Denver Employees Retirement Plan

Quarterly Financial Report

For the period ending June 30, 2026

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Statement of Net Position

As of June 30, 2026 and December 31, 2025

	6/30/2026 (u)	12/31/2025
Assets		
Cash & short-term investments:		
Cash & short-term investments	$ 101,060,071	$ 92,020,731
Security lending collateral	165,718,127	45,856,050
Total cash & short-term investments	**266,778,198**	**137,876,781**
Receivable:		
Investment income	2,040,551	2,364,671
Unsettled securities sold	288,628	-
Contributions	9,442,832	9,443,974
Leases receivable	93,591	93,591
Total receivable	**11,865,602**	**11,902,236**
Investments, at fair value:		
U.S. government obligations	448,242,362	426,370,031
Domestic corporate an other fixed income	223,761,970	269,078,142
Domestic equity	828,015,090	740,995,901
International equity	614,316,858	604,797,828
Real estate	244,923,464	238,335,431
Alternative investments	319,786,490	336,980,716
Absolute return	233,751,032	177,051,717
Infrastructure	120,514,982	105,750,724
Total investments	**3,033,312,248**	**2,899,360,490**
Prepaid items	-	2,051,174
Capital assets:		
Property and equipment, net of accumulated depreciation	797,532	797,533
Total assets	**3,312,753,580**	**3,051,988,214**
Liabilities		
Unsettled securities purchased	239,655	179,307
Securities lending obligations	165,718,127	45,856,050
Unearned Contributions	-	8,897,517
Lease payable	28,197	28,197
Accounts payable	(1,178,646)	2,208,371
Total liabilities	**164,807,333**	**57,169,442**
Deferred inflow of resources	93,591	93,591
Net position restricted for benefits	**$ 3,147,852,656**	**$ 2,994,725,181**
Net position restricted for benefits	3,147,852,656	2,950,236,636
Net position restricted for DROP benefits	-	44,488,545
Net position restricted for benefits	**$ 3,147,852,656**	**$ 2,994,725,181**

Statement of Change in Net Position

For the six-month period ended June 30, 2026 and for the year ended December 31, 2025

	6/30/2026 (u)	12/31/2025
Additions:		
Contributions:		
Employer	$ 92,138,269	$ 174,348,147
Plan members	39,506,684	81,097,350
Total contributions	**131,644,953**	255,445,497
Investments income:		
Net appreciation/(depreciation)		
in fair value of investments	163,656,673	309,441,659
Earning on investment	25,322,250	48,528,046
Investment expenses	(7,563,880)	(16,513,729)
Net investment income from investing activies	**181,415,043**	**341,455,976**
Securities lending income	997,656	2,726,179
Securities lending borrower rebates	(780,453)	(2,240,308)
Securities lending agent fees	(54,282)	(121,445)
Net income from securities lending	**162,921**	**364,426**
Net investment income	**181,577,964**	**341,820,402**
Total additions	**313,222,917**	**597,265,899**
Deductions:		
Retired member benefits	148,015,599	286,594,378
DROP benefits	4,491,451	5,564,648
Refund of contributions	4,815,298	9,215,218
Administrative expenses	2,773,094	6,407,083
Total deductions	**160,095,442**	**307,781,327**
Net Change	**153,127,475**	**289,484,572**
Net position held in trust for benefits		
Beginning of period	2,994,725,181	2,705,240,609
End of period	**3,147,852,656**	**2,994,725,181**

Net Position Available for Benefits		
Cost value 6/30/2026	**Market value** 6/30/2026	**Unrealized** gain/(loss)
$ 2,310,403,368	**$ 3,147,852,656**	**$ 837,449,288**

(u) Unaudited

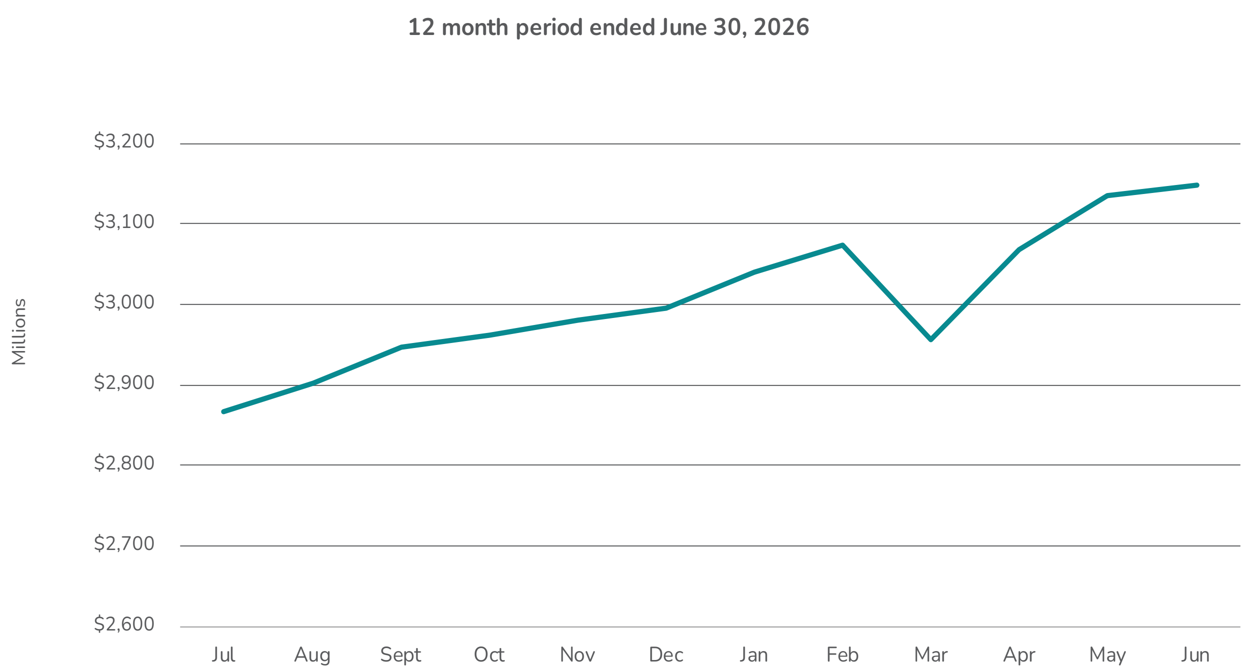
Estimated Funded and Unfunded Actuarial Liability

