

# BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

## **Business & Finance Committee**

Thursday, September 26, 2024

10:30 a.m. – 12:00 p.m.

Oak Room (L114)  
UW-Parkside Student Center  
930 Wood Rd  
Kenosha, Wisconsin  
& via Zoom Videoconference

- A. Calling of the Roll
- B. Declaration of Conflicts
- C. Approval of the Minutes of the August 22, 2024 Meeting of the Business & Finance Committee
- D. UW-Parkside Host Campus Presentation: "Using Strategic Operations & Shared Services to Improve Efficiencies and Organizational Outcomes"
- E. Approval of Amendments to Regent Policy Documents 20-28, "Executive Salary Structure," and 20-27, "Selection Process for System President, Chancellors, Vice Chancellors and UW System Senior Leadership Positions"
- F. Trust Funds Quarterly Investment Report

**UW-PARKSIDE HOST CAMPUS PRESENTATION:  
“USING STRATEGIC OPERATIONS & SHARED SERVICES TO IMPROVE  
EFFICIENCIES AND ORGANIZATIONAL OUTCOMES”**

**REQUESTED ACTION**

No action is required; this item is for information only.

**SUMMARY**

UW-Parkside will provide an overview of the efforts underway to ensure its operational infrastructure is strategically developed for the future. The presentation will highlight a best practices framework for building the case for the strategic and operational change necessary to position the university for the future. It will focus on how implementing process redesign, increased use of shared services, and increased accountability will help refocus and reposition core operations.

**Presenters**

- Dr. Sheronda Glass, Vice Chancellor of Operations
- Dr. Phil Hirsh, Vice Chancellor for Finance and Administration

September 26, 2024

**APPROVAL OF AMENDMENTS TO REGENT POLICY DOCUMENTS  
20-28, "EXECUTIVE SALARY STRUCTURE," AND  
20-27, "SELECTION PROCESS FOR SYSTEM PRESIDENT,  
CHANCELLORS, VICE CHANCELLORS AND UW SYSTEM SENIOR  
LEADERSHIP POSITIONS"**

**REQUESTED ACTION**

**Resolution E.** That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the attached revisions to Regent Policy Documents 20-28 and 20-27.

**SUMMARY**

The proposed revisions to Regent Policy Document (RPD) 20-28 are designed to streamline the process for establishing salary ranges and approving pay plan increases for senior leadership positions (Chancellors, Provosts, President, and Vice Presidents), revise the timing and methodology for calculating the salary ranges, and update the list of institutions used to benchmark these ranges.

The changes to RPD 20-27 are minor updates that would conform the language of that policy to the changes proposed for RPD 20-28.

**Presenter**

- Dan Chanen, Associate Vice President and Chief Human Resource Officer, Universities of Wisconsin

**BACKGROUND**

**Changes to the Peer Groups:**

The current salary peer institutions were identified by a 1985 Governor's Faculty Compensation Study Commission. For UW-Madison, the proposed revisions align the peer group to the current Big Ten peer list, both public and private institutions. The Big Ten

universities provide appropriate peers in terms of size, budget, and academics. Inclusion of private institutions within this list more accurately represents the market for these senior leadership positions. Moreover, UW-Madison has regular contact with these peer institutions through collaborations established in alignment with Big Ten membership, which further supports the use of these institutions as peers.

In addition, the Office of Policy and Research reviewed the peer institutions for UW-Milwaukee and UW comprehensive universities to determine whether the profiles of these institutions remained appropriate, and the peer groups were updated accordingly.

### **Changes to the Timing and Methodology:**

To ensure that the salary ranges for executive employees remain competitive, it is recommended that these ranges are updated annually. This is particularly important as there are on-going recruitments for executive leadership roles that require up-to-date data for posting new positions.

In addition, the policy revisions delete the requirement that the range mid-point be tied to the 95% of the median of peer institution salaries “to reflect the lower cost of living for Wisconsin as compared to other states.” This requirement lowers salary ranges and is detrimental to the universities’ ability to recruit for senior leadership positions.

### **Changes to the Approval Process:**

In order to streamline the annual creation of executive salary ranges, the proposed policy delegates to the Board President the authority to approve the salary range for the System President and to the System President the authority to approve the salary ranges for all other executive leadership roles in accordance with the peer groups and methodology provided in RPD 20-28.

The Board approves a pay plan recommendation for UW employees as part of each biennial budget request. To allow implementation of state-approved pay plan increases for senior executives at the same time as all other staff, the proposed policy also delegates to the Board President the authority to approve a pay plan increase for the System President, and to the System President the authority to approve pay plan increases for all other executive leadership roles. Merit and market salary increases for the System President and Chancellors will continue to require Board approval under the proposed policy.

Finally, the policy revisions delegate to the System President the authority and discretion to make base adjustments for Vice Presidents, within the established salary ranges, beyond the first six to nine months of their date of hire. This aligns the System President’s authority with the authority vested in Chancellors to adjust the pay for Provosts/Vice Chancellors.

## **ATTACHMENTS**

- A) Regent Policy Document 20-28 (Tracked Changes)
- B) Regent Policy Document 20-27 (Tracked Changes)

Regent Policy Document 20-28 (formerly 6-5)

# Executive Salary Structure

## Scope

This policy applies to the following senior executive positions within the University of Wisconsin System:

- System President;
- System Senior Vice Presidents;
- System Vice Presidents;
- Chancellors; and
- Provosts/Vice Chancellors (deputy).

## Purpose

The purpose of this policy is to provide the framework used by the UW System Board of Regents (Board) to determine the salary ranges for senior executive positions and the process for setting and approving the salaries of senior executives.

## Policy Statement

### I. Establishment of Salary Ranges

Salary ranges for senior executive positions will be based on an analysis of salaries paid by peer institutions for similar positions at comparable universities in other states.

The following peer groups, ~~identified by the 1984 Governor's Faculty Compensation Study Commission,~~ shall be used to determine the salary ranges for Chancellor and Provosts/Vice Chancellors (deputy) positions:

#### **UW-MADISON:**

UW-Madison will use Big Ten institutions as its peer group. The Big Ten peer group is:

~~University of California-Berkeley;~~ University of California-Los Angeles; University of Iowa; University of Maryland; University of Michigan-Ann Arbor; ~~University of Texas-Austin;~~ Ohio State University; Pennsylvania State University; Purdue University; Rutgers University; University of Illinois-~~Urbana-Champaign;~~ University of Minnesota-Twin Cities; Indiana University-Bloomington; Michigan State University; University of Washington-Seattle; University of Nebraska; University of Oregon; University of Southern California; Northwestern University.

**UW-MILWAUKEE:**

Rutgers University-Newark; State University of New York-Buffalo; University of Cincinnati; Georgia State University; University of Texas-Dallas; University of Illinois-Chicago; Wayne State University; Cleveland State University; University of Toledo; University of Akron; Temple University; University of Louisville; University of Missouri-Kansas City; ~~University of New Orleans.~~

**ALL OTHER UW INSTITUTIONS:**

Eastern Illinois University; Western Illinois University; Northeastern Illinois University; ~~Chicago State University;~~ Southern Illinois University-Edwardsville; University of Illinois-Springfield; ~~Indiana University-Northwest;~~ Indiana University-South Bend; Indiana University-Purdue University-Fort Wayne; University of Southern Indiana; Indiana University-Southeast; ~~Purdue University-Calumet;~~ University of Northern Iowa; Central Michigan University; Eastern Michigan University; Ferris State University; Grand Valley State University; Michigan Technological University; Northern Michigan University; Oakland University; Western Michigan University; Saginaw Valley State University; University of Michigan-Dearborn; University of Michigan-Flint; ~~Bemidji State University;~~ Minnesota State University-Mankato; Minnesota State University-Moorhead; St. Cloud State University; Winona State University; University of Minnesota-Duluth; ~~University of Akron;~~ Wright State University; Youngstown State University.

In addition, ~~UW~~ Chancellors have the authority to establish institution-specific peer groups if established peer groups do not completely address institutional needs. However, peer groups for the purpose of setting ranges for senior executive positions covered by this policy must be either those indicated in this policy or, if different, approved by the ~~UW~~ System President.

The following university systems, which are similar in size and composition, shall be used to determine the salary ranges for the System President, Senior Vice President, and Vice President positions: University of California, California State University System, State University of New York, City University of New York, University of North Carolina System, University of Florida System, University of Maryland System, and the University of Texas System.

The ~~mid-point~~ midpoint of each salary range will be set at ~~95% of~~ the peer median salary ~~to reflect the lower cost-of-living for Wisconsin as compared to other states.~~ The salary range will be 80% to 120% of the ~~salary range~~ midpoint as defined above and effective July 1 ~~of the ensuing biennium~~ each year.

~~After review of peer salary survey information, salary ranges shall be adopted for the ensuing biennium by resolution of a majority of the full membership of the Board of Regents in open session by roll call vote at a regularly scheduled meeting.~~

The Board delegates to the System President the authority to establish salary ranges for all senior executive positions, except for System President. The Board delegates to the Board President the authority to approve the salary range for the System President.

These salary ranges do not guarantee individual salary rates.- Individual salaries for ~~University of Wisconsin System~~ senior executives are based on numerous considerations at the time of hire and thereafter.

## II. Authority to Approve Salaries

Wis. Stat. § 36.09(1)(e) directs the Board ~~of Regents~~ to fix the salaries of each Chancellor.- The starting salary for the System President and Chancellors must be approved by the Board ~~of Regents~~ at the time of hire.- The System President shall set the starting salary for an interim Chancellor appointment, after consultation with the Board ~~of Regents~~ President and Vice President; Board approval is required for interim appointments only when the salary is outside the established salary range ~~approved by the Board of Regents~~.

The Board delegates to the System President the authority to set and approve the starting salary for newly hired Provosts/Vice Chancellors (deputy), Senior Vice Presidents, and Vice Presidents, provided the starting salary is within the established salary range ~~approved by the Board of Regents~~. The System President further delegates the authority to set and approve new and interim Provosts/Vice Chancellors (deputy) salaries to ~~UW~~ Chancellors, provided the salaries are within the established salary ranges ~~approved by the Board of Regents~~. ~~Approval of a salary at or above and do not exceed~~ 75% of the System President's salary ~~may not be further delegated~~.

~~Salary-Pay plan salary~~ increases for ~~the UW System President and~~ continuing Chancellors ~~will may be awarded and approved by the System President in conformance with the state-approved pay plan and approved by the System President~~. ~~SPay plan salary increases for the System President may be awarded and approved by the Board President~~ in conformance with the ~~state~~-approved pay plan ~~and approved by the Board of Regents President~~. ~~Salary increases for Chancellors and the System President that are awarded in conformance with an approved pay plan will have the same effective dates and be implemented~~ when salary increases are ~~considered implemented~~ for all other UW System employees. At any other time, the Board ~~of Regents~~ may authorize salary increases to correct a salary inequity or recognize performance or competitive factors as allowed by state statutes.

~~Salary-Pay plan salary~~ increases for continuing Senior Vice Presidents, Vice Presidents, and Provosts/Vice Chancellors (deputy) ~~will may~~ be awarded in conformance with the approved pay plan and approved by the System President.- In addition, the Board delegates to the System President the authority and discretion to make a base adjustment for these other senior executives provided that the increases are within the established salary ranges.

The System President further delegates to the ~~UW~~ Chancellors the authority to approve Provosts/Vice Chancellors' (deputy) pay plan and base adjustments, provided the increases are within the established salary ranges approved by the Board of Regents.- ~~Approval of a pay plan or base adjustment which is at or above and do not exceed~~ 75% of the System President's salary ~~may not be further delegated~~.

~~In addition, the Board delegates to the University of Wisconsin System President the authority and discretion to make a base adjustment up to a specified level within six to nine months of~~



~~the date of hire for the other senior executives. Exercise of the base salary increase is at the President's discretion based on the performance of the individual in his/her new position. This discretion provides the opportunity to reward outstanding performance during the initial period of employment.~~

## Oversight, Roles & Responsibilities

On behalf of the ~~University of Wisconsin~~ System President, the UW System Office of Human Resources is responsible for ~~biennially~~annually surveying and analyzing data from the established peer institutions and systems used to determine salary ranges for senior executive positions. The UW System Office of Human Resources is responsible for reporting salaries at or above 75% of the System President's salary to the System President on a quarterly basis and to the Board on an annual basis.

## Related Regent Policies and Applicable Laws

[Regent Policy Document 20-21](#)

[Regent Policy Document 20-27](#)

*History: Res. 5357, adopted 11/10/1989, created Regent Policy Document 89-7. Res. 6664, adopted 05/06/1994, rescinded and replaced Res. 5357 and created Regent Policy Document 94-4. Res. 8736, adopted 10/10/2003, amended Regent Policy Document 94-4, subsequently renumbered Regent Policy Document 6-5. Res. 9950, adopted 07/15/2011 and Res. 10283, adopted 10/11/2013, amended Regent Policy Document 6-5. Res. 11934, adopted 11/10/2022, amended Regent Policy Document 6-5 and renumbered the policy as Regent Policy Document 20-28.*

Regent Policy Document 20-27 *(formerly 6-4)*

# Selection Process for System President, Chancellors, Vice Chancellors and UW System Senior Leadership Positions

## Scope

This policy sets forth the protocol the Board of Regents has determined shall be followed for the selection of University of Wisconsin System senior leadership positions: chancellors of UW institutions, vice chancellors of UW institutions, UW System Senior Vice Presidents, Vice Presidents, the General Counsel, and the Chief Audit Executive, as well as interim appointees to these positions and the UW System President position.

## Purpose

The purpose of this policy is to implement s. 36.09(1)(e), Wis. Stats., authorizing the Board of Regents to appoint a president of the UW System, a chancellor for each UW institution, and other UW System leadership positions. This policy defines the roles and responsibilities of the Board of Regents and the System President, and the committees they appoint, when filling leadership positions in UW System Administration and at UW institutions.

## Policy Statement

The University of Wisconsin System Board of Regents considers the selection of the System President and UW institutional Chancellors to be among its most important duties and maintains a strong commitment to the principles of inclusivity and consultation with institutional and community representatives. To ensure effective leadership of the University of Wisconsin System, the following protocols are to be used:

### UW System President:

When a vacancy occurs or is imminent, the Regent President shall consult with the Regent Vice President and other members of the Executive Committee of the Board of Regents to determine the process the Board will use in selecting a new System President.

### Chancellors:

#### **1. SPECIAL REGENT COMMITTEE COMPOSITION:**

When a vacancy occurs or is imminent, the Regent President shall designate a Special Regent Committee consisting of at least three Regents to be involved in the selection process for a

replacement. The Regent President shall designate a chairperson of the Special Regent Committee.

## **2. CHANCELLOR QUALIFICATIONS:**

The Special Regent Committee shall confer with the UW System President and advise the System President of any special qualifications for the position that it believes should be considered. Members of the Special Regent Committee are encouraged to visit the UW institution and meet with students, faculty, staff, and other members of the campus community to familiarize themselves with the unique characteristics and needs of the institution. The Special Regent Committee shall work with the System President to produce a brief job description, taking into account the special characteristics of the institution at which the Chancellor would serve. The job description shall be inclusive and encourage applicants from various professional backgrounds and not require candidates for chancellor to have a terminal degree or the academic experience to be awarded tenure at the institution.

## **3. SEARCH AND SCREEN COMMITTEE COMPOSITION:**

The Search and Screen Committee shall be comprised of individuals knowledgeable of the duties and responsibilities of the position and broadly representative of the interests of the students, faculty, academic staff, university staff, administrators, community and friends of the institution and the interests of the UW System.

The members of the Special Regent Committee shall also serve as members of the Search and Screen Committee. The Regent President shall designate one of the Regents as chair.

The System President in consultation with the Regent President, and after consulting with members of the institution's governance groups and other members of the university community, shall appoint at least five non-Regent members of the committee to include at least: two faculty, one staff representative from the institution, one student, and one community and/or alumni member. The System President shall consider diversity, particularly as it relates to gender, race, and ethnicity, when making committee appointments.

The System President, in consultation with the Regent President and the chair of the Search and Screen Committee, shall designate one of the faculty committee members as the Search and Screen Committee vice chair.

It is essential that the members of the Search and Screen Committee be dedicated to a single objective—the identification and recommendation of the strongest possible candidates for a chancellorship of a University of Wisconsin institution.

## **4. SEARCH AND SCREEN COMMITTEE ROLE AND PROGRESS REPORTS:**

The Search and Screen Committee shall be provided with an opportunity to review and provide input on the job description prepared by the System President and the Special Regent Committee. After the Special Regent Committee finalizes the job description, the Search and Screen Committee shall conduct such interviews of semi-finalists as it deems appropriate, with at least one member of the Special Regent Committee in addition to the Search and Screen

Committee chair observing each of the semi-finalist interviews. The Search and Screen Committee shall make periodic progress reports to the Special Regent Committee and the System President and shall continue to provide feedback on candidates until such time as the committee is discharged by the System President.

## **5. IDENTIFICATION OF FINALISTS:**

The Search and Screen Committee shall subsequently provide a list recommending qualified individuals, in unranked order, along with an alphabetical list of all persons considered at a joint meeting of the Search and Screen Committee, the Special Regent Committee and the System President. The Search and Screen Committee may be asked to provide oral presentations on the candidates under consideration. If any of the names on the initial list presented by the Search and Screen Committee are not accepted by the Special Regent Committee, or if any of the recommended candidates withdraw from the search, then before the Search and Screen Committee is discharged, it may be asked to provide additional candidates from the list of persons considered as semi-finalists.

The Special Regent Committee shall determine the finalists who will be invited to continue in the selection process, with up to three being a typical number invited for interviews.

## **6. FINALIST INTERVIEWS:**

The Special Regent Committee, in conjunction with the System President, shall review all of the finalists, conduct interviews, work with the campus community to schedule campus visits for the finalists, and identify a candidate to recommend to the full Board of Regents.

## **7. BOARD OF REGENTS APPROVAL:**

The full Board shall approve the appointment, including salary.

### **Vice Chancellors:**

#### **1. PROCESS:**

When a vacancy occurs or is imminent, the chancellor shall determine the process to be used to select a new vice chancellor. A UW institution may not adopt a policy or rule, or use a position description or job advertisement, that requires a candidate for a vice chancellor position to have served as a UW System faculty member or as a faculty member at another institution of higher education, to have been granted tenure at a UW System institution or at another institution of higher education, or to hold the highest level of academic degree in a field of study or profession.

#### **2. POLICY ADOPTION:**

This Regent policy will supersede all institutional policies on the matter of academic and professional qualifications for vice chancellors.

## UW System Administration Senior Leadership Positions:

### 1. APPOINTMENT OF SEARCH AND SCREEN COMMITTEE:

When a vacancy occurs or is imminent, the System President shall appoint a Search and Screen Committee. For positions determined by the System President to involve a high degree of campus contact, the Search and Screen Committee may include faculty, staff, and/or student representatives.

### 2. SEARCH AND SCREEN COMMITTEE ROLE:

The Search and Screen Committee shall be provided with a job description prepared by the System President in consultation with the chair(s) of the appropriate standing committee(s) of the Board of Regents, depending on the duties and responsibilities of the vacant position. The Search and Screen Committee shall screen candidates and conduct such interviews as it deems appropriate.

### 3. IDENTIFICATION OF FINALISTS:

The Search and Screen Committee shall subsequently provide a list recommending qualified individuals, in unranked order, along with an alphabetical list of all persons considered. If any of the names on the initial list presented by the Search and Screen Committee are not accepted by the System President, or if any of the recommended candidates withdraws from the search, then before the Search and Screen Committee is discharged, it may be asked to provide additional candidates from the list of persons considered. In addition, the System President may identify as finalists up to two additional names from the list of persons considered by the Search and Screen Committee.

### 4. FINALIST INTERVIEWS:

The System President shall review all of the final candidates and conduct interviews. The System President shall fill the vacancy from among the candidates interviewed, and shall advise the appropriate Board standing committee of the person selected.

### 5. SALARY APPROVAL:

Board approval of the salary for senior leadership positions is not required unless the salary exceeds the ~~Board-approved~~established salary range.

### 6. APPOINTMENT:

In the case of the Chief Audit Executive, the appointment is made jointly by the System President and the Chair of the Board of Regents Audit Committee.

## Interim Appointments:

The procedure for selecting an interim System President is as follows:

**1. REGENT PRESIDENT'S AUTHORITY:**

When a vacancy occurs or is imminent, the Regent President may appoint an interim System President to serve until a permanent appointment is made.

**2. COMMITTEES NOT REQUIRED:**

Appointment of a Special Regent Committee or Search and Screen Committee is not required or expected for an interim appointment.

**3. REGENT PRESIDENT CONSULTATION:**

Prior to appointing an interim System President, the Regent President shall consult with the Vice President and other members of the Executive Committee of the Board of Regents. Such consultation shall include the length and salary of the interim appointment.

**4. LIMIT ON LENGTH OF APPOINTMENT:**

In determining the length of an interim appointment, the Regent President shall consider the circumstances of the vacancy and the best interests of the UW System. The length of an interim appointment for a System President may not exceed three years.

**5. ELIGIBILITY FOR PERMANENT APPOINTMENT:**

An interim appointee shall not be considered a candidate in the search process for the permanent position without advance written authorization from the Regent President permitting the interim appointee to participate as a candidate for the permanent position.

The procedure for selecting interim Chancellors and UW System Administration senior leadership positions is as follows:

**1. SYSTEM PRESIDENT'S AUTHORITY:**

When a vacancy occurs or is imminent, the System President may appoint an interim leader to serve until a permanent appointment is made. In the case of the Chief Audit Executive, the interim appointment is made jointly by the System President and the Chair of the Board of Regents Audit Committee.

**2. COMMITTEES NOT REQUIRED:**

Appointment of a Special Regent Committee or Search and Screen Committee is not required or expected for interim appointments; however, the System President is urged to consult with members of the university community where a chancellor vacancy is expected.

**3. SYSTEM PRESIDENT CONSULTATION:**

Prior to appointing an interim Chancellor, the System President shall consult with the Regent President and Regent Vice President. Prior to appointing interim senior leadership positions, the System President shall consult with the Regent President and Regent Vice President and with the chair of the appropriate standing committee(s) of the Board of Regents, as determined

by the duties of the position. Such consultation shall include the length and salary of the interim appointment.

#### 4. LIMIT ON LENGTH OF APPOINTMENT:

In determining the length of an interim appointment, the System President shall consider the circumstances of the vacancy and the best interests of the UW System. The length of an interim appointment for a Chancellor or senior leadership positions may not exceed three years.

#### 5. ELIGIBILITY FOR PERMANENT APPOINTMENT:

An interim appointee shall not be considered a candidate in the search process for the permanent position without advance written authorization from the Regent President permitting the interim appointee to participate as a candidate for the permanent position.

The procedure for selecting an interim Vice Chancellor is as follows: When a vacancy occurs or is imminent, the Chancellor may appoint an interim Vice Chancellor to serve until a permanent appointment is made.

## Oversight, Roles and Responsibilities

The Office of the Board of Regents and the UW System Office of Human Resources ~~and Workforce Diversity~~ are responsible for communicating search process requirements and working with the Regent President, Regents, and the System President to implement the procedures detailed in this policy.

*History: Res. 59, adopted 01/07/1972, established search and screen guidelines. Res. 325, adopted 11/03/1972, created Regent Policy Document (RPD) 72-18 and rescinded Res. 59. Res. 4034, adopted 04/08/1988, created RPD 88-2 and replaced RPD 72-18. Res. 5176, adopted 03/10/1989, created RPD 89-3 and amended RPD 88-2.*

*Res. 6636, adopted 04/08/1994; Res. 6932, adopted 05/05/1995; and Res. 8157, adopted 06/08/2000, amended Regent Policy Document 88-2, subsequently renumbered as RPD 6-4.*

*Res. 9811, adopted 08/20/2010; Res. 10517, adopted 06/05/2015; Res. 10933, adopted 10/05/2017; and Res. 11732, adopted 11/04/2021, amended RPD 6-4.*

*Res. 11934, adopted 11/10/2022, renumbered Regent Policy Document 6-4 to Regent Policy Document 20-27*

**UNIVERSITY OF WISCONSIN SYSTEM TRUST FUNDS  
QUARTERLY INVESTMENT REPORT AS OF JUNE 30, 2024**

**REQUESTED ACTION**

No action is required; this item is for information only.

**SUMMARY**

Trust Funds Quarterly Investment Review

As of June 30, 2024, UW System Trust Funds assets totaled \$620.0 million, comprised of \$578.1 million in the Long Term (endowment) Fund and \$41.9 million in the Income Cash Fund (a component of the State Investment Fund). Cash flows into/out of the State of Wisconsin Investment Board (SWIB)-managed portfolios for the period included a \$5,719,404 distribution from the Long Term Fund. \$176,645 was distributed from the SWIB-managed funds for payment of fees.

