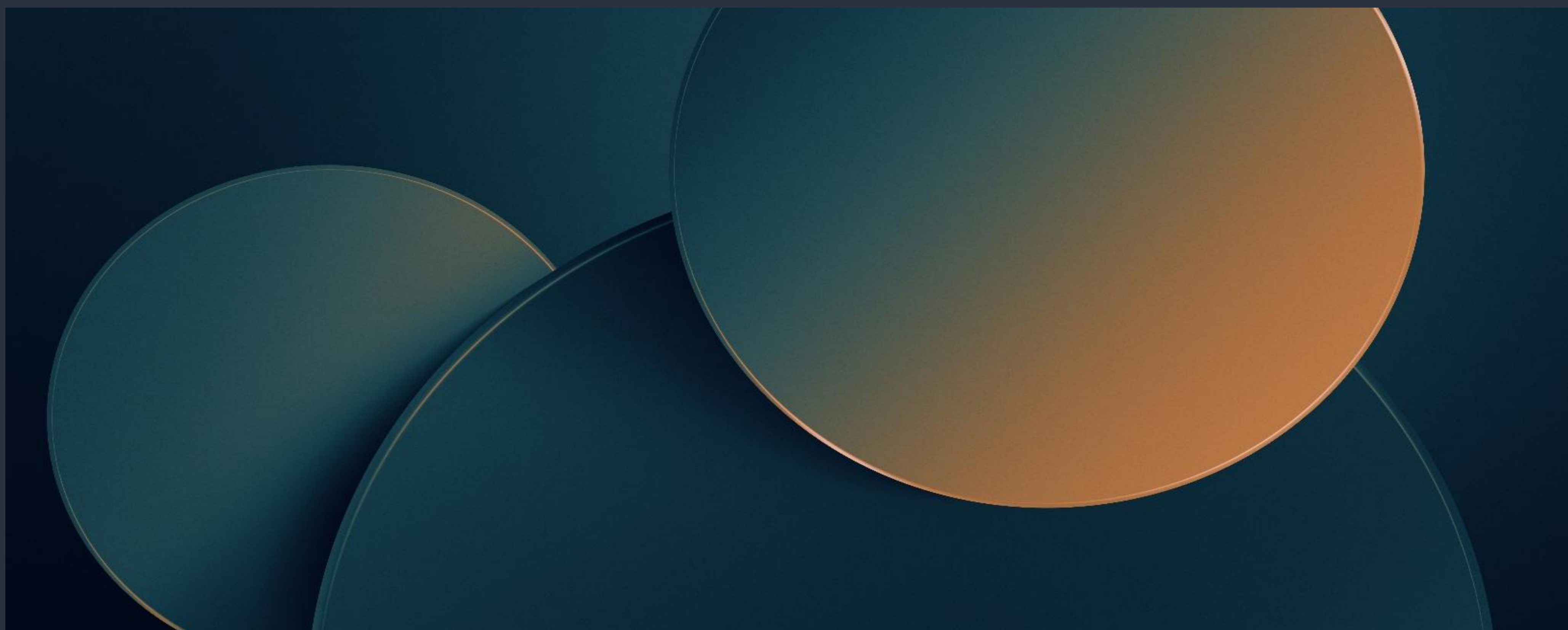
Management Insight Report

DB INVESTMENT BENCHMARKING SUBSCRIPTION



For the 5-year period ending June 30 2026

This Management Insight Report provides an overview of your DB investment results.

As funds consolidate into larger asset pools, demonstrating value for money is becoming increasingly important.

2025 Highlights:

- Enhanced Data Quality, by emphasizing CEM's Global Reporting Principles and implementing Data Scorecards
- Collected richer data sets: 12,000+ individual mandates collected
- Assessed the impact of maturity on Private Equity Limited Partnership fees

2026 Goals:

- Expedite access to our Talent report by delivering December 2026 Report in February 2027
- Establish the CEM DB Investment Client Advisory Board
- Release CEM Query, our AI-powered tool that allows quick and easy access to information - twenty beta testers will have access this year (2026)

2025/26 Market Insights

- Strong Public Equity returns (median: 26.0%) led to an overall strong year for total fund performance.
- Modest Private Equity performance contributed to 2025/26 median Private Equity performance fees of 79.7bps being below the 10-year median of 132.2bps.
- Two-thirds of the funds in the CEM database had negative net value added in 2025/26.

Also Included In Your Subscription

Exhibits
Methodology & underlying data

Monitor
CEM's online dashboard for more granular insights

Data Scorecards
Assessment of the completeness & timeliness of data

Talent Report
A supplemental report that helps you assess your staffing levels

Limited Partnerships Report
A supplemental report that helps you compare your LP deal terms

Your fiscal 2026 investment costs, excluding private asset performance fees, were 5.1 basis points below the peer benchmark, while your 5-year net value added was 2.3%.

Total investment costs, exc. private asset perf. fees and transaction costs | 2026

Your 1-year total investment costs were 5.1 bps below the peer benchmark.

Peer benchmark	44.2
Lower cost implementation style	-4.5
Paid less for similar services	-0.5
Your cost	39.1
Cost advantage	5.1

Key performance metrics | Global Universe | 2022 - 2026

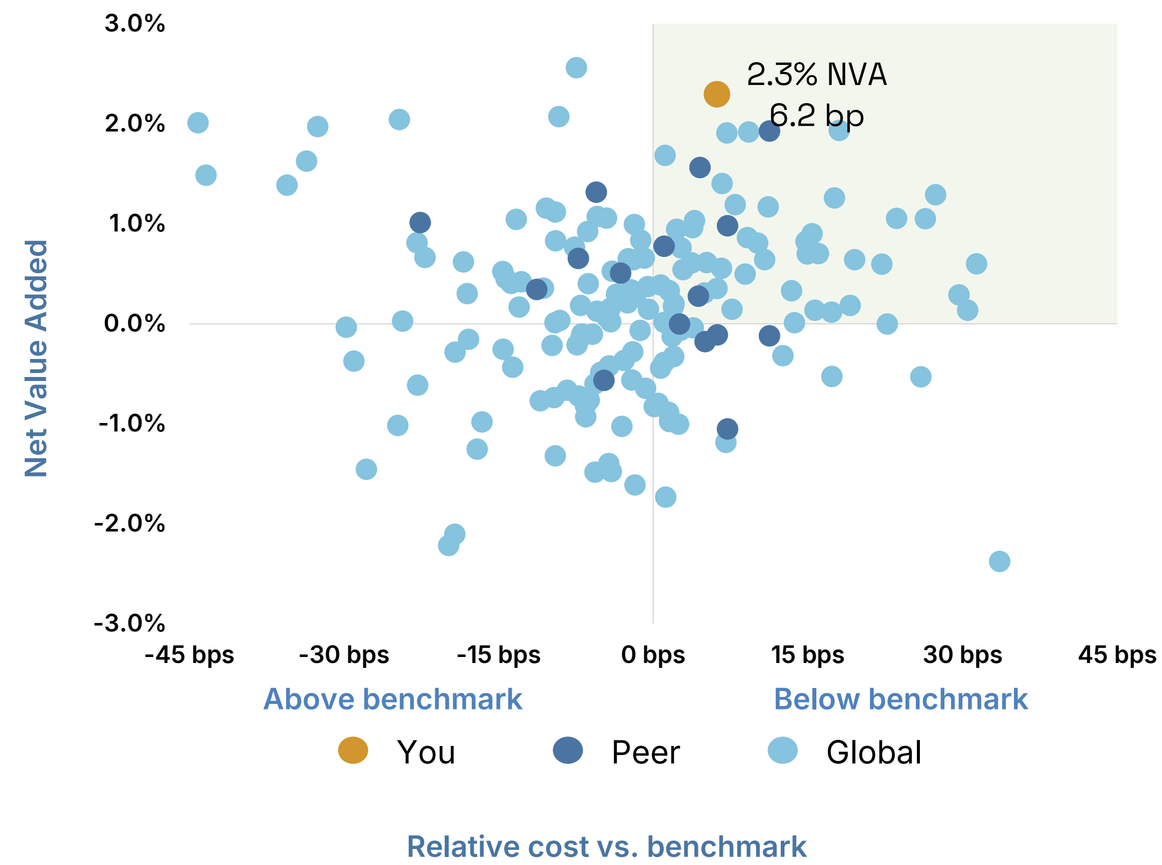
Your 5-year net value added exceeded the Global universe median by 2.1%.

