MainePERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Board of Trustees

Public Meeting Packet

November 13, 2025

MainePERS Board of Trustees
November 13, 2025
139 Capitol Street, Augusta

AGENDA

9:00 a.m.[1]		CALL TO ORDER		Brian Noyes
9:00 – 9:05 a.m.	1.	CONSIDERATION OF CONSENT CALENDAR • Minutes of October 9, 2025 • Consideration of Items Removed	ACTION	Brian Noyes
9:05 – 9:10 a.m.	2.	BOARD ELECTIONS	ACTION	Brian Noyes
9:10- 9:20 a.m.	3.	AMENDMENT TO BOARD POLICY 2.1 (IPS) • Proposed IPS Changes – Redline • Asset Allocation Review and Asset-Liability Study Report	ACTION	James Bennett Scott Lupkas Brian McDonnell, Cambridge Assocs.
9:20 – 9:40 a.m.	4.	INVESTMENT REVIEW • Investment Monthly Review • Quarterly Rebalancing Report • RHIT/GLI/OPEB Quarterly Review • Investment Quarterly Review		James Bennett Scott Lupkas Brian McDonnell, Cambridge Assocs.
9:40 – 10:15 a.m.	5.	PRIVATE MARKETS REVIEW • Private Market Consultant Review • Private Markets Activity • Albourne Quarterly Review • Cliffwater Quarterly Review		James Bennett Scott Lupkas William Greenwood, Albourne; Tom Lynch, George Bumeder, Cliffwater
10:15 – 10:25 a.m.		RISK DIVERSIFIERS QUARTERLY REVIEW		Brian McDonnell, Cambridge Assocs.
10:25 – 10:40 a.m.		*BREAK*		
10:40 – 11:15 a.m.	6.	ASSET ALLOCATION • Real Assets Strategy Review		James Bennett Scott Lupkas Bartley Parker Bill Proom
11:15 – 11:20 a.m.	7.	FINANCE AND AUDIT COMMITTEE • Committee Report		Shirrin Blaisdell

[1] All times are estimated based upon the anticipated length of each presentation, hearing, discussion, and action. The presiding officer may take agenda items out of order for more efficient or effective conduct of the meeting.

11:20 – 11:35 a.m.	8.	GOVERNANCE • Board Policy and Charter Review	ACTION	Michael Colleran
11:35 a.m. – 12:05 p.m.	9.	CEO REPORT • Employer Satisfaction Survey Results • Mission Moment – Disability Program Enhancements		Dr. Rebecca M. Wyke Michael Colleran Chip Gavin Mara McGowen
12:05 – 12:10 p.m.	10.	BOARD 2026 CALENDAR AND WORK PLAN	ACTION	Dr. Rebecca M. Wyke
12:10 – 12:20 p.m.	11.	MEMBER SERVICES, FINANCE, AND OPERATIONS REPORT		Chip Gavin Sherry Vandrell Michael Colleran
12:20 – 12:25 p.m.	12.	LITIGATION UPDATE		John Nichols
12:25 – 12:55 p.m.		LUNCH		
12:55 – 1:55 p.m.	13.	CHIEF EXECUTIVE OFFICER EVALUATION • Executive Session pursuant to 1 M.R.S. §405(6)(A) *Board moves out of executive session.*	ACTION	Brian Noyes Amy McDuffee, Mosaic Governance
1:55 p.m.		ADJOURNMENT		Brian Noyes

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Minutes

Board of Trustees	MainePERS
Board Meeting	Augusta
October 9, 2025	9:00 a.m.

The Board of Trustees met at MainePERS, 139 Capitol Street, Augusta, ME 04330 at 9:00 a.m. on October 9, 2025. Brian Noyes, Chair, presided. Other Trustees participating were: Dick Metivier, Vice Chair; Joe Perry, State Treasurer; John Beliveau; Shirrin Blaisdell; Kirk Duplessis; Nick Fuller Googins; and John Kimball. Joining the Trustees were Dr. Rebecca Wyke, Chief Executive Officer; Michael Colleran, Chief Operating Officer and General Counsel; Sherry Vandrell, Chief Financial Officer; Chip Gavin, Chief Services Officer; Monica Gorman, Secretary to the Board of Trustees; and John Nichols, Assistant Attorney General and Board Counsel. The Board also was joined for select portions of the meeting by James Bennett, Chief Investment Officer; Scott Lupkas, Deputy Chief Investment Officer; Nanette Ardry, Associate General Counsel; Bill Brown, Director of Actuarial and Legislative Affairs; Doug Porter, Managing Director; Stuart Cameron, Cambridge Associates; William Greenwood, Albourne; Tom Lynch and George Bumeder, Cliffwater; Gene Kalwarski, Bonnie Rightnour, Greg Reardon, and Ryan Benitez, Cheiron; Mark LaPrade and Leah Clair, BerryDunn.

Brian Noyes called the meeting to order at 9:00 a.m. John Beliveau and Kirk Duplessis participated through video remote access pursuant to 1 M.R.S. §403-B, having been excused from in-person attendance. All other Trustees attended in person.

CONSIDERATION OF THE CONSENT CALENDAR

The presiding officer called for consideration of the Consent Calendar. The action items on the Consent Calendar were:

- Minutes of September 11, 2025
- Decision, A.R. Appeal

- Action. Shirrin Blaisdell made the motion, seconded by John Kimball, to approve the Consent Calendar. Unanimously voted in favor by seven Trustees (Beliveau, Blaisdell, Duplessis, Fuller Googins, Kimball, Metivier, and Noyes).

Joe Perry arrived at 9:05 a.m.

ACTUARIAL VALUATION AND UAL UPDATE

Gene Kalwarski, Bonnie Rightnour, Greg Reardon, and Ryan Benitez presented the FY 2025 draft actuarial reports for the State Employee and Teacher Program, Legislative Program, Judicial Program, PLD Consolidated Plan, and the Group Life Insurance Program (State-sponsored and PLD) to the Trustees for consideration. They discussed and answered questions from the Trustees.

- Action. Dick Metivier made the motion, seconded by Shirrin Blaisdell, that the Board accept the FY 2025 Actuarial Reports for the State Employee and Teacher Program, the Legislative Program, the Judicial Program, the PLD Consolidated Plan, and the Group Life Insurance Program (State-sponsored and PLD) as presented. Voted unanimously by eight Trustees (Beliveau, Blaisdell, Duplessis, Fuller Googins, Kimball, Metivier, Noyes, and Perry).

John Beliveau left the meeting at 10:50 a.m.

ASSET ALLOCATION

Jim Bennett provided an overview of the strategic asset allocation process.

Capital Market Assumption Modeling

Stuart Cameron made a presentation on asset allocation modeling and capital market assumptions.

Asset Liability Modeling

Gene Kalwarski reviewed the assumptions and methodology used in the Asset-Liability Study and discussed the study's results.

Policy Benchmarking

Stuart Cameron shared a presentation on benchmarking and discussed changes to the policy benchmarks being proposed by the Investment Team and Cambridge Associates.

Proposed Changes to Investment Policy Statement Appendix 4

Jim Bennett and Scott Lupkas reviewed the proposed changes to Investment Policy Statement Appendix 4: Policy Benchmarks that will be brought before the Trustees for approval at a later date.

Jim, Scott, Stuart, and Gene answered questions from the Trustees.

PRIVATE MARKETS

Tree Line Direct Lending IV

Doug Porter presented a recommendation to make a commitment to Tree Line Direct Lending IV and reported that the commitment is unlikely to involve significant investment in stocks, securities, or other obligations of fossil fuel or for-profit prison companies, and as such, these investments are classified as incidental in terms of potential exposures.

- Action. Shirrin Blaisdell made the motion, seconded by Joe Perry, that MainePERS make a commitment of up to $100 million to Tree Line Direct Lending IV Unlevered, subject to final due diligence, legal review and negotiations, and authorize the Chief Executive Officer, Chief Investment Officer, and General Counsel as signatories to execute the documents in connection with this commitment. Unanimously voted in favor by seven Trustees (Blaisdell, Duplessis, Fuller Googins, Kimball, Metivier, Noyes, and Perry).

MIE Core Infrastructure Fund

Scott Lupkas presented a recommendation to make a commitment to MIE Core Infrastructure Fund and reported that the commitment is unlikely to involve significant investment in stocks, securities, or other obligations of fossil fuel or for-profit prison companies, and as such, these investments are classified as incidental in terms of potential exposures.

- Action. Joe Perry made the motion, seconded by John Kimball, that MainePERS make a commitment of up to €55 million to MIE Core Infrastructure Fund, subject to final due diligence, legal review and negotiations, and authorize the Chief Executive Officer, Chief Investment Officer, and General Counsel as signatories to execute the documents in connection with this commitment. Unanimously voted in favor by seven Trustees (Blaisdell, Duplessis, Fuller Googins, Kimball, Metivier, Noyes, and Perry).

INVESTMENT REVIEW

Investment Monthly Review

Jim Bennett reported that as of September 30, 2025, the MainePERS fund had a preliminary market value of $21.5 billion, the preliminary return for the month was 1.1%, and the preliminary calendar year-to-date return was 8.2%.

PRIVATE MARKETS REVIEW

Private Markets Activity

Scott Lupkas reviewed the table of private market funds, co-investments, and continuation vehicles that had closed during the past 12 months. Scott shared there are no manager meetings scheduled for the remainder of the calendar year.

Co-Investment Reporting

Doug Porter presented, in accordance with Board Policy 2.1, a report providing additional details for those cases where the System had co-investment exposure exceeding $100 million with a single General Partner. They reported that as of 6/30/25, the System's co-investment portfolio with TPG Angelo Gordon's Twin Brook lending group was valued at $197 million. Doug reported that these co-investments broadly mirrored the composition of the underlying Twin Brook funds, were diversified by industry, and all but one co-investment were currently classified as "performing." Doug further shared that since 6/30/25, one co-investment had since been reclassified as non-performing and is expected to result in a marginal loss of capital.

PROXY SERVICES REVIEW

Jim Bennett stated Board Policy 2.1 recommends the Investment Team to evaluate the performance and contract terms of the System's proxy voting service provider at least every five years. Jim shared the criteria for selecting a proxy agent. The Investment Team conducted an evaluation, and the recommendation was to retain Glass Lewis as the System's proxy voting service provider.

- Action. Dick Metivier made the motion, seconded by John Kimball, that MainePERS continue to retain Glass Lewis as proxy voting service provider. Unanimously voted in favor by seven Trustees (Blasidell, Duplessis, Fuller Googins, Kimball, Metivier, Noyes, and Perry).

John Beliveau rejoined the meeting at 12:20 p.m.

AUDITED FINANCIAL STATEMENTS

Sherry Vandrell introduced Mark LaPrade and Leah Clair from BerryDunn and Jenn Lidback, Assistant Director of Finance to the Trustees.

Mark LaPrade and Leah Clair of BerryDunn, presented the Audited Financial Statements for the fiscal year ended June 30, 2025. Mark provided an overview of the audit process, and Leah highlighted the financial statement audit steps and footnotes with Trustees. Mark reviewed the yellow book report and the required auditor communications, noting no significant audit adjustments. Mark and Leah answered questions from the Trustees.

- Action. Shirrin Blaisdell made the motion, seconded by Dick Metivier, that the Board accept the FY25 Audited Financial Statements as presented. Unanimously voted by eight Trustees (Beliveau, Blaisdell, Duplessis, Fuller Googins, Kimball, Metivier, Noyes, and Perry).

CEO REPORT

Pension Administration System (PAS)

Dr. Rebecca Wyke shared Phase 2 continues; Phase 3 is complete; and Phase 4 was kicked off on September 9th. She stated the overall project is on track.

Board Education Plan

Dr. Wyke reviewed the annual Board education plan with the Trustees.

Strategic Plan Update

Dr. Wyke provided the Trustees with the third-year update of the 5-year Strategic Plan. Dr. Wyke shared a presentation on year three progress toward the Plan's goals and objectives and reported there will be a focus over the next several years on the development of the new pension administration system. She also provided an update on key performance and risk measures.

RULEMAKING

Replacement Rule 201 and Amended Rule Chapters 406, 506, and 803

Nanette Ardry summarized the proposed replacement to Rule Chapter 201 (Employer Reporting and Payments) and the proposed amendments to Rule Chapters 406 (Payment of Contributions and Interest for the Purchase of Service Credit), 506 (Eligibility for Disability Retirement Benefits), and 803 (Participating Local District Consolidated Retirement Plan).

- Action. Joe Perry made a motion, seconded by Shirrin Blaisdell, that the Board finally adopt replacement Rule Chapter 201 and adopt amended Rule Chapters 406, 506, and 803 and their respective basis statements. Unanimously voted by eight Trustees (Beliveau, Blaisdell, Duplessis, Fuller Googins, Kimball, Metivier, Noyes, and Perry).

MEMBER SERVICES, FINANCE, AND OPERATIONS REPORT

Chip Gavin shared a huge thank you to all employees working on the PAS project and those who continue the daily work. Chip also thanked staff participating in member and participant outreach sessions.

Sherry Vandrell stated the FY2025 audit is complete and the Annual Comprehensive Financial Report is near completion. Fully reconciled accounts are at 85%, and work continues of the older accounts. Sherry shared the internal audit covering human resources practices is underway with the next review to cover death benefits processing followed by a review of the employer auditing program.

Michael Colleran shared the IT Operations team is very involved in the PAS project plus keeping up with daily operations.

LITIGATION UPDATE

John Nichols shared in the Clopper FOA matter briefs from both parties were received by the Superior Court and await decision. John stated a disability retirement appeal was filed in Superior Court by Jennifer O'Bryon. There are several pending motions from the petitioner.

CHIEF EXECUTIVE OFFICER EVALUATION

Brian Noyes reviewed the evaluation process with the Trustees.

ADJOURNMENT

Brian Noyes adjourned the meeting at approximately 2:15 p.m.

11/13/25
Date Approved by the Board

Dr. Rebecca M. Wyke, Chief Executive Officer

Date Signed

MAINEPERS

BOARD OF TRUSTEES GOVERNANCE MEMORANDUM

TO: BOARD MEMBERS

FROM: MICHAEL COLLERAN, CHIEF OPERATING OFFICER & GENERAL COUNSEL

SUBJECT: **BOARD ELECTIONS**

DATE: NOVEMBER 4, 2025

Board Policy 1.5 calls for annual election of the Board Chair and Vice Chair at the November meeting and lays out a process for conducting the elections. The policy provides for the Chief Executive Officer to ask Trustees for nominations in advance of the meeting and for a voice vote to be held if there is only one nomination for a position. Otherwise, a secret paper ballot process will be held unless there are not enough Trustees physically present to result in a candidate receiving at least five votes.

POLICY REFERENCE

Board Policy 1.5 – MainePERS Board Officer Elections and Position Descriptions

RECOMMENDATION

That the Board elect a Chair and Vice Chair for the next year.

MAINEPERS

BOARD OF TRUSTEES INVESTMENTS MEMORANDUM

TO: BOARD MEMBERS

FROM: JAMES BENNETT, CHIEF INVESTMENT OFFICER

SUBJECT: **ASSET ALLOCATION REVIEW: RECOMMENDED INVESTMENT POLICY STATEMENT CHANGES**

DATE: NOVEMBER 4, 2025

Beginning in July, Trustees received a series of presentations from the Investment Team and consultants reviewing the System’s Strategic Asset Allocation. These presentations covered asset allocation, benchmarking principles and best practices, the development of capital market assumptions, and the methodology and results of an Asset-Liability Study (ALS) conducted by Cheiron. This Study considered a set of eight potential portfolio allocations which allowed each portfolio to be evaluated with respect to a number of relevant risks including the level and uncertainty of projected Contribution Rates, Funding Status, and Net Cash Flows.

Based on this analysis, the Investment Team and Cambridge Associates recommended a moderate reduction of approximately 100 basis points in the Fund’s risk level and presented the Trustees with proposed allocation changes to that effect. These proposed changes included consolidating the existing nine asset classes into six, as well as changes to the Policy Benchmark.

Following this memo are:

- A “redline” version of the Board’s Investment Policy Statement showing proposed changes. These include substantive updates discussed during the Strategic Asset Allocation review meetings, as well as a number of “housekeeping” edits.

- A comprehensive report containing a narrative summary of the material provided to Trustees as part of Strategic Asset Allocation review process.

POLICY REFERENCE

Board Policy 2.1 – Investment Policy Statement

RECOMENDATION

That the Board approve amended Board Policy 2.1.

Board Responsibilities – Investment Policy for Defined Benefit Plans

2.1 – Investment Policy Statement

Date Adopted: June 9, 2016

Date Amended: November 10, 2016; May 11, 2017; June 8, 2017; September 14, 2017; December 14, 2017; November 12, 2020; January 14, 2021; May 12, 2022; February 9, 2023; March 14, 2024; November 13, 2025.

Policy

The Board of Trustees of the Maine Public Employees Retirement System is authorized and responsible for administering defined benefit retirement programs at the State and local levels. The Board carries out this responsibility by adopting investment objectives and establishing an investment program through which the policy is implemented. In the case of conflicts, this policy statement supersedes previous policies and actions by the Board.

This policy covers the investment management of the assets of the following defined benefit programs administered by the Board:

- Legislative Retirement Program;
- Judicial Retirement Program;
- State Employee and Teacher Retirement Program, which includes State employees and public school members; and
- Participating Local District Retirement Program, which includes retirement plans of withdrawn participating local districts and the Consolidated Plan for Participating Local Districts.

Collectively, the assets of these programs are referred to as the DB Plan Assets. Statutes allow for the pooling of the DB Plan Assets for the purpose of investment. Pooling provides significant efficiencies. Because the relevant characteristics of the DB plans are sufficiently similar, all the DB Plan Assets are pooled for investment.

Statutory/Legal Provisions

- Me. Const. art. IX, § 18.
- 5 M.R.S. §§ 1957-1958 (divestment statutes)
- 5 M.R.S. §§ 17102, 17103, 17435; 18-B M.R.S. § 801, et seq. (Maine Uniform Trust Code); 18-B M.R.S. § 901, et seq. (Maine Uniform Prudent Investor Act).
- 5 M.R.S. §§ 17153(4).
- Restatement (Third) of Trusts § 78(1) (2007) (the “sole interest rule”).
- Restatement (Third) of Trusts formally permits, and in some cases requires, the delegation of investment decisions from trustees to internal staff or external agents with the necessary skills and knowledge.

- The Employee Retirement Income Security Act ("ERISA"), codified at 29 U.S.C. § 1002, *et seq*., provides a description of the standard of care that applies to trustees of private sector retirement plans. Although the System as a public retirement plan is not specifically governed by the fiduciary duty standard set forth in ERISA, courts will often consider the standard set forth in ERISA when addressing public pension plan issues. Under ERISA, a fiduciary must act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person (expert) acting in a like capacity would act. This statutory standard is derived from the common law of trusts, which is applicable in the State of Maine.

Resources

The Board of Trustees implements this investment policy in coordination with:

- in-house investment professionals (the "Investment Team"), with experience, authority and responsibility to implement the investment policy and administer investment operations;
- consultants, with appropriate expertise, to assist the Board and the Investment Team;
- investment managers, selected individually and collectively to reflect and implement the investment policy, having full discretion within policy and contractual limits to manage assets allocated to them;
- custodians qualified to carry out recordkeeping, reporting, measurement and custodial functions; and
- other advisors that the Board deems appropriate and necessary.

The Investment Team shall oversee the processes by which Custodians, Consultants, and other Advisors are hired, evaluated, and terminated, and shall work with the General Counsel on the terms of contracts of engagement.

At least every five years, the Investment Team will evaluate the performance and contract terms of all such service providers and make a recommendation to the Board as to whether or not a search process for new providers and/or renegotiation of terms be initiated.

Investment Objectives

MainePERS' investment objectives balance the System's twin goals of generating investment returns (to ensure growth of the trust funds) and minimizing investment risks (loss of capital and cash flow shortfalls). The Board recognizes and accepts that these goals are in opposition, and that a trade-off exists between expected risk and return. The Board balances these goals by seeking to optimize portfolio returns consistent with an established targeted portfolio risk level. Additionally, by optimizing investment returns on trust assets, rather than attempting to maximize them, the Board seeks to maintain contribution rate and funding level volatility at acceptable levels that have been determined from time to time during strategic asset allocation planning and asset/liability reviews.

Strategic Asset Allocation and Rebalancing

The Investment Team and Board consultants shall conduct an asset/liability study at least every five years and annually review long-term capital market expectations and existing asset class allocations with Trustees. The Board shall review, and when strategically appropriate, approve recommended changes to the existing strategic asset classes, target weights, and ranges for implementation by the Investment Team~~.~~ (s~~S~~ee Appendix 1).

The specified policy weight ranges define minimum and maximum acceptable weights for each asset class~~.~~ (s~~S~~ee Appendix 2). The Investment Team shall maintain asset class weights within target ranges, subject to considerations such as transaction~~s~~ costs and the unique characteristics of ~~private market~~the asset class investments, by reallocating capital within existing strategies and investments. The Investment Team will provide Trustees with reports showing the fund's current asset allocation at least monthly, and report on rebalancing activity quarterly.

Portfolio Risk Management

The primary method of controlling risk shall be the selection of the strategic asset allocation and asset class target weights within the allocation~~.~~ (s~~S~~ee Appendix 1). Combined with long-~~-~~term capital market expectations, these policy weights define a portfolio with a specific level of risk.

The Chief Investment Officer shall develop a risk strategy for managing assets within the Board approved strategic asset allocation. The risk strategy will specify practices and procedures for the measurement and management of portfolio risk, including the provision of a portfolio risk report to the Board at least quarterly~~.~~ (s~~S~~ee Appendix 3).

Nothing in the risk strategy shall override the Asset Classes, Policy Weights and Ranges described in Appendix 1.

Performance Objectives and Benchmarks

The Board acknowledges that benchmarks provide insight into fund and asset class performance, but are not necessarily guides for changing asset allocations or fund managers. The rate of return earned by fund assets will be measured against a policy benchmark comprised of the asset class benchmarks~~.~~ (s~~S~~ee Appendix 4). Returns earned by individual managers will be compared with a benchmark index appropriate to each manager's investment approach.

For performance evaluation purposes, all rates of return will be measured net of the deduction of investment management fees.

During a period of transition from one asset allocation to another, certain transitional allocations to appropriate benchmarks are permitted.

Investment Implementation

The Investment Team shall implement the investment policy, subject to Board guidelines:

- Exposures within the Public Equity and Public Fixed Income asset classes ~~ to publicly traded equity securities is~~are expected to be obtained passively and with weightings substantially similar to those of the benchmarks specified in Appendix 4. Any exceptions must be approved by the Board.
- Investments within each Asset Class should be consistent with the Asset Class definitions provided in Appendix 1.

Environmental, Social, and Governance; Engagement

In performing due diligence and monitoring activities, the Board and the Investment Team shall comply with Board Policy 2.6, Environmental, Social and Governance Policy; and Board Policy 2.7, Engagement.

Investment Manager Selection and Allocation Process

MainePERS invests through external investment managers, who are charged to act as fiduciaries, and allocates fund assets among them in accordance with the strategic asset allocation. The Investment Team identifies, performs due diligence on, and recommends investment managers and allocations to the Board. The Investment Team also monitors performance and recommends retention and termination decisions to the Board. The Board retains final authority for manager selection, retention and termination decisions.

Managers are selected and retained on the basis of an evaluation that establishes sufficient confidence that the manager will ~~improve the return and risk~~ assist in meeting the goals of the investment program. ~~If and when the ~~As the Investment Team and/or consultant(s) identify an investment manager that they believe will improve the investment program, the Investment Team will make a recommendation to the Board of Trustees that the manager be hired. This recommendation will be accompanied by an opinion ~~by ~~from the investment consultant on this recommendation. The Board retains the final authority to accept or reject such recommendations.

The Investment Team will prepare and present to the Board of Trustees selection criteria they deem pertinent for each manager search and recommendation to hire. The Investment Team will provide the Board with all the necessary information and analysis to enable an informed decision,~~. The Board may choose to~~~~will and~~ and the Board will have the opportunity to ~~be provided with an~~ interview the recommended manager~~ or they may rely on the Investment Team to conduct interviews~~.

Derivatives

In general, the use of derivatives is permitted provided that the purpose of the derivative is to achieve an investment objective at lower cost and/or risk than would be the case with direct investments in the underlying securities. The System may also invest in strategies which use derivatives to obtain leverage. In all such cases, the use of derivatives must be disclosed to the Board prior to the Board's approval, and the strategy must be structured so as to limit System liability to the amount committed to the strategy.

Leverage

The System may invest in strategies in which managers have discretion to use leverage. The use of leverage in any strategy must be disclosed to the Board prior to the Board's approval, and the strategy must be structured so as to limit System liability to the amount committed to the strategy.

Fossil Fuel and Private Prison Investments

The System may invest in strategies providing managers with broad discretion in the selection of investments. The potential for fossil fuel or for-profit prison investment must be disclosed to the Board prior to the Board's approval of a strategy. For those strategies likely to invest in stocks, securities or other obligations of fossil fuel or for-profit prison assets, disclosures will include a description of the expected role of such investments in the proposed strategy and discussion of the process leading to the selection of the strategy.

On an annual basis, the Board will be provided with a report summarizing the System's fossil fuel and for-profit prison investments. This report will include a discussion of the actual and expected changes in these exposures, and analysis of these exposures within the context of the divestment statutes, 5 M.R.S. §§ 1957 and 1958.

Currency Hedging

The Board has reviewed the benefits and risks associated with foreign currency exposures. As a general rule the Board has chosen not to hedge currency at the portfolio level. Unless otherwise directed asset managers will have discretion to hedge investments under their management as they deem most beneficial to their mandate.

Co-Investments and Continuation Vehicles

The System may co-invest alongside private market funds in which the System is a current investor and may invest in continuation vehicles within the guidelines set forth in Appendix 5 without further Board approval. A continuation vehicle is a fund established by the general partner of an existing private market fund that is in the later stages of its life to receive one or more portfolio ~~companies~~ investments from the existing fund ~~to~~ and provides the opportunity for limited partners to remain invested in these assets ~~companies~~.

Transaction Costs and Brokerage

The Board of Trustees expects investment managers, in their capacity as fiduciaries, to manage transaction costs in the best interests of the System as an investor. To enable the managers to fulfill this fiduciary duty, it is the Board's policy not to be party to directed brokerage programs.

Securities Lending

The System may participate in a securities lending program either directly through its separately managed portfolios or indirectly through its investments in pooled vehicles. In each case, the securities lending program must focus on low risk, as opposed to maximization of returns. All DB Plan Assets are available for securities lending.

Monitoring

The Board relies on the Investment Team and the investment consultant(s) to continuously monitor the investment program and to report to the Board as outlined below.

- the Investment Team and investment consultant(s) provide comprehensive periodic reports on the entire investment program, including asset allocation, performance of each component relative to benchmarks, attribution analysis, and commentary.
- the Investment Team and investment consultant(s) monitor changes and developments at investment managers and at custodian(s) on an ongoing basis and report significant changes or events with recommended actions as needed.

Emergency Measures

Immediate action may be taken beyond the bounds of this policy under extraordinary circumstances and in order to preserve the best interests of the plans' participants by unanimous decision of the following:

- The Chair, or in the Chair's absence, Vice Chair of the Board
- The Chief Executive Officer, or in the Chief Executive Officer's absence, the Chief Operating Officer and General Counsel
- The Chief Investment Officer, or in the Chief Investment Officer's absence, Deputy Chief Investment Officer, or in the absence of both of them, the general investment consultant

Any such action must be reported to the Board of Trustees at the earliest opportunity.

Appendix 1: Asset Classes, Policy Weights and Ranges

Date Adopted: June 9, 2016

Date Amended: June 8, 2017; September 14, 2017; January 14, 2021; May 12, 2022, November 13, 2025

The System's assets are invested across ~~nine~~ six Asset Classes that play a number of roles~~four distinct Roles~~ in the overall Fund. The Trustees define these ~~Roles and~~ Asset Classes and set target policy weights and ranges below.

	Weights		
	Minimum	Policy	Maximum
~~**GROWTH**~~	~~35%~~	~~42.5%~~	~~55%~~
~~Public Equity~~	~~20%~~	~~30%~~	~~40%~~
~~Private Equity~~	~~5%~~	~~12.5%~~	~~20%~~
~~**RISK DIVERSIFIERS**~~	~~0%~~	~~7.5%~~	~~12.5%~~
~~**HARD ASSETS**~~	~~15%~~	~~25%~~	~~35%~~
~~Real Estate~~	~~5%~~	~~10%~~	~~15%~~
~~Infrastructure~~	~~5%~~	~~10%~~	~~15%~~
~~Natural Resources~~	~~0%~~	~~5%~~	~~10%~~
~~**CREDIT**~~	~~5%~~	~~15%~~	~~20%~~
~~Traditional Credit~~	~~0%~~	~~5%~~	~~10%~~
~~Alternative Credit~~	~~0%~~	~~10%~~	~~15%~~
~~**MONETARY HEDGE**~~	~~5%~~	~~10%~~	~~15%~~
~~US Government Securities~~	~~5%~~	~~10%~~	~~15%~~
~~Cash~~	~~0%~~	~~0%~~	~~10%~~
Public Equity	20.0%	27.5%	35.0%
Private Equity	5.0%	10.0%	20.0%
Risk Diversifiers	5.0%	7.5%	10.0%
Real Assets	15.0%	22.5%	25.0%
Alternative Credit	10.0%	15.0%	20.0%
Public Fixed Income	12.5%	17.5%	25.0%
Cash	0.0%	0.0%	5.0%

Asset Class Definitions

The below Asset Class definitions are simplified and are intended to convey the general characteristics of investments held within each class. Some investment strategies involve assets and securities that span multiple asset classes.

Public Equity

~~Investments in publicly-traded shares of companies. May include different classes of common stock, shares of REITs, and MLPs.~~

The Public Equity asset class consists of ownership interests in companies traded on global stock exchanges in U.S., developed international, and emerging markets. It may include different classes of common stock as well as interests in other structures such as REITs. Its primary role is long-term capital appreciation, and the asset class features higher short-term volatility and drawdown risk relative to other liquid assets. Public Equity is characterized by a high level of liquidity to meet operational needs as well for efficient portfolio rebalancing.

Private Equity

~~Investments in non-publicly traded shares of companies. Investments are typically made via private limited partnerships, and may include both equity and debt securities.~~

The Private Equity asset class consists of ownership interests in companies and assets that are not publicly traded and accessed primarily through commingled limited partnerships and other specialized structures. Private Equity may include venture capital, growth equity, buyouts, distressed assets, and other similar strategies. It seeks to generate superior long-term returns relative to public equity markets by exploiting illiquidity premia, active ownership, and operational value creation. Private Equity is characterized by long investment horizons, limited liquidity, and higher dispersion of returns across investments. Diversification across strategies, vintage years, industries, and geographies is emphasized to mitigate risk.

Risk Diversifiers

~~Investments typically made through private funds that generally invest in listed assets such as stocks, bonds, and commodities, via strategies that are expected to have little correlation with declining or rising stock markets.~~

The Risk Diversifier asset class seeks exposure to return streams that are not available through traditional public market investments, with an emphasis on risk-adjusted performance and little to no exposure to broad market returns. Investments are typically accessed through commingled limited partnerships or other pooled vehicles. The allocation may include a variety of globally diverse strategies including long-short equity, credit oriented, opportunistic, and multi-strategy approaches. These underlying strategies are designed to provide attractive standalone returns as well as diversification benefits away from traditional growth assets, and are expected to maintain low correlation to both rising and falling markets over full market cycles. Liquidity provisions vary by strategy and manager, and typically feature periodic redemption windows and initial lockups.

~~Real Estate~~

~~Investments providing direct exposure Real Estate, including investments through private funds.~~

~~Infrastructure~~

~~Investments typically made through private funds that generally invest in assets that meet most or all of the following criteria: provide essential public services, possess monopoly-like characteristics, provide long term contracted cash flows, and bear limited volumetric and price risk.~~

~~Natural Resources~~

~~Investments in private funds that generally invest in businesses focused on natural resources such as timberland, agriculture, and mining. Private energy investments will generally be included in Private Equity, rather than Natural Resources.~~

Real Assets

Real Assets is a private market asset class that serves as a diversifier to equity, credit, and fixed income, offering potential for stable income, capital appreciation, and inflation protection. It includes investments in real estate, infrastructure, natural resources, and other investment opportunities that derive value from their physical and enduring characteristics. A substantial portion of asset class returns is expected to come from ongoing cash flows. Real Assets investments are illiquid and typically accessed through commingled limited partnerships or other pooled vehicles, and may be open- or closed-ended. Diversification across asset types, sectors, geographies, and return sources (e.g., income versus capital appreciation) is emphasized to manage risk.

Alternative Credit

~~Investments in debt instruments issued by non-investment grade and unrated entities. This may include, but is not limited to high yield debt, bank loans, structured debt, and asset-backed debt. Alternative credit investments are expected to pay or accrue periodic interest and to return principal at maturity. Distressed debt and other debt or yield-oriented securities that include equity-like exposures are considered Private Equity, not Alternative Credit.~~

The Alternative Credit asset class plays a role in enhancing portfolio income, diversifying fixed income exposures, and capturing illiquidity and complexity premia, while recognizing that investments may carry elevated credit, structural, and liquidity risks. It consists of investments in debt instruments issued primarily by non-investment grade and unrated entities. Typical investments are unrated debt, bank loans, structured credit, and asset-backed debt. Strategies may encompass direct lending and other opportunistic credit approaches that provide exposure to less liquid markets and higher yields than traditional investment grade fixed income. Investments are typically accessed through illiquid commingled limited partnerships or other pooled vehicles. Diversification across borrower types, sectors, geographies, structures, and vintage years is emphasized to manage risk.

~~Traditional Credit~~

~~Investments in investment-grade debt instruments that are not issued by the U.S. Government. Such debt may or may not be registered for sale to the general public.~~

~~Monetary Hedges~~

~~Investments in debt instruments issued by the U.S. Government, including nominal Treasury securities and Treasury Inflation Protected Securities (TIPS), held in approximately equal proportions.~~

Public Fixed Income

The Public Fixed Income asset class consists of investment grade debt instruments, including U.S. Treasuries, Treasury Inflation-Protected Securities (TIPS), mortgage-backed, and corporate bonds. The asset class seeks to provide stable income, preserve capital, and reduce overall portfolio volatility. Public Fixed Income is highly liquid, allowing for a high level of liquidity to meet operational requirements and efficient portfolio rebalancing.

~~Roles in the Overall Fund~~

~~Each of the above asset classes fills a specific Role in the overall portfolio. These Roles are defined below.~~

~~Growth Assets~~

~~Growth Assets are intended to reduce the system's funding needs in the long term by appreciating in value. Growth Assets possess inherently higher expected returns than other asset classes. Growth Assets also have higher expected volatility than other asset classes, and are expected to increase funding volatility in the short run.~~

~~Risk Diversifiers~~

~~Risk Diversifiers are investments that primarily derive their return from alpha (or active manager skill) as opposed to market directionality. Risk Diversifiers are expected to provide significant risk diversification benefits away from Growth Assets.~~

~~Hard Assets~~

~~Investments in the Hard Assets category provide exposure to long-lived “real” assets, such as real estate, timber, agricultural, and infrastructure assets. Expected return levels of Hard Assets are lower than those of Growth Assets, and a substantial portion of such returns is expected to come from ongoing cash flows. Hard Assets are expected to provide inflation protection, to have low correlation with Growth Assets, and to provide diversification benefits.~~

~~Credit Assets~~

~~Credit investments provide capital to end-users via loans and the purchase of debt securities. Such investments provide for contractual returns (interest) and repayment of principal. Credit investments possess lower risk and expected returns than equity investments, but have higher risk and expected returns than monetary hedges. Credit investments are expected to provide diversification away from Growth Assets.~~

~~Monetary Hedges~~

~~The role of Monetary Hedges in the portfolio is to provide liquidity and a safe harbor in times of turbulence. These investments are cash and obligations of the U.S. Government, and are considered to be free of default risk.~~

Board Responsibilities – Investment Policy

Appendix 2: Rebalancing

Date Adopted: June 9, 2016

Date Amended: May 12, 2022; July 14, 2022, November 13, 2025

The Board has set target weights for each Asset Class ~~and Role in Portfolio category~~ in Appendix 1~~,~~ and delegates the management of asset class allocation to the Investment Team. The Investment Team is expected to maintain asset class weights near target, subject to considerations such as transactions costs and the unique funding and liquidity characteristics of ~~private market~~asset class investments.

To this end, the Team is permitted to reallocate capital within existing strategies and investments for rebalancing purposes. The Investment Team is expected to consider both ~~Role in Portfolio and~~ Asset Class policy weights and the various roles played by individual asset classes when rebalancing. The Team will provide Trustees with reports showing the Fund's current asset allocation at least monthly, and report on rebalancing activity at least quarterly.

In the specific case of the System's Risk Diversifier allocation, the Investment Team is permitted to rebalance across existing managers and strategies, consistent with the goal of maintaining diversification within the allocation. Rebalancing activity will be reported to Trustees at least quarterly.

Board Responsibilities – Investment Policy

Appendix 3: Risk Strategy

Date Adopted: June 9, 2016

Date Amended: *New*

While this Risk Strategy is in development the Chief Investment Officer shall rely on the Strategic Asset Allocation and Rebalancing provisions of this policy to manage the Fund's risk.

The Investment Team and the Board believe that this approach will deliver an appropriate expected return with commensurate risk over a long term horizon. However they also recognize that the portfolio's realized risk will vary over time which may result in periods during which the fund bears substantially higher risk than the System initially targeted.

In an effort to achieve more stable (less volatile) returns, the Investment Team will seek to develop management tools and practices that they believe will be better able to keep the fund's risk in an acceptable range.

This Risk Strategy shall be updated from time to time by the Trustees to reflect recommendations developed by the Chief Investment Officer.

Nothing in the Risk Strategy shall override the Asset Classes, Policy Weights and Ranges described in Appendix 1.

Board Responsibilities – Investment Policy

Appendix 4: Policy Benchmarks

Date Adopted: June 9, 2016

Date Amended: June 8, 2017, January 14, 2021, May 12, 2022, November 13, 2025

Asset	Benchmark	Weight
Total Public Equity	Russell 3000 & MSCI ACWI ex-USA IMI, based on ACWI IMI weights	27.5% ~~30%~~
Private Equity	Russell 3000 + 3%	10.0% ~~12.5%~~
Risk Diversifiers	3-Month Treasury Bill + 3% ~~0.3 Beta MSCI ACWI~~	7.5%
Real Assets	CPI-U + 3%	22.5%
~~Real Estate~~	~~NCREIF Property (lagged one quarter)~~	~~10%~~
~~Infrastructure~~	~~CA Infrastructure Median~~	~~10%~~
~~Natural Resources~~	~~CA Natural Resources Median~~	~~5%~~
Alternative Credit	~~50% BAML US HY II + 50% S&P/~~Morningstar LSTA US Leveraged Loan Index	15.0% ~~10%~~
Public Fixed Income	40% Bloomberg Barclays US Aggregate ex-Government + 30% Bloomberg Barclays U.S. Government Bond Index + 30% Bloomberg U.S. TIPS Index	17.5%
~~Traditional Credit~~	~~Barclays US Aggregate, ex Treasury~~	~~5%~~
~~U.S. Government Securities~~	~~50% Bloomberg Barclays U.S. Government Bond Market Index + 50% Bloomberg U.S. TIPS Index~~	~~10%~~

Board Responsibilities – Investment Policy

Appendix 5: Co-Investments and Continuation Vehicles

Date Adopted: May 12, 2022

Date Amended: March 14, 2024, November 13, 2025

Co-investments and investments in continuation vehicles are permitted within private market asset classes, subject to the below guidelines.

Target Allocation	7.5% of total Fund. This target is a subset of the total 47.5% allocation to private market asset classes, and is not in addition to that allocation. The 7.5% target includes investments in both co-investments and continuation vehicles.
Asset Classes	Co-investments and investments in continuation vehicles may be made in each of the private market asset classes.
Discretion	Investment Team has discretion to make co-investments and investments in continuation vehicles, in consultation with the asset class consultant.
Signatories	The Chief Executive Officer, Chief Investment Officer, and General Counsel are authorized as signatories to execute documents in connection with co-investments and investments in continuation vehicles.
Permissible Partners	Unless otherwise authorized, co-investments will only be made alongside Funds in which the System is a current investor. Unless otherwise authorized, investments in continuation vehicles will only be made in cases where the vehicle is being formed to continue ownership of assets being acquired from ~~a~~ one or more funds in which the System is a current investor.
Size Limits	Unless otherwise authorized, maximum of $25m invested into any single co-investment or continuation vehicle. Unless otherwise authorized, maximum of $200m aggregate continuation vehicle investment and co-investment in a single asset class with any single General Partner.

	The Investment Team will provide additional reporting to Trustees for those General Partners with more than $100m of aggregate continuation vehicle investment and co-investment in any single asset class.

2025 STRATEGIC ASSET ALLOCATION REVIEW AND ASSET-LIABILITY STUDY REPORT

November 4, 2025
For the Board of Trustees
Prepared by the MainePERS Investment Team

Table of Contents

<u>Appendices</u>

I. Executive Summary

Earlier this year, the Investment Team began working with Cambridge Associates (CA), the System's general investment consultant, on a review of the System's Strategic Asset Allocation (SAA). Cheiron, the System's actuary, conducted an Asset-Liability Study (ALS) as part of this process, analyzing a range of asset allocations with respect to projections of future liability-related measures.

Starting in July 2025 and extending into October 2025, Trustees received a series of presentations from the Investment Team, Cambridge Associates, and Cheiron. These presentations facilitated discussions related to the System's SAA and the interaction between future investment outcomes and various key liability-related measures.

This process culminated with the recommendation from the Investment Team, supported by Cambridge Associates, to shift 7.5% of assets away from equity and equity-related strategies in aggregate in favor of fixed-income and credit-related strategies in order to achieve a moderate reduction (≈100+ basis points) in the Fund's overall risk level.

At the margin, this reduction in the Fund's risk-return profile decreases the expected future volatility of both contribution rates and funded status while preserving the System's ability to meet future obligations and ability to benefit from market environments that are in-line with, or exceed, long-term averages. In addition, the shift toward credit-related strategies is consistent with the projected future increased need for liquidity due both to the 2028 UAL payoff and the ongoing maturation of the plan.

II. Asset Allocation Review

Presentations in July and October by the Investment Team and Cambridge Associates reviewed asset allocation general principles and best practices as well as the System's current investment objectives and asset allocation. For MainePERS, key elements include making allocation decisions consistent with a long-term investment horizon, using diversification to promote portfolio efficiency and protect against catastrophic losses, and a bias toward using (and paying for) active managers only when they are expected to create long-term value.

As specified in the Board's Investment Policy Statement (IPS), the System's investment goals contain both investment-specific components (generate investment returns, minimize investment risk) and liability-related risk measures (contribution rate and funding level volatility). For this reason, an asset-liability study is an important component of the asset allocation review process. This actuarial study projects the outcomes of portfolio decisions on liability-related measures and allows the analysis of relevant liability-related risks to be incorporated into the investment decision-making process. In this way, a more balanced portfolio can be constructed that is best able to meet MainePERS specific goals and objectives. Other factors influencing the allocation decision and investment implementation are the System's liquidity needs and the availability of resources required to effectively invest in certain asset classes.

The first step in the ALS process was the construction of a set of eight potential portfolios to be evaluated. These portfolios were developed by the Investment Team and CA, and included the current portfolio as well as portfolios with higher and lower risk-return profiles. Expected risk and return levels for each portfolio were estimated using CA's current Capital Market Assumptions (CMA). These assumptions and resultant portfolio values were presented and discussed with Trustees during the review process.

The projected risk and return of each potential portfolio were provided to Cheiron and used as inputs to the ALS.

III. Asset-Liability Study

In August 2025 and October 2025, Trustees received presentations covering the Asset-Liability Study from Cheiron and the Investment Team. Key points provided as context and background to the current study were:

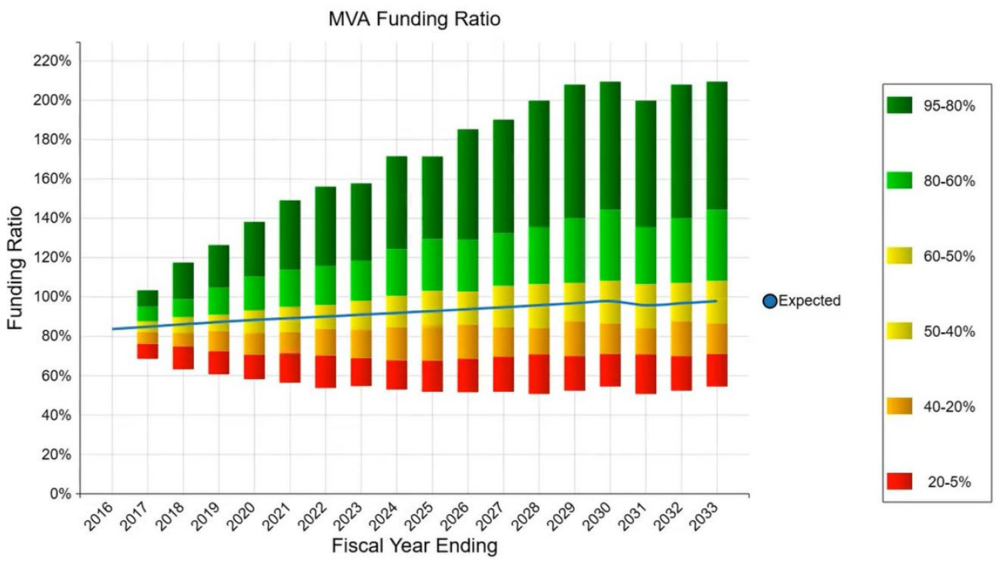
- At $21B, the System is significantly larger than during past studies completed in 2012 ($11B), 2015 ($13B), and 2022 ($18B).
- The System has grown while improving funding ratios and reducing discount rates

- The interest rate environment has returned to near long-term averages, with Treasury rates in the 4% range rather than the 0–2% range prevailing during past reviews.
- Ratios such as Assets/Payroll and Retirees/Actives have increased over time, and highlight that future market losses will be made up via a smaller base.
- Net cash outflows, currently around 2.25% of assets, are expected to grow to around 4% in the near term with the payoff of the 2028 UAL. Subsequently, outflows will continue to gradually increase as the plan matures.

The last point regarding outflows, in particular, holds important implications for the System, as demonstrated in an example provided by Cheiron at the October 2025 Trustee meeting. Specifically, the example illustrates how cash outflows increase the extent to which the plan's future asset values may be negatively impacted by more volatile investment returns, and that this negative impact is exacerbated when outflows are increasing over time. Taken together, the final two points above support a bias, at the margin, toward decreasing overall fund risk.

As explained by Cheiron during these presentations, the ALS is based on stochastic rather than deterministic modeling. Specifically, deterministic models assume steady investment returns in all future years, for example, that the portfolio will earn a constant 6.5% return each year. Cheiron then combines these fixed returns with demographic assumptions and the structural characteristics of the plan to produce point estimates of contribution rates, funded status, and net cash flows for each future year.

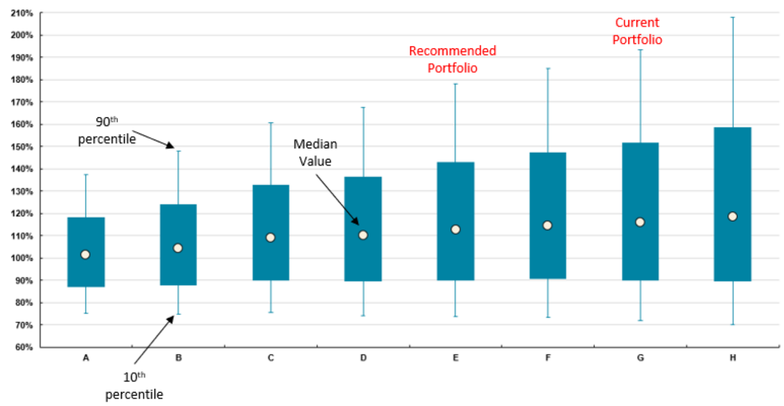
By contrast, stochastic modeling recognizes that annual returns are highly variable, and Cheiron uses a range of potential returns to generate a corresponding dispersion of potential outcomes. The chart below from the October presentation displays projected funding ratios over time. The solid line corresponds to the output from deterministic modeling and provides a single estimate for each year's projected funding status. The bars are generated via stochastic modeling and demonstrate the distribution of potential outcomes around each year's deterministic value.



The raw output of the ALS is a dataset containing, for each portfolio modeled and each future year, the expected value and dispersion of three measures: Contribution Rates, Funding Status, and Net Cash Flows (NCF). Cheiron conducted separate ALS for the combined State and Teacher (S&T) plans, and for the Consolidated Participating Local District (PLD) plans. While the full results of both studies were included in materials provided to Trustees, presentations focused on the S&T plans since the results and conclusions for each were similar.

Broadly speaking, results show that portfolios with higher expected returns produce expected outcomes in the future with: lower contribution rates, stronger funding ratios, and lower cash outflows. However, since higher-returning portfolios inherently have greater risk, the dispersion of potential outcomes around these expected values is larger relative to that of lower risk portfolios.

The chart below illustrates this using projected funding ratios as of 2038 for each of the eight portfolios modeled. For each portfolio (A through H), the white dots indicate the expected funding ratio, the solid area represents outcomes ranging from the 25^{th} to 75^{th} percentiles, and the "whiskers" span the 10^{th} to 90^{th} percentiles.



Portfolios are sorted from lower risk (A) to higher risk (H). As expected, lower risk portfolios feature outcomes that are more tightly clustered around their (lower) expected values, while higher risk portfolios feature wider dispersion around their (higher) expected outcomes. Similar charts and tables were provided for projected contribution rates and NCF.

The Investment Team and Cambridge Associates recommended making a moderate reduction in the Fund's risk level, corresponding to a move from portfolio G to E. As discussed during these presentations, choosing an asset allocation ultimately requires balancing the benefits of bearing a higher level of portfolio risk (better projected contribution rates, funding ratios, and NCF) against the associated costs (greater variability of future results). Portfolio E, as reviewed appropriately balances the System's goals of generating investment returns while minimizing risk, and results in acceptable levels of contribution rate and funded status volatility.

IV. Allocation Recommendations

In September 2025 the Investment Team and Cambridge Associates presented and discussed proposed changes to the System's Strategic Asset Allocation. The below table contains the updated Strategic Asset Allocation, assuming adoption of the proposed changes.

	Weights		
	Minimum	Policy	Maximum
Public Equity	20.0%	27.5%	35.0%
Private Equity	5.0%	10.0%	20.0%
Risk Diversifiers	5.0%	7.5%	10.0%
Real Assets	15.0%	22.5%	25.0%
Alternative Credit	10.0%	15.0%	20.0%
Public Fixed Income	12.5%	17.5%	25.0%
Cash	0.0%	0.0%	5.0%

Four key goals associated with these changes were identified and discussed:

- Achieving a moderate reduction in the Fund's risk profile by shifting capital from equity-oriented to credit-oriented strategies
- Enhancing Fund diversification by adding an additional return stream (Opportunistic Credit)
- Improving the Fund's liquidity profile via shifts toward income-producing strategies
- Improving implementation flexibility by consolidating nine asset classes into six, allowing capital to be deployed into the most attractive opportunities within broader asset classes

As discussed at the meeting, the shift toward income-producing strategies and new return sources is expected to achieve a moderate decrease in the Fund's volatility (from 10.6% to 9.5%), while reducing long-term expected returns by 20 basis points (from 8.2% to 8.0%). A stress-case analysis of plan liquidity provided by Cambridge Associates examined the Benefit Coverage Ratio (BCR), defined as the ratio of liquid assets to annual net cash outflows, and projected a drop in the current healthy value of around 11x to a still acceptable 6–8x range during a scenario such as the financial crisis of 2008–2009.

With respect to implementation, the presentation noted that public market allocation changes could be phased in over several months, while fully implementing changes to private market asset classes would take place over a multi-year horizon. In addition, the presentation included a comparison of the System's asset allocation relative to peers. The proposed reduction in Real Assets (i.e., from 25% to 22.5%) will begin to shift the System's holdings of these assets closer to peer levels, and is expected to be accomplished by deemphasizing natural resource-focused investments.

As part of the consolidation of asset classes, the Investment Team discussed planned changes related to implementation and reporting. These included annual Trustee presentations covering asset class strategies (objectives, portfolio construction, pacing, etc.), and performance reporting.

V. Benchmark Recommendations

Cambridge Associates reviewed the different types and uses of benchmarks, along with general principles and best practices, with Trustees at the October meeting, focusing on the attributes and development of an appropriate Policy Benchmark. The Investment Team provided and discussed recommended benchmark changes consistent with these best practices. These included:

- Expanding the non-US equity benchmark to include the small company segment of each market, rather than only large and mid-sized companies
- Shifting the Risk Diversifier benchmark to be based on short-term interest rates, rather than global equity market returns
- Benchmarking Real Assets to a premium over inflation, rather than mix of asset-level and peer-median indices
- Removing the High Yield component of the Alternative Credit benchmark
- Combining existing benchmarks for Traditional Credit and US Government into a single benchmark reflecting the expected composition of the proposed Public Fixed Income asset class

Cambridge Associates conducted an analysis of the impact of these proposed benchmark changes. As discussed with Trustees, historical tests suggest that the proposed changes reduce the benchmark's risk level while increasing expected return, yielding a more efficient benchmark.

MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Strategic Asset Allocation Review

July 10, 2025

Allocation Review Timeline

July (this meeting)

- Review asset allocation process and current objectives
- Review Asset-Liability Study methodology
- Review asset classes and roles in the System's current strategic asset allocation

August/September

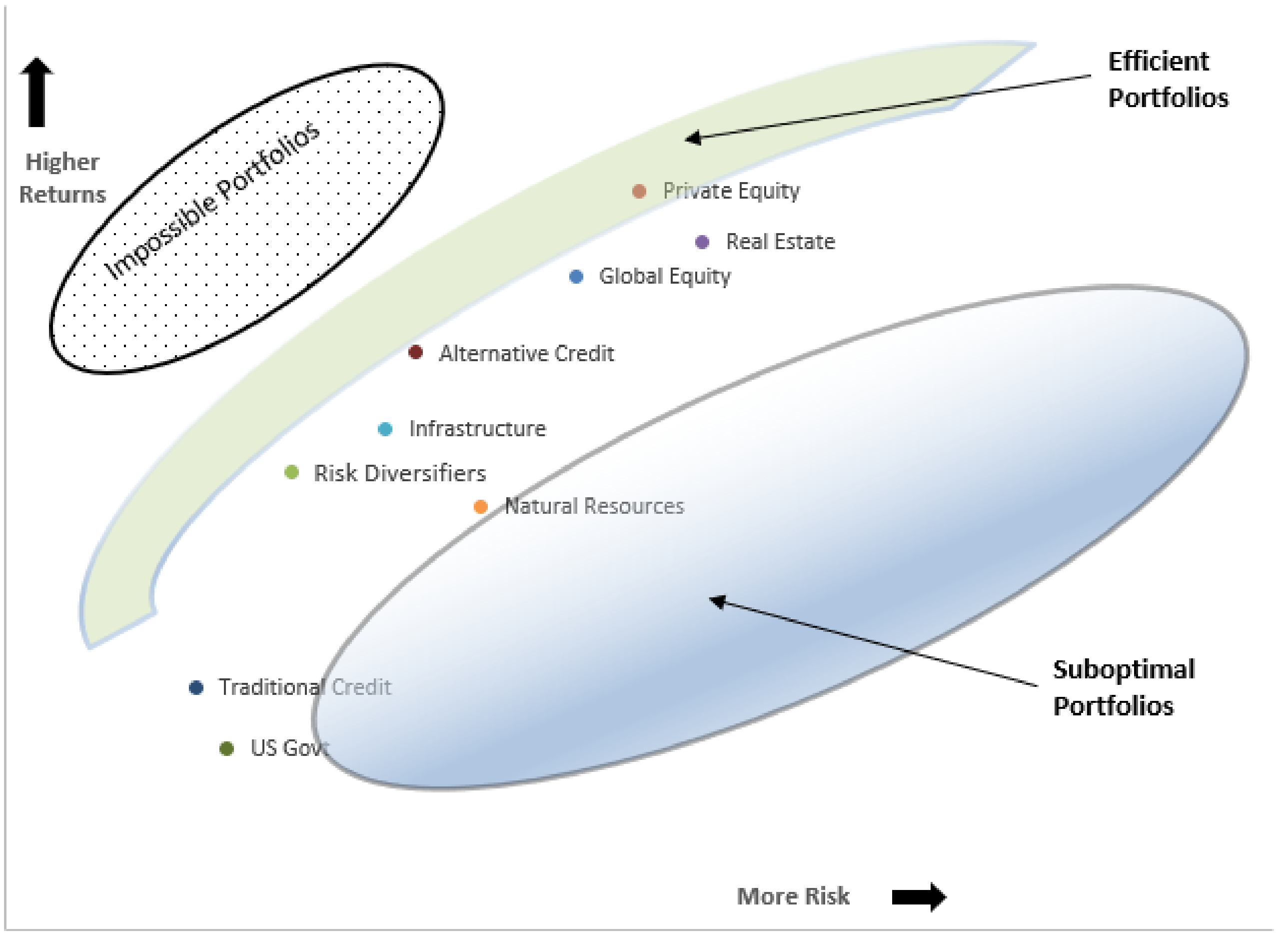
- Review Asset-Liability Study results
- Discuss appropriate portfolio target risk level

Fall 2025

- Present draft IPS recommendations regarding asset allocation
- Assess IPS benchmarks and other key metrics
- Present final IPS recommendations

Asset Allocation Process

Allocating capital across asset classes to construct a portfolio consistent with the investor's objectives and constraints.



Our investment philosophy

- A long-term investment horizon
- Diversification to guard against catastrophic loss
- Limited use of valuation-based tactical deviations
- Active managers where we expect they will add long-term value
- Risk management embedded in the investment process

Asset allocation is an important driver of long-term return

Each asset class in the portfolio has a specific role.

Growth
Public Equity

Drive long-term returns and provide liquid source for spending when growth assets are performing well.

Liquidity (inflation sensitive)
Real Assets

Offer protection against inflationary pressure and provide spending reserve.

Growth
Private Investments

Drive long-term returns in excess of public equity markets.

Protection
Diversifiers

Reduce total portfolio equity risk while maintaining long-term return potential.

Liquidity (deflation sensitive)
Fixed Income & Cash

Offer protection against deflationary pressure and provide spending reserve. Total liquidity for immediate spending needs.

Managing pension risk underpins asset allocation framework

Pool Growth

- ASSET RETURNS
- MITIGATE RISK

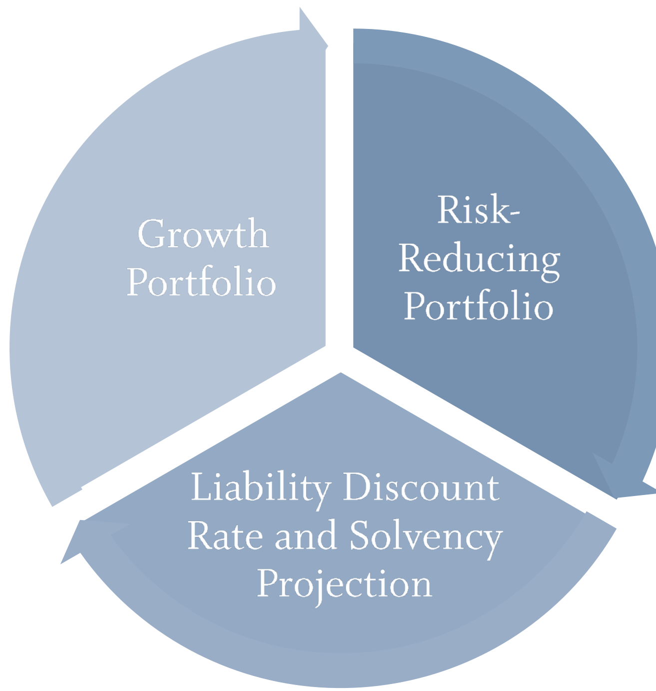
Liquidity Management

- CONTRIBUTION POLICY
- BENEFIT MANAGEMENT

DESCRIPTION			
Growth Asset Returns	**Risk-Reduction**	**Contribution Policy**	**Benefit Management**
Generate asset growth to close the funding gap, and establish appropriate diversification to mitigate inflationary measures	**Construct a diversified fixed income portfolio;** allocation should focus on risk mitigation, particularly to hedge against severe equity drawdowns and deflationary pressures	**Develop a balanced contribution policy** that strikes a healthy relationship between employer requirements and participant benefits	**Plan is funded status and benefit accruals:** it is prudent to be mindful of the level of benefit accruals and benefit subsidizes which might need adjustment to preserve solvency

Our pension philosophy emphasizes the need to maximize returns in a low-return environment while being cognizant of unique circumstances applicable to Public Sector plans

- Generate strong returns over the long-term to:
  - Close asset-liability deficit
  - Fund future accruals
  - Offset administrative expenses
  - Mediate impact of adverse plan experience and assumption changes
- Implement via public and private investments, alternatives, and "growth" fixed income



- Produce uncorrelated, low equity-beta returns
- Provide ample liquidity
- Implement via broad range of fixed income securities across entire credit and sovereign spectrum
- Potentially hedge against significant and prolonged rise in inflation

- Asset allocation provides support for liability discount rate
- Diversified portfolio reduces volatility and helps stabilize contributions
- Project probability of funded status and understand plan solvency

Goal: Maximize return at a targeted level of funded status risk

Current Objectives

Investment Policy Statement

Investment Objectives

"MainePERS' investment objectives *balance* the System's twin goals of *generating investment returns* (to ensure growth of the trust funds) and *minimizing investment risks* (loss of capital and cash flow shortfalls). The Board recognizes and accepts that these goals are in opposition, and that a trade-off exists between expected risk and return. The Board balances these goals by seeking to *optimize portfolio returns* consistent with an established *targeted portfolio risk level*. Additionally, by optimizing investment returns on trust assets, rather than attempting to maximize them, the Board seeks to *maintain contribution rate and funding level volatility at acceptable levels* that have been determined from time to time during strategic asset allocation planning and asset/liability reviews."

Portfolio Risk Target

2012

- New allocation adopted
- 13% volatility target established

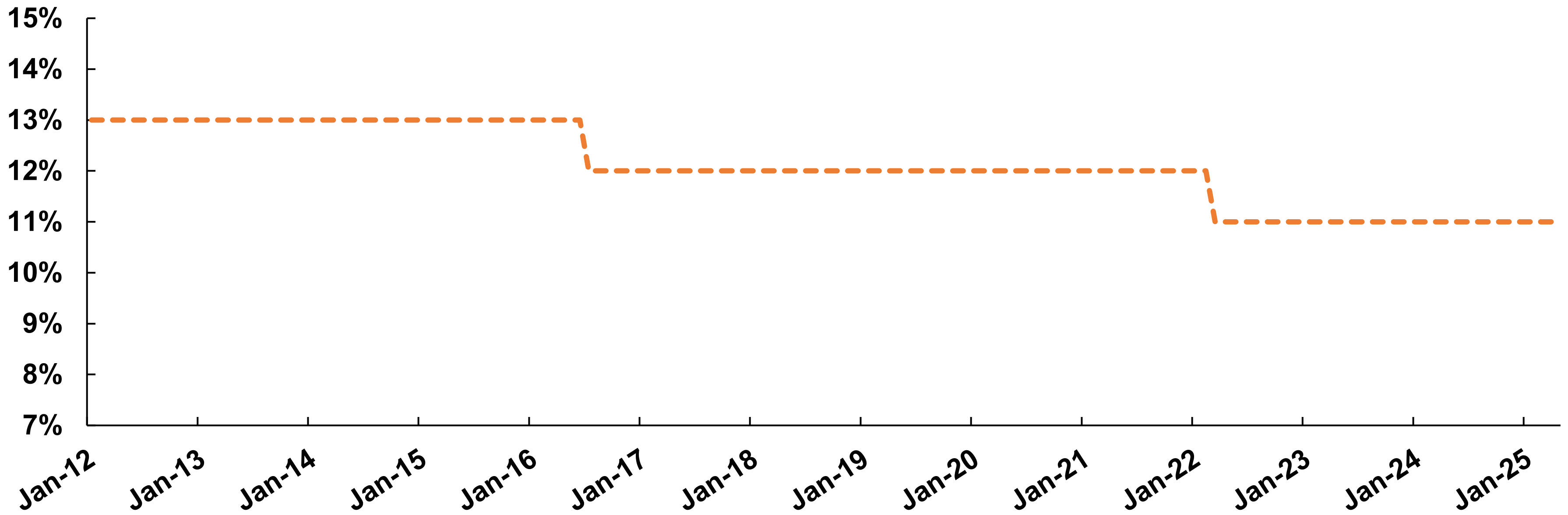
2016

- New allocation with 12% volatility adopted

2022

- Recommended moving toward lower (≈10%) volatility target over time
- Adopted allocation with 11% expected volatility

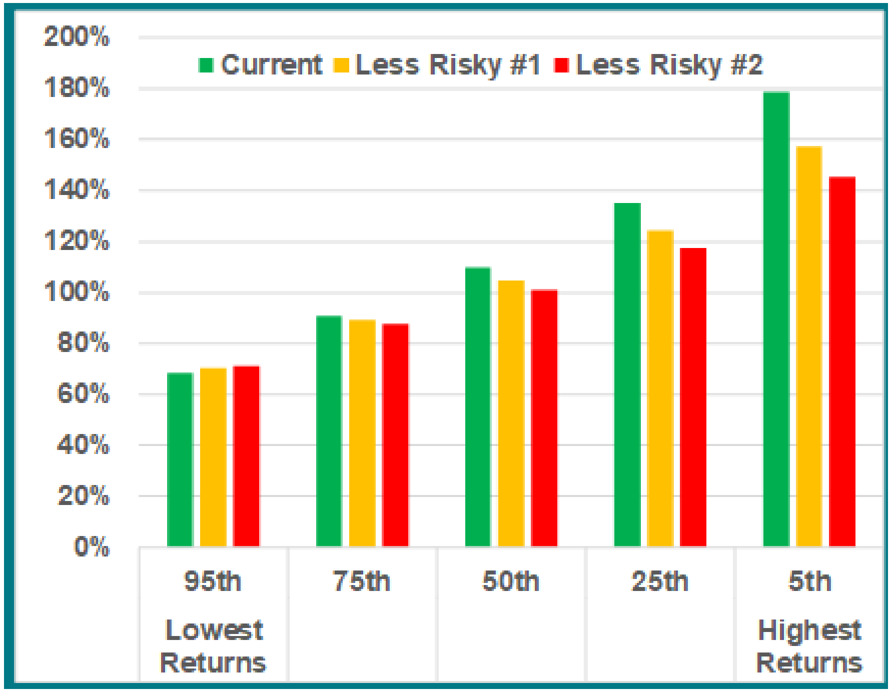
Target Volatility Over Time



Asset-Liability Study

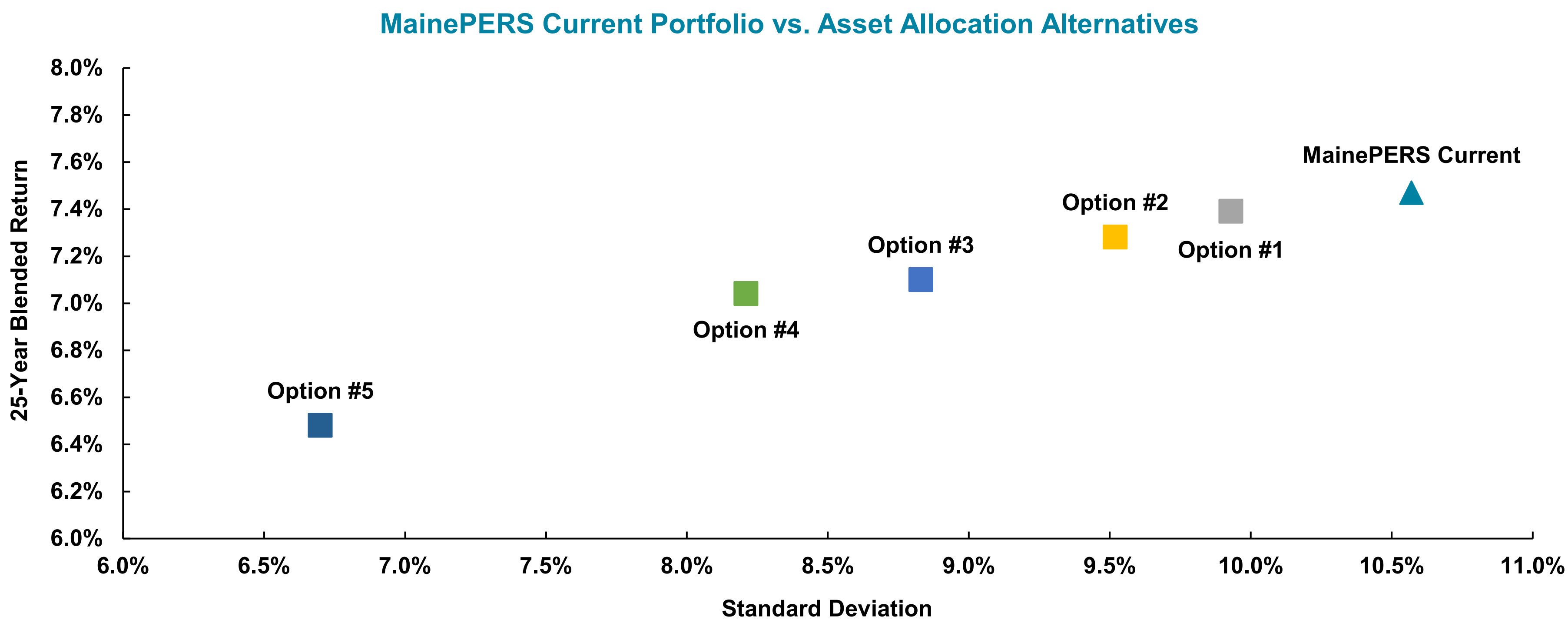
- Examines the impact of a particular asset allocation on future levels of liability-related measures
  - Future Contribution Rate
  - Funding Levels
  - Cash Flows
- Cheiron has begun current study
- Results will be presented and discussed in August
- Most recent ALS performed in 2022

2022 Asset-liability Study
Range of Potential Future Funding Levels
Portfolios of Varying Risk Levels



Asset-Liability Study

- Investment Team has worked with Cambridge Associates to develop a set of portfolios spanning a broad range of risk levels
- Portfolio options are input into the Asset-Liability Study process
- Review and discuss results in August with goal of setting risk target



Current Asset Allocation

Role in the Overall Fund

Growth (42.5%)

- Drive portfolio growth to meet benefit obligations and reduce funding needs
- Higher risk/return profile

Risk Diversifiers (7.5%)

- Dampen volatility and improve overall fund's risk/return tradeoff
- Lower correlation to public markets
- More reliance on manager skill

Hard Assets (25%)

- Income generation and inflation protection

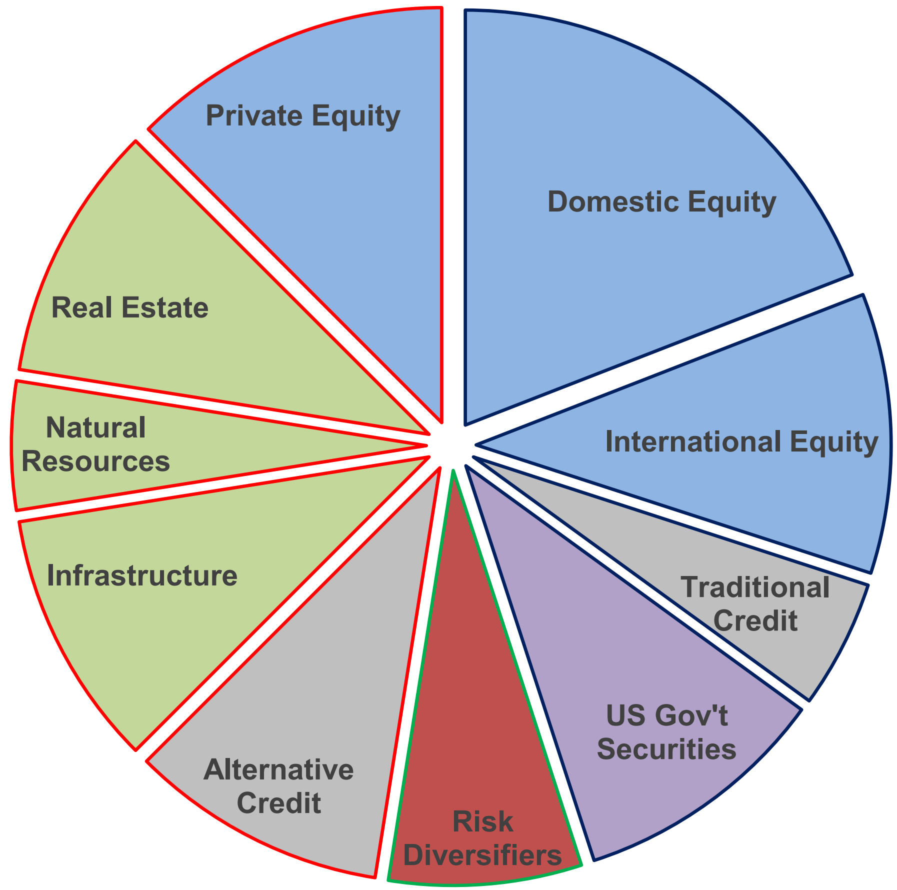
Credit (15%)

- Income generation, potential diversification from equities, potential disinflation protection

Monetary Hedge (10%)

- Stable value or appreciation during economic stresses, disinflation protection

Asset Classes
Role and Market Exposures



Market Category (*By Outline*)
Private Markets* / *Risk Diversifiers* / *Public Markets

Next Steps: Strategic Asset Allocation

August/September

- Review Asset-Liability Study results
- Discuss appropriate portfolio target risk level

Fall 2025

- Present draft IPS recommendations regarding asset allocation
- Assess IPS benchmarks and other key metrics
- Present final IPS recommendations

MainePERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Strategic Asset Allocation Review

August 14, 2025

Allocation Review Timeline

July

- Review asset allocation process and current objectives
- Review Asset-Liability Study methodology
- Review asset classes and roles in the System's current strategic asset allocation

August (this meeting)

- **Review Asset-Liability Study results**
- **Recommend portfolio target risk level**

September-October 2025

- Present draft IPS recommendations regarding asset allocation
- Assess IPS benchmarks and other key metrics
- Present final IPS recommendations

Summary

Investment Team, Cambridge Associates, and Cheiron recommend that the System continue the reduction in portfolio risk started in 2022

Asset-Liability Study provides the analytical framework to understand the impact of portfolio risk on liability-related goals and objectives.

The System faces at least two key issues:

- Demographic, funding level, and cash flow trends related to plan maturation
    - Each of these factors contribute to higher contribution rate volatility
- Growing liquidity needs related to 2028 payoff of the 1996 UAL

Recommend reducing the System's portfolio risk target by approximately 1%, to 9.5%.

- Lower portfolio volatility will partially mitigate effects related to headwinds
- Risk reduction achieved by shifting ≈5% of capital from growth toward credit strategies
- Increased credit allocation serves to improve portfolio liquidity profile

We will recommend and discuss specific allocation changes and implementation at subsequent meetings.

Prior Allocation Reviews: Environment

	2012	2015	2022	Current/2024
Total Fund Value	$10.5B	$12.6B	$18.1B	$21B
Discount Rate	7.25%	7.125%	6.50%	6.50%
Funded Status				
S&T	76.9%	82.2%	82.1%	86.3%
PLD	88.8%	89.4%	91.1%	89.8%
90-day Treasury	0.1%	0.1%	0.4%	4.2%
10-year Treasury	1.9%	2.1%	2.1%	4.4%

Relative to prior Strategic Asset Allocation reviews:

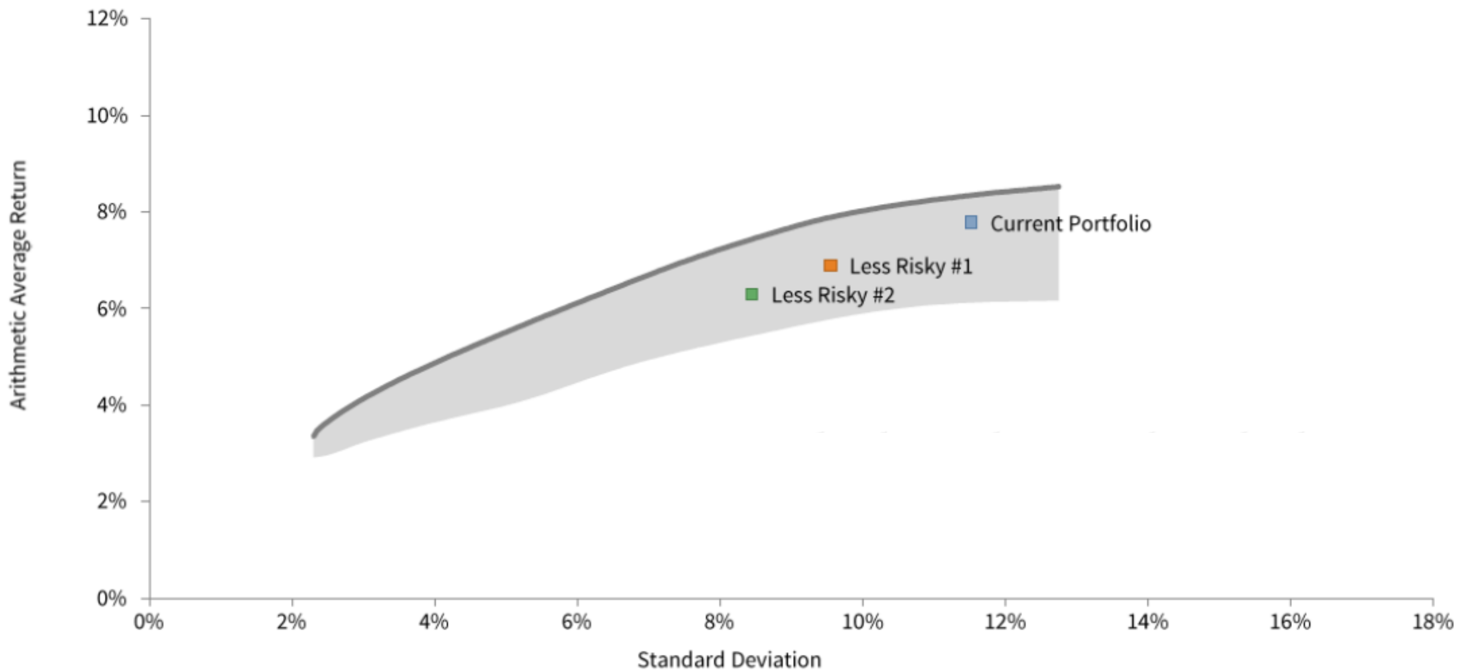
- Fund is significantly larger
- Funded levels have improved (S&T) or remained stable (PLD) despite reductions in the discount rate
- We are no longer in a low interest rate environment

2022 Asset-Liability Study: Recap

Spring 2022: Trustees reviewed results of Asset-Liability Study examining three portfolios

Recommendation was made to move *toward* “Less Risky #1”

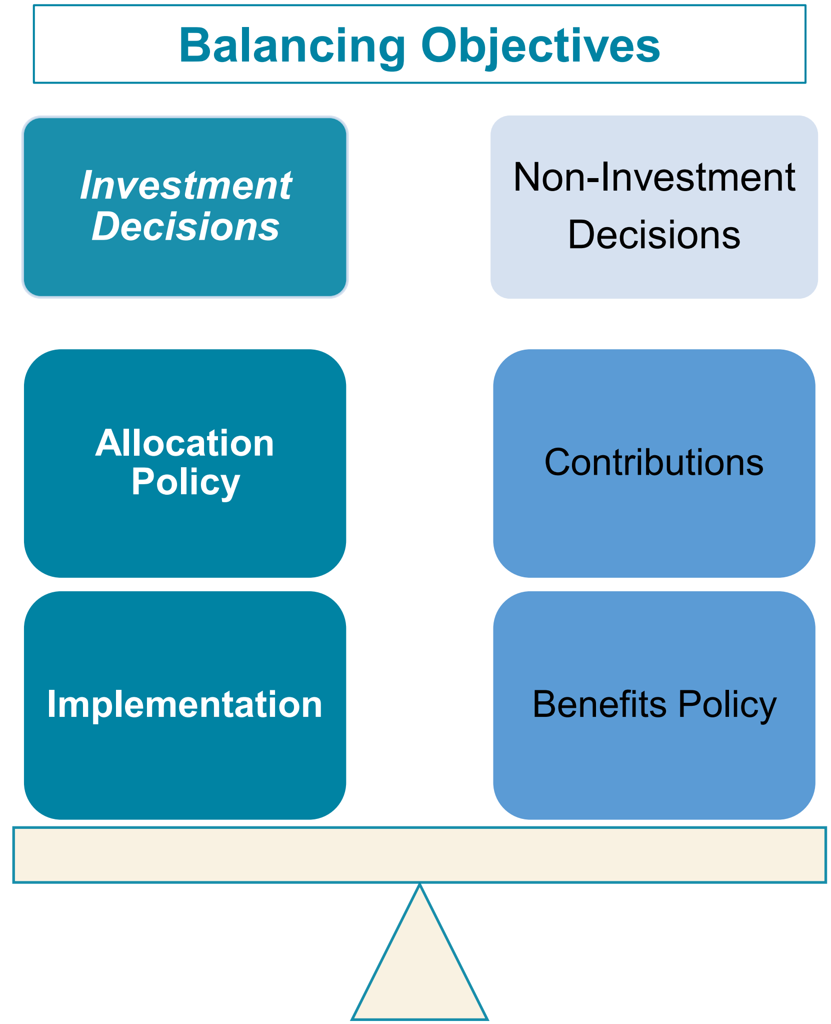
Trustees adopted allocation changes that decreased risk by around 50 basis points



RISK AND RETURN	Current Portfolio	Less Risky #1	Less Risky #2
Nominal Compound Return	7.2	6.5	6.0
Standard Deviation (%)	11.6	9.6	8.5

Asset-Liability Study

- Asset-liability studies examine the interplay between asset allocations and future liabilities
- MainePERS expects to conduct studies at least every five years
- Primary goal is to assist in determining an appropriate target risk level
- Cheiron conducted the current study based on 8 portfolio allocations developed by the Investment Team and Cambridge Associates spanning a range of portfolio risk levels
- Today's presentation focuses on the State & Teacher plans. PLD results are qualitatively similar and are contained in the appendix.



Starting Point: System Goals and Objectives

Key investment goals and objectives are:

- Generate investment returns and minimize investment risks
- Maintain contribution rate and funding level volatility at acceptable levels
- Achieve funded status of at least 100%

Asset-Liability Study allows us to view the impact of asset allocation decisions on contribution rate and funding level volatilities.

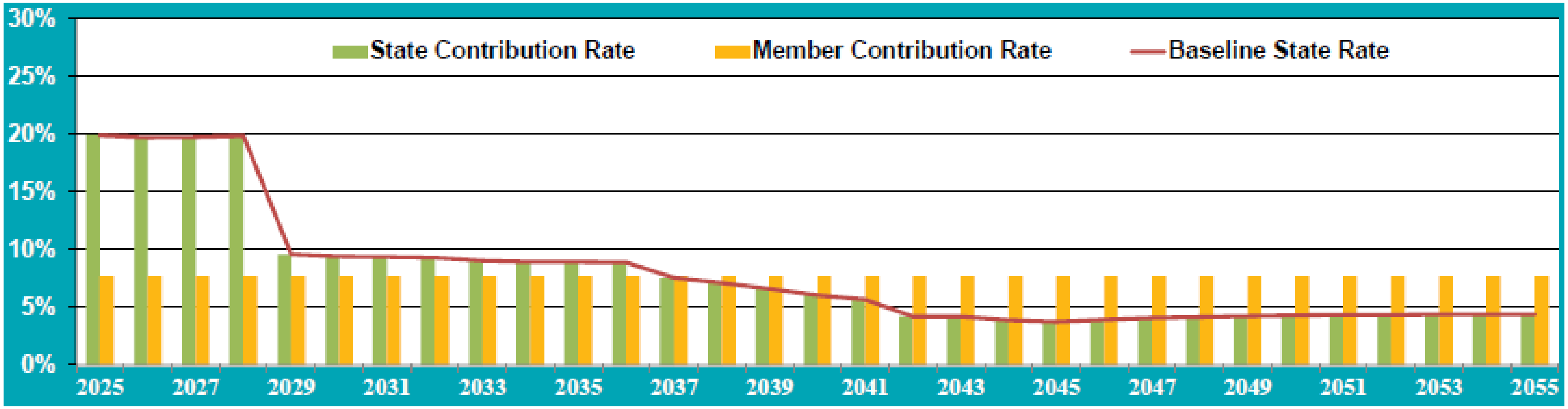
Several other considerations ultimately impact the asset allocation decision.

Other Considerations: Liquidity Needs

Cash outflows are project to rise

- Current outflows are around 2.25% of assets
- Beginning in 2029, these are projected to rise to around ~~2.45%~~ 4.25%.

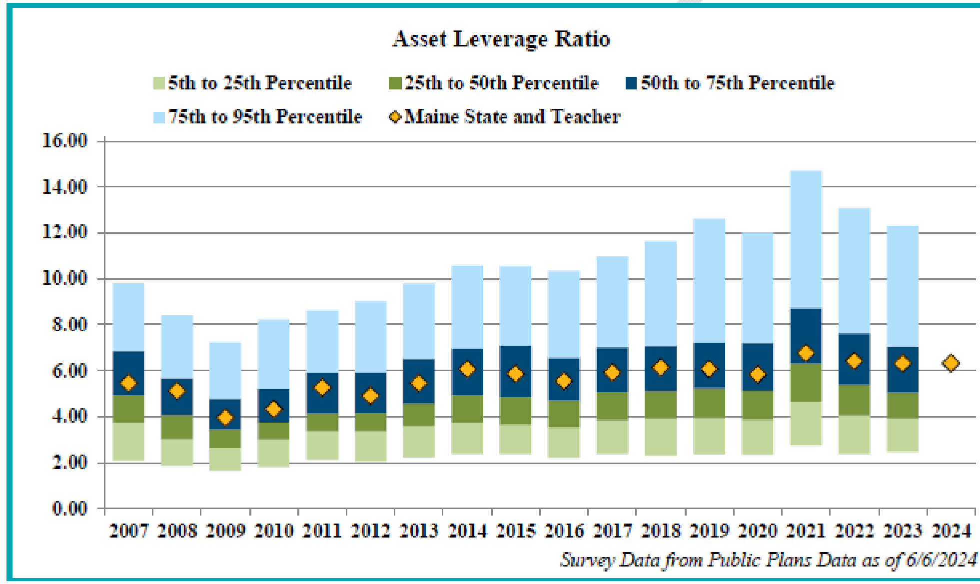
Allocation and portfolio construction decisions need to incorporate liquidity needs.



Other Consideration: Plan Maturation

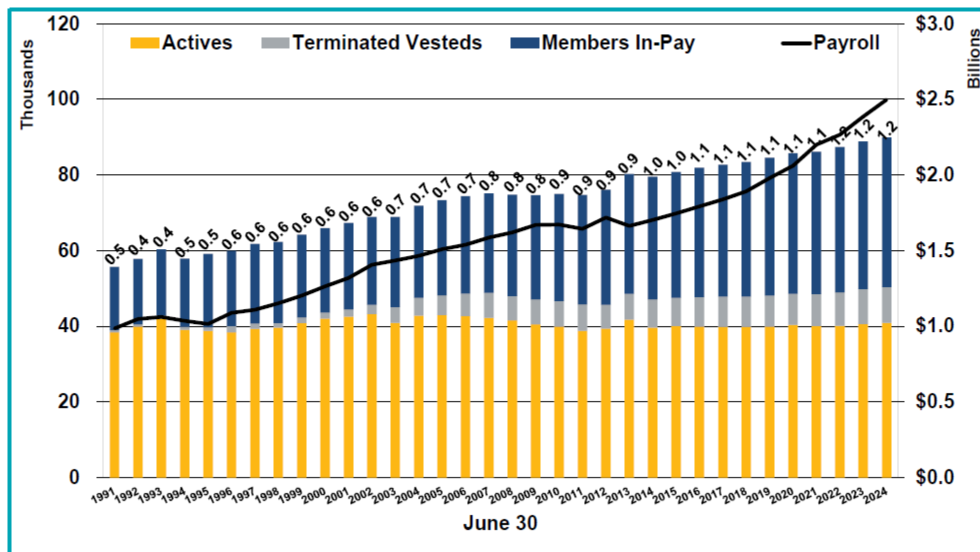
Asset Leverage Ratio

- Fund Size / Payroll
- Market downturns will have greater impact on contribution rates as ratio increases



Retirees / Actives Ratio

- Continued increases in this ratio suggests cash outflows will continue to increase



Numbers represent the ratio of inactives to actives (the support ratio)

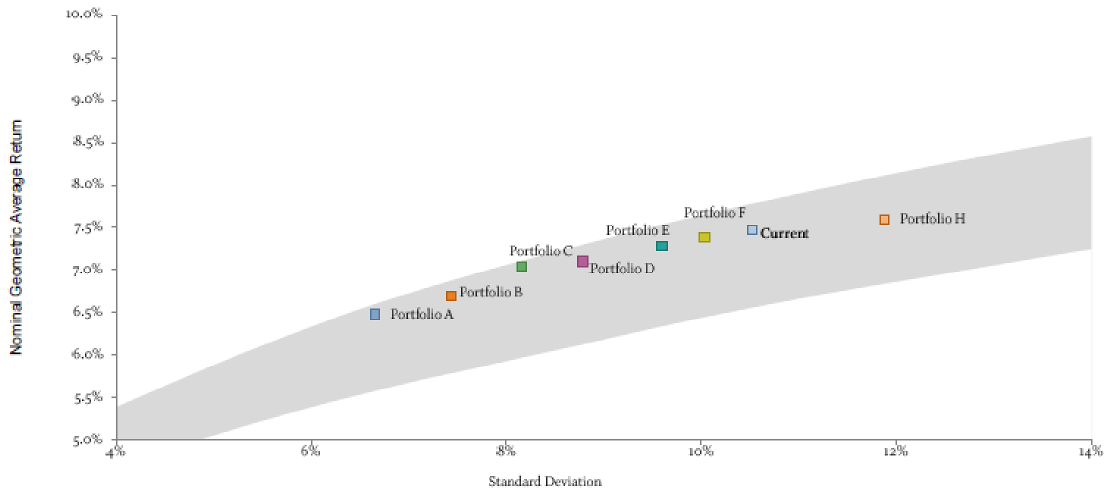
State Employee and Teacher Only

Asset-Liability Study: Portfolios

Recommendation: Adopt Portfolio E.

Asset Allocation Efficient Region Analysis | As of April 30, 2025

25 YEAR BLENDED RETURN: "RTN"



RISK AND RETURN

	PORTFOLIO A	PORTFOLIO B	PORTFOLIO C	PORTFOLIO D	PORTFOLIO E	PORTFOLIO F	CURRENT	PORTFOLIO H
NOMINAL COMPOUND RETURN (%)	6.5	6.7	7.0	7.1	7.3	7.4	7.5	7.6
STANDARD DEVIATION (%)	6.7	7.5	8.2	8.8	9.5	9.9	10.6	11.6

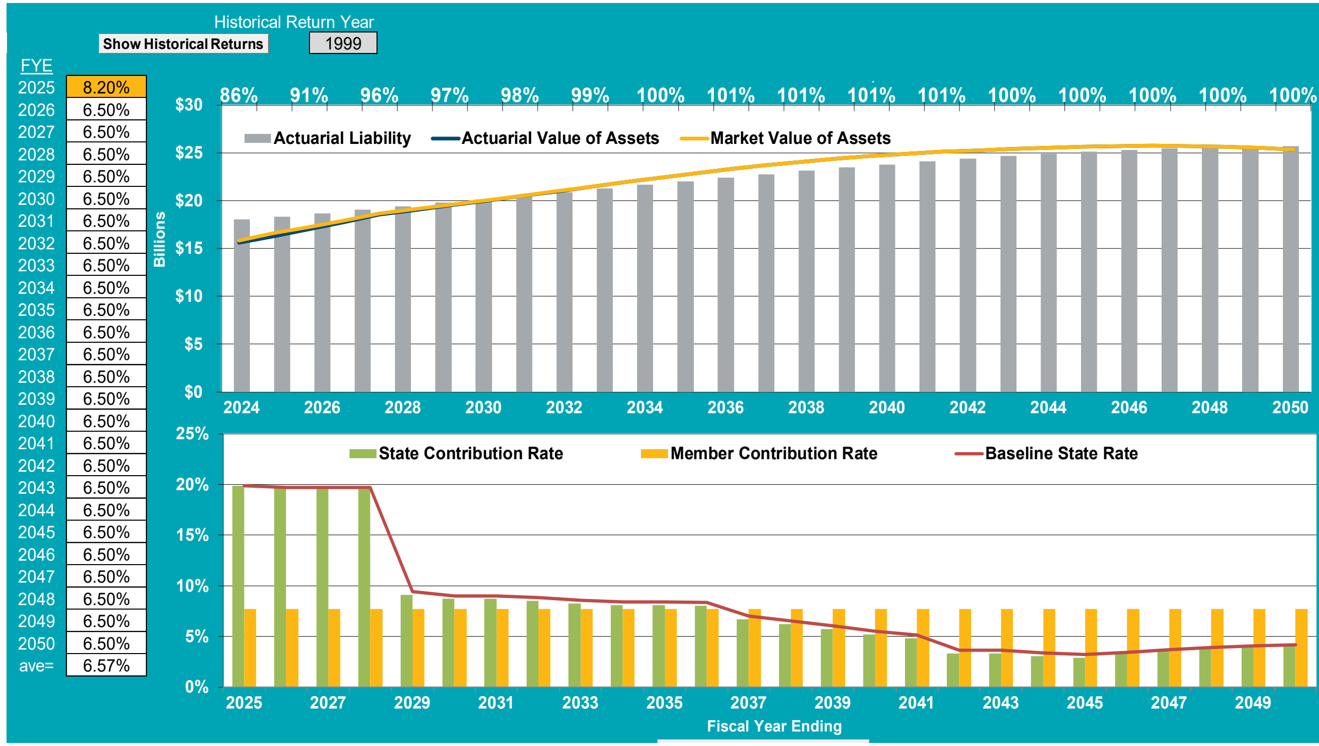
C|A Note(s): Assumes 4/30/2025 Cambridge Associates' capital market assumptions. RTN is a variation of Cambridge Associates' 10-year capital markets assumptions. Blended return assumes 10 year Returns and 15 years of Long -Term Returns.

A-L Study considers eight portfolio (A-H), spanning a broad range of risk & returns.

Asset-Liability Study: Process

Typical actuarial projections focus on a single set of investment return assumptions, for example earning 6.50% each and every year.

However, investment returns are often the most volatile portion of a pension system. It can be difficult to understand how that volatility impacts the system by examining a static scenario.



When considering investment volatility, Cheiron uses stochastic analysis. This involves simulating random investment return paths based on the capital market assumptions and the portfolio under consideration. An individual path doesn't provide much information but the aggregate results provide insight.

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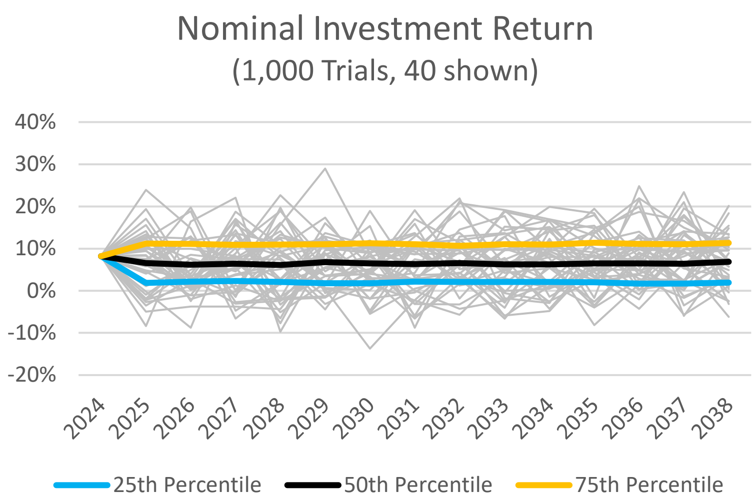
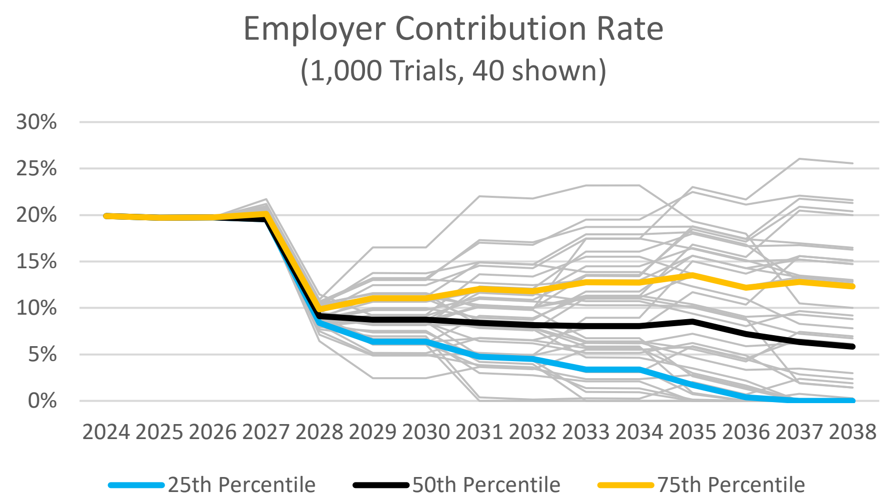
Asset-Liability Study: Simulations





For each investment path, Cheiron calculates important values like funded ratio, contribution rate and net cash flow. This analysis can show median results along with the range of possible outcomes. The graphs above show simulated outcome for the current portfolio.

Simulated paths run through 2038.

This process is repeated for other portfolios under consideration. The next slides show the results.

Results: Overview / Summary

Choosing an asset allocation requires balancing risk-return tradeoffs.

The Asset-Liability Study allows us to view these risk-return tradeoffs in terms of liability-related measures, rather than focusing on assets alone. Specific measures include:

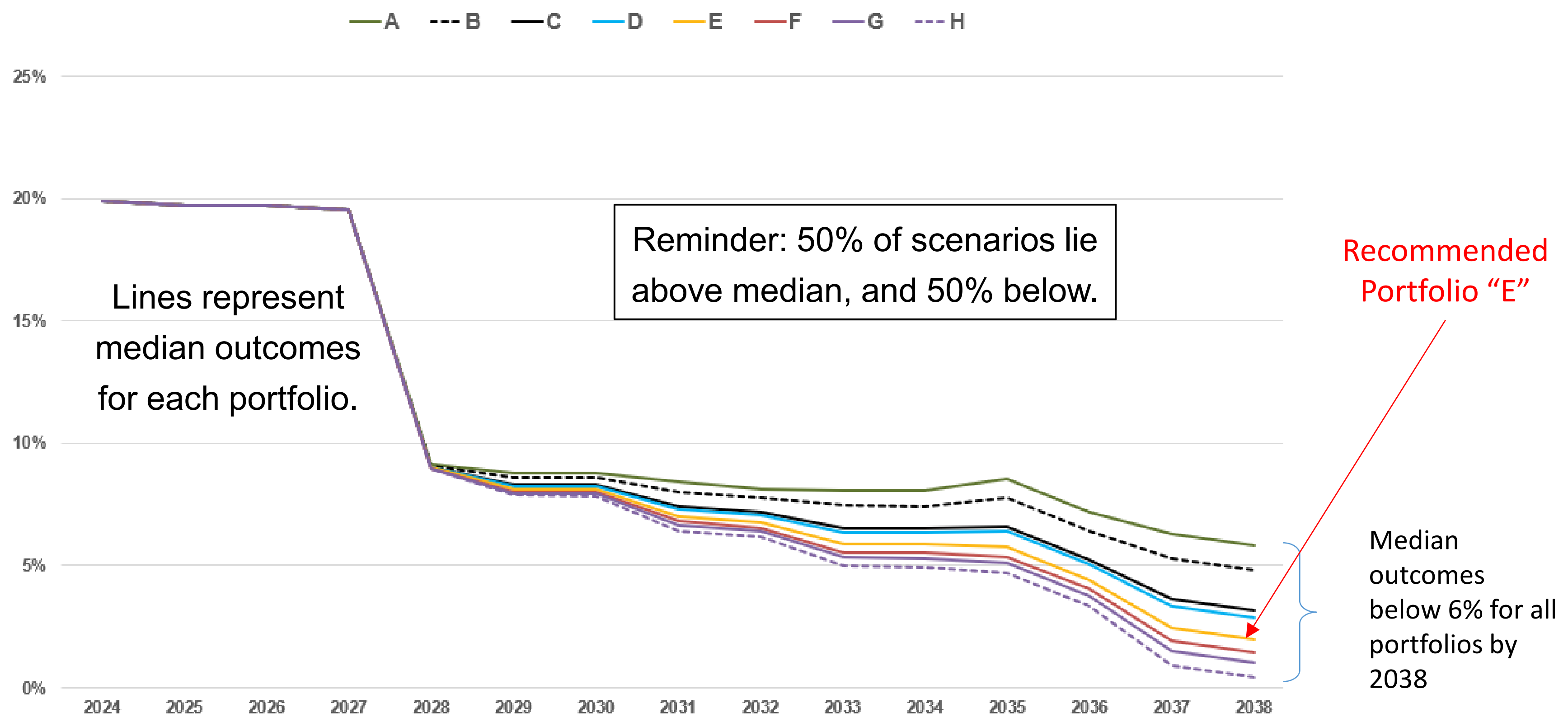
- State Contribution Rate
- Market Value of Assets (MVA) Funded Ratio
- Net Cash Flow (NCF)

A-L Study generates data for each year through 2038. We generally focus on 2038 outcomes.

Portfolios with higher risk-return profiles:

- Provide better median (expected) outcomes
- Display more variability around these outcomes

State Contribution Rates: Medians

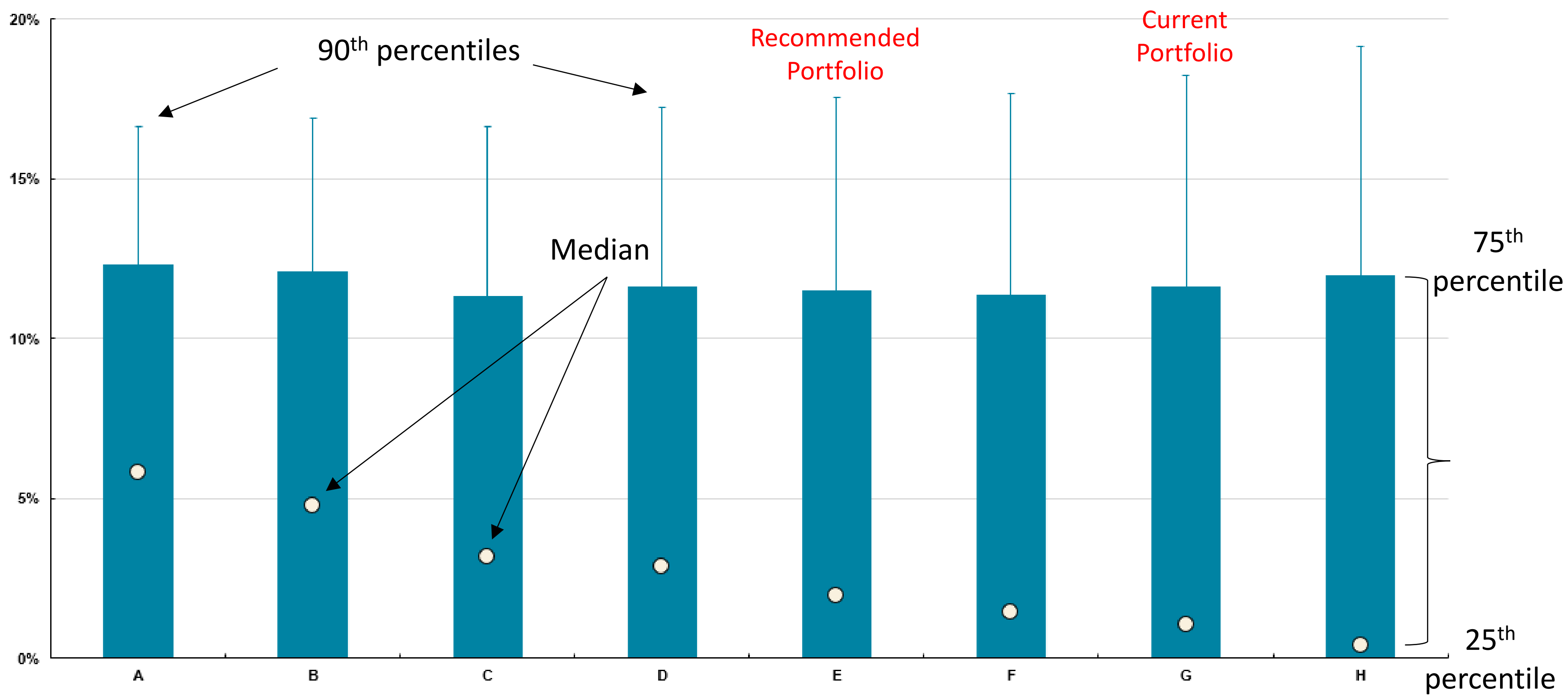


- Contribution rates are expected to decline gradually following the post-2028 drop
- Lower risk portfolios lead to higher median contribution rates.

2038 Contribution Rates: Comparison

Box-and-whisker plots:

- Dots correspond to median (50th percentile) outcome
- Solid box encompasses range from 25th to 75th percentiles
- Whiskers contain range from 10th to 90th percentiles. Note: since contributions cannot be negative, lower end of whisker is not visible in this chart.



Maintain Contribution Rate Volatility at Acceptable Levels

Two measures of contribution rate volatility:

- Dispersion around median
- Standard deviation of rates over full period (2026-2038)

Lower risk portfolios have lower standard deviations

State Contribution Rates as of 2038

	Percentile				Standard Deviation
	25th	**50th**	**75th**	**90th**	
Portfolio A	0%	5.8%	12.3%	16.6%	6.1%
Portfolio B	0%	4.8%	12.1%	16.9%	6.4%
Portfolio C	0%	3.2%	11.3%	16.6%	6.6%
Portfolio D	0%	2.9%	11.6%	17.3%	6.8%
Portfolio E (Recommended Portfolio)	0%	2.0%	11.5%	17.5%	7.0%
Portfolio F	0%	1.4%	11.4%	17.7%	7.1%
Portfolio G	0%	1.0%	11.6%	18.2%	7.3%
Portfolio H	0%	0.4%	12.0%	19.1%	7.6%

Percentile results refer to 2038 outcomes.
Standard deviation is measured across contribution rates in all years.

Strong markets produce lower contribution rates.

Weaker market outcomes lead to higher contribution rates.

Contribution Rate: Summary

Recommended portfolio strikes a balance between level of contributions, and contribution rate uncertainty.