Large-cap U.S. equities performed strongly during the second quarter. The S&P 500 continued to notch new all-time highs, pushing the index above 5,450 points in June. Investor optimism from better-than-expected earnings in AI-related technology stocks helped continue the rally in the large-cap market.

For the quarter ended June 30, 2024, the well-diversified Long Term Fund returned +1.76% (net of fees), performing in-line with its benchmark. The Income Cash Fund returned +1.35% for the period.

Intermediate Term Fund (ITF) Quarterly Investment Review

The U.S. economy again added slightly more jobs than expected in June, though the unemployment rate unexpectedly climbed to 4.1%. This figure is tied for the highest level since October 2021 and provides a conflicting sign for Federal Reserve officials weighing their next move on monetary policy. At their most recent meeting, Federal Reserve policymakers indicated they need to see more progress on inflation before lowering interest rates, while noting that a strong economy and, in particular, a solid labor market lessen the urgency to act anytime soon. Inflation remains around 2.5% based on the Fed's preferred gauge (PCE), still regarded as elevated by policymakers but edging towards a



point where that may no longer be the case. Broader economic growth appears to be slowing. U.S. GDP increased 1.4% on a year-over-year basis in the first quarter and is forecasted to grow by 1.5% in the second quarter, according to the Atlanta Fed.

Rates continued to climb higher through the month of April, but this trend reversed later in the second quarter. The bellwether Bloomberg U.S. Aggregate Bond Index returned 0.1% during the quarter and has notched a -0.7% return on a calendar year-to-date basis. Spread sectors widened slightly in the second quarter. Market breadth in U.S. equities narrowed in the quarter, as large-cap growth equities (as measured by the Russell 1000 Growth Index) advanced 8.3%, while small-cap value equities (as measured by the Russell 2000 Value Index), returned -3.6%. Results during the quarter were mixed across the international equity spectrum. Emerging market equities posted stronger returns than their developed counterparts, with the MSCI Emerging Markets Index returning 5.0% for the quarter while the MSCI EAFE Index fell by 0.4%. The global equity market returned 2.9% for the quarter.

As of June 30, 2024, the ITF assets totaled \$696 million. For the quarter ended June 30, the ITF returned +1.1% (net of fees), performing in-line with its benchmark (+1.1%).

**Presenter:**

- Charles Saunders, Chief Investment Officer, Office of Trust Funds

**BACKGROUND**

Attachment A, the UW System Trust Funds Quarterly Investment Review, prepared by the State of Wisconsin Investment Board (SWIB), provides the following information: 1) an overview and summary of total Trust Funds assets, investment performance, and cash flows to/from the SWIB-managed portfolios for the period; 2) a market discussion and commentary section; 3) market overview indicators; 4) asset allocation information; 5) more detailed investment performance information at the overall Fund as well as individual asset class levels; and 6) in the appendix, detailed “fact sheets” for each of the BlackRock common trust index funds, which have been selected by SWIB to provide for Trust Funds’ investments in public markets.

Attachment B, the UW System Intermediate Term Fund Quarterly Investment Review, prepared by Marquette Associates, provides the following information: 1) a market discussion and commentary section; and 2) an overview and summary of the Intermediate Term Fund (ITF) assets and investment performance, asset allocation information, and more detailed investment performance information of the ITF as well as individual asset class levels and detailed characteristics for each of the ITF’s investments.

## **ATTACHMENTS**

- A) University of Wisconsin System Trust Funds Quarterly Investment Review as of June 30, 2024
- B) University of Wisconsin System Intermediate Term Fund Quarterly Investment Review as of June 30, 2024



## University of Wisconsin System Trust Funds



### Quarterly Investment Review June 30, 2024

## UW System Trust Funds: Overview and Investment Summary

Quarter Ended June 30, 2024

### **Investment Objective**

To achieve, net of administrative and investment expenses, reasonable, attainable and sustainable returns over and above the rate of inflation. SWIB seeks to achieve this objective through the use of passive, externally-managed, public markets funds.

### **Market Values as of June 30, 2024**

|   |                      |
|---|----------------------|
| Total Public Market Assets <sup>1</sup>                           | \$511,611,206        |
| Total Legacy Private Market Assets <sup>1</sup>                   | \$66,540,482         |
| Other Cash and Accruals <sup>2</sup>                              | \$2,473              |
| <b>Total UW System Long Term Fund<sup>1</sup></b>                 | <b>\$578,154,161</b> |
| <b>Income Cash Fund (State Investment Fund 'SIF')<sup>3</sup></b> | <b>\$41,921,000</b>  |

*1 Market values are calculated net of external management fees.*

*2 Other Cash and Accruals include custody & middle office fees, SWIB internal management fees, fund-level STIF cash, STIF interest and other pass through fees that either accrue until paid or are pre-paid. Balances vary intra-month and can cross into new quarters.*

*3 Data is sourced from the Quarter End Pool Sheets provided by the DOA and represents the monies available in UW Funds 161 and 162 (STAR account(s) 51100 and 51200).*

### **Performance for Quarter Ended June 30, 2024**

|   | Apr-24 | May-24 | Jun-24 | 3 Months |
|---|--------|--------|--------|----------|
| UW System Long Term Fund (Gross of Fees)                | -2.33% | 2.66%  | 1.51%  | 1.78%    |
| UW System Long Term Fund (Net of All Fees) <sup>4</sup> | -2.33% | 2.65%  | 1.51%  | 1.76%    |
| UW Fund Custom Benchmark                                | -2.37% | 2.63%  | 1.52%  | 1.73%    |

*4 Returns are calculated net of external management fees.*

### **Contributions/Withdrawals for Quarter Ended June 30, 2024**

|   |               |
|---|---------------|
| UW System Long Term Fund - Public Markets <sup>5</sup>  | (\$4,453,213) |
| UW System Long Term Fund - Private Markets <sup>6</sup> | (\$1,266,191) |
| UW System Long Term Fund Contributions for Fees         | \$0           |
| UW System Long Term Fund Fees Expensed <sup>7</sup>     | (\$176,645)   |

*5 Amount represents the net of new contributions and withdrawals by UWS, including endowment spending distributions, assessment of UWS internal fees, as well as reallocations among the public and private market portfolios.*

*6 Distributions from StepStone and other private market underlying funds are net of external investment management fees paid.*

*7 Fees expensed can include external and internal management fees, custody & middle office fees, and other pass through fees accrued and paid from both the public and private market accounts.*

## **Performance and Market Discussion**

For the quarter ended June 30th, the UW investment portfolio returned +1.78%, performing in-line with its benchmark.

### **Equity Performance**

The domestic U.S. market, as represented by the Russell 3000 Index, finished the quarter with a positive return of 3.22%.

Large-cap U.S. equities performed strongly during the second quarter. The S&P 500 continued to notch new all-time highs, pushing the index above 5,450 points in June. Investor optimism from better-than-expected earnings in AI-related technology stocks helped continue the rally in the large-cap market.

During the month of April, the CPI climbed 0.3% from March and proceeded to remain flat at 0.00% from April to May. Additionally, the unemployment rate increased from 3.9% in April to 4.0% in May. These metrics alongside other positive economic growth indicators, led the U.S. Federal Reserve to keep rates unchanged throughout the second quarter of 2024. Expectations of rates cuts, which at the beginning of the year were several, dropped to just one cut before the end of the year. As a result, small-cap equities did not enjoy a similar rally during 2Q showcasing the fallout from dashed interest rate cut expectations.

From a sector perspective, Information Technology (12.32%), Communication Services (9.18%), and Utilities (4.55%) were the best performers, whereas Materials (-5.08%), Industrials (-3.36%), and Energy (-2.11%) were the top laggards.

Developed market equities, as represented by the MSCI World ex U.S. Index, finished the second quarter of 2024 returning -0.36% over the three-month period.

The European Parliament held elections at the beginning of June. Results demonstrated a continued drift to the right for the continent, as Euroskeptic members increase their numbers in the legislative body. Upcoming elections in France and the United Kingdom, provided further room for potential political instability to manifest.

The European Central Bank (ECB) initially held rates steady in April at 4.00%. This decision largely matched investor expectations. Although inflationary metrics did not yield resolute movement toward a 2.00% inflation target, the ECB decided in May to drop rates by 25 bps.

The Bank of England held the Bank Rate steady at 5.25% during the second quarter. The Bank said that although headline CPI in the UK had fallen back to the 2.00% target in the May report, elevated rates were still required to address elevated indicators of inflation persistence.

In May, the Japanese Yen fell to a 38-year low relative to the US dollar. This year, Japan has seen an increase in tourism, but when accounting for the fact that the country imports almost all its energy, the weak yen has made imports significantly more expensive, complicating the effects of the weaker currency. The Bank of Japan raised rates for the first time since 2007 in April, pushing rates from -0.1% to 0.0 – 0.1%. In June, the Bank of Japan decided to hold rates steady, as core inflation remained above the Bank's 2.00% target.

### **Fixed Income Performance**

The Bloomberg US Government Credit Index posted a return of 0.05% and the Bloomberg Intermediate US Government Credit Index posted a return of 0.64% during the second quarter. The Conference Board Consumer Confidence Index declined moderately during the month from 101.3 in May to 100.4 in June. The Present Situation Index increased to 141.5 points up from 140.8 points in May. The expectations index saw an opposite trend, declining to 73.0 points from 74.9 points in May. The expectations index has remained below 80 for the 5th consecutive month, which typically indicates an impending recession. This month, consumers showed varied reactions. They felt slightly better about the present, mainly due to a rise in positive views on the current job market. However, their opinion on current business conditions declined. On the future outlook, consumers were less negative about the labor market for the second consecutive month, but their expectations for future income and business conditions deteriorated, leading to a lower overall Expectations Index. In June, confidence retreated slightly but stayed within the narrow range seen over the past two years. The ongoing strength in current labor market perceptions continued to balance out future concerns. However, should significant labor market weaknesses emerge, confidence might decline as the year unfolds.

### **Inflation Sensitive Performance**

In Q2, the US TIPS Index produced total returns of 0.79%. Inflation expectations modestly decreased for the month of June in the U.S, 10-year real rates increased by ~5bps, while 10-year nominal rates increased by ~1bps. The greater movement in real rates relative to nominal rates, resulted in a ~5bps decrease in breakeven levels. The month of June witnessed a slew of unexpected economic turns and showcased ongoing signs of softening across an otherwise robust economic landscape. May's CPI data surprised to the downside for the second month in a row, with headline CPI coming in flat for the month, bringing the annual rate down to ~3.3%. Core CPI also surprised on the downside, with a monthly increase of ~0.16%, the lowest since August 2021, resulting in an annual rate of ~3.4%. This was largely driven by significant drops in airfare prices and modest declines in motor vehicle insurance costs. Overall, shelter inflation remains sticky while goods inflation ran at its lowest level (-1.7% YoY ) since 2004.

## UW System Trust Funds: Market Discussion & Commentary

Quarter Ended June 30, 2024

Following the CPI print, May witnessed a notable increase in Nonfarm Payrolls, which significantly exceeded expectations, coming in at ~272k MoM versus the anticipated ~180k MoM. This led rates to move higher, after a subsequent rally in rates following the CPI print. This is generally what led rates higher before the subsequent rally after the CPI print. Continuing on the employment side, the unemployment rate ticked higher to ~4.0% and average hourly earnings surprised to the upside. Rates reversed course once more following hawkish tones from the FOMC meeting initiating a rates sell off. Following the downside surprise in CPI data, The Producer Price Index (PPI) declined by about 0.3% below consensus, registering at approximately ~-0.2% month-over-month (MoM) and 2.3% year-over-year (YoY). The softer PPI figures indicate a continued easing of inflationary pressures, in line with May's subdued Consumer Price Index (CPI) readings. The Core PPI print similarly surprised to the downside, ending at roughly ~0.0% MoM and ~2.3% YoY. At June's FOMC meeting in the second week of the month, the committee unanimously decided to keep Federal Funds rates between 5.25%-5.5%, awaiting more confidence in inflation trends. Chair Powell emphasized the need for prolonged high rates, reflected in upward revisions to long-term rate estimates in the SEP projections, with inflation expected to remain above the 2% target through the end of 2025. At the beginning of the month, employment data showed notable softening, with ADP Employment Change figures coming in below consensus at approximately 152k month-over-month, signaling a pullback in job opportunities in the U.S. labor market. Towards the middle of the month, employment data continued to show signs of weakening with Initial Jobless Claims significantly exceeding expectations at 242k week-over-week (WoW), and Continuing Claims also surpassing consensus at ~1.795M WoW at approximately ~1.82 million WoW. Labor market data continued on the softening trajectory, with Continuing Claims and Initial Jobless Claims continued to surprise to the downside, finishing out the month above expectations at ~1.83M WoW and ~238k WoW. Despite signs of gradual softening, the labor market remained resilient, supporting the unexpected May inflation data. On the production and manufacturing side, the ISM Manufacturing Index fell short of expectations in May, printing at approximately 48.7 points month-over-month, indicating a significant slowdown in manufacturing activity. Conversely, the ISM Services Index exceeded expectations, coming in at about 53.8 points month-over-month, signaling overall growth in the service sector. The S&P Purchasing Managers' Index (PMI) figures aligned with expectations: Manufacturing PMI at roughly 51.3 points month-over-month, Services PMI at about 54.8 points month-over-month, and Composite PMI at around 54.5 points month-over-month. On the consumer front, towards the middle of the month, Retail Sales Advances came in slightly below expectations at ~0.1% MoM, demonstrating a slight reduction in consumer spending, followed by a modest decline in Consumer Confidence at the end of the month, further pointing to less robust economic expansion than witnessed over the previous month.

Global REITs contracted another 2.4% in Q2 2024 after falling by 1.1% in Q1 of 2024 to start the year. Global REITs performance came in below both the FTSE Developed Index (+2.6%) and MSCI World Index in Q2 (+2.8%). As of 6/30/2024, global REITs had a dividend yield of 4.21%, compared to 1.80% for both the FTSE Developed Index and the MSCI World Index.

US REITs\*\* also saw a modest decline of -0.9% in Q2 2024, continuing the underperformance from Q1 2024 (-1.1%). This compares to a +4.3% gain in the S&P 500 Index and a -3.3% pullback in the Russell 2000 Index. As of 6/30/2024 US REITs had a trailing 12-month dividend yield of 4.13% which was more than double the trailing 12-month dividend yields of the S&P 500 Index and Russell 2000 Index, which were 1.27% and 1.44%, respectively.

## UW System Trust Funds: Market Discussion & Commentary

Quarter Ended June 30, 2024

REIT performance in Q2 varied significantly across sectors with Apartment REITs (+11.8%) and Health Care REITs (+11.5%) leading gains, while Timberland REITs (-18.6%) and Industrial REITs (-10.6%) contracted most.<sup>1</sup> Dispersion across REITs sectors increased in Q2 compared to Q1 2024. Although expectations of loosening central bank policy in 2024 buoyed REITs in Q4 of 2023, sticky inflation and the pushing out of rate cuts hurt REIT performance January through April. May and June saw a reversal of the downward trend, with both months delivering positive REIT returns as a H2 2024 Fed rate cut becomes increasingly likely. The yield on the 10-Year U.S. Treasury has risen 48 basis points since the end of 2023.

### Asset Allocation

Public Markets allocations ended the quarter with 62.4% in equities, versus a target of 57.0%; 17.6% in fixed income versus a target of 20%; and 20.0% in inflation sensitive assets versus a target of 23.0%.



## UW System Trust Funds: Market Overview

Quarter Ended June 30, 2024

| Economic Indicators                  | Quarter<br>Ending | YTD   | 1 Year | 3 Year | 5 Year | 10 Year |
|--------------------------------------|-------------------|-------|--------|--------|--------|---------|
| US CPI - U All Urban Consumers Index | 0.59%             | 2.42% | 2.97%  | 4.96%  | 4.17%  | 2.80%   |

*\* All returns and growth rates greater than 1 year are annualized.*

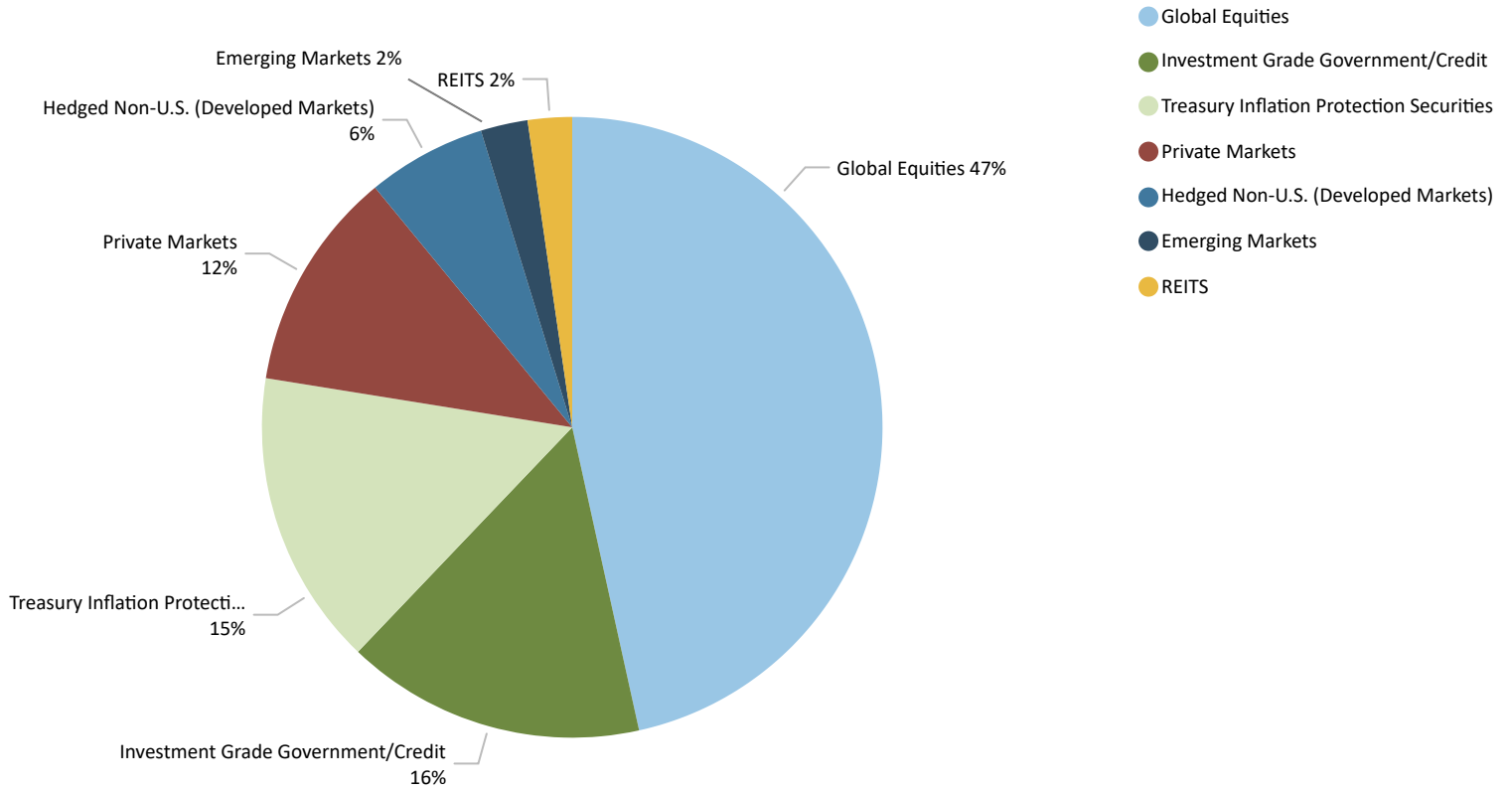
| Market Indicators  | Quarter<br>Ending | YTD    | 1 Year | 3 Year | 5 Year | 10 Year |
|--|-------------------|--------|--------|--------|--------|---------|
| U.S. Large Cap Stocks (S&P 500 Index)                          | 4.28%             | 15.29% | 24.56% | 10.01% | 15.05% | 12.86%  |
| U.S. Small Cap Stocks (Russell 2000 Index)                     | -3.28%            | 1.73%  | 10.06% | -2.58% | 6.94%  | 7.00%   |
| U.S. Broad Market Stocks (Russell 3000 Index)                  | 3.22%             | 13.56% | 23.13% | 8.05%  | 14.14% | 12.15%  |
| International Stocks (MSCI World ex US Index)                  | -0.60%            | 4.96%  | 11.22% | 2.82%  | 6.55%  | 4.27%   |
| International Stocks - Local Currency (MSCI World ex US Index) | 0.78%             | 10.47% | 14.78% | 7.83%  | 8.90%  | 7.28%   |
| Emerging Markets Stocks (MSCI EM Net Index)                    | 5.00%             | 7.49%  | 12.55% | -5.07% | 3.10%  | 2.79%   |
| Global Stocks (MSCI ACWI Net Index)                            | 2.38%             | 10.28% | 18.40% | 4.70%  | 10.36% | 8.17%   |
| Government/Credit (Bloomberg Barclays Capital Gov/Credit)      | 0.05%             | -0.68% | 2.74%  | -3.11% | -0.07% | 1.51%   |
| U.S. TIPS (Bloomberg Barclays U.S. TIPS Index)                 | 0.79%             | 0.70%  | 2.71%  | -1.33% | 2.07%  | 1.91%   |
| Real Estate (FTSE EPRA/NAREIT Developed Net Index)             | -2.43%            | -3.70% | 4.54%  | -4.77% | -0.69% | 2.04%   |

*\* All returns and growth rates greater than 1 year are annualized.*

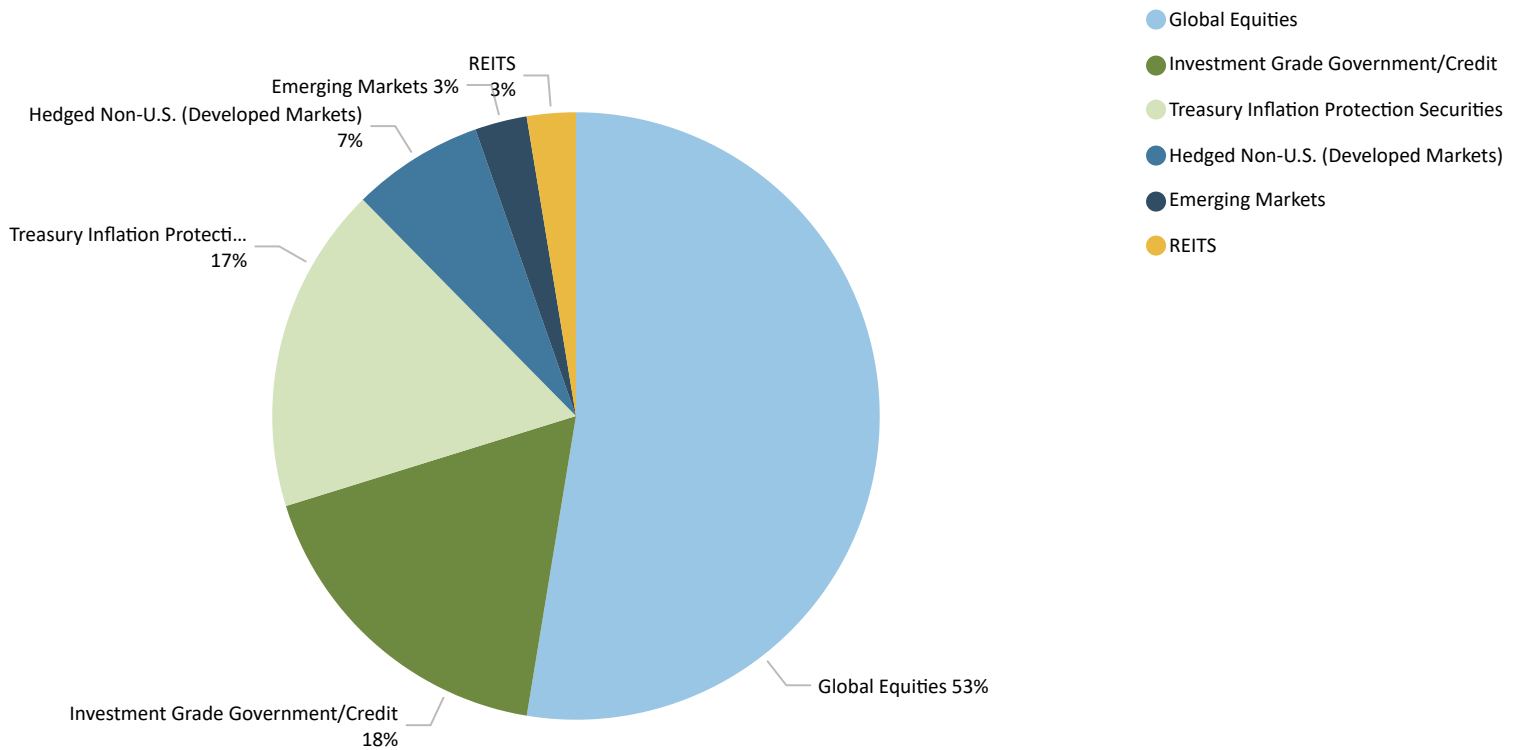
## UW System Trust Funds: Asset Allocation

Quarter Ended June 30, 2024

### UW System Long Term Fund



### UW System Long Term Fund - Public Markets Only



\* Asset Class Allocation percentages are derived using the Net of Fee market value. Sum of asset class market values may not equal total level Net of Fee market value due to the exclusion of fund level other cash and accruals. Excluded amount is immaterial.

