



Shapes

Oklahoma Public Employees Retirement System

Annual Comprehensive Financial Report

For the fiscal years ended June 30, 2024 and June 30, 2025
A Component Unit of the State of Oklahoma.



Shapes

In our earliest years of childhood, we begin to recognize simple shapes: square, triangle and circle. As we grow, these forms take on dimension and purpose: cubes stack to build structures, pyramids provide enduring stability, and spheres roll to create motion. Later we discover that shape is more than its number of sides; it can have a subtle distinction like the difference between an oval and egg-shape.

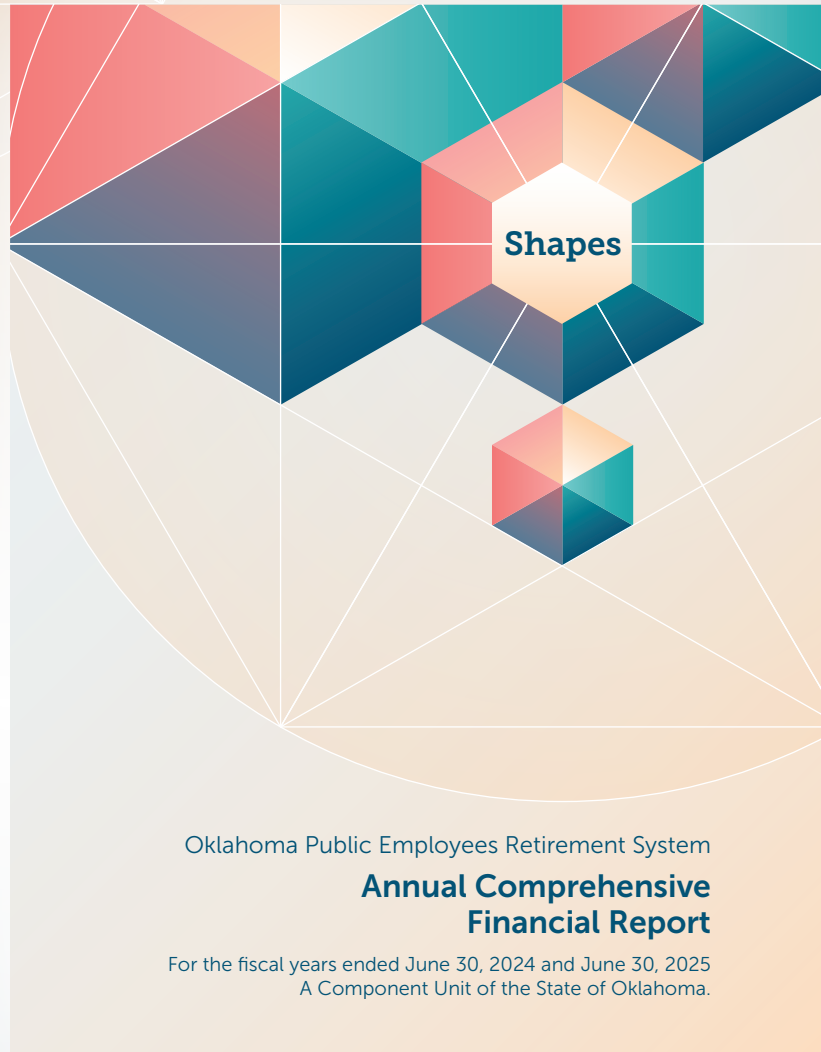
The word “shape” eventually escapes the boundaries of form. It enters our language in more figurative ways, describing condition and aspiration. Shape becomes a way to talk about strength, order and setting direction.

In this year’s Annual Comprehensive Financial Report (ACFR), we highlight five facets of the word “shape,” both apparent and symbolic. We begin with foundational concepts and move toward meanings of well-being, discipline and carving a path forward. With each of these aspects we reveal correlations to components of retirement planning.

Each year, OPERS produces the ACFR to give an account of the current shape of the retirement system. We discuss its form and structure, financial health, organization order, and direction for the future. OPERS remains committed to maintaining a financially strong, resilient and dependable system - one that is in good shape, so every member can achieve a secure and lasting retirement.



OKLAHOMA



This report was prepared by the Finance, Investment and Communications Departments of the Oklahoma Public Employees Retirement System.

This publication is issued by the Oklahoma Public Employees Retirement System as authorized by its Executive Director. Copies have not been printed but are available through the agency website. An electronic version of this publication has been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.

2025 Annual Comprehensive Financial Report

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Geometric shape

In its most basic context, shapes are mathematically defined forms like squares or circles. We recognize shapes by their lines, angles and curves. Much like understanding the shape of an object helps us grasp how it fits into our world, knowing the features of your retirement plan helps us picture how it fits in your future.

Introduction

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Letter of Transmittal

Oklahoma Public Employees Retirement System

P.O. Box 53007
Oklahoma City, Oklahoma 73152-3077

800.733.9008 toll-free
405.848.5946 fax

November 20, 2025

To the Board of Trustees and Members of the Oklahoma Public Employees Retirement System:

State law requires that, after July 1 and before December 1 of each year, the Oklahoma Public Employees Retirement System (the System) publish an annual report that covers the operation of the System during the past fiscal year, including income, disbursements and the financial condition at the end of the fiscal year. This report is published, in part, to fulfill that requirement for the fiscal year ended June 30, 2025.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Eide Bailly LLP, Certified Public Accountants, has issued an unmodified opinion on the Oklahoma Public Employees Retirement Plan's statement of fiduciary net position as of June 30, 2025, and the related statement of changes in fiduciary net position for the year then ended. The independent auditor's report is located at the front of the Financial Section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the System

The System is a multiple-employer, cost-sharing public employee retirement plan, which is a defined benefit pension plan. It covers substantially all employees of the State of Oklahoma (the State) except those covered by seven other plans sponsored by the State and also covers employees of participating counties and local agencies. Nearly all new state employees first employed by a System participating employer on or after November 1, 2015, will participate in the State's Pathfinder defined contribution plan. Therefore, the System is closed to nearly all new State employees but remains open to new employees of participating counties and local agencies. The employee and employer contribution rates for each member category are established by the Oklahoma Legislature after recommendation by the System's Board of Trustees based on an actuarial calculation which is performed to determine the adequacy of such contribution rates.

Members qualify for full retirement benefits at their specified normal retirement age or, depending upon when they became members, when the sum of the member's age and years of credited service equals 80 or 90. Generally, benefits for state, county, and local agency employees are determined at 2% of the average salary, as defined, multiplied by the number

Letter of Transmittal (continued)

of years of credited service. Members may elect to pay an additional contribution rate to receive benefits using a 2.5% factor for each full year the additional contributions are made. Separate benefit calculations are in effect for elected officials and hazardous duty members.

The System also administers the Health Insurance Subsidy Plan (HISP), a cost-sharing multiple-employer defined benefit other post-employment benefit (OPEB) plan that provides OPEB covering the same categories of employees covered by the pension plan. HISP provides a health insurance premium subsidy for retirees of the System who elect to maintain health insurance with the Oklahoma Employees Group Insurance Division (EGID) or other qualified insurance plan provided by the employer. This subsidy continues until the retiree terminates health insurance coverage with EGID or other qualified plan, or until death. The subsidy is only for the retiree, not joint annuitants or beneficiaries.

The Board of Trustees of the System consists of fourteen appointed members, some by position and some by appointment. Those serving through position are a member of the Corporation Commission or the Commission's designee selected by the Commission, the Director of the Office of Management and Enterprise Services or the Director's designee, the State Insurance Commissioner or the Commissioner's designee, the Director of Human Capital Management of the Office of Management and Enterprise Services, a member of the Tax Commission selected by the Tax Commission, and the State Treasurer or the Treasurer's designee. Of the remaining members, three are appointed by the Governor, one is appointed by the Supreme Court, two are appointed by the Speaker of the House of Representatives and two are appointed by the President Pro Tempore of the Senate. Qualifications for certain of these appointees include a balance of individuals having experience in investment management, pension management, public fund management, the banking profession or a licensed attorney or a licensed accountant.

Each year, OPERS, along with other state agencies, is required to file a budget work program with the Office of Management and Enterprise Services. This work program, as approved by the Board of Trustees, must include a description of all funds available for expenditure and show spending by major program category. OPERS receives no state appropriations and is funded through employee and employer contributions and investment earnings.

Additionally, in each even-numbered year, OPERS, along with other state agencies, must file a strategic plan covering five fiscal years beginning with the next odd-numbered fiscal year. The strategic plan includes a mission statement, the core values and behaviors inherent to operations, and a summary of goals and objectives to be achieved through specific projects outlined for the five-year period. The mission of the OPERS Board and staff is to provide and promote comprehensive, accountable and financially sound retirement services to Oklahoma's public servants in a professional, efficient and courteous manner. The core values and behaviors inherent to the agency's operations are honesty and integrity; excellence in customer experience; quality in service delivery; collaboration and community; and strategic perspective. The summary of goals and objectives outlined in the strategic plan are:

- Create an excellent customer experience for members
- Improve the stability, reliability and security of agency resources and data
- Enhance digital resources to streamline service delivery
- Empower employees and members through knowledge and resources
- Foster a culture of employee development and success

Investments

The standard for OPERS in making investments is to exercise the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character, unless under the circumstances it is clearly prudent not to do so. OPERS' funds are invested solely in the best interest of the members and beneficiaries with the goal of keeping administrative expenses as low as practical. The Board has established an investment policy and guidelines that identify asset allocation as

Letter of Transmittal (continued)

the key determinant of return and risk. Diversification, both by and within asset classes, is the primary risk control element in the portfolio. Passive funds are considered to be suitable investment strategies, especially in highly efficient markets.

The Board engages outside investment managers to manage the various asset classes where OPERS has exposure. At fiscal year end, the investment portfolio of OPERS was actively managed by three fixed income managers, six domestic equity managers and two international equity managers. OPERS' investment portfolio also consisted of passively managed index funds, including one fixed income index fund, two domestic equity index funds and two international equity index funds.

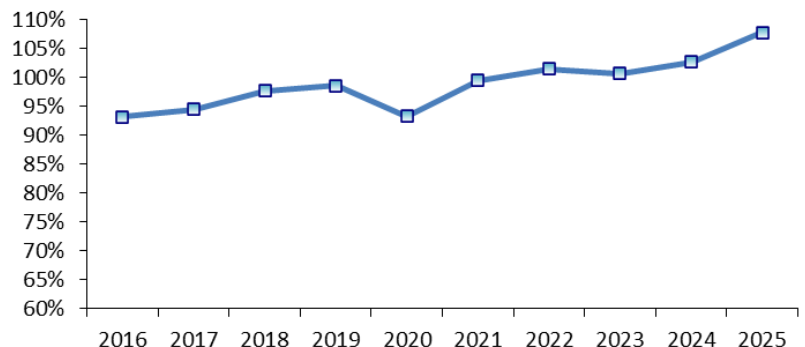
Included in the Investment Section of this report are a summary of the Investment Portfolio by Type and Manager and a comparison of the above amounts to the target allocations, as shown in the Asset Comparison chart. For fiscal year 2025 investments provided a return of 12.5 percent. The annualized rate of return for OPERS as of June 30, 2025 was 12.1 percent over the last three years and 9.0 percent over the last five years.

Funding

A pension fund is well funded when it has enough money in reserve to meet all expected future obligations to participants. It must also have a revenue source sufficient to keep up with future obligations. The funding objective for OPERS is to meet long-term benefit promises through contributions that remain approximately level as a percent of member payroll. The greater the level of funding, the larger the ratio of assets accumulated to the actuarial accrued liability and the greater the level of investment potential. The advantage of a well-funded plan is that the participants can look at assets that are committed to the payment of benefits. The actuarial accrued liability and actuarial value of assets of OPERS as of July 1, 2025, amounted to \$11.8 billion and \$12.7 billion respectively.

As of July 01, 2025, the OPERS funded status stands at 107.8 percent. In 2011, the funded ratio significantly increased from 66 percent to 80.7 percent primarily due to the removal of the cost-of-living-adjustment (COLA) assumption. Should funding of future COLAs be provided by the System, the COLA assumption may need to be reinstated which would lower the funded ratio. By July 1, 2015, the funded status had further improved to 93.6%. This positive trend was driven by legislative efforts to address the system's long-term sustainability. One key measure was the increase in the employer contribution rate by 1.5 percent effective July 1, 2005. In subsequent years, this contribution rate was incrementally increased by 1 percent annually (with one exception in 2011) until it reached 16.5 percent on July 1, 2012, where it has remained. The Legislature has provided a statutory requirement that retirement bills be analyzed for actuarial fiscal impact and contain adequate funding sources sufficient to pay the cost of the change. A detailed discussion of funding is provided in the Actuarial Section of this report.

Funded Ratio



Letter of Transmittal (continued)

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Oklahoma Public Employees Retirement System for its annual comprehensive financial report for the fiscal year ended June 30, 2024. This was the twenty-eighth year OPERS has received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report that satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to conform to the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the Oklahoma Public Employees Retirement System was awarded the Public Pension Standards Award by the Public Pension Coordinating Council, a confederation of the National Association of State Retirement Administrators, the National Conference on Public Employee Retirement Systems, and the National Council on Teacher Retirement. This award is in recognition of meeting professional standards for plan funding and administration as set forth in the Public Pension Standards.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of OPERS. We wish to express our appreciation to all staff members who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Trustees for their unfailing support for maintaining the highest standards of professionalism in the financial management of the Oklahoma Public Employees Retirement System.

Respectfully submitted,

Joseph A. Fox
Executive Director

Brian Wolf
Chief Financial Officer and Director of Finance

Chairperson's Letter

Oklahoma Public Employees Retirement System

P.O. Box 53007
Oklahoma City, Oklahoma 73152-3007

800.733.7008 toll-free
405.848.5946 fax

November 20, 2025

Dear OPERS Members:

On behalf of the Board of Trustees of the Oklahoma Public Employees Retirement System (OPERS), I am pleased to present the Annual Comprehensive Financial Report for the fiscal year ending June 30, 2025.

This report is designed to provide a detailed look at the financial, investment and actuarial aspects of OPERS, which continues to be a strong retirement system.

You are encouraged to carefully review this report, as it contains a wealth of information about your retirement system. If you have questions or comments, please feel free to contact us. We can be reached at P.O. Box 53007, Oklahoma City, Oklahoma 73152-3007. Our telephone number is 405-858-6737 (or toll-free 1-800-733-9008).

I also want to thank the OPERS staff for their diligent work in preparing this report and their commitment to continually improve the administrative operations of OPERS.

Sincerely,

Grant Soderberg
Chairperson

BOARD OF TRUSTEES



Grant Soderberg, Chair
Appointee, Governor



Andy Schallhorn, Vice Chair
Designee, State Insurance
Commissioner



Lynne Bajema
Appointee, President Pro
Tempore of the Senate



Stephen Baldridge
Appointee, Governor



Brian Bingman
Corporation Commissioner



Andrew Boyd
Appointee, Governor



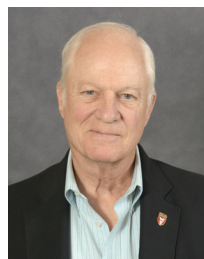
Matthew Lafon
Designee, Director of the
Office of Management and
Enterprise Services



Diana O'Neal
Appointee, Supreme Court



Shelly Paulk
Oklahoma Tax Commission



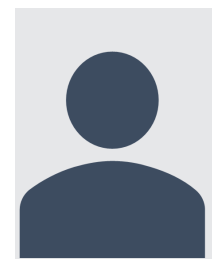
Edward Peterson
Appointee, President Pro
Tempore of the Senate



Emily Roberson
Director of Human Capital
Management of the Office of
Management and Enterprise Services

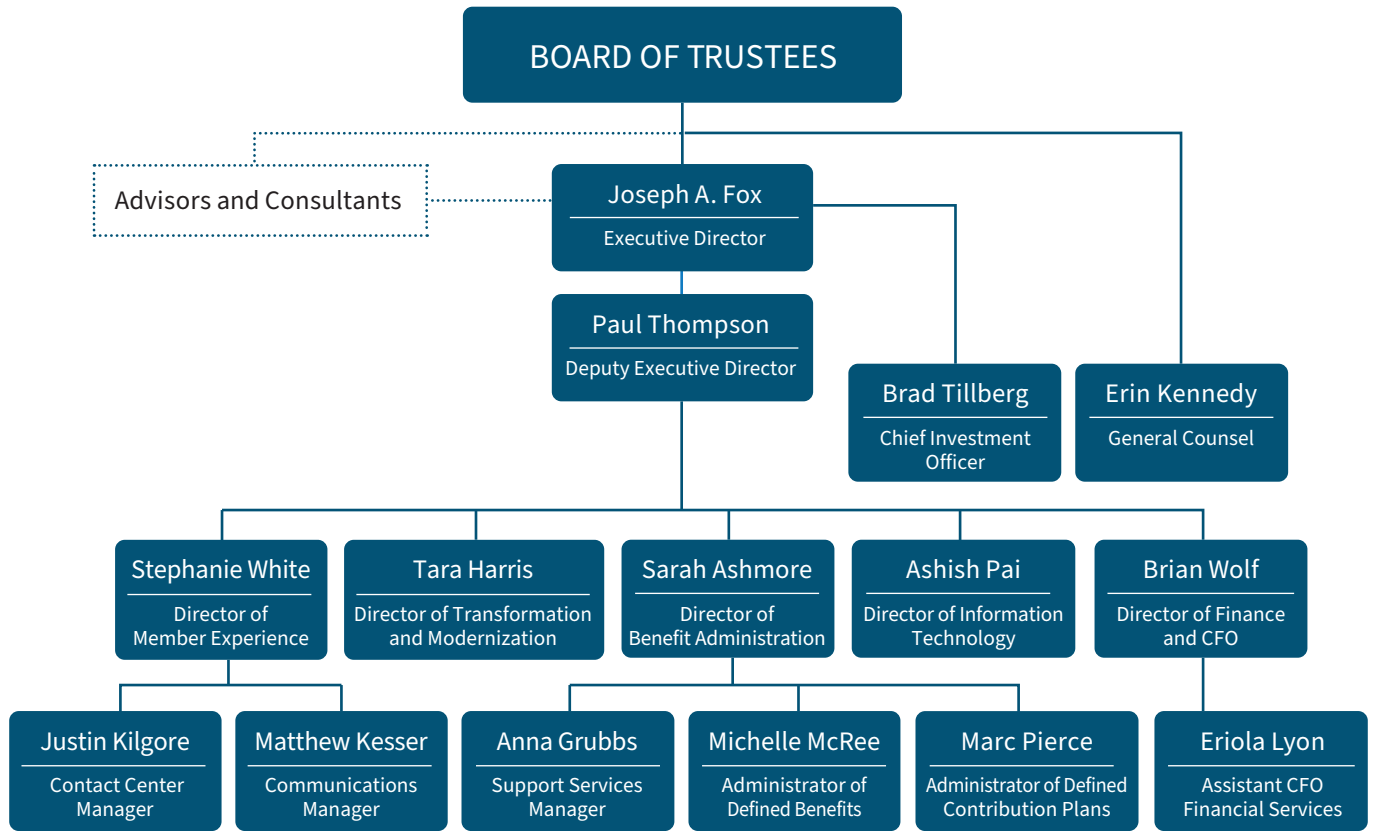


Todd Russ
State Treasurer



Jason Sutton
Appointee, Speaker of the
House of Representatives

ORGANIZATIONAL STRUCTURE



ADVISORS AND CONSULTANTS

Master Custodian

The Northern Trust Company
Chicago, Illinois

Investment Consultant

Verus Advisory, Inc.
Seattle, Washington

Independent Auditors

Eide Bailly LLP
Oklahoma City, Oklahoma

Actuarial Consultant

CavMac
Kennesaw, Georgia

Internal Auditors

Finley & Cook PLLC
Shawnee, Oklahoma

*The Schedules of Investment Expenses and Stock Brokerage Commissions Paid in the Investment Section (pages 82 and 83) and the Schedule of Professional/Consultant Fees in the Financial Section (page 62) provide more information regarding advisors and consultants for the pension plan and OPEB plan.



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

Oklahoma Public Employees Retirement System

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO



Public Pension Coordinating Council

***Public Pension Standards Award
For Funding and Administration
2025***

Presented to

Oklahoma Public Employees' Retirement System

In recognition of meeting professional standards for
plan funding and administration as
set forth in the Public Pension Standards.

Presented by the Public Pension Coordinating Council, a confederation of

National Association of State Retirement Administrators (NASRA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)

A handwritten signature in black ink, reading 'Robert A. Wylie'. The signature is fluid and cursive, with the first name 'Robert' and last name 'Wylie' clearly distinguishable.

Robert A. Wylie
Program Administrator

Structural shape

Form meets function. Structural shapes are designed for what they do. An I-beam or arch provides strength and stability; rectangular blocks offer a cost-effective way to build upward; a ball rolls smoothly in any direction. These shapes serve purpose through design, just as your retirement plan should be crafted to provide strength, flexibility and support for the future you are building.

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Independent Auditor's Report

To the Board of Trustees
Oklahoma Public Employees Retirement System
Oklahoma City, Oklahoma

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the pension and health insurance subsidy plan (HISP) funds of the Oklahoma Public Employees Retirement System (the System), a component unit of the State of Oklahoma, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements which collectively comprise the System's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of Oklahoma Public Employees Retirement System as of June 30, 2025 and 2024, and the respective changes in financial positions for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

The financial statements present only the Oklahoma Public Employees Retirement System and do not purport to, and do not present fairly, the financial position of the State of Oklahoma, as of June 30, 2025 and 2024, and the changes in its financial position for the years then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Oklahoma Public Employees Retirement System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Oklahoma Public Employees Retirement System's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as referenced within the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the System's basic financial statements. The other supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements.

The other supplementary information accompanying financial information listed as other supplementary information, as referenced within the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying financial information listed as supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory, investment, actuarial and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

The signature of Eide Bailly LLP is written in a cursive, handwritten style.

Oklahoma City, Oklahoma
October 7, 2025

Management's Discussion and Analysis (Unaudited)

As management of the Oklahoma Public Employees Retirement System (the System), we offer readers of the System's financial statements this narrative overview and analysis of the financial activities of the System for the fiscal years ended June 30, 2025, 2024, and 2023.

Financial Highlights

- As of June 30, 2025, the net position restricted for the Pension and Health Insurance Subsidy Plan (HISP) totaled just under \$13.4 billion, compared to \$12.2 billion at June 30, 2024, and \$11.2 billion at June 30, 2023. The \$1.2 billion increase from the prior year was primarily driven by a stronger market. The net position is available to fund monthly retirement benefits and other qualified distributions to participants in the System. US Equity and International Equity experienced significant gains in fiscal year (FY) 2025, contributing to an increase in net investment income. This led to continued growth in the net position restricted for pension and HISP benefits, consistent with the previous year, which saw a 12.8% increase in net investment income during FY2024.
- As of June 30, 2025, the total membership in the system declined by 1.0%, continuing the trend of prior years – a decrease of 0.7% in 2024 and 0.9% in 2023. Membership totaled 71,120 at June 30, 2025, 71,839 at June 30, 2024, and 72,331 at June 30, 2023. The number of retirees rose by 0.3% as of June 30, 2025 following a 0.4% increase in 2024 and 0.7% in 2023. The total retirees count was 37,159 at June 30, 2025, 37,041 at June 30, 2024, and 36,899 at June 30, 2023.

Overview of the Financial Statements

The System is a multiple-employer, cost-sharing public employee retirement plan, which is a defined benefit pension plan. The System covers substantially all employees of the state of Oklahoma (the State) except those covered by seven other plans sponsored by the State. The System also covers employees of participating counties and local agencies.

Nearly all state employees first employed by a System participating employer on or after November 1, 2015 are participating in the State's defined contribution plan. Therefore, the System is closed to nearly all new State employees but remains open to new employees of participating counties and local agencies.

For most of the System's members, benefits are determined at 2% of the average highest thirty-six months' annual covered compensation multiplied by the number of years of credited service. Members qualify for full retirement benefits at their specified normal retirement age or as adjusted by the provisions of the Oklahoma Statutes as further explained in the notes to the basic financial statements (refer to the note 3(b)).

The System also includes a multiple-employer, cost-sharing public employee other post-employment benefit plan, which is a defined benefit plan. This plan is called the Health Insurance Subsidy Plan (HISP), and it provides a health insurance premium subsidy for retirees of the System who elect to maintain health insurance with the Oklahoma Employees Group Insurance Division (EGID) or other qualified insurance plan provided by the employer. This subsidy continues until the retiree terminates health insurance coverage with EGID or other qualified plan, or until death. The subsidy is only for the retiree, not joint annuitants or beneficiaries.

Management's Discussion and Analysis (continued) (Unaudited)

The System's financial statements are comprised of the Statements of Fiduciary Net Position and Statements of Changes in Fiduciary Net Position for both the pension and HISP, and Notes to Financial Statements. Also included are certain required supplementary information and supplementary information for both the pension and HISP.

The System is administered by the Oklahoma Public Employees Retirement System, a component unit of the State, which together with other similar funds comprise the fiduciary-pension and HISP trust funds of the State.

The *Statements of Fiduciary Net Position* present information on the System's assets, liabilities and the resulting net position restricted for pension and net position restricted for HISP. These statements reflect the System's investments, at fair value, along with cash and cash equivalents, receivables, and other assets and liabilities.

The *Statements of Changes in Fiduciary Net Position* presents information showing how the System's net position restricted for pension and HISP changed during the years ended June 30, 2025 and 2024. It reflects contributions by members and participating employers along with deductions for retirement benefits, refunds and withdrawals, and administrative expenses. Investment income during the period is also presented showing income from investing and securities lending activities.

The *Notes to Financial Statements* provide additional information that is essential to a full understanding of the data provided in the financial statements.

The *Required Supplementary Information* presents a schedule of changes in the net pension (asset) liability, schedule of pension employer contributions, schedules of money-weighted rate of return on pension plan investments, schedule of changes in the net HISP (asset) liability, schedule of HISP employer contributions, and schedules of money-weighted rate of return on HISP investments. Schedules of certain expenses and fees paid are presented as *supplementary information*.

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT PLAN
Administered by the Oklahoma Public Employees Retirement System

Management's Discussion and Analysis (continued)

(Unaudited)

Financial Analysis

The following are the condensed Schedules of Fiduciary Net Position and Changes in Fiduciary Net Position for the Oklahoma Public Employees Retirement System for the fiscal years ended June 30, 2025, 2024, and 2023.

Condensed Schedules of Fiduciary Net Position
(\$ millions)

| | 2025 | | | 2024 | | | 2023 | | |
|--------------------------------------|--------------------|-----------------|--------------------|--------------------|-----------------|--------------------|--------------------|-----------------|--------------------|
| | Pension | HISP | Combined | Pension | HISP | Combined | Pension | HISP | Combined |
| Assets: | | | | | | | | | |
| Cash and cash equivalents | \$ 184.9 | \$ 9.7 | \$ 194.6 | \$ 443.7 | \$ 13.0 | \$ 456.7 | \$ 112.2 | \$ 8.6 | \$ 120.8 |
| Receivables | 121.8 | 4.7 | 126.5 | 184.4 | 7.4 | 191.8 | 334.3 | 13.3 | 347.6 |
| Investments | 12,986.7 | 515.0 | 13,501.7 | 11,891.6 | 485.3 | 12,376.9 | 10,810.1 | 436.2 | 11,246.3 |
| Securities lending collateral | 284.0 | 11.3 | 295.3 | 313.5 | 12.8 | 326.3 | 334.6 | 13.5 | 348.1 |
| Other assets | 1.0 | - | 1.0 | 0.9 | - | 0.9 | 0.7 | - | 0.7 |
| Total assets | 13,578.4 | 540.7 | 14,119.1 | 12,834.1 | 518.5 | 13,352.6 | 11,591.9 | 471.6 | 12,063.5 |
| Liabilities: | | | | | | | | | |
| Other liabilities | 454.3 | 18.0 | 472.3 | 797.5 | 32.5 | 830.0 | 541.4 | 21.9 | 563.3 |
| Securities lending collateral | 284.0 | 11.3 | 295.3 | 313.5 | 12.8 | 326.3 | 334.6 | 13.5 | 348.1 |
| Total liabilities | 738.3 | 29.3 | 767.6 | 1,111.0 | 45.3 | 1,156.3 | 876.0 | 35.4 | 911.4 |
| Ending fiduciary net position | \$ 12,840.1 | \$ 511.4 | \$ 13,351.5 | \$ 11,723.1 | \$ 473.2 | \$ 12,196.3 | \$ 10,715.9 | \$ 436.2 | \$ 11,152.1 |

Condensed Schedules of Changes in Fiduciary Net Position
(\$ millions)

| | 2025 | | | 2024 | | | 2023 | | |
|---|--------------------|-----------------|--------------------|--------------------|-----------------|--------------------|--------------------|-----------------|--------------------|
| | Pension | HISP | Combined | Pension | HISP | Combined | Pension | HISP | Combined |
| Member contributions | \$ 72.9 | \$ - | \$ 72.9 | \$ 71.5 | \$ - | \$ 71.5 | \$ 68.7 | \$ - | \$ 68.7 |
| State and local agency contributions | 324.7 | 15.5 | 340.2 | 314.8 | 16.0 | 330.8 | 296.2 | 16.8 | 313.0 |
| Net investment income | 1,453.4 | 38.7 | 1,492.1 | 1,344.6 | 37.5 | 1,382.1 | 1,071.7 | 31.0 | 1,102.7 |
| Total additions | 1,851.0 | 54.2 | 1,905.2 | 1,730.9 | 53.5 | 1,784.4 | 1,436.6 | 47.8 | 1,484.4 |
| Retirement, death and survivor benefits | 712.4 | 15.8 | 728.2 | 702.4 | 16.3 | 718.7 | 688.6 | 16.8 | 705.4 |
| Refunds and withdrawals | 14.4 | - | 14.4 | 14.1 | - | 14.1 | 13.1 | - | 13.1 |
| Administrative expenses | 7.2 | 0.2 | 7.4 | 7.2 | 0.2 | 7.4 | 6.5 | 0.2 | 6.7 |
| Total deductions | 734.0 | 16.0 | 750.0 | 723.7 | 16.5 | 740.2 | 708.2 | 17.0 | 725.2 |
| Net increase in fiduciary net position | 1,117.0 | 38.2 | 1,155.2 | 1,007.2 | 37.0 | 1,044.2 | 728.4 | 30.8 | 759.2 |
| Beginning of year | 11,723.1 | 473.2 | 12,196.3 | 10,715.9 | 436.2 | 11,152.1 | 9,987.5 | 405.4 | 10,392.9 |
| End of year | \$ 12,840.1 | \$ 511.4 | \$ 13,351.5 | \$ 11,723.1 | \$ 473.2 | \$ 12,196.3 | \$ 10,715.9 | \$ 436.2 | \$ 11,152.1 |

For the year ending June 30, 2025, fiduciary net position increased by \$1,155.2 million, or 9.5%, from June 30, 2024. Total assets increased by \$766.5 million, or 5.7%, driven by a 9.1% rise in the fair value of investments. The System achieved a rate of return of 12.5% comparable to the previous year's rate of return of 12.7%. Total liabilities decreased \$388.7 million, or 33.6%, primarily due to a 43.1% decrease in pending purchases of securities.

In fiscal year 2025, total additions increased by \$120.8 million, while total deductions rose by \$9.8 million compared to the previous year. The increase in additions was primarily due to a \$110.0 million rise in net investment income. Deductions increased by 1.3% due to a \$9.5 million increase in retirement, death, and survivor benefits.

Management's Discussion and Analysis (continued)

(Unaudited)

For the year ending June 30, 2024, fiduciary net position increased by \$1,044.2 million, or 9.4%, from June 30, 2023. Total assets increased by \$1,289.1 million, or 10.7%, driven by a 10.1% rise in the fair value of investments. The System achieved a rate of return of 12.7% surpassing the previous year's rate of return of 10.9%. Total liabilities increased \$244.9 million, or 26.9%, primarily due to a 47.3% increase in pending purchases of securities.

In fiscal year 2024, total additions increased by \$300.0 million, while total deductions rose by \$15.0 million compared to the previous year. The increase in additions was primarily due to a \$279.4 million rise in net investment income. Deductions increased by 2.1% due to a \$13.3 million increase in retirement, death, and survivor benefits.

Additions to Fiduciary Net Position

For the year ending June 30, 2025, total additions to fiduciary net position increased by \$120.8 million compared to the previous year. This rise was primarily driven by a \$110.0 million increase in investments income, reflecting a strong market in 2025. Additionally, interest income increased \$18.1 million, or 14.4%. Dividend income grew \$5.1 million, or 7.3% while securities lending net income rose \$0.1 million or 4.5%. Contributions were \$10.8 million, or 2.7%, higher than the prior year due to increase in funding.

| Additions to Fiduciary Net Position (\$ thousands) | June 30, | | |
|--|-----------|-----------|-----------|
| | 2025 | 2024 | 2023 |
| Member contributions | \$ 72,869 | \$ 71,568 | \$ 68,660 |
| State and local agency contributions | 340,277 | 330,799 | 312,993 |
| Net appreciation | 1,282,718 | 1,194,278 | 943,118 |
| Interest, dividends, and other investment income | 218,940 | 195,856 | 169,528 |
| Investment expenses | (11,353) | (9,759) | (11,429) |
| Securities lending income | 1,805 | 1,727 | 1,548 |

For the year ending June 30, 2024, total additions to fiduciary net position increased by \$300.0 million compared to the previous year. This rise was primarily driven by a \$279.4 million increase in investments income, reflecting a stronger market in 2024. Additionally, interest income increased \$19.6 million, or 18.4%. Dividend income grew \$6.7 million, or 10.8% while securities lending net income rose \$0.2 million or 11.6%. Contributions were \$20.7 million, or 5.4% higher than the previous year due to increase in funding.

