

ILLINOIS MUNICIPAL RETIREMENT FUND
MINUTES OF
REGULAR MEETING NO. 26-02
FEBRUARY 27, 2026

ILLINOIS MUNICIPAL RETIREMENT FUND

MEETING NO. 26-02

REGULAR MEETING

OF THE

BOARD OF TRUSTEES

The Regular Meeting of the Board of Trustees was held at 9:00 a.m. on February 27, 2026, in the Fund Office at 800 Commerce Drive, Oak Brook, Illinois.

Mr. Cycholl presided as President and called the meeting to order.

Ms. Herman took a roll call:

Present: Copper, Cycholl, Henry (on MS Teams), Isaac, Miller, Kuehne, Stefan, Townsend

Absent: None

Ms. Weymouth from Callan was also present at the meeting, along with members from the public who were there for Public Comments.

(26-02-01) (Public Comments) The following people from the public provided comments.

Ms. Ann Barnun, the Human Resources Director from St. Clair County, addressed the Board on behalf of the frustrated employees at her work, especially the most vulnerable. They are struggling financially having to wait for their pension/disability checks for so long. She asked that IMRF please come up with a solution.

Ms. Rose Miller, Payroll Analyst from Lake County, IL, stated she has been in this job position for two years and since she started she has had to deal with IMRF's minimal to no communication and delays in employer files being processed (last one took seven days). In addition, the retirees there have been waiting months for their retirements to be processed and when they try to contact IMRF, the phones are constantly busy, and/or the secure messaging is not working. She asked that they please come up with a solution.

Mr. Tim Neubert who has worked for DeKalb County government for 20 years and is the Authorized Agent there addressed the Board regarding quality of service. He read IMRF's mission statement and explained how it is not consistent with the current problems and system outages. In addition, employees are having difficulty navigating the system, there is poor communication, and too long of delays for retirees to receive their pensions. He is worried about income protection and communication breakdown and wants a renewed commitment from IMRF to its membership. IMRF needs to restore efficiency and rebuild trust.

Mr. Paul Price addressed the Board. He is a researcher for the Laborer's Union. He is concerned with IMRF's investments in Charles Bank Capital Partners who bought Box Partners who is not implementing fair practices. He

asked that IMRF require them to not spend money on decertifying unions; disclose their actions; and oppose the labor practices at Box Partners.

Angie Arnold, employee of DeKalb County government, wants to convey the magnitude of the problems the employees are experiencing, i.e., cannot reach a person when calling on the phone, secure messages taking too long, and waiting 3-4 months to receive their pension/disability payments. She is worried that IMRF is heading in the wrong direction and things are getting worse. She highly encourages IMRF to send a survey to all members via US mail.

(26-02-02) (4th Quarter Manager Performance Report)) Ms. Weymouth from Callan was present at the meeting and provided information on IMRF's performance in the 4th Quarter of 2025.

Below are the highlights as of December 31, 2025:

- IMRF's market value as of December 31, 2025 was \$60.8 billion, an increase from the Third Quarter ending value of \$60.2 billion.
- The Total Fund returned 2.23% for the quarter versus the benchmark return of 2.86%. The Fund's quarterly return ranked in the 55th percentile of peers. Over the past year, the Fund returned 14.75% relative to the benchmark return of 15.77% and ranked at the 21st percentile of peers.
- The IMRF U.S. Equity portfolio returned 1.28% for the quarter but lagged the benchmark return of 2.30%. Over the last year, the U.S. Equity portfolio gained 14.27% relative to the benchmark return of 17.01%.
- The IMRF International Equity portfolio gained 4.52% for the quarter and trailed the benchmark return of 5.05%. Over the last year, the International Equity Portfolio returned 32.33%, slightly behind the benchmark return of 32.39%.
- The IMRF Fixed Income portfolio returned 1.12% for the quarter, in line with the benchmark return of 1.13%. Over the last year, the Fixed Income Portfolio returned 7.39% and outperformed the benchmark return of 7.28%.
- The IMRF Private Real Assets portfolio recorded a -0.55% return for the quarter and trailed the benchmark return of 0.70%. Over the last year, the Private Real Assets portfolio returned 1.85% versus the benchmark return of 3.10%.
- All asset classes are within the rebalancing range as stated in the Investment Policy.

In addition, Ms. Weymouth recommended putting William Blair Domestic Small Cap Value Equity on the "watch list". This manager has underperformed, which could be due to the departure of the VP due to retirement. She recommends keeping this manager on the watch list for at least one year to see how things play out.

(26-02-03) (Investment Reports) Callan's monthly report from December 31, 2025 was given to the Board as information and Ms. Weymouth a Callan was present to answer any questions. The monthly report included the following highlights:

Total Fund

The Illinois Municipal Retirement Fund (IMRF) ended December with a market value of \$60.77 billion, a decrease of \$117 million from the prior month's value. IMRF returned .49% during the month, trailing its benchmark return of .88%. Current policy states that when the actual allocation of the asset classes differ by more than four percentage points from their policy targets, a recommendation for rebalancing will be made to the Board of Trustees. As of December month-end, all asset classes are within the policy target ranges.

U.S. Equity

The U.S. Equity market was mixed during December, with large caps generally outperforming small caps and value leading growth across the market cap spectrum. IMRF's U.S. equity composite returned 0.03%, outperforming its benchmark return of -0.14%. Large cap equity modestly outperformed its benchmark. Small cap equity also outperformed its benchmark. Public real assets trailed their benchmark.

International Equity

Global ex-U.S. equities recorded gains for the month. The IMRF international equity composite returned 2.79%, trailing the 3.00% MSCI ACWIxUS benchmark return. The international large cap and international small cap composites underperformed their respective benchmarks, while Emerging markets outperformed its benchmark.

Fixed Income

Fixed income markets were mixed during December. IMRF's fixed income composite returned -0.03%, narrowly trailing the benchmark of -0.01%. IMRF's active core and high yield composites modestly underperformed their respective benchmarks, while core plus fixed income and bank loads modestly outperformed their benchmarks.

CIO Angela Miller-May reported that total fund value as of February 25, 2026, was \$62.896 billion. She further reported that as of February 25, 2026, the Domestic Equity portfolio was up 1.88%; the International Equity portfolio was up 11.67%; the Fixed Income portfolio was up 1.08%; the Private Real Assets portfolio was down -0.14%; the Alternative Investments portfolio was up 1.56%; and the cash portfolio was up 6.07%. Overall, IMRF's portfolio was up in value by 3.40% on February 25, 2026, compared to what it was on December 31, 2025. Furthermore, the following year-to-date benchmark returns were reported as of February 25, 2026:

S&P 500	1.65%
Custom U.S. Equity Benchmark 93% Russell 3000 Index 7% FTSE Global Core Infrastructure 50/50 Index (Net)	2.65%
MSCI ACWI Ex-U.S. Broad International equity market benchmark	10.79%
Bloomberg Aggregate Broad U.S. bond market benchmark	1.36%

Ms. Miller-May reminded everyone of IMRF's Investment Philosophy which includes the following:

- IMRF is a long-term and patient investor that has exceeded its expected rate of returns over the long investment horizon.

- Asset allocation is the primary driver of long-term total fund returns and IMRF is disciplined to their Asset Allocation Targets.
- Strategic Decisions will prevail in determining asset allocation rather than tactical or short-term market timing decisions.
- Investment Structure and Rebalancing is vital in complying with asset allocation targets.
- Diversification is key across all asset classes and is the main defense against realizing losses.

Monthly Minority Manager Utilization and Brokerage reports were given as information as well.

At this point in the meeting, the Board jumped to the Operational Update item on the agenda to help address the issues brought forward in Public Comments.

(26-03-04) (Report of the Executive Director) Executive Director Brian Collins presented the Operational Update. He reported the following:

- 1099-R Project - COMPLETE
- Closing the 2025 Books - ON SCHEDULE
- Monthly regular pay - ON SCHEDULE
- SOC-1 Type 2 Report Project - ON SCHEDULE
- GASB Reports Project - ON SCHEDULE
- Annual Report - ON SCHEDULE

He also reported that the annuitant statements, active member statements and inactive member statements have been completed and are now available in Member Access as well as available to be mailed upon request.

As far as Benefits processing update, there were a total of 27,405 member benefit applications processed in 2025. Mr. Collins explained that there is still an 8-week benefit claim turnaround time, which is standard for most funds. However, this is not IMRF's goal, and with additional staff we hired we expect to see impacts over the coming months. The goal is to reduce the processing time to four weeks by the end of the year.

Mr. Collins continued with a Contact Center update. There were 184,705 high touch member interactions in 2025, which include calls answered, emails sent, personal benefit reviews, counseling session, and member presentations. Currently the hold time on the phones is 25 minutes. However, that is not our goal, and with additional member services staff, we expect to see impacts over the coming months. The goal is to reduce the hold time to 6 minutes by the end of the year.

Finally, Mr. Collins informed that we expect a breakout year in 2026. Currently, the Q1 service levels are not acceptable and need improvement. We have the human resources in place and are executing a training plan to improve service levels. We expect continuous, steady improvement to go from good to great.

Some Board members asked about the Call Back Assistance feature and its poor functioning. Mr. Collins assured this will be fixed when the new phone system is in place. He reiterated IMRF's focus is on the things that are not going well right now. However, there are many areas that have seen

significant improvement over the year. Mr. Isaac commented that the emails sent to him have been diminishing and he is impressed with how quickly the issues are handled by staff. Ms. Copper agreed and addressed the public to reassure them that the IMRF team is working very hard. Mr. Cycholl agreed and appreciates all the efforts from staff. Mr. Miller addressed the public attendees stating there has been an operational update given at every Board meeting for the last 5 years and it is the biggest topic at every Board meeting.

Mr. Collins also informed the Board that the 4th Quarter Strategic Goals report, the FOIA report, and the personnel report are included for review.

(26-02-05) (Consent Agenda) The President presented an agenda consisting of a Consent Agenda.

(A) Schedules - For the month of December and January

- Schedule A - Benefit award listing of retirement, temporary disability, death benefits, and refund of employee contributions processed during the preceding calendar month under Article 7 of the Illinois Pension Code.
- Schedule B - Adjustment of Benefit Awards showing adjustments required in benefit awards and the reasons therefore.
- Schedule C - Benefit Cancellations.
- Schedule D - Expiration of Temporary Disability Benefits terminated under the provisions of Section 7-147 of the Illinois Pension Code.
- Schedule E - Total and Permanent Disability Benefit Awards recommended by the Fund's medical consultants as provided by Section 7-150 of the Illinois Pension Code.
- Schedule F - Benefits Terminated.
- Schedule G - Administrative Benefit Denials.
- Schedule P - Administrative Denial of Application for Past Service Credit.
- Schedule R - Prior Service - New Governmental Units.
- Schedule S - Prior Service Adjustments

(B) Approval of Minutes

Regular Board Meeting minutes from December 19, 2025.

(C) Approval of Minutes

Executive Session meeting minutes from December 19, 2025. (Not for release).

(D) Bids

2026 ContactPro Maintenance Renewal

Sole Source: Waterfield Technologies, Inc.

Approved Bid: \$35,000

2026 Dell Pro Support Renewal

Sole Source: Dell Technologies, Inc.

Approved Bid: \$218,396.95

2026 Printing Member Newsletters - Addendum

Approved Bidder: Meridian Printing

Approved Bid: \$50,822

2026 RangeForce Renewal

Approved Bidder: Carahsoft Technologies

Approved Bid: \$25,263.15

Springfield Office - 5-year Lease Extension

Sole Source: Britton Properties LLC

Approved Bid: \$330,255

Digital Mail Meter System - 3-year Lease

Sole Source : Pitney Bowes, Inc.

Approved Bid: \$44,355.60

Four Digital Network Connected Copier-Printers

Approved Bidder: Konica Minolta

Approved Bid: \$26,449.00

HVAC Maintenance - Oak Brook Building

Sole Source: Atomatic Mechanical Services

Approved Bid: \$49,768

Nuance Subscription Renewal (84) - Addendum 1

Sole Source: Waterfield Technologies, Inc.

Approved Bid: \$98,595

Ring CX Horizon Promotions (UAT, MNT, PRD)

Approved Bidder: Blue Wire Communications

Approved Bid: \$914,093.84

Waterfield Managed Services Provider (MSP) Agreement Renewal

Sole Source: Waterfield Technologies, Inc.

Approved Bid: \$192,390

2026 Laptop Lifecycle Replacements (50)

Approved Bidder: SHI International

Approved Bid: \$88,495.50

Microsoft Windows Data Center Edition (DCE) Licensing and Software Assurance
(720 Cores)

Approved Bidder: SHI International

Approved Bid: \$348,804.44

It was moved by Mr. Kuehne and seconded by Mr. Stefan to approve the items on the Consent Agenda.

VOTE:

ALL VOTED AYE - MOTION CARRIED

8 AYES; 0 NAYS; 0 ABSENT

(E) Review of Financial Reporting Packages

(F) Statement of Fiduciary Net Position

(G) Impact of Year-To-Date Investment Income of Employer Reserves, Funding Status and Average Employer Contribution Rate

(H) Schedule T - Report of Expenditures

(26-02-06) (Approval of the Board Self-Evaluation and Staff Feedback Statements) General Counsel Vladimir Shuliga explained that the Board's annual self-evaluation is scheduled for the March Board meeting. Part of the Board's self-evaluation process is to approve the feedback statements that will be used to gather staff feedback and to conduct the self-evaluation itself. Using the feedback statements that were used in prior years as the starting point, he solicited any proposed revisions from the trustees going into the 2026 self-evaluation. Trustee Townsend submitted proposed revisions to both the staff feedback and board self-evaluation statements. Mr. Shuliga provided the statements that were used in prior years as well as the statements that incorporate Trustee Townsend's proposed revisions. He asked the Board to choose which set of feedback statements they would like to use for the 2026 self-evaluation.

Mr. Cycholl said he prefers Mr. Townsend's proposed streamlined self-evaluation statements. Both Mr. Townsend and Ms. Henry commented that staff feedback should be communicated to the Board by the Executive Director.

It was moved by Mr. Townsend and seconded by Ms. Copper to approve the Board self-evaluation and staff feedback statements as amended by Mr. Townsend.

VOTE:

ALL VOTED AYE - MOTION CARRIED

8 AYES; 0 ABSENT

(26-02-07) (Death and Disability Rates) The Chief Financial Officer explained that every February, the Board of Trustees sets the average employer death benefit rate and the disability benefit rate for the upcoming year. The report he presented to the Board recommends those rates for 2027. The report also projects internal cash flow, details the distribution of investment earnings, and projects the percentage amount of the 13th payment.

Staff made the following recommendations for the Board to approve:

- Decrease the death benefit rate in 2027 to 0.16% of payroll, from 0.12% in 2026.
- Maintain the disability benefit rate in 2027 to 0.04% of payroll.

He further estimates:

- Benefit payments will exceed contributions by approximately \$2,038.7 million in 2026.
- IMRF credited approximately \$861.7 million of interest and charged \$4,609.0 million of residual investment income to employer reserves in 2025, based on investment returns of 14.7%.
- The supplemental retirement benefit for 2026 will be approximately 26.4% of the June benefit.

It was moved by Ms. Copper and seconded by Mr. Isaac, to approve the above recommendations from the Projection Report for 2026 and 2027 as presented.

Roll Call Vote:

Aye: Copper, Cycholl, Henry, Isaac, Kuehne, Miller, Stefan, Townsend

Nay: None

Absent: None

8 Ayes, 0 Nay, 0 Absent - Motion Carried

(26-02-08) (Investment Committee Report) Mr. Kuehne presented the report of the Investment Committee meeting that was held on February 26, 2026. He reported that the Committee approved the minutes from the December 18, 2025 meeting. The Investment Committee recommends that the Board approve the following recommendations:

For Real Assets Recommendations:

- Authorize a commitment of up to \$75,000,000 to Crow Holdings Realty Partners XI, L.P., subject to satisfactory due legal diligence.
- Authorize a commitment of up to \$35,000,000 to Longpoint Fund IV, L.P., subject to satisfactory due legal diligence.
- Authorize staff to complete all documentation necessary to execute these recommendations.

For Alternatives Assets Recommendations:

- Authorize a commitment of up to €50,000,000 to Inflexion Buyout Fund VII, L.P., subject to satisfactory due legal diligence.
- Authorize a commitment of up to 430,000,000 to Lightbank Access I, L.P., subject to satisfactory due legal diligence.
- Authorize a commitment of up to \$50,000,000 to STG Allegro II, L.P., subject to satisfactory due legal diligence.
- Authorize staff to complete all documentation necessary to execute this recommendation.

In addition, the Investment Committee suggested a policy be drafted to address instances when the Committee Chair is unable to attend a meeting in person, the Vice Chair will serve as the presiding officer for that Investment Committee meeting. The Board agreed it does not need a policy but rather have it a practice.

It was moved by Mr. Kuehne and seconded by Mr. Miller to approve the above recommendations from the Investment Committee.

VOTE:

ALL VOTED AYE - MOTION CARRIED

8 AYES; 0 NAYS; 0 ABSENT

(26-02-09) (Legislative Committee Report) Mr. Townsend presented the report of the Legislative Committee meeting that was held on February 26, 2026. The Committee approved the minutes of the December 18, 2025 Legislative meeting. The Committee recommends that the Board take the following positions on introduced legislation in the 2026 spring session:

No Position

- HB 4117 - extends SLEP coverage to EMT's at the employer's discretion.
- HB 3388 and HB 3430 - buyout proposals. The committee wishes to see an actuarial study before taking a position.
- HB 4673 - Tier 2 omnibus reform package.

Oppose

- HB 4384 and HB 4390 - increases SLEP Tier 2 wage cap to match Article 3 (Downstate Police) wage cap.
- HB 4833 and SB 3342 - requires divestment from private firms that contract to house detained individuals.
- HB 4909 - allows concurrent participation in IMRF and a union Taft-Hartley plan.
- HB 5540 - requires IMRF to pay interest penalties on "late" annuity payments.

Approve

- New legislative proposal for the board's 2026 agenda that would not require a separation of service for a position not requiring IMRF participation.

It was moved by Ms. Copper and seconded by Mr. Isaac to approve the recommendations above.

VOTE:

ALL VOTED AYE - MOTION CARRIED

8 AYES; 0 NAYS; 0 ABSENT

(26-02-10) (Legislative Update) IMRF's Legislative Liaison Daniel Hankiewicz provided a legislative update. He informed the only pension proposal drawing meaningful attention for the Governor's State of the State/Budget Address is the Governor's plan to redirect surplus revenues to make supplemental payments to the state systems and accelerate the path to full funding by 2048. Senate President Don Harmon has publicly been cool to the proposal, praising the idea of full funding but signaling hesitation amid federal revenue uncertainty. President Harmon would prefer to preserve flexibility should Washington shift social service costs onto the states.

Meanwhile, potential Tier 2 reform via Senate Bill 1937, sponsored by Leader Jay Offman in the House, remains unresolved. In November, Leader Hoffman

moved the bill to Second Reading during the fall veto session, where it remains now. While the We Are One union coalition continues to press for Tier 2 changes, friction persists around cost and structure, and there is no indication that leadership is actively advancing the measure. Governor Pritzker has not indicated support for SB 1937 beyond bringing the Tier 2 salary cap into compliance with the Social Security wage base.

As far as IMRF-specific developments, he explained they center on two areas: interest penalties for late payments and local buyout proposals (see below).

Interest Penalties for "Late" Payments - the Weber Proposal

HB 5540, filed by Rep. Tom Weber, would require IMRF to pay interest penalties on "late" pension payments. Specifically, IMRF would be required to pay a one-time 6% interest penalty on any retirement annuity payment made more than one month after the annuity became payable. Rep. Weber had filed HB 2358 last year, which would have required all benefit payments to begin within 30 days of application. That bill passed the House Personnel and Pensions Committee but did not advance beyond Second Reading in the House in the 2025 spring session.

Local Buyout Proposals

Three Senate bills proposing local pension buyout programs modeled on the State system buyouts were introduced - SB 3388, SB 3430, and SB 3404. The mechanics of the buyouts are the same across all three bills, but the funding methodologies differ. SB 3404 does not impact IMRF, but it is sponsored by Sen. Robert Martwick, the chair of the Senate pension committee.

There are 2 components to the buyout program - a "total buyout," wherein vested inactive members may receive a lump sum equal to 60% of the present value of the member's full pension; and a "COLA buyout," equal to 70% of the present value of the difference between the Tier 1 COLA and reduced COLA that is payable at age 67 or one year after retirement, whichever comes later. As mentioned previously, both the total buyout and the COLA buyout programs have been in effect for SERS, TRS, and SURS since 2019.

Mr. Hankiewicz also presented a listing of all new bills impacting IMRF that were filed by February 6th, the bill filing deadline in both the House and Senate. He also included proposals from the Board's 2026 Legislative Agenda; HB 4572, HB 4573, SB 2802, and SB 2806.

(26-02-11) (Litigation Update) The following is an update of the currently pending or recently concluded litigation:

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM ET AL, v. PETROBRAS-
PETROLEO BRASILEIRO X.A. (MARKET ARBITRATION CHAMBER, ARBITRAL PROCEEDING
No. 72/2016**

Summary: A group of investors is seeking recovery through arbitration proceedings against Brazilian corporation. Petrobras, related to the overstatement of the corporation's assets and earnings along with potential liabilities that the corporation was exposed to as a result of a widespread bribery and kickback scheme. Once knowledge of the bribery and kickback scheme became public, the price of Petrobras securities declined significantly, causing substantial losses for investors.

Status: A U.S. District Court for the Southern District of New York declined to exercise jurisdiction over claims related to Petrobras shares traded in Brazil. Therefore, these claims are pending before the Market Arbitration Chamber of the Brazilian Stock Exchange. IMRF has participated in proceedings to establish its right to a claim, but the actual calculation of individual damages for each claimant has not yet been addressed. Recently, the parties have been briefed on issues regarding Petrobras' supplemental expert report. Additionally, the Arbitration Panel presented the report from its economic experts regarding damages. The claimants have retained experts from Brazil who filed reports on November 17, 2025. The Arbitration Panel has issued an order allowing any additional expert materials to be submitted by February 27, 2026.

GLENCORE PLC (UNITED KINGDOM INVESTOR GROUP ACTION)

Summary: A group of investors is seeking recovery through the UK's Financial Services and Markets Act against multinational commodity trading and mining company, Glencore PLC. The claim is based on alleged misstatements and omissions concerning Glencore's operations in the Democratic Republic of Congo. Specifically, the entity failed to disclose that its business operations in the DRC were secured through possible corrupt means. Once knowledge of the bribery and corruption scheme became public, the price of Glencore's securities declined significantly, causing substantial losses for investors.

Status: IMRF has opted to participate in one of the investor group actions. Staff is working with English counsel and IMRF's investment managers to establish standing for each group of shares that may be recoverable in this action. The first case management conference was held on May 21-24, 2024, a second conference was held on November 26-28, 2024, and a third case management conference was held on June 16-18, 2025. Claimants' counsel is making progress on disclosure and matters of standing. Trial 1 is expected to commence in late 2026.

PAUL JAEGER v. BOARD OF TRUSTEES OF IMRF et al.
(COOK COUNTY 2024 CH 0557: FIRST DISTRICT APPELLATE COURT 1-25-0557)

Summary: Jaeger was a custodian for Evergreen Park School District 231. He applied for temporary disability benefits from IMRF based upon generalized anxiety and unspecified psychological development disorder. Upon evaluation for temporary disability benefits and after an administrative hearing, the IMRF Board denied Jaeger's claim for temporary disability benefits. Jaeger appealed the decision.

Status: The trial court issued a final ruling on February 27, 2025, in favor of IMRF. The court held that the IMRF Board decision was not clearly erroneous, and that there were no due process for fairness issues in the administrative proceedings. Jaeger filed an appeal to the First District Appellate Court on March 26, 2025. All briefs have been filed, and the parties await either a decision or an oral argument date from the court.

THOMAS SHEEHAN v. IMRF
(JO DAVIESS COUNTY 2024 MR 9)

Summary: Sheehan was a police chief for the Village of Stockton. He applied for and was granted temporary disability benefits from IMRF for the maximum statutorily permitted amount of time. Upon evaluation for total and

permanent disability benefits and after an administrative hearing, the IMRF Board denied Sheehan's claim for total and permanent disability benefits. Sheehan appealed the decision.

Status: The case was filed on July 31, 2024; however, no summons has yet been issued by the clerk. IMRF has filed a motion to dismiss due to the failure to issue a summons and perfect service, which is currently in briefing. The next court date is set for March 16, 2026.

ABN AMRO BANK N.V. (NETHERLANDS INVESTOR GROUP ACTION)

Summary: A group of investors is seeking recovery against ABN Amro Bank N.V., the third-largest bank in the Netherlands. The claim is based on allegations that ABN persistently failed to disclose information about the bank's serious internal deficiencies that facilitated criminal activity within the bank. Specifically, the entity failed to disclose to investors that the company's internal policies were inadequate and did not comply with international anti-corruption laws and regulations, which resulted in materially false and misleading statements. The Dutch government announced an investigation on the matter in 2019, and ABN ultimately settled with Dutch prosecutors in April 2021.

Status: IMRF has recently opted to participate in one of the investor group actions. The action is still gathering qualified investors for the group action and pleadings have not yet been filed. The litigation of these claims will be handled by an outside Dutch counsel. Staff is working with Dutch counsel and IMRF's investment managers to establish standing for each group of shares that may be recoverable in this action. Local counsel and the funder discussed settlement, but no progress was made. Legal proceedings are expected to commence soon.

TERRENCE HEFFRON v. BOARD OF TRUSTEES OF IMRF, et al.
(DUPAGE COUNTY 2025 MR 54)

Summary: Mr. Heffron retired from IMRF effective June 1, 2023, and began receiving a reciprocal retirement based on service credit from the State Employees' Retirement System (SERS). In 2024, SERS advised Heffron that he would have received a higher pension benefit had he retired independently with each system. A staff determination was made, which denied his request to change his benefit election based on Board rule and the Reciprocal Act. After hearing before the IMRF hearing officer, the IMRF Board denied Heffron's request to change his benefit election and retire independently with IMRF. Heffron appealed the decision.

Status: The complaint was filed on January 22, 2025. IMRF has filed a motion to dismiss based on defects in the complaint, which the court denied on August 11, 2025. The briefing on the merits of the case has been completed. The next hearing date is set for March 13, 2026.

UBS GROUP AG (SWITZERLAND INVESTOR GROUP ACTION)

Summary: A group of investors is seeking recovery against UBS Group AG to obtain compensation in connection with the Swiss Investment bank's takeover of Credit Suisse. Investors allege the conversion ratio of the shares to have been too low, based on Credit Suisse's market capitalization before the takeover. Under Swiss law, post-merger shareholders can demand fair compensation for their shares.

Status: IMRF has recently opted to participate in this investor group action. In June 2025, the court ordered that an expert opinion be rendered on the value of Credit Suisse as of March 19, 2023 (pre-merger), which will be used by the plaintiff shareholders to calculate the compensation due. Experts were confirmed on July 8, 2025. Additional evidence was submitted by the investors on July 1, 2025.

KEITH GARDNER v. BOARD OF TRUSTEES, et al.
(DUPAGE CTY 2025 MR 483)

Summary: Gardner was a sheriff's deputy for the Kane County Sheriff's Office. He then received temporary disability benefits for a number of months. Upon evaluation of his claim for total and permanent disability benefits, IMRF received new information showing that Gardner had refused to attempt to return to work with medical accommodations offered by Kane County. Therefore, the IMRF Board retroactively terminated Gardner's temporary disability benefits rendering the question of total and permanent disability benefits moot. Gardner appealed the decision, which was ultimately reversed by the Appellate Court in October 2023. The case was remanded to IMRF to review Gardner's eligibility for total and permanent disability benefits. In May 2025, the IMRF Board voted to deny Gardner's application for total and permanent disability benefits. Gardner appeals this decision.

Status: IMRF was served with the complaint on July 22, 2025. IMRF filed a motion to strike to remove the request for attorney's fees, which was granted. Plaintiff has filed an amended complaint, and the parties have completed briefing on the merits of the case. A hearing date is scheduled for April 8, 2026.

IMRF v. VENTURE GLOBAL, INC., et al.
(U.S. DIST. CT.S.D.N.Y. 25-cv-4642)

Summary: Investors filed actions in multiple jurisdictions against Venture Global, Inc., an entity that produces liquefied natural gas ("LNG") for large energy companies. Several customers of the entity have alleged its failure to deliver the LNG as required under its contracts. When the entity went public in January 2025, its share price dropped over 60%. IMRF, among other investors, suffered losses as a result and filed actions.

Status: Multiple cases were filed by investors, which have been consolidated in the U.S. District Court for the Southern District of New York action. On July 25, 2025, the Court granted IMRF's motion to be appointed as lead plaintiff, as the investor with the largest loss involved in the action, which will best protect IMRF's losses. This litigation is in its preliminary stages, and IMRF has recently filed an amended complaint.

RYAN HARPER v. BOARD OF TRUSTEES OF IMRF et al.
(DUPAGE CTY 2025 mr 732)

Summary: Harper applied for IMRF temporary disability benefits in December 2024. In August 2025, IMRF sent Harper a staff denial of his claim and gave him an opportunity to appeal through the IMRF Disability Appeal Procedures. IMRF did not receive his request for hearing form within 63 days, so the staff denial became a final administrative decision by default under the Disability Appeal Procedures. Harper appeals this decision.

Status: IMRF was served with the complaint and summons on November 5, 2025. IMRF has filed a motion to dismiss on the basis that Harper failed to exhaust his administrative remedies. The court denied the motion to dismiss, holding that there is subject matter jurisdiction. The parties have since filed a joint motion for the case to be remanded to IMRF, so that the Board can hold a hearing and make a determination prior to review by the Court. The parties will present that motion before the Court on March 5, 2026.

Mr. Townsend asked about the thresholds of when IMRF will get involved in a securities lawsuit. Mr. Shuliga explained the minimum loss threshold is \$1.5 million, but staff conducts a holistic fiduciary analysis to determine whether to file a claim and the level of participation in the lawsuit.

(26-02-12) (Executive Session) At 10:45am, it was moved by Ms. Copper and seconded by Mr. Miller to go into Executive for the purpose of pending or probable litigation pursuant to 2(c)(11) of the OMA and for the discussion of personnel matters under 2(c)(1) of the OMA.

Roll Call Vote:

Aye: Copper, Cycholl, Henry, Isaac, Kuehne, Miller, Stefan, Townsend

Nay: None

Absent: None

8 Ayes, 0 Nay, 0 Absent - Motion Carried

The Board came out of Executive Session at 12:10 p.m. and resumed the regular Board meeting at 12:18 p.m.

(26-02-13) (Workspace Improvement Project Update) General Counsel Vladimir Shuliga gave an update on the Workspace Improvement Project. The highlights are:

- It only took 20 weeks for substantial completion of 80,000 sq. ft.
- Early delivery of data center with no business interruption
- 80+ tradesmen on site at peak construction
- Building was open to employees and public on January 20, 2026.

Budget Update

- Board approved project budget of \$28.6 million
- The projected total project cost is \$25.6 million (under budget)
- \$7.5 million in tenant improvement allowance
- 18 months rent free

Mr. Shuliga also explained the decommissioning and restoration agreement for 2211 York Road. He said IMRF negotiated a decommissioning and restoration payment to the owner of 2211 York Road in lieu of performing the work prior to vacating the space upon lease expiration. Maintaining continuity of business operations was the priority in the office move. Therefore, engaging with the owner for a direct payment was the most efficient approach to fulfilling IMRF's obligations under the lease.

Over the 30 years that IMRF occupied the office space at 2211 York Road, there was a variety of material and equipment installed to fit the business needs of the organization. Pursuant to the terms of the lease,

any fixture that IMRF installed became property of the landlord except that which the landlord required to be remove. The landlord informed IMRF that it was requiring the full decommissioning and removal of the data center and all electrical and networking cable that had been installed above the ceiling in all the spaces occupied by IMRF. Given the criticality of the data center for conducting business operations, fulfilling the landlord's demand for a full decommissioning and removal became impossible prior to lease expiration. Thus, IMRF completed cosmetic decommissioning and restoration of the office space and negotiated with the landlord for a direct payment in lieu of removing the data center and electrical cabling. Both parties solicited bids from contactors which ranged from \$800,000 to \$1.3 million. After negotiations, the parties have come to terms at \$914,415.

Therefore, staff recommends that Board approve the decommissioning agreement and lease amendment with OBI LLC, the owner of 2211 York Road, in the amount of \$914,415, pending legal review.

Finally, Mr. Shuliga explained that delayed invoicing and payment processing requires a portion of the previously approved project budget to be carried forward from the 2025 Capital Budget to the 2026 Capital Budget. He explained that these are funds that were not expended in 2025 and will not increase the overall project budget. Staff recommends an amendment to the 2026 Capital Budget in the amount of \$4,659,053 for workspace improvement project carryover.

It was moved by Mr. Townsend and seconded by Ms. Copper to approve the decommissioning agreement and lease amendment with OBI LLC in the amount of \$914,415, pending legal review, and to approve a 2026 Capital Budget amendment in the amount of \$4,659,053 for workspace improvement project carryover.

Roll Call Vote:

Aye: Copper, Cycholl, Henry, Isaac, Kuehne, Miller, Stefan, Townsend

Nay: None

Absent: None

8 Ayes, 0 Nay, 0 Absent - Motion Carried

(26-02-14) (Trustee Forum)- An updated Conference log was given as information to the Board, as well as an updated list of conferences. Also provided was a chart listing the training hours each Trustee accrued so far in 2026.

(26-02-15) (Trustee Comments)- Trustees were asked if they had any comments. Mr. Townsend asked staff to follow up with the people who provided public comments. Also, the Board wished Executive Director Brian Collins well in his retirement and thanked him for all he has done for IMRF.

(26-02-16) (Adjournment) It was moved by Ms. Copper and seconded by Mr. Kuehne to adjourn the Board Meeting at 12:25 p.m., and to reconvene at 9:00 a.m. on March 27, 2026.

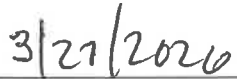
VOTE:

ALL VOTED AYE - MOTION CARRIED

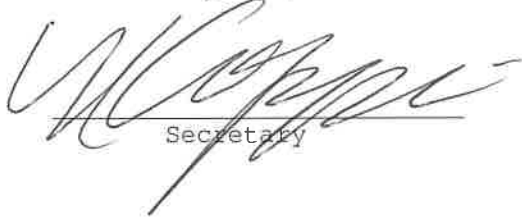
8 AYES; 0 NAYS; 0 ABSENT



President



Date



Secretary



Date