2025

For the Fiscal Year Ended
June 30, 2025

INPRS

INDIANA PUBLIC RETIREMENT SYSTEM

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Prepared by INPRS's Finance Department in coordination with staff from other departments. Available online at www.in.gov/inprs

The Indiana Public Retirement System is a component unit and a pension trust fund of the State of Indiana.

2025 ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2025

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INPRS is a trust and an independent body corporate and politic. The system is not a department or agency of the state, but is an independent instrumentality exercising essential governmental functions (IC 5-10.5-2-3).

	FUNDS MANAGED BY INPRS	ABBREVIATIONS USED
	Defined Benefit	**DB Fund**
1.	Public Employees' Defined Benefit Account	PERF DB
2.	Teachers' Pre-1996 Defined Benefit Account	TRF Pre-'96 DB
3.	Teachers' 1996 Defined Benefit Account	TRF '96 DB
4.	1977 Police Officers' and Firefighters' Retirement Fund	1977 Fund
5.	Judges' Retirement System	JRS
6.	Excise, Gaming and Conservation Officers' Retirement Fund	EG&C
7.	Prosecuting Attorneys' Retirement Fund	PARF
8.	Legislators' Defined Benefit Fund	LE DB
	Defined Contribution	**DC Fund**
9.	Public Employees' Defined Contribution Account	PERF DC
10.	My Choice: Retirement Savings Plan for Public Employees	PMCH
11.	Teachers' Defined Contribution Account	TRF DC
12.	My Choice: Retirement Savings Plan for Teachers	TMCH
13.	Legislators' Defined Contribution Fund	LE DC
	Other Post Employment Benefit	**OPEB Fund**
14.	Special Death Benefit Fund	SDBF
15.	Retirement Medical Benefits Account Plan	RMBA
	Custodial	**Custodial Fund**
16.	Local Public Safety Pension Relief Fund	LPSPR

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INPRS
INDIANA PUBLIC RETIREMENT SYSTEM

2025 ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2025

Investment Section

$53.0 Billion

Fair value of defined benefit assets

$7.9 Billion

Fair value of defined contribution assets

10.97%

Annualized time-weighted rate of return on defined benefit investments

INPRS
INDIANA PUBLIC RETIREMENT SYSTEM

Verus

August 22, 2025

Board of Trustees
Indiana Public Retirement System
One North Capitol Avenue
Indianapolis, IN 46204

Dear Trustees:

Verus is pleased to provide the Board of Trustees of the Indiana Public Retirement System ("INPRS") with an overview of the market environment and a summary of recent developments for the fiscal year ended June 30, 2025.

Market Environment

Risk assets delivered strong performance over the past year, bringing global equities to +16.2% (MSCI ACWI Index). Fixed income assets also finished with strong positive performance, as spreads narrowed and treasury yields moved lower. During this period, markets delivered a bumpy ride throughout elections and a change in U.S. administration, shifting trade policy and tariff announcements which contributed to an April selloff following "Liberation Day", and some Treasury yield volatility due to uncertainty on timing of Federal Reserve rate cuts and fears around the nation's fiscal path.

Although investors had expected domestic economic growth to slow in 2025, that slowing has so far proven more moderate than many had feared despite initial tariff concerns. Inflation did not reach the Federal Reserve's 2% goal, but showed some progress, now fluctuating in a 2.5%-3.0% range. Tariff-driven price increases were observed in specific categories but have so far not been broadly impactful. We expect sticky inflation and generally stronger-than-expected economic conditions to result in fewer rate cuts from the Federal Reserve and a higher-for-longer interest rate environment. The full economic effects of shifting trade policy will likely not be known until later in the year and into 2026.

International equities outperformed U.S. equities, though most of this outperformance was due to currency movements as the dollar fell sharply in the first half of 2025. Outperformance became particularly significant following the April market selloff, but a surprisingly strong rebound from U.S. equities has helped recoup much of that margin.

U.S. Equity

Domestic equities underperformed over the past year (S&P 500 +15.2% vs. MSCI ACWI ex-US +17.7%). Equity gains have been narrow, with a handful of mega-cap stocks propelling the index higher. Forward P/E multiples climbed back to high levels, driven by earnings momentum in mega-cap growth stocks, and S&P 500 dividend yield fell to a historic low of 1.3%. Sentiment around artificial intelligence boosted long-term expectations for growth and contributed to investor enthusiasm despite lofty index valuations. A corporate productivity boom fueled by artificial intelligence investments may provide a path to further strong market gains despite elevated valuations, already high profit margins, higher cost of debt, and a moderation of economic growth.

Many investors have attributed this effect to trade policy—specifically aggressive U.S. trade negotiations with a wide variety of trading partners. This presents the U.S. with more trade friction and greater risks to its economy relative to its trading partners that each face trade negotiations with only a single country. During the April selloff, questions circulated around whether U.S. exceptionalism had ended and that non-U.S. assets were set for a comeback. However, this story faded after U.S. markets roared back to new highs in the subsequent months.

International Equity

International developed outperformed U.S. equities over the past year (MSCI EAFE +17.5%), but this was largely due to currency effects from dollar depreciation. European equities led the way among other regions (MSCI Euro +22.2%) during that period, with Germany (MSCI Germany +41.1%) posting notable gains on optimism that relaxation of government debt limits and stimulus programs could stimulate growth via more rapid industrial production and reinvestment.

Emerging market equities also outperformed the U.S. very slightly (MSCI EM +15.3%) fueled by a bounce back in Chinese markets (MSCI China +34.1%). However, despite this rally, Chinese equities remain a significant detractor from emerging market performance over the longer-term, as demonstrated by China's -31% total underperformance over the past 10 years relative to the rest of the emerging markets complex (MSCI EM ex-China).

Fixed Income

The 10-year U.S. Treasury yield continues to hover around 4.2%, although yields moved in a very wide range from slightly below 4.0% following April's selloff to 4.6% after Moody's downgraded the U.S. credit rating and fears circulated around the country's fiscal path.

The Federal Reserve kept rates steady again in June in a target range of 4.25%-4.50%, expressing concerns about possible inflationary impacts of tariffs. Chair Jerome Powell at the meeting said that policymakers are "well positioned to wait" and that there were few signs of economic weakening. Markets are pricing in two rate cuts by the end of 2025, while the U.S. yield curve has returned to an upward sloping shape—the steepest since early 2022 when the Federal Reserve began quickly hiking interest rates. The 10-year U.S. Treasury yield was 0.6% higher than the 2-year yield as of June 30th. President Trump continued to place pressure on Jerome Powell to cut rates, and discussions are underway for electing a new Fed chairman in 2026.

Fixed income assets delivered high single-digit returns over the past year as medium- and shorter-term Treasury yields moved lower and credit spreads tightened. Core fixed income showed a +6.7% return (Bloomberg U.S. Aggregate) while high yield bonds returned +10.4% (Bloomberg U.S. Corporate High Yield). Despite increased borrowing costs, credit default activity has remained muted with no defaults occurring in June, which was only the third instance of no monthly defaults since 2022. Loans continued to surpass bonds in both default and distressed activity. High yield bond default rates rose 21 bps to 1.4% during Q2, well below the long-term annual average of over 3.0%. Loan default rates, by comparison, dropped slightly to 3.8%. High yield credit spreads tightened from 3.2% to 2.9% while investment grade spreads narrowed from 0.9% to 0.8%.

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Commodities

The Bloomberg Commodity Index delivered robust returns over the past year, up +5.8%. Gold and Copper rallied significantly during the period, followed by Natural Gas. Central bank purchases, easing global monetary policy, and geopolitical tensions were likely tailwinds to gold prices, as well as the concern around fiscal situations of various global governments. Commodity futures curves have been in backwardation recently which has allowed for more positive total returns from the asset class.

Outlook

The U.S. economy continues to show resilience—a stable labor market and consumer spending trends indicate a low recession risk in 2025. Tariff inflation effects appear very small so far, though more effects will likely show in the coming quarters. Domestic risk asset pricing fully reflects this good outcome, and we are back to an environment where high prices may reduce investor appetite for risk beyond policy limits.

We expect moderate growth in 2025 with no recession. Inflation may rise to around 3-3.5% by end of year due to tariffs and other price pressures traditionally associated with good economic growth. We do not believe that this would be enough inflation to spook markets or to cause major disruptions. The labor market will likely continue to show mixed signals but remain generally stable with less hiring, and possibly signs of growing labor productivity which could add to investor sentiment. Earnings forecasts, which are currently high (+10.3% earnings growth for 2025) may further support U.S. equities despite high valuations.

Plan Activity

During the 2025 fiscal year, Verus and INPRS' staff collaborated on many different initiatives. Together we completed searches for multiple investment management mandates and proxy voting services. The process involved issuing requests for proposals, thorough evaluation of candidates, and interviews with finalists. The outcome resulted in the hiring of two new managers for U.S. small cap equities and one new passive global inflation-linked bond manager. Two additional searches for commodities and opportunistic credit were launched and are expected to conclude in the next fiscal year.

INPRS also hired a proxy voting firm to support vote management and execution on behalf of the System. Votes are cast based on a proxy voting policy that closely aligns with INPRS' Investment Policy Statement and with the Systems' fiduciary responsibilities. Applying a consistent proxy policy across all asset managers ensures that votes on any given issue are cast in a consistent manner. The firm also offers tools that aggregate voting data, enabling INPRS to monitor and evaluate its proxy voting activity.

Verus and INPRS collaborated on several other projects related to liquidity, currency risk, and benchmarking. A liquidity assessment was completed that demonstrated INPRS' strong position to meet liquidity needs. Our teams also worked together to evaluate currency hedging solutions and their role in an institutional portfolio. Lastly, we reviewed benchmarks within commodities, international rates, opportunistic credit, and private credit to ensure they align with the structure and objectives of each asset class.

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Additional ongoing work involved public market asset class reviews, annual fee benchmarking, investment and operational due diligence on existing managers, investment policy statement revisions, and ongoing collaboration with staff on smaller projects and issues.

Conclusion

Verus values our relationship with INPRS, and we appreciate the privilege of working with the Board and staff in designing policies and supporting decisions aimed at meeting the Plan's investment objectives. We remain confident in the direction of the Portfolio given the System's demographics, fiscal strength, and well-designed investment strategy. We look forward to continuing our partnership as we navigate ever-changing capital markets.

Sincerely,

Jeffrey J. MacLean
Chief Executive Officer

__Past performance is no guarantee of future results__. This document is provided for informational purposes only and is directed to institutional clients and eligible institutional counterparties only and is not intended for retail investors. Nothing herein constitutes investment, legal, accounting or tax investment vehicle or any trading strategy. This document may include or imply estimates, outlooks, projections and other "forward-looking statements." No assurance can be given that future results described or implied by any forward looking information will be achieved. Investing entails risks, including possible loss of principal.
Verus – also known as Verus Advisory™.

Report from the Chief Investment Officer

INPRS's Defined Benefit Investment Imperatives

Established in fiscal year 2012, three long-term imperatives were identified as vital to the continued health of the System's defined benefit plans and serve as a guide for the investment team. Every strategic, tactical, and operational decision must have an expectation of positively contributing to at least one of these imperatives.

1. **Achieve the long-term rate of return assumption.** Effective fiscal year 2013, INPRS's Board set the long-term rate of return assumption at 6.75 percent. Following the fiscal year 2021 Asset-Liability Study, the Board approved 6.25 percent as the appropriate long-term return assumption. For the System to maintain a healthy funded status, it is essential to achieve this rate of return over the long-term (defined as 10+ years in INPRS's Investment Policy Statement).

2. **Accomplish the first imperative as effectively and efficiently as possible.** While it is important to establish an asset allocation that is expected to meet the target rate of return over a long-time horizon, as fiduciaries, it is also important to maintain focus on maximizing the return per unit of risk, limiting return volatility, and maximizing cost efficiency.

3. **Maintain enough liquidity to make retirement payments on time.** As the System matures, retirement payments will be a greater cash outflow each year. As a result, it is critical to maintain an appropriate level of liquidity to ensure payments are made on time and without causing undue stress to the investment portfolio.

