

West Virginia Investment Management Board

2025 AUDITED FINANCIAL STATEMENTS

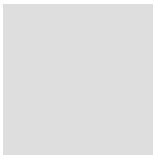
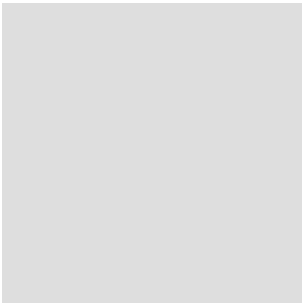
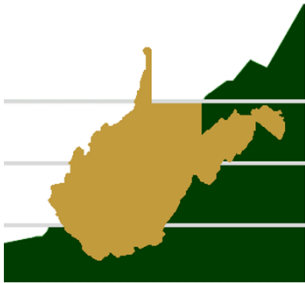


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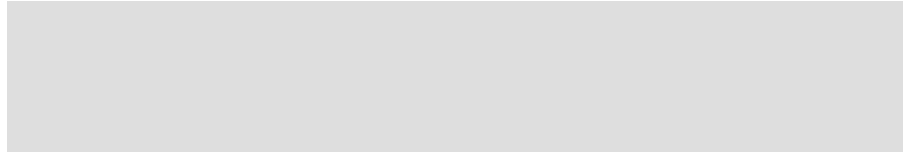
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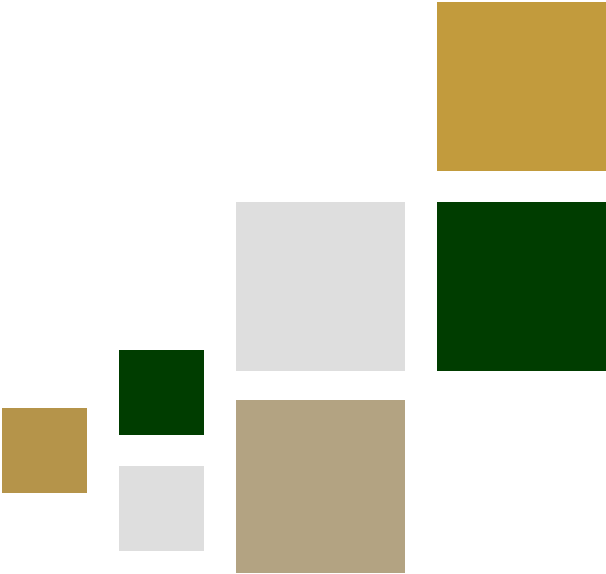
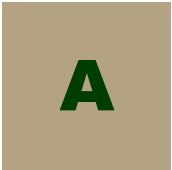


AUDITED FINANCIAL STATEMENTS



INVESTMENT POOLS
Year Ended June 30, 2025

AUDITED FINANCIAL STATEMENTS
June 30, 2025



Portable Alpha Pool

Audited Financial Statements June 30, 2025

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Report of Independent Auditors

To the Board of Trustees
West Virginia Investment Management Board

Opinion

We have audited the financial statements of the West Virginia Investment Management Board's Portable Alpha Pool (the "Pool") which comprise the statement of net position as of June 30, 2025, and the related statement of changes in net position for the year ended, and the related notes (collectively referred to as the "basic financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Pool at June 30, 2025, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pool and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Basis of Presentation

As discussed in Note 1, the financial statements present only the Portable Alpha Pool and do not purport to, and do not, present fairly the financial position of the West Virginia Investment Management Board, at June 30, 2025, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages A-1 through A-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

August 28, 2025

Ernst & Young LLP

Portable Alpha Pool

Management's Discussion and Analysis (Unaudited)

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds. The WVIMB operates on a fiscal year beginning July 1 and ending June 30. To effectuate its purpose, the WVIMB has constructed a series of investment pools in which to invest participating entities' monies.

The following information and the accompanying financial statements reflect only the investments and investment related operations of the WVIMB's Portable Alpha (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, the information contained in this Management Discussion and Analysis and the following financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants. The Management Discussion and Analysis information should be considered in conjunction with the information contained in the audited financial statements which follow this section.

Financial Statement Overview

Management's Discussion and Analysis is an introduction to the Pool's basic financial statements. The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting. Accordingly, the financial statements presented have been prepared in conformity with the reporting framework prescribed by GASB for external investment pools. The financial statements for the Pool include a Statement of Net Position and a Statement of Changes in Net Position. These financial statements are supported by the Notes to Financial Statements.

Pool Strategy

The Pool's objective is to exceed, net of external investment management fees, the S&P 500 Index over three- to five-year periods. The Pool has three main components: 1) a domestic large capitalization equity beta replication manager and the related margin account which is comprised of fixed income securities and a money market mutual fund, 2) a portfolio of alternative risk premia funds, and 3) a domestic large capitalization equity index manager.

Condensed Financial Information and Analysis (in \$000s)

The Statement of Net Position presents the financial position of the Pool as of June 30, 2025 and includes all assets and liabilities of the Pool. The difference between total assets and total liabilities, which is equal to the participants' interest in the Pool's net position, is shown below for the current and prior fiscal year-end dates:

Condensed Net Position	June 30, 2025	June 30, 2024
Investments	\$ 6,924,328	\$ 5,831,792
Derivatives	106,471	5,010
Other assets	15,285	95,213
Total assets	7,046,084	5,932,015
Total liabilities	(97,854)	(100,596)
Net position	\$ 6,948,230	\$ 5,831,419

Portable Alpha Pool

Management's Discussion and Analysis (Unaudited)

The net position of the Pool is primarily impacted by the overall performance of the U.S. equity market. Net position is also impacted by expenses charged to the Pool and the issuance and redemption of Pool units. The increase in the Pool's net position of \$1,116,811 results from net investment income of \$803,925 and a net increase from unit transactions of \$312,886.

The Statement of Changes in Net Position presents the Pool's activity for the year.

Condensed Changes in Net Position	Years Ended	
	June 30, 2025	June 30, 2024
Investment income	\$ 807,139	\$ 1,248,755
Expenses	(3,214)	(2,984)
Net investment income	803,925	1,245,771
Net units issued (redeemed)	312,886	(709,988)
Increase in net position	1,116,811	535,783
Net position, beginning of year	5,831,419	5,295,636
Net position, end of year	<u>\$ 6,948,230</u>	<u>\$ 5,831,419</u>

The investment income of the Pool is primarily from the net increase in fair value of investments, interest received on fixed income securities, and dividends received on the money market mutual fund.

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. The return of the Pool (net of fees) for the year ended June 30, 2025 was 13.0 percent, down from 25.5 percent for the year ended June 30, 2024.

Select financial highlights for the Pool are as follows:

Per Unit Operating Performance:	Years Ended	
	June 30, 2025	June 30, 2024
Net position, beginning of year	\$ 65.85	\$ 52.48
Net investment income	8.56	13.37
Net position, end of year	<u>\$ 74.41</u>	<u>\$ 65.85</u>

Supplemental Data:

Ratio of expenses to average net position (a)	0.05%	0.06%
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- (a) The ratio is for the fiscal year and does not reflect the Pool's proportionate share of expenses of the underlying investee funds.

Portable Alpha Pool

Statement of Net Position

June 30, 2025

(Amounts in thousands, except unit data)

Assets

Investments, at fair value:	
Alternative risk premia funds	\$ 2,136,414
Commingled equity fund	3,202,356
Fixed income investments	783,738
Derivative instruments	106,471
Money market mutual fund	801,820
Receivables:	
Interest and dividends	7,136
Investments sold	8,149
Total assets	7,046,084

Liabilities

Cash due to broker	89,150
Cash overdraft	180
Accrued expenses	580
Payable for investments purchased	7,944
Total liabilities	97,854
Net position	\$ 6,948,230

Unit data

Units outstanding	93,382,560
Net position, unit price	\$ 74.41

See accompanying notes to financial statements.

Portable Alpha Pool

Statement of Changes in Net Position
Year Ended June 30, 2025
(Amounts in thousands)

Investment income

Net increase in fair value of investments	\$ 748,251
Interest and dividends	<u>58,888</u>
Total investment income	807,139

Expenses

Investment advisor fees	(1,190)
Custodian bank fees	(23)
Management and other allocated fees	(1,835)
Professional service fees - direct	<u>(166)</u>
Total expenses	<u>(3,214)</u>
Net investment income	803,925

Unit transactions

Proceeds from sale of units	672,979
Amount paid for repurchase of units	<u>(360,093)</u>
Net increase from unit transactions	<u>312,886</u>
Increase in net position	1,116,811
Net position, beginning of year	<u>5,831,419</u>
Net position, end of year	<u><u>\$ 6,948,230</u></u>

See accompanying notes to financial statements.

Portable Alpha Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds.

A Board of Trustees, consisting of thirteen members, governs the WVIMB. The Governor, the State Auditor, and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The WVIMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the Portable Alpha Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants.

The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting.

The Pool's objective is to exceed, net of external investment management fees, the S&P 500 Index over three- to five-year periods. The Pool has three main components: 1) a domestic large capitalization equity beta replication manager and the related margin account, 2) a portfolio of alternative risk premia funds, and 3) a domestic large capitalization equity index manager. Russell Investments Implementation Services (Russell) is the equity beta replication manager. Russell primarily trades S&P 500 futures contracts and invests the margin account in fixed income securities and a money market mutual fund. Albourne America has been retained by the WVIMB to provide consulting services for the portfolio of alternative risk premia funds. Alternative risk premia funds are similar to hedge funds, but are fully systematic, fully transparent to investors, charge no performance fees, and are highly liquid. The remainder of the Pool's assets are invested in the BlackRock Equity Index Fund B (BlackRock). BlackRock uses a replication indexing approach to achieve investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P 500 Index.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Investment Valuation - The WVIMB reports its investments at fair value in accordance with GASB Statement No. 72. Refer to Note 5 for further discussion and presentation of the reporting requirements under GASB Statement No. 72.

Fair value of the Pool's investments is determined on the last business day of each month as follows:

- Futures contracts are valued at the last settlement price established each day by the exchange on which they are traded.
- Fixed income securities are valued according to prices furnished by independent pricing services to the Pool's custodian. These services determine the security prices by a number of methods including, but not limited to, dealer quotes, live market trading levels when available, live feeds of trade execution data, spreads over U.S. Treasury securities, and other models and formulae appropriate to the specific security type.
- Open-end regulated investment companies (RIC) or other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.

Notes to Financial Statements (Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

- Investments in alternative risk premia (ARP) funds are generally securities for which market quotations are not readily available. The WVIMB has concluded that the net asset value reported by the underlying funds approximates the fair value of these investments and consequently these investments are carried at net asset value as a practical expedient for fair market value. These investments are redeemable with the fund at net asset value under the original terms of the agreements and operations of the underlying fund. However, it is possible that these redemption rights may be restricted or eliminated by the funds in the future in accordance with the underlying fund agreements. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the WVIMB's interests in the funds. The WVIMB believes that the net asset value of such investments is a reasonable estimate of fair value as of June 30, 2025.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the WVIMB's established procedures.

Cash Due to/from Broker - The Pool records cash amounts due to or from brokers on the Statement of Net Position as Cash due to/from broker. Such amounts are required by brokers for margin on centrally cleared futures, considered restricted, and reported net.

Futures Contracts - A futures contract is an agreement between a buyer or a seller and the clearinghouse of a futures exchange in which the parties agree to buy or sell a commodity, financial instrument or index at a specified future date and price. Upon entering into a financial futures contract, the WVIMB is required to pledge collateral to the broker an amount of cash, U.S. government securities, or other assets, equal to a certain percentage of the contract amount (initial margin deposit). Cash (variation margin) is received from or paid to the broker on a daily basis for the fluctuations of the underlying securities or index.

The market risk associated with holding equity index futures results from changes in the market value of the contractual positions due to changes in the value of the underlying instruments or indices. Investment risk associated with these futures contracts arises because the value of the futures contracts may not correlate perfectly with changes in the values of the underlying instruments or indices due to market distortions.

Other risks associated with futures contracts are liquidity risk and credit risk. Liquidity risk arises when there is insufficient trading in a particular futures contract. Credit risk arises from the potential inability of counterparties to meet the terms of the contracts. The WVIMB's managers generally only utilize futures contracts that are traded on major exchanges or are executed with major dealers. The major exchanges assume the risk of a counterparty default and generally require an initial margin deposit of cash or securities.

Structured Fixed Income Securities - The Pool invests in asset-backed securities (ABS) to enhance yields on investments. Changes in market interest rates affect the cash flows of these securities and may result in changes in fair value. The overall return or yield on these securities depends on the changes in the interest and principal payment pattern and market value of the underlying assets.

Investment Transactions - Investment transactions are accounted for on a trade date basis. Interest income is recognized on the accrual basis. Dividend income is recognized on the ex-dividend date.

Use of Estimates - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Unit Valuation and Participant Transactions - The unit price of the Pool is calculated on the last business day of the month by dividing the net position of the Pool by the number of outstanding units. Participant accounts undergo a monthly rebalancing process to maintain their defined asset allocation. Participant transactions that occur as part of the rebalancing process are executed as a purchase or redemption on the first business day of each month using the prior month-end unit price.

Portable Alpha Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Distributions to Participants - The Pool does not routinely distribute dividends of net investment income.

Expenses - The WVIMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The WVIMB pays all expenses on behalf of the Pool. In addition to these direct and allocated expenses, the Pool bears certain expenses indirectly, such as fees of other investment funds in which the Pool invests that are reflected in the reported net asset value of such funds.

Income Taxes - The WVIMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of June 30, 2025.

NOTE 3. INVESTMENT RISK DISCLOSURES

Credit Risk

The Pool is exposed to credit risk from its fixed income investments and money market mutual fund investment. The WVIMB limits the exposure to credit risk in the Pool by requiring securities purchased to have a minimum long-term credit rating of BBB (investment grade) and/or a short-term credit rating of A-2 (Tier-II) as defined by a nationally recognized statistical rating organization. The WVIMB reviews available ratings from Standard & Poor's, Moody's, and Fitch, and reports the rating indicative of the greatest degree of risk. The Pool held some securities that have not received a rating from the aforementioned rating organizations. These securities have been listed as not rated in the table below. The absence or lack of a rating does not necessarily indicate a greater degree of risk. The money market mutual fund has the highest credit rating. The following table provides credit ratings for the Pool's fixed income investments as of June 30, 2025:

Rating	Fair Value
<i>Long-term</i>	
AAA	\$ 43,380
AA	573,251
A	19,729
<i>Short-term</i>	
A-1	133,256
A-2	1,996
Total rated	\$ 771,612
Not rated	12,126
Total fixed income investments	\$ 783,738

Concentration of Credit Risk

The Pool is restricted from investing more than 5 percent of the value of the Pool in any one corporate name. At June 30, 2025, the Pool was in compliance with this restriction and not exposed to concentration of credit risk.

Custodial Credit Risk

At June 30, 2025, the Pool held no securities or cash balances that were subject to custodial credit risk. Investments in alternative risk premia funds, the commingled equity fund, and the money market mutual fund are not subject to custodial credit risk. All remaining securities are held by the WVIMB's custodian, or by the counterparty if the securities were pledged as non-cash collateral on derivative instruments, in the name of the WVIMB and thus not subject to custodial credit risk.

Portable Alpha Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 3. INVESTMENT RISK DISCLOSURES (continued)

Interest Rate Risk

The Pool is exposed to interest rate risk from its fixed income investments and money market mutual fund investment. As of June 30, 2025, the money market mutual fund had a weighted average maturity of 45 days. The WVIMB monitors the interest rate risk of the Pool's fixed income investments by evaluating the effective duration. Effective duration is a method of disclosing interest rate risk that measures the expected change in the price of a fixed income security for a 1 percent change in interest rates. The effective duration calculation makes assumptions regarding the most likely timing of variable cash flows, which is particularly useful for measuring the interest rate risk of callable bonds, asset-backed securities, and variable-rate debt. The following table provides the weighted average effective duration for the Pool's fixed income investments as of June 30, 2025:

Investment Type	Fair Value	Effective Duration (years)
Certificates of deposit	\$ 8,765	0.2
Commercial paper	135,252	0.1
Corporate ABS	43,380	0.6
Foreign corporate bonds	9,605	0.6
U.S. corporate bonds	15,889	0.4
U.S. Government agency bonds	36,237	0.5
U.S. Treasury issues	534,610	5.5
Total fixed income investments	<u>\$ 783,738</u>	

The Pool invests in asset-backed securities. The cash flows from these securities are based on the payment of the underlying collateral. The effective duration and yield to maturity of these securities are dependent on estimated prepayment assumptions that consider historical experience, market conditions and other criteria. Actual prepayments may vary with changes in interest rates. Rising interest rates often result in a slower rate of prepayments while declining rates tend to lead to faster prepayments. As a result, the fair values of these securities are highly sensitive to interest rate changes. At June 30, 2025, the Pool held \$43,380 of these securities. This represents approximately 6 percent of the value of the Pool's fixed income securities and less than 1 percent of the value of the Pool's total investments.

Foreign Currency Risk

As of June 30, 2025, all of the Pool's foreign investments were denominated in U.S. dollars. As such, the Pool was not exposed to foreign currency risk.

NOTE 4. DERIVATIVE INSTRUMENTS

Derivative instruments held in the Pool are limited to equity index futures. These futures are not designated as hedging instruments under GASB Statement No. 53; they are used to obtain S&P 500 market exposure. See Notes 1 and 2 for additional information on the Pool's purpose for entering into derivatives and for discussion on the risks associated with investing in these derivatives.

The table below presents the fair value, the fiscal year to date net increase (decrease) in fair value, and the notional amount of derivative instruments outstanding as of and for the year ended June 30, 2025:

Derivative Type	Fair Value	Net Increase (Decrease) in Fair Value of Investments	Notional Value
Futures contracts:			
Equity index futures long	<u>\$ 106,471</u>	<u>\$ 330,785</u>	<u>\$ 3,610,603</u>

Portable Alpha Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 5. FAIR VALUE MEASUREMENTS

GASB Statement No. 72 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

GASB Statement No. 72 establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

U.S. GAAP does not require the Pool to categorize investments whose fair value is measured using the net asset value per share (NAV) as a practical expedient within the fair value hierarchy table. The table that follows sets forth information about the level within the fair value hierarchy at which the Pool's assets and liabilities are measured at June 30, 2025. The Pool's investments in ARP funds that were valued using the NAV, except for those that are a RIC, have not been categorized in the fair value hierarchy.

Assets	Level 1	Level 2	Level 3	Total
ARP fund (RIC)	\$ 118,006	\$ -	\$ -	\$ 118,006
Certificates of deposit	-	8,765	-	8,765
Commercial paper	-	135,252	-	135,252
Commingled equity fund	3,202,356	-	-	3,202,356
Corporate ABS	-	43,380	-	43,380
Foreign corporate bonds	-	9,605	-	9,605
Futures contracts	106,471	-	-	106,471
Money market mutual fund	801,820	-	-	801,820
U.S. corporate bonds	-	15,889	-	15,889
U.S. Government agency bonds	-	36,237	-	36,237
U.S. Treasury issues	-	534,610	-	534,610
Total	<u>\$ 4,228,653</u>	<u>\$ 783,738</u>	<u>\$ -</u>	<u>\$ 5,012,391</u>
ARP funds				2,018,408
Total				<u>\$ 7,030,799</u>

Portable Alpha Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 5. FAIR VALUE MEASUREMENTS (continued)

The following table presents information on investments measured at the NAV as of June 30, 2025:

ARP Fund Strategies	Fair Value	Redemption Frequency	Redemption Notice Period
Directional (a)	\$ 522,143	Daily, Monthly	2 to 30 days
Multi-Premia (b)	1,073,884	Weekly, Biweekly, Monthly	3 to 30 days
Relative-Value (c)	422,381	Biweekly, Monthly	6 to 60 days
	<u>\$ 2,018,408</u>		

- (a) Directional funds employ various techniques to forecast the direction of segments of the market and then invest in either long or short positions. The segments may be geographic economies, industry sectors, currency, or asset class. The investments may be in physical securities or derivatives. The strategies may be trend-following or mean-reverting and may be specific to that segment or universally applied across them.
- (b) Multi-premia funds combine several strategies within the same fund in order to provide diversification benefits to reduce return volatility and decrease asset-class and single-strategy risks. These funds typically add incremental returns through allocation adjustments based on market opportunities. Risk is managed through a variety of quantitative constraints including, but not limited to, active risk, liquidity risk, currency risk, manager risk, derivatives risk, and leverage risk.
- (c) Relative-value funds maintain positions in which the investment thesis is predicated on the realization of a valuation discrepancy in the relationship between multiple securities. Managers employ a variety of fundamental and quantitative techniques to establish investment insights, and security types range broadly across equity, fixed income, derivative or other security types. Fixed income strategies are typically quantitatively driven to measure the existing relationship between instruments and, in some cases, identify attractive positions in which the risk-adjusted spread between these instruments represents an attractive opportunity. Investments representing approximately 21 percent of the fair value of the investments in this strategy are subject to maximum withdrawal restrictions.

Portable Alpha Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 6. SCHEDULE OF PARTICIPATION

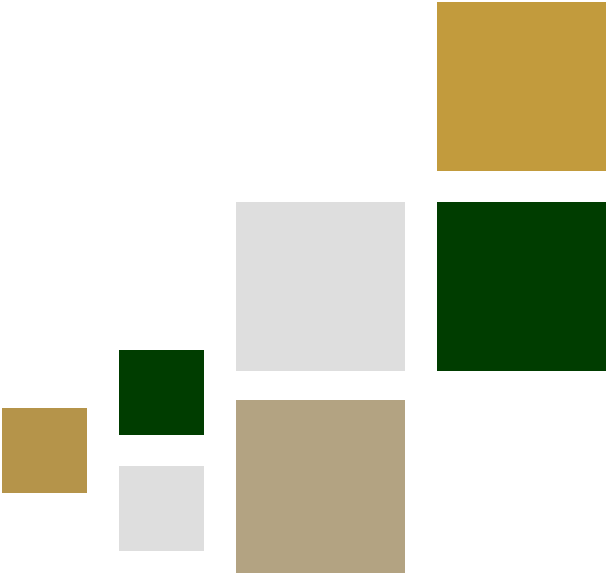
The following schedule provides the value of participants' accounts in the Pool at June 30, 2025:

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 2,931,836
Public Employees' Retirement System	2,669,588
West Virginia Retiree Health Benefit Trust Fund	591,554
State Police Death, Disability and Retirement Fund	235,115
State Police Retirement System	113,181
Deputy Sheriff's Retirement System	107,461
Judges' Retirement System	92,222
Municipal Policemen's or Firemen's Pension and Relief Funds	77,655
Emergency Medical Services Retirement System	62,839
Wildlife Endowment Fund	21,705
West Virginia State Parks and Recreation Endowment Fund	16,766
Municipal Police Officers' and Firefighters' Retirement System	16,151
Natural Resources Police Officer Retirement System	10,088
Berkeley County Development Authority	2,069
Total	<u>\$ 6,948,230</u>

AUDITED FINANCIAL STATEMENTS
June 30, 2025

B

LARGE CAP DOMESTIC EQUITY POOL



Large Cap Domestic Equity Pool

Audited Financial Statements June 30, 2025

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Report of Independent Auditors

To the Board of Trustees
West Virginia Investment Management Board

Opinion

We have audited the financial statements of the West Virginia Investment Management Board's Large Cap Domestic Equity Pool (the "Pool") which comprise the statement of net position as of June 30, 2025, and the related statement of changes in net position for the year ended, and the related notes (collectively referred to as the "basic financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Pool at June 30, 2025, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pool and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Basis of Presentation

As discussed in Note 1, the financial statements present only the Large Cap Domestic Equity Pool and do not purport to, and do not, present fairly the financial position of the West Virginia Investment Management Board, at June 30, 2025, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages B-1 through B-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Ernst + Young LLP

August 28, 2025

Large Cap Domestic Equity Pool

Management's Discussion and Analysis (Unaudited)

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds. The WVIMB operates on a fiscal year beginning July 1 and ending June 30. To effectuate its purpose, the WVIMB has constructed a series of investment pools in which to invest participating entities' monies.

The following information and the accompanying financial statements reflect only the investments and investment related operations of the WVIMB's Large Cap Domestic Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, the information contained in this Management Discussion and Analysis and the following financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants. The Management Discussion and Analysis information should be considered in conjunction with the information contained in the audited financial statements which follow this section.

Financial Statement Overview

Management's Discussion and Analysis is an introduction to the Pool's basic financial statements. The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting. Accordingly, the financial statements presented have been prepared in conformity with the reporting framework prescribed by GASB for external investment pools. The financial statements for the Pool include a Statement of Net Position and a Statement of Changes in Net Position. These financial statements are supported by the Notes to Financial Statements.

Pool Strategy

The Pool's objective is to equal or exceed, net of external investment management fees, the S&P 500 Index over three- to five-year periods.

Condensed Financial Information and Analysis (in \$000s)

The Statement of Net Position presents the financial position of the Pool as of June 30, 2025 and includes all assets and liabilities of the Pool. The difference between total assets and total liabilities, which is equal to the participants' interest in the Pool's net position, is shown below for the current and prior fiscal year-end dates:

Condensed Net Position	June 30, 2025	June 30, 2024
Investments	\$ 392,795	\$ 335,087
Other assets	2	4
Total assets	392,797	335,091
Total liabilities	(20)	(18)
Net position	<u>\$ 392,777</u>	<u>\$ 335,073</u>

Large Cap Domestic Equity Pool

Management's Discussion and Analysis (Unaudited)

The net position of the Pool is primarily impacted by the overall performance of the large-cap U.S. equity market. Net position is also impacted by expenses charged to the Pool and the issuance and redemption of Pool units. The increase in the Pool's net position of \$57,704 results from net investment income of \$50,888 and a net increase from unit transactions of \$6,816.

The Statement of Changes in Net Position presents the Pool's activity for the year.

Condensed Changes in Net Position	Years Ended	
	June 30, 2025	June 30, 2024
Investment income	\$ 51,016	\$ 70,622
Expenses	(128)	(118)
Net investment income	50,888	70,504
Net units issued (redeemed)	6,816	(52,444)
Increase in net position	57,704	18,060
Net position, beginning of year	335,073	317,013
Net position, end of year	<u>\$ 392,777</u>	<u>\$ 335,073</u>

The investment income of the Pool is from the net increase in fair value of investments.

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. The return of the Pool (net of fees) for the year ended June 30, 2025 was 15.0 percent, down from 24.5 percent for the year ended June 30, 2024.

Select financial highlights for the Pool are as follows:

Per Unit Operating Performance:	Years Ended	
	June 30, 2025	June 30, 2024
Net position, beginning of year	\$ 65.36	\$ 52.49
Net investment income	9.82	12.87
Net position, end of year	<u>\$ 75.18</u>	<u>\$ 65.36</u>

Supplemental Data:

Ratio of expenses to average net position (a)	0.04%	0.04%
---	-------	-------

- (a) The ratio is for the fiscal year and does not reflect the Pool's proportionate share of expenses of the underlying investee fund.

Large Cap Domestic Equity Pool

Statement of Net Position

June 30, 2025

(Amounts in thousands, except unit data)

Assets

Investments, at fair value:	
Commingled equity fund	\$ 375,845
Money market mutual fund	16,950
Dividends receivable	<u>2</u>
Total assets	392,797

Liabilities

Accrued expenses	<u>20</u>
Net position	<u>\$ 392,777</u>

Unit data

Units outstanding	5,224,711
Net position, unit price	<u>\$ 75.18</u>

See accompanying notes to financial statements.

Large Cap Domestic Equity Pool

Statement of Changes in Net Position Year Ended June 30, 2025 *(Amounts in thousands)*

Investment income

Net increase in fair value of investments	\$ 51,010
Dividends	<u>6</u>
Total investment income	51,016

Expenses

Investment advisor fees	(26)
Custodian bank fees	(1)
Management and other allocated fees	<u>(101)</u>
Total expenses	<u>(128)</u>
Net investment income	50,888

Unit transactions

Proceeds from sale of units	48,548
Amount paid for repurchase of units	<u>(41,732)</u>
Net increase from unit transactions	<u>6,816</u>
Increase in net position	57,704
Net position, beginning of year	<u>335,073</u>
Net position, end of year	<u><u>\$ 392,777</u></u>

See accompanying notes to financial statements.

Large Cap Domestic Equity Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds.

A Board of Trustees, consisting of thirteen members, governs the WVIMB. The Governor, the State Auditor, and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The WVIMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the Large Cap Domestic Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants.