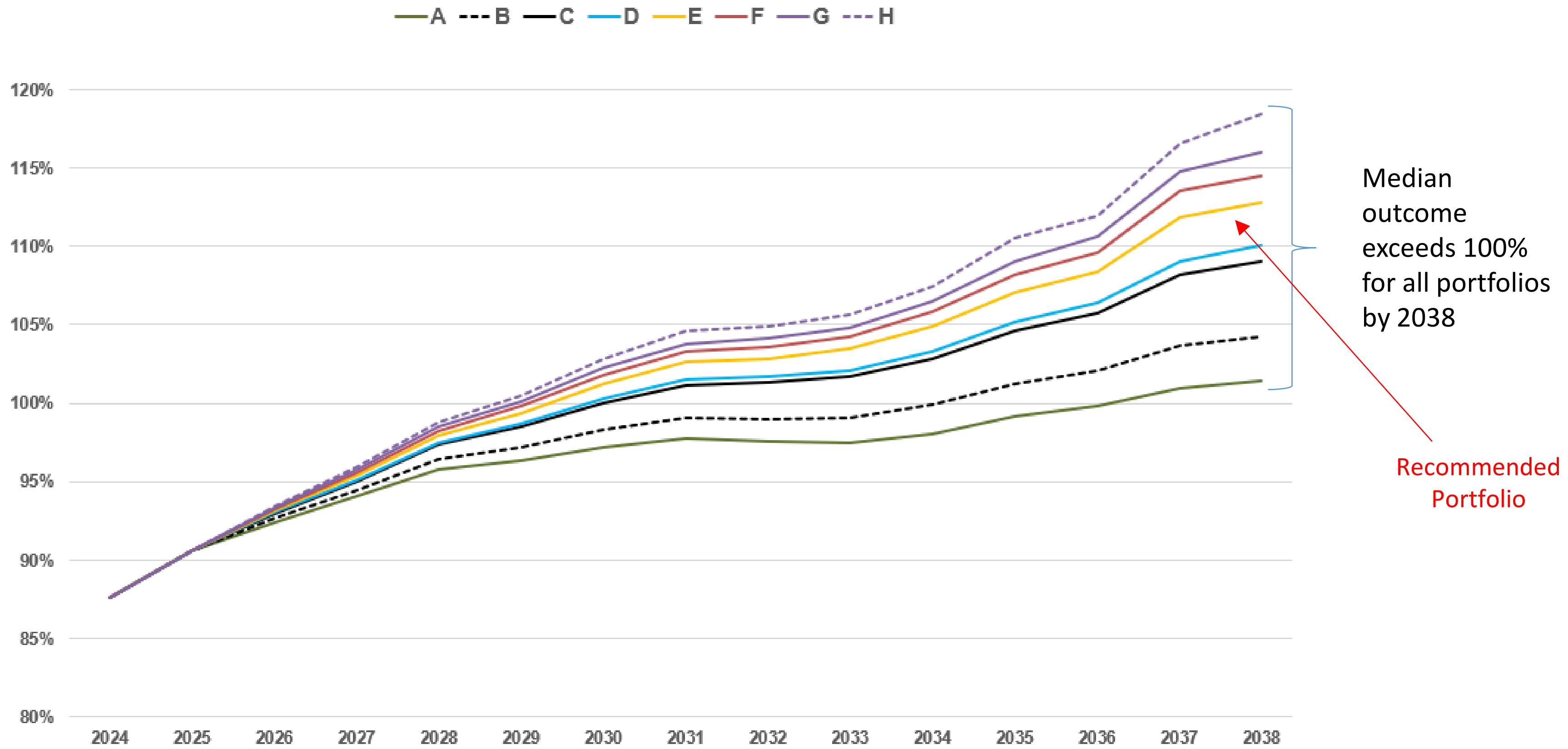
Significantly reducing portfolio risk (e.g., portfolios A or B) leads to higher expected contribution rates, while benefiting the System only in very adverse market outcomes.

State Contribution Rates as of 2038

	Percentile				Standard Deviation
	25th	50th	75th	90th	
Portfolio A	0%	5.8%	12.3%	16.6%	6.1%
Portfolio B	0%	4.8%	12.1%	16.9%	6.4%
Portfolio C	0%	3.2%	11.3%	16.6%	6.6%
Portfolio D	0%	2.9%	11.6%	17.3%	6.8%
Portfolio E	0%	2.0%	11.5%	17.5%	7.0%
Portfolio F	0%	1.4%	11.4%	17.7%	7.1%
Portfolio G	0%	1.0%	11.6%	18.2%	7.3%
Portfolio H	0%	0.4%	12.0%	19.1%	7.6%

Percentile results refer to 2038 outcomes.
Standard deviation is measured across contribution rates in all years.

MVA Funded Ratio: Median Outcomes



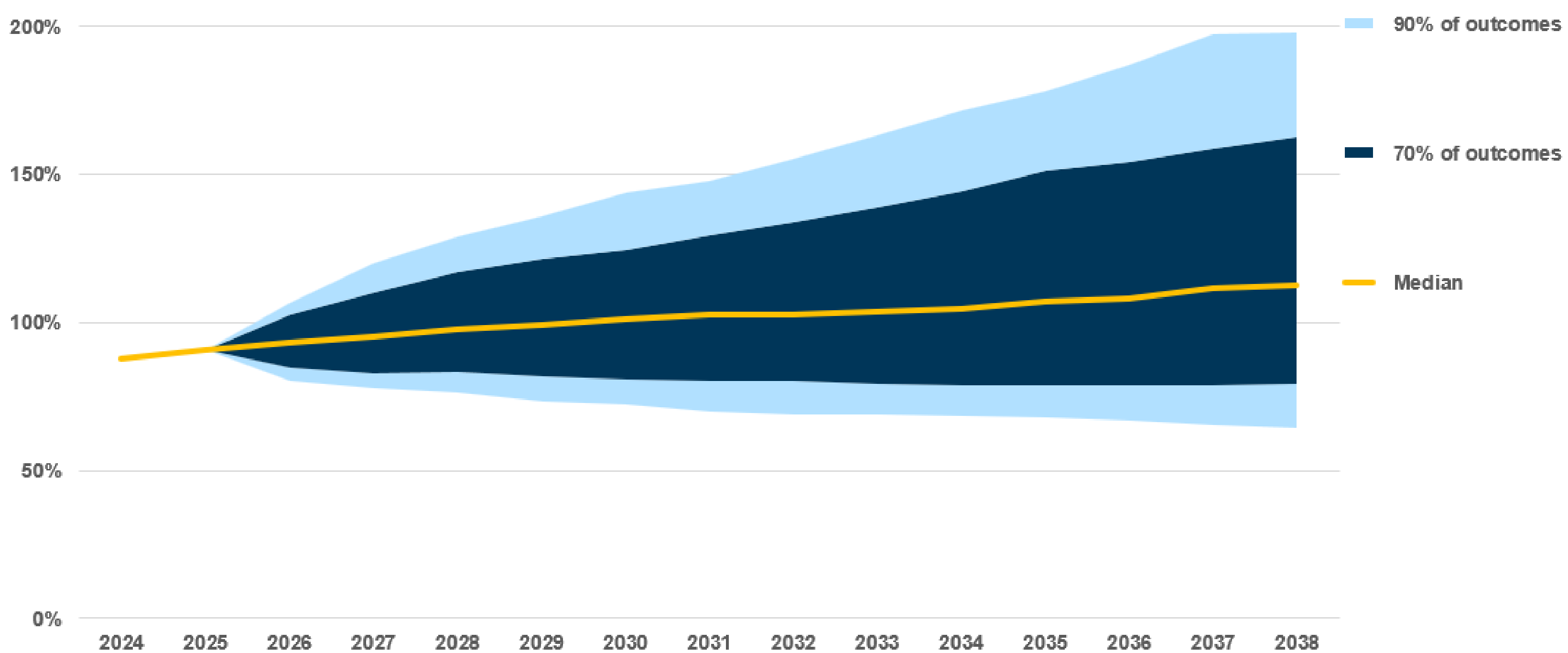
All portfolios are projected to reach full funding by 2038

- The two lowest risk portfolios (A & B) reach this in 2034-2036
- Other portfolios achieve full funding in 2029-30.

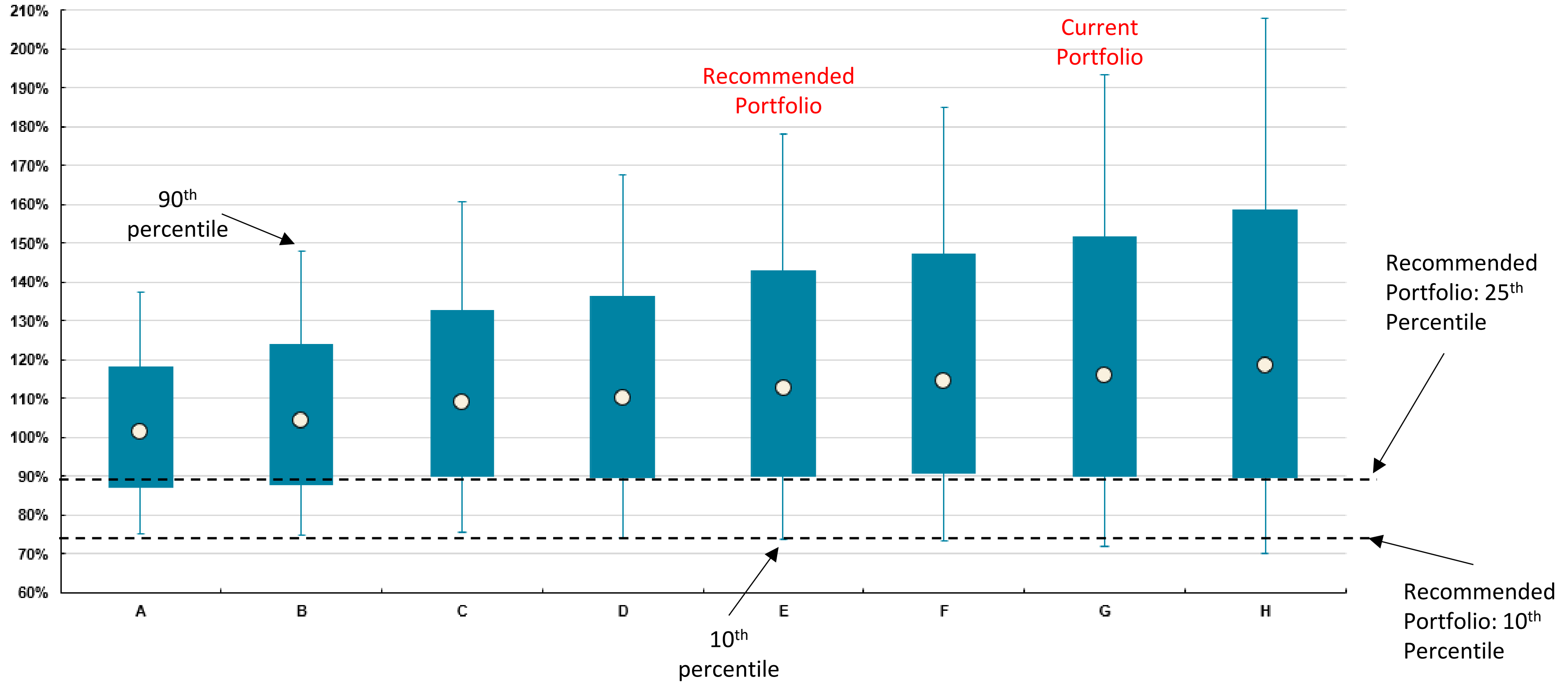
MVA Funded Ratio: Dispersion

Prior chart shows path of projected median outcomes, but does not show dispersion.

Cone charts illustrate this. Higher risk portfolios feature greater dispersion, and dispersion grows with investment horizon. Appendix contains cone charts for all portfolios.



2038 MVA Funded Ratio: Comparison



Outcomes for lower risk portfolios are more tightly clustered than for higher risk portfolios.

Importantly, the recommended portfolio preserves the ability to benefit from normal and strong markets, while not performing significantly worse than low risk portfolios in adverse markets.

MVA Funded Ratio: Volatility

Recommended portfolio strikes a balance between generating returns to achieve full funding and bearing an acceptable level of funded ratio volatility.

MVA Funded Ratio as of 2038

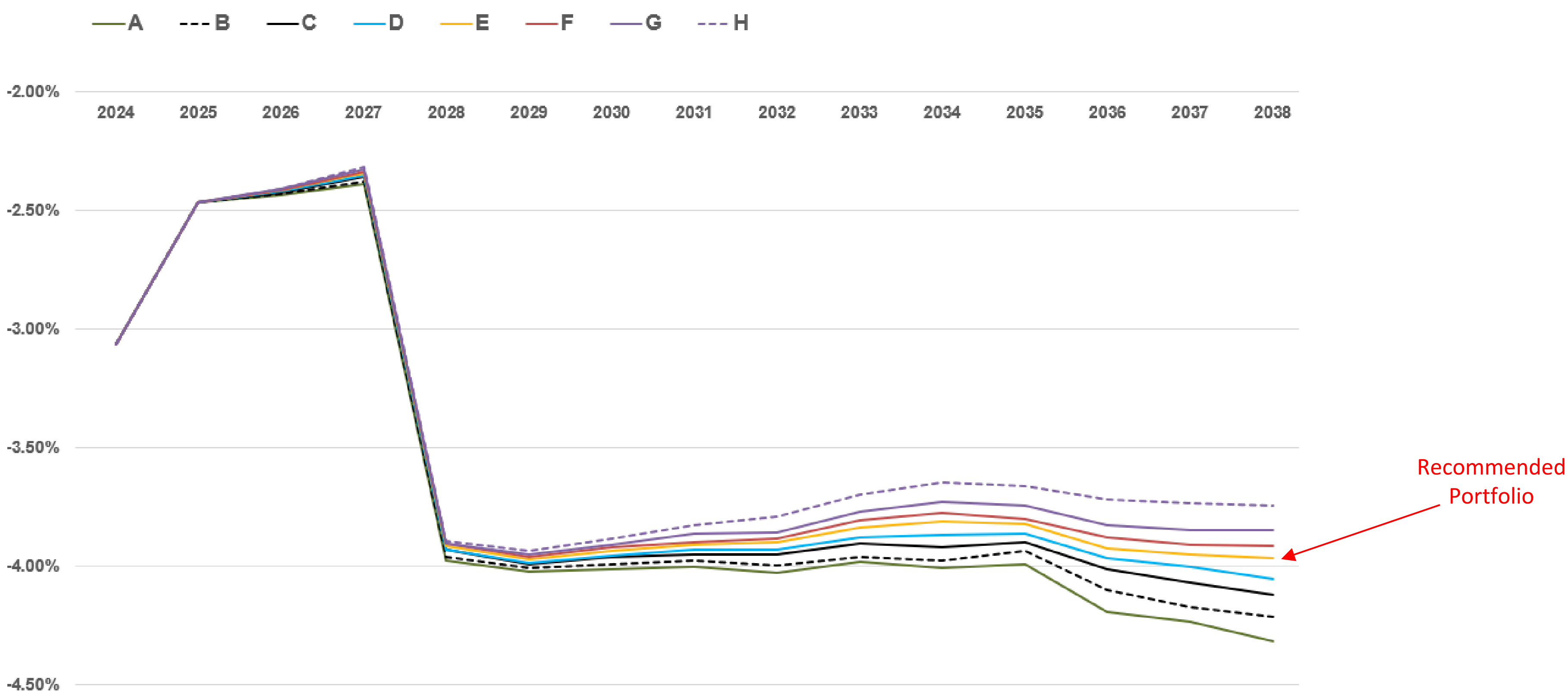
	Percentile				**Standard**
	10th	**25th**	**50th**	**75th**	**Deviation**
Portfolio A	75%	87%	101%	118%	18%
Portfolio B	75%	88%	104%	124%	21%
Portfolio C	76%	90%	109%	133%	25%
Portfolio D	74%	89%	110%	136%	27%
Portfolio E	74%	90%	113%	143%	30%
Portfolio F	73%	90%	115%	147%	32%
Portfolio G	72%	90%	116%	152%	35%
Portfolio H	70%	89%	118%	158%	39%

Percentile results refer to 2038 outcomes.
Standard deviation is measured across funded ratio in all years.

Funded ratios of lower risk portfolios have significantly lower standard deviations.

Large reductions in portfolio risk levels do not provide significant protection against poor funded ratios in weak market environments.

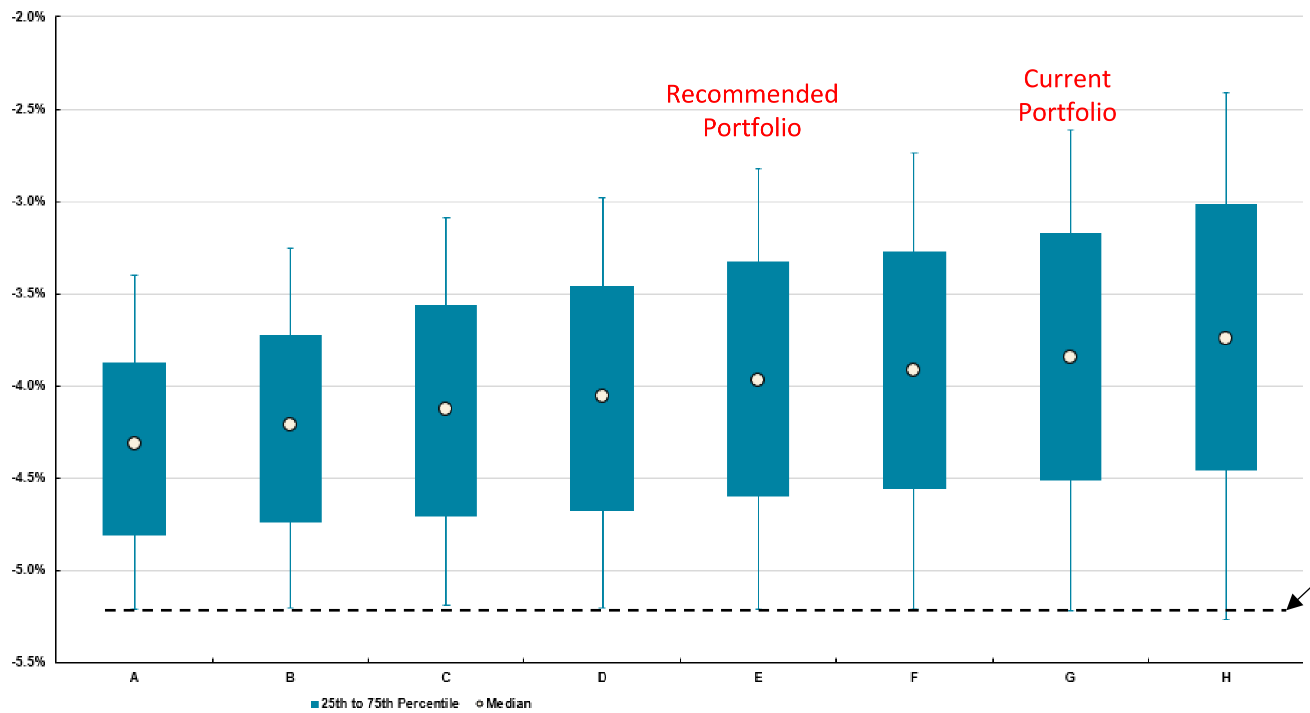
2038 Net Cash Flows



Median net cash flows are tightly clustered across different portfolios.

This is intuitive, since benefit payments are not directly tied to portfolio outcomes.

2038 Net Cash Flows: Dispersion



Poor market environments lead to marginally worse outcomes for portfolios with higher risk levels.

Summary

Process

- Cheiron conducted A-L Study examining eight portfolios with risk levels ranging from 6.7% to 11.6%
- Process generated 1,000 potential 15-year scenarios for each portfolio
- Analysis was conducted for the S&T and PLD plans
- Output included three liability-related measures, allowing risk to be viewed from a liability, rather than asset-only, perspective

Results

- Results follow a pattern of weaker *expected* outcomes being associated with lower levels of portfolio risk, and stronger outcomes on higher risk portfolios.
- However, uncertainty concerning expected outcomes is greater for higher risk portfolios.

Recommendation

The Investment Team and Cambridge Associates recommended a moderate reduction in the Fund's risk level, to Portfolio E.

We believe this portfolio appropriately balances the System's goals of generating investment returns while minimizing risk, and results in acceptable levels of contribution rate and funded status volatility.

Larger reductions in risk generate less attractive expected outcomes, without providing the System with strong protection during poor market environments.

The recommended portfolio is expected to generate returns in excess of the discount rate (7.3% vs. 6.5%), while reducing portfolio volatility by around 100 basis points from current levels.

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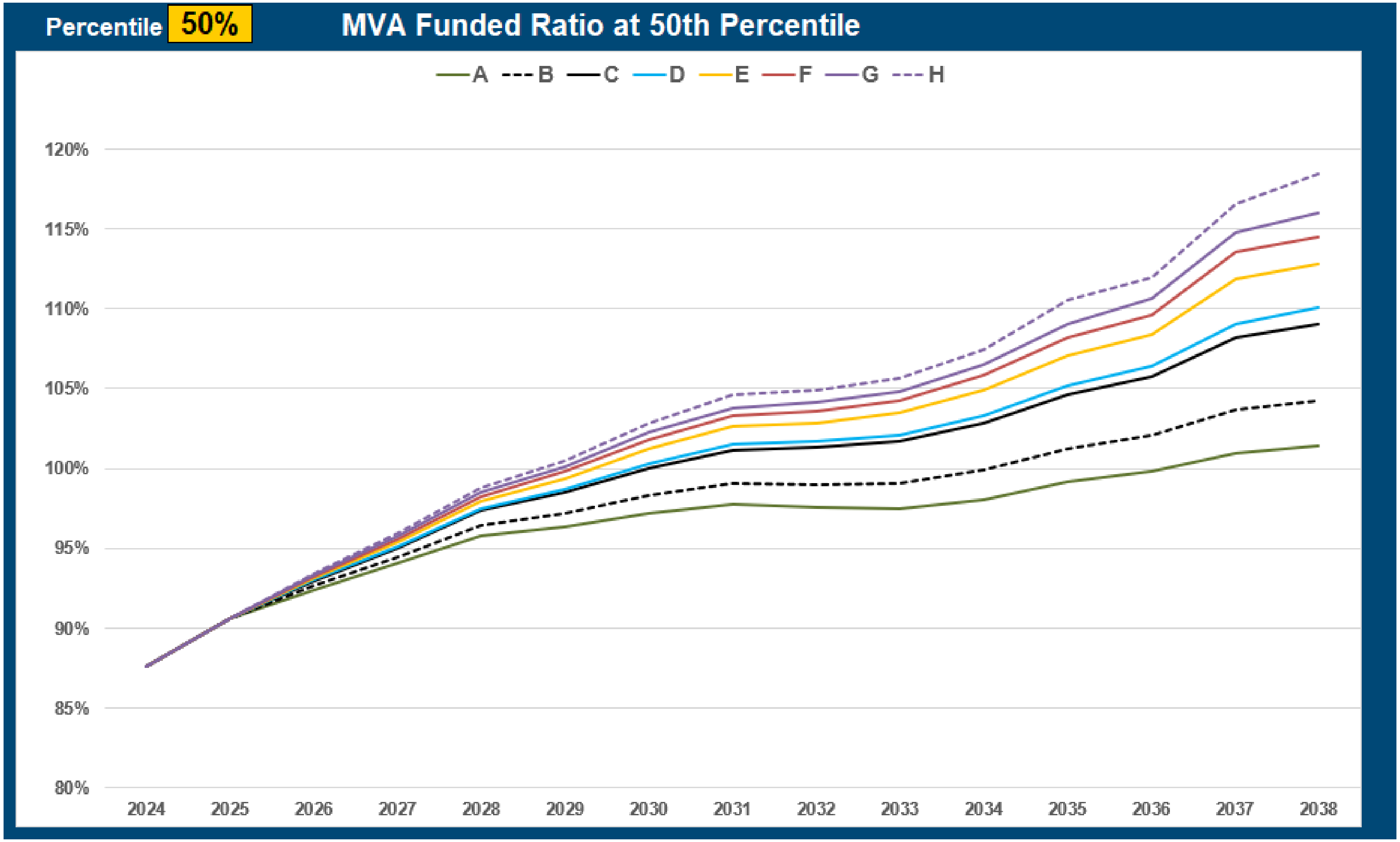
Appendix 1
Asset Liability Study: S&T Charts

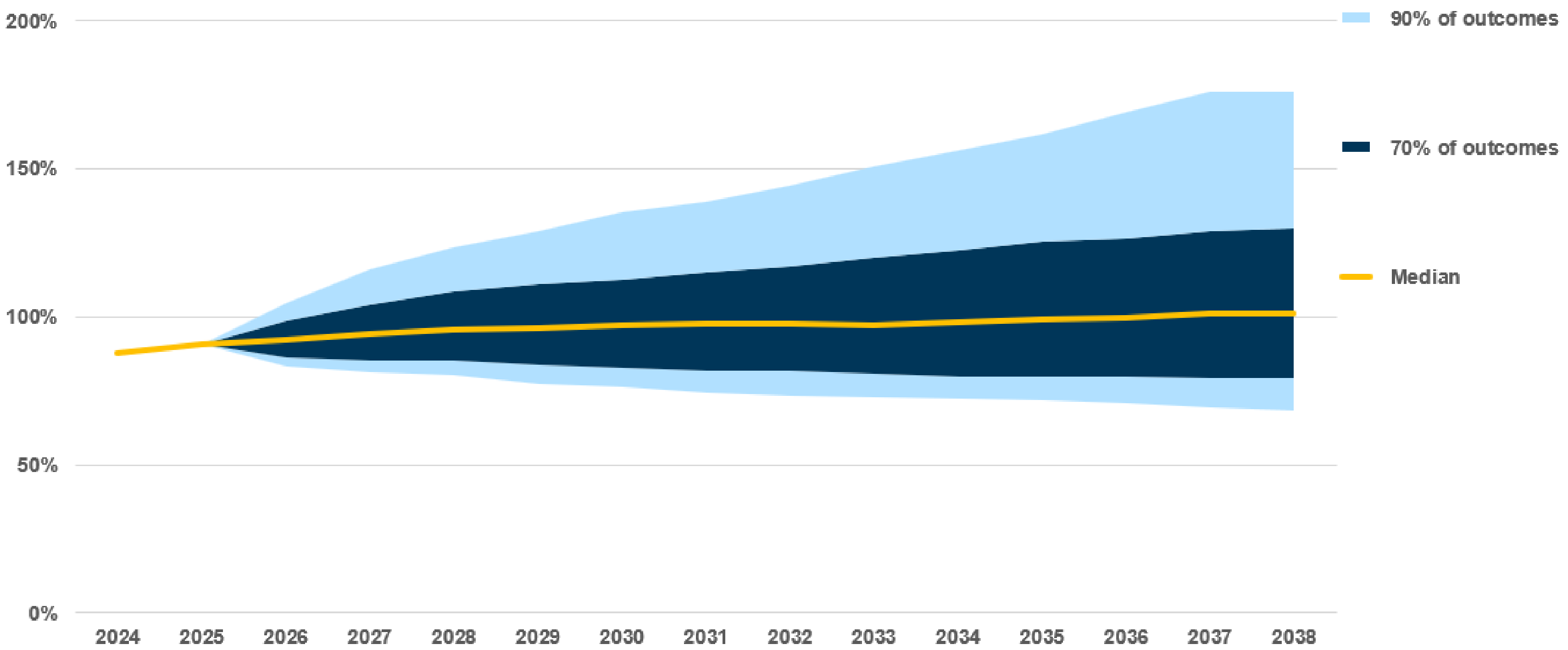
MVA Funded Ratio:	Slides 3 – 15
State Contribution Rates:	Slides 16 - 28
Net Cash Flow as % of MVA:	Slides 29 - 41

S&T Plan: MVA Funded Ratio



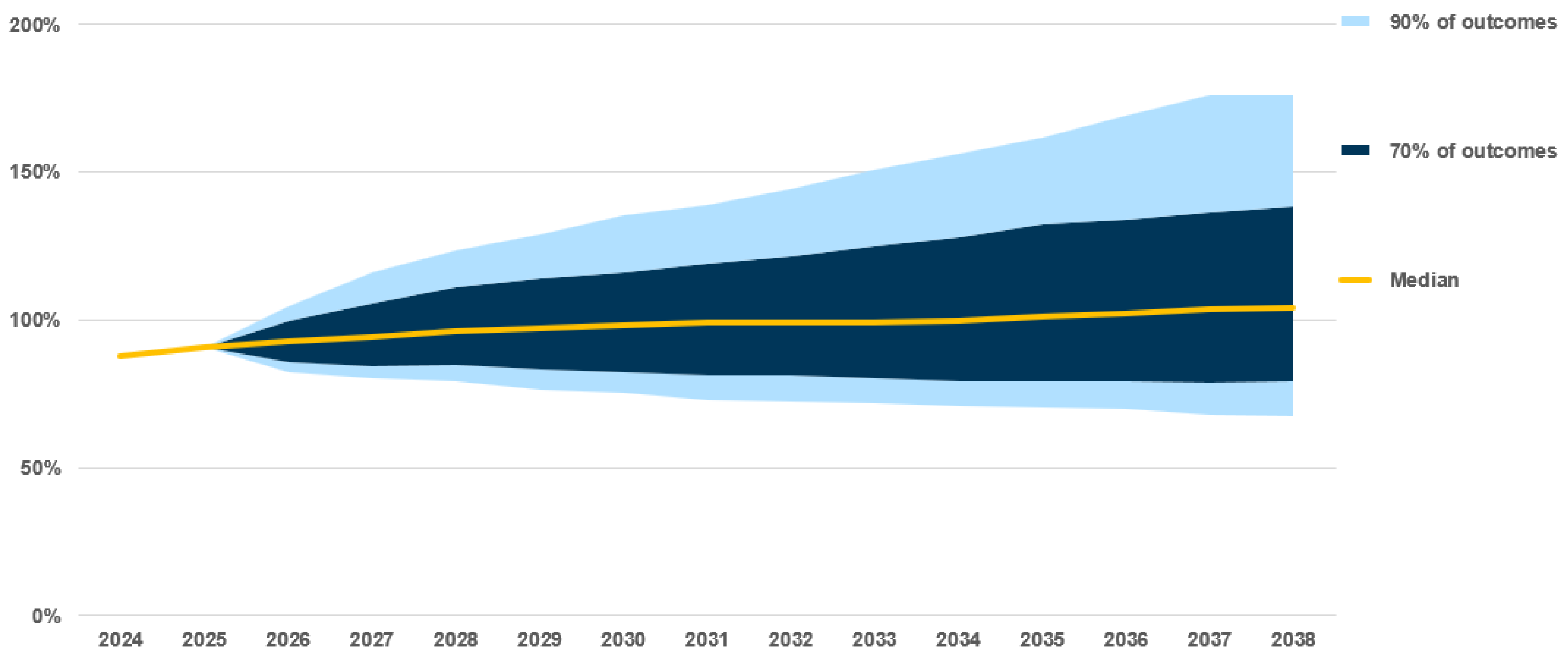
S&T Plan: MVA Funded Ratio

Cone Chart: Portfolio A



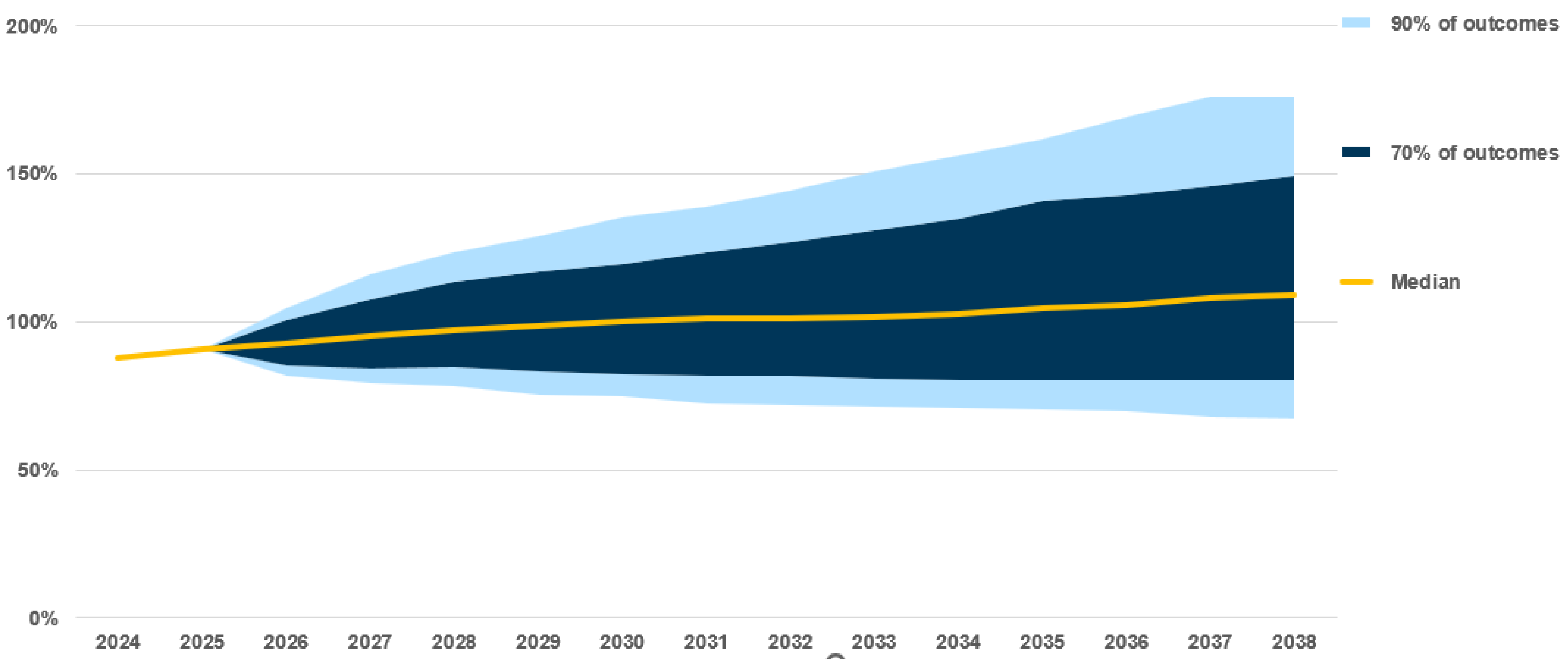
S&T Plan: MVA Funded Ratio

Cone Chart: Portfolio B



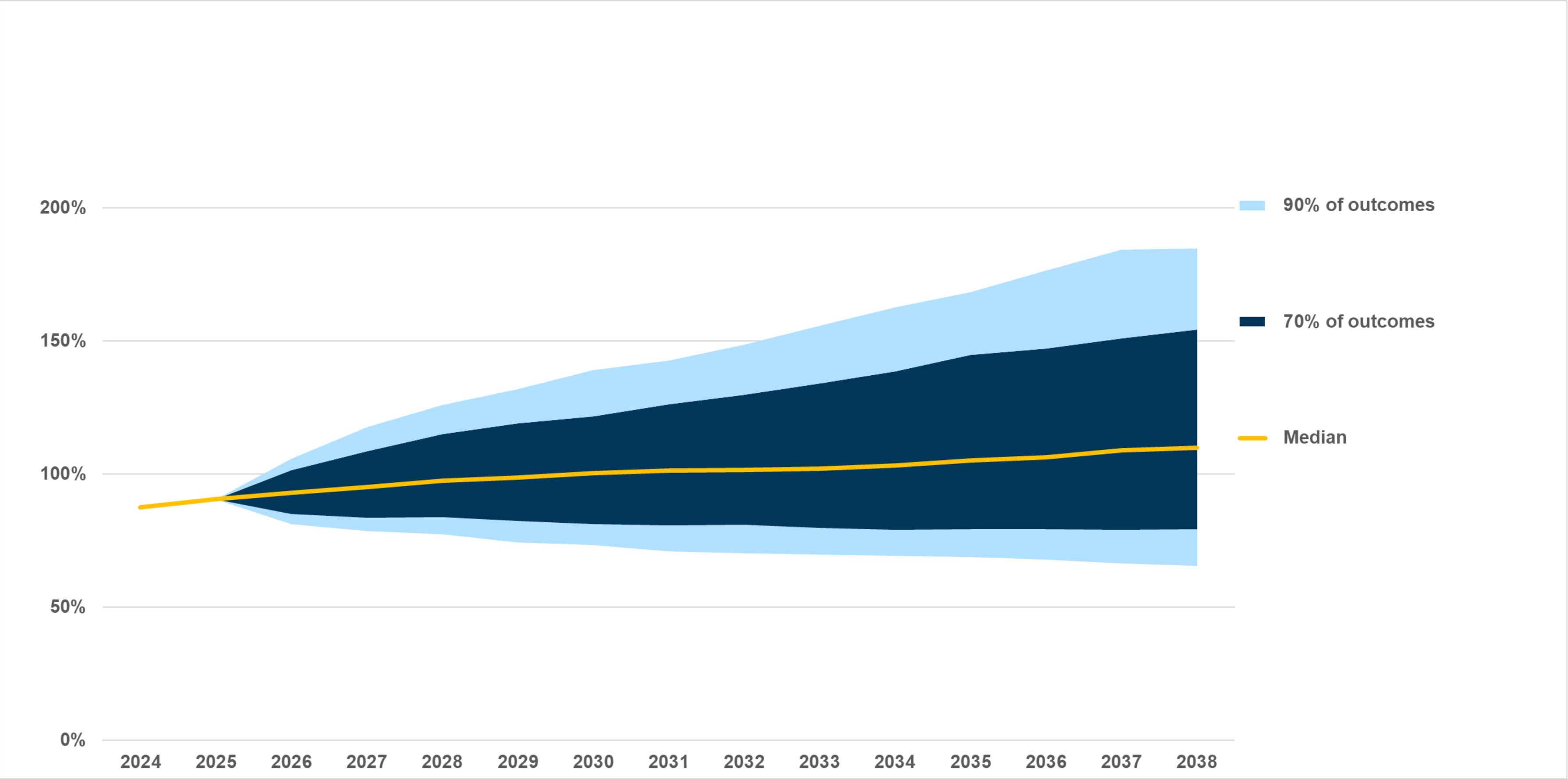
S&T Plan: MVA Funded Ratio

Cone Chart: Portfolio C



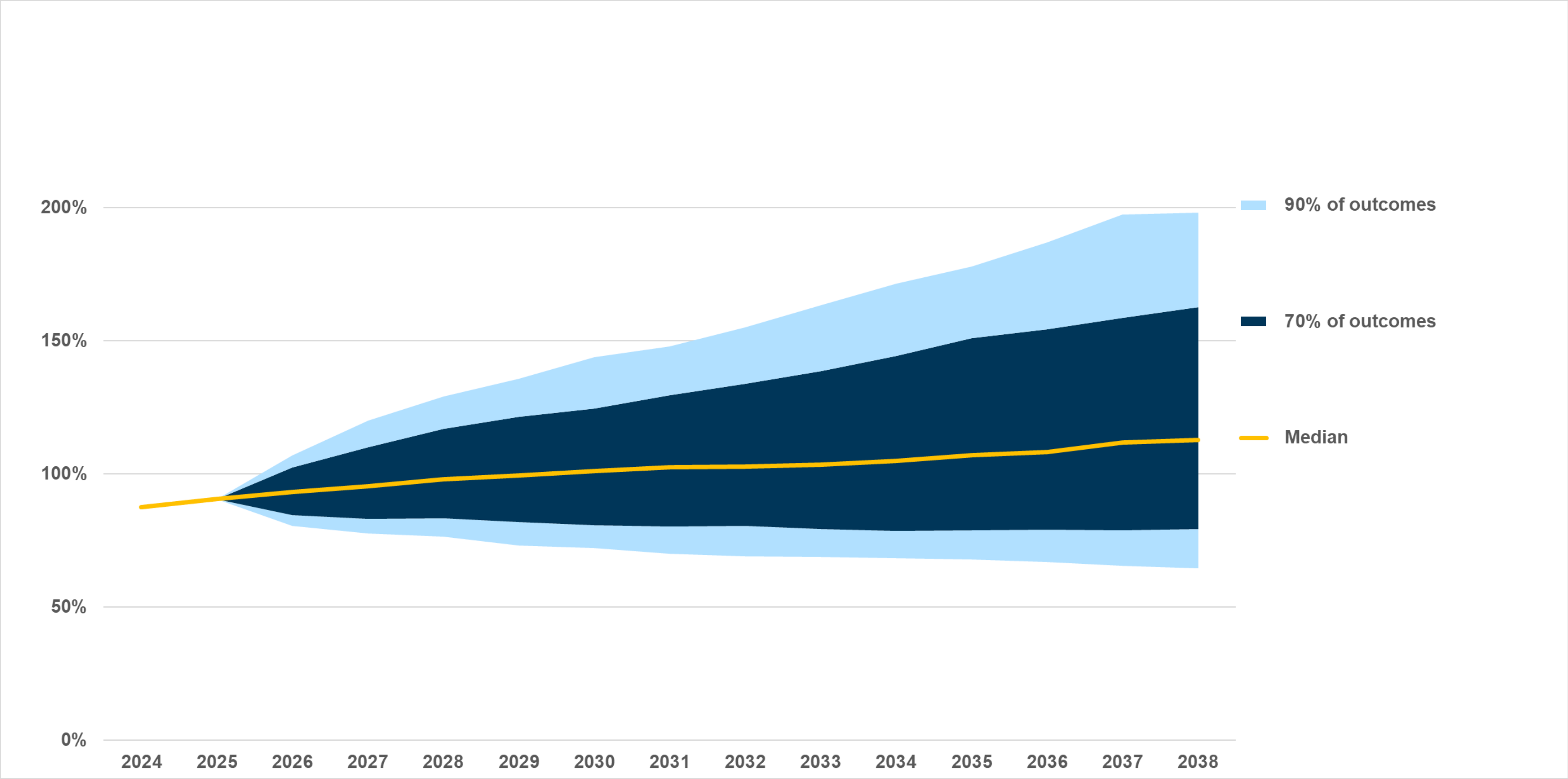
S&T Plan: MVA Funded Ratio

Cone Chart: Portfolio D



S&T Plan: MVA Funded Ratio

Cone Chart: Portfolio E



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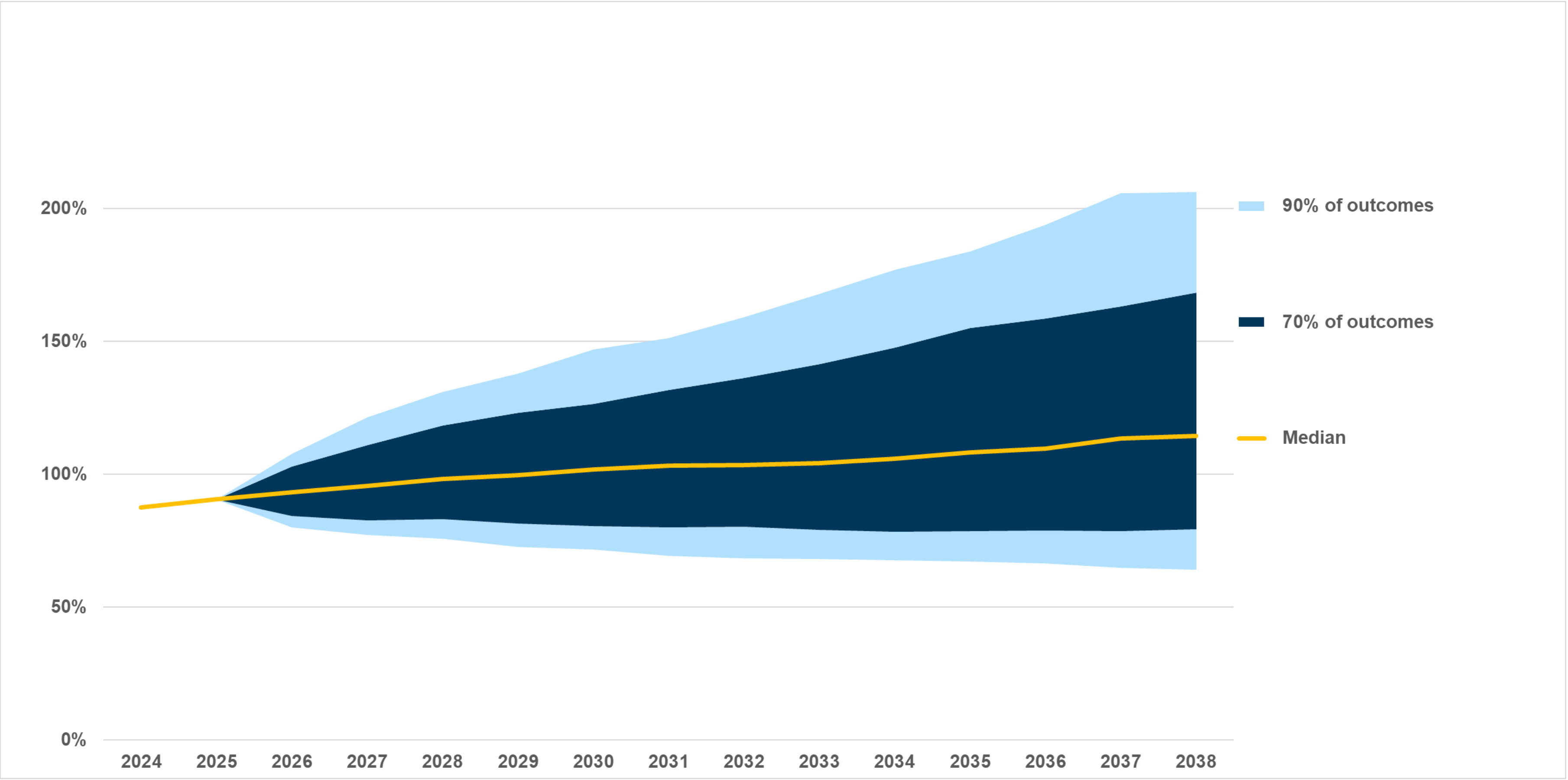
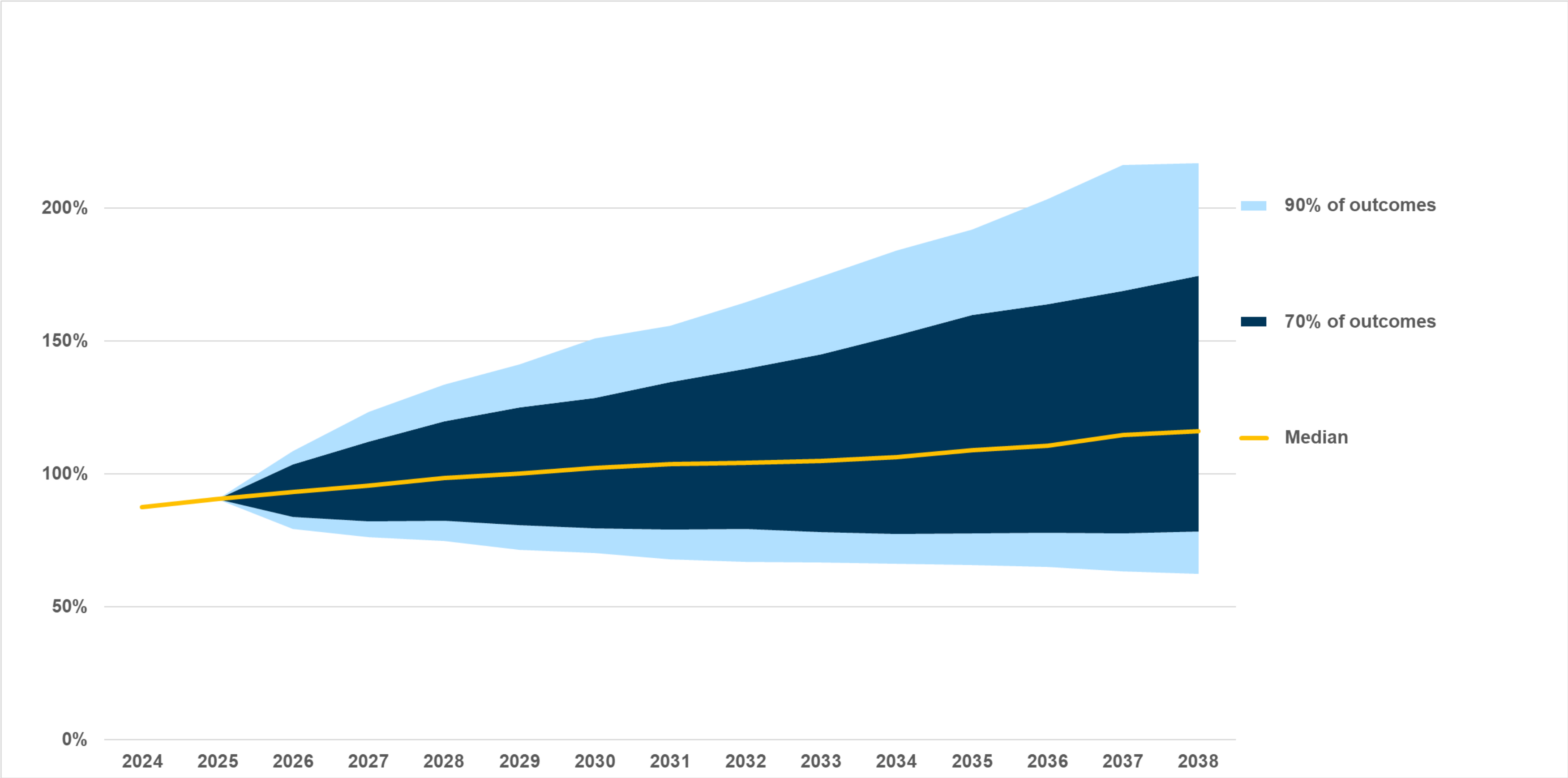
S&T Plan: MVA Funded Ratio

Cone Chart: Portfolio F



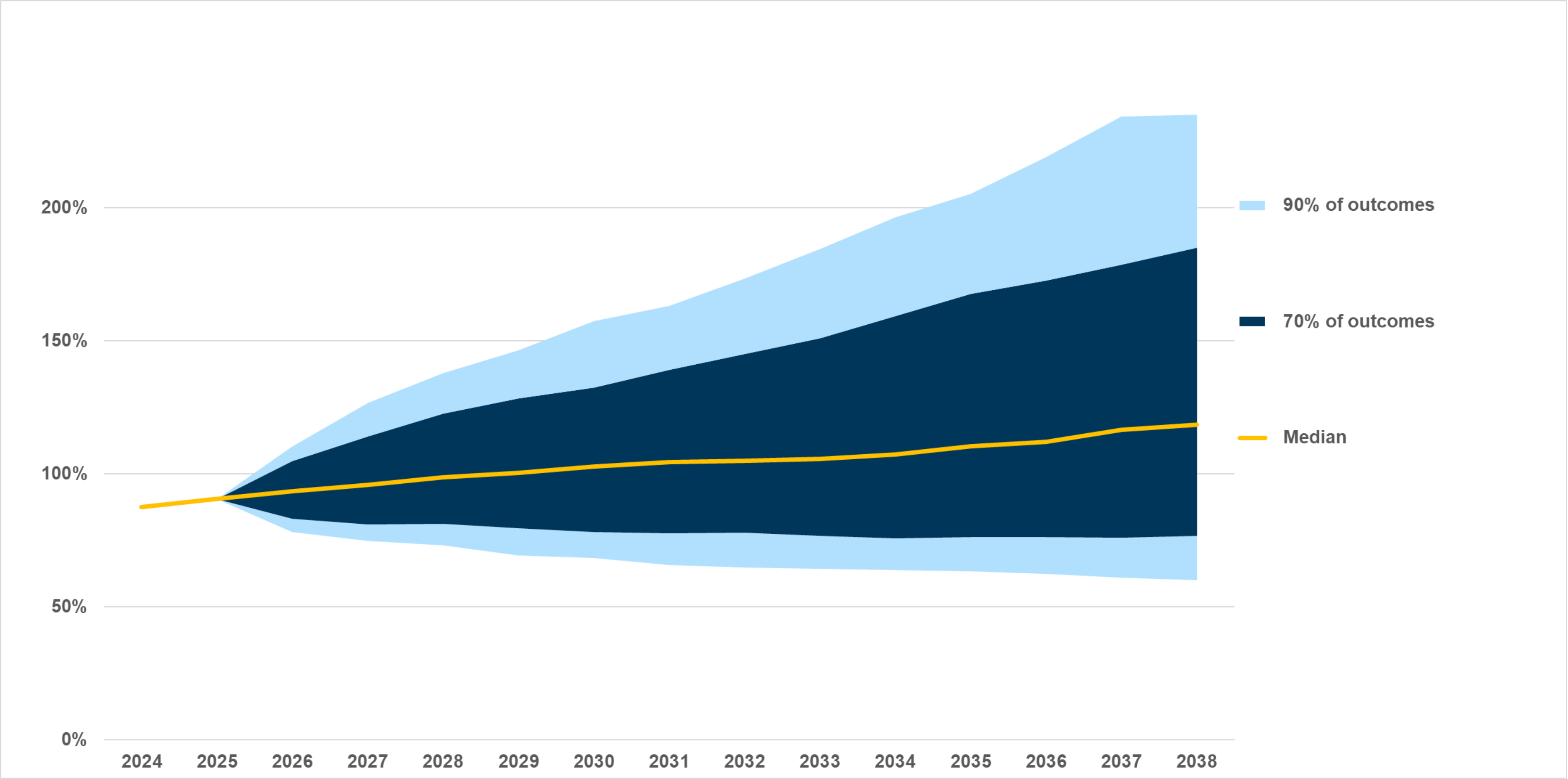
S&T Plan: MVA Funded Ratio

Cone Chart: Portfolio G



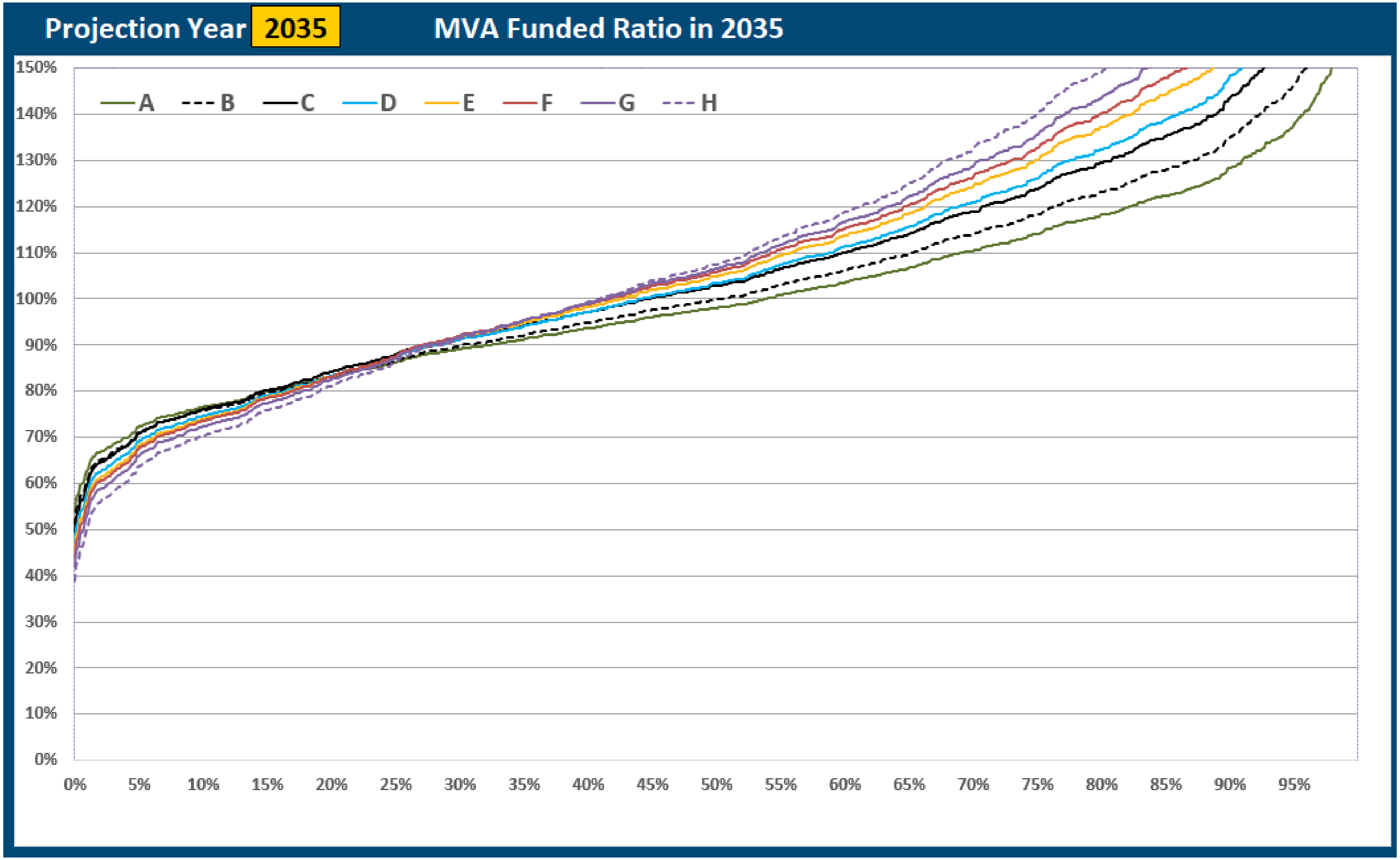
S&T Plan: MVA Funded Ratio

Cone Chart: Portfolio H



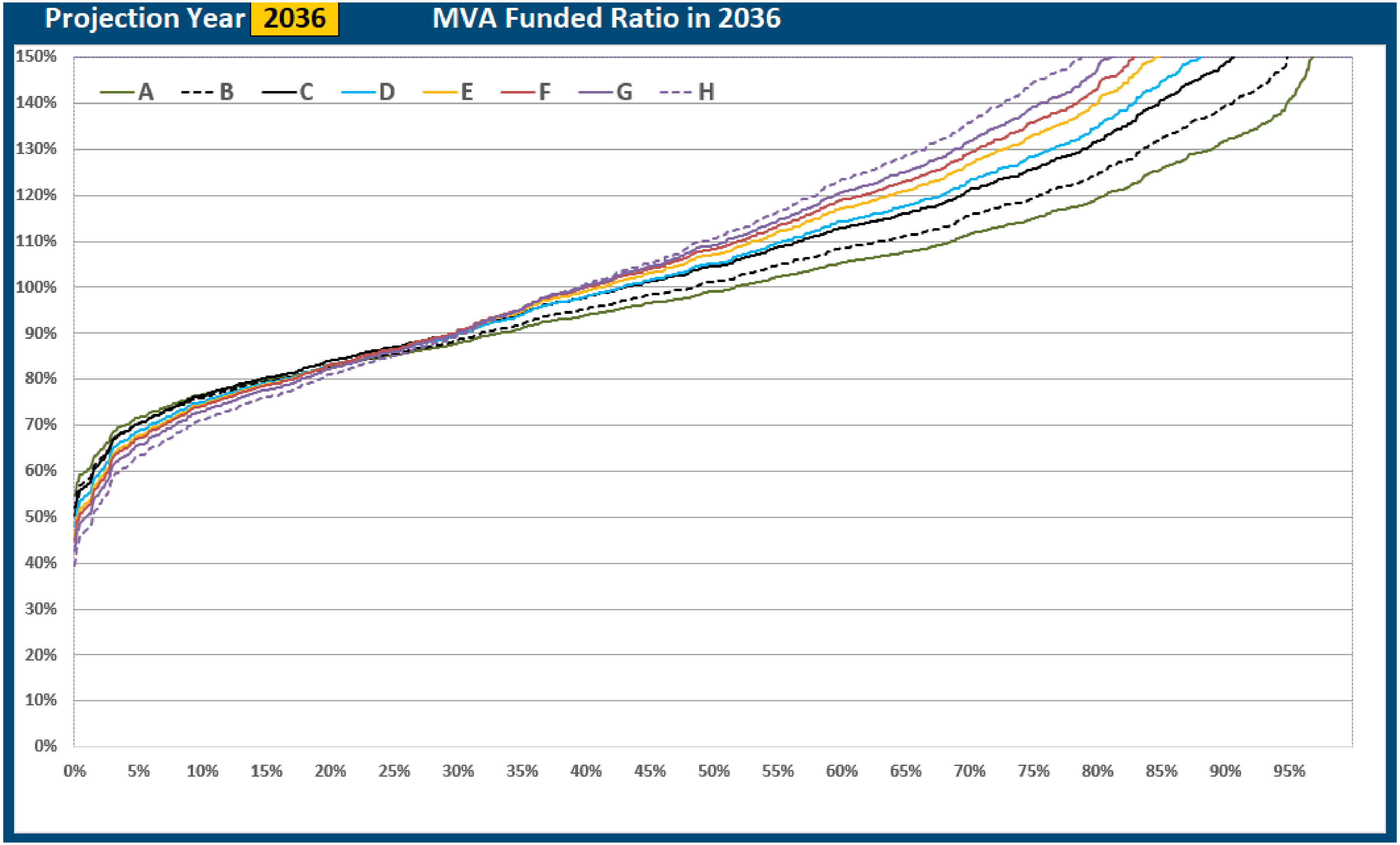
S&T Plan: MVA Funded Ratio

Sorted Percentiles Chart



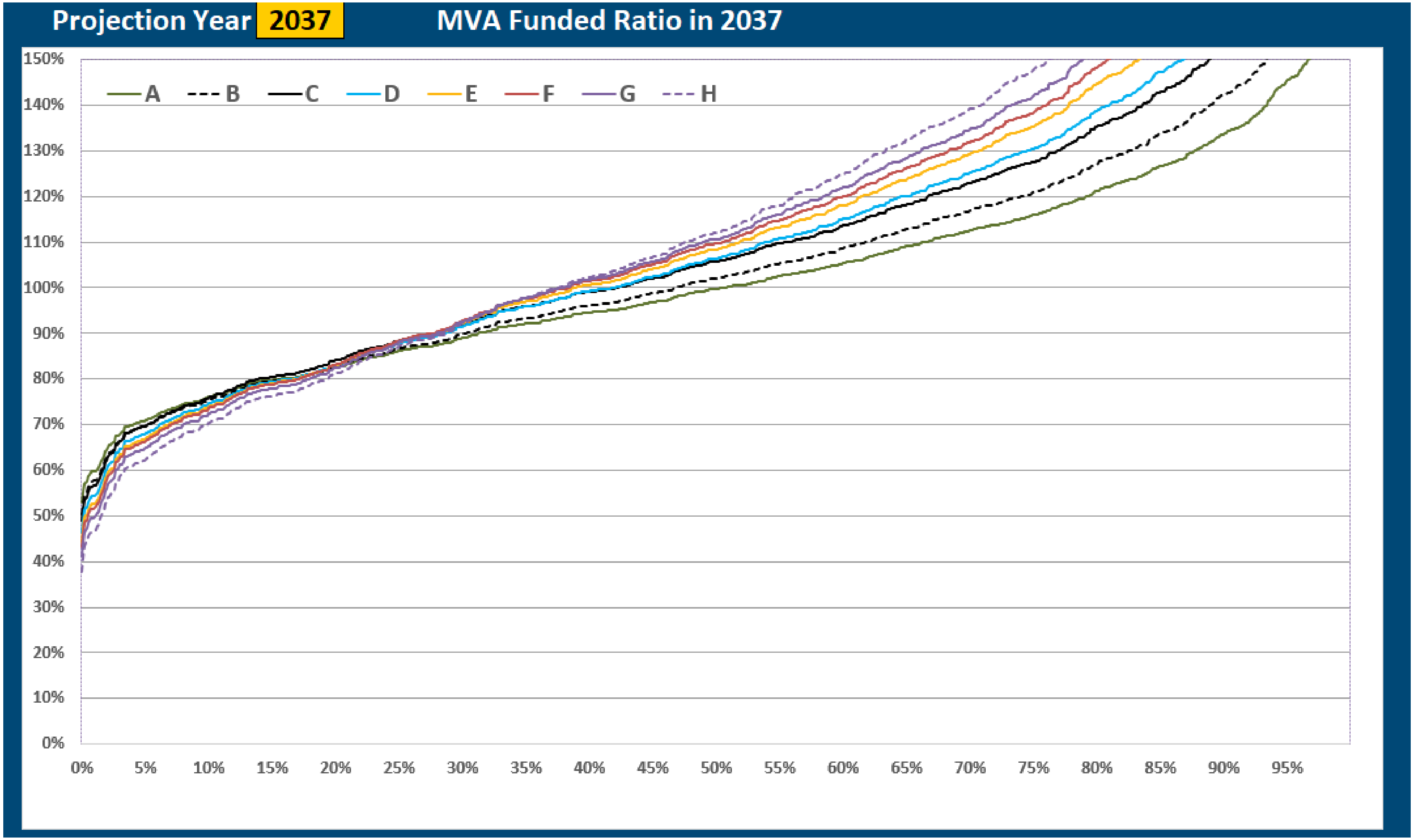
S&T Plan: MVA Funded Ratio

Sorted Percentiles Chart



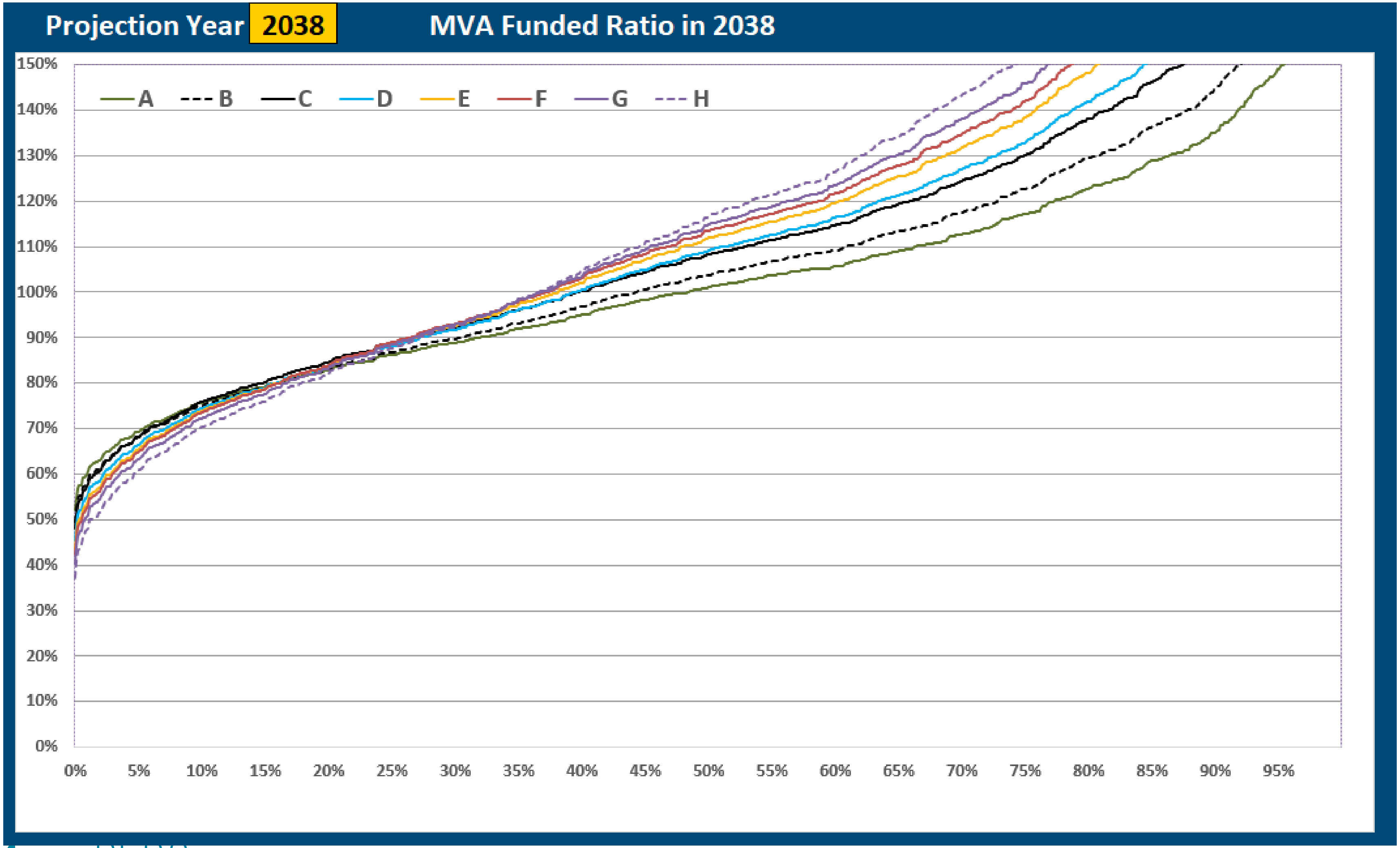
S&T Plan: MVA Funded Ratio

Sorted Percentiles Chart

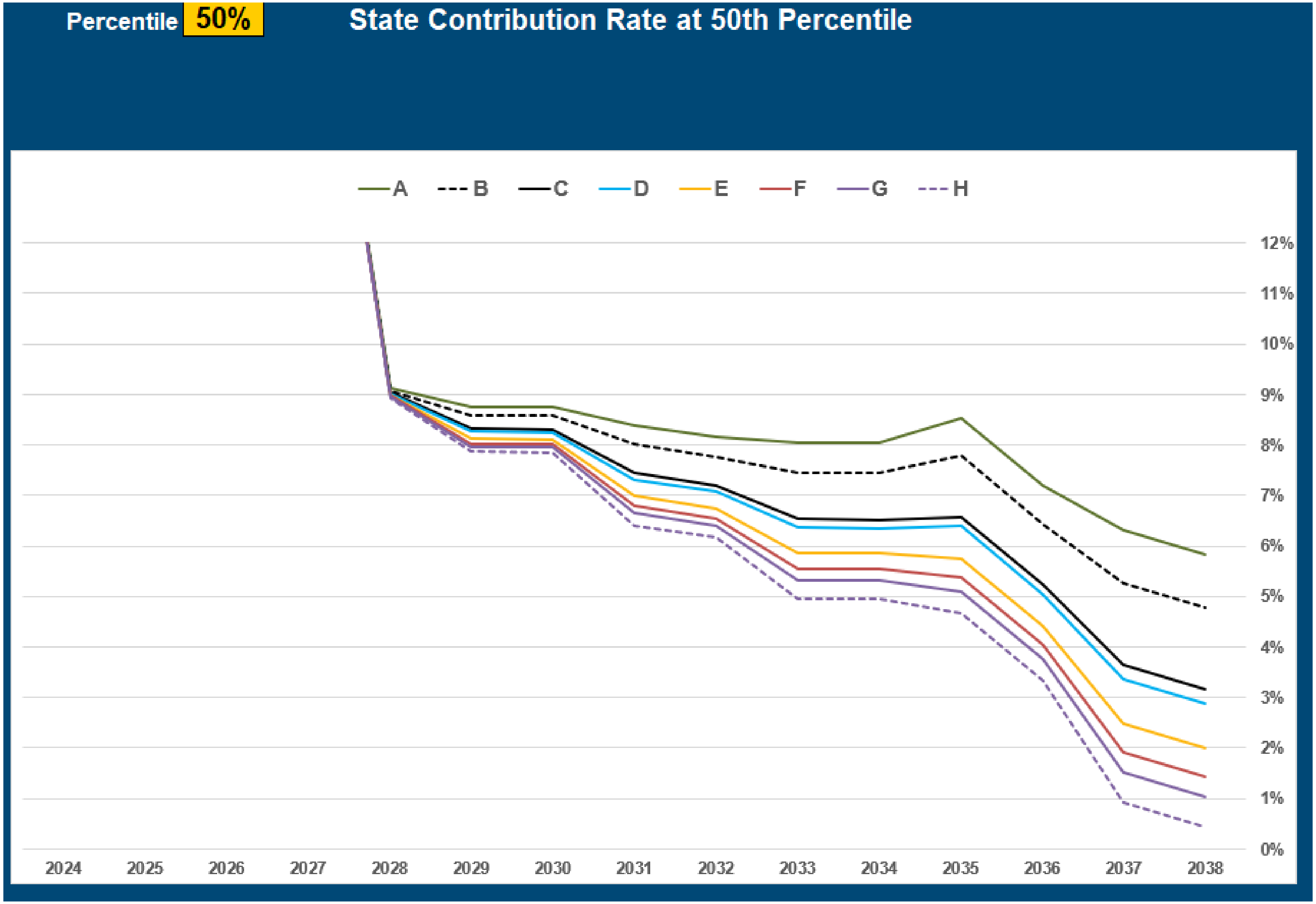


S&T Plan: MVA Funded Ratio

Sorted Percentiles Chart

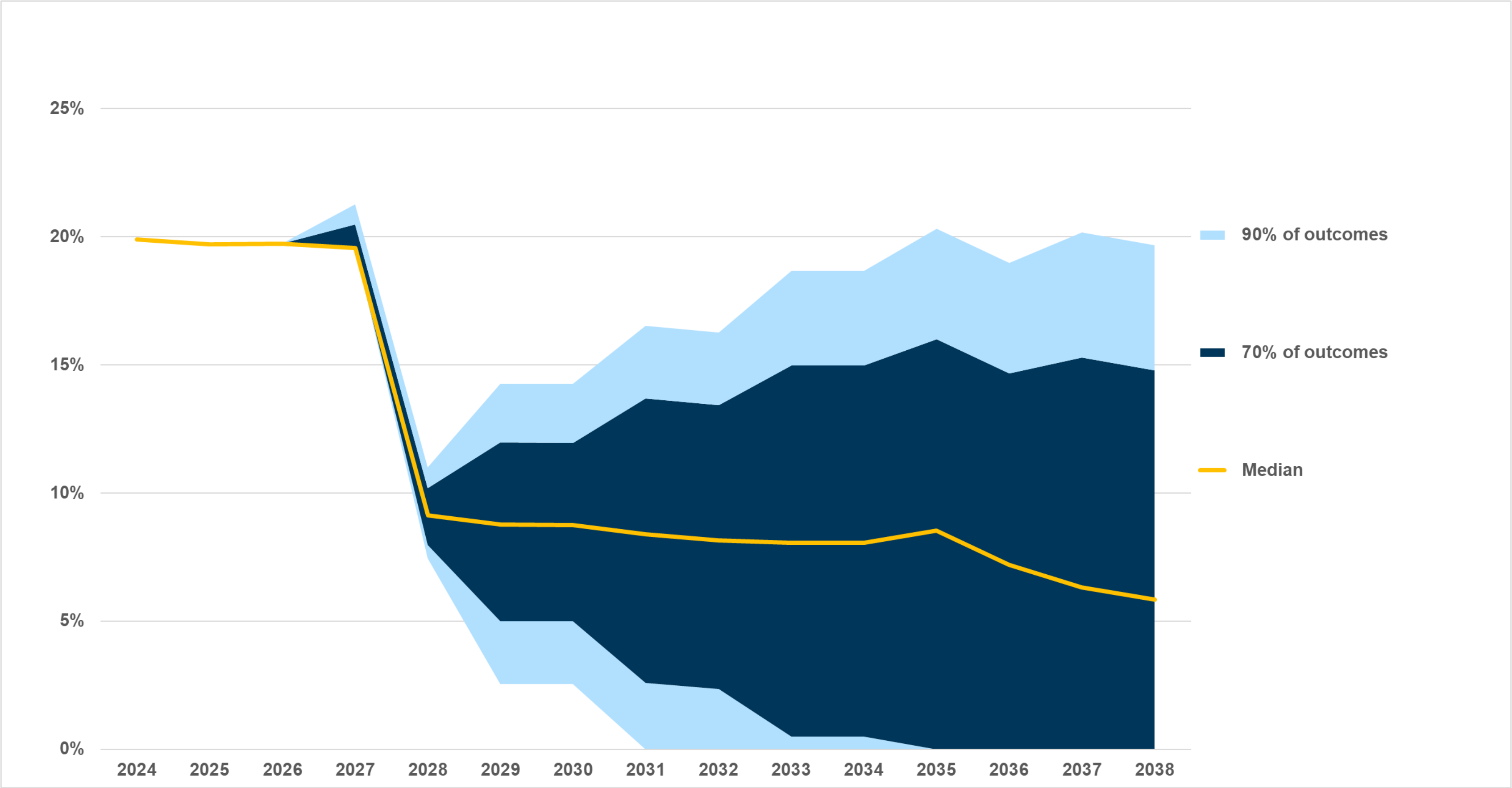


S&T Plan: State Contribution Rate



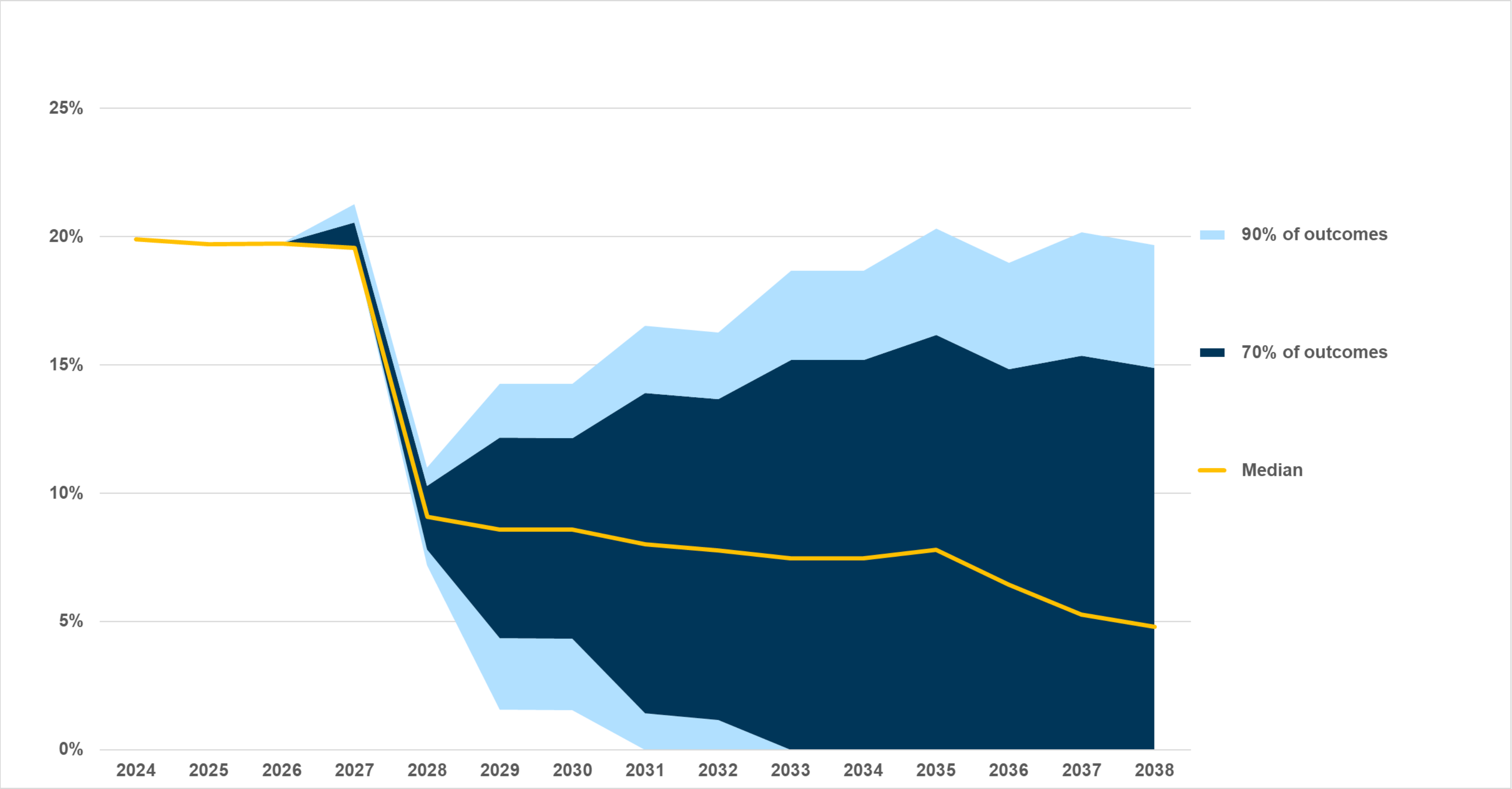
S&T Plan: State Contribution Rate

Cone Chart: Portfolio A



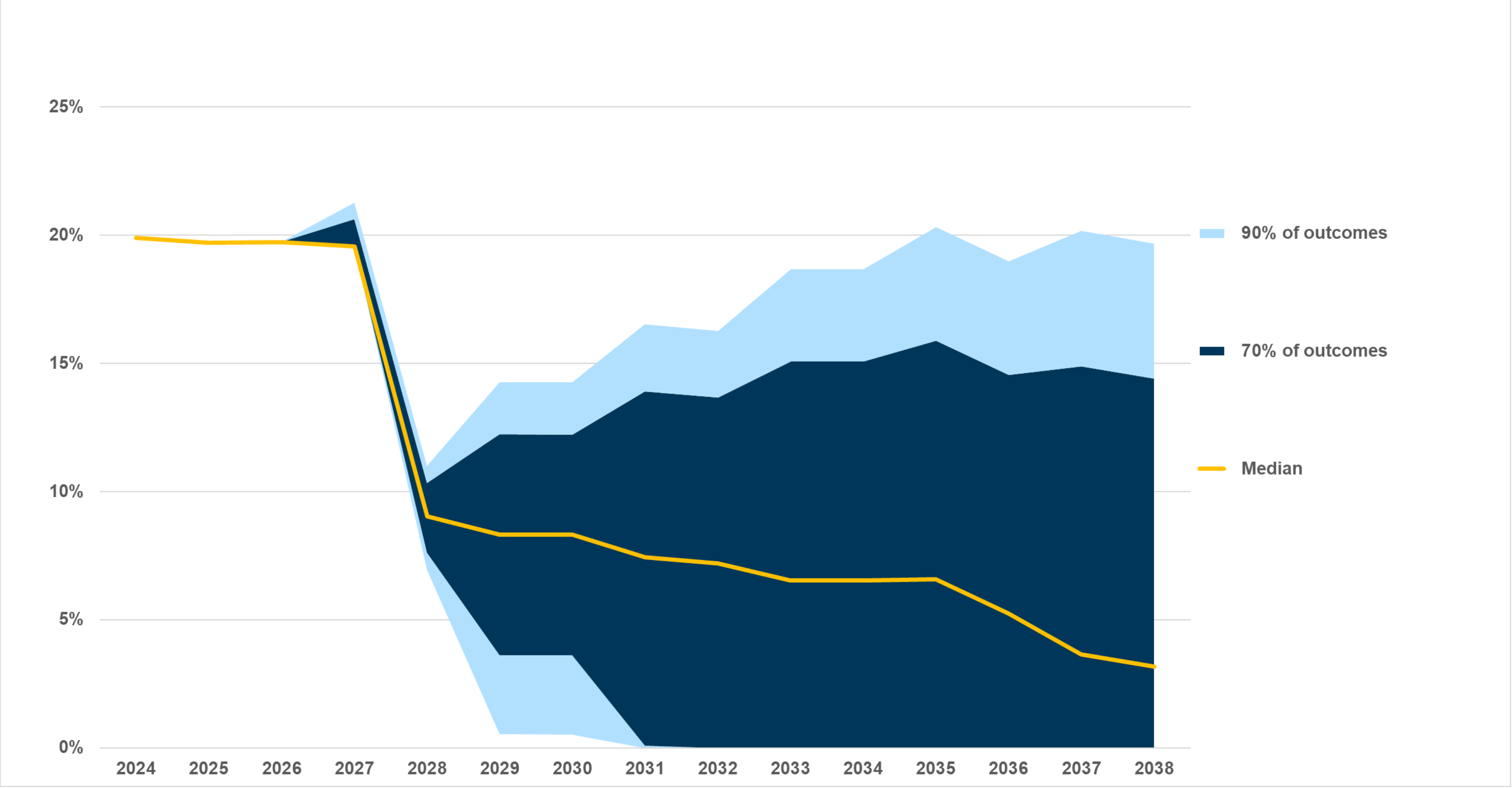
S&T Plan: State Contribution Rate

Cone Chart: Portfolio B



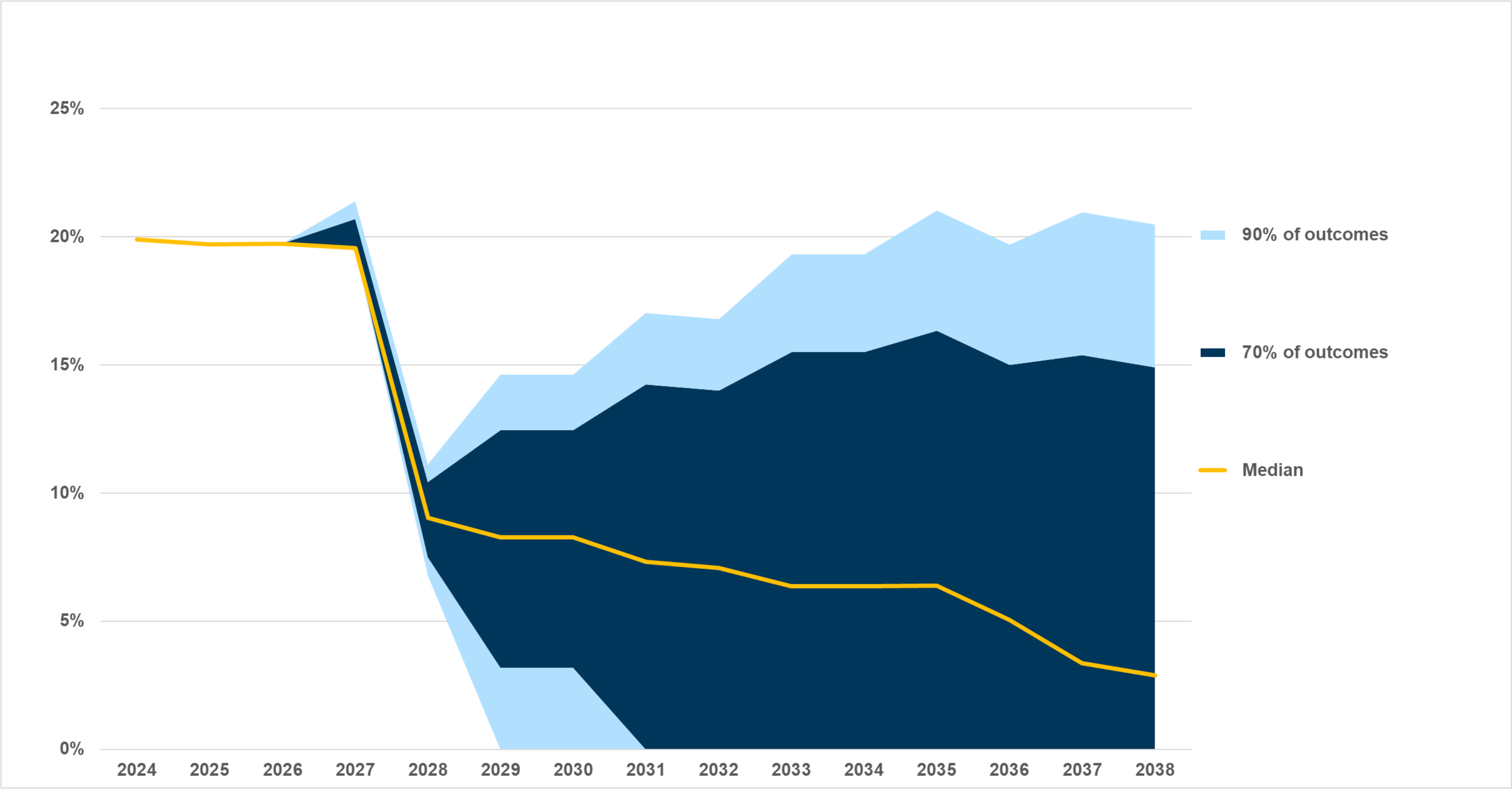
S&T Plan: State Contribution Rate

Cone Chart: Portfolio C



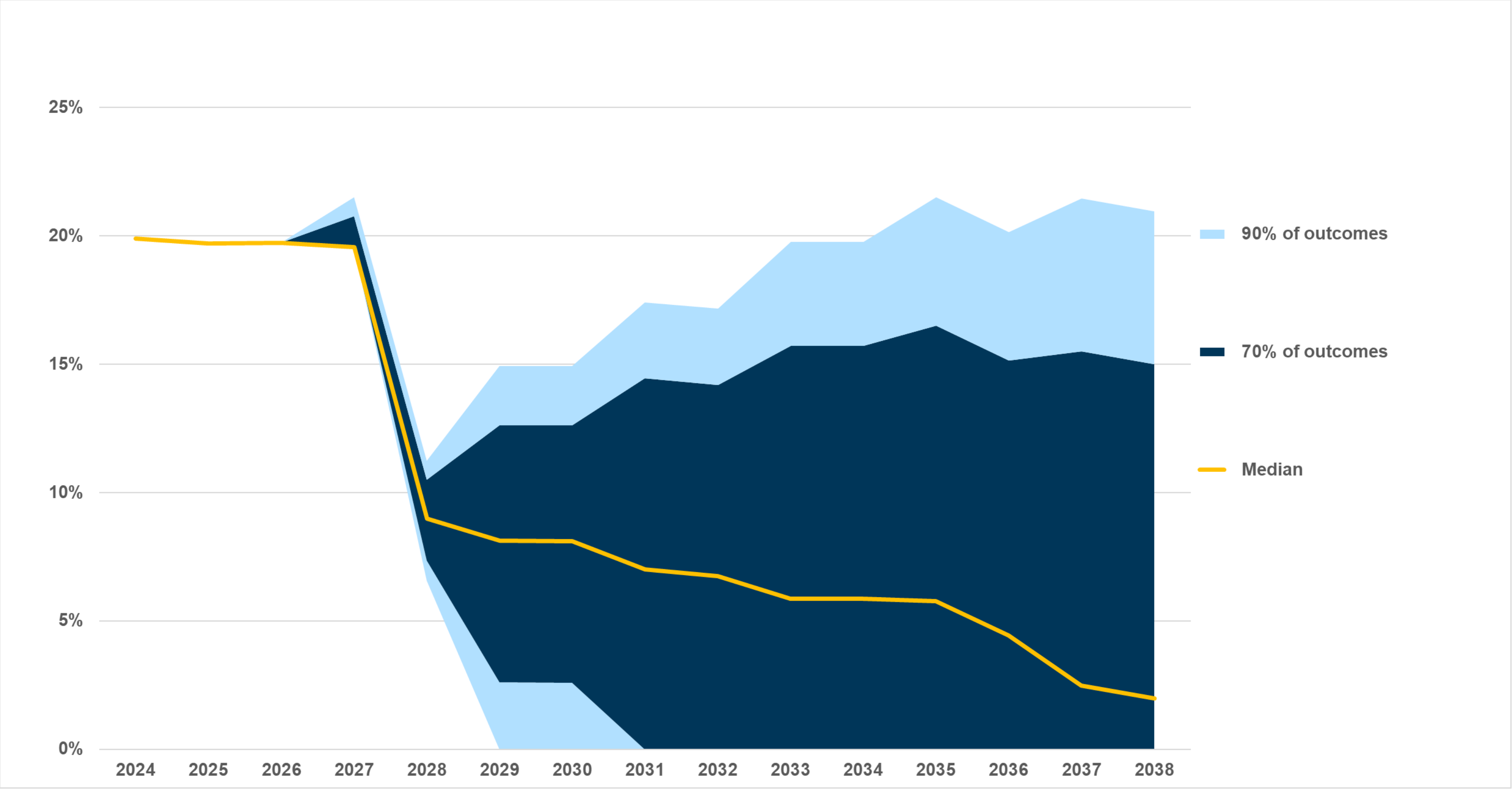
S&T Plan: State Contribution Rate

Cone Chart: Portfolio D



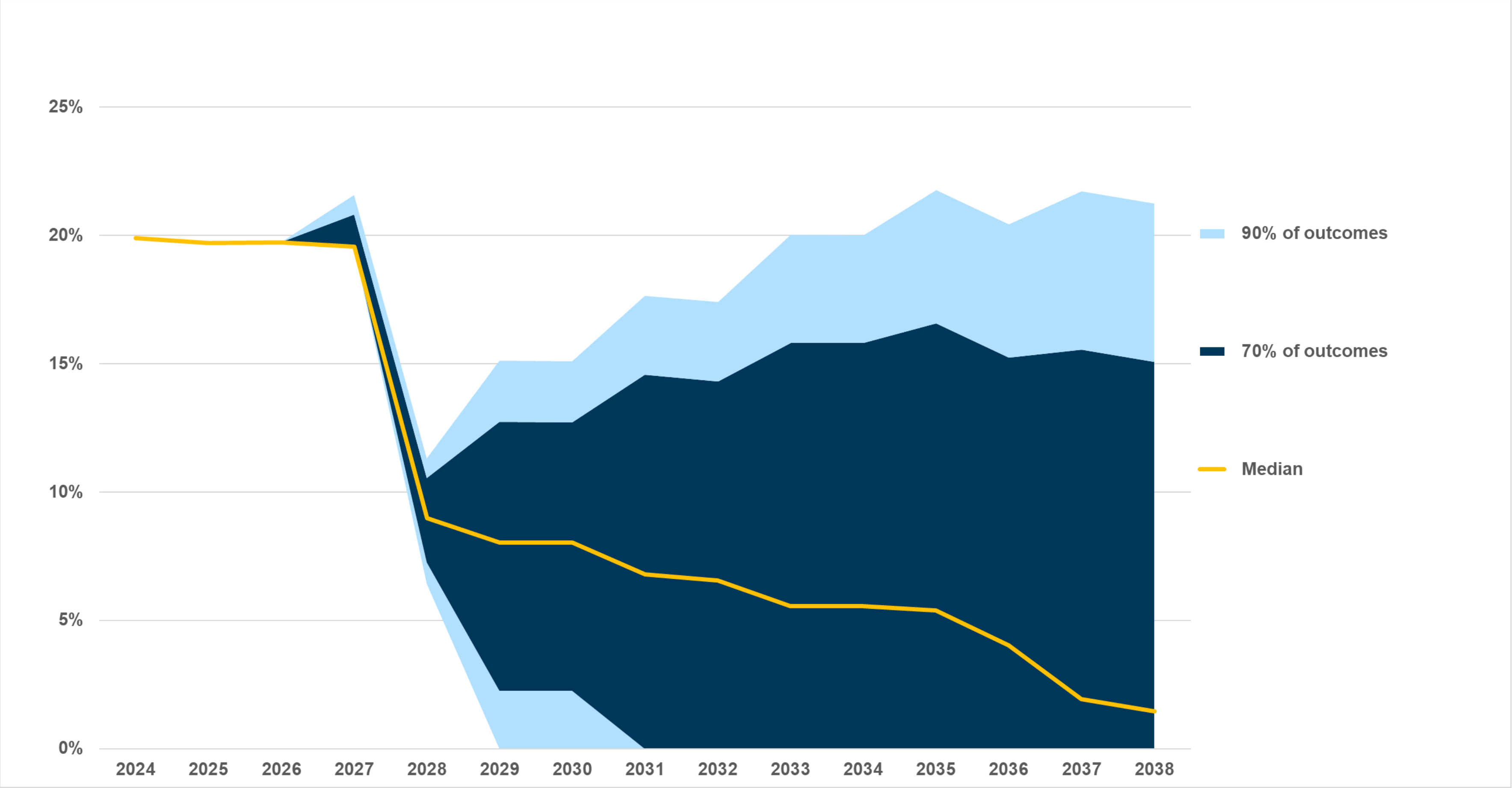
S&T Plan: State Contribution Rate

Cone Chart: Portfolio E



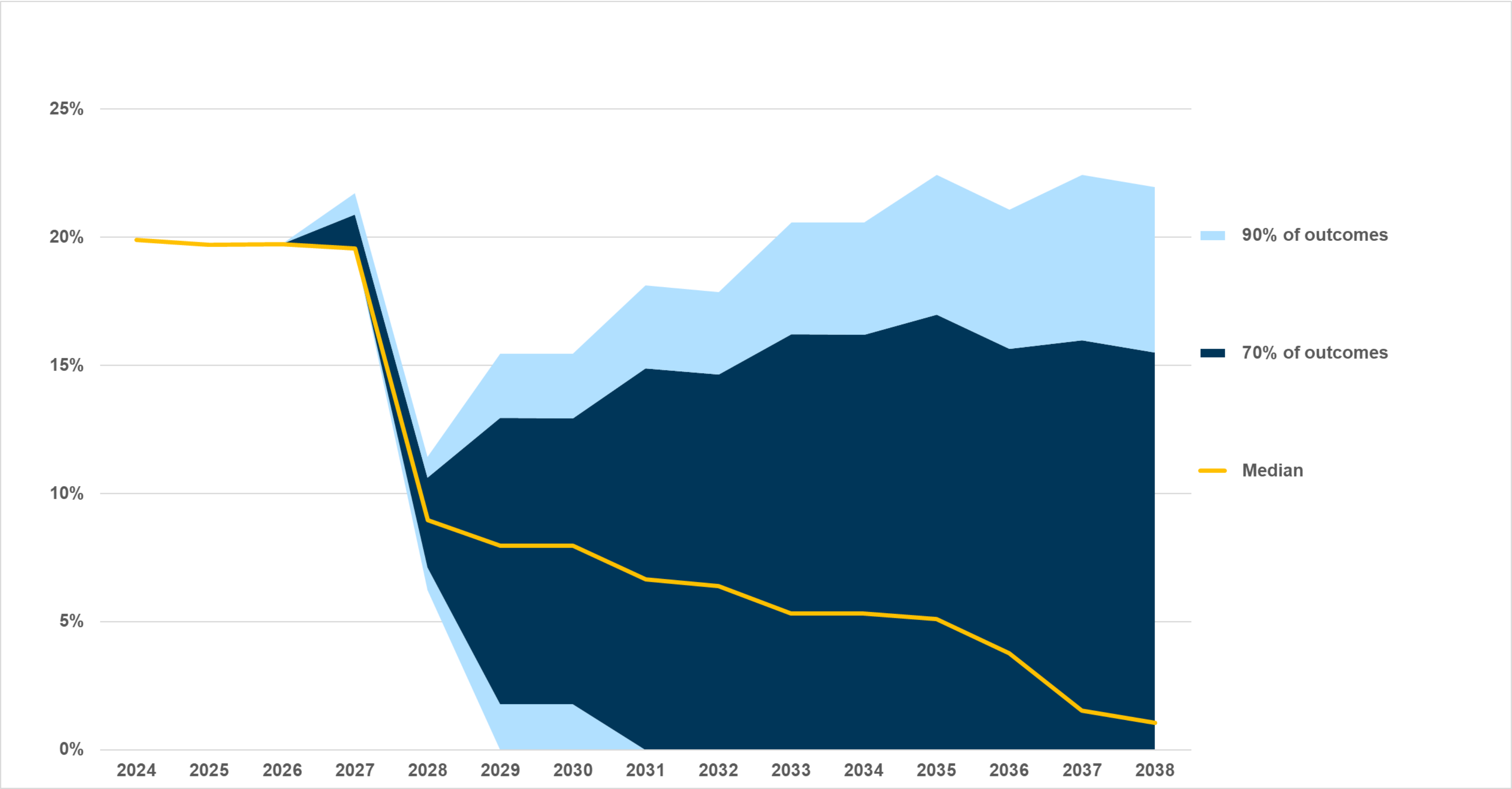
S&T Plan: State Contribution Rate

Cone Chart: Portfolio F



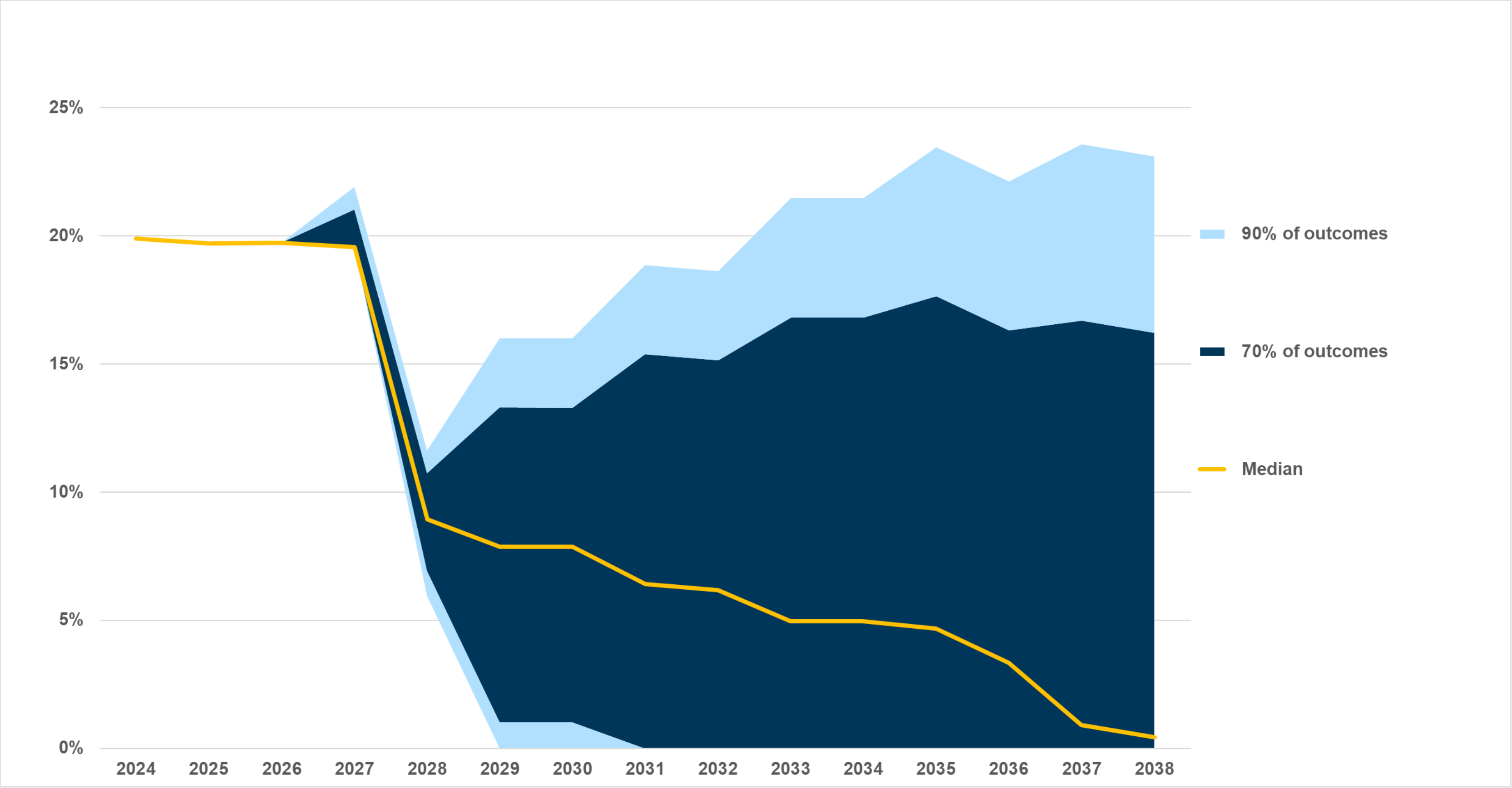
S&T Plan: State Contribution Rate

Cone Chart: Portfolio G



S&T Plan: State Contribution Rate

Cone Chart: Portfolio H



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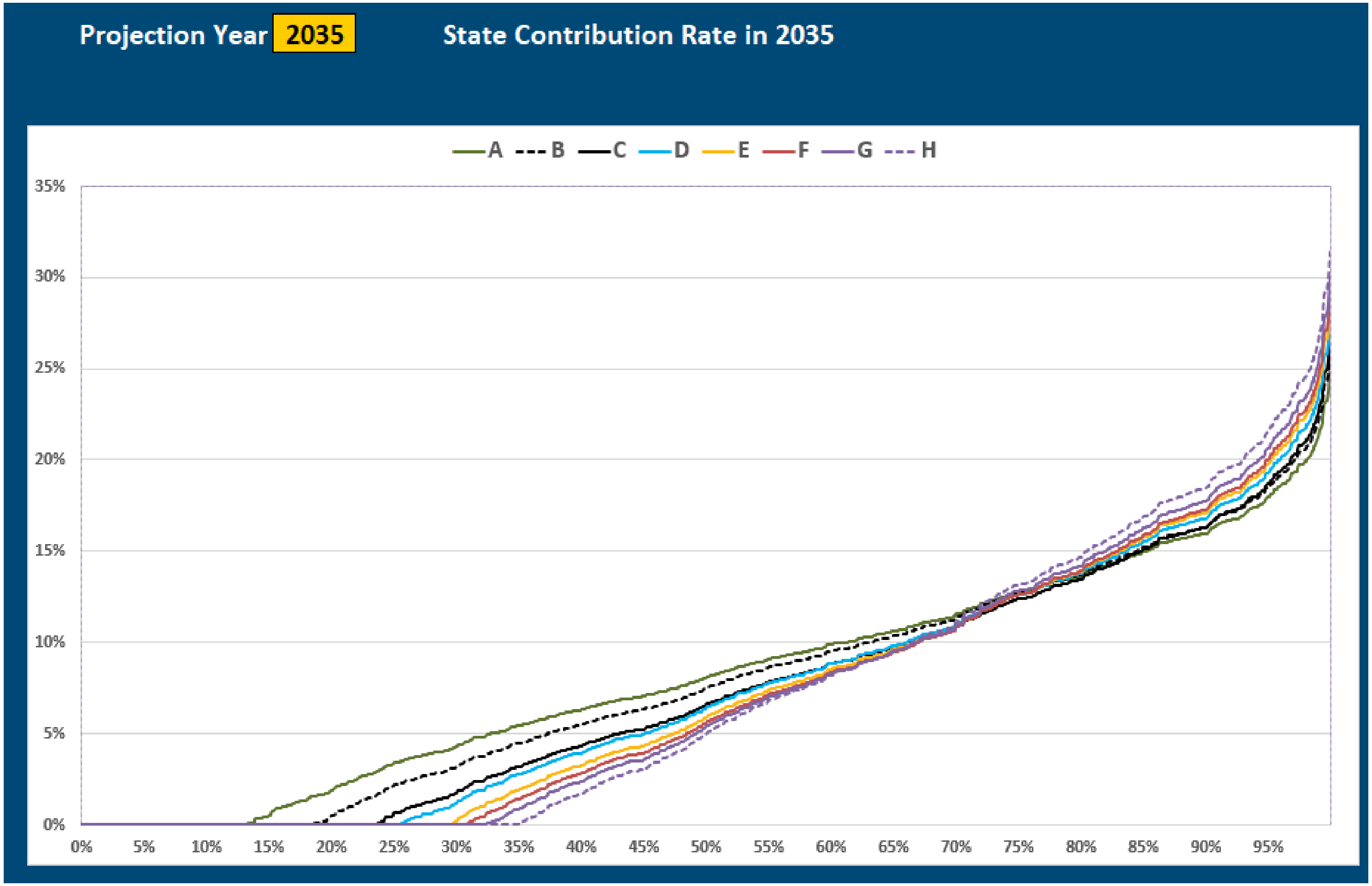
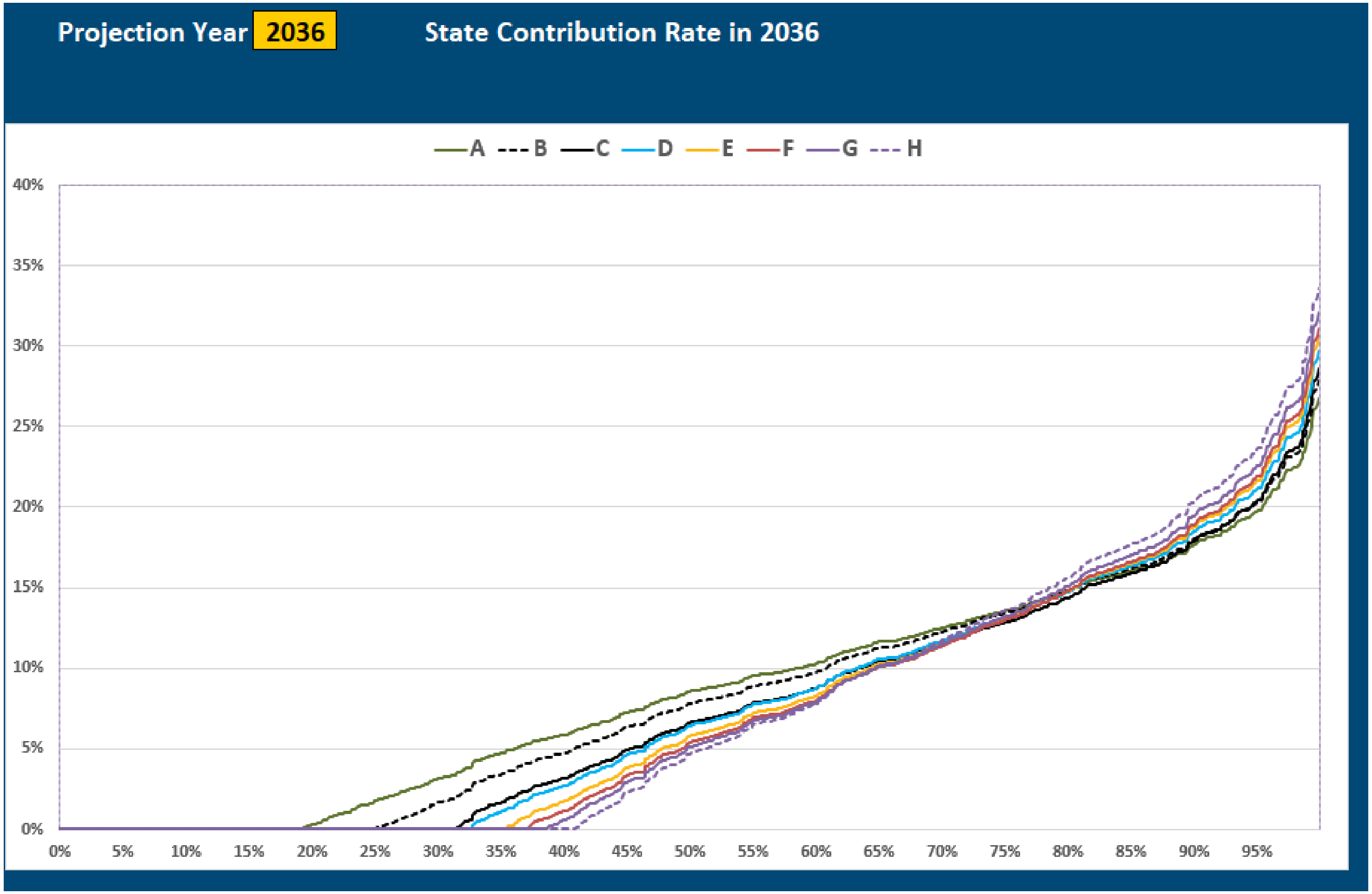
S&T Plan: State Contribution Rate

