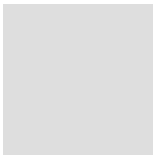
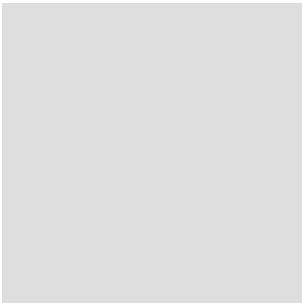
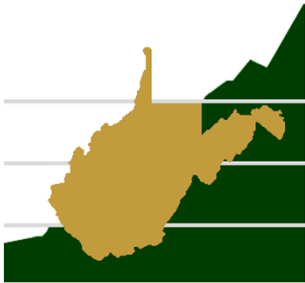


West Virginia Investment Management Board

Financial Statements

September 30, 2025



Financial Statements – Unaudited

September 30, 2025

Order of Presentation

Portable Alpha

Large Cap Domestic Equity

Non-Large Cap Domestic Equity

International Qualified

International Nonqualified

International Equity

Short-Term Fixed Income

Total Return Fixed Income

Core Fixed Income

TIPS

Private Markets

Hedge Fund

Financial Statements - Unaudited

September 30, 2025

Portable Alpha Pool

Financial Statements - Unaudited September 30, 2025

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Portable Alpha Pool

Statement of Net Position - Unaudited September 30, 2025 *(Amounts in thousands, except unit data)*

Assets

Investments, at fair value:	
Alternative risk premia funds	\$ 2,204,747
Commingled equity fund	3,466,590
Fixed income investments	783,798
Derivative instruments	44,309
Money market mutual fund	764,062
Receivables:	
Interest and dividends	8,160
Investments sold	12,293
	<hr/>
Total assets	7,283,959

Liabilities

Cash due to broker	30,245
Cash overdraft	240
Accrued expenses	693
Payable for investments purchased	30,790
	<hr/>
Total liabilities	61,968
	<hr/>
Net position	\$ 7,221,991
	<hr/> <hr/>

Unit data

Units outstanding	89,209,200
Net position, unit price	\$ 80.96
	<hr/> <hr/>

See accompanying notes to financial statements.

Portable Alpha Pool

Statement of Changes in Net Position - Unaudited Period Ended September 30, 2025* (Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Net increase in fair value of investments	\$ 290,480	\$ 578,876
Interest and dividends	<u>4,506</u>	<u>13,506</u>
Total investment income	294,986	592,382
Expenses		
Investment advisor fees	(105)	(316)
Custodian bank fees	(2)	(7)
Management and other allocated fees	(172)	(516)
Professional service fees - direct	<u>(15)</u>	<u>(43)</u>
Total expenses	<u>(294)</u>	<u>(882)</u>
Net investment income	294,692	591,500
Unit transactions		
Proceeds from sale of units	718	767
Amount paid for repurchase of units	<u>(102,530)</u>	<u>(318,506)</u>
Net decrease from unit transactions	<u>(101,812)</u>	<u>(317,739)</u>
Increase in net position	192,880	273,761
Net position, beginning of period	<u>7,029,111</u>	<u>6,948,230</u>
Net position, end of period	<u><u>\$ 7,221,991</u></u>	<u><u>\$ 7,221,991</u></u>

*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.
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 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:

- Futures contracts are valued at the last settlement price established each day by the exchange on which they are traded. The fair value of Futures contracts is reflected as their unrealized gain or loss.
- 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.

Portable Alpha Pool

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 September 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 the clearing broker on the Statement of Net Position as Cash due to/from broker. Such amounts are required by the broker for margin collateral on centrally cleared futures contracts and are considered restricted.

Futures Contracts - A futures contract is an agreement between a buyer or a seller and the central counterparty clearing house (CCP) of a futures trading exchange in which the parties agree to buy or sell a specific asset on a future date at a predetermined price. Futures contracts can be based on a variety of underlying assets, such as physical commodities or financial instruments. The exchanges on which futures trade are regulated and require the use of a CCP who determines margin collateral requirements that are imposed through a clearing broker. Upon entering into a futures contract, the clearing broker requires initial margin to be pledged in the form of cash, U.S. government securities, or other assets equal to a certain percentage of the contract amount. Variation margin is pledged to cover daily changes in the value of the futures contracts held, which is driven by price fluctuations of the underlying asset(s), and is received from or paid to the clearing broker in the form of cash.

The Pool invests in equity index futures contracts where the underlying asset is a stock index and are classified as derivative instruments herein. Index futures may be used to gain exposure to a specific market index or as an alternative investment of cash.

The market risk associated with holding futures results from changes in the market value of the contractual positions due to changes in the value of the underlying asset(s). Investment risk associated with futures contracts arises because the value of the futures may not correlate perfectly with changes in the value of the underlying asset(s) due to market distortions. Other risks associated with futures contracts are liquidity risk and credit risk. Liquidity risk arises when there is insufficient trading for a particular futures contract. Credit risk arises from the potential inability of counterparties to meet the terms of the contract. Standardization required by the exchange on which futures are traded combined with the CCP in their role as a neutral intermediary may reduce or eliminate certain risks. The CCP assumes the risk of counterparty default, thus taking on any credit risk, which is mitigated through the requirement to pledge margin collateral.

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.

Portable Alpha 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 income taxes is required as of September 30, 2025.

NOTE 3. 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 period ended September 30, 2025:

Derivative Type	Fair Value	Net Increase (Decrease) in Fair Value	
		of Investments	Notional Value
Futures contracts:			
Equity index futures long	\$ 44,309	\$ 244,734	\$ 3,753,484

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.

Portable Alpha 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. 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 September 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)	\$ 116,437	\$ -	\$ -	\$ 116,437
Certificates of deposit	-	13,180	-	13,180
Commercial paper	-	142,087	-	142,087
Commingled equity fund	3,466,590	-	-	3,466,590
Corporate ABS	-	50,796	-	50,796
Foreign corporate bonds	-	7,194	-	7,194
Foreign government bonds	-	505	-	505
Futures contracts	44,309	-	-	44,309
Money market mutual fund	764,062	-	-	764,062
U.S. corporate bonds	-	14,437	-	14,437
U.S. Government agency bonds	-	55,489	-	55,489
U.S. Treasury issues	-	500,110	-	500,110
Total	<u>\$ 4,391,398</u>	<u>\$ 783,798</u>	<u>\$ -</u>	<u>\$ 5,175,196</u>
ARP funds				<u>2,088,310</u>
Total				<u>\$ 7,263,506</u>

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

ARP Fund Strategies	Fair Value	Redemption Frequency	Redemption Notice Period
Directional (a)	\$ 560,618	Daily, Monthly	2 to 30 days
Multi-Premia (b)	1,096,448	Weekly, Biweekly, Monthly	3 to 30 days
Relative-Value (c)	431,244	Biweekly, Monthly	6 to 60 days
	<u>\$ 2,088,310</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.

Portable Alpha Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 4. FAIR VALUE MEASUREMENTS (continued)

- (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.

