



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

TO: Senator Howard Pearl, Chair, Senate Executive Departments & Administration Committee
Representative Erica Layon, Chair, House Executive Departments & Administration Committee

FROM: New Hampshire Retirement System Board of Trustees (Prepared by Jan Goodwin, Executive Director)

RE: Quarterly Report to the General Court – October 1, 2026

Dear Senator Pearl and Representative Layon:

Pursuant to RSA 100-A:14, VII-a, the Board of Trustees of the New Hampshire Retirement System (NHRS, the retirement system) is submitting this quarterly report to the General Court.

Here is a summary of NHRS activities during the quarter ending June 30, 2026:

- NHRS continues its work on implementing software changes related to Group II, Tier B (Police and Fire) pensions as created by HB 282, with staff having provided supporting materials for the coding changes to our software vendor Levi, Ray, and Shoup, Inc. (LRS), who are now planning development work. Completion of the entire project is estimated to be early 2027.
- NHRS continues its work on renovations of its new office at 80 Commercial Street, having engaged Milestone Construction, LLC, for construction management services. Since occupying the new building in April, we had a lighted NHRS sign installed on the outside wall for location visibility to our members, retirees, and stakeholders, and had issues resolved with the HVAC system to optimize its efficiency.

In addition to this cover letter, the report contains:

- An executive summary of NHRS Board activity from June 30, 2026, through September 30, 2026.
- Approved minutes of the June 9, 2026, Board meeting and draft minutes of the August 11, 2026, Board meeting.
- Quarterly Total Fund investment information through March 31, 2026, which is the most recent quarterly data available.
- Monthly investment information on marketable assets through June 30, 2026, which is the most recent data available.
- Quarterly Investment Compliance Notice provided to the Legislative Budget Assistant.

If you have any questions or would like additional information, please do not hesitate to contact me.

Respectfully,

Jan Goodwin
Executive Director

cc: Office of Governor Kelly Ayotte

**Executive Summary of
New Hampshire Retirement System (NHRS)
Board of Trustees Meeting**

August 11, 2026

At the August 11, 2026, regular bi-monthly meeting of the NHRS Board of Trustees, the Board confirmed NHRS had no violations in accordance to the Fiscal Year (FY) 2026 Office of Foreign Assets Control (OFAC) evaluation.

The Board renewed NHRS' cybersecurity insurance with Houston Casualty for the same coverage but at a 16% reduction to last year's premium of \$57,489. The renewal cost for this year was \$48,300.00.

The Board approved the Statutory Administrative Budget for FYs 2028 and 2029.

Additional details regarding actions and discussions of the NHRS Board of Trustees may be found in the archive of meeting minutes posted on www.nhrs.org. The direct link to this page is: <https://www.nhrs.org/about-nhrs/board-of-trustees/meeting-minutes>

NHRS Board of Trustees

Minutes – June 9, 2026

Note: These minutes from the June 9, 2026, Public Session were approved and executed at the August 11, 2026, Board of Trustees meeting.

Board of Trustees

June 9, 2026

Public Minutes

**New Hampshire Retirement System
80 Commercial Street
Concord, New Hampshire 03301**

Participating: *Maureen Kelliher, Chair; Trustees Jon Frederick, Sue Hannan, Robert Maloney, Andrew Martineau, Monica Mezzapelle, Charles Nickerson, Don Roy, Joshua Quigley, and Steve Saltzman*.*

Absent: *Trustees Leah McKenna and Ken Merrifield.*

*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; Rosamond Cain, Director of Human Resources (HR); Diana Crichton, Associate Counsel & Compliance Officer; Ashley Crutchfield, Director of Communications & Legislative Affairs; Sonja Gonzalez, Chief Information Technology Officer (CITO); Raynald Leveque, Chief Investment Officer (CIO); Nancy Miller, Director of Member Services; Marie Mullen, Chief Financial Officer (CFO); and Mariel Holdredge, Executive Assistant.*

The meeting was held at 7 Hazen Drive, Concord, New Hampshire instead of 80 Commercial Street due to exterior construction. Public notice of the location was provided in accordance with RSA 91-A:2, II.

Chair Kelliher called the June 9, 2026, regular meeting of the NHRS Board of Trustees to order at 9:43 a.m.

After ascertaining a quorum, Chair Kelliher called for a vote to approve the minutes of the April 14, 2026, Board meeting. On a motion by Trustee Frederick, seconded by Trustee Hannan, the Board voted unanimously to approve the meeting minutes as presented.

Trustee Quigley reported that the Ad Hoc Real Estate Committee met on May 28, 2026, and reviewed a proposed Building Capital Reserve Account Policy intended to support the long-term maintenance and sustainability of NHRS' property at 80 Commercial Street. Executive Director Goodwin noted that establishing a reserve is considered a best practice and that expenditures from the reserve would require Board approval.

Trustee Maloney arrived at the meeting at 9:47 a.m.

On a motion by Trustee Frederick, seconded by Trustee Quigley, the Board voted to approve the Building Capital Reserve Account Policy as presented, with Trustee Maloney abstaining.

Trustee Mezzapelle reported that the Audit Committee met earlier that morning and reviewed external and internal audit activities and cybersecurity matters. Trustee Mezzapelle then asked to enter nonpublic session to discuss cybersecurity.

On a motion by Trustee Hannan, seconded by Trustee Roy, the Board voted unanimously to enter nonpublic session under RSA 91-A:3, II(i) to discuss cybersecurity vulnerabilities and mitigation strategies that are exempt from disclosure.

On a motion by Trustee Quigley, seconded by Trustee Frederick, the Board voted unanimously to conclude the nonpublic session and seal the minutes of the nonpublic session. No action was taken during the nonpublic session.

After returning to public session, Trustee Roy reported that the Governance Committee had not met since the last Board meeting. He noted that outside counsel will attend a future Governance Committee meeting to discuss retiree return-to-work issues, and that NHRS will provide notice to Trustees who wish to attend.

Next, CIO Leveque reported on the May 27, 2026, Independent Investment Committee (IIC) meeting, including updates on investment performance, portfolio activity, work plan items, and recent Committee actions involving private market commitments and Non-U.S. Emerging Markets equity portfolio restructuring. He then reviewed the IIC Monthly Report, Callan Monthly Review, and Callan Executive Summary for the first quarter of 2026. A brief discussion followed regarding performance reporting and investment manager fees.

In Trustee Merrifield's absence, Director of Communications & Legislative Affairs Ashley Crutchfield provided the Legislative Committee update. She reported that the Legislative Committee had not met since the last Board meeting and reviewed the status of NHRS-related legislation.

Trustee Frederick reported that the Benefits Committee met on May 5 and June 2, 2026, reviewed disability applications, and voted to recommend two items for Board approval on the Consent Agenda regarding a pending administrative appeal matter and a gainful occupation offset waiver request.

Next, Trustee Hannan gave the Personnel, Performance & Compensation Committee (PPCC) report, noting that the Committee met virtually on June 3, 2026, and reviewed staffing updates and FY 27 compensation for non-union staff. Trustee Hannan then requested that the Board enter nonpublic session to discuss compensation matters.

On a motion by Trustee Quigley, seconded by Trustee Hannan, the Board voted unanimously to enter nonpublic session under RSA 91-A:3, II(a) to discuss compensation matters.

On a motion by Trustee Frederick, seconded by Trustee Maloney, the Board voted unanimously to conclude the nonpublic session and seal the minutes of the nonpublic session. No action was taken during this nonpublic session.

After returning to public session, Trustee Hannan concluded the PPCC report.

Chair Kelliher turned to CIO Leveque to introduce the scheduled J.P. Morgan economist; however, the Board was unable to connect with the speaker and proceeded to the next item

on the agenda, operating reports.

NHRS functional teams presented the operating reports included in the June 2026 Board meeting materials published on NHRS' website.

Executive Director Goodwin gave her executive operating report, highlighting implementation of the new Group II Tier B benefits, NHRS' move to 80 Commercial Street, work underway to support public meetings in the new building, and continued strong Key Performance Measure (KPM) results. She also reported that NHRS' actuary, Gabriel, Roeder, Smith & Company (GRS), will prepare a risk assessment based on the June 30, 2025, valuation for the August Board meeting. Executive Director Goodwin then reviewed expenses associated with the 80 Commercial Street project, noting that costs exceeded the approved budget by approximately \$15,000, or 0.75% of the \$2.1 million project budget, and thanked CFO Mullen, CIO Leveque and CITO Gonzalez for their work managing project costs.

