Washington State Investment Board

June 4, 2026

Private Markets Committee

Virtual Meeting
The link to view the meeting virtually can be found at www.sib.wa.gov/meetings.html
OR
Members of the public may view the virtual meeting in person at the Washington State Investment Board Olympia Office located at

2100 Evergreen Park Drive SW, Olympia, WA 98502

1. **Call to Order/Roll Call (9:00 am)**

2. **Adoption of Minutes (9:00-9:05)**

   A. Adoption of the April 2, 2026, meeting minutes

3. **2027 Private Markets Committee Meeting Schedule (9:05-9:10)**

   A. 2027 Private Markets Committee Meeting Schedule

4. **Tangible Assets Investment Recommendations (9:10-10:40)**

   A. **Incline III Aviation Limited Partnership**

   B. **LS Power Equity Partners VI, L.P.**

5. **Break (10:40-10:50)**

6. **Education Session (10:50-11:20)**

   A. **Private Credit: Current Landscape**

7. **Education Session (11:20-11:50)**

   A. **Private Credit Benchmark and Strategy Discussion**

8. **Executive Session (11:50 - 12:20)**

   A. **Private Credit Benchmark and Strategy Discussion Continued**

9. **Policy Review (12:20-12:50)**

   A. Private Credit Investment Program Policy 2.10.500 Recommendation

10. **Closing Log (12:50-12:55)**

11. **Other Items (12:55-1:00)**

12. **Adjourn (1:00 pm)**

WASHINGTON STATE INVESTMENT BOARD

PRIVATE MARKET COMMITTEE MEETING MINUTES – JUNE 4, 2026

The Private Markets Committee met in open public session via Microsoft Teams video conferencing available to participants and members of the public at https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting?rtc=1, Meeting ID: 254 051 400 826 968, Passcode: yK7Fq9Ry, Dial-In Number: 1-564-999-2000, Phone Conference ID: 713 373 620#.

Committee Members Present:	Joel Sacks, Chair Yona Makowski, Acting Chair Greg Markley Treasurer Mike Pellicciotti Tracy Stanley Ada Healey David Nierenberg Heather Redman
Members Absent:	
Other Members Present:	George Zinn
Also Present:	Allyson Tucker, Chief Executive Officer Chris Hanak, Chief Investment Officer Dorota Czub, Senior Investment Officer – Tangible Assets Wes Loyd, Assistant Senior Investment Officer – Tangible Assets Julia Ferreira, Assistant Senior Investment Officer – Innovation Portfolio Abbigail Buff, Administrative Assistant Stacia Sowerby, Assistant Attorney General Lisa Bacon, Meketa Investment Group John McCarthy, Meketa Investment Group Rob Fitzgerald, Aksia, LLC Michael Scott, Albourne Tom Cawkwell, Albourne Steve Zissis, Babcock & Brown Aircraft Management Mike Blumenthal, Babcock & Brown Aircraft Management Vince Cannon, Babcock & Brown Aircraft Management Nick Zissis, Babcock & Brown Aircraft Management Emily Simonis, LS Power Equity Advisors, LLC David Nanus, LS Power Equity Advisors, LLC Darpan Kapadia, LS Power Equity Advisors, LLC

CALL TO ORDER

Acting Chair Makowski called the meeting to order at 9:02 a.m. and took roll call. All Committee members listed as present were able to fully participate in the meeting.

ADOPTION OF MINUTES

Acting Chair Makowski moved to approve the April 2, 2026, meeting minutes. Greg Markley seconded, and the motion carried unanimously.

PRIVATE MARKETS COMMITTEE MEETING SCHEDULE

Presenter: Yona Makowski, Private Markets Acting Committee Chair

The proposed meeting dates are February 4, April 1, June 3, September 2, November 4, and December 2

Acting Chair Makowski moved that the Private Markets Committee adopt the 2027 Private Markets Committee meeting schedule as proposed. Tracy Stanley seconded, and the motion carried unanimously.

TANGIBLE ASSETS INVESTMENT RECOMMENDATIONS

INCLINE III AVIATION LIMITED PARTNERSHIP

Presenter: Wes Loyd, Assistant Senior Investment Officer – Tangible Assets
Lisa Bacon, Meketa Investment Group
John McCarthy, Meketa Investment Group
Steve Zissis, Babcock & Brown Aircraft Management
Mike Blumenthal, Babcock & Brown Aircraft Management
Vince Cannon, Babcock & Brown Aircraft Management
Nick Zissis, Babcock & Brown Aircraft Management

Wes Loyd presented the staff recommendation of a $250 million commitment to Incline III Aviation Limited Partnership, a private aviation fund managed by Babcock & Brown Aircraft Management (BBAM) with a target size of $2 billion that will invest in a diversified portfolio of commercial aircraft and engines leased to a global base of operators. The commitment represents a new relationship for tangible assets that provides exposure to an asset class benefiting from strong global air travel demand, constrained aircraft supply, and favorable industry fundamentals. This investment would fall into the unidentified allocation of the Board-approved 2026 Tangible Assets Annual Plan.

Meketa staff expressed a positive view of BBAM, citing the firms experienced management team, disciplined and flexible strategy, deep industry relationships, and vertically integrated global platform.

The discussion emphasized that successful aircraft leasing depends on disciplined asset management, technical expertise, proactive remarketing, strong maintenance oversight, and deep industry relationships. Current market conditions remain favorable due to persistent aircraft supply shortages, limited Original Equipment Manufacturer (OEM) production capacity, and resilient global demand for air travel. BBAM generates attractive, asset-backed, predictable cash flows while maintaining relatively limited operational liability, as airlines are primarily responsible for aircraft operations, regulatory compliance, operational costs, and insurance.

BBAM is one of the largest and most established aircraft leasing and asset management firms, managing approximately 539 aircraft valued at $22 billion through a business built organically over more than 35 years. The firm differentiates itself through its long-standing airline relationships, integrated global platform, in-house capabilities, and proprietary market intelligence, which support direct investment sourcing and active asset management. BBAM's investment strategy focuses on acquiring and managing commercial aircraft supported by long-term leases and stable cash flows, with management viewing the current aviation market as favorable due to resilient air traffic growth, constrained aircraft supply, and significant fleet replacement demand.

[Joel Sacks joined the meeting at 9:25 a.m., at which point Acting Chair Makowski handed over the chair duties.]

Discussion ensued regarding the long-term outlook for the aviation leasing industry, covering competitive dynamics, operational challenges, technology, freighter strategy, and industry risks. The BBAM team highlighted the limited near-term competitive threat from Chinese aircraft manufacturers, ongoing maintenance capacity constraints, investments in artificial intelligence (AI) to improve internal efficiency, evolving airline fleet ownership preferences, and its standalone freighter platform. The discussion also addressed BBAMs view that increasing institutionalization of the aviation leasing market could reduce opportunities for differentiated returns over time.

> **Chair Sacks moved that the Private Markets Committee recommend the Board invest up to $250 million, plus fees and expenses, in Incline III Aviation Limited Partnership, subject to continuing due diligence and final negotiation of terms and conditions. Yona Makowski seconded the motion.**

LS POWER EQUITY PARTNERS VI, L.P.

Presenter: Dorota Czub, Senior Investment Officer – Tangible Assets
Rob Fitzgerald, Aksia, LLC
Emily Simonis, LS Power Equity Advisors, LLC
David Nanus, LS Power Equity Advisors, LLC
Darpan Kapadia, LS Power Equity Advisors, LLC

Dorota Czub presented the staff recommendation of a $300 million commitment to LS Power Equity Partners VI, L.P., a North America focused power and energy infrastructure fund managed by LS Power's private investment arm, LS Power Equity Advisors, LLC, with a target size of $4 billion that will invest in power generation, energy infrastructure, and adjacent energy assets through acquisitions and platform buildouts. The commitment represents a new relationship for tangible assets that provides exposure to long-term secular growth themes, including electrification, data center and AI-driven power demand growth, grid modernization, and energy transition. This investment would fall into the unidentified allocation of the Board-approved 2026 Tangible Assets Annual Plan.

Aksia staff expressed a positive view of LS Power, citing the firms deep sector expertise, strong sourcing and underwriting capabilities, disciplined value creation and portfolio management, and strong alignment of interests with investors.

Discussion ensued regarding the fund's overall investment strategy, portfolio construction, and market outlook. Staff discussed the fund's investment focus, geographic exposure, and risk management, emphasizing a disciplined approach to balanced power infrastructure investing and confidence in the team's sector expertise and track record. The conversation also addressed the rationale for the fund structure and why the current market presents an attractive investment opportunity.

LS Power is a long-standing U.S. power infrastructure investor, developer, owner, and operator with deep expertise across the energy value chain. Combining investing with hands-on operational and technical expertise, the firm focuses on identifying, developing, optimizing, and actively managing complex power assets through a disciplined, value-oriented approach. As the energy sector has evolved, the firm has expanded from conventional power generation into renewables, battery storage, distributed energy resources, and emerging sources of electricity demand, supported by a multidisciplinary in-house team and reflected in the evolving composition of its investment funds.

Discussion ensued around LS Power's disciplined, community-focused investment approach and conservative underwriting, highlighting its emphasis on acquiring and operating resilient infrastructure assets with long-term value. The LS Power team also discussed Washington State hydroelectric assets, local community engagement, risk management, and the firm's strategy of capitalizing on growing electricity demand while navigating regulatory and political uncertainty.

> **Chair Sacks moved that the Private Markets Committee recommend the Board invest up to $300 million, plus fees and expenses, in LS Power Equity Partners VI, L.P., subject to continuing due diligence and final negotiation of terms and conditions. Yona Makowski seconded the motion.**

[David Nierenberg left the meeting at 11:08 a.m.]

[The Committee recessed at 11:10 a.m. and reconvened in open session at 11:20 a.m.]

EDUCATION SESSION

PRIVATE CREDIT: CURRENT LANDSCAPE

Presenter: Michael Scott, Senior Private Credit Analyst – Albourne

Albourne staff provided an education session on the current landscape of private credit, discussing recent market trends, areas of emerging stress, and the outlook for the asset class. The presentation emphasized that while credit conditions have become more challenging, market impacts vary across managers and strategies, reinforcing the importance of disciplined manager selection and diversification. Potential investment opportunities arising from the current environment were also discussed, and private credit was characterized as a well-established asset class.

Discussion ensued regarding the current landscape, including strategic asset allocation, manager selection, portfolio construction, and prevailing market conditions. The discussion highlighted that private credit allocations are highly dependent on each institution's objectives, existing portfolio, liquidity needs, and implementation considerations, and emphasized the importance of manager selection in achieving long-term investment outcomes.

Also discussed were current market developments, benchmarking approaches, and implementation considerations.

EDUCATION SESSION

PRIVATE CREDIT BENCHMARK AND STRATEGY

Presenter: Julia Ferreira, Asst. Sr. Investment Officer, Risk Management and Asset Allocation – Innovation Portfolio

Staff provided an education session on the Washington State Investment Board (WSIB) private credit benchmark and strategy, including the proposed investment portfolio framework, its objectives, portfolio construction, and performance measurement. The presentation described a diversified core and satellite approach designed to deliver durable income and attractive long-term, risk-adjusted returns. Staff also reviewed the rationale for a blended benchmark intended to align with the program's investment objectives and serve as an appropriate reference for evaluating performance.

Discussion ensued regarding the proposed private credit benchmark and expected sources of return. Staff outlined the rationale for using a benchmark comprising 50 percent of a floating-rate leveraged loan index, lagged by one quarter, and 50 percent of a fixed-rate high-yield index, also lagged by one quarter, plus a 200 basis point premium. Staff also discussed the anticipated sources of return, noting that the core strategy is expected to be predominantly income-driven, while satellite strategies are expected to derive a portion of returns from capital appreciation.

The discussion also addressed the benchmark's appropriateness and its use in portfolio oversight. Staff noted that excess returns are expected to be driven by illiquidity and complexity premium, manager selection, disciplined underwriting, and effective strategy implementation. Staff further confirmed that the benchmark is intended to provide an appropriate performance hurdle without influencing investment decisions.

POLICY REVIEW

PRIVATE CREDIT INVESTMENT PROGRAM POLICY 2.10.500 RECOMMENDATION

Presenter: Chris Hanak, Chief Investment Officer

Chair Sacks postponed the Private Credit Investment Program Policy 2.10.500 Recommendation to be presented at a future Private Markets Committee Meeting due to timing.

PRIVATE MARKETS CLOSING LOG

The Private Markets Closing Log was presented for informational purposes.

EXECUTIVE SESSION

Chair Sacks announced that the Committee would go into executive session to discuss financial and commercial information relating to an investment since public knowledge regarding the discussion would result in loss to the funds managed by the WSIB or would result in private loss to the providers of the information. The executive session was expected to last until approximately 1:00 p.m., after

which the Committee would reconvene in open session.

[The Committee went into executive session at 12:26 p.m.]

PRIVATE CREDIT BENCHMARK AND STRATEGY DISCUSSION CONTINUED

Presenter: Julia Ferreira, Asst. Sr. Investment Officer, Risk Management and Asset Allocation – Innovation Portfolio

[The Board reconvened in open session at 12:58 p.m.]

ADJOURNMENT

There was no further business to come before the Committee, and the meeting adjourned at 12:59 p.m.

AIRCRAFT LEASING & MANAGEMENT

Incline Aviation III

June 2026

Washington State Investment Board

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BBAM
AIRCRAFT LEASING & MANAGEMENT

BBAM Platform

BBAM Overview

$22B
Fleet Value[1]

539
Aircraft[2]

#1
Aircraft Leasing GP[3]

#1
Freighter Leasing GP[3]

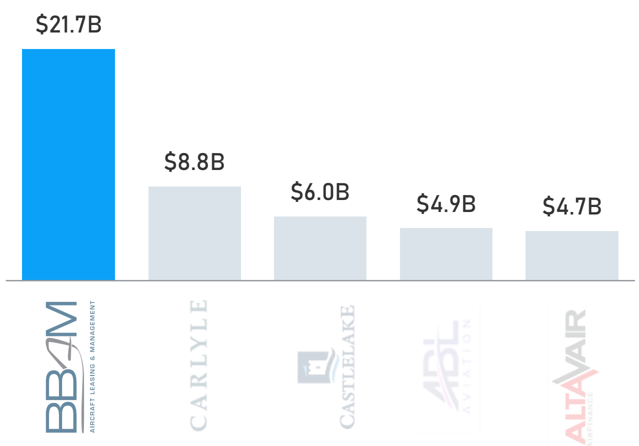
1,556
Aircraft Originated

2,121
Aircraft Remarketed/Sold

$41B
Financing Sourced

Largest Manager of Third-Party Capital in Aviation[3]	**35+ Years Investing Experience** Founded & Led by CEO Steve Zissis	**Long-Tenured Senior Management Team[4]** Avg 25 years industry experience, 22 years at BBAM
Privately Owned & Independent Owned by Management, ONEX & GIC	**Full Scale Global Platform** 150 Employees in 8 Offices Worldwide	**0.0% Loss Ratio at BBAM Funds[5]**

World's Largest Aircraft Leasing GP[3]



Differentiated Origination Capabilities

Multi-Decade Airline Relationships
Sale-Leaseback Access
Consistent Deal Flow
Lease and Finance Toolkit
Valuable Insights in Opaque Market

102
Lessees[6]

52
Countries[6]

Past Performance is not necessarily indicative of future results. There can be no assurance the Fund will achieve its objectives set forth in this Presentation.

1. Cirium Portfolio Tracker: Q4-25.
2. Includes all aircraft managed and serviced by BBAM plus contracted pipeline (including for the avoidance of doubt with respect to BBAM Freighter Fund, BBAM Structured Products and BBAM Japan).
3. Based on Cirium Portfolio Tracker Q4-25, as measured by both aggregate fleet value and total number of aircraft, BBAM is the largest manager of third-party capital invested in leased commercial jet aircraft, and the largest manager of third-party capital invested in leased freighter jet aircraft.
4. Senior management team includes 12 BBAM department heads and investment committee members.
5. Realized investments include all fully exited assets at Incline Aviation I, Incline Aviation II and BBAM Freighter Fund.
6. Based on BBAM's Q4-25, managed fleet, including contracted pipeline.

