

City of Cupertino Investment Review

December 17, 2025

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Agenda

Ex Fossil Fuel Historical Index Return

Current Lineup

Sample Passive ESG ETF Lineup

Sample Customized SMA Lineup

Carbon Risk Ratings in Current Equities Portfolio

Carbon Risk Ratings in Sample Equities Portfolio

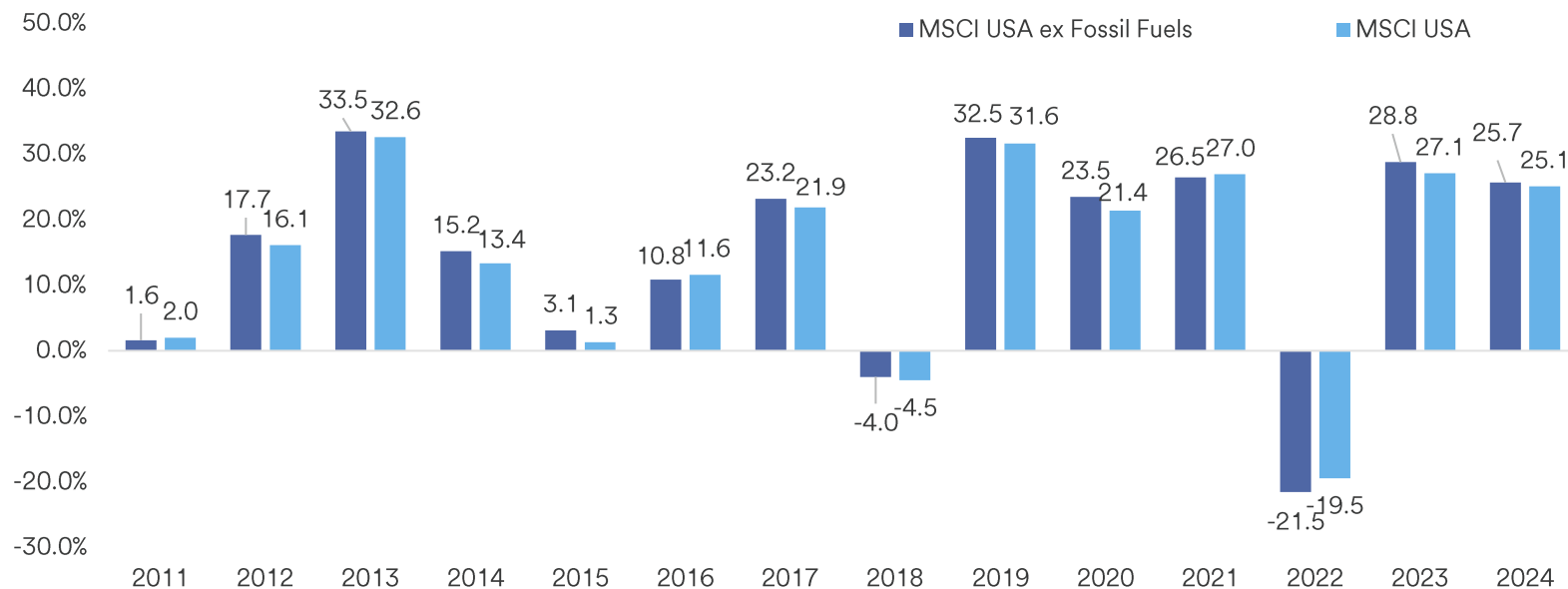
Customized SMA Introduction

MSCI USA ex Fossil Fuel Index



Historical ex Fossil Fuel Index Returns

Annual Performance



Gross Returns as of November 28, 2025

	1 Mo	3 Mo	1 Yr	YTD	3 Yr	5 Yr	10 Yr	Since Nov 30, 2010
MSCI USA ex Fossil Fuels	-0.09	6.43	15.42	18.11	21.56	14.60	14.93	15.06
MSCI USA	0.03	6.16	14.74	17.74	20.77	14.79	14.6	14.52

Source: MSCI USA ex Fossil Fuels November 2025 Factsheet

Fossil Fuel Exclusion Risk: Concentration

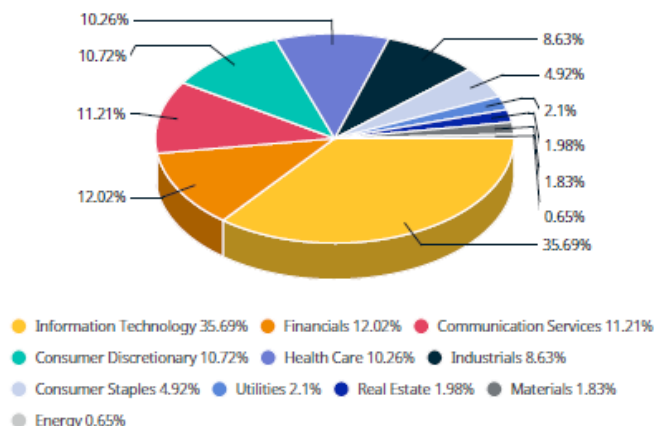
INDEX CHARACTERISTICS

	MSCI USA ex Fossil Fuels	MSCI USA
Number of Constituents	521	544
	Weight (%)	
Largest	7.50	7.21
Smallest	0.01	0.01
Average	0.19	0.18
Median	0.06	0.06