In response to a question from Trustee Maloney regarding the use of building space at 80 Commercial Street, Executive Director Goodwin explained that NHRS occupies all three floors, has vacant cubicles and offices for future growth, and does not intend to rent out unused space because of concerns related to personally identifiable information, security, and fiduciary duties.

CIO Leveque gave the Investments operating report, noting that the IIC would meet later in the day to continue work on emerging markets portfolio restructuring. He also reported that the Investment Office is fully staffed after hiring an Operations Specialist and highlighted ongoing training and operational priorities.

Director of Member Services Nancy Miller reported on member-facing activity related to House Bill (HB) 282, July retirement processing, Contact Center reporting, and coordination with the Public Information Office (PIO) on survey administration and member communications.

CFO Mullen gave the Finance operating report, highlighting employer-side implementation work, pay-period correction workflow improvements, annual report software implementation, and FY 26 year-to-date financial activity. She noted that administrative expenses through April remained within budget and that staff is preparing for the FY 28-29 Statutory Administrative Budget and FY 26 year-end close.

CFO Mullen then reviewed the proposed FY 27 Trust Fund Budget, explaining that the budget focuses primarily on investment-related expenses and reflects an overall decrease from the FY 26 revised budget. She also summarized non-statutory expense changes and building-related capital expenses, including the approved reserve methodology for 80 Commercial Street. Trustee questions followed regarding the Trust Fund, building-related assumptions, and investment expense savings.

Trustee Saltzman, who was participating remotely, disconnected at approximately 11:00 a.m. and was absent for the remainder of the meeting.

On a motion by Trustee Roy, seconded by Trustee Quigley, the Board voted unanimously to approve the FY 27 Trust Fund Budget as presented.

Director Cain gave the Human Resources operating report, highlighting recruitment, internal position changes, safety training for 80 Commercial Street, facilities staffing, compensation plan implementation, and ongoing process improvements.

Director Crutchfield reported on PIO activities, including website accessibility work, communications related to 80 Commercial Street, the inaugural employer survey, cybersecurity education, member education events, survey oversight, and planning for the upcoming website project.

CITO Gonzalez gave the Information Technology operating report, highlighting HB 282 implementation, technology and infrastructure work related to the move to 80 Commercial Street, cybersecurity and enterprise patching, document scanning, policy updates, and new staff onboarding.

Associate Counsel & Compliance Officer Diana Crichton gave the Legal operating report on behalf of Chief Legal Counsel Annie Gregori, highlighting work related to returned Form 1099-Rs, compliance and operational process review, firefighter cancer screening outreach, hearings examiner matters, legislative support, and pending appeals.

In response to Trustee Frederick's question regarding the Uniformed Services Employment and Reemployment Rights Act (USERRA), Attorney Crichton explained that the outreach relates to active members, including ensuring that members returning from military service receive the correct amount of service credit, and to employers' responsibilities under USERRA.

Chair Kelliher turned the Board's attention to the Consent Agenda. On a motion by Trustee Frederick, seconded by Trustee Roy, the Board voted unanimously to approve the Consent Agenda as presented.

There were no Trustee travel reports or requests.

Executive Director Goodwin reported on the status of Action Items from the April 14, 2026, Board meeting, noting that all items have been completed except for posting the revised Governance Manual, which remains in process.

During the Board Checkpoint Discussion, Chair Kelliher acknowledged the work of the Ad Hoc Real Estate Committee and noted that the Committee would be disbanded because its ad hoc purpose has been completed. Executive Director Goodwin also reviewed a Trustee survey intended to gather feedback on pension education topics, preferred education formats, Board meeting and Board book content, and Weekly Trustee Update content. Chair Kelliher provided a brief update on Trustee appointments and noted that she expects to provide another update at the August meeting.

With no further business to discuss, on a motion by Trustee Roy, seconded by Trustee Mezzapelle, the Board voted unanimously to adjourn the meeting at 11:24 a.m.

Respectfully submitted,

Mariel Holdredge
Executive Assistant

NHRS Board of Trustees

DRAFT Minutes – August 11, 2026

Note: These **draft** minutes from the August 11, 2026, Public Session are subject to approval at a subsequent Board of Trustees meeting.

Board of Trustees

August 11, 2026

DRAFT Public Minutes

**New Hampshire Retirement System
80 Commercial Street
Concord, New Hampshire 03301**

Participating: *Maureen Kelliher, Chair; Trustees Robert Maloney, Leah McKenna, Monica Mezzapelle, Charles Nickerson, Joshua Quigley, Don Roy, and Steve Saltzman.*

Absent: *Trustees Jon Frederick, Sue Hannan, Andrew Martineau, and Ken Merrifield.*

Staff: *Jan Goodwin, Executive Director; Diana Crichton, Associate Counsel and Compliance Officer; Ashley Crutchfield, Director of Communications & Legislative Affairs; Sonja Gonzalez, Chief Information Technology Officer (CITO); Annie Gregori, Chief Legal Counsel; Raynald Leveque, Chief Investment Officer (CIO); Nancy Miller, Director of Member Services; Marie Mullen, Chief Financial Officer (CFO); Karen Nixon, Employer Operations Manager; and Mariel Holdredge, Executive Assistant.*

Chair Kelliher called the August 11, 2026, regular meeting of the NHRS Board of Trustees to order at 9:31 a.m.

After ascertaining a quorum, Chair Kelliher called for a vote to approve the minutes of the June 9, 2026, Board meeting.

On a motion by Trustee Roy, seconded by Trustee Nickerson, the Board voted unanimously to approve the meeting minutes as presented.

Trustee Mezzapelle reported on the Audit Committee meeting held earlier that morning. Sarah Lutzke of Wipfli Advisory, LLC, presented the internal control risk assessment and the internal audit plan for audits running from September 2026 through February 2027. Staff updated the Committee on the Open Audit Issues Tracking Report, death benefit overpayment collections, and cybersecurity.

Trustee Roy reported on the July 20, 2026, Governance Committee meeting. The Committee approved renewal of the cybersecurity insurance policy with the current provider and reviewed

the FY 26 Office of Foreign Assets Control annual compliance report, which noted no known violations. Outside counsel from Ice Miller advised the Committee on retiree return-to-work, and the Committee will develop policies for future Board consideration.

CIO Raynald Leveque reported on the June 9 and June 23, 2026, Investment Committee meetings. The Committee selected the emerging markets equity managers for the Non-U.S. Emerging Markets portfolio restructuring and extended agreements with BNY Mellon through 2028 and BlackRock through 2031. The total fund returned a preliminary net return of 11.83% for FY 26, with plan assets totaling \$14.7 billion.

Chair Kelliher took this item out of order to accommodate the presenter. CIO Leveque introduced Masmin Phelan of Wellington Management Company, who introduced Geopolitical Strategist Thomas Mucha. Mr. Mucha discussed the geopolitical backdrop, including a durable shift in policymaker priorities from globalization toward national security and resilience. Discussion followed on the transition period, sovereign debt, inflation, and NHRS' passive allocation.

In Trustee Merrifield's absence, Trustee Quigley delivered the Legislative Committee update. The Committee has not met since the last Board meeting. Legislators introduced 18 NHRS-related bills in the 2026 session and enacted four, including House Bill 1109 and Senate Bill 502.

In Trustee Frederick's absence, Trustee Roy reported on the Benefits Committee meetings of July 7 and August 4, 2026. The Committee approved nine disability applications at the July meeting and two at the August meeting.

In Trustee Hannan's absence, Trustee Quigley reported that the Personnel, Performance & Compensation Committee has not met since the last Board meeting. The Committee anticipates meeting before the October Board meeting.

Executive Director Jan Goodwin introduced Casey Ahlbrandt-Rains, Jeff Tebeau and Heidi Barry, with Gabriel, Roeder, Smith & Company. Mr. Ahlbrandt-Rains presented the 2026 stress test report, which is based on the June 30, 2025, valuation. The report models a market downturn in FY 27, investment returns above and below the assumed rate of return and higher wage inflation. He reported that NHRS' current assumptions fall in the middle of the range of reasonable assumptions.

