



NORTH CAROLINA INVESTMENT AUTHORITY

North Carolina Investment Authority

Performance Review

August 28, 2026



BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA



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Section 1: Assets Under Management



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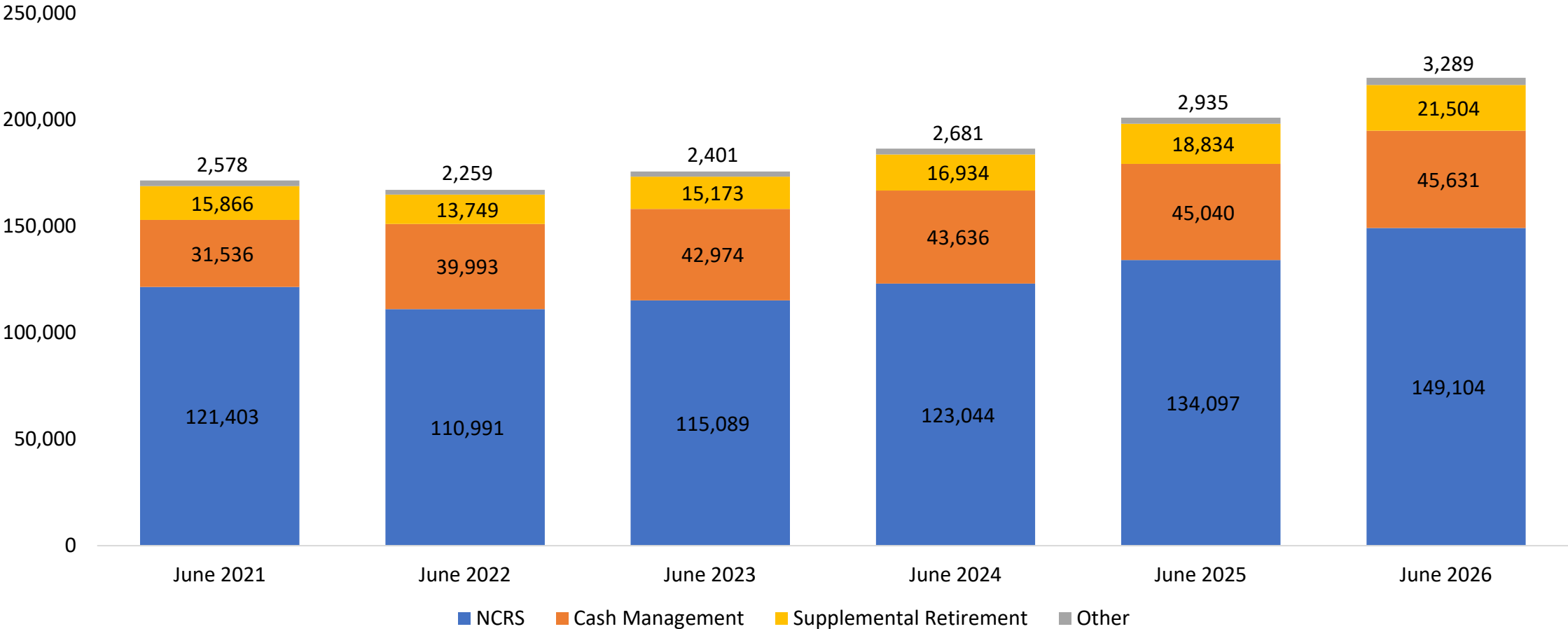
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Assets Under Management (\$MM)

\$219.53 billion as of June 30, 2026



Note: The Cash Management Program does not include Assets with Fiscal Agent, which are reflected in the Bond Proceeds Fund. These funds, which may have been reported in the Cash Management Program previously, have now been removed for all years shown in this report to more accurately reflect the Cash Management Program balance.

Section 2: Macro Positioning and Recent Activity



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Summary View of Macro, Markets, and Portfolio Environment

Macro

- Despite moderating GDP growth in Q2 (+1.5%), U.S. corporate profits continued to grow more than 25% YoY in Q1
 - SPX earnings growth >50% in Q2 thus far.
- Inflation remains sticky and continues to be driven by the Iran conflict and supply-chain disruptions.
- Labor conditions remained broadly stable but cooled: unemployment was 4.2% in June while payroll growth slowed.
 - July jobs number showed a loss of 23K
- Transition to new Fed Chair occurred in June. Adapting to a less transparent Fed brings increased uncertainty around forward fed funds rates
- Heavy Treasury financing and elevated long-term yields kept term premium and duration risk in focus.
 - Steeper yield curve
 - Long rates highest since 2007
- Base case: slower expansion, elevated inflation, and geopolitical uncertainty constrained policy flexibility.

Markets

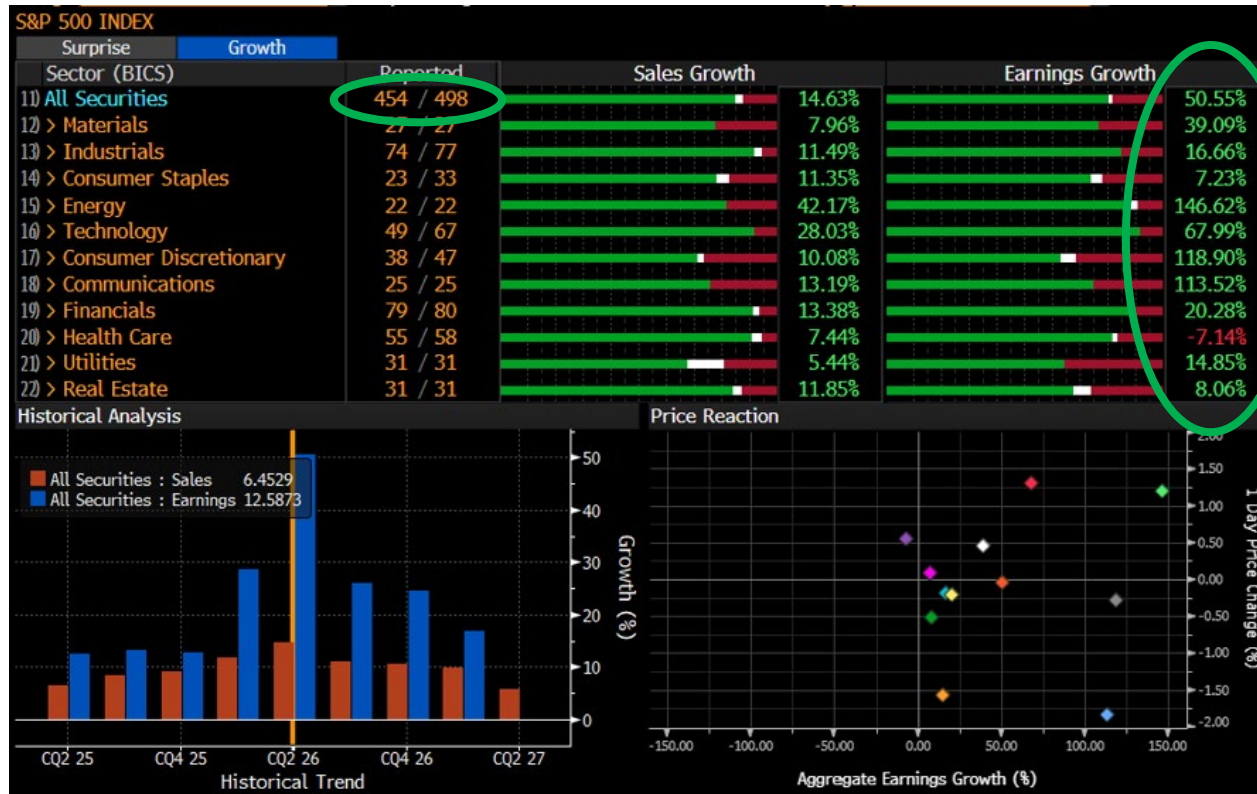
- Risk assets remained resilient through Q2 despite geopolitical volatility, while leadership continued to broaden across sectors.
 - July saw a severe reversal in momentum trades driven by AI-related equities
- The Middle East conflict and AI spend continued to be key macro-market variables, lifting energy-price volatility, creating a renewed inflation risk premium, and increased scrutiny on growth forecasts.
- Rates stayed under pressure as investors weighed supply shocks, fiscal issuance, and persistent inflation; long-duration assets remained vulnerable.
- Credit remained richly valued: U.S. high-yield spreads ended June near 2.75%, tighter than at the start of the quarter and offering limited cushion.
- Developed ex-U.S. equities retained valuation appeal, but greater sensitivity to energy and trade shocks complicated the relative-growth case.



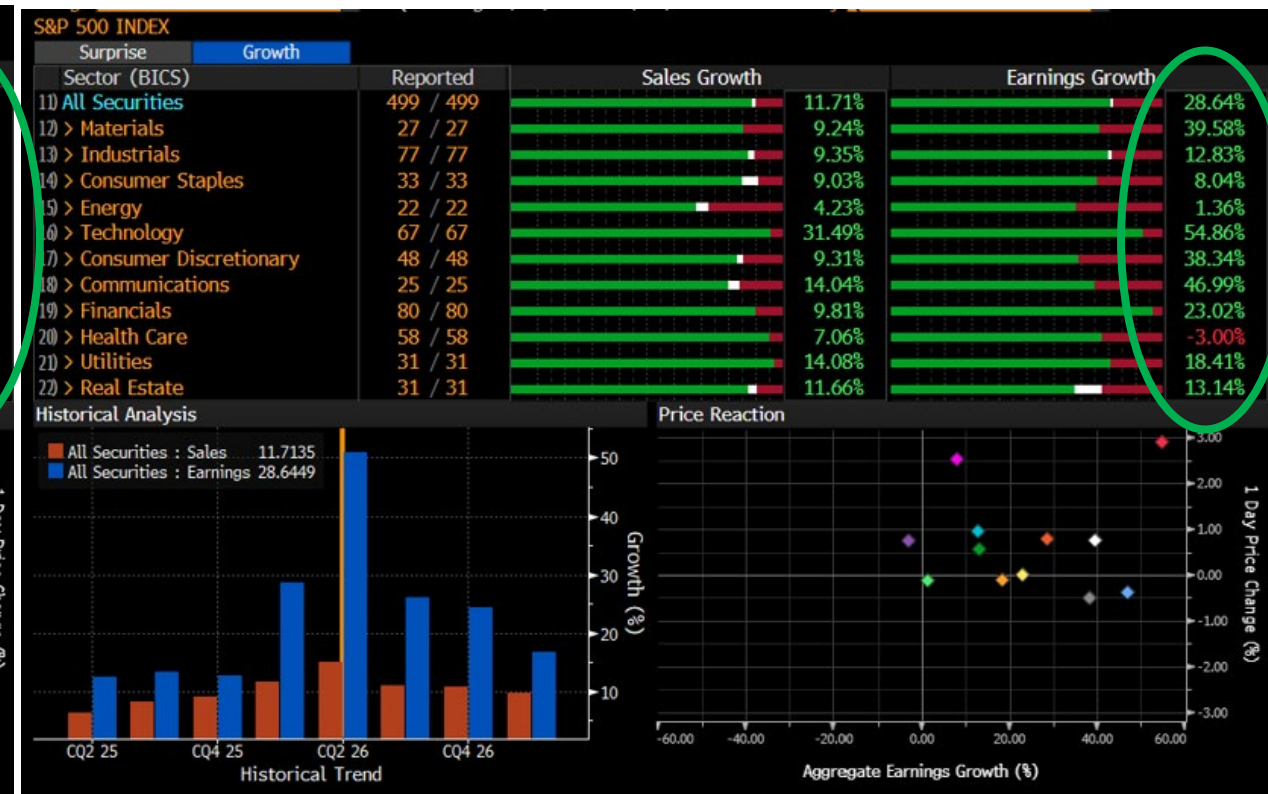
Summary View of Macro, Markets, and Portfolio Environment

- Earnings and sales growth continued to accelerate into Q2
- Wall Street expects 33% earnings growth over the next 12 months

Q2 So Far



Q1 Earnings and Sales Growth





Summary View of Macro, Markets, and Portfolio Environment

- Stock prices have lagged earnings growth
- Forward P/E multiples contracted compared to late 2025 and Q1 2026, despite torrid earnings growth





Summary View of Macro, Markets, and Portfolio Environment

- Market breadth has improved through Q2 and into Q3
- Percent of S&P 500 Index stocks trading above its 200-day moving average has improved to more than 70%





Summary View of Macro, Markets, and Portfolio Environment

- Realized 3-month correlations between S&P 500 names has fallen near all time lows
- 2nd percentile historically





Near-Term Environment and NCRS Portfolio Activity

Management view: the near-term opportunity set continues to favor resilience over broad beta and relatively neutral positioning as slower macro growth and elevated inflation offset strong investment and earnings support.

Recent Actions

- Throughout Q2 and into the summer, continue to move the portfolio closer to the Board-approved strategic allocation.
- Reduced an overweight to duration and continued adding to real asset equity.
- Steady deployment of capital toward less correlated and convex strategies that can take advantage of market volatility.
- These moves are policy-aligned and reduce exposure to the Fund's most immediate macro and geopolitical risks.

Risk / Opportunity Set

- Competing forces remain:
 - ✓ Support from strong capital investment, productivity, AI build-out, and resilient corporate fundamentals.
 - ✓ Slower Q2 growth, elevated inflation, Middle East stress, and high long-term bond yields.
- Attractive: shorter-duration real estate credit, listed infrastructure, natural resources, REITs, and Multi-Strategy
- Less attractive: long-duration fixed income and broad international equity beta where growth sensitivity can outweigh valuation support.

Portfolio Implications

- Measured reduction to U.S. Equity overweight given prospects for slower growth rates into year-end
- Keep long-duration exposure disciplined: elevated long-term yields and inflation uncertainty can pressure both duration and equity valuations.
- Real estate credit, listed real assets, and REITs can diversify energy/inflation risk and offer less dependence on broad equity beta.
- Multi-Strategy remains well suited to a volatile, dispersion-rich environment, though it may lag if a sustained risk-on rally resumes.

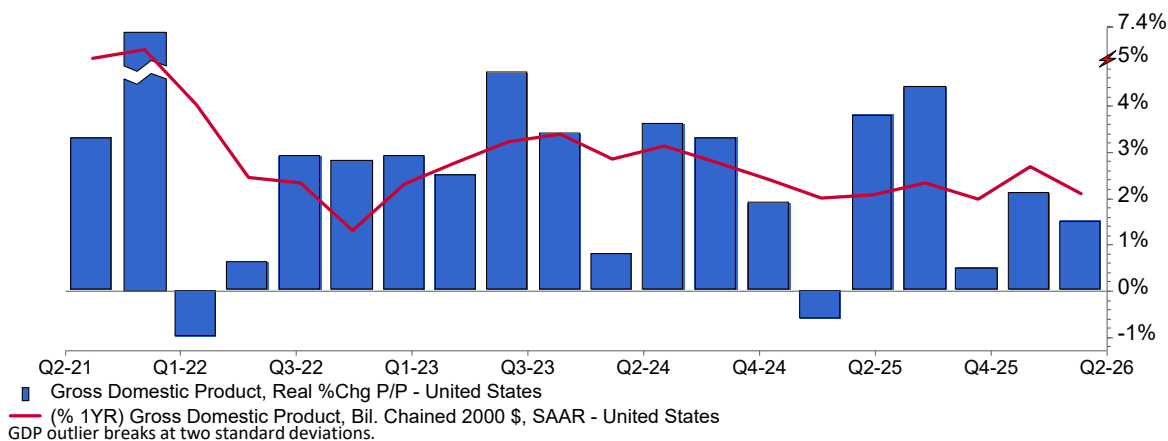


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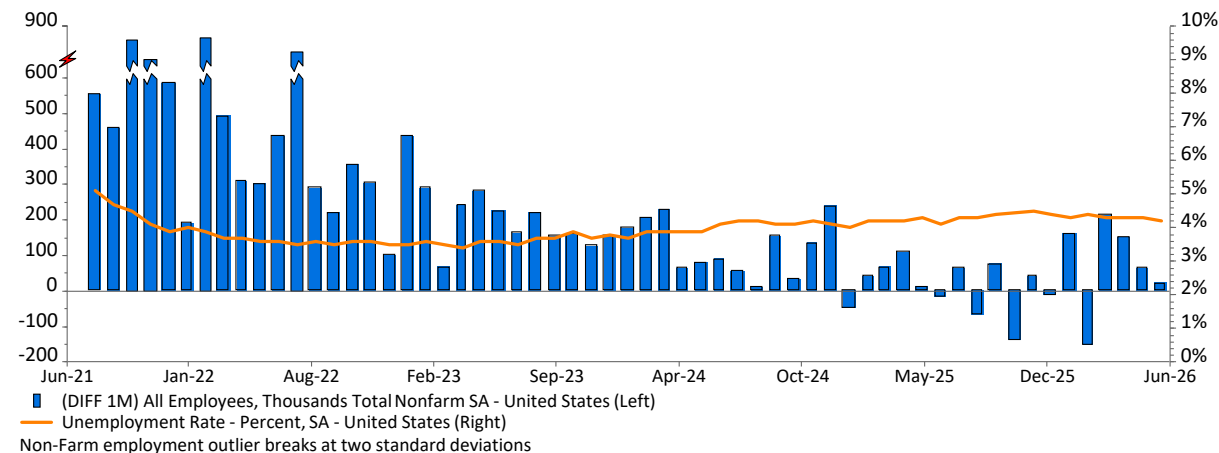
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US Economic Environment