	Rank vs universe*	You	Median
5-year net value added		2.3%	0.2%
5-year net return		9.2%	5.2%
2025 Asset risk		11.3%	8.9%
20-year Sharpe ratio		0.51	0.47
20-year Information ratio		0.52	0.16

*Chart shows your percentile rank vs. the Global universe, going 0% to 100%, left to right.

Net value added versus cost advantage | 2022 - 2026

Your 5-year net value added (%) versus your 5-year cost advantage (bps)



Your performance is benchmarked against the Global Universe: 208 sponsors, representing $16.5 T in CEM's Investment Benchmarking Database.

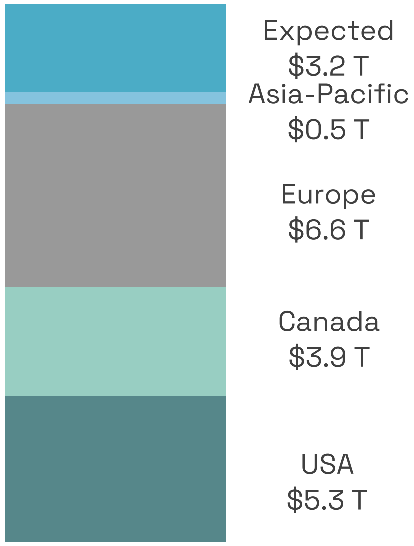
Total Investment Database*

208

INSTITUTIONAL INVESTORS

$16.5 T

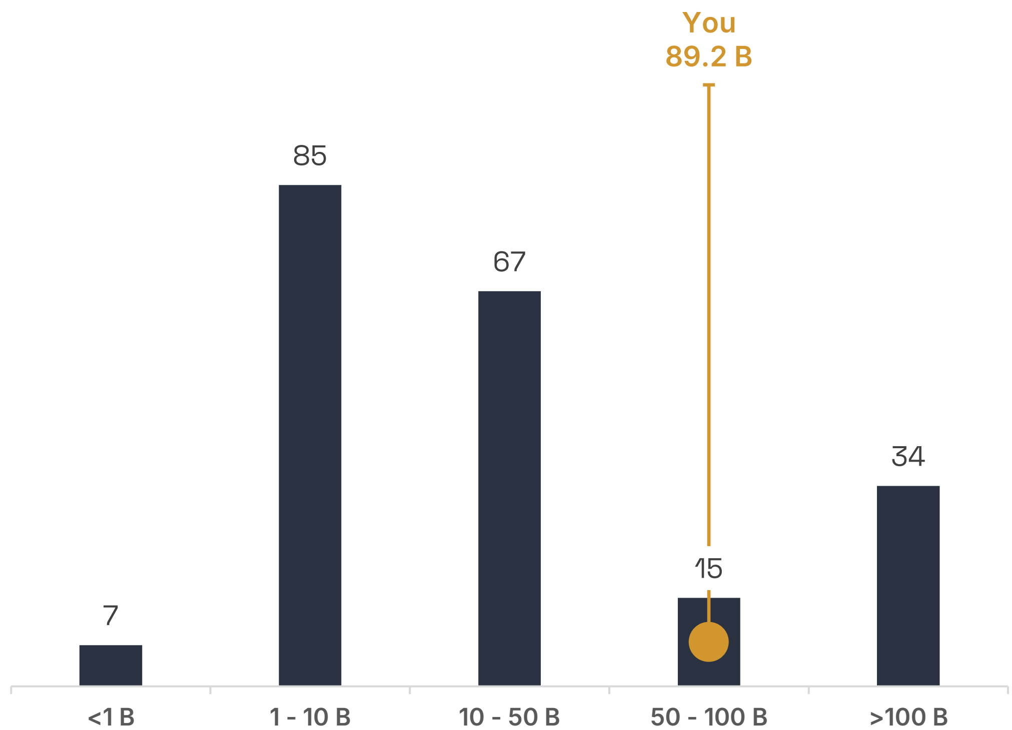
IN TOTAL ASSETS



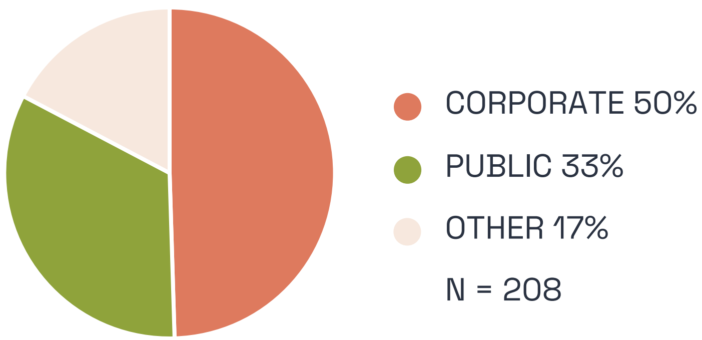
*By the end of the 2025 survey cycle, we expect data from 280+ funds totaling $19T+ in AUM.

Global Universe by assets under management | $ billion, 2026

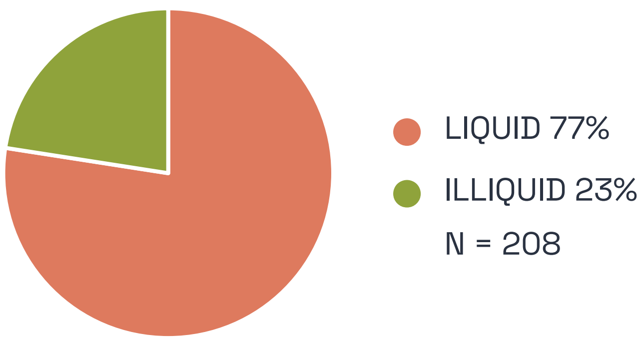
208 Global sponsors from $0.9 billion to $660.2 billion



Plan type | Global 2026



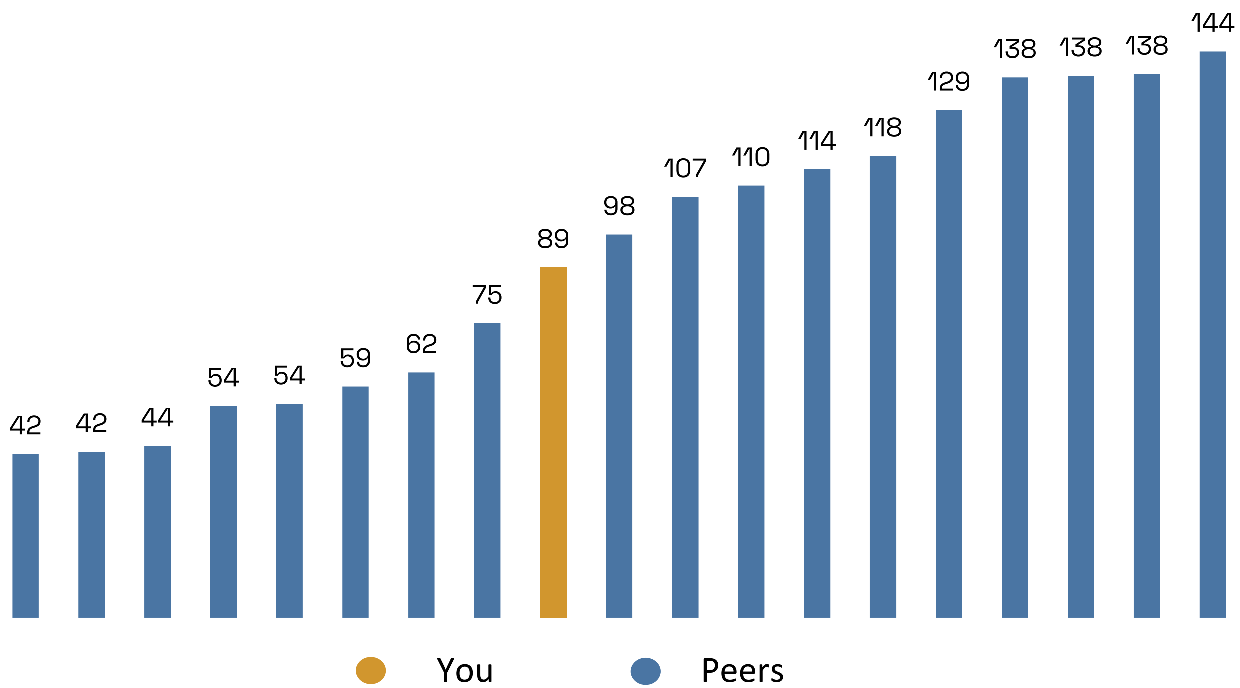
Asset mix | Global 2026



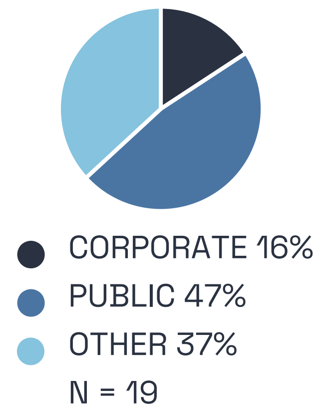
Your costs are benchmarked against a custom peer group with similar total assets under management.

