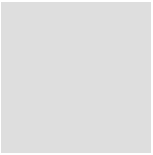
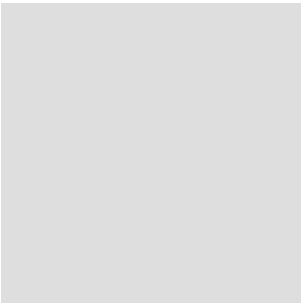
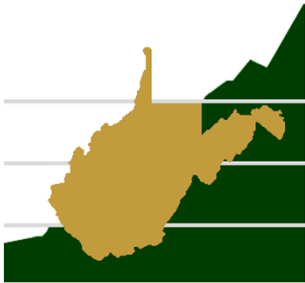


West Virginia Investment Management Board

Financial Statements

October 31, 2025



Financial Statements – Unaudited

October 31, 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

October 31, 2025

Portable Alpha Pool

Financial Statements - Unaudited October 31, 2025

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Notes to Financial Statements	3

Portable Alpha Pool

Statement of Net Position - Unaudited October 31, 2025 *(Amounts in thousands, except unit data)*

Assets

Investments, at fair value:	
Alternative risk premia funds	\$ 2,205,535
Commingled equity fund	2,874,967
Fixed income investments	789,117
Derivative instruments	116,026
Money market mutual fund	1,409,414
Cash	507
Receivable for interest and dividends	9,134
	<hr/>
Total assets	7,404,700

Liabilities

Cash due to broker	106,019
Accrued expenses	803
Payable for investments purchased	6,692
	<hr/>
Total liabilities	113,514
	<hr/>
Net position	\$ 7,291,186
	<hr/> <hr/>

Unit data

Units outstanding	88,091,010
Net position, unit price	\$ 82.77
	<hr/> <hr/>

See accompanying notes to financial statements.

Portable Alpha Pool

Statement of Changes in Net Position - Unaudited
Period Ended October 31, 2025*
(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Net increase in fair value of investments	\$ 155,330	\$ 734,206
Interest and dividends	<u>4,687</u>	<u>18,193</u>
Total investment income	160,017	752,399
Expenses		
Investment advisor fees	(106)	(422)
Custodian bank fees	(2)	(9)
Management and other allocated fees	(172)	(688)
Professional service fees - direct	<u>(18)</u>	<u>(61)</u>
Total expenses	<u>(298)</u>	<u>(1,180)</u>
Net investment income	159,719	751,219
Unit transactions		
Proceeds from sale of units	210	977
Amount paid for repurchase of units	<u>(90,734)</u>	<u>(409,240)</u>
Net decrease from unit transactions	<u>(90,524)</u>	<u>(408,263)</u>
Increase in net position	69,195	342,956
Net position, beginning of period	<u>7,221,991</u>	<u>6,948,230</u>
Net position, end of period	<u>\$ 7,291,186</u>	<u>\$ 7,291,186</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.*

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.

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 October 31, 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 October 31, 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 October 31, 2025:

Derivative Type	Fair Value	Net Increase (Decrease) in Fair Value	
		of Investments	Notional Value
Futures contracts:			
Equity index futures long	\$ 116,026	\$ 317,761	\$ 3,718,490

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 October 31, 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)	\$ 116,005	\$ -	\$ -	\$ 116,005
Certificates of deposit	-	8,413	-	8,413
Commercial paper	-	154,338	-	154,338
Commingled equity fund	2,874,967	-	-	2,874,967
Corporate ABS	-	50,271	-	50,271
Foreign corporate bonds	-	7,188	-	7,188
Foreign government bonds	-	1,003	-	1,003
Futures contracts	116,026	-	-	116,026
Money market mutual fund	1,409,414	-	-	1,409,414
U.S. corporate bonds	-	20,728	-	20,728
U.S. Government agency bonds	-	51,989	-	51,989
U.S. Treasury issues	-	495,187	-	495,187
Total	<u>\$ 4,516,412</u>	<u>\$ 789,117</u>	<u>\$ -</u>	<u>\$ 5,305,529</u>
ARP funds				<u>2,089,530</u>
Total				<u>\$ 7,395,059</u>

The following table presents information on investments measured at the NAV as of October 31, 2025:

ARP Fund Strategies	Fair Value	Redemption Frequency	Redemption Notice Period
Directional (a)	\$ 568,530	Daily, Monthly	2 to 30 days
Multi-Premia (b)	1,089,565	Weekly, Biweekly, Monthly	3 to 30 days
Relative-Value (c)	431,435	Biweekly, Monthly	6 to 60 days
	<u>\$ 2,089,530</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 20 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 October 31, 2025:

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 3,087,029
Public Employees' Retirement System	2,793,359
West Virginia Retiree Health Benefit Trust Fund	612,130
State Police Death, Disability and Retirement Fund	246,191
State Police Retirement System	119,998
Deputy Sheriffs Retirement System	113,670
Judges' Retirement System	97,211
Municipal Policemen's or Firemen's Pension and Relief Funds	82,061
Emergency Medical Services Retirement System	67,340
Wildlife Endowment Fund	22,269
West Virginia State Parks and Recreation Endowment Fund	18,976
Municipal Police Officers' and Firefighters' Retirement System	17,966
Natural Resources Police Officer Retirement System	10,794
Berkeley County Development Authority	2,192
Total	<u>\$ 7,291,186</u>

Financial Statements - Unaudited

October 31, 2025

Large Cap Domestic Equity Pool

Financial Statements - Unaudited October 31, 2025

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Large Cap Domestic Equity Pool

Statement of Net Position - Unaudited
October 31, 2025
(Amounts in thousands, except unit data)

Assets

Investments, at fair value:	
Commingled equity fund	\$ 384,734
Money market mutual fund	10,002
Dividends receivable	<u>3</u>
Total assets	394,739

Liabilities

Accrued expenses	<u>28</u>
Net position	<u>\$ 394,711</u>

Unit data

Units outstanding	4,744,756
Net position, unit price	<u>\$ 83.19</u>

See accompanying notes to financial statements.