The Fiscal Year in Review (Defined Benefit Portfolio)[1]

The Economic Environment

Summary

Throughout fiscal year 2025, the global economic environment was influenced by several key events, including divergent central bank policies, tariff threats from the United States, and caution from the Federal Reserve (Fed). Other central banks began their rate-cutting cycles more quickly and aggressively than the U.S., as growth abroad weakened and inflation trends eased. In April, President Trump's announcement of widespread global tariffs disrupted trade, which subsequently affected GDP figures. Fortunately, U.S. GDP rebounded and ended the fiscal year on a positive note.

Inflation Trends and the U.S. Federal Reserve

In most developed nations, except Japan, inflation trended down. In the U.S., headline CPI decreased moderately from 3.0% to 2.7% during the fiscal year, while the personal consumption expenditure index (PCE) remained sticky at 2.6%. The Fed finally began its cutting cycle with a 0.5% cut in September 2024. They cut two more times before the calendar year ended, reducing the target rate to a target range of 4.25%-4.50%. Since then, inflation has been sticky, GDP strong, and unemployment steady. This led the Fed to hold rates steady into fiscal year end. The markets are anticipating a shift in the Fed's focus to bolster economic growth, by projecting three cuts over the remainder of calendar year 2025.

GDP and Consumer Sentiment

Internationally, most developed nations showed modest upward growth, but below that of the U.S. In the U.S., GDP remained relatively stable throughout the fiscal year, except for a brief contraction in March. This decline was driven by larger-than-usual net imports, as companies accelerated purchases ahead of anticipated tariffs. Consumer sentiment in the U.S. began the year strong, supported by strong economic growth and equity market performance. However, unanticipated tariff announcements unsettled markets, causing consumer sentiment to plummet, inflation expectations to rise, and recession fears to spike. Following the news that tariffs wouldn't be as bad as projected in April, equity markets recovered, and consumer sentiment improved.

Performance Summary

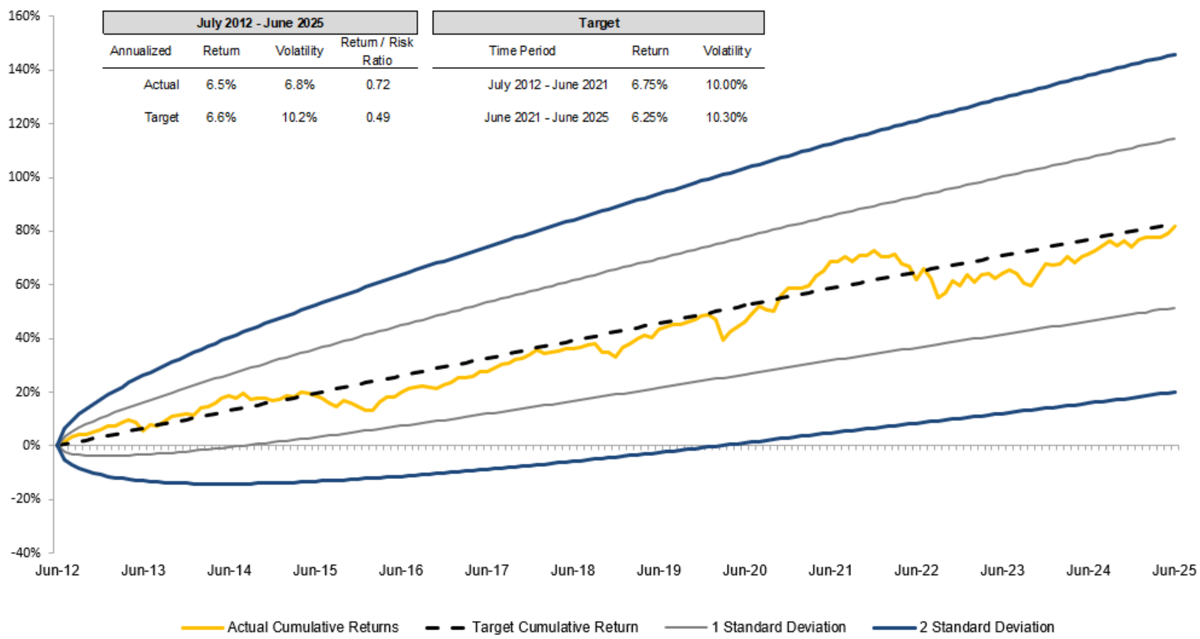
The consolidated defined benefit assets returned 10.97 percent net of all fees over the fiscal year, above the 6.25 target return, and ended with a fair market value of $46.5 billion.

Based on research of various asset classes and their historical performance in different economic environments over time, it was determined in 2012 that a new risk-balanced framework better fit our first two imperatives. Developed from this research, the following chart illustrates the projected range of outcomes for INPRS's asset allocation around the former 6.75 percent and current 6.25 percent return targets (represented by the black dotted line). This visual is intended to track the cumulative performance of the actual portfolio (shown by the yellow solid line) versus those expectations. We expect the yellow line to be within the outer blue lines, but most often, within the gray inner lines. The return path of the yellow line has consistently hovered around expectations, which we think demonstrates

[1] *Rates of return and market values are specific to INPRS's portfolio and are based on calculations made by INPRS's custodian, Bank of New York, and are presented using a time-weighted rate of return methodology based upon fair value.*

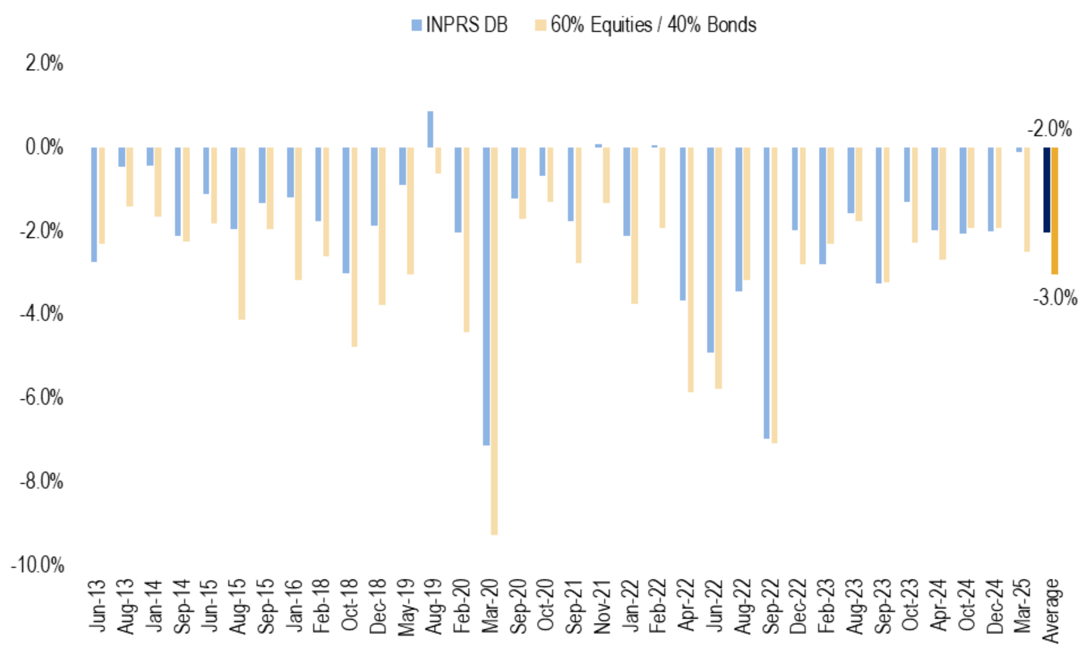
the benefit of a risk-balanced approach to asset allocation. After the portfolio's drawdown in 2022, the yellow line converged towards the long-term expectation as markets recovered. Since inception of the revised strategy in 2012, the portfolio has generated an annual return of 6.51 percent.

INPRS Defined Benefit Net of Fee Cumulative Return



Due to our long-term focus, it is crucial to consistently monitor the portfolio's performance across different market conditions. Diversification is a key strategy to reduce the impact of changing economic environments. To measure the success of economic diversification, we analyzed historical data from months since July 2012 when global equities experienced losses of 2 percent or worse. The chart demonstrates that INPRS's defined benefit portfolio has consistently performed favorably in comparison to such market downturns. As anticipated, our portfolio experienced significantly lower losses on average than a 60 percent equity and 40 percent bond portfolio. This reinforces the effectiveness of our diversification approach and aligns with our expectations.

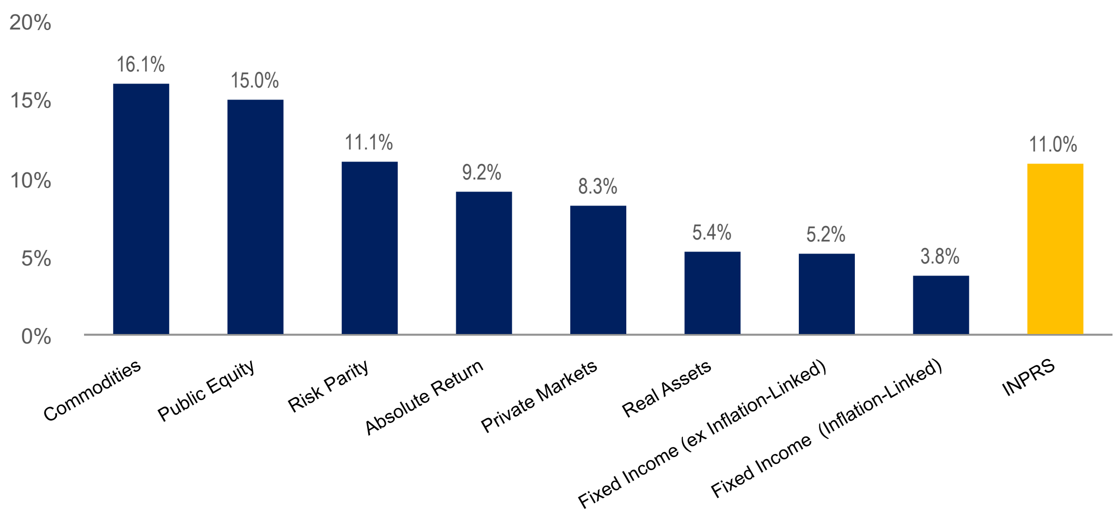
Defined Benefit Performance During Equity Drawdowns >2% Since July 2012



Performance Attribution

Despite Public Equity's great fiscal year performance, Commodities were the highest performing asset class. This was driven by gold, which returned 33.8 percent during fiscal year 2025. Risk Parity and Absolute Return also showed strong performance delivering 11.1 percent and 9.2 percent, respectively. All asset classes earned positive returns for the fiscal year, with the lowest performing asset classes being Fixed Income Inflation-Linked and Fixed Income ex Inflation-Linked, returning 3.8 percent and 5.2 percent, respectively. All asset classes, except Public Equity, delivered higher returns than last fiscal year, which reflects the benefit of diversification.

1-Year Defined Benefit Asset Class Returns as of June 30, 2025



The investment philosophy behind the design of the portfolio is to be diversified across economic environments. To illustrate this concept, the below table categorizes assets by their economic bias. Commodities and public equities, for example, tend to perform well in higher growth environments. Between the two, commodities perform well during higher inflation environments whereas equities tend to underperform. Fixed income tends to perform well in lower growth environments, but inflation-linked bonds tend to perform well in higher inflation environments. The risk parity approach is to create a balanced mix between these assets so that there is no economic bias in performance. In fiscal year 2025, the environment was best for equities and commodities, but generally good for all assets. By design, Risk Parity's return was between equities, commodities and fixed income due to its use of all three assets.