Peer group by assets under management | $ billion, 2026

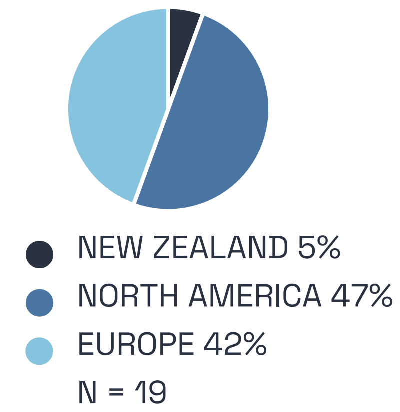
19 Global sponsors from $42 billion to $144 billion



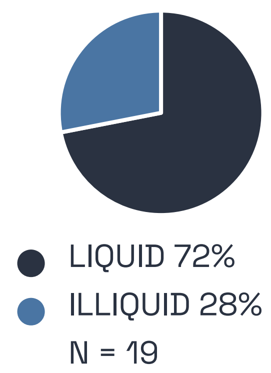
Plan type | 2026



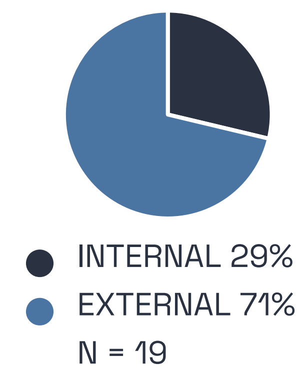
Region | 2026



Asset mix | 2026



Implementation | 2026



Your investment costs, excluding private asset performance fees, were $349.1 million or 39.1 basis points in fiscal 2026.

Total fund costs by asset class excluding transaction costs | 2026

Asset Class	Base fees ($000)	Performance fees ($000)	Internal & other ($000)	Total ($000)	Total (bps)
Stock	17,268	-	14,508	31,776	6.4
Fixed income	2,534	-	5,501	8,034	5.5
Hedge funds	44,259	77,848	1,990	124,096	304
Real estate	24,148	24,735	5,413	29,561	71.2
Infrastructure	6,258	-	501	6,759	72.4
Other real assets	18,545	(56)	9,488	28,034	54.0
Private equity	39,451	25,713	8,923	48,374	52.5
Investment overlays	-	-	22,225	22,225	2.5
Fund level oversight	-	-	50,276	50,276	5.6
Total	**152,463**	**77,848**	**118,825**	**349,136**	**39.1**

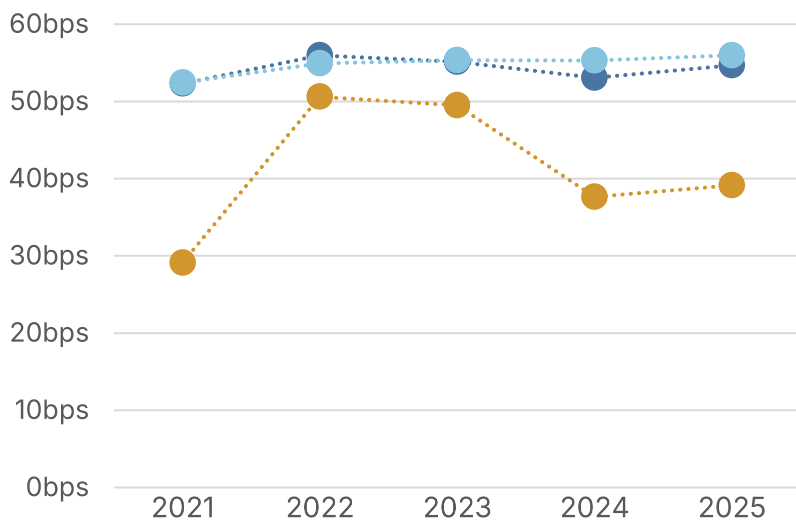
Numbers shaded are excluded from the analysis.

CEM uses imputed data to address missing or incomparable costs, ensuring comparability across all participants. Refer to the Appendix of the Exhibits for CEM's data principles and imputations applied to your fund's data. Fund level costs consist of expenses not attributed to specific asset classes, including total fund oversight, trustee and custodial services, audit, consulting, and performance measurement.

Your costs increased over the last 5 years because of having a higher cost asset mix and implementation style. This was partly offset by paying less for similar investment styles.

Total investment costs (bps) | 2022 - 2026

Your total investment costs, excluding private asset performance fees and transaction costs, increased from 29.1 bps in 2022 to 39.1 bps in 2026.



	2021	2022	2023	2024	2025
You	29.1	50.6	49.5	37.6	39.1
Peers	52.3	56.0	55.1	53.1	54.7
Global	52.4	54.9	55.3	55.3	56.0

You Peers Global

Average costs for the 173 Global funds and 17 peers with 5 years of consecutive data. The median for all peers in 2025 was 57.8 bps, before adjusting for differences in asset mix.

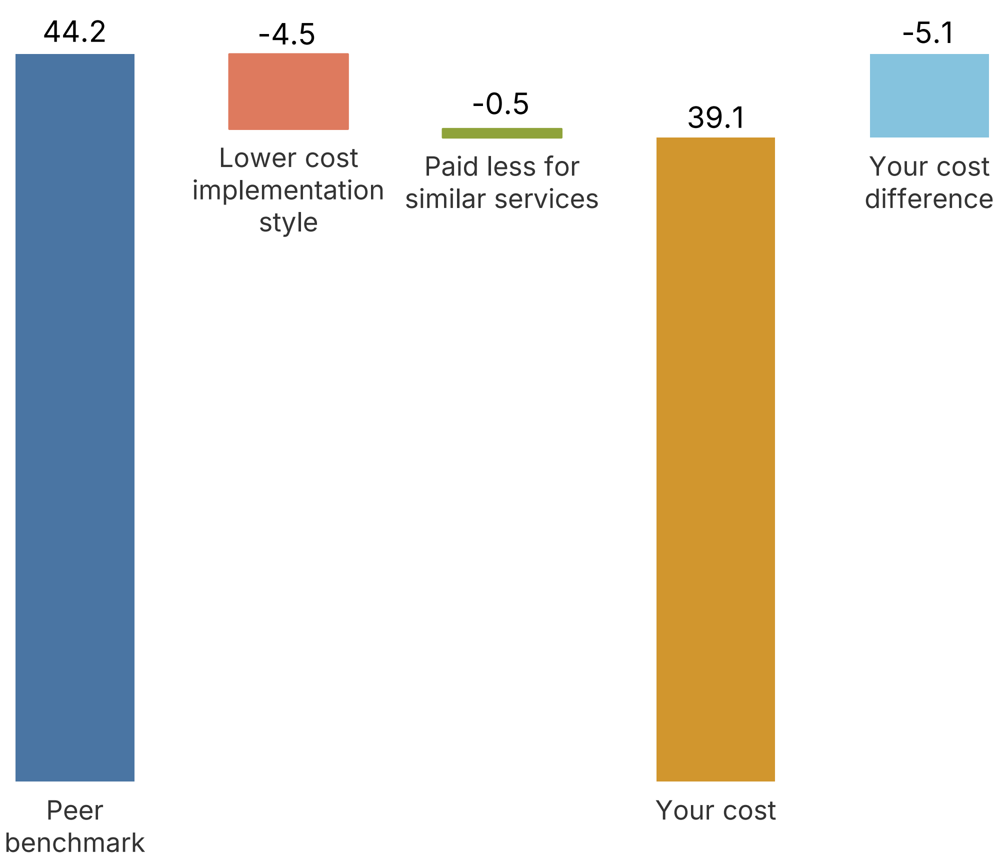
Cost impact of your changes (bps) | 2022 - 2026

Your costs increased over the last 5 years primarily because of having a higher cost asset mix. This was partly offset by paying less for similar investment styles.

