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JUNE 25, 2026 SPECIAL INVESTMENT MEETING

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Thursday, June 25, 2026

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10:00 a.m.

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Teachers' Retirement System of NYC - New York
55 Water Street, 16th floor
New York, New York 10041

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William Montague

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Digital Reporter

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1 APPEARANCES

2 PRESENT:

3 John Dorsa
4 Nadia Fazhulina
5 Amy Slattery
6 Susannah Vickers
7 Christina McGrath
8 Victoria Lee
9 Bryan Berge
10 Anthony Giordano

11 BAM

12 Donald De Rosa
13 Monte Tarbox - CIO
14 Steve Poulos
15 Jennifer Gao
16 John Ahn
17 Minjoo Na

18 GOLDMAN SACHS

19 Amanda Janusz
20 Michael Fulvio

21 HAMILTON LANE

22 Sean Barber

23

24 STEP STONE

25 James Maina

26 CVC CATALYSIT III

27 Esther Rombaut
28 Aaron Dupuis
29 Reice Acosta " VIA ZOOM

30

31 WARBURG PINCUS GLOBAL GROWTH

32 Jeff Perlman
33 John Guay
34 Denny Grace " VIA ZOOM

35 ARTEMIS REAL ESTATE PARTNERS HEALTHCARE

36 Alex Gilbert
37 Anar Chudgar
38 Kevin Nishimura
39 Pam Yu
40 Monique Marra

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1 APPEARANCES (cont'd)

2 PRESENT VIA ZOOM:

Liz Sanchez - TRS

3 Thomas BrownMarek Tyszkiewicz - Chief Actuary

Louis Cholden-Brown

4

BAM

5 Kim Boston

Wilfredo Suarez

6 Dan Haas

Sanya Cowan

7 Janet Londono-Valle

Harry Tyquin

8 Scott Matthew- Novelli

9 TRS

Wislande Bernard

10 Aristeia Aftousmis

Devon Mitchell

11 Komil Ataev

Loren Perry

12 Issac Glovinsky - TRS LEGAL

Priscilla Bailey

13 Devon Mitchell

14

15 On behalf of TRS - INVESTMENT MEETING:

16 LIZ SANCHEZ, ESQ.

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18 New York, New York 10041

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APPEARED IN PERSON

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22 (Proceedings recorded by digital sound recording:
transcript produced by transcriptionist.)

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1 (Proceedings commenced.)

2 MS. REILLY: Good morning. Welcome to the
3 investment meeting of the Teachers Retirement Board for
4 June 25th, 2026. I'll start by calling the roll.
5 Joseph Borelli? Thomas Brown? Anthony Giordano?
6 Nadia Fazhulina?

7 MS. FAZHULINA: Present, the mayor's office.

8 MS. REILLY: Victoria Lee?

9 MS. LEE: Present.

10 MS. REILLY: Christina McGrath?

11 MS. MCGRATH: Good morning, Patricia.
12 Present.

13 MS. REILLY: John Dorsa?

14 MR. DORSA: Present until my colleague, Amy
15 Slattery, arrives.

16 MR. TARBOX: And then he evaporates.

17 MS. REILLY: We do have a quorum. So first
18 order of business is I'm -- I'm calling for a
19 nomination for the chair for this meeting.

20 MS. MCGRATH: I'd like to nominate Victoria
21 Lee.

22 MR. DORSA: And I'd like to second that.

23 MS. LEE: Thank you.

24 MS. REILLY: So all those in favor, say aye.

25 (Ayes were heard.)

1 MS. REILLY: All those opposed, say nay. Any
2 abstentions? Okay. Ms. Chair -- Mrs. Chair?

3 MS. LEE: Thank you, Patricia. Good morning,
4 everyone. We'll begin with an update on the Passport
5 Funds from Amanda Janusz.

6 MS. JANUSZ: Thanks, Victoria. Sharing here.
7 Okay. So to start things off on -- with an update on
8 the Passport Funds, we have our Flash through the end
9 of May that's been posted to Convene. The Passport
10 Funds had another positive month in May, so ended, as
11 of 5/31 at 25.4 billion in assets -- in total assets,
12 which was up from about 24.4 billion as of the end of
13 April, so about a billion in growth over the course of
14 the month. And that's really due to a continuation of
15 the equity rally that we saw in April coming out of
16 what was, of course, a very difficult March.

