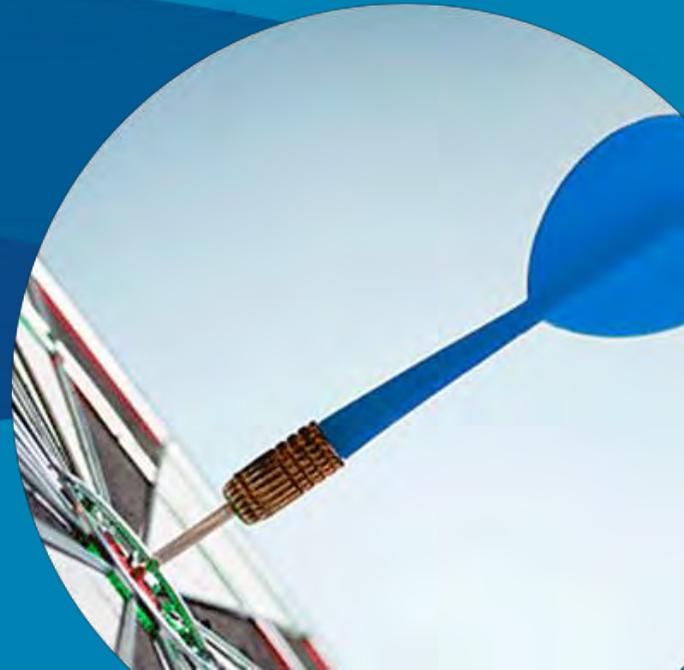
# New Hampshire Retirement System FY 2025 Actuarial Overview

December 9, 2025

Heidi Barry, ASA, FCA, MAAA

Jeffrey Tebeau, FSA, EA, FCA, MAAA

Casey Ahlbrandt-Rains, ASA, FCA, MAAA



# Today's Topics

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- **Who are we and what do we do?**
  - Team Introduction
  - Pension-Actuarial Primer
- **Actuarial Results**
  - Statutory Funding Information
  - Results for GASB Statement Nos. 67 and 74
- **Timeline for Future Deliverables**

# GRS Actuaries Serving NHRS

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- **Heidi Barry has served NHRS for 16 years**



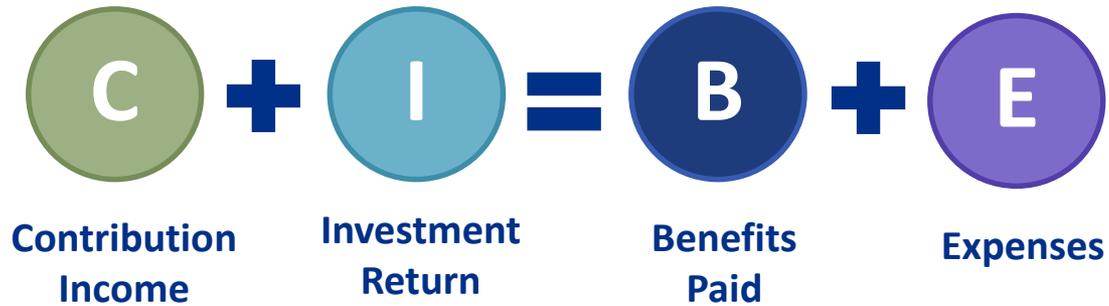
- **Jeffrey Tebeau has been with GRS for more than 18 years and has recently joined the NHRS actuarial team in 2022**



- **Casey Ahlbrandt-Rains has served NHRS for nearly 10 years**

# Basic Retirement Funding Equation

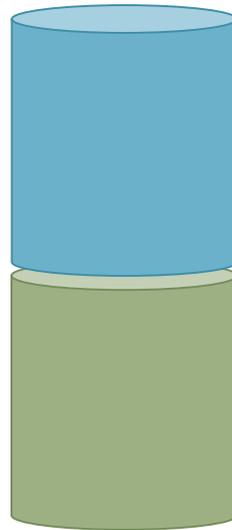
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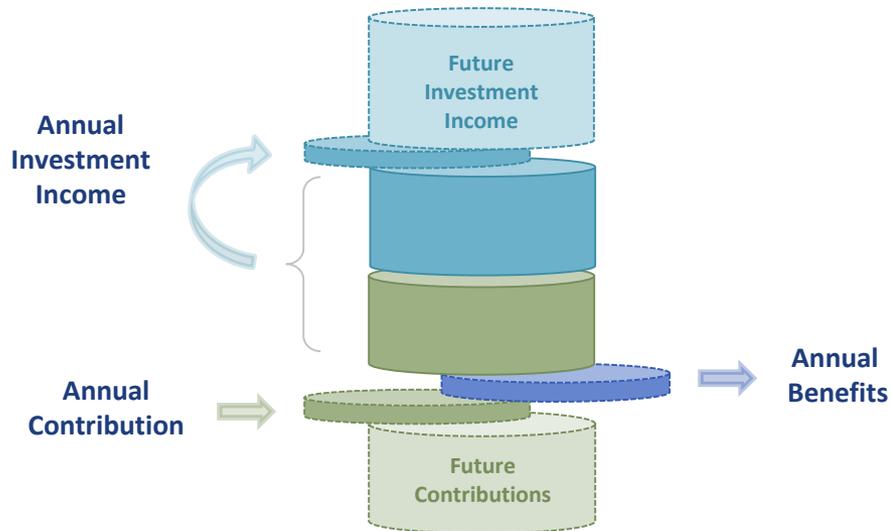
The diagram illustrates the Basic Retirement Funding Equation using colored circles and text labels. On the left, a green circle with the letter 'C' is followed by a plus sign, a blue circle with the letter 'I', and an equals sign. To the right of the equals sign is a dark blue circle with the letter 'B', followed by a plus sign and a purple circle with the letter 'E'. Below each circle is its corresponding text label: 'Contribution Income' under 'C', 'Investment Return' under 'I', 'Benefits Paid' under 'B', and 'Expenses' under 'E'.

$$C + I = B + E$$

Contribution Income      Investment Return      Benefits Paid      Expenses



# Pension Fund Operations



Using carefully curated sets of economic and demographic assumptions, actuaries develop projections of expected future benefits.

These projections are used to estimate the present value of retirement benefits, and the necessary contributions to fund those benefits.

# Funding a Member's Annual Pension

Allocated to Past and  
Future Service

- Actuarial Accrued Liability: \$17,000
- Present Value of Future Normal Costs: \$8,000



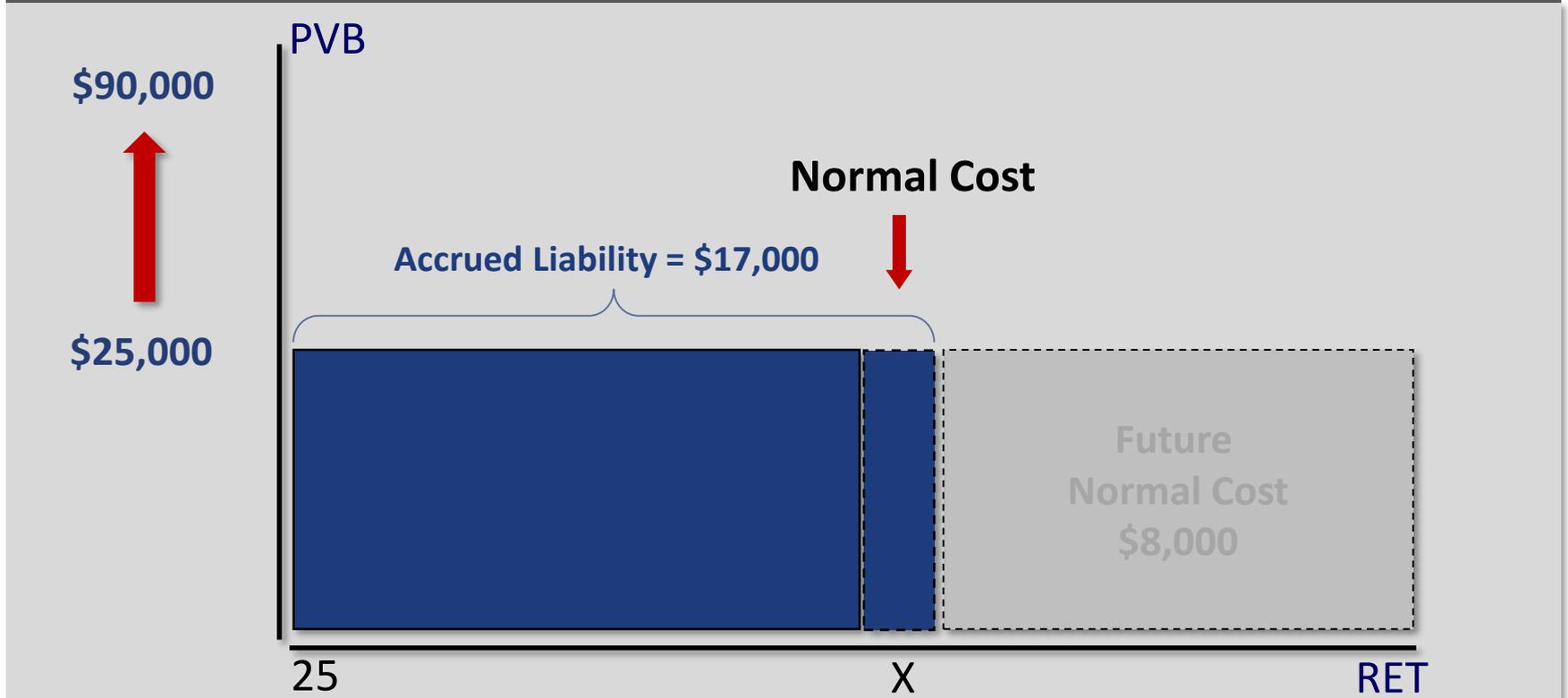
Present Value of  
Benefits at Valuation  
Date: \$25,000



Present Value of  
Benefits at  
Retirement: \$90,000

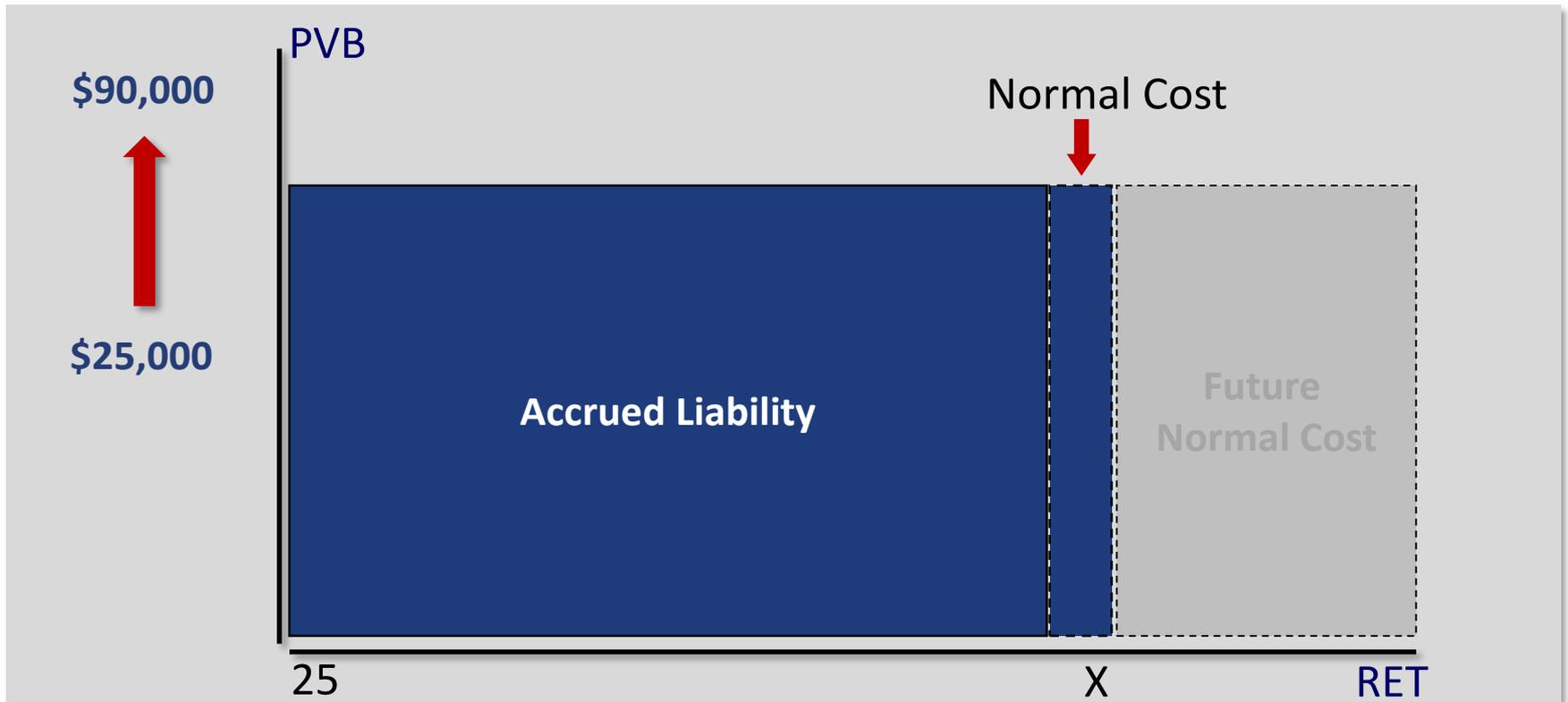
# Funding a Member's Annual Pension

Throughout an active member's career, a portion of their total actuarial present value of benefits is allocated between service they have accrued thus far (Accrued Liability) and service to be accrued later in their career (Future Normal Cost).



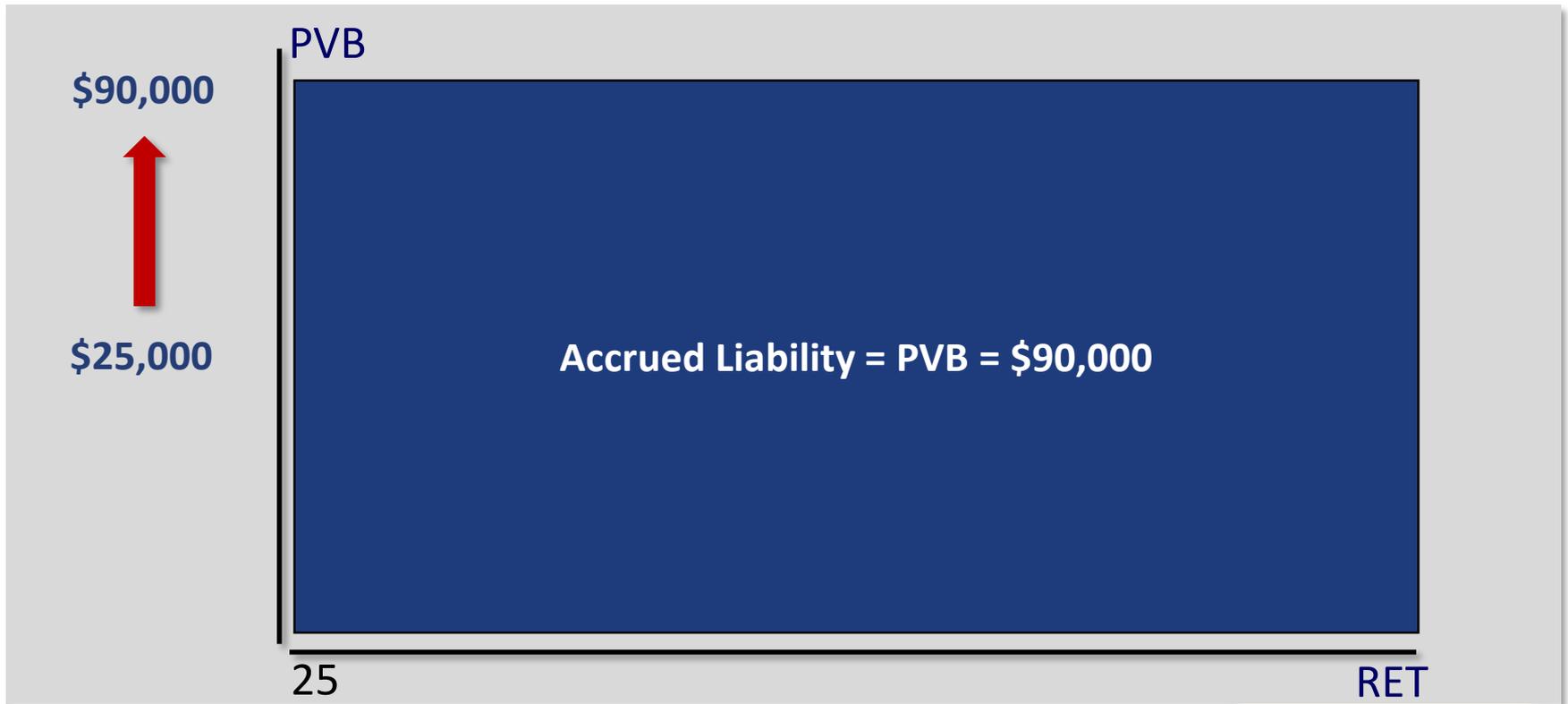
# Funding a Member's Annual Pension

As the member ages towards retirement, the boxes grow upward while the normal cost adds to the member's accrued liability.



# Funding a Member's Annual Pension

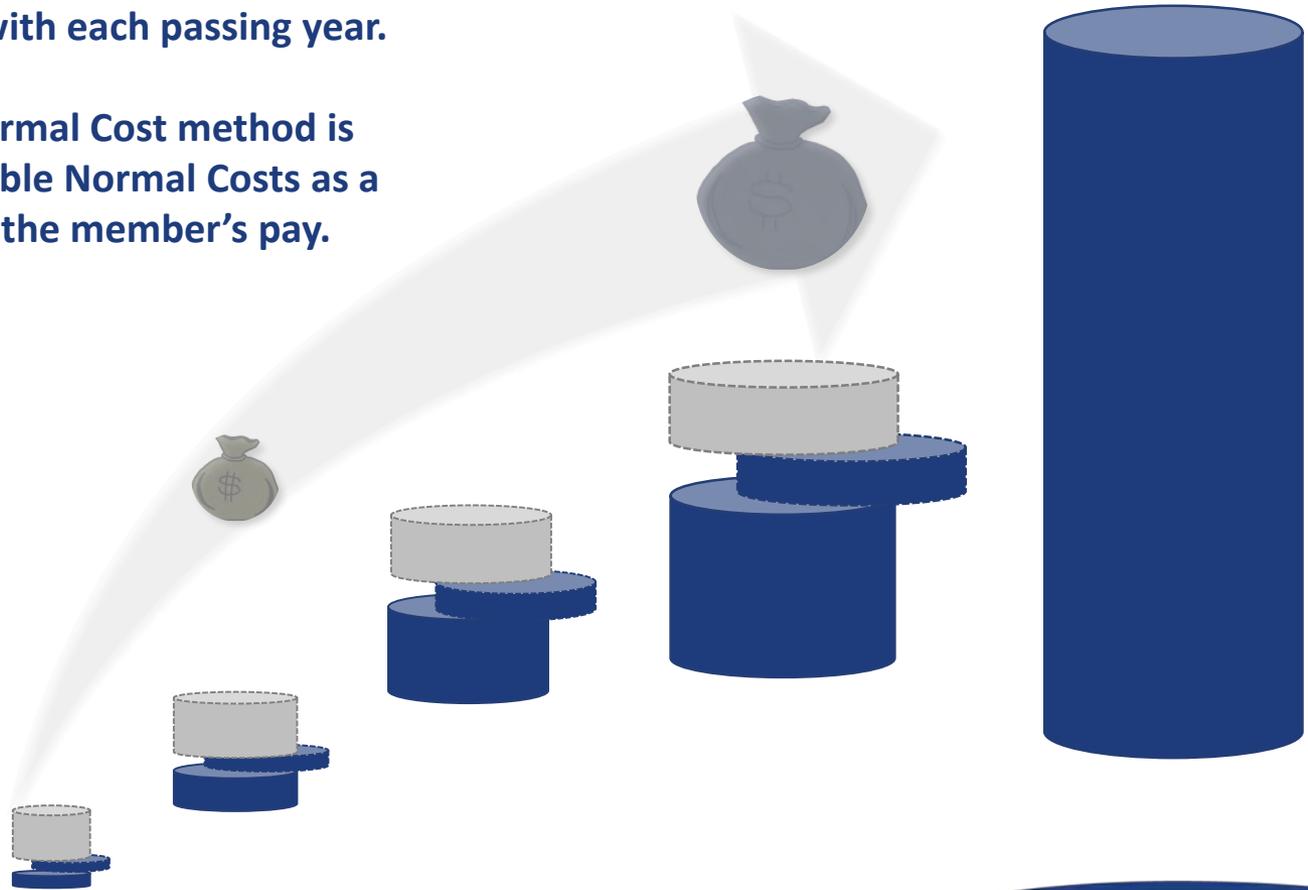
At retirement, the accrued liability and PVB are both \$90,000, with no Future Normal Cost.



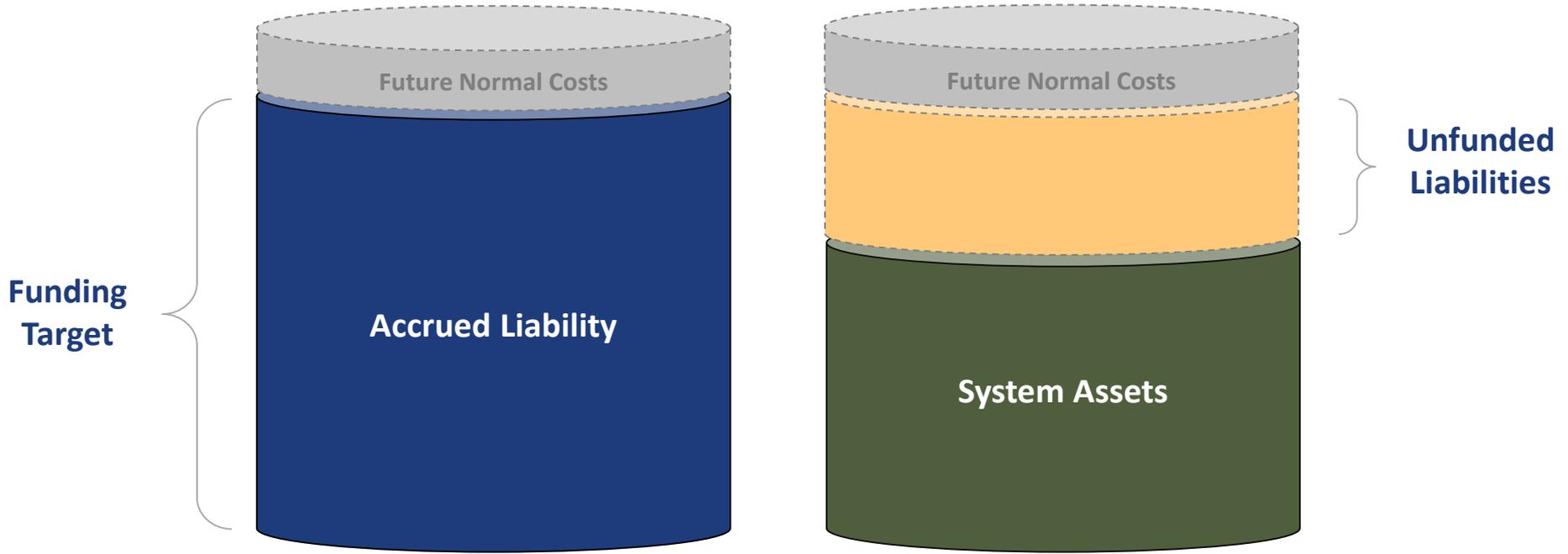
# Funding a Member's Annual Pension

Actuarial Accrued Liability and Normal Cost amounts increase with each passing year.

The "Entry Age" Normal Cost method is used to develop stable Normal Costs as a level percentage of the member's pay.