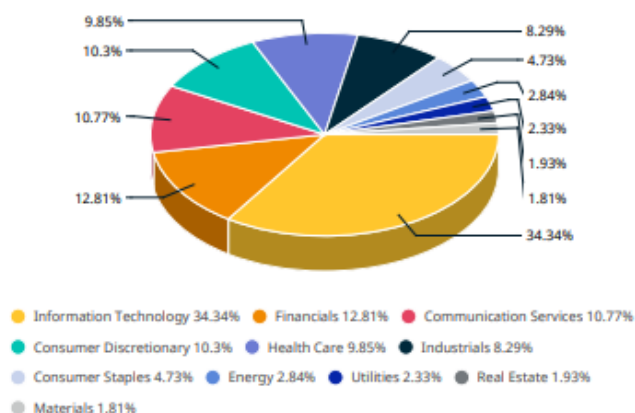
TOP 10 CONSTITUENTS

	Index Wt. (%)	Parent Index Wt. (%)	Sector
NVIDIA	7.50	7.21	Info Tech
APPLE	7.22	6.93	Info Tech
MICROSOFT CORP	6.06	5.82	Info Tech
AMAZON.COM	3.90	3.75	Cons Discr
ALPHABET A	3.25	3.12	Comm Svcs
BROADCOM	3.15	3.03	Info Tech
ALPHABET C	2.73	2.62	Comm Svcs
META PLATFORMS A	2.45	2.36	Comm Svcs
TESLA	2.12	2.04	Cons Discr
LILLY (ELI) & COMPANY	1.51	1.45	Health Care
Total	39.90	38.33	

MSCI USA EX FOSSIL FUELS SECTOR WEIGHTS



MSCI USA SECTOR WEIGHTS



Source: MSCI USA ex Fossil Fuels November 2025 Factsheet, Source: MSCI USA November 2025 Factsheet

Sample Lineups



Current Lineup

City of Cupertino 115P Pension

	Policy Targets	Tactical Weights	Expense Ratio
Domestic Equity	42.00%	43.58%	
iShares Russell 1000 ETF		41.25%	0.15%
Fidelity Small Cap Index Fund		2.33%	0.03%
International Equity	21.00%	21.50%	
Fidelity International Index Fund		15.80%	0.04%
Fidelity Emerging Markets Index Fund		5.70%	0.08%
Listed Real Assets	5.00%	4.92%	
iShares Core U.S. REIT ETF		4.92%	0.08%
Commodities	2.00%	0.00%	
Fixed Income	29.00%	27.72%	
Fidelity U.S. Bond Index Fund		22.97%	0.03%
Aristan High Income Fund		4.75%	0.71%
Cash Equivalents	1.00%	2.27%	
First American Government Obligations Fund Class X		2.27%	0.14%
			0.12%

Manager lineup and expense ratios are as of December 12, 2025 and are subject to change.

Sample Passive ESG Lineup ETFs

	Policy Targets	Current Weight	Expense Ratio	
Domestic Equity	42.00%	43.58%		
iShares ESG Optimized MSCI USA ETF		21.79%	0.25%	+10 bps
Xtrackers MSCI USA ESG Leaders Eq ETF		21.79%	0.10%	+8 bps
International Equity	21.00%	21.50%		
iShares ESG Aware MSCI EAFE ETF		15.05%	0.20%	+17 bps
iShares ESG Aware MSCI EM ETF		6.45%	0.25%	+ 18 bps
Listed Real Assets	5.00%	4.92%		
iShares Core U.S. REIT ETF		4.92%	0.08%	
Commodities	2.00%	0.00%		
Fixed Income	29.00%	27.72%		
Fidelity U.S. Bond Index Fund		22.97%	0.03%	
Aristan High Income Fund		4.75%	0.71%	
Cash Equivalents	1.00%	2.27%		
First American Government Obligations Fund Class X		2.27%	0.14%	
			0.17%	

Manager lineup and expense ratios are as of December 12, 2025 and are subject to change.

Customized Equity SMAs

	Policy Targets	Current Weight	Expense Ratio
Domestic Equity	42.00%	43.58%	
Parametric Custom US Equity SMA		41.25%	0.18%
Parametric Custom US Equity SMA		2.33%	0.18%
International Equity	21.00%	21.50%	
Parametric Custom IE Equity SMA		15.80%	0.18%
Parametric Custom IE Equity SMA		5.70%	0.18%
Listed Real Assets	5.00%	4.92%	
iShares Core U.S. REIT ETF		4.92%	0.08%
Commodities	2.00%	0.00%	
Fixed Income	29.00%	27.72%	
Fidelity U.S. Bond Index Fund		22.97%	0.03%
Aristan High Income Fund		4.75%	0.71%
Cash Equivalents	1.00%	2.27%	
First American Government Obligations Fund Class X		2.27%	0.14%
			0.14%

+3 bps
+16 bps

+15 bps
+ 11 bps

Manager lineup and expense ratios are as of December 12, 2025 and are subject to change.