Deductions to Fiduciary Net Position

For the year ended June 30, 2025, total deductions increased by \$9.8 million, or 1.3%, compared to the prior year. Retirement, death, and survivor benefits rose by \$9.5 million, or 1.3%, due to a 0.3% increase in the number of retirees at year end and a 1.5% increase in the average benefit. Refunds and withdrawals grew \$0.3 million, or 2.1%, in contrast to administrative costs, which decreased by 1.3%.

Management's Discussion and Analysis (continued)

(Unaudited)

| Deductions to Fiduciary Net Position (\$ thousands) | June 30, | | |
|---|------------|------------|------------|
| | 2025 | 2024 | 2023 |
| Retirement, death and survivor benefits | \$ 728,271 | \$ 718,775 | \$ 705,401 |
| Refunds and withdrawals | 14,368 | 14,070 | 13,152 |
| Administrative expenses | 7,348 | 7,443 | 6,666 |

For the year ending June 30, 2024, total deductions on the following page increased by \$15.0 million, or 2.1%, compared to the prior year. Retirement, death, and survivor benefits rose by \$13.3 million, or 1.9%, due to a 0.4% increase in the number of retirees at year end and a 1.5% increase in the average benefit. Refunds and withdrawals grew \$0.9 million, or 7.0%, and administrative costs increased by 11.7%.

Investments

The investment portfolio is reported in the chart below by the asset class of the investment managers' portfolios which includes the cash and cash equivalents in those portfolios.

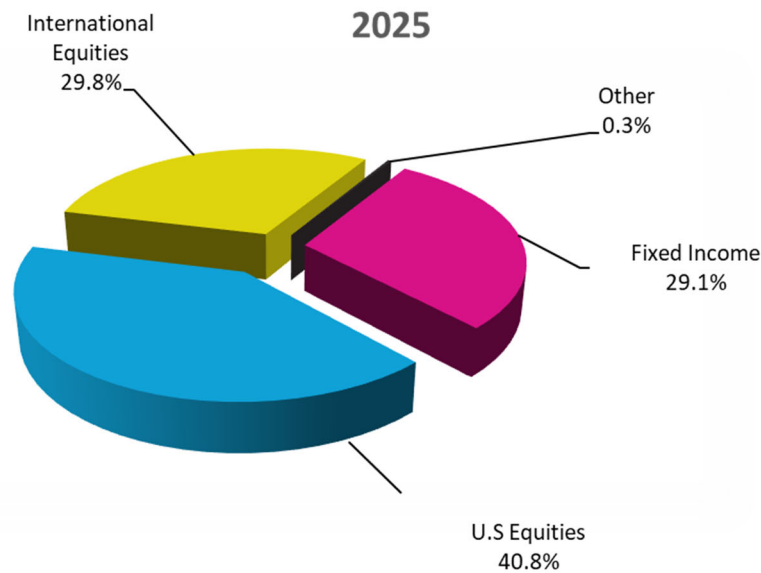
A summary of the System's cash, cash equivalents, and investments for fiscal years ended June 30, 2025, 2024 and 2023 is as follows:

| Cash, Cash Equivalents, and Investment Portfolio (\$ millions) | June 30, | | |
|---|-------------|-------------|-------------|
| | 2025 | 2024 | 2023 |
| Fixed income | \$ 4,249.0 | \$ 4,331.9 | \$ 3,532.5 |
| U.S. equities | 5,438.3 | 5,000.8 | 4,651.4 |
| International equities | 3,957.2 | 3,449.9 | 3,128.6 |
| Other | 33.4 | 35.5 | 37.6 |
| Total managed investments | 13,677.9 | 12,818.1 | 11,350.1 |
| Cash equivalents on deposit with State | 9.5 | 7.9 | 7.2 |
| Real estate | 8.9 | 7.5 | 9.7 |
| Securities lending collateral | 295.3 | 326.3 | 348.1 |
| Total cash, cash equivalents, and investments | \$ 13,991.6 | \$ 13,159.8 | \$ 11,715.1 |

The 2025 increase in the System's managed investments is reflected in the rise of both domestic and international income markets for the year. The System's overall return for the year was 12.5%. U.S. equities delivered a return of 13.2%, while active equity and international markets saw returns 4.6% and 18.4%, respectively. Fixed income returned 5.9% for the year. The amount of \$328 million from the portfolio was used to supplement the cash requirements of monthly retiree benefit payments. The change in securities lending collateral is dependent on the securities loaned by the System's master custodian at year end.

Management's Discussion and Analysis (continued) (Unaudited)

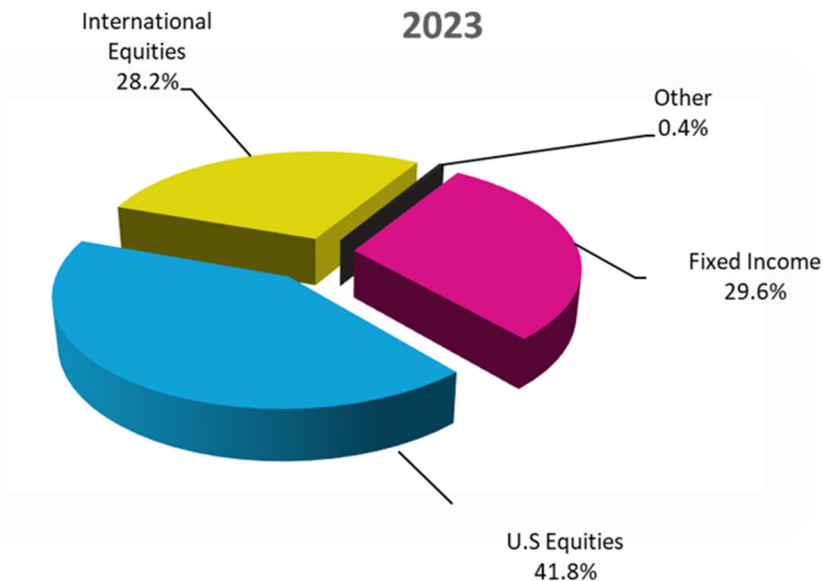
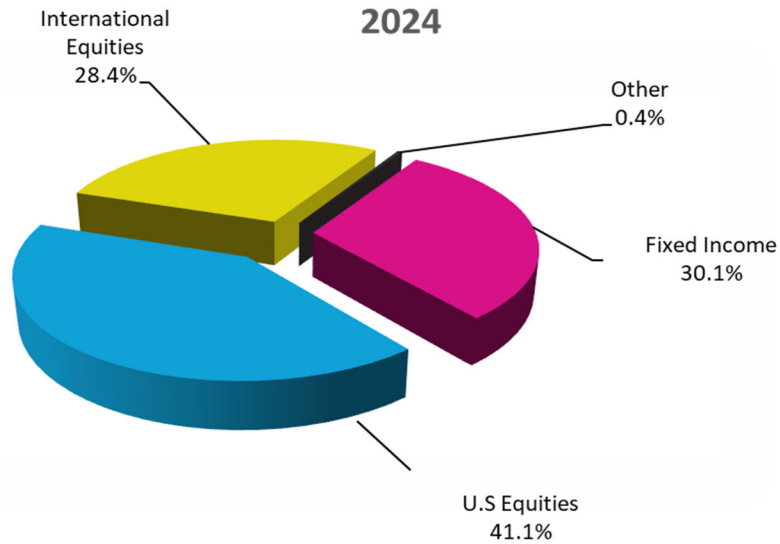
As of June 30, 2025, the distribution of the System's investments including accrued income and pending trades was as follows:



The 2024 increase in the System's managed investments is reflected in the rise of both domestic and international income markets for the year. The System's overall return for the year was 12.7%. U.S. equities delivered a notable return of 22.4%, while active equity and international markets saw returns 19.1% and 10.4%, respectively. Fixed income returned 2.1% for the year. The amount of \$329 million from the portfolio was used to supplement the cash requirements of monthly retiree benefit payments. The change in securities lending collateral is dependent on the securities loaned by the System's master custodian at year end.

Management's Discussion and Analysis (continued) (Unaudited)

As of June 30, 2024, and 2023, the distribution of the System's investments including accrued income and pending trades was as follows:



Management's Discussion and Analysis (continued)

(Unaudited)

Economic Factors

Ratio of Fiduciary Net Position to Total Pension Liability and to Total HISP Liability

The ratio of fiduciary net position to the total pension liability was as follows:

| | June 30, | | |
|--|------------------|------------------|------------------|
| | 2025 | 2024 | 2023 |
| Total pension liability | \$11,511,697,930 | \$11,391,284,762 | \$11,173,394,259 |
| Plan fiduciary net position | \$12,840,110,347 | \$11,723,122,613 | \$10,715,873,451 |
| Ratio of fiduciary net position to total pension liability | 111.54% | 102.91% | 95.91% |

The ratio of fiduciary net position to the total HISP liability was as follows:

| | June 30, | | |
|---|---------------|---------------|---------------|
| | 2025 | 2024 | 2023 |
| Total HISP liability | \$293,005,646 | \$301,002,469 | \$308,562,138 |
| Plan fiduciary net position | \$511,445,888 | \$473,164,548 | \$436,231,576 |
| Ratio of fiduciary net position to total HISP liability | 174.55% | 157.20% | 141.38% |

The actuarial assumptions used in the July 1, 2025, valuation are based on the results of the most recent actuarial experience study, which covered the three-year period ending June 30, 2022.

Other than changes in the fair value of System assets as may be impacted by the equity and bond markets, no other matters are known by management to have a significant impact on the operations or financial position of the System.

Requests for Information

This financial report is designed to provide a general overview of the System's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Financial Reporting Division, OPERS, P.O. Box 53007, Oklahoma City, Oklahoma 73152-3007.

Statements of Fiduciary Net Position

As of June 30, 2025

| | Pension Plan | Health Insurance Subsidy Plan | Combined |
|---|-------------------|----------------------------------|-------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 184,855,277 | \$ 9,762,372 | \$ 194,617,649 |
| Receivables: | | | |
| Member contributions | 3,975,241 | - | 3,975,241 |
| State and local agency contributions | 13,080,352 | 518,714 | 13,599,066 |
| Due from brokers for securities sold | 69,569,986 | 2,758,798 | 72,328,784 |
| Accrued interest and dividends | 35,222,890 | 1,396,772 | 36,619,662 |
| Total receivables | 121,848,469 | 4,674,284 | 126,522,753 |
| Investments, at fair value: | | | |
| Short-term investments | 40,787,294 | 1,617,426 | 42,404,720 |
| Government obligations | 2,800,572,861 | 111,056,072 | 2,911,628,933 |
| Corporate bonds | 1,141,256,186 | 45,256,260 | 1,186,512,446 |
| Domestic equities | 5,129,371,882 | 203,403,856 | 5,332,775,738 |
| International equities | 3,866,185,048 | 153,312,671 | 4,019,497,719 |
| Real estate | 8,560,518 | 339,482 | 8,900,000 |
| Securities lending collateral | 284,013,204 | 11,262,460 | 295,275,664 |
| Total investments | 13,270,746,993 | 526,248,227 | 13,796,995,220 |
| Other assets | 993,376 | 39,424 | 1,032,800 |
| Total assets | 13,578,444,115 | 540,724,307 | 14,119,168,422 |
| Liabilities | | | |
| Due to brokers and investment managers | 454,320,564 | 18,015,959 | 472,336,523 |
| Securities lending collateral | 284,013,204 | 11,262,460 | 295,275,664 |
| Total liabilities | 738,333,768 | 29,278,419 | 767,612,187 |
| Net position restricted for pension/HISP benefits | \$ 12,840,110,347 | \$ 511,445,888 | \$ 13,351,556,235 |

See accompanying notes to financial statements

Statements of Fiduciary Net Position

As of June 30, 2024

| | Pension Plan | Health Insurance Subsidy Plan | Combined |
|---|-------------------|----------------------------------|-------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 443,683,496 | \$ 13,010,184 | \$ 456,693,680 |
| Receivables: | | | |
| Member contributions | 4,203,325 | - | 4,203,325 |
| State and local agency contributions | 14,451,354 | 589,795 | 15,041,149 |
| Due from brokers for securities sold | 135,899,533 | 5,546,225 | 141,445,758 |
| Accrued interest and dividends | 29,837,978 | 1,217,740 | 31,055,718 |
| Total receivables | 184,392,190 | 7,353,760 | 191,745,950 |
| Investments, at fair value: | | | |
| Short-term investments | 89,114,047 | 3,636,859 | 92,750,906 |
| Government obligations | 2,758,982,126 | 112,597,014 | 2,871,579,140 |
| Corporate bonds | 964,198,817 | 39,349,999 | 1,003,548,816 |
| Domestic equities | 4,697,323,470 | 191,702,547 | 4,889,026,017 |
| International equities | 3,374,772,430 | 137,728,072 | 3,512,500,502 |
| Real estate | 7,205,900 | 294,100 | 7,500,000 |
| Securities lending collateral | 313,482,732 | 12,793,544 | 326,276,276 |
| Total investments | 12,205,079,522 | 498,102,135 | 12,703,181,657 |
| Other assets | 933,434 | 38,134 | 971,568 |
| Total assets | 12,834,088,642 | 518,504,213 | 13,352,592,855 |
| Liabilities | | | |
| Due to brokers and investment managers | 797,483,297 | 32,546,121 | 830,029,418 |
| Securities lending collateral | 313,482,732 | 12,793,544 | 326,276,276 |
| Total liabilities | 1,110,966,029 | 45,339,665 | 1,156,305,694 |
| Net position restricted for pension/HISP benefits | \$ 11,723,122,613 | \$ 473,164,548 | \$ 12,196,287,161 |

See accompanying notes to financial statements.

Statements of Changes in Fiduciary Net Position

For The Fiscal Year Ended In June 30, 2025

| | Pension Plan | Health Insurance Subsidy Plan | Combined |
|--|----------------------|----------------------------------|----------------------|
| Additions | | | |
| Contributions: | | | |
| Members | \$ 72,868,528 | \$ - | \$ 72,868,528 |
| State and local agencies | 324,712,759 | 15,564,000 | 340,276,759 |
| Total contributions | 397,581,287 | 15,564,000 | 413,145,287 |
| Investment income: | | | |
| From investing activities: | | | |
| Net appreciation in fair value of investments | 1,249,696,363 | 33,021,885 | 1,282,718,248 |
| Interest | 139,901,066 | 4,026,077 | 143,927,143 |
| Dividends | 72,570,465 | 1,917,597 | 74,488,062 |
| Real estate | 510,927 | 13,501 | 524,428 |
| Total investment income | 1,462,678,821 | 38,979,060 | 1,501,657,881 |
| Less – Investment expenses | (11,060,378) | (292,259) | (11,352,637) |
| Income from investing activities | 1,451,618,443 | 38,686,801 | 1,490,305,244 |
| From securities lending activities: | | | |
| Securities lending income | 19,702,221 | 520,610 | 20,222,831 |
| Securities lending expenses: | | | |
| Borrower rebates | (17,633,084) | (465,935) | (18,099,019) |
| Management fees | (310,154) | (8,195) | (318,349) |
| Income from securities lending activities | 1,758,983 | 46,480 | 1,805,463 |
| Net investment income | 1,453,377,426 | 38,733,281 | 1,492,110,707 |
| Total additions | 1,850,958,713 | 54,297,281 | 1,905,255,994 |
| Deductions | | | |
| Retirement, death and survivor benefits | 712,444,058 | 15,826,784 | 728,270,842 |
| Refunds and withdrawals | 14,368,381 | - | 14,368,381 |
| Administrative expenses | 7,158,540 | 189,157 | 7,347,697 |
| Total deductions | 733,970,979 | 16,015,941 | 749,986,920 |
| Net increase in net position | 1,116,987,734 | 38,281,340 | 1,155,269,074 |
| Net position restricted for pension/HISP benefits | | | |
| Beginning of year | 11,723,122,613 | 473,164,548 | 12,196,287,161 |
| End of year | \$ 12,840,110,347 | \$ 511,445,888 | \$ 13,351,556,235 |

See accompanying notes to financial statements.

Statements of Changes in Fiduciary Net Position

For The Fiscal Year Ended In June 30, 2024

| | Pension Plan | Health Insurance Subsidy Plan | Combined |
|--|-------------------|----------------------------------|-------------------|
| Additions | | | |
| Contributions: | | | |
| Members | \$ 71,567,884 | \$ - | \$ 71,567,884 |
| State and local agencies | 314,754,895 | 16,044,000 | 330,798,895 |
| Total contributions | 386,322,779 | 16,044,000 | 402,366,779 |
| Investment income: | | | |
| From investing activities: | | | |
| Net appreciation in fair value of investments | 1,162,183,725 | 32,094,625 | 1,194,278,350 |
| Interest | 122,100,485 | 3,716,855 | 125,817,340 |
| Dividends | 67,556,813 | 1,865,635 | 69,422,448 |
| Real estate | 600,048 | 16,571 | 616,619 |
| Total investment income | 1,352,441,071 | 37,693,686 | 1,390,134,757 |
| Less – Investment expenses | (9,496,509) | (262,254) | (9,758,763) |
| Income from investing activities | 1,342,944,562 | 37,431,432 | 1,380,375,994 |
| From securities lending activities: | | | |
| Securities lending income | 19,297,436 | 532,914 | 19,830,350 |
| Securities lending expenses: | | | |
| Borrower rebates | (17,320,279) | (478,313) | (17,798,592) |
| Management fees | (296,412) | (8,186) | (304,598) |
| Income from securities lending activities | 1,680,745 | 46,415 | 1,727,160 |
| Net investment income | 1,344,625,307 | 37,477,847 | 1,382,103,154 |
| Total additions | 1,730,948,086 | 53,521,847 | 1,784,469,933 |
| Deductions | | | |
| Retirement, death and survivor benefits | 702,386,022 | 16,388,868 | 718,774,890 |
| Refunds and withdrawals | 14,070,399 | - | 14,070,399 |
| Administrative expenses | 7,242,503 | 200,007 | 7,442,510 |
| Total deductions | 723,698,924 | 16,588,875 | 740,287,799 |
| Net increase in net position | 1,007,249,162 | 36,932,972 | 1,044,182,134 |
| Net position restricted for pension/HISP benefits | | | |
| Beginning of year | 10,715,873,451 | 436,231,576 | 11,152,105,027 |
| End of year | \$ 11,723,122,613 | \$ 473,164,548 | \$ 12,196,287,161 |

See accompanying notes to financial statements.

Notes to Financial Statements June 30, 2025 and 2024

(1) Reporting Entity

The Oklahoma Public Employees Retirement System (OPERS)(the System) is a defined benefit cost-sharing multiple employer plan consisting of a retirement plan and a cost-sharing multiple employer health insurance subsidy plan (HISP) both held in irrevocable trusts. The System, together with other similar fiduciary pension trust funds of the state of Oklahoma (the State), is a component unit of the State. The System is administered by the Oklahoma Public Employees Retirement System. As set forth in Title 74 of the Oklahoma Statutes, at Section 921, administrative expenses are paid with funds provided by operations of the System.

(2) Summary of Significant Accounting Policies

The following are the significant accounting policies followed by the System.

(a) Basis of Accounting

The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting under which expenses are recorded when the liability is incurred, revenues are recorded in the accounting period in which they are earned and become measurable, and investment purchases and sales are recorded as of their trade dates. Member and state and local agencies (employer) contributions are established by statute as a percentage of salaries and are recognized when due, pursuant to legal requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the System.

(b) Investments

The System's investments are presented at fair value. Purchases and sales are recorded at the trade date. At month end, there may be certain pending trades that were initiated by managers, but not confirmed and, therefore, are not included in the fair value of investments. The System is authorized to invest in eligible investments as approved by the Board of Trustees (the Board) as set forth in its investment policy.

System investments are reported at fair value, which is the price that would be received if the investments were sold in an orderly transaction between a willing buyer and a willing seller. Short-term investments include bills and notes, commercial paper, and international foreign currency contracts. Short-term investments, debt securities, and equity securities are reported at fair value, as determined by the System's custodial agent, using pricing services or prices quoted by independent brokers based on the latest reported sales prices at current exchange rates for securities traded on national or international exchanges. The fair value of the pro rata share of units owned by the System in equity index and commingled trust funds is determined by the respective fund trustee based on quoted sales prices of the underlying securities. The investment in real estate is valued using an annual third-party appraisal.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

Cash equivalents include investments in money market funds and investment pools and are reported at amortized cost.

Net investment income (loss) includes net appreciation (depreciation) in the fair value of investments, interest income, dividend income, securities lending income and expenses, and investment expenses, which include investment management and custodial fees and all other significant investment related costs. Foreign currency translation gains and losses are reflected in the net appreciation (depreciation) in the fair value of investments.

The System's international investment managers may enter into forward foreign exchange contracts to protect against fluctuation in exchange rates between the trade date and the settlement date of foreign investment transactions. Any gains and losses on these contracts are included in income in the period in which the exchange rates change.

The System's investment policy provides for investments in combinations of stocks, bonds, fixed income securities, and other investment securities along with investments in commingled, mutual, and index funds. Investment securities and investment securities underlying commingled or mutual fund investments are exposed to various risks, such as interest rate and credit risks. Due to the risks associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities may occur in the near term, and those changes could materially affect the amounts reported in the statements of fiduciary net position.

(c) *Use of Estimates*

Management of the System has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with U.S. generally accepted accounting principles (GAAP), note disclosures and required supplementary information (RSI). Actual results could differ from these estimates.

(d) *Risk and Uncertainties*

Contributions to the System and the actuarial information included in Note (6) Net Pension (Asset) Liability, Net HISP Asset and Actuarial Information and the RSI are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee compensation and demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions may occur in the near term and, due to the uncertainties inherent in setting assumptions, that the effect of such changes could be material to the financial statements.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

(e) *Composition of Board of Trustees*

The Board of Trustees of OPERS consists of fourteen appointed members, some by position and some by association. Those serving through position are a member of the Corporation Commission as selected by the Corporation Commission, a member of the Tax Commission as selected by the Tax Commission, the Administrator of the Office of Personnel Management or designee, the State Insurance Commissioner or designee, the Director of State Finance or designee, and the State Treasurer or designee. Of the remaining members, three are appointed by the Governor, one is appointed by the Supreme Court, two are appointed by the Speaker of the House of Representatives and two are appointed by the President Pro Tempore of the Senate. Qualifications for certain of these appointees include a balance of individuals having experience in investment management, pension management, public fund management, the banking profession or a licensed attorney or a licensed accountant.

(3) System Description and Contribution Information

The following brief description of the System is provided for general information purposes only. Participants should refer to Title 74 of the Oklahoma Statutes, Sections 901 through 932 and 935, as amended, for more complete information.

(a) *General*

The System is a multiple-employer, cost-sharing public employee retirement plan, which is a defined benefit pension plan covering substantially all state employees except employees covered by seven other plans sponsored by the State. It also covers employees of participating county and local agencies. Nearly all new state employees first employed by a System participating employer on or after November 1, 2015, will participate in the State's new defined contribution plan. Therefore, the System is closed to nearly all new State employees but remains open to new employees of participating counties and local agencies. Agencies and/or participants not included in the System are as follows: teachers, municipal police, municipal firefighters, judicial, wildlife, state law enforcement and nearly all State employees first employed on or after November 1, 2015.

The System also administers the Health Insurance Subsidy Plan, a cost-sharing multiple-employer defined benefit OPEB (Other Post Employee Benefit) plan that provides OPEB covering the same categories of employees covered by the pension plan.

The supervisory authority for the management and operation of the System and HISP is the Board, which acts as a fiduciary for investment of the funds and the application of System interpretations.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

At June 30, the System's membership consisted of:

| Pension Plan Membership Data | 2025 | 2024 |
|-------------------------------------|----------------|----------------|
| Retirees and Beneficiaries | 37,159 | 37,041 |
| Inactive Vested Members | 7,066 | 6,908 |
| Inactive Nonvested Members | 62,857 | 61,577 |
| Active Employees | 26,895 | 27,890 |
| Total | 133,977 | 133,416 |

| HISP Plan Membership Data | 2025 | 2024 |
|----------------------------------|---------------|---------------|
| Retirees and Beneficiaries | 12,323 | 12,766 |
| Inactive Vested Members | 7,066 | 6,908 |
| Inactive Nonvested Members | - | - |
| Active Employees | 26,895 | 27,890 |
| Total | 46,284 | 47,564 |

For purposes of the discussion on benefits and contributions, the members are described in the following categories: hazardous duty members, which includes certain employees of the Department of Corrections who are classified as correction officers, probation and parole officers, and fugitive apprehension agents along with Oklahoma Military Department firefighters; elected officials, which includes elected officials who serve the State and participating counties; and State, county, and local agency employees, which includes all other employees previously described. If the member category is not specifically identified, the attributes of the System discussed apply to all members.

(b) Benefits

Pensions

Members qualify for full retirement benefits at their specified normal retirement age or, for any person who became a member prior to July 1, 1992, when the sum of the member's age and years of credited service equals or exceeds 80 (Rule of 80), and for any person who became a member after June 30, 1992, when the member's age and years of credited service equals or exceeds 90 (Rule of 90).

Normal retirement date is further qualified to require that all members employed on or after January 1, 1983 must have six or more years of full-time equivalent employment with a participating employer before being eligible to receive benefits. Credited service is the sum of participating and prior service. Prior service includes nonparticipating service before January 1, 1975, or the entry date of the employer and active wartime military service.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

A member with a minimum of ten years of participating service may elect early retirement with reduced benefits beginning at age 55 if the participant became a member prior to November 1, 2011, or age 60 if the participant became a member on or after November 1, 2011.

Disability retirement benefits are available for members having eight years of credited service whose disability status has been certified as being within one year of the last day on the job by the Social Security Administration. Disability retirement benefits are determined in the same manner as retirement benefits, but payable immediately without an actuarial reduction.

Health Insurance Subsidy Plan

HISP provides a health insurance premium subsidy for retirees of the System who elect to maintain health insurance with the Oklahoma Employees Group Insurance Division (EGID) or other qualified insurance plan provided by the employer. This subsidy continues until the retiree terminates health insurance coverage with EGID or other qualified plan, or until death. The subsidy is only for the retiree, not joint annuitants or beneficiaries.

The following are various benefit attributes for each member category:

State, County, and Local Agency Employees

Benefits are determined at 2% of the average annual salary received during the highest thirty-six months of the last ten years of participating service, but not to exceed the applicable annual salary cap, multiplied by the number of years of credited service. Members who join OPERS on or after July 1, 2013, will have their salary averaged over the highest 60 months of the last ten years. Normal retirement age under the System is 62 or Rule of 80/90 if the participant became a member prior to November 1, 2011, or age 65 or Rule of 90 if the participant became a member on or after November 1, 2011.

Members who elect to pay the additional contribution rate, which became available in January 2004, will receive benefits using a 2.5% computation factor for each full year the additional contributions are made. In 2004, legislation was enacted to provide an increased benefit to retiring members who were not yet eligible for Medicare. The Medicare Gap benefit option became available to members under age 65 who retired on or after May 1, 2006. Members may elect to receive a temporary increased benefit to cover the cost of health insurance premiums until the member is eligible to receive Medicare. After the member becomes eligible for Medicare, the retirement benefit will be permanently reduced by an actuarially determined amount. The option is irrevocable, must be chosen prior to retirement, and is structured to have a neutral actuarial cost to the System.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

Members become eligible to vest fully upon termination of employment after attaining eight years of credited service, or the members' contributions may be withdrawn upon termination of employment.

Elected Officials

Benefits are determined as the greater of the calculation described in the preceding section or based on the official's contribution election, either 1.9% or 4.0% of the highest annual covered compensation received as an elected official, but not to exceed the applicable annual salary cap, multiplied by the number of years of credited service. For members elected prior to November 1, 2011, normal retirement age under the System is 60 with six years of participation as an elected official or Rule of 80. For members elected on or after November 1, 2011, the normal retirement age is 62 with 10 years of participation as an elected official or 65 with eight years of participation as an elected official. Members elected prior to November 1, 2011 become eligible to vest fully upon termination of employment after attaining six years of participating service as an elected official. Members elected on or after November 1, 2011 become eligible to vest fully upon termination of employment after attaining eight years of participating service as an elected official. The members' contributions may be withdrawn upon termination of employment.

Hazardous Duty Members

Benefits are determined at (a) 2.5% of the final average compensation up to the applicable annual salary cap multiplied by the number of years of service as a hazardous duty member not to exceed 20 years and (b) 2.0% of the final average compensation multiplied by the number of years of service in excess of 20 years and any other years of service creditable. Normal retirement age under the System is 62 or at completion of 20 years of creditable service as a hazardous duty member or Rule of 80/90 if participant became a member prior to November 1, 2011, or age 65 or at completion of 20 years of creditable service as a hazardous duty member or Rule of 90 if participant became a member on or after November 1, 2011.

Military Department firefighters are not restricted to a maximum of 20 years of hazardous duty for the 2.5% computation.

However, members who contributed prior to July 1, 1990, but do not qualify for normal retirement as a hazardous duty member shall receive benefits computed at 2.5% of the final compensation for those full time years as a hazardous duty member after July 1, 1990, 2.25% before July 1, 1990, and 2.0% for all other years of credited service. Members become eligible to vest fully after 20 years of full-time service as a hazardous duty member.

Upon the death of an active member, the accumulated contributions of the member are paid to the member's named beneficiary(ies) in a single lump sum payment. If a retired member elected a joint annuitant survivor option or an active member was eligible to retire with either reduced or unreduced benefits or eligible to vest the retirement benefit at the time of death, benefits can be paid in monthly payments over the life of the spouse if the spouse so elects.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

Benefits are payable to the surviving spouse of an elected official only if the elected official had at least six years of participating elected service and was married at least three years immediately preceding death. Survivor benefits are terminated upon death of the named survivor and, for elected officials, remarriage of the surviving spouse. Upon the death of a retired member, with no survivor benefits payable, the member's beneficiary(ies) are paid the excess, if any, of the member's accumulated contributions over the sum of all retirement benefit payments made.

Upon the death of a retired member, the System will pay a \$5,000 death benefit to the member's beneficiary or estate of the member if there is no living beneficiary. The death benefit will be paid in addition to any excess employee contributions or survivor benefits due to the beneficiary. Death benefits paid for the years ended June 30, 2025, and 2024 totaled approximately \$5,371,061 and \$5,411,000, respectively.

Legislation was enacted in 1999 which provided a limited additional benefit for certain terminated members eligible to vest as of July 1, 1998. This limited benefit is payable as an additional \$200 monthly benefit upon the member's retirement up to the total amount of certain excess contributions paid by the participant to the System. In April 2001, limited benefit payments began for qualified retired members.

Benefits are established and may be amended by the State Legislature from time to time.

(c) Contributions

The contribution rates for each member category of the System are established by the Oklahoma Legislature after recommendation by the Board based on an actuarial calculation, which is performed to determine the adequacy of such contribution rates. An actuarially determined portion of the total contributions to the System is set aside to finance the cost of the benefits of the HISP in accordance with provisions of the Internal Revenue Code.

Each member participates based on their qualifying gross salary earned, excluding overtime. There is no cap on the qualifying gross salary earned, subject to Internal Revenue Service (IRS) limitations on compensation. Only employers contribute to the HISP.

The following contribution rates were in effect:

State, County, and Local Agency Employees

For 2025 and 2024, *state agency employers* contributed 16.5% on all salary, and *state employees* contributed 3.5% on all salary.

For 2025 and 2024, contributions of *participating county and local agencies* totaled 20.0% of salary composed of a minimum employee contribution rate of 3.5% up to a maximum of 8.5% and a minimum employer contribution rate of 11.5% up to a maximum of 16.5%.

Members have the option to elect to increase the benefit computation factor for all future service from 2.0% to 2.5%. The election is irrevocable, binding for all future employment under OPERS, and applies only to full years of service. Those who make the election pay the standard contribution rate plus an additional contribution rate, 2.91%, which is actuarially determined. The election is available for all state, county, and local government employees, except for elected officials and hazardous duty members.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

Elected Officials

Elected officials' employee contributions are based on the maximum compensation levels set for all members, and the participating employers are required to contribute on the elected officials' covered salary using the same percentage and limits as applicable for state agencies. Members elected prior to November 1, 2011 must select an employee contribution rate of 4.5%, 6.0%, 7.5%, 8.5%, 9.0% or 10.0%. Members elected on or after November 1, 2011 have a contribution rate of 3.5%.

Effective July 1, 1999, elected officials must affirmatively elect or decline participation in the System within 90 days after taking office. This decision is irrevocable, and failure of an elected official to decline to participate in the System will be deemed as an irrevocable election to participate and contribute at the highest rate (currently 3.5% for officials elected on or after November 1, 2011). All current elected officials who had not elected to participate in the System must have either elected, including selecting a contribution rate, or declined to participate in the System on or before December 1, 1999.

Elected officials who are first elected or appointed to an elected office between November 1, 2010 and October 31, 2011 may only select one of two benefit computation factors - 1.9% or 4.0% - with the respective employee contribution rates of 4.5% or 10.0%.