# Establishing the Funding Target

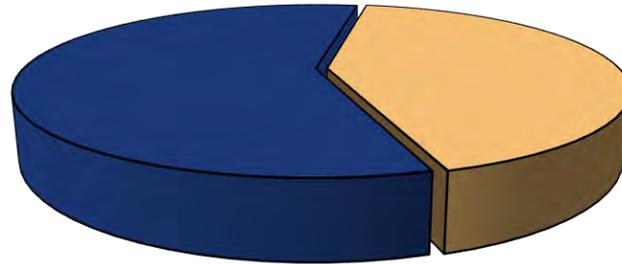


# Reaching the Funding Target

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## Components of Annual Funding Contribution

Contribution to Fund  
Expected Incremental  
Increase in Accrued Liabilities  
(Normal Cost)



Contribution to Pay  
Off the Unfunded  
Accrued Liabilities

### Methods to Maintain Contribution Rate Stability

**Normal Cost:**

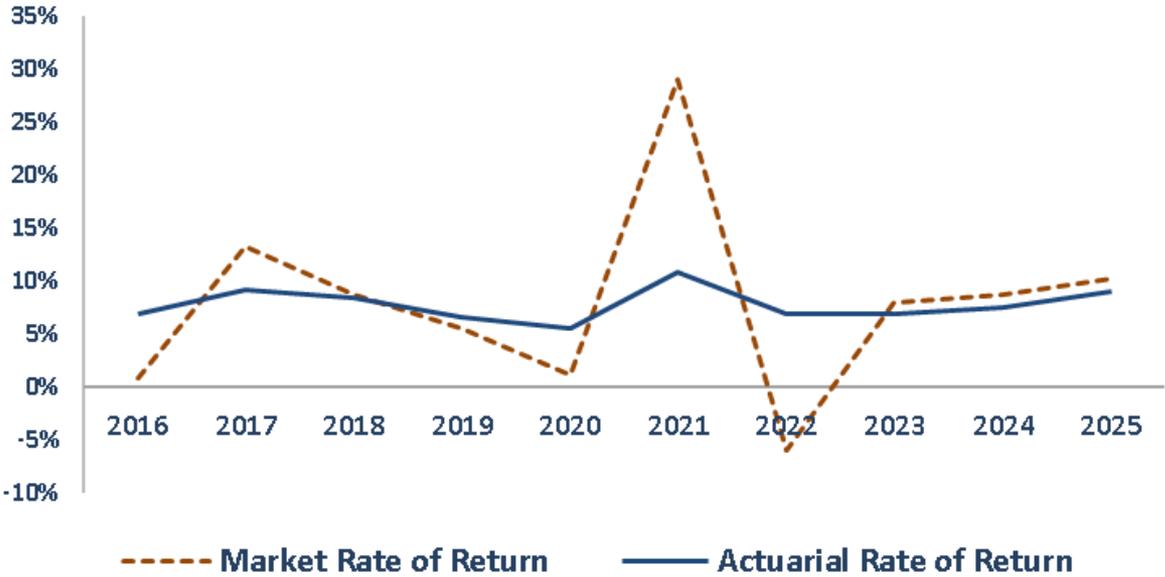
Percent-of-Pay Entry Age Normal Cost

**Unfunded Liability Payments:**

Layered Amortization

# Actuarial Value of Assets

## 5-Year Asset Smoothing Method



# Actuarial Valuation Results as of June 30, 2025

## Pension Results

	2025	2024
<b>Number of Participants</b>		
a. Actives	48,542	48,989
b. Retirees, Disabilities, and Beneficiaries	45,554	45,330
c. Vested Terminations	3,536	3,493
d. Non-Vested Inactive Terminations	22,138	20,159
e. Total	119,770	117,971
f. Total Covered Annual Payroll	\$ 3,527,365,424	\$ 3,381,486,890
g. Ratio of Actives to Benefit Recipients	107%	108%
<b>Statutory Funding Information</b>		
a. Actuarial Present Value of Projected Benefits	\$ 21,636,954,923	\$ 21,027,623,479
b. Actuarial Present Value of Future Normal Costs	3,268,493,471	3,220,781,922
c. Actuarial Accrued Liability (AAL): a. – b.	18,368,461,452	17,806,841,557
d. Actuarial Value of Assets	13,149,495,407	12,220,334,821
e. Expected State Appropriation for Passed Legislation	14,500,000	26,000,000
f. Unfunded Actuarial Accrued Liability (UAAL): c. – d. – e.	5,204,466,045	5,586,506,736
g. Funded Status: (d. + e.) / c.	71.6%	68.6%

# Actuarial Valuation Results as of June 30, 2025

## Pension Results

	June 30, 2025	June 30, 2024
<b>Assets</b>		
Market value	\$ 13,393.3	\$ 12,289.9
Actuarial value	\$ 13,149.5	\$ 12,194.3
Return on market value	10.2%	8.7%
Return on actuarial value	9.0%	7.5%
Employer contributions	\$ 661.6	\$ 612.8
External cash flow %	(1.1%)	(1.4%)
Ratio of actuarial to market value	98.2%	99.2%
<b>Actuarial Information</b>		
Actuarial accrued liability (AAL)	\$ 18,368.5	\$ 17,806.8
Unfunded actuarial accrued liability (UAAL)*	\$ 5,204.5	\$ 5,586.5
Funded Ratio	71.6%	68.6%
Gains/(losses) resulting from		
- Asset experience	\$ 275.3	\$ 88.7
- Liability experience	2.5	(301.3)
- Benefit changes (including exp. State Appropriation)	(83.9)	(8.2)
- Assumption/method changes	-	-
	\$ 193.9	\$ (220.7)
<b>GASB Information</b>		
Total pension liability (TPL)	\$ 18,368.4	\$ 17,475.4
Net pension liability (NPL)	\$ 4,975.1	\$ 5,185.5
Plan fiduciary net position (PFNP) as a percentage of TPL	72.9%	70.3%
<small>* Adjusted for State Appropriations</small>		

# Actuarial Valuation Results as of June 30, 2025

## Medical Subsidy Results

	2025	2024
<b>Number of Participants</b>		
a. Actives*	5,903	5,932
b. Retirees, Disabilities, and Beneficiaries	8,418	8,743
c. Vested Terminations	-	-
e. Total	<u>14,321</u>	<u>14,675</u>
<b>Statutory Funding Information</b>		
a. Actuarial Present Value of Projected Benefits	\$ 423,815,211	\$ 496,516,043
b. Actuarial Present Value of Future Normal Costs	<u>3,908,583</u>	<u>4,536,041</u>
c. Actuarial Accrued Liability (AAL): a. – b.	419,906,628	491,980,002
d. Valuation Assets	<u>53,693,647</u>	<u>50,251,305</u>
e. Unfunded Actuarial Accrued Liability (UAAL): c. – d.	366,212,981	441,728,697
f. Funded Status: d. / c.	12.8%	10.2%

*\* House Bill 1559 expands the medical subsidy eligibility to all active members who may potentially become eligible for a benefit as a result of a violent act*

# Actuarial Valuation Results as of June 30, 2025

## Medical Subsidy Results

	June 30, 2025	June 30, 2024
<b>Assets</b>		
Market value	\$ 54.7	\$ 50.6
Actuarial value	\$ 53.7	\$ 50.3
Return on market value	10.2%	8.7%
Return on actuarial value	9.0%	7.5%
Employer contributions	\$ 37.3	\$ 36.4
External cash flow %	-1.1%	-1.4%
Ratio of actuarial to market value	98.2%	99.2%
<b>Actuarial Information</b>		
Actuarial accrued liability (AAL)	\$ 419.9	\$ 492.0
Unfunded actuarial accrued liability (UAAL)	\$ 366.2	\$ 441.7
Funded Ratio	12.8%	10.2%
Gains/(losses) resulting from		
- Asset experience	\$ 0.6	\$ 0.2
- Liability experience	51.2	(2.4)
- Benefit changes	-	(4.9)
- Assumption/method changes	-	-
	\$ 51.8	\$ (7.1)
<b>GASB Information</b>		
Total OPEB liability (TOL)	\$ 353.7	\$ 361.5
Net OPEB liability (NOL)	\$ 299.0	\$ 310.9
Plan fiduciary net position (PFNP) as a percentage of TOL	15.5%	14.0%

# Actuarial Reports Prepared for the Board

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- **Presented at the December 2025 Board meeting**

  - Annual Comprehensive Financial Report**

    - Actuarial information necessary for plan financials
    - GASB Statement No. 67 pension disclosures
    - GASB Statement No. 74 medical subsidy disclosures
    - Other information regarding plan funded status

- **To be presented in the Spring/Summer of 2026**

  - Biennial Funding Report**

    - Prepared for odd valuation years
    - Employer contribution requirements for the 2028-29 biennium
    - Detailed information related to contribution development

# Looking Ahead

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- **Finalize ACFR/GASB Statement Nos. 67 & 74 Reports**
  - December 2025
- **Complete GASB Statement Nos. 68 and 75 Reports**
  - Draft report January 2026
  - Final report February 2026
- **Certify Employer Contribution Rates for FY 2028/2029 Biennium**
  - Spring/Summer 2026

# Disclaimers

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- This presentation is one of many documents comprising the June 30, 2025 actuarial valuation of the New Hampshire Retirement System. This presentation should not be relied on for any purpose other than the purpose described in the valuation report.
- Future actuarial measurements may differ significantly from the current measurements presented in this presentation due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law.

# Disclaimers

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- This presentation shall not be construed to provide tax advice, legal advice or investment advice.
- Heidi Barry, Jeffrey Tebeau and Casey Ahlbrandt-Rains are independent of the plan sponsor, are Members of the American Academy of Actuaries, and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.



To: Board of Trustees  
From: Jan Goodwin, Executive Director  
Date: November 24, 2025  
Re: Executive Director Operating Report  
Item: Action:  Discussion:  Informational:

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### **Significant Developments and Priority Issues**

- LRS is making the necessary system changes to implement the revised benefits from HB 282. We anticipate that these changes will take several months to be implemented. We have put together materials to aid employers for the changes in the changes in employer reporting related to HB 282.
- Have initiated the Improving Quality presentations. First presentation was with the Finance Department.

### **Current Months' Highlights – October and November**

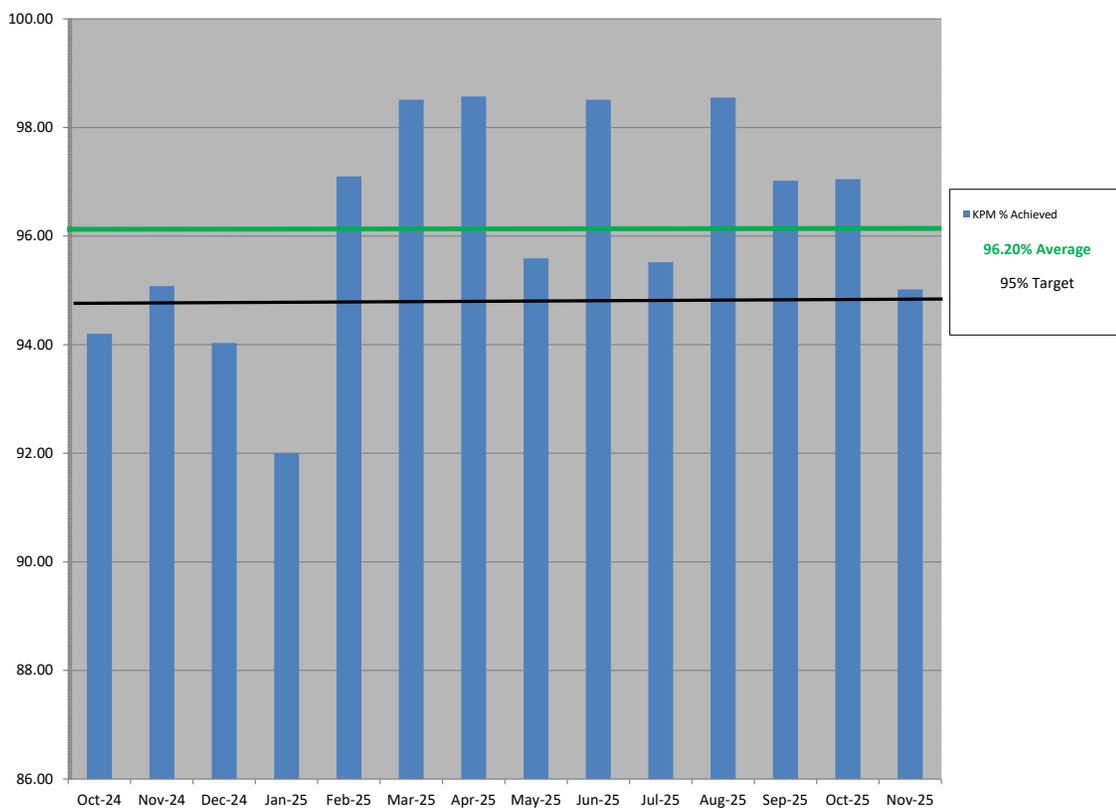
- The KPM scores for October and November were 97.05% and 95.02%, respectively. See 12-month rolling average chart attached.
- PGV3 is 100% completed. Staff continue to test new releases which contain modifications and improvements.
- 15 of the ED's KPMs were achieved for October and November (one was N/A).

### **Upcoming Plans & Projects**

- The ETeam has received the (Gross Maximum Price) GMP from Milestone Construction. After staff have approved the GMP, NHRS will sign the final contract with Milestone. The Change Management process has been initiated by our consultant Mija Coppola with staff and a plan will be developed based on feedback.
- As soon as the HB 282 changes have been implemented in our pension administration software, staff will test the changes and work with LRS to resolve any bugs. We are finalizing informational materials for the Group II, Tier B members and their employers who are impacted by these changes.
- Staff have been assessing expected needs for programming time with LRS for current and future projects. The costs to implement HB 282 are significantly higher than the amounts we included for legislative changes for our FYs 26-27 budget when that budget was developed and approved by the Board in 2024. We have an opportunity to purchase programming hours at a discounted rate. Staff will present this information at the December Board of Trustees meeting.

**Our Mission: To provide secure retirement benefits and superior service.**

### KPM Rolling 12-Month Average October/November 2025



**Our Mission: To provide secure retirement benefits and superior service.**

## KPM MONTHLY REPORTING

### October/November 2025

“No” answers must include a comment, whereas “Yes” answers can include a comment, but a comment is not required. N/A should be used only in cases where reporting is not required, i.e., task is quarterly (comment must so indicate).

	October 2025			November 2025			COMMENTS
	ACHIEVED			ACHIEVED			
	YES	NO	N/A	YES	NO	N/A	
<b>Overall Score</b>							97.05% October 95.02% November
<b>Executive</b>							
1. Distribute weekly email updates to all Trustees on or before the end of business on Friday of every week.	X			X			
2. Distribute weekly email updates to all staff on or before the end of business on Monday of every week.	X			X			
3. Prepare and distribute Board materials electronically by the Thursday before the Tuesday meeting.	X					X	
4. Post Board and committee meeting notices according to 91-A:2.	X			X			
5. Prepare minutes of Board and Board Committee meetings according to the timeliness guidelines in 91-A:2 and 91-A:3, with draft minutes for internal review ready by close-of-business on the Friday following the Board meeting. Internal review of Board draft meeting minutes and posting of such minutes are to be completed within five (5) business days of the meeting.	X			X			
6. Prepare draft MTeam meeting minutes and forward to Executive Director for review within five (5) business days of meeting; to managers for review within seven (7) business days of meeting; and post final meeting minutes to the common drive within eight (8) business days of the meeting.	X			X			
7. Maintain expenditures at or less than Trust	X			X			

## KPM MONTHLY REPORTING

October/November 2025

	October 2025			November 2025			COMMENTS
	ACHIEVED			ACHIEVED			
	YES	NO	N/A	YES	NO	N/A	
Fund Budget.							
8. Maintain expenditures at or less than Board of Trustees Budget as reported by Finance in the most recent manager's report (1-month lag).	X			X			
<b>IT</b>							
1. All vital servers maintain an uptime of 99% or higher.	X			X			
2. All PensionGold requests are prioritized within thirty-one (31) calendar days.	X			X			
3. All help desk requests are followed up with a conversation (phone/email) within four (4) business days.	X			X			
4. Maintain help desk survey scores above satisfactory marks of 95% or higher.			X			X	We are currently not sending the surveys out. This is under review by the Infrastructure IT Team.
5. All SOC email security advisories are placed into the help desk system to be addressed within two (2) business days.	X			X			
6. Respond to all phone calls within one (1) business day.	X			X			
7. Maintain expenditures at or less than IT budget as reported by Finance in the most recent manager's report (1-month lag).	X			X			
<b>Finance</b>							
1. Prepare the NHRS Annual Comprehensive Financial Report (ACFR): unaudited by October 31, and the audited ACFR by December 31, in accordance with generally accepted accounting principles.	X					X	Not due until December 2025.
2. Reconcile operating bank account within 60 days of the end of the month.		X			X		This was not met as we continue to get caught up on our monthly bank reconciliations.
3. Produce and distribute monthly actual-to-plan-budget reports within ten (10) business days	X			X			

**KPM MONTHLY REPORTING**

**October/November 2025**

	October 2025			November 2025			COMMENTS
	ACHIEVED			ACHIEVED			
	YES	NO	N/A	YES	NO	N/A	
from the end of the prior month.							
4. Produce the monthly financial statements (FS) for the Board of Trustees meeting at least three (3) business days prior to the scheduled Board mailing.	X					X	No board meeting in November.
5. Post all cash receipts for a month, for which we have received the associated voucher, into the pension benefit system (Pension Gold) within ten (10) business days after the close of the month.	X			X			
6. Issue all NHRS annuitant pension payments timely and accurately.	X			X			
7. File annual payroll tax return (form 945) for the annuity payroll by January 31.			X			X	Not due until January 2026.
8. Reconcile all employer accounts sufficiently to allow for interest posting for the reporting month within ninety (90) days of the end of the reporting month, for which we have received all payments and back-up from employers.	X			X			Achieved for Months of July and August.
9. Process all confirmed post-retirement electronic direct deposit change requests received by the date that the pre-note wizard is run in Pension Gold and direct funds accordingly in the same month.	X			X			
10. Deposit all payments received at NHRS offices, with appropriate supporting documents, into local custodial bank within three (3) business days of receipt, with any payments secured on any intervening days.	X				X		We had a gap in one deposit during the month due to staff vacation.
11. Annually for the preceding tax year, post electronic 1099-R forms to MyAccount by January 24 and mail hard copy 1099-R forms by January 31 of the subsequent year.			X			X	Not due until January 2026.

## KPM MONTHLY REPORTING

October/November 2025

	October 2025			November 2025			COMMENTS
	ACHIEVED			ACHIEVED			
	YES	NO	N/A	YES	NO	N/A	
12. Maintain expenditures at or less than Finance Budget as reported in the most recent manager's report (1-month lag).	X			X			
<b>Investment</b>							
1. Generate investment returns for three (3) and five (5) Year Total Fund Performance greater than the applicable Total Fund Benchmark <b>measured quarterly</b> .		X				X	3-Yr Excess Return = -253 basis points (9/30) 5-Yr Excess Return = +70 basis points (9/30)
2. Generate investment returns for the long-term (25 years) Total Fund Performance greater than the applicable Actuarial Assumed Rate of Return (6.75%) <b>measured each June 30</b> .			X			X	
3. Generate investment returns for three (3) and five (5) Year Total Fund Performance greater than the applicable peer universe median <b>measured quarterly</b> .			X		X		3-Yr Peer Median = 56 percentile (9/30) 5-Yr Peer Median = 25 percentile (9/30)
4. Complete the IIC's Private Debt & Private Equity Strategic Plan for the calendar year.	X			X			
5. Manage cash flow and make funds available for the payment of monthly retirement benefits, expenses and capital calls on or before the last business day of the month.	X			X			
6. Manage continuously the asset allocation within approved ranges and rebalance as appropriate.	X			X			
7. Maintain trading cost at or below median of applicable peer universe as measured for the calendar year.	X			X			
8. Ensure all proxies are voted consistent with the Board approved Proxy Policy.	X			X			
9. Distribute complete and accurate Investment Committee materials to all members of the Investment Committee on the Friday before the regularly scheduled monthly Investment	X			X			

## KPM MONTHLY REPORTING

October/November 2025

	October 2025			November 2025			COMMENTS
	ACHIEVED			ACHIEVED			
	YES	NO	N/A	YES	NO	N/A	
Committee meeting.							
10. Maintain internal expenditures at or less than Investment Budget as reported by Finance in the most recent manager's report (1-month lag).	X			X			
<b>Legal</b>							
1. Assure no instances of statutory or regulatory non-compliance.			x			X	To ensure compliance with NH and Federal laws and regulations, and alignment with NHRS strategic goals, Legal and ER Audit are undertaking a comprehensive review of our processes and KPMs. KPMs except for the budget are suspended for October/November pending the comprehensive review.
2. Provide disability recommendations to the Benefits Committee within sixty (60) calendar days of receipt in the Legal Dept.			x			X	
3. Commence an adjudicative proceeding within sixty (60) calendar days of receipt of administrative appeal.			x			X	
4. Present a recommended decision to the Board within ninety (90) calendar days after the close of the record in an appeal.			x			X	
5. Perform employer compliance field audits; a rolling average of 1.5 audits per experienced auditor per month over the prior 12-month period.			x			X	
6. Present one (1) employer education session per quarter.			x			X	
7. Maintain expenditures at or less than Legal Budget as reported by Finance in the most recent manager's report (1-month lag).	x			X			Not suspended
<b>Member Services</b>							
1. Calculate all preliminary retirement benefits within thirty (30) calendar days of member-	X			X			

## KPM MONTHLY REPORTING

### October/November 2025

	October 2025			November 2025			COMMENTS
	ACHIEVED			ACHIEVED			
	YES	NO	N/A	YES	NO	N/A	
requested date of retirement.							
2. Calculate 100% of final retirement benefits (EXCLUDING JULY applications) within seven (7) months of member requested date of retirement provided that all statutorily required documentation has been received and all wages have been reported.			X			X	Suspended due to PGV3
3. Calculate 100% of July final retirements within eight (8) months of member requested date of retirement provided that all statutorily required documentation has been received and all wages have been reported.			X			X	Suspended due to PGV3
4. Schedule member meetings with Benefit Specialists within ten (10) business days of request.	X			X			
5. Issue all member retirement benefit estimates within thirty (30) business days of receipt of request.	X			X			
6. Process member refund requests within ninety (90) calendar days of receipt of written request.	X			X			
7. Process service purchases within fifteen (15) business days of request receipt.	X			X			
8. Process additional contribution calculations within ninety (90) calendar days of receipt.	X			X			
9. Post all interest to member accounts within the month that Finance authorized the activity.	X			X			
10. Adhere to payroll "close" schedule for benefit setup balancing purposes.	X			X			
11. Process all pension changes within thirty (30) calendar days of receipt/notification.	X			X			
12. Process retiree death benefit refund payments within sixty (60) calendar days following receipt of all required paperwork.	X			X			
13. Establish survivorship benefit setup for payment within sixty (60) calendar days following receipt	X			X			

**KPM MONTHLY REPORTING**

**October/November 2025**

	October 2025			November 2025			COMMENTS
	ACHIEVED			ACHIEVED			
	YES	NO	N/A	YES	NO	N/A	
of all required death documentation and pension recoveries.							
14. Submit new recoupment cases to Recoupment Committee by next committee meeting following discovery.	X			X			
15. Initiate Recoupment/Benefits Committee recoupment decisions within seven (7) business days of decision.	X			X			
16. Review and balance updates submitted by employers and TPAs to PG for insurance rate changes received by the first business day of each month within four (4) business days.	X			X			
17. Complete monthly insurance non-rate changes by processing all authorizations received by the date the annuity payroll is posted with zero carryovers.	X			X			
18. Maintain expenditures at or less than Member Services Budget as reported by Finance in the most recent manager's report (1-month lag).	X			X			
<b>Human Resources</b>							
1. Ensure compliance with all Federal, State and CBA rules and regulations as measured by no notices of violation.	X			X			
2. Respond to all payroll errors within one (1) business day and correct all payroll errors within one pay cycle.	X			X			
3. Reduce recruitment time for open staff positions to no more than forty-five (45) business days and open management/executive positions to no more than ninety (90) business days.	X				X		We have been unable to fill the Information Security Analyst position
4. Maintain expenditures at or less than HR Budget as reported by Finance in the most recent manager's report (1-month lag).	X			X			

## KPM MONTHLY REPORTING

October/November 2025

	October 2025			November 2025			COMMENTS
	ACHIEVED			ACHIEVED			
	YES	NO	N/A	YES	NO	N/A	
<b>Communications/Legislative Affairs</b>							
1. Schedule a minimum of thirty (30) online or in-person member/constituent education sessions each year.	X			X			
2. Achieve ninety-five percent (95%) rating from members attending an-education session that the session was “completely/moderately” easy to understand.	X			X			
3. Meet all deadlines in editorial calendar.	X			X			
4. Monitor media coverage of NHRS and provide articles to Board, IIC and Staff within two (2) business days.	X			X			
5. Post updated legislative summaries on <a href="http://www.nhrs.org">www.nhrs.org</a> by the end of business every Friday throughout the legislative session.			X			X	
6. Prepare and deliver Quarterly Report to the General Court by January 1, April 1, July 1 and October 1.	X					X	
7. Maintain expenditures at or less than PIO Budget as reported by Finance in the most recent manager’s report (1-month lag).	X			X			
<b>Internal Audit</b>							
1. Prepare a Risk Assessment and Fiscal Year Audit Plan for the approval of the Audit Committee annually.			X			X	Not due at this time.
2. Execute and present an engagement to the Audit Committee on a quarterly basis.	X					X	
3. On behalf of the external auditors, administer the GASB census data audits and provide the completed audits to the external auditors by the established due date.			X			X	Not due at this time.
4. Prepare the updated NHRS Audit Issues Tracking Report for the Audit Committee and	X					X	

## KPM MONTHLY REPORTING

October/November 2025

	October 2025			November 2025			COMMENTS
	ACHIEVED			ACHIEVED			
	YES	NO	N/A	YES	NO	N/A	
Board of Trustees at least three (3) business days prior to the scheduled Board/Committee mailing.							
5. Distribute complete and accurate meeting materials to all members of the Audit Committee at least three (3) business days prior to the scheduled Audit Committee meetings.	X					X	No meeting in November.
6. Prepare draft Audit Committee Meeting minutes for review within three (3) business day of the meeting.	X					X	No meeting in November.
7. Maintain expenditures at or less than Internal Audit Budget as reported by Finance in the most recent manager's report (1-month lag).	X					X	
<b>Contact Center</b>							
1. Respond to all incoming emails within 24 business hours.	X			X			
2. Maintain a 95% call satisfaction rating for callers' experience with the Contact Center Representative (CCR).	X			X			
<b>Administrative</b>							
1. Assure that formal complaints are responded to within five (5) business days.	X			X			
2. Maintain expenditures, at or less than Administration Budget, as reported by Finance in the most recent manager's report (1-month lag).	X			X			

**NHRS Board Monthly Reporting Package  
Process Improvement  
October- November, 2025**

<b>Executive Director Telephone Survey Results</b>	Number of Names on Call List	Number of Connections Made	Favorable Response (1)	Neutral Response (2)	Negative Response (3)	Left VM No Call Back (4)	Bad Phone Number/Not in Service/No VM (5)
<b>2025</b>							
November	39	6	6	0	0	19	4
October	40	19	19	0	0	21	0
September	40	18	18	0	0	17	5
August	40	16	16	0	0	18	6
July	40	14	14	0	0	18	8
June	40	17	17	0	0	16	7
May	40	16	15	1	0	17	7
April	50	14	14	0	0	25	11
March	40	14	13	0	1	17	9
February	40	15	15	0	0	17	8
January	40	18	18	0	0	13	9
<b>2024</b>							
January - December	520	224	213	7	4	207	89
<b>2023</b>							
January - December	520	251	226	19	6	219	50
<b>2022</b>							
January - December	520	291	265	21	5	174	55
<b>2021</b>							
January - December	130	73	64	8	1	42	15
<b>2020</b>							
January - December	100	50	47	2	1	37	13
<b>2019</b>							
January - December	500	228	216	7	5	150	122
<b>2018</b>							
January - December	490	227	217	8	2	183	80
<b>2017</b>							
January - December	460	214	204	8	2	168	78
<b>2016</b>							
January - December	520	258	230	25	3	189	73
<b>2015</b>							
January - December	510	273	242	28	3	152	85
<b>2014</b>							
October - December	87	36	28	8	0	30	21
	4727	2267	2092	142	33	1709	751

**Last 12 Months Executive Director Contract Approvals (as of 11/30/25)**

Vendor Name	Effective Date	Amount	Description
GRS	1/1/2025	\$175,000	One-year extension on same terms*
Citizens Bank	1/1/2025	\$650,000	5-year renewal option on same terms*
ePlus Technologies	1/13/2025	\$10,600	Network Engineering Consulting Services
Linea Solutions	1/22/2025	\$168,450	5-year Professional Services Agreement contract for PGV3 Implementation and Improvement Analysis
Linea Solutions	2/20/2025	\$5,600	Interim IT oversight consulting services of indeterminate duration; monthly minimum rate against hourly billing in excess of 20 hours
MCS	3/1/2025	\$7,728	HVAC Maintenance - 80 Commercial Street
Twin Elms Enviromental	3/4/2025	\$16,003	Site Pollution Insurance for 80 Commercial Street
Milliman	3/12/2025	\$37,500	Audit of 2024 Acturial Valuation by GRS
3Shoes	3/15/2025	\$15,300	Leadership Coaching
Canoe	4/1/2025	\$130,369	3 Years Private Market Document Management
Brochu	4/3/2025	\$4,650	FY25 Landscaping - 80 Commercial
Pitchbook	5/1/2025	\$81,000	2 Years, Investment Data Analytics
Debbie K Graphics	6/1/2025	\$5,827	ACFR Graphics
John Carter	6/4/2025	\$450	Sprinkler Inspection - 80 Commercial Street
Breezeline	6/10/2025	\$7,127	Internet
Albourne	6/24/2025	\$150,000	Fee Validation Services - 3 years at \$50,000 per year
Brochu	7/1/2025	\$17,520	FY26 Landscaping - 80 Commercial Street
Travelers	7/1/2025	\$5,747	Workers' Compensation Renewal
Kelly Brown	7/1/2025	Hourly Rate	Accounting consultant
Diligent	7/1/2025	\$19,640	Board Management Software
No-Tie Tech	8/11/2025	\$13,800	Consultant for 80 Commercial Street Data Center Relocation
GID Development	8/18/2925	\$20,000	Consultant for 80 Commercial Street Relocation
Stanley Elevator	8/19/2025	\$1,500	Elevator Inspection for 80 Commercial Street
OnPoint Consulting	8/19/2025	\$65,305	Owner's Rep for 80 Commercial Street Construction
Dell Technologies	9/25/2025	\$12,554	Computer Storage
ePlus Technologies	10/1/2025	\$8,159	Computer Support for Extreme
Linea Solutions	10/1/2025	\$38,000	Cyber security consulting; as billed, total is estimate
Silver Tech	10/2/2025	Hourly Rate	Website support and ADA compliance Project- addendum to existing contract
Change Staffing	10/6/2025	Hourly Rate	Change Management
Asiflex	11/3/2025	\$5,400	Renewal option for Flex spending vendor

**\$1,667,829**

\*As per the NHRS Procurement Policy, "The renewal or extension of a contract under preexisting terms and pricing does not require Board approval. The Executive Director will inform the Board of such contracts at its next regularly scheduled meeting."

