



Thursday, June 12, 2025 Board Meeting

1. Call to Order (9:30a)

2. Adoption of Minutes (9:30-9:35)

A. Adoption of April 17, 2025, Meeting Minutes

3. Public Comment (9:35-9:55)

4. CEO Report (9:55-10:10)

A. CEO Report to the Board - May/June 2025

5. Administrative Committee Report (10:10-10:15)

A. Board Policy 3-Year Review

B. Fiscal Year 2026 Non-Appropriated Budget

6. Audit Committee Report (10:15-10:20)

A. State Auditor's Office – Accountability Audit for July 1, 2021, through June 30, 2024

B. Fiscal Year 2026 Audit Plan

7. Public Markets Committee Report (10:20-10:25)

A. Passive Management Rebid Recommendation

8. Private Markets Committee Report (10:25-10:30)

9. Ad Hoc Governance Committee Report (10:30-10:45)

10. 2026 Board Meeting Schedule (10:45-10:50)

A. 2026 Board Meeting Schedule

11. Break (10:50-11:00)

12. Education Session: The Energy Transition (11:00-12:00)

A. Heliocentrism: it's lonely in the middle

13. Lunch (12:00-12:30)

14. Executive Session (12:30-1:55)

A. Education Session: The WSIB's Differentiated Approach to Real Estate Investing

15. Break (1:55-2:00)

16. Education Session: Geopolitical Outlook (2:00-3:00)

A. Geopolitical Outlook

17. Education Session: Economic Outlook (3:00-4:00)

A. Economic Outlook

18. Quarterly Performance Update (4:00-4:15)

A. Quarterly Performance Update

19. Other Items (4:15-4:20)

20. Adjourn (4:20p)



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19. Other Items (4:15-4:20)

20. Adjourn (4:20p)



WRITTEN PUBLIC COMMENT

Written Public Comment has been received from the following individuals:

- Donna Albert
- Dale Armstrong
- Dave Bellefeuille-Rice
- Maureen Canny
- Barbara Carey
- Kristin Edmark
- Joe Greenheron
- David Groves
- Kristi Hazen
- Liz Kearny
- Mark Keely
- Sally Keely
- Breck Lebegue
- Rae Levine
- Zain Orion
- Amy Roe
- Laila Saliba
- Martha Schmidt
- Deborah Wessell
- Bob Ziegler



POLICY NUMBER: 2.00.101**EFFECTIVE DATE:** 6/12/25**TITLE:** Conflict of Interest and Recusal**SUPERSEDES:** 6/16/22**BOARD ADOPTION:** 6/12/25**REVIEWED:**

PURPOSE

The trusteeship and investment management of the retirement, deferred compensation, industrial insurance, permanent, and various other trust funds demand the highest degree of confidence from fund beneficiaries and the public.

Government derives its powers from the people. Ethics in government are the foundation on which the structure of government rests. State officials and employees of government hold a public trust that obligates them, in a special way, to honesty and integrity in fulfilling their responsibilities. Paramount in that trust is the principle that public office, whether elected or appointed, may not be used for personal gain or private advantage.

The citizens of the state expect all state officials and employees to perform their public responsibilities in accordance with the highest ethical and moral standards and to conduct the business of the state only in a manner that advances the public's interest. State officials and employees are subject to the sanctions of law and scrutiny of the media; ultimately, they are accountable to the people and must consider this public accountability as a particular obligation of public service. Only when affairs of government are conducted, at all levels, with openness as provided by law and an unswerving commitment to the public good does government work as it should.

Because ethical conduct is the foundation of good governance, every Washington State Investment Board (WSIB) member and employee must conduct themselves with utmost integrity, professionalism, and principled behavior.

POLICY

This policy is intended to supplement and clarify ethical standards as they apply to the Washington State Investment Board (WSIB). Existing state law includes the following:

1. Chapter [42.52 RCW](#) Ethics in Public Service. This chapter applies to all state officers, which includes voting and non-voting Board members, and all state employees.
2. Chapter [42.20 RCW](#) Misconduct of Public Officers. This chapter applies to all public officers. It sets forth certain activities that are prohibited and deemed as a misdemeanor or gross misdemeanor.
3. Chapter [292-110 WAC](#) Agency Substantive Rules. This chapter clarifies certain aspects of the Ethics in Public Service Act.
4. Chapter [287-04 WAC](#) Conflict of Interest. This chapter contains the WSIB's rules of conduct for all employees, both exempt and non-exempt, and all Board members, both voting and non-voting, as well as elected officials.

It is with these guiding principles that each Board member and employee must studiously and conscientiously avoid not only actual fiduciary breaches of trust, but also any reasonable appearance of a conflict of interest. It is understood, however, particularly in

the instance of the non-voting Board members, that it is not reasonable to demand a complete disassociation from the private sector that precludes every possible conflict of interest. Accordingly, this policy considers the intention and motives, as well as the extrinsic acts, of an individual.

Definitions

Board

Voting and non-voting members of the Washington State Investment Board.

Conflict of Interest

Exists whenever a Board member or employee acts in a manner that may be, or reasonably appears to be, influenced by considerations of personal gain, benefit, or other consideration, rather than the best interests of the WSIB, its funds, or the fund beneficiaries. Any action motivated by a consideration that is not in the best interest of the WSIB, its funds, or fund beneficiaries would be a breach of the Board member's or employee's duty of loyalty.

Transaction Involving the Board

A proceeding, application, investment decision, investment contract, sale, lease, purchase, or any other acquisition or disposal of any asset, goods or services, or other determination or similar matter that the Board member or employee in question believes, or has reason to believe is:

1. Or will be the subject of Board action under the Open Public Meetings Act.
2. One to which the Board is or will be a party.
3. One in which the Board has a direct and substantial proprietary interest.

A transaction involving the Board does not include the following: preparation, consideration, or enactment of legislation (including appropriation of moneys in a budget), the performance of legislative duties by a member or employee; or a claim, case, lawsuit, or similar matter if the member or employee did not participate in the underlying transaction involving the Board that is the basis for the claim, case, or lawsuit. Rulemaking is not a transaction involving the Board.

Recusal Required

A Board member or employee must recuse themselves if the following circumstances apply or are reasonably foreseeable:

1. The Board member or employee is beneficially interested, directly or indirectly, in an investment decision, investment agreement, procurement, contract, sale, lease, purchase, or any other acquisition or disposal of an asset, goods or services made by, through, or under the supervision of the WSIB, in whole or in part.
2. The Board member or employee either owns a beneficial interest in, or is an officer, agent, employee or member of, an entity that is engaged in a transaction involving the WSIB.
3. The Board member or employee accepts, directly or indirectly, any compensation, gratuity, or reward from any person or entity beneficially interested in such investment decision, investment agreement, contract, sale, lease, purchase, or any other acquisition or disposal of assets, goods, or services.
4. A Board member or employee's discussion or vote is motivated by something other than the best interests of the WSIB, its members, and beneficiaries in violation of that person's duty of loyalty.

5. A Board member or employee is soliciting or has been solicited for employment by a person or entity doing business with the WSIB and the Board member or employee is considering the recruitment. Recruitment by an affiliate of a person or entity doing business with the WSIB also requires recusal.

Scope of Recusal

If recusal is required, the Board member or employee shall:

1. Recuse themselves from all discussions or deliberations regarding the matter.
2. Recuse themselves from any vote or recommendation regarding the matter.
3. Refrain from attempting to influence any other Board member or employee regarding the matter.

A Board member subject to recusal must disclose the reasons for recusal at the time of or prior to the presentation of a matter requiring recusal at a Board or Committee meeting. The recusal and the basis for the recusal shall be recorded in the meeting minutes. If recusal by an employee is required, the employee shall immediately notify the Chief Executive Officer (CEO), who shall implement appropriate screening procedures. If CEO recusal is required, the CEO shall immediately notify the Board chair and implement appropriate procedures.

If recusal is required, such recusal does not prohibit the Board member or employee from using his or her general expertise to educate and provide general information on the subject area to other Board members or employees.

Prohibited Actions

No Board member or employee shall borrow from investment managers, outside service providers, professional advisors or consultants, banks, or other financial institutions with which the WSIB has a business relationship, except and unless such entities are normally engaged in such lending in the usual course of their business, and then only on terms offered to others under similar circumstances.

No Board member or employee may have an interest, financial or otherwise, direct or indirect, or engage in a business or transaction or professional activity, or incur an obligation of any nature that is in conflict with the proper discharge of the Board member's or employee's duties.

Additional Responsibilities of Board Members and Employees

All Board members must certify in writing that they have read, understand, and will comply with the Board's ethics policies by their first Board meeting and annually thereafter. The Board's ethics policies are this policy, Gifts 2.00.102, Confidentiality and Use of Position 2.00.103, Personal Investments 2.00.104, Travel Reimbursement by Investment Partners and Others 2.00.105, and Sanctions for Violations 2.00.106. All employees must certify in writing that they have read, understand, and will comply with the Board's ethics policies and related administrative policies within one week of employment start date and annually thereafter. All Board members and employees must attend training on the Ethics in Public Services Act, the Board's ethics policies, and related administrative policies annually. The CEO is responsible for Board member and employee compliance with the certification and training requirements.

POLICY REVIEW

The Board shall review this policy at least once every three (3) years to ensure that it remains relevant and appropriate.

Policy Adopted 6/20/19
Revised 6/16/22
Revised 6/12/25

POLICY NUMBER: 2.00.101**EFFECTIVE DATE:** ~~6/16/22~~6/12/25**TITLE:** Conflict of Interest and Recusal**SUPERSEDES:** ~~6/20/196~~16/22**BOARD ADOPTION:** ~~6/16/22~~6/12/25**REVIEWED:**

PURPOSE

The trusteeship and investment management of the retirement, deferred compensation, industrial insurance, permanent, and various other trust funds demand the highest degree of confidence from fund beneficiaries and the public.

Government derives its powers from the people. Ethics in government are the foundation on which the structure of government rests. State officials and employees of government hold a public trust that obligates them, in a special way, to honesty and integrity in fulfilling their responsibilities. Paramount in that trust is the principle that public office, whether elected or appointed, may not be used for personal gain or private advantage.

The citizens of the state expect all state officials and employees to perform their public responsibilities in accordance with the highest ethical and moral standards and to conduct the business of the state only in a manner that advances the public's interest. State officials and employees are subject to the sanctions of law and scrutiny of the media; ultimately, they are accountable to the people and must consider this public accountability as a particular obligation of public service. Only when affairs of government are conducted, at all levels, with openness as provided by law and an unswerving commitment to the public good does government work as it should.

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the instance of the non-voting Board members, that it is not reasonable to demand a complete disassociation from the private sector that precludes ~~each and every~~ every possible possibility of a conflict of interest. Accordingly, this policy considers the intention and motives, as well as the extrinsic acts, of an individual.

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1. Or will be the subject of Board action under the Open Public Meetings Act.
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Recusal Required

A Board member or employee must recuse themselves if the following circumstances apply or are ~~reasonably foreseeable~~ likely to apply:

1. The Board member or employee is beneficially interested, directly or indirectly, in an investment decision, investment agreement, procurement, contract, sale, lease, purchase, or any other acquisition or disposal of an asset, goods or services made by, through, or under the supervision of the WSIB, in whole or in part.
2. The Board member or employee either owns a beneficial interest in, or is an officer, agent, employee or member of, an entity that is engaged in a transaction involving the WSIB.
3. The Board member or employee accepts, directly or indirectly, any compensation, gratuity, or reward from any person or entity beneficially interested in such investment decision, investment agreement, contract, sale, lease, purchase, or any other acquisition or disposal of assets, goods, or services.
4. A Board member or employee's discussion or vote is motivated by something other than the best interests of the WSIB, its members, and beneficiaries in violation of that person's duty of loyalty.

5. A Board member or employee is soliciting or has been solicited for employment by a person or entity doing business with the WSIB and the Board member or employee is considering the recruitment. Recruitment by an affiliate of a person or entity doing business with the WSIB also requires recusal.

Scope of Recusal

If recusal is required, the Board member or employee shall:

1. Recuse ~~him or herself~~themselves from all discussions or deliberations regarding the matter.
2. Recuse ~~him or herself~~themselves from any vote or recommendation regarding the matter.
3. Refrain from attempting to influence any other Board member or employee regarding the matter.

A Board member subject to recusal must disclose the reasons for recusal at the time of or prior to the presentation of a matter requiring recusal ~~when a matter involving a conflict of interest is presented~~ at a Board or Committee meeting. The recusal and the basis for the recusal shall be recorded in the meeting minutes. If recusal by an employee is required, the employee shall immediately notify the Chief Executive Officer (CEO), who shall implement appropriate screening procedures. If CEO recusal is required, the CEO shall immediately notify the Board chair and implement appropriate procedures.

If recusal is required, such recusal does not prohibit the Board member or employee from using his or her general expertise to educate and provide general information on the subject area to other Board members or employees.

Prohibited Actions

No Board member or employee shall borrow from investment managers, outside service providers, professional advisors or consultants, banks, or other financial institutions with which the WSIB has a business relationship, except and unless such entities are normally engaged in such lending in the usual course of their business, and then only on terms offered to others under similar circumstances.

No Board member or employee may have an interest, financial or otherwise, direct or indirect, or engage in a business or transaction or professional activity, or incur an obligation of any nature that is in conflict with the proper discharge of the Board member's or employee's duties.

Additional Responsibilities of Board Members and Employees

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POLICY REVIEW

The Board shall review this policy at least once every three (3) years to ensure that it remains relevant and appropriate.

Policy Adopted 6/20/19

Revised 6/16/22

Revised 6/12/25

POLICY NUMBER: 2.00.102**EFFECTIVE DATE:** 6/12/25**TITLE:** Gifts**SUPERSEDES:** 6/16/22**BOARD ADOPTION:** 6/12/25**REVIEWED:**

PURPOSE

Every Washington State Investment Board (WSIB) member and employee has a fundamental responsibility to the state of Washington and fund beneficiaries to act in a manner that promotes public trust. The receipt of Gifts can impair the integrity, independence, or impartiality of the recipient or create an appearance of obligation. Board members and employees are restricted from accepting Gifts except as allowed by state ethics law and this Policy. Board members and employees should consider declining otherwise permissible Gifts if they believe that a reasonable person with knowledge of the relevant facts would question their integrity or impartiality as a result of accepting the Gift. It is expected that all Board members and employees will be familiar and comply with this policy.

Definitions

Aggregate Value means the total monetary value of a Gift or Gifts received from a single source in a calendar year or of a single Gift received from multiple sources. The value of Gifts given to family members are attributable to the Board member or employee for the purpose of this policy, unless an independent business, family or social relationship exists between the donor and the family member.

Board Member means the voting and non-voting members of the WSIB.

Contractual Activities means any involvement in a procurement, contract, or investment decision, including recommending, advising, monitoring, supervising, investigating, reviewing, voting, making or approving final decisions, conducting contract compliance or operational due diligence, or other similar activities. When the Board approves or considers the acquisition of goods, services, or investments, all Board members participate in that process.

Employee means all employees of the WSIB, including the Chief Executive Officer (CEO) unless otherwise stated.

Honorarium means money or a thing of value offered to a Board member or state employee for a speech, appearance, article, or similar item or activity in connection with the state officer's or state employee's official role.

Gift means anything of economic value given to the recipient when consideration of equivalent value is not provided in return.

Thing of Economic Value, in addition to its ordinary meaning, includes the following:

1. A loan, property interest, interest in a contract, chose in action, employment or other arrangement involving a right to compensation.
2. An option, irrespective of the conditions to the exercise of such option.

3. A promise or undertaking for the present or future delivery or procurement.
4. A favor that provides an economic benefit to a Board member, employee, spouse, child or dependent.

POLICY

As a paramount duty, Board members and employees are prohibited from seeking or accepting, directly or indirectly, Gifts. This prohibition extends to Things of Economic Value, including favors or gratuities, if it could reasonably be expected to, or appear to, influence or reward an action or inaction. The prohibition on receipt of certain Gifts also applies to family members unless an independent business or social relationship exists between the donor and the family member.

State law and this Policy provide that certain types of exchanges are not Gifts due to the personal or business relationship between the donor and recipient. Other types of exchanges, although a Gift, do not influence the recipient, and state law allows a recipient to accept such items. Individuals involved or who may be involved in Contractual Activities, however, are strictly prohibited from accepting all but a few types of items. Contractual Activities include recommending, advising, monitoring, supervising, voting, or approving contracts, procurements, and investments as well as compliance and due diligence activities.

If a Board member or employee receives a Gift that cannot be accepted, the recipient must return the Gift to the donor or donate it to charity within 30 days of receipt. Gifts returned or donated must be reported for the purpose of monitoring compliance. Documentation of the return or donation is required.

If acceptance of a Gift is allowed, a Board member or employee must still evaluate the propriety of accepting the Gift. Board members and employees must be sensitive to the source and value of the Gift, the frequency of Gifts from one source, the possible motives of the giver, and the perception of others regarding the Gift. No offsetting public good is achieved by creating an appearance of impropriety. If a person's integrity, independence, and impartiality could be called into question, a Gift should be rejected. Board members and employees should consult the WSIB's Legal, Risk and Compliance Director if they are uncertain about whether to accept a Gift.

1. Acceptance of Items Not Considered a Gift

Certain items are presumed to not influence the recipient and state law allows Board members and employees to accept such items. The following items may be accepted and do not need to be reported as a Gift to the WSIB:

- A. Items from family members or friends where it is clear beyond a reasonable doubt that the Gift was not made as part of any design to gain or maintain influence in the Board or agency.
- B. Customary items related to the Board member or employee's outside business and unrelated to the performance of official duties.
- C. Items exchanged at a social event hosted among coworkers.
- D. Payments for allowable travel expenses incurred in connection with a speech, presentation, or appearance in an official capacity when the provider does not provide nor seek to provide goods or services to the Board.
- E. Items a Board member or state employee is authorized by law to accept, such as Gifts associated with the Combined Fund Drive, and not addressed by this policy.

- F. Payment of enrollment or course fees and reasonable travel expenses incurred to attend a seminar or educational program sponsored by a bona fide governmental or nonprofit professional, educational, or trade association, or charitable institution, as long as the payer does not provide or seek to provide goods or services to the Board.
 - G. Campaign contributions properly reported under chapter 42.17A RCW.
 - H. Discounts available to an individual as a member of an employee group, occupation, or similar broad-based group.
 - I. Customary loans from banks and other financial institutions, such as loans to purchase housing or motor vehicles. Loans and other transactions on terms and conditions not generally available to the public are prohibited.
 - J. Registration fees, materials, meals, or beverages by event sponsors when attending training, meetings, or conferences in return for fees paid by the WSIB under a contract or agreement. This subsection applies only to group events attended by other clients, partners, or board members of the sponsoring organization when the fees, materials, and meals are provided to attendees on a similar basis.
 - K. Unsolicited token beverages such as coffee, tea, water, or juice, generally made available free of charge to the provider's employees, customers and/or visitors.
2. Items that May be Accepted If No Involvement in Contractual Activities
- Board members and employees may accept only the following items if the Board member or employee is not involved in Contractual Activities with the person or entity providing the Gift:
- A. Unsolicited flowers, plants, and floral arrangements.
 - B. Unsolicited advertising or promotional items of nominal value, such as pens and note pads.
 - C. Unsolicited tokens or awards of appreciation in the form of a plaque, trophy, desk item, wall memento, or similar item.
 - D. Unsolicited items received for the purpose of evaluation or review, if the employee or Board member has no personal beneficial interest in the eventual use or acquisition of the item by the WSIB.
 - E. Informational material, publications, or subscriptions related to the recipient's performance of official duties.
 - F. Unsolicited token beverage items, such as water, coffee, tea, or juice, which are generally made available by the business, free of charge, to the business' employees, customers, or visitors.
 - G. Food and beverages consumed at hosted receptions when attendance relates to the Board member's or employee's official duties. A hosted reception is a social event involving a diverse group of people, some of who provide goods and services to the WSIB and some who do not. It does not involve a sit-down meal. It does not include an event attended only by Board members or employees.
 - H. Admission to and the cost of food and beverages consumed at events sponsored by or in conjunction with a civic, charitable, governmental, or community organization.
 - I. Food and beverage on infrequent occasions in the ordinary course of meals when attendance by the Board member or employee is related to the performance of official duties.

- J. Unsolicited Gifts from dignitaries from another state or a foreign country that are intended to be personal in nature.
- K. Board members and employees may accept entertainment when such entertainment is part of the event's activities and is open to all those who are attending the event (although it is not necessary that all participants do attend). An employee or Board member may not accept such entertainment (i) if provided by a person or entity that provides or could provide goods or services to the WSIB; or (ii) if the entertainment is being provided to influence or reward the employee or Board member or to obtain or develop business with the Board.
- L. Other Things of Economic Value if, in aggregate, the total value is not more than \$50¹ from a single source in a calendar year.

The following items must be reported as a Gift in accordance with the Reporting requirements of this Policy (even if returned or donated):

- Unsolicited flowers, plants, and floral arrangements.
- Unsolicited tokens or awards of appreciation in the form of a plaque, trophy, desk item, wall memento, or similar item.
- Unsolicited Gifts from dignitaries from another state or a foreign country that are intended to be personal in nature.
- Other Things of Economic Value not otherwise identified above.

3. Items that May be Accepted If Involved in Contractual Activities

A Board member or employee may only accept the items listed below when the Board member or employee is involved in Contractual Activities and the Gift is offered by a person or entity that does or could do business with the WSIB:

- A. Unsolicited advertising or promotional items of nominal value, such as pens and note pads.
- B. Unsolicited tokens or awards of appreciation in the form of a plaque, trophy, desk item, wall memento, or similar item.
- C. Unsolicited items received for the purpose of evaluation or review, if the employee or Board member has no personal beneficial interest in the eventual use or acquisition of the item by the WSIB. It includes nominal items received for purposes of evaluating an investment or items received for on-going diligence in return for fees paid by the WSIB, such as agricultural products.
- D. Informational material, publications, or subscriptions related to the recipient's performance of official duties.
- E. Unsolicited token beverage items, such as water, coffee, tea, or juice, which are generally made available by the business, free of charge, to the business' employees, customers, or visitors.
- F. Food and beverages consumed at hosted receptions where attendance is related to the employee's or Board member's official duties. A hosted reception is a social event involving a diverse group of people, some of who provide goods and services to the WSIB and some who do not. It does not involve a sit-down meal. It does not include an event attended only by Board members or employees.
- G. A dinner sponsored by a vendor at a governmental or non-profit conference when the sponsored event is part of the official conference program and all conference attendees have an equal opportunity to attend the event. This

¹ This limit will increase to \$100 effective July 27, 2025.

does not apply to separately held events that are incidental to the official conference, such as hospitality rooms.

- H. Admission to and the cost of food and beverages consumed at events sponsored by or in conjunction with a civic, charitable, governmental, or community organization.

Entertainment may not be accepted from a sponsor that provides or may provide goods or services to the WSIB.

The following items must be reported in accordance with the Reporting requirements of this Policy (even if returned or donated):

- Unsolicited tokens or awards of appreciation in the form of a plaque, trophy, desk item, wall memento, or similar item.
- Other Things of Economic Value not otherwise identified in the above list.

4. Associations

Associations often offer complementary meals to attendees. Such complementary meals can be a Gift if the association is comprised primarily of persons or entities providing or seeking to provide goods, services, or investments to the WSIB.

A Board member or employee may accept meals from an Association if all of the following conditions are met:

- A. The association itself does not seek to provide goods or services to the Board.
- B. Persons within the association who seek to provide goods or services to the Board
 - i. Comprise less than 10 percent of the membership of the association, and
 - ii. Contribute less than 10 percent of the association funds
- C. The meals and beverages served in connection with the event is sponsored or furnished by the association as a whole and not by, or primarily by, persons seeking to provide goods or services to the Board.

5. Honorarium

In no event may a Board member or employee accept an honorarium if the person or entity offering the honorarium:

- A. Has, will, or is reasonably expected to seek contractual relations with the WSIB.
- B. Will seek or oppose or is reasonably likely to seek or oppose enactment of legislation or adoption of administrative rules or actions or policy changes by or affecting the WSIB.

A Board member or employee may accept an honorarium only if all of the following are met:

- A. The Board member obtains the prior approval of the Board Chair, sent through the CEO. If the CEO seeks to accept an honorarium, prior approval of the Board Chair must be obtained. If an employee, prior approval of the CEO must be obtained.
- B. The Board member or employee will not appear in their official capacity nor engage in any activity associated with the WSIB's responsibilities, policies, or programs.

- C. The honorarium is not being offered because of the Board member's or employee's official position in the WSIB.
- D. The topic is such that it does not appear the employee or Board member could have used information acquired in the course of membership or employment with the WSIB.
- E. The honorarium is not being offered by a person or entity doing business with or could reasonably be expected to seek to do business with the WSIB.
- F. No use of government time or resources was used by the Board member or employee to produce the materials or prepare for the article, appearance, or item for which the honorarium is being given.
- G. There is no expense to the WSIB.

Reporting

All Board members and employees shall report Gifts identified as reportable in this Policy within ten (10) business days of receipt as directed by the CEO. Compliance shall report annually to the Audit Committee, providing analytics on gift reporting.

POLICY REVIEW

The Board shall review this policy at least once every three (3) years to ensure that it remains relevant and appropriate.

Policy Adopted 6/20/19

Revised 6/16/22

Revised 6/12/25

POLICY NUMBER: 2.00.102**EFFECTIVE DATE:** ~~6/16/22~~6/12/25**TITLE:** Gifts**SUPERSEDES:** ~~6/20/196~~6/16/22**BOARD ADOPTION:** ~~6/16/22~~6/12/25**REVIEWED:**

PURPOSE

Every Washington State Investment Board (WSIB) member and employee has a fundamental responsibility to the state of Washington and fund beneficiaries to act in a manner that promotes public trust. The receipt of Gifts can impair the integrity, independence, or impartiality of the recipient or create an appearance of obligation. Board members and employees are restricted from accepting Gifts except as allowed by state ethics law and this Policy. Board members and employees should consider declining otherwise permissible Gifts if they believe that a reasonable person with knowledge of the relevant facts would question their integrity or impartiality as a result of accepting the Gift. It is expected that all Board members and employees will be familiar and comply with this policy.

Definitions

Aggregate Value means the total monetary value of a Gift or Gifts received from a single source in a calendar year or of a single Gift received from multiple sources. The value of Gifts given to family members are attributable to the Board member or employee for the purpose of this policy, unless an independent business, family or social relationship exists between the donor and the family member.

Board Member means the voting and non-voting members of the WSIB.

Contractual Activities means any involvement in a procurement, contract, or investment decision, including recommending, advising, monitoring, supervising, investigating, reviewing, voting, making or approving final decisions, conducting contract compliance or operational due diligence, or other similar activities. When the Board approves or considers the acquisition of goods, services, or investments, all Board members participate in that process.

Employee means all employees of the WSIB, including the Chief Executive Officer (CEO) unless otherwise stated.

Honorarium means money or a thing of value offered to a Board member or state employee for a speech, appearance, article, or similar item or activity in connection with the state officer's or state employee's official role.

Gift means anything of economic value given to the recipient when consideration of equivalent value is not provided in return.

Thing of Economic Value, in addition to its ordinary meaning, includes the following:

1. A loan, property interest, interest in a contract, chose in action, employment or other arrangement involving a right to compensation.
2. An option, irrespective of the conditions to the exercise of such option.

3. A promise or undertaking for the present or future delivery or procurement.
4. A favor that provides an economic benefit to a Board member, employee, spouse, child or dependent.

POLICY

As a paramount duty, Board members and employees are prohibited from seeking or accepting, directly or indirectly, Gifts. This prohibition extends to Things of Economic Value, including favors or gratuities, if it could reasonably be expected to, or appear to, influence or reward an action or inaction. The prohibition on receipt of certain Gifts also applies to family members unless an independent business or social relationship exists between the donor and the family member.

State law and this Policy provide that certain types of exchanges are not Gifts due to the personal or business relationship between the donor and recipient. Other types of exchanges, although a Gift, do not influence the recipient, and state law allows a recipient to accept such items. Individuals involved or who may be involved in Contractual Activities, however, are strictly prohibited from accepting all but a few types of items. Contractual Activities include recommending, advising, monitoring, supervising, voting, or approving contracts, procurements, and investments as well as compliance and due diligence activities.

If a Board member or employee receives a Gift that cannot be accepted, the recipient must return the Gift to the donor or donate it to charity within 30 days of receipt. Gifts returned or donated must be reported for the purpose of monitoring compliance. Documentation of the return or donation is required.

If acceptance of a Gift is allowed, a Board member or employee must still evaluate the propriety of accepting the Gift. Board members and employees must be sensitive to the source and value of the Gift, the frequency of Gifts from one source, the possible motives of the giver, and the perception of others regarding the Gift. No offsetting public good is achieved by creating an appearance of impropriety. If a person's integrity, independence, and impartiality could be called into question, a Gift should be rejected. Board members and employees should consult the WSIB's Legal, Risk and Compliance Director if they are uncertain about whether to accept a Gift.

1. Acceptance of Items Not Considered a Gift

Certain items are presumed to not influence the recipient and state law allows Board members and employees to accept such items. The following items may be accepted and do not need to be reported as a Gift to the WSIB:

- A. Items from family members or friends where it is clear beyond a reasonable doubt that the Gift was not made as part of any design to gain or maintain influence in the Board or agency.
- B. Customary items related to the Board member or employee's outside business and unrelated to the performance of official duties.
- C. Items exchanged at a social event hosted among coworkers.
- D. Payments for allowable travel expenses incurred in connection with a speech, presentation, or appearance in an official capacity when the provider does not provide nor seek to provide goods or services to the Board.
- E. Items a Board member or state employee is authorized by law to accept, such as Gifts associated with the Combined Fund Drive, and not addressed by this policy.

- F. Payment of enrollment or course fees and reasonable travel expenses incurred to attend a seminar or educational program sponsored by a bona fide governmental or nonprofit professional, educational, or trade association, or charitable institution, as long as the payer does not provide ~~or not~~ seek to provide goods or services to the Board.
 - G. Campaign contributions properly reported under chapter 42.17A RCW.
 - H. Discounts available to an individual as a member of an employee group, occupation, or similar broad-based group.
 - I. Customary loans from banks and other financial institutions, such as loans to purchase housing or motor vehicles. Loans and other transactions on terms and conditions not generally available to the public are prohibited.
 - J. Registration fees, materials, meals, or beverages by event sponsors when attending training, meetings, or conferences in return for fees paid by the WSIB under a contract or agreement. This subsection applies only to group events attended by other clients, partners, or board members of the sponsoring organization when the fees, materials, and meals are provided to attendees on a similar basis.
 - K. Unsolicited token beverages such as coffee, tea, water, or juice, generally made available free of charge to the provider's employees, customers and/or visitors.
2. Items that May be Accepted If No Involvement in Contractual Activities

Board members and employees may accept only the following items if the Board member or employee is not involved in Contractual Activities with the person or entity providing the Gift:

- A. Unsolicited flowers, plants, and floral arrangements.
- B. Unsolicited advertising or promotional items of nominal value, such as pens and note pads.
- C. Unsolicited tokens or awards of appreciation in the form of a plaque, trophy, desk item, wall memento, or similar item.
- D. Unsolicited items received for the purpose of evaluation or review, if the employee or Board member has no personal beneficial interest in the eventual use or acquisition of the item by the WSIB.
- E. Informational material, publications, or subscriptions related to the recipient's performance of official duties.
- F. Unsolicited token beverage items, such as water, coffee, tea, or juice, which are generally made available by the business, free of charge, to the business' employees, customers, or visitors.
- G. Food and beverages consumed at hosted receptions when attendance relates to the Board member's or employee's official duties. A hosted reception is a social event involving a diverse group of people, some of who provide goods and services to the WSIB and some who do not. It does not involve a sit-down meal. It does not include an event attended only by Board members or employees.
- H. Admission to and the cost of food and beverages consumed at events sponsored by or in conjunction with a civic, charitable, governmental, or community organization.
- I. Food and beverage on infrequent occasions in the ordinary course of meals when attendance by the Board member or employee is related to the performance of official duties.

- J. Unsolicited Gifts from dignitaries from another state or a foreign country that are intended to be personal in nature.
- K. Board members and employees may accept entertainment when such entertainment is part of the event's activities and is open to all those who are attending the event (although it is not necessary that all participants do attend). An employee or Board member may not accept such entertainment (i) if provided by a person or entity that provides or could provide goods or services to the WSIB; or (ii) if the entertainment is being provided to influence or reward the employee or Board member or to obtain or develop business with the Board.
- L. Other Things of Economic Value if, in aggregate, the total value is not more than ~~under~~ \$50¹ from a single source in a calendar year.

The following items must be reported as a Gift in accordance with the Reporting requirements of this Policy (even if returned or donated):

- Unsolicited flowers, plants, and floral arrangements.
- Unsolicited tokens or awards of appreciation in the form of a plaque, trophy, desk item, wall memento, or similar item.
- Unsolicited Gifts from dignitaries from another state or a foreign country that are intended to be personal in nature.
- Other Things of Economic Value not otherwise identified above.

3. Items that May be Accepted If Involved in Contractual Activities

A Board member or employee may only accept the items listed below when the Board member or employee is involved in Contractual Activities and the Gift is offered by a person or entity that does or could do business with the WSIB:

- A. Unsolicited advertising or promotional items of nominal value, such as pens and note pads.
- B. Unsolicited tokens or awards of appreciation in the form of a plaque, trophy, desk item, wall memento, or similar item.
- C. Unsolicited items received for the purpose of evaluation or review, if the employee or Board member has no personal beneficial interest in the eventual use or acquisition of the item by the WSIB. It includes nominal items received for purposes of evaluating an investment or items received for on-going diligence in return for fees paid by the WSIB, such as agricultural products.
- D. Informational material, publications, or subscriptions related to the recipient's performance of official duties.
- E. Unsolicited token beverage items, such as water, coffee, tea, or juice, which are generally made available by the business, free of charge, to the business' employees, customers, or visitors.
- F. Food and beverages consumed at hosted receptions where attendance is related to the employee's or Board member's official duties. A hosted reception is a social event involving a diverse group of people, some of who provide goods and services to the WSIB and some who do not. It does not involve a sit-down meal. It does not include an event attended only by Board members or employees.
- G. A dinner sponsored by a vendor at a governmental or non-profit conference when the sponsored event is part of the official conference program and all conference attendees have an equal opportunity to attend the event. This

¹ This limit will increase to \$100 effective July 27, 2025.

does not apply to separately held events that are incidental to the official conference, such as hospitality rooms.

- H. Admission to and the cost of food and beverages consumed at events sponsored by or in conjunction with a civic, charitable, governmental, or community organization.

Entertainment may not be accepted from a sponsor that provides or may provide goods or services to the WSIB.

The following items must be reported in accordance with the Reporting requirements of this Policy (even if returned or donated):

- Unsolicited tokens or awards of appreciation in the form of a plaque, trophy, desk item, wall memento, or similar item.
- Other Things of Economic Value not otherwise identified in the above list.

4. Associations

Associations often offer complementary meals to attendees. Such complementary meals can be a Gift if the association is comprised primarily of persons or entities providing or seeking to provide goods, services, or investments to the WSIB.

A Board member or employee may accept meals from an Association if all of the following conditions are met:

- A. The association itself does not seek to provide goods or services to the Board.
- B. Persons within the association who seek to provide goods or services to the Board
 - i. Comprise less than 10 percent of the membership of the association, and
 - ii. Contribute less than 10 percent of the association funds
- C. The meals and beverages served in connection with the event is sponsored or furnished by the association as a whole and not by, or primarily by, persons seeking to provide goods or services to the Board.

5. Honorarium

In no event may a Board member or employee accept an honorarium if the person or entity offering the honorarium:

- A. Has, will, or is reasonably expected to seek contractual relations with the WSIB.
- B. Will seek or oppose⁷ or is reasonably likely to seek or oppose enactment of legislation or adoption of administrative rules or actions or policy changes by or affecting the WSIB.

A Board member or employee may accept an honorarium only if all of the following are met:

- A. The Board member obtains the prior approval of the Board Chair, sent through the CEO. If the CEO seeks to accept an honorarium, prior approval of the Board Chair must be obtained. If an employee, prior approval of the CEO must be obtained.
- B. The Board member or employee will not appear in their official capacity nor engage in any activity associated with the WSIB's responsibilities, policies, or programs.

- C. The honorarium is not being offered because of the Board member's or employee's official position in the WSIB.
- D. The topic is such that it does not appear the employee or Board member could have used information acquired in the course of membership or employment with the WSIB.
- E. The honorarium is not being offered by a person or entity doing business with or could reasonably be expected to seek to do business with the WSIB.
- F. No use of government time or resources was used by the Board member or employee to produce the materials or prepare for the article, appearance, or item for which the honorarium is being given.
- G. There is no expense to the WSIB.

Reporting

All Board members and employees shall report Gifts identified as reportable in this Policy within ~~five-ten~~ (510) business days of receipt as directed by the CEO. Compliance shall report annually to the Audit Committee, providing analytics on gift reporting.

POLICY REVIEW

The Board shall review this policy at least once every three (3) years to ensure that it remains relevant and appropriate.

Policy Adopted 6/20/19

Revised 6/16/22

Revised 6/12/25

POLICY NUMBER: 2.00.103**EFFECTIVE DATE:** ~~6/16/22~~6/12/25**TITLE:** Confidentiality and Use of Position**SUPERSEDES:** ~~6/20/19~~6/16/22**BOARD ADOPTION:** ~~6/16/22~~6/12/25**REVIEWED:**

PURPOSE

Washington State Investment Board (WSIB) Board members and employees hold influential positions of power with access to information not available to the general public. The Board seeks to prevent an inadvertent abuse of power as well as a release of confidential or non-public information that could result in financial detriment or loss of trust by the people.

Guidelines

1. Confidentiality

- A. Confidential information shall be used solely for the Board's purposes and under no circumstances revealed except as required by law, contract, agreement, or consent.
- B. No Board member or employee shall divulge confidential information in the Board's or the WSIB's possession, whether labeled confidential or not, to any unauthorized person or entity.
- C. No Board member or employee shall share or divulge information to any unauthorized person or entity in advance of the time prescribed for its authorized issuance.
- D. Board members and employees may not otherwise use or permit others to use information not available to the general public.
- E. If confidential or proprietary information will be shared with non-WSIB employees, the Board member or WSIB employee must ensure that such person signs a non-disclosure agreement.

2. Use of Position

- A. No Board member or employee shall use ~~his or her~~their position or employment with the WSIB or use the WSIB's facilities, equipment, or supplies to obtain or attempt to obtain personal gain or advantage either for themselves or for other persons.
- B. Except in the course of official duties, no Board member or employee shall use their position or employment with the WSIB or use WSIB facilities, equipment or supplies to assist another in a transaction involving the WSIB, including the use of influence over the Board or WSIB to obtain or attempt to obtain gain or advantage for the person or entity seeking to transact business.
- C. No Board member or employee shall accept employment or engage in a business or professional activity that might reasonably be expected to require or induce the disclosure of confidential information acquired by reason of their official position.

3. Post-WSIB Employment

- A. No Board member or employee shall accept employment or compensation after leaving the Board or state service in violation of state law:

- i. One-Year Restriction: Board members and employees may not accept employment or compensation from an employer ("new employer") within one year of termination of state service or employment if all of the following conditions apply:
 - a. During the previous two years, the Board member or employee supervised, negotiated, investigated, advised, or administered a contract involving the new employer and while in state service was in a position to make discretionary decisions affecting the outcome of such negotiations or administration.
 - b. The state contract(s) had a total value in excess of \$10,000.
 - c. The duties with the new employer include implementing, supervising, or controlling a WSIB contract, or portion thereof.
 - ii. Two-Year Restriction: A Board member or employee may not within two years following termination of state service or employment have a direct or indirect beneficial interest in a WSIB contract expressly authorized or funded by executive action when the Board member or employee participates in such action.
- B. A former Board member or employee may not accept employment or compensation if the member or employee knows, has reason to believe, or circumstances would lead a reasonable person to believe that it was offered as influence, compensation, or reward for the performance or non-performance of official duties. A former Board member or employee also may not assist another person or entity, whether or not for compensation, in any transaction involving the WSIB in which the former member or employee participated.

POLICY REVIEW

The Board shall review this policy at least once every (3) three years to ensure that it remains relevant and appropriate.

Policy Adopted 6/20/19
Revised 6/16/22
Revised 6/12/25

POLICY NUMBER: 2.00.103**EFFECTIVE DATE:** 6/12/25**TITLE:** Confidentiality and Use of Position**SUPERSEDES:** 6/16/22**BOARD ADOPTION:** 6/12/25**REVIEWED:**

PURPOSE

Washington State Investment Board (WSIB) Board members and employees hold influential positions of power with access to information not available to the general public. The Board seeks to prevent an inadvertent abuse of power as well as a release of confidential or non-public information that could result in financial detriment or loss of trust by the people.

Guidelines

1. Confidentiality

- A. Confidential information shall be used solely for the Board's purposes and under no circumstances revealed except as required by law, contract, agreement, or consent.
- B. No Board member or employee shall divulge confidential information in the Board's or the WSIB's possession, whether labeled confidential or not, to any unauthorized person or entity.
- C. No Board member or employee shall share or divulge information to any unauthorized person or entity in advance of the time prescribed for its authorized issuance.
- D. Board members and employees may not otherwise use or permit others to use information not available to the general public.
- E. If confidential or proprietary information will be shared with non-WSIB employees, the Board member or WSIB employee must ensure that such person signs a non-disclosure agreement.

2. Use of Position

- A. No Board member or employee shall use their position or employment with the WSIB or use the WSIB's facilities, equipment, or supplies to obtain or attempt to obtain personal gain or advantage either for themselves or for other persons.
- B. Except in the course of official duties, no Board member or employee shall use their position or employment with the WSIB or use WSIB facilities, equipment or supplies to assist another in a transaction involving the WSIB, including the use of influence over the Board or WSIB to obtain or attempt to obtain gain or advantage for the person or entity seeking to transact business.
- C. No Board member or employee shall accept employment or engage in a business or professional activity that might reasonably be expected to require or induce the disclosure of confidential information acquired by reason of their official position.

3. Post-WSIB Employment

- A. No Board member or employee shall accept employment or compensation after leaving the Board or state service in violation of state law:

- i. One-Year Restriction: Board members and employees may not accept employment or compensation from an employer ("new employer") within one year of termination of state service or employment if all of the following conditions apply:
 - a. During the previous two years, the Board member or employee supervised, negotiated, investigated, advised, or administered a contract involving the new employer and while in state service was in a position to make discretionary decisions affecting the outcome of such negotiations or administration.
 - b. The state contract(s) had a total value in excess of \$10,000.
 - c. The duties with the new employer include implementing, supervising, or controlling a WSIB contract, or portion thereof.
 - ii. Two-Year Restriction: A Board member or employee may not within two years following termination of state service or employment have a direct or indirect beneficial interest in a WSIB contract expressly authorized or funded by executive action when the Board member or employee participates in such action.
- B. A former Board member or employee may not accept employment or compensation if the member or employee knows, has reason to believe, or circumstances would lead a reasonable person to believe that it was offered as influence, compensation, or reward for the performance or non-performance of official duties. A former Board member or employee also may not assist another person or entity, whether or not for compensation, in any transaction involving the WSIB in which the former member or employee participated.

POLICY REVIEW

The Board shall review this policy at least once every (3) three years to ensure that it remains relevant and appropriate.

Policy Adopted 6/20/19
Revised 6/16/22
Revised 6/12/25

POLICY NUMBER: 2.00.104**EFFECTIVE DATE:** 6/12/25**TITLE:** Personal Investments**SUPERSEDES:** 6/16/22**BOARD ADOPTION:** 6/12/25**REVIEWED:**

PURPOSE

RCW 42.52.190, RCW 42.52.030 and WAC 287-04-032 prohibit employees of the Washington State Investment Board (WSIB) and its Board members from making certain personal investments that give rise to actual or potential conflicts of interest with investments made by the WSIB. Personal investments by Board members and employees in WSIB investments may give rise to prohibited conflicts of interest or the appearance of impropriety. In addition, through the WSIB's investments, employees and Board members may also gain access to Material Nonpublic Information regarding companies or industries, and the trading of Securities based upon that information or tipping of such information may violate federal securities laws.

This policy seeks to protect the reputation of the WSIB, its stakeholders, employees, and Board members, as well as the integrity of the markets, by emulating best practices of Registered Investment Advisers based upon requirements and guidelines of the Securities and Exchange Commission and state ethics laws, while balancing the interests of individuals in their private affairs. These requirements include prohibitions on Insider Trading, Front Running, certain beneficial interests, and the unauthorized disclosure and use of Material Nonpublic Information and/or other confidential information for non-agency use. This policy is designed to assist WSIB employees and Board members in the exercise of their duties and in honoring professional standards and standards of conduct. Compliance with state and federal laws, however, remains the responsibility of each Board member and employee. The internal process described below is the WSIB's mechanism for granting prior written approval for personal transactions in investments that meet the criteria established by the WSIB.

DefinitionsApproving Authority

The individual or group designated by this Policy or the Chief Executive Officer (CEO) to approve, deny, limit, pre-clear or condition the purchase or sale of a Security or Other Investment and authorize Managed Account exemptions.

Business Day

Business Day for the purpose of this Policy means any day on which the New York Stock Exchange is open for business or as otherwise defined by Investment Compliance.

Covered Accounts

Any personal account that permits trading in individual Securities in which a Covered Person or Related Party directs, controls or has a financial interest.

Covered Accounts do not include FDIC accounts or tax advantaged accounts such as 401(a), 401(k) accounts, 457 accounts, 403(b) accounts, qualified health savings accounts, or 529

accounts that are limited to pooled investment options (e.g., shares of open-end mutual funds, collective investment trusts, etc.). ***However, any account that permits trading in individual Securities is a Covered Account.***

Covered Persons

All WSIB employees, Board members, and Board designees with voting authority.

Covered Trade

A trade of a Security for a Covered Account. Covered trades do not include automatic investment plans in which the timing of purchases and withdrawals, either to or from a Covered Account, is scheduled, predetermined at regular intervals, and/or has standing instructions, such as Dividend Reinvestment Plans (DRIPs) and Employee Stock Ownership Plans (ESOPs). Investment Compliance may require additional documentation to support the automatic investment plan transaction(s).

Designated Brokers

A pre-approved list of broker-dealers providing an electronic feed to the Personal Investment Compliance (PIC) system.

The following investments do not need pre-clearance or reporting to the WSIB and are deemed approved pursuant to RCW 42.52.190:

1. Any deposit in an FDIC account
2. Certificates of deposit
3. Mutual funds, closed-end funds and unit investment trusts registered under the Investment Company Act of 1940
4. U.S. Government issued Securities (e.g., T-bills, Savings or Treasury bonds or notes, TIPS or STRIPS)
5. Municipal bonds
6. Insurance products (e.g., index, variable and fixed annuities, and life insurance products)
7. Currencies
8. Investments in tangible items (e.g., automobiles, art, watercraft, coins, or precious metals)
9. Private real estate unless the real estate interest is in or with a party with whom the agency holds an investment
10. Exchange Traded Funds (ETFs) that are commodity based or include 10 or more securities
11. Derivatives, including Exchange Traded Notes (ETNs), of a broad-based index
12. Derivatives of an Exempt Investment

Front Running

Front Running may occur when a Covered Person trades a Security with knowledge that the WSIB will or is likely to engage in a nonpublic decision to buy or sell that Security. For the purpose of this Policy, this does not include trades pursuant to an announced index change or rebalancing.

Investment Compliance

A WSIB employee or employees designated to maintain or oversee the compliance program under this Policy.

Insider Trading

Insider Trading may occur when a person trades upon Material Nonpublic Information. Covered Persons are prohibited from (a) transacting for profit or to avoid loss using Material Nonpublic Information; (b) influencing investment decisions on behalf of the WSIB, themselves or others based on Material Nonpublic Information; or (c) sharing any Material Nonpublic Information with unauthorized individuals.

Initial Public Offerings (IPOs)

Refers to a type of public offering when shares of stock in a company are sold to the general public for the first time.

Managed Account

An account with the capability of trading Securities, when (a) the account is managed by a third party who is not a Covered Person; (b) no Covered Person has the power to affect or control investment decisions; and (c) no prior communication occurs between the Covered Person and the person(s) with investment discretion regarding specific trade activity in the account.

Material Nonpublic Information

Information is nonpublic if it has not been disseminated in a manner making it available to investors generally.

Information is material when it is substantially likely that the information would be important to a reasonable investor making an investment decision or is likely to have a significant impact on valuation. Material information can be negative or positive, and does not need to change a particular investor's decision to buy, sell, or hold a Security. Nor does the information necessarily need to be significant enough to actually move the market price of a security. It is enough that it is the type of information that a reasonable investor would consider important in making such a decision.