NOTE 5. SCHEDULE OF PARTICIPATION

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

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 3,059,283
Public Employees' Retirement System	2,766,770
West Virginia Retiree Health Benefit Trust Fund	605,274
State Police Death, Disability and Retirement Fund	244,714
State Police Retirement System	118,541
Deputy Sheriffs Retirement System	112,368
Judges' Retirement System	96,170
Municipal Policemen's or Firemen's Pension and Relief Funds	81,399
Emergency Medical Services Retirement System	66,310
Wildlife Endowment Fund	22,374
West Virginia State Parks and Recreation Endowment Fund	18,350
Municipal Police Officers' and Firefighters' Retirement System	17,612
Natural Resources Police Officer Retirement System	10,658
Berkeley County Development Authority	2,168
Total	<u>\$ 7,221,991</u>

Financial Statements - Unaudited

September 30, 2025

Large Cap Domestic Equity Pool

Financial Statements - Unaudited September 30, 2025

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Large Cap Domestic Equity Pool

Statement of Net Position - Unaudited
September 30, 2025
(Amounts in thousands, except unit data)

Assets

Investments, at fair value:	
Commingled equity fund	\$ 385,726
Money market mutual fund	3,504
Dividends receivable	<u>2</u>
Total assets	389,232

Liabilities

Accrued expenses	<u>26</u>
Net position	<u>\$ 389,206</u>

Unit data

Units outstanding	4,787,749
Net position, unit price	<u>\$ 81.29</u>

See accompanying notes to financial statements.

Large Cap Domestic Equity Pool

Statement of Changes in Net Position - Unaudited Period Ended September 30, 2025* (Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Net increase in fair value of investments	\$ 13,685	\$ 29,887
Dividends	<u>1</u>	<u>5</u>
Total investment income	13,686	29,892
Expenses		
Investment advisor fees	(2)	(7)
Management and other allocated fees	<u>(9)</u>	<u>(29)</u>
Total expenses	<u>(11)</u>	<u>(36)</u>
Net investment income	13,675	29,856
Unit transactions		
Proceeds from sale of units	1,507	1,507
Amount paid for repurchase of units	<u>(12,502)</u>	<u>(34,934)</u>
Net decrease from unit transactions	<u>(10,995)</u>	<u>(33,427)</u>
Increase (decrease) in net position	2,680	(3,571)
Net position, beginning of period	<u>386,526</u>	<u>392,777</u>
Net position, end of period	<u><u>\$ 389,206</u></u>	<u><u>\$ 389,206</u></u>

*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.
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 3 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 September 30, 2025.

NOTE 3. 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 September 30, 2025:

Assets	Level 1	Level 2	Level 3	Total
Commingled equity fund	\$ 385,726	\$ -	\$ -	\$ 385,726
Money market mutual fund	3,504	-	-	3,504
Total	<u>\$ 389,230</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 389,230</u>

Large Cap Domestic Equity Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 4. SCHEDULE OF PARTICIPATION

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

<u>Participant</u>	<u>Account Value</u>
Workers' Compensation Old Fund	\$ 126,813
West Virginia Department of Environmental Protection Agency	74,368
Revenue Shortfall Reserve Fund - Part B	64,679
Revenue Shortfall Reserve Fund	39,179
Coal Workers' Pneumoconiosis Fund	31,120
Public Employees Insurance Agency	21,389
Board of Risk and Insurance Management	9,146
Workers' Compensation Self-Insured Employer Security Risk Pool	8,235
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	6,793
Workers' Compensation Uninsured Employers' Fund	3,281
West Virginia Department of Environmental Protection Trust	2,869
Municipal Policemen's or Firemen's Pension and Relief Funds	1,334
Total	<u>\$ 389,206</u>

Financial Statements - Unaudited

September 30, 2025

Non-Large Cap Domestic Equity Pool

Financial Statements - Unaudited September 30, 2025

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Non-Large Cap Domestic Equity Pool

Statement of Net Position - Unaudited
September 30, 2025
(Amounts in thousands, except unit data)

Assets

Investments, at fair value:	
Equity investments	\$ 1,041,328
Money market mutual fund	86,755
Securities lending collateral	131,258
Receivables:	
Dividends and other investment income	413
Investments sold	<u>27,667</u>
Total assets	1,287,421

Liabilities

Cash overdraft	199
Accrued expenses	1,536
Payable for investments purchased	8,661
Payable upon return of securities loaned	<u>131,258</u>
Total liabilities	<u>141,654</u>
Net position	<u><u>\$ 1,145,767</u></u>

Unit data

Units outstanding	16,734,476
Net position, unit price	<u><u>\$ 68.47</u></u>

See accompanying notes to financial statements.

Non-Large Cap Domestic Equity Pool

Statement of Changes in Net Position - Unaudited Period Ended September 30, 2025* (Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income (loss)		
Net increase (decrease) in fair value of investments	\$ (3,807)	\$ 42,543
Dividends	946	3,052
Securities lending income	<u>476</u>	<u>1,438</u>
Total investment income (loss)	(2,385)	47,033
Expenses		
Investment advisor fees	(380)	(1,471)
Custodian bank fees	(4)	(10)
Management and other allocated fees	(28)	(87)
Securities lending expenses	<u>(432)</u>	<u>(1,291)</u>
Total expenses	<u>(844)</u>	<u>(2,859)</u>
Net investment income (loss)	(3,229)	44,174
Unit transactions		
Proceeds from sale of units	143	3,348
Amount paid for repurchase of units	<u>(77,110)</u>	<u>(77,810)</u>
Net decrease from unit transactions	<u>(76,967)</u>	<u>(74,462)</u>
Decrease in net position	(80,196)	(30,288)
Net position, beginning of period	<u>1,225,963</u>	<u>1,176,055</u>
Net position, end of period	<u><u>\$ 1,145,767</u></u>	<u><u>\$ 1,145,767</u></u>

*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.
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 3 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 September 30, 2025.

NOTE 3. 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.

Non-Large Cap Domestic Equity Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 3. 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.

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

Assets	Level 1	Level 2	Level 3	Total
Domestic common stock	\$ 923,361	\$ -	\$ -	\$ 923,361
Foreign common stock	115,215	-	-	115,215
Master limited partnership	2,752	-	-	2,752
Money market mutual fund	86,755	-	-	86,755
Securities lending collateral	-	131,258	-	131,258
Total	<u>\$ 1,128,083</u>	<u>\$ 131,258</u>	<u>\$ -</u>	<u>\$ 1,259,341</u>

NOTE 4. SECURITIES LENDING

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

	Fair Value
Securities on loan	<u>\$ 263,800</u>
Collateral received:	
Cash	\$ 131,258
Non-cash	<u>140,383</u>
Total collateral received	<u>\$ 271,641</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.

Non-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 September 30, 2025:

<u>Participant</u>	<u>Account Value</u>
Berkeley County Development Authority	\$ 462,250
Board of Risk and Insurance Management	419,502
Coal Workers' Pneumoconiosis Fund	85,795
Deputy Sheriffs Retirement System	36,946
Emergency Medical Services Retirement System	19,583
Judges' Retirement System	17,766
Municipal Police Officers' and Firefighters' Retirement System	16,873
Municipal Policemen's or Firemen's Pension and Relief Funds	14,480
Natural Resources Police Officer Retirement System	12,449
Public Employees Insurance Agency	11,071
Public Employees' Retirement System	9,901
Revenue Shortfall Reserve Fund	9,896
Revenue Shortfall Reserve Fund - Part B	6,036
State Police Death, Disability and Retirement Fund	4,771
State Police Retirement System	3,369
Teachers' Retirement System	3,263
West Virginia Department of Environmental Protection Agency	2,736
West Virginia Department of Environmental Protection Trust	2,590
West Virginia Retiree Health Benefit Trust Fund	1,592
West Virginia State Parks and Recreation Endowment Fund	1,363
Wildlife Endowment Fund	1,260
Workers' Compensation Old Fund	1,034
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	498
Workers' Compensation Self-Insured Employer Security Risk Pool	417
Workers' Compensation Uninsured Employers' Fund	326
Total	<u>\$ 1,145,767</u>

Financial Statements - Unaudited

September 30, 2025

International Qualified Pool

Financial Statements - Unaudited September 30, 2025

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International Qualified Pool

Statement of Net Position - Unaudited
September 30, 2025
(Amounts in thousands, except unit data)

Assets

Investment in commingled equity fund at fair value	\$ 1,327,768
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Liabilities

Accrued expenses	<u>63</u>
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Net position	<u><u>\$ 1,327,705</u></u>
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Unit data

Units outstanding	10,484,528
Net position, unit price	<u><u>\$ 126.63</u></u>

See accompanying notes to financial statements.