35+ Years Investing in Aviation

1989
BBAM formed

Joint Venture with Nomura (NBB)

2005
$1.2 billion JET-i Private Equity Vehicle

2007
FLY IPO

2010
BBAM Management Buyout

2012
Onex acquires 50% of BBAM

2016
Launched Incline Aviation I

2017
GIC acquires 30% of BBAM

2018
Launched Horizon ABS platform

2020
Launched Incline Aviation II

2021
FLY sold to third-party in private market transaction

2022
Launched BBAM Freighter Fund

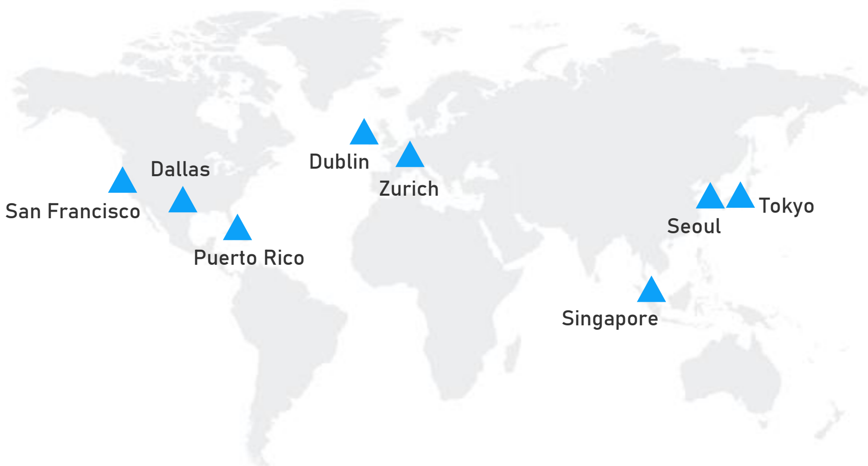
2024
Launched Incline Aviation III

BBAM Global Full-Service Platform

Steve Zissis
President & CEO

AVIATION MARKETING	TECHNICAL & ASSET MANAGEMENT	CAPITAL MARKETS	OPERATIONS & LEGAL	FINANCE, ACCOUNTING, TAX & CONTRACTS
25 Professionals	18 Professionals	6 Professionals	17 Professionals	84 Professionals
	Declan Cotter	Nick Zissis	Vince Cannon	Lynn Truong

Aviation Marketing	
Asia	Mike Blumenthal
Americas	Rich Strollo
EMEA	Maurice Prendergast
Origination	Mike Blumenthal/ Gavin Mercer
Sales/Trading	Patrick Dineen
Freighters	John Lynch
Engines	Adrian Deasy



150 Employees

35 Investment Professionals[1]

8 Offices

1. As of Q4-2025. Investment professionals includes BBAM senior management team, and members of BBAM Marketing, Capital Markets, Capital Formation and Pricing Departments.

Aviation Marketing

- Multiple origination and sales channels allowing BBAM maximum flexibility
- Over 100 current airline lessees
- Regional team coverage
- Vast majority of BBAM's origination is through sale leaseback transactions originated through our global network of airline relationships

Technical & Asset Management

- Technical manager dedicated to each transaction
- Dedicated engine team focused on unlocking creative solutions
- Team completes an engine shop visit every 4.5 days

Capital Markets

- $41B of debt raised through multiple cycles
- Experience executing large scale acquisitions and dispositions
- Pioneer of multiple financing structures

Legal & Operations

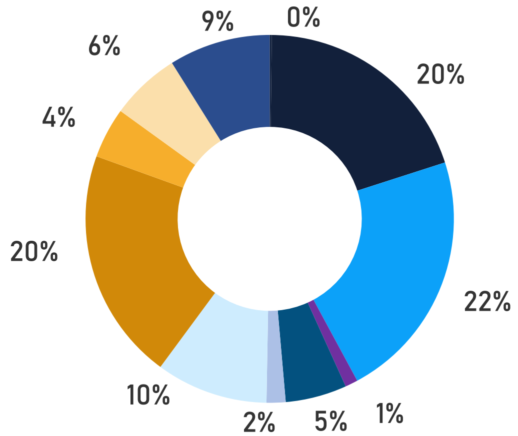
- In-house lawyer assigned to every transaction
- Extensive workout experience, most recently in Russia recovery litigation and Latin American bankruptcies

Finance, Accounting, Tax & Contracts

- Multi-disciplined, fund-focused, team with robust reporting
- 35-year history managing third party capital
- Investor-focused communication with transparent reporting

BBAM Managed Fleet

BBAM Managed Fleet by Type[1]



- A220 Family
- A320CEO Family
- A320NEO Family
- A330 Family
- A350 Family
- A380 Family
- B737-8/-9 MAX Family
- B737NG Family
- B777 Family
- B787 Family
- Freighter

102 Lessees

$22B Appraised Fleet Value[2]

200+ BBAM Global Airline Relationships

Top 20 Lessees ($ millions)[1][2]

#	Airline	% of Fleet	BBAM Relationship	#	Airline	% of Fleet	BBAM Relationship
1	British Airways	15%	26 yrs	11	TUI	3%	25 yrs
2	Lufthansa	8%	28 yrs	12	ANA	3%	25 yrs
3	Delta	6%	15 yrs	13	Singapore Airlines	3%	18 yrs
4	WestJet	5%	23 yrs	14	volaris	2%	19 yrs
5	AirAsia	5%	19 yrs	15	Etihad Airways	2%	22 yrs
6	Emirates	4%	23 yrs	16	Copa Airlines	2%	12 yrs
7	Southwest	4%	27 yrs	17	Finnair	2%	28 yrs
8	Iberia	3%	16 yrs	18	GOL	2%	20 yrs
9	American Airlines	3%	20 yrs	19	Wizz	1%	18 yrs
10	Qatar Airways	3%	10 yrs	20	Thai AirAsia	1%	19 yrs

= BBAM Top 3 Lessor by Airline Fleet[2]

Past Performance is not necessarily indicative of future results. There can be no assurance the Fund will achieve its objectives set forth in this Presentation. Sums may not foot due to rounding.
1. Based on BBAM's Q4-2025, managed fleet.
2. Cirium Fleet Values Q4-2025.
3. Cirium Fleet Database Q4-2025.

BBAM Senior Management Team

STEVE ZISSIS*+
Founder & CEO

MIKE BLUMENTHAL*+
Head of Marketing - Asia &
Co-Head of Airline Origination

VINCE CANNON+
General Counsel &
Chief Operating Officer

DECLAN COTTER
Chief Technical Officer

COLM DAVIS
Marketing &
Head of Portfolio Management

JOHN LYNCH
Head of Freighter

GAVIN MERCER*
Head of Lessor Origination &
Co-Head of Airline Origination

25 Years
Average Senior
Management Industry Experience

22 Years
Average Senior
Management BBAM Experience

MAURICE PRENDERGAST*
Head of OEM &
Head of Marketing – EMEA

TAKESHI SAEKI
Head of Marketing – Japan

RICH STROLLO
Head of Marketing – North America

LYNN TRUONG
Chief Financial Officer

NICK ZISSIS*+
Head of Capital Markets

Supported by BBAM's Global, Full-Service Platform

- Incline Aviation III Investment Committee current members.
- * Incline Investment Committee
- + BBAM Executive Committee
- Senior management team includes 12 BBAM department heads and investment committee members

Incline Investment Track Record

Incline Aviation targets capital preservation, current income, & strong uncorrelated total returns

Incline Aviation I (2016)[1]

COMMITTED CAPITAL	$881M (+$345M co-invest)
REALIZED RETURNS	IRR: 27% gross (23% net) MOC: 1.9x gross (1.7x net)
TOTAL FUND RETURNS	IRR: 18% gross (13% net) MOC: 1.7x gross (1.5x net)
DPI[2]	1.1x

Incline Aviation II (2021)[1]

COMMITTED CAPITAL	$1.5B
REALIZED RETURNS	IRR: 31% gross (21% net) MOC: 1.5x gross (1.3x net)
TOTAL FUND RETURNS	IRR: 19% gross (12% net) MOC: 1.6x gross (1.3x net)
DPI[2]	0.4x

BENCHMARKING ANALYSIS

Bloomberg Private Equity League Tables	Incline Aviation I: #10 Globally by Net IRR
July 1, 2024	All infrastructure funds in $500M-$1B equity range from 2015-2020

PREQIN Infrastructure Funds	Incline Aviation I: Top Quartile by Net IRR
September 30, 2025	All infrastructure funds 2016 – Infrastructure North America

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1. Refer to endnotes "1", "2", "3" and "4" in the Presentation "Disclaimers and Endnotes".
2. Incline Aviation I and II DPI is calculated as of Q1-2026. Incline II DPI as of Q1-2026 is calculated pro forma for contracted and targeted sales.

Market Opportunity

Aviation Sector Overview

Aviation connects people, goods, and economies.
BBAM helps to keep the global real economy moving.

Aviation Statistics[1][2] – Core Global Industry

$4.1 trillion of economic activity
(3.9% of the world's GDP)

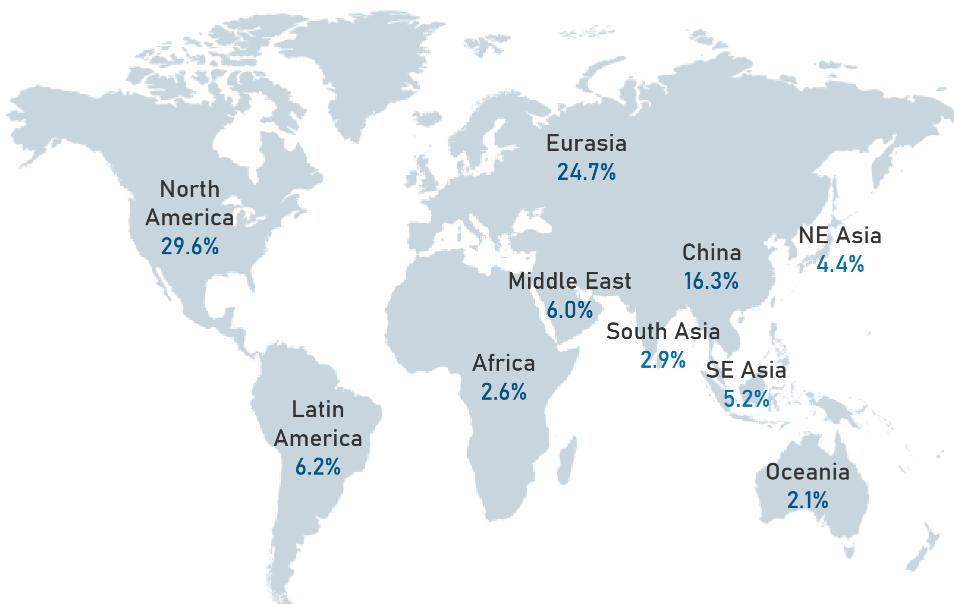
Transports 33% of global trade
61.4 million tons of freight

~90 million jobs supported

4.4 billion passengers transported in 2023

If the aviation industry were a country, its GDP would rank 5th globally

Air travel has grown 1.6x faster than global GDP over the past 30 years, consistently outpacing global economic growth

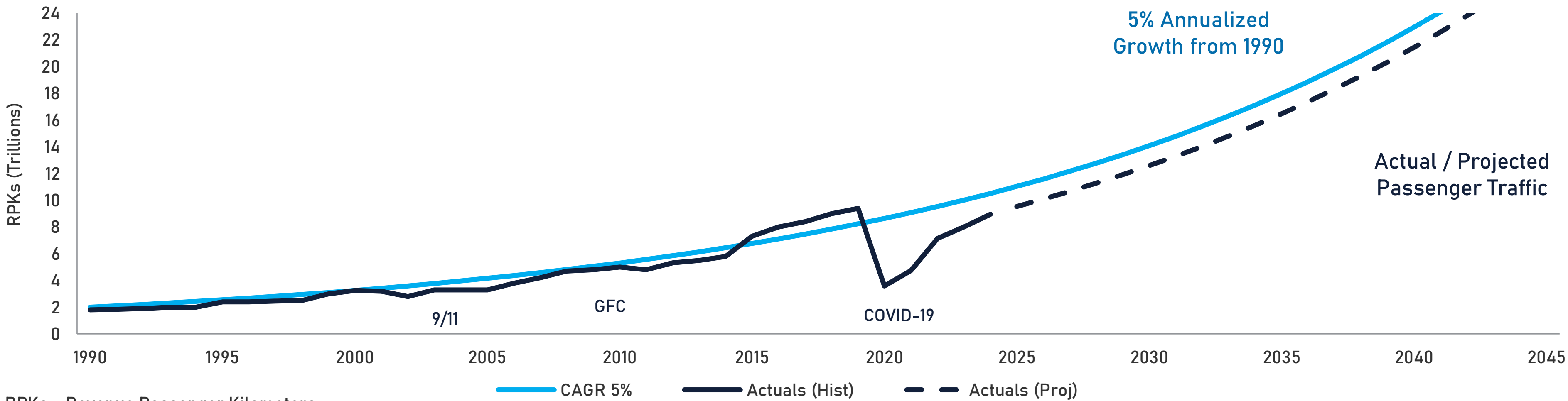


Global Airline Fleet Distribution[3]
(all Passenger and Freighter Aircraft)

1. IATA Chart of the Week, January 2025.
2. IATA, The Global Commercial Aircraft Fleet. August 2025.
3. Boeing Commercial Market Outlook 2025.

Aviation Growth and Resilience

Global Air Traffic Has Grown at a 1.6x Global GDP Growth[1]



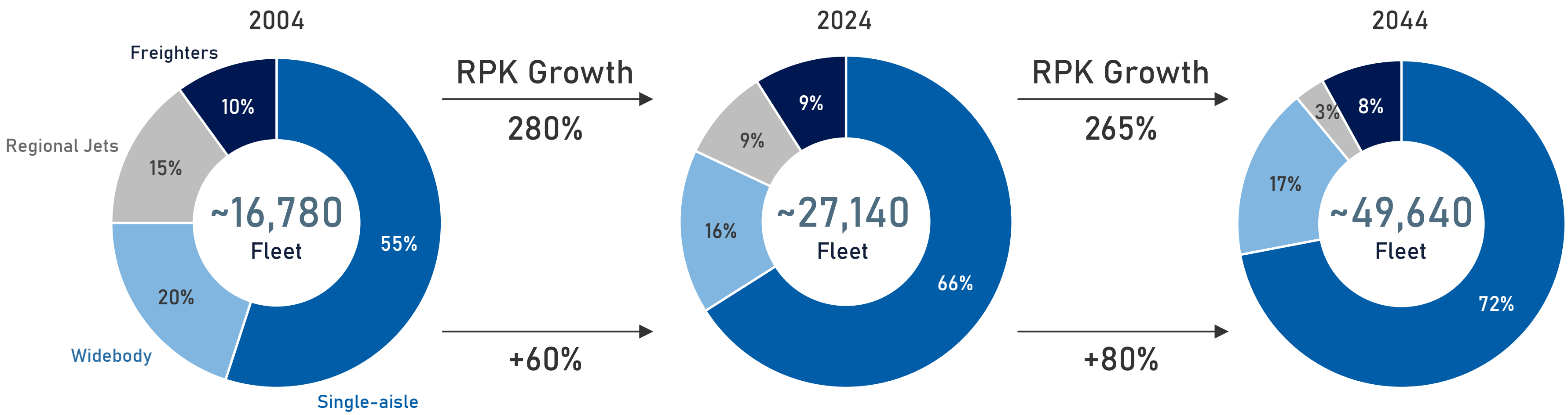
RPKs = Revenue Passenger Kilometers

- Long-Term Demand Growth: Global air passenger traffic (measured in RPKs) has grown at a 1.6x multiple of global GDP. Global passenger demand is forecast to grow at an average 5.0% CAGR from 2024-2044[2]
- Resilient through Crises: Despite periodic shocks (9/11, the 2008 global financial crisis, COVID-19), air traffic has consistently reverted to its long-term growth trend after each downturn.
- Emerging Markets Lead Growth: Passenger traffic within and between emerging markets has risen 6x over the last 20 years, and their share of global traffic has risen to 60%; investments in aircraft of lease to emerging markets airlines offer secure, dollar-denominated exposure to this growth[3]

1. Cirium, S&P Global Market Intelligence, Boeing Analysis, June 2025.
2. IATA Global Outlook for Air Transport 2025.
3. Boeing Commercial Market Outlook 2025.