17 That rally has continued to be led by
18 AI-related stocks and also supported by positive
19 earning surprises, as well as strong US economic data.
20 On the flip side to that, offsetting that somewhat, has
21 been continued high energy prices and continued
22 uncertainty in the Middle East. We have seen major
23 central banks holding steady, including the US Federal
24 Res -- Fed, which did meet again here in June, just
25 last week, and continued to hold rates steady, although

1 they have been signaling certainly concern for
2 heightened inflation and potential for a need for more
3 tightening of monetary policy.

4 Although I will note that it's our view that
5 we are expecting rates to remain -- remain flat through
6 the end of this year. For performance for the month of
7 May, we saw across equity markets, US and non-US,
8 returns in the sort of 3.5 to 5 percent range. So you
9 can see the Diversified Equity Fund, which represents
10 around 90 percent of the assets in the Passport Funds,
11 up close to five percent for the month of May, with the
12 strongest results coming from the international equity
13 composite. Active management has continued to be a bit
14 of a lag over the last year, really across the board,
15 and you can see that reflected here, particularly among
16 the active US equity composite, which has
17 under-performed its benchmark both for the month and
18 over the trailing one year.

19 The -- looking out over the year to date and
20 one year, also very strong results. So despite that
21 sell off that we saw during the month of March, that --
22 it's a very strong rebound in April and continuation
23 into May, you are ending, year-to-date, for the
24 Diversified Equity Fund at over ten percent gains. And
25 for the one-year period ended May, 27 percent return

1 for the Diversified Equity Fund. So we are lagging the
2 policy benchmark somewhat, again, due to the results of
3 active management, but very strong absolute return,
4 certainly, 27 percent on a one-year basis is a very
5 strong out -- outcome for the year.

6 So in terms of some of the other variable
7 funds here, the Balanced Fund, of course, being your
8 most conservative option, has had the lowest returns
9 for both the month and the year returning, but still
10 close to 11 percent on the one-year period through the
11 end of May. I'll pause there unless there's any
12 questions on May results.

13 MS. LEE: Thank you. Any questions? No?
14 Okay. Thank you, Amanda.

15 MR. DORSA: I'm going to note at this time
16 that I'm going to relinquish this powerful seat. Hold
17 on. I buried that, so let me put that back. All
18 right.

19 MR. TARBOX: Yeah. Now watch him magically
20 disappear before your very eyes.

21 MS. SLATTERY: Good morning.

22 BOARD: Good morning.

23 MS. LEE: Okay. Next, I believe we have Dan
24 Haas from BAM.

25 MR. HAAS: Good morning, everyone. And thanks

1 again for -- for indulging me. I'm sorry, I couldn't
2 be in person today. I have a tight -- tight schedule
3 this morning, so this is -- this is definitely helping
4 me out quite a bit. Why don't we jump right in and
5 take a look at just some of the more recent metrics.
6 It's only been a few weeks since -- since we last
7 spoke, but, you know, give you some quick highlights.
8 Economic growth of the -- of the GDP Print. Worth
9 noting that and -- and I'll back up a little bit.
10 Perhaps explain how these work a little bit.

11 Every quarter, there's sort of an advanced
12 reading, a second print, and a third. The third print
13 for the US GDP actually just came out this morning. So
14 instead of that 1.6 percent, we saw for their -- for
15 their second reading, more data came in. That's been
16 revised upward to 2.1 percent. So, you know, there's
17 positive development there. Again, stronger than --
18 than the last quarter's final results, and -- and, you
19 know, supportive of -- of, you know, healthy economic
20 growth, particularly relative to -- to our developed
21 peers.

22 As we kind of look down towards CPI, if you'll
23 recall, of course, that was very much at the -- the
24 values that we've seen over the past few months have
25 certainly been elevated compared to what we've seen,

1 say, the last year or two. And that is very much an
2 energy driven story, as you'll recall. Obviously, with
3 the -- with the Memorandum of Understanding being
4 signed and -- and good faith negotiating efforts to --
5 to cease hostilities in the -- with Iran, that those
6 concerns seem to have alleviated considerably. We see
7 crude oil, you know, dropping from the \$100 a barrel
8 context down to about 70 or 75 today. It's the kind of
9 pre-conflict levels. And that -- that certainly
10 alleviates a bit of the concerns that we saw and
11 certainly some of the -- the upward pressure that we've
12 seen in the CPI.

13 As you may recall, a couple of weeks ago when
14 we -- when we were discussing it, we saw some elevated
15 levels and upward surprises in the Producer Price
16 Index, which is driven a lot more by commodity pricing.
17 And we're seeing it also kind of flowing through to the
18 headline CPI and also even a bit into the core CPI
19 as -- as those effects are trickled through. So
20 hopefully, this turns into more of a durable piece
21 and -- and that pressure is alleviated and -- and we
22 normalize kind of from here.