Large Cap Domestic Equity Pool

Statement of Changes in Net Position - Unaudited Period Ended October 31, 2025* (Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Net increase in fair value of investments	\$ 9,008	\$ 38,895
Dividends	<u>3</u>	<u>8</u>
Total investment income	9,011	38,903
Expenses		
Investment advisor fees	(3)	(10)
Management and other allocated fees	<u>(8)</u>	<u>(37)</u>
Total expenses	<u>(11)</u>	<u>(47)</u>
Net investment income	9,000	38,856
Unit transactions		
Proceeds from sale of units	28	1,535
Amount paid for repurchase of units	<u>(3,523)</u>	<u>(38,457)</u>
Net decrease from unit transactions	<u>(3,495)</u>	<u>(36,922)</u>
Increase in net position	5,505	1,934
Net position, beginning of period	<u>389,206</u>	<u>392,777</u>
Net position, end of period	<u><u>\$ 394,711</u></u>	<u><u>\$ 394,711</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 October 31, 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 October 31, 2025:

Assets	Level 1	Level 2	Level 3	Total
Commingled equity fund	\$ 384,734	\$ -	\$ -	\$ 384,734
Money market mutual fund	10,002	-	-	10,002
Total	<u>\$ 394,736</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 394,736</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 October 31, 2025:

<u>Participant</u>	<u>Account Value</u>
Workers' Compensation Old Fund	\$ 128,511
West Virginia Department of Environmental Protection Agency	75,792
Revenue Shortfall Reserve Fund - Part B	65,866
Revenue Shortfall Reserve Fund	39,887
Coal Workers' Pneumoconiosis Fund	31,442
Public Employees Insurance Agency	21,778
Board of Risk and Insurance Management	8,512
Workers' Compensation Self-Insured Employer Security Risk Pool	8,352
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	6,904
Workers' Compensation Uninsured Employers' Fund	3,343
West Virginia Department of Environmental Protection Trust	2,930
Municipal Policemen's or Firemen's Pension and Relief Funds	1,394
Total	<u>\$ 394,711</u>

Financial Statements - Unaudited

October 31, 2025

Non-Large Cap Domestic Equity Pool

Financial Statements - Unaudited October 31, 2025

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Non-Large Cap Domestic Equity Pool

Statement of Net Position - Unaudited October 31, 2025 *(Amounts in thousands, except unit data)*

Assets

Investments, at fair value:	
Equity investments	\$ 1,034,968
Money market mutual fund	44,144
Securities lending collateral	128,912
Receivables:	
Dividends and other investment income	281
Investments sold	<u>21,234</u>
Total assets	1,229,539

Liabilities

Accrued expenses	1,877
Payable for investments purchased	11,919
Payable upon return of securities loaned	<u>128,912</u>
Total liabilities	<u>142,708</u>
Net position	<u><u>\$ 1,086,831</u></u>

Unit data

Units outstanding	16,067,491
Net position, unit price	<u><u>\$ 67.64</u></u>

See accompanying notes to financial statements.

Non-Large Cap Domestic Equity Pool

Statement of Changes in Net Position - Unaudited
Period Ended October 31, 2025*
(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income (loss)		
Net increase (decrease) in fair value of investments	\$ (13,350)	\$ 29,193
Dividends	413	3,465
Securities lending income	<u>545</u>	<u>1,983</u>
Total investment income (loss)	(12,392)	34,641
Expenses		
Investment advisor fees	(339)	(1,810)
Custodian bank fees	(9)	(19)
Management and other allocated fees	(27)	(114)
Securities lending expenses	<u>(503)</u>	<u>(1,794)</u>
Total expenses	<u>(878)</u>	<u>(3,737)</u>
Net investment income (loss)	(13,270)	30,904
Unit transactions		
Proceeds from sale of units	976	4,324
Amount paid for repurchase of units	<u>(46,642)</u>	<u>(124,452)</u>
Net decrease from unit transactions	<u>(45,666)</u>	<u>(120,128)</u>
Decrease in net position	(58,936)	(89,224)
Net position, beginning of period	<u>1,145,767</u>	<u>1,176,055</u>
Net position, end of period	<u><u>\$ 1,086,831</u></u>	<u><u>\$ 1,086,831</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 October 31, 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 October 31, 2025:

Assets	Level 1	Level 2	Level 3	Total
Domestic common stock	\$ 910,616	\$ -	\$ -	\$ 910,616
Foreign common stock	121,871	-	-	121,871
Master limited partnership	2,481	-	-	2,481
Money market mutual fund	44,144	-	-	44,144
Securities lending collateral	-	128,912	-	128,912
Total	<u>\$ 1,079,112</u>	<u>\$ 128,912</u>	<u>\$ -</u>	<u>\$ 1,208,024</u>

NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at October 31, 2025:

	Fair Value
Securities on loan	\$ 243,231
Collateral received:	
Cash	\$ 128,912
Non-cash	121,248
Total collateral received	<u>\$ 250,160</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 October 31, 2025:

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 437,064
Public Employees' Retirement System	395,737
West Virginia Retiree Health Benefit Trust Fund	85,714
State Police Death, Disability and Retirement Fund	34,867
Workers' Compensation Old Fund	17,966
State Police Retirement System	16,952
Deputy Sheriffs Retirement System	16,065
Judges' Retirement System	13,749
Municipal Policemen's or Firemen's Pension and Relief Funds	11,807
West Virginia Department of Environmental Protection Agency	10,601
Emergency Medical Services Retirement System	9,550
Revenue Shortfall Reserve Fund - Part B	9,264
Revenue Shortfall Reserve Fund	5,617
Coal Workers' Pneumoconiosis Fund	4,432
Wildlife Endowment Fund	3,143
Public Employees Insurance Agency	3,062
West Virginia State Parks and Recreation Endowment Fund	2,682
Municipal Police Officers' and Firefighters' Retirement System	2,525
Natural Resources Police Officer Retirement System	1,524
Board of Risk and Insurance Management	1,177
Workers' Compensation Self-Insured Employer Security Risk Pool	1,176
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	971
Workers' Compensation Uninsured Employers' Fund	469
West Virginia Department of Environmental Protection Trust	407
Berkeley County Development Authority	310
Total	<u>\$ 1,086,831</u>

Financial Statements - Unaudited

October 31, 2025

International Qualified Pool

Financial Statements - Unaudited October 31, 2025

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International Qualified Pool

Statement of Net Position - Unaudited
October 31, 2025
(Amounts in thousands, except unit data)

Assets

Investment in commingled equity fund at fair value	\$ 1,324,770
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Liabilities

Accrued expenses	<u>64</u>
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Net position	<u><u>\$ 1,324,706</u></u>
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Unit data

Units outstanding	10,484,776
Net position, unit price	<u><u>\$ 126.35</u></u>

See accompanying notes to financial statements.