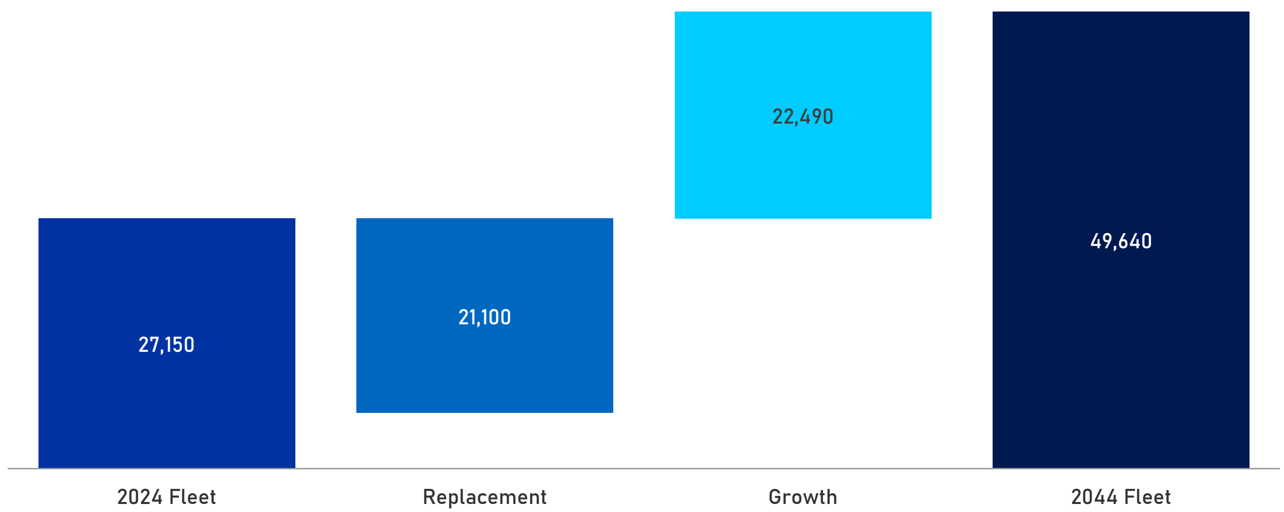
Fleet Growth & Renewal Drives Aircraft Demand

Doubling of the Fleet is Projected…



…Driven by Strong Replacement Cycle and Growing Demand for Travel

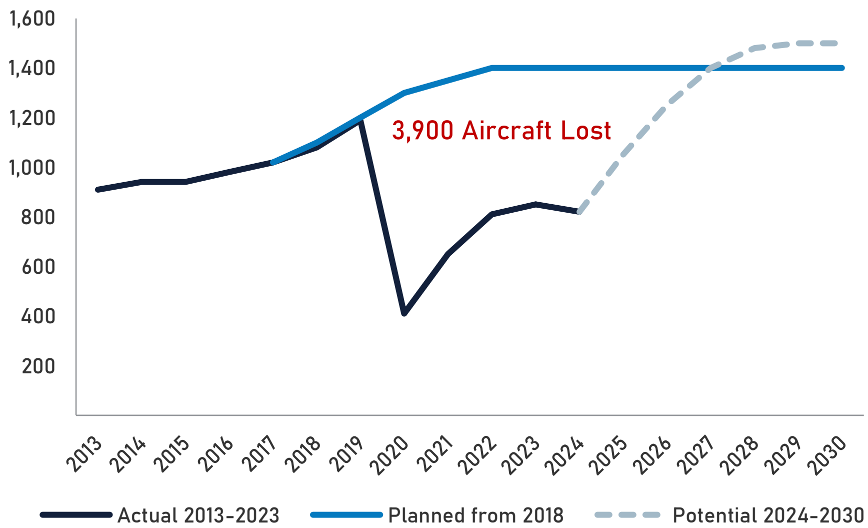
Deliveries



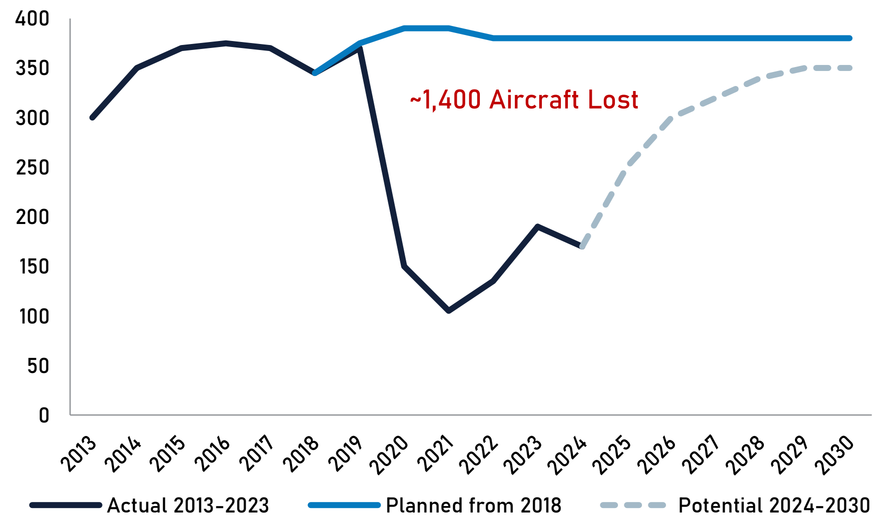
Source: Boeing Commercial Market Outlook 2025

“Lost Generation” is a 10-Year+ Opportunity

Narrowbody Production Lost(1)



Widebody Production Lost(1)



- OEM Production Challenges: Persistent supply-chain bottlenecks and shortages of skilled labor have followed the pandemic, preventing OEM production from ramping up to desired levels.
- “Lost Generation of Aircraft”: More than 5,000 aircraft are “missing”. This shortfall has created a record backlog of more than 15,300 aircraft, which would take 10+ years to clear at current rates.(2)
- Impact on Market Dynamics: Airlines are delaying aircraft retirements and paying higher lease rates for aircraft and engines, and the market values of aircraft and engines are rising.

1. Airbus Global Services Forecast 2025-2044, 2025.
2. Boeing Commercial Market Outlook, June 2025.

BBAM
AIRCRAFT LEASING & MANAGEMENT

Investment Approach

What We Aim To Deliver

Capital Preservation	Current Yield	Equity Upside
Stable Asset Values Rational competitive market between Airbus and Boeing underpins stable asset values	**Fixed Net Spread** Long-term leases with fixed USD lease rates term-matched to fixed rate debt to lock in spread	**Strong Industry Tailwinds** Economic growth and growing middle class in emerging markets driving passenger travel demand
Structural Protections Established international legal precedent and “hell or highwater” lease terms protect investors	**Mobile Hard Assets** Cash flows are supported by hard assets that can be moved between regions in the event of airline default	**Inflation Indexed Assets** New deliveries indexed to inflation by contractual escalation; used aircraft and engines follow suit
No Realized Losses Zero realized loss ratio for BBAM aviation investment funds since platform launch in 2016	**Current Cash Distributions** Incline III commenced quarterly non-recallable cash distributions at rate of 7% p.a. in 2025	**High-Conviction Vintage** Current market is characterized by structural shortage of equipment; we believe vintage will outperform

Past Performance is not necessarily indicative of future results. There can be no assurance the Fund will achieve its objectives set forth in this Presentation.

Our Investment Approach

"Multiple Ways to Win": differentiated sourcing, disciplined underwriting, and active asset management drive total return.

Long-term contracted cash flows support attractive current yield; focus on liquid, in-demand assets with the aim of reducing residual risk

Active asset management and deep capital markets experience generate potential opportunities for outperformance

Buying Right Discipline
BBAM executes on fewer than 1 in 10 of assets that we bid on

Active Asset Management
BBAM actively manages assets with the goal of maximizing value and limiting downside risk; BBAM's scale provides an edge in an inherently opaque market

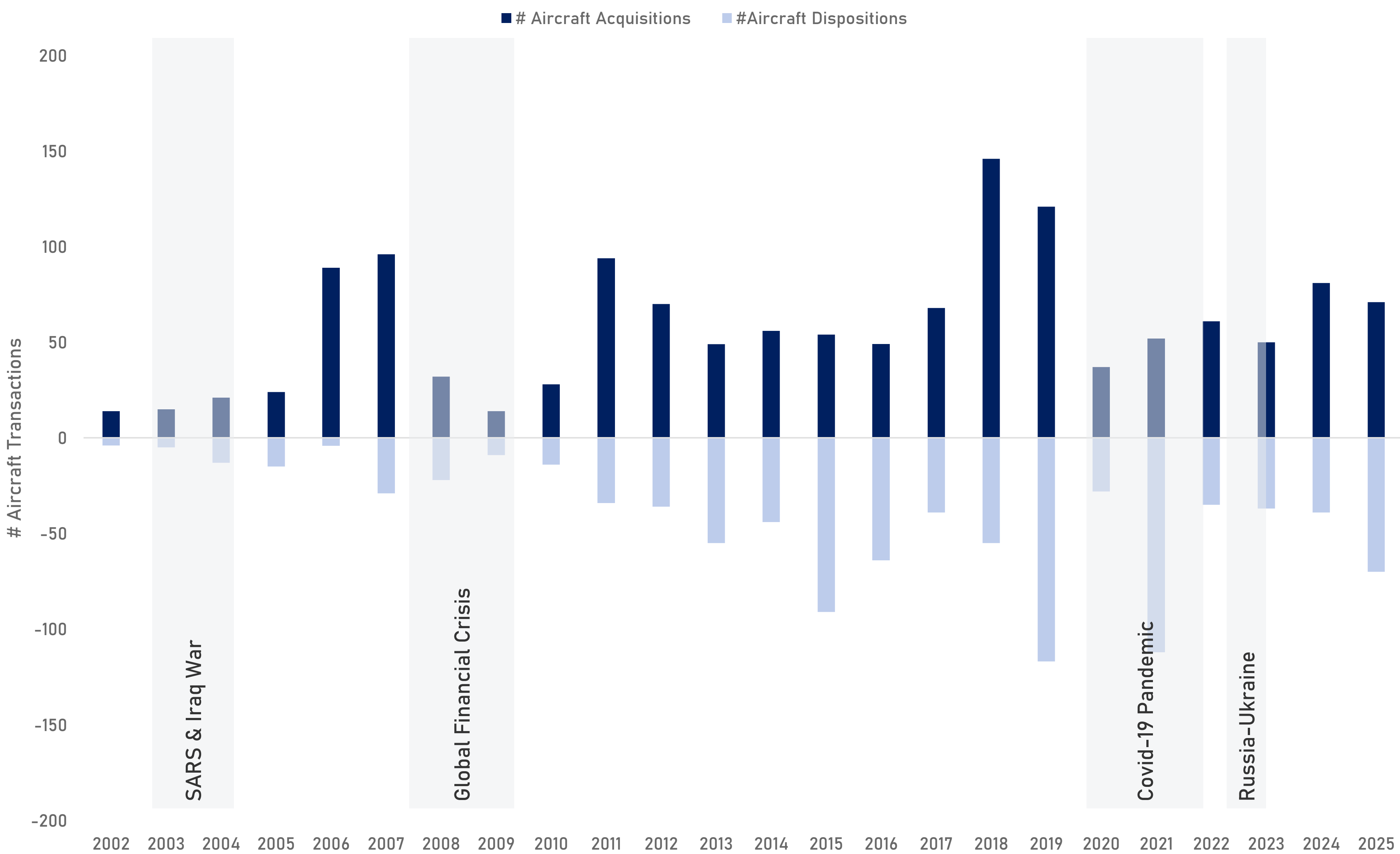
Deep Capital Market Experience
BBAM's capital markets sophistication, relationships and pricing power drive favorable financing execution

Value Extraction Through Asset Life Cycle
Track record of acquiring and disposing of assets through all stages of the aircraft life cycle focused on total return

Past Performance is not necessarily indicative of future results. There can be no assurance the Fund will achieve its objectives set forth in this Presentation.

1. Since 2002, BBAM has not recorded a year of MoC below 1.0x.

Investing and Trading in all Market Conditions



Past Performance is not necessarily indicative of future results. Actual results may differ from those presented. There can be no assurance the Fund will achieve its objectives set forth in this Presentation.
1. BBAM Managed Fleet Q4-2025.

INCLINE AVIATION

BBAM

AIRCRAFT LEASING & MANAGEMENT

Incline Aviation III

Incline Aviation III

Investment Opportunity

- Flagship Fund: Incline Aviation III is the third of BBAM's flagship aviation investment funds targeting $2.0B+ in committed equity capital plus potential co-investment opportunities
- Target Returns: 17% - 19% gross (13% - 15% net) IRR, with potential upside through opportunistic transactions(1)
- Target Yield: 6-8% per annum, distributed quarterly to LPs(1)

Executing BBAM Playbook

- Leading Aviation GP: BBAM is the largest manager of third-party capital in aviation with more than $22B in aviation assets under management and a 35+ year track record(2)
- No Realized Losses at BBAM Funds: Across 74 asset sales, Incline I and II have a loss ratio of zero
- Consistent Track Record: Incline I and II have generated 18-19% gross (12-13% net) IRRs(1)

Seeded Portfolio & Pipeline

- Timeline: Incline III has raised $1.3B+; final closing in October 2026
- Seeded Portfolio: $668M deployed and committed across nine transactions—33%+ of target raise is seeded
- Robust Pipeline: Actively bidding aircraft, engine and credit deals on behalf of Incline III & co-investors(4)

Past Performance is not necessarily indicative of future results. Actual results may differ from those presented. There can be no assurance the Fund will achieve its objectives set forth in this Presentation.
1. Refer to endnotes "1", "2", "3", "4" and "5" in the Presentation "Disclaimers and Endnotes".
2. Based on Cirium Portfolio Tracker Q4-25, as measured by both aggregate fleet value and total number of aircraft, BBAM is the largest manager of third-party capital invested in leased commercial jet aircraft.
3. Based on BBAM managed fleet Q4-2025.
4. Deals being bid are not contracted and may not be consummated. There can be no assurance that investments meeting the target criteria will be available to Incline III, or that Incline III will be able to successfully implement its investment strategy or achieve its investment objectives. Actual financial performance of Incline III may vary significantly from the targets set forth herein. Refer to presentation endnotes.

Incline III Target Assets

NARROWBODY

WIDEBODY

Type	Generation	Aircraft	Addressable Market[1]
NARROWBODY	New Generation (2016–Present)	737-8MAX A320NEO Family	4,600+ in operation 7,900+ on order from airlines 260+ airlines 91 countries
	Current Generation (1988–2020)	737-800 A320CEO Family	10,000+ in operation 490+ airlines 128 countries
WIDEBODY	New Generation (2015–Present)	A350-900 B787-9	1,100+ in operation 1,000+ on order from airlines 100+ airlines 59 countries

Past Performance is not necessarily indicative of future results. Actual results may differ from those presented. There can be no assurance the Fund will achieve its objectives set forth in this Presentation.