Sorted Percentiles Chart



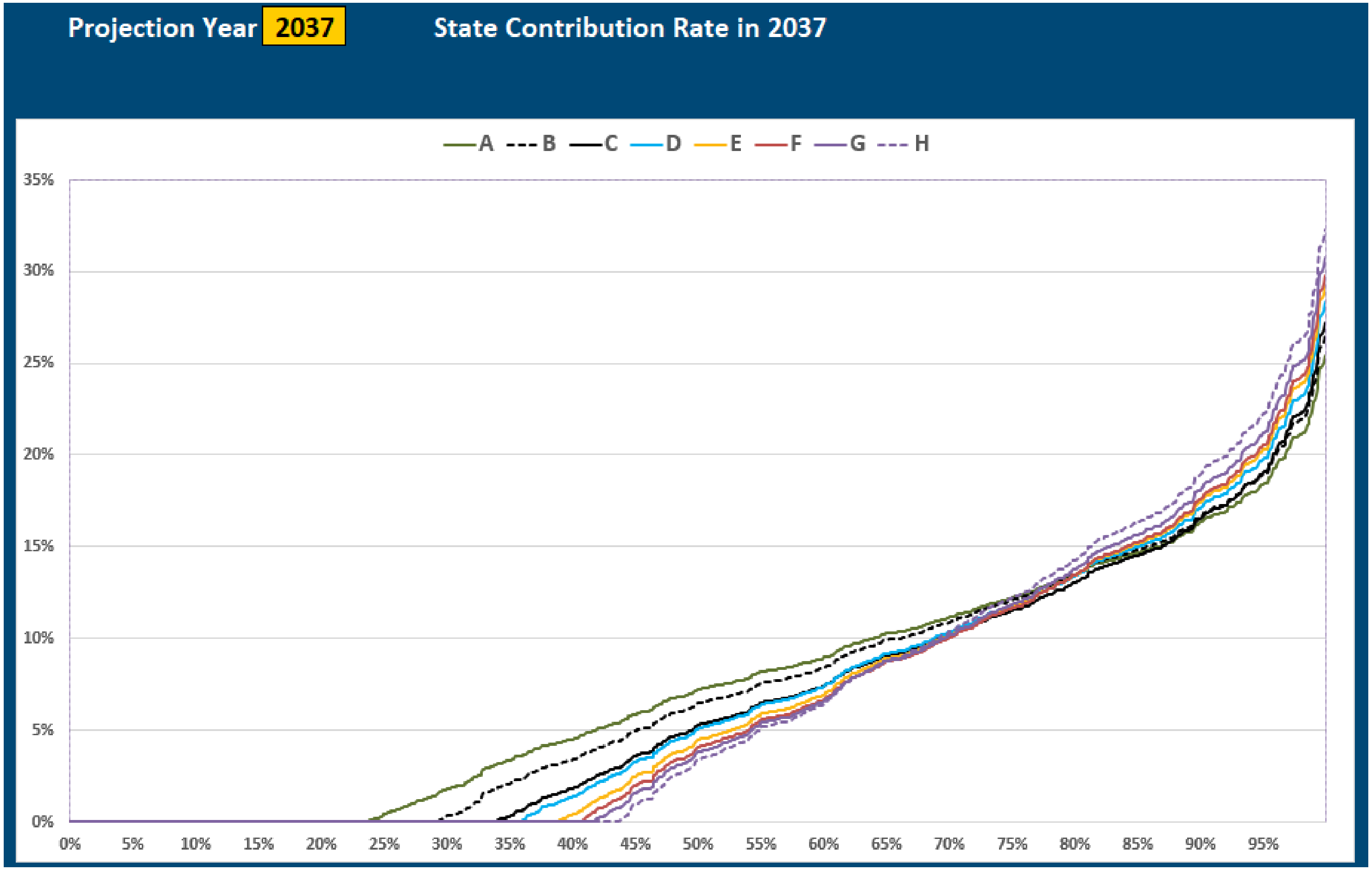
S&T Plan: State Contribution Rate

Sorted Percentiles Chart



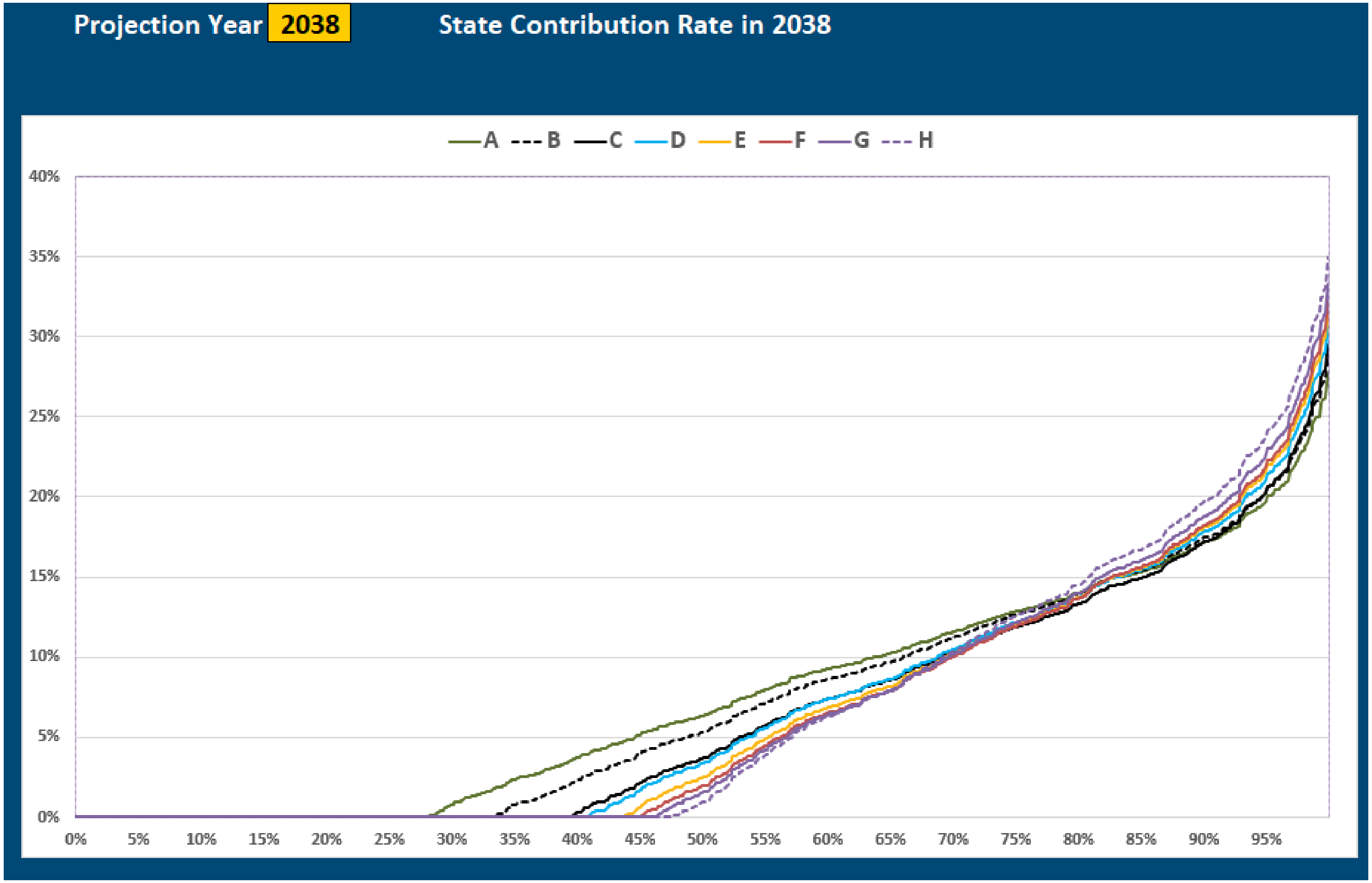
S&T Plan: State Contribution Rate

Sorted Percentiles Chart

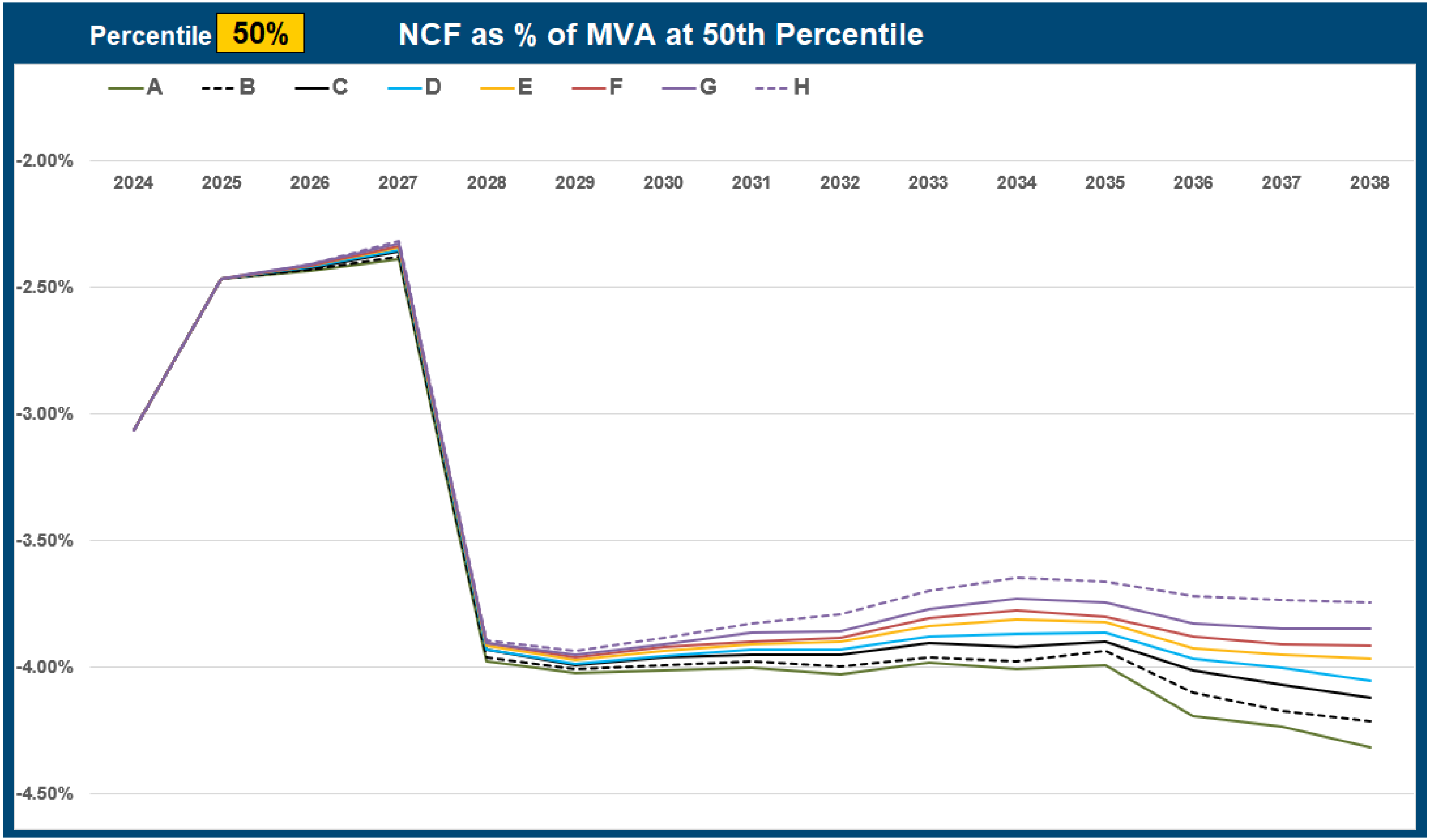


S&T Plan: State Contribution Rate

Sorted Percentiles Chart

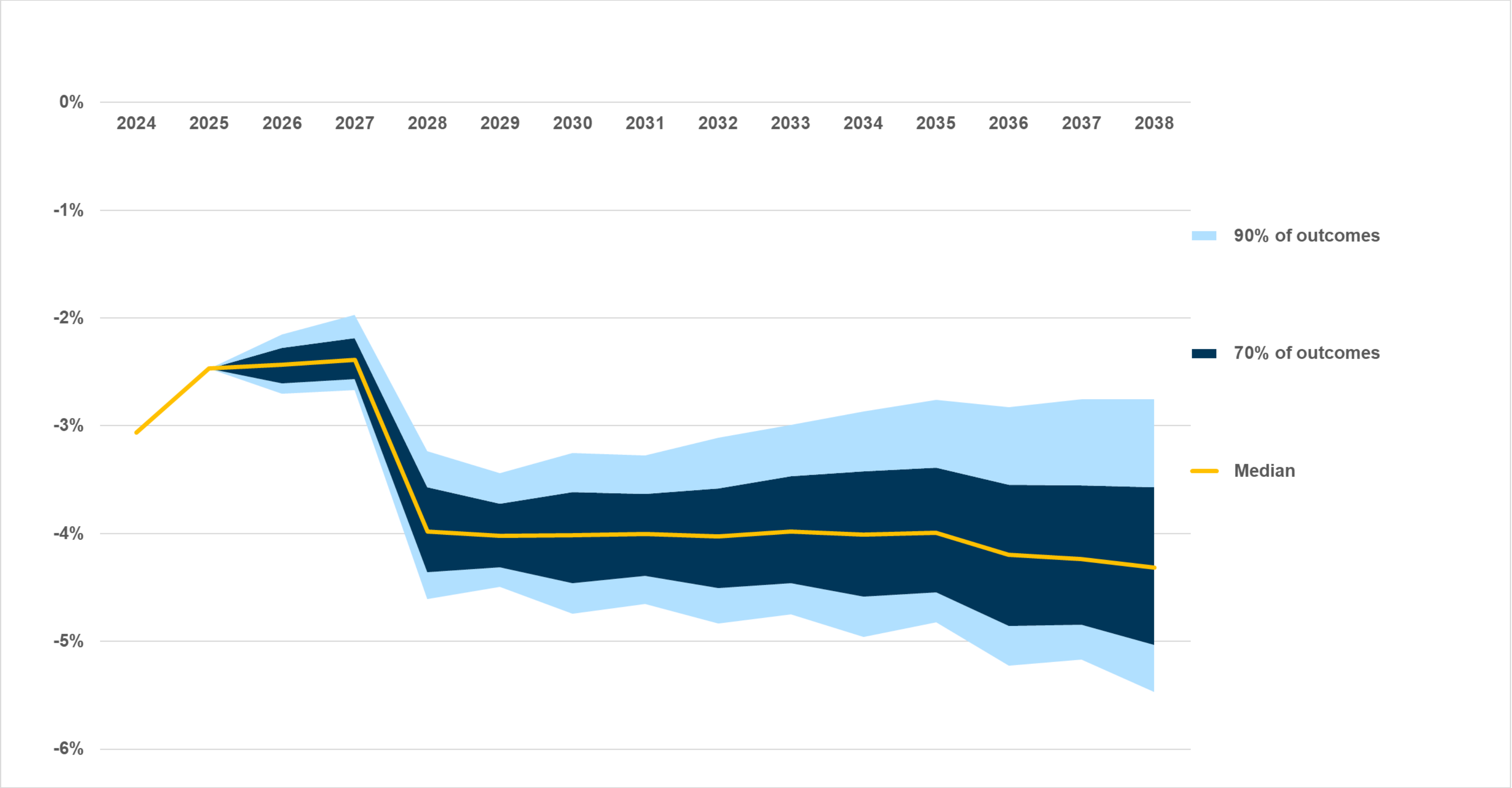


S&T Plan: NCF as % of MVA



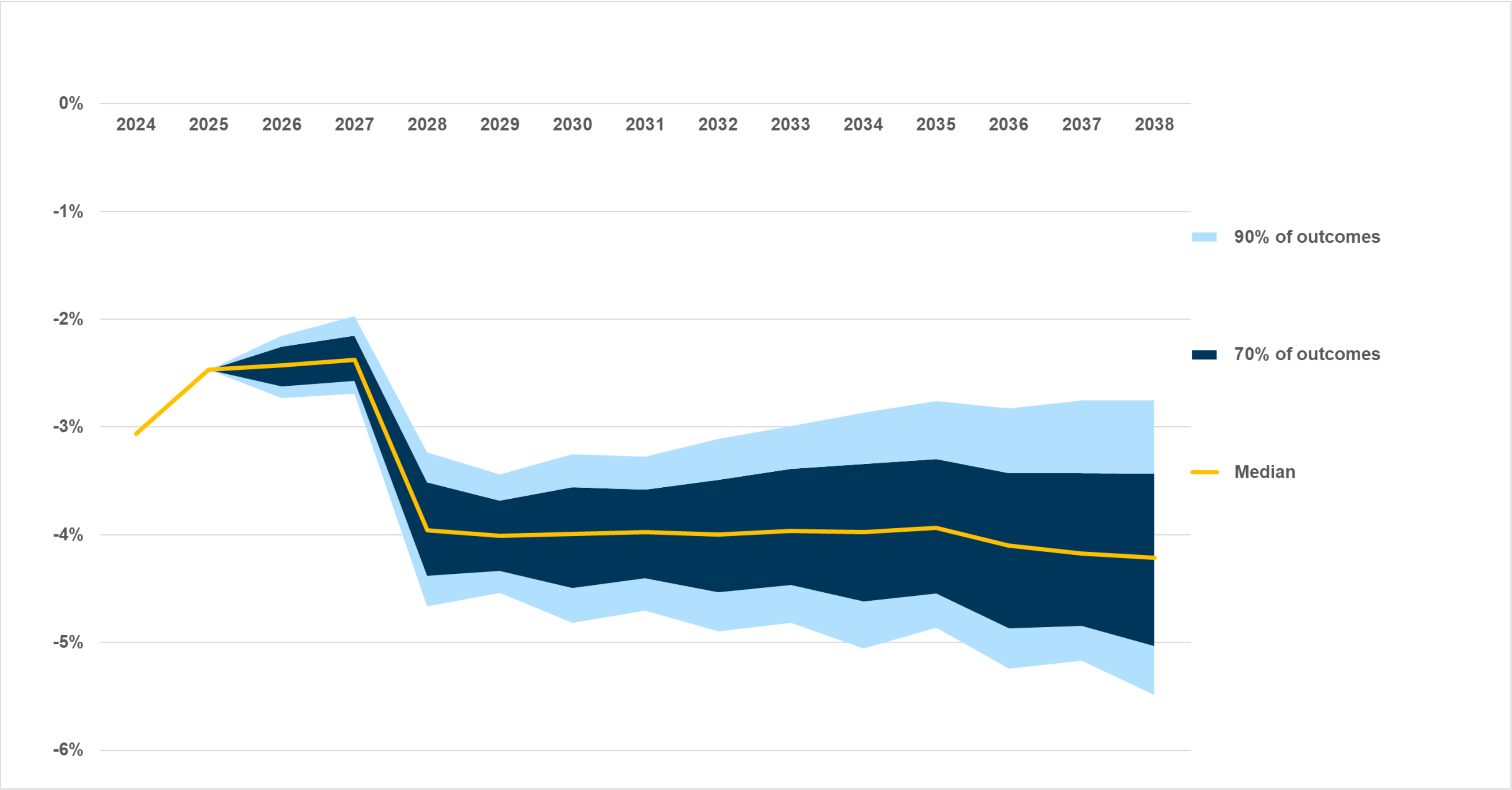
S&T Plan: NCF as % of MVA

Cone Chart: Portfolio A



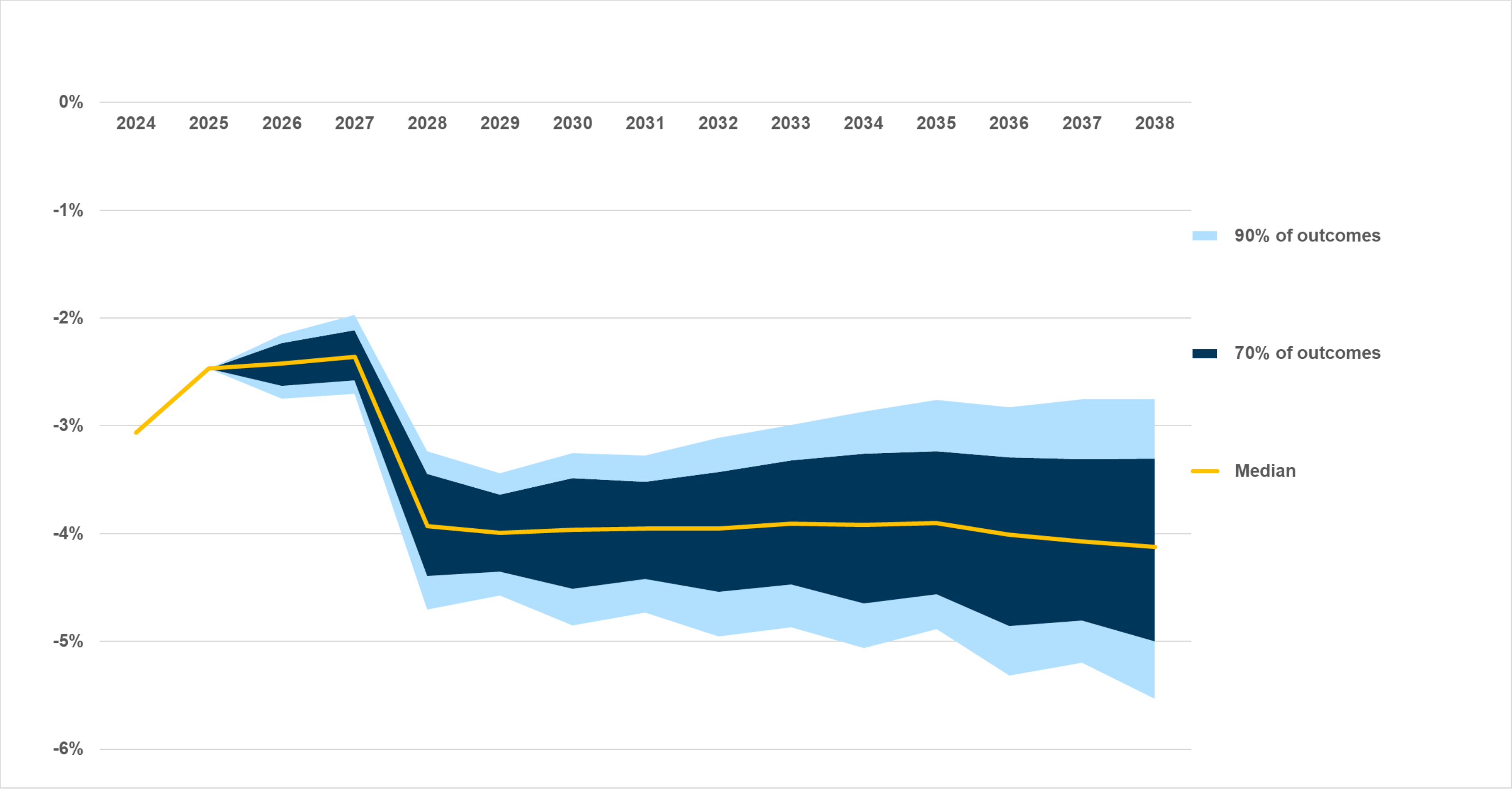
S&T Plan: NCF as % of MVA

Cone Chart: Portfolio B



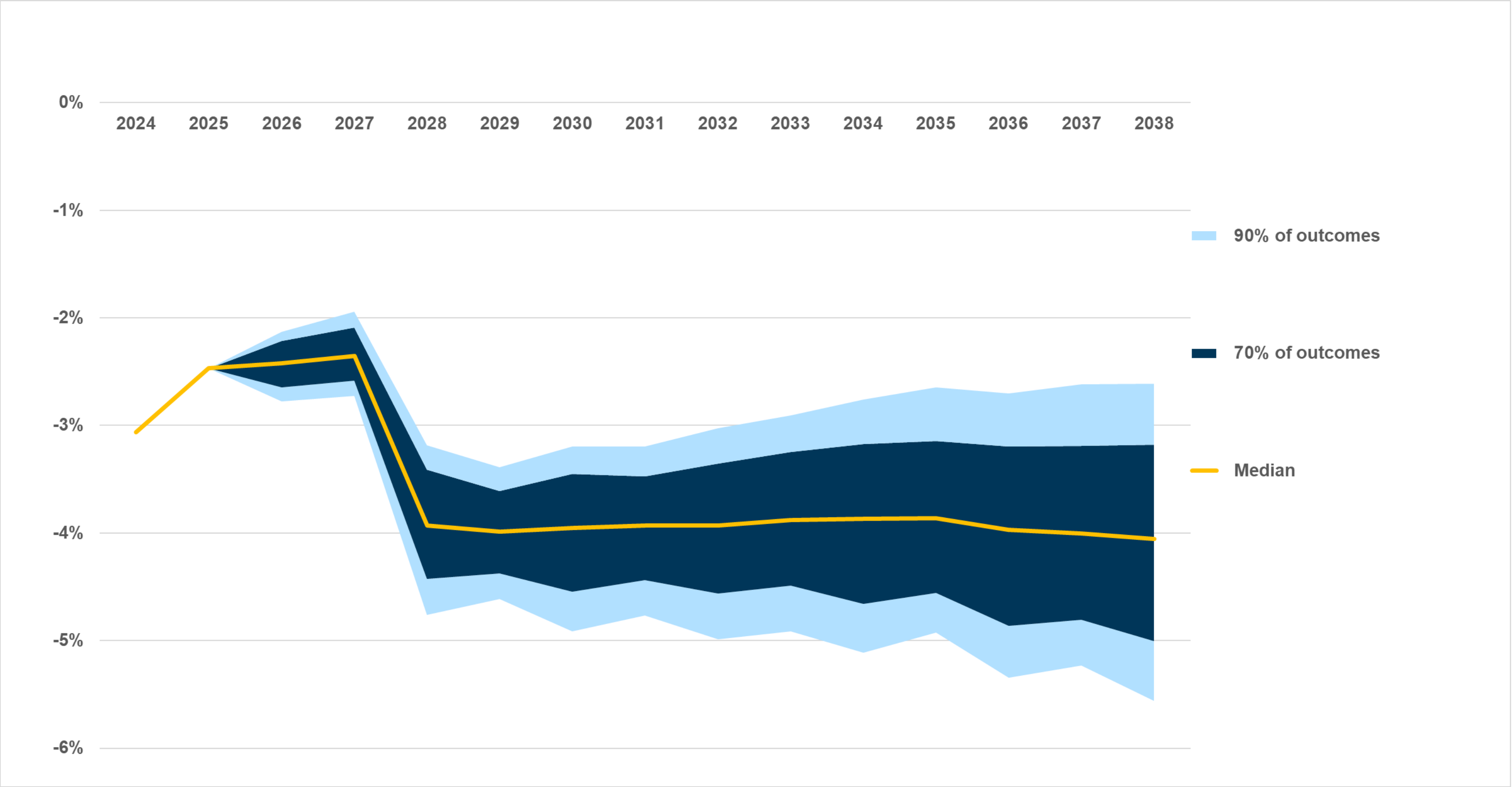
S&T Plan: NCF as % of MVA

Cone Chart: Portfolio C



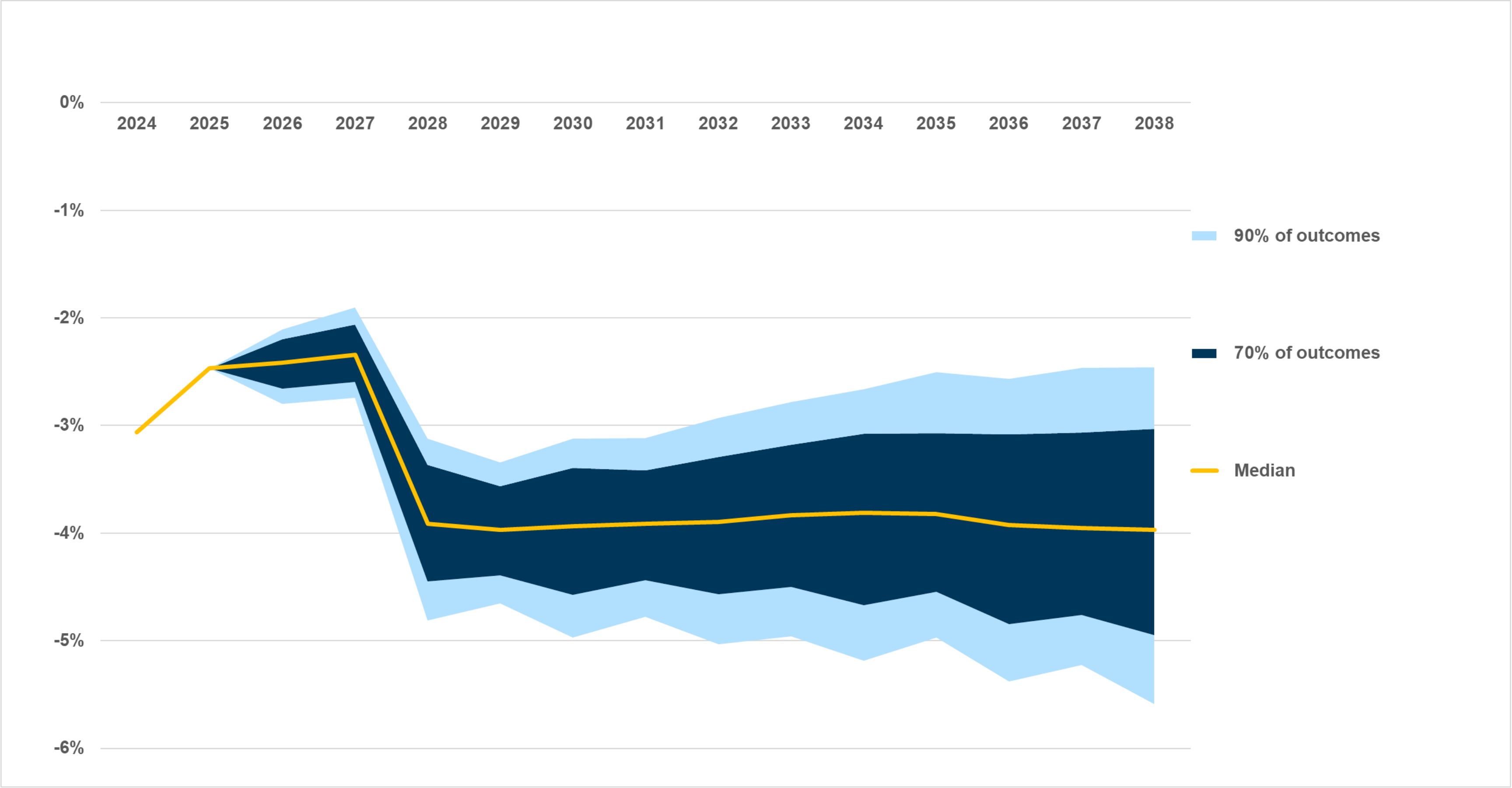
S&T Plan: NCF as % of MVA

Cone Chart: Portfolio D



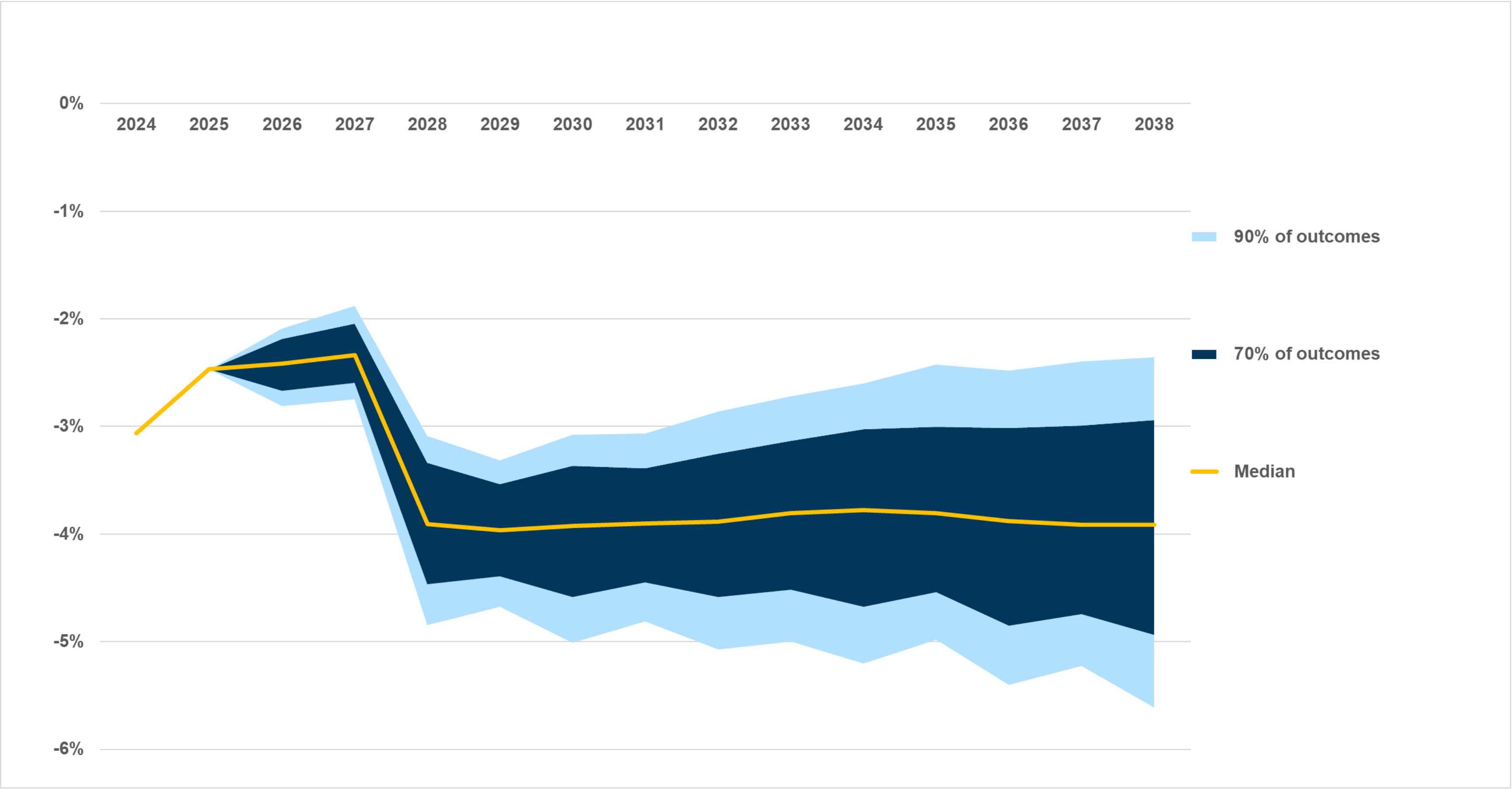
S&T Plan: NCF as % of MVA

Cone Chart: Portfolio E



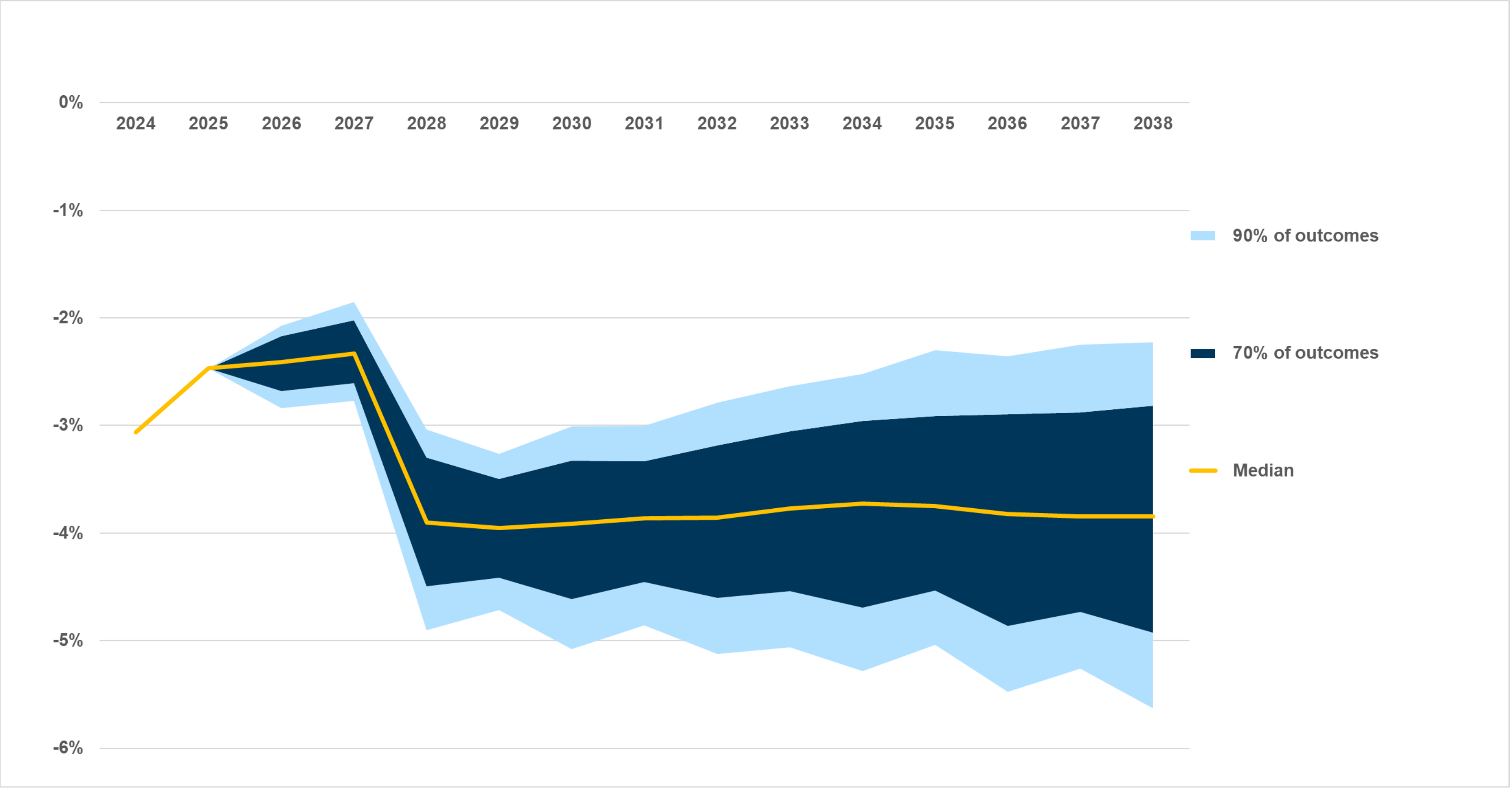
S&T Plan: NCF as % of MVA

Cone Chart: Portfolio F



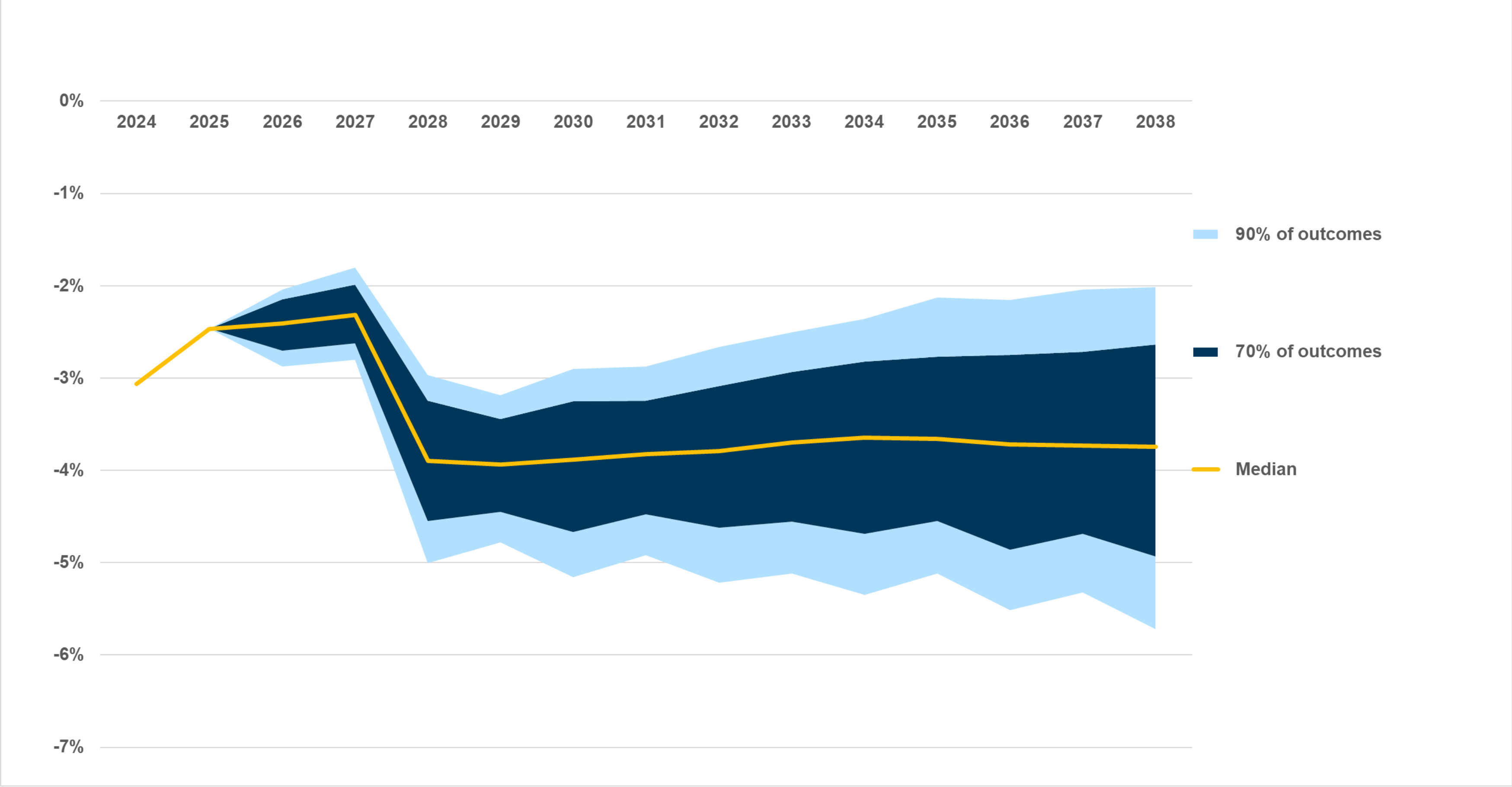
S&T Plan: NCF as % of MVA

Cone Chart: Portfolio G



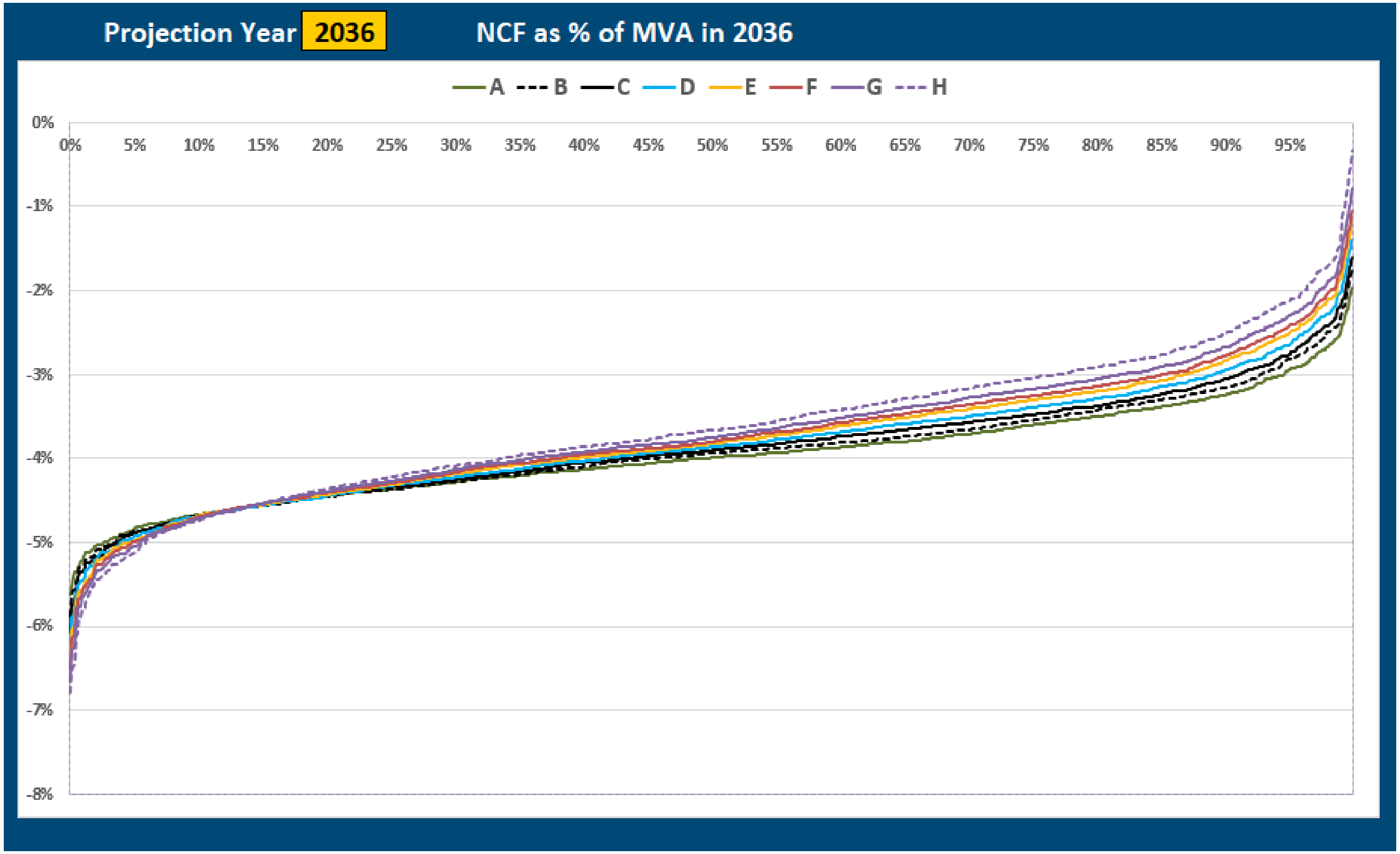
S&T Plan: NCF as % of MVA

Cone Chart: Portfolio H



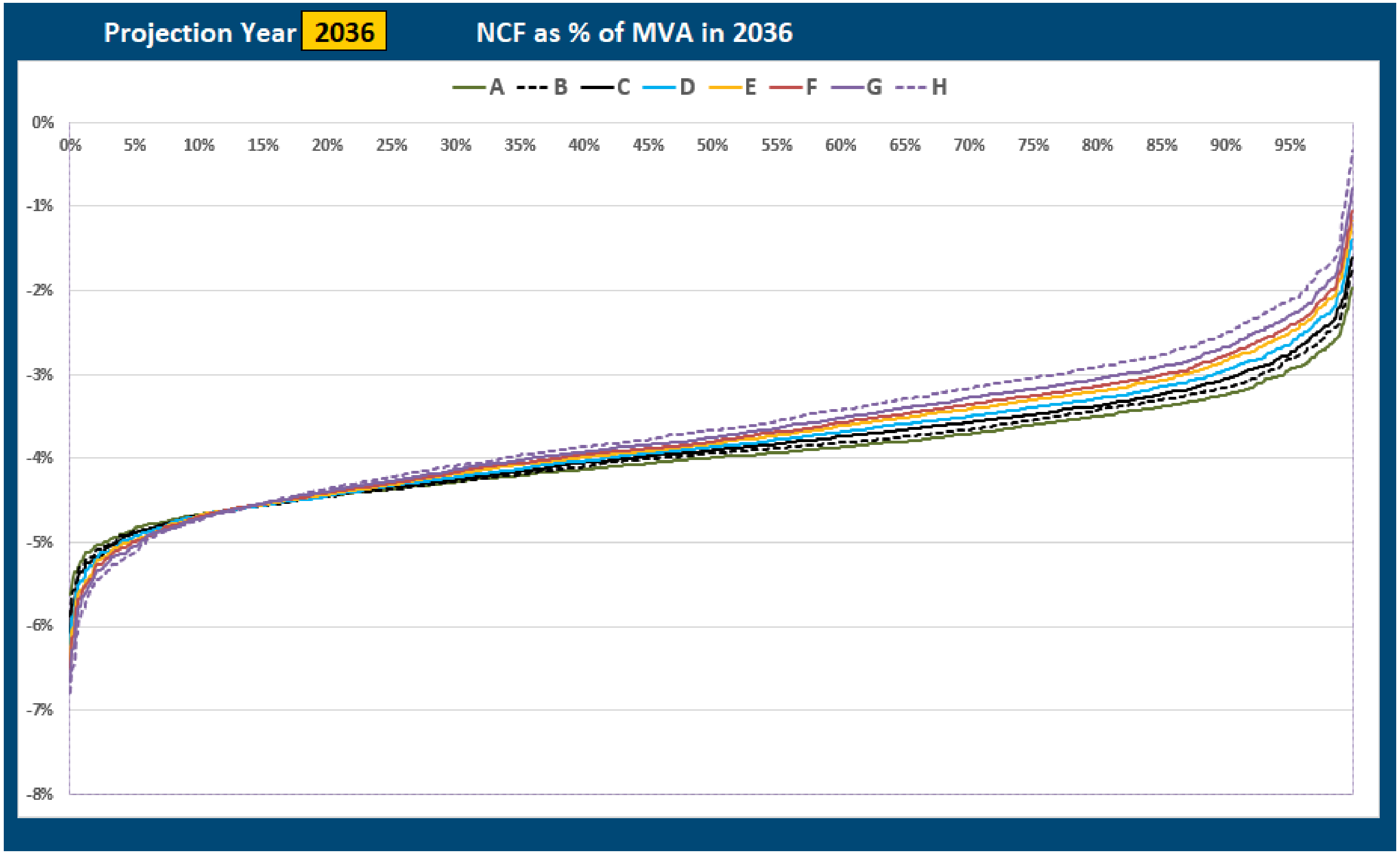
S&T Plan: NCF as % of MVA

Sorted Percentiles Chart



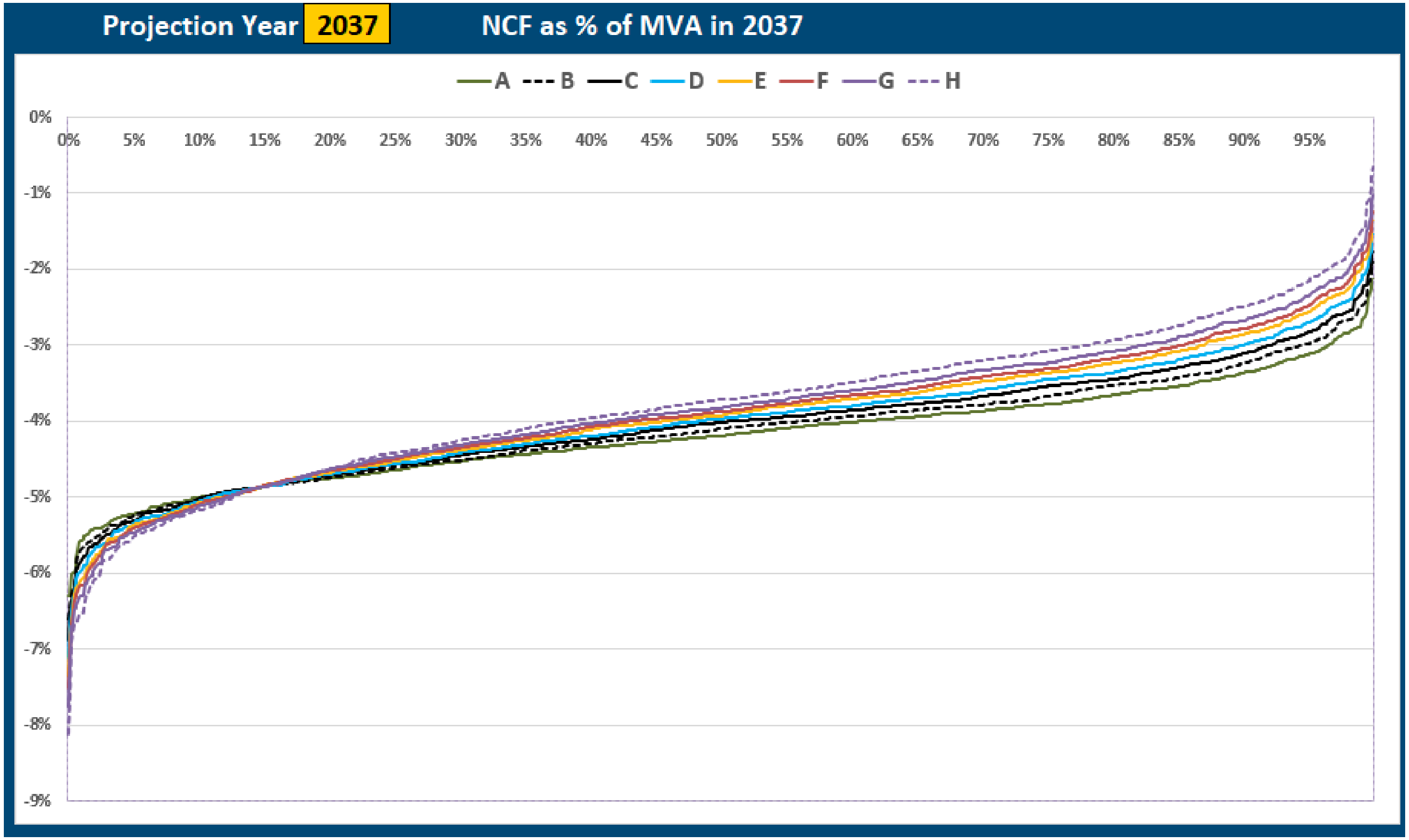
S&T Plan: NCF as % of MVA

Sorted Percentiles Chart



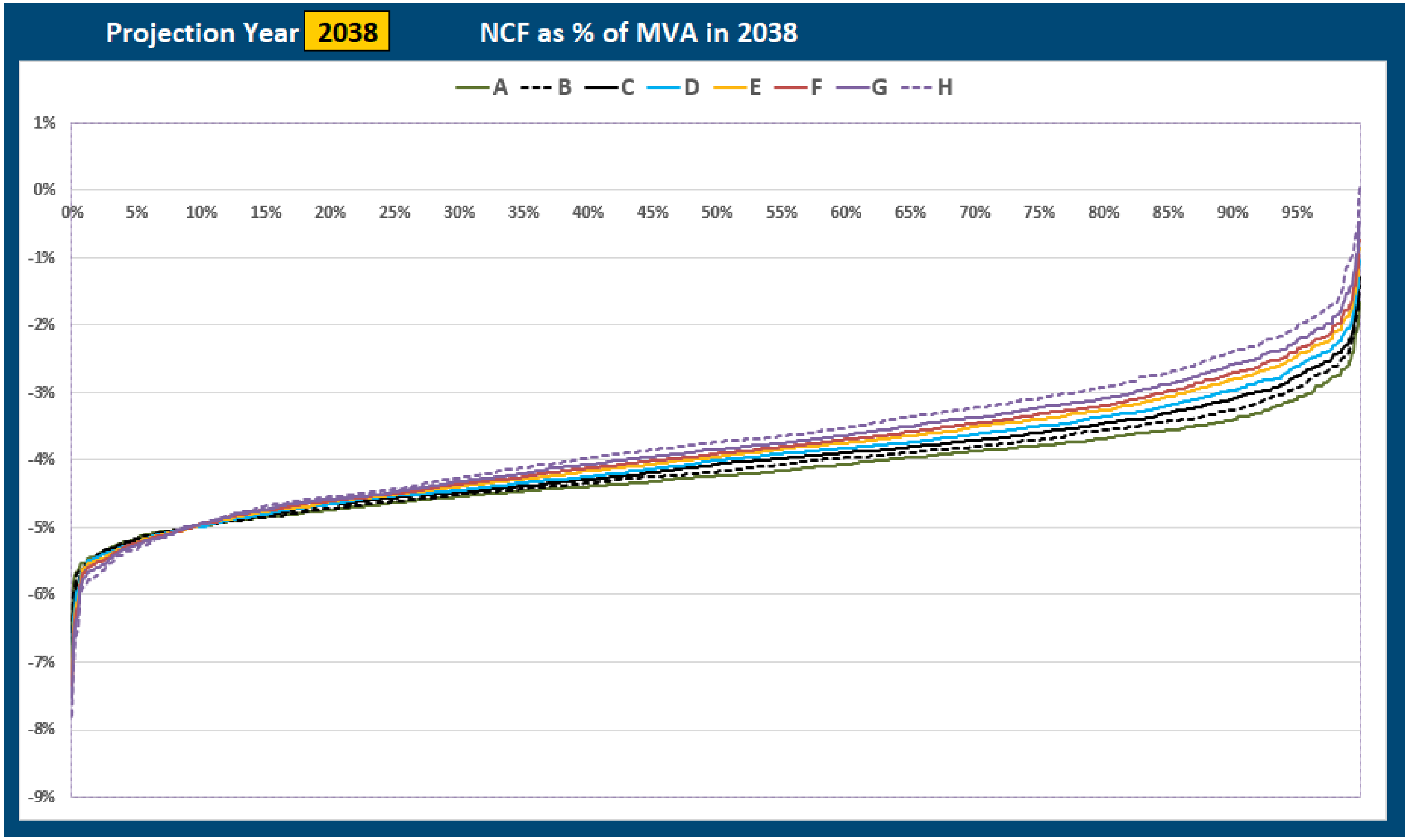
S&T Plan: NCF as % of MVA

Sorted Percentiles Chart



S&T Plan: NCF as % of MVA

Sorted Percentiles Chart



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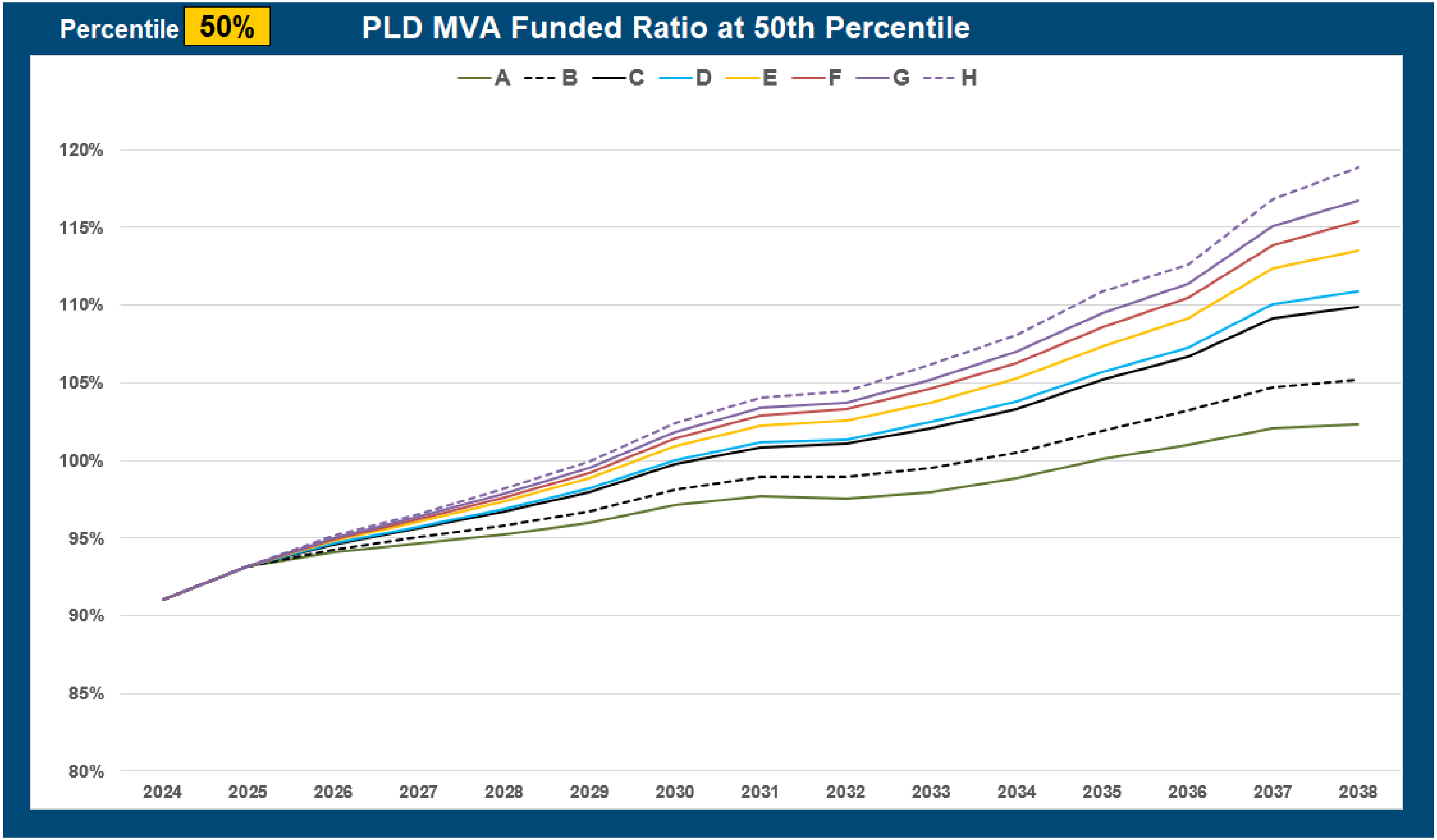
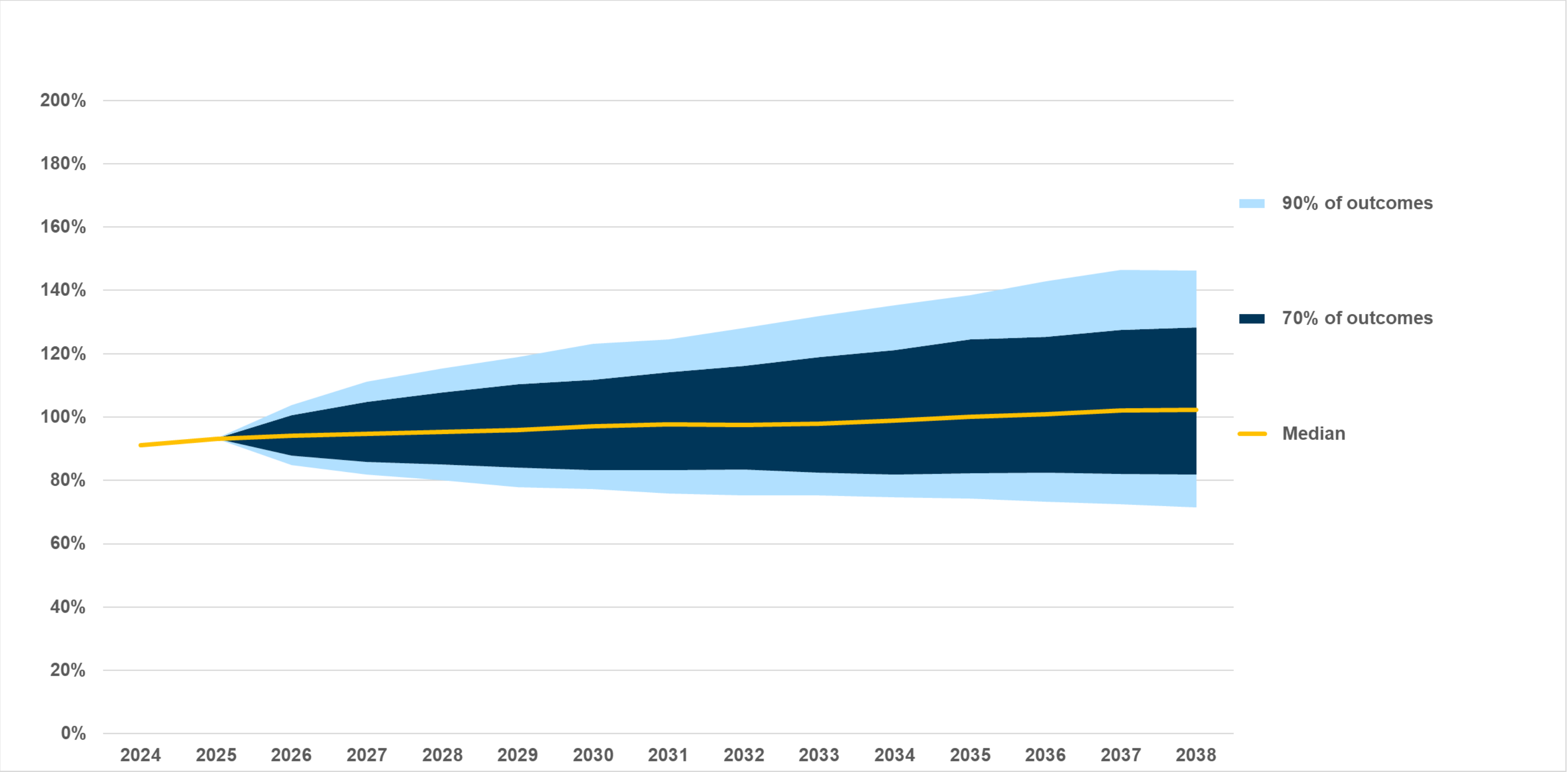
Appendix 2
Asset Liability Study:
PLD Charts

PLD Plan: MVA Funded Ratio



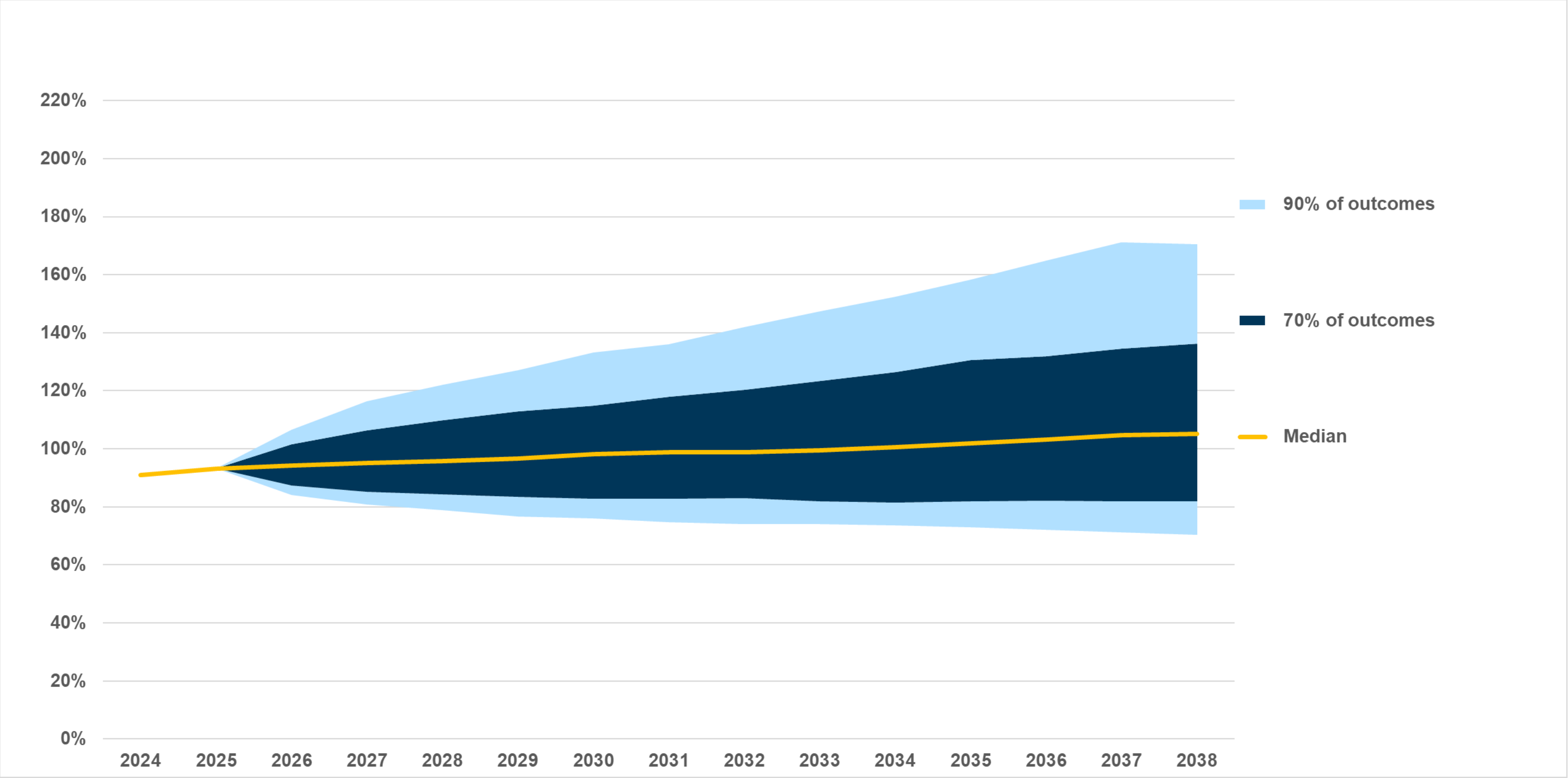
PLD Plan: MVA Funded Ratio

Cone Chart: Portfolio A



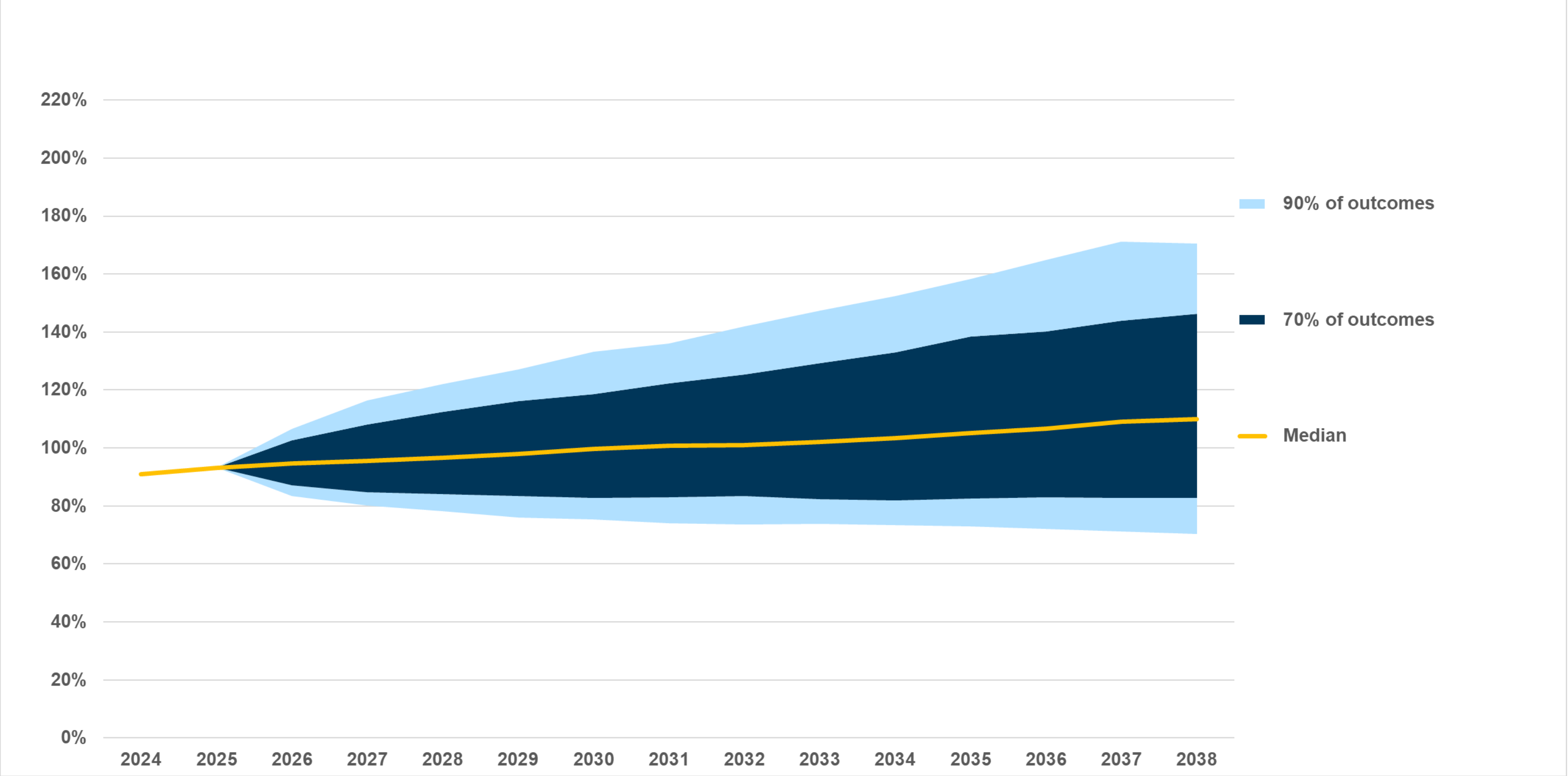
PLD Plan: MVA Funded Ratio

Cone Chart: Portfolio B



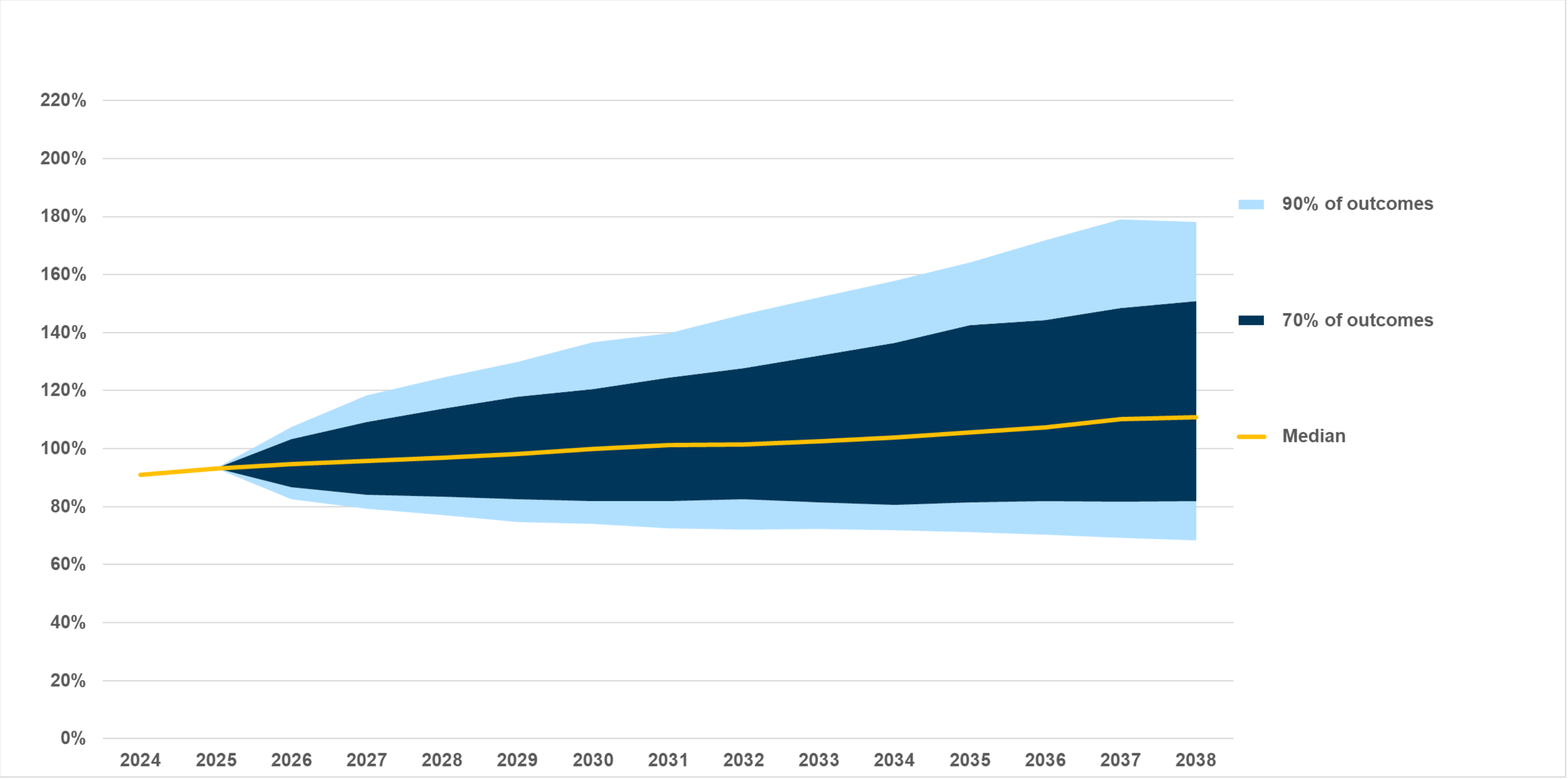
PLD Plan: MVA Funded Ratio

Cone Chart: Portfolio C



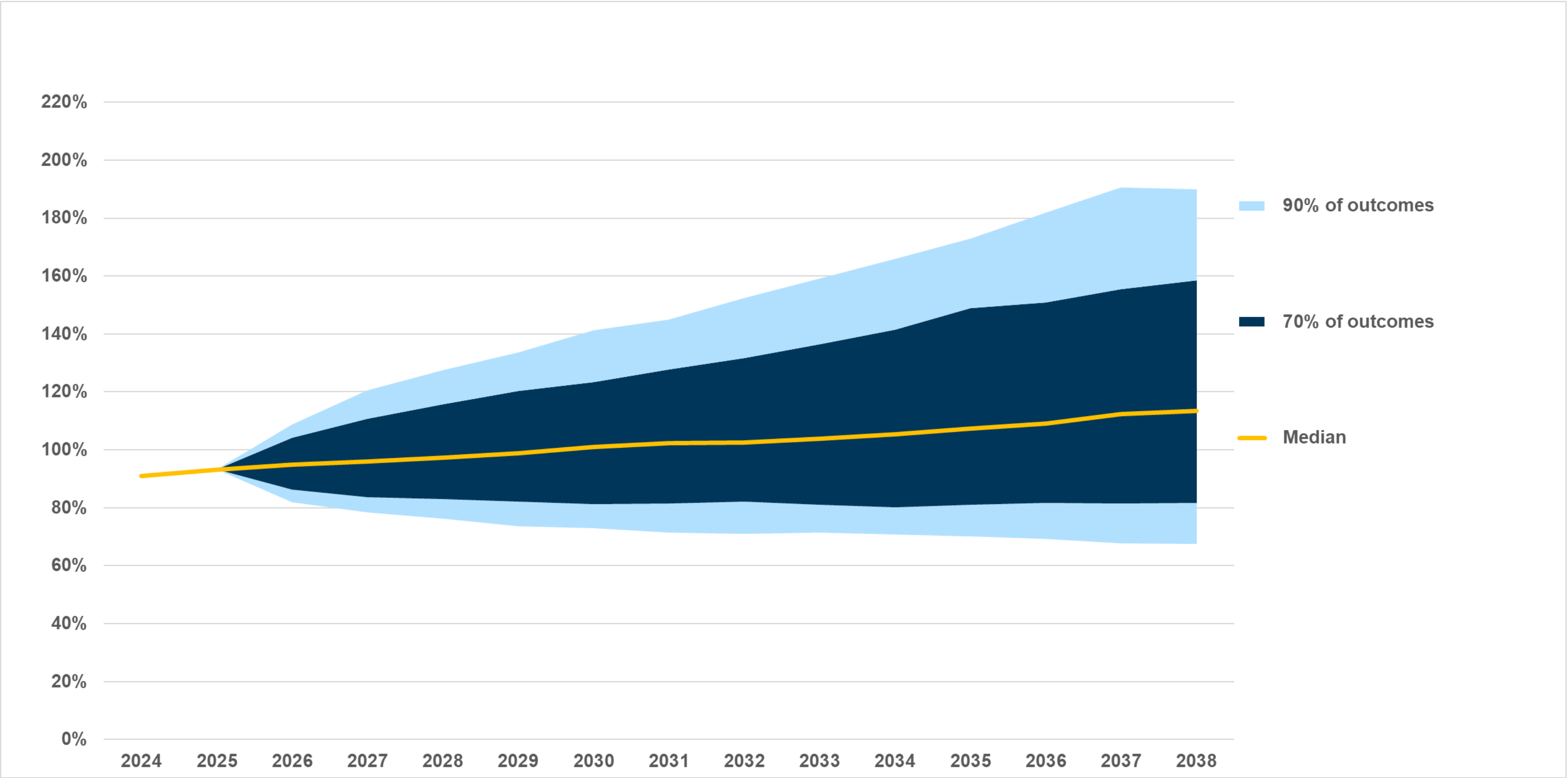
PLD Plan: MVA Funded Ratio

Cone Chart: Portfolio D



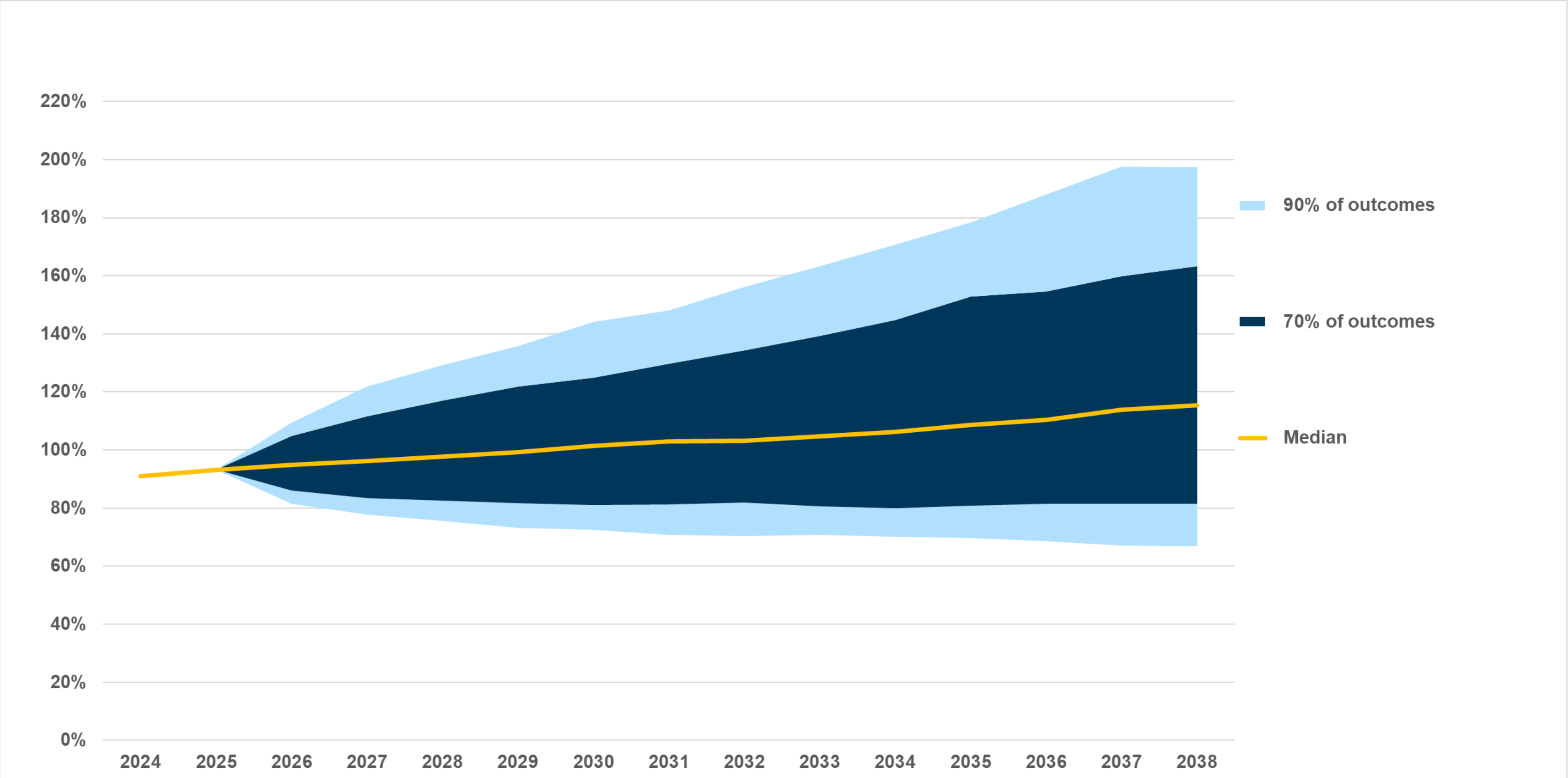
PLD Plan: MVA Funded Ratio

Cone Chart: Portfolio E



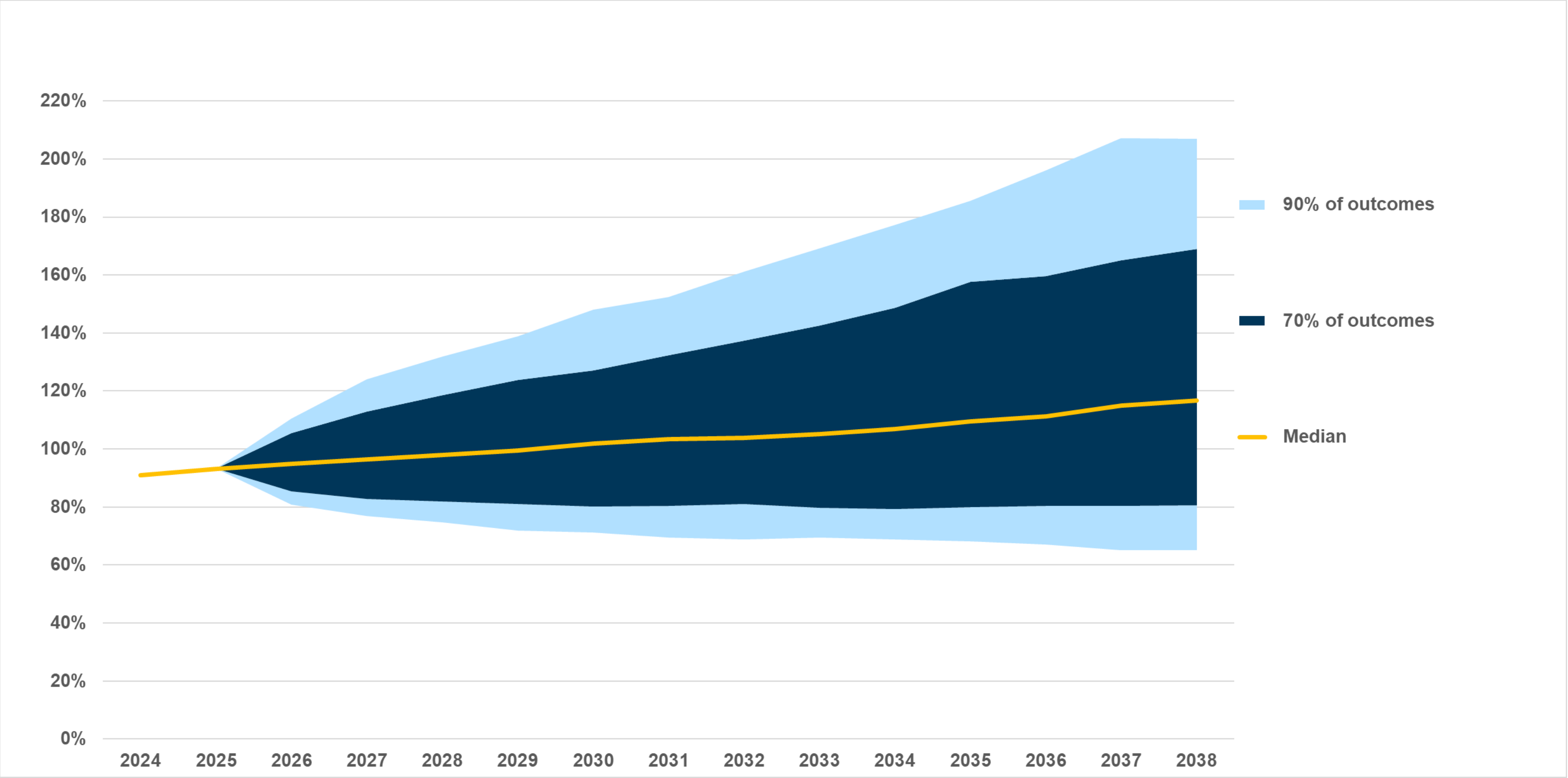
PLD Plan: MVA Funded Ratio

Cone Chart: Portfolio F



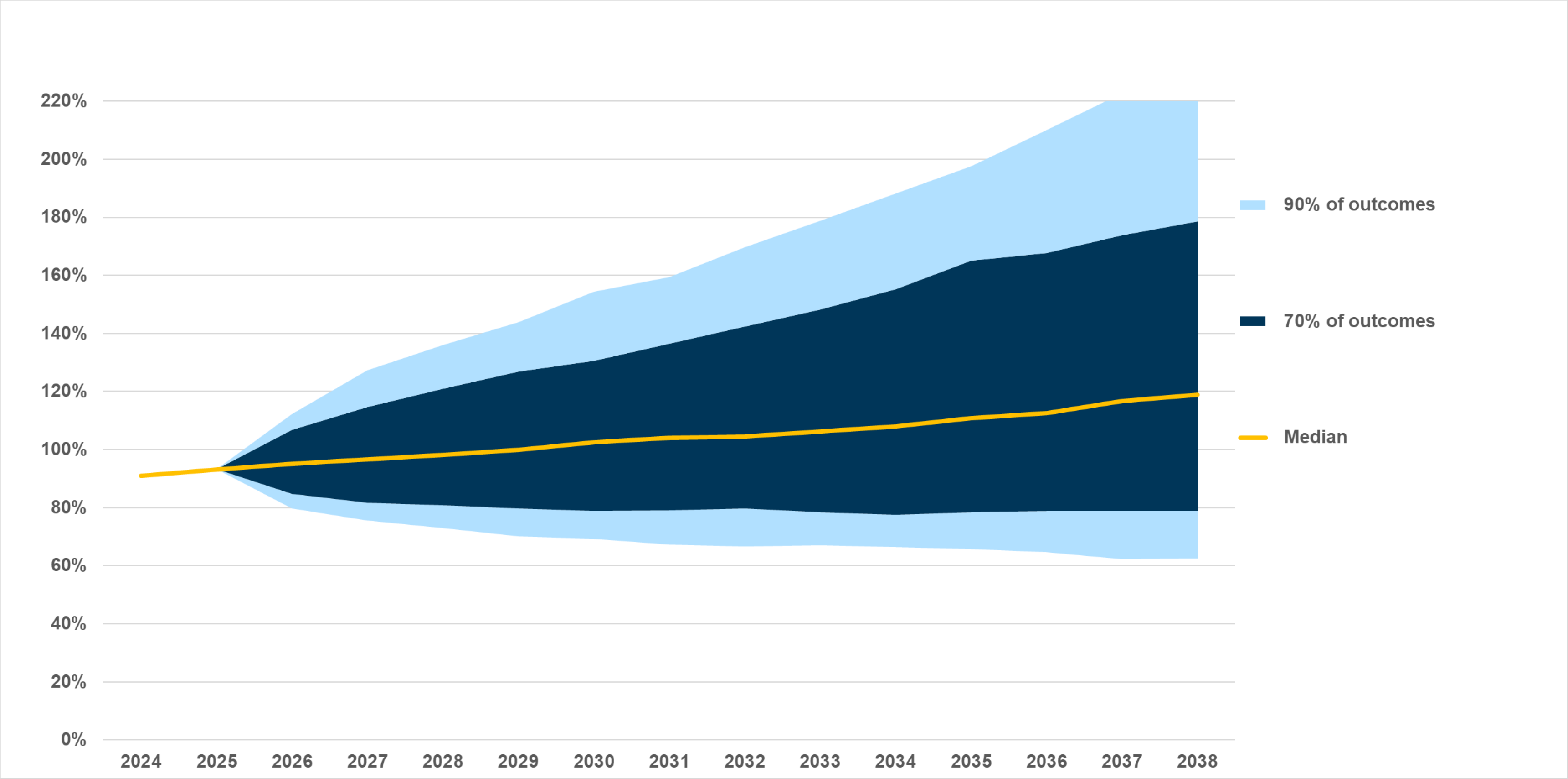
PLD Plan: MVA Funded Ratio

Cone Chart: Portfolio G



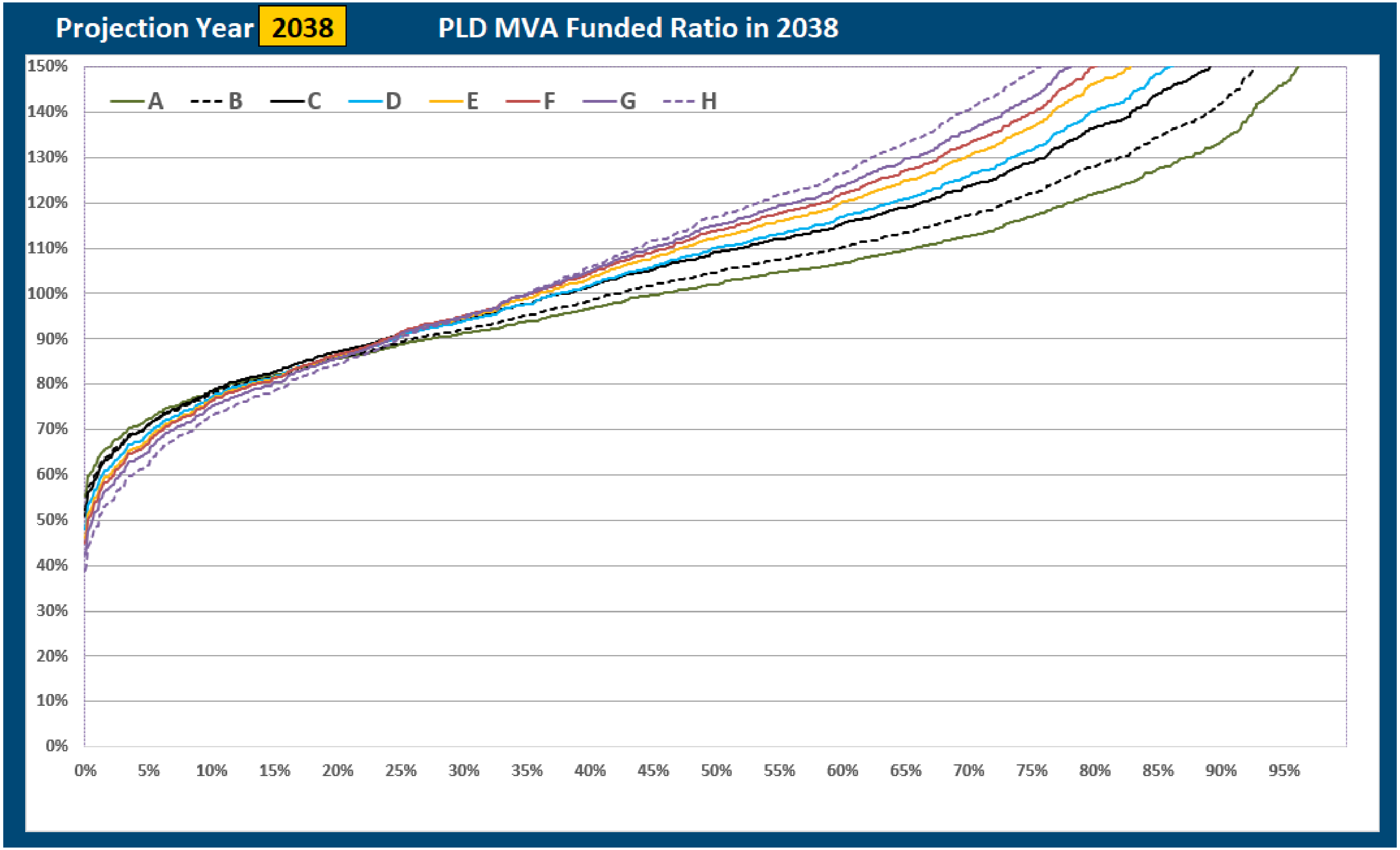
PLD Plan: MVA Funded Ratio

Cone Chart: Portfolio H

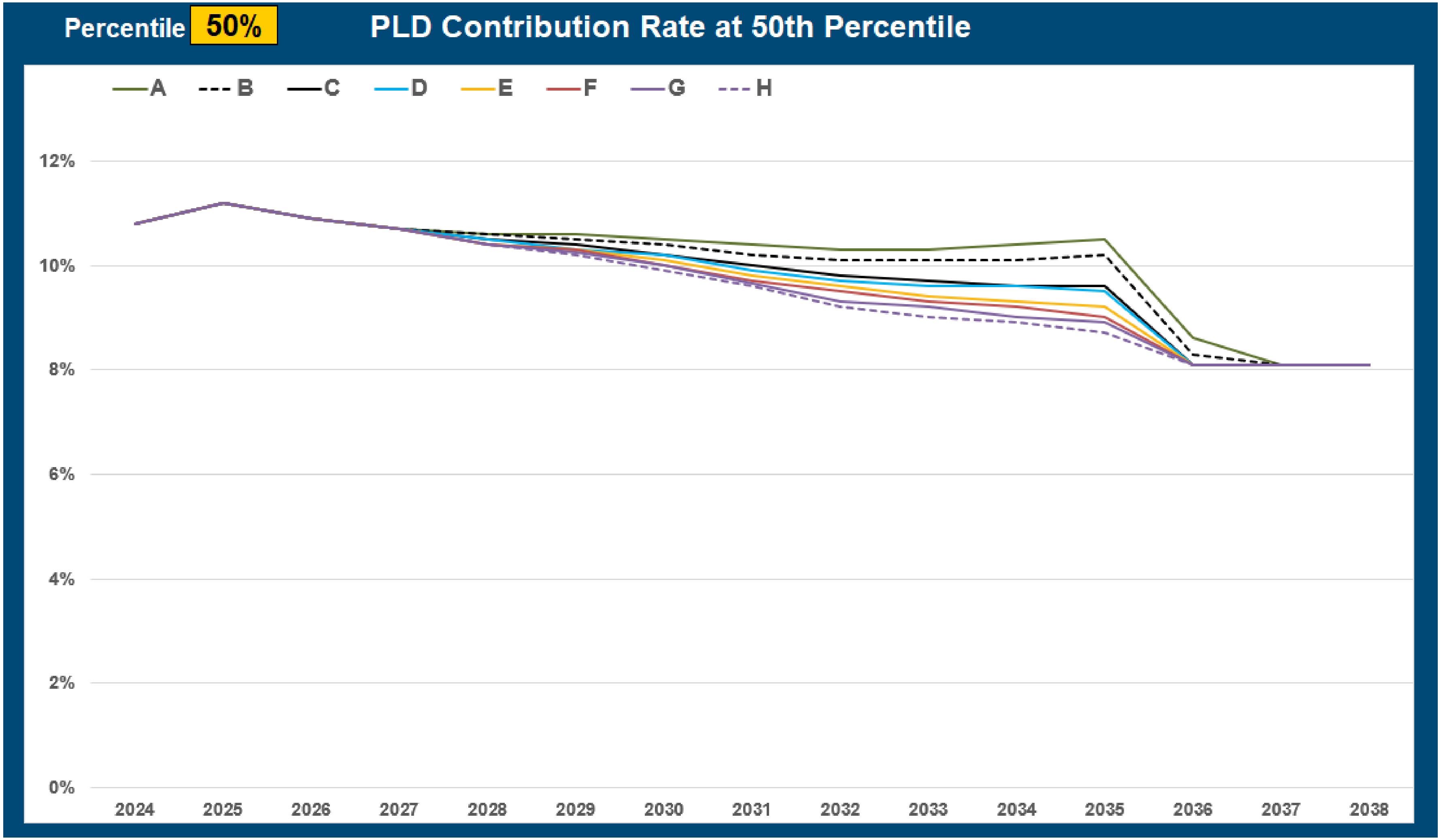


PLD Plan: MVA Funded Ratio

Sorted Percentiles Chart

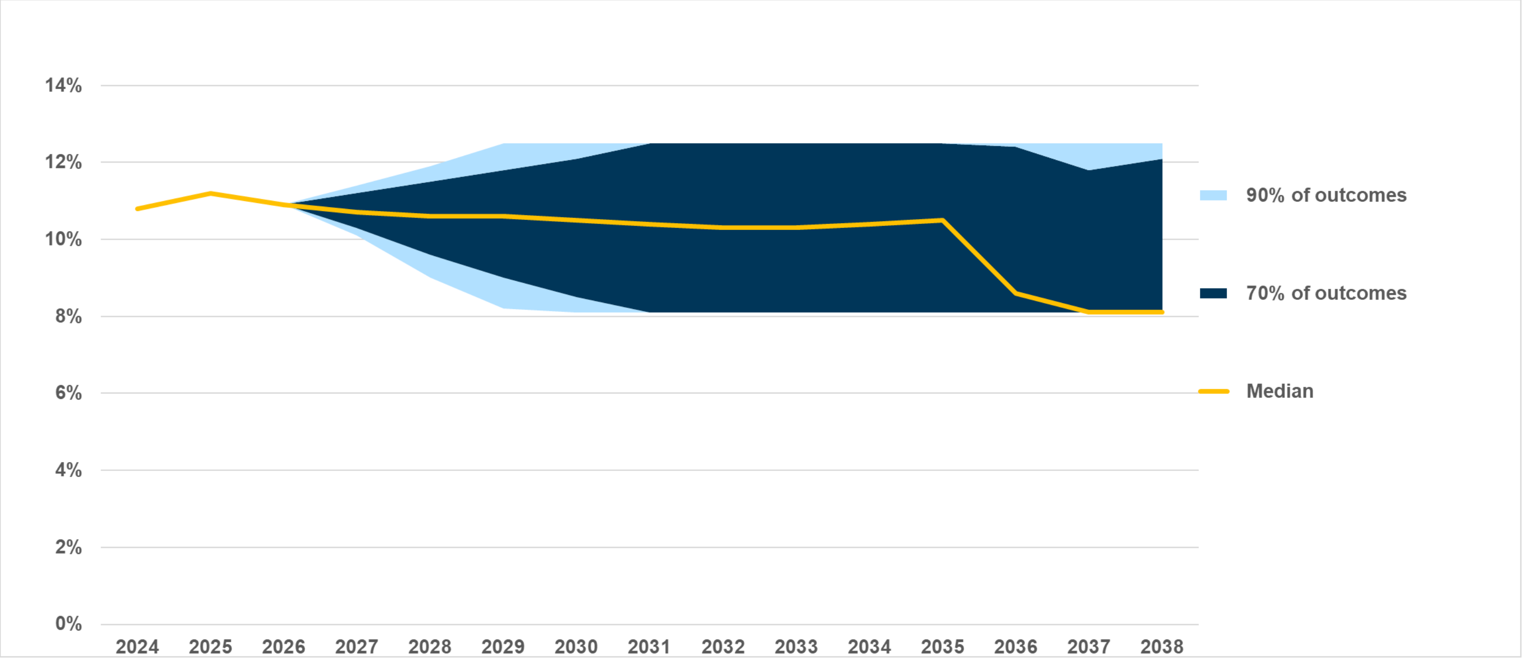


PLD Plan: PLD ER Contribution Rate



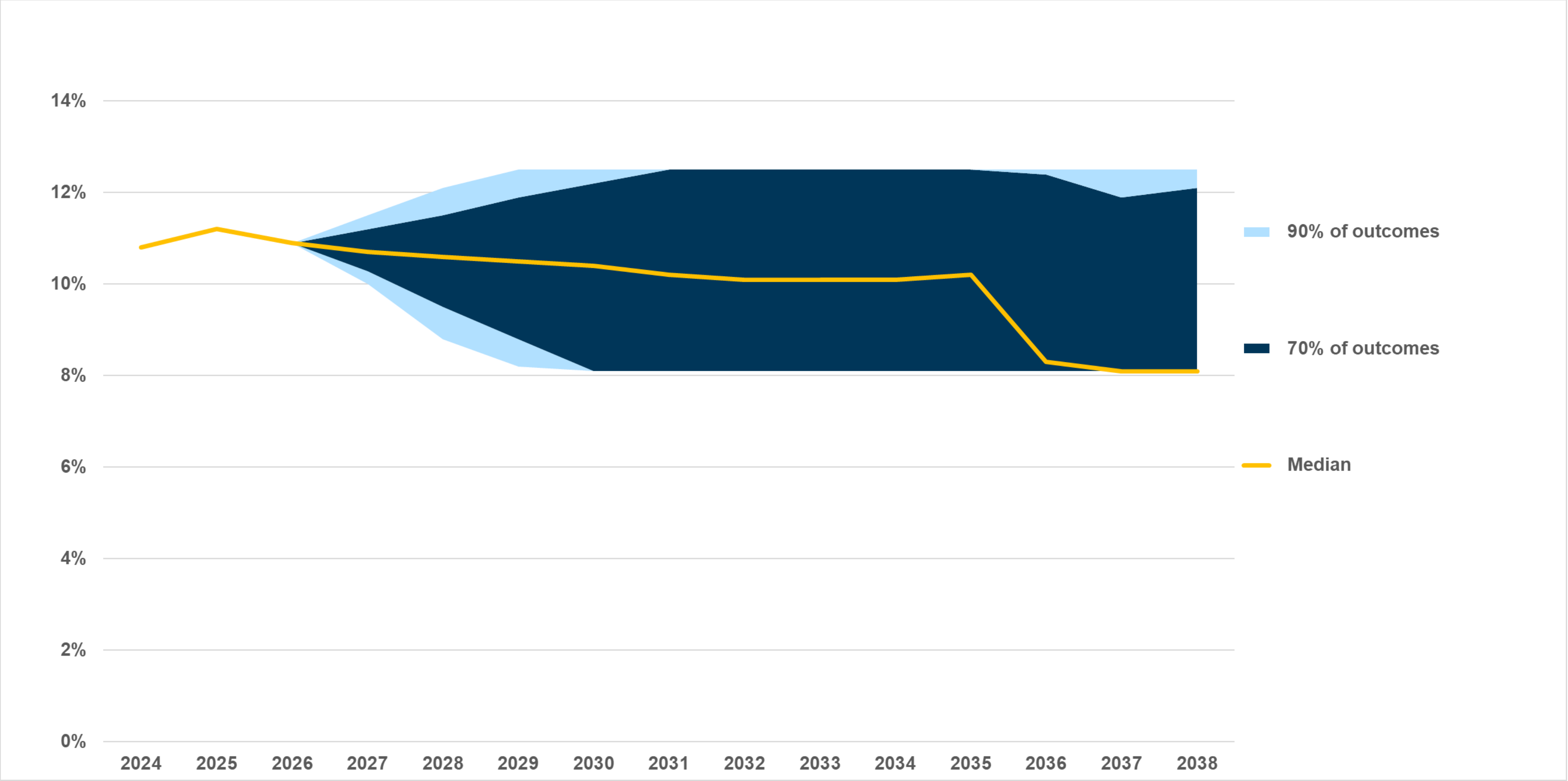
PLD Plan: PLD ER Contribution Rate

Cone Chart: Portfolio A



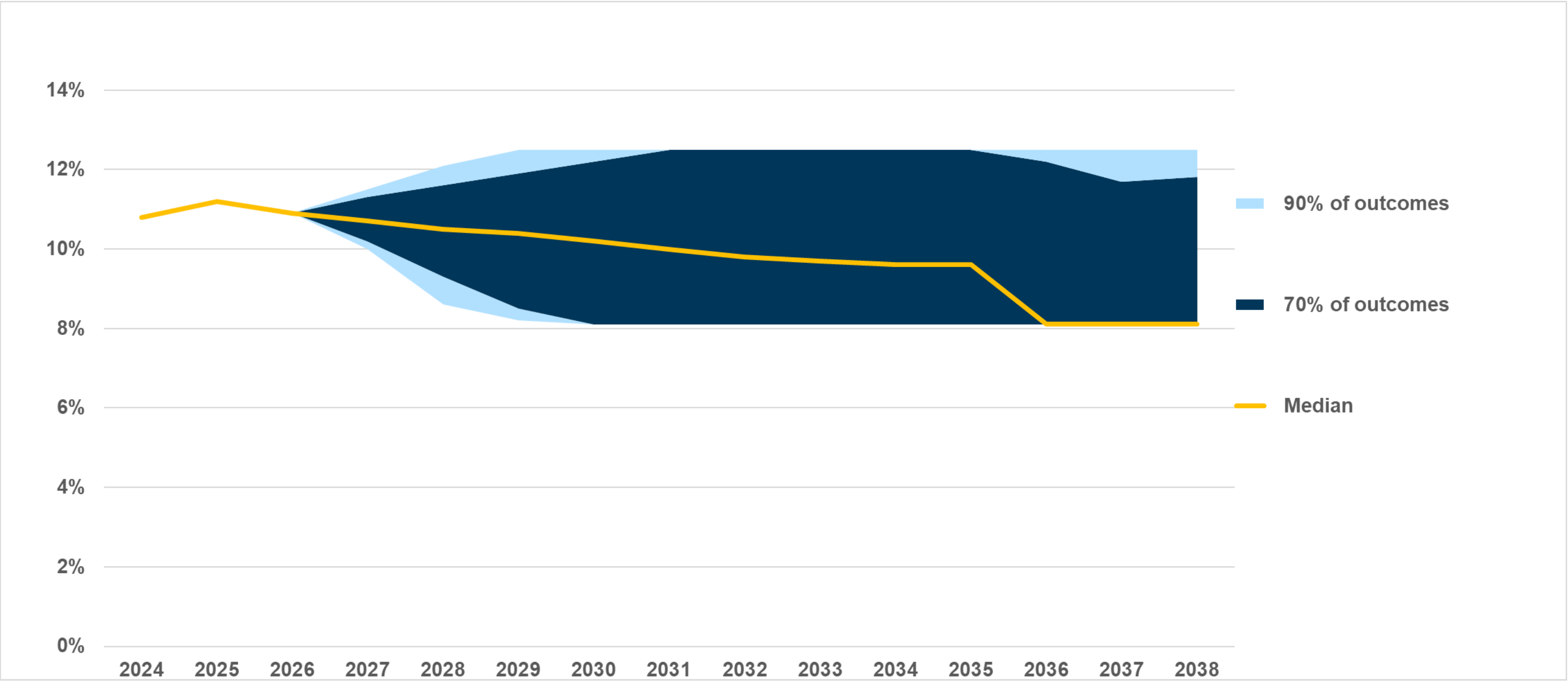
PLD Plan: PLD ER Contribution Rate

Cone Chart: Portfolio B



PLD Plan: PLD ER Contribution Rate

Cone Chart: Portfolio C



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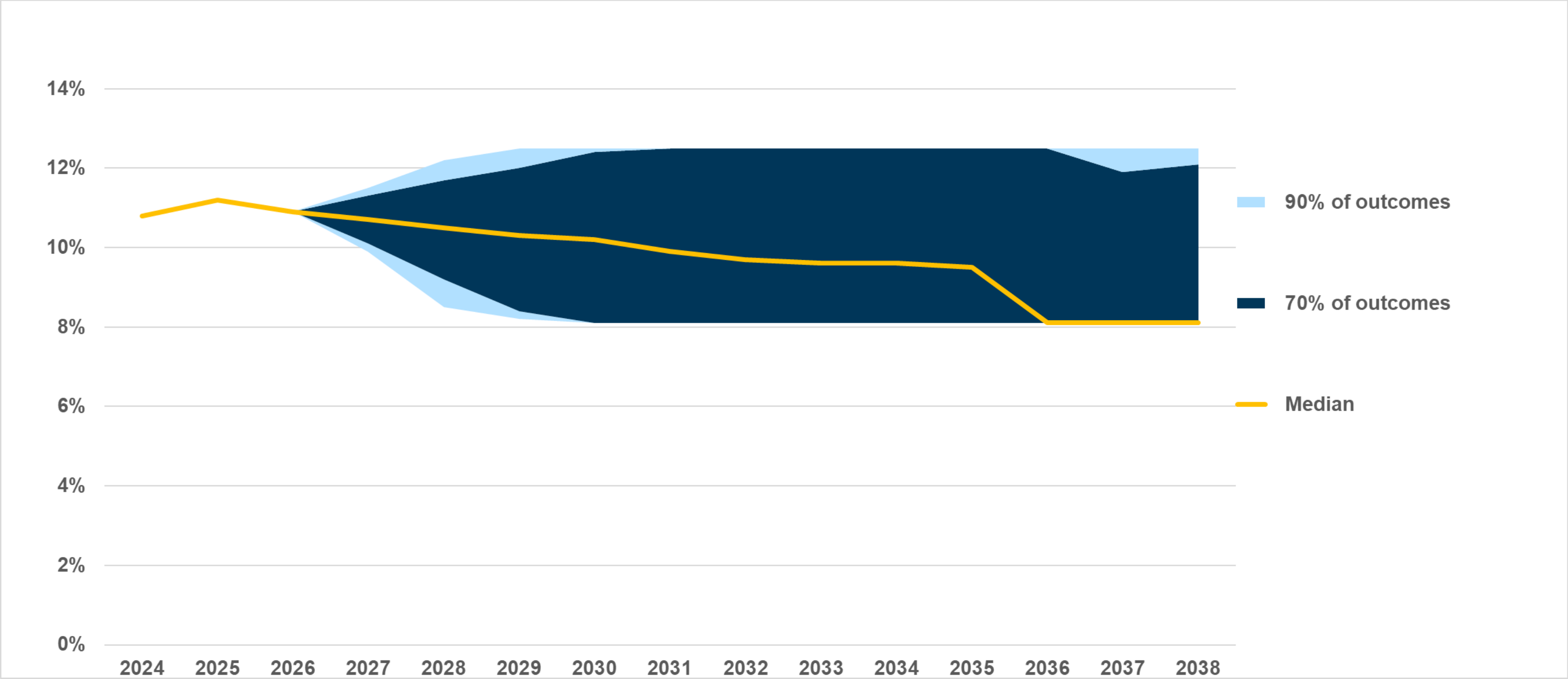
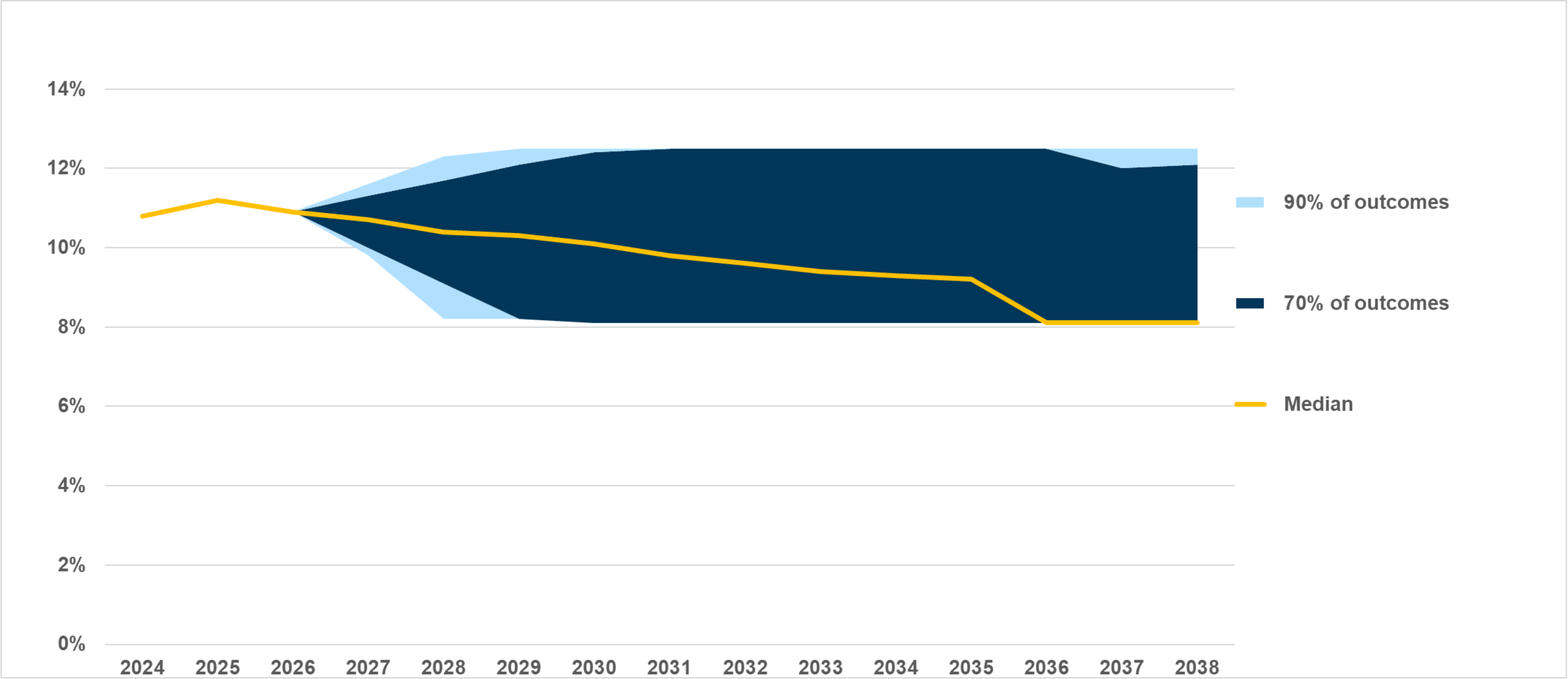
PLD Plan: PLD ER Contribution Rate