Higher cost asset mix	**16.8**
4% more real estate ex-REITs	5.6
3% more private equity	12.9
All other mix changes	-1.7
Higher cost implementation style	**20.9**
Less internal as a % of active	5.1
Less co-investment as a % of LP/Co	16.2
All other implementation style changes	-0.4
Paid less in total for similar investment styles	**-27.7**
Lower LP/value add venture capital base fees	-21.9
Lower LP/value add real estate ex-REITs base fees	-5.4
Higher external active hedge funds performance fees	5.3
Higher natural resources internal costs	0.7
All other internal investment mgmt. differences	-0.8
Higher costs for overlays and unfunded strategies	0.3
Higher oversight, custodial & other costs	2.2
All other differences	-8.2
Total increase	**10.0**

After adjusting for asset mix, benchmark cost analysis suggests that your fund was below benchmark cost by 5.1 basis points in fiscal 2026.

Cost breakdown vs. peer benchmark (bps) | 2026



Explanation of implementation style differences (bps) | 2026

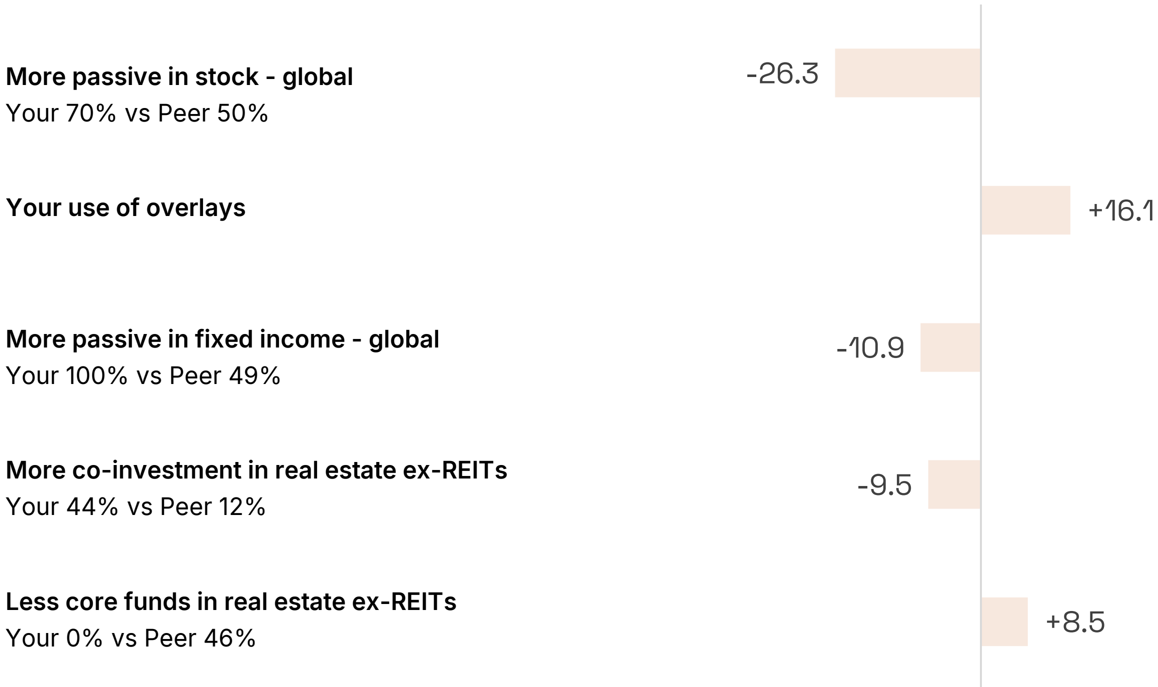
Total impact of implementation style differences	**-4.5**
Less active management, more lower cost passive	-5.1
Use of external management vs. lower cost internal	0.1
Your mix of core/value-add funds	0.5
Less fund of funds	-0.4
More co-investment as a percentage of value-add/co	-1.4
Differences in use of overlays	1.8

Explanation of cost differences for similar services (bps) | 2026

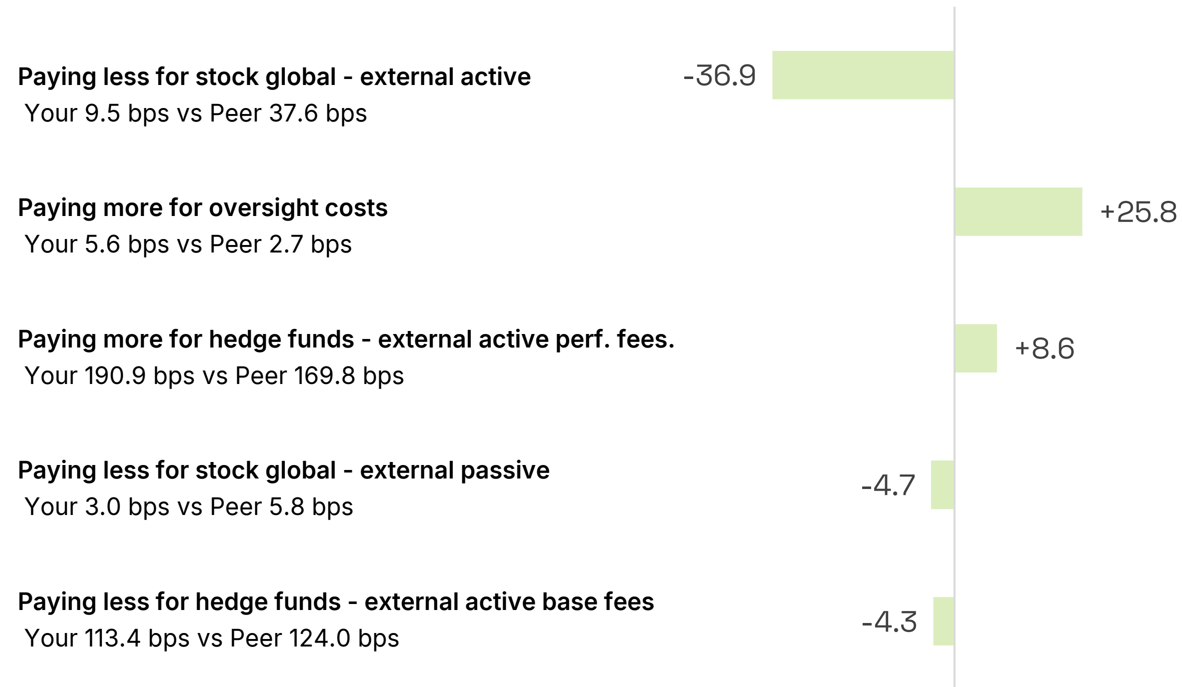
Total impact of paying more/less for similar services	**-0.5**
External investment management costs	-4.0
Internal investment management costs	0.6
Oversight, custodial & other costs	2.9

The most significant drivers of cost difference vs benchmark were implementation style differences and paying less for global stock.

Top 5 implementation style impacts ($M) | 2026



Top 5 impacts from paying more or less than your peers for similar services ($M) | 2026



Your 5-year net value added of 2.3% compares to a median of 0.2% for the Global universe.

Return, net of all investment costs

Your 5-year net total return of 9.2% was above both the Global median of 5.2% and the peer median of 5.9%.

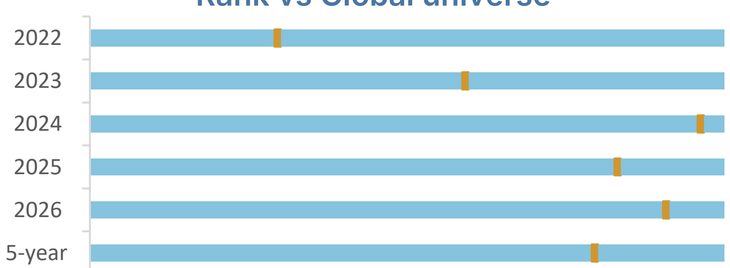
Rank vs Global universe*

	You	Median
2022	-8.5%	-6.2%
2023	15.7%	7.1%
2024	14.9%	9.5%
2025	11.8%	6.9%
2026	14.2%	6.9%
5-year	9.2%	5.2%

Policy return

Your 5-year policy return of 6.9% was above both the Global median of 4.7% and the peer median of 5.3%.