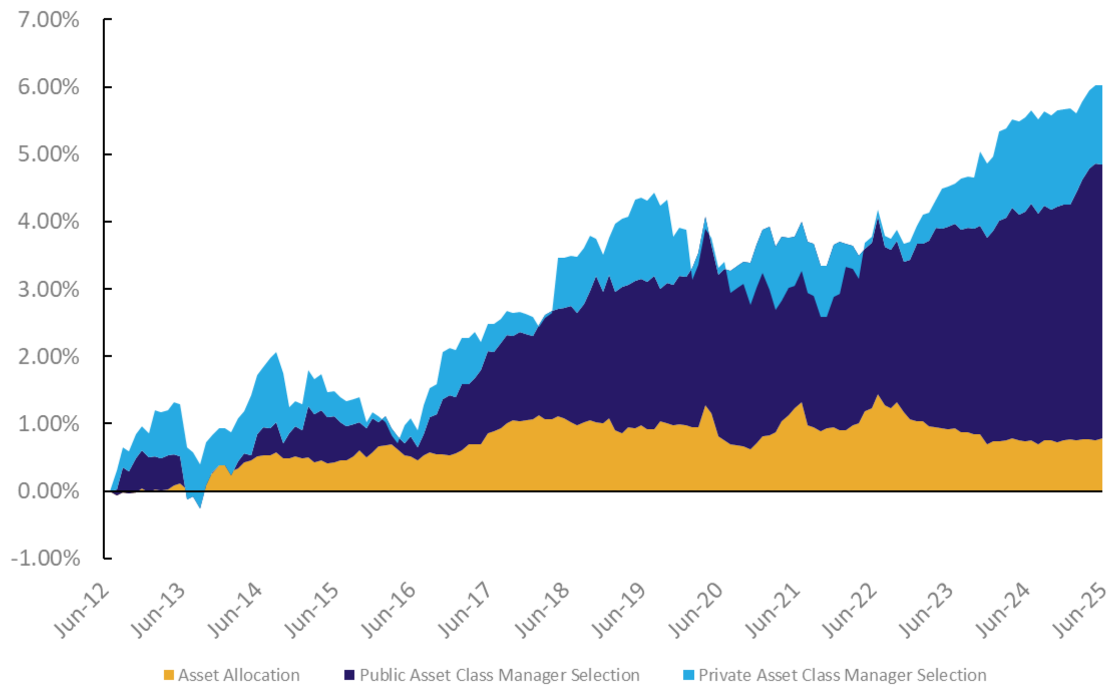
DB Public Asset Class Returns as of June 30, 2025

Asset Class Returns	Economic Environmental Bias	FY 2025	Since July 2012
Commodities	Higher Growth/Higher Inflation	16.10%	-0.32%
Public Equity	Higher Growth/Lower Inflation	15.04%	10.94%
Fixed Income (Inflation-Linked)	Lower Growth/Higher Inflation	3.84%	2.45%
Fixed Income (ex Inflation-Linked)	Lower Growth/Lower Inflation	5.16%	2.30%
Risk Parity	Balanced Across Environments	11.05%	4.37%

Performance Relative to the Benchmark

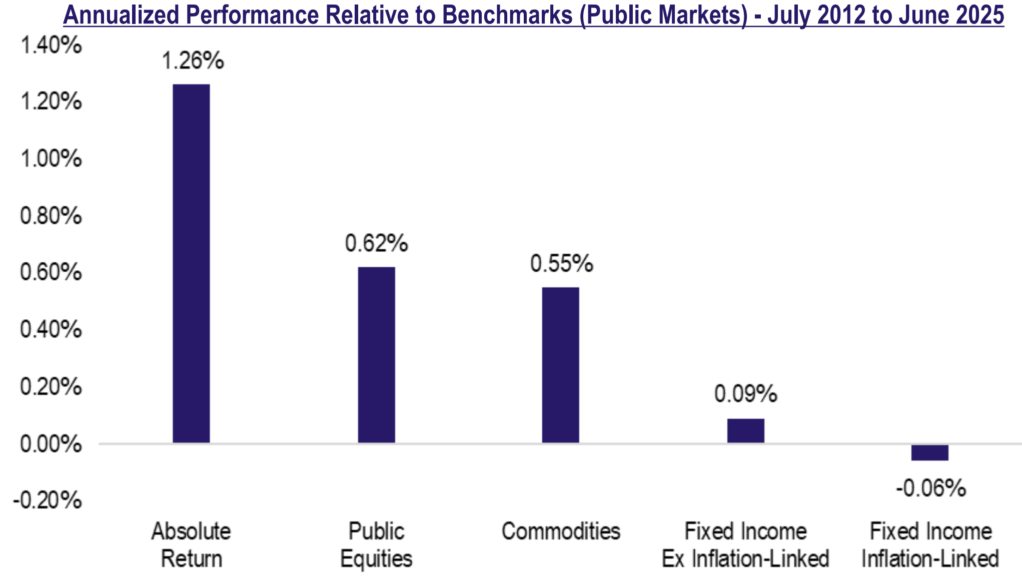
In Fiscal Year 2025, our investment team achieved a return that exceeded the Passive Target with Notional benchmark by 0.72 percent, after accounting for all fees. The benchmark is designed to represent the portfolio's performance if it had maintained target weights in each asset class throughout the entire year and invested solely in passive strategies like index funds. The value added over the Passive Target in fiscal year 2025 came primarily from the team's public manager selection, which positively contributed to the portfolio's performance. The remainder came from asset allocation decisions such as rebalancing. Private manager selection displays the value added by INPRS' private market managers versus the universe of private managers. Our consistent outperformance since July 2012 has resulted in approximately $2.9 billion in added value (comprising asset allocation, public, and private manager selection) compared to a portfolio consisting solely of passive investments.

Cumulative Excess Returns over the Defined Benefit Target Allocation (Net of Fees)[2]



Breaking that result down further, you can see that manager selection has created a large portion of the outperformance over the past ten years because most public asset classes have outperformed their benchmarks.

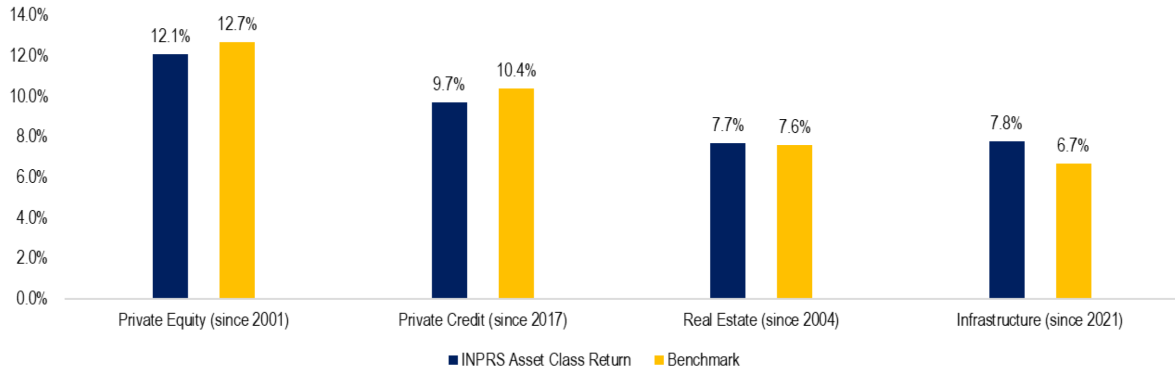
Annualized Performance Relative to Benchmarks (Public Markets) - July 2012 to June 2025



[2] *Asset Allocation and Public Manager Selection value add are as of 6/30/2025, whereas Private Manager Selection is as of 3/31/2025 due to lagged data.*

A different measure to capture private market performance relative to a benchmark is internal rate of return ("IRR"). The chart below gives some perspective on private asset class performance since inception.

Annualized Performance (IRR) Relative to Benchmarks (Private Markets)
Since Inception of Each Asset Class[3]

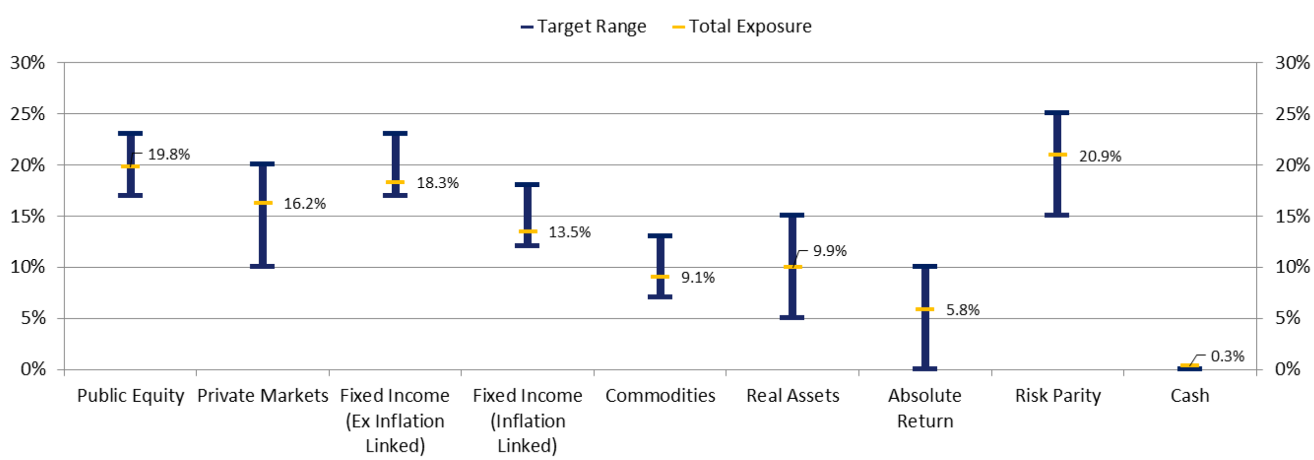


Private Equity and Private Credit are underperforming their respective benchmarks due to the built-in illiquidity premium added to the benchmark index. This spread, 3.00 percent for Private Equity and 1.50 percent for Private Credit, is meant to reflect the expected premium to be earned over public equity or public credit due to the illiquid nature of private assets. Underperformance for these asset classes versus the benchmark is slight, and both Private Equity and Private Credit are still outperforming public market indices.

Current Portfolio Exposures

As previously mentioned, INPRS set out on a course seeking more balance across economic and market environments starting in fiscal year 2012 with the approval of a new asset allocation strategy. Despite slight revisions to the asset allocation during the last asset-liability study in fiscal year 2021, the outcome reaffirmed the path of diversification that INPRS had previously chosen and continues to pursue. The allocation as of June 30, 2025, can be found in the chart below.

Defined Benefit Asset Allocation as of June 30, 2025



Liquidity

The investment team maintains a liquidity metric designed to evaluate the System's capacity to manage illiquidity risk at any given moment. This is done by measuring cash flow risk, comparing the liquid assets and anticipated cash inflows over the next five years

[3] *As of 6/30/2025. Based on the first capital calls made by INPRS: Private Equity inception date is 5/14/2001; Private Credit inception date is 10/17/2017; Real Estate inception date is 2/26/2004; and Infrastructure inception date is 7/30/2021. The Private Equity custom benchmark consists of 100% MSCI ACWI ex China IMI Net Index plus 3.00%, lagged one quarter. The Private Credit custom benchmark consists of 100% S&P UBS Leveraged Loan Index plus 1.50%, lagged one quarter. The Real Assets custom benchmark is comprised of the following components lagged one quarter: 70% FTSE NAREIT All Equity REITs and 30% BB US CMBS Index.*

against the projected cash outflows (such as retirement disbursements, plan expenditures, etc.) within the same period. Through rigorous stress testing, our investment team is confident in the sufficiency of liquidity, even under various adverse market conditions. As of June 30, 2025, INPRS's liquid assets and forecasted inflows stand at 2.6 times the estimated outflows for the next five years. This emphasis on liquidity management has empowered INPRS to maintain substantial exposure to less liquid asset classes. Currently, 31.9 percent is allocated across private markets, real assets, and absolute return, each of which fulfills a distinct role within the allocation framework.