<b>NHRS - 80 Commercial Street - Concord, NH</b>	<b>PROJECT COST REPORT</b>
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Origination Date:	September 11, 2025	Project USF:	32,500
Revision Date:	December 1, 2025	Projected Cost/USF:	\$61.22
Revision Number:	2	Contingency Percentage:	6.00%

Budget Category	Budget Projections	Comments
<b><i>Hard Costs</i></b>		
Construction	\$1,429,085	
Voice/Data Cabling	\$27,500	
<b><i>Soft Costs</i></b>		
A&E Design Fees/Other Consultants	\$168,800	LBA, Change Mgmt, IT design
Project Management	\$85,305	On Point / GID
<b><i>Furniture, Fixtures &amp; Equipment</i></b>		
Furniture	\$34,000	
IT Equipment	\$50,000	
Audio Visual System	\$10,000	
Security System	\$19,854	
Sound Masking	\$10,000	
Signage/Branding	\$35,000	
Décor	\$7,500	
Budget Contingency	\$112,623	<b>6% Contingency</b>
<b>Totals</b>	<b>\$1,989,667</b>	

<b><i>Approved TOTAL BUDGET</i></b>	<b><i>\$2,099,710</i></b>
<b><i>Current TOTAL BUDGET</i></b>	<b><i>\$1,989,667</i></b>
<b><i>Variance</i></b>	<b><i>(\$110,043)</i></b>

**Leveque, Raynald**

---

**From:** Dean Mello <dmello@onpointccg.com>  
**Sent:** Wednesday, December 3, 2025 12:08 PM  
**To:** Leveque, Raynald; Mullen, Marie  
**Cc:** Lovesky, Gary  
**Subject:** NHRS - Recommendation on GMP and Construction Schedule

Dear Executive Team,

We have thoroughly reviewed the most recent revised GMP proposal as presented by Milestone Construction on December 1<sup>st</sup>, 2025. We feel that after multiple discussions with the Milestone Team that they have sufficiently captured the scope of work as presented on the GMP Documents prepared by LBA Architects dated 10/24/25.

We have also reviewed and have had multiple discussions with the Milestone Team regarding their revised overall construction schedule issued December 2<sup>nd</sup>, 2025. We feel this too is in line with our expectation and the current scope of work presented the documents provided by LBA Architects as previously noted.

The current business arrangement for this project as outlined in the AIA contract is fair and reasonable for all parties. Milestone is capped at a 5% feel and their weekly rates for their staff for Project Management, Supervision, Estimating and additional project support is very competitive and below the current market rate. All savings for this project are agreed to go back to NHRS with no shared savings clause included for the contractor. This is a better deal for NHRS than is currently typical in the market for construction services.

It makes compelling the need to get this contracted executed as quickly as possible. The more that we delay the Notice to Proceed to allow them to get going, the more risk we incur to not hitting their proposed completion dates. As long as the scope does not change along the way, we feel comfortable with the schedule and related GMP budget as recently presented.

Thank you.



**Dean Mello**  
President

500 Market Street, Building 2  
Portsmouth, NH 03801

M. 603 498 5956

E. [dmello@onpointccg.com](mailto:dmello@onpointccg.com)

W. [OnPointCCG.com](http://OnPointCCG.com)

L. [LinkedIn](#)

Department: Executive  
Executive Team Member: J. Goodwin

Date: 11/30/25  
Approved: 7/01/25

### FYs 26-28 Executive Strategic Plan Summary

<b>ACTION</b>	<b>PRIME MOVER(S)</b>	<b>TARGET DATE</b>	<b>STATUS/COMMENTS</b>	<b>ALIGNMENT WITH NHRS STRATEGIC PLAN</b>
1. Oversee implementation of FYs 26-28 Strategic Plan.	JG	6/30/26	<i>In process.</i>	Goals 1-4.
2. Continue progress on Roadmap for LRS Pension Gold (PGV3) project.	JG/IT/NM/MM	6/30/26	<i>This is a continuation of the five-year project completed in FY 24.</i>	Goal 1.
3. Identify areas for improved efficiencies across the organization, including assessing and improving employee engagement.	JG/ETeam	6/30/26	<i>Ongoing.</i>	Goal 2.
4. Enhance member, beneficiary, and employer education: identify/review industry best practices for education and engagement; adjust existing education programming, as needed.	JG/TBD	6/30/26	<i>In process.</i>	Goal 1.
5. Implement agreed-upon elements of Vision for NHRS.	JG/ETeam	6/30/26	<i>Presented to BOT in 8/24. In process.</i>	Goals 1-4.
6. Attend two professional conferences.	JG	6/30/26	<i>Will participate in NCTR's Annual Conference in October.</i>	Goal 2.
7. Begin reviewing the organization structure to better align with the system's vital functions.	JG/RC/AG	12/31/26	<i>Not started.</i>	Goal 2.

**Variables:** Legislative changes, personnel changes/turnover, technology changes.



To: Board of Trustees  
 From: Jan Goodwin, Executive Director  
 Date: November 24, 2025  
 Re: Communications/Legislative Affairs Operating Report  
 Item: Action:  Discussion:  Informational:

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### **Significant Developments and Priority Issues**

- Eight NHRS-related Legislative Service Requests (LSRs) were filed as of November 24, 2025.
- Communications team continues to work with multiple functional teams in the process of updating calculations in NHRS pension administration software system and employer reporting requirements following enactment of HB 282.
- Communications team and IT continue to upgrade the NHRS website to meet new accessibility standards that take effect in April 2026. Enhancements were coordinated with SilverTech, the website designer and host. The NHRS website has already increased its accessibility score from 78.7% on Sept. 3, 2025, to 88.9% on Nov. 13, 2025, with the goal to exceed the compliance requirement of 95%. Internal review of existing content continues in consideration of the new standards.
- PIO worked with multiple functional teams to complete the Communicate with Excellence project that establishes best practices for digital and phone communications. Presentations to individual NHRS departments were completed in November.
- Completed Fiscal Year to Date 2026 Analytics for NHRS' Facebook and YouTube pages, NHRS email communications, website and Google. The report is included in the Board materials.

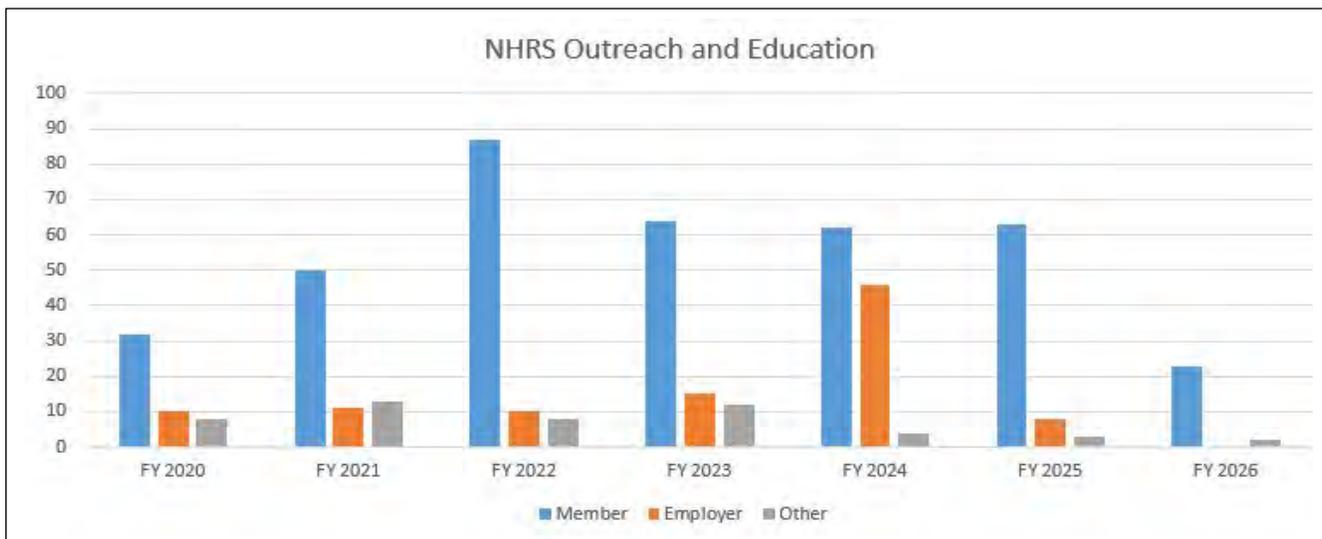
### **Current Months' Highlights – October and November**

- Provided a presentation on HB 282 and an overview of NHRS' fiscal year 2025 at the New Hampshire Association of Counties annual conference on November 11.
- Hosted or participated in nine-member education events.
- PIO met 7 of 7 applicable KPMs.

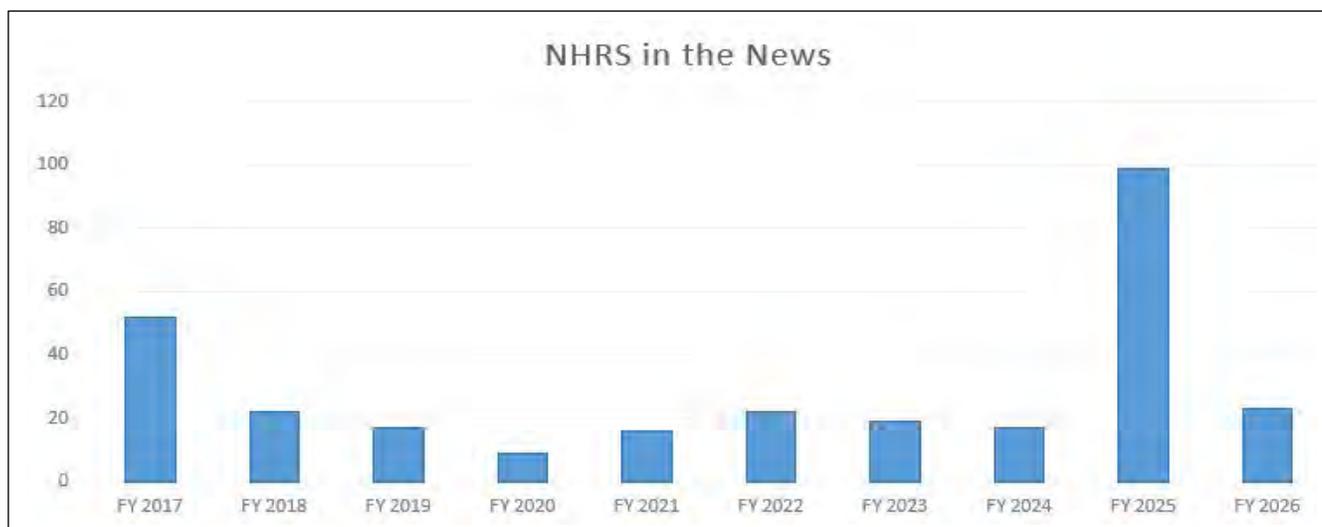
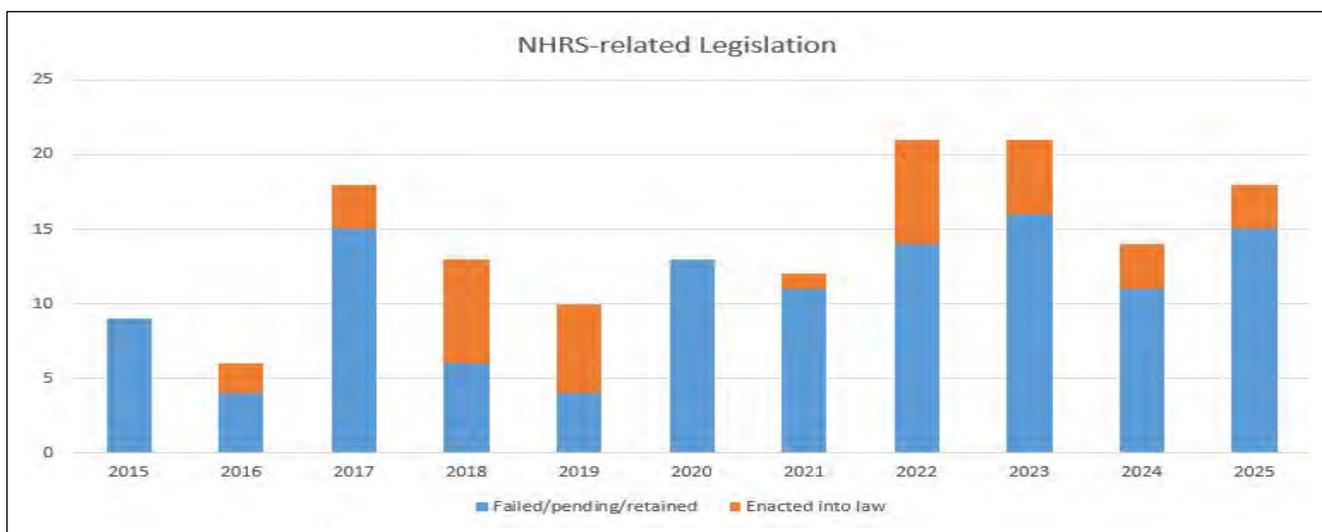
### **Upcoming Plans & Projects**

- Preparing for 2026 legislative session.
- Supporting communications related to NHRS' move to 80 Commercial Street.
- Scheduling member education events for winter/spring 2026.
- Updating employer education materials and scheduling recurring employer education presentations beginning in 2026.
- Hosting or participating in 10 member events in December and January.

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“Other” events include presentations to member, employer, and retiree organizations.



News articles and commentary in NH and national media outlets in which NHRS is the primary subject.

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New Hampshire Retirement System  
 54 Regional Drive, Concord, NH 03301  
 Phone: (603) 410-3500 - Fax: (603) 410-3501  
 Website: www.nhrs.org - Email: info@nhrs.org

## NHRS COMMUNICATIONS DASHBOARD FY 2026 First Quarter

For the period July 1, 2025, to September 30, 2025, (unless noted otherwise)

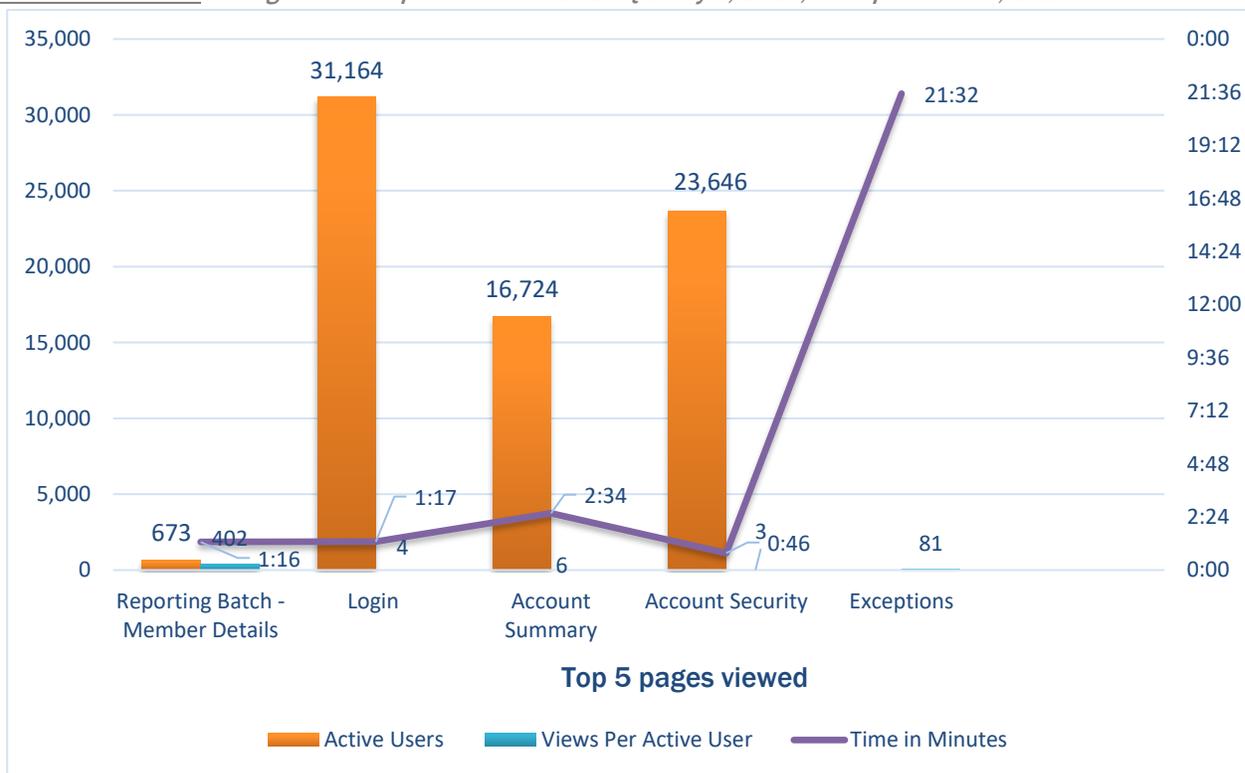
**Email List :** (73,723 subscribers as of November 18, 2025)

**Fiscal Year to Date (FYTD) 2026**

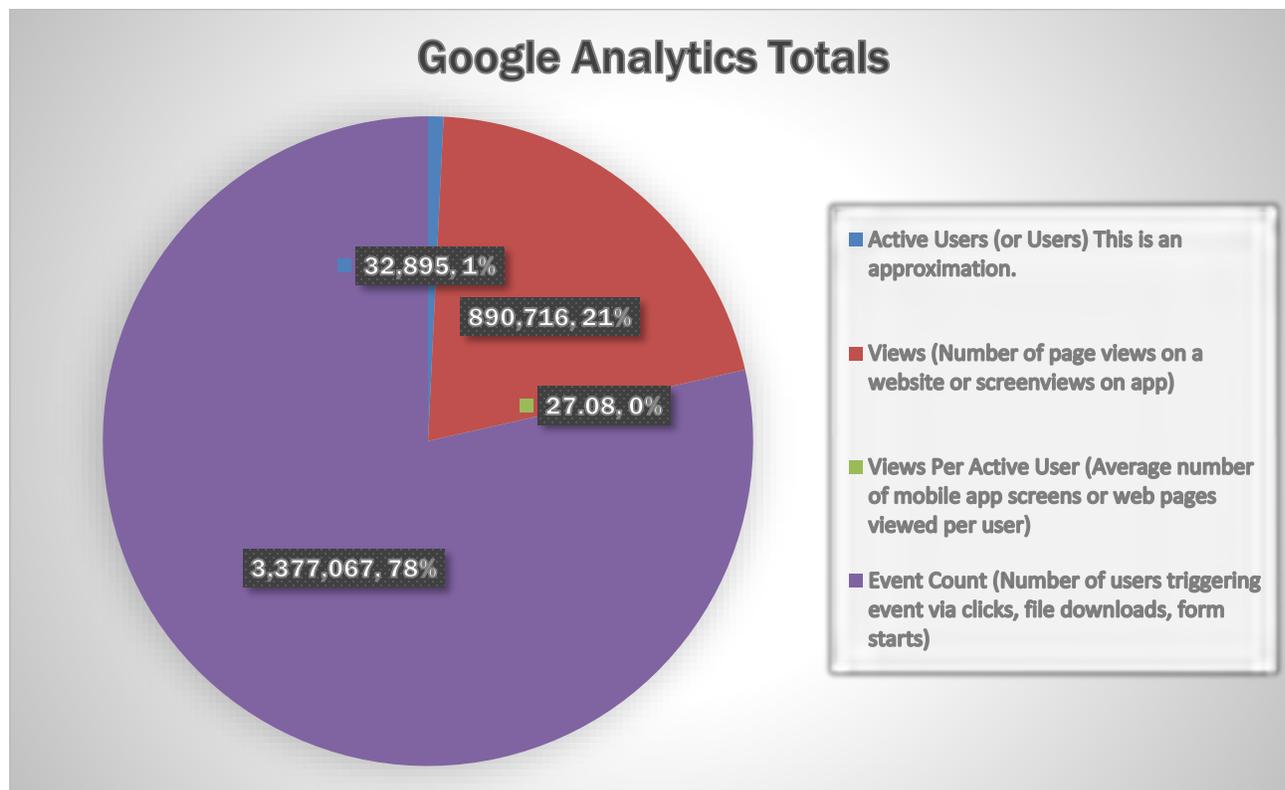
Email Campaigns - FYTD	Emails Sent - FYTD	Email Open Rate - FYTD
<b>20</b>	<b>584,616</b>	<b>55.6%</b>

Prior Years	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
<b>Sent</b>	1,329,391	1,037,730	931,502	636,976	819,869
<b>Open Rate</b>	47%	50%	29%	65%	56%

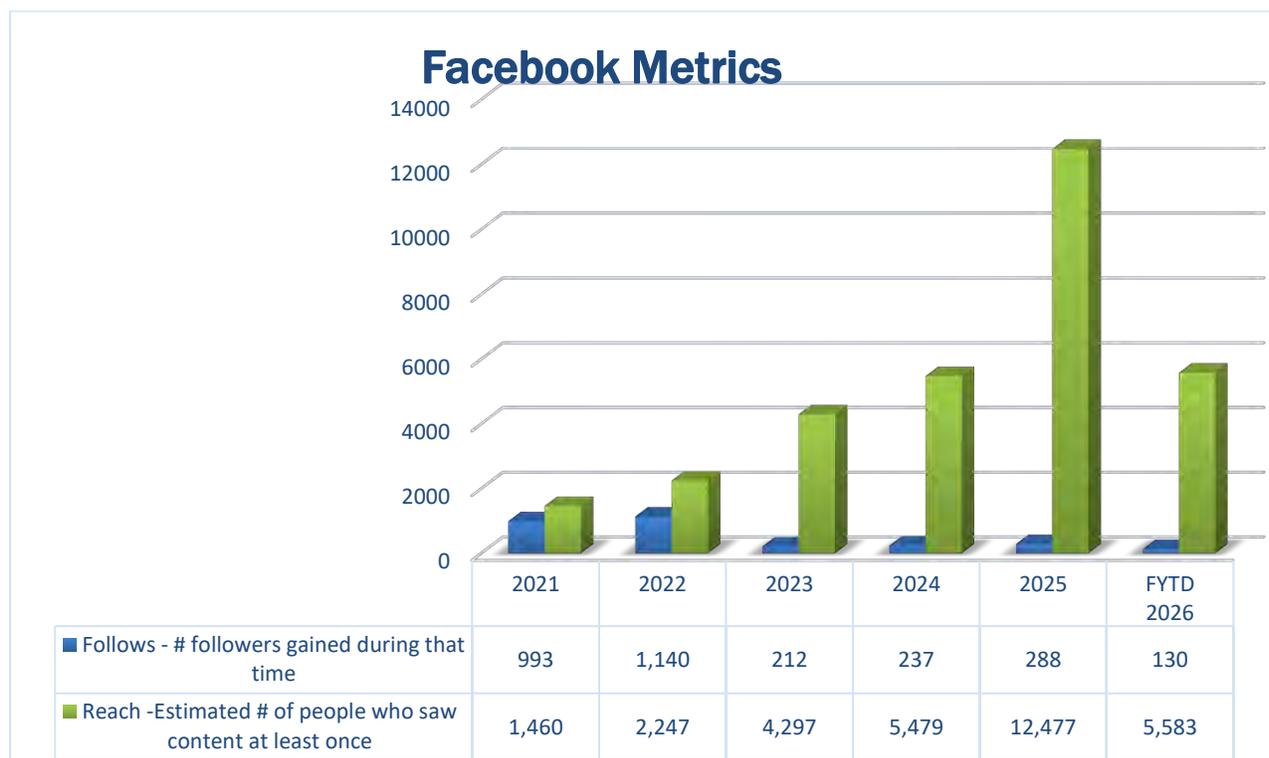
**NHRS Website:** Average over time period from FY 2026 Q1: July 1, 2025, to September 30, 2025



