
Port of Houston Authority OPEB Plan

Investment Performance Review
Period Ending June 30, 2025

MARINER

2nd Quarter 2025 Market Environment

The Economy

- The US Federal Reserve (the Fed) held policy rates steady at a range of 4.25%-4.50% during the quarter. The press release from the June Federal Open Market Committee (FOMC) indicated new risks present in the economy since their press release in March. While the FOMC maintains that economic data appears healthy, there has been an increased emphasis on the US trade balance and its effects on the committee's dual mandate of maximum employment and stable prices. The committee mentioned that while uncertainty regarding the economic outlook has diminished, it remains elevated. The committee's deletion of the phrase "[The unemployment rate] has stabilized at a low level..." shows possible concern for the labor market for the remainder of the year.
- Growth in the US labor market continued during the second quarter. US non-farm payrolls grew by 147,000 in June, in line with the previous month's revised total of 139,000, and well above the 110,000 projected for the month. Unemployment fell slightly from 4.2% to 4.1%. With labor market statistics as a key input into the FOMC's target policy rate decision, persistent strength in private sector employment has contributed to a reduction in the pace and magnitude of policy rate decreases so far during the year.

Equity (Domestic and International)

- Domestic equity results were broadly higher for the quarter and the dominance of growth stocks resumed. Large capitalization (cap) stocks outperformed small cap stocks for the quarter. Other pockets of the domestic equity market also exuded strength with the Russell MidCap Growth Index returning a strong 18.2% for the quarter. Large-cap equity benchmarks continue to represent a heavy concentration among a limited number of stocks. As of quarter-end, the top 10 stocks in the S&P 500 Index comprised more than 35% of the index.
- All international stock indexes advanced during the quarter and their domestic performance was boosted further by the impact of a declining US dollar (USD). International equities have experienced recent tailwinds due to investor shifts from domestic markets and into international markets based on greater economic uncertainty in the US and challenging trade relations associated with US tariff policies.

Fixed Income

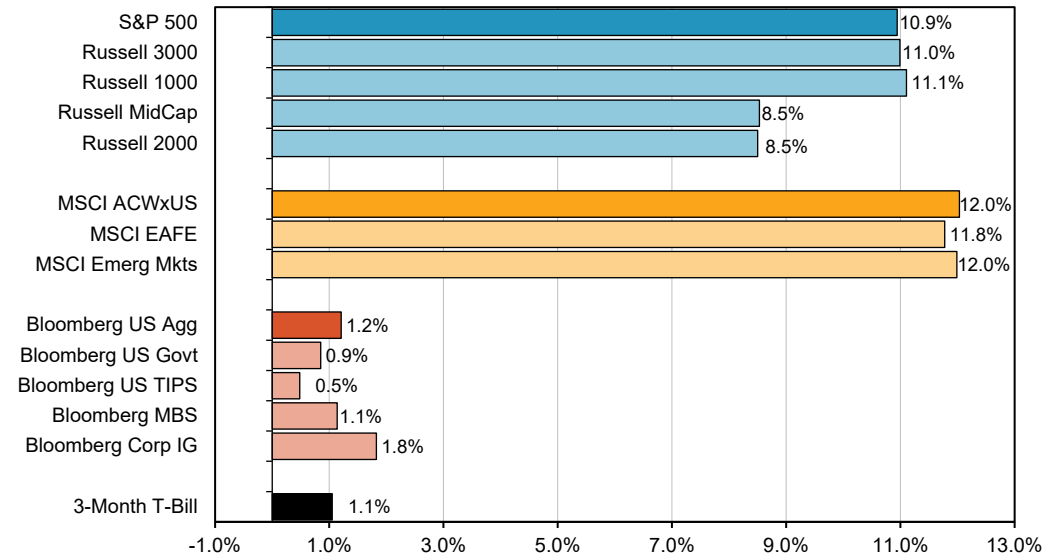
- Fixed-income markets gained during the quarter, driven primarily by their coupons and a relatively stable yield curve. Shorter term Treasury yields remained stable due to the FOMC leaving rates unchanged during their May and June meetings. While not directly impacted by the FOMC's actions, longer term yields also finished largely in line with where they began the quarter after a short-lived "risk-off" trade unwound as the current White House Administration's stance on tariffs softened during the quarter. The yield on the bellwether 10-year Treasury rose by just 0.01% during the quarter, closing June at a yield of 4.24%.
- The US High Yield Index was the best-performing US fixed-income index for the quarter, posting a solid 3.5% return. The index received a boost from a narrowing high yield option adjusted spread (OAS), which declined 0.59% during the quarter, as well as receiving a boost from their higher coupon rates. While the spread narrowed for the quarter, the high yield OAS actually widened from 3.55% to a peak of 4.61% during a relatively short time frame in early April, before narrowing as the quarter's early tension and uncertainty eased.
- Global bonds outpaced domestic bonds due to the continued weakening of the US dollar (USD). The Bloomberg Global Aggregate ex-US climbed 7.3% in USD terms, while the Bloomberg US Aggregate index rose just 1.2%.

Market Themes

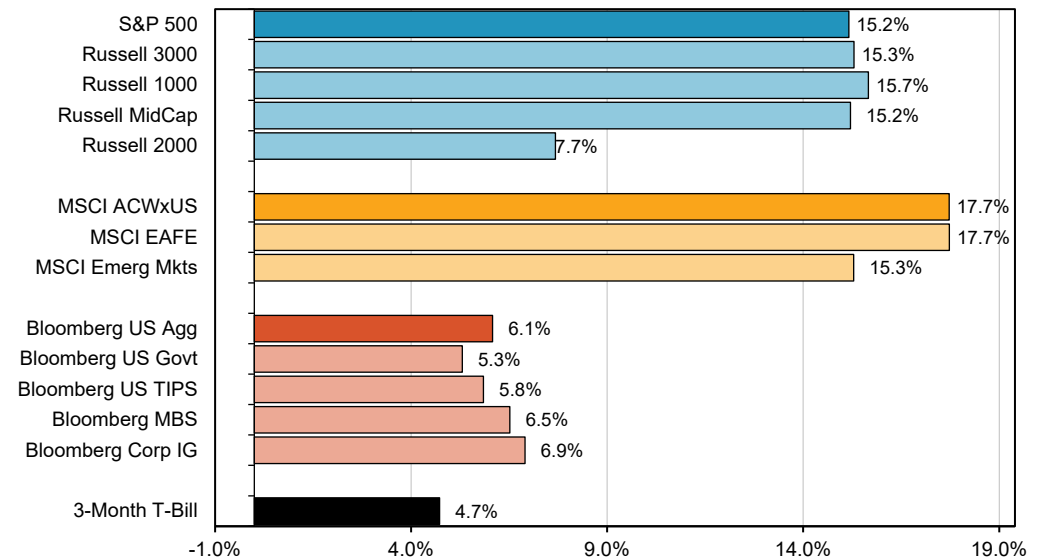
- Weakness in the USD during the quarter led to relative strength in international equity and fixed income markets as many major non-US currencies appreciated. Volatility in the financial markets increased early in the quarter amid uncertainty about US economic growth and US tariff policies. Ultimately these concerns subsided as the quarter drew on while the potential impact of US tariffs and foreign retaliation receded. The economic and geopolitical situation continues to evolve and the associated uncertainty will likely continue to weigh on global economic growth and capital markets.
- Tensions in the Middle East drew the ire of market participants, mainly in the energy sector, as the Israel/Iran conflict escalated further. Tensions seemed to subside by early July, but events in the region can change quickly.

- The volatility that characterized the performance of many broad domestic equity benchmarks during the first quarter subsided, leading to double-digit results for the broad- and large-cap indexes. While mid- and small-cap equities lagged larger domestic indexes, the Russell MidCap Index and the Russell 2000 Index both posted solid returns of 8.5% for the quarter.
 - International equity markets continued to surge in USD terms as the USD weakened relative to major world currencies. Both the developed market and emerging market benchmarks returned more than 10% for the quarter.
 - US investment-grade fixed income results were positive but muted with no major index posting a return of more than 2% during the quarter. The corporate bond index led the way with a return of 1.8% for the quarter, while the TIPS index gained a smaller 0.5%. The muted returns were driven by a stable yield curve and credit spreads that finished the quarter at similar levels to where they began.
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- Equity markets continue to exhibit resilience over the trailing year. Large-cap stocks led the way with the Russell 1000 climbing 15.7% over the trailing year and the S&P 500 rising 15.2%. The Russell MidCap Index managed to keep pace with the large-cap indexes while small-cap stocks, as measured by the Russell 2000 Index, lagged other market segments rising by a smaller but still solid 7.7% over the trailing year.
 - International equity markets continued to perform well on a USD basis, helped by a persistently weakening dollar over the trailing year. Developed market indexes led the way with the MSCI ACWIxUS and the MSCI EAFE indexes both returning 17.7%. The MSCI Emerging Market equity benchmark returned a slightly lower, but strong absolute return of 15.3%.
 - Trailing one-year returns for fixed income indexes benefited from a strong first quarter. Returns were positive across the major bond indexes with the Bloomberg Corporate IG Index leading results with a return of 6.9% for the year. The Bloomberg US Govt Index lagged its peers, returning 5.3% over the same time period.

Quarter Performance



1-Year Performance

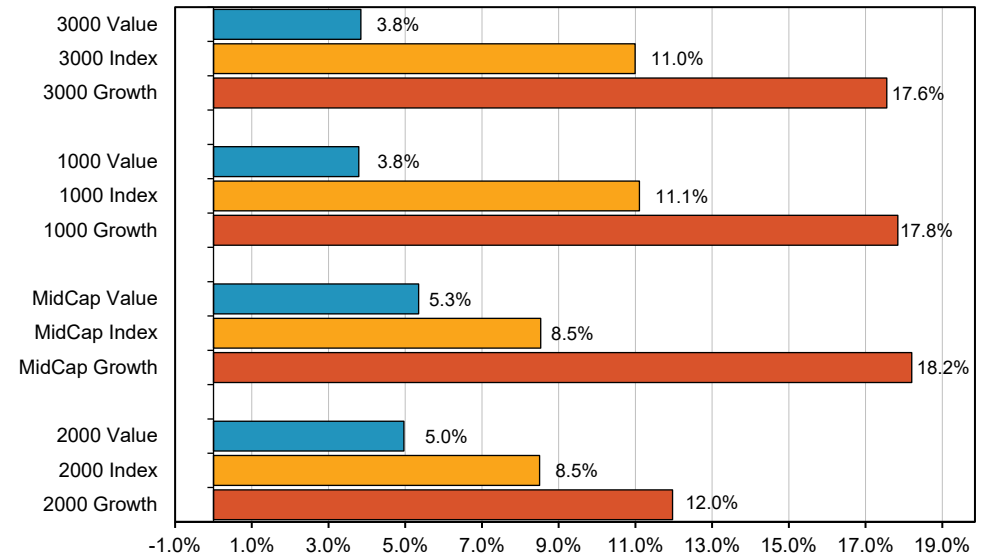


Source: Investment Metrics

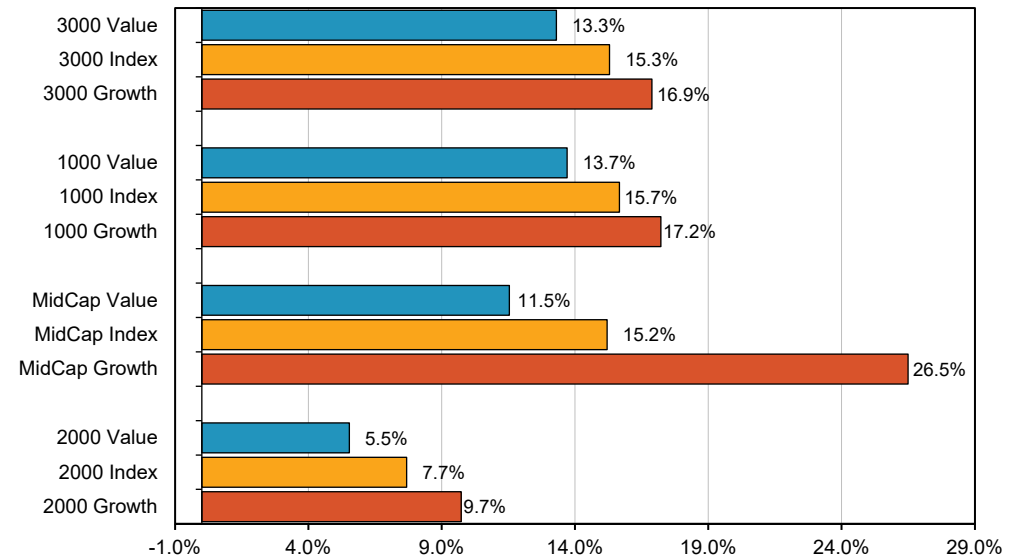
- After a rough start to the 2025 calendar year, domestic equities bounced back meaningfully during the quarter, shaking off economic and geopolitical uncertainties. Large-cap stocks outpaced small-cap stocks for the third consecutive quarter, returning 11.1% and 8.5%, respectively.
- Growth stocks dominated their value counterparts across all capitalizations, a reversal from the previous quarter. The best performing segment of the market was mid-cap growth stocks, which returned 18.2% during the second quarter. Large-cap growth stocks were also strong returning a slightly lower 17.8% for the period. The weakest performing segment of the market was large-cap value which posted a return of 3.8% for the quarter. The biggest performance disparity between growth and value was in the large-cap segment where growth stocks outpaced their value counterparts by 14.0%.

- Full-year style index performance shows a tight dispersion among the broad-, large-, and mid-cap core index results with the small-cap core index lagging during the same period.
- The trailing one-year results also tell a slightly different story relative to the prevailing narrative over the last several quarters. While large-cap stocks have outperformed many other capitalization segments, augmented by the capitulation of value stocks to growth stocks, mid-cap growth stocks were the best performing category during the period. Like the large-cap growth indexes, the Russell MidCap Growth Index has seen increased concentration in the benchmark and was led by just a few high-flying information technology stocks. Over the trailing year, the information technology sector alone contributed 40% of the index's total return during the period with eight stocks soaring over 100% during the trailing year.

Quarter Performance - Russell Style Series

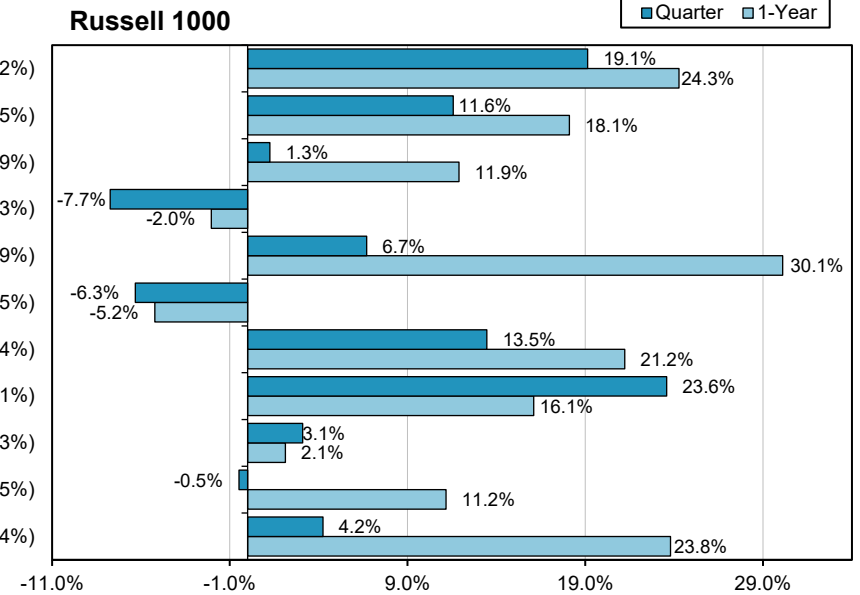


1-Year Performance - Russell Style Series

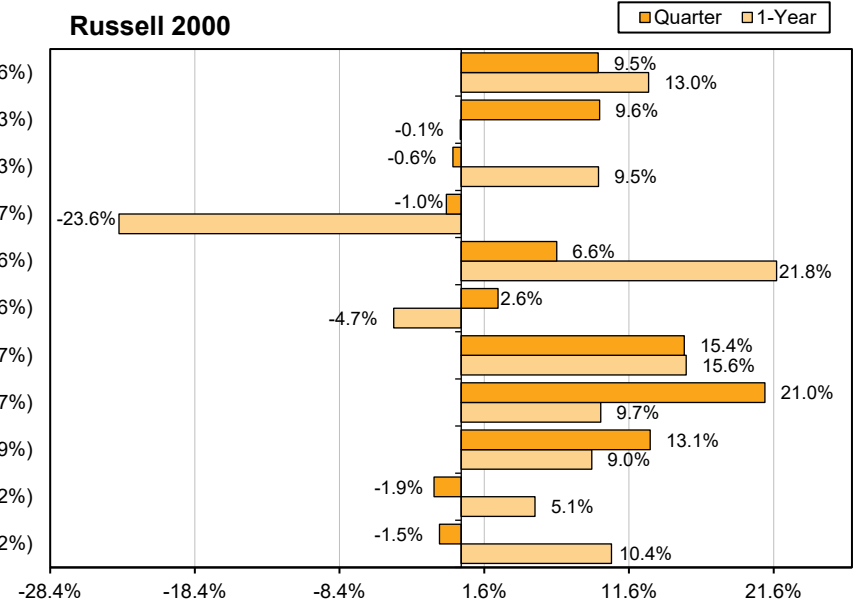


Source: Investment Metrics

- Economic sector performance within the large-cap Russell 1000 index was largely higher as eight of the 11 economic sectors rose during the quarter. The Information Technology sector led results for the quarter, advancing 23.6%. Communication Services followed closely behind with a return of 19.1%. The Industrials and Consumer Discretionary sectors also managed double-digit returns for the quarter. In contrast to some sectors' strong, positive results, the Energy, Health Care, and Real Estate sectors posted negative returns for the quarter.
- Trailing one-year results revealed broad participation in the equity market's ascension with nine of the 11 economic sectors finishing with positive performance. Of the nine sectors that advanced for the year, only the Materials sector failed to post a double-digit gain. Financial stocks dominated sector performance with a return of 30.1% over the trailing year with elevated rates and stable credit conditions helping to boost the sector overall. Healthcare performance was the most negative over the same time period, falling by -5.2%.