23 Moving over to the US job market, same story
24 that we've had before. Obviously, you know, even
25 Steven there. The most recent print for May is at 4.3

1 percent unchanged from the prior month, as is the labor
2 participation rate. If you look at labor participation
3 for prime age workers, again, it's -- it's in the low
4 80s, near its all-time highs. So a positive sign there
5 that we're in an economy near our natural rate of
6 unemployment. And, you know, labor is -- is
7 participating and obviously consuming as well, right?
8 So again, good signs for the economy.

9 Payrolls themselves, you know, I'm not sure to
10 call them robust, but they have been increasing over
11 the past few months. You can see that the main print
12 came in at 172,000 new jobs, a little bit ahead of the
13 88,000 consensus that we had. And again, another
14 positive number compared to the April at 179,000 jobs.

15 And then finally, those currency rates, we're
16 seeing some strengthening of the US dollar. That's,
17 again, driven by -- when -- when you compare, you know,
18 these markets, just comparative changes in inflation
19 expectations and economic growth between the US and --
20 and these various markets. So, you know, there's a --
21 there's a very positive trend, say, three or four
22 months ago that we had discussed, where the US dollar
23 had weakened, that seems to be reversing a little bit
24 these days. So you see a bit more chopped there,
25 and -- and other currencies depreciating relative to

1 the US dollar.

2 We move on to our rates on the next slide.

3 Thanks. The development here, of course, is
4 inflationary concerns have -- have obviously shifted,
5 and again, the same story we've been telling you for
6 the last few months, it shifted our -- our uncertainty
7 toward policy direction to a little bit more certainty
8 of -- of sort of a higher for longer rate this year,
9 particularly in the United States and -- and among our
10 developed peers. You can see that the ECB and Japan
11 each raised their rates over -- in the last few weeks.
12 ECB went up by 25 basis points from two percent to 2.25
13 percent, and Japan increased theirs from 75 basis
14 points to one percent.

15 Again, those are -- those are largely viewed
16 as reactions to fresh inflationary pressures. And
17 for -- although for slightly different reasons, Japan
18 is more normalizing, whereas ECB is -- is reacting more
19 toward the energy driven inflationary concerns.
20 Nevertheless, you see them increasing rates. Our
21 outlook, as you'll recall, of course, is -- is, as
22 Amanda mentioned, likely no cuts for this year,
23 possibility of -- of even an increase toward the end of
24 the year. But again, very much data driven and, you
25 know, wait to be seen, but I'd get comfortable with --

1 with that 3.75 percent, at least for the -- for the
2 near term.

3 The spreads, corporate spreads, if you look at
4 the top right there, again, remain near their, you
5 know, 20 year types, a good -- a good indicator, of
6 course, that money is flowing freely into those sectors
7 and -- and investors are -- are not demanding
8 significant premiums for investing in them. And then
9 finally, as we look at the -- that treasury curve, as
10 you recall last time we spoke, I was showing you two
11 charts and -- and -- or I'm sorry, two lines on that
12 chart that showed how the yield curve had shifted
13 upward by, you know, we'll say, on average, of about a
14 half a percent, you know, 40 to 60 basis points.

15 And the story then was, again, that was --
16 that was this market pricing in a new inflation regime
17 and demanding extra compensation for that change in
18 expectation. This time around, we're seeing that
19 the -- as we -- as we ran this as of last week, you see
20 that the curve is bumped up in the 2-year, but not as
21 much in the 10-year. So we have a flattening of the
22 2-Year/10-Year spread. If we were looking at this a
23 few months ago, it was closer to the 50 basis point
24 positive spread range.

25 Now we're down to about 28 basis points. And

1 again, that is more of a policy driven change as
2 opposed to an economically driven change. Again, the
3 expectations are that the Fed is very sensitive to --
4 I'm sorry, the -- the policy is driven by the -- by
5 policy changes or changes of policy expectations are --
6 are expressed more in the 2-year range rather than the
7 10-year range. And the expectation is that the Fed
8 will remain higher for longer. And you kind of see
9 that manifesting itself in the flattening of that
10 2-Year/10-Year curve.

11 Moving over to the rates themselves, you just
12 kind of see that playing out from where we were three
13 months ago, 28 basis points today as opposed to about
14 48 basis points, you know, in -- in March. You see
15 that also playing through with the 30-year fixed
16 mortgage rates. You know, the discount that we -- that
17 we had versus last year now as opposed to three months
18 ago, has certainly narrowed. So rates are down a bit,
19 not as much as we saw them, you know, when we were
20 talking last quarter.

21 And gold as well. Gold has sold off. Again,
22 we're -- we're pretty far off of our -- our recent
23 highs of a little more than \$5,000 an ounce, now closer
24 to 4,200. Again, just an underlining of -- of that
25 trade as well as -- as capital seeks other, you know,

1 other sources of return. Before I move on, is there
2 any -- any questions I can answer on this material?

3 MS. LEE: Any questions? No? Okay. Now, Dan
4 will provide us a Preliminary Performance Data Update.

5 MR. HAAS: Right. Excellent. So again, this
6 is a -- well, I like to call -- what we like to call a
7 Flash Report. These are your preliminary returns
8 through the end of last week. Of course, you've --
9 you've been reading that the -- there's been a bit of
10 chop in the tech sector, first couple of days this
11 week. That largely seems to be -- have been retraced.
12 You know, there's a bit of a sell-off there. And then
13 we found that Micron, it's a US chip manufacturer,
14 repla -- you know, reported, what was it, a 15 fold
15 increase in profits over the last quarter, which is --
16 which is quite an increase. And animal spirits seem to
17 have returned to that sector, and we see, you know,
18 NASDAQ trading up pretty significantly this morning.

19 Nevertheless, the chop that you saw earlier
20 this week is just that. It's -- it's investors kind of
21 repricing their -- their exuberance in that space. You
22 know, if I -- if I were to rerun these numbers as of
23 yesterday, you might expect, say a, you know, 60 or 70
24 basis point reduction from the numbers that you see
25 here, where the cutoff was -- was last Thursday, the

1 end of last week. Nevertheless, positive returns, you
2 know, as, you know, throughout the various sectors that
3 we're invested in, look, you know, about 13.5 percent
4 return, maybe a little bit lighter as of today, but
5 great results so far for the year. Thank you.

6 MS. REILLY: Could you let the record show
7 that Anthony Giordano has joined the meeting.

8 MS. LEE: Are there any questions?

9 MR. HAAS: All right.

10 MS. LEE: Thank you, Don. So that
11 concludes --

12 MR. HAAS: Thank you, everyone. Have a great
13 day.

14 MS. LEE: Thank you. That concludes the
15 business of our public session. I will now entertain a
16 motion to enter into executive session to discuss
17 recommendations from them.

18 MS. MCGRATH: So moved.

19 MS. LEE: Thank you, Christina McGrath. Do I
20 hear a second?

21 MR. GIORDANO: Second.

22 MS. LEE: Thank you. All in favor, please say
23 aye.

24 (Ayes were heard.)

25 MS. LEE: Any opposed? We will now move into

1 executive session. Liz, please let us know when you're
2 ready.

3 (Exit Public Session; enter Executive
4 Session.)

5 (Exit Executive Session; enter Public
6 Session.)

7 MS. LEE: Will, are you -- are you able to see
8 it on your screen?

9 MR. GIORDANO: Normally, she'll move us from
10 this room -- oh, there we go.

11 MS. LEE: Oh, okay.

12 UNIDENTIFIED SPEAKER: Recording in progress.

13 MS. LEE: Thank you. We are now in public
14 session, and we will have an official readout from
15 Priscilla Bailey. Priscilla, whenever you're ready.

16 MS. BAILEY: Thank you and hello everyone.
17 I'll formally provide a summary of agenda items covered
18 in the executive session of the June 25th special
19 investment meeting. In the executive session of the
20 Passport Fund, there was a manager update. In the
21 executive session of the Pension Fund, there was no
22 manager update. There are two private equity
23 presentations. Consensus was reached on both. There
24 was a real estate presentation. Consensus was reached.
25 There was an update of a contracted matter, and to that

1 end, details to be made public pending further action
2 and at the appropriate time. Thank you.

3 MS. LEE: Thank you, Priscilla.

4 MS. BAILEY: Thank you.

5 MS. LEE: And having concluded our business, I
6 will entertain a motion to adjourn today's meeting.

7 MS. MCGRATH: So moved.

8 MS. LEE: Thank you, Ms. McGrath. Do I hear a
9 second?

10 MR. GIORDANO: Second.

11 MS. LEE: Thank you, Mr. Giordano. All those
12 in favor, please say aye.

13 (Ayes were heard.)

14 MS. LEE: Any opposed? The motion carries,
15 and this meeting is officially adjourned. Thank you,
16 everyone.

17 (Proceedings concluded.)

18 (End of audio recording.)

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