International Qualified Pool

Statement of Changes in Net Position - Unaudited Period Ended October 31, 2025* (Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income (loss)		
Net increase (decrease) in fair value of investments	\$ (2,431)	\$ 60,678
Expenses		
Investment advisor fees	(567)	(2,238)
Management and other allocated fees	<u>(32)</u>	<u>(127)</u>
Total expenses	<u>(599)</u>	<u>(2,365)</u>
Net investment income (loss)	(3,030)	58,313
Unit transactions		
Proceeds from sale of units	444	3,887
Amount paid for repurchase of units	<u>(413)</u>	<u>(3,779)</u>
Net increase from unit transactions	<u>31</u>	<u>108</u>
Increase (decrease) in net position	(2,999)	58,421
Net position, beginning of period	<u>1,327,705</u>	<u>1,266,285</u>
Net position, end of period	<u>\$ 1,324,706</u>	<u>\$ 1,324,706</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 October 31, 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 October 31, 2025:

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 616,142
Public Employees' Retirement System	557,536
State Police Death, Disability and Retirement Fund	49,137
State Police Retirement System	23,955
Deputy Sheriffs Retirement System	22,690
Judges' Retirement System	19,404
Municipal Policemen's or Firemen's Pension and Relief Funds	16,655
Emergency Medical Services Retirement System	13,444
Municipal Police Officers' and Firefighters' Retirement System	3,588
Natural Resources Police Officer Retirement System	2,155
Total	<u>\$ 1,324,706</u>

Financial Statements - Unaudited

October 31, 2025

International Nonqualified Pool

Financial Statements - Unaudited October 31, 2025

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International Nonqualified Pool

Statement of Net Position - Unaudited
October 31, 2025
(Amounts in thousands, except unit data)

Assets

Investment in commingled equity fund at fair value	\$	213,586
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Liabilities

Accrued expenses		<u>10</u>
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Net position	\$	<u>213,576</u>
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Unit data

Units outstanding		1,877,250
Net position, unit price	\$	<u>113.77</u>

See accompanying notes to financial statements.

International Nonqualified Pool

Statement of Changes in Net Position - Unaudited
Period Ended October 31, 2025*
(Amounts in thousands, except unit data)

	<u>Month</u>	<u>Year To Date</u>
Investment income (loss)		
Net increase (decrease) in fair value of investments	\$ (385)	\$ 9,817
Expenses		
Investment advisor fees	(104)	(410)
Management and other allocated fees	<u>(5)</u>	<u>(20)</u>
Total expenses	<u>(109)</u>	<u>(430)</u>
Net investment income (loss)	(494)	9,387
Unit transactions		
Proceeds from sale of units	578	3,825
Amount paid for repurchase of units	<u>(573)</u>	<u>(3,808)</u>
Net increase from unit transactions	<u>5</u>	<u>17</u>
Increase (decrease) in net position	(489)	9,404
Net position, beginning of period	<u>214,065</u>	<u>204,172</u>
Net position, end of period	<u><u>\$ 213,576</u></u>	<u><u>\$ 213,576</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.*

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 October 31, 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 October 31, 2025:

<u>Participant</u>	<u>Account Value</u>
West Virginia Retiree Health Benefit Trust Fund	\$ 125,071
Workers' Compensation Old Fund	26,018
West Virginia Department of Environmental Protection Agency	15,349
Revenue Shortfall Reserve Fund - Part B	13,335
Revenue Shortfall Reserve Fund	8,074
Coal Workers' Pneumoconiosis Fund	6,366
Wildlife Endowment Fund	4,549
Public Employees Insurance Agency	4,411
West Virginia State Parks and Recreation Endowment Fund	3,876
Board of Risk and Insurance Management	1,720
Workers' Compensation Self-Insured Employer Security Risk Pool	1,691
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	1,398
Workers' Compensation Uninsured Employers' Fund	677
West Virginia Department of Environmental Protection Trust	593
Berkeley County Development Authority	448
Total	<u>\$ 213,576</u>

Financial Statements - Unaudited

October 31, 2025

International Equity Pool

Financial Statements - Unaudited October 31, 2025

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International Equity Pool

Statement of Net Position - Unaudited October 31, 2025 *(Amounts in thousands, except unit data)*

Assets

Investments, at fair value:	
Equity investments	\$ 3,325,269
Money market mutual fund	41,682
Securities lending collateral	41,912
Cash (restricted: \$6,728)	13,714
Receivables:	
Dividends and other investment income	18,534
Investments sold	<u>38,986</u>
Total assets	3,480,097

Liabilities

Accrued capital gains taxes	5,343
Accrued expenses	5,812
Payable for investments purchased	16,183
Payable upon return of securities loaned	<u>41,912</u>
Total liabilities	<u>69,250</u>
Net position	<u><u>\$ 3,410,847</u></u>

Unit data

Units outstanding	56,501,676
Net position, unit price	<u><u>\$ 60.37</u></u>

See accompanying notes to financial statements.

International Equity Pool

Statement of Changes in Net Position - Unaudited
Period Ended October 31, 2025*
(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Net increase in fair value of investments	\$ 66,614	\$ 320,221
Dividends	2,115	23,229
Securities lending income	273	1,192
	<u>69,002</u>	<u>344,642</u>
Total investment income	69,002	344,642
 Expenses		
Investment advisor fees	(1,401)	(5,407)
Custodian bank fees	(119)	(541)
Management and other allocated fees	(81)	(314)
Securities lending expenses	(157)	(813)
	<u>(1,758)</u>	<u>(7,075)</u>
Total expenses	(1,758)	(7,075)
Net investment income	67,244	337,567
 Unit transactions		
Proceeds from sale of units	385	39,490
Amount paid for repurchase of units	(35,082)	(245,982)
	<u>(34,697)</u>	<u>(206,492)</u>
Net decrease from unit transactions	(34,697)	(206,492)
 Increase in net position	32,547	131,075
 Net position, beginning of period	<u>3,378,300</u>	<u>3,279,772</u>
 Net position, end of period	<u><u>\$ 3,410,847</u></u>	<u><u>\$ 3,410,847</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.*

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 October 31, 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 October 31, 2025:

Assets	Level 1	Level 2	Level 3	Total
Common stock	\$ 3,303,548	\$ -	\$ -	\$ 3,303,548
Money market mutual fund	41,682	-	-	41,682
Preferred stock	21,721	-	-	21,721
Securities lending collateral	-	41,912	-	41,912
Total	<u>\$ 3,366,951</u>	<u>\$ 41,912</u>	<u>\$ -</u>	<u>\$ 3,408,863</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 October 31, 2025:

	<u>Fair Value</u>
Securities on loan	\$ 134,969
Collateral received:	
Cash	\$ 41,912
Non-cash	<u>100,570</u>
Total collateral received	<u>\$ 142,482</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 October 31, 2025:

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 1,371,619
Public Employees' Retirement System	1,242,051
West Virginia Retiree Health Benefit Trust Fund	269,917
State Police Death, Disability and Retirement Fund	109,370
Workers' Compensation Old Fund	55,944
State Police Retirement System	53,338
Deputy Sheriffs Retirement System	50,537
Judges' Retirement System	43,214
Municipal Policemen's or Firemen's Pension and Relief Funds	37,081
West Virginia Department of Environmental Protection Agency	33,078
Emergency Medical Services Retirement System	29,906
Revenue Shortfall Reserve Fund - Part B	28,869
Revenue Shortfall Reserve Fund	17,597
Coal Workers' Pneumoconiosis Fund	13,723
Wildlife Endowment Fund	9,787
Public Employees Insurance Agency	9,570
West Virginia State Parks and Recreation Endowment Fund	8,320
Municipal Police Officers' and Firefighters' Retirement System	7,994
Natural Resources Police Officer Retirement System	4,800
Board of Risk and Insurance Management	3,709
Workers' Compensation Self-Insured Employer Security Risk Pool	3,663
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	3,040
Workers' Compensation Uninsured Employers' Fund	1,476
West Virginia Department of Environmental Protection Trust	1,280
Berkeley County Development Authority	964
Total	<u>\$ 3,410,847</u>

Financial Statements - Unaudited

October 31, 2025

Short-Term Fixed Income Pool

Financial Statements - Unaudited October 31, 2025

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Short-Term Fixed Income Pool

Statement of Net Position - Unaudited
October 31, 2025
(Amounts in thousands, except unit data)

Assets

Investments, at amortized cost:

U.S. Government agency bonds	\$	119,876
U.S. Treasury issues		24,958
Repurchase agreement		25,396
Cash		1
Interest receivable		9

Total assets 170,240

Liabilities

Accrued expenses		41
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Net position \$ 170,199

Unit data

Units outstanding	170,199,280
Net position, unit price	<u>\$ 1.00</u>

See accompanying notes to financial statements.

Short-Term Fixed Income Pool

Statement of Changes in Net Position - Unaudited
Period Ended October 31, 2025*
(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Interest	\$ 755	\$ 3,362
Expenses		
Investment advisor fees	(9)	(39)
Custodian bank fees	<u>(1)</u>	<u>(3)</u>
Total expenses	<u>(10)</u>	<u>(42)</u>
Net investment income	745	3,320
Distributions to unitholders	(745)	(3,320)
Unit transactions		
Proceeds from sale of units	120,744	553,722
Reinvestment of distributions	745	3,320
Amount paid for repurchase of units	<u>(136,023)</u>	<u>(669,338)</u>
Net decrease from unit transactions	<u>(14,534)</u>	<u>(112,296)</u>
Decrease in net position	(14,534)	(112,296)
Net position, beginning of period	<u>184,733</u>	<u>282,495</u>
Net position, end of period	<u><u>\$ 170,199</u></u>	<u><u>\$ 170,199</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

Notes to Financial Statements

(Amounts in thousands)

NOTE 1. DESCRIPTION OF THE ENTITY

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

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

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

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

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

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

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

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

Notes to Financial Statements (Amounts in thousands)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

Income Taxes - The WVIMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of October 31, 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 October 31, 2025:

Assets	Level 1	Level 2	Level 3	Total
Repurchase agreement	\$ -	\$ 25,396	\$ -	\$ 25,396
U.S. Government agency bonds	-	119,876	-	119,876
U.S. Treasury issues	-	24,958	-	24,958
Total	\$ -	\$ 170,230	\$ -	\$ 170,230

Short-Term Fixed Income 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 October 31, 2025:

<u>Participant</u>	<u>Account Value</u>
Revenue Shortfall Reserve Fund	\$ 69,167
Workers' Compensation Old Fund	35,538
Public Employees' Retirement System	24,672
Coal Workers' Pneumoconiosis Fund	8,764
Municipal Policemen's or Firemen's Pension and Relief Funds	7,411
Teachers' Retirement System	6,888
Board of Risk and Insurance Management	2,782
Workers' Compensation Self-Insured Employer Security Risk Pool	2,523
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	2,210
State Police Retirement System	1,973
Deputy Sheriffs Retirement System	1,863
Emergency Medical Services Retirement System	1,595
West Virginia State Parks and Recreation Endowment Fund	1,206
Workers' Compensation Uninsured Employers' Fund	1,124
Municipal Police Officers' and Firefighters' Retirement System	1,020
State Police Death, Disability and Retirement Fund	760
Natural Resources Police Officer Retirement System	414
Judges' Retirement System	144
Wildlife Endowment Fund	140
Revenue Shortfall Reserve Fund - Part B	3
Public Employees Insurance Agency	1
West Virginia Retiree Health Benefit Trust Fund	1
Total	<u>\$ 170,199</u>

Financial Statements - Unaudited

October 31, 2025

Total Return Fixed Income Pool

Financial Statements - Unaudited October 31, 2025

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Total Return Fixed Income Pool

Statement of Net Position - Unaudited

October 31, 2025

(Amounts in thousands, except unit data)

Assets

Investments, at fair value:	
Fixed income investments	\$ 2,643,779
Derivative instruments	3,049
Equity investments	11,872
Money market mutual fund	271,668
Securities lending collateral	63,779
Cash	1,950
Advance on investments in commingled fund	25,000
Receivables:	
Interest, dividends, and other investment income	21,102
Investments sold	496,079
	<hr/>
Total assets	3,538,278

Liabilities

Investments in derivative instruments at fair value	241
Cash due to broker, net	855
Accrued expenses	2,100
Payable for investments purchased	533,063
Payable upon return of securities loaned	63,779
	<hr/>
Total liabilities	600,038
	<hr/>
Net position	\$ 2,938,240
	<hr/>

Unit data

Units outstanding	154,775,171
Net position, unit price	\$ 18.98
	<hr/>

See accompanying notes to financial statements.