INPRS’s Defined Contribution Investment Imperatives

Known as the defined contribution account of the Public Employees Hybrid retirement plan, the defined contribution account of the Indiana State Teachers Hybrid retirement plan, the My Choice: Retirement Savings Plan (“My Choice”), and the Legislator’s Defined Contribution Plan, the defined contribution plans at INPRS provide members the ability to select their own asset allocation from a line-up of investment options approved by the Board. Established in fiscal year 2017, three long-term imperatives that are vital to the continued health of the System’s defined contribution plans have served as the guide for the investment team.

1. **Provide a simple and diversified default option (“Allocate it for me” – Target Date Options)**. Effective fiscal year 2011, INPRS’s Board changed the default investment option for the ASA and My Choice plans to target date funds. This fund line-up was established to provide members with an auto-pilot allocation that targets an appropriate risk and return profile for their particular time horizon and automatically becomes more conservative as they approach retirement. Given how many members rely on INPRS to manage their asset allocation for them by defaulting to this option, it is crucial that we construct a target date fund line-up that is easy to understand yet sophisticated enough to help members achieve their savings goals.

2. **Provide a simple and diversified menu of stand-alone options (“Allocate it myself” – Core and Specialty Options)**. For those members that want to select an allocation that is different than those offered in the target date funds, INPRS offers investment options for individual asset classes. This line-up of options allows members to construct an asset allocation that better suits their specific needs and objectives.

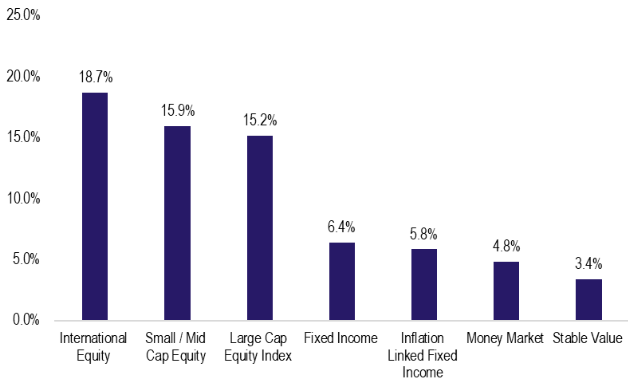
3. **Leverage the defined benefit asset base to provide low cost investment options**. One reason the multiple retirement plans under INPRS’s management were originally consolidated was to reduce fees for all plans. As a result, it is critical that we maintain focus on utilizing the large asset base across the defined benefit and defined contribution plans to continually drive costs lower.

Performance Attribution

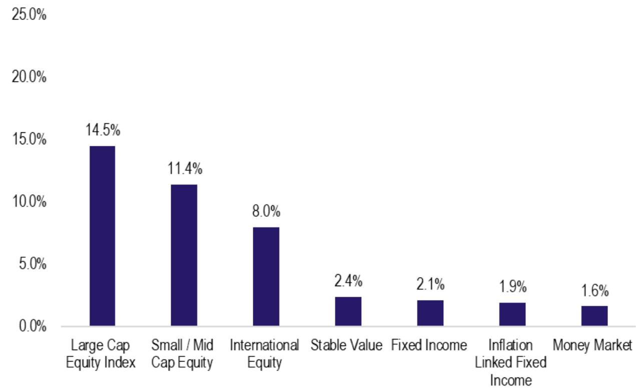
The defined contribution lineup is constructed using the basic building blocks of an asset allocation, which include various equity and fixed income portfolios. As such, INPRS's investment options were influenced by the same forces mentioned in the defined benefit section above. The international equity index emerged as the top performer in the defined contribution lineup, with an impressive return of 18.7 percent, while the small/mid cap equity and large cap equity portfolios also registered strong performances with returns of 15.9 percent and 15.2 percent, respectively. The fixed income and inflation-linked fixed income funds delivered solid returns of 6.4 percent and 5.8 percent, respectively. INPRS's money market fund and stable value fund lagged other options but still provided positive returns.

Defined Contribution Investment Option Returns as of June 30, 2025

DC Stand-Alone Investment Options
1-Year Return (Net of Fees)



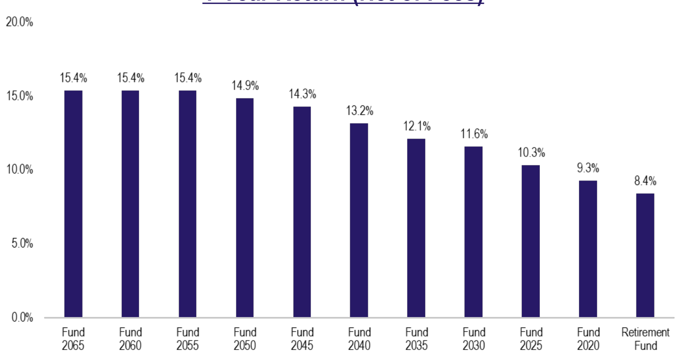
DC Stand-Alone Investment Options
July 2012 – June 2025 (Net of Fees)



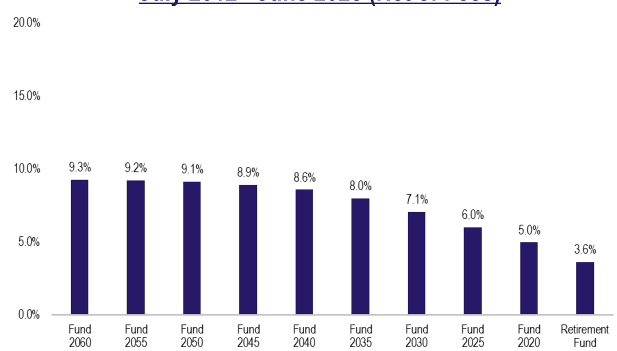
Given that INPRS's target date funds are constructed using different mixes of the INPRS stand-alone investment options, each such fund's return is merely an amalgamation of the returns shown above. The target date funds further from retirement have historically shown higher returns due to a larger equity allocation. The following charts illustrate these performance differences for INPRS's Target Date Funds.

Defined Contribution Target Date Fund Returns as of June 30, 2025

Target Date Funds
1-Year Return (Net of Fees)



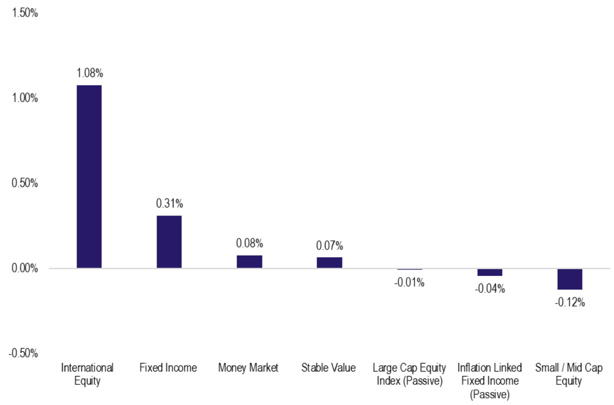
Target Date Funds
July 2012 - June 2025 (Net of Fees)



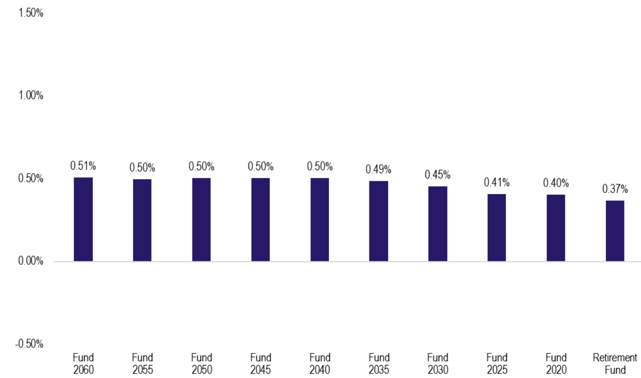
INPRS's active management strategy continued to demonstrate its effectiveness, with four of the five funds outperforming their benchmarks over the past 10 years. Most notably, the International Equity fund outperformed its benchmark by 1.08 percent. Additionally, the Stable Value, Fixed Income, and Money Market funds surpassed their benchmarks, underscoring the success of active management. While the Small/Mid Cap Equity fund underperformed its benchmark by 0.12 percent, this was a 0.10 percent improvement in 10-year performance since last fiscal year. The Target Date funds continued their trend of outperformance across the glide path, further affirming the effectiveness of including diversified active management within the funds.[4]

Defined Contribution Annualized Performance Relative to Benchmarks
as of June 30, 2025

DC Standalone Investment Options
Outperformance vs. Benchmarks (Net of Fees)
July 2012 – June 2025



Target Date Funds
Outperformance vs. Benchmarks (Net of Fees)
July 2012 – June 2025



Benefits of Diversification

The first half of fiscal year 2025 mirrored the previous two years, with robust growth and gradual easing of inflation. However, in the second half, equities came under pressure amid recessionary fears tied to international policy. Although equities eventually rebounded, other asset classes outperformed U.S. equities. Gold posted an exceptional return of 33.8% while emerging market debt returned over 12%. Over the full fiscal year, we also observed a reversal of U.S. exceptionalism as international equities outpaced domestic equities.

Looking ahead, the Federal Reserve appears to be guiding the economy toward a soft landing, with inflation easing and unemployment remaining stable. Although U.S. growth remains uncertain, current projections suggest moderate expansion over the next couple of years. Regardless of these short-term economic changes and market movements, our priority will remain the same: maintain a disciplined and diversified approach to changing conditions and stay on course to deliver the promises made to our members.

Sincerely,

Scott B. Davis, CFA

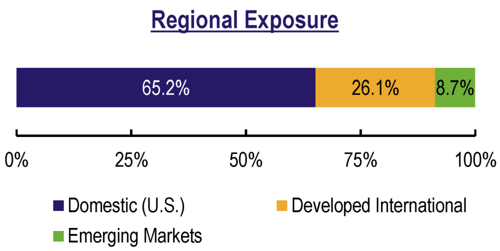
Chief Investment Officer

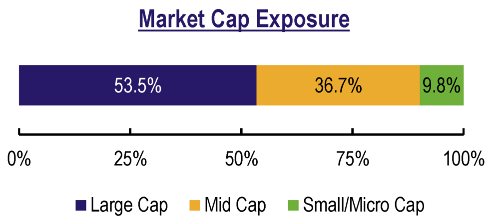
[4] *The following DC investment options are only passively managed: Large Cap Equity Index Fund and Inflation-Linked Fixed Income Fund.*

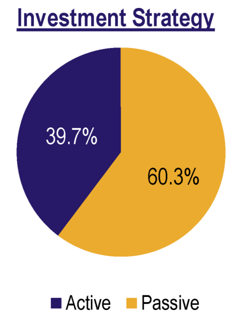
Asset Class Summaries

Public Equity[1]

The public equity portfolio seeks to provide long-term capital appreciation and income through exposure to public equity securities. INPRS uses a variety of external managers to create a globally diversified portfolio within the asset class. Historically, public equities have performed well in environments when actual economic growth came in higher than expectations and/or when actual inflation came in lower than expectations.

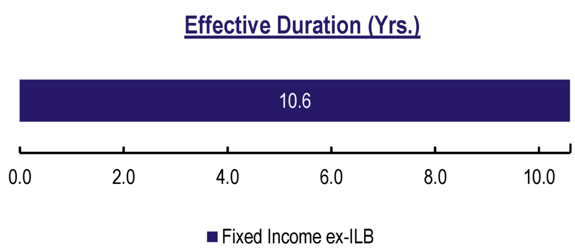


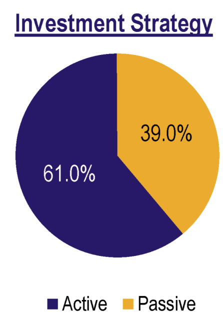




Fixed Income (Ex Inflation-Linked)[2]

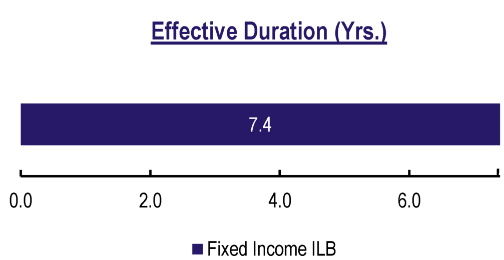
The Fixed Income ex inflation-linked portfolio seeks to preserve principal, generate income, and diversify exposure to risk assets. INPRS uses a variety of external managers to create a globally diversified portfolio within the asset class. Historically, fixed income (ex inflation-linked) securities have performed well in environments when actual economic growth came in lower than expectations and/or when actual inflation came in lower than expectations.