Cone Chart: Portfolio D



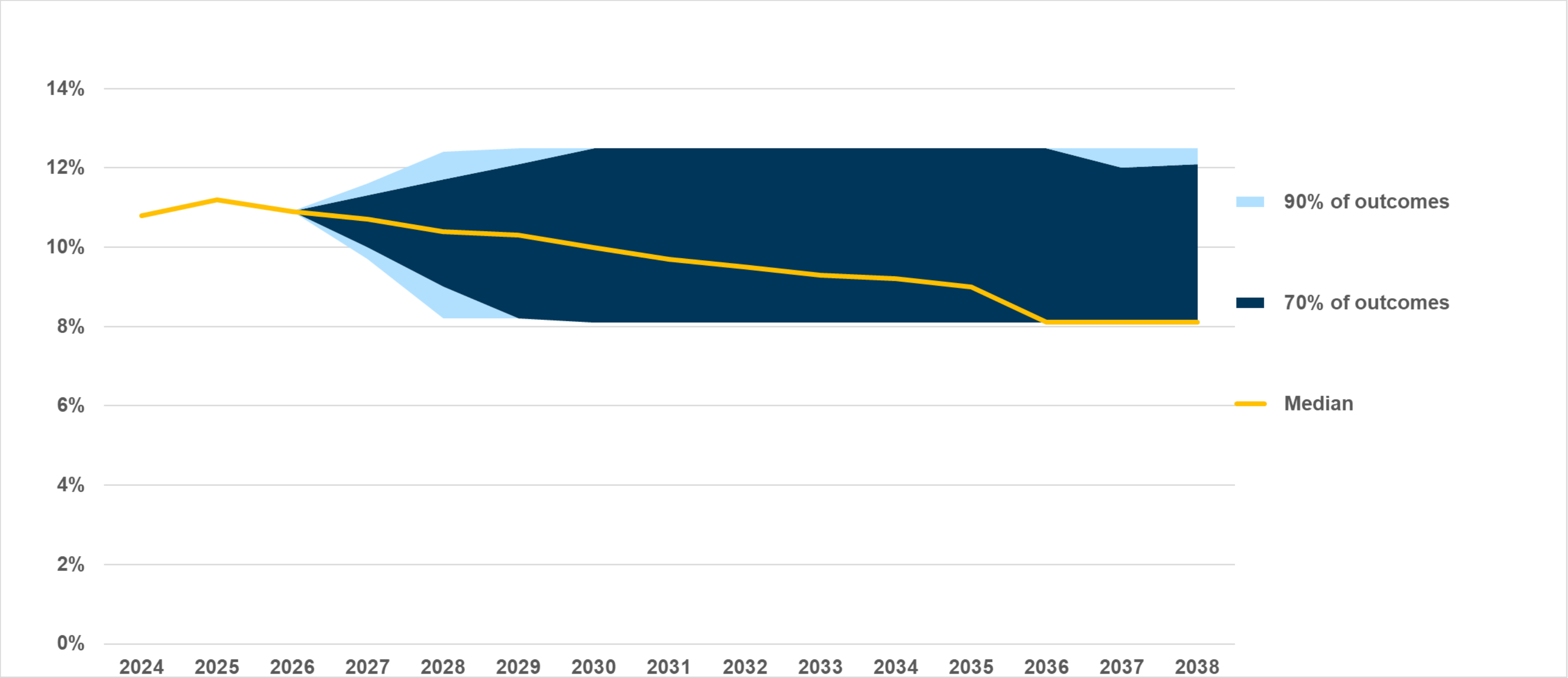
PLD Plan: PLD ER Contribution Rate

Cone Chart: Portfolio E



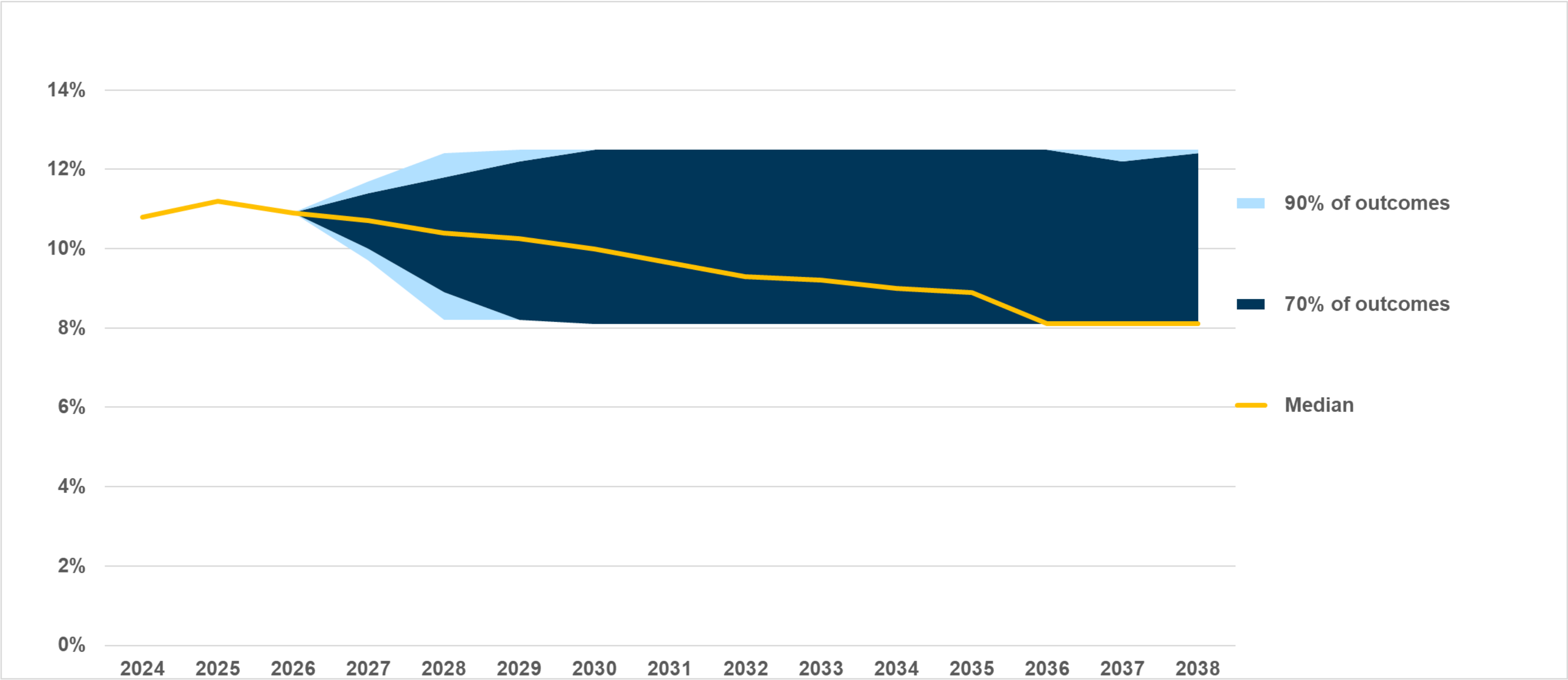
PLD Plan: PLD ER Contribution Rate

Cone Chart: Portfolio F



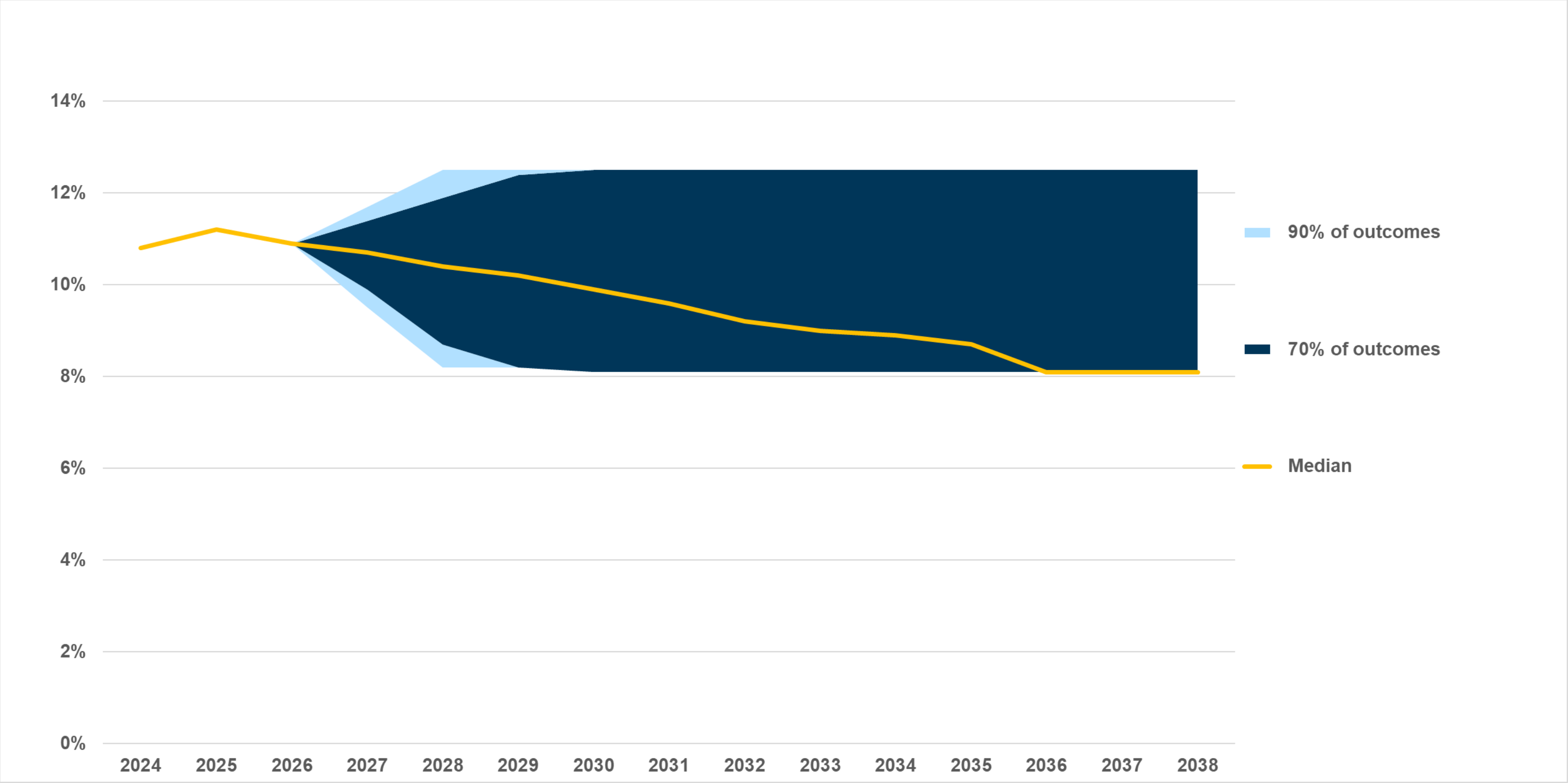
PLD Plan: PLD ER Contribution Rate

Cone Chart: Portfolio G



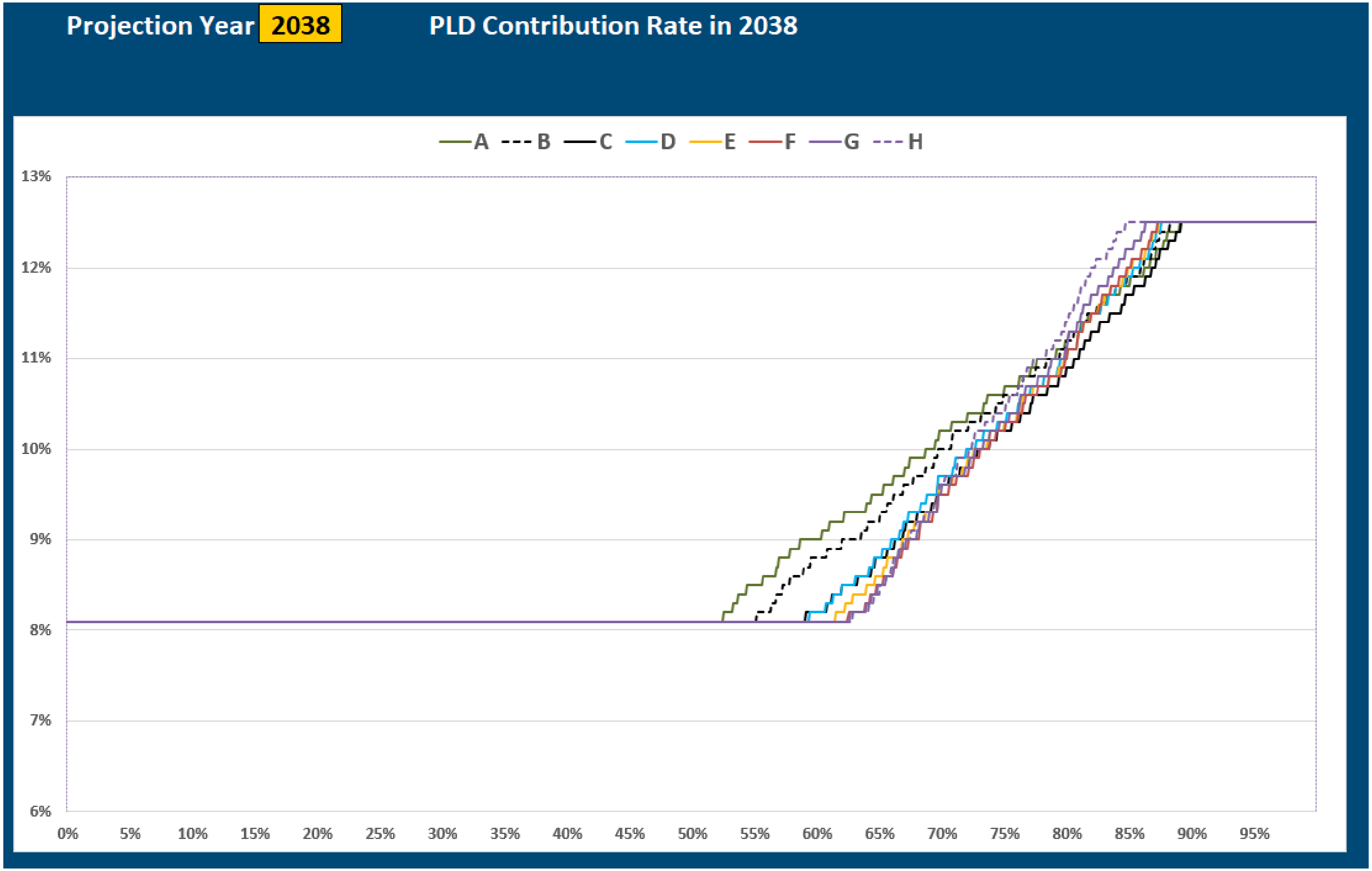
PLD Plan: PLD ER Contribution Rate

Cone Chart: Portfolio H

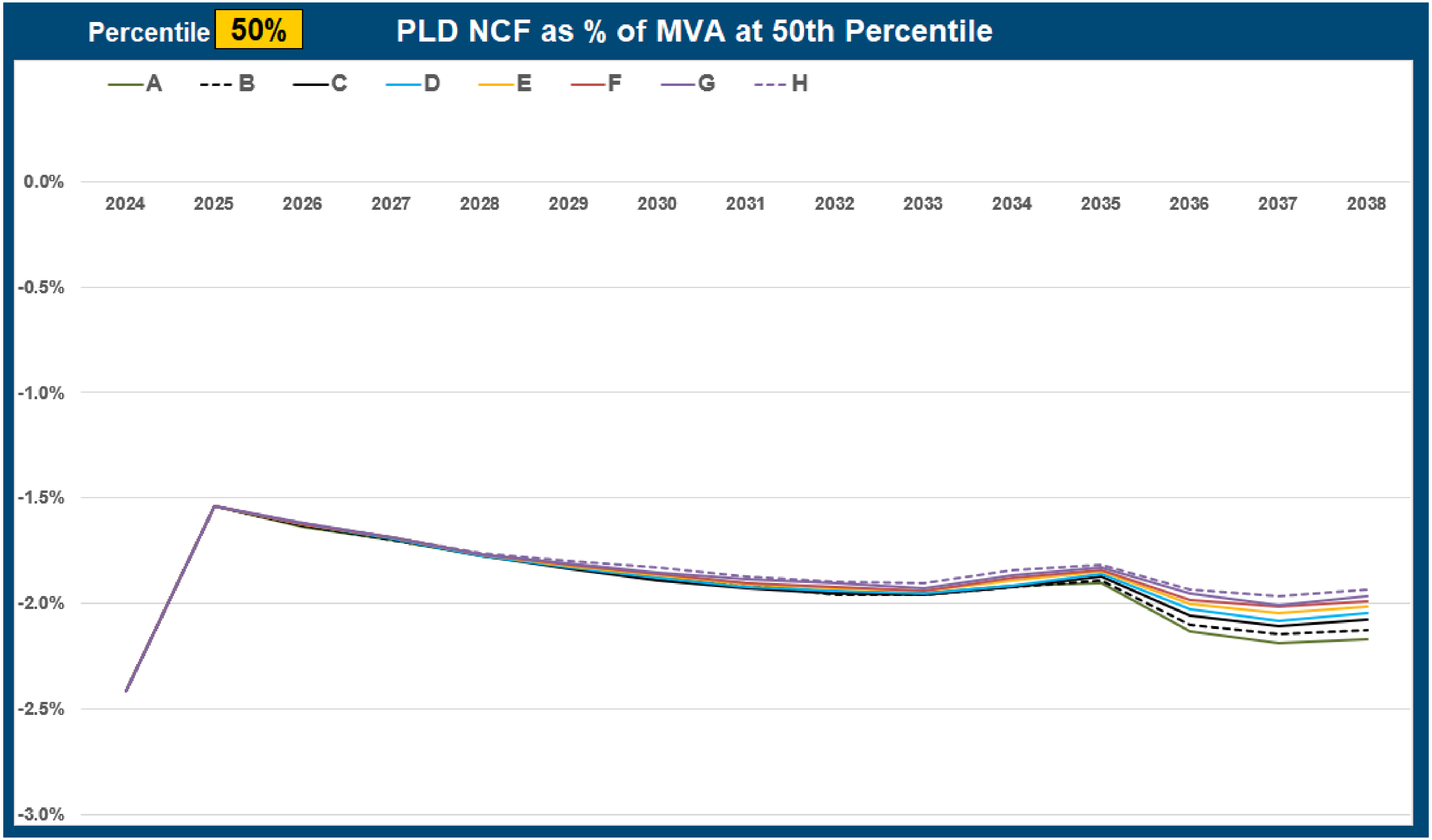


PLD Plan: PLD ER Contribution Rate

Sorted Percentiles Chart

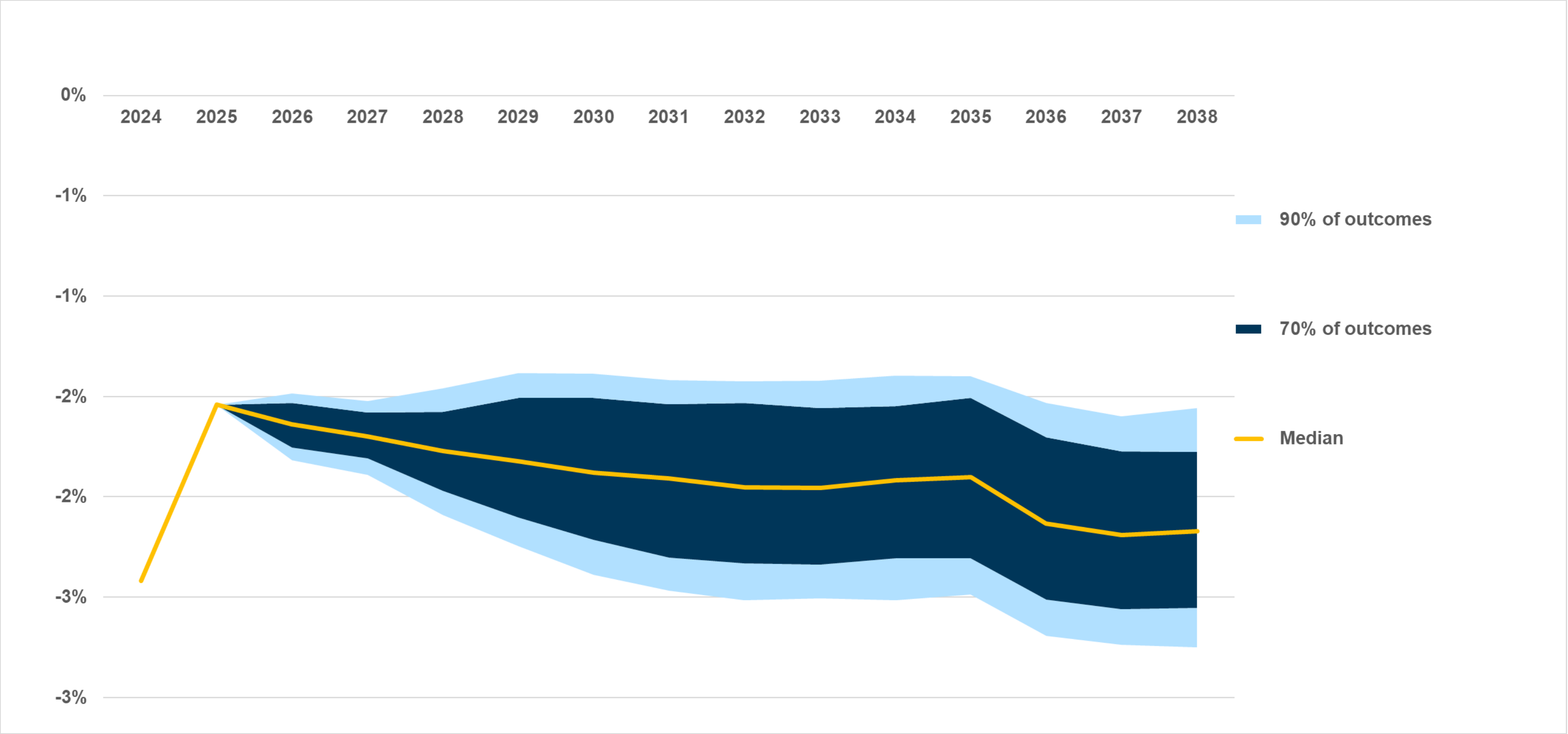


PLD Plan: NCF as % of MVA



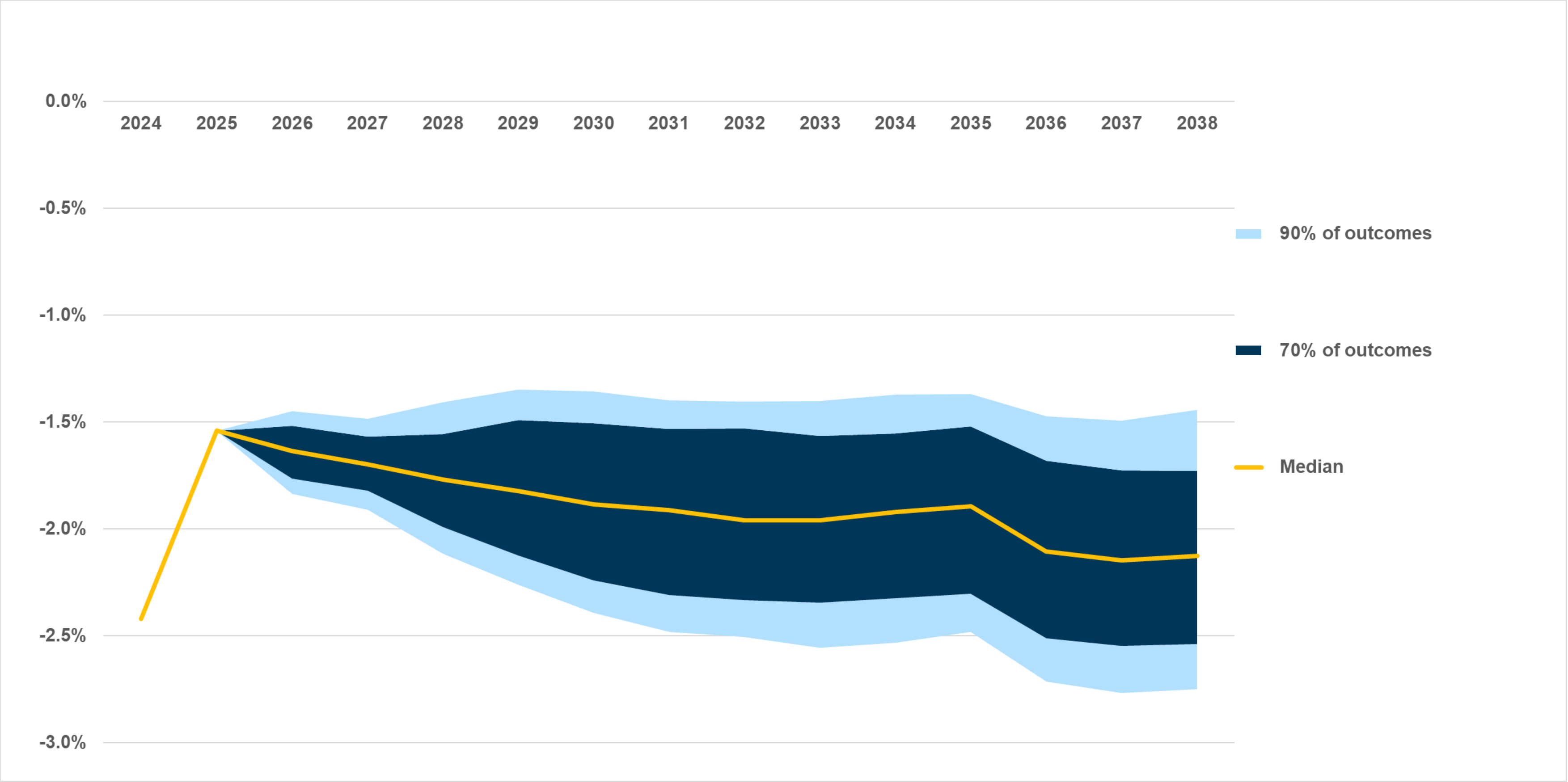
PLD Plan: NCF as % of MVA

Cone Chart: Portfolio A



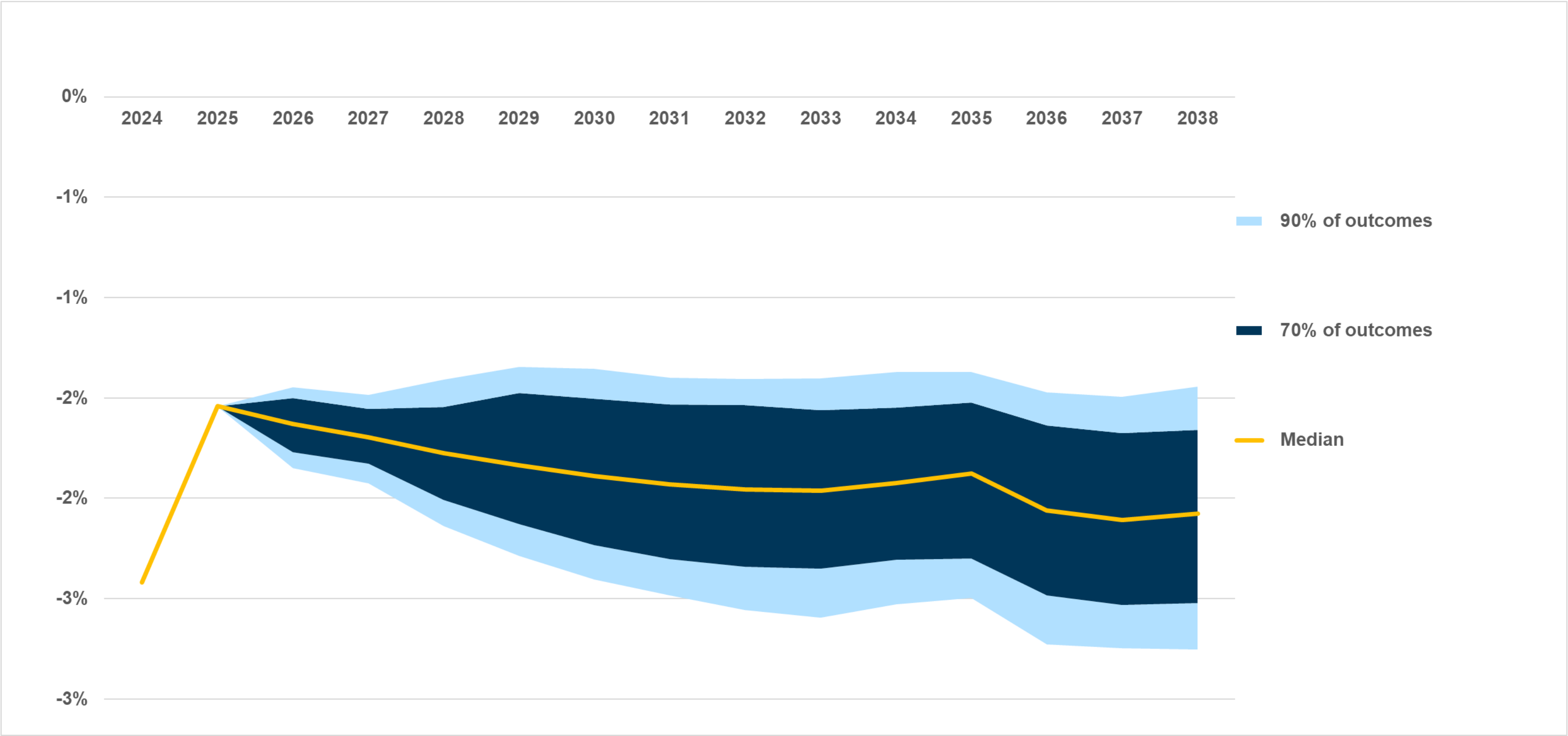
PLD Plan: NCF as % of MVA

Cone Chart: Portfolio B



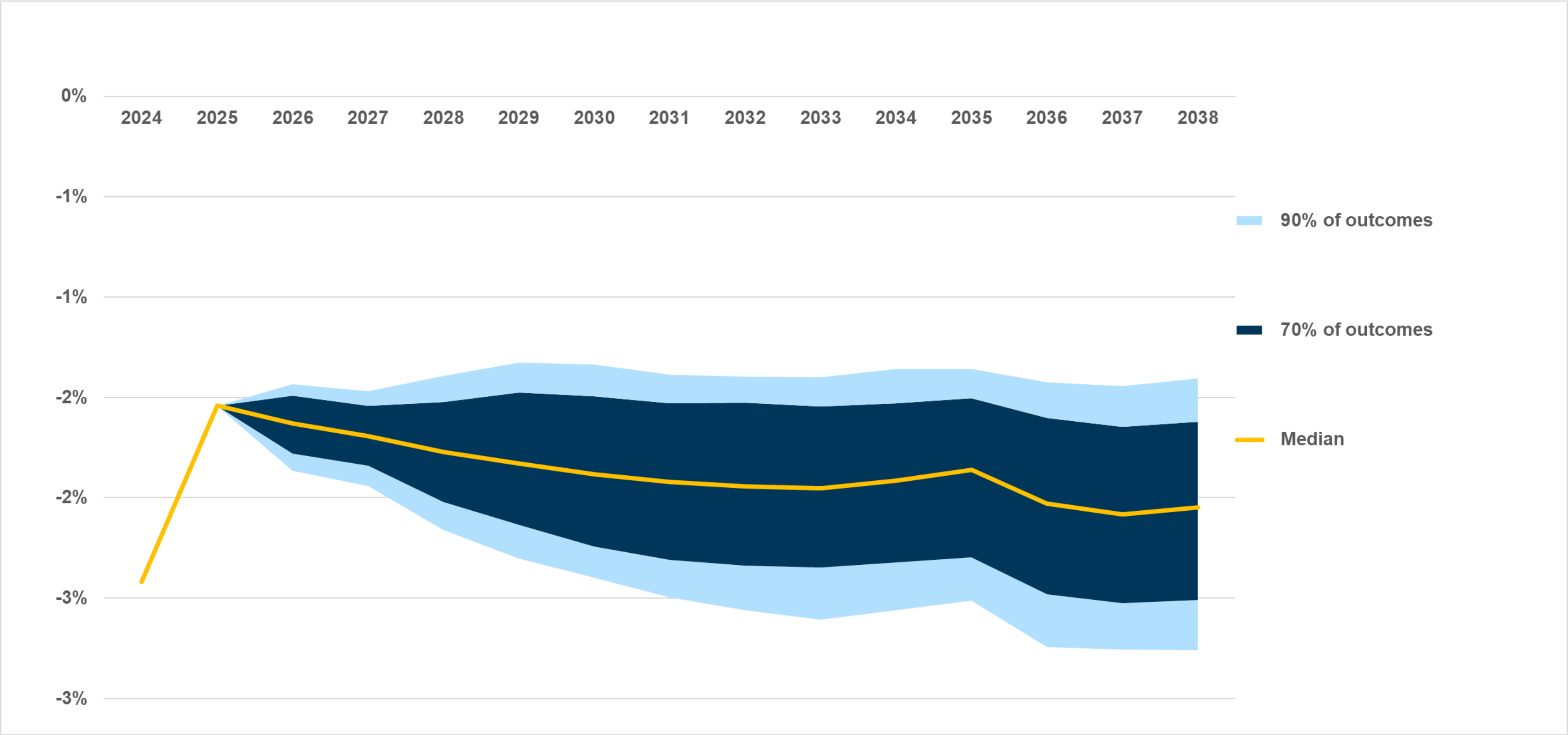
PLD Plan: NCF as % of MVA

Cone Chart: Portfolio C



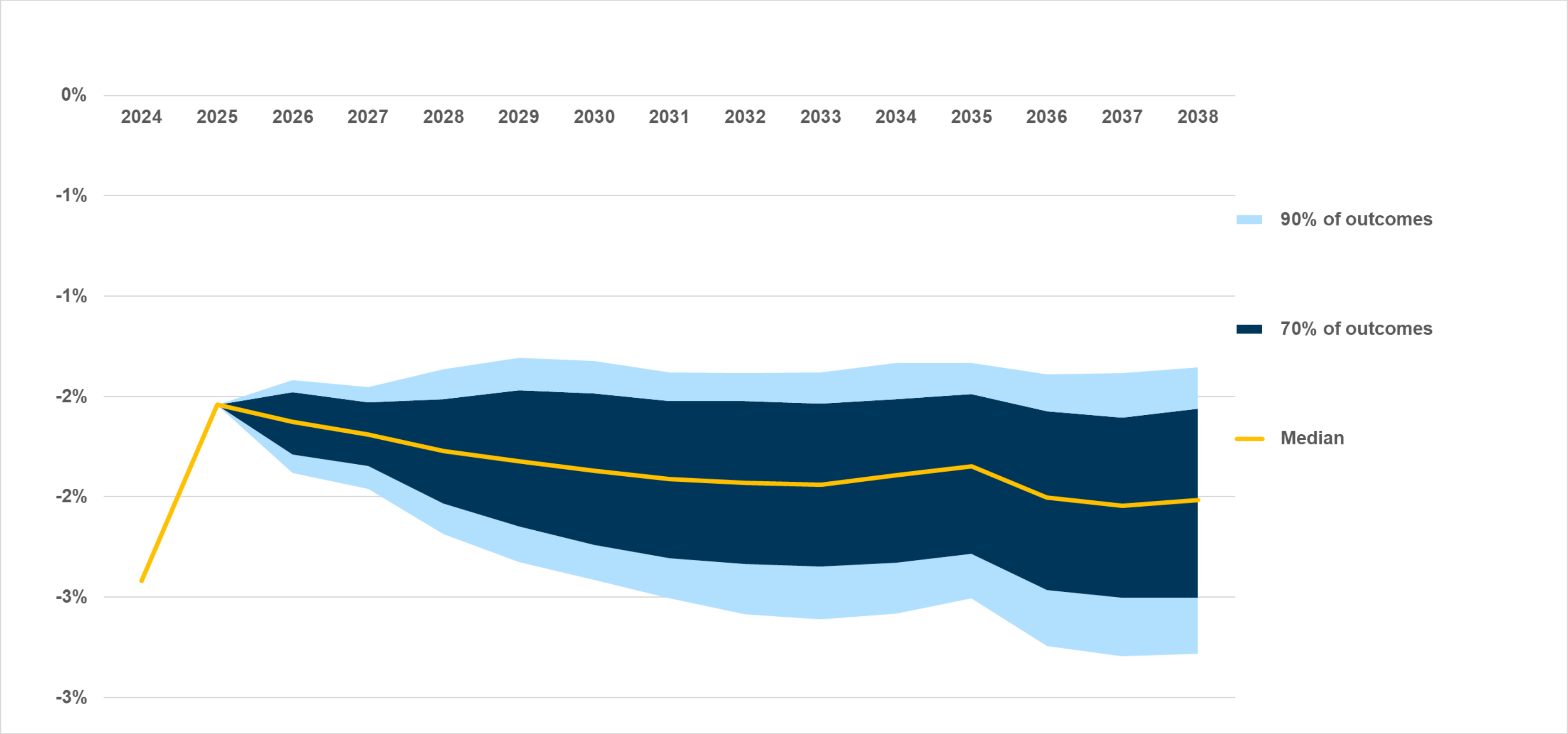
PLD Plan: NCF as % of MVA

Cone Chart: Portfolio D



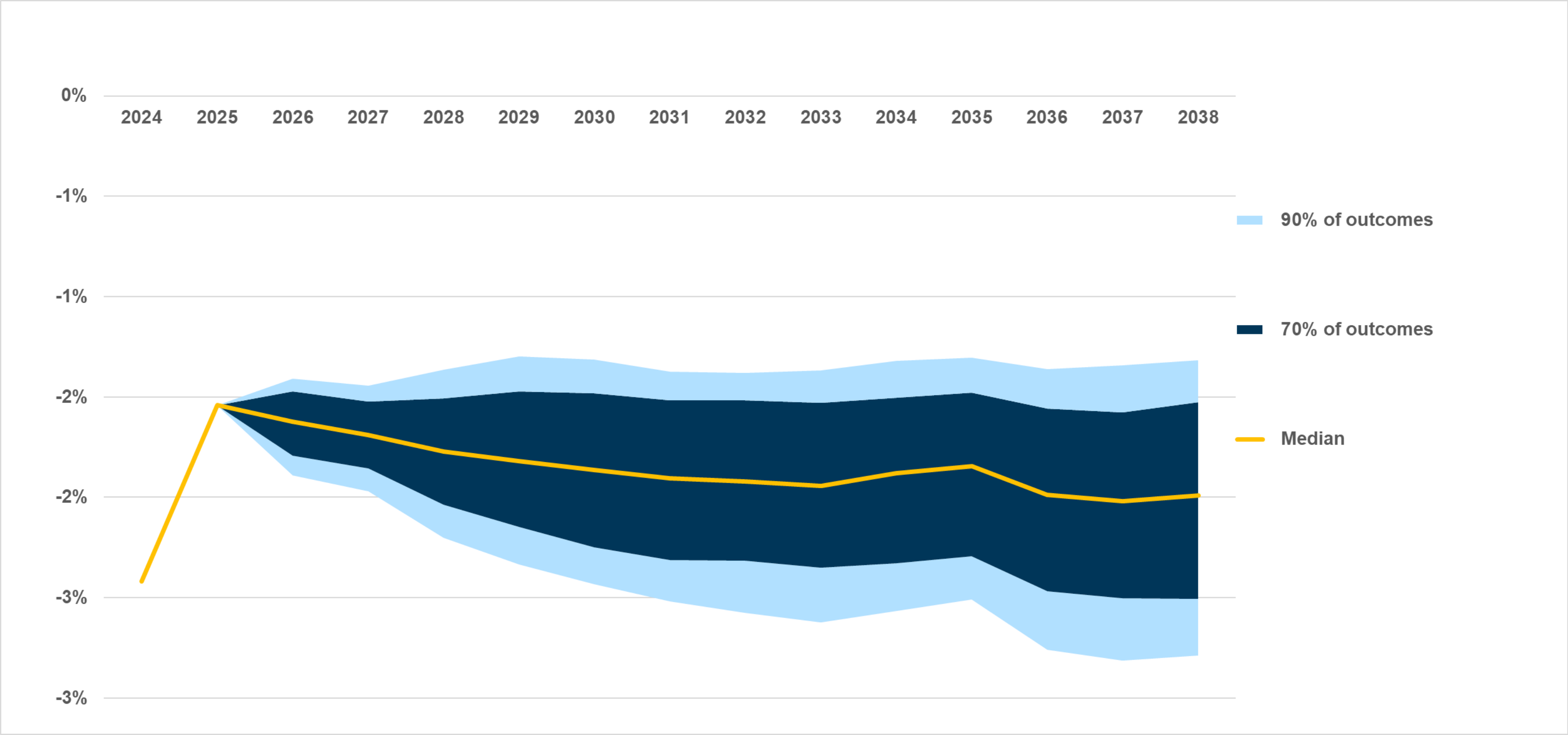
PLD Plan: NCF as % of MVA

Cone Chart: Portfolio E



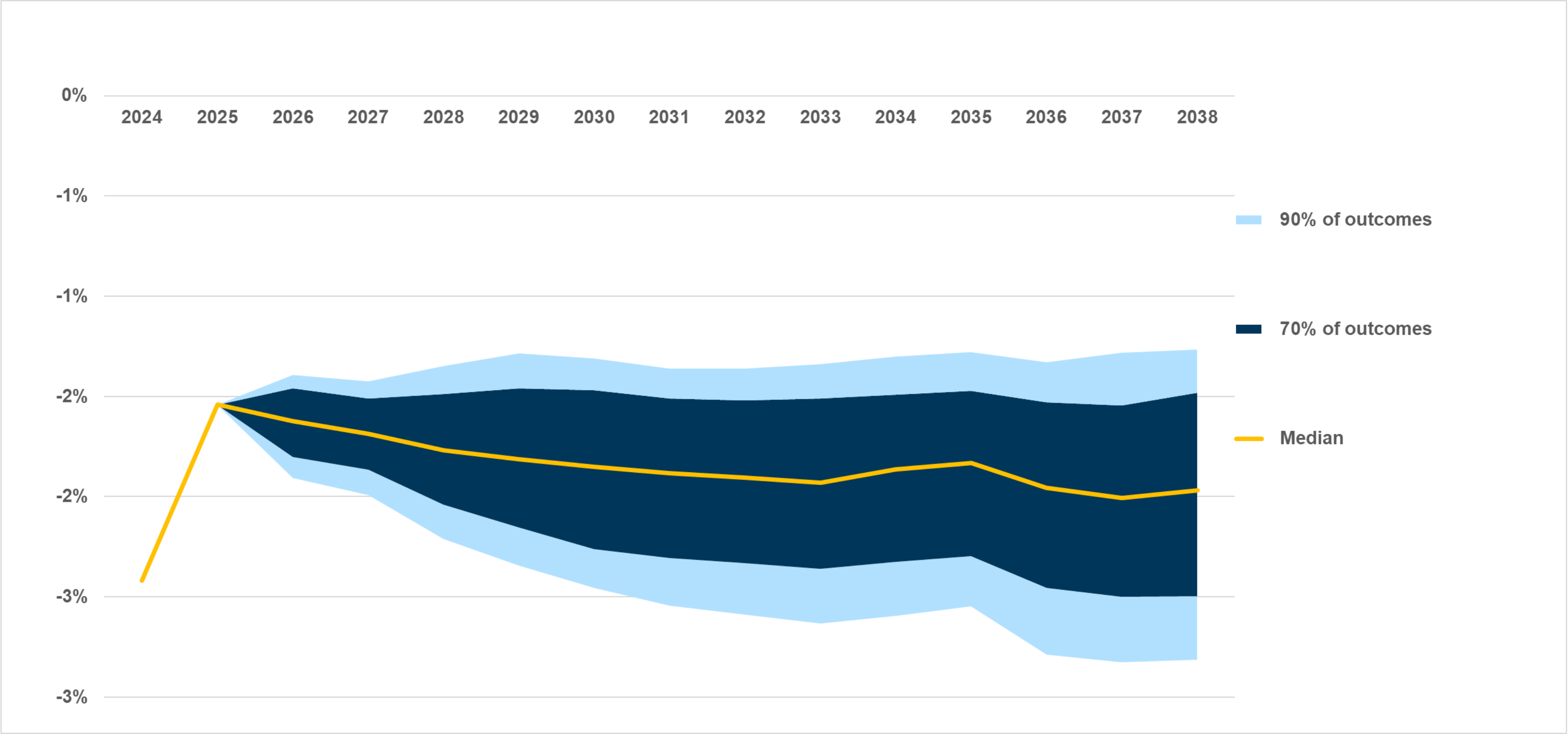
PLD Plan: NCF as % of MVA

Cone Chart: Portfolio F



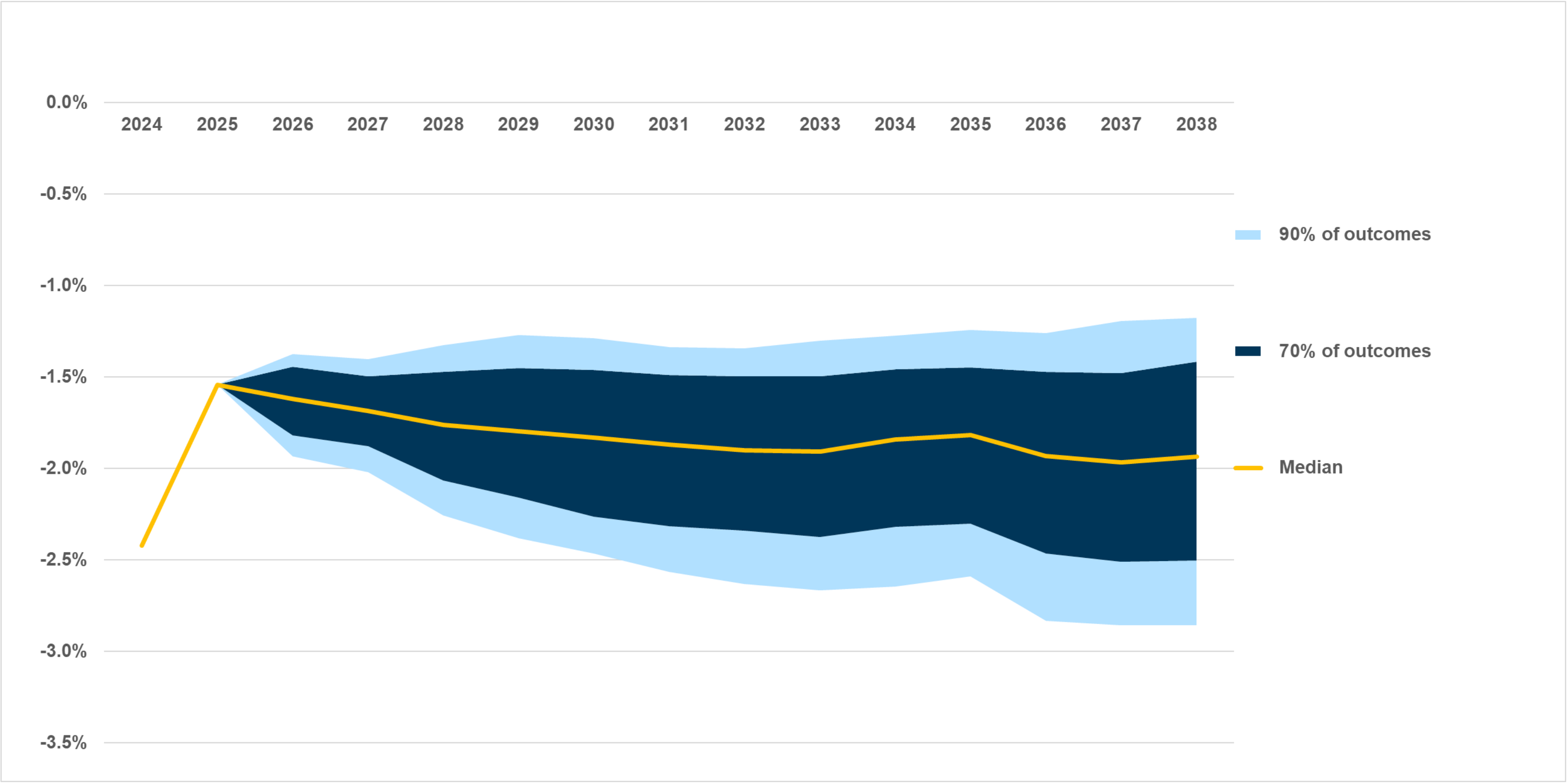
PLD Plan: NCF as % of MVA

Cone Chart: Portfolio G



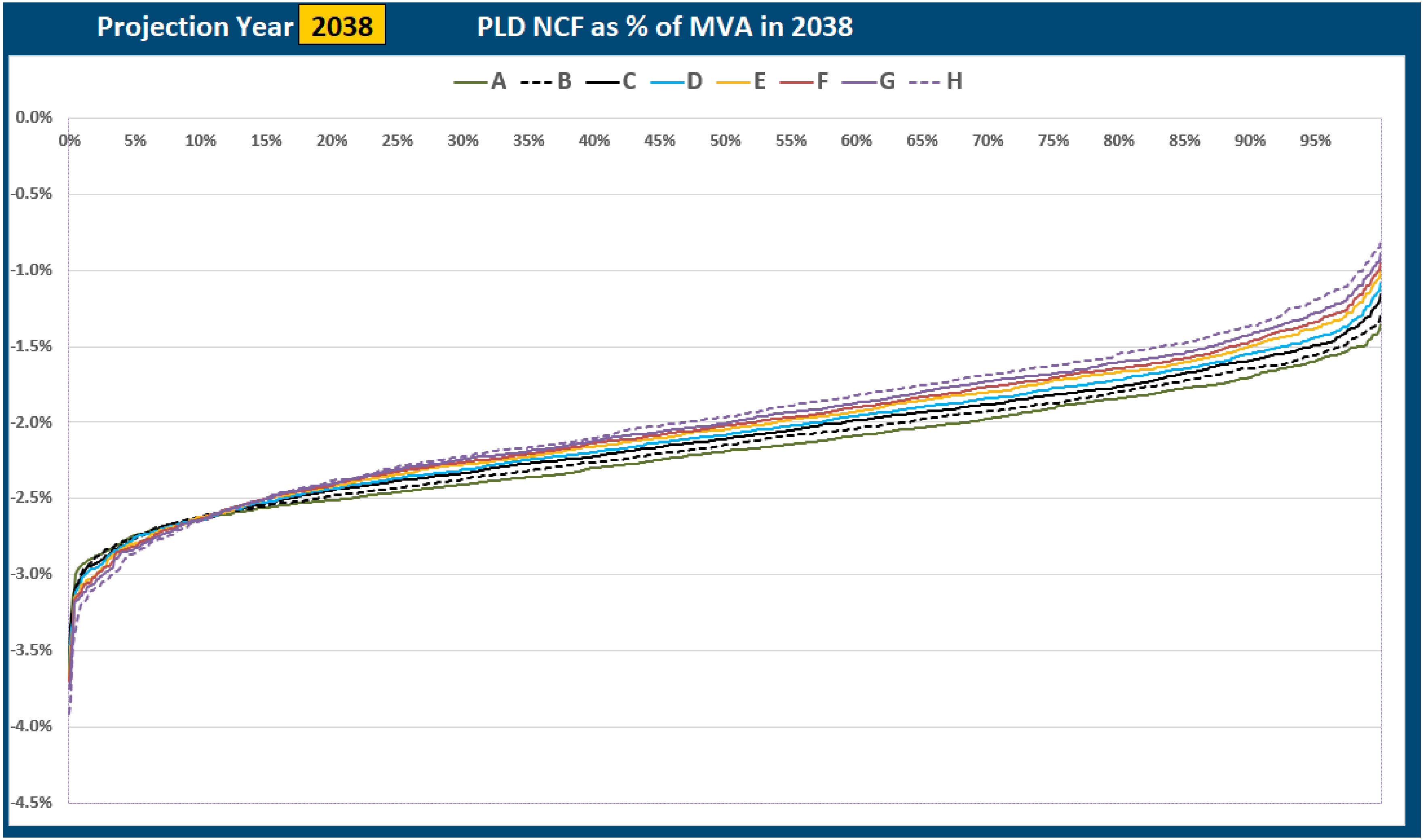
PLD Plan: NCF as % of MVA

Cone Chart: Portfolio H

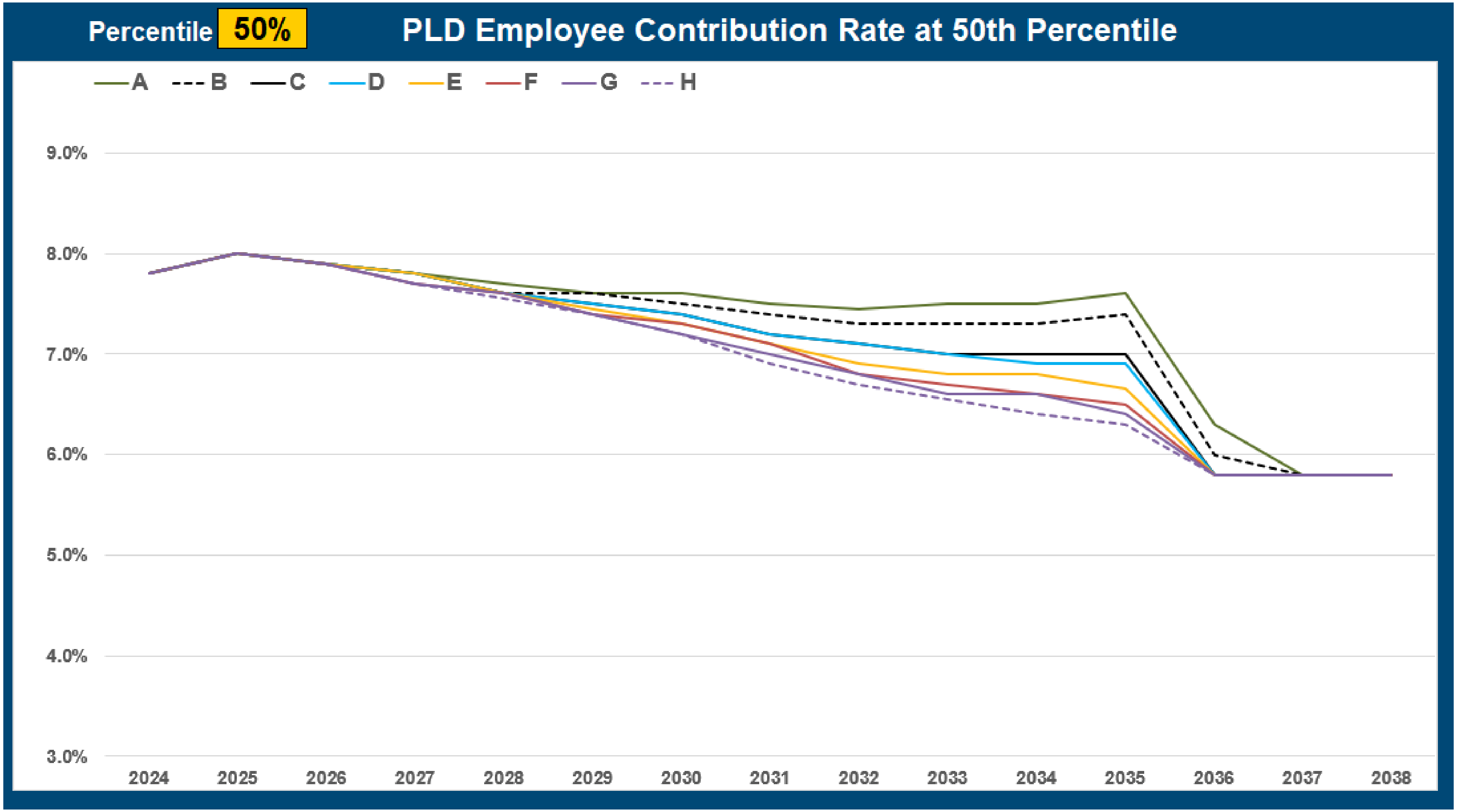


PLD Plan: NCF as % of MVA

Sorted Percentiles Chart

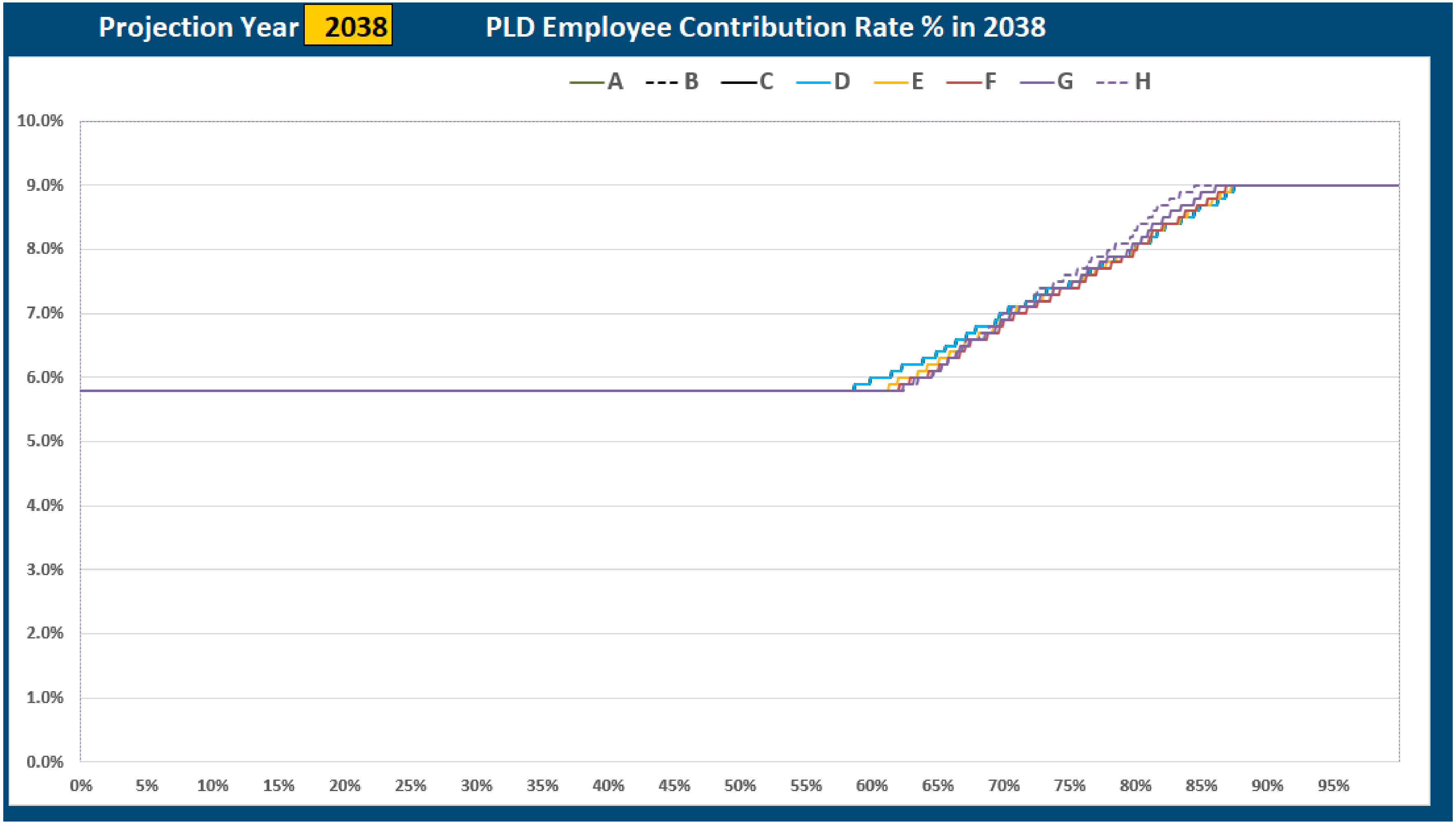


PLD Plan: PLD EE Contribution Rate



PLD Plan: PLD EE Contribution Rate

Sorted Percentiles Chart



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Strategic Asset Allocation Review
September 11, 2025

Allocation Review Timeline

July 2025

- *Reviewed asset allocation process and current objectives*
- *Reviewed Asset-Liability Study methodology*
- *Reviewed asset classes and roles in the System's current strategic asset allocation*

August 2025

- *Reviewed and discussed Asset-Liability Study results*
- *Recommended reduction in portfolio target risk level*

September 2025

- **Present and discuss draft asset allocation changes**
- **Review proposed portfolio's liquidity profile**

Oct. – Dec. 2025

- **Discuss and recommend updates to the IPS**
- **Present and discuss asset class implementation plans**

Objectives for Today

Review proposed changes to strategic asset allocation

- Reduce portfolio risk level, consistent with asset-liability study discussion
- Discuss asset class attributes

Discuss diversification by underlying strategies, markets, and styles

- Review current “1-to-1” asset class to role construct
- Seek ways to enhance diversification and improve risk/return prospects

Discuss asset class convergence and prospective opportunities

- Flexibility of implementation
- Take advantage of scale
- Exploit Investment Team’s current expertise while promoting extension of knowledge

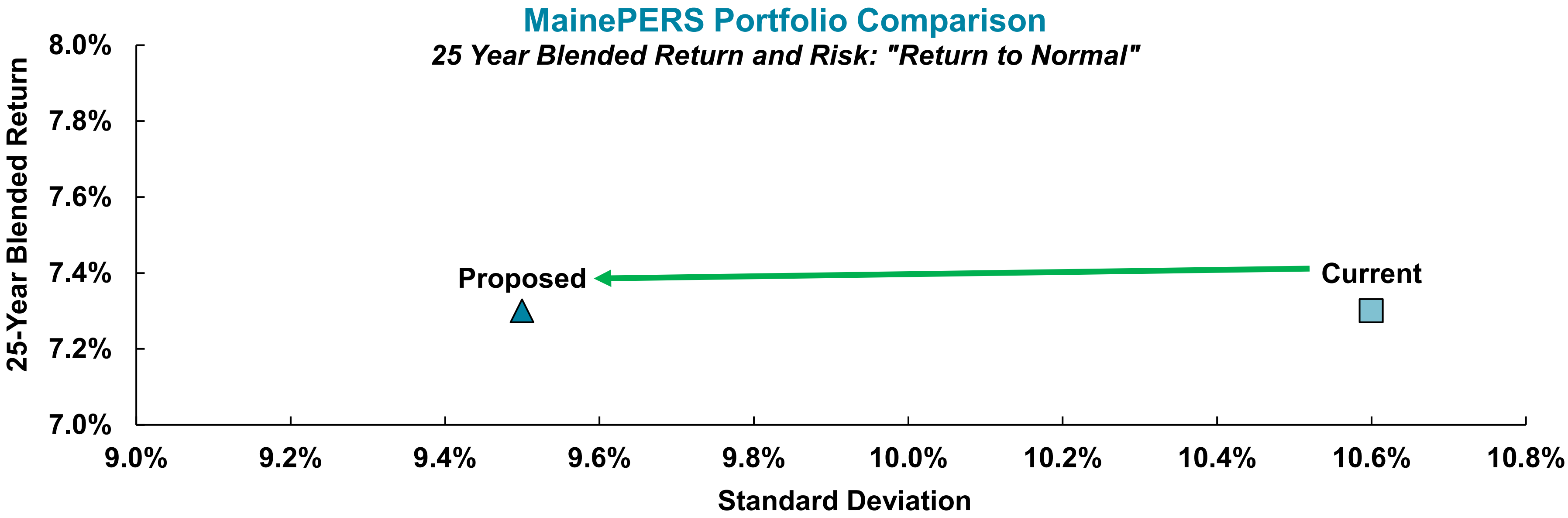
Discuss liquidity risk and portfolio’s liquidity profile

- Cambridge Associate’s analysis

Review of August Discussion

The Investment Team and Cambridge Associates recommended a moderate reduction in the Fund's risk level, to Portfolio E (i.e., "Proposed").

- We believe this portfolio appropriately balances the System's goals of generating investment returns while minimizing risk, and results in acceptable levels of contribution rate and funded status volatility.
- Larger reductions in risk generate less attractive expected outcomes, without providing the System with strong protection during poor market environments.
- The recommended portfolio is expected to generate returns in excess of the discount rate (7.3% vs. 6.5%), while reducing portfolio volatility by around 100 basis points from current levels.



How does MainePERS achieve this objective?

August Follow-up #1: S&T Plan - State Contributions

- Last month we discussed how funded status was fairly consistent across portfolios in the 10th decile of market outcomes (i.e., poor market outcomes).
- It was pointed out that this was at least partially due to higher contributions being made for higher risk portfolios during those market environments.
- Portfolio outcomes across market scenarios detailed below

Dollar Amounts of Contributions for Different Portfolios and Market Outcomes

	Cumulative Contributions: 2027-2038				Annualized Contributions			
	Percentiles				Percentiles			
Portfolio	**10th**	**25th**	**50th**	**75th**	**10th**	**25th**	**50th**	**75th**
A (Lowest Risk)	$ 5,955	$ 4,859	$ 3,335	$ 1,730	$ 496	$ 405	$ 278	$ 144
B	$ 6,063	$ 4,847	$ 3,134	$ 1,494	$ 505	$ 404	$ 261	$ 125
C	$ 6,053	$ 4,715	$ 2,819	$ 1,292	$ 504	$ 393	$ 235	$ 108
D	$ 6,221	$ 4,797	$ 2,762	$ 1,202	$ 518	$ 400	$ 230	$ 100
E (Proposed)	$ 6,319	$ 4,792	$ 2,592	$ 1,127	$ 527	$ 399	$ 216	$ 94
F	$ 6,373	$ 4,786	$ 2,487	$ 1,081	$ 531	$ 399	$ 207	$ 90
G (Current)	$ 6,525	$ 4,854	$ 2,409	$ 1,026	$ 544	$ 405	$ 201	$ 86
H (Highest Risk)	$ 6,768	$ 4,968	$ 2,291	$ 963	$ 564	$ 414	$ 191	$ 80

All figures in millions.

August Follow-up #2: Projected Full Funding Dates

Projected Year of Full Funded Status
Median Scenario for Each Portfolio

Portfolio	S&T	PLD
A (Lowest Risk)	2036	2035
B	2034	2034
C	2030	2030
D	2030	2030
E (Proposed)	2029	2030
F	2029	2029
G (Current)	2029	2029
H (Highest Risk)	2029	2029

- Lower risk portfolios are expected to take longer to reach full funding
- Little difference between S&T and PLD plans

Goals for Proposed Asset Allocation

Risk Reduction

- Shift capital from equity-oriented to credit-oriented strategies
- Balance against return impact

Enhance Diversification

- Emphasize cross-asset class economic and risk exposures
- Diversify across additional return streams

Improve Liquidity

- Tilt toward shorter-lived and income-producing strategies within private markets
- Tilt toward income-producing assets within public markets

Implementation Flexibility

- Consolidate nine asset classes into six
- Increase ability to deploy capital to most attractive opportunities within asset classes

Capital Market Assumptions

As of June 30, 2025

ASSET CLASSES	PROPOSED PORTFOLIO	LONG TERM GEOMETRIC	RTN BLEND GEOMETRIC	RTN GEOMETRIC	STANDARD DEVIATION
PUBLIC EQUITY	27.5%	8.1%	5.9%	2.7%	15.6%
PRIVATE EQUITY	10.0%	10.4%	7.9%	4.2%	15.4%
RISK DIVERSIFIERS	7.5%	7.1%	7.1%	6.9%	4.1%
REAL ASSETS	22.5%	8.1%	8.4%	8.8%	10.3%
ALTERNATIVE CREDIT	15.0%	8.9%	9.0%	9.0%	9.3%
PUBLIC FIXED INCOME	17.5%	4.9%	5.1%	5.3%	5.0%

NOMINAL GEOMETRIC RETURN		8.0%	7.3%	6.1%
STANDARD DEVIATION		9.5%	9.5%	9.5%
NOMINAL GEOMETRIC RETURN - CURRENT POLICY		8.2%	7.3%	5.9%
STANDARD DEVIATION - CURRENT POLICY		10.6%	10.6%	10.6%

Note(s): Assumes 6/30/25 Cambridge Associates' capital market assumptions. RTN is a variation of Cambridge Associates' 10-year capital markets assumptions. Long Term returns are Cambridge Associates' Long Term (formerly Equilibrium) capital markets assumptions. Blended return assumes 10 years of expected returns and 15 years of Long -Term Returns.

Summary Recommendation

Actions		Proposed Asset Class	Proposed Weight	Key Strategies		Current Asset Class	Current Weight
• Reduce Allocation by 2.5%	→	**Public Equity**	27.5%	• Global Equity	⇔	**Public Equity**	30.0%
• Reduce Allocation by 2.5%	→	**Private Equity**	10.0%	• Buyout • Growth • Venture • Other Strategies	⇔	**Private Equity**	12.5%
• No change	→	**Risk Diversifiers**	7.5%	• Global Equity Hedged • Credit-Driven • Global Opportunistic • Multi-Strategy	⇔	**Risk Diversifiers**	7.5%
• Consolidate asset classes • Reduce allocation by 2.5%	→	**Real Assets**	22.5%	• Real Estate • Infrastructure • Natural Resources • Other Tangible Assets	⇔	**Real Estate** **Infrastructure** **Natural Resources**	10.0% 10.0% 5.0%
• Increase allocation by 5% • Expand strategies to include higher return/risk opportunistic segment	→	**Alternative Credit**	15.0%	• Private Credit • Opportunistic Credit	⇔	**Alternative Credit**	10.0%
• Consolidate asset classes • Increase allocation by 2.5%	→	**Public Fixed Income**	17.5%	• Traditional Credit • US Gov • TIPS	⇔	**Traditional Credit** **US Government**	5.0% 10.0%

Transition to Proposed Asset Allocation

Proposed Asset Class	Proposed Weight	Key Strategies	Implementation
Public Equity	**27.5%**	• Global Equity	• **Reduce allocation by 2.5%** • **Phase in over several months** • **No change to strategy composition or indexing approach**
Private Equity	**10.0%**	• Buyout • Growth • Venture • Other Strategies	• **Adjust pacing plan to reflect 2.5% reduction** • **Expect 3+ years to reach target, reflected in interim policy weight**
Risk Diversifiers	**7.5%**	• Global Equity Hedged • Credit-Driven • Global Opportunistic • Multi-Strategy	• **No change in approach** • **Continue with strategic objectives**
Real Assets	**22.5%**	• Real Estate • Infrastructure • Natural Resources • Other Tangible Assets	• **Adjust pacing plan to reflect 2.5% reduction** • **Expect 3+ years to reach target, interim policy weight** • **Continued emphasis on Core/Core+ strategies** • **Deemphasize natural resources**
Alternative Credit	**15.0%**	• Private Credit • Opportunistic Credit	• **Increase allocation from 10% to 15%, employ interim policy weights** • **Split increase between existing strategies ("Private Credit") and introduce riskier opportunistic strategies**
Public Fixed Income	**17.5%**	• Traditional Credit • US Gov • TIPS	• **Phase in 2.5% allocation increase over several months by adding to Traditional Credit** • **No change to strategy composition or indexing approach**

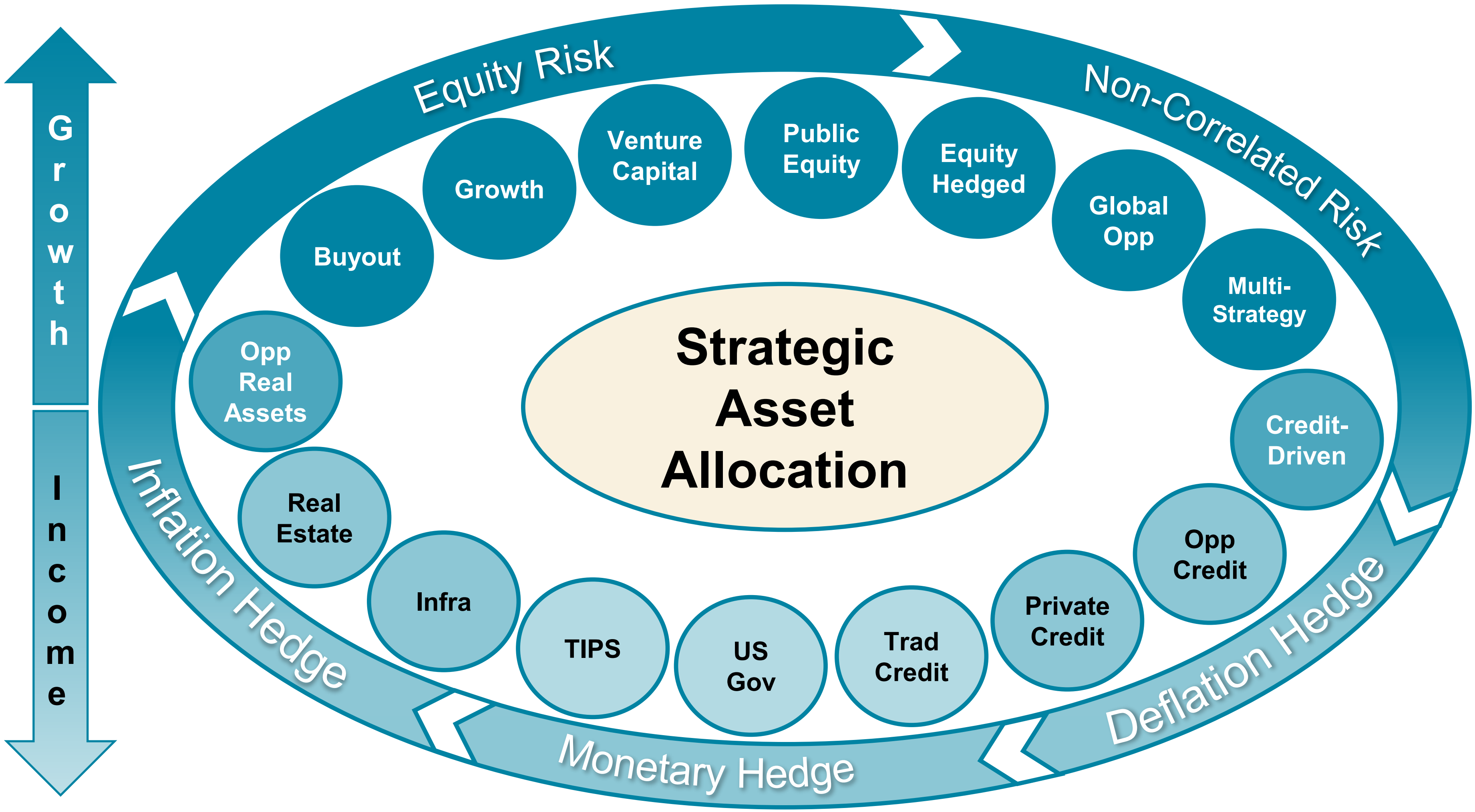
Diversity of Asset Class Roles

- Asset classes typically span multiple roles
- Varying levels of economic exposure and risk characteristics for each asset class
- Evaluate attributes cross-sectionally and relative to total portfolio impact
- Individual investments assessed relative to asset class and total portfolio contribution

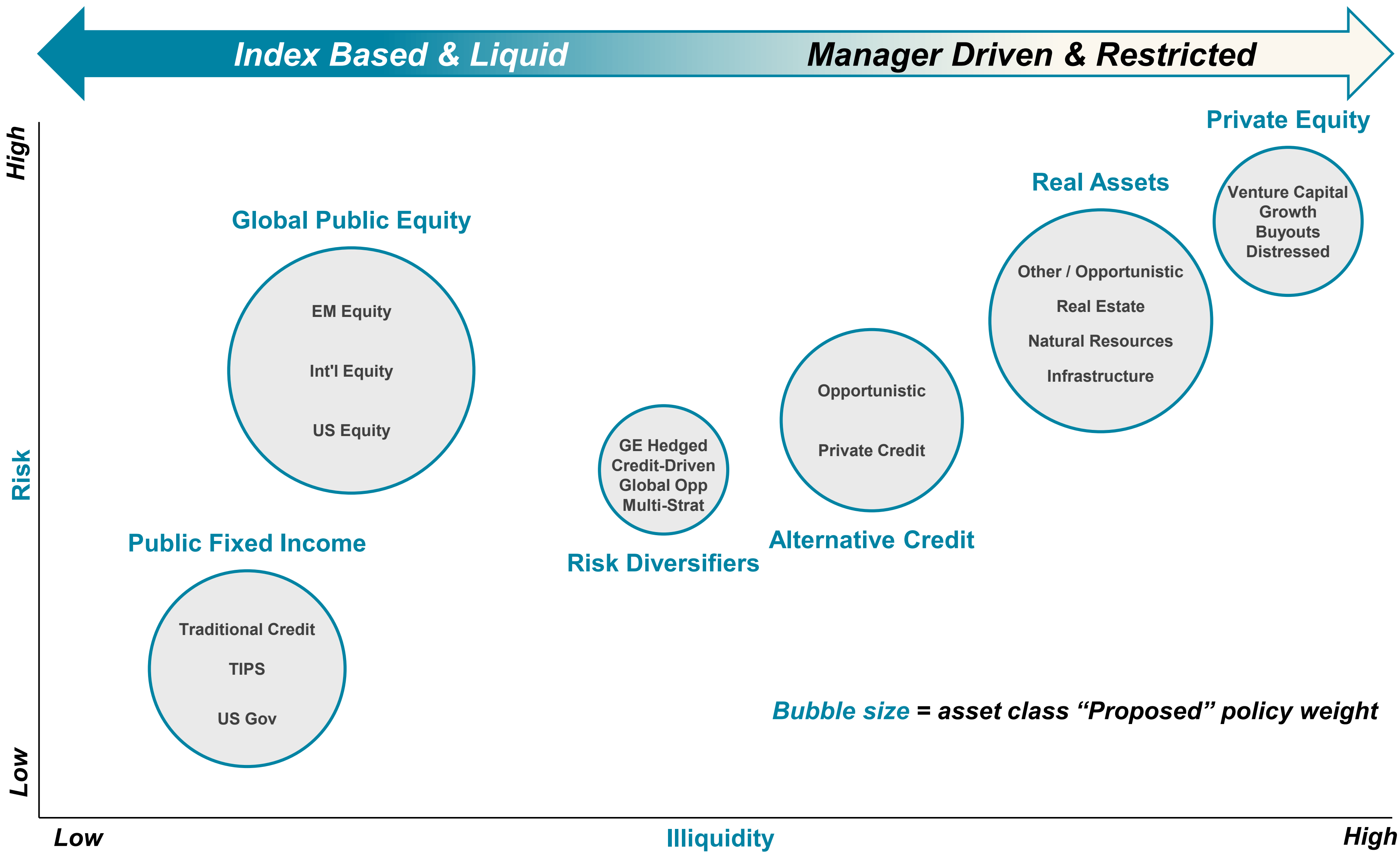
Asset Class	*Economic Exposure and Risk Framework*				
	Equity Risk	Non-Correlated Risks	Inflation Hedge	Deflation Hedge	Monetary Hedge
Public Equity					
Private Equity					
Risk Diversifiers					
Real Assets					
Alternative Credit					
Public Fixed Income					
Total					

Low | Medium | High

Balanced Growth and Income Drivers



Managing Liquidity Holistically



Develop Asset Class Strategies

- Enhance management and monitoring of asset classes
- Investment Team will work with consultants to develop asset class portfolio construction and implementation plans
- Plans will be presented to Trustees as part of this allocation review process
- Ongoing annual reporting and review
- Comparable to Risk Diversifiers review in January/February 2025

Risk Diversifiers Allocation Review

Objectives

- Deliver long-term expected returns aligned with the total plan's 6.5% discount rate
- Provide diversification benefits away from growth assets with low correlation to rising or falling markets over full cycles
- Exposure to return streams that differ from those available in passive public market investments
- Serve as a volatility dampener for the total plan while meeting overall return objectives
- Not expected to consistently outperform equity markets

Target Allocations

Target: ~15 Managers

Construction

Multi-Strategy: 35% target / 25 – 45% range
- Actively allocates capital across range of sub-strategies
- Event-Driven, merger arbitrage, fixed income, volatility

Global Opportunistic: 25% target / 15 – 35% range
- Invests based on macroeconomic factors and trends
- Strategies may be discretionary or fully systematic
- Generate returns from pricing dislocations in both upward and downward trending markets

Credit-Driven: Target 25% / 15 – 35% range
- Generate returns based on fundamental credit research
- Structured investments, potentially in stressed situations

Global Equity Hedged: Target 15% / 5 – 25% range
- Profit from market inefficiencies that cause specific publicly traded equities to be over- or underpriced
- Aims to profit from both rising and falling stock prices
- May result in concentrated portfolio positioning

Components of Asset Class Strategies

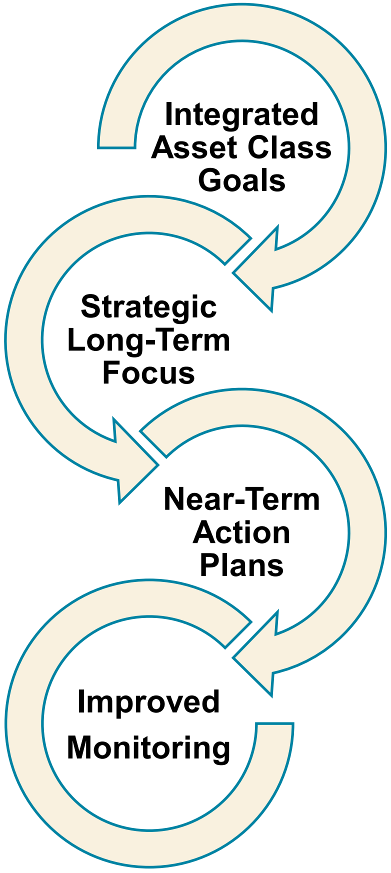
- Guided by IPS objectives, definitions, and benchmarks
- “Business plan” for each individual asset class
- Balance long-term goals, current positioning, and market environment

Objectives
- Establish long-term goals
- Establish attributes and roles
- Define prospective considerations

Target Allocations and Construction
- Long-term asset class targets and ranges
- Strategy definitions and targets
- Manager diversification target

Initiatives
- Allocations, pacing, and liquidity
- Positioning and market expectations
- Pipeline of opportunities/challenges

Measurement and Oversight
- Assess asset class and manager value
- Evaluate exposures and impacts
- Implementation and business dynamics



Asset Class Strategies Framework

- Asset Class Strategies timeline
  - Real Assets: October 2025
  - Remaining asset classes to follow

- Annual Reviews
  - Rotate across asset classes quarterly
  - Begin with Risk Diversifiers in January 2026

- Consultant quarterly performance reviews will continue

IPS Revisions

- Appendix 1 to Board Policy 2.1 – Investment Policy Statement defines asset classes and target weights and ranges.
- A "redline" version of this appendix showing proposed changes follows this presentation, for discussion purposes.
  - Pending today's discussion, a recommendation to adopt these changes will be brought to Trustees in October.
- Changes include:
  - Updated policy weights, as discussed above
  - More detailed descriptions of asset classes
  - Removal of "Roles in Fund" descriptions
- We anticipate continuing this process for other sections of the IPS at subsequent meetings.

Appendix
Cambridge Associates Asset Allocation Review

MAINEPERS

ASSET ALLOCATION REVIEW

CAMBRIDGE ASSOCIATES

SEPTEMBER 2025

Peer AA Summary

- As part of the Strategic Asset Allocation process, observing peer allocations can be a useful exercise to foster critical evaluation

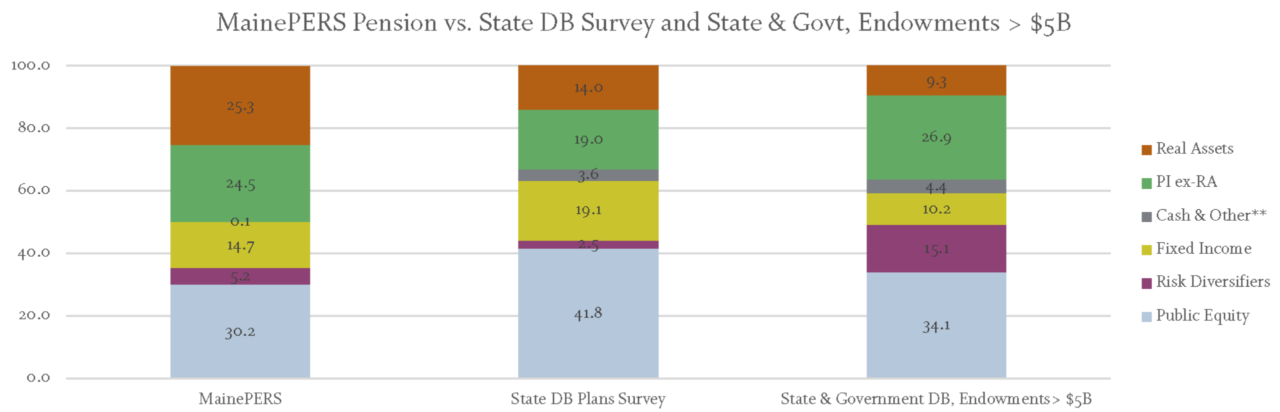
- Notable asset allocation differences persist between DB plans of different sizes. The most apparent difference is the allocation to private investments
  - Smaller plans (<$1B) tend to have significantly more exposure to public equities and fixed income

- Larger plans have, on average, generated higher returns with lower risk than smaller peers over the medium and long term
  - Smaller plans with larger public asset weightings have done well over the past 3 years with a backdrop of strong equities and a soft market for distributions in private investments

- MainePERS' allocation to real assets is higher than peers. This relative overweight is the main driver to the plan's higher than average allocation to overall private investments
  - Compared to large DB plans and E&F, MainePERS has less public equity and diversifiers exposure
  - Compared to smaller DB plans, MainePERS has less public equity and fixed income exposure

C|A

AA Comparison vs. Public Plans

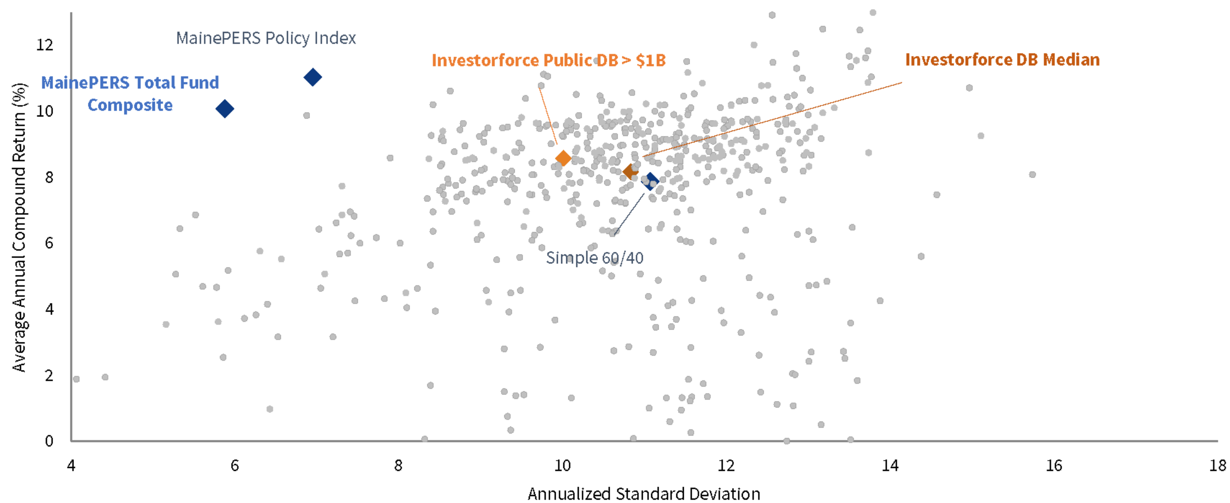


Q2 2025 ASSET ALLOCATION (%)						
INSTITUTION	PUBLIC EQUITY	RISK DIVERSIFIERS	FIXED INCOME	CASH & OTHER**	PI EX-RA	REAL ASSETS
MAINEPERS	30.2	5.2	14.7	0.1	24.5	25.3
STATE DB PLANS SURVEY* *N=64*	41.8	2.5	19.1	3.6	19.0	14.0
STATE & GOVT DB, ENDOWMENTS > $5B *N=33*	34.1	15.1	10.2	4.4	26.9	9.3

*Source: Cliffwater annual survey, March 2025. **Includes allocations to multi-asset

MainePERS Risk/Return – 5 Years

Larger vs. Smaller Plans



	Average Annual Compound Return	Annualized Standard Deviation	Sharpe Ratio[1]	Beta vs. MSCI ACWI
MainePERS - Total Fund Composite	10.1	**5.9**	**1.2**	**0.32**
MainePERS - Policy Index	11.0	7.0	1.2	0.38
Simple 60/40	7.9	11.1	0.5	0.71
Investorforce Public DB Plan > $1B Median	8.6	10.0	0.6	---
Investorforce DB Median	8.2	10.8	0.5	---
Indices				
MSCI All Country World Index (Net)	13.7	15.4	0.7	--
Bloomberg Barclays Aggregate Bond Index	-0.7	6.4	-0.5	0.27

C|A

Note: Calculations are based on monthly data, net of fees.
[1]The Sharpe Ratio represents the excess return generated for each unit of risk. To calculate this number, subtract the average T-Bill return (risk-free return) from the manager's average return, then divide by the manager's standard deviation. The Investor Force data uses the median return and standard deviations are based on monthly data, net of fees.
[2] Simple 60/40 is 60% MSCI ACWI and 40% BBG Aggregate US Bond Index.
[3] Net Investor Force Median data reflects median of 5-year returns and the standard deviations as reported by institutions with over $100m in assets to Investor Force.

Board Responsibilities – Investment Policy

Appendix 1: Asset Classes, Policy Weights and Ranges

Date Adopted: June 9, 2016

Date Amended: June 8, 2017; September 14, 2017; January 14, 2021; May 12, 2022

The System's assets are invested across ~~nine~~ six Asset Classes that play a number of roles ~~four distinct Roles~~ in the overall Fund. The Trustees define these ~~Roles and~~ Asset Classes and set target policy weights and ranges below.

	~~Weights~~		
	~~Minimum~~	~~Policy~~	~~Maximum~~
~~**GROWTH**~~	~~35%~~	~~42.5%~~	~~55%~~
~~Public Equity~~	~~20%~~	~~30%~~	~~40%~~
~~Private Equity~~	~~5%~~	~~12.5%~~	~~20%~~
~~**RISK DIVERSIFIERS**~~	~~0%~~	~~7.5%~~	~~12.5%~~
~~**HARD ASSETS**~~	~~15%~~	~~25%~~	~~35%~~
~~Real Estate~~	~~5%~~	~~10%~~	~~15%~~
~~Infrastructure~~	~~5%~~	~~10%~~	~~15%~~
~~Natural Resources~~	~~0%~~	~~5%~~	~~10%~~
~~**CREDIT**~~	~~5%~~	~~15%~~	~~20%~~
~~Traditional Credit~~	~~0%~~	~~5%~~	~~10%~~
~~Alternative Credit~~	~~0%~~	~~10%~~	~~15%~~
~~**MONETARY HEDGE**~~	~~5%~~	~~10%~~	~~15%~~
~~US Government Securities~~	~~5%~~	~~10%~~	~~15%~~
~~Cash~~	~~0%~~	~~0%~~	~~10%~~

	Policy	Range
Public Equity	27.5%	20.0% – 35.0%
Private Equity	10.0%	5.0% – 20.0%
Risk Diversifiers	7.5%	5.0% –10.0%
Real Assets	22.5%	15.0% – 25.0%
Alternative Credit	15.0%	10.0% – 20.0%
Public Fixed Income	17.5%	12.5% – 25.0%
Cash	0.0%	0.0% – 5.0%

Asset Class Definitions

The below Asset Class definitions ~~are simplified and~~ are intended to convey the general characteristics of investments held within each class. Some investment strategies involve assets and securities that span multiple asset classes.

Public Equity

~~Investments in publicly-traded shares of companies. May include different classes of common stock, shares of REITs, and MLPs.~~

The Public Equity asset class consists of ownership interests in companies traded on global stock exchanges in U.S., developed international, and emerging markets. It may include different classes of common stock as well as interests in REITs, MLPs, and other structures. Its primary role is long-term capital appreciation, and the asset class features higher short-term volatility and drawdown risk relative to other liquid assets. Public Equity is characterized by a high level of liquidity to meet operational needs as well for efficient portfolio rebalancing.

Private Equity

~~Investments in non-publicly traded shares of companies. Investments are typically made via private limited partnerships, and may include both equity and debt securities.~~

The Private Equity asset class consists of ownership interests in companies and assets that are not publicly traded and accessed primarily through commingled limited partnerships and other specialized structures. Private Equity may include venture capital, growth equity, buyouts, distressed assets, and other similar strategies. It seeks to generate superior long-term returns relative to public equity markets by exploiting illiquidity premia, active ownership, and operational value creation. Private Equity is characterized by long investment horizons, limited liquidity, and higher dispersion of returns across investments. Diversification across strategies, vintage years, industries, and geographies is emphasized to mitigate risk.

Risk Diversifiers

~~Investments typically made through private funds that generally invest in listed assets such as stocks, bonds, and commodities, via strategies that are expected to have little correlation with declining or rising stock markets.~~

The Risk Diversifier asset class seeks exposure to return streams that are not available through traditional public market investments, with an emphasis on risk-adjusted performance with minimal exposure to broad market returns. Investments are typically accessed through commingled limited partnerships or other pooled vehicles. The allocation may include a variety of globally diverse strategies including long-short equity, credit oriented, opportunistic, and multi-strategy approaches. These underlying strategies are designed to provide attractive standalone returns as well as diversification benefits away from traditional growth assets, and are expected to maintain low correlation to both rising and falling markets over full market cycles. Liquidity provisions vary by strategy and manager, and typically feature periodic redemption windows and initial lockups.

~~*Real Estate*~~

~~Investments providing direct exposure Real Estate, including investments through private funds.~~

~~*Infrastructure*~~

~~Investments typically made through private funds that generally invest in assets that meet most or all of the following criteria: provide essential public services, possess monopoly-like characteristics, provide long term contracted cash flows, and bear limited volumetric and price risk.~~

~~*Natural Resources*~~

~~Investments in private funds that generally invest in businesses focused on natural resources such as timberland, agriculture, and mining. Private energy investments will generally be included in Private Equity, rather than Natural Resources.~~

Real Assets

Real Assets is a private market asset class that serves as a diversifier to equity, credit, and fixed income, offering potential for stable income, capital appreciation, and inflation protection. It includes investments in real estate, infrastructure, natural resources, and other investment opportunities that derive value from their physical and enduring characteristics. A substantial portion of asset class returns is expected to come from ongoing cash flows. Real Assets investments are illiquid and typically accessed through commingled limited partnerships or other pooled vehicles, and may be open- or closed-ended. Diversification across asset types, sectors, geographies, and return sources (e.g., income versus capital appreciation) is emphasized to manage risk.