Effective November 1, 2011, elected officials who are first elected or appointed to an elected office participate with a benefit computation factor of 2.0% with an employee contribution rate of 3.5%.

Hazardous Duty Members

For 2025 and 2024, hazardous duty members contributed 8.0%, and their employer agencies contributed 16.5% on all salary.

(d) *Participating Employers*

At June 30, the number of participating employers for the pension plan and the HISP plan was as follows:

| | 2025 | 2024 |
|-----------------------------------|-------------|-------------|
| State agencies | 119 | 119 |
| County governments | 75 | 75 |
| Local government towns and cities | 29 | 29 |
| Other local governmental units | 69 | 67 |
| Total | 292 | 290 |

Notes to Financial Statements (continued)

June 30, 2025 and 2024

(e) Defined Contribution System created for New Members

House Bill 2630 and Senate Bill 2120 directed OPERS to establish a defined contribution retirement system for members first employed by a participating employer of the system on or after November 1, 2015, including statewide elected officials and legislators. The provisions of this bill are not applicable to hazardous duty members, district attorneys, assistant district attorneys or other employees of the district attorney's office who will continue to participate in the defined benefit plan. Also excluded from the plan are employees of a county, county elected officials, county hospital, city or town, conservation district, circuit engineering district, and any public or private trust in which a county, city or town participates and is the primary beneficiary.

This new defined contribution plan was created and implemented during the year ended June 30, 2016. Under this new plan, participating employees contribute a minimum of 4.5% of their compensation. Participating employers match employee contributions up to 7.0%. In addition to the matching contributions, participating employers are required to remit to OPERS the difference between the matching contributions for defined contribution plan members and the amount the participating employer would have contributed for a defined benefit plan member.

(4) Cash Equivalents

Cash and cash equivalents represent short-term investment funds held by the Office of the State Treasurer (State Treasurer) and the System's custodial agent, and foreign currency.

At June 30, cash and cash equivalents were:

| | 2025 | 2024 |
|--|-----------------------|----------------------|
| Cash equivalents | | |
| State Treasurer | \$ 46,783,385 | \$ 7,946,513 |
| Custodial agent | 145,878,007 | 446,269,183 |
| Foreign currency | 1,956,257 | 2,477,984 |
| Total cash and cash equivalents | \$ 194,617,649 | \$456,693,680 |

Cash is deposited to *OK INVEST*, an internal investment pool of the State Treasurer with holdings limited to obligations of the U.S. Government, its agencies and instrumentalities, agency senior debt and mortgage-backed pass-through securities, tri-party repurchase agreements, money market mutual funds, collateralized certificates of deposit, commercial paper, obligations of state and local governments, and State of Israel Bonds. Participants are limited to qualifying agencies and funds within the State's reporting entity, and each participant maintains an interest in the underlying investments of *OK INVEST* and shares the risk of loss on the fund in proportion to the respective investment in the fund. The custodial agent cash equivalents consist of temporary investments in commingled trust funds of the System's custodial agent. The fund is composed of high-grade money market instruments with short maturities. Each participant in the fund shares the risk of loss on the fund in proportion to the respective investment in the fund.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agency but not in the depositor-government's name. At June 30, 2025 and 2024, the cash equivalents in *OK INVEST* and the System's custodial agent cash equivalents were not exposed to custodial credit risk because their existence cannot be evidenced by securities that exist in physical or book entry form.

The System holds foreign currency in banks outside the United States as a result of transactions of international investment managers. The foreign currency is in accounts in the name of the System's custodial agent and is uncollateralized, and the System is exposed to custodial credit risk. At June 30, 2025 and 2024, the foreign currency holdings were \$1,956,257 and \$2,477,984, respectively. The System's exposure to foreign currency risk is detailed in the section entitled Investments, Foreign Currency Risk.

(5) Investments

(a) General

Investments are pooled for administrative purposes and then allocated to the pension plan and HISP based on actuarial data, inflows and outflows. The OPERS Statement of Investment Policy states that the Board believes that System assets should be managed in a fashion that reflects the System's unique liabilities and funding resources, incorporating accepted investment theory and reliable empirical evidence. Specifically, the Board has adopted the following principles:

- Asset allocation is the key determinant of return, and therefore, commitments to asset allocation targets will be maintained through a disciplined rebalancing program.
- Diversification, both by and within asset classes, is the primary risk control element.
- Passive fund portfolios are suitable investment strategies, especially in highly efficient markets. These index funds which are externally managed by professional investment management firms selected through due diligence of the Board are deemed to be actively managed accounts within the meaning of Section 909.1(D) of Title 74 of the Oklahoma Statutes.

The investment policy, guidelines, and objectives which govern the investment of System and HISP assets shall be developed and adopted by the Board of Trustees at a regularly scheduled public Board meeting, at least annually, prior to August 1 of each year. Changes to the investment policy may be made, as necessary, at any public meeting of the Board of Trustees, in compliance with the Open Meeting Act. During 2015, the investment policy was modified to allow investments in certain real estate-related assets.

The asset allocation guidelines established by policy at June 30, 2025 and 2024, were U.S. equities – 40%, international equities – 28% and domestic fixed income – 32%. The guidelines also establish minimum and maximum percentages for each asset class allocation, and when allocations move outside these limits, portfolios are rebalanced.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

The fair value of investments held by the System at June 30 was as follows:

| | 2025 | 2024 |
|---|--------------------------|--------------------------|
| U.S. Treasury notes/bonds | \$ 1,493,267,640 | \$ 1,451,613,557 |
| U.S. TIPS index fund | 434,640,339 | 410,387,732 |
| Government agencies | 31,544,442 | 33,021,152 |
| Government mortgage-backed securities | 923,991,404 | 946,835,731 |
| Foreign government bonds | 14,687,916 | 16,516,853 |
| Municipal bonds | 13,497,192 | 13,204,114 |
| Corporate bonds | 767,090,101 | 756,001,122 |
| Asset-backed securities | 173,572,370 | 155,567,711 |
| Commercial mortgage-backed securities | 126,718,946 | 85,278,157 |
| Non government backed collateralized mortgage obligations | 159,899,873 | 98,077,837 |
| Other fixed income | 1,635,876 | 1,372,991 |
| Domestic equities | 2,671,097,492 | 2,384,056,794 |
| U.S. equity index fund | 2,661,678,246 | 2,504,969,222 |
| International equities | 1,329,473,990 | 1,141,821,010 |
| International equity index funds | 2,690,023,729 | 2,370,681,398 |
| Real estate | 8,900,000 | 7,500,000 |
| Securities lending collateral | 295,275,664 | 326,276,276 |
| Total investments | \$ 13,796,995,220 | \$ 12,703,181,657 |

The System participates in fixed income and international and domestic equity index funds managed by BlackRock Institutional Trust Company, N.A. (BTC). BTC, a subsidiary of BlackRock Inc., is a national banking association and operates as a limited purpose trust company. Its primary regulator is the Office of the Comptroller of the Currency (OCC), the agency of the U.S. Treasury Department that regulates United States national banks. Each fund is a collective fund which is a group trust and an entity separate from BTC, other funds, and the investing participants. BTC is trustee of each of the collective fund trusts and holds legal title to each trust's assets for the exclusive benefit of the System. The fair value of the System's position in the pool is the same as the value of the pool shares. As of June 30, 2025 and 2024, the System was invested in two domestic equity index funds, two international equity index funds, and a fixed income index fund.

The System shares the risk of loss in these funds with other participants in proportion to its respective investment. Because the System does not own any specific identifiable investment securities of these funds, the risk associated with any derivative investments held in these funds is not apparent. The degree of risk depends on the underlying portfolios of the funds, which were selected by the System in accordance with its investment policy guidelines including risk assessment.

The international funds invest primarily in equity securities of entities outside the United States and may enter into forward contracts to purchase or sell securities at specified dates in the future at a guaranteed price in a foreign currency to protect against fluctuations in exchange rates of foreign currency.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

Securities Lending

The System's investment policy provides for its participation in a securities lending program. The program is administered by the System's master custodian, and there are no restrictions on the amount of loans that can be made. During 2024 and 2023, the types of securities loaned were primarily U.S. Government and corporate bonds, domestic equity securities, and international equity securities. Certain securities of the System are loaned to participating brokers, who must provide collateral in the form of cash, U.S. Treasury or Government Agency securities, or letters of credit issued by approved banks.

Under the terms of the securities lending agreement, collateral is required to be provided in the amount of 102% of the fair value of U.S. securities loaned and 105% of the fair value of non-U.S. securities loaned. At June 30, 2025 and 2024, the System had no credit risk exposure to borrowers because the amounts the System owes the borrowers exceed the amounts the borrowers owe the System. The fair values of the cash and non-cash collateral for those securities on loan were \$295,275,664 and \$740,680,205 in FY2025 and \$326,276,276 and \$634,718,140 in FY2024. The master custodian provides for full indemnification to the System for any losses that might occur in the program due to the failure of a broker to return a security that was borrowed (and if the collateral is inadequate to replace the securities lent) or failure to pay the System for income of the securities while on loan. The loan premium paid by the borrower of the securities is apportioned between the System and its custodial agent in accordance with the securities lending agreement. All securities loans can be terminated on demand by either the lender or the borrower.

| Securities On Loan | 2025 | | 2024 | |
|--|-------------|---------------------------|-------------|-------------------------|
| Collateralized by Cash Collateral | \$ | 287,641,401 29% | \$ | 317,693,785 34% |
| Collateralized by non- Cash Collateral | | 721,024,976 71% | | 615,170,272 66% |
| Total | \$ | 1,008,666,377 100% | \$ | 932,864,057 100% |

The securities lending agreement provides that cash collateral be invested in the custodial agent's short-term investment pool and sets forth credit-quality standards, acceptable investments, diversification standards, and maturity and liquidity constraints for the investment fund. The System's investment guidelines do not require a matching of investment maturities with loan maturities but do establish minimum levels of liquidity and other investment restrictions designed to minimize the interest rate risk associated with not matching the maturities of the investments with the loans. The table above shows the amount of cash and non-cash collateral for the respective years. At June 30, 2025, and 2024, the cash collateral investments had an average weighted maturity of 35 and 27 days, respectively, and the relationship between the maturities of the custodial agent's investment pool and the System's loans is affected by the maturities of the securities loans made by other entities that use the agent's pool, which the System cannot determine.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

The System's non-cash collateral is represented by its allocated share of a pool administered by the agent for the System and other pool participants and the System cannot pledge or sell them unless the borrower defaults and thus, is not included in the statements of fiduciary net position.

(b) Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will default or will otherwise not fulfill its obligations.

The System's investment guidelines provide for the domestic fixed income managers to follow one of four investment styles and specifies quality guidelines for each style.

The *Constrained Core* manager will invest in a broadly diversified portfolio with characteristics similar to a broad fixed income market index, such as the Barclays Capital Aggregate Bond Index. The total portfolio minimum quality should be single-A as rated by a nationally recognized statistical rating organization (NRSRO). The portfolio should primarily consist of investment grade securities, with a minimum quality rating for any issue of triple-B minus rating by at least one NRSRO. In the event that a credit rating is downgraded below this minimum, the investment manager shall immediately notify OPERS staff and provide an evaluation and recommended course of action.

The *Core Plus* manager will invest in a broadly diversified portfolio with characteristics similar to the Constrained Core manager and will add a "plus" of limited exposure to high yield bonds. The total portfolio minimum quality should be single-A as rated by an NRSRO. No more than 20% of the portfolio shall consist of non-investment grade issues. The minimum quality rating for any issue is single-B rating by at least one NRSRO, and no more than 5% of a portfolio shall be invested in issues rated below double-B rating by at least one NRSRO. In the event that a credit rating is downgraded below this minimum, the investment manager shall immediately notify OPERS staff and provide an evaluation and recommended course of action.

The *Interest Rate Anticipator* manager follows a style that seeks to correctly forecast the long-term trend in interest rates and adjust the portfolio duration accordingly. The total portfolio minimum quality should be single-A as rated by an NRSRO, and the portfolio should consist of investment grade securities only.

The *Passive* fixed income style consists of a Treasury Inflation-Protection Securities (TIPS) index fund. TIPS are securities issued by the U.S. Government that are designed to protect the purchasing power of the investor.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

At June 30, 2025, the domestic fixed income portfolio consisted of a constrained core fixed income portfolio, a core plus fixed income portfolio, a rate anticipator portfolio, and a passive U.S. TIPS Index fund. All components met the stated policy restrictions except the core fixed income portfolio, which held \$4,121,314 in issues rated below triple-B minus, and the core plus fixed income portfolio, which held \$25,045,103 in issues rated below single-B. The System's investment managers have advised retention of the securities after having assessed their risk/reward profiles. At June 30, 2024, the domestic fixed income portfolio consisted of a constrained core fixed income portfolio, a core plus fixed income portfolio, a rate anticipator portfolio, and a passive U.S. TIPS Index fund. All components met the stated policy restrictions except the core fixed income portfolio, which held \$35,666 in issues rated below triple-B minus, and the core plus fixed income portfolio, which held \$20,590,761 in issues rated below single-B. The System's investment managers have advised retention of the securities after having assessed their risk/reward profiles.

Investments issued by or explicitly guaranteed by the U.S. Government are not considered to have credit risk. At June 30, 2025, the System held 36.3% of fixed income investments that were not considered to have credit risk and 10.5% in a U.S. TIPS index fund made up of explicitly guaranteed U.S. Treasury Inflation-Protected Securities. At June 30, 2024, the System held 36.9% of fixed income investments that were not considered to have credit risk and 10.3% in a U.S. TIPS index fund made up of explicitly guaranteed U.S. Treasury Inflation-Protected Securities. Implicitly guaranteed investments primarily refer to bonds issued by a government sponsored entity (GSE) which is a government-chartered corporation. This government charter implies that the government is unlikely to allow a GSE to default on its bond payments.

The System's exposure to credit risk at June 30, 2025 is presented below, in thousands, by investment category as rated by an NRSRO.

| | Triple-A | Double-A | Single-A | Triple-B | Double-B | Single-B | Triple-C | Not Rated or Rating Not Available | Total |
|---|------------|-----------|------------|------------|-----------|-----------|----------|--|-------------|
| Government agencies | \$ 1,644 | \$ 894.00 | \$ 383 | \$ 3,267 | \$ - | \$ - | \$ - | \$ - | \$ 6,188 |
| Municipal bonds | 1,054 | 9,608 | 2,105 | - | 730 | - | - | - | 13,497 |
| Foreign government bonds | - | 2,916 | 815 | 7,982 | 2,975 | - | - | - | 14,688 |
| Corporate bonds | 48,054 | 27,993 | 227,996 | 427,312 | 17,699 | 15,751 | 4,538 | (2,253) | 767,090 |
| Asset-backed securities | 130,892 | 21,837 | 10,244 | 32 | 8,046 | - | 2,319 | 202 | 173,572 |
| Commercial mortgage-backed securities | 100,264 | 19,198 | 1,522 | 5,012 | - | - | - | 723 | 126,719 |
| Non government backed collateralized mortgage obligations | 142,919 | 3,073 | 3,970 | 4,134 | 1,807 | 1,671 | 2,176 | 150 | 159,900 |
| Other fixed Income | - | 1,029 | - | 607 | - | - | - | - | 1,636 |
| Total fixed income securities exposed to credit risk | \$ 424,827 | \$ 86,548 | \$ 247,035 | \$ 448,346 | \$ 31,257 | \$ 17,422 | \$ 9,033 | \$ (1,178) | \$1,263,290 |
| Percent of total fixed income portfolio | 10.3% | 2.1% | 6.0% | 10.8% | 0.8% | 0.4% | 0.2% | 0.0% | 30.5% |

Notes to Financial Statements (continued)

June 30, 2025 and 2024

The System's exposure to credit risk at June 30, 2024 is presented below, in thousands, by investment category as rated by an NRSRO.

| | Triple-A | Double-A | Single-A | Triple-B | Double-B | Single-B | Triple-C | Not Rated or Rating Not Available | Total |
|---|------------|-----------|------------|------------|-----------|----------|----------|--|--------------|
| Government agencies | \$ 331 | \$ - | \$ 432 | \$ 1,132 | \$ - | \$ - | \$ - | \$ - | \$ 1,895 |
| Municipal bonds | 4,111 | 8,924 | 169 | - | - | - | - | - | 13,204 |
| Foreign government bonds | - | 358 | 927 | 12,322 | 2,910 | - | - | - | 16,517 |
| Corporate bonds | 96,325 | 38,913 | 225,658 | 382,404 | 5,528 | 4,730 | 4,042 | (1,599) | 756,001 |
| Asset-backed securities | 120,882 | 21,083 | 5,564 | 33 | 3,591 | - | 2,699 | 1,715 | 155,567 |
| Commercial mortgage-backed securities | 71,533 | 9,821 | 1,521 | 1,574 | 829 | - | - | - | 85,278 |
| Non government backed collateralized mortgage obligations | 79,142 | 2,513 | 64 | 4,220 | 2,823 | 2,474 | 707 | 6,135 | 98,078 |
| Other fixed Income | - | 1,178 | - | 195 | - | - | - | - | 1,373 |
| Total fixed income securities | | | | | | | | | |
| exposed to credit risk | \$ 372,324 | \$ 82,790 | \$ 234,335 | \$ 401,880 | \$ 15,681 | \$ 7,204 | \$ 7,448 | \$ 6,251 | \$ 1,127,913 |
| Percent of total fixed income portfolio | 9.4% | 2.1% | 5.9% | 10.1% | 0.4% | 0.2% | 0.2% | 0.2% | 28.4% |

The exposure to credit risk of the underlying investments of the System's cash equivalents at June 30 is 100% invested in Double-A credit rating at June 30, 2025 and 2024.

(c) **Concentration of Credit Risk**

Investments can be exposed to concentration of credit risk if significant amounts are invested in any one issuer. The System's investment policy states that portfolios managed on behalf of the System should not hold more than 5% of the outstanding securities of any single issuer. As of June 30, 2025, and 2024, the System did not have 5% or more of its total investments in any single issuer.

(d) **Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment or a deposit. Duration is a measure of a debt investment's exposure to fair value changes arising from changing interest rates based upon the present value of cash flows, weighted for those cash flows as a percentage of the investment's full price. Effective duration estimates the sensitivity of a bond's price to interest rate changes and makes assumptions regarding the most likely timing and amounts of variable cash flows arising from investments, such as callable bonds, collateralized mortgage obligations, and other mortgage-backed securities.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

At June 30, the System's exposure to interest rate risk as measured by effective duration is listed below by investment category.

| | 2025 | | 2024 | |
|---|-------------------------|-----------------------------|-------------------------|-----------------------------|
| | Fair Value | Effective duration in years | Fair Value | Effective duration in years |
| U.S. Treasury notes/bonds | \$ 1,493,267,640 | 8.8 | \$ 1,451,613,557 | 8.9 |
| U.S. TIPS index fund | 434,640,339 | 6.4 | 410,387,732 | 6.5 |
| Government agencies | 31,544,442 | 7.4 | 33,021,152 | 8.6 |
| Government mortgage-backed securities | 923,991,404 | 7.0 | 946,835,731 | 7.1 |
| Foreign government bonds | 14,687,916 | 7.1 | 16,516,853 | 6.2 |
| Municipal bonds | 13,497,192 | 9.0 | 13,204,114 | 10.1 |
| Corporate bonds | 767,090,101 | 5.3 | 756,001,122 | 5.3 |
| Asset-backed securities | 173,572,370 | 2.1 | 155,567,711 | 2.5 |
| Commercial mortgage-backed securities | 126,718,946 | 2.7 | 85,278,157 | 3.0 |
| Non government backed collateralized mortgage obligations | 159,899,873 | 2.8 | 98,077,837 | 2.9 |
| Other fixed income | 1,635,876 | 5.1 | 1,372,991 | 5.8 |
| Total fixed income | \$ 4,140,546,099 | | \$ 3,967,876,957 | |
| Portfolio duration | | 6.8 | | 7.0 |

The System does not have a formal investment policy on interest rate risk. Interest rate risk is controlled through diversification of portfolio management styles.

Some investments' sensitivity to changing interest rates may derive from prepayment options embedded in an investment. Asset-backed securities, mortgage-backed securities, and collateralized mortgage obligations are pass-through securities that represent pooled debt obligations repackaged as securities that pass income and principal from debtors through the intermediary to investors.

Asset-backed securities are bonds or notes backed by loan paper or accounts receivable originated by banks, credit card companies, or other providers of credit and often enhanced by a bank letter of credit or by insurance coverage proved by an institution other than the issuer. At June 30, 2025 and 2024, the System held \$173,572,370 and \$155,567,711 respectively, in asset-backed securities.

Mortgage-backed securities are securities backed by mortgages issued by public and private institutions. At June 30, 2025 and 2024, the System held \$923,991,404 and \$946,835,731, respectively, in government mortgage-backed securities issued by the Federal Home Loan Mortgage Corporation (FHLMC), Government National Mortgage Association (GNMA), and Federal National Mortgage Association (FNMA) as well as \$126,718,946 and \$85,278,157, respectively, in commercial mortgage-backed securities.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

Collateralized mortgage obligations (CMOs) are mortgage-backed bonds that allocate mortgage cash flows (interest and principal) into different maturity classes, called tranches. This is accomplished by dedicating mortgage cash flows to specific tranches and paying each tranche off in turn by prespecified rules. CMOs provide investors with increased security about the life of their investment compared to purchasing a pass-through mortgage-backed security. If mortgage rates drop (rise) sharply, prepayment rates will increase (decrease), and CMO tranches may be repaid before (after) the expected maturity. At June 30, 2025 and 2024, the System held \$159,899,873 and \$98,077,837, respectively, in non-government backed CMOs.

The exposure to interest rate risk of the underlying investments of the System's cash equivalents at June 30 is as follows:

| Maturities (in days) | 2025 | 2024 |
|---------------------------------|-------------|-------------|
| 0 - 14 | 45.3 % | 63.9 % |
| 15 - 30 | 3.3 | 1.5 |
| 31 - 60 | 9.7 | 5.8 |
| 61 - 90 | 13.5 | 14.2 |
| 91 - 180 | 19.0 | 10.0 |
| 181 - 364 | 8.2 | 4.3 |
| 365 - 730 | 1.0 | 0.3 |
| | 100.0 % | 100.0 % |

(e) Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The OPERS Statement of Investment Policy addresses foreign currency risk by stating that the primary sources of value-added for international equity investment managers will be issue and country selection, with currency management focused on limiting losses due to fluctuations in currency values.

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT PLAN
Administered by the Oklahoma Public Employees Retirement System

Notes to Financial Statements (continued)
June 30, 2025 and 2024

The System's exposure to foreign currency risk by asset class at June 30, 2025 is as follows:

| Currency | Equities | Short-term Investments | Cash | Total | Percent |
|---|------------------|---------------------------|---------------|------------------|---------|
| Australian dollar | \$ 13,071,971 | \$ - | \$ - | \$ 13,071,971 | 0.3 % |
| Brazilian real | 18,757,309 | - | 1 | 18,757,310 | 0.5 |
| British pound sterling | 198,440,223 | - | 348,599 | 198,788,822 | 4.8 |
| Canadian dollar | 24,604,230 | - | 40,271 | 24,644,501 | 0.6 |
| Danish krone | 5,417,447 | - | - | 5,417,447 | 0.1 |
| Euro | 322,494,733 | - | 1,071 | 322,495,804 | 7.9 |
| Hong Kong dollar | 112,353,646 | - | 383,471 | 112,737,117 | 2.8 |
| Indonesian rupiah | 10,586,719 | - | - | 10,586,719 | 0.3 |
| Japanese yen | 197,373,132 | 744,930 | 524,008 | 198,642,070 | 4.8 |
| Malaysian ringgit | 8,137,587 | - | - | 8,137,587 | 0.2 |
| Mexican peso | 14,780,886 | - | - | 14,780,886 | 0.4 |
| Philippine peso | 4,164,846 | - | 22,487 | 4,187,333 | 0.1 |
| Polish zloty | - | - | 458 | 458 | 0.0 |
| Singapore dollar | 30,183,130 | - | - | 30,183,130 | 0.7 |
| South African rand | 4,590,717 | - | - | 4,590,717 | 0.1 |
| South Korean won | 39,238,111 | - | - | 39,238,111 | 1.0 |
| Swedish krona | 28,899,888 | - | 68,552 | 28,968,440 | 0.7 |
| Swiss franc | 52,607,616 | - | - | 52,607,616 | 1.3 |
| United Arab Emirates dirham | 9,889,134 | - | - | 9,889,134 | 0.2 |
| International portfolio exposed | | | | | |
| to foreign currency risk | 1,095,591,325 | 744,930 | 1,388,918 | 1,097,725,173 | 26.8 |
| International portfolio in U.S. dollars | 2,923,906,394 | 41,659,790 | 37,882,912 | 3,003,449,096 | 73.2 |
| Total international portfolio | \$ 4,019,497,719 | \$ 42,404,720 | \$ 39,271,830 | \$ 4,101,174,269 | 100.0 % |

The System's exposure to foreign currency risk by asset class at June 30, 2024 is as follows:

| Currency | Equities | Short-term Investments | Cash | Total | Percent |
|---|------------------|---------------------------|--------------|------------------|---------|
| Australian dollar | \$ 14,192,752 | \$ 383,475 | \$ - | \$ 14,576,227 | 0.4 % |
| Brazilian real | 11,650,413 | - | - | 11,650,413 | 0.3 |
| British pound sterling | 183,061,273 | 731,490 | 539,889 | 184,332,652 | 5.1 |
| Canadian dollar | 22,122,162 | - | 3 | 22,122,165 | 0.6 |
| Danish krone | 2,433,727 | - | 85,816 | 2,519,543 | 0.1 |
| Euro | 259,068,841 | 198,751 | 193,722 | 259,461,314 | 7.2 |
| Hong Kong dollar | 81,974,257 | - | 135,421 | 82,109,678 | 2.3 |
| Indonesian rupiah | 9,161,484 | 36,076 | - | 9,197,560 | 0.2 |
| Japanese yen | 187,196,183 | (119,841) | 770,328 | 187,846,670 | 5.2 |
| Malaysian ringgit | 7,003,353 | - | - | 7,003,353 | 0.2 |
| Mexican peso | 8,901,371 | - | 184,302 | 9,085,673 | 0.3 |
| Polish zloty | - | - | 411 | 411 | 0.0 |
| Singapore dollar | 23,037,843 | - | - | 23,037,843 | 0.6 |
| South Korean won | 38,893,342 | 57,732 | - | 38,951,074 | 1.1 |
| Swedish krona | 25,575,744 | - | - | 25,575,744 | 0.7 |
| Swiss franc | 38,249,784 | - | - | 38,249,784 | 1.1 |
| United Arab Emirates dirham | 6,210,915 | - | - | 6,210,915 | 0.2 |
| International portfolio exposed | | | | | |
| to foreign currency risk | 918,733,444 | 1,287,683 | 1,909,892 | 921,931,019 | 25.6 |
| International portfolio in U.S. dollars | 2,593,767,058 | 91,463,223 | 88,201 | 2,685,318,482 | 74.4 |
| Total international portfolio | \$ 3,512,500,502 | \$ 92,750,906 | \$ 1,998,093 | \$ 3,607,249,501 | 100.0 % |

Notes to Financial Statements (continued)

June 30, 2025 and 2024

The System's actively managed international equity securities are recorded at fair value, which includes foreign currency gains and losses attributable to fluctuations in the exchange rate between the foreign denominated currency of the investment and the U.S. dollar. This translation gain or loss is calculated based on month-end exchange rates. Cumulative unrealized translation gain at June 30, 2025 was approximately \$10.4 million, compared to unrealized translation loss of \$71.4 million in 2024.

(f) Rate of Return

For the year ended June 30, 2025, and 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 12.58% and 12.75% respectively, and the annual money-weighted rate of return on HISP plan investments, net of HISP plan investment expenses, was 8.18% and 8.60%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts invested.

(g) Fair Value Measurement

The System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The inputs to the three levels of the fair value hierarchy are described as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities

Level 2: Significant other observable inputs, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets in markets that are not active and other market corroborated inputs

Level 3: Significant unobservable inputs

Investments in equity securities classified in level 1 are valued directly from a predetermined primary external pricing vendor using published prices. Investments in debt securities classified as level 2 are obtained from using an alternative pricing source due to lack of information by the primary vendor. The investment in real estate is classified as level 3 due to lack of observable pricing inputs and is valued using annual appraisals.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

Assets measured at fair value and net asset value (NAV) on June 30, 2025, are as follows:

| Investments by Fair Value Level | 6/30/2025 | Fair Value Measurements Using | | |
|--|-------------------|--|---|---|
| | | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Short-term investment fund | \$ 145,878,007 | \$ - | \$ 145,878,007 | \$ - |
| Debt Securities | | | | |
| U.S. Treasury notes/bonds | 1,493,267,640 | - | 1,493,267,640 | - |
| Government agencies | 31,544,442 | - | 31,544,442 | - |
| Government mortgage-backed securities | 923,991,404 | - | 923,991,404 | - |
| Foreign government bonds | 14,687,916 | - | 14,687,916 | - |
| Municipal bonds | 13,497,192 | - | 13,497,192 | - |
| Corporate bonds | 767,090,101 | - | 767,090,101 | - |
| Asset-backed securities | 173,572,370 | - | 173,572,370 | - |
| Commercial mortgage-backed securities | 126,718,946 | - | 126,718,946 | - |
| Non government backed collateralized m | 159,899,873 | - | 159,899,873 | - |
| Other fixed income | 1,635,876 | - | 1,635,876 | - |
| Total Debt Securities | 3,705,905,760 | - | 3,705,905,760 | - |
| Equity Securities | | | | |
| International equities | 1,329,473,990 | 1,329,473,990 | - | - |
| U.S. common and preferred stock | 2,671,097,492 | 2,671,097,492 | - | - |
| Total Equity Securities | 4,000,571,482 | 4,000,571,482 | - | - |
| Real estate | | | | |
| Real estate | 8,900,000 | - | - | 8,900,000 |
| Total Investments by Fair Value Level | \$ 7,715,377,242 | \$ 4,000,571,482 | \$ 3,705,905,760 | \$ 8,900,000 |
| Investments Measured at the Net Asset Value (NAV) | | | | |
| U.S. TIPS index fund | \$ 434,640,339 | | | |
| International equity index funds | 2,690,023,729 | | | |
| U.S. equity index fund | 2,661,678,246 | | | |
| Total Investments Measured at NAV | 5,786,342,314 | | | |
| Securities lending collateral | 295,275,664 | | | |
| Total Investments | \$ 13,796,995,220 | | | |

Notes to Financial Statements (continued)

June 30, 2025 and 2024

Assets measured at fair value and net asset value (NAV) on June 30, 2024, are as follows:

| Investments by Fair Value Level | 6/30/2024 | Fair Value Measurements Using | | |
|--|-------------------|--|---|---|
| | | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Short-term investment fund | \$ 446,749,074 | \$ - | \$ 446,749,074 | \$ - |
| Debt Securities | | | | |
| U.S. Treasury notes/bonds | 1,451,613,557 | - | 1,451,613,557 | - |
| Government agencies | 33,021,152 | - | 33,021,152 | - |
| Government mortgage-backed securities | 946,835,731 | - | 946,835,731 | - |
| Foreign government bonds | 16,516,853 | - | 16,516,853 | - |
| Municipal bonds | 13,204,114 | - | 13,204,114 | - |
| Corporate bonds | 756,001,122 | - | 756,001,122 | - |
| Asset-backed securities | 155,567,711 | - | 155,567,711 | - |
| Commercial mortgage-backed securities | 85,278,157 | - | 85,278,157 | - |
| Non government backed collateralized m | 98,077,837 | - | 98,077,837 | - |
| Other fixed income | 1,372,991 | - | 1,372,991 | - |
| Total Debt Securities | 3,557,489,225 | - | 3,557,489,225 | - |
| Equity Securities | | | | |
| International equities | 1,141,821,010 | 1,141,821,010 | - | - |
| U.S. common and preferred stock | 2,384,056,794 | 2,384,056,794 | - | - |
| Total Equity Securities | 3,525,877,804 | 3,525,877,804 | - | - |
| Real estate | | | | |
| Real estate | 7,500,000 | - | - | 7,500,000 |
| Total Investments by Fair Value Level | \$ 7,090,867,029 | \$ 3,525,877,804 | \$ 3,557,489,225 | \$ 7,500,000 |
| Investments Measured at the Net Asset Value (NAV) | | | | |
| U.S. TIPS index fund | \$ 410,387,732 | | | |
| International equity index funds | 2,370,681,398 | | | |
| U.S. equity index fund | 2,504,969,222 | | | |
| Total Investments Measured at NAV | 5,286,038,352 | | | |
| Securities lending collateral | 326,276,276 | | | |
| Total Investments | \$ 12,703,181,657 | | | |

There have been no significant changes in valuation techniques during the fiscal years ended June 30, 2025 and 2024.

