



TEACHERS' RETIREMENT SYSTEM

of the State of Kentucky

BOARD OF TRUSTEES

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ROBBIE FLETCHER, Ed.D.
Education Commissioner

GARY L. HARBIN, CPA
Executive Secretary

Quarterly Meeting of the
Board of Trustees

A G E N D A

March 16, 2026, 12:30 p.m. ET

Board called to order
Roll call

1. Reports for Consent
2. Report of the Investment Committee
3. Report of the Governance and Audit Committee
4. Executive Secretary's Observations and Comments

General discussion

Adjournment

The meeting will be in the boardroom at 479 Versailles Road, Frankfort, Kentucky.

TO: Board of Trustees of the Teachers' Retirement System of the State of Kentucky

FROM: Gary L. Harbin, CPA
Executive Secretary

DATE: March 16, 2026

SUBJECT: Reports for Consent

1. Consideration/Approval of Minutes

- Quarterly Meeting, Board of Trustees, December 15, 2025
- Special Meeting, Scholarship Committee, December 15, 2025

2. Applications for Retirement and Annuity

The list of members who retired in December, January and February is included in the board materials. Attached is a summary of the payments and a comparison to the same period a year ago. The 356 initial retirements retirees for the period resulted in monthly payments totaling \$1,122,004.53. During the same period last year, 284 retirements resulted in monthly payments totaling \$912,781.49.

3. Survivor Benefits

The list of people qualifying for survivor benefit payments for the quarter ended Dec. 31 is included in the board materials. Two survivor benefits commenced with a total monthly payment of \$400.

4. Life Insurance Benefits

The list of payments of life insurance benefits due to death of active and retired teachers for the quarter ended Dec. 31 is included in the board materials. Six payments to the estates or beneficiaries of active teachers and 239 payments to the estates or beneficiaries of retired teachers combined for 245 total payments amounting to \$1,207,000. During the same quarter a year ago, 235 payments amounted to \$1,151,000.

5. Refunds

The report of refunds for the quarter ended Dec. 31 is included in the board materials. During the quarter, refunds paid consisted of:

Regular withdrawals	632	\$6,832,108.01
Deaths	<u>19</u>	<u>\$ 478,306.85</u>
Total	651	\$7,310,414.86

During the same quarter a year ago, 952 refunds totaled \$9,693,182.24.

6. Interim Financial Statements

The Interim Financial Statements for the quarter ended Dec. 31 are included in the board materials.

Recommendation: The executive secretary recommends that the board approve the minutes and benefit payment reports as presented in the reports for consent. The Interim Financial Statements are for information and require no action.

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF KENTUCKY
QUARTERLY MEETING OF THE BOARD OF TRUSTEES
DECEMBER 15, 2025

Minutes of Meeting

After giving proper notice of a quarterly meeting, and a quorum being present, Chair Brenda McGown called the TRS Board of Trustees to order at 10 a.m. ET, Monday, December 15, 2025, in the boardroom at 479 Versailles Road, Frankfort, Kentucky.

Members Present

Brenda McGown, Chair
Paul Bruce
William Crawford
Hollis Gritton
Dr. Ben Littlepage
Laura Schneider
Louis Straub
Josh Underwood
Alison Wright
Mark Metcalf, State Treasurer
Marshall Smith, proxy for Education Commissioner

Others Present

Gary L. Harbin, TRS
Robert Barnes, TRS
Eric Wampler, TRS
Tom Siderewicz, TRS
Nick Byers, TRS
Brad Cook, TRS
Grace Dotson, TRS
Gregory Hall, TRS
Margaret Hockensmith, TRS
Courtney Mangione, TRS
Sarah Meehan, TRS
Becky Niece, TRS
Nathan Van Sickel, TRS
Jessica VanWinkle, TRS
Beth Atkinson, Department for Community Based Services
Jessica Hiler, Kentucky Education Association
Shawn Sparks, Legislative Research Commission
Michael Clancy, Legislative Research Commission
Robert Gullette III, State Treasurer's Office

1. Reports for Consent: Chair McGown asked the board to review and act on the reports for consent, including the following committee minutes and benefit payment reports.

- Minutes
 - September 15, 2025, Board of Trustees quarterly meeting
 - November 24, 2025, Board of Trustees special meeting
 - September 15, 2025, Insurance Committee special meeting
 - September 15, 2025, Legislative Committee special meeting
 - September 15, 2025, Governance and Audit Committee special meeting
 - November 14, 2025, Governance and Audit Committee special meeting
 - November 24, 2025, Personnel Committee special meeting
- Applications for retirement and annuity
- Survivor benefits
- Life insurance benefits
- Refunds
- Interim Financial Statements for the quarter ended September 30, 2025

Board Action: The board considered the minutes and benefit payment reports as presented. Upon motion duly made by Ms. Schneider and seconded by Mr. Straub, the board unanimously approved the reports for consent. The Interim Financial Statements were for information, and the board took no action.

2. Report of the Investment Committee: Mr. Siderewicz reported concerning the investment performance for the quarter ended Sept. 30 and the Nov. 20 quarterly meeting of the Investment Committee.

Chair McGown asked the board to act on the report by Mr. Siderewicz.

Board Action: Upon motion duly made by Mr. Straub and seconded by Mr. Metcalf, the board unanimously accepted and ratified the report of the Investment Committee.

3. Report of the Governance and Audit Committee: Mr. Wampler reported on the Governance and Audit Committee's special meeting on Nov. 14.

The committee unanimously accepted the actuary's 2025 economic assumption review and the actuarial valuations of the retirement annuity, health insurance and life insurance trusts prepared as of June 30, 2025. The committee also unanimously accepted the audit of the financial statements for the fiscal years ended June 30, 2025, and 2024. Additionally, the committee unanimously approved the Third Amendment to the TRS 403(b) Program.

Chair McGown asked the board to act on the report of the Governance and Audit Committee.

Board Action: Upon motion duly made by Mr. Schnieder and seconded by Mr. Metcalf, the board unanimously accepted and ratified the report of the Governance and Audit Committee.