NHRS functional teams presented the operating reports included in the August 2026 Board meeting materials published on NHRS' website.

Executive Director Goodwin delivered her operating report. Funston Advisory Services' first pension plan transparency report ranks NHRS eleventh of 71 systems overall. Key Performance Measure scores for May and June were 96.67% and 97.06%. The renovation project as of July is at \$2,134,679 against an approved budget of \$2,099,701, a variance of \$34,978 or 1.7%. By comparison, 35% to 85% of commercial renovation projects exceed budget, typically by 15% to 30%. Trustees commended staff on the result, and Director Goodwin credited CFO Marie Mullen, CIO Raynald Leveque and CITO Sonja Gonzalez for holding contractors to schedule and budget.

Director Nancy Miller reported that NHRS placed 565 new retirees on the July payroll. Member Services is working on HB 282 Phase IV, which covers split benefit and maximum benefit

calculations. Staff is also answering census questions from NHRS' external auditor, Plante Moran. The department is preparing for the September internal audit and recruiting and training Contact Center staff.

CFO Mullen provided an update on Finance Department activities, noting that FY 26 net position through May increased \$1.2 billion, or 9.3%, to \$14.7 billion and administrative expenses remained within budget. Finance expects to complete the Workiva annual report software implementation by the end of August and is working with Member Services, Information Technology (IT) and Legal to strengthen *My Account* security.

CFO Mullen then presented the proposed FYs 28-29 Statutory Administrative Budget and revised schedule reflecting updated State of New Hampshire estimates for employee medical and retiree health costs. The budget aligns with NHRS' three-year strategic plan, adds no full-time equivalent positions, and increases 0.5% in FY 28 (compared to FY 27) and 6.8% in FY 29 (compared to FY 28), with benefits, IT and consulting driving most of the growth.

On a motion by Trustee Maloney, seconded by Trustee Nickerson, the Board voted unanimously to approve the Statutory Administrative Budget for FYs 28-29 as presented.

Employer Operations Manager Karen Nixon presented results from NHRS' first annual employer survey. NHRS sent the survey to all participating employers in late May and received a 29% response rate, at the high end of the 10% to 30% typical range for digital surveys. Employers gave feedback on staffing, training needs, monthly reporting time, website use and reporting exceptions. The resulting action plan includes an employer onboarding program, expanded training, a salary variance flagging proposal and clearer exception wording.

In Chief Human Resources (HR) Officer Rosamond Cain's absence, Executive Director Goodwin presented the HR report. NHRS is recruiting for six positions and has filled five positions. HR is also updating training manuals and position descriptions, planning the September employee appreciation event, and researching the feasibility of an NHRS internship program.

Director Ashley Crutchfield reported on Public Information Office (PIO) activities. The NHRS website accessibility score stands at 97.3%, excluding PDFs, above the 95% threshold required by April 2027. PIO hosted or participated in 11 member education events in June and July and is preparing a Request for Proposal for a new NHRS website.

CITO Sonja Gonzalez reported that IT deployed HB 282 Phase III and has Phase IV in progress. The department completed the premise server room and remaining building move tasks, and continues work on PensionGold (PG) enhancements, the PG Secure project, its cybersecurity posture, and updates to policies and the project portfolio.

Chief Legal Counsel Annie Gregori reported that Legal substantially completed a broad review of plan operations, compliance and related risks and continues to support HB 282 implementation. Legal is working with the Governance Committee on retiree return-to-work, independent contractor determinations and optional-membership, and is coordinating with departments on related process improvements and potential legislative or rule changes. Legal is also strengthening cybersecurity governance and its securities litigation monitoring practice.

CIO Leveque reported that the Investment Committee meets on August 25, 2026. Staff will recommend a U.S. enhanced indexing strategy, and a private infrastructure manager and a private credit manager will present to the Committee. The Investment Office will implement an analytics platform this year.

There were no Trustee travel reports or requests.

Executive Director Goodwin reported on the Action Items from the June 9, 2026, Board meeting. The staff will have completed all items upon conclusion of the meeting. Director Goodwin thanked the Legal and PIO teams for the revised Governance Manual and for making the document accessible to users.

Chair Kelliher opened the floor for checkpoint discussion. Trustees raised no items.

With no further business to discuss, on a motion by Trustee Roy, seconded by Trustee Saltzman, the Board voted unanimously to adjourn the meeting at 11:52 a.m.

Respectfully submitted,

Mariel Holdredge
Executive Assistant



NHRS

New Hampshire Retirement System

Independent Investment Committee's Quarterly Report to the Board August 11, 2026



NHRS

New Hampshire Retirement System

Discussion Topics

- Asset Allocation and Portfolio Structure
- Investment Performance
- Universe Comparisons
- Investment Expenses by Asset Class

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 29.5% of total assets. The fixed income allocation was 28.7%, above 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 global equity and real estate.

Investment Performance

- The Fund had a gross return of -0.49% over the third quarter of Fiscal Year 2026, outperforming the market benchmark return of -0.91% and ranking in the 38th percentile of its peers. On a net-of-fees basis, the Fund returned -0.59%.
 - The Global Equity and Real Estate portfolios contributed most to relative performance over the quarter.
 - By contrast, the Alternative Assets portfolio detracted from 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 35% 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 42nd 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.