Alternative Credit

~~Investments in debt instruments issued by non-investment grade and unrated entities. This may include, but is not limited to high yield debt, bank loans, structured debt, and asset-backed debt. Alternative credit investments are expected to pay or accrue periodic interest and to return principal at maturity. Distressed debt and other debt or yield-oriented securities that include equity-like exposures are considered Private Equity, not Alternative Credit.~~

The Alternative Credit asset class plays a role in enhancing portfolio income, diversifying fixed income exposures, and capturing illiquidity and complexity premia, while recognizing that investments may carry elevated credit, structural, and liquidity risks. It consists of investments in debt instruments issued primarily by non-investment grade and unrated entities. Typical investments are unrated debt, bank loans, structured credit, and asset-backed debt. Strategies may encompass direct lending and other opportunistic credit approaches that provide exposure to less liquid markets and higher yields than traditional investment grade fixed income. Investments are typically accessed through commingled limited partnerships or other pooled vehicles. Diversification across borrower types, sectors, geographies, structures, and vintage years is emphasized to manage risk.

~~Traditional Credit~~

~~Investments in investment-grade debt instruments that are not issued by the U.S. Government. Such debt may or may not be registered for sale to the general public.~~

~~Monetary Hedges~~

~~Investments in debt instruments issued by the U.S. Government, including nominal Treasury securities and Treasury Inflation Protected Securities (TIPS), held in approximately equal proportions.~~

Public Fixed Income

The Public Fixed Income asset class consists of debt instruments issued or guaranteed by sovereign or investment grade corporate entities, including U.S. Treasuries, Treasury Inflation-Protected Securities (TIPS), and investment grade corporate bonds. The asset class seeks to provide stable income, preserve capital, and reduce overall portfolio volatility. Public Fixed Income is highly liquid, allowing for a high level of liquidity to meet operational requirements and efficient portfolio rebalancing.

~~Roles in the Overall Fund~~

~~Each of the above asset classes fills a specific Role in the overall portfolio. These Roles are defined below.~~

~~Growth Assets~~

~~Growth Assets are intended to reduce the system's funding needs in the long term by appreciating in value. Growth Assets possess inherently higher expected returns than other asset classes. Growth Assets also have higher expected volatility than other asset classes, and are expected to increase funding volatility in the short run.~~

~~Risk Diversifiers~~

~~Risk Diversifiers are investments that primarily derive their return from alpha (or active manager skill) as opposed to market directionality. Risk Diversifiers are expected to provide significant risk diversification benefits away from Growth Assets.~~

~~Hard Assets~~

~~Investments in the Hard Assets category provide exposure to long-lived "real" assets, such as real estate, timber, agricultural, and infrastructure assets. Expected return levels of Hard Assets are lower than those of Growth Assets, and a substantial portion of such returns is expected to come from ongoing cash flows. Hard Assets are expected to provide inflation protection, to have low correlation with Growth Assets, and to provide diversification benefits.~~

~~Credit Assets~~

~~Credit investments provide capital to end-users via loans and the purchase of debt securities. Such investments provide for contractual returns (interest) and repayment of principal. Credit investments possess lower risk and expected returns than equity investments, but have higher risk and expected returns than monetary hedges. Credit investments are expected to provide diversification away from Growth Assets.~~

~~Monetary Hedges~~

~~The role of Monetary Hedges in the portfolio is to provide liquidity and a safe harbor in times of turbulence. These investments are cash and obligations of the U.S. Government, and are considered to be free of default risk.~~

MAINEPERS

LIQUIDITY ANALYSIS

CAMBRIDGE ASSOCIATES

SEPTEMBER 2025

Plan Liquidity

- Plan liquidity and illiquidity tolerance is a critical component of designing a long-term Strategic Asset Allocation
- With MainePERS' pursuit of private investments over the past decades, understanding the current and future cashflow profile is doubly important to establish illiquidity thresholds
- The portfolio's current liquidity profile suggests that 52% of the Plan can be liquidated within one year compared to 3.5% of the plan paid out in net benefit payments, post-UAL
  - This 15x coverage ratio of liquid assets to cash outflows suggests meaningful headroom in a normal course environment
- As the Plan's net benefit payments as a proportion of assets increase in the coming years, MainePERS should consider that while liquidity can appear to have sufficient margin of safety in normal times, it is important to understand what a stress case could look like
  - An analysis suggests that even in an extreme, GFC type stress event, the Plan would have sufficient liquid asset coverage (7x) to continue benefit payments uninterrupted for an extended period

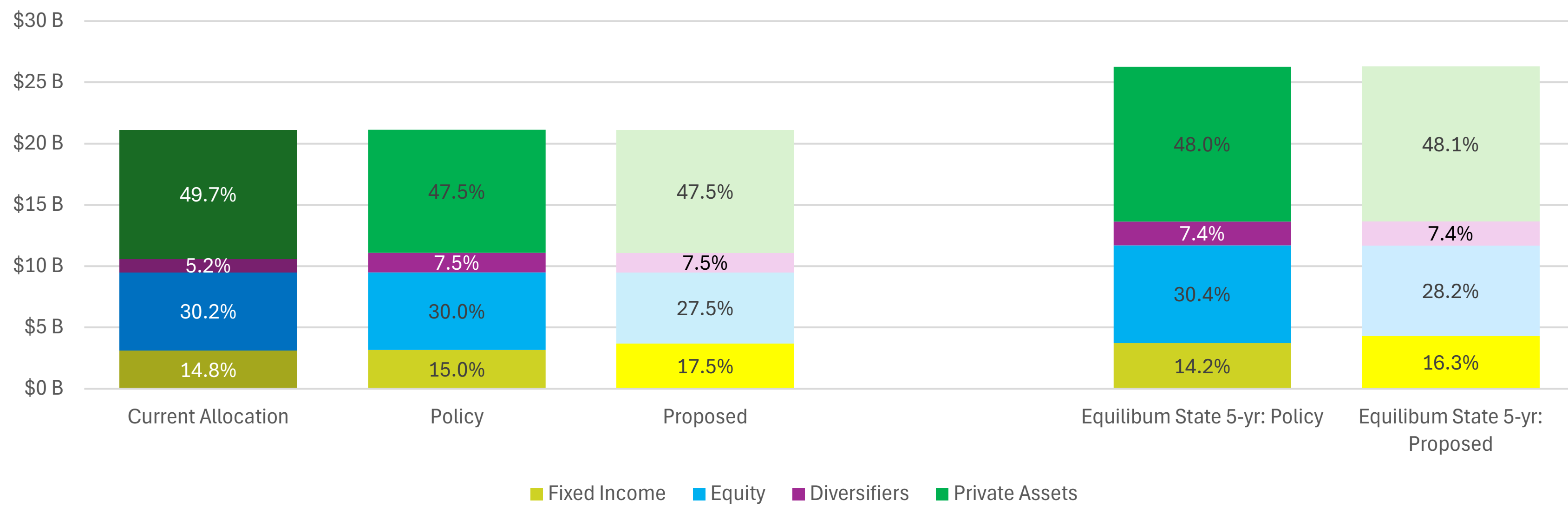
General Liquidity Schedule

Liquidity Coverage in Normal Conditions

Current vs. Proposed

- Under normal conditions, the pool has ample liquidity to cover benefit payments. This holds true for both the current portfolio and the proposed portfolio
- This base case shows a slight increase in the portion of private investments over time, but the nominal value of liquid assets increases such that benefit coverage improves
  - Coverage ratios remain high despite higher net benefit payments beginning in 2029

PHASE	2026	2030 POST UAL PROJECTIONS
POLICY: BENEFIT COVERAGE RATIO	10.9X	13.4X
PROPOSED: BENEFIT COVERAGE RATIO	10.9X	13.4X

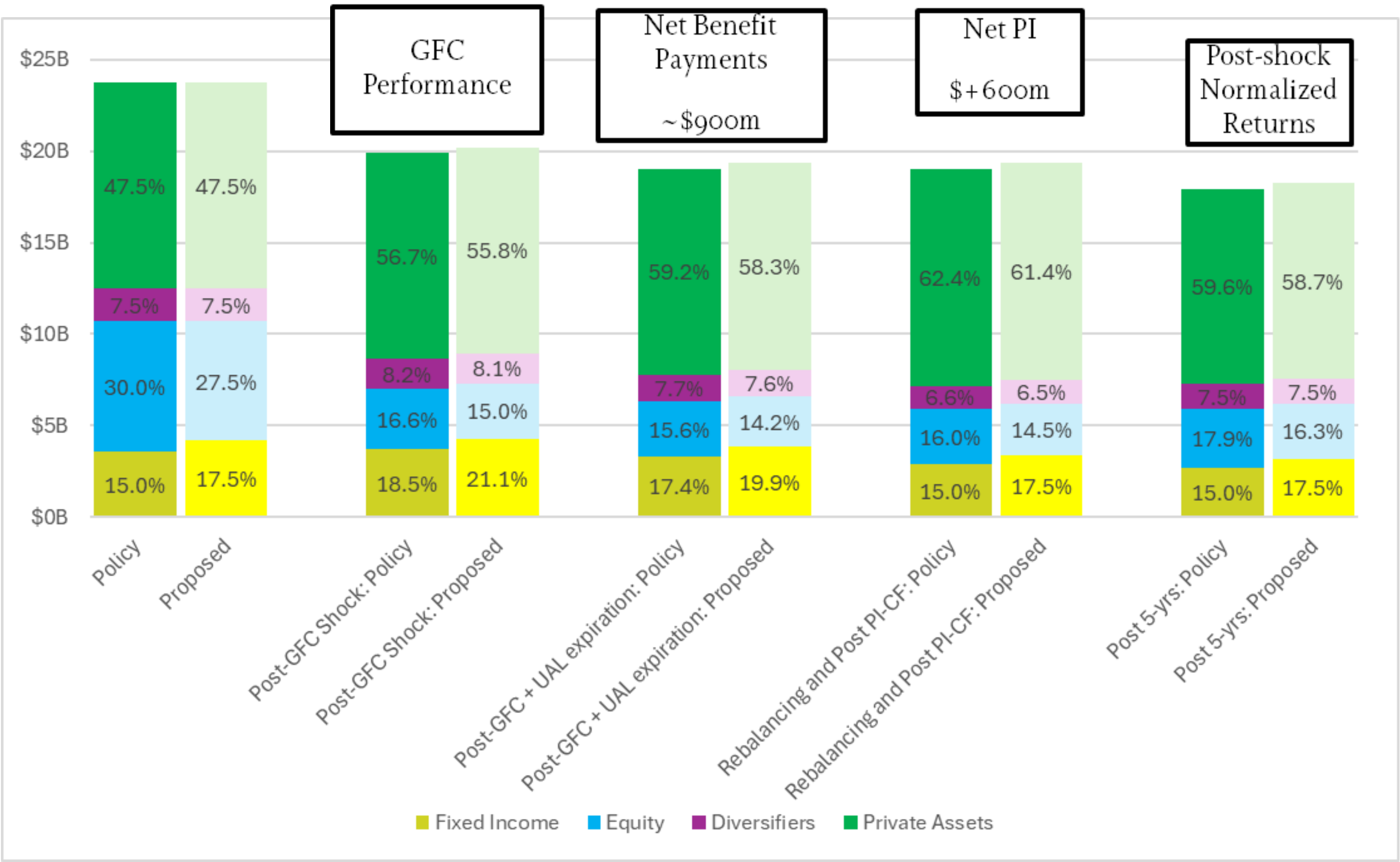


Equilibrium state begins end of year, 2025 and runs until end of year, 2030. The measurement period captures 3 years of pre-UAL benefit payments and 2 years of post-UAL benefit payments.

Liquidity Coverage in Stressed Conditions

Current vs. Proposed

PHASE	POLICY ALLOCATION	POST-GFC SHOCK	POST-GFC + UAL EXPIRATION	REBALANCING AND POST PI-CF	POST 5-YRS
POLICY: BENEFIT COVERAGE RATIO	12.3X	8.0X	7.2X	6.8X	6.8X
PROPOSED: BENEFIT COVERAGE RATIO	12.3X	8.4X	7.6X	7.1X	7.1X



Stress Test begins end of year, 2028, just before UAL expiration and runs until end of year, 2033. The shock event, UAL expiration, rebalancing, and Private Assets contributions are assumed to occur immediately at year end, 2028 and affect the total pool value and allocation.

APPENDIX

CAMBRIDGE
ASSOCIATES

Liquidity Schedule Methodology

- Net distributions from the PI program are assumed to be $340M annually. A proportionate amount of these distributions is allocated to monthly and quarterly liquidity
- Assumes NAVs for all funds remain unchanged over the course of a year

Liquidity Stress Test Methodology

- We assess the Plan's liquidity after the effects of a broad market stress event and structurally lower plan contributions. We perform the same test on the proposed portfolio
- Benefit Coverage Ratios use only Equities and Fixed Income in the numerator
- The results on the following page are based on the following inputs:
  - GFC Event defined as a 54% drop in equities; diversifiers drop 8%; and fixed income rises 4%. Private assets (inclusive of Alternative Credit) returns are zero throughout the entire shock.
  - Redemptions include $1,600m[1] of benefit payments and contributions of $700m[1]. These figures are 5-year averages of benefit payments and contributions for the years 2029-2033
  - The plan is then rebalanced to move back toward policy targets
  - After these events, a net $600m of commitments are called by private managers, funded from public equities and diversifiers
- For the next 5 years, we assume an average net pool growth rate of -1.2%. Liquid assets grow at their equilibrium rates, while private investments decline by $1,063 from net disbursements and appreciate at 0%, which yields an asset growth rate of ~2.3%. Net benefit payments are assumed to be 3.5%
- Both the current policy portfolio and proposed experience similar drawdowns, though the proposed maintains a slightly higher liquidity profile due to an increase in fixed income funded via public equities.

1: Cheiron's projections for NCF for S&T and PLD provided by MainePERS

CMA MODELING

CAMBRIDGE ASSOCIATES

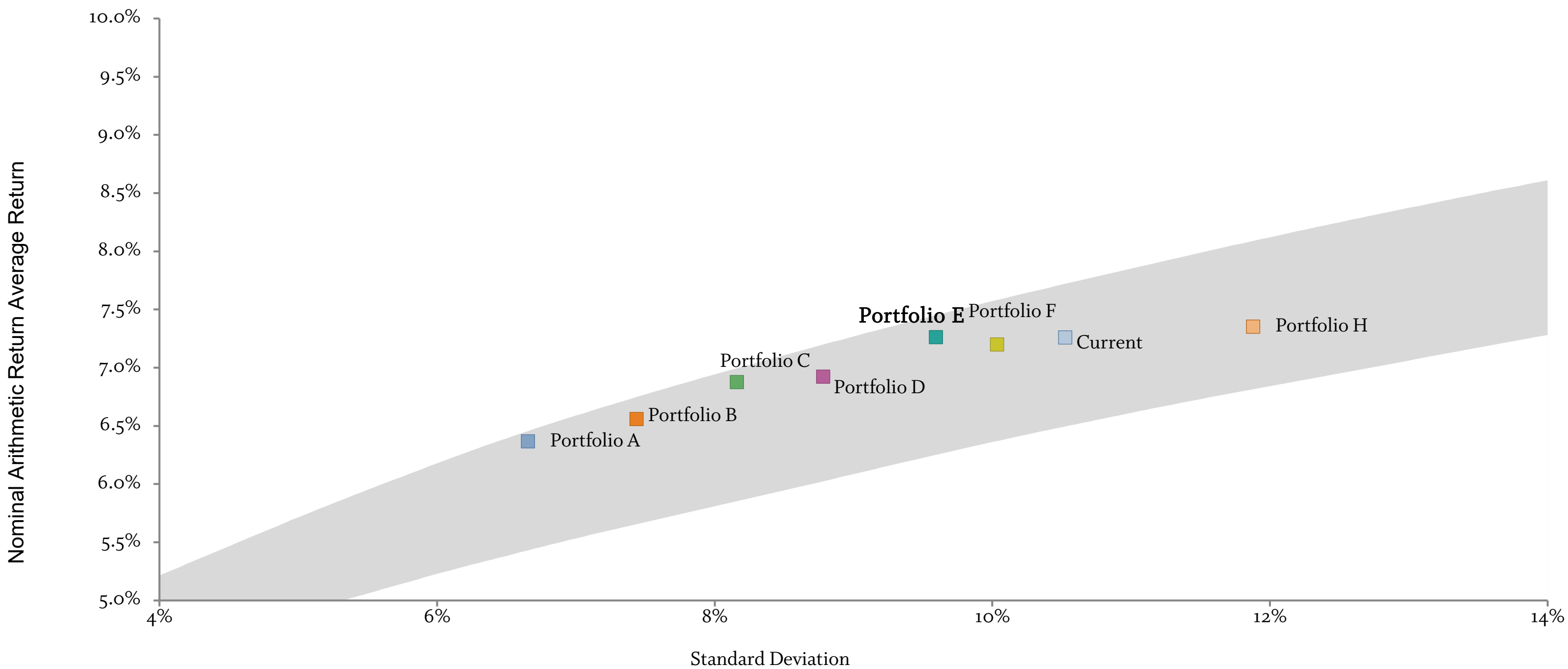
CMA Modeling: Recap

- In July, MainePERS and Cambridge developed a range of hypothetical portfolios that represent viable risk/return alternatives
- These portfolios sit within the efficient region, which charts the performance of optimized portfolios (those on the efficient frontier) under a wide range of scenarios to create a more plausible range of investment outcomes
- On the following slide, portfolios A and H are "book-end" solutions that represent bounds of an appropriate risk spectrum
  - These portfolios do not represent the lowest/highest-risk portfolios available, but they define the range of acceptable risk/return outcomes
- Portfolios B-F show changes in expected return for a constant, incremental adjustment in risk
- Using Asset-Liability simulations from Cheiron, MainePERS and CA recommended a moderate reduction in risk level consistent with the pool's ongoing maturity and increasing liquidity needs
  - Portfolio E exhibits lower risk but is expected to preserve an appropriate amount of upside under normal market conditions

Asset Allocation Efficient Region Analysis

Portfolio Alternatives

25 YEAR BLENDED RETURN: “RTN”



RISK AND RETURN

	PORTFOLIO A	PORTFOLIO B	PORTFOLIO C	PORTFOLIO D	PORTFOLIO E (PROPOSED)	PORTFOLIO F	CURRENT	PORTFOLIO H
NOMINAL COMPOUND RETURN (%)	6.4	6.6	6.9	6.9	7.3	7.2	7.3	7.4
STANDARD DEVIATION (%)	6.7	7.5	8.2	8.8	9.5	9.9	10.6	11.6

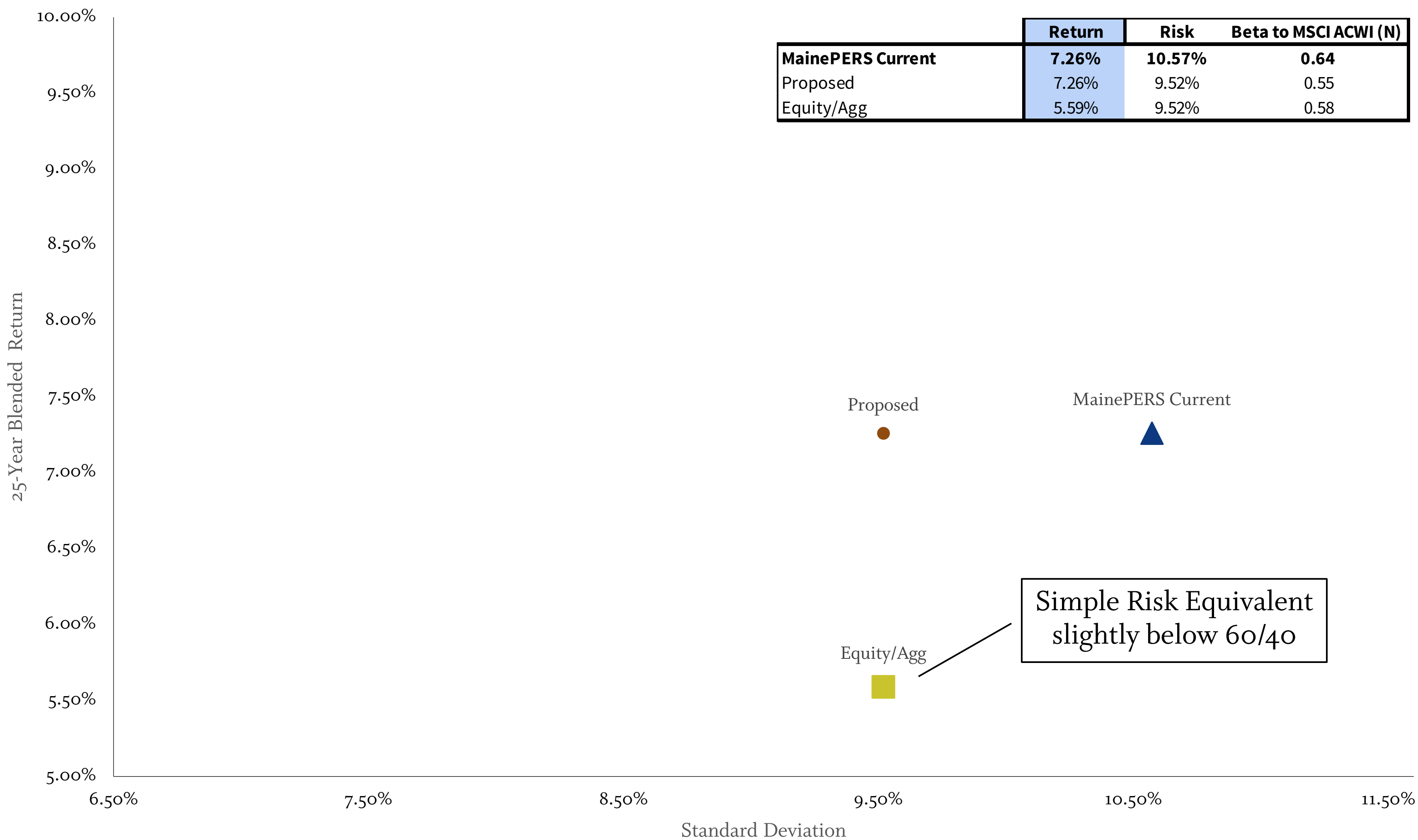
Note(s): Assumes 6/30/2025 Cambridge Associates’ capital market assumptions. RTN is a variation of Cambridge Associates’ 10-year capital markets assumptions. Blended return assumes 10 year Returns and 15 years of Long -Term Returns.

Previous Asset Allocation vs. Proposed Asset Allocation and Simple Risk Equivalent

'Current' reflects the **Current Allocation** with Current Policy benchmarks. 'Proposed' reflects the Proposed Allocation with Proposed Policy benchmarks.

25 YEAR BLENDED RETURN: "RTN"

	Return	Risk	Beta to MSCI ACWI (N)
MainePERS Current	**7.26%**	**10.57%**	**0.64**
Proposed	7.26%	9.52%	0.55
Equity/Agg	5.59%	9.52%	0.58



Note(s): Assumes 6/30/2025 Cambridge Associates' capital market assumptions. RTN is a variation of Cambridge Associates' 10-year capital markets assumptions. Blended return assumes 10 year Returns and 15 years of Long -Term Returns. Equity/Agg is approximately 57% Global Equity and 43% U.S. Agg

Capital Market Assumptions as of June 30, 2025

	PROPOSED PORTFOLIO	LONG TERM GEOMETRIC	RTN BLEND GEOMETRIC	RTN GEOMETRIC	STANDARD DEVIATION
PUBLIC EQUITY	27.5%	8.1%	5.9%	2.7%	15.6%
PRIVATE EQUITY	10.0%	10.4%	7.9%	4.2%	15.4%
RISK DIVERSIFIERS	7.5%	7.1%	7.1%	6.9%	4.1%
REAL ASSETS	22.5%	8.1%	8.4%	8.8%	10.3%
ALTERNATIVE CREDIT	15.0%	8.9%	9.0%	9.0%	9.3%
PUBLIC FIXED INCOME	17.5%	4.9%	5.1%	5.3%	5.0%

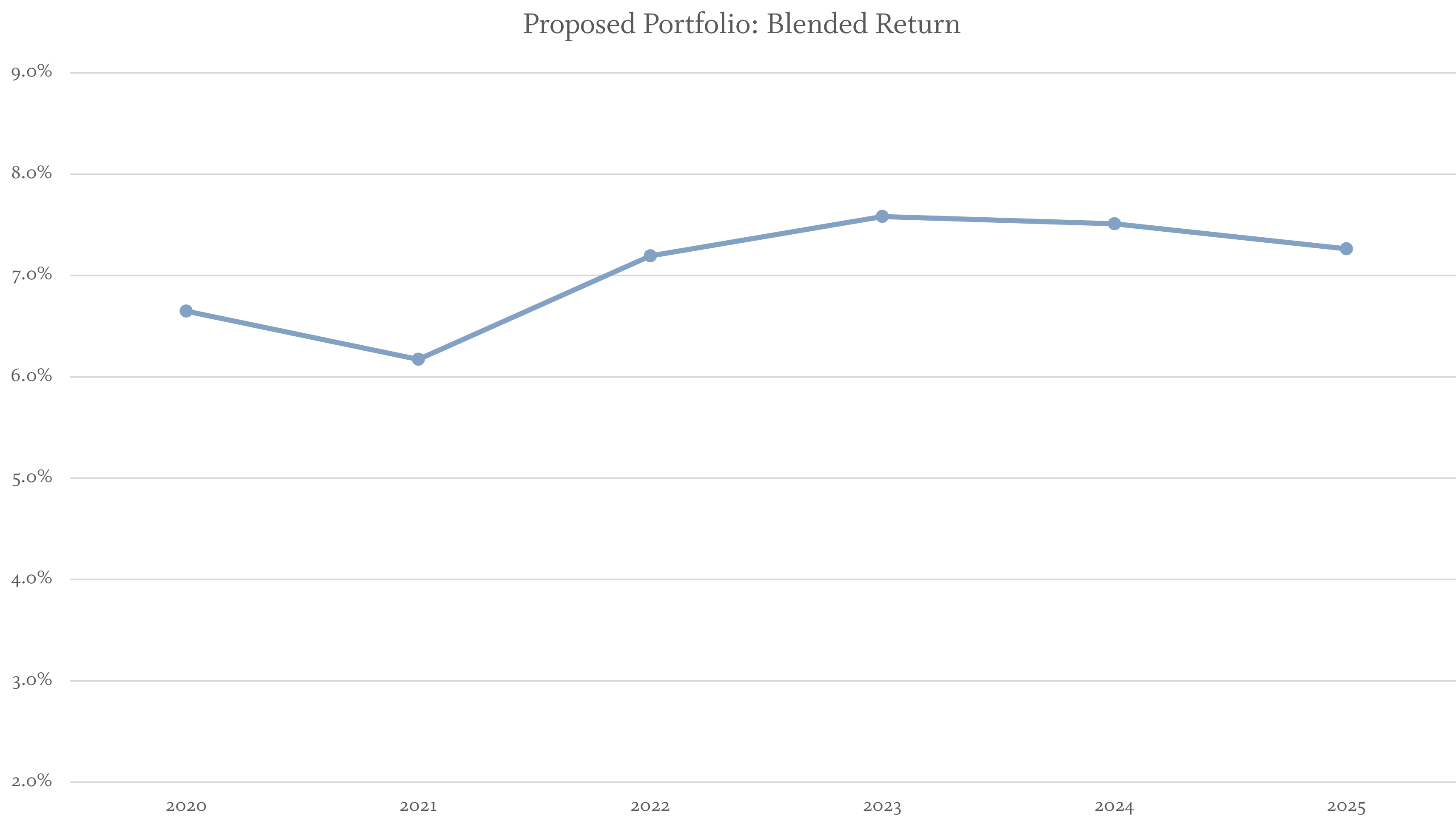
NOMINAL GEOMETRIC RETURN		8.0%	7.3%	6.1%
STANDARD DEVIATION		9.5%	9.5%	9.5%

NOMINAL GEOMETRIC RETURN - CURRENT POLICY		8.2%	7.3%	5.9%
STANDARD DEVIATION - CURRENT POLICY		10.6%	10.6%	10.6%

Note(s): Assumes 6/30/25 Cambridge Associates' capital market assumptions. RTN is a variation of Cambridge Associates' 10-year capital markets assumptions. Long Term returns are Cambridge Associates' Long Term (formerly Equilibrium) capital markets assumptions. Blended return assumes 10 years of expected returns and 15 years of Long -Term Returns.

MainePERS EROA over time

LONG-TERM PROJECTIONS STAY RELATIVE STABLE BUT PERIODICALLY EXPERIENCE VALUATION-BASED FLUCTUATIONS



Note(s): Reflects the proposed allocation using Cambridge Associates' CMAs for each year from 2020 to 2025, as of 6/30 for each year.

CMA Methodology – Long Term (“Equilibrium”) & RTN

- Establishes long-term return estimates based on 25 years of historical data for most global asset classes, independent of current valuations
  - Uses historical return data from representative indexes, adjusted for inflation and cash yields
  - Add long-run inflation expectation (2.5%) to real returns for nominal estimates
- For asset classes with limited history, use longest available data and adjust periods for comparability
- Adjust historical returns if unadjusted data is too favorable, ensuring valid cross-asset comparisons
- For private assets, CA’s mPME approach used to estimate future returns
  - Based on historical outperformance, these return estimates include a premium over the mPME benchmark
- Equilibrium estimates are updated every 3-5 years
- Return to Normal (RTN) assumptions incorporate valuation adjustments into various components of asset class returns. These adjustments are based on reversion to long-term medians
  - In effect, RTN assumptions project lower returns following periods of high returns, and vice versa

CMA Methodology – Volatility and Correlation

Volatility

- Calculated from historical return data of representative asset class indexes
- Public assets volatility is estimated using monthly returns and is then annualized
- Private assets returns are adjusted to remove the smoothing effect of lagged reporting. This adjusted return series is used to derive "economic" volatility
  - This measures the systemic risk present in private markets which is otherwise not captured in the observed, or "accounting" volatility of private investments
- Volatility estimates updated every 3–5 years with historical return updates

Correlation

- Based on historical return data; frequency matches asset class (monthly for public, quarterly for private)
- Estimates are updated on a multi-year basis

CAMBRIDGE ASSOCIATES

CHEIRON

Classic Values, Innovative Advice

Educational Session

Asset Liability Modeling

October 9, 2025

Gene Kalwarski, FSA, EA, MAAA
Bonnie Rightnour, FSA, EA, MAAA
Greg Reardon, FSA, EA, MAAA

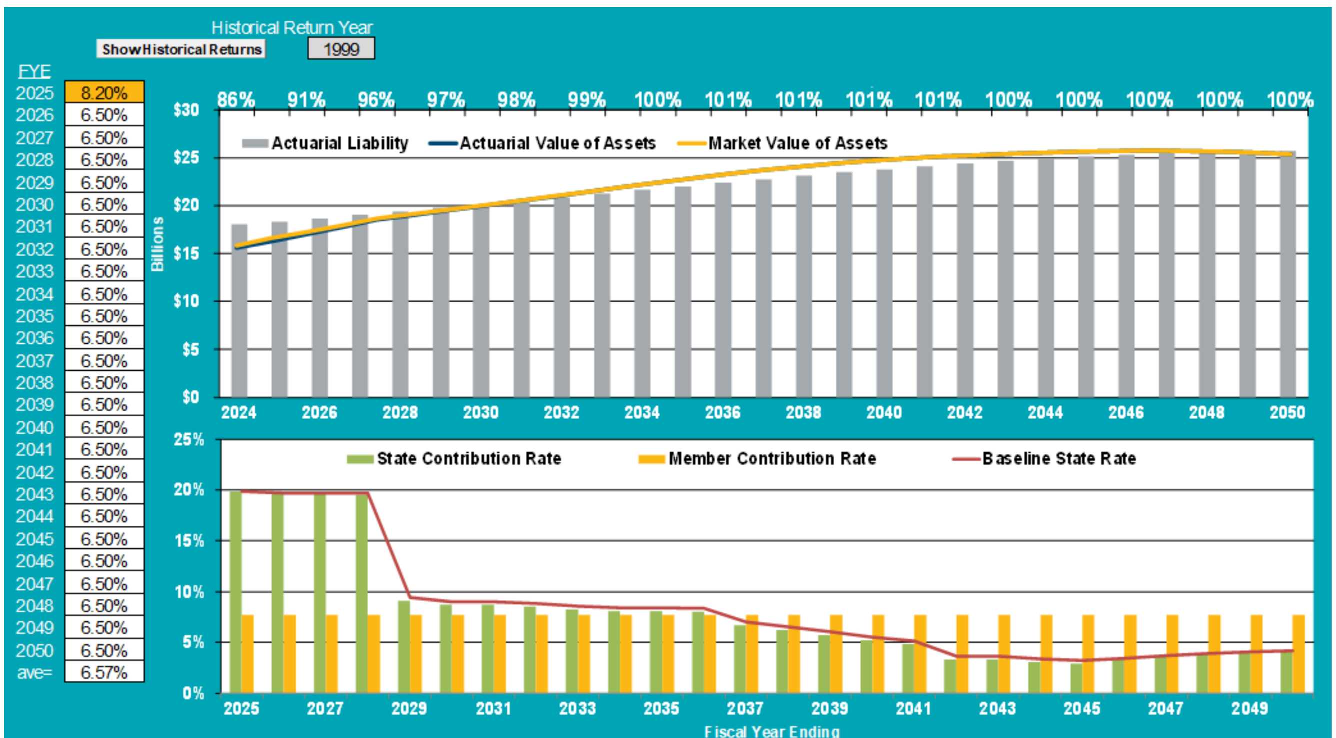
Questions From the Board

- What is stochastic modeling and how does it inform our decision-making on asset allocation?
- What was Cheiron’s role in the asset/liability study?
- Why are plan demographics an important consideration in setting the asset allocation?
- What aspects of asset allocation are more industry aligned versus specific to MainePERS’ plans?
- What is the Board’s role in determining the asset allocation?
- What is the risk to the Plans if we get this wrong?
- Timing of asset allocation review and asset/liability studies (every five years or less/more frequent given 2028) and why this frequency/cycle is important for making course corrections

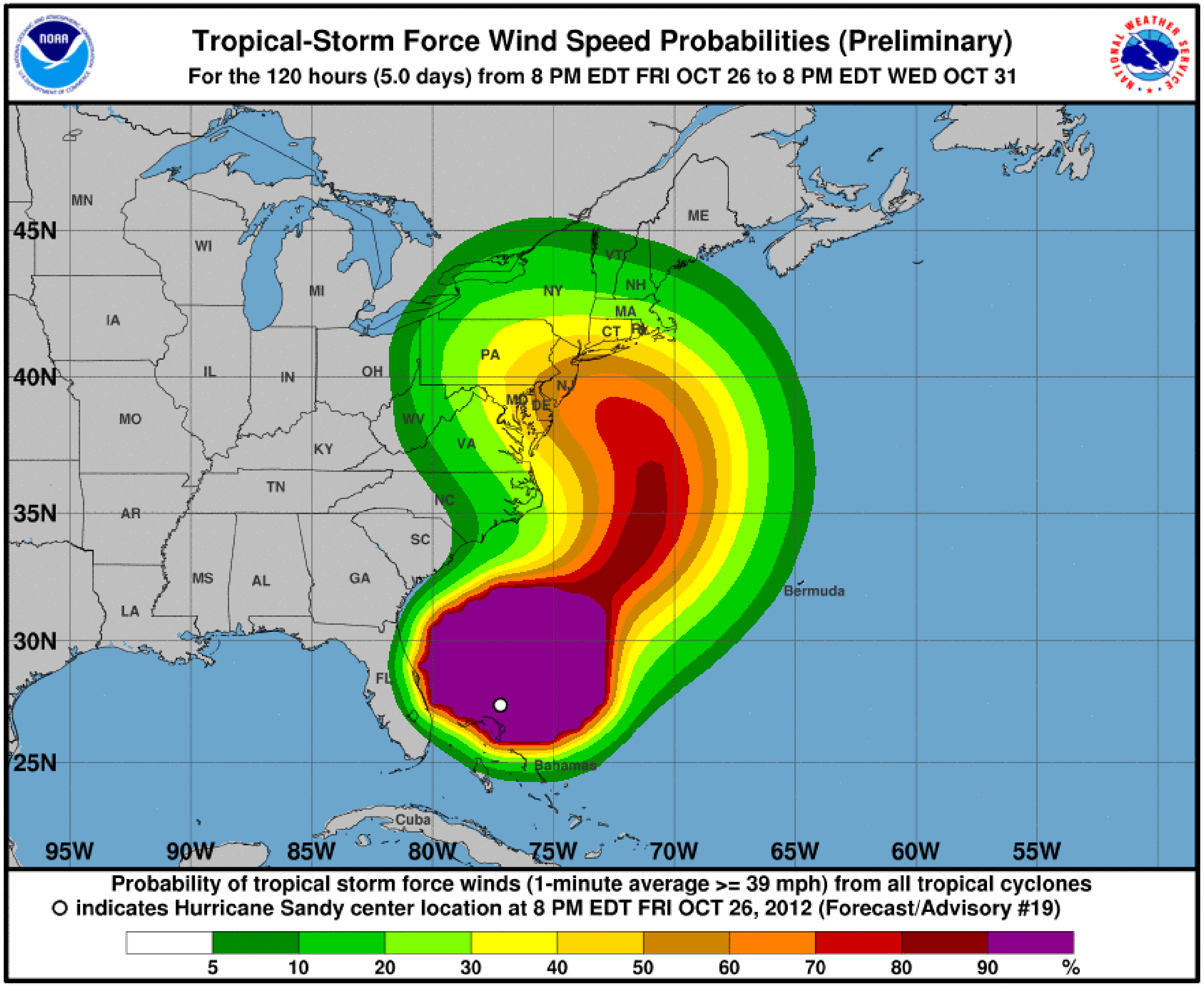
What is stochastic modeling and how does it inform our decision-making on asset allocation?

What Stochastic Modeling is Not

- Deterministic Projections which are based on a single set of assumptions and…
- Will not demonstrate how investment volatility will impact the projections



Familiar Stochastic Modeling?



Pension Plan Stochastic Modeling

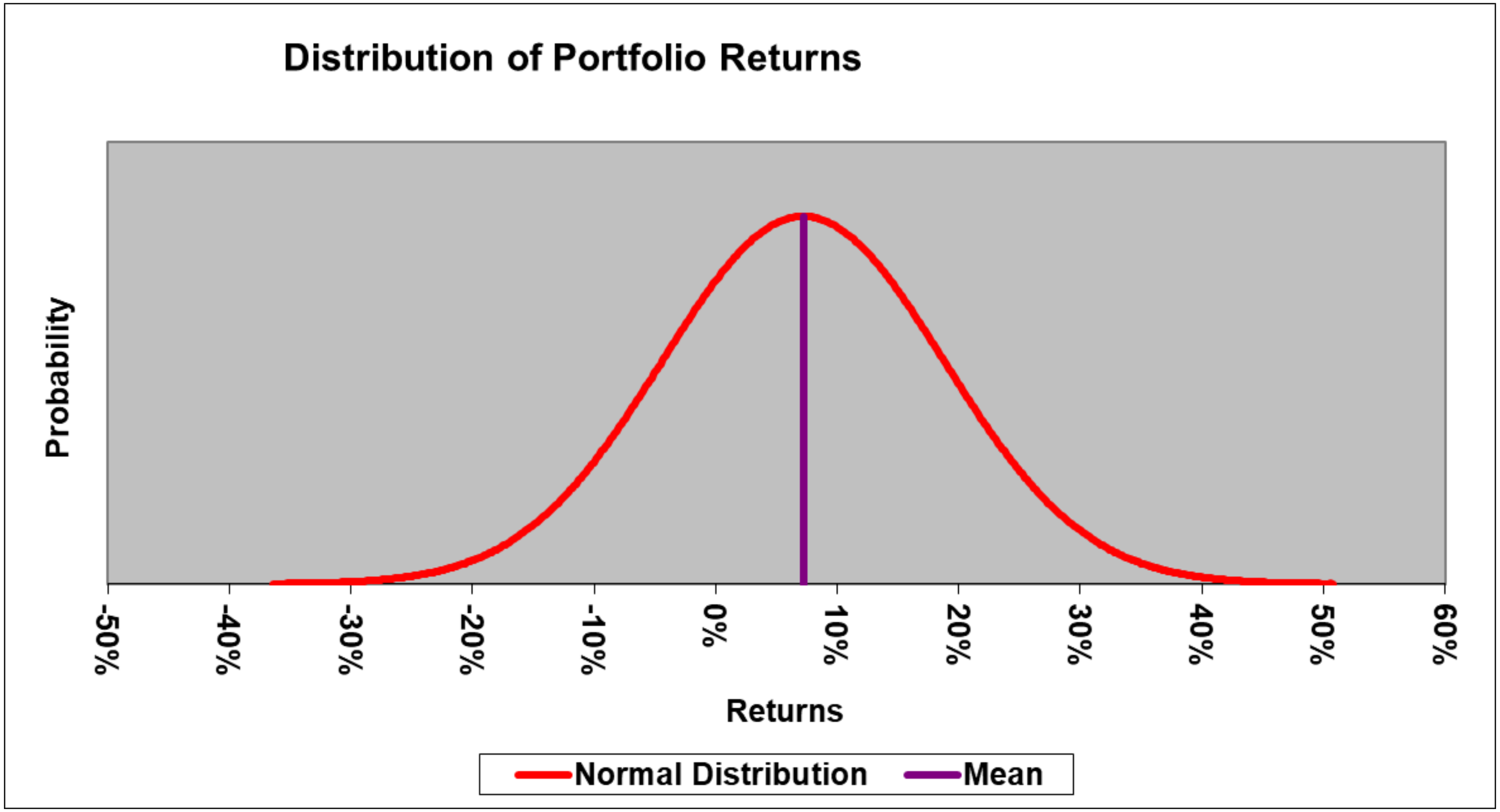
Stochastic modeling for a pension plan is a **risk assessment and forecasting technique** that uses probability distributions and simulations (rather than single-point assumptions) to project the future financial position of the plan

Why is Stochastic Modeling Important?

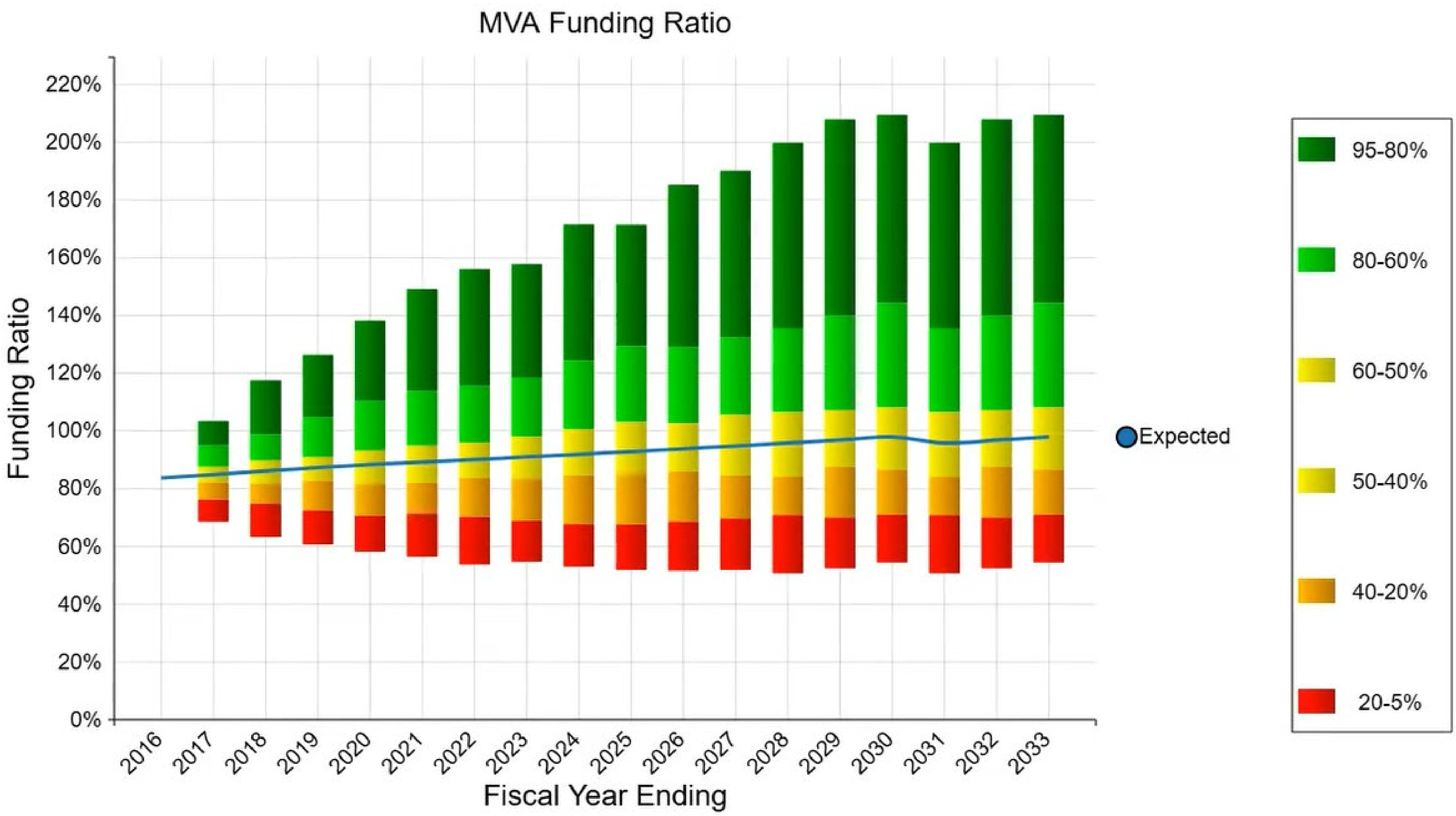
- **Risk Measurement**: Shows the likelihood of funding shortfalls under adverse economic conditions
- **Policy Testing**: Allows trustees to test funding policies, contribution rules, or investment strategies across many possible futures
- **Stress Testing**: Highlights “tail risks” (e.g., what happens in extreme but plausible scenarios like prolonged low returns)
- **Decision Support**: Provides Boards with probabilities instead of false certainty, aiding in strategic decisions

How it's Done

- Current Portfolio
  - Expected Investment Return 7.2%
  - Expected Volatility 11.6%



How it's Done



MVA Funding Ratio
Funding Ratio
220%
200%
180%
160%
140%
120%
100%
80%
60%
40%
20%
0%
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
2031
2032
2033
Fiscal Year Ending
Expected
95-80%
80-60%
60-50%
50-40%
40-20%
20-5%

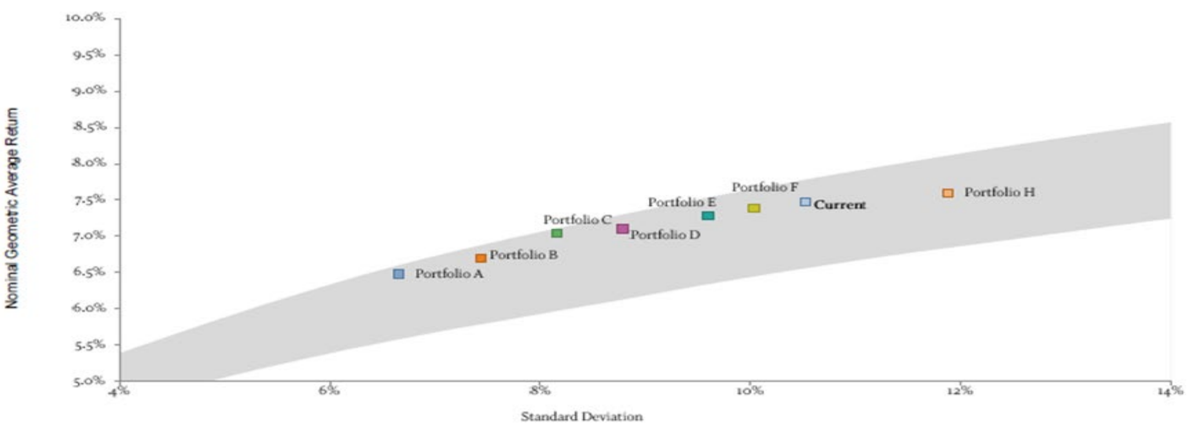
What was Cheiron's Role in the Study?

Cheiron's Role in the Study

- Obtain Inputs from MainePERS
  - Portfolios to test with corresponding expected returns and standard deviations

Asset Allocation Efficient Region Analysis | As of April 30, 2025

25 YEAR BLENDED RETURN: "RTN"



RISK AND RETURN

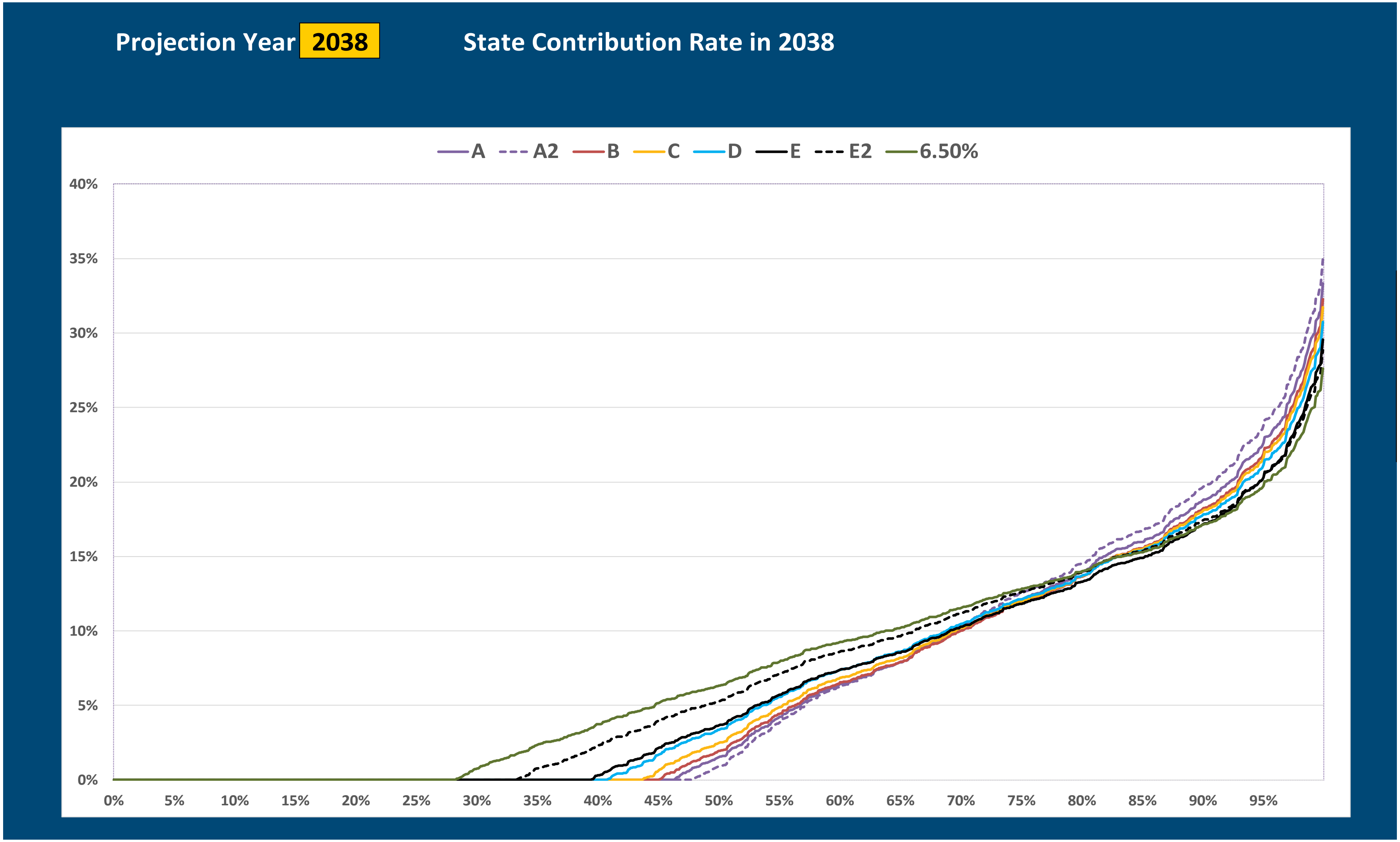
	PORTFOLIO A	PORTFOLIO B	PORTFOLIO C	PORTFOLIO D	PORTFOLIO E	PORTFOLIO F	CURRENT	PORTFOLIO H
NOMINAL COMPOUND RETURN (%)	6.5	6.7	7.0	7.1	7.3	7.4	7.5	7.6
STANDARD DEVIATION (%)	6.7	7.5	8.2	8.8	9.5	9.9	10.6	11.6

C|A Note(s): Assumes 4/30/2025 Cambridge Associates' capital market assumptions. RTN is a variation of Cambridge Associates' 10-year capital markets assumptions. Blended return assumes 10 year Returns and 15 years of Long -Term Returns.

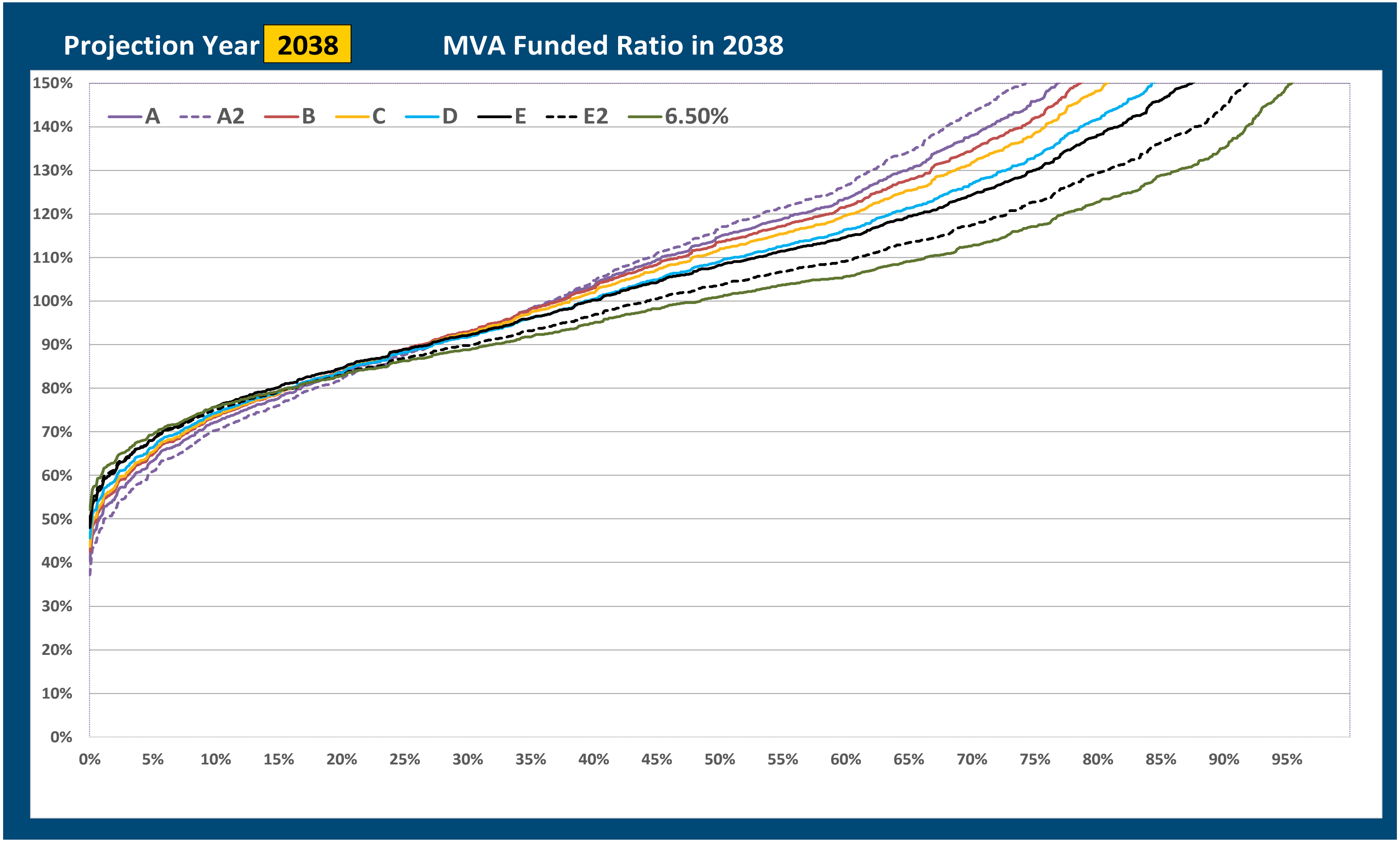
Cheiron's Role in the Study

- Determine from MainePERS important metrics
  - State Contribution Rate
  - MVA Funded Ratio
  - Net Cash Flow as % of Assets
- Perform 1,000 forecasts for each portfolio
- Present MainePERS with output from model to examine the results

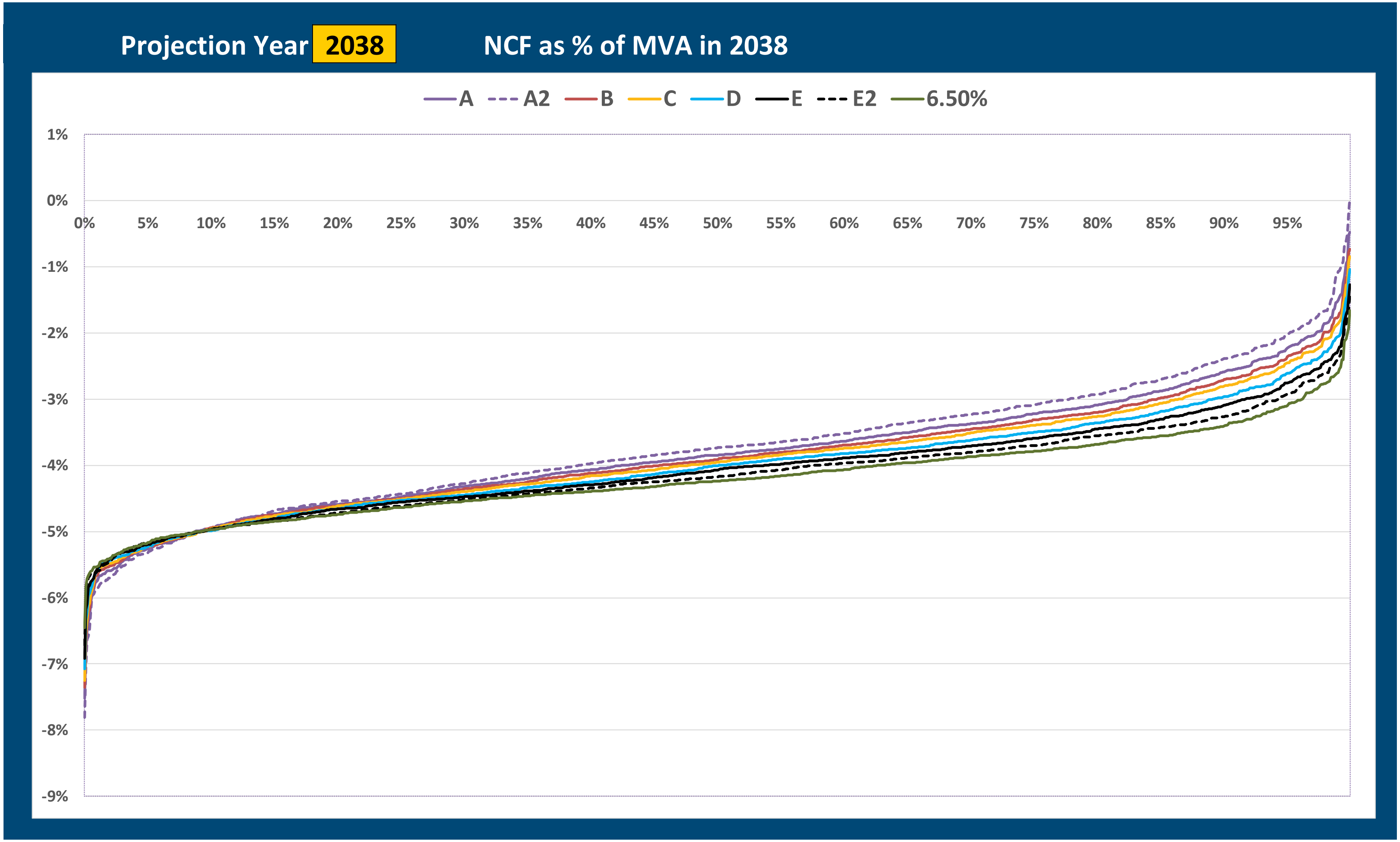
Sample Output – State Contribution Rate



Sample Output – Funded Status



Sample Output – Net Cash Flow



Why are plan demographics an important consideration in setting the asset allocation?

Plan Demographics in ALM Studies

- Plan demographics directly impact future Plan liabilities and cash flows
- Without considering plan demographics, an ALM Study becomes merely an AM Study
- Actual investment returns are impacted by cash flows
  - Time-weighted returns are reported for investment performance comparisons and are not impacted by cash flows
  - Dollar-weighted returns are a plan’s real returns and negative net cash flows significantly impact future dollar weighted investment returns

An AM Study Example

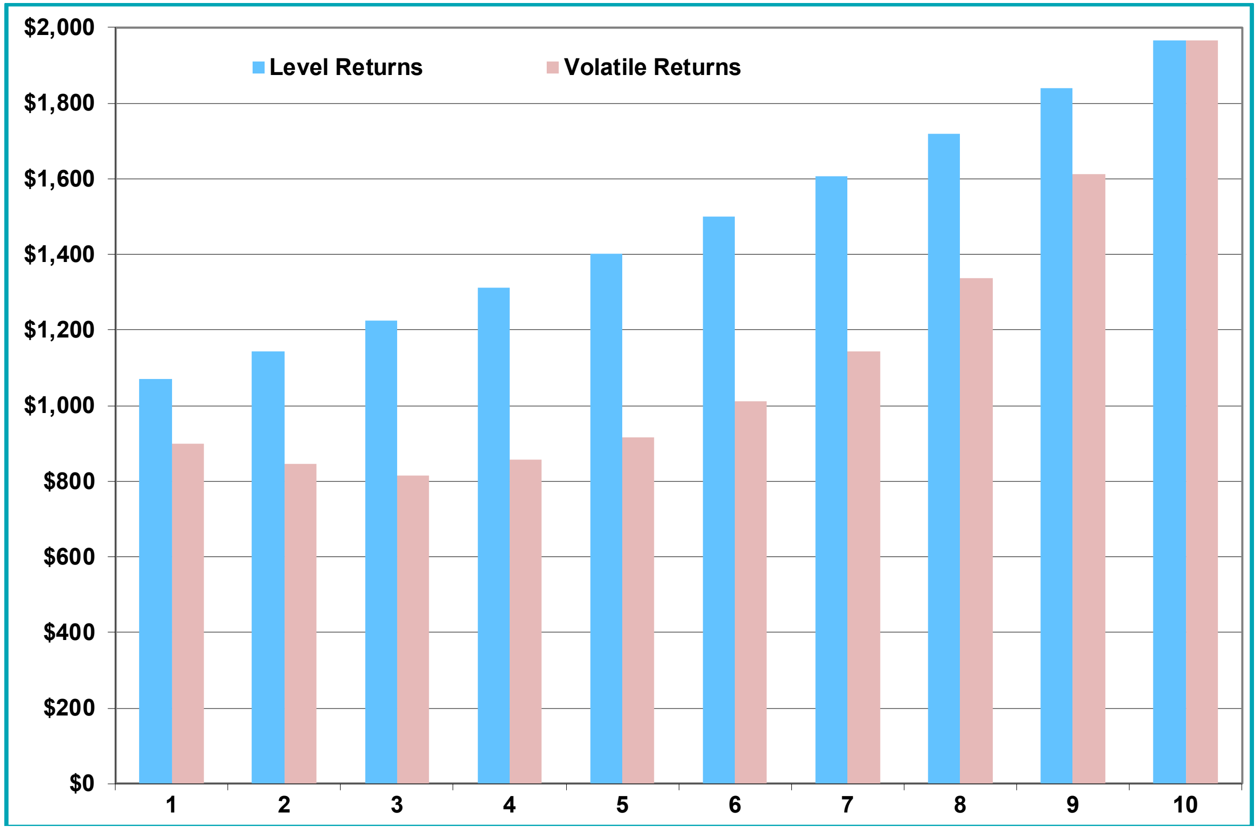
The actuary sets the investment assumption based on the earnings expectations of the assets

The investment consultant sets the asset allocation based on the discount rate of the actuary

Negative Cash Flows = 0% of Assets

Year	Net Cash Flow	Level Returns	Volatile Returns
1	$ -	7.00%	-10.00%
2	$ -	7.00%	-6.00%
3	$ -	7.00%	-3.50%
4	$ -	7.00%	5.00%
5	$ -	7.00%	7.00%
6	$ -	7.00%	10.30%
7	$ -	7.00%	13.00%
8	$ -	7.00%	17.00%
9	$ -	7.00%	20.50%
10	$ -	7.00%	22.00%

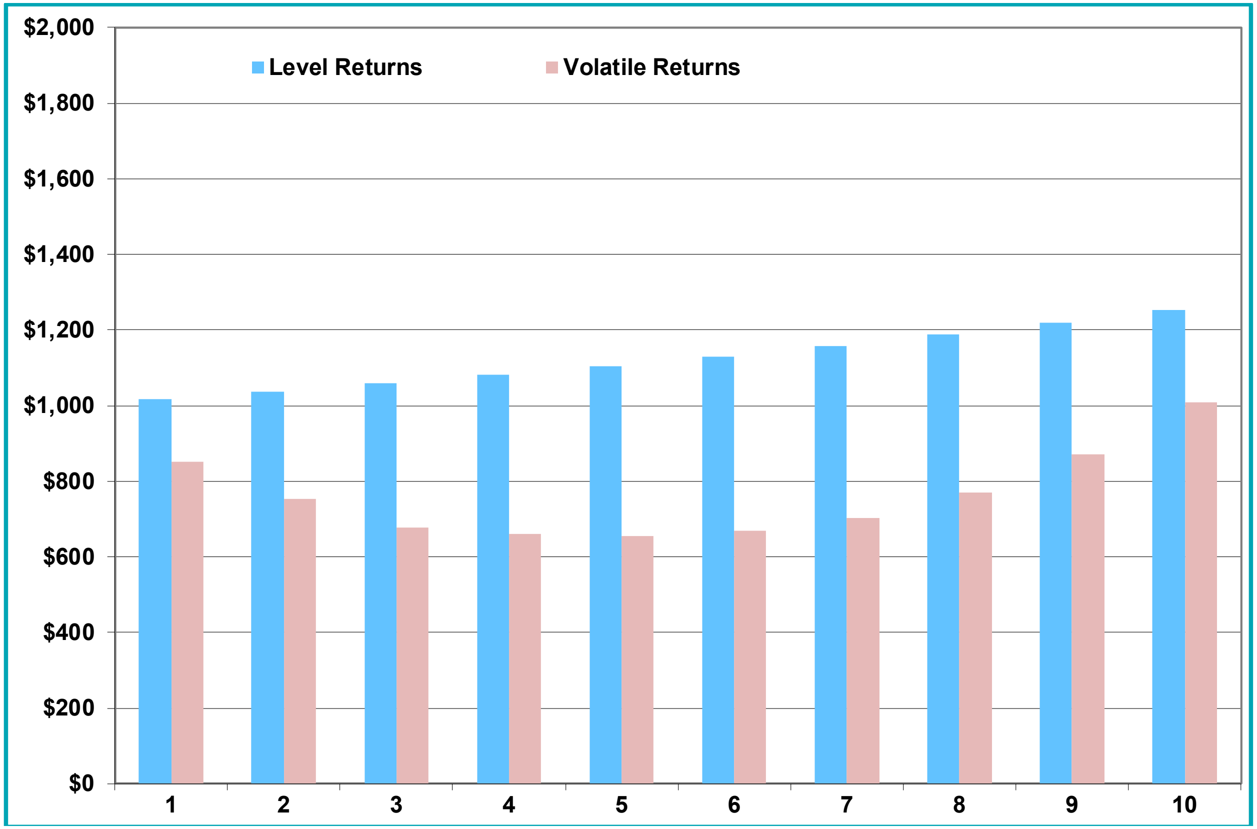
Returns		
Reported	7.00%	7.00%
Actual	7.00%	7.00%
Asset Gain/(Loss)	$0	0%



Negative Cash Flows = Level at 5% of Assets

Year	Net Cash Flow	Level Returns	Volatile Returns
1	$ (50.0)	7.00%	-10.00%
2	$ (50.0)	7.00%	-6.00%
3	$ (50.0)	7.00%	-3.50%
4	$ (50.0)	7.00%	5.00%
5	$ (50.0)	7.00%	7.00%
6	$ (50.0)	7.00%	10.30%
7	$ (50.0)	7.00%	13.00%
8	$ (50.0)	7.00%	17.00%
9	$ (50.0)	7.00%	20.50%
10	$ (50.0)	7.00%	22.00%

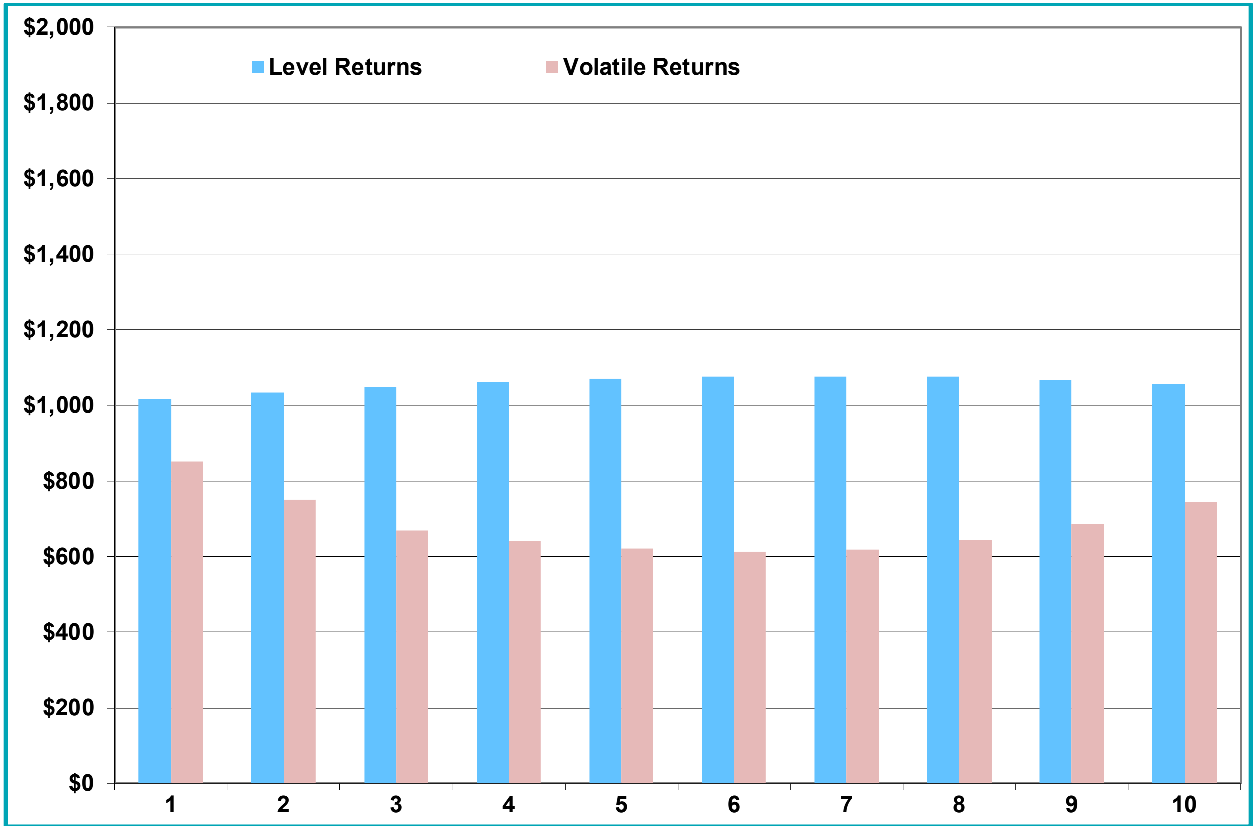
Returns	Level	Volatile
Reported	7.00%	7.00%
Actual	7.00%	5.19%
Asset Gain/(Loss)	($244)	-20%



Negative Cash Flows = 5% of Assets & Growing 6% Per Year

Year	Net Cash Flow	Level Returns	Volatile Returns
1	$ (50.0)	7.00%	-10.00%
2	$ (53.0)	7.00%	-6.00%
3	$ (56.2)	7.00%	-3.50%
4	$ (59.6)	7.00%	5.00%
5	$ (63.1)	7.00%	7.00%
6	$ (66.9)	7.00%	10.30%
7	$ (70.9)	7.00%	13.00%
8	$ (75.2)	7.00%	17.00%
9	$ (79.7)	7.00%	20.50%
10	$ (84.5)	7.00%	22.00%

Returns	Level	Volatile
Reported	7.00%	7.00%
Actual	7.00%	4.52%
Asset Gain/(Loss)	($311)	-29%



What aspects of asset allocation are more industry aligned versus specific to MainePERS?

Survey of Industry's Expected Returns & Volatility

Consultant	Nominal	Inflation	Real	Standard Deviation
Cambridge Associates (RTN+EQ*), 2025 Assumptions	***7.20%***	***2.50%***	***4.70%***	***10.40%***
Cambridge Associates (RTN+EQ*), 2024 Assumptions	**8.10%**	**2.50%**	**5.60%**	**10.90%**
Horizon (10-year), 2024 Assumptions	**7.36%**	**2.40%**	**4.96%**	**12.23%**
Horizon (20-year), 2024 Assumptions	**7.63%**	**2.40%**	**5.23%**	**12.23%**

* Cambridge Associates assumptions are based off of a 10-year Return To Normal assumption set followed by a 15-year equilibrium assumption set.

- When reviewing discount rate, most important factor is future expectations
- Expectations vary by:
  - Investment Firm: Horizon's survey includes assumptions from 41 different investment firms
  - Time horizon
  - Near-term expectations are also heavily influenced by recent economic events

What is the Board's role in determining the asset allocation?

1. The Investment Team and Board consultants shall annually review long-term capital market expectations and existing asset class allocations with Trustees
2. The Board shall review, and when strategically appropriate, approve recommended changes to the existing strategic asset classes, target weights, and ranges for implementation by the Investment Team

Source: Board Responsibilities – Investment Policy for Defined Benefit Plans 2.1 – Investment Policy Statement

What is the risk to the Plans if we get this wrong?

- Decisions are never “right” or “wrong” as actual returns will always vary from expectations
- If on average actual returns are greater than expected, future costs will be lower and funded status higher than originally projected and vice versa

Timing of asset allocation review and asset/liability studies (every five years or less/more frequent given 2028) and why this frequency/cycle is important for making course corrections

- Most public pension funds conduct asset/liability studies every 3 to 5 years
- More frequent studies may be necessary if a major financial event occurs, a funded status milestone is achieved, or there is a material change to:
  - Plan’s maturity
  - Plan’s benefit formula
  - Capital market outlook
  - Contribution requirements
  - Board’s goals, objectives or risk tolerance
- Timely review of asset allocations and expected returns are critical to the continued strengthening of the plan’s financial soundness

CHEIRON

Questions?

POLICY BENCHMARKING

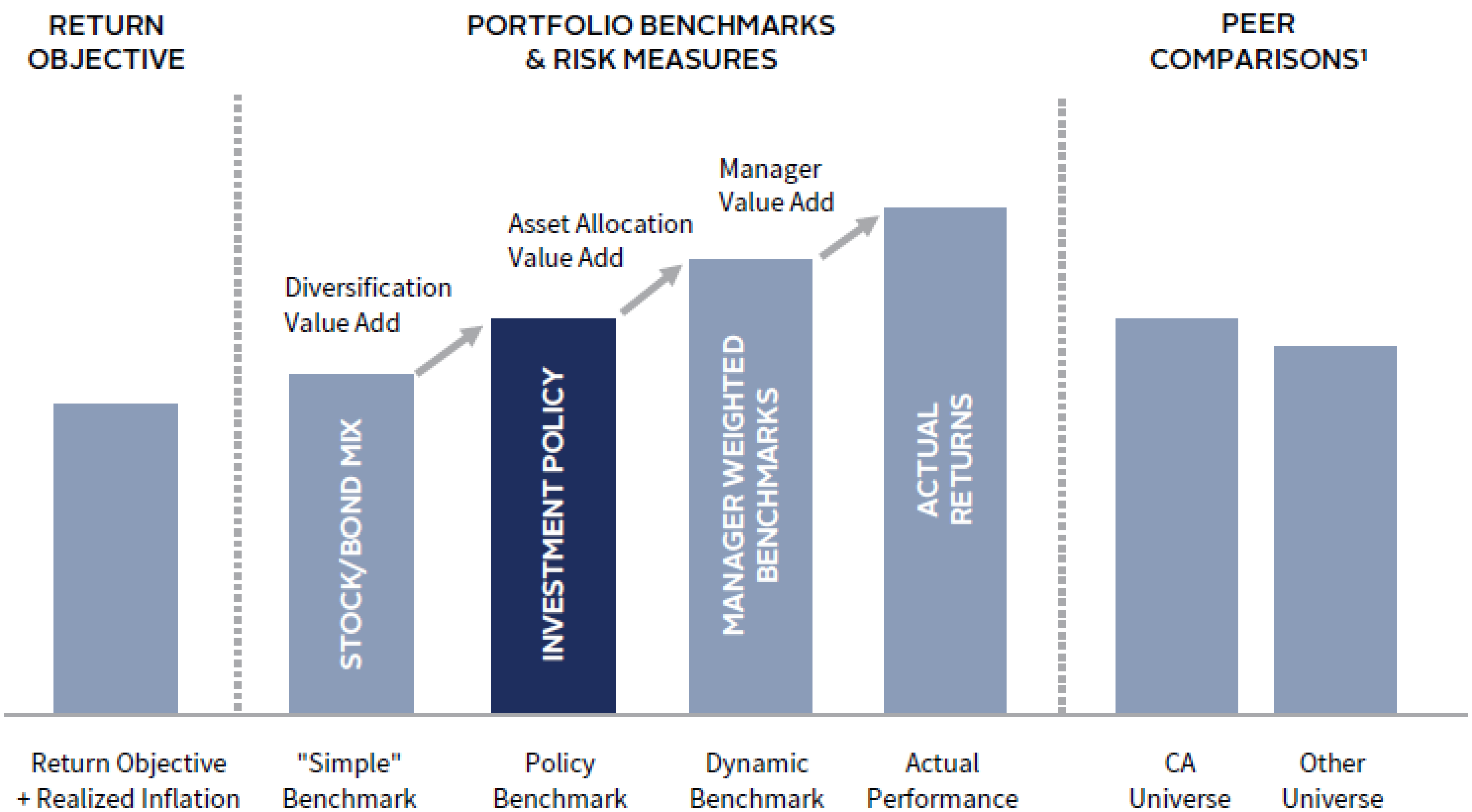
CAMBRIDGE ASSOCIATES

Executive Summary

- A policy benchmark is a tool to provide a representative, total portfolio figure to evaluate performance and the achievement of long-term portfolio objectives
- Its composition should reflect the asset class weightings developed in Strategic Asset Allocation and Asset/Liability evaluations
- Some asset classes are more straightforward than others while others pose significant challenges in setting an appropriate benchmark
- For private markets, MainePERS has used a mix of public market equivalents and peer group medians
- The work of the MainePERS team in conjunction with Cambridge suggests a number of adjustments for the Trustees to consider:
  - Treating harder to benchmark asset classes more consistently and aligning with best practices
  - Where there is no perfect public equivalent, proposing a reflective opportunity cost of capital with a premium, reflecting the role in portfolio of the asset class
- An analysis of the proposed adjustments shows while differences are small as one would expect, the proposed benchmark ***would have outperformed the existing benchmark***

Developing Key Reference Points

COMPONENTS OF A COMPREHENSIVE BENCHMARKING FRAMEWORK



POLICY OBJECTIVES & RISK METRICS

- Alpha
- Tracking Error
- Information Ratio
- Volatility
- Sharpe Ratio
- Beta

Developing Key Reference Points

- Focusing on the Policy Benchmark to ensure the investment approach aligns with not only the return objective, but key parameters of the pool (liquidity needs, funded status volatility)

TYPE	QUESTION	BENCHMARK	DESCRIPTION	TIME FRAME
RETURN OBJECTIVE	Have we earned enough to meet our financial objectives (e.g., earn what we spend)?	Realized Inflation + Real Return Objective	Return objective expressed in real terms, as appropriate over very long time frames	20+ Years
SIMPLE	Have we done better than an investable, simple, passive approach?	Stocks & Bonds	A mix of stocks and bonds. Reflects expected risk profile of investment policy	10+ Years
POLICY	Have we outperformed a mix of indexes that represents our long-term strategic asset allocation?	Policy Benchmark	A mix of investable benchmarks representing our "default" or "normative" position	3–5+ Years
DYNAMIC	Have we added value through our selection of active managers?	Manager Benchmark	A blend of each manager's specific benchmark, at the weight of the manager within the portfolio	3–5+ Years
PEER GROUP	Have we outperformed other similar institutions?	Custom Peer Group	A custom group of peers with similar attributes	5+ Years
RISK MEASURES	How have we performed on a risk-adjusted basis?	Custom Risk Metrics	Specific metrics to measure risk-adjusted results (e.g., Sharpe ratio)	5+ Years

Attributes of an Appropriate Policy Benchmark

- Is a direct expression of default portfolio positioning
  - Serves as a clear mandate for day-to-day management of the portfolio
  - Should be more precise than an absolute return or a simple two-asset benchmark, but broader than a benchmark that measures manager selection or performance relative to peers.
- Applies a consistent framework across all asset classes with appropriate return metrics
  - Mixing different frameworks at the asset class level (e.g., peer comparisons vs. opportunity costs) complicates performance evaluation at the total portfolio level
- Reflects appropriate opportunity cost
  - E.g. a private equity investment funded from public equity should be benchmarked to a public equity index
- Incorporates dynamic weighting for asset classes with variable exposures
  - Used to neutralize shifts that do not reflect intentional investment decisions
  - E.g. Using ACWI geographic weights rather than static targets for global public equities to avoid implicit regional bets

Policy Review Summary: Recommendation of Changes

CURRENT		
ASSET CLASS	POLICY BENCHMARK	WEIGHT
PUBLIC EQUITY	R3000 & MSCI ACWI EX US	30.0%
PRIVATE EQUITY	R3000+3% (LAG)	12.5%
RISK DIVERSIFIERS	0.3 * ACWI	7.5%
REAL ASSETS	NCREIF PROPERTY INDEX	10.0%
INFRASTRUCTURE	C|A INFRASTRUCTURE MEDIAN (LAG	10.0%
NATURAL RESOURCES	C|A NATURAL RESOURCES MEDIAN (LAG)	5.0%
ALTERNATIVE CREDIT	50/50 U.S. HY/LTSA LL	10.0%
TRADITIONAL CREDIT	U.S. AGG EX-TSY	5.0%
US GOVERNMENT	50/50 TSY/ U.S. TIPS	10.0%

PROPOSED		
ASSET CLASS	POLICY BENCHMARK	WEIGHT
PUBLIC EQUITY	R3000 & MSCI ACWI EX U.S. IMI	27.5%
PRIVATE EQUITY	R3000+3% (LAG)	10.0%
RISK DIVERSIFIERS	90 DAY T-BILLS + 3%	7.5%
REAL ASSETS	CPI + 3%	22.5%
ALTERNATIVE CREDIT	LTSA LL	15.0%
PUBLIC FIXED INCOME	40% U.S. AGG EX-GOV/ 30% U.S. GOV/ 30% U.S. TIPS	17.5%

Policy Review Summary: Description of Changes

PROPOSED ASSET CLASS	DESCRIPTION OF CHANGES
PUBLIC EQUITY	• Reduce allocation by 2.5% • No change to U.S. exposure. Within the non-U.S. component, benchmark change from MSCI ACWI ex-U.S. to MSCI ACWI ex-U.S. IMI • **Rationale:** ACWI IMI includes small caps and is consistent with the overall intent of global equity exposure across the capitalization spectrum. The Russell 3000 is similarly an all-cap U.S. benchmark
PRIVATE EQUITY	• Reduce Allocation by 2.5%
RISK DIVERSIFIERS	• Benchmark change from 0.3 * ACWI to 90-Day T-Bills + 3% • **Rationale:** Reflects the appropriate funding source and objective; deliberately not public equity beta
REAL ASSETS	• Consolidates previous sub-asset classes: Natural Resources, Real Estate, Infrastructure • Reduce allocation by 2.5% • Benchmark change from private, peer-comparison indexes to CPI + 3% • **Rationale:** Reflects role in portfolio with an opportunity cost of capital; more consistently measurable in real time. Removes tracking error effects from index composition mismatches
ALTERNATIVE CREDIT	• Increase allocation by 5% • Benchmark change from 50%/50% U.S. High Yield / LTSA LL Index to LTSA LL Index • **Rationale**: More precise definition of the opportunity set & consistent with higher intended exposure to opportunistic segment of the credit universe
PUBLIC FIXED INCOME	• Consolidates previous sub-asset classes: Traditional Credit, U.S. Government • Increase allocation by 2.5%

Additional Benchmarking Lenses to Evaluate Peers

- In addition to the policy benchmark setting and adjustments, we will continue to provide a peer performance lens in the asset class reviews to better enable measurement vs. the investable universe
- Cambridge will add this lens to its regular quarterly reporting in summary form
- Additional datasets and sources to help augment the existing *total portfolio* peer group analysis will be considered for Trustee information

Asset Class Peer Benchmark Reporting Examples

ASSET CLASS	POSSIBLE PEER-FOCUSED BENCHMARK
PRIVATE EQUITY	C|A PRIVATE EQUITY MEDIAN (LAG)
RISK DIVERSIFIERS	HFRI FOF CONSERVATIVE
REAL ESTATE	NCREIF PROPERTY INDEX
INFRASTRUCTURE	C|A INFRASTRUCTURE MEDIAN (LAG)
ALTERNATIVE CREDIT	C|A OR CLIFFWATER MEDIAN (LAG)

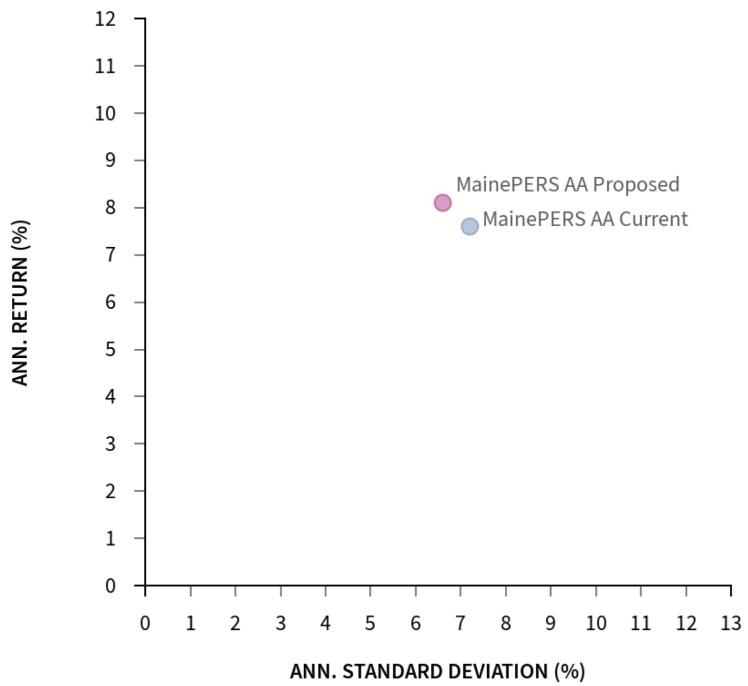
EVALUATION OF CURRENT VS. PROPOSED BENCHMARKS

CAMBRIDGE ASSOCIATES

Risk vs. Return

'Current' reflects the **Proposed Allocation** with Current Policy benchmarks. 'Proposed' reflects the Proposed Allocation with Proposed Policy benchmarks.

- Trailing 10 Years • Sep 1, 2015 - Aug 31, 2025 • USD



	ANN. RETURN (%)	ANN. STANDARD DEV (%)	SHARPE RATIO	MKT BETA TO MSCI ACWI INDEX (N)
Managers				
MainePERS AA Current	7.6	7.2	0.8	0.48
MainePERS AA Proposed	8.1	6.6	0.9	0.44

Delta (%): MainePERS AA Proposed vs. Current

Charts the performance of the Proposed Policy with Proposed Allocations minus that of the Current Policy with Proposed Allocations

- Rolling 3 Years • Jan 1, 2008 - Aug 31, 2025 • USD

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Board Responsibilities – Investment Policy

Appendix 4: Policy Benchmarks

Date Adopted: June 9, 2016

Date Amended: June 8, 2017, January 14, 2021, May 12, 2022

CURRENT

Asset	Benchmark	Weight
Total Public Equity	Russell 3000 & MSCI ACWI ex-USA, based on ACWI weights	30%
Private Equity	Russell 3000 + 3%	12.5%
Diversifiers	0.3 Beta MSCI ACWI	7.5%
Real Estate	NCREIF Property (lagged one quarter)	10%
Infrastructure	CA Infrastructure Median	10%
Natural Resources	CA Natural Resources Median	5%
Traditional Credit	Barclays US Aggregate, ex Treasury	5%
Alternative Credit	50% BAML US HY II + 50% S&P/LSTA US Leveraged Loan Index	10%
U.S. Government Securities	50% Bloomberg Barclays U.S. Government Bond Market Index + 50% Bloomberg U.S. TIPS Index	10%

PROPOSED

Asset	Benchmark	Weight
Total Public Equity	Russell 3000 & MSCI ACWI ex-USA IMI, based on ACWI IMI weights	27.5%
Private Equity	Russell 3000 + 3%	10.0%
Risk Diversifiers	90-day T-Bills + 3%	7.5%
Real Assets	CPI-U + 3%	22.5%
Alternative Credit	Morningstar LSTA US Leveraged Loan Index	15.0%
Public Fixed Income	40% Bloomberg Barclays US Aggregate ex-Government + 30% Bloomberg Barclays U.S. Government Bond Index + 30% Bloomberg U.S. TIPS Index	17.5%

REDLINE VERSION OF PROPOSED CHANGES

Asset	Benchmark	Weight
Total Public Equity	Russell 3000 & MSCI ACWI ex-USA IMI, based on ACWI IMI weights	~~30%~~27.5%
Private Equity	Russell 3000 + 3%	~~12.5%~~10.0%
Risk Diversifiers	~~0.3 Beta MSCI ACWI~~ 90-day T-Bills + 3%	7.5%
~~Real Estate~~	~~NCREIF Property (lagged one quarter)~~	~~10%~~
~~Infrastructure~~	~~CA Infrastructure Median~~	~~10%~~
~~Natural Resources~~	~~CA Natural Resources Median~~	~~5%~~
Real Assets	CPI-U + 3%	22.5%
Alternative Credit	~~50% BAML US HY II + 50% S&P/~~ Morningstar LSTA US Leveraged Loan Index	~~10%~~15.0%
~~Traditional Credit~~	~~Barclays US Aggregate, ex Treasury~~	~~5%~~
~~U.S. Government Securities~~	~~50% Bloomberg Barclays U.S. Government Bond Market Index + 50% Bloomberg U.S. TIPS Index~~	~~10%~~
Public Fixed Income	40% Bloomberg Barclays US Aggregate ex-Government + 30% Bloomberg Barclays U.S. Government Bond Index + 30% Bloomberg U.S. TIPS Index*	~~10%~~17.5%

MAINEPERS

BOARD OF TRUSTEES INVESTMENTS MEMORANDUM

TO: BOARD MEMBERS

FROM: JAMES BENNETT, CHIEF INVESTMENT OFFICER

SUBJECT: **MONTHLY INVESTMENT REVIEW**

DATE: NOVEMBER 5, 2025

Following this memo is the Monthly Investment Review for October.

POLICY REFERENCE

Board Policy 2.1 – Investment Policy Statement

Board Policy 4.5 – Board/Staff Relations

Board Policy 4.6 – Communication and Support to the Board

MONTHLY INVESTMENT REVIEW: HIGHLIGHTS AND OBSERVATIONS

Preliminary Fund results for the month include:

- Month-end fund value of $21.9 billion.
- Monthly return of 0.5%.
- Calendar year-to-date return of 10.3%.
- Fiscal year-to-date return of 4.5%.

MainePERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Investment Review

November 13, 2025

Investment Policy Objective

Investment Objective

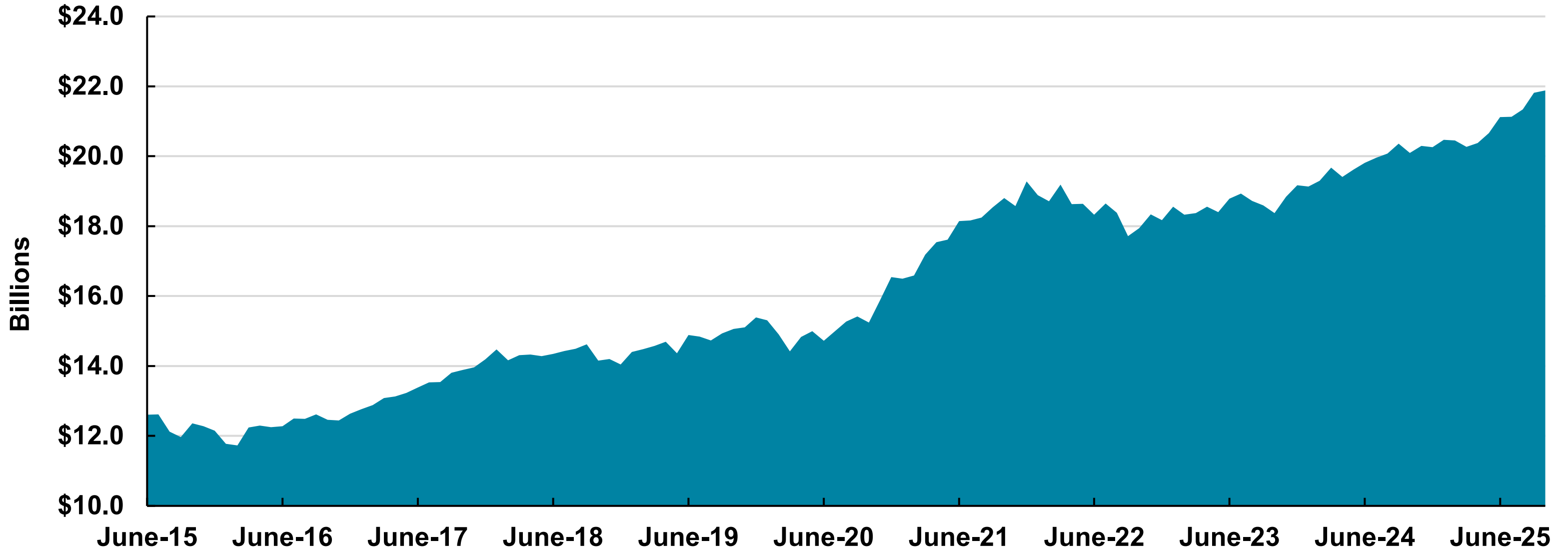
MainePERS' investment objectives balance the System's twin goals of generating investment returns (to ensure growth of the trust funds) and minimizing investment risks (loss of capital and cash flow shortfalls).

The Board recognizes and accepts that these goals are in opposition, and that a trade-off exists between expected risk and return. The Board balances these goals by seeking to optimize portfolio returns consistent with an established targeted portfolio risk level.

Additionally, by optimizing investment returns on trust assets, rather than attempting to maximize them, the Board seeks to maintain contribution rate and funding level volatility at acceptable levels that have been determined from time to time during strategic asset allocation planning and asset/liability reviews.

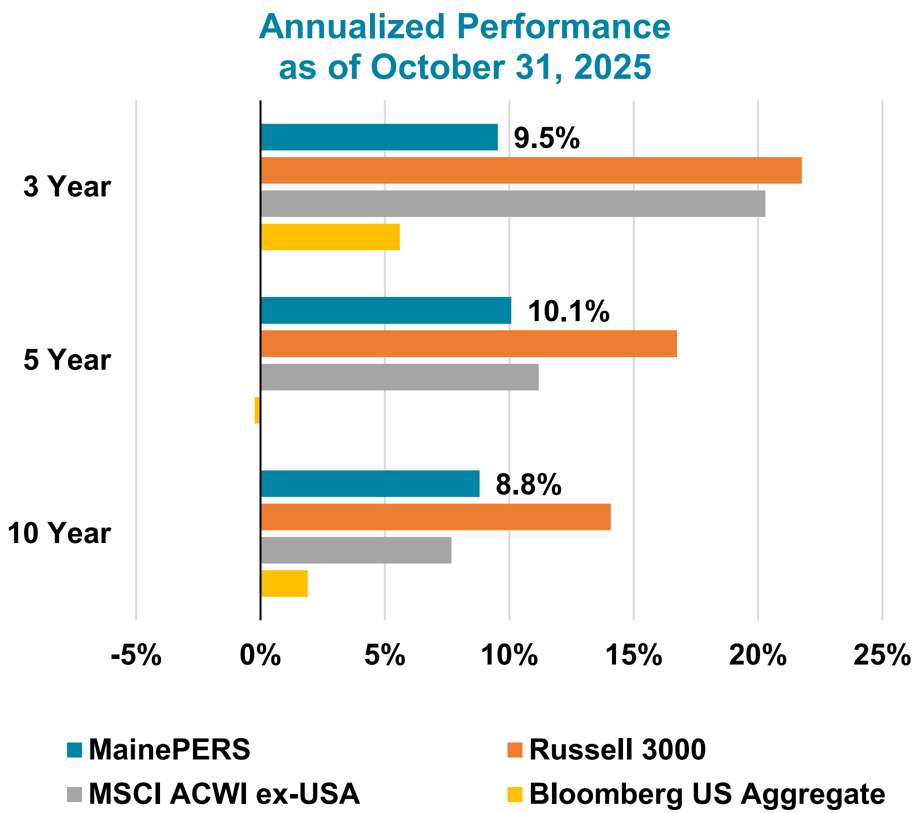
October 2025 Performance (Preliminary)

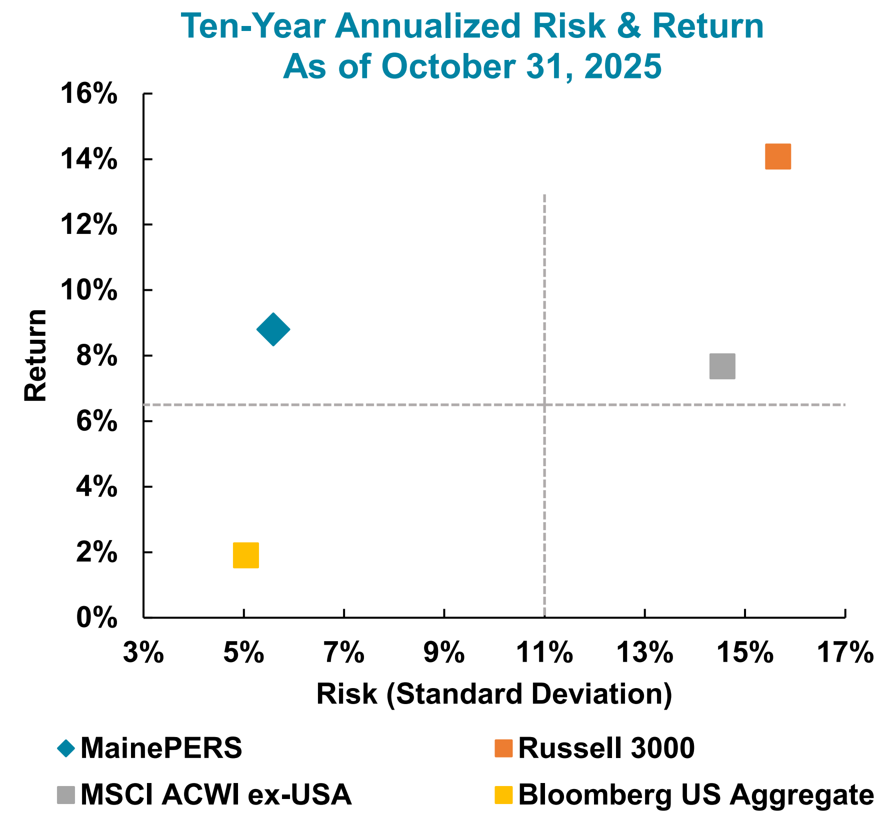
The preliminary fund value at the end of October is $21.9 billion.



Fund and Benchmark Returns				
	October 2025	CYTD 2025	FYTD 2025	1 Year
MainePERS	0.5%	10.3%	4.5%	12.1%
Russell 3000	2.1%	16.8%	10.5%	20.8%
MSCI ACWI ex-USA	2.0%	28.6%	9.1%	24.9%
Bloomberg US Aggregate	0.6%	6.8%	2.7%	6.2%

Long-Term Performance & Risk





- Fund returns have exceeded the System's discount rate over the long term
- U.S. allocations buoyed MainePERS performance over all periods
- Diversification has resulted in strong risk/return profile over trailing 10 years
  - Substantially lower risk than global equity markets

October 2025 Asset Allocation (Preliminary)

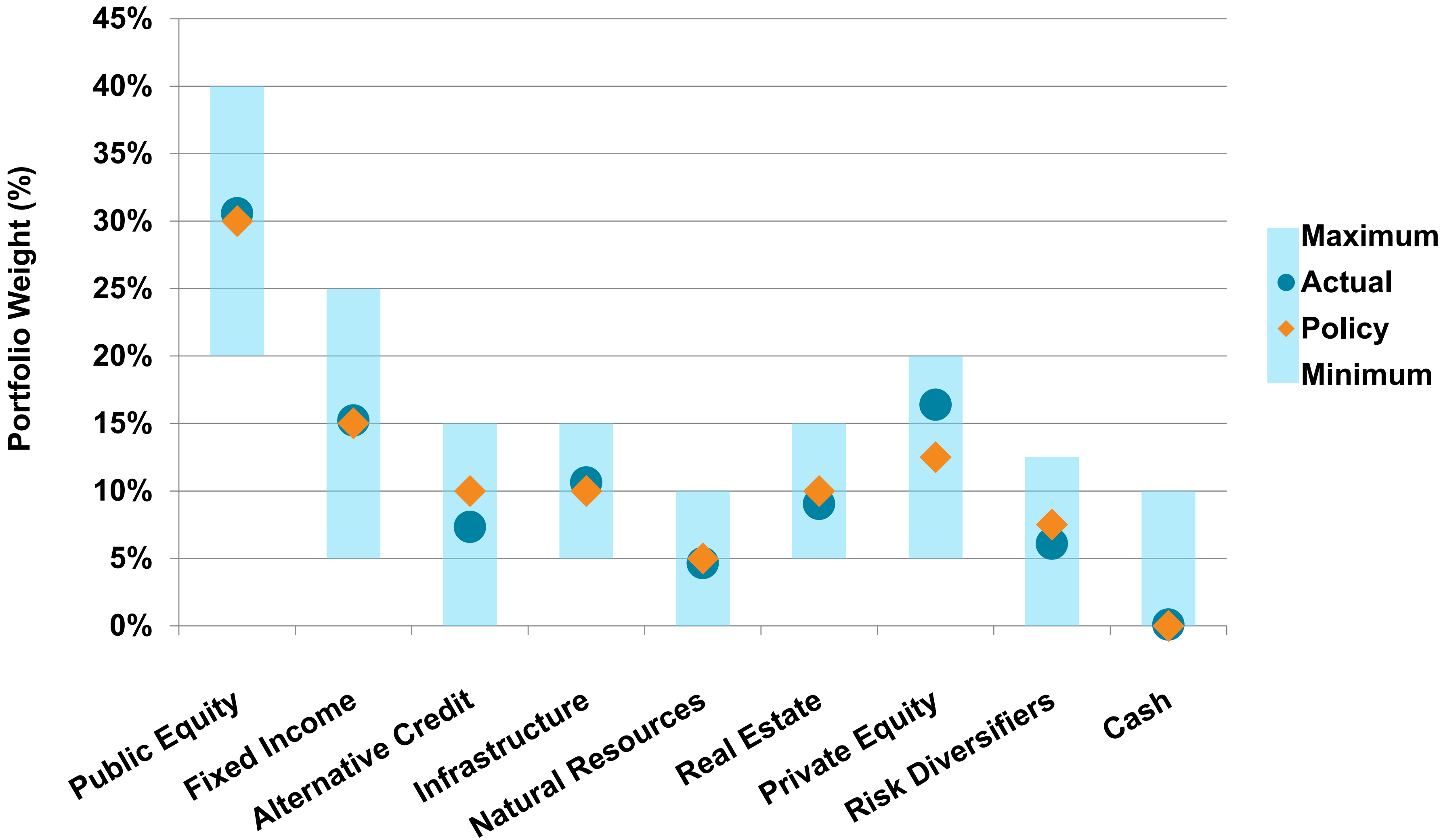
Assets (Millions)	Value	% of Fund	Policy %
MainePERS Portfolio	**$21,884**	**100.0%**	**100.0%**
Domestic Equity	$ 4,360	19.9%	19.4%
International Equity	$ 2,333	10.7%	10.6%
Fixed Income	$ 3,331	15.2%	15.0%
Alternative Credit	$ 1,604	7.3%	10.0%
Infrastructure	$ 2,325	10.6%	10.0%
Natural Resources	$ 1,017	4.6%	5.0%
Private Equity	$ 3,586	16.4%	12.5%
Real Estate	$ 1,976	9.0%	10.0%
Risk Diversifiers	$ 1,333	6.1%	7.5%
Cash	$ 19	0.1%	0.0%

* Allocation between Domestic Equity and International Equity corresponds to MSCI ACWI weights.

Portfolio weights for most asset classes remain near MainePERS Investment Policy asset allocation weights.

Private equity remains overweight at ~16.4% of Fund value, and private markets assets in aggregate comprise 47.9% of the overall portfolio, above the 47.5% policy weight.