Total Return Fixed Income Pool

Statement of Changes in Net Position - Unaudited
Period Ended October 31, 2025*
(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Net increase in fair value of investments	\$ 8,289	\$ 44,062
Interest and dividends	10,305	42,472
Securities lending income	<u>238</u>	<u>1,066</u>
Total investment income	18,832	87,600
Expenses		
Investment advisor fees	(460)	(1,939)
Custodian bank fees	(8)	(49)
Management and other allocated fees	(70)	(277)
Securities lending expenses	<u>(211)</u>	<u>(953)</u>
Total expenses	<u>(749)</u>	<u>(3,218)</u>
Net investment income	18,083	84,382
Unit transactions		
Proceeds from sale of units	53,337	237,680
Amount paid for repurchase of units	<u>(1,254)</u>	<u>(27,976)</u>
Net increase from unit transactions	<u>52,083</u>	<u>209,704</u>
Increase in net position	70,166	294,086
Net position, beginning of period	<u>2,868,074</u>	<u>2,644,154</u>
Net position, end of period	<u><u>\$ 2,938,240</u></u>	<u><u>\$ 2,938,240</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. Pool assets were managed by Dodge & Cox, Franklin Templeton Investments (Franklin), and Western Asset Management Company (Western) through October 20, 2025. On October 17, 2025, Northern Trust Transition Management was engaged to transition assets of the Western portfolio to existing manager Dodge & Cox, as well as new managers Lord Abbett & Co. (Lord Abbett), and Red Cedar Investment Management (Red Cedar), according to pre-determined target asset allocations. Pool assets continue to be managed by Dodge & Cox and Franklin, with Lord Abbett and Red Cedar becoming effective on November 3, 2025.

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 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.
- 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.

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 October 31, 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 currently include foreign currency forward contracts and futures. Prior to October 2025, derivative instruments held also included options and 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 October 31, 2025:

Derivative Type	Fair Value	Net Increase (Decrease) in Fair Value of Investments
Forwards:		
Foreign currency forward contracts	\$ 823	\$ (437)
Futures contracts:		
Fixed income futures long	1,985	4,555
Fixed income futures short	-	(7,037)
Options contracts:		
Fixed income options purchased	-	(7,416)
Fixed income options written	-	6,645
Interest rate swaptions purchased	-	196
Interest rate swaptions written	-	(190)
Swaps:		
Credit default swaps protection buyer	-	(12)
Credit default swaps protection seller	-	(188)
Interest rate swaps	-	(1,183)
Total return swaps	-	843
Total	<u>\$ 2,808</u>	<u>\$ (4,224)</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 October 31, 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	\$ 967	\$ (59)	\$ (355)	\$ (510)	\$ 43

Foreign currency forward contracts 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 October 31, 2025:

Derivative Type	Counterparty Rating	Fair Value
Foreign currency forward contracts	A	\$ 400
Foreign currency forward contracts	BBB	664

Interest Rate Risk

Derivative instruments held by the Pool that are subject to interest rate risk include fixed income futures contracts. As of October 31, 2025, all of the Pool's investments in fixed income futures contracts have maturities less than one year.

Total Return Fixed Income Pool

Notes to Financial Statements (Amounts in thousands)

NOTE 3. DERIVATIVE INSTRUMENTS (continued)

Foreign Currency Risk

The Pool holds certain derivative instruments that are denominated in foreign currencies and thus exposed to foreign currency risks. The amounts at fair value (in U.S. dollars) of derivative instruments in foreign currencies as of October 31, 2025, are as follows:

Currency	Foreign Currency Forward Contracts
Australian Dollar	\$ 20
Brazilian Real	356
British Pound	7
Canadian Dollar	9
Euro Currency Unit	288
Indian Rupee	(94)
Japanese Yen	237
Total foreign denominated derivatives	<u>\$ 823</u>

NOTE 4. FAIR VALUE MEASUREMENTS

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

GASB Statement No. 72 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 October 31, 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	\$ -	\$ -	\$ 3,004	\$ 3,004
Corporate ABS	-	129,941	-	129,941
Corporate preferred securities	11,680	-	-	11,680
Foreign ABS	-	-	814	814
Foreign corporate bonds	-	265,434	-	265,434
Foreign currency forward contracts	-	1,064	-	1,064
Foreign equity investments	192	-	-	192
Foreign government bonds	-	151,347	299	151,646
Futures contracts	1,985	-	-	1,985
Money market mutual fund	271,668	-	-	271,668
Municipal bonds	-	21,287	-	21,287
Securities lending collateral	-	63,779	-	63,779
U.S. corporate bonds	-	335,994	-	335,994
U.S. Government agency CMO	-	86,573	-	86,573
U.S. Government agency CMO IO	-	3,772	-	3,772
U.S. Government agency MBS	-	731,737	-	731,737
U.S. Treasury issues	-	645,679	-	645,679
U.S. Treasury inflation protected securities	-	8,690	-	8,690
Total	<u>\$ 285,525</u>	<u>\$ 2,445,297</u>	<u>\$ 4,117</u>	<u>\$ 2,734,939</u>
Commingled debt funds				259,208
Total				<u>\$ 2,994,147</u>

Liabilities	Level 1	Level 2	Level 3	Total
Foreign currency forward contracts	<u>\$ -</u>	<u>\$ (241)</u>	<u>\$ -</u>	<u>\$ (241)</u>

The Pool's investments in commingled debt funds were measured at the NAV as of October 31, 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.

NOTE 5. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at October 31, 2025:

	Fair Value
Securities on loan	\$ 328,977
Collateral received:	
Cash	\$ 63,779
Non-cash	273,385
Total collateral received	<u>\$ 337,164</u>

Total Return Fixed Income Pool

Notes to Financial Statements

(Amounts in thousands)

NOTE 5. SECURITIES LENDING (continued)

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. ADVANCE ON INVESTMENTS IN COMMINGLED FUND

The subscription terms of certain commingled funds may require contributions to be received in advance of the subscription date. Prior to October 31, 2025, the IMB funded \$25,000 to a commingled fund that had a subscription date of November 3, 2025. As of October 31, 2025, these amounts have been recorded as an advance on investments.