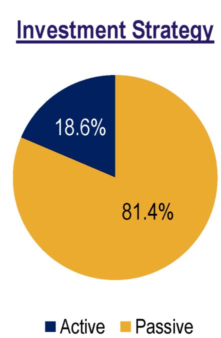




Fixed Income (Inflation-Linked)[2]

The Fixed Income inflation-linked portfolio seeks to seeks to preserve principal, diversify exposure to risk assets, and protect against periods of unexpected inflation. INPRS uses a variety of external managers to create a globally diversified portfolio within the asset class. Historically, fixed income (inflation-linked) securities have performed well in environments when actual economic growth came in lower than expectations and/or when actual inflation came in higher than expectations.



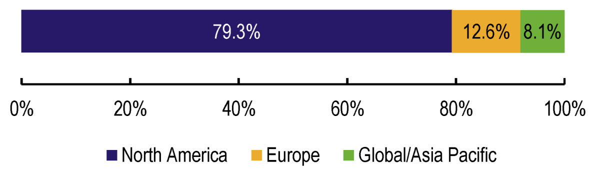


[1] Notional portfolio data provided by portfolio managers and BNY, INPRS's custodian
[2] Notional portfolio data provided by Aladdin and BNY, INPRS's custodian

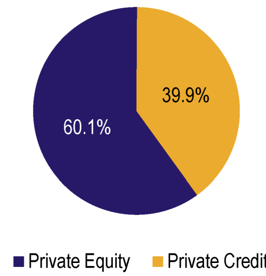
Private Markets[3]

The private markets portfolio is comprised of Private Equity and Private Credit. More information on these asset classes is listed below.

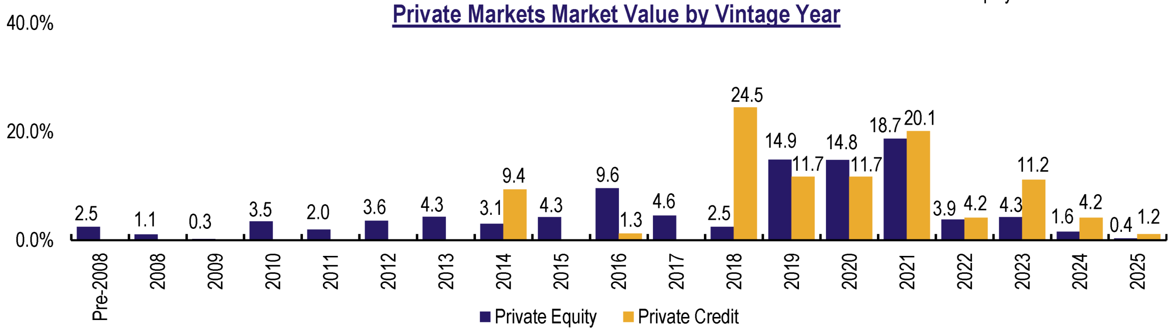
Investment by Region



Private Markets Allocation



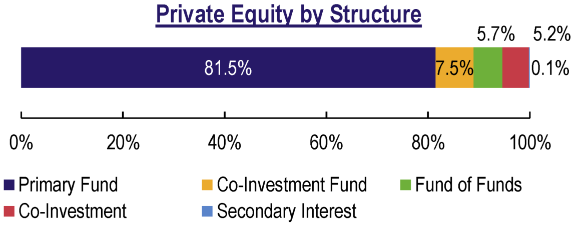
Private Markets Market Value by Vintage Year



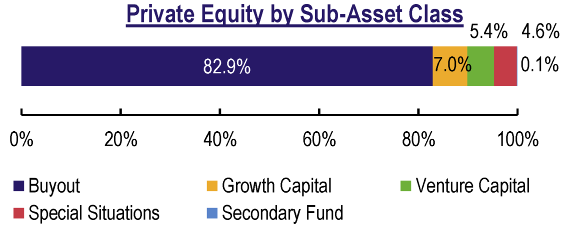
Private Equity[3]

The private equity portfolio seeks to provide attractive risk-adjusted returns by investing in opportunities not typically available through public markets. These investments have historically delivered returns that are higher than public markets while attempting to reduce risk through diversification.

Private Equity by Structure



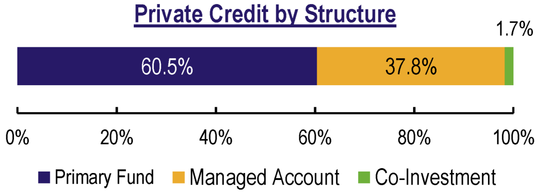
Private Equity by Sub-Asset Class



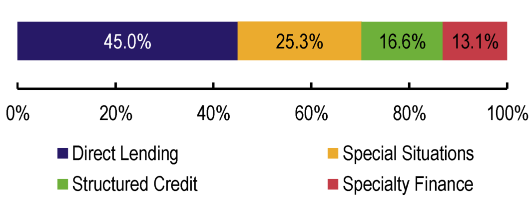
Private Credit[3]

The private credit portfolio seeks to provide attractive risk-adjusted returns by acquiring the debt of private companies. Private credit, which is characterized by predictable and contractual returns, is relatively low risk compared to other alternative asset classes and offers a viable alternative to fixed income investing. These investments also seek to decrease the volatility of the investment portfolio through diversification.

Private Credit by Structure



Private Credit by Sub-Asset Class

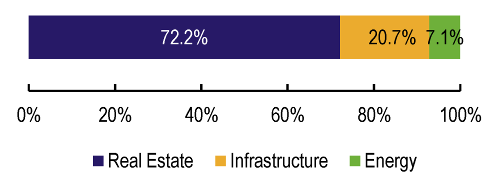


[3] Portfolio data provided by Aksia, INPRS's Private Markets consultant

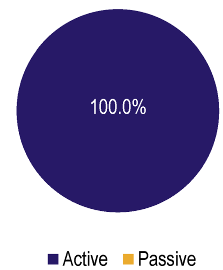
Real Assets[4]

The real assets portfolio is comprised of real estate and infrastructure and seeks to provide attractive risk-adjusted returns by providing stable current income and preserving investment capital. The portfolio should also reduce volatility by providing a hedge against inflation and through the diversification benefits provided by real asset investments. The real asset portfolio is mostly comprised of investments in private real estate and infrastructure partnerships (energy is a sector of infrastructure), and the underlying exposures are a mix of debt and equity holdings.

Real Asset Type

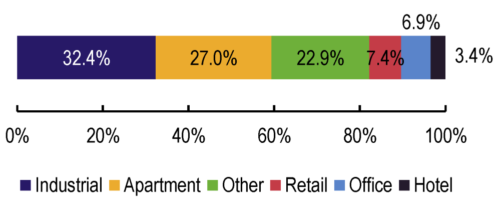


Investment Strategy

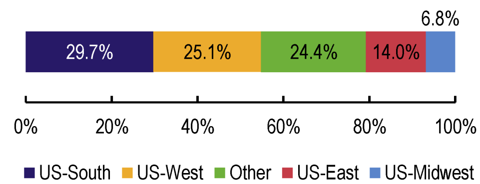


Breakdown of Real Estate:

Real Estate Property Type



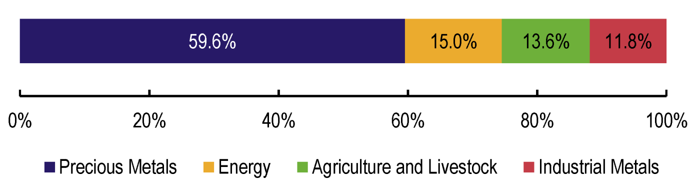
Real Estate Property Location



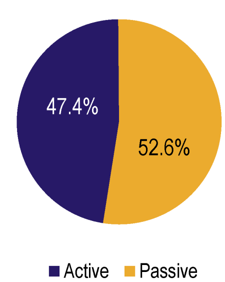
Commodities[5]

The commodities portfolio seeks to provide long-term risk-adjusted returns by preserving investment capital and lowering overall volatility. The portfolio should also act as a hedge against unanticipated inflation. Commodity investments have historically delivered returns that are less correlated with equity and fixed income markets which may provide an opportunity to enhance returns and/or reduce volatility.

Sector Exposure



Investment Strategy

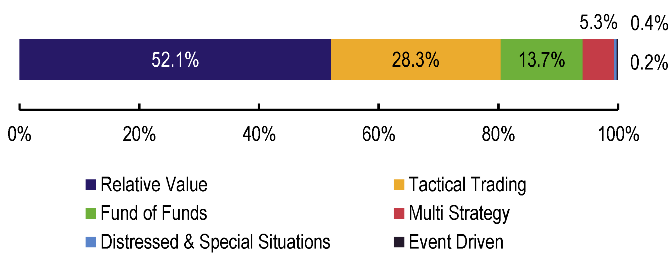


[4] Portfolio data provided by Aksia, INPRS's Real Assets consultant
[5] Notional portfolio data provided by portfolio managers and BNY, INPRS's custodian

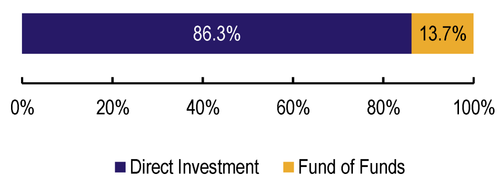
Absolute Return[6]

The absolute return portfolio seeks to enhance the long-term risk adjusted returns of the plan by delivering alpha, providing diversification benefits, and preserving capital. Absolute return strategies generate returns by exploiting mispricing and inefficiencies in global capital markets, while attempting to reduce exposures to primary market factors (e.g. interest rates and equities) through various hedging techniques.

Sub Asset Class Exposure



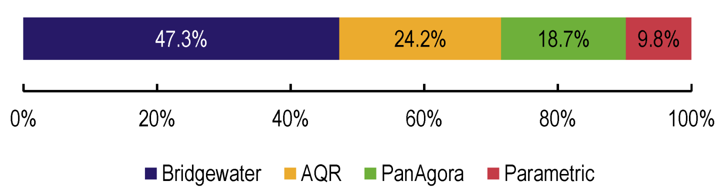
Fund Type



Risk Parity[7]

The objective of the risk parity portfolio is to provide a consistent return across a broad set of macroeconomic environments at the highest achievable risk-adjusted return. A risk parity portfolio is constructed through the lens of risk allocation as opposed to capital allocation, which results in a higher risk allocation to equities in a traditional portfolio. Therefore, relative to a traditional portfolio, risk parity is less dependent on favorable equity returns to drive performance and should garner more consistent returns from multiple asset classes. This risk-balanced approach to asset allocation is a long-term investment strategy that leads to more consistent returns over multiple economic cycles.

Manager Allocation



[6] Portfolio data provided by Aksia, INPRS's Absolute Return consultant
[7] Portfolio data provided by BNY, INPRS's custodian

Outline of Investment Policies

Objective and Guiding Principles

The Indiana Public Retirement System's (INPRS) Board serves as the ultimate fiduciary of INPRS. The Board establishes investment policies while the State of Indiana enacts guidelines on the investment of the System's assets. At all times, INPRS must invest its assets according to the "Prudent Investor" standard.

The Investment Policy Statement (IPS) ensures that INPRS will maintain funding for each retirement fund to pay the benefits or actuarially determined liabilities over time in a cost-effective manner. It is a dynamic document and periodic reviews are undertaken. The Investment Policy Statement was last revised on May 2, 2025.