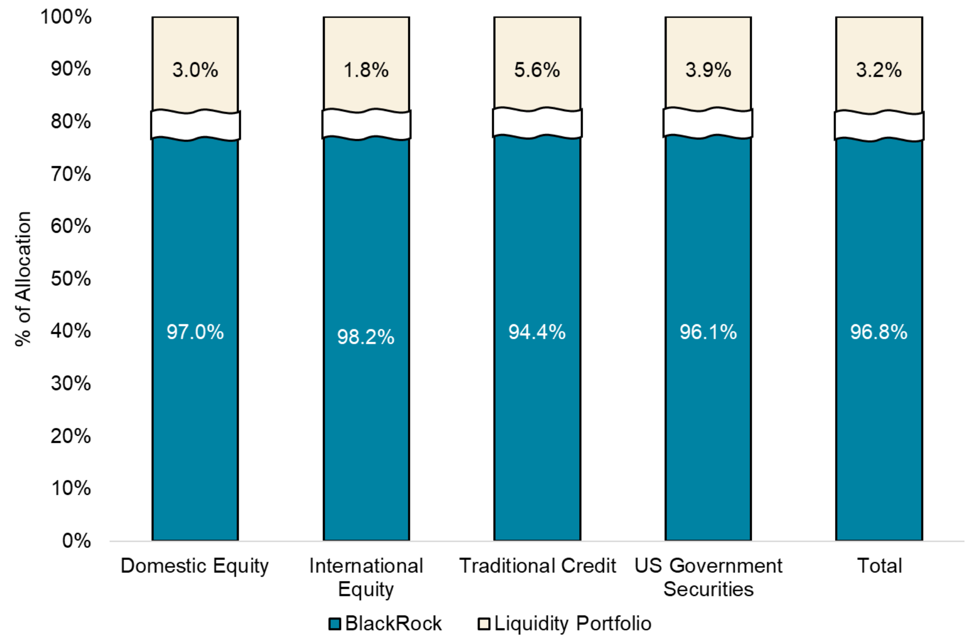
October 2025 Asset Allocation (Preliminary)



Public Securities: Liquidity Portfolio

At the end of October, 1.5% of Fund assets were invested via ETFs and futures contracts in accounts managed by Parametric Associates.

The Liquidity Portfolio accounts for 3.2% of MainePERS' total exposure to public securities.



MainePERS Liquidity Portfolio	Market Value (Millions)	Exposure Type
Parametric Domestic Equity	$129.5	Futures
Parametric International Equity	$42.7	Futures
Parametric Traditional Credit	$62.4	ETFs
Parametric US Government Securities	$85.8	Futures
Total Liquidity Portfolio	**$320.3**	

Derivatives and Leverage

MainePERS has **exposure to derivatives** in the following areas:

- Public Equities, Public Fixed Income, and Risk Diversifiers

MainePERS has **financial leverage** (borrowing and investing) in the following areas:

- BlackRock – Financial leverage in securities lending
- JP Morgan – Financial leverage in securities lending
- Alternative Credit
- Infrastructure
- Natural Resources
- Private Equity
- Real Estate

Investment Related Fees: October 2025

Description	FY 26	FY 25	FY 24	FY 23	FY 22
Investment Mgmt. Fees	$42,482,730	$129,093,633	$131,940,081	$135,770,817	$130,884,088
Securities Lending Fees [1]	247,074	1,100,903	1,356,735	1,303,543	1,744,317
Consulting Fees	405,000	1,215,000	1,215,000	1,193,543	1,120,000
Broker Commissions [2]	30,341	120,217	77,495	136,039	77,558
Placement Agent Fees	0	0	0	0	0
Total	**$43,165,145**	**$131,529,753**	**$134,589,311**	**$138,403,942**	**$133,825,963**
Percentage of Fund [3]	**0.59%**	**0.62%**	**0.68%**	**0.74%**	**0.73%**

1. Securities Lending Fees are through 9/30/2025
2. Actual paid commissions reported by JP Morgan
3. For FY26: Total fees projected for the full fiscal year ($129,495,434) divided by current Fund value.
   For prior FY: Total fees divided by FYE Fund value.

Securities Lending: September 2025

	Average Lendable Assets	Average Assets On Loan	Total Sec Lending Revenue	Revenue Split	MainePERS Net Income	MainePERS Net Income, FYTD
BlackRock						
Fixed Income	$2,582,695,199	$1,397,132,060	$83,497	60%/40%	$50,098	$185,061
Total Equity	$2,100,036,161	$184,566,400	$100,613	60%/40%	$65,572	$187,731
Total Blackrock	$4,682,731,360	$1,581,698,460	$184,110		$115,670	$372,792
JP Morgan						
Domestic Equities	$3,981,264,482	$92,690,190	$20,019	85%/15%	$17,017	$137,312
Total JP Morgan	$3,981,264,482	$92,690,190	$20,019		$17,017	$137,312
Total	**$8,663,995,842**	**$1,674,388,650**	**$204,129**		**$132,687**	**$510,104**

Total Annualized Securities Lending Income, FY 2026: $2,040,421 (0.01%, or 0.9 bps)

Total Actual Securities Lending Income, FY 2025: $1,945,362 (0.01%, or 0.9 bps)

Liquidity Schedule: October 2025

Term	Market Value	Percent of Portfolio
Liquid[1]	$10,042m	45.9%
Semi-Liquid[2]	$2,318m	10.6%
Illiquid[3]	$9,524m	43.5%
Total	**$21,884m**	**100.0%**

Sources and Uses of Liquidity Private Markets Activity	Last 12 Months Actual	Next 12 Months Projection
Capital Contributions	-$962m	-$820m
Distributions	$1,629m	$1,540m
Net Private Markets Activity	**$667m**	**$720m**
Benefit Payments	**-$480m**	**-$480m**
Net Cash Flows	**$187m**	**$240m**

[1]Liquid assets includes public equities and public fixed income
[2]Semi-liquid assets includes risk diversifiers, open-end real estate investments, and listed alternative credit funds
[3]Illiquid assets includes closed-end alternative credit, infrastructure, natural resources, private equity, real estate funds and risk diversifiers

MainePERS Alternative Investments Summary

as of 10/31/2025	# of Funds	# of GP Relationships
Alternative Credit	29	14
Infrastructure	37	11
Natural Resources	16	10
Private Equity	136	36
Real Estate	36	18
Risk Diversifiers	14	13
Total*	**268**	**93**

*GP Total may not add due to overlapping relationships

Currently, MainePERS is invested in 268 funds, and has 93 distinct manager relationships.

MainePERS Alternative Investments Summary

(in $millions) as of 10/31/2025	Current Market Value Dollars	Current Market Value % of Fund	Policy %*	Unfunded Commitment Dollars	Unfunded Commitment % of Fund
Alternative Credit	$ 1,604	7.3%	10.0%	$ 1,098	5.0%
Infrastructure	$ 2,325	10.6%	10.0%	$ 400	1.8%
Natural Resources	$ 1,017	4.6%	5.0%	$ 217	1.0%
Private Equity	$ 3,586	16.4%	12.5%	$ 1,035	4.7%
Real Estate	$ 1,976	9.0%	10.0%	$ 248	1.1%
Risk Diversifiers	$ 1,333	6.1%	7.5%	$ 65	0.3%
Total Alternatives	**$ 11,842**	**54.1%**	**55.0%**	**$ 3,063**	**14.0%**

For more details please see Private Markets Investment Summary at http://www.mainepers.org/Investments/

*Investment Policy weights approved by the Board of Trustees effective May 2022

Note: Market values shown above are preliminary estimates. Private market asset values are based on 06/30/2025 values, adjusted for subsequent cash flows.

(in $millions) as of 10/31/2025	Private Market Commitments by Vintage Year 2022	2023	2024	2025	3-Year Average[1]
Alternative Credit	$ 550	$ 80	$ 175	$ 618	$ 268
Infrastructure	$ 200	$ 50	$ 25	$ 125	$ 92
Natural Resources	$ 30	$ 40	$ -	$ -	$ 23
Private Equity	$ 218	$ 71	$ 274	$ 123	$ 188
Real Estate	$ 180	$ 50	$ 35	$ 35	$ 88
Total Commitments	**$ 1,178**	**$ 291**	**$ 509**	**$ 901**	**$ 659**

[1]3-Year Average: 2022-2024

MainePERS Private Market Investments Summary: 06/30/2025

Asset Class Summary	Commitment (A)	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Alternative Credit	$ 3,136,844	$ 2,556,412	$ 1,666,616	$ 1,489,665	$ 3,156,281	8.1%
Infrastructure	$ 3,509,687	$ 3,828,731	$ 3,419,919	$ 2,383,290	$ 5,803,209	11.0%
Natural Resources	$ 1,060,500	$ 1,148,286	$ 503,673	$ 1,026,230	$ 1,529,903	5.5%
Private Equity	$ 5,240,447	$ 5,388,901	$ 5,182,772	$ 3,746,871	$ 8,929,642	14.6%
Real Estate	$ 2,818,536	$ 3,092,296	$ 2,122,469	$ 1,997,633	$ 4,120,102	5.6%
Total	$ 15,766,014	$ 16,014,626	$ 12,895,449	$ 10,643,689	$ 23,539,138	9.7%

Note: This Asset Class Summary table includes all private market investments: both fund investments and co-investments.

Co-Investment Summary	Commitment (A)	# of Co-Investments	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Alternative Credit Co-Investments	$ 364,035	43	$ 345,608	$ 206,754	$ 223,271	$ 430,024	10.4%
Infrastructure Co-Investments	$ 222,193	11	$ 216,468	$ 341,389	$ 69,005	$ 410,394	14.5%
Natural Resources Co-Investments	$ 32,500	2	$ 32,770	$ 37	$ 77,121	$ 77,159	15.9%
Private Equity Co-Investments	$ 396,572	36	$ 392,016	$ 329,749	$ 294,937	$ 624,686	12.1%
Real Estate Co-Investments	$ 72,243	6	$ 65,202	$ 22,715	$ 26,547	$ 49,261	-6.9%
Total	$ 1,087,543	98	$ 1,052,064	$ 900,644	$ 690,880	$ 1,591,524	12.0%

Note: This table contains values for the co-investment portion of the private market portfolio.

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 06/30/2025

Alternative Credit

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Angelo Gordon Direct Lending Fund II	$ 25,000	3/31/2020	$ 23,749	$ 25,328	$ 9,380	$ 34,709	16.1%
Angelo Gordon Direct Lending Fund III	$ 100,000	7/20/2018	$ 103,520	$ 99,055	$ 47,056	$ 146,111	9.6%
Participation Agreement #1	$ 7,500	10/11/2019	$ 7,479	$ 3,912	$ 7,296	$ 11,208	10.2%
Participation Agreement #2	$ 5,000	10/11/2019	$ 4,994	$ 5,422	$ -	$ 5,422	8.8%
Participation Agreement #3	$ 5,000	10/11/2019	$ 5,000	$ 5,700	$ -	$ 5,700	7.3%
Participation Agreement #4	$ 10,000	10/18/2019	$ 9,889	$ 13,886	$ -	$ 13,886	10.6%
Participation Agreement #5	$ 5,000	12/6/2019	$ 5,000	$ 6,824	$ -	$ 6,824	9.9%
Participation Agreement #6	$ 10,000	12/6/2019	$ 9,991	$ 4,802	$ 9,458	$ 14,260	10.4%
Participation Agreement #7	$ 5,000	12/11/2019	$ 5,000	$ 7,263	$ -	$ 7,263	9.6%
Participation Agreement #8	$ 5,000	8/13/2020	$ 4,866	$ 6,689	$ -	$ 6,689	10.0%
Participation Agreement #9	$ 7,500	4/9/2021	$ 7,407	$ 3,656	$ 6,849	$ 10,505	11.2%
Participation Agreement #10	$ 10,000	4/20/2021	$ 9,955	$ 3,125	$ 9,328	$ 12,454	10.3%
Participation Agreement #11	$ 5,000	5/5/2021	$ 5,250	$ 1,853	$ 3,949	$ 5,802	3.1%
Angelo Gordon Direct Lending Fund IV	$ 100,000	1/24/2020	$ 98,818	$ 66,998	$ 70,135	$ 137,133	10.7%
Participation Agreement #1	$ 5,000	10/23/2020	$ 4,913	$ 6,266	$ -	$ 6,266	9.2%
Participation Agreement #2	$ 12,500	8/17/2021	$ 12,264	$ 4,842	$ 11,950	$ 16,792	10.9%
Participation Agreement #3	$ 7,500	10/5/2021	$ 7,500	$ 7,913	$ -	$ 7,913	7.9%
Participation Agreement #4	$ 5,000	12/21/2021	$ 4,919	$ 1,944	$ 4,794	$ 6,738	11.0%
Participation Agreement #5	$ 10,000	12/21/2021	$ 9,975	$ 3,533	$ 8,399	$ 11,932	10.7%
Participation Agreement #6	$ 5,000	1/12/2022	$ 4,887	$ 1,833	$ 4,773	$ 6,605	10.6%
Participation Agreement #7	$ 7,500	1/12/2022	$ 7,378	$ 2,686	$ 6,656	$ 9,343	8.3%
Participation Agreement #8	$ 12,500	6/16/2022	$ 12,391	$ 15,895	$ -	$ 15,895	11.9%
Angelo Gordon Direct Lending Fund IV Annex	$ 50,000	11/18/2021	$ 49,258	$ 29,882	$ 34,804	$ 64,686	11.2%
Angelo Gordon Direct Lending Fund V	$ 125,000	8/3/2022	$ 80,179	$ 20,672	$ 76,193	$ 96,866	10.7%
Participation Agreement #1	$ 7,500	9/1/2022	$ 7,388	$ 2,431	$ 7,224	$ 9,655	11.4%
Participation Agreement #2	$ 12,500	10/7/2022	$ 12,216	$ 4,075	$ 11,910	$ 15,985	12.6%
Participation Agreement #3	$ 10,000	10/19/2022	$ 9,833	$ 3,204	$ 9,433	$ 12,637	11.3%
Participation Agreement #4	$ 10,000	10/27/2022	$ 9,800	$ 3,603	$ 9,207	$ 12,810	12.5%
Participation Agreement #5	$ 10,000	2/27/2023	$ 9,811	$ 2,702	$ 9,673	$ 12,374	12.0%
Participation Agreement #6	$ 5,000	10/20/2023	$ 4,868	$ 882	$ 4,834	$ 5,716	NM
Participation Agreement #7	$ 10,000	5/22/2024	$ 9,850	$ 1,167	$ 9,791	$ 10,958	NM
Participation Agreement #8	$ 10,000	6/21/2024	$ 9,800	$ 1,139	$ 9,788	$ 10,927	NM
Participation Agreement #9	$ 10,000	8/6/2024	$ 9,850	$ 809	$ 9,773	$ 10,582	NM
Participation Agreement #10	$ 10,000	12/11/2024	$ 9,875	$ 515	$ 9,833	$ 10,347	NM

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 06/30/2025

Alternative Credit

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Participation Agreement #11	$ 10,000	12/27/2024	$ 9,888	$ 313	$ 9,832	$ 10,145	NM
TPG Twin Brook Direct Lending Fund VI	$ 150,000	6/20/2025	$ -	$ -	$ -	$ -	NM
Ares Capital Europe IV	$ 122,000	4/30/2018	$ 96,890	$ 72,300	$ 52,371	$ 124,671	5.6%
Ares Capital Europe V	$ 122,000	9/4/2020	$ 93,497	$ 24,439	$ 97,449	$ 121,887	9.6%
Ares Capital Europe VI	$ 82,500	3/17/2023	$ 34,402	$ 9,891	$ 30,828	$ 40,719	NM
Ares Senior Direct Lending Fund II	$ 100,000	12/10/2021	$ 77,500	$ 24,891	$ 76,397	$ 101,288	13.9%
Ares Senior Direct Lending Fund III	$ 100,000	7/28/2023	$ 25,730	$ 1,564	$ 27,456	$ 29,020	NM
Audax Senior Debt (MP), LLC	$ 100,000	6/30/2017	$ 100,000	$ 134,916	$ -	$ 134,916	5.2%
Brookfield Infrastructure Debt Fund III	$ 100,000	7/15/2022	$ 98,693	$ 31,120	$ 76,818	$ 107,938	8.1%
BID III DESRI Co-Invest	$ 8,571	4/30/2024	$ 3,923	$ 199	$ 3,906	$ 4,105	NM
BID III PosiGen Co-Invest	$ 10,000	4/1/2025	$ -	$ -	$ -	$ -	NM
Brookfield Infrastructure Debt Fund IV	$ 100,000	12/31/2024	$ 0	$ -	$ (54)	$ (54)	NM
Comvest Credit Partners VI	$ 125,000	5/20/2022	$ 186,948	$ 95,715	$ 111,167	$ 206,882	11.3%
Comvest Credit Partners VII	$ 75,000	5/1/2024	$ 44,729	$ 2,037	$ 44,182	$ 46,219	NM
Deerpath Capital VI	$ 75,000	9/30/2021	$ 67,500	$ 16,635	$ 67,885	$ 84,520	8.6%
Global Infrastructure Partners Spectrum	$ 100,000	2/20/2019	$ 129,055	$ 72,171	$ 73,063	$ 145,234	7.3%
Mesa West Core Lending Fund	$ 100,000	6/18/2013	$ 127,612	$ 72,053	$ 100,581	$ 172,634	4.3%
Blue Owl Capital Corporation	$ 100,000	3/10/2017	$ 116,571	$ 177,029	$ -	$ 177,029	9.8%
Participation Agreement #1	$ 5,000	5/7/2018	$ 4,851	$ 5,499	$ -	$ 5,499	12.7%
Participation Agreement #2	$ 6,185	7/31/2018	$ 6,196	$ 7,745	$ -	$ 7,745	9.9%
Participation Agreement #3	$ 5,000	8/7/2018	$ 4,938	$ 5,634	$ -	$ 5,634	7.9%
Participation Agreement #4	$ 5,000	8/20/2018	$ 4,566	$ 5,835	$ -	$ 5,835	8.1%
Participation Agreement #5	$ 5,000	12/21/2018	$ 4,987	$ 6,733	$ -	$ 6,733	7.7%
Participation Agreement #6	$ 11,653	8/7/2020	$ 12,917	$ 6,277	$ 11,132	$ 17,410	10.8%
Participation Agreement #7	$ 7,500	7/26/2021	$ 6,557	$ 7,970	$ -	$ 7,970	9.8%
Participation Agreement #8	$ 12,500	6/17/2022	$ 12,778	$ 15,206	$ -	$ 15,206	12.4%
Participation Agreement #9	$ 7,500	9/26/2022	$ 7,388	$ 2,551	$ 7,147	$ 9,698	12.0%
Blue Owl Capital Corporation III	$ 100,000	6/19/2020	$ 118,400	$ 54,053	$ 104,701	$ 158,754	9.4%
Pathlight Capital Fund II	$ 75,000	4/22/2021	$ 138,207	$ 124,006	$ 38,242	$ 162,249	11.2%
Participation Agreement #1	$ 7,500	4/1/2022	$ 7,082	$ 9,848	$ -	$ 9,848	15.3%
Participation Agreement #2	$ 7,500	4/1/2022	$ 7,364	$ 3,043	$ 7,009	$ 10,052	11.9%
Pathlight Capital Fund III	$ 75,000	6/24/2022	$ 107,434	$ 80,541	$ 44,149	$ 124,690	15.3%
Pathlight Capital Evergreen Fund	$ 200,000	3/31/2025	$ 46,597	$ -	$ 47,028	$ 47,028	NM
Solar Capital Private Corporate Lending Fund	$ 50,000	6/26/2019	$ 40,188	$ 24,773	$ 31,314	$ 56,087	10.7%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 06/30/2025

Alternative Credit

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Solar Capital Debt Fund	$ 50,000	6/26/2019	$ 25,000	$ 12,794	$ 19,543	$ 32,337	9.7%
SLR Private Corporate Lending Fund II	$ 125,000	12/23/2022	$ 31,784	$ 2,045	$ 35,448	$ 37,493	NM
Silver Point Specialty Credit II	$ 50,000	1/31/2020	$ 64,230	$ 41,907	$ 39,976	$ 81,883	11.0%
Tennenbaum Direct Lending VIII	$ 100,000	11/30/2017	$ 100,883	$ 111,576	$ 14,984	$ 126,560	6.2%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 06/30/2025

Infrastructure

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Alinda Infrastructure Fund II	$ 50,000	9/17/2009	$ 68,244	$ 74,329	$ 28	$ 74,358	1.9%
ArcLight Energy V	$ 75,000	10/28/2011	$ 76,031	$ 103,624	$ -	$ 103,624	8.0%
Shore Co-Investment Holdings II	$ 20,000	1/30/2014	$ 17,709	$ 19,737	$ -	$ 19,737	8.4%
ArcLight Energy VI	$ 150,000	11/25/2014	$ 159,687	$ 137,590	$ 52,612	$ 190,203	3.7%
Great River Hydro Partners	$ 12,000	6/17/2017	$ 10,718	$ 45,187	$ -	$ 45,187	39.5%
Brookfield Infrastructure Fund II	$ 100,000	6/28/2013	$ 119,185	$ 141,511	$ 82,363	$ 223,874	10.4%
Brookfield Infrastructure Fund III	$ 100,000	4/15/2016	$ 114,780	$ 82,427	$ 108,861	$ 191,289	11.8%
Co-Investment #1	$ 20,000	3/31/2017	$ 15,955	$ 30,599	$ 7,034	$ 37,633	24.8%
Carlyle Global Infrastructure Opportunity Fund	$ 100,000	5/1/2019	$ 104,885	$ 33,829	$ 109,126	$ 142,955	11.0%
Carlyle Infrastructure Partners	$ 50,000	11/2/2007	$ 57,366	$ 64,289	$ 366	$ 64,655	2.5%
Carlyle Power Partners II	$ 50,000	11/19/2015	$ 74,455	$ 101,189	$ 615	$ 101,804	8.7%
Cube Infrastructure	$ 45,000	4/16/2010	$ 60,063	$ 96,665	$ 422	$ 97,087	8.0%
Cube Infrastructure II	$ 90,000	9/11/2018	$ 80,860	$ 11,944	$ 89,610	$ 101,554	4.7%
Cube Infrastructure III	$ 90,000	8/16/2021	$ 60,222	$ 6,201	$ 69,000	$ 75,201	9.3%
EQT Infrastructure III	$ 68,000	12/3/2016	$ 111,362	$ 175,933	$ 15,914	$ 191,847	20.2%
EQT Infrastructure IV	$ 100,000	12/17/2018	$ 103,866	$ 26,681	$ 134,342	$ 161,023	11.5%
EQT Infrastructure V	$ 75,000	12/8/2020	$ 74,792	$ 16,455	$ 79,028	$ 95,483	10.3%
Global Energy & Power Infrastructure Fund	$ 50,000	6/30/2010	$ 59,778	$ 53,224	$ 339	$ 53,563	-3.2%
Global Energy & Power Infrastructure Fund II	$ 100,000	10/21/2013	$ 129,180	$ 129,452	$ 28,933	$ 158,385	10.9%
Global Infrastructure Partners Sonic	$ 35,000	7/31/2020	$ 34,743	$ -	$ 12,914	$ 12,914	-20.1%
Global Infrastructure Partners	$ 75,000	3/31/2008	$ 101,173	$ 205,062	$ 212	$ 205,273	17.2%
Global Infrastructure Partners II	$ 75,000	12/3/2011	$ 110,874	$ 183,116	$ 9,348	$ 192,464	15.5%
Global Infrastructure Partners III	$ 150,000	4/15/2016	$ 193,133	$ 177,646	$ 111,592	$ 289,238	9.7%
Co-Investment #1	$ 29,000	2/28/2017	$ 28,486	$ 20,322	$ 38,416	$ 58,738	13.0%
Co-Investment #2	$ 25,000	8/16/2018	$ 27,519	$ 35,607	$ (68)	$ 35,539	4.7%
Global Infrastructure Partners IV	$ 150,000	12/21/2018	$ 151,702	$ 26,036	$ 161,735	$ 187,771	7.8%
IFM Global Infrastructure (US), L.P.	$ 100,000	12/20/2012	$ 144,550	$ 208,040	$ -	$ 208,040	9.8%
KKR Diversified Core Infrastructure Fund	$ 100,000	4/29/2022	$ 111,226	$ 11,226	$ 117,589	$ 128,814	7.2%
KKR Global Infrastructure Investors	$ 75,000	9/29/2010	$ 87,917	$ 154,328	$ 98	$ 154,426	13.1%
KKR Global Infrastructure Investors II	$ 150,000	10/24/2014	$ 188,113	$ 291,055	$ 45,862	$ 336,917	16.7%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 06/30/2025

Infrastructure

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
KKR Atlanta Co-Invest	$ 24,000	9/26/2014	$ 21,428	$ 28,551	$ -	$ 28,551	5.7%
KKR Taurus Co-Invest II	$ 25,000	8/15/2017	$ 25,000	$ 56,779	$ 896	$ 57,675	21.3%
KKR Byzantium Infrastructure Aggregator	$ 15,000	10/17/2017	$ 15,005	$ 13,431	$ 10,523	$ 23,954	8.8%
KKR Global Infrastructure Investors III	$ 100,000	3/29/2018	$ 100,145	$ 63,340	$ 79,630	$ 142,970	10.9%
Meridiam Infrastructure (SCA)	$ 11,000	9/23/2015	$ 21,938	$ 17,250	$ 29,446	$ 46,696	10.0%
Meridiam Infrastructure (SCA) B Shares	$ 305	9/23/2015	$ 305	$ 55	$ 27,017	$ 27,071	59.6%
Meridiam Infrastructure Europe II (SCA)	$ 22,500	9/23/2015	$ 36,936	$ 21,442	$ 41,767	$ 63,209	9.2%
Meridiam Infrastructure Europe II B Shares	$ 178	9/23/2015	$ 178	$ 9,354	$ -	$ 9,354	92.5%
Meridiam Infrastructure Europe III SLP	$ 95,000	4/27/2016	$ 83,722	$ 24,823	$ 95,376	$ 120,199	9.2%
Meridiam Sustainable Infrastructure Europe IV	$ 90,000	4/16/2021	$ 39,611	$ 4,143	$ 40,807	$ 44,950	NM
Meridiam Infrastructure N.A. II	$ 75,000	9/28/2012	$ 88,232	$ 49,896	$ 196,663	$ 246,559	15.7%
MINA II CIP	$ 175	6/30/2015	$ 169	$ 1,870	$ 22,317	$ 24,187	87.6%
Meridiam Infrastructure N.A. II	$ 20,000	6/30/2015	$ 18,870	$ 9,162	$ 50,379	$ 59,541	19.9%
Meridiam Infrastructure N.A. III	$ 50,000	7/12/2017	$ 40,764	$ 1,241	$ 58,643	$ 59,884	13.7%
Stonepeak Infrastructure Partners II	$ 140,000	11/12/2015	$ 192,693	$ 266,920	$ 8,595	$ 275,515	12.7%
Stonepeak Claremont Co-Invest	$ 25,000	5/30/2017	$ 25,000	$ 51,959	$ -	$ 51,959	17.8%
Stonepeak Spear (Co-Invest) Holdings	$ 25,000	1/8/2018	$ 19,648	$ 38,449	$ -	$ 38,449	11.2%
Stonepeak Infrastructure Partners III	$ 150,000	10/13/2017	$ 174,004	$ 62,642	$ 175,572	$ 238,215	8.4%
Stonepeak Guardian (Co-Invest) Holdings	$ 10,000	4/27/2023	$ 10,000	$ 769	$ 12,296	$ 13,065	14.2%
Stonepeak Infrastructure Partners IV	$ 125,000	5/8/2020	$ 102,564	$ 22,229	$ 102,950	$ 125,179	9.9%
Stonepeak Infrastructure Partners V	$ 25,000	6/28/2024	$ 210	$ -	$ 92	$ 92	NM
Stonepeak Core Infrastructure Fund	$ 100,000	8/5/2022	$ 108,285	$ 8,285	$ 130,628	$ 138,912	12.8%
Stonepeak Opportunities Fund	$ 50,000	6/12/2023	$ 25,449	$ 4,025	$ 23,454	$ 27,479	8.2%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 06/30/2025

Natural Resources

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
ACM Permanent Crops	$ 35,000	10/24/2014	$ 39,821	$ 12,107	$ 65,379	$ 77,486	8.5%
ACM Permanent Crops II	$ 35,000	5/12/2016	$ 43,088	$ 8,885	$ 13,773	$ 22,658	-13.7%
AMERRA Agri Fund III	$ 50,000	2/11/2016	$ 102,428	$ 97,709	$ 9,702	$ 107,410	1.8%
Denham Mining Fund	$ 35,000	6/29/2018	$ 34,774	$ 659	$ 25,960	$ 26,619	-6.1%
Homestead Capital Farmland II	$ 50,000	8/8/2016	$ 57,495	$ 12,924	$ 53,787	$ 66,711	2.8%
Homestead Capital Farmland III	$ 30,000	10/26/2018	$ 33,588	$ 5,140	$ 30,474	$ 35,614	2.0%
Orion Mine Finance Fund II	$ 50,000	5/25/2016	$ 102,219	$ 90,648	$ 43,075	$ 133,723	9.1%
Orion Mine Finance Co-Fund II	$ 20,000	8/13/2018	$ 20,233	$ -	$ 53,517	$ 53,517	15.7%
Silver Creek Aggregate Reserves Fund	$ 100,000	11/6/2018	$ 21,217	$ 4,668	$ 26,164	$ 30,832	NM
Sprott Private Resource Lending Fund III	$ 30,000	8/31/2022	$ 14,676	$ 3,473	$ 12,553	$ 16,026	NM
Sprott Private Resource Streaming and Royalty Annex	$ 40,000	5/17/2023	$ 27,662	$ 679	$ 25,602	$ 26,281	-3.0%
Taurus Mining Fund	$ 50,000	3/27/2015	$ 41,459	$ 48,789	$ 14	$ 48,803	6.5%
Taurus Mining Fund Annex	$ 23,000	12/1/2016	$ 18,526	$ 24,296	$ 8	$ 24,304	17.1%
Taurus Mining Fund No. 2	$ 75,000	4/18/2019	$ 69,832	$ 53,214	$ 35,187	$ 88,400	14.8%
Teays River Integrated Agriculture	$ 200,000	7/1/2015	$ 192,961	$ 28,770	$ 309,221	$ 337,991	6.1%
Twin Creeks Timber	$ 200,000	1/7/2016	$ 205,753	$ 100,111	$ 151,396	$ 251,507	4.1%
U.S. Farming Realty Trust III	$ 100,000	7/7/2015	$ 110,017	$ 11,565	$ 146,814	$ 158,379	5.4%
Canally Coinvest Holdings	$ 12,500	12/9/2019	$ 12,537	$ 37	$ 23,604	$ 23,641	16.5%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 06/30/2025

Private Equity

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
ABRY Advanced Securities Fund II	$ 20,000	5/4/2011	$ 20,585	$ 29,749	$ 237	$ 29,985	13.0%
ABRY Advanced Securities Fund III	$ 30,000	4/30/2014	$ 45,332	$ 44,697	$ 43	$ 44,740	-0.3%
ABRY Heritage Partners	$ 10,000	5/31/2016	$ 11,205	$ 16,604	$ 5,936	$ 22,539	26.0%
ABRY Partners VII	$ 10,000	4/29/2011	$ 13,118	$ 18,674	$ 1,165	$ 19,839	12.0%
ABRY Partners VIII	$ 20,000	8/8/2014	$ 24,240	$ 30,082	$ 3,990	$ 34,071	9.7%
ABRY Senior Equity IV	$ 10,000	12/7/2012	$ 10,853	$ 17,114	$ 923	$ 18,037	14.4%
ABRY Senior Equity V	$ 12,050	1/19/2017	$ 13,209	$ 8,025	$ 12,649	$ 20,674	12.2%
Advent International GPE VII	$ 30,000	6/29/2012	$ 34,811	$ 55,785	$ 2,381	$ 58,166	13.2%
Advent International GPE VIII	$ 50,000	2/5/2016	$ 58,465	$ 80,046	$ 33,315	$ 113,361	15.8%
CF24XB SCSP	$ 3,100	3/28/2025	$ 2,471	$ -	$ 3,044	$ 3,044	NM
Advent International GPE IX	$ 50,000	5/9/2019	$ 48,355	$ 14,496	$ 65,344	$ 79,839	14.8%
GPE IX TKE Co-Investment	$ 24,000	3/30/2020	$ 21,243	$ -	$ 42,876	$ 42,876	15.3%
Advent International GPE X	$ 45,000	4/28/2022	$ 23,292	$ -	$ 31,315	$ 31,315	18.7%
AI Co-Investment I-A	$ 7,500	3/2/2023	$ 7,443	$ -	$ 10,303	$ 10,303	15.9%
Advent Latin America PE Fund VI	$ 20,000	10/17/2014	$ 20,272	$ 18,950	$ 17,329	$ 36,279	13.2%
Affinity Asia Pacific Fund IV	$ 60,000	2/28/2013	$ 71,852	$ 89,718	$ 30,439	$ 120,158	14.8%
Affinity Asia Pacific Fund V	$ 40,000	12/11/2017	$ 34,021	$ 9,867	$ 30,231	$ 40,097	6.4%
Bain Capital Ventures 2021	$ 25,000	10/28/2020	$ 22,438	$ 1	$ 23,213	$ 23,214	1.1%
Bain Capital Ventures 2022	$ 25,000	6/10/2022	$ 14,063	$ 0	$ 18,204	$ 18,205	26.3%
Bain Capital Venture Coinvestment Fund III	$ 15,000	4/1/2021	$ 15,750	$ 825	$ 14,939	$ 15,764	0.0%
Bain Capital Venture Coinvestment Fund IV	$ 15,000	6/10/2022	$ 8,325	$ -	$ 9,548	$ 9,548	21.9%
Berkshire Fund VIII	$ 15,000	7/20/2011	$ 17,044	$ 34,350	$ 2,874	$ 37,224	16.2%
Berkshire Fund IX	$ 50,000	3/18/2016	$ 59,426	$ 39,721	$ 60,512	$ 100,233	13.5%
Blackstone Capital Partners VI	$ 30,000	6/30/2010	$ 38,554	$ 58,295	$ 6,910	$ 65,205	12.2%
Blackstone Capital Partners VII	$ 54,000	3/27/2015	$ 65,407	$ 62,079	$ 45,402	$ 107,481	12.8%
Carlyle Asia Partners III	$ 15,000	12/31/2009	$ 20,694	$ 31,227	$ -	$ 31,227	12.6%
Carlyle Asia Partners IV	$ 60,000	6/3/2014	$ 90,862	$ 139,686	$ 4,124	$ 143,810	12.9%
Carlyle Asia Partners V	$ 45,000	10/30/2017	$ 52,664	$ 20,920	$ 42,799	$ 63,719	8.0%
Centerbridge Capital Partners III	$ 30,000	10/24/2014	$ 50,106	$ 54,853	$ 19,216	$ 74,069	14.1%
CB Blizzard Co-Invest	$ 15,684	9/11/2019	$ 15,773	$ 10,053	$ 990	$ 11,044	-27.0%
Charterhouse Capital Partners VIII	$ 13,500	1/6/2011	$ 11,188	$ 14,160	$ -	$ 14,160	7.9%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 06/30/2025

Private Equity

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Charterhouse Capital Partners IX	$ 4,500	1/6/2011	$ 5,410	$ 7,275	$ 33	$ 7,308	12.0%
Charterhouse Capital Partners X	$ 67,000	5/13/2015	$ 66,135	$ 88,011	$ 38,842	$ 126,853	20.5%
Charterhouse Acrostone	$ 12,000	8/24/2018	$ 13,254	$ 21,268	$ -	$ 21,268	16.9%
Charterhouse Capital Partners XI	$ 45,000	4/23/2021	$ 32,460	$ 2,685	$ 40,230	$ 42,915	20.0%
CVC Capital Partners VI	$ 67,000	7/12/2013	$ 108,076	$ 137,483	$ 51,992	$ 189,474	15.4%
CVC Capital Partners VII	$ 48,000	5/9/2017	$ 84,673	$ 75,790	$ 64,638	$ 140,429	20.7%
CVC Capital Partners VIII	$ 44,000	6/11/2020	$ 75,810	$ 35,432	$ 50,358	$ 85,790	9.9%
CVC Capital Partners IX	$ 44,000	6/29/2023	$ 15,357	$ 9,168	$ 6,985	$ 16,153	NM
CVC Capital Partners Pachelbel (A) SCSp	$ 6,966	6/14/2024	$ 6,474	$ 36	$ 9,597	$ 9,633	NM
EnCap Energy Capital VIII	$ 30,000	1/31/2011	$ 34,203	$ 25,715	$ 10,912	$ 36,626	1.2%
EnCap Energy Capital Fund VIII Co-Investors	$ 16,238	12/8/2011	$ 16,538	$ 7,834	$ 5,691	$ 13,525	-2.4%
EnCap Energy Capital Fund IX	$ 30,000	12/19/2012	$ 37,322	$ 48,709	$ 7,082	$ 55,791	10.9%
EnCap Energy Capital Fund X	$ 40,000	3/5/2015	$ 49,315	$ 75,967	$ 19,256	$ 95,222	16.2%
EnCap Energy Capital Fund XI	$ 40,000	5/31/2017	$ 47,213	$ 59,075	$ 25,845	$ 84,919	21.3%
EnCap Flatrock Midstream Fund III	$ 20,000	4/9/2014	$ 25,316	$ 27,724	$ 7,703	$ 35,427	9.6%
EnCap Flatrock Midstream Fund IV	$ 22,000	11/17/2017	$ 22,184	$ 13,274	$ 14,548	$ 27,822	8.1%
General Catalyst X - Early Venture	$ 19,565	3/26/2020	$ 19,174	$ -	$ 25,773	$ 25,773	7.2%
General Catalyst X - Endurance	$ 22,826	3/26/2020	$ 22,859	$ 1,431	$ 27,105	$ 28,536	5.3%
General Catalyst X - Growth Venture	$ 32,609	3/26/2020	$ 32,609	$ -	$ 46,663	$ 46,663	8.7%
General Catalyst XI - Creation	$ 8,823	10/29/2021	$ 8,209	$ -	$ 13,299	$ 13,299	27.9%
General Catalyst XI - Endurance	$ 29,412	10/29/2021	$ 28,526	$ -	$ 32,539	$ 32,539	5.1%
General Catalyst XI - Ignition	$ 11,765	10/29/2021	$ 10,293	$ -	$ 12,866	$ 12,866	9.1%
General Catalyst XII - Creation	$ 6,250	1/26/2024	$ 3,909	$ -	$ 4,887	$ 4,887	NM
General Catalyst XII - Endurance	$ 9,375	1/26/2024	$ 6,556	$ -	$ 6,589	$ 6,589	NM
General Catalyst XII - Health Assurance	$ 3,125	1/26/2024	$ 1,319	$ -	$ 1,203	$ 1,203	NM
General Catalyst XII - Ignition	$ 6,250	1/26/2024	$ 3,282	$ -	$ 3,650	$ 3,650	NM
GTCR Fund X	$ 30,000	1/28/2011	$ 31,766	$ 64,646	$ -	$ 64,646	21.4%
GTCR Fund XI	$ 35,000	11/15/2013	$ 35,162	$ 85,389	$ 19,106	$ 104,495	30.3%
GTCR Fund XII	$ 50,000	9/29/2017	$ 54,057	$ 40,905	$ 58,828	$ 99,732	19.7%
Co-Investment #1	$ 5,238	4/26/2019	$ 4,556	$ -	$ 10,759	$ 10,759	15.0%
Co-Investment #2	$ 5,997	11/1/2019	$ 5,977	$ 11,801	$ 53	$ 11,853	38.6%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 06/30/2025

Private Equity

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
GTCR XIII	$ 50,000	10/27/2020	$ 41,340	$ 11,997	$ 47,635	$ 59,631	19.2%
GTCR XIV	$ 50,000	12/16/2022	$ 8,115	$ -	$ 11,589	$ 11,589	NM
H.I.G. Bayside Loan Fund II	$ 25,000	5/28/2010	$ 23,985	$ 32,479	$ -	$ 32,479	7.1%
H.I.G. Bayside Loan Ops Fund III (Europe)	$ 30,000	7/27/2012	$ 26,707	$ 31,070	$ 3,369	$ 34,440	6.9%
H.I.G. Brazil & Latin America Partners	$ 60,000	7/1/2015	$ 72,625	$ 41,830	$ 59,000	$ 100,830	8.2%
H.I.G. Capital Partners V	$ 15,000	2/28/2013	$ 22,550	$ 37,554	$ 5,173	$ 42,727	22.1%
H.I.G. Europe Capital Partners II	$ 22,500	7/1/2013	$ 26,532	$ 25,481	$ 12,283	$ 37,765	10.0%
H.I.G. Growth Buyouts & Equity Fund II	$ 17,500	6/30/2011	$ 26,128	$ 38,294	$ 4,718	$ 43,012	13.0%
H.I.G. Growth Buyouts & Equity Fund III	$ 35,000	9/13/2018	$ 27,951	$ 4,013	$ 29,894	$ 33,906	8.8%
H.I.G Middle Market LBO Fund II	$ 40,000	2/7/2014	$ 52,014	$ 79,561	$ 11,381	$ 90,942	24.0%
Co-Investment #1	$ 9,000	10/12/2017	$ 9,000	$ -	$ -	$ -	-100.0%
Co-Investment #2	$ 686	6/19/2020	$ 686	$ 45	$ 379	$ 424	-9.2%
Co-Investment #3	$ 1,000	6/1/2021	$ 1,079	$ -	$ 0	$ 0	-88.3%
H.I.G. Middle Market LBO Fund III	$ 40,000	7/23/2019	$ 39,884	$ 18,848	$ 30,896	$ 49,744	8.6%
Hellman & Friedman Capital Partners VII	$ 30,000	6/19/2009	$ 45,189	$ 111,116	$ 2,427	$ 113,543	24.6%
Hellman & Friedman Capital Partners VIII	$ 45,000	9/24/2014	$ 49,691	$ 34,009	$ 49,448	$ 83,457	10.5%
Hellman & Friedman Capital Partners IX	$ 45,000	9/28/2018	$ 48,958	$ 7,550	$ 75,527	$ 83,077	13.9%
Hellman & Friedman Capital Partners X	$ 45,000	5/10/2021	$ 42,320	$ 5,617	$ 43,262	$ 48,878	5.9%
Inflexion Buyout Fund IV	$ 27,000	9/30/2014	$ 38,285	$ 51,187	$ 14,192	$ 65,380	14.3%
Inflexion Partnership Capital Fund I	$ 17,000	9/30/2014	$ 26,322	$ 40,851	$ 8,270	$ 49,120	21.7%
Inflexion Supplemental Fund IV	$ 10,000	5/31/2016	$ 15,683	$ 23,354	$ 7,038	$ 30,392	22.2%
Kelso Investment Associates VIII	$ 3,000	1/6/2011	$ 3,044	$ 4,358	$ 9	$ 4,368	7.9%
Kelso Investment Associates IX	$ 60,000	11/5/2014	$ 70,513	$ 88,676	$ 30,225	$ 118,902	17.4%
KIA IX (Hammer) Investor	$ 25,000	8/12/2016	$ 25,492	$ 69,544	$ -	$ 69,544	21.4%
Kelso Investment Associates X	$ 45,000	3/16/2018	$ 50,856	$ 21,341	$ 72,106	$ 93,447	19.9%
Kelso Investment Associates XI	$ 45,000	12/22/2021	$ 22,193	$ 2,080	$ 24,294	$ 26,374	NM
Kelso XI Heights Co-Investment	$ 12,000	8/19/2022	$ 10,035	$ -	$ 10,000	$ 10,000	-0.1%
KKR North American Fund XI	$ 60,000	2/7/2012	$ 101,597	$ 168,091	$ 22,647	$ 190,738	18.8%
KKR North America Fund XI (Platinum)	$ 8,003	2/26/2016	$ 8,040	$ 2,313	$ -	$ 2,313	-98.0%
KKR Element Co-Invest	$ 10,000	8/29/2016	$ 10,050	$ 24,030	$ -	$ 24,030	23.5%
KKR Americas XII	$ 60,000	3/3/2016	$ 69,984	$ 64,858	$ 76,378	$ 141,235	19.7%

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Private Equity

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
KKR Sigma Aggregator	$ 15,000	6/22/2018	$ 15,000	$ -	$ 22,670	$ 22,670	6.1%
KKR Enterprise Co-Invest	$ 15,000	10/11/2018	$ 15,000	$ -	$ -	$ -	-100.0%
KKR Enterprise Co-Invest AIV A	$ 8,936	11/8/2019	$ 8,936	$ 7,908	$ 199	$ 8,106	-10.2%
KKR North America XIII	$ 40,000	6/25/2021	$ 35,251	$ 754	$ 41,387	$ 42,141	10.6%
KKR Special Situations Fund	$ 60,000	12/19/2012	$ 118,957	$ 103,368	$ 4,097	$ 107,465	-3.6%
KKR Special Situations Fund II	$ 60,000	12/19/2014	$ 98,284	$ 83,479	$ 12,383	$ 95,862	-0.9%
Long Ridge Equity Partners IV	$ 15,000	6/26/2023	$ 224	$ -	$ (53)	$ (53)	NM
Metwest Enhanced TALF Strategy Fund L. P.	$ 75,000	7/31/2009	$ 53,350	$ 67,405	$ -	$ 67,405	10.2%
Oaktree Opportunities VIII	$ 30,000	12/9/2009	$ 30,000	$ 43,941	$ 25	$ 43,966	9.1%
ONCAP IV	$ 15,000	11/8/2016	$ 17,463	$ 7,774	$ 19,244	$ 27,018	11.0%
Onex Partners III	$ 10,000	1/6/2011	$ 11,224	$ 17,708	$ 1,463	$ 19,171	13.1%
Onex Partners IV	$ 60,000	11/22/2013	$ 67,272	$ 71,542	$ 21,767	$ 93,309	6.9%
Co-Investment #1	$ 10,000	2/27/2017	$ 10,471	$ 1,235	$ 639	$ 1,875	-27.6%
Onex Partners V	$ 45,000	7/11/2017	$ 43,283	$ 9,040	$ 54,985	$ 64,025	12.0%
Paine & Partners Capital Fund IV	$ 60,000	12/18/2014	$ 58,631	$ 29,545	$ 50,376	$ 79,922	6.0%
Wawona Co-Investment Fund I	$ 15,000	3/31/2017	$ 15,023	$ -	$ -	$ -	-100.0%
Lyons Magnus Co-Investment Fund I	$ 15,000	11/8/2017	$ 15,016	$ -	$ 26,753	$ 26,753	7.9%
PSP Maverick Co-Invest	$ 7,238	9/12/2019	$ 7,264	$ 476	$ -	$ 476	-41.1%
PSP AH&N Co-Investment Fund	$ 23,895	11/27/2019	$ 21,396	$ -	$ 33,433	$ 33,433	9.9%
Paine Schwartz Food Chain Fund V	$ 45,000	8/3/2018	$ 51,905	$ 26,877	$ 47,453	$ 74,329	15.9%
SNFL Co-Investment Fund	$ 5,000	10/11/2019	$ 5,024	$ 5,524	$ 6,003	$ 11,526	19.3%
Rhone Partners V	$ 56,000	3/12/2015	$ 79,129	$ 75,354	$ 77,677	$ 153,032	16.7%
Riverside Capital Appreciation Fund VI	$ 60,000	7/3/2013	$ 64,286	$ 80,144	$ 14,911	$ 95,055	10.3%
RCAF VI CIV XXXII	$ 12,399	10/21/2015	$ 12,687	$ 35,268	$ -	$ 35,268	19.9%
Riverside Micro-Cap Fund III	$ 35,000	6/30/2014	$ 51,608	$ 196,910	$ 25,358	$ 222,268	34.8%
Riverside Micro-Cap Fund IV	$ 60,000	10/23/2015	$ 55,659	$ 14,842	$ 82,694	$ 97,536	7.9%
Riverside Micro-Cap Fund IV-B	$ 20,000	8/9/2019	$ 24,169	$ 22,104	$ 10,374	$ 32,478	8.0%
Riverside Micro-Cap Fund V	$ 40,000	8/21/2018	$ 37,369	$ 7,575	$ 53,815	$ 61,390	13.0%
Riverside Micro-Cap Fund VI	$ 45,000	8/26/2021	$ 24,594	$ 263	$ 25,575	$ 25,839	2.9%
Shoreview Capital Partners III	$ 24,000	7/24/2013	$ 26,306	$ 39,811	$ 12,860	$ 52,671	16.0%
Shoreview Capital Partners IV	$ 30,000	6/3/2019	$ 19,686	$ 20,219	$ 17,544	$ 37,762	36.7%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 06/30/2025

Private Equity

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Shoreview Capital Partners V	$ 25,000	9/13/2024	$ 0	$ -	$ (49)	$ (49)	NM
Sovereign Capital IV	$ 46,500	7/7/2014	$ 41,052	$ 35,142	$ 42,265	$ 77,407	12.9%
Summit Partners Credit II	$ 60,000	10/25/2013	$ 91,949	$ 90,241	$ 8,609	$ 98,850	2.8%
Summit Europe Growth Equity III	$ 22,000	3/18/2020	$ 23,379	$ 7,157	$ 26,310	$ 33,467	15.5%
Summit Europe Growth Equity IV	$ 22,000	2/10/2023	$ 1,428	$ -	$ 1,095	$ 1,095	NM
Summit Growth Equity VIII	$ 25,000	5/27/2011	$ 34,399	$ 70,622	$ 2,820	$ 73,442	25.4%
Co-Investment #1	$ 16,000	6/3/2015	$ 16,000	$ 45,329	$ 24,156	$ 69,486	31.5%
Summit Growth Equity IX	$ 60,000	8/26/2015	$ 87,624	$ 112,257	$ 59,247	$ 171,504	23.6%
Co-Investment #1	$ 15,000	11/29/2016	$ 14,895	$ 41,743	$ -	$ 41,743	159.6%
Summit Partners Co-Invest (Ironman)	$ 16,020	4/20/2018	$ 16,024	$ -	$ 20,856	$ 20,856	4.0%
Summit Partners Co-Invest (Giants-B)	$ 15,292	10/22/2019	$ 15,292	$ 42,588	$ 735	$ 43,324	77.7%
Summit Growth Equity X	$ 60,000	2/26/2019	$ 66,106	$ 26,503	$ 67,863	$ 94,366	12.8%
Summit Partners Co-Invest (Lions)	$ 7,534	10/14/2020	$ 7,534	$ 119	$ 14,412	$ 14,531	15.4%
Summit Partners Co-Invest (Indigo)	$ 10,000	12/11/2020	$ 11,440	$ -	$ 11,424	$ 11,424	0.0%
Summit Growth Equity XI	$ 45,000	10/1/2021	$ 21,485	$ 183	$ 21,951	$ 22,134	NM
Summit Growth Equity XII	$ 25,000	10/1/2024	$ -	$ -	$ -	$ -	NM
Summit Venture Capital III	$ 13,150	5/27/2011	$ 18,044	$ 32,899	$ 4,939	$ 37,838	17.8%
Summit Venture Capital IV	$ 40,000	8/26/2015	$ 52,809	$ 56,183	$ 80,142	$ 136,325	34.3%
Summit Venture Capital V	$ 45,000	6/16/2020	$ 42,002	$ 2,771	$ 44,265	$ 47,036	5.3%
Summit Partners Co-Invest (CS)	$ 13,753	10/22/2021	$ 13,849	$ -	$ 15,089	$ 15,089	2.5%
Technology Crossover Ventures VIII	$ 60,000	5/8/2013	$ 56,269	$ 99,712	$ 30,871	$ 130,582	12.3%
Technology Crossover Ventures IX	$ 60,000	2/19/2016	$ 52,245	$ 76,108	$ 42,353	$ 118,461	19.7%
TCV Sports	$ 8,000	9/25/2018	$ 8,000	$ 2,636	$ 20,581	$ 23,217	17.2%
Technology Crossover Ventures X	$ 45,000	8/31/2018	$ 38,003	$ 23,090	$ 74,035	$ 97,125	22.8%
Technology Crossover Ventures XI	$ 45,000	10/2/2020	$ 39,063	$ -	$ 46,608	$ 46,608	6.6%
Technology Impact Fund	$ 40,000	12/18/2017	$ 38,884	$ 24,707	$ 131,785	$ 156,492	39.5%
Technology Impact Fund II	$ 40,000	4/13/2021	$ 21,176	$ 342	$ 23,777	$ 24,119	6.1%
Technology Impact Growth Fund	$ 40,000	11/26/2018	$ 50,884	$ 26,676	$ 58,618	$ 85,294	15.9%
Technology Impact Growth Fund II	$ 40,000	8/6/2021	$ 23,730	$ 232	$ 24,362	$ 24,594	1.8%
TIGF II Direct Strategies LLC - Series 3	$ 5,000	7/14/2023	$ 5,052	$ -	$ 4,997	$ 4,997	NM
TIGF II Direct Strategies LLC - Series 5	$ 5,000	12/13/2024	$ 5,002	$ -	$ 4,996	$ 4,996	NM

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 06/30/2025

Private Equity

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Tenex Capital Partners IV	$ 50,000	7/2/2024	$ 4,949	$ 3	$ 3,105	$ 3,108	NM
Thoma Bravo Fund XI	$ 50,000	5/1/2014	$ 81,645	$ 193,062	$ 26,204	$ 219,266	26.1%
Thoma Bravo Fund XII	$ 60,000	4/27/2016	$ 83,827	$ 128,417	$ 32,828	$ 161,244	15.1%
Thoma Bravo Fund XIII	$ 45,000	12/7/2018	$ 63,670	$ 64,212	$ 53,479	$ 117,691	22.6%
Thoma Bravo Special Opportunities Fund II	$ 15,000	3/27/2015	$ 19,358	$ 31,471	$ 11,328	$ 42,799	15.9%
Thoma Bravo Discover Fund IV	$ 45,000	7/1/2022	$ 40,396	$ 8,199	$ 46,097	$ 54,296	21.3%
Thoma Bravo Discover Fund V	$ 50,000	5/31/2024	$ -	$ -	$ -	$ -	NM
Tillridge Global Agribusiness Partners II	$ 50,000	10/21/2016	$ 34,642	$ 5,082	$ 23,146	$ 28,228	-5.1%
Water Street Healthcare Partners III	$ 25,000	7/25/2012	$ 30,619	$ 78,721	$ 8,807	$ 87,528	34.7%
Water Street Healthcare Partners IV	$ 33,000	9/15/2017	$ 38,205	$ 23,604	$ 46,505	$ 70,109	16.6%
Water Street Healthcare Partners V	$ 43,000	4/15/2022	$ 17,750	$ -	$ 15,243	$ 15,243	NM
Wayzata Opportunities Fund III	$ 30,000	9/11/2012	$ 14,718	$ 15,467	$ 143	$ 15,610	1.2%
Wynnchurch Capital Partners IV	$ 40,000	10/23/2014	$ 38,904	$ 66,322	$ 44,073	$ 110,396	24.5%
Wynnchurch Capital Partners V	$ 40,000	1/15/2020	$ 36,938	$ 2,166	$ 46,120	$ 48,285	10.0%
Wynnchurch Capital Partners VI	$ 40,000	1/18/2024	$ 7,288	$ -	$ 8,331	$ 8,331	NM

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 06/30/2025

Real Estate

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Angelo Gordon Net Lease IV	$ 50,000	2/17/2020	$ 47,682	$ 13,082	$ 44,401	$ 57,483	5.9%
Angelo Gordon Realty Fund XI	$ 50,000	3/31/2022	$ 22,601	$ 157	$ 23,684	$ 23,841	NM
Bain Capital Real Estate II	$ 50,000	3/5/2021	$ 38,498	$ 3,883	$ 33,705	$ 37,588	-1.1%
Bain Capital Real Estate III	$ 35,000	12/18/2023	$ 15,979	$ 2,978	$ 11,323	$ 14,301	NM
Blackrock Granite Property Fund	$ 63,791	9/30/2006	$ 68,771	$ 53,312	$ -	$ 53,312	-4.9%
Blackstone Property Partners	$ 350,000	6/29/2017	$ 350,000	$ 50,262	$ 337,106	$ 387,368	1.6%
Blackstone Real Estate Partners VII	$ 75,000	2/26/2012	$ 107,502	$ 159,102	$ 8,888	$ 167,989	14.2%
Blackstone Real Estate Partners VIII	$ 50,000	3/27/2015	$ 66,698	$ 69,548	$ 29,659	$ 99,207	12.0%
Blackstone Real Estate Partners IX	$ 40,000	12/21/2018	$ 46,528	$ 17,773	$ 40,419	$ 58,192	8.2%
Barings Asia Real Estate II	$ 50,000	7/31/2018	$ 46,310	$ 6,212	$ 32,753	$ 38,966	-6.6%
EQT Real Estate II	$ 55,000	4/26/2019	$ 47,093	$ 15,767	$ 40,407	$ 56,174	7.4%
EQT Real Estate Rock Co-Investment	$ 11,000	8/10/2020	$ 9,406	$ -	$ 12,066	$ 12,066	6.2%
H/2 Credit Partners, L.P.	$ 75,000	6/21/2011	$ 75,000	$ 112,177	$ -	$ 112,177	5.9%
Harrison Street Core Property Fund, L.P.	$ 75,000	4/30/2012	$ 97,588	$ 63,753	$ 118,542	$ 182,295	7.1%
HSRE-Coyote Maine PERS Core Co-Investment	$ 20,000	12/4/2020	$ 16,125	$ 2,798	$ 10,009	$ 12,807	-6.0%
High Street Real Estate Fund IV, L.P.	$ 25,000	8/23/2013	$ 24,717	$ 34,157	$ -	$ 34,157	14.7%
High Street Real Estate Fund V	$ 25,000	7/24/2015	$ 24,925	$ 36,176	$ -	$ 36,176	13.2%
High Street Real Estate Fund VI	$ 25,000	3/22/2019	$ 25,000	$ 12,215	$ 33,707	$ 45,923	15.8%
HSREF VI Elgin Co-Invest	$ 10,000	4/9/2021	$ 9,335	$ 14,609	$ 613	$ 15,222	13.2%
High Street Real Estate Fund VII	$ 35,000	8/16/2021	$ 35,000	$ 2,841	$ 41,858	$ 44,699	9.1%
High Street Real Estate VII Venture	$ 15,000	3/17/2023	$ 15,000	$ 1,030	$ 19,867	$ 20,897	20.3%
High Street Logistics Value Fund I	$ 35,000	4/17/2024	$ 41,571	$ 4,987	$ 33,937	$ 38,924	NM
High Street VF I Co-Invest	$ 3,896	8/28/2024	$ 5,043	$ 1,148	$ 3,859	$ 5,007	NM
Hines US Property Partners	$ 200,000	9/9/2021	$ 221,388	$ 23,718	$ 219,118	$ 242,835	4.8%
Invesco Real Estate Asia IV	$ 30,000	3/25/2020	$ 26,147	$ 19,701	$ 9,368	$ 29,068	8.5%
Invesco US Income Fund	$ 195,000	7/17/2014	$ 254,975	$ 96,252	$ 302,931	$ 399,183	7.6%
IPI Data Center Partners I	$ 30,000	12/15/2017	$ 39,776	$ 30,722	$ 31,777	$ 62,499	13.6%
IPI Data Center Partners II	$ 25,000	12/20/2019	$ 24,535	$ 1,619	$ 29,591	$ 31,210	9.3%
JPMCB Strategic Property Fund	$ 130,000	11/15/2005	$ 186,941	$ 297,519	$ -	$ 297,519	5.8%
KKR Real Estate Partners Europe I	$ 50,000	12/2/2015	$ 54,566	$ 56,486	$ 14,919	$ 71,405	9.0%
KKR Real Estate Partners Europe II	$ 25,000	12/23/2019	$ 25,847	$ 7,096	$ 19,917	$ 27,013	2.0%
KKR Real Estate Partners Americas I	$ 50,000	12/20/2013	$ 50,181	$ 61,004	$ 302	$ 61,306	10.5%
KKR Real Estate Partners Americas II	$ 50,000	6/2/2016	$ 62,522	$ 76,042	$ 7,315	$ 83,357	17.5%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 06/30/2025

Real Estate

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Northbridge-Strategic Fund II	$ 30,000	2/8/2019	$ 30,000	$ 9,478	$ 55,116	$ 64,594	13.8%
Prima Mortgage Investment Trust, LLC	$ 75,000	7/29/2011	$ 97,490	$ 131,918	$ -	$ 131,918	3.8%
Principal Life Insurance Company U.S. Property	$ 60,000	5/20/2005	$ 60,000	$ 125,410	$ -	$ 125,410	6.2%
PRISA	$ 90,000	6/30/2005	$ 139,622	$ 222,450	$ -	$ 222,450	5.3%
Rubenstein Properties Fund III	$ 30,000	10/23/2015	$ 30,606	$ 627	$ 4,160	$ 4,787	-26.8%
LCC Co-Investor B	$ 15,000	10/18/2019	$ 15,000	$ -	$ -	$ -	-100.0%
Rubenstein Properties Fund IV	$ 25,000	4/16/2019	$ 10,571	$ 56	$ 2,353	$ 2,408	NM
Prudential Senior Housing Fund V	$ 50,000	3/17/2015	$ 41,333	$ 7,084	$ 37,612	$ 44,696	1.1%
Smart Markets Fund, L.P.	$ 195,000	6/17/2013	$ 246,453	$ 93,594	$ 302,609	$ 396,203	7.2%
Stonelake Opportunity Partners VII	$ 40,000	6/30/2022	$ 24,000	$ -	$ 22,586	$ 22,586	-6.5%
Walton Street Real Estate Fund VII	$ 50,000	5/9/2012	$ 44,304	$ 56,658	$ 2,887	$ 59,545	8.3%
Walton Street Real Estate Fund VIII	$ 50,000	10/23/2015	$ 44,042	$ 41,685	$ 18,069	$ 59,753	8.3%
Co-Investment #1	$ 10,000	9/27/2017	$ 10,293	$ 4,160	$ -	$ 4,160	-60.0%
Westbrook Real Estate Fund IX	$ 15,000	6/30/2014	$ 17,813	$ 17,500	$ 1,538	$ 19,039	2.7%
Westbrook Real Estate Fund X	$ 50,000	1/15/2015	$ 53,137	$ 42,649	$ 10,656	$ 53,306	0.2%
Westbrook Real Estate Fund XI	$ 40,000	1/31/2019	$ 44,382	$ 21,074	$ 28,141	$ 49,215	6.8%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 6/30/2025

Notes: NM = Not Meaningful. MainePERS only reports IRRs for funds with more than 24 months of history and for which Amount Contributed is greater than 50% of Commitments. "Date of Commitment" is not the date of first capital draw. The "IRR" presented uses interim estimates and may not be indicative of ultimate performance of partnership investments due to a number of factors including lags in valuation, maturity of fund, and differences in investment pace and strategy of various funds. Performance figures should not be used to compare returns among multiple funds or different limited partners. Private market investments are long-term investments which are expected to generate returns over the course of their entire life cycle of 10 or more years. Common industry practice dictates that any performance analysis on these funds while they are still in the early years of their investment cycle would not generate meaningful results. The Interim Net IRR figures presented in this table are based on cash flow information provided by the general partner. The above information was not prepared, reviewed, or approved by any of the partnerships, general partners, or their affiliates and may differ from those generated by the general partner or other limited partners due to differences in timing of investments, disposal of in-kind distributions, and accounting and valuation policies.

MAINEPERS

BOARD OF TRUSTEES INVESTMENTS MEMORANDUM

TO: BOARD MEMBERS

FROM: JAMES BENNETT, CHIEF INVESTMENT OFFICER

SUBJECT: **QUARTERLY REBALANCING ACTIVITY REPORT**

DATE: NOVEMBER 5, 2025

This memo summarizes the past year's rebalancing activities, through the end of Q3 2025.

POLICY REFERENCE

Board Policy 2.1 – Investment Policy Statement

Board Policy 4.5 – Board/Staff Relations

Board Policy 4.6 – Communication and Support to the Board

PUBLIC MARKETS REBALANCING

Rebalancing activity within the public markets portfolio over the previous four quarters is shown below.

	Asset Classes				
Month	**Public Equity**	**Traditional Credit**	**US Gov. Nominal**	**US Gov. TIPS**	**Note**
October-2024	-	-	-	-	No Activity
November-2024	-	-	-	-	No Activity
December-2024	$50 MM	-	-	-	Reinvesting Cash
January-2025	$93 MM	-	$7 MM	-	Reinvesting Cash
February-2025	$29 MM	$11 MM	$17 MM	$18 MM	Reinvesting Cash
March-2025	$100 MM	-	-	-	Reinvesting Cash
April-2025	-	-	-	-	No Activity
May-2025	-	-	-	-	No Activity
June-2025	-	-	-	-	No Activity
July-2025	-	-	-	-	No Activity
August-2025	-	-	-	-	No Activity
September-2025	-$250 MM	$40 MM	$60 MM	$50 MM	Rebalance and Raise Cash
Net Activity	**$22 MM**	**$51 MM**	**$84 MM**	**$68 MM**	

RISK DIVERSIFERS REBALANCING

The below table summarizes investment activity and rebalancing actions within the Risk Diversifiers portfolio over the previous four quarters.

Month	Investment	Activity	Amount
November-2024	Windham Risk Premia	Holdback	- $4.8 MM
November-2024	Garda	Initial Funding	$75 MM
December-2024	Farallon	Continued Funding	$30 MM
February-2025	Bridgewater Pure Alpha	Full Redemption	- $216.1 MM
April-2025	Voleon	Increased Investment	$25 MM
June-2025	Farallon Capital	Continued Funding	$10 MM
August-2025	SurgoCap	Initial Funding	$75 MM
August-2025	Alyeska	Initial Funding	$115 MM

MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

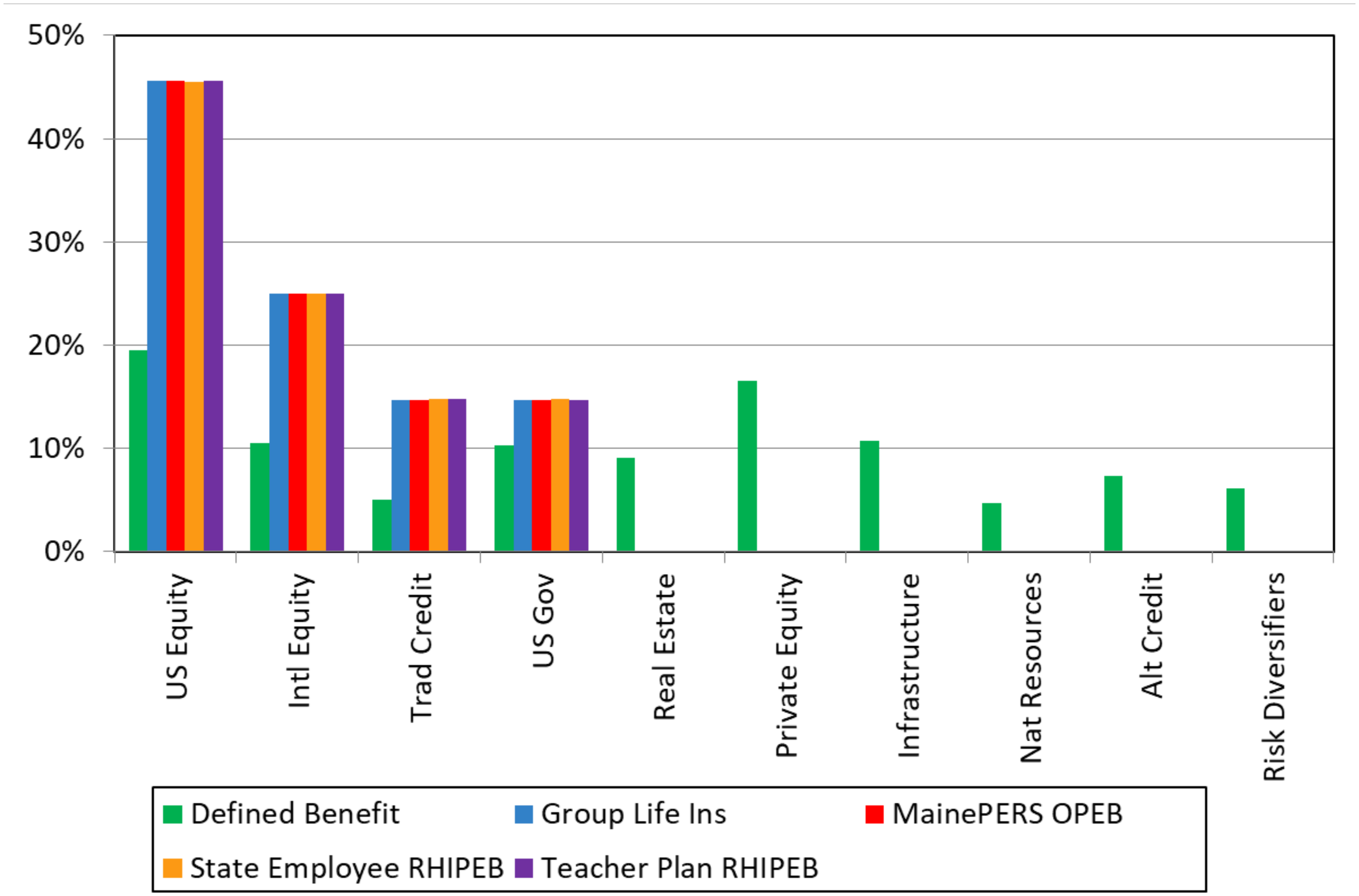
RHIT/GLI/OPEB Quarterly Comprehensive Report

November 13, 2025

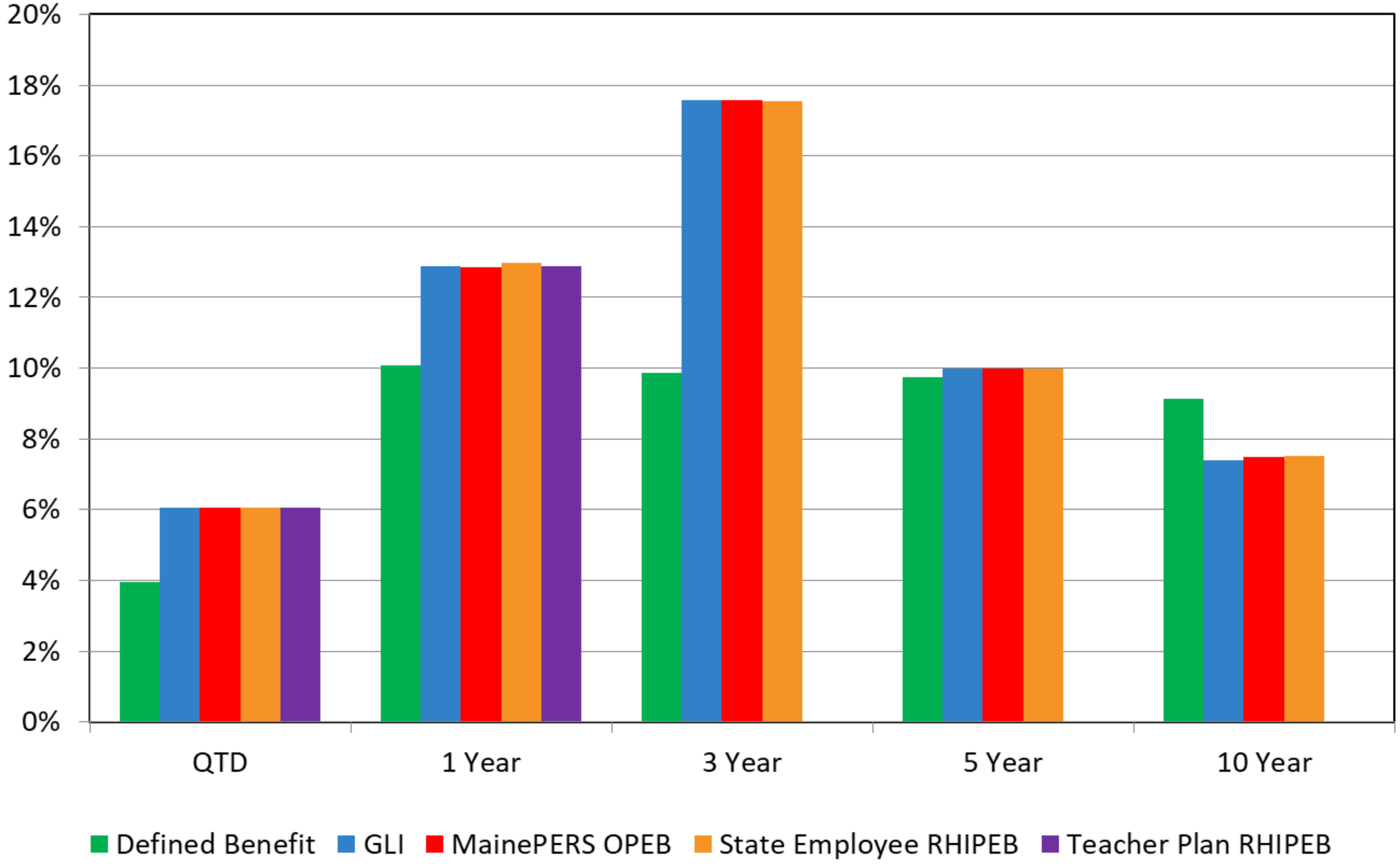
Investment Returns for all Funds at 09/30/2025

Fund	Market Value (millions)	Current Quarter	1 Year	3 Year	5 Year	10 Year
Defined Benefit	**$21,813.9**	4.0%	10.1%	9.9%	9.8%	9.1%
Benchmark		5.4%	11.5%	13.4%	10.6%	9.4%
Group Life Insurance	**$242.5**	6.1%	12.9%	17.6%	10.0%	7.4%
Benchmark		6.1%	13.5%	17.9%	10.1%	7.2%
MainePERS OPEB	**$22.3**	6.0%	12.9%	17.6%	10.0%	7.5%
Benchmark		6.1%	13.5%	17.9%	10.1%	7.2%
State Employee RHIPEB	**$636.8**	6.0%	13.0%	17.5%	10.0%	7.5%
Benchmark		6.1%	13.5%	17.9%	10.1%	7.2%
Teacher Plan RHIPEB	**$138.3**	6.0%	12.9%			
Benchmark		6.1%	13.5%			

Asset Allocation for All Funds at 09/30/2025



Performance for All Funds at 09/30/2025

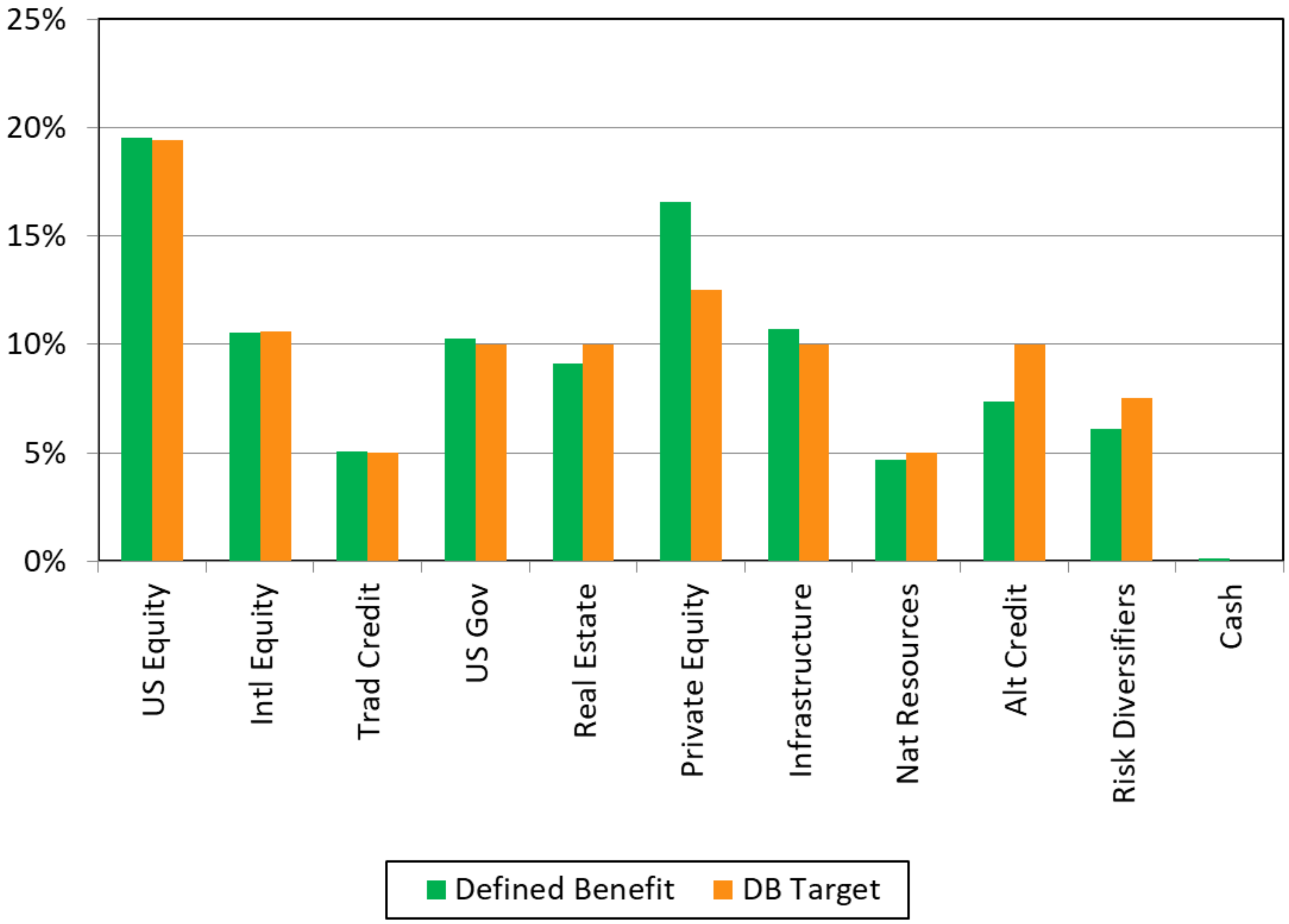


MainePERS

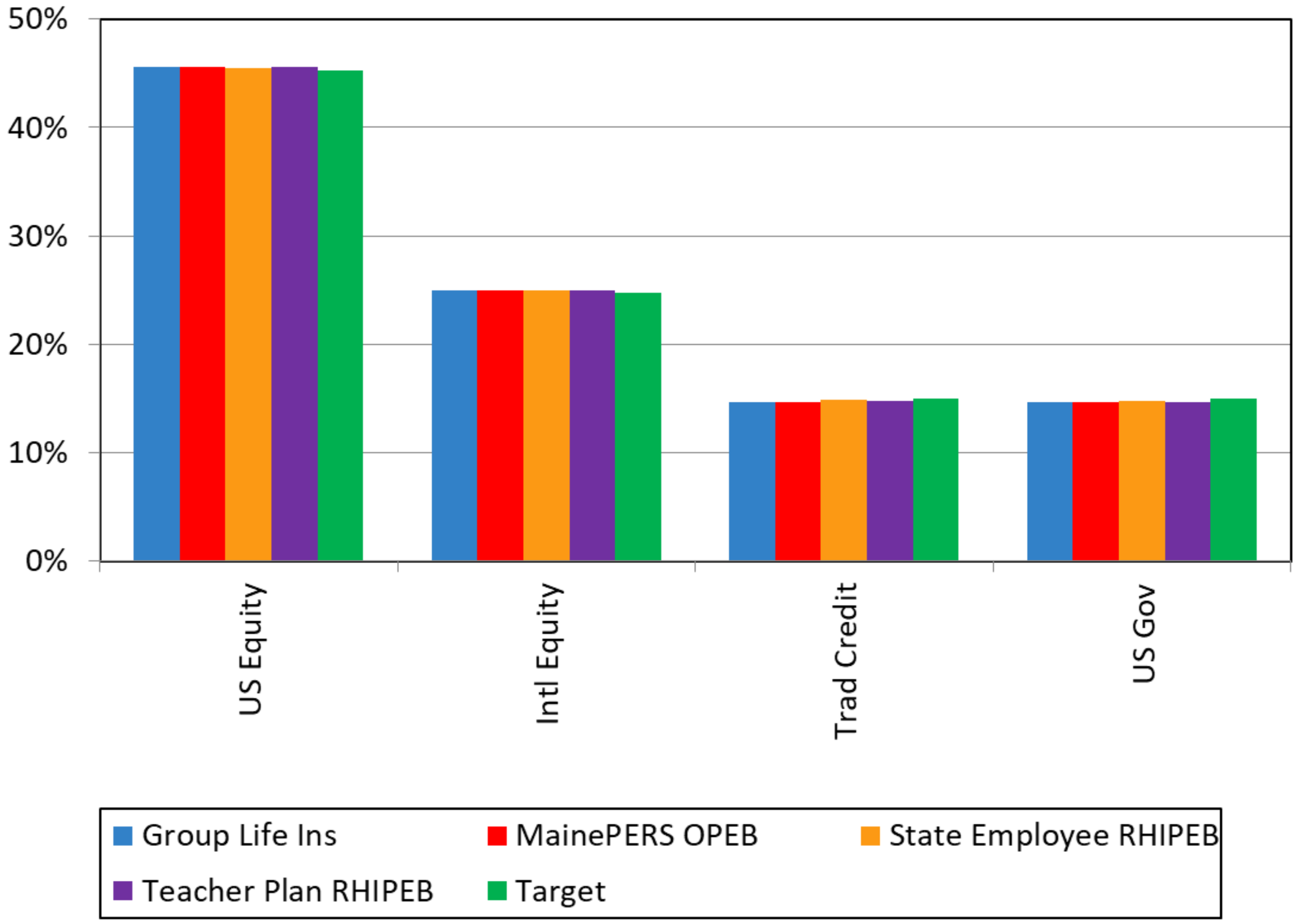
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Appendix

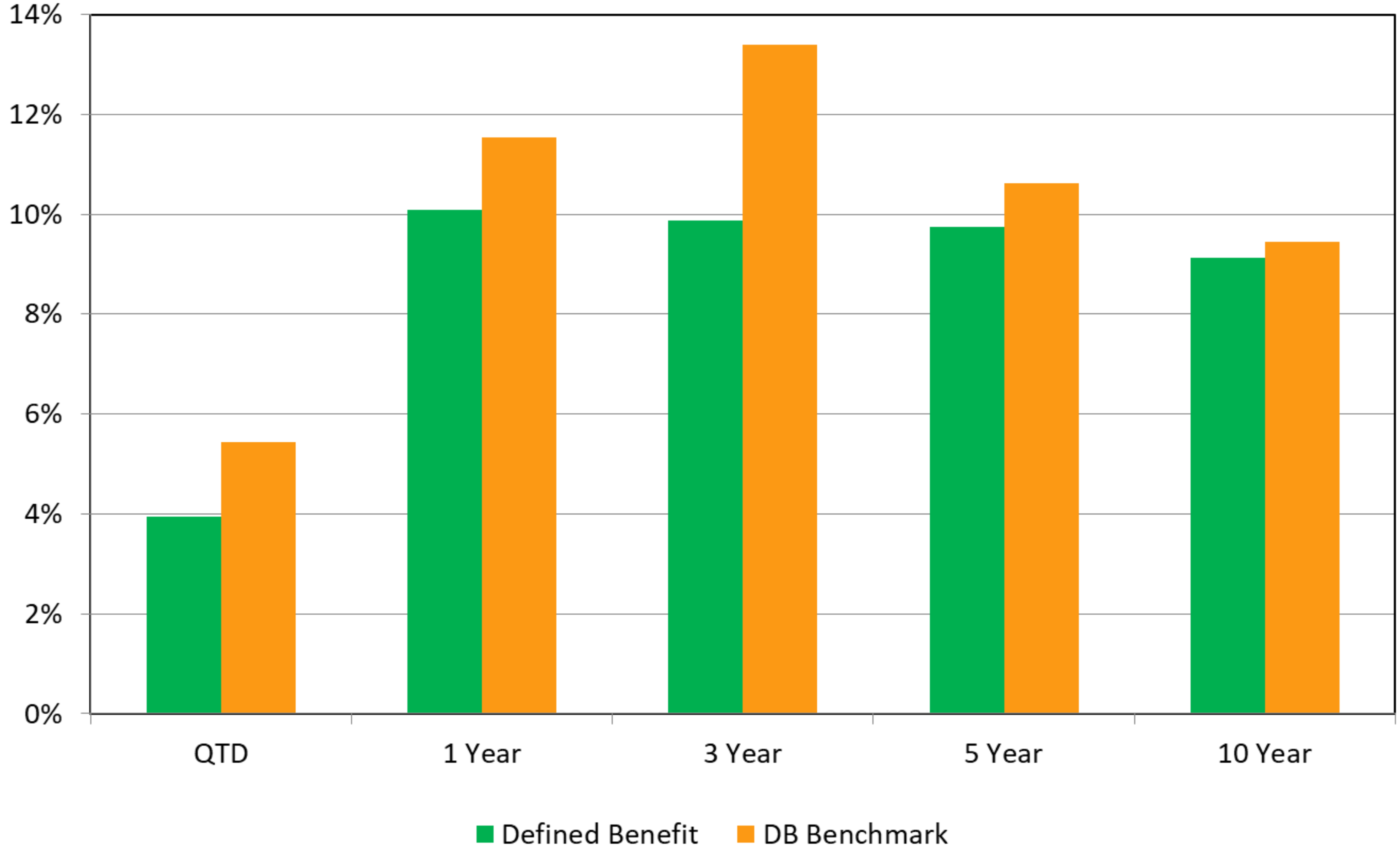
Asset Allocation for Defined Benefit at 09/30/2025



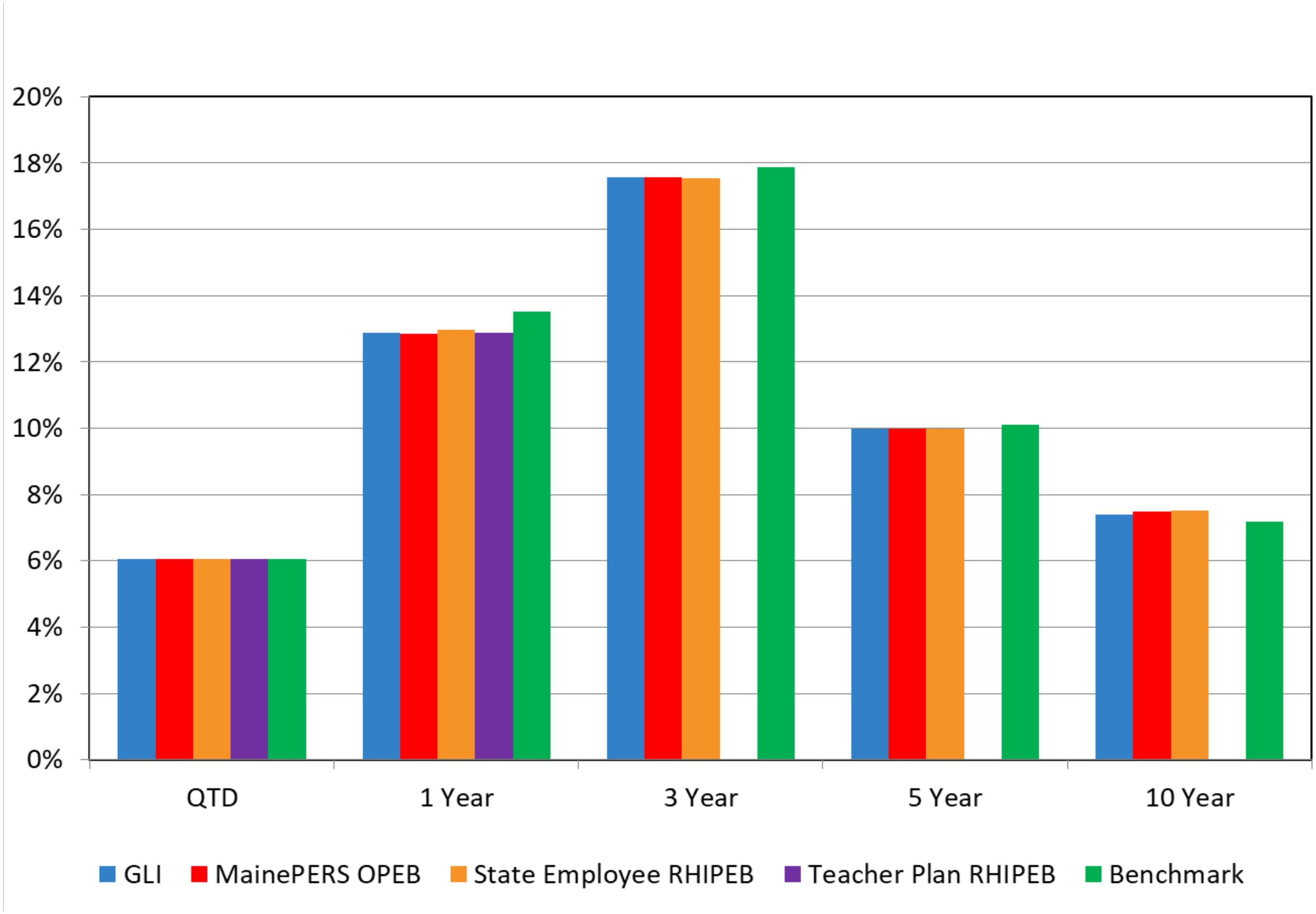
Asset Allocation for RHIPEB, GLI, and OPEB at 09/30/2025



Performance for Defined Benefit at 09/30/2025



Performance for RHIPEB, GLI, and OPEB at 09/30/2025



MAINEPERS

THIRD QUARTER PERFORMANCE REVIEW

CAMBRIDGE ASSOCIATES

NOVEMBER 2025

PERFORMANCE REVIEW

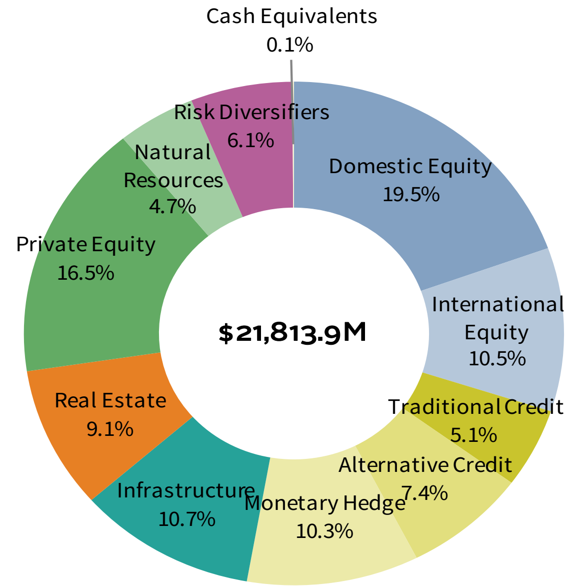
C|A CAMBRIDGE ASSOCIATES

MainePERS Allocation Snapshot

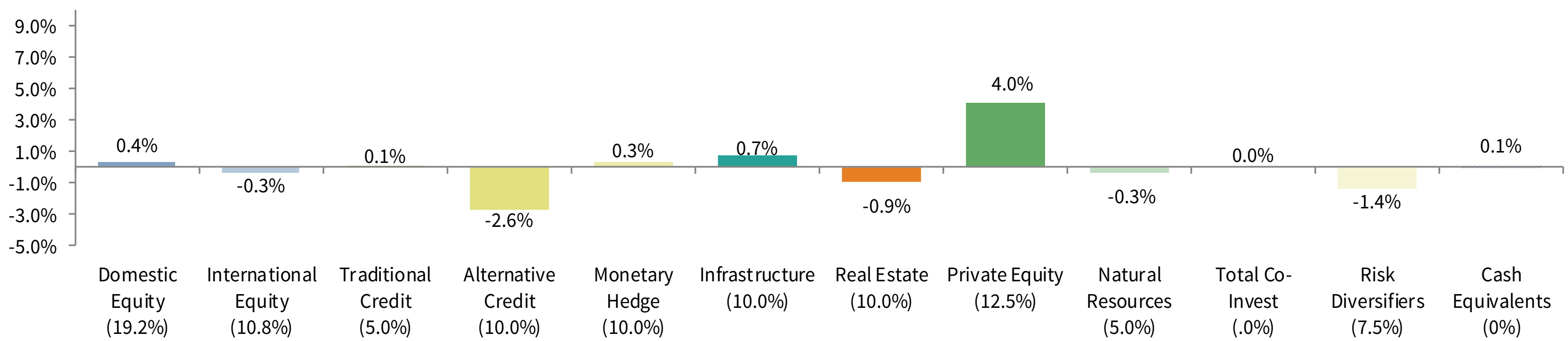
As of September 30th, 2025

Asset Allocation ($ Millions)

Asset Class	$(M)	%
Domestic Equity	$4,260.3	19.5%
International Equity	$2,295.5	10.5%
Traditional Credit	$1,105.9	5.1%
Alternative Credit	$1,607.4	7.4%
Monetary Hedge	$2,239.8	10.3%
Infrastructure	$2,336.2	10.7%
Real Estate	$1,985.9	9.1%
Private Equity	$3,609.6	16.5%
Natural Resources	$1,016.9	4.7%
Risk Diversifiers	$1,333.0	6.1%
Cash Equivalents	$23.3	0.1%
Total	**$21,813.9**	**100.0%**



Relative Weights vs. Policy Targets

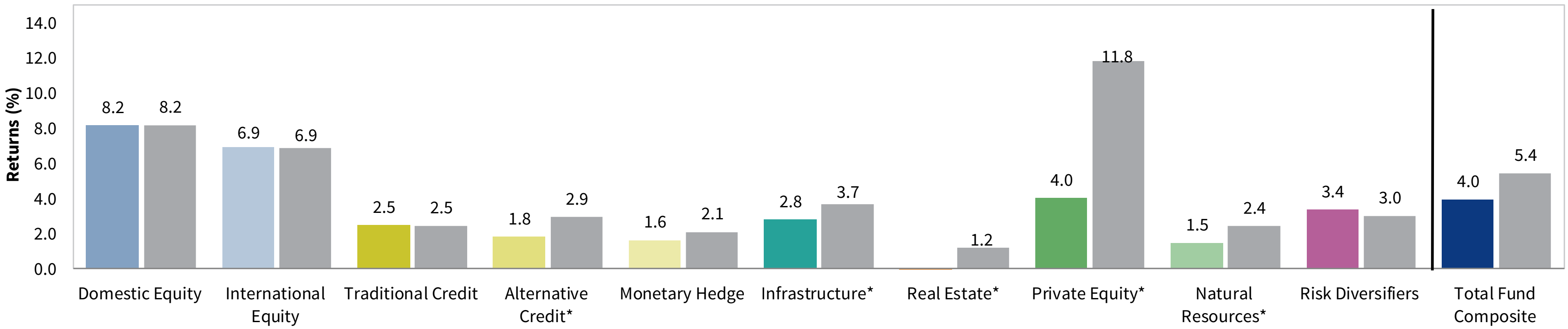


Note: Interim Policy Target allocation in parentheses. Asset class, composite breakout, and performance is based on JP Morgan performance data. Risk Diversifiers NAV is preliminary. Figures might not add due to rounding.

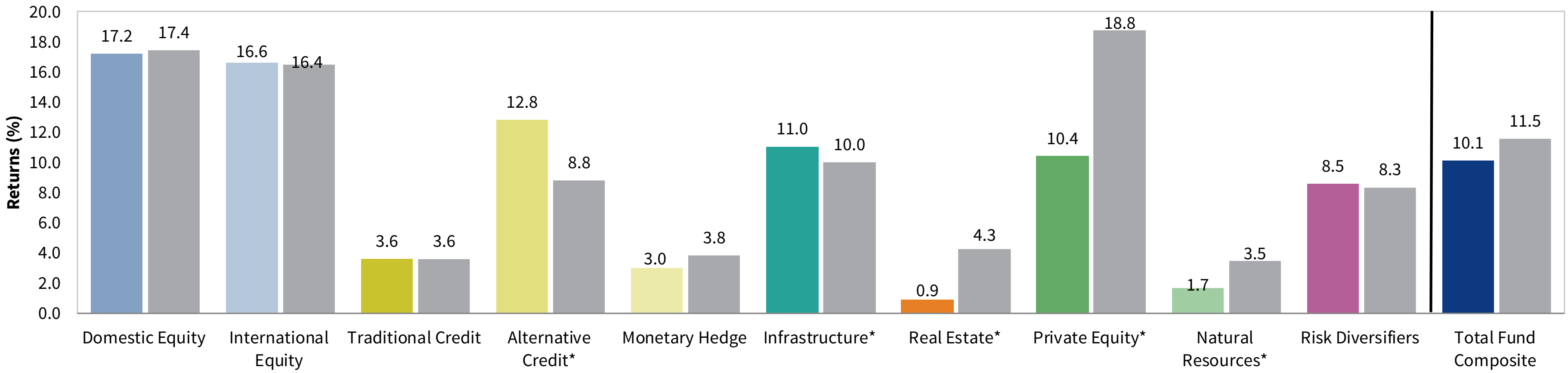
MainePERS Asset Class Performance

As of September 30th, 2025

Quarter-to-Date
July 1st, 2025 - September 30,2025



Trailing 1-year
October 1st, 2024 - September 30, 2025

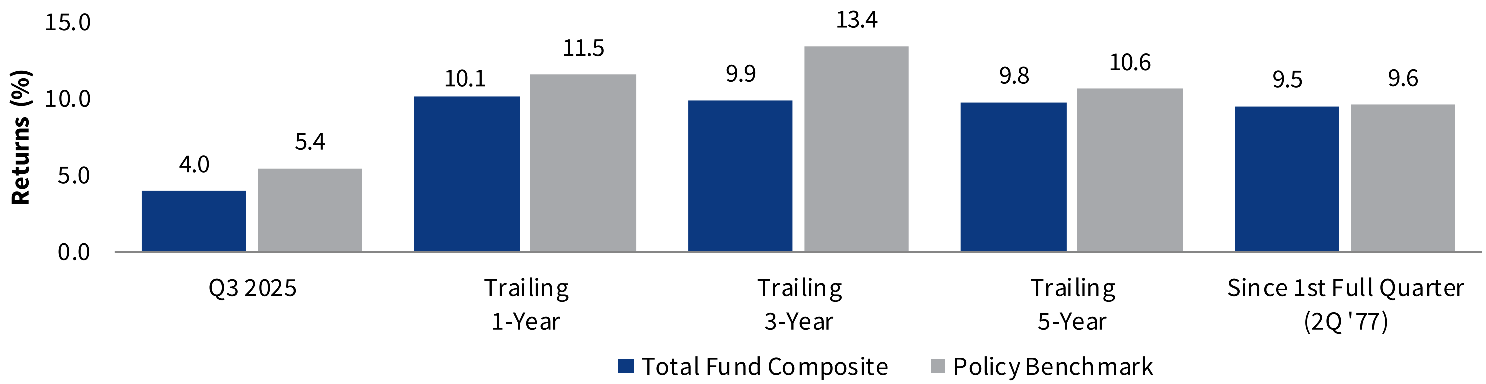


Notes: Asset class benchmarks (from left to right): Index returns for Infrastructure, Real Estate, and Natural Resources are reported on a quarterly basis. Returns reported by J.P. Morgan, except for Infrastructure and Real Estate indices, which are reported by Cambridge Associates on a quarter lag. Returns for CA Real Estate and Infrastructure indices are preliminary, and subject to adjustment. Performance for Risk Diversifiers is preliminary.
*Performance is reported on a quarter lag, as of June 30, 2025.

MainePERS Performance Summary

As of September 30th, 2025

Total Portfolio Performance



	Q3 2025	Trailing 1-Year	Trailing 3-Year	Trailing 5-Year	Since 1st Full Quarter (2Q '77)
Total Fund Composite	4.0	10.1	9.9	9.8	9.5
Policy Benchmark	5.4	11.5	13.4	10.6	9.6
Value Added	*(1.5)*	*(1.5)*	*(3.5)*	*(0.9)*	*(0.1)*

CA considers it best practice to benchmark private investments (PI) against a public index (e.g., MSCI ACWI) because private indices are not investable, lack transparency, and do not accurately represent investor exposure

As of September 30, 2025, MainePERS has an 16.5% allocation to private equity and the composite's trailing 1-year return of 10.4% has lagged the Private Equity Benchmark return of 18.8%

Since the private portfolio is benchmarked against a public index, this underperformance is prominently reflected in the overall portfolio performance relative to the total policy benchmark

Notes: Value-add figures may not reconcile due to rounding.

Asset Class Benchmarks and Target Weights

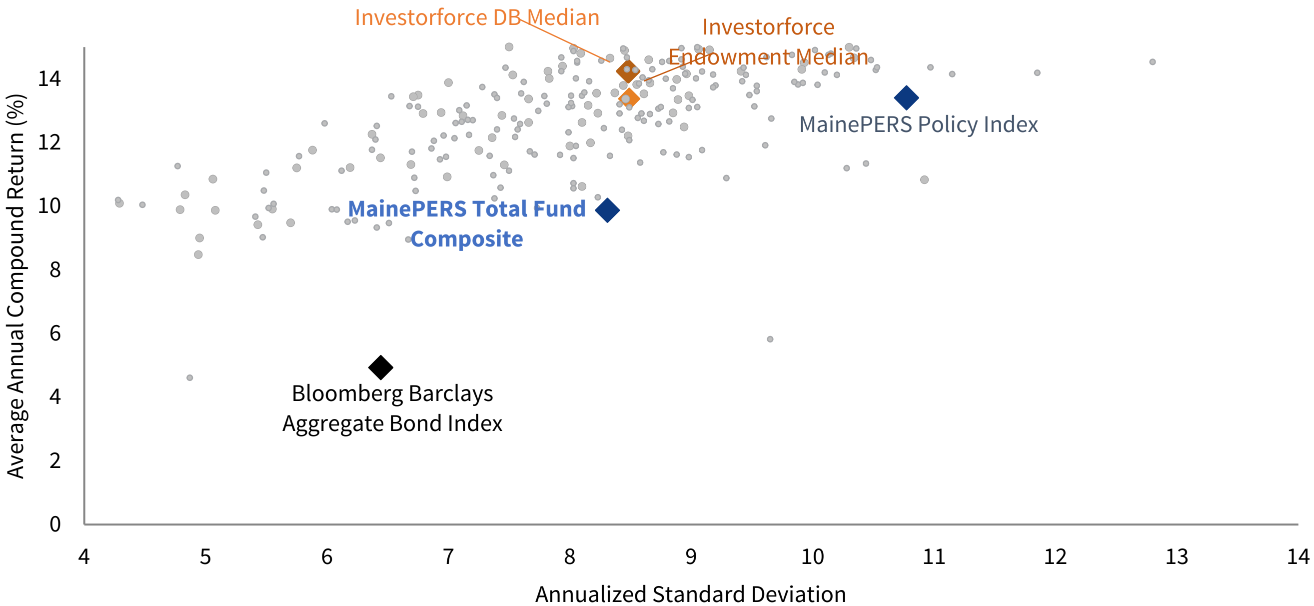
As of September 30th, 2025

Asset Class	Benchmark	Long-Term Target
	Russell 3000[1]	19.2%
	MSCI ACWI ex US[2]	10.8%
Public Equity	Total Public Equity	30.0%
Private Equity	Russell 3000 + 3% per annum (1 qtr lag)	12.5%
Risk Diversifiers	0.3 Beta MSCI ACWI[3]	7.5%
Real Estate	NCREIF Property (1 qtr lag)	10.0%
Infrastructure	Cambridge Associates Infrastructure Median (1 qtr lag)	10.0%
Natural Resources	Cambridge Associates Natural Resources Median (1 qtr lag)	5.0%
Traditional Credit	Barclays US Agg ex Treasury	5.0%
Alternative Credit	50% BAML US HY II + 50% S&P/LSTA US Leveraged Loan Index (1 qtr lag)[4]	10.0%
US Govt Treasuries	Custom Fixed Income[5]	10.0%
Total		**100.0%**

1. Russell 3000 weight is based upon the MSCI ACWI weighting for US
2. MSCI ACWI ex US weight is based upon the MSCI ACWI weighting for International
3. 91-day T-bill + 0.3(MSCI ACWI Return – 91-day T-bill)
4. 50% Bank of America US High Yield II + 50% S&P/Loan Syndications & Trading Association US Leveraged Loan Index
5. 50% 0-5 Year TIPS / 50% US TIPS Fund

MainePERS Risk/Return – 3 Years

As of September 30th, 2025



	Average Annual Compound Return	Annualized Standard Deviation	Sharpe Ratio[1]	Beta vs. MSCI ACWI
MainePERS - Total Fund Composite	9.9	**8.3**	**1.5**	**0.34**
MainePERS - Policy Index	13.4	10.8	1.7	0.42
Simple 60/40	15.6	9.4	1.2	0.74
Investorforce Public DB Plan Median	13.4	8.5	1.0	---
Investorforce Endowment Median	14.2	8.5	1.1	---
Indices				
MSCI All Country World Index (Net)	23.1	12.5	1.5	--
Bloomberg Barclays Aggregate Bond Index	4.9	6.4	0.0	0.34

Note: Calculations are based on monthly data, net of fees.

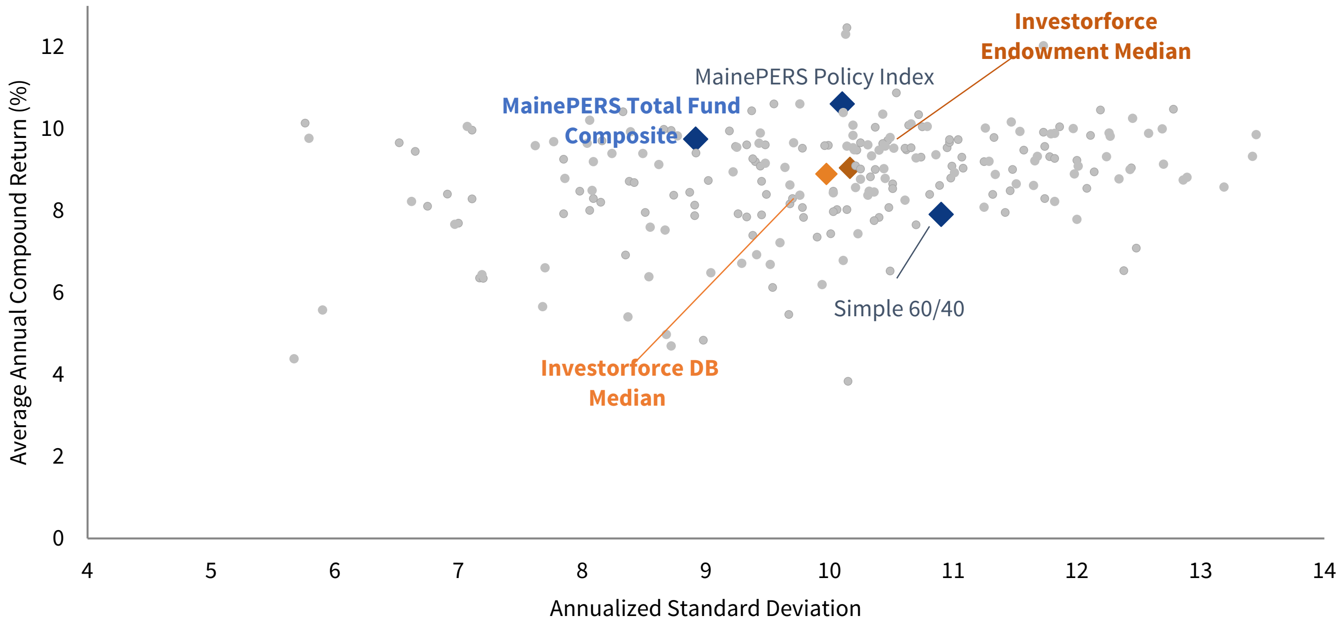
[1]The Sharpe Ratio represents the excess return generated for each unit of risk. To calculate this number, subtract the average T-Bill return (risk-free return) from the manager's average return, then divide by the manager's standard deviation. The Investor Force data uses the median return and standard deviations are based on monthly data, net of fees.

[2] Simple 60/40 is 60% MSCI ACWI and 40% BBG Aggregate US Bond Index.

[3] Net Investor Force Median data reflects median of 3-year returns and the standard deviations as reported by institutions with over $100m in assets to Investor Force.