## UW System Trust Funds: Actual Versus Target Asset Allocation

Quarter Ended June 30, 2024

| Asset Class/Strategy                                   | Current Allocation (\$) | Current Allocation (%) | Target Allocation (%) | Min./Max. Guidelines |
|--|-------------------------|------------------------|-----------------------|----------------------|
| <b>Total Public Markets</b>                            | <b>\$511,611,206</b>    | <b>100.0%</b>          | <b>100.0%</b>         |                      |
| <b>Public Equities</b> <sup>1</sup>                    | <b>\$319,114,364</b>    | <b>62.4%</b>           | <b>57.0%</b>          | 51-63%               |
| <b>Global Equities</b>                                 | <b>\$269,079,903</b>    | <b>52.6%</b>           | <b>48.0%</b>          | <b>44-52%</b>        |
| <b>Hedged Non-U.S. Equities (Developed Markets)</b>    | <b>\$35,868,589</b>     | <b>7.0%</b>            | <b>6.0%</b>           | 5-7%                 |
| <b>Emerging Markets Equities</b>                       | <b>\$14,165,872</b>     | <b>2.8%</b>            | <b>3.0%</b>           | <b>2-4%</b>          |
| <b>Fixed Income</b>                                    | <b>\$90,121,853</b>     | <b>17.6%</b>           | <b>20.0%</b>          | <b>18-22%</b>        |
| <b>Investment Grade Government/Credit</b>              | <b>\$90,121,853</b>     | <b>17.6%</b>           | <b>20.0%</b>          | <b>18-22%</b>        |
| <b>Inflation Sensitive</b>                             | <b>\$102,374,988</b>    | <b>20.0%</b>           | <b>23.0%</b>          | <b>20-26%</b>        |
| <b>TIPS (Treasury Inflation Protection Securities)</b> | <b>\$89,059,839</b>     | <b>17.4%</b>           | <b>20.0%</b>          | <b>18-22%</b>        |
| <b>REITS (Real Estate Investment Trusts)</b>           | <b>\$13,315,150</b>     | <b>2.6%</b>            | <b>3.0%</b>           | <b>2-4%</b>          |
| <b>Private Markets</b> <sup>2</sup>                    | <b>\$66,540,482</b>     |                        |                       |                      |
| Terrace Holdings II                                    | \$66,540,482            |                        |                       |                      |
| <b>Other Cash and Accruals</b> <sup>3</sup>            | <b>\$2,473</b>          |                        |                       |                      |
| <b>Long Term Fund Total Assets</b> <sup>4</sup>        | <b>\$578,154,161</b>    | -----                  | -----                 |                      |

<sup>1</sup> There is a statutory limitation of 85% maximum exposure to public equities. (§36.29)

<sup>2</sup> Private Markets is not included in the target allocation. The Terrace Holdings II Fund comprises private equity funds of J.P. Morgan, Adams Street Partners, and a TRG Forestry Fund.

<sup>3</sup> Other Cash and Accruals include custody & middle office fees, SWIB internal management fees, fund-level STIF cash, STIF interest and other pass through fees that either accrue until paid or are pre-paid. Balances vary intra-month and can cross into new quarters.

<sup>4</sup> Market values are calculated net of external management fees.

### Rebalancing Policy:

The asset allocation of fund investments shall be reviewed at the end of each quarter. Quarterly net capital flows to/from the UW System shall be utilized to rebalance toward the target allocations. If the allocation by asset class falls outside the rebalance range following quarterly cash flows, assets will be systematically rebalanced back to the target allocation as soon as practicable and in any event prior to the next quarterly net capital flows. Only the Public Markets allocations will be included in any rebalancing. The legacy Private Markets investments will receive additional inflows based only upon past commitments. No new commitments will be made to private markets. Eventually the legacy Private Markets investments will self-liquidate as distributions are made from existing funds without any new commitments.

### Guidelines

Current SWIB Guidelines for UW can be found at <https://www.swib.state.wi.us/statutes-guidelines> under Board of Trustees State Investment Fund & Separately Managed Funds Investment Guidelines.

## UW System Trust Funds: Investment Performance Analysis

Quarter Ended June 30, 2024

Performance results for the UW System Long Term Fund are shown below, both graphically and in table format.

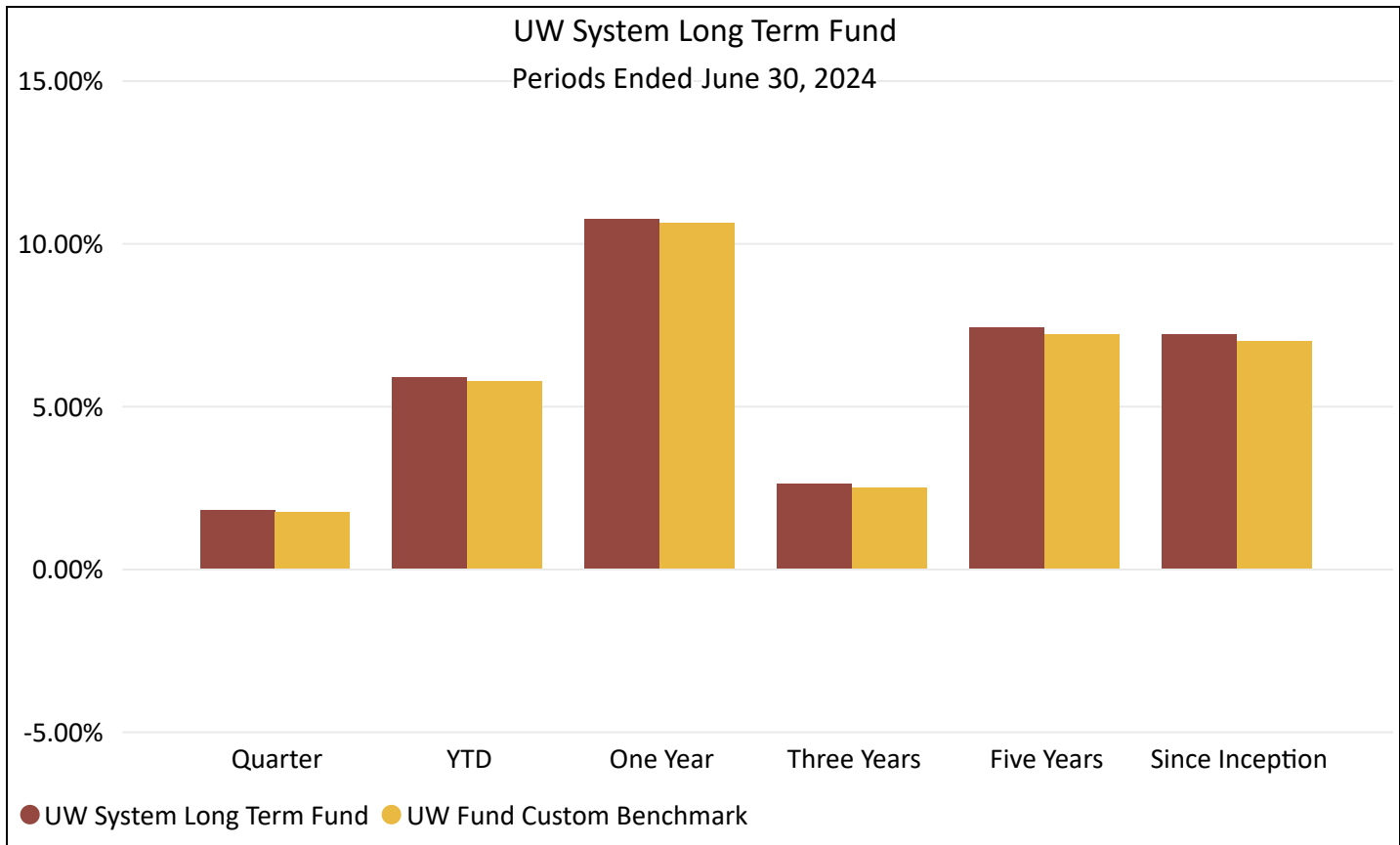
| Fund and Benchmark Performance Data | Quarter Ending | Year to Date | One Year | Three Years | Five Years | Since Inception |
|-------------------------------------|----------------|--------------|----------|-------------|------------|-----------------|
| UW System Long Term Fund            | 1.78%          | 5.85%        | 10.73%   | 2.60%       | 7.39%      | 7.20%           |
| UW Fund Custom Benchmark            | 1.73%          | 5.76%        | 10.60%   | 2.48%       | 7.18%      | 6.96%           |
| CPI + Spending Rate <sup>3</sup>    | 1.58%          | 4.44%        | 7.08%    | 9.14%       | 8.32%      | 7.89%           |
| Income Cash Fund (SIF) <sup>4</sup> | 1.35%          | 2.71%        | 5.50%    | 3.15%       | 2.19%      | 2.20%           |

*1 The UW System Long Term Fund's return is a gross of fees return. Inception date is 4/1/2018.*

*2 The "UW Fund Custom Benchmark" is asset weighted using the UW Public Equity Benchmark, the Bloomberg U.S. Gov't/Credit Index, the Inflation Sensitive Benchmark, and the net Terrace Holdings II returns. The Bloomberg U.S. Gov't/Credit Index, and the Bloomberg Barclays U.S. TIPS Index are gross returns. All other benchmark components are net returns (net of fees or tax withholdings on dividends). The Private Markets Benchmark change has been approved by both the Investment and Benchmark Committees.*

*3 The annual spending rate is 4.0% and the change in CPI is used as the inflation indicator.*

*4 Relevant to the extent recipients have allocated a portion of their funds to the Income Cash Fund (SIF). The Income Cash Fund (SIF) is used for receiving spending distributions from the Long Term Fund. UW investment account holders may also allocate a portion of their expendable principal to this fund.*



## UW System Trust Funds: Fund and Benchmark Performance Data by Asset Class

Quarter Ended June 30, 2024

| Asset Class/Strategy   | Quarter       | YTD           | One Year      | Three Years   | Since Inception |
|--|---------------|---------------|---------------|---------------|-----------------|
| <b>UW System Long Term Fund</b>  |               |               |               |               |                 |
| Gross of Fees  | 1.78%         | 5.85%         | 10.73%        | 2.60%         | 7.20%           |
| Net of Fees  | 1.78%         | 5.84%         | 10.71%        | 2.57%         | 7.16%           |
| Net of All Fees  | 1.76%         | 5.81%         | 10.65%        | 2.51%         | 7.10%           |
| <b>UW Fund Custom Benchmark<sup>1</sup></b>                                      | <b>1.73%</b>  | <b>5.76%</b>  | <b>10.60%</b> | <b>2.48%</b>  | <b>6.96%</b>    |
| <b>Public Equities</b>   |               |               |               |               |                 |
| Gross of Fees  | 2.51%         | 10.49%        | 18.38%        | 5.10%         | 9.13%           |
| Net of Fees  | 2.51%         | 10.47%        | 18.35%        | 5.08%         | 9.10%           |
| <b>UW Public Equity Benchmark<sup>2</sup></b>                                    | <b>2.45%</b>  | <b>10.40%</b> | <b>18.16%</b> | <b>4.91%</b>  | <b>8.90%</b>    |
| <b>Blackrock MSCI ACWI Index Fund B<sup>3</sup></b>                              |               |               |               |               |                 |
| Gross of Fees  | 2.49%         | 10.42%        | 18.70%        | 5.03%         | 9.47%           |
| Net of Fees  | 2.48%         | 10.41%        | 18.68%        | 5.01%         | 9.45%           |
| <b>MSCI ACWI IM Net Index</b>  | <b>2.38%</b>  | <b>10.28%</b> | <b>18.40%</b> | <b>4.70%</b>  | <b>9.10%</b>    |
| <b>Blackrock EAFE Currency Hedged Equity Index Fund B<sup>3</sup></b>            |               |               |               |               |                 |
| Gross of Fees  | 1.77%         | 12.31%        | 18.29%        | 10.80%        | 10.45%          |
| Net of Fees  | 1.76%         | 12.29%        | 18.25%        | 10.76%        | 10.40%          |
| <b>MSCI EAFE Net 100% USD Hedged Index</b>                                       | <b>1.70%</b>  | <b>12.39%</b> | <b>18.48%</b> | <b>10.79%</b> | <b>10.40%</b>   |
| <b>Blackrock Emerging Markets Free Fund B<sup>3</sup></b>                        |               |               |               |               |                 |
| Gross of Fees  | 5.12%         | 7.42%         | 12.18%        | -5.27%        | 1.13%           |
| Net of Fees  | 5.10%         | 7.37%         | 12.07%        | -5.35%        | 1.06%           |
| <b>MSCI Emerging Markets Net Dividend Index</b>                                  | <b>5.00%</b>  | <b>7.49%</b>  | <b>12.55%</b> | <b>-5.07%</b> | <b>1.31%</b>    |
| <b>Fixed Income</b>  |               |               |               |               |                 |
| <b>Blackrock Government/Credit Bond Index Fund B<sup>3</sup></b>                 |               |               |               |               |                 |
| Gross of Fees  | 0.11%         | -0.56%        | 2.82%         | -2.99%        | 1.35%           |
| Net of Fees  | 0.11%         | -0.57%        | 2.80%         | -3.01%        | 1.33%           |
| <b>Bloomberg Barclays U.S. Government/Credit Bond Index</b>                      | <b>0.05%</b>  | <b>-0.68%</b> | <b>2.74%</b>  | <b>-3.11%</b> | <b>1.21%</b>    |
| <b>Inflation Sensitive</b>   |               |               |               |               |                 |
| Gross of Fees  | 0.50%         | 0.38%         | 3.22%         | -1.60%        | 2.81%           |
| Net of Fees  | 0.50%         | 0.37%         | 3.20%         | -1.62%        | 2.79%           |
| <b>Inflation Sensitive Benchmark<sup>4</sup></b>                                 | <b>0.38%</b>  | <b>0.15%</b>  | <b>3.06%</b>  | <b>-1.66%</b> | <b>2.56%</b>    |
| <b>Blackrock U.S. Treasury Inflation Protected Securities Fund B<sup>3</sup></b> |               |               |               |               |                 |
| Gross of Fees  | 0.91%         | 0.95%         | 2.89%         | -1.21%        | 2.73%           |
| Net of Fees  | 0.91%         | 0.95%         | 2.88%         | -1.22%        | 2.72%           |
| <b>Bloomberg Barclays U.S. TIPS Index, Series L</b>                              | <b>0.79%</b>  | <b>0.70%</b>  | <b>2.71%</b>  | <b>-1.33%</b> | <b>2.55%</b>    |
| <b>Blackrock Developed Real Estate Index Fund B<sup>3</sup></b>                  |               |               |               |               |                 |
| Gross of Fees  | -2.16%        | -3.27%        | 5.48%         | -3.94%        | 2.28%           |
| Net of Fees  | -2.18%        | -3.31%        | 5.40%         | -4.01%        | 2.20%           |
| <b>FTSE EPRA/NAREIT Developed Net Index</b>                                      | <b>-2.43%</b> | <b>-3.70%</b> | <b>4.54%</b>  | <b>-4.77%</b> | <b>1.44%</b>    |
| <b>Private Markets</b>   |               |               |               |               |                 |
| <b>Terrace Holdings II<sup>5</sup></b>   |               |               |               |               |                 |
| Gross of Fees  | 2.73%         | 2.73%         | 1.54%         | 4.16%         | 11.15%          |
| Net of Fees  | 2.73%         | 2.73%         | 1.54%         | 4.16%         | 11.05%          |
| <b>UW Private Equity Benchmark<sup>6</sup></b>                                   | <b>2.73%</b>  | <b>2.73%</b>  | <b>1.54%</b>  | <b>4.16%</b>  | <b>11.05%</b>   |

\* Net of Fee Returns are net of accrued external manager fees (e.g. BlackRock fees). Net of All Returns are net of SWIB internal and external investment management fees, custody & middle office fees, and other pass through fees accrued and paid. Returns are gross of internal UW fees. All Funds have an inception date of 04/01/2018.

1 The "UW Fund Custom Benchmark" is asset weighted using the UW Public Equity Benchmark, the Bloomberg U.S. Gov't/Credit Index, the Inflation Sensitive Benchmark, and the net Terrace Holdings II returns. The Bloomberg U.S. Gov't/Credit Index, and the Bloomberg Barclays U.S. TIPS Index are gross returns. All other benchmark components are net returns (net of fees or tax withholdings on dividends).

2 The "UW Public Equity Benchmark" is comprised of 84% MSCI ACW IM Net Index, 11% MSCI EAFE Net 100% USD Hedged Index, and 5% MSCI Emerging Markets Net Index.

3 Effective 3Q 2021, the valuation frequency for Blackrock mutual funds has been modified from monthly to daily. To correct for the impact of large cash flows, the performance was restated from April 2020 to July 2021 and the revised numbers are included in the 9/30/2021 performance. Note that no impact to performance occurred at the mandate level.

4 The "Inflation Sensitive Benchmark" is comprised of 87% Bloomberg Barclays U.S. TIPS Index, Series L and 13% FTSE EPRA/NAREIT Developed Net Index.

5 The Private Markets valuation update occurs on a lag. The portfolio's performance is updated when SWIB receives an updated quarterly statement, which may not occur in every quarter. The net of fees and net of all returns are net of StepStone manager fees.

6 The "Private Equity Benchmark" is comprised of the net of fees return of Terrace Holdings II, a Private Equity fund of funds being administered by StepStone.

## **APPENDIX**

## MSCI ACWI IMI Index Fund B

A common trust fund maintained by BlackRock Institutional Trust Company, N.A. ("BTC") for investment of fiduciary client assets held by BTC in its capacity as trustee

### Investment objective and strategy

The MSCI ACWI IMI Index Fund B (the "Fund") is an index fund that seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of a particular index. The Fund invests primarily in U.S. and non-U.S. equity securities with the objective of approximating as closely as practicable the capitalization weighted rates of return of the markets in certain countries for publicly traded equity securities. The primary criterion for selection of investments in the Fund shall be the Benchmark listed herein.

### Performance

Total return % as of 06/30/2024 (return percentages are annualized as of period end)

|                    | Q2*         | YTD*        | 1 Year*     | 3 Year      | 5 Year      | 10 Year     | Since Inception |
|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------|
| Fund return %      | 2.48        | 10.41       | 18.68       | 4.99        | 10.65       | 8.51        | 9.33            |
| Benchmark return % | 2.38        | 10.28       | 18.39       | 4.71        | 10.35       | 8.18        | 8.98            |
| <b>Difference</b>  | <b>0.10</b> | <b>0.13</b> | <b>0.29</b> | <b>0.28</b> | <b>0.30</b> | <b>0.33</b> | <b>0.35</b>     |

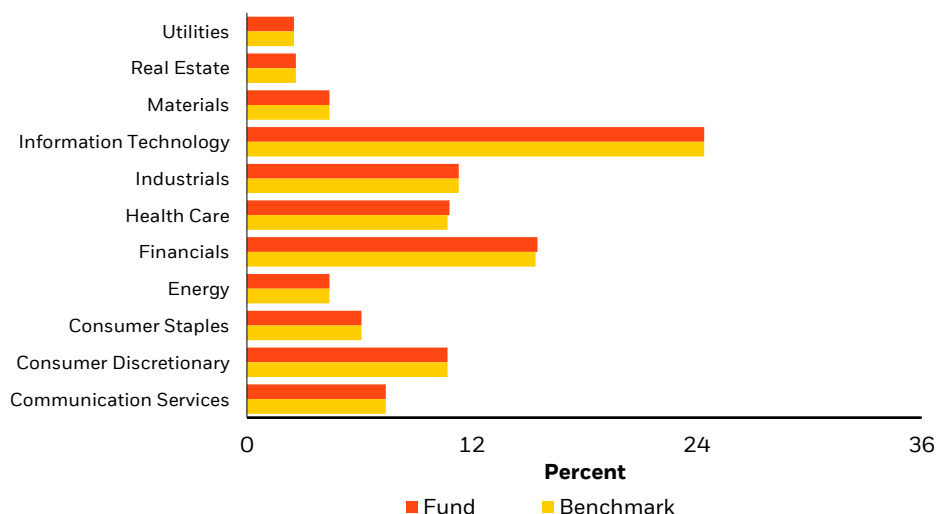
#### Performance disclosure:

The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. **Past performance is not necessarily an indicator of future performance.**

\* Period returns for less than one year are cumulative

### Sector allocation

% of Fund or Benchmark as of 06/30/2024



Sources: BlackRock, MSCI Inc.

Data is used for analytical purposes only. Index data may differ to those published by the Index due to calculation methods.

Breakdowns may not sum to 100% due to rounding, exclusion of cash, STIF and other statistically immaterial factors.

### Investment details (as of 06/30/2024)

|                            |   |
|----------------------------|---|
| <b>Benchmark</b>           | MSCI All Country World Investible Market Index in USD, Net Return |
| <b>Total fund assets</b>   | \$2.78 billion  |
| <b>Fund inception date</b> | 03/23/2010  |

### Characteristics (as of 06/30/2024)

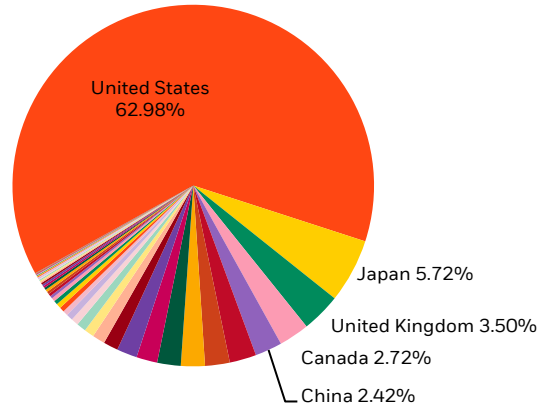
|                      | Fund  | Benchmark |
|----------------------|-------|-----------|
| Number of securities | 8,943 | 8,845     |
| Dividend yield       | 1.92  | 1.92      |

### Top 10 holdings (as of 06/30/2024)

|                             | Fund (% assets) | Benchmark (% assets) |
|-----------------------------|-----------------|----------------------|
| MICROSOFT CORP              | 3.82            | 3.83                 |
| APPLE INC                   | 3.74            | 3.75                 |
| NVIDIA CORP                 | 3.74            | 3.75                 |
| AMAZON COM INC              | 2.19            | 2.20                 |
| META PLATFORMS INC CLASS A  | 1.34            | 1.34                 |
| ALPHABET INC CLASS A        | 1.30            | 1.30                 |
| ALPHABET INC CLASS C        | 1.13            | 1.14                 |
| TAIWAN SEMICONDUCTOR MANUFA | 0.89            | 0.89                 |
| ELI LILLY                   | 0.89            | 0.89                 |
| BROADCOM INC                | 0.86            | 0.86                 |

Portfolio holdings are subject to change and are not intended as a recommendation of individual securities.

Country Allocation



- United States 62.98%
- China 2.42%
- Switzerland 2.10%
- Netherlands 1.13%
- Spain 0.59%
- Singapore 0.35%
- Belgium 0.23%
- Malaysia 0.17%
- Turkey 0.11%
- Austria 0.07%
- European Union 0.05%
- Czech Republic 0.01%
- Japan 5.72%
- France 2.38%
- Germany 1.87%
- Denmark 0.88%
- Brazil 0.44%
- South Africa 0.32%
- Mexico 0.22%
- Thailand 0.16%
- Qatar 0.09%
- New Zealand 0.06%
- Portugal 0.05%
- Egypt 0.01%
- United Kingdom 3.50%
- India 2.21%
- Australia 1.82%
- Sweden 0.84%
- Hong Kong 0.43%
- Finland 0.24%
- Norway 0.21%
- United Arab Emirates 0.12%
- Kuwait 0.08%
- Philippines 0.06%
- Peru 0.03%
- Colombia 0.01%
- Canada 2.72%
- Taiwan 2.14%
- Korea 1.31%
- Italy 0.65%
- Saudia Arabia 0.43%
- Israel 0.24%
- Indonesia 0.17%
- Poland 0.11%
- Ireland 0.08%
- Chile 0.05%
- Hungary 0.03%

Important Notes

The funds or securities referred to herein are not sponsored, endorsed, or promoted by MSCI, and MSCI bears no liability with respect to any such funds or securities or any index on which such funds or securities are based. The Prospectus contains a more detailed description of the limited relationship MSCI has with BlackRock and any related funds.

