

## AGENDA

### REGULAR COMMITTEE MEETING MARIN COUNTY DEFERRED COMPENSATION COMMITTEE

Marin County Civic Center, 3501 Civic Center Drive Rm. 410 B  
San Rafael, CA

Thursday, August 24, 2023 - 2:30 P.M

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1. **Call to Order**
2. **Roll Call**
3. **Approval of Minutes – Meeting of May 25, 2023 (ACTION ITEM)**
4. **Open Time for Public Comment**
5. **Deferred Compensation Committee Matters**
  - a. Bylaws of the Marin County Deferred Compensation Committee adopted by Board of Supervisors on July 25, 2023 ([Resolution No. 2023-73](#))
  - b. Introduction of new Committee member, Christina Cramer, Human Resources Director
  - c. Introduction of new Committee member, Katie Gaier, representing Retiree Representative seat, [appointed by the Board of Supervisors on August 8, 2023](#)
  - d. New Deferred Compensation Advisory Committee website: (<https://www.marincounty.org/depts/df/deferred-compensation-advisory-committee>)
6. **Hyas Group Report to Committee**
  - a. Review and consider approval of Annual Statement of Investment Policy and Guidelines (ACTION ITEM)
  - b. Update on Amendment to the Administrative Services Agreement for the Governmental 457(b) Deferred Compensation Plan
  - c. Quarterly Performance Report for QE 6/30/2023
  - d. Fund Review (ACTION ITEM):
    - i. Schroder US Small Mid Cap Trust
    - ii. Consideration of watch action for MetWest Total Return Bond
  - e. Legal and regulatory updates
  - f. Consider the approval of recommendation to add Vanguard Target Retirement Date 2070 Trust and Mutual Fund (ACTION ITEM)

**7. Nationwide Retirement Solutions Report to Committee**

- a. Quarterly Summary Report and Updates for QE 6/30/2023
- b. Virtual Benefits Booth Fair
- c. Second Quarter Participant Seminars

**8. Items for Future Agendas**

- Schedule 2024 Committee Quarterly Meetings

**9. Future Meetings:**

- November 16, 2023; 2:30pm – 4:00pm – Regular Meeting (Civic Center Room 324-A)

**10. Adjournment**

Late agenda material can be inspected in the Department of Finance between the hours of 9:00 a.m. and 4:00p.m. The Department of Finance is located in Room 225 of the Marin County Civic Center, 3501 Civic Center Drive, San Rafael.



For disability accommodations please phone [415-473-2685](tel:415-473-2685) (Voice), CA Relay 711, or e-mail [WSorensen@marincounty.org](mailto:WSorensen@marincounty.org) at least five business days in advance of the event. The County will do its best to fulfill requests received with less than five business days' notice. Copies of documents are available in alternative formats, upon request.

For consideration at August Committee meeting

## Minutes

**MARIN COUNTY DEFERRED COMPENSATION COMMITTEE**  
**Marin County Civic Center, 3501 Civic Center Drive**  
**San Rafael, CA**  
**May 25, 2023 - 2:15 P.M.**

**1. Call to Order**

Chair Mina Martinovich called the meeting to order at 2:22 p.m.

**2. Roll Call**

PRESENT: Mina Martinovich (Director of Finance); Dan Eilerman (designated alternative to the County Administrator); Jeff Wickman (Retirement Administrator, MCERA); Stephen Raab (designated alternative to County Counsel); and Lisa Hatt (Active Employee Representative).

ABSENT: Shanea Thompson (MAPE-represented Active Employee Member); Jia Chen (Marin County Superior Court)

Others in attendance: Jayson Davidson (Hyas Group); John Steggell (Nationwide); Kent Morris (Nationwide); Wendy Sorensen (Committee Staff, Department of Finance); Imani Jones (Committee Staff, Department of Finance).

**3. Open Time for Public Comment**

None

**4. Approval of Minutes – Meeting of February 14, 2023 (ACTION)**

MOTION by Dan Eilerman to approve Minutes of February 14, 2023

SECOND by Jeff Wickman

AYES: ALL

**5. Review and Consider Approval of Draft Bylaws of the Deferred Compensation Committee (ACTION)**

Mina Martinovich presented the draft Bylaws of the Marin County Deferred Compensation Advisory Committee for the Committee's review and consideration for adoption. The bylaws provide the Committee's purpose, including a description of the Committee's delegated authority and fiduciary obligations, as well as a description of the Committee's composition, meetings, and administrative functions. Ms. Martinovich noted that the bylaws were intentionally written to serve as a stand-alone set of governance rules that is separate and apart from the pre-existing Investment Policy Statement and Deferred Compensation Plan Documents.

Ms. Martinovich highlighted to the Committee Article III of the draft Bylaws, whereby the Committee composition is amended from eight (8) to nine (9) members, with the new ninth member being the "designee of the Human Resources Department, Employee Benefits Division." . The impetus for the addition of the ninth member was to ensure that the Committee, in carrying out its fiduciary oversight and administration of the County's deferred compensation programs, maintains the appropriate subject matter expertise and consideration of County employee benefits administration.

The Committee engaged in discussions regarding the membership composition and concerns on the Committee's ability to establish a meeting quorum which have been challenges in the past.

Conversation ensued surrounding the Committee's overall concern for the lack of attendance and participation by representative members, and most notably the Superior Courts representatives. Consideration was given on how best to engage Court representation in the Committee business on a more consistent basis.