The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting.

The Pool's objective is to equal or exceed, net of external investment management fees, the S&P 500 Index over three- to five-year periods. The Pool invests in the BlackRock Equity Index Fund B (BlackRock). BlackRock uses a replication indexing approach to achieve investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P 500 Index.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Investment Valuation - The WVIMB reports its investments at fair value in accordance with GASB Statement No. 72. Refer to Note 4 for further discussion and presentation of the reporting requirements under GASB Statement No. 72.

Open-end regulated investment companies and other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator. Investments for which the fair value cannot be determined are valued at fair value as determined in accordance with the WVIMB's established procedures.

Investment Transactions - Investment transactions are accounted for on a trade date basis. Dividend income is recognized on the ex-dividend date.

Use of Estimates - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Unit Valuation and Participant Transactions - The unit price of the Pool is calculated on the last business day of the month by dividing the net position of the Pool by the number of outstanding units. Participant accounts undergo a monthly rebalancing process to maintain their defined asset allocation. Participant transactions that occur as part of the rebalancing process are executed as a purchase or redemption on the first business day of each month using the prior month-end unit price.

Distributions to Participants - The Pool does not routinely distribute dividends of net investment income.

Large Cap Domestic Equity Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Expenses - The WVIMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The WVIMB pays all expenses on behalf of the Pool. In addition to these direct and allocated expenses, the Pool bears certain expenses indirectly, such as fees of other investment funds in which the Pool invests that are reflected in the reported net asset value of such funds.

Income Taxes - The WVIMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of June 30, 2025.

NOTE 3. INVESTMENT RISK DISCLOSURES

The Pool holds shares of a commingled equity fund that invests in equities included in the S&P 500 Index. The value of this investment at June 30, 2025, was \$375,845. The Pool is exposed to credit risk and interest rate risk from its money market mutual fund investment. As of June 30, 2025, the money market mutual fund has the highest credit rating and has a weighted average maturity of 45 days. The Pool is not exposed to concentration of credit risk, custodial credit risk, or foreign currency risk.

NOTE 4. FAIR VALUE MEASUREMENTS

GASB Statement No. 72 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

GASB Statement No. 72 establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with GASB Statement No. 72 fair value hierarchy levels as of June 30, 2025:

Assets	Level 1	Level 2	Level 3	Total
Commingled equity fund	\$ 375,845	\$ -	\$ -	\$ 375,845
Money market mutual fund	16,950	-	-	16,950
Total	<u>\$ 392,795</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 392,795</u>

Large Cap Domestic Equity Pool

Notes to Financial Statements

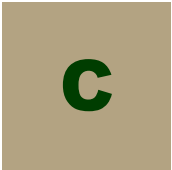
(Amounts in thousands)

NOTE 5. SCHEDULE OF PARTICIPATION

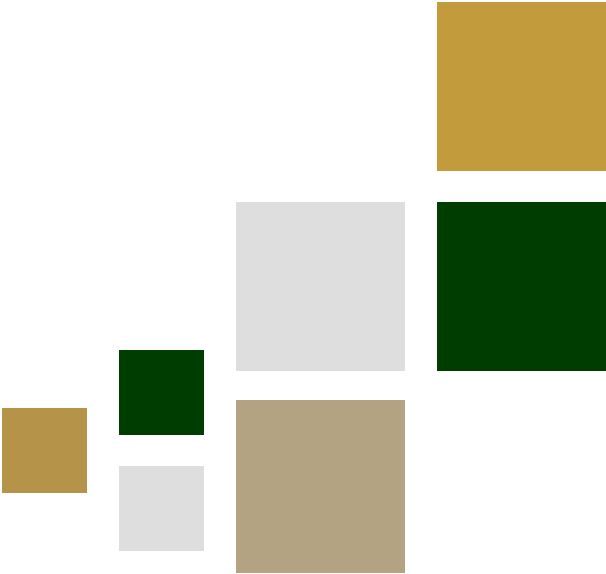
The following schedule provides the value of participants' accounts in the Pool at June 30, 2025:

<u>Participant</u>	<u>Account Value</u>
Workers' Compensation Old Fund	\$ 129,040
West Virginia Department of Environmental Protection Agency	70,892
Revenue Shortfall Reserve Fund - Part B	64,910
Revenue Shortfall Reserve Fund	40,693
Coal Workers' Pneumoconiosis Fund	31,509
Public Employees Insurance Agency	21,634
Board of Risk and Insurance Management	11,349
Workers' Compensation Self-Insured Employer Security Risk Pool	8,251
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	6,746
West Virginia Department of Environmental Protection Trust	3,246
Workers' Compensation Uninsured Employers' Fund	3,224
Municipal Policemen's or Firemen's Pension and Relief Funds	1,283
Total	<u>\$ 392,777</u>

AUDITED FINANCIAL STATEMENTS
June 30, 2025



NON-LARGE CAP DOMESTIC EQUITY POOL



Non-Large Cap Domestic Equity Pool

Audited Financial Statements June 30, 2025

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Report of Independent Auditors

To the Board of Trustees
West Virginia Investment Management Board

Opinion

We have audited the financial statements of the West Virginia Investment Management Board's Non-Large Cap Domestic Equity Pool (the "Pool") which comprise the statement of net position as of June 30, 2025, and the related statement of changes in net position for the year ended, and the related notes (collectively referred to as the "basic financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Pool at June 30, 2025, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pool and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Basis of Presentation

As discussed in Note 1, the financial statements present only the Non-Large Cap Domestic Equity Pool and do not purport to, and do not, present fairly the financial position of the West Virginia Investment Management Board, at June 30, 2025, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages C-1 through C-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Ernst & Young LLP

August 28, 2025

Non-Large Cap Domestic Equity Pool

Management's Discussion and Analysis (Unaudited)

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds. The WVIMB operates on a fiscal year beginning July 1 and ending June 30. To effectuate its purpose, the WVIMB has constructed a series of investment pools in which to invest participating entities' monies.

The following information and the accompanying financial statements reflect only the investments and investment related operations of the WVIMB's Non-Large Cap Domestic Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, the information contained in this Management Discussion and Analysis and the following financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants. The Management Discussion and Analysis information should be considered in conjunction with the information contained in the audited financial statements which follow this section.

Financial Statement Overview

Management's Discussion and Analysis is an introduction to the Pool's basic financial statements. The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting. Accordingly, the financial statements presented have been prepared in conformity with the reporting framework prescribed by GASB for external investment pools. The financial statements for the Pool include a Statement of Net Position and a Statement of Changes in Net Position. These financial statements are supported by the Notes to Financial Statements.

Pool Strategy

The Pool's objective is to exceed, net of external investment management fees, the Russell 2500 Index over three- to five-year periods.

Condensed Financial Information and Analysis (in \$000s)

The Statement of Net Position presents the financial position of the Pool as of June 30, 2025 and includes all assets and liabilities of the Pool. The difference between total assets and total liabilities, which is equal to the participants' interest in the Pool's net position, is shown below for the current and prior fiscal year-end dates:

Condensed Net Position	June 30, 2025	June 30, 2024
Investments	\$ 1,300,368	\$ 1,194,529
Other assets	6,889	32,082
Total assets	1,307,257	1,226,611
Total liabilities	(131,202)	(86,748)
Net position	<u>\$ 1,176,055</u>	<u>\$ 1,139,863</u>

Non-Large Cap Domestic Equity Pool

Management's Discussion and Analysis (Unaudited)

The net position of the Pool is primarily impacted by the overall performance of the small- and mid-cap U.S. equity market. Net position is also impacted by expenses charged to the Pool and the issuance and redemption of Pool units. The increase in the Pool's net position of \$36,192 results from net investment income of \$105,910 and a net decrease from unit transactions of \$69,718.

The Statement of Changes in Net Position presents the Pool's activity for the year.

Condensed Changes in Net Position	Years Ended	
	June 30, 2025	June 30, 2024
Investment income	\$ 119,238	\$ 161,968
Expenses	(13,328)	(15,047)
Net investment income	105,910	146,921
Net units redeemed	(69,718)	(47,186)
Increase in net position	36,192	99,735
Net position, beginning of year	1,139,863	1,040,128
Net position, end of year	\$ 1,176,055	\$ 1,139,863

The investment income of the Pool consists primarily of the net increase in fair value of investments and dividends received on equity securities.

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. The return of the Pool (net of fees) for the year ended June 30, 2025 was 9.3 percent, down from 13.6 percent for the year ended June 30, 2024.

Select financial highlights for the Pool are as follows:

Per Unit Operating Performance:	Years Ended	
	June 30, 2025	June 30, 2024
Net position, beginning of year	\$ 60.40	\$ 53.17
Net investment income	5.60	7.23
Net position, end of year	\$ 66.00	\$ 60.40

Supplemental Data:		
Ratio to average net position (a)		
Performance based advisor fees	0.46%	0.65%
Other expenses	0.36%	0.36%
Total expenses	0.82%	1.01%

(a) The ratios are for the fiscal year and exclude securities lending expenses.

Non-Large Cap Domestic Equity Pool

Statement of Net Position

June 30, 2025

(Amounts in thousands, except unit data)

Assets

Investments, at fair value:	
Equity investments	\$ 1,150,874
Money market mutual fund	32,805
Securities lending collateral	116,689
Cash	273
Receivables:	
Dividends and other investment income	538
Investments sold	6,078
Total assets	1,307,257

Liabilities

Accrued expenses	2,505
Payable for investments purchased	12,008
Payable upon return of securities loaned	116,689
Total liabilities	131,202
Net position	\$ 1,176,055

Unit data

Units outstanding	17,818,634
Net position, unit price	\$ 66.00

See accompanying notes to financial statements.

Non-Large Cap Domestic Equity Pool

Statement of Changes in Net Position
Year Ended June 30, 2025
(Amounts in thousands)

Investment income

Net increase in fair value of investments	\$ 102,583
Dividends	12,481
Securities lending income	<u>4,174</u>
Total investment income	119,238

Expenses

Investment advisor fees	(9,173)
Custodian bank fees	(52)
Management and other allocated fees	(344)
Professional service fees - direct	(3)
Securities lending expenses	<u>(3,756)</u>
Total expenses	<u>(13,328)</u>
Net investment income	105,910

Unit transactions

Proceeds from sale of units	76,188
Amount paid for repurchase of units	<u>(145,906)</u>
Net decrease from unit transactions	<u>(69,718)</u>
Increase in net position	36,192
Net position, beginning of year	<u>1,139,863</u>
Net position, end of year	<u><u>\$ 1,176,055</u></u>

See accompanying notes to financial statements.

Non-Large Cap Domestic Equity Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds.

A Board of Trustees, consisting of thirteen members, governs the WVIMB. The Governor, the State Auditor, and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The WVIMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the Non-Large Cap Domestic Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants.

The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting.

The Pool's objective is to exceed, net of external investment management fees, the Russell 2500 Index over three- to five-year periods. Assets are managed by Cooper Creek Partners Management and Westfield Capital Management.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Investment Valuation - The WVIMB reports its investments at fair value in accordance with GASB Statement No. 72. Refer to Note 4 for further discussion and presentation of the reporting requirements under GASB Statement No. 72.

Fair value of the Pool's investments is determined on the last business day of each month as follows:

- Equity securities are valued at the last sale price or official closing price reported in the market in which they are primarily traded.
- Open-end regulated investment companies or other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the WVIMB's established procedures.

Securities Lending - The WVIMB, through its lending agent, Northern Trust (NT), loans securities of the Pool to various brokers on a temporary basis. Each transaction for international and domestic securities is secured by collateral based on the market value of the securities loaned. The required collateral percentage varies based on the type of collateral received and the type of security loaned. For U.S. securities and foreign securities denominated in U.S. dollars, the required percentage of cash collateral and non-cash collateral consisting of debt obligations and securities issued by the United States Government or its agencies or instrumentalities is at least 102 percent of the market value of the securities loaned. The required percentage of non-cash collateral consisting of equity securities is at least 107 percent of the market value of the securities loaned.

Cash collateral received is invested in the West Virginia Custom Account (Cash Collateral Account). The Cash Collateral Account's investment objective is to maximize current income to the extent capital is preserved and liquidity is maintained. The Cash Collateral Account seeks to maintain a constant net asset value of \$1.00 per share by following strict credit quality, maturity, liquidity, and diversification requirements. Except for underlying repurchase agreement transactions, the Pool is liable for investment losses in the Cash Collateral Account. The lending agent contractually indemnifies the WVIMB for any repurchase agreement investment losses.

Non-Large Cap Domestic Equity Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments made with cash are reported at fair value on the Statement of Net Position. Securities loaned remain on the Statement of Net Position. The WVIMB has the right under the lending agreement to recover the securities from the borrower on demand. The WVIMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. Securities lending income and expenses are recorded in the Statement of Changes in Net Position. The WVIMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Changes in Net Position as a net increase (decrease) in fair value of investments.

Investment Transactions - Investment transactions are accounted for on a trade date basis. Dividend income is recognized on the ex-dividend date.

Use of Estimates - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Unit Valuation and Participant Transactions - The unit price of the Pool is calculated on the last business day of the month by dividing the net position of the Pool by the number of outstanding units. Participant accounts undergo a monthly rebalancing process to maintain their defined asset allocation. Participant transactions that occur as part of the rebalancing process are executed as a purchase or redemption on the first business day of each month using the prior month-end unit price.

Distributions to Participants - The Pool does not routinely distribute dividends of net investment income.

Expenses - The WVIMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The WVIMB pays all expenses on behalf of the Pool. In addition to these direct and allocated expenses, the Pool bears certain expenses indirectly, such as fees of other investment funds in which the Pool invests that are reflected in the reported net asset value of such funds.

Income Taxes - The WVIMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for U.S. federal or state income taxes is required as of June 30, 2025.

NOTE 3. INVESTMENT RISK DISCLOSURES

Credit Risk

The Pool's money market mutual fund investment and the Cash Collateral Account are exposed to credit risk. The money market mutual fund has the highest credit rating. The Cash Collateral Account is not rated.

Concentration of Credit Risk

The Pool is restricted from investing more than 5 percent of the value of the Pool in any one company. At June 30, 2025, the Pool was in compliance with this restriction and not exposed to concentration of credit risk.

Custodial Credit Risk

The Pool is exposed to custodial credit risk from its uninsured and uncollateralized cash balances. As of June 30, 2025, \$273 of the Pool's cash balance was exposed to custodial credit risk. Securities on loan are collateralized to a minimum of 102 percent, and the collateral is held by the WVIMB's custodian in the name of the WVIMB. The money market mutual fund and the Cash Collateral Account are not subject to custodial credit risk. All remaining securities are held by the WVIMB's custodian in the name of the WVIMB and thus not subject to custodial credit risk.

Non-Large Cap Domestic Equity Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 3. INVESTMENT RISK DISCLOSURES (continued)

Interest Rate Risk

The Pool is exposed to interest rate risk from its money market mutual fund investment and from the Cash Collateral Account. As of June 30, 2025, the money market mutual fund's weighted average maturity (WAM) was 45 days. Except for repurchase agreements that can have up to 95 days to maturity, investments in the Cash Collateral Account are limited to overnight investments. As of June 30, 2025, the WAM for the Cash Collateral Account was 1 day.

Foreign Currency Risk

As of June 30, 2025, all of the Pool's foreign investments were denominated in U.S. dollars. As such, the Pool was not exposed to foreign currency risk.

NOTE 4. FAIR VALUE MEASUREMENTS

GASB Statement No. 72 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

GASB Statement No. 72 establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with GASB Statement No. 72 fair value hierarchy levels as of June 30, 2025:

Assets	Level 1	Level 2	Level 3	Total
Domestic common stock	\$ 1,025,654	\$ -	\$ -	\$ 1,025,654
Foreign common stock	121,733	-	-	121,733
Master limited partnership	3,487	-	-	3,487
Money market mutual fund	32,805	-	-	32,805
Securities lending collateral	-	116,689	-	116,689
Total	<u>\$ 1,183,679</u>	<u>\$ 116,689</u>	<u>\$ -</u>	<u>\$ 1,300,368</u>

Non-Large Cap Domestic Equity Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 5. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at June 30, 2025:

	Fair Value
Securities on loan	\$ 268,659
Collateral received:	
Cash	\$ 116,689
Non-cash	158,914
Total collateral received	<u>\$ 275,603</u>

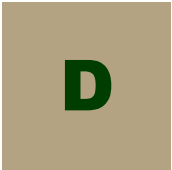
NT, as agent for the WVIMB, loans the WVIMB's securities to various counterparties. These transactions are executed under a Securities Lending Authorization Agreement (SLAA) which permits NT under certain circumstances, such as defaults, to offset amounts payable to the same counterparty against amounts to be received and thus create one single net payment due to or from the counterparty. The amounts listed in the above table represent all securities loaned which are subject to the SLAA on a net payment basis. The WVIMB has elected not to offset the fair value of the securities on loan against the liability for the return of the collateral on the Statement of Net Position.

NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at June 30, 2025:

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 470,204
Public Employees' Retirement System	429,064
West Virginia Retiree Health Benefit Trust Fund	94,591
State Police Death, Disability and Retirement Fund	37,702
Workers' Compensation Old Fund	20,447
State Police Retirement System	18,015
Deputy Sheriff's Retirement System	17,161
Judges' Retirement System	14,766
Municipal Policemen's or Firemen's Pension and Relief Funds	12,656
West Virginia Department of Environmental Protection Agency	11,145
Revenue Shortfall Reserve Fund - Part B	10,211
Emergency Medical Services Retirement System	9,972
Revenue Shortfall Reserve Fund	6,265
Coal Workers' Pneumoconiosis Fund	4,998
Wildlife Endowment Fund	3,462
Public Employees Insurance Agency	3,363
West Virginia State Parks and Recreation Endowment Fund	2,613
Municipal Police Officers' and Firefighters' Retirement System	2,570
Board of Risk and Insurance Management	1,684
Natural Resources Police Officer Retirement System	1,605
Workers' Compensation Self-Insured Employer Security Risk Pool	1,303
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	1,063
Workers' Compensation Uninsured Employers' Fund	511
West Virginia Department of Environmental Protection Trust	353
Berkeley County Development Authority	331
Total	<u>\$ 1,176,055</u>

AUDITED FINANCIAL STATEMENTS
June 30, 2025



International Qualified Pool

Audited Financial Statements June 30, 2025

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Report of Independent Auditors

To the Board of Trustees
West Virginia Investment Management Board

Opinion

We have audited the financial statements of the West Virginia Investment Management Board's International Qualified Pool (the "Pool") which comprise the statement of net position as of June 30, 2025, and the related statement of changes in net position for the year ended, and the related notes (collectively referred to as the "basic financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Pool at June 30, 2025, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pool and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Basis of Presentation

As discussed in Note 1, the financial statements present only the International Qualified Pool and do not purport to, and do not, present fairly the financial position of the West Virginia Investment Management Board, at June 30, 2025, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages D-1 through D-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Ernst & Young LLP

August 28, 2025

International Qualified Pool

Management's Discussion and Analysis (Unaudited)

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds. The WVIMB operates on a fiscal year beginning July 1 and ending June 30. To effectuate its purpose, the WVIMB has constructed a series of investment pools in which to invest participating entities' monies.

The following information and the accompanying financial statements reflect only the investments and investment related operations of the WVIMB's International Qualified Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, the information contained in this Management Discussion and Analysis and the following financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants. The Management Discussion and Analysis information should be considered in conjunction with the information contained in the audited financial statements which follow this section.

Financial Statement Overview

Management's Discussion and Analysis is an introduction to the Pool's basic financial statements. The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting. Accordingly, the financial statements presented have been prepared in conformity with the reporting framework prescribed by GASB for external investment pools. The financial statements for the Pool include a Statement of Net Position and a Statement of Changes in Net Position. These financial statements are supported by the Notes to Financial Statements.

Pool Strategy

The Pool was established to gain exposure to the international equity market with the objective to produce investment returns that exceed the MSCI Europe Australasia Far East Index (MSCI EAFE) by 200 basis points over three- to five-year periods, net of external investment management fees. Only "qualified participants" (as defined by the *Internal Revenue Code*) may invest in the Pool.

Condensed Financial Information and Analysis (in \$000s)

The Statement of Net Position presents the financial position of the Pool as of June 30, 2025 and includes all assets and liabilities of the Pool. The difference between total assets and total liabilities, which is equal to the participants' interest in the Pool's net position, is shown below for the current and prior fiscal year-end dates:

Condensed Net Position	June 30, 2025	June 30, 2024
Investments	\$ 1,266,329	\$ 1,136,655
Total liabilities	(44)	(42)
Net position	<u>\$ 1,266,285</u>	<u>\$ 1,136,613</u>

International Qualified Pool

Management's Discussion and Analysis (Unaudited)

Yearly variances in the net position of the Pool are primarily impacted by the overall performance of the international equity market. Net position is also impacted by expenses charged to the Pool and the issuance and redemption of Pool units. The increase in the Pool's net position of \$129,672 results from net investment income of \$189,337 and a net decrease from unit transactions of \$59,665.

The Statement of Changes in Net Position presents the Pool's activity for the year.

Condensed Changes in Net Position	Years Ended	
	June 30, 2025	June 30, 2024
Investment income	\$ 195,692	\$ 109,429
Expenses	(6,355)	(6,334)
Net investment income	189,337	103,095
Net units redeemed	(59,665)	(229,653)
Increase (decrease) in net position	129,672	(126,558)
Net position, beginning of year	1,136,613	1,263,171
Net position, end of year	\$ 1,266,285	\$ 1,136,613

The investment income of the Pool is from the net increase in fair value of investments.

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. The return of the Pool (net of fees) for the year ended June 30, 2025 was 17.1 percent, up from 9.5 percent for the year ended June 30, 2024.

Select financial highlights for the Pool are as follows:

Per Unit Operating Performance:	Years Ended	
	June 30, 2025	June 30, 2024
Net position, beginning of year	\$ 103.19	\$ 94.17
Net investment income	17.59	9.02
Net position, end of year	\$ 120.78	\$ 103.19

Supplemental Data:

Ratio of expenses to average net position (a)	0.55%	0.54%
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- (a) The ratio is for the fiscal year and does not reflect the Pool's proportionate share of expenses of the underlying investee fund.

International Qualified Pool

Statement of Net Position

June 30, 2025

(Amounts in thousands, except unit data)

Assets

Investment in commingled equity fund at fair value	\$ 1,266,329
--	--------------

Liabilities

Accrued expenses	<u>44</u>
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Net position	<u><u>\$ 1,266,285</u></u>
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Unit data

Units outstanding	10,483,906
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Net position, unit price	<u><u>\$ 120.78</u></u>
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See accompanying notes to financial statements.

International Qualified Pool

Statement of Changes in Net Position Year Ended June 30, 2025 *(Amounts in thousands)*

Investment income

Net increase in fair value of investments	\$ 195,692
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Expenses

Investment advisor fees	(6,018)
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Management and other allocated fees	<u>(337)</u>
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Total expenses	<u>(6,355)</u>
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Net investment income	189,337
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Unit transactions

Proceeds from sale of units	15,577
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Amount paid for repurchase of units	<u>(75,242)</u>
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Net decrease from unit transactions	<u>(59,665)</u>
--	------------------------

Increase in net position	129,672
---------------------------------	----------------

Net position, beginning of year	<u>1,136,613</u>
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Net position, end of year	<u><u>\$ 1,266,285</u></u>
----------------------------------	-----------------------------------

See accompanying notes to financial statements.

International Qualified Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds.

A Board of Trustees, consisting of thirteen members, governs the WVIMB. The Governor, the State Auditor, and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The WVIMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the WVIMB's International Qualified Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants.

The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting.

The Pool invests in a commingled equity fund, specifically The Silchester International Investors International Value Equity Group Trust (Silchester). The Pool's objective is to produce investment returns that exceed the MSCI Europe Australasia Far East Index (MSCI EAFE) by 200 basis points over three- to five-year periods, net of external investment management fees. Only "qualified participants" (as defined by the *Internal Revenue Code*) may invest in the Pool. Silchester invests in a diversified portfolio of equity securities of companies incorporated in any country other than the United States, with limited exposure to emerging markets and no unreasonable concentration exposure to any single issuer or country. Redemptions from Silchester can be made monthly with ten business days advance written notice. Redemptions will generally be made within seven business days following month end. Subscriptions and redemptions may be subject to anti-dilution levies to offset costs such as stamp duty, brokerage commissions, foreign exchange costs, bid-offer spreads, and market impact charges.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Investment Valuation - The WVIMB reports its investments at fair value in accordance with GASB Statement No. 72. Refer to Note 4 for further discussion and presentation of the reporting requirements under GASB Statement No. 72.

Commingled investment funds are valued on the last business day of each month at the net asset value of the fund as reported by the fund's administrator. Investments for which the fair value cannot be determined are valued at fair value in accordance with the WVIMB's established procedures.

Investment Transactions - Investment transactions are accounted for on a trade date basis.

Use of Estimates - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Unit Valuation and Participant Transactions - The unit price of the Pool is calculated on the last business day of the month by dividing the net position of the Pool by the number of outstanding units. Participant accounts undergo a monthly rebalancing process to maintain their defined asset allocation. Participant transactions that occur as part of the rebalancing process are executed as a purchase or redemption on the first business day of each month using the prior month-end unit price.

International Qualified Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Distributions to Participants - The Pool does not routinely distribute dividends of net investment income.

Expenses - The WVIMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The WVIMB pays all expenses on behalf of the Pool. In addition to these direct and allocated expenses, the Pool bears certain expenses indirectly, such as fees of the investment fund in which the Pool invests that are reflected in the reported net asset value of such fund.

Income Taxes - The WVIMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of June 30, 2025.

NOTE 3. INVESTMENT RISK DISCLOSURES

The Pool holds shares of a commingled equity fund that invests in equities denominated in foreign currencies. The value of this investment at June 30, 2025, was \$1,266,329. This investment, although denominated in U.S. dollars, is exposed to foreign currency risk through the underlying investments. The Pool is not exposed to credit risk, interest rate risk, custodial credit risk, or concentration of credit risk.

NOTE 4. FAIR VALUE MEASUREMENTS

GASB Statement No. 72 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

GASB Statement No. 72 establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

U.S. GAAP does not require the Pool to categorize investments whose fair value is measured using the net asset value per share (NAV) as a practical expedient within the fair value hierarchy table. The investment in Silchester is valued using the NAV. As Silchester is the only investment in the Pool, a fair value hierarchy table is not presented.

International Qualified Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 5. SCHEDULE OF PARTICIPATION

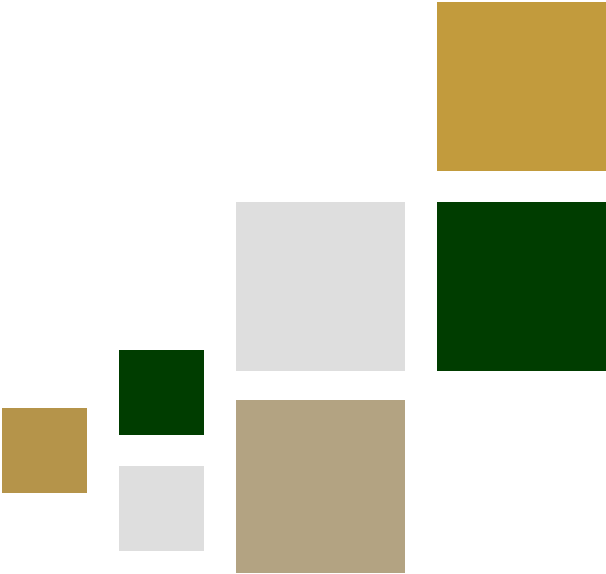
The following schedule provides the value of participants' accounts in the Pool at June 30, 2025:

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 587,368
Public Employees' Retirement System	535,564
State Police Death, Disability and Retirement Fund	47,141
State Police Retirement System	22,606
Deputy Sheriff's Retirement System	21,504
Judges' Retirement System	18,477
Municipal Policemen's or Firemen's Pension and Relief Funds	15,821
Emergency Medical Services Retirement System	12,555
Municipal Police Officers' and Firefighters' Retirement System	3,231
Natural Resources Police Officer Retirement System	2,018
Total	<u>\$ 1,266,285</u>

AUDITED FINANCIAL STATEMENTS
June 30, 2025

F

INTERNATIONAL NONQUALIFIED POOL



International Nonqualified Pool

Audited Financial Statements June 30, 2025

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Report of Independent Auditors

To the Board of Trustees
West Virginia Investment Management Board

Opinion

We have audited the financial statements of the West Virginia Investment Management Board's International Nonqualified Pool (the "Pool") which comprise the statement of net position as of June 30, 2025, and the related statement of changes in net position for the year ended, and the related notes (collectively referred to as the "basic financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Pool at June 30, 2025, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pool and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Basis of Presentation

As discussed in Note 1, the financial statements present only the International Nonqualified Pool and do not purport to, and do not, present fairly the financial position of the West Virginia Investment Management Board, at June 30, 2025, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages E-1 through E-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Ernst & Young LLP

August 28, 2025

International Nonqualified Pool

Management's Discussion and Analysis (Unaudited)

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds. The WVIMB operates on a fiscal year beginning July 1 and ending June 30. To effectuate its purpose, the WVIMB has constructed a series of investment pools in which to invest participating entities' monies.