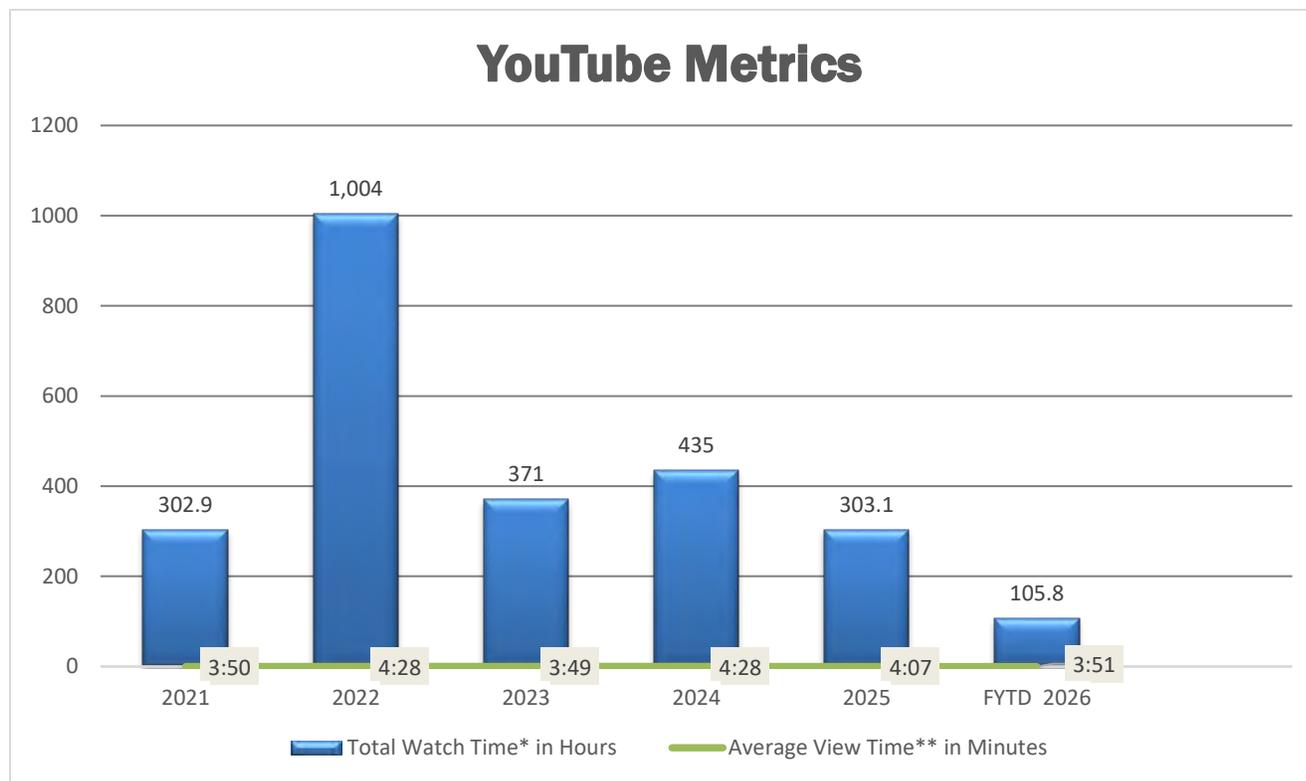
Average over time from FY 2026 Q1: July 1, 2025, to September 30, 2025



**Facebook:** FY 2021 - FYTD 2026 July 1, 2025 - November 18, 2025



## YouTube: Calendar Year to Date (CYTD) 2021- 2025; FYTD 2026



Average over time, from January 1 to December 30 for CYTD 2020-2025; FYTD 2026 – 7/1/25-11/18/25

\*Watch Time – Broader metric that accounts for total time viewers spend watching channel content.

\*\*View Time – The average duration viewers spend watching a video.

### **FYTD 2026 Top 5 Videos (7/1/25 - 11/18/25)      Average View Time    # Views**

<b>1. Learning About Your Retirement Plan</b>	<b>5:54</b>	<b>169</b>
<b>2. Getting Ready for Retirement</b>	<b>5:10</b>	<b>154</b>
<b>3. 6 Things Every New Retiree Should Know</b>	<b>2:57</b>	<b>138</b>
<b>4. Filing For Retirement</b>	<b>1:81</b>	<b>126</b>
<b>5. Benefit Payment Options</b>	<b>3:11</b>	<b>112</b>

### **FY 2022 Top 5 Videos (7/1/21 - 6/30/22)      Average View Time    # Views**

<b>1. Getting Ready for Retirement</b>	<b>1:02</b>	<b>1,280</b>
<b>2. Benefit Payment Options</b>	<b>1:21</b>	<b>892</b>
<b>3. 6 Things Every Retiree Should Know</b>	<b>1:25</b>	<b>891</b>
<b>4. I'm Vested...Now What?</b>	<b>1:50</b>	<b>865</b>
<b>5. Learning About Your NHRS Retirement Plan</b>	<b>1:35</b>	<b>786</b>

**NOTE:** The average length of an NHRS YouTube video is less than **12** minutes.

Department: Communications (PIO)  
Executive Team Member: TBD

Date: 11/24/25  
Approved: 6/10/25

### FYs 26-28 Communications Strategic Plan Summary

<b>ACTION</b>	<b>PRIME MOVER(S)</b>	<b>TARGET DATE</b>	<b>STATUS/COMMENTS</b>	<b>ALIGNMENT WITH NHRS STRATEGIC PLAN</b>
1. In collaboration with the Finance team, implement new, ongoing employer training program for DRS reporting.	PIO/ Finance	FYs 25-26	<i>In progress.</i>	Goal 1.
2. Update NHRS website to meet new ADA compliance rules that take effect in April 2026.	PIO/IT	FY 26	<i>In progress.</i>	Goal 1.
3. Host training series of best practices for phone, email and in-person communications with NHRS staff.	PIO/IT/HR	FY 26	<i>In progress.</i>	Goal 4.
4. Develop and deploy annual member survey assessing knowledge of NHRS benefits and preferences for future member education efforts.	PIO	FYs 27-28	<i>Pending.</i>	Goal 4.
5. Update and expand member education.	PIO	FY 26	<i>In progress. Update presentation materials and handouts to reflect legislative changes from 2025.</i>	Goal 4.

6. Investigate further integration of PIO and the Contact Center.	TBD/JG/NM	FYs 26-27	<i>Pending.</i>	Goal 5.
7. Implement ongoing campaign to encourage members and retirees to sign up for <i>My Account</i> .	PIO/NM	FY 26	<i>Complete.</i>	Goal 1.
8. Assist Finance team in developing and deploying annual employer survey.	Finance/PIO	FY 26	<i>FY 26 goal.</i>	Goal 2.
9. Maintain positive and constructive working relationship with the NH Legislature.	PIO	FYs 26-28	<i>In progress.</i>	–
10. Coordinate NHRS interactions with and prepare materials for statutory commission to study retirement benefits and retention of employees scheduled to meet in the summer of 2027.	PIO/Legal	FYs 26-27	<i>FY 26 goal.</i>	–
11. Annually identify, enroll, and complete a professional development opportunity.	TBD	FYs 26-28	<i>TBD.</i>	–

**Variables:** Legislative changes, personnel changes/turnover, technology changes.



To: Board of Trustees  
 From: Sonja Gonzalez, Chief Information Technology Officer  
 Date: November 24, 2025  
 Re: Information Technology Operating Report  
 Item: Action:  Discussion:  Informational:

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### **Significant Developments and Priority Issues**

- Multifactor Authentication (MFA) for Office 365 for all users implemented.
- Implemented mass notification and emergency alerting software.
- Member Statements project management went very smoothly and completed on time.
- Development for HB 282 is currently on target. LRS continues to work closely with NHRS on the coding changes required to support this bill.

### **Current Months' Highlights – October and November**

- Met six of its KPMs each month. One N/A as the function is not actively being performed at this time.
- Enterprise-wide system patching remains a security maintenance priority.
- 80 Commercial Street
  - Technology relocation efforts continue and are on track, with planning underway for the transition to the new building by March 2026. Datacenter migration and business continuity optimization are central priorities.
  - RFP issued for scanning service for large portfolio of paper documents response is completed, to be reviewed at December Board meeting.
  - Facilities contracts continue to be planned or executed as needed. Facilities management competitive bidding has closed, and company selected.
- Recruiting continues for an Information Security Analyst Software Solutions Manager.
- IT Project Manager hired as of October 28.
- IT Operations Engineer II has been hired, with start date of December 1.
- Project Updates
  - Americans with Disabilities Act (ADA) Compliance for website: Significant improvements in website ADA rating has been achieved, which meets standards required in April 2026.
  - Diligent Boards Platform: New board management system on track for February Board meeting launch.
  - MFA security successfully extended to additional datastores.
- PensionGold Efficiency Improvements
  - Released Improvements to the Insurance Reporting Process. Insurance Vendor partners can now better utilize NHRS' Data Reporting System (DRS) reducing the support needed from NHRS staff.
  - Operating:
    - 487 hours remaining (of 1,000 purchased July 2025)
    - Current pace: 225 Support hours projected through November
    - Status: Tracking within expected consumption rate

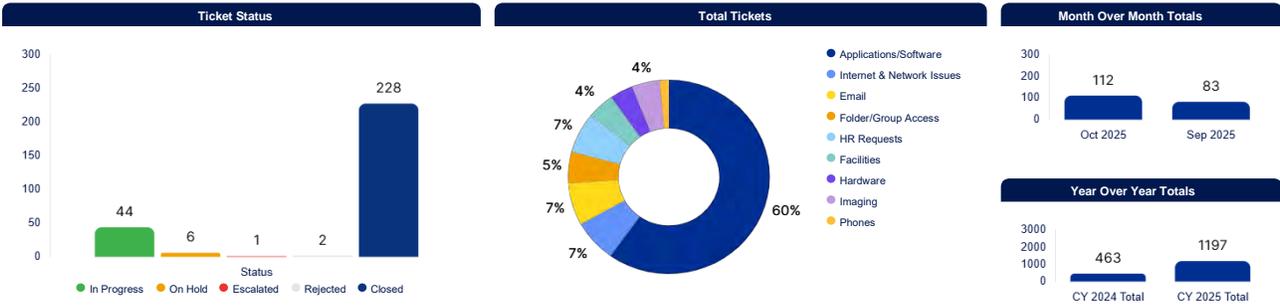
- Performance Support Activity (October 1 – November 24):
  - 236 tickets submitted – 208 tickets resolved
  - 16 high-severity issues resolved
  - 99.5 % resolution rate for tickets opened in period
  - **Trend:** 4% decrease in ticket volume vs. prior period (Sept-Oct: 228 submitted)

**Focus for Next Period**

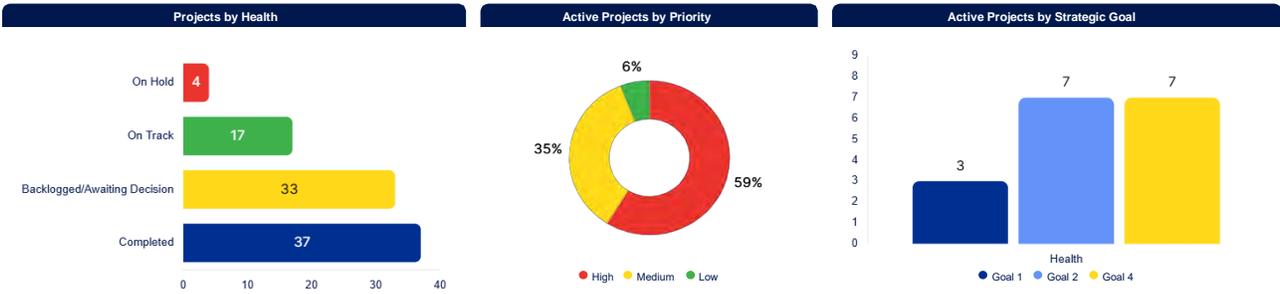
- Continued work on move to 80 Commercial Street, including procurement of technology purchases for early 2026 for provisioning and configuration, implementation of selected alternative on documentation, and onboarding on facilities management company.
- Onboarding of newly hired staff.
- Continued focus on security improvements.

## IT Services Dashboards Performance metrics and project overview October - November 2025

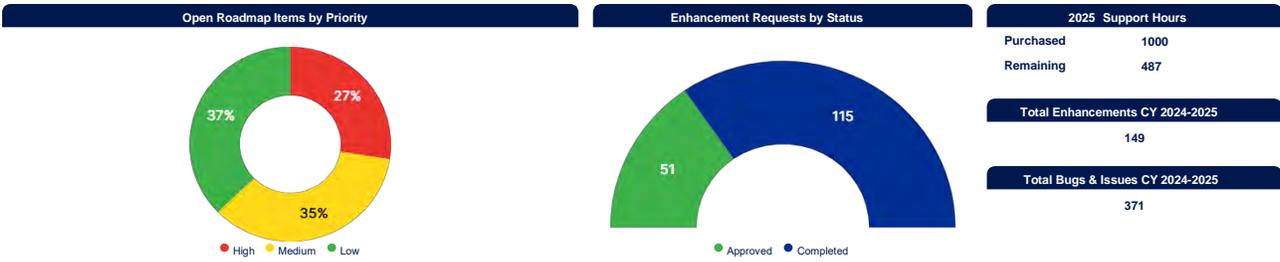
### IT Service Management Dashboard



### Project Management Dashboard



### PG Roadmap Dashboard



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Department: Information Technology  
Executive Team Member: S. Gonzalez

Date: 11/30/25  
Approved: 7/25/25

### FYs 26-28 Information Technology Strategic Plan Summary

<b>ACTION</b>	<b>PRIME MOVER(S)</b>	<b>TARGET DATE</b>	<b>STATUS/COMMENTS</b>	<b>ALIGNMENT WITH NHRS STRATEGIC PLAN</b>
1. Establish timeline for stability with full utilization of PGV3 as intended/described.	SG/NM/MM/LD	FY 26	<i>Completed</i>	Goal 1.
2. Return to “normal” operations.	GS/NM/MM/LD	FY 26	<i>Completed.</i>	Goal 1.
3. Effectively monitor and improve member and employer service levels.	SG/NM/MM/LD	FYs 25-26	<i>Ongoing.</i>	Goal 1.
4. Begin the development of a long-term plan for future service enhancements.	SG/NM/MM/LD	FYs 25-27	<i>Completed.</i>	Goal 1.
5. Investigate further integration of PIO and the Contact Center.	SG/JG/RF	FYs 25-26	<i>Goal altered. Contact Center successfully moved to Member Services.</i>	–
6. Identify AI platform to be used internally.	SG/JO	FY 26	<i>Ongoing.</i>	–
7. Provide a roadmap for a mobile application.	SG	FY 26	<i>Ongoing. Identifying options.</i>	–
8. Optimize the cloud infrastructure.	SG/JO/PD	FYs 25-26	<i>Ongoing.</i>	–
9. Upgrade financial system application.	SG/MM/LD	FYs 25-26	<i>Postponed implementation to fall 2026.</i>	–
10. Integrate vendor and bank account verification services.	SG	FY 26	<i>Not started.</i>	–

11. Integrate communication interfaces for external systems – PG, BNY, Citizens.	SG	FY 26	<i>Implementation of Canoe, Citizens and BNY Completed</i>	–
12. Develop an enterprise Structured Support System that incorporates Ticketing, Troubleshooting, Enhancement Requests, and change control.	SG/LD	FY 26	<i>Completed</i>	–

**Variables:** Legislative changes, personnel changes/turnover, technology changes.



To: Board of Trustees

From: Sonja Gonzalez, Chief Information Technology Officer

Date: November 24, 2025

Re: RFP for Facilities Management Services

Item: Action:  Discussion:  Informational:

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In keeping with sound governance and industry best practices, NHRS issued a Request for Bids on October 29, 2025, to identify a qualified Facilities Management company to maintain the property at 80 Commercial Street.

By the submission deadline of December 4, 2025, one proposal was received from CP Management, the firm currently providing Facilities Management services at our 54 Regional Drive location. Their proposal met all requirements outlined in the scoring rubric, and their longstanding service at 54 Regional Drive has consistently met NHRS' expectations for quality and reliability.

Given these considerations, NHRS will move forward with a contract award to CP Management for Facilities Management services at 80 Commercial Street. The contract value is within the Executive Director's delegated authority.

This notice is provided for informational purposes only.



To: Board of Trustees

From: Sonja Gonzalez, Chief Information Technology Officer

Date: November 25, 2025

Re: LRS Enhancement Hours Request

Item: Action:  Discussion:  Informational:

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NHRS continues to make meaningful progress on enhancements to the Pension Gold (PG) Pension Administration System. This continued effort requires that we retain available blocks of hours to complete approved projects and support needs. The significant effort needed to implement HB 282 has begun and will drive much of the allocation of LRS contract time over the remainder of FY 26 and well into FY 27. Several improvements have been scheduled over the next two years to address other evolving business needs. Finally, hours purchased from LRS are used to solve support staff identified issues that are not related to coding errors. This category can include reports and workflows.

#### **Historic use of LRS support hours**

Pre-purchasing hours allows NHRS to respond with agility to business needs while securing cost savings and avoiding delays associated with individual change requests. NHRS followed this model from 2015 to 2023 with the purchase of 4,272 development hours from Levi, Ray and Shoup (LRS) that were used on an as-needed basis. NHRS purchased 2,000 hours in 2015 and 1,400 hours in 2018, which supported small-to-medium enhancement work through May 2025. NHRS purchased 1,000 support hours from LRS in July 2025 of which 462 hours remain of that purchase.

LRS has held its price on these block hours at \$155/hr.

#### **Scope and Justification**

The requested funding will support the following anticipated work:

- **Legislative Implementation:**  
Over 2,000 hours are expected to be required for the implementation of HB 282.
  - In FY 27, we have budgeted \$100,000 for legislative work, which at a rate of \$155/hour equates to approximately 645 hours.
  - In total, we estimate 2,645 hours will be needed for legislative-related development across both fiscal years.
- **Support and Enhancements:**  
For hours not allocated to legislative work, we anticipate approximately 2,155 hours will be used for ongoing system support and enhancements.
  - Based on past practice, we expect a 44%/56% split between support and enhancement activities, respectively.

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**Budget Alignment**

This contract authorization is fully supported by the existing NHRS budgets for FY 26 and FY 27. No additional funding is being requested beyond what has already been planned and approved.

**Recommendation**

To ensure continuity of service, timely implementation of legislative mandates, and ongoing system improvements, staff recommend that the Board grant Executive Director Jan Goodwin an increase in contract authority not to exceed \$750,000 for the period covering FY 26 and FY 27.

This request reflects the projected need for development hours through the end of FY 27 and aligns with NHRS' commitment to our members, employers and retirees, fiscal responsibility, and continuous improvement in our pension administration system.

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To: Board of Trustees  
 From: Sonja Gonzalez, Chief Information Technology Officer  
 Date: November 25, 2025  
 Re: PG Secure Request  
 Item: Action:  Discussion:  Informational:

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### **Overview**

NHRS relies heavily on PensionGold, NHRS' pension administration software, for the delivery and management of its core services. As a mission-critical application, the continuity and recoverability of PensionGold is essential to the crucial services NHRS provides. Staff regularly assess the business continuity posture of the system and the data it houses to ensure resilience in the face of potential disruptions.

Levi, Ray & Shoup (LRS), the developer and owner of PensionGold, offers a service called PG Secure, which includes two key components:

- Business Continuity Processing (BCP):  
 In the event NHRS is unable to access PensionGold, LRS would provide essential services such as payroll processing, annual tax reporting, and employer reporting on NHRS's behalf.
- Customer Recovered Environment (CRE):  
 LRS would establish a recovery environment within one business day of a declared event and support the transition back to NHRS infrastructure once normal operations resume.

While these services have some limitations, NHRS will address them through complementary controls and contingency planning.

The first-year cost for PG Secure is \$51,063, which exceeds the spending authority of Executive Director Jan Goodwin.

### **Recommendation**

To ensure operational continuity in the event of a significant disruption, staff recommend that the Board grant Executive Director Jan Goodwin contract authority not to exceed \$52,000 for the purpose of engaging LRS for PG Secure, including both BCP and CRE services.

This request aligns with NHRS' customer service commitment to our members, employers and retirees.

**Our Mission: To provide secure retirement benefits and superior service.**



To: Board of Trustees  
 From: Sonja Gonzalez, Chief Information Technology Officer  
 Date: December 3, 2025  
 Re: Sole source contract approval: Lindsay Doyle Consulting Services through LRS  
 Item: Action:  Discussion:  Informational:

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Staff member Lindsay Doyle has made the personal decision to conclude her employment with NHRS. During her tenure, Ms. Doyle has been an exemplary contributor, playing a key role in the maintenance and enhancement of PensionGold, project management efforts, and the development and improvement of NHRS' user-facing application stack.

Ms. Doyle has expressed interest in continuing her work with NHRS in a consulting capacity. She is currently engaging with Levi, Ray & Shoup, the vendor who originally placed Ms. Doyle at NHRS and also is the developer of Pension Gold, to formalize her role as a consultant employed by them, through which she would provide services to NHRS. At this time, we anticipate the following categories of service:

#### **Technical Development**

- SQL report development and maintenance
- PensionGold (PG) workflow builds and implementation per existing roadmap
- Custom queries and database work

#### **Website Projects**

- ADA WCAG 2.1 Level AA compliance implementation (April 2026 deadline)
- Website enhancements and maintenance
- Accessibility remediation and ongoing compliance support

#### **Business Process Improvement**

- Workflow documentation and process mapping
- Business process analysis and optimization recommendations
- Training documentation and materials development
- Collaboration with LRS vendor on process improvements

#### **General Support**

- Ad-hoc technical assistance as requested
- Strategic consulting on Software Solutions initiatives
- Other projects as mutually agreed

Engaging Ms. Doyle through a consulting contract would minimize disruption to the team in the short term and provide continued access to her valuable technical expertise and business insight longer term. Her two years of service at NHRS, combined with her background in technical project management, uniquely position her to continue supporting the organization effectively.

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A sole source contract is recommended in this case. Initiating a formal RFP process or hiring additional staff would introduce delays and require onboarding time, potentially disrupting critical projects currently underway. These projects are essential to NHRS' ability to serve its members effectively, including implementing the required programming changes required for the Group II legislative changes under HB 282.

NHRS would commit to 6 months of contract work, at which point the relationship would be considered for extension and adjustment. NHRS would be billed for hours used and can manage the contract as needed. Hourly rate would be \$121.50. Using our standard 37.5 work hours per week, the estimated cost for this six-month period is \$118,462.50.

For these reasons given and cost as outlined above, staff respectfully request that the Board approve a contract with LRS for software and project management support services to be delivered through consulting services by Lindsay Doyle not to exceed \$150,000 for the six-month period beginning in January 2026.

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To: Board of Trustees  
From: Sonja Gonzalez, Chief Information Technology Officer  
Date: December 1, 2025  
Re: RFP for Document Digitization Services  
Item: Action:  Discussion:  Informational:

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In preparation for NHRS' upcoming building move in early 2026, the Information Technology (IT) department has inventoried paper documentation that is stored at the current building location. The inventory of paper documentation included approximately 875 archive-sized boxes, or 2.1 million pages, of member, employer, disability, financial and historical documentation dating back over 30 years. The IT department initiated a project to digitize the historical paper documentation so it can be imported into PensionGold, NHRS' system of record.

NHRS issued an RFP for Document Digitization Services on October 31, 2025. Two proposals were received, one from Vital Records Control and one from LRS, on behalf of their subcontractor Perfect Image, by the deadline of November 20, 2025. An internal evaluation team consisting of Chief Information Technology Officer Sonja Gonzalez and IT Senior Business Analyst Ann Stetson reviewed the two proposals and conducted interviews with each bidder based on their proposal.

Following the thorough review of both proposals, the evaluation team unanimously determined that Vital Records Control is the preferable vendor choice for this digitization project. Although the alternative proposal from LRS showcased Perfect Image's capability to deliver the required services, the evaluation team concluded that Vital Records Control presented the more strategically advantageous option, offering a well-defined technical methodology along with significantly more competitive pricing.

The evaluation team for this RFP is requesting spending approval for up to \$250,000.00 to complete this project.

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To: Board of Trustees  
 From: Annie Gregori, Chief Legal Counsel  
 Date: December 2, 2025  
 Re: Legal Team Operating Report  
 Item: Action:  Discussion:  Informational:

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### **Significant Developments Priority Issues**

In November, NHRS staff met with members of the New Hampshire Police Association (NHPA). The meeting focused on the implementation of HB 282 and its significant implications for our membership. The discussion underscored the importance of this legislation, the programming changes required, and the collective commitment to ensuring a smooth, accurate, and timely transition for all affected members.