Rank vs Global universe*



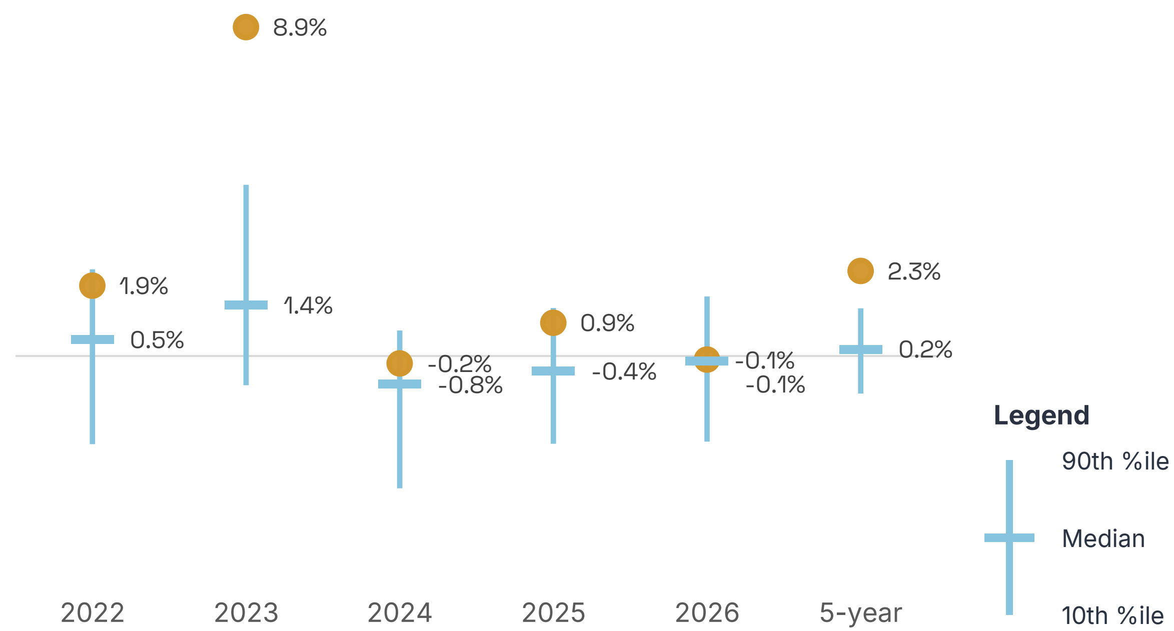
	You	Median
2022	-10.4%	-6.2%
2023	6.8%	5.4%
2024	15.1%	10.6%
2025	10.9%	7.6%
2026	14.3%	7.0%
5-year	6.9%	4.7%

*Chart shows your percentile rank vs. the Global universe, going 0% to 100%, left to right

Net value added | Net return minus policy return, Global 2022 - 2026

Your 5-year net value added of 2.3% translates into approximately $6.7 billion of cumulative value added over 5 years. This 2.3% was above the Global median of 0.2%.

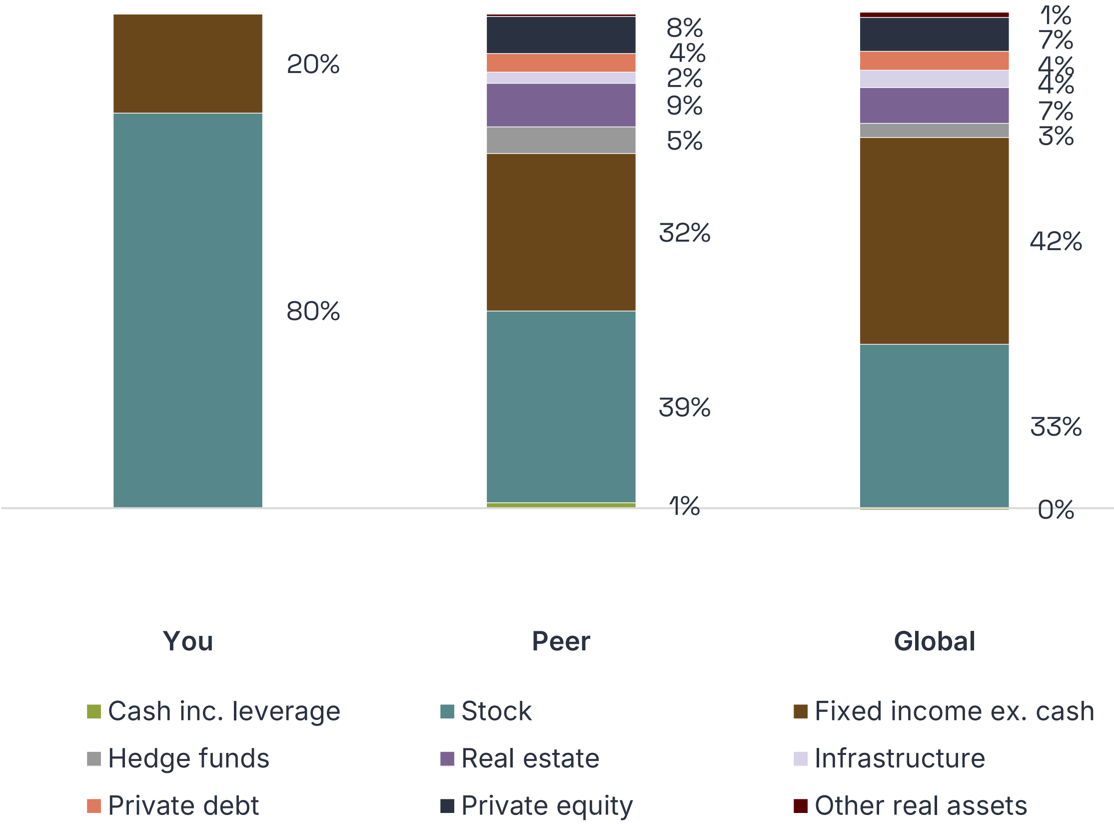
To enable fairer comparisons, the value added for each participant was adjusted to reflect private equity benchmarks based on investable public market indices.



Your policy return is driven by your policy mix decisions.

Policy asset mix | 2026

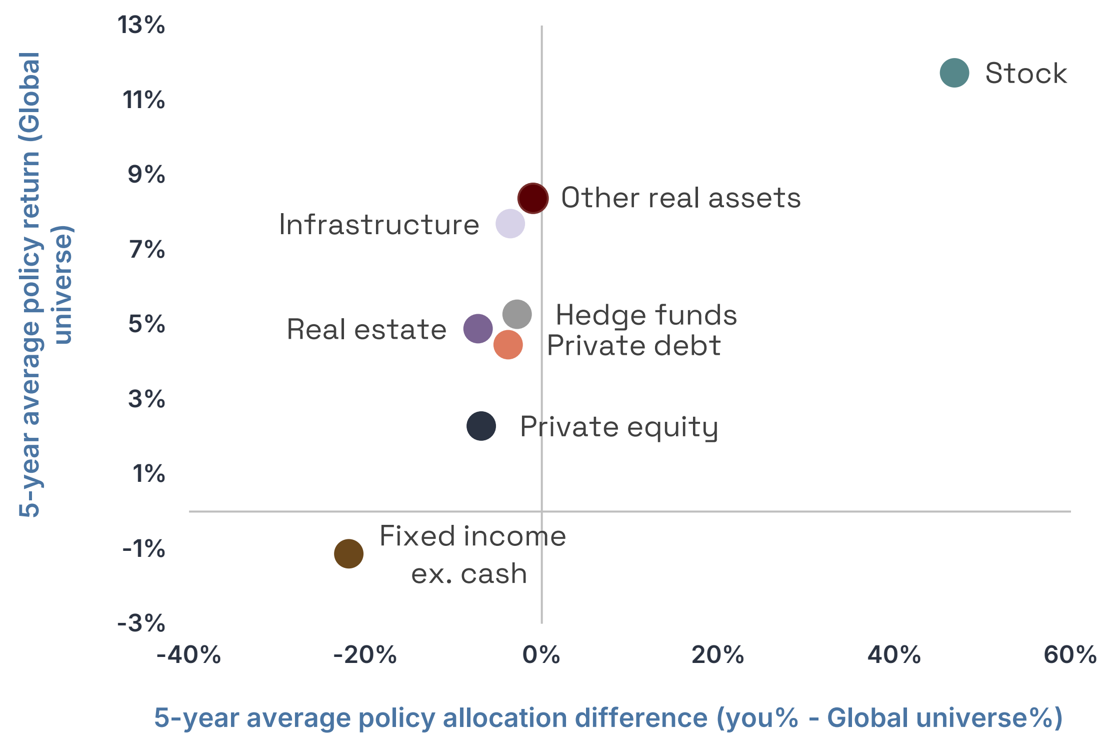
Your policy asset mix allocates 47% more to stock and 22% less to fixed income ex. cash than the average Global fund.