BlackRock Institutional Trust Company, N.A. ("BTC") is a wholly-owned subsidiary of BlackRock, Inc. For ease of reference, "BlackRock" may be used to refer to BlackRock, Inc. and its affiliates, including BTC. Any strategy referred to herein does not give rise to a deposit or other obligation of BlackRock, Inc. or its subsidiaries and affiliates, is not guaranteed by BlackRock, Inc. or its subsidiaries and affiliates, is not insured by the United States Federal Deposit Insurance Corporation or any other governmental agency, and may involve investment risks, including possible loss of principal invested.

The Fund is also subject to other key risks, as described in the Fund's Collective Investment Fund Profile. Some or all of those risks may adversely affect the value of units in the Fund, yield, total return and the Fund's ability to meet its investment objective. See the Collective Investment Fund Profile for additional information.

Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's units, when redeemed, may be worth more or less than the original cost. Any opinions expressed in this publication reflect our judgment at this date and are subject to change. No part of this publication may be reproduced in any manner without the prior written permission of BTC. The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. Risk controls, asset allocation models and proprietary technology do not promise any level of performance or guarantee against loss of principal.

The Fund, a common trust fund maintained and managed by BTC for investment of fiduciary client assets held by BTC in its capacity as trustee, is available only to certain eligible investors and not offered or available to the general public. In the event of a conflict between this summary description of the Fund and the trust document under which the Fund was established, the trust document will govern. For more information related to the Fund, please see the Fund's trust document, Collective Investment Fund Profile and most recent audited financial statements. BTC, a national banking association operating as a limited purpose trust company, manages the collective investment products and services discussed in this publication and provides fiduciary and custody services to various institutional investors. A collective investment fund is privately offered. Accordingly, prospectuses are not required and prices are not available in local publications. To obtain pricing information, please contact your local service representative.

None of the information constitutes a recommendation by BTC or a solicitation of any offer to buy or sell any securities. The information is not intended to provide be relied upon as a forecast, research or investment advice. Neither BTC nor BlackRock, Inc. guarantees the suitability or potential value of any particular investment. The information contained herein may not be relied upon by you in evaluating the merits of investing in any investment.

This material is intended for Canadian permitted clients only.

It is not possible to directly invest in an unmanaged index.

**THIS MATERIAL IS HIGHLY CONFIDENTIAL AND IS NOT TO BE REPRODUCED OR DISTRIBUTED TO PERSONS OTHER THAN THE RECIPIENT.**

© 2024 BlackRock, Inc. All rights reserved. BLACKROCK is a trademark of BlackRock, Inc. in the United States and elsewhere. All other trademarks are the property of their respective owners.

**NOT FDIC INSURED. MAY LOSE VALUE. NO BANK GUARANTEE.**



## MSCI EAFE Currency Hedged Equity Index Fund

### B

A common trust fund maintained by BlackRock Institutional Trust Company, N.A. ("BTC") for investment of fiduciary client assets held by BTC in its capacity as trustee

## Investment objective and strategy

The MSCI EAFE Currency Hedged Equity Index Fund B (the "Fund") is an index fund that seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of a particular index. The Fund invests primarily in international equity securities whose total return will approximate as closely as practicable the cap weighted total return of the markets in certain countries for equity securities outside the US, while seeking to eliminate variations based solely on the value of the currencies in the Fund as compared to the US dollar. The primary criterion for selection of investments in the Fund is the Benchmark listed herein.

## Performance

Total return % as of 06/30/2024 (return percentages are annualized as of period end)

|                    | Q2*         | YTD*         | 1 Year*      | 3 Year       | 5 Year       | Since Inception |
|--------------------|-------------|--------------|--------------|--------------|--------------|-----------------|
| Fund return %      | 1.77        | 12.30        | 18.27        | 10.75        | 11.19        | 10.93           |
| Benchmark return % | 1.7         | 12.39        | 18.47        | 10.79        | 11.24        | 10.94           |
| <b>Difference</b>  | <b>0.07</b> | <b>-0.09</b> | <b>-0.20</b> | <b>-0.04</b> | <b>-0.05</b> | <b>-0.01</b>    |

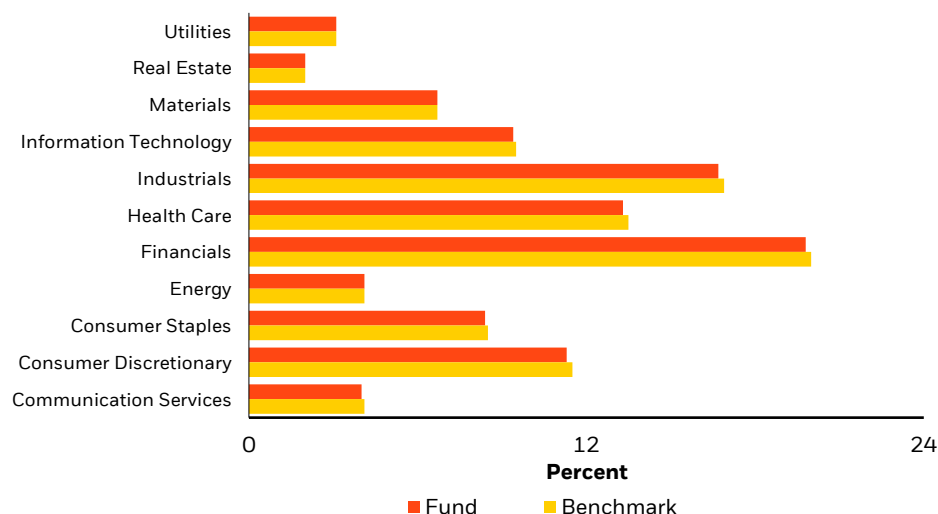
### Performance disclosure:

The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. **Past performance is not necessarily an indicator of future performance.**

\* Period returns for less than one year are cumulative

## Sector allocation

% of Fund or Benchmark as of 06/30/2024



Sources: BlackRock, MSCI Inc.

Data is used for analytical purposes only. Index data may differ to those published by the Index due to calculation methods.

Breakdowns may not sum to 100% due to rounding, exclusion of cash, STIF and other statistically immaterial factors.

## Investment details (as of 06/30/2024)

|                            |   |
|----------------------------|---|
| <b>Benchmark</b>           | MSCI EAFE Index Net 100% USD Hedged Index |
| <b>Total fund assets</b>   | \$130.27 million                          |
| <b>Fund inception date</b> | 04/29/2016                                |

## Characteristics (as of 06/30/2024)

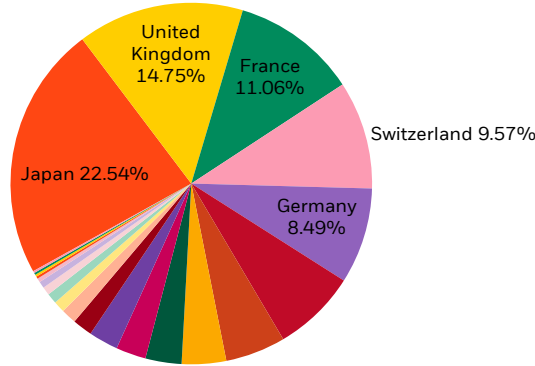
|                      | Fund | Benchmark |
|----------------------|------|-----------|
| Number of securities | 743  | 742       |
| Dividend yield       | 3.03 | 3.03      |

## Top 10 holdings (as of 06/30/2024)

|                      | Fund (% assets) | Benchmark (% assets) |
|----------------------|-----------------|----------------------|
| NOVO NORDISK CLASS B | 2.85            | 2.85                 |
| ASML HOLDING NV      | 2.50            | 2.50                 |
| NESTLE SA            | 1.65            | 1.65                 |
| ASTRAZENECA PLC      | 1.46            | 1.46                 |
| SHELL PLC            | 1.38            | 1.39                 |
| TOYOTA MOTOR CORP    | 1.31            | 1.31                 |
| SAP                  | 1.28            | 1.28                 |
| NOVARTIS AG          | 1.28            | 1.28                 |
| LVMH                 | 1.27            | 1.28                 |
| ROCHE HOLDING PAR AG | 1.18            | 1.18                 |

Portfolio holdings are subject to change and are not intended as a recommendation of individual securities.

Country Allocation



- Japan 22.54%
- United Kingdom 14.75%
- France 11.06%
- Switzerland 9.57%
- Germany 8.49%
- Australia 7.42%
- Netherlands 5.33%
- Denmark 3.93%
- Sweden 3.20%
- Italy 2.66%
- Spain 2.61%
- Hong Kong 1.76%
- Singapore 1.35%
- Finland 1.01%
- Belgium 0.92%
- Israel 0.73%
- Norway 0.59%
- Ireland 0.35%
- European Union 0.20%
- Austria 0.19%
- Portugal 0.18%
- New Zealand 0.18%

Important Notes

The funds or securities referred to herein are not sponsored, endorsed, or promoted by MSCI, and MSCI bears no liability with respect to any such funds or securities or any index on which such funds or securities are based. The Prospectus contains a more detailed description of the limited relationship MSCI has with BlackRock and any related funds.

BlackRock Institutional Trust Company, N.A. ("BTC") is a wholly-owned subsidiary of BlackRock, Inc. For ease of reference, "BlackRock" may be used to refer to BlackRock, Inc. and its affiliates, including BTC. Any strategy referred to herein does not give rise to a deposit or other obligation of BlackRock, Inc. or its subsidiaries and affiliates, is not guaranteed by BlackRock, Inc. or its subsidiaries and affiliates, is not insured by the United States Federal Deposit Insurance Corporation or any other governmental agency, and may involve investment risks, including possible loss of principal invested.

The Fund is also subject to other key risks, as described in the Fund's Collective Investment Fund Profile. Some or all of those risks may adversely affect the value of units in the Fund, yield, total return and the Fund's ability to meet its investment objective. See the Collective Investment Fund Profile for additional information.

Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's units, when redeemed, may be worth more or less than the original cost. Any opinions expressed in this publication reflect our judgment at this date and are subject to change. No part of this publication may be reproduced in any manner without the prior written permission of BTC. The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. Risk controls, asset allocation models and proprietary technology do not promise any level of performance or guarantee against loss of principal.

The Fund, a common trust fund maintained and managed by BTC for investment of fiduciary client assets held by BTC in its capacity as trustee, is available only to certain eligible investors and not offered or available to the general public. In the event of a conflict between this summary description of the Fund and the trust document under which the Fund was established, the trust document will govern. For more information related to the Fund, please see the Fund's trust document, Collective Investment Fund Profile and most recent audited financial statements. BTC, a national banking association operating as a limited purpose trust company, manages the collective investment products and services discussed in this publication and provides fiduciary and custody services to various institutional investors. A collective investment fund is privately offered. Accordingly, prospectuses are not required and prices are not available in local publications. To obtain pricing information, please contact your local service representative.

None of the information constitutes a recommendation by BTC or a solicitation of any offer to buy or sell any securities. The information is not intended to provide be relied upon as a forecast, research or investment advice. Neither BTC nor BlackRock, Inc. guarantees the suitability or potential value of any particular investment. The information contained herein may not be relied upon by you in evaluating the merits of investing in any investment.

This material is intended for Canadian permitted clients only.

It is not possible to directly invest in an unmanaged index.

**THIS MATERIAL IS HIGHLY CONFIDENTIAL AND IS NOT TO BE REPRODUCED OR DISTRIBUTED TO PERSONS OTHER THAN THE RECIPIENT.**

© 2024 BlackRock, Inc. All rights reserved. BLACKROCK is a trademark of BlackRock, Inc. in the United States and elsewhere. All other trademarks are the property of their respective owners.

**NOT FDIC INSURED. MAY LOSE VALUE. NO BANK GUARANTEE.**

## MSCI Emerging Markets Free Fund B

A common trust fund maintained by BlackRock Institutional Trust Company, N.A. ("BTC") for investment of fiduciary client assets held by BTC in its capacity as trustee

### Investment objective and strategy

The MSCI Emerging Markets Free Fund B (the "Fund") is an index fund that seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of a particular index. The Fund invests primarily in international equity securities of issuers in emerging markets, with the objective of providing returns which approximate as closely as practicable the capitalization weighted total rates of return of the markets in certain countries for equity securities traded outside of the United States. The primary criterion for selection of investments in the Fund shall be the Benchmark listed herein.

### Performance

Total return % as of 06/30/2024 (return percentages are annualized as of period end)

|                    | Q2*         | YTD*         | 1 Year*      | 3 Year       | 5 Year       | 10 Year      | Since Inception |
|--------------------|-------------|--------------|--------------|--------------|--------------|--------------|-----------------|
| Fund return %      | 5.1         | 7.37         | 12.12        | -5.30        | 2.84         | 2.62         | 6.53            |
| Benchmark return % | 5.0         | 7.49         | 12.55        | -5.07        | 3.10         | 2.79         | 6.65            |
| <b>Difference</b>  | <b>0.10</b> | <b>-0.12</b> | <b>-0.43</b> | <b>-0.23</b> | <b>-0.26</b> | <b>-0.17</b> | <b>-0.12</b>    |

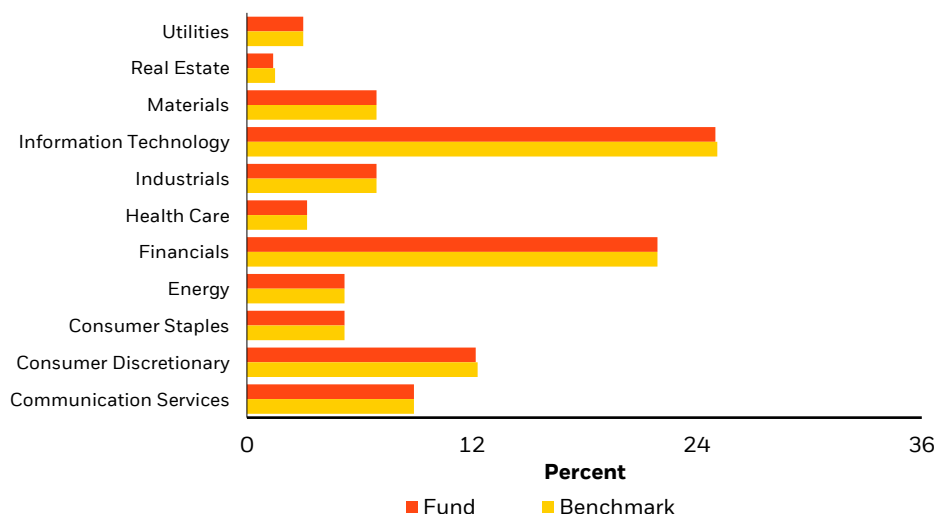
#### Performance disclosure:

The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. **Past performance is not necessarily an indicator of future performance.**

\* Period returns for less than one year are cumulative

### Sector allocation

% of Fund or Benchmark as of 06/30/2024



Sources: BlackRock, MSCI Inc.

Data is used for analytical purposes only. Index data may differ to those published by the Index due to calculation methods. Breakdowns may not sum to 100% due to rounding, exclusion of cash, STIF and other statistically immaterial factors.

### Investment details (as of 06/30/2024)

|                            |   |
|----------------------------|---|
| <b>Benchmark</b>           | MSCI Emerging Markets Index (composite structure) |
| <b>Total fund assets</b>   | \$2.73 billion                                    |
| <b>Fund inception date</b> | 07/24/2000  |

### Characteristics (as of 06/30/2024)

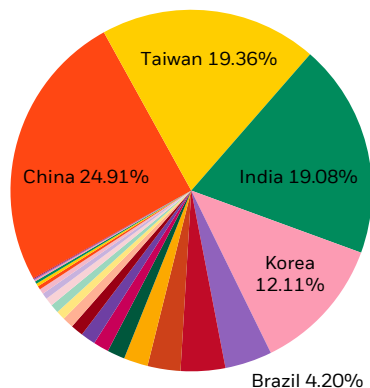
|                      | Fund  | Benchmark |
|----------------------|-------|-----------|
| Number of securities | 1,344 | 1,329     |
| Dividend yield       | 2.56  | 2.57      |

### Top 10 holdings (as of 06/30/2024)

|                             | Fund (% assets) | Benchmark (% assets) |
|-----------------------------|-----------------|----------------------|
| TAIWAN SEMICONDUCTOR MANUFA | 9.73            | 9.86                 |
| TENCENT HOLDINGS LTD        | 4.17            | 4.24                 |
| SAMSUNG ELECTRONICS LTD     | 3.72            | 3.80                 |
| ALIBABA GROUP HOLDING LTD   | 1.86            | 1.89                 |
| RELIANCE INDUSTRIES LTD     | 1.52            | 1.54                 |
| SK HYNIX INC                | 1.23            | 1.26                 |
| HON HAI PRECISION INDUSTRY  | 1.09            | 1.11                 |
| PDD HOLDINGS ADS INC        | 1.05            | 1.07                 |
| ICICI BANK LTD              | 0.99            | 1.00                 |
| MEITUAN                     | 0.95            | 0.97                 |

Portfolio holdings are subject to change and are not intended as a recommendation of individual securities.

Country Allocation



- China 24.91%
- Taiwan 19.36%
- India 19.08%
- Korea 12.11%
- Brazil 4.20%
- Saudia Arabia 3.97%
- South Africa 2.93%
- Mexico 2.15%
- Indonesia 1.57%
- Malaysia 1.38%
- Thailand 1.32%
- United Arab Emirates 1.12%
- Poland 0.99%
- Qatar 0.81%
- Turkey 0.78%
- Kuwait 0.73%
- Philippines 0.54%
- Chile 0.46%
- Peru 0.32%
- Hungary 0.26%
- Hong Kong 0.23%
- Czech Republic 0.14%
- Colombia 0.11%
- Egypt 0.08%

Important Notes

The funds or securities referred to herein are not sponsored, endorsed, or promoted by MSCI, and MSCI bears no liability with respect to any such funds or securities or any index on which such funds or securities are based. The Prospectus contains a more detailed description of the limited relationship MSCI has with BlackRock and any related funds.

BlackRock Institutional Trust Company, N.A. ("BTC") is a wholly-owned subsidiary of BlackRock, Inc. For ease of reference, "BlackRock" may be used to refer to BlackRock, Inc. and its affiliates, including BTC. Any strategy referred to herein does not give rise to a deposit or other obligation of BlackRock, Inc. or its subsidiaries and affiliates, is not guaranteed by BlackRock, Inc. or its subsidiaries and affiliates, is not insured by the United States Federal Deposit Insurance Corporation or any other governmental agency, and may involve investment risks, including possible loss of principal invested.

The Fund is also subject to other key risks, as described in the Fund's Collective Investment Fund Profile. Some or all of those risks may adversely affect the value of units in the Fund, yield, total return and the Fund's ability to meet its investment objective. See the Collective Investment Fund Profile for additional information.

Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's units, when redeemed, may be worth more or less than the original cost. Any opinions expressed in this publication reflect our judgment at this date and are subject to change. No part of this publication may be reproduced in any manner without the prior written permission of BTC. The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. Risk controls, asset allocation models and proprietary technology do not promise any level of performance or guarantee against loss of principal.

The Fund, a common trust fund maintained and managed by BTC for investment of fiduciary client assets held by BTC in its capacity as trustee, is available only to certain eligible investors and not offered or available to the general public. In the event of a conflict between this summary description of the Fund and the trust document under which the Fund was established, the trust document will govern. For more information related to the Fund, please see the Fund's trust document, Collective Investment Fund Profile and most recent audited financial statements. BTC, a national banking association operating as a limited purpose trust company, manages the collective investment products and services discussed in this publication and provides fiduciary and custody services to various institutional investors. A collective investment fund is privately offered. Accordingly, prospectuses are not required and prices are not available in local publications. To obtain pricing information, please contact your local service representative.

None of the information constitutes a recommendation by BTC or a solicitation of any offer to buy or sell any securities. The information is not intended to provide be relied upon as a forecast, research or investment advice. Neither BTC nor BlackRock, Inc. guarantees the suitability or potential value of any particular investment. The information contained herein may not be relied upon by you in evaluating the merits of investing in any investment.

This material is intended for Canadian permitted clients only.

It is not possible to directly invest in an unmanaged index.

**THIS MATERIAL IS HIGHLY CONFIDENTIAL AND IS NOT TO BE REPRODUCED OR DISTRIBUTED TO PERSONS OTHER THAN THE RECIPIENT.**

© 2024 BlackRock, Inc. All rights reserved. BLACKROCK is a trademark of BlackRock, Inc. in the United States and elsewhere. All other trademarks are the property of their respective owners.

**NOT FDIC INSURED. MAY LOSE VALUE. NO BANK GUARANTEE.**

## Government/Credit Bond Index Fund B

A common trust fund maintained by BlackRock Institutional Trust Company, N.A. ("BTC") for investment of fiduciary client assets held by BTC in its capacity as trustee

### Investment objective and strategy

The Government/Credit Bond Index Fund B (the "Fund") is an index fund that seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of a particular index. The Fund shall be invested and reinvested primarily in a portfolio of debt securities with the objective of closely approximating the total rate of return of the Benchmark listed herein.

### Performance

Total return % as of 06/30/2024 (Return percentages are annualized as of period end. Returns for periods less than one year are cumulative)

|                    | Month*      | Q2*         | YTD*        | 1 Year*     | 3 Year      | 5 Year      | 10 Year     |
|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Fund return %      | 0.87        | 0.10        | -0.57       | 2.78        | -3.03       | 0.02        | 1.60        |
| Benchmark return % | 0.87        | 0.05        | -0.68       | 2.74        | -3.11       | -0.07       | 1.51        |
| <b>Difference</b>  | <b>0.00</b> | <b>0.05</b> | <b>0.11</b> | <b>0.04</b> | <b>0.08</b> | <b>0.09</b> | <b>0.09</b> |

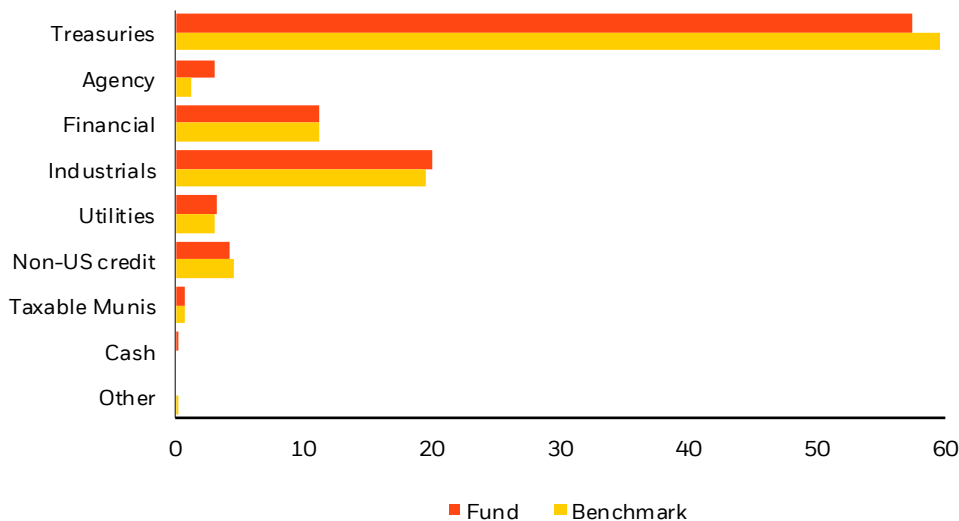
#### Performance disclosure:

The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. **Past performance is not necessarily an indicator of future performance.**

\* Period returns for less than one year are cumulative

### Sector allocation

% of Fund or Benchmark as of 06/30/2024



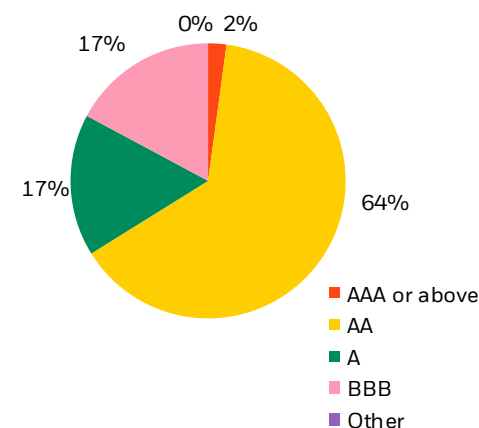
### Investment details (as of 06/30/2024)

|                            |   |
|----------------------------|---|
| <b>Benchmark</b>           | Bloomberg U.S. Government/Credit Bond Index |
| <b>Total fund assets</b>   | \$0.34 billion                              |
| <b>Fund inception date</b> | 03/31/1991                                  |

### Characteristics (as of 06/30/2024)

|                              | Fund   | Benchmark   |
|------------------------------|--------|-------------|
| Number of securities         | 8,220  | 9,545       |
| Market value (B)             | \$0.34 | \$19,657.31 |
| Coupon (%)                   | 3.30   | 3.33        |
| Yield to maturity (YTM) (%)  | 4.93   | 4.92        |
| Weighted avg life (yrs)      | 8.75   | 8.76        |
| Effective duration (yrs)     | 6.22   | 6.20        |
| Spread duration (yrs)        | 2.82   | 2.75        |
| Option adjusted spread (bps) | 34     | 34          |
| Convexity (yrs)              | 0.81   | 0.80        |

### Quality breakdown (as of 06/30/2024)



The credit quality of a particular security or group of securities may be based upon a rating from a nationally recognized statistical rating organization or, if unrated by a ratings organization, assigned an internal rating by BlackRock, neither of which ensures the stability or safety of an overall portfolio.