4. Report of the Personnel Committee: Ms. Wright reported on the Personnel Committee's Nov. 24 meeting to review the performance of the executive secretary; its recommendation to amend

the contract with the executive secretary replacing the current four-year term with a four-year term from Jan. 1, 2026, through Dec. 31, 2029; and its recommendation that the executive secretary receive the same salary increase available to TRS employees.

Chair McGown asked for questions or comments. Chair McGown asked the board to act on the report of the Personnel Committee.

Board Action: The board unanimously voted to accept and ratify the committee's report.

5. Report of the Scholarship Committee: The Scholarship Committee at its Dec. 15 meeting unanimously recommended Junita Losey Scholarship grants of \$3,000 to each of the eight Kentucky public universities for a one-year scholarship and \$3,000 for a scholarship for a Campbell County High School senior who intends to major in education at a Kentucky public university of the 2026-27 year.

Board Action: Upon motion duly made by Mr. Gritton and seconded by Mr. Metcalf, the board unanimously accepted and ratified the report of the Scholarship Committee.

6. Executive Secretary's Observations and Comments: Mr. Harbin informed the board of the 2025 Standards Award for Funding and Administration from the Public Pension Coordinating Council; the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada; meetings attended by the executive secretary; upcoming publication of the Annual Comprehensive Financial Report (ACFR) and 2026 meeting dates. The report was for information, and the board took no action.

Adjournment: There being no further business to come before the board, upon motion duly made by Mr. Metcalf and seconded by Mr. Straub, the board voted to adjourn at 10:43 a.m.

CERTIFICATIONS

We, the chair and the executive secretary of the Board of Trustees of the Teachers' Retirement System of the State of Kentucky, do certify that the Minutes of Meeting were approved by the board on March 16, 2026.

Brenda McGown, Chair

Gary L. Harbin, Executive Secretary

I, Robert B. Barnes, do certify adherence to the Kentucky Open Meetings Act, KRS 61.800 et seq., in the conduct of this meeting. I have reviewed the minutes for form, content and legality.

Robert B. Barnes, Deputy Executive Secretary
and General Counsel

I, Jessica VanWinkle, do certify that I was present at the meeting and duly recorded the actions of the Board of Trustees of the Teachers' Retirement System of the State of Kentucky at its meeting on December 15, 2025.

Jessica VanWinkle
Recording Secretary

DRAFT

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF KENTUCKY
SPECIAL MEETING OF THE SCHOLARSHIP COMMITTEE
DECEMBER 15, 2025

Minutes of Meeting

After giving proper notice of a special meeting, and a quorum being present, Chair Josh Underwood called the Scholarship Committee to order at 9:45 a.m. ET, Monday, December 15, 2025, in the boardroom at 479 Versailles Road, Frankfort, Kentucky.

Members Present

Josh Underwood, Chair
Alison Wright
Paul Bruce
Laura Schneider
Brenda McGown, alternate

Others Present

Hollis Gritton, Trustee
Marshall Smith, proxy for Education Commissioner
Gary L. Harbin, TRS
Robert Barnes, TRS
Eric Wampler, TRS
Tom Siderewicz, TRS
Gregory Hall, TRS
Margaret Hockensmith, TRS
Sarah Meehan, TRS
Nathan Van Sickle, TRS
Jessica VanWinkle, TRS

1. Junita Losey Scholarship Fund Report: Mr. Harbin provided a report on the background of the Junita Losey Scholarship, and Mr. Siderewicz reported on the scholarship fund's investment strategy and cash flow. The report was for information.

2. Discussion and Action on 2026-2027 Scholarships: Chair Underwood asked the committee to consider scholarship awards for 2026-2027.

Committee Action: Upon motion duly made by Mr. Bruce and seconded by Ms. Schneider, the committee unanimously voted to recommend to the board grants of \$3,000 to each of the eight public universities in Kentucky for a one-year scholarship and \$3,000 for a scholarship for a Campbell County High School senior who intends to major in education at a Kentucky public university.

Adjournment: There being no further business to come before the committee, upon motion duly made by Ms. Schneider and seconded by Mr. Bruce, the committee voted to adjourn at 9:54 a.m.

CERTIFICATIONS

We, the chair of the Scholarship Committee and the executive secretary of the Board of Trustees of the Teachers' Retirement System of the State of Kentucky, do certify that the Minutes of Meeting were approved on March 16, 2026.

Josh Underwood, Chair

Gary L. Harbin, Executive Secretary

I, Robert B. Barnes, do certify adherence to the Kentucky Open Meetings Act, KRS 61.800 et seq., in the conduct of this meeting. I have reviewed the minutes for form, content and legality.

Robert B. Barnes, Deputy Executive Secretary
and General Counsel

I, Jessica VanWinkle, do certify that I was present at the meeting and duly recorded the actions of the Scholarship Committee of the Board of Trustees of the Teachers' Retirement System of the State of Kentucky at its meeting on December 15, 2025.

Jessica VanWinkle
Recording Secretary

Teachers' Retirement System of Kentucky
Initial Applications for Retirement and Annuity
2026

	December	January	February	Total	Same Period 2025
Handicapped Child	<i>0</i> \$0.00	<i>0</i> \$0.00	<i>0</i> \$0.00	<i>0</i> \$0.00	<i>0</i> \$0.00
Disability Retirement	<i>6</i> \$17,595.13	<i>9</i> \$27,684.18	<i>3</i> \$11,987.05	<i>18</i> \$57,266.36	<i>17</i> \$57,879.05
Service Retirement	<i>77</i> \$224,499.82	<i>177</i> \$606,776.01	<i>83</i> \$231,387.59	<i>337</i> \$1,062,663.42	<i>267</i> \$854,902.44
Beneficiary of Member Eligible to Retire	<i>1</i> \$2,074.75	<i>0</i> \$0.00	<i>0</i> \$0.00	<i>1</i> \$2,074.75	<i>0</i> \$0.00
TOTALS	<i>84</i> \$244,169.70	<i>186</i> \$634,460.19	<i>86</i> \$243,374.64	<i>356</i> \$1,122,004.53	<i>284</i> \$912,781.49

Reports for Consent
Member Account Refunds
For the period October 2025 - December 2025