Other Investment

Any investment not defined as a Security or an Exempt Investment, including but not limited to, stock plans, employee purchase plans, direct purchase plans, limited partnerships, joint ventures, co-investments, leveraged buyouts, commercial paper, purchase agreements, bankers' acceptances, private lending, repurchase agreements, investment club participation, and other debt instruments.

Personal Investment Compliance System (PIC System)

The electronic system used to report and obtain pre-clearance of Securities and Other Investments, as well as to report compliance with this Policy.

Related Party or Parties

Spouse, registered domestic partner, dependent children under the age of 19, or other dependent relatives that live in the same household of Covered Persons.

Restricted List

A list of Securities that may not be traded for a Covered Account, including Securities of public companies about which WSIB has Material Nonpublic Information.

Security or Securities

Unless defined as an Exempt Investment, (a) all publicly traded equity and debt securities, and (b) derivatives of equity and debt securities, including without limitation, swaps, futures, options, exchange traded funds, and the functional equivalent of such instruments.

Guidelines

Each Covered Person must review this policy and understand the terms set forth in this policy. Covered Persons are strongly encouraged to ask Investment Compliance any questions about interpretation or implementation. All Covered Persons shall determine whether they or a Related Party have an interest in a Security or Other Investment. If a Covered Person or Related Party has an interest in any Security or Other Investment, then the terms of this Policy apply.

Reporting and Attestation

Unless exempted by the Approving Authority, within 15 calendar days of (a) the date of hire for new employees or (b) the date of oath of office for Board members:

1. Covered Persons shall disclose all Covered Accounts and Managed Accounts, holding Securities, or Other Investments that the Covered Person and any Related Party directs, controls, or in which they have a financial interest.
2. Covered Persons shall file a Personal Trading Compliance Statement through the PIC System, attesting that they understand and will abide by the requirements of this Policy.

Thereafter Covered Persons and their Related Parties must (a) disclose Covered Accounts and Managed Accounts within 15 calendar days of being established and (b) pre-clear Other Investment Transaction requests prior to the purchase or sale.

Covered Persons and their Related Parties shall report all Covered Accounts, Managed Accounts, and Other Investments through the PIC System. Covered Persons and their Related Parties shall coordinate as required with the broker-dealer, record keeper, or investment custodian (collectively "broker-dealer") to establish an electronic feed for all Covered Accounts.

If a Covered Person or their Related Party is unable to obtain an electronic feed from a broker-dealer, the Covered Person or their Related Party shall direct the broker-dealer to send duplicate broker account statements to Investment Compliance or arrange an alternate process with Investment Compliance. No pre-clearance shall be granted for that Covered Person or Related Party until an alternate process is approved by Investment Compliance. After the date of hire, employees may establish Covered Accounts only at a Designated Broker.

Annual Reporting

Annually by January 31, each Covered Person shall certify that all Covered Accounts, Managed Accounts, or Other Investments for the Covered Person and their Related Parties have been reported in the PIC System.

Each Covered Person shall further attest that they understand and will abide by the requirements of this Policy and related policies through the PIC System. Investment Compliance will verify that all Covered Persons have attested and provide an annual report of such verification to the Audit Committee.

Pre-Clearance Procedures

If a Covered Person or their Related Party wishes to trade a Security in a Covered Account or purchase or sell an Other Investment, the Covered Person shall submit a pre-Clearance request through the PIC System. The pre-clearance request shall contain an affirmation

that the Covered Person or Related Party has no knowledge of Material Nonpublic Information related to the request.

Covered Trade Pre-Clearance

For a Covered Trade, pre-clearance requests must be submitted and approved through the PIC System prior to execution of a transaction. Unless rescinded, pre-clearance approvals are valid until 1pm (Pacific Time) the next Business Day.

Covered Persons may request pre-clearance of a limit order or stop-loss order. Pre-clearance approvals of limit orders and stop-loss orders are valid for thirty (30) calendar days from the date of approval and are subject to rescission at any time.

Trading and related activities by employees must also comply with state and federal laws and WSIB Board and Agency policies, including, but not limited to, policies regarding the use of state resources.

Other Investment Pre-Clearance

Other Investment transactions must be pre-cleared in the PIC System prior to the purchase or sale. Approval or denial of the Other Investment request will be sent to the Covered Person no later than three (3) Business Days from receipt of the request.

If a Covered Person or their Related Parties wish to participate in an IPO, the Covered Person must submit an Other Investment transaction request in the PIC System and provide a written statement to Investment Compliance providing the full details of the proposed transaction, including an attestation that the investment opportunity did not arise by virtue of the Covered Person's activities on behalf of the WSIB. Any IPO shares that a Covered Person receives as distributions from previously owned and disclosed investments do not require pre-clearance.

Appeal of Pre-Clearance Denial

If a pre-clearance request submitted using the PIC System is denied, a Covered Person may appeal the decision by submitting a request to Investment Compliance. An appeal of an Investment Compliance decision shall be referred to the CEO.

Restricted List

The Restricted List is established and maintained by Investment Compliance using information provided by WSIB employees. Investment Compliance shall determine when Securities are added to and removed from the Restricted List.

When Covered Persons believe they have received Material Nonpublic Information about a Security, the Security shall be immediately reported to Investment Compliance. A Security may be reported for any other reason and may be added to a Restricted List at the discretion of Investment Compliance.

Approval Criteria

The Approving Authority shall have discretion to approve or prohibit any proposed acquisition or sale of a Security or Other Investment by a Covered Person or Related Party. The Approving Authority reserves the right to deny a purchase or sale if it believes the acquisition or sale may violate federal law, state law, Board policy, or poses a reputational risk to the WSIB. The Approving Authority may consider, but is not limited to, the following circumstances:

1. Whether the Covered Person acts in a decision-making, advisory, or policy-influencing capacity with respect to investments.

2. The relationship between the proposed investment and investments held or under consideration by the WSIB.
3. The size and timing of the proposed investment.
4. The access of the Covered Person to Material Nonpublic Information relative to the proposed investment.
5. The availability of the proposed investment in the public market.
6. Whether the investment is a Permissible Investment under RCW 42.52.190.
7. Whether the financial effect of the trade on the Covered Person or Related Party is indistinguishable from its effect on the general public.
8. Whether it is reasonably foreseeable that the Covered Person's personal trade would contribute to a change in the price of the Security.

No Covered Person or Related Party shall make, participate in making, or in any way attempt to use their official position to influence the making of any investment decision by the WSIB which they know or have reason to know will have a reasonably foreseeable material financial effect (distinguishable from the effect on the public generally) on the Covered or Related Person's personal finances or financial interests.

Covered Persons and Related Parties are prohibited from personally investing directly in a general partner or the owner of a general partner with which the WSIB does or could do business.

Managed Accounts

The Approving Authority may exempt Managed Accounts from policy requirements when both of the following conditions have been met:

1. When a third-party money manager certifies in writing that the Managed Account provider has full discretion to act as investment advisor and manage any investment or trading account of the Covered Account; and
2. The Covered Person certifies that (a) the account is managed by a third party who is not a Covered Person or Related Party; (b) no Covered Person or Related Party has the power to affect or control investment decisions; and (c) no prior communication occurs between the Covered Person or Related Party and the person(s) with investment discretion regarding specific trade activity in the account.

Exemptions and Appeals

A Board member, Board member designee, or their Related Party may seek an exemption from this Policy by submitting a written request to the CEO or their designee, who may grant or deny an exemption in whole, in part, or condition approval as deemed appropriate. The CEO may seek an exemption from the Board Chair. The Board Chair may grant or deny an exemption in whole, in part, or condition approval as deemed appropriate after consulting with the Legal, Risk & Compliance (LRC) Director.

Other Covered Persons or their Related Parties may seek an exemption from this Policy by submitting a written statement to Investment Compliance. the appropriate Investment Compliance staff shall approve, deny or condition approval as deemed appropriate and issue a written response generally within two (2) weeks of the request.

An appeal of Investment Compliance staff's decision shall be referred to the CEO.

Training

Investment Compliance shall provide training on this Policy and procedures to all Board members within two weeks of taking the oath of office, to WSIB employees within two weeks following date of hire, and to all Covered Persons annually thereafter. A copy of this Policy shall be provided to new employees or Board members at the start of their service.

Sanctions and Conflict Mitigation

Investment Compliance shall report breaches of this Policy by a Covered Person to the CEO consistent with established procedures. Policy breaches by the CEO shall be reported to the Board Chair.

For any transaction or conflict of interest, the CEO or Board Chair may request that the Covered Person divest, unwind and/or disgorge any profits to charity, as deemed appropriate. The CEO or the Board may also take any additional action authorized by law or Board Policy 2.00.106 Sanctions for Violations. The exercise of any sanction or course of action shall not exhaust, diminish, or otherwise prevent any other action, including civil or criminal sanctions allowed by law.

While adherence to this Policy will assist in deterring and detecting Insider Trading and Front Running, pre-clearance does not authorize a Covered Person to undertake a Covered Trade or Other Investment prohibited by federal securities laws or state ethics laws. Pre-clearance does not prevent a transaction from constituting Insider Trading or Front Running or violating any criminal and/or civil provisions of applicable laws.

This Policy, moreover, cannot address every situation or ethical issue confronting WSIB Board members and employees. Covered Persons are strongly encouraged, therefore, to contact Investment Compliance with any questions about this Policy, interpretations, and implementation. Investment Compliance staff work for the WSIB and do not represent the Covered Person. Therefore, Covered Persons are encouraged to seek counsel from a personal attorney for guidance on ethical and legal issues as appropriate.

Monitoring

Investment Compliance is responsible for monitoring trading activity through the PIC System for compliance with the Policy and procedures. Investment Compliance must report annually to the Audit Committee the key analytics of the personal investment requests.

All Board members, Board member designees, the CEO and Chief Investment Officer are required to file a Statement of Financial Affairs form with the Public Disclosure Commission (PDC) within two weeks of appointment and annually thereafter as required by law or this Policy. A copy of the filed PDC form must be provided to the WSIB. Investment Compliance will verify PDC forms were filed timely, and provide the Board Chair and CEO a summary of compliance by April 30 of each year.

POLICY REVIEW

The Board shall review this policy at least once every three (3) years to ensure that it remains relevant and appropriate.

POLICY NUMBER: 2.00.104**EFFECTIVE DATE:** ~~6/16/22~~6/12/25**TITLE:** Personal Investments**SUPERSEDES:** ~~6/17/21~~6/16/22**BOARD ADOPTION:** ~~6/16/22~~6/12/25**REVIEWED:**

PURPOSE

RCW 42.52.190, RCW 42.52.030 and WAC 287-04-032 prohibit employees of the Washington State Investment Board (WSIB) and its Board members from making certain personal investments that give rise to actual or potential conflicts of interest with investments made by the WSIB. Personal investments by Board members and employees in WSIB investments may give rise to prohibited conflicts of interest or the appearance of impropriety. In addition, through the WSIB's investments, employees and Board members may also gain access to Material Nonpublic Information regarding companies or industries, and the trading of Securities based upon that information or tipping of such information may violate federal securities laws.

This policy seeks to protect the reputation of the WSIB, its stakeholders, employees, and Board members, as well as the integrity of the markets, by emulating best practices of Registered Investment Advisers based upon requirements and guidelines of the Securities and Exchange Commission and state ethics laws, while balancing the interests of individuals in their private affairs. These requirements include prohibitions on Insider Trading, Front Running, certain beneficial interests, and the unauthorized disclosure and use of Material Nonpublic Information and/or other confidential information for non-agency use. This policy is designed to assist WSIB employees and Board members in the exercise of their duties and in honoring professional standards and standards of conduct. Compliance with state and federal laws, however, remains the responsibility of each Board member and employee. The internal process described below is the WSIB's mechanism for granting prior written approval for personal transactions in investments that meet the criteria established by the WSIB.

DefinitionsApproving Authority

The individual or group designated by this Policy or the Chief Executive Officer (CEO) to approve, deny, limit, pre-clear or condition the purchase or sale of a Security or Other Investment and authorize Managed Account exemptions.

Business Day

Business Day for the purpose of this Policy means any day on which the New York Stock Exchange is open for business or as otherwise defined by Investment Compliance.

Covered Accounts

Any personal account that permits trading in individual Securities in which a Covered Person or Related Party directs, controls or has a financial interest.

Covered Accounts do not include FDIC accounts or tax advantaged accounts such as 401(a), 401(k) accounts, 457 accounts, 403(b) accounts, qualified health savings accounts, or 529

accounts that are limited to pooled investment options (e.g., shares of open-end mutual funds, collective investment trusts, etc.). ***However, any account that permits trading in individual Securities is a Covered Account.***

Covered Persons

All WSIB employees, Board members, and Board designees with voting authority.

Covered Trade

A trade of a Security for a Covered Account. Covered trades do not include automatic investment plans in which the timing of purchases and withdrawals, either to or from a Covered Account, is scheduled, predetermined at regular intervals, and/or has standing instructions, such as Dividend Reinvestment Plans (DRIPs) and Employee Stock Ownership Plans (ESOPs). Investment Compliance may require additional documentation to support the automatic investment plan transaction(s).

Designated Brokers

A pre-approved list of broker-dealers providing an electronic feed to the Personal Investment Compliance (PIC) system.

The following investments do not need pre-clearance or reporting to the WSIB and are deemed approved pursuant to RCW 42.52.190:

1. Any deposit in an FDIC account
- ~~1.2.~~ Ceertificates of deposit
- ~~2.3.~~ Mutual funds, closed-end funds and unit investment trusts registered under the Investment Company Act of 1940
- ~~3.4.~~ U.S. Government issued Securities (e.g., T-bills, Savings or Treasury bonds or notes, TIPS or STRIPS)
- ~~4.5.~~ Municipal bonds
- ~~5.6.~~ Insurance products (e.g., index, variable and fixed annuities, and life insurance products)
- ~~6.7.~~ Currencies
- ~~7.8.~~ Investments in tangible items (e.g., automobiles, art, watercraft, coins, or precious metals)
- ~~8.9.~~ Private real estate unless the real estate interest is in or with a party with whom the agency holds an investment
- ~~9.10.~~ Exchange Traded Funds (ETFs) that are commodity based or include 10 or more securities
- ~~10.11.~~ Derivatives, including Exchange Traded Notes (ETNs), of a broad-based index
- ~~11.12.~~ Derivatives of an Exempt Investment

Front Running

Front Running may occur when a Covered Person trades a Security with knowledge that the WSIB will or is likely to engage in a nonpublic decision to buy or sell that Security. For the purpose of this Policy, this does not include trades pursuant to an announced index change or rebalancing.

Investment Compliance

A WSIB employee or employees designated to maintain or oversee the compliance program under this Policy.

Insider Trading

Insider Trading may occur when a person trades upon Material Nonpublic Information. Covered Persons are prohibited from (a) transacting for profit or to avoid loss using Material Nonpublic Information; (b) influencing investment decisions on behalf of the WSIB, themselves or others based on Material Nonpublic Information; or (c) sharing any Material Nonpublic Information with unauthorized individuals.

Initial Public Offerings (IPOs)

Refers to a type of public offering when shares of stock in a company are sold to the general public for the first time.

Managed Account

An account with the capability of trading Securities, when (a) the account is managed by a third party who is not a Covered Person; (b) no Covered Person has the power to affect or control investment decisions; and (c) no prior communication occurs between the Covered Person and the person(s) with investment discretion regarding specific trade activity in the account.

Material Nonpublic Information

Information is nonpublic if it has not been disseminated in a manner making it available to investors generally.

Information is material when it is substantially likely that the information would be important to a reasonable investor making an investment decision or is likely to have a significant impact on valuation. Material information can be negative or positive, and does not need to change a particular investor's decision to buy, sell, or hold a Security. Nor does the information necessarily need to be significant enough to actually move the market price of a security. It is enough that it is the type of information that a reasonable investor would consider important in making such a decision.

Other Investment

Any investment not defined as a Security or an Exempt Investment, including but not limited to, stock plans, employee purchase plans, direct purchase plans, limited partnerships, joint ventures, co-investments, leveraged buyouts, commercial paper, purchase agreements, bankers' acceptances, private lending, repurchase agreements, investment club participation, and other debt instruments.

Personal Investment Compliance System (PIC System)

The electronic system used to report and obtain pre-clearance of Securities and Other Investments, as well as to report compliance with this Policy.

Related Party or Parties

Spouse, registered domestic partner, dependent children under the age of 19, or other dependent relatives that live in the same household of Covered Persons.

Restricted List

A list of Securities that may not be traded for a Covered Account, including Securities of public companies about which WSIB has Material Nonpublic Information.

Security or Securities

Unless defined as an Exempt Investment, (a) all publicly traded equity and debt securities, and (b) derivatives of equity and debt securities, including without limitation, swaps, futures, options, exchange traded funds, and the functional equivalent of such instruments.

Guidelines

Each Covered Person must review this policy and understand the terms set forth in this policy. Covered Persons are strongly encouraged to ask Investment Compliance any questions about interpretation or implementation. All Covered Persons shall determine whether they or a Related Party have an interest in a Security or Other Investment. If a Covered Person or Related Party has an interest in any Security or Other Investment, then the terms of this Policy apply.

Reporting and Attestation

Unless exempted by the Approving Authority, within 15 calendar days of (a) the date of hire for new employees or (b) the date of oath of office for Board members:

1. Covered Persons shall disclose all Covered Accounts and Managed Accounts, holding Securities, or Other Investments that the Covered Person and any Related Party directs, controls, or in which they have a financial interest.
2. Covered Persons shall file a Personal Trading Compliance Statement through the PIC System, attesting that they understand and will abide by the requirements of this Policy.

Thereafter Covered Persons and their Related Parties must (a) disclose Covered Accounts and Managed Accounts within 15 calendar days of being established and (b) pre-clear Other Investment Transaction requests prior to the purchase or sale.

Covered Persons and their Related Parties shall report all Covered Accounts, Managed Accounts, and Other Investments through the PIC System. Covered Persons and their Related Parties shall coordinate as required with the broker-dealer, record keeper, or investment custodian (collectively "broker-dealer") to establish an electronic feed for all Covered Accounts.

If a Covered Person or their Related Party is unable to obtain an electronic feed from a broker-dealer, the Covered Person or their Related Party shall direct the broker-dealer to send duplicate broker account statements to Investment Compliance or. ~~If the broker-dealer does not provide duplicate statements, the Covered Person must~~ arrange an alternate process with Investment Compliance. No pre-clearance shall be granted for that Covered Person or Related Party until an alternate process is approved by Investment Compliance. After the date of hire, employees may establish Covered Accounts only at a Designated Broker.

Annual Reporting

Annually by January 31, each Covered Person shall certify that all Covered Accounts, Managed Accounts, or Other Investments for the Covered Person and their Related Parties have been reported in the PIC System.

Each Covered Person shall further attest that they understand and will abide by the requirements of this Policy and related policies through the PIC System. Investment Compliance will verify that all Covered Persons have attested and provide an annual report of such verification to the Audit Committee.

Pre-Clearance Procedures

If a Covered Person or their Related Party wishes to trade a Security in a Covered Account or purchase or sell an Other Investment, the Covered Person shall submit a pre-Clearance

request through the PIC System. The pre-clearance request shall contain an affirmation that the Covered Person or Related Party has no knowledge of Material Nonpublic Information related to the request.

Covered Trade Pre-Clearance

For a Covered Trade, pre-clearance requests must be submitted and approved through the PIC System prior to execution of a transaction. Unless rescinded, pre-clearance approvals are valid until 1pm (Pacific Time) the next Business Day.

Covered Persons may request pre-clearance of a limit order or stop-loss order. Pre-clearance approvals of limit orders and stop-loss orders are valid for thirty (30) calendar days from the date of approval and are subject to rescission at any time.

Trading and related activities by employees must also comply with state and federal laws and WSIB Board and Agency policies, including, but not limited to, policies regarding the use of state resources.

Other Investment Pre-Clearance

Other Investment transactions must be pre-cleared in the PIC System prior to the purchase or sale. Approval or denial of the Other Investment request will be sent to the Covered Person no later than three (3) Business Days from receipt of the request.

If a Covered Person or their Related Parties wish to participate in an IPO, the Covered Person must submit an Other Investment transaction request in the PIC System and provide a written statement to Investment Compliance providing the full details of the proposed transaction, including an attestation that the investment opportunity did not arise by virtue of the Covered Person's activities on behalf of the WSIB. Any IPO shares that a Covered Person receives as distributions from previously owned and disclosed investments do not require pre-clearance.

Appeal of Pre-Clearance Denial

If a pre-clearance request submitted using the PIC System is denied, a Covered Person may appeal the decision by submitting a request to Investment Compliance. An appeal of an Investment Compliance decision shall be referred to the CEO.

Restricted List

The Restricted List is established and maintained by Investment Compliance using information provided by WSIB employees. Investment Compliance shall determine when Securities are added to and removed from the Restricted List.

When Covered Persons believe they have received Material Nonpublic Information about a Security, the Security shall be immediately reported to Investment Compliance. A Security may be reported for any other reason and may be added to a Restricted List at the discretion of Investment Compliance.

Approval Criteria

The Approving Authority shall have discretion to approve or prohibit any proposed acquisition or sale of a Security or Other Investment by a Covered Person or Related Party. The Approving Authority reserves the right to deny a purchase or sale if it believes the acquisition or sale may violate federal law, state law, Board policy, or poses a reputational risk to the WSIB. The Approving Authority may consider, but is not limited to, the following circumstances:

1. Whether the Covered Person acts in a decision-making, advisory, or policy-influencing capacity with respect to investments.
2. The relationship between the proposed investment and investments held or under consideration by the WSIB.
3. The size and timing of the proposed investment.
4. The access of the Covered Person to Material Nonpublic Information relative to the proposed investment.
5. The availability of the proposed investment in the public market.
6. Whether the investment is a Permissible Investment under RCW 42.52.190.
7. Whether the financial effect of the trade on the Covered Person or Related Party is indistinguishable from its effect on the general public.
8. Whether it is reasonably foreseeable that the Covered Person's personal trade would contribute to a change in the price of the Security.

No Covered Person or Related Party shall make, participate in making, or in any way attempt to use their official position to influence the making of any investment decision by the WSIB which they know or have reason to know will have a reasonably foreseeable material financial effect (distinguishable from the effect on the public generally) on the Covered or Related Person's personal finances or financial interests.

Covered Persons and Related Parties are prohibited from personally investing directly in a general partner or the owner of a general partner with which the WSIB does or could do business.

Managed Accounts

The Approving Authority may exempt Managed Accounts from policy requirements when both of the following conditions have been met:

1. When a third-party money manager certifies in writing that the Managed Account provider has full discretion to act as investment advisor and manage any investment or trading account of the Covered Account; and
2. The Covered Person certifies that (a) the account is managed by a third party who is not a Covered Person or Related Party; (b) no Covered Person or Related Party has the power to affect or control investment decisions; and (c) no prior communication occurs between the Covered Person or Related Party and the person(s) with investment discretion regarding specific trade activity in the account.

Exemptions and Appeals

A Board member, Board member designee, or their Related Party may seek an exemption from this Policy by submitting a written request to the CEO or their designee, who. ~~The CEO~~ may grant or deny an exemption in whole, in part, or condition approval as deemed appropriate. The CEO may seek an exemption from the Board Chair. The Board Chair may grant or deny an exemption in whole, in part, or condition approval as deemed appropriate after consulting with the Legal, Risk & Compliance (LRC) Director.

Other Covered Persons or their Related Parties may seek an exemption from this Policy by submitting a written statement to Investment Compliance. ~~The appropriate Investment Compliance staff~~ The LRC Director shall approve, deny or condition approval as deemed appropriate and issue a written response generally within twoseven (27) weeksworking days of the request.

An appeal of ~~the LRC Director's~~Investment Compliance's staff's decision shall be referred to the CEO.

Training

Investment Compliance shall provide training on this Policy and procedures to all Board members within two weeks of taking the oath of office, to WSIB employees within two weeks following date of hire, and to all Covered Persons annually thereafter. A copy of this Policy shall be provided to new employees or Board members at the start of their service.

Sanctions and Conflict Mitigation

Investment Compliance shall report ~~violations-breaches~~ of this Policy by a Covered Person to the CEO consistent with established procedures. Policy ~~violations-breaches~~ by the CEO shall be reported to the Board Chair.

For any transaction or conflict of interest, the CEO or Board Chair may request that the Covered Person divest, unwind and/or disgorge any profits to charity, as deemed appropriate. The CEO or the Board may also take any additional action authorized by law or Board Policy 2.00.106 Sanctions for Violations. The exercise of any sanction or course of action shall not exhaust, diminish, or otherwise prevent any other action, including civil or criminal sanctions allowed by law.

While adherence to this Policy will assist in deterring and detecting Insider Trading and Front Running, pre-clearance does not authorize a Covered Person to undertake a Covered Trade or Other Investment prohibited by federal securities laws or state ethics laws. Pre-clearance does not prevent a transaction from constituting Insider Trading or Front Running or violating any criminal and/or civil provisions of applicable laws.

This Policy, moreover, cannot address every situation or ethical issue confronting WSIB Board members and employees. Covered Persons are strongly encouraged, therefore, to contact Investment Compliance with any questions about this Policy, interpretations, and implementation. Investment Compliance staff work for the WSIB and do not represent the Covered Person. Therefore, Covered Persons are encouraged to seek counsel from a personal attorney for guidance on ethical and legal issues as appropriate.

Monitoring

Investment Compliance is responsible for monitoring trading activity through the PIC System for compliance with the Policy and procedures. Investment Compliance must report annually to the Audit Committee the key analytics of the personal investment requests.

All Board members, Board member designees, the CEO and Chief Investment Officer are required to file a Statement of Financial Affairs form with the Public Disclosure Commission (PDC) within two weeks of appointment and annually thereafter as required by law or this Policy. A copy of the filed PDC form must be provided to the WSIB. Investment Compliance will verify PDC forms were filed timely, and provide the Board Chair and CEO a summary of compliance by April 30 of each year.

POLICY REVIEW

The Board shall review this policy at least once every three (3) years to ensure that it remains relevant and appropriate.

Policy Adopted 6/20/19

~~Policy~~ Revised 6/17/21

~~Policy~~ Revised 6/16/22

Revised 6/12/25

POLICY NUMBER: 2.00.105**EFFECTIVE DATE:** 6/16/22**TITLE:** Travel Reimbursement by
Investment Partners and Others**SUPERSEDES:** 6/20/19**BOARD ADOPTION:** 6/16/22**REVIEWED:** 6/12/25

PURPOSE

This policy applies to Board members and employees when acting in their official capacity or participating in events as a representative of the Washington State Investment Board (WSIB).

This Policy implements a system to manage and control Board member and employee travel, as well as the reimbursement or payment of travel by a source other than the state of Washington. The purpose is to avoid conflicts of interest and prohibited gifts under chapter [42.52 RCW](#) and [WAC 287-04-031](#) and to ensure compliance with rules and law.

Definitions

When used in this Policy, the following terms shall have the following definitions:

Approving Authority

The individual designated by this Policy or the Chief Executive Officer (CEO) to approve, deny, limit, pre-clear, or condition travel.

Speaking Engagements

Conferences or events at which a Board member or an employee is asked to participate as a speaker, presenter, or panelist. This term applies when the sponsor of the conference or event offers to pay for Board member or employee travel, lodging, and related expenses.

Conferences

A conference, training, or other event sponsored by a private organization, association, or entity. This term applies when the sponsor of the conference offers to pay all or part of the travel or related expenses.

Contractual Obligation

A legal obligation by an entity to provide or reimburse the WSIB for expenses in return for consideration paid by the WSIB under contract or agreement.

Partner Meeting

Those meetings of an entity in which participation is beneficial because the WSIB holds an interest in the entity.

GuidelinesApproval Required

The CEO or Board member shall not accept an invitation to attend a Speaking Engagement, Partner Meeting, or Conference without the prior approval of the Board Chair or designee. Board member requests for approval shall be sent to the CEO and forwarded to the Board Chair for approval. No employee shall accept an invitation to attend a Speaking Engagement, Partner Meeting, or Conference associated with their official duties without the

prior approval of the CEO or designee. If circumstances are such that advance approval cannot be obtained, approval should be sought as soon thereafter as reasonably practicable.

The Approving Authority shall have discretion to approve, approve with limitations, or prohibit attendance at a Speaking Engagement, Partner Meeting, or Conference. The Approving Authority may also approve attendance but prohibit reimbursement or direct payment of travel or expenses by a source other than the WSIB. This decision shall be based on all the relevant facts and circumstances, including but not limited to:

1. The purpose of the event.
2. Identity of the sponsor and relationship of the sponsor to the WSIB (i.e., whether the sponsor seeks to provide goods, services, or investments or whether the program sponsor is a bona fide non-profit professional, educational, trade association, or charitable institution).
3. The items for which the sponsor offers to pay.
4. The contractual nature of the event (if the event is in return for a Contractual Obligation, such as fees paid under a contract).
5. The attendance of other clients, partners, or advisory board members of the sponsor on a similar basis.
6. The cost the sponsor offers to pay compared with the cost allowed by the state Office of Financial Management (OFM) for the travel or other expenses.

In approving attendance, acceptance of payment, or reimbursement, the Approving Authority may approve reasonable expenses or impose such conditions or restrictions on the travel as deemed appropriate. Reasonable expenses are limited to travel, lodging, meals, and other expenses incurred on the day before through the day after the event, subject to WSIB and OFM rules.

Prohibitions

Unless a Contractual Obligation exists, the Approving Authority may not authorize payment or reimbursement if the source of the payment is a person or entity seeking to provide goods, services, or investments to the WSIB and the recipient participates in the acquisition of such goods, services, or investments. A recipient participates if they approve, disapprove, decide, recommend, investigate, or render advice in the acquisition of such goods, services, or investments, including but not limited to, due diligence on a new investment.

Hosted Meals or Entertainment During Travel

See Policy 2.00.102 Gifts.

POLICY REVIEW

The Board shall review this policy at least once every three (3) years to ensure that it remains relevant and appropriate.

Policy Adopted 6/20/19

Revised 6/16/22

Reviewed 6/12/25

POLICY NUMBER: 2.00.106**EFFECTIVE DATE:** 6/12/25**TITLE:** Sanctions for Violations**SUPERSEDES:** 6/16/22**BOARD ADOPTION:** 6/12/25**REVIEWED:**

PURPOSE

The purpose of this policy is to establish guidelines for addressing violations of Board policies by Board members and employees of the Washington State Investment Board (WSIB). This policy ensures accountability and integrity by outlining potential consequences and actions for violations. Accountability promotes responsibility, transparency, and trust.

POLICY

It is the duty of all Board members and employees to understand the importance of their roles and the impact of their actions. Holding individuals accountable is crucial for maintaining integrity and trust.

A Board member, the Chief Executive Officer (CEO), or an employee who violates a Board Policy may be subject to official reprimand and/or other action as provided by law.

Board Members, CEO, Internal Audit Director

In the event that the Board determines that a violation by a Board Member, the CEO, or the Internal Audit Director is malfeasance, misfeasance, inefficiency, neglect of duty, incapacity, or the individual is unable to perform their fiduciary duties, the Board may take the following action:

1. A voting Board member: The Board, in its sole discretion, may refer the matter to the proper appointing authority or the Office of the Attorney General, as deemed appropriate.
2. A non-voting Board member: The Board, in its sole discretion, may take appropriate steps to remove the member from the Board.
3. The CEO: The Board, in its sole discretion, may take appropriate steps to remove the CEO in compliance with RCW 43.33A.100.
4. The Internal Audit Director: The CEO, with the oversight of the Audit Committee, may take appropriate steps to remove the Internal Audit Director.

Employees

When an employee violates a Board policy, the CEO may take such disciplinary action authorized by law, including the referral of an alleged violation to the Executive Ethics Board, the Attorney General or county prosecutor. The exercise of any sanction shall not exhaust, diminish, or otherwise prevent any other authorized action, including a civil or criminal action.

POLICY REVIEW

The Board shall review this policy at least once every three (3) years to ensure that it remains relevant and appropriate.

Policy Adopted 6/20/19

Revised 6/16/22

Revised 6/12/25

POLICY NUMBER: 2.00.106**EFFECTIVE DATE:** ~~6/16/22~~6/12/25**TITLE:** Sanctions for Violations**SUPERSEDES:** ~~6/20/196~~6/16/22**BOARD ADOPTION:** ~~6/16/22~~6/12/25**REVIEWED:****PURPOSE**

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A Board member, the Chief Executive Officer (CEO), or an employee who violates a Board Policy may be subject to official reprimand and/or other~~or~~ action as provided by law.

Board Members, CEO, Internal Audit Director

In the event that the Board determines that a violation by a Board Member, the CEO, or the Internal Audit Director is malfeasance, misfeasance, inefficiency, neglect of duty, incapacity, or the individual is unable to perform ~~his or her~~their fiduciary duties, the Board may take the following action:

1. A voting Board member: The Board, in its sole discretion, may refer the matter to the proper appointing authority or the Office of the Attorney General, as deemed appropriate.
2. A non-voting Board member: The Board, in its sole discretion, may take appropriate steps to remove the member from the Board.
3. The CEO: The Board, in its sole discretion, may take appropriate steps to remove the CEO in compliance with RCW 43.33A.100.
4. The Internal Audit Director: The CEO, with the oversight of the Audit Committee, may take appropriate steps to remove the Internal Audit Director.

Employees

When an employee violates a Board policy, the CEO may take such disciplinary action authorized by law, including the referral of an alleged violation to the Executive Ethics Board, the Attorney General or county prosecutor. The exercise of any sanction shall not exhaust, diminish, or otherwise prevent any other authorized action, including a civil or criminal action.

POLICY REVIEW

The Board shall review this policy at least once every three (3) years to ensure that it remains relevant and appropriate.

Policy Adopted 6/20/19
Revised 6/16/22
Revised 6/12/25

|

POLICY NUMBER: 2.00.150**EFFECTIVE DATE:** 12/16/21**TITLE:** Code of Conduct**SUPERSEDES:** 6/18/15**BOARD ADOPTION:** 12/16/21**REVIEWED:** ~~11/21/24~~6/12/25

PURPOSE

The trusteeship and investment management of the retirement, deferred compensation, industrial insurance, permanent, and various other trust funds demand the highest degree of confidence from the beneficiaries of the funds and the public in general. It is, therefore, the obligation of every member and each employee of the Board to exhibit the utmost integrity, professionalism, and ethical behavior. The Board is bound by various statutes regarding conflicts of interest, financial disclosure, and prohibited practices, as detailed in the WSIB's ethics policies (Conflict of Interest – Recusal Policy 2.00.101; Gifts Policy 2.00.102; Confidentiality and Use of Position Policy 2.00.103; Personal Investments Policy 2.00.104; Travel Reimbursement by Investment Partners and Others Policy 2.00.105; and Sanctions for Violations Policy 2.00.106). In addition, the Board has adopted the Board Operations Policy 2.00.210 to govern how it conducts Board and Committee meetings.

To help ensure that the Board will function as a cohesive and effective fiduciary and decision-making body, the Board has established this Code of Conduct to further guide how the Board and individual Board members are expected to conduct themselves.

POLICY

Board members agree to:

- Demonstrate decorum, honesty, integrity, professionalism, and ethical behavior in all aspects of their Board duties and in their relations with fellow Board members, staff, service providers, and other constituents.
- Communicate in a respectful, straightforward, and constructive manner when acting in their capacity as Board members.
- Promote cohesion among Board members, staff, and service providers for the benefit of the Washington State Investment Board (WSIB) and its beneficiaries.
- Prepare for each meeting by thoroughly reviewing all meeting materials in advance.
- Attend and actively participate in meetings of the Board and Committees on which they serve, unless unable to do so for reasons beyond their control.
- Become familiar with and abide by the laws pertaining to the WSIB, particularly those described in the Board's ethics policies.
- Abide by all policies and decisions of the Board, In the event a Board member disagrees with an action of the Board or staff, he or she should communicate such disagreement in a Board or Committee meeting.
- Refer to policies and decisions of the Board in a respectful manner with the media or other external parties as set forth in the Board Communications Policy 2.00.175.
- Respect the lines of authority within the organizational structure of the WSIB by directing questions and requests to the Chief Executive Officer (CEO) or staff designated by the CEO as having the authority to respond to Board member questions and requests. Notwithstanding the above, work assignments and requests

for information requiring significant expense or time on the part of staff or advisors shall require the approval of the Board Chair, a Board Committee Chair, or the CEO.

In interaction with members of the public, media, or other entities, Board members agree to:

- Refrain from disclosing any non-public information concerning the property, operations, policies, affairs, or interests of the Board to which Board members may be privy by virtue of their position.
- Represent only those positions that have been adopted or approved by formal Board action.
- Represent any opinion or position that dissents from or is at variance with the formal Board opinion or position in such a way that it is not construed as the position or policy of the Board and to clearly indicate when they are communicating a personal position.

POLICY REVIEW

The Board shall review this policy at least once every three (3) years to ensure that it remains relevant and appropriate.

Policy Adopted 5/20/04

Reviewed 9/18/08

Reviewed 6/21/12

Revised 6/18/15

Reviewed 11/15/18

Revised 12/16/21

Reviewed 11/21/24

Reviewed 6/12/25

POLICY NUMBER: 2.00.230**EFFECTIVE DATE:** 6/12/25**TITLE:** Service Provider**SUPERSEDES:** 6/15/23**BOARD ADOPTED:** 6/12/25**REVIEWED:**

INTRODUCTION

This policy is intended to establish general guidelines and authorities for the selection and retention of Washington State Investment Board (WSIB) service providers. Specific and detailed selection criteria will be established in investment and other policies of the Board or at the time a search or procurement process is initiated.

ROLES AND RESPONSIBILITIES

The role of the Board or designated Committees with respect to the selection of service providers is to:

1. Establish appropriate policies to help ensure prudent and sound selection decisions are made.
2. Monitor compliance with established policies.
3. Approve, in consultation with the Chief Executive Officer (CEO) and where appropriate consultants, the appointment of the following service providers (Named Service Providers):
 - a) The custodian bank (for both the appointment by the Board and the Board's recommendation to the Office of the State Treasurer).
 - b) Investment managers.
 - c) Investment consultants.
 - d) The financial auditor, external quality assessment provider, and comprehensive information technology vulnerability and security auditor.

Unless the Board determines otherwise, the CEO will be responsible for appointing other service providers and for informing the Board of such appointments when they are material or significant.

The CEO will coordinate all search, procurement and due diligence activities, in conjunction with staff, consultants, and other external experts.

For Named Service Providers, the CEO will provide the Board or designated Committee with, at a minimum:

1. A description of the due diligence activities undertaken.
2. The recommended candidate or a list of recommended candidates, as well as an analysis of each candidate.
3. A description of the expected performance monitoring and reporting efforts to be carried out with respect to the Named Service Provider in question throughout the term of the engagement.

Named Service Providers

The Board or a Committee may interview recommended candidates prior to the Board making a final selection decision. Unless otherwise directed, the Board delegates the responsibility to conduct interviews to the CEO, who will recommend a candidate for approval by the Board.

Board Member Protocol During a Procurement

Board members must not discuss any matters pertaining to a procurement with potential service providers or with an existing service provider, except during Board or Committee meetings. Board members must exercise discretion in all other communications with possible service providers.

The CEO will provide the Board or appropriate Committee with periodic reports on the status of all search and procurements. Staff will notify the Board upon initiation of a quiet period and will provide a description of the service providers or types of service providers to which it applies.

A quiet period will begin:

1. Upon the issuance or reissuance of a formal search or procurement that may result in the appointment of a new service provider.
2. When the Board determines it is in the best interest of the WSIB that communications between Board members and service providers be restricted to Board and Committee meetings only.

During quiet periods, Board members should generally not meet with specified service providers in their WSIB Board member capacity. Exceptions may be made in the case of conferences or other industry events, during which Board members may socialize with affected service providers in open, group social settings such as receptions and luncheons, provided they do not discuss matters pertaining to the procurement process.

A quiet period will cease:

1. When a service provider has been appointed by the Board.
2. Upon the announcement of the apparently successful bidder(s) when appointment by the Board is not required.
3. When the procurement process has been canceled or otherwise ended without the selection of service provider(s).
4. When the Board takes action to end a quiet period.

For the first three items listed above, the CEO may reasonably extend a quiet period.

The WSIB's Public Equity Unit conducts an ongoing open rolling procurement for active global and active emerging market equities managers (Public Equity Active Managers). Therefore, the quiet period for this search is indefinite. Board members should consider the legal and reputational risks and carefully evaluate the circumstances when meeting with any possible service providers.

If a Public Equity Active Manager is communicating with a Board member and mentions seeking business with the WSIB or references the WSIB's search process, the Board member should inform the Public Equity Active Manager that the WSIB has an ongoing open

rolling search process and all communications related to a search must be directed to the WSIB's Legal, Risk, and Compliance (LRC) Unit.

All Board members and staff will receive regular training on the WSIB's procurement procedures.

Contracts

The CEO will negotiate and execute all contracts for service providers, subject to review by the LRC Unit.

The CEO is authorized to act on behalf of the Board to terminate contracts upon notification to the Board Chair (or Vice Chair if the Chair's absence, or Committee Chair if neither the Board Chair or Vice Chair are available) and will report any action to the Board.

Monitoring and Reporting

All service providers will be subject to regular and appropriate performance monitoring and periodic reviews by staff, as appropriate, throughout the terms of their contracts. Each contract will ensure the WSIB has the information necessary to conduct its monitoring and review activities.

The CEO will report regularly to the Board on monitoring efforts and significant developments involving Named Service Providers, identifying and reporting, in a timely manner, any material issues or actions taken.

All monitoring and reporting provisions contained in this policy serve as minimum requirements. If more stringent requirements are established within other policies of the WSIB, such requirements will prevail.

The CEO or consultant, as appropriate, will report in a timely manner to the Board any material failures by Named Service Providers to comply with the terms of their contracts.

POLICY REVIEW

The Board shall review this policy at least once every three (3) years to ensure that it remains relevant and appropriate.

Policy Adopted 8/1/03

Revised 9/15/05

Reviewed 7/20/06

Reviewed 4/16/09

Reviewed 6/21/12

Reviewed 6/18/15

Revised 11/19/20

Revised 6/15/23

Revised 6/12/25

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- 1.3. ~~or~~ When the procurement process has been canceled or otherwise ended without the selection of service provider(s).
2. ~~When the Board takes action to end a quiet period~~ quiet period has ended by action of the Board.
- 3.4. ~~When otherwise determined by action of the Board.~~

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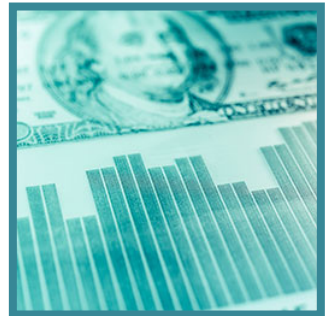
Policy Adopted 8/1/03
Revised 9/15/05
Reviewed 7/20/06
Reviewed 4/16/09
Reviewed 6/21/12
Reviewed 6/18/15
Revised 11/19/20
Revised 6/15/23
Revised 6/12/25

FISCAL YEAR 2026 NON-APPROPRIATED BUDGET

JUNE 12, 2025

Curt Gavigan, Chief Operating Officer

Cliff Hicks, Budget Officer



AGENDA

- Washington State Investment Board (WSIB) funding background
- Non-appropriated budget



WSIB FUNDING BACKGROUND

Funding for WSIB operations is derived from earnings of the managed funds

Expenses are divided into two categories

- Operations expenses – appropriated budget
- Investment expenses – non-appropriated budget

All expenditures are overseen by the Office of Financial Management (OFM) and audited by independent entities

WSIB FUNDING BACKGROUND – APPROPRIATED BUDGET

The WSIB follows the same process as other state agencies

- Board receives a biennial appropriation from the Legislature to cover normal agency operations
 - Includes areas such as new staff, staff compensation changes, facilities, and travel

The biennial budget is approved by the Legislature every odd-numbered year



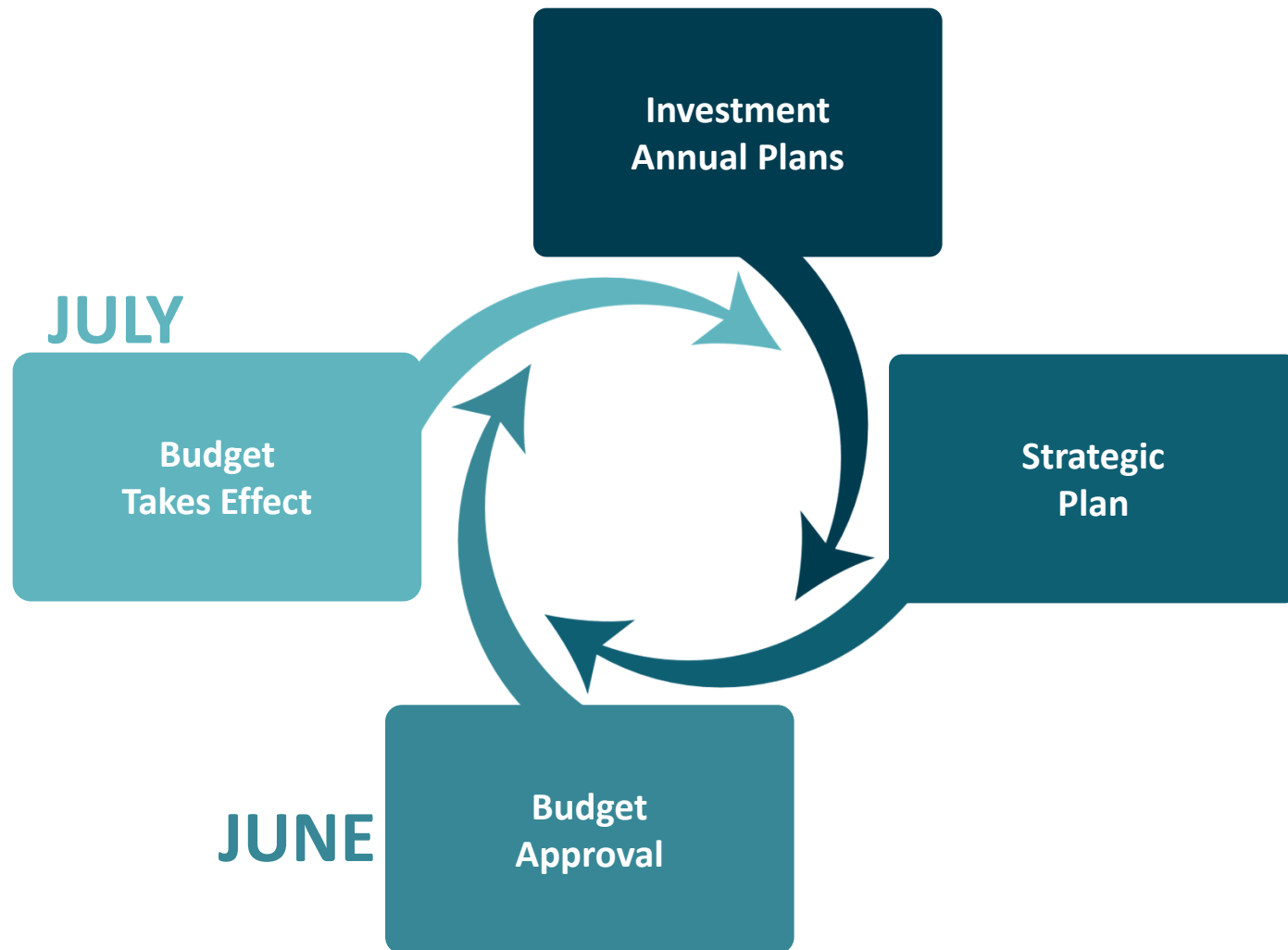
WSIB FUNDING BACKGROUND – NON-APPROPRIATED BUDGET

Fees and expenses related to investment activities are paid from investment earnings

Non-appropriated expenses specifically relate to an investment or group of investments including

- Money managers
- Consultants
- Investment research
- Legal fees

The non-appropriated budget is approved by the Board every year and further legislative authorization is not required





Current Authority

- Current Board-approved services that are extended into the ensuing fiscal year

Reductions

- One-time adjustments
- Lower costs

Growth

- Additional costs of mandatory activities
- Unavoidable or fixed costs not considered in the current expenditures
- Increased fees due to portfolio growth

Strategic Enhancements

- Changes that represent revised strategies
- Substantial changes in program direction
- Service enhancements



NON-APPROPRIATED BUDGET CATEGORIES

Fluctuating Costs Driven by the Market

- 
- 
- Public Equity
 - Private Equity
 - Real Estate
 - Tangible Assets
 - Innovation Portfolio
 - Securities Lending
 - Cash Management
 - Cash Overlay

Fixed Costs

- General Consultants
- Staff Consultants and Contractual Services
- Legal Fees
- Custodian Bank Fees
- Portfolio Verification
- Memberships
- Research Services, Analytical Tools, and Other



Challenges

- Potential asset allocation changes
 - Active versus passive management in public equity
 - Growth in the Innovation Portfolio
 - Non-linear growth of assets
 - Market volatility impact on fees
 - Varying consulting needs
 - Increasing legal fees due to complex investments
-
- Investment management fee structures for private markets are fixed when contracts and agreements are signed
 - The variability in cost is a function of asset values, investment contribution, and distribution pace, none of which can be controlled by the WSIB budget

Total Assets Under
Management (AUM)
\$213.2 Billion

Proposed Non-Appropriated Budget \$808.1 Million (0.379%)

Fluctuating Costs
Driven by the Market
97.7%

Fixed Costs 2.3%

NON-APPROPRIATED BUDGET REQUEST SUMMARY

		FY 2025 Board-Approved	Projected Increase	FY 2026 Proposed
Fluctuating Costs Driven by the Market	Public Equity	\$90,507,000	-\$250,000	\$90,257,000
	Private Equity	521,000,000	0	521,000,000
	Real Estate	20,875,000	0	20,875,000
	Tangible Assets	120,910,000	0	120,910,000
	Innovation Portfolio	20,500,000	5,000,000	25,500,000
	Securities Lending	4,500,000	0	4,500,000
	Cash Management	5,500,000	0	5,500,000
	Cash Overlay	1,000,000	0	1,000,000
	Subtotal	\$784,792,000	\$4,750,000	\$789,542,000
Fixed Costs	General Consultants	\$1,015,000	\$250,000	\$1,265,000
	Staff Consultants and Contractual Services	4,264,000	0	4,264,000
	Legal Fees	3,000,000	0	3,000,000
	Custodian Bank Fees	3,020,000	85,000	3,105,000
	Portfolio Verification	693,000	1,367,000	2,060,000
	Memberships	252,000	0	252,000
	Research Services, Analytical Tools, and Other	4,442,000	192,000	4,634,000
	Subtotal	\$16,686,000	\$1,894,000	\$18,580,000
Total		\$801,478,000	\$6,644,000	\$808,122,000

% Increase  **0.8%**

NON-APPROPRIATED BUDGET REQUEST SUMMARY

Reductions = \$250,000

- **Public Equity General Consultants was reduced by \$250,000**
 - **That funding was moved to the General Consultants pool**



NON-APPROPRIATED BUDGET REQUEST SUMMARY

Growth = \$6.894 million

- **\$5.0 million for innovation portfolio management fees**
- **\$250,000 was removed from public equity general consultants and reallocated to the general consultant's pool**
- **\$85,000 for custodian bank fees due to a new contract agreement**
- **\$1.367 million for portfolio verification**
- **\$192,000 for research services, analytical tools, and other as an inflationary increase**





CONCLUSION

Most of the increase is due to portfolio growth and anticipated contractual services fee increases, as well as a nominal increase to research and analytical tools, in order to continue to provide staff the necessary tools to meet the demand for returns

This plan is designed to carefully protect the more than \$213 billion in funds under management and to comply with statutory fiduciary responsibilities



Michael Cembalest

Chairman of Market and Investment Strategy

J.P. Morgan Asset Management

Michael Cembalest is the Chairman of Market and Investment Strategy for J.P. Morgan Asset Management, a global leader in investment management and private banking with \$2.2 trillion of client assets under management worldwide (as of September 30, 2019). He is responsible for leading the strategic market and investment insights across the firm's Institutional, Funds and Private Banking businesses.