- Small-cap economic sector performance was more mixed than in the large-cap segment but seven of the 11 economic sectors climbed during the quarter. Information Technology led sector performance with a return of 21.0%, followed by Industrials at 15.4% and Materials at 13.1%. The four economic sectors that declined during the quarter were each down by less than -2.0%.
- Trailing one-year small-cap results continue to show the robust performance of the domestic equity markets, although to a lesser degree than in the large-cap index results. Eight of the 11 economic sectors were up for the year in the small-cap index, with the Financials return of 21.8% leading the way. Performance struggles within the Energy sector affected small-cap stocks far greater as the sector fell by -23.6% and is by far the worst performer in the index. The Health Care sector also struggled, finishing the trailing 12 months at -4.7%.



Source: Morningstar Direct
As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency, post creation of the Communication Services sector.

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
NVIDIA Corp	6.5%	45.8%	27.9%	Information Technology
Microsoft Corp	6.4%	32.7%	12.1%	Information Technology
Apple Inc	5.3%	-7.5%	-2.1%	Information Technology
Amazon.com Inc	3.7%	15.3%	13.5%	Consumer Discretionary
Meta Platforms Inc Class A	2.8%	28.2%	46.9%	Communication Services
Broadcom Inc	2.2%	65.0%	73.6%	Information Technology
Alphabet Inc Class A	1.8%	14.1%	-2.8%	Communication Services
Berkshire Hathaway Inc Class B	1.6%	-8.8%	19.4%	Financials
Tesla Inc	1.6%	22.6%	60.5%	Consumer Discretionary
Alphabet Inc Class C	1.5%	13.7%	-2.8%	Communication Services

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Robinhood Markets Inc	0.1%	125.0%	312.3%	Financials
Avis Budget Group Inc	0.0%	122.7%	61.7%	Industrials
AST SpaceMobile Inc Ordinary Shares	0.0%	105.5%	302.5%	Communication Services
Coinbase Global Inc Ordinary Shares	0.1%	103.5%	57.7%	Financials
Rocket Lab USA Inc	0.0%	100.1%	645.2%	Industrials
e.l.f. Beauty Inc	0.0%	98.2%	-40.9%	Consumer Staples
Roblox Corp Ordinary Shares	0.1%	80.5%	182.7%	Communication Services
Vertiv Holdings Co Class A	0.1%	77.9%	48.5%	Industrials
Five Below Inc	0.0%	75.1%	20.4%	Consumer Discretionary
Cloudflare Inc	0.1%	73.8%	136.4%	Information Technology

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Sarepta Therapeutics Inc	0.0%	-73.2%	-89.2%	Health Care
UnitedHealth Group Inc	0.5%	-40.0%	-37.6%	Health Care
Enphase Energy Inc	0.0%	-36.1%	-60.2%	Information Technology
Corcept Therapeutics Inc	0.0%	-35.7%	125.9%	Health Care
Organon & Co Ordinary Shares	0.0%	-34.8%	-50.7%	Health Care
Huntsman Corp	0.0%	-32.5%	-51.3%	Materials
ManpowerGroup Inc	0.0%	-29.0%	-39.6%	Industrials
Medical Properties Trust Inc	0.0%	-27.2%	6.9%	Real Estate
Acadia Healthcare Co Inc	0.0%	-25.2%	-66.4%	Health Care
Lineage Inc REIT	0.0%	-24.9%	N/A	Real Estate

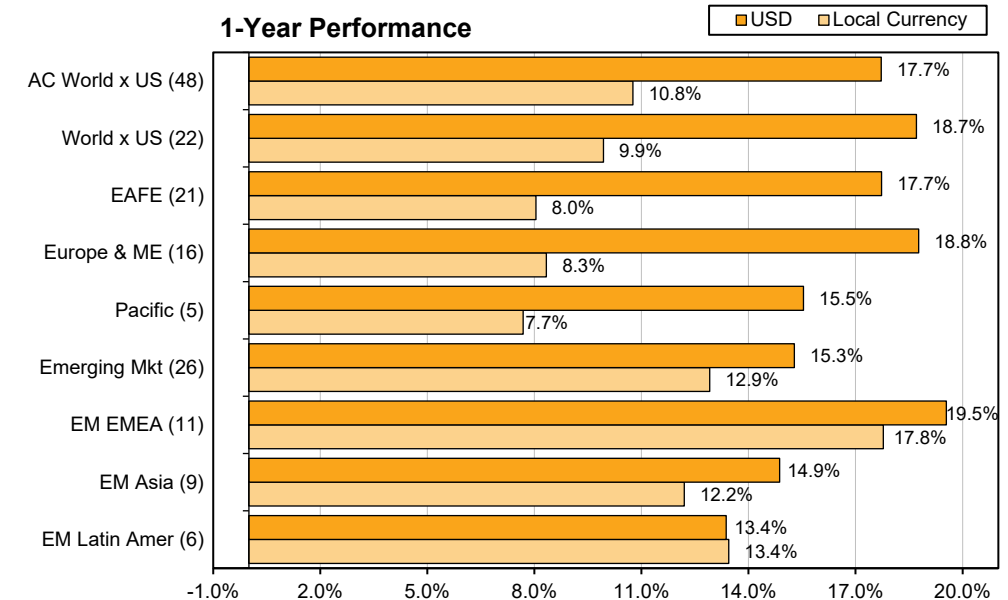
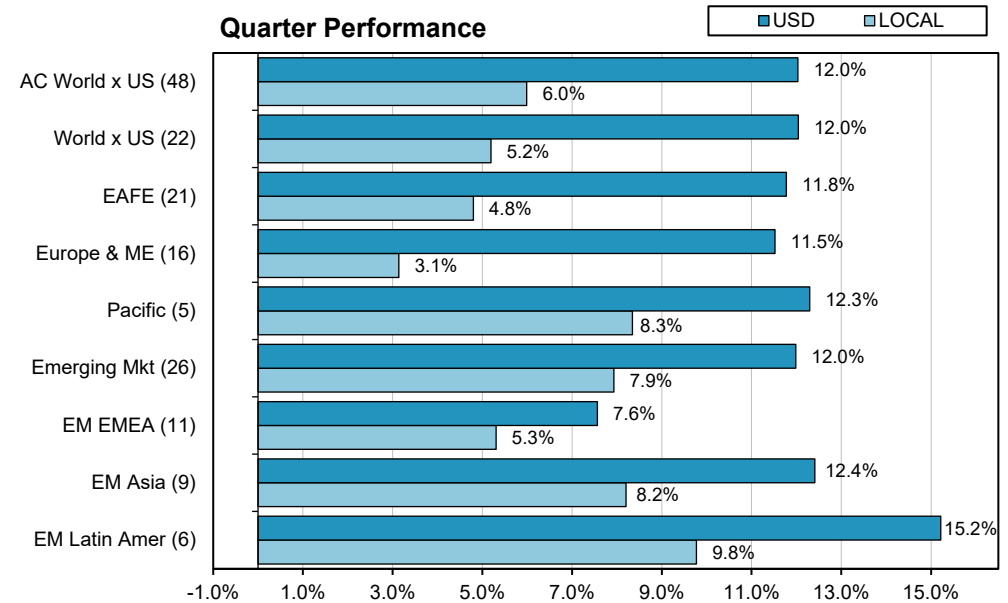
Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Credo Technology Group Holding Ltd	0.5%	130.6%	189.9%	Information Technology
Fabrinet	0.4%	49.2%	20.4%	Information Technology
IonQ Inc Class A	0.4%	94.7%	511.2%	Information Technology
Hims & Hers Health Inc	0.4%	68.7%	146.9%	Health Care
HealthEquity Inc	0.4%	18.5%	21.5%	Health Care
Ensign Group Inc	0.3%	19.3%	24.9%	Health Care
Fluor Corp	0.3%	43.1%	17.7%	Industrials
Blueprint Medicines Corp	0.3%	44.8%	18.9%	Health Care
AeroVironment Inc	0.3%	139.1%	56.4%	Industrials
Brinker International Inc	0.3%	21.0%	149.1%	Consumer Discretionary

Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Aeva Technologies Inc Ordinary Shares	0.0%	439.9%	1399.6%	Information Technology
Sezzle Inc	0.1%	413.8%	1119.1%	Financials
Tango Therapeutics Inc	0.0%	273.7%	-40.3%	Health Care
TSS Inc	0.0%	267.3%	1213.4%	Information Technology
The Arena Group Holdings Inc	0.0%	258.4%	705.2%	Communication Services
PaySign Inc	0.0%	239.6%	67.1%	Financials
Dave Inc	0.1%	224.7%	785.8%	Financials
Navitas Semiconductor Corp Class A	0.0%	219.5%	66.7%	Information Technology
Neonode Inc	0.0%	213.0%	1133.8%	Information Technology
ThredUp Inc Ordinary Shares - Class A	0.0%	210.8%	340.6%	Consumer Discretionary

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Wolfspeed Inc	0.0%	-87.0%	-98.3%	Information Technology
Newsmax Inc Class B Shares	0.0%	-81.9%	N/A	Communication Services
INmune Bio Inc	0.0%	-70.4%	-73.8%	Health Care
Compass Diversified Holdings	0.0%	-65.9%	-69.9%	Financials
Omeros Corp	0.0%	-63.5%	-26.1%	Health Care
The Hain Celestial Group Inc	0.0%	-63.4%	-78.0%	Consumer Staples
Rocket Pharmaceuticals Inc	0.0%	-63.3%	-88.6%	Health Care
Pulmonx Corp Ordinary Shares	0.0%	-61.5%	-59.2%	Health Care
New Fortress Energy Inc Class A	0.0%	-60.0%	-84.8%	Energy
ZSPACE Inc	0.0%	-56.0%	N/A	Consumer Discretionary

Source: Morningstar Direct

- Performance among headline international equity indexes in USD terms was positive and broadly higher than local currency (LCL) returns during the quarter. The USD's weakness relative to many major currencies continued to represent a substantial tailwind for the USD performance of non-US benchmark returns. The developed-market MSCI EAFE Index returned a solid 4.8% in LCL terms and an amplified 11.8% in USD terms. The MSCI ACWI ex-US Index climbed 6.0% in LCL terms with USD returns doubling the LCL result to 12.0% for the quarter.
- The MSCI EM Latin America Index was the best performing regional index for the quarter on both counts, returning 9.8% in LCL terms and 15.2% in USD terms. While none of the regional indexes contracted during the quarter, the laggard performer in LCL currency terms was the MSCI Europe & Middle East index which posted a more subtle 3.1% return while the laggard in USD terms was the MSCI EMEA index which still advanced a solid 7.6% during the quarter.
- International equity markets exuded broad strength across multiple regions in the trailing one-year period. The prolonged weakening of the USD has boosted domestic investor returns across many regions except for the MSCI EM Latin America index. The broad-based MSCI ACWI ex US and MSCI EAFE indexes finished the year roughly in line with each other returning 17.7% in USD terms. In LCL teams, the MSCI ACWI ex US Index was the stronger of the two benchmarks returning 10.8% versus a LCL return of 8.0% for the MSCI EAFE Index. Both developed market indexes outperformed the MSCI Emerging Markets Index for the year, but emerging markets outperformed on a LCL basis, receiving less of a performance boost than the developed market indexes from USD depreciation.
- The strongest local market performance over the trailing year was the MSCI EMEA Index, which climbed 17.8% in LCL terms and 19.5% in USD terms. The index that received the largest boost from a weakening USD was the MSCI Europe & Middle East Index which saw more than a 10% performance differential between its LCL and USD results. All broad and regional indexes were positive for the trailing 12 months in both USD and LCL terms with each single-digit LCL return morphing into a double-digit result in USD teams.



Source: MSCI Global Index Monitor (Returns are Net)

The Market Environment
US Dollar International Index Attribution & Country Detail
As of June 30, 2025

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Communication Services	5.5%	20.5%	41.9%
Consumer Discretionary	9.8%	5.5%	5.1%
Consumer Staples	8.0%	7.7%	12.7%
Energy	3.2%	-1.6%	-2.0%
Financials	23.8%	13.7%	41.2%
Health Care	11.3%	2.9%	-5.0%
Industrials	19.0%	17.8%	28.9%
Information Technology	8.5%	19.0%	4.8%
Materials	5.6%	8.0%	0.4%
Real Estate	1.9%	16.8%	20.1%
Utilities	3.5%	16.7%	31.5%
Total	100.0%	11.8%	17.7%

MSCI - ACWixUS	Sector Weight	Quarter Return	1-Year Return
Communication Services	6.4%	15.0%	35.7%
Consumer Discretionary	10.1%	2.6%	9.6%
Consumer Staples	6.7%	7.5%	10.8%
Energy	4.6%	2.5%	0.4%
Financials	25.1%	14.1%	36.1%
Health Care	8.0%	3.5%	-2.7%
Industrials	14.8%	18.1%	25.6%
Information Technology	13.3%	21.8%	10.3%
Materials	6.2%	8.5%	4.7%
Real Estate	1.7%	13.6%	18.6%
Utilities	3.2%	13.7%	22.9%
Total	100.0%	12.0%	17.7%

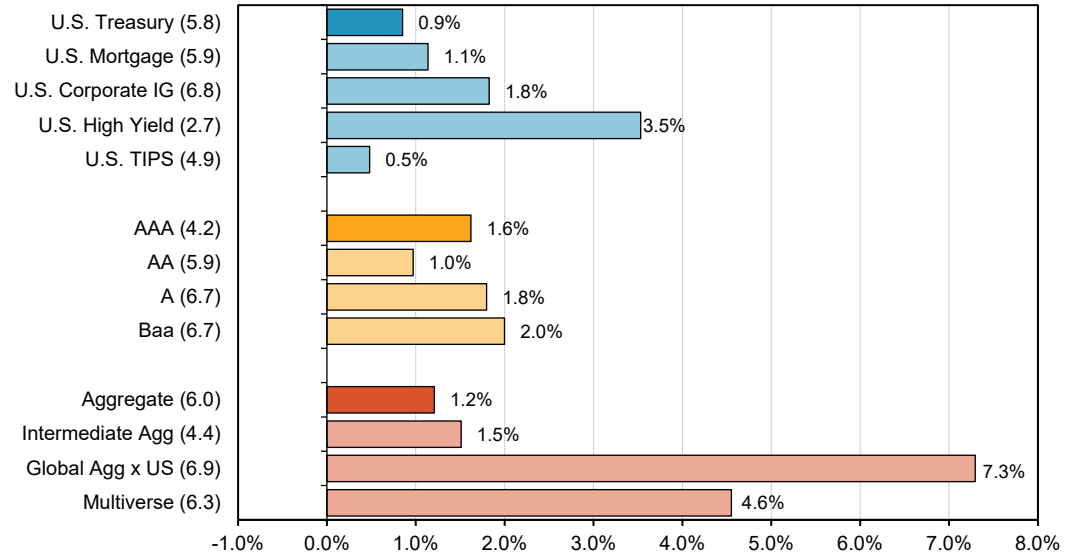
MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Communication Services	9.8%	9.2%	30.7%
Consumer Discretionary	12.7%	-2.7%	17.6%
Consumer Staples	4.5%	5.7%	3.1%
Energy	4.3%	6.3%	-7.2%
Financials	24.5%	13.4%	25.8%
Health Care	3.3%	7.9%	18.2%
Industrials	6.9%	21.8%	16.4%
Information Technology	24.1%	24.3%	11.6%
Materials	5.8%	7.4%	0.8%
Real Estate	1.6%	6.2%	15.0%
Utilities	2.6%	7.1%	1.8%
Total	100.0%	12.0%	15.3%

Country	MSCI-EAFE Weight	MSCI-ACWixUS Weight	Quarter Return	1-Year Return
Japan	21.8%	13.7%	11.4%	13.9%
United Kingdom	14.6%	9.2%	8.7%	20.0%
France	11.1%	7.0%	9.3%	16.4%
Germany	10.4%	6.5%	16.3%	40.3%
Switzerland	9.6%	6.0%	7.5%	15.4%
Australia	6.9%	4.3%	15.1%	10.7%
Netherlands	4.7%	3.0%	18.3%	0.8%
Sweden	3.6%	2.3%	10.4%	15.5%
Spain	3.3%	2.1%	16.9%	47.6%
Italy	3.1%	2.0%	15.4%	37.1%
Denmark	2.3%	1.4%	7.5%	-33.5%
Hong Kong	2.0%	1.3%	15.8%	35.7%
Singapore	1.7%	1.1%	9.9%	46.0%
Finland	1.1%	0.7%	15.3%	22.7%
Belgium	1.0%	0.6%	10.3%	23.7%
Israel	1.0%	0.6%	22.1%	53.6%
Norway	0.6%	0.4%	9.1%	27.1%
Ireland	0.5%	0.3%	16.7%	34.5%
Austria	0.2%	0.1%	21.9%	51.7%
New Zealand	0.2%	0.1%	9.9%	-0.5%
Portugal	0.2%	0.1%	23.8%	7.5%
Total EAFE Countries	100.0%	62.7%	11.8%	17.7%
Canada		8.1%	14.2%	27.0%
Total Developed Countries		70.7%	12.0%	18.7%
China		8.3%	2.0%	33.8%
Taiwan		5.5%	26.1%	14.4%
India		5.3%	9.2%	0.9%
Korea		3.1%	32.7%	6.2%
Brazil		1.3%	13.3%	11.6%
Saudi Arabia		1.0%	-5.1%	0.1%
South Africa		0.9%	13.6%	32.0%
Mexico		0.6%	20.5%	13.1%
United Arab Emirates		0.5%	15.2%	47.3%
Malaysia		0.4%	6.7%	12.6%
Poland		0.3%	15.8%	29.3%
Indonesia		0.3%	8.0%	-6.7%
Thailand		0.3%	0.4%	0.5%
Kuwait		0.2%	8.2%	26.4%
Qatar		0.2%	5.5%	15.1%
Greece		0.2%	29.6%	65.7%
Turkey		0.2%	2.9%	-20.7%
Philippines		0.1%	5.3%	9.6%
Chile		0.1%	10.5%	27.7%
Hungary		0.1%	21.0%	48.3%
Peru		0.1%	18.8%	22.7%
Czech Republic		0.1%	16.3%	58.7%
Colombia		0.0%	12.4%	48.3%
Egypt		0.0%	4.9%	12.7%
Total Emerging Countries		29.2%	12.0%	15.3%
Total ACWixUS Countries		100.0%	12.0%	17.7%

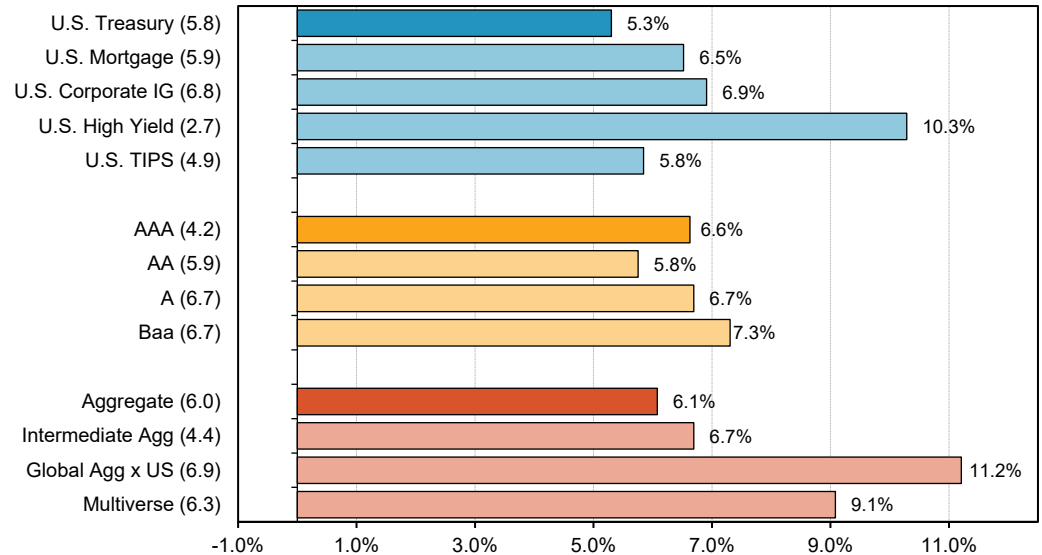
Source: Morningstar Direct, MSCI Global Index Monitor (Returns are Net in USD)
As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency, post creation of the Communication Services sector.