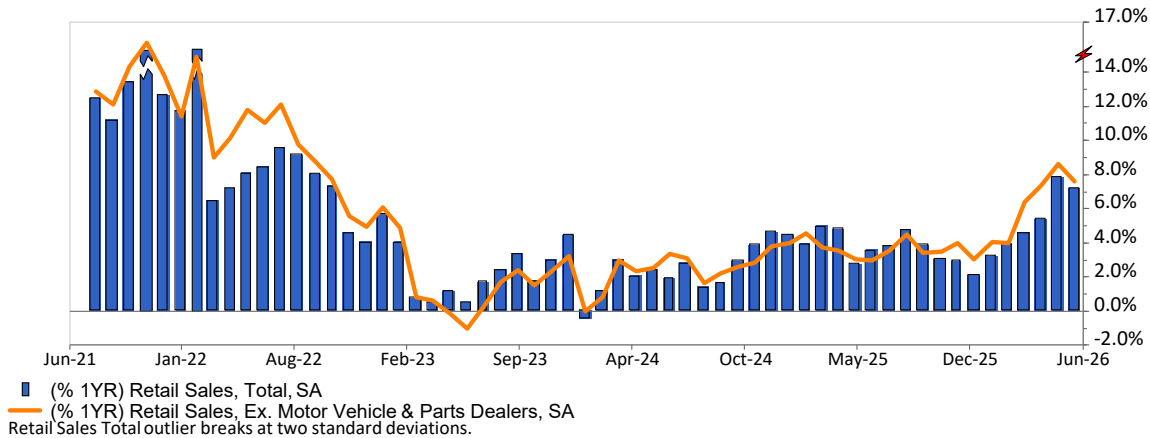
US Real GDP Growth



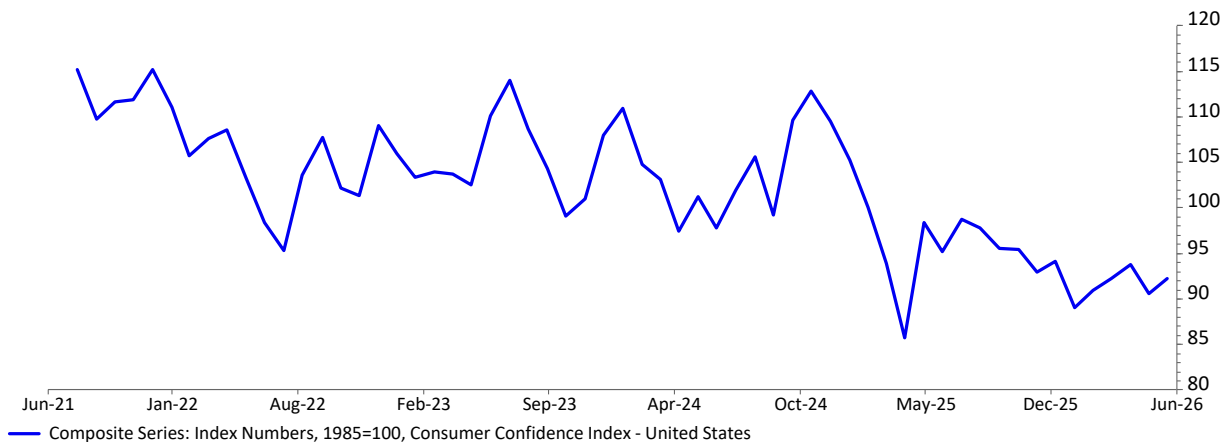
US Change in NonFarm Employment & Unemployment Rate



US Retail Sales



US Consumer Confidence



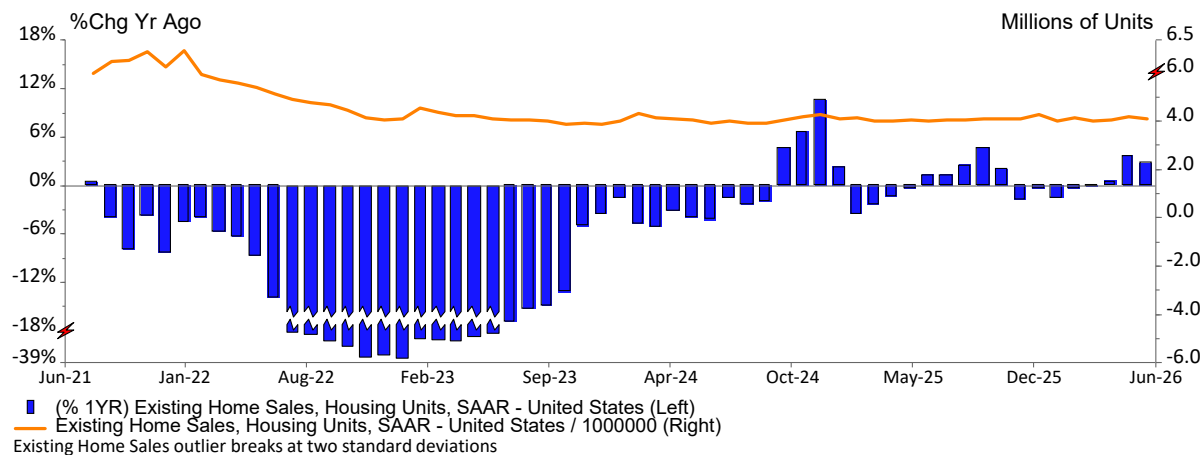


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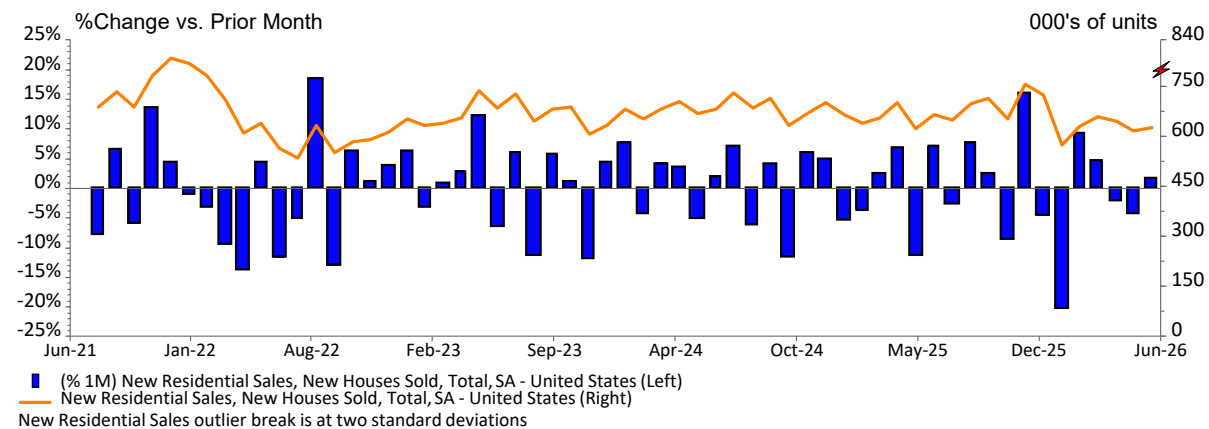
US Economic Environment

US Existing Home Sales



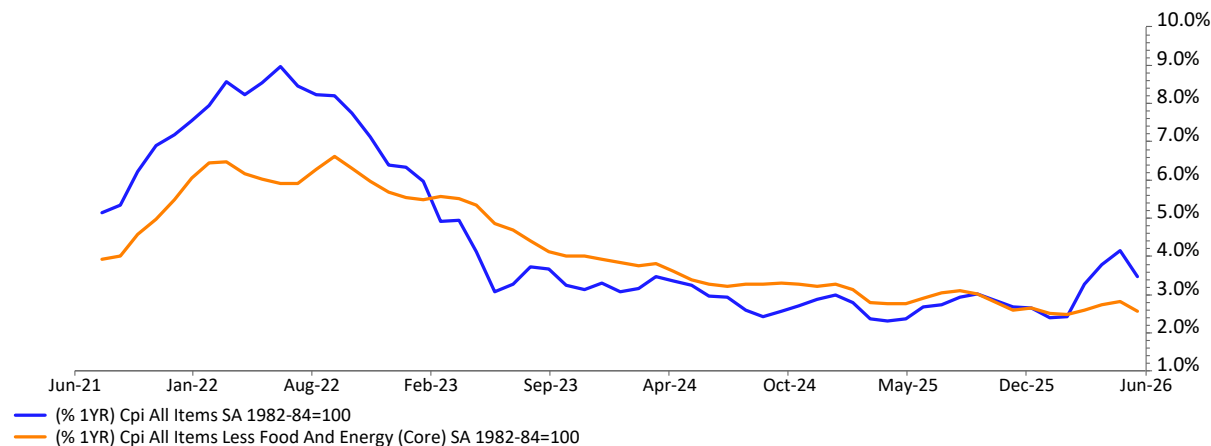
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US New Home Sales



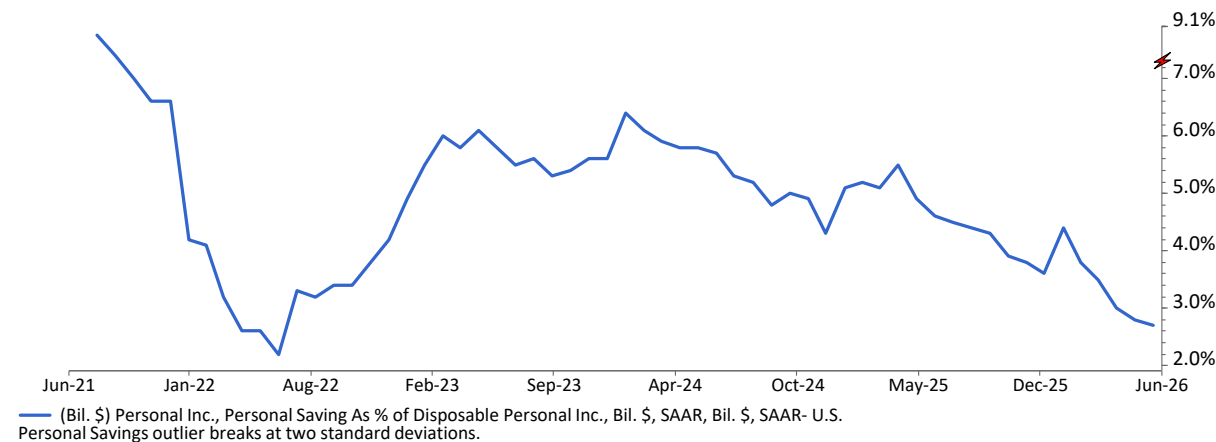
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US Consumer Price Inflation



©FactSet Research Systems

US Personal Savings Rate



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NCRS Asset Allocation

As of June 30, 2026

	Market Value (\$MM)	%	Range			Mid Relative %	Mid Relative \$
			Min	Mid	Max		
Equity	\$90,141	60.46%	55%	62%	75%	-1.54%	(\$2,303)
Corporate Equity	71,904	48.22%	23%	44%	66%	4.22%	6,298
<i>Public Equity</i>	63,573	42.64%	20%		48%		
<i>Private Equity</i>	8,331	5.59%	3%		18%		
Real Asset Equity	18,237	12.23%	6%	18%	28%	-5.77%	(\$8,602)
<i>Real Estate</i>	10,263	6.88%	3%		10%		
<i>Infrastructure and Natural Resources</i>	7,974	5.35%	3%		18%		
Debt	\$52,106	34.95%	25%	35%	45%	-0.05%	(\$80)
Investment Grade	35,713	23.95%	15%	25%	37%	-1.05%	(\$1,563)
Credit	12,636	8.47%	3%	9%	14%	-0.53%	(\$784)
Cash	3,757	2.52%	0%	1%	5%	1.52%	2,266
Multi-Strategy	\$6,857	4.60%	0%	3%	10%	1.60%	\$2,384
Grand Total	\$149,104						

Statutory Limitations	Status
Investment Grade Fixed Income minimum of 20%	Compliant
Illiquid assets maximum of 40%	Compliant



NCRS Asset Allocation (Preliminary)

As of August 18, 2026

	Market Value (\$MM)	%	Range			Mid Relative %	Mid Relative \$
			Min	Mid	Max		
Equity	\$91,896	61.25%	55%	62%	75%	-0.75%	(\$1,128)
Corporate Equity	69,536	46.35%	23%	44%	66%	2.35%	3,519
<i>Public Equity</i>	<i>61,004</i>	<i>40.66%</i>	<i>20%</i>		<i>48%</i>		
<i>Private Equity</i>	<i>8,531</i>	<i>5.69%</i>	<i>3%</i>		<i>18%</i>		
Real Asset Equity	22,360	14.90%	6%	18%	28%	-3.10%	(\$4,647)
<i>Real Estate</i>	<i>12,265</i>	<i>8.17%</i>	<i>3%</i>		<i>10%</i>		
<i>Infrastructure and Natural Resources</i>	<i>10,094</i>	<i>6.73%</i>	<i>3%</i>		<i>18%</i>		
Debt	\$50,405	33.59%	25%	35%	45%	-1.41%	(\$2,109)
Investment Grade	33,464	22.30%	15%	25%	37%	-2.70%	(\$4,046)
Credit	13,740	9.16%	3%	9%	14%	0.16%	236
Cash	3,201	2.13%	0%	1%	5%	1.13%	1,701
Multi-Strategy	\$7,738	5.16%	0%	3%	10%	2.16%	\$3,237
Grand Total	\$150,039						

Statutory Limitations	Status
Investment Grade Fixed Income minimum of 20%	Compliant
Illiquid assets maximum of 40%	Compliant



Rebalancing Activity – In Progress

Since May 27th Board Meeting

Sources		
Portfolio	Fund	Amount
Public Equity	Internal Russell 1000	\$1,600M
Public Equity	Internal Core Factor	\$850M
Public Equity	Internal Small Cap	\$250M
Public Equity	BlackRock ACWI ex U.S. Passive	\$650M
Public Equity	Baillie Gifford International Growth	\$150M
Public Equity	Wellington Diversified International	\$100M
Public Equity	Mondrain ACWI ex U.S.	\$800M
IG Fixed	LTIP Accounts	\$1,500
Cash	Portfolio Cash	\$1,250M
Total		\$7,150M

Uses		
Portfolio	Fund	Amount
Real Estate	BlackRock World REIT	\$2,000M
Infra & Nat RE	Internal Public Staging	\$2,000M
Multi-Strategy	Walleye Opportunities	\$500M
Multi-Strategy	Brevan Howard Alpha Strategies	\$200M
Multi-Strategy	Brevan Howard Special Opportunities	\$50M
Multi-Strategy	Broad Reach	\$250M
Multi-Strategy	Deem Global	\$400M
Multi-Strategy	Thebes	\$250M
Credit	Multiple Managers ABF Focus	\$1,500M
Total		\$7,150M



Asset Allocation Trends

Since May 27th Board Meeting

	Target	5/31/2026 Weight	6/30/2026 Weight	7/31/2026 Weight	8/10/2026 Weight	Change from 5/31
Equity	62%	59.31%	60.46%	60.80%	61.25%	1.94%
Corporate Equity	44%	49.55%	48.22%	45.81%	46.35%	-3.20%
<i>Public Equity</i>		44.09%	42.64%	40.12%	40.66%	-3.43%
<i>Private Equity</i>		5.45%	5.59%	5.70%	5.69%	0.24%
Real Asset Equity	18%	9.76%	12.23%	14.98%	14.90%	5.14%
<i>Real Estate</i>		6.80%	6.88%	8.30%	8.17%	1.37%
<i>Infrastructure and Natural Resources</i>		2.96%	5.35%	6.68%	6.73%	3.77%
Debt	35%	36.43%	34.95%	34.13%	33.59%	-2.84%
Investment Grade	25%	23.90%	23.95%	22.78%	22.30%	-1.60%
Credit	9%	8.57%	8.47%	8.55%	9.16%	0.59%
Cash	1%	3.96%	2.52%	2.81%	2.13%	-1.83%
Multi-Strategy	3%	4.25%	4.60%	5.07%	5.16%	0.91%
Grand Total	100.00%	100.00%	100.00%	100.00%	100.00%	



New & Incremental Investment Commitments

Since May 27th Board Meeting

<u>Fund Name</u>	<u>Firm Name</u>	<u>New or Incremental Commitment (\$MM)</u>
Public Equity		
Frazier Life Sciences Public Fund	Frazier Life Sciences	\$155
Private Equity		
NCL IV LP – Outside Opportunities A	Ares Management	\$1,500
PSG Europe III SCSp	PSG Equity	\$225
CN Strategic Venture Tranche A & B	Pinegrove Capital Partners	\$520
Arctos Keystone Partners Fund & SMA	Arctos Partners	\$400
A16Z SMA	Andreessen Horowitz	\$1,000
Lightspeed AI Renaissance Fund	Lightspeed Venture Partners	\$125
Real Estate		
BlackRock World REIT	BlackRock	\$2,000
TPG Net Lease Co-Investment SMA	TPG	\$200



New & Incremental Investment Commitments

Since May 27th Board Meeting

<u>Fund Name</u>	<u>Firm Name</u>	<u>New or Incremental Commitment (\$MM)</u>
Credit		
North Star Investment Holdings LLC Series IV & V	Barings	\$2,100
NCRED – B	Benefit Street Partners	\$900
Marathon Currituck	Marathon Asset Management	\$300
Infrastructure and Natural Resources		
Eagle Tower LP and Little Sister Road SMA LP	LS Power	\$1,200
NC Garnet Infra Staging Portfolio	BlackRock	\$1,000
Melange Secondary Partners II	Melange Capital Partners	\$130
Internal Public Infrastructure	NCIA	\$2,000
Multi-Strategy		
Walleye Opportunities Fund	Walleye	\$500
Brevan Howard Alpha Strategies & Special Opps Fund	Brevan Howard	\$400
Broad Reach Fund	Broad Reach Investment Management	\$250
Deem Global Macro Fund	Deem Global	\$200



Exited Investments

Since May 27th Board Meeting

<u>Fund Name</u>	<u>Redemption Amount (\$MM)</u>	<u>Redemption Effective</u>
Public Equity		
None		
Private Equity		
None		
Real Estate		
None		
Infrastructure and Natural Resources		
None		
Credit		
None		
Multi Strategy		
None		



New Fund Pipeline as of August 18, 2026

Asset Class Pipeline			
Asset Class	Estimated Amount (\$MM)	# of Deals	Comments
Credit	\$2,700	3	Special Situations, Real Asset Lending, CRE Debt
Infrastructure	\$3,200	4	Power generation, data centers (US and Asia)
Multi-Strategy	\$1,200	5	Opportunistic, Opportunistic EM Macro, Event Driven
Natural Resources	\$1,000	1	Oil and Gas
Private Equity	\$2,300	8	Buyout, Venture, Growth (includes \$500m of Public Equity team private coinvestments)
Real Estate	\$1,000	5	Core and Opportunistic
Total	\$11,400	26	

Section 3: Performance Analysis



NORTH CAROLINA

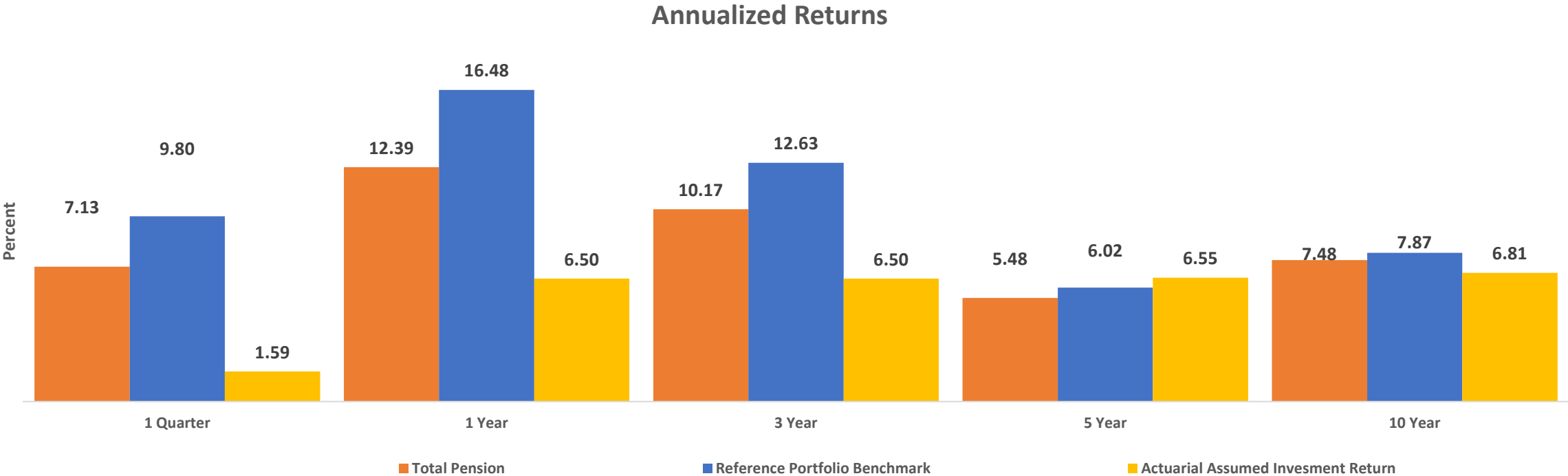
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NCRS Total Net Portfolio Return vs. Benchmarks

As of June 30, 2026



Notes:

Actuarial Assumed Investment Return was lowered from 7.0% to 6.5% as of December 31, 2020.