Mr. Cembalest is also a member of the J.P. Morgan Asset Management Investment Committee and a member of the Investment Committee for the J.P. Morgan Retirement Plan for the firm's more than 256,000 employees.

Mr. Cembalest was most recently Chief Investment Officer for the firm's Global Private Bank, a role he held for eight years. He was previously head of a fixed income division of Investment Management, with responsibility for high grade, high yield, emerging markets and municipal bonds.

Before joining Asset Management, Mr. Cembalest served as head strategist for Emerging Markets Fixed Income at J.P. Morgan Securities. Mr. Cembalest joined J.P. Morgan in 1987 as a member of the firm's Corporate Finance division.

Mr. Cembalest earned an M.A. from the Columbia School of International and Public Affairs in 1986 and a B.A. from Tufts University in 1984.

Heliocentrism: it's lonely in the middle

Michael Cembalest

Chairman of Market and Investment Strategy, J.P. Morgan Asset and Wealth Management

April 2025

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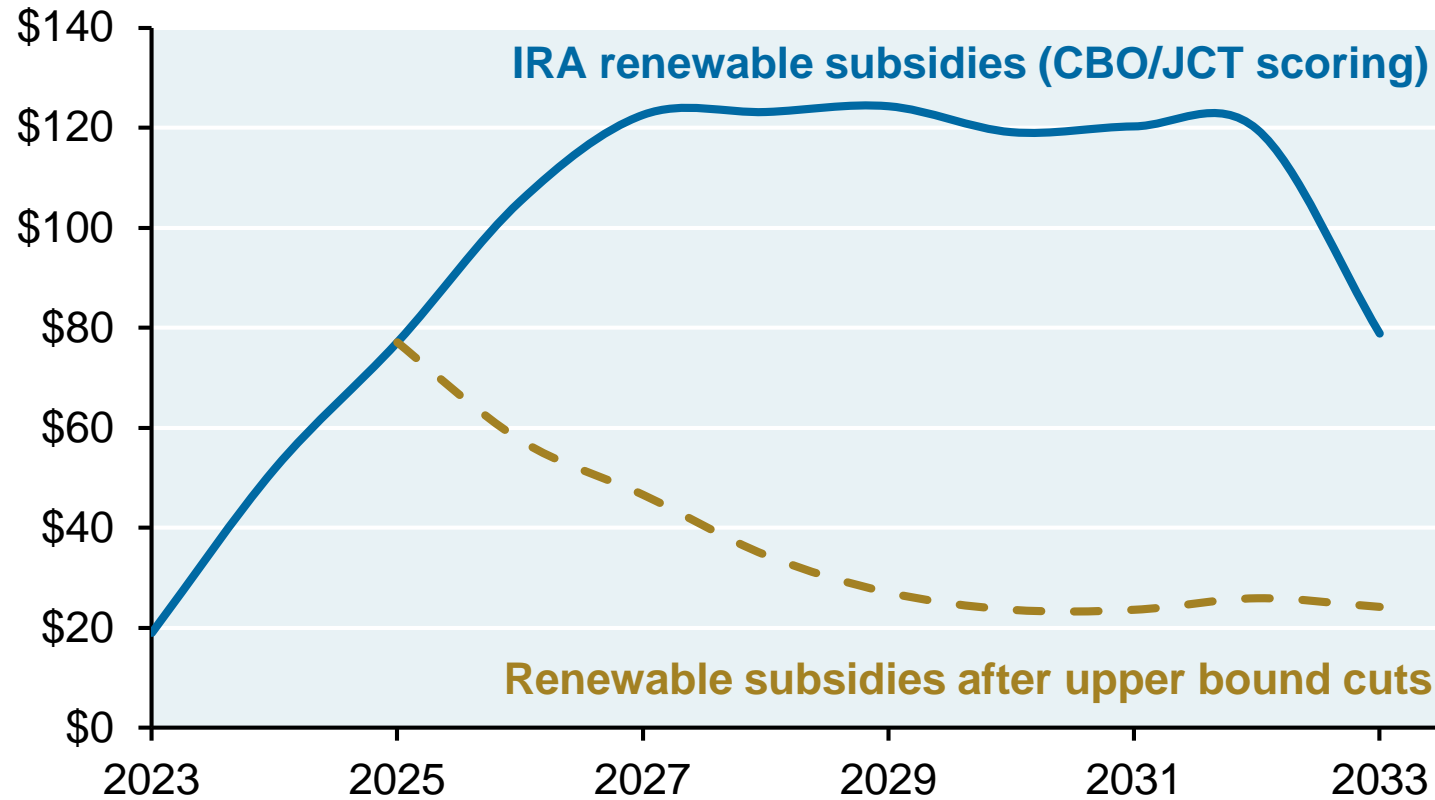
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INVESTMENT PRODUCTS: • NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE

IRA

Cost of clean energy subsidies: present law & after potential reductions from budget reconciliation, US\$, bil

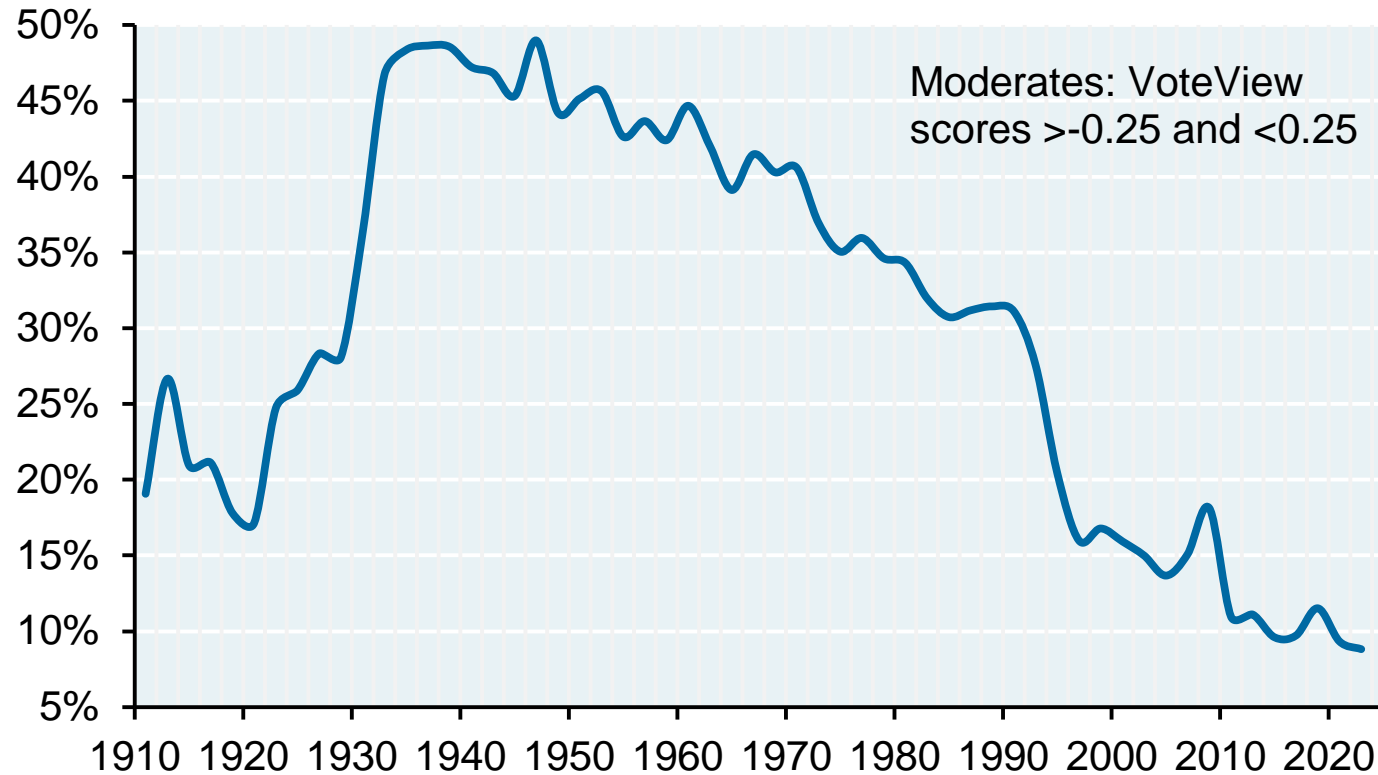


Source: CBO, JCT, Piper Sandler, November 2024

It's lonely in the middle: disappearance of political moderates

Moderates in Congress

Moderates as a share of total members of Senate + House

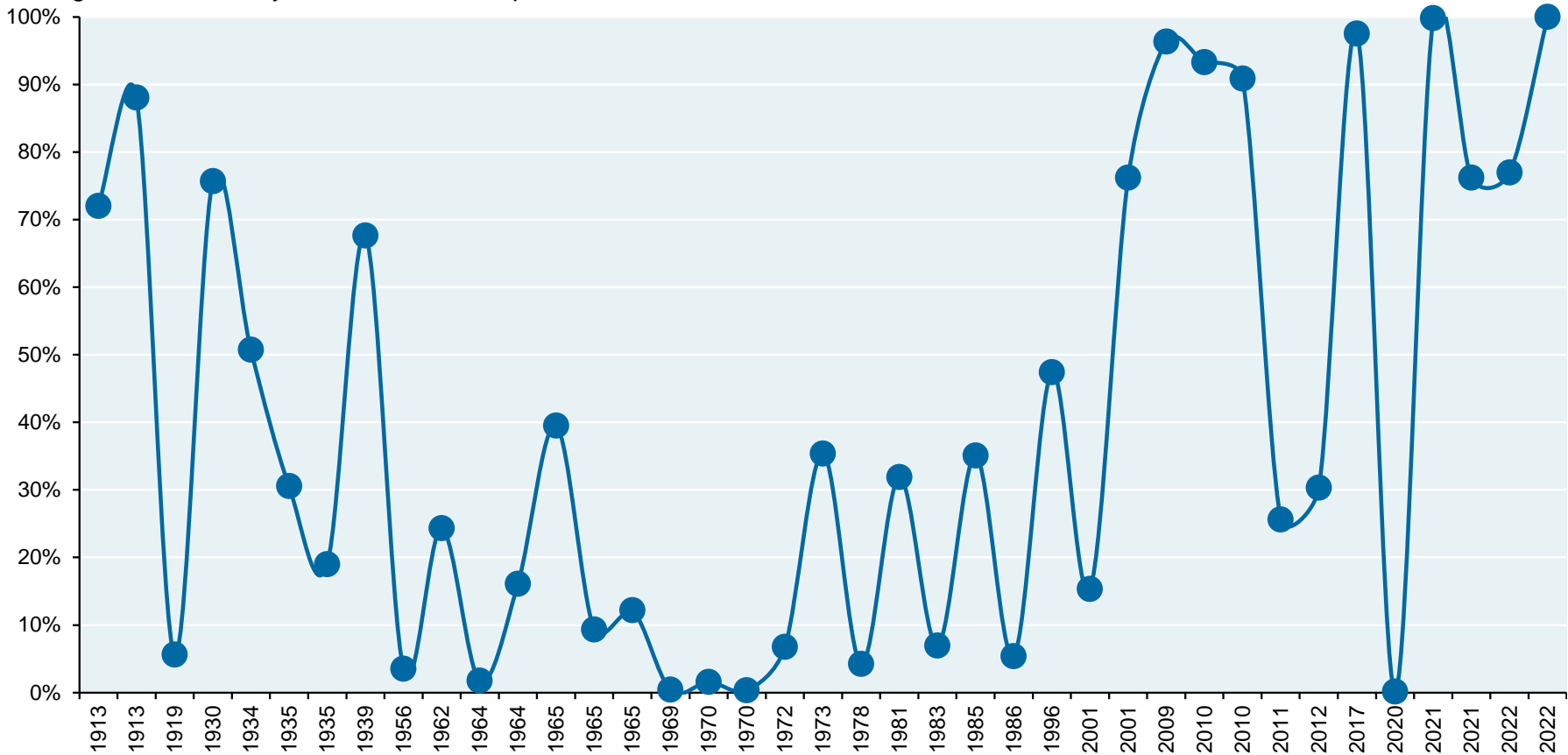


Source: VoteView Roll Call Votes database, JPMAM, 2024

It's lonely in the middle: one-sided legislation

Partisanship measures of major 20th century and 21st century legislation

Average difference in "yea" votes between parties in House and Senate



Source: Congressional Quarterly Almanac, Library of Congress, US Senate, US House of Representatives, UCSD, JPMAM, 2025

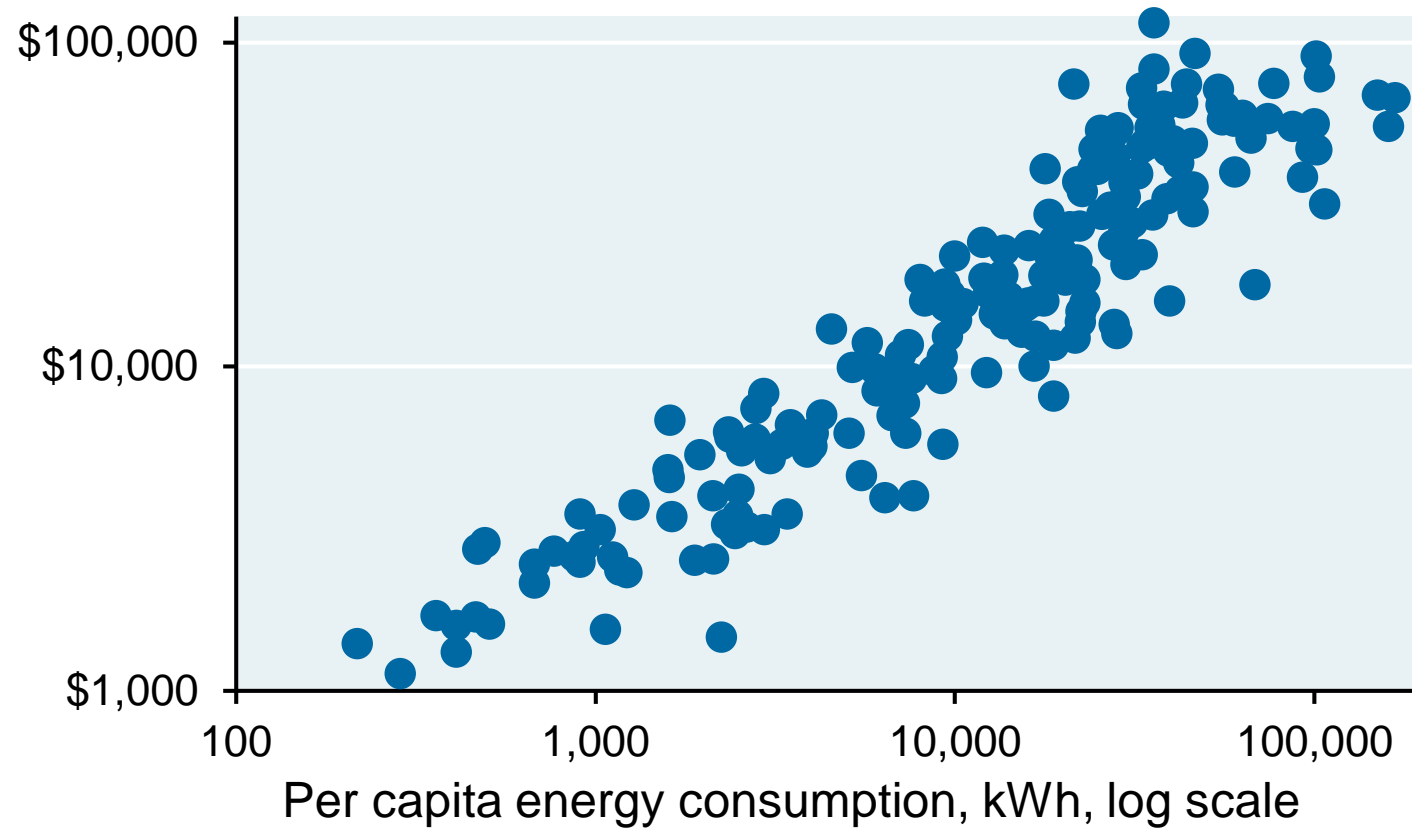
The same kind of polarization exists regarding the energy transition

- **Devout adherence:** RMI, IEA, Green Tech Media, Bill McKibben, Secretary-General of the UN, IPCC
- **Devout skepticism:** Geologist Simon Michaux, Physicist Tom Murphy, Mark Mills (Manhattan Institute), Geologist Walter Youngquist, Alice Friedemann, Bjorn Lomborg
- Can we look at the facts and figures instead?

Developed countries need plenty of energy...

Per capita energy consumption and GDP by country

2023 per capita GDP, log scale



Source: OWID, JPMAM, 2024

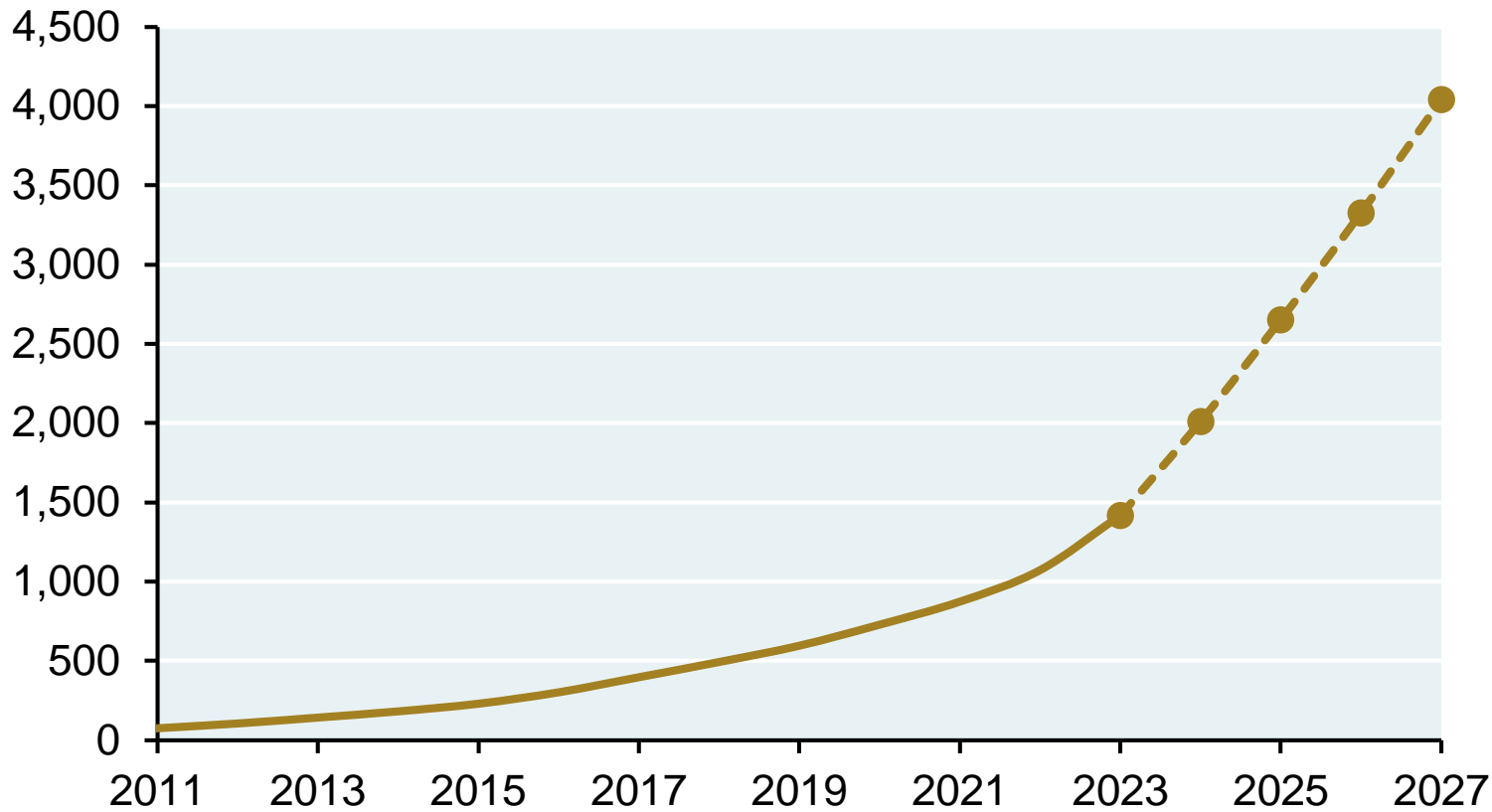
...at a time of increasingly visible planetary changes

- Atmospheric CO₂ and global temperatures ↑
- Ocean heat content and ocean sea level ↑
- Antarctica and Greenland ice sheet mass ↓
- Antarctica green vegetation cover ↑
- Ocean acidification ↑
- Radiative GHG forcing ↑
- Vertebrate biological diversity index ↓
- Extreme one day precipitation events in the US ↑

Solar: 60% of all new generation capacity installed globally in 2023 and 75% in 2024

Global solar capacity

GW



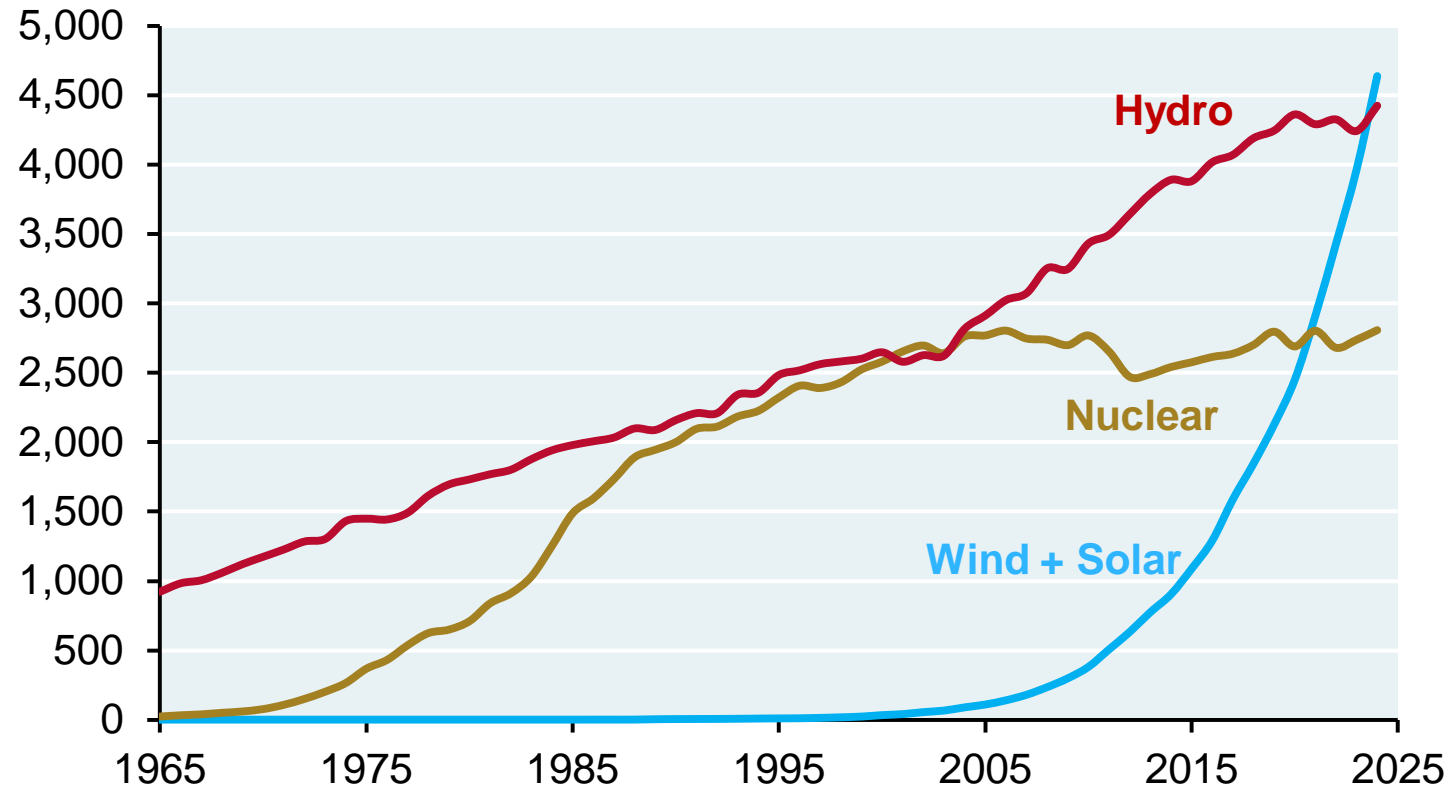
China global market share in manufacturing stages of solar (polysilicon, ingots, wafers, cells and modules) exceeds 80%, more than double China's share of global PV demand

Source: EI Statistical Review of World Energy, BNEF, JPMAM, 2024

Solar + wind power

Global electricity generation

Terawatt-hours



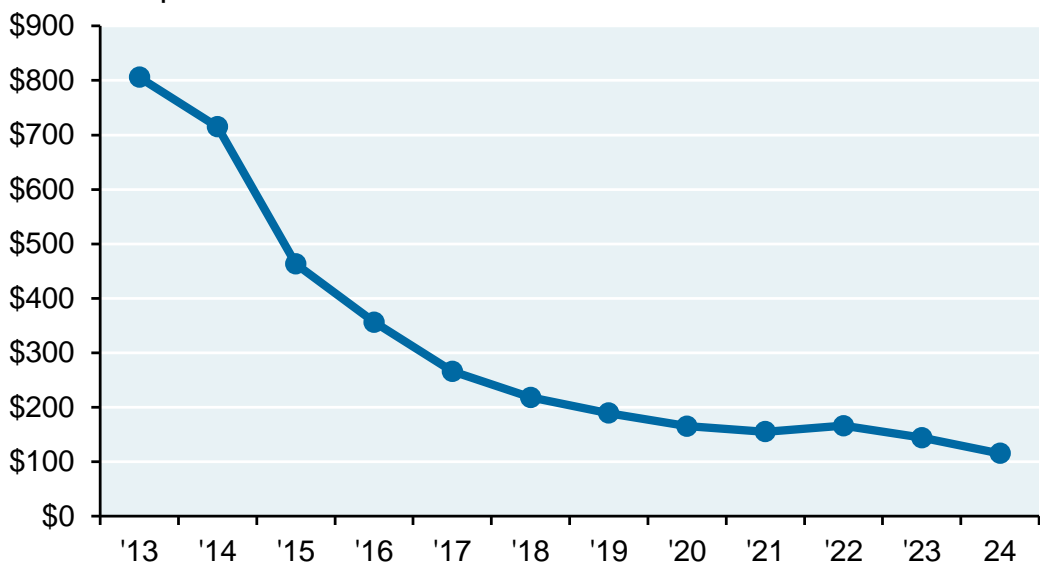
Source: EI Statistical Review of World Energy, JPMAM, 2024

- Wind + solar met 55% of global electricity demand growth in 2024
- Hydro recovery in 2024 met another 15%
- Solar generation has been doubling every three years since 2012

Solar is often paired with batteries whose costs continue to fall

Volume-weighted average lithium-ion battery pack price

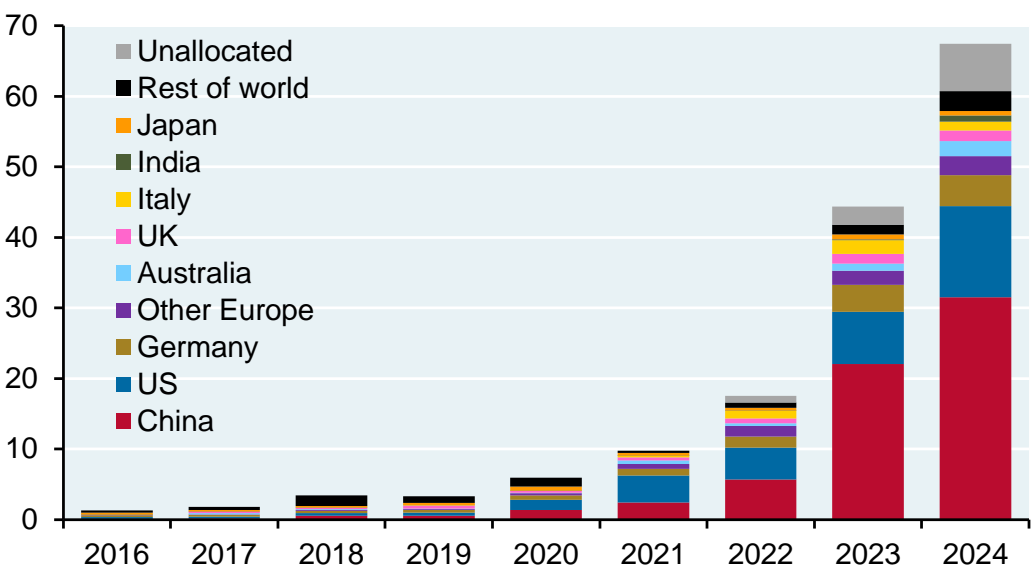
2024 US\$ per kWh



Source: BNEF, December 2024

Global gross energy storage additions by market

GW

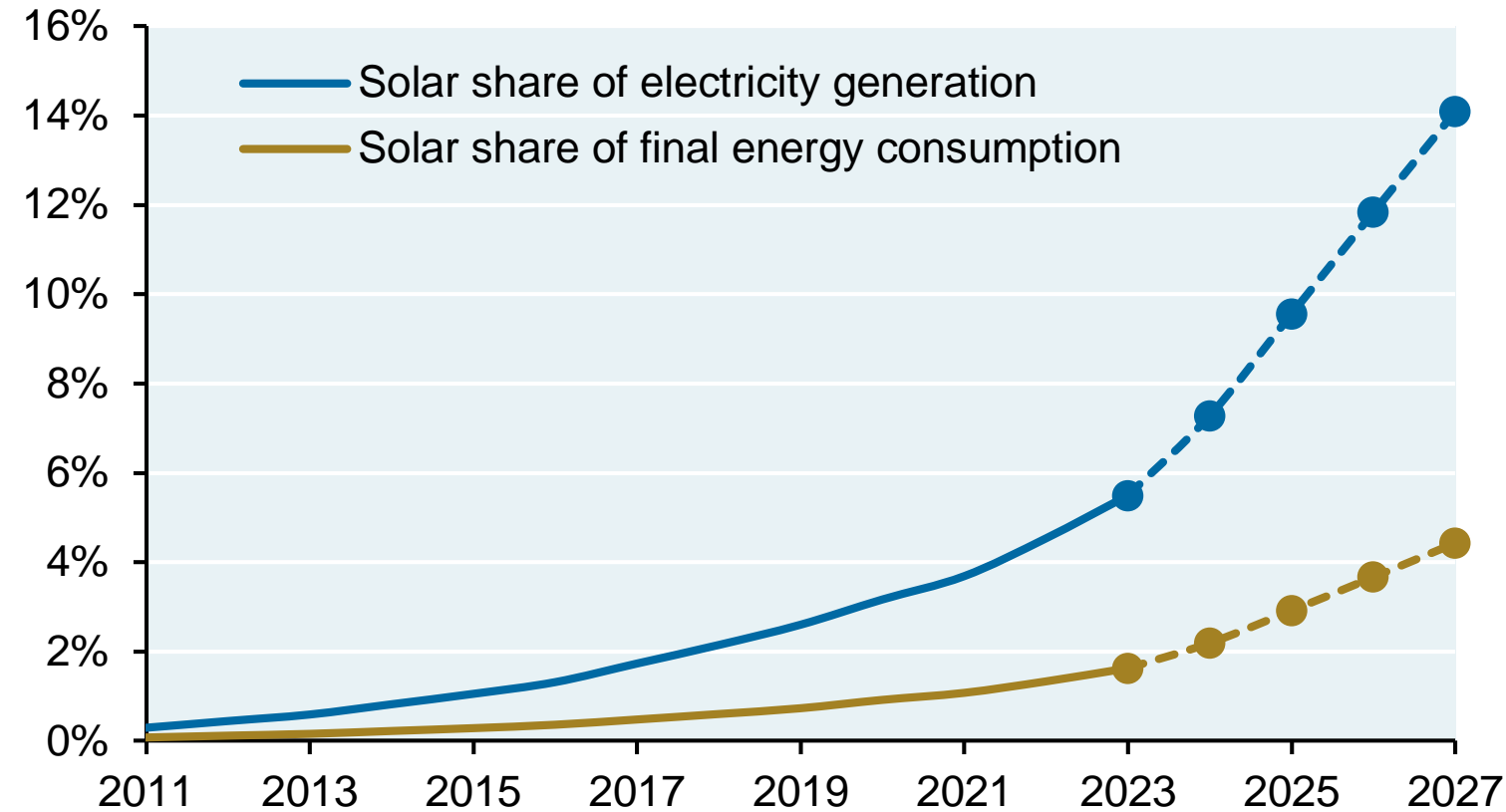


Source: BloombergNEF, JPMAM, April 2024

Scaling the impact relative to electricity and final energy consumption

Solar shares of global electricity and final energy

Percent



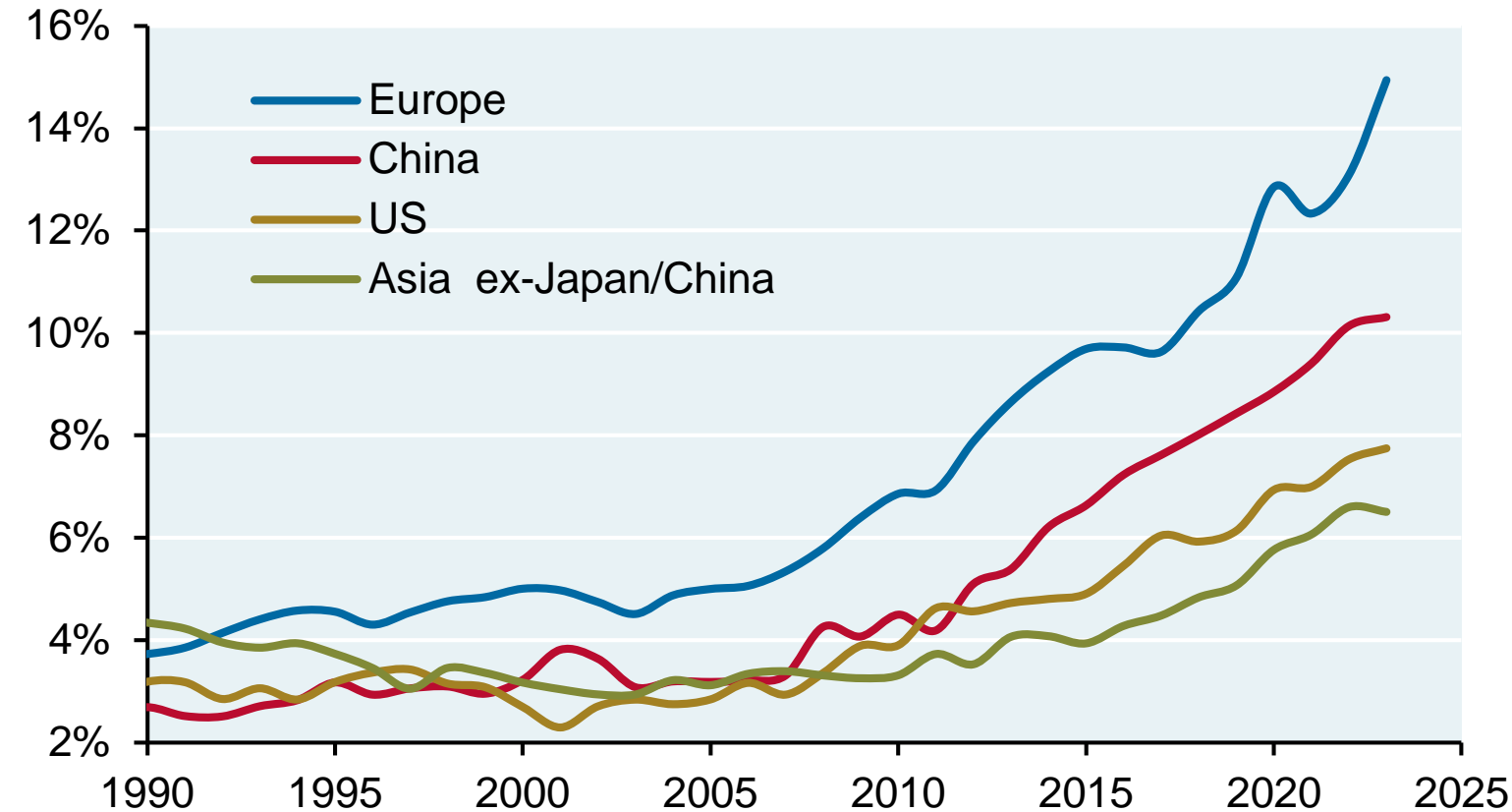
- Solar: fastest to 2 PWh on record vs other sources
- But final energy consumption is the ultimate barometer of a transition, not just the grid

Source: EI Statistical Review of World Energy, BNEF, JPMAM, 2024

The scorpion bowl chart: \$9-\$10 trillion spent since 2010

Decarbonization is a linear industrial transition

Renewable share of final energy consumption



Source: EI Statistical Review of World Energy, JPMAM, 2024

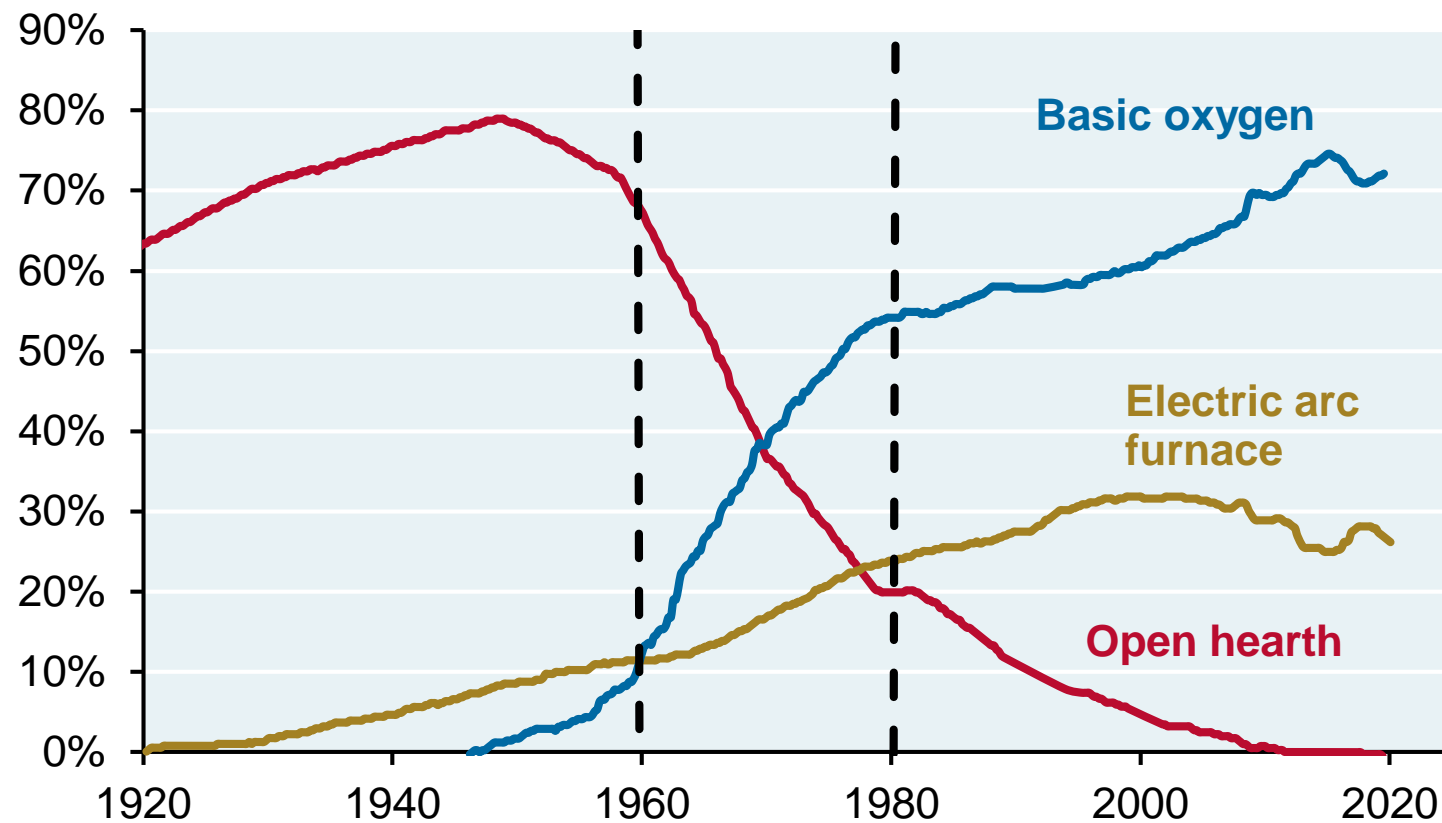
“It’s in there”: drivers of the transition that are included in the renewable share of final energy consumption

- Wind and solar displacement of coal on the grid
- Li-ion battery storage displacement of gas peaker plants
- Rooftop solar power co-located with batteries
- Electric cars, trucks, buses, vans and motorcycles
- Electrolytic green hydrogen displacing brown hydrogen
- Decarbonized production of steel, ammonia and cement
- Electric heat pump displacement of residential, commercial and industrial furnaces/boilers
- Biofuel displacement of fossil fuels for transport
- Biomass and waste heat used for district heating
- Deep supercritical geothermal systems
- Synthetic fuels created from green hydrogen and CO₂ sourced from direct air carbon capture
- Pumped hydro formations
- Iron air batteries, vanadium redox batteries and other forms of long duration energy storage

Some transitions occur faster, but usually when they pay for themselves

Rapid energy-saving steel transition of the 1960s/1970s

Percent of global steel production



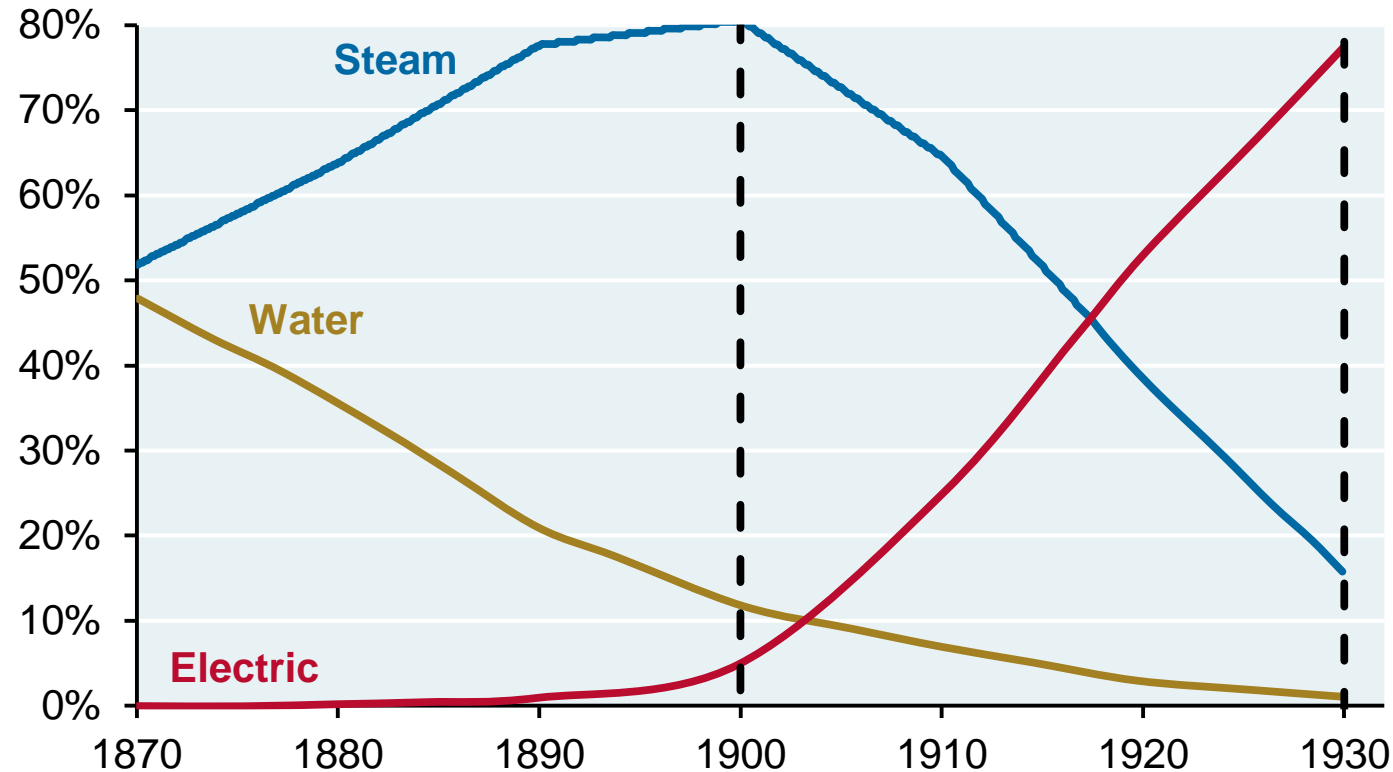
The catalyst: new technologies cut steel production times to **less than a tenth** of open hearth furnaces, allowing for 80%-90% energy savings

