Minutes

A meeting of the Investment Advisory Committee of the Virginia Retirement System was held on August 12, 2026 with the following members present:

Larry Kochard
Eric Baggesen
Theodore Economou, joined remotely under § 2.2-3708.3(B)(3)
Palmer Garson
Thomas Gayner
Nancy Leake (joined at 9:04 a.m.)
Bryan Lewis
Rod Smyth
Hance West

The following Board members were present:

Susan Gooden
John Bennett (remote)
Clifford Foster
Jessica Hood
William Leighty

The following staff members were in attendance:

Trish Bishop, Andrew Junkin, Chung Ma, Stephen Adelaar, Advait Apte, Parham Behrooz, Brock Bell, Lee Buchanan, Caroline Caldwell, Ryan Carlson, Warren Chang, Perry Corsello, David Cotter, Sara Denson, Valerie Disanto, Curtis Doughtie, Kenji Epling, Laurie Fennell, Laura Fields, Antonio Fisher, Katherine Grawe, JT Grier, Mehtab Haleem, Greg Hines, Dane Honrado, K.C. Howell, Wendy Jenkins, Robert Irving, Ross Kasarda, Kristina Koutrakos, Mengting Kim, Matt Lacy, Vu Le, Daniel Lipock, Jennifer MacKnight, Kidus Molla, Scott Mootz, Peter Murphy, Walker Noland, Greg Oliff, Laura Pugliese, Garret Rhodes, Greg Salvati, Daniel Schlussler, Michael Scott, Joe Shaver, Trib Singh, Richard Slate, Virginia Sowers, Nathan Thomas, Korey Turner, Dan Whitlock, and Steve Woodall.

Also in attendance was John Kevin Balaod of With Intelligence, Doston Bradley of Cerberus Capital, Antoine Chambers of HumanBiology.org, Thomas Cosmer of MetLife, Bill Elcock and Tayler Kent of Wellington Management, Alex Jannson of JLARC, Mitchell King and Haley Messick of Blackrock, Andrew Putt of Lifestyle Sovereign Partners, and Michael Siciliano of Principal.

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Mr. Kochard called the meeting to order at 9:00 a.m.

Mr. Kochard took a roll call of each Committee member for attendance purposes:

Mr. Baggesen - present
Mr. Economou – present
Ms. Garson – present
Mr. Gayner - present
Ms. Leake – not present (joined after roll call)
Mr. Lewis – present
Mr. Smyth – present
Mr. West – present
Mr. Kochard – present

Mr. Kochard reminded attendees that no public comments will be received by the IAC at this meeting. Any member of the audience who disrupts the meeting and is unwilling to comply with the Committee's rules related to the conduct of its business will be asked to leave the room. The IAC encourages any member of the public who wishes to submit comments to do so in writing. All written comments submitted to the IAC will be reviewed by the Committee, Board or VRS staff, as appropriate.

Minutes

A motion was made by Mr. Smyth seconded by Mr. Gayner to approve the minutes from the April 8, 2026 Committee meeting. The motion was unanimously approved.

CIO Report

Mr. Junkin began his report with a market overview. Mr. Junkin then discussed the total fund performance and asset allocation. Last, Mr. Junkin reviewed the New Investments and Terminations Report.

Portfolio Solutions Group

Mr. Ma provided a review of the Portfolio Solutions Group. Review topics included an overview of the program, the team, and markets.

Mr. Mootz provided a review of Risk Management at VRS. Review topics included an overview of the team, importance of risk management, the VRS approach to risk management, and forward-looking risk estimates.

Mr. Bell provided a review of Portfolio Integration and Treasury. Review topics included an overview of the team, leverage deployment, current

funding channels, future funding sources, funding optimization, Treasury enhancements, and Treasury initiatives in progress.

Mr. Kasarda and Ms. Koutrakos provided a review of the Diversifying Strategies program. Review topics included an overview of the team, the role of Diversifying Strategies, portfolio construction framework, evolution of the program, program results, and future plans.

Ms. Grawe provided a review of the Exposure Management Portfolio. Review topics included an overview of the objectives, process review, performance, and looking ahead.

Forward Returns and Scenario Analysis

Mr. Ma provided a review of forward returns including state plans and external forward returns, and long-term VRS forward returns. Mr. Ma introduced Ms. Denson to assist in discussing various scenario analyses including a review of confidence bands and economic scenarios, specifically baseline, stagflation, fiscal dominance, and AI productivity scenarios.

The Committee members engaged in general discussion throughout the reviews provided.

Adjournment

Mr. Gayner made a motion to adjourn the meeting. Mr. West seconded the motion. Mr. Kochard asked for the Committee members to vote on the motion, and the motion was unanimously approved.

The meeting was adjourned at 11:52 a.m.



Larry Kochard, Chairperson