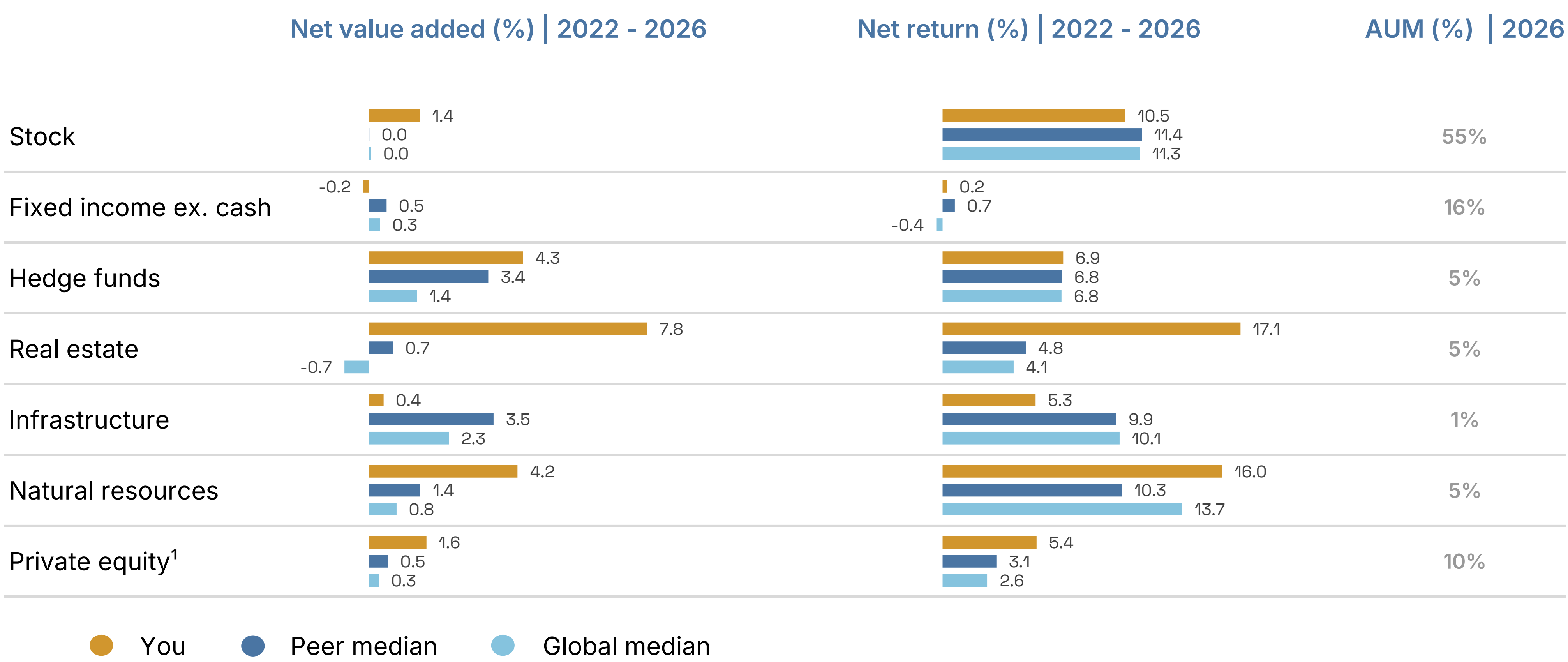
Contribution of asset classes to your fund's policy return position | 2022 - 2026

Your higher allocation to Stock increased your policy return relative to the universe, due to its stronger performance than the average asset class.

To enable fairer comparisons, the private equity benchmarks of all participants, including your fund were adjusted to reflect lagged, investable, public-market indices.

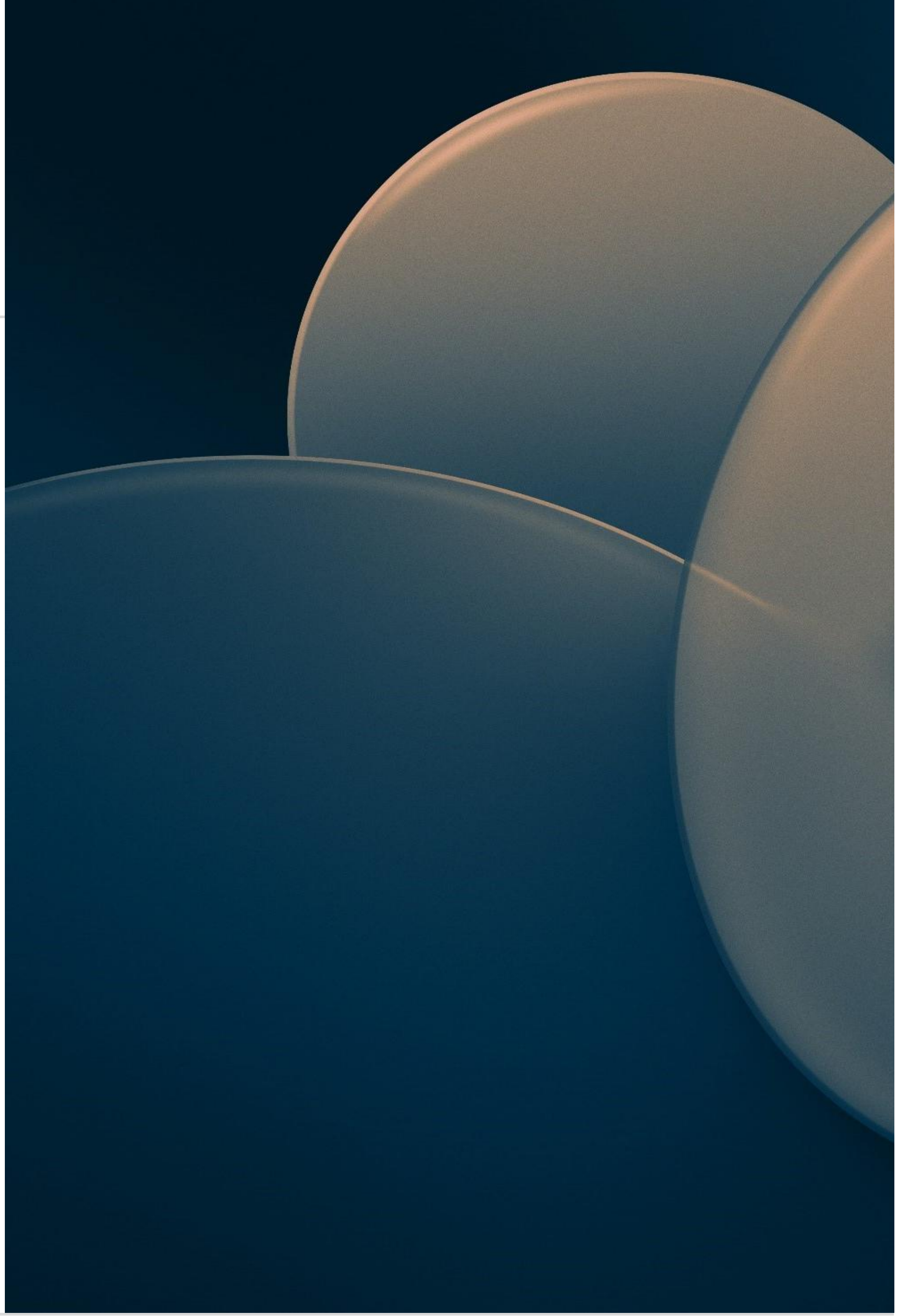


Real estate and hedge funds were your highest net value added asset classes over the last 5 years.



1. To enable fairer comparisons, the private equity benchmarks of all participants, including your fund were adjusted to reflect lagged, investable, public-market indices.

Your 20-year net value added of 1.4% compares to a peer median of 0.3% and a Global median of 0.3%.