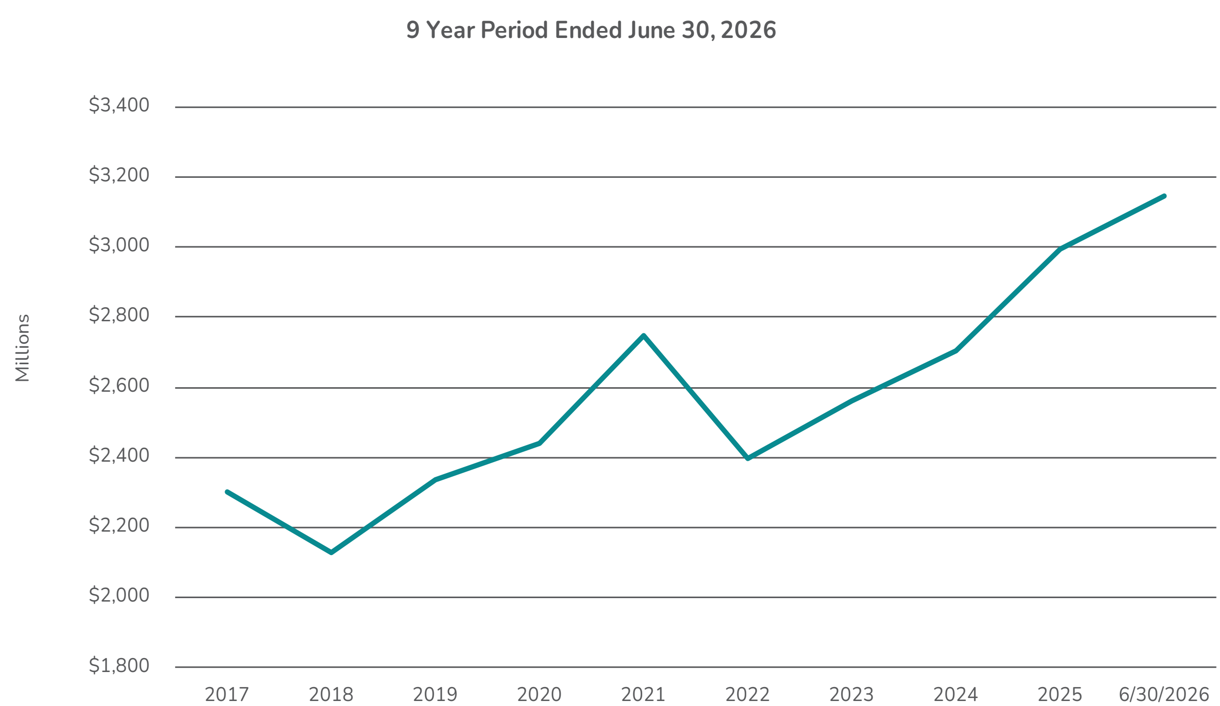
			Funded Ratio
Actuarial value of assets			
Pension benefits	$	2,844,798,670	63.8%
Health benefits		85,894,243	55.6%
Total actuarial value of assets 1/1/2026	**$**	**2,930,692,913**	63.5%
Unfunded actuarial liabilty			
Pension benefits	$	1,612,690,000	
Health benefits		68,514,000	
Total unfunded actuarial liabilty 1/1/2026	**$**	**1,681,204,000**	

Total Returns from Investments (Net of Fees)

For the quarter ended 6/30/2026	6.7%
For the year to date ended 6/30/2026	6.1%
For the 1 year period ended 6/30/2026 (annualized)	12.4%
For the 3 year period ended 6/30/2026 (annualized)	10.2%
For the 5 year period ended 6/30/2026 (annualized)	6.7%
For the 10 year period ended 6/30/2026 (annualized)	8.2%
For the 25 year period ended 6/30/2026 (annualized)	6.6%
For the period beginning 1/1/1986 (annualized)	8.4%

Market Value of Net Position





Analysis of Recent Investment Returns

Second Quarter 2026

The following discussion presents comparative data for DERP's investment returns for the most recent Quarterly, 12-Month, 5-Year, and 10-Year periods. Analysis and highlights of portfolio performance are presented below. All figures are net of fees.