MOTION by Dan Eilerman to adopt the Deferred Compensation Committee Bylaws as written, and to draft a letter to the Court Executive to request their attendance for future Committee meetings.  
SECOND by Jeff Wickman  
AYES: ALL

## 6. Deferred Compensation Committee Matters

Mina Martinovich provided the Committee with an update on the vacant Retiree Representative membership seat, advising that advertising and active recruitment efforts continue.

## 7. Hyas Group

- Update on Nationwide contract extension offer (ACTION)

John Steggell and Kent Morris (Nationwide) temporarily left the meeting for this discussion. Jayson Davidson (Hyas Group) presented Nationwide's proposal for contract extension and evaluated three- and five-year extension terms. Nationwide provided different pricing scenarios for the Committee's consideration, a 3-year contract renewal at a record-keeping fee of 6.5 basis points or a 5-year contract at 6.25 basis points. The Committee discussed the importance of maintaining the open architecture platform. They expressed confidence in Nationwide's services but also emphasized the need to hold them accountable and set high expectations. They also discussed the need for clarity and specifics regarding the financial planning services offered by Nationwide. Mr. Davidson advised to the Committee that he will work with Nationwide to better develop language regarding the proposed financial planning services and the potential to have some of those services provided on-site, as well as revisit the service-related penalties to have them better reflect the current service package.

MOTION by Dan Eilerman to extend the Nationwide contract for an additional five years at the new recordkeeping fee of 6.25 basis points  
SECOND by Lisa Hatt  
AYES: ALL

\* Stephen Raab left the meeting at the end of this discussion at 3:01 p.m. The rest of the meeting is informational only

\*\* John Steggell and Kent Morris rejoined the meeting after the Nationwide Contract vote at 3:01 p.m.

- Quarterly Performance Report for QE 3/31/2023

Mr. Davidson presented the First Quarter 2023 Performance Report for the Committee's review and discussed the current market conditions as well as near term market expectations. The quarter provided for strong fixed income and equity market returns in a continuation of the rally that began with the Fourth Quarter of last year. Markets remain focused on what has been cooling, but still high, inflation numbers and the Federal Reserve's tightening actions related to these numbers. Additionally, economic activity has shown signs of cooling and lending activity has slowed in the wake of the pressure put on regional banks from rapidly rising interest rates. In this

environment, the Plan's available suite of investment options performed in-line with expectations.

- On Watch Funds: Schroder US Small Mid Cap Trust  
On the heels of a very good twelve-month return versus policy benchmarks, the Plan's lone watch status option, the Schroder Small/Mid Cap Equity Fund, posted performance in compliance with investment policies parameters. The strategy's compliant position remains tenuous. However, Hyas is recommending holding the watch status.

Mr. Davidson informed the Committee of a recently announced personnel change affecting one of the Plan's available investment options, Hartford International Opportunities Fund. Hartford informed Hyas Group that one of the Portfolio Managers will be retiring on June 30, 2024. The Fund's Co-Portfolio Manager, Tara Stilwell, will assume sole management responsibilities following that date. Ms. Stilwell has been a named co-Manager on the strategy since 2010. Given the significant advanced notice and that an existing, long-tenured manager will be assuming responsibilities, Hyas is not recommending any watch action. They will, nonetheless, continue to monitor the transaction and provide additional information to the Committee as warranted.

- Legal And Regulatory Updates  
The Committee continued discussion around SECURE Act 2.0 provisions and the timing for implementation of those provisions the Committee is focused on. Hyas will work with Nationwide to put together a provision summary and recommendation piece for the Committee's consideration at a report meeting later this year.

## **8. Nationwide Retirement Solutions**

- Quarterly Summary Report And Updates For QE 3/31/2023  
John Steggell (Nationwide) provided the standard quarterly Plan report. He noted that the 457 Plan has been cashflow negative for a number of quarters after being positive one year ago. The rolling five quarter average for contributions was \$4.5 million and for distributions it was \$4.7 million. Mr. Steggell informed the Committee that the participation rate for the 457 Plan increased from the prior quarter's 59% to 62%. He also noted that 60% of the new money is being deferred into the 457 Plan's target date fund alternatives. On the participant outreach front, he reported that the Plan's dedicated Nationwide Representative conducted 36 on-site appointments and 82 virtual appointments. There were 4 group webinars also held during the quarter.

## **9. Items for Future Agendas**

- Review and consider approval of the Annual Statement of Investment Policy and Guidelines

## **10. Upcoming Meetings**

The next quarterly meetings are scheduled for:

- August 24, 2023; 2:30-4:00 – Regular Meeting (Civic Center, Room 410-B)
- November 16, 2023; 2:30-4:00 – Regular Meeting (Civic Center, Room 324-A)

## **11. Adjournment**

The meeting adjourned at **3:50 p.m.**

## **5. Deferred Compensation Committee Matters**



## 5.A

### COUNTY OF MARIN BYLAWS OF THE MARIN COUNTY DEFERRED COMPENSATION ADVISORY COMMITTEE

#### ARTICLE I: INTRODUCTION

The Bylaws of the Marin County Deferred Compensation Committee (“Bylaws”) are intended to assist the Marin County Deferred Compensation Advisory Committee (the “Committee”) in meeting its fiduciary obligations by effectively constructing, monitoring, and evaluating the Marin County 457(b) Deferred Compensation Plan (the “Plan”).