The following information and the accompanying financial statements reflect only the investments and investment related operations of the WVIMB's International Nonqualified Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, the information contained in this Management Discussion and Analysis and the following financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants. The Management Discussion and Analysis information should be considered in conjunction with the information contained in the audited financial statements which follow this section.

Financial Statement Overview

Management's Discussion and Analysis is an introduction to the Pool's basic financial statements. The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting. Accordingly, the financial statements presented have been prepared in conformity with the reporting framework prescribed by GASB for external investment pools. The financial statements for the Pool include a Statement of Net Position and a Statement of Changes in Net Position. These financial statements are supported by the Notes to Financial Statements.

Pool Strategy

The Pool was established to gain exposure to the international equity market with the objective to produce investment returns that exceed the MSCI Europe Australasia Far East Index (MSCI EAFE) by 200 basis points over three- to five-year periods, net of external investment management fees. This Pool exists for participants who are not "qualified participants" (as defined by the *Internal Revenue Code*).

Condensed Financial Information and Analysis (in \$000s)

The Statement of Net Position presents the financial position of the Pool as of June 30, 2025 and includes all assets and liabilities of the Pool. The difference between total assets and total liabilities, which is equal to the participants' interest in the Pool's net position, is shown below for the current and prior fiscal year-end dates:

Condensed Net Position	June 30, 2025	June 30, 2024
Investments	\$ 204,179	\$ 188,940
Total liabilities	(7)	(7)
Net position	<u>\$ 204,172</u>	<u>\$ 188,933</u>

International Nonqualified Pool

Management's Discussion and Analysis (Unaudited)

Yearly variances in the net position of the Pool are primarily impacted by the overall performance of the international equity market. Net position is also impacted by expenses charged to the Pool and the issuance and redemption of Pool units. The increase in the Pool's net position of \$15,239 results from net investment income of \$30,185 and a net decrease from unit transactions of \$14,946.

The Statement of Changes in Net Position presents the Pool's activity for the year.

Condensed Changes in Net Position	Years Ended	
	June 30, 2025	June 30, 2024
Investment income	\$ 31,361	\$ 16,931
Expenses	(1,176)	(1,197)
Net investment income	30,185	15,734
Net units redeemed	(14,946)	(29,943)
Increase (decrease) in net position	15,239	(14,209)
Net position, beginning of year	188,933	203,142
Net position, end of year	<u>\$ 204,172</u>	<u>\$ 188,933</u>

The investment income of the Pool is from the net increase in fair value of investments.

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. The return of the Pool (net of fees) for the year ended June 30, 2025 was 16.6 percent, up from 9.3 percent for the year ended June 30, 2024.

Select financial highlights for the Pool are as follows:

Per Unit Operating Performance:	Years Ended	
	June 30, 2025	June 30, 2024
Net position, beginning of year	\$ 93.27	\$ 85.27
Net investment income	15.50	8.00
Net position, end of year	<u>\$ 108.77</u>	<u>\$ 93.27</u>

Supplemental Data:

Ratio of expenses to average net position (a)	0.62%	0.62%
---	-------	-------

- (a) The ratio is for the fiscal year and does not reflect the Pool's proportionate share of expenses of the underlying investee fund.

International Nonqualified Pool

Statement of Net Position

June 30, 2025

(Amounts in thousands, except unit data)

Assets

Investment in commingled equity fund at fair value	\$	204,179
--	----	---------

Liabilities

Accrued expenses		<u>7</u>
------------------	--	----------

Net position	\$	<u>204,172</u>
---------------------	-----------	-----------------------

Unit data

Units outstanding		1,877,094
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Net position, unit price	\$	<u>108.77</u>
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See accompanying notes to financial statements.

International Nonqualified Pool

Statement of Changes in Net Position
Year Ended June 30, 2025
(Amounts in thousands)

Investment income

Net increase in fair value of investments	\$ 31,361
---	-----------

Expenses

Investment advisor fees	(1,122)
-------------------------	---------

Management and other allocated fees	<u>(54)</u>
-------------------------------------	-------------

Total expenses	<u>(1,176)</u>
-----------------------	----------------

Net investment income	30,185
------------------------------	--------

Unit transactions

Proceeds from sale of units	19,571
-----------------------------	--------

Amount paid for repurchase of units	<u>(34,517)</u>
-------------------------------------	-----------------

Net decrease from unit transactions	<u>(14,946)</u>
--	-----------------

Increase in net position	15,239
---------------------------------	--------

Net position, beginning of year	<u>188,933</u>
--	----------------

Net position, end of year	<u><u>\$ 204,172</u></u>
----------------------------------	--------------------------

See accompanying notes to financial statements.

International Nonqualified Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds.

A Board of Trustees, consisting of thirteen members, governs the WVIMB. The Governor, the State Auditor, and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The WVIMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the WVIMB's International Nonqualified Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants.

The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting.

The Pool invests in a commingled equity fund, specifically The Silchester International Investors International Value Equity Trust (Silchester). The Pool's objective is to produce investment returns that exceed the MSCI Europe Australasia Far East Index (MSCI EAFE) by 200 basis points over three- to five-year periods, net of external investment management fees. The Pool exists for participants who are not "qualified" (as defined by the *Internal Revenue Code*). Silchester invests in a diversified portfolio of equity securities of companies incorporated in any country other than the United States, with limited exposure to emerging markets and no unreasonable concentration exposure to any single issuer or country. Redemptions from Silchester can be made monthly with ten business days advance written notice. Redemptions will generally be made within seven business days following month end. Subscriptions and redemptions may be subject to anti-dilution levies to offset costs such as stamp duty, brokerage commissions, foreign exchange costs, bid-offer spreads, and market impact charges.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Investment Valuation - The WVIMB reports its investments at fair value in accordance with GASB Statement No. 72. Refer to Note 4 for further discussion and presentation of the reporting requirements under GASB Statement No. 72.

Commingled investment funds are valued on the last business day of each month at the net asset value of the fund as reported by the fund's administrator. Investments for which the fair value cannot be determined are valued at fair value in accordance with the WVIMB's established procedures.

Investment Transactions - Investment transactions are accounted for on a trade date basis.

Use of Estimates - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Unit Valuation and Participant Transactions - The unit price of the Pool is calculated on the last business day of the month by dividing the net position of the Pool by the number of outstanding units. Participant accounts undergo a monthly rebalancing process to maintain their defined asset allocation. Participant transactions that occur as part of the rebalancing process are executed as a purchase or redemption on the first business day of each month using the prior month-end unit price.

International Nonqualified Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Distributions to Participants - The Pool does not routinely distribute dividends of net investment income.

Expenses - The WVIMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The WVIMB pays all expenses on behalf of the Pool. In addition to these direct and allocated expenses, the Pool bears certain expenses indirectly, such as fees of the investment fund in which the Pool invests that are reflected in the reported net asset value of such fund.

Income Taxes - The WVIMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of June 30, 2025.

NOTE 3. INVESTMENT RISK DISCLOSURES

The Pool holds shares of a commingled equity fund that invests in equities denominated in foreign currencies. The value of this investment at June 30, 2025, was \$204,179. This investment, although denominated in U.S. dollars, is exposed to foreign currency risk through the underlying investments. The Pool is not exposed to credit risk, interest rate risk, custodial credit risk, or concentration of credit risk.

NOTE 4. FAIR VALUE MEASUREMENTS

GASB Statement No. 72 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

GASB Statement No. 72 establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

U.S. GAAP does not require the Pool to categorize investments whose fair value is measured using the net asset value per share (NAV) as a practical expedient within the fair value hierarchy table. The investment in Silchester is valued using the NAV. As Silchester is the only investment in the Pool, a fair value hierarchy table is not presented.

International Nonqualified Pool

Notes to Financial Statements

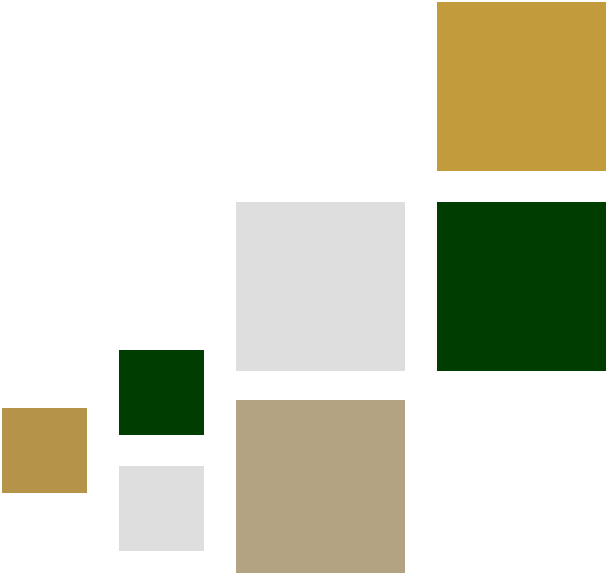
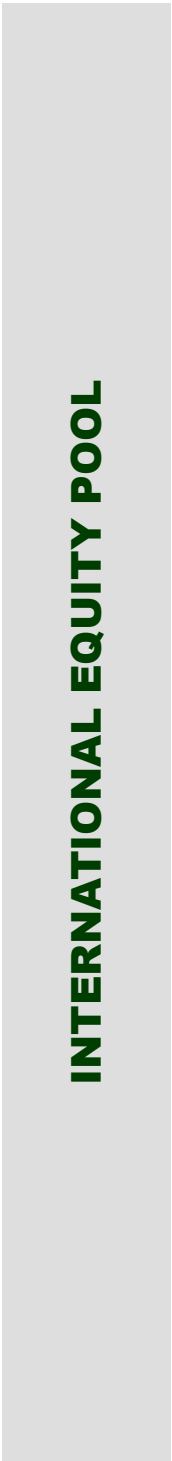
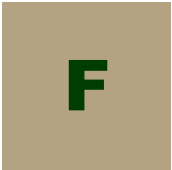
(Amounts in thousands)

NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at June 30, 2025:

<u>Participant</u>	<u>Account Value</u>
West Virginia Retiree Health Benefit Trust Fund	\$ 118,947
Workers' Compensation Old Fund	25,487
West Virginia Department of Environmental Protection Agency	13,919
Revenue Shortfall Reserve Fund - Part B	12,852
Revenue Shortfall Reserve Fund	7,919
Coal Workers' Pneumoconiosis Fund	6,223
Wildlife Endowment Fund	4,354
Public Employees Insurance Agency	4,228
West Virginia State Parks and Recreation Endowment Fund	3,356
Board of Risk and Insurance Management	2,234
Workers' Compensation Self-Insured Employer Security Risk Pool	1,628
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	1,333
West Virginia Department of Environmental Protection Trust	638
Workers' Compensation Uninsured Employers' Fund	638
Berkeley County Development Authority	416
Total	<u>\$ 204,172</u>

AUDITED FINANCIAL STATEMENTS
June 30, 2025



International Equity Pool

Audited Financial Statements June 30, 2025

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Report of Independent Auditors

To the Board of Trustees
West Virginia Investment Management Board

Opinion

We have audited the financial statements of the West Virginia Investment Management Board's International Equity Pool (the "Pool") which comprise the statement of net position as of June 30, 2025, and the related statement of changes in net position for the year ended, and the related notes (collectively referred to as the "basic financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Pool at June 30, 2025, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pool and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Basis of Presentation

As discussed in Note 1, the financial statements present only the International Equity Pool and do not purport to, and do not, present fairly the financial position of the West Virginia Investment Management Board, at June 30, 2025, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages F-1 through F-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Ernst + Young LLP

August 28, 2025

International Equity Pool

Management's Discussion and Analysis (Unaudited)

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds. The WVIMB operates on a fiscal year beginning July 1 and ending June 30. To effectuate its purpose, the WVIMB has constructed a series of investment pools in which to invest participating entities' monies.

The following information and the accompanying financial statements reflect only the investments and investment related operations of the WVIMB's International Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, the information contained in this Management Discussion and Analysis and the following financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants. The Management Discussion and Analysis information should be considered in conjunction with the information contained in the audited financial statements which follow this section.

Financial Statement Overview

Management's Discussion and Analysis is an introduction to the Pool's basic financial statements. The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting. Accordingly, the financial statements presented have been prepared in conformity with the reporting framework prescribed by GASB for external investment pools. The financial statements for the Pool include a Statement of Net Position and a Statement of Changes in Net Position. These financial statements are supported by the Notes to Financial Statements.

Pool Strategy

The objective of the Pool is to outperform the international equity market as measured by the MSCI All Country World Index Ex U.S. (MSCI ACWI ex U.S.) over a full market cycle (three- to five-years), net of external investment management fees.

Condensed Financial Information and Analysis (in \$000s)

The Statement of Net Position presents the financial position of the Pool as of June 30, 2025 and includes all assets and liabilities of the Pool. The difference between total assets and total liabilities, which is equal to the participants' interest in the Pool's net position, is shown below for the current and prior fiscal year-end dates:

Condensed Net Position	June 30, 2025	June 30, 2024
Investments	\$ 3,262,512	\$ 3,131,911
Other assets	81,257	43,691
Total assets	3,343,769	3,175,602
Total liabilities	(63,997)	(71,564)
Net position	<u>\$ 3,279,772</u>	<u>\$ 3,104,038</u>

International Equity Pool

Management's Discussion and Analysis (Unaudited)

Yearly variances in the net position of the Pool are primarily impacted by the overall performance of the international equity market. Net position is also impacted by expenses charged to the Pool and the issuance and redemption of Pool units. The increase in the Pool's net position of \$175,734 results from net investment income of \$630,177 and a net decrease from unit transactions of \$454,443.

The Statement of Changes in Net Position presents the Pool's activity for the year.

Condensed Changes in Net Position	Years Ended	
	June 30, 2025	June 30, 2024
Investment income	\$ 650,505	\$ 494,704
Expenses	(20,328)	(19,780)
Net investment income	630,177	474,924
Net units redeemed	(454,443)	(112,217)
Increase in net position	175,734	362,707
Net position, beginning of year	3,104,038	2,741,331
Net position, end of year	\$ 3,279,772	\$ 3,104,038

The investment income of the Pool consists primarily of the net increase in fair value of investments and dividends received on equity securities.

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. The return of the Pool (net of fees) for the year ended June 30, 2025 was 22.5 percent, up from 17.4 percent for the year ended June 30, 2024.

Select financial highlights for the Pool are as follows:

Per Unit Operating Performance:	Years Ended	
	June 30, 2025	June 30, 2024
Net position, beginning of year	\$ 44.41	\$ 37.81
Net investment income	10.01	6.60
Net position, end of year	\$ 54.42	\$ 44.41

Supplemental Data:

Ratio of expenses to average net position (a)	0.57%	0.57%
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(a) The ratio is for the fiscal year and excludes securities lending expenses.

International Equity Pool

Statement of Net Position

June 30, 2025

(Amounts in thousands, except unit data)

Assets

Investments, at fair value:	
Equity investments	\$ 3,063,503
Money market mutual fund	151,364
Securities lending collateral	47,645
Cash (restricted: \$6,951)	34,900
Receivables:	
Dividends and other investment income	21,695
Investments sold	24,662
Total assets	3,343,769

Liabilities

Accrued capital gains taxes	6,691
Accrued expenses	4,258
Payable for investments purchased	5,403
Payable upon return of securities loaned	47,645
Total liabilities	63,997
Net position	<u><u>\$ 3,279,772</u></u>

Unit data

Units outstanding	60,267,222
Net position, unit price	<u><u>\$ 54.42</u></u>

See accompanying notes to financial statements.

International Equity Pool

Statement of Changes in Net Position Year Ended June 30, 2025 (Amounts in thousands)

Investment income

Net increase in fair value of investments	\$ 550,822
Dividends	96,257
Securities lending income	<u>3,426</u>
Total investment income	650,505

Expenses

Investment advisor fees	(15,073)
Custodian bank fees	(1,525)
Management and other allocated fees	(881)
Professional service fees - direct	(3)
Securities lending expenses	<u>(2,846)</u>
Total expenses	<u>(20,328)</u>
Net investment income	630,177

Unit transactions

Proceeds from sale of units	145,389
Amount paid for repurchase of units	<u>(599,832)</u>
Net decrease from unit transactions	<u>(454,443)</u>
Increase in net position	175,734
Net position, beginning of year	<u>3,104,038</u>
Net position, end of year	<u><u>\$ 3,279,772</u></u>

See accompanying notes to financial statements.

International Equity Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds.

A Board of Trustees, consisting of thirteen members, governs the WVIMB. The Governor, the State Auditor, and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The WVIMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the WVIMB's International Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants.

The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting.

The Pool invests in the equities of international companies. The objective of the Pool is to outperform the international equity market as measured by the MSCI All Country World Index Ex U.S. (MSCI ACWI ex U.S.) over a full market cycle (three- to five-years), net of external investment management fees. Assets are managed by Acadian Asset Management, Axiom International Investors, LSV Asset Management, Numeric Investors, and Oberweis Asset Management.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Investment Valuation - The WVIMB reports its investments at fair value in accordance with GASB Statement No. 72. Refer to Note 4 for further discussion and presentation of the reporting requirements under GASB Statement No. 72.

Fair value of the Pool's investments is determined on the last business day of each month as follows:

- Equity securities are valued at the last sale price or official closing price reported in the market in which they are primarily traded.
- Open-end regulated investment companies and other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.
- Equity securities that trade in non-U.S. markets are valued in U.S. dollars using period end spot market exchange rates as supplied by the Pool's custodian.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the WVIMB's established procedures.

Cash - Cash consists of cash on deposit with financial institutions. Balances subject to withdrawal restrictions are noted parenthetically on the Statement of Net Position.

International Equity Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign Currency - Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars at exchange rates reported by the Pool's custodian on the following basis:

- Market value of investment securities, other assets and liabilities - at the closing rate of exchange at the valuation date.
- Purchases and sales of investment securities, income and expenses - at the rate of exchange prevailing on the respective dates of such transactions.

Securities Lending - The WVIMB, through its lending agent, Northern Trust (NT), loans securities of the Pool to various brokers on a temporary basis. Each transaction for international securities is secured by collateral based on the market value of the securities loaned. The required collateral percentage varies based on the type of collateral received. The required percentage for cash collateral and non-cash collateral consisting of debt obligations and securities issued by the United States Government or its agencies or instrumentalities is 105 percent unless the foreign securities loaned are denominated and payable in U.S. dollars, then the collateral shall be at least 102 percent of the market value of the securities loaned. The required percentage of non-cash collateral consisting of equity securities is at least 107 percent of the market value of the securities loaned.

Cash collateral received is invested in the West Virginia Custom Account (Cash Collateral Account). The Cash Collateral Account's investment objective is to maximize current income to the extent capital is preserved and liquidity is maintained. The Cash Collateral Account seeks to maintain a constant net asset value of \$1.00 per share by following strict credit quality, maturity, liquidity, and diversification requirements. Except for underlying repurchase agreement transactions, the Pool is liable for investment losses in the Cash Collateral Account. The lending agent contractually indemnifies the WVIMB for any repurchase agreement investment losses.

Investments made with cash are reported at fair value on the Statement of Net Position. Securities loaned remain on the Statement of Net Position. The WVIMB has the right under the lending agreement to recover the securities from the borrower on demand. The WVIMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. Securities lending income and expenses are recorded in the Statement of Changes in Net Position. The WVIMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Changes in Net Position as a net increase (decrease) in fair value of investments.

Foreign Currency Spot Contracts - A foreign currency contract is an agreement between two parties to exchange different currencies at a specified exchange rate at an agreed upon future date. The WVIMB enters into foreign currency spot contracts that correspond to investment transactions trading in foreign currencies and to repatriate income. Risks associated with such contracts include movement in the value of the foreign currency relative to the U.S. dollar and the ability of the counterparty to perform. These contracts have relatively short durations that mirror foreign market settlement cycles and are valued at the prevailing market exchange rates at month end.

Investment Transactions - Investment transactions are accounted for on a trade date basis. Dividend income is recognized on the ex-dividend date.

Use of Estimates - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

International Equity Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Unit Valuation and Participant Transactions - The unit price of the Pool is calculated on the last business day of the month by dividing the net position of the Pool by the number of outstanding units. Participant accounts undergo a monthly rebalancing process to maintain their defined asset allocation. Participant transactions that occur as part of the rebalancing process are executed as a purchase or redemption on the first business day of each month using the prior month-end unit price.

Distributions to Participants - The Pool does not routinely distribute dividends of net investment income.

Expenses - The WVIMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The WVIMB pays all expenses on behalf of the Pool. In addition to these direct and allocated expenses, the Pool bears certain expenses indirectly, such as fees of other investment funds in which the Pool invests that are reflected in the reported net asset value of such funds.

Income Taxes - The WVIMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for U.S. federal or state income taxes is required as of June 30, 2025.

In certain foreign countries, the Pool's dividend income and capital gains may be taxable. Taxes on dividend income are generally withheld from the payments and as a result there is no provision recorded for these taxes. In certain cases there may be a full or partial reclaim available for the withheld taxes. Capital gains taxes, if any, on sales of securities may be assessed and paid concurrent with the sale or upon the filing of a return with the taxing authority. In countries where the WVIMB is liable for capital gains taxes, the WVIMB will estimate and accrue a capital gains tax liability for unrealized gains on securities held in such countries. The outstanding reclaims and accrued capital gains taxes, when applicable, are reported on the Statement of Net Position. Dividend income is reported net of non-reclaimable taxes withheld on the Statement of Changes in Net Position. The net increase in the fair value of investments is reported net of capital gains taxes on the Statement of Changes in Net Position.

NOTE 3. INVESTMENT RISK DISCLOSURES

Credit Risk

The Pool's money market mutual fund investment and the Cash Collateral Account are exposed to credit risk. The money market mutual fund has the highest credit rating. The Cash Collateral Account is not rated.

Concentration of Credit Risk

The Pool is restricted from investing more than 5 percent of the value of the Pool in any one company. At June 30, 2025, the Pool was in compliance with this restriction and not exposed to concentration of credit risk.

Custodial Credit Risk

The Pool is exposed to custodial credit risk from its uninsured and uncollateralized cash balances. As of June 30, 2025, \$34,900 of the Pool's cash balance was exposed to custodial credit risk. Securities on loan are collateralized to a minimum of 102 percent for U.S. dollar denominated loans and 105 percent for foreign denominated loans, and the collateral is held by the WVIMB's custodian in the name of the WVIMB. The money market mutual fund and the Cash Collateral Account are not subject to custodial credit risk. All remaining securities are held by the WVIMB's custodian in the name of the WVIMB and thus not subject to custodial credit risk.

Interest Rate Risk

The Pool is exposed to interest rate risk from its money market mutual fund investment and from the Cash Collateral Account. As of June 30, 2025, the money market mutual fund's weighted average maturity (WAM) was 45 days. Except for repurchase agreements that can have up to 95 days to maturity, investments in the Cash Collateral Account are limited to overnight investments. As of June 30, 2025, the WAM for the Cash Collateral Account was 1 day.

International Equity Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 3. INVESTMENT RISK DISCLOSURES (continued)

Foreign Currency Risk

The Pool has equity investments, cash, and foreign currency spot contracts that are exposed to foreign currency risk. The amounts at fair value (in U.S. dollars) of equity investments, cash, and foreign currency spot contracts as of June 30, 2025 were as follows:

Currency	Equity Investments	Cash	Foreign Currency Spot Contracts	Total
Australian Dollar	\$ 64,165	\$ 366	\$ (2)	\$ 64,529
Brazilian Real	79,977	576	(3)	80,550
British Pound	191,633	2,155	7	193,795
Canadian Dollar	114,253	73	-	114,326
Chilean Peso	1,242	5	-	1,247
Chinese Yuan Offshore	64,643	34	-	64,677
Chinese Yuan Onshore	-	3	-	3
Czech Koruna	824	-	-	824
Danish Krone	19,648	7	-	19,655
Egyptian Pound	23	4	-	27
Emirati Dirham	52,663	1,676	-	54,339
Euro Currency Unit	455,760	4,282	(6)	460,036
Hong Kong Dollar	355,678	454	-	356,132
Hungarian Forint	19,745	5	-	19,750
Indian Rupee	257,288	3,967	-	261,255
Indonesian Rupiah	11,648	476	-	12,124
Israeli Shekel	16,547	6	-	16,553
Japanese Yen	293,441	7,984	13	301,438
Kuwaiti Dinar	9,550	238	-	9,788
Malaysian Ringgit	11,655	8	(1)	11,662
Mexican Peso	16,359	79	(7)	16,431
New Taiwan Dollar	285,029	145	11	285,185
New Zealand Dollar	79	-	-	79
Norwegian Krone	35,143	22	-	35,165
Philippine Peso	4,528	17	-	4,545
Polish Zloty	20,800	8	-	20,808
Qatari Riyal	1,606	-	-	1,606
Russian Ruble*	-	6,951	-	6,951
Saudi Arabian Riyal	46,357	1,901	-	48,258
Singapore Dollar	13,586	6	-	13,592
South African Rand	19,868	4	(3)	19,869
South Korean Won	226,350	1,595	(15)	227,930
Swedish Krona	75,977	1,153	6	77,136
Swiss Franc	76,406	687	(2)	77,091
Thailand Baht	31,260	1	(4)	31,257
Turkish Lira	28,702	2	-	28,704
Total	\$ 2,902,433	\$ 34,890	\$ (6)	\$ 2,937,317
U.S. Dollar	161,070	10	-	161,080
Total	\$ 3,063,503	\$ 34,900	\$ (6)	\$ 3,098,397

*Cash is reported as restricted on the Statement of Net Position

International Equity Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 4. FAIR VALUE MEASUREMENTS

GASB Statement No. 72 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

GASB Statement No. 72 establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with GASB Statement No. 72 fair value hierarchy levels as of June 30, 2025:

Assets	Level 1	Level 2	Level 3	Total
Common stock	\$ 3,048,184	\$ -	\$ -	\$ 3,048,184
Money market mutual fund	151,364	-	-	151,364
Preferred stock	15,127	-	-	15,127
Rights	192	-	-	192
Securities lending collateral	-	47,645	-	47,645
Total	<u>\$ 3,214,867</u>	<u>\$ 47,645</u>	<u>\$ -</u>	<u>\$ 3,262,512</u>

NOTE 5. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at June 30, 2025:

	Fair Value
Securities on loan	\$ 123,572
Collateral received:	
Cash	\$ 47,645
Non-cash	82,790
Total collateral received	<u>\$ 130,435</u>

NT, as agent for the WVIMB, loans the WVIMB's securities to various counterparties. These transactions are executed under a Securities Lending Authorization Agreement (SLAA) which permits NT under certain circumstances, such as defaults, to offset amounts payable to the same counterparty against amounts to be received and thus create one single net payment due to or from the counterparty. The amounts listed in the above table represent all securities loaned which are subject to the SLAA on a net payment basis. The WVIMB has elected not to offset the fair value of the securities on loan against the liability for the return of the collateral on the Statement of Net Position.