- Domestic fixed-income markets traded higher during the second quarter while the Fed held its benchmark rate steady in a target range of 4.25%-4.50%. The US High Yield Index posted the quarter's strongest domestic bond index performance with a return of 3.5%. The bellwether US Aggregate Index returned 1.2% for the quarter and international bonds, as measured by the Global Agg ex US Index, returned a much stronger 7.3% in USD terms, helped by a weakening dollar.
- Treasury yields remained relatively stable across the yield curve during the quarter with the benchmark 10-Year Treasury yield rising by a scant 0.01% from the previous quarter's close. Relatively stable US Treasury yields allowed coupon differences between bonds to drive much of the remaining dispersion in domestic investment-grade indexes' returns for the quarter.
- High yield bonds outperformed investment grade issues given their higher income component and the high yield OAS spread narrowing during the quarter which returned the measure to a similar level at which it began the year.
- Over the trailing one-year period, the Bloomberg US Aggregate Bond Index posted a solid 6.1% return. The benchmark's sub-components also posted positive performance over the trailing 12 months with the Bloomberg US Treasury advancing 5.3%, the US Mortgage Index returning 6.5%, and the Bloomberg US Corporate Investment Grade Index rising 6.9%. US TIPS, which are excluded from the Bloomberg US Aggregate Bond Index, returned 5.8% for the trailing year.
- Performance across investment grade sub-indexes was broadly higher for the trailing one-year period. The AAA index posted a solid 6.6% return, while the AA index returned a slightly lower 5.8% for the year. The A and BAA indexes saw slightly better results with returns of 6.7% and 7.3%, respectively. High yield bonds were the best performing US bond market segment for the year, returning 10.3%. Performance for high yield bonds was spurred by largely stable end-to-end credit spreads and higher coupon income.
- The Bloomberg Global Aggregate ex-US Index finished both the quarter and the year with the strongest results across the major fixed income indexes as weakness in the USD pushed international index returns higher. The Global Aggregate ex-US Index ended the year 11.2% higher, with the domestic bond market index falling short of the international benchmark's performance by 5.1%.

Quarter Performance



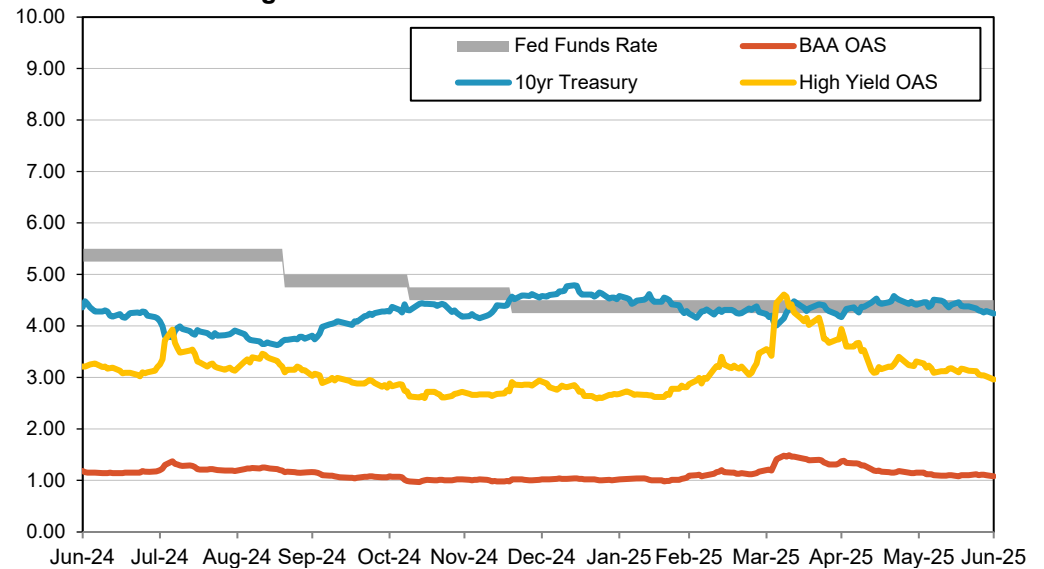
1-Year Performance



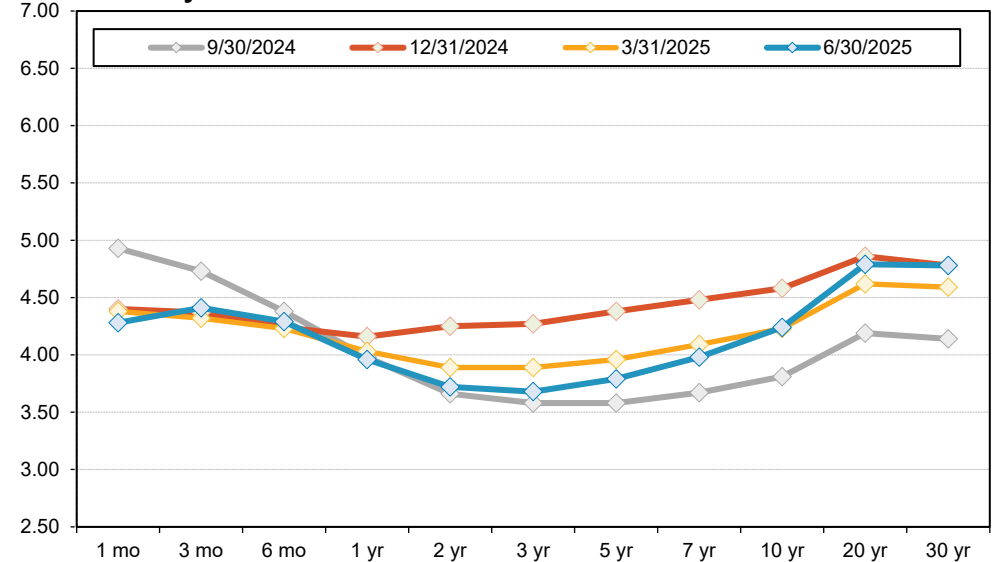
Source: Morningstar Direct; Bloomberg

- The gray band across the graph illustrates the fed funds target rate range over the trailing 12 months. No action was taken by the Federal Open Market Committee (FOMC) during the second quarter, so the fed funds rate remained in a target range of 4.25%-4.50%. This marks the fourth consecutive meeting the FOMC has taken no action on its policy rates. The June 2025 FOMC press release continued to emphasize economic data-dependent outcomes and reduction of their balance sheet. The CME FedWatch tool, which forecasts the Fed Funds rate based on fed fund futures pricing, showed a greater than 95% probability of no rate decrease at the FOMC meeting in July at the time of this writing. Many market watchers continue to express concern that leaving rates at their current elevated level for an extended period, coupled with slower economic growth and persistently elevated inflation, could tip the US economy into a recession.
- The yield on the US 10-year Treasury (blue line of the top chart) remained in a fairly narrow yield range during the quarter, finishing at 4.24%. While the point-in-time level of the 10-year yield shows no change over the quarter, the path was not as straightforward. The benchmark yield rose throughout April and May as economic uncertainty unfolded and briefly eclipsed 4.50%, reaching as high as 4.58% before falling during most of the month of June to end the quarter near where it began.
- The red line in the top chart shows the option-adjusted spread (OAS) for BAA-rated corporate bonds. This measure quantifies the additional yield premium investors require to purchase and hold non-US Treasury issues with the lowest investment grade rating. During the quarter, the yield spread experienced a slight narrowing of 0.12%, finishing the quarter with a spread of 1.08%. High yield OAS spreads (represented by the yellow line in the top chart) fell by 0.59% during the quarter from 3.55% to 2.96%. The finishing value of both the high yield and BAA OAS spreads are nearly identical to where they began the year. Similar to the path of the 10-Year Treasury yield, the path of point-to-point stability was non-linear. The high yield OAS spread had a volatile quarter as it rose sharply in April, up to 4.61% from 3.55%, then gradually fell the rest of the quarter.
- The lower graph provides a snapshot of the US Treasury yield curve at the end of each of the last four quarters. At quarter-end, the curve exhibited a more pronounced positive butterfly shape with medium term rates lower and short/long term rates higher, but relatively unchanged from the prior quarter.

1-Year Trailing Market Rates



Treasury Yield Curve



Source: US Department of Treasury, FRED (Federal Reserve of St. Louis)

[CME FedWatch Tool - CME Group](#)

[Effective Federal Funds Rate - FEDERAL RESERVE BANK of NEW YORK \(newyorkfed.org\)](#)

[ICE BofA US High Yield Index Option-Adjusted Spread \(BAMLH0A0HYM2\) | FRED | St. Louis Fed \(stlouisfed.org\)](#)

[The Fed - Meeting calendars and information](#)

[Federal Reserve Board - Monetary Policy](#)

[Global index lens – MSCI](#)

[U.S. Department of the Treasury](#)

[10-Year Treasury Constant Maturity Minus 2-Year Treasury Constant Maturity \(T10Y2Y\) | FRED | St. Louis Fed \(stlouisfed.org\)](#)

[The Fed's dot plot shows only two rate cuts in 2025, fewer than previously projected](#)

[March Fed meeting: Here's what changed in the new statement](#)

[Jobs report June 2025](#)

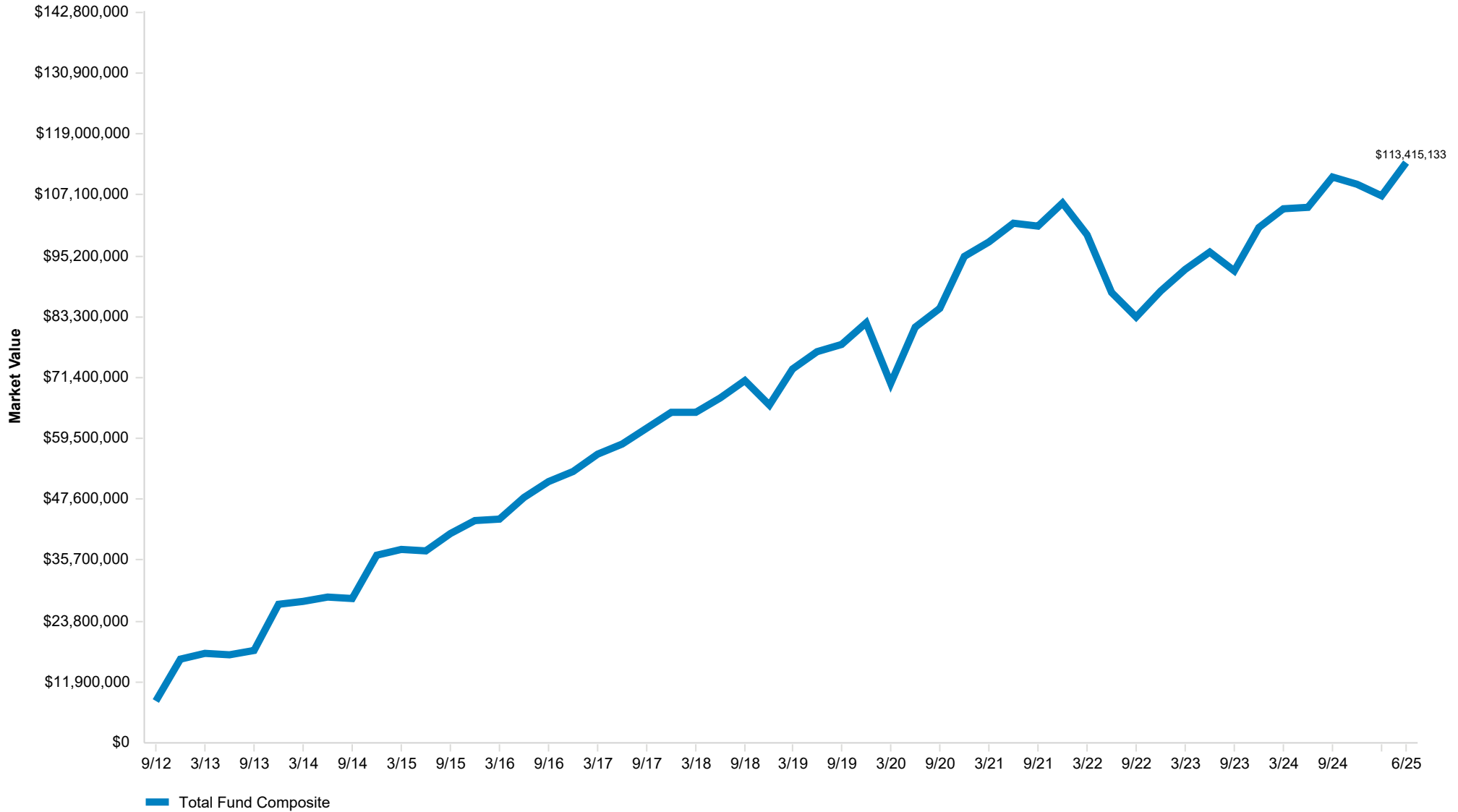
[Current Employment Statistics - CES \(National\) : U.S. Bureau of Labor Statistics](#)

[Latam assets may receive a trade-war boost, investors say | Reuters](#)

10.8%

Schedule of Investable Assets
Total Fund Composite
 October 1, 2012 To June 30, 2025

Schedule of Investable Assets

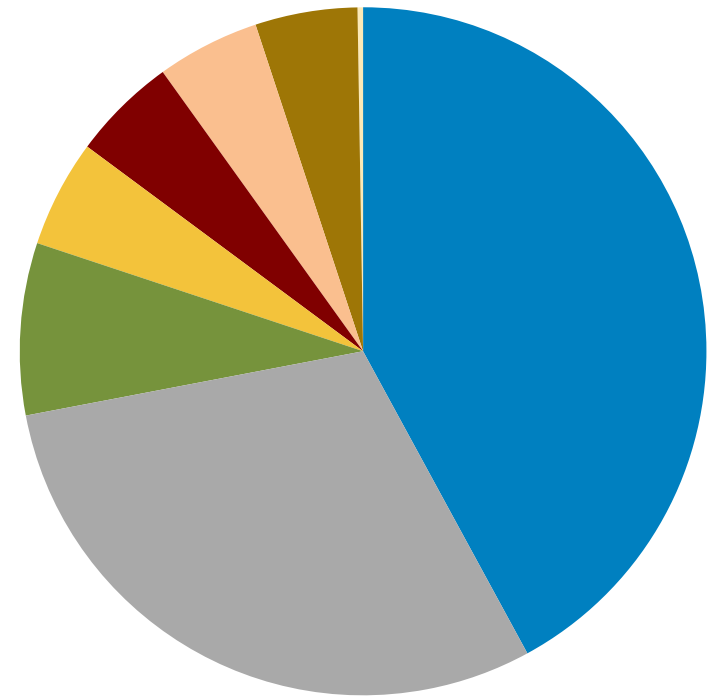
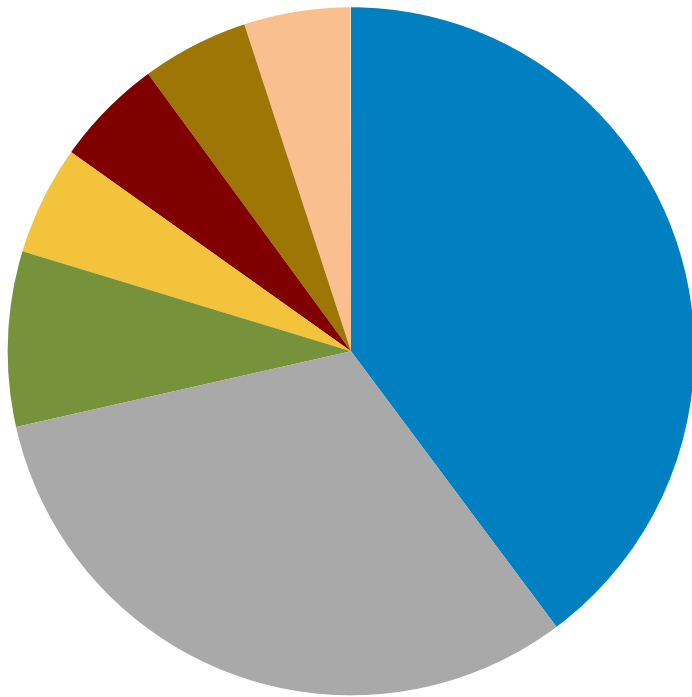