These Bylaws are an outline of the Committee’s general policies and are intended to supersede any earlier bylaws effective with the date this document is executed.

#### ARTICLE II: PURPOSE

Pursuant to Sections 21670 – 21685 of the Government Code of the State of California, the County of Marin (“County”) established a deferred compensation program whereby County employees could voluntarily authorize deferral of a portion of their wages to be invested in an approved deferred compensation plan authorized by the County Board of Supervisors (“Board”) and regulated by applicable state and federal law. The Plan is intended to constitute an eligible deferred compensation plan within the meaning of section 457(b) of the Internal Revenue Code of 1986 as amended and to conform to the authority set forth in Section 53212 - 53214 of the Government Code of the State of California.

The Board appointed the Committee with the delegated authority to establish rules and processes consistent with fiduciary laws and regulations with respect to discretionary matters involving Plan administration and investments.

#### ARTICLE III: MEMBERSHIP

The Committee shall be composed of nine (9) members and will include:

- Director of Finance (or their designated alternative)
- County Administrator (or their designated alternative)
- County Counsel (or their designated alternative)
- Retirement Administrator of the Marin County Employees Retirement Association (or their designated alternative)
- Human Resources Director (or their designated alternative)
- Two active employee members of the County of Marin, one of which shall be nominated by the Marin Association of Public Employees (MAPE)
- A representative of retirees of the County of Marin who participates in the Plan
- A representative of the Marin County Superior Court



## 5.A

1. **Permanent Members:** The Director of Finance, County Administrator, County Counsel, Retirement Administrator, and Human Resources Director are permanent members of the Committee (“Permanent Members”).

Upon the appointment and/or employment of a successor Department Head in any such position, the successor shall immediately and automatically replace the prior individual as a Permanent Member.

2. **Nominated Members:** Members representing the Committee seats of active employees, retirees, and Marin County Superior Court are considered nominated members of the Committee (“Nominated Members”), as follows:
  - a. Members representing active employees shall be appointed by the Board of Supervisors, one being the person nominated by MAPE, and the second being an applicant for the open position from among active County of Marin employees. The Active Employee Representative open position appointee shall be nominated by other members of the Committee and serve at the pleasure of the Board.
  - b. Member representing retirees shall be nominated by other members of the Committee and shall be appointed by the Board. The Retiree Representative appointee shall serve at the pleasure of the Board.
  - c. Members representing Marin County Superior Court shall be nominated by the Marin County Superior Court and shall thereafter be appointed by and serve at the pleasure of the Board.
3. **Member orientation and training:** Before a member is sworn in, they must receive and review a copy the County of Marin Board and Commission Handbook and the Bylaws of the Committee.
4. **Reimbursement:** Members shall serve without compensation but may receive reimbursement for expenses incurred in the performance of Commission business.
5. **Resignation:** Nominated Members who serve on the Committee may resign at any time upon giving written notice to the Committee.

## ARTICLE IV: OFFICERS

The officers shall include a Chair and Vice-Chair elected during the first scheduled meeting of the calendar year from among the serving Committee members. All members will have equal voting status and member’s alternate will also have equal voting status when specifically acting on behalf of their designating Committee member.

## 5.A

### ARTICLE V: MEETINGS

1. **General:** All meetings and Committee actions shall be called, noticed, held, conducted and documented in accordance with the provisions of the Ralph M. Brown Act (Government Code Section 54950 et seq.).
2. **Meeting Frequency:** Regular meetings shall be held at least quarterly as scheduled by the Chair. The Chair shall appoint committees, authorize calls for any special meetings, appoint standing or ad-hoc committees as needed, and generally perform the duties and functions of the presiding officer.
3. **Conduct of Meetings:** All meetings shall be conducted in accordance with any and all applicable laws, these Bylaws, and Robert's Rules of Order, Newly Revised<sup>1</sup>, for small boards, as amended from time to time; provided, however, that in the event of a conflict between these Bylaws and Robert's Rules of Order, the provisions of these Bylaws shall control.

The Committee may, in its discretion, adopt Standing Rules<sup>2</sup> governing the conduct of its business, provided that such Standing Rules shall not be in conflict with these Bylaws or any applicable laws of any governmental authority or agency having jurisdiction <sup>1</sup>over the Commission and provided further that such Standing Rules may be adopted, amended, modified, or repealed by majority vote of the Commissioners present at any duly called and constituted meeting of the Commission.

4. **Quorum:** A majority vote of the seated members of the Committee shall constitute a quorum to transact business and adopt action items. A lesser number than a quorum may adjourn a meeting.
5. **Voting:** An affirmative vote of the majority of a quorum of the Committee present at the time shall be necessary to approve any action item before the Committee. If requested by any member in attendance, a roll call vote must be held.
6. **Attendance:** A Nominated Member who ceases to discharge the duties of their membership seat by failing to attend Committee meetings for a period of three consecutive regular meetings, except when prevented by sickness, or with permission from the Chair, shall be deemed to have resigned from the Committee and their membership seat shall become vacant.

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<sup>1</sup> Parliamentary guide for all matters of procedure for the Committee not specifically covered by these Bylaws.