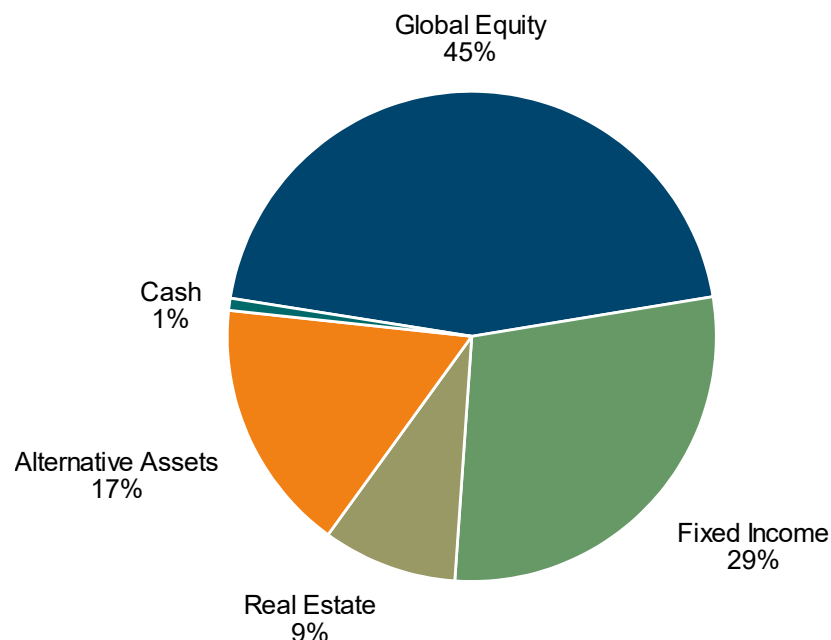
Other Developments

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

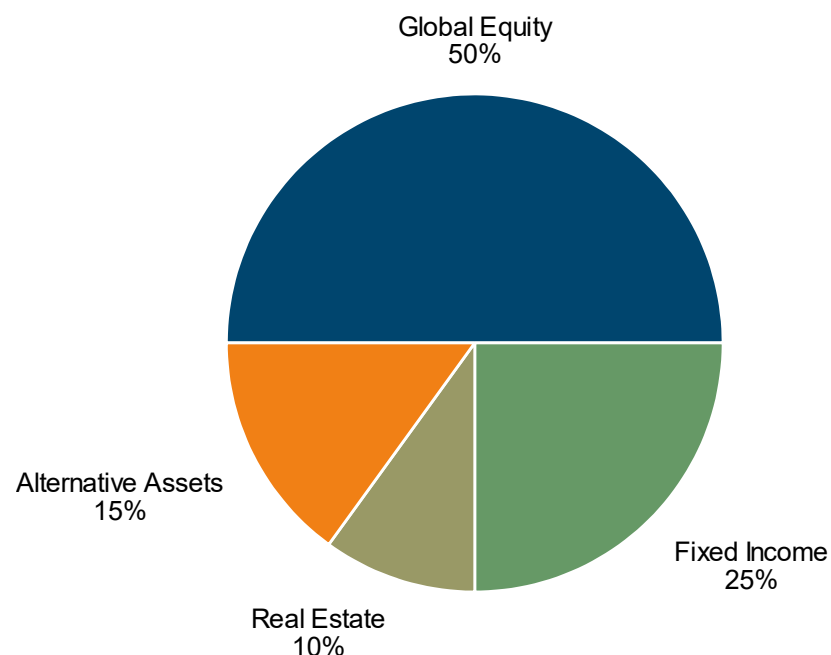
Total Fund

Actual Asset Allocation vs. Target as of March 31, 2026

Actual Asset Allocation



Target Asset Allocation



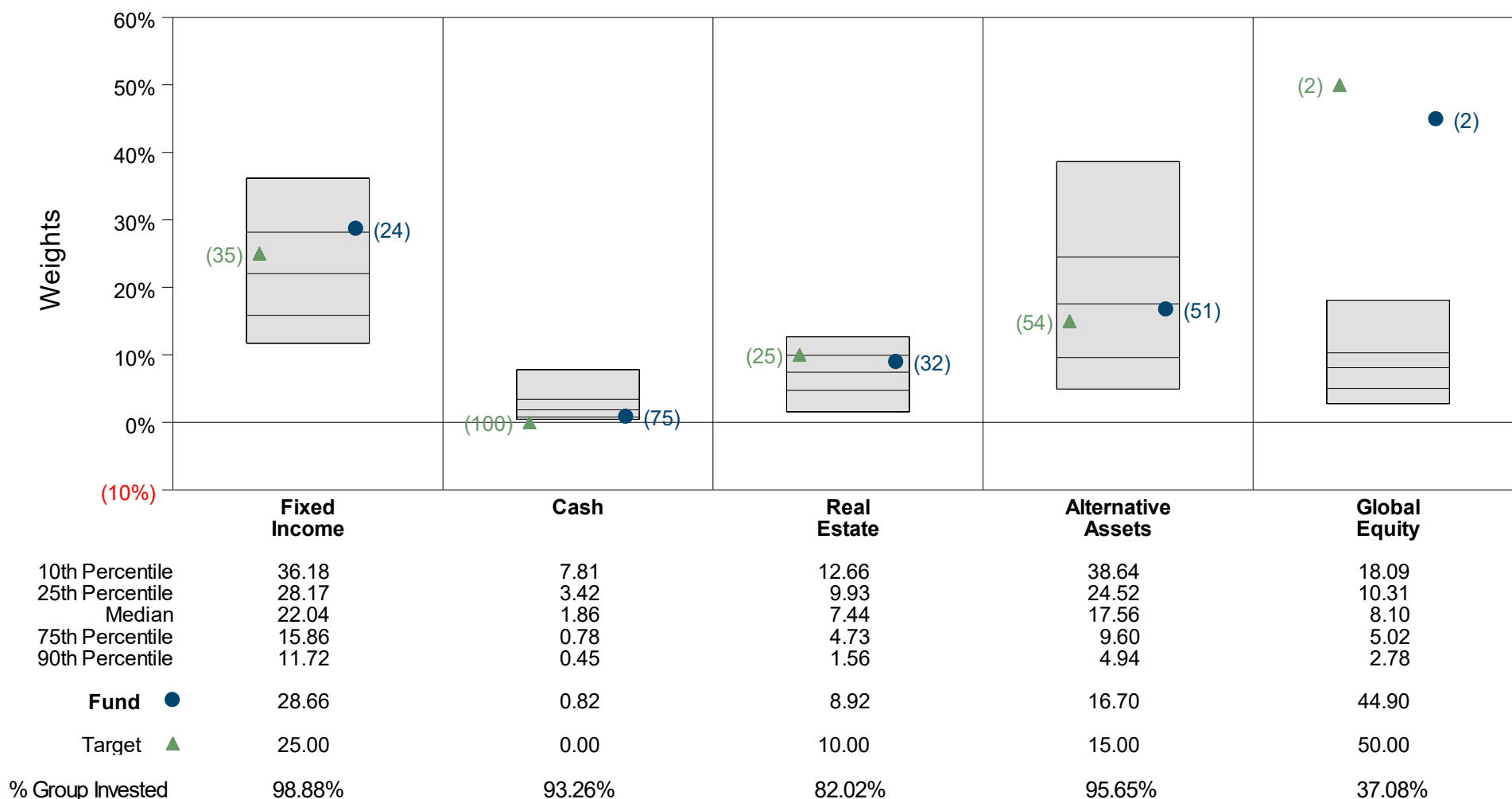
Asset Class	\$Millions Actual	Weight Actual	Target	Percent Difference	\$Millions Difference
Global Equity	6,221	44.9%	50.0%	(5.1%)	(706)
Fixed Income	3,970	28.7%	25.0%	3.7%	506
Real Estate	1,235	8.9%	10.0%	(1.1%)	(150)
Alternative Assets	2,314	16.7%	15.0%	1.7%	236
Cash	114	0.8%	0.0%	0.8%	114
Total	13,855	100.0%	100.0%		

*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 March 31, 2026

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

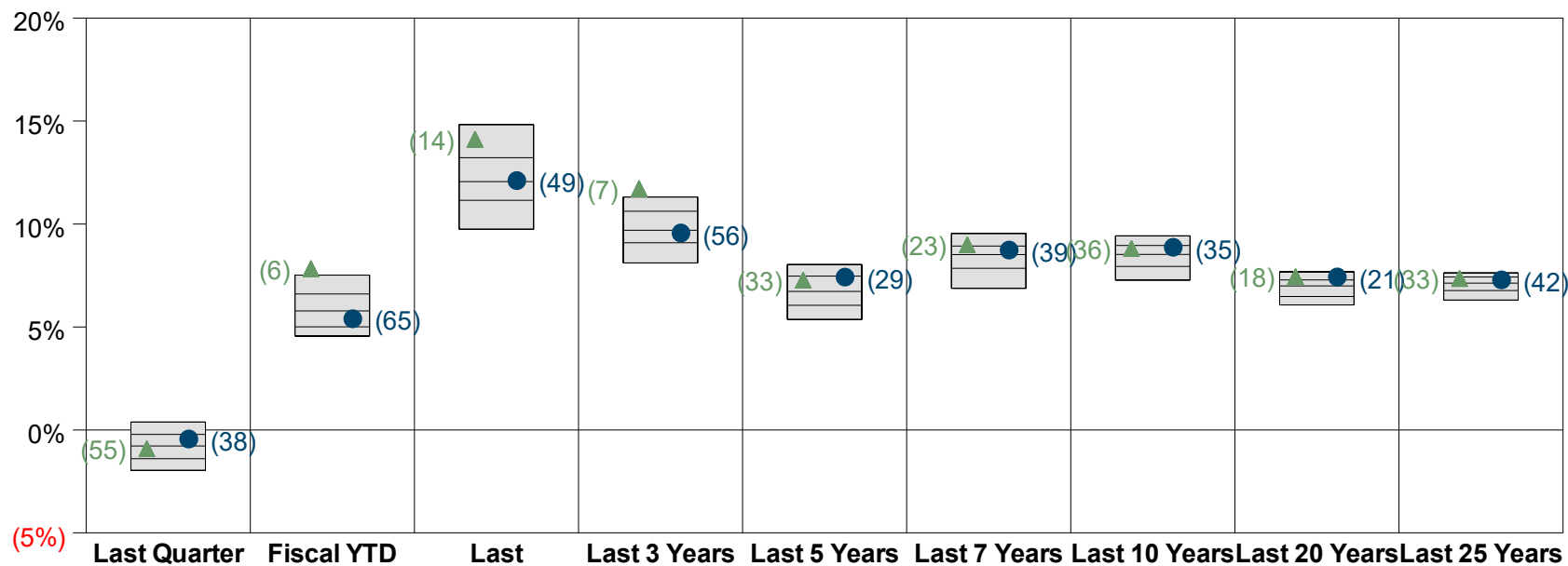


*Current Quarter Target = 50.0% MSCI ACWI IMI, 25.0% Bloomberg Universal, 10.0% NCREIF NFI-ODCE Value Weight Net lagged 3 months, 10.0% Russell 3000 Index lagged 3 months+2.0%, 2.5% Bloomberg High Yield Corp lagged 3 months+1.0% and 2.5% MStar LSTA Lev Loan 100 lagged 3 months +1.0%.

Total Fund Performance – Gross of Investment Management Fees

Performance vs. Large Public DB Plan (>\$1B) Peers, as of March 31, 2026

Performance vs Callan Public Fund Large DB



10th Percentile	0.38	7.52	14.83	11.31	8.03	9.54	9.43	7.67	7.63
25th Percentile	(0.22)	6.59	13.22	10.62	7.47	8.93	8.96	7.28	7.43
Median	(0.78)	5.78	12.06	9.70	6.73	8.51	8.53	7.00	7.13
75th Percentile	(1.40)	5.01	11.15	9.09	6.05	7.85	7.94	6.48	6.77
90th Percentile	(1.96)	4.55	9.75	8.11	5.37	6.88	7.27	6.07	6.30
Total Fund Composite	● (0.49)	5.36	12.06	9.52	7.39	8.70	8.83	7.39	7.24
Total Fund Benchmark	▲ (0.91)	7.84	14.12	11.72	7.27	8.99	8.81	7.45	7.36

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%.

INVESTMENT EXPENSES BY ASSET CLASS

Investment activity fees and other related expenses:

For the Quarter and Fiscal Year to Date through 03/31/2026 (in thousands)

	Assets Under Management	Fees (Quarter)	Fees (FYTD)
Equity Investments			
Domestic (U.S.)	3,766,378	2,327	8,450
Non-U.S.	2,454,894	2,818	8,118
Fixed Income Investments	3,970,140	1,659	4,876
Alternative Investments	2,314,311	6,141	18,624
Real Estate Investments	1,235,420	3,180	9,001
Cash	113,532		
Subtotal Gross Investment Mgt Fees		16,125	49,070
Custodial Fees		389	762
Brokerage Fees		1,071	2,580
Investment Advisor Fees		163	325
Investment Professional Fees		139	373
Investment Staff Administrative Expense		418	1,210
Subtotal Investment Servicing Fees		2,179	5,250
TOTAL GROSS INVESTMENT EXPENSES	13,854,675	18,304	54,320

Notes:

1. Fees for both the Quarter and the Fiscal Year to Date shown here are reported on a cash basis. For most fees, there is a lag between the service provided and payment of the fee.
2. Gross fees are those paid in the quarter for partnership operating costs.
3. Annual audited GAAP accrual fee amounts are included in the Annual Comprehensive Financial Report (ACFR), audited by the external auditor Plante Moran, as well as in the Comprehensive Annual Investment Report (CAIR). Both reports are available at <https://www.nhrs.org/funding-and-investments/reports-valuations>.
4. NHRS requires a "most favored nation" clause in investment contracts that states that if another comparable public plan invests in a fund at a lower fee structure, NHRS' fees will also be adjusted downward.

DEFINITION OF ASSET CLASSES

Domestic Equity: The allocation to domestic equity serves to expose the fund to the largest economy of the world. An allocation to domestic equity should allow for return enhancement and principal appreciation.

Non-U.S. Equity: The allocation to non-U.S. equity, both developed and emerging markets, will serve as potential for return enhancement and principal appreciation. A secondary consideration is the diversification it provides from the U.S. market. While the U.S. and non-U.S. markets are considerably correlated, they are not perfectly correlated. Assets that are not perfectly correlated serve to reduce volatility over the long term.

Fixed Income: The investment in fixed income will serve to reduce volatility experienced in the equity markets, as well as offer an opportunity for return enhancement by investment in selected securities (for example, investment grade corporates and high yield). A portion of the fixed income allocation is expected to be invested in Treasury or other government-related issues, which will serve to reduce risk within the portfolio.

Alternative Investments: Alternative investments are nontraditional investments, not covered by another investment class. In general, alternative investments are incorporated into the NHRS asset allocation to enhance the portfolio's risk-adjusted return (private equity/private debt) or to diversify volatility (opportunistic strategies). While the risk associated with these types of investments is higher than that of other asset classes, the expected return is also higher.

Real Estate: The investment in real estate will serve as an inflation hedge, return enhancement opportunity, income generator, and diversification source and will include investments within core, value-added, and opportunistic opportunities.

The table below details the rates of return for the fund's asset classes over various time periods ended June 30, 2026. 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 June 30, 2026									
Composite	Total Fund Weighting As of 6/30/2026	Last Month	Last 3 Months	FYTD	CYTD	LTM	3-YR	5-YR	10-YR
Total Global Equity	46.09%	-0.05%	13.77%	21.53%	11.40%	21.53%	-	-	-
MSCI ACWI IMI		-0.61%	14.93%	24.22%	11.77%	24.22%	-	-	-
Excess Return		0.56%	-1.16%	-2.70%	-0.37%	-2.70%	-	-	-
Total Domestic Equity	26.25%	0.06%	15.80%	24.96%	14.36%	24.96%	18.69%	11.16%	13.74%
Domestic Equity Benchmark(1)		-0.30%	15.44%	22.82%	10.88%	22.82%	20.36%	12.30%	14.94%
Excess Return		0.35%	0.35%	2.14%	3.49%	2.14%	-1.67%	-1.15%	-1.20%
Total Non US Equity	19.84%	-0.31%	11.30%	17.16%	7.93%	17.16%	15.51%	7.67%	9.28%
Non US Equity Benchmark(2)		-1.03%	13.82%	26.56%	13.05%	26.56%	18.51%	8.62%	9.84%
Excess Return		0.72%	-2.52%	-9.40%	-5.12%	-9.40%	-3.00%	-0.95%	-0.57%
Total Fixed Income	27.27%	0.29%	1.00%	3.97%	0.84%	3.97%	4.85%	0.79%	2.66%
Bloomberg Capital Universe Bond Index		0.26%	0.92%	4.15%	0.77%	4.15%	4.70%	0.44%	1.95%
Excess Return		0.03%	0.08%	-0.18%	0.07%	-0.18%	0.15%	0.35%	0.71%
Total Cash	1.47%	0.29%	0.93%	3.93%	1.84%	3.93%	4.72%	3.62%	2.44%
3-Month Treasury Bill		0.29%	0.88%	3.84%	1.74%	3.84%	4.64%	3.52%	2.34%
Excess Return		0.00%	0.04%	0.09%	0.10%	0.09%	0.08%	0.10%	0.10%
Total Real Estate (Q1)*	9.03%	1.06%	1.28%	3.81%	2.98%	3.81%	0.13%	3.79%	6.42%
Real Estate Benchmark(3)		0.35%	1.04%	3.11%	1.75%	3.11%	-2.81%	2.34%	3.79%
Excess Return		0.71%	0.24%	0.69%	1.23%	0.69%	2.94%	1.45%	2.64%
Total Infrastructure (Q1)	0.15%	-	-	-	-	-	-	-	-
Infrastructure Benchmark		-	-	-	-	-	-	-	-
Excess Return		-	-	-	-	-	-	-	-
Total Private Equity (Q1)*	10.88%	-1.31%	-0.57%	2.19%	0.42%	2.19%	4.05%	4.84%	11.43%
Private Equity Benchmark(4)		-4.69%	-3.37%	20.21%	-0.59%	20.21%	20.04%	14.13%	16.92%
Excess Return		3.38%	2.79%	-18.01%	1.01%	-18.01%	-15.99%	-9.29%	-5.48%
Total Private Debt (Q1)*	5.10%	1.90%	2.12%	5.24%	3.33%	5.24%	5.76%	6.13%	5.97%
Private Debt Benchmark(5)		0.09%	-0.38%	7.46%	1.42%	7.46%	9.50%	6.21%	5.61%
Excess Return		1.81%	2.50%	-2.22%	1.91%	-2.22%	-3.74%	-0.08%	0.36%
Total Fund Composite	100.00%	0.09%	6.63%	11.83%	5.91%	11.83%	10.31%	6.40%	8.83%
Total Fund Benchmark(6)		-0.67%	7.33%	15.74%	6.35%	15.74%	13.10%	7.73%	9.39%
Excess Return		0.76%	-0.70%	-3.91%	-0.44%	-3.91%	-2.79%	-1.32%	-0.56%

(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 ldx + 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 6/30/26, the Total Fund has returned 7.04% versus the Total Fund Custom Benchmark return of 7.52%.

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

The table below details the rates of return for the fund's investment managers over various time periods ended June 30, 2026. Negative manager excess returns are shown in **red**, positive excess returns in **green**. Returns for one year or greater are annualized.

Composite	Total Fund Weighting As of 6/30/2026	Net of Fees Returns for Periods Ended June 30, 2026							
		Last Month	Last 3 Months	FYTD	CYTD	LTM	3-YR	5-YR	10-YR
Total Domestic Equity	26.25%	0.06%	15.80%	24.96%	14.36%	24.96%	18.69%	11.16%	13.74%
Domestic Equity Benchmark(1)		-0.30%	15.44%	22.82%	10.88%	22.82%	20.36%	12.30%	14.94%
Excess Return		0.35%	0.35%	2.14%	3.49%	2.14%	-1.67%	-1.15%	-1.20%
Large Cap Domestic Equity	22.05%	-0.95%	15.19%	22.31%	10.20%	22.31%	20.63%	13.38%	14.87%
S&P 500 Index		-0.95%	15.20%	22.32%	10.21%	22.32%	20.61%	13.41%	15.51%
Excess Return		0.00%	-0.01%	-0.01%	-0.01%	-0.01%	0.01%	-0.02%	-0.63%
BlackRock S&P 500	22.05%	-0.95%	15.19%	22.31%	10.20%	22.31%	20.63%	13.38%	15.48%
S&P 500 Index		-0.95%	15.20%	22.32%	10.21%	22.32%	20.61%	13.41%	15.51%
Excess Return		0.00%	-0.01%	-0.01%	-0.01%	-0.01%	0.01%	-0.02%	-0.03%
Smid Cap Domestic Equity	1.08%	2.82%	9.65%	19.38%	11.74%	19.38%	12.63%	5.82%	10.26%
Russell 2500 Index		3.68%	20.26%	36.72%	22.71%	36.72%	18.40%	8.30%	12.25%
Excess Return		-0.85%	-10.61%	-17.34%	-10.97%	-17.34%	-5.77%	-2.48%	-1.99%
TSW	1.08%	2.82%	9.65%	19.18%	10.49%	19.18%	12.30%	7.90%	8.53%
TSW Blended Benchmark (2)		4.20%	18.50%	38.54%	24.16%	38.54%	19.41%	10.28%	12.30%
Excess Return		-1.38%	-8.86%	-19.36%	-13.67%	-19.36%	-7.11%	-2.38%	-3.77%
Small Cap Domestic Equity	3.12%	6.42%	22.40%	32.98%	24.05%	32.98%	17.48%	9.19%	13.35%
Russell 2000 Index		3.74%	21.49%	40.78%	22.57%	40.78%	18.60%	6.98%	11.62%
Excess Return		2.68%	0.91%	-7.80%	1.48%	-7.80%	-1.12%	2.21%	1.72%
Segall Bryant & Hamill	1.14%	9.77%	21.24%	33.30%	24.66%	33.30%	16.66%	9.46%	13.19%
Russell 2000 Index		3.74%	21.49%	40.78%	22.57%	40.78%	18.60%	6.98%	11.62%
Excess Return		6.03%	-0.25%	-7.48%	2.09%	-7.48%	-1.95%	2.48%	1.57%
Wellington	1.98%	4.59%	23.08%	42.28%	25.51%	42.28%	21.93%	10.10%	14.60%
Russell 2000 Index		3.74%	21.49%	40.78%	22.57%	40.78%	18.60%	6.98%	11.62%
Excess Return		0.85%	1.58%	1.50%	2.94%	1.50%	3.32%	3.11%	2.97%

(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.

The table below details the rates of return for the fund's investment managers over various time periods ended June 30, 2026. Negative manager excess returns are shown in **red**, positive excess returns in **green**. Returns for one year or greater are annualized.

Composite	Net of Fees Returns for Periods Ended June 30, 2026								
	Total Fund Weighting As of 6/30/2026	Last Month	Last 3 Months	FYTD	CYTD	LTM	3-YR	5-YR	10-YR
Total Non US Equity	19.84%	-0.31%	11.30%	17.16%	7.93%	17.16%	15.51%	7.67%	9.28%
Non US Equity Benchmark (1)		-1.03%	13.82%	26.56%	13.05%	26.56%	18.51%	8.62%	9.84%
Excess Return		0.72%	-2.52%	-9.40%	-5.12%	-9.40%	-3.00%	-0.95%	-0.57%
Core Non US Equity	16.75%	0.21%	12.72%	21.51%	10.00%	21.51%	18.26%	10.33%	10.13%
Core Non US Benchmark (2)		-0.59%	14.49%	27.66%	13.68%	27.66%	18.82%	8.79%	9.93%
Excess Return		0.80%	-1.77%	-6.15%	-3.68%	-6.15%	-0.56%	1.54%	0.21%
Aristotle	3.09%	0.11%	10.25%	12.70%	5.20%	12.70%	13.25%	6.60%	-
MSCI EAFE		0.07%	10.82%	20.23%	9.44%	20.23%	16.44%	9.05%	-
Excess Return		0.04%	-0.57%	-7.53%	-4.24%	-7.53%	-3.19%	-2.45%	-
Artisan Partners	4.50%	0.18%	11.84%	23.07%	14.62%	23.07%	22.38%	10.99%	10.91%
MSCI EAFE		0.07%	10.82%	20.23%	9.44%	20.23%	16.44%	9.05%	9.66%
Excess Return		0.11%	1.02%	2.84%	5.18%	2.84%	5.94%	1.94%	1.25%
BlackRock SuperFund	2.05%	-0.58%	14.51%	28.03%	14.05%	28.03%	19.02%	-	-
MSCI ACWI Ex-US		-0.59%	14.49%	27.66%	13.68%	27.66%	18.82%	-	-
Excess Return		0.01%	0.02%	0.38%	0.36%	0.38%	0.20%	-	-
Causeway Capital	4.65%	0.48%	14.33%	23.55%	7.21%	23.55%	18.56%	13.30%	11.39%
MSCI EAFE		0.07%	10.82%	20.23%	9.44%	20.23%	16.44%	9.05%	9.66%
Excess Return		0.41%	3.51%	3.32%	-2.23%	3.32%	2.12%	4.25%	1.73%
SSGA Transition	2.46%								
Emerging Markets	1.64%	0.15%	15.25%	13.87%	8.71%	13.87%	12.91%	1.47%	5.62%
MSCI EM		-1.41%	24.05%	43.51%	23.85%	43.51%	23.03%	7.20%	10.08%
Excess Return		1.55%	-8.80%	-29.63%	-15.14%	-29.63%	-10.12%	-5.73%	-4.46%
Wellington Emerging Markets	1.64%	0.15%	15.25%	13.87%	8.71%	13.87%	12.91%	1.49%	6.45%
MSCI EM		-1.41%	24.05%	43.51%	23.85%	43.51%	23.03%	7.20%	10.08%
Excess Return		1.55%	-8.80%	-29.63%	-15.14%	-29.63%	-10.12%	-5.71%	-3.62%
Non US Small Cap	1.44%	-1.99%	9.45%	23.22%	10.77%	23.22%	18.39%	5.45%	5.33%
MSCI EAFE Small Cap		-3.72%	9.02%	17.39%	7.65%	17.39%	15.72%	5.35%	8.64%
Excess Return		1.73%	0.43%	5.83%	3.12%	5.83%	2.67%	0.10%	-3.31%
Wellington Int'l Small Cap Research	1.44%	-1.99%	9.45%	23.22%	10.77%	23.22%	18.39%	-	-
MSCI EAFE Small Cap		-3.72%	9.02%	17.39%	7.65%	17.39%	15.72%	-	-
Excess Return		1.73%	0.43%	5.83%	3.12%	5.83%	2.67%	-	-

(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.

The table below details the rates of return for the fund's investment managers over various time periods ended June 30, 2026. Negative manager excess returns are shown in red, positive excess returns in green. Returns for one year or greater are annualized.

Composite	Total Fund Weighting As of 6/30/2026	Net of Fees Returns for Periods Ended June 30, 2026							
		Last Month	Last 3 Months	FYTD	CYTD	LTM	3-YR	5-YR	10-YR
Total Fixed Income	27.27%	0.29%	1.00%	3.97%	0.84%	3.97%	4.85%	0.79%	2.66%
<i>Fixed Income Benchmark (1)</i>		0.26%	0.92%	4.15%	0.77%	4.15%	4.70%	0.44%	1.95%
<i>Excess Return</i>		0.03%	0.08%	-0.18%	0.07%	-0.18%	0.15%	0.35%	0.71%
BlackRock SIO Bond Fund	2.13%	0.56%	2.52%	6.24%	2.32%	6.24%	7.00%	3.29%	-
<i>BlackRock Custom Benchmark (2)</i>		0.32%	0.91%	4.02%	1.84%	4.02%	4.79%	3.69%	-
<i>Excess Return</i>		0.24%	1.60%	2.22%	0.47%	2.22%	2.21%	-0.41%	-
FIAM (Fidelity) Tactical Bond	2.86%	0.45%	1.25%	4.34%	1.35%	4.34%	4.92%	1.41%	-
<i>Bloomberg Aggregate</i>		0.24%	0.67%	3.79%	0.62%	3.79%	4.16%	0.08%	-
<i>Excess Return</i>		0.21%	0.58%	0.55%	0.74%	0.55%	0.76%	1.32%	-
Income Research & Management	5.88%	0.29%	0.83%	3.62%	0.67%	3.62%	4.23%	0.05%	1.93%
<i>Bloomberg Gov/Credit</i>		0.25%	0.70%	3.32%	0.49%	3.32%	3.97%	-0.10%	1.59%
<i>Excess Return</i>		0.04%	0.14%	0.30%	0.18%	0.30%	0.26%	0.15%	0.34%
Loomis Sayles	2.28%	0.06%	1.36%	4.83%	0.45%	4.83%	7.09%	2.24%	4.40%
<i>Loomis Sayles Custom Benchmark (3)</i>		0.25%	1.30%	4.54%	1.09%	4.54%	5.79%	1.52%	3.06%
<i>Excess Return</i>		-0.19%	0.07%	0.30%	-0.64%	0.30%	1.30%	0.72%	1.33%
Manulife Core Bond	5.82%	0.29%	0.83%	-	0.68%	-	-	-	-
<i>Bloomberg Aggregate</i>		0.24%	0.67%	-	0.62%	-	-	-	-
<i>Excess Return</i>		0.05%	0.17%	-	0.06%	-	-	-	-
Mellon US Agg Bond Index	8.30%	0.24%	0.67%	3.70%	0.64%	3.70%	4.10%	-	-
<i>Bloomberg Aggregate</i>		0.24%	0.67%	3.79%	0.62%	3.79%	4.16%	-	-
<i>Excess Return</i>		0.00%	0.00%	-0.09%	0.02%	-0.09%	-0.05%	-	-
Total Cash	1.47%	0.29%	0.93%	3.93%	1.84%	3.93%	4.72%	3.62%	2.44%
<i>3-month Treasury Bill</i>		0.29%	0.88%	3.84%	1.74%	3.84%	4.64%	3.52%	2.34%
<i>Excess Return</i>		0.00%	0.04%	0.09%	0.10%	0.09%	0.08%	0.10%	0.10%
Total Marketable Assets	74.83%	0.07%	8.72%	14.79%	7.28%	14.79%	13.16%	6.89%	9.00%
<i>Total Marketable Index (4)</i>		-0.32%	10.19%	17.35%	8.16%	17.35%	14.47%	7.39%	9.33%
<i>Excess Return</i>		0.39%	-1.46%	-2.56%	-0.88%	-2.56%	-1.31%	-0.50%	-0.34%

(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).

The table below details the rates of return for the fund's investment managers over various time periods ended June 30, 2026. 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 June 30, 2026									
Composite	Total Fund Weighting As of 6/30/2026	Last Month	Last 3 Months	FYTD	CYTD	LTM	3-YR	5-YR	10-YR
Total Real Estate (Q1)* (5)	9.03%	1.06%	1.28%	3.81%	2.98%	3.81%	0.13%	3.79%	6.42%
Real Estate Benchmark (1)		0.35%	1.04%	3.11%	1.75%	3.11%	-2.81%	2.34%	3.79%
Excess Return		0.71%	0.24%	0.69%	1.23%	0.69%	2.94%	1.45%	2.64%
Strategic Core Real Estate (Q1)*	4.79%	0.82%	0.79%	4.35%	3.58%	4.35%	-0.53%	3.10%	5.36%
Real Estate Benchmark (1)		0.35%	1.04%	3.11%	1.75%	3.11%	-2.81%	2.34%	3.79%
Excess Return		0.48%	-0.25%	1.24%	1.83%	1.24%	2.28%	0.76%	1.57%
Tactical Non-Core Real Estate (Q1)*	4.24%	1.33%	1.86%	3.15%	2.25%	3.15%	1.22%	4.96%	8.34%
Real Estate Benchmark (1)		0.35%	1.04%	3.11%	1.75%	3.11%	-2.81%	2.34%	3.79%
Excess Return		0.98%	0.82%	0.04%	0.50%	0.04%	4.03%	2.63%	4.55%
Total Infrastructure (Q1)	0.15%	-	-	-	-	-	-	-	-
Infrastructure Benchmark		-	-	-	-	-	-	-	-
Excess Return		-	-	-	-	-	-	-	-
Total Alternative Assets (Q1)*	15.99%	-0.33%	0.25%	3.12%	1.31%	3.12%	4.54%	5.20%	9.12%
Alternative Assets Benchmark (2)		-3.09%	-2.35%	15.91%	0.11%	15.91%	16.56%	11.60%	12.17%
Excess Return		2.76%	2.60%	-12.79%	1.20%	-12.79%	-12.01%	-6.40%	-3.05%
Total Private Equity (Q1)*	10.88%	-1.31%	-0.57%	2.19%	0.42%	2.19%	4.05%	4.84%	11.43%
Private Equity Benchmark (3)		-4.69%	-3.37%	20.21%	-0.59%	20.21%	20.04%	14.13%	16.92%
Excess Return		3.38%	2.79%	-18.01%	1.01%	-18.01%	-15.99%	-9.29%	-5.48%
Total Private Debt (Q1)*	5.10%	1.90%	2.12%	5.24%	3.33%	5.24%	5.76%	6.13%	5.97%
Private Debt Benchmark (4)		0.09%	-0.38%	7.46%	1.42%	7.46%	9.50%	6.21%	5.61%
Excess Return		1.81%	2.50%	-2.22%	1.91%	-2.22%	-3.74%	-0.08%	0.36%

(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 June 30, 2026, with the distribution as of May 31, 2026. 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

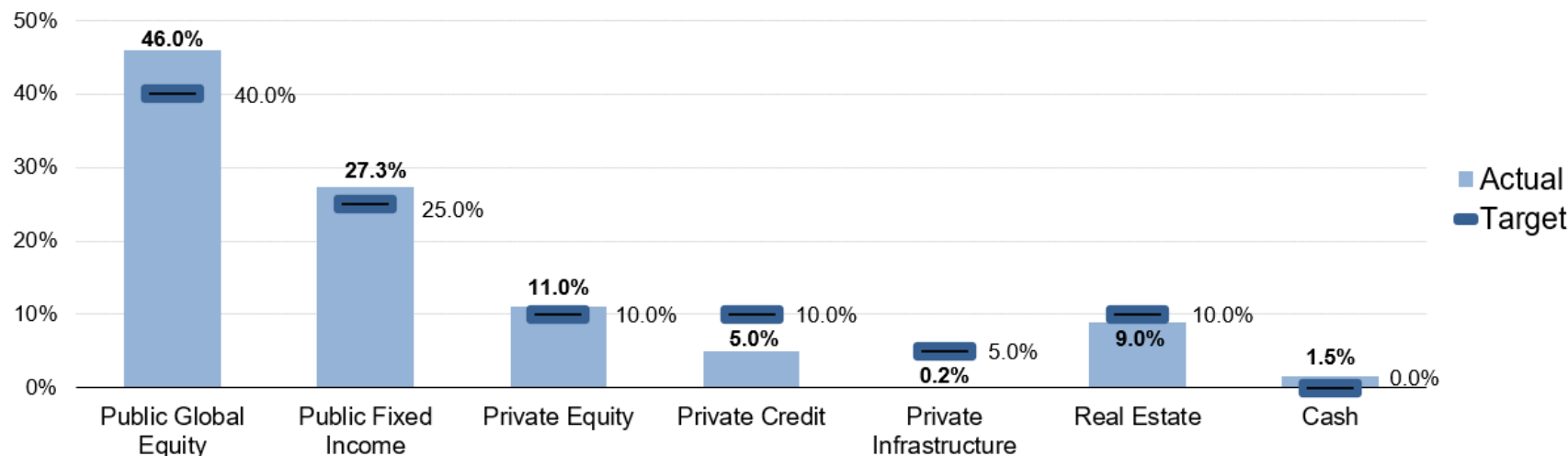
	June 30, 2026				May 31, 2026	
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
Global Equity	\$6,780,318,600	46.09%	\$(200,001,538)	\$(3,520,506)	\$6,983,840,644	47.48%
Total Domestic Equity	\$3,861,192,753	26.25%	\$114,999,954	\$4,468,075	\$3,741,724,724	25.44%
Large Cap Domestic Equity	\$3,243,855,991	22.05%	\$115,000,000	\$(27,847,486)	\$3,156,703,477	21.46%
Blackrock S&P 500	3,243,855,991	22.05%	115,000,000	(27,847,486)	3,156,703,477	21.46%
SMid Cap Domestic Equity	\$159,028,454	1.08%	\$(46)	\$4,439,283	\$154,589,217	1.05%
AllianceBernstein	1,588	0.00%	(46)	46	1,588	0.00%
TSW	159,026,866	1.08%	0	4,439,237	154,587,629	1.05%
Small Cap Domestic Equity	\$458,308,309	3.12%	\$0	\$27,876,278	\$430,432,030	2.93%
Segall Bryant & Hamill	167,088,668	1.14%	0	14,932,458	152,156,210	1.03%
Wellington	291,219,641	1.98%	0	12,943,820	278,275,821	1.89%
Total Non US Equity	\$2,919,125,847	19.84%	\$(315,001,492)	\$(7,988,581)	\$3,242,115,920	22.04%
Core Non US Equity (1)	\$2,464,718,882	16.75%	\$364,079,711	\$1,345,566	\$2,099,293,605	14.27%
Aristotle	455,168,917	3.09%	0	634,989	454,533,928	3.09%
Artisan Partners	661,329,153	4.50%	0	1,437,420	659,891,733	4.49%
BlackRock Superfund	301,358,669	2.05%	0	(1,738,317)	303,096,985	2.06%
Causeway Capital	683,904,945	4.65%	0	3,553,669	680,351,276	4.63%
Lazard	870,136	0.01%	0	(18,903)	889,038	0.01%
SSGA Transition	361,567,173	2.46%	364,081,203	(2,514,030)	-	-
Emerging Markets	\$241,241,180	1.64%	\$0	\$550,295	\$240,690,885	1.64%
Wellington Emerging Markets	241,241,180	1.64%	0	550,295	240,690,885	1.64%
Non US Small Cap	\$211,560,105	1.44%	\$0	\$(4,169,644)	\$215,729,748	1.47%
Wellington Int'l Small Cap Research	211,560,105	1.44%	0	(4,169,644)	215,729,748	1.47%
World Equity	\$1,605,680	0.01%	\$(679,081,203)	\$(5,714,798)	\$686,401,682	4.67%
Walter Scott Global Equity	1,605,680	0.01%	(679,081,203)	(5,714,798)	686,401,682	4.67%
Total Fixed Income	\$4,011,506,749	27.27%	\$0	\$12,308,644	\$3,999,198,105	27.19%
BlackRock SIO Bond Fund	313,293,055	2.13%	0	1,863,896	311,429,159	2.12%
Brandywine Asset Mgmt	55,799	0.00%	0	(2,111)	57,910	0.00%
FIAM (Fidelity) Tactical Bond	421,017,900	2.86%	0	2,004,847	419,013,053	2.85%
Income Research & Management	864,379,774	5.88%	0	2,627,872	861,751,903	5.86%
Loomis Sayles	334,724,854	2.28%	0	287,760	334,437,094	2.27%
Mellon US Agg Bond Index	1,221,100,044	8.30%	0	2,959,183	1,218,140,861	8.28%
Manulife Core Bond	856,935,322	5.82%	0	2,567,196	854,368,126	5.81%
Total Cash	\$216,769,556	1.47%	\$111,637,782	\$288,341	\$104,843,433	0.71%
Total Marketable Assets	\$11,008,594,905	74.83%	\$(88,363,756)	\$9,076,479	\$11,087,882,182	75.38%
Total Real Estate	\$1,328,279,479	9.03%	\$22,411,795	\$17,848,541	\$1,288,019,143	8.76%
Strategic Core Real Estate	705,090,240	4.79%	(2,285,221)	6,281,764	701,093,698	4.77%
Tactical Non-Core Real Estate	623,189,237	4.24%	25,469,154	10,794,640	586,925,444	3.99%
Total Alternative Assets	\$2,352,118,034	15.99%	\$18,457,050	\$(282,582)	\$2,333,943,566	15.87%
Private Equity	1,601,207,900	10.88%	(6,755,923)	(18,211,191)	1,626,175,014	11.06%
Private Debt	750,910,134	5.10%	25,212,973	17,928,608	707,768,552	4.81%
Infrastructure	\$22,415,388	0.15%	\$22,415,388	\$0	-	-
Total Fund Composite	\$14,711,407,805	100.0%	\$(25,079,523)	\$26,642,438	\$14,709,844,891	100.0%

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

(1) Includes \$519,891 in legacy assets that are not actively managed and in liquidation following the termination of Fisher Investments.

Current Asset Allocation Status

Class Targets vs. Actual Allocation as of June 30, 2026 (Preliminary)



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

Source: NHRS

Asset Class Allocations Relative to Policy Targets and Ranges

As of June 30, 2026 (preliminary)

Asset Class	Allocation				Objective	Comments
	Range	Target	Actual	Variance		
Public Markets						
Global Equity	30 - 50%	40.0%	46.0%	6.0%	Monitor	No immediate action needed.
Fixed Income	18 - 32%	25.0%	27.3%	2.3%	Monitor	No immediate action needed.
Private Markets						
Equity ¹	5 - 15%	10.0%	11.0%	1.0%	Monitor	No immediate action needed.
Credit ¹	0 - 15%	10.0%	5.0%	-5.0%	Action	To be scaled up incrementally over subsequent periods as part of SAA implementation.
Infrastructure ¹	0 - 15%	5.0%	0.2%	-4.8%	Action	To be scaled up incrementally over subsequent periods as part of SAA implementation.
Real Estate (RE) ¹	5 - 20%	10.0%	9.0%	-1.0%	Monitor	No immediate action needed.
Cash Equivalents	0 - 5%	0.0%	1.5%	1.5%	No Action	Minimal cash balance to provide liquidity, as needed, for annuities, capital calls and other plan needs.
		100.0%	100.0%	0.0%		

¹
As reported on the June 30, 2026 Callan Monthly Review.

Source: NHRS



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

October 1, 2026

TO: Michael W. Kane, Legislative Budget Assistant

CC: Governor Kelly Ayotte

Sen. Howard Pearl, Chairman, Senate Executive Departments and
Administration

Rep. Erica Layon, Chairman, House Executive Departments and
Administration

FROM: New Hampshire Retirement System Board of Trustees and Independent Investment Committee
(Prepared by Jan Goodwin, NHRS Executive Director, and Raynald Leveque, NHRS Chief Investment
Officer)

RE: Quarterly Compliance Notice

Dear Mr. Kane:

Pursuant to RSA 100-A:15, VIII(a), we are writing to confirm that New Hampshire Retirement System is in compliance with its duty to make all investment decisions solely in the interest of its participants and beneficiaries and does not have investments in any funds that may have mixed, rather than sole, interest investment motivations.

NHRS pursues an investment strategy designed to achieve its long-term funding requirements. The goal is to meet or exceed the retirement system's assumed rate of return over the long term, while at the same time managing the risk, return, and liquidity of the portfolio.

Respectfully,

Jan Goodwin
Executive Director

Raynald Leveque
Chief Investment Officer