Sources: BlackRock, Bloomberg Finance L.P.

Data is used for analytical purposes only. Index data may differ to those published by the Index due to calculation methods. Breakdowns may not sum to 100% due to rounding, exclusion of cash, STIF and other statistically immaterial factors.

### Important Notes

BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively “Bloomberg”). Bloomberg or Bloomberg’s licensors, own all proprietary rights in the Bloomberg Indices. Bloomberg is not affiliated with BlackRock and neither approves, endorses, reviews or recommends Government/Credit Bond Index Fund B. Bloomberg does not guarantee the timeliness, accurateness or completeness of any data or information relating to Bloomberg U.S. Government/Credit Bond Index, and neither shall be liable in any way to BlackRock, investors in Government/Credit Bond Index Fund B or other third parties in respect of the use or accuracy of the Bloomberg U.S. Government/Credit Bond Index or any data included therein.

BlackRock Institutional Trust Company, N.A. (“BTC”) is a wholly-owned subsidiary of BlackRock, Inc. For ease of reference, “BlackRock” may be used to refer to BlackRock, Inc. and its affiliates, including BTC. Any strategy referred to herein does not give rise to a deposit or other obligation of BlackRock, Inc. or its subsidiaries and affiliates, is not guaranteed by BlackRock, Inc. or its subsidiaries and affiliates, is not insured by the United States Federal Deposit Insurance Corporation or any other governmental agency, and may involve investment risks, including possible loss of principal invested.

The Fund is also subject to other key risks, as described in the Fund’s Collective Investment Fund Profile. Some or all of those risks may adversely affect the value of units in the Fund, yield, total return and the Fund’s ability to meet its investment objective. See the Collective Investment Fund Profile for additional information.

**Past performance does not guarantee future results.** Investment return and principal value of an investment will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than the original cost. Any opinions expressed in this publication reflect our judgment at this date and are subject to change. No part of this publication may be reproduced in any manner without the prior written permission of BTC. Common Trust fund performance assumes reinvestment of income and does not reflect management fees and certain transaction costs and expenses charged to the fund. Risk controls, asset allocation models and proprietary technology do not promise any level of performance or guarantee against loss of principal.

The Fund, a collective investment fund maintained and managed by BTC, is available only to certain eligible investors and not offered or available to the general public. In the event of a conflict between this summary description of the Fund and the trust document under which the Fund was established, the trust document will govern. For more information related to the Fund, please see the Fund’s trust document, Collective Investment Fund Profile and most recent audited financial statements. BTC, a national banking association operating as a limited purpose trust company, manages the collective investment products and services discussed in this publication and provides fiduciary and custody services to various institutional investors. A collective investment fund is privately offered. Accordingly, prospectuses are not required and prices are not available in local publications. To obtain pricing information, please contact your local service representative.

None of the information constitutes a recommendation by BTC or a solicitation of any offer to buy or sell any securities. The information is not intended to provide investment advice. Neither BTC nor BlackRock, Inc. guarantees the suitability or potential value of any particular investment. The information contained herein may not be relied upon by you in evaluating the merits of investing in any investment.

This material is intended for Canadian permitted clients only.

It is not possible to directly invest in an unmanaged index.

**THIS MATERIAL IS HIGHLY CONFIDENTIAL AND IS NOT TO BE REPRODUCED OR DISTRIBUTED TO PERSONS OTHER THAN THE RECIPIENT.**

© 2024 BlackRock, Inc. or its affiliates. All rights reserved. BLACKROCK is a trademark of BlackRock, Inc. or its affiliates. All other trademarks are the property of their respective owners.

**NOT FDIC INSURED. MAY LOSE VALUE. NO BANK GUARANTEE.**

FIRate-0088

# U.S. Treasury Inflation Protected Securities Fund B

A common trust fund maintained by BlackRock Institutional Trust Company, N.A. ("BTC") for investment of fiduciary client assets held by BTC in its capacity as trustee

## Investment objective and strategy

The U.S. Treasury Inflation Protected Securities Fund B (the "Fund") is an index fund that seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of a particular index. The Fund shall be invested and reinvested primarily in a portfolio of debt securities with the objective of closely approximating the total rate of return for all outstanding U.S. Treasury Inflation Protected Securities with a maturity of one year or greater, as defined by the Benchmark listed herein.

## Performance

Total return % as of 06/30/2024 (Return percentages are annualized as of period end. Returns for periods less than one year are cumulative.)

|                    | Month*      | Q2*         | YTD*        | 1 Year*     | 3 Year      | 5 Year      | 10 Year     |
|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Fund return %      | 0.79        | 0.89        | 0.92        | 2.82        | -1.26       | 2.16        | 2.03        |
| Benchmark return % | 0.78        | 0.79        | 0.70        | 2.71        | -1.33       | 2.07        | 1.91        |
| <b>Difference</b>  | <b>0.01</b> | <b>0.10</b> | <b>0.22</b> | <b>0.11</b> | <b>0.07</b> | <b>0.09</b> | <b>0.12</b> |

### Performance disclosure:

The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. **Past performance is not necessarily an indicator of future performance.**

\* Period returns for less than one year are cumulative

## Investment details (as of 06/30/2024)

|                            |  |
|----------------------------|--|
| <b>Benchmark</b>           | Bloomberg U.S. Treasury Inflation Protected Securities (TIPS) Index (Series-L) |
| <b>Total fund assets</b>   | \$3.42 billion   |
| <b>Fund inception date</b> | 03/05/2002   |

## Characteristics (as of 06/30/2024)

|                              | Fund   | Benchmark  |
|------------------------------|--------|------------|
| Number of securities         | 48     | 48         |
| Market value (B)             | \$3.42 | \$1,294.50 |
| Coupon (%)                   | 0.91   | 0.91       |
| Yield to maturity (YTM) (%)  | 4.48   | 4.48       |
| Weighted avg life (yrs)      | 7.15   | 7.15       |
| Effective duration (yrs)     | 6.51   | 6.51       |
| Spread duration (yrs)        | 0.00   | 0.00       |
| Option adjusted spread (bps) | -4     | -4         |
| Convexity (yrs)              | 0.83   | 0.83       |

Sources: BlackRock, Bloomberg Finance L.P.

Data is used for analytical purposes only. Index data may differ to those published by the Index due to calculation methods. Breakdowns may not sum to 100% due to rounding, exclusion of cash, STIF and other statistically immaterial factors.

### Important Notes

BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively “Bloomberg”). Bloomberg or Bloomberg’s licensors, own all proprietary rights in the Bloomberg Indices. Bloomberg is not affiliated with BlackRock and neither approves, endorses, reviews or recommends U.S. Treasury Inflation Protected Securities Fund B. Bloomberg does not guarantee the timeliness, accurateness or completeness of any data or information relating to Bloomberg U.S. Treasury Inflation Protected Securities (TIPS) Index (Series-L), and neither shall be liable in any way to BlackRock, investors in U.S. Treasury Inflation Protected Securities Fund B or other third parties in respect of the use or accuracy of the Bloomberg U.S. Treasury Inflation Protected Securities (TIPS) Index (Series-L) or any data included therein.

BlackRock Institutional Trust Company, N.A. (“BTC”) is a wholly-owned subsidiary of BlackRock, Inc. For ease of reference, “BlackRock” may be used to refer to BlackRock, Inc. and its affiliates, including BTC. Any strategy referred to herein does not give rise to a deposit or other obligation of BlackRock, Inc. or its subsidiaries and affiliates, is not guaranteed by BlackRock, Inc. or its subsidiaries and affiliates, is not insured by the United States Federal Deposit Insurance Corporation or any other governmental agency, and may involve investment risks, including possible loss of principal invested.

The Fund is also subject to other key risks, as described in the Fund’s Collective Investment Fund Profile. Some or all of those risks may adversely affect the value of units in the Fund, yield, total return and the Fund’s ability to meet its investment objective. See the Collective Investment Fund Profile for additional information.

**Past performance does not guarantee future results.** Investment return and principal value of an investment will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than the original cost. Any opinions expressed in this publication reflect our judgment at this date and are subject to change. No part of this publication may be reproduced in any manner without the prior written permission of BTC. Common Trust fund performance assumes reinvestment of income and does not reflect management fees and certain transaction costs and expenses charged to the fund. Risk controls, asset allocation models and proprietary technology do not promise any level of performance or guarantee against loss of principal.

The Fund, a collective investment fund maintained and managed by BTC, is available only to certain eligible investors and not offered or available to the general public. In the event of a conflict between this summary description of the Fund and the trust document under which the Fund was established, the trust document will govern. For more information related to the Fund, please see the Fund’s trust document, Collective Investment Fund Profile and most recent audited financial statements. BTC, a national banking association operating as a limited purpose trust company, manages the collective investment products and services discussed in this publication and provides fiduciary and custody services to various institutional investors. A collective investment fund is privately offered. Accordingly, prospectuses are not required and prices are not available in local publications. To obtain pricing information, please contact your local service representative.

None of the information constitutes a recommendation by BTC or a solicitation of any offer to buy or sell any securities. The information is not intended to provide investment advice. Neither BTC nor BlackRock, Inc. guarantees the suitability or potential value of any particular investment. The information contained herein may not be relied upon by you in evaluating the merits of investing in any investment.

This material is intended for Canadian permitted clients only.

It is not possible to directly invest in an unmanaged index.

**THIS MATERIAL IS HIGHLY CONFIDENTIAL AND IS NOT TO BE REPRODUCED OR DISTRIBUTED TO PERSONS OTHER THAN THE RECIPIENT.**

© 2024 BlackRock, Inc. or its affiliates. All rights reserved. BLACKROCK is a trademark of BlackRock, Inc. or its affiliates. All other trademarks are the property of their respective owners.

**NOT FDIC INSURED. MAY LOSE VALUE. NO BANK GUARANTEE.**

FIRate-0088



## Developed Real Estate Index Fund B

A common trust fund maintained by BlackRock Institutional Trust Company, N.A. ("BTC") for investment of fiduciary client assets held by BTC in its capacity as trustee

### Investment objective and strategy

The Developed Real Estate Index Fund B (the "Fund") is an index fund that seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of a particular index. The Fund invests in US and non-US equity securities whose total return will approximate as closely as practicable the capitalization weighted total return net of dividend withholding taxes of the Benchmark listed herein. The investment universe consists of publicly traded real estate equity securities of issuers whose principal business is the ownership and operation of real estate as defined by the Benchmark listed herein.

### Performance

Total return % as of 06/30/2024 (return percentages are annualized as of period end)

|                    | Q2*         | YTD*        | 1 Year*     | 3 Year      | 5 Year      | Since Inception |
|--------------------|-------------|-------------|-------------|-------------|-------------|-----------------|
| Fund return %      | -2.17       | -3.28       | 5.45        | -3.95       | 0.06        | 2.74            |
| Benchmark return % | -2.43       | -3.70       | 4.55        | -4.76       | -0.69       | 1.97            |
| <b>Difference</b>  | <b>0.26</b> | <b>0.42</b> | <b>0.90</b> | <b>0.81</b> | <b>0.75</b> | <b>0.77</b>     |

#### Performance disclosure:

The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. **Past performance is not necessarily an indicator of future performance.**

\* Period returns for less than one year are cumulative

### Investment details (as of 06/30/2024)

|                            |   |
|----------------------------|---|
| <b>Benchmark</b>           | FTSE EPRA Nareit Developed Index (Net) in USD |
| <b>Total fund assets</b>   | \$310.21 million                              |
| <b>Fund inception date</b> | 11/18/2014                                    |

### Characteristics (as of 06/30/2024)

|                      | Fund | Benchmark |
|----------------------|------|-----------|
| Number of securities | 337  | 358       |
| Dividend yield       | 4.24 | 4.23      |

### Top 10 holdings (as of 06/30/2024)

|                             | Fund (% assets) | Benchmark (% assets) |
|-----------------------------|-----------------|----------------------|
| PROLOGIS REIT INC           | 6.37            | 6.45                 |
| EQUINIX REIT INC            | 4.40            | 4.46                 |
| WELLTOWER INC               | 3.79            | 3.83                 |
| DIGITAL REALTY TRUST REIT I | 3.02            | 3.05                 |
| SIMON PROPERTY GROUP REIT I | 3.02            | 3.05                 |
| PUBLIC STORAGE REIT         | 2.79            | 2.83                 |
| REALTY INCOME REIT CORP     | 2.79            | 2.83                 |
| GOODMAN GROUP UNITS         | 2.66            | 2.69                 |
| EXTRA SPACE STORAGE REIT IN | 2.00            | 2.02                 |
| VICI PPTYS INC              | 1.83            | 1.85                 |

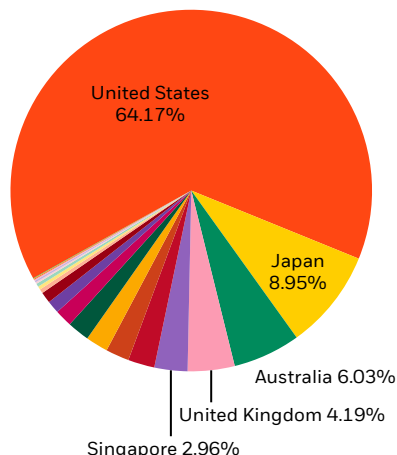
Portfolio holdings are subject to change and are not intended as a recommendation of individual securities.

Sources: BlackRock, FTSE International Ltd

Data is used for analytical purposes only. Index data may differ to those published by the Index due to calculation methods.

Breakdowns may not sum to 100% due to rounding, exclusion of cash, STIF and other statistically immaterial factors.

Country Allocation



- United States 64.17%
- Japan 8.95%
- Australia 6.03%
- United Kingdom 4.19%
- Singapore 2.96%
- Hong Kong 2.37%
- Canada 2.10%
- Sweden 2.00%
- Germany 1.98%
- France 1.55%
- Switzerland 1.13%
- Belgium 0.99%
- Spain 0.37%
- Israel 0.30%
- New Zealand 0.29%
- Korea 0.15%
- Netherlands 0.15%
- Finland 0.12%
- Austria 0.07%
- Norway 0.05%

European Union 0.03%

The Developed Real Estate Index Fund B is not in any way connected to or sponsored, endorsed, sold or promoted by the London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"), European Public Real Estate Association ("EPRA"), or National Association of Real Estate Investments Trusts ("NAREIT") (together, the "Licensor Parties"). The Licensor Parties do not accept any liability whatsoever to any person arising out of the use of Developed Real Estate Index Fund B or the underlying data.

BlackRock Institutional Trust Company, N.A. ("BTC") is a wholly-owned subsidiary of BlackRock, Inc. For ease of reference, "BlackRock" may be used to refer to BlackRock, Inc. and its affiliates, including BTC. Any strategy referred to herein does not give rise to a deposit or other obligation of BlackRock, Inc. or its subsidiaries and affiliates, is not guaranteed by BlackRock, Inc. or its subsidiaries and affiliates, is not insured by the United States Federal Deposit Insurance Corporation or any other governmental agency, and may involve investment risks, including possible loss of principal invested.

The Fund is also subject to other key risks, as described in the Fund's Collective Investment Fund Profile. Some or all of those risks may adversely affect the value of units in the Fund, yield, total return and the Fund's ability to meet its investment objective. See the Collective Investment Fund Profile for additional information.

Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's units, when redeemed, may be worth more or less than the original cost. Any opinions expressed in this publication reflect our judgment at this date and are subject to change. No part of this publication may be reproduced in any manner without the prior written permission of BTC. The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. Risk controls, asset allocation models and proprietary technology do not promise any level of performance or guarantee against loss of principal.

The Fund, a common trust fund maintained and managed by BTC for investment of fiduciary client assets held by BTC in its capacity as trustee, is available only to certain eligible investors and not offered or available to the general public. In the event of a conflict between this summary description of the Fund and the trust document under which the Fund was established, the trust document will govern. For more information related to the Fund, please see the Fund's trust document, Collective Investment Fund Profile and most recent audited financial statements. BTC, a national banking association operating as a limited purpose trust company, manages the collective investment products and services discussed in this publication and provides fiduciary and custody services to various institutional investors. A collective investment fund is privately offered. Accordingly, prospectuses are not required and prices are not available in local publications. To obtain pricing information, please contact your local service representative.

None of the information constitutes a recommendation by BTC or a solicitation of any offer to buy or sell any securities. The information is not intended to provide be relied upon as a forecast, research or investment advice. Neither BTC nor BlackRock, Inc. guarantees the suitability or potential value of any particular investment. The information contained herein may not be relied upon by you in evaluating the merits of investing in any investment.

This material is intended for Canadian permitted clients only.

It is not possible to directly invest in an unmanaged index.

**THIS MATERIAL IS HIGHLY CONFIDENTIAL AND IS NOT TO BE REPRODUCED OR DISTRIBUTED TO PERSONS OTHER THAN THE RECIPIENT.**

© 2024 BlackRock, Inc. All rights reserved. **BLACKROCK** is a trademark of BlackRock, Inc. in the United States and elsewhere. All other trademarks are the property of their respective owners.

**NOT FDIC INSURED. MAY LOSE VALUE. NO BANK GUARANTEE.**

## Second Quarter Newsletter

### Portfolio Update

The current RegentFund (RF) team started managing the portfolio on May 6<sup>th</sup>, 2024. Throughout the summer, new RF team members are providing earnings and other news updates on the names in the portfolio. During the quarter we slightly lengthened our portfolio duration via a Treasury swap. All trading activities are highlighted on page six.

### Performance

The BOR Portfolio returned 0.91% in 2Q24, outperforming the benchmark by 21bps. Our outperformance for the quarter was mainly attributed to our IG selection. We outperformed in April and June, which was partially offset by underperformance in May. The returns and relative performance of each asset type are shown in Table 1. Performance attribution is shown in Table 2.

**Table 1. Contribution to Return by Asset Class**

| Asset Class  | Second Quarter |              |              |
|--------------|----------------|--------------|--------------|
|              | Portfolio      | Benchmark    | Difference   |
| IG Bonds     | 0.66%          | 0.47%        | 0.19%        |
| Treasurys    | 0.09%          | 0.07%        | 0.02%        |
| HY           | 0.10%          | 0.12%        | (0.02%)      |
| Cash         | 0.07%          | 0.06%        | 0.01%        |
| <b>Total</b> | <b>0.91%</b>   | <b>0.71%</b> | <b>0.21%</b> |

Source: BNY Mellon, Bloomberg

\*Numbers may not sum due to rounding

**Table 2. Performance Attribution**

| Active Return Attribution Summary | Second Quarter |
|-----------------------------------|----------------|
| Curve Carry                       | (0.06%)        |
| Curve Change                      | (0.05%)        |
| <b>Total Curve Return</b>         | <b>(0.11%)</b> |
| Allocation                        | 0.06%          |
| Selection                         | 0.25%          |
| <b>Total Excess Return</b>        | <b>0.21%</b>   |

Source: BNY Mellon, Bloomberg

\*Numbers may not sum due to rounding

### Investment Grade Performance

In 2Q24, our investment grade bonds returned 0.66% for the quarter. IG performance was driven by selection. Our top performers were INFO (+12bps), and KEY (+9bps). Our bottom performers were KHC (-4bps) and WBD (-2bps).

### Treasury Performance

Our Treasury position returned 0.09% for the quarter. During the quarter, we used Treasurys to extend duration to neutral. Target allocation did not change. Going forward, the Treasury position will continue to be used as a duration management tool and as dry powder as IG or HY target allocations are altered.

### High Yield Performance

The High Yield portfolio returned 0.10% in the second quarter. Our underperformance was driven primarily by duration contribution in April (-38 bps) but offset by our positive selection contribution in



University of Wisconsin System  
Intermediate Term Fund  
Quarterly Investment Review

June 30, 2024

**U.S. Economy:** The U.S. economy again added slightly more jobs than expected in June. Nonfarm payrolls increased by 206,000 for the month, though the unemployment rate unexpectedly climbed to 4.1% (the forecast had been for the jobless rate to hold steady at 4%). This figure is tied for the highest level since October 2021 and provides a conflicting sign for Federal Reserve officials weighing their next move on monetary policy. At their most recent meeting, Federal Reserve policymakers indicated they need to see more progress on inflation before lowering interest rates, while noting that a strong economy and in particular a solid labor market lessen the urgency to act anytime soon. Inflation remains around 2.5% based on the Fed's preferred gauge (PCE), still regarded as elevated by policymakers but edging towards a point where that may no longer be the case. Markets are currently pricing in roughly two 25 basis point rate cuts before the end of 2024. As it relates to wages, average hourly earnings increased 0.3% in June and 3.9% from a year ago; both figures were in line with consensus estimates. Finally, broader economic growth appears to be slowing. U.S. GDP increased 1.4% on a year-over-year basis in the first quarter and is forecasted to grow by 1.5% in the second quarter, according to the Atlanta Fed.

**Fixed Income:** The first half of 2024 was a wild ride for fixed income investors. Higher interest rates in the first quarter led to a negative start to the year for most bond indices. Rates continued to climb higher through the month of April, but this trend reversed later in the second quarter. The bellwether Bloomberg U.S. Aggregate Bond Index returned 0.1% during 2Q and has notched a -0.7% return on a year-to-date basis. Spread sectors widened slightly in the second quarter, but still remain rich. Fixed income continues to be an attractive asset class, with high starting yields providing solid income and offering a positive expected total return over the next 12 months under the majority of interest rate and spread scenarios. While all-in yields remain attractive, credit spreads are near historical averages and could come under pressure in a recessionary environment. Additionally, slower-than-expected rate cuts by the Federal Reserve would be detrimental to bond returns and geopolitical wildcards further cloud the prospects of fixed income in the near term.

**U.S. Equities:** Following broad market strength in the first quarter, mixed economic data in April — including a stronger than expected labor market — weighed on U.S. equities during 2Q. All major domestic equity indices declined to begin the period, as the Fed kept interest rates unchanged and markets recalibrated expectations for fewer interest rate cuts in 2024. That said, a robust earnings season drove U.S. equities higher in May. Despite softening economic data, market volatility emerged in June, as weakness in the low-end consumer weighed on sentiment. In the second quarter, market breadth narrowed, as large-cap growth equities (as measured by the Russell 1000 Growth Index) advanced 8.3%, while small-cap value equities (as measured by the Russell 2000 Value Index), returned -3.6%. The S&P 500 Index advanced 4.3% during the quarter and notched several new all-time highs. Although weakness emerged among select Magnificent Seven companies, this cohort again contributed a significant portion of the S&P 500 return, buoyed by a strong earnings season. On the other hand, the remainder of the companies in the index experienced negative earnings growth, and this dynamic weighed on index returns. As a result, growth-oriented sectors (e.g., Information Technology and

Communication Services) led the market higher in the second quarter. Meanwhile, the recent market strength among a select few companies has driven certain indices to historic levels of concentration, specifically within the growth space. This risk was exacerbated by the FTSE Russell reconstitution in June, as growth indices emerged slightly more concentrated. This dynamic may continue to act as a headwind for active managers. Following continued weakness, forward valuations of small-cap equities relative to large caps remain near historic lows. Although geopolitical uncertainty remains a concern, expectations for broad earnings growth and constructive economic data may provide a positive environment for U.S. equities going forward.