1. Cirium Fleet Data, June 2024.

Incline III Seeded Portfolio

Incline III has deployed and committed $668 million, 33%+ of $2.0 billion target fundraise

	Investment 1	Investment 2	Investment 3	Investment 4	Investment 5	Investment 6	Investment 7	Investment 8	Investment 9	Investment 10
COUNTERPARTY[1]	US Low-Cost Carrier	Engine Manufacturer	US Low-Cost Carrier	Latin America Carrier	UK Tier 1 Carrier	Europe Tier 1 Carrier	Asia Tier 1 Carrier	North America Tier 1 Carrier	Asia Domestic Carrier	Engine Manufacturer
ASSET / CREDIT TYPE	36 x B737-800	6x PW1100G Engines	EETC Investment	4x B737 MAX8	Secured Debt Financing	2x A350-900	Secured Debt Financing	4x B737 MAX8 1x B787-9	2x CFM56-7B Engines	10x CFM LEAP 1-B Engines
DATE OF MANUFACTURE	2012-2018	2025	2015-2018	2025-2026	2019	2024	2015	2022-2023	2018	2027
TERM	3 Years	New, Off Lease	5 Years	12 Years	6 Years	12 Years	3 Years	6-12 Years	2 Years	New, Off Lease
ORIGINATION CHANNEL	Sale Leaseback	OEM Purchase	Bank	Sale Leaseback	Bank	Sale Leaseback	Secondary Purchase	Sale Leaseback	Lessor Trade	OEM Purchase
ESTIMATED EQUITY CAPITAL[2]	$230M	$51M	$33M	$73M	$19M	$77M	$24M	$65M	$1M	$95M
TIMING	Q4 2024	Q1 2025	Q1 2025	Q2 2025 – Q1 2026	Q4 2025	Q1 2026	Q1 2026	Q1 2026 – Q1 2027	Q1 2026	Q1 2027 – Q4 2027

Seeded portfolio transactions may not be consummated. There can be no assurance that investments meeting the target criteria will be available to Incline III, or that Incline III will be able to successfully implement its investment strategy or achieve its investment objectives. Actual financial performance of Incline III may vary significantly from the targets set forth herein. Refer to the presentation endnotes.

1. Reflected with assumed leverage.

INCLINE AVIATION

BBAM
AIRCRAFT LEASING & MANAGEMENT

Appendix

First Deal in Incline III: Southwest Airlines

Incline III partnered with a Tier 1 U.S. carrier, Southwest Airlines (S&P: BBB), to purchase and leaseback 36 Boeing 737-800 aircraft on the airline's balance sheet in Q4 2024. The transaction makes BBAM the largest leasing partner of Southwest Airlines.

The Southwest sale-leaseback transaction was signed and closed over five weeks between Thanksgiving and New Year's Eve 2024, highlighting BBAM's differentiated origination and platform capabilities.

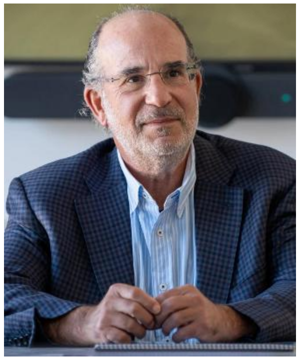
The Southwest portfolio, comprised of 36 aircraft with a weighted average age of 10.4 years will remain on lease with the airline for an average 3-year period.

BBAM's conservatively underwritten base case assumes an average 3-year hold with the aircraft monetized at their appraised values as the initial leases expire. However, in current market conditions, we believe there will be opportunities to place these high-quality mid-life assets on long-term follow-on leases, or to monetize the aircraft without leases attached at lease expiry in sales to airlines and other aviation market participants seeking to grow their owned fleets. We anticipate that Incline III's investment returns will meet or exceed the Fund's targets.

Transaction Summary	
Aircraft	36x B737-800
Vintage	2012-2018
Purchase Price(1)	$895M
Weighted Average Age	10.4 years
Weighted Average RLT(1)	2.5 years
Entry Date	December 2024
Initial Leverage	74.3%
Invested Capital	$230M

1) Refer to Presentation Endnotes

Presenter Biographies



STEVE ZISSIS*^

Founder & CEO

Steve is the President & CEO of BBAM. Steve holds a B.A. in Business Administration – International Studies from Rhodes College. Steve was a Vice President at Citicorp Industrial Credit from 1983 to 1990. He joined Babcock & Brown in 1990 and was a managing director from 1996 to 2006. Steve was a director of Fly Leasing Limited (NYSE: FLY) from 2007 until 2021, and chairman of the board from 2007 to 2010. He has 42 years of experience in the aircraft leasing industry.

MIKE BLUMENTHAL*^

Head of Marketing – Asia & Co-Head of Airline Origination

Mike is BBAM's Head of Marketing in Asia and Co-Head of Airline Origination. Mike holds a B.A. in Political Science from the University of California, Los Angeles and a J.D. from the University of California, Hastings College of the Law. Prior to joining Babcock & Brown in 2006, Mike was an attorney at White & Case LLP, where he specialized in aircraft finance transactions. He has 25 years of experience in the aircraft leasing industry.

VINCE CANNON^

General Counsel & Chief Operating Officer

Vince holds an A.B. in History from Dartmouth College, an M.A. in History from the University of California, Berkeley, and a J.D. from Harvard Law School. Prior to joining BBAM in 2014, Vince spent seven years at Davis Polk & Wardwell LLP, where he specialized in mergers and acquisitions and capital markets transactions. He has 14 years of experience in the aircraft leasing industry.

NICK ZISSIS*^

Head of Capital Markets

Nick holds a B.B.A. in Finance and a B.A. in Economics from Southern Methodist University. Prior to joining BBAM in 2017, Mr. Zissis worked at Jefferies in the Leveraged Finance Group. Mr. Zissis has responsibilities for BBAM's capital markets and structured finance initiatives. He has 8 years of experience in the aircraft leasing industry.

* Incline Investment Committee.
^ BBAM Executive Committee.

INCLINE AVIATION

BBAM

AIRCRAFT LEASING & MANAGEMENT

Disclaimers & Endnotes

Disclaimers and Endnotes

Past performance is not necessarily indicative of future results. Actual results may differ from those presented. Historical returns include unrealized valuations of investments. Aggregate data may not reflect the actual performance of any individual investor, and the actual realized returns of unrealized investments may differ materially from the unrealized valuations.

Unless otherwise noted, all figures are as of December 31, 2025.

1. Gross IRR refers to the aggregate, annual, compound, gross internal rate of returns on investments. Gross IRR is computed using the cash flows from such investment from the date capital contributions were due to be funded by investors through (x) with respect to any unrealized portion of such investment, the relevant measurement date, or (y) with respect to any realized portion of such investment, the date of realization. If capital contributions were recycled without distribution, a cash inflow has been deemed to have taken place on the deemed distribution date and reinvested. Therefore, the calculation of Gross IRR does not always reflect actual cash flows to and from investors. Gross IRRs are reflected on a gross basis and do not reflect deductions for carried interest, technical and lease management fees, investor level taxes (including those paid on behalf of an investor) or partnership expenses unrelated to specific transactions, which in the aggregate may be substantial. Cash inflows and outflows attributable to Bridge Financings (as defined in the Fund's limited partnership agreement) are excluded from the waterfall calculation in the limited partnership agreement for the Fund to the extent that such bridge capital has been returned timely; as such, cash inflows and outflows attributable to Bridge Financings are excluded from the performance data to the extent that such bridge capital has been returned within such Bridge Financing recoupment period. Each of the Funds utilized a subscription-based credit facility. Use of a subscription-based credit facility or asset-backed facility (or other leverage) with respect to investments will result in an amplified IRR (either negative or positive) than if the facility had not been utilized and instead the investors' capital had been contributed at the inception of an investment.

   Net IRR refers to the aggregate, annual, compound, internal rate of return on investments and for each investment, calculated after payment of technical and lease management fees, partnership expenses related to the specific transaction, carried interest and other fees and expenses allocated to the transaction by the General Partner. Net IRR is computed using the cash flows from such investment from the date that capital contributions were due from investors through the anticipated date of sale through (x) with respect to any unrealized portion of such investment, the relevant measurement date, or (y) with respect to any realized portion of such investment, the date of realization. Given the Funds' European waterfall structure, Net IRR is net of accrued carried interest that has not yet been paid. In light of different technical and management fee or carried interest rates applicable to certain investors in the Fund, net IRRs assume a blended average management fee and/or carried interest for the Fund, thereby taking into account the overall management fees and carried interest paid and anticipated to be paid by the Fund in respect of the relevant investment. We believe that the difference between the blended average and highest rate of management fee and/or carried interest paid by an investor is immaterial to net IRR.

   Additional information regarding performance and different management fee rates is available upon request. In addition, cash inflows and outflows attributable to Bridge Financings (as defined in the Fund's limited partnership agreement) are excluded from the waterfall calculation in the limited partnership agreement for the Fund to the extent that such bridge capital has been returned timely; as such, cash inflows and outflows attributable to Bridge Financings are excluded from the performance data to the extent that such bridge capital has been returned within such Bridge Financing recoupment period. Each of the Funds uses a subscription-based credit facility. Use of a subscription-based credit asset-backed credit facility (or other leverage) with respect to investments will result in an amplified IRR (either negative or positive) than if the facility had not been utilized and instead capital had been contributed by the investors in the Fund at the inception of an investment. Net IRR does not reflect deductions for investor level taxes (including those paid on behalf of an investor) or partnership expenses of the Fund's feeder funds, which in the aggregate may be substantial. Investors in the Fund may experience different returns than the aggregated returns presented.

   Gross MOC refers to the gross multiple of invested capital (i.e., the total realized and unrealized value divided by invested capital). Gross MOCs are reflected on a gross basis and do not reflect the deduction of carried interest, management fees, investor level taxes (including those paid on behalf of an investor) or partnership expenses unrelated to specific transactions, which in the aggregate may be substantial.

Disclaimers and Endnotes

Net MOC refers to the net multiple of invested capital (i.e., the total realized and unrealized returns, net of management fees, partnership expenses related to the specific transaction, carried interest and other fees and expenses allocated to the transaction by the General Partner, divided by total invested capital). In light of different management fee or carried interest rates applicable to certain investors in the Fund, net MOCs assume a blended average management fee and/or carried interest for the Fund, thereby taking into account the overall management fees and carried interest paid and anticipated to be paid by the Fund in respect of the relevant investment. Net MOCs may reflect the use of Bridge Financing and/or a subscription-based credit asset-backed credit facility (or other leverage), as described in further detail above. Additional information regarding performance and different management fee rates is available upon request. Net MOC does not reflect deductions for investor level taxes (including those paid on behalf of an investor) or partnership expenses of the Fund's feeder funds, which in the aggregate may be substantial. Investors in the Fund may experience different returns than the aggregated returns presented.

2. Generally, for Incline I, an aircraft investment is treated as "realized" when sold. In connection with the sale of 11 aircraft to Horizon Aircraft Finance III Limited ("Horizon") in 2019 – 2020, Incline I was required to retain a portion of the equity certificates issued by Horizon III Limited (the "E-Certificates"). All 11 aircraft have been treated as sold as of the dates of their respective deliveries to Horizon for the purchase price paid by Horizon. The E-Certificates held by Incline I have been treated as a reinvestment of a portion of the sale proceeds on the date specified in the related capital call or similar notice.
3. Current yield ("CY") distributions refer to cash distributions made by Incline I to its limited partners on a quarterly basis, annualized. Total DPI or "distributed to paid-in capital" is the ratio of cash distributed to limited partners by Incline I relative to contributions, on a cumulative basis. The calculations of current yield and total DPI do not reflect deductions for investor level taxes (including those paid on behalf of an investor) or the partnership expenses of Incline I's feeder funds, which in the aggregate may be substantial. Accordingly, the investors in Incline I may receive different amounts of current yield and other distributions than the aggregated current yield and total DPI. Yield metrics reflect distributable net cash and are not a performance metric of any fund since, among other factors, it does not reflect capital appreciation or depreciation. Projected yields are dependent on net cash being available for distribution to investors and could be lower due to a number of factors, such a greater than anticipated expenses or other liabilities or defaults on fund assets.
4. For Incline II, investment level Gross IRR refers to the annual, compound, gross internal rate of return on investments and for each investment. Investment level Gross IRR is calculated using the cashflows from the date of each investment (as opposed to the date of capital contributions made by an investor in respect of such investment) through the date of realization or most recent fair market valuation, as appliable, and therefore, does not reflect actual cash flows to and from investors. Gross IRR also does not reflect deductions for management fees, partnership expenses, carried interest and other fees and expenses, which may be substantial.

   Net IRR refers to the annual, compound internal rate of return on investments calculated after payment of management fees, including an allocation of management fees on committed capital not directly attributable to such investment, partnership expenses, carried interest and other fees and expenses.

   Gross MOC refers to the gross multiple of invested capital (i.e., the total realized and unrealized value divided by invested capital). Gross MOCs are reflected on a gross basis and do not reflect the deduction of carried interest, management fees, investor level taxes (including those paid on behalf of an investor) or partnership expenses unrelated to specific transactions, which in the aggregate may be substantial.

   Net MOC refers to the net multiple of invested capital (i.e., the total realized and unrealized returns, net of management fees, partnership expenses related to the specific transaction, carried interest and other fees and expenses allocated to the transaction by the General Partner, divided by total invested capital). In light of different management fee rates applicable to certain investors in the Fund, net MOCs assume a blended average management fee for the Fund, thereby taking into account the overall management fees paid and anticipated to be paid by the Fund in respect of the relevant investment. Net MOCs may reflect the use of Bridge Financing and/or a subscription-based credit asset-backed credit facility (or other leverage), as described in further detail above. Additional information regarding performance and different management fee rates is available upon request. Net MOC does not reflect deductions for investor level taxes (including those paid on behalf of an investor) or partnership expenses of the Fund's feeder funds, which in the aggregate may be substantial. Investors in the Fund may experience different returns than the aggregated returns presented.
5. Any projections or targets stated herein are based on BBAM's belief about what results may be achievable on investments that BBAM has made in light of BBAM's experience with similar transactions. These projections or targets necessarily rely on a number of assumptions regarding, among other things, the composition and performance of the underlying assets, the creditworthiness of counterparties, the terms of contractual arrangements, the availability and cost of financing, and other expenses, and there can be no assurance that any such assumptions will prove accurate or that the projected or targeted returns will be achieved. Further, the projected or targeted returns stated herein are based on an assumption that economic, market and other conditions will not deteriorate and, in some cases, improve. There are numerous factors related to the markets in general or the implementation of any specific investment program that cannot be fully accounted for in the preparation of projected or targeted performance results, all of which can adversely affect actual investment results. Any projected or targeted returns are therefore subject to a number of important risks, qualifications, limitations, and exceptions.

Disclaimers and Endnotes

The analyses, forecasts and targets contained in this presentation are based on assumptions believed to be reasonable in light of the information available at the time of such assumptions. Such assumptions (and the resulting analyses, forecasts and targets) may require modification as additional information becomes available and as economic and market developments warrant. Any such modification could be either favorable or adverse. The forecasts and targets have been prepared and are set out for illustrative purposes only, and no assurances can be made that they will materialize. They have been prepared based on BBAM's current understanding, BBAM's current view in relation to future events and financial performance and various estimations and assumptions made by BBAM, outside advisors and the relevant company's management, including estimations and assumptions about events that have not occurred, any of which may prove to be incorrect. Therefore, the forecasts and targets are subject to uncertainties, changes (including changes in economic, operational, political, regulatory or other circumstances or the management of an applicable company) and other risks, including, but not limited to, broad trends in business and finance, legislation and regulation affecting the applicable company, monetary and fiscal policies, interest rates, inflation, currency values, market conditions, the impact of COVID-19, the availability and cost of short-term or long-term funding and capital, all of which are beyond BBAM's control and any of which may cause the relevant actual, financial and other results to be materially different from the results expressed or implied by such forecasts and targets.