International Equity Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at June 30, 2025:

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 1,310,994
Public Employees' Retirement System	1,197,833
West Virginia Retiree Health Benefit Trust Fund	263,707
State Police Death, Disability and Retirement Fund	104,763
Workers' Compensation Old Fund	55,901
State Police Retirement System	50,121
Deputy Sheriff's Retirement System	47,777
Judges' Retirement System	41,139
Municipal Policemen's or Firemen's Pension and Relief Funds	35,242
West Virginia Department of Environmental Protection Agency	31,546
Revenue Shortfall Reserve Fund - Part B	28,658
Emergency Medical Services Retirement System	27,934
Revenue Shortfall Reserve Fund	17,591
Coal Workers' Pneumoconiosis Fund	13,685
Wildlife Endowment Fund	9,629
Public Employees Insurance Agency	9,487
West Virginia State Parks and Recreation Endowment Fund	7,424
Municipal Police Officers' and Firefighters' Retirement System	7,225
Board of Risk and Insurance Management	4,876
Natural Resources Police Officer Retirement System	4,494
Workers' Compensation Self-Insured Employer Security Risk Pool	3,646
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	2,987
Workers' Compensation Uninsured Employers' Fund	1,422
Berkeley County Development Authority	922
West Virginia Department of Environmental Protection Trust	769
Total	<u>\$ 3,279,772</u>

AUDITED FINANCIAL STATEMENTS
June 30, 2025



SHORT-TERM FIXED INCOME POOL



Short-Term Fixed Income Pool

Audited Financial Statements June 30, 2025

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Report of Independent Auditors

To the Board of Trustees
West Virginia Investment Management Board

Opinion

We have audited the financial statements of the West Virginia Investment Management Board's Short-Term Fixed Income Pool (the "Pool") which comprise the statement of net position as of June 30, 2025, and the related statement of changes in net position for the year ended, and the related notes (collectively referred to as the "basic financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Pool at June 30, 2025, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pool and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Basis of Presentation

As discussed in Note 1, the financial statements present only the Short-Term Fixed Income Pool and do not purport to, and do not, present fairly the financial position of the West Virginia Investment Management Board, at June 30, 2025, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages G-1 through G-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Ernst & Young LLP

August 28, 2025

Short-Term Fixed Income Pool

Management's Discussion and Analysis (Unaudited)

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds. The WVIMB operates on a fiscal year beginning July 1 and ending June 30. To effectuate its purpose, the WVIMB has constructed a series of investment pools in which to invest participating entities' monies.

The following information and the accompanying financial statements reflect only the investments and investment related operations of the WVIMB's Short-Term Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, the information contained in this Management Discussion and Analysis and the following financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants. The Management Discussion and Analysis information should be considered in conjunction with the information contained in the audited financial statements which follow this section.

Financial Statement Overview

Management's Discussion and Analysis is an introduction to the Pool's basic financial statements. The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting. Accordingly, the financial statements presented have been prepared in conformity with the reporting framework prescribed by GASB for external investment pools. The financial statements for the Pool include a Statement of Net Position and a Statement of Changes in Net Position. These financial statements are supported by the Notes to Financial Statements.

Pool Strategy

The main objective of the Pool is to maintain sufficient liquidity to meet the daily disbursements requested by participants and to invest any contributions until the time the money is transferred to other WVIMB operated investment pools without sustaining capital losses while earning a small return above inflation. The Pool's benchmark, net of external investment management fees, is the Financial Times Stock Exchange (FTSE) 3 Month U.S. T-Bill Index.

Condensed Financial Information and Analysis (in \$000s)

The Statement of Net Position presents the financial position of the Pool as of June 30, 2025 and includes all assets and liabilities of the Pool. The difference between total assets and total liabilities, which is equal to the participants' interest in the Pool's net position, is shown below for the current and prior fiscal year-end dates:

Condensed Net Position	June 30, 2025	June 30, 2024
Investments	\$ 282,498	\$ 263,464
Other assets	26	35
Total assets	282,524	263,499
Total liabilities	(29)	(26)
Net position	\$ 282,495	\$ 263,473

Short-Term Fixed Income Pool

Management's Discussion and Analysis (Unaudited)

Yearly variances in the net position of the Pool are primarily impacted by the interest rates on short-term fixed income securities. Net position is also impacted by expenses charged to the Pool and the issuance and redemption of Pool units. The increase in the Pool's net position of \$19,022 results from net investment income of \$10,137, a decrease from distributions to unitholders of \$10,137, and a net increase from unit transactions of \$19,022.

The Statement of Changes in Net Position presents the Pool's activity for the year.

Condensed Changes in Net Position	Years Ended	
	June 30, 2025	June 30, 2024
Investment income	\$ 10,254	\$ 10,362
Expenses	(117)	(105)
Net investment income	10,137	10,257
Distributions to unitholders	(10,137)	(10,257)
Net units issued	19,022	76,875
Increase in net position	19,022	76,875
Net position, beginning of year	263,473	186,598
Net position, end of year	<u>\$ 282,495</u>	<u>\$ 263,473</u>

The investment income of the Pool is primarily from interest received on fixed income securities.

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. The return of the Pool (net of fees) for the year ended June 30, 2025 was 4.7 percent, down from 5.4 percent for the year ended June 30, 2024.

Select financial highlights for the Pool are as follows:

Per Unit Operating Performance:	Years Ended	
	June 30, 2025	June 30, 2024
Net position, beginning of year	\$ 1.00	\$ 1.00
Net investment income	0.05	0.05
Distributions to unitholders	(0.05)	(0.05)
Net position, end of year	<u>\$ 1.00</u>	<u>\$ 1.00</u>

Supplemental Data:

Ratio of expenses to average net position	0.05%	0.05%
Weighted average maturity (WAM)	6 days	8 days
Maximum WAM per WVIMB Board guidelines	60 days	60 days
Money market yield (a)	4.25%	5.32%

- (a) The money market yield represents the rate of income, net of expenses, earned over the past month divided by the average shares outstanding and is not intended to indicate future performance. The return is annualized over a 365-day or 366-day year, assuming no reinvestment of earnings.

Short-Term Fixed Income Pool

Statement of Net Position

June 30, 2025

(Amounts in thousands, except unit data)

Assets

Investments, at amortized cost:

U.S. Government agency bonds	\$	196,679
U.S. Treasury issues		24,960
Repurchase agreement		60,859
Cash		19
Interest receivable		7

Total assets 282,524

Liabilities

Accrued expenses		29
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Net position \$ 282,495

Unit data

Units outstanding		282,495,393
Net position, unit price	\$	1.00

See accompanying notes to financial statements.

Short-Term Fixed Income Pool

Statement of Changes in Net Position
Year Ended June 30, 2025
(Amounts in thousands)

Investment income

Interest	\$ 10,254
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Expenses

Investment advisor fees	(109)
Custodian bank fees	<u>(8)</u>

Total expenses	<u>(117)</u>
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Net investment income	10,137
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Distributions to unitholders	(10,137)
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Unit transactions

Proceeds from sale of units	1,695,707
Reinvestment of distributions	10,137
Amount paid for repurchase of units	<u>(1,686,822)</u>

Net increase from unit transactions	<u>19,022</u>
--	---------------

Increase in net position	19,022
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Net position, beginning of year	<u>263,473</u>
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Net position, end of year	<u><u>\$ 282,495</u></u>
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See accompanying notes to financial statements.

Short-Term Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds.

A Board of Trustees (Board), consisting of thirteen members, governs the WVIMB. The Governor, the State Auditor, and the State Treasurer are ex officio members of the Board. The Governor appoints all other Trustees for a term of six years.

The WVIMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the WVIMB's Short-Term Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants.

The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting.

The main objective of the Pool is to maintain sufficient liquidity to meet the daily disbursements requested by participants and to invest any contributions until the time the money is transferred to other WVIMB operated investment pools without sustaining capital losses while earning a small return above inflation. The Pool's benchmark, net of external investment management fees, is the Financial Times Stock Exchange (FTSE) 3 Month U.S. T-Bill Index. JP Morgan Investment Advisors manages the Pool.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Investment Valuation - The WVIMB reports its investments at amortized cost provided such amounts approximate fair value in accordance with GASB Statements No. 72 and No. 79. The basic premise underlying the use of the amortized cost method of valuation is that high-quality, short-term debt securities held until maturity will eventually return to their amortized cost value regardless of any current disparity between the amortized cost value and market value as such securities would not ordinarily be expected to fluctuate significantly in value. The Pool values its securities at amortized cost so long as the deviation between the amortized cost and current market value remains minimal and results in the computation of a share price that represents fairly the stable net position value per share of \$1. Refer to Note 4 for further discussion and presentation of the reporting requirements under GASB Statement No. 72.

Repurchase Agreements - In connection with transactions in repurchase agreements, it is the WVIMB's policy that its designated custodian or mutual third party take possession of the underlying collateral securities, the fair value of which exceeds the principal amount of the repurchase transaction at all times. If the seller defaults, and the fair value of the collateral declines, realization of the collateral by the WVIMB may be delayed or limited.

Investment Transactions - Investment transactions are accounted for on a trade date basis. Interest income, including the accretion of discounts and amortization of premiums, is accrued daily as earned.

Use of Estimates - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Short-Term Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Unit Valuation and Participant Transactions - The unit price of the Pool is calculated daily by dividing the net position of the Pool by the number of outstanding units. Management's policy is for the Pool to maintain a stable unit price of \$1 per unit. If the calculated unit price rounds to \$1, then participant transactions are executed at this price.

Distributions to Participants - Daily net investment income is declared as a dividend and distributed to the participants of the Pool on the last day of the month. Distributions are paid in the form of reinvestments in the Pool and have been included in distributions to unitholders and reinvestment of distributions as presented on the Statement of Changes in Net Position. The Pool does not distribute net investment losses.

Expenses - The WVIMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. The Pool is only charged for its direct investment-related costs. The WVIMB pays all expenses on behalf of the Pool.

Income Taxes - The WVIMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of June 30, 2025.

NOTE 3. INVESTMENT RISK DISCLOSURES

Credit Risk

The WVIMB limits the exposure to credit risk in the Pool by requiring all corporate bonds to be rated AA or higher. Commercial paper must be rated A-1 by Standard & Poor's and P-1 by Moody's. Additionally, the Pool must hold at least 10 percent of its assets in U.S. Treasury issues or remedy any deviation within two business days. At June 30, 2025, the Pool held no corporate bonds or commercial paper and approximately 9 percent of its total assets in U.S. Treasury issues. In accordance with policy, the allocation to U.S. Treasury issues was remediated within two business days, resulting in an increase to 13 percent of its total assets by July 1, 2025. Repurchase agreements are collateralized by United States Treasury bonds. The WVIMB reviews available ratings from Standard & Poor's, Moody's, and Fitch, and reports the rating indicative of the greatest degree of risk. All of the Pool's investments had the highest credit ratings as of June 30, 2025.

Concentration of Credit Risk

The Pool is restricted from investing more than 5 percent of the value of the Pool in any one corporate name. At June 30, 2025, the Pool was in compliance with this restriction and not exposed to concentration of credit risk.

Custodial Credit Risk

The Pool is exposed to custodial credit risk from its uninsured and uncollateralized cash balances. As of June 30, 2025, \$19 of the Pool's cash balance was exposed to custodial credit risk. Repurchase agreements are collateralized at 102 percent and the collateral is held in the name of the WVIMB. All remaining securities are held by the WVIMB's custodian in the name of the WVIMB and thus not subject to custodial credit risk.

Interest Rate Risk

The Pool is exposed to interest rate risk from its fixed income investments. The WVIMB monitors interest rate risk of the Pool by limiting the weighted average maturity (WAM) of the investments of the Pool to 60 days. The maturity of floating rate notes is assumed to be the next interest rate reset date. The following table provides the WAM for the different asset types in the Pool as of June 30, 2025:

Investment Type	Carrying Value	WAM (days)
Repurchase agreement	\$ 60,859	1
U.S. Government agency bonds	196,679	7
U.S. Treasury issues	24,960	15
Total investments	\$ 282,498	6

Foreign Currency Risk

The Pool is not subject to foreign currency risk.

Short-Term Fixed Income Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 4. FAIR VALUE MEASUREMENTS

GASB Statement No. 72 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

GASB Statement No. 72 establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

The table below summarizes the valuation of the investments in accordance with GASB Statement No. 72 fair value hierarchy levels as of June 30, 2025:

Assets	Level 1	Level 2	Level 3	Total
Repurchase agreement	\$ -	\$ 60,859	\$ -	\$ 60,859
U.S. Government agency bonds	-	196,679	-	196,679
U.S. Treasury issues	-	24,960	-	24,960
Total	\$ -	\$ 282,498	\$ -	\$ 282,498

Short-Term Fixed Income Pool

Notes to Financial Statements

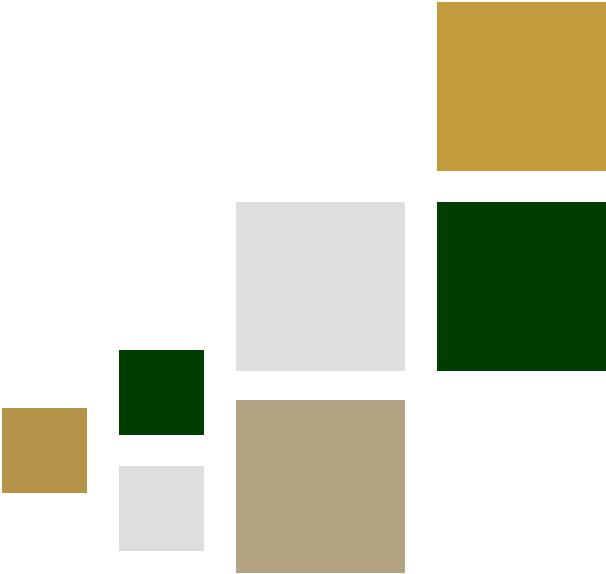
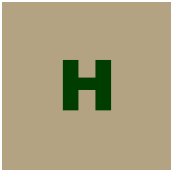
(Amounts in thousands)

NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at June 30, 2025:

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 117,456
Revenue Shortfall Reserve Fund	65,564
Workers' Compensation Old Fund	34,473
Public Employees' Retirement System	25,014
State Police Death, Disability and Retirement Fund	9,701
Coal Workers' Pneumoconiosis Fund	8,506
Board of Risk and Insurance Management	5,586
Workers' Compensation Self-Insured Employer Security Risk Pool	2,432
State Police Retirement System	2,170
Deputy Sheriff's Retirement System	2,145
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	2,102
Emergency Medical Services Retirement System	1,898
Municipal Police Officers' and Firefighters' Retirement System	1,136
Municipal Policemen's or Firemen's Pension and Relief Funds	1,123
Workers' Compensation Uninsured Employers' Fund	1,045
West Virginia State Parks and Recreation Endowment Fund	837
Judges' Retirement System	465
Natural Resources Police Officer Retirement System	443
West Virginia Retiree Health Benefit Trust Fund	157
Wildlife Endowment Fund	152
Revenue Shortfall Reserve Fund - Part B	75
West Virginia Department of Environmental Protection Agency	8
West Virginia Department of Environmental Protection Trust	3
Berkeley County Development Authority	2
Public Employees Insurance Agency	2
Total	<u>\$ 282,495</u>

AUDITED FINANCIAL STATEMENTS
June 30, 2025



Total Return Fixed Income Pool

Audited Financial Statements June 30, 2025

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Report of Independent Auditors

To the Board of Trustees
West Virginia Investment Management Board

Opinion

We have audited the financial statements of the West Virginia Investment Management Board's Total Return Fixed Income Pool (the "Pool") which comprise the statement of net position as of June 30, 2025, and the related statement of changes in net position for the year ended, and the related notes (collectively referred to as the "basic financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Pool at June 30, 2025, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pool and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Basis of Presentation

As discussed in Note 1, the financial statements present only the Total Return Fixed Income Pool and do not purport to, and do not, present fairly the financial position of the West Virginia Investment Management Board, at June 30, 2025, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages H-1 through H-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Ernst + Young LLP

August 28, 2025

Total Return Fixed Income Pool

Management's Discussion and Analysis (Unaudited)

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds. The WVIMB operates on a fiscal year beginning July 1 and ending June 30. To effectuate its purpose, the WVIMB has constructed a series of investment pools in which to invest participating entities' monies.

The following information and the accompanying financial statements reflect only the investments and investment related operations of the WVIMB's Total Return Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, the information contained in this Management Discussion and Analysis and the following financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants. The Management Discussion and Analysis information should be considered in conjunction with the information contained in the audited financial statements which follow this section.

Financial Statement Overview

Management's Discussion and Analysis is an introduction to the Pool's basic financial statements. The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting. Accordingly, the financial statements presented have been prepared in conformity with the reporting framework prescribed by GASB for external investment pools. The financial statements for the Pool include a Statement of Net Position and a Statement of Changes in Net Position. These financial statements are supported by the Notes to Financial Statements.

Pool Strategy

The main objective of the Pool is to generate investment income, provide stability, and enhance diversification but not at the expense of total return. The Pool's investment objective is to outperform the Bloomberg U.S. Universal Bond Index over three- to five-year periods, net of external investment management fees.

Condensed Financial Information and Analysis (in \$000s)

The Statement of Net Position presents the financial position of the Pool as of June 30, 2025 and includes all assets and liabilities of the Pool. The difference between total assets and total liabilities, which is equal to the participants' interest in the Pool's net position, is shown below for the current and prior fiscal year-end dates:

Condensed Net Position	June 30, 2025	June 30, 2024
Investments	\$ 3,191,001	\$ 2,769,352
Derivatives	43,489	39,015
Other assets	44,195	74,654
Total assets	3,278,685	2,883,021
Derivatives	(40,687)	(58,852)
Other liabilities	(593,844)	(296,803)
Total liabilities	(634,531)	(355,655)
Net position	\$ 2,644,154	\$ 2,527,366

Total Return Fixed Income Pool

Management's Discussion and Analysis (Unaudited)

Yearly variances in the net position of the Pool are primarily impacted by the overall performance of fixed income securities. Net position is also impacted by expenses charged to the Pool and the issuance and redemption of Pool units. The increase in the Pool's net position of \$116,788 results from net investment income of \$212,641 and a net decrease from unit transactions of \$95,853.

The Statement of Changes in Net Position presents the Pool's activity for the year.

Condensed Changes in Net Position	Years Ended	
	June 30, 2025	June 30, 2024
Investment income	\$ 222,456	\$ 141,014
Expenses	(9,815)	(9,560)
Net investment income	212,641	131,454
Net units issued (redeemed)	(95,853)	109,784
Increase in net position	116,788	241,238
Net position, beginning of year	2,527,366	2,286,128
Net position, end of year	\$ 2,644,154	\$ 2,527,366

The investment income of the Pool consists primarily of the net increase in fair value of investments and interest received on fixed income securities.

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. The return of the Pool (net of fees) for the year ended June 30, 2025 was 8.4 percent, up from 5.8 percent for the year ended June 30, 2024.

Select financial highlights for the Pool are as follows:

Per Unit Operating Performance:	Years Ended	
	June 30, 2025	June 30, 2024
Net position, beginning of year	\$ 17.01	\$ 16.08
Net investment income	1.42	0.93
Net position, end of year	\$ 18.43	\$ 17.01

Supplemental Data:

Ratio of expenses to average net position (a)	0.25%	0.26%
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- (a) The ratio is for the fiscal year, does not reflect the Pool's proportionate share of expenses of the underlying investee funds, and excludes securities lending expenses.

Total Return Fixed Income Pool

Statement of Net Position

June 30, 2025

(Amounts in thousands, except unit data)

Assets

Investments, at fair value:	
Fixed income investments	\$ 2,841,961
Derivative instruments	43,489
Equity investments	12,630
Money market mutual fund	282,726
Securities lending collateral	53,684
Cash	9,238
Receivables:	
Interest, dividends, and other investment income	23,975
Investments sold	10,982
Total assets	3,278,685

Liabilities

Investments in derivative instruments at fair value	40,687
Cash due to broker, net	3,540
Accrued expenses	1,539
Payable for investments purchased	535,081
Payable upon return of securities loaned	53,684
Total liabilities	634,531
Net position	<u><u>\$ 2,644,154</u></u>

Unit data

Units outstanding	143,459,472
Net position, unit price	<u><u>\$ 18.43</u></u>

See accompanying notes to financial statements.

Total Return Fixed Income Pool

Statement of Changes in Net Position
Year Ended June 30, 2025
(Amounts in thousands)

Investment income

Net increase in fair value of investments	\$ 90,364
Interest and dividends	128,706
Securities lending income	<u>3,386</u>
Total investment income	222,456

Expenses

Investment advisor fees	(5,779)
Custodian bank fees	(149)
Management and other allocated fees	(783)
Securities lending expenses	<u>(3,104)</u>
Total expenses	<u>(9,815)</u>
Net investment income	212,641

Unit transactions

Proceeds from sale of units	169,305
Amount paid for repurchase of units	<u>(265,158)</u>
Net decrease from unit transactions	<u>(95,853)</u>
Increase in net position	116,788
Net position, beginning of year	<u>2,527,366</u>
Net position, end of year	<u><u>\$ 2,644,154</u></u>

See accompanying notes to financial statements.

Total Return Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds.

A Board of Trustees, consisting of thirteen members, governs the WVIMB. The Governor, the State Auditor, and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The WVIMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the WVIMB's Total Return Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants.

The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting.

The main objective of the Pool is to generate investment income, provide stability, and enhance diversification, but not at the expense of total return. The Pool's investment objective is to outperform the Bloomberg U.S. Universal Bond Index over three-to five-year periods, net of external investment management fees. Dodge & Cox, Franklin Templeton Investments, and Western Asset Management Company manage the Pool.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Investment Valuation - The WVIMB reports its investments at fair value in accordance with GASB Statement No. 72. Refer to Note 5 for further discussion and presentation of the reporting requirements under GASB Statement No. 72.

Fair value of the Pool's investments is determined on the last business day of each month as follows:

- Fixed income securities are valued according to prices furnished by independent pricing services to the Pool's custodian. These services determine the security prices by a number of methods including, but not limited to, dealer quotes, live market trading levels when available, live feeds of trade execution data, spreads over U.S. Treasury securities, and other models and formulae appropriate to the specific security type.
- Open-end regulated investment companies, commingled debt funds, and other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.
- Futures and option contracts are valued at the last settlement price established each day by the exchange on which they are traded or at the fair value determined by valuation models employed by the counterparty. The fair value of Futures contracts is reflected as their unrealized gain or loss.
- Credit default, interest rate, and total return swaps are valued at the last settlement price established each day by the exchange on which they are traded, are based on market values received from third parties, or are determined by valuation models employed by the counterparty.
- Foreign currency forward contracts are valued using the appropriate market exchange rates and interpolated for maturity dates falling between the reported forward dates on a linear basis at month end. The fair value of foreign currency forward contracts is reflected as their unrealized gain or loss.
- Equity securities are valued at the last sale price or official closing price reported in the market in which they are primarily traded.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the WVIMB's established procedures.

Total Return Fixed Income Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash - Cash consists of cash on deposit with financial institutions.

Cash Due to/from Broker - The Pool records cash amounts due to or from brokers on the Statement of Net Position as Cash due to/from broker. Such amounts are required by brokers for collateral on certain derivative instruments and/or on forward-settling mortgage-backed securities, considered restricted, and reported net.

Foreign Currency - Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars at exchange rates reported by the Pool's custodian on the following basis:

- Market value of investment securities, other assets and liabilities - at the closing rate of exchange at the valuation date.
- Purchases and sales of investment securities, income and expenses - at the rate of exchange prevailing on the respective dates of such transactions.

Securities Lending - The WVIMB, through its lending agent, Northern Trust (NT), loans securities of the Pool to various brokers on a temporary basis. Each transaction for international and domestic securities is secured by collateral based on the market value of the securities loaned. The required collateral percentage varies based on the type of collateral received and the type of security loaned. For U.S. securities, the required percentage of cash collateral and non-cash collateral consisting of debt obligations and securities issued by the United States Government or its agencies or instrumentalities is at least 102 percent of the market value of the securities loaned plus accrued income. For international securities, the required collateral is at least 105 percent of the market value of the securities on loan unless the foreign securities loaned are denominated and payable in U.S. dollars, then the collateral shall be at least 102 percent of the market value of the securities loaned.

Cash collateral received is invested in the West Virginia Custom Account (Cash Collateral Account). The Cash Collateral Account's investment objective is to maximize current income to the extent capital is preserved and liquidity is maintained. The Cash Collateral Account seeks to maintain a constant net asset value of \$1.00 per share by following strict credit quality, maturity, liquidity, and diversification requirements. Except for underlying repurchase agreement transactions, the Pool is liable for investment losses in the Cash Collateral Account. The lending agent contractually indemnifies the WVIMB for any repurchase agreement investment losses.

Investments made with cash are reported at fair value on the Statement of Net Position. Securities loaned remain on the Statement of Net Position. The WVIMB has the right under the lending agreement to recover the securities from the borrower on demand. The WVIMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. Securities lending income and expenses are recorded in the Statement of Changes in Net Position. The WVIMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Changes in Net Position as a net increase (decrease) in fair value of investments.

Option Contracts - The WVIMB may purchase or write bond, currency, or index option contracts that have recognized liquidity and are actively traded on major exchanges or are executed with major dealers. These option contracts give the purchaser (seller) of the contract the right to buy (call) or sell (put) the security, or settle cash for an index option, underlying the contract at an agreed upon price (strike price) during, or at the conclusion of, a specified period of time.

Written option contracts are used to enhance investment returns and reduce portfolio convexity when implied volatility is high. Purchased option contracts are used to increase portfolio convexity when implied volatility is low, to implement certain yield curve strategies, or to hedge sector exposure.

When writing put options, there is risk that a loss may be incurred if the market price of the underlying instrument decreases and the option is exercised. This loss is determined by market conditions and cannot be specifically limited. The risk associated with writing call options is the loss of potential profit if the market price of the security increases and the option is exercised.

Total Return Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Purchased put or call options bear the risk of loss of the premium paid if market conditions are not favorable to exercise the option. There may also be risk that the value of the option contract does not correlate perfectly with movements of the underlying instrument due to certain market distortions.

The WVIMB limits its exposure to credit risk by only buying or selling options traded on major exchanges or executed with major dealers. There is a risk of the inability to enter into a closing transaction if a liquid secondary market does not exist. The WVIMB maintains sufficient levels of cash or cash equivalents to meet cash flow obligations.

Futures Contracts - A futures contract is an agreement between a buyer or a seller and the clearinghouse of a futures exchange in which the parties agree to buy or sell a commodity, financial instrument or index at a specified future date and price. Upon entering into a financial futures contract, the WVIMB is required to pledge collateral to the broker an amount of cash, U.S. government securities, or other assets, equal to a certain percentage of the contract amount (initial margin deposit). Cash (variation margin) is received from or paid to the broker on a daily basis for the fluctuations of the underlying securities or index.

Interest rate futures may be used to enhance portfolio yields, manage portfolio duration, or as an alternative investment of cash.

The market risk associated with holding interest rate futures results from changes in the market value of the contractual positions due to changes in the value of the underlying instruments or indices. Investment risk associated with these futures contracts arises because the value of the futures contracts may not correlate perfectly with changes in the values of the underlying instruments or indices due to market distortions.

Other risks associated with futures contracts are liquidity risk and credit risk. Liquidity risk arises when there is insufficient trading in a particular futures contract. Credit risk arises from the potential inability of counterparties to meet the terms of the contracts. The WVIMB's managers generally only utilize futures contracts that are traded on major exchanges or are executed with major dealers. The major exchanges assume the risk of a counterparty default and generally require an initial margin deposit of cash or securities.

Foreign Currency Contracts – A foreign currency contract is an agreement between two parties to exchange different currencies at a specified exchange rate at an agreed upon future date. The WVIMB enters into foreign currency spot contracts that correspond to investment transactions trading in foreign currencies and to repatriate income. The WVIMB enters into forward contracts to take advantage of the relative changes in currency exchange rates. Risks associated with such contracts include movement in the value of the foreign currency relative to the U.S. dollar and the ability of the counterparty to perform. Spot contracts have relatively short durations that mirror foreign market settlement cycles, while forward contracts are often entered into with durations up to 3- to 4-months.

Repurchase Agreements - In connection with transactions in repurchase agreements, it is the WVIMB's policy that its designated custodian or mutual third party take possession of the underlying collateral securities, the fair value of which exceeds the principal amount of the repurchase transaction at all times. If the seller defaults, and the fair value of the collateral declines, realization of the collateral by the WVIMB may be delayed or limited.

Credit Default Swaps - Credit default swaps are agreements between counterparties to transfer the credit risk of referenced debt securities. The buyer of the credit default swap gains protection against a negative credit event such as a default or credit rating downgrade and the seller assumes the credit risk and is obligated to pay upon the occurrence of such an event. Credit default swap agreements are marked-to-market daily. Upfront payments received or made by the Pool on credit default swap agreements are capitalized. Periodic payments received or paid are recorded as interest income. Payments received or made as a result of a credit event or termination of the contract are recognized, net of a proportional amount of the upfront payment, in net increase (decrease) in fair value of investments.