NOTE 7. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2025:

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 879,486
Public Employees' Retirement System	796,262
Revenue Shortfall Reserve Fund - Part B	219,058
Workers' Compensation Old Fund	202,466
Revenue Shortfall Reserve Fund	191,432
West Virginia Retiree Health Benefit Trust Fund	179,698
West Virginia Department of Environmental Protection Agency	98,536
State Police Death, Disability and Retirement Fund	69,383
Coal Workers' Pneumoconiosis Fund	49,551
Public Employees Insurance Agency	48,751
State Police Retirement System	34,699
Deputy Sheriffs Retirement System	32,440
Judges' Retirement System	28,195
Municipal Policemen's or Firemen's Pension and Relief Funds	24,458
Emergency Medical Services Retirement System	19,368
Board of Risk and Insurance Management	13,453
Workers' Compensation Self-Insured Employer Security Risk Pool	13,166
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	10,894
Wildlife Endowment Fund	6,523
West Virginia State Parks and Recreation Endowment Fund	5,565
Workers' Compensation Uninsured Employers' Fund	5,269
Municipal Police Officers' and Firefighters' Retirement System	5,144
Natural Resources Police Officer Retirement System	3,039
West Virginia Department of Environmental Protection Trust	761
Berkeley County Development Authority	643
Total	<u>\$ 2,938,240</u>

Financial Statements - Unaudited

October 31, 2025

Core Fixed Income Pool

Financial Statements - Unaudited October 31, 2025

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Core Fixed Income Pool

Statement of Net Position - Unaudited October 31, 2025 *(Amounts in thousands, except unit data)*

Assets

Investments, at fair value:	
Fixed income investments	\$ 2,437,605
Derivative instruments	313
Money market mutual fund	12,601
Securities lending collateral	116,506
Cash due from broker	4,653
Receivables:	
Interest, dividends, and other investment income	18,504
Investments sold	<u>3,005</u>
Total assets	2,593,187

Liabilities

Investments in derivative instruments at fair value	1,506
Cash overdraft	2,597
Accrued expenses	1,185
Payable for investments purchased	13,195
Payable upon return of securities loaned	<u>116,506</u>
Total liabilities	<u>134,989</u>
Net position	<u><u>\$ 2,458,198</u></u>

Unit data

Units outstanding	186,358,222
Net position, unit price	<u><u>\$ 13.19</u></u>

See accompanying notes to financial statements.

Core Fixed Income Pool

Statement of Change in Net Position - Unaudited
Period Ended October 31, 2025*
(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Net increase in fair value of investments	\$ 6,395	\$ 32,773
Interest and dividends	8,849	32,767
Securities lending income	<u>350</u>	<u>1,301</u>
Total investment income	15,594	66,841
Expenses		
Investment advisor fees	(284)	(1,059)
Custodian bank fees	(4)	(19)
Management and other allocated fees	(59)	(231)
Securities lending expenses	<u>(315)</u>	<u>(1,173)</u>
Total expenses	<u>(662)</u>	<u>(2,482)</u>
Net investment income	14,932	64,359
Unit transactions		
Proceeds from sale of units	46,535	225,937
Amount paid for repurchase of units	<u>(471)</u>	<u>(7,958)</u>
Net increase from unit transactions	<u>46,064</u>	<u>217,979</u>
Increase in net position	60,996	282,338
Net position, beginning of period	<u>2,397,202</u>	<u>2,175,860</u>
Net position, end of period	<u><u>\$ 2,458,198</u></u>	<u><u>\$ 2,458,198</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 October 31, 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 October 31, 2025:

Derivative Type	Fair Value	Net Increase (Decrease) in Fair Value of Investments	Notional Value
Futures contracts:			
Fixed income futures long	\$ (114)	\$ (31)	\$ 399,617
Fixed income futures short	(1,079)	(666)	(116,692)
Total	<u>\$ (1,193)</u>	<u>\$ (697)</u>	<u>\$ 282,925</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 October 31, 2025:

Assets	Level 1	Level 2	Level 3	Total
Corporate ABS	\$ -	\$ 232,156	\$ -	\$ 232,156
Corporate CMO	-	100,863	-	100,863
Corporate CMO IO	-	82	-	82
Corporate CMO PO	-	15	-	15
Foreign ABS	-	2,486	-	2,486
Foreign corporate bonds	-	217,095	-	217,095
Foreign government bonds	-	15,738	-	15,738
Futures contracts	313	-	-	313
Money market mutual fund	12,601	-	-	12,601
Municipal bonds	-	8,635	-	8,635
Securities lending collateral	-	116,506	-	116,506
U.S. corporate bonds	-	393,258	-	393,258
U.S. Government agency CMO	-	118,871	-	118,871
U.S. Government agency CMO IO	-	961	-	961
U.S. Government agency CMO PO	-	1,463	-	1,463
U.S. Government agency MBS	-	514,412	-	514,412
U.S. Treasury issues	-	831,570	-	831,570
Total	\$ 12,914	\$ 2,554,111	\$ -	\$ 2,567,025
Liabilities	Level 1	Level 2	Level 3	Total
Futures contracts	\$ (1,506)	\$ -	\$ -	\$ (1,506)

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 October 31, 2025:

	Fair Value
Securities on loan	\$ 401,404
Collateral received:	
Cash	\$ 116,506
Non-cash	296,025
Total collateral received	<u>\$ 412,531</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 October 31, 2025:

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 882,043
Public Employees' Retirement System	798,951
West Virginia Retiree Health Benefit Trust Fund	180,013
Revenue Shortfall Reserve Fund - Part B	94,003
Workers' Compensation Old Fund	86,923
Revenue Shortfall Reserve Fund	82,318
State Police Death, Disability and Retirement Fund	69,611
West Virginia Department of Environmental Protection Agency	42,260
State Police Retirement System	34,790
Deputy Sheriffs Retirement System	32,543
Judges' Retirement System	28,284
Municipal Policemen's or Firemen's Pension and Relief Funds	24,530
Coal Workers' Pneumoconiosis Fund	21,344
Public Employees Insurance Agency	20,993
Emergency Medical Services Retirement System	19,435
Wildlife Endowment Fund	6,556
Board of Risk and Insurance Management	5,767
Workers' Compensation Self-Insured Employer Security Risk Pool	5,667
West Virginia State Parks and Recreation Endowment Fund	5,583
Municipal Police Officers' and Firefighters' Retirement System	5,174
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	4,685
Natural Resources Police Officer Retirement System	3,049
Workers' Compensation Uninsured Employers' Fund	2,268
West Virginia Department of Environmental Protection Trust	763
Berkeley County Development Authority	645
Total	<u>\$ 2,458,198</u>

Financial Statements - Unaudited

October 31, 2025

TIPS Pool

Financial Statements - Unaudited October 31, 2025

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TIPS Pool

Statement of Net Position - Unaudited

October 31, 2025

(Amounts in thousands, except unit data)

Assets

Investments, at fair value:

U.S. Treasury inflation protected securities \$ 560,105

Money market mutual fund 1,774

Receivables:

Interest, dividends, and other investment income 1,278

Investments sold 19,049

Total assets 582,206

Liabilities

Accrued expenses 50

Payable for investments purchased 24,354

Total liabilities 24,404

Net position \$ 557,802

Unit data

Units outstanding 37,965,064

Net position, unit price \$ 14.69

See accompanying notes to financial statements.

