Investment Review

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BOK FINANCIAL®

UNIVERSITY OF NEW MEXICO
RETIREE WELFARE BENEFIT TRUST
Investment Review
Period Ended 12/31/2024

Market insights

First quarter 2025

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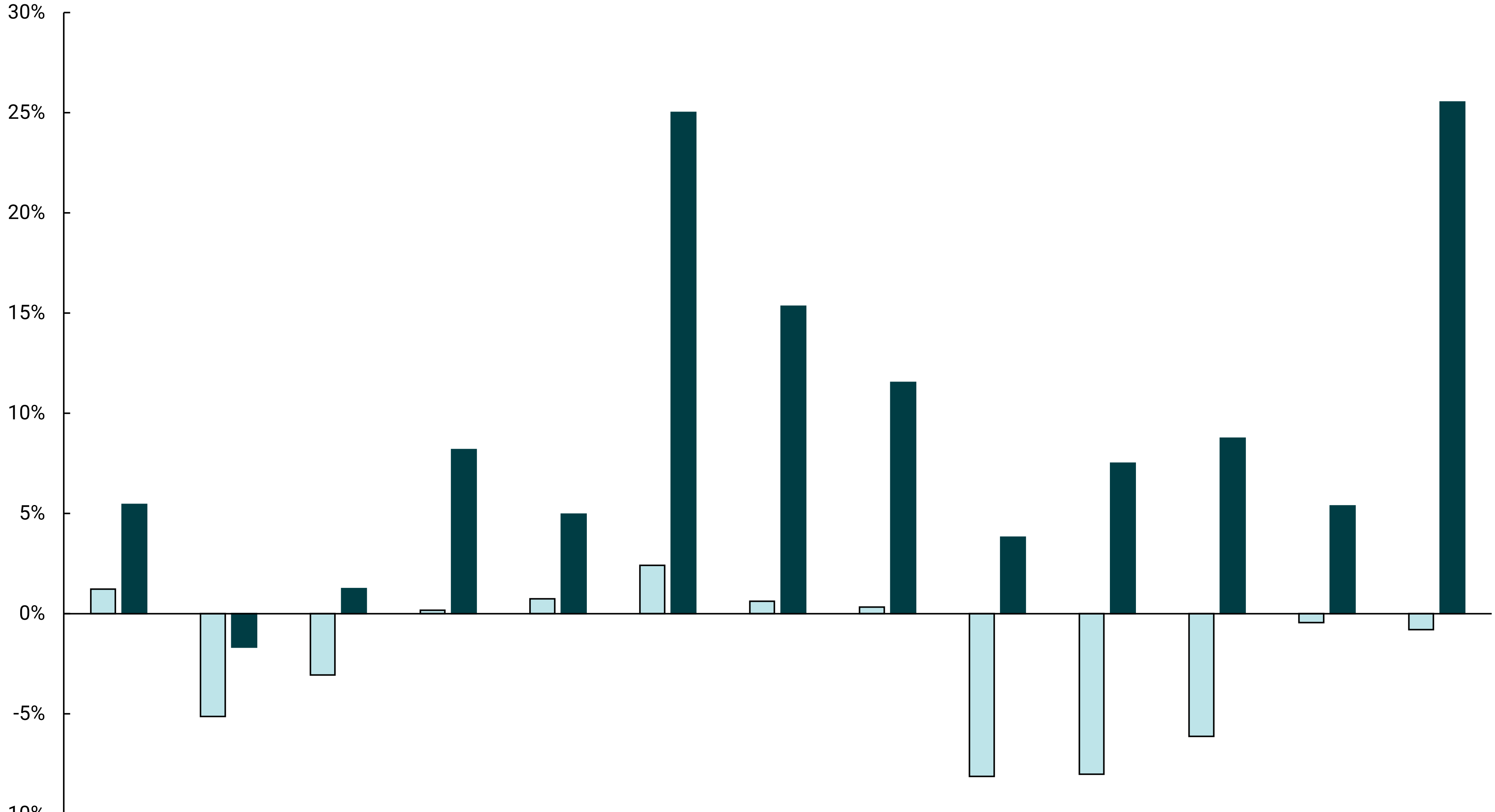
Market summary



	Cash	10-Yr Treasury	US Agg Bonds	High Yield	Intl. Bonds	Large Cap	Mid Cap	Small Cap	Intl. Dev	Emerging Markets	REIT	Commodity	Gold
QTR	1.23%	-5.13%	-3.06%	0.17%	0.74%	2.41%	0.62%	0.33%	-8.11%	-8.01%	-6.12%	-0.45%	-0.79%
1 Yr	5.45%	-1.67%	1.25%	8.19%	4.97%	25.02%	15.34%	11.54%	3.82%	7.50%	8.75%	5.38%	25.53%

Source: Morningstar. Data shown as of Dec. 31, 2024.

Key points

1. Domestic growth has been above trend, and we expect moderation in 2025. The labor market is balanced, yet still supportive of the U.S. consumer.

2. Cyclical inflation rates have trended lower, as goods disinflate, while rent and wage inflation decline more slowly. Inflation expectations have recently been trending higher.

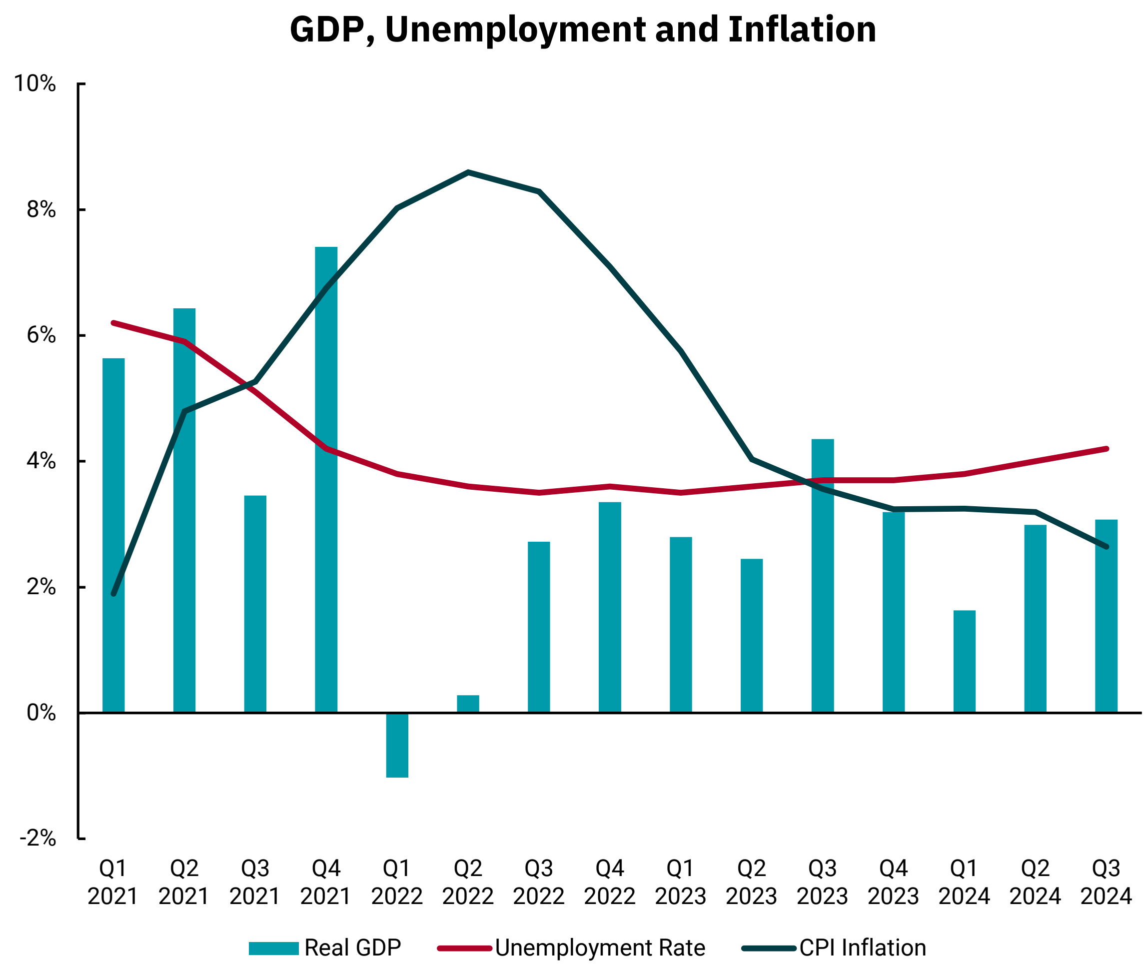
3. The Federal Reserve will likely institute additional rate cuts in 2025 after 1% of cuts in 2024. However, the terminal rate for fed funds now looks higher than previous forecasts.