Source: Lauri Holappa, Aalto University, March 2019; Boston Metal, May 2022

Similar outcome: when electric power replaced steam power in ~30 years

Electricity replaces steam in the early 20th century

Percent of US industrial mechanical power use



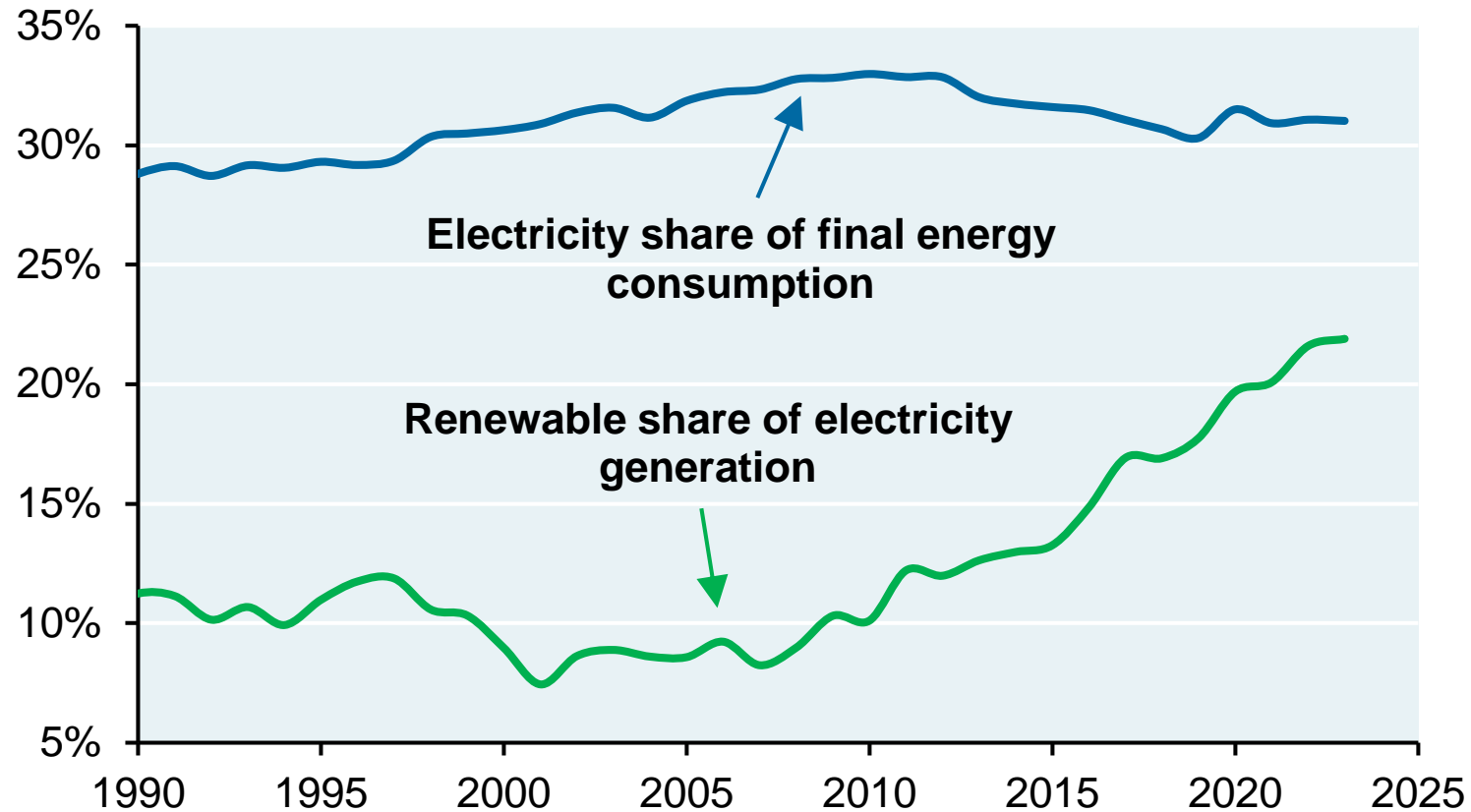
Electricity: fewer power losses, more reliable and consistent power than belt-driven systems, elimination of linear production paths connected to overhead belts and ability to organize production by flow of parts rather than transmission of power

Source: Warren Devine, Journal of Economic History, 1983

What gets a lot of attention despite barely moving? Jabba the Hutt, and the electricity share of final energy consumption

US grid decarbonization outpaces electrification of energy

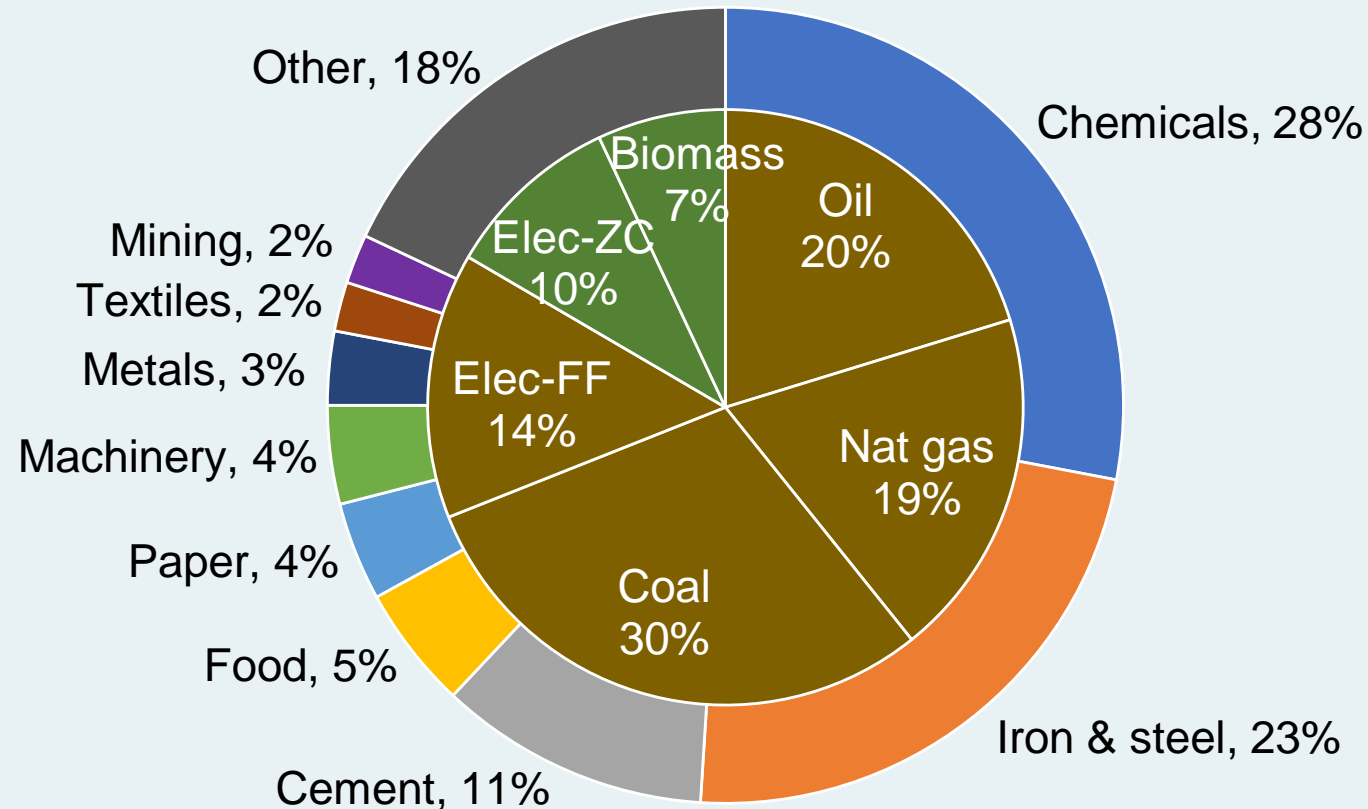
use, Percent



Source: EI Statistical Review of World Energy, JPMAM, 2024

Biggest challenge for electrification: industrial energy and the pillars of modern prosperity

The fossil fuel intensity of global industrial production

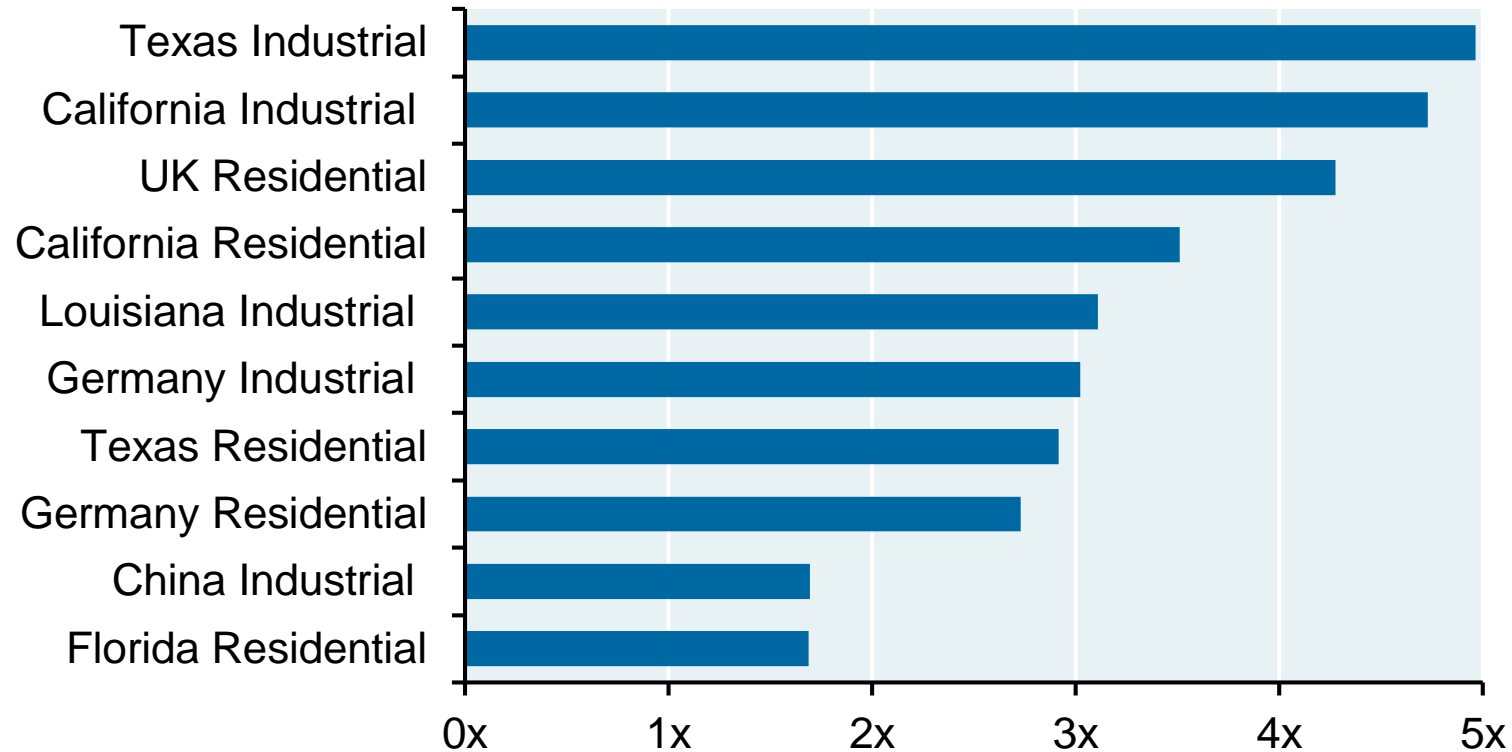


Source: IEA, 2023. ZC: electricity derived from renewables and nuclear.
FF: electricity derived from fossil fuels

Industrial and commercial heat pumps are very efficient...
but electricity costs per MJ vs natural gas are often similar to heat pump COP

Electrification is expensive compared to gas

Electricity cost per MJ divided by natural gas cost per MJ, 85% industrial and 90% residential furnace efficiency

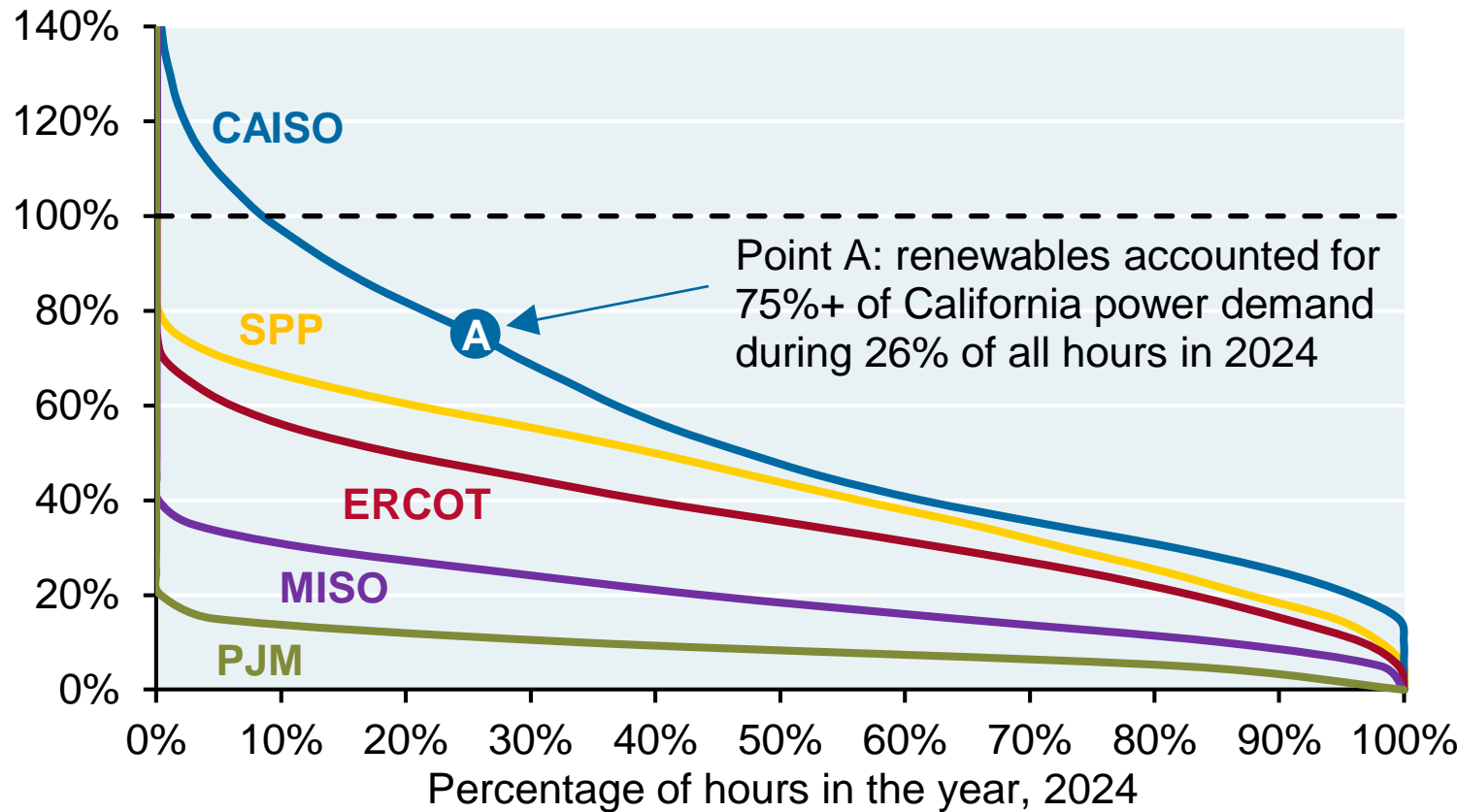


Source: EIA, Eurostat, CEIC, JPMAM, 2024

Jacobson: “WWS exceeded 100% of demand for 98 out of 116 days in 2024”

California Dreaming: renewable share of demand by hour

Renewables+batteries as a share of hourly demand

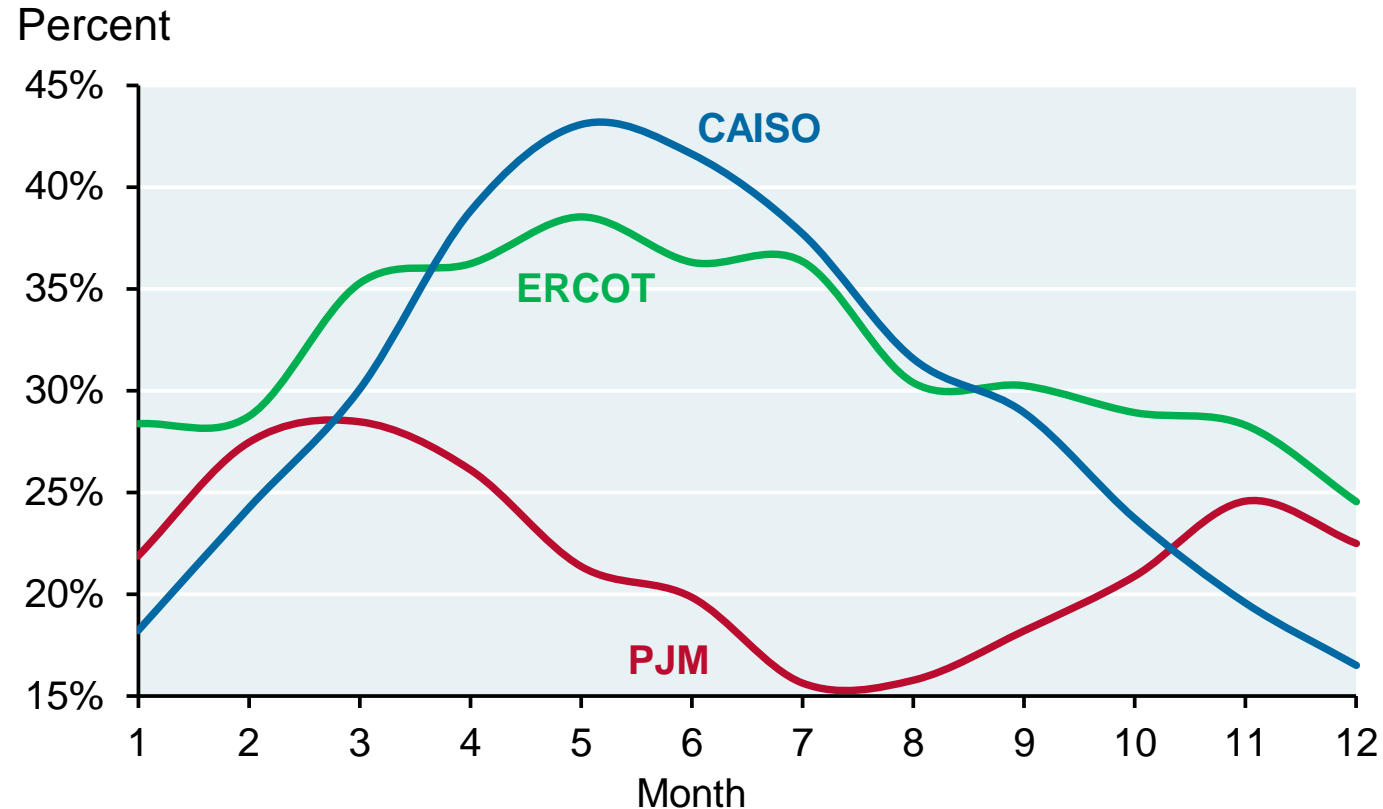


Trust but Verify: Jacobson applied a 5-minute rule

Source: CAISO, SPP, ERCOT, GridStatus, MISO, PJM, JPMAM, January 2025

Systemwide levelized cost must reflect 24/7/365 power needs to be of any use

Wind & solar blended monthly capacity factor, 2021-2023



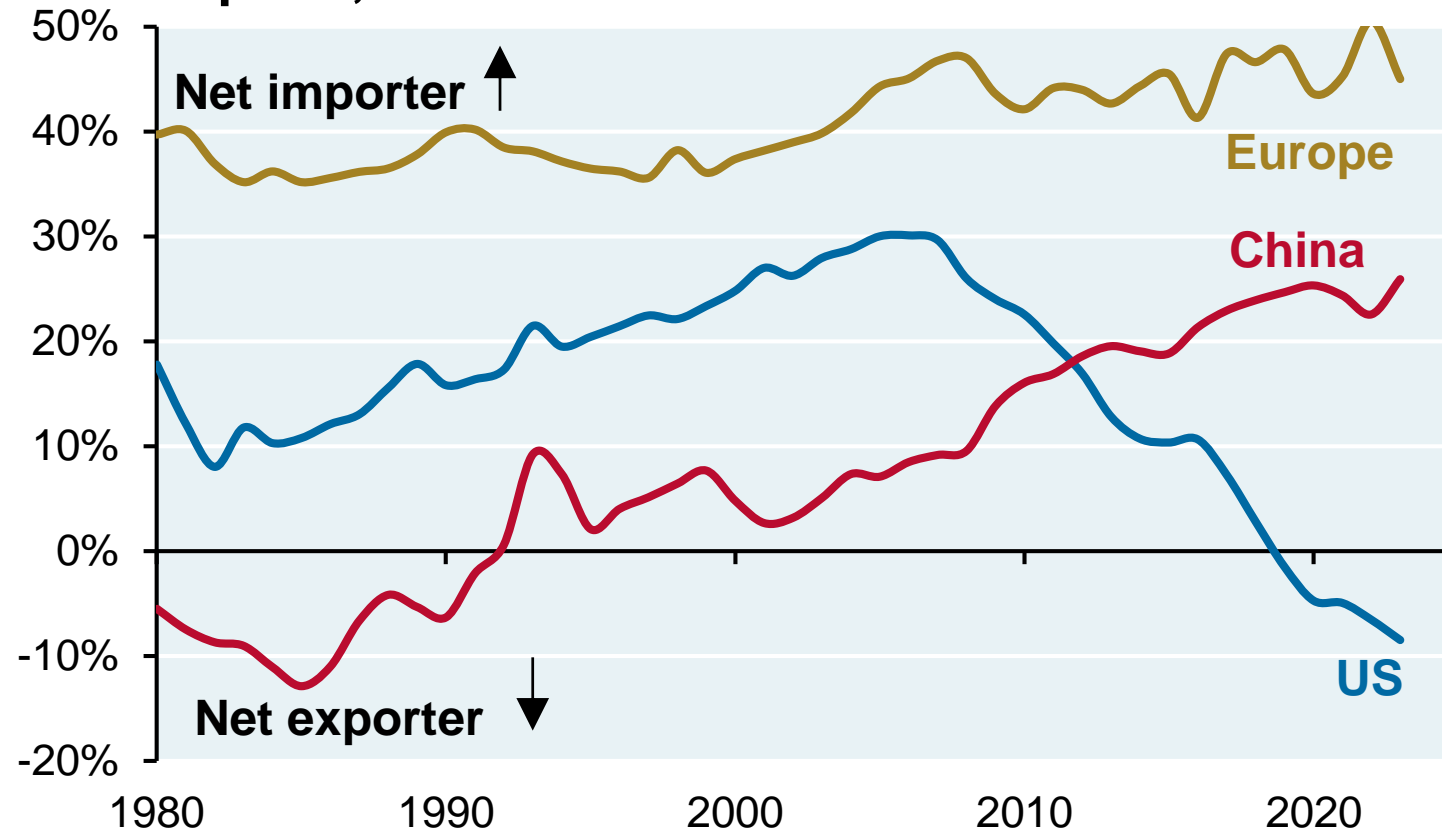
Source: EIA, JPMAM, 2024

Our grid optimization model

- Real-world data on hourly generation by source, demand, ELCC and reserve margins for the five largest ISO regions
- At \$3.5 gas, limited benefits to migrating away from gas to wind+solar+batteries
- Switching gets more interesting at \$10+ gas, particularly in ERCOT and MISO
 - Gas now \$2.2 mm per MW

Where would the US be without hydraulic fracturing?

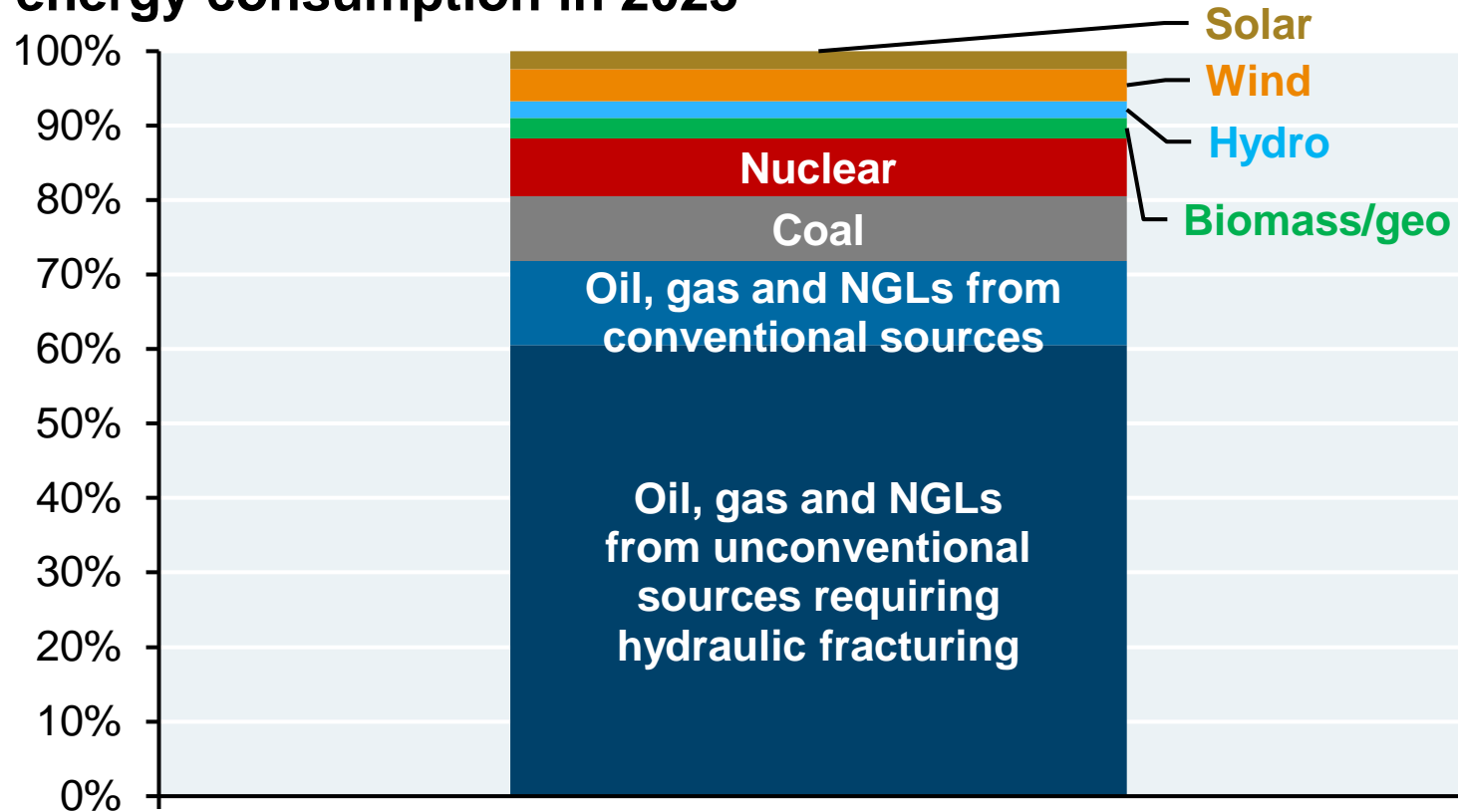
Net imports of fossil fuels as a percent of primary energy consumption, Percent



Source: EI Statistical Review of World Energy, JPMAM, 2024

Where would the US be without hydraulic fracturing?

Hydraulic fracturing accounted for 61% of all US primary energy consumption in 2023

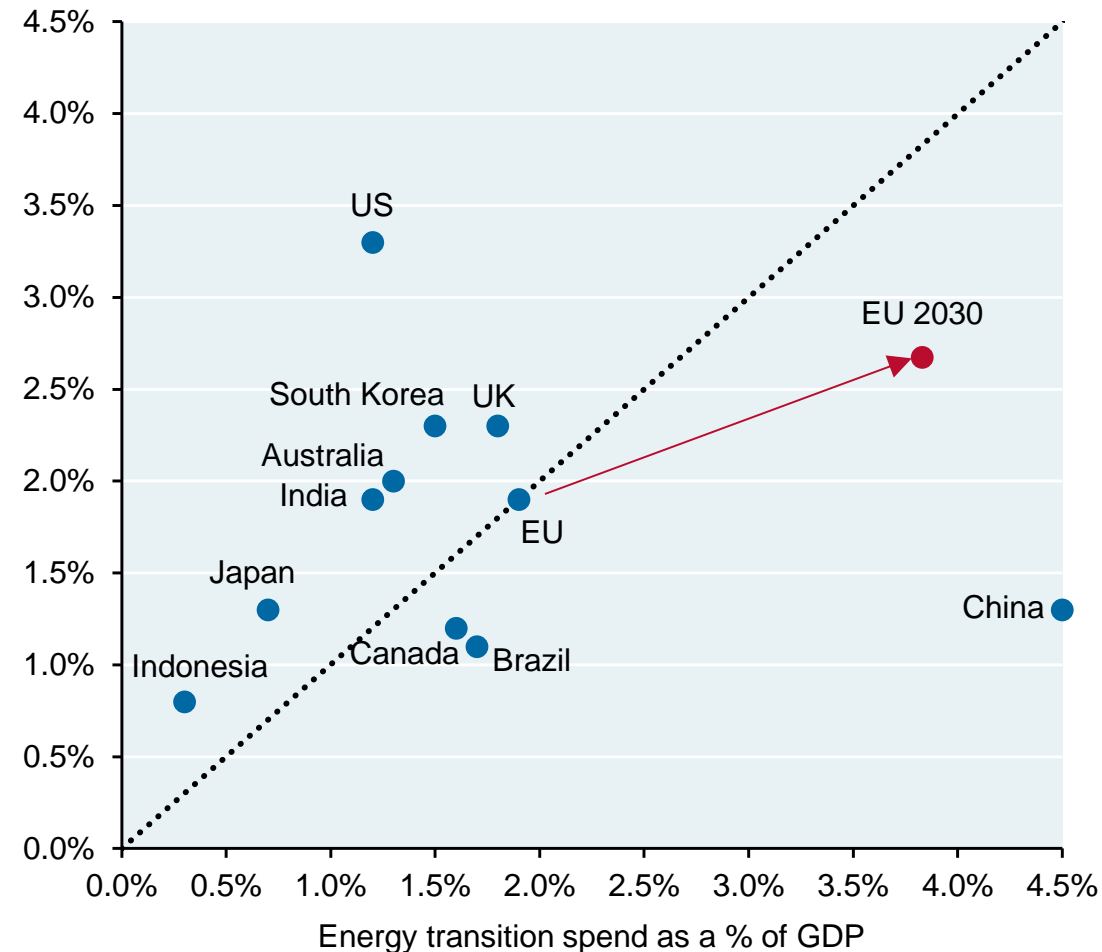


Source: EIA, BP, Society of Petroleum Engineers, S&P Platts, JPMAM, 2024

Europe and hard choices: energy transition, rearmament and fiscal federalism

Guns and butter

Defense spending as % of GDP



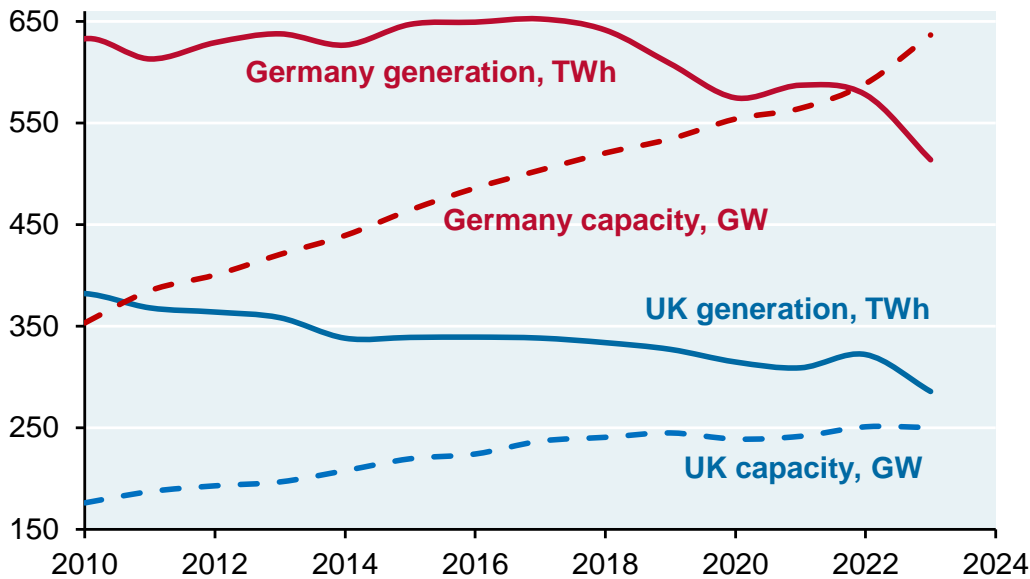
European Commission:

- EU electricity consumption expected to increase by ~60% by 2030 with millions of rooftop solar panels, heat pumps and local energy communities sharing resources
- 40% of distribution grids over 40 years old and cross-border transmission capacity due to double by 2030
- Total transition spending of ~€400 bn per year
- ReArm Europe Plan/Readiness 2030 plan calls for €800 billion in new defense spending

Source: BloombergNEF, International Institute for Strategic Studies, IMF, 2024

Why is the energy transition in Europe resulting in more capacity, falling generation, increasing energy prices and deindustrialization?

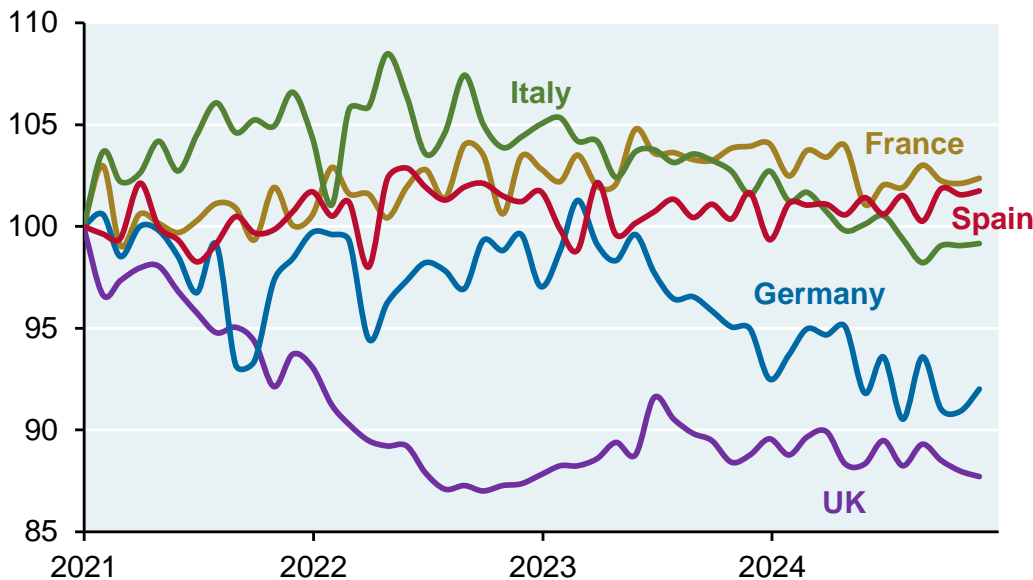
Rising capacity & falling generation in the UK & Germany



Source: EI Statistical Review of World Energy, JPMAM, 2024

European industrial production: manufacturing

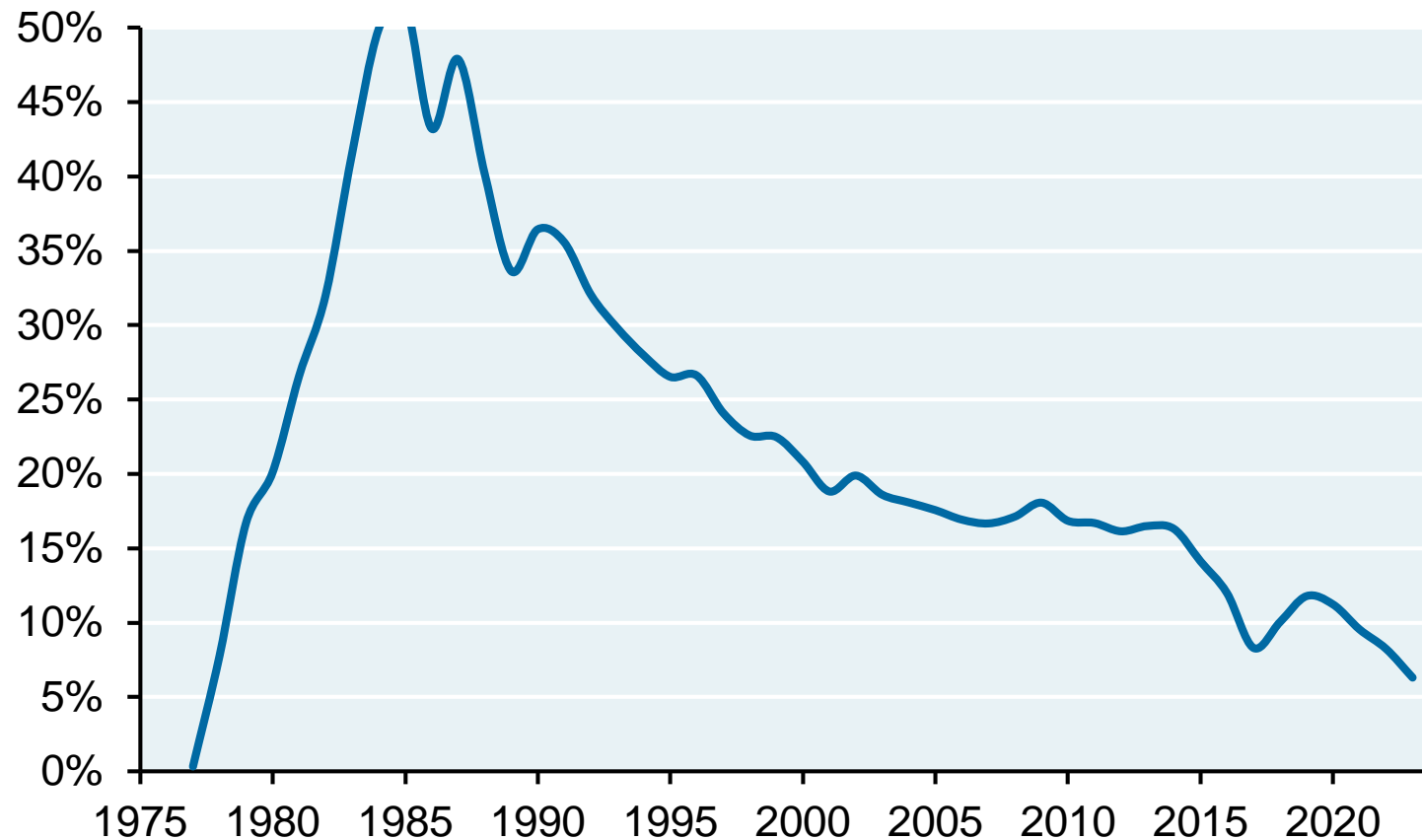
Index (100 = January 2021), seasonally adjusted



Source: DBB, INE, ISTAT, INSEE, UK ONS, JPMAM, November 2024

Some energy decisions look risky in hindsight

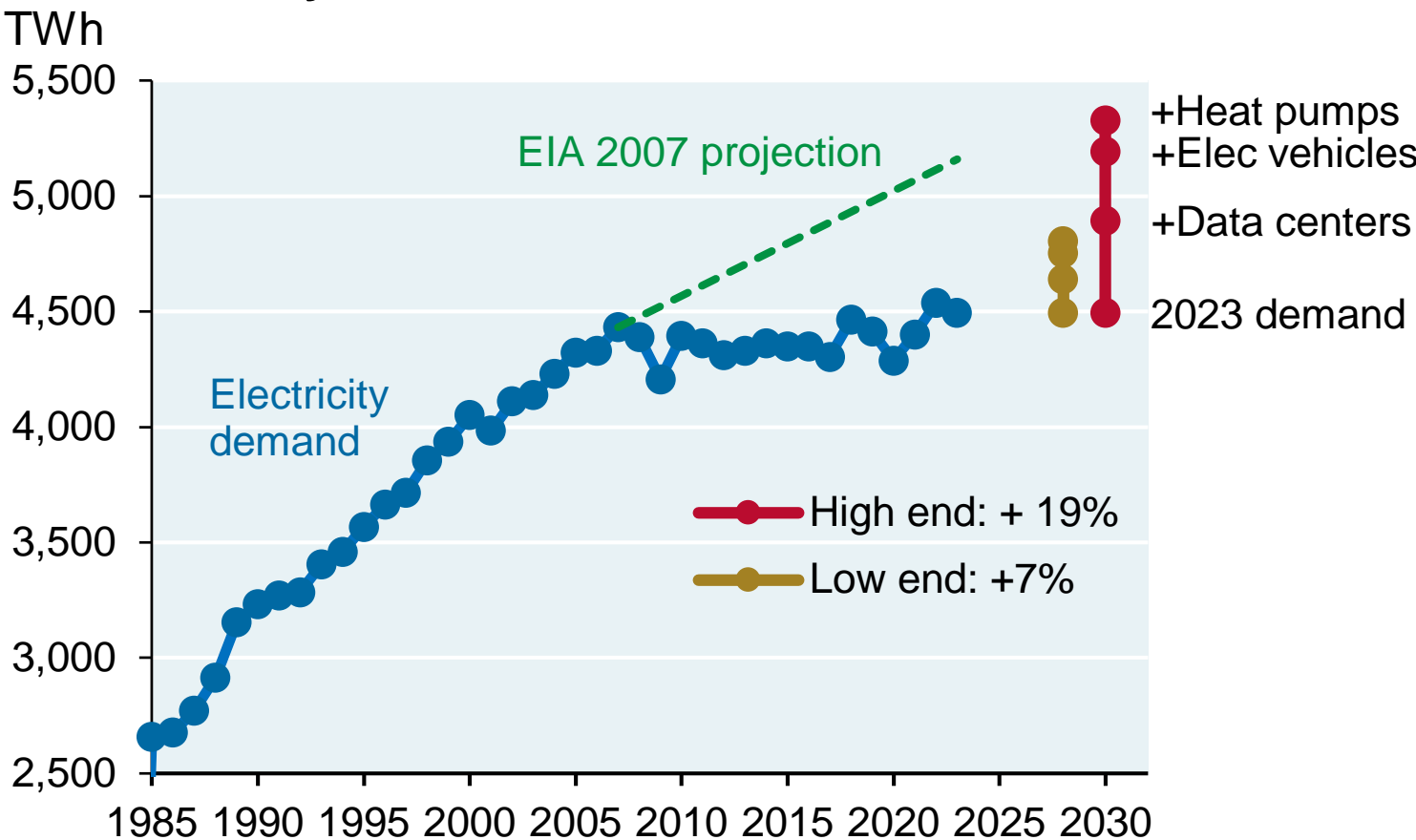
Taiwan nuclear share of electricity generation



Source: EI Statistical Review of World Energy, Taiwan Power, JPMAM, 2024

Can the US meet data center power demand forecasts?

US electricity demand forecast



Projections, from low to high

- EPRI
- BNEF
- Goldman
- IEA
- LBNL
- Jeffries
- McKinsey
- S&P
- BCG

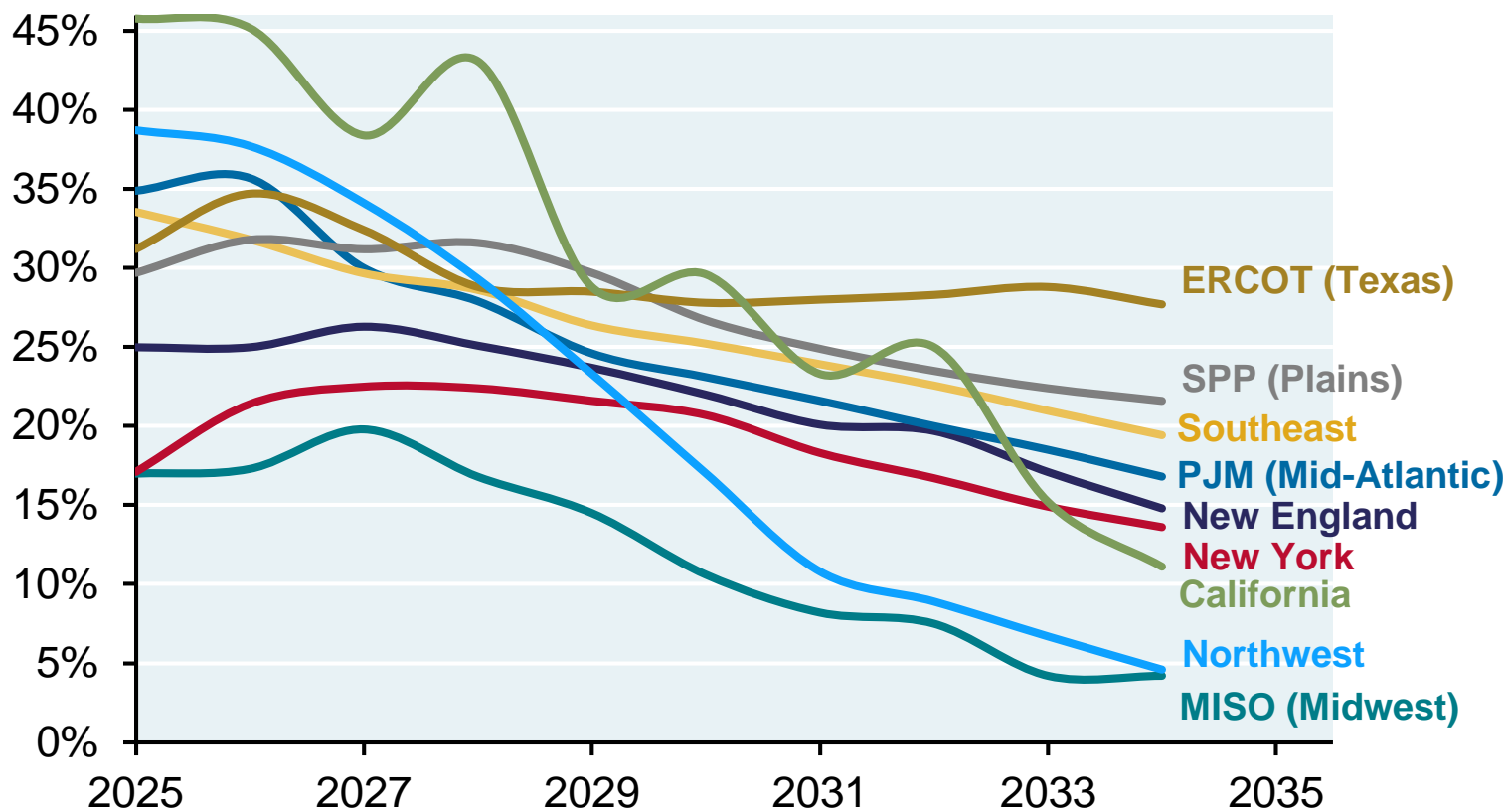
Source: EI, LBNL, Rystad, Evolved Energy, EIA, NREL, JPMAM, 2025

Can the US meet data center power demand forecasts?