Schedule of Investable Assets

Periods Ending	Beginning Market Value \$	Net Cash Flow \$	Gain/Loss \$	Ending Market Value \$	%Return
Oct-2012 To Jun-2025	8,192,495	45,677,286	59,545,352	113,415,133	7.17

Mar-2025 : \$106,920,652

Jun-2025 : \$113,415,133



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
Domestic Equity	42,543,128	39.8	Domestic Equity	47,703,065	42.1
Fixed Income	33,873,678	31.7	Fixed Income	33,966,767	29.9
International Equity	8,794,369	8.2	International Equity	9,167,678	8.1
GTAA	5,486,661	5.1	GTAA	5,728,782	5.1
Bank Loans	5,462,120	5.1	Bank Loans	5,593,971	4.9
Real Estate	5,384,721	5.0	High Yield Fixed Income	5,498,941	4.8
High Yield Fixed Income	5,327,989	5.0	Real Estate	5,455,471	4.8
Cash	47,987	0.0	Cash	300,458	0.3

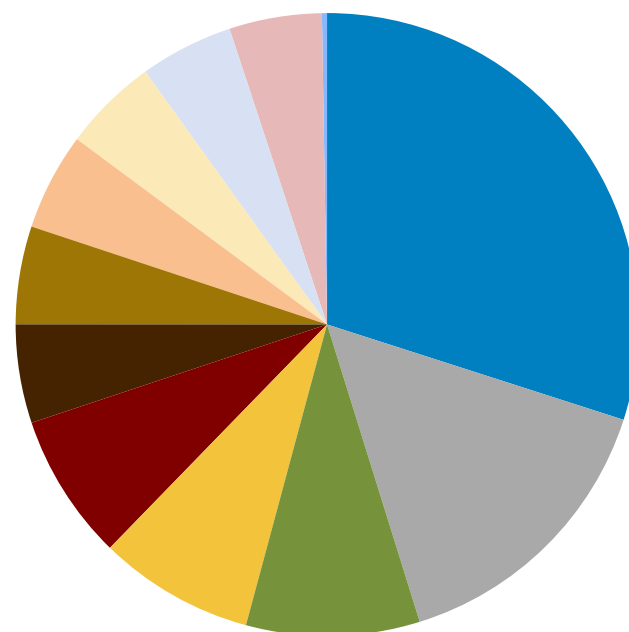
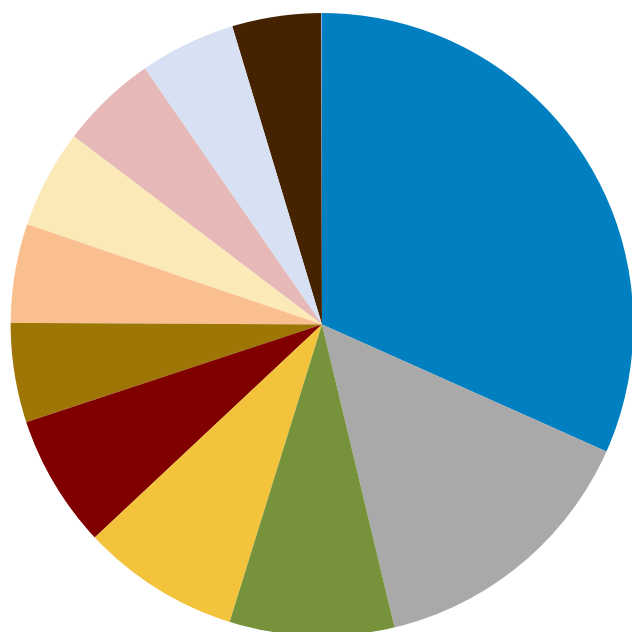
Asset Allocation by Asset Class

Total Fund

As of June 30, 2025

Mar-2025 : \$106,920,652

Jun-2025 : \$113,415,133



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
■ MacKay Shields Core Plus	33,873,678	31.7	■ MacKay Shields Core Plus	33,966,767	29.9
■ Vanguard Index Fund Institutional (VINIX)	15,582,798	14.6	■ Vanguard Index Fund Institutional (VINIX)	17,285,890	15.2
■ Barrow Hanley MeWhinney & Strauss	9,132,098	8.5	■ Barrow Hanley MeWhinney & Strauss	10,213,363	9.0
■ Causeway International (CIVIX)	8,794,369	8.2	■ Causeway International (CIVIX)	9,167,678	8.1
■ Stephens Mid Cap Growth	7,378,657	6.9	■ Stephens Mid Cap Growth	8,632,559	7.6
■ Fiduciary Management	5,521,852	5.2	■ Fidelity Large Cap Growth (FSPGX)	5,806,145	5.1
■ BlackRock Multi-Asset Income (BKMIX)	5,486,661	5.1	■ Fiduciary Management	5,765,108	5.1
■ Aristotle Floating Rate (PLFRX)	5,462,120	5.1	■ BlackRock Multi-Asset Income (BKMIX)	5,728,782	5.1
■ Cohen & Steers (CSRIX)	5,384,721	5.0	■ Aristotle Floating Rate (PLFRX)	5,593,971	4.9
■ Loomis Sayles High Yield (LSHIX)	5,327,989	5.0	■ Loomis Sayles High Yield (LSHIX)	5,498,941	4.8
■ Fidelity Large Cap Growth (FSPGX)	4,927,722	4.6	■ Cohen & Steers (CSRIX)	5,455,471	4.8
■ Cash	47,987	0.0	■ Cash	300,458	0.3

Financial Reconciliation
Total Fund
1 Quarter Ending June 30, 2025

	Market Value 04/01/2025	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Return On Investment	Market Value 06/30/2025
Fiduciary Management	5,521,852	-	-	-	-	-8,585	251,840	5,765,108
Vanguard Index Fund Institutional (VINIX)	15,582,798	-	-	-	-	-	1,703,092	17,285,890
Fidelity Large Cap Growth (FSPGX)	4,927,722	-	-	-	-	-	878,424	5,806,145
Stephens Mid Cap Growth	7,378,657	-	-	-	-13,865	-1,326	1,269,092	8,632,559
Barrow Hanley MeWhinney & Strauss	9,132,098	-	-	-	-15,597	-1,641	1,098,502	10,213,363
Causeway International (CIVIX)	8,794,369	-495,000	-	-	-	-	868,309	9,167,678
Cohen & Steers (CSRIX)	5,384,721	-	-	-	-	-	70,751	5,455,471
BlackRock Multi-Asset Income (BKMIX)	5,486,661	-	-	-	-	-	242,121	5,728,782
MacKay Shields Core Plus	33,873,678	-265,000	-	-	-29,639	-6,048	393,777	33,966,767
Loomis Sayles High Yield (LSHIX)	5,327,989	-	-	-	-	-	170,952	5,498,941
Aristotle Floating Rate (PLFRX)	5,462,120	-	-	-	-	-	131,851	5,593,971
Cash	47,987	760,000	-	-465,395	-	-43,059	925	300,458
Total Fund Composite	106,920,652	-	-	-465,395	-59,101	-60,658	7,079,636	113,415,133

Financial Reconciliation is for illustrative purposes only.

Financial Reconciliation
Total Fund
Year To Date Ending June 30, 2025

	Market Value 01/01/2025	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Return On Investment	Market Value 06/30/2025
Fiduciary Management	6,280,114	-850,000	-	-	-8,635	-9,702	353,331	5,765,108
Vanguard Index Fund Institutional (VINIX)	18,117,130	-1,900,000	-	-	-	-	1,068,761	17,285,890
Fidelity Large Cap Growth (FSPGX)	6,301,306	-850,000	-	-	-	-	354,840	5,806,145
Stephens Mid Cap Growth	8,276,821	-400,000	-	-	-29,154	-2,799	787,691	8,632,559
Barrow Hanley MeWhinney & Strauss	11,493,331	-300,000	-	-	-34,248	-3,686	-942,034	10,213,363
Causeway International (CIVIX)	8,262,728	-795,000	-	-	-	-	1,699,951	9,167,678
Cohen & Steers (CSRIX)	5,219,877	-	-	-	-	-	235,594	5,455,471
BlackRock Multi-Asset Income (BKMIX)	5,376,869	-	-	-	-	-	351,913	5,728,782
MacKay Shields Core Plus	29,003,482	3,606,000	-	-	-55,018	-11,174	1,423,478	33,966,767
Loomis Sayles High Yield (LSHIX)	5,261,508	-	-	-	-	-	237,433	5,498,941
Aristotle Floating Rate (PLFRX)	5,442,628	-	-	-	-	-	151,343	5,593,971
Cash	221,919	1,489,000	-	-1,326,022	-	-88,940	4,502	300,458
Total Fund Composite	109,257,711	-	-	-1,326,022	-127,055	-116,302	5,726,801	113,415,133

Financial Reconciliation is for illustrative purposes only.

**Port of Houston Authority OPEB Plan
Asset Allocation & Performance**

As of June 30, 2025

	Allocation		Performance(%)							Inception Date
	Market Value \$	%	QTR	1 YR	3 YR	5 YR	7 YR	Inception		
Total Fund Composite (Gross of Fees)	113,415,133	100.0	6.65	10.84	11.54	8.74	7.06	7.17	10/01/2012	
Policy Index			5.48	10.50	9.61	6.99	5.97	6.46		
Difference			1.17	0.34	1.93	1.75	1.09	0.71		
OPEB Actuarial Assumption										
Difference										
Total Fund Composite (Net of Fees)	113,415,133	100.0	6.59	10.58	11.24	8.43	6.74	6.74	10/01/2012	
Fiduciary Management	5,765,108	5.1	4.57 (46)	8.36 (85)	14.86 (34)	13.19 (72)	9.98 (54)	11.46 (42)	10/01/2012	
Russell 1000 Value Index			3.79 (59)	13.70 (38)	12.76 (53)	13.93 (62)	9.59 (63)	10.70 (64)		
Difference			0.78	-5.34	2.10	-0.74	0.40	0.76		
S&P 500 Index			10.94 (6)	15.16 (25)	19.71 (8)	16.64 (24)	14.39 (6)	14.23 (4)		
Difference			-6.37	-6.80	-4.85	-3.45	-4.41	-2.77		
IM U.S. Large Cap Value Equity (SA+CF) Median			4.31	12.28	13.03	14.79	10.15	11.15		
Vanguard Index Fund Institutional (VINIX)	17,285,890	15.2	10.93 (41)	15.14 (24)	19.67 (22)	16.61 (19)	14.36 (12)	14.33 (11)	05/01/2017	
S&P 500 Index			10.94 (39)	15.16 (23)	19.71 (21)	16.64 (18)	14.39 (11)	14.36 (10)		
Difference			-0.01	-0.03	-0.04	-0.03	-0.03	-0.03		
Large Blend Median			10.80	13.65	18.51	15.63	13.09	13.18		
Fidelity Large Cap Growth (FSPGX)	5,806,145	5.1	17.83 (49)	17.17 (31)				27.31 (26)	05/01/2024	
Russell 1000 Growth Index			17.84 (48)	17.22 (30)	25.76 (29)	18.15 (6)	17.90 (7)	27.37 (25)		
Difference			-0.01	-0.05				-0.06		
Large Growth Median			17.75	15.41	24.01	14.96	15.05	24.56		
Stephens Mid Cap Growth	8,632,559	7.6	17.23 (32)	19.17 (31)	18.35 (22)	11.16 (43)	12.39 (13)	13.91 (11)	01/01/2013	
Russell Midcap Growth Index			18.20 (24)	26.49 (7)	21.46 (8)	12.65 (7)	12.73 (9)	13.69 (14)		
Difference			-0.97	-7.32	-3.11	-1.50	-0.34	0.22		
IM U.S. Mid Cap Growth Equity (SA+CF) Median			15.77	16.07	15.51	10.02	10.81	12.19		
Barrow Hanley MeWhinney & Strauss	10,213,363	9.0	12.06 (7)	-0.29 (86)	10.93 (39)	14.67 (40)	8.33 (22)	11.85 (7)	10/01/2012	
Russell 2000 Value Index			4.97 (48)	5.54 (50)	7.45 (78)	12.47 (73)	4.85 (86)	8.39 (90)		
Difference			7.09	-5.83	3.48	2.20	3.49	3.46		
IM U.S. Small Cap Value Equity (SA+CF) Median			4.54	5.44	9.99	13.95	6.55	9.48		
Causeway International (CIVIX)	9,167,678	8.1	10.03 (85)	20.84 (32)	23.32 (1)	17.74 (2)	9.79 (4)	7.11 (17)	10/01/2013	
MSCI EAFE (Net) Index			11.78 (56)	17.73 (60)	15.97 (31)	11.16 (39)	7.21 (37)	6.05 (44)		
Difference			-1.75	3.11	7.36	6.58	2.58	1.06		
MSCI EAFE Value Index (Net)			10.11 (84)	24.24 (15)	18.38 (11)	14.29 (8)	7.26 (36)	5.54 (65)		
Difference			-0.08	-3.40	4.94	3.45	2.53	1.57		
Foreign Median			12.15	18.43	14.75	10.55	6.73	5.89		

Total Fund Composite (Gross of Fees) includes net performance for mutual funds within the portfolio: Vanguard Index Institutional (VINIX), Causeway International (CIVIX), Cohen & Steers (CSRIX), Blackrock (BKMIX), Loomis Sayles High Yield (LSHIX), Fidelity Large Cap Growth (FSPGX), and Aristotle (PLFRX).
Gross of fees performance would be approximately 0.48% higher on an annual basis if these fees were included.

**Port of Houston Authority OPEB Plan
Asset Allocation & Performance**

As of June 30, 2025

	Allocation		Performance(%)							
	Market Value \$	%	QTR	1 YR	3 YR	5 YR	7 YR	Inception	Inception Date	
Cohen & Steers (CSRIX)	5,455,471	4.8	1.31 (8)	10.85 (18)	4.98 (18)	8.46 (15)	7.36 (5)	8.24 (5)	01/01/2013	
FTSE NAREIT All Equity REITs			-0.93 (54)	9.20 (48)	3.36 (60)	6.66 (62)	5.55 (45)	7.12 (22)		
Difference			2.24	1.65	1.61	1.79	1.82	1.12		
Real Estate Median			-0.87	8.92	3.60	7.20	5.32	6.44		
BlackRock Multi-Asset Income (BKMIX)	5,728,782	5.1	4.41 (86)	10.57 (59)	8.94 (67)	5.86 (74)		7.39 (65)	04/01/2020	
50% S&P 500/50% Barclays Agg			6.04 (67)	10.72 (58)	11.03 (33)	7.87 (28)	8.24 (1)	9.74 (31)		
Difference			-1.63	-0.15	-2.09	-2.01		-2.35		
Global Allocation Median			6.73	11.20	9.91	7.16	5.43	8.86		
MacKay Shields Core Plus	33,966,767	29.9	1.17 (91)	7.30 (19)	4.03 (32)	0.54 (40)	2.80 (30)	2.48 (40)	07/01/2014	
Blmbg. U.S. Aggregate Index			1.21 (87)	6.08 (86)	2.55 (93)	-0.73 (97)	1.77 (96)	1.77 (93)		
Difference			-0.04	1.22	1.48	1.27	1.03	0.71		
IM U.S. Broad Market Core+ Fixed Income (SA+CF) Median			1.48	6.54	3.68	0.38	2.51	2.38		
Loomis Sayles High Yield (LSHIX)	5,498,941	4.8	3.21 (60)	11.72 (2)	9.14 (50)	6.56 (15)	4.18 (75)	5.07 (19)	01/01/2013	
ICE BofA U.S. High Yield Index			3.58 (40)	10.24 (13)	9.85 (17)	6.01 (31)	5.18 (21)	5.22 (14)		
Difference			-0.37	1.47	-0.71	0.55	-1.00	-0.15		
High Yield Bond Median			3.42	9.08	9.13	5.47	4.63	4.54		
Aristotle Floating Rate (PLFRX)	5,593,971	4.9	2.41 (30)	6.74 (46)	9.70 (9)			6.49 (6)	10/01/2021	
S&P UBS Leveraged Loan Index			2.33 (40)	7.50 (17)	9.54 (16)	7.39 (7)	5.49 (3)	6.46 (6)		
Difference			0.08	-0.76	0.16			0.03		
Bank Loan Median			2.25	6.67	8.85	6.37	4.42	5.45		
Cash	300,458	0.3								

Total Fund Composite (Gross of Fees) includes net performance for mutual funds within the portfolio: Vanguard Index Institutional (VINIX), Causeway International (CIVIX), Cohen & Steers (CSRIX), Blackrock (BKMIX), Loomis Sayles High Yield (LSHIX), Fidelity Large Cap Growth (FSPGX), and Aristotle (PLFRX).
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**Port of Houston Authority OPEB Plan
Asset Allocation & Performance**