Current Equities Ratings

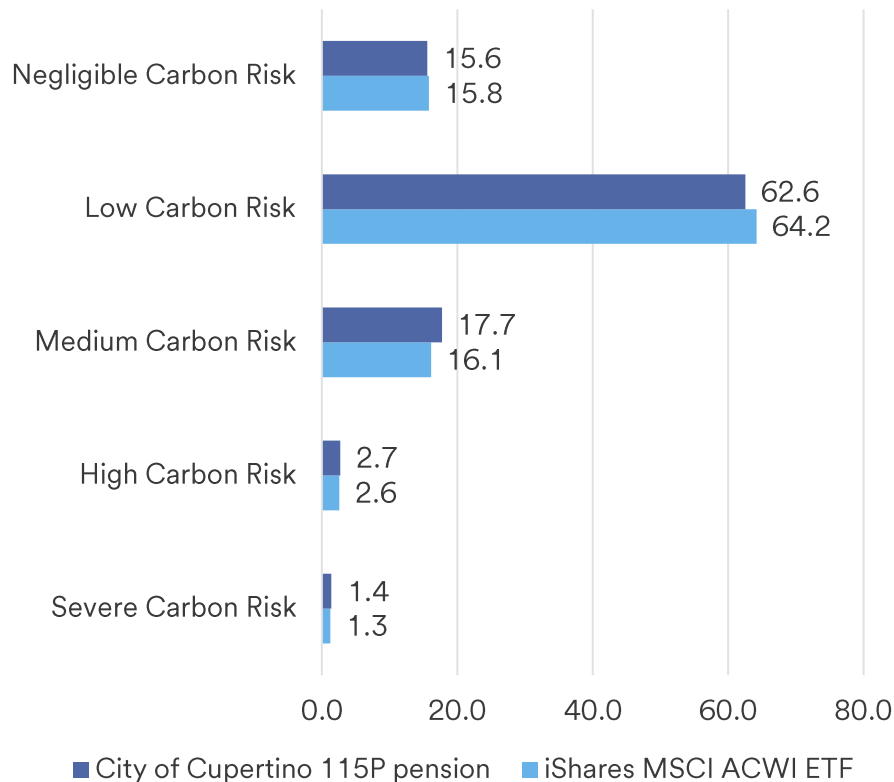


Current Equities Carbon Risk Overview

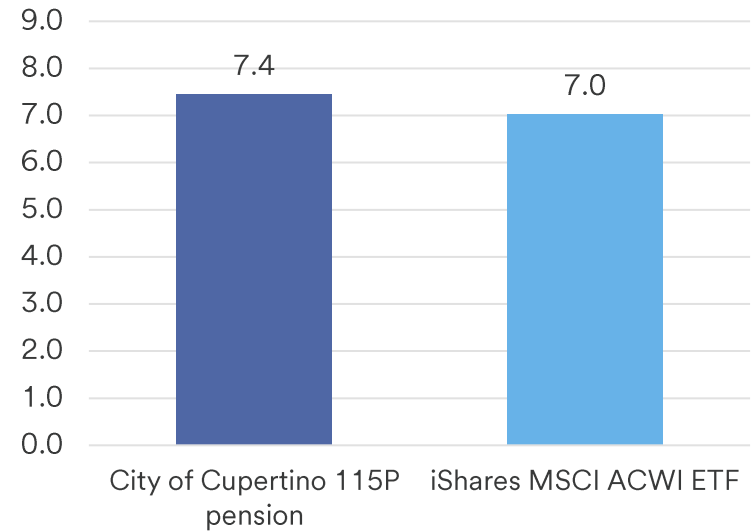
City of Cupertino 115P Pension

Carbon Coverage (% of AUM) 97.94

Distribution of Carbon Risk



Portfolio Carbon Risk Score



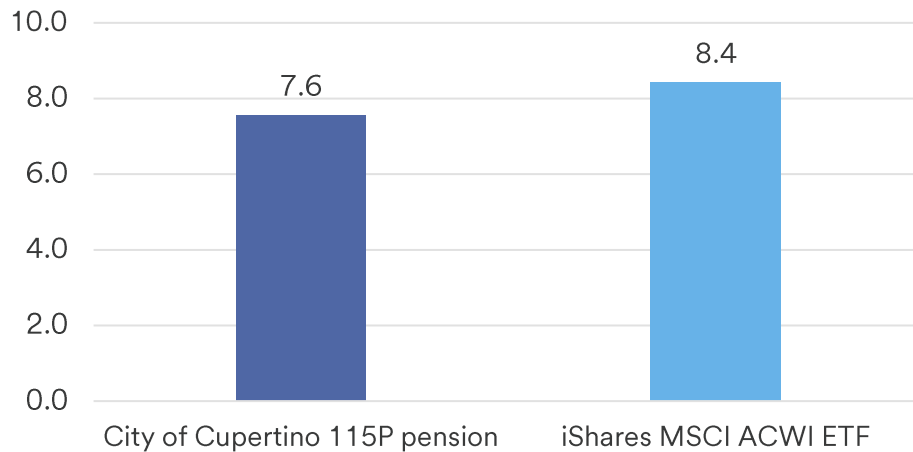
Portfolio Carbon Risk Core: the asset-weighted average of the carbon risk scores for the portfolio's covered, corporate holdings. The carbon risk score indicates the overall material risk a company faces from the transition to a low-carbon economy. The carbon risk core is measured on an open-ended scale starting at zero (no risk) and a maximum score that is typically below 100. A lower score is better. At least 67% of the portfolio's eligible assets must have carbon risk scores available in order for a score to be calculated.

Benchmark : iShares MSCI ACWI ETF
Source: Morningstar Direct

Carbon Involvement

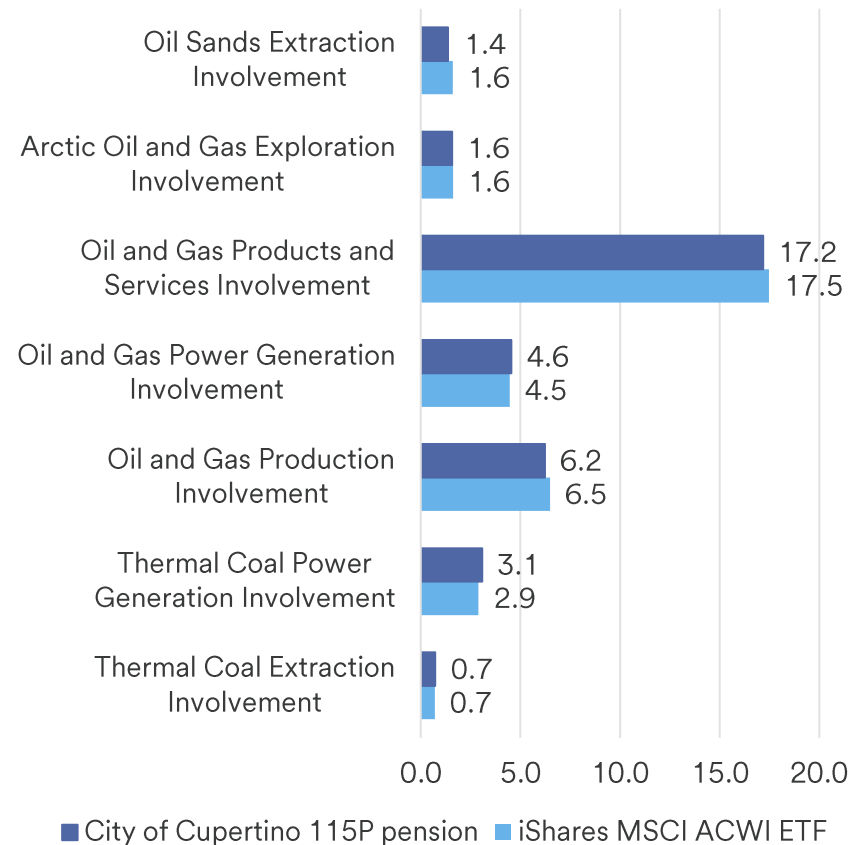
City of Cupertino 115P Pension

Morningstar® Portfolio Fossil Fuel Involvement™ % of Covered Portfolio Involved



Companies are considered involved in fossil fuels if they derive at least an aggregate 5% share of total revenue from the activities listed in the Fossil Fuel Related Activities table. Companies involved in Arctic Oil & Gas Exploration and Oil Sands Extraction will be included only if there is no involvement in Oil & Gas Production.

Fossil Fuel Related Activities



Benchmark : iShares MSCI ACWI ETF

Source: Morningstar Direct

Morningstar's Portfolio Fossil Fuel Involvement™ measures the percentage of the portfolio's corporate assets that are involved in fossil fuels based on revenues.

Sample ESG ETF Lineup Equities Ratings

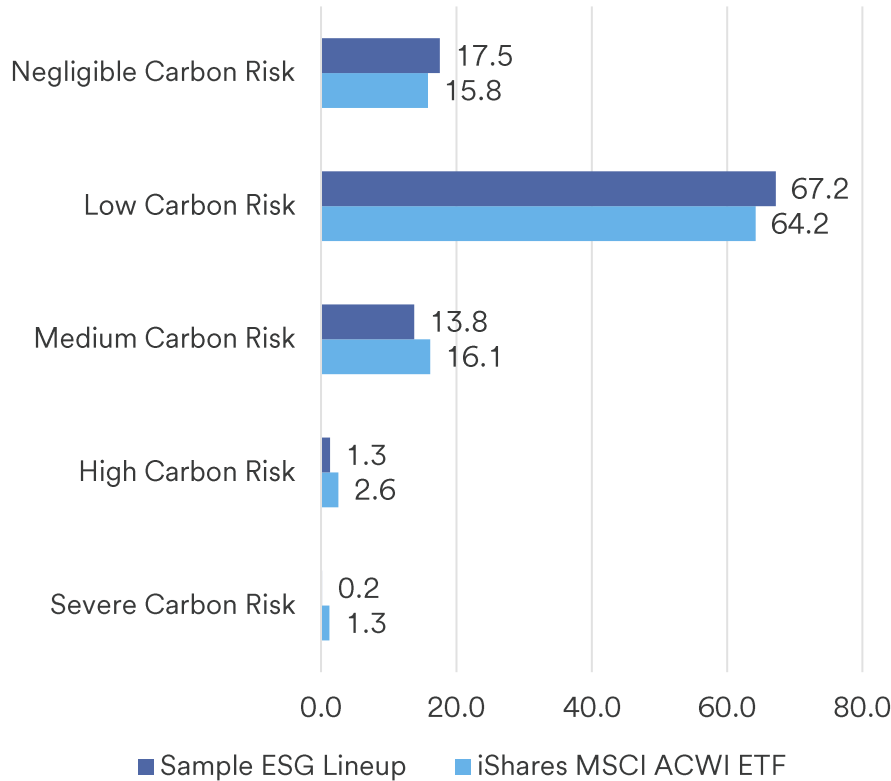


Carbon Risk Overview

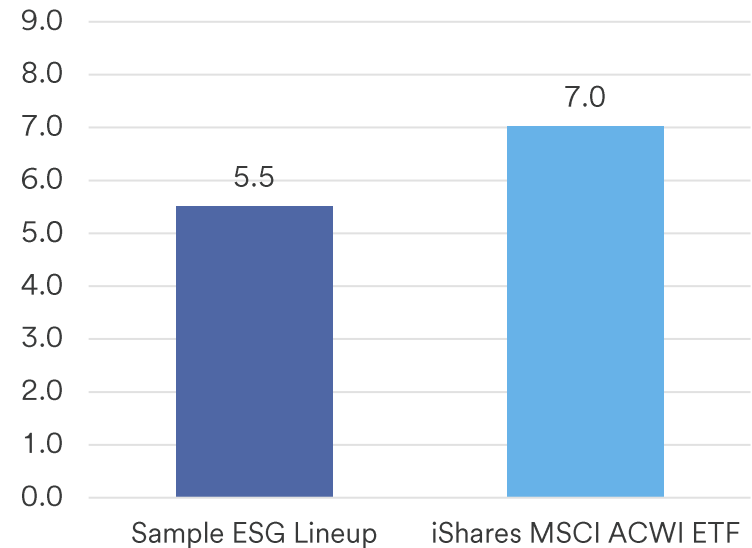
Sample Passive ESG ETF Lineup

Carbon Coverage (% of AUM) 98.66

Distribution of Carbon Risk



Portfolio Carbon Risk Score



Portfolio Carbon Risk Core: the asset-weighted average of the carbon risk scores for the portfolio's covered, corporate holdings. The carbon risk score indicates the overall material risk a company faces from the transition to a low-carbon economy. The carbon risk core is measured on an open-ended scale starting at zero (no risk) and a maximum score that is typically below 100. A lower score is better. At least 67% of the portfolio's eligible assets must have carbon risk scores available in order for a score to be calculated.

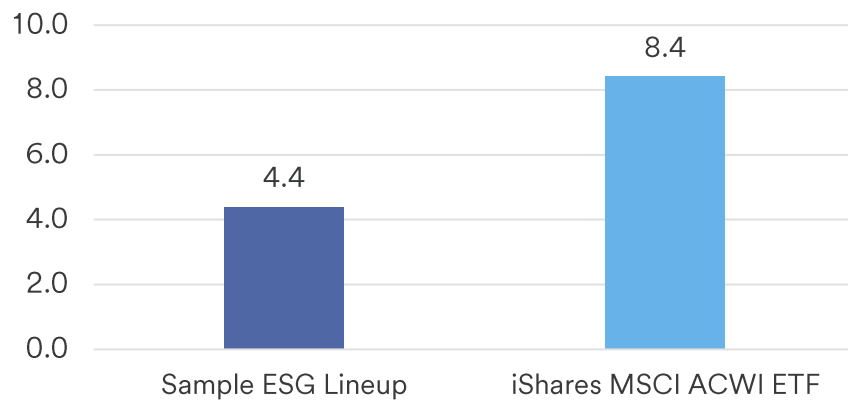
Benchmark : iShares MSCI ACWI ETF
Source: Morningstar Direct

Carbon Involvement

Sample Passive ESG ETF Lineup

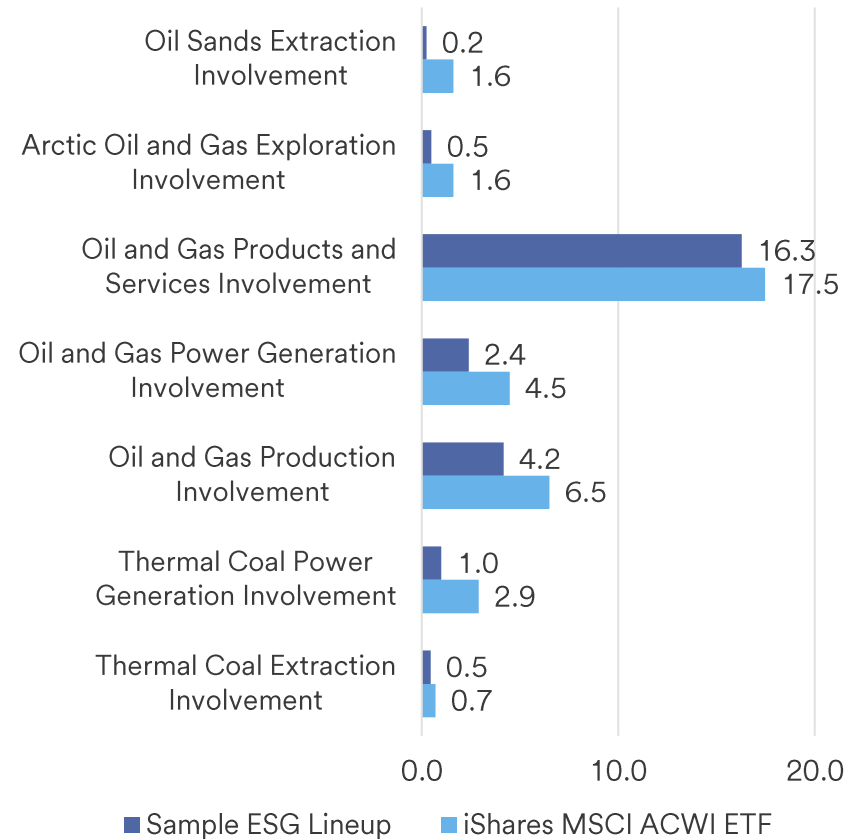
Morningstar® Portfolio Fossil Fuel Involvement™

% of Covered Portfolio Involved



Companies are considered involved in fossil fuels if they derive at least an aggregate 5% share of total revenue from the activities listed in the Fossil Fuel Related Activities table. Companies involved in Arctic Oil & Gas Exploration and Oil Sands Extraction will be included only if there is no involvement in Oil & Gas Production.

Fossil Fuel Related Activities



Benchmark : iShares MSCI ACWI ETF

Source: Morningstar Direct

Morningstar's Portfolio Fossil Fuel Involvement™ measures the percentage of the portfolio's corporate assets that are involved in fossil fuels based on revenues.

Customized Separately Managed Account



Intro to Parametric Process for Customized SMA

Design the Exposure:

Provide exposure to selected benchmark (e.g. Russell 1000)

Determine the screen:

Complete the responsible investing menu and decide screening approach (e.g. Fossil Fuel Free)

Customized SMA (e.g. Russell 1000 ex Fossil Fuel)

For illustrative purposes only

Parametric Screens Available

Customized core equity sub-advised SMA with Parametric Portfolio Associates® LLC (“Parametric”)

Comprehensive screen menu

SOCIAL

Human Trafficking
Racial Justice

ENVIRONMENTAL

GHG Emissions
Fossil Fuel Free

FAITH-BASED SCREENS

Catholic Values
Shariah Compliant

GOVERNANCE

Board Gender Diversity

GICS INDUSTRY

Oil and Gas
Pharmaceuticals

SUB-INDUSTRY

Tobacco
Casinos and Gaming

The screenshot displays the 'Parametric Responsible Investing Screen Menu' interface. It includes a header with the Parametric logo and title. Below the title, there are instructions for users. The main section is titled 'ESG screens currently available' and is divided into two columns: 'Social' and 'Environmental'. Each column contains a list of screening criteria with checkboxes and associated values. For example, under 'Social', there are options like 'Human Trafficking' (100%) and 'Racial Justice' (100%). Under 'Environmental', there are options like 'GHG Emissions' (100%) and 'Fossil Fuel Free' (100%). At the bottom, there is a section for 'Account Information' with fields for 'Client Name' and 'Advisor'.

We partner with recognized leaders in ESG-focused research to offer an industry-leading responsible investing screen menu across equities and corporate bonds.

Parametric ESG Screen Definitions

The definitions below stipulate the criteria for failure. Only securities that pass will be eligible for investment

Fossil Fuel Free*	Companies involved in the following: <ul style="list-style-type: none">• Evidence of owning fossil fuel reserves• Deriving > 50% of revenue from activities related to oil, gas, or thermal coal• Generating > 50% of power from fossil fuels
Fossil Fuel Reserves—All*	Companies with evidence of owning fossil fuel reserves regardless of their industries, including companies that own < 50% of a reserves field, regardless of revenue derived. Evidence of owning reserves includes companies providing the exact volume of reserves and companies making a statement about their ownership of reserves. Fossil reserves are defined as proved and probable reserves for coal and proved reserves for oil and natural gas. This screen does not capture non-reserve-owning companies with revenues related to fossil fuel production. If that is your goal, consider adding the Fossil Fuel Free screen or an Energy sector screen (see page 2).
Oil Sands Reserves	Companies that provide evidence of owning oil sands reserves, including those that own < 50% of a reserves field, regardless of revenue derived. This includes oil reserves explicitly reported as the following: <ul style="list-style-type: none">• Oil shale• Kerogen• Oil sands• Tar sands• Synthetic crude oil• Extra heavy oil• Bitumen
Shale Oil & Gas Reserves	Companies that provide evidence of owning shale gas and/or shale oil reserves, including those that own < 50% of a reserves field, regardless of revenue derived. This includes: <ul style="list-style-type: none">• Oil reserves explicitly reported as "shale oil" reserves• Those in unconventional reservoirs or shale fields• Natural gas liquids (NGLs) and condensates from unconventional reservoirs or shale fields• Oil reserves extracted using unconventional extraction methods such as horizontal drilling and hydraulic fracking• Reserves reported as "tight oil"
Thermal Coal Reserves	Companies that provide evidence of owning thermal coal, including those that own < 50% of a reserves field, regardless of revenue derived. Thermal coal is used to fire power plants that produce steam for electricity and industrial uses.

*Research coverage is at least the MSCI ACWI Investable Market Index universe.
Source: Parametric Responsible Investing Screen Menu

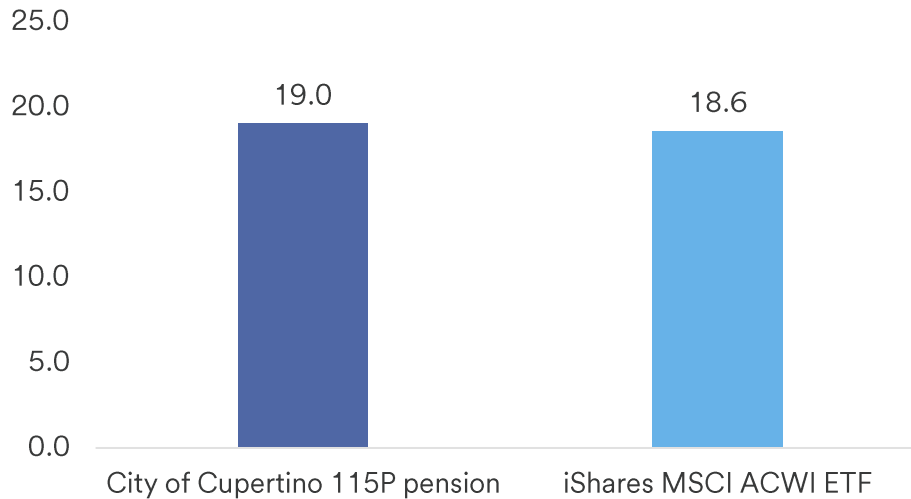
Appendix



ESG Risk Overview

City of Cupertino 115P Pension

Portfolio Corporate Sustainability Score



Lower score => Less ESG risk

Portfolio Corporate Sustainability Score:

Asset-weighted average of Sustainalytics' company-level ESG Risk Score. The Sustainalytics' company-level ESG Risk Score measures the degree to which a company's economic value may be at risk driven by ESG factors. Like the ESG Risk Scores, the Portfolio Sustainability Score is rendered on a 0-100 scale, where lower scores are better, using an asset-weighted average of all covered securities.

	Portfolio Corporate ESG Risk Score	ESG Risk Date	Portfolio Weighting %	Prospectus Net Expense Ratio	Ticker
iShares Russell 1000 ETF	18.44	10/31/2025	63.38	0.15	IWB
Fidelity International Index	18.08	10/31/2025	24.28	0.04	FSPSX
Fidelity Emerging Markets Index	21.04	10/31/2025	8.76	0.08	FPADX
Fidelity Small Cap Index	26.37	10/31/2025	3.58	0.03	FSSNX

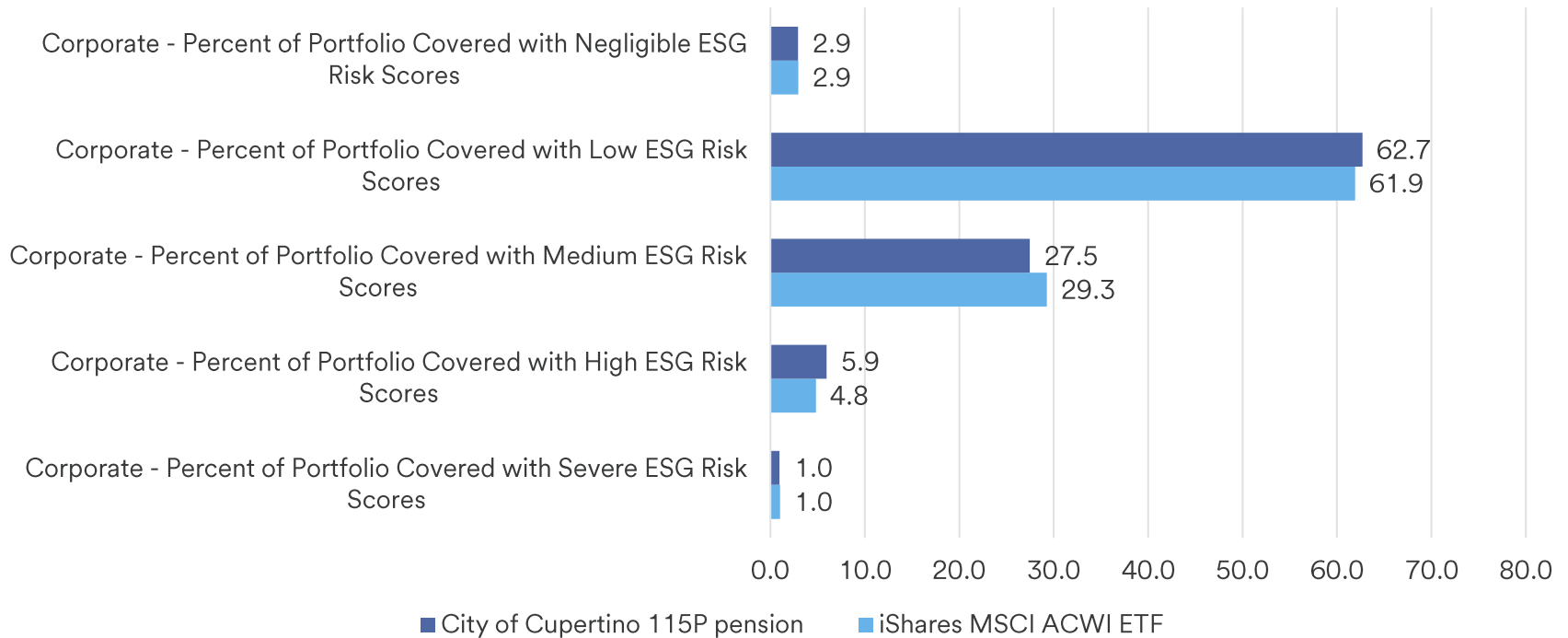
ESG Risk Score Breakdown

City of Cupertino 115P Pension

ESG Risk Score Coverage

Coverage (% of AUM)	99.3
Coverage (# of Securities Scored)	4,534

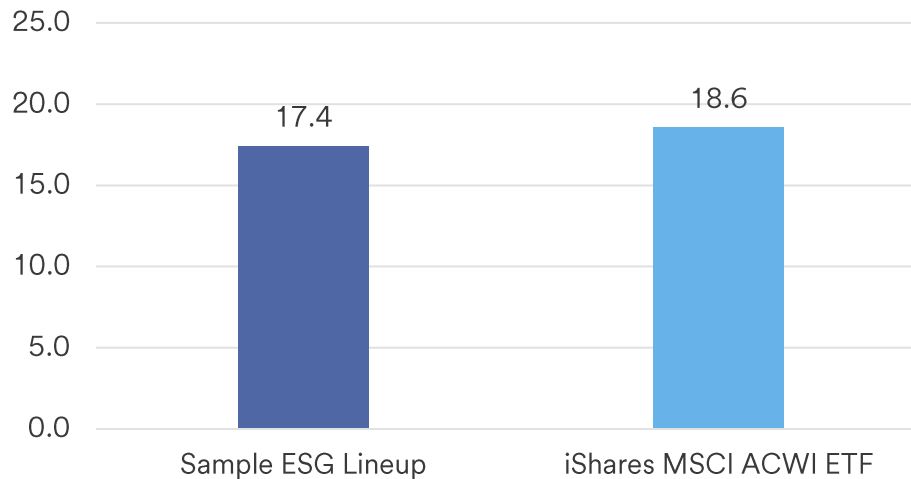
ESG Risk Scores



ESG Risk Overview

Sample Passive ESG ETF Lineup

Portfolio Corporate Sustainability Score



Lower score => Less ESG risk

Portfolio Corporate Sustainability Score:

Asset-weighted average of Sustainalytics' company-level ESG Risk Score. The Sustainalytics' company-level ESG Risk Score measures the degree to which a company's economic value may be at risk driven by ESG factors. Like the ESG Risk Scores, the Portfolio Sustainability Score is rendered on a 0-100 scale, where lower scores are better, using an asset-weighted average of all covered securities

	Portfolio Corporate ESG Risk Score	ESG Risk Date	Portfolio Weighting %	Prospectus Net Expense Ratio	Ticker
iShares ESG Optimized MSCI USA ETF	16.92	10/31/2025	33.33	0.25	SUSA
Xtrackers MSCI USA Selection Eq ETF	16.71	10/31/2025	33.33	0.09	USSG
iShares ESG Aware MSCI EAFE ETF	17.57	10/31/2025	23.33	0.21	ESGD
iShares ESG Aware MSCI EM ETF	19.27	10/31/2025	10.00	0.26	ESGE

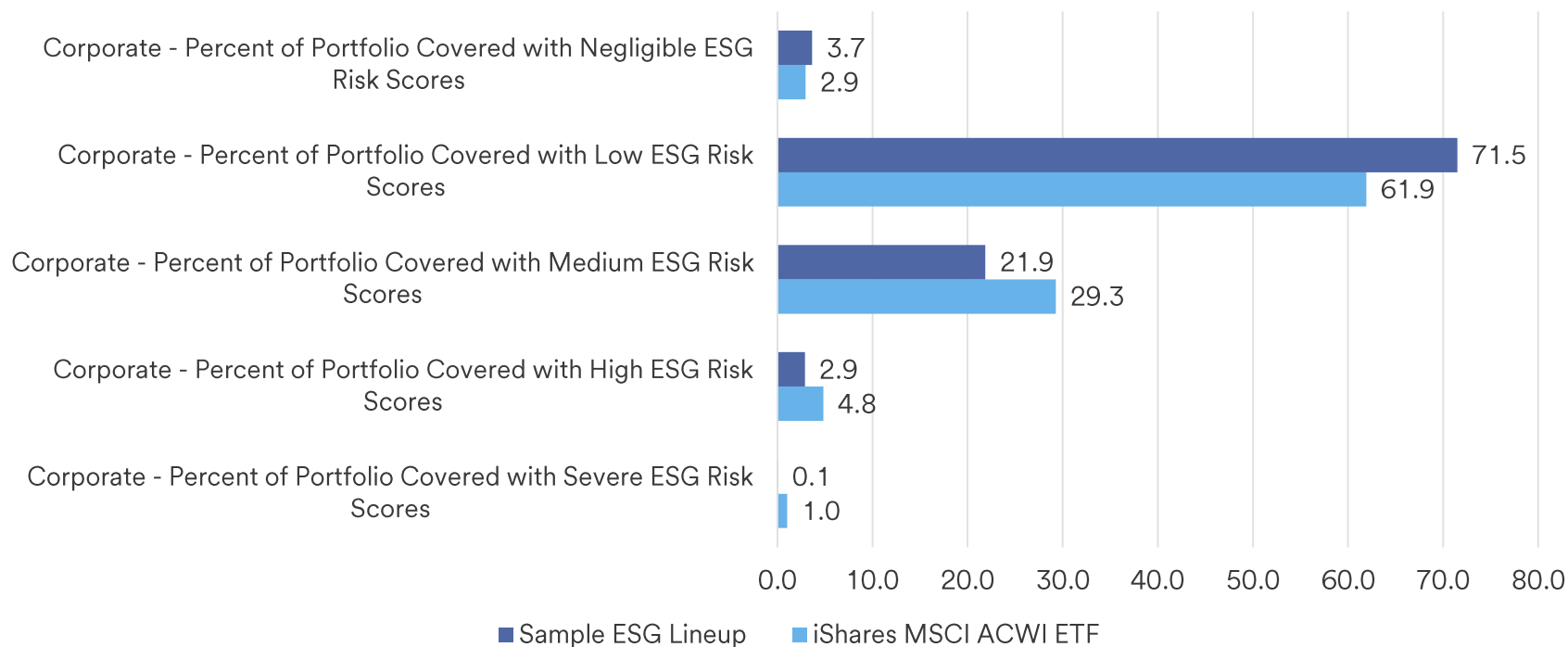
ESG Risk Score Breakdown

Sample Passive ESG ETF Lineup

ESG Risk Score Coverage

Coverage (% of AUM)	99.8
Coverage (# of Securities Scored)	1,406

ESG Risk Scores



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