<sup>2</sup> Rules or resolutions that are of a continuing nature dealing with administrative matters and function under the auspice of these Bylaws

## ARTICLE VI: DISCRETIONARY ADMINISTRATIVE FUNCTIONS

### 1. General Committee Guidelines

It is the intent of the Committee to fulfill its fiduciary responsibilities with respect to the Plan solely in the interest of the Plan participants and beneficiaries and exclusively for the purpose of providing benefits. The Committee members, as fiduciaries, are to perform their duties with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. The Committee shall provide sufficient investment choices to allow participants to diversify their account balance to minimize risk.

### 2. Plan Administrator

As Plan Administrator, the Committee is a Plan fiduciary with the responsibility and discretionary authority for interpreting the terms of the Plan, for administering and maintaining the Plan in accordance with governing laws and the terms of the Plan Document, for appointing or removing any investment manager, for entering into investment arrangements with respect to the investment funds, and for incurring or approving certain expenses and charging them to the Plan in accordance with the Plan Document.

### 3. Committee Functions

The following are the primary Plan functions for and over which the Committee has direct responsibility or oversight. These items are set forth as a guide with the understanding that the Committee may supplement them as appropriate by establishing policies and procedures from time to time as it deems necessary or advisable in fulfilling its responsibilities. In undertaking the responsibilities set forth below, the Committee has full and complete discretionary authority.

- Selecting the investment design features of the Plan, including establishing the investment policy and objectives and the number and types of investment alternatives available to Plan participants;
- Appointing, monitoring and evaluating all investment providers and managers in accordance with guidelines and benchmarks established within this document and consistent with applicable laws;
- Selecting and monitoring other Plan service providers, including, but not limited to, the Plan record-keeper, trustee, investment consultants, accountants, and/or any other providers; and
- Monitoring Plan costs which are charged to Plan assets and/or paid by Plan participants, including but not limited to investment management fees, custodial fees and fees paid to other plan service providers from Plan and/or participant assets.

## 5.A

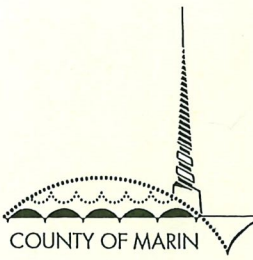
In addition, the Committee will:

- a. Oversee the selection and satisfactory performance of the Plan's trustees and other third parties retained to help in administration of the Plan, including without limitation, any accountants, record-keepers, purchasing agents, investment managers, investment consultants and legal counsel.
- b. Oversee the selection and satisfactory performance of other third parties retained to provide services to plan Participants, including, without limitation, advice services and education for plan Participants.
- c. Receive, review and evaluate periodic or special reports provided by investment managers, investment consultants, legal counsel, auditors, administrative consultants or internal County departments with respect to matters affecting Plan investments, financing, accounting, administrative, or compliance matters.
- d. Evaluate and approve matters necessary to satisfy the County's fiduciary obligations with respect to the Plan.
- e. Have the authority to establish sub-committees composed of Committee members and to establish the duties and responsibilities it delegates to any sub-committee.
- f. Review and assess the adequacy of these Bylaws periodically and recommend any proposed changes to the Board for approval.
- g. Act as an appeals fiduciary to make any determinations in the event of an appeal by a Plan participant of a claim for benefits, except as otherwise provided pursuant to the terms of the Plan, applicable service contracts or other County delegations.
- h. Interpret and construe the terms of the Plan and, where appropriate, seek the advice of legal counsel to help with the interpretation or construction.
- i. Cause all Plan documents to be maintained and updated and ensure that the Plan is operating in compliance with applicable laws and regulations.
- j. Establish and maintain the investment policies for the Plan. The Committee may retain an independent investment manager with fiduciary responsibility for its investment services, including selection and monitoring of investment options according to the established policies.
- k. Assure that the responsibilities, assigned by the Statement of Investment Policies and Guidelines and the governing Plan Document, have been adhered to.
- l. Periodically, consider the advisability of soliciting proposals from qualified Plan providers, as appropriate.

## 5.A

### **ARTICLE VII: AMENDMENT OF BYLAWS**

The Committee may recommend amendments to these Bylaws at any meeting by a vote of the majority of the members of the Committee. Recommended amendments must be reviewed by County Counsel and approved by the Board before taking effect.



DEPARTMENT OF FINANCE

Excellent and responsive fiscal leadership.

August 8, 2023

Mina Martinovich, CPA  
DIRECTOR

Sandra Kacharos  
ASSISTANT DIRECTOR

Marin County Board of Supervisors  
3501 Civic Center Drive  
San Rafael, CA 94901  
Dear Board Members:



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3501 Civic Center Drive  
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San Rafael, CA 94903  
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415 473 3680 F  
CRS Dial 711  
[www.marincounty.org/dof](http://www.marincounty.org/dof)

**SUBJECT:** Appointment of Retiree Representative to the Deferred Compensation Advisory Committee

Dear Supervisors,

**RECOMMENDATION:** Request to appoint Katie Gaier as Retiree Representative to fill the current vacancy on the Deferred Compensation Advisory Committee, per Resolution 2023-73.