International Qualified Pool

Statement of Changes in Net Position - Unaudited Period Ended September 30, 2025* (Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Net increase in fair value of investments	\$ 16,894	\$ 63,109
Expenses		
Investment advisor fees	(568)	(1,671)
Management and other allocated fees	<u>(32)</u>	<u>(95)</u>
Total expenses	<u>(600)</u>	<u>(1,766)</u>
Net investment income	16,294	61,343
Unit transactions		
Proceeds from sale of units	876	3,443
Amount paid for repurchase of units	<u>(844)</u>	<u>(3,366)</u>
Net increase from unit transactions	<u>32</u>	<u>77</u>
Increase in net position	16,326	61,420
Net position, beginning of period	<u>1,311,379</u>	<u>1,266,285</u>
Net position, end of period	<u>\$ 1,327,705</u>	<u>\$ 1,327,705</u>

*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.
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 3 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.

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

International Qualified 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 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 September 30, 2025.

NOTE 3. 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 4. SCHEDULE OF PARTICIPATION

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

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 617,760
Public Employees' Retirement System	558,697
State Police Death, Disability and Retirement Fund	49,414
State Police Retirement System	23,934
Deputy Sheriffs Retirement System	22,688
Judges' Retirement System	19,418
Municipal Policemen's or Firemen's Pension and Relief Funds	16,705
Emergency Medical Services Retirement System	13,388
Municipal Police Officers' and Firefighters' Retirement System	3,549
Natural Resources Police Officer Retirement System	2,152
Total	<u>\$ 1,327,705</u>

Financial Statements - Unaudited

September 30, 2025

International Nonqualified Pool

Financial Statements - Unaudited September 30, 2025

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International Nonqualified Pool

Statement of Net Position - Unaudited
September 30, 2025
(Amounts in thousands, except unit data)

Assets

Investment in commingled equity fund at fair value	\$	214,075
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Liabilities

Accrued expenses		<u>10</u>
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Net position	\$	<u>214,065</u>
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Unit data

Units outstanding		1,877,206
Net position, unit price	\$	<u>114.03</u>

See accompanying notes to financial statements.

International Nonqualified Pool

Statement of Changes in Net Position - Unaudited
Period Ended September 30, 2025*
(Amounts in thousands, except unit data)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Net increase in fair value of investments	\$ 2,670	\$ 10,202
Expenses		
Investment advisor fees	(104)	(306)
Management and other allocated fees	<u>(5)</u>	<u>(15)</u>
Total expenses	<u>(109)</u>	<u>(321)</u>
Net investment income	2,561	9,881
Unit transactions		
Proceeds from sale of units	1,417	3,247
Amount paid for repurchase of units	<u>(1,412)</u>	<u>(3,235)</u>
Net increase from unit transactions	<u>5</u>	<u>12</u>
Increase in net position	2,566	9,893
Net position, beginning of period	<u>211,499</u>	<u>204,172</u>
Net position, end of period	<u>\$ 214,065</u>	<u>\$ 214,065</u>

**The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.
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 3 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.

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

International Nonqualified 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 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 September 30, 2025.

NOTE 3. 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 4. SCHEDULE OF PARTICIPATION

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

<u>Participant</u>	<u>Account Value</u>
West Virginia Retiree Health Benefit Trust Fund	\$ 124,895
Workers' Compensation Old Fund	26,326
West Virginia Department of Environmental Protection Agency	15,378
Revenue Shortfall Reserve Fund - Part B	13,382
Revenue Shortfall Reserve Fund	8,105
Coal Workers' Pneumoconiosis Fund	6,439
Wildlife Endowment Fund	4,614
Public Employees Insurance Agency	4,426
West Virginia State Parks and Recreation Endowment Fund	3,784
Board of Risk and Insurance Management	1,888
Workers' Compensation Self-Insured Employer Security Risk Pool	1,704
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	1,405
Workers' Compensation Uninsured Employers' Fund	679
West Virginia Department of Environmental Protection Trust	593
Berkeley County Development Authority	447
Total	<u>\$ 214,065</u>

Financial Statements - Unaudited

September 30, 2025

International Equity Pool

Financial Statements - Unaudited September 30, 2025

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International Equity Pool

Statement of Net Position - Unaudited September 30, 2025 *(Amounts in thousands, except unit data)*

Assets

Investments, at fair value:	
Equity investments	\$ 3,287,604
Money market mutual fund	40,519
Securities lending collateral	52,222
Cash (restricted: \$6,589)	23,906
Receivables:	
Dividends and other investment income	21,250
Investments sold	25,416
	<hr/>
Total assets	3,450,917

Liabilities

Accrued capital gains taxes	4,201
Accrued expenses	4,414
Payable for investments purchased	11,780
Payable upon return of securities loaned	52,222
	<hr/>
Total liabilities	72,617
	<hr/>
Net position	\$ 3,378,300
	<hr/> <hr/>

Unit data

Units outstanding	57,088,003
Net position, unit price	\$ 59.18
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See accompanying notes to financial statements.

International Equity Pool

Statement of Changes in Net Position - Unaudited Period Ended September 30, 2025* (Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Net increase in fair value of investments	\$ 130,348	\$ 253,607
Dividends	8,685	21,114
Securities lending income	328	919
Total investment income	139,361	275,640
Expenses		
Investment advisor fees	(1,389)	(4,006)
Custodian bank fees	(127)	(422)
Management and other allocated fees	(79)	(233)
Securities lending expenses	(207)	(656)
Total expenses	(1,802)	(5,317)
Net investment income	137,559	270,323
Unit transactions		
Proceeds from sale of units	38,747	39,105
Amount paid for repurchase of units	-	(210,900)
Net increase (decrease) from unit transactions	38,747	(171,795)
Increase in net position	176,306	98,528
Net position, beginning of period	3,201,994	3,279,772
Net position, end of period	\$ 3,378,300	\$ 3,378,300

*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.
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 3 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.

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.

International Equity 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 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.

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.