Active Refunds	Count	Net Refund	Taxes Withheld	Rollovers	Total
October	214	1,705,921.64	425,798.60	1,067,774.58	3,199,494.82
November	306	973,225.92	243,306.47	1,132,236.04	2,348,768.43
December	115	417,543.87	95,862.83	770,438.06	1,283,844.76
Total	632				6,832,108.01

Deceased Refunds	Count	Net Refund	Taxes Withheld	Rollovers	Total
October	7	23,010.26	4,654.14	0.00	27,664.40
November	4	49,757.01	12,439.26	0.00	62,196.27
December	8	310,773.99	77,672.19	0.00	388,446.18
Total	19				478,306.85

Total Refunds	Count	Net Refund	Taxes Withheld	Rollovers	Total
October	221	1,728,931.90	430,452.74	1,067,774.58	3,227,159.22
November	310	1,022,982.93	255,745.73	1,132,236.04	2,410,964.70
December	123	728,317.86	173,535.02	770,438.06	1,672,290.94
Total	651				7,310,414.86

TEACHERS' RETIREMENT SYSTEM

OF THE STATE OF KENTUCKY



INTERIM FINANCIAL STATEMENTS

QUARTER ENDED DECEMBER 31, 2025

(FAIR VALUE - UNAUDITED)

Statements of Plan Net Assets
as of December 31, 2025 and 2024
(Fair Value - Unadjusted & Unaudited)

	Retirement Annuity Trust		Health Insurance Trust		Life Insurance Trust		Other Funds		TOTAL	
	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025
ASSETS										
Cash	\$ 194,603,439	\$ 237,967,237	\$ 214,130,555	\$ 149,351,020	\$ 112,536	\$ 422,730	\$ 450,128	\$ 181,747	\$ 409,296,658	\$ 387,922,734
Receivables										
Contributions	50,510,743	50,326,612	14,201,383	12,521,802	39,981	55,791			64,752,107	62,904,205
State of Kentucky	46,913,058	-	-	-	307,498	55,327			47,220,556	55,327
Investment Income	67,162,242	73,083,001	13,064,841	7,854,183	300,375	328,869	4,189	4,439	80,531,647	81,270,492
Investment Sales Receivable	15,408,992	23,708,769	3,488,682	6,705,382	1,917	-			18,899,591	30,414,151
Installment Account Receivable	7,669	7,669							7,669	7,669
Other Receivables	20,185	19,296	53,075,621	49,989,009					53,095,806	50,008,305
Due from Other Funds	12,391,597	10,135,426							12,391,597	10,135,426
Total Receivables	192,414,486	157,280,773	83,830,527	77,070,376	649,771	439,987	4,189	4,439	276,898,973	234,795,575
Investments at Market Value										
Short Term Investments	580,613,954	778,277,561	153,973,862	258,848,005	6,178,710	5,984,754	398,830	391,494	741,165,356	1,043,501,814
Bonds and Mortgages	3,743,500,480	3,394,582,822	385,247,442	251,135,478	12,109,826	14,686,593	204,336	196,962	4,141,062,084	3,660,601,855
Stocks	18,342,611,793	15,616,559,729	2,505,426,759	1,923,271,964	80,321,003	66,510,826	754,761	632,564	20,929,114,316	17,606,975,083
Alternative Investments	2,426,944,433	2,169,222,350	292,769,446	261,438,978	7,665,058	6,761,862			2,727,378,937	2,437,423,190
Real Estate	1,788,531,240	1,721,500,032	192,146,832	185,452,701	8,358,946	7,468,266			1,989,037,018	1,914,420,999
Additional Categories	2,891,821,526	2,779,521,212	546,881,391	515,836,075	3,483,514	3,238,832			3,442,186,431	3,298,596,119
Total Investments	29,774,023,426	26,459,663,706	4,076,445,732	3,395,983,201	118,117,057	104,651,133	1,357,927	1,221,020	33,969,944,142	29,961,519,060
Capital Assets (net of accumulated depreciation)	4,316,898	5,729,384							4,316,898	5,729,384
Total Assets	30,165,358,249	26,860,641,100	4,374,406,814	3,622,404,597	118,879,364	105,513,850	1,812,244	1,407,206	34,660,456,671	30,589,966,753
LIABILITIES										
Liabilities										
Accrued Expenses and Other Liabilities	2,487,686	2,553,412	-	22,931,226	-	-			2,487,686	25,484,638
State of Kentucky	-	3,508,350	3,993,644	5,914,040	-	-			3,993,644	9,422,390
Investment Purchases Payable	36,235,078	66,002,590	7,667,142	19,622,883	8,496	1,762	-	-	43,910,716	85,627,235
Investment Fees Payable	19,962,231	19,220,337	2,579,102	2,278,030	82,442	80,086	-	-	22,623,775	21,578,453
Due to Other Funds	-	-	12,166,798	9,944,788	219,353	185,760	5,446	4,878	12,391,597	10,135,426
Total Liabilities	58,684,995	91,284,689	26,406,686	60,690,967	310,291	267,608	5,446	4,878	85,407,418	152,248,142
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	\$ 30,106,673,254	\$ 26,769,356,411	\$ 4,348,000,128	\$ 3,561,713,630	\$ 118,569,073	\$ 105,246,242	\$ 1,806,798	\$ 1,402,328	\$ 34,575,049,253	\$ 30,437,718,611

Statements of Changes in Plan Net Assets
For the Six Months Ended December 31, 2025 and 2024
(Fair Value - Unadjusted & Unaudited)