20-year return, net of all investment costs

	You	Median
Peer	9.2%	6.7%
Univ	9.2%	6.8%

20-year policy return

	You	Median
Peer	7.8%	5.9%
Univ	7.8%	6.7%

20-year net value added[1]

	You	Median
Peer	1.4%	0.3%
Univ	1.4%	0.3%

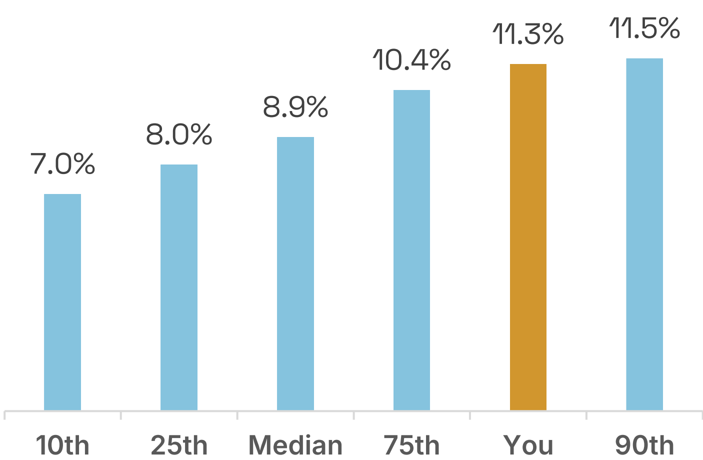
1. To enable fairer comparisons, the value added for each participant was adjusted to reflect private equity benchmarks based on investable public market indices.

Your asset risk of 11.3% was above the Global Universe median of 8.9%.

Asset risk (%) | 2026

Your asset risk of 11.3% was above the Global Universe median of 8.9%.

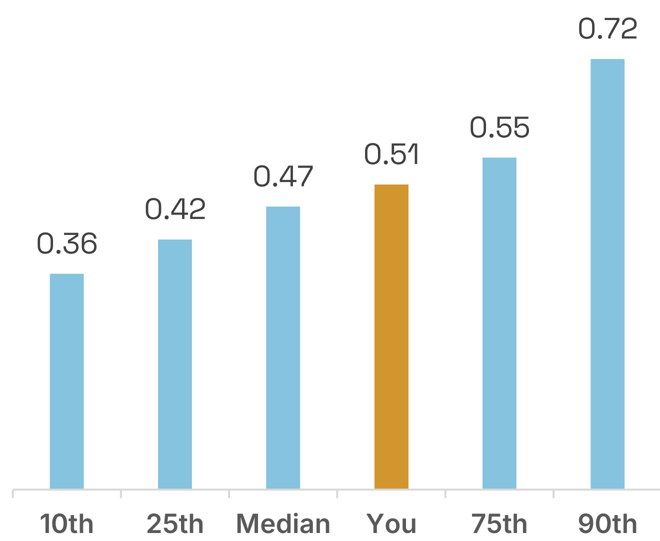
Asset risk is the standard deviation of your policy return. It is based on the historical variance of, and covariance between, the asset classes in your policy mix; standardized for all participants in the CEM database.



Realized Sharpe ratio | 20-year ending 2026

Your realized Sharpe ratio of 0.51 was above the Global Universe median of 0.47.

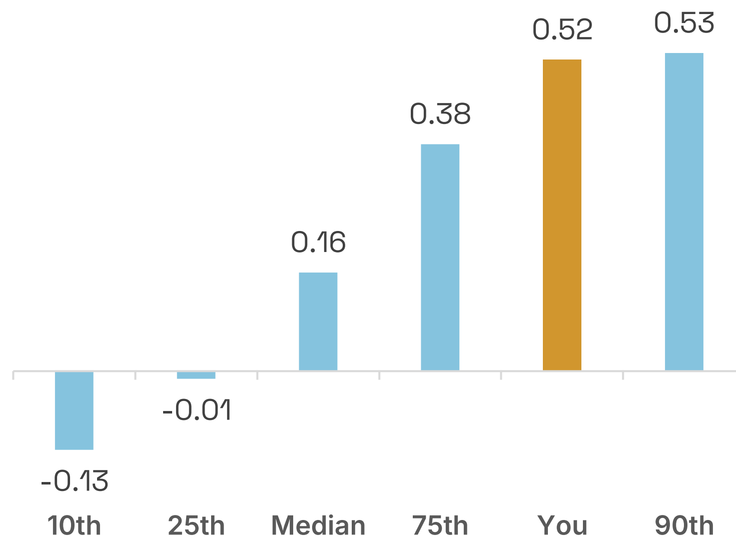
Realized Sharpe ratio is the historical excess return of your portfolio per unit of total risk. It is a function of the actual annual returns generated above the risk-free rate and the realized standard deviation of those annual returns over the 20-year observation period.



Information ratio | 20-year ending 2026

Your realized information ratio of 0.52 was above the Global Universe median of 0.16.

Information ratio is a measure of your active return compared to its tracking error. Active return is the difference between your net return and policy return, also known as your net value added. Tracking error is the volatility or standard deviation of your net value added.



Community & Database research insights

Performance Benchmarks

This year, we share insights on Performance Benchmarks, courtesy of the Canadian DB Investment & Operations Community. The insights matter because:

- Performance benchmarks often reflect legacy decisions, not strategy.
- Performance benchmarks shape outcomes, compensation, and risk, but processes lack transparency.

CEM Communities

CEM's Communities bring people together from similar organizations, with similar functions and challenges. Together, they form collaborative research platforms enabling them to share insights, address common challenges and exchange best practices.

RESEARCH INSIGHTS

Which benchmarks matter at the total fund level?

Funds can be categorized into three groups based on how they prioritize their Strategic Asset Allocation (SAA) benchmark.

01.

SAA Dominant

These funds treat their SAA as the primary benchmark for evaluating total fund performance. They may track long-term return objectives as a secondary reference point.

Direct link to incentives: Funds often use SAA performance to determine staff compensation across relevant roles.

Codified and reported: The SAA benchmark often appears in the investment policy statement and public reporting.

02.

SAA Coequal

These funds use the SAA alongside other benchmarks, assigning each comparable weight in performance assessments. Common reference points include CPI+ targets, long-term return assumptions, and liability-based benchmarks.

Mixed approach to incentives: Funds may link compensation to multiple benchmarks (e.g., long-term return targets, the SAA, or a combination of both).Tied incentives may capture staff focus even if other benchmarks drive evaluation.

03.

SAA Subordinate

These funds rely more heavily on other benchmarks (e.g., return objectives and liability-driven metrics) while treating SAA as a secondary reference point.

Mixed approach to incentives: Staff may be compensated based on non-SAA benchmarks even if SAA appears in planning documents.

SAA still in use: While not primary, SAA is often retained to support internal alignment, discipline, and long-term strategy tracking.

RESEARCH INSIGHTS

How do funds tailor benchmarks across asset classes?

The amount of customization of a given benchmark is less predicted by the asset class and more by the asset owner's approach to benchmarking.

01.

Engineers

These funds systematically adjust SAA benchmarks across multiple criteria. Adjustments reflect a structured approach. High use of strategy, region, and currency alignment.

Private equity example: 40% S&P 500 Index (USD/EUR hedged) 90 days lagged + 2% p.a.; 25% Stoxx Europe 600 Index (currency hedged) 90 days lagged + 2% p.a.; 10% MSCI AC Asia ex Japan Index (currency hedged) 90 days lagged + 2% p.a.; 25% fixed 7% p.a.

02.

Tailors

These funds tailor SAA benchmarks for select criteria, often tied to specific exposures, views, or operational preferences. Moderate use of criteria, typically focused on region and strategy.

Private equity example: Russell 3000 + 3%

03.