International Equity Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 September 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. 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 September 30, 2025:

Assets	Level 1	Level 2	Level 3	Total
Common stock	\$ 3,265,147	\$ -	\$ -	\$ 3,265,147
Money market mutual fund	40,519	-	-	40,519
Preferred stock	22,457	-	-	22,457
Securities lending collateral	-	52,222	-	52,222
Total	<u>\$ 3,328,123</u>	<u>\$ 52,222</u>	<u>\$ -</u>	<u>\$ 3,380,345</u>

International Equity Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 4. SECURITIES LENDING

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

	<u>Fair Value</u>
Securities on loan	\$ 173,841
Collateral received:	
Cash	\$ 52,222
Non-cash	130,818
Total collateral received	<u>\$ 183,040</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 September 30, 2025:

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 1,355,095
Public Employees' Retirement System	1,231,149
West Virginia Retiree Health Benefit Trust Fund	268,825
State Police Death, Disability and Retirement Fund	108,827
Workers' Compensation Old Fund	56,711
State Police Retirement System	52,311
Deputy Sheriffs Retirement System	49,653
Judges' Retirement System	42,598
Municipal Policemen's or Firemen's Pension and Relief Funds	36,685
West Virginia Department of Environmental Protection Agency	32,802
Emergency Medical Services Retirement System	29,180
Revenue Shortfall Reserve Fund - Part B	28,846
Revenue Shortfall Reserve Fund	17,602
Coal Workers' Pneumoconiosis Fund	13,868
Wildlife Endowment Fund	9,761
Public Employees Insurance Agency	9,495
West Virginia State Parks and Recreation Endowment Fund	7,952
Municipal Police Officers' and Firefighters' Retirement System	7,809
Natural Resources Police Officer Retirement System	4,691
Board of Risk and Insurance Management	4,101
Workers' Compensation Self-Insured Employer Security Risk Pool	3,661
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	3,010
Workers' Compensation Uninsured Employers' Fund	1,446
West Virginia Department of Environmental Protection Trust	1,276
Berkeley County Development Authority	946
Total	<u>\$ 3,378,300</u>

Financial Statements - Unaudited

September 30, 2025

Short-Term Fixed Income Pool

Financial Statements - Unaudited September 30, 2025

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Short-Term Fixed Income Pool

Statement of Net Position - Unaudited
September 30, 2025
(Amounts in thousands, except unit data)

Assets

Investments, at amortized cost:

U.S. Government agency bonds	\$	99,895
U.S. Treasury issues		49,916
Repurchase agreement		34,948
Cash		2
Interest receivable		4

Total assets 184,765

Liabilities

Accrued expenses		32
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Net position \$ 184,733

Unit data

Units outstanding		184,733,145
Net position, unit price	\$	1.00

See accompanying notes to financial statements.

Short-Term Fixed Income Pool

Statement of Changes in Net Position - Unaudited
Period Ended September 30, 2025*
(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Interest	\$ 770	\$ 2,607
Expenses		
Investment advisor fees	(9)	(30)
Custodian bank fees	<u>-</u>	<u>(2)</u>
Total expenses	<u>(9)</u>	<u>(32)</u>
Net investment income	761	2,575
Distributions to unitholders	(761)	(2,575)
Unit transactions		
Proceeds from sale of units	241,118	432,978
Reinvestment of distributions	761	2,575
Amount paid for repurchase of units	<u>(233,828)</u>	<u>(533,315)</u>
Net increase (decrease) from unit transactions	<u>8,051</u>	<u>(97,762)</u>
Increase (decrease) in net position	8,051	(97,762)
Net position, beginning of period	<u>176,682</u>	<u>282,495</u>
Net position, end of period	<u><u>\$ 184,733</u></u>	<u><u>\$ 184,733</u></u>

**The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.
See accompanying notes to financial statements.*

Short-Term Fixed Income Pool

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 3 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

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 September 30, 2025.

NOTE 3. 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 September 30, 2025:

Assets	Level 1	Level 2	Level 3	Total
Repurchase agreement	\$ -	\$ 34,948	\$ -	\$ 34,948
U.S. Government agency bonds	-	99,895	-	99,895
U.S. Treasury issues	-	49,916	-	49,916
Total	<u>\$ -</u>	<u>\$ 184,759</u>	<u>\$ -</u>	<u>\$ 184,759</u>

Short-Term Fixed Income Pool

NOTE 4. SCHEDULE OF PARTICIPATION

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

<u>Participant</u>	<u>Account Value</u>
Revenue Shortfall Reserve Fund	\$ 68,171
Workers' Compensation Old Fund	34,949
Teachers' Retirement System	27,868
Public Employees' Retirement System	25,665
Coal Workers' Pneumoconiosis Fund	8,516
Board of Risk and Insurance Management	3,103
Workers' Compensation Self-Insured Employer Security Risk Pool	2,489
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	2,183
Deputy Sheriffs Retirement System	1,976
Emergency Medical Services Retirement System	1,940
West Virginia State Parks and Recreation Endowment Fund	1,509
State Police Retirement System	1,438
Workers' Compensation Uninsured Employers' Fund	1,112
Municipal Police Officers' and Firefighters' Retirement System	1,096
State Police Death, Disability and Retirement Fund	920
Municipal Policemen's or Firemen's Pension and Relief Funds	700
Judges' Retirement System	498
Natural Resources Police Officer Retirement System	324
Wildlife Endowment Fund	167
Public Employees Insurance Agency	40
Revenue Shortfall Reserve Fund - Part B	40
West Virginia Department of Environmental Protection Agency	27
Berkeley County Development Authority	1
West Virginia Retiree Health Benefit Trust Fund	1
Total	<u>\$ 184,733</u>

Financial Statements - Unaudited

September 30, 2025

Total Return Fixed Income Pool

Financial Statements - Unaudited September 30, 2025

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Total Return Fixed Income Pool

Statement of Net Position - Unaudited

September 30, 2025

(Amounts in thousands, except unit data)

Assets

Investments, at fair value:	
Fixed income investments	\$ 2,940,418
Derivative instruments	30,468
Equity investments	12,935
Money market mutual fund	191,465
Securities lending collateral	70,556
Cash	10,572
Receivables:	
Interest, dividends, and other investment income	22,645
Investments sold	82,493
	<hr/>
Total assets	3,361,552

Liabilities

Investments in derivative instruments at fair value	22,077
Securities sold short at fair value	66,641
Cash due to broker, net	2,149
Accrued expenses	1,645
Payable for investments purchased	330,410
Payable upon return of securities loaned	70,556
	<hr/>
Total liabilities	493,478
	<hr/>
Net position	\$ 2,868,074

Unit data

Units outstanding	152,014,650
Net position, unit price	<hr/> <hr/> \$ 18.87

See accompanying notes to financial statements.

Total Return Fixed Income Pool

Statement of Changes in Net Position - Unaudited
Period Ended September 30, 2025*
(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Net increase in fair value of investments	\$ 17,938	\$ 35,773
Interest and dividends	10,789	32,167
Securities lending income	<u>277</u>	<u>828</u>
Total investment income	29,004	68,768
Expenses		
Investment advisor fees	(500)	(1,479)
Custodian bank fees	(14)	(41)
Management and other allocated fees	(70)	(207)
Securities lending expenses	<u>(250)</u>	<u>(742)</u>
Total expenses	<u>(834)</u>	<u>(2,469)</u>
Net investment income	28,170	66,299
Unit transactions		
Proceeds from sale of units	13,464	184,343
Amount paid for repurchase of units	<u>(17,381)</u>	<u>(26,722)</u>
Net increase (decrease) from unit transactions	<u>(3,917)</u>	<u>157,621</u>
Increase in net position	24,253	223,920
Net position, beginning of period	<u>2,843,821</u>	<u>2,644,154</u>
Net position, end of period	<u><u>\$ 2,868,074</u></u>	<u><u>\$ 2,868,074</u></u>

**The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.
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 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, 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 central counterparty clearing house (CCP) of a futures trading exchange in which the parties agree to buy or sell a specific asset on a future date at a predetermined price. Futures contracts can be based on a variety of underlying assets, such as physical commodities or financial instruments. The exchanges on which futures trade are regulated and require the use of a CCP who determines margin collateral requirements that are imposed through a clearing broker. Upon entering into a futures contract, the clearing broker requires initial margin to be pledged in the form of cash, U.S. government securities, or other assets equal to a certain percentage of the contract amount. Variation margin is pledged to cover daily changes in the value of the futures contracts held, which is driven by price fluctuations of the underlying asset(s), and is received from or paid to the clearing broker in the form of cash.