	Retirement Annuity Trust		Health Insurance Trust		Life Insurance Trust		Other Funds		TOTAL	
	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025
ADDITIONS										
Contributions										
Employer- State Paid	\$ 715,406,909	\$ 640,680,819	\$ 55,341,541	\$ 51,430,786	\$ 1,251,909	\$ 1,265,251	\$ -	\$ -	\$ 772,000,359	\$ 693,376,856
Employer- LSD, Other	40,156,019	44,177,554	60,150,062	63,179,289	413,412	394,742	326,751	-	101,046,244	107,751,585
Member- Active	194,231,349	191,696,458	76,909,649	76,103,921			23,877	17,798	271,164,875	267,818,177
Member- Retired			32,862,521	32,116,636					32,862,521	32,116,636
Recovery Income			91,033,738	70,676,383					91,033,738	70,676,383
Total Contribution	949,794,277	876,554,831	316,297,511	293,507,015	1,665,321	1,659,993	350,628	17,798	1,268,107,737	1,171,739,637
Investment Income/(Loss)										
Net Appreciation/(Depreciation) in Fair Value of Investments	1,881,897,806	863,601,319	262,632,651	114,949,173	7,926,886	4,045,686	70,776	31,767	2,152,528,119	982,627,945
Interest	126,730,462	128,271,650	26,029,803	23,600,546	406,181	462,137	16,584	17,191	153,183,030	152,351,524
Dividends	119,333,399	113,273,127	11,764,250	9,391,502	356,176	358,956	5,265	4,531	131,459,090	123,028,116
Real Estate, Gross	14,048,596	12,421,221							14,048,596	12,421,221
Securities Lending, Gross	26,880,923	24,582,159	893,205	-	417,921	419,596	5,287	4,301	28,197,336	25,006,056
Gross Investment Income	2,168,891,186	1,142,149,476	301,319,909	147,941,221	9,107,164	5,286,375	97,912	57,790	2,479,416,171	1,295,434,862
Less Investment Expense	(40,550,604)	(35,497,121)	(4,793,509)	(4,309,788)	(153,214)	(140,523)	-	-	(45,497,327)	(39,947,432)
Less Securities Lending Expense	(24,579,378)	(21,872,993)	(821,980)	-	(389,723)	(392,673)	(4,964)	(3,763)	(25,796,045)	(22,269,429)
Less Real Estate Expense	(32,883)	-					-		(32,883)	-
Net Investment Income	2,103,728,321	1,084,779,362	295,704,420	143,631,433	8,564,227	4,753,179	92,948	54,027	2,408,089,916	1,233,218,001
Total Additions	3,053,522,598	1,961,334,193	612,001,931	437,138,448	10,229,548	6,413,172	443,576	71,825	3,676,197,653	2,404,957,638
DEDUCTIONS										
Benefits	1,317,512,102	1,273,960,309			2,992,065	2,726,052	89,594	31,581	1,320,593,761	1,276,717,942
Refunds of Contributions	14,134,784	17,713,275							14,134,784	17,713,275
Under 65 Insurance Expenses			57,648,101	58,005,543					57,648,101	58,005,543
Over 65 Insurance Expenses			157,621,572	135,130,133					157,621,572	135,130,133
Administrative Expense	9,927,042	8,440,275	-	-	-	-	-	-	9,927,042	8,440,275
Total Deductions	1,341,573,928	1,300,113,859	215,269,673	193,135,676	2,992,065	2,726,052	89,594	31,581	1,559,925,260	1,496,007,168
Net Increase (Decrease)	1,711,948,670	661,220,334	396,732,258	244,002,772	7,237,483	3,687,120	353,982	40,244	2,116,272,393	908,950,470
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS										
Beginning of year	28,394,724,584	26,108,136,077	3,951,267,870	3,317,710,858	111,331,590	101,559,122	1,452,816	1,362,084	32,458,776,860	29,528,768,141
Ending of period	\$ 30,106,673,254	\$ 26,769,356,411	\$ 4,348,000,128	\$ 3,561,713,630	\$ 118,569,073	\$ 105,246,242	\$ 1,806,798	\$ 1,402,328	\$ 34,575,049,253	\$ 30,437,718,611

TO: Board of Trustees of the Teachers' Retirement System of the State of Kentucky

FROM: Gary L. Harbin, CPA
Executive Secretary

DATE: March 16, 2026

SUBJECT: Report of the Investment Committee

1. Investment Committee Meeting and Actions

The Investment Committee met Feb. 26 and approved investments of \$50 million from the Retirement Annuity Trust and \$10 million from the Health Insurance Trust in Apax Digital Fund III; \$50 million from the Retirement Annuity Trust and \$10 million from the Health Insurance Trust in NGP Sustainable Real Assets II; \$50 million from the Retirement Annuity Trust and \$10 million from the Health Insurance Trust in Fort Washinton Private Equity Small Investors III; \$65 million from the Retirement Annuity Trust and \$10 million from the Health Insurance Trust in TPG AG Realty Value XII; \$65 million from the Retirement Annuity Trust and \$10 million from the Health Insurance Trust in Ares Real Estate Secondaries X; \$50 million from the Health Insurance Trust in Fort Washinton Core Fixed Income; \$50 million from the Health Insurance Trust in Todd Asset Management Large Cap Intrinsic Value and \$50 million from the Health Insurance Trust in Todd Asset Management Intrinsic Value Opportunity.

The committee also approved the proxy voting report for the quarter ended Dec. 31 and reported it to the board. As required by law, the report will be published on the TRS website.

Outside investor Public Pension Capital reported on its portfolios.

2. Performance

The Retirement Annuity Trust portfolio gained 2.3% for the quarter. The Health Insurance Trust portfolio gained 2.46% for the quarter. Each was in line with its policy index.

A detailed investment performance report is attached, as is the quarterly transaction report.

3. Staff's Comments on Economic and Market Conditions

U.S. equity markets gained in the quarter, sustaining a rebound after heightened volatility earlier in calendar 2025. While the artificial intelligence buildout continues to push the market, the quarter also saw broader gains across sectors and in smaller cap stocks. Developed international equity outperformed U.S. equity both in the quarter and for the calendar year with the MSCI World ex USA Index gaining 32.6% in calendar 2025. While emerging market stocks slightly lagged developed international stocks in the quarter, they produced strong returns for the year with the MSCI Emerging Markets Index delivering a 2025 return of 33.6%.

Fixed income markets gained as yields moved lower. The Bloomberg U.S. Aggregate Bond Index returned 0.9%, supported by falling yields and continued strength in credit.

Recommendation: The executive secretary recommends that the board accept and ratify the Report of the Investment Committee.