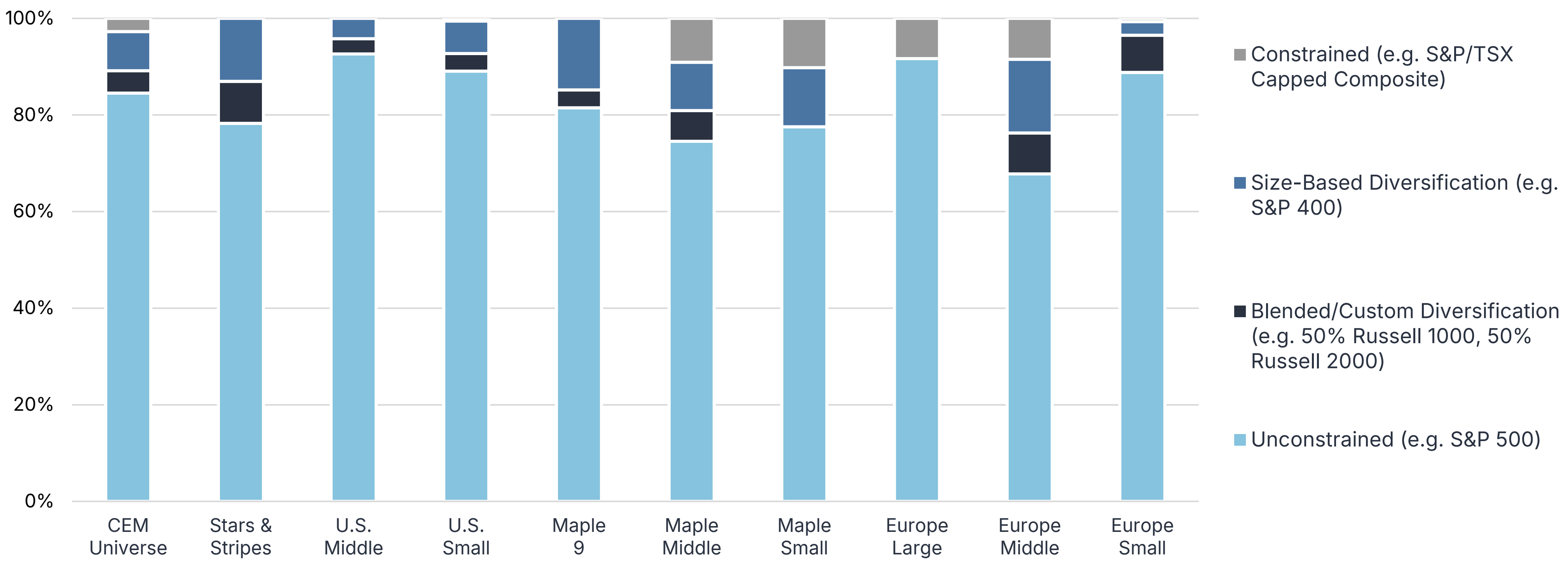
Minimalists

Apply few or no benchmark adjustments, relying on standard, broad market weight indices. Performance attribution may be sophisticated, with a high-level benchmark representing the total investable universe.

Private equity example: MSCI World Small Cap Index

How do funds manage concentration risk with benchmarks?

Concentration Controls in Public Equity Market Benchmarks, 2024

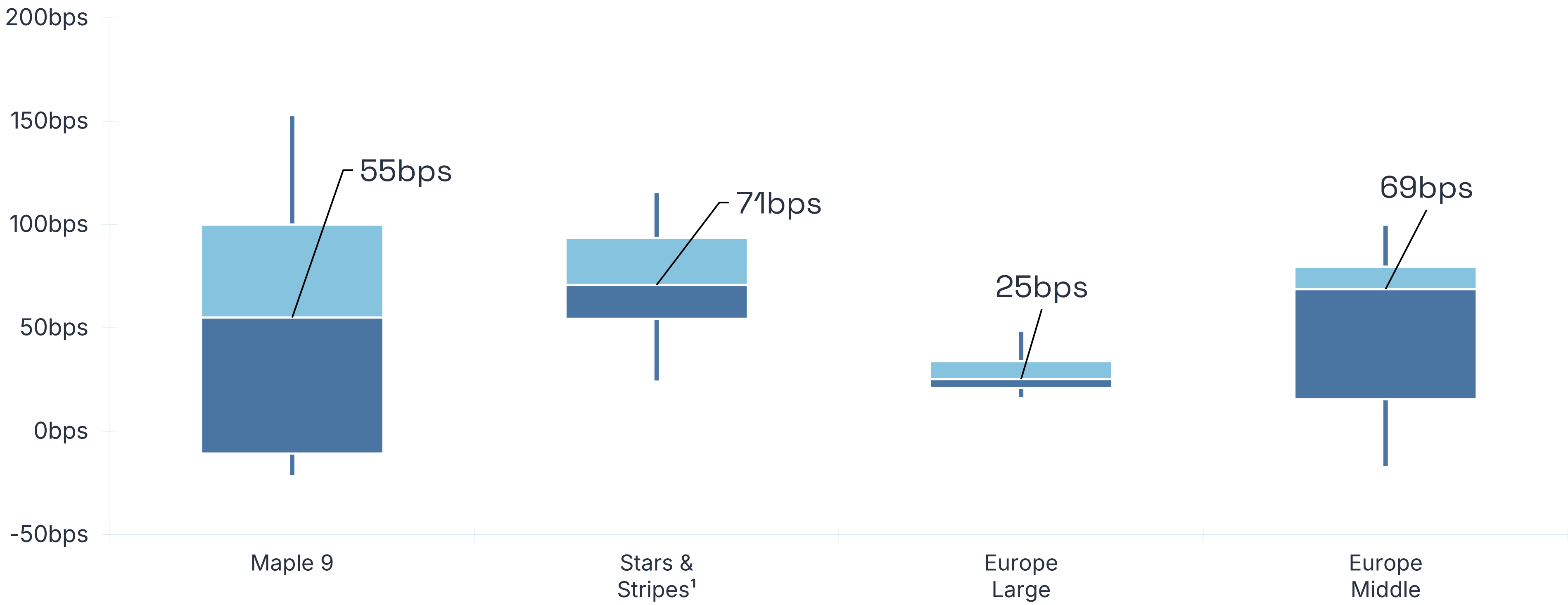


Source: Stars and Stripes 2026: Performance Benchmark Application by Large Public Pension Plans in the United States

Stars & Stripes is a CEM community of large U.S. public pension plans.

Long-term performance: Global average 10-year value added was 21 bps from 2015-2024

10-year net value added (2015 - 2024)

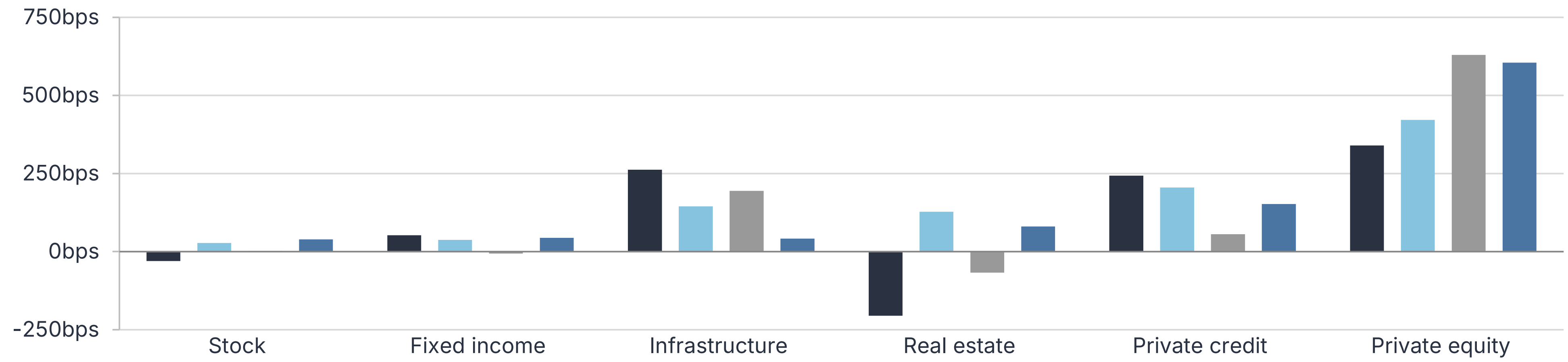


Source: CEM Investment Benchmarking Database (As at Nov 30, 2025)

1. Stars & Stripes is a CEM community of large U.S. public pension plans.

Sources of 10-year NVA by asset class.

10-year net value added (2015 - 2024)



	Stock	Fixed income	Infrastructure	Real estate	Private credit	Private equity
Maple 9	-31bps	52bps	262bps	-205bps	243bps	340bps
Stars & Stripes[1]	28bps	38bps	145bps	128bps	205bps	422bps
Europe Large	2bps	-6bps	195bps	-68bps	56bps	630bps
Europe Middle	40bps	44bps	42bps	80bps	153bps	605bps

Source: CEM Investment Benchmarking Database (As at Nov 30, 2025)

1. Stars & Stripes is a CEM community of large U.S. public pension plans.

New Zealand Superannuation Fund

DB Investment Benchmarking Subscription

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MANAGEMENT INSIGHT REPORT
August 2026