The Pool invests in fixed income futures contracts where the underlying asset is an interest-bearing security and are classified as derivative instruments herein. Fixed income futures may be used to enhance portfolio yields, manage portfolio duration, or as an alternative investment of cash.

The market risk associated with holding futures results from changes in the market value of the contractual positions due to changes in the value of the underlying asset(s). Investment risk associated with futures contracts arises because the value of the futures may not correlate perfectly with changes in the value of the underlying asset(s) due to market distortions. Other risks associated with futures contracts are liquidity risk and credit risk. Liquidity risk arises when there is insufficient trading for a particular futures contract. Credit risk arises from the potential inability of counterparties to meet the terms of the contract. Standardization required by the exchange on which futures are traded combined with the CCP in their role as a neutral intermediary may reduce or eliminate certain risks. The CCP assumes the risk of counterparty default, thus taking on any credit risk, which is mitigated through the requirement to pledge margin collateral.

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 September 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. 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.

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

Derivative Type	Fair Value	Net Increase (Decrease) in Fair Value of Investments
Forwards:		
Foreign currency forward contracts	\$ (1,089)	\$ (1,500)
Futures contracts:		
Fixed income futures long	1,634	(212)
Fixed income futures short	(422)	(283)
Options contracts:		
Fixed income options purchased	1,580	(6,621)
Fixed income options written	(2,761)	6,323
Interest rate swaptions purchased	804	-
Interest rate swaptions written	(770)	-
Swaps:		
Credit default swaps protection buyer	(405)	(6)
Credit default swaps protection seller	604	(151)
Interest rate swaps	8,642	(321)
Total return swaps	574	705
Total	<u>\$ 8,391</u>	<u>\$ (2,066)</u>

Total Return Fixed Income Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 3. DERIVATIVE INSTRUMENTS (continued)

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 September 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	\$ 440	\$ (115)	\$ (230)	\$ (95)	\$ -
Swaptions	804	(770)	-	-	34
Swaps	13,551	(12,441)	(1,110)	-	-
Total	<u>\$ 14,795</u>	<u>\$ (13,326)</u>	<u>\$ (1,340)</u>	<u>\$ (95)</u>	<u>\$ 34</u>

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 September 30, 2025:

Derivative Type	Counterparty Rating	Fair Value
Foreign currency forward contracts	A	\$ 201
Foreign currency forward contracts	BBB	386
Interest rate swaptions purchased	BBB	804

Interest Rate Risk

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

Derivative Type	Investment Maturities (in years)				
	Fair Value	Under-1	1-5	6-10	10+
Futures contracts:					
Fixed income futures long	\$ 1,634	\$ 1,634	\$ -	\$ -	\$ -
Fixed income futures short	(422)	(422)	-	-	-
Options contracts:					
Fixed income options purchased	1,580	1,580	-	-	-
Fixed income options written	(2,761)	(2,209)	(552)	-	-
Interest rate swaptions purchased	804	804	-	-	-
Interest rate swaptions written	(770)	(770)	-	-	-
Interest rate swaps	8,642	-	1,111	7,886	(355)
Total	<u>\$ 8,707</u>	<u>\$ 617</u>	<u>\$ 559</u>	<u>\$ 7,886</u>	<u>\$ (355)</u>

Total Return Fixed Income Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 3. DERIVATIVE INSTRUMENTS (continued)

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

Maturity Date	Reference Rate	Notional	Fair Value
2/24/2031	Receive Fixed 4.04%, Pay Floating SOFR	\$ 262,677	\$ 8,113
5/31/2032	Receive Floating SOFR, Pay Fixed 3.49%	209,162	(227)
2/24/2056	Receive Floating SOFR, Pay Fixed 3.99%	37,253	(355)
		<u>\$ 509,092</u>	<u>\$ 7,531</u>

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

Maturity Date	Reference Rate	Notional (USD)	Fair Value
1/2/2030	Receive Fixed 14.76%, Pay Floating Brazil CDI	\$ 31,068	\$ 1,111

Reference Rate Index Definitions:

SOFR: Secured Overnight Financing Rate

Brazil CDI: Brazilian Interbank Deposit Rate

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 September 30, 2025, are as follows:

Currency	Foreign Currency Forward Contracts	Futures Contracts	Swap Contracts	Total
Australian Dollar	\$ (33)	\$ (91)	\$ -	\$ (124)
Brazilian Real	(1,302)	-	1,111	(191)
British Pound	30	72	-	102
Canadian Dollar	27	-	-	27
Euro Currency Unit	(115)	-	-	(115)
Indian Rupee	325	-	-	325
Japanese Yen	(21)	298	-	277
Total foreign denominated derivatives	(1,089)	279	1,111	301
U.S. Dollar	-	933	8,304	9,237
Total	<u>\$ (1,089)</u>	<u>\$ 1,212</u>	<u>\$ 9,415</u>	<u>\$ 9,538</u>

Total Return 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.

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 September 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 4. FAIR VALUE MEASUREMENTS (continued)

Assets	Level 1	Level 2	Level 3	Total
Bank loans	\$ -	\$ -	\$ 3,275	\$ 3,275
Corporate ABS residual	-	1,017	-	1,017
Corporate ABS	-	130,967	-	130,967
Corporate CMO	-	105,835	-	105,835
Corporate preferred securities	11,734	-	-	11,734
Foreign ABS	-	94,443	849	95,292
Foreign corporate bonds	-	258,679	-	258,679
Foreign currency forward contracts	-	587	-	587
Foreign equity investments	184	-	-	184
Foreign government bonds	-	204,605	226	204,831
Futures contracts	4,990	-	-	4,990
Money market mutual fund	191,465	-	-	191,465
Municipal bonds	-	18,965	-	18,965
Options contracts purchased	1,580	804	-	2,384
Repurchase agreement	-	73,000	-	73,000
Securities lending collateral	-	70,556	-	70,556
Swaps	-	22,507	-	22,507
U.S. corporate bonds	-	351,015	-	351,015
U.S. Government agency bonds	-	2,608	-	2,608
U.S. Government agency CMO	-	86,359	-	86,359
U.S. Government agency CMO IO	-	9,109	-	9,109
U.S. Government agency MBS	-	669,360	-	669,360
U.S. Government agency TBAs	-	301,034	-	301,034
U.S. Treasury issues	-	446,186	-	446,186
U.S. Treasury inflation protected securities	-	16,145	-	16,145
Total	<u>\$ 209,953</u>	<u>\$ 2,863,781</u>	<u>\$ 4,350</u>	<u>\$ 3,078,084</u>
Commingled debt funds				167,758
Total				<u>\$ 3,245,842</u>

Liabilities	Level 1	Level 2	Level 3	Total
Foreign currency forward contracts	\$ -	\$ (1,676)	\$ -	\$ (1,676)
Futures contracts	(3,778)	-	-	(3,778)
Options contracts written	(2,761)	(770)	-	(3,531)
Securities sold short	-	(66,641)	-	(66,641)
Swaps	-	(13,092)	-	(13,092)
Total	<u>\$ (6,539)</u>	<u>\$ (82,179)</u>	<u>\$ -</u>	<u>\$ (88,718)</u>

The Pool's investments in commingled debt funds were measured at the NAV as of September 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 5. SECURITIES LENDING

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

	Fair Value
Securities on loan	\$ 139,968
Collateral received:	
Cash	\$ 70,556
Non-cash	73,069
Total collateral received	<u>\$ 143,625</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 September 30, 2025:

Participant	Account Value
Teachers' Retirement System	\$ 854,124
Public Employees' Retirement System	769,990
Revenue Shortfall Reserve Fund - Part B	216,554
Workers' Compensation Old Fund	201,346
Revenue Shortfall Reserve Fund	190,264
West Virginia Retiree Health Benefit Trust Fund	175,751
West Virginia Department of Environmental Protection Agency	97,052
State Police Death, Disability and Retirement Fund	66,904
Coal Workers' Pneumoconiosis Fund	49,139
Public Employees Insurance Agency	48,074
State Police Retirement System	33,518
Deputy Sheriffs Retirement System	31,342
Judges' Retirement System	27,198
Municipal Policemen's or Firemen's Pension and Relief Funds	23,642
Emergency Medical Services Retirement System	18,684
Board of Risk and Insurance Management	14,488
Workers' Compensation Self-Insured Employer Security Risk Pool	13,033
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	10,777
Wildlife Endowment Fund	6,420
West Virginia State Parks and Recreation Endowment Fund	5,342
Workers' Compensation Uninsured Employers' Fund	5,213
Municipal Police Officers' and Firefighters' Retirement System	4,910
Natural Resources Police Officer Retirement System	2,943
West Virginia Department of Environmental Protection Trust	742
Berkeley County Development Authority	624
Total	<u>\$ 2,868,074</u>

Financial Statements - Unaudited

September 30, 2025

Core Fixed Income Pool

Financial Statements - Unaudited September 30, 2025

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Core Fixed Income Pool

Statement of Net Position - Unaudited
September 30, 2025
(Amounts in thousands, except unit data)

Assets

Investments, at fair value:	
Fixed income investments	\$ 2,411,463
Derivative instruments	512
Money market mutual fund	9,687
Securities lending collateral	74,427
Cash due from broker	3,597
Receivables:	
Interest, dividends, and other investment income	15,362
Investments sold	120
	<hr/>
Total assets	2,515,168

Liabilities

Investments in derivative instruments at fair value	1,073
Cash overdraft	91
Accrued expenses	901
Payable for investments purchased	41,474
Payable upon return of securities loaned	74,427
	<hr/>
Total liabilities	117,966
	<hr/>
Net position	\$ 2,397,202
	<hr/> <hr/>

Unit data

Units outstanding	182,844,779
Net position, unit price	\$ 13.11
	<hr/> <hr/>

See accompanying notes to financial statements.

Core Fixed Income Pool

Statement of Change in Net Position - Unaudited
Period Ended September 30, 2025*
(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Net increase in fair value of investments	\$ 16,421	\$ 26,378
Interest and dividends	8,011	23,918
Securities lending income	<u>315</u>	<u>951</u>
Total investment income	24,747	51,247
Expenses		
Investment advisor fees	(204)	(775)
Custodian bank fees	(5)	(15)
Management and other allocated fees	(57)	(172)
Securities lending expenses	<u>(283)</u>	<u>(858)</u>
Total expenses	<u>(549)</u>	<u>(1,820)</u>
Net investment income	24,198	49,427
Unit transactions		
Proceeds from sale of units	5,369	179,402
Amount paid for repurchase of units	<u>(5,308)</u>	<u>(7,487)</u>
Net increase from unit transactions	<u>61</u>	<u>171,915</u>
Increase in net position	24,259	221,342
Net position, beginning of period	<u>2,372,943</u>	<u>2,175,860</u>
Net position, end of period	<u><u>\$ 2,397,202</u></u>	<u><u>\$ 2,397,202</u></u>

**The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.
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:

- Futures contracts are valued at the last settlement price established each day by the exchange on which they are traded. The fair value of Futures contracts is reflected as their unrealized gain or loss.
- 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.

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

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.

Futures Contracts - A futures contract is an agreement between a buyer or a seller and the central counterparty clearing house (CCP) of a futures trading exchange in which the parties agree to buy or sell a specific asset on a future date at a predetermined price. Futures contracts can be based on a variety of underlying assets, such as physical commodities or financial instruments. The exchanges on which futures trade are regulated and require the use of a CCP who determines margin collateral requirements that are imposed through a clearing broker. Upon entering into a futures contract, the clearing broker requires initial margin to be pledged in the form of cash, U.S. government securities, or other assets equal to a certain percentage of the contract amount. Variation margin is pledged to cover daily changes in the value of the futures contracts held, which is driven by price fluctuations of the underlying asset(s), and is received from or paid to the clearing broker in the form of cash.

The Pool invests in U.S. Treasury futures contracts, which are a type of fixed income futures and classified as derivative instruments herein. The underlying assets of such futures are U.S. Treasury bonds and notes. Fixed income futures may be used to enhance portfolio yields, manage portfolio duration, or as an alternative investment of cash.

The market risk associated with holding futures results from changes in the market value of the contractual positions due to changes in the value of the underlying asset(s). Investment risk associated with futures contracts arises because the value of the futures may not correlate perfectly with changes in the value of the underlying asset due to market distortions. Other risks associated with futures contracts are liquidity risk and credit risk. Liquidity risk arises when there is insufficient trading for a particular futures contract. Credit risk arises from the potential inability of counterparties to meet the terms of the contract. Standardization required by the exchange on which futures are traded combined with the CCP in their role as a neutral intermediary may reduce or eliminate certain risks. The CCP assumes the risk of counterparty default, thus taking on any credit risk, which is mitigated through the requirement to pledge margin collateral.

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.

Core Fixed Income Pool

Notes to Financial Statements (Amounts in thousands)

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.

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 September 30, 2025.

NOTE 3. DERIVATIVE INSTRUMENTS

Derivative instruments held in the Pool are limited to fixed income futures. These futures are not designated as hedging instruments under GASB Statement No. 53; they are used to implement portfolio strategy, capture valuation opportunities, and to exploit market inefficiencies. 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 period ended September 30, 2025:

Derivative Type	Fair Value	Net Increase (Decrease) in Fair Value of Investments	Notional Value
Futures contracts:			
Fixed income futures long	\$ 284	\$ 138	\$ 370,005
Fixed income futures short	(845)	(410)	(120,147)
Total	<u>\$ (561)</u>	<u>\$ (272)</u>	<u>\$ 249,858</u>

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 September 30, 2025:

Assets	Level 1	Level 2	Level 3	Total
Corporate ABS	\$ -	\$ 228,366	\$ -	\$ 228,366
Corporate CMO	-	101,044	-	101,044
Corporate CMO IO	-	86	-	86
Corporate CMO PO	-	16	-	16
Foreign ABS	-	2,484	-	2,484
Foreign corporate bonds	-	215,237	-	215,237
Foreign government bonds	-	15,659	-	15,659
Futures contracts	512	-	-	512
Money market mutual fund	9,687	-	-	9,687
Municipal bonds	-	8,569	-	8,569
Securities lending collateral	-	74,427	-	74,427
U.S. corporate bonds	-	388,323	-	388,323
U.S. Government agency CMO	-	112,814	-	112,814
U.S. Government agency CMO IO	-	994	-	994
U.S. Government agency CMO PO	-	1,477	-	1,477
U.S. Government agency MBS	-	514,102	-	514,102
U.S. Treasury issues	-	822,292	-	822,292
Total	\$ 10,199	\$ 2,485,890	\$ -	\$ 2,496,089
Liabilities	Level 1	Level 2	Level 3	Total
Futures contracts	\$ (1,073)	\$ -	\$ -	\$ (1,073)

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 September 30, 2025:

	Fair Value
Securities on loan	\$ 380,160
Collateral received:	
Cash	\$ 74,427
Non-cash	314,221
Total collateral received	<u>\$ 388,648</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 September 30, 2025:

Participant	Account Value
Teachers' Retirement System	\$ 858,570
Public Employees' Retirement System	774,278
West Virginia Retiree Health Benefit Trust Fund	175,643
Revenue Shortfall Reserve Fund - Part B	93,023
Workers' Compensation Old Fund	86,395
Revenue Shortfall Reserve Fund	81,628
State Police Death, Disability and Retirement Fund	68,094
West Virginia Department of Environmental Protection Agency	41,563
State Police Retirement System	34,012
Deputy Sheriffs Retirement System	31,778
Judges' Retirement System	27,612
Municipal Policemen's or Firemen's Pension and Relief Funds	23,983
Coal Workers' Pneumoconiosis Fund	21,151
Public Employees Insurance Agency	20,674
Emergency Medical Services Retirement System	18,981
Wildlife Endowment Fund	6,503
Board of Risk and Insurance Management	6,203
Workers' Compensation Self-Insured Employer Security Risk Pool	5,588
West Virginia State Parks and Recreation Endowment Fund	5,349
Municipal Police Officers' and Firefighters' Retirement System	4,973
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	4,614
Natural Resources Police Officer Retirement System	2,981
Workers' Compensation Uninsured Employers' Fund	2,229
West Virginia Department of Environmental Protection Trust	745
Berkeley County Development Authority	632
Total	<u>\$ 2,397,202</u>

Financial Statements - Unaudited

September 30, 2025

TIPS Pool

Financial Statements - Unaudited September 30, 2025

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TIPS Pool

Statement of Net Position - Unaudited

September 30, 2025

(Amounts in thousands, except unit data)

Assets

Investments, at fair value:

U.S. Treasury inflation protected securities \$ 554,420

Money market mutual fund 219

Receivables:

Interest, dividends, and other investment income 2,116

Investments sold 8,652

Total assets 565,407

Liabilities

Accrued expenses 44

Payable for investments purchased 8,571

Total liabilities 8,615

Net position \$ 556,792

Unit data

Units outstanding 37,964,098

Net position, unit price \$ 14.67

See accompanying notes to financial statements.

TIPS Pool

Statement of Changes in Net Position - Unaudited
Period Ended September 30, 2025*
(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income (loss)		
Net increase (decrease) in fair value of investments	\$ (1,012)	\$ 8,951
Interest and dividend income	529	1,592
Securities lending income	<u>9</u>	<u>24</u>
Total investment income (loss)	(474)	10,567
Expenses		
Investment advisor fees	(6)	(17)
Custodian bank fees	2	-
Management and other allocated fees	(14)	(41)
Securities lending expenses	<u>(1)</u>	<u>(3)</u>
Total expenses	<u>(19)</u>	<u>(61)</u>
Net investment income (loss)	(493)	10,506
Unit transactions		
Proceeds from sale of units	3,514	9,038
Amount paid for repurchase of units	<u>-</u>	<u>(2,237)</u>
Net increase from unit transactions	<u>3,514</u>	<u>6,801</u>
Increase in net position	3,021	17,307
Net position, beginning of period	<u>553,771</u>	<u>539,485</u>
Net position, end of period	<u><u>\$ 556,792</u></u>	<u><u>\$ 556,792</u></u>

**The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.
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 3 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 September 30, 2025.

Notes to Financial Statements (Amounts in thousands)

NOTE 3. 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 September 30, 2025:

Assets	Level 1	Level 2	Level 3	Total
Money market mutual fund	\$ 219	\$ -	\$ -	\$ 219
U.S. TIPS	-	554,420	-	554,420
Total	<u>\$ 219</u>	<u>\$ 554,420</u>	<u>\$ -</u>	<u>\$ 554,639</u>

NOTE 4. SECURITIES LENDING

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

	Fair Value
Securities on loan	\$ 109,715
Collateral received:	
Cash	\$ -
Non-cash	112,268
Total collateral received	<u>\$ 112,268</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.

TIPS 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 September 30, 2025:

<u>Participant</u>	<u>Account Value</u>
Revenue Shortfall Reserve Fund	\$ 270,013
Revenue Shortfall Reserve Fund - Part B	138,916
Workers' Compensation Old Fund	84,116
Public Employees Insurance Agency	25,114
Coal Workers' Pneumoconiosis Fund	20,554
Board of Risk and Insurance Management	6,018
Workers' Compensation Self-Insured Employer Security Risk Pool	5,440
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	4,458
Workers' Compensation Uninsured Employers' Fund	2,163
Total	<u>\$ 556,792</u>

Financial Statements - Unaudited

September 30, 2025

Private Markets Pool

Financial Statements - Unaudited September 30, 2025

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Private Markets Pool

Statement of Net Position - Unaudited
September 30, 2025
(Amounts in thousands, except unit data)

Assets

Investments, at fair value:	
Alternative investments	\$ 6,117,028
Equity investments	207,379
Fixed income investments	14,731
Money market mutual fund	82,653
Securities lending collateral	16,130
Cash	3,225
Receivables:	
Income distributions from real estate limited partnerships and funds	9,267
Interest, dividends, and other investment income	1,332
Investments sold	842
	<hr/>
Total assets	6,452,587

Liabilities

Accrued expenses	866
Payable for investments purchased	405
Payable upon return of securities loaned	16,130
	<hr/>
Total liabilities	17,401
	<hr/>
Net position	\$ 6,435,186
	<hr/> <hr/>

Unit data

Units outstanding	200,199,460
Net position, unit price	\$ 32.14
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See accompanying notes to financial statements.

Private Markets Pool

Statement of Changes in Net Position - Unaudited Period Ended September 30, 2025* (Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income (loss)		
Net decrease in fair value of investments	\$ (8,427)	\$ (13,053)
Income from partnerships and funds	6,515	19,311
Interest and dividends	1,451	3,054
Fund closing interest	18	79
Securities lending income	52	150
	<u> </u>	<u> </u>
Total investment income (loss)	(391)	9,541
Expenses		
Investment advisor fees	(86)	(252)
Custodian bank fees	(2)	(7)
Management and other allocated fees	(157)	(471)
Professional service fees - direct	(143)	(423)
Management fees - external, net	(413)	(406)
Fund closing costs	(16)	(2,131)
Securities lending expenses	(44)	(131)
	<u> </u>	<u> </u>
Total expenses	(861)	(3,821)
Net investment income (loss)	(1,252)	5,720
Unit transactions		
Proceeds from sale of units	9,338	60,234
Amount paid for repurchase of units	(10,730)	(18,862)
	<u> </u>	<u> </u>
Net increase (decrease) from unit transactions	(1,392)	41,372
Increase (decrease) in net position	(2,644)	47,092
Net position, beginning of period	<u>6,437,830</u>	<u>6,388,094</u>
Net position, end of period	<u>\$ 6,435,186</u>	<u>\$ 6,435,186</u>

*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.
See accompanying notes to financial statements.

Private Markets 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 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 3 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 September 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.

Private Markets Pool

Notes to Financial Statements (Amounts in thousands)

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.

Private Markets Pool

Notes to Financial Statements (Amounts in thousands)

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 September 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.

Private Markets Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 3. 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.