Teachers' Retirement System of the State of Kentucky
Retirement Annuity Trust
Quarterly Investment Performance
Gross Returns
For the Period Ended December 31, 2025

Final

	<u>Market Value</u>	<u>Last Qtr</u>	<u>FYTD</u>	<u>1-Year</u>	<u>3-Year*</u>	<u>5-Year*</u>	<u>10-Year*</u>	<u>20-Year*</u>
TOTAL PLAN	\$ 29,774,370,071.51	2.30	7.65	15.94	13.80	7.94	9.74	8.01
Policy Benchmark		2.56	8.09	15.97	14.84	8.98	10.06	-
Total Equity	\$ 18,448,445,498.83	2.73	10.01	21.50	19.54	10.03	12.21	9.25
Domestic Equity	\$ 11,889,286,011.87	2.56	10.55	17.06	21.23	12.44	13.79	10.62
<i>S&P 1500 Index</i>		2.58	10.80	17.02	22.09	13.96	14.46	10.88
All-Cap Equities	\$ 694,465,744.65	2.65	9.52	17.30	21.31	13.47	-	-
<i>Russell 3000 Index</i>		2.40	10.78	17.15	22.25	13.15	-	-
Large-Cap Equities	\$ 9,696,685,007.19	2.65	10.86	18.72	22.83	13.45	14.36	10.87
<i>S&P 500 Index</i>		2.66	11.00	17.88	23.01	14.42	14.82	11.00
Mid-Cap Equities	\$ 904,410,727.29	1.65	7.29	7.67	11.68	5.71	10.28	8.87
<i>S&P 400 Index</i>		1.64	7.29	7.50	12.56	9.12	10.72	9.44
Small-Cap Equities	\$ 593,724,532.74	2.26	11.45	6.98	11.65	6.48	9.90	8.97
<i>S&P 600 Index</i>		1.70	10.97	6.02	10.17	7.31	9.81	8.91
International Equity	\$ 6,559,159,486.96	3.05	8.97	30.78	15.91	5.12	9.01	-
<i>MSCI AC World Ex US</i>		5.11	12.50	33.11	17.95	8.46	8.95	-
Fixed Income	\$ 3,833,985,469.77	1.00	3.08	7.08	4.94	-0.19	2.55	3.94
<i>Bloomberg Barclays Govt/Credit Index</i>		0.90	2.82	6.88	4.56	-0.59	2.16	3.31
Real Estate	\$ 1,788,531,240.00	1.08	2.16	3.40	-1.50	5.59	7.08	7.43
In House Real Estate Equity	\$ 426,950,305.86	0.81	2.80	3.97	5.31	5.03	6.57	7.36
<i>CPI plus 2%</i>		1.01	2.42	4.71	5.01	6.56	5.26	4.57
Core Real Estate	\$ 841,220,716.60	1.33	2.66	5.55	-3.47	5.37	6.37	-
<i>NCREIF ODCE (VW) Index</i>		0.91	1.65	3.79	-3.45	3.40	4.80	-
Non-Core Real Estate	\$ 520,360,217.54	0.90	0.89	-0.22	-3.19	7.20	8.94	-
<i>NCREIF Property Index</i>		1.15	2.35	4.91	-1.01	3.79	4.85	-
Private Equity	\$ 2,426,944,433.19	2.34	6.69	10.61	8.76	13.97	12.93	-
Mature Private Equity	\$ 1,565,708,404.38	1.11	4.27	8.31	7.23	13.19	10.89	-
<i>S&P 500 Index plus 3%</i>		3.42	12.65	21.42	26.70	17.86	18.26	-
Private Equity < 5 Years	\$ 861,236,028.81	4.63	11.48	14.86	11.50	16.45	-	-
Additional Categories (Evergreen and Non-Evergreen)	\$ 2,448,744,566.67	2.28	4.29	8.34	9.30	6.40	6.34	-
<i>B of A Merrill Lynch U.S. High Yield Master II Constrained</i>		1.35	3.78	8.50	10.03	4.50	6.44	-
Timberland	\$ 513,693,408.43	1.62	2.15	8.48	7.21	4.00	3.47	-
<i>NCREIF Timberland Index</i>		1.59	2.27	4.57	6.98	8.58	5.39	-
Cash (Unallocated)	\$ 314,025,454.62	0.99	2.14	4.38	4.89	3.26	2.20	1.87
<i>90 Day T-Bill</i>		0.97	2.06	4.18	4.81	3.17	2.17	1.69

Total Trust Gross Return for 30-year period*

7.89

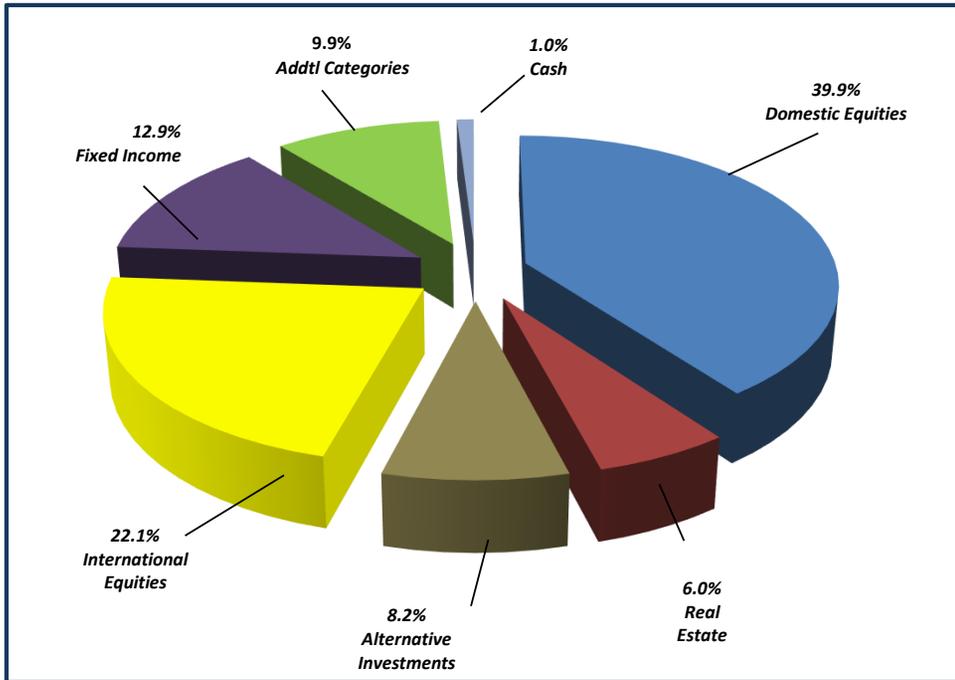
*Returns are annualized for periods longer than one year

** Prior to July 1, 2008, TRS did not benchmark overall fund performance. Effective July 1, 2008, the Board of Trustees approved a Policy Index that represents the returns of appropriate benchmarks for the various asset classes weighted by the mid-point of the strategic range for the current fiscal year.