4. Short-term Treasury yields fell as the Fed lowered rates. Long-term rates, however, are higher, and the yield curve has un-inverted. Longer-term rates are reacting to continued growth and a slower decline in inflation toward the Fed’s 2% target.

5. Domestic stock markets, particularly large cap, had a stellar 2024. The overall outlook for 2025 is positive but valuations are rich. Performance broadening to mid and small-cap as well as international, where valuations are more attractive, would be a welcome development.

Inflation - Moving the right direction...slowly

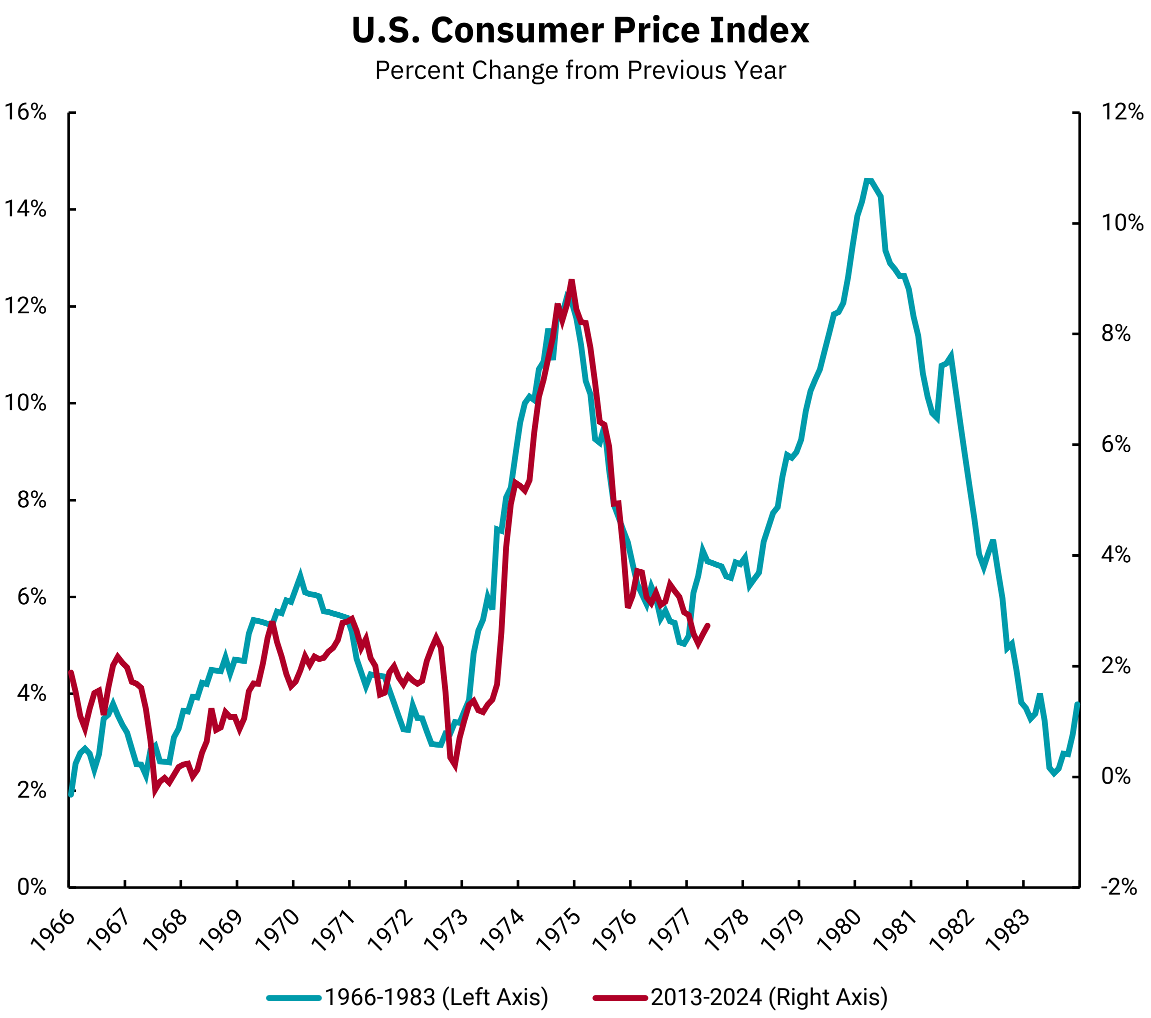
- Inflation remains above the Federal Reserve's 2% target.
- Unemployment has remained stable, along with resilient economic growth.
- Current expectations are for solid economic growth for the final quarter of 2024, around 3%.



Source: Federal Reserve Bank of St. Louis. Data as of Dec. 31, 2024.