Core tenets of the IPS are:

- Set investment policies that the Board judges to be appropriate and prudent.
- Develop clear, distinctive roles and responsibilities of the Board, staff, and each service provider.
- Serve as a guide for continual oversight of the invested assets.
- Establish formal criteria to measure, monitor, and evaluate the performance results of the investment managers.
- Communicate investment policies, directives, and performance criteria to the external and internal stakeholders.

Consolidated Defined Benefit Assets Objectives and Structure

The Board recognizes that the allocation of defined benefit assets is the most important factor of investment returns over long periods of time. An asset liability study is conducted every five years to analyze the expected returns of various global asset classes, projected liabilities, risks associated with alternative asset mix strategies and their effect on the projected fair value of assets, funded status and contributions to the funds. With a long-term investment focus, the current defined benefit portfolio was invested across diverse asset classes.

To maximize the probability of achieving the target rate of return over a 30-year time horizon, INPRS's Board of Trustees approved a new asset allocation on May 7, 2021 that included the increased use of leverage. The explicit leverage enables the Plan to obtain additional investment exposure, which results in an asset allocation that exceeds 100% of invested assets. Beginning in fiscal year 2022, the plan's target allocation for total exposure is 115%. Further details of INPRS's leverage policy are available in the IPS:

Global Asset Class:	Current Target Allocation	Current Target Range
Public Equity	20.0 %	17.0 to 23.0 %
Private Markets	15.0	10.0 to 20.0
Fixed Income - Ex Inflation-Linked	20.0	17.0 to 23.0
Fixed Income - Inflation-Linked	15.0	12.0 to 18.0
Commodities	10.0	7.0 to 13.0
Real Assets	10.0	5.0 to 15.0
Absolute Return	5.0	0.0 to 10.0
Risk Parity	20.0	15.0 to 25.0

Defined Contribution Assets Objectives and Structure

The defined contribution plans are structured to provide members with a choice of diverse investment options that offer a range of risk and return characteristics appropriate for members. Members can self-direct their investment options or leave their contributions invested in the default target date retirement fund. The investment options undergo periodic reviews by the Board. The defined contribution investments are outlined in Investment Results - Consolidated Defined Contribution Assets. Additional DC Fund Facts are available online at: https://www.in.gov/inprs/publications/investment-fact-sheets/.

Other Funds

Other plans under the administration of the Board include the Special Death Benefit Fund (SDBF), Retirement Medical Benefits Account Plan (RMBA) and Local Public Safety Pension Relief Fund (LPSPR). The assets of SDBF and RMBA are invested in intermediate U.S. government and U.S. credit bonds. The assets of LPSPR are invested in short-term money market instruments, including but not limited to, commercial paper and securities issued or guaranteed by the U.S. government.

Notes to the Investment Schedules

Accompanying Notes to the Actual and Benchmark Returns

- Returns are time-weighted based on calculations made by the System's custodian, Bank of New York.
- Returns are net of fees.
- Defined Benefit asset class custom benchmark descriptions are as follows:

Global Asset Class	Benchmark Description
Public Equity	Benchmark comprised of MSCI All Country World Investable Market Net Index prior to June 2023 and MSCI All Country World ex China Investable Market Net Index since July 2023.
Private Markets	Benchmark comprised of two custom benchmarks for Private Equity and Private Credit. 100% Private Equity from July 2008-September 2017, 96% Private Equity and 4% Private Credit from October 2017- June 2021, 77% Private Equity and 23% Private Credit from July 2021 – June 2024, and 60% Private Equity and 40% Private Credit from July 2024 - Present. October 2017 marked the inception of Private Credit. Private Equity Benchmark is comprised of the following components, lagged one quarter: 60% Russell 2000 Index, 20% MSCI EAFE Small Cap Index, 15% CS High Yield Index, and 5% Credit Suisse Western European High Yield Index (Hedged) plus 3.00% prior to July 2024 and 100% MSCI ACWI ex China IMI Net Index plus 3.00% since July 2024. Private Credit Benchmark is comprised of the following components, lagged one quarter: 50% CS Leverage Loan Index, 33% S&P Business Development Company ("BDC") Index, and 17% CS Western European Leveraged Loan Index plus 1.50% prior to July 2024 and 100% S&P Leveraged Loan Index plus 1.50% since July 2024.
Fixed Income - Ex Inflation-Linked	Benchmark comprised of 29% Bloomberg US Long Government, 29% WGBI ex US 25% Japan Cap (USD Hedged), 14% JPM GBI EM, 14% JPM EMBI, 7% ICEML High Yld Mstr II, 6% CS Leveraged Loan Total Return Index, 1% CS Western Europe Leveraged Loan Total Return Index prior to 6/30/2023, 29% Bloomberg US Long Government, 29% FTSE ex US ex China 25% Japan Cap (USD Hedged), 14% JPM ex China GBI EM, 14% JPM ex China EMBI, 7% ICEML High Yld Mstr II, 6% CS Leveraged Loan Total Return Index, 1% Morningstar Europe Leveraged Loan Total Return Index from 7/1/2023 – 5/1/2025. 29% Bloomberg US Long Government, 29% WGBI ex US, 25% Japan Cap (USD Hedged), 14% JPM ex China GBI EM, 14% JPM ex China EMBI, 6% S&P UBS Leveraged Loan Index, 3.5% BofA ML US High-Yield Total Return Index, 3.5% BofA ML Non-Financial Developed Markets High-Yield Constrained Total Return Index, and 1% Morningstar European Leveraged Loan Index as of 5/1/2025 – Present. Cost of leverage weights: 25% of the Index return is offset by a financing charge of 3-Month SOFR + 25bps as of 07/01/2023.
Fixed Income - Inflation-Linked	Benchmark comprised of 34.5% ICE BofA ML Treasury Inflation-Linked 15+ years, 14% Bloomberg US Treasury Inflation Notes 1-10 years, 52% Custom weighted mix of country indices within the Bloomberg Capital World Government Inflation-Linked Bond Index, 100% Hedged to USD (Country weights: 40% US, 30% Euroland, 15% UK, 10% Canada, 5% Sweden) prior to 5/1/2025. 34.5% ICE BofA ML Treasury Inflation-Linked 15+ years, 34.5% Bloomberg US Treasury Inflation Notes 1-10 years, 13.8% Custom weighted mix of country indices within the Bloomberg Capital World Government Inflation-Linked Bond Index, 100% Hedged to USD (Country weights: 50% US, 20% UK, 10% France, 10% Germany, 4% Canada, 4% Australia, 2% Sweden) from 5/1/2025 - Present.
Commodities	Benchmark comprised of 50% Bloomberg Commodity Excess Return Index and 50% Bloomberg Gold Excess Return.
Real Assets	Benchmark comprised of two benchmarks for Real Estate and Infrastructure. 100% Real Estate from February 2015 – June 2021, 87.5% Real Estate and 12.5% Infrastructure from July 2021 – June 2022, and 78% Real Estate and 22% Infrastructure from June 2022 – Present. July 2021 marked the inception of Infrastructure. Real Estate benchmark comprised of the following components, lagged one quarter: 70% FTSE NAREIT All Equity REITS and 30% Barclays CMBS. Infrastructure benchmark is 100% Global Listed Infrastructure Organization Index.
Absolute Return	Benchmark comprised of 45% HFRI Relative Value (Total) Index, 40% HFRI Macro (Total) Index, 10% HFRI Fund of Funds Composite Index, and 5% HFRI Event-Driven Index.
Risk Parity	Benchmark comprised of 60% MSCI ACWI IMI Index (equities) and 40% Bloomberg Global Aggregate Index (bonds).
Cash + Cash Overlay	Benchmark comprised of the allocation to sub-asset class targets for the cash overlay starting in April 2016; prior to that, the 3-month LIBOR was the benchmark for cash.
Consolidated Defined Benefit Assets	The target index weights for each asset class benchmark are set by the target asset allocation. The return for Risk Parity, Real Assets, and Private Markets are equal to the asset class returns and not the benchmark.

- Defined Contribution Target Date Fund benchmarks are comprised of performance data using a passive strategy with the same asset allocation glide path of each Target Date Fund.
- Defined Contribution Target Date Fund 2070 was added to the investment line-up May 1, 2025. Historical performance for the 5-year period is not available.
- Defined Contribution International Equity Fund benchmark is comprised of MSCI ACWI ex US Index prior to February 2019, MSCI ACWI ex US IMI Index from February 2019 – June 2023, and MSCI ACWI ex US ex China IMI from July 2023 – Present.

Investment Results - Consolidated Defined Benefit Assets

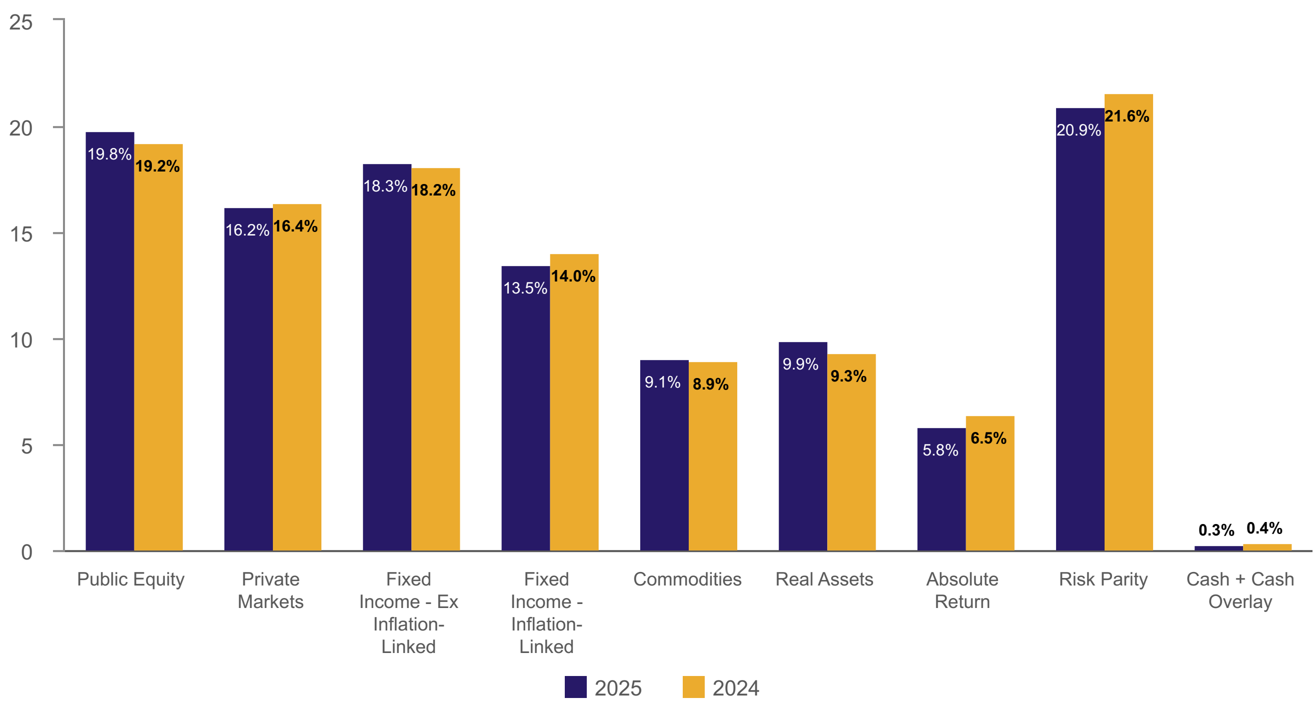
Asset Allocation Summary: June 30, 2025 Actual vs. June 30, 2024 Actual

The Total Consolidated Defined Benefit Investments shown below are grouped by global asset classes approved in the Investment Policy Statement and shown in notional values, whereas the investments in the Statement of Fiduciary Net Position are shown in fair value and grouped in assets and liabilities according to GASB and the security type assigned to each investment.