Returns for periods greater than one year are annualized.

The Reference Portfolio Benchmark is comprised of 65% MSCI ACW IMI Net and 35% ICE BofA 5+ Years U.S. Treasury Index from March 2026 onward. The structure of this benchmark has changed overtime as the investment policy has changed, and the returns reflect the historical structure that was in place at the time. Most recently, it was comprised of 57% MSCI ACWI IMI Net, 33% ICE BofA 5+ Years U.S. Treasury Index, 6% Bloomberg Commodity Index, and 4% ICE BofA 1-3 Years U.S. Inflation-Linked Treasury Index.



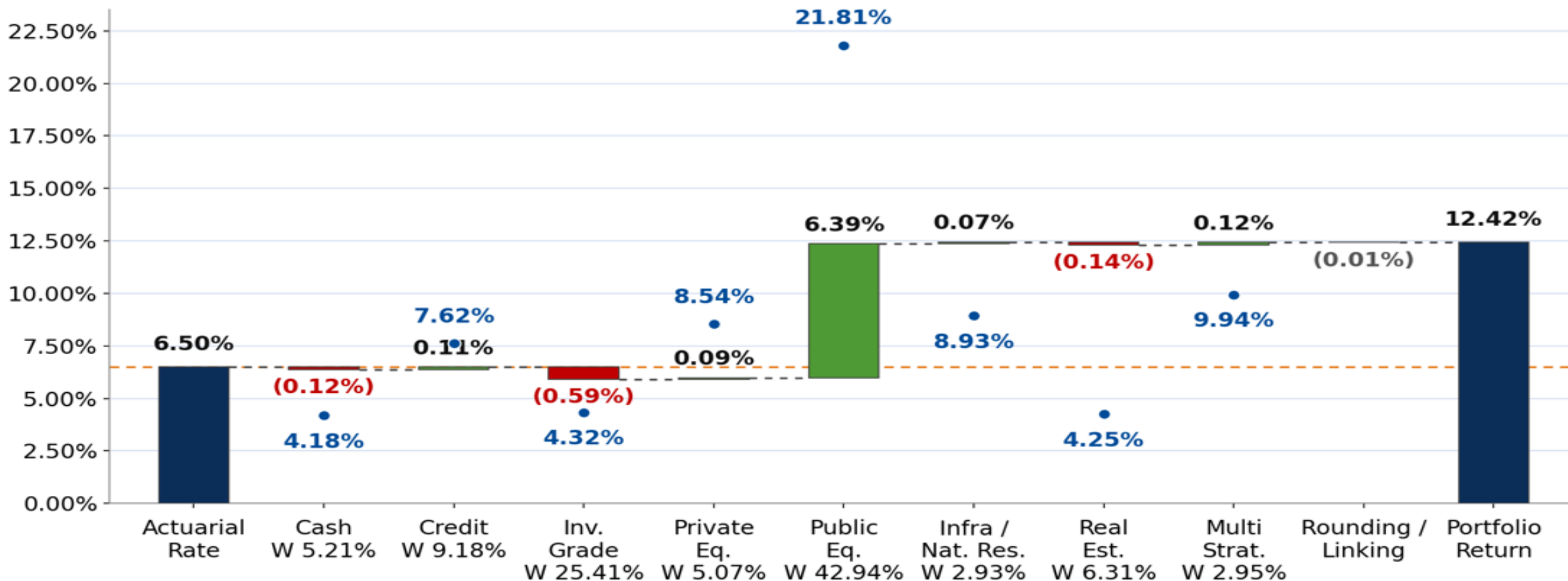
Asset Class Attribution - Actuarial Rate of Return – 1 Year Horizon

Actuarial rate 6.50% | Portfolio return 12.42% | Excess return 5.92% | Excess contribution 5.92%

Green/red bars = excess contribution | Blue dots = asset class return | Orange dashed line = benchmark / actuarial rate

1-Year: Actuarial Rate to Portfolio Return

21.81%



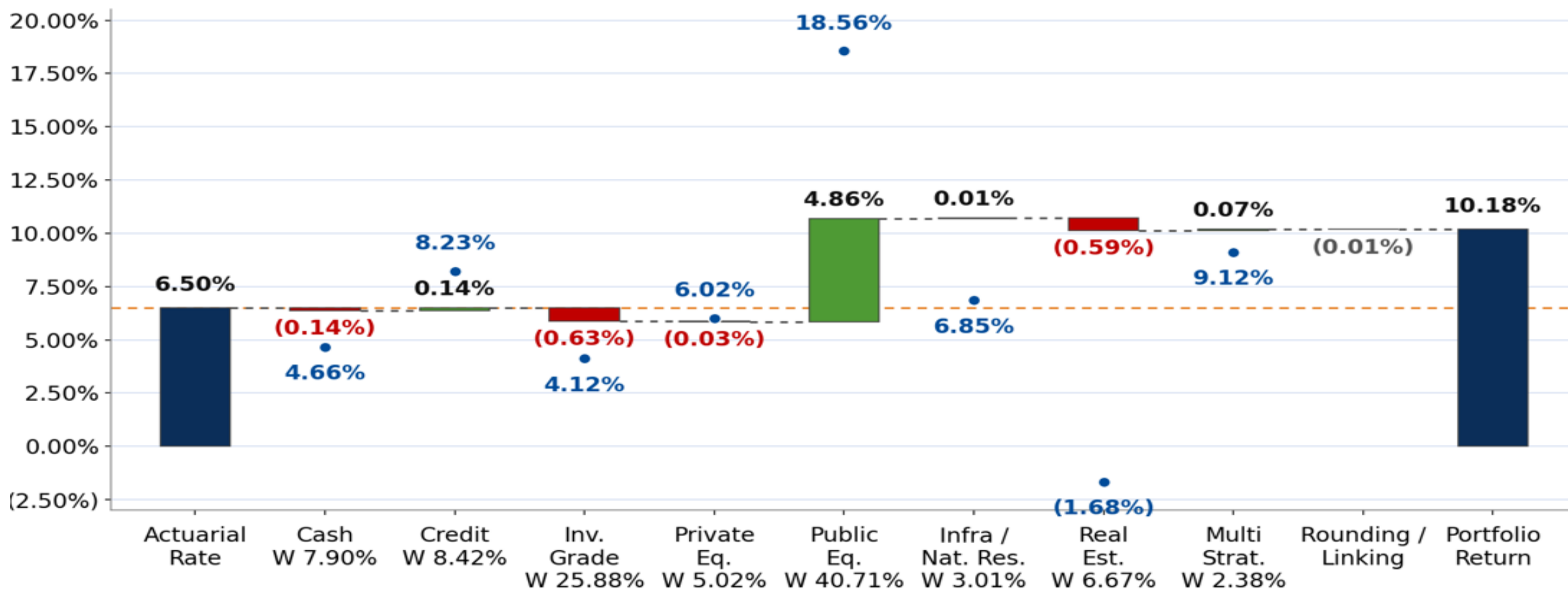


Asset Class Attribution - Actuarial Rate of Return – 3 Year Horizon

Actuarial rate 6.50% | Portfolio return 10.18% | Excess return 3.68% | Excess contribution 3.68%

Green/red bars = excess contribution | Blue dots = asset class return | Orange dashed line = benchmark / actuarial rate

3-Year: Actuarial Rate to Portfolio Return





Asset Class Attribution - Reference Portfolio Benchmark

1-Year Attribution									
Asset Class	Portfolio Weight	Benchmark Weight	Excess Weight	Portfolio Return	Benchmark Return	Excess Return	Allocation Effect	Selection + Interaction	Total Effect
Cash	5.21%	-	5.21%	4.18%	3.88%	0.30%	(0.66%)	0.02%	(0.64%)
Credit	9.18%	-	9.18%	7.62%	7.64%	(0.02%)	(0.81%)	(0.02%)	(0.82%)
Investment Grade	25.41%	33.67%	(8.25%)	4.32%	2.78%	1.54%	1.18%	0.43%	1.62%
Private Equity	5.07%	-	5.07%	8.54%	11.50%	(2.97%)	(0.25%)	(0.17%)	(0.42%)
Public Equity	42.94%	59.67%	(16.73%)	21.81%	24.22%	(2.41%)	(1.40%)	(0.98%)	(2.38%)
Infrastructure & Natural Resources	2.93%	6.67%	(3.74%)	8.93%	17.94%	(9.01%)	(0.12%)	(0.25%)	(0.37%)
Real Estate	6.31%	-	6.31%	4.25%	4.64%	(0.39%)	(0.81%)	(0.02%)	(0.83%)
Multi Strategy	2.95%	-	2.95%	9.94%	7.90%	2.04%	(0.24%)	0.04%	(0.20%)
Total	100.00%	100.00%	-	12.42%	16.48%	(4.06%)	(3.10%)	(0.95%)	(4.06%)



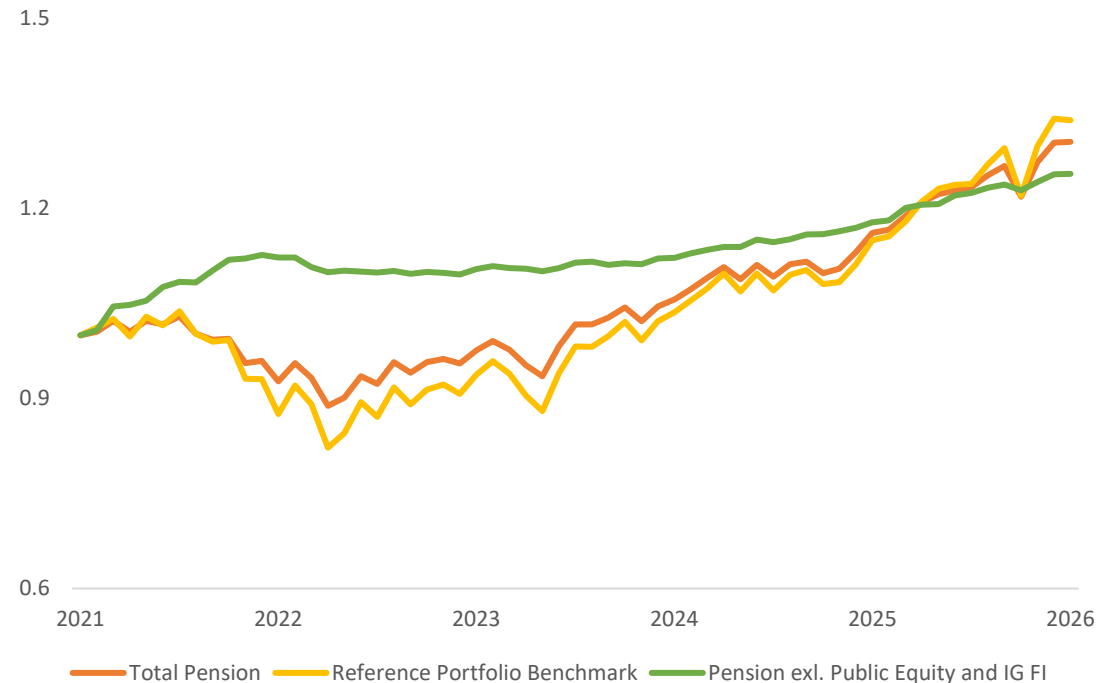
Asset Class Attribution - Reference Portfolio Benchmark

3-Year Attribution									
Asset Class	Portfolio Weight	Benchmark Weight	Excess Weight	Portfolio Return	Benchmark Return	Excess Return	Allocation Effect	Selection + Interaction	Total Effect
Cash	7.90%	2.78%	5.13%	4.66%	4.68%	(0.03%)	(0.38%)	(0.01%)	(0.39%)
Credit	8.42%	-	8.42%	8.23%	6.98%	1.25%	(0.50%)	0.10%	(0.40%)
Investment Grade	25.88%	30.44%	(4.56%)	4.12%	1.66%	2.47%	0.57%	0.68%	1.25%
Private Equity	5.02%	-	5.02%	6.02%	7.59%	(1.57%)	(0.26%)	(0.09%)	(0.34%)
Public Equity	40.71%	57.33%	(16.62%)	18.56%	19.45%	(0.89%)	(1.19%)	(0.36%)	(1.55%)
Infrastructure & Natural Resources	3.01%	9.44%	(6.43%)	6.85%	9.67%	(2.82%)	0.19%	(0.08%)	0.10%
Real Estate	6.67%	-	6.67%	(1.68%)	(0.84%)	(0.83%)	(0.96%)	(0.07%)	(1.03%)
Multi Strategy	2.38%	-	2.38%	9.12%	6.72%	2.40%	(0.14%)	0.05%	(0.09%)
Total	100.00%	100.00%	-	10.18%	12.63%	(2.45%)	(2.68%)	0.23%	(2.45%)



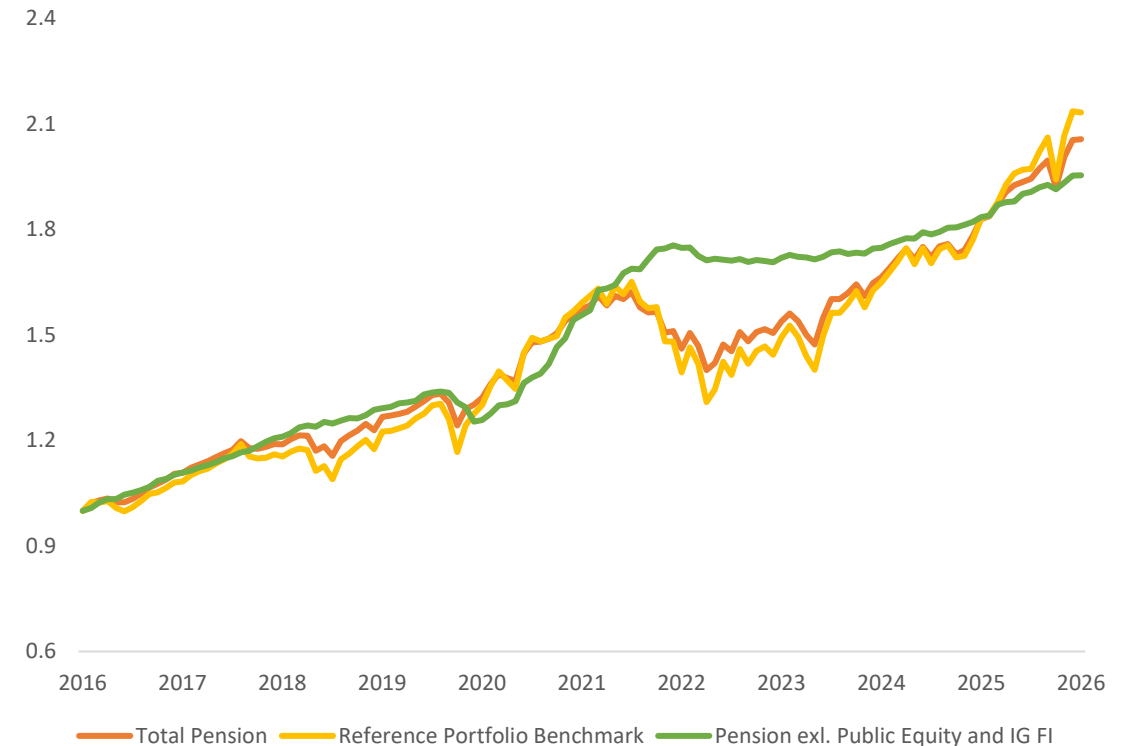
Growth of a Dollar

5 Years Ending June 30, 2026



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10 Years Ending June 30, 2026



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Note: Pension excl. Public Equity and IG FI includes the following: Core Real Estate; Inflation Sensitive – Private Natural Resources; Inflation Sensitive – Real Assets and Other Diversifiers; Multi-Strategy Investments; Non-Core Real Estate; Opportunistic Fixed Income; Private Equity; Equity Hedge Strategies; and closed-end Public Natural Resource funds.