Industry experts may disagree with the forecasts and targets, the estimations and assumptions used in preparing the forecasts and targets or BBAM's views. No assurance, representation or warranty is made by any person that any of the forecasts and targets will be achieved and no investor should rely on the forecasts and the targets. None of BBAM, any of its affiliates or any of their respective directors, officers, employees, partners, shareholders, advisors or agents makes any assurance, representation or warranty as to the accuracy of any of the forecasts, targets, estimates and assumptions. Many factors and risks can cause such forecast, targets, estimates, and assumptions to be untrue.

6. The terms set out herein represent a summary only and are qualified in their entirety by the detailed terms of the limited partnership agreements of Incline III.

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LS Power Equity Partners VI, L.P.

Presentation to Washington State Investment Board

JUNE 4, 2026

Contact: esimonis@lspower.com

Industry-Leading Investor, Developer and Operator

1990 Firm Founded	**>$77 BN** Debt and Equity Capital Raised
>50 GW Power Generation Developed or Acquired	**>200** Power Projects Operating History
>780 Miles High Voltage Transmission; additional 400 Miles and substations in progress	**7** Transmission Utilities; 22 total projects
8 Nation Leading Energy Infrastructure Platforms Operating History	**>400** Professionals

LS Power Funds Highlights

$13.8 billion[1] in equity raised for investments in North American Power and Energy Infrastructure

Current Operating Portfolio:

128 projects (~9,200 MW of power generation)

7 energy infrastructure platforms

>20-year Track Record[2]:

24% Net IRR / 1.7x Net MOIC across five flagship funds since 2005 inception

Low Loss Ratio[3]:

2.5% across all funds (0.6% for Funds III-V)

Strategic Capabilities:

Deep in-house functional expertise provides for speed of execution; leverage industry insights as one of the largest generation and transmission developer / owner / operators

As of March 2026.

1. Total equity capital commitments raised includes ~$11.3bn across LS Power Equity Advisor Funds I-V, as well as ~$2.5bn across Co-Invest, Luminus Credit Opportunities Funds I and II, Luminus Special Opportunities, West Deptford Energy, Gridiron Energy and Bolt Energy.
2. Represents weighted average return of the full track record for LS Power Equity Advisor Funds I-V, estimated as of December 31, 2025. Past performance is not a guarantee of future performance.
3. Loss ratio is calculated as the total dollars realized at below cost by each investment divided by the total capital invested in the fund.

LS Power

Pioneer in Power and Energy Infrastructure

Track record of investing in new markets, asset classes, and technologies, and commercializing novel financing structures and contractual frameworks

Natural Gas Generation

1990/2005

One of the first utility-scale private developers of efficient cogeneration facilities following US power market deregulation

Development of gas generation projects continued until 2011

LS Power Equity Advisors launched in 2005 to invest in existing power generation projects

Gas-fired generation supports greater adoption of renewables as well as grid reliability and affordability

Transmission

2005

Twenty-one awards and projects, including 7 transmission utilities, across 5 RTO/ISOs and 9 states:

- CA: 6 projects
- DE/NJ: 2 projects
- IN/KY: 3 projects
- TX: 5 projects
- NY: 1 project
- NV/ID: 4 projects

Leading national private transmission owner with 780+ miles of high-voltage transmission completed, and another 400 miles and multiple substations in development

Utility-Scale Renewables

2008

Pioneered private investment in utility-scale renewables

Began with solar projects (438 MWdc) developed, financed, constructed, and operated:

- AVSE II
- Centinela
- Dover SUNPark

Effort continues today with utility-scale solar, wind, and hydro exposure through our investment funds

LS Power platforms:

- Clearlight Energy
- REV Renewables

Utility-Scale Battery Storage

2016

Among the first to privately develop and invest in standalone battery storage at utility-scale:

- Vista (2018)
- Gateway (2020)
- Diablo (2022)
- LeConte (2022)

These projects include some of the largest facilities of their kind in the world

Extensive grid-scale storage development and operations continues through our investment funds

Distributed Energy Resources / Energy Efficiency

2018

Significant fund investment in distributed energy and energy efficiency businesses:

- CPower Energy (2018, Distributed Energy Resource management platform)
- Craft Work Capital Investments (2022, Energy Efficiency upgrades for mechanical & electrical systems)
- Opterra Energy Services (2025, Energy as a Service Company serving Municipalities, Schools, States and Federal Agencies)

Electrification Infrastructure

2020

Significant fund investment in the electrification of transportation:

- EVgo (2020, Electric Vehicle Charging Infrastructure)

EVgo operates one of the largest public fast charging platform in the U.S., with 1.6+ million customers and 1,200+ stations in 65+ metro markets

Renewable Fuels

2020

Significant fund investment in renewable fuel development and operations:

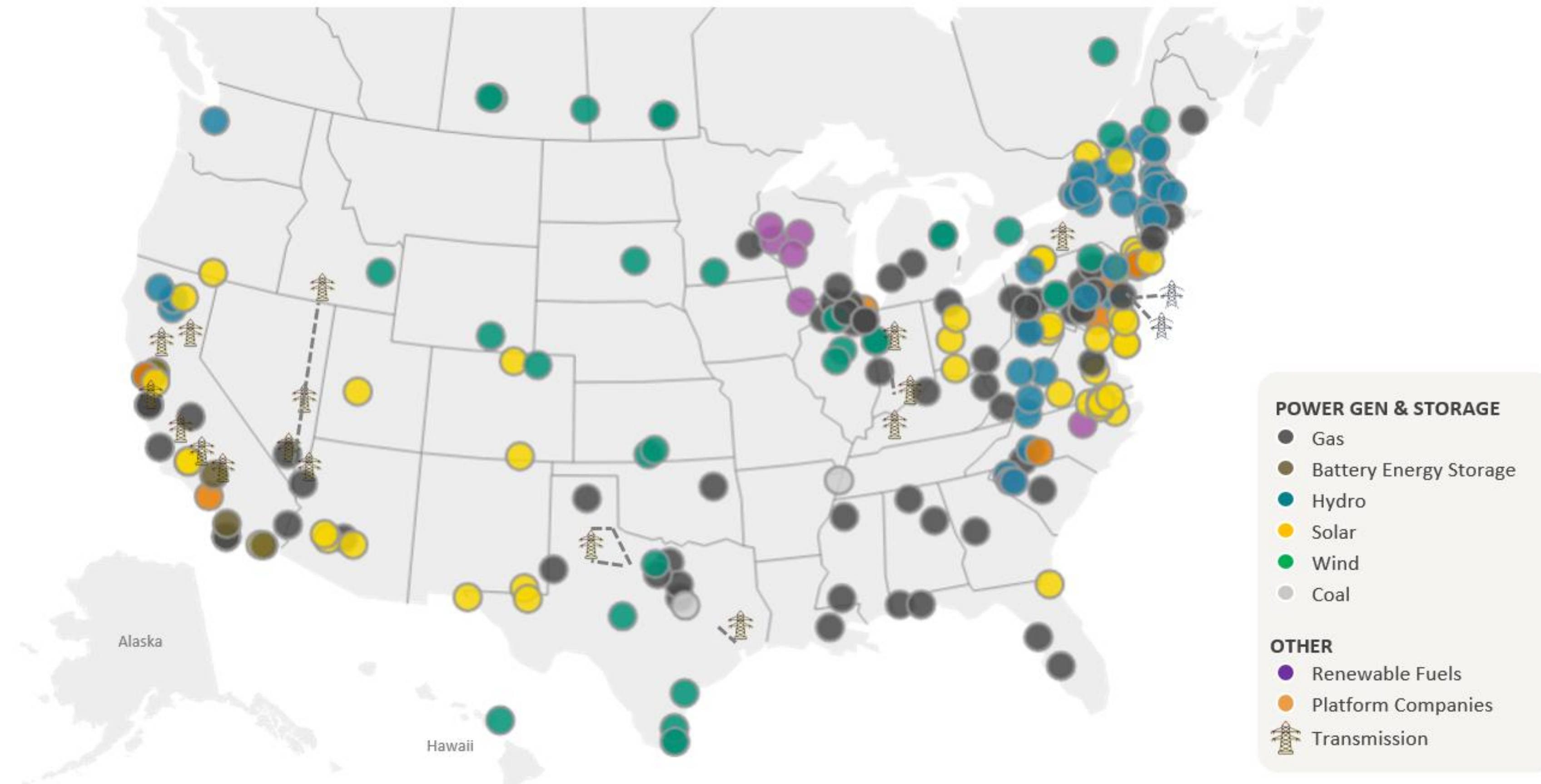
- The Landfill Group (2020, Waste-to-Renewable energy)
- Clean Hydrogen Fuels (2023, JV with Monarch Energy)

As of January 2026.
Investments and projects listed are generally representative of LS Power throughout its history and are not complete nor available to all investors. Investments or projects that represent less than 1% of LS Power's total portfolio since inception such as coal or strategic corporate investments are excluded. A complete list of investments held in LS Power's flagship investment funds is available upon request.

Extensive Acquisition, Development, and Operating Experience

The anticipation of market changes informs our portfolio construction and ongoing views of the opportunity set

- 200+ power generation projects developed or acquired
- Currently own and operate 128 projects representing 9,200+ MW of power generation (portion of 39,900+ MW acquired since inception)
- 22 transmission projects, including 7 operating utilities, across 9 states, serving 5 ISO/RTOs that provide electricity for 28 states and 185 million people
- More than $77 billion in equity and debt raised since inception to support North American Grid Reliability and Affordability



Nation-Leading Energy Infrastructure Platforms

- Gas Generation
- Renewable Generation, Energy Storage
- Distributed Energy Resources, Energy Efficiency, Electrification Infrastructure
- Renewable Fuels
- Transmission

REV Renewables — Fund III, IV, V

Leader in the development, acquisition and operation of renewable generation and energy storage with 2.9 GW operating portfolio of Solar, Wind, Pumped Storage Hydro and Battery Storage projects, and 17+ GW development pipeline (grown from 2.4 GW operating and 3 GW development pipeline)

EVgo Fast Charging — Fund IV

One of the nation's largest providers of public fast charging infrastructure for electric vehicles with 5,100 charging stalls at 1,200+ stations, powered by renewable energy, serving 1.6+ million customer accounts (grown from ~1,250 charging stalls and ~180,0000 customers)

CPower — Fund IV

U.S. demand-side energy management solutions and virtual power plant provider, helping 2,500+ organizations across 27,000+ sites save on energy costs, enhance sustainability efforts, and support the decarbonization and reliability of the electric grid (grown from 1,400 customers across ~9,000 sites); Sold in Jan 2026

Landfill Group — Fund IV, V

Landfill Waste-to-Renewable Natural Gas (RNG) platform JV with The Landfill Group provides a complete solution to deliver renewable energy while reducing emissions from landfill waste

RISE Light & Power — Fund III

Largest energy manager and developer in New York that provides ~20% of NYC's generating capacity; Evolving to meet clean energy goals through modernization of facilities and investments in large-scale renewable projects; Sold in Jan 2026

Craft Work Capital — Fund IV

Strategic investor in electrical and mechanical contracting firms that benefit from macro trends in Energy Efficiency and increasing options in distributed generation such as Energy Service Companies

Clearlight Energy — Fund V

North American renewable energy leader with an operating portfolio of ~4,300 MW of Solar, Wind, and Battery Storage projects, along with a ~1,200 MW development pipeline across the U.S. and Canada

OPTERRA Energy Services — Fund V

Energy services company that develops, finances, and implements turnkey energy and water-saving solutions nationwide for public sector as well as Commercial and Industrial clients (primarily Municipalities, Universities, Schools and Hospitals)

LS Power Generation

2+ GW fleet of fast-starting flexible natural gas-fired and renewables power generation directly managed by LS Power that supports grid reliability (owned and operated 17+ GW of gas generation prior to sale of 21 power plants in 2025/26)

LS Power Grid

22 projects, including 7 operating utilities, across 9 states with 780+ miles of high voltage transmission and an additional 400+ miles and multiple substations in development or under construction, transmitting energy resources to millions nationwide

The investments listed above are provided as illustrative examples of LS Power's platform sourcing experience and the profile and types of investments previously pursued by LS Power from Funds III-V. It should not be assumed that investments made in the future will be comparable in quality or performance to the investments above. Past performance is not a prediction of future performance or a guaranty of future results. A complete list of investments held in LS Power's flagship investment funds is available upon request.

Leadership Team & In-House Expertise

Experienced Leadership

Seasoned team leverages multiple perspectives and extensive experience through economic and commodity cycles

Investment Committee | 17 years average tenure with LS Power | 24 years average industry experience


Paul Segal
Chief Executive Officer
28 | 28


Darpan Kapadia
Chief Operating Officer
22 | 25


David Nanus
President, LSP Equity Advisors
21 | 29


Nate Hanson
President, LSP Generation
15 | 38


John King
EVP, Project Development
20 | 31


Rich Roloff
Chief Financial Officer
22 | 22


John Staikos
EVP & General Counsel
20 | 30


Peter Anderson
Managing Director
12 | 14


Matt Mitchell
Managing Director
19 | 20


Alex Staehely *Managing Director*
12 | 12


Cameron Tajvar
Managing Director
16 | 18


David Marshall
MD & General Counsel, PE
15 | 19


Tom Teles
EVP, Head of Strategy
1 | 31

Investment Advisory Committee | 18 years average tenure with LS Power | 29 years average industry experience


James Bartlett
Vice Chairman


Joseph Esteves
Vice Chairman


Ron Fischer
Senior Legal Advisor


Jeff Wade
Chief Compliance Officer & Chief Admin Officer


Paul Thessen
President, LSP Development


Robert Colozza
EVP, Head of Transmission Strategy


Andrew Groff
Chief Financial Officer, LSP Generation


Jennifer Neill
Chief Financial Officer, Private Equity


Emily Simonis
MD & Head of IR


Suzanne Pepe
MD & Head of Tax


Marc Kline
MD & Head of Energy Mgmt


Tony Hammond
SVP & Head of Operations Mgmt


Kathy French
SVP & Head of Environmental


Marjorie Philips
SVP, Wholesale Market Policy


Scott Carver
SVP & Head of Gov't Affairs

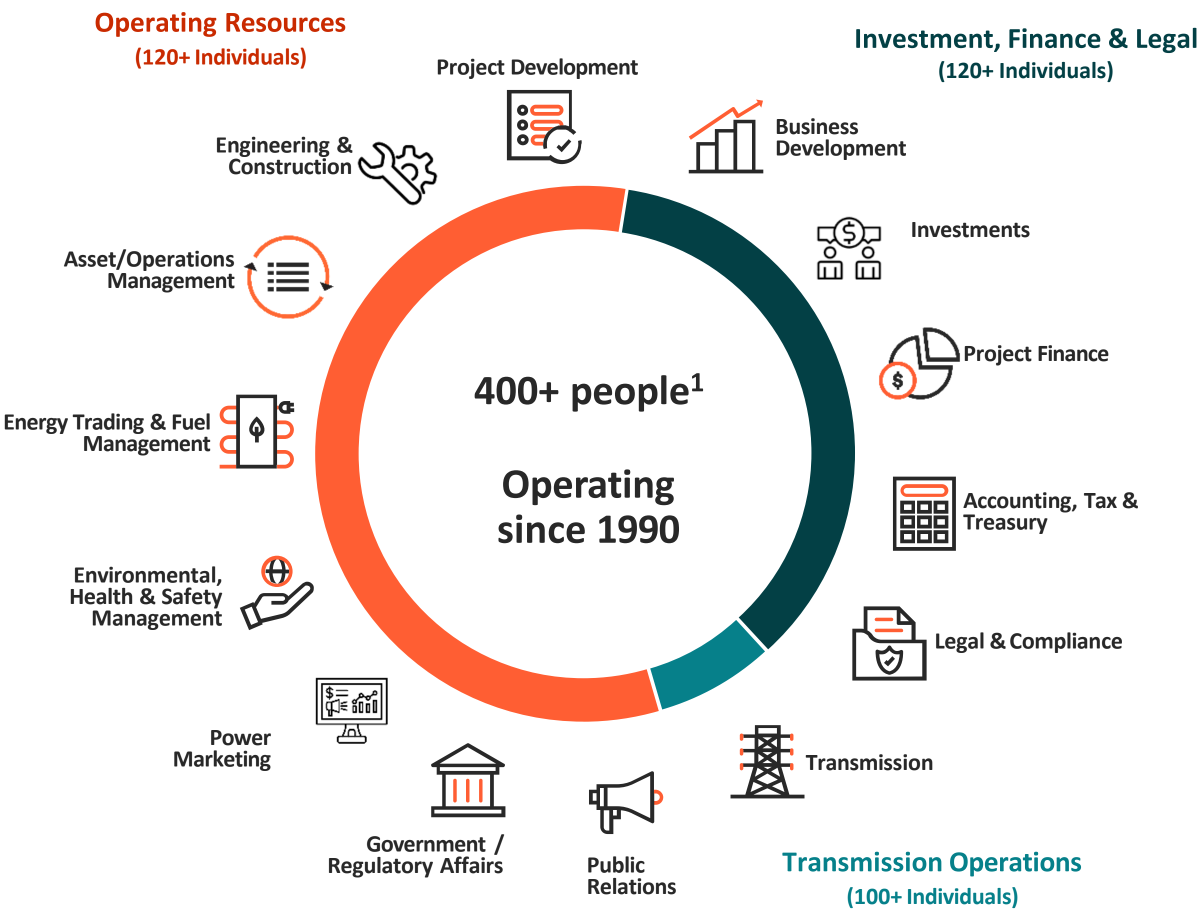

Anna Cavaco
SVP & Head of Human Resources


Keith Warren
Senior Strategic Talent Advisor

As of January 2026.

