



**PENSION  
RESERVE TRUST**

FIDEICOMISO DE RESERVA DE PENSIONES

# **Working to Preserve Pension Benefits**

**Report of the Pension Reserve Trust for the Quarter ending  
March 31, 2026**

June 9, 2026

# Agenda

- **Since Our Last Meeting**
- **Investment Performance**
- **Operations & Expenses**
- **Next Steps**

## Appendices

- A. Investment Detail
- B. Budget & Expense Detail

## Since our Last Meeting

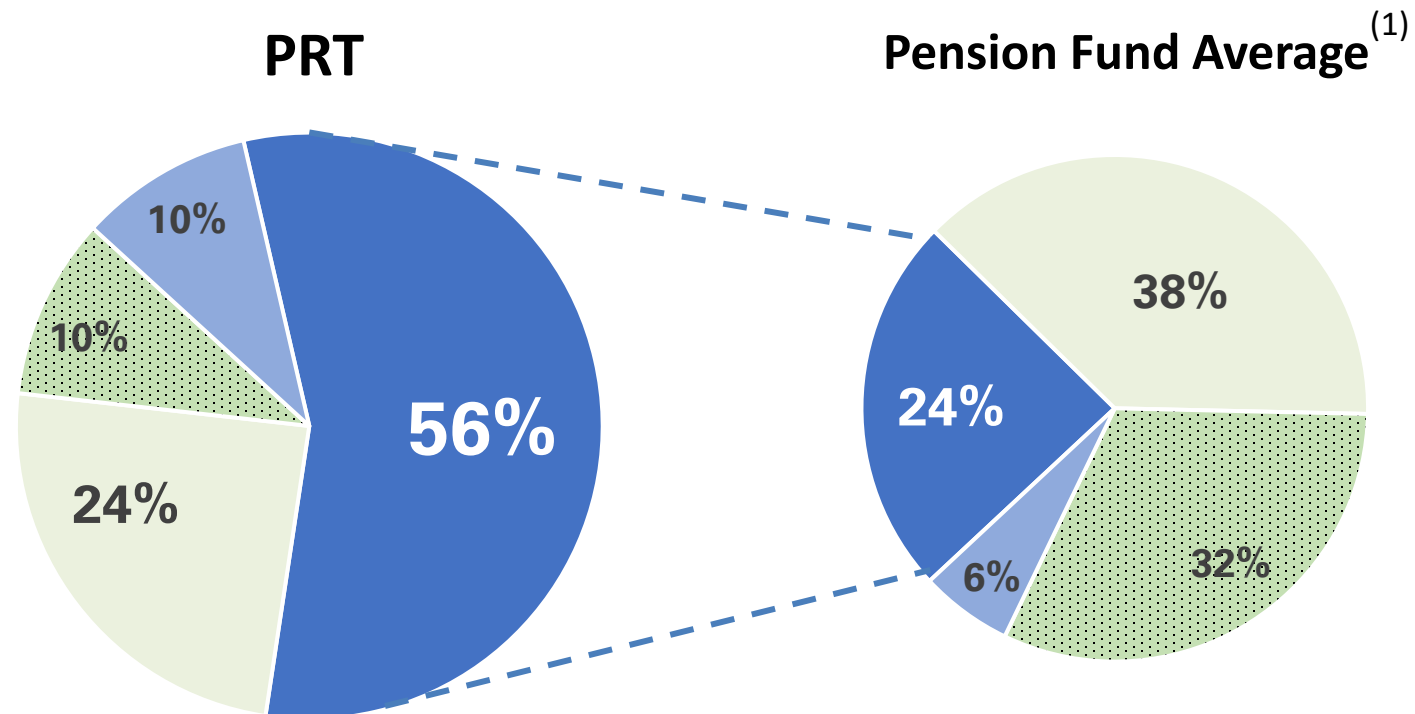
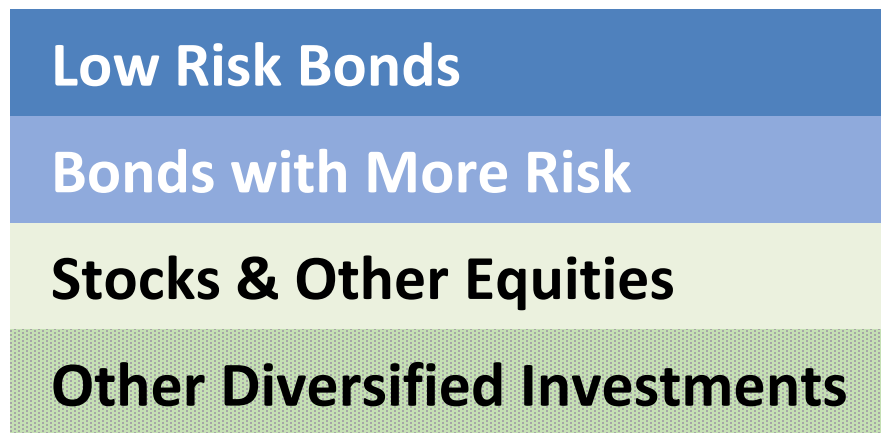
- **Published the FY25 compliance audit completed with auditor's final report.**
- **Segal completed the Asset & Withdrawal Management study ("AWM").**