NCRS Gross of Fees Return and Risk

BNY Universe: US Public Funds > \$20B; Data as of June 30, 2026

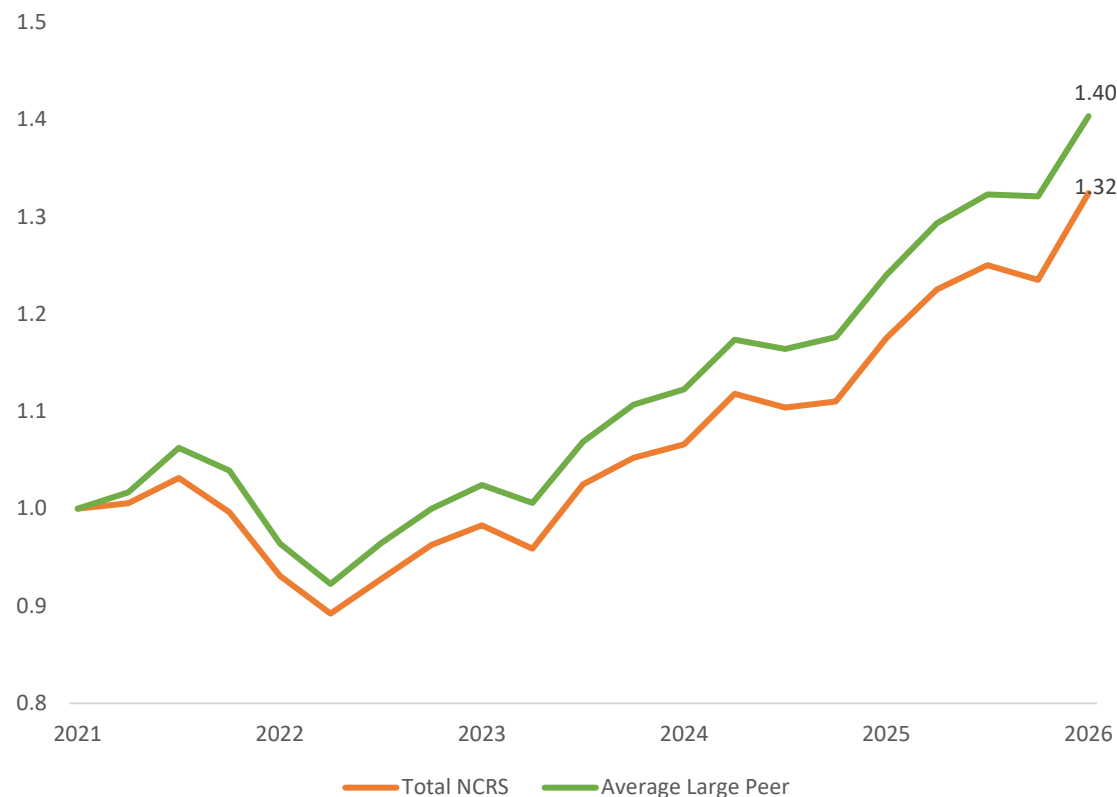
Returns	1 Year	3 Years	5 Years	5 Years Ending 2019	5 Years Ending 2014
Median Percentile	12.99	11.07	7.22	6.37	13.12
NCRS	12.68	10.45	5.78	6.05	11.98
Percentile Rank (1 = highest performance)	60	72	86	77	81
Risk					
Median Percentile	6.09	6.61	7.50	5.83	8.15
NCRS	6.39	6.61	7.33	5.06	6.97
Percentile Rank	40	50	58	77	83
Sharpe					
Median Percentile	1.50	1.01	0.49	0.93	1.23
NCRS	1.31	0.85	0.33	1.02	1.39
Percentile Rank	87	86	79	30	30

Note: Data shown is gross of fees with the exception of incentive payments, which have been deducted from NAV when applicable.

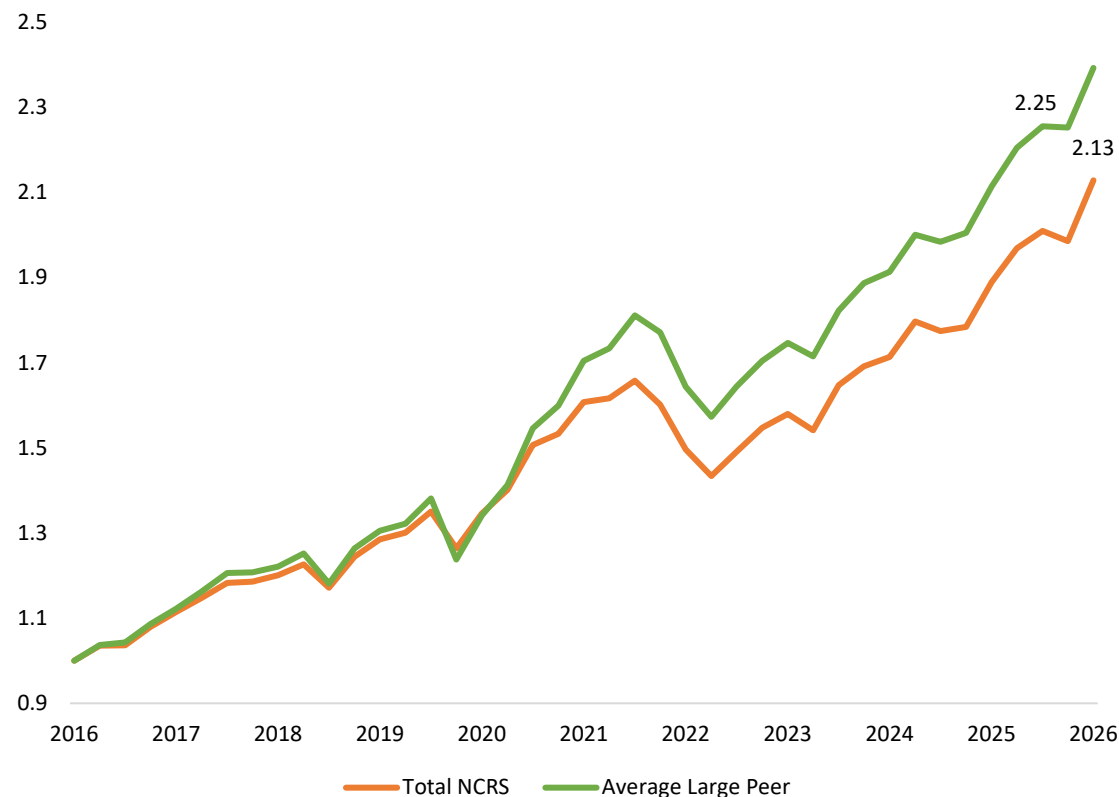


Growth of a Dollar vs Average Large Peer

5 Years Ending June 30, 2026



10 Years Ending June 30, 2026



Note: Data shown is gross of fees with the exception of incentive payments, which have been deducted from NAV when applicable.

BNY Universe: US Public Funds > \$20B; Data as of June 30, 2026.



NCRS New Asset Class Net of Fees Performance

As of June 30, 2026

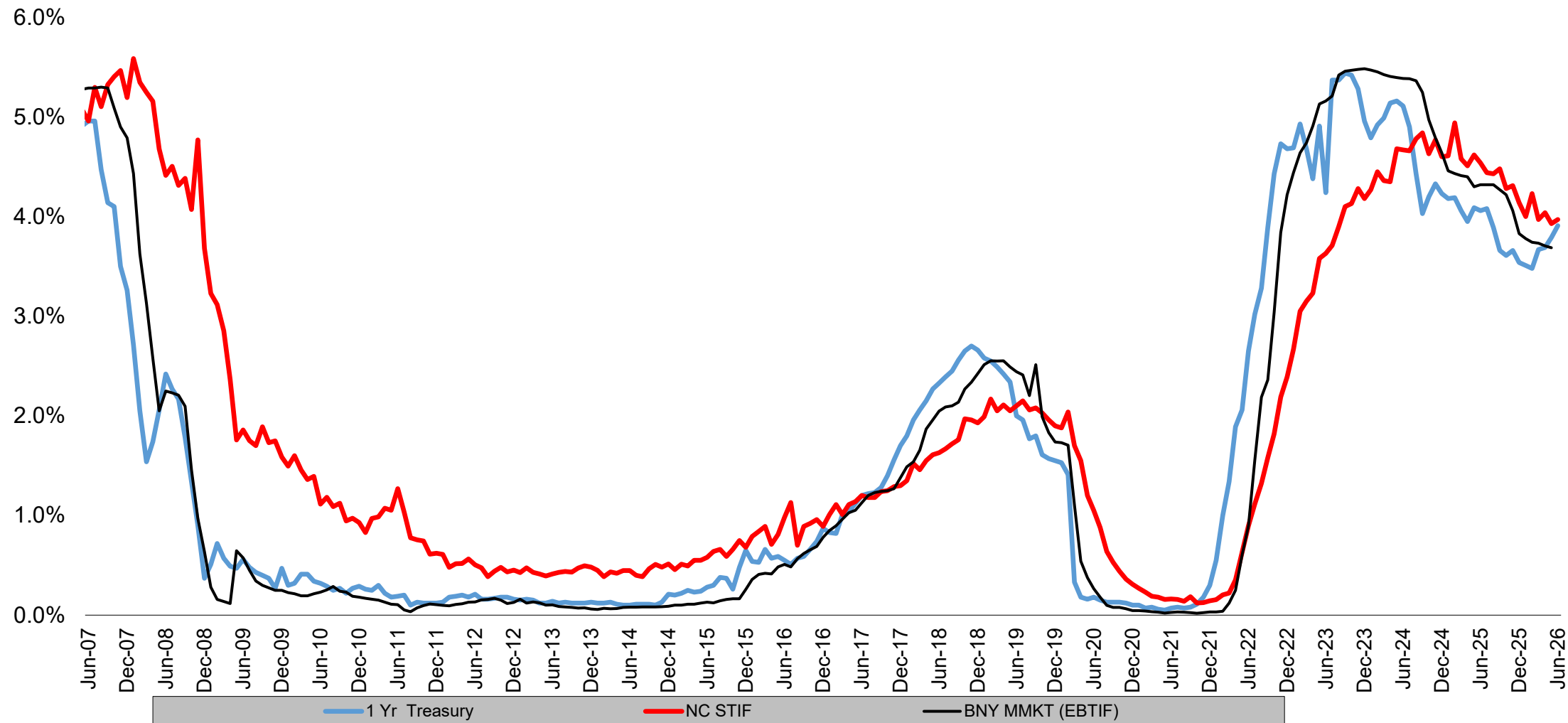
	Market Value (\$MM)	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years
Equity	\$90,141	17.78	14.06	8.04	11.08	9.48	8.83
Corporate Equity	\$71,904	20.28	17.10	8.89	12.57	10.49	9.70
Public Equity	\$63,573	21.80	18.55	9.19	12.54	10.38	8.92
Private Equity	\$8,331	8.53	6.01	5.03	11.58	10.68	11.00
Real Asset Equity	\$18,237	5.70	0.89	3.44	5.09	5.28	4.78
Infrastructure & Natural Resources	\$7,974	8.93	6.85	9.60	6.95	3.11	3.65
Real Estate	\$10,263	4.25	-1.68	0.88	4.33	6.79	5.44
Debt	\$52,106	5.03	5.06	2.08	3.00	3.67	4.81
Cash	\$3,757	4.19	4.66	3.40	2.37	-	-
Investment Grade Fixed Income	\$35,713	4.32	4.12	-0.17	1.80	2.96	4.25
Credit	\$12,636	7.61	8.23	6.13	6.73	6.21	7.24
Multi-Strategy	\$6,857	9.93	9.13	6.15	5.92	6.79	5.42
Alpha Book	\$4,299	13.12	13.05	7.96	3.76	2.56	2.27
Total Portfolio	\$2,558	7.62	7.90	5.49	6.18	-	-
Total Pension Plan	\$149,104	12.41	10.17	5.48	7.48	6.98	6.49
Actuarial Rate of Return		6.50	6.50	6.55	6.81	6.95	7.03
Reference Portfolio (65/35)		16.48	12.63	6.03	7.87	6.87	6.51

The Reference Portfolio Benchmark is comprised of 65% MSCI ACW IMI Net and 35% ICE BofA 5+ Years U.S. Treasury Index from March 2026 onward. The structure of this benchmark has changed overtime as the investment policy has changed, and the returns reflect the historical structure that was in place at the time. Most recently, it was comprised of 57% MSCI ACWI IMI Net, 33% ICE BofA 5+ Years U.S. Treasury Index, 6% Bloomberg Commodity Index, and 4% ICE BofA 1-3 Years U.S. Inflation-Linked Treasury Index.



Short Term Portfolio (STIF) Rate History

\$48.5 Billion AUM as of June 30, 2026



SOURCE: Bloomberg and BNY Mellon

Section 4: Risk Metrics



NORTH CAROLINA

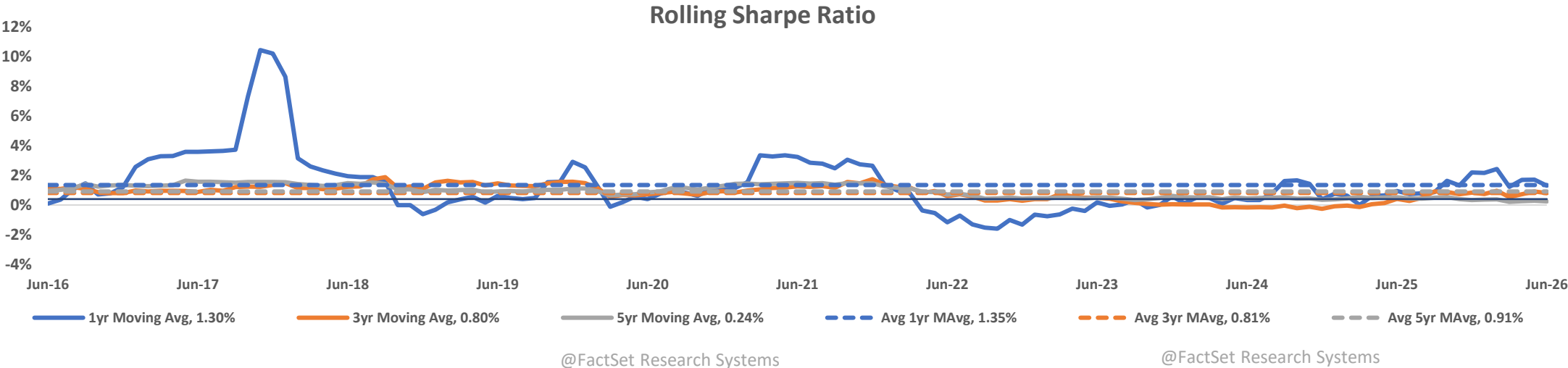
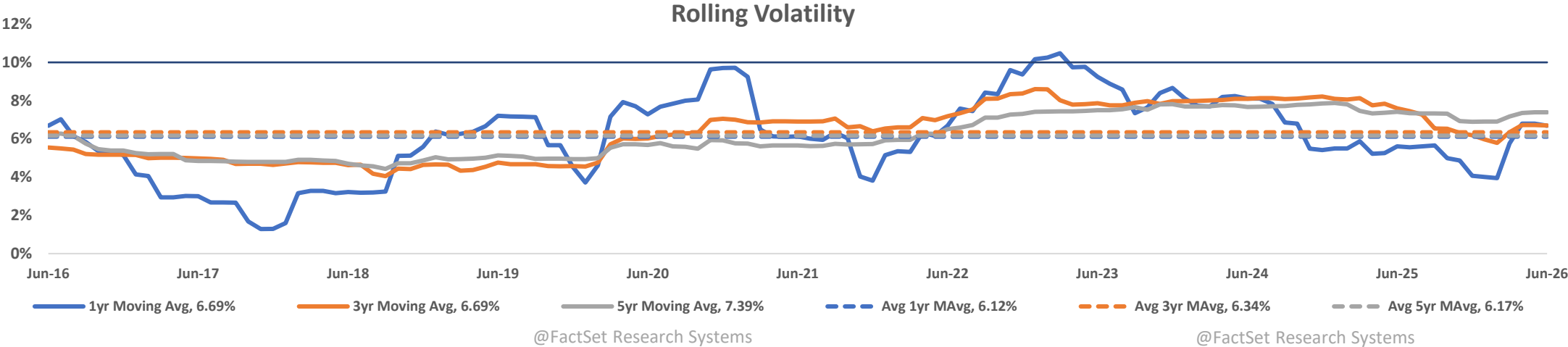
INVESTMENT AUTHORITY