Certain investments that do not have a readily determinable fair value are measured at NAV (or its equivalent), such as member units or an ownership interest. NAV per share is calculated as of the System's year-end and is provided by the investment manager. Redemption information for investments measured at the NAV per share, or equivalent, is presented in the table below.

| Investments Measured at the Net Asset Value | 6/30/2025 | 6/30/2024 | Redemption Frequency | Redemption Notice Period |
|---|------------------|------------------|-------------------------|-----------------------------|
| U.S. TIPS index fund (1) | \$ 434,640,339 | \$ 410,387,732 | Daily | 2 days |
| International equity index funds (2) | 2,690,023,729 | 2,370,681,398 | Daily | 2 days |
| U.S. equity index fund (3) | 2,661,678,246 | 2,504,969,222 | Daily | 1 day |
| | \$ 5,786,342,314 | \$ 5,286,038,352 | | |

Notes to Financial Statements (continued)

June 30, 2025 and 2024

⁽¹⁾ **U.S. TIPS index fund** – The US Treasury Inflation-Protected Securities fund is an index fund that establishes an objective of delivering investment performance approximating the rate of return for outstanding US Treasury inflation protected securities with a maturity of one year or greater. The investment is valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.

⁽²⁾ **International Equity Index Funds** – The International equity funds consist of index funds that are designed to track various segments of non-US equity markets. Those index funds include the ACWI ex-US Index Fund and the ACWI ex-US Growth Index Fund. The index funds are invested and reinvested in portfolios of non-US developed and emerging markets equity securities, with the objective of approximating the capitalization-weighted return of each respective market segment for publicly traded equity securities. The investment is valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.

⁽³⁾ **U.S. Equity Index Fund** – The US equity index fund consist of an index fund that is designed to track various segments of US equity markets. That index fund is the Russell 1000 Index Fund. The index fund is invested and reinvested in portfolios of US equity securities, with the objective of approximating the capitalization-weighted return of each respective market segment for publicly traded equity securities. The investment is valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.

(6) Net Pension (Asset) Liability, Net HISP Asset and Actuarial Information

(a) Net Pension (Asset) Liability and Net HISP Asset of Participating Agencies

The components of the net pension (asset) liability of the employers' at June 30 were as follows:

| | 2025 | 2024 |
|--|---------------------------|-------------------------|
| Total pension liability | \$ 11,511,697,930 | \$ 11,391,284,762 |
| Plan fiduciary net position | 12,840,110,347 | 11,723,122,613 |
| Employers' net pension (asset) liability | <u>\$ (1,328,412,417)</u> | <u>\$ (331,837,851)</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 111.54% | 102.91% |

Notes to Financial Statements (continued)

June 30, 2025 and 2024

The components of the net HISP asset of the employers' at June 30 were as follows:

| | 2025 | 2024 |
|---|-------------------------|-------------------------|
| Total HISP liability | \$ 293,005,646 | \$ 301,002,469 |
| HISP plan fiduciary net position | 511,445,888 | 473,164,548 |
| Employers' net HISP (asset) liability | <u>\$ (218,440,242)</u> | <u>\$ (172,162,079)</u> |
| Plan fiduciary net position as a percentage of the total HISP liability | 174.55% | 157.20% |

(b) Actuarial Methods and Assumptions

The total pension liability and total HISP liability, both as of June 30, 2025, 2024 and 2023, were determined based on actuarial valuations prepared as of July 1, 2024, using the following actuarial assumptions:

- Investment return – 6.50% for 2025, 2024 and 2023 compounded annually net of investment expense and including inflation;
- Salary increases, including price inflation – 3.25% to 9.25% for 2025 and 2024 Mortality rates – In 2025, 2024 and 2023, Pub-2010 Below Median, General Membership Active/Retiree Healthy Mortality Table with base rates projected generationally using Scale MP-2019. Male rates are unadjusted, and female rates are set forward two years;
- No annual post-retirement benefit increases;
- Assumed inflation rate – 2.50% for 2025, 2024 and 2023;
- Payroll growth – 3.25% for 2025, 2024 and 2023;
- Actuarial cost method – Entry age;
- Select period for the termination of employment assumptions – 10 years.

The actuarial assumptions used in the July 1, 2025, valuation are based on the results of the most recent actuarial experience study, which covered the three-year period ending June 30, 2022. The experience study report is dated April 12, 2023.

The long-term expected rate of return on pension plan investments and HISP plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The HISP represents a subsidy that is capped at \$105 per month per retiree.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

The target asset allocation and best estimates of arithmetic real rates of return for each major class, as used in the June 30, 2022 experience study, are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|-----------------------|--------------------------|---|
| U.S. Large Cap Equity | 34.0% | 5.1% |
| U.S. Small Cap Equity | 6.0% | 5.1% |
| Global Equity ex-US | 28.0% | 8.2% |
| Core Fixed Income | 25.0% | 1.9% |
| Long Term Treasuries | 3.5% | 2.1% |
| US TIPS | 3.5% | 1.8% |
| Total | 100.0% | |

(c) Discount rate

The discount rate used to measure the total pension liability and the total HISP liability was 6.50%, net of investment expenses, for 2025, 2024 and 2023. The projection of cash flows used to determine the discount rate assumed that contributions from System members and the employers will be made at the current contribution rate as set out in state statute. Based on those assumptions, the pension plan's fiduciary net position and the HISP's fiduciary net position were projected to be available to make all projected future benefit payments of current System members. Therefore, the long-term expected rate of return on pension plan and HISP plan investments was applied to all periods of projected benefit payments to determine the total pension liability and total HISP liability. The discount rate determined does not use a municipal bond rate.

Notes to Financial Statements (continued)

June 30, 2025 and 2024

Sensitivity of the net pension asset and net HISP asset to changes in the discount rate

The following presents the net pension (asset) liability of the employer calculated using the discount rate of 6.50% for 2025 and 2024 as well as what the System's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

| | June 30, 2025 | | | June 30, 2024 | | |
|-------------------------------|------------------------|----------------------------------|------------------------|------------------------|----------------------------------|------------------------|
| | 1% Decrease (5.50%) | Current Discount Rate (6.50%) | 1% Increase (7.50%) | 1% Decrease (5.50%) | Current Discount Rate (6.50%) | 1% Increase (7.50%) |
| Net pension liability (asset) | \$ 738,551 | \$ (1,328,412,417) | \$ (2,446,458,796) | \$ 991,345,419 | \$ (331,837,851) | \$ (1,443,999,604) |

The following presents the net HISP asset or liability of the employer calculated using the discount rate of 6.50% for 2025 and 2024 as well as what the System's net HISP (asset) liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

| | June 30, 2025 | | | June 30, 2024 | | |
|----------------------------|------------------------|----------------------------------|------------------------|------------------------|----------------------------------|------------------------|
| | 1% Decrease (5.50%) | Current Discount Rate (6.50%) | 1% Increase (7.50%) | 1% Decrease (5.50%) | Current Discount Rate (6.50%) | 1% Increase (7.50%) |
| Net HISP liability (asset) | \$ (186,074,620) | \$ (218,440,242) | \$ (245,957,563) | \$ (138,952,433) | \$ (172,162,079) | \$ (200,399,343) |

Due to the structure of the HISP, healthcare cost trend rate sensitivity analysis is not meaningful.

(7) Federal Income Tax Status

Pursuant to a determination by the IRS, the System is qualified under the Internal Revenue Code of 1986, as amended and, therefore, is exempt from federal income taxes. The latest determination letter is dated October 28, 2014 and was a favorable determination for the Oklahoma Public Employees Retirement Plan. The System has been amended since receiving the determination letter; however, the System administrator believes that the System is designed and is currently being operated in substantial compliance with the applicable requirements of the Internal Revenue Code and will retain its status as a qualified plan.

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT PLAN
Administered by the Oklahoma Public Employees Retirement System

Required Supplementary Information

(Unaudited)

June 30, 2025

Schedule 1

Schedule of Changes in the Net Pension (Asset) Liability (\$ in Thousands)

| Year Ended June 30, | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|-----------------------|----------------------|----------------------|----------------------|-----------------------|----------------------|---------------------|---------------------|---------------------|---------------------|
| Total Pension Liability | | | | | | | | | | |
| Service cost | \$ 171,796 | \$ 166,040 | \$ 163,141 | \$ 166,411 | \$ 170,303 | \$ 158,748 | \$ 162,170 | \$ 170,490 | \$ 177,082 | \$ 178,523 |
| Interest | 717,184 | 703,352 | 681,376 | 675,171 | 668,446 | 658,714 | 647,009 | 640,881 | 639,266 | 653,306 |
| Benefit changes | - | - | - | - | - | 182,977 | - | 8,929 | - | - |
| Difference between expected and actual experience | (41,755) | 64,955 | 23,280 | (51,644) | (55,509) | (7,442) | (2,065) | (110,269) | (117,283) | (52,745) |
| Changes of assumptions | - | - | 179,262 | - | - | 538,446 | - | - | 238,225 | 233,874 |
| Benefit payments | (712,444) | (702,386) | (688,559) | (675,559) | (661,582) | (628,669) | (621,409) | (592,726) | (573,962) | (565,412) |
| Refunds of contributions | (14,368) | (14,070) | (13,152) | (11,906) | (10,733) | (14,452) | (15,369) | (15,957) | (15,950) | (15,862) |
| Net change in total pension liability | 120,413 | 217,891 | 345,348 | 102,473 | 110,925 | 888,322 | 170,336 | 101,348 | 347,378 | 431,684 |
| Total pension liability - beginning | 11,391,285 | 11,173,394 | 10,828,046 | 10,725,573 | 10,614,648 | 9,726,326 | 9,555,990 | 9,454,642 | 9,427,810 | 8,996,126 |
| Adoption of GASB 74 | - | - | - | - | - | - | - | - | (320,546) | - |
| Total pension liability - ending (a) | \$ 11,511,698 | \$ 11,391,285 | \$ 11,173,394 | \$ 10,828,046 | \$ 10,725,573 | \$ 10,614,648 | \$ 9,726,326 | \$ 9,555,990 | \$ 9,454,642 | \$ 9,427,810 |
| Plan Fiduciary Net Position | | | | | | | | | | |
| Contributions - employer | \$ 324,713 | \$ 314,755 | \$ 296,241 | \$ 283,159 | \$ 275,343 | \$ 274,882 | \$ 263,730 | \$ 258,907 | \$ 269,511 | \$ 296,249 |
| Contributions - member | 72,869 | 71,568 | 68,660 | 66,392 | 66,204 | 67,808 | 66,566 | 66,930 | 70,276 | 73,801 |
| Net investment income (loss) | 1,453,377 | 1,344,625 | 1,071,681 | (1,736,616) | 2,681,327 | 435,320 | 544,237 | 734,976 | 1,013,868 | 15,756 |
| Benefit payments | (712,444) | (702,386) | (688,559) | (675,559) | (661,582) | (628,669) | (621,409) | (592,726) | (573,962) | (565,412) |
| Administrative expense | (7,159) | (7,242) | (6,479) | (5,722) | (5,310) | (5,543) | (5,564) | (5,162) | (5,214) | (5,395) |
| Refunds of contributions | (14,368) | (14,070) | (13,152) | (11,906) | (10,733) | (14,452) | (15,369) | (15,957) | (15,950) | (15,862) |
| Net change in plan fiduciary net position | 1,116,988 | 1,007,250 | 728,392 | (2,080,252) | 2,345,249 | 129,346 | 232,191 | 446,968 | 758,529 | (200,863) |
| Plan fiduciary net position - beginning | 11,723,123 | 10,715,873 | 9,987,481 | 12,067,733 | 9,722,484 | 9,593,138 | 9,360,947 | 8,913,979 | 8,435,579 | 8,636,442 |
| Adoption of GASB 74 | - | - | - | - | - | - | - | - | (280,129) | - |
| Plan fiduciary net position - ending (b) | 12,840,111 | 11,723,123 | 10,715,873 | 9,987,481 | 12,067,733 | 9,722,484 | 9,593,138 | 9,360,947 | 8,913,979 | 8,435,579 |
| Net pension (asset) liability - ending (a) - (b) | \$ (1,328,413) | \$ (331,838) | \$ 457,521 | \$ 840,565 | \$ (1,342,160) | \$ 892,164 | \$ 133,188 | \$ 195,043 | \$ 540,663 | \$ 992,231 |

Schedule of the Net Pension (Asset) Liability (\$ in Thousands)

| Year Ended June 30, | 2025 | 2024 | 2023 | 2020 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|--|-----------------------|---------------------|-------------------|-------------------|-----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total pension liability | \$ 11,511,698 | \$ 11,391,285 | \$ 11,173,394 | \$ 10,828,046 | \$ 10,725,573 | \$ 10,614,648 | \$ 9,726,326 | \$ 9,555,990 | \$ 9,454,642 | \$ 9,427,810 |
| Plan fiduciary net position | 12,840,111 | 11,723,123 | 10,715,873 | 9,987,481 | 12,067,733 | 9,722,484 | 9,593,138 | 9,360,947 | 8,913,979 | 8,435,579 |
| Net pension (asset) liability | \$ (1,328,413) | \$ (331,838) | \$ 457,521 | \$ 840,565 | \$ (1,342,160) | \$ 892,164 | \$ 133,188 | \$ 195,043 | \$ 540,663 | \$ 992,231 |
| Ratio of plan fiduciary net position to total | 111.54% | 102.91% | 95.91% | 92.24% | 112.51% | 91.59% | 98.63% | 97.96% | 94.28% | 89.48% |
| Covered payroll | \$ 1,577,058 | \$ 1,513,007 | \$ 1,527,059 | \$ 1,556,561 | \$ 1,571,954 | \$ 1,584,631 | \$ 1,601,075 | \$ 1,688,544 | \$ 1,790,810 | \$ 1,808,973 |
| Net pension liability (asset) as a % of covered payroll | -84.23% | -21.93% | 29.96% | 54.00% | -85.38% | 56.30% | 8.32% | 11.55% | 30.19% | 54.85% |

This schedule is presented to illustrate the requirement to show information for 10 years.

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT PLAN
Administered by the Oklahoma Public Employees Retirement System

Required Supplementary Information

Schedule of Pension Employer Contributions (\$ in Thousands)

(Unaudited)
June 30, 2025
Schedule 2

| Year Ended June 30, | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Actuarially determined employer contribution | \$ 90,772 | \$ 108,494 | \$ 97,397 | \$ 116,791 | \$ 224,843 | \$ 118,083 | \$ 129,707 | \$ 168,494 | \$ 176,016 | \$ 164,600 |
| Actual employer contributions | 324,713 | 314,755 | 296,241 | 283,159 | 275,343 | 274,882 | 263,730 | 258,907 | 269,511 | 296,249 |
| Annual contribution (excess) | \$ (233,941) | \$ (206,261) | \$ (198,844) | \$ (166,368) | \$ (50,500) | \$ (156,799) | \$ (134,023) | \$ (90,413) | \$ (93,495) | \$ (131,649) |
| Covered payroll* | \$ 1,577,058 | \$ 1,513,007 | \$ 1,527,059 | \$ 1,556,561 | \$ 1,571,954 | \$ 1,584,631 | \$ 1,601,075 | \$ 1,688,544 | \$ 1,790,810 | \$ 1,808,973 |
| Actual contributions as a percentage of covered payroll* | 20.59% | 20.80% | 19.40% | 18.19% | 17.52% | 17.35% | 16.47% | 15.33% | 15.05% | 16.38% |

* Covered payroll beginning in 2017 is for the defined benefit plan members only although employer contributions toward the net pension (asset) liability are being received on behalf of defined contribution plan members. Note: 2017 was the first year to exclude the health insurance subsidy.

Notes to Schedule

Valuation date:

Actuarially determined contributions are calculated as of the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

| | |
|---------------------------------------|---|
| Actuarial cost method | Entry age |
| Amortization method | Level percentage of payroll, closed |
| Remaining amortization period | 15 years |
| Asset valuation method | 5-year moving average |
| Inflation | 2.50% for 2025, 2024, 2023, 2022, 2021 and 2020, and 2.75% for 2019, 2018 and 2017, and 3.00% for 2016 |
| Salary increases, including inflation | 3.25% to 9.25% |
| Investment rate of return | 6.50% for 2025, 2024, 2023, 2022, 2021 and 2020, 7.00% for 2019, 2018 and 2017, and 7.25% for 2016, compounded annually, net of investment expense and |
| Retirement age | Age 65 for all members hired on or after November 1, 2011, age 62 for members hired prior to November 1, 2011 |
| Mortality | For 2025, 2024, 2023, 2022 and 2021 - Pub-2010 Below Median, General membership Active/Retiree Healthy Mortality table with base rates projected to generationally using Scale MP-2019. For 2020 males rates are set back one year, and female rates are set forward two years. For 2020 males rates are set back one year, and female rates are set forward one year. For 2019 and 2018, active participants and nondisabled pensioners - RP-2014 Mortality Table projected to 2025 by Scale MP-2016 (disabled pensioners set forward 12 years). For 2016, Active participants and nondisabled pensioners - RP-2000 Mortality Table projected to 2010 by Scale AA (disabled pensioners set forward 15 |

Other information:

The plan has been amended by House Bill 2630 in 2014 which states that effective November 1, 2015, OPERS shall create a defined contribution plan for most people first employed by a participating employer. Exemptions from the new defined contribution plan include hazardous duty members and district attorneys, assistant district attorneys and employees of the district attorney's office. Each employer shall send to OPERS the difference between the required employer contribution to OPERS and the amount required to match the participating employee's contribution in the defined contribution plan.

Senate Bill 2120, also enacted in 2014, amends House Bill 2630 to further exempt from the new defined contribution plan county elected officials and employees of a county, county hospital, city or town, conservation district, circuit engineering district, and any public or private trust in which a county, city or town participates. Senate Bill 2120 also states that employees who participate in the defined contribution system are excluded from the \$105 health subsidy.

New employees specifically exempted from the defined contribution plan will participate in the existing defined benefit plan.

Required Supplementary Information

Schedule of Money-Weighted Rate of Return on Pension Plan Investments

(Unaudited)

June 30, 2025

Schedule 3

| Annual money-weighted rate of return, net of investment expense | |
|---|---------|
| Year Ended June 30, 2025 | 12.58% |
| Year Ended June 30, 2024 | 12.75% |
| Year Ended June 30, 2023 | 10.89% |
| Year Ended June 30, 2022 | -14.61% |
| Year Ended June 30, 2021 | 28.05% |
| Year Ended June 30, 2020 | 4.61% |
| Year Ended June 30, 2019 | 5.91% |
| Year Ended June 30, 2018 | 8.38% |
| Year Ended June 30, 2017 | 12.64% |
| Year Ended June 30, 2016 | 0.18% |

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT PLAN
Administered by the Oklahoma Public Employees Retirement System

Required Supplementary Information

(Unaudited)

June 30, 2025

Schedule 4

Schedule of Changes in the Net HISP (Asset) Liability (\$ in Thousands)

| Year Ended June 30, | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|--|---------------------|---------------------|---------------------|--------------------|---------------------|--------------------|--------------------|--------------------|-------------------|
| Total HISP Liability | | | | | | | | | |
| Service cost | \$ 6,809 | \$ 7,013 | \$ 7,140 | \$ 7,599 | \$ 7,988 | \$ 7,567 | \$ 7,909 | \$ 8,367 | \$ 8,550 |
| Interest | 19,059 | 19,532 | 19,731 | 20,291 | 20,782 | 21,848 | 22,332 | 22,240 | 22,563 |
| Difference between expected and actual experience | (18,038) | (17,716) | (17,590) | (19,466) | (18,835) | (18,882) | (18,780) | (10,599) | (16,757) |
| Changes of assumptions | - | - | 4,285 | - | - | 15,022 | - | - | 11,073 |
| Benefit payments | (15,827) | (16,389) | (16,842) | (17,254) | (17,699) | (18,171) | (18,556) | (18,840) | (18,999) |
| Net change in total HISP liability | (7,997) | (7,560) | (3,276) | (8,830) | (7,764) | 7,384 | (7,095) | 1,168 | 6,430 |
| Total HISP liability - beginning | 301,002 | 308,562 | 311,838 | 320,668 | 328,432 | 321,048 | 328,143 | 326,975 | 320,545 |
| Total HISP liability - ending (a) | \$ 293,005 | \$ 301,002 | \$ 308,562 | \$ 311,838 | \$ 320,668 | \$ 328,432 | \$ 321,048 | \$ 328,143 | \$ 326,975 |
| Plan Fiduciary Net Position | | | | | | | | | |
| Contributions - employer | \$ 15,564 | \$ 16,044 | \$ 16,752 | \$ 16,584 | \$ 17,676 | \$ 19,236 | \$ 18,744 | \$ 19,080 | \$ 18,828 |
| Net investment income (loss) | 38,733 | 37,478 | 31,082 | (51,883) | 83,022 | 14,510 | 18,841 | 25,502 | 35,747 |
| Benefit payments | (15,827) | (16,389) | (16,842) | (17,254) | (17,699) | (18,171) | (18,555) | (18,840) | (18,999) |
| Administrative expense | (189) | (200) | (187) | (171) | (164) | (183) | (191) | (179) | (184) |
| Net change in plan fiduciary net position | 38,281 | 36,933 | 30,805 | (52,724) | 82,835 | 15,392 | 18,839 | 25,563 | 35,392 |
| Plan fiduciary net position - beginning | 473,164 | 436,231 | 405,426 | 458,150 | 375,315 | 359,923 | 341,084 | 315,521 | 280,129 |
| Plan fiduciary net position - ending (b) | 511,445 | 473,164 | 436,231 | 405,426 | 458,150 | 375,315 | 359,923 | 341,084 | 315,521 |
| Net HISP (asset) liability - ending (a) - (b) | \$ (218,440) | \$ (172,162) | \$ (127,669) | \$ (93,588) | \$ (137,482) | \$ (46,883) | \$ (38,875) | \$ (12,941) | \$ 11,454 |

Schedule of the Net HISP (Asset) Liability (\$ in Thousands)

| Year Ended June 30, | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---------------------|---------------------|---------------------|--------------------|---------------------|--------------------|--------------------|--------------------|------------------|
| Total HISP liability | \$ 293,005 | \$ 301,002 | \$ 308,562 | \$ 311,838 | \$ 320,668 | \$ 328,432 | \$ 321,048 | \$ 328,143 | \$ 326,975 |
| Plan fiduciary net position | 511,445 | 473,164 | 436,231 | 405,426 | 458,150 | 375,315 | 359,923 | 341,084 | 315,521 |
| Net HISP (asset) liability | \$ (218,440) | \$ (172,162) | \$ (127,669) | \$ (93,588) | \$ (137,482) | \$ (46,883) | \$ (38,875) | \$ (12,941) | \$ 11,454 |
| Ratio of plan fiduciary net position to total HISP (asset) | 174.55% | 157.20% | 141.38% | 130.01% | 142.87% | 114.27% | 112.11% | 103.94% | 96.50% |
| Covered payroll* | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Net HISP (asset) liability as a percentage of covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

*Covered Payroll is not meaningful to formulate a ratio of net HISP liability as a percentage of covered payroll. Contributions are only received from employers.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the information included is for those years for which information is available.

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT PLAN
Administered by the Oklahoma Public Employees Retirement System

Required Supplementary Information

Schedule of HISP Employer Contributions (\$ in Thousands)

(Unaudited)

June 30, 2025

Schedule 5

| Year Ended June 30, | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Actuarially determined employer contribution | \$ 2,310 | \$ 2,867 | \$ 2,690 | \$ 3,363 | \$ 6,722 | \$ 3,654 | \$ 4,281 | \$ 5,786 | \$ 6,087 |
| Actual employer contributions | 15,564 | 16,044 | 16,752 | 16,584 | 17,676 | 19,236 | 18,744 | 19,080 | 18,828 |
| Annual contribution (excess) | \$ (13,254) | \$ (13,177) | \$ (14,062) | \$ (13,221) | \$ (10,954) | \$ (15,582) | \$ (14,463) | \$ (13,294) | \$ (12,741) |
| Covered payroll* | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Actual contributions as a % of covered payroll* | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

*Covered Payroll is not meaningful to formulate a ratio of net HISP liability (asset) as a percentage of covered payroll. Contributions are only received from employers.

Notes to Schedule

Valuation date:

Actuarially determined contributions are calculated as of the beginning of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

| | |
|---------------------------------------|---|
| Actuarial cost method | Entry age |
| Amortization method | Level percentage of payroll, closed |
| Remaining amortization period | 15 years |
| Asset valuation method | 5-year moving average |
| Inflation | 2.50% for 2025, 2024, 2023, 2022, 2021 and 2020, 2.75% for 2019, 2018 and 2017 |
| Salary increases, including inflation | 3.25% to 9.25% for FY25, FY24, FY23, FY22, FY21 and FY20, 3.75% for 2019, 2018 and 2017 including inflation |

Investment rate of return 6.50% for 2025, 2024, 2023, 2022, 2021 and 2020, 7.00% for 2019, 2018 and 2017, compounded annually, net of investment expense and including inflation

Retirement age Age 65 for all members hired on or after November 1, 2011, age 62 for members hired prior to November 1, 2011

Mortality For 2025, 2024, 2023, 2022 and 2021 - Pub-2010 Below Median, General membership Active/Retiree Healthy Mortality table with base rates projected to 2030 using Scale MP-2019. Males rates are unadjusted, and female rates are set forward two years.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the information included is for those years for which information is available.

Required Supplementary Information

Schedule of Money-Weighted Rate of Return on HISP Investments

(Unaudited)

June 30, 2025

Schedule 6

| Annual money-weighted rate of return, net of investment expense | |
|---|---------|
| Year Ended June 30, 2025 | 8.18% |
| Year Ended June 30, 2024 | 8.60% |
| Year Ended June 30, 2023 | 7.66% |
| Year Ended June 30, 2022 | -11.30% |
| Year Ended June 30, 2021 | 22.10% |
| Year Ended June 30, 2020 | 4.03% |
| Year Ended June 30, 2019 | 5.52% |
| Year Ended June 30, 2018 | 8.08% |
| Year Ended June 30, 2017 | 12.76% |

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the information included is for those years for which information is available.

Supplementary Information

Schedule of Investment Expenses

Years Ended June 30, 2025 and 2024

Schedule 7

| | 2025 | 2024 |
|--|---------------|--------------|
| Investment management fees | | |
| Fixed Income Managers: | | |
| BlackRock Financial Management, Inc. | \$ 1,463,884 | \$ 1,277,383 |
| Hoisington Investment Management | 435,561 | 398,736 |
| Metropolitan West Asset Management, LLC | 1,177,430 | 495,777 |
| BlackRock Institutional Trust Company, N.A. - TIPS | 36,103 | 34,116 |
| U.S. Equity Managers: | | |
| Barrow, Hanley, Mewhinney & Strauss, Inc. | 1,291,425 | 1,226,533 |
| BlackRock Institutional Trust Company, N.A. | 130,056 | 118,588 |
| DePrince Race & Zollo, Inc. | 870,938 | 828,435 |
| Newton Investment Management North America, LLC | 125,000 | 125,000 |
| State Street Global Advisors | 217,725 | 212,403 |
| UBS Global Asset Management | 332,950 | 309,400 |
| Westfield Capital Management | 413,362 | 403,747 |
| International Equity Managers: | | |
| Baillie Gifford Overseas Limited | 652,079 | 603,823 |
| BlackRock Institutional Trust Company, N.A. | 607,114 | 541,449 |
| Mondrian Investment Partners, Ltd | 2,982,920 | 2,603,704 |
| Total investment management fees | 10,736,547 | 9,179,094 |
| Investment consultant fees | | |
| Verus Investment Advisory Group | 242,831 | 241,533 |
| Investment custodial fees | | |
| Northern Trust Company | 43,523 | 43,517 |
| Other investment related expenses | 329,736 | 294,619 |
| Total investment expenses | \$ 11,352,637 | \$ 9,758,763 |

Supplementary Information

Schedule of Administrative Expenses

Year Ended June 30, 2025 and 2024

Schedule 8

| | 2025 | 2024 |
|--|--------------|--------------|
| Staff salaries | \$ 4,836,016 | \$ 4,782,393 |
| Social Security | 355,970 | 355,591 |
| Retirement | 801,705 | 789,975 |
| Insurance | 714,011 | 726,094 |
| Temporary employees | 21,836 | - |
| Total personnel services | 6,729,538 | 6,654,053 |
| Actuarial | 97,850 | 144,200 |
| Audit | 263,806 | 259,440 |
| IT Consulting | 409,021 | 490,485 |
| Legal | 33,977 | 23,496 |
| Total professional services | 804,654 | 917,621 |
| Printing | 68,746 | 70,450 |
| Telephone | 25,841 | 27,089 |
| Postage and mailing expenses | 126,647 | 117,826 |
| Travel | 53,231 | 46,512 |
| Information Technology | 604,326 | 669,751 |
| Total communication | 878,791 | 931,628 |
| Office space | 262,784 | 259,736 |
| Equipment leasing | 14,050 | 19,288 |
| Total rentals | 276,834 | 279,024 |
| Supplies | 6,834 | 5,447 |
| Maintenance | 135,290 | 65,029 |
| Depreciation | 60,000 | 58,598 |
| Other | 137,519 | 121,541 |
| Total miscellaneous | 339,643 | 250,615 |
| Total administrative expenses | 9,029,460 | 9,032,941 |
| Administrative expenses allocated | | |
| Uniform Retirement System for Justices and Judges (URSJJ) | (254,978) | (252,041) |
| Oklahoma State Employees Deferred Compensation Plan (DCP) | (634,708) | (670,033) |
| Oklahoma State Employees Deferred Savings Incentive Plan (SIP) | (162,053) | (164,891) |
| Pathfinder 401(a) Defined Contribution Plan | (548,440) | (436,127) |
| Pathfinder 457 Defined Contribution Plan | (81,584) | (67,339) |
| Total administrative expenses allocated | (1,681,763) | (1,590,431) |
| Net administrative expenses | \$ 7,347,697 | \$ 7,442,510 |

Note to Schedule of Administrative Expenses

Administrative overhead expenses, including personnel and other supporting services costs, which are paid for by the Plan, are allocated to three other retirement funds also administered by OPERS. The allocation is based on OPERS' estimate of the cost of service provided by the Plan to the other funds.

Supplementary Information

Schedule of Professional/Consultant Fees

Year Ended June 30, 2025 and 2024

Schedule 9

| Professional/Consultant | Service | 2025 | 2024 |
|--------------------------------------|------------------|------------|------------|
| Cavanaugh Macdonald Consulting, Inc. | Actuarial | \$ 97,850 | \$ 144,200 |
| Eide Bailly LLP | External Auditor | 76,000 | 73,800 |
| Arledge & Associates | External Auditor | 37,050 | 36,200 |
| Finley & Cook, PLLC | Internal Auditor | 150,756 | 149,440 |
| Linea Solutions | IT Consulting | 102,606 | 305,530 |
| Gartner Inc. | IT Consulting | 259,295 | 149,755 |
| True Digital Security | IT Consulting | 47,120 | 35,200 |
| Ice Miller LLP | Legal | 30,085 | 13,941 |
| Phillips Murrah | Legal | 3,892 | 9,555 |
| Total professional/consultant fees | | \$ 804,654 | \$ 917,621 |



Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Trustees
Oklahoma Public Employees Retirement System
Oklahoma City, Oklahoma

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Oklahoma Public Employees Retirement System (the System), which comprise the statements of fiduciary net position as of June 30, 2025, and the related statements of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 3, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the System's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, we do not express an opinion on the effectiveness of the System's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the System's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not the objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Oklahoma City, Oklahoma
October 3, 2025



In/Out of shape

The phrase “in shape” suggests muscular builds or having the stamina to complete challenging activities. Before this modern usage, shape suggested the condition of an object. A collector may be willing to pay for a rare coin in “any shape,” or a used car may be advertised as “still in good shape”. A successful and fulfilling retirement depends not only on having a plan in good shape, but also taking care of your own health to enjoy the years ahead.

Investment

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Investment Consultant's Report



Investment Objectives

The primary financial objective for Oklahoma Public Employees Retirement System (OPERS) is to earn a long-term return sufficient to avoid deterioration in funded status. The System's actuary estimates this return requirement to be 6.5%.

The secondary goals for OPERS are to outperform the asset allocation-weighted benchmark and to rank in the top fortieth percent of a universe of large public pension funds.

Asset Allocation

The System's Investment Philosophy stresses the following key points:

1. Asset allocation is the key determinant of return. Therefore, commitments to asset allocation targets are maintained through a disciplined rebalancing program.
2. Diversification, both by and within asset classes, is the primary tool for risk control.
3. Passive instruments (index funds) are suitable strategies in highly efficient markets.

| ASSET CLASS | 6/30/25 ALLOCATION | LOW | TARGET | HIGH | % PASSIVE OR SEMI- PASSIVE |
|--------------|-----------------------|-------|--------|-------|----------------------------------|
| U.S. EQUITY | 40.8% | 39.5% | 40.0% | 42.1% | 78.4% |
| FIXED INCOME | 29.1% | 29.1% | 32.0% | 31.0% | 60.8% |
| INT'L EQUITY | 29.8% | 27.6% | 28.0% | 29.8% | 67.8% |
| REAL ESTATE | 0.1% | 0.1% | 0.0% | 0.1% | 0.0% |
| CASH | 0.3% | 0.3% | 0.0% | 0.4% | 0.0% |

Verus estimates the forward return expectation of the fund's target asset allocation strategy longer term to be 5.8% annualized, using capital market expectations as of June 30, 2025. Verus uses a 10-year investment horizon in developing this expectation, whereas actuarial consultants use a much longer time horizon in developing forecasts, typically 30 years, in developing the actuarial return assumption mentioned above.