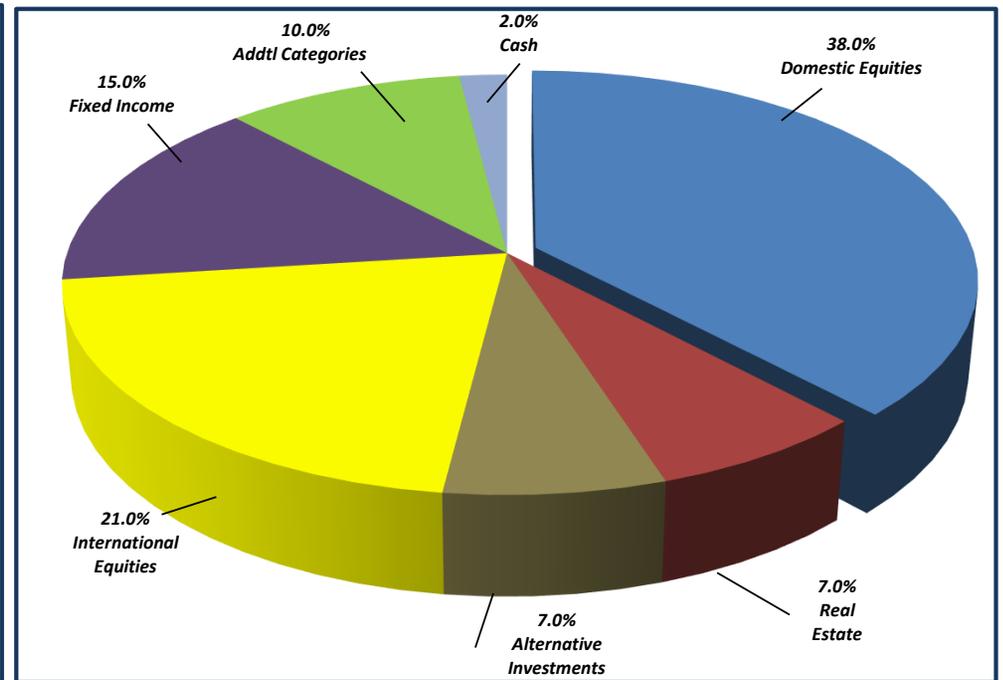
Teachers' Retirement System of Kentucky
 Quarterly Investment Update
 For the period ended Decemeber 31, 2025

<i>(\$ in millions)</i>	<u>\$'s</u>	<u>12/31/2025</u> <u>Actual %</u>	<u>9/30/2025</u> <u>Actual %</u>	<u>Target %</u>	<u>Strategic</u> <u>Ranges</u>
Domestic Equities	\$11,889.3	39.9%	40.3%	38.0%	31.0-48.0%
Real Estate	1,788.5	6.0%	6.0%	7.0%	4.0 - 10.0%
Alternative Inv.	2,426.9	8.2%	8.1%	7.0%	4.0 - 10.0%
International Equities	6,559.2	22.1%	22.4%	21.0%	16.0 - 27.0%
Fixed Income	3,834.0	12.9%	12.1%	15.0%	8.0 - 22.0%
Addtl Categories	2,962.4	9.9%	10.0%	10.0%	4.0 - 15.0%
Cash	314.0	1.0%	1.1%	2.0%	1.0 - 5.0%
Total	<u>\$29,774.3</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	

ACTUAL %



TARGET %



*Teachers' Retirement System of the State of Kentucky
Health Insurance Trust
Quarterly Investment Performance
Gross Returns
For the Period Ended December 31, 2025*

FINAL

	<u>Market Value</u>	<u>Last Qtr</u>	<u>FYTD</u>	<u>1-Year</u>	<u>3-Year*</u>	<u>5-Year*</u>	<u>10-Year*</u>	<u>20-Year*</u>
TOTAL PLAN	\$ 4,076,445,732.29	2.46	7.86	16.02	14.21	8.91	9.88	-
<i>Policy Benchmark</i>		2.52	8.09	15.73	14.85	8.91	9.76	-
Total Equity	\$ 2,512,438,757.43	2.95	10.58	22.69	20.43	10.69	11.94	-
<u>Domestic Equity</u>	\$ 1,545,396,503.38	1.91	9.72	16.60	21.96	4.26	-	-
<i>S&P 500 Index</i>		2.66	11.00	17.88	23.01	14.42	-	-
<i>Russell 3000</i>		2.40	10.78	17.15	22.25	13.15	-	-
<u>International Equities</u>	\$ 967,042,254.05	4.65	11.98	33.05	17.12	-	-	-
<i>MSCI AC World ex USA IMI Index</i>		4.82	12.15	32.67	17.71	-	-	-
<u>Fixed Income</u>	\$ 395,611,400.92	1.11	2.95	6.95	5.29	0.71	2.64	-
<i>Barclays Government Credit</i>		0.90	2.82	6.88	4.56	-0.59	2.16	-
<u>Real Estate</u>	\$ 192,146,832.02	1.02	1.27	1.49	-3.38	7.13	9.25	-
<u>Core Real Estate</u>	\$ 106,265,418.48	1.22	2.15	5.03	-2.63	6.81	7.11	-
<i>NCREIF ODCE (VW)</i>		0.91	1.65	3.79	-3.45	3.40	4.80	-
<u>Non-Core Real Estate</u>	\$ 85,881,413.54	0.77	0.19	-2.66	-4.38	7.24	9.92	-
<i>NCREIF Property Index</i>		1.15	2.35	4.91	-1.01	3.79	4.85	-
<u>Private Equity</u>	\$ 292,769,446.46	2.53	6.86	8.41	7.81	14.97	13.59	-
<u>Mature Private Equity</u>	\$ 144,147,428.29	0.55	2.86	2.79	4.47	15.40	13.09	-
<i>S&P 500 plus 3%</i>		3.42	12.65	21.42	26.70	17.86	18.26	-
<u>Private Equity < 5 Years</u>	\$ 148,622,018.17	4.60	11.45	15.15	11.76	14.68	-	-
<u>Additional Categories</u>								
<i>B of A Merrill Lynch High Yield Master II</i>	\$ 561,009,034.31	2.06	4.25	8.45	9.41	5.90	6.41	-
<u>Cash (Unallocated)</u>								
<i>90 Day T-Bill</i>	\$ 122,470,261.15	0.98	2.05	4.26	4.76	3.38	2.27	-
		0.97	2.06	4.18	4.81	3.17	2.17	-