Reserve margins set to shrink, subject to April 2025 executive order

Generation capacity buffer during peak summer demand

Anticipated reserve margin



Executive order directs the DoE to use its emergency authority under the Federal Power Act (FPA) Section 202(c) to require retention of generation resources deemed necessary to maintain resource adequacy within at risk-regions of the bulk power system regulated by FERC

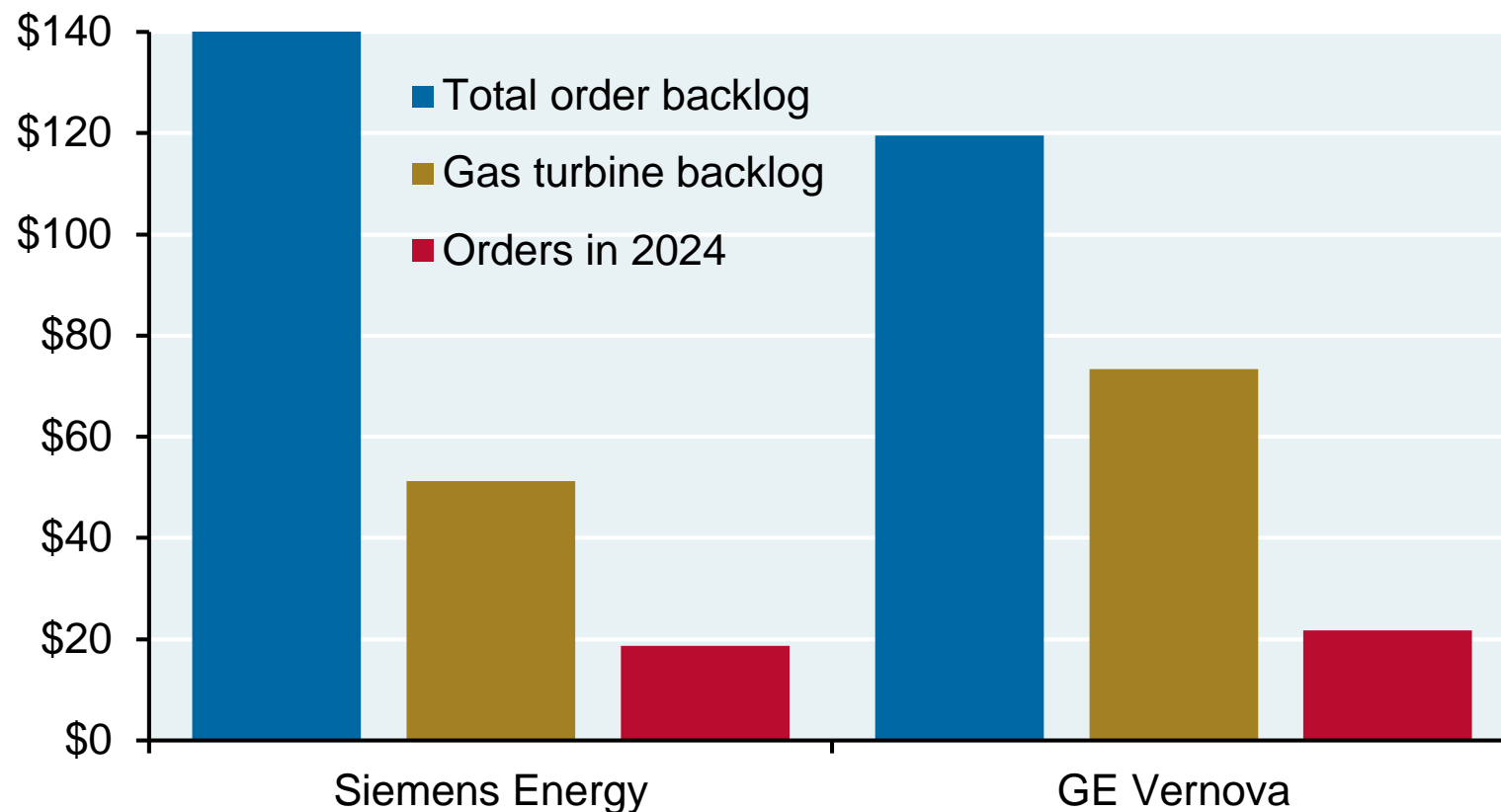
Source: "2024 Long-Term Reliability Assessment", NERC, December 2024

Can the US meet data center power demand forecasts?

Delays and rising costs in the gas turbine supply chain

Gas turbine backlog and new orders 2024

US\$, billions

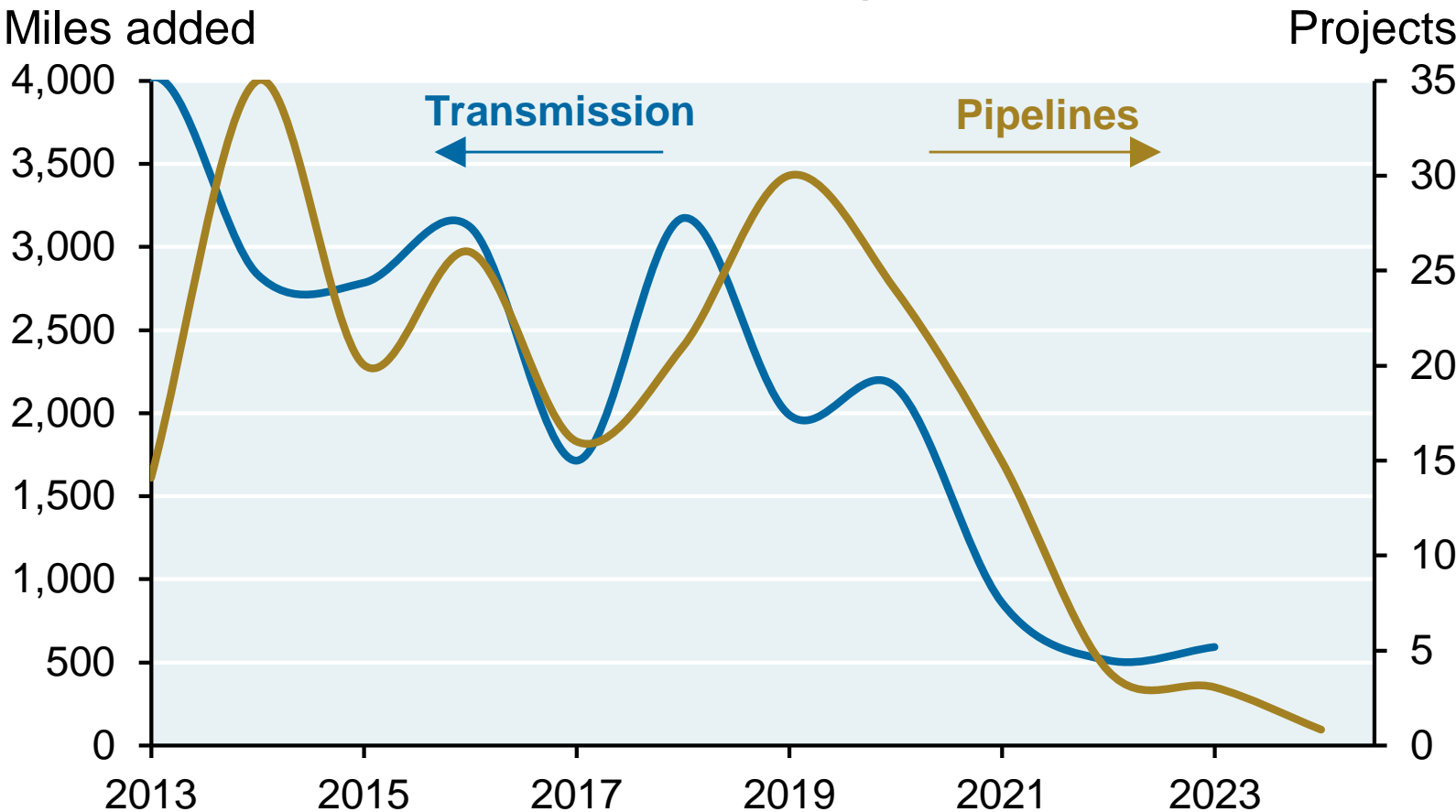


Source: GasTurbineHub, 2024

- Turbine lead times now stretch past 2029, prompting cancellation of gas projects
- GE Vernova and Siemens Energy holding off on ramping up production, citing uncertainty in long-term demand
- GE/Siemens warn customers to plan 7–8 years ahead to secure equipment
- CCGT cost per kW from \$1200 in 2023 to \$2500 per kW in 2025

Transmission & pipelines

US transmission line and pipeline growth



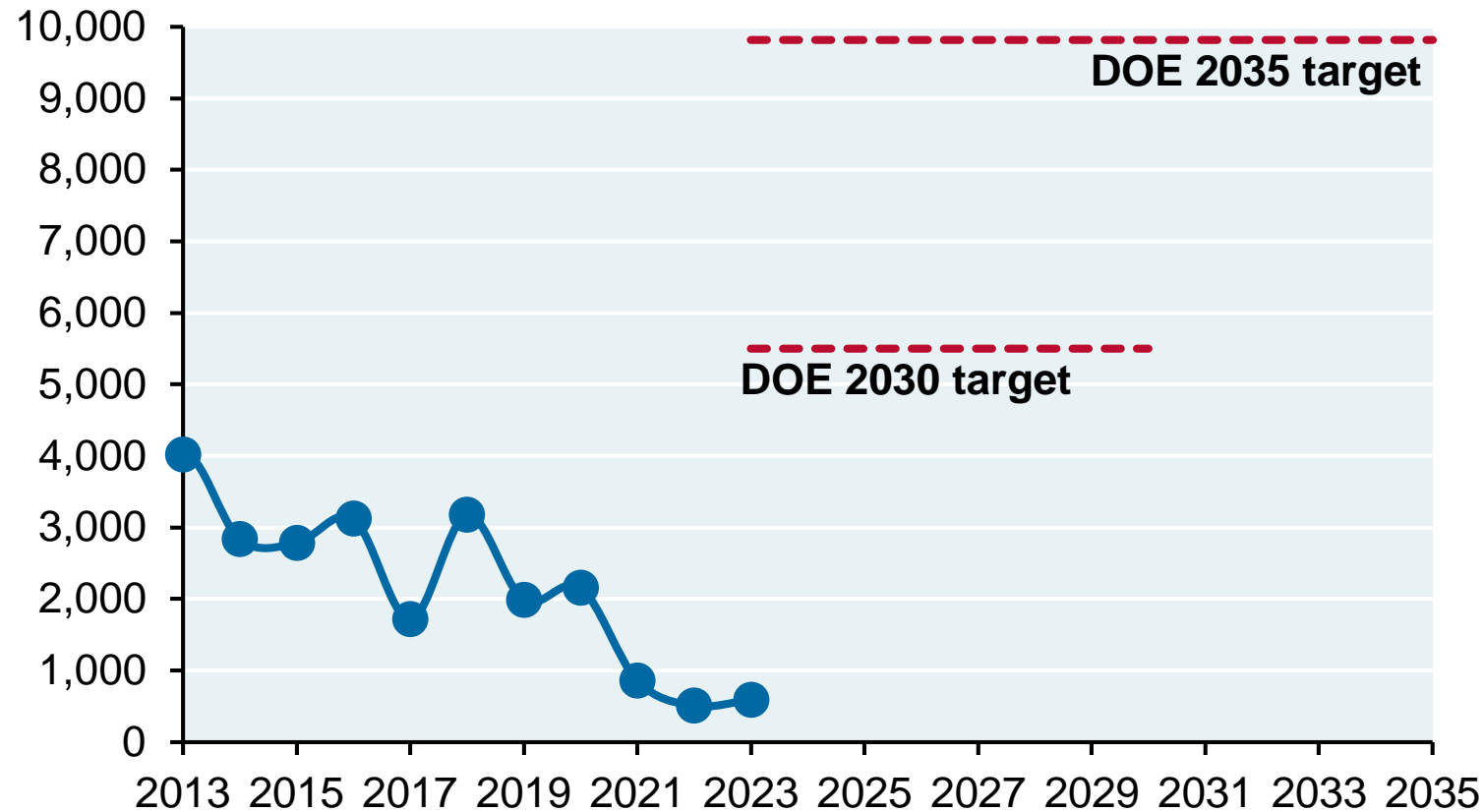
Source: S&P Global, EIA, JPMAM, 2024

Can the US meet data center power demand forecasts?

Permitting reform would be the most impressive accomplishment of Trump energy agenda

US transmission line growth

Miles added per year



Source: S&P Global, JPMAM, 2024. Note: Transmission lines > 100 kV.

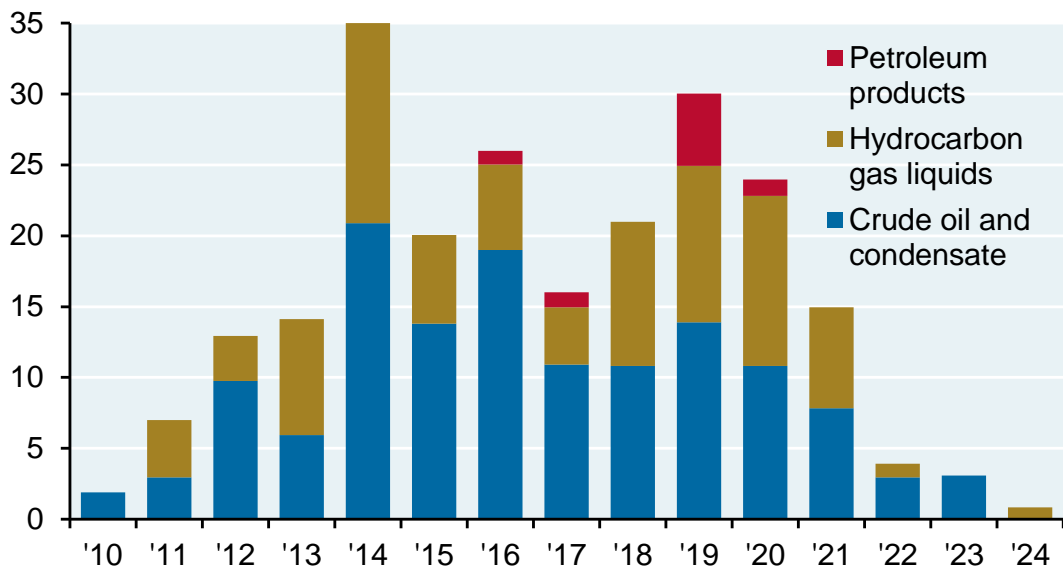
- **New rules:** will FERC orders (2023/1920) and ISO reforms (MISO, CAISO, PJM, ERCOT) on milestone payments, withdrawal penalty caps, cap on queue size, prioritization based on existing capacity, first-come first-served clustered cycle approach, etc have any impact?
- **Shortages of transformer equipment:** delivery times have extended from 4-6 weeks in 2019 to 2-3 years

Can the US meet data center power demand forecasts?

Liquids/gas pipeline growth

Annual US liquids pipeline project completions

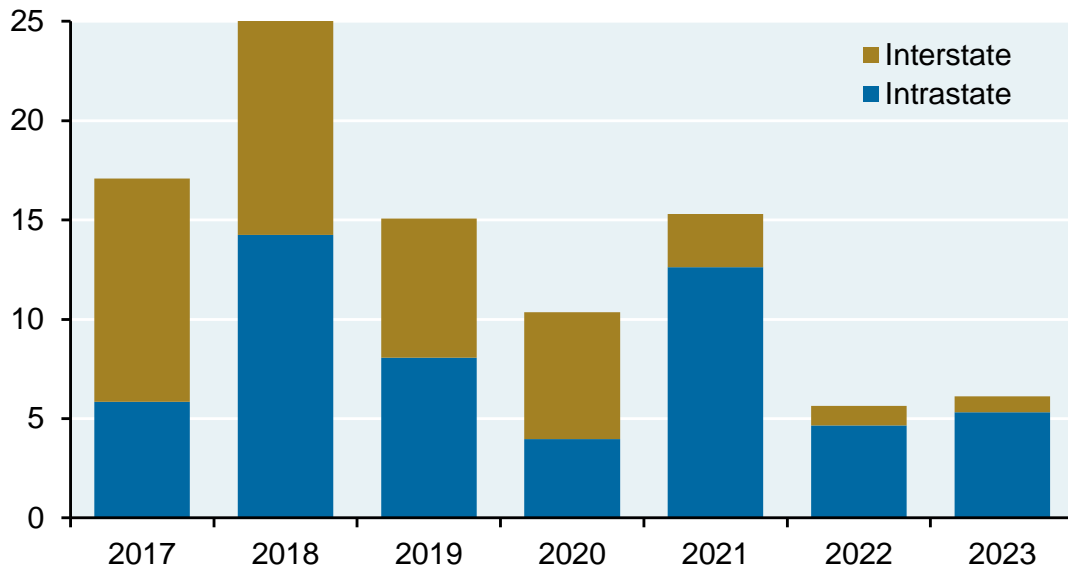
Number of projects



Source: EIA, October 2024

Annual US natural gas pipeline capacity additions

Billion cubic feet per day



Source: EIA, March 2024

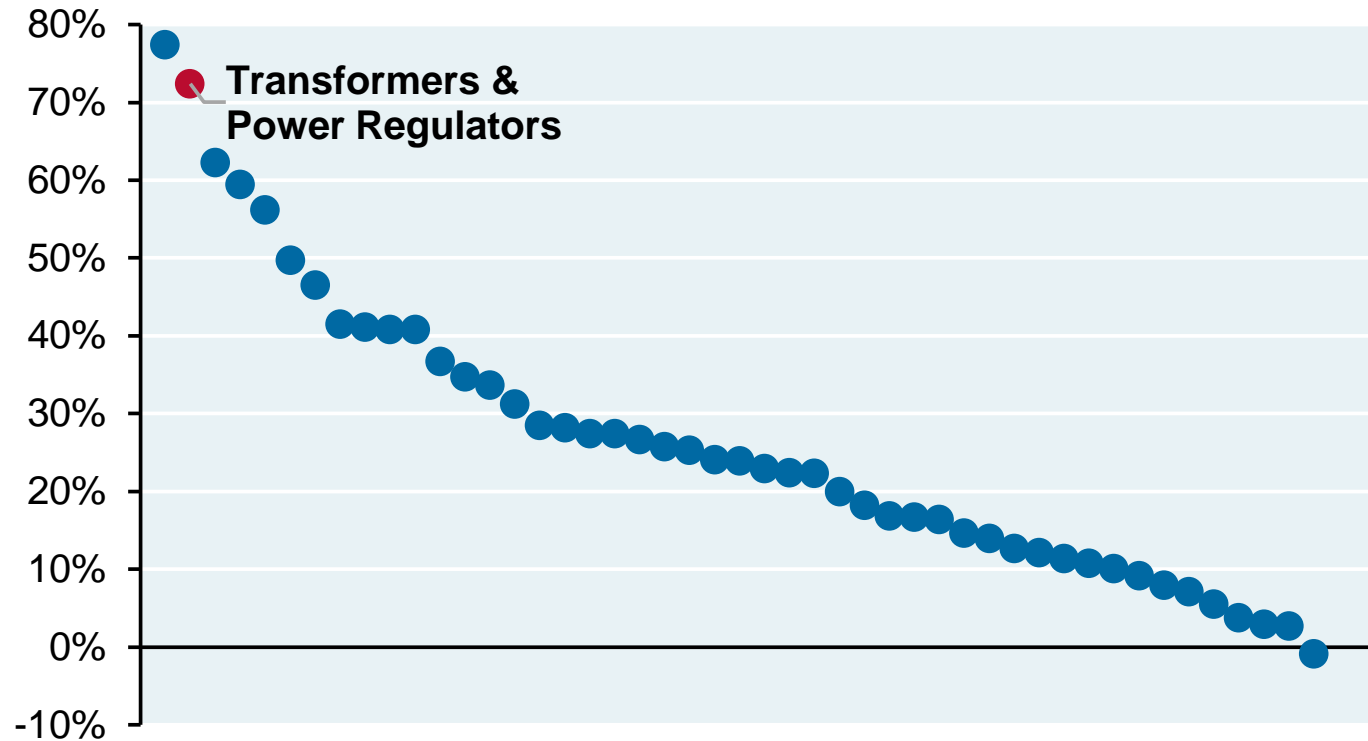
- Transmission and pipeline growth are particularly important in the Northeast given challenges facing offshore wind (Orsted cites 50% levelized cost increase since 2020)

Can the US meet data center power demand forecasts?

If inflation affecting energy supply chains is unwelcome...

Producer price inflation: core goods

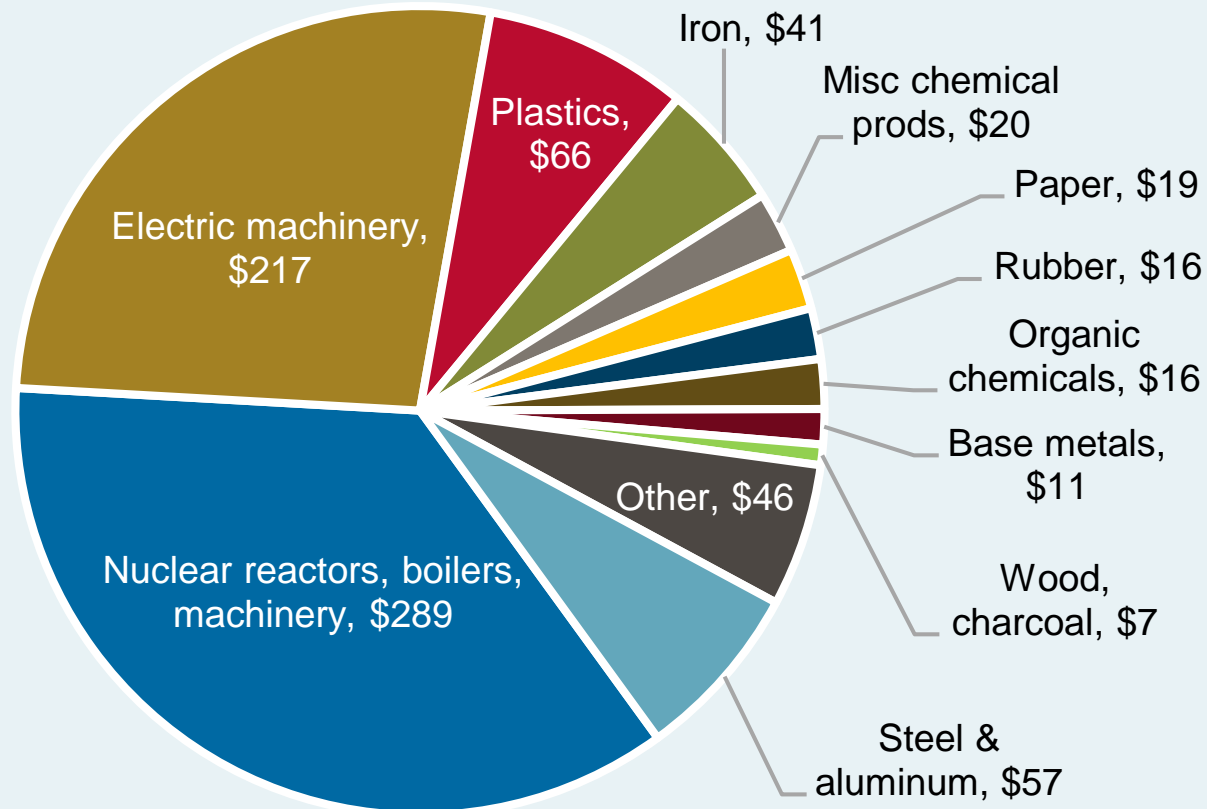
% increase vs 2018 for each of the 47 core goods categories



Source: Bloomberg, JPMAM, March 31, 2025

...why apply tariffs to related supply chains that may drive costs even higher?

Capital goods and intermediate goods not excluded from reciprocal and product specific tariffs, US\$ billions



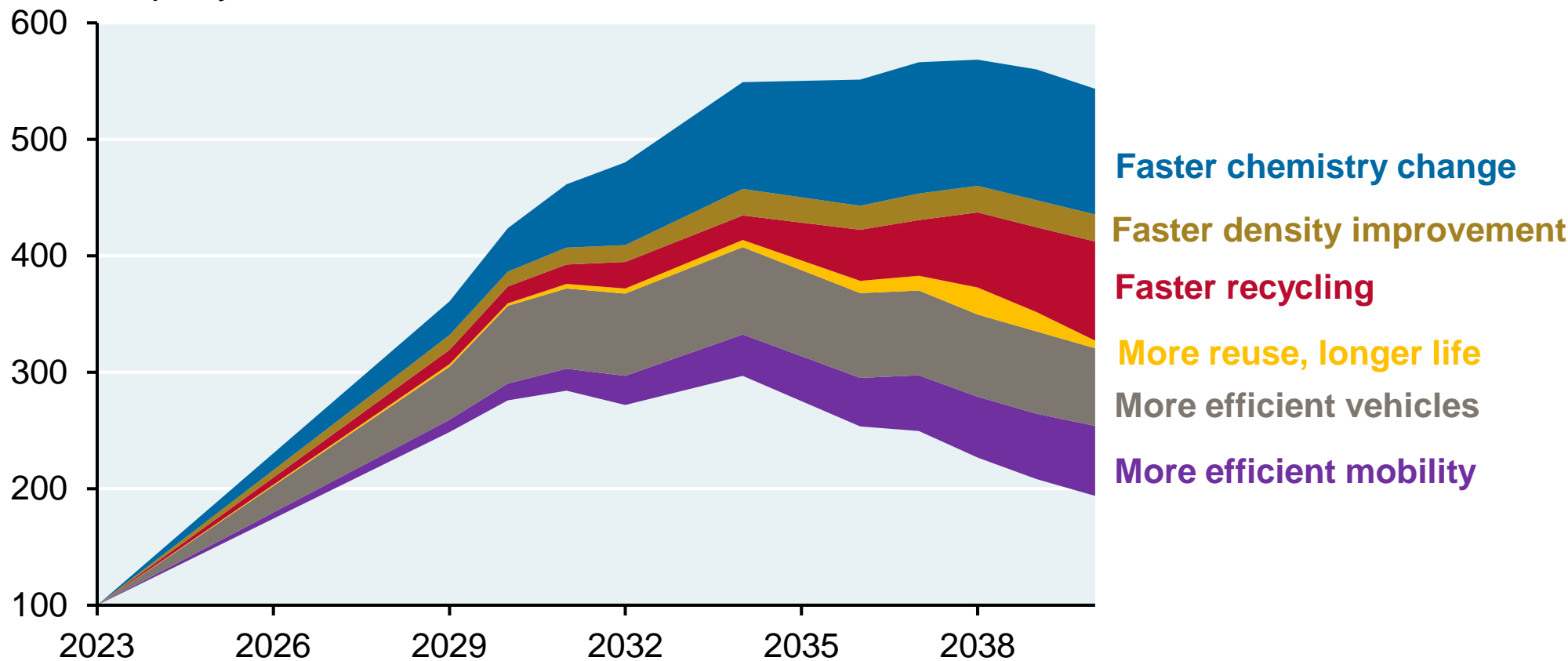
Source: USITC, White House, JPMAM, April 15, 2025

Can the US meet data center power demand forecasts?

Room for optimism on demand for certain minerals like lithium...

Projected net lithium demand

Kilotons per year



Source: RMI, Oxford Economic Forum, April 2025

...but a lot of questions on critical minerals supply

Rare earth metals subject to Chinese export controls

Mineral	Uses	US net import reliance	Share of US imports from China
Samarium	Nuclear reactor control rods and small motors	~80%	~70%
Gadolinium	Neutron absorbers in nuclear reactors, MRI imaging	~80%	~70%
Terbium	Night-vision goggles, sonar systems, shape-changing magnets, medical x-rays	~100%	~100%
Dysprosium	Industrial magnets for F-35 fighter jets, EVs, wind turbines	~80%	~70%
Lutetium	Cancer treatment, LED lighting, petroleum refining	~80%	~70%
Scandium	Aerospace, industrial metals	100%	<50%
Yttrium	Jet engine coatings, radar systems, precision lasers, industrial metals, LED screens, superconductors	100%	93%
Tungsten	Ammunition, machine tools used on oil rigs and jet engines, etc	>50%	27%
Tellurium	Metal alloys, thermoelectric generators and infrared sensors	<25%	<5%
Bismuth	Pharma	89%	67%
Indium	Fiber optics, laser diodes, LCD screens	100%	8%
Molybdenum	Metal alloys	0%	<6%

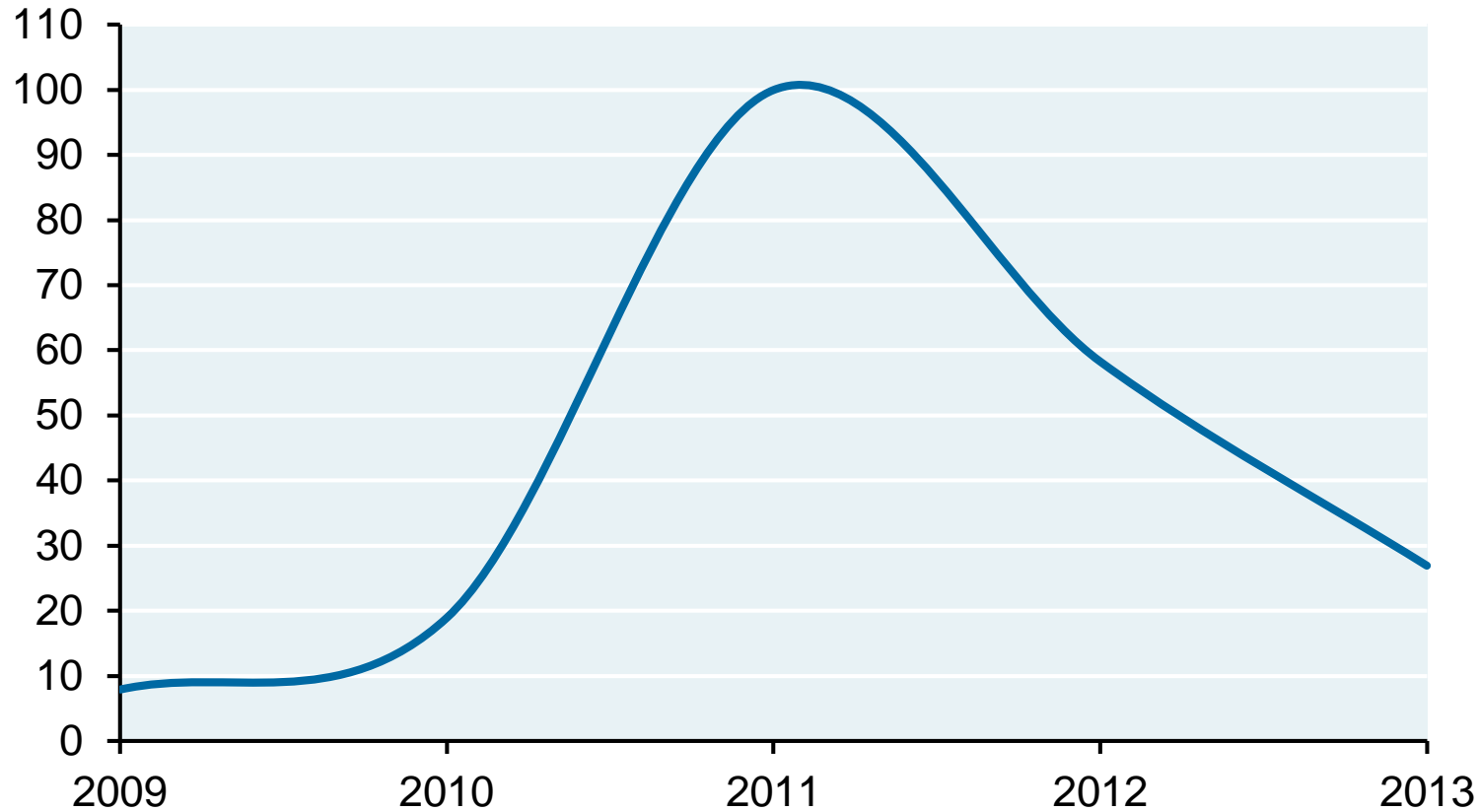
Source: CleanTechnica, USGS, MBMG, JPMAM, April 2025. Rare earth US net import reliance & import share from China is used as a proxy for samarium, gadolinium, dysprosium and lutetium

Can cobalt, manganese, vanadium, lithium and nickel be recovered from coal fly ash?
Low ppm of ~400 compared to 5,000-50,000 from Chinese ion exchange clays

What happened from 2009-2013 when China temporarily restricted supply

Rare earth oxide prices during Chinese export quotas

Index (100 = 2011)



Rare earth oxides included:

- Lanthanum
- Cerium
- Praseodymium
- Neodymium
- Samarium
- Europium
- Terbium
- Dysprosium

Source: JPMAM, 2025

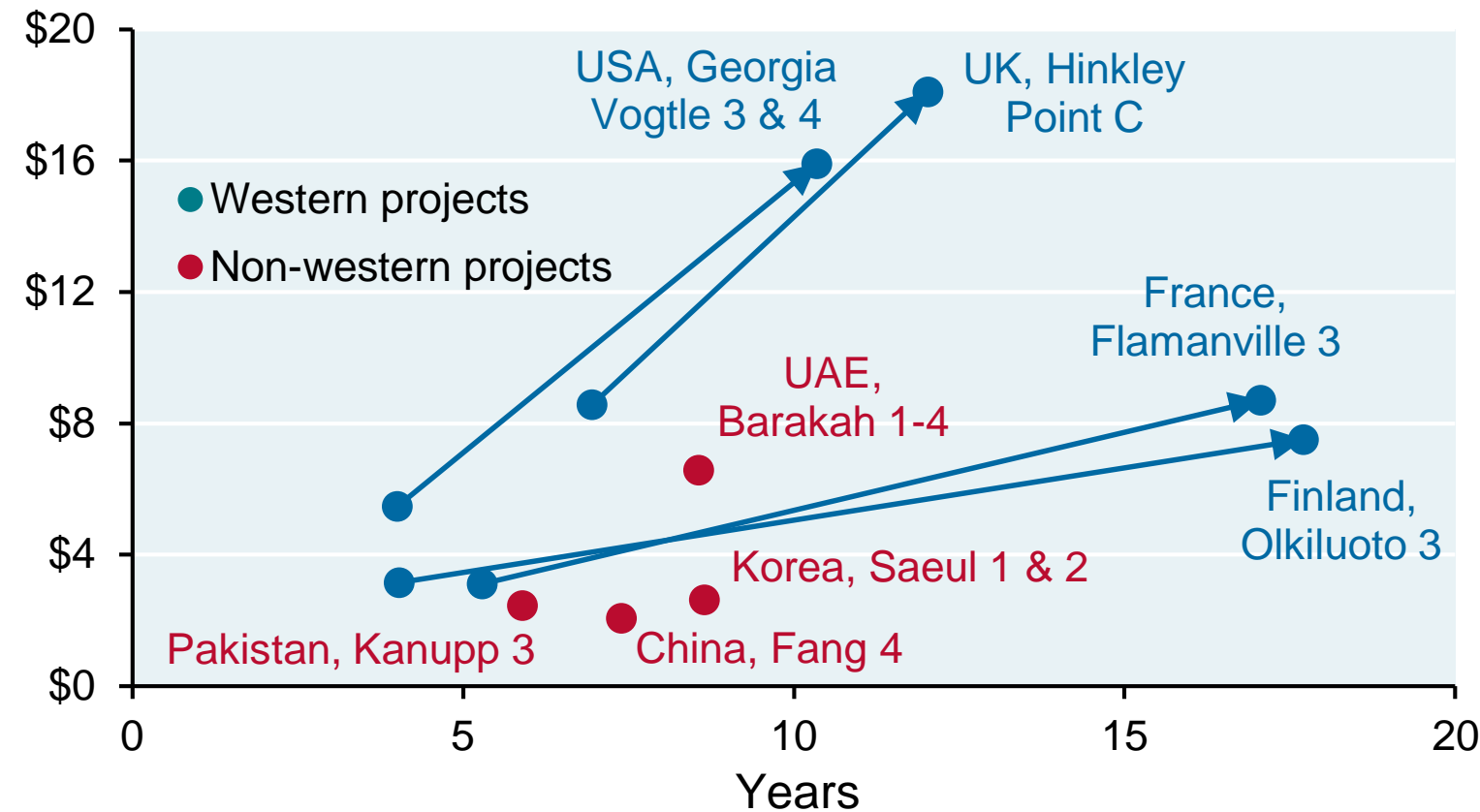
What about the big potential change agents?

- Nuclear
- Sustainable aviation/shipping fuels
- Virtual power plants
- Hydrogen
- Carbon capture

Gap between OECD and non-OECD nuclear costs and completion times is one of the most pressing energy issues facing the developed world

Capital cost and construction time of nuclear plants

US\$ millions / MW



- OECD vs non-OECD completion times and costs
- Megaproject overrun research and nuclear power
- Uranium import reliance
- Nuclear deliveries, 2025-2030:
 - 53% China
 - 39% EM ex-China
 - 8% OECD
- China, April 2025: new thorium molten salt reactor goes online

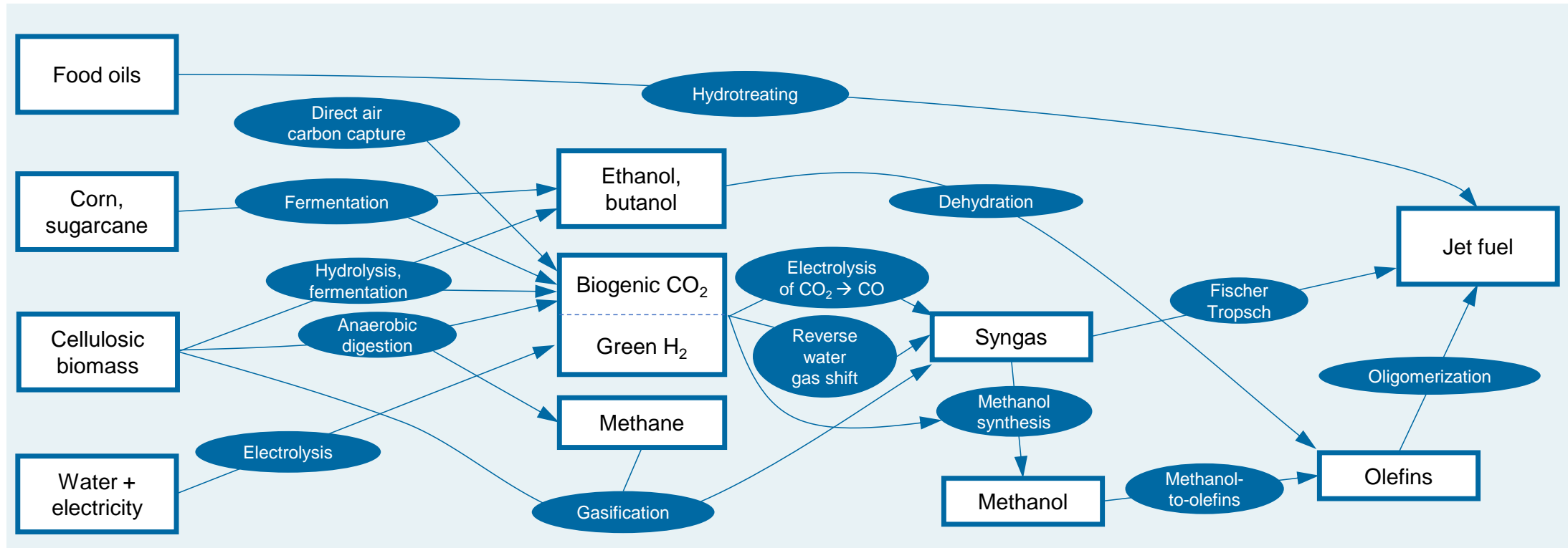
Source: IEA, Power Reactor System Database, JPMAM, February 2025

SMRs

- More than three dozen companies are working on plans to deliver SMRs
 - 6.5 GW SMR pipeline in the US with aggregate project costs of \$176 billion
- Three operating SMRs in the world (two in Russia and one in China), and another under construction in Argentina
 - Cost overruns on China SMR 300%, on Russian SMRs 400% and on the Argentina SMR (so far) 700%
 - Construction time frames were also nowhere near the projected 3-4 years; they all took 12-13 years instead to complete
- GE-Hitachi designers are attempting to reduce the volume of the building that houses a reactor by 90% via more simplified design that eliminates the need for certain safety systems, by using steel plates that reduce the need for steel rebar and by reducing staff to just 75 people compared to 1,000 at most large pressurized water reactors

There are a lot of ways to make sustainable aviation fuels...

Sustainable jet fuel pathways

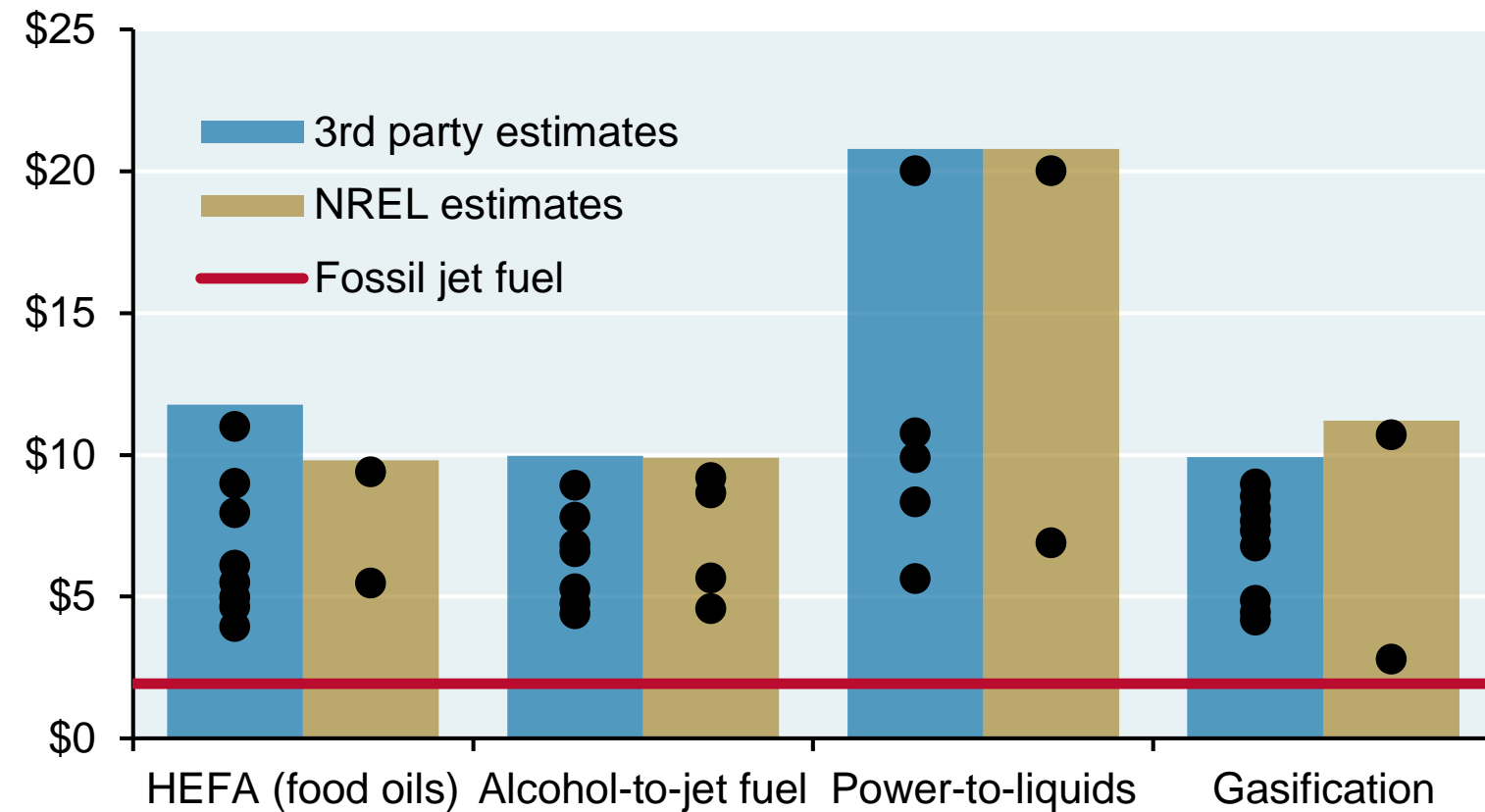


Source: Spitfire Research, JPMAM, 2025

...but all of them are expensive compared to fossil jet fuel, and airlines are reportedly only willing to pay a small premium for SAF

Renewable jet fuel cost estimates

US\$ per gallon



Source: "Sustainable Aviation Fuel", DoE, JPMAM, 2024

“I’ve always depended on the kindness of strangers”

SAF reliance on voluntary carbon offset demand, and a lot of complex Scope 1/3 treatment

Sustainable aviation fuel unit economics

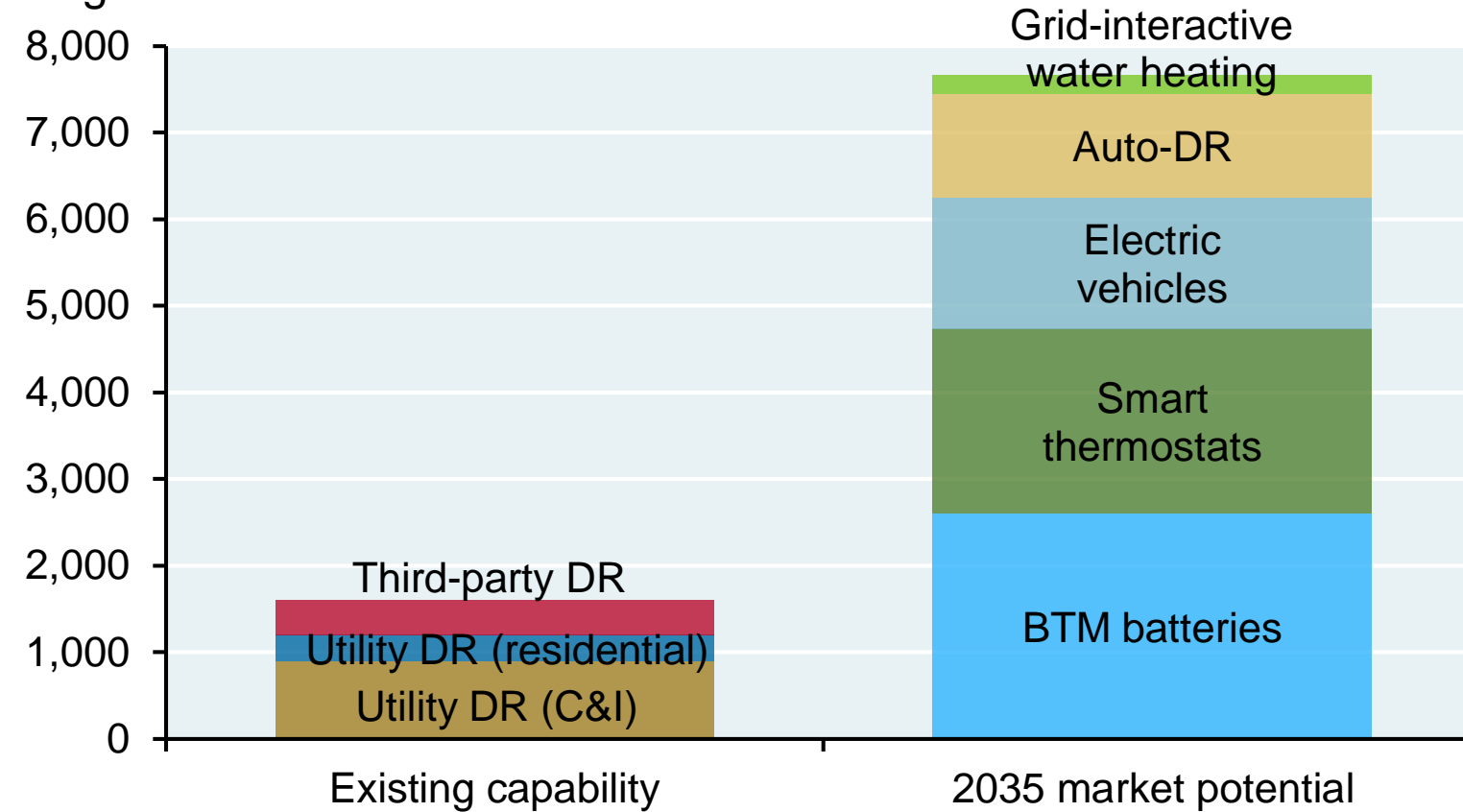
	Scenario 1	Scenario 2
Price sold to airline per gallon (8% premium to jet A)	\$2.70	\$2.70
IRA subsidy per gallon	\$1.75	\$1.05
Price of CO ₂ offsets sold to carbon offset company per gallon	\$3.23	\$3.93
Total revenues	\$7.68	\$7.68
Cost per gallon	\$5.00	\$5.00
Profit per gallon	\$2.68	\$2.68
CO ₂ emissions reduction factor	100%	60%
Price per ton of CO ₂ offset sold to carbon offset company	\$300	\$610

Source: JPMAM Sustainable Aviation Fuel Project, April 2025

I'm reading theoretical research on virtual power plants...