Review of Fiscal Year 2025 Investment Environment

Risk assets delivered strong performance over the past year, with global equities up +16.2% (MSCI ACWI Index). Fixed income assets also finished with strong positive performance, as spreads narrowed and treasury yields moved lower. During this period, markets delivered a bumpy ride throughout elections and a change in U.S. administration, shifting trade policy and tariff announcements which contributed to an April selloff following "Liberation Day", and some Treasury yield volatility due to uncertainty on timing of Federal Reserve rate cuts and fears around the nation's fiscal path.

Although investors had expected domestic economic growth to slow in 2025, that slowing has so far proven more moderate than many had feared despite initial tariff concerns. Inflation did not reach the Federal Reserve's 2% goal, but showed some progress, now fluctuating in a 2.5%-

3.0% range. Tariff-driven price increases were observed in specific categories but have so far not been broadly impactful. We expect sticky inflation and generally stronger-than-expected economic conditions to result in fewer rate cuts from the Federal Reserve and a higher-for-longer interest rate environment. The full economic effects of shifting trade policy will likely not be known until later in the year and into 2026.

International equities outperformed U.S. equities, though most of this outperformance was due to currency movements as the dollar fell sharply in the first half of 2025. Outperformance became particularly significant following the April market selloff, but a surprisingly strong rebound from U.S. equities has helped recoup much of that margin.

U.S. Equity

Domestic equities underperformed over the past year (S&P 500 +15.2% vs. MSCI ACWI ex-US +17.7%). Equity gains have been narrow, with a handful of mega-cap stocks propelling the index higher. Forward P/E multiples climbed back to high levels, driven by earnings momentum in mega-cap growth stocks, and S&P 500 dividend yield fell to a historic low of 1.3%. Sentiment around artificial intelligence boosted long-term expectations for growth and contributed to investor enthusiasm despite lofty index valuations. A corporate productivity boom fueled by artificial intelligence investments may provide a path to further strong market gains despite elevated valuations, already high profit margins, higher cost of debt, and a moderation of economic growth.

Many investors have attributed this effect to trade policy—specifically aggressive U.S. trade negotiations with a wide variety of trading partners. This presents the U.S. with more trade friction and greater risks to its economy relative to its trading partners that each face trade negotiations with only a single country. During the April selloff, questions circulated around whether U.S. exceptionalism had ended and that non-U.S. assets were set for a comeback. However, this story faded after U.S. markets roared back to new highs in the subsequent months.

International Equity

International developed markets outperformed U.S. equities over the past year (MSCI EAFE +17.5%), largely due to currency effects from dollar depreciation. European equities led the way among other regions (MSCI Euro +22.2%) during that period, with Germany (MSCI Germany +41.1%) showing impressive gains on optimism that relaxation of government debt limits and stimulus programs could kickstart a new wave of growth via more rapid industrial production and reinvestment.

Emerging market equities also slightly outperformed the U.S. (MSCI EM +15.3%) fueled by a bounce back in Chinese markets (MSCI China +34.1%). However, despite this rally, Chinese equities remain a significant detractor from emerging market performance over the longer-term, as demonstrated by China's -31% total underperformance over the past 10 years relative to the rest of the emerging markets complex (MSCI EM ex-China).

Fixed Income

The 10-year U.S. Treasury yield continues to hover around 4.2%, although yields moved in a very wide range from slightly below 4.0% following April's selloff to 4.6% after Moody's downgraded

the U.S. credit rating and fears circulated around the country's fiscal path.

The Federal Reserve kept rates steady again in June in a target range of 4.25%-4.50%, expressing concerns about possible inflationary impacts of tariffs. Chair Jerome Powell at the meeting said that policymakers are "well positioned to wait" and that there were few signs of economic weakening. Markets are pricing in two rate cuts by the end of 2025, while the U.S. yield curve has returned to an upward sloping shape—the steepest since early 2022 when the Federal Reserve began quickly hiking interest rates. The 10-year U.S. Treasury yield was 0.6% higher than the 2-year yield as of June 30th. President Trump continued to place pressure on Jerome Powell to cut rates, and discussions are underway for electing a new Fed chairman in 2026.

Fixed income assets delivered high single-digit returns over the past year as medium- and shorter-term Treasury yields moved lower and credit spreads tightened. Core fixed income showed a +6.7% return (Bloomberg U.S. Aggregate) while high yield bonds returned +10.4% (Bloomberg U.S. Corporate High Yield). Despite increased borrowing costs, credit default activity has remained muted with no defaults occurring in June, which was only the third instance of no monthly defaults since 2022. Loans continued to surpass bonds in both default and distressed activity. High yield bond default rates rose 21 bps to 1.4% during Q2, well below the long-term annual average of over 3.0%. Loan default rates, by comparison, dropped slightly to 3.8%. High yield credit spreads tightened from 3.2% to 2.9% while investment grade spreads narrowed from 0.9% to 0.8%.

Outlook

The U.S. economy remains relatively strong—a stable labor market and consumer spending trends suggest a low chance of recession in 2025. Tariff inflation effects appear very small so far, though more effects will likely show in the coming quarters. Domestic risk asset pricing fully reflects this good outcome, and we are back to an environment where high prices may temper investor enthusiasm to take much more risk than policy.

We expect moderate positive growth in 2025 with no recession. Inflation may rise to around 3-3.5% by end of year due to tariffs and other price pressures traditionally associated with good economic growth. We do not believe that this would be enough inflation to spook markets or to cause major disruptions. The labor market will likely continue to show mixed signals but remain generally stable with less hiring, and possibly signs of growing labor productivity which could add to investor sentiment. Earnings forecasts, which are currently high (+10.3% earnings growth for 2025) could further propel U.S. equities despite high valuations.

Portfolio Review

The Board maintained its existing strategic asset allocation in fiscal year 2025 as well as its portfolio structure and manager line up.

Performance Review

At quarterly intervals, the System reviews performance at the total fund, asset class and individual manager levels. At each level, returns are evaluated versus appropriate indexes and peers. Index comparisons have as return objectives various after-fee return premiums with risk (standard deviation) not exceeding 125%-150% of the underlying index. OPERS targets returns

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT PLAN
Administered by the Oklahoma Public Employees Retirement System

within the top fortieth percentile of peer comparisons over longer time periods. Investment returns achieved through June 30, 2025, have been calculated using a time-weighted rate of return methodology based upon fair value.

As shown in the following table, the total OPERS total plan returned 12.5% for the fiscal year, ranking in the top 6th percentile of the peer universe of Public Funds greater than \$1 Billion. This relative performance to peers was driven by asset allocation, which is heavier in public markets equity. OPERS' total fund performance is above the benchmark for both three and five year annualized time periods ended June 30, 2025.

OPERS' U.S. Equity asset class underperformed its benchmark on a relative basis over the past year. Active small cap managers struggled, providing a headwind to returns relative to the asset class composite benchmark. The Non-U.S. Equity asset class was flat with the index over the 1-year time period. The Fixed Income asset class outperformed the benchmark, gaining 5.9% versus 5.4% for the benchmark.

| PERIODS ENDED 6/30/25 | ONE YEAR | THREE YEARS | FIVE YEARS |
|--|----------|-------------|------------|
| Domestic Equity | 13.2% | 18.1% | 15.9% |
| <i>85% Russell 1000 / 15% Russell 2000</i> | 14.5% | 18.2% | 15.4% |
| Non-U.S. Equity | 18.4% | 14.0% | 10.0% |
| <i>MSCI ACWI ex-U.S.</i> | 18.4% | 14.6% | 10.7% |
| Fixed Income | 5.9% | 2.3% | -1.0% |
| <i>78% BC Agg./11% Citi 20+ Year Tsy./11% BC U.S. TIPS</i> | 5.4% | 1.7% | -1.4% |
| Total Fund | 12.5% | 12.1% | 9.0% |
| <i>Policy Benchmark**</i> | 12.8% | 11.9% | 8.7% |
| Rank* | 6 | 2 | 50 |

* Ranking 1 is best, 100 is worst. Rankings source is Paris universes

** Policy Benchmark is: 40% Custom Domestic Equity Benchmark (85% Russell 1000/ 15% Russell 2000)/ 32% Custom Fixed Income Benchmark (78% BB U.S. Aggregate/ 11% Citi 20-Year+ Treasury/ 11% BC U.S. TIPS)/28% MSCI ACWI ex-U.S. Index

Verus continues to believe that OPERS is managed in a prudent and cost-effective manner. We believe that the sound and disciplined policies that have been implemented by OPERS for decades will continue to enable to Plan to meet its investment objectives over the long term.

Yours truly,

Joseph Abdou
Consultant

Mike Patalsky
Managing Director

Chief Investment Officer's Report

Oklahoma Public Employees Retirement System

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Dear Members:

The Fund's nominal total return for fiscal year 2025 again was impressive and reflected robust global capital market returns in every segment of the investment portfolio. The Fund gained 12.49% (gross of fees) for fiscal year 2025, compared to a gain of 12.74% for the prior fiscal year. This result was well above the 6.5% long-term actuarial return target. The Fund's total return for fiscal year 2025 compared favorably to the long-term assumed rate of return and peer Systems nationwide but modestly underperformed the Policy Portfolio benchmark return of 12.84% for the period. For the fiscal year, domestic equity markets and equity markets outside of the U.S. continued to exhibit strong upward momentum. The strength of those markets, despite an increase in volatility during the period, again drove the Fund's strong total return for the fiscal year. Domestic and non-U.S. equity markets produced out-sized gains for the Fund, and fixed income returns also contributed positively to overall results for the period. While every segment of the portfolio produced favorable total returns (relative to the asset class), active risk-taking in certain pockets of the portfolio was especially unsuccessful and resulted in the Fund underperforming the Policy Portfolio for the period.

We endeavor to build a durable portfolio that will weather tumultuous market conditions and capture market gains during advantageous markets. Maintaining diversification among asset classes and geographical regions is a critical component of that effort. We also de-emphasize active management in the portfolio, as demonstrated by our large holdings of passive index funds, and avoid the high-fee areas of active management altogether. This year's letter, which covers the 2025 fiscal year, will follow the same format as in years past. First, I will discuss the general economic environment and the performance of various markets throughout the fiscal year. Next, I will focus on the Fund by reviewing the investment performance and the asset allocation. Then, I will offer an investment outlook and discuss recent events at the Fund. Finally, I will review the Fund's investment philosophy and guiding principles because both are critically important to the investment decision-making process.

Economic Environment

Gross Domestic Product (GDP), the primary gauge of economic activity in the U.S., increased at an annual rate of 3.3% for the second quarter of 2025 (per the second revision as of the date of this writing). GDP growth rebounded strongly from a contraction of 0.5% on an annualized basis during the first quarter of 2025. The increase in GDP growth for the second quarter of 2025 was driven by a strong increase in consumer spending partially offset by a downturn in investment by businesses. The general level of economic activity in the U.S. has continued to be healthy. The Federal Reserve has been successful thus far in containing inflationary pressure while not depressing economic activity to the point of leading the economy into a recession. The labor market in the U.S. remained relatively strong, although recent signs have pointed to a definitive softening. The unemployment rate remained range-bound during the fiscal year, which ended at 4.1% for June 2025--exactly where it had started the fiscal year. However, payroll growth has slowed considerably, and a substantial downward revision after the end of the fiscal year meaningfully cut into the already slowing rate of payroll growth. This trend may indicate a stronger cooling of the labor market over the course of the fiscal year than initially expected. Inflationary pressure continued to moderate throughout the fiscal year, as the Consumer Price Index for all Urban Consumers (CPI-U) ended the fiscal year at a rolling annual rate of 2.7%. The core inflation rate, which is defined as the CPI-U less food and energy, was up 2.9% on a rolling annual basis. Prices for shelter rose at a 3.8% annual rate. While inflation has come down over the past several years, it remains above the Federal Reserve's preferred target of 2%. After several

Chief Investment Officer's Report (continued)

years of a hawkish policy bias, the Federal Reserve moved to a dovish policy and lowered the Federal Funds rate three times during the current fiscal year. The U.S. dollar weakened during the fiscal year relative to the basket of non-U.S. developed and emerging market currencies. Note that a weaker dollar makes goods imported into the U.S. more expensive for consumers but positively impacts U.S. dollar-based investor returns in foreign markets. Corporations who derive revenues from non-U.S. markets also receive a tailwind from a strengthening dollar when converting revenues back into U.S. dollars.

Last year's theme of modestly accelerating global economic growth was revised downward, to a more cautious outlook for the future. The International Monetary Fund (IMF) modestly revised its prediction downward for global economic growth (July 2025 report), to increase by 3.0% for 2025 and 3.1% for 2026. The IMF global economic growth estimate reflects "front-loading ahead of tariffs, lower effective tariff rates, better financial conditions, and fiscal expansion in some major jurisdictions. Global inflation is expected to fall, but US inflation is predicted to stay above target. Downside risks from potentially higher tariffs, elevated uncertainty, and geopolitical tensions persist." Several notable central banks had pivoted to an expansionary interest rate regime by the end of the previous fiscal year. The European Central Bank (ECB) lowered rates in June 2024 by 25 basis points and cut rates seven additional times to end the fiscal year at 2%. The Bank of England started cutting rates in August 2024, and lowered rates four additional times during the fiscal year. European institutions had been more aggressive in lowering interest rates to stimulate economic activity during the period. Inflationary pressures in Europe were less severe compared to the U.S., which gave European authorities a bit of a longer runway in executing more accommodating monetary policies. But not all central banks were in a holding pattern or had an easing bias across the globe. For the first time in nearly two decades, the Bank of Japan (BOJ) raised rates during the last fiscal year, albeit by a very modest 10 basis points. The Bank followed this action with two more rate increases, in July 2024 by 15 basis points, and in January 2025 by another 25 basis points. The interest rate moves reflected greater confidence that the Japanese economy would achieve the BOJ's 2% inflation target and to support the yen. The People's Bank of China announced an economic stimulus package during the fiscal year to address continued economic weakness, particularly in the property and manufacturing sectors.

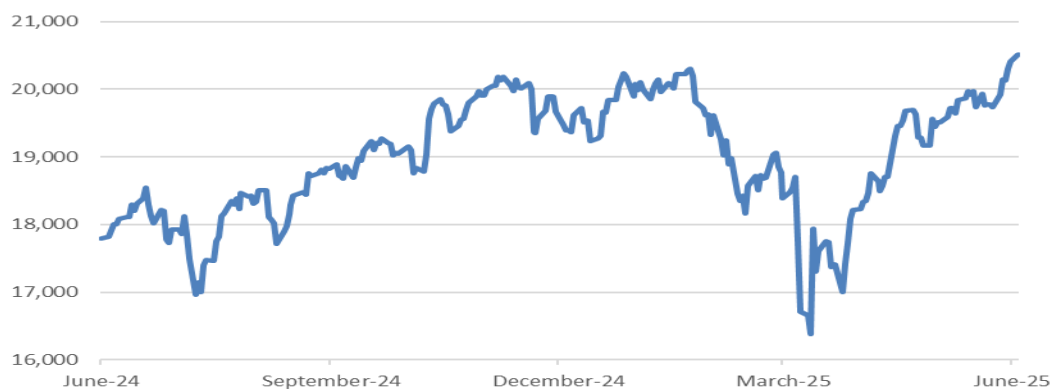
U.S. and Global Stock Markets

The U.S. stock market, as measured by the Russell 3000 Index, experienced some periods of volatility over the fiscal year, but ultimately extended the rally to reach successive all-time highs over the fiscal year. The Russell 3000 Index is one of the broadest domestic equity indices available and a good proxy for the U.S. equity market as a whole. Equity markets reacted negatively to weaker domestic economic reports and trade tensions in early 2025. Uncertainty regarding tariffs eased somewhat with the announcement of exemptions and delays in implementation in May and June of 2025. With the tailwind of improving economic reports later in the fiscal year, the U.S. equity market continued its upward trajectory. This fiscal year was yet another marked by high rewards for assuming equity risk.

Change in the Russell 3000 Index during the fiscal year ended June 30, 2025

Value at 6/30/25 20,506.8

Value at 6/30/24 17,786.2



Source: FTSE Russell

Chief Investment Officer's Report (continued)

The Russell 3000 again garnered venerable nominal returns in the one-year period ended June 30, 2025, having risen over 15% despite investor concerns about the slowing U.S. economy and burgeoning global trade disputes. The profitability of American companies remained supportive, especially among larger companies. In addition, the Federal Reserve reversed course and adopted an expansionary monetary policy at the end of the prior fiscal year, which continued to support equity risk markets.

The Russell 1000 index (which represents domestic large capitalization stocks) returned 15.7% for the fiscal year. The market rally was led by the Financials, Communication Services, and the Utilities sectors, returning 30.4%, 24.3%, and 23.6% for the period, respectively. Profitability at the index level continued to be strong, with 81% of the companies in the S&P 500 index (another index that emphasizes relatively larger capitalization stocks) reporting a positive earnings surprise and substantial year-over-year earnings growth rates. However, valuations remain relatively high, as the Russell 1000 index traded at nearly 22 times forward-looking earnings at the end of the fiscal year, which was above its five-year average of about 20 times. Investors continued to reward large capitalization stocks during the period, as the small capitalization index, as represented by the Russell 2000 index, gained 7.7% for the one-year period ending June 30, 2025. The Russell 2000 index traded at just over 25 times forward earnings at the end of the fiscal year, still below the five-year average. Equity style leadership (i.e., market capitalization size, growth, value) again favored large capitalization, growth-oriented stocks during the fiscal year. The growth index outperformed the value index in large capitalization and small capitalization space. Assuming risk in the larger-capitalization areas of the markets associated with growing companies with a technology component to their businesses continued to be the recipe for investor success in the U.S. for the period.

For as well as markets rewarded investors in the U.S., the rest of the world performed even better on a U.S. dollar basis. The MSCI All Country World Index ex-U.S. (ACWI ex-U.S. Index net), which includes public equities from both developed and emerging markets, gained 17.7% in U.S. dollar terms for the fiscal year. The return to that index on a local currency basis was just over 11%. The weakening of the dollar over the period contributed to a strongly positive compounding effect to equity market gains experienced by U.S. dollar investors in foreign markets, enhancing returns to U.S. investors. Developed market returns in Europe were particularly impressive over the period. Germany's stock market returned over 41% in U.S. dollar terms as the ECB engaged in stimulative measures and the German Government announced an increase in defense spending and infrastructure spending. Emerging market returns in U.S. dollar terms performed in-line with U.S. stocks, having gained 15.3% for the period. This was a welcome recovery from the performance of emerging markets compared to last fiscal year. The stock market in China and Hong Kong rebounded strongly over the fiscal year, gaining over 34% and 35%, respectively, in U.S. dollar terms, as investors priced in stimulus measures announced by authorities and exuberance over AI-related stocks. Returns investors experienced for assuming equity risk in non-U.S. equity markets were comparable or above returns to U.S. markets, making diversification into these areas a superior contributor to overall Fund results for the period.

Interest Rates

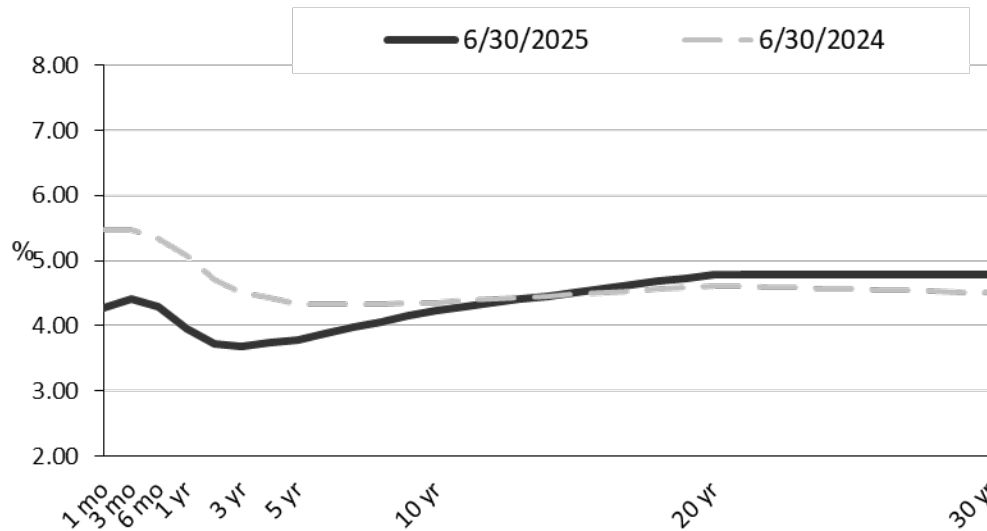
The chart below depicts the U.S. Treasury term structure of interest rates. The yield curve is a graphical representation of yield levels across the spectrum of bond maturities. As shown, yield levels ended the fiscal year lower across most of the curve but ended modestly higher for maturities of 15 years and longer. After several years of a hawkish policy bias, the Federal Reserve moved to a dovish policy and lowered the Federal Funds rate three times during the current fiscal year. The Federal Reserve lowered rates by 50 basis points in September of 2024, and by 25 basis points in November and December of 2024. The Federal Funds rate remained at the range of 4.25%-5.50% for the rest of the fiscal year, a full percentage point lower than it had started the fiscal year. This bond market rally was not interrupted by a one-notch downgrade to the credit rating of the United States Government by Moody's towards the end of the fiscal year. Moody's was the last credit rating agency to remove the "triple-A" rating from the U.S. Government, citing the inability of the government to address large and growing budget deficits. After having moderated inflation from very high levels, the Federal Reserve found itself in a bit of a policy dilemma. The economy, in general, has been strong despite declining consumer sentiment and a less rosy employment outlook. Inflation also remains stubbornly above the Federal Reserve's preferred target of 2%. Trade tensions and uncertainty regarding reciprocal tariffs risk elevating consumer prices, but the

Chief Investment Officer's Report (continued)

actual impact on consumer prices and corporate profitability has been muted to date. These factors had kept the Federal Reserve from providing even more accommodative policy actions for the remainder of the fiscal year.

In the Eurozone, the European Central Bank's policy stance changed from hawkish to dovish much sooner, and the actions during the fiscal year had been more aggressive. The ECB cut interest rates a total of seven times during the fiscal year. Inflationary pressure had eased more than in the U.S. and ended the fiscal year below the Bank's target of 2%, which gave the ECB a bit more breathing room to continue stimulative policy actions. Much like the U.S., European countries are dealing with trade tensions and the potential impact of reciprocal tariffs. The theme of central banks around the world continuing to affect expansionary policy actions held for the entire current fiscal year.

U.S. Treasury Yield Curve



Source: U.S. Treasury

Investment Returns Through June 30, 2025

| U.S. Equity | Style | 1 Year | 3 Years | 5 Years |
|--|------------------------------|---------------|---------------|---------------|
| Russell 3000 | Broad U.S. Equity | 15.30% | 19.08% | 15.96% |
| S&P 500 | Large Cap Equity | 15.16% | 19.71% | 16.64% |
| Russell 1000 | Large Cap Equity | 15.66% | 19.59% | 16.30% |
| Russell 1000 Growth | Large Cap Growth | 17.22% | 25.76% | 18.15% |
| Russell 1000 Value | Large Cap Value | 13.70% | 12.76% | 13.93% |
| Russell 2000 | Small Cap Equity | 7.68% | 10.00% | 10.04% |
| Russell 2000 Growth | Small Cap Growth | 9.73% | 12.38% | 7.42% |
| Russell 2000 Value | Small Cap Value | 5.54% | 7.45% | 12.47% |
| Oklahoma Public Employees Retirement System | Broad U.S. Equity | 13.25% | 18.13% | 15.90% |
| U.S. Fixed Income | Style | 1 Year | 3 Years | 5 Years |
| ML 3-Month T-Bill | Cash | 4.75% | 4.66% | 2.82% |
| Bloomberg U.S. Aggregate | Core Bonds | 6.08% | 2.55% | -0.73% |
| Bloomberg 20+-year U.S. Treasury | Long Term Bonds | 0.32% | -5.17% | -9.11% |
| Bloomberg Corporate High Yield | High Yield Bonds | 10.29% | 9.93% | 5.97% |
| Oklahoma Public Employees Retirement System | Domestic Fixed Income | 5.87% | 2.27% | -0.95% |

Chief Investment Officer's Report (continued)

| International Equity | Style | 1 Year | 3 Years | 5 Years |
|--|-------------------------|---------------|---------------|--------------|
| MSCI ACWI Ex-US (net) | Broad Non-US Equity | 17.72% | 13.99% | 10.13% |
| MSCI EAFE (net) | Developed Non-US Equity | 17.73% | 15.97% | 11.16% |
| MSCI Emerging Market (net) | Emerging Non-US Equity | 15.29% | 9.70% | 6.81% |
| Oklahoma Public Employees Retirement System | Non-U.S. Equity | 18.38% | 14.03% | 9.97% |
| Oklahoma Public Employees Retirement System | Total Fund | 12.49% | 12.06% | 9.00% |

Source: Various index providers, including FTSE Russell, S&P, Bloomberg, FTSE, and MSCI. OPERS returns were calculated using the BAI Iterative method (as such returns are time-weighted) and are gross of investment fees. International Equity Indices shown are net.

Investment Performance

U.S. Equity Market Continued to Reach New Heights

The continued strength of global equity markets again propelled the Fund to double-digit gains for the fiscal year. The Fund produced a nominal total return of 12.49% for the period gross of fees (12.40% net of fees). As shown by the table above, the performance of the U.S. and non-U.S. equity market segments was the driver of the Fund's impressive results. The primary contributor to results for the fiscal year was the Fund's exposure to non-U.S. equities. That segment of the Fund returned over 18% in dollar terms for the fiscal year. The domestic equity segment of the portfolio also contributed robust returns to the Fund, earning over 13% for the period. Lastly, the fixed income market segment contributed healthy returns as well, returning almost 6% for the fiscal year. This year was another where assuming equity risk paid handsomely, and all segments of the portfolio were positive contributors to the overall returns of the Fund.

The Fund underperformed the Policy portfolio for the fiscal year by 35 basis points gross of fees (43 basis points net of fees). While modest, any amount of underperformance relative to the Policy Portfolio is disappointing. The Fund's asset allocation positioning going into the fiscal year was a positive contributor to excess returns, as the Fund was overweight to the two best performing asset classes for the fiscal year. However, active management results were once again a drag on relative performance for this fiscal year. Active managers across the Fund generally performed well, except in one asset class in particular, U.S. small capitalization stocks. The magnitude of underperformance in this asset class by the active managers as a group was such that the entire Fund suffered adverse Policy-relative results for the fiscal year.

U.S. Equity

The Fund continues to use an equal mix of passive and active investment management within the domestic equity portfolio structure. Equity markets in the U.S. continued to march upwards during the fiscal year. In aggregate, the domestic equity portfolio produced a total return of over 13% for the fiscal year. The portion of the portfolio that emphasizes the large capitalization areas of the equity markets again drove the overall results of this segment from a nominal return perspective, which marks the fourth fiscal year in a row that performance has favored this segment. The advisors who emphasize the larger capitalization areas of the market were responsible for delivering meaningful excess returns as a group compared to their respective benchmarks. The advisors who emphasize smaller capitalization stocks performed poorly relative to their respective benchmarks. The magnitude of the underperformance in this segment was exceedingly impactful in a negative way. As a group, the small capitalization managers delivered a nominal loss of 3.35% for the fiscal year, compared to the benchmark return of 7.68% for the same period. This group of managers had been responsible for outsized gains in past years, but this year underperformed their respective benchmarks by considerable margins. As a whole, the U.S. equity segment of the portfolio underperformed the domestic equity portion of the policy portfolio by 121 basis points, which was disappointing and one of the worst results from this segment in recent memory. As should be expected, not every advisor that OPERS employs to make active stock selection decisions in the U.S. equity portion of the portfolio delivered excess returns relative to each advisor's respective benchmark. That is why OPERS employs a stable of advisors whose ability to generate excess returns is expected to be complementary within the overall structure of this segment of the portfolio.

Chief Investment Officer's Report (continued)

Non-U.S. Equity

Much like the U.S. equity segment, the non-U.S. equity segment of the Fund utilizes both actively managed and passively managed mandates, however, passive management is emphasized in this segment of the Fund. The non-U.S. equity segment was the strongest positive contributor to the overall fund on a nominal basis, having gained over 18% in U.S. dollar terms for the period. The U.S. dollar weakened relative to many other foreign currencies, which contributed positively to returns experienced by U.S. dollar investors in foreign markets. Within this segment of the overall asset allocation, two active managers are used, and the combined results from active management were additive to excess return for the fiscal year. One active manager emphasizes stocks that are value-oriented, and the other emphasizes growth-related stocks, both of developed and emerging equity markets. The manager who emphasizes value stocks outperformed its benchmark, but the manager who emphasizes growth stocks underperformed its benchmark for the period by approximately the same amount. The overall results of this segment of the portfolio performed roughly in-line with the Policy portfolio benchmark. As in the U.S. equity segment of the portfolio, OPERS utilizes advisors that are expected to generate excess returns that are complementary within this segment of the portfolio.

Fixed Income

The fixed income segment of the Fund primarily utilizes actively managed mandates, with each mandate emphasizing various parts of the domestic fixed income market. The Fund's fixed income segment again contributed positively to overall nominal returns for the period. For the current fiscal year, the bond portfolio gained 5.87% at the asset class level. The total return of the asset class was positively impacted by decreasing interest rates for maturities of 15 years and lower. From a contribution to total return perspective, the worst performance was again associated with the manager who emphasizes long-duration U.S. Treasury securities. This manager's total return was essentially flat for the period as longer-term rates rose modestly across the longer end of the maturity spectrum (15 years and above). The managers who emphasize the broader areas of the bond market delivered favorable nominal return results, in addition to both having outperformed the benchmark for the fiscal year. Bonds are maintained in the portfolio for their volatility-dampening effect when combined with exposure to the equity markets. Active management (bond picking and duration positioning) experienced quite favorable excess return results for the Fund, which propelled this portion of the portfolio to outperform the Policy benchmark by 45 basis points for the period.

Asset Allocation

Diversification Reduces Volatility

Diversification is the most effective defense against the risks associated with any one individual security or asset class. Risks are controlled by allocating the Fund's assets across various asset classes and sectors within each asset class. There were no changes to the Policy asset allocation during the fiscal year.

| Asset Class | Min | 6/30/2025 | Target | Max |
|-----------------------|-------|-------------|-------------|-------|
| Cash and Real Estate | 0.0% | 0.3% | 0.0% | 0.0% |
| Domestic Fixed Income | 27.5% | 29.1% | 32.0% | 36.5% |
| U.S. Equity | 34.4% | 40.8% | 40.0% | 45.6% |
| Non-U.S. Equity | 25.0% | 29.8% | 28.0% | 31.0% |
| Total Fund | | 100% | 100% | |

May not equal 100% due to rounding

Chief Investment Officer's Report (continued)

Outlook and Recent Events

Outlook

If you've read this report in previous years, you know that I begin this section on a cautionary note regarding the accuracy of forecasted market returns. Correctly and consistently forecasting the market's behavior is impossible and taking any forecast as fact is sheer folly when investing. We build the Fund according to the tenets set forth in our Investment Policy while making diversification a priority with respect to different asset classes and within each asset class. We endeavor to structure the Fund so it may benefit from strong returns in relatively riskier asset classes but are ever mindful to maintain a level of diversification to dampen the return volatility that can result during more tumultuous periods.

The outlook for the global economic environment is, as always, uncertain but the "best case scenario" where the actions of the global central banks having contained inflationary pressures without resulting in an outright economic recession appears to have come under pressure. Economic growth in the U.S. has remained relatively strong, but the outlook for the employment situation appears to have turned down considerably. Inflationary pressures have subsided somewhat, but inflation remains elevated compared to the Federal Reserve's preferred level. Trade tensions and tariffs have contributed to market volatility but have not negatively impacted the general economy as of yet. Economic growth is lackluster for most of the other global developed economies, and central banks have reacted accordingly with aggressive expansionary monetary policies. Once again, the actions of most central banks globally are expansionary in nature, which certainly lends support to the global economy.

Last year, I stated that the "balance of risks" and "potential policy mistakes" were likely to be the overall themes for fiscal year 2025. I also said a potential risk is that the Federal Reserve waits too long to lower rates (or does not compensate by the magnitude of the rate reduction), thereby not providing the U.S. economy with needed stimulus soon enough or in sufficient quantity. I said these factors could potentially lead to increased volatility in global equity markets, which are the primary drivers of total returns to the Fund. The balance of risks in the U.S. had turned from fighting inflation to supporting jobs over the course of the fiscal year. The direction of monetary policy globally had become decidedly expansionary. I still believe that potential policy mistakes are a theme for fiscal year 2026. Moves by central banks take time to filter through an economy—therefore, only time will tell. For fiscal year 2026, I will also add capital market valuation levels, especially in the U.S., as a potential theme for the upcoming fiscal year. Profitability in the U.S. has remained strong, but potential interruptions from trade tensions or a consumer spending slowdown could put the loftiest valuation levels at risk.

Regardless of the economic environment, my focus continues to be maintaining a diversified investment portfolio that is designed to deliver or exceed the actuarial assumed required return of 6.5% within a tolerable level of risk over a long-term investment horizon. Returns to a diversified portfolio are ultimately a function of the performance of the markets in which that portfolio is invested. Interest rates have risen to levels which makes the projected returns to the fixed income asset class more attractive and a positive contributor to a diversified portfolio. Equity market returns remain the driver of the overall return of the Fund, and risks remain in the form of slowing economic growth, high equity market valuations, and geopolitical risks, among others.