The meeting also highlighted the strong collaboration between NHRS and NHPA. Both organizations are working proactively to ensure that members are informed, employers are supported, and reporting processes reflect the legislative intent. Early coordination efforts have already produced successful alignment on core interpretive issues and have laid the groundwork for clear guidance materials that will benefit thousands of active and retired members. HB 282 represents a major policy advancement, and our partnership with NHPA is central to delivering seamless implementation that protects members' interests and reinforces confidence in the retirement system.

In Petition of Scott Marshall (2025-0015), the Supreme Court affirmed NHRS' interpretation of the governing statutory provisions and its authority to administer benefits consistent with RSA 100-A. The decision validated NHRS' long-standing approach to applying the statutory requirements at issue and confirmed that the system acted within its discretion and fiduciary responsibilities. This outcome strengthens our position going forward, provides helpful clarity for similar member inquiries, and supports the consistency and integrity of NHRS administration.

### **Current Months' Highlights – October and November**

- Over the past 12 months, the Employer Audit Team has completed 23 standard audits, and there are 14 standard audits in process.
- 423 Gainful Occupation reports were mailed in early March. 390 have been returned and 368 of those have been processed.
- To ensure compliance with NH and Federal laws and regulations, and alignment with NHRS strategic goals, Legal and ER Audit are undertaking a comprehensive review of our processes and KPMs. KPMs except for the budget are suspended for October/November pending the comprehensive review.

### **Upcoming Plans & Projects**

- Integration of the employer audit process into PGV3 has been rescheduled to Q2 of 2026 due to competing PG priorities.

- Legal and Employer Audit are collaborating on a coordinated process improvement initiative to strengthen compliance oversight and streamline decision making processes. These improvements will be incorporated into updated KPMs.

### Administrative Appeals

Prior 12 months	Total Cases on Appeal at start of the month	New Appeals	Closed Appeals	Total Cases on Appeal end of the month
Nov. '25	9	0	0	9
Oct. '25	11	0	2	9
Sept. '25	11	1	1	11
Aug. '25	9	2	0	11
July '25	7	2	0	9
June '25	6	2	1	7
May '25	6	0	0	6
April '25	5	1	0	6
Mar. '25	5	0	0	5
Feb. '25	4	1	0	5
Jan. '25	6	0	2	4
Dec. '24	6	1	1	6
Totals				

### Disability Appeals

Prior 12 months	Total Cases on Appeal at start of the month	New Appeals	Closed Appeals	Total Cases on Appeal end of the month
Nov. '25	1	0	0	1
Oct. '25	1	0	0	1
Sept. '25	1	0	0	1
Aug. '25	1	0	0	1
July '25	1	0	0	1
June '25	1	0	0	1
May '25	1	0	0	1
April '25	1	0	0	1
Mar. '25	1	0	0	1
Feb. '25	1	0	0	1
Jan. '25	1	0	0	1
Dec. '24	1	0	0	1
Totals		0	0	

Department: Legal/Compliance  
 Executive Team Member: A. Gregori

Date: 12/2/25  
 Approved: 9/1/25

### FYs 26-28 Legal Strategic Plan Summary

<b>ACTION</b>	<b>PRIME MOVER(S)</b>	<b>TARGET DATE</b>	<b>STATUS/COMMENTS</b>	<b>ALIGNMENT WITH NHRS STRATEGIC PLAN</b>
1. Assist in the PGV3 implementation and long-term enhancements, including HB 282 programming.	AG	6/30/26	<i>Ongoing.</i>	Goal 1.
2. Conduct and document annual review of NHRS legal and governance policies, procedures, and manuals to ensure best practices.	AG/ Legal Staff	6/30/26	<i>Ongoing.</i>	Goal 1.
3. Ensure annual compliance with the Voluntary Correction Program Policy.	AG/ Legal Staff	3/31/26	<i>Ongoing.</i>	Goal 1.
4. Ensure legal compliance with all legislative proposals adopted and effective in 2026.	AG	6/30/26	<i>Ongoing.</i>	Goal 1.
5. Review NHRS website for legal compliance with updates as needed.	AG/RF/ Legal Staff	6/30/26	<i>Ongoing.</i>	Goal 1.
6. Identify, enroll, and complete a professional development program.	AG/ Legal Staff	6/30/26	<i>In process.</i>	Goal 1.

7. Begin reviewing the organization structure to better align with the retirement system's vital functions.	JG/RC/AG	12/31/26	<i>Not Started.</i>	Goal 2.
8. Identify areas for improved efficiencies in the legal department and employer audits.	AG/MM	6/30/26	<i>In process.</i>	Goal 1.
9. Development of structured reports in PGV3 to support employer audit procedures and ensure regulatory plan compliance.	AG/SG/MM	12/31/25	<i>In process.</i>	Goal 2.

**Variables:** Legislative changes, personnel changes/turnover, technology changes.



To: Board of Trustees  
From: Raynald Leveque, Chief Investment Officer  
Date: November 24, 2025  
Re: Investments Operating Report  
Item: Action:  Discussion:  Informational:

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### **Significant Developments and Priority Issues**

- November Investment Committee (Committee) Meeting Recap:
  - Chair Clinton introduced the newly appointed Investment Committee Member, Mr. Christopher MacBean.
  - Staff presented an update on the monthly performance of the public market asset classes of the NHRS, rebalancing, holdings, and the Proposed 2026 Investment Committee Meeting Schedule.
  - The Committee unanimously voted to approve the investment work plan for the third quarter of fiscal year 2026.
  - The Committee unanimously voted to approve the Proposed 2026 Investment Committee Meeting Schedule.
  - The Committee unanimously voted to renew the Investment Management Agreements with BlackRock SuperFund ACWI Ex-US Index mandates through November 30, 2030.
  - The Investment Committee reviewed the draft Gabriel, Roeder, Smith & Company (GRS) actuary Letter and NHRS Transmittal Letter for the Comprehensive Annual Investment Report (CAIR), the committee unanimously voted to conditionally approve the CAIR and recommend approval by the Board of Trustees.
  - The Committee unanimously voted to commit up to \$50 million to the Crescent Capital Direct Lending Fund IV (levered strategy), subject to contract and legal review, following a presentation from representatives of Crescent Capital.
  - Staff presented the Global Equity Strategy with an overview of current portfolio positioning and recent performance, followed by Callan representatives who provided insights into structural changes in equity markets.

## Current Months' Highlights – August and September

- Preliminary Performance for September Period:

As of 9/30/2025	1 Month	Fiscal Year to Date	1-YR	3-YR	5-YR	10-YR
<b>NHRS Total Fund <u>Net</u> Return</b>	+1.32%	+3.45%	+8.91%	+11.59%	+9.49%	+8.72%
<b>Policy Benchmark Return</b>	+2.60%	+5.73%	+11.81%	+14.70%	+9.33%	+9.08%
<b>Net Return Minus Benchmark (in basis points)</b>	-128	-228	-290	-311	+17	-36

Source: Callan, NHRS

- KPM Monthly Reporting for November:
  - Seven reported KPMs were achieved; one was not achieved and two are not applicable. The three-year total fund performance ranked in the 56<sup>th</sup> percentile against the applicable peer universe median for the period ending September 30, 2025.
- Preliminary Performance for August 2025 Period:

As of 8/31/2025	1 Month	Fiscal Year to Date	1-YR	3-YR	5-YR	10-YR
<b>NHRS Total Fund <u>Net</u> Return</b>	+1.58%	+2.11%	+8.30%	+9.09%	+8.76%	+8.30%
<b>Policy Benchmark Return</b>	+2.41%	+3.05%	+10.98%	+11.11%	+8.44%	+8.63%
<b>Net Return Minus Benchmark (in basis points)</b>	-83	-94	-267	-202	+32	-33

- KPM Monthly Reporting for October:
  - Seven reported KPMs were achieved; one was not achieved and two are not applicable. The three-year total fund performance trailed the total fund benchmark by 253 basis points for the period ending September 30, 2025.

## Upcoming Plans & Projects

- December Committee Meeting:
  - Staff will present an update on the monthly performance of the public market asset classes of the NHRS, holdings, the Work Plan, and the Global Equity and Fixed Income Plan Implementation.
  - The Committee will consider a GP fund commitment to the Private Equity portfolio: BlackRock Private Equity Partners. Representatives from BlackRock will present to the Committee their mandate.
  - Representatives from KKR Global Infrastructure Investors V, will present a private infrastructure investment opportunity for Committee consideration.
  - Callan will present a fiscal year review of the NHRS Marketable Investments Portfolio.

## Securities Litigation Summary

The Investment Team regularly monitors and participates in class action securities litigation to recover NHRS funds lost through investments in public securities. NHRS engages with our custodian bank to participate in standard U.S. class action litigation (the current custodian is BNY Mellon). NHRS hired ISS in 2018 to provide litigation research and claims filing solutions for non-standard U.S. class action and international securities litigation. The table below reports the annual historical recoveries for the NHRS.

Calendar Year	Amount
2005	\$ 624,261
2006	\$ 1,373,631
2007	\$ 2,410,390
2008	\$ 1,980,702
2009	\$ 1,972,216
2010	\$ 1,374,754
2011	\$ 550,324
2012	\$ 835,766
2013	\$ 310,321
2014	\$ 803,621
2015	\$ 627,131
2016	\$ 670,404
2017	\$ 1,280,969
2018	\$ 279,783
2019	\$ 675,406
2020	\$ 289,418
2021	\$ 483,889
2022	\$ 265,959
2023	\$ 754,938
2024	\$ 326,643
2025 through September 30th	\$ 371,191
<b>Total:</b>	<b>\$ 18,261,716</b>

Source: BNY, ISS, NHRS, Northern Trust

Department: Investments  
 Executive Team Member: R. Leveque

Date: 11/24/25  
 Approved: 7/23/25

### FYs 25-27 Investments Strategic Plan Summary

<b>ACTION</b>	<b>PRIME MOVER(S)</b>	<b>TARGET DATE</b>	<b>STATUS/COMMENTS</b>	<b>ALIGNMENT WITH NHRS STRATEGIC PLAN</b>
1. Complete a 5-yr Strategic Plan for the Investments department at NHRS for approval with the IIC and the BOT.	RL/IIC/BOT	8/24	<i>Completed. IIC approved the Investment Office Strategic plan at the 7/24 IIC meeting. BOT approved Investment Office Strategic Plan in the 8/24 BOT meeting.</i>	Goal 3.
2. Develop and gain approval for plan to expand the talent and resources to support the Investment Office.	RL/JG	FYs 25-26	<i>In Process. Completed hire of Head of Private Markets in July 2025. Currently recruiting for Head of Portfolio Administration position.</i>	Goal 3.
3. Review the NHRS portfolio and Investment Office cost benchmarking study.	RL	8/25	<i>Complete. CEM Cost Benchmarking study presented to Board at 12/9 BOT meeting.</i>	Goal 3.
4. Address areas of cost efficiencies in the NHRS portfolio and/or Investment team services.	RL	FYs 25-27	<i>In Process. Work estimated to begin at the conclusion of the CEM Cost Benchmarking study.</i>	Goal 3.

5. Work with Legal, IT, and Finance to implement middle and back-office capabilities for the Investment Office.	RL/JG/ TC/JL/MM	FYs 25-27	<i>Completed. Concluded McLagan review of Investment, Legal and Finance positions. Completed hire of Head of Private Markets in July 2025.</i>	Goal 3.
6. Develop and gain approval for specific technology plan to support the Investment Office.	RL/JG	FYs 25-27	<i>On Hold. Working with Chief IT Officer to develop plan for investment analytics system.</i>	Goal 3.
7. Investigate and recommend additional services for fee monitoring and validation at the total plan and asset class levels.	RL	FYs 25-26	<i>Completed. Implementing Albourne fee transparency service for alternative portfolio.</i>	Goal 4.
8. Identify, enroll and complete professional development for Investment Office.	RL	FYs 25-26	<i>On Hold. Next workshop planned upon conclusion of Head of Portfolio Administration.</i>	Goal 4.
9. Assure compliance with all relevant statutory and regulatory requirements.	RL/IIC/BOT	6/25	<i>Ongoing. In compliance with all relevant statutory and regulatory requirements.</i>	Goal 2.
10. Complete Work Plans for Alternatives Asset Classes.	RL/IIC	12/25	<i>Ongoing. Presented Global Equity Implementation Plan at November 2025 IIC meeting.</i>	Goal 2.
11. Maintain investment expenses within budget.	RL/IIC	6/25	<i>Ongoing. Expenses in line with Trust Budget.</i>	Goal 2.

**Variables:** Legislative changes, personnel changes/turnover, technology changes.



To: Board of Trustees  
 From: Nancy J. Miller, Director of Member Services  
 Date: November 24, 2025  
 Re: Member Services Operating Report  
 Item: Action:  Discussion:  Informational:

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### **Significant Developments and Priority Issues**

- Recruiting for a new Contact Center Manager was successful, with our new managerial team member starting in mid-December.
- The HB 282 programming group continues to coordinate closely with the LRS team as we work through what has been identified as Phase I of the coding and systems change approach.

### **Current Months' Highlights – August and September**

- Member Benefits continues to focus on processing the maximum number of retirement benefit finalizations each month.
- Retiree Benefits and IT tested some significant enhancements in the file reporting process for our retiree insurance TPAs and self-insured employers. System improvements to the medical subsidy questionnaire process were also received back from LRS for testing and movement into production.
- Member Benefits continues to work with MMRO, the company that we are looking to utilize for outsourced IME work on NHRS disabilities.
- The Contact Center will begin to accept project work to further assist back-office teams. We have also implemented a function/activity shadowing program for our Contact Center Representatives which allows them detailed understanding of key activities such as member retirement meetings, record reviews and the refund process.
- All applicable KPMs were achieved in October and November.

### **Upcoming Plans & Projects**

- HB 282 implementation will continue to be a high priority project for Member Services. We will continue to address the process in phases and move to test planning as we progress. Updated messaging to our members will occur as we continue and we will also be building internal training and guide materials.

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**NHRS New Retirement Applicants Placed on Payroll**

	2026	2025	2024	2023	2022	2021
June		92	77	105	106	126
May		85	81	88	110	92
April		82	93	76	117	95
March		91	74	97	104	97
February		82	94	89	105	93
January		161	125	131	200	154
December		75	64	88	71	78
November	81	81	90	66	91	113
October	111	103	103	110	128	118
September	110	119	143	116	128	129
August	147	140	180	162	210	147
July	625	606	579	731	775	694
<b>Total</b>	<b>625</b>	<b>1,717</b>	<b>1,703</b>	<b>1,859</b>	<b>2,145</b>	<b>1936</b>

**NHRS Retirement Appointment Total by Month for Fiscal Year**

	2026	2025	2024	2023	2022	2021
June		93	77	55	25	42
May		195	187	115	34	34
April		210	137	84	49	135
March		61	67	36	22	38
February		59	52	25	15	44
January		44	29	22	13	25
December		33	49	15	13	39
November	78	48	54	15	19	37
October	113	57	32	24	23	48
September	60	30	33	10	23	44
August	69	52	46	14	19	32
July	78	56	38	15	25	28
<b>Total</b>	<b>78</b>	<b>938</b>	<b>801</b>	<b>430</b>	<b>280</b>	<b>546</b>

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Department: Member Services (MS)  
Executive Team Member: N. Miller

Date: 11/24/25  
Approved: 7/1/25

### FYs 26-28 Member Services Strategic Plan Summary

ACTION	PRIME MOVER(S)	TARGET DATE	STATUS/COMMENTS	ALIGNMENT WITH NHRS STRATEGIC PLAN
1. Adhere to and complete PGV3 Roadmap enhancements and projects (i.e. teacher salary contract project, Community College population project).	NM/MS/IT/ LRS	FYs 26-28	<i>Some projects in flight, others having dates prioritized over upcoming calendar year quarters.</i>	Goal 1.
2. Design, test and implement legislative changes relative to Benefit calculations according to effective dates determined in statute HB 282.	NM/MS/IT/ LRS	FY 26	<i>In process.</i>	–
3. Implement new and adjusted procedures for Retiree Death Case processing to realign NHRS collection procedures (audit finding).	NM/MS/IT/ Legal/ Finance	FYs 26-28	<i>Best practice research underway.</i>	–
4. Identify and implement comprehensive KPMs for NHRS Contact Center (CC).	NM/ CC Manager/ Team	FY 26	<i>In process.</i>	–
5. Develop a Communication and Training Program for NHRS CC to facilitate response content clarity and consistency from Back Office to CCRs.	NM/ CC Manager/ MS/Finance/ Legal/PIO	FY 26	<i>In Process.</i>	–

**Variables:** Legislative changes, personnel changes/turnover, technology changes.

## Contact Center Dashboard

10/1/2025

## Walk-Ins

Number of Walk-Ins	246
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## Emails

NHRS Info @ emails addressed by CCRs	1091
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## Message Center Threads

Addressed by CCRs	130
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## Calls

Queue Name	Calls Presented	Total Calls Handled	Calls Abandoned	Percentage Abandoned	Voicemail	Average Handle Time
Employer	58	54	4	6.90%	0	4:07:00
My Account	570	500	66	11.58%	4	7:53:00
Member	1142	1049	90	7.88%	3	6:59:00
Retiree	1211	1081	126	10.40%	4	5:48:00
1099	0	0	0	0.00%	0	0:00:00
<b>Totals</b>	<b>2981</b>	<b>2684</b>	<b>286</b>	<b>9.59%</b>	<b>11</b>	<b>4:57:24</b>

## Contact Center Dashboard

11/1/2025

## Walk-Ins

Number of Walk-Ins	148
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## Emails

NHRS Info @ emails addressed by CCRs	689
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## Message Center Threads

Addressed by CCRs	59
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## Calls

Queue Name	Calls Presented	Total Calls Handled	Calls Abandoned	Percentage Abandoned	Voicemail	Average Handle Time
Employer	42	38	4	9.52%	0	3:19:00
My Account	337	298	36	10.68%	3	7:53:00
Member	701	636	63	8.99%	1	7:22:00
Retiree	700	633	65	9.29%	0	6:13:00
1099	0	0	0	0.00%	0	0:00:00
<b>Totals</b>	<b>1780</b>	<b>1605</b>	<b>168</b>	<b>9.44%</b>	<b>4</b>	<b>4:57:24</b>



To: Board of Trustees  
 From: Marie A. Mullen, Director of Finance  
 Date: November 24, 2025  
 Re: Finance Operating Report  
 Item: Action:  Discussion:  Informational:

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### **Significant Developments and Priority Issues**

- The Employer Guide is being updated for ADA Compliance. Positive feedback was received from the small group of employers who previewed the guide. The guide will be shared with the entire employer group before the end of the year. We continue to work on Employer Reporting enhancements related to school and SAU reporting that are less critical than what has been implemented to date.
- HB 282 legislation implementation for employers has been a priority. Employer Reporting along with IT and PIO, have developed communication and FAQs on the impact to employers. We are working with our software vendor to identify contingency plans for any employer that may not be able to report wages in the required fields for Group II Tier B+ members.

### **Current Months' Highlights – October and November**

- October reporting and payments on time were both 95%. November reporting on time was 97%.
- Outstanding receivables and reconciliations continue to decrease and are currently less than \$40k.
- All employers have completed reporting through August wages due September 2025 with two outstanding employer reports due for October.
- Payments are current through August, with only one employer outstanding for September and seven outstanding for October.
- The first two installments for the fiscal year 2025 outstanding Pittsfield SD employer contributions have been received. The final two installments are due in January and April 2026. Current fiscal year 2026 contributions are paid up to date.
- Finance completed nine of 12 KPMs for October and six of 12 for November. For October, two KPMs did not have deliverables, and one was not met as we continue to get caught up on our monthly bank reconciliations. For November, four KPMs did not have deliverables for the month, and two were not met as we continue to get caught up on our monthly bank reconciliations and one deposit was not made within three days due to staff vacation.
- FY 25 Net Position YTD through June increased \$1,107 million or 9.0% from FY 24 June to \$13.45 billion.

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- FY 25 Cash Flow YTD through June was in line with the previous year once removing the one-time terminal funding for HB 1647 and HB 1307 TSA of \$26.4 million. The shortfall is as anticipated and is covered by investments in the fund.
- FY 26 year-to-date administrative expenses through October are within budget.
- NHRS presentation at the New Hampshire Municipal Association Annual Conference in November.
- Completed fiscal year 2025 annual audit and Annual comprehensive Financial Report (ACFR) with unmodified opinion.

### **Upcoming Plans & Projects**

- HB 282 employer reporting implementation effective for January 1, 2026 wages.
- Continue work to improve bank reconciliation timeliness related to external audit improvements.
- Continued improvements and enhancements to PGV3.
- Inaugural employer survey development.
- Search and hire new Investment Analyst position.
- GASB 68/75 audit and report preparation.
- Annual Form 1099-R distribution.

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Division: Finance  
Executive Team Member: M. Mullen

Date: 11/24/25  
Approved: 12/03/25

### FYs 26-28 Finance Strategic Plan Summary

ACTION	PRIME MOVER(S)	TARGET DATE	STATUS/COMMENTS	ALIGNMENT WITH NHRS STRATEGIC PLAN
1. Develop Employer Reporting internal training manual.	MM/KN/IT	Q3-FY 26		Goal 1.
2. Develop Employer training program for DRS reporting.*	MM/KN/IT/ Finance	Q3-FY 26	<i>Employer manual. Training program for employer new hires.</i>	Goal 1.
3. Develop and deploy first annual employer survey.	MM/PIO/KN	Q3-FY 26	<i>In coordination with PIO.</i>	Goals 1 & 2.
4. Improve and develop Employer Reporting dashboards and reports.	MM/KN/IT	Q4-FY 26	<i>In coordination with IT, build automated dashboard reports.</i>	Goals 1 & 2.
5. Implementation of financial and other software applications to automate processes, improve reporting, streamline financial analysis, and improve security.*	MM/IT/KN/HS	Ongoing.	<i>In coordination with IT. DocStar invoice workflow automation. <b>Complete.</b> PG roadmap items as prioritized for FY26. Financial software upgrade/replacement.</i>	Goal 2.

6. Implementation of Finance related items in Investment Strategic Plan.*	MM/HS/ Investments	Ongoing.	<i>In coordination with Investments. Automate investment documentation acquisition for cap calls, financials, cap statements, etc. (Q1-FY 26) <b>Complete.</b> Hire Investment Analyst.</i>	Goal 3.
7. Develop schedule to update Finance policies and procedures.	MM/KN/HS	Q3-FY 26		–
8. Attend Professional Conference.	MM/KN	Q2-FY 26	<b>Complete.</b>	Goal 4.