California virtual power plant

Megawatts

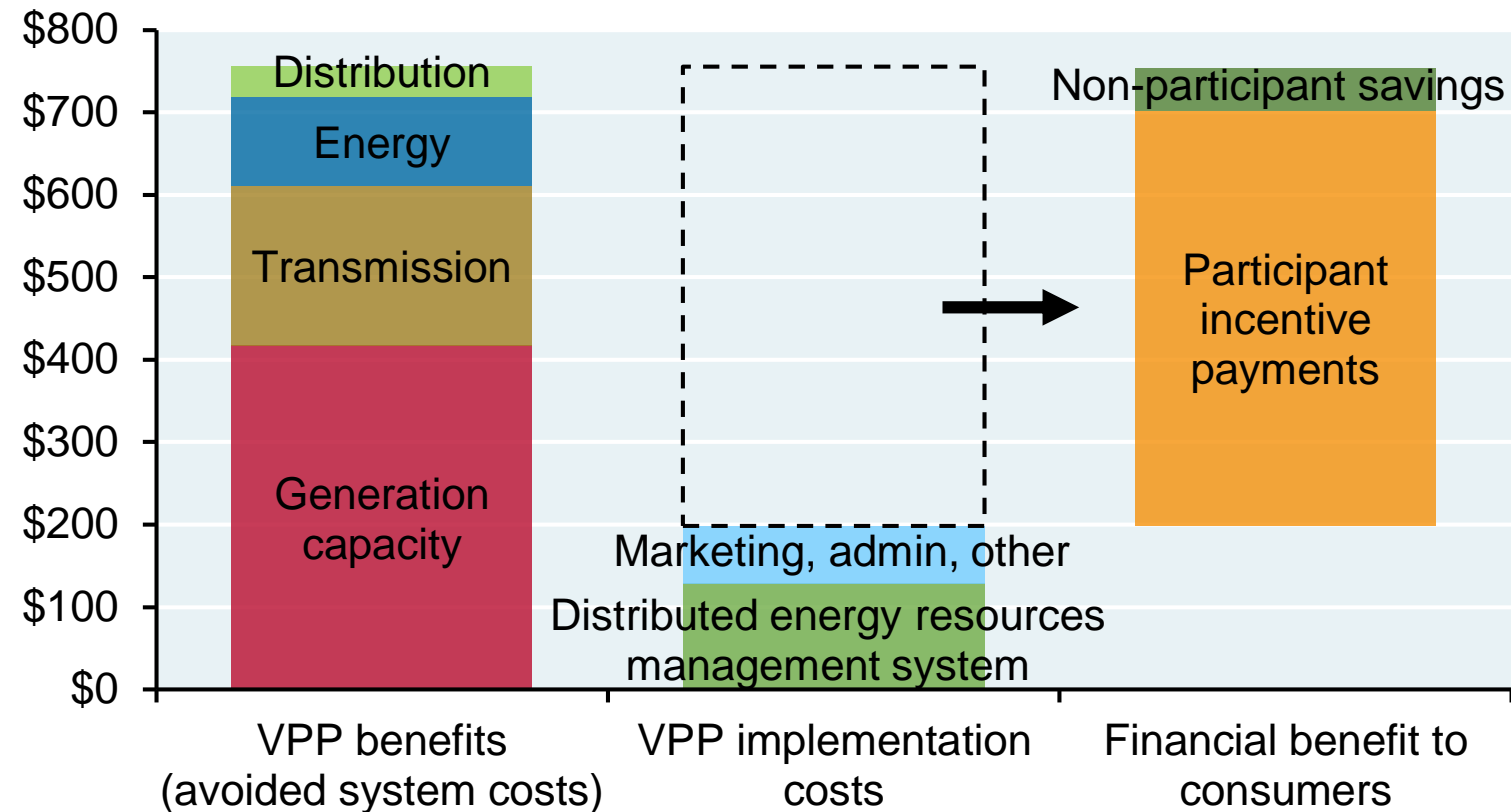


Source: Brattle, April 2024

...and look forward to seeing if they would work in practice to reduce peak loads and associated capacity needs

Benefits and costs of 2035 California VPP market potential

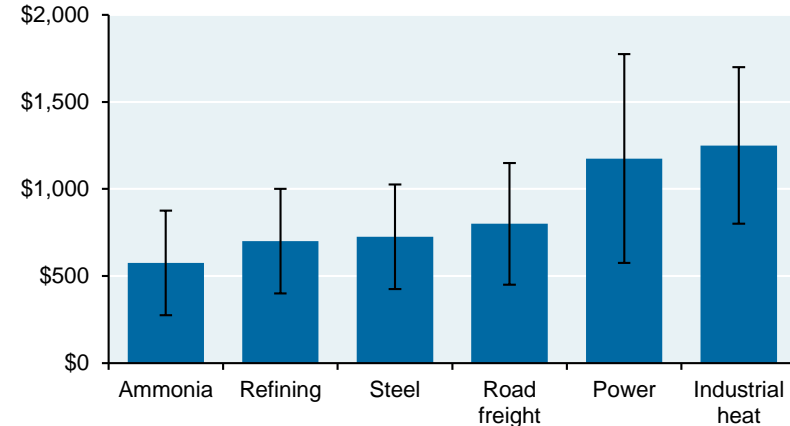
US\$, millions



Source: Brattle, April 2024

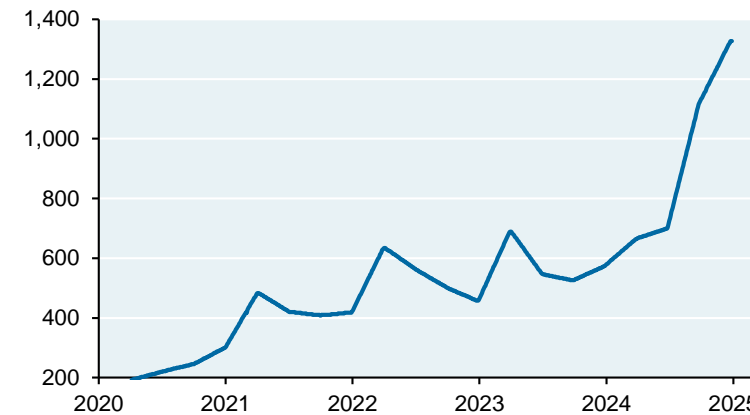
A rough stretch for the whyhydrogen economy

Carbon abatement cost of green hydrogen by sector
US\$ per ton of CO₂



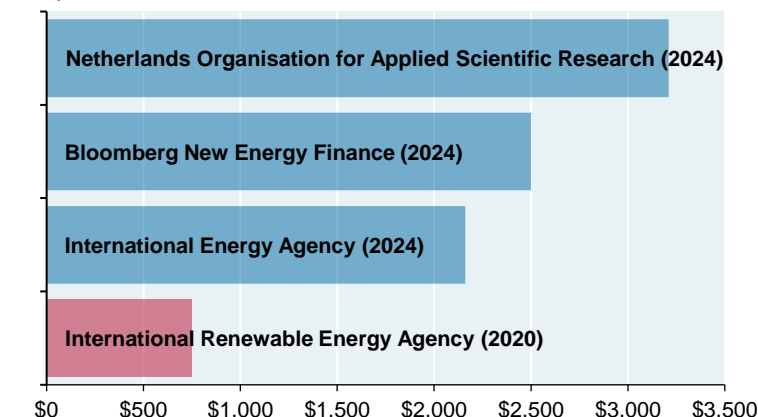
Source: Shafiee and Schrag (Harvard), Joule, 2024

Quarterly mentions of hydrogen project delays or cancellations in news or company disclosures



Source: Sustainable Market Strategies, Q4 2024

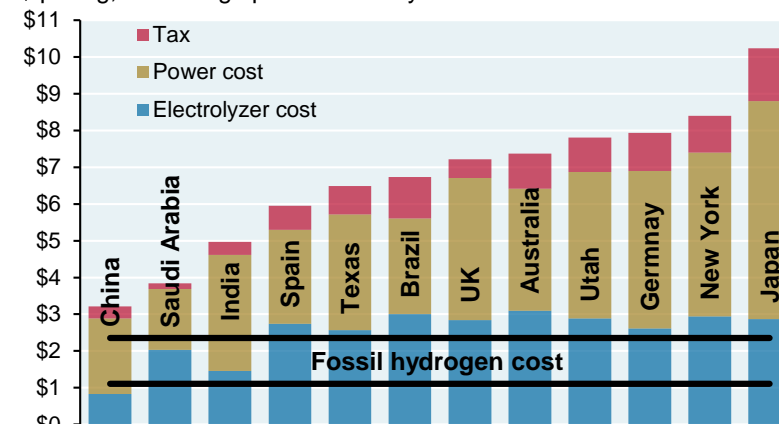
Electrolyzer system costs
US\$/kW



Source: Visa Siekkinen (Seinäjoki University), JPMAM, 2024

Levelized cost of green hydrogen, 2025

\$ per kg, assuming optimal electrolyzer utilization rate



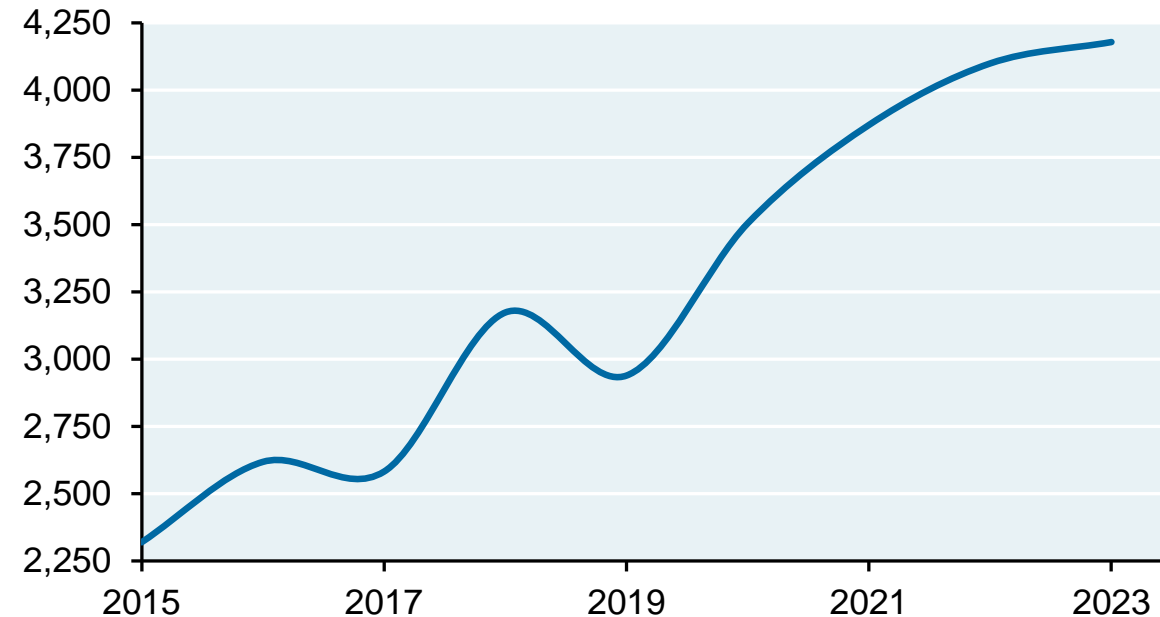
Source: BNEF 2025 Hydrogen Levelized Cost Report

- Very high abatement costs
- Project cancellations
- “Original Sin” underestimation of OECD electrolyzer costs
- High levelized costs of green hydrogen
- Only 1% of all projected green hydrogen production has a binding offtake agreement

CCS: Seeing is Believing

The highest ratio in the history of science

Carbon capture research citations per year divided by million tons of annual global operational CCS capacity



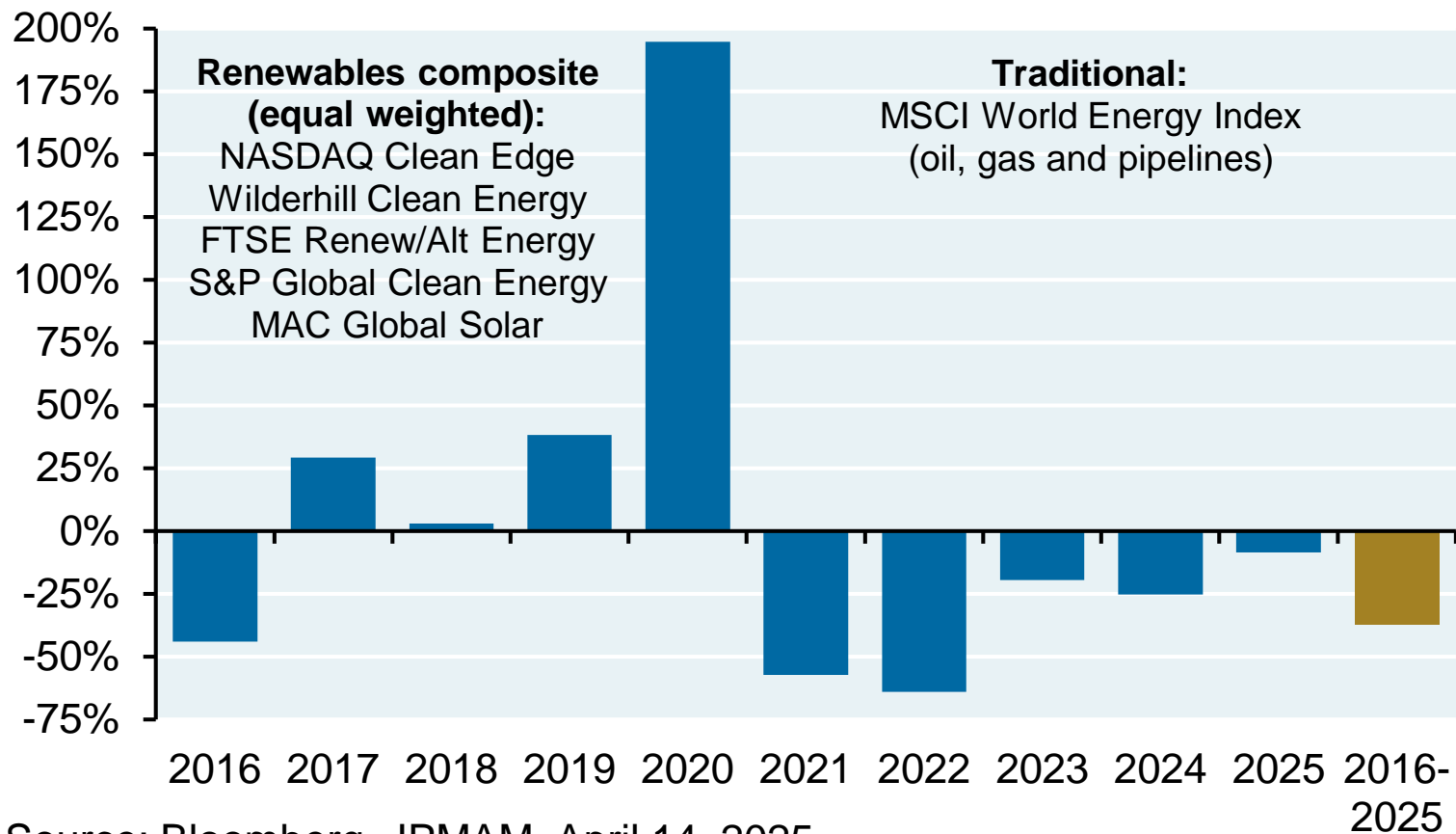
Source: Dimensions.AI, Global CCS Institute, 2023

- Shell Quest steam methane reformation project with CCS in Edmonton captures and buries ~1 mm metric tons of CO₂ per year.
- Source of CO₂: concentrated syngas from hydrogen production under 10,000x more partial pressure than atmospheric CO
- ~78% of the syngas CO₂ is captured
- Ideal configuration: only 61 km to ideal disposal reservoir
- \$165 cost per tonne of CO₂ averted

Investors will increasingly need to be convinced to finance the transition

Renewables vs traditional energy: annual outperformance

Renewables composite return minus traditional energy return



Source: Bloomberg, JPMAM, April 14, 2025

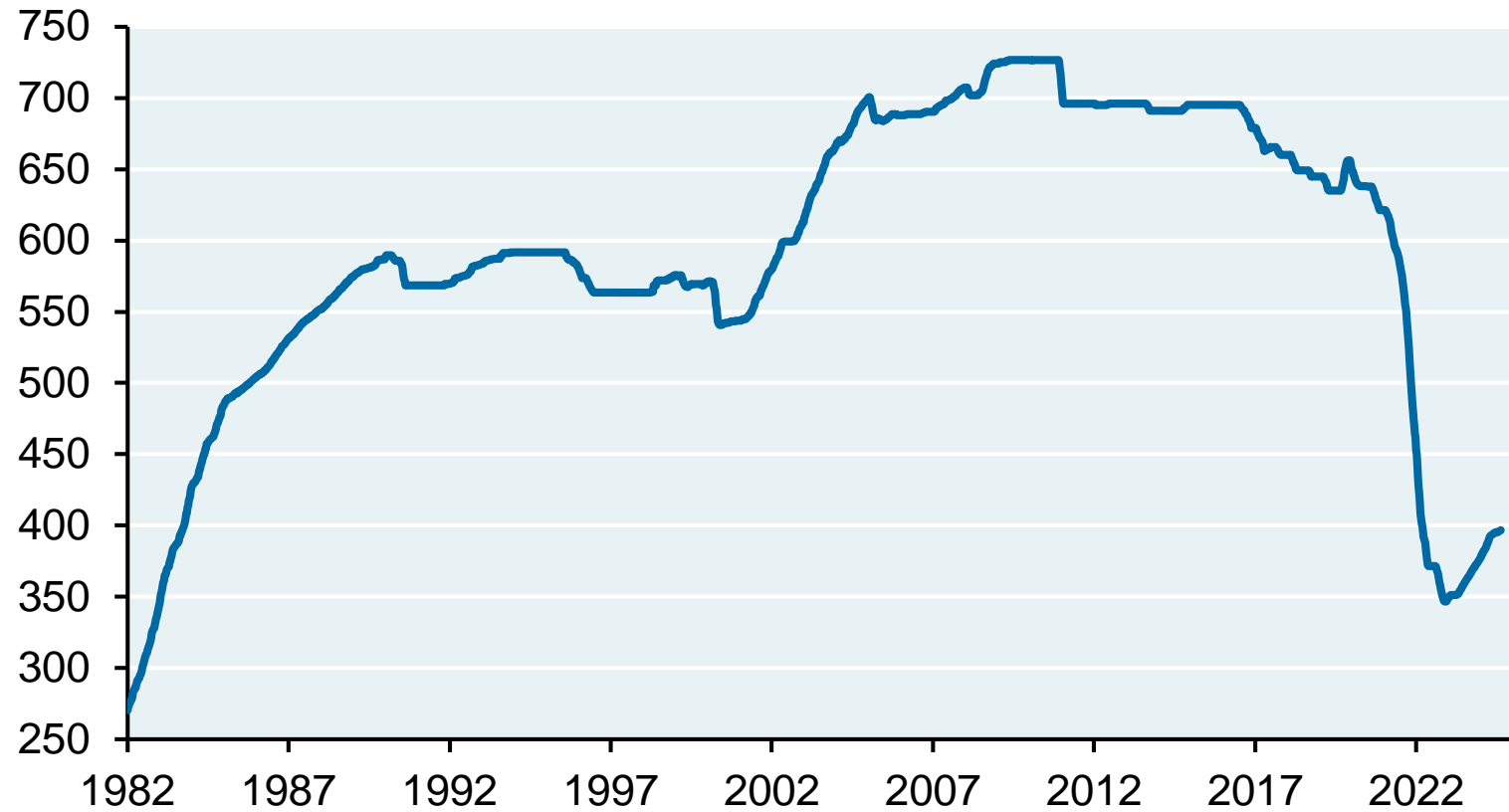
Bottom line: the sun is at the center of a very gradual energy transition, unless/until fusion can replicate it here on earth



SPR

Strategic petroleum reserve total inventory

Barrels (millions)

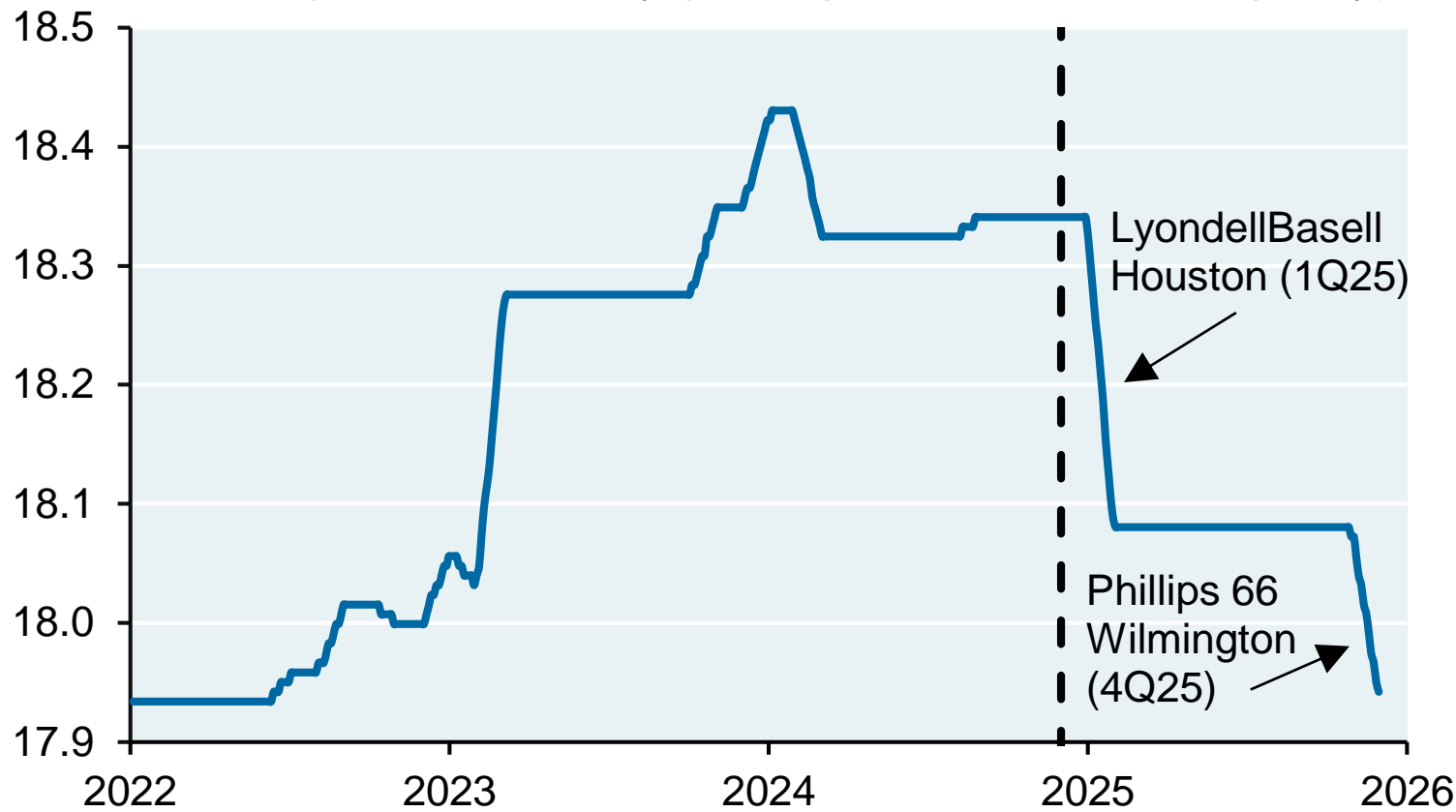


Source: US Department of Energy, JPMAM, April 4, 2025

Refinery closures

US refinery capacity and upcoming closures

Million barrels per calendar day (atmospheric distillation capacity)



Source: EIA, JPMAM, November 2024

General David Petraeus

Partner, Chairman of the Global Institute and Chairman of KKR Middle East

General David H. Petraeus (US Army, Ret.) (New York) joined KKR in 2013. He is a Partner at KKR, Chairman of the KKR Global Institute, and Chairman of KKR Middle East. He is also a member of the boards of directors of Optiv and OneStream, a Strategic Advisor for Sempra and Advanced Navigation, a personal venture investor, an academic, and the co-author (with British historian Andrew Roberts) of the New York Times best selling book “Conflict: The Evolution of Warfare from 1945 to Gaza”.

Prior to joining KKR, General Petraeus served over 37 years in the U.S. military, culminating his career with six consecutive commands as a general officer, five of which were in combat, including command of the Surge in Iraq, command of U.S. Central Command, and command of coalition forces in Afghanistan. Following retirement from the military and after Senate confirmation by a vote of 94-0, he served as Director of the CIA during a period of significant achievements in the global war on terror. General Petraeus graduated with distinction from the U.S. Military Academy and is the only person in Army history to be the top graduate of both the demanding U.S. Army Ranger School and the U.S. Army’s year-long Command and General Staff College. He also earned a Ph.D. in international relations and economics from Princeton University. General Petraeus taught both subjects at the U.S. Military Academy in the mid-1980s, he was a Visiting Professor of Public Policy at the Honors College of the City University of New York from 2013 through 2016, he was for 6 years a Judge Widney Professor at the University of Southern California and a Senior Fellow at Harvard University’s Belfer Center, and he was the Co-Chairman of the Woodrow Wilson Center’s Global Advisory Council for over 9 years. He is currently the Kissinger Fellow at Yale University’s Jackson School, Senior Vice President of the Royal United Services Institute, and a Member of the Trilateral Commission, Council on Foreign Relations, and Aspen Strategy Group, as well as a member of the boards of the Atlantic Council, the Institute for the Study of War, Iraq and Afghanistan Veterans of America, and numerous other veterans service organizations. He is also a LinkedIn Top Voice. Over the past 20 years, General Petraeus was named one of America’s 25 Best Leaders by U.S. News and World Report, a runner-up for Time magazine’s Person of the Year, the Daily Telegraph Man of the Year, twice a Time 100 selectee, Princeton University’s Madison Medalist, and one of Foreign Policy magazine’s top 100 public intellectuals in three different years.

General Petraeus has earned numerous awards and decorations, including four Defense Distinguished Service Medals, the Bronze Star Medal for Valor, two NATO Meritorious Service Medals, the Master Combat Action Badge, the Ranger Tab, and Master Parachutist and Air Assault Badges. He has also been decorated by 14 foreign countries and he is believed to be the only person who, while in uniform, threw out the first pitch of a World Series game and did the coin toss for a Super Bowl.

Bill Longbrake

William (Bill) Longbrake is executive in residence and senior financial policy advisor at the University of Maryland's Robert H. Smith School of Business, where he has served since 2009. He is a member of the Dean's Advisory Board and participates in the Center for Financial Policy, the Smith Enterprise Risk Consortium, and the Ed Snider Center for Enterprise and Markets. He teaches, advises students and faculty, and engages with business, policy, and nonprofit leaders on financial and governance issues.

He is a director of Broadway Financial Corporation (BYFC), City First Bank, City First Enterprises, and Boeing Employees Credit Union (BECU), serving on audit, compensation, risk, loan, and governance committees. He serves on the Washington State Governor's Council of Economic Advisors. He served on the Washington State Investment Board (2010–23) and served on the Advisory Board of Simon Quick until 2022.

From 2018 to 2020, he was an affiliate associate professor at the University of Washington's Evans School of Public Policy and Governance, where he co-authored a two-part study on a proposed state-chartered public cooperative bank. Earlier, he held executive roles at Washington Mutual and the FDIC, and served as senior policy advisor to the Financial Services Roundtable during the financial crisis.

He has served on numerous boards and committees in the public, private, academic, and nonprofit sectors, including in affordable housing and education. He is the author of the monthly "Longbrake Letter," distributed by Maryland's Center for Financial Policy.

He holds degrees in economics and business from the College of Wooster and the University of Wisconsin, and a Doctor of Business Administration in finance from the University of Maryland. He is a member of the National Association of Corporate Directors and is a Governance Fellow.

Washington State Investment Board

June 12, 2025

Bill Longbrake

Executive in Residence

University of Maryland, Smith School of Business

Long-Term Rates of Return

- **Bill's Focus Is:** *WSIB's investment horizon – 10-15 years*
- **Bill's Focus Is:** *Economic and policy trends that will impact and potentially increase the level of long-term rates of return*
- **Bill's Focus Is Not:** *forecasting future inflation rates*
- **Bill's Focus Is Not:** *forecasting rates of return and standard deviations for individual asset classes*
- **Bill's Focus Is Not:** *speculating on asset allocation strategy*
- **Caveat:** *economic and policy trends that increase long-term rates of return may have differential impacts on individual asset classes*

Capital Market Assumptions – WSIB Process

- ***Utilize a variety of tools from financial theory to develop internal views on CMAs***
- ***Gather a broad array of consultant expectations for asset class returns, risk, and correlations***
- ***Compare to one another; compare to history***
- ***Develop a range of reasonable expectations and apply judgment to arrive at a recommendation***
- ***Model and customize expectations for the WSIB's specific asset class structure and views***

Capital Market Assumptions – Deriving the Return Assumptions

- ***Traditional finance theory***
- ***Historical capital market data***
- ***Current interest rates***
- ***Market expectations for future inflation***
- ***Fundamental market expectations***
- ***Consensus assumptions/expectations***
- ***Other economic variables***

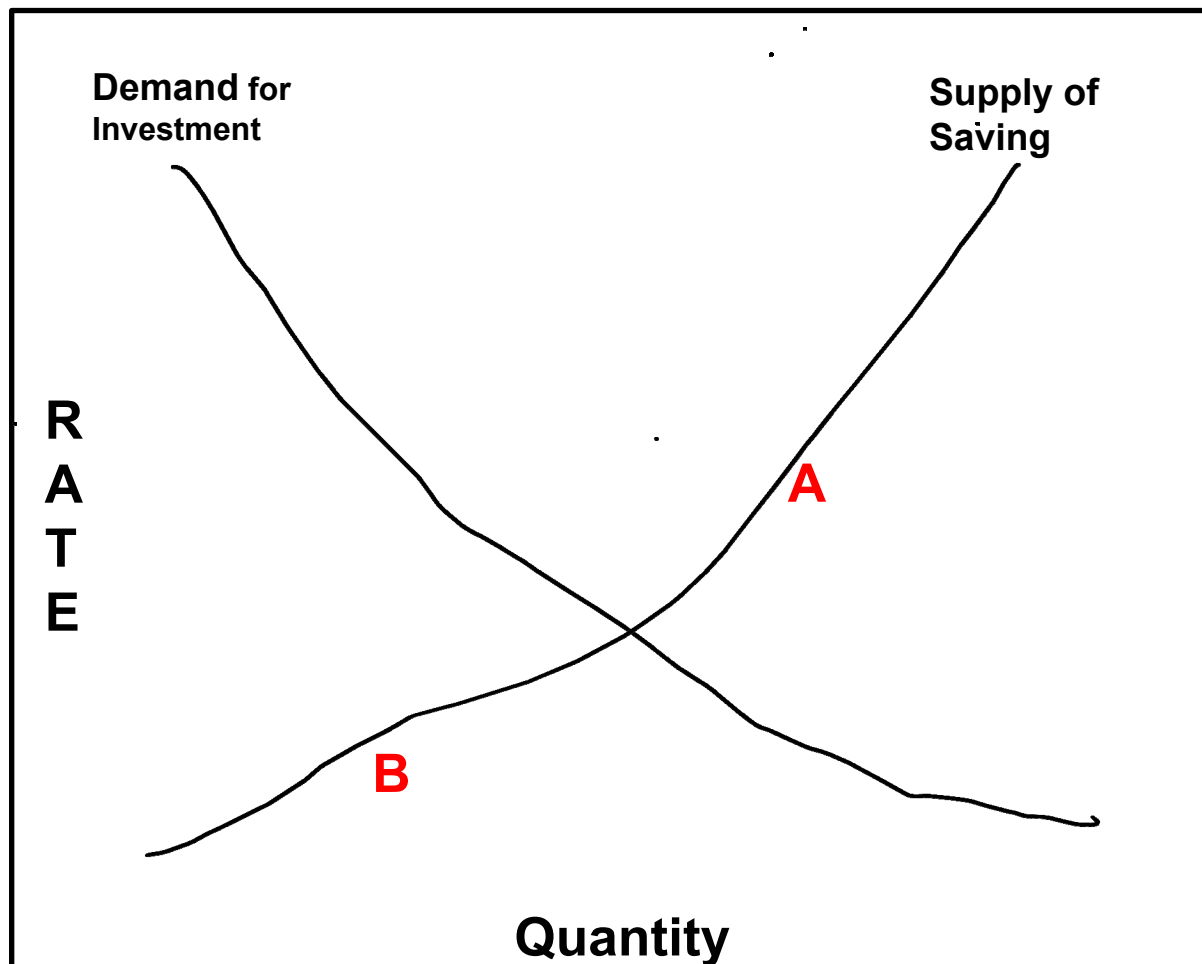
Economic (Finance) Theory – Saving and Investment

■ *Saving = Investment*

■ *Supply of Saving and Demand for Investment*

- *Intersection of supply and demand determines the Base Interest rate – R*
- *If the supply of saving exceeds the demand for investment, R will fall (point A on chart)*
- *If the supply of saving is less than the demand for investment, R will rise (point B on chart)*

Supply of Saving and Demand for Investment



Economic (Finance) Theory – Saving and Investment

■ Sources of Saving

- Households: ***Saving = Income – Consumption (+)***
- Businesses: ***Saving = Earnings – Dividends (+)***
- Government: ***Saving = Taxes – Spending (-)***
- International Capital Flows: ***Net Trade Deficit and Net Capital Flows (+)***

Economic (Finance) Theory – Saving and Investment

■ Interest rates: Components

- Base Rate – risk-free rate (customarily T-bills)
- Inflation Premium – (>1.0x as inflation rises)
- Maturity (Term) Premium – increases as duration rises
- Risk (Credit, Illiquidity, Prepayment, profits uncertainty) Premium
- Exorbitant Privilege Discount – results from U.S. dollar dominance in global trade and financial transactions

Economic Theory – Neutral (Natural Rate) R^*

- Neutral Interest Rate R^* is the inflation-adjusted interest rate that is consistent with the full use of economic resources and steady inflation near the Fed's inflation goal (2%), absent transitory business cycle shocks to the economy
- Base Rate and Neutral Rate R^* are the same when the definition of neutral rate is met; otherwise, the Base Rate can be higher or lower than the Neutral Rate R^* due to transitory (short-term) business cycle forces

Factors Influencing the Neutral (Natural Rate) R^*

- ***Level of the Neutral Rate R^* Depends on Several Factors***
 - ***Population and Employment Demographics***
 - ***Innovation, Productivity and Demand for Investment***
 - ***Size of Public Debt***
 - ***Trade-Weighted Value of the Dollar***
- ***Changes in these factors over time will change the level of the neutral rate R^****

Population and Employment Demographics

■ **Two Domestic Effects on Saving and Investment**

➤ **Rate of growth in employment**

- **Faster growth increases supply of saving and lowers R^***
- **Impact on the long-term neutral rate R^* is approximately 45 bps for a sustained 1% increase in employment growth**

➤ **Demographic composition of the labor force – 2 opposing effects**

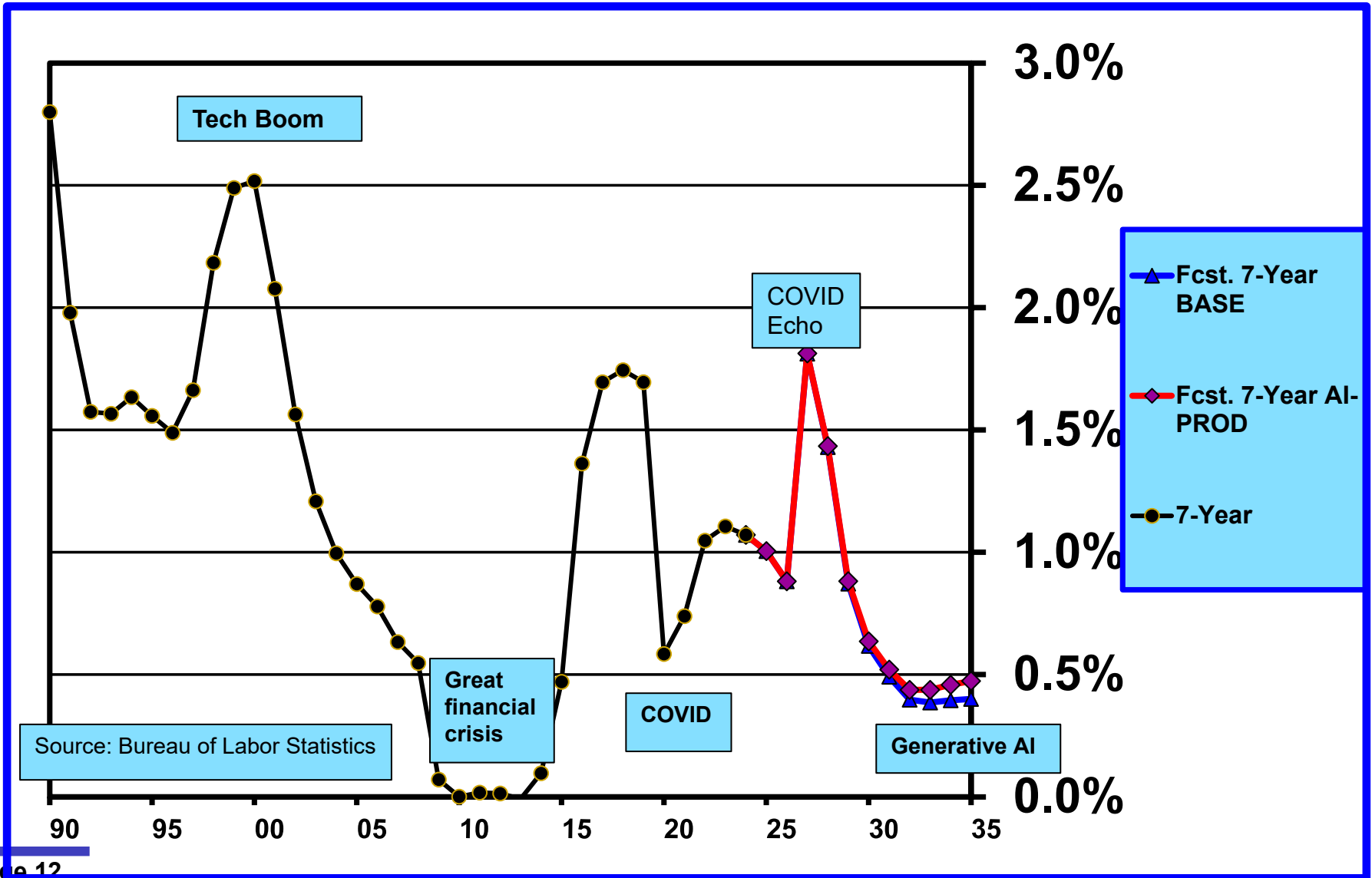
- **Bulge in high earning years increases saving and lowers R^***
- **Bulge in retirement years increases spending and decreases saving and raises R^***
- **Impact: As the population ages and length of retirement years extends, the effect on R^* is shifting from negative to positive**

Population and Employment Demographics

■ *International Effects*

- *Rapid economic growth and rising lifespans in developing economies in recent years led to a substantial increase in the global supply of saving – “Glut of Saving” – R^* declines*
- *As developing economies mature and as populations age due to falling birth rates, the global supply of saving shrinks – R^* increases*
- *Impact: The global impact on R^* has switched from negative to positive and this impact will grow over time as developing economies continue to mature and population growth slows*

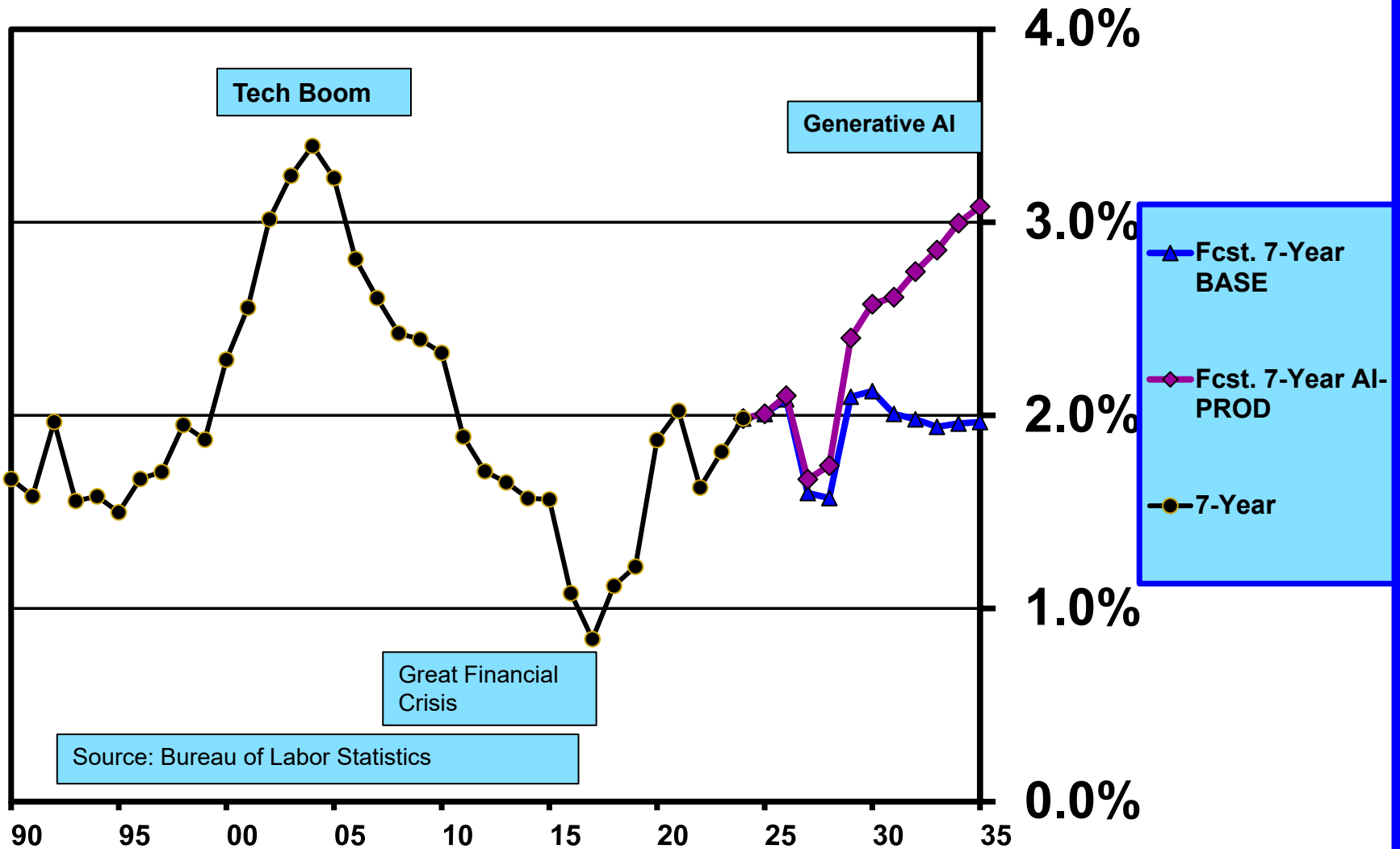
Payroll Employment Growth (Seven-Year Rate of Change)



Innovation and Productivity

- *A large and sustained increase in innovation increases the demand for investment*
 - *Railroads*
 - *Electricity*
 - *Personal computers, fiber optics and the internet (1994-2004)*
 - *Generative artificial intelligence (AI) (2023-??)*
- *Increased demand for investment raises the neutral (base) rate of interest R^**
- *Impact on the long-term neutral rate R^* is approximately 1.5% for a sustained 1% increase in productivity*

Nonfarm Business Productivity (Seven-Year Rate of Change)

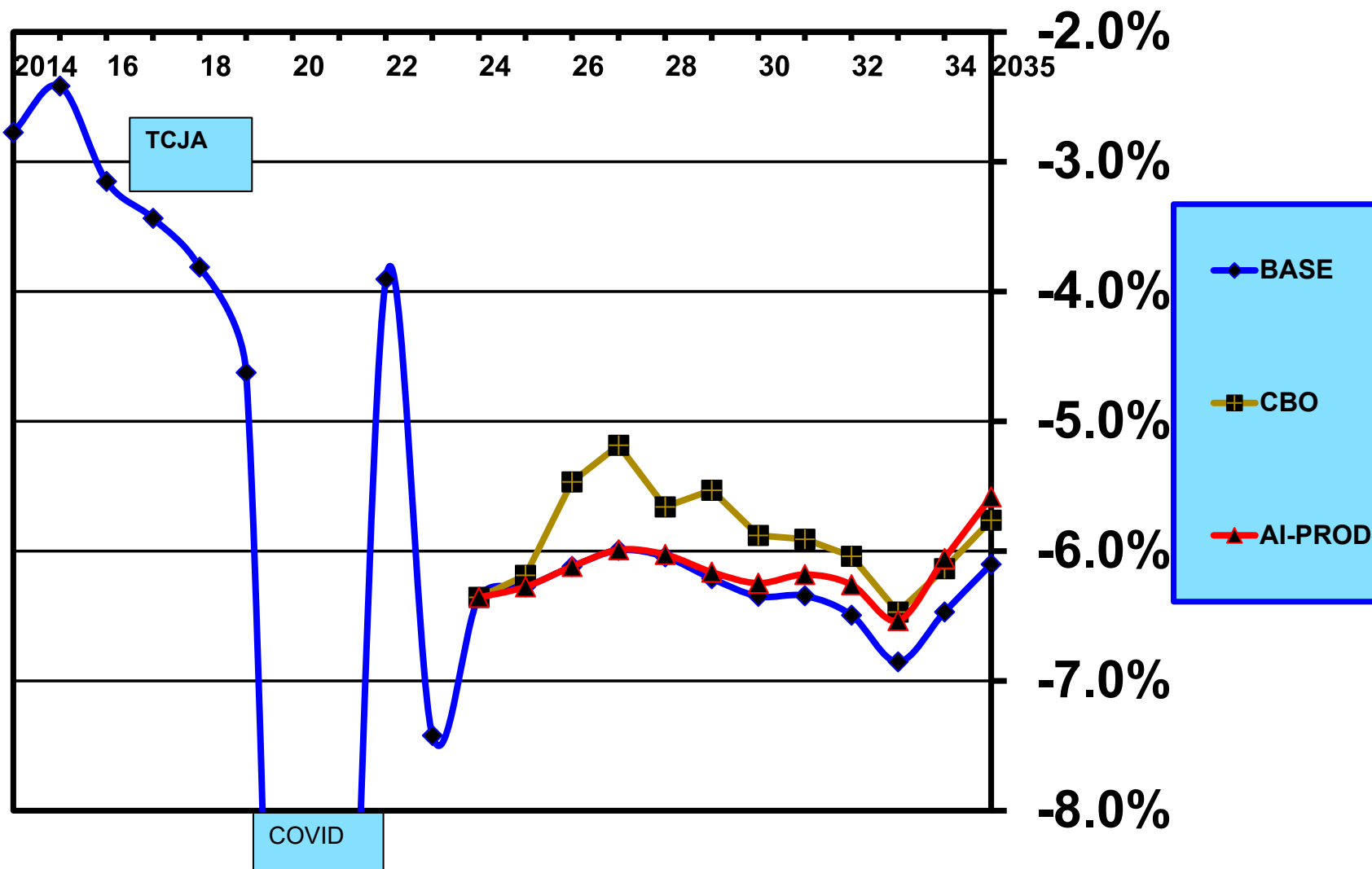


U.S. Public Debt

- ***Larger annual deficits compete with the private sector's demand for funding, resulting in higher interest rates***
- ***A large and growing stock of public debt relative to nominal GDP increases risk steadily over time, resulting in a higher neutral rate***
 - ***The Congressional Budget Office (CBO) estimates that a sustained 10% increase in the size of the public debt will raise long-term interest rates by approximately 5.5 bps***
 - ***CBO projects that the public debt stock will rise from 98% in 2024 to 118% in 2035 (11 bps impact), and to 220% in 2055 (an additional 62 bps impact), if the provisions of the Tax Cuts and Jobs Act are extended permanently without offsets***