Global equites rebounded sharply during the second quarter, led by U.S. small cap and emerging markets. Despite stubbornly high inflation and the prospect of interest rates moving higher, economic activity around AI buildout drove earnings and optimism. This led to strong corporate profitability that was broad and not limited to technology. Meanwhile, oil prices ended up lower than at the start of the quarter.

Our portfolio produced a second quarter gain of 6.7%. This lagged the fund policy index by 0.1% and trailed the 8.0% earned by the median large public plan return with their larger allocation to public equities. For the trailing 12 months, the portfolio posted a 12.4% return, trailing the blended benchmark of 13.6% and our peers of 14.3%. For the last 5 years, our return was 6.7%, just behind the 7.0% fund policy index and exactly matching our peers. The trailing 10-year returns were 8.2%, 0.4% behind the fund policy index and 0.5% behind the results of the median large pension.

Quarterly Portfolio Analysis

Domestic equities rose 13.8% for the quarter. There was notable underperformance by our active managers, who are focused on higher quality stocks. This caused them to trail the broad market return of 15.4% where lower quality stocks did best.

International equities were the best performing asset class during the quarter, rising 14.2% and beating the 13.7% produced by the overall market. Within non-U.S. investments, emerging markets were up 23.8%, making them the largest single contributor.

Fixed income delivered a small gain, with equal returns of 0.4% from both core and non-core. Over time non-core has produced higher returns than core and should continue to do so because of higher interest rates in the underlying holdings.

Real estate was up 1 .0% for the quarter, as property prices remained unchanged and income remained stable.

Natural resources were up 5%, with most of that produced by energy funds, which were up 7.6%. Opportunities to exit legacy energy positions are being taken, and total market value is approximately 1.8% of the overall portfolio and declining, with several large cash outs expected in the remainder of this year.

Private equity had a loss of 0.7% for the quarter, mostly reflecting first quarter write-downs.

Infrastructure continued to be a steady performer, generating a return of 1.1% in the quarter. Cost savings arising from acquisitions and consolidation continue to be reflected in improved profitability and cash flow.

Last, the hedge fund portfolio continued to generate consistent modest returns, and gained 2.4%.

The capital markets have experienced high levels of volatility this year as investors react to oil supply disruptions, trade issues, inflation indicators, and interest rate uncertainty. Still, the underlying global economy has fared well and the portfolio has delivered as expected. As always, we take the opportunity to rebalance from appreciated assets and into lagging assets. We maintain very good liquidity and a moderate risk profile and are confident our positioning is appropriate.

Investment Returns (Net of Fees)

for Periods Ended June 30, 2026

	Quarter	1 Year	5 Years [1]	10 Years [1]
Total Fund	**(0.7%)**	**11.7%**	**6.6%**	**7.7%**
Total Fund Policy Index	(0.3%)	12.2%	6.7%	8.2%
InvMetrics Median Public Fund[2]	(0.6%)	12.1%	6.3%	8.0%
Domestic Equity	**(3.9%)**	**14.9%**	**9.1%**	**13.4%**
Russell 3000 Index	(4.0%)	18.1%	10.9%	13.7%
International Equity	**(0.3%)**	**23.0%**	**8.7%**	**8.6%**
78% MSCI EAFE Index / 22% MSCI EM Index	(1.0%)	23.2%	6.3%	8.2%
Fixed Income	**0.7%**	**4.8%**	**2.6%**	**3.5%**
63% Core FI Policy Index / 37% Non-Core FI Policy Index[3]	0.5%	4.5%	2.5%	3.1%
Real Estate	**0.6%**	**3.8%**	**1.0%**	**2.3%**
NCREIF-ODCE + 0.2%	1.1%	3.3%	3.2%	4.7%
Natural Resources	**(1.4%)**	**5.8%**	**10.6%**	**3.5%**
CPI + 3% since October 2019, composite index prior	0.5%	5.8%	7.1%	7.3%
Private Equity	**(0.9%)**	**7.0%**	**5.6%**	**11.5%**
Burgiss Global Private Equity Index (since October 2019)	3.5%	13.1%	10.7%	14.1%
Infrastructure	**2.5%**	**11.6%**	**N/A**	**N/A**
CPI +3%	0.5%	5.8%	N/A	N/A
Absolute Return Hedge Funds	**2.9%**	**10.7%**	**6.1%**	**5.5%**
HFRI FOF Conservative Index	1.0%	8.4%	5.0%	4.8%

[1] Annualized return

[2] InvMetrics Public Fund > $1 Billion database

[3] Core Fixed Income Policy Index = 47% Bloomberg US Gov TR/ 53% Bloomberg US Govt/Credit 1-3Yr TR
Non-Core Fixed Income Policy Index = CS Leveraged Loan Index as of 1/1/25; prior benchmark included emerging market debt.