**Non-U.S. Equities:** Second quarter results were mixed across the international equity spectrum. Emerging market equities posted stronger returns than their developed counterparts, with the MSCI Emerging Markets Index returning 5.0% for the quarter while the MSCI EAFE Index fell by 0.4%. One of the main contributors to the strength of EM during the quarter was Taiwan, as the country is a hub for semiconductor manufacturing and continues to benefit from the global enthusiasm surrounding AI-related technology. Some of the macroeconomic factors that impacted performance during the quarter include central bank policy, currency headwinds, and geopolitics. The prolonged high interest rate environment in the United States, contributing to the continued strength of the U.S. dollar, is impacting central banks worldwide as policymakers navigate monetary policy decisions. In EM countries like Brazil and Mexico, officials expressed caution around the timing of future interest rate cuts as these countries seek to prevent further currency devaluation relative to the strong U.S. dollar. The strength of the U.S. dollar and its impact worldwide was especially evident in Japan, with the Japanese yen falling to a 30-year low relative to the dollar in April. Despite currency headwinds, Japanese equity markets sustained historic highs during the quarter, particularly due to positive investor sentiment surrounding corporate governance reforms. Other developed markets, most notably in Europe, faced headwinds during the quarter due to uncertainty surrounding election outcomes. In France, the results of parliamentary elections surprised markets and led to poor performance for French equities. Conversely, the results of elections in EM countries like India and South Africa resulted in positive investor sentiment and strong performance after some initial negative reaction. Elections and the risks they pose (e.g., increased market volatility) will persist in the months ahead given the upcoming U.S. presidential election. An additional risk the election poses globally is its impact on geopolitical relations with China, as worsening relations between the two countries could escalate with additional trade restrictions.

## U.S. Equity Returns

|              | Jun  | YTD   | 1 Yr  | 3 Yr  |
|--------------|------|-------|-------|-------|
| S&P 500      | 3.6% | 15.3% | 24.6% | 10.0% |
| Russell 3000 | 3.1% | 13.6% | 23.1% | 8.0%  |
| NASDAQ       | 6.0% | 18.6% | 29.6% | 7.8%  |
| Dow Jones    | 1.2% | 4.8%  | 16.0% | 6.4%  |

## Style Index Returns

|       | Month-to-Date |       |        | Year-to-Date |       |        |
|-------|---------------|-------|--------|--------------|-------|--------|
|       | Value         | Core  | Growth | Value        | Core  | Growth |
| Large | -0.9%         | 3.3%  | 6.7%   | 6.6%         | 14.2% | 20.7%  |
| Mid   | -1.6%         | -0.7% | 1.7%   | 4.5%         | 5.0%  | 6.0%   |
| Small | -1.7%         | -0.9% | -0.2%  | -0.8%        | 1.7%  | 4.4%   |

## Non-U.S. Equity Returns

|                  | Jun   | YTD   | 1 Yr  | 3 Yr  |
|------------------|-------|-------|-------|-------|
| ACWI             | 2.2%  | 11.3% | 19.4% | 5.4%  |
| ACWI ex. US      | -0.1% | 5.7%  | 11.6% | 0.5%  |
| EAFE Index       | -1.6% | 5.3%  | 11.5% | 2.9%  |
| EAFE Local       | -0.6% | 11.1% | 15.1% | 8.1%  |
| EAFE Growth      | -0.4% | 6.2%  | 9.4%  | 0.1%  |
| EAFE Value       | -2.8% | 4.5%  | 13.7% | 5.5%  |
| EAFE Small Cap   | -3.0% | 0.5%  | 7.8%  | -3.3% |
| Emerging Markets | 3.9%  | 7.5%  | 12.5% | -5.1% |
| EM Small Cap     | 3.2%  | 7.0%  | 20.0% | 2.5%  |

## Regional Returns

|                  | Jun   | YTD    | 1 Yr  | 3 Yr   |
|------------------|-------|--------|-------|--------|
| Europe           | -2.2% | 6.0%   | 12.0% | 3.1%   |
| Asia ex-Japan    | 4.3%  | 9.7%   | 12.9% | -5.8%  |
| EM Latin America | -6.1% | -15.7% | -5.6% | 0.9%   |
| UK               | -1.8% | 6.9%   | 12.5% | 6.9%   |
| Germany          | -1.8% | 5.6%   | 10.1% | -0.9%  |
| France           | -7.5% | -2.0%  | 0.5%  | 2.6%   |
| Japan            | -0.7% | 6.3%   | 13.1% | 2.3%   |
| China            | -1.9% | 4.7%   | -1.6% | -17.6% |
| Brazil           | -3.7% | -18.7% | -7.7% | -2.8%  |
| India            | 7.0%  | 16.9%  | 34.4% | 13.4%  |

## Real Estate Returns

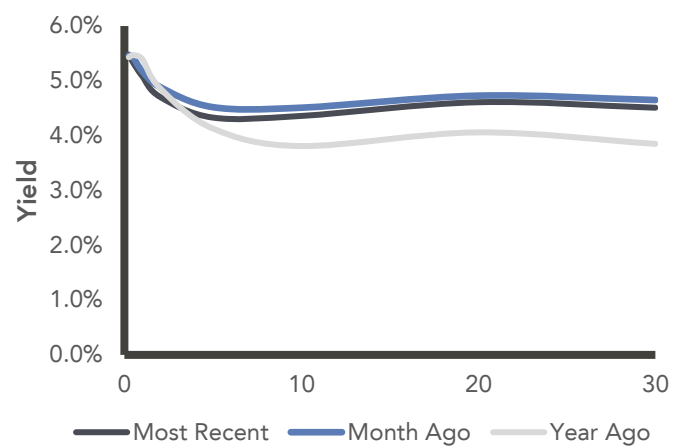
|                      | Qtr   | YTD   | 1 Yr  | 3 Yr  |
|----------------------|-------|-------|-------|-------|
| NCREIF NPI National* | -1.0% | -1.0% | -7.2% | 3.6%  |
| FTSE NAREIT          | -0.9% | -2.2% | 5.7%  | -2.0% |

\*Returns as of March 31, 2024

## Fixed Income Returns

|                       | Jun  | YTD   | 1 Yr  | 3 Yr  |
|-----------------------|------|-------|-------|-------|
| Aggregate             | 0.9% | -0.7% | 2.6%  | -3.0% |
| Universal             | 0.9% | -0.3% | 3.5%  | -2.7% |
| Government            | 1.0% | -0.8% | 1.6%  | -3.2% |
| Treasury              | 1.0% | -0.9% | 1.5%  | -3.3% |
| Int. Gov/Credit       | 0.8% | 0.5%  | 4.2%  | -1.2% |
| Long Gov/Credit       | 1.1% | -4.1% | -1.6% | -8.5% |
| TIPS                  | 0.8% | 0.7%  | 2.7%  | -1.3% |
| Municipal 5 Year      | 1.1% | -0.8% | 2.3%  | -0.6% |
| High Yield            | 0.9% | 2.6%  | 10.4% | 1.6%  |
| Bank Loans            | 0.3% | 4.4%  | 11.0% | 6.0%  |
| Global Hedged         | 0.9% | 0.1%  | 4.2%  | -1.6% |
| EM Debt Hard Currency | 0.6% | 2.3%  | 9.2%  | -2.6% |

## Yield Curve



## Hedge Fund Returns

|                     | Jun   | YTD  | 1 Yr | 3 Yr  |
|---------------------|-------|------|------|-------|
| HFRX Equal Wtd.     | 0.3%  | 2.1% | 5.2% | 0.5%  |
| HFRX Hedged Equity  | 1.2%  | 5.1% | 9.2% | 4.2%  |
| HFRX Event Driven   | -0.3% | 0.9% | 4.5% | -3.0% |
| HFRX Macro          | -0.7% | 4.6% | 2.8% | 1.4%  |
| HFRX Relative Value | 0.4%  | 1.2% | 3.7% | -0.9% |
| CBOE PutWrite       | 1.6%  | 7.4% | 9.1% | 7.3%  |

## Commodity Returns

|                   | Jun   | YTD   | 1 Yr  | 3 Yr  |
|-------------------|-------|-------|-------|-------|
| GSCI Total        | 1.4%  | 11.1% | 15.0% | 12.7% |
| Precious Metals   | -0.8% | 15.0% | 22.5% | 7.9%  |
| Livestock         | 0.9%  | 9.6%  | 2.4%  | 4.8%  |
| Industrial Metals | -5.3% | 9.0%  | 13.0% | 2.3%  |
| Energy            | 4.1%  | 8.0%  | 5.7%  | 6.6%  |
| Agriculture       | -5.9% | -6.3% | -9.6% | 2.9%  |
| WTI Crude Oil     | 6.3%  | 19.1% | 29.5% | 15.6% |
| Gold              | 0.1%  | 12.7% | 20.6% | 9.1%  |

# University of Wisconsin System

## Intermediate Term Fund

Executive Summary  
June 30, 2024



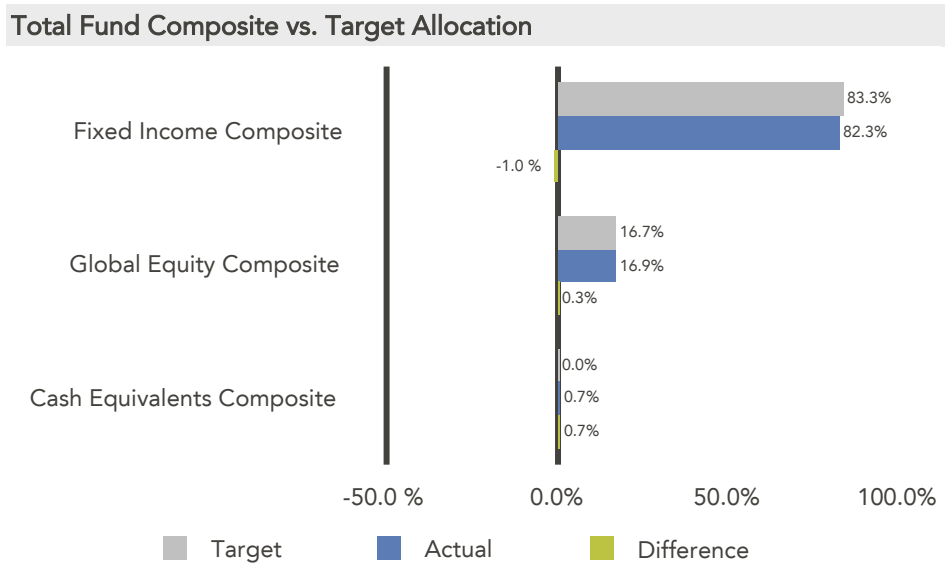
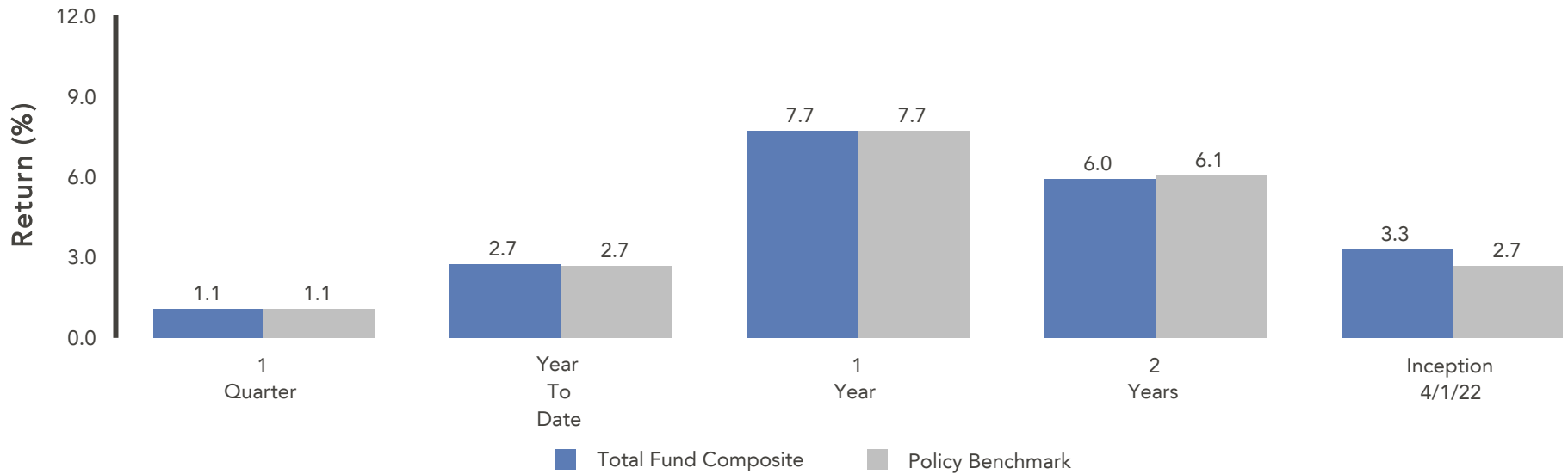
## Intermediate Term Fund

Manager Status

| Investment Manager                              | Asset Class             | Status        | Reason |
|---|-------------------------|---------------|--------|
| iShares Core 1-5 Year Bond Fund                 | Short-Term Fixed Income | In Compliance | --     |
| Blackrock Interm. Govt/Credit Bond Index Fund B | Int. Fixed Income       | In Compliance | --     |
| Blackrock U.S. Debt Index Fund B                | Core Fixed Income       | In Compliance | --     |
| Blackrock U.S. High Yield Bond Index Fund B     | High Yield Fixed Income | In Compliance | --     |
| Blackrock Floating Rate Income Fund             | Senior Secured Loans    | In Compliance | --     |
| Blackrock MSCI ACWI IMI Index Fund B            | Global Core Equity      | In Compliance | --     |
| SWIB Liquidity Fund                             | Cash & Equivalents      | In Compliance | --     |

# Intermediate Term Fund

Performance Summary  
As of June 30, 2024



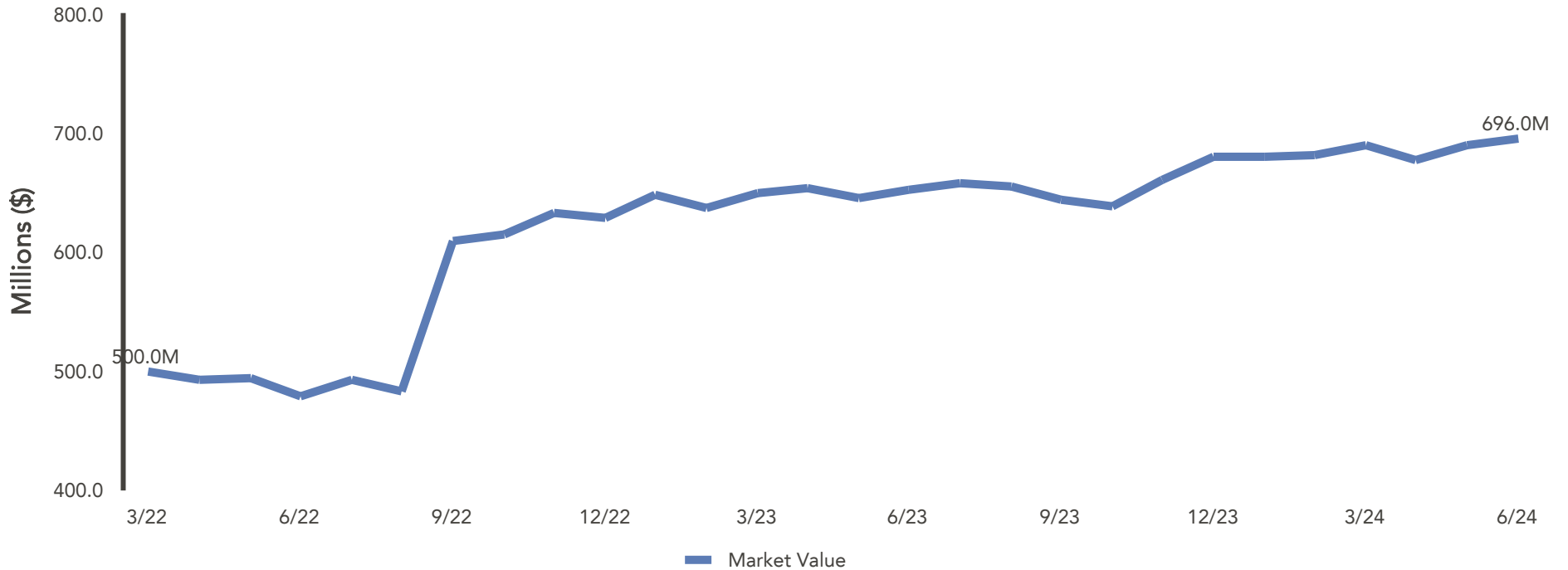
|                        | 1 Quarter (\$) | 1 Year (\$) | Since Inception (\$)<br>(4/1/2022) |
|------------------------|----------------|-------------|------------------------------------|
| Beginning Market Value | 690,299,203    | 652,269,186 | -                                  |
| Net Cash Flow          | -1,639,896     | -6,465,646  | 640,116,007                        |
| Gain/Loss              | 7,348,018      | 50,203,785  | 55,891,318                         |
| Ending Market Value    | 696,007,325    | 696,007,325 | 696,007,325                        |

## Intermediate Term Fund

Portfolio Allocation  
Quarter Ending June 30, 2024

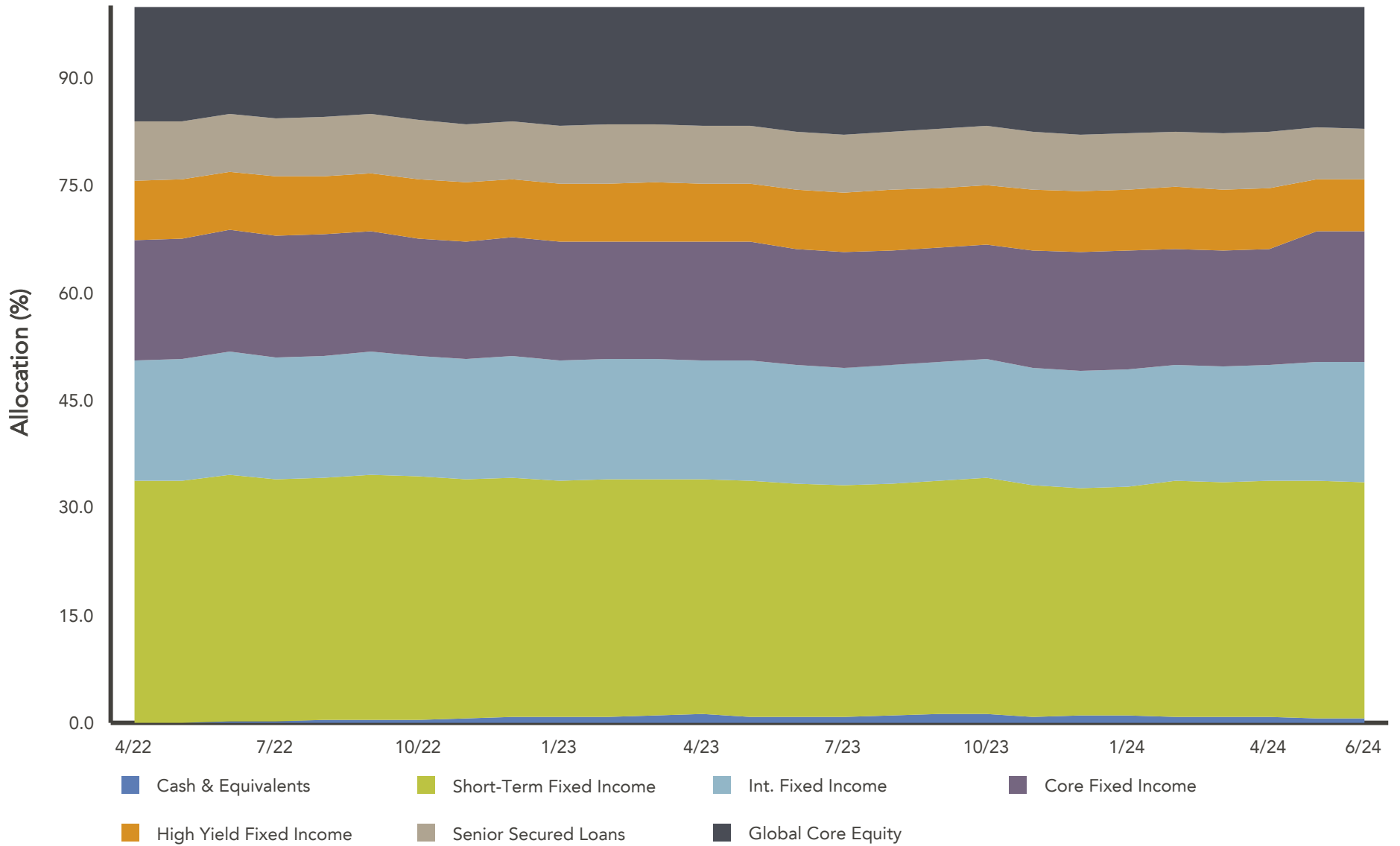
|   | Asset Class             | Beginning MV (\$)  | Net Cash Flow (\$) | Ending MV (\$)     | % of Portfolio | Policy (%)   |
|---|-------------------------|--------------------|--------------------|--------------------|----------------|--------------|
| <b>Total Fund Composite</b>                     |                         | <b>690,299,203</b> | <b>-1,639,896</b>  | <b>696,007,325</b> | <b>100.0</b>   | <b>100.0</b> |
| <b>Fixed Income Composite</b>                   |                         | <b>562,113,792</b> | <b>6,713,805</b>   | <b>573,143,198</b> | <b>82.3</b>    | <b>83.3</b>  |
| iShares Core 1-5 Year Bond Fund                 | Short-Term Fixed Income | 226,114,458        | 1,356,598          | 229,286,195        | 32.9           | 33.3         |
| Blackrock Interm. Govt/Credit Bond Index Fund B | Int. Fixed Income       | 111,817,942        | 3,500,000          | 116,106,422        | 16.7           | 16.7         |
| Blackrock U.S. Debt Index Fund B                | Core Fixed Income       | 111,475,978        | 15,500,000         | 127,241,461        | 18.3           | 16.7         |
| Blackrock U.S. High Yield Bond Index Fund B     | High Yield Fixed Income | 58,887,061         | -9,000,000         | 50,504,913         | 7.3            | 8.3          |
| Blackrock Floating Rate Income Fund             | Senior Secured Loans    | 53,818,354         | -4,642,793         | 50,004,207         | 7.2            | 8.3          |
| <b>Global Equity Composite</b>                  |                         | <b>122,010,769</b> | <b>-7,000,000</b>  | <b>117,967,921</b> | <b>16.9</b>    | <b>16.7</b>  |
| Blackrock MSCI ACWI IMI Index Fund B            | Global Core Equity      | 122,010,769        | -7,000,000         | 117,967,921        | 16.9           | 16.7         |
| <b>Cash Equivalents Composite</b>               |                         | <b>6,174,642</b>   | <b>-1,353,701</b>  | <b>4,896,206</b>   | <b>0.7</b>     | <b>0.0</b>   |

Market Value History



Summary of Cash Flows

|                        | 1<br>Quarter (\$) | Year<br>To<br>Date (\$) | 1<br>Year (\$) | 2<br>Years (\$) | Since<br>Inception (\$) |
|------------------------|-------------------|-------------------------|----------------|-----------------|-------------------------|
| Beginning Market Value | 690,299,203       | 680,661,610             | 652,269,186    | 479,495,088     | -                       |
| Net Cash Flow          | -1,639,896        | -3,226,916              | -6,465,646     | 140,116,007     | 640,116,007             |
| Net Investment Change  | 7,348,018         | 18,572,631              | 50,203,785     | 76,396,230      | 55,891,318              |
| Ending Market Value    | 696,007,325       | 696,007,325             | 696,007,325    | 696,007,325     | 696,007,325             |



## Intermediate Term Fund

Annualized Performance (Net of Fees)  
As of June 30, 2024

|                                   | 3 Mo (%)   | YTD (%)     | 1 Yr (%)    | 2 Yrs (%)   | SI (%)      | Inception Date |
|-----------------------------------|------------|-------------|-------------|-------------|-------------|----------------|
| <b>Total Fund Composite</b>       | <b>1.1</b> | <b>2.7</b>  | <b>7.7</b>  | <b>6.0</b>  | <b>3.3</b>  | <b>Apr 22</b>  |
| Policy Benchmark                  | 1.1        | 2.7         | 7.7         | 6.1         | 2.7         |                |
| <b>Fixed Income Composite</b>     | <b>0.8</b> | <b>1.1</b>  | <b>5.5</b>  | <b>3.8</b>  | <b>2.6</b>  | <b>May 22</b>  |
| Blmbg. U.S. Aggregate Index       | 0.1        | -0.7        | 2.6         | 0.8         | 0.3         |                |
| <b>Global Equity Composite</b>    | <b>2.5</b> | <b>10.4</b> | <b>18.6</b> | <b>17.6</b> | <b>11.5</b> | <b>May 22</b>  |
| MSCI AC World IMI Index (Net)     | 2.4        | 10.3        | 18.4        | 17.3        | 11.1        |                |
| <b>Cash Equivalents Composite</b> | <b>1.2</b> | <b>2.6</b>  | <b>5.4</b>  | <b>4.7</b>  | <b>4.4</b>  | <b>May 22</b>  |
| ICE BofA 3 Month U.S. T-Bill      | 1.3        | 2.6         | 5.4         | 4.5         | 4.2         |                |

