

drivers. Relative outperformance was driven by solid performance in the Core Fixed Income and Public Equities portfolio. The portfolios benefitted from their overweights to cash during a weak quarter.

Global equity markets experienced a significant sell-off during the month of September, as evidenced by the MSCI ACWI Index returning -9.57%. Domestic markets held up better than their Non-US market counterpart (R3000: -9.27% versus MSCI ACWI Ex-US: -10.14%). This brought the quarterly return for global markets to -6.82%, driven by weakness in the international markets, which have fallen -9.69%. US markets have now fallen -4.24% during the first quarter of the fiscal year.

US equity markets fell -9.27% during the month (Russell 3000), while the KPPA portfolio fared slightly better, returning -9.22%. All market segments were significantly weaker; with value continuing to hold up better than growth (R3000V: -8.86% versus R3000G: -9.68%).

For the quarter, US markets were down -4.46%, while the KPPA portfolio provided 22 bps of downside protection. During the quarter, small and midcaps held up much better than their large cap counterparts (R2000: -2.19% versus MC: -2.46% versus SP500: -4.88%). For the quarter, growth outperformed value (-3.37% versus -5.56%) driven by strong performance in July, prior to a sharp reversal in August spurred by inflation data. The KPPA portfolio's relative outperformance has been driven by its slight overweight down market cap, and positively skewing relative performance at the individual strategy level.

NonUS equity markets returned -10.14% (MSCI ACWI Ex-US) during the month. Developed markets returned -9.22% (MSCI World Ex-US) during the period while emerging markets fell -11.72% (MSCI EM). The KPPA portfolio lost -9.49% during the month, outperforming its benchmark by 65bps. Relative outperformance was driven by stock selection, as most individual mandates outperformed their respective benchmarks.

For the quarter, NonUS markets fell -9.69%. Developed markets held up better than their emerging market counterparts, which were significantly weaker, returning -11.57%. A significant portion (approaching half) of the negative performance can be attributed to the currency market, as the basket of global currencies have weakened dramatically versus the US dollar and hampered local performance.

The specialty credit portfolio outperformed its benchmark during the month, returning -0.59% versus -3.12%. The High Yield market declined (-3.97%) as spreads widened and rates rose in response to a continued risk-off sentiment. The leveraged loan segment of the market held up marginally better as the Morningstar LSTA Leveraged Loan Index fell -2.27% during the month. For the quarter, the portfolio significantly outperformed its benchmark, falling -0.45% versus -8.41%. Notably, the High Yield market has been significantly weaker, as that index fell -14.14%. The portfolio's strong relative outperformance was driven by across the board strength among individual mandates.

The core fixed income portfolio lost -2.25% compared to the Bloomberg Aggregate Index return of -4.32%. Relative outperformance was attributable to positioning within the allocation; the portfolios remain underweight overall duration given the outlook for rising rates and elevated volatility. Both shorter-term and intermediate credit market segments held up better. For the quarter, the portfolio returned -1.97% compared to the benchmark return of -4.75%. The month of September heavily influenced the quarter, which experienced a similar phenomenon where the shorter end of the curve performed better.

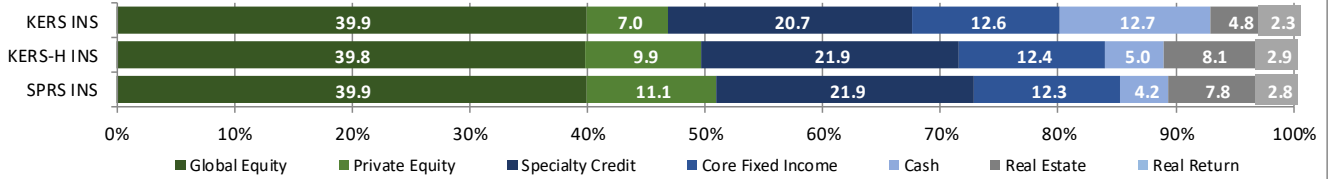
The private equity allocation fell -1.79% during the month, bringing the quarter return to -1.89%. Trailing public marks have begun to affect the overall performance of the portfolio. The 1-year return is still positive at 8.25%; however, that is down from just shy of 21% last month.

KERS INS, KERS-HAZ INS, SPRS INS - INSURANCE FUND - PLAN NET RETURNS - 09/30/22

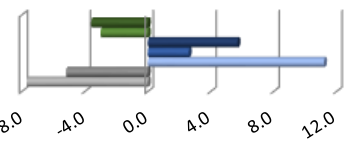
Plan	Market Value	Month	3 Months	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	20 Years	30 Years	ITD
KERS INS	1,262,473,878.95	-4.19	-2.31	-2.31	-8.92	4.73	4.84	6.17	6.67	6.55	7.07
KY Ins. KERS Plan IPS Index		-5.37	-4.20	-4.20	-10.01	4.09	4.65	6.35	7.17	6.89	7.36
KERS - H INS	560,373,024.99	-4.36	-2.55	-2.55	-8.24	4.84	5.23	6.52	6.85	6.67	7.17
KY Ins. KERS Haz Plan IPS Index		-5.37	-4.20	-4.20	-10.01	3.94	4.59	6.33	7.16	6.88	7.36
SPRS INS	221,742,453.25	-4.44	-2.61	-2.61	-8.41	5.04	5.48	6.68	6.93	6.72	7.21
KY Ins. SPRS Plan IPS Index		-5.37	-4.20	-4.20	-10.01	3.94	4.59	6.35	7.17	6.89	7.36

KPPA INSURANCE FUND UNIT - NET RETURNS - 09/30/22 - PROXY PLAN ASSET PERFORMANCE

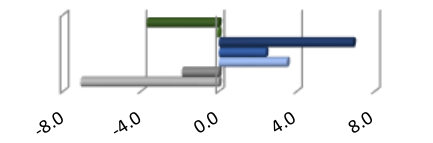
Structure	Month	QTD	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	20 Years	30 Years	ITD
PUBLIC EQUITY	-9.34	-6.24	-6.24	-22.31	3.30	4.04	7.22	7.55		7.98
MSCI ACWI	-9.57	-6.82	-6.82	-21.64	3.22	3.90	6.97	7.29		7.78
PRIVATE EQUITY	0.20	-0.10	-0.10	15.26	16.67	15.58	15.36	12.50		11.28
Russell 3000 + 3%(Qtr Lag)	-7.86	-15.50	-10.87	-10.87	12.84	13.64	15.89	12.24		11.22
SPECIALTY CREDIT	-0.74	0.23	0.23	-0.17	4.08	4.70				5.00
50% BB US HY / 50% SP LSTA Leveraged Loan	-3.12	0.39	0.39	-8.41	0.92	2.31				2.49
CORE FIXED INCOME	-2.33	-2.10	-2.10	-7.85	-0.40	1.28				1.92
Bloomberg Barclays US Aggregate	-4.32	-4.75	-4.75	-14.60	-3.26	-0.27				1.21
CASH	0.21	0.55	0.55	0.77	0.58	1.19	0.80	1.44		2.42
Citigroup Treasury Bill-3 Month	0.20	0.45	0.45	0.63	0.57	1.13	0.66	1.19		2.30
REAL ESTATE	-0.30	2.60	2.60	22.80	15.00	13.29	11.17			10.63
NCREIF NFI-ODCE Net 1 Qtr in Arrears Index*	4.54	4.54	4.54	28.31	11.66	9.55	10.15			7.21
REAL RETURN	-2.29	2.20	2.20	4.11	5.71	4.61	3.17			4.14
US CPI +3%	0.22	2.04	2.04	8.77	7.27	5.53	3.96			4.02



KERS Insurance Relative Weights



KERS-HAZ Insurance Relative Weights



SPRS Insurance Relative Weights