**BACKGROUND:** The members of the Marin County Deferred Compensation Advisory Committee are trustees appointed by the Board of Supervisors to serve as fiduciaries under the Marin County 457 Deferred Compensation Plan. Their primary duties are to provide oversight with respect to discretionary matters involving the Plan's program administration and investments. The nine (9) members of the Committee include: a representative of the Director of Finance, a representative of the County Administrator, a representative of County Counsel, a representative of the Marin County Employees' Retirement Association (MCERA), a representative of the Director of Human Resources, two representatives of active employees of the County of Marin, a representative of retirees of the County of Marin who participates in the Deferred Compensation Plan, and a representative of the Marin County Superior Court.

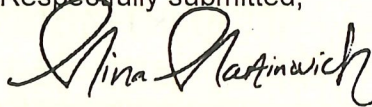
**SUMMARY:** Pursuant to Resolution No. 2023-73, the Marin County Deferred Compensation Advisory Committee requests your Board to appoint nominee Katie Gaier to fill the current vacancy of the Committee's Retiree Representative. The appointee will serve at the pleasure of the Board.

**FISCAL IMPACT:** There is no fiscal impact associated with this request.

**REVIEWED BY:**                     Director of Finance                     N/A  
    County Counsel                          N/A  
    County Administrator                    N/A



Respectfully submitted,



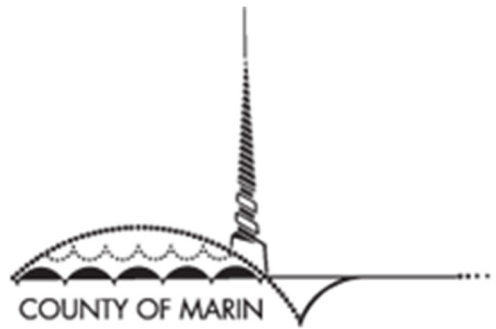
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Mina Martinovich  
Director of Finance

cc: Matthew Hymel, County Administrator  
Christina Cramer, Director of Human Resources  
Brian Washington, County Counsel  
Jeff Wickman, MCERA Retirement Administrator

## **6. Hvas Group Report to Committee**





~~COUNTY OF MARIN~~ COUNTY

457 Deferred Compensation Plan  
Statement of Investment Policies and Guidelines

Revised August 202~~3~~<sup>2</sup>

## 6.A

### INTRODUCTION AND PURPOSE

This statement is set forth to provide an outline of the investment policies, guidelines and objectives related to the administration of the ~~County of Marin~~ County 457 Deferred Compensation Plan (hereinafter “Plan”). The ~~County of Marin~~ County Deferred Compensation ~~Plan Advisory~~ Committee administers and provides oversight for the Plan. The Plan is a voluntary, salary deferral retirement plan available to eligible County of Marin employees. The Plan’s purpose is to provide a vehicle for and to encourage additional retirement savings in order to supplement the other retirement benefits provided to ~~City-County~~ employees.

This Investment Policy Statement is further intended to assist the fiduciaries of the Plan in making investment-related decisions in a prudent manner. It outlines the underlying philosophies and processes for the selection, monitoring and evaluation of the investment options and investment providers utilized by the Plan. This Investment Policy Statement will be reviewed at least annually and it can be revised at any time to reflect changes in the capital markets, plan participant objectives, or other factors relevant to the Plan.

The Plan Document for the Plan is the governing document and contains the specific Plan provisions and requirements for determining eligibility and operational processes for contributions and withdrawals. If any term or condition of this Investment Policy Statement conflicts with any term or condition in the Plan, the terms and conditions of the Plan as provided under the Plan Document shall control.

### SUMMARY OF RESPONSIBILITIES

**Plan Sponsor** – The County of Marin is the Plan Sponsor. The Plan Sponsor’s responsibilities include but are not limited to:

- Adopting and amending the Plan Document;
- Approving Plan services contracts;
- Appointing the Committee members; and
- Designating other fiduciaries of the Plan.

**Committee** – The ~~County of Marin~~ County Deferred Compensation Advisory Committee (hereinafter “Committee”) has responsibility for the operation and administration of the Plan in accordance with the terms of the Plan Document. It is the intent of the Committee to fulfill its fiduciary responsibilities with respect to the Plan solely in the interest of the participants and beneficiaries. The Committee members, as fiduciaries, are to perform their duties with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

The ~~Deferred Compensation~~ Committee’s responsibilities also include but are not limited to the following:

- Selecting the investment design features of the Plan, including establishing the investment policy and objectives and the number and types of investment alternatives available to Plan participants;
- Appointing, monitoring and evaluating all investment providers and managers in accordance with guidelines and benchmarks established within this document and consistent with applicable laws;
- Selecting and monitoring other Plan service providers, including, but not limited to, the Plan record-keeper, trustee, investment consultants, accountants, and/or any other providers; and
- Monitoring Plan costs which are charged to Plan assets and/or paid by Plan participants, including but not limited to investment management fees, custodial fees and fees paid to other plan service providers from Plan and/or participant assets.

## 6.A

**Investment Consultant** – The Committee may engage an independent investment consultant (hereinafter “Consultant”) to assist in carrying out the duties and responsibilities of this Investment Policy Statement. Such Consultant must be registered with either State or Federal securities regulators pursuant to the Investment Advisors Act of 1940. The Consultant’s role is to provide information on various investment related issues. The Consultant has no discretionary control or authority over the Plan and its assets. In its role as an advisor to the Committee the Consultant acknowledges a fiduciary role with respect to the investment advice provided to the Committee. The services of the Consultant will be set forth in a separate agreement.