\* - *This goal will have a more detailed action plan associated with it, listing more granular actions and target dates.*

**Variables:** Legislative changes, personnel changes/turnover, technology changes.

## NHRS Board Monthly Reporting Package

## Finance

December 9, 2025

Net Position (\$s in Billions)	FY 2025	FY 2024
Current Fiscal Year-To-Date	Jun-25	Jun-24
Net Position Change	\$1.107	\$0.832
Prior Year Beginning Balance	\$12.341	\$11.509
<b>Net Position Balance</b>	<b>\$13.448</b>	<b>\$12.341</b>

CASH FLOW-Contributions & Benefits				
Cash Basis (\$s in Millions)				
Contributions	Jun-25	FY 2025 YTD June	Jun-24	FY 2024 YTD June
Employers	\$ 109.664	\$ 737.094	\$ 57.135	\$ 696.212
RSA from State of NH	\$ -	\$ 26.432	\$ -	\$ 7.140
Members	\$ 29.487	\$ 290.996	\$ 24.309	\$ 290.428
<b>Subtotal</b>	<b>\$ 139.151</b>	<b>\$ 1,054.522</b>	<b>\$ 81.444</b>	<b>\$ 993.780</b>
<b>Benefits</b>				
Annuity & OPEB	\$ 89.405	\$ 1,064.187	\$ 86.505	\$ 1,037.429
Refunds & All Other	\$ 3.971	\$ 45.140	\$ 3.107	\$ 41.809
<b>Subtotal</b>	<b>\$ 93.376</b>	<b>\$ 1,109.327</b>	<b>\$ 89.612</b>	<b>\$ 1,079.238</b>
<b>Total Cash Flow Gain/(Shortfall)</b>	<b>\$ 45.775</b>	<b>\$ (54.805)</b>	<b>\$ (8.168)</b>	<b>\$ (85.458)</b>

## FY 2026 BUDGET vs. ACTUAL

## Investments &amp; Non-Investment Administrative Expenses

July 1, 2025 Through October 31, 2025

	Total Budget	FY26 Transfers	FYTD Budget	Actual	Difference
<b>Investment</b>					
<b>Administrative Expenses</b>					
Internal	\$ 2,714,314	\$ -	\$ 929,106	\$ 477,405	\$ 451,701
External (Manager & Custodial)	\$ 33,367,726	\$ -	\$ 11,122,574	\$ 7,966,993	\$ 3,155,581
Subtotal	\$ 36,082,040	\$ -	\$ 12,051,680	\$ 8,444,398	\$ 3,607,282
<b>Non-Investment</b>					
<b>Administrative Expenses</b>					
Internal (Statutory Administrative)	\$ 19,255,098	\$ -	\$ 6,571,920	\$ 3,842,110	\$ 2,729,810
External (Actuary, Legal, Audit)	\$ 3,337,486	\$ -	\$ 1,112,496	\$ 382,231	\$ 730,265
Subtotal	\$ 22,592,584	\$ -	\$ 7,684,416	\$ 4,224,341	\$ 3,460,075
<b>Total Administrative Expense</b>	<b>\$ 58,674,624</b>	<b>\$ -</b>	<b>\$ 19,736,096</b>	<b>\$ 12,668,739</b>	<b>\$ 7,067,357</b>

New Hampshire Retirement System						
Investment & Non-Investment Administrative Expenses						
Budget vs. Actual						
July 1, 2025 Through October 31, 2025						
FY 2026						
	TOTAL Budget	FY26 Transfers	FYTD Budget	FYTD Actual	Difference	Variance Explanations
1	<b>Investment Administrative Expenses</b>					
2	<b>Internal Investment Expenses</b>					
3	Salaries & Benefits	\$ 1,898,144		\$ 657,050	\$ 438,652	\$ 218,398
4	Part Time Salaries	-	1,000	-	974	26
5	Current Expenses/Supplies/Education	51,400.0		17,133	7,418	9,715
6	Subscriptions	6,220.0		2,073	138	1,935
7	Consultants	215,000.0		71,667	25,839	45,828
8	Technology & Analytical Systems	487,575.0	(1,000)	162,525	-	161,525
9	Organization Dues	12,375.0		4,125	455	3,670
10	Travel	43,600.0		14,533	3,929	10,604
11	<b>Subtotal Internal Investment</b>	<b>2,714,314</b>	<b>-</b>	<b>929,106</b>	<b>477,405</b>	<b>451,701</b>
12	<b>External Investment Expenses</b>					
13	Management Fees					
14	Marketable Investments	28,363,726		9,454,575	6,940,714	2,513,861
15	Real Estate	3,000,000		1,000,000	786,316	213,684
16	<b>Subtotal Management Fees</b>	<b>31,363,726</b>	<b>-</b>	<b>10,454,575</b>	<b>7,727,030</b>	<b>2,727,545</b>
17	Investment Administrative Expenses					
18	Custody Fees					
19	Master-BNY Mellon	730,000		243,333	-	243,333
20	General Investment Consultant Fees	730,000		243,333	162,500	80,833
21	Legal-Investment	400,000		133,333	59,670	73,663
22	Other Fees	144,000		48,000	17,793	30,207
23	<b>Subtotal Invest. Administrative Expenses</b>	<b>2,004,000</b>	<b>-</b>	<b>667,999</b>	<b>239,963</b>	<b>428,036</b>
24	<b>Subtotal External Investment</b>	<b>33,367,726</b>	<b>-</b>	<b>11,122,574</b>	<b>7,966,993</b>	<b>3,155,581</b>
25						
26	<b>Total Investment Internal &amp; External</b>	<b>\$ 36,082,040</b>	<b>\$ -</b>	<b>\$ 12,051,680</b>	<b>\$ 8,444,398</b>	<b>\$ 3,607,282</b>
27	<b>Non-Investment Administrative Expenses</b>					
28	<b>Internal Non-Investment Expenses</b>					
29	Salaries & Benefits	\$ 11,977,233		\$ 4,145,965	\$ 2,906,895	\$ 1,239,070
30	Current Expenses	295,875		98,625	25,220	73,405
31	Rents & Leases	473,200		157,733	148,843	8,890
32	Equipment	80,000		26,667	-	26,667
33	Technology-Software & Hardware	4,288,000		1,429,333	374,463	1,054,870
34	Payroll & Other Services	75,000		25,000	12,795	12,205
35	Independent Med. Examiners/Consultants	605,000		201,667	98,634	103,033
36	Retiree Health Insurance	174,000		58,000	31,264	26,736
37	Other	1,286,790		428,930	243,996	184,934
38	<b>Subtotal Internal Non-Invest. Adm</b>	<b>19,255,098</b>	<b>-</b>	<b>6,571,920</b>	<b>3,842,110</b>	<b>2,729,810</b>
39						
42	<b>External Non-Investment Expenses</b>					
43	Actuarial Fees	236,000		78,667	55,384	23,283
44	Legal Fees	225,000		75,000	78,063	(3,063)
45	Audit Fees	366,500		122,167	106,500	15,667
46	Other Consulting Fees	410,000		136,667	50,420	86,247
47	Insurance Expense	269,986		89,995	59,242	30,753
48	Local Custodian	100,000		33,333	32,622	711
49	Capital Expenses	1,730,000		576,667	-	576,667
50	<b>Subtotal External Non-Invest. Adm</b>	<b>3,337,486</b>	<b>-</b>	<b>1,112,496</b>	<b>382,231</b>	<b>730,265</b>
51						
52	<b>Total Non-Invest. Internal &amp; External</b>	<b>\$ 22,592,584</b>	<b>\$ -</b>	<b>\$ 7,684,416</b>	<b>\$ 4,224,341</b>	<b>\$ 3,460,075</b>
53						
54	<b>Total Administrative Expense</b>	<b>\$ 58,674,624</b>	<b>\$ -</b>	<b>\$ 19,736,096</b>	<b>\$ 12,668,739</b>	<b>\$ 7,067,357</b>

Timing of expenses to budget. Will balance by end of year.



New Hampshire Retirement System  
 54 Regional Drive, Concord, NH 03301  
 Phone: (603) 410-3500 - Fax: (603) 410-3501  
 Website: www.nhrs.org - Email: info@nhrs.org

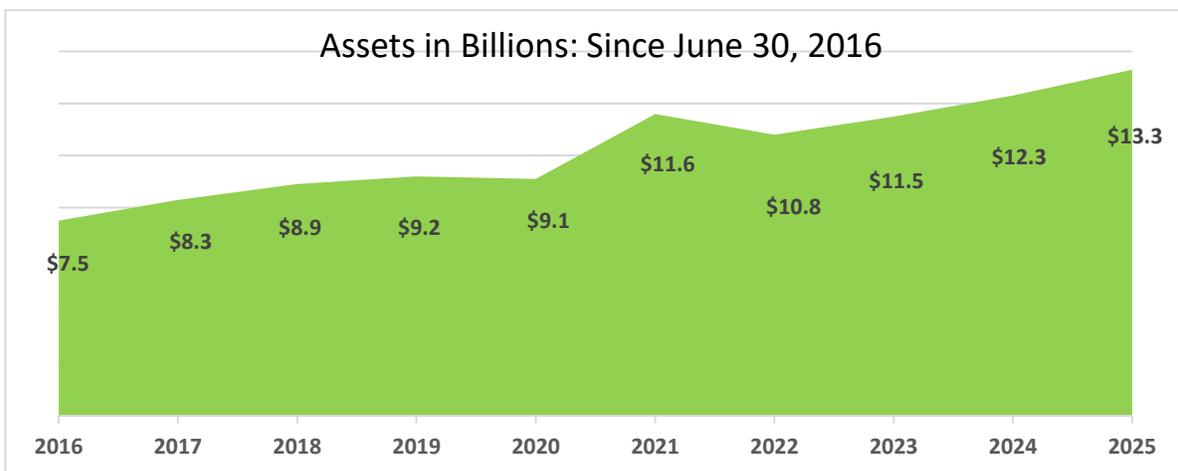
## NHRS DASHBOARD: FY 2026 First Quarter

For the period July 1, 2025, to September 30, 2025

Updated: November 2025

### TRUST FUND

1st Quarter FY 2025: \$12.8 billion	1st Quarter FY 2026: \$13.8 billion*
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### INVESTMENT PERFORMANCE

Net-of-fees returns	FYTD – 9/30/25*	1 yr. at 6/30/25	3 yr. at 6/30/25	5 yr. at 6/30/25	10 yr. at 6/30/25
Total Fund Composite	3.45%	10.3%	9.1%	9.6%	7.7%
Peer comparison (percentile)	86th	44th	45th	35th	32nd

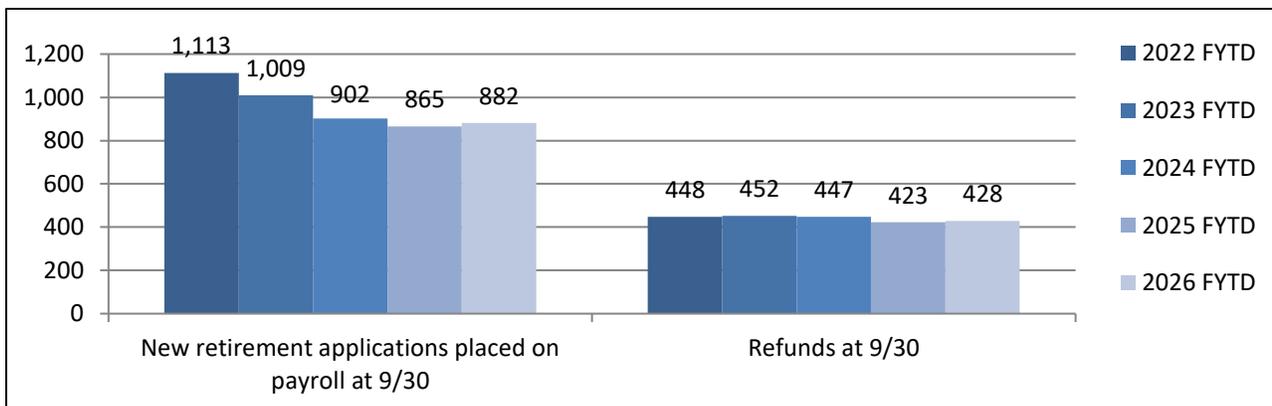
Assumed Rate of Return: 6.75%; \* - Annualized; valuation of real estate and alternative investments lagged three months.

### INTERNAL NHRS KEY PERFORMANCE MEASURES

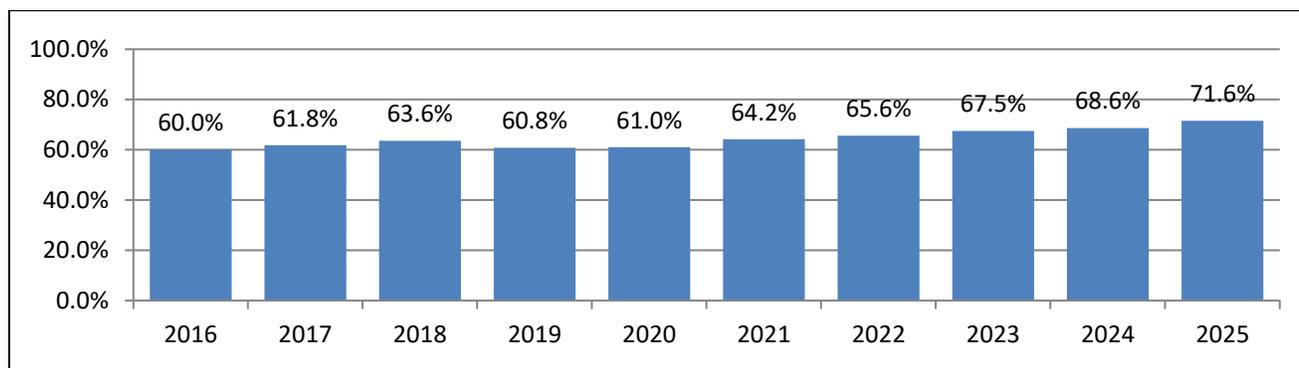
July 2025: 95.52%	August 2025: 98.55%	September 2025: 94.2%	12-month rolling average: 95.99%
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Target: 95%

### RETIREMENTS AND REFUNDS

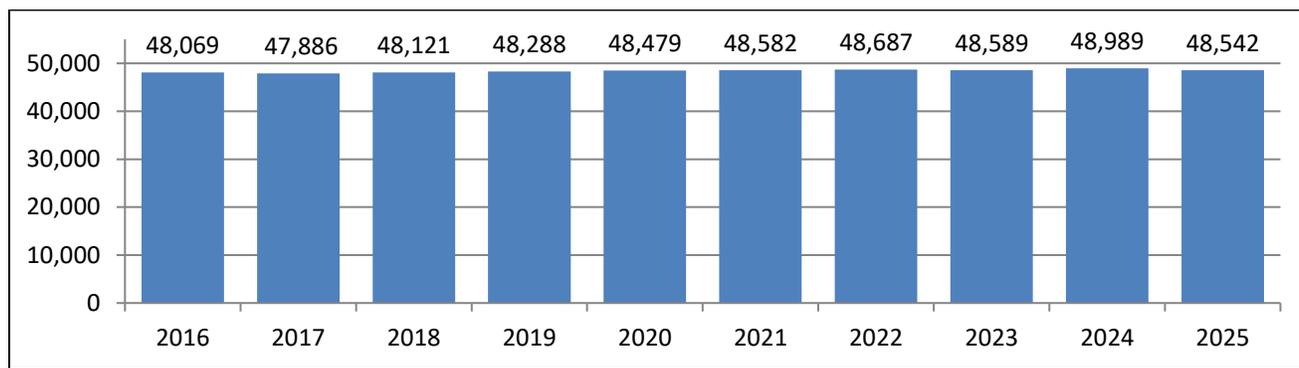


ACTUARIAL FUNDED RATIO

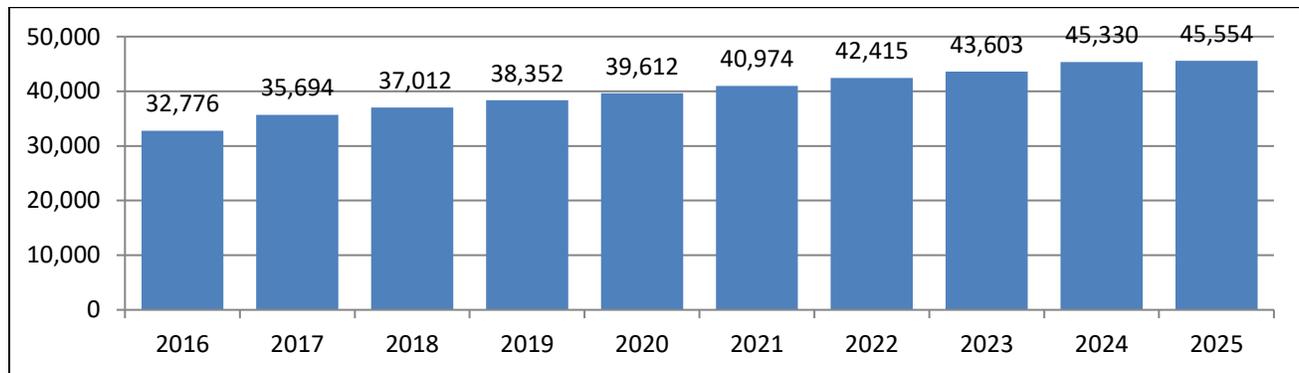


*Funded ratio impacted by reductions to assumed rate of return and revised actuarial assumptions in 2016 and 2020 and for revised actuarial assumptions in 2023.*

ACTIVE MEMBERS



RETIREES & BENEFICIARIES





To: Board of Trustees  
 From: Rosamond Cain, Director of Human Resources  
 Date: November 25, 2025  
 Re: HR Operating Report  
 Item: Action:  Discussion:  Informational:

---

### **Significant Developments and Priority Issues**

- NHRS is currently actively recruiting for four positions: Information Security Analyst; IT Software Solutions Manager; Head of Portfolio Administration; and Investment Administrative Assistant.
- We have hired an Executive Assistant for the Legal Department, an IT Operations Engineer II, a Controller, a Project Manager, a Member Account Technician and a Contact Center Manager since the last Board meeting.
- A committee of staff are busy planning our Holiday lunch and spirit week.
- PIO and HR completed their presentations of Excellence in Communication to all departments.
- HR continues to work on updating training manuals and position descriptions due to the implementation of PGM3.

### **Current Months' Highlights – October, November**

- HR met all four KPMs for October and three for November. The one missed for November is recruiting for the Information Security Analyst, which we are still recruiting for.
- 2026 Open Enrollment took place and was successful.
- HR continues to work with the ETeam on the building and move projects and staffing initiatives.

### **Upcoming Plans & Projects**

- Planning all staff trainings for FY 2026.
- All policies and procedures need to be reviewed and updated if necessary.
- Update to the NHRS Handbook is being reviewed and will be presented to the Board in February.

**Our Mission: To provide secure retirement benefits and superior service.**

Division: Human Resources (HR)  
Executive Team Member: R. Cain

Date: 11/25/2025  
Approved: 7/1/25

### FYs 26-28 Human Resources Strategic Plan Summary

<b>ACTION</b>	<b>PRIME MOVER(S)</b>	<b>TARGET DATE</b>	<b>STATUS/COMMENTS</b>	<b>ALIGNMENT WITH NHRS STRATEGIC PLAN</b>
1. Plan, schedule, and present two trainings for our staff annual training plan.	RC/JG/ETeam/ MTeam	6/30/26	<i>Researching trainings- Civility in the workplace and Communication</i>	Goal 4.
2. Maintain a management development program for middle managers and staff identified as possible managers.	RC/JG/ETeam/ MTeam	6/30/26	<i>Ongoing.-</i>	Goal 2.
3. Assist in monitoring and maintaining staffing levels in all departments to keep organization on time and budget.	RC/ETeam/ MTeam	6/30/26	<i>Ongoing.</i>	Goals 2 & 4.
4. Create, implement, and maintain electronic performance appraisals utilizing the ADP software.	RC/MTeam	6/30/26	<i>Ongoing.</i>	Goal 2.
5. Begin a review of the organization structure and implement appropriate changes if warranted.	RC/AG/JG	12/31/26	<i>FY 26 AP Item. This process has begun, updates will be forthcoming</i>	Goal 2.
6. Continue review of all training manuals to reflect PGV3.	RC/MTeam/ Staff	1/31/26	<i>Ongoing.</i>	Goal 4.

7. Continue review of all position descriptions to reflect PGV3.	RC/MTeam/ Staff	1/31/26	<i>Ongoing.</i>	Goal 4.
8. Implement a formal cross training program aligned with succession planning.	RC/ETeam/ MTeam	12/31/27	<i>Not started.</i>	Goal 4.
9. Ensure compliance with all federal, state and CBA rules and regulations.	RC/Legal/ J. Goodridge	6/30/26	<i>Current.</i>	–
10. HR Tech. to identify and enroll in a professional development program.	J. Goodridge/ RC	12/31/25	<i>Complete</i>	–
11. HR Mgr. to identify, enroll in, and complete a professional development program.	RC/JG	12/31/25	<i>Complete</i>	–

**Variables:** Legislative changes, personnel changes/turnover, technology changes.

**New Hampshire Retirement System  
Board Meeting  
Tuesday, December 9, 2025**

**Consent Agenda**

**Administrative Recommendation**

1. R.M. Recommend that the Board of Trustees uphold the NHRS Staff's administrative denial of the Petitioner's application.

**Administrative Recommendation Reconsideration**

2. C.W. Recommend that the Board of Trustees deny the Petitioner's Motion for Rehearing and uphold its August 12, 2025 decision.

**Committee Charters**

3. Governance Committee Charter

Recommend that the Board of Trustees approve the revisions to the Governance Committee charter as amended by the committee.

4. Legislative Committee Charter

Recommend that the Board of Trustees approve the revisions to the Legislative Committee charter as approved by the committee.

5. Benefits Committee Charter

Recommend that the Board of Trustees approve the revisions to the Benefits Committee charter as amended by the committee.

6. Personnel Performance & Compensation Committee

Recommend that the Board of Trustees approve the revisions to the Personnel Performance & Compensation Committee charter as approved by the committee.

**Tuesday, December 9, 2025**

**Consent Agenda**

**Page 2**

**Gainful Occupation Reduction Waiver Requests**

7. G.A. Recommend the Board of Trustees waive the scheduled reduction in G.A.'s monthly state annuity that was due to her calendar year 2024 earnings.
8. J.D. Recommend the Board of Trustees waive the scheduled reduction in J.D.'s monthly state annuity that was due to his calendar year 2024 earnings conditioned on his filing the Form GO-1 verifying that he does not have excess earnings in the 2026 calendar year.
9. G.R. Recommend the Board of Trustees waive the scheduled reduction in G.R.'s monthly state annuity that was due to his calendar year 2024 earnings conditioned on his filing the Form GO-1 verifying that he does not have excess earnings in the 2026 calendar year.

**Calendar Year 2024 Gainful Occupation Compliance Report**

10. Recommend that the Board of Trustees pursuant to RSA 100-A:6, III(b), reduce the State annuity and related cost-of-living allowance, up to the amount of the excess earnings for those disability retirees with excess earnings identified above. Offsets due to excess earnings in 2024 are scheduled to begin with benefits paid in January 2026 and shall continue for 12 months.
11. Recommend that the Board of Trustees pursuant to Ret 309.01(k), withhold the State annuity and related cost-of-living allowance of those disability recipients who have not provided all required documents. The withholding for noncompliance is scheduled to begin with benefits paid in December 2025 and continue until all requested documentation has been submitted and processed.

**Fiscal Year 2025 Ethics Report Card**

12. Recommend that the Board of Trustees approve the fiscal year 2025 ethics report card.

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To: NHRS Board of Trustees  
From: Annie Gregori, Chief Legal Counsel  
Date: December 4, 2025  
Re: Governance Committee Charter Revisions  
Item: Action: X      Discussion:      Informational:

---

Consistent with the Board's Governance Policy, each committee reviews its charter annually and makes any necessary revisions to reflect changes in the law and NHRS policies. There has not been a comprehensive review of the committee charters in over 10 years. This year Legal staff asked outside counsel to review all the committee charters. Staff reviewed the revisions that were suggested and then proposed changes to the committee based on those recommendations.

At its December 4, 2025 meeting, the Governance Committee considered the revisions to the charter and discussed the responsibility of evaluating and making recommendations on legislative proposals. Following the discussion, the Committee voted unanimously to approve the revisions with an amendment to the Committee's responsibility regarding legislative proposals. The Governance Committee respectfully requests that the Board approve the proposed revisions to the charter, as amended by the Committee.

Included with the memo is a redlined version of the current charter showing the revisions, and a clean version showing the charter as revised.

## **Governance Committee Charter**

### **Purpose**

The Governance Committee is a standing committee established to support the NHRS Board of Trustees to promote the best interests of NHRS, its members, retirees, and beneficiaries. The Committee advances sound Board governance policies and practices that foster ethical, fair, and transparent decision-making, consistent with fiduciary standards and applicable law.

### **Authority**

The Committee is authorized to:

- Review data, historical information, consultants' reports, and any other documents it deems reasonably necessary to form opinions on governance matters.
- Carry out any responsibilities delegated to it by the Board of Trustees.
- Request assistance from the Executive Director or designee, NHRS staff, and service providers.
- Recommend the hiring of outside service providers (e.g., auditors, legal counsel, consultants, etc.) pursuant to the NHRS Procurement Policy.
- Approve Emergency Contracts up to \$200,000 as provided in the NHRS procurement policy.

### **Composition**

The Governance Committee shall consist of up to five members appointed by the Board Chair. The Chair of the Governance Committee shall also be appointed by the Board Chair.

### **Meetings**

- The Committee shall meet at least twice per year, with the authority to convene additional meetings, as circumstances require.
- Meetings will be held in accordance with New Hampshire open meeting requirements under RSA 91- A, RSA 100-A:14-a and the Board Meeting Protocol in Section VIII of the NHRS Governance Manual.

- Members may attend meetings in person or via teleconference or video-conference. A quorum shall consist of a majority of the Committee members. Any Trustee may attend and participate in discussions; only Committee members may vote. If any Committee member is attending via teleconference or video-conference, all votes shall be by roll call.
- Meeting agendas and briefing materials shall be distributed in advance.
- Minutes shall be prepared by staff and maintained in accordance with NHRS records retention policy.
- The Committee may invite members of staff or others to attend meetings and provide pertinent information, as necessary.

### **Staffing**

The Executive Director will appoint a senior staff member to serve as staff liaison to the Committee. NHRS staff shall support the Committee in fulfilling its responsibilities.

### **Responsibilities**

The Governance Committee shall:

1. Governance Oversight
  - Monitor and evaluate best practices in public retirement system governance;
  - Recommend to the Board any changes to NHRS governance policies and procedures;
  - Review legislative proposals relating to Board governance and provide information to the Board for consideration; and
  - Review and recommend annual updates to the NHRS Governance Manual.
2. Board Structure and Function
  - Recommend to the Board which duties should be retained by the Board, and which duties should be delegated to committees or staff;
  - Recommend improvements to the timing, format, and content of Board materials;
  - Recommend changes to enhance Board meeting effectiveness and efficiency; and
  - Encourage regular Board self-assessment.

### 3. Committee and Policy Review

- Recommend roles and responsibilities for NHRS committees;
- Ensure annual review and Board approval of committee charters; and
- Oversee the review and update of Board policies for accuracy and relevance.

### 4. Stakeholder Engagement

- Receive and evaluate input from members, employers; business partners, and other stakeholders; and
- Recommend mechanisms for structured stakeholder feedback.

### 5. Legal and Fiduciary Oversight

- Review and recommend the selection of outside legal counsel;
- Review and recommend the selection of the NHRS Actuary; and
- Review and approve the annual renewal of fiduciary and cyber insurance policies.

### 6. Strategic and Risk Oversight

- Contribute to the NHRS strategic planning and risk management efforts;
- Monitor governance-related risks, including reputational and operational risks; and
- Recommend succession planning for Board leadership and membership.

### 7. Other

- Perform other governance-related activities as requested by the Board of Trustees; and
- Review this Charter at least annually and recommend revisions for Board approval.

## Purpose

The Governance Committee ~~has been established as is~~ a standing committee established to support the NHRS Board ~~of Trustees in promoting to promote~~ the best interests of NHRS, its members, retirees, and beneficiaries. ~~The Committee advances through the implementation of~~ sound Board governance policies and practices that enhance foster ethical good, fair, and open transparent decision-making, consistent with fiduciary standards and applicable law.

## Authority

The Committee is authorized to:

- ~~has the authority to r~~Review data, historical information, consultants' reports, and any other documents it deems reasonably necessary to form an opinions ~~on the issues it reviews governance matters~~.
- ~~The Committee also has the authority to e~~Carry out any responsibilities delegated to it by the Board of Trustees.
- ~~Request assistance from~~
- ~~The Committee also has the authority to call upon~~ the Executive Director or designee, and NHRS's staff, and service providers, ~~to assist it in carrying out its responsibilities. The Committee has the Board-delegated authority to request~~
- Recommend the hiring of outside service providers (e.g., auditors, auditors, legal counsel, researchers consultants, etc.); ~~to assist it in carrying out its responsibilities,~~ pursuant to the NHRS Procurement Policy ~~in effect at the time of such requests~~.
- Approve Emergency Contracts up to \$200,000 as provided in the NHRS procurement policy.