(dollars in thousands)	June 30, 2025			Allowable Range for Investments	June 30, 2024	
Global Asset Class	Amount[1]	Percent	Target %		Amount	Percent
Public Equity	$ 9,236,521	19.8 %	20.0 %	17.0 to 23.0 %	$ 8,137,806	19.2 %
Private Markets	7,562,763	16.2	15.0	10.0 to 20.0	6,952,723	16.4
Fixed Income - Ex Inflation-Linked	8,510,903	18.3	20.0	17.0 to 23.0	7,688,828	18.2
Fixed Income - Inflation-Linked	6,264,676	13.5	15.0	12.0 to 18.0	5,939,495	14.0
Commodities	4,215,505	9.1	10.0	7.0 to 13.0	3,776,541	8.9
Real Assets	4,623,756	9.9	10.0	5.0 to 15.0	3,937,614	9.3
Absolute Return	2,721,146	5.8	5.0	0.0 to 10.0	2,735,734	6.5
Risk Parity	9,748,006	20.9	20.0	15.0 to 25.0	9,132,069	21.6
Cash and Cash Overlay	142,997	0.3	N/A	N/A	170,611	0.4
Consolidated Defined Benefit Assets	**$ 53,026,273**	**113.8 %**	**115.0 %**		**$ 47,471,421**	**114.5 %**

[1] The defined benefit plans target allocation for total exposure is 115%. Performance returns are presented using exposure/notional amounts for Public Equity, Fixed Income, and Commodities asset classes.

Percent of Total Investments by Asset Class



Time-Weighted Rate of Return by Asset Class vs. Benchmark Returns [1]

For the Year Ended June 30, 2025

Global Asset Class	Actual Return	Benchmark Return	Actual Over / (Under) Benchmark
Public Equity	15.0 %	14.1 %	1.0 %
Private Markets	8.3	6.3	2.0
Fixed Income - Ex Inflation-Linked	5.2	5.4	(0.2)
Fixed Income - Inflation-Linked	3.8	3.7	0.1
Commodities	16.1	16.5	(0.4)
Real Assets	5.4	11.7	(6.4)
Absolute Return	9.2	4.3	4.9
Risk Parity	11.1	12.0	(1.0)
Cash and Cash Overlay	15.2	11.2	4.0
Consolidated Defined Benefit Assets	**11.0 %**	**9.2 %**	**1.8 %**

Historical Time-Weighted Investment Rates of Return

For the Years Ended June 30

(dollars in thousands)	Fair Value of Assets	Rate of Return [1]	Target Return
2025	$ 46,548,752	11.0 %	6.25 %
2024	42,356,363	7.4	6.25
2023	39,758,306	2.5	6.25
2022	36,082,903	(6.6)	6.25
2021	38,561,657	25.5	6.75
2020	30,657,831	2.6	6.75
2019	30,370,574	7.4	6.75
2018	28,475,760	9.3	6.75
2017	26,364,510	8.0	6.75
2016	24,775,551	1.2	6.75

[1] *See Accompanying Notes to the Actual and Benchmark Returns on page 109.*

Investment Results - Consolidated Defined Benefit Assets, continued

Time-Weighted Rates of Return by Asset Class vs Benchmark Returns [1]

As of June 30, 2025

		Annualized	
Global Asset Class	1-Year	3-Years	5-Years
Public Equity	15.0 %	16.3 %	13.2 %
Benchmark	14.1	15.9	12.9
Private Markets	8.3	5.4	13.8
Benchmark	6.3	8.1	18.8
Fixed Income - Ex Inflation - Linked	5.2	1.9	(1.9)
Benchmark	5.4	2.7	(1.5)
Fixed Income - Inflation - Linked	3.8	0.6	—
Benchmark	3.7	0.7	(0.2)
Commodities	16.1	6.4	15.7
Benchmark	16.5	5.5	13.8
Real Assets	5.4	1.1	7.7
Benchmark	11.7	2.0	8.5
Absolute Return	9.2	6.3	7.6
Benchmark	4.3	4.7	6.8
Risk Parity	11.1	5.3	3.8
Benchmark	12.0	11.5	8.2
Cash + Cash Overlay	15.2	8.1	0.9
Benchmark	11.2	7.0	5.6
Consolidated Defined Benefit Assets	11.0	6.9	7.5
Target Index	9.2	6.0	6.9

[1] *See Accompanying Notes to the Actual and Benchmark Returns on page 109.*

Statistical Performance
As of June 30, 2025

		Annualized		
Statistic	1-Year	3-Years	5-Years	10-Years
Time-Weighted Rate of Return	11.0 %	6.9 %	7.5 %	6.5 %
Standard Deviation	5.3	9.0	8.7	7.4
Sharpe Ratio [1]	1.1	0.3	0.5	0.6
Beta [2]	0.3	0.5	0.5	0.4
Correlation [2]	0.7	0.9	0.9	0.9

1 *Risk Free Proxy is the FTSE 3 Month T-Bill.*

2 *Market Proxy is the S&P 500.*

Definition of Key Terms:

Standard Deviation: A statistic used to measure the dispersion in a distribution. Dispersion is measured relative to the mean, or average of the distribution. The greater the dispersion, the higher the risk associated with the pattern of observations. One standard deviation describes two-thirds of the observations in a normal or bell-shaped distribution. In an asset allocation context, standard deviation is a conventional proxy for risk or volatility.

Sharpe Ratio: Ratio used to measure risk-adjusted performance. The Sharpe Ratio is calculated by subtracting a risk-free rate (proxy) from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns. The Sharpe Ratio provides insight on excess risk held in the portfolio. The greater a portfolio's Sharpe Ratio, the better its risk-adjusted performance has been. A negative Sharpe Ratio indicates that a risk-less asset would perform better than the security being analyzed.

Beta: A measure of the volatility, or systematic risk, of a security or portfolio in comparison to the market as a whole. Beta is the tendency of a security's return to respond to swings in the market. A Beta of less than one indicates less volatility than the market. A Beta of greater than one indicates greater volatility than the market.

Correlation: A statistical measure of how two securities move in relation to each other. A correlation of positive 1.0 indicates similar magnitude and direction of change. A correlation of negative (1.0) indicates similar magnitude, but opposite direction. A correlation of zero indicates the relationship is purely random.

Investment Results - Consolidated Defined Contribution Assets

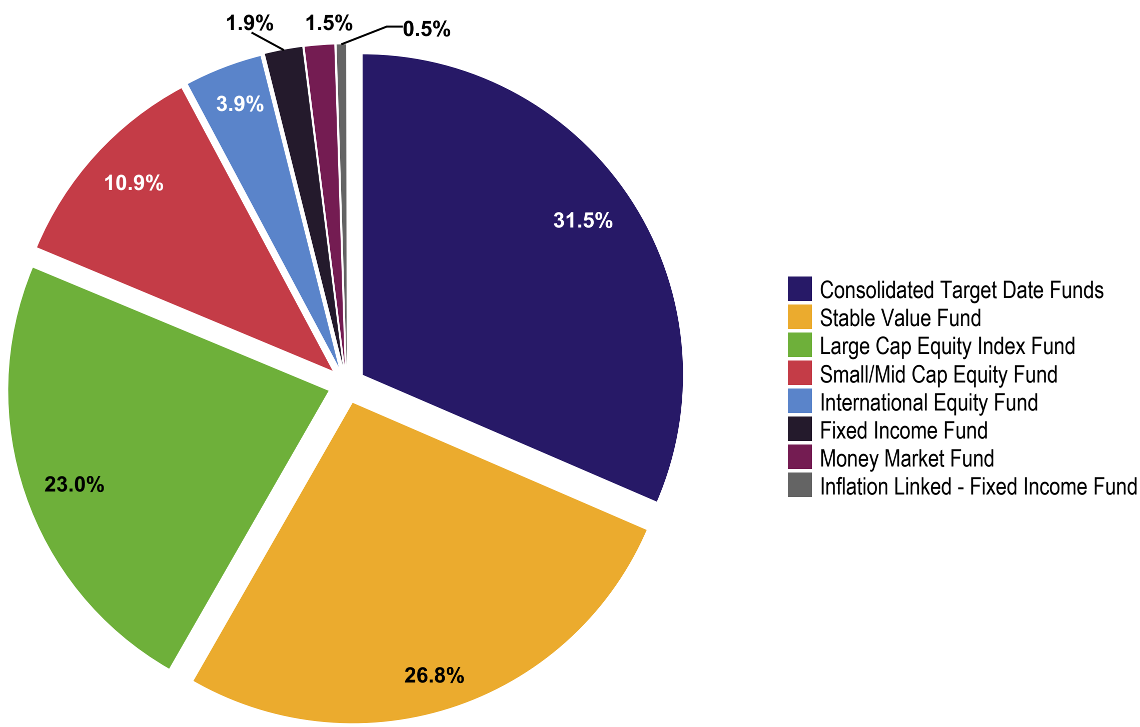
Assets by Investment Option

As of June 30, 2025

The Total Consolidated Defined Contribution Investments shown below are grouped by asset classes approved in the Investment Policy Statement, whereas the investments in the Statement of Fiduciary Net Position are grouped in assets and liabilities according to GASB and the security type assigned to each investment.

(dollars in thousands)

Investment Option	Plan Assets	Percent of Total Self-Directed Investments
Consolidated Target Date Funds	$ 2,478,693	31.5 %
Stable Value Fund	2,116,410	26.8
Large Cap Equity Index Fund	1,814,267	23.0
Small/Mid Cap Equity Fund	862,190	10.9
International Equity Fund	309,565	3.9
Fixed Income Fund	147,664	1.9
Money Market Fund	120,875	1.5
Inflation Linked - Fixed Income Fund	42,409	0.5
Total Defined Contribution Assets	**$ 7,892,073**	100.0 %



Rate of Return by Investment Option vs. Benchmark Returns [1]

For the Year Ended June 30, 2025

Investment Option	1-Year	Annualized 3-Year	Annualized 5-Year
Target Date Funds:			
Fund 2065	15.4 %	15.3 %	11.8
2065 Fund Index	14.6	14.7	11.4
Fund 2060	15.4	15.3	11.8
2060 Fund Index	14.6	14.7	11.4
Fund 2055	15.4	15.3	11.8
2055 Fund Index	14.6	14.7	11.4
Fund 2050	14.9	14.8	11.5
2050 Fund Index	14.1	14.3	11.2
Fund 2045	14.3	14.1	10.9
2045 Fund Index	13.6	13.5	10.6
Fund 2040	13.2	12.8	10.0
2040 Fund Index	12.6	12.3	9.7
Fund 2035	12.1	11.3	8.7
2035 Fund Index	11.5	10.9	8.4
Fund 2030	11.6	10.3	7.7
2030 Fund Index	11.1	9.9	7.3
Fund 2025	10.3	9.1	6.8
2025 Fund Index	10.0	8.7	6.5
Fund 2020	9.3	7.6	5.5
2020 Fund Index	8.9	7.3	5.3
Retirement Fund	8.4	5.8	3.6
Retirement Fund Index	7.9	5.5	3.3
All Other Funds:			
Stable Value Fund	3.4	3.0	2.6
Federal Reserve 3 Yr Constant Maturity	*4.0*	*4.2*	*2.8*
Large Cap Equity Index Fund	15.2	19.7	16.6
S&P 500 Index	*15.2*	*19.7*	*16.6*
Small/Mid Cap Equity Fund	15.9	15.3	12.2
Russell Small Cap Completeness Index	*16.2*	*15.5*	*12.2*
International Equity Fund	18.7	15.3	10.9
MSCI ACWI ex US IMI Index	*16.7*	*13.9*	*10.2*
Fixed Income Fund	6.4	3.1	(0.3)
Bloomberg Barclays U.S. Aggregate Bond Index	*6.1*	*2.6*	*(0.7)*
Money Market Fund	4.8	4.8	2.9
FTSE 3 Month T-Bill Index	*4.9*	*4.8*	*2.9*
Inflation - Linked Fixed Income Fund	5.8	2.3	1.6
Bloomberg Barclays U.S. TIPS Index	*5.8*	*2.3*	*1.6*

[1] *See Accompanying Notes to the Actual and Benchmark Returns on page 109*

Historical Annual Interest Crediting Rates

For the Years Ended June 30

Interest crediting rates are used to calculate a return on contributions made by members who are exiting the fund prior to attaining eligibility for a pension benefit payment. Interest rates are approved by the Board on an annual basis.