Inflation - History is for waves of inflation

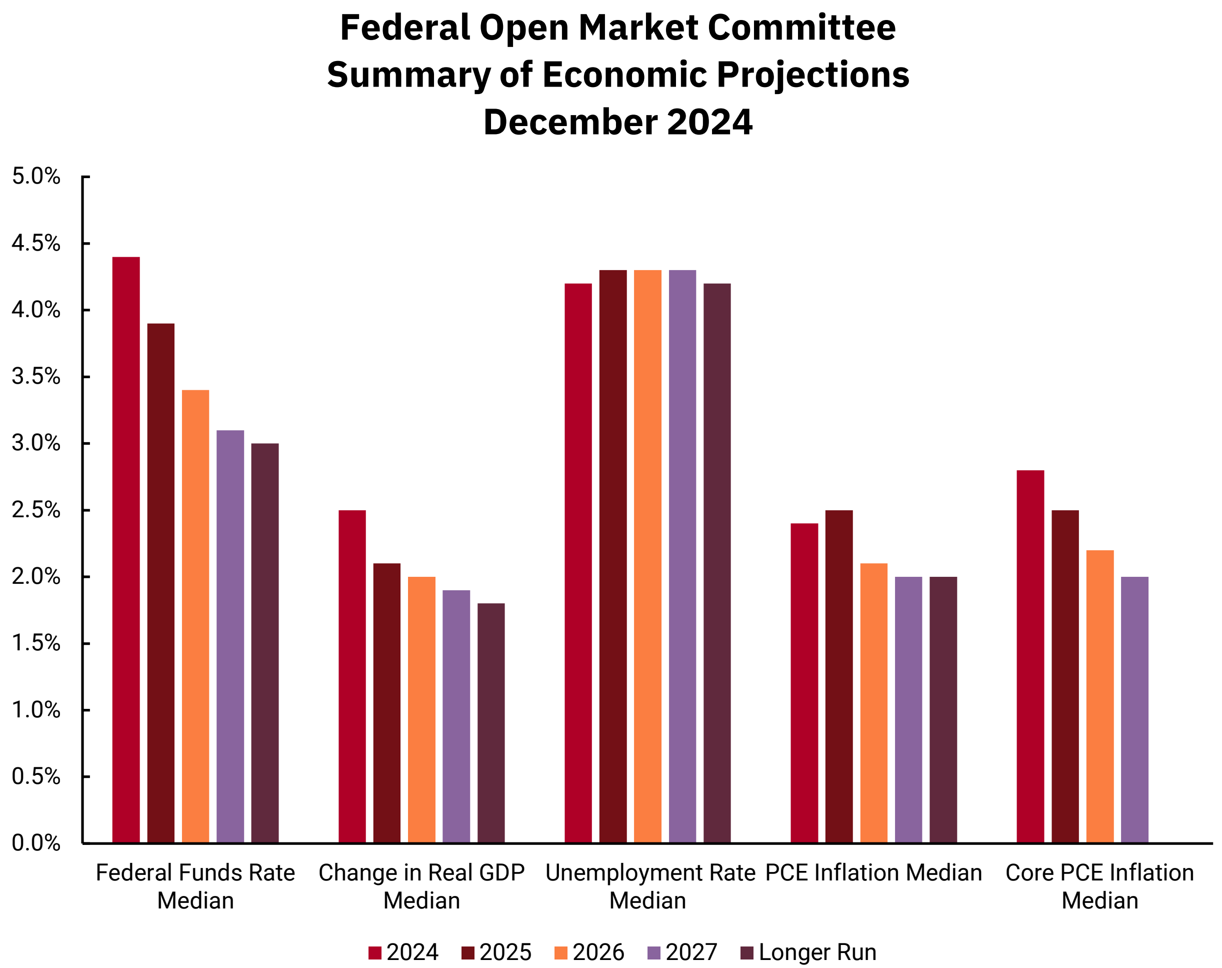
- Historically, bouts of inflation in the U.S. have come in multiple waves.
- The Fed is playing the long game on inflation. If possible, they want to minimize the risk of an "echo wave" of inflation.
- Tight labor and housing markets are areas of risk for a resurgence of inflation.



Source: Federal Reserve Bank of St. Louis. Data as of Dec. 31, 2024.

The Fed’s forecast

- Looking into 2025, the Fed now sees fewer rate cuts than previously expected.
- The inflation outlook shows it taking longer to get to 2%.
- GDP growth is expected to moderate, but unemployment to remain stable.
- The long-term neutral rate for the economy is still in question. The level of economic activity we are seeing may mean this rate is higher than the 3% level we had expected.

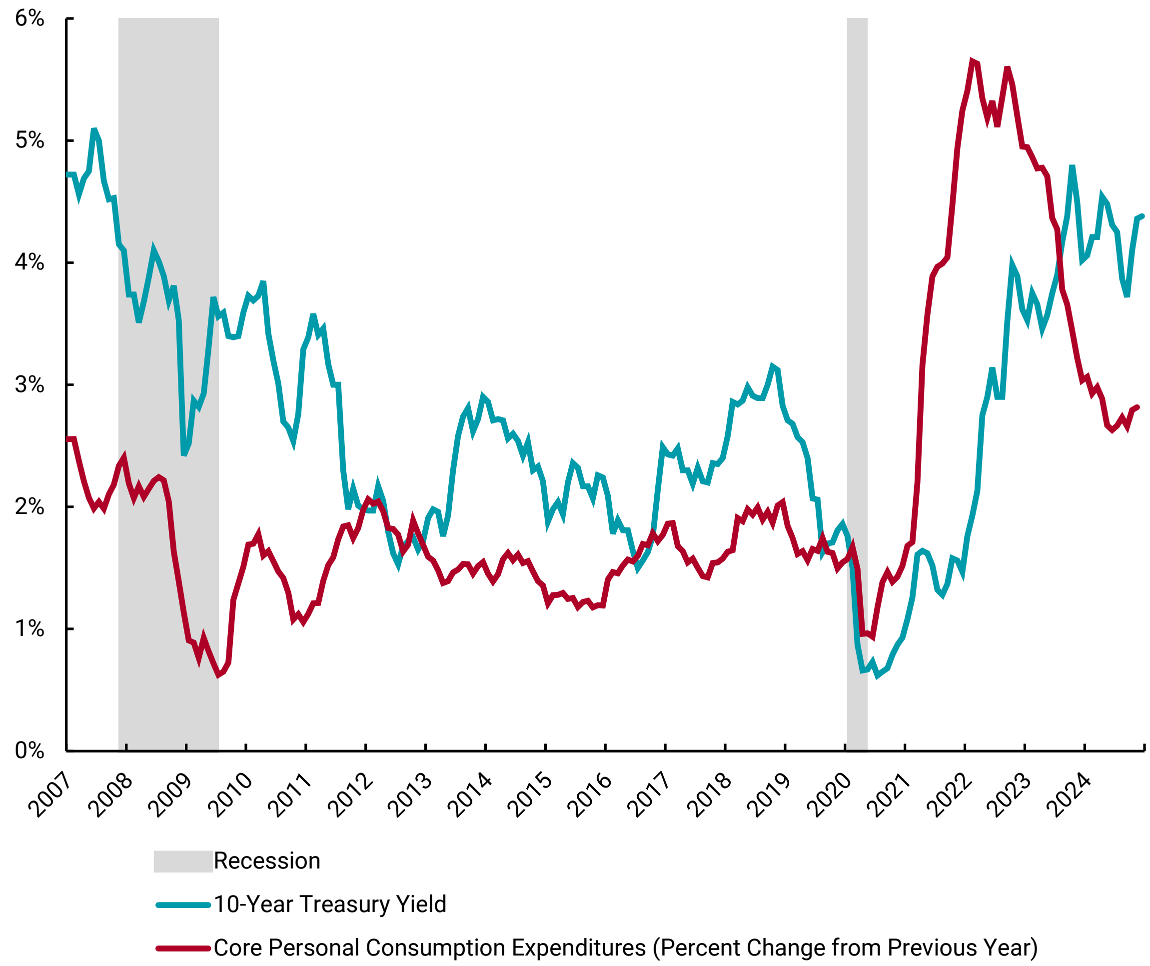


Source: Federal Reserve Board. Data as of Dec. 18, 2024.