Fixed Income

Over a long period of time, the total return of the bond market ***tends*** to resemble the yield of years past. Over short periods, interest rate movements may have a profound impact on the capital gains (or losses) experienced by bond investors. The total return of the bond market for the fiscal year was above the yield of the broad market. The capital gain garnered from owning bonds was due to the decrease in yields, especially in the belly of the curve, over the course of the fiscal year. The Federal Reserve's monetary bias is expansionary, which bodes well for bond total returns in the short term. With yield levels around 4.5% on the Bloomberg Aggregate Index (the index most representative of the broad investment-grade fixed income universe) the prospects for positive total returns in the bond market in the short and medium term are reasonable. This is good news, not only for bond investors, but for the prospects of holders of diversified portfolios like ours. Bonds remain an important and vital part of a diversified investment portfolio.

Chief Investment Officer's Report (continued)

Equity

Equity markets are impossible to predict with any type of precision. Over short periods of time, market sentiment and technical factors (buying and selling) have an overwhelming impact on returns experienced by investors. ***Over a long period of time***, the real return from the equity markets can be attributable to three main sources: dividends on stocks, the growth rate of corporate earnings, and changes in valuation ratios. Generally, the growth rate of earnings can be dependent on the general economic environment. The outlook for growth of the global economy is modestly lower than last fiscal year, but the actions of central banks across the globe have been accommodative. Corporate earnings continue to be strong in the U.S., but continuing to absorb tariffs may have a material impact on profitability in certain sectors. Equity markets marched upward during the fiscal year, reaching ever-increasing highs. Valuation metrics, especially in certain equity market segments, are lofty and would depend on continued positive earnings momentum and positive investor sentiment to be sustainable. Nevertheless, maintaining the portfolio's strategic asset allocation, and capturing the returns from strong equity markets and surviving periods of market tumult, provides the optimal opportunity to deliver the investment returns necessary to meet the long-term objectives of the Fund.

Recent Events

There were no changes to the Fund's strategic asset location during the fiscal year. There was a development with respect to the investment managers during the fiscal year. The investment advisor who emphasizes growth equity securities in the U.S. small capitalization segment of the portfolio resigned its mandate during the fiscal year due to a corporate action. The Board conducted a search for a replacement advisor and hired the new manager shortly after fiscal year end.

Once again, I am happy to report that the discipline in maintaining our strategic asset allocation paid off handsomely, given the strength of the equity markets for this fiscal year. The Fund performed very well, not only from a nominal return perspective, but was once again one of the best performing Funds relative to our peer group nationwide. The strategic asset allocation is the primary driver of investment results, and again this fiscal year, results were impressive.

Investment Philosophy and Guiding Principles

The investment philosophy and the principles that guide the stewardship of the Fund have remained consistent and are listed below. A pension fund has the longest of investment horizons and, therefore, rightly focuses on factors impacting long-term results:

- Asset allocation is the key factor determining long-term results.
- Disciplined rebalancing toward the desired asset allocation maintains diversification and controls risk.
- Diversification within and across asset classes is the most effective tool for controlling risk.
- Passive investment management is commonly the most effective approach in efficient markets; active investment management can succeed in less efficient markets.

For a complete discussion of the investment portfolio and policies thereof, please see the Statement of Investment Policy. A copy of the policy is posted on the OPERS website, www.OPERS.OK.gov/Investments. If you have any questions about this report or the management of the Fund's investments, please contact me. Thank you.

Regards,

Brad Tillberg, CFA
Chief Investment Officer

Largest Holdings

The Plan's ten largest fixed income and stock holdings at June 30, 2025, are described in the following schedules. The Plan invests in various index and commingled funds which are separately presented.

Ten Largest Fixed Income Holdings (By Fair Value):

| Security | Par | Fair Value |
|--|-------------|----------------|
| U.S. Treasury notes 3.875% due 06-30-2030 | 187,190,000 | \$ 187,906,586 |
| U.S. Treasury notes 3.875% due 06-15-2028 | 173,283,000 | 174,203,566 |
| U.S. Treasury notes 3.875% due 10-15-2027 | 121,911,000 | 122,334,831 |
| U.S. Treasury bonds 1.375% due 08-15-2050 | 167,410,000 | 82,540,978 |
| U.S. Treasury bonds 4.625% due 05-15-2055 | 80,291,000 | 79,839,363 |
| U.S. Treasury bonds 2.25% due 08-15-2046 | 89,400,000 | 58,567,477 |
| U.S. Treasury bonds dated 05/15/16 2.5% due 05-15-2046 | 80,560,000 | 55,639,897 |
| U.S. Treasury notes 3.75% 06-30-2027 | 52,970,000 | 53,003,106 |
| U.S. Treasury bonds 2.5% due 02-15-2046 | 72,410,000 | 50,177,867 |
| U.S. Treasury bonds 1.25% due 05-15-2050 | 99,840,000 | 47,954,400 |

Ten Largest Stock Holdings (By Fair Value):

| Security | Shares | Fair Value |
|---|-----------|----------------|
| Nvidia Corp Com | 1,059,422 | \$ 167,378,082 |
| Microsoft Corporation Common Stock | 284,936 | 141,730,016 |
| Apple Inc.Common Stock | 557,777 | 114,439,107 |
| Amazon.com, Inc. Common Stock | 403,541 | 88,532,860 |
| Meta Platforms Inc | 108,905 | 80,381,691 |
| Broadcom Inc. Common Stock | 220,162 | 60,687,655 |
| Taiwan Semiconductor Manufacturing Common Stock | 244,890 | 55,465,136 |
| Alphabet Inc. Common Stock | 302,612 | 53,329,313 |
| Netflix Inc Common Stock | 31,321 | 41,942,891 |
| UTD O/S Bank | 1,067,854 | 30,183,130 |

Alphabet Inc. Common Stock

Investments in Funds (By Fair Value):

| Fund | Units | Fair Value |
|--|------------|------------------|
| BlackRock ACWI ex-U.S. Index Fund | 51,175,481 | \$ 2,249,809,457 |
| BlackRock Russell 1000 Index Fund | 4,305,921 | 2,245,403,155 |
| BlackRock ACWI ex-U.S. Growth Index Fund | 16,325,390 | 440,212,664 |
| BlackRock U.S. TIPS Index Fund | 15,926,852 | 434,640,339 |
| BlackRock Russell 1000 Value Index Fund | 1,695,343 | 416,275,091 |

A complete list of portfolio holdings is available upon request from the OPERS Investment Accounting and Financial Reporting Department.

Investment Portfolio by Type and Manager

At June 30, 2025, the investment portfolio of OPERS was allocated by type and style as follows:

| Investment Type and Manager | Style | Fair Value* | Percent of Total Fair Value |
|---|-------------------------------------|---------------|-----------------------------|
| | | (000's) | |
| Fixed Income: | | | |
| Blackrock Financial Management, Inc. | Constrained Core | \$ 2,009,201 | 14.7% |
| Hoisington Investment Management | Interest Rate Anticipation | 323,301 | 2.4% |
| BlackRock Institutional Trust Company | Index Fund – U.S. TIPS | 434,647 | 3.2% |
| Metropolitan West Asset Management | Core Plus | 1,481,838 | 10.8% |
| Total Fixed Income | | 4,248,987 | 31.1% |
| U.S. Equities: | | | |
| BlackRock Institutional Trust Company | Index Fund – Russell 1000 and Value | 2,661,679 | 19.4% |
| Newton Capital Management | Large cap – Enhanced Index | 791,278 | 5.8% |
| State Street Global Advisors | Large cap – Enhanced Index | 811,244 | 5.9% |
| Westfield Capital Management | Large cap – Growth | 477,846 | 3.5% |
| UBS Global Asset Management | Small cap – Growth | 211,122 | 1.5% |
| Barrow, Hanley, Mewhinney & Strauss, Inc. | Small cap – Value | 253,685 | 1.9% |
| DePrince, Race & Zollo, Inc. | Small cap – Value | 231,486 | 1.7% |
| Total U.S. Equities | | 5,438,340 | 39.7% |
| International Equities: | | | |
| Baillie Gifford Overseas Ltd. | International Growth | 357,364 | 2.6% |
| Mondrian Investment Partners, Ltd. | International Value | 908,821 | 6.6% |
| BlackRock Institutional Trust Company | Index Fund – ACWI ex-U.S. Growth | 440,385 | 3.2% |
| BlackRock Institutional Trust Company | Index Fund – ACWI ex-U.S. | 2,250,659 | 16.5% |
| Total International Equities | | 3,957,229 | 28.9% |
| Short-term Investment Funds | Operating Cash | 33,412 | 0.2% |
| Total Managed Investments | | 13,677,968 | 99.9% |
| Real Estate | | 8,900 | |
| Securities Lending Collateral | | 295,276 | |
| Cash Equivalents on Deposit with State | | 9,468 | |
| Total Investments and Cash Equivalents | | \$ 13,991,612 | |
| Statement of Fiduciary Net Position | | | |
| Cash Equivalents | | 194,617 | |
| Investments | | 13,796,995 | |
| Total Investments and Cash Equivalents | | \$ 13,991,612 | |

* Manager fair values include their respective cash and cash equivalents.

Schedule of Investment Expenses

Years Ended June 30, 2025 and 2024

| | 2025 | 2024 |
|--|---------------|--------------|
| Investment management fees | | |
| Fixed Income Managers: | | |
| BlackRock Financial Management, Inc. | \$ 1,463,884 | \$ 1,277,383 |
| Hoisington Investment Management | 435,561 | 398,736 |
| Metropolitan West Asset Management, LLC | 1,177,430 | 495,777 |
| BlackRock Institutional Trust Company, N.A. - TIPS | 36,103 | 34,116 |
| U.S. Equity Managers: | | |
| Barrow, Hanley, Mewhinney & Strauss, Inc. | 1,291,425 | 1,226,533 |
| BlackRock Institutional Trust Company, N.A. | 130,056 | 118,588 |
| DePrince Race & Zollo, Inc. | 870,938 | 828,435 |
| Newton Investment Management North America, LLC | 125,000 | 125,000 |
| State Street Global Advisors | 217,725 | 212,403 |
| UBS Global Asset Management | 332,950 | 309,400 |
| Westfield Capital Management | 413,362 | 403,747 |
| International Equity Managers: | | |
| Baillie Gifford Overseas Limited | 652,079 | 603,823 |
| BlackRock Institutional Trust Company, N.A. | 607,114 | 541,449 |
| Mondrian Investment Partners, Ltd | 2,982,920 | 2,603,704 |
| Total investment management fees | 10,736,547 | 9,179,094 |
| Investment consultant fees | | |
| Verus Investment Advisory Group | 242,831 | 241,533 |
| Investment custodial fees | | |
| Northern Trust Company | 43,523 | 43,517 |
| Other investment related expenses | 329,736 | 294,619 |
| Total investment expenses | \$ 11,352,637 | \$ 9,758,763 |

Schedule of Stock Brokerage Commissions Paid

Year Ended June 30, 2025

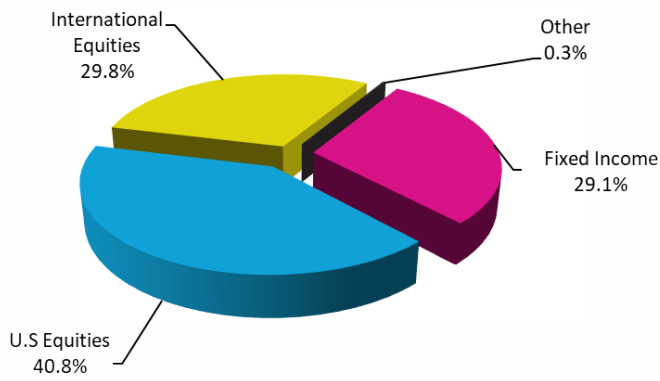
| Brokerage Firm | Shares Traded | Dollar Volume of Trades | Commission | |
|-------------------------------------|--------------------|----------------------------|---------------------|--------------|
| | | | Dollar Amount | Per Share |
| Jonestrading Institutional Services | 4,674,489 | \$ 146,848,987 | \$ 177,361 | 0.038 |
| Stifel, Nicolaus & Company | 3,454,669 | 94,752,852 | 124,615 | 0.036 |
| Jefferies | 6,707,210 | 164,953,941 | 86,014 | 0.013 |
| Bofa | 8,162,679 | 620,541,059 | 80,351 | 0.010 |
| Robert W. Baird | 2,101,491 | 95,956,646 | 75,332 | 0.036 |
| Morgan Stanley | 4,287,612 | 305,527,989 | 73,054 | 0.017 |
| Keybanc Capital Markets | 2,004,454 | 56,988,969 | 72,914 | 0.036 |
| J.P. Morgan | 28,997,103 | 196,578,333 | 50,930 | 0.002 |
| Liquidnet | 3,084,870 | 86,516,464 | 50,836 | 0.016 |
| Raymond James & Associates | 1,072,191 | 39,482,609 | 41,296 | 0.039 |
| Goldman Sachs | 10,245,132 | 201,750,850 | 39,985 | 0.004 |
| Piper Jaffray | 1,755,033 | 50,027,803 | 37,280 | 0.021 |
| BNP Paribas | 7,493,766 | 74,845,832 | 34,265 | 0.005 |
| Merrill Lynch | 3,358,614 | 77,494,537 | 32,704 | 0.010 |
| China Capital Corp | 38,531,187 | 34,518,794 | 26,698 | 0.001 |
| Broadcort Capital Corporation | 982,652 | 39,749,238 | 26,094 | 0.027 |
| Keefe Bruyette | 607,067 | 25,606,789 | 23,439 | 0.039 |
| Stephens | 596,996 | 20,415,417 | 22,380 | 0.037 |
| The Benchmark | 456,064 | 10,595,812 | 17,244 | 0.038 |
| D. A. Davidson | 608,570 | 11,456,844 | 14,105 | 0.023 |
| Other | 45,713,925 | 1,003,688,364 | 313,865 | 0.007 |
| Total | 174,895,774 | \$ 3,358,298,128 | \$ 1,420,760 | 0.008 |

Asset Comparison

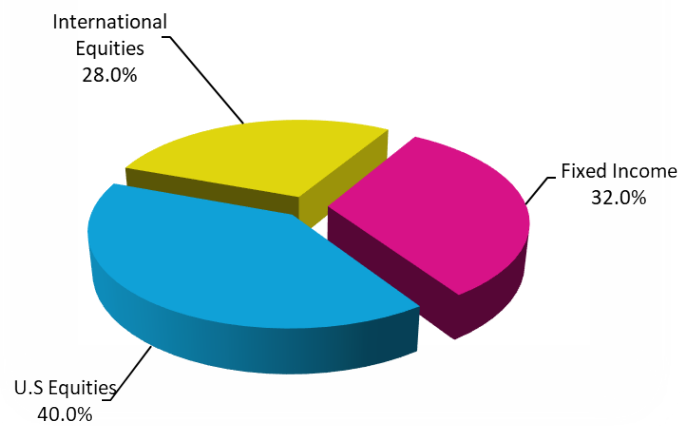
A comparison of the actual investment distribution at June 30, 2025 and 2024, based on the net investment manager holdings, including accrued income, payables and receivables, compared to the target allocation for each year is as follows:

2025

ASSET MIX

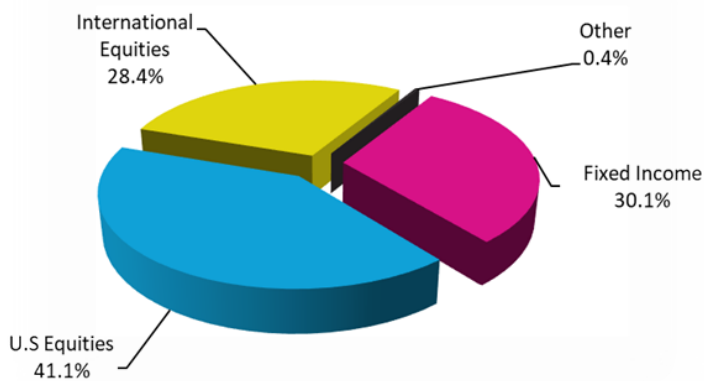


TARGET POLICY MIX

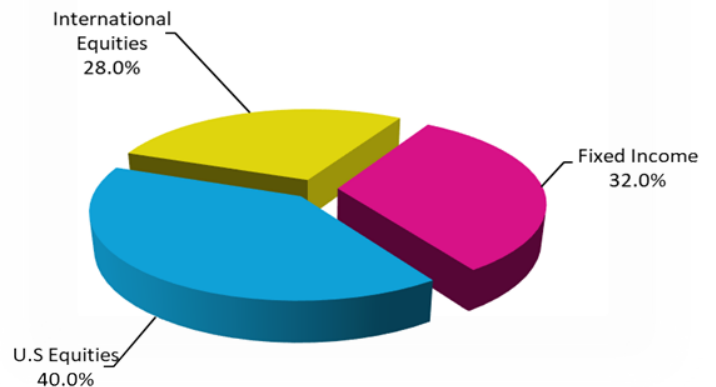


2024

ASSET MIX



TARGET POLICY MIX



Shipshape

This idiom evokes strict order and precision: everything in its place and on time. We expect something that is shipshape to be neat and efficient. Order has a purpose beyond aesthetics. Having this discipline avoids mistakes and maintains control. By including a clear outline of dates and paperwork in your plan, you can sail through the transition into retirement smoothly and with confidence.

Actuarial

| | |
|---|----|
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OKLAHOMA PUBLIC EMPLOYEES RETIREMENT PLAN
Administered by the Oklahoma Public Employees Retirement System



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November 20, 2025

Board of Trustees
Oklahoma Public Employees Retirement System
5400 N Grand Boulevard, Suite 400
P.O. Box 53007
Oklahoma City, OK 73112-5625

Members of the Board:

In this report are submitted the results of the annual valuation of the assets and liabilities of the State of Oklahoma Public Employees Retirement System ("OPERS" or "System"), prepared as of July 1, 2025.

The purpose of this report is to provide a summary of the funded status of the System as of July 1, 2025 and to provide the actuarially determined rate. While not verifying the data at the source, the actuary performed tests for consistency and reasonability. There have been no changes to the actuarial assumptions or methods since the last valuation.

The promised benefits of the System are included in the actuarially calculated contribution rates which are developed using the Entry Age Normal cost method. A five-year market-related value of assets is used for actuarial valuation purposes. Gains and losses are reflected in the unfunded actuarial accrued liability (UAAL) that is being amortized by regular annual contributions as a level percentage of payroll, on the assumption that payroll will increase by 3.25% annually.

As in recent valuations, liabilities have been calculated without considering future cost of living adjustments (COLAs) and/or stipends in keeping with House Bill 2132 (2011). Should funding of future COLAs and/or stipends be provided by the System, the COLAs and/or stipends should be included in the actuarial valuation. In addition, House Bill 2630 (2014) closes the plan to most new employees hired after November 1, 2015.

We have prepared the Schedule of Funding Progress and Trend Information shown in the financial section of the Annual Comprehensive Financial Report.

This is to certify that the independent consulting actuaries are members of the American Academy of Actuaries and have experience in performing valuations for public retirement systems, that the valuation was prepared for funding purposes with assumptions and methods that meet the parameters of the Actuarial Standards of Practice, and that the actuarial calculations were performed by qualified actuaries in accordance with accepted actuarial procedures, based on the current provisions of the retirement system and on actuarial assumptions that are internally consistent and reasonably based on the actual experience of the System.

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT PLAN
Administered by the Oklahoma Public Employees Retirement System

In order to prepare the results in this report, we have utilized actuarial models that were developed to measure liabilities and develop actuarial costs. These models include tools that we have produced and tested, along with commercially available valuation software that we have reviewed to confirm the appropriateness and accuracy of the output. In utilizing these models, we develop and use input parameters and assumptions about future contingent events along with recognized actuarial approaches to develop the needed results. Future actuarial results may differ significantly from the current results presented in this report due to factors such as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Because the potential impact of such factors is outside the scope of a normal annual actuarial valuation, an analysis of the range of results is not presented herein.

The Annual Comprehensive Financial Report (ACFR) contains several exhibits that disclose the actuarial position of the System. We have also reviewed the supplemental medical benefits provided by the System under Section 401(h) of the Internal Revenue Code and have determined that these benefits are subordinate to the retirement benefits as required. This annual report, prepared as of July 1, 2025, provides data and tables that we prepared for use in the following sections of the ACFR:

Actuarial Section:

- Analysis of Financial Experience
- Solvency Test
- Schedule of Active Member Valuation Data
- Schedule of Retirants, Disabled Retirants, and Beneficiaries Added to and Removed from Rolls

Statistical Section:

- Member Statistics
- Distribution of Retirees and Beneficiaries
- Summary of Active Members

In our opinion, in order for the System to meet all the benefit obligations of the plan for current active and retired members, contributions equal to at least the actuarially determined rate are necessary for future fiscal years. Assuming these contributions are made to the System, from year to year in the future at the rates recommended on the basis of the successive actuarial valuations, the continued sufficiency of the retirement fund to provide the benefits called for under the System may be safely anticipated. Because the statutory contribution exceeds the actuarially determined rate in this valuation, we recommend the statutory contribution be used to protect against future investment and experience losses.

Respectfully submitted,



Alisa Bennett, FSA, EA, FCA, MAAA
President



Brent Banister, PhD, FSA, EA, FCA, MAAA
Chief Actuary

Summary of Results

| | 7/1/2025 Valuation | 7/1/2024 Valuation | % Change |
|--|-----------------------|-----------------------|-------------|
| 1. PARTICIPANT DATA | | | |
| Number of: | | | |
| Active Members | 26,895 | 27,890 | (3.6) |
| Retired and Disabled Members and Beneficiaries | 37,159 | 37,041 | 0.3 |
| Inactive Members | 7,066 | 6,908 | 2.3 |
| Total Members | 71,120 | 71,839 | (1.0) |
| Projected Annual Salaries of Active Members | \$ 1,561,448,387 | \$ 1,577,058,185 | (1.0) |
| Annual Retirement Payments for Retired Members and Beneficiaries | \$ 716,416,481 | \$ 702,520,874 | 2.0 |
| 2. ASSETS AND LIABILITIES | | | |
| Total Actuarial Accrued Liability | \$ 11,804,703,576 | \$ 11,692,287,231 | 1.0 |
| Fair Value of Assets | \$ 13,351,556,235 | \$ 12,196,287,161 | 9.5 |
| Actuarial Value of Assets | \$ 12,725,685,645 | \$ 12,011,852,702 | 5.9 |
| Unfunded Actuarial Accrued Liability | \$ (920,982,069) | \$ (319,565,471) | 188.2 |
| Funded Ratio | 107.8% | 102.7% | 5.0 |
| 3. EMPLOYER CONTRIBUTION RATES AS A PERCENT OF PAYROLL | | | |
| Normal Cost Rate | 10.96% | 10.97% | |
| Amortization of Unfunded Actuarial Accrued Liability | (3.04%) | (0.87%) | |
| Budgeted Expenses | 0.58% | 0.55% | |
| Total Actuarially Determined Contribution Rate | 8.50% | 10.65% | |
| Less Estimated Member Contribution Rate | 4.33% | 4.34% | |
| Employer Actuarially Determined Contribution Rate | 4.17% | 6.31% | |
| Less Statutory State Employer Contribution Rate | 16.50% | 16.50% | |
| Contribution Shortfall/(Surplus) | (12.33%) | (10.19%) | |

Analysis of Financial Experience

Gains & Losses in Actuarial Accrued Liability During the Year Ended June 30, 2025
Resulting from Differences Between Assumed Experience & Actual Experience

| Type of Activity | (Gain) or Loss for Year End 2025 | | |
|--|----------------------------------|------------------------|-------------------------|
| | Pension | OPEB | Total |
| 1. Age & Service Retirements. Generally, if members retire at older ages or with smaller benefits than assumed, there is a gain. If they retire at younger ages or have higher average pays, a loss occurs. | \$ (16,800,000) | \$ (600,000) | \$ (17,400,000) |
| 2. Disability Retirements. If disability claims are less than assumed, there is a gain. If more claims, a loss. | 1,600,000 | 0 | 1,600,000 |
| 3. Deaths. If more deaths occur than assumed, there is a gain. If fewer, there is a loss. | (23,000,000) | 400,000 | (22,600,000) |
| 4. Withdrawal from Employment. If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss. | (27,900,000) | 400,000 | (27,500,000) |
| 5. Pay Increases. If there are smaller pay increase than assumed, there is a gain. If greater increases, a loss. | (13,400,000) | 0 | (13,400,000) |
| 6. New Entrants. All new entrants to the System create a loss. | 26,800,000 | 1,400,000 | 28,200,000 |
| 7. Other. Miscellaneous gains and losses resulting from data adjustments, employee transfers, valuation methods, etc. | (7,900,000) | (800,000) | (8,700,000) |
| 8. (Gain) or Loss During Year from Financial Experience*. | <u>(269,900,000)</u> | <u>(10,800,000)</u> | <u>(280,700,000)</u> |
| 9. Composite (Gain) or Loss During Year. | <u>\$ (330,500,000)</u> | <u>\$ (10,000,000)</u> | <u>\$ (340,500,000)</u> |

*The actuarial value of assets is not otherwise determined for pension only or OPEB only, so these numbers are determined pro-rata to the fair value of assets.

Solvency Test

The OPERS funding objective is to be able to pay long-term benefit promises through contributions that remain approximately level from year to year as a percent of salaries earned by members. In this way, members and employers in each year pay their fair share for retirement service accrued in that year by OPERS members.

If the retirement system follows level contribution rate financing principles, the system will pay all promised benefits when due – the ultimate test of financial soundness.

A short-term solvency test is one means of monitoring OPERS funding progress. In a short-term solvency test, the retirement System's present valuation assets are compared with: 1) active member contributions on deposit, 2) the liabilities for future benefits to persons who have retired and the liabilities for terminated employees with vested benefits, and 3) the liabilities for service already rendered by active members. In a system that has been following the discipline of level contribution rate financing, the liabilities for member contributions on deposit (liability 1), the liabilities for future benefits to present retirees and the liabilities for future benefits for terminated employees (liability 2) will be fully covered by present assets, except in rare circumstances.

In addition, the liabilities for service already rendered by members (liability 3) will be partially covered by the remainder of present assets. Generally, if the system has been using level contribution rate financing, the funded portion of liability 3 will increase over time; however, a decrease generally occurs in those years when substantial benefit improvements are granted by the Legislature. It is unusual for liability 3 to be fully funded. The funded ratio of the System based on total actuarial accrued liabilities (1 + 2 + 3) provides an indication of how well the System is funded.

The schedule below illustrates the progress of funding the actuarial accrued liabilities of OPERS.

Pension

| Date | Actuarial Accrued Liability and Valuation Assets (in thousands) | | | | | Portion of Actuarial Accrued Liability Covered by Reported Assets | | | |
|--------------|---|---|---|-----------------------------|------------------------------|---|------|--------|---|
| | Active Member Contributions (Liability 1) | Retirees, Beneficiaries and Terminated Vested Members (Liability 2) | Employer Financed Portion of Active Members (Liability 3) | Total Liability (1 + 2 + 3) | Reported Assets ¹ | (1) | (2) | (3) | Funded Ratio of Total Accrued Actuarial Liability |
| July 1, 2025 | \$576,259 | \$7,435,782 | \$3,499,657 | \$11,511,698 | \$12,238,292 | 100% | 100% | 100.0% | 106.3% |
| July 1, 2024 | 571,159 | 7,310,502 | 3,509,624 | 11,391,285 | 11,545,793 | 100 | 100 | 100.0 | 101.4 |
| July 1, 2023 | 564,283 | 7,199,256 | 3,409,855 | 11,173,394 | 11,108,963 | 100 | 100 | 98.1 | 99.4 |
| July 1, 2022 | 562,043 | 7,061,270 | 3,204,733 | 10,828,046 | 10,869,470 | 100 | 100 | 100.0 | 100.4 |
| July 1, 2021 | 566,231 | 6,956,073 | 3,203,268 | 10,725,572 | 10,562,548 | 100 | 100 | 94.9 | 98.5 |
| July 1, 2020 | 561,222 | 6,859,780 | 3,193,645 | 10,614,647 | 9,838,473 | 100 | 100 | 75.7 | 92.7 |
| July 1, 2019 | 549,813 | 6,267,777 | 2,908,736 | 9,726,326 | 9,541,044 | 100 | 100 | 93.6 | 98.1 |
| July 1, 2018 | 550,806 | 6,113,619 | 2,891,565 | 9,555,990 | 9,308,502 | 100 | 100 | 91.4 | 97.4 |
| July 1, 2017 | 549,211 | 5,938,005 | 2,967,426 | 9,454,642 | 8,915,999 | 100 | 100 | 81.8 | 94.3 |
| July 1, 2016 | 545,020 | 5,757,019 | 3,125,771 | 9,427,810 | 8,790,886 | 100 | 100 | 79.6 | 93.2 |

¹Actuarial value of assets based on the smoothing technique adopted by Board. The actuarial value of assets is not otherwise determined for pension only or OPEB only, so these numbers are determined pro-rata to the fair value of assets.

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT PLAN
Administered by the Oklahoma Public Employees Retirement System

OPEB

| Date | Actuarial Accrued Liabilities and Valuation Assets | | | | | Portion of Actuarial Accrued Liabilities Covered by Reported Assets | | | |
|--------------|--|---|---|-----------------------------|------------------------------|---|------|------|---|
| | Active Member Contributions (Liability 1) | Retirees, Beneficiaries and Terminated Vested Members (Liability 2) | Employer Financed Portion of Active Members (Liability 3) | Total Liability (1 + 2 + 3) | Reported Assets ¹ | (1) | (2) | (3) | Funded Ratio of Total Accrued Actuarial Liabilities |
| July 1, 2025 | \$0 | \$185,991 | \$107,015 | \$293,006 | \$487,394 | 100% | 100% | 100% | 166.3% |
| July 1, 2024 | 0 | 189,724 | 111,278 | 301,002 | 466,060 | 100 | 100 | 100 | 154.8 |
| July 1, 2023 | 0 | 193,500 | 115,062 | 308,562 | 448,427 | 100 | 100 | 100 | 145.3 |
| July 1, 2022 | 0 | 194,701 | 117,138 | 311,839 | 442,290 | 100 | 100 | 100 | 141.8 |
| July 1, 2021 | 0 | 197,225 | 123,443 | 320,668 | 428,657 | 100 | 100 | 100 | 133.7 |
| July 1, 2020 | 0 | 201,307 | 127,125 | 328,432 | 373,768 | 100 | 100 | 100 | 113.8 |
| July 1, 2019 | 0 | 196,165 | 124,883 | 321,048 | 368,640 | 100 | 100 | 100 | 114.8 |
| July 1, 2018 | 0 | 199,173 | 128,971 | 328,144 | 349,623 | 100 | 100 | 100 | 106.5 |
| July 1, 2017 | 0 | 193,992 | 132,983 | 326,975 | 325,293 | 100 | 100 | 98.7 | 99.5 |

¹ Actuarial value of assets based on the smoothing technique adopted by the Board. The actuarial value of assets is not otherwise determined for pension only or OPEB only, so these numbers are determined pro-rata to the fair value of assets.

Note: The Medical Supplement was first split out in 2017. Additional years will be reported as they become available.

Schedule of Active Member Valuation Data

| Valuation Date | Number | Annual Payroll | Annual Average Pay | % Increase in Average Pay |
|----------------|--------|-----------------|--------------------|---------------------------|
| July 1, 2025 | 26,895 | \$1,561,448,387 | \$58,057 | 2.67% |
| July 1, 2024 | 27,890 | 1,577,058,185 | 56,546 | 7.15 |
| July 1, 2023 | 28,671 | 1,513,007,245 | 52,771 | 3.37 |
| July 1, 2022 | 29,912 | 1,527,059,370 | 51,052 | 4.01 |
| July 1, 2021 | 31,711 | 1,556,561,344 | 49,086 | 3.40 |
| July 1, 2020 | 33,115 | 1,571,954,116 | 47,470 | 3.46 |
| July 1, 2019 | 34,536 | 1,584,630,994 | 45,883 | 4.11 |
| July 1, 2018 | 36,329 | 1,601,074,591 | 44,072 | 1.46 |
| July 1, 2017 | 38,873 | 1,688,543,856 | 43,437 | 1.40 |
| July 1, 2016 | 41,806 | 1,790,809,603 | 42,836 | 3.82 |

Note: The active member valuation data is the same for the pension and OPEB plans.
Medicare eligibility is unknown.