Bradford B. Briner, State Treasurer and Chairman of the Board



NCRS Net of Fees Risk Metrics

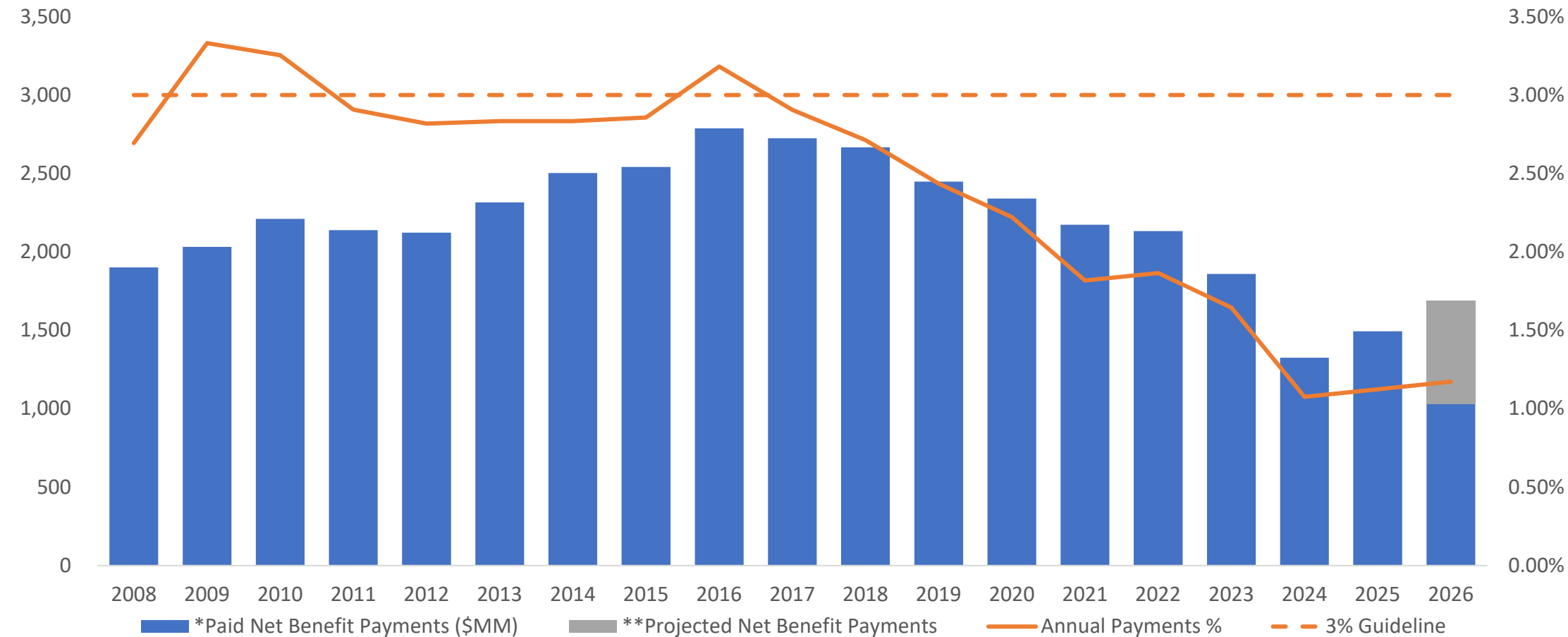
As of June 30, 2026





NCRS Liquidity Profile

Net benefit payments by calendar year

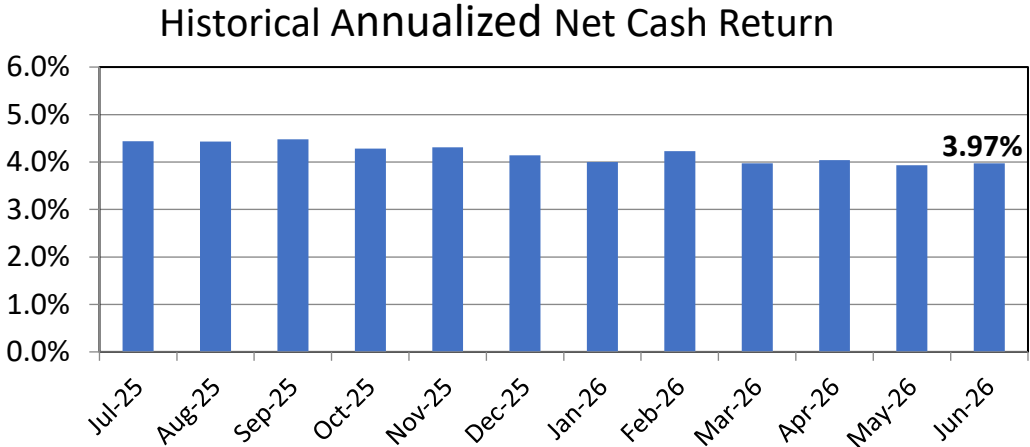


*Benefit payments exclude transfers from the Retiree Health Premium Fund as of January 1, 2022.

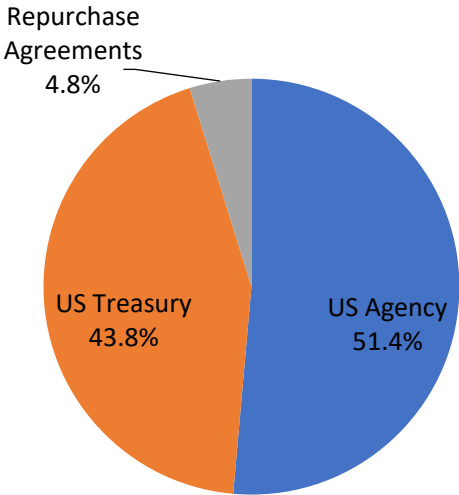
**Projected Net Benefit Payments for remainder of calendar year.



Cash Management Risk Profile



STIF Allocation



Portfolio Characteristics	Month ending 6/30/26
Current Annualized Net Cash Return	3.97%
Effective Duration	1.27
Average Maturity (Yrs)	2.2
Average Credit Rating (Moody's)	Aa1
Average Price	100.03
Average Coupon	4.03%

STIF Liquidity Profile as of 6/30/26		
	Allocation	Policy Target
Maturity < 1 Year	48.6%	40% Min
Maturity 1-3 Year	15.1%	40% Max
Maturity 3-5 Year	36.3%	40% Max

Appendix 1: Macro Charts



NORTH CAROLINA

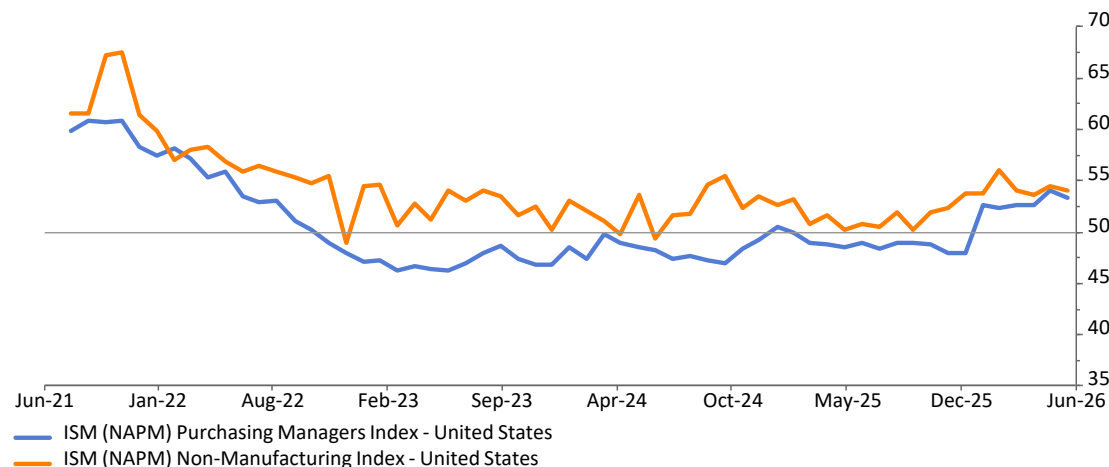
INVESTMENT AUTHORITY

Bradford B. Briner, State Treasurer and Chairman of the Board



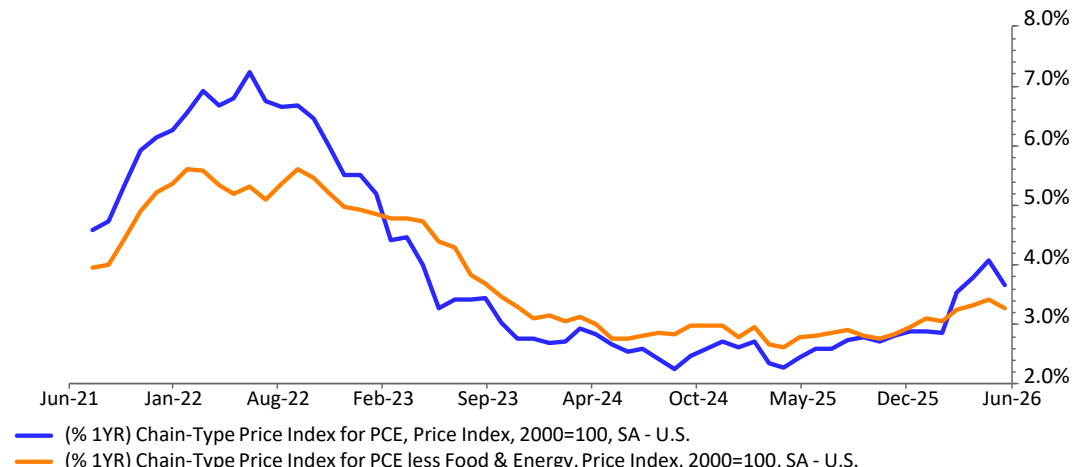
US and Global Economic Environment

ISM Report on Business



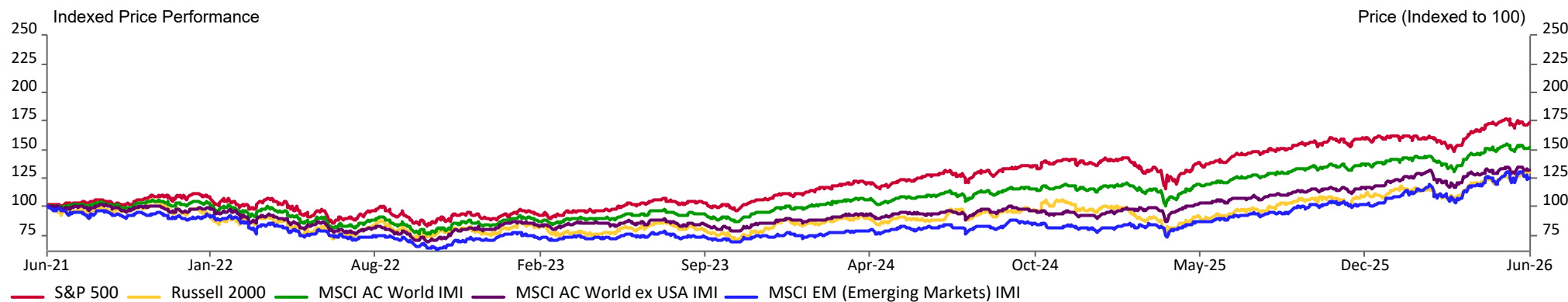
©FactSet Research Systems

US PCE Inflation



©FactSet Research Systems

S&P 500 vs. Peers

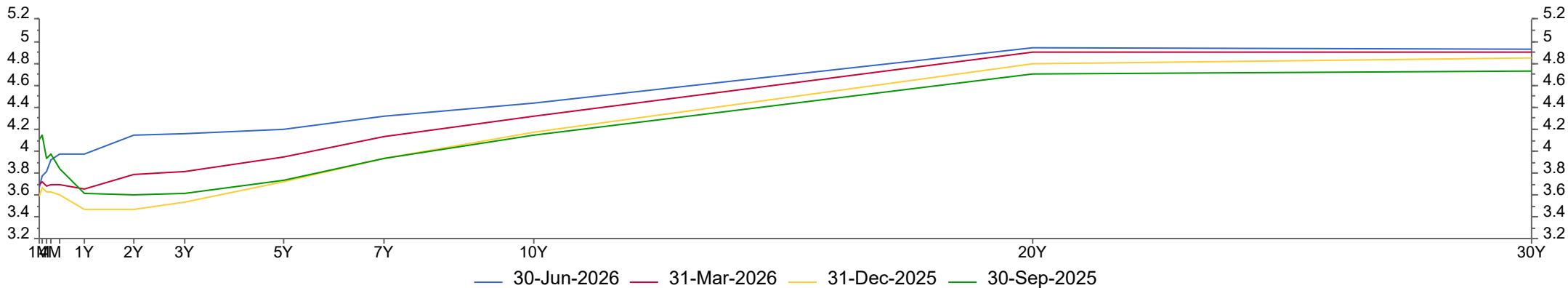


Source: FactSet Prices



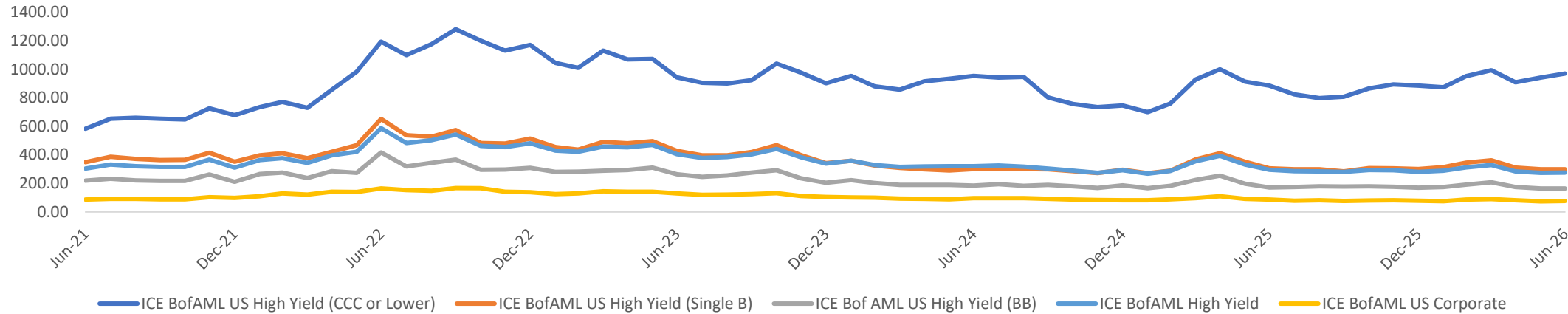
Market Environment

United States Treasury Yield Curve



Source: FactSet Interest Rate Database

Corporate Credit OAS (ICE BAML Indices)

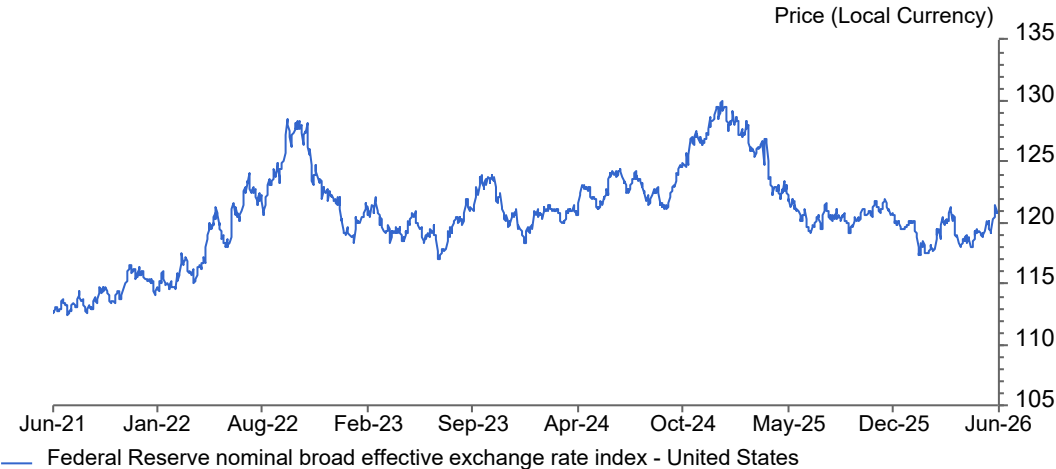


Source: ICE BAML



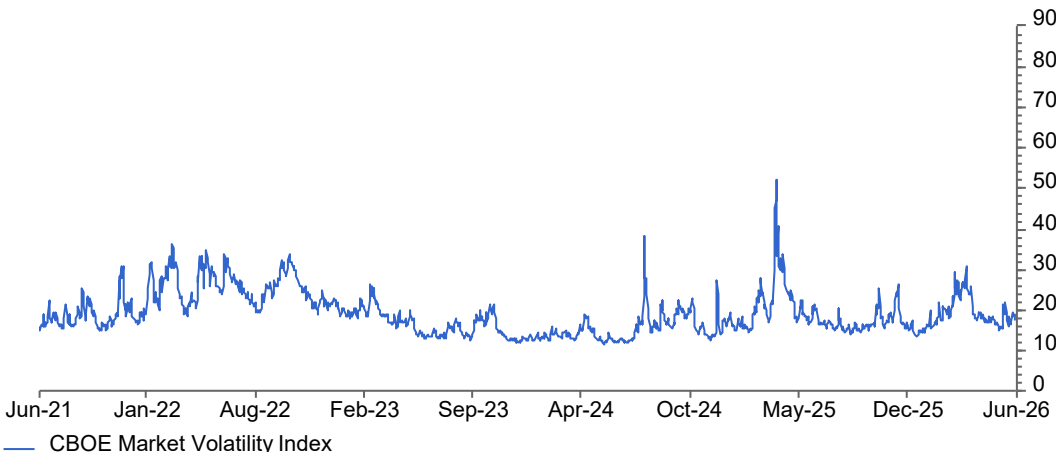
Market Environment

Closing Price Fed Nominal Broad Dollar Index



Source: FactSet Prices

Closing Price CBOE VIX Index



Source: FactSet Prices

Real GDP YoY			Unemployment			CPI YoY			Real GDP YoY			Unemployment			CPI YoY		
Countries	Date	Value	Date	Value	Date	Value	Countries	Date	Value	Date	Value	Date	Value	Date	Value	Date	Value
U.S.	06/26	2.1	06/26	4.2	06/26	3.5	Asia/Pacific/Latam										
Europe							China	06/26	4.3			06/26	1.0				
Germany	06/26	0.9	06/26	6.3	06/26	2.3	India	03/26	7.8			06/26	4.8				
France	06/26	0.7	06/26	8.2	06/26	1.8	Japan	03/26	0.4	06/26	2.5	06/26	1.7				
U.K.	03/26	0.9	05/26	4.9	06/26	2.6	Indonesia	03/26	5.6			06/26	3.3				
Italy	06/26	1.0	06/26	5.7	06/26	3.0	Brazil	03/26	1.8			06/26	4.6				
Spain	06/26	2.7	06/26	10.1	06/26	3.2	Australia	03/26	2.5	06/26	4.4	06/26	3.8				