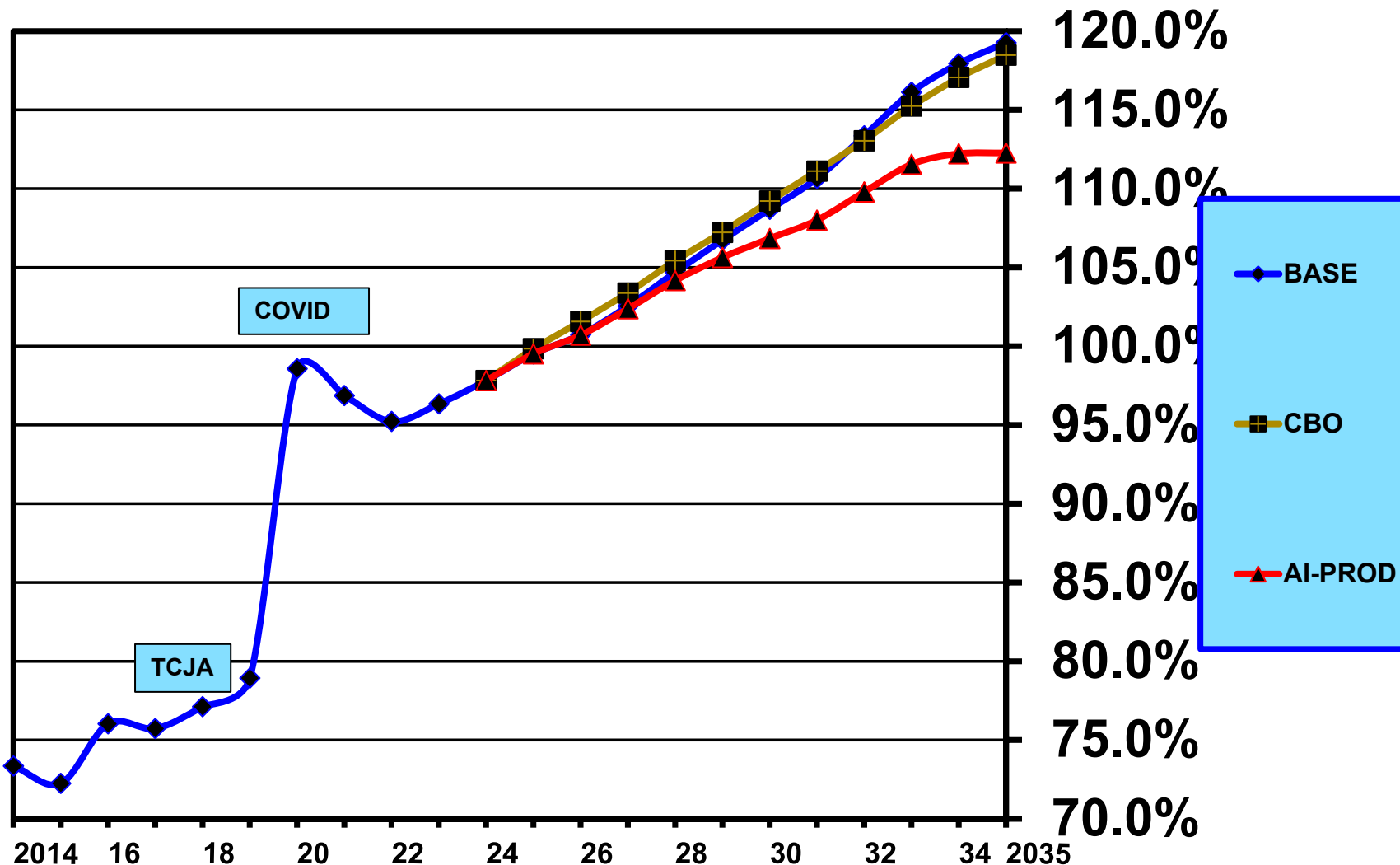
Annual Federal Budget Deficit

(fiscal year deficit/Q3 nominal GDP)



Federal Public Debt to GDP Ratio

(outstanding public debt/Q3 nominal GDP)



Dollar

- ***50% of global trade, 90% of international financial transactions are conducted in U.S. dollars and 60% of international reserves held in dollar assets***
- ***Trade-weighted dollar is about 20% overvalued***
 - ***China +24%***
 - ***Japan +32%***
 - ***Euro +19%***
- ***U.S. dollar receives a “convenience” premium***
- ***Dollar also receives a premium for U.S. exceptionalism in terms of strong economic growth and productivity and outperformance of U.S. real and financial assets***

Dollar

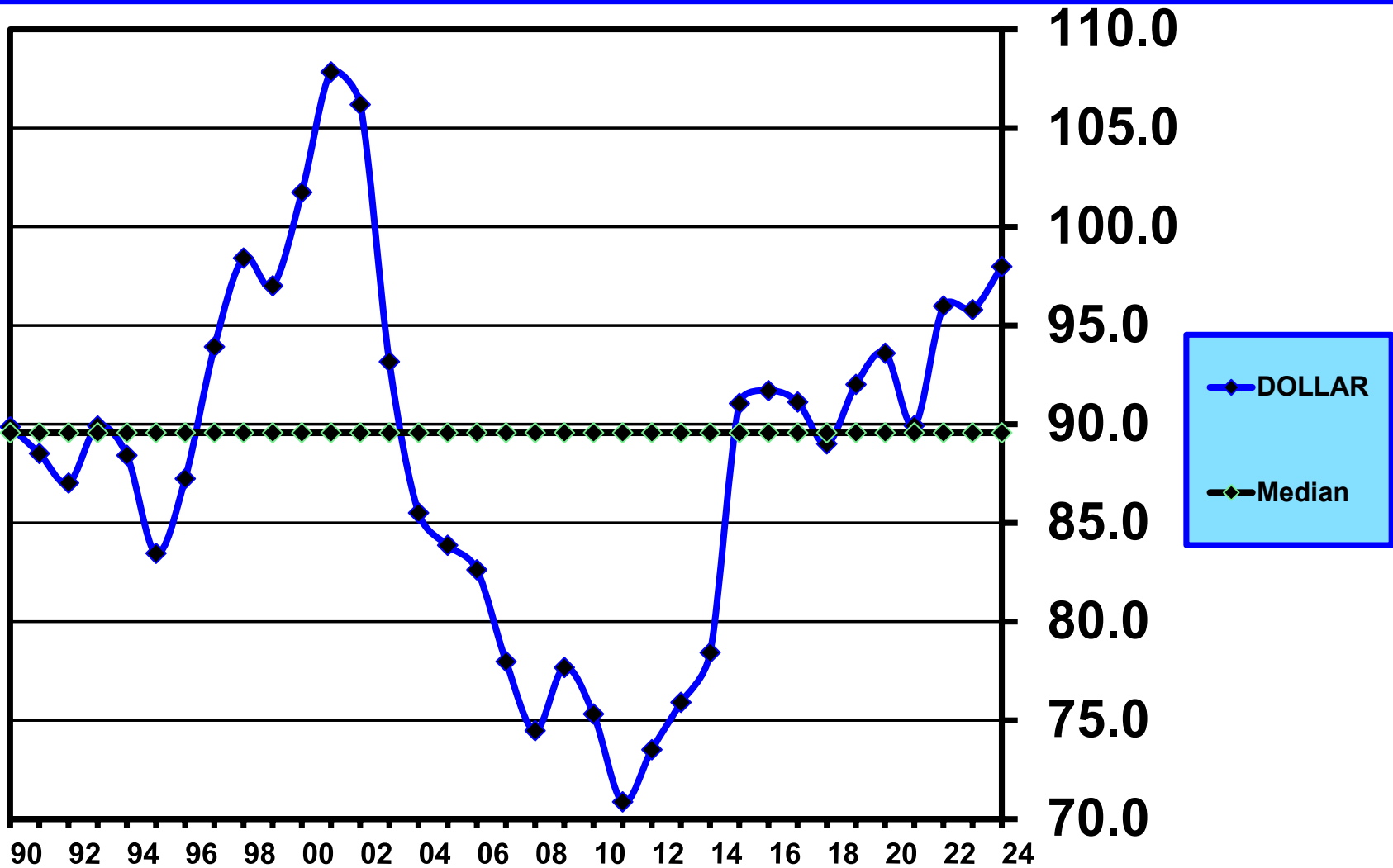
■ *Dollar premium likely to erode*

- *Trade war will accelerate diversification into non-dollar assets*
- *U.S. exceptionalism may diminish*
- *Decline in demand for dollars will decrease the “convenience” and “exceptionalism” interest-rate discounts*

■ *Impact on the long-term neutral rate R^* is approximately 85 bps for a sustained 10 point increase in the trade-weighted dollar index*

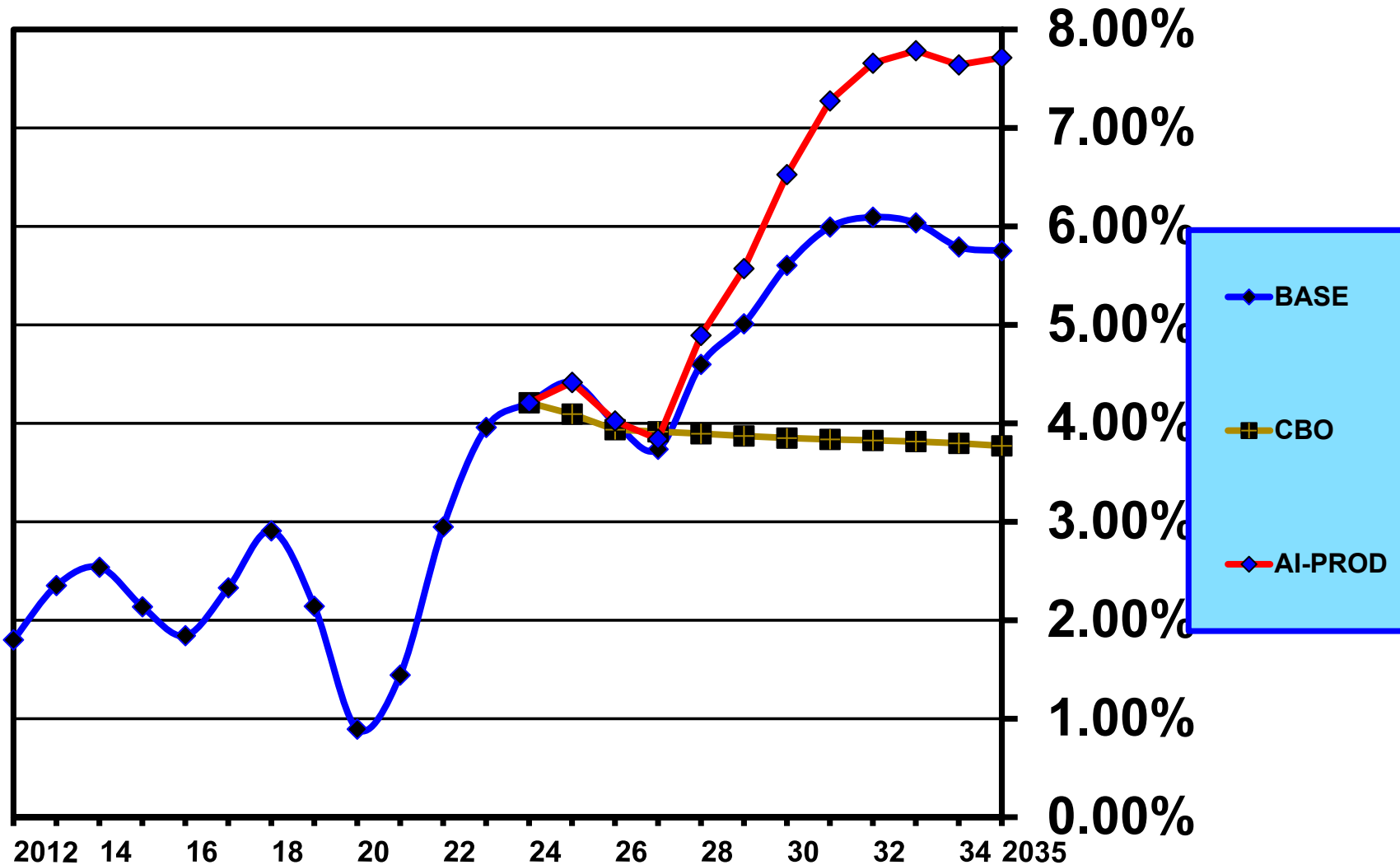
- *Dropping from 2024 average level of 98 to 1990-2024 median of 87.5 (see chart) on a sustained basis would increase the long-term neutral rate by about 90 bps*
- *The impact would be greater if the dollar index falls on a sustained basis below the 1990-2024 median*

Trade-Weighted U.S. Dollar Exchange Rate



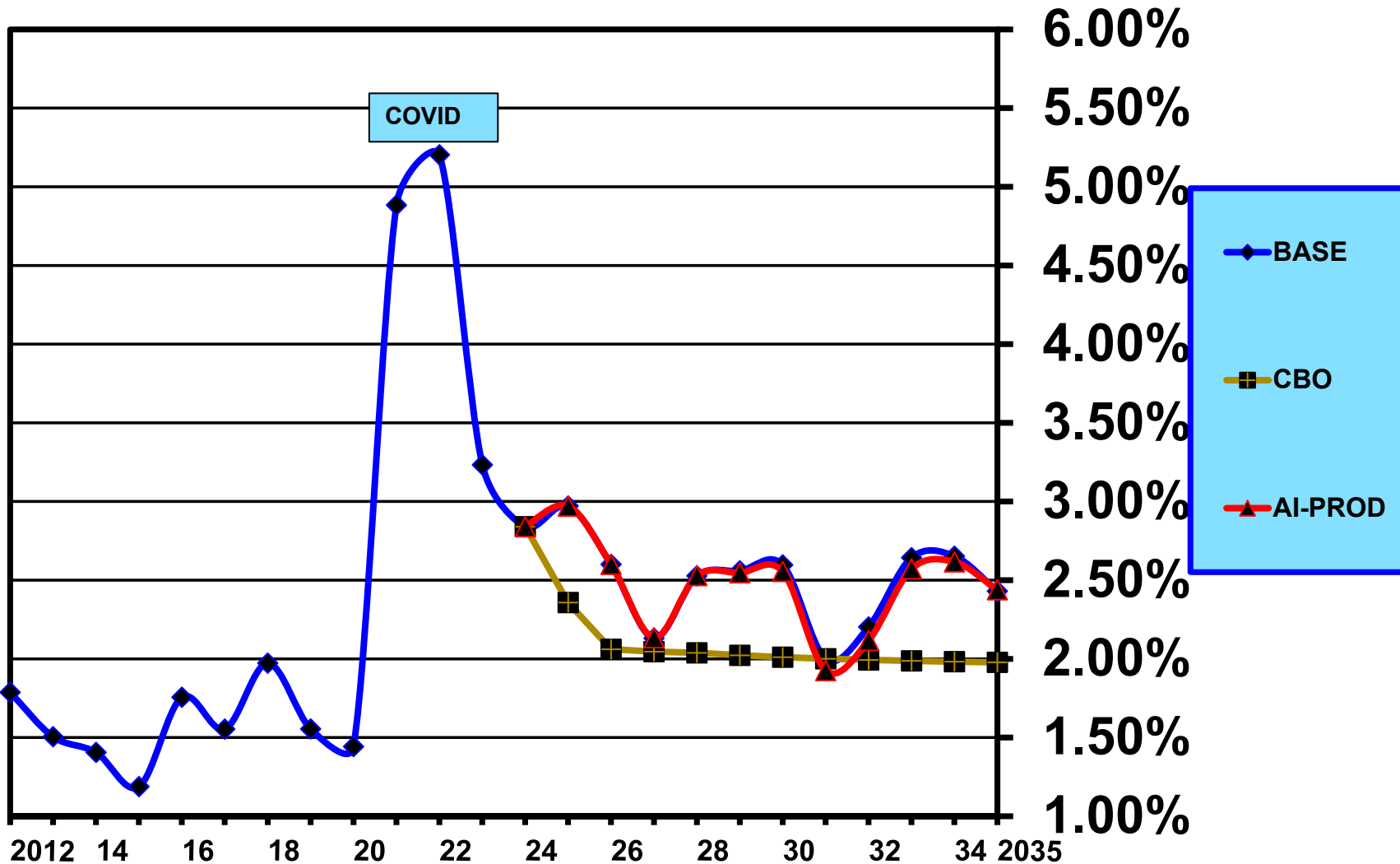
10-Year Treasury Yield

(average annual rate)



BASE
CBO
AI-PROD

Core PCE Inflation (average annual rate)



Summary – Impacts on Long-Term Neutral (BASE) Interest Rate R^*

■ **Population and Employment Demographics**

- Domestic Impact: +45 bps for a sustained 1% increase in employment growth
- Domestic Impact: + for bulge in high earnings years; - for bulge in retirement years
- International Impact: shifting from + to – as time passes

■ **Innovation, Productivity and Demand for Investment**

- Impact: +1.5% for a sustained 1% increase in productivity

■ **Size of Public Debt**

- Impact: +5.5 bps for a sustained 10% increase in the stock of public debt to nominal GDP

■ **Trade-Weighted Value of the Dollar**

- Impact: +85 bps for a sustained decrease of 10 points in the trade-weighted dollar index

Impacts on Long-Term Neutral (BASE) Interest Rate R^* Over Ntext 10-15 Years

■ **Population and Employment Demographics**

- **Domestic Impact:** decreases as population growth slows but increases as population ages
- **International Impact:** increases as developing economies mature

■ **Innovation, Productivity and Demand for Investment**

- **Impact:** range of no change to a substantial increase if AI takes off

■ **Size of Public Debt**

- **Impact:** moderate to substantial increases depending on extent of growth in public debt

■ **Trade-Weighted Value of the Dollar**

- **Impact:** increases as dollar dominance diminishes

Observations and Things To Think About

- **Observation:** *Low interest rates[^] following the Great Financial Crisis of 2008-09 were a result of a very depressed neutral rate R^**
 - **U.S. Employment Growth:** *near zero*
 - **Productivity:** *extremely low*
 - **Public Debt:** *stable but substantial Fed buying of Treasury securities and mortgage-backed bonds depressed rates*
 - **International Glut of Savings:** *Caused by rapid international economic growth and expansion of trade surpluses, particularly China*
 - **Inflation:** *In addition, inflation was consistently and substantially below 2%*

[^]Carlos Carvalho, Andrea Ferrero, Felipe Mazin, and Fernanda Nechio. “Underlying Trends in the U.S. Neutral Interest Rate,” Federal Reserve Bank of San Francisco Economic Letter 2025-10, April 21, 2025.

Observations and Things To Think About

- **Observation:** *Most factors are likely to increase the neutral rate R^* over the next few years but the collective impact is likely to be less than the sum of the individual parts*
- **Impact on Existing Assets of Transition to Higher Neutral Rate R^***
 - *Over the past few years of low interest rates, WSIB realized substantial capital gains on long-dated investments, particularly real estate*
 - *Capital gains built up on existing investments as long-term interest rates (cap rates) fell*
 - *The opposite effect will occur in future years if long-term interest rates rise substantially and sustainably*

QUARTERLY PERFORMANCE AS OF MARCH 31, 2025

Chris Hanak

Chief Investment Officer



TOTAL FUND MARKET VALUE AND NET PERFORMANCE

COMMINGLED TRUST FUND (CTF)

		Qtr.	1 Year	3 Year	5 Year	10 Year	20 Year
Total Fund:	\$172,223,722,320	0.89%	5.90%	4.60%	10.91%	8.93%	8.36%
Passive Benchmark		-0.23%	6.21%	4.98%	10.64%	6.84%	6.66%
Implementation Value Added Benchmark		0.29%	8.63%	5.12%	9.60%	8.02%	
TUCS Public Fund >\$1B Median		0.68%	6.10%	4.83%	10.77%	7.45%	
TUCS Public/Corporate Fund >\$1B Median		0.93%	5.74%	4.27%	10.52%	7.02%	

NET PERFORMANCE

COMMINGLED TRUST FUND (CTF)

	Qtr.	1 Year	3 Year	5 Year	10 Year	20 Year
Fixed Income	2.86%	5.53%	2.12%	1.56%	2.66%	4.17%
Bloomberg Universal	2.66%	5.24%	1.01%	0.32%	1.83%	3.47%
Tangible Assets	-0.17%	7.93%	8.02%	9.88%	7.07%	N/A
CPI (Lagged One Quarter) + 400 bps	1.87%	6.87%	8.19%	8.19%	7.00%	N/A
Real Estate	0.55%	1.00%	4.05%	10.05%	10.47%	10.33%
8% Return Over Rolling 10 Years					8.00%	
NCREIF (Lagged One Quarter)	0.90%	0.43%	-0.82%	3.13%	5.66%	7.01%
Public Equity	-0.95%	5.80%	7.33%	15.43%	9.03%	7.93%
Custom Benchmark	-1.54%	6.57%	6.61%	15.33%	8.87%	7.85%
Private Equity	1.93%	8.95%	3.20%	13.83%	13.40%	12.69%
Custom Benchmark	-0.44%	19.67%	8.20%	12.97%	12.32%	10.14%
Innovation	1.52%	8.57%	6.93%	10.96%	-0.75%	N/A
Custom Benchmark	0.73%	13.12%	7.57%	10.24%	7.91%	N/A

Public Equity benchmark: MSCI ACWI IMI w/U.S. Gross and a custom historical blend

Private Equity benchmark: MSCI ACWI IMI w/U.S. Gross (Lagged One Quarter) + 300 bps and a custom historical blend

Innovation benchmark: The weighted average of the underlying benchmarks for each asset/idea within the portfolio

NET PERFORMANCE

LABOR & INDUSTRIES' FUNDS

	Qtr.	1 Year	3 Year	5 Year	10 Year
Accident	2.06%	5.16%	2.21%	2.90%	3.37%
Custom Benchmark	2.00%	5.43%	2.17%	3.18%	3.20%
Medical Aid	1.86%	5.54%	2.84%	3.92%	3.72%
Custom Benchmark	1.65%	5.74%	2.92%	4.25%	3.58%
Pension Reserve	2.45%	4.25%	0.23%	1.00%	2.79%
Custom Benchmark	2.45%	5.00%	0.63%	1.63%	2.63%



Investment Reports

Quarterly Report – March 31, 2025

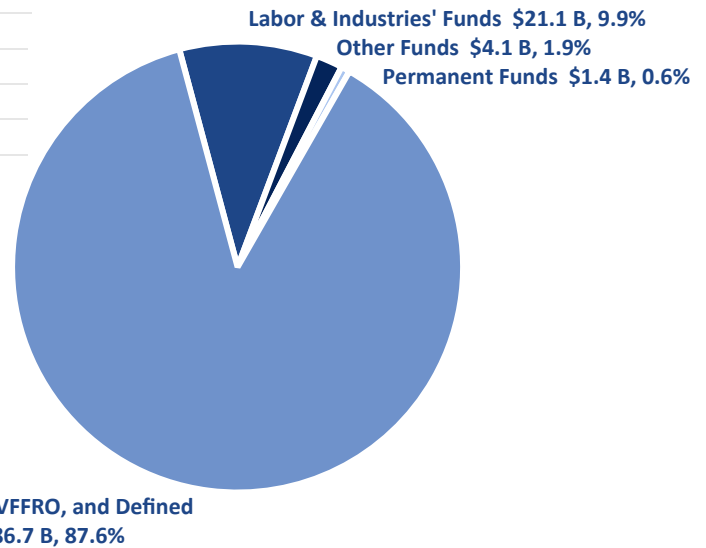
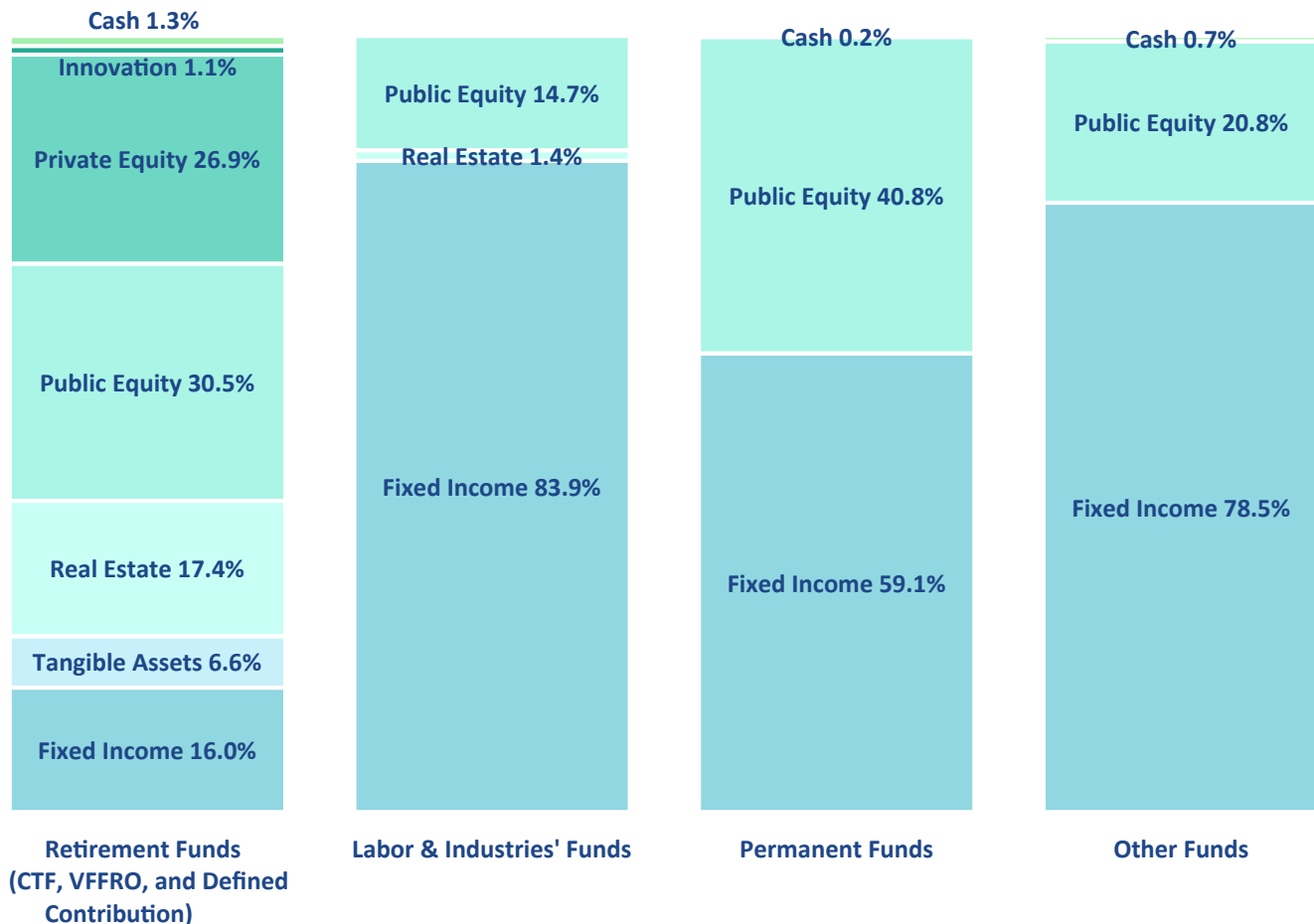
Total Assets Under Management	2
Capital Markets	3
Commingled Trust Fund (CTF).....	4-9
Defined Contribution Plans	10-14
Daily Priced Investment Options.....	15-17
Labor & Industries' Funds	18-19
Permanent Funds	20-21
Other Funds.....	22-25

Stakeholder Overview
\$213,154,641,201
WSIB invests for 39 funds:

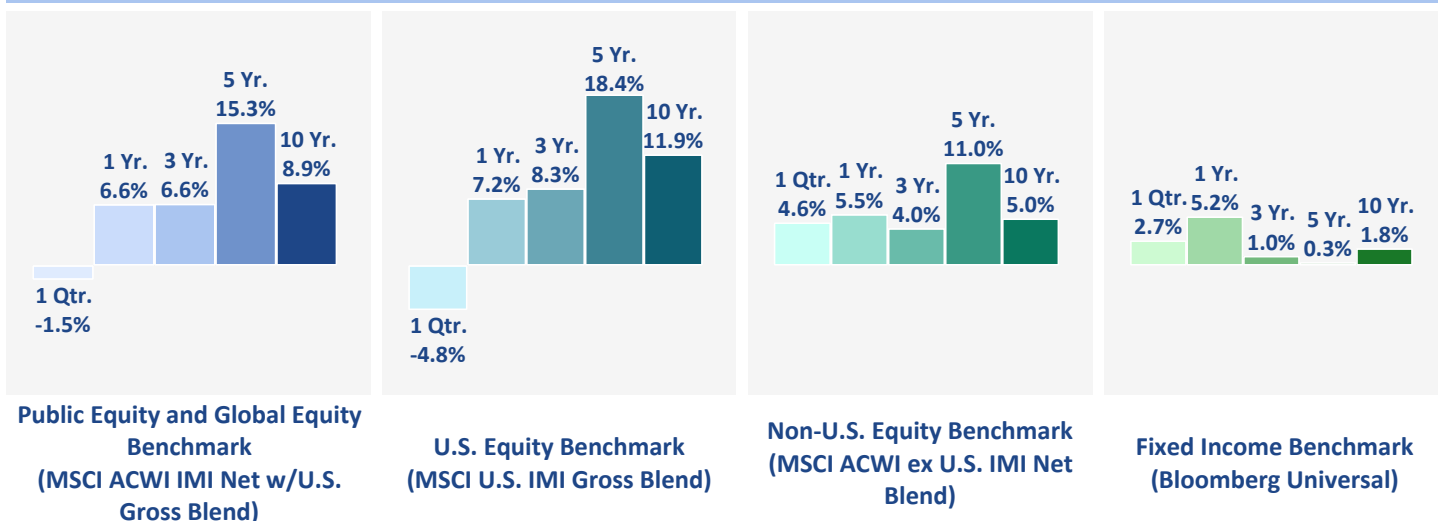
18 Retirement Funds
5 State Insurance Funds for injured workers
7 Permanent Funds
9 Other Funds

Asset Class Market Values for All Funds (\$ Billions)

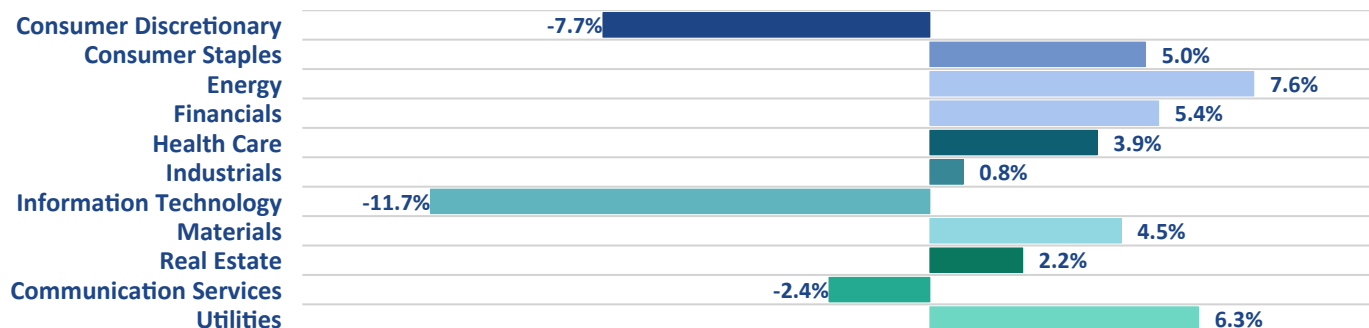
Fixed Income	\$51.6
Tangible Assets	\$12.4
Real Estate	\$32.9
Public Equity	\$61.5
Private Equity	\$50.3
Innovation	\$2.1
Cash	\$2.4


Asset Class Overview for All Funds


Benchmark Returns



Quarterly Industry Returns • MSCI ACWI IMI



Capital Market Highlights

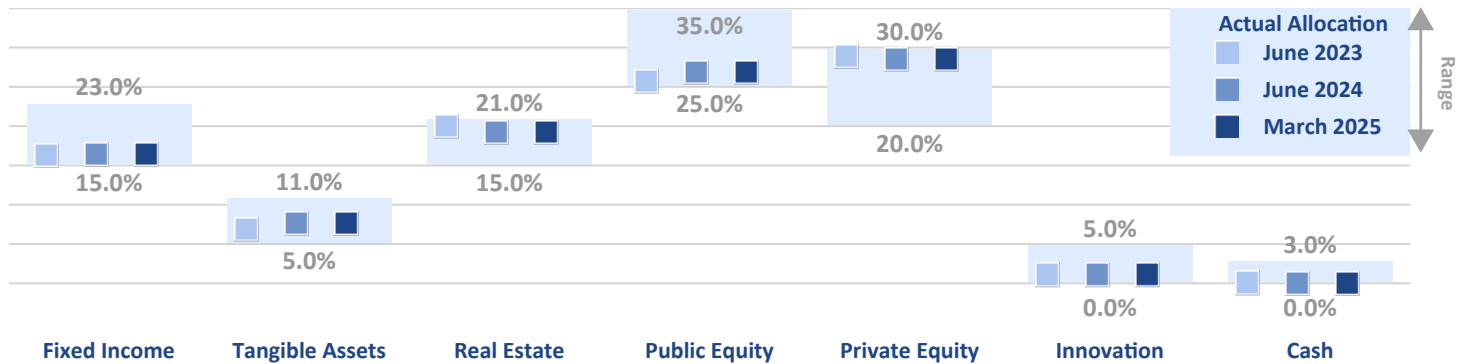
- Global equity markets experienced a solid start to the year, driven by optimism for strong economic growth
 - However, uncertainty around U.S. trade policy and, in particular, the use of tariffs put a damper on investors' appetite for risk as the quarter drew to a close
- U.S. inflation eased throughout the quarter, falling from 3.0% in January to 2.4% in March
- The MSCI Developed World IMI returned -2.0% for the quarter, bringing the 1-year return to 6.3%
- Emerging markets outpaced developed markets this quarter
 - The MSCI Emerging Markets IMI returned 1.7%, which brought its 1-year return to 6.6%
- The Federal Open Market Committee (Fed) held two meetings during the quarter, keeping the Federal Reserve Target rate range unchanged at 4.25% to 4.50%, as anticipated
- Concerns over slowing growth triggered a rally in U.S. Treasuries for the quarter
 - The U.S. 10-year Treasury yield dropped by 0.4%, ending the quarter at 4.2%
- The Bloomberg Treasury index was up 2.9% during the quarter, bringing the 1-year return to 4.5%, while the broader Bloomberg U.S. Universal index returned 2.7%
- The significant drop in U.S. interest rates this quarter negatively impacted the U.S. dollar, with the greenback returning -3.9% against a basket of developed world currencies

(All figures reported in U.S. dollars. Equity index returns include dividends net of taxes.)

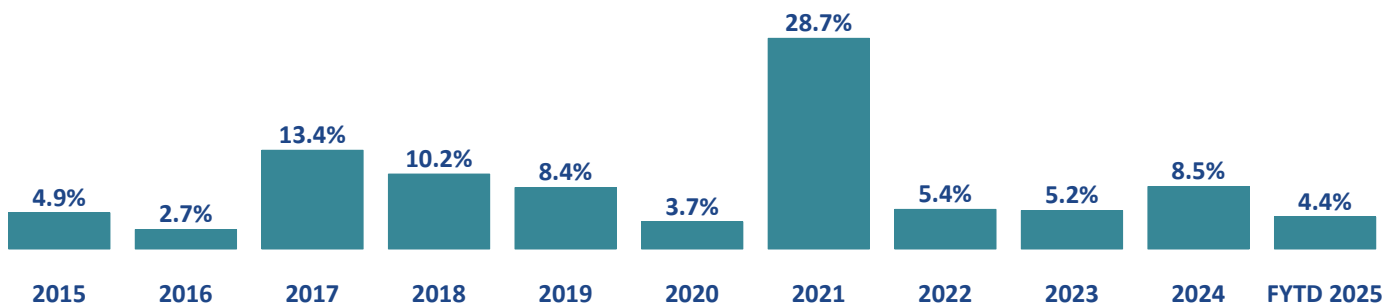


Actual Asset Allocation

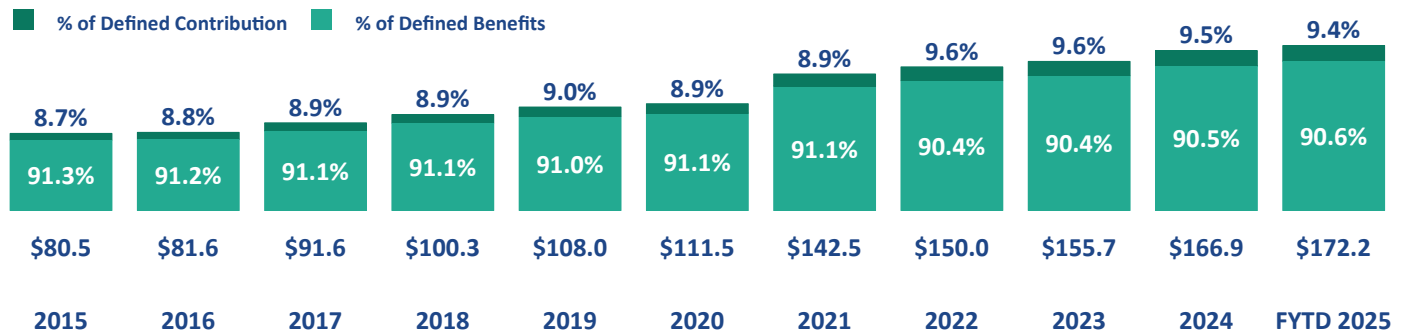
Asset Class	Market Value	by Asset Class	With Overlay	Market Value Changes
Fixed Income	\$27,031,597,651	15.7%	17.1%	Quarter \$883,035,141
Tangible Assets	\$12,364,033,691	7.2%	7.2%	
Real Estate	\$32,562,316,562	18.9%	18.9%	Fiscal Year \$5,275,556,102
Public Equity	\$45,510,780,592	26.4%	26.4%	
Private Equity	\$50,269,016,370	29.2%	29.2%	
Innovation	\$2,079,168,651	1.2%	1.2%	
Cash	\$2,406,808,803	1.4%	0.1%	
Total Fund	\$172,223,722,320			



Historical Annual Returns • Fiscal Years Ended June 30



Historical Growth of the CTF • Fiscal Years Ended June 30



Note: Page 4-9, Totals may not add up due to rounding.



			Qtr.	1 Year	3 Year	5 Year	10 Year	20 Year
Total Fund	\$172,223,722,320	100.0%	0.89%	5.90%	4.60%	10.91%	8.93%	8.36%
Passive Benchmark ²			-0.23%	6.21%	4.98%	10.64%	6.84%	6.66%
Implementation Value Added Benchmark ³			0.29%	8.63%	5.12%	9.60%	8.02%	
TUCS Public Fund >\$1B Median ⁴			0.68%	6.10%	4.83%	10.77%	7.45%	
TUCS Public/Corporate Fund >\$1B Median ⁴			0.93%	5.74%	4.27%	10.52%	7.02%	
Fixed Income	\$27,031,597,651	15.7%	2.86%	5.53%	2.12%	1.56%	2.66%	4.17%
Bloomberg Universal			2.66%	5.24%	1.01%	0.32%	1.83%	3.47%
Tangible Assets⁵	\$12,364,033,691	7.2%	-0.17%	7.93%	8.02%	9.88%	7.07%	
CPI (Lagged One Quarter) + 400 bps			1.87%	6.87%	8.19%	8.19%	7.00%	
Real Estate⁵	\$32,562,316,562	18.9%	0.55%	1.00%	4.05%	10.05%	10.47%	10.33%
8% Return Over Rolling 10 Years							8.00%	
NCREIF (Lagged One Quarter)			0.90%	0.43%	-0.82%	3.13%	5.66%	7.01%
Public Equity⁶	\$45,510,780,592	26.4%	-0.95%	5.80%	7.33%	15.43%	9.03%	7.93%
Custom Benchmark			-1.54%	6.57%	6.61%	15.33%	8.87%	7.85%
Private Equity⁵	\$50,269,016,370	29.2%	1.93%	8.95%	3.20%	13.83%	13.40%	12.69%
Custom Benchmark ⁹			-0.44%	19.67%	8.20%	12.97%	12.32%	10.14%
Innovation⁵	\$2,079,168,651	1.2%	1.52%	8.57%	6.93%	10.96%	-0.75%	
Custom Benchmark ⁷			0.73%	13.12%	7.57%	10.24%	7.91%	
Overlay⁸	\$327,897,067	0.2%	0.03%	-0.03%	-0.01%	-0.01%	0.03%	0.05%
Cash	\$2,078,911,737	1.2%	1.12%	5.17%	4.53%	2.75%	2.03%	1.82%
90 Day T-Bills			1.04%	5.02%	4.32%	2.60%	1.90%	1.72%

■ Outperformed the Composite Benchmark ■ Underperformed the Composite Benchmark

¹ Performance figures are net of all non-appropriated fees.

² CTF Passive Benchmark: 69% MSCI ACWI IMI w/ U.S. Gross and 31% Bloomberg Universal and a custom historical blend.

³ The Implementation Value Added Benchmark: Consists of market indices, as defined in each asset class's policy, weighted according to the asset allocation targets. This custom benchmark differs from the passive benchmark as it is not an investable benchmark due to the uninvestable premium added to certain private market benchmarks.

⁴ TUCS returns have been adjusted to reflect fees equivalent to those incurred by the WSIB (6.5 bps over 1, 3, and 5 years and 10 bps for 10 years).

⁵ Private market investments use the latest market value known plus cash flows that have occurred since that time. For compositing purposes their returns are calculated using monthly time-weighted returns.

⁶ Public Equity Benchmark: MSCI ACWI IMI w/U.S. Gross and a custom historical blend.

⁷ Innovation Benchmark: The weighted average of the underlying benchmarks for each asset/idea within the portfolio.

⁸ To show the performance, cash and the cash held in the overlay are separated out on this page.

⁹ Private Equity Benchmark: MSCI ACWI IMI w/U.S. Gross (Lagged One Quarter) + 300 bps and a custom historical blend.

Global Market
\$13,229,147,621

	Qtr.	1 Year	3 Year	5 Year	10 Year
Total Global	0.29%	4.33%	7.58%	14.92%	9.61%
MSCI ACWI IMI w/ U.S. Gross	-1.54%	6.57%	6.61%	15.33%	8.87%
Arrowstreet Capital	1.00%	8.75%	11.52%	21.05%	12.34%
BLS Capital	5.08%	13.02%			
GQG Partners	0.68%	1.79%	11.16%		
LSV Asset Management	2.65%	5.02%	7.78%		
Mawer	-2.45%	-4.05%			
Sands	-5.95%	-1.98%	0.47%		
William Blair & Company	-4.32%	-3.90%	2.11%	11.98%	8.95%

Non-U.S. Markets
\$11,768,407,444

	Qtr.	1 Year	3 Year	5 Year	10 Year
Total Non-U.S. Equity	4.99%	5.33%	5.44%	12.06%	5.28%
Custom Benchmark	4.59%	5.50%	3.99%	11.02%	5.02%
Total Developed	5.99%	5.65%	5.47%	12.11%	5.65%
Custom Benchmark	5.82%	5.08%	4.99%	11.95%	5.48%
SSgA	5.99%	5.66%	5.43%	12.42%	5.97%
Total Emerging	2.67%	4.66%	5.49%	11.96%	4.31%
Custom Benchmark	1.70%	6.60%	1.46%	8.77%	3.82%
BlackRock Trust Company EM IMI	1.89%	6.46%	1.10%	8.37%	3.55%
Brandes Investment Partners	4.91%	7.29%	11.44%	13.76%	
GQG Partners	-0.02%	-4.82%	5.44%		
LSV Asset Management	3.79%	9.81%	8.58%		

U.S. Markets
\$20,511,297,830

	Qtr.	1 Year	3 Year	5 Year	10 Year
Total U.S. Equity	-4.80%	7.20%	8.34%	18.32%	11.67%
MSCI U.S. IMI (Gross)	-4.80%	7.20%	8.27%	18.35%	11.91%
BlackRock Trust Company	-4.80%	7.20%	8.34%	18.41%	11.94%

■ Outperformed the Composite Benchmark ■ Underperformed the Composite Benchmark

Developed Markets Benchmark: MSCI World ex U.S. IMI and a custom historical blend.

Emerging Markets Benchmark: Emerging Markets IMI and a custom historical blend.

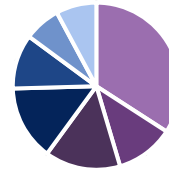
Non-U.S. Equity Benchmark: MSCI ACWI IMI ex U.S. and a custom historical blend.



Global Market

\$13,229,147,621

Arrowstreet Capital	\$4,511,985,078	34.1%
BLS Capital	\$1,491,654,303	11.3%
GQG Partners	\$1,935,608,423	14.6%
LSV Asset Management	\$1,918,033,403	14.5%
Mawer	\$1,395,414,420	10.5%
Sands	\$931,452,417	7.0%
William Blair & Company	\$1,036,930,555	7.8%



Non-U.S. Markets

\$11,768,407,444

Developed

SSgA	\$8,282,898,636	99.9%
------	-----------------	-------

Emerging

BlackRock Trust Company EM IMI	\$819,149,243	23.6%
Brandes Investment Partners	\$807,700,634	23.2%
GQG Partners	\$820,585,024	23.6%
LSV Asset Management	\$1,027,860,090	29.6%



U.S. Markets

\$20,511,297,830

BlackRock Trust Company	\$20,511,259,954	100.0%
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Transition Accounts for Public Equity	\$20,248,411
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Public Equity

\$45,510,780,592

Top Ten Geographies by Weight

United States	61.5%	Apple Inc.	3.2%
Japan	4.6%	Microsoft Corp.	2.9%
United Kingdom	3.8%	NVIDIA Corp.	2.8%
China	3.2%	Amazon.com Inc.	2.0%
Canada	2.8%	Alphabet Inc.	1.7%
France	2.7%	Meta Platforms Inc.	1.6%
Germany	2.3%	Taiwan Semiconductor Manufacturing Co. Ltd	0.8%
India	2.0%	Visa Inc.	0.8%
Switzerland	1.9%	Eli Lilly & Co.	0.7%
Taiwan (Province of China)	1.5%	Berkshire Hathaway Inc.	0.7%

Top Ten Holdings

WSIB

U.S.
61.5%Other Developed
27.5%Emerging
11.0%MSCI ACWI IMI w/U.S.
GrossU.S.
63.2%Other Developed
26.0%Emerging
10.7%

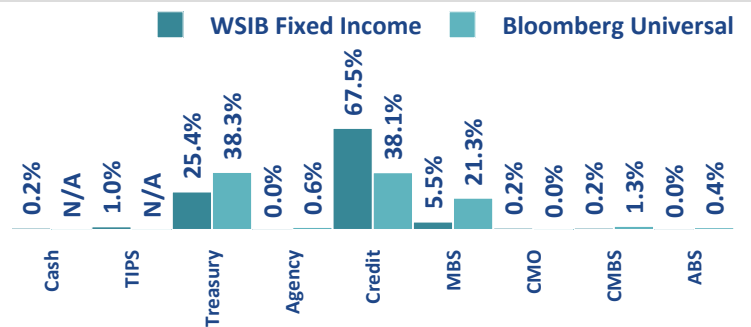
Fixed Income

\$27,031,597,651

Duration

	Dec 24	Mar 25
WSIB Portfolio	6.1	6.3
Barclays Universal	5.8	5.9
Difference	5.2%	7.2%

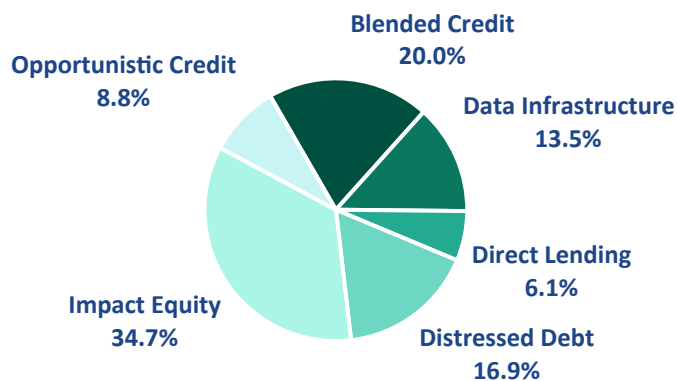
Sector Weighting



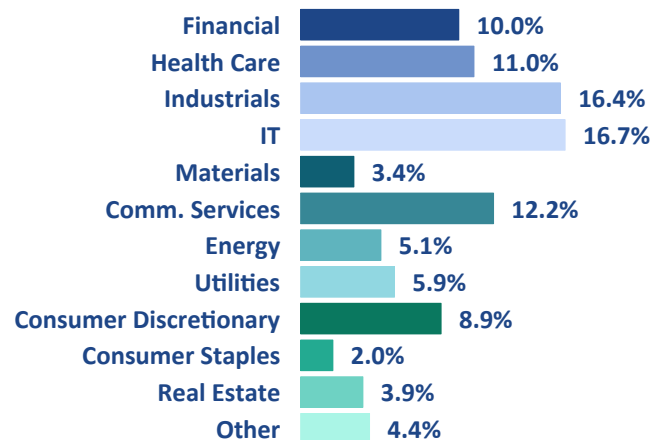
Innovation

\$2,079,168,651

Sector Distribution



Industry Distribution



Unfunded Commitments: \$708.5 Million

Distribution charts and unfunded commitments are lagged one quarter.