**Investment Provider** – An entity that offers investment option products and manages assets for the Plan. Examples of investment option products offered by an investment provider may include mutual funds, commingled trust funds, separate accounts and/or variable annuity contracts.

**Investment Manager** – The person(s) at the Investment Provider responsible for implementing an investment option’s investing strategy and managing its portfolio trading activities.

**Services Provider** – An entity engaged to assist the Plan Sponsor and the Committee in regard to the administration of the Plan. This assistance includes Plan enrollment, communication, education, including providing general investment information to Plan participants regarding the procedures for making investment choices under the Plan. Additionally, the Services Provider should provide general information regarding each of the investment options offered under the Plan, required disclosures, distribution processing, record keeping and other administrative functions as prescribed in an agreement entered into between the Plan Sponsor and the Services Provider.

### **GENERAL COMPLIANCE**

The Plan is designed in accordance with the requirements of Section 457 of the Internal Revenue Code of 1986 (hereinafter “Code”), as amended. Though the Employee Retirement Income Security Act (ERISA) does not apply directly to the Plan, the Committee nevertheless intends to structure the Plan to contain certain features of a “404(c) Plan” within the meaning of the Department of Labor regulations under Section 404(c) of ERISA. The Plan participants will be solely responsible for the investment decisions and investment transactions that they make under this Plan as well as for electing the timing and form of distributions according to the terms of the Plan.

In keeping with the statutory framework of the Department of Labor regulations under ERISA Section 404(c), the Committee aims, within its available resources, to provide Plan participants with the following opportunities to:

- A. Choose from a minimum of three diverse investment categories, each with materially different risk and return characteristics. At least one of the categories will provide for a high degree of safety and capital preservation;
- B. Make investment decisions at least quarterly; and
- C. Receive or have access to the following information, as updated and as made available by the Services Provider:

## 6.A

- A description of the investment options available under the Plan including a general description of the investment objectives, risk and return characteristics, and type and diversification of assets comprising each alternative;
- Identification of the designated investment providers and investment options;
- A description of any transaction fees or expenses charged to the participant's account, and information on costs and fees for an investment option that reduce the rate of return to participants (expense ratios); and
- Prospectuses, annual reports, and semi-annual reports on investment option, if available.

### **GENERAL INVESTMENT POLICY, OBJECTIVES AND STANDARDS**

The Plan intends to foster an investment environment that encourages and facilitates participant efforts to supplement other sources of retirement income. Participants in the Plan are solely responsible for their own investment decisions and bear the risks and assume responsibility for the results of the investment options that they select. The Committee makes no representations, promises, or warranties regarding the suitability of Plan participation for any participant's individual investment or retirement needs. Additionally, the Committee makes no representations, promises or warranties about the performance of the Plan or the Plan's investment options.

The primary investment objective of the Plan is to present participants with a range of investment options, which give participants an opportunity to increase the value of their account in a manner consistent with varying levels of participant risk/reward tolerances and investment decision making skills. While the Plan cannot meet all plan participant investment preferences and attitudes, the Plan attempts to provide investment options for participants at various levels of investment sophistication and with varying requirements for risk and return.

Information that may be used to select which investment options to offer includes, but is not limited to, the following:

- Age, income and other demographic data on Plan participants
- Liquidity and administrative constraints imposed on the Plan by investment managers and/or service providers
- Development of new investment products in the marketplace
- Level of participant usage of a particular investment category or option

A risk/reward structure is basic to investments. Generally, those vehicles offering the greatest return over time also carry the highest risk or volatility of return. The inherent conflict between volatility and long-range asset accumulation can be lessened through diversification among asset categories or classes. To provide participants the opportunity to select risk/reward strategies and to diversify the Plan assets, the Plan will offer a number of investment alternatives in varying asset categories. These categories will have varying return and volatility characteristics and it is the responsibility of each participant to evaluate the investment options and to select an appropriate mix.

## 6.A

In addition to providing a range of investment options, the Plan seeks to provide investment options that are competitive in terms of performance relative to appropriate investment performance and risk benchmarks. The performance and risk relationships of the Plan's investment options will be reviewed periodically. Investment options should generally be given a full market cycle to achieve stated objectives (market cycles normally occur over 3-5 year time periods). Investment options are expected to meet (in the case of passively managed/indexed options) or exceed their pre-determined benchmark index net of fees. Where peer groups are definable, actively managed investment options are expected to perform within the upper half of a sample of same style peers net of fees. In addition to net investment performance, the options' risk characteristics will also be reviewed. The risk associated with an investment option generally should be similar to the same-style peer group.

### INVESTMENT OPTIONS

Investment options offered by the Plan will be categorized or grouped by similarities in investment objectives, style and risk. The Plan's services provider(s) and Consultant may be used to assist in determining the categories of investment options. The Plan will assist participants in meeting their long-term investment objectives by providing investment options within the following permitted investment categories (these categories are further explained later in this document):

#### A. Tier 1: Target Retirement Date Pre-Mixed Portfolios

#### B. Tier 2: Asset Category Core Options

- Fixed Stable Value / [Guaranteed Investment Contract](#)
- Total Return Bond
- U.S. Large-Size Company Equity
- U.S. Small/Mid-Size Company Equity
- International Equity
- Socially Responsible (Balanced)

#### C. Tier 3: Self-Directed Brokerage

Investment options and categories may be added or deleted as the Committee deems necessary. At least one investment option shall be available within each investment category.