Deep In-House Functional Expertise

Value-added core competencies embedded within LS Power support execution with greater speed, conviction and efficiency at every stage of the investment life cycle



CAPITAL MARKETS INSIGHT
Visibility into financial & operating performance of power & energy companies

+

PEER-TO-PEER NETWORK
Long standing relationships with regulators, lenders, suppliers, power purchasers, fuel & power marketers, developers, and contractors

+

UNDERWRITING & RISK REDUCTION
Extensive capabilities to quickly and quietly diligence and value risks, assets, and investment structures

+

VALUE CAPTURE AND ENHANCEMENT
Establishing / optimizing commercial arrangements, physical operations, and financial structures

Meaningful Strategic Value
beyond a pure financial sponsor

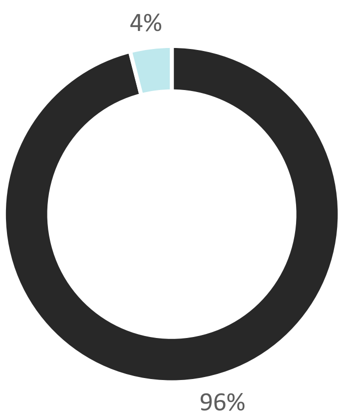
1. Organizational headcount is inclusive of 70+ individuals across IT, HR, Administration, and other support teams. As of January 2026.

Fund Evolution

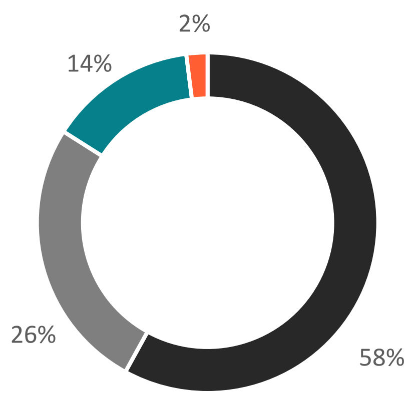
Fund I – IV Evolution

Power and energy infrastructure investment manager since 2005, with $13.8 billion in equity commitments raised[1]

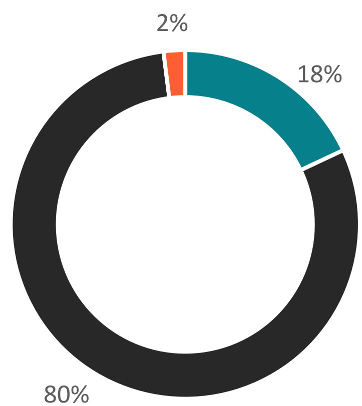
Fund I (2005 vintage)[2]



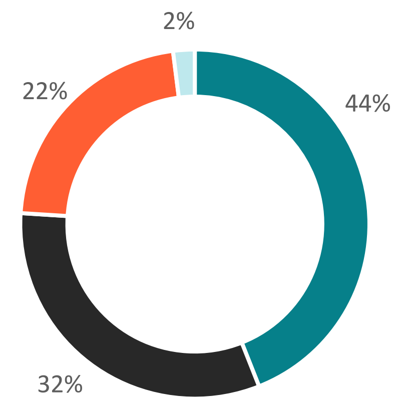
Fund II (2007 vintage)[2]



Fund III (2014 vintage)



Fund IV (2018 vintage)



- Gas Generation
- Coal
- Renewable Generation, Energy Storage & Renewable Fuels
- Distributed Energy Resources, Energy Efficiency & Electrification of Infrastructure
- Distressed Securities

1. Total equity capital commitments raised includes ~$11.3bn across LS Power Equity Advisors Funds I-V, as well as ~$2.5bn across Co-Invest, Luminus Credit Opportunities Funds I and II, Luminus Special Opportunities, West Deptford Energy, Gridiron Energy and Bolt Energy.
2. Fund I (2005 vintage) and Fund II (2007 vintage) asset allocations do not include non-control public securities, which were excluded from future funds.

Fund V (2023 Vintage)

**Renewable Generation,
Energy Storage & Renewable Fuels**

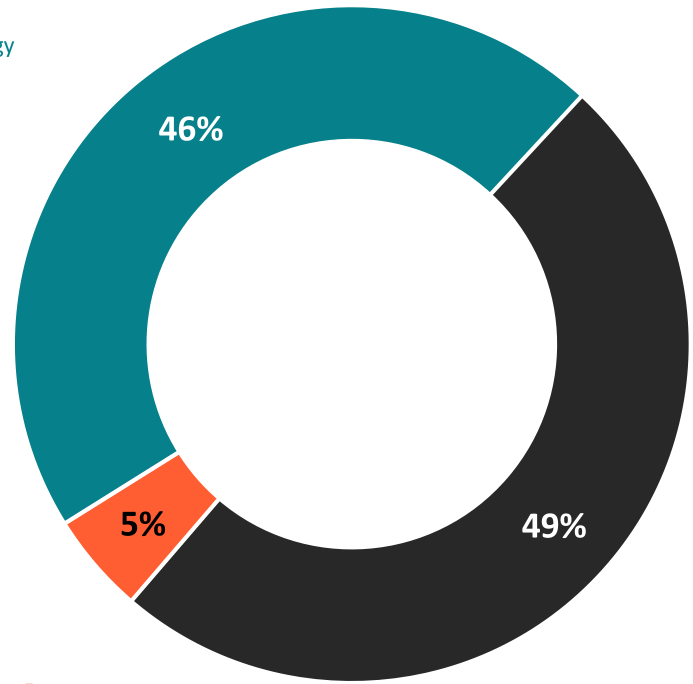
Clearlight Energy

Monarch Energy

(Includes a 3 GW 44-project portfolio acquired from Algonquin and a 1.3 GW 10-project portfolio acquired from BP)

Prestwick
(JV with The Landfill Group for Waste-to-Renewable Natural Gas

REV RENEWABLES



Gas Generation

Hunterstown Generating Station

West Deptford Energy Station

Pathfinder Power
(5 project portfolio pending close in 4Q26)

Buchanan Generating Facility

**Distributed Energy Resources,
Energy Efficiency & Electrification Infrastructure**

OPTERRA ENERGY SERVICES

Exposures Estimated as of December 31, 2025. Includes budgeted capital for Prestwick RNG and Pathfinder Power.

Fund VI Target Investments and Approach

GAS GENERATION	RENEWABLE ENERGY	DISTRIBUTED ENERGY RESOURCES
Gas-Fired Generation	Renewable Generation & Fuel, Battery Storage	Distributed Generation, Onsite Energy, Electrification & Energy Efficiency

Acquisition — **Development**

- **Firm Power Supply** – necessary to meet growing demand from AI/data centers, electrification, and manufacturing
- **Reliability value** – essential underpinning to intermittent grid resources and affordability
- **Flexible assets** – quick ramp up or down
- **Investment approach** – acquisition oriented, low-cost platforms or expansion

- **Value add approach** – utilize LS Power's 35+ years of development, operating and commercialization expertise
- **Scale opportunities –** diversified set of projects lower concentration risk
- **Investment approach** – combination of acquisition and development

- **Critical to support decarbonization** and electrification
- **Support lower-cost energy** with a focus on improving grid resilience and efficiency
- **Investment approach** – more development in nature, with potential acquisition play as sector matures

Price discipline underpins opportunistic deployment across verticals

ALBOURNE

June 2026

Private Credit: Current Landscape

Presentation for WSIB

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Private Credit: From Darling to Defendant

From media darling during "The Golden Age of Private Credit" to defendant, **the tone, volume and framing of media coverage on Private Credit has structurally shifted** over time – and has not yet normalized.

From 'darling' in early 2020's…

Fund Management

Why it's the golden era of credit

Current monetary policy and economic conditions are creating favourable conditions for the asset class says Bruce Richards of Marathon Asset Management.

Guest Writer - 26 June 2023

2024 FIDUCIARY INVESTORS SYMPOSIUM VIC

No end in sight to a 'golden age' of private credit

HEARD ON THE STREET Follow

Credit Deals Are Going Private, Leaving Wall Street in the Cold

Leveraged buyouts were funded almost entirely by private credit late in the year, which could be a worrisome trend for Wall Street

… to defendant in 2026

PRIVATE CREDIT

Has the Golden Age of Private Credit Lost its Shine?

April 18, 2025 | 15 Min Read

24-Feb-2026 | 15:30 EST

Beyond The Golden Age: Private Credit Confronts Growing Pains

BUSINESS

It's called 'private credit' — and it could lead to big trouble on Wall Street

MARCH 19, 2026 · 5:00 AM ET

* Private Credit existed well before 2014, but it wasn't a distinct media narrative until around 2014.

Signals and extrapolation driving the media's narrative on private credit

Private Credit is extremely heterogenous – some pockets deserve scrutiny; others are performing well.

The following is a summary of 6 **actual signals driving the negative narrative** and **where extrapolation is happening.**

1. **Rising stress indicators**
2. **A few visible defaults / restructurings**
3. **Liquidity pressure in semi-liquid vehicles**
4. **Valuation skepticism**
5. **Bank & systemic concerns**
6. **Underperformance in public proxies**

What's true

- Stress is increasing
- Early warning signs are real
- Some strategies (especially aggressive vintages & certain structures) are more vulnerable

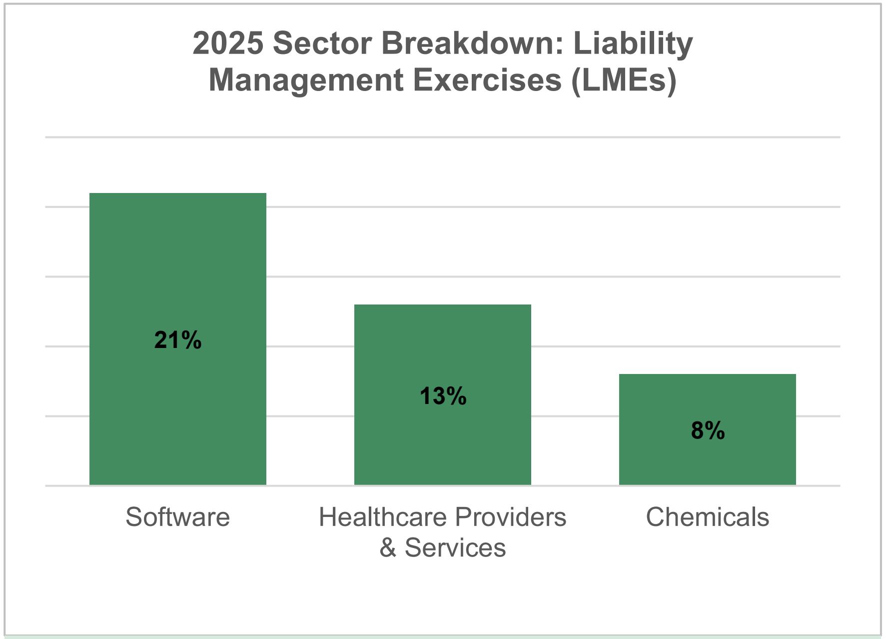
What's overstated

That this is:

- Uniform across private credit
- Systemic today
- Comparable to a broad credit unwind

Sector Stress: AI & Software Credit

- **Direct lending managers are generally overweight software**
  - **Private credit funds have varied levels of software exposure,** typically from 5% to 50%, with generally lower levels of exposure in Europe
- **Concerns around AI-driven disruption, coupled with high levels of leverage, is putting more focus on software valuations** and creating concerns about the viability of many software companies
- **Possible portfolio headwind for existing originations; less problematic for forward originations**
  - Trailing data on software portfolios remains relatively strong overall, though there are early signs of weakness



Leveraged Commentary & Data (LCD) also shows that 21% of all out-of-court restructurings via liability management exercises (LMEs) in 2025 involved software companies

Leveraged Commentary & Data, December 2025

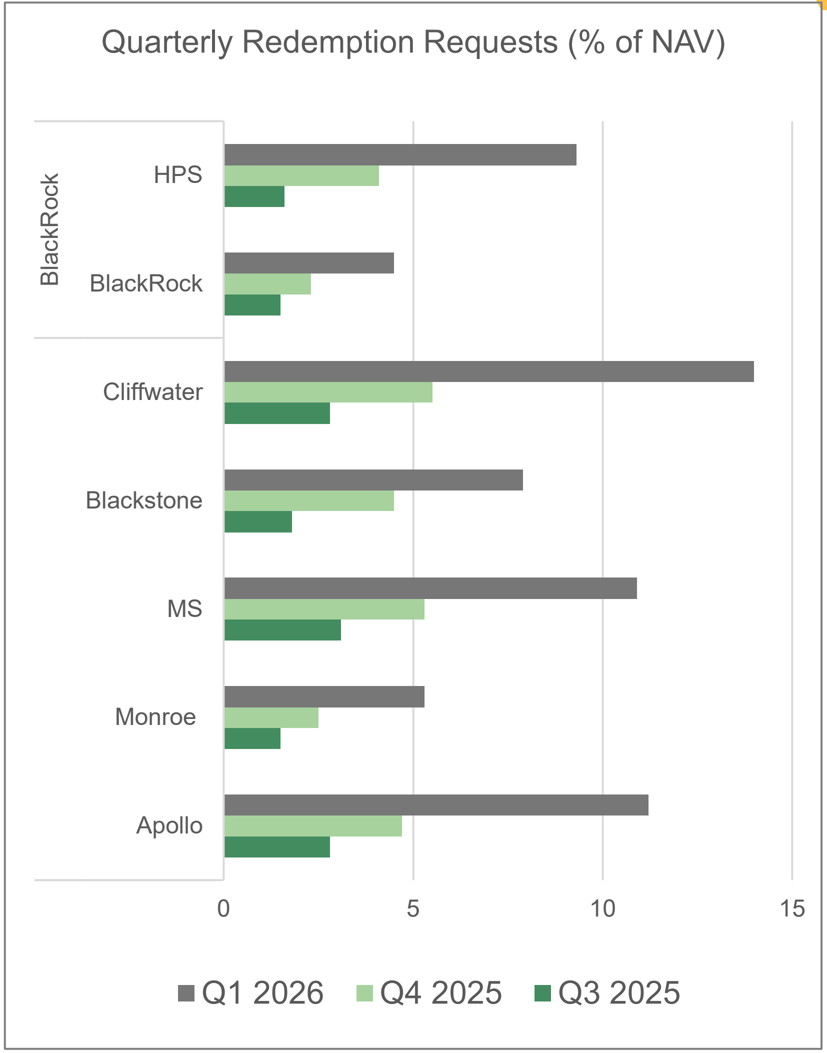
Redemption Pressures in Non-Traded BDCs

High redemptions can negatively impact remaining investors if redemptions are not managed carefully:

- Non-Traded BDCs and semi-liquid private credit rely on periodic tenders, not true liquidity
- Value transfer risk rises due to the valuation lag in private markets. Value transfer is zero-sum between redeemers and remaining investors
- Reinvestment capacity may become constrained, which can cause the existing portfolio to skew towards old vintages

There are several factors contributing to redemption pressures:

- Traded-BDC discounts provide meaningful incentive for investors to rotate out of non-traded BDCs
- Concerns regarding potential AI headwinds and headlines more generally influencing investor decisions



Source: SEC Filings

Outlook for Private Credit

Areas Of Concern

Retail-facing / semi-liquid credit vehicles
- Trailing fundamentals remain strong, though increased redemption pressures can negatively impact portfolio quality
- Limited ability to ‘refresh’ credit quality through new originations

Software lending
- Software loans generally had higher leverage multiples compared to other industries
- Growth slowed & multiples compressed
- Lower total enterprise value (TEV) multiples impact sponsor exits, increasing the expected duration of loans

Older credit books
- Interest rate increases beginning in 2022 have disproportionately challenged borrowers with higher leverage
- Frothy origination environment negatively impacted deal terms

Areas Well Positioned for the Environment

Forward originations in opportunistic credit funds
- A rise in defaults and broader credit stress expands the “top-of-funnel” opportunity set for opportunistic managers
- Better opportunity to control structuring and buy at discounts

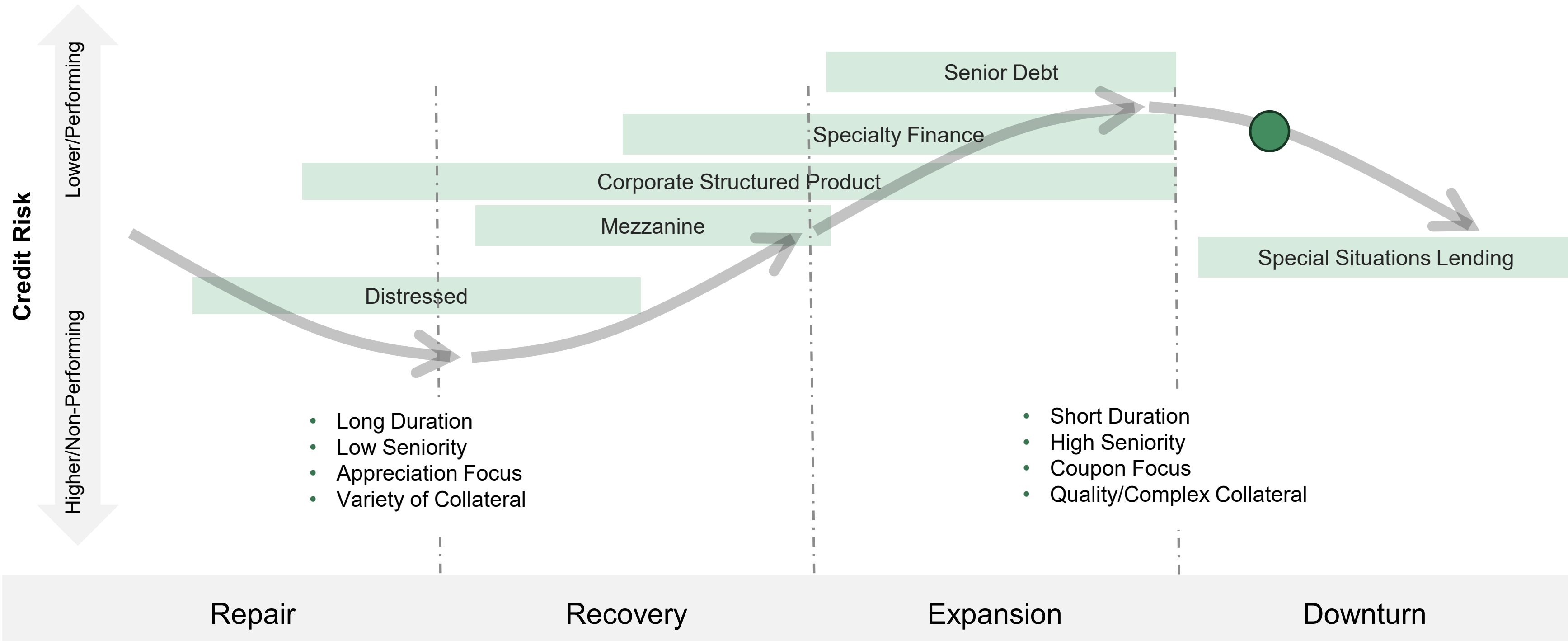
Forward originations in structured capital transactions
- Sponsor hold periods are expected to extend in a stressed environment
- Flexible capital providers are well suited to provide subordinate capital to enable refinancings, recapitalizations, and M&A

For illustrative purposes only

Strategies and the Credit Cycle

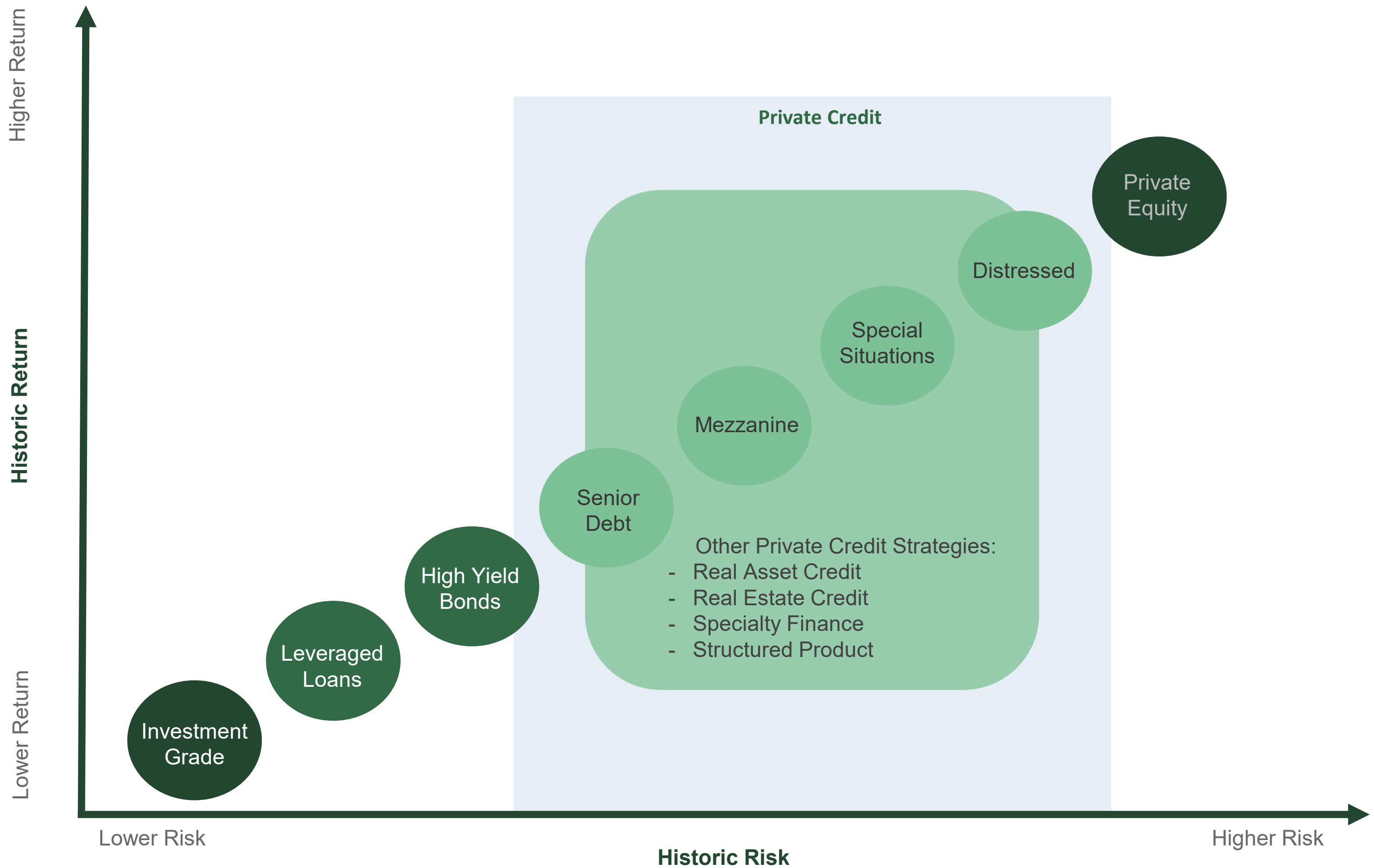
In the current environment, senior conservative debt and opportunistic/distressed strategies are more attractive.

Generalized Credit Cycle Stages



For illustrative purposes only.
Past performance is not indicative of future returns.

Risk vs Return Spectrum



For illustrative purposes only. Strategy placement is stylized and does not imply a strict linear tradeoff between the depicted strategies and credit types. Past performance is not indicative of future returns.

Conclusion

- The reality is that:
  - There is dispersion across strategies, vintages, and managers
  - Early warning signs are real
  - Stress is idiosyncratic
  - Some strategies (especially aggressive vintages & certain structures) are more vulnerable
- Suggestions that stress is uniform across private credit, systemic today, and comparable to a broad credit unwind today are overblown in the headlines
- Credit stress underscores the importance of:
  - Manager selection
  - Underwriting discipline
  - Vintage exposure
  - Fund structure
- New loans today will be underwritten in consideration of the current economic environment

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Albourne Partners Limited Senior Analyst

Michael Scott is a Senior Analyst on Albourne's Private Credit Investment Due Diligence team, based in Toronto. He joined Albourne in 2023. Prior to Albourne, Michael worked at TD on the Investment Manager Research team, where he focused on alternative credit. He began his career at Purpose Investments on the Portfolio Management team. Michael holds the CAIA designation. He graduated summa cum laude from McMaster University with an Honours Bachelor of Commerce and earned both a Master of Science in Finance and a Master of Finance from Queen's University.

Washington State Investment Board

PRIVATE CREDIT BENCHMARK AND STRATEGY DISCUSSION

JUNE 4, 2026

Risk Management and Asset Allocation – Innovation Portfolio
Julia Ferreira, CFA, Assistant Senior Investment Officer

AGENDA

Private Credit Program Guidelines

- Objectives and Goals
- Scope of Investing
- Portfolio Framework
- Return Benchmark
- Key Takeaways
- Appendix

OBJECTIVES AND GOALS

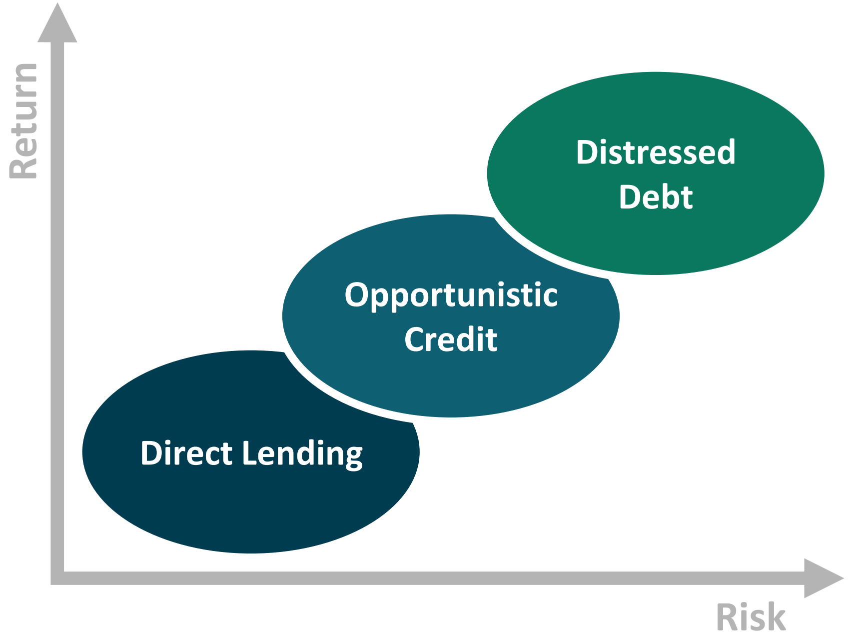
Private credit's goals

- Deliver strong risk-adjusted returns anchored by predictable, durable income
- Maintain flexibility to pursue opportunities across evolving credit markets
- Prioritize high-quality partners that demonstrate clear alignment with the interests with the Washington State Investment Board (WSIB)

STRATEGIC INVESTMENT FOCUS: CORPORATE PRIVATE CREDIT

The private credit asset class will focus primarily on corporate private credit investments

- Targeted strategies will be focused on middle-market companies, typically characterized as below-investment-grade debt, offering diverse risk-return profiles
  - Core strategies will target capital preservation and income, such as direct lending (unlevered and levered)
  - Satellite strategies will target return enhancement opportunities, such as opportunistic credit and distressed debt



PORTFOLIO FRAMEWORK

A balanced portfolio, split between core and satellite strategies could be effective in achieving an efficient portfolio mix, cost efficiency, and pacing flexibility

	Core Income-Oriented Private Credit	Satellite Growth-Oriented Private Credit
Typical Strategy	▪ Primary floating rate ▪ Performing senior debt ▪ Includes sponsor-backed direct lending	▪ Mixes fixed and floating rate ▪ Includes non-performing corporate lending, secondary opportunities, and public instruments
Role	Capital preservation and income focus ▪ Predictable cash flow ▪ Requires cost-effective structures	Return enhancement ▪ Flexibility to navigate different market segments ▪ Requires highly specialized managers
Implementation	Prioritize the use of separately managed accounts (SMAs) to control pacing	Prioritize manager diversification
Comparable Public Investments	Leveraged loans	High yield (HY) bonds

RETURN BENCHMARK

A blended benchmark of leveraged loans and high-yield bonds, with an added 200 basis point premium (bps), will accurately reflect the characteristics of the WSIB's private credit portfolio framework

50 Percent

S&P UBS Leveraged Loan Index1

Typical characteristics

- Floating rate loans
- Predominantly senior secured
- Credit facility size > $500M
- Concentrated in BB/B Ratings

50 Percent

VettaFI U.S. High Yield Index2

Typical characteristics

- Fixed rate bonds
- Predominantly senior unsecured
- Credit facility size > $500M
- Concentrated in BB/B Ratings

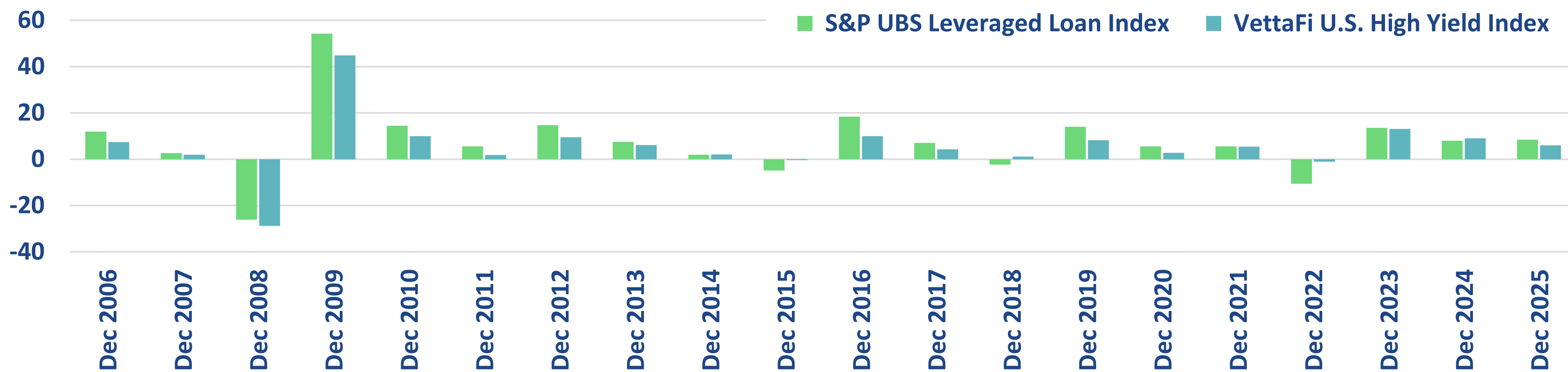
200 bps

Adding 200 bps recognizes private credit's historical return premium over comparable public credit markets