# Investment Performance

## **We continue to:**

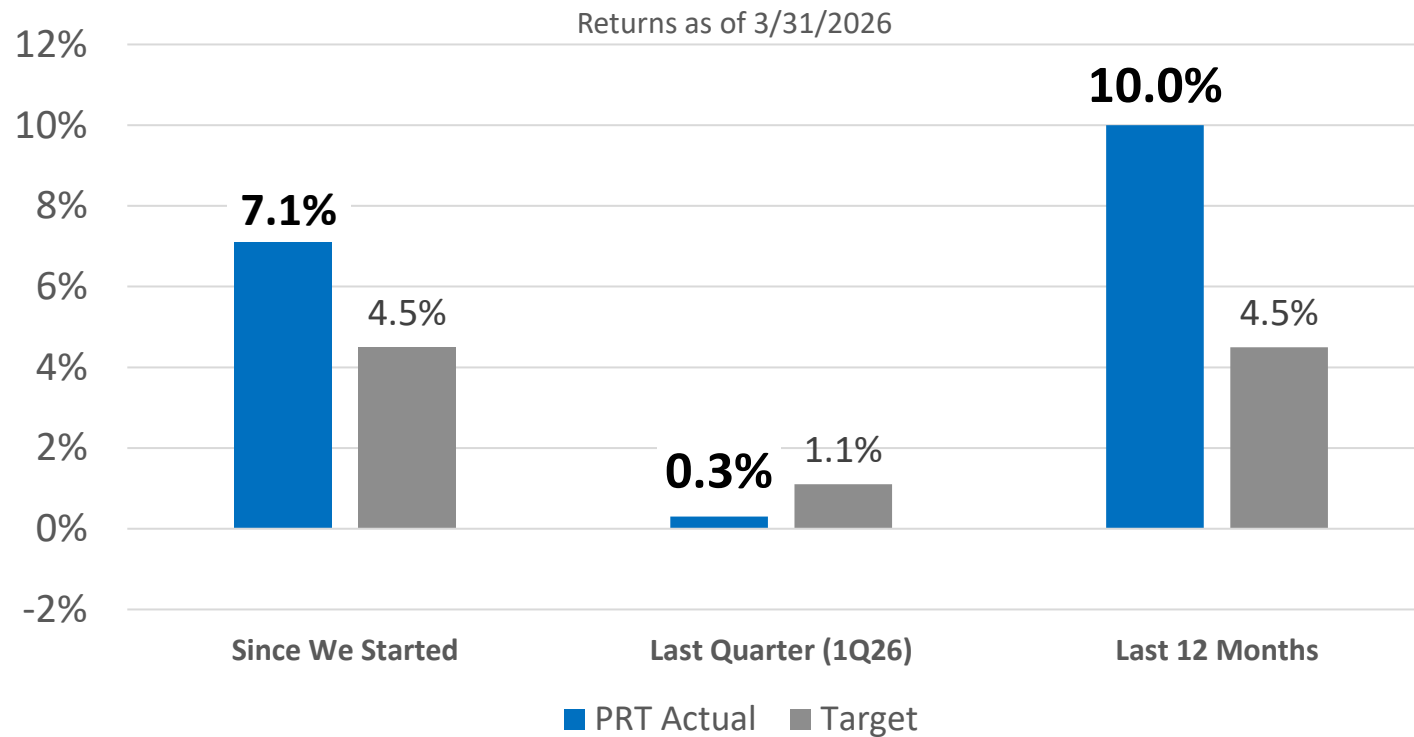
- **Invest conservatively.**
- **Diversify investments.**
- **Keep investment expenses low.**
- **Rely appropriately on professional investment advice.**
- **Aim for getting the necessary returns despite month to month & year to year fluctuations.**