Total Return Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Credit default swaps are instruments which allow for the full or partial transfer of third-party credit risk, with respect to a particular entity or entities, from one counterparty to the other. A seller of credit default swaps is selling credit protection or assuming credit risk with respect to the underlying entity or entities. If a credit event occurs, as defined under the terms of the swap agreement, the seller of protection will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. The Notional Principal reflects the maximum potential amount the seller of protection could be required to pay if a credit event occurs. The seller of protection receives periodic premium payments from the counterparty and may also receive or pay an upfront premium adjustment to the stated periodic premium.

Interest Rate Swaps - Interest rate swaps are agreements between counterparties to exchange cash flows based on the difference between a fixed and floating interest rate, applied to a notional principal amount for a specified period. Upfront payments received or made by the Pool on interest rate swap agreements are capitalized. Interest is paid or received periodically.

Total Return Swaps - Total return swaps are agreements in which one party makes payments based on a fixed or variable rate, while the other party makes payments based on the total return of an underlying referenced instrument, applied to a notional principal amount for a specified period. The underlying referenced instrument can be either a security or market index. A total return swap allows the party receiving the total return to obtain exposure to the underlying referenced instrument without actually owning the underlying position.

Structured Fixed Income Securities - The Pool invests in any combination of collateralized mortgage obligations (CMO), including interest-only (IO) and/or principal-only (PO) tranches, asset-backed securities (ABS), mortgage-backed securities (MBS), forward-settling MBS that are commonly known as to-be-announced securities (TBAs), and structured corporate debt. The Pool invests in these securities to enhance yields on investments. Changes in market interest rates affect the cash flows of these securities and may result in changes in fair value. The overall return or yield on these securities depends on the changes in the interest and principal payment pattern and market value of the underlying assets.

Investment Transactions - Investment transactions are accounted for on a trade date basis. Interest income is recognized on the accrual basis. Dividend income is recognized on the ex-dividend date.

Use of Estimates - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Unit Valuation and Participant Transactions - The unit price of the Pool is calculated on the last business day of the month by dividing the net position of the Pool by the number of outstanding units. Participant accounts undergo a monthly rebalancing process to maintain their defined asset allocation. Participant transactions that occur as part of the rebalancing process are executed as a purchase or redemption on the first business day of each month using the prior month-end unit price.

Distributions to Participants - The Pool does not routinely distribute dividends of net investment income.

Expenses - The WVIMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The WVIMB pays all expenses on behalf of the Pool. In addition to these direct and allocated expenses, the Pool bears certain expenses indirectly, such as fees of other investment funds in which the Pool invests that are reflected in the reported net asset value of such funds.

Income Taxes - The WVIMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for U.S. federal or state income taxes is required as of June 30, 2025.

Total Return Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

In certain foreign countries, the Pool's interest income and capital gains may be taxable. Taxes on interest income are generally withheld from the payments and as a result there is no provision recorded for these taxes. In certain cases, there may be a full or partial reclaim available for the withheld taxes. Capital gains taxes, if any, on sales of securities may be assessed and paid concurrent with the sale or upon the filing of a return with the taxing authority. In countries where the WVIMB is liable for capital gains taxes, the WVIMB will estimate and accrue a capital gains tax liability for unrealized gains on securities held in such countries. The outstanding reclaims and accrued capital gains taxes, when applicable, are reported on the Statement of Net Position. Interest income is reported net of non-reclaimable taxes withheld on the Statement of Changes in Net Position. The net increase (decrease) in fair value of investments is reported net of capital gains taxes on the Statement of Changes in Net Position.

NOTE 3. INVESTMENT RISK DISCLOSURES

Credit Risk

The Pool is exposed to credit risk from its fixed income investments, money market mutual fund investment, and Cash Collateral Account investment. The WVIMB limits the exposure to credit risk in the Pool by maintaining at least an average long-term credit rating of BBB (investment grade) and/or a short-term credit rating of A-2 (Tier II) as defined by a nationally recognized statistical rating organization. The WVIMB reviews available ratings from Standard & Poor's, Moody's, and Fitch, and reports the rating indicative of the greatest degree of risk. The Pool held some securities in which the aforementioned rating agencies withdrew their credit rating and other securities that did not receive a credit rating. These securities have been listed as withdrawn or not rated, as applicable, in the table below. Credit ratings can be withdrawn for a variety of reasons including incorrect or insufficient information is available from the issuer to support the rating, bankruptcy or default, the size of a structured security falls below a level specified in the rating agencies methodology, or for business reasons of the rating agency. Business reasons generally do not reflect any concerns about a security's creditworthiness and the absence or lack of a rating does not necessarily indicate a greater degree of risk. The money market mutual fund has the highest credit rating. The Cash Collateral Account is not rated. The following table provides credit ratings for the Pool's fixed income investments as of June 30, 2025:

Rating	Fair Value
<i>Long-term</i>	
AAA	\$ 105,314
AA	1,435,706
A	178,020
BBB	449,691
BB	277,841
B	121,504
CCC	38,987
CC	4,640
D	1,781
<i>Short-term</i>	
A-1	121,105
Total rated	\$ 2,734,589
Not rated	93,534
Withdrawn	13,838
Total fixed income investments	\$ 2,841,961

Concentration of Credit Risk

The Pool is restricted from investing more than 5 percent of the value of the Pool in any one corporate name. At June 30, 2025, the Pool was in compliance with this restriction and not exposed to concentration of credit risk.

Total Return Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 3. INVESTMENT RISK DISCLOSURES (continued)

Custodial Credit Risk

The Pool is exposed to custodial credit risk from its uninsured and uncollateralized cash balances, including cash pledged as collateral on derivative instruments. As of June 30, 2025, \$15,111 of the Pool's cash balance was exposed to custodial credit risk. Repurchase agreements, when held, are collateralized to a minimum of 102 percent and the collateral is held in the name of the WVIMB. Securities on loan are collateralized to a minimum of 102 percent for U.S. dollar denominated loans and 105 percent for foreign denominated loans, and the collateral is held by the WVIMB's custodian in the name of the WVIMB. Investments in commingled debt funds, money market mutual funds, and the Cash Collateral Account are not subject to custodial credit risk. All remaining securities are held by the WVIMB's custodian, or by the counterparty if the securities were pledged as non-cash collateral on derivative instruments, in the name of the WVIMB and thus not subject to custodial credit risk.

Interest Rate Risk

The Pool is exposed to interest rate risk from its fixed income investments, money market mutual fund investment, and Cash Collateral Account investment. As of June 30, 2025, the money market mutual fund had a weighted average maturity (WAM) of 45 days. Except for repurchase agreements that can have up to 95 days to maturity, investments in the Cash Collateral Account are limited to overnight investments. As of June 30, 2025, the WAM for the Cash Collateral Account was 1 day.

The WVIMB monitors interest rate risk of the Pool by evaluating the effective duration of the investments in the Pool. Effective duration is a method of disclosing interest rate risk that measures the expected change in the price of a fixed income security for a 1 percent change in interest rates. The effective duration calculation makes assumptions regarding the most likely timing of variable cash flows, which is particularly useful for measuring the interest rate risk of callable bonds, commercial and residential mortgage-backed securities, asset-backed securities, collateralized mortgage obligations, and variable-rate debt. The following table provides the weighted average effective duration for the various asset types in the Pool as of June 30, 2025:

Investment Type	Fair Value	Effective Duration (years)
Bank loans	\$ 3,636	0.7
Commingled debt funds	174,575	3.0
Corporate ABS	116,565	1.7
Corporate CMO	105,219	1.4
Foreign ABS	103,589	(0.1)
Foreign corporate bonds	256,842	3.9
Foreign government bonds	198,138	4.7
Municipal bonds	17,027	5.8
Repurchase agreement	37,000	0.0*
U.S. corporate bonds	328,356	4.0
U.S. Government agency bonds	2,581	0.3
U.S. Government agency CMO	89,309	1.8
U.S. Government agency CMO IO	9,516	2.4
U.S. Government agency MBS	557,768	6.1
U.S. Government agency TBAs	278,624	4.7
U.S. Treasury issues	547,374	8.7
U.S. Treasury inflation protected securities (TIPS)	15,842	13.0
Total fixed income investments	\$ 2,841,961	

*Rounds to less than 0.05

Total Return Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 3. INVESTMENT RISK DISCLOSURES (continued)

The Pool invests in commercial and residential mortgage-backed securities, asset-backed securities, and collateralized mortgage obligations. The cash flows from these securities are based on the payment of the underlying collateral. The effective duration and yield to maturity of these securities are dependent on estimated prepayment assumptions that consider historical experience, market conditions and other criteria. Actual prepayments may vary with changes in interest rates. Rising interest rates often result in a slower rate of prepayments while declining rates tend to lead to faster prepayments. As a result, the fair values of these securities are highly sensitive to interest rate changes. At June 30, 2025, the Pool held \$1,260,588 of these securities, which represents approximately 44 percent of the value of the Pool's fixed income securities.

Foreign Currency Risk

The Pool has foreign fixed income investments, foreign equity investments, foreign currency spot contracts, and cash that is denominated in foreign currencies that are exposed to foreign currency risk. Foreign denominated derivative instruments are disclosed in Note 4. Additionally, the Pool has indirect exposure to foreign currency risk through its ownership interests in certain commingled debt funds. Approximately \$42,379, or 24 percent, of the commingled debt funds hold substantially all of their investments in securities denominated in foreign currencies. This represents approximately 1 percent of the value of the Pool's fixed income securities.

The amounts at fair value (in U.S. dollars) of investments and cash denominated in foreign currencies as of June 30, 2025, are as follows:

Currency	Foreign Fixed Income	Foreign Common Stock	Foreign Currency Spot Contracts	Cash	Net Cash Due To/From Brokers	Total
Australian Dollar	\$ -	\$ -	\$ -	\$ 1,191	\$ 938	\$ 2,129
Brazilian Real	51,677	-	-	1	-	51,678
British Pound	-	147	-	797	656	1,600
Canadian Dollar	-	-	-	1,095	-	1,095
Colombian Peso	3,720	-	-	-	-	3,720
Dominican Peso	3,246	-	-	-	-	3,246
Egyptian Pound	3,957	-	-	-	-	3,957
Euro Currency Unit	33,594	-	(3)	3,645	-	37,236
Jamaican Dollar	1,385	-	-	-	-	1,385
Japanese Yen	6,396	-	-	1,298	-	7,694
Kazakhstani Tenge	4,750	-	-	-	-	4,750
Mexican Peso	5,863	-	-	1	-	5,864
Nigerian Naira	2,089	-	-	-	-	2,089
New Zealand Dollar	-	-	-	750	-	750
Polish Zloty	3,337	-	-	-	-	3,337
South African Rand	4,376	-	-	670	-	5,046
Swedish Krona	-	-	-	470	-	470
Turkish Lira	2,652	-	-	-	-	2,652
Uruguayan Peso	1,014	-	-	-	-	1,014
Uzbekistani Som	3,924	-	-	-	-	3,924
Total foreign denominated investments	\$ 131,980	\$ 147	\$ (3)	\$ 9,918	\$ 1,594	\$ 143,636
U.S. Dollar	430,225	-	-	(680)	(5,134)	424,411
Total	<u>\$ 562,205</u>	<u>\$ 147</u>	<u>\$ (3)</u>	<u>\$ 9,238</u>	<u>\$ (3,540)</u>	<u>\$ 568,047</u>

NOTE 4. DERIVATIVE INSTRUMENTS

Derivative instruments held in the Pool include foreign currency forward contracts, futures, options, credit default swaps, interest rate swaps, and total return swaps. None of these derivative instruments are designated as hedging instruments under GASB Statement No. 53; they are used to implement portfolio strategy, capture valuation opportunities, and to exploit market inefficiencies. The primary risks managed by using these derivative instruments include interest rate, foreign exchange rate, and market price risks. See Note 2 for additional information on the Pool's purpose for entering into derivatives and for discussion on the risks associated with investing in these derivatives.

Total Return Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 4. DERIVATIVE INSTRUMENTS (continued)

The table below presents the fair value and the net increase (decrease) in fair value of derivative instruments as of and for the year ended June 30, 2025:

Derivative Type	Fair Value	Net Increase (Decrease) in Fair Value of Investments	Notional Value (in USD)
Forwards:			
Foreign currency forward contracts	\$ (4,016)	\$ (6,167)	\$ 228,132
Futures contracts:			
Fixed income futures long	6,003	(4,736)	775,520
Fixed income futures short	(9,024)	13,997	(296,501)
Options contracts:			
Fixed income options purchased	2,022	(12,600)	456,368
Fixed income options written	(2,720)	19,733	(217,458)
Credit default swaptions purchased	-	(138)	-
Credit default swaptions written	-	394	-
Interest rate swaptions purchased	-	(137)	-
Interest rate swaptions written	-	137	-
Swaps:			
Credit default swaps protection buyer	-	(9)	-
Credit default swaps protection seller	4,521	819	101,943
Interest rate swaps	5,559	7,897	826,679
Total return swaps	457	2,126	11,699
Total derivatives	<u>\$ 2,802</u>	<u>\$ 21,316</u>	

Credit Risk

The Pool, through its investment managers, is a party to International Swap and Derivative Association, Inc. (ISDA) Master Agreements (MA) that may allow the netting of a counterparty's obligations against those of the Pool in the event of a default by the counterparty. The Pool is required to disclose the positions held at period end that were entered into pursuant to agreements that allow for such netting.

For financial reporting purposes, the Pool does not offset derivative assets and derivative liabilities that are subject to netting arrangements in the Statement of Net Position. The following table presents the Pool's derivative assets net of amounts available for offset under a netting provision and net of related collateral received by the Pool as of June 30, 2025:

Derivative Type	Derivative Assets Subject to a MA	Derivatives Available for Offset	Non-Cash Collateral Received	Cash Collateral Received	Net Exposure
Foreign currency forward contracts	\$ 793	\$ (793)	\$ -	\$ -	\$ -
Swaps	13,660	(11,936)	(1,333)	-	391
	<u>\$ 14,453</u>	<u>\$ (12,729)</u>	<u>\$ (1,333)</u>	<u>\$ -</u>	<u>\$ 391</u>

Total Return Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 4. DERIVATIVE INSTRUMENTS (continued)

Foreign currency forward contracts, certain swaps, and swaptions are exposed to counterparty credit risk. The WVIMB reviews available ratings from Standard & Poor's, Moody's, and Fitch and reports the rating indicative of the greatest degree of risk.

The following table provides the credit ratings for the Pool's derivative instruments that are subject to counterparty credit risk as of June 30, 2025:

Derivative Type	Counterparty Rating	Fair Value
Foreign currency forward contracts	A	\$ 564
Foreign currency forward contracts	BBB	793

Interest Rate Risk

The following table provides the time to maturity for derivative instruments that are subject to interest rate risk as of June 30, 2025:

Derivative Type	Fair Value	Investment Maturities (in years)			
		Under-1	1-5	6-10	10+
Futures contracts:					
Fixed income futures long	\$ 6,003	\$ 5,527	\$ 476	\$ -	\$ -
Fixed income futures short	(9,024)	(9,024)	-	-	-
Options contracts:					
Fixed income options purchased	2,022	2,022	-	-	-
Fixed income options written	(2,720)	(1,813)	(907)	-	-
Interest rate swaps	5,559	-	1,779	4,654	(874)
	<u>\$ 1,840</u>	<u>\$ (3,288)</u>	<u>\$ 1,348</u>	<u>\$ 4,654</u>	<u>\$ (874)</u>

Interest rate swaps are highly sensitive to changes in interest rates. The following tables provide detailed information on derivative instruments that are highly sensitive to interest rate changes.

At June 30, 2025, the open positions in interest rate swaps denominated in U.S. dollars were as follows:

Maturity Date	Reference Rate	Notional	Fair Value
4/28/2028	Receive Fixed 3.30%, Pay Floating SOFR	\$ 195,319	\$ 512
2/24/2031	Receive Fixed 4.04%, Pay Floating SOFR	262,677	7,821
1/31/2032	Receive Floating SOFR, Pay Fixed 3.73%	248,774	(3,167)
11/15/2053	Receive Floating SOFR, Pay Fixed 3.77%	6,920	191
4/28/2036	Receive Floating SOFR, Pay Fixed 3.85%	45,421	(498)
2/24/2056	Receive Floating SOFR, Pay Fixed 3.99%	37,253	(567)
		<u>\$ 796,364</u>	<u>\$ 4,292</u>

At June 30, 2025, the open positions in interest rate swaps denominated in foreign currencies were as follows:

Maturity Date	Reference Rate	Notional (in USD)	Fair Value
1/2/2030	Receive Fixed 14.76%, Pay Floating Brazil CDI	\$ 30,315	\$ 1,267

Reference Rate Index Definitions:

SOFR: Secured Overnight Financing Rate

Brazil CDI: Brazilian Interbank Deposit Rate

Total Return Fixed Income Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 4. DERIVATIVE INSTRUMENTS (continued)

Foreign Currency Risk

The Pool has foreign currency forward contracts, futures contracts, and swap contracts that are denominated in foreign currencies and exposed to foreign currency risks. The amounts at fair value (in U.S. dollars) of derivative instruments in foreign currencies as of June 30, 2025, are as follows:

Currency	Foreign Currency Forward Contracts	Futures Contracts	Swap Contracts	Total
Australian Dollar	\$ (159)	\$ 39	\$ -	\$ (120)
Brazilian Real	(2,334)	-	1,267	(1,067)
British Pound	(127)	220	-	93
Canadian Dollar	(40)	-	-	(40)
Euro Currency Unit	(953)	-	-	(953)
Indian Rupee	(102)	-	-	(102)
Japanese Yen	6	75	-	81
New Zealand Dollar	(5)	-	-	(5)
South African Rand	(302)	-	-	(302)
Total foreign denominated derivatives	\$ (4,016)	\$ 334	\$ 1,267	\$ (2,415)
U.S. Dollar	-	(3,355)	9,270	5,915
Total	\$ (4,016)	\$ (3,021)	\$ 10,537	\$ 3,500

NOTE 5. FAIR VALUE MEASUREMENTS

GASB Statement No. 72 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

GASB Statement No. 72 establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

U.S. GAAP does not require the Pool to categorize investments whose fair value is measured using the net asset value per share (NAV) as a practical expedient within the fair value hierarchy table. The table that follows sets forth information about the level within the fair value hierarchy at which the Pool's assets and liabilities are measured at June 30, 2025. The Pool's investments in commingled debt funds were valued using the NAV, and as such, they have not been categorized in the fair value hierarchy.

Total Return Fixed Income Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 5. FAIR VALUE MEASUREMENTS (continued)

Assets	Level 1	Level 2	Level 3	Total
Bank loans	\$ -	\$ -	\$ 3,636	\$ 3,636
Corporate ABS residual	-	1,041	-	1,041
Corporate ABS	-	116,565	-	116,565
Corporate CMO	-	105,219	-	105,219
Corporate preferred securities	11,442	-	-	11,442
Foreign ABS	-	102,559	1,030	103,589
Foreign corporate bonds	-	256,842	-	256,842
Foreign currency forward contracts	-	1,357	-	1,357
Foreign equity investments	147	-	-	147
Foreign government bonds	-	197,851	287	198,138
Futures contracts	6,168	-	-	6,168
Money market mutual fund	282,726	-	-	282,726
Municipal bonds	-	17,027	-	17,027
Options contracts purchased	2,022	-	-	2,022
Repurchase agreement	-	37,000	-	37,000
Securities lending collateral	-	53,684	-	53,684
Swaps	-	33,942	-	33,942
U.S. corporate bonds	-	328,356	-	328,356
U.S. Government agency bonds	-	2,581	-	2,581
U.S. Government agency CMO	-	89,309	-	89,309
U.S. Government agency CMO IO	-	9,516	-	9,516
U.S. Government agency MBS	-	557,768	-	557,768
U.S. Government agency TBAs	-	278,624	-	278,624
U.S. Treasury issues	-	547,374	-	547,374
U.S. TIPS	-	15,842	-	15,842
Total	<u>\$ 302,505</u>	<u>\$ 2,752,457</u>	<u>\$ 4,953</u>	<u>\$ 3,059,915</u>
Commingled debt funds				174,575
Total				<u>\$ 3,234,490</u>
Liabilities	Level 1	Level 2	Level 3	Total
Foreign currency forward contracts	\$ -	\$ (5,373)	\$ -	\$ (5,373)
Futures contracts	(9,189)	-	-	(9,189)
Options contracts written	(2,720)	-	-	(2,720)
Swaps	-	(23,405)	-	(23,405)
Total	<u>\$ (11,909)</u>	<u>\$ (28,778)</u>	<u>\$ -</u>	<u>\$ (40,687)</u>

The Pool's investments in commingled debt funds were measured at the NAV as of June 30, 2025. These commingled debt funds invest in certain niche sectors, particularly those that are not a significant percentage to the Pool, to provide economies of scale and efficiencies in establishing and managing a diversified portfolio that would be otherwise difficult to achieve. These funds offer daily liquidity.

Total Return Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 6. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at June 30, 2025:

	Fair Value
Securities on loan	\$ 134,237
Collateral received:	
Cash	\$ 53,684
Non-cash	84,034
Total collateral received	<u>\$ 137,718</u>

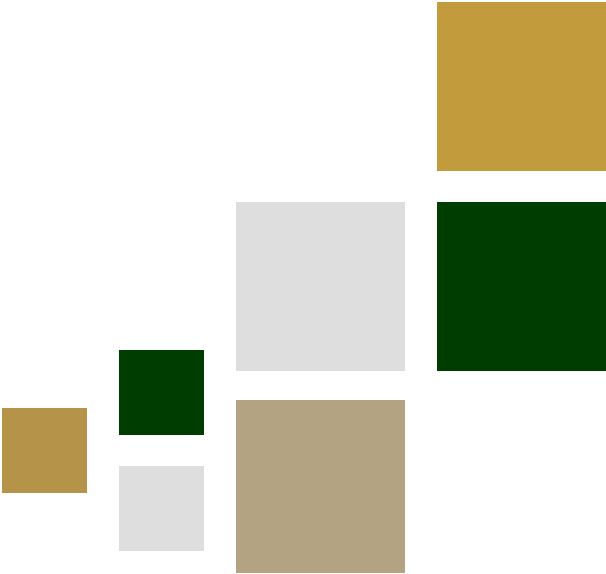
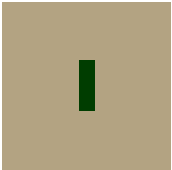
NT, as agent for the WVIMB, loans the WVIMB's securities to various counterparties. These transactions are executed under a Securities Lending Authorization Agreement (SLAA) which permits NT under certain circumstances, such as defaults, to offset amounts payable to the same counterparty against amounts to be received and thus create one single net payment due to or from the counterparty. The amounts listed in the above table represent all securities loaned which are subject to the SLAA on a net payment basis. The WVIMB has elected not to offset the fair value of the securities on loan against the liability for the return of the collateral on the Statement of Net Position.

NOTE 7. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at June 30, 2025:

Participant	Account Value
Teachers' Retirement System	\$ 767,034
Public Employees' Retirement System	702,213
Revenue Shortfall Reserve Fund - Part B	208,300
Workers' Compensation Old Fund	195,809
Revenue Shortfall Reserve Fund	184,860
West Virginia Retiree Health Benefit Trust Fund	160,270
West Virginia Department of Environmental Protection Agency	87,019
State Police Death, Disability and Retirement Fund	61,194
Coal Workers' Pneumoconiosis Fund	47,772
Public Employees Insurance Agency	45,621
State Police Retirement System	30,030
Deputy Sheriff's Retirement System	28,194
Judges' Retirement System	24,699
Municipal Policemen's or Firemen's Pension and Relief Funds	21,351
Board of Risk and Insurance Management	17,231
Emergency Medical Services Retirement System	16,550
Workers' Compensation Self-Insured Employer Security Risk Pool	12,472
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	10,204
Wildlife Endowment Fund	5,856
Workers' Compensation Uninsured Employers' Fund	4,888
West Virginia State Parks and Recreation Endowment Fund	4,550
Municipal Police Officers' and Firefighters' Retirement System	4,215
Natural Resources Police Officer Retirement System	2,594
West Virginia Department of Environmental Protection Trust	667
Berkeley County Development Authority	561
Total	<u>\$ 2,644,154</u>

AUDITED FINANCIAL STATEMENTS
June 30, 2025



Core Fixed Income Pool

Audited Financial Statements June 30, 2025

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Report of Independent Auditors

To the Board of Trustees
West Virginia Investment Management Board

Opinion

We have audited the financial statements of the West Virginia Investment Management Board's Core Fixed Income Pool (the "Pool") which comprise the statement of net position as of June 30, 2025, and the related statement of changes in net position for the year ended, and the related notes (collectively referred to as the "basic financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Pool at June 30, 2025, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pool and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Basis of Presentation

As discussed in Note 1, the financial statements present only the Core Fixed Income Pool and do not purport to, and do not, present fairly the financial position of the West Virginia Investment Management Board, at June 30, 2025, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages I-1 through I-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Ernst + Young LLP

August 28, 2025

Core Fixed Income Pool

Management's Discussion and Analysis (Unaudited)

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds. The WVIMB operates on a fiscal year beginning July 1 and ending June 30. To effectuate its purpose, the WVIMB has constructed a series of investment pools in which to invest participating entities' monies.

The following information and the accompanying financial statements reflect only the investments and investment related operations of the WVIMB's Core Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, the information contained in this Management Discussion and Analysis and the following financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants. The Management Discussion and Analysis information should be considered in conjunction with the information contained in the audited financial statements which follow this section.

Financial Statement Overview

Management's Discussion and Analysis is an introduction to the Pool's basic financial statements. The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting. Accordingly, the financial statements presented have been prepared in conformity with the reporting framework prescribed by GASB for external investment pools. The financial statements for the Pool include a Statement of Net Position and a Statement of Changes in Net Position. These financial statements are supported by the Notes to Financial Statements.

Pool Strategy

The main objective of the Pool is to generate investment income, provide stability, and enhance diversification but not at the expense of total return. The Pool's investment objective is to outperform the Bloomberg U.S. Aggregate Bond Index over three- to five-year periods, net of external investment management fees.

Condensed Financial Information and Analysis (in \$000s)

The Statement of Net Position presents the financial position of the Pool as of June 30, 2025 and includes all assets and liabilities of the Pool. The difference between total assets and total liabilities, which is equal to the participants' interest in the Pool's net position, is shown below for the current and prior fiscal year-end dates:

Condensed Net Position	June 30, 2025	June 30, 2024
Investments	\$ 2,334,364	\$ 2,191,023
Other assets	16,570	16,184
Total assets	2,350,934	2,207,207
Total liabilities	(175,074)	(121,495)
Net position	<u>\$ 2,175,860</u>	<u>\$ 2,085,712</u>

Core Fixed Income Pool

Management's Discussion and Analysis (Unaudited)

Yearly variances in the net position of the Pool are primarily impacted by the overall performance of fixed income securities. Net position is also impacted by expenses charged to the Pool and the issuance and redemption of Pool units. The increase in the Pool's net position of \$90,148 results from net investment income of \$141,233 and a net decrease from unit transactions of \$51,085.

The Statement of Changes in Net Position presents the Pool's activity for the year.

Condensed Changes in Net Position	Years Ended	
	June 30, 2025	June 30, 2024
Investment income	\$ 149,641	\$ 72,209
Expenses	(8,408)	(9,034)
Net investment income	141,233	63,175
Net units issued (redeemed)	(51,085)	227,480
Increase in net position	90,148	290,655
Net position, beginning of year	2,085,712	1,795,057
Net position, end of year	<u>\$ 2,175,860</u>	<u>\$ 2,085,712</u>

The investment income of the Pool consists primarily of the net increase in fair value of investments and interest received on fixed income securities.

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. The return of the Pool (net of fees) for the year ended June 30, 2025 was 6.6 percent, up from 3.4 percent for the year ended June 30, 2024.

Select financial highlights for the Pool are as follows:

Per Unit Operating Performance:	Years Ended	
	June 30, 2025	June 30, 2024
Net position, beginning of year	\$ 12.05	\$ 11.65
Net investment income	0.79	0.40
Net position, end of year	<u>\$ 12.84</u>	<u>\$ 12.05</u>

Supplemental Data:

Ratio of expenses to average net position (a)	0.18%	0.18%
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(a) The ratio is for the fiscal year and excludes securities lending expenses.