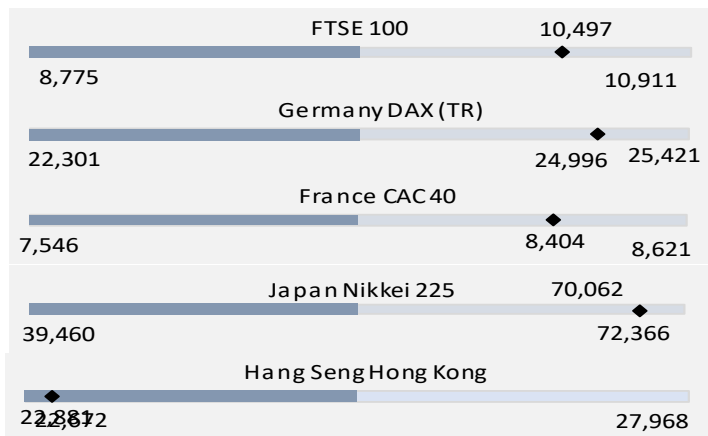
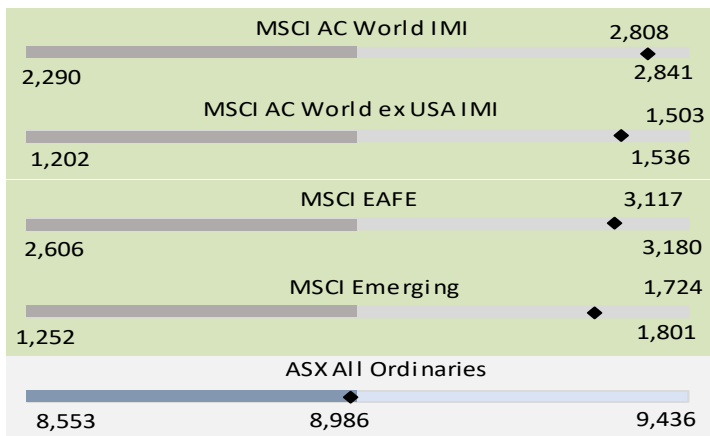
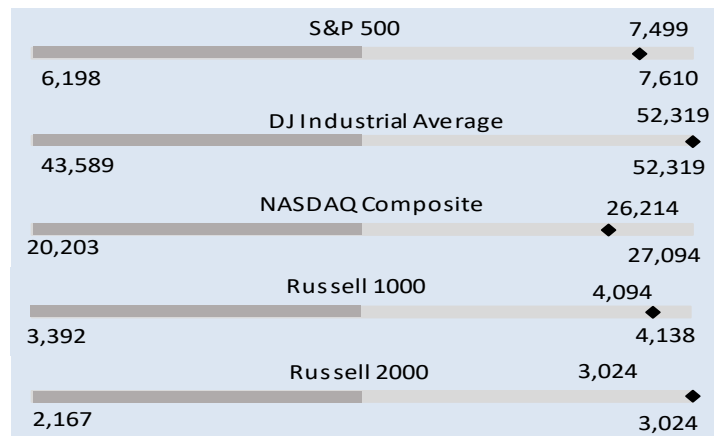
Source: Bloomberg



Economic Environment

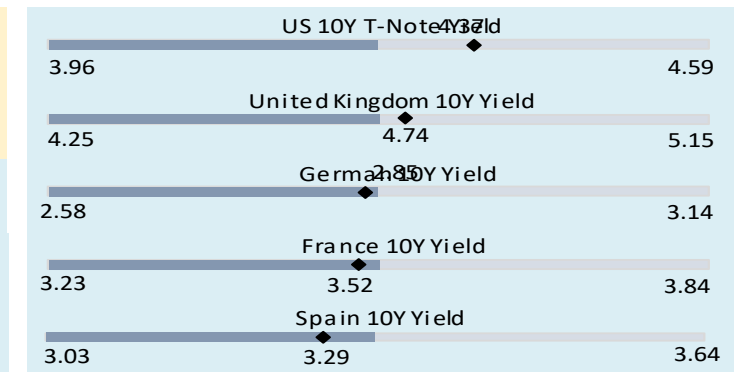
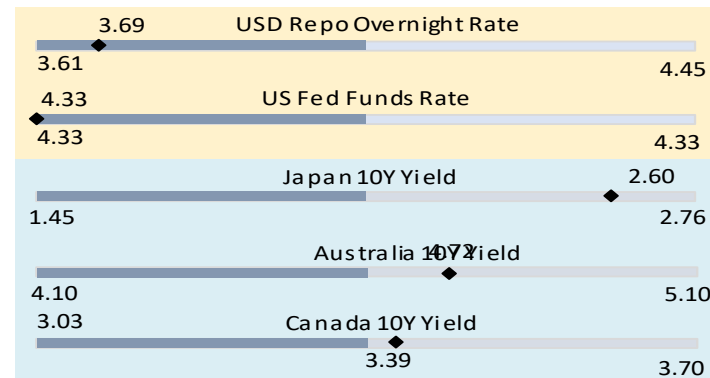
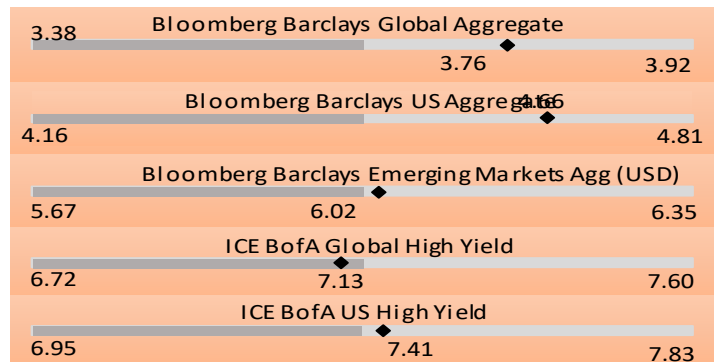
Index 52 Week range as of June 30, 2026

Price



Source: Factset Prices

Yield



Source: Factset Interest Rate Database

Appendix 2: Other Portfolio Information and Asset Class Performance/Characteristics



NORTH CAROLINA

INVESTMENT AUTHORITY

Bradford B. Briner, State Treasurer and Chairman of the Board

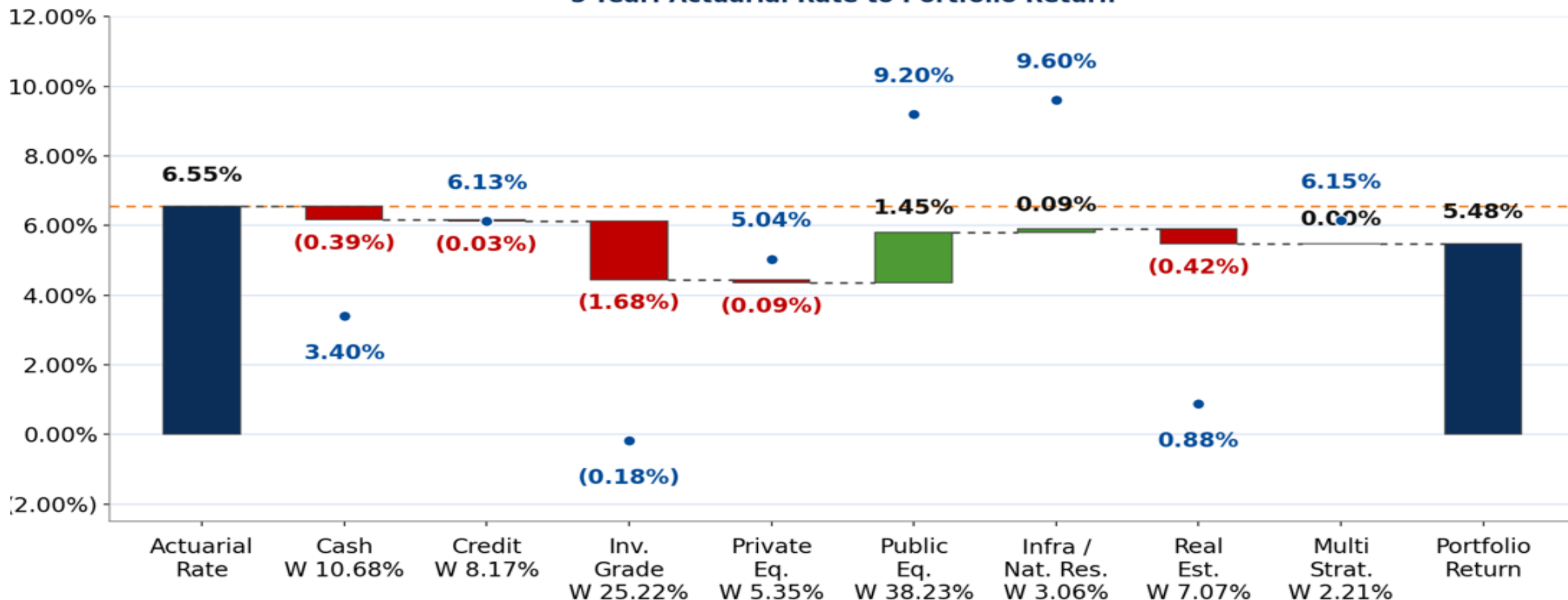


Asset Class Attribution - Actuarial Rate of Return

Actuarial rate 6.55% | Portfolio return 5.48% | Excess return (1.07%) | Excess contribution (1.07%)

Green/red bars = excess contribution | Blue dots = asset class return | Orange dashed line = benchmark / actuarial rate

5-Year: Actuarial Rate to Portfolio Return



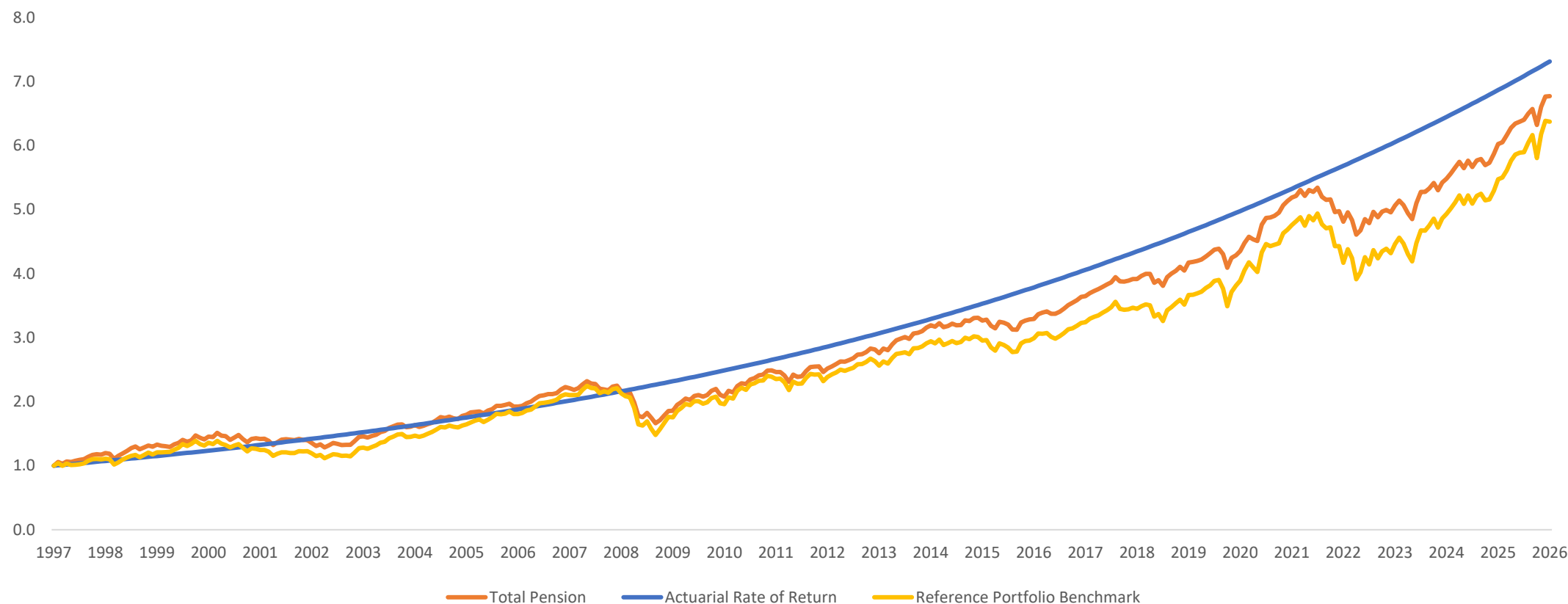


Asset Class Attribution - Reference Portfolio Benchmark

5-Year Attribution									
Asset Class	Portfolio Weight	Benchmark Weight	Excess Weight	Portfolio Return	Benchmark Return	Excess Return	Allocation Effect	Selection + Interaction	Total Effect
Cash	10.68%	2.67%	8.01%	3.40%	3.55%	(0.15%)	0.18%	(0.03%)	0.16%
Credit	8.17%	-	8.17%	6.13%	5.70%	0.43%	(0.06%)	0.03%	(0.03%)
Investment Grade	25.22%	30.47%	(5.24%)	(0.18%)	(2.82%)	2.64%	0.41%	0.69%	1.10%
Private Equity	5.35%	-	5.35%	5.04%	7.14%	(2.10%)	0.11%	(0.12%)	(0.01%)
Public Equity	38.23%	57.00%	(18.77%)	9.20%	10.57%	(1.37%)	(0.88%)	(0.50%)	(1.38%)
Infrastructure & Natural Resources	3.06%	9.87%	(6.80%)	9.60%	7.51%	2.09%	(0.11%)	0.07%	(0.04%)
Real Estate	7.07%	-	7.07%	0.88%	2.07%	(1.19%)	(0.25%)	(0.09%)	(0.34%)
Multi Strategy	2.21%	-	2.21%	6.15%	3.32%	2.82%	(0.07%)	0.06%	(0.01%)
Total	100.00%	100.00%	-	5.48%	6.03%	(0.54%)	(0.66%)	0.12%	(0.54%)



Growth of a Dollar Through June 30, 2026



Notes:

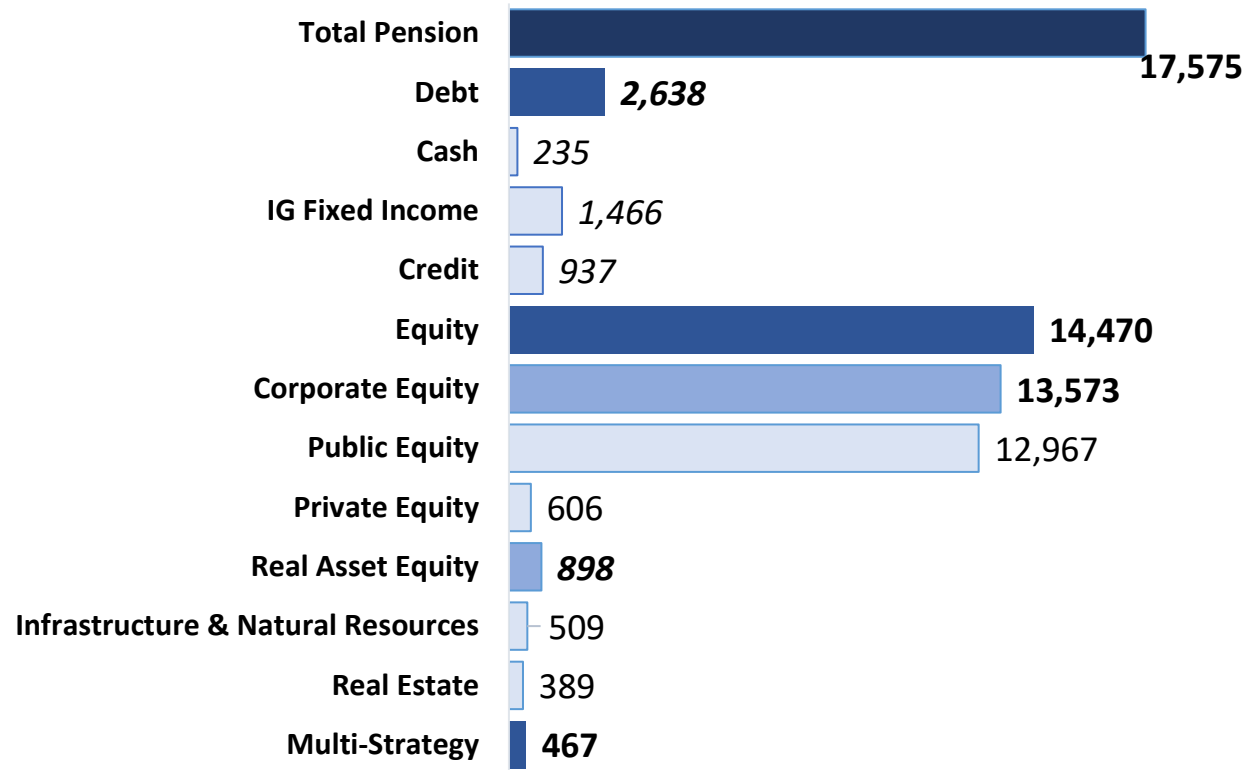
The Reference Portfolio Benchmark is comprised of 65% MSCI ACW IMI Net and 35% ICE BofA 5+ Years U.S. Treasury Index from March 2026 onward. The structure of this benchmark has changed overtime as the investment policy has changed, and the returns reflect the historical structure that was in place at the time. Most recently, it was comprised of 57% MSCI ACWI IMI Net, 33% ICE BofA 5+ Years U.S. Treasury Index, 6% Bloomberg Commodity Index, and 4% ICE BofA 1-3 Years U.S. Inflation-Linked Treasury Index.