As of June 30, 2025

	Allocation		Performance(%)						
	Market Value \$	%	YTD	2024	2023	2022	2021	2020	
Total Fund Composite (Gross of Fees)	113,415,133	100.0	5.31	10.87	16.72	-14.08	11.28	12.03	
Policy Index			5.17	9.34	13.91	-15.49	11.63	9.04	
Difference			0.14	1.53	2.81	1.41	-0.35	2.99	
OPEB Actuarial Assumption				6.00	6.00	6.00	6.00	6.00	
Difference				4.87	10.72	-20.08	5.28	6.03	
Total Fund Composite (Net of Fees)	113,415,133	100.0	5.19	10.57	16.40	-14.34	10.97	11.64	
Fiduciary Management	5,765,108	5.1	5.91 (50)	11.66 (72)	21.42 (14)	-13.08 (82)	19.11 (94)	11.13 (21)	
Russell 1000 Value Index			6.00 (49)	14.37 (52)	11.46 (62)	-7.54 (64)	25.16 (68)	2.80 (64)	
Difference			-0.09	-2.71	9.96	-5.54	-6.05	8.33	
S&P 500 Index			6.20 (45)	25.02 (3)	26.29 (8)	-18.11 (93)	28.71 (33)	18.40 (7)	
Difference			-0.29	-13.36	-4.86	5.03	-9.59	-7.27	
IM U.S. Large Cap Value Equity (SA+CF) Median			5.88	14.66	13.06	-5.81	27.02	3.98	
Vanguard Index Fund Institutional (VINIX)	17,285,890	15.2	6.20 (34)	24.98 (23)	26.24 (25)	-18.12 (48)	28.66 (21)	18.39 (38)	
S&P 500 Index			6.20 (34)	25.02 (22)	26.29 (24)	-18.11 (48)	28.71 (20)	18.40 (38)	
Difference			0.00	-0.04	-0.04	-0.01	-0.05	0.00	
Large Blend Median			5.77	23.29	24.70	-18.23	26.78	17.64	
Fidelity Large Cap Growth (FSPGX)	5,806,145	5.1	6.10 (60)						
Russell 1000 Growth Index			6.09 (61)	33.36 (28)	42.68 (33)	-29.14 (34)	27.60 (15)	38.49 (40)	
Difference			0.01						
Large Growth Median			6.95	30.01	39.35	-31.16	21.89	36.17	
Stephens Mid Cap Growth	8,632,559	7.6	9.96 (13)	14.31 (55)	26.61 (13)	-27.09 (52)	13.36 (47)	42.17 (31)	
Russell Midcap Growth Index			9.79 (15)	22.10 (19)	25.87 (14)	-26.72 (49)	12.73 (55)	35.59 (49)	
Difference			0.18	-7.79	0.75	-0.37	0.64	6.59	
IM U.S. Mid Cap Growth Equity (SA+CF) Median			6.28	15.23	23.18	-26.98	13.09	34.42	
Barrow Hanley MeWhinney & Strauss	10,213,363	9.0	-8.25 (94)	10.53 (50)	20.46 (26)	-8.84 (28)	20.12 (90)	29.97 (1)	
Russell 2000 Value Index			-3.16 (61)	8.05 (69)	14.65 (66)	-14.48 (75)	28.27 (53)	4.63 (51)	
Difference			-5.08	2.48	5.81	5.65	-8.15	25.34	
IM U.S. Small Cap Value Equity (SA+CF) Median			-2.65	10.27	16.36	-11.59	28.90	4.69	
Causeway International (CIVIX)	9,167,678	8.1	21.17 (32)	3.70 (56)	37.53 (1)	-6.75 (6)	9.17 (64)	5.40 (75)	
MSCI EAFE (Net) Index			19.45 (52)	3.82 (54)	18.24 (28)	-14.45 (34)	11.26 (42)	7.82 (63)	
Difference			1.72	-0.12	19.29	7.71	-2.09	-2.42	
MSCI EAFE Value Index (Net)			22.84 (20)	5.68 (32)	18.95 (22)	-5.58 (4)	10.89 (47)	-2.63 (96)	
Difference			-1.67	-1.98	18.58	-1.16	-1.72	8.03	
Foreign Median			19.58	4.21	16.24	-16.85	10.66	10.13	

Total Fund Composite (Gross of Fees) includes net performance for mutual funds within the portfolio: Vanguard Index Institutional (VINIX), Causeway International (CIVIX), Cohen & Steers (CSRIX), Blackrock (BKMIX), Loomis Sayles High Yield (LSHIX), Fidelity Large Cap Growth (FSPGX), and Ariston (PLFRX).
Gross of fees performance would be approximately 0.48% higher on an annual basis if these fees were included.

**Port of Houston Authority OPEB Plan
Asset Allocation & Performance**

As of June 30, 2025

	Allocation		Performance(%)						
	Market Value \$	%	YTD	2024	2023	2022	2021	2020	
Cohen & Steers (CSRIX)	5,455,471	4.8	4.51 (3)	6.24 (45)	12.72 (39)	-24.70 (13)	42.38 (37)	-2.62 (22)	
FTSE NAREIT All Equity REITs			1.80 (29)	4.92 (72)	11.36 (66)	-24.93 (17)	41.30 (53)	-5.12 (54)	
Difference			2.72	1.32	1.36	0.22	1.09	2.51	
Real Estate Median			0.61	6.02	12.07	-26.29	41.44	-4.84	
BlackRock Multi-Asset Income (BKMIX)	5,728,782	5.1	6.54 (65)	7.46 (66)	11.10 (52)	-11.53 (22)	7.19 (75)		
50% S&P 500/50% Barclays Agg			5.25 (85)	12.65 (6)	15.58 (3)	-15.26 (47)	12.80 (21)	13.66 (22)	
Difference			1.29	-5.18	-4.48	3.74	-5.62		
Global Allocation Median			7.37	9.09	11.17	-15.50	9.72	7.81	
MacKay Shields Core Plus	33,966,767	29.9	4.67 (12)	3.01 (30)	7.46 (22)	-14.12 (78)	-0.18 (37)	9.90 (19)	
Blmbg. U.S. Aggregate Index			4.02 (64)	1.25 (86)	5.53 (87)	-13.01 (41)	-1.55 (87)	7.51 (81)	
Difference			0.65	1.76	1.93	-1.11	1.36	2.39	
IM U.S. Broad Market Core+ Fixed Income (SA+CF) Median			4.15	2.46	6.48	-13.26	-0.56	8.64	
Loomis Sayles High Yield (LSHIX)	5,498,941	4.8	4.51 (33)	9.44 (9)	9.98 (91)	-11.67 (75)	8.25 (6)	3.42 (79)	
ICE BofA U.S. High Yield Index			4.55 (30)	8.20 (33)	13.46 (13)	-11.22 (63)	5.36 (37)	6.17 (31)	
Difference			-0.04	1.24	-3.48	-0.45	2.88	-2.75	
High Yield Bond Median			4.22	7.64	12.12	-10.68	4.84	5.32	
Aristotle Floating Rate (PLFRX)	5,593,971	4.9	2.78 (25)	8.38 (41)	13.82 (7)	-0.89 (16)			
S&P UBS Leveraged Loan Index			2.96 (13)	9.05 (14)	13.04 (20)	-1.06 (19)	5.40 (21)	2.78 (13)	
Difference			-0.18	-0.67	0.77	0.16			
Bank Loan Median			2.46	8.23	12.05	-2.23	4.38	1.55	
Cash	300,458	0.3							

Total Fund Composite (Gross of Fees) includes net performance for mutual funds within the portfolio: Vanguard Index Institutional (VINIX), Causeway International (CIVIX), Cohen & Steers (CSRIX), Blackrock (BKMIX), Loomis Sayles High Yield (LSHIX), Fidelity Large Cap Growth (FSPGX), and Aristotle (PLFRX).
Gross of fees performance would be approximately 0.48% higher on an annual basis if these fees were included.

Fiduciary's objective is to buy durable business at value prices in order to achieve top in class investment results over a three to five year time horizon. Fiduciary considers themselves long-term investors, not traders. They will typically hold between 20-30 companies in their portfolio with an average turnover of 35%. The research process is geared toward finding six new investment ideas for the portfolio in a given year. All investment ideas are generated by a research team, rather than relying on the portfolio manager.

Fiduciary Management		Russell 1000 Value Index	
	Weight %		Weight %
Schwab (Charles) Corp	6.9	Berkshire Hathaway Inc	3.2
Ferguson Enterprises Inc	6.3	JPMorgan Chase & Co	2.9
Booking Holdings Inc	6.2	Amazon.com Inc	2.1
Aramark	5.2	Exxon Mobil Corp	1.7
Carrier Global Corp	4.5	Walmart Inc	1.4
Berkshire Hathaway Inc	3.8	Procter & Gamble Co (The)	1.3
Sony Group Corporation	3.8	Johnson & Johnson	1.3
Progressive Corp (The)	3.8	Alphabet Inc	1.3
Avery Dennison Corp	3.7	Bank of America Corp	1.1
Quest Diagnostics Inc	3.7	Alphabet Inc	1.1

Equity Assets Exposures by Sector

	Fiduciary Management	Russell 1000 Value Index
Cash	5.16	0.00
Communication Services	3.25	7.60
Consumer Discretionary	20.04	7.60
Consumer Staples	8.85	8.14
Energy	1.79	5.88
Financials	18.81	22.73
Health Care	14.93	11.68
Industrials	21.34	13.07
Information Technology	2.11	10.54
Materials	3.73	4.13
Other	0.00	0.02
Real Estate	0.00	4.22

Equity Characteristics

	Fiduciary Management	Russell 1000 Value Index
Wtd. Avg. Mkt. Cap (\$)	175,900,893,388	286,476,968,153
Price/Earnings ratio	22.5	20.2
Price/Book ratio	3.2	2.9
Current Yield	1.5	2.0
Number of Stocks	29	874

Fund Information As of 06/30/2025

Fund Name : Vanguard Institutional Index I
Fund Family : Vanguard
Ticker : VINIX
Inception Date : 07/31/1990
Fund Assets : \$321,075 Million
Portfolio Turnover : 4%

Portfolio Assets : \$124,697 Million
Portfolio Manager : Birkett,N/Denis,A/Louie,M
PM Tenure : 7 Years 7 Months
Fund Style : Large Blend
Style Benchmark : Russell 1000 Index

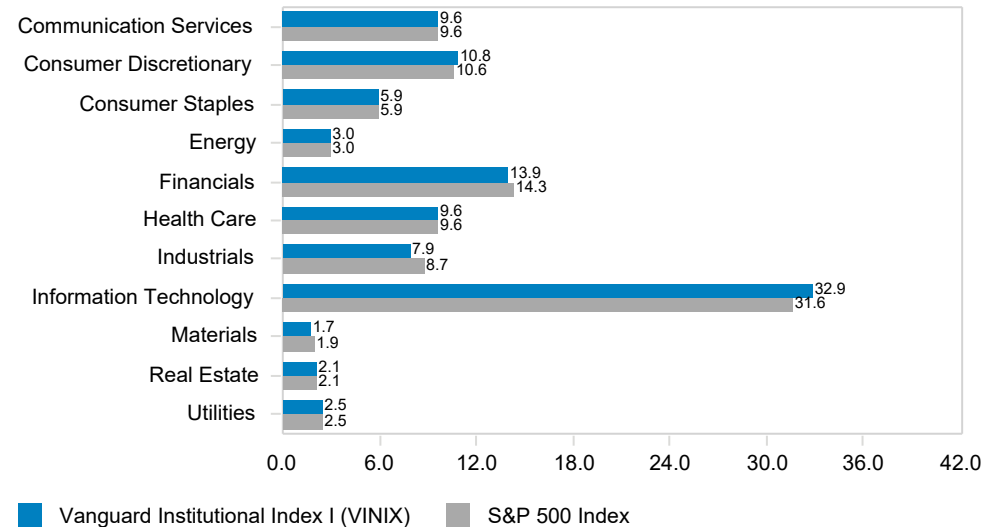
Portfolio Characteristics As of 05/31/2025

	Portfolio	Benchmark
Total Securities	507	503
Avg. Market Cap	-	-
Price/Earnings (P/E)	22.33	26.01
Price/Book (P/B)	4.23	4.99
Dividend Yield	1.48	1.32
Annual EPS	N/A	N/A
5 Yr EPS	N/A	N/A
3 Yr EPS Growth	N/A	N/A
Beta (5 Years, Monthly)	1.00	1.00

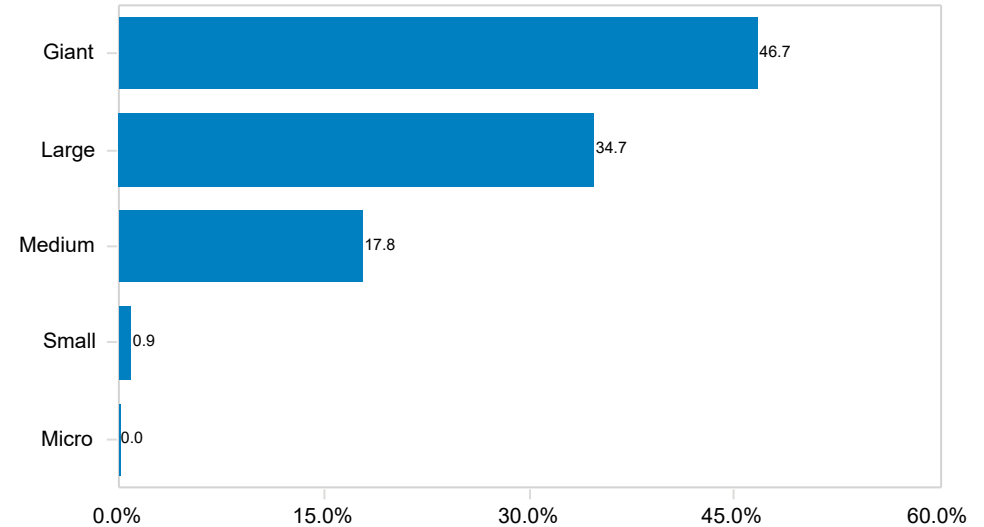
Top Ten Securities As of 05/31/2025

Microsoft Corp	6.8 %
NVIDIA Corp	6.6 %
Apple Inc	6.0 %
Amazon.com Inc	3.9 %
Meta Platforms Inc Class A	2.8 %
Broadcom Inc	2.3 %
Alphabet Inc Class A	2.0 %
Tesla Inc	1.9 %
Berkshire Hathaway Inc Class B	1.8 %
Alphabet Inc Class C	1.6 %
Total	35.8 %

Sector Weights As of 05/31/2025



Market Capitalization As of 05/31/2025



Statistics provided by Morningstar. Most recent available data shown.

Mutual Fund Attributes
Fidelity Large Cap Growth Idx (FSPGX)
As of June 30, 2025

Fund Information As of 06/30/2025

Fund Name : Fidelity Large Cap Growth Idx
Fund Family : Fidelity Investments
Ticker : FSPGX
Inception Date : 06/07/2016
Fund Assets : \$37,262 Million
Portfolio Turnover : 9%

Portfolio Assets : \$37,262 Million
Portfolio Manager : Team Managed
PM Tenure : 9 Years
Fund Style : Large Growth
Style Benchmark : Russell 1000 Growth Index

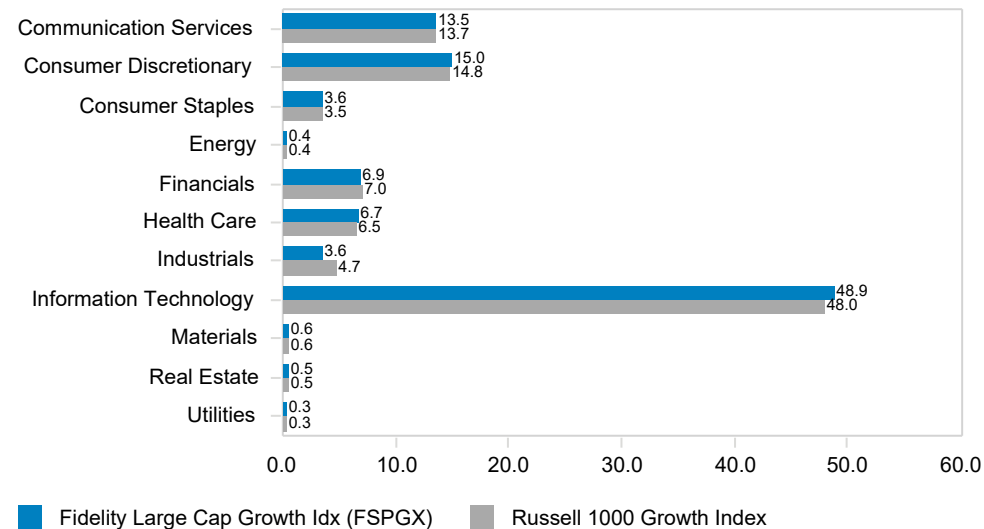
Portfolio Characteristics As of 05/31/2025

	Portfolio	Benchmark
Total Securities	397	392
Avg. Market Cap	-	-
Price/Earnings (P/E)	28.77	34.21
Price/Book (P/B)	9.68	12.01
Dividend Yield	0.75	0.62
Annual EPS	N/A	N/A
5 Yr EPS	N/A	N/A
3 Yr EPS Growth	N/A	N/A
Beta (5 Years, Monthly)	1.00	1.00

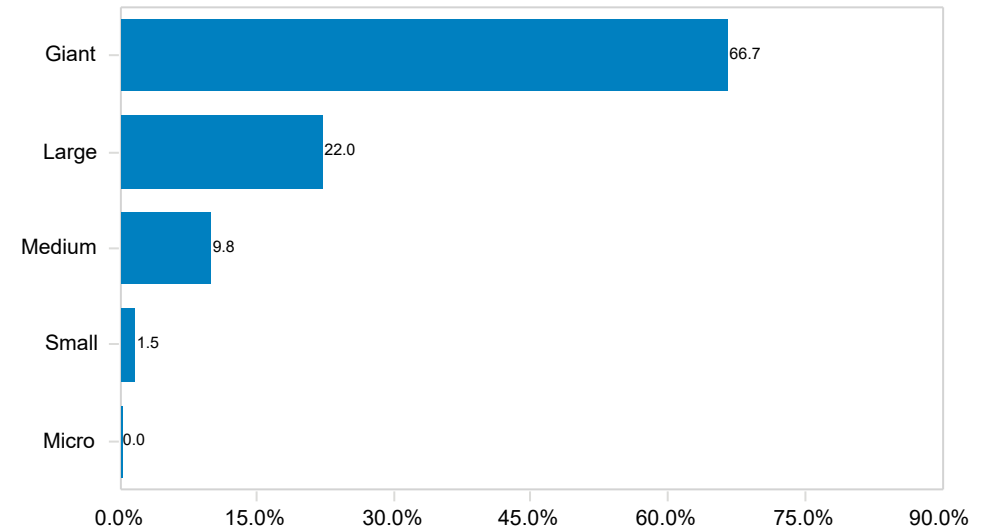
Top Ten Securities As of 05/31/2025

Microsoft Corp	11.3 %
NVIDIA Corp	10.5 %
Apple Inc	9.8 %
Amazon.com Inc	6.4 %
Meta Platforms Inc Class A	4.3 %
Broadcom Inc	3.8 %
Alphabet Inc Class A	3.4 %
Tesla Inc	3.4 %
Alphabet Inc Class C	2.8 %
Visa Inc Class A	2.2 %
Total	57.9 %

Sector Weights As of 05/31/2025



Market Capitalization As of 05/31/2025



Statistics provided by Morningstar. Most recent available data shown.