Core Fixed Income Pool

Statement of Net Position

June 30, 2025

(Amounts in thousands, except unit data)

Assets

Investments, at fair value:	
Fixed income investments	\$ 2,246,488
Money market mutual fund	19,939
Securities lending collateral	67,937
Receivables:	
Interest, dividends, and other investment income	16,543
Investments sold	27
Total assets	2,350,934

Liabilities

Cash overdraft	1
Accrued expenses	854
Payable for investments purchased	106,282
Payable upon return of securities loaned	67,937
Total liabilities	175,074
Net position	\$ 2,175,860

Unit data

Units outstanding	169,445,044
Net position, unit price	
	\$ 12.84

See accompanying notes to financial statements.

Core Fixed Income Pool

Statement of Changes in Net Position
Year Ended June 30, 2025
(Amounts in thousands)

Investment income

Net increase in fair value of investments	\$ 53,172
Interest and dividends	91,709
Securities lending income	<u>4,760</u>

Total investment income 149,641

Expenses

Investment advisor fees	(3,225)
Custodian bank fees	(51)
Management and other allocated fees	(652)
Securities lending expenses	<u>(4,480)</u>

Total expenses (8,408)

Net investment income 141,233

Unit transactions

Proceeds from sale of units	220,047
Amount paid for repurchase of units	<u>(271,132)</u>

Net decrease from unit transactions (51,085)

Increase in net position 90,148

Net position, beginning of year 2,085,712

Net position, end of year \$ 2,175,860

See accompanying notes to financial statements.

Core Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds.

A Board of Trustees, consisting of thirteen members, governs the WVIMB. The Governor, the State Auditor, and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The WVIMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the WVIMB's Core Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants.

The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting.

The main objective of the Pool is to generate investment income, provide stability, and enhance diversification but not at the expense of total return. The Pool's investment objective is to outperform the Bloomberg U.S. Aggregate Bond Index over three- to five-year periods, net of external investment management fees. JP Morgan Investment Advisors manages this Pool.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Investment Valuation - The WVIMB reports its investments at fair value in accordance with GASB Statement No. 72. Refer to Note 4 for further discussion and presentation of the reporting requirements under GASB Statement No. 72.

Fair value of the Pool's investments is determined on the last business day of each month as follows:

- Fixed income securities are valued according to prices furnished by independent pricing services to the Pool's custodian. These services determine the security prices by a number of methods including, but not limited to, dealer quotes, live market trading levels when available, live feeds of trade execution data, spreads over U.S. Treasury securities, and other models and formulae appropriate to the specific security type.
- Open-end regulated investment companies or other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the WVIMB's established procedures.

Core Fixed Income Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Securities Lending - The WVIMB, through its lending agent, Northern Trust (NT), loans securities of the Pool to various brokers on a temporary basis. Each transaction for international and domestic securities is secured by collateral based on the market value of the securities loaned. For U.S. securities and foreign securities denominated in U.S. dollars, the required percentage of cash collateral and non-cash collateral consisting of debt obligations and securities issued by the United States Government or its agencies or instrumentalities is at least 102 percent of the market value of the securities loaned plus accrued income.

Cash collateral received is invested in the West Virginia Custom Account (Cash Collateral Account). The Cash Collateral Account's investment objective is to maximize current income to the extent capital is preserved and liquidity is maintained. The Cash Collateral Account seeks to maintain a constant net asset value of \$1.00 per share by following strict credit quality, maturity, liquidity, and diversification requirements. Except for underlying repurchase agreement transactions, the Pool is liable for investment losses in the Cash Collateral Account. The lending agent contractually indemnifies the WVIMB for any repurchase agreement investment losses.

Investments made with cash are reported at fair value on the Statement of Net Position. Securities loaned remain on the Statement of Net Position. The WVIMB has the right under the lending agreement to recover the securities from the borrower on demand. The WVIMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. Securities lending income and expenses are recorded in the Statement of Changes in Net Position. The WVIMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Changes in Net Position as a net increase (decrease) in fair value of investments.

Structured Fixed Income Securities - The Pool invests in various collateralized mortgage obligations (CMO), including interest-only (IO) and/or principal-only (PO) tranches, asset-backed securities (ABS), mortgage-backed securities (MBS), and structured corporate debt. The Pool invests in these securities to enhance yields on investments. Changes in market interest rates affect the cash flows of these securities and may result in changes in fair value. The overall return or yield on these securities depends on the changes in the interest and principal payment pattern and market value of the underlying assets.

Investment Transactions - Investment transactions are accounted for on a trade date basis. Interest income is recognized on the accrual basis. Dividend income is recognized on the ex-dividend date.

Use of Estimates - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Unit Valuation and Participant Transactions - The unit price of the Pool is calculated on the last business day of the month by dividing the net position of the Pool by the number of outstanding units. Participant accounts undergo a monthly rebalancing process to maintain their defined asset allocation. Participant transactions that occur as part of the rebalancing process are executed as a purchase or redemption on the first business day of each month using the prior month-end unit price.

Distributions to Participants - The Pool does not routinely distribute dividends of net investment income.

Expenses - The WVIMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The WVIMB pays all expenses on behalf of the Pool.

Income Taxes - The WVIMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of June 30, 2025.

Core Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 3. INVESTMENT RISK DISCLOSURES

Credit Risk

The Pool is exposed to credit risk from its fixed income investments, money market mutual fund investment, and Cash Collateral Account investment. The WVIMB limits the exposure to credit risk in the Pool by maintaining at least an average credit rating of BBB (investment grade) as defined by a nationally recognized statistical rating organization. The WVIMB reviews available ratings from Standard & Poor's, Moody's, and Fitch, and reports the rating indicative of the greatest degree of risk. The Pool held some securities in which the aforementioned rating agencies withdrew their credit rating and other securities that did not receive a credit rating. These securities have been listed as withdrawn or not rated, as applicable, in the table below. Credit ratings can be withdrawn for a variety of reasons including incorrect or insufficient information is available from the issuer to support the rating, bankruptcy or default, the size of a structured security falls below a level specified in the rating agencies methodology, or for business reasons of the rating agency. Business reasons generally do not reflect any concerns about a security's creditworthiness and the absence or lack of a rating does not necessarily indicate a greater degree of risk. The money market mutual fund has the highest credit rating. The Cash Collateral Account is not rated. The following table provides credit ratings for the Pool's fixed income investments as of June 30, 2025:

Rating	Fair Value
AAA	\$ 80,792
AA	1,390,202
A	210,315
BBB	417,554
BB	9,905
B	203
CCC	106
Total rated	\$ 2,109,077
Not rated	121,334
Withdrawn	16,076
Total fixed income investments	\$ 2,246,487

Concentration of Credit Risk

The Pool is restricted from investing more than 5 percent of the value of the Pool in any one corporate name. At June 30, 2025, the Pool was in compliance with this restriction and not exposed to concentration of credit risk.

Custodial Credit Risk

At June 30, 2025, the Pool held no securities that were subject to custodial credit risk. Securities on loan are collateralized to a minimum of 102 percent, and the collateral is held by the WVIMB's custodian in the name of the WVIMB. The money market mutual fund and the Cash Collateral Account are not subject to custodial credit risk. All remaining securities are held by the WVIMB's custodian in the name of the WVIMB and thus not subject to custodial credit risk.

Interest Rate Risk

The Pool is exposed to interest rate risk from its fixed income investments, money market mutual fund investment, and Cash Collateral Account investment. As of June 30, 2025, the money market mutual fund had a weighted average maturity (WAM) of 45 days. Except for repurchase agreements that can have up to 95 days to maturity, investments in the Cash Collateral Account are limited to overnight investments. As of June 30, 2025, the WAM for the Cash Collateral Account was 1 day.

Core Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 3. INVESTMENT RISK DISCLOSURES (continued)

The WVIMB monitors interest rate risk of the Pool by evaluating the effective duration of the investments in the Pool. Effective duration is a method of disclosing interest rate risk that measures the expected change in the price of a fixed income security for a 1 percent change in interest rates. The effective duration calculation makes assumptions regarding the most likely timing of variable cash flows, which is particularly useful for measuring interest rate risk of callable bonds, commercial and residential mortgage-backed securities, asset-backed securities, collateralized mortgage obligations, and variable-rate debt. The following table provides the weighted average effective duration for the Pool's fixed income investments as of June 30, 2025:

Investment Type	Fair Value	Effective Duration (years)
Corporate ABS	\$ 227,337	2.0
Corporate CMO	102,426	2.2
Corporate CMO IO	90	0.6
Corporate CMO PO	1,512	0.0*
Foreign ABS	2,469	0.0*
Foreign corporate bonds	199,174	4.2
Foreign government bonds	10,746	7.7
Municipal bonds	8,429	8.1
U.S. corporate bonds	370,172	7.6
U.S. Government agency CMO	111,974	5.0
U.S. Government agency CMO IO	1,026	8.5
U.S. Government agency CMO PO	1,520	5.0
U.S. Government agency MBS	509,204	6.0
U.S. Treasury issues	700,408	8.7
Total fixed income investments	<u>\$ 2,246,487</u>	

*Rounds to less than 0.05

The Pool invests in commercial and residential mortgage-backed securities, asset-backed securities, and collateralized mortgage obligations. The cash flows from these securities are based on the payment of the underlying collateral. The effective duration and yield to maturity of these securities are dependent on estimated prepayment assumptions that consider historical experience, market conditions and other criteria. Actual prepayments may vary with changes in interest rates. Rising interest rates often result in a slower rate of prepayments while declining rates tend to lead to faster prepayments. As a result, the fair values of these securities are highly sensitive to interest rate changes. At June 30, 2025, the Pool held \$957,559 of these securities. This represents approximately 43 percent of the value of the Pool's fixed income securities.

Foreign Currency Risk

As of June 30, 2025, all of the Pool's foreign investments were denominated in U.S. dollars. As such, the Pool was not exposed to foreign currency risk.

Core Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 4. FAIR VALUE MEASUREMENTS

GASB Statement No. 72 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

GASB Statement No. 72 establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with GASB Statement No. 72 fair value hierarchy levels as of June 30, 2025:

Assets	Level 1	Level 2	Level 3	Total
Corporate ABS	\$ -	\$ 221,937	\$ 5,400	\$ 227,337
Corporate CMO	-	102,426	-	102,426
Corporate CMO IO	-	90	-	90
Corporate CMO PO	-	1,512	-	1,512
Foreign ABS	-	2,469	-	2,469
Foreign corporate bonds	-	199,174	-	199,174
Foreign government bonds	-	10,746	-	10,746
Money market mutual fund	19,939	-	-	19,939
Municipal bonds	-	8,429	-	8,429
Securities lending collateral	-	67,937	-	67,937
U.S. corporate bonds	-	370,172	-	370,172
U.S. Government agency CMO	-	111,974	-	111,974
U.S. Government agency CMO IO	-	1,026	-	1,026
U.S. Government agency CMO PO	-	1,520	-	1,520
U.S. Government agency MBS	-	509,205	-	509,205
U.S. Treasury issues	-	700,408	-	700,408
Total	\$ 19,939	\$ 2,309,025	\$ 5,400	\$ 2,334,364

Core Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 5. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at June 30, 2025:

	Fair Value
Securities on loan	\$ 309,758
Collateral received:	
Cash	\$ 67,937
Non-cash	248,340
Total collateral received	\$ 316,277

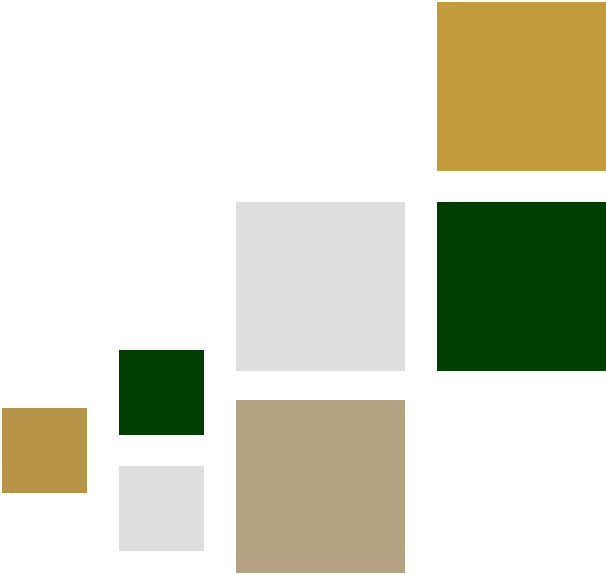
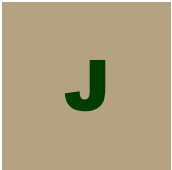
NT, as agent for the WVIMB, loans the WVIMB's securities to various counterparties. These transactions are executed under a Securities Lending Authorization Agreement (SLAA) which permits NT under certain circumstances, such as defaults, to offset amounts payable to the same counterparty against amounts to be received and thus create one single net payment due to or from the counterparty. The amounts listed in the above table represent all securities loaned which are subject to the SLAA on a net payment basis. The WVIMB has elected not to offset the fair value of the securities on loan against the liability for the return of the collateral on the Statement of Net Position.

NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at June 30, 2025:

Participant	Account Value
Teachers' Retirement System	\$ 768,007
Public Employees' Retirement System	701,469
West Virginia Retiree Health Benefit Trust Fund	160,263
Revenue Shortfall Reserve Fund - Part B	88,435
Workers' Compensation Old Fund	83,032
Revenue Shortfall Reserve Fund	78,545
State Police Death, Disability and Retirement Fund	61,107
West Virginia Department of Environmental Protection Agency	36,997
State Police Retirement System	30,045
Deputy Sheriff's Retirement System	28,197
Judges' Retirement System	24,691
Municipal Policemen's or Firemen's Pension and Relief Funds	21,334
Coal Workers' Pneumoconiosis Fund	20,314
Public Employees Insurance Agency	19,393
Emergency Medical Services Retirement System	16,571
Board of Risk and Insurance Management	7,297
Wildlife Endowment Fund	5,860
Workers' Compensation Self-Insured Employer Security Risk Pool	5,296
West Virginia State Parks and Recreation Endowment Fund	4,510
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	4,352
Municipal Police Officers' and Firefighters' Retirement System	4,227
Natural Resources Police Officer Retirement System	2,597
Workers' Compensation Uninsured Employers' Fund	2,098
West Virginia Department of Environmental Protection Trust	662
Berkeley County Development Authority	561
Total	\$ 2,175,860

AUDITED FINANCIAL STATEMENTS
June 30, 2025



TIPS Pool

Audited Financial Statements June 30, 2025

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**Shape the future
with confidence**

Report of Independent Auditors

To the Board of Trustees
West Virginia Investment Management Board

Opinion

We have audited the financial statements of the West Virginia Investment Management Board's TIPS Pool (the "Pool") which comprise the statement of net position as of June 30, 2025, and the related statement of changes in net position for the year ended, and the related notes (collectively referred to as the "basic financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Pool at June 30, 2025, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pool and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Basis of Presentation

As discussed in Note 1, the financial statements present only the TIPS Pool and do not purport to, and do not, present fairly the financial position of the West Virginia Investment Management Board, at June 30, 2025, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages J-1 through J-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Ernst & Young LLP

August 28, 2025

Management's Discussion and Analysis (Unaudited)

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds. The WVIMB operates on a fiscal year beginning July 1 and ending June 30. To effectuate its purpose, the WVIMB has constructed a series of investment pools in which to invest participating entities' monies.

The following information and the accompanying financial statements reflect only the investments and investment related operations of the WVIMB's TIPS Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, the information contained in this Management Discussion and Analysis and the following financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants. The Management Discussion and Analysis information should be considered in conjunction with the information contained in the audited financial statements which follow this section.

Financial Statement Overview

Management's Discussion and Analysis is an introduction to the Pool's basic financial statements. The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting. Accordingly, the financial statements presented have been prepared in conformity with the reporting framework prescribed by GASB for external investment pools. The financial statements for the Pool include a Statement of Net Position and a Statement of Changes in Net Position. These financial statements are supported by the Notes to Financial Statements.

Pool Strategy

The Pool was established to offer an additional level of diversification over and above nominal fixed income securities in an attempt to mitigate the risk of inflation. The main objective for the Pool is to generate a return that exceeds the rate of inflation over a market cycle, to provide investment income and stability of principal, and to diversify interest rate exposure. The Pool's performance is measured against the Bloomberg 1-10 Year Treasury Inflation Protected Securities Index on an annualized basis over rolling three- to five-year periods, gross of fees.

Condensed Financial Information and Analysis (in \$000s)

The Statement of Net Position presents the financial position of the Pool as of June 30, 2025 and includes all assets and liabilities of the Pool. The difference between total assets and total liabilities, which is equal to the participants' interest in the Pool's net position, is shown below for the current and prior fiscal year-end dates:

Condensed Net Position	June 30, 2025	June 30, 2024
Investments	\$ 537,449	\$ 512,059
Other assets	12,252	11,347
Total assets	549,701	523,406
Total liabilities	(10,216)	(9,713)
Net position	\$ 539,485	\$ 513,693

TIPS Pool

Management's Discussion and Analysis (Unaudited)

Yearly variances in the net position of the Pool are primarily impacted by the movement of interest rates of the U.S. Treasury securities held in the index referenced above. Net position is also impacted by expenses charged to the Pool and the issuance and redemption of Pool units. The increase in the Pool's net position of \$25,792 results from net investment income of \$34,970 and a net decrease from unit transactions of \$9,178.

The Statement of Changes in Net Position presents the Pool's activity for the year.

Condensed Changes in Net Position	Years Ended	
	June 30, 2025	June 30, 2024
Investment income	\$ 35,212	\$ 20,970
Expenses	(242)	(220)
Net investment income	34,970	20,750
Net units issued (redeemed)	(9,178)	91,155
Increase in net position	25,792	111,905
Net position, beginning of year	513,693	401,788
Net position, end of year	\$ 539,485	\$ 513,693

The investment income of the Pool consists primarily of the net increase in fair value of investments and interest received on fixed income securities.

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. The return of the Pool (net of fees) for the year ended June 30, 2025 was 6.8 percent, up from 4.2 percent for the year ended June 30, 2024.

Select financial highlights for the Pool are as follows:

Per Unit Operating Performance:	Years Ended	
	June 30, 2025	June 30, 2024
Net position, beginning of year	\$ 13.47	\$ 12.92
Net investment income	0.92	0.55
Net position, end of year	\$ 14.39	\$ 13.47

Supplemental Data:

Ratio of expenses to average net position (a)	0.04%	0.04%
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(a) The ratio is for the fiscal year and excludes securities lending expenses.

TIPS Pool

Statement of Net Position

June 30, 2025

(Amounts in thousands, except unit data)

Assets

Investments, at fair value:

U.S. Treasury inflation protected securities \$ 537,350

Money market mutual fund 99

Receivables:

Interest, dividends, and other investment income 2,075

Investments sold 10,177

Total assets 549,701

Liabilities

Accrued expenses 37

Payable for investments purchased 10,179

Total liabilities 10,216

Net position \$ 539,485

Unit data

Units outstanding 37,496,821

Net position, unit price \$ 14.39

See accompanying notes to financial statements.

TIPS Pool

Statement of Changes in Net Position
Year Ended June 30, 2025
(Amounts in thousands)

Investment income

Net increase in fair value of investments	\$ 29,646
Interest and dividend income	5,491
Securities lending income	<u>75</u>

Total investment income 35,212

Expenses

Investment advisor fees	(66)
Custodian bank fees	(2)
Management and other allocated fees	(155)
Securities lending expenses	<u>(19)</u>

Total expenses (242)

Net investment income 34,970

Unit transactions

Proceeds from sale of units	6,700
Amount paid for repurchase of units	<u>(15,878)</u>

Net decrease from unit transactions (9,178)

Increase in net position 25,792

Net position, beginning of year 513,693

Net position, end of year \$ 539,485

See accompanying notes to financial statements.

Notes to Financial Statements (Amounts in thousands)

NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds.

A Board of Trustees, consisting of thirteen members, governs the WVIMB. The Governor, the State Auditor, and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The WVIMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the WVIMB's TIPS Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants.

The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting.

The Pool was established to offer an additional level of diversification over and above nominal fixed income securities in an attempt to mitigate the risk of inflation. The main objective for the Pool is to generate a return that exceeds the rate of inflation over a market cycle, to provide investment income and stability of principal, and to diversify interest rate exposure. The Pool's performance is measured against the Bloomberg 1-10 Year Treasury Inflation Protected Securities (TIPS) Index on an annualized basis over rolling three- to five-year periods, gross of fees. Assets are managed by Northern Trust Investments.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Investment Valuation - The WVIMB reports its investments at fair value in accordance with GASB Statement No. 72. Refer to Note 4 for further discussion and presentation of the reporting requirements under GASB Statement No. 72.

Fair value of the Pool's investments is determined on the last business day of each month as follows:

- Fixed income securities are valued according to prices furnished by independent pricing services to the Pool's custodian. These services determine the security prices by a number of methods including, but not limited to, dealer quotes, live market trading levels when available, live feeds of trade execution data, spreads over U.S. Treasury securities, and other models and formulae appropriate to the specific security type.
- Open-end regulated investment companies or other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.

Investments for which the fair value cannot be determined are valued at fair value as determined in accordance with the WVIMB's established procedures.

Securities Lending - The WVIMB, through its lending agent, Northern Trust (NT), loans securities of the Pool to various brokers on a temporary basis. Each transaction for U.S. securities is secured by collateral based on the market value of the securities loaned. The required percentage of cash collateral and non-cash collateral consisting of debt obligations and securities issued by the United States Government or its agencies or instrumentalities is at least 102 percent of the market value of the securities loaned plus accrued income.

Notes to Financial Statements (Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash collateral, if received, is invested in the West Virginia Custom Account (Cash Collateral Account). The Cash Collateral Account's investment objective is to maximize current income to the extent capital is preserved and liquidity is maintained. The Cash Collateral Account seeks to maintain a constant net asset value of \$1.00 per share by following strict credit quality, maturity, liquidity, and diversification requirements. Except for underlying repurchase agreement transactions, the Pool is liable for investment losses in the Cash Collateral Account. The lending agent contractually indemnifies the WVIMB for any repurchase agreement investment losses.

Investments made with cash are reported at fair value on the Statement of Net Position. Securities loaned remain on the Statement of Net Position. The WVIMB has the right under the lending agreement to recover the securities from the borrower on demand. The WVIMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. Securities lending income and expenses are recorded in the Statement of Changes in Net Position. The WVIMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Changes in Net Position as a net increase (decrease) in fair value of investments.

Investment Transactions - Investment transactions are accounted for on a trade date basis. Interest income is recognized on the accrual basis. Dividend income is recognized on the ex-dividend date.

Use of Estimates - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Unit Valuation and Participant Transactions - The unit price of the Pool is calculated on the last business day of the month by dividing the net position of the Pool by the number of outstanding units. Participant accounts undergo a monthly rebalancing process to maintain their defined asset allocation. Participant transactions that occur as part of the rebalancing process are executed as a purchase or redemption on the first business day of each month using the prior month-end unit price.

Distributions to Participants - The Pool does not routinely distribute dividends of net investment income.

Expenses - The WVIMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The WVIMB pays all expenses on behalf of the Pool.

Income Taxes - The WVIMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of June 30, 2025.

NOTE 3. INVESTMENT RISK DISCLOSURES

Credit Risk

The WVIMB limits the exposure to credit risk in the Pool's fixed income investments by primarily investing in U.S. TIPS. The Pool is exposed to credit risk from its money market mutual fund investment. The WVIMB reviews available credit ratings from Standard & Poor's, Moody's, and Fitch, and reports the rating indicative of the greatest degree of risk. As of June 30, 2025, all of the Pool's U.S. TIPS investments had a credit rating of AA. The money market mutual fund has the highest credit rating.

Concentration of Credit Risk

The Pool is not exposed to concentration of credit risk.

TIPS Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 3. INVESTMENT RISK DISCLOSURES (continued)

Custodial Credit Risk

At June 30, 2025, the Pool held no securities that were subject to custodial credit risk. Securities on loan are collateralized to a minimum of 102 percent and the collateral is held by the WVIMB's custodian in the name of the WVIMB. The money market mutual fund is not subject to custodial credit risk. All remaining securities are held by the WVIMB's custodian in the name of the WVIMB and thus not subject to custodial credit risk.

Interest Rate Risk

The Pool is exposed to interest rate risk through its fixed income investments and money market mutual fund investment. The WVIMB monitors the interest rate risk of U.S. TIPS by evaluating the effective duration. Effective duration is a method of disclosing interest rate risk that measures the expected change in the price of a fixed income security for a 1 percent change in interest rates. As of June 30, 2025, the effective duration for the U.S. TIPS investments was 3.6 years. As of June 30, 2025, the money market mutual fund had a weighted average maturity of 45 days.

Foreign Currency Risk

The Pool is not subject to foreign currency risk.

NOTE 4. FAIR VALUE MEASUREMENTS

GASB Statement No. 72 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

GASB Statement No. 72 establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with GASB Statement No. 72 fair value hierarchy levels as of June 30, 2025:

Assets	Level 1	Level 2	Level 3	Total
Money market mutual fund	\$ 99	\$ -	\$ -	\$ 99
U.S. TIPS	-	537,350	-	537,350
Total	\$ 99	\$ 537,350	\$ -	\$ 537,449

TIPS Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 5. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at June 30, 2025:

	<u>Fair Value</u>
Securities on loan	\$ 66,374
Collateral received:	
Cash	\$ -
Non-cash	67,822
Total collateral received	<u>\$ 67,822</u>

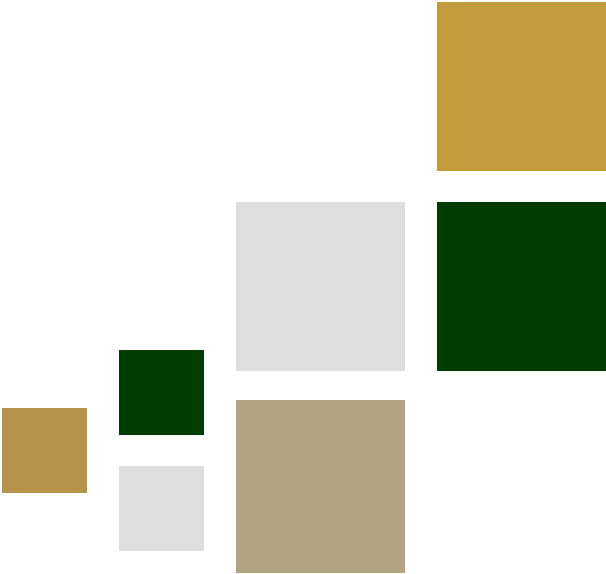
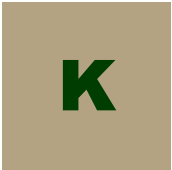
NT, as agent for the WVIMB, loans the WVIMB's securities to various counterparties. These transactions are executed under a Securities Lending Authorization Agreement (SLAA) which permits NT under certain circumstances, such as defaults, to offset amounts payable to the same counterparty against amounts to be received and thus create one single net payment due to or from the counterparty. The amounts listed in the above table represent all securities loaned which are subject to the SLAA on a net payment basis. The WVIMB has elected not to offset the fair value of the securities on loan against the liability for the return of the collateral on the Statement of Net Position.

NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at June 30, 2025:

<u>Participant</u>	<u>Account Value</u>
Revenue Shortfall Reserve Fund	\$ 261,429
Revenue Shortfall Reserve Fund - Part B	133,389
Workers' Compensation Old Fund	82,021
Public Employees Insurance Agency	23,883
Coal Workers' Pneumoconiosis Fund	20,024
Board of Risk and Insurance Management	7,206
Workers' Compensation Self-Insured Employer Security Risk Pool	5,227
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	4,268
Workers' Compensation Uninsured Employers' Fund	2,038
Total	<u>\$ 539,485</u>

AUDITED FINANCIAL STATEMENTS
June 30, 2025



Private Markets Pool

Audited Financial Statements June 30, 2025

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Report of Independent Auditors

To the Board of Trustees
West Virginia Investment Management Board

Opinion

We have audited the financial statements of the West Virginia Investment Management Board's Private Markets Pool (the "Pool") which comprise the statement of net position as of June 30, 2025, and the related statement of changes in net position for the year ended, and the related notes (collectively referred to as the "basic financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Pool at June 30, 2025, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pool and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Basis of Presentation

As discussed in Note 1, the financial statements present only the Private Markets Pool and do not purport to, and do not, present fairly the financial position of the West Virginia Investment Management Board, at June 30, 2025, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages K-1 through K-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Ernst & Young LLP

September 15, 2025

Private Markets Pool

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds. The WVIMB operates on a fiscal year beginning July 1 and ending June 30. To effectuate its purpose, the WVIMB has constructed a series of investment pools in which to invest participating entities' monies.