Schedule of Retirants, Disabled Retirants, and Beneficiaries Added to and Removed from Rolls

Pension

| Year Ended | Added to Rolls | | Removed from Rolls | | Rolls – End of Year | | % Increase in Annual Allowances | Average Annual Allowances |
|---------------|----------------|----------------------|--------------------|----------------------|---------------------|----------------------|---------------------------------------|---------------------------------|
| | Number | Annual Allowances | Number | Annual Allowances | Number | Annual Allowances | | |
| June 30, 2025 | 1,334 | \$33,186,251 | 1,216 | \$ 19,290,644 | 37,159 | \$ 716,416,481 | 1.98% | \$19,280 |
| June 30, 2024 | 1,364 | 31,130,575 | 1,222 | 18,275,750 | 37,041 | 702,520,874 | 1.86 | 18,966 |
| June 30, 2023 | 1,406 | 30,168,782 | 1,156 | 16,398,338 | 36,899 | 689,666,049 | 2.04 | 18,689 |
| June 30, 2022 | 1,540 | 32,441,706 | 1,242 | 17,557,131 | 36,649 | 675,895,605 | 2.25 | 18,442 |
| June 30, 2021 | 1,533 | 30,913,050 | 1,361 | 18,575,689 | 36,351 | 661,011,030 | 1.90 | 18,184 |
| June 30, 2020 | 1,475 | 29,864,562 | 1,165 | 15,376,187 | 36,179 | 648,673,669 | 5.55 | 17,930 |
| June 30, 2019 | 1,692 | 33,093,583 | 1,083 | 13,816,679 | 35,869 | 614,578,512 | 3.24 | 17,134 |
| June 30, 2018 | 1,692 | 31,763,873 | 1,011 | 13,010,324 | 35,260 | 595,301,608 | 3.25 | 16,883 |
| June 30, 2017 | 1,846 | 35,653,217 | 1,016 | 12,736,245 | 34,579 | 576,548,059 | 4.14 | 16,673 |
| June 30, 2016 | 1,986 | 37,356,248 | 991 | 12,505,069 | 33,749 | 553,631,087 | 4.70 | 16,404 |

OPEB

| Year Ended | Added to Rolls | | Removed from Rolls | | Rolls – End of Year | | % Increase in Annual Allowances | Average Annual Allowances |
|---------------|----------------|----------------------|--------------------|----------------------|---------------------|----------------------|---------------------------------------|---------------------------------|
| | Number | Annual Allowances | Number | Annual Allowances | Number | Annual Allowances | | |
| June 30, 2025 | 471 | \$ 593,460 | 914 | \$ 1,151,640 | 12,323 | \$ 15,526,980 | (3.47%) | \$ 1,260 |
| June 30, 2024 | 474 | 597,240 | 874 | 1,101,240 | 12,766 | 16,085,160 | (3.04) | 1,260 |
| June 30, 2023 | 586 | 738,360 | 888 | 1,118,880 | 13,166 | 16,589,160 | (2.24) | 1,260 |
| June 30, 2022 | 618 | 778,680 | 970 | 1,222,200 | 13,468 | 16,969,680 | (2.55) | 1,260 |
| June 30, 2021 | 683 | 860,580 | 1,035 | 1,304,100 | 13,820 | 17,413,200 | (2.48) | 1,260 |
| June 30, 2020 | 614 | 773,640 | 1,005 | 1,266,300 | 14,172 | 17,856,720 | (2.68) | 1,260 |
| June 30, 2019 | 1,488 | 1,874,880 | 923 | 1,162,980 | 14,563 | 18,349,380 | 4.04 | 1,260 |
| June 30, 2018 | 666 | 839,160 | 930 | 1,171,800 | 13,998 | 17,637,480 | (1.85) | 1,260 |
| June 30, 2017 | | | | | 14,262 | 17,970,120 | | 1,260 |

Note: The Medical Supplement was first split out in 2017. Additional years will be reported as they become available.

Supplementary Information

The schedules of changes in the net pension and OPEB liabilities present a schedule of funding progress for each of the ten most recent years based on the actuarial methods and assumptions used for funding purposes. These schedules are intended to show a 10-year trend and additional years will be reported as they become available. 2017 was the first year to separate the Medical Supplement.

Pension

(\$ in thousands)

| Valuation Date | Actuarial Value of Assets ¹ (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (UAAL) (b) – (a) | Funded Ratio (a) / (b) | Covered Payroll (c) | UAAL as a Percent of Covered Payroll ((b) – (a)) / (c) |
|----------------|---|--|----------------------------------|---------------------------|------------------------|---|
| June 30, 2025 | \$12,238,292 | \$11,511,698 | (\$726,594) | 106.3% | \$1,577,058 | (46.1%) |
| June 30, 2024 | 11,545,793 | 11,391,285 | (154,508) | 101.4 | 1,513,007 | (10.2) |
| June 30, 2023 | 11,108,963 | 11,173,394 | 64,431 | 99.4 | 1,527,059 | 4.2 |
| June 30, 2022 | 10,869,470 | 10,828,046 | (41,424) | 100.4 | 1,556,561 | (2.7) |
| June 30, 2021 | 10,562,548 | 10,725,572 | 163,024 | 98.5 | 1,571,954 | 10.4 |
| June 30, 2020 | 9,838,473 | 10,614,647 | 776,174 | 92.7 | 1,584,631 | 49.0 |
| June 30, 2019 | 9,541,044 | 9,726,326 | 185,282 | 98.1 | 1,601,075 | 11.6 |
| June 30, 2018 | 9,308,502 | 9,555,990 | 247,488 | 97.4 | 1,688,544 | 14.7 |
| June 30, 2017 | 8,915,999 | 9,454,642 | 538,643 | 94.3 | 1,790,810 | 30.1 |
| June 30, 2016 | 8,790,886 | 9,427,810 | 636,924 | 93.2 | 1,808,973 | 35.2 |

¹The actuarial value of assets is not otherwise determined for pension only or OPEB only, so these numbers are determined pro-rata to the fair value of assets.

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT PLAN
Administered by the Oklahoma Public Employees Retirement System

OPEB

(\$ in thousands)

| Valuation Date | Actuarial Value of Assets ¹ (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (UAAL) (b) – (a) | Funded Ratio (a) / (b) | Covered Payroll (c) | UAAL as a Percent of Covered Payroll ((b) – (a)) / (c) |
|----------------|---|--|----------------------------------|---------------------------|------------------------|---|
| June 30, 2025 | \$487,394 | \$293,006 | (\$194,388) | 166.3% | \$1,577,058 | (12.3%) |
| June 30, 2024 | 466,060 | 301,002 | (165,058) | 154.8 | 1,513,007 | (10.9) |
| June 30, 2023 | 448,427 | 308,562 | (139,865) | 145.3 | 1,527,059 | (9.2) |
| June 30, 2022 | 442,290 | 311,839 | (130,451) | 141.8 | 1,556,561 | (8.4) |
| June 30, 2021 | 428,657 | 320,668 | (107,989) | 133.7 | 1,571,954 | (6.9) |
| June 30, 2020 | 373,768 | 328,432 | (45,336) | 113.8 | 1,584,631 | (2.9) |
| June 30, 2019 | 368,640 | 321,048 | (47,592) | 114.8 | 1,601,075 | (3.0) |
| June 30, 2018 | 349,623 | 328,144 | (21,479) | 106.5 | 1,688,544 | (1.3) |
| June 30, 2017 | 325,293 | 326,975 | 1,682 | 99.5 | 1,790,810 | 0.1 |

¹The actuarial value of assets is not otherwise determined for pension only or OPEB only, so these numbers are determined pro-rata to the fair value of assets.

Note: The Medical Supplement was first split out in 2017. Additional years will be reported as they become available.

Summary of System Provisions

| | |
|---|---|
| <i>Effective Date:</i> | The System became effective January 1, 1964. The fiscal year is July 1 to June 30. |
| <i>Employees Included:</i> | <p>All permanent employees of the State of Oklahoma, and any other employer such as a county, county hospital, city or town, conservation districts, circuit engineering districts, and any trust in which a county, city, or town participates and is the primary beneficiary, are eligible to join if:</p> <ul style="list-style-type: none">• the employee is not eligible for or participating in another retirement system authorized under Oklahoma law, is covered by Social Security and not participating in the U.S. Civil Service Retirement System,• the employee is scheduled for 1,000 hours per year and salary is not less than the hourly rate of the monthly minimum wage for State employees (for employees of local government employers, not less than the hourly rate of the monthly minimum wage for such employees). <p>Membership is mandatory for new eligible employees on the first of the month following employment. Beginning November 1, 2015, most new state employees are excluded from participating in the defined benefit plan.</p> |
| <i>Employee and Employer Contributions:</i> | 3.5% of pay for most State employees and 16.5% for employers. Local employees, elected officials, members covered by the Department of Corrections Hazardous Duty provisions, and members who elect the step up provision contribute at varying rates. |
| <i>Final Average Compensation:</i> | Generally the highest annual average of any thirty-six months within the last ten years of participating service. For members hired on or after July 1, 2013, the highest annual average of any sixty months within the last ten years of participating service. |
| <i>Retirement Date:</i> <i>Normal:</i> | <p>Age 62 (age 60 for elected officials), 80 age/service points if hired before July 1, 1992, 90 age/service points if hired on or after July 1, 1992.</p> <p>For non-elected employees hired on or after November 1, 2011, the retirement age is age 65 or 90 age/service points if at least 60. For elected officials hired on or after November 1, 2011, age 65 with 8 years of service or 62 with 10 years of service.</p> |

Summary of System Provisions (continued)

20 years of service for certain members covered by the Department of Corrections Hazardous Duty provisions, Grand River Dam Authority Public Safety Officers Provisions, Firefighters of the Military Department of the State of Oklahoma, Deputy Sheriffs, County Jailers and Emergency Medical Personnel.

Early:

Age 55 with 10 years of service.

Normal Retirement Benefit:

General formula is 2% of final average compensation multiplied by years of credited service.

Disability Benefit:

After eight years of service, provided the member qualifies for disability benefits as certified either by the Social Security Administration or the Railroad Retirement Board. Benefit is determined by the normal retirement formula based on service and salary history at date of disability. The benefit is payable immediately without actuarial reduction.

In-service Death Benefit:

If the deceased member was vested, the benefit that would have been paid the member had he retired and elected the joint and 100% survivor option (Option B).

For elected officials, it is 50% of the benefit that would have been paid the member had he retired.

Postretirement Death Benefit:

\$5,000 lump-sum.

Forms of Payment:

Life annuity, joint and 50% survivor, joint and 100% survivor annuity, life annuity with a minimum of 120 monthly payments, and Medicare Gap Benefit option.

Supplemental

Medical Insurance Premium:

The System will contribute the lesser of \$105 per month or the Medicare Supplement Premium to the Office of Management and Enterprise Services, Employees Group Insurance Division (or other eligible employer health plans) for members receiving retirement benefits.

Summary of Actuarial Assumptions and Methods

1. The investment return rate used in the valuation was 6.50 percent per year, net of investment expenses, compounded annually. This rate of return is not the assumed real rate of return. The real rate of return is the rate of return in excess of the inflation rate. Considering other financial assumptions, the 6.50 percent investment return rate translates to an assumed real rate of return of 4.00 percent.
2. Pub-2010 Below Median, General Membership Active/Retiree Healthy Mortality Table with base rates projected generationally using Scale MP-2019. Male rates are unadjusted and female rates are set forward two years.
3. The probabilities of withdrawal from service, together with individual pay increase assumptions, are shown in Schedule 1.
4. The probabilities of retirement with an age and service allowance are shown in Schedules 2A, 2B and 2C.
5. Because of the passage of House Bill 2132, benefits are not assumed to increase due to future ad hoc cost-of-living increases.
6. The individual entry-age normal actuarial cost method of valuation was used in determining actuarial accrued liability and normal cost. The unfunded actuarial accrued liability as of July 1, 2021 is amortized as a level percent of payroll over a 20-year closed period commencing July 1, 2007. New experience bases due to assumption changes or actual experience gains/losses will be established each year and amortized over closed 15-year periods.
7. The actuarial value of assets is based on a five-year moving average of expected actuarial values and fair values. A preliminary expected value is determined equal to the prior year's actuarial value of assets plus net cash flow for the year ending on the valuation date, assuming the valuation investment return. The expected actuarial asset value is equal to the preliminary expected actuarial value plus the unrecognized investment gains and losses as of the beginning of the previous fiscal year. Twenty percent (20%) of the gain/loss as measured by the difference between the expected actuarial value and the fair value at the valuation date is added to the preliminary expected actuarial value plus twenty percent (20%) of the unrecognized gains or losses for the four preceding fiscal years. The final result is constrained to a value no less than 80% and no more than 120% of the fair value at the valuation date.
8. The actuarial assumptions and methods used in the valuation were adopted by the Board based on System experience from July 1, 2019 through June 30, 2022.

Summary of Actuarial Assumptions and Methods (continued)

Schedule 1

Withdrawal From Active Employment Before Age & Service Retirement and Individual Pay Increase Assumptions

| Sample Service Values | Withdrawal | Sample Ages | Percent Increase in Individual's Pay During Next Year |
|--------------------------|------------|----------------|---|
| 1 | 22.00% | 25 | 7.55% |
| 5 | 10.50 | 30 | 6.05 |
| 10 | 6.00 | 35 | 5.25 |
| 15 | 4.25 | 40 | 4.95 |
| 20 | 3.00 | 45 | 4.55 |
| 25 | 1.75 | 50 | 4.25 |
| | | 55 | 4.05 |
| | | 60 | 3.55 |
| | | 65 | 3.25 |

Schedule 2A

Percent of Regular Non-Elected Members Retiring Within Next Year

| Retirement Ages | Hired Prior to 11/1/2011 | | Hired on or After 11/1/2011 | |
|--------------------|---------------------------|-------------------------|-----------------------------|-------------------------|
| | Eligible for Unreduced | Eligible for Reduced | Eligible for Unreduced | Eligible for Reduced |
| 50-54 | 15% | | | |
| 55 | 10% | 3.5% | | |
| 56 | 10% | 3.5% | | |
| 57 | 11% | 3.5% | | |
| 58 | 12% | 3.5% | | |
| 59 | 13% | 4.5% | | |
| 60 | 14% | 5.25% | 30/15%* | 5% |
| 61 | 20% | 11% | 30/15%* | 6% |
| 62 | 25% | | 30/15%* | 6% |
| 63 | 15% | | 30/15%* | 6% |
| 64 | 15% | | 30/15%* | 13% |
| 65 | 30% | | 30/15%* | |
| 66-69 | 30% | | 25% | |
| 70-74 | 40% | | 50% | |
| 75 | 100% | | 100% | |

*30% when first eligible to retire and 15% thereafter

Summary of Actuarial Assumptions and Methods (continued)

Schedule 2B

Percent of Elected Members Retiring Within Next Year

| Retirement Ages | Elected Prior to 11/1/2011 | | Elected on or After 11/1/2011 | |
|--------------------|----------------------------|-------------------------|-------------------------------|-------------------------|
| | Eligible for Unreduced | Eligible for Reduced | Eligible for Unreduced | Eligible for Reduced |
| 50-54 | 25% | | | |
| 55-59 | 20% | 7% | | |
| 60-61 | 20% | | | 10% |
| 62-66 | 20% | | 20% | |
| 67-74 | 35% | | 35% | |
| 75 | 100% | | 100% | |

Schedule 2C

Percent of Hazardous Duty Members Retiring Within Next Year

Hazardous Duty Members With Less Than 20 Years of Service

| Retirement Ages | Hired Prior To 11/1/2011 | | Hired on or After 11/1/2011 | |
|--------------------|-----------------------------|------|--------------------------------|--|
| | | | | |
| 55 | | 4% | | |
| 56-59 | | 5% | | |
| 60 | | 5% | 7% | |
| 61 | | 20% | 20% | |
| 62 | | 40% | 20% | |
| 63 | | 22% | 20% | |
| 64 | | 25% | 20% | |
| 65 | | 40% | 40% | |
| 66 | | 25% | 25% | |
| 67 | | 25% | 23% | |
| 68 | | 25% | 22% | |
| 69 | | 25% | 21% | |
| 70 | | 100% | 100% | |

Summary of Actuarial Assumptions and Methods (continued)

Hazardous Duty Members With 20 or More Years of Service

| <i>Service</i> | <i>Percent</i> |
|----------------|----------------|
| 20 | 25% |
| 21 | 25% |
| 22 | 20% |
| 23 - 24 | 15% |
| 25 - 29 | 23% |
| 30 - 34 | 25% |
| 35 | 100% |

Shape as a verb

We end with shape at its most powerful - as an action word. To shape shows intention. Shaping our future involves making choices to guide us toward a desired outcome. Shaping requires knowledge, responsiveness, and practiced wisdom – not just hope and wishes, but deliberate effort. Planning your retirement takes vision and deliberate effort to create the future you’ve imagined.

Statistical

| | |
|--|-----|
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The Statistical Section provides additional historical perspective, context, and detail to assist the reader in using the information in the financial statements, notes to financial statements and required supplementary information to understand and assess the economic condition of the Oklahoma Public Employees Retirement System (OPERS) on a combined basis, including both the Defined Benefit Pension Plan and the Health Insurance Subsidy Plan.

Financial trend information is intended to assist users in understanding and assessing the changes in the financial position over time. Schedules presenting financial trend information are *Schedule of Changes in Fiduciary Net Position, Schedule of Revenue by Source, Schedule of Expenses by Type, Schedule of Benefit Payments and Refunds by Type, and Funded Ratio Chart*.

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the ability of OPERS to generate own-source revenue, specifically investment income. The schedule presenting revenue capacity information is the *Rate of Return by Type of Investment*.

Operating information is intended to provide contextual information about the operations and resources of OPERS to assist readers in using financial statement information to understand and assess the economic condition. Schedules and charts presenting operating information are *Schedule of Retired Members by Type of Benefit, Schedule of Average Benefit Payments, Principal Participating Employer, Demographics Chart, Participating Employers, Member Statistics*, Distribution of Retirees and Beneficiaries*, Summary of Active Members**.

Schedules and information are derived from OPERS internal sources unless otherwise noted.

*Schedules and data are provided by CavMac Actuarial Consulting Services

Schedule of Changes in Fiduciary Net Position

Pension Plan

| Year Ended June 30, | Additions | | | Deductions | | | Total Changes in Fiduciary Net Position |
|------------------------|-------------------------|---------------------------|-----------------------------|---------------------|----------------------------|---------------|---|
| | Member Contributions | Employer Contributions | Investment Income (Loss) | Benefit Payments | Administrative Expenses | Refunds | |
| 2025 | \$ 72,868,528 | \$ 324,712,759 | \$ 1,453,377,426 | \$ 712,444,058 | \$ 7,158,540 | \$ 14,368,381 | \$ 1,116,987,734 |
| 2024 | 71,567,884 | 314,754,895 | 1,344,625,307 | 702,386,022 | 7,242,503 | 14,070,399 | 1,007,249,162 |
| 2023 | 68,660,051 | 296,240,730 | 1,071,681,933 | 688,559,350 | 6,479,340 | 13,152,243 | 728,391,781 |
| 2022 | 66,392,310 | 283,159,221 | (1,736,616,507) | 675,558,744 | 5,721,494 | 11,905,764 | (2,080,250,978) |
| 2021 | 66,204,166 | 275,342,730 | 2,681,326,931 | 661,582,309 | 5,310,329 | 10,732,584 | 2,345,248,605 |
| 2020 | 67,808,024 | 274,882,022 | 435,320,070 | 628,669,618 | 5,543,046 | 14,451,508 | 129,345,944 |
| 2019 | 66,566,433 | 263,729,659 | 544,237,216 | 621,409,080 | 5,563,902 | 15,369,288 | 232,191,038 |
| 2018 | 66,929,560 | 258,907,270 | 734,976,175 | 592,725,826 | 5,161,484 | 15,957,261 | 446,968,434 |
| 2017 | 70,276,234 | 269,510,941 | 1,013,867,922 | 573,962,256 | 5,213,634 | 15,950,303 | 758,528,904 |
| 2016 | 73,800,890 | 296,249,191 | 15,756,524 | 565,412,267 | 5,394,992 | 15,862,423 | (200,863,077) |

Health Insurance Subsidy Plan*

| Year Ended June 30, | Additions | | | Deductions | | | Total Changes in Fiduciary Net Position |
|------------------------|-------------------------|---------------------------|-----------------------------|---------------------|----------------------------|---------|---|
| | Member Contributions | Employer Contributions | Investment Income (Loss) | Benefit Payments | Administrative Expenses | Refunds | |
| 2025 | \$ - | \$ 15,564,000 | \$ 38,733,281 | \$ 15,826,784 | \$ 189,157 | \$ - | \$ 38,281,340 |
| 2024 | - | 16,044,000 | 37,477,847 | 16,388,868 | 200,007 | - | 36,932,972 |
| 2023 | - | 16,752,000 | 31,081,712 | 16,841,749 | 186,600 | - | 30,805,363 |
| 2022 | - | 16,584,000 | (51,882,735) | 17,254,579 | 171,059 | - | (52,724,373) |
| 2021 | - | 17,676,000 | 83,022,766 | 17,698,655 | 164,309 | - | 82,835,802 |
| 2020 | - | 19,236,000 | 14,509,643 | 18,170,671 | 182,966 | - | 15,392,006 |
| 2019 | - | 18,744,000 | 18,840,934 | 18,555,603 | 191,059 | - | 18,838,272 |
| 2018 | - | 19,080,000 | 25,501,819 | 18,840,056 | 178,503 | - | 25,563,260 |

*OPEB amounts were separately identified beginning in FY2017 under GASB74

Schedule of Revenue by Source

| Year Ended June 30, | Member Contributions | Employer Contributions | | | Investment Income (Loss) | Total |
|---------------------------|-------------------------|------------------------|-----------------------------------|---|--------------------------------|-----------------|
| | | Dollars | % of Annual Covered Payroll | | | |
| 2025 | \$ 72,868,528 | \$ 340,276,759 | 21.79 | % | \$1,492,110,707 | \$1,905,255,994 |
| 2024 | 71,567,884 | 330,798,895 | 20.98 | | 1,382,103,154 | 1,784,469,933 |
| 2023 | 68,660,051 | 312,992,730 | 20.69 | | 1,102,763,645 | 1,484,416,426 |
| 2022 | 66,392,310 | 299,743,221 | 19.63 | | (1,788,499,242) | (1,422,363,711) |
| 2021 | 66,204,166 | 293,018,730 | 18.82 | | 2,764,349,697 | 3,123,572,593 |
| 2020 | 67,808,024 | 294,118,022 | 18.71 | | 449,829,713 | 811,755,759 |
| 2019 | 66,566,433 | 282,473,659 | 17.83 | | 568,130,487 | 912,118,242 |
| 2018 | 66,929,560 | 277,987,270 | 17.36 | | 760,477,994 | 1,105,394,824 |
| 2017 | 70,276,234 | 288,338,941 | 17.08 | | 1,049,614,508 | 1,408,229,683 |
| 2016 | 73,800,890 | 296,249,191 | 16.54 | | 15,756,524 | 385,806,605 |

Schedule of Expenses by Type

| Year Ended June 30, | Benefit Payments | Administrative Expenses | Withdrawals | Total |
|---------------------------|---------------------|----------------------------|---------------|----------------|
| 2025 | \$728,270,842 | \$ 7,347,697 | \$ 14,368,381 | \$ 749,986,920 |
| 2024 | 718,774,890 | 7,442,510 | 14,070,399 | 740,287,799 |
| 2023 | 705,401,099 | 6,665,940 | 13,152,243 | 725,219,282 |
| 2022 | 692,813,323 | 5,892,553 | 11,905,764 | 710,611,640 |
| 2021 | 679,280,964 | 5,474,638 | 10,732,584 | 695,488,186 |
| 2020 | 646,840,289 | 5,726,012 | 14,451,508 | 667,017,809 |
| 2019 | 639,964,684 | 5,754,961 | 15,369,288 | 661,088,932 |
| 2018 | 611,565,882 | 5,339,987 | 15,957,261 | 632,863,130 |
| 2017 | 592,961,277 | 5,397,137 | 15,950,303 | 614,308,717 |
| 2016 | 565,412,267 | 5,394,992 | 15,862,423 | 586,669,682 |

Schedule of Benefit Payments and Refunds by Type

The following schedule provides information as to the type of benefit expenses incurred by the Plan as reflected in the “Benefit Payment” and “Refunds” columns of the **Schedule of Expenses by Type** included elsewhere in this Statistical Section.

Pension Plan

| Year Ended June 30, | Benefits | | | | Refunds | | | Total Benefit Payments and Refunds |
|---------------------|-----------------|---------------|-------------------|--------------|----------------------------|--------------|-----------|------------------------------------|
| | Age and Service | Disability | Beneficiary Death | Withdrawals | Transfers to Other Systems | Member Death | Other | |
| 2025 | \$ 692,913,988 | \$ 14,159,009 | \$ 5,371,061 | \$ 9,064,328 | \$ 4,247,533 | \$ 944,959 | \$111,562 | \$ 726,812,440 |
| 2024 | 682,405,349 | 14,569,681 | 5,410,993 | 9,082,678 | 4,009,930 | 864,969 | 112,822 | 716,456,422 |
| 2023 | 668,067,245 | 14,756,110 | 5,738,725 | 7,931,012 | 3,733,475 | 1,120,721 | 367,035 | 701,714,323 |
| 2022 | 653,914,938 | 15,360,795 | 6,287,946 | 8,599,383 | 2,325,154 | 853,773 | 127,454 | 687,469,444 |
| 2021 | 639,221,983 | 15,916,287 | 6,446,243 | 7,293,815 | 2,150,564 | 1,215,103 | 73,103 | 672,317,098 |
| 2020 | 606,828,044 | 15,992,921 | 5,852,750 | 8,297,248 | 4,930,490 | 789,120 | 434,650 | 643,125,223 |
| 2019 | 598,999,788 | 16,841,848 | 5,569,545 | 10,664,312 | 3,522,635 | 881,612 | 300,729 | 636,780,470 |
| 2018 | 570,785,817 | 16,374,312 | 5,576,407 | 10,704,430 | 4,128,787 | 916,168 | 207,876 | 608,693,797 |
| 2017 | 551,712,641 | 16,756,161 | 5,493,454 | 11,827,836 | 3,219,022 | 746,849 | 156,596 | 589,912,559 |
| 2016 | 542,788,467 | 17,433,604 | 5,190,196 | 9,866,169 | 5,069,244 | 798,666 | 128,344 | 581,274,690 |

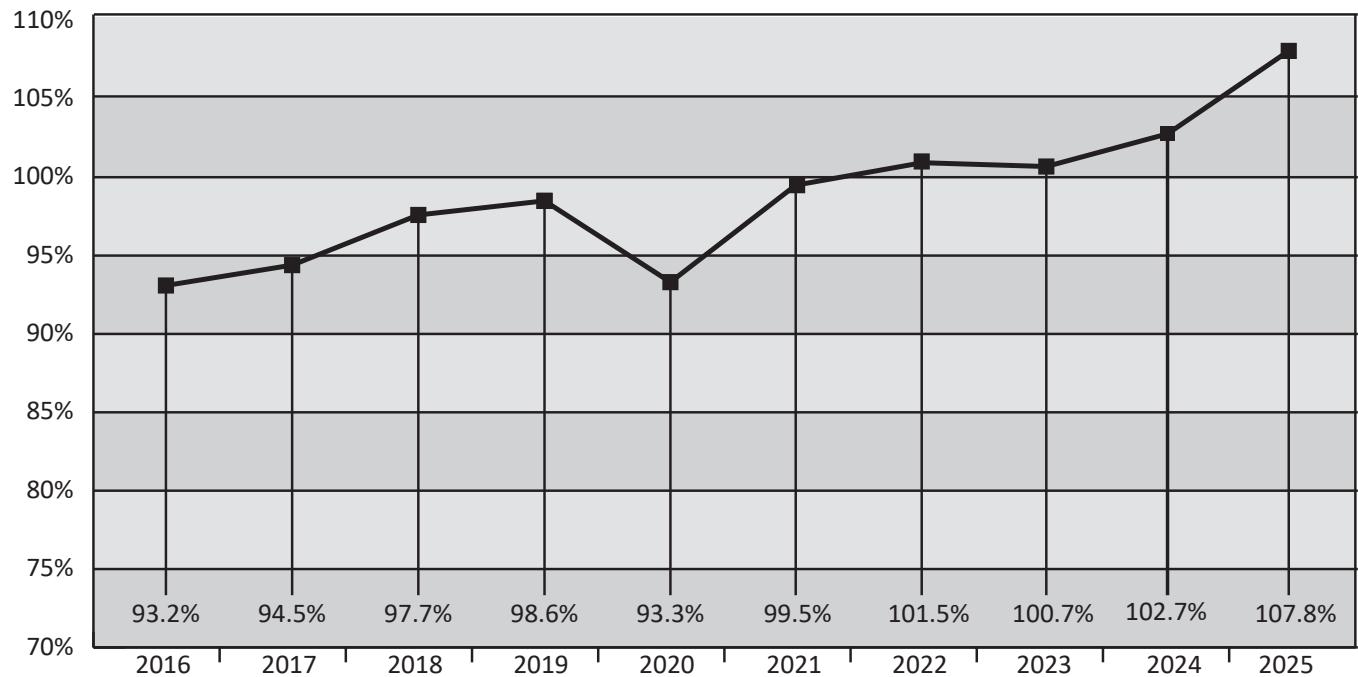
Health Insurance Subsidy Plan*

| Year Ended June 30, | Benefits | | | | Refunds | | | Total Benefit Payments and Refunds |
|---------------------|-----------------|------------|-------------------|-------------|----------------------------|--------------|-------|------------------------------------|
| | Age and Service | Disability | Beneficiary Death | Withdrawals | Transfers to Other Systems | Member Death | Other | |
| 2025 | \$ 15,348,404 | \$ 478,380 | \$ - | \$ - | \$ - | \$ - | \$ - | \$15,826,784 |
| 2024 | 15,881,088 | 507,780 | - | - | - | - | - | 16,388,868 |
| 2023 | 16,287,559 | 551,460 | - | - | - | - | - | 16,839,019 |
| 2022 | 16,642,219 | 607,425 | - | - | - | - | - | 17,249,644 |
| 2021 | 17,034,530 | 661,920 | - | - | - | - | - | 17,696,450 |
| 2020 | 17,454,991 | 711,585 | - | - | - | - | - | 18,166,576 |
| 2019 | 17,797,187 | 756,315 | - | - | - | - | - | 18,553,502 |
| 2018 | 18,030,086 | 799,260 | - | - | - | - | - | 18,829,346 |
| 2017 | 18,157,866 | 841,155 | - | - | - | - | - | 18,999,021 |

* OPEB amounts were separately identified beginning in FY2017 under GASB 74

Funded Ratio Chart

As of July 1



Rate of Return by Type of Investment

| Year Ended June 30, | Fixed Income | U.S. Equity | International Equity | Total |
|---------------------|--------------|-------------|----------------------|--------|
| 2025 | 5.9 % | 13.2 % | 18.4 % | 12.5 |
| 2024 | 2.1 | 22.4 | 10.4 | 12.7 |
| 2023 | (1.0) | 19.0 | 13.5 | 10.9 |
| 2022 | (11.0) | (13.1) | (20.8) | (14.5) |
| 2021 | 0.1 | 46.0 | 36.9 | 28.0 |
| 2020 | 11.7 | 3.8 | (3.2) | 4.5 |
| 2019 | 8.4 | 7.1 | 2.0 | 6.1 |
| 2018 | 0.3 | 15.5 | 7.3 | 8.4 |
| 2017 | (0.6) | 19.6 | 19.2 | 12.8 |
| 2016 | 7.1 | (0.2) | (7.7) | 0.3 |

Schedule of Retired Members by Type of Benefit

Pension Plan

June 30, 2025

| Amount of Monthly Benefit | Number of Retirees | Type of Retirement* | | | | | Option Selected # | | | |
|------------------------------|-----------------------|---------------------|--------------|--------------|--------------|------------|-------------------|--------------|--------------|------------|
| | | 1 | 2 | 3 | 4 | 5 | 1 | 2 | 3 | 4 |
| \$1 – 1,000 | 14,465 | 8,069 | 2,830 | 2,528 | 706 | 332 | 7,931 | 2,822 | 3,501 | 211 |
| 1,001 – 2,000 | 12,082 | 9,700 | 689 | 1,328 | 354 | 11 | 6,671 | 2,035 | 3,220 | 156 |
| 2,001 – 3,000 | 6,354 | 5,809 | 86 | 430 | 29 | - | 3,367 | 1,077 | 1,807 | 103 |
| 3,001 – 4,000 | 2,414 | 2,226 | 13 | 172 | 3 | - | 1,194 | 404 | 784 | 32 |
| 4,001 – 5,000 | 1,006 | 959 | 7 | 40 | - | - | 515 | 175 | 301 | 15 |
| Over 5,000 | 838 | 814 | 4 | 20 | - | - | 429 | 130 | 268 | 11 |
| Totals | 37,159 | 27,577 | 3,629 | 4,518 | 1,092 | 343 | 20,107 | 6,643 | 9,881 | 528 |

*Type of Retirement

- Type 1 – *Normal retirement for age and service: Eligible at (1) age 62 or (2) when the sum of the member's age plus years of service equals 80 points for those who became members before July 1, 1992 and 90 points for those becoming members after that date. Members joining OPERS after November 1, 2011 are eligible at (1) age 65 or (2) when reaching 90 points and at least age 60.*
- Type 2 – *Early retirement: Eligible beginning at age 55 with ten (10) years of participating service. Members joining OPERS after November 1, 2011 are eligible for early retirement beginning at age 60.*
- Type 3 – *Survivor payment: Normal or early retirement.*
- Type 4 – *Disability: Eligible if member is qualified for payment of disability benefits as certified by the Social Security Administration, has eight (8) years of credited service, and has terminated employment.*
- Type 5 – *Survivor payment: Disability retirement.*

Option Selected

- Option 1 – *Single-life annuity: The maximum benefit is paid for the member's lifetime.*
- Option 2 – *Option A – ½ Joint and Survivor Annuity: The member will receive a reduced retirement benefit for life and ½ of the reduced retirement benefit will be paid to the surviving joint annuitant for their lifetime.*
- Option 3 – *Option B – 100% Joint and Survivor Annuity: A reduced benefit is paid to the member for life and the same benefit is paid to a surviving joint annuitant for their lifetime.*
- Option 4 – *Option C – Single-life Annuity with a 10-Year Certain Period: The member will receive a reduced benefit for their lifetime. If the member dies within ten years of when the benefit payments began, the monthly payment will be made to the beneficiary for the balance of the ten year period.*

Deferred Members

At June 30, 2025, there are 7,066 former members with deferred future benefits.