The Stephens Mid Cap Growth portfolio is a diversified portfolio that seeks long term growth of capital by investing primarily in common stock of U.S. companies. They select mid cap growth companies that are established growth companies that have achieved above average growth. The combination of core growth and catalyst growth stocks positions the portfolio for varying market conditions.

Stephens Mid Cap Growth		Russell Midcap Growth Index	
	Weight %		Weight %
Axon Enterprise Inc	2.5	Royal Caribbean Group	2.6
AeroVironment Inc	2.5	Howmet Aerospace Inc	2.5
Spotify Technology SA	2.1	Vistra Corp	2.2
Robinhood Markets Inc	1.9	Hilton Worldwide Holdings Inc	2.1
Guidewire Software Inc	1.9	Axon Enterprise Inc	2.1
Tradeweb Markets Inc	1.8	Cloudflare Inc	2.0
Live Nation Entertainment Inc	1.8	Roblox Corp	2.0
Wingstop Inc	1.8	Cencora Inc	1.8
Take-Two Interactive	1.7	Vertiv Holdings Co	1.6
Verisk Analytics Inc	1.7	Ameriprise Financial Inc	1.5

Equity Assets Exposures by Sector

	Stephens Mid Cap Growth	Russell Midcap Growth Index
Cash	3.28	0.00
Communication Services	8.08	6.15
Consumer Discretionary	10.79	21.95
Consumer Staples	0.00	1.84
Energy	5.27	2.86
Financials	10.65	10.59
Health Care	13.96	13.85
Industrials	20.57	20.09
Information Technology	24.94	17.92
Materials	0.00	0.24
Real Estate	1.20	1.26
Utilities	1.26	3.24

Equity Characteristics

	Stephens Mid Cap Growth	Russell Midcap Growth Index
Wtd. Avg. Mkt. Cap (\$)	31,285,099,096	35,877,899,883
Price/Earnings ratio	42.3	35.8
Price/Book ratio	5.9	10.5
Current Yield	0.4	0.6
Number of Stocks	93	276

The strategy is designed to exploit inefficiencies in the small cap sector of the market by carefully employing high value-added proprietary research in a universe of small capitalization, low-expectation stocks. This process is directed toward the discovery of companies in which the value of the underlying business is significantly greater than the market price. The portfolio's goal is to consistently generate superior returns while assuming below average levels of risk.

Barrow Hanley MeWhinney & Strauss		Russell 2000 Value Index	
	Weight %		Weight %
Lumentum Holdings Inc	4.8	Fluor Corp	0.7
Coherent Corp	4.7	UMB Financial Corp	0.6
Ciena Corp	4.4	Jackson Financial Inc	0.5
ATI Inc	4.1	Essential Properties Realty Trust Inc	0.5
Texas Capital Bancshares Inc	4.1	Taylor Morrison Home Corporation	0.5
Tower Semiconductor Ltd	4.0	Old National Bancorp	0.5
Enerpac Tool Group Corp	3.7	Essent Group Ltd	0.5
Kirby Corp	3.7	Terreno Realty Corp	0.5
Diodes Inc	3.5	UFP Industries Inc	0.5
Kaiser Aluminum Corp	3.4	Cadence Bank	0.5

Equity Assets Exposures by Sector

	Barrow Hanley MeWhinney & Strauss	Russell 2000 Value Index
Cash	2.83	0.00
Communication Services	0.00	2.49
Consumer Discretionary	4.65	10.39
Consumer Staples	4.50	1.90
Energy	1.89	6.78
Financials	14.96	27.84
Health Care	1.76	8.54
Industrials	32.46	13.44
Information Technology	29.69	7.45
Materials	7.26	4.56
Real Estate	0.00	10.53
Utilities	0.00	6.08

Equity Characteristics

	Barrow Hanley MeWhinney & Strauss	Russell 2000 Value Index
Wtd. Avg. Mkt. Cap (\$)	3,931,577,471	2,679,596,712
Price/Earnings ratio	28.4	14.1
Price/Book ratio	2.0	1.5
Current Yield	0.6	2.3
Number of Stocks	37	1,443

Mutual Fund Attributes
Causeway International Value Instl (CIVIX)
As of June 30, 2025

Fund Information As of 06/30/2025

Fund Name :	Causeway International Value Instl	Portfolio Assets :	\$14,370 Million
Fund Family :	Causeway	Portfolio Manager :	Team Managed
Ticker :	CIVIX	PM Tenure :	23 Years 8 Months
Inception Date :	10/26/2001	Fund Style :	Foreign Large Value
Fund Assets :	\$15,002 Million	Style Benchmark :	MSCI AC World ex USA Value (Net)
Portfolio Turnover :	49%		

Portfolio Characteristics As of 03/31/2025

	Portfolio	Benchmark
Total Securities	76	694
Avg. Market Cap	-	-
Price/Earnings (P/E)	12.29	16.16
Price/Book (P/B)	1.37	2.43
Dividend Yield	3.27	3.08
Annual EPS	N/A	N/A
5 Yr EPS	N/A	N/A
3 Yr EPS Growth	N/A	N/A
Beta (5 Years, Monthly)	1.15	1.00

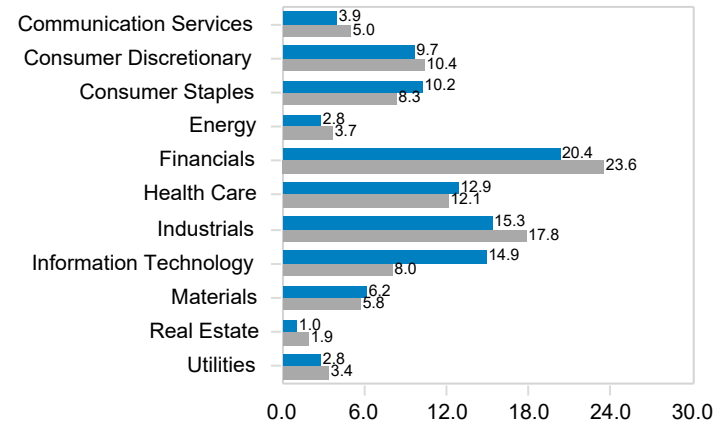
Top Ten Securities As of 03/31/2025

Kering SA	3.7 %
Rolls-Royce Holdings PLC	3.5 %
Reckitt Benckiser Group PLC	3.5 %
Samsung Electronics Co Ltd	3.5 %
Alstom SA	3.5 %
Barclays PLC	3.3 %
Renesas Electronics Corp	3.2 %
AstraZeneca PLC	3.0 %
Canadian Pacific Ltd	2.7 %
BP PLC	2.7 %
Total	32.6 %

Top 5 Countries As of 03/31/2025

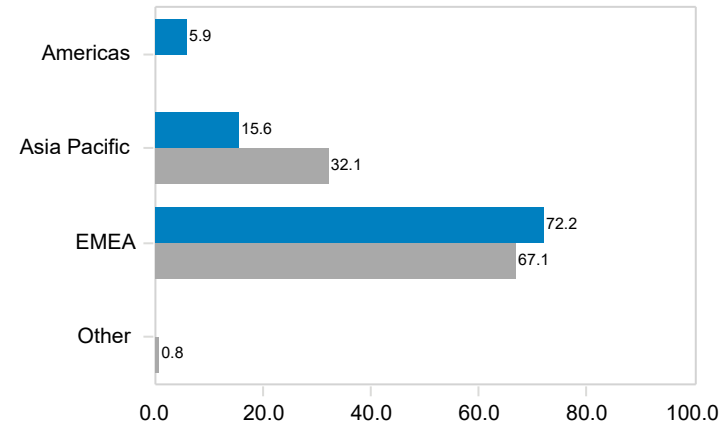
United Kingdom	32.2 %
France	17.3 %
Japan	11.1 %
Germany	8.8 %
Netherlands	6.6 %
Total	76.1 %

Sector Weights As of 03/31/2025



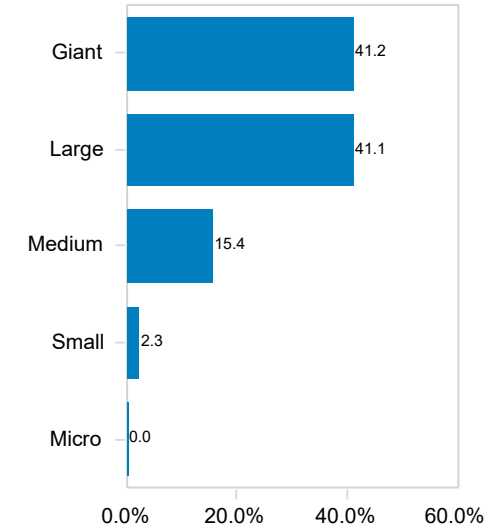
■ Causeway International Value Instl (CIVIX)
■ MSCI EAFE Index

Region Weights As of 03/31/2025



■ Causeway International Value Instl (CIVIX)
■ MSCI EAFE Index

Market Capitalization As of 03/31/2025



Statistics provided by Morningstar. Most recent available data shown.

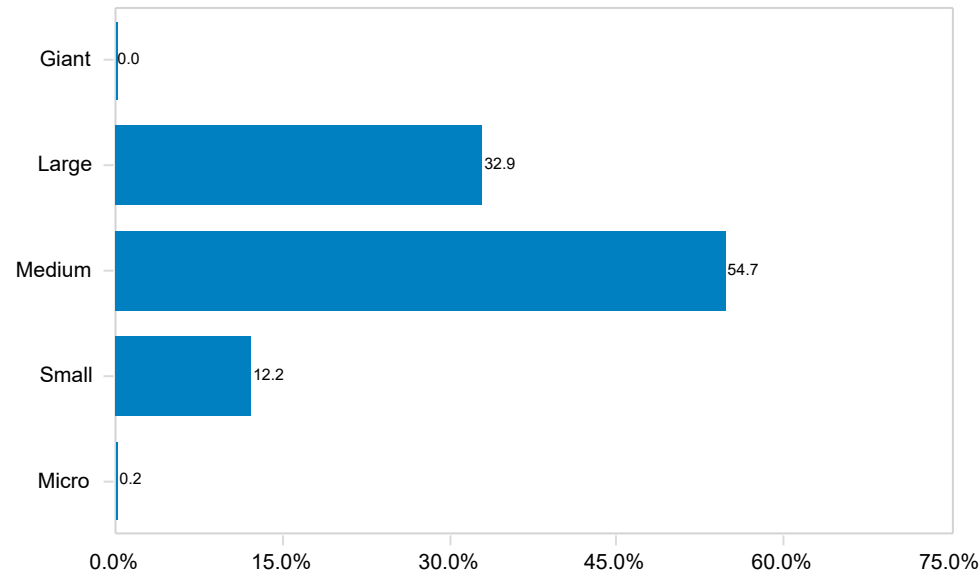
Fund Information As of 06/30/2025

Fund Name :	Cohen & Steers Instl Realty Shares	Portfolio Assets :	\$7,767 Million
Fund Family :	Cohen & Steers	Portfolio Manager :	Team Managed
Ticker :	CSRIX	PM Tenure :	17 Years 8 Months
Inception Date :	02/14/2000	Fund Style :	Real Estate
Fund Assets :	\$7,767 Million	Style Benchmark :	S&P U.S. REIT
Portfolio Turnover :	30%		

Fund Investment Policy

The investment seeks total return through investment in real estate securities.

Market Capitalization As of 03/31/2025



Top Ten Securities As of 03/31/2025

American Tower Corp	11.3 %
Welltower Inc	11.0 %
Digital Realty Trust Inc	6.3 %
Prologis Inc	6.2 %
Crown Castle Inc	6.1 %
Extra Space Storage Inc	4.3 %
Simon Property Group Inc	4.2 %
Sun Communities Inc	4.1 %
Invitation Homes Inc	4.1 %
Equinix Inc	4.0 %
Total	61.5 %

Statistics provided by Morningstar. Most recent available data shown.

Mutual Fund Attributes
BlackRock Multi-Asset Income Portfolio K (BKMIX)
As of June 30, 2025

Fund Information As of 06/30/2025

Fund Name : BlackRock Multi-Asset Income Portfolio K
Fund Family : BlackRock
Ticker : BKMIX
Inception Date : 02/03/2017
Fund Assets : \$10,458 Million
Portfolio Turnover : 83%

Portfolio Assets : \$675 Million
Portfolio Manager : Christofel,J/Shingler,A
PM Tenure : 13 Years 7 Months
Fund Style : Global Moderately Conservative Allocation
Style Benchmark : Morningstar Mod Con Tgt Risk TR USD

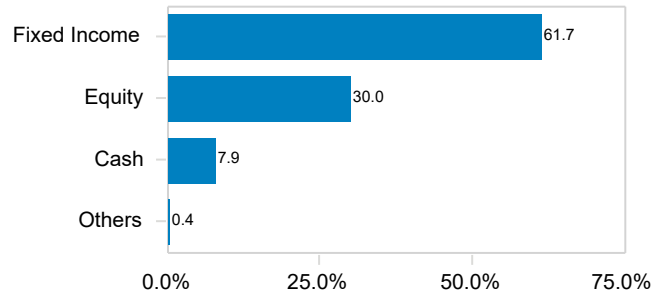
Fund Characteristics As of 06/30/2025

Total Securities 4,336
Avg. Market Cap \$80,880 Million
P/E 17.2
P/B 2.4
Div. Yield 2.9%
Avg. Coupon 5.95 %
Avg. Effective Maturity N/A
Avg. Effective Duration 2.38 Years
Avg. Credit Quality BB
Yield To Maturity 9.94 %
SEC Yield 5.85 %

Top Ten Securities As of 05/31/2025

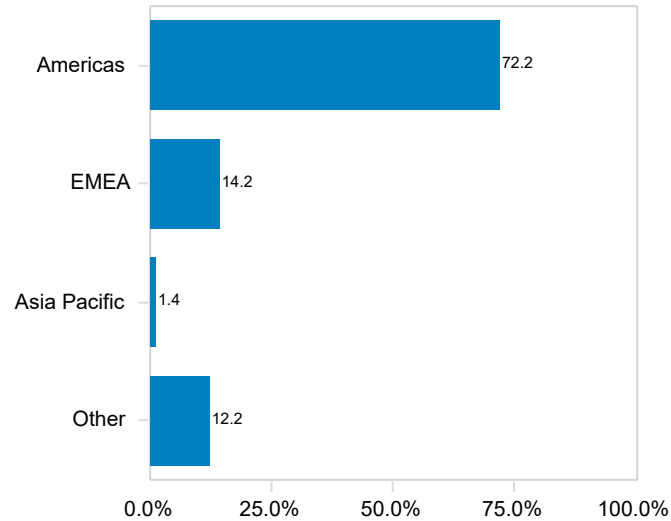
BlackRock Liquidity T-Fund Instl	5.4 %
iShares 5-10 Year invmt Grd Corp	2.1 %
E-mini S&P 500 Future June 25	2.1 %
iShares iBoxx \$ High Yield Corp	2.0 %
iShares 1-5 Year invmt Grd Corp	1.9 %
iShares Core Dividend Growth ETF	1.4 %
iShares Core 1-5 Year USD Bond	1.0 %
Microsoft Corp	0.9 %
Citigroup Global Markets Holdings	0.6 %
Royal Bank of Canada	0.4 %
Total	17.9 %

Asset Allocation As of 05/31/2025

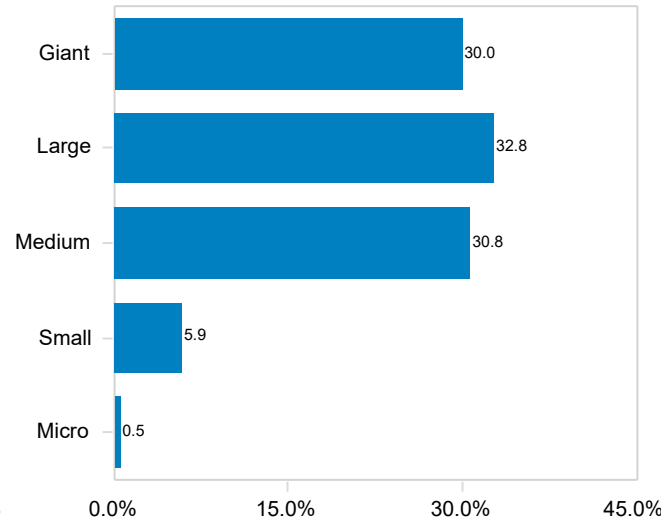


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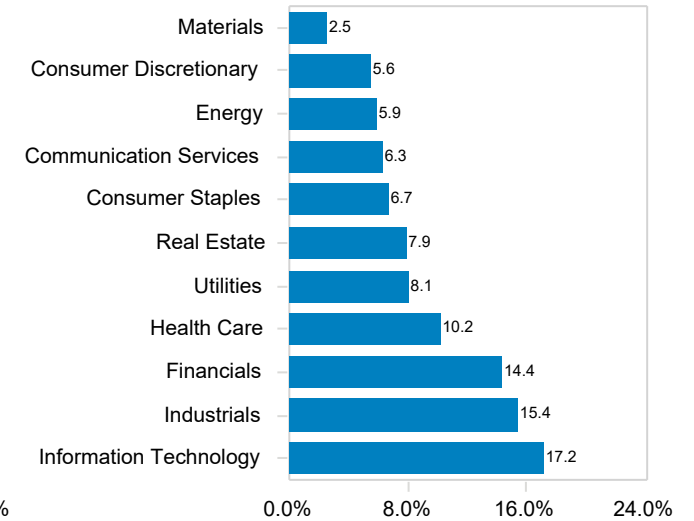
Regional Allocation As of 05/31/2025