# PRT remains more conservatively invested than pension funds.

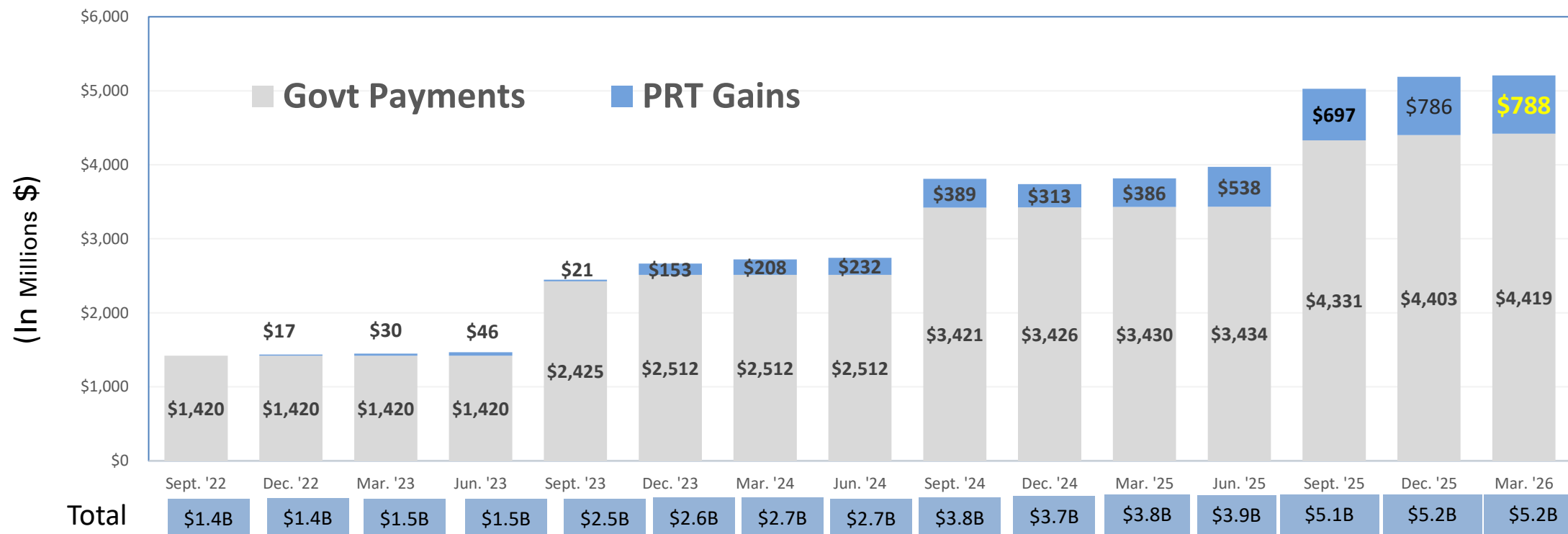


<sup>(1)</sup>2026 NCPERS Public Fund Annual Survey

***Despite Middle East conflict and surging oil prices, PRT earned a +0.3% in the last quarter, and 7.1% since we started***



# PRT total investment returns almost \$790 million\*



\*Gains include income, realized, unrealized gains and net of fees and expenses.