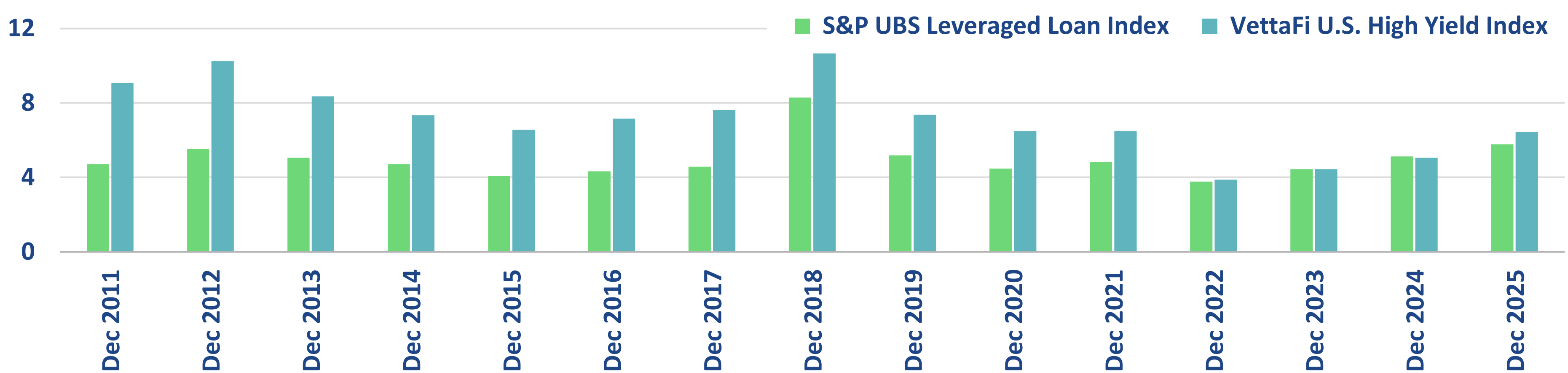
[1] Formerly the Credit Suisse Leveraged Loan Index. [2] Formerly the Credit Suisse High Yield Index.

BENCHMARK HISTORICAL RETURN

1-Year Rolling Return (Percent)



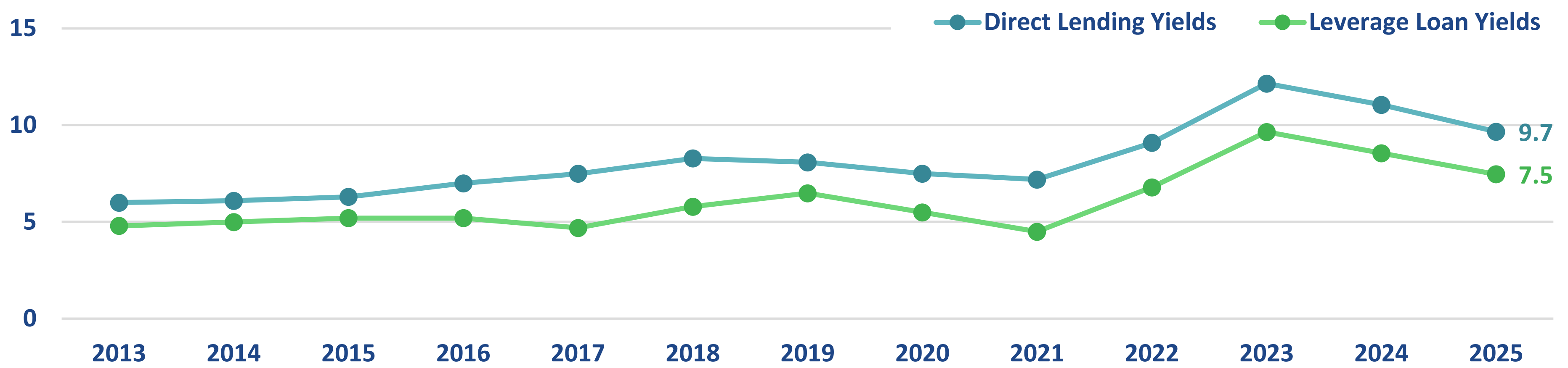
10-Year Rolling Return (Percent)



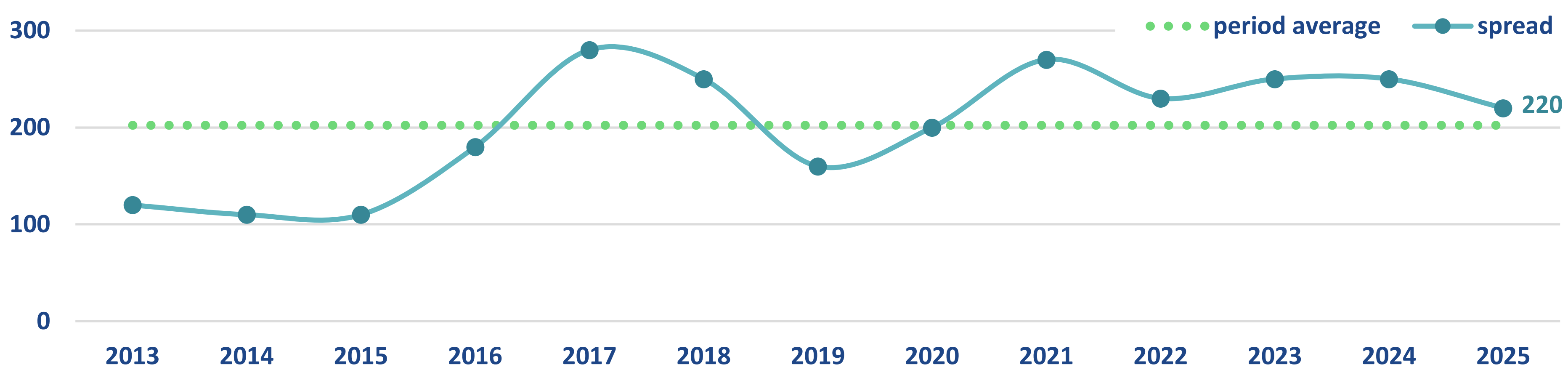
Source: Bloomberg.

BENCHMARK HISTORICAL PREMIUM
PRIVATE VS. PUBLIC LOANS YIELD COMPARISON

Historical All In Yield (Percent)



Spread Premium (bps)



Source: Cliffwater as of September 30, 2025.

KEY TAKEAWAYS

Private credit's objectives and goals

- Deliver strong risk-adjusted returns anchored by predictable, durable income
- Maintain flexibility to pursue opportunities across evolving credit markets
- Prioritize high-quality partners with clear alignment of interests with the WSIB

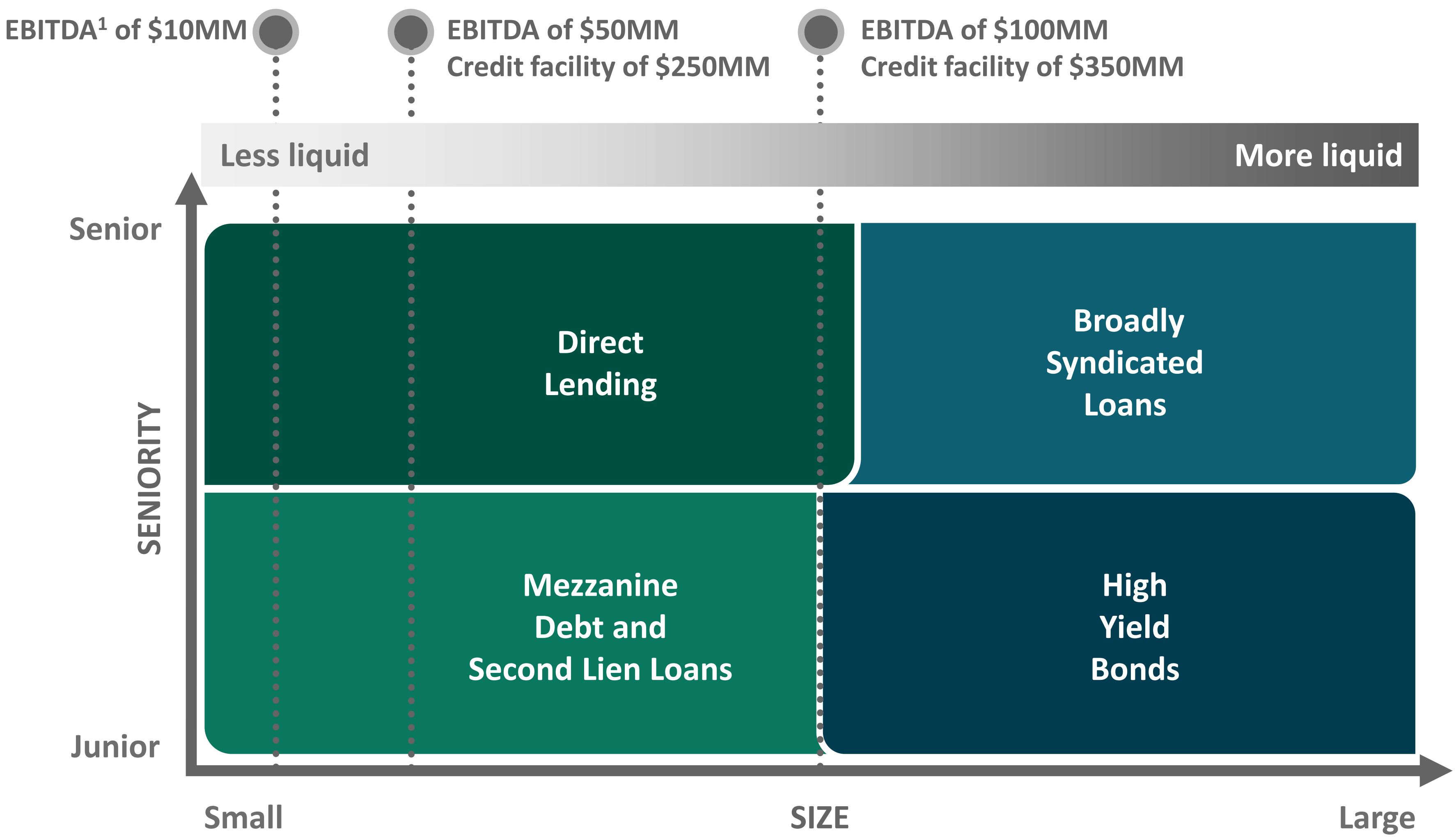
The proposed benchmark aligns expectations with the core-satellite portfolio framework and model portfolio

- Preserves continuity with WSIB's existing benchmarking approach (Innovation Portfolio)
- Adding 200 bps recognizes private credit's historical return premium over comparable public credit markets

APPENDIX

NON-INVESTMENT GRADE CORPORATE DEBT MARKET BROAD LANDSCAPE

ALLOCATION AND DIVERSIFICATION



Source: TIAA Global Asset Management & Churchill Asset Management. [1] Earnings Before Interest, Taxes, Depreciation, and Amortization

ALLOCATION AND DIVERSIFICATION
UNDERSTANDING THE ROLES OF STRATEGIES

Income → Growth

Direct Lending	Opportunistic Credit	Distressed Debt
Portfolio Implications		
■ Capital preservation and income ■ All weather strategy ■ Reliable and predictable income	■ Return enhancement with strong income component ■ All weather strategy ■ Less predictable income compared to traditional direct lending	■ Capital appreciation with income component ■ Counter-cyclical strategy and entry-point dependent ■ Higher volatility and wider return dispersion
Typical Holdings Characteristics		
■ Primarily floating rate ■ Performing credit with sponsor focus ■ Senior priority in capital structure ■ Newly originated loans with associated origination fees income ■ 5-7 years maturity, with a typical 3-year holding period	■ Fixed and floating rate ■ Performing and non-performing credit ■ Senior and junior securities ■ Blends newly originated and secondary market loans and bonds ■ 5-10 years maturity, with a wide range of holding period (0-7 years)	■ Fixed and floating rate ■ Non-performing credit ■ Senior and junior securities ■ Typically focus on secondary market loans and bonds ■ Maturity is less relevant; wide range of holding period (0-7 years)

PRIVATE CREDIT'S CAPITAL MARKETS ASSUMPTIONS (CMA)
AS OF APRIL 2025

The private credit 15-year CMA is derived using building block methodology

- Staff relied in leveraged loan data to proxy direct lending and a mix of loans and high yield bonds data to proxy opportunistic credit and distressed debt building blocks

Private Credit	
Recommendation	
Arithmetic Return	7.2
Standard Deviation	11.0
Geometric Return	6.6

	Direct Lending		Opportunistic Credit	Distressed Debt
	Unlevered	Levered		
Target Allocation	40%	10%	40%	10%
Cash Return	3.0	3.0	3.0	3.0
Spread	6.0	6.0	8.4	11.8
Credit Losses	-1.7	-1.7	-2.8	-4.6
Original Issuance Discount (OID)	0.3	0.3	0.2	
Fund Expenses	-1.4	-1.4	-1.8	-2.7
Leverage Cost		5.7		
Leverage Level		1.0x		
Expected Return	6.2	6.7	6.9	7.3

Weighted Average Return	6.6

BENCHMARK METHODOLOGY

S&P UBS LEVERAGED LOAN INDEX[1]

S&P UBS Leveraged Loan Index measures the market-value-weighted performance of broadly syndicated, USD-denominated leveraged loans with defined screens on credit quality, pricing availability, size, and maturity

- **Loan universe: Broadly syndicated, USD-denominated, fully funded floating-rate term loans issued from a defined set of eligible domiciles**
- **Credit quality: Excludes investment grade; uses blended rating across S&P/Moody's/Fitch**
  - **Unrated loans require initial spread >=125 bps**
- **Exclusions: Debtor-in-Possession (DIP) loans, Pay-in-Kind (PIK) features, and private-credit loans are excluded**
- **Pricing: Uses bid-side closing prices from third-party vendors with observable pricing at month-end**
- **Weighting and rebalancing: Market-value weighted and rebalanced monthly**

[1] Formerly the Credit Suisse Leveraged Loan Index.

BENCHMARK METHODOLOGY
VETTAFI U.S. HIGH YIELD INDEX[2]

VettaFI U.S. High Yield focuses on investable USD HY issuers of developed markets with explicit liquidity constraints and exclusions like PIK, floating-rate, convertibles, preferred stock, and perpetuals

- Liquidity and issuer concentration: Explicitly targets liquidity and can exclude bonds that are not liquid, actively traded, or lack consistent vendor pricing
  - Also, for issuers with more than two bonds, it includes only the two most liquid issues
- Security type inclusion: Securities must have a below investment grade rating (based on an average of Moody's, S&P, and Fitch)
  - Excludes PIK, floating-rate, convertibles, preferred stock, and perpetuals; includes straight corporate debt
- Country exposure screen: Excludes Emerging Market HY issuers
- Minimum size outstanding: Minimum outstanding can be $75mm (public/144A with reg rights) or $150mm (144A without reg rights); existing bonds removed if they fall below $50mm
- Maturity rules: Bonds must have greater than two years to maturity at issuance (unless “non-performing security”)
- Weighting and rebalancing: Market-value weighted and rebalance monthly

[2] Formerly the Credit Suisse High Yield Index.