The following information and the accompanying financial statements reflect only the investments and investment related operations of the WVIMB's Private Markets Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, the information contained in this Management Discussion and Analysis and the following financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants. The Management Discussion and Analysis information should be considered in conjunction with the information contained in the audited financial statements which follow this section.

Financial Statement Overview

Management's Discussion and Analysis is an introduction to the Pool's basic financial statements. The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting. Accordingly, the financial statements presented have been prepared in conformity with the reporting framework prescribed by GASB for external investment pools. The financial statements for the Pool include a Statement of Net Position and a Statement of Changes in Net Position. These financial statements are supported by the Notes to Financial Statements.

Pool Strategy

The objective of the Pool is to provide for long-term growth of participants' assets and risk-reduction through diversification.

Condensed Financial Information and Analysis (in \$000s)

The Statement of Net Position presents the financial position of the Pool as of June 30, 2025 and includes all assets and liabilities of the Pool. The difference between total assets and total liabilities, which is equal to the participants' interest in the Pool's net position, is shown below for the current and prior fiscal year-end dates:

Condensed Net Position	June 30, 2025	June 30, 2024
Investments	\$ 6,391,041	\$ 6,274,311
Other assets	17,705	33,997
Total assets	6,408,746	6,308,308
Total liabilities	(20,652)	(21,061)
Net position	\$ 6,388,094	\$ 6,287,247

Private Markets Pool

Yearly variances in the net position of the Pool are primarily impacted by the overall performance of the global investment markets. Net position is also impacted by expenses charged to the Pool and the issuance and redemption of Pool units. The increase in the Pool's net position of \$100,847 results from net investment income of \$272,908 and a net decrease from unit transactions of \$172,061.

The Statement of Changes in Net Position presents the Pool's activity for the year.

Condensed Changes in Net Position	Years Ended	
	June 30, 2025	June 30, 2024
Investment income	\$ 285,700	\$ 59,435
Expenses	(12,792)	(14,688)
Net investment income	272,908	44,747
Net units issued (redeemed)	(172,061)	34,270
Increase in net position	100,847	79,017
Net position, beginning of year	6,287,247	6,208,230
Net position, end of year	<u>\$ 6,388,094</u>	<u>\$ 6,287,247</u>

The investment income of the Pool consists primarily of the net increase in fair value of investments, income distributions from limited partnerships, and interest and dividend income.

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. The return of the Pool (net of fees) for the year ended June 30, 2025 was 4.4 percent, up from 0.7 percent for the year ended June 30, 2024.

Select financial highlights for the Pool are as follows:

Per Unit Operating Performance:	Years Ended	
	June 30, 2025	June 30, 2024
Net position, beginning of year	\$ 30.75	\$ 30.53
Net investment income	1.37	0.22
Net position, end of year	<u>\$ 32.12</u>	<u>\$ 30.75</u>

Supplemental Data:

Ratio of expenses to average net position (a)	0.19%	0.23%
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- (a) The ratio is for the fiscal year, does not reflect the Pool's proportionate share of expenses of the underlying investee funds, and excludes securities lending expenses.

Private Markets Pool

Statement of Net Position

June 30, 2025

(Amounts in thousands, except unit data)

Assets

Investments, at fair value:	
Alternative investments	\$ 6,034,683
Equity investments	198,779
Fixed income investments	14,272
Money market mutual fund	124,661
Securities lending collateral	18,646
Cash	1,451
Receivables:	
Income distributions from real estate limited partnerships and funds	14,416
Interest, dividends, and other investment income	1,526
Investments sold	312
Total assets	6,408,746

Liabilities

Accrued expenses	2,006
Payable upon return of securities loaned	18,646
Total liabilities	20,652
Net position	\$ 6,388,094

Unit data

Units outstanding	198,910,561
Net position, unit price	\$ 32.12

See accompanying notes to financial statements.

Private Markets Pool

Statement of Changes in Net Position Year Ended June 30, 2025 *(Amounts in thousands)*

Investment income

Net increase in fair value of investments	\$ 124,430
Income from partnerships and funds	143,736
Interest and dividends	14,380
Fund closing interest	2,479
Securities lending income	<u>675</u>

Total investment income 285,700

Expenses

Investment advisor fees	(991)
Custodian bank fees	(34)
Management and other allocated fees	(1,840)
Professional service fees - direct	(1,923)
Management fees - external, net	(5,249)
Fund closing costs	(2,201)
Securities lending expenses	<u>(554)</u>

Total expenses (12,792)

Net investment income 272,908

Unit transactions

Proceeds from sale of units	141,933
Amount paid for repurchase of units	<u>(313,994)</u>

Net decrease from unit transactions (172,061)

Increase in net position 100,847

Net position, beginning of year 6,287,247

Net position, end of year \$ 6,388,094

See accompanying notes to financial statements.

NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds.

A Board of Trustees, consisting of thirteen members, governs the WVIMB. The Governor, the State Auditor, and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The WVIMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the WVIMB's Private Markets Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants.

The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting.

The objective of the Pool is to provide for long-term growth of participants' assets and risk-reduction through diversification. The Pool primarily holds the WVIMB's investments in private credit & income funds, private equity funds, real estate investment trusts (REITs), and real estate limited partnerships and funds. Franklin Park, StepStone Group, and Verus have been retained by the WVIMB to provide consulting services related to the selection of limited partnerships and funds. Publicly traded assets are managed by CBRE Investment Management and Security Capital Research & Management.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Investment Valuation - The WVIMB reports its investments at fair value in accordance with GASB Statement No. 72. Refer to Note 4 for further discussion and presentation of the reporting requirements under GASB Statement No. 72.

Fair value of the Pool's investments is determined on the last business day of each month as follows:

- Investments in private credit & income funds, private equity partnerships, real estate limited partnerships and funds, and other private funds are securities for which market quotations are not readily available. The WVIMB has concluded that the net asset value reported by the general partners or fund administrators approximates the fair value of these investments and consequently these investments are carried at net asset value as a practical expedient for fair market value. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the WVIMB's interests in the funds. Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported net asset value. It is therefore reasonably possible that if the WVIMB were to sell these investments in the secondary market a buyer may require a discount to the reported net asset value, and the discount could be significant. The WVIMB believes that the net asset value of such investments is a reasonable estimate of fair value as of June 30, 2025.
- Equity securities are valued at the last sale price or official closing price reported in the market in which they are primarily traded.
- Equity securities that trade in non-U.S. markets are valued in U.S. dollars using period end spot market exchange rates as supplied by the Pool's custodian.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

- Fixed income securities are valued according to prices furnished by independent pricing services to the Pool's custodian. These services determine the security prices by a number of methods including, but not limited to, dealer quotes, live market trading levels when available, live feeds of trade execution data, spreads over U.S. Treasury securities, and other models and formulae appropriate to the specific security type.
- Open-end regulated investment companies and other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the WVIMB's established procedures.

Foreign Currency - Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars at exchange rates reported by the Pool's custodian on the following basis:

- Market value of investment securities, other assets and liabilities - at the closing rate of exchange at the valuation date.
- Purchases and sales of investment securities, income and expenses - at the rate of exchange prevailing on the respective dates of such transactions.

Securities Lending - The WVIMB, through its lending agent, Northern Trust (NT), loans securities of the Pool to various brokers on a temporary basis. Each transaction for international and domestic securities is secured by collateral based on the market value of the securities loaned. The required collateral percentage varies based on the type of collateral received and the type of security loaned. For U.S. securities, the required percentage of cash collateral and non-cash collateral consisting of debt obligations and securities issued by the United States Government or its agencies or instrumentalities is at least 102 percent of the market value of the securities loaned plus accrued income, if applicable. For international securities, the required percentage is 105 percent unless the foreign securities loaned are denominated and payable in U.S. dollars, then the collateral shall be at least 102 percent of the market value of the securities loaned. Loans of equity securities may also be collateralized by equity securities and the required percentage of non-cash collateral consisting of equity securities is at least 107 percent of the market value of the securities loaned.

Cash collateral received is invested in the West Virginia Custom Account (Cash Collateral Account). The Cash Collateral Account's investment objective is to maximize current income to the extent capital is preserved and liquidity is maintained. The Cash Collateral Account seeks to maintain a constant net asset value of \$1.00 per share by following strict credit quality, maturity, liquidity, and diversification requirements. Except for underlying repurchase agreement transactions, the Pool is liable for investment losses in the Cash Collateral Account. The lending agent contractually indemnifies the WVIMB for any repurchase agreement investment losses.

Investments made with cash are reported at fair value on the Statement of Net Position. Securities loaned remain on the Statement of Net Position. The WVIMB has the right under the lending agreement to recover the securities from the borrower on demand. The WVIMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. Securities lending income and expenses are recorded in the Statement of Changes in Net Position. The WVIMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Changes in Net Position as a net increase (decrease) in fair value of investments.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment Transactions - Investment transactions are accounted for on a trade date basis. Interest income is recognized on the accrual basis. Dividend income is recognized on the ex-dividend date.

Use of Estimates - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Income from Partnerships - Income from private equity partnerships, real estate partnerships, private credit & income funds, and other private funds are recognized when distributed to the partners.

Unit Valuation and Participant Transactions - The unit price of the Pool is calculated on the last business day of the month by dividing the net position of the Pool by the number of outstanding units. Participant accounts undergo a monthly rebalancing process to maintain their defined asset allocation. Participant transactions that occur as part of the rebalancing process are executed as a purchase or redemption on the first business day of each month using the prior month-end unit price.

Distributions to Participants - The Pool does not routinely distribute dividends of net investment income.

Expenses - The WVIMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. Direct investment-related costs include fees charged by external managers, reported net of rebates, that are outside of their respective partnership or fund, the custodian bank, legal counsel, and the consultant. Other expenses are allocated to the individual pools based on asset size.

The WVIMB pays all expenses on behalf of the Pool. In addition to these direct and allocated expenses, the Pool bears certain expenses indirectly, such as fees of other investment funds in which the Pool invests that are reflected in the reported net asset value of such funds.

Income Taxes - The WVIMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for U.S. federal and state income taxes is required as of June 30, 2025.

In certain foreign countries the Pool's dividend income and capital gains may be taxable. Such taxes are generally withheld from the payments of these types of income and as a result there is no provision recorded for these taxes. In certain cases there may be a full or partial reclaim available for the withheld taxes. The outstanding reclaims are reported on the Statement of Net Position. Dividend income is reported net of non-reclaimable taxes withheld on the Statement of Changes in Net Position.

NOTE 3. INVESTMENT RISK DISCLOSURES

Credit Risk

The Pool is exposed to credit risk from its fixed income investments, money market mutual fund investment, investments in unrated private credit & income funds, and the Cash Collateral Account investment. The WVIMB limits the exposure to credit risk in the Pool by maintaining at least an average credit rating of BBB (investment grade) as defined by a nationally recognized statistical rating organization. The WVIMB reviews available ratings from Standard & Poor's and Moody's, and reports the rating indicative of the greatest degree of risk. The money market mutual fund has the highest credit rating. The Cash Collateral Account is not rated. Credit risk associated with the unrated private credit & income funds are limited by requiring that underlying fund holdings are at least 90 percent collateralized by one or more assets of the borrower.

NOTE 3. INVESTMENT RISK DISCLOSURES (continued)

The following table provides credit ratings for the Pool's fixed income investments as of June 30, 2025:

Rating	Fair Value
A	\$ 518
BBB	12,441
BB	1,204
CC	109
Total fixed income investments	<u>\$ 14,272</u>

Concentration of Credit Risk

The Pool's investments in alternative investment funds may be indirectly exposed to concentration of credit risk.

Custodial Credit Risk

The Pool is exposed to custodial credit risk from its uninsured and uncollateralized cash balances. As of June 30, 2025, \$1,451 of the Pool's cash balance was exposed to custodial credit risk. Securities on loan are collateralized to a minimum of 102 percent for U.S. dollar denominated loans and 105 percent for foreign denominated loans, and the collateral is held by the WVIMB's custodian in the name of the WVIMB. The money market mutual fund and the Cash Collateral Account are not subject to custodial credit risk. The alternative investments are not considered securities for the purposes of custodian credit risk. All remaining securities are held by the WVIMB's custodian in the name of the WVIMB and thus not subject to custodial credit risk.

Interest Rate Risk

The Pool is exposed to interest rate risk through its investments in U.S. corporate bonds, private credit & income funds, the money market mutual fund, and the Cash Collateral Account investment. The WVIMB monitors interest rate risk of U.S. corporate bonds by evaluating the effective duration. Effective duration is a method of disclosing interest rate risk that measures the expected change in the price of a fixed income security for a 1 percent change in interest rates. The effective duration calculation makes assumptions regarding the most likely timing of variable cash flows, which is particularly useful for measuring interest rate risk of callable bonds and variable-rate debt. As of June 30, 2025, the effective duration for U.S. corporate bonds was 4.1 years. The WVIMB manages interest rate risk of the private credit & income funds by investing primarily in funds that originate or invest in loans that have variable or floating interest rates, most of these investments have relatively short durations, and final maturities within three- to five-years. As of June 30, 2025, the money market mutual fund had a weighted average maturity (WAM) of 45 days. Except for repurchase agreements that can have up to 95 days to maturity, investments in the Cash Collateral Account are limited to overnight investments. As of June 30, 2025, the WAM for the Cash Collateral Account was 1 day.

Foreign Currency Risk

The Pool holds foreign common stock, real estate limited partnerships and funds, and cash that is denominated in foreign currencies that are exposed to foreign currency risks. The investments in private credit & income funds and private equity partnerships may be indirectly exposed to foreign currency risk.

NOTE 3. INVESTMENT RISK DISCLOSURES (continued)

The amounts at fair value (in U.S. dollars) of investments and cash denominated in foreign currencies as of June 30, 2025, are as follows:

Currency	Foreign Common Stock	Real Estate Limited Partnerships and Funds	Cash	Total
Australian Dollar	\$ 6,471	\$ -	\$ -	\$ 6,471
British Pound	4,998	-	-	4,998
Canadian Dollar	1,779	78,290	-	80,069
Euro Currency Unit	8,452	105,373	-	113,825
Hong Kong Dollar	3,172	-	-	3,172
Japanese Yen	10,201	-	6	10,207
Singapore Dollar	3,504	-	31	3,535
Swedish Krona	445	-	-	445
Swiss Franc	680	-	-	680
Total	\$ 39,702	\$ 183,663	\$ 37	\$ 223,402
U.S. Dollar	616	2,100,717	1,414	2,102,747
Total	<u>\$ 40,318</u>	<u>\$ 2,284,380</u>	<u>\$ 1,451</u>	<u>\$ 2,326,149</u>

NOTE 4. FAIR VALUE MEASUREMENTS

GASB Statement No. 72 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

GASB Statement No. 72 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities with redemption terms that are not short term.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

Private Markets Pool

NOTE 4. FAIR VALUE MEASUREMENTS (continued)

U.S. GAAP does not require the Pool to categorize investments whose fair value is measured using the net asset value per share (NAV) as a practical expedient within the fair value hierarchy table. The table that follows sets forth information about the level within the fair value hierarchy at which the Pool's assets and liabilities are measured at June 30, 2025. All of the Pool's investments in private credit & income funds, private equity partnerships, real estate limited partnerships and funds, and other private funds were valued using the NAV, and as such, they have not been categorized in the fair value hierarchy table.

Assets	Level 1	Level 2	Level 3	Total
Foreign common stock	\$ 40,318	\$ -	\$ -	\$ 40,318
Money market mutual fund	124,661	-	-	124,661
Securities lending collateral	-	18,646	-	18,646
U.S. common stock	148,214	-	-	148,214
U.S. corporate bonds	-	14,272	-	14,272
U.S. preferred stock	10,247	-	-	10,247
Total	<u>\$ 323,440</u>	<u>\$ 32,918</u>	<u>\$ -</u>	<u>\$ 356,358</u>
Private credit & income funds				1,200,492
Private equity partnerships				2,549,811
Real estate limited partnerships and funds				2,284,380
Total				<u>\$ 6,391,041</u>

The following table presents information on investments measured at the NAV as of June 30, 2025:

Strategies	Fair Value	Unfunded Commitments	Contractual Termination Date Range	Redemption Frequency (a)	Redemption Notice Period
Private credit & income funds:					
Asset-Backed Credit (b)	\$ 423,309	\$ 212,842	2026 to 2032	N/A	N/A
Core Private Credit (c)	634,511	143,708	2031	Quarterly	45 days
Specialty & Opportunistic Credit (d)	142,672	188,277	2026 to 2029	N/A	N/A
Private equity partnerships:					
Corporate Finance - Buyout (e)	1,657,836	503,883	2025 to 2035	N/A	N/A
Corporate Finance - Distressed Debt (f)	20,037	16,263	2026	N/A	N/A
Corporate Finance - Growth Equity (g)	164,443	76,639	2025 to 2034	N/A	N/A
Corporate Finance - Hard Assets (h)	179,044	31,779	2025 to 2033	N/A	N/A
Corporate Finance - Mezzanine (i)	2,112	480	N/A	N/A	N/A
Corporate Finance - Structured Capital (j)	59,782	36,414	2025 to 2032	N/A	N/A
Corporate Finance - Turnaround (k)	104,681	120,686	2026 to 2036	N/A	N/A
Venture Capital (l)	361,876	39,275	2026 to 2034	N/A	N/A
Real estate limited partnerships and funds:					
Core (m)	1,153,414	-	N/A	Quarterly	45-90 days
Opportunistic (n)	419,945	192,137	2025 to 2034	N/A	N/A
Value (o)	711,021	483,853	2025 to 2068	N/A	N/A
Total	<u>\$ 6,034,683</u>	<u>\$ 2,046,236</u>			

NOTE 4. FAIR VALUE MEASUREMENTS (continued)

- (a) Investments without standard redemption frequencies cannot be redeemed until termination of the partnership.
- (b) Asset-backed credit funds typically invest in asset-backed loans collateralized by commercial or consumer receivables, assets, or loans, as well as other specialty types of commercial loans. This also includes real estate debt funds that invest in mezzanine or other subordinated real estate debt, and/or target higher risk properties than a typical core fund. Asset-backed credit investments are typically in the mid-range of the risk return spectrum of the private credit market.
- (c) Core private credit funds are primarily senior-secured commercial loans that are on the more conservative end of the spectrum of the private credit market. This may also include funds that invest in senior real estate mortgages and other debt that is structured such that it is considered to have a core risk/return profile. The returns on core private credit investments are expected to be derived from contractual income.
- (d) Specialty & opportunistic credit funds is a broad classification that includes different types of debt strategies that have the highest risk-return profile in the private credit market. This may include strategies that invest in distressed debt, complex capital solutions, special situation loans, or market dislocations. It also includes specialized financing to specific industries that are underserved by the general debt markets. The returns on these assets are generally derived from both contractual income and an equity component.
- (e) Corporate Finance - Buyout funds acquire controlling or influential interests in companies.
- (f) Corporate Finance - Distressed Debt funds acquire the debt of companies experiencing operational or financial distress usually converting the debt to equity and exercising control of the business.
- (g) Corporate Finance - Growth Equity funds invest in companies to expand or restructure operations, enter new markets, or finance an acquisition.
- (h) Corporate Finance – Hard Assets funds acquire controlling or influential interests in companies operating in natural resources or infrastructure.
- (i) Corporate Finance - Mezzanine funds acquire or issue subordinated debentures frequently in businesses controlled by the General Partner, but in another fund.
- (j) Corporate Finance – Structured Capital funds combine common equity, preferred equity, fixed-income, and/or customized debt instruments to offer capital appreciation with downside protection.
- (k) Corporate Finance - Turnaround funds acquire the debt and or equity of companies experiencing operational or financial distress in order to radically reorganize and improve the business.
- (l) Venture Capital funds make investments in early stage through late stage companies, frequently start-ups in technology or healthcare.
- (m) Core funds are more conservative real estate investments that use a very modest level of financing to acquire and hold high-quality, stable properties typically located in major markets. Assets within these strategies tend to have high occupancy rates, higher credit tenants, and staggered lease terms, with a number of long-term leases expiring in five-to-ten years.
- (n) Opportunistic funds have higher risk/return profiles and have broad strategies to achieve these types of returns. Common strategies are properties that need significant rehabilitation or a total redevelopment to transition to a different type of property (for example, converting an office building to condominiums). It may also include new development, distressed debt strategies, and more complex transactions, as well as a more traditional value-add strategy that is financed with a higher amount of leverage.
- (o) Value funds typically use more leverage than core funds and target higher return opportunities by acquiring properties that the manager believes they can add value through capital renovations to the physical facility or enhanced leasing and management activities. Most of these properties have in-place cash flow, which is expected to increase as the business plans are implemented. This could include making physical improvements to the asset that will allow it to command higher rents, increasing efforts to lease vacant space at the property to quality tenants, or improving the management of the property and thereby increasing customer satisfaction or lowering operating expenses where possible.

Private Markets Pool

NOTE 5. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at June 30, 2025:

	Fair Value
Securities on loan	\$ 33,517
Collateral received:	
Cash	\$ 18,646
Non-cash	15,800
Total collateral received	<u>\$ 34,446</u>

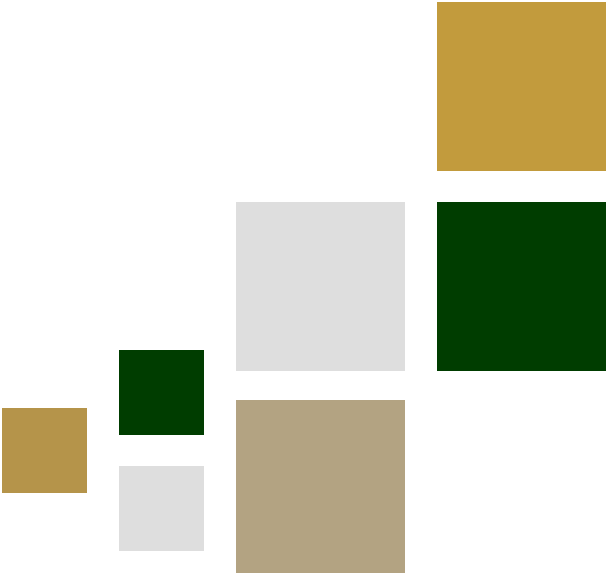
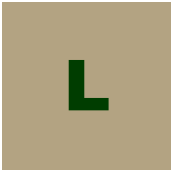
NT, as agent for the WVIMB, loans the WVIMB's securities to various counterparties. These transactions are executed under a Securities Lending Authorization Agreement (SLAA) which permits NT under certain circumstances, such as defaults, to offset amounts payable to the same counterparty against amounts to be received and thus create one single net payment due to or from the counterparty. The amounts listed in the above table represent all securities loaned which are subject to the SLAA on a net payment basis. The WVIMB has elected not to offset the fair value of the securities on loan against the liability for the return of the collateral on the Statement of Net Position.

NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at June 30, 2025:

Participant	Account Value
Teachers' Retirement System	\$ 2,633,446
Public Employees' Retirement System	2,401,207
West Virginia Retiree Health Benefit Trust Fund	531,474
State Police Death, Disability and Retirement Fund	211,313
State Police Retirement System	101,359
Deputy Sheriff's Retirement System	96,411
Judges' Retirement System	82,835
Municipal Policemen's or Firemen's Pension and Relief Funds	69,832
Workers' Compensation Old Fund	69,827
Emergency Medical Services Retirement System	56,296
Revenue Shortfall Reserve Fund - Part B	25,410
Wildlife Endowment Fund	19,456
Coal Workers' Pneumoconiosis Fund	17,049
West Virginia State Parks and Recreation Endowment Fund	15,018
Municipal Police Officers' and Firefighters' Retirement System	14,490
West Virginia Department of Environmental Protection Agency	13,932
Natural Resources Police Officer Retirement System	9,049
Board of Risk and Insurance Management	6,119
Workers' Compensation Self-Insured Employer Security Risk Pool	4,461
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	3,654
Berkeley County Development Authority	1,862
West Virginia Department of Environmental Protection Trust	1,845
Workers' Compensation Uninsured Employers' Fund	1,749
Total	<u>\$ 6,388,094</u>

AUDITED FINANCIAL STATEMENTS
June 30, 2025



Hedge Fund Pool

Audited Financial Statements June 30, 2025

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Report of Independent Auditors

To the Board of Trustees
West Virginia Investment Management Board

Opinion

We have audited the financial statements of the West Virginia Investment Management Board's Hedge Fund Pool (the "Pool") which comprise the statement of net position as of June 30, 2025, and the related statement of changes in net position for the year ended, and the related notes (collectively referred to as the "basic financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Pool at June 30, 2025, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pool and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Basis of Presentation

As discussed in Note 1, the financial statements present only the Hedge Fund Pool and do not purport to, and do not, present fairly the financial position of the West Virginia Investment Management Board, at June 30, 2025, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages L-1 through L-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Ernst & Young LLP

August 28, 2025

Hedge Fund Pool

Management's Discussion and Analysis (Unaudited)

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds. The WVIMB operates on a fiscal year beginning July 1 and ending June 30. To effectuate its purpose, the WVIMB has constructed a series of investment pools in which to invest participating entities' monies.

The following information and the accompanying financial statements reflect only the investments and investment related operations of the WVIMB's Hedge Fund Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, the information contained in this Management Discussion and Analysis and the following financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants. The Management Discussion and Analysis information should be considered in conjunction with the information contained in the audited financial statements which follow this section.

Financial Statement Overview

Management's Discussion and Analysis is an introduction to the Pool's basic financial statements. The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting. Accordingly, the financial statements presented have been prepared in conformity with the reporting framework prescribed by GASB for external investment pools. The financial statements for the Pool include a Statement of Net Position and a Statement of Changes in Net Position. These financial statements are supported by the Notes to Financial Statements.

Pool Strategy

The objective of the Pool is to reduce risk through diversification of participants' assets. The primary performance benchmark is the Hedge Funds Research, Inc. Fund of Funds Composite Index plus 100 Basis points. The secondary benchmark is the Financial Times Stock Exchange (FTSE) 3 Month U.S. T-Bill Index plus 500 basis points.

Condensed Financial Information and Analysis (in \$000s)

The Statement of Net Position presents the financial position of the Pool as of June 30, 2025 and includes all assets and liabilities of the Pool. The difference between total assets and total liabilities, which is equal to the participants' interest in the Pool's net position, is shown below for the current and prior fiscal year-end dates:

Condensed Net Position	June 30, 2025	June 30, 2024
Investments	\$ 3,129,041	\$ 2,847,924
Other assets	726	54,210
Total assets	3,129,767	2,902,134
Total liabilities	(191)	(229)
Net position	<u>\$ 3,129,576</u>	<u>\$ 2,901,905</u>

Hedge Fund Pool

Management's Discussion and Analysis (Unaudited)

Yearly variances in the net position of the Pool are primarily impacted by the overall performance of the global investment markets. Net position is also impacted by expenses charged to the Pool and the issuance and redemption of Pool units. The increase in the Pool's net position of \$227,671 results from net investment income of \$340,452 and a net decrease from unit transactions of \$112,781.

The Statement of Changes in Net Position presents the Pool's activity for the year.

Condensed Changes in Net Position	Years Ended	
	June 30, 2025	June 30, 2024
Investment income	\$ 341,823	\$ 341,190
Expenses	(1,371)	(1,370)
Net investment income	340,452	339,820
Net units issued (redeemed)	(112,781)	81,002
Increase in net position	227,671	420,822
Net position, beginning of year	2,901,905	2,481,083
Net position, end of year	<u>\$ 3,129,576</u>	<u>\$ 2,901,905</u>

The investment income of the Pool is primarily from the net increase in fair value of investments.

The WVIMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. The return of the Pool (net of fees) for the year ended June 30, 2025 was 12.2 percent, down from 13.7 percent for the year ended June 30, 2024.

Select financial highlights for the Pool are as follows:

Per Unit Operating Performance:	Years Ended	
	June 30, 2025	June 30, 2024
Net position, beginning of year	\$ 21.99	\$ 19.35
Net investment income	2.68	2.64
Net position, end of year	<u>\$ 24.67</u>	<u>\$ 21.99</u>

Supplemental Data:

Ratio of expenses to average net position (a)	0.05%	0.05%
---	-------	-------

- (a) The ratio is for the fiscal year and does not reflect the Pool's proportionate share of expenses of the underlying investee funds.