The following table outlines the objectives and performance benchmarks for each of the Plan's investment options. The risk associated with an investment option will be compared to appropriate risk benchmarks or measures for a same-style group of peer investment options, where definable.

## 6.A

### TIER 1: TARGET RETIREMENT DATE PRE-MIXED PORTFOLIOS

<b>Lifecycle Premixed Portfolio - Retirement Income</b>	
Provide an asset allocation that is designed to deliver income generation, capital gains, and liquidity for investors in retirement. The portfolio will be well diversified including U.S. fixed income securities as well as U.S. and international equities. Stocks generally will comprise not more than 30% of the total portfolio. The percentage of international equities generally will not exceed 50% of the equity portion of the fund.	
<b>Benchmark Index:</b>	Custom Blended Index
<b>Peer Group:</b>	US Retirement Income

<b>Lifecycle Premixed Portfolio – 2020, 2025, 2030</b>	
Provide an asset allocation that is designed to deliver income generation, capital gains, and liquidity for investors whose expected retirement date matches the date provided in the portfolio’s name. Portfolios provide different allocations to stocks and bonds dependent upon the target retirement or withdrawal date that is selected. The portfolio will be well diversified including U.S. fixed income securities, and U.S. and international equities. Stocks generally will comprise 40%-65% of the total portfolio. The percentage of international equities generally will not exceed 50% of the equity portion of the fund.	
<b>Benchmark Index:</b>	Custom Blended Index
<b>Peer Groups:</b>	US Target Date 2020, US Target Date 2025, US Target Date 2030

<b>Lifecycle Premixed Portfolio – 2035, 2040, 2045, 2050, 2055, 2060, 2065, 2070</b>	
Provide an asset allocation that is designed to deliver income generation, capital gains, and liquidity for investors whose expected retirement date matches the date provided in the portfolio’s name. Portfolios provide different allocations to stocks and bonds dependent upon the target retirement or withdrawal date that is selected. The portfolio will be well diversified including U.S. fixed income securities, and U.S. and international equities. Stocks generally will comprise 65%-95% of the total portfolio. The percentage of international equities generally will not exceed 50% of the equity portion of the fund.	
<b>Benchmark Index:</b>	Custom Blended Index
<b>Peer Groups:</b>	US Target Date 2035, US Target Date 2040, US Target Date 2045, US Target Date 2050, US Target Date 2055, US Target Date 2060, US Target Date 2065+

## 6.A

### TIER 2: ASSET CATEGORY CORE OPTIONS

<b>Fixed Stable Value/Guaranteed Investment Contract</b>	
<p>Provide high current income relative to cash investments and a high degree of investment safety without fluctuation of principal. Investment returns are derived primarily from interest income, with the possibility of some capital appreciation (or depreciation) of the underlying investment instruments. Generally this option will be invested in guaranteed investment contracts (GICs), “synthetic” portfolios, money market instruments, and others, each mainly comprised of investments of short- to intermediate maturity, and which provide for an adequate degree of liquidity. The weighted-average maturity is expected to remain between two and five years at most times, though the investment manager retains discretion to occasionally deviate from these parameters. Products from different issuers are permitted within the option, but generally, it is expected that the portfolio will remain broadly diversified with respect to issue, issuers, wrap-providers, the utilization of any General Account investments, and other relevant factors. The overall weighted credit-quality rating of the option shall be the equivalent of mid-investment-grade rating or higher. The rating must be obtained from at least one credit rating agency such as Moody, S&amp;P or Duff &amp; Phelps. If the option’s weighted rating declines below this level, the option will be evaluated for corrective action.</p>	
<b>Benchmark Indexes:</b>	5 year Constant Maturity (CM) US Treasury, 90-Day US Treasury Bill,
<b>Peer Group:</b>	Stable Value

<b>Total Return Bond</b>	
<p>Provide capital appreciation and income through a diversified, <del>actively managed</del> fixed income portfolio. The portfolio’s duration is expected to be comparable to that of its Benchmark Index, with some bandwidth allowed for the manager to exercise strategic deviation from the Benchmark. Average credit quality is expected to be investment grade. The fixed income portfolio will normally be primarily comprised of investments including money market instruments, U.S. Government and Agency bonds, mortgage-backed securities, corporate bonds, and others. The manager will be given discretion to hold securities that are not contained within the Benchmark Index. The portfolio’s aggregated composition and risk and return characteristics however are expected to be reflective of its asset class.</p>	
<b>Benchmark Index:</b>	Bloomberg US Aggregate Bond Index
<b>Peer Group:</b>	US Intermediate-Term Core Plus Bond, US Intermediate-Term Core Bond

<b>U.S. Large Company Equity</b>	
<p>Provide long-term capital appreciation through a diversified common stock portfolio whose average market capitalization may be categorized as Large Cap by an industry standard data provider. Stocks of foreign companies that are traded in the U.S. may also be included, but are expected to constitute a minority portion of the portfolio.</p>	
<b>Benchmark Indexes:</b>	S&P 500 Index
<b>Peer Groups:</b>	US Large Blend

<b>U.S. Small/Mid-Size Company Equity</b>	
<p>Provide long-term capital appreciation through a diversified common stock portfolio whose average market capitalization may be categorized as Small/Mid Cap by an industry standard data provider. Stocks of foreign companies may also be included, but are expected to constitute a minority portion of the portfolio.</p>	
<b>Benchmark Indexes:</b>	S&P <del>Extended Market</del> <u>Completion</u> Index, Russell 2500 Index
<b>Peer Groups:</b>	US Mid Blend

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### TIER 2: ASSET CATEGORY CORE OPTIONS (cont.)