	Annual Interest Crediting Rate			
	1977 Fund	JRS	EG&C	PARF
2025	4.15 %	4.15 %	4.15 %	4.15 %
2024	3.64	3.64	3.64	3.64
2023	1.98	1.98	1.98	1.98
2022	1.43	1.43	1.43	1.43
2021	1.11	1.11	1.11	1.11
2020	2.59	2.59	2.59	2.59
2019	2.78	2.78	2.78	2.78
2018	2.40	2.40	2.40	2.40
2017	1.82	1.82	1.82	1.82
2016	1.87	1.87	1.87	1.87

Top 10 Holdings

For the Year Ended June 30, 2025

Equity Holdings by Fair Value [1]

(dollars in thousands)

Company	Shares	Fair Value
NVIDIA CORP	918,081	$ 145,048
MICROSOFT CORP	286,517	142,516
APPLE INC	566,507	116,230
TAIWAN SEMICONDUCTOR MANUFACTURING	2,715,000	98,518
AMAZON.COM INC	355,695	78,036
ALPHABET INC	432,532	76,453
META PLATFORMS INC	86,892	64,134
BROADCOM INC	204,690	56,423
DEUTSCHE BOERSE AG	145,113	47,167
SPOTIFY TECHNOLOGY SA	59,937	45,992

Fixed Income Holdings by Fair Value [1]

(dollars in thousands)

Description	Coupon Rate	Maturity Date	Par Value	Fair Value
U.S. Treasury - CPI Inflation Index Bond	2.125 %	2/15/41	$ 264,932	$ 259,289
U.S. Treasury - CPI Inflation Index Bond	1.375	2/15/44	238,202	199,962
U.S. Treasury - CPI Inflation Index Bond	0.750	2/15/42	244,008	189,434
U.S. Treasury - CPI Inflation Index Bond	0.625	2/15/43	241,869	179,712
U.S. Treasury - CPI Inflation Index Bond	0.750	2/15/45	235,862	172,132
U.S. Treasury - CPI Inflation Index Bond	1.000	2/15/46	208,349	157,820
U.S. Treasury - CPI Inflation Index Bond	0.875	2/15/47	186,542	135,117
U.S. Treasury - CPI Inflation Index Bond	1.000	2/15/48	183,337	134,776
U.S. Treasury - CPI Inflation Index Bond	1.500	2/15/53	160,028	126,685
U.S. Treasury - CPI Inflation Index Bond	2.125	2/15/54	136,836	125,144

[1] *A complete list of portfolio holdings is available upon request.*

Investment Fees

Investment Management Fees

For the Year Ended June 30, 2025

Private Markets and Real Asset managers provide account valuations on a net of fee basis. While management fees are disclosed in the Investment Management Fees schedule, for greater transparency, INPRS makes a good faith effort to provide realized carried interest and expenses that would not otherwise be disclosed. INPRS's consultant Aksia provided additional fee information on a calendar year basis as of December 31, 2024 resulting in reported realized carried interest and expenses for Private Markets of $204.4 million and Real Assets of $79.7 million. Reported realized carried interest and expenses exclude funds where data was not provided by the general partners.

(dollars in thousands)

Asset Class	Fees Paid
Consolidated Defined Benefit Assets	
Public Equity[1]	$ 13,879
Private Markets	52,721
Fixed Income - Ex Inflation-Linked[1]	25,030
Fixed Income - Inflation-Linked[1]	7,450
Commodities[1]	10,076
Real Assets	43,206
Absolute Return[1]	110,327
Risk Parity	25,938
Cash + Cash Overlay	192
Total Consolidated Defined Benefit Assets	**288,819**
Defined Contribution Assets	8,526
OPEB Assets	49
Total Investment Management Fees	**$ 297,394**

[1] *Includes both management fees and performance-based fees*

Brokers' Commission Fees

For the Year Ended June 30, 2025

(dollars in thousands)

Broker	Fees Paid	Total Shares	Cost Per Share
Morgan Stanley & Co. Inc.	$ 925	19,811	$ 0.05
J P Morgan Securities Ltd., New York	842	2,128	0.40
Goldman Sachs & Co.	764	23,203	0.03
Standard Chartered Bank, London	234	9,706	0.02
Jefferies & Co. Inc.	180	30,453	0.01
Merrill Lynch International Equities	127	16,660	0.01
Societe Generale Paris	117	35,678	—
Newedge USA LLC	97	21	4.62
Instinet Clearing Services Inc.	78	19,394	—
J P Morgan Securities Ltd., London	73	9,706	0.01
Top Ten Brokers' Commission Fees	**3,437**	166,760	0.02
Other Brokers	1,532	2,183,733	—
Total Brokers' Commission Fees	**$ 4,969**	**2,350,493**	**$ —**

Investment Professionals

As of June 30, 2025

Consolidated Defined Benefit Assets

Custodian

Bank of New York

Consultants

Aksia (Absolute Return, Private Equity, Private Credit, and Real Assets)

Verus (General: Defined Benefit)

Public Equity Managers

Acadian Asset Management
Altrinsic Global Advisors, LLC
Arrowstreet Capital, LP
Baillie Gifford & Company
BlackRock Inc.
Leading Edge Investment Advisors
Parametric
Reinhart Partners
RhumbLine Advisers
TimesSquare Capital Management, LLC
Wasatch Global Investors

Private Markets Managers

26North Private Equity Partners
352 Capital
400 Capital Management
ABRY Partners
Accel-KKR
Actis Capital
Advanced Technology Ventures
Advent International Corporation
Advent International
Aisling Capital
Apax Partners
Apollo Global Management
ARCH Venture Partners
Ares Management
Ascribe Capital
Austin Ventures
Bain Capital Partners
Barings
Black Diamond Capital Management
BlackFin Capital Partners
Blackstone Group
Blue Owl Capital
Bregal Sagemount
Brentwood Associates
Butterfly Equity Partners
Caltius Capital Management
Cardinal Partners
Carlyle Group
Centerfield Capital Partners
Cerberus Capital Management
Charterhouse Capital Partners
CID Capital
Cinven
Columbia Capital
Crescent Capital Group
Crestview Partners
CVC Capital Partners
Doll Capital Management (DCM)
Escalate Capital Partners
EQT Partners AB
Falcon Investment Advisors
Forbion Capital Partners
Fortress Investment Group
Francisco Partners
Gamut Capital Management
Globespan Capital Partners
Goldman Sachs Asset Management
GSO Capital Partners
H2 Equity Partners
Hamilton Lane
HarbourVest
Hellman & Friedman
High Road Capital Partners
Horsley Bridge
HPS Investment Partners
Intermediate Capital Group (ICG)
Kennedy Lewis Investment Management
Khosla Ventures
Kohlberg Kravis Roberts & Co (KKR)
Leonard Green & Partners
Lexington Partners
MBK Partners
Mill Road Capital
Neuberger Berman
New Enterprise Associates
New Mountain Capital
Oak Investment Partners
Oaktree Capital Management
Opus Capital Venture Partners
Pappas Capital LLC
Parthenon Capital Partners
Pathlight Capital
Patient Square Equity Partners
Peninsula Capital Partners
Pinegrove Capital Partners
Platinum Equity
Portfolio Advisors
Rivean Capital
Rho Capital Partners
SAIF Management
Scale Venture Partners
Silver Lake Partners
Sixth Street Partners
SLR Capital Partners

Private Markets Managers, continued

- Stellex Capital
- StepStone Group
- Stride Consumer Partners
- Sumeru Equity Partners
- Summit Partners
- Sun Capital Partners
- TA Associates
- TCG
- Technology Crossover Ventures
- TowerBrook Financial
- TPG Capital
- Trilantic Capital Partners
- Trinity Ventures
- True Ventures
- TSG Consumer Partners
- Veritas Capital Management
- Veronis Suhler Stevenson (VSS)
- Vintage Venture Partners
- Vista Equity Partners
- Warburg Pincus
- Waterfall Asset Management
- Xenon Private Equity
- York Capital Management

Fixed Income - Ex Inflation-Linked Managers

- Goldman Sachs Asset Management, LP
- Oak Hill Advisors, LP
- Oak Tree Capital Management, LP
- Pacific Investment Management Company (PIMCO)
- Parametric
- State Street Investment Management

Fixed Income - Inflation-Linked Managers

- BlackRock Inc.
- Bridgewater Associates, Inc.
- Northern Trust Global Investments
- State Street Investment Management

Commodities Managers

- CoreCommodity Management
- Gresham Investment Management, LLC
- Wellington Management Company, LLP

Real Asset Managers

- Abacus Capital Group, LLC
- Ambrose Property Group
- Ardian
- Asana Partners, LP
- Bain Capital Partners
- Barings
- Basalt Infrastructure Partners LLP
- Blackstone Group
- Carlyle Group
- CenterSquare Investment Management
- DigitalBridge
- EnCap Investments
- EQT Partners AB
- First Reserve Corporation
- H.I.G. Capital
- Hackman
- Harrison Street Real Estate Capital, LLC
- ICG
- iCON Infrastructure
- InfraVia
- JDM Partners
- Kayne Anderson
- Kohlberg Kravis Roberts & Co (KKR)
- LimeTree Capital Advisors
- Longpoint Realty Partners
- Macquarie Asset Management
- Mesa West Capital
- Noble Investment Group
- Panda Power Funds
- Prologis
- Related Fund Management LLC
- Rockpoint Group LLC
- Stockbridge Capital Group
- TA Realty Associates
- TPG
- Walton Street Capital, LLC
- Warwick Energy Investment Group
- White Deer Management

Absolute Return Managers

- ADAPT Investment Managers
- AHL Partners (Man Group)
- Aeolus Capital Management
- Blackstone Group
- Bridgewater Associates, Inc.
- D.E. Shaw & Co
- Garda Capital Partners
- Hudson Structured Capital Management
- King Street Capital Management
- Kirkoswald Capital Partners LLP
- Mariner Investments Group LLC
- Perella Weinberg Partners
- Two Sigma Advisers
- Voloridge Management
- Whitebox Advisors

Investment Professionals, continued

Risk Parity Managers

AQR Capital Management

Bridgewater Associates, Inc

PanAgora

Parametric

Cash Overlay Managers

Parametric

Transition Managers[1]

Russell Investments

Citigroup Global Markets

Defined Contribution Assets and Other Funds

Consultant

Capital Cities, LLC (General: Defined Contribution)

Custodian

Bank of New York

Large Cap Equity Index Fund Managers

BlackRock Inc.

International Equity Fund Managers

Acadian Asset Management

Altrinsic Global Advisors, LLC

Arrowstreet Capital, LP

Baillie Gifford & Company

BlackRock Inc.

Small/Mid Cap Equity Fund Managers

Reinhart Partners

RhumbLine Advisers

TimesSquare Capital Management, LLC

Wasatch Global Investments

Fixed Income Fund Managers

Northern Trust Global Investments

Pacific Investment Management Company (PIMCO)

Wellington Management Company, LLP

Inflation-Linked Fixed Income Fund Managers

Northern Trust Global Investments

Stable Value Fund Managers

Galliard Capital Management (Fund Advisor)

Income Research + Management (Fund Sub-Advisor)

Jennison Associates (Fund Sub-Advisor)

Dodge & Cox (Fund Sub-Advisor)

TCW (Fund Sub-Advisor)

Payden & Rygel (Fund Sub-Advisor)

Money Market Fund Manager

Bank of New York

Special Death Benefit Fund

Northern Trust Global Investments

Retirement Medical Benefit Account

State Street Investment Management

Local Public Safety Pension Relief Fund

Bank of New York

[1] Transition Managers are under contract and only manage assets during a transition of assets between managers, if necessary. We may utilize several or no transition managers in any given year.