Schedule of Retired Members by Type of Benefit

Health Insurance Subsidy Plan*

June 30, 2025

| Amount of Monthly Benefit | Number of Retirees | Type of Retirement* | | | | | Option Selected # | | | |
|------------------------------|-----------------------|---------------------|--------------|--------------|------------|------------|-------------------|--------------|--------------|------------|
| | | 1 | 2 | 3 | 4 | 5 | 1 | 2 | 3 | 4 |
| \$1 – 1,000 | 12,323 | 9,146 | 1,203 | 1,498 | 362 | 114 | 6,667 | 2,203 | 3,277 | 176 |
| 1,001 – 2,000 | - | - | - | - | - | - | - | - | - | - |
| 2,001 – 3,000 | - | - | - | - | - | - | - | - | - | - |
| 3,001 – 4,000 | - | - | - | - | - | - | - | - | - | - |
| 4,001 – 5,000 | - | - | - | - | - | - | - | - | - | - |
| Over 5,000 | - | - | - | - | - | - | - | - | - | - |
| Totals | 12,323 | 9,146 | 1,203 | 1,498 | 362 | 114 | 6,667 | 2,203 | 3,277 | 176 |

*Type of Retirement

- Type 1 – *Normal retirement for age and service: Eligible at (1) age 62 or (2) when the sum of the member's age plus years of service equals 80 points for those who became members before July 1, 1992 and 90 points for those becoming members after that date. Members joining OPERS after November 1, 2011 are eligible at (1) age 65 or (2) when reaching 90 points and at least age 60.*
- Type 2 – *Early retirement: Eligible beginning at age 55 with ten (10) years of participating service. Members joining OPERS after November 1, 2011 are eligible for early retirement beginning at age 60.*
- Type 3 – *Survivor payment: Normal or early retirement.*
- Type 4 – *Disability: Eligible if member is qualified for payment of disability benefits as certified by the Social Security Administration, has eight (8) years of credited service, and has terminated employment.*
- Type 5 – *Survivor payment: Disability retirement.*

Option Selected

- Option 1 – *Single-life annuity: The maximum benefit is paid for the member's lifetime.*
- Option 2 – *Option A – ½ Joint and Survivor Annuity: The member will receive a reduced retirement benefit for life and ½ of the reduced retirement benefit will be paid to the surviving joint annuitant for their lifetime.*
- Option 3 – *Option B – 100% Joint and Survivor Annuity: A reduced benefit is paid to the member for life and the same benefit is paid to a surviving joint annuitant for their lifetime.*
- Option 4 – *Option C – Single-life Annuity with a 10-Year Certain Period: The member will receive a reduced benefit for their lifetime. If the member dies within ten years of when the benefit payments began, the monthly payment will be made to the beneficiary for the balance of the ten year period.*

Schedule of Average Benefit Payments

Pension Plan

| Retirement Effective Dates | Years of Credited Service | | | | | | |
|--------------------------------------|---------------------------|----------|----------|----------|----------|----------|----------|
| | 0 to 5 | 6 to 10 | 11 to 15 | 16 to 20 | 21 to 25 | 26 to 30 | 31+ |
| July 1, 2015 to June 30, 2025 | | | | | | | |
| Period 7/1/15 to 6/30/16 | | | | | | | |
| Average Monthly Benefit | \$ 159 | \$ 491 | \$ 772 | \$ 1,163 | \$ 1,586 | \$ 2,196 | \$ 3,100 |
| Average Final Average Salary | \$ 1,900 | \$ 3,121 | \$ 3,253 | \$ 3,410 | \$ 3,506 | \$ 3,949 | \$ 4,505 |
| Number of Active Retirees | 5 | 300 | 342 | 308 | 301 | 358 | 370 |
| Period 7/1/16 to 6/30/17 | | | | | | | |
| Average Monthly Benefit | \$ 362 | \$ 546 | \$ 813 | \$ 1,230 | \$ 1,714 | \$ 2,393 | \$ 3,324 |
| Average Final Average Salary | \$ 4,716 | \$ 3,241 | \$ 3,265 | \$ 3,626 | \$ 3,789 | \$ 4,256 | \$ 4,716 |
| Number of Active Retirees | 4 | 293 | 377 | 295 | 257 | 292 | 326 |
| Period 7/1/17 to 6/30/18 | | | | | | | |
| Average Monthly Benefit | \$ - | \$ 552 | \$ 787 | \$ 1,202 | \$ 1,622 | \$ 2,448 | \$ 3,310 |
| Average Final Average Salary | \$ - | \$ 3,225 | \$ 3,328 | \$ 3,493 | \$ 3,657 | \$ 4,406 | \$ 4,787 |
| Number of Active Retirees | - | 260 | 335 | 324 | 237 | 256 | 281 |
| Period 7/1/18 to 6/30/19 | | | | | | | |
| Average Monthly Benefit | \$ 702 | \$ 578 | \$ 834 | \$ 1,343 | \$ 1,845 | \$ 2,521 | \$ 3,412 |
| Average Final Average Salary | \$ 7,635 | \$ 3,346 | \$ 3,451 | \$ 3,824 | \$ 4,038 | \$ 4,427 | \$ 4,854 |
| Number of Active Retirees | 3 | 290 | 379 | 277 | 230 | 225 | 284 |
| Period 7/1/19 to 6/30/20 | | | | | | | |
| Average Monthly Benefit | \$ 111 | \$ 574 | \$ 853 | \$ 1,261 | \$ 1,731 | \$ 2,640 | \$ 3,425 |
| Average Final Average Salary | \$ 2,281 | \$ 3,477 | \$ 3,498 | \$ 3,872 | \$ 3,980 | \$ 4,786 | \$ 4,977 |
| Number of Active Retirees | 1 | 255 | 303 | 265 | 200 | 178 | 274 |
| Period 7/1/20 to 6/30/21 | | | | | | | |
| Average Monthly Benefit | \$ 170 | \$ 553 | \$ 928 | \$ 1,324 | \$ 1,866 | \$ 2,580 | \$ 3,512 |
| Average Final Average Salary | \$ 2,592 | \$ 3,388 | \$ 3,668 | \$ 3,785 | \$ 4,161 | \$ 4,586 | \$ 5,042 |
| Number of Active Retirees | 4 | 239 | 330 | 251 | 238 | 172 | 297 |
| Period 7/1/21 to 6/30/22 | | | | | | | |
| Average Monthly Benefit | \$ - | \$ 580 | \$ 878 | \$ 1,374 | \$ 1,850 | \$ 2,546 | \$ 3,589 |
| Average Final Average Salary | \$ - | \$ 3,509 | \$ 3,617 | \$ 3,941 | \$ 4,213 | \$ 4,666 | \$ 5,213 |
| Number of Active Retirees | - | 244 | 281 | 289 | 239 | 148 | 336 |
| Period 7/1/22 to 6/30/23 | | | | | | | |
| Average Monthly Benefit | \$ 194 | \$ 607 | \$ 971 | \$ 1,466 | \$ 1,936 | \$ 2,513 | \$ 3,700 |
| Average Final Average Salary | \$ 2,126 | \$ 3,537 | \$ 3,860 | \$ 4,262 | \$ 4,267 | \$ 4,648 | \$ 5,247 |
| Number of Active Retirees | 2 | 234 | 286 | 253 | 205 | 149 | 277 |
| Period 7/1/23 to 6/30/24 | | | | | | | |
| Average Monthly Benefit | \$ 200 | \$ 605 | \$ 961 | \$ 1,379 | \$ 2,080 | \$ 2,627 | \$ 3,961 |
| Average Final Average Salary | \$ 3,812 | \$ 2,473 | \$ 3,971 | \$ 4,092 | \$ 4,692 | \$ 4,756 | \$ 5,576 |
| Number of Active Retirees | 3 | 223 | 281 | 234 | 204 | 152 | 268 |
| Period 7/1/24 to 6/30/25 | | | | | | | |
| Average Monthly Benefit | \$ 2,035 | \$ 645 | \$ 1,017 | \$ 1,503 | \$ 2,165 | \$ 3,021 | \$ 4,194 |
| Average Final Average Salary | \$ 3,935 | \$ 3,795 | \$ 4,285 | \$ 4,375 | \$ 4,879 | \$ 5,288 | \$ 5,990 |
| Number of Active Retirees | 3 | 188 | 272 | 253 | 211 | 159 | 252 |

Schedule of Average Benefit Payments

Health Insurance Subsidy Plan

| Retirement Effective Dates | Years of Credited Service | | | | | | |
|--------------------------------------|---------------------------|----------|----------|----------|----------|----------|----------|
| | 0 to 5 | 6 to 10 | 11 to 15 | 16 to 20 | 21 to 25 | 26 to 30 | 31+ |
| July 1, 2016 to June 30, 2025 | | | | | | | |
| Period 7/1/16 to 6/30/17 | | | | | | | |
| Average Monthly Benefit | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 |
| Average Final Average Salary | \$ 4,716 | \$ 3,241 | \$ 3,265 | \$ 3,626 | \$ 3,789 | \$ 4,256 | \$ 4,716 |
| Number of Active Retirees | 2 | 121 | 156 | 122 | 106 | 121 | 135 |
| Period 7/1/17 to 6/30/18 | | | | | | | |
| Average Monthly Benefit | \$ - | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 |
| Average Final Average Salary | \$ - | \$ 3,225 | \$ 3,328 | \$ 3,493 | \$ 3,657 | \$ 4,406 | \$ 4,787 |
| Number of Active Retirees | - | 104 | 133 | 129 | 95 | 102 | 112 |
| Period 7/1/18 to 6/30/19 | | | | | | | |
| Average Monthly Benefit | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 |
| Average Final Average Salary | \$ 7,635 | \$ 3,346 | \$ 3,451 | \$ 3,824 | \$ 4,038 | \$ 4,427 | \$ 4,854 |
| Number of Active Retirees | 2 | 118 | 154 | 113 | 94 | 92 | 116 |
| Period 7/1/19 to 6/30/20 | | | | | | | |
| Average Monthly Benefit | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 |
| Average Final Average Salary | \$ 2,281 | \$ 3,477 | \$ 3,498 | \$ 3,872 | \$ 3,980 | \$ 4,786 | \$ 4,977 |
| Number of Active Retirees | 1 | 100 | 119 | 104 | 79 | 70 | 108 |
| Period 7/1/20 to 6/30/21 | | | | | | | |
| Average Monthly Benefit | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 |
| Average Final Average Salary | \$ 2,592 | \$ 3,388 | \$ 3,668 | \$ 3,785 | \$ 4,161 | \$ 4,586 | \$ 5,042 |
| Number of Active Retirees | 2 | 91 | 126 | 96 | 91 | 66 | 113 |
| Period 7/1/21 to 6/30/22 | | | | | | | |
| Average Monthly Benefit | \$ - | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 |
| Average Final Average Salary | \$ - | \$ 3,509 | \$ 3,617 | \$ 3,941 | \$ 4,213 | \$ 4,666 | \$ 5,213 |
| Number of Active Retirees | - | 90 | 104 | 107 | 88 | 55 | 124 |
| Period 7/1/22 to 6/30/23 | | | | | | | |
| Average Monthly Benefit | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 |
| Average Final Average Salary | \$ 2,126 | \$ 3,537 | \$ 3,860 | \$ 4,262 | \$ 4,267 | \$ 4,648 | \$ 5,247 |
| Number of Active Retirees | 1 | 84 | 103 | 91 | 74 | 54 | 99 |
| Period 7/1/23 to 6/30/24 | | | | | | | |
| Average Monthly Benefit | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 |
| Average Final Average Salary | \$ 3,812 | \$ 2,473 | \$ 3,971 | \$ 4,092 | \$ 4,692 | \$ 4,756 | \$ 5,576 |
| Number of Active Retirees | 2 | 77 | 97 | 81 | 71 | 53 | 93 |
| Period 7/1/24 to 6/30/25 | | | | | | | |
| Average Monthly Benefit | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 | \$ 105 |
| Average Final Average Salary | \$ 3,935 | \$ 3,795 | \$ 4,285 | \$ 4,375 | \$ 4,879 | \$ 5,288 | \$ 5,990 |
| Number of Active Retirees | 1 | 63 | 91 | 84 | 70 | 53 | 84 |

*OPEB amounts were separately identified beginning in FY2017 under GASB74

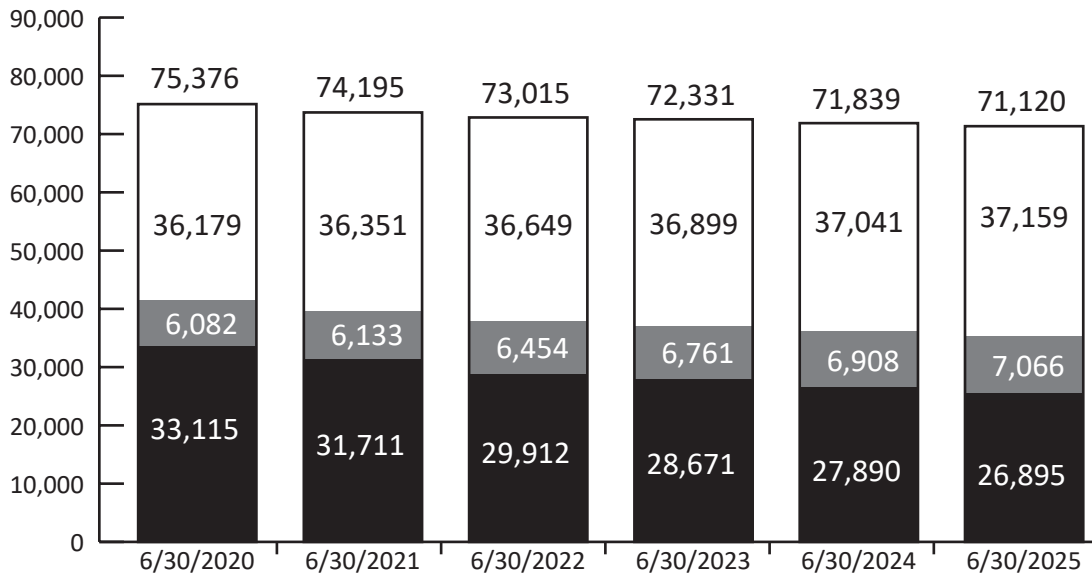
Principal Participating Employer for Pension Plan and OPEB Plan

The Oklahoma Public Employees Retirement System is a multiple-employer cost-sharing public employee retirement plan. The Plan covers all state employees that are not covered by six other plans and employees of participating county and local agencies in the State. The State of Oklahoma is the principal participating employer. A list of participating state, county and local agencies is included elsewhere in this Statistical Section.

| Year Ended June 30, | Covered Employees of the State | Percent of Total System | |
|---------------------|--------------------------------|-------------------------|---|
| 2025 | 15,109 | 56.2 | % |
| 2024 | 16,148 | 57.9 | |
| 2023 | 17,407 | 60.7 | |
| 2022 | 18,673 | 62.4 | |
| 2021 | 20,471 | 64.6 | |
| 2020 | 22,467 | 67.8 | |
| 2019 | 23,610 | 68.4 | |
| 2018 | 25,594 | 70.5 | |
| 2017 | 27,850 | 71.6 | |
| 2016 | 30,776 | 73.6 | |

Demographics Chart

Active
 Vested
 Retirees



Participating Employers for Pension Plan and OPEB Plan

State Agencies

ABLE Commission
Abstractors, Board of
Accountancy, Board of Public
Aerospace and Aeronautics, Department
Agriculture, Department of
Architects, Board of Governors
Arts Council, State
Attorney General's Office
Auditor and Inspector
Banking Department
Behavioral Health Licensure, Board of
Boll Weevil Eradication Organization
Bond Advisor, Office of the State
Broadband Office
Cardinal Point Public Trust
Children and Youth, Commission on
Chiropractic Examiners, Board of
Commerce, Department of
Conservation Commission
Construction Industries Board
Consumer Credit, Department of
Commission for Education Quality &
Accountability
Corporation Commission
Corrections, Department of
Cosmetology, Board of
Council on Judicial Complaints
Court of Criminal Appeals
Dentistry, Board of
Disability Concerns, Office of
District Attorneys' Council
District Courts
Educational Television Authority
Education, Oklahoma State Department of
Election Board, State
Emergency Management
Employment Security Commission
Engineers and Surveyors, Board of
Environmental Quality, Department of
Ethics Commission
Finance, State Office of
Fire Marshall Commission, State
Firefighters Pension and Retirement
Board
Funeral Board
Garfield County Criminal Justice Trust
Authority
Governor's Office
Grand River Dam Authority
Grady County Fairgrounds Trust
Health, Department of
Heath Care Authority
Healthcare Workforce Training Commission
Historical Society

Horse Racing Commission
House of Representatives
Housing Finance Agency
Human Services, Department of
Indigent Defense System
Industrial Finance Authority
Insurance Department, State
Interstate Oil Compact Commission
Investigation, State Bureau of
Juvenile Affairs, Office of
Labor, Department of
Land Office, Commissioners of the
Law Enforcement Education and
Training, Council on
Law Enforcement Retirement System
Legislative Service Bureau
Libraries, Department of
Licensed Alcohol and Drug Counselors,
Board of
Licensed Social Workers, Registration
Board of
Lieutenant Governor, Office of
Liquefied Petroleum Gas Administration
Lottery Commission
J.D. Mccarty Center For Children With
Developmental Disabilities
J.M.Davis Arms and Historical Museum
Medical Licensure Board
Medical Marijuana Authority
Medicolegal Investigations, Board of
Mental Health & Substance Abuse,
Department of
Merit Protection Commission
Military Department
Mines, Department of
Motor Vehicle Commission
Multiple Injury Trust Fund
Municipal Power Authority
Narcotics and Dangerous Drugs Control,
Bureau of
Native American Cultural and Education,
Authority of Oklahoma
Nursing, Board of
Optometry Board
Ordnance Works Authority
Osteopathic Examiners, State Board of
Pardon and Parole Board
Pharmacy, Board of
Police Pension and Retirement
Psychologists Examiners, Board of
Public Employees Retirement System
Public Safety, Department of
Real Estate Commission
Rehabilitation, Department of
Science and Technology, Center for

Advancement of
Secretary of State, Office of the
Securities Commission
Senate, State
Service Oklahoma
Space Industry Development Authority
Speech Pathology and Audiology Board
Supreme Court
Tax Commission
Test for Alcohol and Drug Influence
Board
Tobacco Settlement Trusts
Tourism and Recreation Department
Transportation, Department of
Treasurer's Office, State
Turnpike Authority
Uniform Building Code Commission
University Health Sciences Center
University Hospitals Trust
Used Motor Vehicles and Parts
Commission
Veterans Affairs, Department of
Veterinary Medical Examiners,
State Board of
Waters Resources Board
Wheat Commission
Workers' Compensation Court
Workers' Compensation Commission

Counties and County Governmental Units

Adair County
Alfalfa County
Alfalfa County Rural Water District
Atoka County
Atoka County Rural Water District #2
Atoka County Rural Water District #4
Beaver County
Beaver County Memorial Hospital
Beckham County
Blaine County
Bryan County
Caddo County
Canadian County
Canadian County Expo Authority
Canadian County Emergency Authority
Carter County
Cherokee County
Choctaw County
Choctaw County Ambulance
Cimarron County
Cleveland County
Coal County
Comanche County
Comanche County Facilities Authority

Participating Employers for Pension Plan and OPEB Plan (continued)

Cotton County
Craig County
Creek County
Creek County Rural Water District #3
Creek County Rural Water District #5
Custer County
Delaware County
Delaware County E-911 Trust Authority
Delaware County Solid Waste Trust
Authority
Dewey County
Ellis County
Garfield County
Garfield County Fairgrounds Trust Auth.
Garvin County
Grady County
Grady County Criminal Justice Authority
Grady County EMS
Grant County
Greer County
Greer County Special Ambulance Service
Harmon County
Harper County
Haskell County
Hughes County
Jackson County
Jefferson County
Johnston County
Johnston County Rural Water District
Kay County
Kay County Justice Facilities Authority
Kingfisher County
Kiowa County
Latimer County
LeFlore County
LeFlore County EMS
LeFlore County Rural Water and Sewer
LeFlore County Rural Water District #3
Lincoln County
Lincoln County E-911 Trust Authority
Logan County
Love County
Major County
Major County EMS
Marshall County
Mayes County
Mayes County Rural Water District #3
Mayes Emergency Services Trust Authority
McClain County
McClain-911 Trust Authority
McClain-Grady County EMS
McCurtain County
McCurtain County EMS
McIntosh County
Murray County
Muskogee County
Muskogee County EMS

Noble County
Nowata County
Nowata Consolidated Rural Water
District #1
Okfuskee County
Okmulgee County
Okmulgee County Criminal Justice
Authority
Osage County
Ottawa County
Ottawa County E-911 Authority
Pawnee County
Payne County
Pittsburg County
Pittsburg County Rural Water District #7
Pontotoc County
Pottawatomie County
Pottawatomie County Public Safety
Center
Pushmataha County
Roger Mills County
Rogers County
Seminole County
Sequoyah County
Sequoyah County 911 Trust Authority
Sequoyah County Rural Water
District #7
Stephens County
Texas County
Tillman County
Tillman County EMS
Tillman County Rural Water District
Wagoner County
Washington County
Washita County
Woods County
Woodward County
Woodward County Emergency Service

Towns, Cities and Municipal Governmental Units

Anadarko Housing Authority
Arnett, Town of
Beaver, City of
Bixby, City of
Bixby Public Works
Cheyenne, City of
Commerce, City of
Cyril, Town of
Fairfax, Town of
Fort Supply, Town of
Grandfield, City of
Grove, City of
Grove Municipal Airport Managing
Authority
Heavener, City of

Heavener Utility Authority
Hinton, Town of
Holdenville, City of
Holdenville Housing Authority
Hugo, City of
Idabel Housing Authority
Indianola Rural Water District #18
Ketchum, City of
Ketchum Public Works
Kingfisher, City of
Mangum, City of
Mountain View, City of
Muskogee City-County 911 Trust
Authority
Okarche, City of
Poteau Valley Improvement Authority
Rush Springs, Town of
Ryan, City of
Sentinel, Town of
Shattuck, City of
Sportsmen Acres, Town of
Stigler, City of
Tahlequah, City of
Vici, Town of
Watonga Housing Authority
Watts Public Works Authority
Wewoka, City of
Wilson, City of

Other Governmental Units

Association of South Central Oklahoma
Government
Circuit Engineering District #4
Circuit Engineering District #6
Eastern Oklahoma Circuit Engineering
District #2
Eastern Oklahoma District Library
Grand Gateway Economic Development
Association
Kiamichi Economical Development
District of Oklahoma
Midwestern Oklahoma Development
Authority
Northeast Oklahoma Enhanced 911
Trust Authority
Northern Oklahoma Development
Authority
Northwestern Oklahoma Solid Waste
Disposal Authority
Oklahoma Environmental Management
Authority
Southeast Circuit Engineering District #3
Southwestern Oklahoma Ambulance
Authority
Southwestern Oklahoma Developmental
Authority
Tri-County Rural Water District

Pension

(\$ in thousands)

| Valuation Date | Actuarial Value of Assets ¹ (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (UAAL) (b) – (a) | Funded Ratio (a) / (b) | Covered Payroll (c) | UAAL as a Percent of Covered Payroll ((b) – (a)) / (c) |
|----------------|---|--|----------------------------------|---------------------------|------------------------|---|
| June 30, 2025 | \$12,238,292 | \$11,511,698 | (\$726,594) | 106.3% | \$1,577,058 | (46.1%) |
| June 30, 2024 | 11,545,793 | 11,391,285 | (154,508) | 101.4 | 1,513,007 | (10.2) |
| June 30, 2023 | 11,108,963 | 11,173,394 | 64,431 | 99.4 | 1,527,059 | 4.2 |
| June 30, 2022 | 10,869,470 | 10,828,046 | (41,424) | 100.4 | 1,556,561 | (2.7) |
| June 30, 2021 | 10,562,548 | 10,725,572 | 163,024 | 98.5 | 1,571,954 | 10.4 |
| June 30, 2020 | 9,838,473 | 10,614,647 | 776,174 | 92.7 | 1,584,631 | 49.0 |
| June 30, 2019 | 9,541,044 | 9,726,326 | 185,282 | 98.1 | 1,601,075 | 11.6 |
| June 30, 2018 | 9,308,502 | 9,555,990 | 247,488 | 97.4 | 1,688,544 | 14.7 |
| June 30, 2017 | 8,915,999 | 9,454,642 | 538,643 | 94.3 | 1,790,810 | 30.1 |
| June 30, 2016 | 8,790,886 | 9,427,810 | 636,924 | 93.2 | 1,808,973 | 35.2 |

¹The actuarial value of assets is not otherwise determined for pension only or OPEB only, so these numbers are determined pro-rata to the fair value of assets.

OPEB

(\$ in thousands)

| Valuation Date | Actuarial Value of Assets ¹ (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (UAAL) (b) – (a) | Funded Ratio (a) / (b) | Covered Payroll (c) | UAAL as a Percent of Covered Payroll ((b) – (a)) / (c) |
|----------------|---|--|----------------------------------|---------------------------|------------------------|---|
| June 30, 2025 | \$487,394 | \$293,006 | (\$194,388) | 166.3% | \$1,577,058 | (12.3%) |
| June 30, 2024 | 466,060 | 301,002 | (165,058) | 154.8 | 1,513,007 | (10.9) |
| June 30, 2023 | 448,427 | 308,562 | (139,865) | 145.3 | 1,527,059 | (9.2) |
| June 30, 2022 | 442,290 | 311,839 | (130,451) | 141.8 | 1,556,561 | (8.4) |
| June 30, 2021 | 428,657 | 320,668 | (107,989) | 133.7 | 1,571,954 | (6.9) |
| June 30, 2020 | 373,768 | 328,432 | (45,336) | 113.8 | 1,584,631 | (2.9) |
| June 30, 2019 | 368,640 | 321,048 | (47,592) | 114.8 | 1,601,075 | (3.0) |
| June 30, 2018 | 349,623 | 328,144 | (21,479) | 106.5 | 1,688,544 | (1.3) |
| June 30, 2017 | 325,293 | 326,975 | 1,682 | 99.5 | 1,790,810 | 0.1 |

¹The actuarial value of assets is not otherwise determined for pension only or OPEB only, so these numbers are determined pro-rata to the fair value of assets.

Note: The Medical Supplement was first split out in 2017. Additional years will be reported as they become available.

Member Statistics

| Inactive members as of July 1, 2025 | Number | Amount of Annual Benefit |
|--|---------------|---------------------------------|
| Members receiving benefits | | |
| Retired | 31,204 | \$ 640,882,744 |
| Surviving spouses | 4,863 | 63,514,127 |
| Disabled | 1,092 | 12,019,610 |
| Total | 37,159 | \$ 716,416,481 |
| Members with deferred benefits | | |
| Vested terminated | 2,289 | \$ 27,767,577 |
| Assumed deferred vested members (estimated benefits) | 4,777 | 51,397,808 |
| Total | 7,066 | \$ 79,165,385 |

| Statistics for | Average | | | |
|--|----------------|-------------|----------------|------------------|
| | Number | Age | Service | Earnings |
| Active members as of July 1, 2024 | | | | |
| Continuing | 24,463 | 49.6 | 13.7 | \$ 56,904 |
| New | 3,427 | 39.1 | 2.0 | 33,230 |
| Total | 27,890 | 48.3 | 12.3 | \$ 54,015 |
| Active members as of July 1, 2025 | | | | |
| Continuing | 23,730 | 49.6 | 13.7 | \$ 58,319 |
| New | 3,165 | 38.5 | 1.9 | 33,983 |
| Total | 26,895 | 48.3 | 12.3 | \$ 55,455 |

Distribution of Retirees and Beneficiaries

| Age | Number | | | Annual Benefits | | |
|-----------------|---------------|---------------|---------------|-----------------------|-----------------------|-----------------------|
| | Male | Female | Total | Male | Female | Total |
| Under 50 | 83 | 69 | 152 | \$ 1,540,517 | \$ 872,071 | \$ 2,412,588 |
| 50-55 | 127 | 116 | 243 | 3,258,696 | 2,275,806 | 5,534,502 |
| 55-60 | 459 | 484 | 943 | 11,844,166 | 11,019,660 | 22,863,826 |
| 60-65 | 1,544 | 1,987 | 3,531 | 38,968,878 | 44,542,416 | 83,511,294 |
| 65-70 | 2,893 | 4,455 | 7,348 | 64,666,240 | 88,631,297 | 153,297,537 |
| 70-75 | 3,428 | 5,178 | 8,606 | 71,576,447 | 97,250,449 | 168,826,896 |
| 75-80 | 3,031 | 4,497 | 7,528 | 60,247,292 | 76,416,109 | 136,663,401 |
| 80-85 | 1,886 | 2,975 | 4,861 | 35,427,937 | 47,175,028 | 82,602,965 |
| 85-90 | 944 | 1,639 | 2,583 | 18,008,875 | 23,616,023 | 41,624,898 |
| 90-95 | 312 | 755 | 1,067 | 5,413,120 | 9,624,409 | 15,037,529 |
| 95-100 | 65 | 205 | 270 | 1,064,421 | 2,602,488 | 3,666,909 |
| Over 100 | 3 | 24 | 27 | 68,254 | 305,882 | 374,136 |
| Total | 14,775 | 22,384 | 37,159 | \$ 312,084,843 | \$ 404,331,638 | \$ 716,416,481 |

Summary of Active Members

Age and years of credited service

Earnings tabulated are average rates of pay as of July 1, 2025

| Age | Years of Service | | | | | | | | | Total |
|--------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 0 to 4 | 5 to 9 | 10 to 14 | 15 to 19 | 20 to 24 | 25 to 29 | 30 to 34 | 35 to 39 | 40 & Up | |
| Under 25 | 1,041 | 11 | | | | | | | | 1,052 |
| Average Pay | \$33,392 | \$46,094 | | | | | | | | \$33,525 |
| 25 to 29 | 1,126 | 270 | 12 | | | | | | | 1,408 |
| Average Pay | \$38,151 | \$45,025 | \$50,176 | | | | | | | \$39,572 |
| 30 to 34 | 918 | 524 | 361 | 4 | | | | | | 1,807 |
| Average Pay | \$39,158 | \$47,919 | \$57,011 | \$52,856 | | | | | | \$45,295 |
| 35 to 39 | 916 | 555 | 1,030 | 204 | 2 | | | | | 2,707 |
| Average Pay | \$40,162 | \$50,417 | \$60,992 | \$64,149 | \$109,952 | | | | | \$52,049 |
| 40 to 44 | 692 | 493 | 1,036 | 751 | 191 | 4 | | | | 3,167 |
| Average Pay | \$40,258 | \$49,151 | \$64,326 | \$69,550 | \$66,496 | \$66,130 | | | | \$58,077 |
| 45 to 49 | 613 | 483 | 985 | 719 | 515 | 149 | | | | 3,464 |
| Average Pay | \$40,048 | \$50,398 | \$63,075 | \$67,699 | \$70,502 | \$72,273 | | | | \$59,692 |
| 50 to 54 | 543 | 459 | 829 | 656 | 568 | 502 | 112 | 4 | | 3,673 |
| Average Pay | \$41,609 | \$48,263 | \$61,498 | \$65,152 | \$69,778 | \$72,844 | \$73,478 | \$75,639 | | \$60,768 |
| 55 to 59 | 534 | 421 | 782 | 649 | 487 | 502 | 278 | 99 | 3 | 3,755 |
| Average Pay | \$41,775 | \$49,434 | \$58,666 | \$60,105 | \$66,200 | \$69,645 | \$71,053 | \$80,135 | \$68,932 | \$59,414 |
| 60 to 64 | 454 | 401 | 684 | 521 | 479 | 395 | 243 | 215 | 93 | 3,485 |
| Average Pay | \$40,798 | \$46,915 | \$55,899 | \$58,525 | \$63,083 | \$63,984 | \$69,993 | \$77,309 | \$74,034 | \$57,982 |
| 65 to 69 | 202 | 195 | 350 | 278 | 202 | 151 | 95 | 81 | 101 | 1,655 |
| Average Pay | \$35,896 | \$49,605 | \$58,545 | \$63,949 | \$64,901 | \$65,406 | \$71,497 | \$70,404 | \$73,643 | \$59,282 |
| 70 & up | 122 | 112 | 151 | 113 | 57 | 55 | 39 | 31 | 42 | 722 |
| Average Pay | \$33,848 | \$42,212 | \$62,686 | \$61,374 | \$65,577 | \$66,169 | \$68,161 | \$74,292 | \$70,383 | \$56,167 |
| Total | 7,161 | 3,924 | 6,220 | 3,895 | 2,501 | 1,758 | 767 | 430 | 239 | 26,895 |
| Average Pay | \$38,775 | \$48,549 | \$60,744 | \$64,482 | \$67,240 | \$69,029 | \$70,979 | \$76,426 | \$73,163 | \$55,455 |



Oklahoma Public Employee Retirement System

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