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equity underperformed relative to public equity peers who carried a greater allocation to public markets. He added that the Fund's overweight to small-cap and non-US equities had similarly been a headwind until recently, and that while improving conditions were beginning to benefit the Fund, the impact on longer-term rolling metrics would take time to materialize.

Leo Festino reviewed the Fund's asset allocation, noting that US and international equity positions were approximately at target, the result of both deliberate decisions and favorable market performance. He noted that being overweight the better-performing asset classes and underweight real estate had served as a tailwind. He reported that the Fund's total value stood at approximately $1.26 billion, approaching an all-time high consistent with levels last seen in spring 2022, with the value projected to approach $1.3 billion when accounting for the following month.

Reviewing performance by asset class, Leo Festino noted that most segments had contributed positively during the quarter and fiscal year, with international equities serving as the primary driver of annual outperformance. He reported that the US equity segment returned 14.9% for the one-year period versus 17.1% for the broad benchmark. He explained that the lag was attributable not to manager underperformance but rather to the Fund's greater exposure to smaller companies and lesser exposure to large-cap growth names, which had experienced a substantial run. Despite the relative lag, he noted that the Fund ranked in the 40th percentile among peers for the period, reflecting the broad difficulty of matching the benchmark without concentration in those names.

With respect to private markets, Leo Festino reported that private equity returned approximately 5% for the year, below public market equivalents but representing meaningful improvement over the flat to slightly negative returns experienced in the prior one to two years. He noted that the private equity portfolio had produced a total multiple of approximately 1.9x invested capital across all holdings, reflecting strong long-term value creation. He reported that real estate had appreciated to approximately 1.2x invested capital, with returns in the mid-single digits, below long-term expectations but consistent with the challenging conditions the asset class had faced since the onset of COVID. He reported that the Fund's sole natural resources manager, Aether, had continued to make distributions to the Fund and that the market had begun to show signs of improvement, with further appreciation in value anticipated over the next one to two years.

iv. Roadmap

Leo Festino highlighted several forward-looking considerations for the board. He noted that the Fund's overweight positions in small-cap and value equities had begun to benefit from improving market dynamics and that this trend appeared to be continuing into the current quarter, with those positions performing particularly well. He stated that if conditions at the time of the meeting were to persist, the Fund was positioned for a meaningful gain versus benchmarks and peers for the quarter.

Leo Festino reiterated the importance of evaluating performance over longer rolling periods of five to ten years rather than on a quarterly or annual basis, noting that shorter time horizons introduced significant random noise that was not conducive to sound manager or strategy evaluation.

Leo Festino emphasized that the growing net cash outflow from the Fund, driven by increasing benefit payments, would warrant continued attention to liquidity management