## Intermediate Term Fund

Annualized Performance (Net of Fees)  
As of June 30, 2024

|   | 3 Mo<br>(%) | YTD<br>(%)  | 1 Yr<br>(%) | 2 Yrs<br>(%) | SI<br>(%)   | Inception<br>Date |
|---|-------------|-------------|-------------|--------------|-------------|-------------------|
| <b>Total Fund Composite</b>                     | <b>1.1</b>  | <b>2.7</b>  | <b>7.7</b>  | <b>6.0</b>   | <b>3.3</b>  | <b>Apr 22</b>     |
| Policy Benchmark                                | 1.1         | 2.7         | 7.7         | 6.1          | 2.7         |                   |
| <b>Fixed Income Composite</b>                   | <b>0.8</b>  | <b>1.1</b>  | <b>5.5</b>  | <b>3.8</b>   | <b>2.6</b>  | <b>May 22</b>     |
| Blmbg. U.S. Aggregate Index                     | 0.1         | -0.7        | 2.6         | 0.8          | 0.3         |                   |
| iShares Core 1-5 Year Bond Fund                 | 0.8         | 1.2         | 5.1         | 2.9          | 2.3         | May 22            |
| Bloomberg U.S. Universal 1-5 Years Index        | 0.9         | 1.3         | 5.2         | 3.0          | 2.5         |                   |
| Short-Term Bond Rank                            | 87          | 90          | 83          | 81           | 85          |                   |
| Blackrock Interm. Govt/Credit Bond Index Fund B | 0.7         | 0.6         | 4.2         | 2.1          | 1.8         | May 22            |
| Blmbg. Intermed. U.S. Government/Credit         | 0.6         | 0.5         | 4.2         | 2.0          | 1.7         |                   |
| eV US Passive Fixed Inc Rank                    | 41          | 44          | 41          | 41           | 37          |                   |
| Blackrock U.S. Debt Index Fund B                | 0.1         | -0.6        | 2.7         | 0.9          | 0.4         | May 22            |
| Blmbg. U.S. Aggregate Index                     | 0.1         | -0.7        | 2.6         | 0.8          | 0.3         |                   |
| eV US Passive Fixed Inc Rank                    | 67          | 63          | 54          | 56           | 47          |                   |
| Blackrock U.S. High Yield Bond Index Fund B     | 1.1         | 2.8         | 10.6        | 9.5          | 5.4         | May 22            |
| Blmbg. U.S. High Yield - 2% Issuer Cap          | 1.1         | 2.6         | 10.4        | 9.7          | 5.6         |                   |
| eV US High Yield Fixed Inc Rank                 | 61          | 50          | 26          | 40           | 45          |                   |
| Blackrock Floating Rate Income Fund             | 1.6         | 4.2         | 10.3        | 11.0         | 7.7         | May 22            |
| Morningstar LSTA U.S. Leveraged Loan            | 1.9         | 4.4         | 11.1        | 10.9         | 7.6         |                   |
| Bank Loan Rank                                  | 59          | 44          | 51          | 16           | 11          |                   |
| <b>Global Equity Composite</b>                  | <b>2.5</b>  | <b>10.4</b> | <b>18.6</b> | <b>17.6</b>  | <b>11.5</b> | <b>May 22</b>     |
| MSCI AC World IMI Index (Net)                   | 2.4         | 10.3        | 18.4        | 17.3         | 11.1        |                   |
| Blackrock MSCI ACWI IMI Index Fund B            | 2.5         | 10.4        | 18.6        | 17.5         | 11.5        | May 22            |
| MSCI AC World IMI Index (Net)                   | 2.4         | 10.3        | 18.4        | 17.3         | 11.1        |                   |
| eV Global Passive Equity Rank                   | 52          | 47          | 46          | 40           | 45          |                   |

## Intermediate Term Fund

Fee Schedule  
As of June 30, 2024

|   | Fee Schedule (%) | Estimated Annual Fee \$ |
|---|------------------|-------------------------|
| <b>Total Fund Composite</b>                     | <b>0.09</b>      | <b>612,289</b>          |
| iShares Core 1-5 Year Bond Fund                 | 0.06             | 137,572                 |
| Blackrock Interm. Govt/Credit Bond Index Fund B | 0.02             | 23,221                  |
| Blackrock U.S. Debt Index Fund B                | 0.02             | 22,267                  |
| Blackrock U.S. High Yield Bond Index Fund B     | 0.12             | 60,606                  |
| Blackrock Floating Rate Income Fund             | 0.69             | 345,029                 |
| Blackrock MSCI ACWI IMI Index Fund B            | 0.02             | 23,594                  |

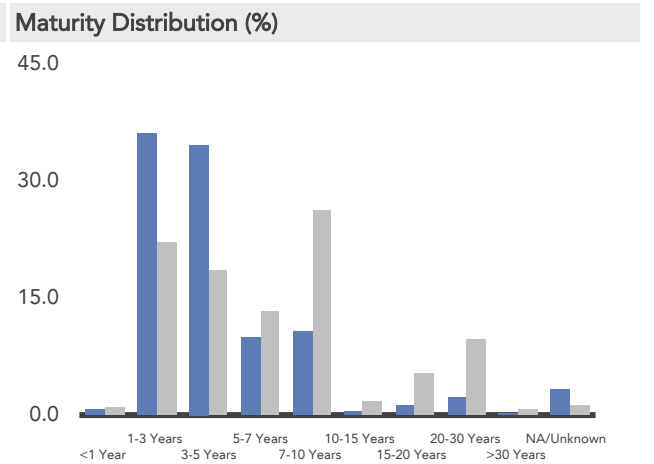
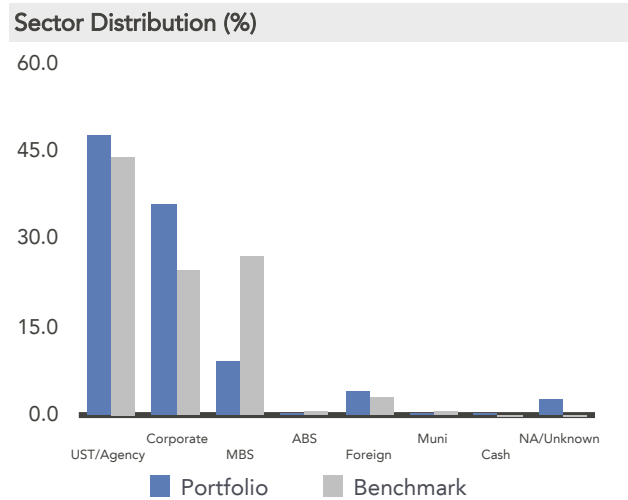
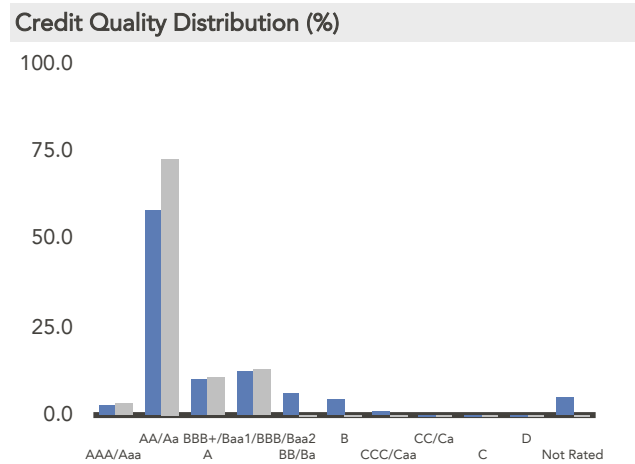
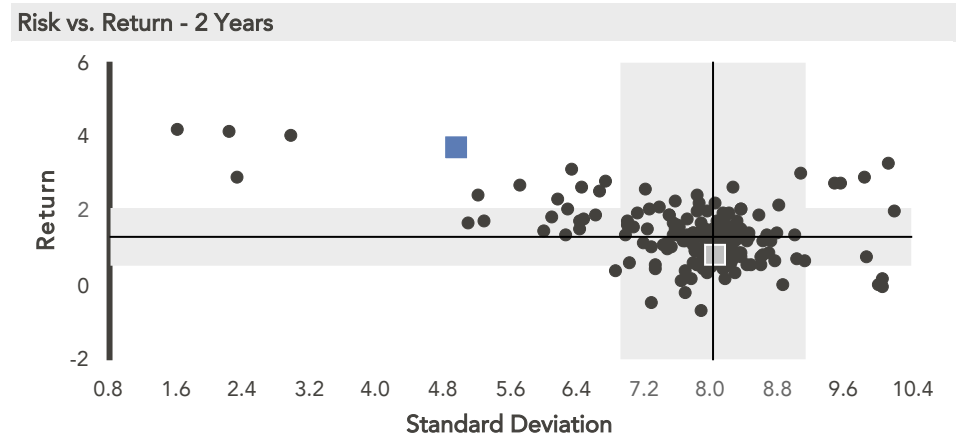


# Fixed Income Composite

Portfolio Characteristics  
As of June 30, 2024

|                               | Market Value (\$)  | 1 Mo (%)   | 3 Mo (%)   | YTD (%)    | 1 Yr (%)   | 2 Yrs (%)  | SI (%)     | Inception Date |
|-------------------------------|--------------------|------------|------------|------------|------------|------------|------------|----------------|
| <b>Fixed Income Composite</b> | <b>573,143,198</b> | <b>0.7</b> | <b>0.8</b> | <b>1.1</b> | <b>5.5</b> | <b>3.8</b> | <b>2.6</b> | <b>May 22</b>  |
| Blmbg. U.S. Aggregate Index   |                    | 0.9        | 0.1        | -0.7       | 2.6        | 0.8        | 0.3        |                |

| Portfolio Characteristics | Portfolio | Blmbg. U.S. Aggregate Index |
|---------------------------|-----------|-----------------------------|
| Avg. Maturity (yrs.)      | 4.8       | 8.4                         |
| Avg. Quality              | A         | AA                          |
| Coupon Rate (%)           | 3.6       | 3.4                         |
| Modified Duration (yrs.)  | 3.9       | 6.0                         |
| Effective Duration (yrs.) | 3.8       | 6.0                         |
| Yield To Maturity (%)     | 5.3       | 4.9                         |
| Yield To Worst (%)        | 5.3       | 5.0                         |



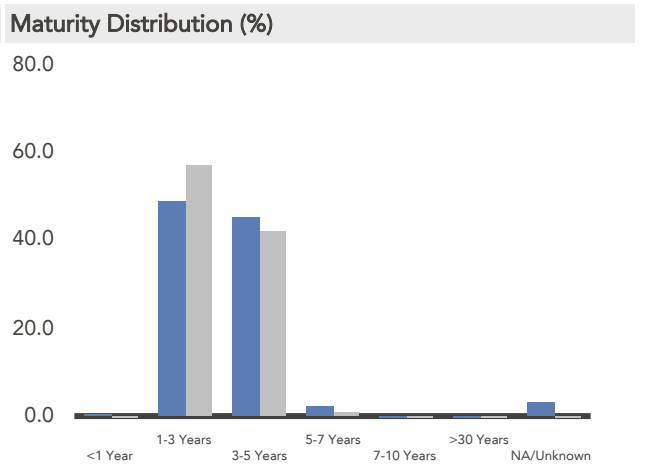
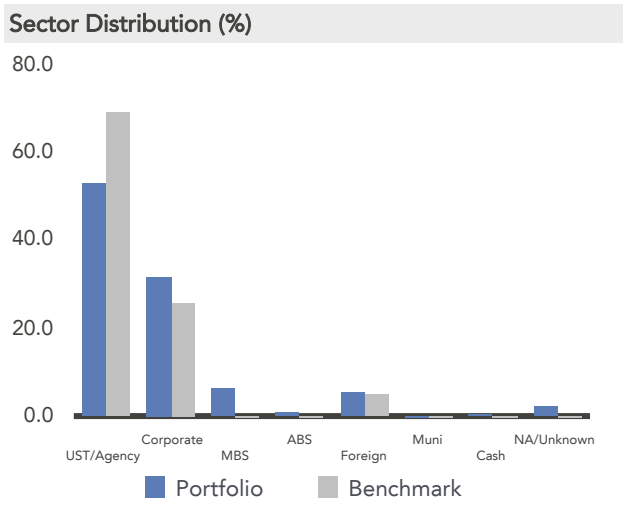
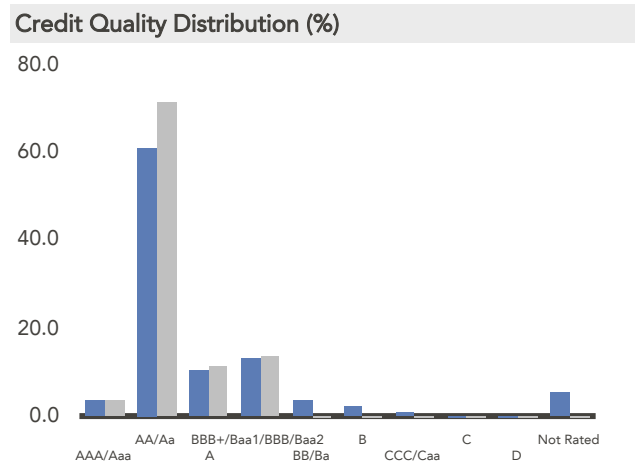
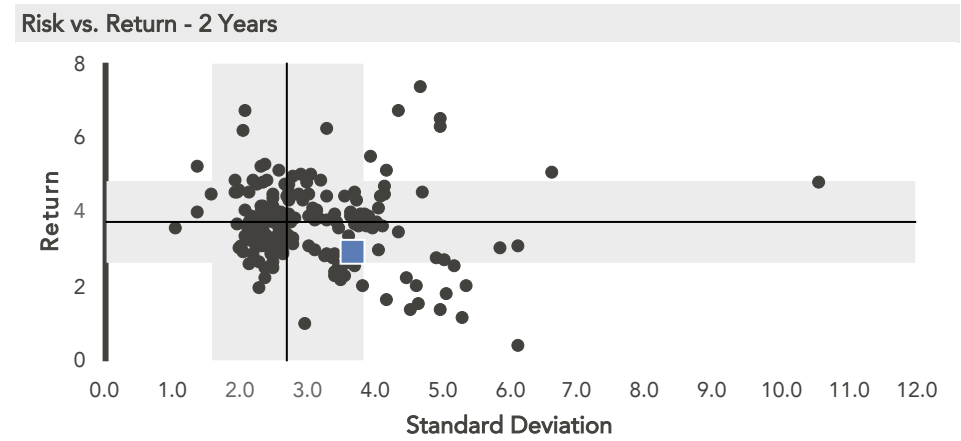
\*Characteristics do not include the Blackrock Floating Rate Income Fund.

# iShares Core 1-5 Year Bond Fund

Portfolio Characteristics  
As of June 30, 2024

|  | Market Value (\$) | 1 Mo (%) | 3 Mo (%) | YTD (%) | 1 Yr (%) | 2 Yrs (%) | SI (%) | Inception Date |
|--|-------------------|----------|----------|---------|----------|-----------|--------|----------------|
| iShares Core 1-5 Year Bond Fund          | 229,286,195       | 0.5      | 0.8      | 1.2     | 5.1      | 2.9       | 2.3    | May 22         |
| Bloomberg U.S. Gov/Credit 1-5 Year Index |                   | 0.7      | 0.8      | 1.0     | 4.7      | 2.4       | 2.1    |                |
| iShares Core 1-5 Year Bond Fund Rank     |                   | 84       | 87       | 90      | 83       | 81        | 85     |                |

| Portfolio Characteristics | Portfolio | Bloomberg U.S. Gov/Credit 1-5 Year Index |
|---------------------------|-----------|--|
| Avg. Maturity (yrs.)      | 3.0       | 2.9                                      |
| Avg. Quality              | A         | AA                                       |
| Coupon Rate (%)           | 3.3       | 3.1                                      |
| Modified Duration (yrs.)  | 2.7       | 2.7                                      |
| Effective Duration (yrs.) | 2.7       | 2.7                                      |
| Yield To Maturity (%)     | 5.1       | 4.8                                      |
| Yield To Worst (%)        | 5.1       | 4.9                                      |

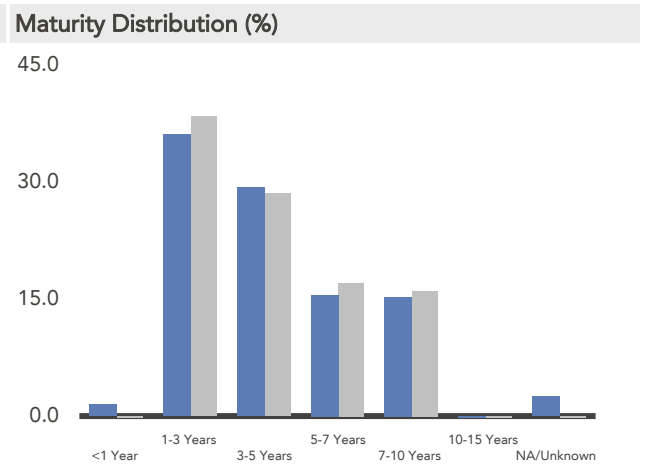
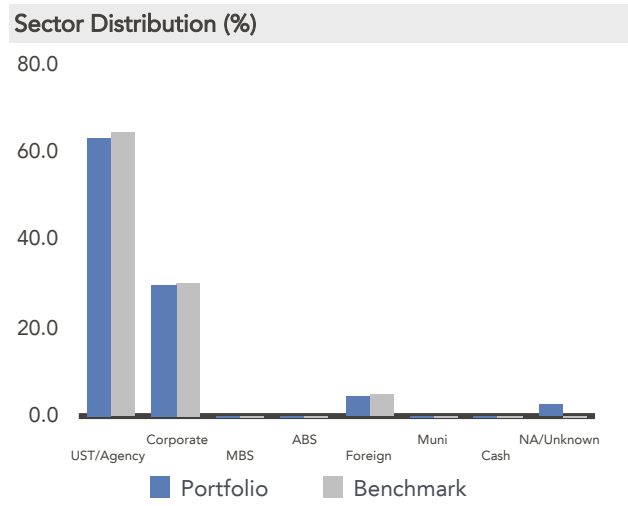
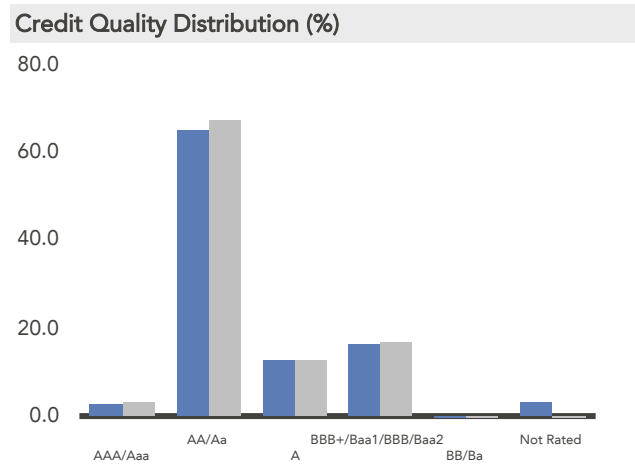
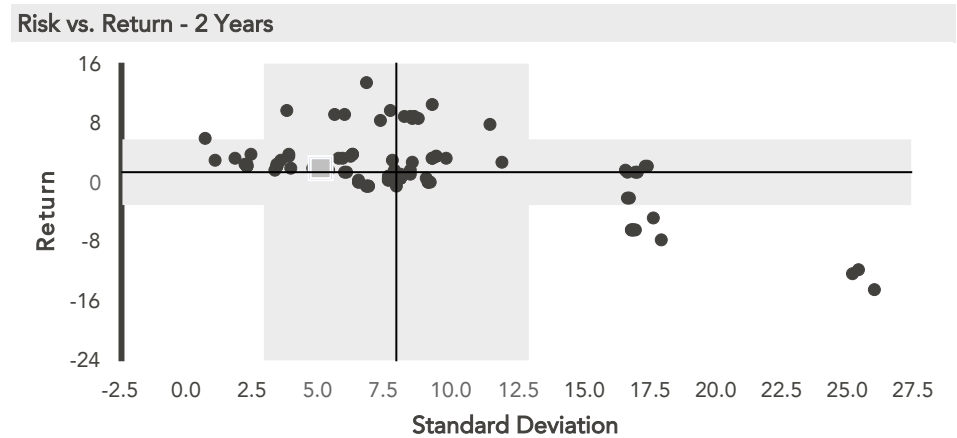


# Blackrock Intern. Govt/Credit Bond Index Fund B

Portfolio Characteristics  
As of June 30, 2024

|  | Market Value (\$) | 1 Mo (%) | 3 Mo (%) | YTD (%) | 1 Yr (%) | 2 Yrs (%) | SI (%) | Inception Date |
|--|-------------------|----------|----------|---------|----------|-----------|--------|----------------|
| Blackrock Intern. Govt/Credit Bond Index Fund B      | 116,106,422       | 0.8      | 0.7      | 0.6     | 4.2      | 2.1       | 1.8    | May 22         |
| Blmbg. Intermed. U.S. Government/Credit              |                   | 0.8      | 0.6      | 0.5     | 4.2      | 2.0       | 1.7    |                |
| Blackrock Intern. Govt/Credit Bond Index Fund B Rank |                   | 55       | 41       | 44      | 41       | 41        | 37     |                |

| Portfolio Characteristics | Portfolio | Blmbg. Intermed. U.S. Government/Credit |
|---------------------------|-----------|---|
| Avg. Maturity (yrs.)      | 4.2       | 4.3                                     |
| Avg. Quality              | AA        | AA                                      |
| Coupon Rate (%)           | 3.1       | 3.3                                     |
| Modified Duration (yrs.)  | 3.8       | 3.8                                     |
| Effective Duration (yrs.) | 3.8       | 3.8                                     |
| Yield To Maturity (%)     | 4.8       | 4.8                                     |
| Yield To Worst (%)        | 4.8       | 4.9                                     |

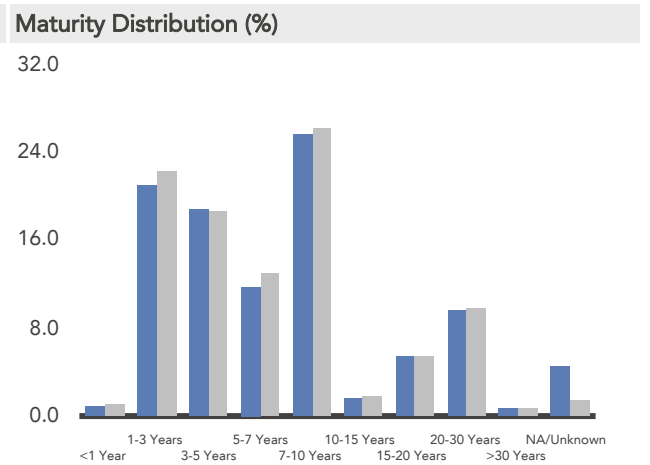
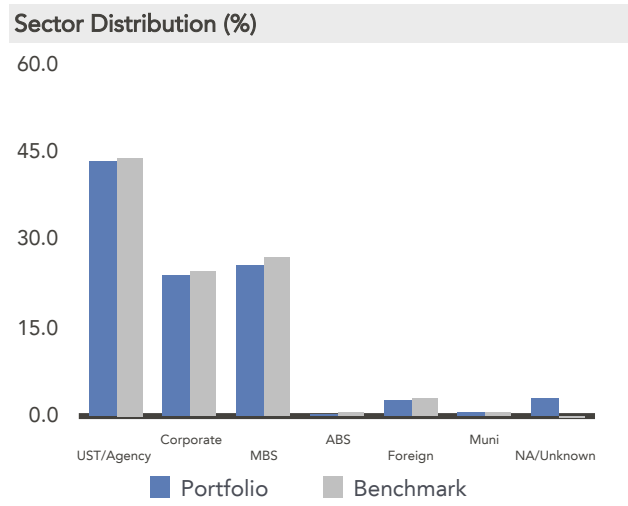
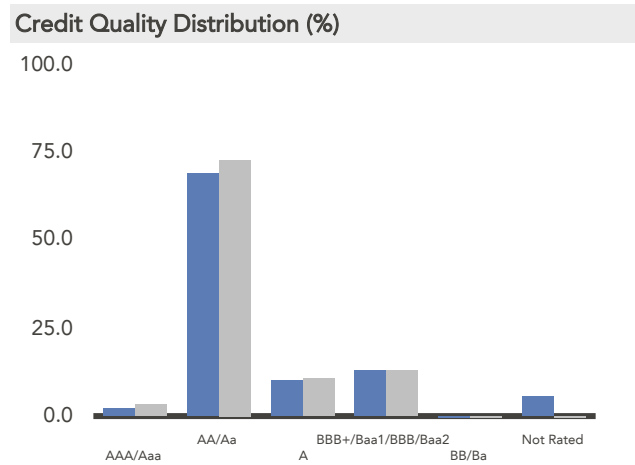
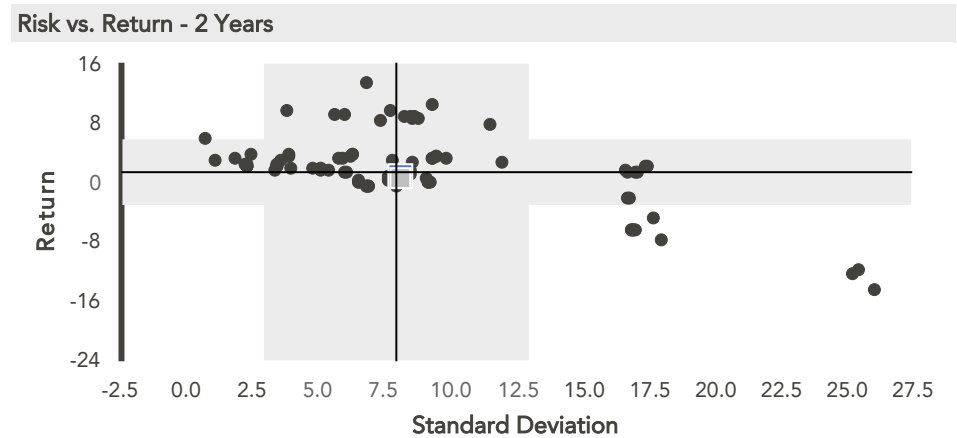