MainePERS Risk/Return – 5 Years

As of September 30th, 2025

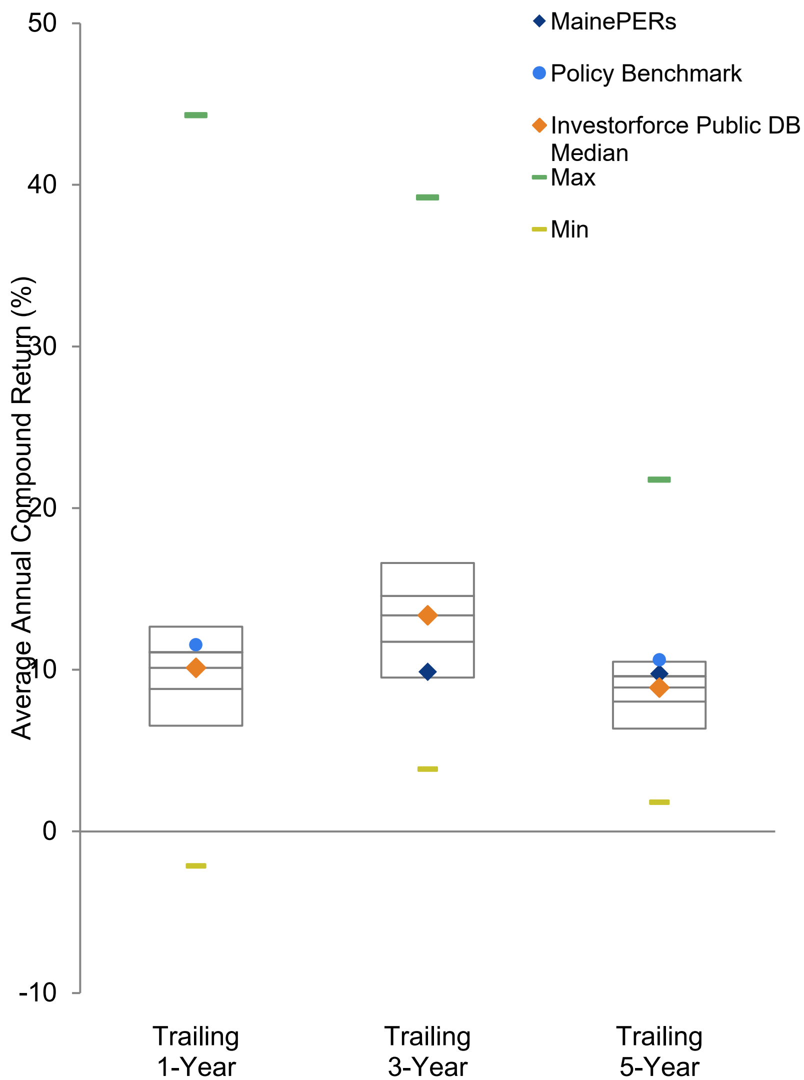


	Average Annual Compound Return	Annualized Standard Deviation	Sharpe Ratio[1]	Beta vs. MSCI ACWI
MainePERS - Total Fund Composite	9.8	**8.9**	**1.4**	**0.36**
MainePERS - Policy Index	10.6	10.1	1.3	0.43
Simple 60/40	7.9	10.9	0.5	0.71
Investorforce Public DB Plan Median	8.9	10.0	0.6	---
Investorforce Endowment Median	9.1	10.2	0.6	---
Indices				
MSCI All Country World Index (Net)	13.5	15.0	0.7	--
Bloomberg Barclays Aggregate Bond Index	-0.4	6.4	-0.5	0.28

Note: Calculations are based on monthly data, net of fees.
[1]The Sharpe Ratio represents the excess return generated for each unit of risk. To calculate this number, subtract the average T-Bill return (risk-free return) from the manager's average return, then divide by the manager's standard deviation. The Investor Force data uses the median return and standard deviations are based on monthly data, net of fees.
[2] Simple 60/40 is 60% MSCI ACWI and 40% BBG Aggregate US Bond Index.
[3] Net Investor Force Median data reflects median of 5-year returns and the standard deviations as reported by institutions with over $100m in assets to Investor Force.

MainePERS vs. Defined Benefit Peers

As of September 30th, 2025

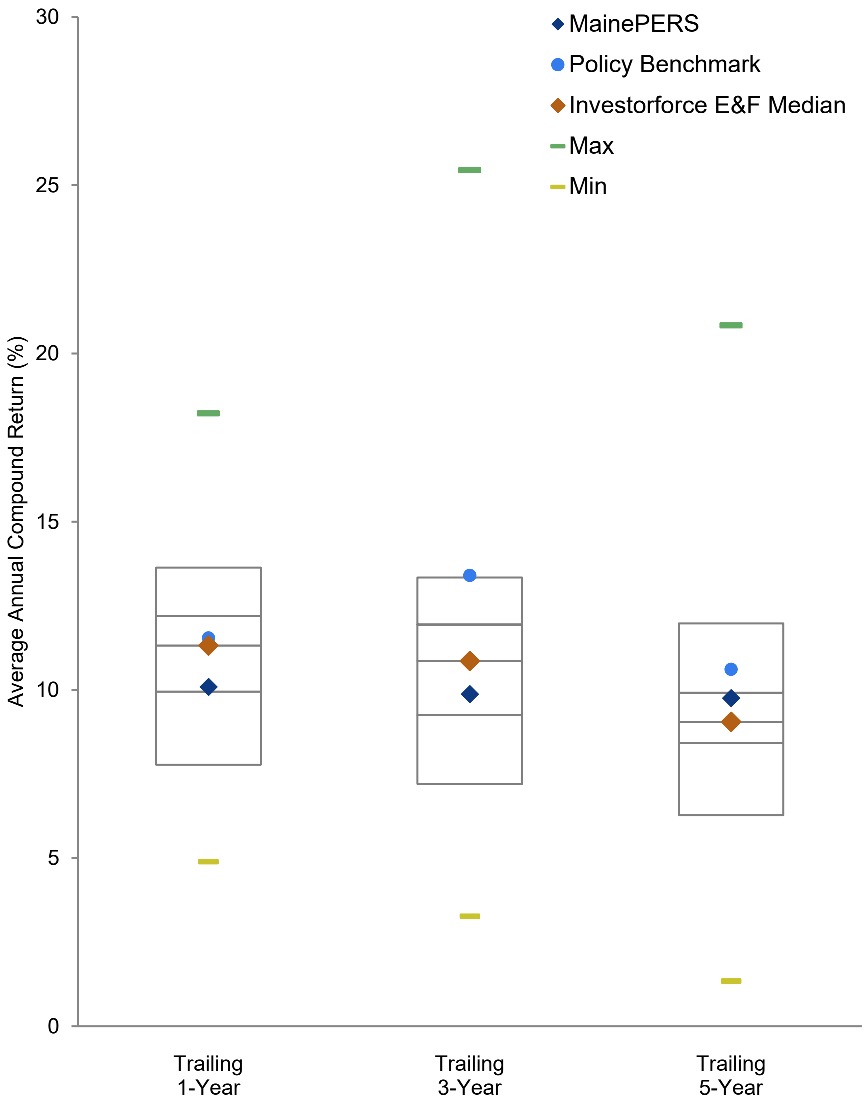


	One Year	Three Year	Five Year
MainePERS	**10.1**	**9.9**	**9.8**
Policy Benchmark	11.5	13.4	10.6
Max	44.3	39.2	21.8
5th Percentile	12.7	16.6	10.5
25th Percentile	11.1	14.6	9.6
Investorforce Public DB Median	10.1	13.4	8.9
75th Percentile	8.8	11.7	8.0
95th Percentile	6.5	9.5	6.4
Min	-2.1	3.9	1.8
Sample Size			
n	203	202	198

Source: InvestorForce – All Public DB Plans Q3 2025
Note: Net InvestorForce median data reflects medians of 1-, 3-, and 5-year returns as reported by plans with AUM exceeding $100 million.

MainePERS vs. E&F Peers

As of September 30th, 2025



	One Year	Three Year	Five Year
MainePERS	**10.1**	**9.9**	**9.8**
Policy Benchmark	11.5	13.4	10.6
Max	18.2	25.5	20.8
5th Percentile	13.6	13.3	12.0
25th Percentile	12.2	11.9	9.9
Investorforce E&F Median	11.3	10.9	9.1
75th Percentile	10.0	9.3	8.4
95th Percentile	7.8	7.2	6.3
Min	4.9	3.3	1.3
Sample Size *n*	137	133	124

Notes: One-, three-, and five-year returns are annualized.

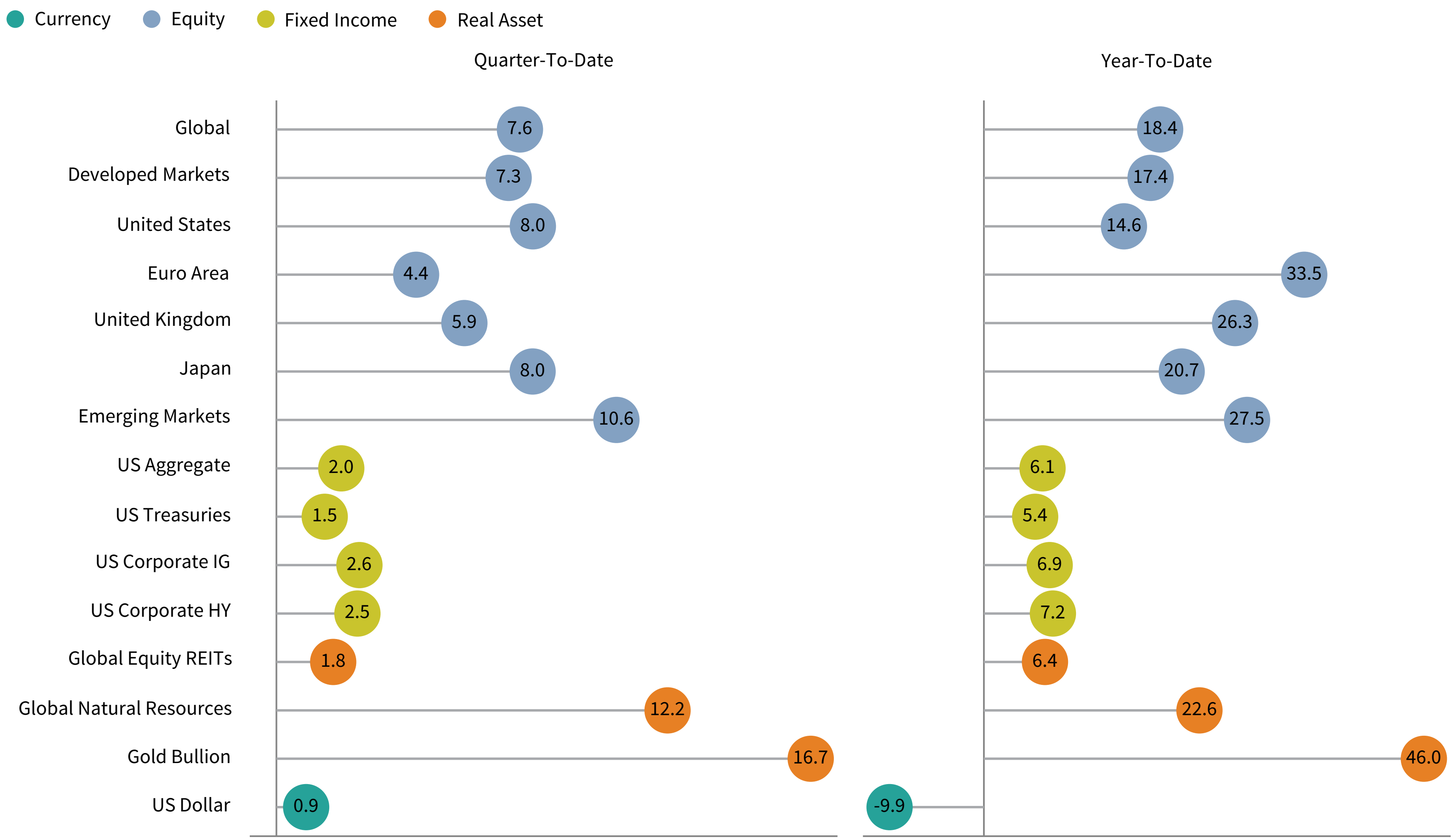
Source: InvestorForce – All Endowments and Foundations Q3 2025
Note: Net InvestorForce median data reflects medians of 1-, 3-, and 5-year returns as reported by plans with AUM exceeding $100 million.

MARKET UPDATE

CAMBRIDGE
ASSOCIATES

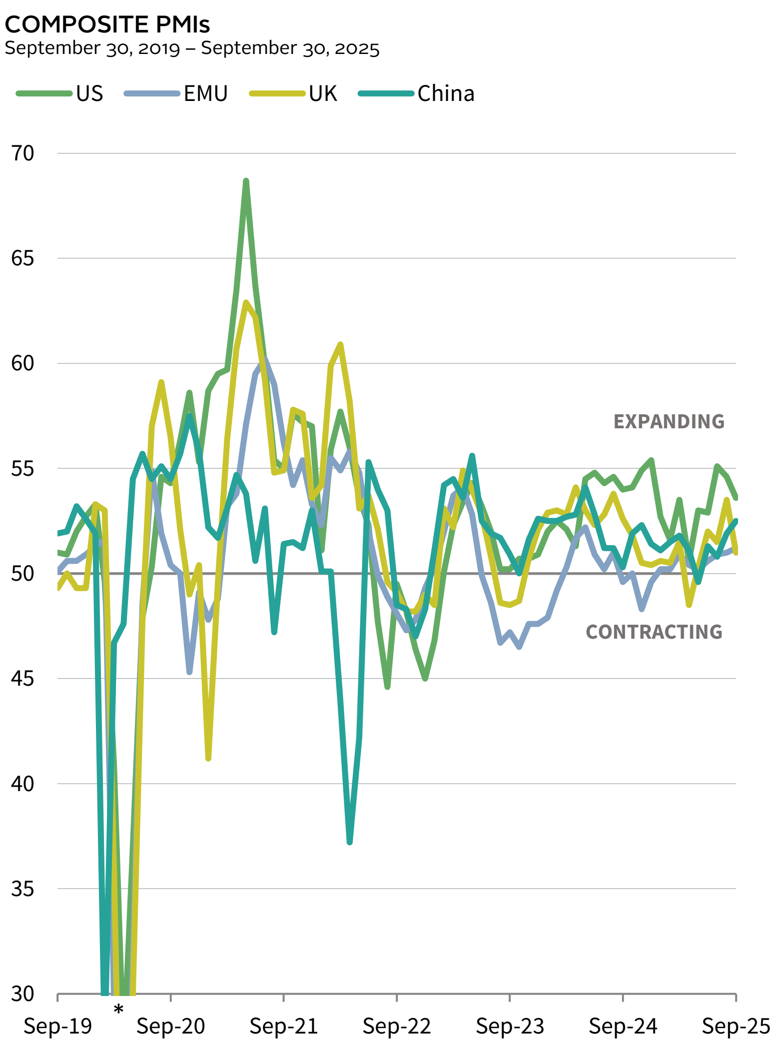
Strong cross-asset performance in 3Q led by gold and emerging markets

GLOBAL ASSET CLASS PERFORMANCE
As of September 30, 2025 • US Dollar • Percent (%)

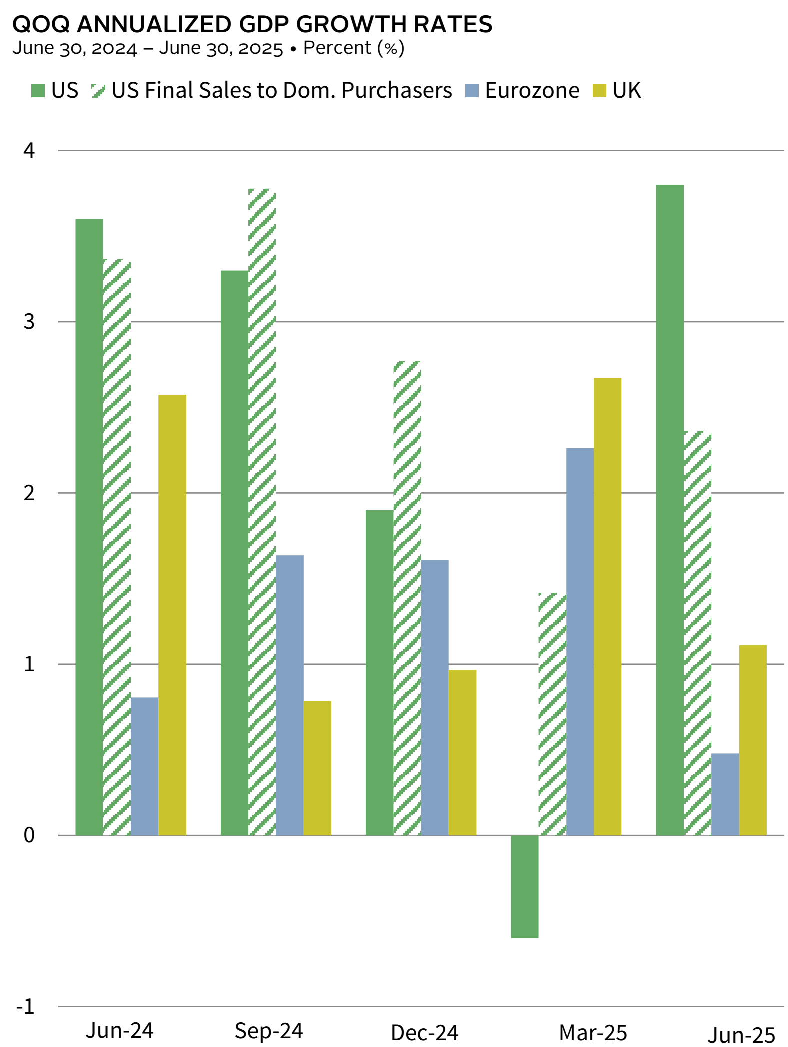


Sources: Bloomberg Index Services Limited., ICE Benchmark Administration Ltd., MSCI Inc., and Thomson Reuters Datastream. MSCI data provided "as is" without any express or implied warranties.
Notes: All data are in US dollar terms. The equity data are total returns net of dividend taxes of MSCI indexes. The fixed income data are total returns of Bloomberg indexes. The MSCI Global Equity REIT Index, the MSCI ACWI Commodity Producers Index, and London Bullion Market Association gold prices are used to calculate real asset performances. The US Dollar Index (DXY) is used to calculate US Dollar performance.

Updated data shows a more resilient US economy than previously thought



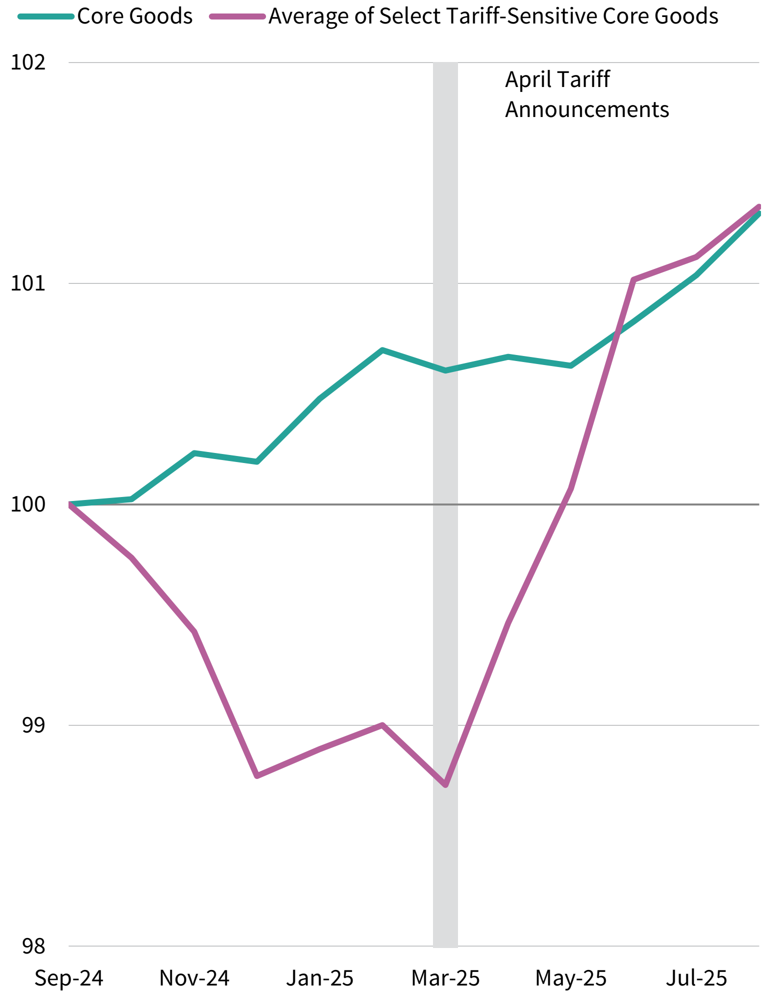
* Chart is capped for scaling purposes.



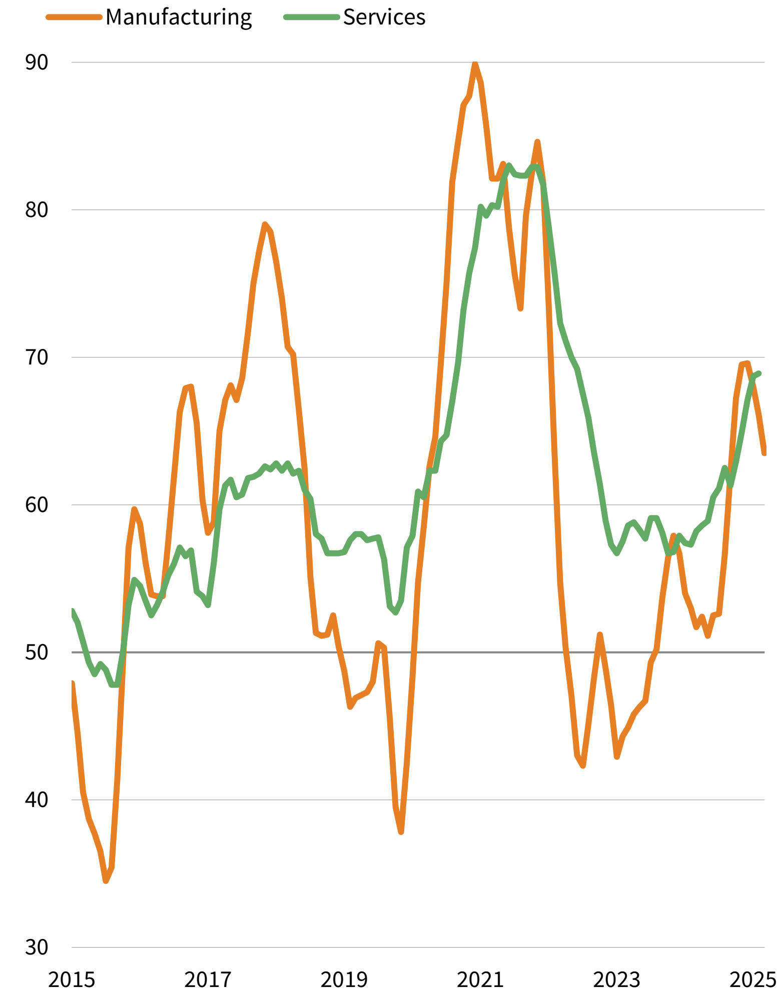
Sources: Bureau of Economic Analysis, Eurostat, S&P Global, Thomson Reuters Datastream, and UK Office for National Statistics.
Note: Composite PMI data are flash estimates and are monthly.

Direct price impact of tariffs has moderated but could yet intensify as inventories are run down

US CORE GOODS CUMULATIVE WEALTH
September 30, 2024 – August 31, 2025 • September 30, 2024 = 100



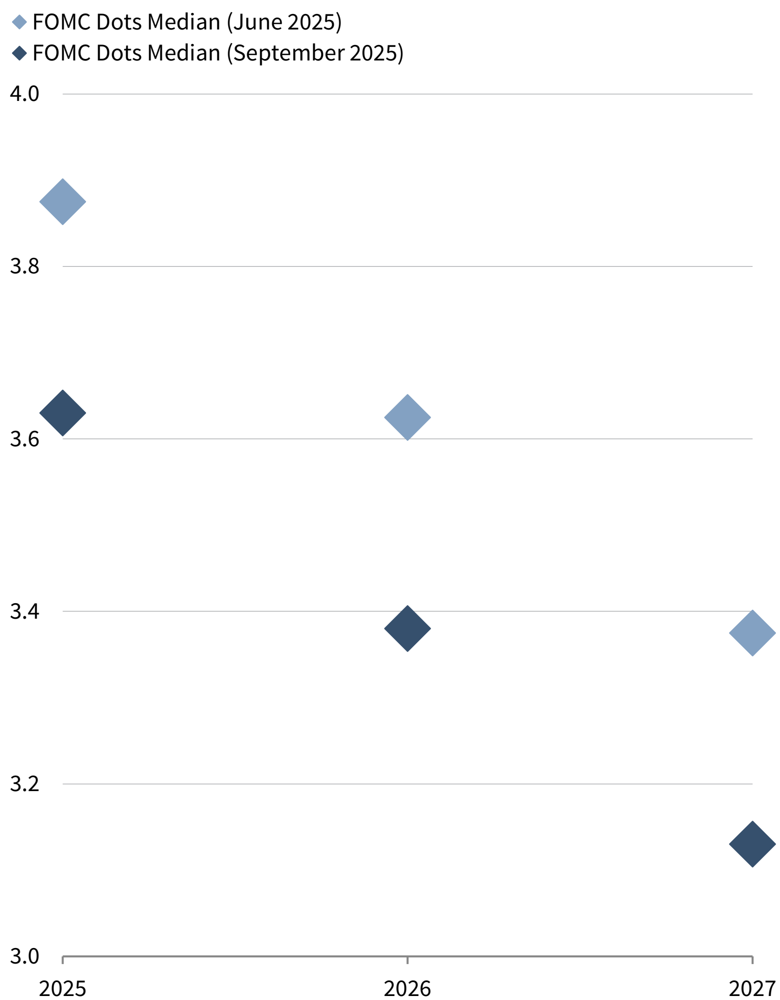
US ISM MANUFACTURING AND SERVICES PRICES PAID INDEXES
July 31, 2015 – September 30, 2025 • Percent (%)



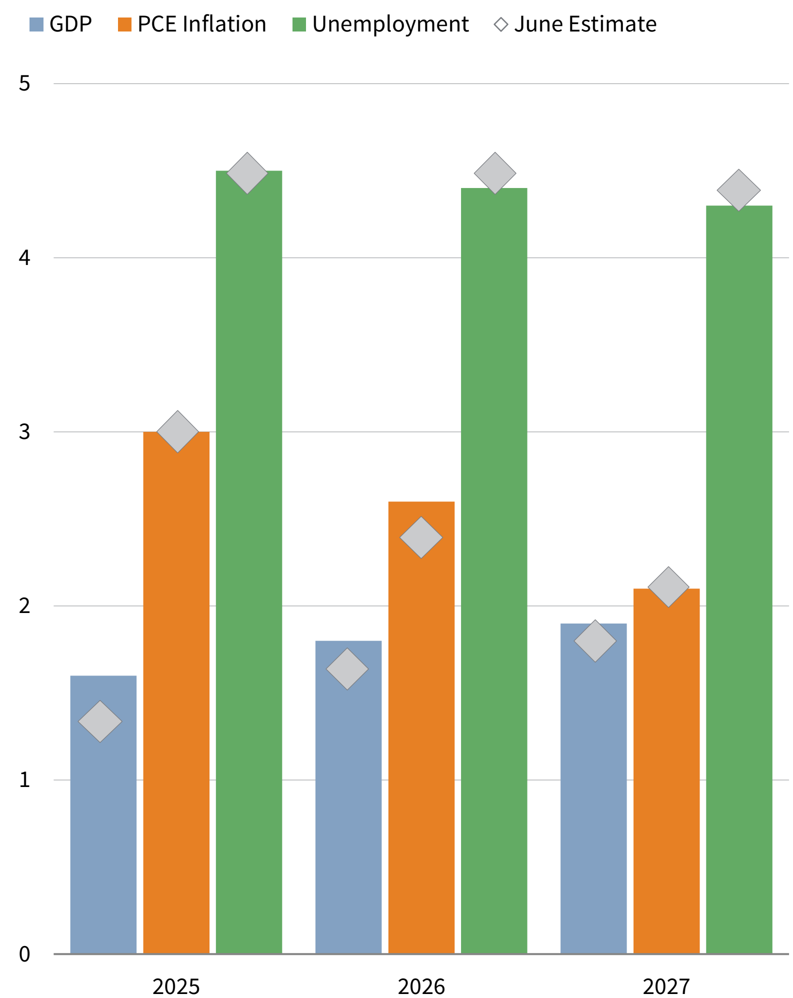
Sources: Department of Labor - Bureau of Labor Statistics, Institute for Supply Chain Management (ISM), and Thomson Reuters Datastream.
Notes: Average of Select Tariff-Sensitive Core Goods include Apparel, Appliances, Household Furnishings and Supplies, Medicinal Drugs, Personal Computers and Peripheral Equipment, Photographic Equipment and Supplies, and Video and Audio Products. RHS data reflect the three-month moving average. Data for the 2025 US ISM Services Prices Paid Index are through August.

Labor market softening saw the Fed lower their rate projections despite above-target inflation

FED DOT PLOT
As of September 17, 2025 • Percent (%)



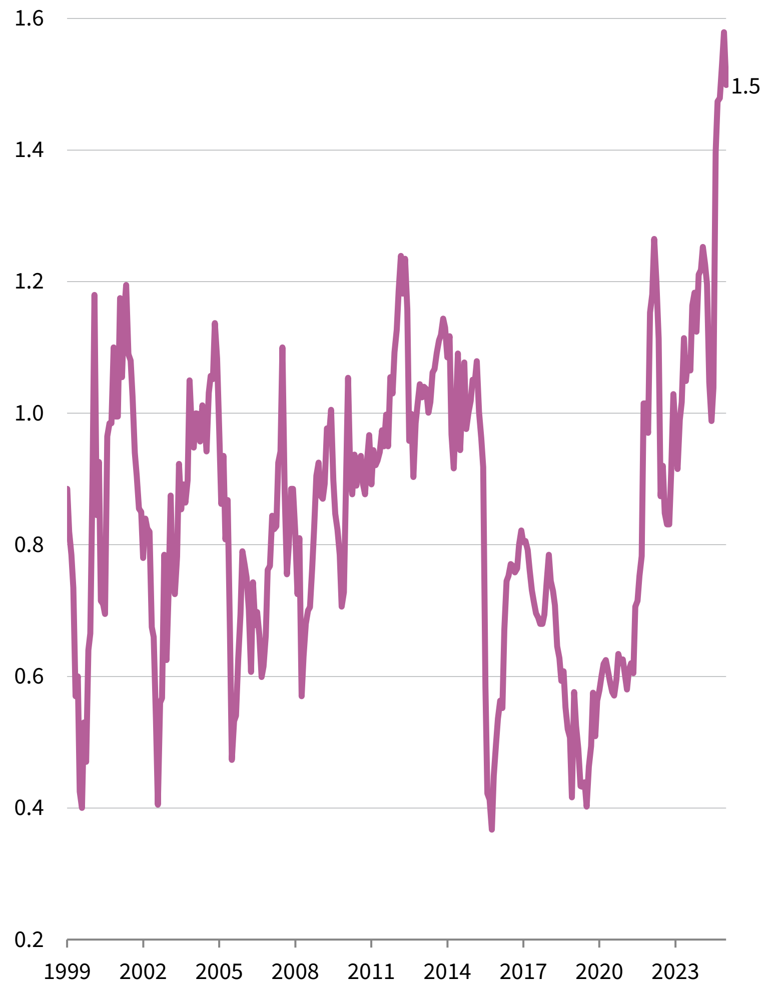
EXPECTATIONS FOR US GDP, PCE, AND UNEMPLOYMENT
As of September 17, 2025 • Percent (%)



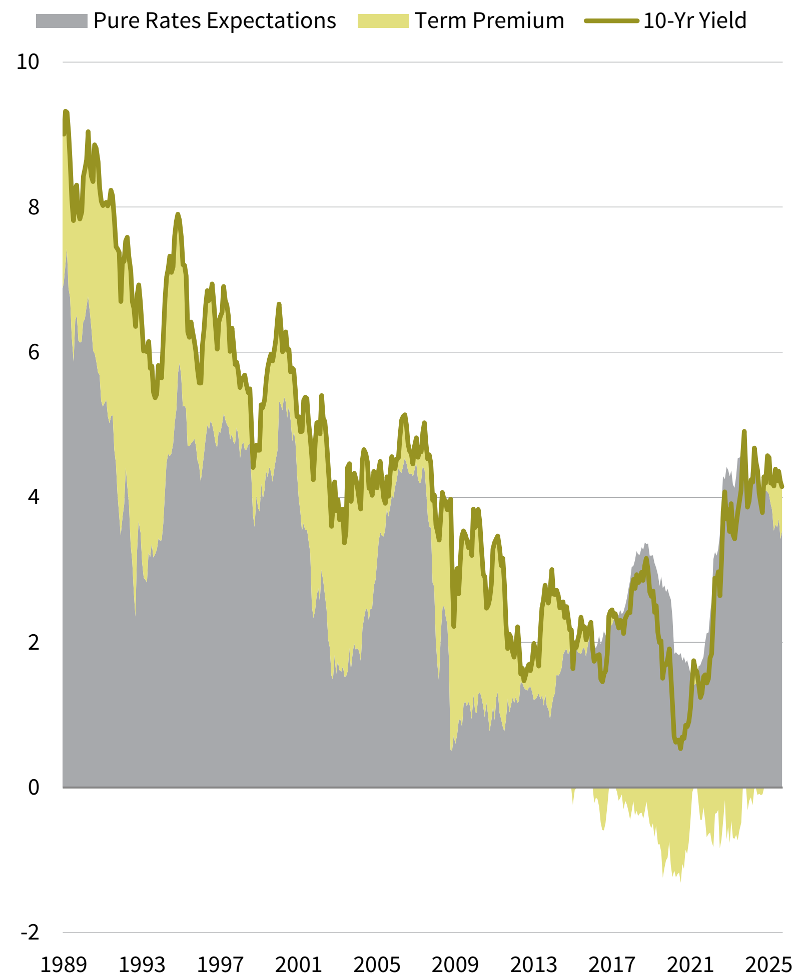
Sources: Bloomberg L.P and Federal Reserve.

Underperformance of 30-yr bonds has been driven by idiosyncratic factors rather than fiscal fears

SPREAD OF JAPAN 30-YR GOV BONDS OVER 10-YR
September 30, 1999 – September 30, 2025 • Percent (%)



DECOMPOSITION OF US 10-YR YIELD
January 1, 1989 – September 30, 2025 • Percent (%)

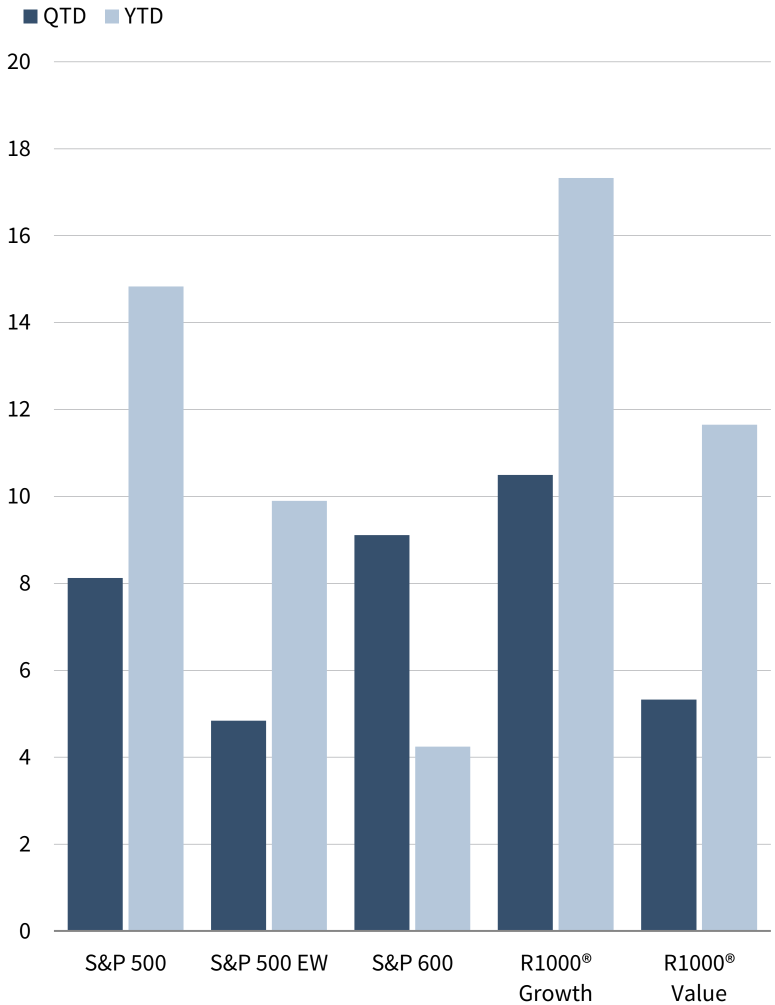


Sources: Federal Reserve and Thomson Reuters Datastream.
Note: The term premium is the extra yield investors require for holding long-term bonds to compensate for bearing the risk that interest rates may change over the life of the bond.

Small caps and growth stocks led in 3Q

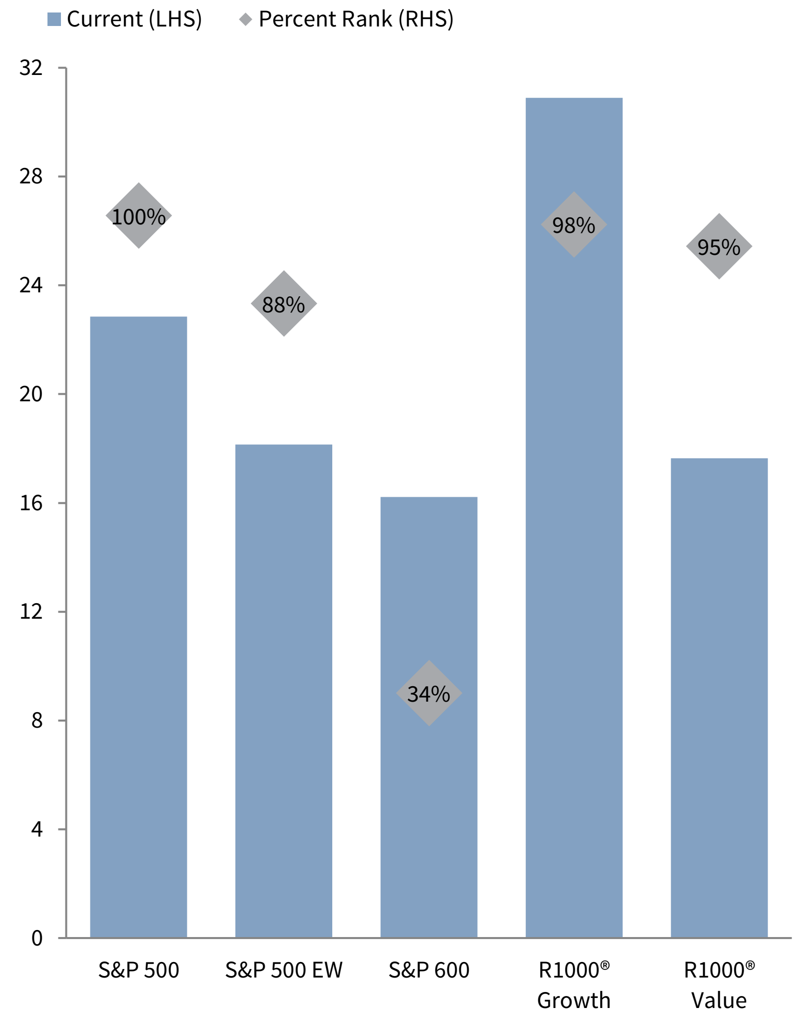
US EQUITY MARKET RETURNS

As of September 30, 2025 • Percent (%)



FORWARD P/E RATIOS AND PERCENTILES FOR SELECT INDEXES

As of September 30, 2025 • Percent (%)

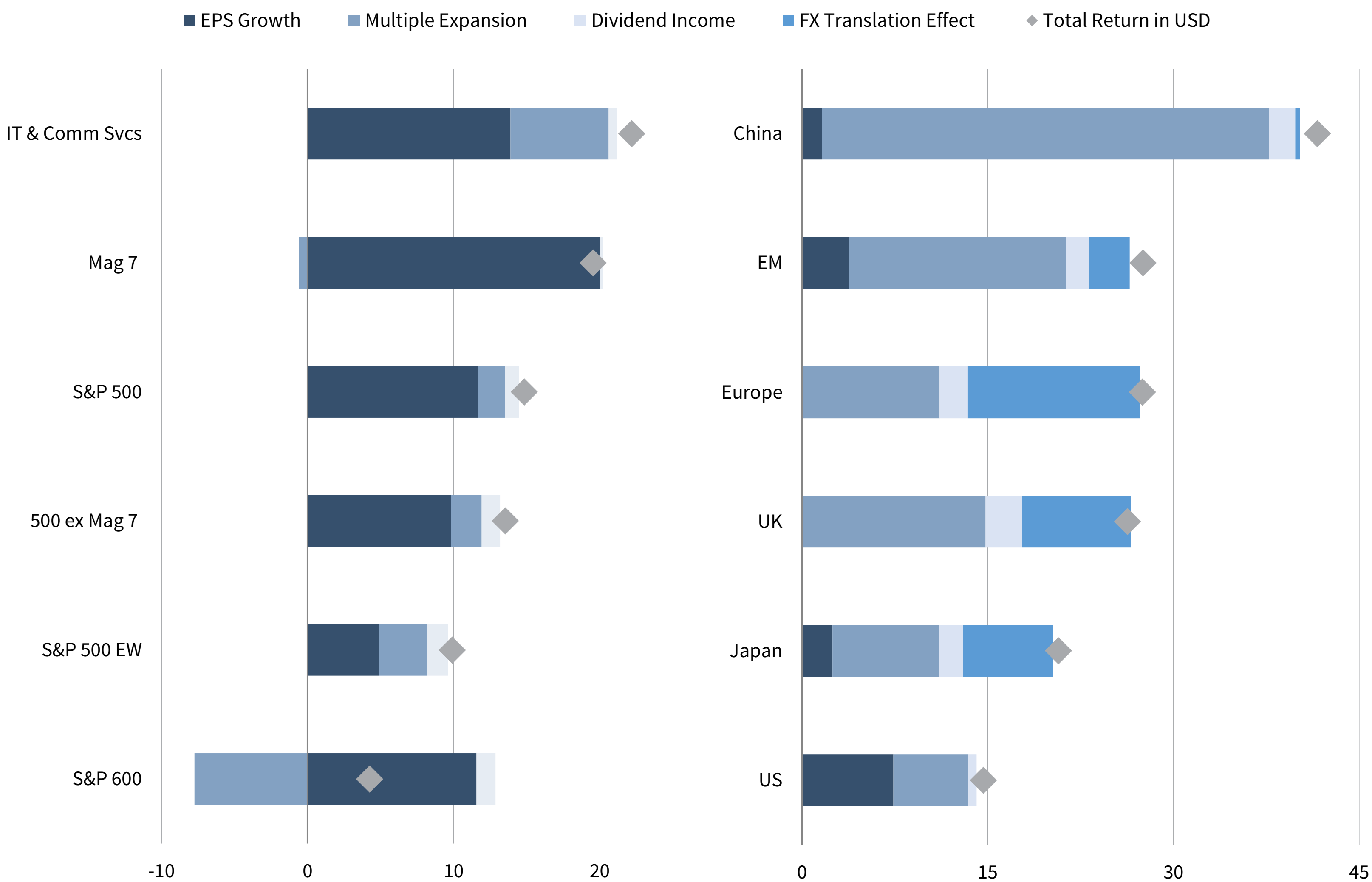


Sources: FTSE International Limited, I/B/E/S, Standard & Poor's, and Thomson Reuters Datastream. Third-party data are provided "as is" without any express or implied warranties.
Notes: The S&P 500 Equal-Weighted Forward P/E data start March 31, 2004, with some periods lacking available data. The S&P 600 data begin on January 31, 2004, while data for all other indexes start on December 31, 2003. Forward P/E data for the S&P 500 Equal Weight Index are as of August 31, 2025.

The Mag 7 has not been the only place to find healthy earnings growth

2025 SOURCES OF RETURN: US EQUITY
As of September 30, 2025 • Percent (%) • US Dollars

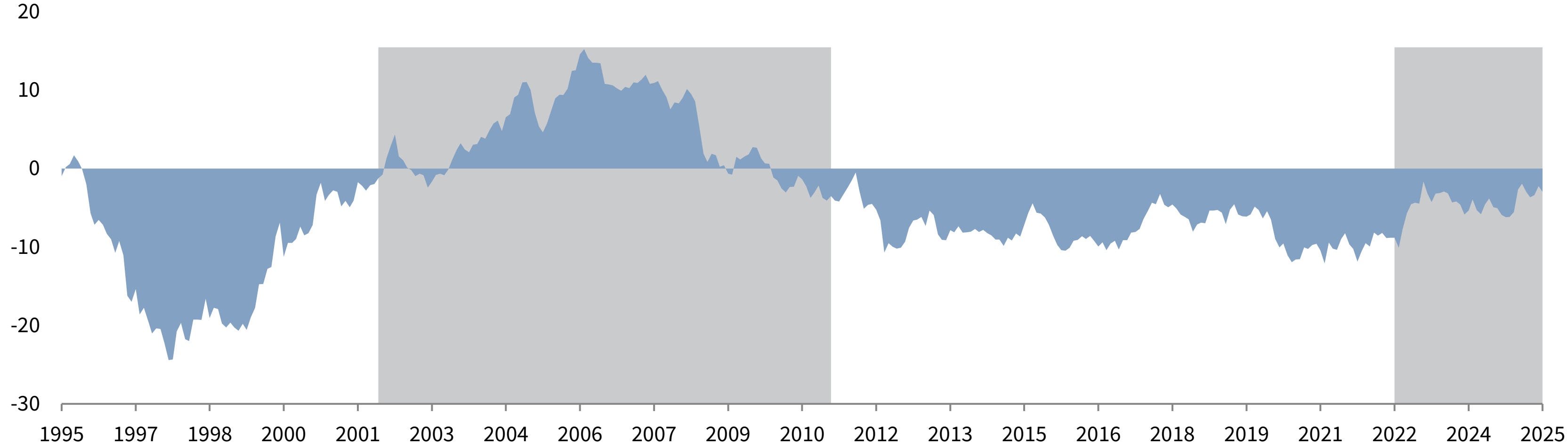
2025 SOURCES OF RETURN: GLOBAL EQUITIES
As of September 30, 2025 • Percent (%) • US Dollars



Sources: Bloomberg L.P., I/B/E/S, MSCI Inc., and Thomson Reuters Datastream. MSCI data provided "as is" without any express or implied warranties.
Notes: EPS growth is based on the percent change in aggregate forward earnings. Multiple expansion is based on the percent change in forward price-earnings ratio. All three components of return geometrically compound to total return. Mag 7 and 500 ex Mag 7 represent the Bloomberg Magnificent 7 and Bloomberg 500 ex Magnificent 7 Indexes. The figures on the right-hand side represent MSCI Indexes, calculated net of dividend taxes.

Weak USD has not been sufficient to drive ex US outperformance; perhaps valuations will be

RELATIVE TRAILING 3-YR AACR MSCI WORLD EX US VS MSCI US
September 30, 1995 – September 30, 2025 • Percent (%)

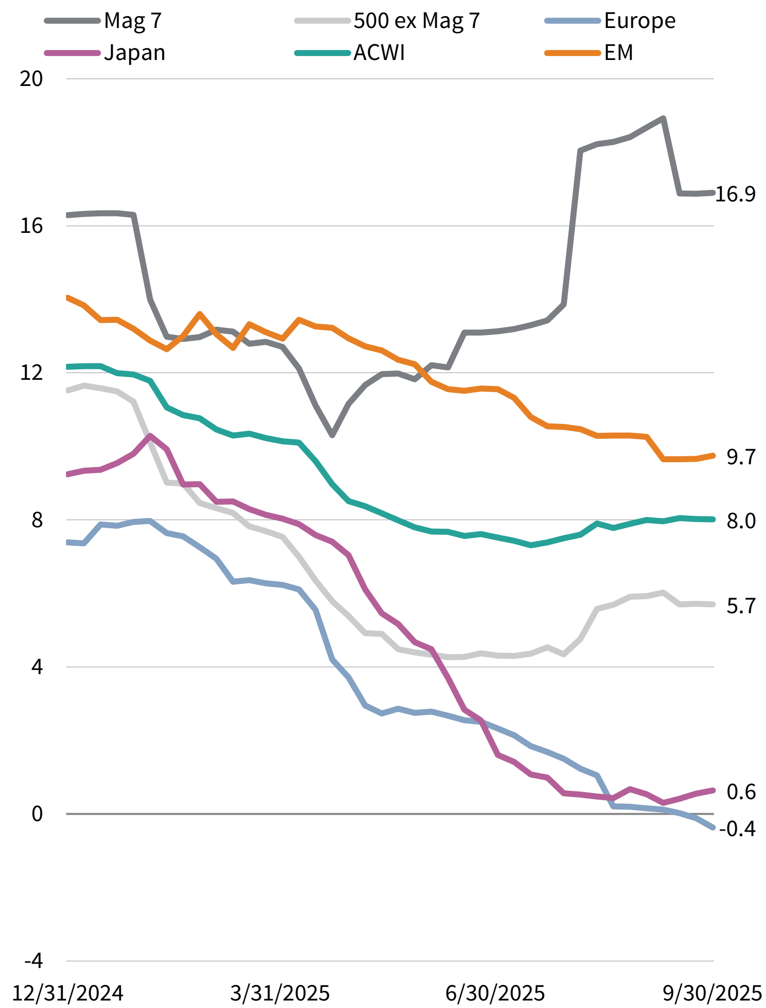


RELATIVE FWD P/E MSCI WORLD EX US VS MSCI US
September 30, 1995 – September 30, 2025

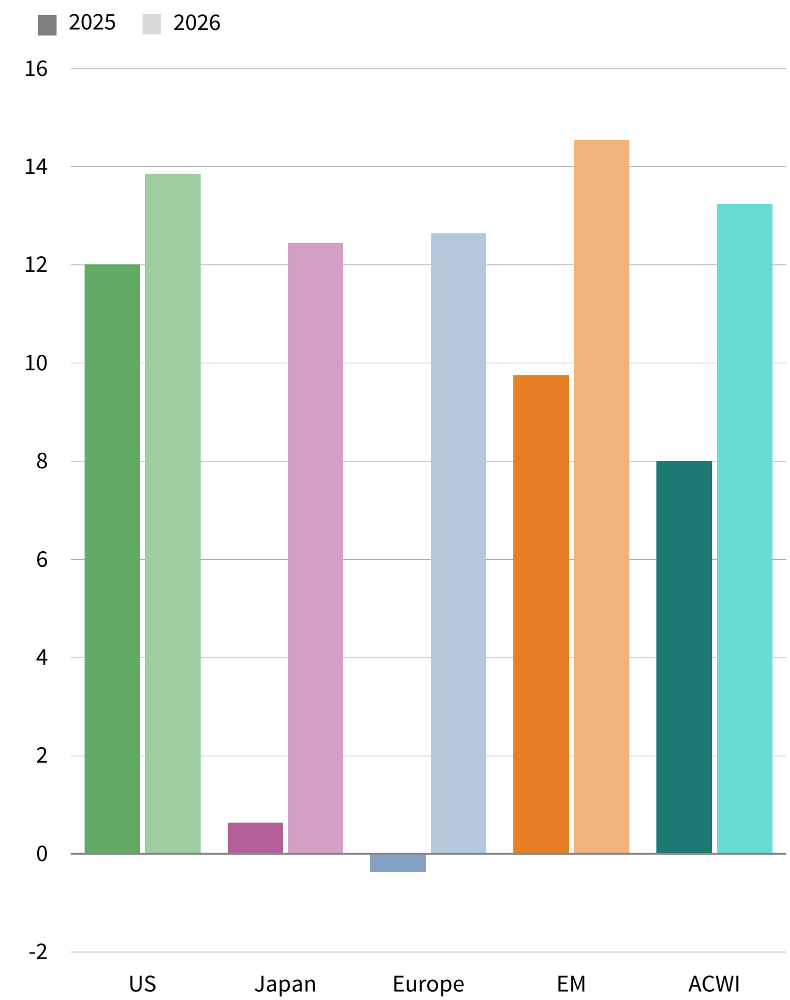
Sources: MSCI Inc. and Thomson Reuters Datastream. MSCI data are provided "as is" without any express or implied warranties.
Notes: Data are monthly. Total return data for MSCI indexes are net of dividend taxes. The shaded areas correspond to bear markets for the US dollar.

US earnings growth has been strongest, paced by Mag 7

2025 EARNINGS GROWTH ESTIMATES
December 31, 2024 – September 30, 2025 • Percent (%)



EXPECTED EPS GROWTH BY REGION
As of September 30, 2025 • Percent (%)

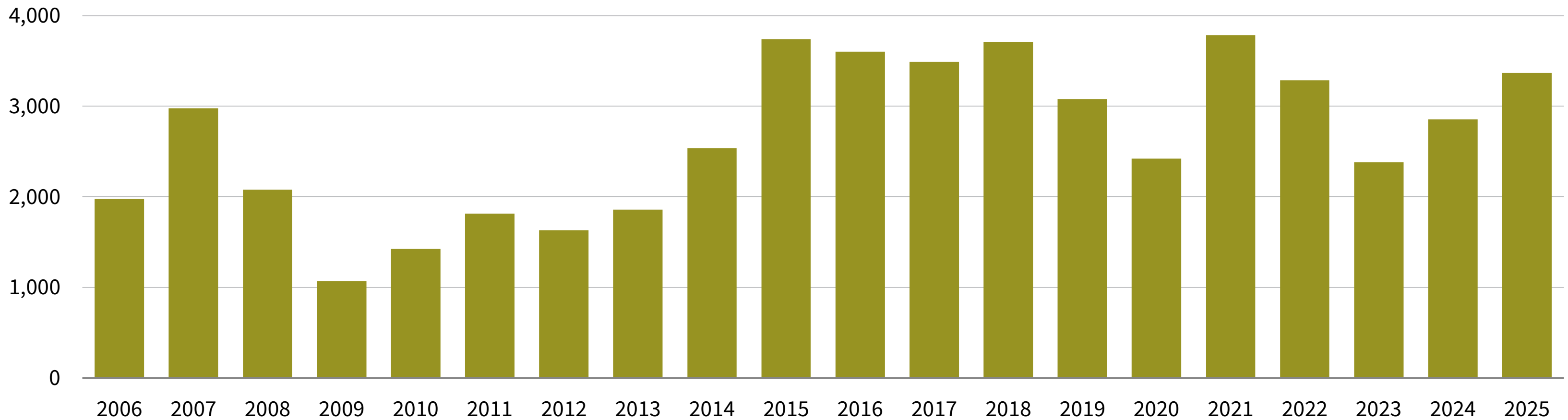


Sources: Bloomberg L.P., I/B/E/S, and Thomson Reuters Datastream.
Notes: LHS chart data are weekly. Mag 7 and 500 ex Mag 7 reflect earnings growth estimates for the Bloomberg Magnificent 7 and Bloomberg 500 ex Magnificent 7 Indexes. The remaining countries/regions reflect MSCI index data. Japan FY EPS data on the RHS chart represent earnings growth from March through the next 12-month period.

M&A and IPO activity is picking up, but when measured against market size is well below earlier peaks

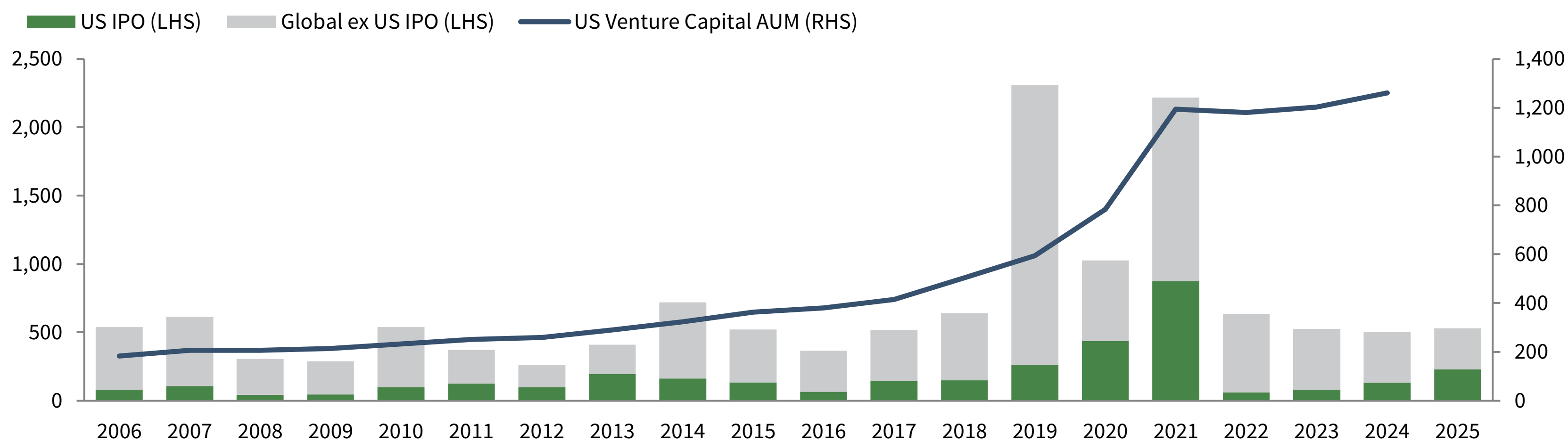
GLOBAL M&A VOLUME

December 31, 2006 – September 30, 2025 • US$B



IPO VOLUME AND US VC TOTAL AUM OVER TIME

December 31, 2006 – September 30, 2025 • US&B



Sources: NVCA and PitchBook.
Notes: Data use Pitchbook's closest available methodology. Figures may differ from the published quarterly Pitchbook Reports, as those reports include proprietary estimates not available for specific deals in the platform. IPO volumes are determined using pre-money valuations as reported by PitchBook. US Venture Capital assets under management (AUM) figures for 2025 have not been published yet.

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MAINEPERS

BOARD OF TRUSTEES INVESTMENTS MEMORANDUM

TO: BOARD MEMBERS

FROM: JAMES BENNETT, CHIEF INVESTMENT OFFICER

SUBJECT: **REAL ASSETS STRATEGY REVIEW**

DATE: NOVEMBER 5, 2025

The Investment Team conducted an evaluation of the newly created Real Assets asset class as part of the "2025 Strategic Asset Allocation Review and Asset-Liabilty Study". Following this memorandum, is the resulting "Real Assets Strategy Review" which examines the asset class's construction and the long-term expectations for investment performance and diversification. In addition, the analysis will evaluate the pacing of capital across differentiated managers and strategies relative to meeting the asset class's objectives.

POLICY REFERENCE

Board Policy 2.1 – Investment Policy Statement

Board Policy 4.5 – Board/Staff Relations

Board Policy 4.6 – Communication and Support to the Board

MainePERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Real Assets Strategy Review November 13, 2025

Summary: Real Assets Strategy

- Consolidating Infrastructure, Natural Resources, and Real Estate into a single asset class.
  - Improve flexibility to effectively achieve asset class objectives
  - Facilitate ability to evaluate asset class investment attributes in aggregate and relative to total portfolio impact
  - Increase ability to deploy capital to most attractive opportunities
- Continued emphasis on “Core” income-producing strategies
- Deemphasize natural resources
  - Reduced commitments and potential secondary sales
- Create pacing plans to reflect 2.5% reduction

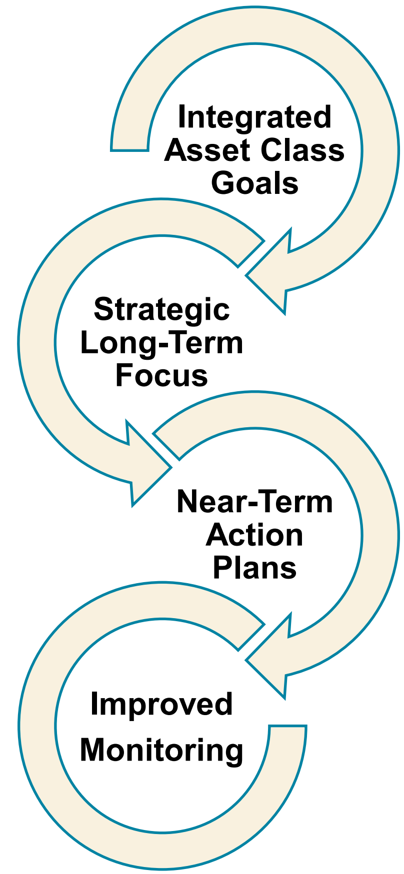
Purpose of Asset Class Strategy

Objectives
- Establish long-term goals
- Establish attributes and roles
- Define prospective considerations

Target Allocations and Construction
- Long-term asset class targets and ranges
- Strategy definitions and targets
- Manager diversification target

Initiatives
- Allocations, pacing, and liquidity
- Positioning and market expectations
- Pipeline of opportunities/challenges

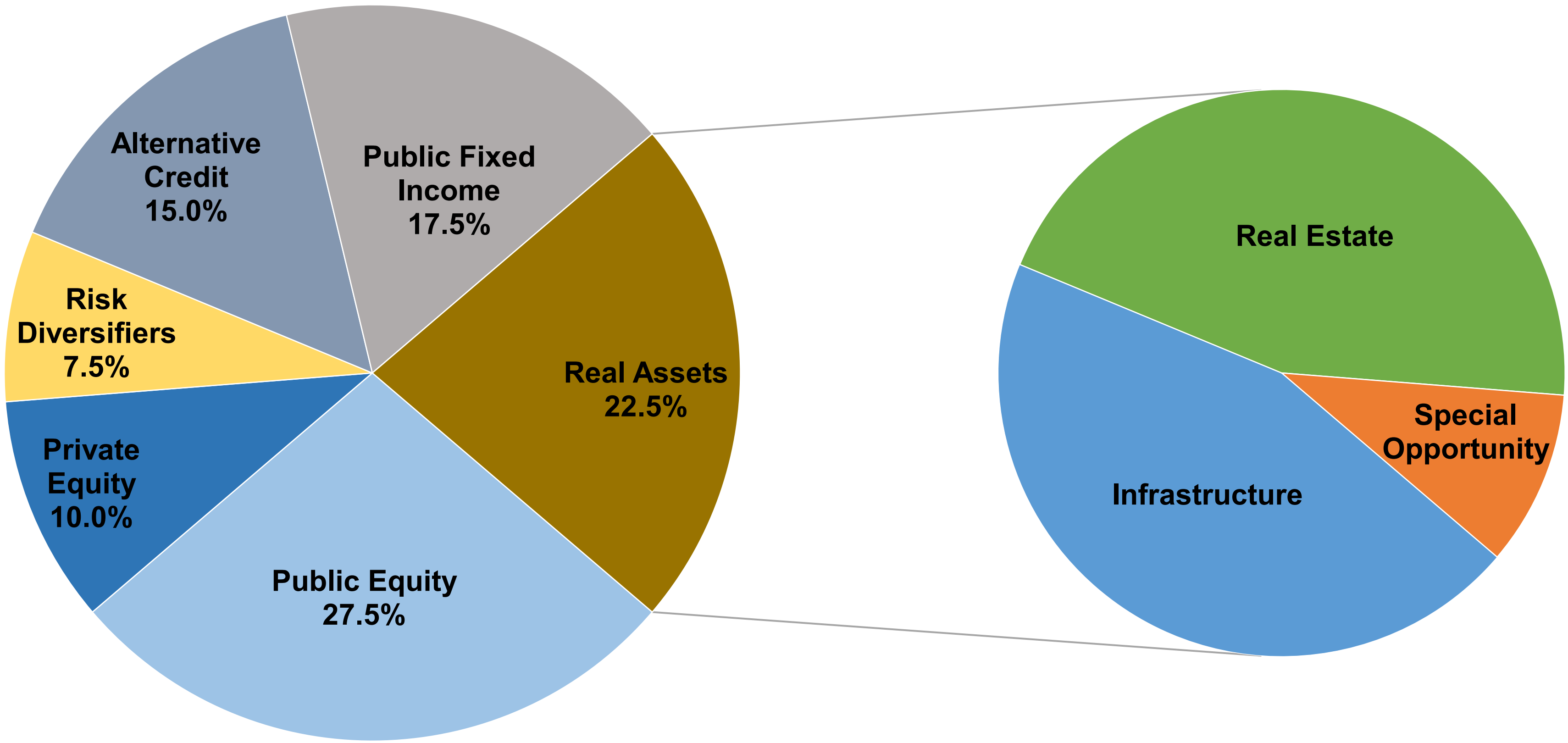
Measurement and Oversight
- Assess asset class and manager value
- Evaluate exposures and impacts
- Implementation and business dynamics



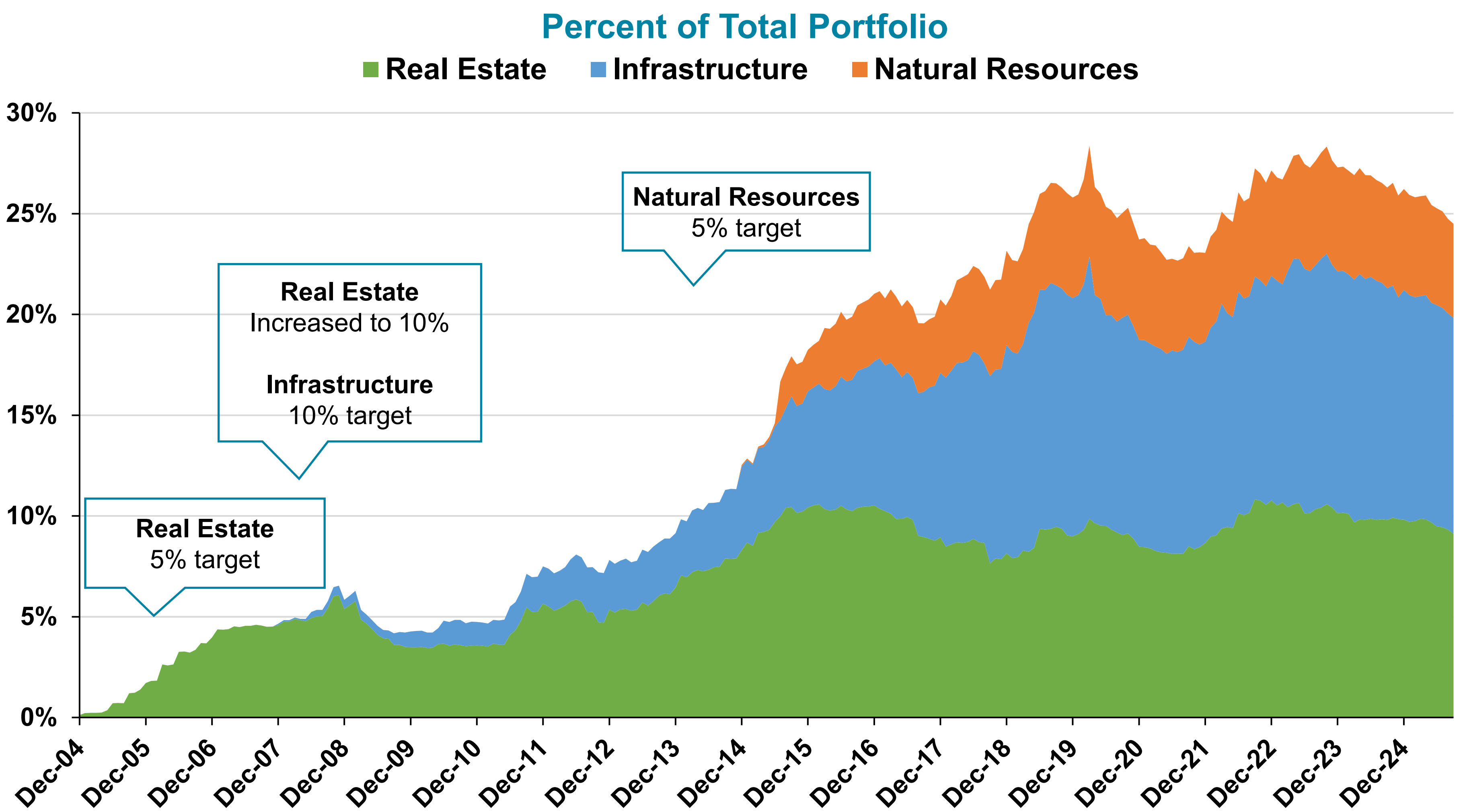
Real Assets Defined

- Assets with physical and enduring characteristics that provide:
  - – Stable income
  - – Inflation protection
  - – Potential capital appreciation

- Private markets asset classes defined by:
  - – Predominantly cashflow driven returns
  - – Long investment horizons
  - – Diversification benefits

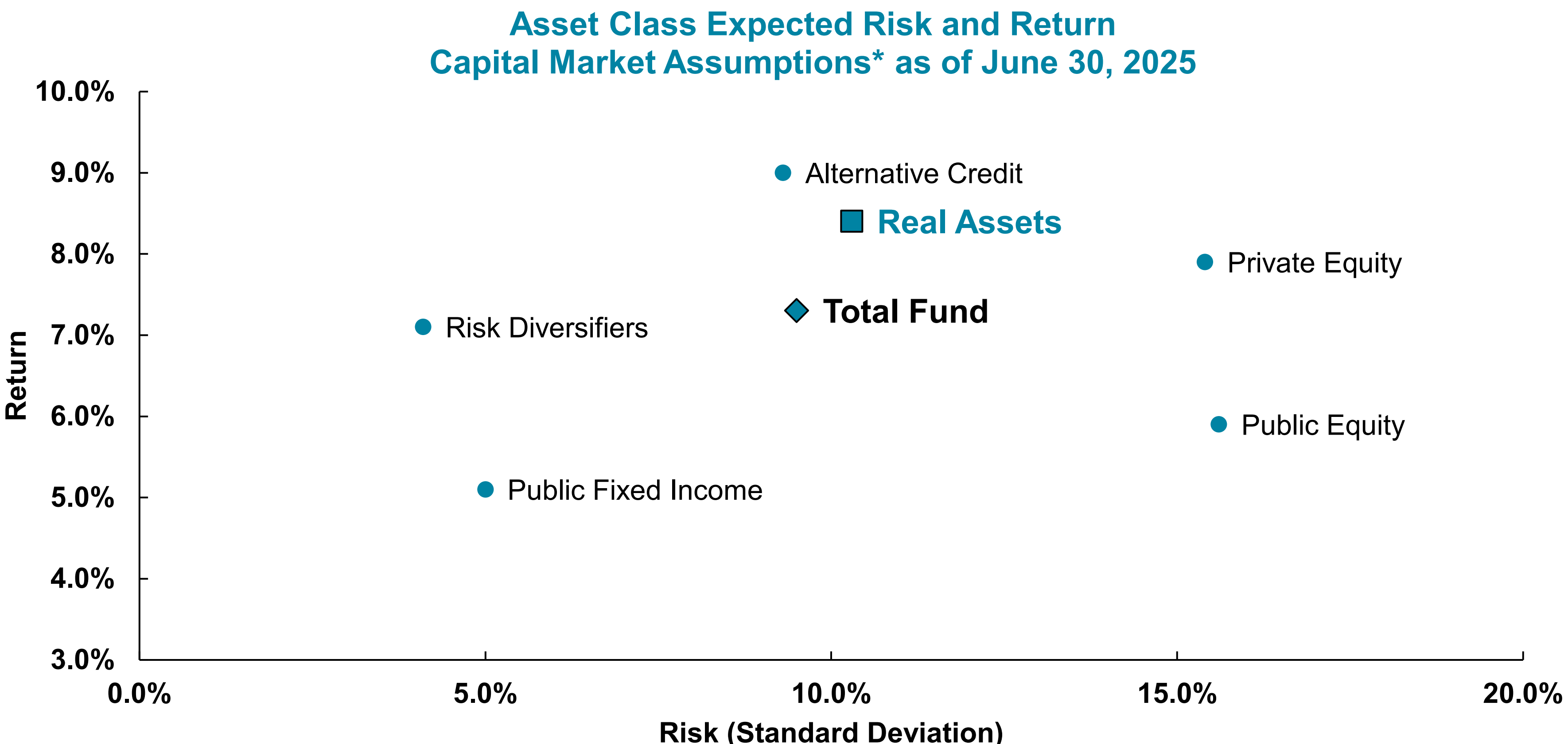


Real Assets – Historical Allocations



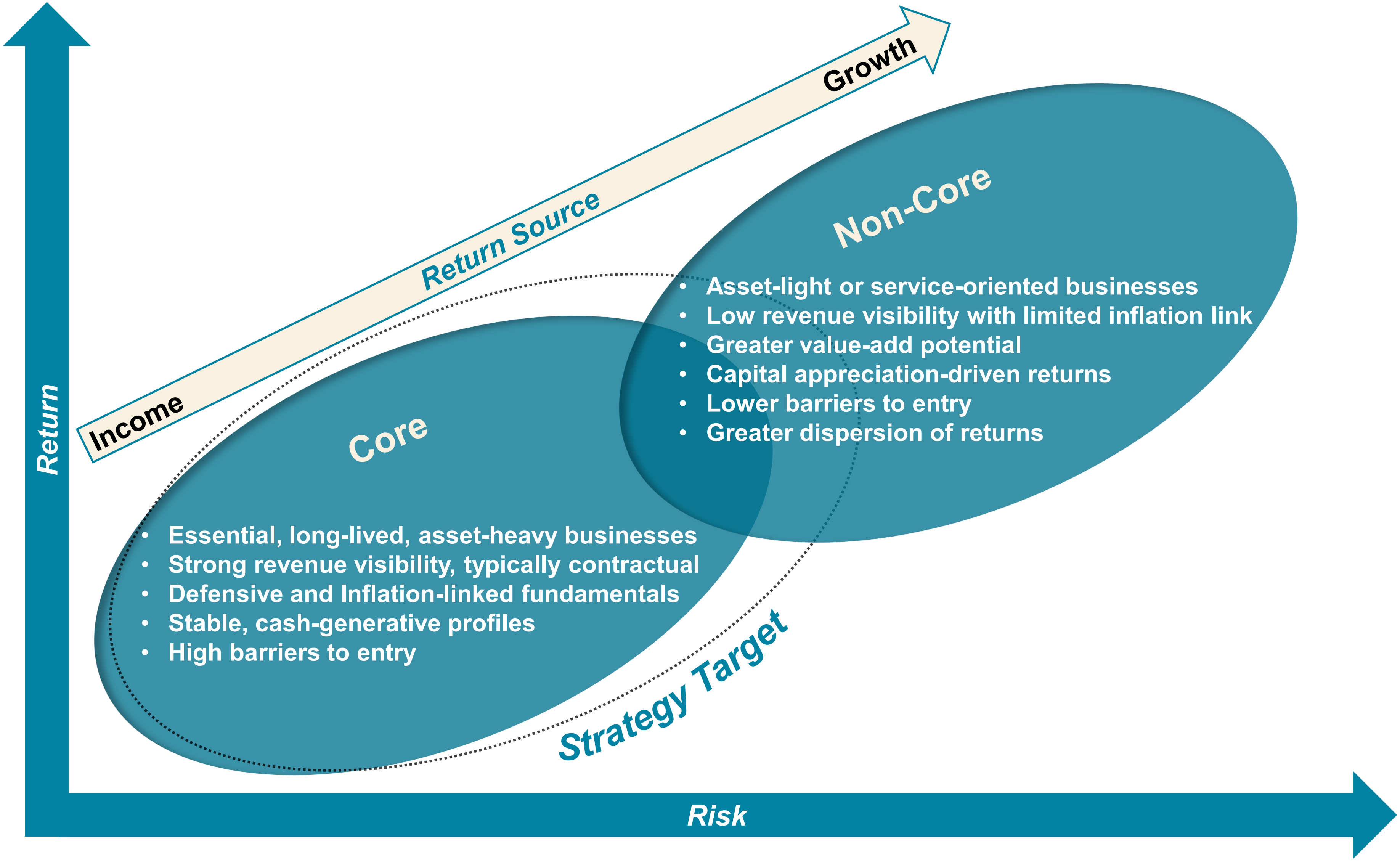
Real Assets Role Within Asset Allocation

- Diversification benefits relative to other asset classes
- Attractive expected returns on both relative and absolute basis



*Source: Cambridge Associates

Income-Focused Investment Approach



Real Assets – Implementation

Objectives

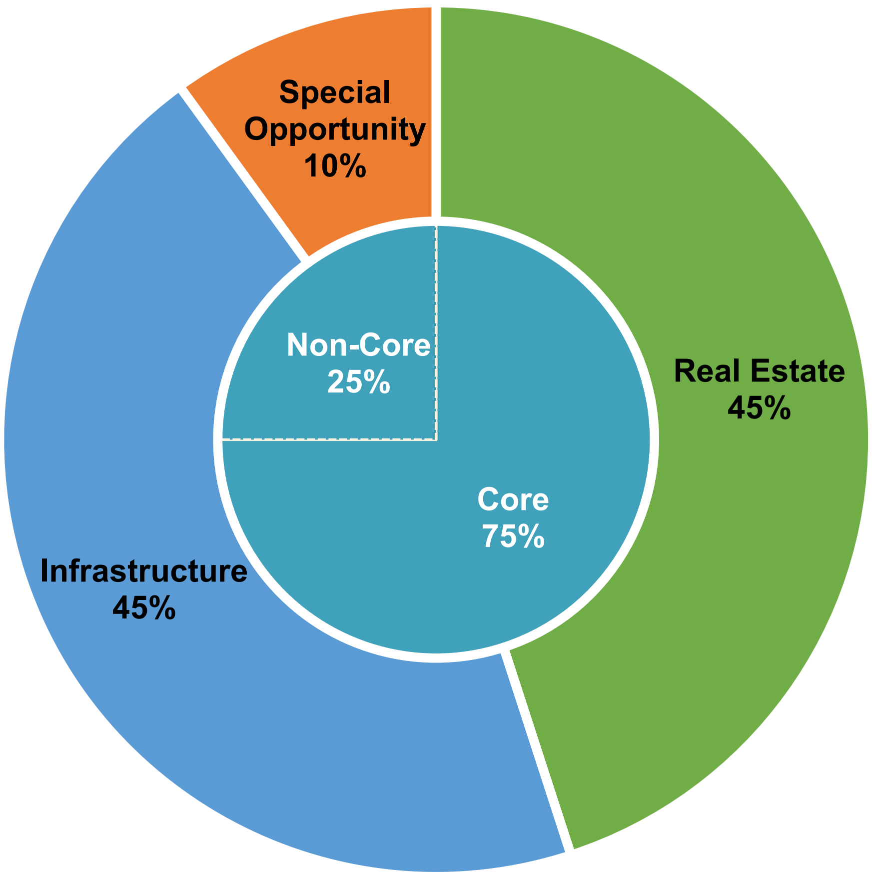
- Exposure to long-lived assets with inherent tangible value
- Deliver long-term returns exceeding the System's discount rate
- Provide hedge against inflation
- Generate stable income throughout cycle
- Serve as diversifier to growth risk factors
  - Allocations across asset types, sectors, geographies, and return sources
- Leverage manager expertise to capture market inefficiencies and enhance capital appreciation
- Allocate marginal dollar to most attractive opportunities within asset classes

Considerations

- Manager selection
  - MainePERS scale affords an opportunity to deploy customized Core strategies
  - Non-Core requires more niche sourcing capabilities
  - Generalist vs specialists
  - Fee negotiations key, especially within Core
- Liquidity
  - Long-lived assets and investment structures
  - Exit options can be limited for long periods in distressed environments
  - Income distributions may mitigate the lack of principal liquidity
  - Careful pacing required
- Diversification
  - Maintain appropriate diversification without "buying the market"

Strategy Review

Target Allocations



Target: 20 to 30 Investment Managers

Construction

70-85% Core / 15-30% Non-Core

Real Estate: 45% target / 35 – 55% range

- Property type or region expertise generally in OECD countries
- Focused on living, storage/distribution, and working assets
  - Residential housing, warehouses/self-storage, medical outpatient buildings, shopping centers, offices
- 10 – 12 Investment Managers

Infrastructure: 45% target / 35 – 55% range

- Assets provide essential services primarily in OECD countries
  - Roads/bridges, airports, seaports, utilities/renewable energy facilities, and communication networks
- Long-lived, capital-intensive projects
- 10 – 12 Investment Managers

Special Opportunity: 10% target / 0 – 15% range

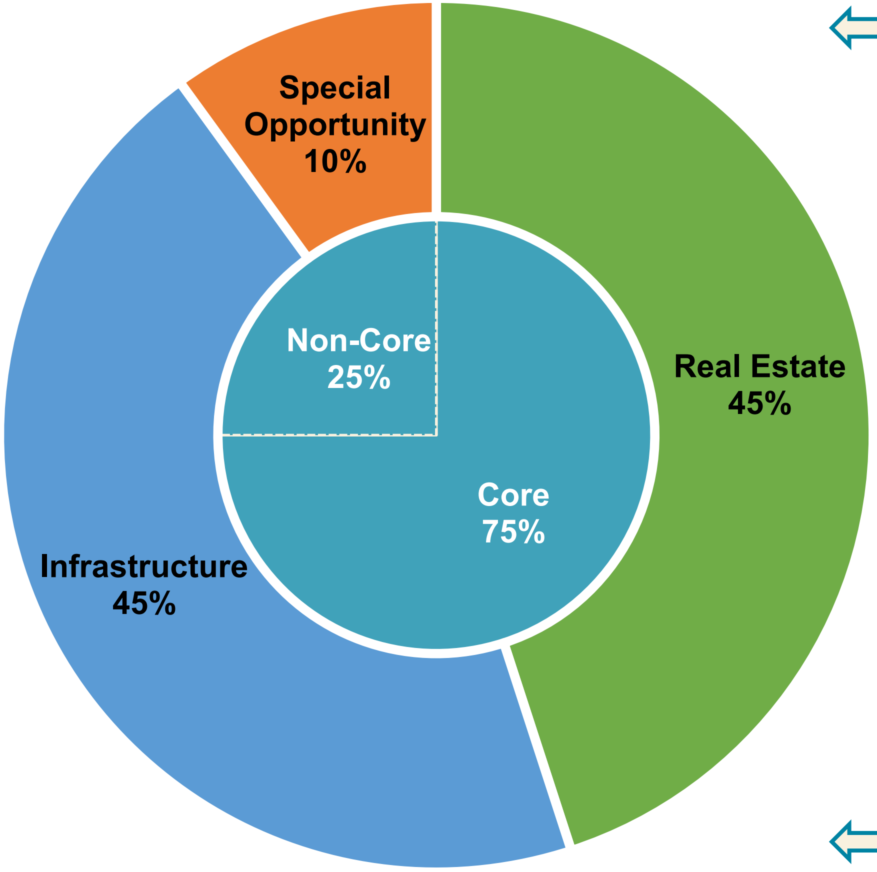
- Idiosyncratic strategies that may include materials, natural resources, and commodities
- 2 – 4 Investment Managers

Illustrative Investment Examples

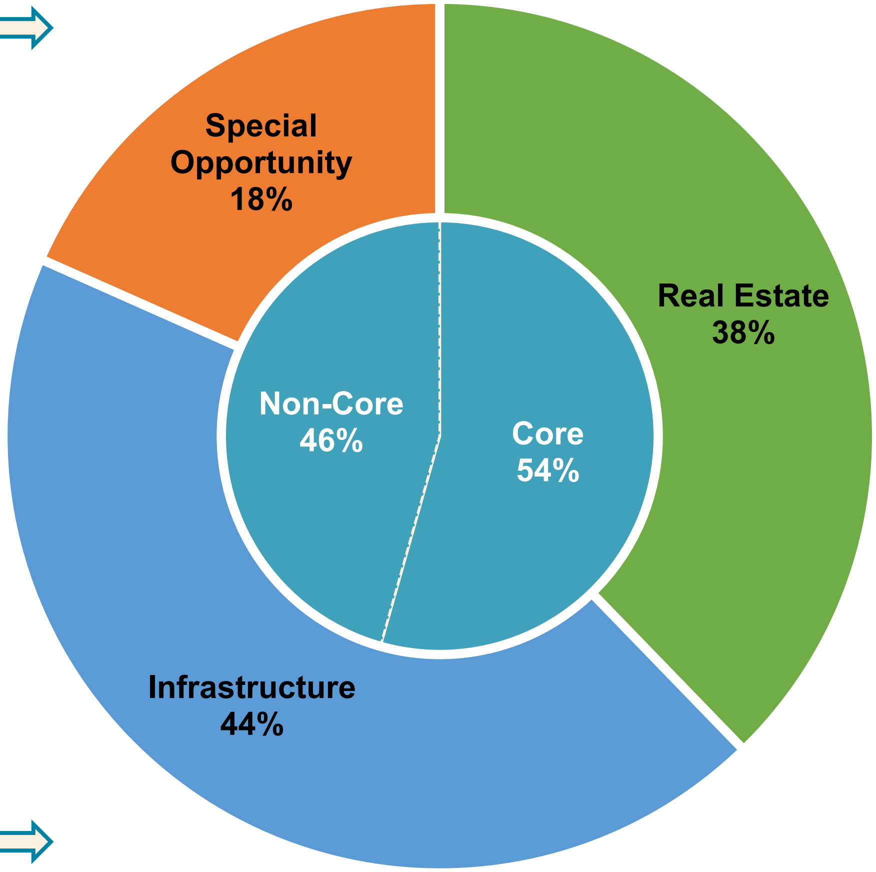
Strategy	Real Estate	Infrastructure	Special Opportunity
Core	✓ **Apartments** – 60 to 120% median income – 50% Loan-to-value (LTV) – Liquid geographic markets ✓ **Warehouses** – In-fill locations (near cities) – < 300k square feet in size ✓ **Grocery-anchored retail** ✓ **Medical outpatient building** × *Traditional office buildings* – Low leverage (<40% LTV)	✓ **Multi-tenant telecom towers** – Long-term inflation-adjusted contracts ✓ **Water or electric utility** – Governed by regulatory framework × *Toll roads* – Revenues based upon traffic volume	✓ **Royalties** – Aggregate reserves – Near high growth US metro markets × *US timberland* – Majority of return from biological growth
Non-Core	✓ **Apartments** – New development – 60-75% LTV – Tier-3 geographic locations ✓ **Senior-living apartments** – assisted living – memory-care ✓ **Real estate used by digital tenants** × *Nursing-care facilities and other healthcare (hospitals)* × *Hotels*	✓ **Airport redevelopment** – US gateway markets × *Supply-push pipeline developments* – Secondary basins – No take-or-pay contracts with upstream producers	✓ **Credit investments** – Mining companies and projects – Located in favorable jurisdictions (e.g., AUS, CAN, US) × *Mining company equity investments*

Strategy Allocations

Target	Current



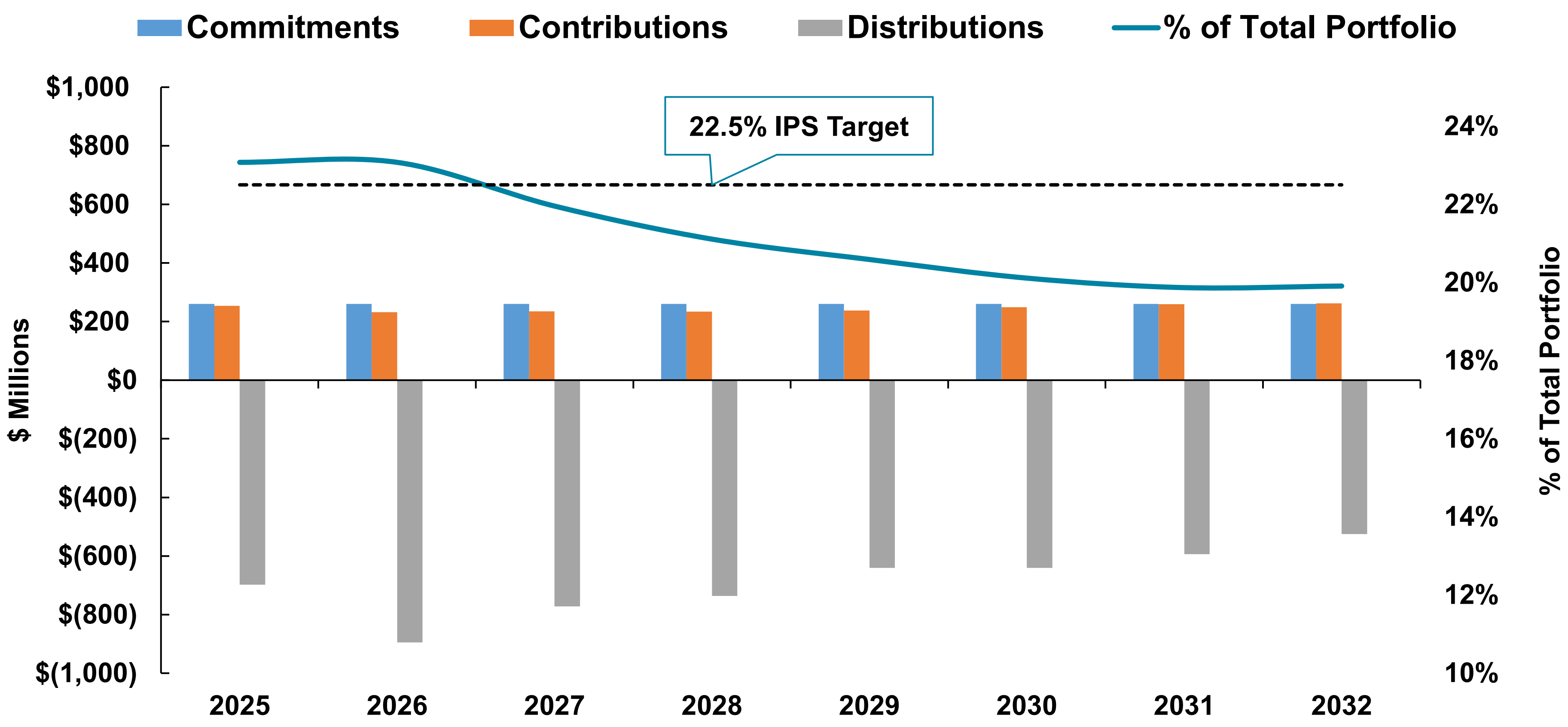
20 to 30 Investment Managers



39 Investment Managers

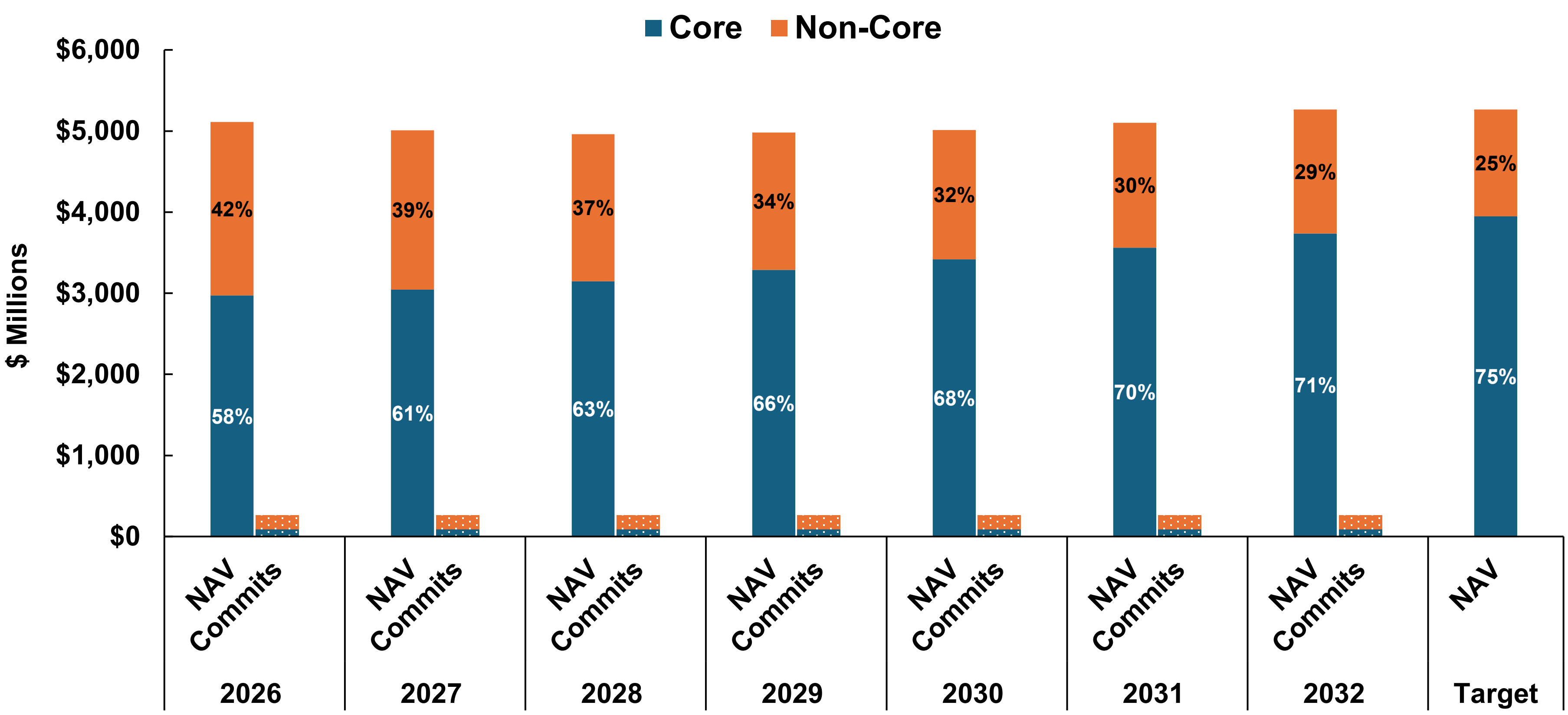
Real Assets Pacing

- **Reduce Real Assets target** from 25% to 22.5% over the medium term, with flexibility for further decreases as warranted
- **Continue migrating risk profile** toward Core, lower-risk investment opportunities
- **Maintain a conservative, annually updated capital plan** that adjusts commitment pacing based on contributions, distributions, and total returns



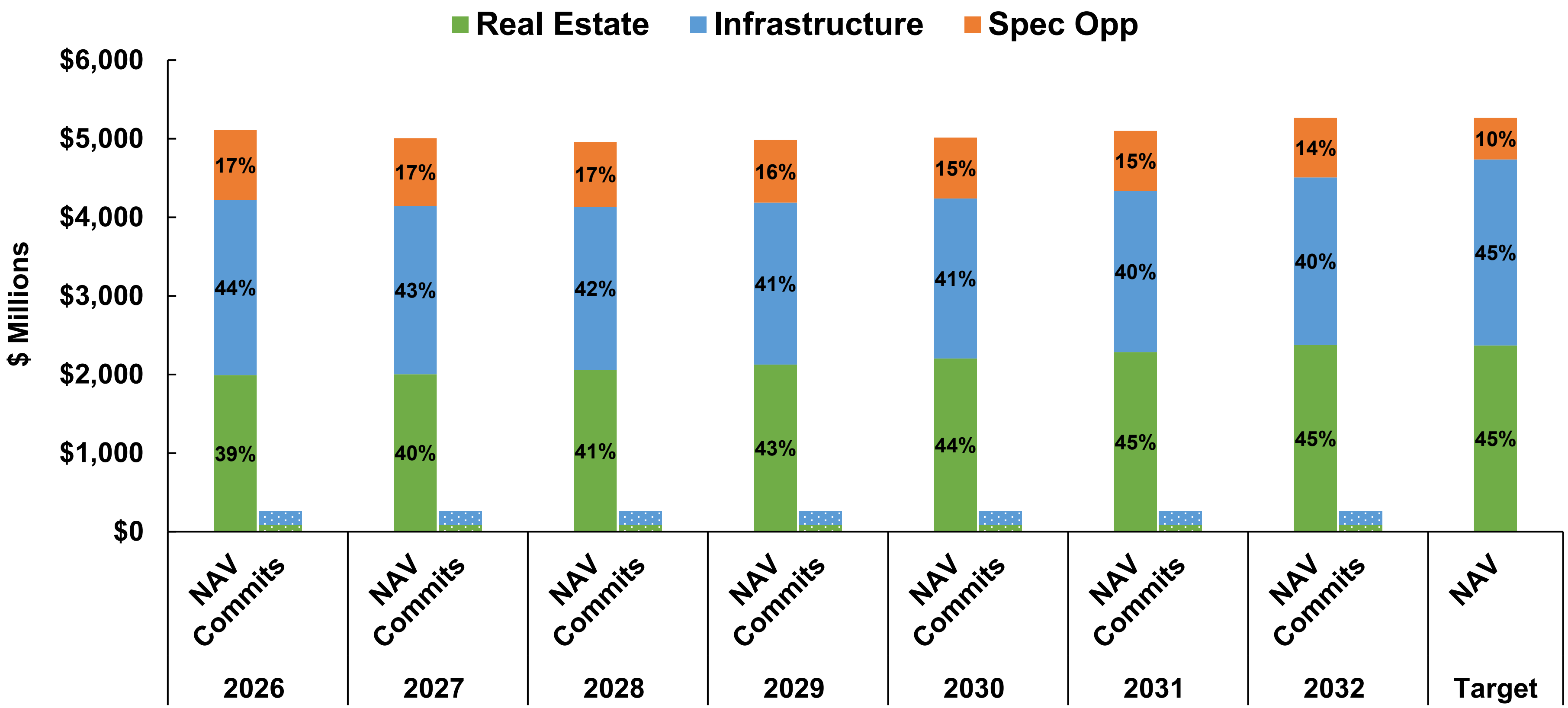
Pacing by Strategy

- **Increase Core exposure** through larger commitments to open-ended vehicles that deploy capital immediately
- **Reinvest income distributions** from Core funds to compound NAV growth over time
- **Expect gradual decline in Non-Core** exposure as closed-end funds liquidate and NAVs run off
- **Legacy Non-Core commitments amplify reduction** given their size and structure



Pacing by Allocation

- **Maintain core real estate at target**; prioritize new commitments to Non-Nore opportunities
- **Balanced Core and Non-Core infrastructure pacing**, though large monetizations of prior investments will temporarily lower total exposure
- **Pursue opportunistic Natural Resources sales** to enhance liquidity and right-size the Special Opportunities sleeve



Measuring Long-Term Results

Purpose	Rationale	Benchmark Options	
		Real Estate	***Infrastructure***
Did Real Assets meet IPS objectives?	• Measure return and diversification performance relative to policy objectives of inflation protection and stable income	**CPI-U + 3%**	
Did we earn a premium by investing in private markets?	• Quantify excess return and diversification benefits relative to public markets • Assess compensation for illiquidity and complexity	• FTSE NAREIT All REIT Index	• DJ Brookfield Composite • FTSE Developed Core
Did we pick good managers?	• Evaluate manager selection and value-add versus peers via manager-level comparisons	• Cambridge RE Median • NCREIF ODCE	• Cambridge Infra. Median • Albourne PriMaRS
Did active positioning add value?	• Evaluate any active decisions away from targets (e.g., core vs. non-core mix) • Confirm strategy mix aligns with portfolio objectives	• Custom index based on target weights	• Custom index based on target weights

Position Sizing and Liquidity Management

Position Sizing

- Target Core exposure sizing of approximately $300 million
- Target Non-Core sizing of approximately $100 million per fund series
- Goal of 20 – 30 investment manager relationships
  - Requires consolidation of relationships

Liquidity

- Illiquid underlying investments will make cash flow model a crucial tool to ensure capital plans reflect most informed cashflow and NAV projections
- Rebalance as needed consistent with asset class and strategy objectives
  - Constrained by nature of asset class and vehicle structures

Conclusion

- Flexibility and pacing adjustments to reflect 2.5% reduction and evolving investments
- Blending of Core and Non-Core investments can provide attractive risk adjusted return and diversification benefits
  - Continued focus on Core income-producing strategies
  - Collective evaluation of investment attributes relative to total portfolio impact
- Investment Team, in consultation with Consultant and Trustees, is evaluating the existing relationships and rebalancing where needed
- Anticipate adding several new manager relationships as well as recommending continuing with some of the existing relationships in next 36 months

MAINEPERS

BOARD OF TRUSTEES GOVERNANCE MEMORANDUM

TO: BOARD MEMBERS

FROM: MICHAEL COLLERAN, CHIEF OPERATING OFFICER & GENERAL COUNSEL

SUBJECT: **BOARD CHARTER AND POLICY REVIEW**

DATE: NOVEMBER 4, 2025

We have adopted a process of reviewing each Board Policy at least every three years and revising and updating as needed. This year, in addition to Board Policy 2.1 (Investment Policy Statement), we have reviewed nine policies and recommend substantive amendments to one of them, which is summarized below. We also are recommending non-substantive changes to two other policies. In October of 2018, the Board authorized non-substantive changes to Board Policies without further Board approval. Board Policy 2.6 (ESG) will be reviewed at the December meeting.

We have incorporated an annual review of the Board Charter into this process. We are recommending one change to reflect one of the recommended changes to Board Policy 2.1.

Red-lined copies of the policies with recommended changes, clean copies of the other policies reviewed this year, and a redlined copy of the recommended change to the Charter are included with this memo.

POLICY REFERENCE

Board Policy 1.1 – Governance Principles and Commitment

Board Policy 1.4 – Trustee Responsibilities and Position Description

Board Policy 4.6 – Communication and Support to the Board

POLICIES REVIEWED AND RECOMMENDED AMENDMENTS

1.2 Trustee Fiduciary Responsibility

- Only non-substantive changes

1.3 Standards of Conduct

- No changes

3.1 Reporting

- Only non-substantive changes

3.2 Legislation

- Clarify circumstances when legislation may be proposed or supported

4.1 Coordination of Control

- No changes

4.2 Chief Executive Officer Accountability

- No changes

4.3 Monitoring Chief Executive Officer Performance

- No changes

4.4 Board/Consultants/Staff Relations

- No changes

4.6 Communication & Support to the Board

- No changes

Board Charter

- Cite to Board Policy 2.1 for conducting an asset/liability study every five years.

RECOMMENDATION

That the Board approve amended Board Policy 3.2 and the amended Board Charter.

Board Governance
1.2 – Trustee Fiduciary Responsibility

Date Adopted: June 9, 2012
Date Amended: December 13, 2012; June 13, 2013; October 13, 2016; November 13, 2025

Policy

The Trustees of the System, both collectively as the Board of Trustees and individually, have a fiduciary duty imposed by the Constitution of Maine, Maine State statutes, and common law. The members of the Board of Trustees are trustees of the funds of the System and have a fiduciary obligation to administer the System and the funds under the System's control solely in the interest of the members as beneficiaries of pension and related benefits.

It is the obligation of ~~every~~ Trustees to conduct themselves~~herself or himself~~ in a manner that promotes public confidence in the integrity, impartiality, professionalism and ethical behavior of the System in its relations with retirees, beneficiaries, members, employers, the public, staff and outside providers of goods and services.

Nothing in this policy shall excuse any Trustee from any other restrictions or requirements of State or federal law concerning conflicts of interest and fiduciary duties.

Statutory/Legal Provisions

- Me. Const. art. IX, § 18.
- 5 M.R.S. §§ 17102, 17103, 17435; 18-B M.R.S. § 801, *et seq*. (Maine Uniform Trust Code); 18-B M.R.S. § 901*, et seq.* (Maine Uniform Prudent Investor Act).
- 5 M.R.S. §§ 17153(4).
- Restatement (Third) of Trusts § 78(1) (2007) (the "sole interest rule").
- The Employee Retirement Income Security Act ("ERISA"), codified at 29 U.S.C. § 1002, *et seq*., provides a description of the standard of care that applies to trustees of private sector retirement plans. Although the System as a public retirement plan is not specifically governed by the fiduciary duty standard set forth in ERISA, courts will often consider the standard set forth in ERISA when addressing public pension plan issues. Under ERISA, a fiduciary must act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person (expert) acting in a like capacity would act. This statutory standard is derived from the common law of trusts, which is applicable in the State of Maine.

Statement of Fiduciary Standards

All MainePERS Trustees shall adhere to this list of fiduciary standards:

- A fiduciary relationship is one founded on trust or confidence under circumstances where one person relies upon the integrity and fidelity of another;
- A Trustee of the System has a fiduciary duty to act in the best interests of the members as beneficiaries of the pension plans and related benefits administered by the System;
- As a fiduciary, a Trustee must discharge duties with respect to the trust for the exclusive benefit of the member or participant and beneficiaries of the trust;

- A Trustee has the duty of undivided loyalty to the members and beneficiaries;
- A Trustee must administer the trust solely for the benefit of the members, participants and beneficiaries. Trustee self-dealing is illegal under the laws of the State of Maine;
- A Trustee cannot take advantage of the trust position for personal gain;
- Scrupulous good faith, complete fairness, the highest standard of honesty and candor are always required of a Trustee; and
- A Trustee is not expected or required to be an expert in all matters under the Trustee's ultimate control. If a fiduciary lacks the expertise in a certain area, then the fiduciary must delegate responsibilities to an expert which has been prudently hired and responsibly monitored and evaluated. Trustees are entitled, and in some instances obligated, to rely upon such experts.

Board Governance

1.3 – Standards of Conduct

Date Adopted: January 14, 1999

Date Amended: September 14, 2006; June 13, 2013; March 13, 2015; October 13, 2016; November 14, 2019; November 10, 2022

Policy

Trustees shall conduct themselves in a manner that promotes public confidence in the integrity, impartiality, professionalism and ethical behavior of the System in its relations with retirees, beneficiaries, members, employers, the public, staff and outside providers of goods and services. Conflict of interest guidelines and candid disclosure protect the System and Trustees when transactions or arrangements are contemplated that might benefit, or appear to benefit the private interest of anyone covered by this policy. These guidelines are intended to supplement but not replace any applicable state and federal laws governing conflict of interest or professional association codes of conduct (e.g., CFA Code of Ethics) applicable to System business. To the extent there are differences between these standards and state and federal law, the more restrictive guidelines shall apply.

Statutory/Legal Provisions

- Me. Const. art. IX, § 18 ("All of the assets, and income therefrom, of the [Maine Public Employees Retirement System] … shall be held, invested or disbursed as in trust for the exclusive purpose of providing for [retirement and related] benefits and shall not be encumbered for, or diverted to, any other purpose."
- 5 M.R.S. §§ 17102 and 17103; 18-B M.R.S. § 801, *et seq*. (Maine Uniform Trust Code); 18-B M.R.S. § 901, *et seq.* (Maine Uniform Prudent Investor Act).
- 5 M.R.S. § 17153(4).
- Restatement (Third) of Trusts § 78(1) (2007) (the "sole interest rule").