## Composition

The Governance Committee will shall consist of up to five members appointed by the Board Chair. The Chair of the Governance Committee will shall also be appointed by the Board Chair.

## Meetings

- The Committee shall meet at least twice per year, with the authority to convene additional meetings, as circumstances require.
- Meetings will be held in accordance with New Hampshire open meeting requirements under RSA 91- A, ~~and RSA 100-A:14-a~~ and the Board Meeting Protocol in Section VIII of the NHRS Governance Manual.

- ~~All Committee members are expected to~~ attend each meetings in person or via teleconference or video-conference. A quorum shall consist of a majority of the Committee members. Any Trustee may attend and participate in discussions; only Committee members may vote. If any Committee member is attending via teleconference or video-conference, all votes shall be by roll call.
- ~~Meetings will be held in accordance with New Hampshire open meeting requirements under RSA 91-A and RSA 100-A:14-a. The Committee may invite members of staff or others to attend meetings and provide pertinent information, as necessary. Meeting agendas and briefing materials shall~~ will be prepared and provided/distributed in advance ~~to members, along with appropriate briefing materials.~~
- ~~Minutes of the meeting discussions and decisions will~~ shall be prepared by staff and maintained in accordance with NHRS records retention policyies. ~~Any Trustee may attend the Committee's meetings and participate in discussions; however, only Committee members may vote.~~
- The Committee may invite members of staff or others to attend meetings and provide pertinent information, as necessary.

## Staffing

The Executive Director will appoint a senior staff member who will act to serve as staff liaison to the Committee. NHRS staff will shall assist support the Committee in the discharge/fulfilling of its responsibilities.

## Responsibilities

The Governance Committee has the following responsibilities shall:

### 1. Governance Oversight

- Monitor and evaluate best governance practices in the public retirement system governance;
- industry in order to report and rRecommend to the Board any changes applicable to NHRS governance policies -and procedures;
- Evaluate/Review legislative proposals relating to Board governance and provide information recommend positions to the Board for consideration; and
- Review and recommend annual updates to the NHRS Governance Manual.

### 2. Board Structure and Function

- Recommend to the Board what/which duties should be retained by the Board, and what-which duties should be delegated to committees or staff;

- Recommend ~~changes, as needed, on~~improvements to the timing, ~~amount~~format, and ~~types~~content of information the Board receives in advance of ~~meetings~~materials;
- Recommend changes to enhance Board meeting effectiveness and efficiency; and
- Encourage regular Board self-assessment.

### 3. Committee and Policy Review

- ~~Evaluate legislative proposals relating to Board governance and make recommendations to the Board on positions to take;~~
- ~~Review and make recommendations to the Board about the content of the Board Governance Manual;~~
- Recommend ~~the~~ roles and responsibilities ~~of the various committees for consideration by those respective~~ for NHRS committees;
- Ensure ~~charters for each committee are annually reviewed and revised if necessary, approved by the Board~~ approval of committee charters, and adopted into the Governance Manual; and
- Oversee the ~~process by which Board policies are annual reviewed for accuracy, and updated if necessary, on an annual basis~~ of Board policies for accuracy and relevance.;
- ~~Recommend changes in the functioning of the Board meetings to improve effectiveness and efficiency;~~
- ~~Encourage the Board to participate in regular self-assessment;~~

### 4. Stakeholder Engagement

- Receive and evaluate input from ~~the~~ members, employers; business partners, and other ~~interested stakeholders parties on suggestions for improving Board organization and functions; and~~
- Recommend mechanisms for structured stakeholder feedback.

### 5. Legal and Fiduciary Oversight

- Review and make ~~recommendations to the Board relating to~~ the selection of outside legal counsel;
- Review and recommend the selection of the NHRS Actuary; and

- Review and approve the annual renewal of ~~the~~ fiduciary and cyber insurance policies.

#### 6. Strategic and Risk Oversight

- Contribute to the NHRS strategic planning and risk management efforts;
- Monitor governance-related risks, including reputational and operational risks; and;
- Recommend succession planning for Board leadership and membership.

#### 7. Other

- Perform other governance-related activities ~~related to this Charter~~ as requested by the Board of Trustees; and,
- Review this Charter at least annually and make recommendations revisions for ~~to the Board for approval and adoption of the Charter, including any revisions, as may be deemed appropriate.~~



To: NHRS Board of Trustees  
From: Annie Gregori, Chief Legal Counsel  
Date: December 3, 2025  
Re: Legislative Committee Charter Revisions  
Item: Action: X      Discussion:      Informational:

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Consistent with the Board's Governance Policy, each committee reviews its charter annually and makes any necessary revisions to reflect changes in the law and NHRS policies. There has not been a comprehensive review of the committee charters in over 10 years. This year Legal staff asked outside counsel to review all the committee charters. Staff reviewed the revisions that were suggested and then proposed changes to the committee based on those recommendations.

At its November 17, 2025 meeting, the Legislative Committee considered the revisions to the charter and voted unanimously to approve the revisions. The Legislative Committee respectfully requests that the Board approve the proposed revisions to the charter.

Included with the memo is a redlined version of the current charter showing the revisions, and a clean version showing the charter as revised.

## **Legislative Committee Charter**

### **Purpose**

The purpose of the Legislative Committee is to:

1. Assist the Board in identifying, monitoring and reviewing proposed pension-related legislation that could impact NHRS, its members or retirees;
2. Develop its legislative agenda and positions on proposed pension-related legislation that could have a fiduciary or administrative impact on NHRS, its members or retirees, consistent with the fiduciary standards set forth in RSA 100-A:15 for recommendation to the Board; and
3. Provide such other legislative related services or support as may be assigned to it by the Board.

### **Authority**

The Legislative Committee is authorized to:

- Draft, or cause to be drafted, proposed legislation to clarify the administration of the Plan as set forth in RSA 100-A for review and approval by the Board for consideration by the Legislature;
- Recommend that the Board authorize additional analysis of any proposed pension-related legislation that could have a fiduciary or administrative impact on NHRS, its members or retirees; and
- Recommend that the Board take a position on any proposed pension-related legislation that could impact NHRS, its members or retirees, provided such positions are consistent with the fiduciary duties outlined in RSA 100-A:15.

### **Limitations**

The Committee is not authorized to take positions on matters of policy which are reserved to the Legislature as plan sponsor.

The Committee is not authorized to expend funds unless such expenditure is deemed to be solely for the benefit of the members or beneficiaries and approved by the full Board.

### **Composition**

The Legislative Committee shall consist of up to five members appointed by the Board Chair. The Chair of the Legislative Committee also shall be appointed by the Board Chair.

## Meetings

- The Committee shall meet at least twice per year, with the authority to convene additional meetings as circumstances require. The Committee also shall meet as soon as possible after the introduction of any legislation affecting NHRS.
- Meetings will be held in accordance with New Hampshire open meeting requirements under RSA 91-A, RSA 100-A:14-a and the Board Meeting Protocol in Section VIII of the NHRS Governance Manual.
- Members may attend meetings in person or via teleconference or video-conference. A quorum shall consist of a majority of the Committee members. Any Trustee may attend and participate in discussions; only Committee members may vote. If any Committee member is attending via teleconference or video-conference, all votes shall be by roll call.
- Meeting agendas and briefing materials shall be distributed in advance.
- Minutes shall be prepared by the staff and maintained in accordance with NHRS records policies.
- The Committee may invite members of staff or others to attend meetings and provide pertinent information, as necessary.

## Staffing

The Executive Director shall appoint a senior staff member to serve as staff liaison to the Committee. NHRS staff shall support the Committee in fulfilling its responsibilities, including providing regular updates on legislative developments.

## Responsibilities

The Legislative Committee shall:

- Develop positions on legislation that impact the Board's fiduciary duty;
- Develop with staff a legislative agenda for NHRS;
- Regularly report to the Board of Trustees about Committee activities, issues, and related matters;
- Obtain regular reports from staff regarding legislative matters;
- Perform other legislative-related activities as requested by the Board of Trustees; and
- Review its Charter at least annually and recommend revisions for Board approval.

**(REDLINE VERSION)****Purpose**

The purpose of the Legislative Committee is to:

1. Assist the Board in identifying, monitoring and reviewing proposed pension-related legislation that could impact NHRS, its members or retirees;
2. Develop its legislative agenda and positions on proposed pension-related legislation that could have a fiduciary or administrative impact on NHRS, its members or retirees, consistent with the fiduciary standards set forth in RSA 100-A:15 for recommendation to the Board; and
3. Provide such other legislative related services or support as may be assigned to it by the Board.

**Authority**

The Legislative Committee ~~has the authority~~ is authorized to:

- Draft, or cause to be drafted, proposed legislation to clarify the administration of the Plan as set forth in RSA 100-A for review and approval by the Board for consideration by the Legislature;
- Recommend that the Board authorize additional analysis of any proposed pension-related legislation that could have a fiduciary or administrative impact on NHRS, its members or retirees; and
- Recommend that the Board take a position on any proposed pension-related legislation that could impact NHRS, its members or retirees, provided such positions are consistent with the fiduciary duties outlined in RSA 100-A:15.

**Limitations**

The Committee is not authorized to take positions on matters of policy which are reserved to the Legislature as plan sponsor.

The Committee, ~~nor~~ is ~~it-not~~ authorized to expend funds unless such expenditure is deemed to be solely for the benefit of the members or beneficiaries and approved by the full Board.

**Composition**

The Legislative Committee ~~will~~ shall consist of up to five members appointed by the Board Chair. The Chair of the Legislative Committee ~~will~~ also shall be appointed by the Board Chair.

## Meetings

- The Committee shall meet at least twice per year, with the authority to convene additional meetings, as circumstances require. The Committee ~~also~~ shall ~~also~~ meet as soon as possible after ~~new legislation is introduced~~ the introduction of any legislation affecting NHRS.
- Meetings will be held in accordance with New Hampshire open meeting requirements under RSA 91-A, ~~and~~ RSA 100-A:14-a and the Board Meeting Protocol in Section VIII of the NHRS Governance Manual.
- ~~All committee members are expected to~~ may attend ~~each~~ meetings in person or via teleconference or video-conference. A quorum shall consist of a majority of the Committee members. Any Trustee may attend and participate in discussions; only Committee members may vote. If any Committee member is attending via teleconference or video-conference, all votes shall be by roll call.
- ~~The Committee may invite members of staff or others to attend meetings and provide pertinent information, as necessary.~~ Meeting agendas and briefing materials will ~~shall~~ be prepared and provided ~~distributed~~ in advance to members, along with appropriate briefing materials.
- Minutes ~~of the meeting discussions and decisions will~~ shall be prepared by the staff and maintained in accordance with NHRS records policies.
- ~~Any Trustee may attend the Committee's meetings and participate in discussions; however, only Committee members may vote.~~ The Committee may invite members of staff or others to attend meetings and provide pertinent information, as necessary.

## Staffing

The Executive Director will ~~shall~~ appoint a senior staff member who will act to ~~serve~~ as staff liaison to the Committee. NHRS staff will ~~shall~~ assist ~~support~~ the Committee in the discharge ~~fulfilling of~~ its responsibilities, including providing regular updates on legislative developments.

## Responsibilities

The Legislative Committee will ~~carry out the following responsibilities~~ shall:

- Develop positions on legislation that impact the Board's fiduciary duty;
- Develop with staff a legislative agenda for NHRS;
- Regularly report to the Board of Trustees about Committee activities, issues, and related matters;

- Obtain regular reports from staff regarding legislative matters;
- 
- Perform other legislative-related activities ~~related to this Charter~~ as requested by the Board of Trustees; and,
- Review its Charter at least annually and ~~make recommendations~~ revisions for ~~to the Board for approval and adoption of the Charter, including any revisions as may be deemed appropriate.~~



To: NHRS Board of Trustees  
From: Annie Gregori, Chief Legal Counsel  
Date: December 3, 2025  
Re: Benefits Committee Charter Revisions  
Item: Action: X      Discussion:      Informational:

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Consistent with the Board's Governance Policy, each committee reviews its charter annually and makes any necessary revisions to reflect changes in the law and NHRS policies. There has not been a comprehensive review of the committee charters in over 10 years. This year Legal staff asked outside counsel to review all the committee charters. Staff reviewed the revisions that were suggested and then proposed changes to the committee based on those recommendations.

At its December 2, 2025 meeting, the Benefits Committee considered the revisions to the charter and voted unanimously to approve the revisions with one minor amendment. The Benefits Committee respectfully requests that the Board approve the revised charter, as amended by the Committee.

Included with the memo is a redlined version of the current charter showing the revisions, and a clean version showing the charter as revised.

## Benefits Committee Charter

### Purpose

The Benefits Committee is a standing committee established to support the Board of Trustees in overseeing the administration of member benefits. The Committee will assist the Board in enhancing operational efficiencies and improving services to members and beneficiaries. The Committee also will make recommendations to the Board regarding findings, procedures, statutory interpretations, and policy decisions related to benefits and service levels.

### Authority

The Committee is authorized to carry out all responsibilities delegated by the Board of Trustees concerning the administration of benefits and delivery of services. The Committee may direct NHRS staff to conduct research and analysis, and obtain relevant information from service providers (e.g., actuarial, legal, technology, public pension plan consultant, etc.) to assist the Committee in carrying out its responsibilities.

The Committee may request the engagement of external service providers (e.g., auditors, legal counsel, consultants, etc.) to assist in fulfilling its responsibilities, pursuant to the NHRS Procurement Policy.

### Composition

The Benefits Committee shall consist of up to five members appointed by the Board Chair. The Chair of the Benefits Committee shall also be appointed by the Board Chair.

### Meetings

- The Committee shall meet monthly, with the authority to convene additional meetings, as circumstances require.
- Meetings will be held in accordance with New Hampshire open meeting requirements under RSA 91-A, RSA 100-A:14-a and the Board Meeting Protocol in Section VIII of the NHRS Governance Manual. Members may attend meetings in person or via teleconference or video-conference. A quorum shall consist of a majority of the Committee members. Any Trustee may attend and participate in discussions; only Committee members may vote. If any Committee member is attending via teleconference or video-conference, all votes shall be by roll call.
- Meeting agendas and briefing materials shall be distributed in advance.
- Minutes shall be prepared by staff and maintained in accordance with NHRS records policy.
- The Committee may invite members of staff or others to attend meetings and provide pertinent information, as necessary.

## Staffing

The Executive Director shall appoint one or more senior staff members to serve as staff liaison(s) to the Committee. NHRS staff shall support the Committee in fulfilling its responsibilities.

## Responsibilities

The Benefits Committee shall:

- Provide clarification on statutory and administrative requirements related to benefits and services with recommendations to the Board when necessary;
- Develop and recommend policies to the Board that promote efficient and compliant benefits administration and reflect fiduciary best practices;
- Recommend to the Board legislative, administrative rule, or policy changes related to benefits and service levels;
- Act as the Board's delegee in making determinations on disability retirement applications or refer such matters to the full Board when appropriate. Benefit denials require Board approval;
- Review and make recommendations on applications and appeals for benefits under RSA 100-A;
- Review and make determinations on recoupment matters in accordance with the IRS' Employee Plans Compliance Resolution System (EPCRS), its related guidance, and the Pension Recoupment and Hardship Policies;
- Review and advise the Board on litigation involving benefits;
- Perform other benefit-related duties as requested by the Board of Trustees; and
- Review this Charter at least annually and recommend revisions for Board approval.

## (REDLINE VERSION)

### Purpose

The ~~New Hampshire Retirement System Board of Trustees has established a~~ Benefits Committee ~~is a standing committee established in order to assist support~~ the Board of Trustees in ~~overseeing the administration of member benefits creating efficiencies, improving services to members and beneficiaries and any other actions referred to it by the Board for recommended action.~~ The Committee will ~~also assist the Board in enhancing operational efficiencies and improving services to members and beneficiaries.~~ ~~The Committee also will also~~ make recommendations to the Board ~~on regarding~~ findings, procedures, ~~and~~ statutory interpretations, and policy decisions related to benefits and service levels.

### Authority

The Committee ~~shall have the authority~~ is authorized to carry out all responsibilities ~~as delegated to it~~ by the Board of Trustees ~~relative to concerning~~ the administration of benefits and delivery of services ~~to members and beneficiaries.~~ The Committee may direct NHRS staff to ~~undertake conduct~~ research and analysis, ~~on issues related to benefits and to obtain relevant information from services providers and to seek relevant information from the firms~~ (e.g., actuarial, legal, technology, public pension plan consultant, etc.) ~~that provide services to the Board~~ to assist the Committee in carrying out its responsibilities.

The Committee ~~has the Board delegated authority to may~~ request the hiring engagement of ~~outside external~~ service providers (e.g., auditors, legal counsel, consultants, etc.); to assist ~~it in carrying out fulfilling~~ its responsibilities, pursuant to the NHRS Procurement Policy ~~in effect at the time of such requests.~~

### Composition

The Benefits Committee ~~will shall~~ consist of up to five members appointed by the Board Chair. The Chair of the Benefits Committee ~~will shall~~ also be appointed by the Board Chair.

### Meetings

- ~~The Committee will shall~~ meet monthly, with the authority to convene additional meetings, as circumstances require or more frequently as needed.
- ~~Meetings will be held in accordance with New Hampshire open meeting requirements under RSA 91-A, RSA 100-A:14-a and the Board Meeting Protocol in Section VIII of the NHRS Governance Manual.~~

- ~~Recommend to the Board~~ recommendations to the Board regarding necessary legislative, administrative rules, or policy changes related to benefits and service levels;
- ~~Act as the Board's delegee in making initial determinations regarding on~~ disability retirement applications or, ~~if necessary and appropriate,~~ refer such determinations matters to the full Board when appropriate. Benefit denials require Board approval;
- ~~Review and make recommendations to the Board relating to on~~ applications and appeals for benefits under RSA 100-A;
- ~~Review and make determinations relating to on~~ recoupment matters in accordance with the IRS' Employee Plans Compliance Resolution System (EPCRS), its related guidance, and the Pension Recoupment and Hardship Policies;
- ~~Review and make recommendations to advise~~ the Board relating to ongoing litigation involving benefits;
- ~~Perform other activities benefit-related duties related to this Charter~~ as requested by the Board of Trustees; and,
- Review its this Charter at least annually and ~~make recommendations revisions for to the Board for approval and adoption of the Charter, including any revisions as may be deemed appropriate.~~



To: NHRS Board of Trustees  
From: Annie Gregori, Chief Legal Counsel  
Date: December 3, 2025  
Re: Personnel Performance & Compensation Committee Charter Revisions  
Item: Action: X      Discussion:      Informational:

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Consistent with the Board's Governance Policy, each committee reviews its charter annually and makes any necessary revisions to reflect changes in the law and NHRS policies. There has not been a comprehensive review of the committee charters in over 10 years. This year Legal staff asked outside counsel to review all the committee charters. Staff reviewed the revisions that were suggested and then proposed changes to the committee based on those recommendations.

At its December 1, 2025, meeting, the Personnel Performance & Compensation Committee considered the revisions to the charter and voted unanimously to approve the revisions. The Personnel Performance & Compensation Committee respectfully requests that the Board approve the proposed revisions to the charter.

Included with the memo is a redlined version of the current charter showing the revisions, and a clean version showing the charter as revised.

## Personnel Performance and Compensation Committee Charter

### Purpose

The Personnel Performance and Compensation Committee (PPCC) is a standing committee established to support the Board of Trustees in its oversight of executive and staff performance, compensation, and benefits at NHRS. The Committee is responsible for reviewing and advising on matters related to the performance and employment terms of the Executive Director, as well as broader organizational policies affecting NHRS staff.

The PPCC provides strategic guidance and counsel to the Executive Director on:

- Organizational structure and staffing;
- Management performance and development;
- Employee compensation and benefit programs;
- Human resources policies and procedures;
- Collective bargaining matters; and
- Succession and continuity planning.

### Authority

The PPCC is authorized to:

- Oversee and manage the process of hiring the Executive Director, including search, selection, and onboarding;
- Develop and implement a methodology for evaluating the Executive Director's performance on an annual basis;
- Make recommendations to the Board regarding the Executive Director's compensation and other employment terms and conditions;
- Review proposed actions by the Executive Director related to human resources policies, organizational structure, staffing, employee compensation, development and training programs, and collective bargaining matters.

### Composition

The PPCC shall consist of up to five members appointed by the Board Chair. The Chair of the PPCC also shall be appointed by the Board Chair.

## Meetings

- The Committee shall meet at least twice annually and shall convene approximately three months prior to the Executive Director's anniversary date to initiate the annual performance review process. Additional meetings may be scheduled as needed.
- Meetings will be held in accordance with New Hampshire open meeting requirements under RSA 91-A RSA 100-A:14-a and the Board Meeting Protocol in Section VIII of the NHRS Governance Manual.
- Members may attend meetings in person or via teleconference or video-conference. A quorum shall consist of a majority of the Committee members. Any Trustee may attend and participate in discussions; only Committee members may vote. If any Committee member is attending via teleconference or video-conference, all votes shall be by roll call.
- Meeting agendas and briefing materials shall be distributed in advance.
- Minutes shall be prepared by the staff and maintained in accordance with NHRS records policies.
- The Committee may invite members of staff or others to attend meetings and provide pertinent information, as necessary.

## Staffing

The Executive Director shall appoint a senior staff member to serve as staff liaison to the Committee. NHRS staff shall support the Committee in fulfilling its responsibilities.

## Responsibilities

The PPCC shall:

1. Executive Director Oversight
  - Review and make recommendations to the Board regarding the Executive Director's performance and compensation;
  - Oversee the process for evaluating the Executive Director's annual performance.
2. Organizational Guidance
  - Provide advice and counsel to the Executive Director on matters related to organizational structure, management performance, and staff compensation;
  - Review and advise on employee benefit programs, human resources policies, and procedures.

### 3. Employee Benefits and Agreements

- Oversee the establishment and implementation of NHRS employee benefit programs and severance policies;
- Review and approve employment agreements for executive-level positions, if utilized.

### 4. Collective Bargaining

- Assist in the management and negotiation of the Collective Bargaining Agreement (“CBA”) between NHRS and bargaining unit(s);
- Identify issues, evaluate proposals, and make recommendations to the Board regarding negotiation positions and the finalization of the CBA.

### 5. Independent Advisors

- Subject to Board approval, select and retain independent compensation and benefits consultants or other external advisors in accordance with the Procurement Policy;
- Determine the terms of engagement for such advisors to support the Committee and/or Executive Director.

### 6. Governance and Reporting

- Perform other PPCC-related activities as requested by the Board of Trustees; and
- Review this Charter at least annually and recommend revisions for Board approval.

**(REDLINE VERSION)****Purpose**

The ~~purpose of the~~ Personnel Performance and Compensation Committee (PPCC) is a standing committee established to provide support the Board of Trustees in its oversight and review of executive and staff performance, compensation, and benefits of the Executive Director and at NHRS staff. The Committee is responsible for reviewing and advising on matters related to the performance and employment terms of the Executive Director, as well as broader organizational policies affecting NHRS staff.

The PPCC provides strategic guidance advice and counsel to the Executive Director ~~with regard on: to matters concerning~~

- eOrganizational structure and staffing;
- mManagement performance and development;
- eEmployee compensation and benefit programs;
- hHuman resources policies and procedures, programs and plans;
- eCollective bargaining matters; and
- Succession management development; and continuity planning plans.

**Authority**

The PPCC ~~has their~~ authority authorized to:

- Oversee and manage the process of hiring the Executive Director, including search, selection, and onboarding;
- Develop and implement a methodology for evaluating reviewing the Executive Director's performance on an annual basis of the Executive Director;
- Make recommendations to the Board with respect to regarding the Executive Director's compensation or and other employment terms and conditions relating to the employment of the Executive Director;
- Review proposed actions ~~of by~~ the Executive Director pertaining related to human resources policies, organizational structure, staffing, employee compensation, employee development and training programs, and collective bargaining matters.

**Composition**

The PPCC ~~will shall~~ consist of up to five members appointed by the Board Chair. The Chair of the PPCC ~~will~~ also shall be appointed by the Board Chair.

**Meetings**

- The Committee shall meet at least twice annually and shall convene approximately three months prior to the Executive Director's anniversary date to initiate the process of reviewing the annual performance of the Executive

~~Director review process. Additional meetings may be scheduled as needed. The Committee shall meet at least twice a year, with the authority to convene as circumstances require.~~

- ~~Meetings will be held in accordance with New Hampshire open meeting requirements under RSA 91-A, and RSA 100-A:14-a and the Board Meeting Protocol in Section VIII of the NHRS Governance Manual.~~
- ~~All Committee members are expected to~~ attend ~~each~~ meetings in person or via teleconference or video-conference electronically. ~~A quorum shall consist of a majority of the Committee members. Any Trustee may attend and participate in discussions; only Committee members may vote. If any Committee member is attending via teleconference or video-conference, all votes shall be by roll call.~~
- ~~Meeting agendas and briefing materials will~~ shall be ~~provided~~ distributed in advance ~~to members along with appropriate briefing materials.~~
- ~~Minutes of the meeting discussions and decisions will~~ shall be prepared by the staff ~~and maintained in accordance with NHRS records policies.~~
- ~~Any Trustee may attend the Committee's meetings and participate in discussions; however, only Committee members may vote. The Committee may invite members of staff or others to attend meetings and provide pertinent information, as necessary.~~

## Staffing

The Executive Director ~~will~~ shall appoint a senior staff member ~~who will act to~~ serve as staff liaison to the Committee. NHRS staff ~~will~~ shall assist support the Committee in ~~the discharge of fulfilling~~ its responsibilities.

## Responsibilities

### The PPCC shall:

1. Executive Director Oversight
  - ~~Review and make recommendations to the Board with respect to regarding the Executive Director's performance and compensation matters for the Executive Director;~~
  - Oversee the process for evaluating the Executive Director's annual performance.