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 September 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	\$ 42,576	\$ -	\$ -	\$ 42,576
Money market mutual fund	82,653	-	-	82,653
Rights	4	-	-	4
Securities lending collateral	-	16,130	-	16,130
U.S. common stock	153,565	-	-	153,565
U.S. corporate bonds	-	14,731	-	14,731
U.S. preferred stock	11,234	-	-	11,234
Total	<u>\$ 290,032</u>	<u>\$ 30,861</u>	<u>\$ -</u>	<u>\$ 320,893</u>
Private credit & income funds				1,276,968
Private equity partnerships				2,539,101
Real estate limited partnerships and funds				2,300,959
Total				<u>\$ 6,437,921</u>

Private Markets Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 3. FAIR VALUE MEASUREMENTS (continued)

The following table presents information on investments measured at the NAV as of September 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)	\$ 434,801	\$ 188,973	2026 to 2032	N/A	N/A
Core Private Credit (c)	670,677	110,008	2031	Quarterly	45 days
Specialty & Opportunistic Credit (d)	171,490	156,766	2026 to 2029	N/A	N/A
Private equity partnerships:					
Corporate Finance - Buyout (e)	1,648,488	553,215	2025 to 2035	N/A	N/A
Corporate Finance - Distressed Debt (f)	18,168	16,263	2026	N/A	N/A
Corporate Finance - Growth Equity (g)	175,576	101,195	2025 to 2034	N/A	N/A
Corporate Finance - Hard Assets (h)	174,875	29,325	2026 to 2034	N/A	N/A
Corporate Finance - Mezzanine (i)	2,313	278	N/A	N/A	N/A
Corporate Finance - Structured Capital (j)	59,951	32,258	2026 to 2032	N/A	N/A
Corporate Finance - Turnaround (k)	104,394	119,644	2026 to 2036	N/A	N/A
Venture Capital (l)	355,336	38,466	2026 to 2034	N/A	N/A
Real estate limited partnerships and funds:					
Core (m)	1,154,196	-	N/A	Quarterly	45-90 days
Opportunistic (n)	425,857	182,460	2025 to 2034	N/A	N/A
Value (o)	720,906	446,124	2025 to 2068	N/A	N/A
Total	<u>\$ 6,117,028</u>	<u>\$ 1,974,975</u>			

- (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.

Private Markets Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 3. FAIR VALUE MEASUREMENTS (continued)

- (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.

NOTE 4. SECURITIES LENDING

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

	Fair Value
Securities on loan	\$ 29,651
Collateral received:	
Cash	\$ 16,130
Non-cash	14,307
Total collateral received	<u>\$ 30,437</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.

Private Markets 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 September 30, 2025:

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 2,665,657
Public Employees' Retirement System	2,410,904
West Virginia Retiree Health Benefit Trust Fund	527,431
State Police Death, Disability and Retirement Fund	213,247
State Police Retirement System	103,312
Deputy Sheriffs Retirement System	97,941
Judges' Retirement System	83,816
Municipal Policemen's or Firemen's Pension and Relief Funds	70,941
Workers' Compensation Old Fund	68,619
Emergency Medical Services Retirement System	57,795
Revenue Shortfall Reserve Fund - Part B	25,224
Wildlife Endowment Fund	19,505
Coal Workers' Pneumoconiosis Fund	16,786
West Virginia State Parks and Recreation Endowment Fund	15,992
Municipal Police Officers' and Firefighters' Retirement System	15,322
West Virginia Department of Environmental Protection Agency	14,741
Natural Resources Police Officer Retirement System	9,290
Board of Risk and Insurance Management	4,990
Workers' Compensation Self-Insured Employer Security Risk Pool	4,441
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	3,663
West Virginia Department of Environmental Protection Trust	1,912
Berkeley County Development Authority	1,888
Workers' Compensation Uninsured Employers' Fund	1,769
Total	<u>\$ 6,435,186</u>

Financial Statements - Unaudited

September 30, 2025

Hedge Fund Pool

Financial Statements - Unaudited September 30, 2025

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Hedge Fund Pool

Statement of Net Position - Unaudited
September 30, 2025
(Amounts in thousands, except unit data)

Assets

Investments, at fair value:	
Hedge funds	\$ 3,246,142
Money market mutual fund	348
Investment funds redeemed	<u>726</u>
Total assets	3,247,216

Liabilities

Accrued expenses	<u>235</u>
Net position	<u>\$ 3,246,981</u>

Unit data

Units outstanding	126,869,770
Net position, unit price	<u>\$ 25.59</u>

See accompanying notes to financial statements.

Hedge Fund Pool

Statement of Changes in Net Position - Unaudited
Period Ended September 30, 2025*
(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Net increase in fair value of investments	\$ 58,411	\$ 117,472
Expenses		
Professional service fees - direct	(40)	(118)
Management and other allocated fees	<u>(77)</u>	<u>(234)</u>
Total expenses	<u>(117)</u>	<u>(352)</u>
Net investment income	58,294	117,120
Unit transactions		
Proceeds from sale of units	6,929	18,115
Amount paid for repurchase of units	<u>(6,836)</u>	<u>(17,830)</u>
Net increase from unit transactions	<u>93</u>	<u>285</u>
Increase in net position	58,387	117,405
Net position, beginning of period	<u>3,188,594</u>	<u>3,129,576</u>
Net position, end of period	<u><u>\$ 3,246,981</u></u>	<u><u>\$ 3,246,981</u></u>

**The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.
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 3 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 September 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 September 30, 2025.

NOTE 3. 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.

Hedge Fund Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 3. 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 September 30, 2025. 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.

Assets	Level 1	Level 2	Level 3	Total
Money market mutual fund	\$ 348	\$ -	\$ -	\$ 348
Hedge funds				3,246,142
Total				\$ 3,246,490

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

Hedge Fund Strategies	Fair Value	Redemption Frequency	Redemption Notice Period
Directional (a)	\$ 549,250	Monthly, Quarterly	5 to 65 days
Equity long/short (b)	614,988	Quarterly	45 to 180 days
Event-driven (c)	505,111	Quarterly, Annually	60 to 180 days
Long-biased (d)	116,489	Monthly	90 days
Multi-strategy (e)	326,158	Monthly, Quarterly	60 days
Relative-value (f)	1,115,487	Weekly, Quarterly	5 to 90 days
	\$ 3,227,483		
In liquidation (g)	18,659		
Total	\$ 3,246,142		

- (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 28 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 3. 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 86 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 4. SCHEDULE OF PARTICIPATION

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

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 1,222,496
Public Employees' Retirement System	1,105,560
West Virginia Retiree Health Benefit Trust Fund	241,829
Workers' Compensation Old Fund	141,548
State Police Death, Disability and Retirement Fund	97,783
West Virginia Department of Environmental Protection Agency	81,037
State Police Retirement System	47,370
Deputy Sheriffs Retirement System	44,904
Judges' Retirement System	38,430
Public Employees Insurance Agency	37,645
Revenue Shortfall Reserve Fund - Part B	34,686
Coal Workers' Pneumoconiosis Fund	34,622
Municipal Policemen's or Firemen's Pension and Relief Funds	32,529
Emergency Medical Services Retirement System	26,499
Board of Risk and Insurance Management	10,191
Workers' Compensation Self-Insured Employer Security Risk Pool	9,162
Wildlife Endowment Fund	8,941
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	7,559
West Virginia State Parks and Recreation Endowment Fund	7,334
Municipal Police Officers' and Firefighters' Retirement System	7,026
Natural Resources Police Officer Retirement System	4,260
Workers' Compensation Uninsured Employers' Fund	3,651
West Virginia Department of Environmental Protection Trust	1,053
Berkeley County Development Authority	866
Total	<u>\$ 3,246,981</u>