Standards of Conduct

Trustees shall conduct all System business in a fair and reasonable manner for the sole benefit of the members, participants and beneficiaries and consistent with all other governance policies. In addition, Trustees shall avoid any activity which may result in, be interpreted as, or give the appearance of, a conflict of interest, including but not limited to:

Engaging in Related Transactions

Trustees shall not:

- Participate in securities privately offered for sale by an issuer in whose securities the System has or is considering obtaining an interest until such securities are available to the general public;
- Engage in financial and business dealings for personal gain while serving as a Trustee with any vendor with whom the System does business or who is exploring engagement

by the System. The System shall maintain procurement terms that restrict vendors from engaging in financial or business dealings with a Trustee (or a former Trustee within two years after leaving the Board) if the Trustee had participated in or influenced a decision to award a contract to the vendor;

- Engage in personal investments or business transactions, including investments in otherwise permissible investments, that result from specific knowledge acquired in conducting System business unless the same information could be gained through independent channels available to the general public;
- Become an endorser, surety or obligor for money loaned to or borrowed from the System except when duly authorized and acting on behalf of the System in said capacity.

Accepting Contributions, Gifts, and Honorariums

Trustees shall not:

- Solicit or accept political contributions from current or prospective individuals, groups or organizations that provide professional services or profit directly or indirectly from the System.
- Solicit or accept, directly or indirectly, anything of economic value as a gift, gratuity or favor from sources associated with the System such as consultants, advisors, service providers, vendors or prospective vendors of the System if that gift, gratuity or favor would 1) influence a vote, action or judgment; or 2) be considered as part of a reward for action or inaction. A gift is any gratuity, discount, entertainment, hospitality, loan, forgiven debt, or other tangible or intangible item having monetary value greater than $50. A gift includes, but is not limited to 1) cash 2) food and beverages and 3) honoraria and travel expenses for engagements for the purpose of influence. A gift does not include food or beverages provided in connection with a business meeting, educational seminar, conference or convention, nor personal gifts from family or friends that are clearly not intended to influence Trustee decisions.
- Accept a speaking engagement, attend a partnership meeting, speak on behalf of the Board, or attend a conference without prior approval of the Board Chair.
- Accept honorariums, hosted meals, or reimbursement of or payment for travel expenses unless the source of the honorarium, hosted meals, or reimbursement of or payment for travel does not seek to provide, or continue to provide, goods or services to MainePERS.

Inappropriate Use of Position

Trustees shall not:

- Use confidential information for purposes other than Board or System purposes;
- Disclose confidential information except as required by law, including the Freedom of Access law, as determined by Board and System counsel;
- Divulge System, proprietary, or investment information in advance of the scheduled date for issuance of that information;
- Represent or imply that they are speaking or acting on behalf of the Board or System without specific Board approval;
- Use their position to attempt to obtain private gain or advantage for themselves or other persons;

- Use their position to obtain gain or influence for a person or entity seeking to do business with the System.

Conflict of Interest Resolution

Trustees shall seek information and advice from the Board Chair or Chief Executive Officer before entering into any activity or transaction that may create an actual or appearance of a conflict of interest. If any Trustee or staff member has reasonable cause to believe an actual or possible conflict of interest has not been disclosed, he or she shall contact the Board Chair or Chief Executive Officer.

The Chief Executive Officer, or, in the Chief Executive Officer's absence, the Chief Operating Officer and General Counsel, shall review each reported conflict or potential conflict unless such conflicts involve one of them. In such cases the matter shall be referred to the Board Chair for review. The Chief Executive Officer or Chief Operating Officer and General Counsel shall either provide guidance to the individual with the actual, potential, or appearance of a conflict of interest or refer the matter to the Board Chair for review and guidance. If the individual does not agree with the guidance, the matter will be referred to the Board of Trustees for resolution.

Reporting Requirements

Trustees shall report annually on activities or absence of activities that create an actual, potential or appearance of a conflict of interest, including:

- Submitting a signed statement to the Chief Operating Officer and General Counsel by December 31 of each year verifying that the Trustee has received a copy of this policy and has read and understands it. The Trustee's signature shall confirm that the Trustee agrees to comply with the policy, acknowledging that the System is a quasi-government entity in the State of Maine subject to both laws and public expectations of transparency. Trustees shall list any gifts and contributions requiring disclosure; and
- Submitting a statement to the Chief Operating Officer and General Counsel by December 31 of each year that lists all personal financial interests in which the System also holds an interest, excluding Permissible Investments. Permissible Investments are any mutual fund; exchange traded fund (ETF) or similar type fund; deposit account, certificate of deposit, or money market fund maintained with a bank, broker, or other financial institution; any publicly-traded security whose issuer has a market capitalization greater than $2 billion; or any interest in real estate (including a real estate mortgage), hedge funds or private partnerships unless such interest involves a transaction with a party who has a contractual, investment, or other financial relationship with the System or a Trustees.

The Chief Operating Officer and General Counsel shall report conflicts to the Board Chair and to the Chief Executive Officer upon receipt.

Board Governance

Policy 1.3 – Attachment 1 – Conflict of Interest Statements

Date Adopted: June 13, 2013

Date Amended: October 13, 2016

MainePERS Conflict of Interest Statement

I have received a copy of, have read, and understand Board Policy 1.3 – Standards of Conduct. I acknowledge that the System is a quasi-government entity in the State of Maine subject to both laws and public expectations of transparency. I agree to comply with all parts of the policy and the policy as a whole. I have not solicited or received gifts in excess of the stated limits nor solicited or accepted political contributions which would violate this policy. I have listed below all gifts and contributions received and personal financial interests that would constitute the appearance of or an actual conflict of interest excluding Permissible Investments as defined in the above-referenced Board policy.

______________________________________ ____________________
Signature Date

____
Print Name

Investment, Gift, or Contribution	Date	Explanation

Board – Government Coordination

3.1 – Reporting

Date Adopted: June 13, 2013
Date Amended: October 13, 2016; November 14, 2019; November 10, 2022; November 13, 2025

Policy

The Board of Trustees directs the Chief Executive Officer to prepare and submit all reports required to be submitted to the Maine State Legislature, the Standing Committee with oversight jurisdiction for MainePERS, or other government agencies as required by legislation.

Copies of reports shall be made available to Trustees electronically~~,~~ and upon request in hard copy ~~upon request by individual Trustees or the Board as a whole~~. See Attachment 1 for a list of recurring reports.

Board – Government Coordination

3.1 – Attachment 1 – Recurring Reports

Date Adopted: October 13, 2016
Date Amended: November 14, 2019; November 10, 2022

Reports submitted on a recurring basis include, but are not limited to:

Report	Statutory Reference	Date Due
Quarterly Out-of-State Travel Report to the Legislature	5 M.R.S. § 44-A	Within 15 days after end of each quarter
Quarterly RHIPEB Investment Trust Fund Reports to the Treasurer and Controller	5 M.R.S. § 17435	Within 30 days after end of each quarter
Annual Report on Review of the Environmental, Social and Governance Investment Policy	5 M.R.S. § 1957(5)	January 1
Annual Report to the Legislature (Fossil Fuel Divestment)	P.L. 2021, ch. 231, § 4	January 1 (through 2026)
Annual Report to the Legislature (Procurement)	5 M.R.S. § 12023	February 1
Annual Military Subsidy Report to the Legislature	5 M.R.S. § 17760(6)	February 15
Annual Report to the Legislature (Operations)	5 M.R.S. § 17103(11)	March 1
Annual RHIPEB Investment Trust Fund Report to the State, Legislature, Treasurer, and Controller	5 M.R.S. § 17435	March 1
Annual Reports to the Secretary of State on the Board of Trustees and PLD Advisory Committee	5 M.R.S. § 12005-A	December 31
State Government Evaluation Act Report	3 M.R.S. § 956	November 1 every eight years (next 2029)

Board – Government Coordination
3.2 – Legislation

Date Adopted: June 13, 2013

Date Amended: November 14, 2019; November 10, 2022; November 13, 2025

Policy

The Board of Trustees, through delegation, may propose, oppose, support, or assist in drafting legislation that is in the best interest of the System.

System Legislation

The Board of Trustees delegates responsibility to the Chief Executive Officer to propose System legislation that:

- Is required to comply with state and federal laws;
- Creates consistency within state and federal law;
- Improves member experience;
- Improves the administrative, actuarial, or investment efficiency of the System's state-sponsored retirement, disability, or group life insurance programs;
- Improves the administrative, actuarial, or investment efficiency of MaineStart or the Retiree Health Insurance Post-employment Benefits Investment Trust Fund; or
- Enables the Participating Local District (PLD) Advisory ~~Board~~Committee to recommend actions that maintain sound funding for the PLD Consolidated Plan.

~~The Chief Executive Officer shall keep the Board informed of any System-proposed legislation.~~

System Assisted Legislation

The Board of Trustees delegates responsibility to the Chief Executive Officer to assist the Legislature, Governor's Office, or units of state government in drafting retirement system legislation and associated fiscal notes.

Assistance in developing technically correct legislative language may be provided to stakeholders. Assistance may also be provided to stakeholders in developing high-level fiscal impacts of proposed legislation, but this assistance must be provided in a manner that does not incur excessive costs to the System.

~~The Chief Executive Officer shall keep the Board informed of any legislation developed with the System's assistance.~~

Restrictions

The Chief Executive Officer must seek and receive the approval of the Board of Trustees to~~shall not~~ propose, formally support, or formally oppose legislation that changes the basic plan design of state-sponsored retirement plans except as required by the Board's fiduciary duties or to ensure compliance with applicable federal law. This restriction does not apply to improvements to the disability retirement or group life insurance programs.

Reporting

The Chief Executive Officer shall keep the Board informed of any legislation proposed by the System and of formal positions taken by the System on legislation.

Board – Chief Executive Officer Coordination

4.1 – Coordination of Control

Date Adopted: June 13, 2013

Date Amended: November 10, 2022

Policy

The Board of Trustees shall conduct System business through delegation to the Chief Executive Officer. The Chief Executive Officer shall implement decisions of the Board. Decisions or instructions of individual Trustees shall be implemented only when the Board has specifically approved them.

Board – Chief Executive Officer Coordination
4.2 – Chief Executive Officer Accountability

Date Adopted: June 13, 2013

Date Amended: November 14, 2019; November 10, 2022

Policy

The Chief Executive Officer is the Board of Trustees' link to the organization's operations, achievement, and conduct. The Board shall:

- Hold the Chief Executive Officer accountable for organizational performance;
- Evaluate only the Chief Executive Officer; and
- Work through the Chief Executive Officer and not give instructions to persons who report directly or indirectly to the Chief Executive Officer.

Delegation

The Board of Trustees delegates authority to the Chief Executive Officer to implement Board policies, directives made during Board meetings, and System long-term strategic outcomes and goals. The Chief Executive Officer is authorized to establish administrative policies, make decisions, take actions, and establish practices to implement Board policies, directives, and strategic direction and will be evaluated on the results.

Accordingly, the Chief Executive Officer shall:

- Assist the Board in the development of governance policies;
- Assist the Board in their role in System strategic planning;
- Ensure Board policies are implemented by linking Board policies to agency rules, administrative policies and procedures;
- Apply reasonable interpretations of Board policy, law, rules and direction in day-to-day System administration;
- Develop Board meeting agendas to ensure Trustees can accomplish all required Board functions;
- Provide internal and key indicator reports that enable the Board to oversee and monitor organizational performance;
- Coordinate with and support external third-parties selected by the Board in providing independent reporting of organizational performance.

Board – Chief Executive Officer Coordination

4.3 – Monitoring Chief Executive Officer Performance

Date Adopted: June 13, 2013

Date Amended: February 9, 2023

Policy

The Board of Trustees has a duty to carefully monitor the performance of the Chief Executive Officer in implementing the delegated authority.

Annual Evaluation

The Board Chair shall lead the Board in an annual performance evaluation of the Chief Executive Officer. The evaluation shall occur at the end of each successive twelve-month period following the date of hire.

The Board shall evaluate the Chief Executive Officer in the following categories:

- Leadership;
- Management;
- Communications;
- Policy matters; and
- Staff development.

In the first month following the completion of each year of service, the Chief Executive Officer shall provide the Board Chair with a self-assessment including accomplishments in each category of the evaluation form (Attachment 1), an assessment of the System's progress against the strategic plan, and a set of proposed goals for the coming year.

The Board Chair will provide Trustees with the Chief Executive Officer's self-evaluation and the evaluation form. Trustees shall provide the Board Chair with the completed evaluation form within two weeks of receiving the Chief Executive Officer's self-evaluation and the evaluation form. Numeric rankings are a method to provide relative feedback, not a numeric overall ranking. Written comments should be used to more fully document the numeric rankings.

The Board Chair shall compile individual Trustee evaluations for the Board to review collectively. The Board shall discuss and reach consensus on the overall evaluation. The Board Chair shall write the Board's performance evaluation based on this discussion. The Board's evaluation may be discussed with the Chief Executive Officer in executive session.

Comprehensive Evaluation

In the second year of the Chief Executive Officer's service and every four years thereafter, the annual review will be replaced with a comprehensive evaluation according to the following guidelines:

1. A review committee will be established including the Chair and Vice Chair of the Board of Trustees. The review committee will develop a schedule for the comprehensive evaluation to be completed.
2. The review committee and the Chief Executive Officer will agree on the selection of an external reviewer to conduct the comprehensive evaluation and to report to the review committee.
3. The Chief Executive Officer shall provide the Board Chair with a self-assessment including accomplishments in each category of the evaluation form, an assessment of the System's progress against the strategic plan, and a set of proposed goals for the coming year. This shall be provided to the Board Chair in the first month following the anniversary of service as Chief Executive Officer.
4. The external reviewer will utilize the categories included in the evaluation form as the criteria for assessing the Chief Executive Officer's performance and will meet with the review committee to discuss the comprehensive evaluation process and the self-assessment, and to identify any other issues to be considered.
5. The external reviewer will meet with the Chief Executive Officer to discuss the comprehensive evaluation process and the self-assessment, and to identify any other issues to be considered.
6. The external reviewer will interview or survey all members of the Board of Trustees for the comprehensive evaluation.
7. The review committee and the Chief Executive Officer will each develop a list of other parties to be interviewed or surveyed by the external reviewer, including members of the executive and senior administrative staff. The external reviewer will select parties from these lists to be interviewed or surveyed, ensuring balanced representation from both lists.
8. The external reviewer will prepare a draft report and meet first with the review committee and then the Chief Executive Officer to discuss the findings.
9. The external reviewer will finalize the report and forward it to the review committee and the Chief Executive Officer. The review committee and the Chief Executive Officer will meet to discuss the report.
10. The review committee will forward the final report to the Board of Trustees.
11. The Board will meet in executive session to discuss the report with the Chief Executive Officer.

Board – Chief Executive Officer Coordination

4.3 – Attachment 1 – Chief Executive Officer Evaluation Form

Date Adopted: June 13, 2013

Date Amended: February 9, 2023

Chief Executive Officer Name:

Evaluation Date:

Leadership Rating __________

5 – Outstanding, 4 – Above Average, 3 – Satisfactory, 2 – Needs Improvement, 1 – Unacceptable

_____________ Inspires confidence, establishes credibility with Board, staff, members, retirees, and legislators

_____________ Maintains a "big picture" outlook and is aware of industry issues

_____________ Exhibits diligence in leading the organization

_____________ Thoroughly prepares issues for the Board to discuss

_____________ Forecasts trends, responds to change, and invites innovation

_____________ Solicits and acts upon ideas of others when appropriate

_____________ Provides direction and support to the Board regarding its statutory and fiduciary obligations

_____________ Projects a positive image as the Chief Executive Officer of MainePERS

General Comments or Examples:

Management Rating ________

5 – Outstanding, 4 – Above Average, 3 – Satisfactory, 2 – Needs Improvement, 1 – Unacceptable

______________	Manages MainePERS' activities in accordance with relevant laws and Board policies
______________	Develops reasonable budgets, communicates them to the Board, and operates within budgetary limits
______________	Ensures the efficient and effective functioning of the System through delegation to the executive and senior administrative staff and outside service providers
______________	Assesses and advises on adequate security for all official documents and technology systems
______________	Exhibits skill in problem solving

General Comments or Examples:

Communications Rating __________

5 – Outstanding, 4 – Above Average, 3 – Satisfactory, 2 – Needs Improvement, 1 – Unacceptable

______________	Keeps the Board and staff informed, and effectively communicates with them
______________	Organizes ideas and information logically
______________	Speaks clearly and concisely, using understandable terminology
______________	Effectively communicates with the Board
______________	Effectively communicates with stakeholders, members and retirees when appropriate
______________	Effectively communicates with government officials, legislators, service providers, the media, and the general public

General Comments or Examples:

Policy Matters Rating ______

5 – Outstanding, 4 – Above Average, 3 – Satisfactory, 2 – Needs Improvement, 1 – Unacceptable

_____________ Periodically reviews Board policies and rules, and makes recommendations to the Board for changes in Board policies and rules

_____________ Effectively interprets Board policies and concerns, and develops a consistent direction for the staff to follow

_____________ Initiates changes in day-to-day operations to conform to established Board policies

_____________ Acts creatively to evaluate and recommend new programs or policies

General Comments or Examples:

Staff Development Rating ________

5 – Outstanding, 4 – Above Average, 3 – Satisfactory, 2 – Needs Improvement, 1 – Unacceptable

_____________ Creates an atmosphere that fosters teamwork, creativity, and participation

_____________ Sets clear standards of performance for the executive and senior administrative staff

_____________ Encourages professional development and appropriate training of staff

_____________ Addresses succession planning for key positions within the System

General Comments or Examples:

Rating Summary

5 – Outstanding, 4 – Above Average, 3 – Satisfactory, 2 – Needs Improvement, 1 – Unacceptable

Categories	Rating
Leadership	
Management	
Communications	
Policy Matters	
Staff Development	
Average	

Summary Comments:

Board – Chief Executive Officer Coordination

4.4 – Board / Consultants / Staff Relations

Date Adopted: June 13, 2013

Date Amended: October 13, 2016; November 14, 2019; November 10, 2022

Policy

Trustees shall in part fulfill their fiduciary duty through reliance on trained and experienced professional consultants. The Chief Executive Officer shall ensure that only qualified Board consultants are presented to Trustees for their consideration.

Consultants to the Board

Board consultants shall be identified and selected through a combination of Trustee and staff actions and decisions. Staff shall thoroughly research the field of possible consultants for each need and set of criteria identified by the Board and provide the Board with a final list of candidates and the reasoning for selecting those candidates. Staff shall provide their reasoning and recommendation for which consultant to engage, and the Board shall interview the recommended consultant prior to a final Board decision.

At least every five years, staff will evaluate the performance of each consultant and make a recommendation to the Board as to whether or not a search process for a new consultant should be initiated.

Individual Trustees shall not directly contact consultants before or during their engagement without the prior knowledge of the Board Chair and Chief Executive Officer. Individual Trustees shall not give consultants direction unless this authority has been specifically delegated.

Individual Trustees shall interact with consultants consistent with the Board Standards of Conduct and all governance policies.

Staff/Consultant Relations

Consultants to the Board shall be engaged with the understanding that they report to the Board, but will work with staff in supporting Board needs. Consultants shall further be engaged with the understanding that while the majority of their work will involve working with staff in meeting Board needs, they are expected to provide independent opinions that may deviate from those of staff.

Staff shall respect the unique relationship consultants have with the Board, understanding that if issues arise between consultants and staff, consultants will first attempt to cooperatively resolve operating issues directly with staff. If issues cannot be resolved, consultants will work first with the Chief Executive Officer to resolve them, and if issues are still unresolved, report the issues directly to the Board Chair. Consultants shall also be engaged with the understanding that they are to report suspicion of or actual improper staff behavior to the Chief Executive Officer and/or Board Chair as appropriate. The Chief Executive Officer will report the contact to the Board

Chair and communicate a plan of action to resolve the issue. Consultants shall be engaged with the understanding they are to report improper staff behavior as soon as possible directly to the Board Chair if the Chief Executive Officer is not resolving the issue.

Board – Chief Executive Officer Coordination

4.6 – Communication and Support to the Board

Date Adopted: August 8, 2013

Date Amended: November 10, 2022

Policy

The Chief Executive Officer shall support the Board so that all Trustees are informed in their work.

The Chief Executive Officer shall:

- Prepare and present information in concise, understandable formats that support Trustee monitoring or decision-making, avoiding unnecessarily complex or lengthy information;
- Provide Trustees with background information, education, options, and a staff recommendation and reasoning for Board decisions;
- Timely inform the Board of substantial losses, anticipated adverse media coverage, material external and internal changes, and on-going environmental or regulatory issues that impact System operations;
- Advise the Board if, in the Chief Executive Officer's opinion, the Board is not in compliance with its own policies;
- Report material staff non-compliance with Board policies that may adversely impact the System in a timely manner.

MainePERS Board of Trustees Charter

Adopted: March 9, 2023

Amended: November 14, 2024; November 13, 2025

Every Trustee is a fiduciary for the System's members and beneficiaries. As such, Trustees are expected to participate fully in all Board business and in their assigned roles on the Board. Trustees are expected to maintain current knowledge on issues facing the system. Trustees must be able to devote the time necessary to fulfill the commitments of good stewardship, fiduciary duty, and others delineated by Maine law. *(Board Policy 1.4)* Accordingly, the Board of Trustees has adopted this charter which sets out the Board's principles, duties, and oversight responsibilities for the governance of MainePERS and its programs.

Board Principles

The Board will govern with an emphasis on outward and future vision, strategic leadership, encouraging diverse viewpoints and collective decision-making. The Board will maintain a clear distinction between Board and management roles.

In order to govern under these principles, the Board commits to:

- Promoting group responsibility while using the individual experience of members to enhance the proficiency of the Board as a body;
- Directing, controlling and inspiring the organization through broad written governance policies focused on long-term outcomes that reflect the Board's values and perspectives;
- Governing itself with excellence, allowing no individual Trustee to hinder or be an excuse for not making collective decisions or fulfilling its commitments;
- Continuing Board development including orientation of new Trustees in the Board's governance process and periodic Board discussion of governance improvements; and
- Monitoring and discussing the Board's process and performance through annual self- evaluations. *(Board Policy 1.1)*

Board Duties

The Trustees of the System, both collectively as the Board and individually, have a fiduciary duty imposed by the Constitution of Maine, statutes, and common law. The members of the Board of Trustees are trustees of the funds of the System and have a fiduciary obligation to administer the System and the funds under the System's control solely in the best interests of the members as beneficiaries of pension and related benefits.

It is the obligation of every Trustee to conduct themselves in a manner that promotes public confidence in the integrity, impartiality, professionalism and ethical behavior of the system in its relations with retirees, beneficiaries, members, employers, the public, staff and outside providers of goods and services.

Nothing shall excuse any Trustee from any other restrictions or requirements of State or federal law concerning conflicts of interest and fiduciary duties. *(Board Policies 1.2, 1.3)*

The duties of the Board include, but are not limited to:

1. Setting policy for the Chief Executive Officer (CEO) to implement;
2. Monitoring compliance with applicable law, regulations, rules and policies;
3. Adopting, monitoring and periodically updating a strategic plan and key performance and risk measures;
4. Considering recommendations from staff and Board consultants before making decisions;
5. Adopting an annual budget to support operations and monitoring expenses;
6. Adopting rules governing the administration of benefits;
7. Submitting reports and making recommendations to the Legislature regarding the plan's fiscal health and changes to the law; and
8. Reviewing and discussing major issues impacting MainePERS.

Board Oversight Responsibilities

The Board's oversight responsibilities are outlined as follows:

1. Governance. The Board shall:
   a. Elect Board officers annually *(Board Policy 1.5)*
   b. Adopt a Board calendar and work plan annually
   c. Review the strategic plan annually and update periodically
   d. Monitor key performance and risk measures annually
   e. Participate in a Board self-assessment annually *(Board Policy 1.7)*
   f. Review the Board education plan annually *(Board Policy 1.8)*
   g. Review Board policies on a three-year cycle and update as needed
   h. Delegate responsibilities to the CEO, as appropriate *(Board Policy 4.1)*

2. Finance and Audit. The Board shall:
   a. Approve the administration and investment operating budgets annually *(Board Policy 1.6)*
   b. Adopt an internal audit plan and update periodically *(Board Policy 1.6)*
   c. Accept the audited financial statements of the Plan annually *(Board Policy 1.6)*
   d. Review the Board's independent financial auditor every five years and competitively bid as needed *(Board Policies 1.6, 4.4)*
   e. Monitor the administration and investment operating budgets quarterly through the Finance and Audit Committee *(Board Policy 1.6)*

   f. Monitor internal audit activity quarterly through the Finance and Audit Committee *(Board Policy 1.6)*

3. Investments. The Board shall:
   a. Review investment performance monthly *(Board Policy 2.1)*
   b. Participate in investment education quarterly *(Board Policy 1.8)*
   c. Review rebalancing activity quarterly (*Board Policy 2.1)*
   d. Review proxy voting reports annually *(Board Policy 2.7)*
   e. Review capital market expectations and existing asset class allocations annually *(Board Policy 2.1)*
   f. Review the investment policy statement annually
   g. Review the ESG report and policy annually *(Board Policy 2.6; PL2021, c. 231)*
   h. Conduct an asset/liability study every five years and adjust asset allocation as needed *(Board Policy 2.1)*
   i. Review the Board's custodian, proxy advisor, and consultants every five years and competitively bid as needed *(Board Policies 2.1, 4.4)*
   j. Consider recommendations of investment staff and consultants on investment manager selection and MaineSTART plan investment options *(Board Policies 2.1, 2.1-C)*

4. Funding and Actuarial. The Board shall:
   a. Participate in actuarial practices education annually *(Board Policy 1.8)*
   b. Review actuarial economic assumptions annually *(Board Policy 2.2)*
   c. Conduct an actuarial valuation of each plan annually *(Board Policy 2.2)*
   d. Set contribution rates for the state-sponsored plans biennially *(Board Policy 2.2)*
   e. Conduct a Group Life Insurance Premium Study every four years and set premiums for all participant groups *(Board Policy 2.1-A)*
   f. Conduct an actuarial experience study every five years *(Board Policy 2.2)*
   g. Conduct an actuarial audit every five years *(Board Policy 2.2)*
   h. Review the Board's actuary every five years and competitively bid as needed *(Board Policies 2.2, 4.4)*

5. Operations. The Board shall:
   a. Participate in education about the System's lines of business *(Board Policy 1.8)*
   b. Consider appeals of administrative determinations as needed *(Board Policy 2.4)*
   c. Monitor member services data monthly
   d. Review the enterprise-wide risk assessment annually
   e. Approve cost-of-living-adjustments for retired members and beneficiaries annually *(5 M.R.S. §§ 17806 & 18407)*
   f. Monitor cybersecurity and business continuity preparedness

6. Personnel. The Board shall:
   a. Appoint the CEO
   b. Review the performance and set the compensation of the CEO annually *(Board Policy 4.3)*

c. Ensure there is an appropriate succession plan for the CEO and other key positions
d. Approve collective bargaining agreements

7. Legal Matters. The Board shall:
   a. Ensure compliance with applicable laws and regulations
   b. Adopt agency rules when required or otherwise appropriate *(Board Policy 2.3)*
   c. Review outstanding litigation monthly
   d. Comply with open meeting requirements *(Board Policies 1.10, 5.6)*

MAINEPERS

BOARD OF TRUSTEES MEMORANDUM

TO: BOARD MEMBERS

FROM: DR. REBECCA M. WYKE, CEO

SUBJECT: CEO REPORT

DATE: NOVEMBER 4, 2025

Pension Administration System (PAS)

The Phase 2 process of setting up the infrastructure and environments continues. Phase 3 of the project, business process reviews and requirements confirmation, is complete. Phase 4, which kicked off on September 9th, is the elaboration and configuration of our requirements within Sagitec's Neospin system and consists of 3 pilots conducted over the next 3 years. Overall, the project is on track for quality, scope, schedule, and resources (budget).

Employer Satisfaction Survey

MainePERS conducted a survey of our employers from September 29 to October 15, 2025. Registered users for all of our MainePERS-covered employers were included in the survey, which was sent to 1,462 separate email addresses. The survey was received by 1,256 individual email accounts, for which 151 individuals responded. Seeking input and measuring the satisfaction of our employers is a strategic objective under the Strategic Plan *Goal V: Development of Stakeholder Relations*.

Eighty-four percent (84.11%) of respondents indicated they were “satisfied” or “very satisfied” with MainePERS, while 13.91% were “neutral” or had “no opinion” and 1.99% indicated they were “dissatisfied” or “very dissatisfied”. Ninety-two percent (91.94%) said they “agree” or “strongly agree” that MainePERS acts with integrity, while 8.05% were “neutral” or had “no opinion” and no respondents indicated they disagreed. Eighty-seven percent (87.34%) said they “agree” or “strongly agree” that MainePERS responds to questions in a timely manner, while 8.67% were “neutral” or had “no opinion” and 4.00% said they “disagree” or “strongly disagree”. Eighty-nine percent (89.34%) said they “agree” or “strongly agree” that MainePERS staff are knowledgeable, while 10.00% were “neutral” or had “no opinion” and 0.67% said they “disagree”.

Other questions in the survey sought information about which plan the respondent participated in, their role in the organization, and their level of training. Additionally the survey sought information on what respondents desired for training and the sufficiency of MainePERS communications and information.

An open ended question indicated some general concerns with the employer portal, responsiveness, and perceived inconsistency of information. Respondents also used the open ended question to offer many compliments about our staff. Included in the materials for the November meeting are the results for some of the key questions in the survey.

Actuarial Practices Cycle

The attached Actuarial Practices Cycle documents the elements required by Maine law and MainePERS' policies for sound actuarial practices. These elements were discussed during the presentation by the Board's actuary at the October meeting.

Disability Program Enhancements – Mission Moment

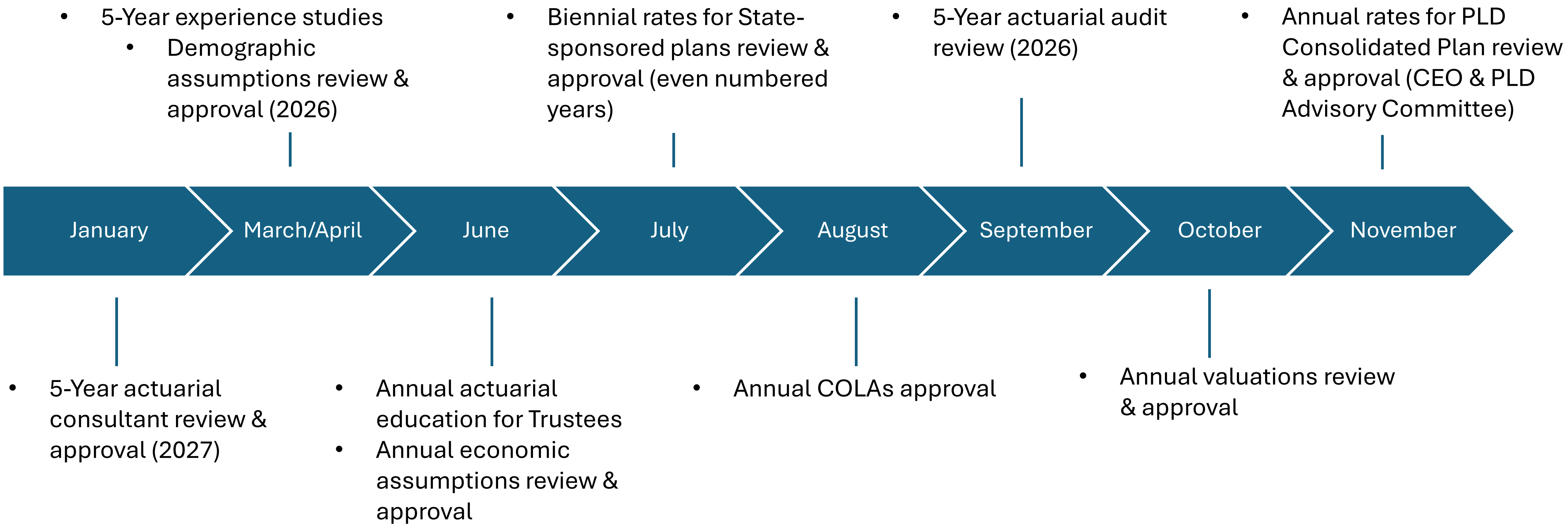
Public Law 2021, c. 277, reformed the process of applying for a disability benefit and improved both the experience of and outcomes for members. In the most recent annual experience survey of program applicants, 96% of respondents indicated they were satisfied or very satisfied that they were treated with respect and that the process was fairly conducted.

Other recent program improvements include: guidance on the definition of "earnings"; streamlining the annual process for applying earnings limitations; introducing a formal waiver process for the annual statement of compensation; relaxing the time-period in which an overpayment of benefits must be recovered; removing the continuous service requirement from the standard for pre-existing conditions; and removing the offset for Social Security.

MainePERS is proposing additional program enhancements through legislation and rulemaking that focus on improving the experience of members once they have been granted a disability benefit. An outline and presentation of the proposed enhancements are attached.

Actuarial Practices Cycle

Defined Benefit Plans



Board Policies 1.8 and 2.2; 5 M.R.S. §17806; Rule 803

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MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Proposed Disability Program Enhancements

Public Law 2021, c. 277, reformed the process of applying for a disability benefit and improved both the experience of and outcomes for members. In the most recent annual experience survey of program applicants, 96% of respondents indicated they were satisfied or very satisfied that they were treated with respect and that the process was fairly conducted.

Other recent program improvements include: guidance on the definition of “earnings”; streamlining the annual process for applying earnings limitations; introducing a formal waiver process for the annual statement of compensation; relaxing the time-period in which an overpayment of benefits must be recovered; removing the continuous service requirement from the standard for pre-existing conditions; and removing the offset for Social Security.

MainePERS is proposing the following additional program improvements through legislation and rulemaking:

Provision	Current State	Proposed State
Eligibility Determinations *Rulemaking*	• Each condition is either approved or denied • Reviews for continuing eligibility based on whether approved conditions still meet eligibility criteria	• The application is either approved or denied • Reviews for continuing eligibility based on whether the recipient is able to engage in substantially gainful activity; not limited to previously approved conditions
Retroactive Benefits *Practice change*	• Interest is not granted	• Interest is granted retroactive to the effective date
Workers Compensation Offsets *Legislation*	• Disability benefit plus Workers Compensation benefit cannot exceed 80% of AFC	• Disability benefit plus Workers Compensation benefit cannot exceed 100% of AFC • Elimination of Average Annual Earnings
Actively Seeking Work *Rulemaking*	• Recipients must report job searches monthly and participate in certain activities through the Department of Labor's Career Center	• Monthly report of job searches may be waived if the recipient is enrolled full time in a degree, professional certificate, vocational, or apprenticeship program
Minimum Earnings Limitation *Legislation*	• Applies only to non-MainePERS employment • 2026 S/T Plan: $34,863.96 • 2026 PLD Plan: $35,359.46 • Adjusted annually by COLA	• Applies to all employment • 2026 for all plans: $35,500 • Adjusted annually by December CPI-U

Calculated Earnings Limitation *Legislation*	• MainePERS covered employment: the difference between the FAC and the disability benefit, adjusted annually by COLA • Other employment: the difference between the AFC and the disability benefit, adjusted annually by COLA	• The difference between the AFC or FAC (whichever is higher) and the disability benefit • Adjusted annually by December CPI-U
Substantially Gainful Activity Calculation *Legislation*	• MEL or 80% of AFC, whichever is higher • Adjusted annually by COLA	• MEL or, 100% of AFC or FAC, whichever is higher • Adjusted annually by December CPI-U
Recoupment of Benefit Overpayments *Legislation*	• Benefit overpayments are recouped in the year in which the overpayment was reported* • Interest is assessed.	• Benefit overpayments are not recouped • Disability benefits that continue are reduced prospectively by the monthly amount over the earnings limitation. • A waiver may be granted if the recipient demonstrates they are no longer at risk of overearning

**Public Law 2025 c. 221, effective 9/24/25, allows recoupment of benefit overpayments over a longer period of time.*

Glossary of Terms

AFC Average Final Compensation

CEL Calculated Earnings Limitation

FAC Final Annual Compensation; annualized hourly rate or salary prior to eligibility for disability retirement

MEL Minimum Earnings Limitation

SGA Substantially Gainful Activity

Advantages of Proposed Disability Program Enhancements

- ✓ Simplify eligibility determinations by approving the application versus specific conditions
  - Shortens timeline for determinations, when member applies on more than one condition
  - Reduces number of appeals, when member is found eligible on one but not all conditions
  - Expands continuing eligibility to include any condition which prevents the member from engaging in substantially gainful employment

- ✓ Pay interest to members on retroactive benefit payments

- ✓ Calculate the workers compensation offset at 100% v 80% AFC

- ✓ Expand the activities that constitute actively seeking work to include enrollment full-time in a degree, professional certificate, vocational, or apprenticeship program

- ✓ Simplify the calculation of earnings limitations (same calculations for all employers and all plans) and use the higher of AFC or FAC for the calculated earnings limitation, whichever is most beneficial to the member

- ✓ Calculate substantially gainful activity at 100% v 80% and use the higher of MEL, AFC or FAC, whichever is most beneficial to the member

- ✓ Annually adjust EL, AFC, and FAC based on full CPI-U for the 12-month period ending December 30^{th} – no mid-year adjustment and not subject to COLA cap

- ✓ Adjust benefits for overearnings prospectively, encourages return-to-work by removing disincentives

MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Employer Satisfaction Survey - 2025

Board of Trustees Meeting

November 12, 2025

Dr. Rebecca Wyke, CEO

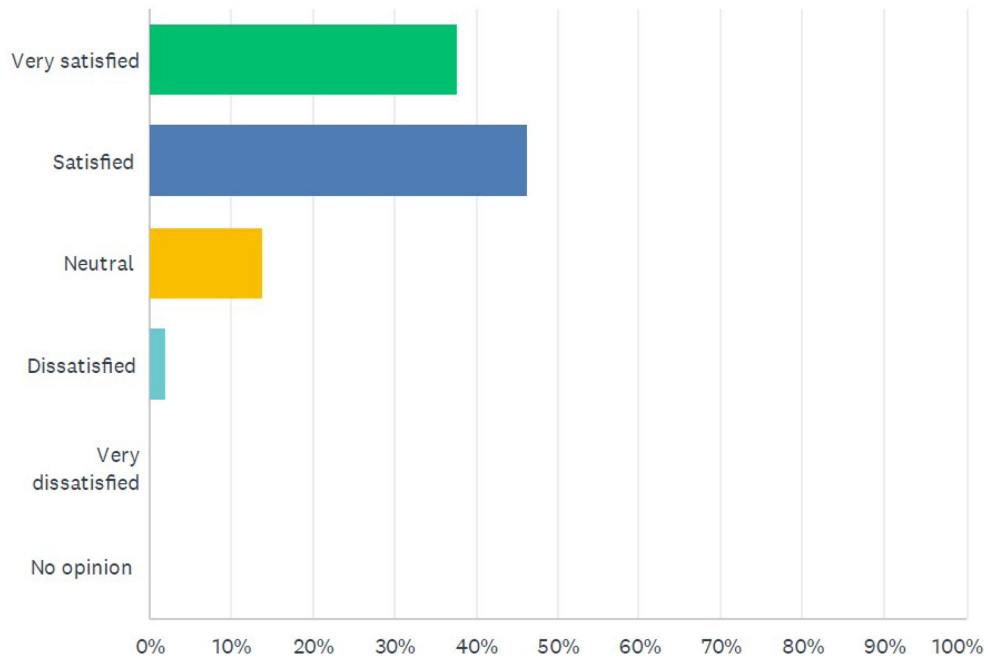
Employer Satisfaction Survey

- Survey conducted September 29 to October 15, 2025
- All registered users for MainePERS 500+ employers were sent the survey
- Surveys were sent to 1,462 separate email accounts and 1,256 were marked received
- 151 individuals responded

MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Q4 Please rate your overall satisfaction with MainePERS

Answered: 151 Skipped: 0



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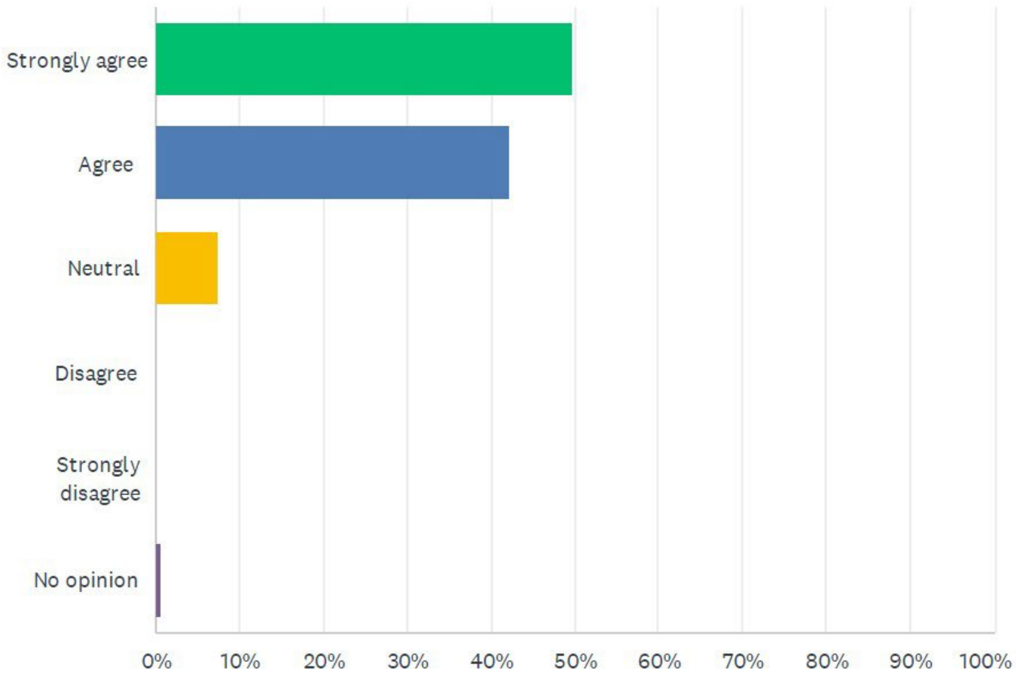
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Q5 MainePERS acts with integrity

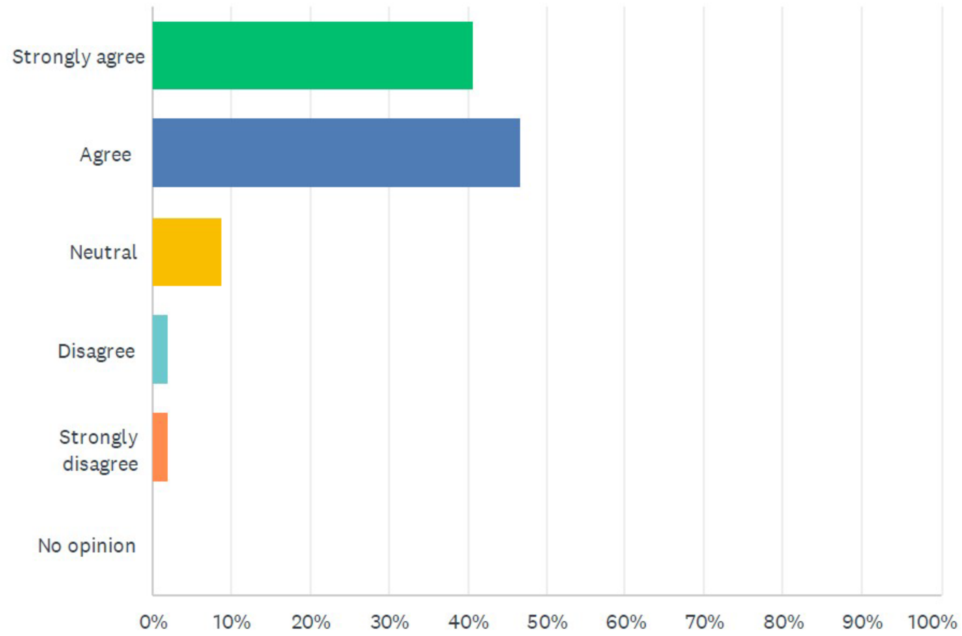
Answered: 149 Skipped: 2



MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Q8 MainePERS responds to my questions in a timely manner

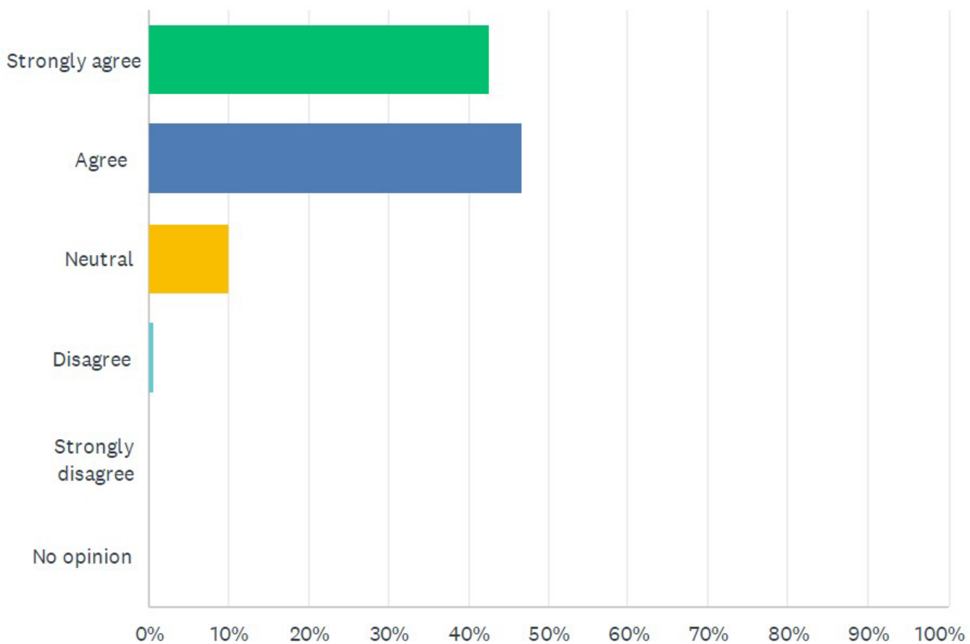
Answered: 150 Skipped: 1



MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Q9 MainePERS Staff are knowledgeable

Answered: 150   Skipped: 1



Free Form Comments

- General concerns with the employer portal, responsiveness, and perceived inconsistency of information.
- Respondents also used the open-ended question to offer many compliments about our staff.

MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Proposed Disability Program Enhancements

Board of Trustees
November 13, 2025

Michael Colleran
Chip Gavin
Mara McGowen

Disability Retirement Program

- Provides a benefit for a permanent disability that results in a member being unable to perform the essential functions of the member's employment position with reasonable accommodation.
- The benefit replaces 59%, 60% or 66.67% of a member's compensation, depending on the plan.
- A member receiving a benefit continues to accrue service credit, and their disability retirement benefit converts to a service retirement benefit when enough service credit has accrued that the two benefit amounts are equal.

Disability Benefit Recipients

- Subject to reviews for continuing eligibility
  - If deemed no longer eligible, must be actively seeking work to continue to receive a benefit
- Must file an annual report of compensation
  - To determine if earnings limitations have been exceeded
    - Overearnings can result in a reduction or termination of benefits, and
    - A requirement to repay any overearnings
  - Also used to calculate the offset for a workers compensation benefit

Prior Program Improvements

- Public Law 2021, c. 277 – application process improvements
  - Established the current standard, “unable to perform the essential functions of the member’s employment position with reasonable accommodation”;
  - Eliminated the medical board and provided for a medical review service provider;
  - Requires an independent medical examination before an application can be denied on medical grounds;
  - Requires primary consideration of medical opinions in the record and whether these are supported by sound medical evidence and consistent with other medical evidence;
  - Specifies hearings officers are independent contractors and gives an appellant a role in selecting the hearings officer
  - Provides for de novo court review; and
  - Allows attorney’s fees of up to $12,000 for a successful appellant

Prior Program Improvements

- Began use of the Social Security compassionate allowance list to identify conditions appropriate for expedited processing
- Simplified the definition of earnable compensation
- Streamlined the annual process for applying earnings limitations
- Introduced a formal waiver process for the annual statement of compensation
- Relaxed the time-period in which an overpayment of benefits must be recovered *(Public Law 2025, c. 221)*
- Removed the continuous service requirement from the standard for pre-existing conditions *(Public Law 2025, c. 221)*
- Removed the offset for Social Security *(Public Law 2025, c. 270)*
- Improved member information and educational materials

Proposed Program Enhancements

- Focus on what happens once a member has been granted a disability benefit
- Require legislation and rulemaking to implement
- Do not have an actuarial cost to the plans, except for the proposed change to the workers compensation offset

Eligibility Determinations

Current State

- Each condition is either approved or denied
- Reviews for continuing eligibility based on whether approved conditions still meet eligibility criteria

Proposed State

- The application is either approved or denied
- Reviews for continuing eligibility based on whether the recipient is able to engage in substantially gainful activity; not limited to previously approved conditions

Retroactive Benefits

Current State

- Interest is not granted

Proposed State

- Interest is granted retroactive to the effective date

Practice change

Workers Compensation Offsets

Current State

- Disability benefit plus workers compensation benefit cannot exceed 80% of Average Final Compensation (AFC)/Average Annual Earnings (AAE)

Proposed State

- Disability benefit plus workers compensation benefit cannot exceed 100% of AFC
- Remove AAE

Actively Seeking Work

Current State

- Recipients must report job searches monthly and participate in certain activities through the Department of Labor's Career Center

Proposed State

- Monthly report of job searches may be waived if the recipient is enrolled full-time in a degree, professional certificate, vocational, or apprenticeship program

Minimum Earnings Limitation

Current State

- Applies only to non-MainePERS employment
- 2026 S/T Plan: $34,863.96
- 2026 PLD Plan: $35,359.46
- Adjusted annually by COLA

Proposed State

- Applies to all employment
- 2026 for all plans: $35,500
- Adjusted annually by CPI-U

Calculated Earnings Limitation

Current State

- MainePERS covered employment: the difference between the FAC and the disability benefit, adjusted annually by COLA
- Other employment: the greater of the Minimum Earnings Limitation (MEL) or the difference between the AFC and the disability benefit, adjusted annually by COLA

Proposed State

- The higher of MEL or the difference between the AFC or FAC (whichever is higher) and the disability benefit
- Adjusted annually by CPI-U

Legislation

Substantially Gainful Activity Calculation

Current State

- MEL or 80% of AFC, whichever is higher
- Adjusted annually by COLA

Proposed State

- MEL or 100% of AFC or FAC, whichever is higher
- Adjusted annually by CPI-U

Recoupment of Benefit Overpayments

Current State

- Benefit overpayments are recouped in the year in which the overpayment was reported*
- Any amount not recouped is owed plus interest

**Public Law 2025 c. 221, effective 9/24/25, allows recoupment of benefit overpayments over a longer period of time.*

Proposed State

- Benefit overpayments are not recouped
- Disability benefits that continue are reduced prospectively by the monthly amount over the earnings limitation
- A waiver may be granted if the recipient demonstrates they are no longer at risk of overearning

Legislation

Advantages

- Simplify eligibility determinations
  - Shorten timeline, reduce appeals, expand continuing eligibility
- Pay interest to members on retroactive benefit payments
- Calculate workers comp offset at 100% v 80% of AFC
- Expand actively seeking work to include degree & cert programs
- Use highest of MEL, AFC, or FAC to calculate EL and SGA
  - Whichever is most beneficial to the member
- Simplify calculation of EL for members
  - Same calculation for all employers and all plans
- Calculate SGA at 100% v 80%
- Annually adjust EL and SGA based on full CPI-U
  - No sixth-month lag and not subject to COLA cap
- Adjust benefits for overearnings prospectively
  - Encourage return to work, remove disincentives

Scenarios

Scenario A

- PLD Plan, non-MainePERS employer
- Average Final Compensation $60,000
- Final Annual Compensation $61,360
- Disability Benefit (59% of AFC) $35,400

Current State

- Member may earn up to the minimum earnings limitation for the PLD Plan, $35,359, without a reduction in benefits
- If the member earns more than the above amount, they must pay back the overpayment of benefits with interest
- If member earns more than $48,000, they risk termination of benefits

Proposed State

- Member may earn up to $35,500 without a reduction in benefits
- If the member earns more than the above amount, the benefit is reduced prospectively by the monthly amount over the earnings limitation. A waiver may be granted if recipient is no longer at risk of overearning
- If member earns more than $61,360, they risk termination of benefits

Scenario B

- S/T Plan, MainePERS-covered employer
- Average Final Compensation $90,000
- Final Annual Compensation $72,800
- Disability Benefit (59% of AFC) $53,100

Current State

- Member may earn up to the difference between the FAC and the disability benefit, $19,700, without a reduction in benefits
- If the member earns more than the above amount, they must pay back the overpayment of benefits with interest
- If member earns more than $72,000, they risk termination of benefits

Proposed State

- Member may earn up to $36,900 without a reduction in benefits
- If the member earns more than the above amount, the benefit is reduced prospectively by the monthly amount over the earnings limitation. A waiver may be granted if recipient is no longer at risk of overearning
- If member earns more than $90,000, they risk termination of benefits

MainePERS

Board of Trustees Calendar

2026

January

- January 6 – Board Officers Meeting
- January 8 – Board Meeting
- January 27 – Investment Managers Meeting (if needed)

February

- February 10 – Board Officers Meeting
- February 12 – Finance and Audit Committee Meeting
- February 12 – Board Meeting
- February 24 – Investment Managers Meeting (if needed)

March

- March 10 – Board Officers Meeting
- March 12 – Board Meeting
- March 24 – Investment Managers Meeting (if needed)

April

- April 7 – Board Officers Meeting
- April 9 – Finance and Audit Committee Meeting
- April 9 – Board Meeting
- April 28 – Investment Managers Meeting (if needed)

May

- May 12 – Board Officers Meeting
- May 14 – Finance and Audit Committee Meeting
- May 14 – Board Meeting
- May 26 – Investment Managers Meeting (if needed)

June (Portland Office)

- June 9 – Board Officers Meeting
- June 11 – Board Meeting
- June 23 – Investment Managers Meeting (if needed)

July

- July 7 – Board Officers Meeting
- July 9 – Board meeting
- July 28 – Investment Managers Meeting (if needed)

August

- August 11 – Board Officers Meeting
- August 13 – Finance and Audit Committee Meeting
- August 13 – Board Meeting
- August 25 – Investment Managers Meeting (if needed)

September

- September 8 – Board Officers Meeting
- September 10 – Board Meeting
- September 22 – Investment Managers Meeting (if needed)

October

- October 6 – Board Officers Meeting
- October 8 – Board Meeting
- October 27 – Investment Managers Meeting (if needed)

November

- November 10 – Board Officers Meeting
- November 12 – Finance and Audit Committee Meeting
- November 12 – Board Meeting
- November 24 – Investment Managers Meeting (if needed)

December (Portland Office)

- December 8 – Board Officers Meeting
- December 10 – Board Meeting
- December 22 – Investment Managers Meeting (if needed)

NOTE: The annual board calendar is for Board and staff planning purposes. Notice of public meetings is provided in accordance with the Freedom of Access Act.

MainePERS 2026 Annual Board Work Plan

<u>January</u>
Pension Administration System Update

<u>February</u>
Finance & Audit Committee
- Annual Selection of Chair and Vice Chair
- Quarterly Internal Audit Report

Quarterly Investment Reports

<u>March</u>
Employee Satisfaction Survey
Quarterly Investment Education
- Internal Rate of Return (IRR) – Private Markets

MaineStart Quarterly Review
Actuarial Experience Study – State-Funded Plans
External Auditor Bid Process

<u>April</u>
Finance & Audit Committee
- Annual Budget – Review

Fiduciary Education
Actuarial Experience Study – PLDs

<u>May</u>
Finance & Audit Committee
- Annual Budget – Vote
- Quarterly Internal Audit Report

Annual Budget
Member Satisfaction Survey
Quarterly Investment Reports

<u>June</u> – Portland Office
Actuarial Practices Education
- Peer Best Practices – Comparison to Peer Systems

Actuarial Economic Assumptions Review
GLI Premium Study and Premium Setting for State-Funded and Teacher Plans
Quarterly Investment Education
- Peer Best Practices – Comparison to Peer Systems

MaineStart Quarterly Review
Board Self-Evaluation Survey

<u>July</u>
Rate-Setting for State-Sponsored Plans for FY28-29
Staffing and Succession Plan

August
Finance & Audit Committee
- Enterprise Risk Management Assessment
- Quarterly Internal Audit Report

Annual COLA Approval
Board Self-Assessment Survey Results/Discussion
Governance Practices Education
Disability Retirement Experience Survey
Quarterly Investment Reports
GLI Premium Setting for PLDs

September
Board Education Plan
Investment Policy Review
Quarterly Investment Education
Proxy Voting Report
MaineStart Quarterly Review
Enterprise Risk Management Assessment
CEO Annual Self-Assessment Due
Actuarial Audit

October
Annual Actuarial Valuation
- UAL Update

Annual Audited Financial Statements
Strategic Plan Update
Key Performance and Risk Measures
Conduct CEO Annual Review Survey

November
Finance & Audit Committee
- Employer Reporting Update
- Quarterly Internal Audit Report

Board Officer Elections
Finance and Audit Committee Appointments
Annual Board Calendar
Annual Board Work Plan
Annual Review of the Trustee Charter
Board Policy Review
Employer Satisfaction Survey
CEO Annual Review
Quarterly Investment Reports

December – Portland Office
ESG Report & Policy Review
Quarterly Investment Education
MaineStart Quarterly Review
Annual Conflict of Interest Statement

Annual Board Work Plan - Frequency Schedule

Quarterly
Finance & Audit Committee Meetings (1.6)
- Internal Audit Reports (1.6)

Quarterly Investment Education (1.8)
Quarterly Investment Reports
- Rebalancing Report (2.1)
  - GLI Current Asset Allocation (2.1-A)
  - RHIT Current Asset Allocation (2.1-B)
  - OPEB Current Asset Allocation (2.1-D)
- Investment Quarterly Review
- Risk Diversifiers Quarterly Review
- Private Markets Quarterly Review
- MaineStart Quarterly Report (2.1-C)

Annually
Board Calendar (1.10)
Board Work Plan #
Review of the Trustee Charter #
Board Education Plan #
Board Policy Reviews (review 1/3 each year)
Board Self-Assessment (1.7), including Continuing Education Needs #
Conflict of Interest Statement (1.3)
Budget (1.6)
Audited Financial Statements (1.6)
Fiduciary Education (1.8)
Governance Practices Education (1.8)
Actuarial Practices Education (1.8)
Lines of Business Education (1.8) - Mission Moments
Actuarial Economic Assumptions Review (2.2)
Actuarial Valuation (2.2)
Investment Policy Review #
ESG Report (2.6; 5 M.R.S. §1957(5))
COLA Approval (5 M.R.S. §17806; Rule 803)
Enterprise Risk Management Assessment (1.6)
Employer Reporting Update #
Proxy Voting Report (2.7)
Strategic Plan Update #
Key Performance and Risk Measures #
Surveys #
- Member Satisfaction
- Employer Satisfaction
- Employee Satisfaction
- Disability Retirement Experience

Every 2 Years
Rate Setting (2.2; Biennial Budget; July of even-numbered years)
Finance and Audit Committee Appointments (1.6; November of even-numbered years)
DEI Education (January of odd-numbered years)

Every 4 Years
GLI Premium Study – June 2026
GLI Rate Setting – June and August 2026
CEO Comprehensive Evaluation (4.3; in 2nd year & every 4 years thereafter) – November 2027

Every 5 Years
External Auditor Bid Process (1.6) – March 2026
Actuarial Experience Study – March and April 2026 (2.2)
Actuarial Audit – September 2026 (2.2)
Actuarial Consultant Review/RFP – January 2027 (2.2)
Asset/Liability Study – November 2030 (2.1; at least every 5 years, more often as necessary)
Strategic Plan – July/August 2027 [#]
Board Investment Consultants Review/RFP – October 2027 (2.1)
Custodian Review/RFP – April 2029 (2.1)
Proxy Advisor Review/RFP – October 2030 (2.1)

Variable
Collective Bargaining Contract Approval – February 2027

[#] *Governance Best Practice*

MAINEPERS

BOARD OF TRUSTEES MEMORANDUM

TO: BOARD MEMBERS

FROM: MICHAEL J. COLLERAN, CHIEF OPERATING OFFICER & GENERAL COUNSEL
CHIP GAVIN, CHIEF SERVICES OFFICER
SHERRY VANDRELL, CHIEF FINANCIAL OFFICER

SUBJECT: MEMBER SERVICES, FINANCE, AND OPERATIONS REPORT

DATE: NOVEMBER 5, 2025

Content in the following paragraphs was selected to provide noteworthy information regarding the System's member services, finance, and operations.

POLICY REFERENCE

Board Policy 4.5 – Board/Staff Relations

Board Policy 4.6 – Communications and Support to the Board

MEMBER SERVICES

1. MAINESTART INVESTMENT OPTION REVIEW AND INTERIM PARTICIPATION UPDATE: The Investment Team and MaineSTART leadership plan to begin a review of MaineSTART investment options.

   The review specifically will consider whether to recommend adding a 2075 Target Date fund as an investment option to meet the needs of participants born after the year 2005. While there is very little allocation difference between the Target 2065 Fund and the Target 2075 Fund at this time, one of the advantages of the MaineSTART program is the ability to make a one-time investment selection that automatically rebalances and allocates based upon the participant's age.

   The review also will consider whether to recommend the addition of target date funds in 5-year increments. Currently, MaineSTART offers investment options in 10-year increments for years ending in 5, e.g. 2035, 2045, etc. The review will consider whether to add 5-year increment options for years ending in zero e.g. 2040, 2050 etc. The additional options would allow participants to hew their choices more closely to their intended retirement date or retirement eligibility date.

   The review of the 5-year increment options follows prior observations by Cambridge Associates to Trustees, including in a report dated to September 2024, that Target Date funds are offered by MaineSTART in 10-year increments while the provider's fund suite offers access to 5-year increment funds.

Any actual changes to the investment options available to participants in MaineSTART would be subject to future Trustee consideration and approval.

Also, as an interim update regarding participation in MaineSTART, the defined contribution plan as of the end of October CY2025 reached 2,000 total participants for the first time. This reflects a year-over-year increase of approximately 10 percent in total participants.

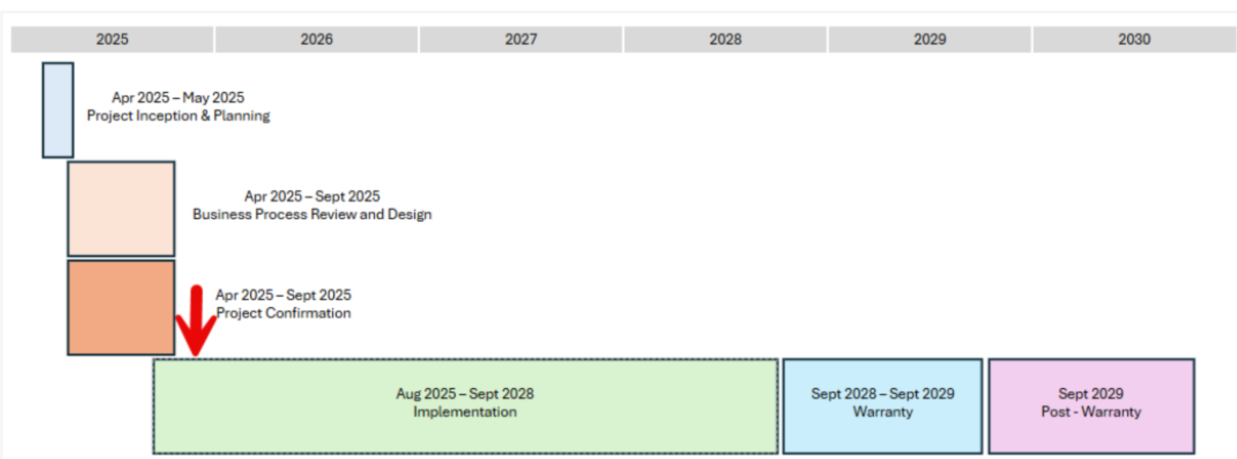
2. GLI BENEFICIARY UPDATE CAMPAIGN: Approximately 3,600 retirees with Group Life Insurance through MainePERS have updated their beneficiary information in the past several months following a campaign that started in late fiscal year 2025. MainePERS has contacted approximately 16,700 retirees and approximately 3,600 have updated their information for a response rate of approximately 22 percent as of November 3. This initiative promotes improved future service both because MainePERS is more likely to receive timely notification of a member's passing and the payment of insurance proceeds to a member's designated beneficiaries is facilitated by the updated information.

3. PENSION ADMINISTRATION SYSTEM IMPLEMENTATION: Sagitec is currently reporting all major monitoring areas of the project – schedule, budget/cost, scope, resources and quality - are green, as is the overall project status. An excerpt of Sagitec's monthly project status report is included below.

   The project currently is scheduled to reach the go-live milestone in CY2028. The project is part of Goal III, Strategic Objective (B) and other related components of the Strategic Plan. The project has now completed slightly more than 15 percent of the timeline between contract initiation and scheduled project launch.

   On November 18, the PLD Advisory Council is expected to consider a decision regarding certain legacy data related to pre-consolidated time and a recommendation from MainePERS to treat that time as consolidated time as part of the implementation of the PAS project. The current PAS schedule anticipates an affirmative decision. An affirmative decision would also come forward to Trustees as a proposed rulemaking over the upcoming winter. A different decision could require some limited reconsideration or adjustment to the PAS project schedule.

Timeline *(red arrow indicates the phase of the project as of this report)*



Overall		**Scope**	
Schedule		**Resources**	
Cost / Budget			
Project Manager	Jason Tolentino	**Project Sponsor**	CEO Rebecca Wyke
Project Start	April 14, 2025	**Project End**	Go-live June to Sept 2028. One-year warranty period concluding in 2029.
Reporting Period	October 2025	**Reporting Date**	October 31, 2025
Audience	Chip Gavin, Michael Colleran, Joy Childs, Valerie Scott, Domna Giatas, Tim Poulin, Sherry Vandrell, Brett McGillivary	**Next Steering Committee Meeting with Sagitec**	November 5, 2025

FINANCE

1. <u>Employer Reporting</u>. Employers submitted defined benefit payrolls on time at rate of 88% in October. This compares to a rate of 87% for the same period last year. Of the 77 payrolls that missed the deadline, 44 were submitted within three days of deadline. The percentage of fully reconciled accounts through August data is 84%, a slight increase of 1% from last month. The number of fully reconciled accounts increased by 10 accounts, to 590 this month.

   The aging of the now 117 accounts not fully reconciled through August 2025 data breaks down as follows. The numbers in green represent a decrease in count from the prior period and the number in red is an increase.

	Oldest Unreconciled Transactions						
Year	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**
# of Accts	72	24	5	2	3	4	7
Removed	-22	-4			-3	-1	-1
Added	22		1		2		
Prior Report	72	28	4	2	4	5	8

   Staff have now reviewed and posted the 2024 and 2025 payroll reports submitted by Portland Public Schools for the PLD Plan and are continuing to review and post those same months for the Teacher Plan. The work to reconcile old, previously submitted payroll data for calendar year 2023 and prior is ongoing.

2. <u>Employer Education and Outreach:</u> In addition to regular outreach to employers to assist with payroll filing, staff engaged with two professional organizations in the last two months to conduct training for their members who are also participating employers. We continue to

look for opportunities to engage with groups including the Maine Association of School Business Officials (MEASBO) to share information and improve employer relationships.

3. EMPLOYER AUDITING. There was one audit opened and one audit completed during the month of October. The audit staff continue to support the employer reporting team with the Portland Public Schools corrections project and clearing long outstanding audit findings. One 2022 audit with open findings remains open but staff are actively working to close that one out now. The percentage of resolved findings is currently 98.6%.

4. ACCOUNTING AND FINANCE. The internal audit covering human resources practices is expected to be complete prior to your meeting. A review covering death benefit processing is currently underway. The next review will be a review of our employer auditing program.

   Staff are actively working on the compilation of the Annual Comprehensive Financial Report (ACFR) and two supplemental audits required by the Governmental Accounting Standards Board (GASB).

OPERATIONS

1. INFORMATION TECHNOLOGY: IT Operations successfully replaced the Augusta WAN/LAN infrastructure on 10/23. Replacements for the Brunswick and Portland sites are scheduled for 11/6 and 11/18, respectively, which will upgrade us to a full service Fortinet architecture. IT Operations and Development staff are scheduled to finalize the phased roll-out of Office 365 and upgrades to all Access databases on 11/10. IT Operations will complete the upgrade of all Windows 10 devices in November and resume laptop replacements. The IT Development team is closely working with Sagitec on detailed field mapping and providing monthly data conversion bundles and transfers. The Business Analysts and Technical Writer are working with the business units on mapping of legacy data and capturing training topics. IT has completed and approved the elaboration for Neospin Core and three of the Electronic Content Management (ECM) design documents and continues to participate in the ECM work with Sagitec as well as the elaboration sessions for Membership and Enrollment.

2. HUMAN RESOURCES: We had no new hires or terminations in October and are recruiting for seven positions. We successfully tested our Text-Em-All emergency communication capabilities. Annual confidential employee performance reviews are underway.

3. FACILITIES: We expect to begin work on installing a leaf wall between the Fort Point and Mount Kineo conference rooms later this month.

4. DOCUMENT CENTER: We completed an upgrade of our document imaging system to coincide with the transition to Windows 11.

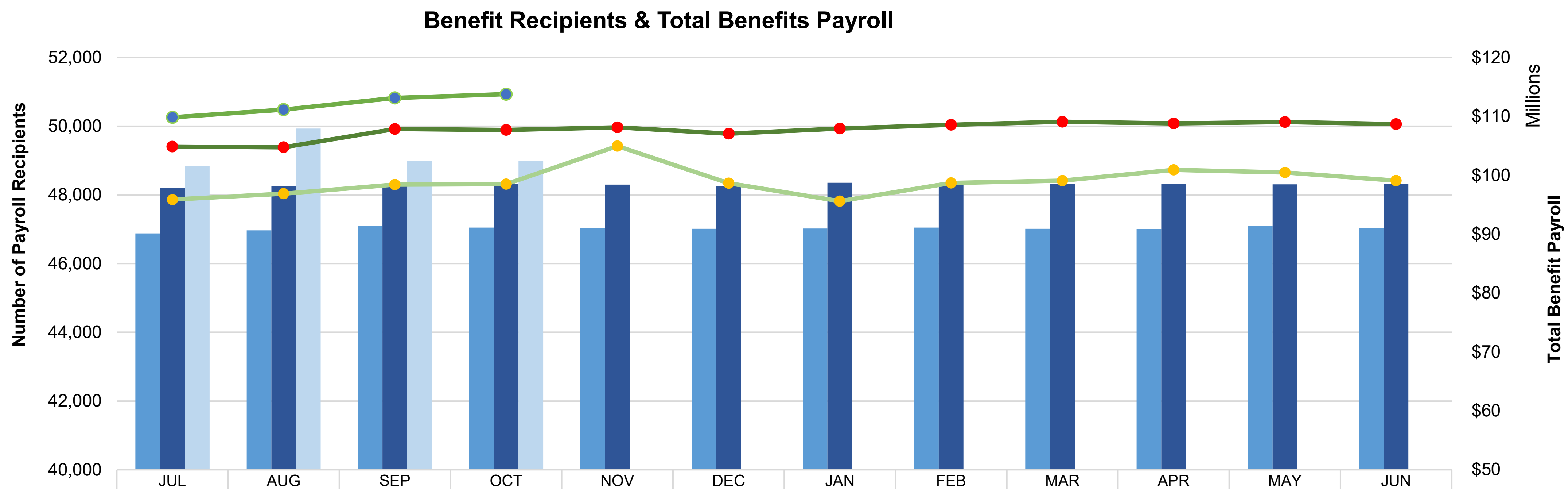
5. LEGISLATION: In addition to the disability enhancement legislation discussed during the CEO Report, we are pursuing legislation to simplify and standardize the source of information used to set group life insurance levels. Currently, these levels are derived from reports employers submit annually based on each employee's W-2. We are proposing instead that we use earnable compensation, which is information we already have from regular employer payroll reporting.

RECOMMENDATION

No Board action is recommended at this time.

RETIREMENT SERVICES

BENEFITS PAYROLL: Regular monthly pension benefit payments were made to 48,985 recipients in October, totaling $113,768,058. Note: Special payments paid outside of the regular payroll run are not reflected in the "Benefits Payroll" total. Applying to all graphs in this report, instead of providing fiscal years of 2022, 2023 and 2024 individually, this graph provides the average of those years against fiscal years 2025 and 2026.

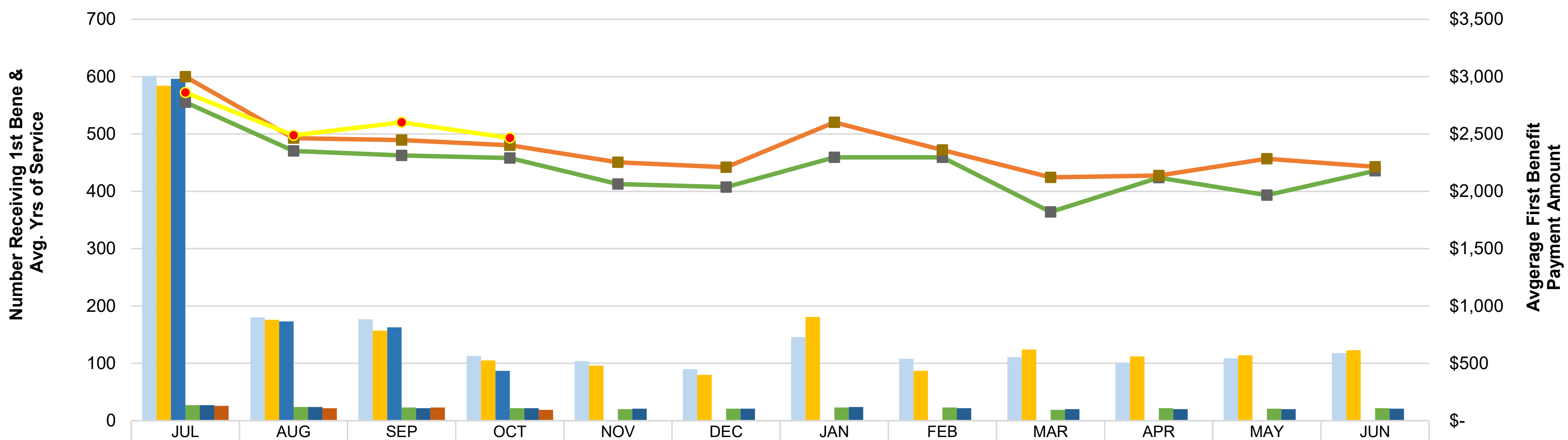


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
3YR Avg # of Benefit Recipients (FY22-FY24)	46,878	46,967	47,103	47,050	47,040	47,012	47,018	47,048	47,014	47,006	47,098	47,044
FY25 # Benefit Recipients	48,212	48,251	48,310	48,317	48,300	48,256	48,353	48,321	48,319	48,310	48,308	48,313
FY26 # Benefit Recipients	48,835	49,931	48,982	48,985								
3YR Avg Benefits Payroll (FY22-FY24)	$95,873,240	$96,843,700	$98,401,598	$98,488,685	$104,951,219	$98,638,003	$95,599,618	$98,690,961	$99,087,605	$100,896,727	$100,483,047	$99,089,215
FY25 Benefits Payroll	$104,858,297	$104,737,939	$107,825,148	$107,667,346	$108,126,893	$107,047,632	$107,931,101	$108,547,682	$109,080,987	$108,789,293	$109,039,648	$108,687,230
FY26 Benefits Payroll	$109,830,353	$111,117,962	$113,116,156	$113,768,058								

RETIREMENT SERVICES: (CONTINUED)

FIRST TIME BENEFIT RECIPIENTS: Eighty-seven (87) individuals received their first benefit payment in October. The average benefit amount was $2,465. First time recipients averaged nineteen (19) years of service. The count of new recipients, payment amount, and service are comparable to data seen during the same month in recent prior years.

First Time Benefit Recipients

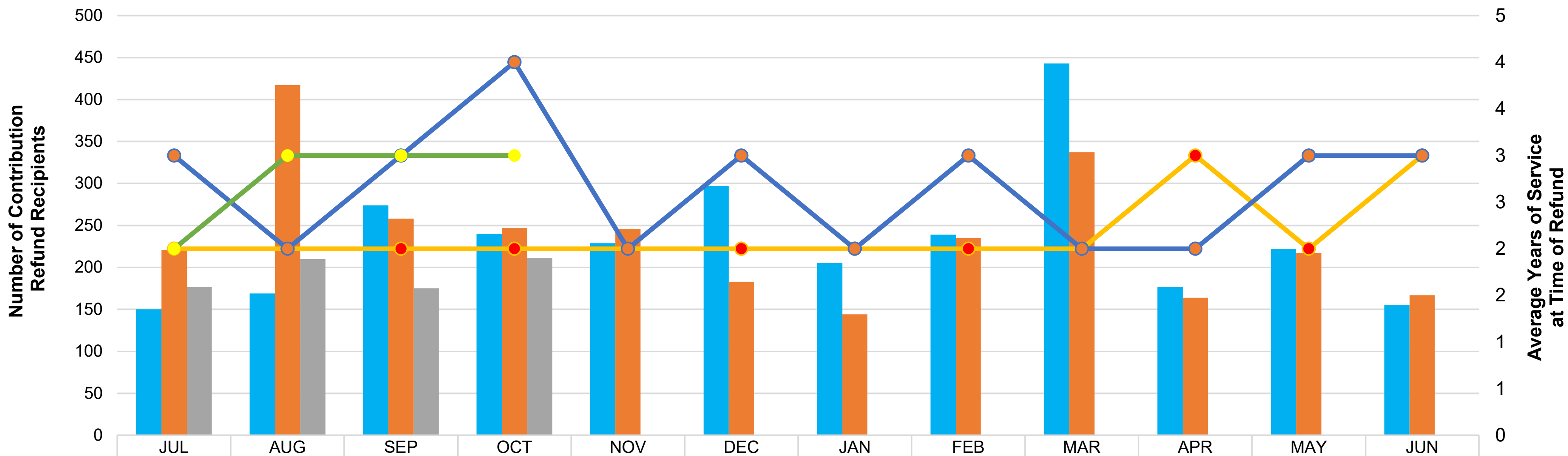


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
3YR Avg # Receiving 1st Benefit Pymt (FY22-FY24)	601	180	177	113	104	90	146	108	111	101	109	118
FY25 # Receiving 1st Benefit Pymt	584	176	157	105	96	80	181	87	124	112	114	123
FY26 # Receiving 1st Benefit Pymt	596	173	163	87								
3YR Avg Years of Svc @1st Benefit Pymt (FY22-FY24)	27	24	23	22	20	21	23	23	19	22	21	22
FY25 Avg Years of Svc @1st Benefit Pymt	27	24	22	22	21	21	24	22	20	20	20	21
FY26 Avg Years of Svc @1st Benefit Pymt	26	22	23	19								
3YR Avg 1st Benefit Pymt Amount (FY22-FY24)	$2,777	$2,351	$2,313	$2,291	$2,064	$2,036	$2,296	$2,296	$1,820	$2,118	$1,966	$2,179
FY25 Avg 1st Benefit Pymt Amount	$2,999	$2,463	$2,447	$2,402	$2,252	$2,210	$2,602	$2,360	$2,122	$2,137	$2,283	$2,213
FY26 Avg 1st Benefit Pymt Amount	$2,861	$2,489	$2,601	$2,465								

RETIREMENT SERVICES: (CONTINUED)

CONTRIBUTION REFUNDS: Two hundred eleven (211) former members received a refund of their contributions in October. The average refund was $11,904 as the result of an average of three (3) years of service. The aggregate amount refunded was $2,511,695. Note: Data for FY22 – July to October – was not captured so the average for those months only includes fiscal years 2023 and 2024.

Contribution Refunds Issued: Total Number & Average Years of Service

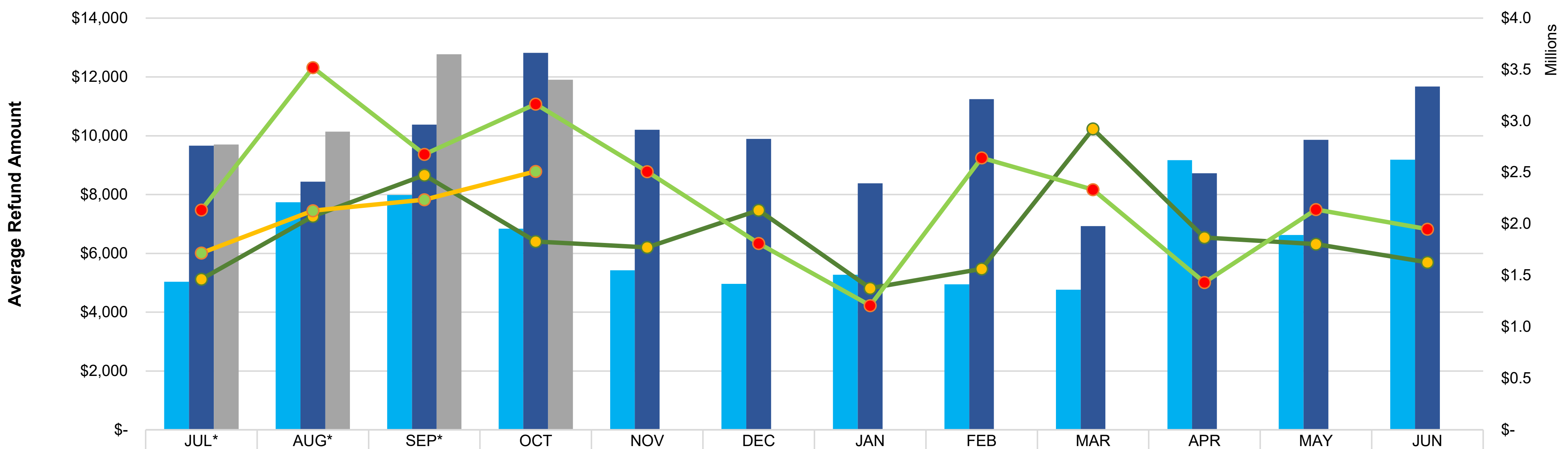


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
3YR Avg # of Contribution Refund Recipients (FY22-FY24)	150	169	274	240	229	297	205	239	443	177	222	155
FY25 # of Contribution Refund Recipients	221	417	258	247	246	183	144	235	337	164	217	167
FY26 # of Contribution Refund Recipients	177	210	175	211								
3YR Avg YRs of Service at Time of Refund (FY22-FY24)	2	2	2	2	2	2	2	2	2	3	2	3
FY25 Avg YRs of Service at Time of Refund	3	2	3	4	2	3	2	3	2	2	3	3
FY26 Avg YRs of Service at Time of Refund	2	3	3	3								

RETIREMENT SERVICES: (CONTINUED)

CONTRIBUTION REFUNDS

Contribution Refund Average Amount and Total Amount Refunded

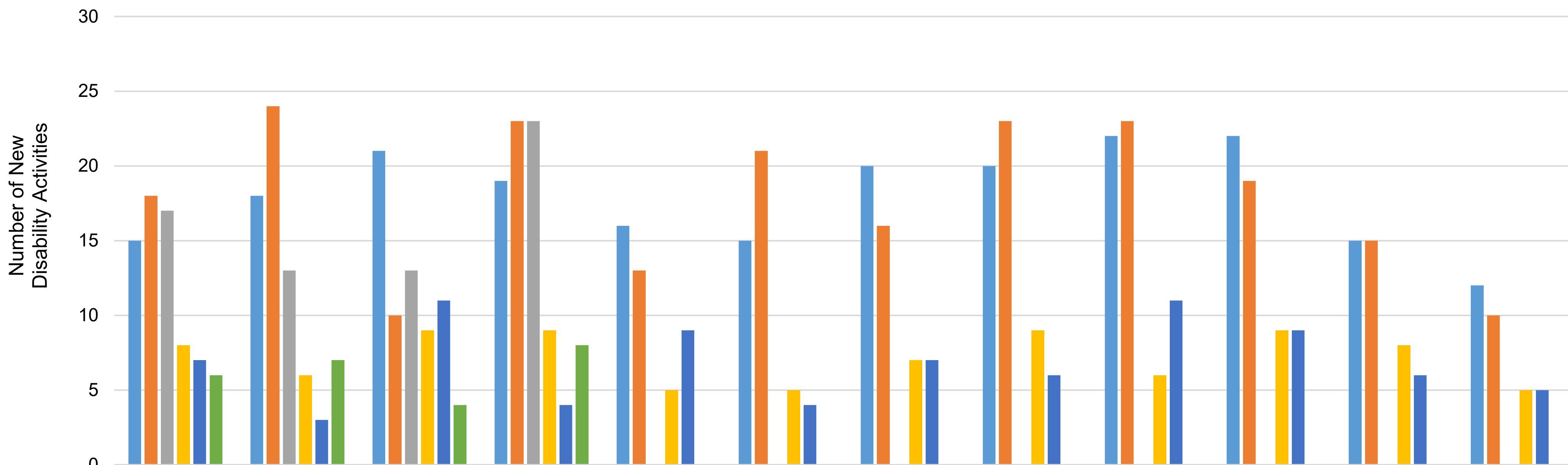


	JUL*	AUG*	SEP*	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
3YR Avg Refund Amount (FY22-FY24)	$5,034	$7,738	$7,982	$6,840	$5,424	$4,967	$5,270	$4,947	$4,766	$9,167	$6,622	$9,182
FY25 Avg Refund Amount	$9,663	$8,441	$10,376	$12,816	$10,202	$9,894	$8,386	$11,247	$6,927	$8,723	$9,860	$11,674
FY26 Avg Refund Amount	$9,705	$10,140	$12,771	$11,904								
3YR Avg Total Amount Refunded (FY22-FY24)	$1,463,434	$2,074,171	$2,475,178	$1,830,138	$1,772,600	$2,133,815	$1,375,750	$1,564,036	$2,923,172	$1,868,351	$1,803,430	$1,627,125
FY25 Total Amount Refunded	$2,135,551	$3,519,778	$2,677,107	$3,165,611	$2,509,638	$1,810,630	$1,207,650	$2,642,939	$2,334,279	$1,430,566	$2,139,607	$1,949,515
FY26 Total Amount Refunded	$1,717,731	$2,129,422	$2,234,977	$2,511,695								

DISABILITY SERVICES

Intake Interviews and Applications: There were twenty-three (23) interviews completed in October with varying levels of detail and duration. Intakes included nine (9) State members, 10 (10) Teacher members, four (4) PLD and zero (0) other members. There were eight (8) new disability retirement applications received in October.

Disability Intake Interviews and Applications

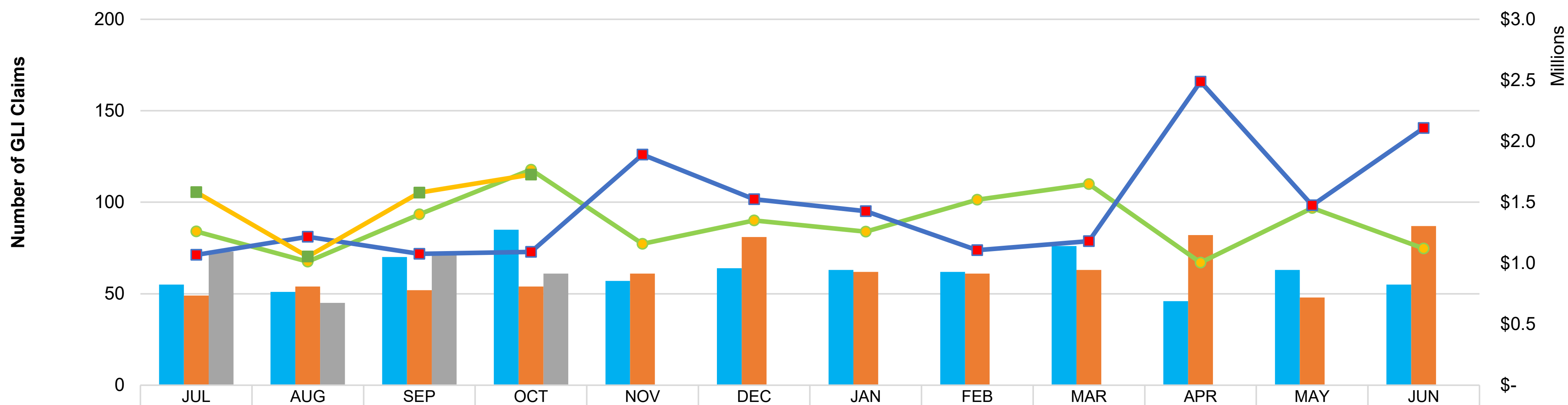


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
3YR Avg # Disability Intake Interviews (FY22-FY24)	15	18	21	19	16	15	20	20	22	22	15	12
FY25 # Disability Intake Interviews	18	24	10	23	13	21	16	23	23	19	15	10
FY26 # Disability Intake Interviews	17	13	13	23								
3YR Avg # Disability Retirement App's. (FY22-FY24)	8	6	9	9	5	5	7	9	6	9	8	5
FY25 # Disability Retirement Applications	7	3	11	4	9	4	7	6	11	9	6	5
FY26 # Disability Retirement Applications	6	7	4	8								

SURVIVOR SERVICES

GLI Claim Numbers and Values: There were sixty-one (61) life insurance claims sent to our carrier (The Hartford) in October with a total value of $1,727,170 in payments due to beneficiaries. Of the claims, fifty-five (55) were retiree claims and six (6) were active member claims including two (2) dependent claims.

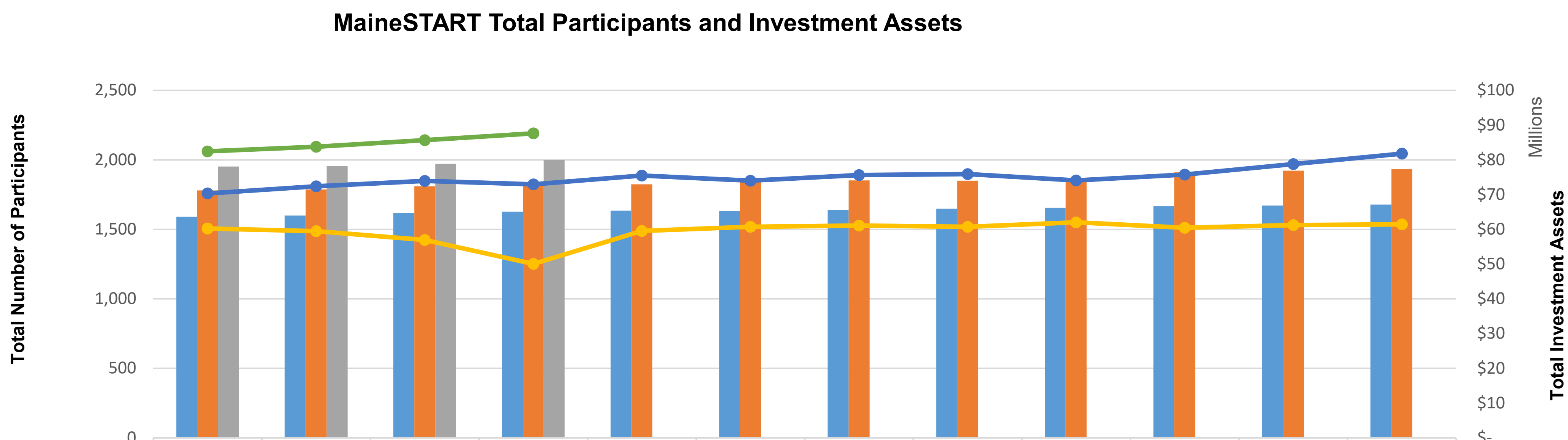
Group Life Insurance Claim Numbers and Total Claim Values



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
3YR Avg # Life Insurance Claims Filed (FY22-FY24)	55	51	70	85	57	64	63	62	76	46	63	55
FY25 # Life Insurance Claims Filed	49	54	52	54	61	81	62	61	63	82	48	87
FY26 # Life Insurance Claims Filed	73	45	72	61								
3YR Avg Total Claim Value (FY22-FY24)	$1,259,908	$1,012,483	$1,400,022	$1,767,095	$1,158,615	$1,351,105	$1,258,217	$1,520,863	$1,648,542	$1,005,447	$1,452,758	$1,120,917
FY25 Total Claim Value	$1,068,305	$1,216,240	$1,076,760	$1,093,780	$1,891,145	$1,524,215	$1,427,230	$1,106,410	$1,181,590	$2,488,945	$1,474,100	$2,109,200
FY26 Total Claim Value	$1,583,110	$1,054,120	$1,578,195	$1,727,170								

DEFINED CONTRIBUTION PLAN SERVICES

Total Participants and Investment Assets: MaineSTART had two thousand (2,000) participants at the end of October with $ $87,630,130 of investment assets in the program.

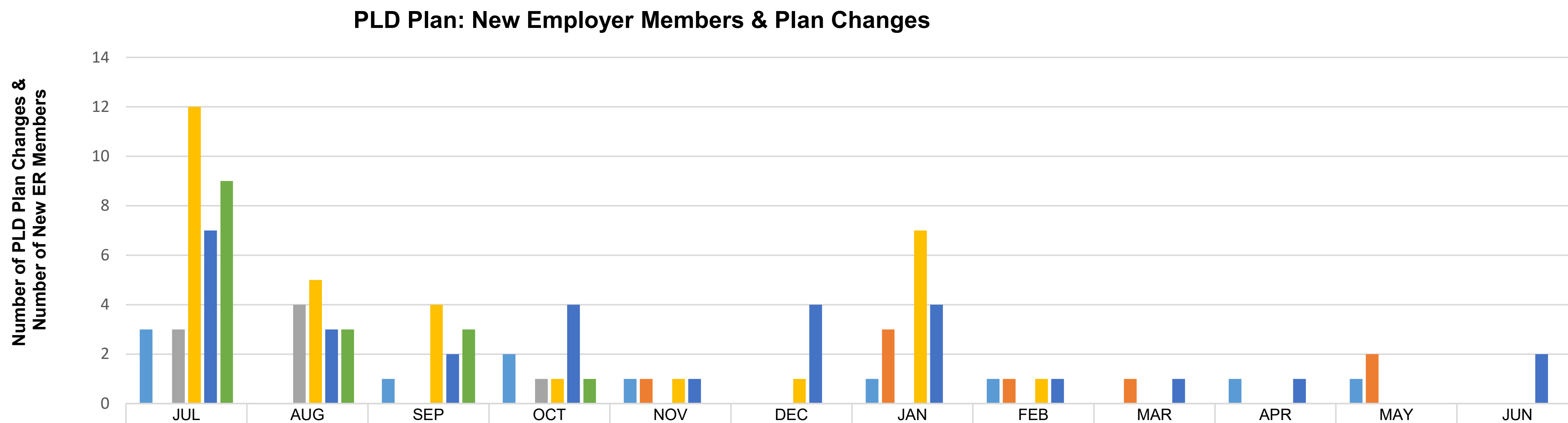


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
3YR Avg # MaineSTART Participants (FY22-FY24)	1,591	1,599	1,619	1,627	1,634	1,633	1,640	1,649	1,655	1,666	1,671	1,679
FY25 # MaineSTART Participants	1,780	1,788	1,810	1,815	1,825	1,846	1,852	1,850	1,854	1,910	1,923	1,935
FY26 # MaineSTART Participants	1,952	1,956	1,972	2,000								
3 YR Avg Total Investment Assets (FY22-FY24)	$60,268,42	$59,511,98	$56,967,92	$50,058,01	$59,536,71	$60,749,99	$61,096,62	$60,721,92	$62,031,53	$60,487,96	$61,256,40	$61,418,05
FY25 Total Investment Assets	$70,334,03	$72,386,58	$73,931,44	$72,999,20	$75,465,29	$74,024,17	$75,627,66	$75,891,48	$74,068,41	$75,772,30	$78,812,34	$81,794,15
FY26 Total Investment Assets	$82,457,60	$83,771,24	$85,678,63	$87,630,13								

PARTICIPATING LOCAL DISTRICT (PLD)

PLAN ADMINISTRATION

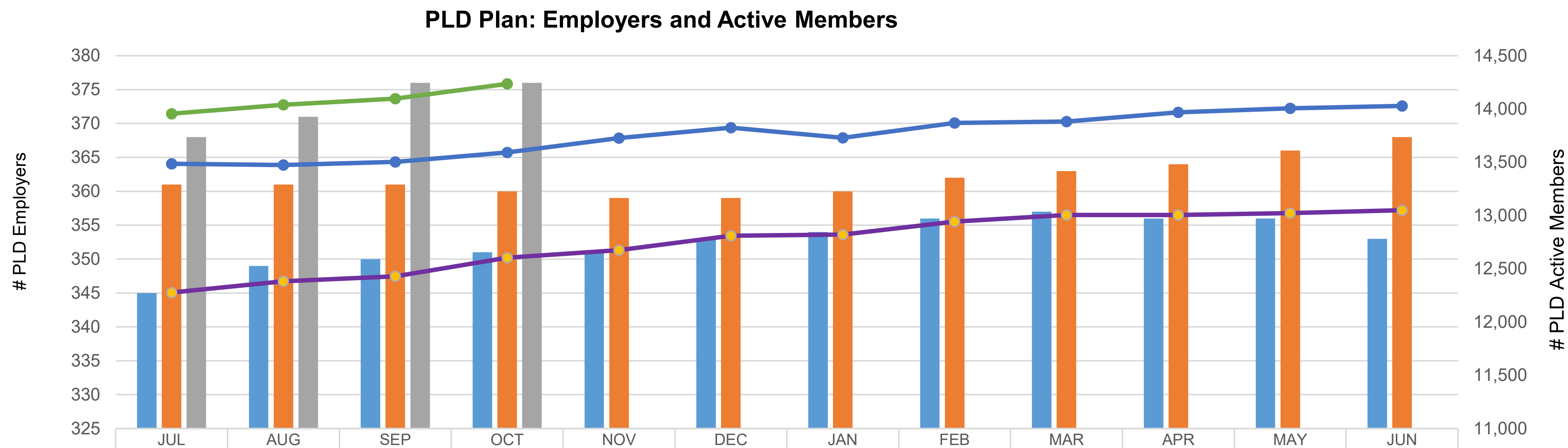
New Employer Members & Plan Changes: There one (1) new employer joining the PLD Retirement Program effective October 1, 2025. There was one (1) employer plan change effective October 1, 2025. Note: This metric reflects PLD employer changes (joining, returning, adopting plan changes) in the month of their implementation. This format is consistent with MainePERS activity reporting to our actuary.



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
3YR Avg # New PLD Plan Employers (FY22-FY24)	3	0	1	2	1	0	1	1	0	1	1	0
FY25 # New PLD Plan Employers	0	0	0	0	1	0	3	1	1	0	2	0
FY26 # New PLD Plan Employers	3	4	0	1								
3YR Avg # PLD's Adopting Plan Changes (FY22-FY24)	12	5	4	1	1	1	7	1	0	0	0	0
FY25 # PLD's Adopting Plan Changes	7	3	2	4	1	4	4	1	1	1	0	2
FY26 # PLD's Adopting Plan Changes	9	3	3	1								

PLD PLAN ADMINISTRATION (CONTINUED)

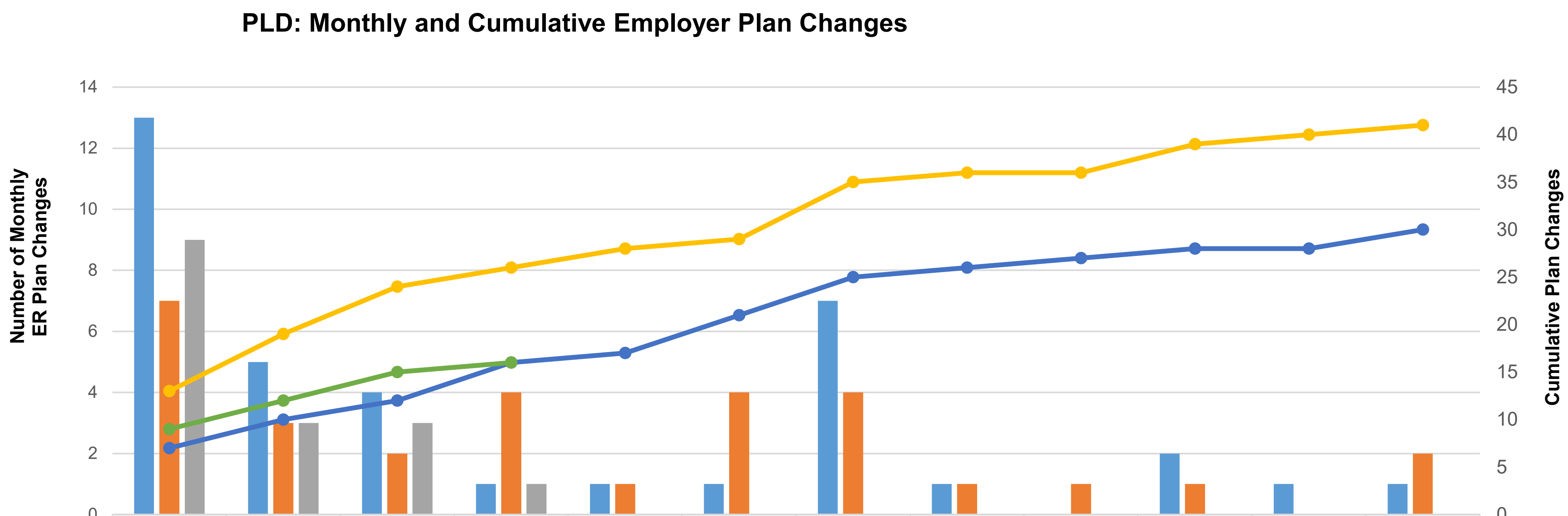
Employers and Active Members: PLD employers increased from 368 in July to 376 in September; PLD Employee numbers initially decreased from 14,029 in June to 13,986 in July but then increased to 14,098 in September This data will be reported quarterly. Due to the timing of the Board Report, the next update will be included in the October supplement numbers at the November 2025 meeting.



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
3YR Avg # PLD Employers (FY22-FY24)	345	349	350	351	351	353	354	356	357	356	356	353
FY25 # PLD Employers	361	361	361	360	359	359	360	362	363	364	366	368
FY26 # PLD Employers	368	371	376	376								
3YR Avg # PLD Active Members (FY22-FY24)	12,277	12,383	12,429	12,604	12,675	12,810	12,822	12,944	13,004	13,006	13,023	13,050
FY25 # PLD Active Members	13,486	13,474	13,503	13,593	13,728	13,825	13,730	13,869	13,882	13,969	14,006	14,029
FY26 # PLD Active Members	13,956	14,040	14,098	14,236								

PLD PLAN - MONTHLY AND CUMULATIVE EMPLOYER PLAN CHANGES

Monthly and Cumulative Employer Plan Changes: There was one (1) new employer joining the PLD Retirement Program effective October 1, 2025. There was one (1) employer plan change effective October 1, 2025. Total plan changes for FY26 are sixteen (16). *Note:* This metric reflects PLD employer changes (joining, returning, adopting plan changes) in the month of their implementation. This format is consistent with MainePERS activity reporting to our actuary.

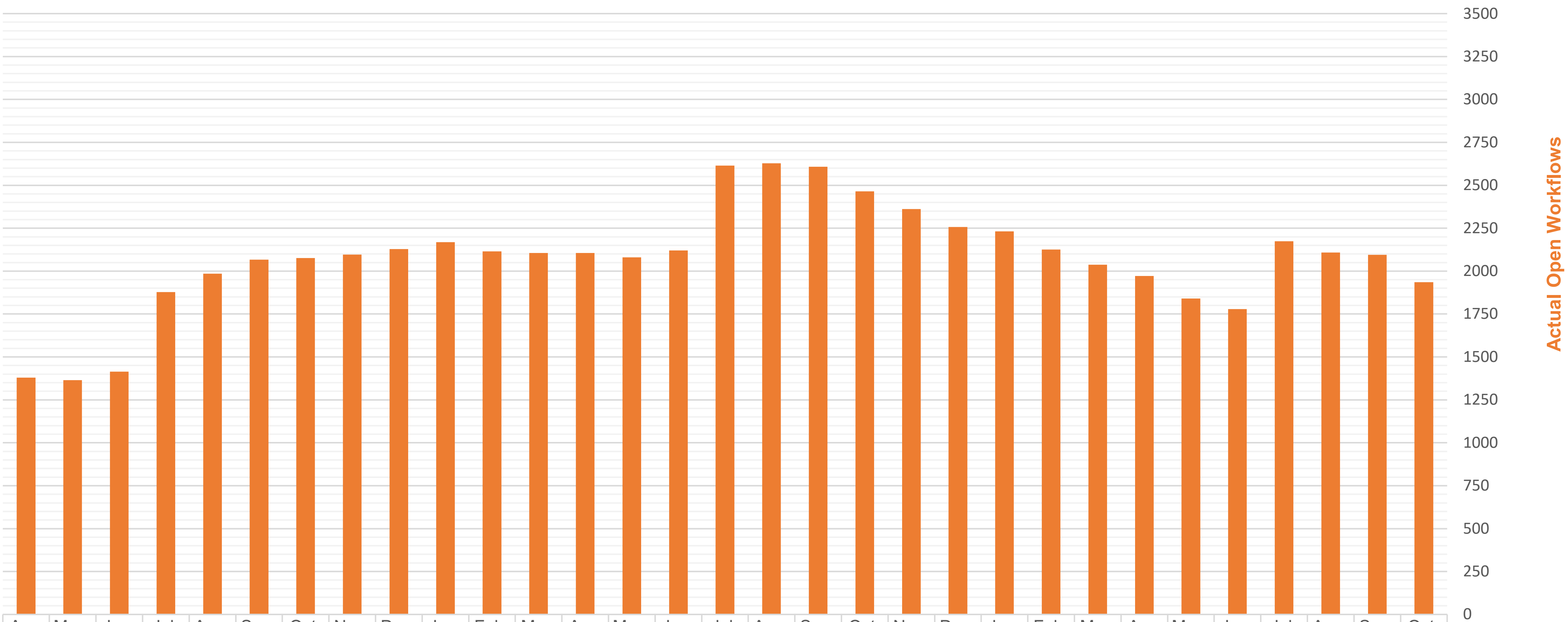


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
3YR Avg # PLD's Adopting Plan Changes (FY22-FY24)	13	5	4	1	1	1	7	1	0	2	1	1
FY25 # PLD's Adopting Plan Changes	7	3	2	4	1	4	4	1	1	1	0	2
FY26 # PLD's Adopting Plan Changes	9	3	3	1								
3YR Avg Cumulative Plan Changes Adopted (FY22-FY24)	13	19	24	26	28	29	35	36	36	39	40	41
FY25 Cumulative Plan Changes Adopted	7	10	12	16	17	21	25	26	27	28	28	30
FY26 Cumulative Plan Changes Adopted	9	12	15	16								

FOCUS FRIDAY IMPACT ON BACKLOG REDUCTION

PRELIMINARY TO FINAL BENEFIT (PB TO FINAL) BACKLOG THROUGH OCTOBER 31, 2025: The backlog projections and reporting below are based on a data point that counts days since an initial Preliminary Benefit disbursement date (Days on PB) occurred.

Retirees on Preliminary Benefit Through 10/31/2025 (Total Open Pension Retirement Workflows)



	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25
Actual # Open PBs WFs	1379	1365	1415	1878	1985	2067	2076	2096	2129	2168	2115	2105	2106	2080	2120	2614	2628	2608	2464	2361	2257	2232	2126	2037	1972	1841	1779	2174	2108	2095	1936