*Returns are annualized for periods longer than one year

** Prior to July 1, 2015, TRS did not benchmark overall fund performance. Effective July 1, 2015, the Board of Trustees approved a Policy Index that represents the returns of appropriate benchmarks for the various asset classes weighted by the mid point of the strategic range for the current fiscal year.

Teachers' Retirement System of Kentucky

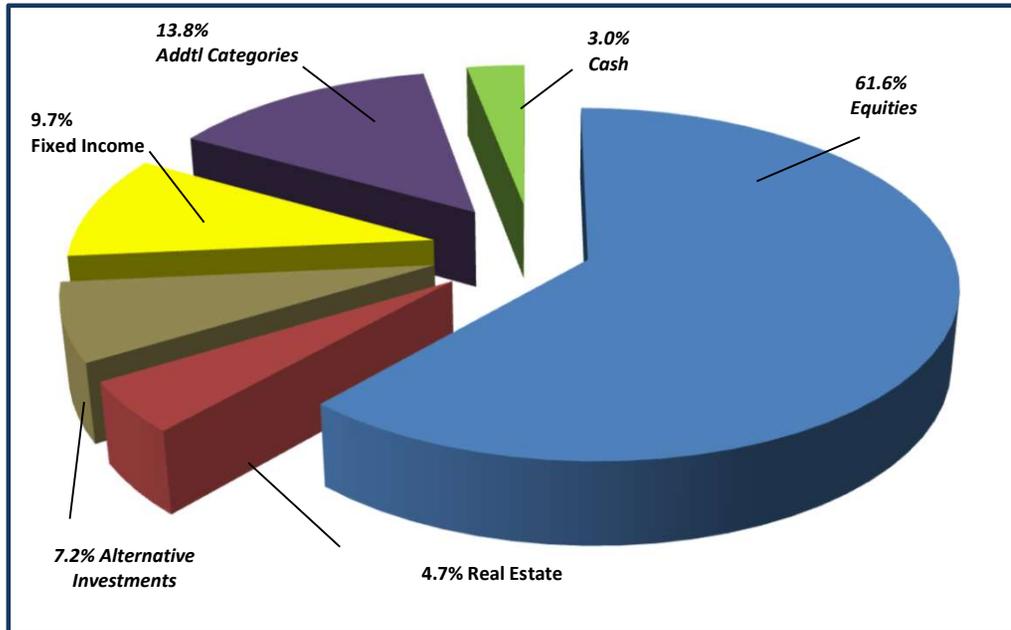
Insurance Trust Fund

Quarterly Investment Update

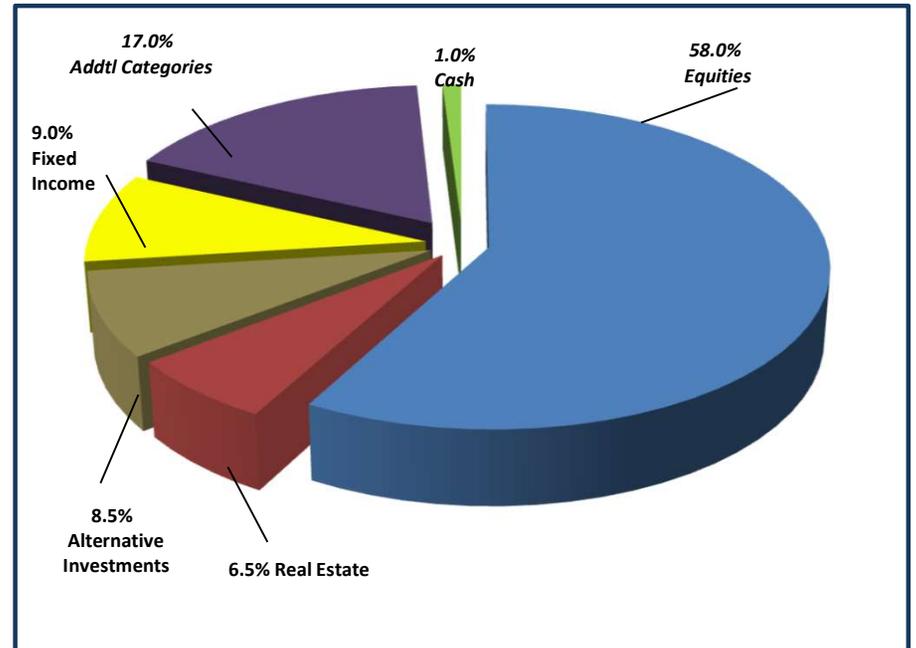
For the period ended December 31, 2025

<i>(\$ in thousands)</i>	<u>\$'s</u>	<u>12/31/2025</u> <u>Actual %</u>	<u>9/30/2025</u> <u>Actual %</u>	<u>Target %</u>	<u>Strategic</u> <u>Ranges</u>
Equities	\$2,512,438.8	61.6%	61.0%	58.0%	51.0 - 64.0%
Real Estate	\$192,146.8	4.7%	4.8%	6.5%	4.0 - 12.0%
Alternative Inv.	\$292,769.4	7.2%	7.1%	8.5%	5.0 - 12.0%
Fixed Income	\$395,611.4	9.7%	9.9%	9.0%	6.0 - 14.0%
Addtl Categories	\$561,009.0	13.8%	13.9%	17.0%	14.0 - 25.0%
Cash	\$122,470.3	3.0%	3.3%	1.0%	0.0 - 5.0%
Total	<u>\$4,076,445.7</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	

ACTUAL %



TARGET %



TO: Board of Trustees of the Teachers' Retirement System of the State of Kentucky

FROM: Gary L. Harbin, CPA
Executive Secretary

DATE: March 16, 2026

SUBJECT: Report of the Governance and Audit Committee

The Governance and Audit Committee will meet March 16 prior to the quarterly board meeting. Any actions by the committee will be reported to the board.