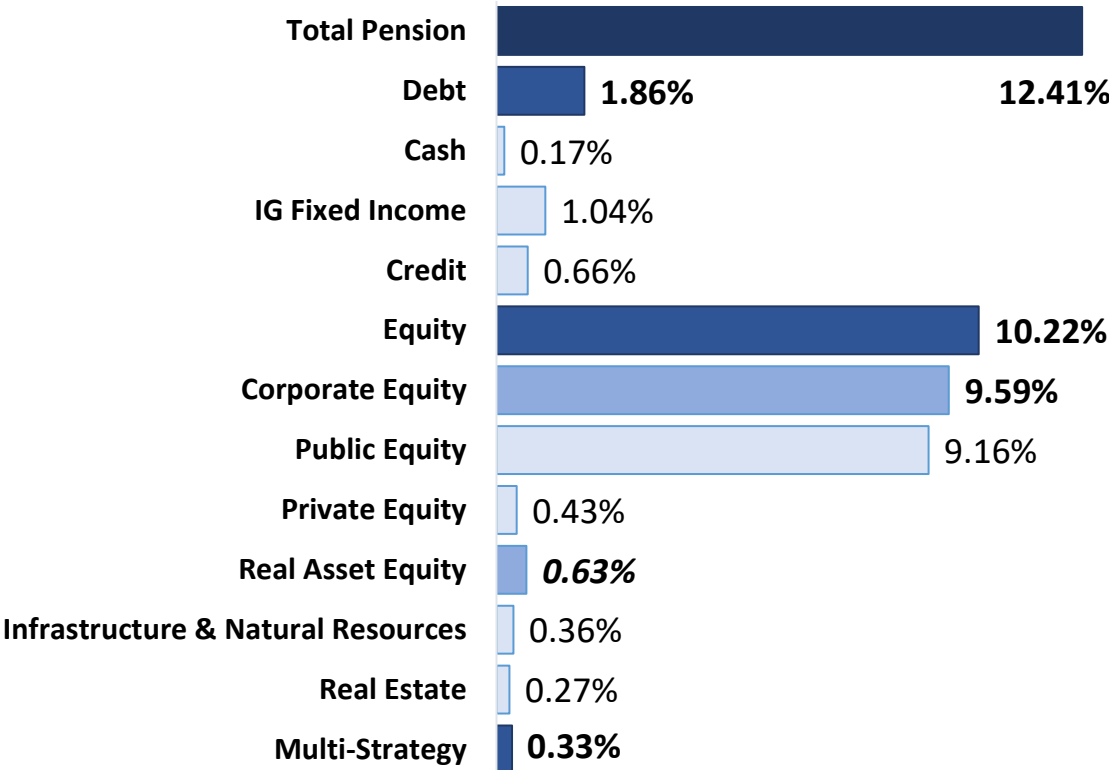
Estimated Contribution to Total Plan Return – 1 Year

As of June 30, 2026

Contribution to Total Plan \$ Earnings



Contribution to Total Plan % Returns

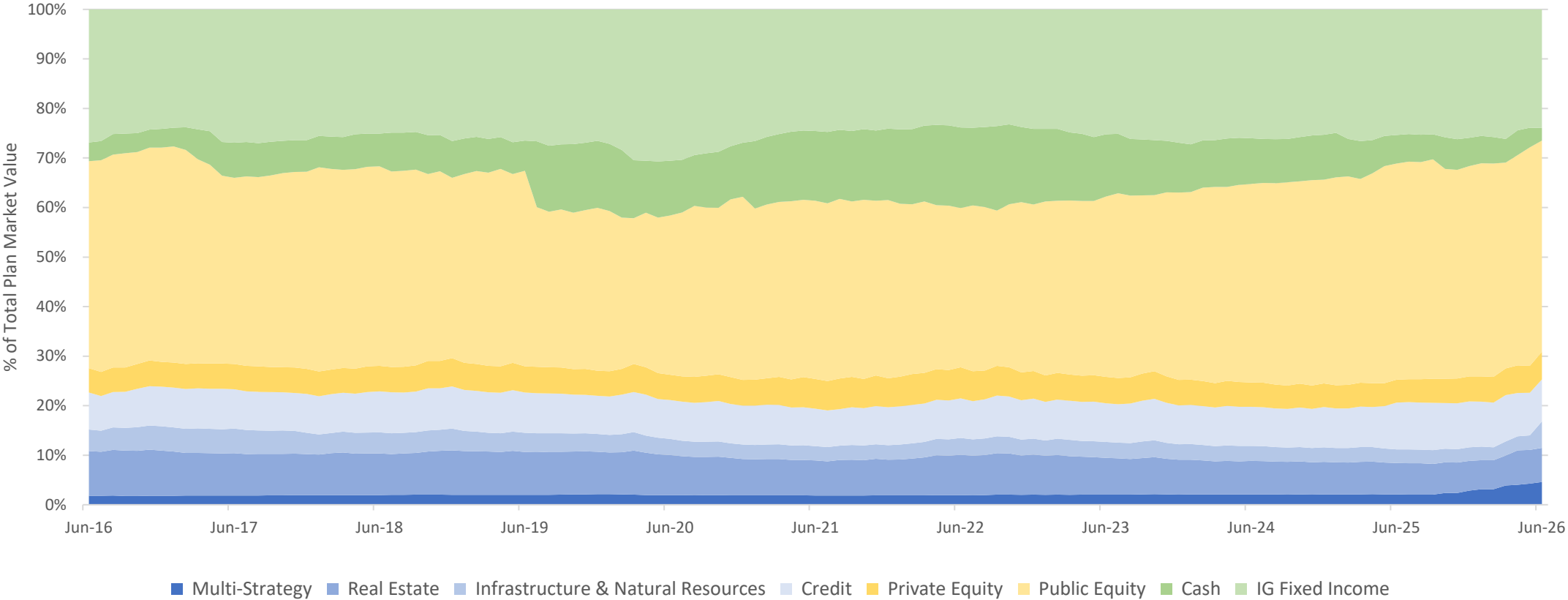


Notes:

- 1.) Estimated Contributions are based on average market value and the total return for the period.
Contribution to Total Plan \$ Earnings = Average \$ Market Value * % Total Return for each asset class.
Contribution to Total Plan % Returns = Average Market Value % weight * % Total Return for each asset class.

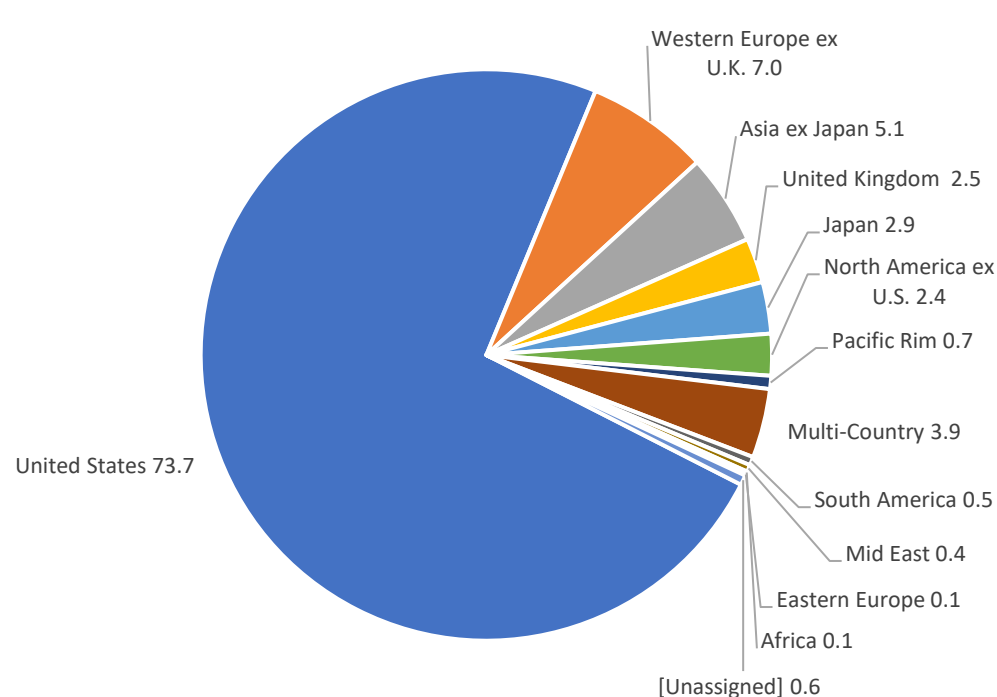


Asset Allocation History as of June 30, 2026

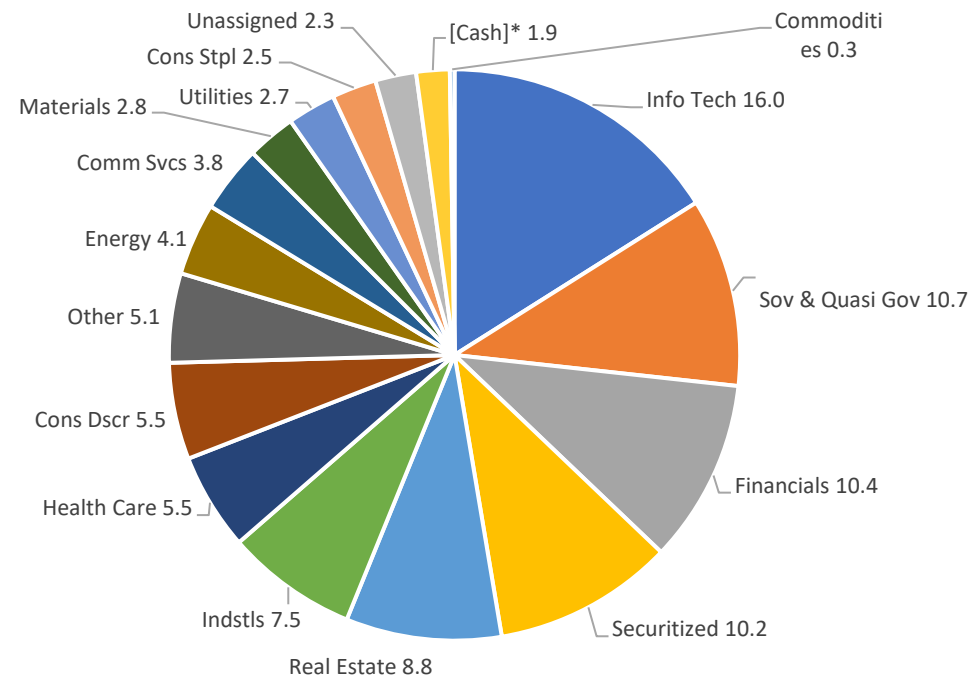




Portfolio Geographical and Sector Exposures



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@FactSet Research Systems

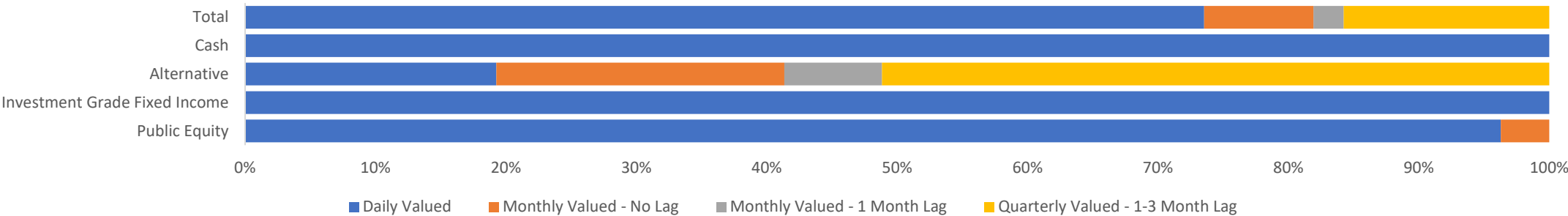
* This report is looking through the STIF account and classifying the underlying securities. [Cash] consists of money market funds, currency, liabilities and temporary cash entries.



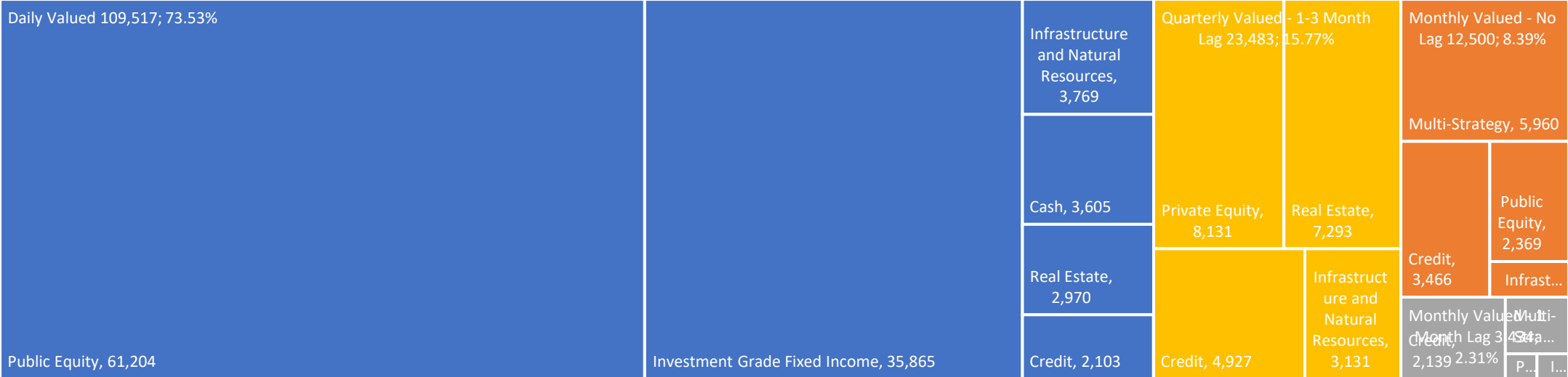
NCRS Valuation Lag Profile

As of June 30, 2026

PORTFOLIO VALUATION LAG



VALUATION LAG BY PORTFOLIO
in Millions





Unfunded Investment Commitments

As of June 30, 2026

<u>Asset Class</u>	<u>Unfunded Commitments (\$MM)</u>
Public Equity	0
Private Equity	7,427
Credit	4,579
Infrastructure and Natural Resources	5,022
Real Estate	3,090
Multi Strategy	650
Total	20,768

Figures are based on original capital commitments and have not been updated to reflect expired investment periods.



Top 20 Investment Managers As of June 30, 2026

#	Investment Manager	Market Value by Investment Program				Total \$MV	% Total MV	% Total MV Cum.
		NCRS	Other	SRP	CASH MGMT			
1	Internal Fixed Income	39,396,184,839	-	-	45,630,626,012	85,026,810,851	38.7%	38.7%
2	Internal Equity	38,834,087,117	-	-		38,834,087,117	17.7%	56.4%
3	BlackRock, Inc.	17,665,478,632	3,234,339,925	9,239,704,822		30,139,523,379	13.7%	70.2%
4	Baillie Gifford	3,962,100,605	-	1,624,633,042		5,586,733,647	2.5%	72.7%
5	Mondrian Investment Partners Limited	3,979,207,204	-	1,481,571,311		5,460,778,515	2.5%	75.2%
6	Ares Management	3,820,165,718	-	-		3,820,165,718	1.7%	76.9%
7	Wellington Management	3,242,191,292	-	-		3,242,191,292	1.5%	78.4%
8	Gladius Capital Management LP	2,558,221,337	-	-		2,558,221,337	1.2%	79.6%
9	ValueAct Capital	2,366,749,162	-	-		2,366,749,162	1.1%	80.6%
10	Angelo, Gordon & Co.	2,347,445,584	13,770,962	-		2,361,216,546	1.1%	81.7%
11	Galliard Capital Management	-	-	2,152,390,552		2,152,390,552	1.0%	82.7%
12	DoubleLine Capital LP	2,103,180,236	-	-		2,103,180,236	1.0%	83.7%
13	Rockwood Capital	1,958,617,721	-	-		1,958,617,721	0.9%	84.5%
14	Walter Scott & Partners	1,907,658,104	-	-		1,907,658,104	0.9%	85.4%
15	Earnest Partners	1,377,473,732	-	497,255,908		1,874,729,641	0.9%	86.3%
16	Blackstone Group	1,865,205,569	-	-		1,865,205,569	0.8%	87.1%
17	LBA Realty	1,580,971,095	-	-		1,580,971,095	0.7%	87.8%
18	Prudential Investment Management	-	-	1,442,141,883		1,442,141,883	0.7%	88.5%
19	Trust Company of the West (TCW)	-	-	1,434,915,262		1,434,915,262	0.7%	89.2%
20	Benefit Street Partners	1,331,359,970	-	-		1,331,359,970	0.6%	89.8%
	92 Remaining Managers*	18,807,565,563	41,330,089	3,632,481,552		22,481,377,204	10.2%	100.0%
	Total	149,103,863,480	3,289,440,976	21,505,094,331	45,630,626,012	219,529,024,799	100.0%	

*Manager count consists of all manager accounts with a market value greater than \$5.0 million and new, not yet funded, accounts.



NCRS Public Equity Net of Fees Performance

As of June 30, 2026

	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Public Equity	\$63,573	15.00	21.80	18.55	9.19	12.54
MSCI ACWI IMI Net		14.93	24.22	19.45	10.57	12.54
Domestic Portfolio	\$40,561	15.36	21.12	20.16	11.98	15.34
Russell 3000		15.43	22.81	20.35	12.30	15.06
Non-US Portfolio	\$23,008	14.40	23.28	17.17	6.38	10.17
Custom Benchmark		15.93	30.14	19.69	9.22	10.82

Russell 3000: Data is sourced from BNY Mellon.