Hedge Fund Pool

Statement of Net Position

June 30, 2025

(Amounts in thousands, except unit data)

Assets

Investments in hedge funds at fair value	\$	3,129,041
Investment funds redeemed		<u>726</u>
Total assets		3,129,767

Liabilities

Accrued expenses		<u>191</u>
Net position	\$	<u><u>3,129,576</u></u>

Unit data

Units outstanding		126,858,330
Net position, unit price	\$	<u><u>24.67</u></u>

See accompanying notes to financial statements.

Hedge Fund Pool

Statement of Changes in Net Position
Year Ended June 30, 2025
(Amounts in thousands)

Investment income

Net increase in fair value of investments	\$ 341,651
Dividend income	<u>172</u>
Total investment income	341,823

Expenses

Professional service fees - direct	(506)
Custodian bank fees	(1)
Management and other allocated fees	<u>(864)</u>
Total expenses	<u>(1,371)</u>

Net investment income 340,452

Unit transactions

Proceeds from sale of units	55,834
Amount paid for repurchase of units	<u>(168,615)</u>

Net decrease from unit transactions (112,781)

Increase in net position 227,671

Net position, beginning of year 2,901,905

Net position, end of year \$ 3,129,576

See accompanying notes to financial statements.

Hedge Fund Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds.

A Board of Trustees, consisting of thirteen members, governs the WVIMB. The Governor, the State Auditor, and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The WVIMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the WVIMB's Hedge Fund Pool (Pool). They do not reflect activity of the other investment pools under the control of the WVIMB or the Administrative Fund of the WVIMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the WVIMB or any of the investment pool participants.

The WVIMB accounts for the Pool under U.S. Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), using the economic resources measurement focus and the accrual basis of accounting.

The Pool was established to hold the WVIMB's investments in hedge funds. The objective of the Pool is to reduce risk through diversification of participants' assets. The primary performance benchmark is the Hedge Funds Research, Inc. Fund of Funds Composite Index plus 100 Basis points. The secondary benchmark is the Financial Times Stock Exchange (FTSE) 3 Month U.S. T-Bill Index plus 500 basis points. Albourne America has been retained by the WVIMB to provide consulting services for this investment strategy.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Investment Valuation - The WVIMB reports its investments at fair value in accordance with GASB Statement No. 72. Refer to Note 4 for further discussion and presentation of the reporting requirements under GASB Statement No. 72.

Fair value of the Pool's investments is determined on the last business day of each month as follows:

- Investments in hedge funds are securities for which market quotations are not readily available. The WVIMB has concluded that the net asset value reported by the underlying funds approximates the fair value of these investments and consequently these investments are carried at net asset value as a practical expedient for fair market value. These investments are redeemable with the fund at net asset value under the original terms of the agreements and operations of the underlying fund. However, it is possible that these redemption rights may be restricted or eliminated by the funds in the future in accordance with the underlying fund agreements. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the WVIMB's interests in the funds. Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported net asset value. It is therefore reasonably possible that if the WVIMB were to sell these investments in the secondary market a buyer may require a discount to the reported net asset value, and the discount could be significant. The WVIMB believes that the net asset value of such investments is a reasonable estimate of fair value as of June 30, 2025.

Hedge Fund Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the WVIMB's established procedures.

Investment Transactions - Investment transactions are accounted for on a trade date basis. Interest income is recognized on the accrual basis. Dividend income is recognized on the ex-dividend date.

Use of Estimates - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Unit Valuation and Participant Transactions - The unit price of the Pool is calculated on the last business day of the month by dividing the net position of the Pool by the number of outstanding units. Participant accounts undergo a monthly rebalancing process to maintain their defined asset allocation. Participant transactions that occur as part of the rebalancing process are executed as a purchase or redemption on the first business day of each month using the prior month-end unit price.

Distributions to Participants - The Pool does not routinely distribute dividends of net investment income.

Expenses - The WVIMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The WVIMB pays all expenses on behalf of the Pool. In addition to these direct and allocated expenses, the Pool bears certain expenses indirectly, such as fees of other investment funds in which the Pool invests that are reflected in the reported net asset value of such funds.

Income Taxes - The WVIMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of June 30, 2025.

NOTE 3. INVESTMENT RISK DISCLOSURES

The Pool holds investments in hedge funds might be indirectly exposed to foreign currency risk, credit risk, interest rate risk, and/or custodial credit risk. The Pool is restricted from investing more than 10 percent of the value of the Pool with any single manager. At June 30, 2025, the Pool was in compliance with this restriction and is not exposed to concentration of credit risk.

NOTE 4. FAIR VALUE MEASUREMENTS

GASB Statement No. 72 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

GASB Statement No. 72 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities with redemption terms that are not short term.

Hedge Fund Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 4. FAIR VALUE MEASUREMENTS (continued)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

U.S. GAAP does not require the Pool to categorize investments whose fair value is measured using the net asset value per share (NAV) as a practical expedient within the fair value hierarchy table. All of the Pool's investments in hedge funds were valued using the NAV, and as such, they have not been categorized in the fair value hierarchy. The following table presents information on investments measured at the NAV as of June 30, 2025:

Hedge Fund Strategies	Fair Value	Redemption Frequency	Redemption Notice Period
Directional (a)	\$ 515,109	Monthly, Quarterly	5 to 65 days
Equity long/short (b)	599,947	Quarterly	45 to 180 days
Event-driven (c)	482,911	Quarterly, Annually	60 to 180 days
Long-biased (d)	108,768	Monthly	90 days
Multi-strategy (e)	318,279	Monthly, Quarterly	60 days
Relative-value (f)	1,085,422	Weekly, Quarterly	5 to 90 days
	<u>3,110,436</u>		
In liquidation (g)	18,605		
Total investments measured at the NAV	<u>\$ 3,129,041</u>		

- (a) Directional funds employ various techniques to forecast the direction of segments of the market and then invest in either long or short positions. The segments may be geographic economies, industry sectors, currency, or asset class. The investments may be in physical securities or derivatives. The strategies may be trend-following or mean-reverting and may be specific to that segment or universally applied across them. Investments representing approximately 27 percent of the fair value of the investments in this strategy are subject to maximum withdrawal restrictions.
- (b) Equity long/short funds involve taking long positions in stocks that are expected to increase in value and short positions in stocks that are expected to decrease in value. Investments representing approximately 76 percent of the fair value of the investments in this strategy are subject to maximum withdrawal restrictions.
- (c) Event-driven funds maintain positions in companies currently or prospectively involved in various corporate transactions including, but not limited to, mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance or other capital structure adjustments. Security types can range from most senior in the capital structure to most junior or subordinated, and frequently involve additional derivative securities. Event-driven exposure includes a combination of sensitivities to equity markets, credit markets and company-specific developments. All investments in this strategy are subject to maximum withdrawal restrictions.
- (d) Long-biased funds employ analytical techniques in which the investment thesis is predicated on assessment of the valuation characteristics on the underlying companies with the goal of identifying undervalued companies. Long-biased strategies may vary the investment level or the level of long exposure over market cycles, but the primary distinguishing characteristic is that the manager maintains consistent long exposure.
- (e) Multi-strategy funds combine several strategies within the same fund in order to provide diversification benefits to reduce return volatility and decrease asset-class and single-strategy risks. These funds typically add incremental returns through active allocation adjustments based on market opportunities. Risk is managed through a combination of quantitative and qualitative constraints including, but not limited to, active risk, liquidity risk, currency risk, manager risk, derivatives risk, and leverage risk. All investments in this strategy are subject to maximum withdrawal restrictions.

Hedge Fund Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 4. FAIR VALUE MEASUREMENTS (continued)

- (f) Relative-value funds maintain positions in which the investment thesis is predicated on the realization of a valuation discrepancy in the relationship between multiple securities. Managers employ a variety of fundamental and quantitative techniques to establish investment insights, and security types range broadly across equity, fixed income, derivative or other security types. Fixed income strategies are typically quantitatively driven to measure the existing relationship between instruments and, in some cases, identify attractive positions in which the risk-adjusted spread between these instruments represents an attractive opportunity. Investments representing approximately 85 percent of the fair value of the investments in this strategy are subject to maximum withdrawal restrictions.
- (g) Funds currently in liquidation are no longer managed to a defined strategy. As the remaining underlying assets of these funds are monetized, their proceeds are distributed to shareholders. The timing of these future distributions is unknown.

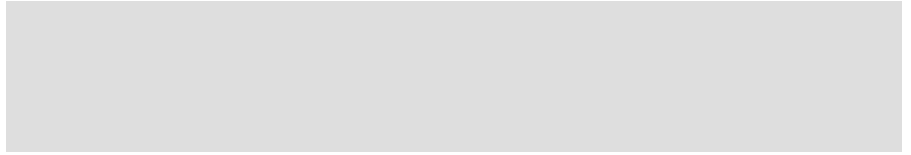
NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at June 30, 2025:

Participant	Account Value
Teachers' Retirement System	\$ 1,171,517
Public Employees' Retirement System	1,068,314
West Virginia Retiree Health Benefit Trust Fund	236,431
Workers' Compensation Old Fund	139,853
State Police Death, Disability and Retirement Fund	94,013
West Virginia Department of Environmental Protection Agency	74,401
State Police Retirement System	45,090
Deputy Sheriff's Retirement System	42,890
Judges' Retirement System	36,851
Public Employees Insurance Agency	36,412
Coal Workers' Pneumoconiosis Fund	34,148
Revenue Shortfall Reserve Fund - Part B	33,921
Municipal Policemen's or Firemen's Pension and Relief Funds	31,061
Emergency Medical Services Retirement System	25,043
Board of Risk and Insurance Management	12,258
Workers' Compensation Self-Insured Employer Security Risk Pool	8,937
Wildlife Endowment Fund	8,657
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	7,314
West Virginia State Parks and Recreation Endowment Fund	6,677
Municipal Police Officers' and Firefighters' Retirement System	6,445
Natural Resources Police Officer Retirement System	4,025
Workers' Compensation Uninsured Employers' Fund	3,501
West Virginia Department of Environmental Protection Trust	989
Berkeley County Development Authority	828
Total	<u>\$ 3,129,576</u>



AUDITED FINANCIAL STATEMENTS

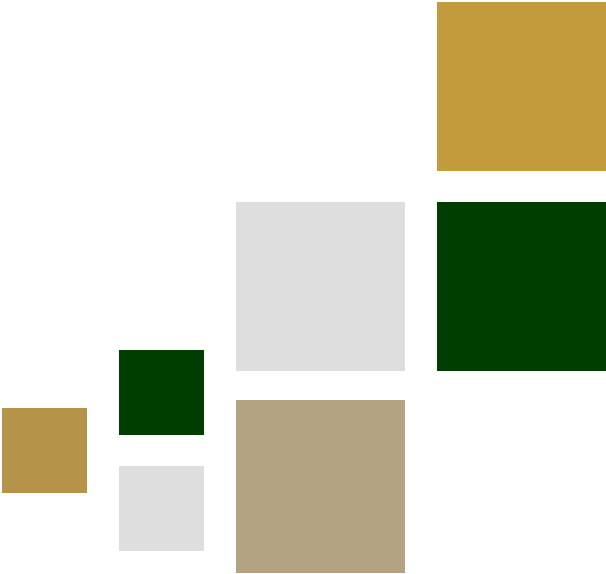


ADMINISTRATIVE FUND
Year Ended June 30, 2025

AUDITED FINANCIAL STATEMENTS
June 30, 2025



ADMINISTRATIVE FUND



Administrative Fund

Audited Financial Statements June 30, 2025

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Report of Independent Auditors

The Board of Trustees
The West Virginia Investment Management Board

Opinion

We have audited the financial statements of the West Virginia Investment Management Board's Administrative Fund (the "Fund") which comprise the statement of net position as of June 30, 2025, and the related statement of changes in net position, and cash flows for the year ended, and the related notes (collectively referred to as the "basic financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund at June 30, 2025, and the changes in its financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.



Shape the future with confidence

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Basis of Presentation

As described in Note 1, the financial statements present only the Administrative Fund of the West Virginia Investment Management Board and do not include the financial position and results of operations of the West Virginia Investment Management Board for any of their investment pools. These financial statements do not purport to, and do not, present fairly the financial position of the West Virginia Investment Management Board for any of their investment pools at June 30, 2025, and changes in its financial position, and cash flows thereof, for the year ended in conformity with U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Ernst & Young LLP

August 28, 2025

Administrative Fund

Management's Discussion and Analysis

This discussion and analysis of the West Virginia Investment Management Board's (WVIMB) financial performance provides an overview of the WVIMB's administrative financial activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the WVIMB Administrative Fund basic financial statements, which follow this discussion. The WVIMB operates investment pools and issues separate audited financial statements accordingly.

FINANCIAL HIGHLIGHTS

- Average assets under management (AUM) of the investment pools increased by \$2.1 billion, or 8 percent, from the previous year.
- The WVIMB is required by law to charge a fee sufficient to cover the cost of providing investment management services. Investment service fee revenues were \$55.1 million, as compared to \$53.9 million for the previous fiscal year. The increase is the result of the following.
 - Outside investment advisor fees increased \$356,000 over the previous year. Base fees increased \$2.0 million, or 6 percent, due to the corresponding growth in average AUM. Performance fees decreased \$1.6 million, or 19 percent, primarily due to lower relative performance compared to benchmark indices in the Non-Large Cap Domestic Equity Pool. The average expense ratio for investment advisor fees across all pools was 15.8 basis points for the year, as compared to 17.0 basis points for the previous year.
 - Custodian fees increased \$214,000 over the previous year. This increase was mainly driven by increased costs in the International Equity Pool.
 - Professional services fees increased \$178,000 over the previous year primarily attributable to an increase in legal and consulting fees.
 - Administrative expenses increased by \$481,000 from the previous year. The expense ratio for administrative expenses remained unchanged from the prior year at 2.4 basis points of average AUM. Salaries increased by \$250,000 to \$3.7 million. In total, administrative expenses were \$955,000 lower than the expenses included in the fiscal year budget approved by the Board of Trustees.

THE FINANCIAL REPORTS

This financial report consists of three financial statements: the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows. These statements include all assets and liabilities of the WVIMB Administrative Fund using the economic resources measurement focus and the accrual basis of accounting. The accrual basis of accounting takes into account all revenues and expenses regardless of when cash is received or paid. These statements give an overall perspective of the WVIMB Administrative Fund's financial position and the changes in the financial position during the current fiscal year.

The Statement of Net Position presents the WVIMB Administrative Fund's assets and liabilities, with the difference between the two reported as net position. The Statement of Revenues, Expenses, and Changes in Net Position describes how the WVIMB Administrative Fund's net position changed during the fiscal year. The Statement of Cash Flows identifies the sources of cash received by the WVIMB Administrative Fund and how that cash was used in the WVIMB Administrative Fund's activities during the year. The ending cash presented in this statement is a significant portion of the WVIMB Administrative Fund's assets as reported in the Statement of Net Position. This statement also contains a reconciliation of the operating income (loss) as reported in the Statement of Revenues, Expenses, and Changes in Net Position to the cash provided by the WVIMB Administrative Fund's operating activities during the year.

Administrative Fund

Management's Discussion and Analysis

FINANCIAL ANALYSIS

The WVIMB Administrative Fund's total assets as of June 30, 2025 were \$18.8 million and mostly comprised of cash and cash equivalents and receivables for investment service fees. Total assets were \$489,000 more than the previous year.

Total liabilities as of June 30, 2025 were \$13.2 million and mostly comprised of invoices payable and accrued liabilities for investment management and consulting fees, custodial fees, and administrative expenses. Total liabilities were \$209,000 more than the previous year.

The increase in assets and liabilities is primarily attributed to higher fees payable to investment advisors. This in turn results in higher receivables from the investment pools.

Table 1 Net Position and Assets Under Management (In thousands)	June 30, 2025	June 30, 2024
Cash and cash equivalents	\$ 6,751	\$ 6,098
Receivables	10,915	10,880
Other assets	1,130	1,329
Total assets	18,796	18,307
Total liabilities	(13,150)	(12,941)
Net position	<u>\$ 5,646</u>	<u>\$ 5,366</u>
Composition of net position:		
Net investment in capital assets	\$ 80	\$ 107
Unrestricted	5,566	5,259
Assets under management*	\$ 28,313,707	\$ 26,296,842

Table 2 Changes in Net Position (In thousands)	Year Ended June 30, 2025	Year Ended June 30, 2024	Percent Change
Revenues	\$ 55,082	\$ 53,930	2.1%
Expenses:			
Advisor fees	(42,774)	(42,418)	0.8%
Custodian fees	(1,849)	(1,635)	13.1%
Trustee fees	(45)	(50)	(9.1%)
Fiduciary bond expense	(26)	(26)	0.0%
Professional service fees	(3,866)	(3,688)	4.8%
Administrative expenses	(6,528)	(6,047)	8.0%
Total expenses	<u>(55,088)</u>	<u>(53,864)</u>	2.3%
Operating income (loss)	(6)	66	n/a
Nonoperating revenues (expenses)	<u>286</u>	<u>296</u>	n/a
Increase (decrease) in net position	280	362	n/a
Net position – beginning of year	<u>5,366</u>	<u>5,004</u>	7.2%
Net position – end of year	<u>\$ 5,646</u>	<u>\$ 5,366</u>	5.2%

* Amounts reflect preliminary estimated balances for private market investments.

Administrative Fund

Management's Discussion and Analysis

CAPITAL ASSETS

The WVIMB Administrative Fund made acquisitions of capital assets totaling \$39,392 during the current fiscal year. There were no disposals.

CONTACTING THE WVIMB

This financial report is designed to provide its readers with a general overview of the WVIMB Administrative Fund's finances. If you have any questions about this report or need additional information including the audited financial statements of the WVIMB Investment Pools, contact the WVIMB at 500 Virginia Street, East, Suite 200, Charleston, WV 25301-2164, or visit us at www.wvimb.org.

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Administrative Fund

Statement of Net Position June 30, 2025

Assets

Current assets:

Cash and cash equivalents	\$ 6,750,885
Accounts receivable	10,915,296
Prepaid expenses	90,465
Dividend receivable	<u>23,569</u>

Total current assets 17,780,215

Capital assets:

Equipment	324,224
Office furniture	218,749
Other depreciable property	567,852
Leasehold improvements	258,726
Right-to-use lease asset	1,580,573
Less accumulated depreciation and amortization	<u>(1,933,821)</u>

Total capital assets (net of accumulated depreciation and amortization) 1,016,303

Total assets 18,796,518

Liabilities

Current liabilities:

Accounts payable and accrued expenses	12,213,528
Right-to-use lease liability	<u>190,325</u>

Total current liabilities 12,403,853

Long-term liabilities:

Right-to-use lease liability	<u>746,153</u>
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Total long-term liabilities 746,153

Total liabilities 13,150,006

Net position

Net investment in capital assets	79,825
Unrestricted	<u>5,566,687</u>

Total net position \$ 5,646,512

See accompanying notes to financial statements.

Administrative Fund

Statement of Revenues, Expenses, and Changes in Net Position Year Ended June 30, 2025

Operating revenues

Investment service fees	\$ 55,082,774
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Total operating revenues	55,082,774
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Operating expenses

Advisor fees	42,774,238
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Custodian fees	1,849,264
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Trustee fees	45,000
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Fiduciary bond expenses	25,875
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Professional service fees	3,865,943
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Administrative expenses	6,528,303
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Total operating expenses	55,088,623
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Operating income (loss)	(5,849)
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Nonoperating revenues (expenses)

Dividend income	336,981
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Interest expense	(50,953)
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Total nonoperating revenues (expenses)	286,028
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Increase in net position	280,179
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Net position, beginning of year	5,366,333
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Net position, end of year	\$ 5,646,512
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See accompanying notes to financial statements.

Administrative Fund

Statement of Cash Flows Year Ended June 30, 2025

Cash flows from operating activities

Cash received from customers and other third parties	\$ 55,047,723
Cash paid to suppliers	(49,204,719)
Cash paid to employees	<u>(5,266,964)</u>

Net cash provided by operating activities 576,040

Cash flows from capital and related financing activities

Acquisition of capital assets	(39,392)
Principal paid on right-to-use lease agreement	(175,598)
Interest paid on right-to-use lease agreement	<u>(51,685)</u>

Net cash used for capital and related financing activities (266,675)

Cash flows from investing activities

Dividends on investments	<u>343,995</u>
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Net cash provided by investing activities 343,995

Net increase in cash and cash equivalents 653,360

Cash and cash equivalents, beginning of year 6,097,525

Cash and cash equivalents, end of year \$ 6,750,885

Reconciliation of operating income (loss) to net cash provided by operating activities:

Operating income (loss)	\$ (5,849)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation and amortization	241,771
Change in assets and liabilities:	
Increase in accounts receivable	(35,051)
Increase in prepaid expenses	(10,412)
Increase in accounts payable and accrued expenses	<u>385,581</u>

Total adjustments 581,889

Net cash provided by operating activities \$ 576,040

See accompanying notes to financial statements.

Administrative Fund

Notes to Financial Statements

NOTE 1. NATURE OF ORGANIZATION

The West Virginia Investment Management Board (WVIMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Pneumoconiosis funds, and certain other state government funds. The WVIMB has established distinct investment pools to efficiently invest the entrusted funds. Separate financial statements are issued for these investment pools. The WVIMB Administrative Fund's financial statements are included as an internal service fund of the State of West Virginia in the State's financial statements and are presented as a blended component unit.

A Board of Trustees, consisting of thirteen members, governs the WVIMB. The Governor, the State Auditor, and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other trustees for a term of six years.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the WVIMB Administrative Fund conform to accounting principles generally accepted in the United States of America. The following is a summary of significant accounting policies.

Cash and Cash Equivalents - Cash and cash equivalents consist of cash held in checking and money market accounts. Management believes the WVIMB Administrative Fund is not exposed to any significant credit or market risk on cash and cash equivalents. Cash equivalents are maintained with a financial institution in an institutional Treasury Money Market Fund which has an average maturity of less than 90 days.

Fair Value Measurements - The WVIMB Administrative Fund categorizes financial instrument fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The WVIMB Administrative Fund's cash equivalents are invested in an institutional Treasury Money Market fund valued at \$6,750,088 as of June 30, 2025, using quoted market prices (Level 1 inputs).

Capital Assets - Purchased assets, when they meet the thresholds defined in the capitalization policy, are recorded at cost. Threshold requirements are \$10,000 for office equipment, furniture, fixtures, computer hardware, and software, and \$20,000 for buildings, building improvements, land improvements, infrastructure, and leasehold improvements. Land is capitalized irrespective of cost. Contracts that provide for the right to use another entity's nonfinancial assets, as specified in a contract, for a period of time in an exchange or exchange-like transaction are recorded as right-to-use lease assets.

Depreciation on purchased assets is provided for over the estimated useful lives of the assets, ranging from three years to ten years using the straight-line method. Right-to-use lease assets and leasehold improvements are amortized over the life of the lease.

Revenues and Expenses - The WVIMB's Board of Trustees adopts an annual budget and fee schedule for services to be provided to the investment pools. Revenues of the WVIMB Administrative Fund are derived from the allocation of fees to the investment pools per the fee schedule and are classified as operating revenue. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. Revenues and expenses are recorded when earned or incurred in accordance with the economic resources measurement focus and the accrual basis of accounting. The carrying value of investment service fees receivable approximates its fair value. Earnings on cash equivalents are classified as non-operating revenue.

Income Taxes - The WVIMB is a public corporation organized under laws of the State of West Virginia and is exempt from federal and state taxation. Accordingly, the WVIMB Administrative Fund financial statements have been prepared recognizing that the WVIMB is not subject to federal or state income taxes.

Administrative Fund

Notes to Financial Statements

NOTE 3. CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Work in progress	\$ 84,312	\$ -	\$ (84,312)	\$ -
Total capital assets, not being depreciated	84,312	-	(84,312)	-
Capital assets, being depreciated:				
Office equipment	324,224	-	-	324,224
Office furniture	218,749	-	-	218,749
Other depreciable property	444,150	123,702	-	567,852
Leasehold improvements	258,726	-	-	258,726
Right-to-use lease asset	1,580,573	-	-	1,580,573
Total capital assets, being depreciated	2,826,422	123,702	-	2,950,124
Less accumulated depreciation and amortization for:				
Office equipment	(316,173)	(4,201)	-	(320,374)
Office furniture	(218,748)	-	-	(218,748)
Other depreciable property	(340,554)	(51,620)	-	(392,174)
Leasehold improvements	(258,726)	-	-	(258,726)
Right-to-use lease asset	(557,849)	(185,950)	-	(743,799)
Total accumulated depreciation and amortization	(1,692,050)	(241,771)	-	(1,933,821)
Capital assets, net	\$ 1,218,684	\$ (118,069)	\$ (84,312)	\$ 1,016,303

Depreciation and amortization expense of \$241,771 was charged to investment management activity and is included in the administrative expenses.

On September 19, 2019, the WVIMB executed an amendment to renew its long-term lease, originally dated August 26, 2002, and previously amended on December 7, 2006 and July 9, 2012, for a period of ten years beginning on January 1, 2020. The monthly cost for the first five years was \$18,478; thereafter, the monthly cost for the remaining five years increased to \$19,402. Under the original and amended lease, beginning on January 1, 2020, and continuing throughout the term, the WVIMB shall pay as additional rent a portion of the increase in utility costs and taxes over the base year 2019 amounts; for the year ended June 30, 2025, this amount was \$2,387.

Administrative Fund

Notes to Financial Statements

NOTE 3. CAPITAL ASSETS (continued)

The following is a schedule of future minimum rental payments required under this lease:

Fiscal years ending June 30:

	Right-to-use Lease Liability	Interest	Total
2026	\$ 190,325	\$ 42,502	\$ 232,827
2027	200,063	32,764	232,827
2028	210,298	22,529	232,827
2029	221,058	11,769	232,827
Thereafter	114,734	1,680	116,414
Total	<u>\$ 936,478</u>	<u>\$ 111,244</u>	<u>\$ 1,047,722</u>

NOTE 4. EMPLOYEE BENEFIT PLANS

Retirement - The WVIMB provides a defined contribution money purchase pension plan (Pension Plan) covering all of its employees. An employee becomes eligible to participate in the Pension Plan on the earlier of the January 1 or July 1 coinciding with or following the employee's hire date. The Pension Plan is solely funded by the WVIMB, which contributes 10 percent of each covered employee's salary. Contributions for the year ended June 30, 2025 totaled \$358,155. The plan provides for a five-year vesting schedule with vesting increasing 20 percent per year.

The WVIMB provides a 457(b) plan that employees may elect to participate in. An employee becomes eligible to participate in the 457(b) plan on the first day of employment. All contributions are employee-funded on a pretax basis and are limited to the maximum amount allowed under the Internal Revenue Code. Employees are always 100 percent vested in their account balances.

Healthcare - On November 1, 2011, the WVIMB established the Defined Contribution Medical Plan (the Plan). The Plan is maintained for the exclusive benefit of employees and is a medical reimbursement plan under *Internal Revenue Service Code Section 105(h)*. The Plan identifies the WVIMB as the Plan Administrator and authorizes the WVIMB to amend the Plan as needed.

On November 1 of each plan year, the WVIMB determines an amount to credit each eligible employee that is allocated to a Health Reimbursement Arrangement (HRA) account for each participant. Current annual credits are \$3,700 for single employees and \$7,400 for employees with qualifying spouses or dependents. These credits are to be used to reimburse participants for out-of-pocket medical expenses not covered by any other source. Medical expenses shall be defined under *Internal Revenue Service Code Section 213(d)*. Any amount remaining in a participant's HRA account at the end of the plan year shall be credited to the participant's account for the following year, in addition to the annual contribution. Upon separation from employment or retirement, a former employee or dependent will not continue to receive the annual credit but may use the remaining balance accumulated in the HRA account.

The WVIMB may at its discretion, through resolution of its Board of Trustees, discontinue funding the annual credits or terminate the Plan at any time without liability for such discontinuance or termination.

Contributions made to the Plan by the WVIMB for the year ended June 30, 2025 totaled \$174,825.

NOTE 5. CASH AND INVESTMENT RISK

At June 30, 2025, all of the WVIMB Administrative Fund's cash equivalents are invested in an institutional Treasury Money Market fund. This investment fund is rated Aaa by Moody's and AAA by Standard & Poor's and has no significant custodial credit risk or interest rate risk. The investment fund invests in U.S. Treasuries and is not exposed to a concentration of credit risk or any foreign currency risk. Cash balances are held in a FDIC insured bank account, the balance of which is below the \$250,000 insurance limit at all times.