TO: Board of Trustees of the Teachers' Retirement System of the State of Kentucky

FROM: Gary L. Harbin, CPA
Executive Secretary

DATE: March 16, 2026

SUBJECT: Report of the Governance and Audit Committee

The Governance and Audit Committee had a special meeting on March 16, and the following is a summary of the committee's actions.

1. Consideration of administrative service provider procurement recommendations

The committee unanimously approved the recommendations by TRS review committees regarding responses to recently published requests for proposals (RFP) for administrative services to be performed beginning in fiscal year 2027. The recommendations approved and reported to the board are:

- Actuarial services: CavMac
- Communications services: Mulloy Borland
- Federal tax, fiduciary and other legal services: Ice Miller; Klausner, Kaufman, Jensen & Levinson; and Williams & Jenson
- General legal services and litigation: Robert Kellerman; and Stoll, Keenon & Ogden
- Printing services: Bluegrass Integrated Communications.
- Janitorial services: AC Advanced Cleaning Services.

2. Annual contract renewals

- Administrative services
 - External auditor: Blue & Co.
 - Financial reports software: Carahsoft
 - Auditing software: Atikin
 - Off-site storage: Kentucky Underground Storage
 - Death match audit services: Lexis Nexis
- Investment experts
 - Bevis Longstreth
 - George Philip

3. Annual review of Disability Earnings Limitation

KRS 161.661(12) allows the board to increase the disability earnings limitation by the percentage increase in the annual average of the Consumer Price Index (CPI) for all urban consumers for the most recent calendar year as published by the Federal Bureau of Labor Statistics (BLS) not to exceed 5%. The board annually reviews whether the limitation should be increased to account for inflation. Most recently, the board authorized increasing the disability earnings limitation to \$50,160 effective for calendar year 2025. The percentage increase in the annual average of the CPI for all urban consumers for the 2025 calendar year as published by BLS was 2.63%. The committee approved increasing the disability earnings limitation by 2.63% to \$51,480 effective for calendar year 2026 as allowed under KRS 161.661(12).

Recommendation: The executive secretary recommends that the board accept and ratify the Report of the Governance and Audit Committee.

TO: Board of Trustees of the Teachers' Retirement System of the State of Kentucky

FROM: Gary L. Harbin, CPA
Executive Secretary

DATE: March 16, 2026

SUBJECT: Executive Secretary's Observations and Comments

1. Statement of Financial Disclosure Due Wednesday, April 15: Each trustee must file a Statement of Financial Disclosure with the Executive Branch Ethics Commission by Wednesday, April 15.

2. Member Nominating Committee: The Member Nominating Committee, consisting of statutory representatives from the 12 designated districts and one retiree representative, met Feb. 7.

The committee nominated candidates for the active and retired teacher trustee seats in this year's election. Current trustee, Dr. Ben Littlepage, of Madisonville, was nominated for the first position on the active teacher trustee ballot and Jordan Smith, of Richmond, was nominated for the second position. Corey Chestnut, of Barbourville, was nominated for the first position on the lay trustee ballot, and Philip Sturgill, of Frankfort, was nominated for the second position.

Again, this year, TRS members will be able to vote electronically for the trustee positions. The electronic ballot will be available on Pathway to members from April 1 through April 19. Thereafter, paper ballots will be mailed to all active and retired members who did not vote by electronic ballot. The paper ballots must be postmarked by May 30.

Ballots will be tallied by the state education commissioner, and the results will be announced at the board's June 15 quarterly meeting.

3. Junita Losey Scholarship Fund Update: Scholarships in the amount of \$3,000 have been sent to each of the eight public universities in Kentucky. Recipients may apply scholarship funds toward tuition, books or fees.

In addition, the Campbell County Schools district selects a student in May who intends to enroll in one of Kentucky's public universities and major in education to receive the Losey Scholarship. The student must enroll in a Kentucky public university in the fall and then notify TRS to verify enrollment. At that time, a check in the amount of \$1,500 is sent to the university where the student is enrolled. Upon completing the first university semester, the student is to inform TRS whether the student remains in compliance with the scholarship criteria. If so, TRS then will distribute another \$1,500 check to the university.

4. Executive Secretary's Meetings: Recent meetings of the executive secretary are listed.

Dec. 19	Meeting with Aon
Jan. 7	Meeting with CavMac
Jan. 8	Meeting with Fort Washington
Jan. 9	Public Sector HealthCare Roundtable (Roundtable) meeting

Jan 14-15	TRS 101 training for new staff
Jan 15	Meeting with Mulloy Borland
Jan. 28-29	Roundtable board meeting
Feb. 2	TRS 101 training for new staff
Feb. 4	Attended National Council on Teacher Retirement (NCTR) Global Economic Forum
Feb. 5	Attended Aon 2026 Market Outlook webinar
Feb. 7	Member Nominating Committee meeting
Feb. 9	Attended Healthcare Policy Institute Board of Directors meeting
Feb. 17	Meeting with Kentucky Public Pensions Authority staff
Feb. 18	Meeting with Todd Asset Management
Feb. 25	Attended NCTR State of the States 2026 webinar
March 4	Know Your Rx Coalition quarterly board meeting

5. Next Meeting: The next quarterly meeting of the board will be Monday, June 15.