Non-US Custom Benchmark: MSCI ACWI IMI Ex USA ex China ex Hong Kong from July 2025 forward previously it was MSCI ACWI ex US IMI

**Underlying components do not sum up to total due to transition and liquidating accounts*

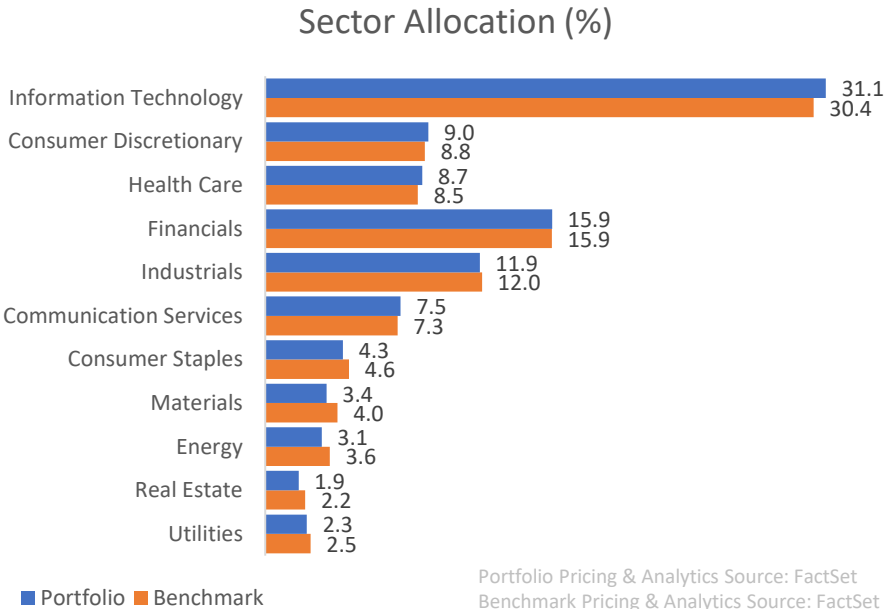


NCRS Public Equity Portfolio Characteristics

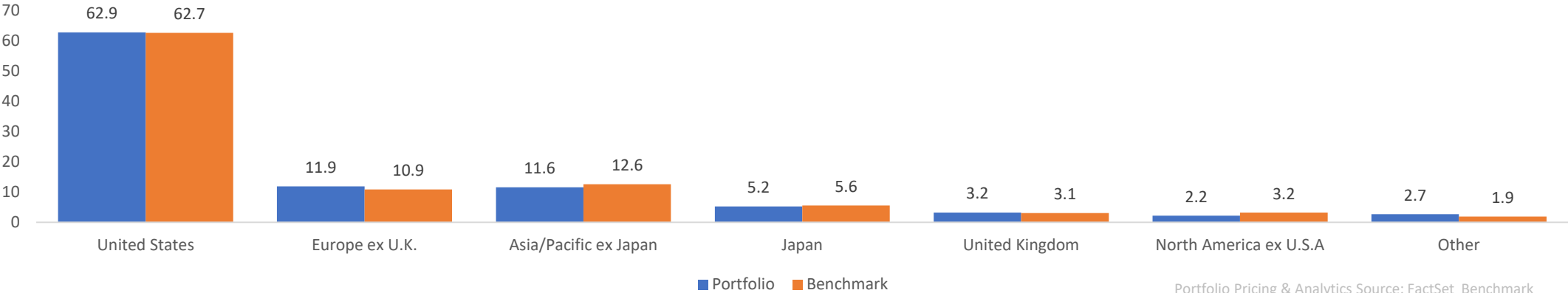
As of June 30, 2026

Portfolio Characteristics		
	Portfolio	MSCI ACWI IMI
Price/Earnings	21.2	20.4
Dividend Yield	1.7%	1.7%
Price/Book	3.1	3.0
Market Capitalization	\$ 695,916	\$ 731,308
Return On Equity	20.8%	20.1%

@FactSet Research Systems



Total Equity Regional Allocation





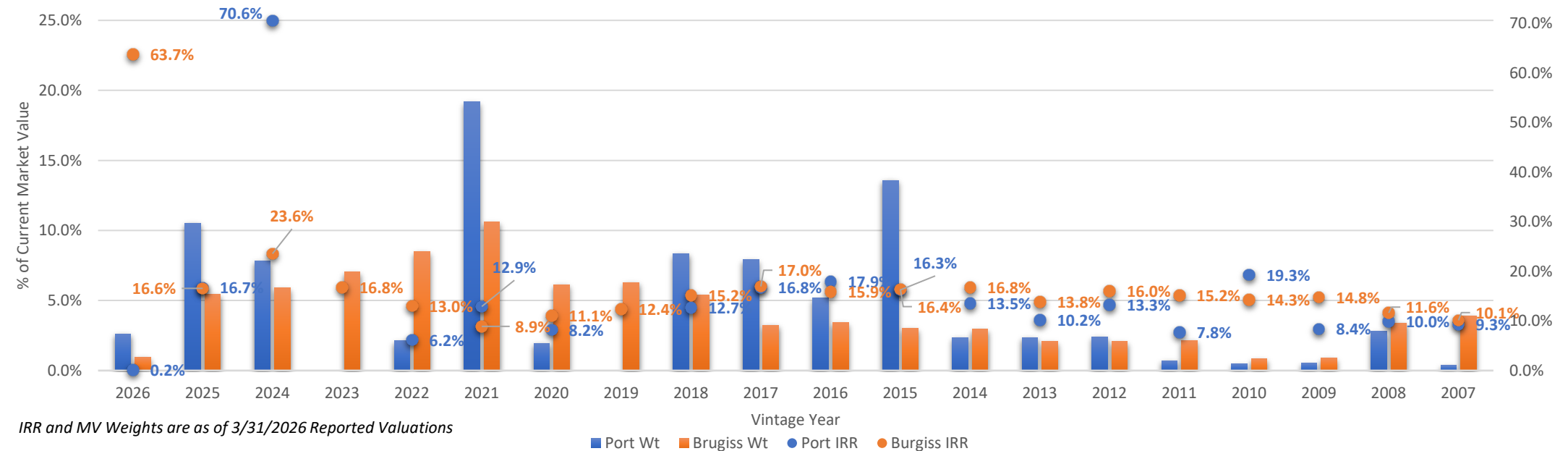
NCRS Private Equity Portfolio

As of June 30, 2026

Net of Fees Performance (%)

	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Private Equity	\$8,331	0.56	8.53	6.01	5.03	11.58
Buyout	\$5,659	(0.16)	3.68	4.60	7.66	11.33
Growth & Venture	\$2,622	2.00	25.05	10.52	0.72	12.39
Other	\$49	14.21	18.41	1.90	-	-

Total Private Equity - IRR and Current MV Weight (in bars) by Vintage (IRR on Right Axis)



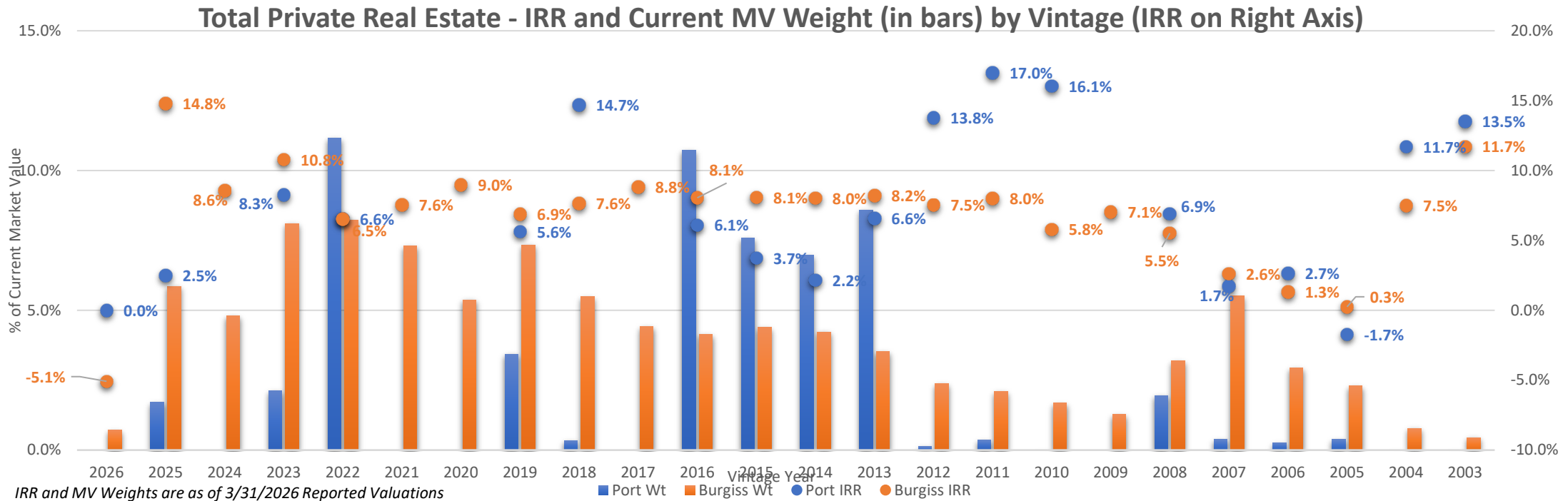


NCRS Real Estate Portfolio

As of June 30, 2026

Net of Fees Performance (%)

	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Real Estate	\$10,263	2.55	4.25	(1.68)	0.88	4.33
Private Real Estate	\$7,293	1.22	2.54	(3.61)	0.38	4.03
Core	\$4,933	1.47	4.59	(2.22)	1.42	4.15
Non-Core	\$2,360	0.65	(2.02)	(6.83)	(2.21)	3.19
Public Real Estate	\$2,970	8.52	12.61	10.54	1.56	4.77





NCRS Credit Portfolio

As of June 30, 2026

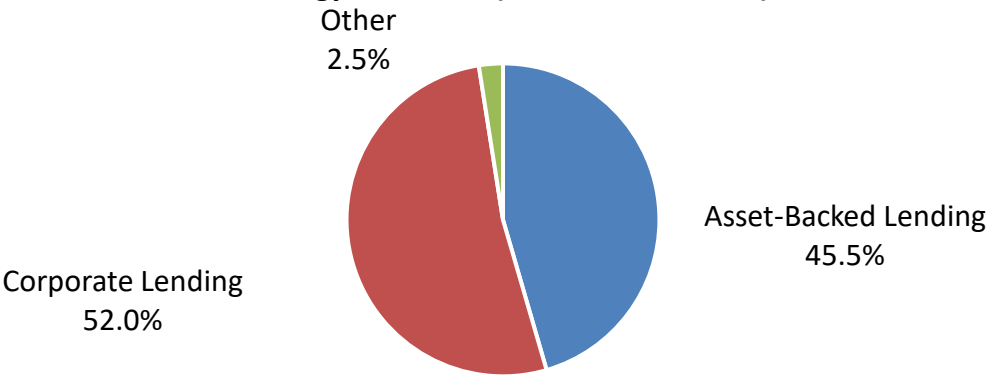
Net of Fees Performance (%)

	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Credit	\$12,636	2.04	7.61	8.23	6.13	6.73
Asset-Backed Lending	\$5,750	1.48	6.49	6.37	4.86	5.92
Corporate Lending	\$6,573	2.42	7.96	8.86	6.57	7.05
Other	\$313	4.71	21.50	-	-	-

IRR by Vintage Year (%)

	Pre 2010	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
NCRS	8.32	5.47	5.15	4.42	4.92	5.48	10.20	6.20	9.08	N/A	9.21	13.09	10.76	9.71	7.90	10.57	6.13	0.00	6.46
# of Funds	8	5	10	3	11	7	2	12	3	N/A	2	2	2	2	3	3	4	1	79

Strategy Allocation (Based on Valuation)





NCRS Infrastructure & Natural Resources Portfolio

As of June 30, 2026

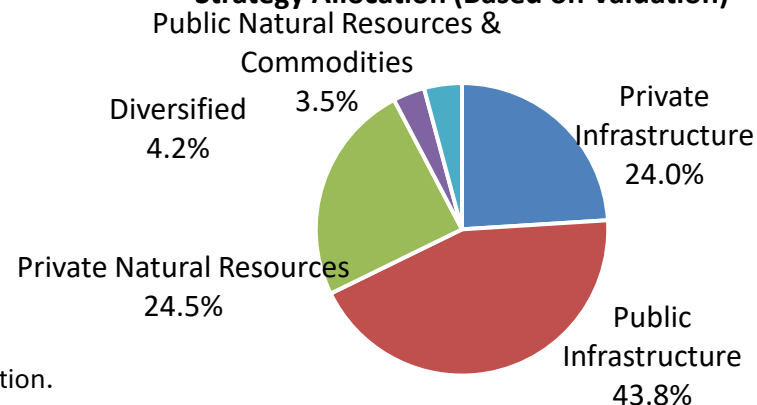
Net of Fees Performance (%)

	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Infrastructure & Natural Resources	\$7,974	2.08	8.93	6.85	9.60	6.95
Private Infrastructure	\$1,915	3.50	8.40	6.02	10.32	9.85
Public Infrastructure	\$3,489	-	-	-	-	-
Private Natural Resources	\$1,957	2.69	7.04	7.66	10.27	5.60
Public Natural Resources & Commodities	\$280	(8.60)	26.63	12.27	9.56	6.53
Diversified	\$334	0.16	6.46	2.49	4.92	7.44

IRR by Vintage Year (%)

	Pre-2010	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
NCRS	2.21	-3.60	-5.94	5.15	7.57	7.36	13.64	0.93	8.03	24.51	14.94	N/A	12.78	N/A	N/A	61.54	14.99	2.07	2.55
# of Funds	8	3	9	6	9	8	2	1	1	1	1	N/A	2	N/A	N/A	1	9	6	67

Strategy Allocation (Based on Valuation)





NCRS IG Fixed Income Portfolio & Cash Portfolio

As of June 30, 2026

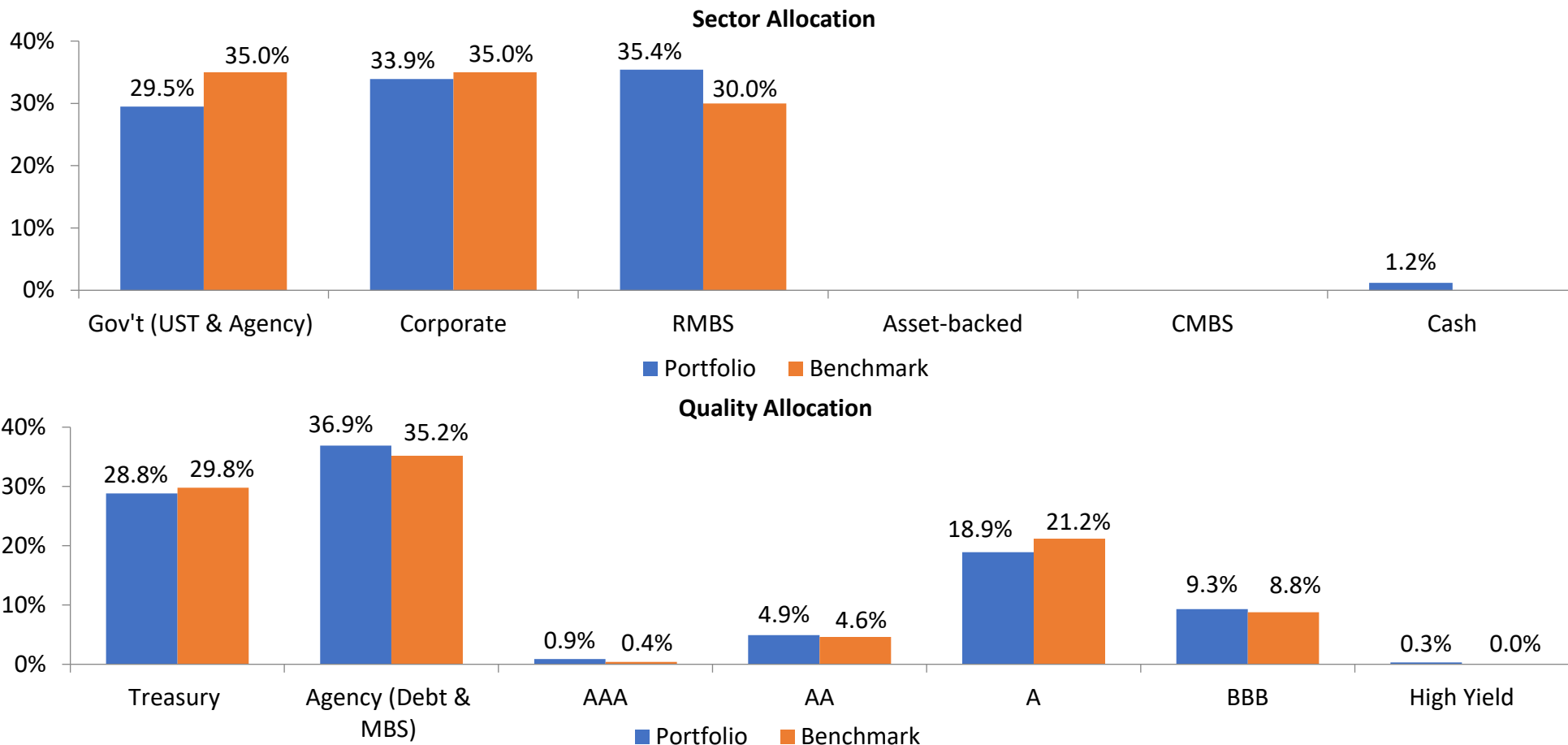
Net of Fees Performance (%)						
	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
IG Fixed Income	\$35,713	0.95	4.32	4.12	(0.17)	1.80
BAML Custom Index (H167)		0.95	4.34	3.85	(0.95)	1.32
Core Fixed Income	\$35,373	0.96	4.34	4.06	(0.22)	1.78
Other Fixed Income	\$340	0.81	3.94	5.15	3.46	2.52
Pension Cash	\$3,757	0.96	4.19	4.66	3.40	2.37
Cash Benchmark		0.89	3.87	4.63	3.55	2.31

Core Fixed Income Portfolio Characteristics			
	<u>Avg. Coupon</u>	<u>Yield to Worst</u>	<u>Effective Duration</u>
Government (Treasury & Agency)	3.7%	4.6%	10.4
Corporate	4.8%	5.3%	8.6
Mortgage	4.1%	5.0%	5.3
Total	4.2%	5.0%	8.0



NCRS Core Fixed Income Portfolio Characteristics

As of June 30, 2026



Benchmark: The Core Fixed Income Benchmark is a custom ICE BofA Core Investment Grade Index comprised of the following weightings: 30% ICE BofA 5+ Years Governments, 35% ICE BofA 5+ Years Investment Grade Corporates, and 35% ICE BofA Mortgage Master.

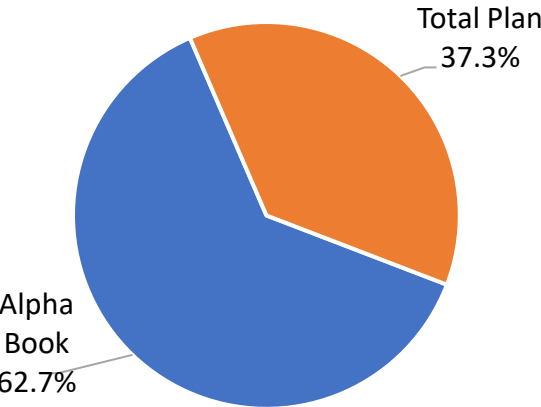


NCRS Multi-Strategy Portfolio

As of June 30, 2026

Net of Fees Performance (%)						
	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Multi-Strategy	\$6,857	5.16	9.93	9.13	6.15	5.92
Alpha Book	\$4,299	6.56	13.12	13.05	7.96	3.76
Total Plan	\$2,558	3.24	7.62	7.90	5.49	6.18

Strategy Allocation (Based on Valuation)





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BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA