CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM
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INVESTMENT COMMITTEE MINUTES
February 19, 2026

PRESENT: John Carr, Matt Hastedt, Robbie Honeycutt, Mike Feehley

OTHER: Sandy Thiry, Desiré Martin, Tony Bass, Lisa Flowers (via conference call until 8:20am)

GUESTS: Elizabeth Hood, Callan

OFFICIAL CALL TO ORDER by John Carr at 8:00 a.m. The meeting took place at the Charlotte Firefighters Retirement System at 428 East 4th Street, Suite 205, Charlotte, NC 28202.

Real Estate Contract Update
Lisa Flowers discussed the purpose of side letters which are standard in private market investments and allows public institutional investors to incorporate provisions necessary for regulatory compliance, fiduciary oversight, and administrative operations without modifying the governing terms applicable to all investors.

She also presented the proposed side letter between the CFRS and DWS' RREEF America II LP and RREEF America II GP. The agreement addressed investor-specific requirements applicable to the CFRS as a public pension plan. It does not change the economic terms of the investment but is intended to align the Fund's governing framework with the Board's fiduciary duties and oversight responsibilities. DWS' attorney returned comments to the proposed CFRS side letter including Fiduciary Acknowledgement, Confidentiality and Public Records information, and Cybersecurity.

Approval of Meeting Minutes
Matt Hastedt motioned to approve the January 15, 2026 meeting minutes as presented and Mike Feehley seconded the motion. The motion carried unanimously.

Asset Allocation Report
The Committee reviewed the asset allocation report. The Fund's total market value was estimated to be $780,020,081as of January 31, 2026. No withdrawals were needed for benefit payments or operating expenses.

Quarterly Investment Performance Report - Callan
Elizabeth Hood reviewed the Periodic Table of Investment Returns and discussed the 2025 asset class performance. U.S. equities advanced in 4Q25, noting the gains from earlier in the year. The S&P 500 rose 2.7% for the quarter, finishing the year up 17.9%. Health Care (+11.7%) delivered strong gains following an earlier underperformance, while Information Technology posted modest returns (+1.4%), and Real Estate (–2.9%) and Utilities (–1.4%) lagged. The style rotation of last year continued, with Value (Russell 3000 Value: +3.8%) outperforming Growth (Russell 3000 Growth: +1.1%), and large cap equities (Russell 1000: +2.4%) slightly outpaced small caps (Russell 2000: +2.2%).

Non-U.S. equities extended their lead over U.S. markets in 4Q25 (+5.1%) and posted their strongest annual performance relative to U.S. stocks (+32.4%) since 2009. Emerging market equities also delivered solid performance (+4.7%) and finished the year up 33.6%. Fixed income markets posted positive but more subdued returns as Treasury yields were broadly stable and volatility declined. The Bloomberg US Aggregate Bond Index gained 1.1% for the quarter, bringing full-year returns to 7.3%.

The Total Fund returned 2.47% over the course of the fourth quarter, slightly trailing the Composite Benchmark return of 2.51%, and ranked at the 24th percentile in the Callan Public Fund Sponsor Database. The 5-year return of 6.35% underperformed the Composite Benchmark return of 6.98% and placed the Fund at the 72nd percentile. Since inception, the Total Fund's 8.84% outperformed the Composite Benchmark by 47 basis points on an annualized basis, ranking in the 6th percentile.

Despite some challenges, the markets remained resilient and delivered strong returns across most asset classes. As 2026 begins, uncertainty remains elevated, and Callan encourages investors to maintain a long-term perspective and a prudent asset allocation with appropriate levels of diversification. Callan would like to conduct some comparative research on active US small cap value managers.

Robbie Honeycutt motioned to place MFS on watch due to performance and Mike Feehley seconded the motion. The motion carried unanimously.

Watchlist
JPM Real Estate was added to the watch list in the fourth quarter of 2023 due to the departure of key personnel and has since been notified of termination status. William Blair was added to the watch list second quarter of 2024 due to changes to the portfolio management team and will remain on watch status.

New Business
There was no new business presented during the meeting.

Matt Hastedt officially motioned to adjourn at 9:54 a.m. and Mike Feehley seconded the motion.
The motion carried unanimously.

The next meeting is scheduled for Thursday, March 19, 2026 at 8:00 a.m.