

Hampton Roads Sanitation District
Qtrly Performance Report
For the Quarter Ending March 31, 2026

Total Portfolio Summary

| Operating Strategies | March 31, 2026 | December 31, 2025 |
|----------------------|-----------------------|-----------------------|
| Primary Source | \$ 431,179,112 | \$ 427,957,765 |
| Secondary Source | 71,374,558 | 71,153,613 |
| | \$ 502,553,670 | \$ 499,111,378 |

Primary Source Summary

The Primary Source Portfolio consists of BAML Corp Disbursement Account \$23.82m and VaCo/VML VIP Stable NAV Liquidity Pool \$407.36m. BAML Corp Disbursement Account returned 1.34% as of March 31, 2026. VIP LIQ Pool Fund 30 Day Avg Net Yield was 3.79% as of March 31, 2026. VIP Stable NAV Liquidity Pool performed 0.02% above to the Va Local Government Investment Pool's (the market benchmark) in the month of March 2026. VaCo/VML VIP Stable NAV Liquidity Pool's weighted average credit rating was A-1 for the quarter.

Secondary Source Summary

The Secondary Source Portfolio consists of VaCo/VML VIP 1-3 Year High Quality Bond Fund. VIP 1-3 Year High Quality Bond Fund's Yield to Maturity at Market was 3.81% in March, which was 0.02% below the ICE BofA ML 1-3 yr AAA-AA Corp/Gov Index (the market benchmark) performance. The weighted average credit rating for VaCo/VML VIP 1-3 Year High Quality Bond Fund's portfolio was AA for the quarter.

| Retirement Health Plan Trust | March 31, 2026 | December 31, 2025 | \$ Gain/(Loss) | % Gain/(Loss) |
|------------------------------|----------------------|----------------------|-----------------------|---------------|
| Investment Assets | 86,424,517 | 88,461,734 | (2,037,217) | -2.30% |
| Liquidity Assets | 53,334 | 52,872 | 462 | 0.87% |
| Combined Assets | \$ 86,477,851 | \$ 88,514,606 | \$ (2,036,755) | -2.30% |

Retiree Health Plan Trust Summary

The Retiree Health Plan Trust portfolio returned -2.30% (investment assets) for the quarter ended March 31, 2026. The Domestic Equity Composite was the primary driver for the decline with a -\$1.8M loss in the quarter. Equity market leadership rotated during the quarter, with energy and more defensive sectors outperforming while growth-oriented sectors lagged. Large-cap growth stocks experienced the steepest declines and contributed to broader index declines, while value stocks produced relatively stronger results. Small-cap stocks outperformed large-cap stocks and showcased a positive return during the quarter, marking a reversal from the large-cap leadership observed in prior periods. Geopolitical developments were a primary driver of market behavior during the quarter, as conflict in the Middle East led to a sharp increase in oil prices and heightened volatility across asset classes. Energy markets experienced significant gains, while rising fuel costs contributed to renewed concerns around inflation and global economic growth. Communications from the Federal Open Market Committee (FOMC) emphasized a data-dependent approach as policymakers monitored evolving economic conditions. The US Federal Reserve maintained its policy rate during the first quarter, holding the federal funds target range at approximately 3.50%–3.75%. Currency movements and cross-asset relationships also influenced performance, with US dollar strength weighing on international returns in USD terms despite relatively stronger local market performance.