Real bond yields positive

- As inflation, measured by the core Personal Consumption Expenditures index, has declined, real Treasury yields have moved into positive territory.
- A slower decline in inflation will keep longer-term rates higher for a longer period.
- Higher debt levels may also keep real yields higher.

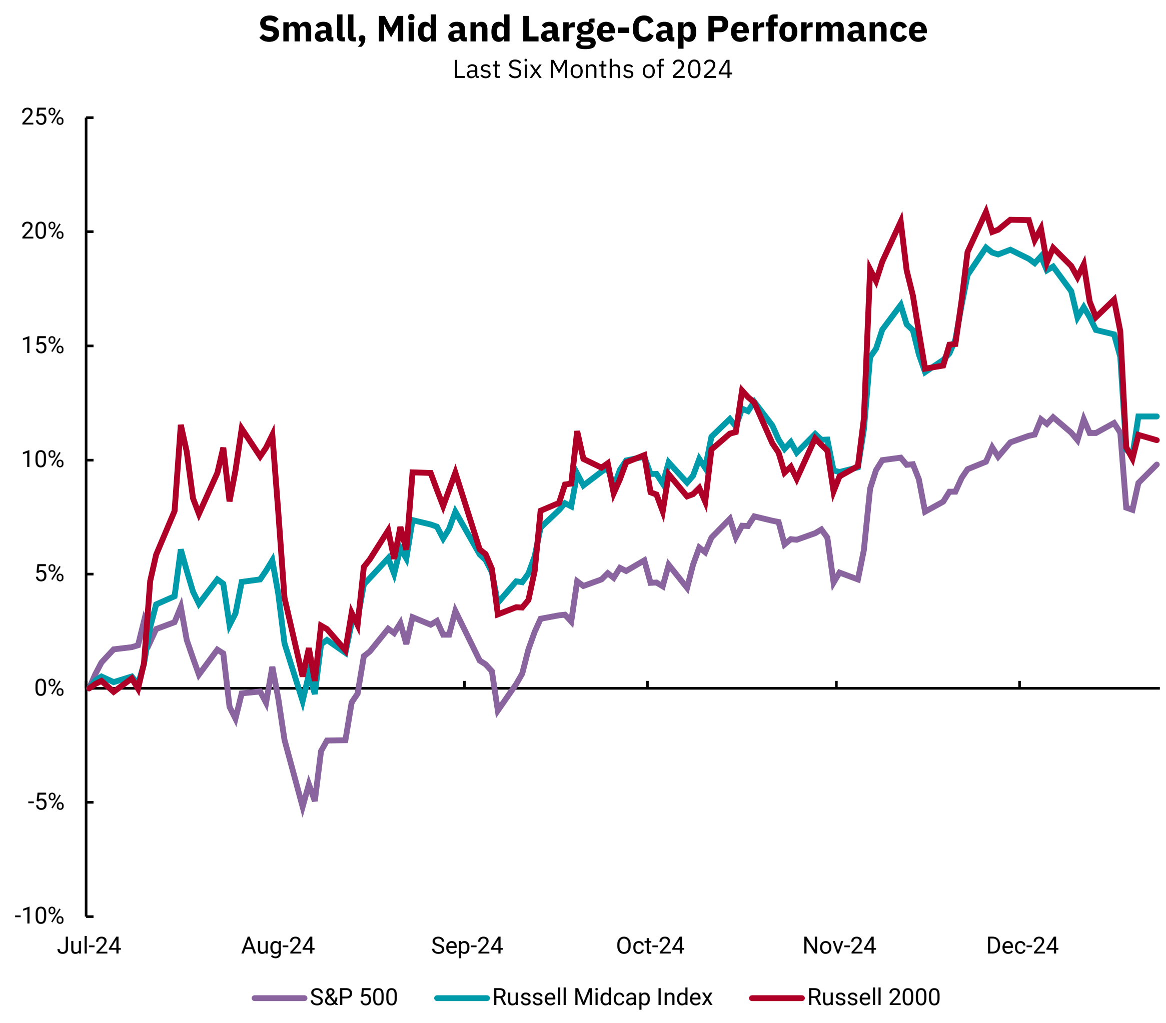
10-Year Treasury Yield and Inflation



Source: Federal Reserve Bank of St. Louis. Data as of Dec. 31, 2024.

Broadening

- Stock market performance broadened in the second half of 2024.
- Specifically, mid and small-caps have outperformed the S&P 500.
- A market with more companies and sectors participating is generally considered healthier.



Source: Bloomberg. Data shown as of Dec. 31, 2024.

Asset class quilt

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
13.69%	5.67%	21.31%	37.28%	3.17%	36.39%	38.49%	28.71%	-7.54%	42.68%	33.36%	Best Performing
13.45%	1.38%	17.34%	30.21%	0.01%	31.49%	19.96%	27.60%	-9.76%	26.29%	25.02%	
13.22%	1.36%	17.13%	25.03%	-1.51%	30.54%	18.40%	25.16%	-11.19%	18.24%	15.34%	
13.05%	0.55%	13.80%	21.83%	-2.08%	26.54%	18.31%	22.58%	-13.01%	17.23%	14.37%	
8.79%	-0.81%	11.96%	18.52%	-4.38%	25.52%	17.10%	14.82%	-14.45%	16.93%	11.54%	
5.97%	-2.44%	11.19%	14.65%	-8.27%	22.01%	7.82%	11.26%	-17.32%	13.44%	8.19%	
4.89%	-3.83%	7.08%	13.66%	-9.06%	18.44%	7.51%	5.28%	-18.11%	11.46%	7.50%	
2.45%	-4.41%	4.90%	7.50%	-11.01%	14.32%	7.11%	-1.40%	-20.09%	9.83%	4.97%	
-2.19%	-4.47%	2.65%	3.54%	-13.79%	8.72%	3.94%	-1.54%	-20.44%	8.32%	3.82%	Worst Performing
-4.90%	-14.92%	1.00%	2.48%	-14.58%	7.57%	2.80%	-2.54%	-29.14%	5.53%	1.25%	

S&P 500
Large Cap Value
Large Cap Growth

Mid Cap Blend
Small Cap Blend
Foreign Bonds

Foreign Stocks
Emerging Markets
High Yield

Bonds

Source: Morningstar. Data shown as of Dec. 31, 2024.

Broad market overview

Returns (%)	1 Mo.	3 Mo.	2024	1 Yr.	3 Yrs.	5 Yrs.	10 Yrs.
Capital Markets							
DJ Industrial Average TR USD	-5.13	0.93	14.99	14.99	7.56	10.55	11.56
NASDAQ 100 TR USD	0.46	4.93	25.88	25.88	9.71	20.17	18.53
Russell 3000 TR USD	-3.06	2.63	23.81	23.81	8.00	13.86	12.54
S&P 500 TR USD	-2.38	2.41	25.02	25.02	8.94	14.52	13.10
Domestic Large Cap Equities							
Russell 1000 TR USD	-2.79	2.75	24.51	24.51	8.41	14.27	12.87
Russell 1000 Value TR USD	-6.84	-1.98	14.37	14.37	5.63	8.68	8.48
Russell 1000 Growth TR USD	0.88	7.07	33.36	33.36	10.47	18.95	16.77
Domestic Mid Cap Equities							
Russell Mid Cap TR USD	-7.04	0.62	15.34	15.34	3.79	9.92	9.63
Russell Mid Cap Value TR USD	-7.32	-1.75	13.07	13.07	3.88	8.59	8.10
Russell Mid Cap Growth TR USD	-6.22	8.14	22.10	22.10	4.04	11.47	11.54
Domestic Small Cap Equities							
Russell 2000 TR USD	-8.26	0.33	11.54	11.54	1.24	7.40	7.81
Russell 2000 Value TR USD	-8.33	-1.06	8.05	8.05	1.94	7.29	7.14
Russell 2000 Growth TR USD	-8.19	1.70	15.15	15.15	0.21	6.85	8.09
International Equities							
MSCI EAFE NR USD	-2.27	-8.11	3.82	3.82	1.64	4.73	5.20
MSCI EAFE Value NR USD	-1.79	-7.12	5.68	5.68	5.88	5.09	4.31
MSCI EAFE Growth NR USD	-2.76	-9.10	2.05	2.05	-2.58	4.00	5.84
MSCI ACWI Ex USA NR USD	-1.94	-7.60	5.53	5.53	0.82	4.10	4.80
MSCI EM NR USD	-0.14	-8.01	7.50	7.50	-1.92	1.70	3.64
Cash & Fixed Income							
FTSE Treasury Bill 3 Mon USD	0.39	1.23	5.45	5.45	4.05	2.54	1.79
Bloomberg US Agg Bond TR USD	-1.64	-3.06	1.25	1.25	-2.41	-0.33	1.35
Bloomberg Gbl Agg Ex USD TR Hdg USD	-0.08	0.74	4.97	4.97	0.86	1.01	2.43
Bloomberg US Corporate High Yield TR USD	-0.43	0.17	8.19	8.19	2.92	4.21	5.17
Alternatives							
MSCI US REIT GR USD	-7.39	-6.12	8.75	8.75	-2.26	4.31	5.66
Bloomberg Commodity TR USD	1.02	-0.45	5.38	5.38	4.05	6.76	1.28

Source: Morningstar. Data shown as of Dec. 31, 2024.

Base case outlook

Economy

Economic growth remains resilient. Recession odds have diminished.

Risks: Higher unemployment and potential geopolitical events.

Policy

The Federal Reserve will continue to lower rates. Fiscal outlays are on pace to continue along with an extension of the TCJA.

Risk: Unexpected difficulty financing the debt and inflation rising in the long run.

Markets

Bond markets offer attractive yields but low credit spreads. Equity valuations require solid earnings growth in 2025.

Risk: Recession risk leads to earnings decline and widening credit spreads.

Investment Policy

Investment Policy Summary

Investment Objective

The long-term objective of the Trust is to earn a return sufficient to preserve the purchasing power of the Trust to fund retirement benefits for contributing UNM employees.

Benchmark(s)

Policy Benchmark	45% RUS 3000 / 30% MSCI ACWI EX US / 25% BC AGG
Primary Benchmark	45% RUS 3000 / 30% MSCI ACWI EX US / 25% BC AGG

Additional Information

Liquidity Needs	No known short or long-term needs
Tax Exempt Status/Tax Information	-
Fiscal Year-End	06/30
Account Inception	09/04/2015
Investment Policy Statement (IPS) Effective Date	02/26/2024
Performance Inception Date	12/31/2015

IPS Strategic Asset Allocation And Targets

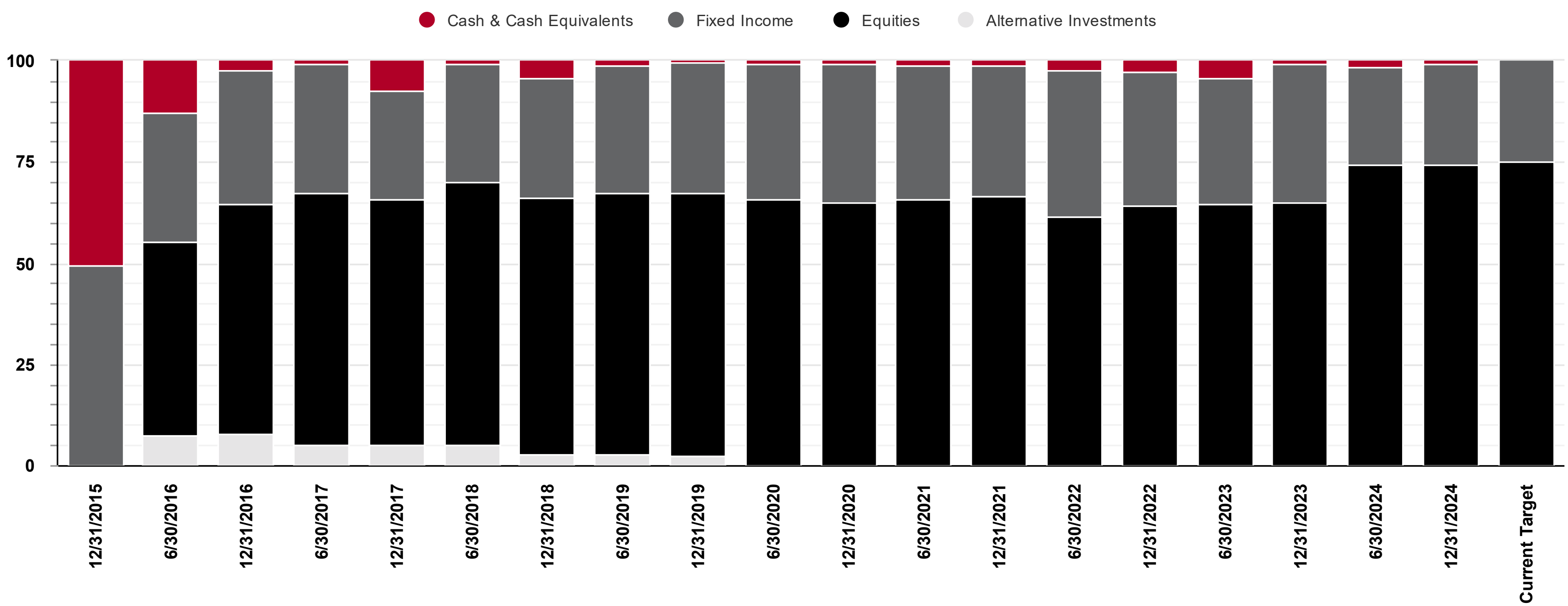
Asset Class	Minimum	Maximum	Target
Fixed Income	0.0%	33.0%	25.0%
Equities	0.0%	98.0%	75.0%
Alternatives	0.0%	15.0%	0.0%

Historical Benchmark Changes

Primary Benchmark	
11/30/2022 - 02/26/2024	35% BC AGG / 15% MSCI EM, 15% MSCI EAFE, 35% RUS 3000
12/09/2021 - 11/30/2022	35% BC AGG / 15% MSCI EM, 15% MSCI EAFE, 35% RUS 3000

Policy Benchmark	
11/30/2022 - 02/26/2024	35% BC AGG / 15% MSCI EM, 15% MSCI EAFE, 35% RUS 3000
12/09/2021 - 11/30/2022	35% BC AGG / 15% MSCI EM, 15% MSCI EAFE, 35% RUS 3000

Allocation Summary



Class	Ending Market Value	Current Portfolio Allocation	Target Allocation	Difference (%)	Difference ($)
Cash & Cash Equivalents	450,112	0.6%	-	0.6%	450,112
Fixed Income	19,348,249	25.0%	25.0%	-	-10,499
Equities	57,636,631	74.4%	75.0%	-0.6%	-439,613
TOTAL PORTFOLIO	**77,434,992**	**100%**	**100%**	**-**	**-**

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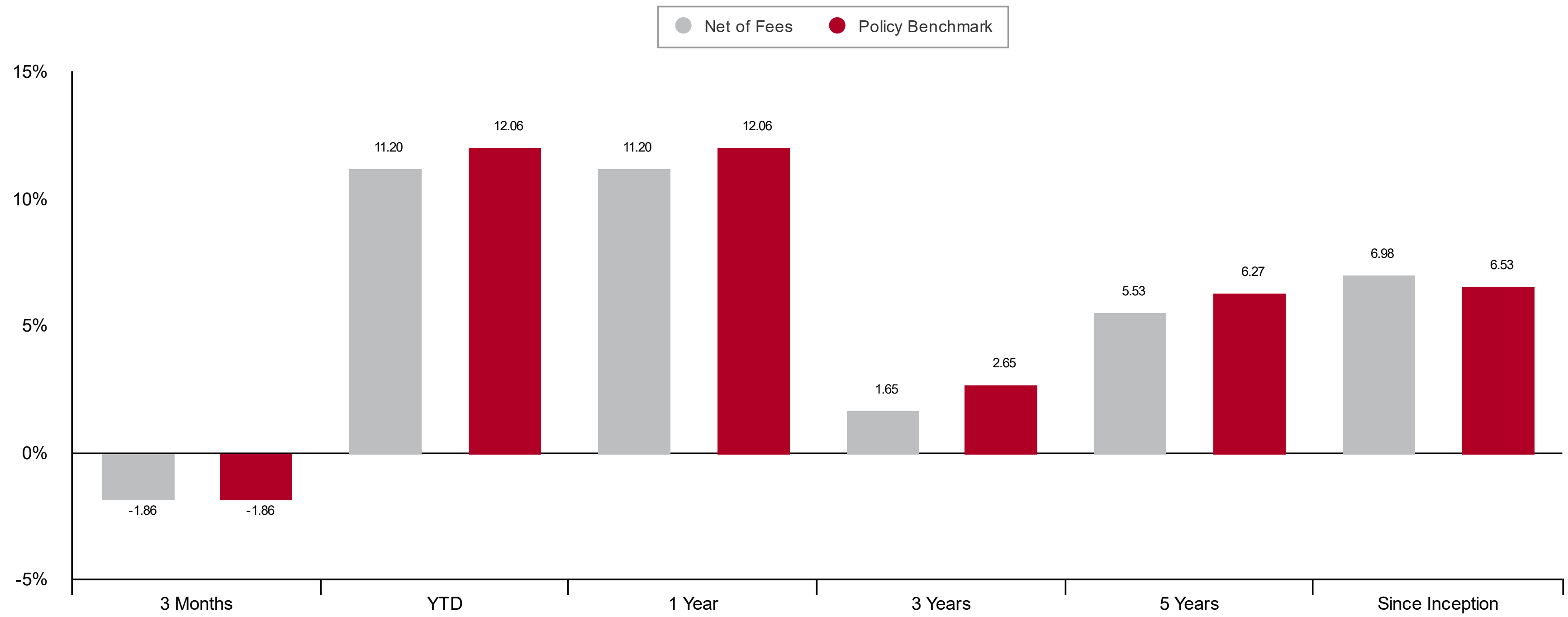
Performance Review

Portfolio Performance Summary



Account inception was September 04, 2015. Performance calculation began on December 31, 2015.
Returns for time periods greater than 1 year are annualized.

Portfolio Summary	3 Months	YTD	1 Year	3 Years	5 Years	Since Inception
Beginning Value ($)	77,955,111	66,003,132	66,003,132	60,574,558	41,563,940	12,410,699
Net Contributions and Withdrawals ($)	928,225	3,751,756	3,751,756	11,682,428	19,437,783	39,382,666
Investment Gain/Loss ($)	-1,448,345	7,680,103	7,680,103	5,178,005	16,433,267	25,641,626
Ending Value ($)	77,434,991	77,434,991	77,434,991	77,434,991	77,434,991	77,434,991
Total Portfolio (Net of Fees) (%)	**-1.86%**	**11.20%**	**11.20%**	**1.65%**	**5.53%**	**6.98%**
Class Blended (Policy %)	-1.86%	12.06%	12.06%	2.65%	6.27%	6.53%

Performance by Asset Class

Asset Class / Benchmark	Alloc %	Market Value	3 Months	YTD	1 Year	3 Years	5 Years	Inception
Cash Equivalent	0.6%	450,112	1.08%	4.44%	4.44%	3.53%	2.18%	1.69%
N/A	-	-	-	-	-	-	-	-
Fixed Income	25.0%	19,348,249	-3.32%	2.27%	2.27%	-1.31%	0.89%	1.74%
Bloomberg U.S. Aggregate	*25.0%*	-	*-3.06%*	*1.25%*	*1.25%*	*-2.41%*	*-0.33%*	*1.43%*
Equities	74.4%	57,636,631	-1.42%	15.27%	15.27%	3.07%	7.86%	10.91%
MSCI All Country World ex US (30%) / Russell 3000® Index (45%)	*75.0%*	-	*-1.46%*	*15.83%*	*15.83%*	*4.54%*	*9.13%*	*10.30%*
Total Portfolio (Net of fees)	100.0%	77,434,991	-1.86%	11.20%	11.20%	1.65%	5.53%	6.98%
Class Blended	*100.0%*	-	*-1.86%*	*12.06%*	*12.06%*	*2.65%*	*6.27%*	*6.53%*

Returns for time periods greater than 1 year are annualized.

Asset Detail Report

Asset Class	Security ID	Ticker	Security Name	Shares	$ Market Value	% Current Yield	% Class	% Total
Cash & Cash Equivalents								
Money Market								
	825252885		INVESCO GOVT&AGNCY-INST FD#1901	448,113	448,113	4.50	100.0	0.58
			TOTAL Money Market		**$448,113**	**4.50%**	**100.0%**	**0.58%**
			TOTAL Cash & Cash Equivalents		**$448,113**	**4.50%**	**100.0%**	**0.58%**
Fixed Income								
Core								
	256210105	DODIX	DODGE & COX INCOME FD INCOME FUND I	1,562,863	19,348,249	4.18	100.0	24.99
			TOTAL Core		**$19,348,249**	**4.18%**	**100.0%**	**24.99%**
			TOTAL Fixed Income		**$19,348,249**	**4.18%**	**100.0%**	**24.99%**
Equities								
Large Cap								
	091936153	BKTSX	BLACKROCK FUNDS ISHS TTL US MK K	1,289,379	34,606,931	1.25	60.0	44.69
			TOTAL Large Cap		**$34,606,931**	**1.25%**	**60.0%**	**44.69%**
International Developed								
	316146315	FSGGX	FIDELITY GLBL EX US INDX-INST #2348	1,597,067	23,029,700	2.87	40.0	29.74
			TOTAL International Developed		**$23,029,700**	**2.87%**	**40.0%**	**29.74%**
			TOTAL Equities		**$57,636,631**	**1.90%**	**100.0%**	**74.43%**
			TOTAL		**$77,432,993**	**2.49%**	**100.0%**	**100.00%**
			TOTAL ACCRUED		**$1,998**			
			TOTAL ASSETS		**$77,434,991**			

Manager Peer Performance

Category	Manager	Ticker	Exp. Ratio	Total Return					
				3 Mo.	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Fixed Income									
Core									
Core Intermediate	DODGE & COX INCOME FD INCOME FUND I	DODIX	0.41%	-3.33%	2.26%	2.26%	-0.61%	1.26%	2.47%
Equity									
International									
International Developed	FIDELITY GLBL EX US INDX-INST #2348	FSGGX	0.05%	-7.56%	5.31%	5.31%	0.85%	4.12%	4.86%
Large Cap									
Large Cap Core	BLACKROCK FUNDS ISHS TTL US MK K	BKTSX	0.03%	2.64%	23.84%	23.84%	8.10%	13.89%	-

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Manager Due Diligence

Manager Watch List

No manager on watch

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Transaction Summary

Activity Summary

UNM RETIREE WELFARE BENEFIT TRUST PUSD

Reconciliation	Last 3 Months	Fiscal Year To Date
Beginning Market Value	**$77,955,111**	**$72,241,131**
Contributions	952,000	1,893,000
Withdrawals	-	-
Expenses	-23,775	-23,775
Non-Cash Activity	0	0
Investment Gain / Loss	-1,448,345	3,324,634
Ending Market Value	**$77,434,991**	**$77,434,991**

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Reconciliation

Year	Time Period	Beginning Market Value[1]	Net Contributions & Withdrawals	Earnings	Ending Market Value[1]
TOTALS			**39,382,666**	**25,641,628**	
2024		**66,003,132**	**3,751,756**	**7,680,103**	**77,434,991**
	December	79,198,886	289,225	-2,053,120	77,434,991
	November	76,416,204	320,000	2,462,682	79,198,886
	October	77,955,111	319,000	-1,857,906	76,416,204
	September	76,084,926	338,000	1,532,184	77,955,111
	August	74,109,835	301,000	1,674,092	76,084,926
	July	72,241,131	278,820	1,589,883	74,109,835
	June	70,873,861	316,500	1,050,771	72,241,131
	May	67,988,089	320,000	2,565,772	70,873,861
	April	69,969,437	301,233	-2,282,581	67,988,089
	March	67,666,141	323,000	1,980,296	69,969,437
	February	65,817,660	339,000	1,509,481	67,666,141
	January	66,003,132	305,977	-491,449	65,817,660
2023		**54,284,774**	**3,754,779**	**7,963,579**	**66,003,132**
	Quarter 4	59,720,237	959,014	5,323,881	66,003,132
	Quarter 3	61,106,833	932,291	-2,318,887	59,720,237
	Quarter 2	58,497,629	943,414	1,665,790	61,106,833
	Quarter 1	54,284,774	920,061	3,292,795	58,497,629
2022		**60,574,558**	**4,175,893**	**-10,465,678**	**54,284,774**
	Quarter 4	49,653,879	968,944	3,661,951	54,284,774
	Quarter 3	51,901,053	927,283	-3,174,457	49,653,879
	Quarter 2	57,298,413	969,245	-6,366,606	51,901,053
	Quarter 1	60,574,558	1,310,422	-4,586,566	57,298,413
2021		**51,199,259**	**5,316,161**	**4,059,138**	**60,574,558**
	Quarter 4	58,583,831	647,809	1,342,917	60,574,558
	Quarter 3	59,291,997	329,052	-1,037,218	58,583,831
	Quarter 2	52,166,647	4,358,063	2,767,287	59,291,997
	Quarter 1	51,199,259	-18,764	986,152	52,166,647
2020		**41,563,940**	**2,439,194**	**7,196,124**	**51,199,259**
	Quarter 4	45,989,572	-17,961	5,227,647	51,199,259
	Quarter 3	43,194,069	295,605	2,499,898	45,989,572
	Quarter 2	35,649,433	2,177,893	5,366,744	43,194,069
	Quarter 1	41,563,940	-16,342	-5,898,165	35,649,433
2019		**30,298,085**	**4,669,792**	**6,596,063**	**41,563,940**
	Quarter 4	37,786,651	1,435,763	2,341,526	41,563,940
	Quarter 3	36,630,412	1,049,096	107,142	37,786,651
	Quarter 2	34,704,443	701,279	1,224,690	36,630,412

[1]**Market values include accrued Income.**

Reconciliation

Year	Time Period	Beginning Market Value[1]	Net Contributions & Withdrawals	Earnings	Ending Market Value[1]
	Quarter 1	30,298,085	1,483,654	2,922,704	34,704,443
2018		**28,232,608**	**4,242,681**	**-2,177,204**	**30,298,085**
	Quarter 4	32,138,866	763,170	-2,603,950	30,298,085
	Quarter 3	30,023,327	1,491,540	623,999	32,138,866
	Quarter 2	29,386,795	770,872	-134,340	30,023,327
	Quarter 1	28,232,608	1,217,099	-62,912	29,386,795
2017		**19,097,989**	**5,492,375**	**3,642,245**	**28,232,608**
	Quarter 4	25,227,621	2,021,703	983,285	28,232,608
	Quarter 3	23,912,205	416,012	899,404	25,227,621
	Quarter 2	21,846,878	1,298,815	766,512	23,912,205
	Quarter 1	19,097,989	1,755,844	993,045	21,846,878
2016		**12,410,699**	**5,540,035**	**1,147,255**	**19,097,989**
	Quarter 4	18,285,337	844,838	-32,186	19,097,989
	Quarter 3	16,500,060	1,292,346	492,930	18,285,337
	Quarter 2	14,858,058	1,436,838	205,165	16,500,060
	Quarter 1	12,410,699	1,966,013	481,346	14,858,058

[1]Market values include accrued Income.

Definitions & Disclosures

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Definitions

The following terminology may appear in this presentation.

Allocation Effect: Allocation Effect measures the influence that an over- or underweight allocation to a particular sector or asset class has on a portfolio's performance.

Alpha: Alpha is a measure of performance on a risk-adjusted basis, taking the volatility of a portfolio into consideration and comparing the risk-adjusted performance to a benchmark index. The excess return of the strategy relative to the return of the benchmark index is alpha. A positive alpha of 1.0 means the strategy has outperformed its benchmark by 1%, while a similar negative alpha would indicate an underperformance of 1%.

Beta: Beta measures the relationship between a portfolio and the market as a whole. Beta values can be positive or negative. An index has a beta of 1.0.

Batting Average: Batting average is a statistical metric used to measure a manager's ability to meet or beat an index. It is calculated by dividing the number of months in which the manager beats or matches the index return by the total number of months in the comparison period and multiplying that factor by 100. A higher batting average reflects greater skill of the manager.

Capture Ratio: The capture ratio is a statistical measure that compares the strategy's overall performance in up-markets versus its overall performance in down-markets, and is used to evaluate how much a manager participates on the upside compared to how well it protects on the downside.

Days of Non-Compliance: When monitoring compliance to investment guidelines over a period of time, the days of non-compliance are the total number of days during the time period when the portfolio was not in compliance with those guidelines.

Downside Beta: Measures an asset's or portfolio's association with the benchmark only in periods when the benchmark's return is negative.

Downside Deviation: Measures risk and price volatility of investments by focusing on returns that fall below the average period return. (Sortino Ratio denominator)

Due Diligence Process: The Due Diligence process uses a disciplined framework for manager oversight, consisting of quarterly quantitative performance reviews and ongoing qualitative monitoring as described in the Important Information section. A manager may be placed on Watch status if/when anything of material nature occurs or is determined to potentially impact the long-term relative performance of the strategy. Such events or changes would generally be characterized as any adverse deviations in the organization, investment process, or performance results of the managers.

Investment Gain/Loss: Investment Gain/Loss is defined as interest and dividend income, accrued income, foreign tax withholding refunds, realized gain/loss, and market appreciation and depreciation.

Information Ratio: Information Ratio is a risk-adjusted ratio of portfolio returns exceeding the returns of a benchmark index to the volatility of those excess returns. The information Ratio measures a portfolio manager's ability to generate excess returns relative to a benchmark, but also attempts to identify the consistency of the manager. The higher the ratio, the more consistent the manager's historical returns.

Interaction Effect: Interaction Effect is the portion of a portfolio's return that can be attributed to the interaction between the manager's selection decisions and allocation decisions.

Issuer Concentration: Issuer Concentration is monitored based on counterparties and industries by consolidating securities by issuer using the first six digits of the security's CUSIP. This information is then sorted by percentage of total market value.

Market Value: The market values shown in this report and used in calculating the returns in this report are calculated independently from our trust accounting system. Valuations are based on trade date full accrual methodologies which may differ from your chosen statement reporting method. Please refer to your BOKF Financial statement for your official account record. Discrepancies should be discussed with your advisor.

Net of Fee Returns: Net of fee returns reflect investment management fees that have either been calculated by BOKF or deducted from the market value of the portfolio.

Parallel Shift Effect: The Parallel Shift Effect is the portion of a portfolio's return that is attributable to a movement of the yield curve over the time period being evaluated.

Performance Inception Date: Performance inception date is the date that the all funds designated are fully invested in the chosen investment strategy.

Policy Benchmark: A Policy Benchmark is assigned to a portfolio if the client's Investment Policy Statement indicates the market index used to evaluate achievement of the investment objective. The blended benchmark represents the weighted average of the asset allocation targets defined in the investment policy statement. If no targets are defined, the midpoints of each asset class's minimum and maximum ranges will be used, with the total of the weights equaling 100%. Changes to benchmarks are made prospectively.

Primary Benchmark: The primary benchmark is made up of the target weightings assigned to asset class benchmarks of the investment policy statement, reflecting the investment strategy for the total portfolio. The primary benchmark reflects indices deemed by the investment manager to be most appropriate for the management strategy.

R-Squared: R-squared is a statistical measure that represents the percentage of a security's movements that can be explained by movements in a benchmark index. R-squared values range from 0 to 100, and a value of 100 means that all movements of a portfolio are completely explained by movements in the index.

Definitions

Reshaping Effect: The Reshaping Effect is the portion of a portfolio's return that is attributable to the change in the shape of the yield curve over the time period being evaluated.

Rolldown Effect: The Rolldown Effect is the portion of a portfolio's return that is attributable to the bonds' movement along the yield curve as the term-to-maturity decreases over time.

Secondary Benchmark: In some instances, a secondary benchmark may be assigned as an additional measurement using different indices.

Security Level Returns: Beginning date of security level historical performance is as-of the implementation of enhanced performance reporting.

Selection Effect: The Selection Effect is the portion of a portfolio's return that can be attributed to the manager's security, sector or asset class selection decisions within a particular sector.

Standard Deviation: Standard deviation is a measure of dispersion of returns. It is calculated by using the positive square root of the variance. The higher the standard deviation, the more risky the data set being measured.

Sortino Ratio: Sortino Ratio is a risk-adjusted ratio. It is a modification of the Sharpe ratio that differentiates harmful downside volatility from general volatility by taking into account the standard deviation of negative asset returns. The Sortino Ratio subtracts the risk-free rate of return from the portfolio's return and then divides that by the downside deviation. A large Sortino Ratio indicates the portfolio has historically had lower probability of large loss.

Tracking Error: Tracking error is a divergence between the price behavior of a portfolio and the price behavior of a benchmark. Tracking errors are reported as a positive number representing the standard deviation percentage difference. Tracking error for passive strategies should be minimal.

Turnover Ratio: Turnover Ratio is the percentage of an investment or mutual fund's holdings that have been replaced in a given year to measure the level of the fund's trading activity. The Turnover Ratio can vary depending on the type of investment style, objective, or strategy.

Yield Effect: The Yield Effect is the portion of a portfolio's return that is attributable to interest income and to price changes resulting from a decrease in term-to-maturity over the time period being evaluated.

Disclosures

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Investment Policy Statement compliance monitoring is based on the best ability of BOKF to monitor the investments within the portfolio. Pooled investments, such as mutual funds, are monitored based on the designated objective of the fund. Furthermore, BOKF will utilize their interpretation of the guidelines to determine if a portfolio is in compliance with the Investment Policy Statement.

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Some index returns displayed in this report or used in calculation of a policy, allocation or custom benchmark may be preliminary and subject to change.

References to indices, benchmarks or other measures of relative performance are provided for your information only. References to such indices do not imply that managed portfolios will achieve returns, or exhibit other characteristics comparable to the indices. Index composition may not reflect the manner in which a portfolio is structured in relation to expected or achieved returns, portfolio guidelines, sector exposure, correlations or volatility, all of which are subject to change over time.

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