Market Capitalization As of 05/31/2025

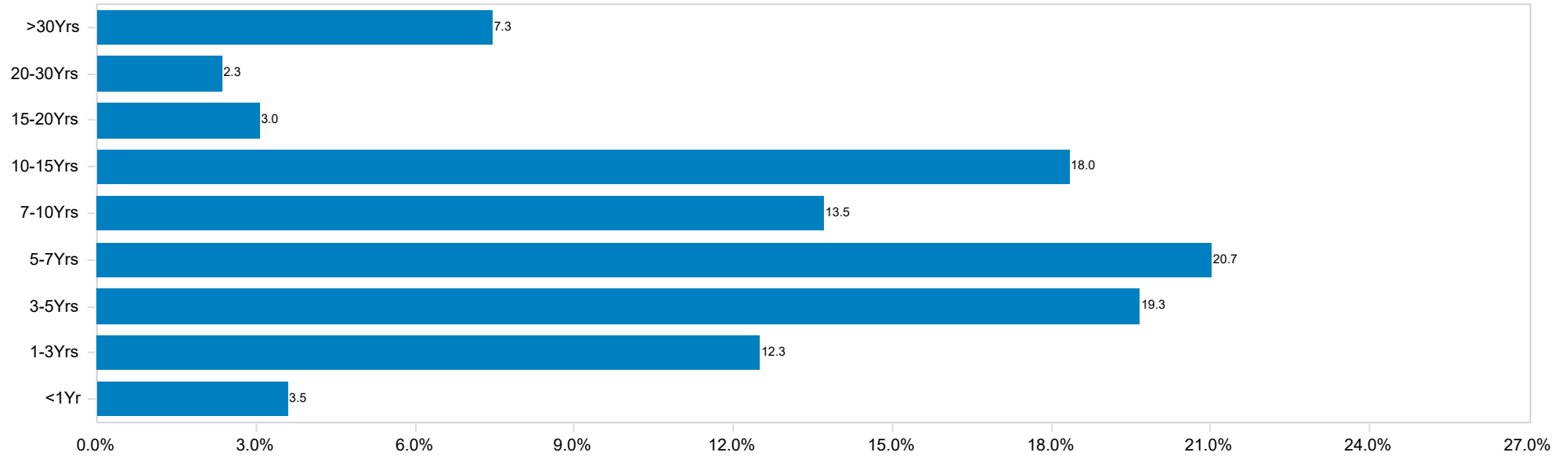


Equity Sector Allocation As of 05/31/2025

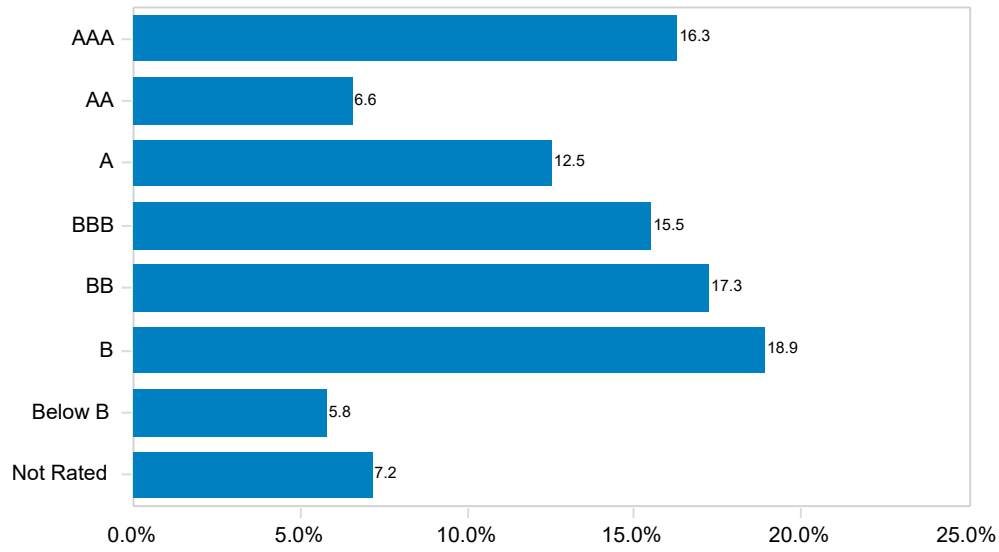


Statistics provided by Morningstar. Most recent available data shown.

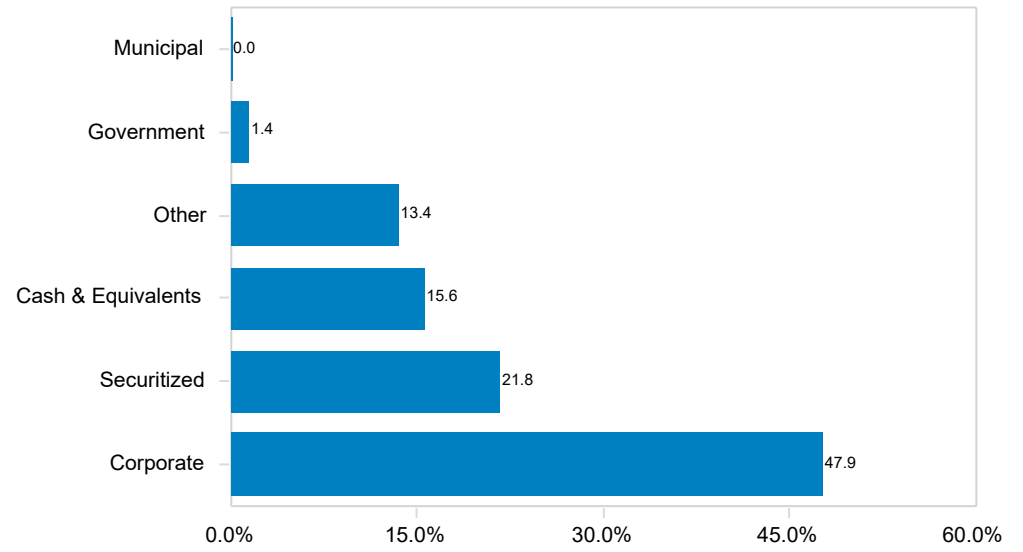
Maturity Distribution As of 05/31/2025



Quality Allocation As of 05/31/2025



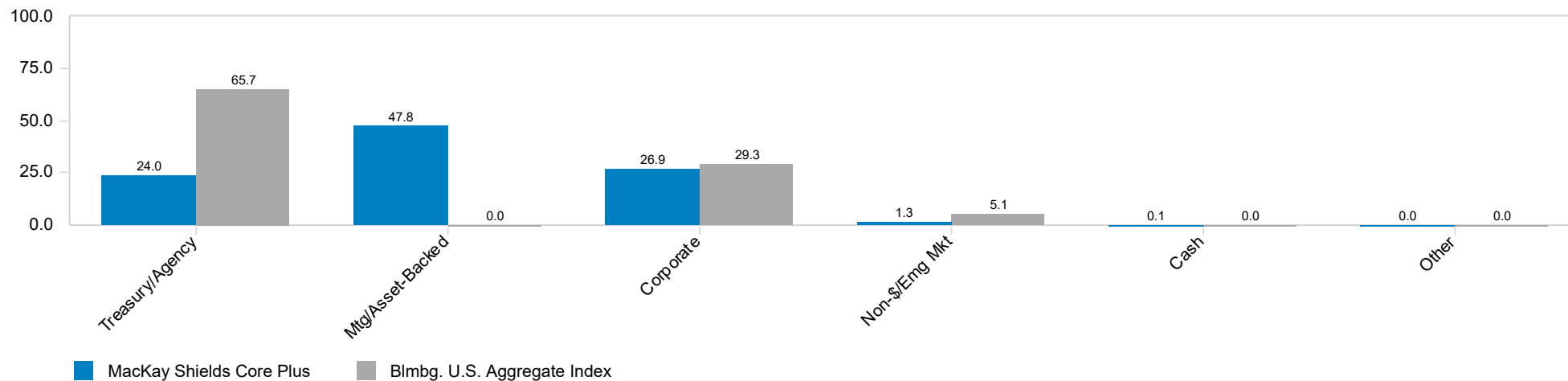
Fixed Income Sector Allocation As of 05/31/2025



Statistics provided by Morningstar. Most recent available data shown.

MacKay Shields Core Plus seeks to outperform the benchmark by eliminating or reducing uncompensated risk while opportunistically allocating investments across a range of core and off-benchmark sectors. The fund typically invests in the same sectors represented by the Barclays U.S. Aggregate Bond Index, as well as high yield, emerging market debt, and non-US Dollar exposure. Their philosophy is centered on their pursuit of consistent, superior rates of return with low volatility. Their goal for the product is to provide enhanced returns over a full market cycle with lower-than market risk.

Sector Distribution (%)



Portfolio Characteristics

	Portfolio	Benchmark
Avg. Maturity	8.55	4.30
Avg. Quality	A+	AA-
Coupon Rate (%)	4.48	3.52
Modified Duration	N/A	N/A
Yield To Maturity (%)	5.60	4.10
Holdings Count	235	N/A

Fund Information As of 06/30/2025

Fund Name :	Loomis Sayles Instl High Income	Portfolio Assets :	\$260 Million
Fund Family :	Loomis Sayles Funds	Portfolio Manager :	Team Managed
Ticker :	LSHIX	PM Tenure :	18 Years 4 Months
Inception Date :	06/05/1996	Fund Style :	High Yield Bond
Fund Assets :	\$260 Million	Style Benchmark :	ICE BofA U.S. High Yield Cash Pay Index
Portfolio Turnover :	90%		

Fund Characteristics As of 06/30/2025

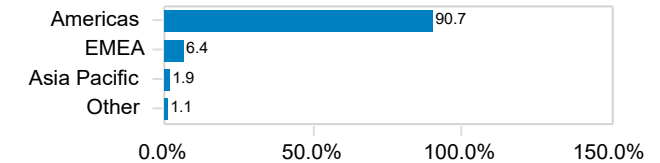
Avg. Coupon	6.38 %
Avg. Effective Maturity	N/A
Avg. Effective Duration	N/A
Avg. Credit Quality	N/A
Yield To Maturity	N/A
SEC Yield	6.46 %

Top Ten Securities As of 05/31/2025

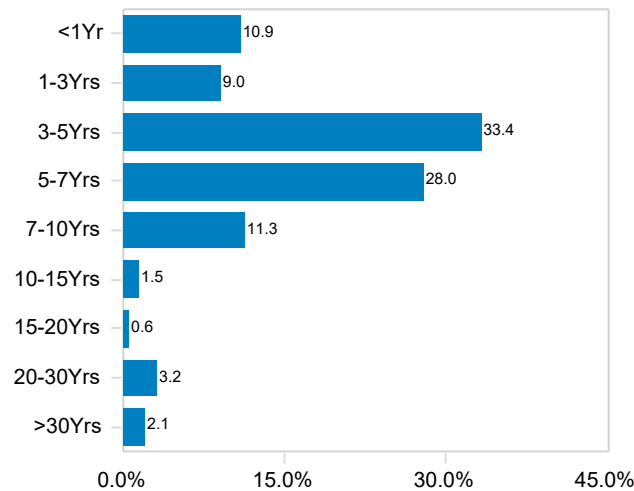
2 Year Treasury Note Future Sept	7.4 %
Us 5yr Note (Cbt) Sep25 Xcbt 2	1.8 %
EchoStar Corp. 10.75%	1.6 %
Teva Pharmaceutical Finance Ne	1.5 %
United States Treasury Bills 0.01%	1.4 %
Hercules LLC 6.5%	1.4 %
Ardonagh Finco Ltd. 7.75%	1.2 %
CSC Holdings, LLC 11.25%	1.1 %
CSC Holdings, LLC 5.75%	0.9 %
Chord Energy Corp. 6.75%	0.8 %
Total	18.9 %

No data found.

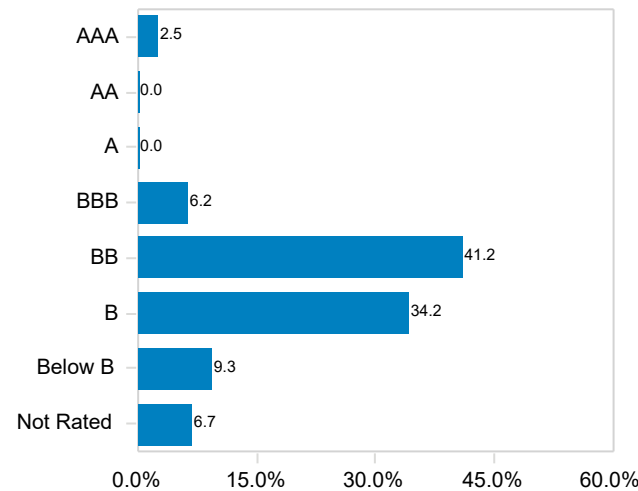
Regional Allocation As of 05/31/2025



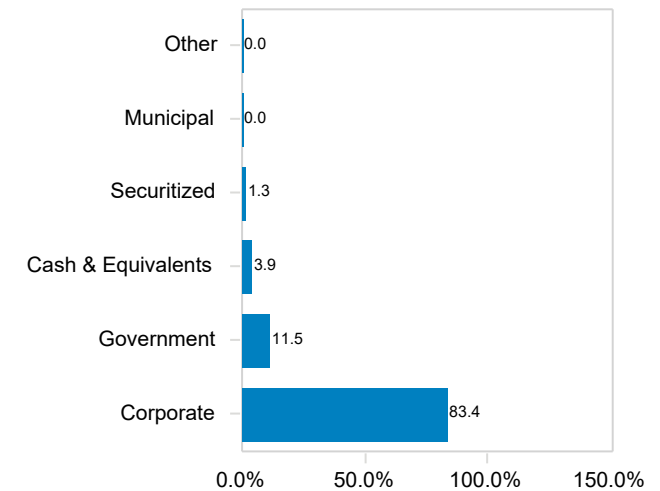
Maturity Distribution As of 05/31/2025



Quality Allocation As of 02/28/2021



Fixed Income Sector Allocation As of 05/31/2025



Statistics provided by Morningstar. Most recent available data shown.

Fund Information As of 06/30/2025

Fund Name : Aristotle Floating Rate Income I
Fund Family : Aristotle Funds
Ticker : PLFRX
Inception Date : 06/30/2011
Fund Assets : \$3,909 Million
Portfolio Turnover : 122%

Portfolio Assets : \$1,644 Million
Portfolio Manager : Team Managed
PM Tenure : 14 Years
Fund Style : Bank Loan
Style Benchmark : Morningstar LSTA U.S. Leveraged Loan Index

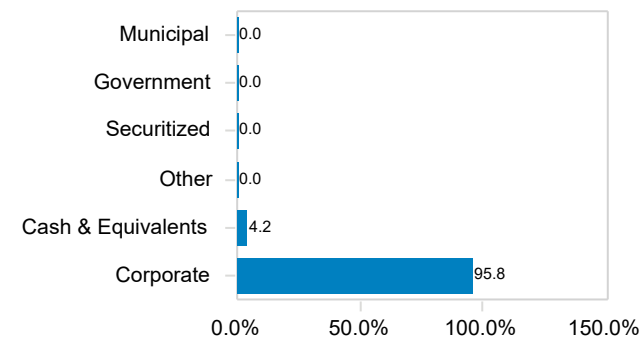
Fund Characteristics As of 06/30/2025

Avg. Coupon : 7.97 %
Avg. Effective Maturity : N/A
Avg. Effective Duration : 0.34 Years
Avg. Credit Quality : B
Yield To Maturity : N/A
SEC Yield : 7.55 %

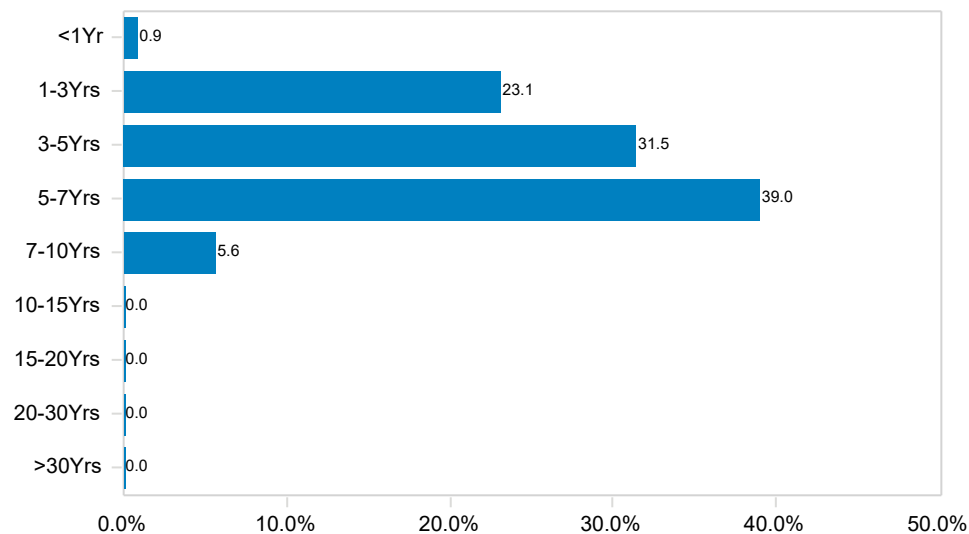
Top Ten Securities As of 06/30/2025

Ukg Inc : 2.8 %
Truist Insurance Holdings Llc : 2.6 %
Corelogic Inc : 2.2 %
Assuredpartners Inc : 2.0 %
Ellucian Holdings (Datatel) 2nd : 1.9 %
Chariot Buyer Llc : 1.9 %
Clubcorp Holdings Inc : 1.9 %
Applied Systems Inc : 1.9 %
Apex Group Treasury T/L B (2/25) : 1.9 %
Alliant Holdings Intermediate : 1.9 %
Total : 21.1 %

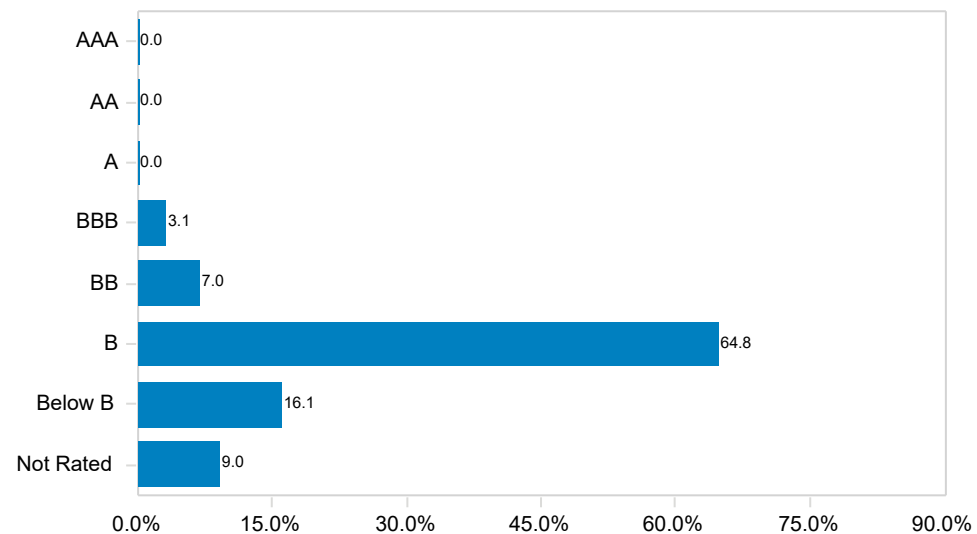
Fixed Income Sector Allocation As of 06/30/2025



Maturity Distribution As of 06/30/2025



Quality Allocation As of 03/31/2025



Statistics provided by Morningstar. Most recent available data shown.