# Blackrock U.S. Debt Index Fund B

Portfolio Characteristics  
As of June 30, 2024

|                                       | Market Value (\$) | 1 Mo (%) | 3 Mo (%) | YTD (%) | 1 Yr (%) | 2 Yrs (%) | SI (%) | Inception Date |
|---------------------------------------|-------------------|----------|----------|---------|----------|-----------|--------|----------------|
| Blackrock U.S. Debt Index Fund B      | 127,241,461       | 1.0      | 0.1      | -0.6    | 2.7      | 0.9       | 0.4    | May 22         |
| Blmbg. U.S. Aggregate Index           |                   | 0.9      | 0.1      | -0.7    | 2.6      | 0.8       | 0.3    |                |
| Blackrock U.S. Debt Index Fund B Rank |                   | 36       | 67       | 63      | 54       | 56        | 47     |                |

| Portfolio Characteristics | Portfolio | Blmbg. U.S. Aggregate Index |
|---------------------------|-----------|-----------------------------|
| Avg. Maturity (yrs.)      | 8.4       | 8.4                         |
| Avg. Quality              | AA        | AA                          |
| Coupon Rate (%)           | 3.3       | 3.4                         |
| Modified Duration (yrs.)  | 6.1       | 6.0                         |
| Effective Duration (yrs.) | 6.1       | 6.0                         |
| Yield To Maturity (%)     | 4.9       | 4.9                         |
| Yield To Worst (%)        | 5.0       | 5.0                         |

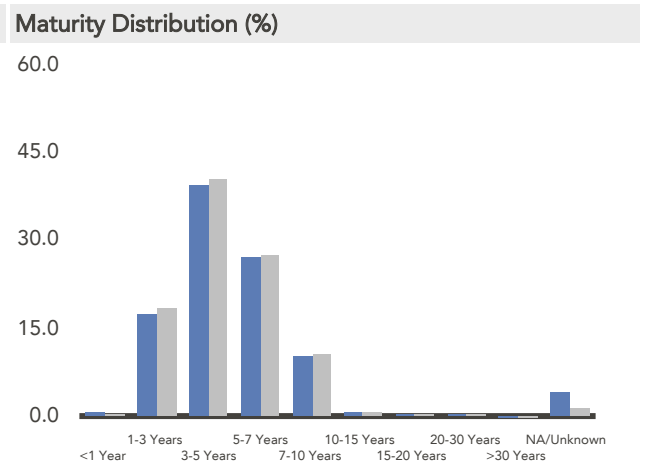
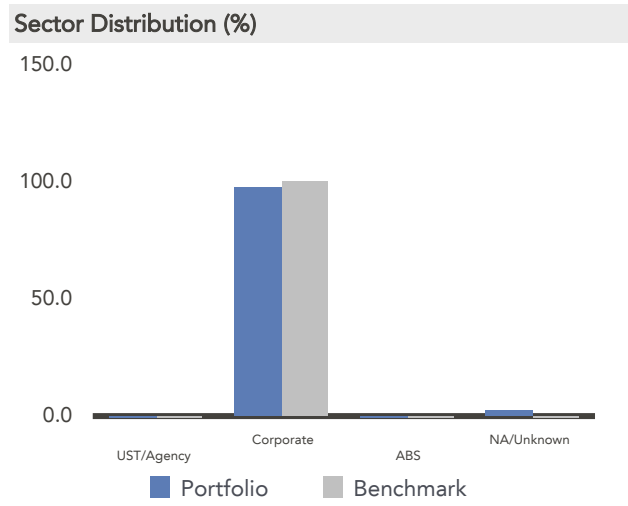
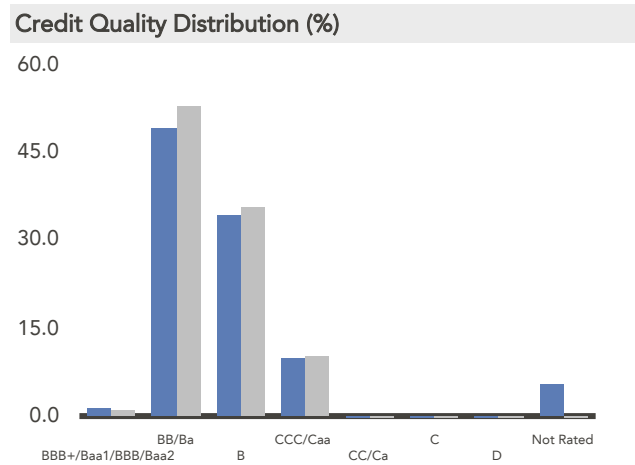
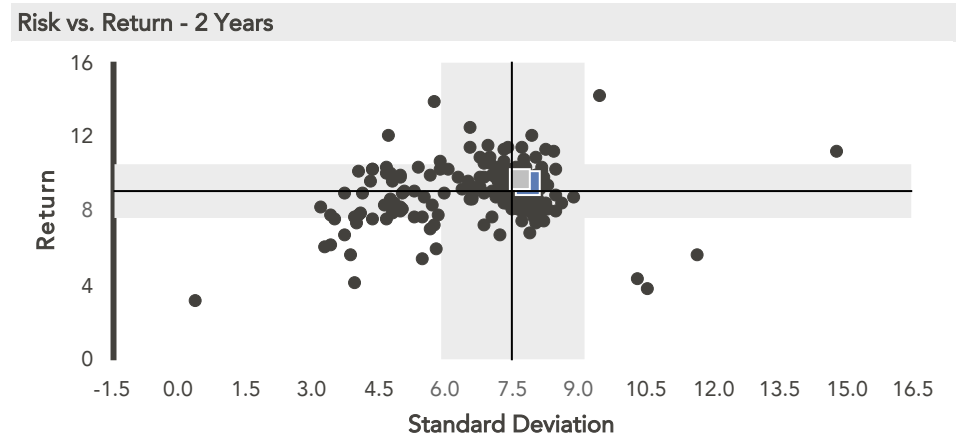


# Blackrock U.S. High Yield Bond Index Fund B

Portfolio Characteristics  
As of June 30, 2024

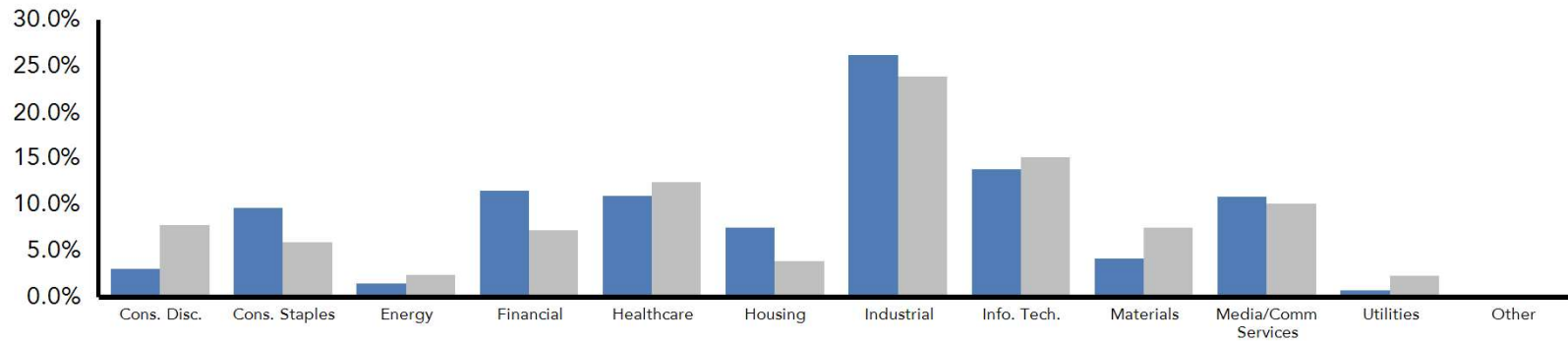
|  | Market Value (\$) | 1 Mo (%) | 3 Mo (%) | YTD (%) | 1 Yr (%) | 2 Yrs (%) | SI (%) | Inception Date |
|--|-------------------|----------|----------|---------|----------|-----------|--------|----------------|
| Blackrock U.S. High Yield Bond Index Fund B      | 50,504,913        | 1.0      | 1.1      | 2.8     | 10.6     | 9.5       | 5.4    | May 22         |
| Blmbg. U.S. High Yield - 2% Issuer Cap           |                   | 0.9      | 1.1      | 2.6     | 10.4     | 9.7       | 5.6    |                |
| Blackrock U.S. High Yield Bond Index Fund B Rank |                   | 20       | 61       | 50      | 26       | 40        | 45     |                |

| Portfolio Characteristics | Portfolio | Blmbg. U.S. High Yield - 2% Issuer Cap |
|---------------------------|-----------|--|
| Avg. Maturity (yrs.)      | 4.9       | 4.9                                    |
| Avg. Quality              | B         | B                                      |
| Coupon Rate (%)           | 6.3       | 6.4                                    |
| Modified Duration (yrs.)  | 3.9       | 3.9                                    |
| Effective Duration (yrs.) | 3.3       | 3.9                                    |
| Yield To Maturity (%)     | 8.0       | 8.0                                    |
| Yield To Worst (%)        | 7.9       | 8.1                                    |

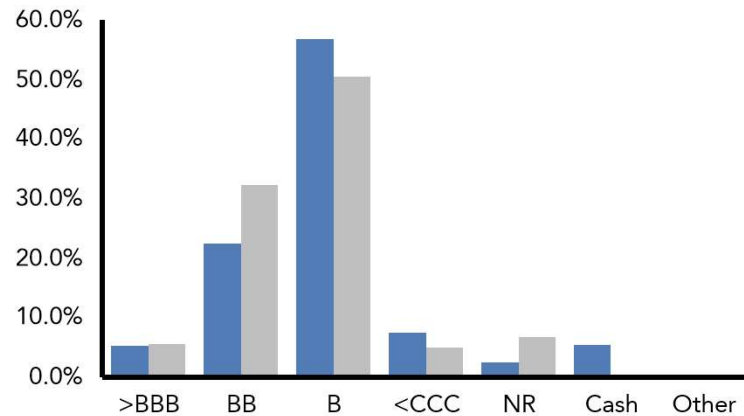


| Characteristics          | BlackRock Global Investors | CS Leveraged Loans |
|--------------------------|----------------------------|--------------------|
| Total Number of Holdings | 468                        | 1574               |
| Current Yield            | 9.3%                       | 9.6%               |
| Avg Duration             | 0.06                       | 0.3                |
| Avg Quality              | BB-                        | B                  |
| As of Date               |                            | 3/31/2024          |

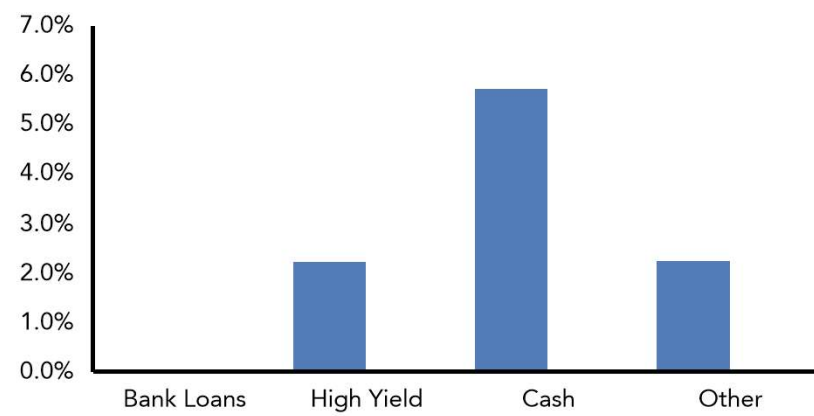
Product Sector Breakdown



Quality Breakdown



Seniority Breakdown



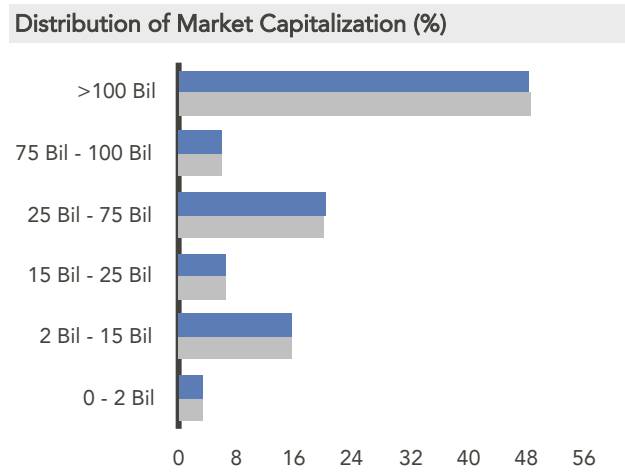
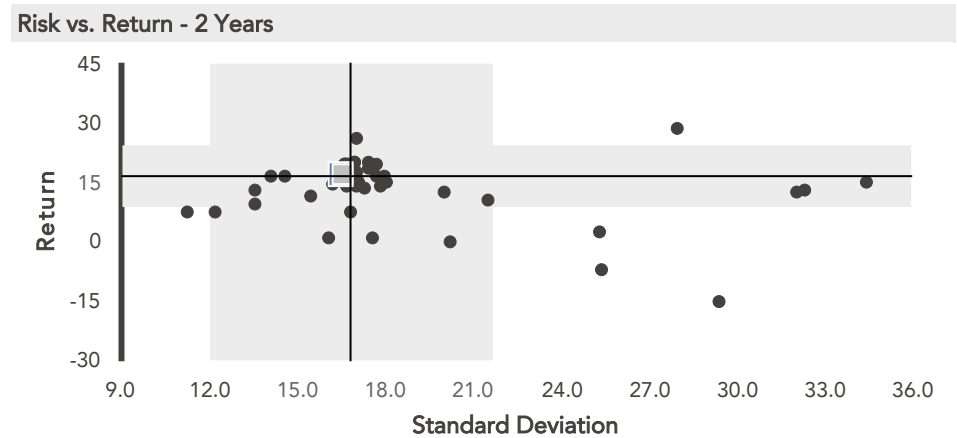
■ BlackRock Floating Rate Income Fund ■ CS Leveraged Loans

# Blackrock MSCI ACWI IMI Index Fund B

Portfolio Characteristics  
As of June 30, 2024

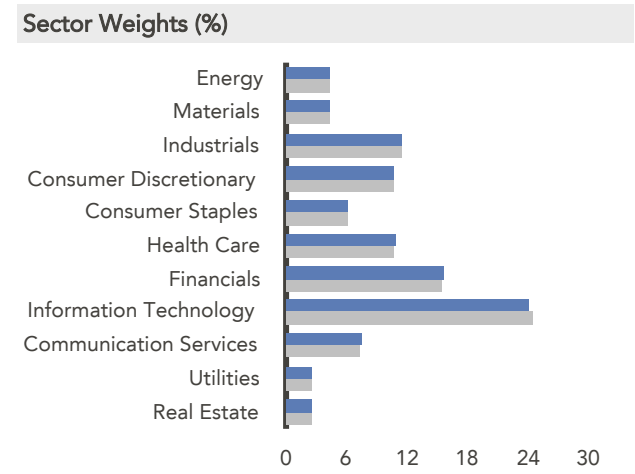
|   | Market Value \$ | 1 Mo (%) | 3 Mo (%) | YTD (%) | 1 Yr (%) | 2 Yrs (%) | SI (%) | Inception Date |
|---|-----------------|----------|----------|---------|----------|-----------|--------|----------------|
| Blackrock MSCI ACWI IMI Index Fund B      | 117,967,921     | 1.9      | 2.5      | 10.4    | 18.6     | 17.5      | 11.5   | May 22         |
| MSCI AC World IMI Index (Net)             |                 | 1.9      | 2.4      | 10.3    | 18.4     | 17.3      | 11.1   |                |
| Blackrock MSCI ACWI IMI Index Fund B Rank |                 | 45       | 52       | 47      | 46       | 40        | 45     |                |

| Portfolio Characteristics | Portfolio | MSCI AC World IMI Index (Net) |
|---------------------------|-----------|-------------------------------|
| Wtd. Avg. Mkt. Cap \$M    | \$589,886 | \$589,227                     |
| Median Mkt. Cap \$M       | \$2,264   | \$2,274                       |
| Price/Earnings ratio      | 20.6      | 21.6                          |
| Price/Book ratio          | 4.0       | 3.7                           |
| 5 Yr. EPS Growth Rate (%) | 16.0      | 15.2                          |
| Current Yield (%)         | 1.5       | 2.0                           |
| Beta                      | -         | 1.0                           |
| Number of Stocks          | 9,019     | 8,847                         |



| Region (%)               | Portfolio    | Benchmark    |
|--------------------------|--------------|--------------|
| Canada                   | 2.8          | 2.8          |
| United States            | 61.6         | 61.3         |
| Europe                   | 16.4         | 16.4         |
| Asia Pacific             | 8.5          | 8.5          |
| <b>Developed Markets</b> | <b>89.2</b>  | <b>89.0</b>  |
| Americas                 | 0.7          | 0.7          |
| Europe                   | 0.3          | 0.3          |
| Asia Pacific             | 8.2          | 8.4          |
| <b>Emerging Markets</b>  | <b>9.3</b>   | <b>9.4</b>   |
| Other                    | 1.6          | 1.6          |
| <b>Total</b>             | <b>100.0</b> | <b>100.0</b> |

■ Portfolio ■ Benchmark



**Liquidity Schedule Summary**



| Investments  | Inception  | Subscriptions | Redemptions | Market Value       | Daily              |
|--|------------|---------------|-------------|--------------------|--------------------|
| iShares Core 1-5 Year Bond Fund                        | 04/20/2022 | Daily         | Daily       | 229,286,195        | 229,286,195        |
| Blackrock Interm. Govt/Credit Bond Index Fund B        | 04/20/2022 | Daily         | Daily       | 116,106,422        | 116,106,422        |
| Blackrock U.S. Debt Index Fund B                       | 04/20/2022 | Daily         | Daily       | 127,241,461        | 127,241,461        |
| Blackrock U.S. High Yield Bond Index Fund B            | 04/20/2022 | Daily         | Daily       | 50,504,913         | 50,504,913         |
| Blackrock Floating Rate Income Fund                    | 04/20/2022 | Daily         | Daily       | 50,004,207         | 50,004,207         |
| Blackrock MSCI ACWI IMI Index Fund B                   | 04/20/2022 | Daily         | Daily       | 117,967,921        | 117,967,921        |
| SWIB Liquidity Fund                                    | 04/01/2022 | Daily         | Daily       | 2,611,283          | 2,611,283          |
| Cash - iShares Core 1-5 Year Bond Fund                 | 04/20/2022 | Daily         | Daily       | 734,738            | 734,738            |
| Cash - Blackrock Floating Rate Income Fund             | 04/20/2022 | Daily         | Daily       | 1,550,185          | 1,550,185          |
| Cash - Blackrock MSCI ACWI IMI Index Fund B            | 04/20/2022 | Daily         | Daily       | -                  | -                  |
| Cash - Blackrock Interm. Govt/Credit Bond Index Fund B | 04/20/2022 | Daily         | Daily       | -                  | -                  |
| Cash - Blackrock U.S. Debt Index Fund B                | 04/20/2022 | Daily         | Daily       | 1                  | 1                  |
| Cash - Blackrock U.S. High Yield Bond Index Fund B     | 04/20/2022 | Daily         | Daily       | -                  | -                  |
| <b>Total (\$)</b>                                      |            |               |             | <b>696,007,325</b> | <b>696,007,325</b> |
| <b>Total (%)</b>                                       |            |               |             | <b>100.0</b>       | <b>100.0</b>       |



## Intermediate Term Fund

Benchmark Composition  
As of June 30, 2024

| Policy Benchmark                         | Weight (%) |
|--|------------|
| Mar-2014                                 |            |
| Blmbg. Intermed. U.S. Government/Credit  | 16.67      |
| Blmbg. U.S. Aggregate Index              | 16.67      |
| Blmbg. U.S. High Yield - 2% Issuer Cap   | 8.33       |
| Morningstar LSTA U.S. Leveraged Loan     | 8.33       |
| MSCI AC World IMI Index (Net)            | 16.67      |
| Bloomberg U.S. Universal 1-5 Years Index | 33.33      |

## Investment Manager Evaluation Terminology

The following terminology has been developed by Marquette Associates to facilitate efficient communication among the Investment Manager, Investment Consultant, and the Plan Sponsor. Each term signifies a particular status with the Fund and any conditions that may require improvement. In each case, communication is made only after consultation with the Trustees and/or the Investment Committee of the Plan.

**In Compliance** – Marquette has not been notified of any issues or changes to the investment manager that would materially impede upon its ability to execute the investment strategy or adhere to any applicable investment guidelines.

**Alert** – The investment manager has experienced a problem in performance (usually relative to a benchmark), a change in investment characteristics, an alteration in management style, ownership, or key investment professionals, and/or any other irregularities that may impede upon its ability to execute the investment strategy or adhere to any applicable investment guidelines.

**On Notice** – The investment manager has experienced continued concern with one or more Alert issues. Failure to improve upon stated issues within a certain time frame may justify termination.

**Termination** – The investment manager has been terminated and transition plans are in place.

## DISCLOSURE

---

Marquette Associates, Inc. ("Marquette") has prepared this document for the exclusive use by the client or third party for which it was prepared. The information herein was obtained from various sources, including but not limited to third party investment managers, the client's custodian(s) accounting statements, commercially available databases, and other economic and financial market data sources.

The sources of information used in this document are believed to be reliable. Marquette has not independently verified all of the information in this document and its accuracy cannot be guaranteed. Marquette accepts no liability for any direct or consequential losses arising from its use. The information provided herein is as of the date appearing in this material only and is subject to change without prior notice. Thus, all such information is subject to independent verification and we urge clients to compare the information set forth in this statement with the statements you receive directly from the custodian in order to ensure accuracy of all account information. Past performance does not guarantee future results and investing involves risk of loss. No graph, chart, or formula can, in and of itself, be used to determine which securities or investments to buy or sell.

Forward-looking statements, including without limitation any statement or prediction about a future event contained in this presentation, are based on a variety of estimates and assumptions by Marquette, including, but not limited to, estimates of future operating results, the value of assets and market conditions. These estimates and assumptions, including the risk assessments and projections referenced, are inherently uncertain and are subject to numerous business, industry, market, regulatory, geo-political, competitive, and financial risks that are outside of Marquette's control. There can be no assurance that the assumptions made in connection with any forward-looking statement will prove accurate, and actual results may differ materially.

The inclusion of any forward-looking statement herein should not be regarded as an indication that Marquette considers forward-looking statements to be a reliable prediction of future events. The views contained herein are those of Marquette and should not be taken as financial advice or a recommendation to buy or sell any security. Any forecasts, figures, opinions or investment techniques and strategies described are intended for informational purposes only. They are based on certain assumptions and current market conditions, and although accurate at the time of writing, are subject to change without prior notice. Opinions, estimates, projections, and comments on financial market trends constitute our judgment and are subject to change without notice. Marquette expressly disclaims all liability in respect to actions taken based on any or all of the information included or referenced in this document. **The information is being provided based on the understanding that each recipient has sufficient knowledge and experience to evaluate the merits and risks of investing.**

Marquette is an independent investment adviser registered under the Investment Advisers Act of 1940, as amended. Registration does not imply a certain level of skill or training. More information about Marquette including our investment strategies, fees and objectives can be found in our ADV Part 2, which is available upon request.