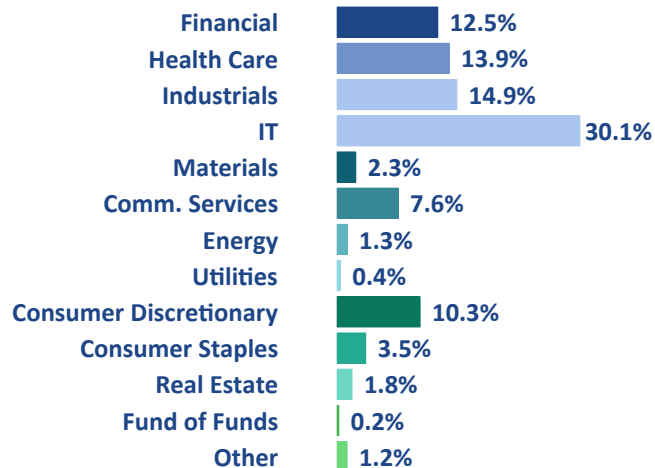
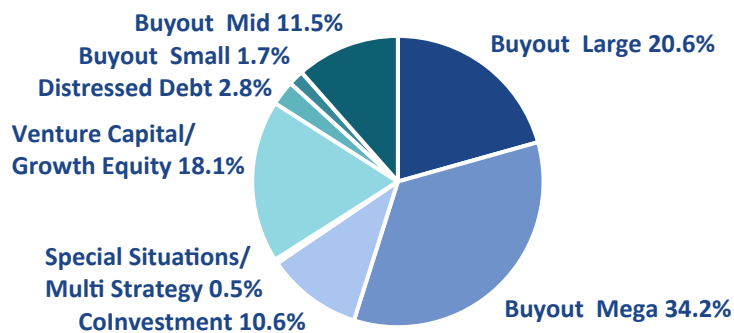


Private Equity

\$50,269,016,370

Sector Distribution

Industry Distribution



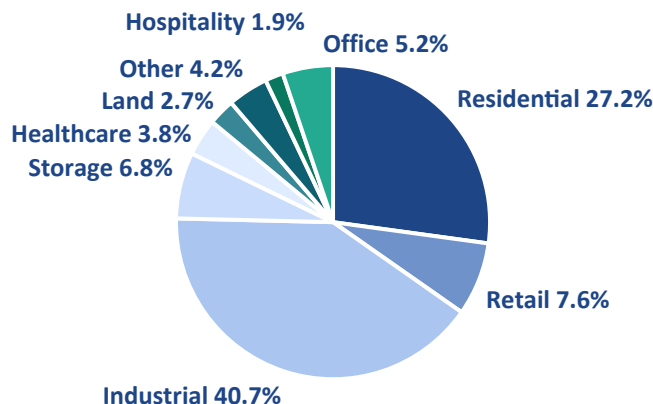
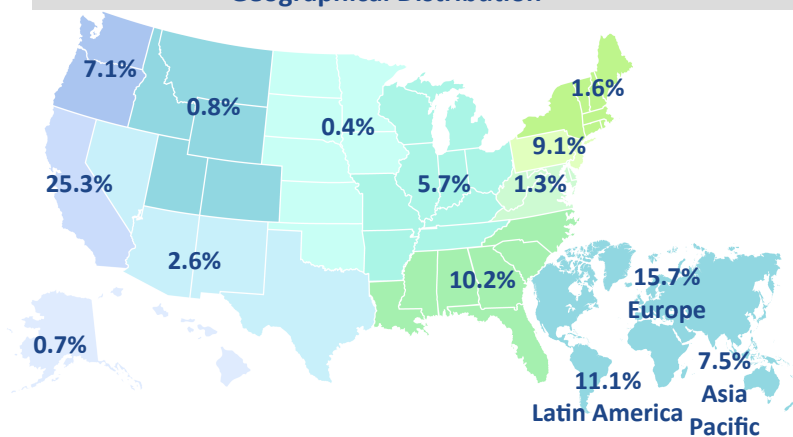
Unfunded Commitments: \$16.3 billion

Real Estate

\$32,562,316,562

Geographical Distribution

Property Distribution



0.3% is spread across multiple U.S. regions. 0.6% is spread across multiple countries.

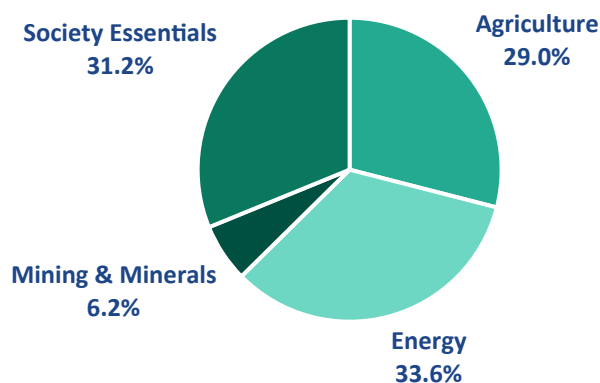
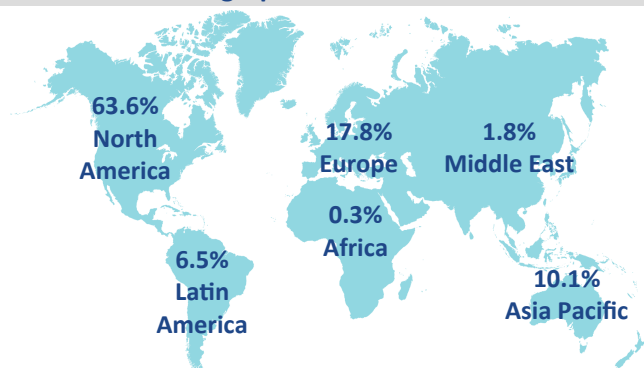
Unfunded Commitments: \$8.3 billion

Tangible Assets

\$12,364,033,691

Geographical Distribution

Sector Distribution



Unfunded Commitments: \$4.0 billion

Distribution charts and unfunded commitments are lagged one quarter.



Teachers' Retirement System (TRS)

	% of Assets	Fund Options	Market Value	Quarterly Change
	63.3%	WSIB TAP	\$9,076,358,891	\$16,728,884
	0.6%	Socially Responsible Equity	89,971,452	(10,760,231)
	0.6%	Retirement Maturity Strategy	79,077,464	48,443,059
	0.0%	Retirement Strategy 2010	0	(49,278,747)
	0.7%	Retirement Strategy 2015	96,045,591	3,744,946
	1.3%	Retirement Strategy 2020	189,182,861	(3,040,203)
	2.9%	Retirement Strategy 2025	409,768,328	(107,287)
	3.6%	Retirement Strategy 2030	513,177,246	(388,122)
	3.4%	Retirement Strategy 2035	484,723,530	4,750,178
	2.4%	Retirement Strategy 2040	340,335,970	3,511,360
	1.7%	Retirement Strategy 2045	237,665,127	5,260,584
	1.3%	Retirement Strategy 2050	184,182,503	4,094,852
	1.1%	Retirement Strategy 2055	155,205,335	3,508,398
	0.5%	Retirement Strategy 2060	68,442,442	2,269,811
	0.1%	Retirement Strategy 2065	16,707,736	(44,531)
	0.0%	Retirement Strategy 2070	811,918	811,918
	9.2%	U.S. Large Stock	1,317,064,845	(82,104,436)
	1.3%	U.S. Small Value Stock	185,412,881	(20,977,619)
	1.4%	Global Equity	202,076,605	(4,035,715)
	0.4%	Emerging Markets Equity	58,847,734	775,708
	2.0%	WSIB Bond Market	281,299,372	13,889,954
	2.5%	STIF	363,257,868	30,500,491
		Total	\$14,349,615,699	(\$32,446,746)

School Employees' Retirement System (SERS)

	% of Assets	Fund Options	Market Value	Quarterly Change
	72.4%	WSIB TAP	\$2,255,572,467	(\$2,119,022)
	0.4%	Socially Responsible Equity	12,435,971	(1,109,937)
	0.6%	Retirement Maturity Strategy	19,986,728	13,874,988
	0.0%	Retirement Strategy 2010	0	(14,157,244)
	0.7%	Retirement Strategy 2015	22,099,409	(559,546)
	1.6%	Retirement Strategy 2020	48,677,815	(115,488)
	2.8%	Retirement Strategy 2025	87,559,309	(2,864,816)
	2.4%	Retirement Strategy 2030	74,353,302	(166,899)
	2.6%	Retirement Strategy 2035	79,611,129	1,835,744
	2.0%	Retirement Strategy 2040	62,011,085	1,517,198
	1.8%	Retirement Strategy 2045	55,407,195	1,445,668
	1.5%	Retirement Strategy 2050	45,504,839	1,292,252
	1.3%	Retirement Strategy 2055	40,283,113	536,616
	0.7%	Retirement Strategy 2060	21,538,774	349,605
	0.2%	Retirement Strategy 2065	5,670,023	785,831
	0.0%	Retirement Strategy 2070	218,712	218,712
	4.3%	U.S. Large Stock	132,647,919	(8,806,395)
	0.6%	U.S. Small Value Stock	19,219,616	(3,343,197)
	0.6%	Global Equity	18,536,487	(244,432)
	0.2%	Emerging Markets Equity	4,978,306	64,117
	0.9%	WSIB Bond Market	27,003,357	1,605,107
	2.6%	STIF	81,122,156	1,699,079
		Total	\$3,114,437,710	(\$8,262,059)

Note: Totals may not add up due to rounding.

Public Employees' Retirement System (PERS)

	% of Assets	Fund Options	Market Value	Quarterly Change
	58.3%	WSIB TAP	\$3,202,893,707	\$13,029,152
	0.8%	Socially Responsible Equity	42,432,191	(4,318,751)
	0.7%	Retirement Maturity Strategy	38,554,267	25,465,549
	0.0%	Retirement Strategy 2010	0	(24,434,615)
	0.6%	Retirement Strategy 2015	35,695,543	1,567,192
	1.4%	Retirement Strategy 2020	76,355,880	(3,048,047)
	3.3%	Retirement Strategy 2025	180,037,845	(779,974)
24.9%	3.4%	Retirement Strategy 2030	184,958,568	(799,115)
	3.5%	Retirement Strategy 2035	189,968,303	835,057
	2.9%	Retirement Strategy 2040	158,008,125	1,278,499
	2.9%	Retirement Strategy 2045	158,432,543	3,705,111
	2.7%	Retirement Strategy 2050	146,991,452	2,778,615
	2.3%	Retirement Strategy 2055	124,060,261	2,585,427
	1.1%	Retirement Strategy 2060	59,808,494	1,703,571
	0.3%	Retirement Strategy 2065	16,427,008	696,605
	0.0%	Retirement Strategy 2070	728,627	728,627
	8.1%	U.S. Large Stock	447,235,852	(35,258,082)
	1.5%	U.S. Small Value Stock	82,368,504	(11,235,043)
	1.4%	Global Equity	77,941,953	227,137
	0.4%	Emerging Markets Equity	23,236,084	498,767
	1.3%	WSIB Bond Market	72,726,735	6,697,383
	3.3%	STIF	178,697,283	6,800,417
		Total	\$5,497,559,224	(\$11,276,516)

Note: Totals may not add up due to rounding.



Deferred Compensation Program (DCP)

	% of Assets	Fund Options	Market Value	Quarterly Change
	2.4%	Socially Responsible Equity	\$174,394,482	(\$19,255,614)
	2.2%	Retirement Maturity Strategy	165,544,536	91,136,323
	0.0%	Retirement Strategy 2010	0	(88,768,304)
	3.1%	Retirement Strategy 2015	230,346,435	(800,165)
	5.9%	Retirement Strategy 2020	435,592,541	(4,522,651)
	9.5%	Retirement Strategy 2025	699,843,093	(17,768,990)
57.5%	9.9%	Retirement Strategy 2030	730,079,124	400,005
	8.4%	Retirement Strategy 2035	622,596,704	9,473,113
	5.9%	Retirement Strategy 2040	433,578,509	9,665,917
	4.7%	Retirement Strategy 2045	345,120,551	8,227,074
	3.3%	Retirement Strategy 2050	244,331,554	9,658,296
	2.4%	Retirement Strategy 2055	181,088,814	8,329,880
	1.6%	Retirement Strategy 2060	115,929,275	6,296,814
	0.6%	Retirement Strategy 2065	47,744,495	2,664,741
	0.0%	Retirement Strategy 2070	2,099,508	2,099,508
	15.8%	U.S. Large Stock	1,170,875,814	(81,874,322)
	3.6%	U.S. Small Value Stock	269,437,813	(32,547,988)
	3.7%	Global Equity	273,892,060	(6,801,307)
	1.1%	Emerging Markets Equity	79,813,872	1,877,968
	3.7%	WSIB Bond Market	276,364,152	16,571,521
	12.1%	WSIB Savings Pool	897,096,009	44,449,940
		Total	\$7,395,769,341	(\$41,488,243)

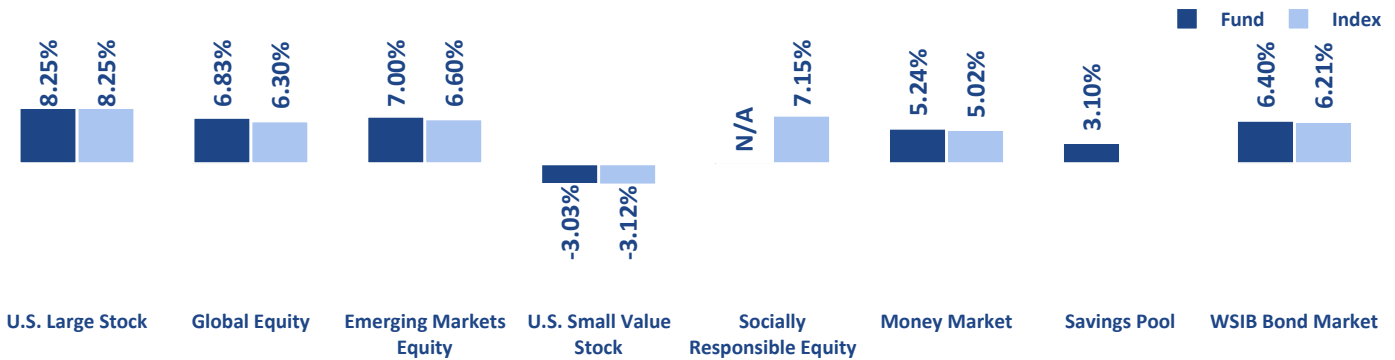
Judicial Retirement Account (JRA)

	% of Assets	Fund Options	Market Value	Quarterly Change
	3.9%	Socially Responsible Equity	\$313,719	(\$20,009)
	4.7%	Retirement Maturity Strategy	371,130	319,914
	0.0%	Retirement Strategy 2010	0	(315,018)
	14.0%	Retirement Strategy 2015	1,117,069	11,256
	14.6%	Retirement Strategy 2020	1,157,818	(1,977)
	5.6%	Retirement Strategy 2025	443,737	(46,858)
41.2%	2.3%	Retirement Strategy 2030	184,296	(88,250)
	0.0%	Retirement Strategy 2035	32	(0)
	0.0%	Retirement Strategy 2040	0	0
	0.0%	Retirement Strategy 2045	0	0
	0.0%	Retirement Strategy 2050	0	0
	0.0%	Retirement Strategy 2055	0	0
	0.0%	Retirement Strategy 2060	0	0
	0.0%	Retirement Strategy 2065	0	0
	0.0%	Retirement Strategy 2070	0	0
	21.5%	U.S. Large Stock	1,709,999	(151,099)
	4.3%	U.S. Small Value Stock	344,851	(30,065)
	6.3%	Global Equity	501,767	(7,492)
	1.4%	Emerging Markets Equity	112,569	(559)
	2.3%	WSIB Bond Market	179,779	3,685
	19.0%	WSIB Savings Pool	1,514,697	11,219
		Total	\$7,951,463	(\$315,253)

Note: Totals may not add up due to rounding.



One Year Returns



Equity Returns

	Qtr.	1 Year	3 Year	5 Year	10 Year
U.S. Large Stock	-4.28%	8.25%	9.07%	18.61%	12.54%
S&P 500	-4.27%	8.25%	9.06%	18.59%	12.50%
Global Equity	-1.24%	6.83%	6.85%	15.37%	8.98%
MSCI ACWI IMI Net	-1.61%	6.30%	6.31%	15.02%	8.55%
Emerging Markets Equity	2.57%	7.00%	1.55%	8.59%	3.70%
MSCI EM IMI Net	1.70%	6.60%	1.46%	8.77%	3.82%
U.S. Small Value Stock	-7.70%	-3.03%	0.14%	15.37%	6.23%
Russell 2000 Value	-7.74%	-3.12%	0.05%	15.31%	6.07%
	Qtr.	1 Year	3 Year	5 Year	Since Inception
Socially Responsible Equity	-5.97%	N/A	N/A	N/A	0.50%
MSCI ACWI Net	-1.32%	7.15%	6.91%	15.18%	10.81%

Fixed Income Returns

WSIB Bond Market	2.63%	6.40%	3.21%	2.67%	2.85%
Bloomberg Intermediate Credit	2.32%	6.21%	2.90%	2.34%	2.50%

Cash Returns

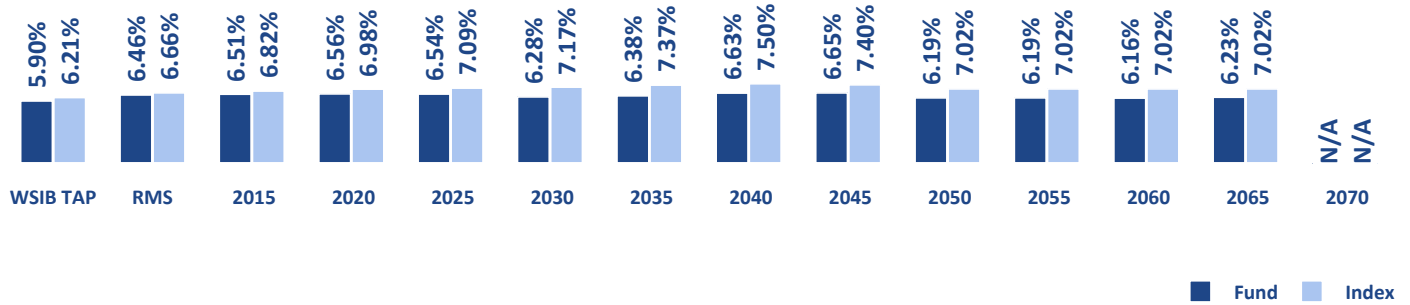
STIF (Plan 3)	1.13%	5.24%	4.62%	2.84%	2.11%
90 Day TBill	1.04%	5.02%	4.32%	2.60%	1.90%
WSIB Savings Pool (DCP)	0.78%	3.10%	2.88%	2.61%	2.21%

Since Inception for Socially Responsible Equity: 4/30/24

Returns shown are after manager and portfolio expenses but before the WSIB and record keeping fees.



One Year Returns



Balanced Returns

	Qtr.	1 Year	3 Year	5 Year	10 Year
WSIB TAP	0.89%	5.90%	4.60%	10.91%	8.93%
Custom Benchmark	-0.23%	6.21%	4.98%	10.64%	6.84%
Retirement Maturity Strategy	1.40%	6.46%	3.82%	6.62%	4.68%
Composite Index	1.14%	6.66%	3.94%	6.46%	4.39%
Retirement Strategy 2015	1.05%	6.51%	4.15%	9.25%	6.14%
2015 Composite Index	0.85%	6.82%	4.21%	8.93%	5.78%
Retirement Strategy 2020	0.71%	6.56%	4.45%	10.74%	6.79%
2020 Composite Index	0.60%	6.98%	4.55%	10.37%	6.41%
Retirement Strategy 2025	0.53%	6.54%	4.82%	11.69%	7.23%
2025 Composite Index	0.34%	7.09%	5.00%	11.37%	6.85%
Retirement Strategy 2030	0.16%	6.28%	5.28%	12.63%	7.64%
2030 Composite Index	0.08%	7.17%	5.43%	12.27%	7.24%
Retirement Strategy 2035	-0.08%	6.38%	5.57%	13.43%	7.93%
2035 Composite Index	-0.14%	7.37%	5.91%	13.20%	7.63%
Retirement Strategy 2040	-0.10%	6.63%	5.91%	14.04%	8.22%
2040 Composite Index	-0.30%	7.50%	6.28%	13.84%	7.93%
Retirement Strategy 2045	0.00%	6.65%	6.00%	14.34%	8.34%
2045 Composite Index	-0.29%	7.40%	6.33%	14.21%	8.08%
Retirement Strategy 2050	0.00%	6.19%	5.95%	14.28%	8.32%
2050 Composite Index	-0.29%	7.02%	6.28%	14.21%	8.09%
Retirement Strategy 2055	0.00%	6.19%	5.95%	14.31%	8.33%
2055 Composite Index	-0.29%	7.02%	6.28%	14.21%	8.09%
Retirement Strategy 2060	0.00%	6.16%	5.93%	14.29%	8.33%
2060 Composite Index	-0.29%	7.02%	6.28%	14.21%	8.09%
Retirement Strategy 2065	0.00%	6.23%	5.91%	14.29%	N/A
2065 Composite Index	-0.29%	7.02%	6.28%	14.21%	N/A
Retirement Strategy 2070	N/A	N/A	N/A	N/A	N/A
2070 Composite Index	N/A	N/A	N/A	N/A	N/A



Characteristics

Average Maturity

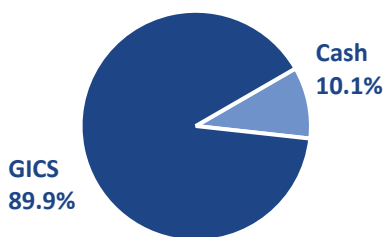
1.8 Years

Average Yield

2.9%

Number of Holdings

23



Market Value

\$898,150,660

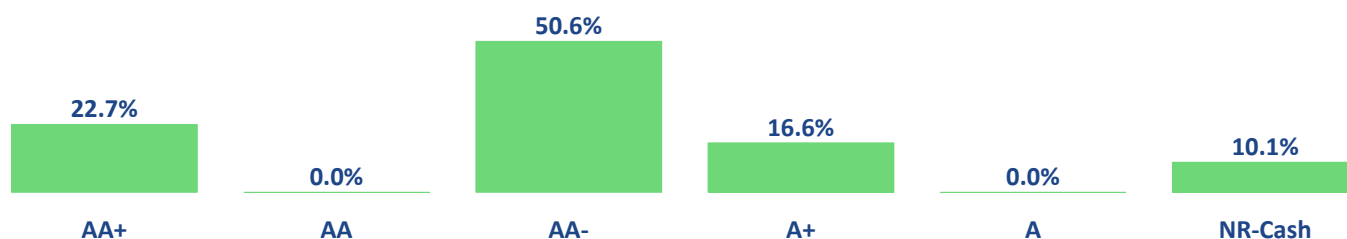
Total Returns



GICS Issuers

Metropolitan Life Insurance Co.	23.0%	Protective Life Insurance Co.	8.4%
New York Life Insurance Co.	22.7%	Minnesota Life Insurance Co.	7.1%
United of Omaha Life Insurance Co.	13.1%	Principal Life Insurance Co.	3.5%
Prudential Insurance Co. of America	9.1%	Metropolitan Tower Life Insurance Co.	3.1%

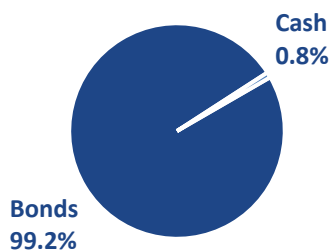
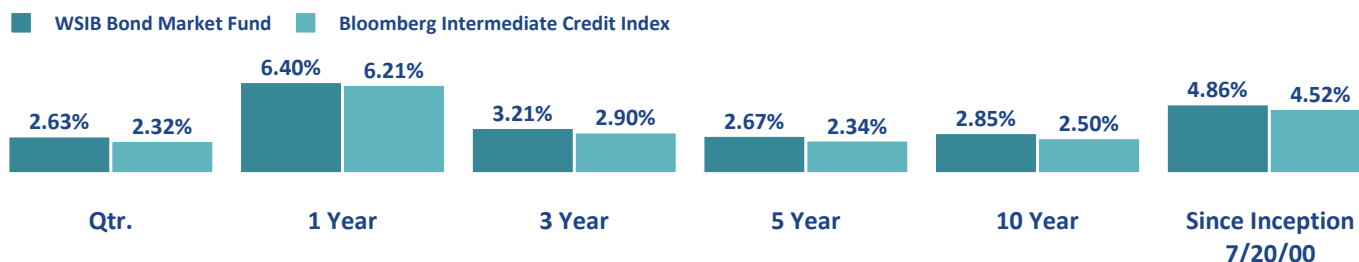
S&P Rating Distribution



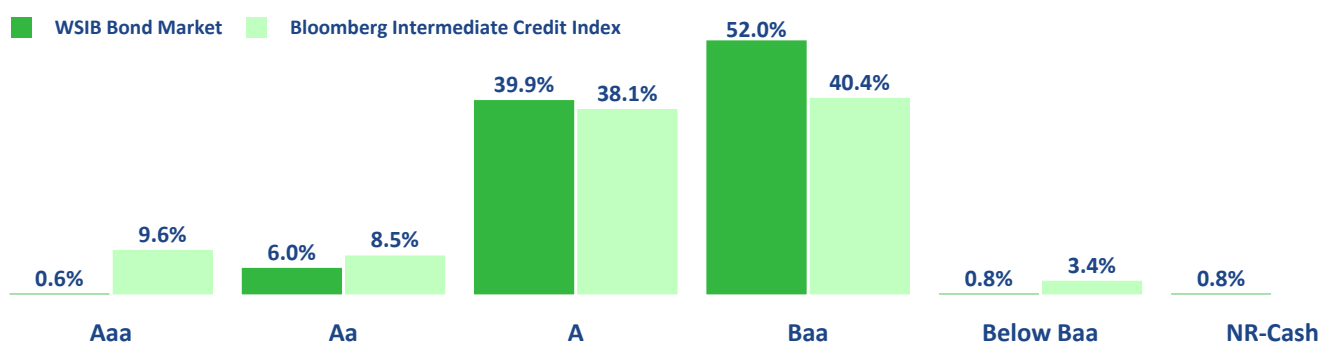
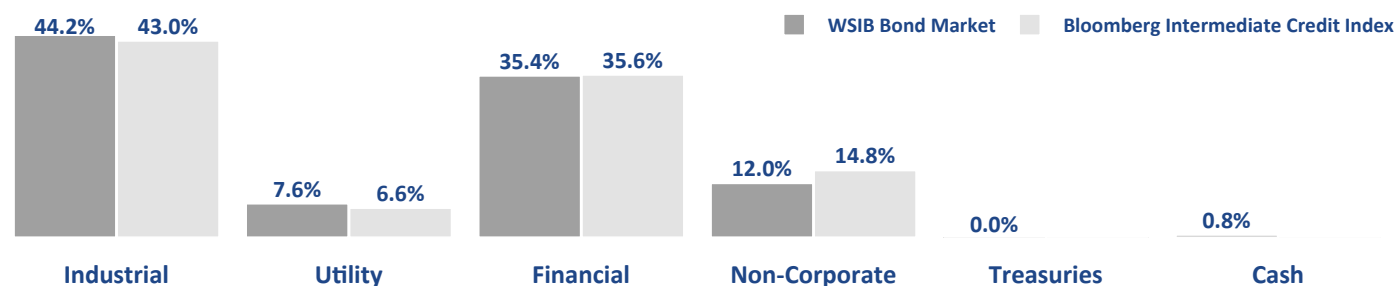
Note: Totals may not add up due to rounding.


Characteristics

	Fund	Index
Average Maturity	5.9 Years	4.8 Years
Yield	5.1%	4.8%
Modified Duration	4.7	4.0
Average Coupon	4.1%	4.1%
Number of Holdings	390	5,689


Market Value
\$2,649,610,976
Total Returns

Top Ten Issuers

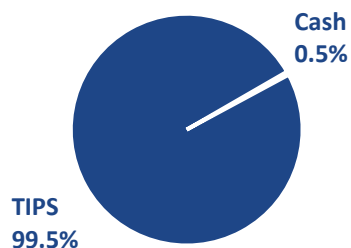
JP Morgan Chase & Co.	1.4%	Bank Of Nova Scotia	1.0%
Citigroup Inc.	1.1%	NextEra Energy, Inc.	1.0%
Mitsubishi Corp.	1.1%	HSBC Bank	1.0%
BNP Paribas	1.0%	Daimler Truck AG	0.9%
UBS Group AG	1.0%	SP PowerAssets Ltd.	0.9%

Moody's Equivalent Rating Distribution

Sector Distribution


Note: Totals may not add up due to rounding.

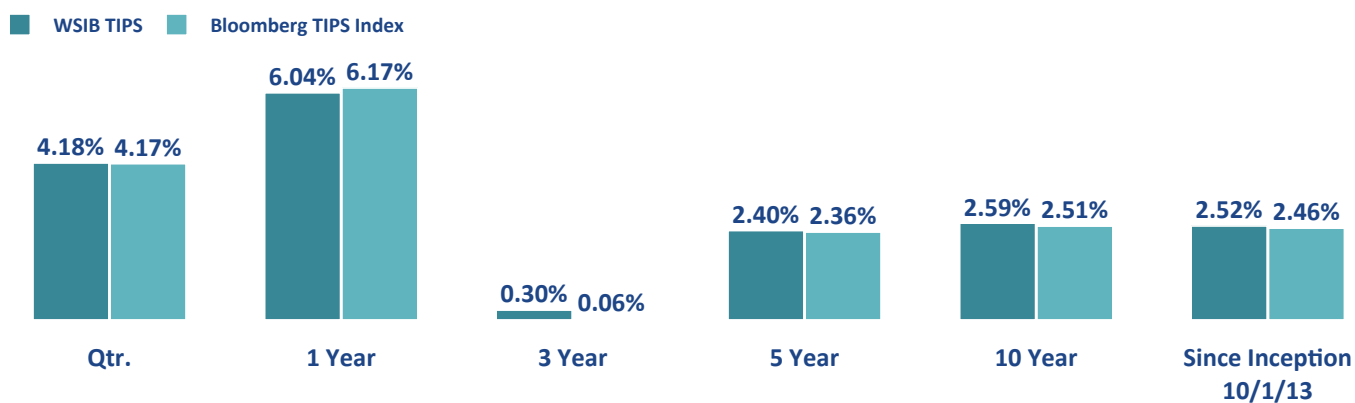
Characteristics

	Fund	Index
Average Maturity	7.4 Years	7.3 Years
Yield	1.5%	1.4%
Modified Duration	6.8	6.7
Average Coupon	1.2%	1.1%
Number of Holdings	47	48



Market Value
\$516,020,623

Total Returns



Note: Totals may not add up due to rounding.

Accident

Total	\$7,710,039,417			
Equity	\$1,095,866,647	Equity 14.21%	Fixed Income 84.44%	Real Estate 1.35%
Fixed Income	\$6,510,284,241			
Real Estate	\$103,888,530			

Medical Aid

Total	\$7,691,275,848			
Equity	\$1,475,016,777	Equity 19.18%	Fixed Income 79.46%	Real Estate 1.36%
Fixed Income	\$6,111,794,142			
Real Estate	\$104,464,930			

Pension Reserve

Total	\$5,451,111,645			
Equity	\$534,689,212	Equity 9.81%	Fixed Income 88.76%	Real Estate 1.43%
Fixed Income	\$4,838,550,139			
Real Estate	\$77,872,294			

Supplemental Pension

Total	\$221,764,920			
Fixed Income	\$221,764,920	Fixed Income 100.00%		

Labor and Industries Statutory Accounting Returns¹

	Qtr.	1 Year	3 Year	5 Year
Accident Fund	0.59%	4.07%	3.62%	5.48%
Medical Aid	0.50%	4.34%	3.83%	5.88%
Pension Reserve	0.64%	3.81%	3.65%	5.07%
Supplemental Pension	1.05%	4.82%	3.50%	2.59%

Duration

	Custom Benchmark ²	Actual	% Difference
Accident Fund	6.34	6.93	9.27%
Medical Aid	5.39	6.27	16.32%
Pension Reserve	7.75	8.93	15.22%

¹ Uses net income, realized and unrealized gains and losses on equity securities, and realized gains and losses on fixed income in the numerator. The denominator uses book value for fixed income securities and market value for equities. Below investment grade fixed income securities are carried at the lower of book or market value.

² Custom Benchmarks are listed in the footnote on the next page.



Total Returns

	Qtr.	1 Year	3 Year	5 Year	10 Year
Accident	2.06%	5.16%	2.21%	2.90%	3.37%
Custom Benchmark	2.00%	5.43%	2.17%	3.18%	3.20%
Medical Aid	1.86%	5.54%	2.84%	3.92%	3.72%
Custom Benchmark	1.65%	5.74%	2.92%	4.25%	3.58%
Pension Reserve	2.45%	4.25%	0.23%	1.00%	2.79%
Custom Benchmark	2.45%	5.00%	0.63%	1.63%	2.63%
Supplemental Pension	1.04%	5.02%	3.99%	2.16%	1.95%

Equity Returns

	Qtr.	1 Year	3 Year	5 Year	10 Year
Accident	-1.43%	6.63%	6.65%	15.34%	8.99%
Medical Aid	-1.43%	6.63%	6.65%	15.34%	8.99%
Pension Reserve	-1.43%	6.49%	6.61%	15.31%	8.98%
Equity Benchmark	-1.54%	6.57%	6.61%	15.33%	8.96%

Fixed Income Returns

	Qtr.	1 Year	3 Year	5 Year	10 Year
Accident	2.65%	4.71%	1.30%	0.54%	2.27%
Fixed Income Benchmark	2.66%	5.01%	1.14%	0.75%	2.04%
Medical Aid	2.67%	5.05%	1.76%	0.93%	2.30%
Fixed Income Benchmark	2.47%	5.25%	1.70%	1.16%	2.04%
Pension Reserve	2.91%	3.92%	-0.55%	-0.69%	1.95%
Fixed Income Benchmark	2.93%	4.67%	-0.22%	-0.06%	1.77%
Supplemental Pension	1.04%	5.02%	3.99%	2.16%	1.95%

Real Estate Returns

	Qtr.	1 Year	3 Year	5 Year	10 Year
Accident	2.05%	3.09%	4.22%	0.26%	N/A
Medical Aid	2.09%	3.13%	4.32%	0.34%	N/A
Pension Reserve	2.08%	3.13%	4.30%	0.36%	N/A
Real Estate Benchmark	1.47%	6.00%	6.00%	6.00%	N/A

All Total, Equity, and Fixed Income Benchmarks have custom historical blends.

All Fixed Income Benchmarks have allocations to Bloomberg U.S. Credit Index, U.S. Government: Intermediate Bond Index, U.S. Government Long Bond Index, and U.S. Securitized: MBS/ABS/CMBS Index as indicated below.

Accident Benchmark: 83.5% Fixed Income, 15% Equity, and 1.5% Real Estate. Fixed Income Benchmark: 50%, 37%, 10%, and 2.5% of the indices above.

Medical Benchmark: 78.5% Fixed Income, 20% Equity, and 1.5% Real Estate. Fixed Income Benchmark: 50%, 46%, 1.5%, and 2.5% of the indices above.

Pension Reserve Benchmark: 88.5% Fixed Income, 10% Equity, and 1.5% Real Estate. Fixed Income Benchmark: 50%, 25%, 22.5%, and 2.5% of the indices above.

Equity Benchmark: MSCI ACWI IMI w/U.S. Gross.

Real Estate Benchmark: Rolling 6% across all annualized time periods.



Agricultural

Total	\$317,645,118
Equity	\$129,529,072
Fixed Income	\$187,761,067
Cash	\$354,979

Equity
40.8%Fixed Income
59.2%

Normal School

Total	\$355,713,905
Equity	\$145,211,492
Fixed Income	\$210,399,573
Cash	\$102,840

Equity
40.8%Fixed Income
59.2%

Scientific Permanent

Total	\$356,818,346
Equity	\$144,903,614
Fixed Income	\$210,331,299
Cash	\$1,583,434

Equity
40.6%Fixed Income
59.4%

State University

Total	\$48,493,540
Equity	\$19,808,134
Fixed Income	\$28,680,464
Cash	\$4,942

Equity
40.8%Fixed Income
59.2%

Common School

Total	\$271,493,291
Equity	\$110,882,078
Fixed Income	\$160,603,121
Cash	\$8,092

Equity
40.8%Fixed Income
59.2%

American Indian Scholarship Endowment Fund (AISEF)

Total	\$337,341
Fixed Income	\$317,885
Cash	\$19,456

Fixed Income
94.2%Cash
5.8%

Total Returns

	Qtr.	1 Year	3 Year	5 Year	10 Year
Agricultural	0.78%	5.54%	3.66%	5.82%	4.96%
Custom Benchmark	0.92%	5.63%	3.27%	5.41%	4.71%
Normal School	0.77%	5.51%	3.69%	5.85%	4.96%
Custom Benchmark	0.92%	5.63%	3.27%	5.41%	4.70%
Scientific Permanent	0.78%	5.54%	3.65%	5.81%	4.96%
Custom Benchmark	0.92%	5.63%	3.27%	5.41%	4.71%
State University	0.78%	5.55%	3.70%	5.85%	4.96%
Custom Benchmark	0.92%	5.63%	3.27%	5.41%	4.70%
Common School	0.78%	5.54%	3.69%	5.84%	4.95%
Custom Benchmark	0.92%	5.63%	3.27%	5.41%	4.69%
AISEF	2.84%	4.80%	1.21%	0.13%	1.78%
Custom Benchmark	2.78%	4.88%	0.52%	-0.40%	1.41%

Equity Returns

	Qtr.	1 Year	3 Year	5 Year	10 Year
Agricultural	-2.36%	6.15%	7.26%	16.06%	10.10%
Normal School	-2.36%	6.15%	7.26%	16.06%	10.10%
Scientific Permanent	-2.36%	6.15%	7.26%	16.06%	10.10%
State University	-2.36%	6.15%	7.26%	16.06%	10.10%
Common School	-2.36%	6.15%	7.26%	16.06%	10.10%
Custom Benchmark	-1.92%	6.56%	7.08%	15.95%	10.23%

Fixed Income Returns

	Qtr.	1 Year	3 Year	5 Year	10 Year
Agricultural	2.97%	4.79%	1.06%	0.02%	1.79%
Normal School	2.97%	4.79%	1.06%	0.02%	1.79%
Scientific Permanent	2.97%	4.79%	1.06%	0.02%	1.79%
State University	2.97%	4.79%	1.06%	0.02%	1.79%
Common School	2.97%	4.79%	1.06%	0.02%	1.79%
AISEF	2.97%	4.79%	1.06%	0.02%	1.79%
Bloomberg Aggregate	2.78%	4.88%	0.52%	-0.40%	1.46%

Cash Returns

	Qtr.	1 Year	3 Year	5 Year	10 Year
AISEF	1.06%	4.91%	4.24%	2.55%	1.78%
90 Day Tbill	1.04%	5.02%	4.32%	2.60%	1.90%

Total Return Benchmarks (except AISEF): 60% Bloomberg Aggregate and 40% MSCI World IMI w/ U.S. gross and a mix of historical blends.
AISEF Total Return Benchmark: 100% Bloomberg Aggregate and historical blends.
Equity Benchmark: MSCI World IMI w/ U.S. Gross and historical blends.

Guaranteed Education Tuition (GET)

Total	\$1,782,785,121
Equity	\$695,262,673
Fixed Income	\$1,082,730,695
Cash	\$4,791,752

Equity
39%

Fixed Income and Cash
61%

	Qtr.	1 Year	3 Year	5 Year	10 Year
Total	0.99%	6.72%	4.81%	7.84%	5.76%
Passive Benchmark	0.79%	6.43%	4.56%	7.57%	5.51%
Inflation CPI + 2.5%	1.26%	4.91%	6.10%	6.87%	5.58%
Equity	-1.44%	6.73%	6.81%	15.51%	8.98%
Custom Benchmark	-1.54%	6.57%	6.61%	15.33%	8.87%
Fixed Income	2.63%	6.40%	3.21%	2.67%	2.72%
Custom Benchmark	2.32%	6.21%	2.90%	2.34%	2.50%

Developmental Disabilities Endowment Trust Fund (DDEF)

Private Total	\$114,642,048
Balanced Fund	\$114,633,686
Cash	\$8,363

Balanced Fund
100%

State Total	\$14,868,471
Equity	\$4,980,987
Fixed Income	\$9,877,517
Cash	\$9,967

Equity
33.5%

Fixed Income and Cash
66.5%

	Qtr.	1 Year	3 Year	5 Year	10 Year
Total Private	-1.84%	6.43%	5.23%	10.58%	7.78%
Balanced Fund	-1.84%	6.42%	5.22%	10.58%	7.78%
Balanced Fund Benchmark	-1.77%	6.47%	5.40%	10.78%	7.99%
Total State	1.19%	6.52%	4.62%	7.22%	4.79%
Inflation CPI	0.63%	2.41%	3.60%	4.37%	3.08%
State Equity	-1.53%	6.50%	6.83%	15.43%	8.92%
Custom Benchmark	-1.54%	6.57%	6.61%	15.33%	8.87%
State Fixed Income	2.63%	6.40%	3.21%	2.67%	2.85%
Custom Benchmark	2.32%	6.21%	2.90%	2.34%	2.50%

GET Benchmarks: Equity: MSCI ACWI IMI w/U.S. Gross and a historical blend, Fixed Income: Bloomberg Intermediate Credit and a historical blend.

DDEF Balanced Fund benchmark: 60% CRSP U.S. Total Market Index & 40% Bloomberg U.S. Aggregate and a historical blend.

DDEF State Benchmarks: Equity: MSCI ACWI IMI w/U.S. Gross and a historical blend, Fixed Income: Bloomberg Intermediate Credit and a historical blend.



Volunteer Firefighters' and Reserve Officers' Relief Fund (VFFRO)

VFF Total	\$266,963,736
Equity	\$183,267,078
Fixed Income	\$83,037,676
Cash	\$658,982

Equity
68.6%Fixed Income
and Cash
31.4%

RO Total	\$3,983,418
Equity	\$2,743,585
Fixed Income	\$1,230,887
Cash	\$8,945

Equity
68.9%Fixed Income
and Cash
31.1%

	Qtr.	1 Year	3 Year	5 Year	Since Inception
VFF Total	-0.20%	6.77%	5.83%	4.28%	7.86%
Custom Benchmark	-0.37%	6.53%	5.65%	6.59%	6.87%
VFF Equity	-1.43%	6.50%	6.59%	N/A	4.33%
MSCI ACWI IMI w/ U.S. Gross	-1.54%	6.57%	6.61%	N/A	4.30%
VFF Fixed Income	2.63%	6.40%	3.20%	N/A	1.37%
Bloomberg Intermediate Credit	2.32%	6.21%	2.90%	N/A	1.05%
RO Total	-0.21%	6.73%	N/A	N/A	10.14%
Custom Benchmark	-0.37%	6.53%	N/A	N/A	9.67%
RO Equity	-1.43%	6.49%	N/A	N/A	11.23%
MSCI ACWI IMI w/ U.S. Gross	-1.54%	6.57%	N/A	N/A	10.98%
RO Fixed Income	2.63%	6.40%	N/A	N/A	6.56%
Bloomberg Intermediate Credit	2.32%	6.21%	N/A	N/A	6.33%

Long-Term Services and Supports Trust Account (LTSS)

LTSS Total	\$2,043,904,596
Fixed Income	\$2,043,904,596

Fixed Income
100.0%

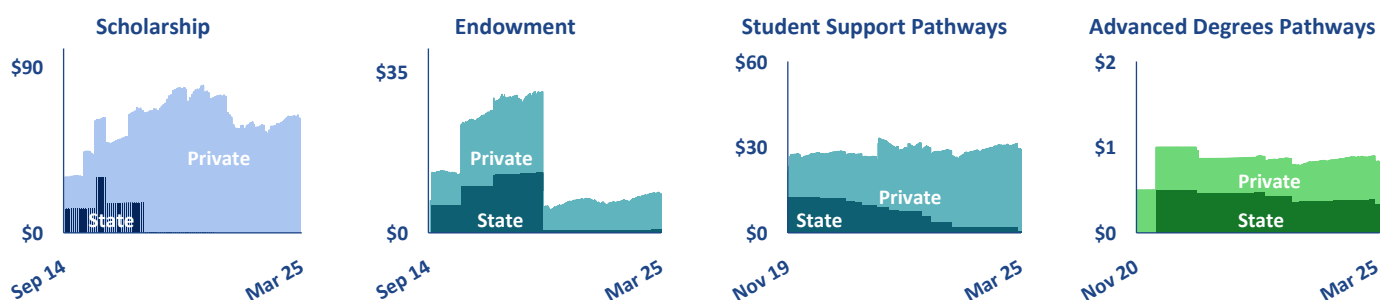
	Qtr.	1 Year	3 Year	5 Year	Since Inception
LTSS Total	2.85%	5.61%	N/A	N/A	6.13%
Bloomberg Universal	2.66%	5.24%	N/A	N/A	7.24%

VFF & RO Total Fund benchmark: 30% Bloomberg Intermediate Credit & 70% MSCI ACWI IMI w/U.S. Gross and a historical blend.

Since Inception for VFF: Total 7/1/92, Equity 11/23/21, Fixed Income 11/22/21. Since Inception for RO: Total, Equity, and Fixed Income 8/1/23.

Since Inception for LTSS: Fixed Income 11/20/23..

Washington State Opportunities Scholarship (WSOS) Private and State Match Assets (\$ Millions)



Scholarship

Private Total	\$61,692,483
Equity	\$18,287,819
Fixed Income	\$43,330,348
Cash	\$74,315

Equity
29.6%

Fixed Income and Cash
70.4%

State Match Total	\$0
Cash	\$0

Endowment

Private Total	\$7,739,710
Equity	\$6,233,655
Fixed Income	\$1,354,465
Cash	\$151,591

Equity
80.5%

Fixed Income
and Cash
19.5%

State Match Total	\$661,241
Cash	\$661,241

Student Support Pathways

Private Total	\$28,894,061
Equity	\$8,569,644
Fixed Income	\$20,200,264
Cash	\$124,153

Equity
29.7%

Fixed Income and Cash
70.3%

State Match Total	\$434,264
Cash	\$434,264

Advanced Degrees Pathways

Private Total	\$506,532
Equity	\$151,766
Fixed Income	\$354,763
Cash	\$3

Equity
30%

Fixed Income and Cash
70%

State Match Total	\$328,194
Cash	\$328,194

Total Returns

	Qtr.	1 Year	3 Year	5 Year	Since Inception
Scholarship					
Private Total	1.36%	6.51%	4.51%	6.03%	5.03%
Private Benchmark	1.17%	6.38%	4.37%	5.83%	4.97%
State Match Total	N/A	N/A	N/A	N/A	0.49%
State Match Benchmark	1.04%	5.02%	4.32%	2.60%	1.84%
Endowment					
Private Total	-0.73%	6.61%	6.00%	12.94%	7.37%
Private Benchmark	-0.76%	6.55%	5.98%	12.76%	7.66%
State Match Total	1.00%	4.85%	4.22%	2.53%	1.72%
State Match Benchmark	1.04%	5.02%	4.32%	2.60%	1.84%
Student Support Pathways					
Private Total	1.37%	6.48%	4.62%	6.12%	4.56%
Private Benchmark	1.17%	6.38%	4.37%	5.83%	4.14%
State Match Total	1.13%	4.98%	4.27%	2.56%	2.48%
State Match Benchmark	1.04%	5.02%	4.32%	2.60%	2.58%
Advanced Degrees Pathways					
Private Total	1.36%	6.45%	7.40%	N/A	4.98%
Private Benchmark	1.17%	6.38%	7.19%	N/A	4.86%
State Match Total	1.05%	4.90%	4.24%	N/A	3.14%
State Match Benchmark	1.04%	5.02%	4.32%	N/A	3.21%

Equity Returns

	Qtr.	1 Year	3 Year	5 Year	Since Inception
Scholarship	-1.48%	6.59%	6.61%	15.30%	8.84%
Endowment	-1.51%	6.55%	6.60%	15.34%	8.83%
Student Support Pathways	-1.48%	6.56%	6.58%	15.28%	10.08%
Advanced Degrees Pathways	-1.49%	6.68%	N/A	N/A	16.48%
MSCI ACWI IMI w/ U.S. Gross	-1.54%	6.57%	6.61%	15.33%	

Fixed Income Returns

	Qtr.	1 Year	3 Year	5 Year	Since Inception
Scholarship	2.63%	6.40%	3.20%	2.66%	2.93%
Endowment	2.63%	6.40%	3.20%	2.67%	2.94%
Student Support Pathways	2.63%	6.40%	3.20%	2.67%	2.21%
Advanced Degrees Pathways	2.63%	6.39%	N/A	N/A	5.98%
Bloomberg Intermediate Credit	2.32%	6.21%	2.90%	2.34%	

Scholarship and Student Support Pathways Benchmarks: Private 30% MSCI ACWI IMI w/U.S. Gross & 70% Bloomberg Intermediate Credit, State Match 90 Day Tbill.

Endowment Benchmarks: Private 80% MSCI ACWI IMI w/U.S. Gross & 20% Bloomberg Intermediate Credit, State Match 90 Day Tbill.

Advanced Degrees Pathways Benchmarks: Private 30% MSCI ACWI IMI w/U.S. Gross & 70% Bloomberg Intermediate Credit, State Match 90 Day Tbill.

Since Inception for Scholarship and Endowment: Private 10/1/14, State Match 11/25/14.

Since Inception for Student Support Pathways: Private and State Match 11/27/19.

Since Inception for Advanced Degree Pathways: Private 10/30/20 and State Match 3/19/21.