# Operations & Budget

**As of March 31, 2026 <sup>(1)</sup>**

<b>FY 2026 – 3<sup>rd</sup> Quarter Budget v. Actual Results</b>	<b>Annual Budget</b>	<b>YTD Expenses <sup>(1)</sup></b>	<b>% of Budget spent YTD</b>
<b>Administrative and Operating Expenses<sup>(2)</sup></b>	<b>1,850,000</b>	<b>1,268,152</b>	<b>69%</b>
<b>Investment-Related and Other Expenses<sup>(3)</sup></b>	<b>7,500,000</b>	<b>5,310,955</b>	<b>71%</b>
<b>Total Expenses<sup>(1)</sup></b>	<b>9,350,000</b>	<b>6,579,107</b>	<b>70%</b>

For more detailed information regarding these expenses, please refer to the Appendix B.

(1) Unaudited.

(2) Subject to budget cap in accordance with Section 7.3 of the Guidelines.

(3) Reflect ongoing implementation of the Investment Policy

# PRT's expense ratio remains low

AUM v. Actual Expenses	YTD Expenses <sup>(1)</sup>	As % of AUM
<b>Assets under Management ("AUM")</b>		<b>\$5,207,442,747</b>
<b>Administrative &amp; Operating Expenses</b>	\$ 1,268,152	<b>0.03%</b>
<b>Investment-Related &amp; Other Expenses</b>	<u>5,310,955</u>	<b><u>0.14%</u></b>
<b>Ongoing Expenses</b>	<b>\$6,579,107</b>	<b>0.17%<sup>(2)</sup></b>

(1) Unaudited.

(2) NCPERS Annual Pension Survey 2025 average is 0.73%

As of March 31, 2026 <sup>(1)</sup>

	<b>Annual Amount</b>
Administrative and Operating Budget	1,890,000
Investment-Related and Other Expenses	8,600,000
<b>Total</b>	<b>10,490,000</b>

**A**

## **Investments & Operations**

- **Segal will present the AWM Study to the Government and the PBC.**
- **PRT will evaluate whether AWM Study suggests Investment Policy changes.**

**B**

## **Governance & Accountability**

- **Publish the FY27 Budget.**

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# Appendix A

# Investment Detail

Pension Reserve Trust

March 31, 2026

## COMPOSITE PERFORMANCE DETAIL

	Allocation			Performance (%)						
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	Inception (%)	Inception Date
<b>Total Composite</b>	5,207,442,747	100.0	100.0	0.3	5.8	10.0	8.3	7.7	7.1	Oct-22
<i>Policy Index</i>				-0.2	5.5	10.0	8.1	7.3	6.8	
<i>4.5% Target</i>				1.1	3.4	4.5	4.5	4.5	4.5	
<b>Public Equity</b>	1,271,491,426	24.4	25.0	-1.2	9.7	20.2	13.6		14.5	Aug-23
<i>MSCI AC World IMI Index (Net)</i>				-2.7	8.1	20.6	13.2		14.3	
<b>High Quality Fixed Income</b>	2,856,905,430	54.9	55.0	-0.1	2.8	4.1	4.6		4.6	Aug-23
<i>Blmbg. U.S. Aggregate Index</i>				0.0	3.1	4.3	4.6		4.5	
<b>Return Seeking Fixed Income</b>	499,456,323	9.6	10.0	-0.3	3.1	5.9	6.1		6.7	Aug-23
<i>Credit Custom BM</i>				-0.5	2.9	5.4	5.7		6.6	
<b>Diversification</b>	522,801,152	10.0	10.0	6.2	17.2	23.5	16.8		15.1	Aug-23
<i>Diversification Custom BM</i>				5.4	16.6	22.6	16.5		14.6	
<b>Cash</b>	56,788,415	1.1	0.0	0.9	2.9	3.9	4.4	4.8	4.7	Oct-22
<i>90 Day U.S. Treasury Bill</i>				0.8	2.9	4.0	4.5	4.7	4.6	

Pension Reserve Trust

March 31, 2026

## TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)						
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	Inception (%)	Inception Date
<b>Total Composite</b>	5,207,442,747	100.0	100.0	0.3	5.8	10.0	8.3	7.7	7.1	Oct-22
<i>Policy Index</i>				-0.2	5.5	10.0	8.1	7.3	6.8	
4.5% Target				1.1	3.4	4.5	4.5	4.5	4.5	
<b>Public Equity</b>	1,271,491,426	24.4	25.0	-1.2	9.7	20.2	13.6		14.5	Aug-23
Vanguard S&P 500 ETF	584,495,923	11.2		-4.4	6.1	17.7	12.9		15.6	Aug-23
<i>S&amp;P 500 Index</i>				-4.3	6.2	17.8	12.9		15.7	
Vanguard Value ETF	138,305,304	2.7		3.3	12.8	16.0	12.2		14.1	Aug-23
<i>CRSP U.S. Large Cap Value Index</i>				3.3	12.8	16.1	12.2		14.1	
Vanguard Extended Market ETF	94,981,228	1.8		-1.3	7.8	20.9	9.7		11.9	Aug-23
<i>S&amp;P Completion Index</i>				-1.3	7.6	20.7	9.6		11.8	
Vanguard FTSE Developed Markets ETF	163,888,893	3.1		2.7	15.0	30.0	16.6		15.5	Aug-23
<i>FTSE Developed All Cap ex-US Index (Net)</i>				0.2	12.5	27.4	15.0		14.3	
State Street Hedged Intl Dev Eq Idx K	158,556,789	3.0		2.4	15.8	21.2	14.1		16.0	Aug-23
<i>MSCI EAFE Index (Hedged) (Net)</i>				0.8	14.1	20.1	13.2		15.4	
Vanguard FTSE Emerging Markets ETF	131,263,290	2.5		0.5	12.0	22.7	17.1		12.6	Aug-23
<i>FTSE EM All Cap China A Inclusion Net Tax (US RIC)</i>				-2.7	8.9	19.7	15.1		11.7	
<b>Public Debt</b>	3,356,361,753	64.5	65.0	-0.1	2.8	4.4	4.8		4.9	Aug-23
<b>High Quality Fixed Income</b>	2,856,905,430	54.9	55.0	-0.1	2.8	4.1	4.6		4.6	Aug-23
<b>Treasuries</b>	1,195,934,894	23.0		0.1	2.3	2.5	3.4		3.2	Aug-23
Vanguard Short-Term Treasury ETF	116,687,723	2.2		0.3	2.5	3.8	4.6		4.6	Aug-23
<i>Blmbg. U.S. Treasury: 1-3 Year</i>				0.3	2.5	3.8	4.6		4.7	
Vanguard Long-Term Treasury ETF	465,151,663	8.9		-0.1	1.9	0.4	0.9		-0.1	Aug-23
<i>Blmbg. U.S. Treasury: Long</i>				-0.4	2.0	0.5	0.9		0.0	
Vanguard Intermediate-Term Trs	402,612,905	7.7		0.0	2.4	4.2	4.7		4.3	Aug-23
<i>Bloomberg U.S. Treasury 3-10 Year Index</i>				-0.1	2.4	4.1	4.7		4.4	
Schwab US TIPS ETF	211,482,602	4.1		0.4	2.5	3.0	4.6		4.1	Aug-23
<i>Blmbg. U.S. TIPS</i>				0.3	2.5	3.0	4.6		4.1	

Pension Reserve Trust

March 31, 2026

## TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)						
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	Inception (%)	Inception Date
<b>Corporate Bonds</b>	<b>1,660,970,536</b>	<b>31.9</b>		-0.2	3.1	5.3	5.8		6.0	Aug-23
Vanguard Short-Term Corporate Bond ETF	456,639,512	8.8		0.1	3.0	4.9	5.6		5.8	Aug-23
<i>Bloomberg US Corporate 1-5 Years</i>				0.1	3.0	4.8	5.6		5.8	
Vanguard Interm-Term Corp Bd ETF	528,836,300	10.2		-0.5	3.3	6.1	6.1		6.3	Aug-23
<i>Blmbg. U.S. Credit Corp 5-10 Year Index</i>				-0.6	3.3	6.0	6.1		6.4	
IR&M Intermediate Credit Fund	675,494,723	13.0		-0.2	3.0	5.2			6.0	Jan-25
<i>Blmbg. U.S. Intermediate Credit</i>				-0.2	3.1	5.3			6.1	
<b>Return Seeking Fixed Income</b>	<b>499,456,323</b>	<b>9.6</b>	<b>10.0</b>	-0.3	3.1	5.9	6.1		6.7	Aug-23
Vanguard Total Corporate Bond ETF	277,414,307	5.3		-0.3	3.0	5.0	4.9		5.3	Aug-23
<i>Bloomberg US Corporate</i>				-0.5	2.9	4.8	4.8		5.3	
iShares Broad USD High Yield Corp Bd ETF	110,670,123	2.1		-0.4	3.4	7.1	7.4		8.5	Aug-23
<i>ICE BofA US High Yield Master II Constrained</i>				-0.5	3.2	6.9	7.2		8.4	
iShares 0-5 Year High Yield Corp Bd ETF	111,371,894	2.1		-0.2	3.2	6.7	6.9		7.7	Aug-23
<i>ICE BofA 0-5 Year U.S. High Yield Constrained</i>				-0.3	3.1	6.4	7.1		8.0	
<b>Diversification</b>	<b>522,801,152</b>	<b>10.0</b>	<b>10.0</b>	6.2	17.2	23.5	16.8		15.1	Aug-23
<b>Public Real Assets</b>	<b>263,263,370</b>	<b>5.1</b>		12.6	27.0	31.8	22.7		18.1	Aug-23
<i>Diversification Real Assets Custom BM</i>				13.0	28.0	31.6	22.9		18.3	
SPDR S&P Global Natural Resources ETF	54,638,279	1.0		20.2	39.8	44.4	17.8		13.7	Aug-23
<i>S&amp;P Global Natural Resources Sector Index (Net)</i>				19.7	39.7	44.2	17.4		13.4	
iShares Global Infrastructure ETF	52,372,091	1.0		9.2	15.0	26.7	22.6		17.2	Aug-23
<i>S&amp;P Global Infrastructure (Net)</i>				8.1	14.4	25.8	21.7		16.6	
iShares Global REIT ETF	52,312,402	1.0		1.3	4.8	7.5	6.7		6.0	Aug-23
<i>FTSE EPRA/NAREIT Global REITs Index</i>				1.2	4.7	7.8	7.0		6.4	
SPDR Gold MiniShares	47,868,638	0.9		8.6	41.5	49.8	45.1		38.4	Aug-23
<i>Bloomberg Gold Subindex Total Return</i>				7.1	39.9	47.2	43.3		36.7	
Aberdeen Bloomberg All Commodity Strategy K-1 Free ETF	56,071,959	1.1		24.3	35.9	31.5	21.5		13.8	Aug-23
<i>Bloomberg Commodity Index Total Return</i>				24.4	36.5	32.3	21.9		14.3	

Pension Reserve Trust

March 31, 2026

## TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)						
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	Inception (%)	Inception Date
<b>Multi-Asset</b>	259,537,782	5.0		-0.1	8.0	15.6	10.9		12.1	Aug-23
SSGA Moderate Strategic Balanced Strategy	259,537,782	5.0		-0.1	8.0	15.6			15.6	Apr-25
<i>60% MSCI ACWI (Net) / 40% Bloomberg Aggregate</i>				-1.9	5.9	13.6			13.6	
<b>Cash</b>	56,788,415	1.1	0.0	0.9	2.9	3.9	4.4	4.8	4.7	Oct-22
<i>90 Day U.S. Treasury Bill</i>				0.8	2.9	4.0	4.5	4.7	4.6	
Northern Trust Money Market Treasury NTPXX	56,788,415	1.1		0.9	2.9	3.9	4.4		5.2	May-23

# Appendix B

# Budget & Expense Detail

<b>Administrative and Operating Expenses</b>	<b>Annual Budget</b>	<b>YTD Expenses <sup>(1)</sup></b>	<b>% of Budget</b>
Management & Staff	677,000	504,079	74%
Trustees	423,000	315,818	75%
Legal Counsel	85,000	37,038	44%
Accounting and Audit	265,000	211,740	80%
Other Professionals	125,000	70,004	56%
Ordinary Business (General)	130,000	79,314	61%
Travel and other reimbursable expenses	110,000	50,159	46%
Emergency and Contingency Reserve	35,000	-	0%
<b>Total Administrative and Operating Expenses <sup>(1)</sup></b>	<b>1,850,000</b>	<b>1,268,152</b>	<b>69%</b>

**As of March 31, 2026 <sup>(1)</sup>**

<sup>(1)</sup> Unaudited.

<b>Investment-Related and Other Expenses</b>	<b>Annual Budget</b>	<b>YTD Expenses <sup>(1)</sup></b>	<b>% of Budget</b>
Management & Staff	495,000	198,337	40%
Custodian	250,000	139,171	56%
Insurance Policies (D&O, Cyber, etc.)	175,000	83,978	48%
Legal, Regulatory & Compliance	350,000	118,540	34%
Other	30,000	216	1%
Equipment, Software and Licenses	100,000	28,414	28%
Asset Withdrawal Management (AWM) study	100,000	28,000	28%
Investment consultant annual fee	1,700,000	1,267,193	75%
Investment management fees	4,300,000	3,447,106	80%
<b>Total Investment-Related and Other Expenses <sup>(1)</sup></b>	<b>7,500,000</b>	<b>5,310,955</b>	<b>71%</b>

**As of March 31, 2026 <sup>(1)</sup>**

<sup>(1)</sup> Unaudited.

<b>Administrative and Operating</b>	<b>Annual Amount</b>
Management & Staff	749,000
Trustees	431,000
Legal Counsel	85,000
Accounting and Audit	265,000
Other Professionals	85,000
Ordinary Business (General)	130,000
Travel and other reimbursable expenses	110,000
Emergency and Contingency Reserve	35,000
<b>Total Administrative and Operating Budget</b>	<b>1,890,000</b>

Investment-Related and Other Expenses	Annual Amount
Management Staff	633,000
Custodian	250,000
Insurance Policies (D&O, Cyber, etc.)	175,000
Legal, Regulatory & Compliance (Investment)	325,000
Other	17,000
Equipment, Software and Licenses (Investment)	100,000
Asset Withdrawal Management (AWM) study	-
Investment consultant annual fee	2,100,000
Investment management fees	5,000,000
<b>Total Investment-Related and Other Expenses Budget</b>	<b>8,600,000</b>

# Important Notices & Disclaimers

- ▶ *This presentation is being provided for the information and use of the Act 106 Board and the Pension Benefits Council. **It is not investment advice or legal advice.***
- ▶ *The objective of the Pension Reserve Trust is, if possible, to provide funds to the Government adequate to meet pension obligations by prudently investing its funds over the next several decades. The investment decisions of the Trust are made with that objective while minimizing unnecessary risks. However, **all investments carry some level of risk. Their performance in the future can and will differ from their past performance and the Trust's asset values will fluctuate from quarter to quarter and year to year.** Diversification and other asset allocation techniques do not ensure profit or protect against losses.*
- ▶ *The PRT and Board make investment decisions to implement the particular requirements of the Plan of Adjustment, the Deed of Trust, and the Guidelines. **This presentation and the Trust's investment decisions should not be relied on in any way by any other party for any other purpose, particularly (but not only) decisions about investment of pension funds and of individual retirement plans.** Every person should make their own analysis based on their own goals with independent financial professionals before making any investment.*
- ▶ *The views presented here represent the good faith views of the Pension Reserve Trust as of the publication date and are subject to change at any time. The presentation does not contain all the analysis and data examined by the Board in coming to its views.*
- ▶ *Some of the information presented here has been obtained from external sources including the FOMB, the Commonwealth Government, consultants, vendors, etc.. While the Board has exercised reasonable professional care in preparing this content, we cannot guarantee the accuracy of all source information. Any financial information is unaudited.*