## 2. Organizational Guidance

- Provide advice and counsel to the Executive Director with regard on matters related to organizational structure, management performance, and staff compensation, employee benefits, policies and procedures;
- Review and advise on employee benefit programs, human resources policies, and procedures.

## 3. Employee Benefits and Agreements

- Oversee the establishment and implementation of NHRS' employee benefit programs and severance policies, including
- Review and approval approve of employment agreements for executive-level positions, if utilized;

## 4. Collective Bargaining

- Oversee and aAssist in the management and negotiation of the Collective Bargaining Agreement ("CBA") between NHRS and bargaining unit(s); including but not limited to
- identification Identify of issues to be addressed, positions onevaluate proposals, made during negotiations and making make recommendations to the Board with respect to such issues regarding negotiation positions and the finalization of the CBA;

## 5. Independent Advisors

- Subject to the approval of the full Board approval, the PPCC is responsible for the selection, and retention retain and determination of the terms of engagement for agreements that are the responsibility of the Board based on the Procurement Policy, with independent compensation and benefits consultants and/or other external advisors in accordance with the Procurement Policy outside resources as needed, to provide independent advice to the Executive Director and / or PPCC with respect to NHRS' compensation and employee benefit programs;
- Determine the terms of engagement for such advisors to support the Committee and/or Executive Director.

## 6. Governance and Reporting

- Perform other ~~activities-PPCC-related~~ activities to this charter as requested by the Board of Trustees; and
- ~~keep the Board apprised as appropriate; and r~~Review its this Charter at least annually and ~~make recommendations~~recommend revisions to thefor Board ~~for approval and adoption of the Charter, including any additions, deletions or modifications, as may be deemed appropriate.~~

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To: NHRS Board of Trustees  
 From: Annie Gregori, Chief Legal Counsel  
 Date: December 2, 2025  
 Re: CY 2024 Gainful Occupation Compliance Report  
 Item: Action: X Discussion: Informational:

The Gainful Occupation Report summarizes employment activities of disability recipients during the prior calendar year. This report is based on the filings received by NHRS as of November 25, 2025.

#### SUMMARY OF REPORTING INFORMATION

1.	Total Retirees on Disability	1,673
2.	Total Annual Benefits Paid (all disability retirees and survivors)	\$32,265,000
3.	Total Retirees Required to Report <sup>1</sup>	443
4.	Total Annual Reported Earnings	\$3,898,694
5.	No Earnings	170
6.	Earnings Not In Excess	149
7.	Excess Earnings <sup>2</sup>	13
8.	Noncompliant Retirees	34
9.	Total Reductions for Excess Earnings	\$172,317
10.	Avg. Monthly Reduction for Excess Earnings	\$1,104
11.	Avg. Monthly Earnings for Reporting Retirees	\$2,005
12.	Avg. Monthly Benefit for Reporting Retirees	\$1,902
13.	Avg. Monthly Allowable Earnings for Reporting Retirees	\$3,950

<sup>1</sup> Exempt retirees include GR II ADRs, 45 and older, whose combined yrs of service plus yrs on disability total at least 20; retirees age 70 and over, retirees granted a waiver due to no earnings for the prior five calendar yrs, and retirees in nursing homes, or who are incarcerated.

<sup>2</sup> Four retirees applied for waivers based on reduced anticipated 2026 earnings.

NHRS Staff recommends that the Board approve the following actions:

1. Pursuant to RSA 100-A:6, III(b), reduce the State annuity and related cost-of-living allowance, up to the amount of the excess earnings for those disability retirees with excess earnings identified above. Offsets due to excess earnings in 2024 are scheduled to begin with benefits paid in January 2026 and shall continue for 12 months.
2. Pursuant to Ret 309.01(k), withhold the State annuity and related cost-of-living allowance of those disability recipients who have not provided all required documents. The withholding for noncompliance is scheduled to begin with benefits paid in December 2025 and continue until all requested documentation has been submitted and processed.

**Our Mission: To provide secure retirement benefits and superior service.**



## Annual Code of Ethics Report Card

FY 2025

### Scorecard of Responses Received as of December 2, 2025

<u>RESPONDENTS</u>	<u>TOTAL REQUESTS</u>	<u>TOTAL RESPONSES</u>	<u>PERCENT RESPONDING</u>
Public Mkt.Mgrs.\Svc. Providers	157	142	90%
Trustees\IIC\Management	34	34	100%
Former Trustees\IIC\Management	5	3	60%
Employees	58	58	100%
Former Employees	3	0	0%
<b>Totals</b>	<b>256</b>	<b>237</b>	<b>93%</b>

### RESPONSE SUMMARY

Staff has reviewed the responses regarding compliance with the NHRS Code of Conduct. In the responses received, there are no comments that would necessitate further review by the Audit Committee or the Board of Trustees.

**Our Mission: To provide secure retirement benefits and superior service.**

**Trustee Travel**

*No Travel Requests Submitted*



To: NHRS Board of Trustees  
 From: Jan Goodwin, Executive Director  
 Date: December 1, 2025  
 Re: October 14, 2025 - Action Items  
 Item: Action:  Discussion:  Informational:

1. Proposed Updates to The Audit Policy and Charter **JG**
  - o **Action: Complete**
  
2. Finalize Contract with Gabriel, Roeder & Smith (GRS) **MM/AG**
  - o **Action: In process**
  
3. Finalize Agreement with Selected NH Counsel Sulloway & Hollis PLLC **JG/AG**
  - o **Action: In process**
  
4. Propose Legislation to Allow Virtual Participation for the IIC **JG/RL**
  - o **Action: Monitoring appropriate legislation for this proposal**
  
5. Negotiate and Execute Contracts for 80 Commercial Street Relocation **JG/ E-Team**
  - o **Action: In process**
  
6. Benchmarking Study of Investment and Operating Costs **RL**
  - o **Action: To be presented at December Board meeting**
  
7. Enroll/Set up Rollinsford Water & Sewer District **AG**
  - o **Action: Complete**

**Our Mission: To provide secure retirement benefits and superior service.**

## **BOARD CHECKPOINT DISCUSSION**

**CY 2026 BOARD ACTION CALENDAR****JANUARY 2026 – No Meeting****FEBRUARY**

<b>Date</b>	<b>Board Action Item</b>	<b>Requirement</b>	<b>Responsible Party</b>
2/10/26	Board and Audit Committee approval of FY24 GASB 68/75 Reports	Best Practice	Board of Trustees
2/10/26	Annual Governance Manual revisions	Best Practice	Board of Trustees
2/10/26	Presentation of Capital Markets Assumptions	Best Practice	Investments
2/10/26	Quarterly IIC Report (Incl Inv. Fees and Sole Interest Statement)	RSA 100-A:15, II-a(c)	IIC
2/10/26	Trustee Education	Best Practice	ED
2/10/26	BCP Testing Report	Best Practice	ED
2/10/26	Initiate Review of Strategic Plan - PAA	Best Practice	Board of Trustees
2/10/26	Confirm quarterly report to chairpersons of House & Senate ED&A Committees describing recent Board actions including any changes to actuarial assumptions and investment returns and Sole Interest Statement were submitted.	RSA 100-A:14, VII-a & RSA 100-A:15, II-a(c) & VIII(b)	ED

**MARCH – No Meeting****APRIL**

<b>Date</b>	<b>Board Action Item</b>	<b>Requirement</b>	<b>Responsible Party</b>
4/14/26	Confirm quarterly report to chairpersons of House & Senate ED&A Committees describing recent Board actions including any changes to actuarial assumptions and investment returns and Sole Interest Statement were submitted.	RSA 100-A:14, VII-a & RSA 100-A:15, II-a(c) & VIII(b)	ED
4/14/26	Approve the Strategic Plan	Best Practice	Board of Trustees
4/14/26	Annual VCP Review	Best Practice	Legal/Board of Trustees

**MAY – No Meeting**

**JUNE**

<b>Date</b>	<b>Board Action Item</b>	<b>Requirement</b>	<b>Responsible Party</b>
6/9/26	Review and Approve annual Trust Fund Budget (non-statutory portion)	Best Practice	Board of Trustees
6/9/26	Quarterly IIC Report (Incl Inv. Fees)	RSA 100-A:15, II-a(c)	IIC

**JULY – No Meeting****AUGUST**

<b>Date</b>	<b>Board Action Items</b>	<b>Requirement</b>	<b>Responsible Party</b>
8/11/26	Annual IIC Real Estate update to the Board	Best Practice	IIC
8/11/26	Review and Approve Biennial Administrative Budget	RSA 100-A:14, XIII	Board of Trustees
8/11/26	Review and Approve Actuarial Valuation and Rate Certification	RSA 100-A:14, X	Board of Trustees
8/11/26	Office of Foreign Asset Control (OFAC) Compliance Report	Best Practice	Board of Trustees
8/11/26	Working After Retirement Report	Best Practice	Board of Trustees
8/11/26	Confirm quarterly report to chairpersons of House & Senate ED&A Committees describing recent Board actions including any changes to actuarial assumptions and investment returns and Sole Interest Statement were submitted.	RSA 100-A:14, VII-a & RSA 100-A:15, II-a(c) & VIII(b)	ED

**SEPTEMBER – No Meeting****OCTOBER**

<b>Date</b>	<b>Board Action Items</b>	<b>Requirement</b>	<b>Responsible Party</b>
10/13/26	Confirm quarterly report to chairpersons of House & Senate ED&A Committees describing recent Board actions including any changes to actuarial assumptions and investment returns and Sole Interest Statement were submitted.	RSA 100-A:14, VII-a & RSA 100-A:15, II-a(c) & VIII(b)	ED
10/13/26	Gainful Occupation Report	RSA 100-A:6, III(b)	Board of Trustees
10/13/26	Review charters for Board Committees	Governance Manual	Appropriate Board Committee
10/13/26	Annual Board Fiduciary Education	Best Practice	Board of Trustees
10/13/26	Annual Independent Medical Examiner (IME) Review	IME Policy	Board of Trustees
10/13/26	Set Board of Trustees meeting schedule for next calendar year	Governance Manual	Board of Trustees
10/13/26	Quarterly IIC Report (Incl Inv. Fees)	RSA 100-A:15, II-a(c) & VIII(b)	IIC
10/13/26	Call Firefighter Report	Best Practice	Board of Trustees

**NOVEMBER – No Meeting****DECEMBER**

<b>Date</b>	<b>Board Action Items</b>	<b>Requirement</b>	<b>Responsible Party</b>
12/8/26	Audited ACFR to Audit Committee and Board for approval	RSA 100-A:15, VI(a)	External Auditor
12/8/26	Audit Committee recommends that the Board approve the audited ACFR	RSA 100-A:15, VI(a)	Board of Trustees
12/8/26	RSA 15-A Statement of Financial Interests Reminder – due 3 <sup>rd</sup> Fri. in Jan	RSA 15-A	Board of Trustees
12/8/26	The IIC recommends that the Board approve the CAIR	RSA 100-A:15, VII	Board of Trustees
12/8/26	Present annual ethics survey results	Ret. 401	Legal
12/8/26	Quarterly IIC Report (Incl Inv. Fees)	RSA 100-A:15, II-a(c) & VIII(b)	IIC
12/8/26	Deadline for issuing member statements for fiscal year ending 6/30/25	RSA 100-A:14, XI	Board of Trustees
12/8/26	ACFR and CAIR delivered per statute	RSA 100-A:15, VI(c)	PIO

**New Hampshire Retirement System Board of Trustees  
As of November 3, 2025**

Jon Frederick, Jaffrey  
September 21, 2022, to September 5, 2025  
NH Municipal Association

Sue Ellen Hannan, Derry  
July 27, 2018, to July 1, 2021  
NH Education Association

Jason M. Henry, Brentwood  
May 17, 2023, to July 13, 2025  
NH Association of Counties

Maureen Kelliher, Dover  
June 18, 2014, to July 13, 2025  
Non-member Trustee

Robert Maloney, Holderness  
July 27, 2018, to July 13, 2024  
Non-member Trustee

Andrew Martineau, Bow  
February 26, 2025, to July 1, 2027  
NH State Permanent Firemen's Association

Leah McKenna, Concord  
December 18, 2024, to July 1, 2027  
State Employees' Association

Kenneth Merrifield, Franklin  
March 24, 2021, to July 13, 2025  
NH State Employer

Monica Mezzapelle, Concord  
March 25, 2020, to December 4, 2026  
State Treasurer

Joshua Quigley, Bedford  
October 19, 2022, to July 1, 2027  
NH Police Association

Donald M. Roy, Jr., North Hampton  
July 13, 2011, to July 13, 2025  
NH School Boards Association

Steven G. Saltzman, Concord  
March 12, 2025, to November 30, 2025  
Non-member Trustee

Vacant - Non-member Trustee

**NHRS Board of Trustees  
Committee Membership List  
as of November 17, 2025**

<b>Committee</b>	<b>Audit</b>	<b>Benefits</b>	<b>Governance</b>	<b>Legislative</b>	<b>PPCC</b>	<b>Ad Hoc Real Estate</b>	<b>Investment</b>
Staff Liaison	Jan Goodwin	Diana Crichton/ Nancy Miller	Annie Gregori	Jan Goodwin	Rosamond Cain	Jan Goodwin	Raynald Leveque
Frederick, Jon		<b>X-Ch</b>		X			
Hannan, Sue				X	<b>X-Ch</b>	X	
Henry, Jason	X	X					
Kelliher, Maureen					X	X	X
Maloney, Robert	X		X		X		
Martineau, Andrew		X		X			
McKenna, Leah	X	X					
Merrifield, Ken				<b>X-Ch</b>	X		
Mezzapelle, Monica	<b>X-Ch</b>		X				
<i>Vacant</i>							
Quigley, Joshua				X	X	<b>X-Ch</b>	
Roy, Donald		X	<b>X-Ch</b>			X	
Saltzman, Steven	X		X				
<b>TOTAL MEMBERS</b>	5/5	5/5	4/5	5/5	5/5	4/4	1/6*

\*Per RSA 100-A:14-b, I, the Independent Investment Committee shall consist of not more than 6 members, and up to 2 of whom shall be Trustees.

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**Educational Seminars for Board Members,  
as of November 17, 2025**

Sponsor	Program	Description
<p>(NCPERS) National Conference on Public Employee Retirement Systems <a href="http://www.ncpers.org">www.ncpers.org</a></p>	<p><b>2025 NCPERS Trustee Educational Seminar (TEDS)*</b> May 17 – 20, 2026 Las Vegas, NV</p> <p><b>2025 NCPERS Accredited Fiduciary (NAF)**</b></p> <p><b>NAF Modules 1 &amp; 2</b> May 16 – 17, 2026 Las Vegas, NV</p> <p><b>NAF Modules 3 &amp; 4</b> May 16 – 17, 2026 Las Vegas, NV</p> <p><i>*Runs concurrently with the Annual Conference &amp; Exhibition (ACE).</i></p> <p><i>**Trustees who wish to earn their NCPERS Accredited Fiduciary (NAF) accreditation take TEDS first.</i></p>	<ul style="list-style-type: none"> <li>▪ Gain comprehensive insights into Trustee responsibilities, investment strategies, and pension management.</li> <li>▪ Engage in interactive sessions covering plan governance, investment roles, actuarial valuations, funding policies, fiduciary duties, and asset allocation challenges.</li> <li>▪ For Trustees with at least five years of experience. Trustee Education Seminar (TEDS) is a pre-requisite.</li> <li>▪ Earn continuing education credits.</li> <li>▪ Strengthen knowledge of pensions and governance.</li> <li>▪ Topics include investing principles, understanding actuarial science, board policies and fundamental concepts.</li> </ul>
<p>(NASRA) National Association of State Retirement Administrators <a href="http://www.nasra.org">www.nasra.org</a></p>	<p><b>NASRA Annual Conference</b> August 8 – 12, 2026 Boston, MA</p> <p><b>NASRA Winter Meeting</b> February 28 – March 2, 2026 Washington, D.C.</p>	<ul style="list-style-type: none"> <li>▪ Hear from leaders in the retirement field on a variety of subjects including investment management, world events relative to the pension industry, economy, and trends.</li> <li>▪ Retirement system directors and staff gather for Sunday afternoon roundtable discussions and presentations, followed by a day of analysis, forecasts, and overviews on current federal legislative and regulatory activities for all NASRA members.</li> </ul>

Sponsor	Program	Description
(NCTR) National Council on Teacher Retirement <a href="http://www.nctr.org">www.nctr.org</a>	<b>NCTR's 26<sup>th</sup> Annual Trustee Workshop</b> July 12 – 15, 2026 Berkeley, CA	<ul style="list-style-type: none"> <li>▪ Good for new and experienced Trustees.</li> <li>▪ Workshop sessions.</li> </ul>
(IFEBP) Int'l Foundation of Employee Benefit Plans <a href="http://www.ifebp.org">www.ifebp.org</a>	<p> <b>New Trustees Institute            Level I: Core Concepts</b>            February 21 – 22, 2026            Orlando, FL         </p> <p> <b>Trustees Institute            Level II: Concepts in Practice</b>            February 21 – 22, 2026            Orlando, FL         </p> <p> <b>Advanced Trustees &amp;            Administrators Institute</b>            February 23 – 25, 2026            Orlando, FL         </p>	<ul style="list-style-type: none"> <li>▪ Ideal for new Trustees to learn fiduciary responsibilities, and the technical aspects of serving as a Trustee.</li> <li>▪ Topics include Trustee responsibility and legal environment, retirement plans, investing health and welfare pension assets, and governance.</li> <li>▪ Ideal for plan professionals, and for Trustees who've served 3 to 5 years and completed Level I: Core Concepts.</li> <li>▪ Learn from industry experts on current events and reform initiatives.</li> <li>▪ Network with peers facing similar challenges – share best practices, ideas, and solutions.</li> <li>▪ Gain insight and garner resource materials to share with colleagues.</li> <li>▪ Ideal for Trustees and plan administrators who've served two or more years. Seek to network and learn about the latest industry issues/trends, attend sessions that cover such topics as emerging benefit trends, legal and regulatory update, crisis management, artificial intelligence (AI), and cybersecurity.</li> </ul>



# NHRS Abbreviations and Acronyms

**About this document:** This list of NHRS abbreviations and acronyms is for the purpose of familiarizing all staff, the Board of Trustees and the Independent Investment Committee with common terms NHRS uses externally. Some NHRS abbreviations/acronyms are intended for internal use only and are indicated by an asterisk (\*). This document is a reference guide to help NHRS be consistent and accurate in our communication with colleagues, our members, retirees and their beneficiaries, participating employers, and stakeholders.

**Style note: Spell out NHRS abbreviations and acronyms on first reference** and put the abbreviation or acronym in parenthesis directly after the word for use on the second or subsequent references in a written document, *e.g., The retiree called the NHRS Contact Center to ask why he doesn't receive cost-of-living adjustments (COLAs) every year. The contact center representative replied that COLAs are determined by the NH Legislature and encouraged the retiree to contact his state representatives.* If there is no second reference, then there is no need to add the abbreviation or acronym in parenthesis after the word.

## GENERAL

AU\* – Audit

ACFR – Annual Comprehensive Financial Report

BET – Bureau of Education and Training

BOT\* – Board of Trustees (BOT can be used on second reference but only internally)

Board – For Board of Trustees, second reference only

CAIR – Comprehensive Annual Investment Report

CCR\* – Contact Center Representative

EE\* – Employee

ER\* – Employer

ERT – Employer Reporting Team

E-Team\* – Executive Team

FA\* – Facilities

FT-10 – Full-Time 10 months – full-time 10-month employees (generally teachers)

FT-12 – Full-Time 12 months – full-time 12-month employees

HB2 – House Bill 2 (2011 version, which made major changes to NHRS benefits)

IIC – Independent Investment Committee

JLMC\* – Joint Loss Management Committee, also known as Safety Committee

M-Team\* – Management Team

MS\* – Member Services

NHRS – New Hampshire Retirement System

OPEB – Other Post-Employment Benefits (i.e., Medical Subsidy)

P. Sub (or “subs”)\* – Political Subdivision (i.e., any NHRS employer other than the state)

PIO\* – Public Information Office(r)

PPCC – Personnel, Performance and Compensation Committee

RSA 91-A – A New Hampshire statute that allows citizens the right to know when public bodies or public agencies meet, and with provisions, the right for a citizen to inspect governmental records.

RSA 100-A – State statute governing NHRS

RTK – Right-to-Know law (alternative term in reference to RSA 91-A)

SAU – School Administrative Unit

SD – School District

SME\* – Subject Matter Expert

Trustees – Used on second reference only for Board of Trustees (choose either Board or Trustees for use on second reference and use the one term consistently throughout the document and not interchangeably).

UAAL – Unfunded Actuarial Accrued Liability

## **BENEFITS**

ADR – Accidental Disability Retirement (job-related)

AFC – Average Final Compensation (used in pension calculation as formulated by the state)

COB – Compensation Over Base (pay above base salary)

COLAs – Cost-of-Living Adjustments

EDD – Electronic Direct Deposit

ESDP – Extra or Special Duty Pay

FAS – Final Average Salary (part of pension calculation)

GI/GII – Group I (Employee, Teacher) / Group II (Police, Fire)

GO\* – Gainful Occupation (employment status for disability benefits)

IME – Independent Medical Examiner/Examination (third-party medical evaluation)

ODR – Ordinary Disability Retirement (non-job-related)

Pre-lim\* – Preliminary retirement benefit

QDRO – Qualified Domestic Relations Order

RET 304 – Contribution Adjustment, Earnable Compensation and Service Adjustment as described in the Administrative Rules

SP\* – Service Purchase

SPC\* – Service Purchase Contract

Tier A – Members vested by 1/1/12

Tier B – Members hired prior to 7/1/11 but not yet vested by 1/1/12

Tier B+ – Tier B members who qualify for new benefits under HB 282 (as of July 1, 2025) once the member's vested by date becomes effective

Tier C – Members hired on or after 7/1/11

TPS\* – Treating Physician's Statement

TSA\* – Temporary Supplemental Allowance (a one-time retiree payment)

VADR – Violent Accidental Disability Retirement (for Group II (Police and Fire) members) – a disability as a result of a violent attack with a deadly weapon in the line of duty

## **BUSINESS OPERATIONS/VENDORS**

APs\* – Action Plans

GRS – Gabriel, Roeder, Smith & Co (NHRS actuary)

KPMG – Former NHRS audit firm

KPMs\* – Key Performance Measures

LRS – Levi, Ray and Shoup, Inc. (Pension Gold vendor)

LRWL – Consultant firm of PG upgrade (PGV3)

OFAC – Office of Foreign Assets Control

PM\* – Plante Moran (NHRS' external auditor)

PPM\* – Policy and Procedure Manager (database software system for NHRS policies/procedures)

RDI – Returned Deposit Item

RFI – Request for Information

RFP – Request for Proposal (open invitation for vendors to respond to with a bid for doing a specific project or service)

RFQ – Request for Qualifications

UPS – United Parcel Service

USPS – United States Postal Service

## **HUMAN RESOURCES (HR)**

ADD\* – Avoid, Deny, Defend (three-step plan to respond to a threat, e.g.: active shooter)

AED – Automated External Defibrillator

CBA – Collective Bargaining Agreement

CHERP – Community Health Education Reimbursement Program

CRASE – Civilian Response to Active Shooter Event

DCA – Dependent Care Account – A pre-tax benefit that can be used on eligible personal care, such as daycare, of qualifying dependents

EAP – Employee Assistance Program

FMLA – Family Medical Leave Act

FSA – Flexible Spending Account, another term for DCA

HAT – Health Assessment Tool – Incentive for Anthem-insured members to take an annual health questionnaire and earn a monetary reward for meeting certain qualifying health standards

## **INVESTMENT**

ARR – Assumed Rate of Return

IMA – Investment Management Agreement

LTM – Last 12 months

PC – Private Credit

PE – Private Equity

RE – Real Estate

SAA – Strategic Asset Allocation

## **IT – INFORMATION TECHNOLOGY/APPLICATIONS**

DRQ\* – Document Review Queue (Queue in Pension Gold (PG) where all documentation is organized)

DRS – NHRS Data Reporting System (vendor & employer portal)

MFA – Multi-Factor Authentication (a layered security process used to protect data and applications that requires two or more personal identification methods to access the system or application)

PG – Pension Gold (pension application from LRS), also referred to as PGV3 (PG Version 3)

PIN – Personal Identification Number

PIR\* – Problem/Incident Report

## **LEGISLATIVE**

FNW – Fiscal Note Worksheet (Bill cost analysis document)

HB – House Bill (proposed legislation under consideration by the House)

ITL – Inexpedient to Legislate (when a legislative committee reviews a bill, it can recommend that the full body not pass the legislation.)

JLCAR\* – Joint Legislative Committee on Administrative Rules

LOB – Legislative Office Building

LSR – Legislative Services Request (a request to draft a bill)

OTP – Ought to Pass (when a legislative committee reviews a bill, it can recommend that the full body pass it.)

OTPA – Ought to Pass with Amendment (when a legislative committee reviews a bill, it can recommend that the full body pass an amended version.)

RET 304 – Section of NH Administrative Rules outlining procedures for adjusting member contributions, earnable compensation, and service credit within NHRS

SB – Senate Bill (proposed legislation under consideration by the Senate)

SH – State House

**OTHER**

BCCRR – Boston College Center for Retirement Research

G&C – Governor & Council

GASB – Governmental Accounting Standards Board

GFOA – Government Finance Officers Association

JRP – Judicial Retirement Plan (not affiliated with NHRS)

NHMA – New Hampshire Municipal Association

NASRA – National Association of State Retirement Administrators

NCPERS – National Council on Public Employee Retirement Systems

NCTR – National Council on Teachers Retirement

NHASBO – New Hampshire Association of School Business Officials

NIRS – National Institute for Retirement Security

P2F2 – Public Pension Financial Forum

**COMMON BUSINESS TERMS**

COB\* – Close of Business

CYTD – Calendar Year to Date

EOB\* – End of Business

EOD – End of Day

FYTD – Fiscal Year to Date

ITO – In the Office

WFH – Working from Home

OOO – Out of Office