TIPS Pool

Statement of Changes in Net Position - Unaudited
Period Ended October 31, 2025*
(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Net increase in fair value of investments	\$ 415	\$ 9,366
Interest and dividend income	594	2,186
Securities lending income	<u>9</u>	<u>33</u>
Total investment income	1,018	11,585
Expenses		
Investment advisor fees	(6)	(23)
Custodian bank fees	(1)	(1)
Management and other allocated fees	(13)	(54)
Securities lending expenses	<u>(2)</u>	<u>(5)</u>
Total expenses	<u>(22)</u>	<u>(83)</u>
Net investment income	996	11,502
Unit transactions		
Proceeds from sale of units	546	9,584
Amount paid for repurchase of units	<u>(532)</u>	<u>(2,769)</u>
Net increase from unit transactions	<u>14</u>	<u>6,815</u>
Increase in net position	1,010	18,317
Net position, beginning of period	<u>556,792</u>	<u>539,485</u>
Net position, end of period	<u><u>\$ 557,802</u></u>	<u><u>\$ 557,802</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 October 31, 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 October 31, 2025:

Assets	Level 1	Level 2	Level 3	Total
Money market mutual fund	\$ 1,774	\$ -	\$ -	\$ 1,774
U.S. TIPS	-	560,105	-	560,105
Total	<u>\$ 1,774</u>	<u>\$ 560,105</u>	<u>\$ -</u>	<u>\$ 561,879</u>

NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at October 31, 2025:

	Fair Value
Securities on loan	\$ 113,711
Collateral received:	
Cash	\$ -
Non-cash	116,936
Total collateral received	<u>\$ 116,936</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 October 31, 2025:

<u>Participant</u>	<u>Account Value</u>
Revenue Shortfall Reserve Fund	\$ 270,486
Revenue Shortfall Reserve Fund - Part B	139,199
Workers' Compensation Old Fund	84,748
Public Employees Insurance Agency	25,163
Coal Workers' Pneumoconiosis Fund	20,584
Board of Risk and Insurance Management	5,513
Workers' Compensation Self-Insured Employer Security Risk Pool	5,449
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	4,487
Workers' Compensation Uninsured Employers' Fund	2,173
Total	<u>\$ 557,802</u>

Financial Statements - Unaudited

October 31, 2025

Private Markets Pool

Financial Statements - Unaudited October 31, 2025

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Private Markets Pool

Statement of Net Position - Unaudited October 31, 2025 *(Amounts in thousands, except unit data)*

Assets

Investments, at fair value:	
Alternative investments	\$ 6,110,991
Equity investments	204,961
Fixed income investments	14,750
Money market mutual fund	103,105
Securities lending collateral	11,722
Cash	2,096
Receivables:	
Income distributions from real estate limited partnerships and funds	848
Interest, dividends, and other investment income	797
Investments sold	<u>1,059</u>
Total assets	6,450,329

Liabilities

Accrued expenses	930
Payable for investments purchased	932
Payable upon return of securities loaned	<u>11,722</u>
Total liabilities	<u>13,584</u>
Net position	<u><u>\$ 6,436,745</u></u>

Unit data

Units outstanding	200,702,315
Net position, unit price	<u><u>\$ 32.07</u></u>

See accompanying notes to financial statements.

Private Markets Pool

Statement of Changes in Net Position - Unaudited Period Ended October 31, 2025* (Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income (loss)		
Net decrease in fair value of investments	\$ (34,820)	\$ (47,873)
Income from partnerships and funds	20,764	40,075
Interest and dividends	766	3,820
Fund closing interest	84	163
Securities lending income	45	195
	<u> </u>	<u> </u>
Total investment loss	(13,161)	(3,620)
Expenses		
Investment advisor fees	(84)	(336)
Custodian bank fees	(3)	(10)
Management and other allocated fees	(155)	(626)
Professional service fees - direct	(134)	(557)
Management fees - external, net	(1,029)	(1,435)
Fund closing costs	-	(2,131)
Securities lending expenses	(38)	(169)
	<u> </u>	<u> </u>
Total expenses	(1,443)	(5,264)
Net investment loss	(14,604)	(8,884)
Unit transactions		
Proceeds from sale of units	18,139	78,373
Amount paid for repurchase of units	(1,976)	(20,838)
	<u> </u>	<u> </u>
Net increase from unit transactions	16,163	57,535
Increase in net position	1,559	48,651
Net position, beginning of period	6,435,186	6,388,094
	<u> </u>	<u> </u>
Net position, end of period	<u>\$ 6,436,745</u>	<u>\$ 6,436,745</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 October 31, 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 October 31, 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 October 31, 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	\$ 41,840	\$ -	\$ -	\$ 41,840
Money market mutual fund	103,105	-	-	103,105
Securities lending collateral	-	11,722	-	11,722
U.S. common stock	152,119	-	-	152,119
U.S. corporate bonds	-	14,750	-	14,750
U.S. preferred stock	11,002	-	-	11,002
Total	<u>\$ 308,066</u>	<u>\$ 26,472</u>	<u>\$ -</u>	<u>\$ 334,538</u>
Private credit & income funds				1,296,267
Private equity partnerships				2,530,315
Real estate limited partnerships and funds				2,284,409
Total				<u>\$ 6,445,529</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 October 31, 2025:

Strategies	Fair Value	Unfunded Commitments	Contractual Termination Date Range	Redemption Frequency (a)	Redemption Notice Period
Private credit & income funds:					
Asset-Backed Credit (b)	\$ 444,422	\$ 175,100	2026 to 2032	N/A	N/A
Core Private Credit (c)	679,390	103,360	2031	Quarterly	45 days
Specialty & Opportunistic Credit (d)	172,455	154,840	2026 to 2029	N/A	N/A
Private equity partnerships:					
Corporate Finance - Buyout (e)	1,647,919	549,195	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)	169,632	101,195	2025 to 2034	N/A	N/A
Corporate Finance - Hard Assets (h)	174,571	29,431	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)	59,888	32,322	2026 to 2032	N/A	N/A
Corporate Finance - Turnaround (k)	103,839	119,488	2026 to 2036	N/A	N/A
Venture Capital (l)	353,985	38,466	2026 to 2034	N/A	N/A
Real estate limited partnerships and funds:					
Core (m)	1,138,927	-	N/A	Quarterly	45-90 days
Opportunistic (n)	424,016	179,555	2025 to 2034	N/A	N/A
Value (o)	721,466	443,014	2025 to 2068	N/A	N/A
Total	<u>\$ 6,110,991</u>	<u>\$ 1,942,507</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 October 31, 2025:

	Fair Value
Securities on loan	\$ 17,439
Collateral received:	
Cash	\$ 11,722
Non-cash	6,234
Total collateral received	\$ 17,956

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 October 31, 2025:

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 2,665,748
Public Employees' Retirement System	2,412,183
West Virginia Retiree Health Benefit Trust Fund	528,690
State Police Death, Disability and Retirement Fund	212,589
State Police Retirement System	103,648
Deputy Sheriffs Retirement System	98,178
Judges' Retirement System	83,958
Municipal Policemen's or Firemen's Pension and Relief Funds	70,866
Workers' Compensation Old Fund	67,786
Emergency Medical Services Retirement System	58,173
Revenue Shortfall Reserve Fund - Part B	25,113
Wildlife Endowment Fund	19,224
Coal Workers' Pneumoconiosis Fund	16,585
West Virginia State Parks and Recreation Endowment Fund	16,392
Municipal Police Officers' and Firefighters' Retirement System	15,525
West Virginia Department of Environmental Protection Agency	14,671
Natural Resources Police Officer Retirement System	9,323
Board of Risk and Insurance Management	4,475
Workers' Compensation Self-Insured Employer Security Risk Pool	4,407
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	3,642
West Virginia Department of Environmental Protection Trust	1,912
Berkeley County Development Authority	1,893
Workers' Compensation Uninsured Employers' Fund	1,764
Total	<u>\$ 6,436,745</u>

Financial Statements - Unaudited

October 31, 2025

Hedge Fund Pool

Financial Statements - Unaudited October 31, 2025

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Hedge Fund Pool

Statement of Net Position - Unaudited
October 31, 2025
(Amounts in thousands, except unit data)

Assets

Investments, at fair value:	
Hedge funds	\$ 3,297,552
Money market mutual fund	348
Receivables:	
Dividends	1
Investment funds redeemed	<u>726</u>
Total assets	3,298,627

Liabilities

Accrued expenses	<u>236</u>
Net position	<u>\$ 3,298,391</u>

Unit data

Units outstanding	126,874,348
Net position, unit price	<u><u>\$ 26.00</u></u>

See accompanying notes to financial statements.

Hedge Fund Pool

Statement of Changes in Net Position - Unaudited
Period Ended October 31, 2025*
(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
Investment income		
Net increase in fair value of investments	\$ 51,409	\$ 168,881
Dividend income	<u>2</u>	<u>2</u>
Total investment income	51,411	168,883
Expenses		
Professional service fees - direct	(40)	(158)
Management and other allocated fees	<u>(78)</u>	<u>(312)</u>
Total expenses	<u>(118)</u>	<u>(470)</u>
Net investment income	51,293	168,413
Unit transactions		
Proceeds from sale of units	3,955	22,070
Amount paid for repurchase of units	<u>(3,838)</u>	<u>(21,668)</u>
Net increase from unit transactions	<u>117</u>	<u>402</u>
Increase in net position	51,410	168,815
Net position, beginning of period	<u>3,246,981</u>	<u>3,129,576</u>
Net position, end of period	<u><u>\$ 3,298,391</u></u>	<u><u>\$ 3,298,391</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 October 31, 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 October 31, 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 October 31, 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				3,297,552
Total				\$ 3,297,900

The following table presents information on investments measured at the NAV as of October 31, 2025:

Hedge Fund Strategies	Fair Value	Redemption Frequency	Redemption Notice Period
Directional (a)	\$ 569,869	Monthly, Quarterly	5 to 65 days
Equity long/short (b)	624,499	Quarterly	45 to 180 days
Event-driven (c)	514,199	Quarterly, Annually	60 to 180 days
Long-biased (d)	118,299	Monthly	90 days
Multi-strategy (e)	330,776	Monthly, Quarterly	60 days
Relative-value (f)	1,121,226	Weekly, Quarterly	5 to 90 days
	\$ 3,278,868		
In liquidation (g)	18,684		
Total	\$ 3,297,552		

- (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 29 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 October 31, 2025:

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 1,242,639
Public Employees' Retirement System	1,124,438
West Virginia Retiree Health Benefit Trust Fund	246,431
Workers' Compensation Old Fund	142,220
State Police Death, Disability and Retirement Fund	99,101
West Virginia Department of Environmental Protection Agency	82,071
State Police Retirement System	48,311
Deputy Sheriffs Retirement System	45,761
Judges' Retirement System	39,134
Public Employees Insurance Agency	38,092
Revenue Shortfall Reserve Fund - Part B	35,120
Coal Workers' Pneumoconiosis Fund	34,799
Municipal Policemen's or Firemen's Pension and Relief Funds	33,034
Emergency Medical Services Retirement System	27,114
Board of Risk and Insurance Management	9,407
Workers' Compensation Self-Insured Employer Security Risk Pool	9,244
Wildlife Endowment Fund	8,963
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	7,641
West Virginia State Parks and Recreation Endowment Fund	7,638
Municipal Police Officers' and Firefighters' Retirement System	7,235
Natural Resources Police Officer Retirement System	4,345
Workers' Compensation Uninsured Employers' Fund	3,700
West Virginia Department of Environmental Protection Trust	1,070
Berkeley County Development Authority	883
Total	<u>\$ 3,298,391</u>