Port of Houston Authority OPEB Plan
Manager Status Summary
As of June 30, 2025

Manager	Mandate	Status	Notes
Fiduciary Management	Large Cap Value Equity	On Alert	Monitoring for performance concerns
Vanguard Index Fund (VINIX)	Large Cap Core Equity	In Compliance	
Fidelity Large Cap Growth (FSPGX)	Large Cap Growth Equity	In Compliance	
Stephens Mid Cap Growth	Mid Cap Growth Equity	In Compliance	
Barrow Hanley MeWhinney & Strauss	Small Cap Value Equity	On Alert	PM Retirement
Causeway International (CIVIX)	International Equity	In Compliance	
Cohen & Steers (CSRIX)	Real Estate and Investment Trust	In Compliance	
BlackRock Multi-Asset (BKMIX)	GTAA	In Compliance	
Mackay Shields Core Plus	Core Plus Fixed Income	In Compliance	
Loomis Sayles High Yield (LSHIX)	High Yield Fixed Income	In Compliance	
Aristotle Floating Rate (PLFRX)	Bank Loans	In Compliance	

In Compliance- The portfolio is acting in full compliance with its guidelines and it is performing according to expectations.

On Alert- Concerns exist with the portfolio's performance, a change in investment characteristics, management style, ownership structure, staff or other related events.

On Notice- A continued and serious problem with any of the issues mentioned above. If the situation is not resolved to Port Commission's satisfaction, a replacement will be hired.

**Port of Houston Authority OPEB Plan
Fee Analysis
As of June 30, 2025**

	Estimated Annual Fee (%)	Market Value (\$)	Estimated Annual Fee (\$)	Fee Schedule
Total Fund Composite	0.45	113,415,133	505,866	
Equity Composite	0.44	62,326,215	277,324	
Domestic Equity	0.33	47,703,065	158,482	
Fiduciary Management	0.55	5,765,108	31,708	0.55 % of Assets
Vanguard Index Fund Institutional (VINIX)	0.04	17,285,890	6,914	0.04 % of Assets
Fidelity Large Cap Growth (FSPGX)	0.04	5,806,145	2,322	0.04 % of Assets
Stephens Mid Cap Growth	0.77	8,632,559	66,471	0.77 % of Assets
Barrow Hanley MeWhinney & Strauss	0.50	10,213,363	51,067	0.50 % of Assets
International Equity	0.85	9,167,678	77,925	
Causeway International (CIVIX)	0.85	9,167,678	77,925	0.85 % of Assets
Real Estate	0.75	5,455,471	40,916	
Cohen & Steers (CSRIX)	0.75	5,455,471	40,916	0.75 % of Assets
GTAA	0.52	5,728,782	29,790	
BlackRock Multi-Asset Income (BKMIX)	0.52	5,728,782	29,790	0.52 % of Assets
Fixed Income Composite	0.45	51,088,918	228,542	
Fixed Income	0.35	33,966,767	118,884	
MacKay Shields Core Plus	0.35	33,966,767	118,884	0.35 % of Assets
High Yield Fixed Income	0.72	5,498,941	39,592	
Loomis Sayles High Yield (LSHIX)	0.72	5,498,941	39,592	0.72 % of Assets
Bank Loans	0.72	5,593,971	40,277	
Aristotle Floating Rate (PLFRX)	0.72	5,593,971	40,277	0.72 % of Assets

Fee information on this page is an illustrative estimate of management fees based on current reported portfolio values. Fee estimates do not reflect actual calculation methodologies or applicable carried interest.

Port of Houston Authority OPEB Plan
Fee Summary
As of June 30, 2025

Structure	Mandate	Expense Ratio	Category Average	Difference	Annual Savings
Fiduciary Management	Large Cap Value Equity	0.55%	0.75%	0.20%	\$11,530
Vanguard Index Fund (VINIX)	Large Cap Core Equity	0.04%	0.75%	0.71%	\$122,730
Fidelity Large Cap Growth (FSPGX)	Large Cap Growth Equity	0.04%	0.75%	0.71%	\$41,224
Stephens Mid Cap Growth	Mid Cap Growth Equity	0.77%	1.04%	0.27%	\$23,308
Barrow Hanley MeWhinney & Strauss	Small Cap Value Equity	0.76%	1.04%	0.28%	\$28,597
Causeway International (CIVIX)	International Equity	0.85%	0.87%	0.02%	\$1,834
Cohen & Steers (CSRIX)	Real Estate and Investment Trust	0.75%	0.89%	0.14%	\$7,638
BlackRock Multi-Asset (BKMIX)	GTAA	0.52%	0.87%	0.35%	\$20,051
Mackay Shields Core Plus	Core Plus Fixed Income	0.35%	0.54%	0.19%	\$64,537
Loomis Sayles High Yield (LSHIX)	High Yield Fixed Income	0.72%	0.75%	0.03%	\$1,650
Aristotle Floating Rate (PLFRX)	Bank Loans	0.72%	0.83%	0.11%	\$6,153
Total Management Fees		0.45%	0.76%	0.31%	\$329,251

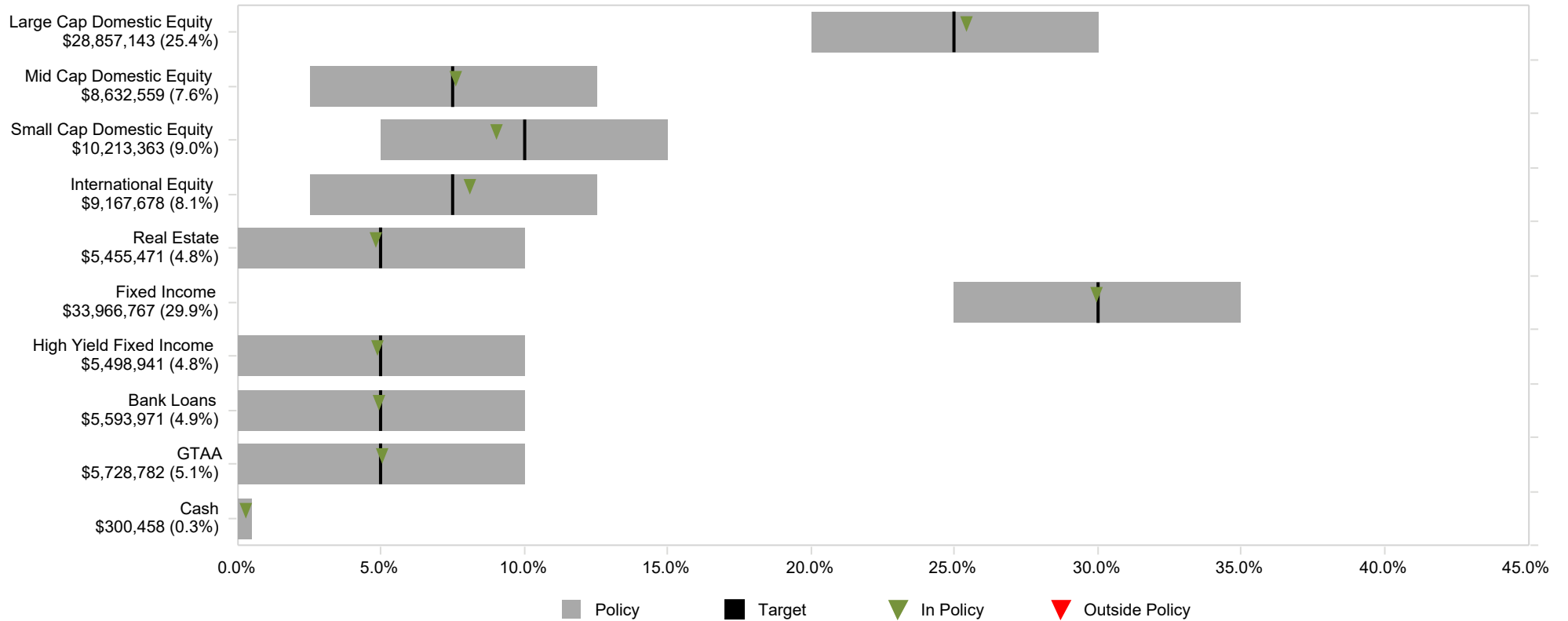
Source: Morningstar and Investment Managers

This display is for illustrative purposes only and is an estimate based on recent market values and available fee data. Fee data is based on information retrieved from Morningstar Direct on July 18, 2025, and data is subject to change as category average fee information updates regularly. We rely on Morningstar to classify each manager's category fee for comparison purposes.

Asset Allocation Compliance

	Asset Allocation \$	Current Allocation (%)	Target Allocation (%)	Differences (%)	Minimum Allocation (%)	Maximum Allocation (%)
Total Fund Composite	113,415,133	100.0	100.0	0.0		
Large Cap Domestic Equity	28,857,143	25.4	25.0	0.4	20.0	30.0
Mid Cap Domestic Equity	8,632,559	7.6	7.5	0.1	2.5	12.5
Small Cap Domestic Equity	10,213,363	9.0	10.0	-1.0	5.0	15.0
International Equity	9,167,678	8.1	7.5	0.6	2.5	12.5
Real Estate	5,455,471	4.8	5.0	-0.2	0.0	10.0
Fixed Income	33,966,767	29.9	30.0	-0.1	25.0	35.0
High Yield Fixed Income	5,498,941	4.8	5.0	-0.2	0.0	10.0
Bank Loans	5,593,971	4.9	5.0	-0.1	0.0	10.0
GTAA	5,728,782	5.1	5.0	0.1	0.0	10.0
Cash	300,458	0.3	0.0	0.3	0.0	0.5

Executive Summary



Historical Hybrid Composition

Allocation Mandate	Weight (%)
Jan-1979	
S&P 500 Index	47.50
Russell Midcap Index	12.50
Blmbg. U.S. Aggregate Index	40.00
Dec-2012	
S&P 500 Index	15.00
Russell Midcap Index	12.50
Russell 2000 Index	10.00
MSCI EAFE Index	12.50
Blmbg. U.S. Aggregate Index	35.00
ICE BofA U.S. High Yield Index	5.00
FTSE NAREIT All Equity REITs	5.00
Alerian MLP Index	5.00
Aug-2015	
S&P 500 Index	15.00
Russell Midcap Index	7.50
Russell 2000 Index	10.00
MSCI EAFE Index	7.50
Blmbg. U.S. Aggregate Index	40.00
ICE BofA U.S. High Yield Index	5.00
FTSE NAREIT All Equity REITs	5.00
Alerian MLP Index	10.00
Jan-2021	
S&P 500 Index	22.50
Russell Midcap Index	7.50
Russell 2000 Index	10.00
MSCI EAFE Index	7.50
Blmbg. U.S. Aggregate Index	42.50
ICE BofA U.S. High Yield Index	5.00
FTSE NAREIT All Equity REITs	5.00

ONE YEAR LATER

Mariner Institutional



Mariner Institutional (*formerly AndCo Consulting*) once again received the **Coalition Greenwich Best Investment Consultant Award for 2024-25**. They also received the award for 2023, 2022, and 2021. This award recognizes quality leaders in institutional investment consulting services. The rankings are based on interviews with individuals from hundreds of the largest tax-exempt funds in the United States.*

A year ago, when AndCo joined Mariner to form Mariner Institutional, we **committed to continue providing a high level of service** while expanding corporate support to provide additional solutions for our clients. In the past year, we've attained:

- A client retention rate of 99% through March 2025*
- An employee retention rate of 99% through March 2025
- Expanded resources via multiple support teams, including finance, accounting, research, compliance, technology and marketing

*retention rate reflective of acquisition date through March 2025

Active Return	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
Alpha	- A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.
Beta	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
Consistency	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.
Distributed to Paid In (DPI)	- The ratio of money distributed to Limited Partners by the fund, relative to contributions. It is calculated by dividing cumulative distributions by paid in capital. This multiple shows the investor how much money they got back. It is a good measure for evaluating a fund later in its life because there are more distributions to measure against.
Down Market Capture	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
Downside Risk	- A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.
Excess Return	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
Excess Risk	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
Information Ratio	- This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.
Public Market Equivalent (PME)	- Designs a set of analyses used in the Private Equity Industry to evaluate the performance of a Private Equity Fund against a public benchmark or index.
R-Squared	- The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.
Return	- Compounded rate of return for the period.
Sharpe Ratio	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.
Standard Deviation	- A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.
Total Value to Paid In (TVPI)	- The ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date. It is a good measure of performance before the end of a fund's life
Tracking Error	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
Treynor Ratio	- Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.
Up Market Capture	- The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.

Mariner Institutional compiled this report for the sole use of the client for which it was prepared. Mariner Institutional is responsible for evaluating the performance results of the Total Fund along with the investment advisors by comparing their performance with indices and other related peer universe data that is deemed appropriate. Mariner Institutional uses the results from this evaluation to make observations and recommendations to the client. Mariner Institutional uses time-weighted calculations which are founded on standards recommended by the CFA Institute. The calculations and values shown are based on information that is received from custodians. Mariner Institutional analyzes transactions as indicated on the custodian statements and reviews the custodial market values of the portfolio. As a result, this provides Mariner Institutional with a reasonable basis that the investment information presented is free from material misstatement. This methodology of evaluating and measuring performance provides Mariner Institutional with a practical foundation for our observations and recommendations. Nothing came to our attention that would cause Mariner Institutional to believe that the information presented is significantly misstated.

This performance report is based on data obtained by the client's custodian(s), investment fund administrator, or other sources believed to be reliable. While these sources are believed to be reliable, the data providers are responsible for the accuracy and completeness of their statements. Clients are encouraged to compare the records of their custodian(s) to ensure this report fairly and accurately reflects their various asset positions.

The strategies listed may not be suitable for all investors. We believe the information provided here is reliable, but do not warrant or guarantee its accuracy or completeness. Past performance is not an indication of future performance. Any information contained in this report is for informational purposes only and should not be construed to be an offer to buy or sell any securities or any investment advisory services.

Please note that Neuberger Berman (NB) owns a non-controlling minority stake in Mariner. Certain NB strategies may hold an allocation to the investment in Mariner. For specific impacted strategies, please reach out to your investment consultant or Mariner Institutional at institutionalcompliance@mariner.com

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***IMPORTANT DISCLOSURE INFORMATION RE COALITION GREENWICH BEST INVESTMENT CONSULTANT AWARD (formerly known as the Greenwich Quality Leader Award):**

The awards are not indicative of any future performance. The awards or any other rankings and/or recognition by unaffiliated rating services and/or publications should not be construed as a guarantee that a client will experience a certain level of results or satisfaction, nor should it be construed as a current or past endorsement by any of our clients. No fee was paid to participate in this award survey.

The 2024-25 award was issued in February 2025, based on data from February to September of 2024. The 2023 award was issued in April 2024, based on data from Feb to November of 2023. The 2022 award was issued in April 2023, based on data from Feb to November of 2022. The 2021 award was issued in April of 2022, based on data from July to October 2021. Data was collected via interviews conducted by Coalition Greenwich. The 2024 and 2023 awards were issued to Mariner Institutional (formerly AndCo Consulting). The 2021 and 2022 awards were issued to AndCo, prior to becoming Mariner Institutional. The methodology: For the 2024-25 Coalition Greenwich Best Investment Consultant Award for Overall U.S. Investment Consulting – Midsize Consultants – Between February and September 2024, Crisil Coalition Greenwich conducted interviews with 699 individuals from 563 of the largest tax-exempt funds in the United States. For the 2023 Greenwich Best Investment Consultant Award for Overall U.S. Investment Consulting – Midsize Consultants – Between February and November 2023, Coalition Greenwich conducted interviews with 708 individuals from 575 of the largest tax-exempt funds in the United States. For the 2022 Greenwich Best Investment Consultant Award for Overall U.S. Investment Consulting – Midsize Consultants – Between February and November 2022, Coalition Greenwich conducted interviews with 727 individuals from 590 of the largest tax-exempt funds in the United States. For the 2021 Greenwich Best Investment Consultant Award – Overall U.S. Investment Consulting – Midsize Consultants – Between July and October 2021, Coalition Greenwich conducted interviews with 811 individuals from 661 of the largest tax-exempt funds in the United States. These U.S.-based institutional investors are corporate, public, union, and endowment and foundation funds with either pension or investment pool assets greater than \$150 million. Study participants were asked to provide quantitative and qualitative evaluations of their asset management and investment consulting providers, including qualitative assessments of those firms soliciting their business and detailed information on important market trends.

MARINER

Access to a wealth of knowledge and solutions.