<b>International Equity</b>	
Provide long-term capital appreciation through a diversified portfolio of international equities. Stocks of emerging countries may be used at the discretion of the manager, but are expected to constitute a minority portion of the portfolio at most times.	
<b>Benchmark Indexes:</b>	MSCI AC World ex-USA (Net)/FTSE All-County World ex-US (net), MSCI AC World ex-USA (net)
<b>Peer Groups:</b>	US Foreign <u>Large</u> Blend

<b>Socially Responsible (Balanced)</b>	
Provide long-term capital appreciation through a diversified, portfolio of common stocks and bonds of companies screened to meet selected “socially responsible” criteria. Stocks and bonds of foreign companies may be included, but are expected to constitute a minority portion of the portfolio. The allocations to stocks and fixed income investments <del>is</del> <u>are</u> expected to be 60% and 40% respectively. The fund’s manager may alter this mix however as circumstances appear to warrant.	
<b>Benchmark Index:</b>	US Balanced Index
<b>Peer Group:</b>	US 50% to 70% Equity Allocation

### TIER 3: SELF-DIRECTED BROKERAGE

<b>Self-Directed Brokerage (SDB)</b>	
For Plan participants who consider themselves to be knowledgeable about investment principles, the Plan may offer a brokerage account option. Such option may be provided through one or more broker-dealers, as defined and regulated by the National Association of Securities Dealers, Securities Exchange Committee or State Securities Departments. Assets held in an SDB will be maintained in the name of the Plan Trustee or custodian for the benefit of the participant who established the account. Permissible investments for an SDB may include registered mutual funds and other securities permitted under State law. Futures and options are not permitted. It is the SDB account holder’s responsibility to adhere to these and any other restrictions placed on him or her by the Committee, broker-dealer or regulatory body. It is also the account holder’s responsibility not to engage in transactions prohibited by statute or any regulatory entity. Investment options available through the SDB may contain additional risks and are not monitored by the Committee. The Committee may further restrict permissible investments available in the SDB. Each SDB account holder will be responsible for his or her own commissions, fees or loads applicable to individual securities or mutual fund transactions for the account.	
<b>Benchmark Index:</b>	Not Applicable
<b>Peer Group:</b>	Not Applicable

### INVESTMENT OPTION SELECTION GUIDELINES

Investment options offered to participants will be provided through investment provider(s) accessible on the Services Provider’s platform. Before introducing a new investment fund, the Committee, in consultation with the Consultant and Services Provider will define the niche to be filled and assess any prospective investment option’s performance, quality, and risk characteristics. At a minimum, investment options under consideration should satisfy performance and risk considerations under actual, not modeled, conditions and



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over an appropriate time period. Investment option selection considerations may include, but are not limited to the following:

- The investment option should generally, but not necessarily, have a history that spans a full market cycle, normally three to five (3-5) years.
- The investment option should generally meet or exceed its predetermined benchmark index, net of fees.
- The investment option should generally perform at median or within the upper half of a recognized and defined sample of same-style peer funds.
- The investment option should be able to demonstrate a consistent performance track record attributable to a specific investment manager or team of managers.
- For Target Retirement Date Funds, the Committee shall consider the current and prospective composition of the Target Date funds (based on their glide path), and the corresponding risk and return implications relative to the benchmark and peer group constituents. Additionally, any newly available target age option within the series will be considered within 120 days of it being made available by investment provider. The Committee will take formal action before any such option is added to the Plan.

### **INVESTMENT OPTION REVIEW GUIDELINES AND MONITORING**

Investment providers and investment managers are required to comply with all applicable laws, rules, and regulations. However, the Committee takes no responsibility for the failure of such option and/or investment manager to comply with any and all applicable laws, rules or regulations.

All options must have readily ascertainable market values and be easily marketable. It is recognized that Stable Value/GIC funds often have liquidity restrictions. Investment options with sales loads, redemption fees, or other non-investment management related expenses will be avoided to the extent possible. Options with deferred sales charges and/or market value adjustments will not be permitted.

Each investment option portfolio shall be diversified adequately to reduce risk and comply with current regulations and applicable state laws.

Investment option performance, risk and style consistency is intended to be evaluated on a quarterly basis. Performance and risk results will be evaluated using comparisons with this policy, pertinent market indices and against other same-style peers, where definable. When necessary, investment option performance and risk may be reviewed more frequently.

The Committee will periodically review the investment options' progress in meeting the Plan's investment objectives. Investment options will be expected to comply with all stated investment objectives, guidelines and applicable rules contained in the prospectus or fund fact sheet. The Committee will review the performance of investment options quarterly to determine if they are achieving the established objectives. Investment performance reviews may include, but are not limited to, a review of:

- Investment portfolios;
- Fees and expenses;
- Investment style, process and philosophy;
- Investment management personnel; and
- Index tracking error.

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The performance review will also include measuring the options' investment performance relative to stated benchmarks or respective indexes and peer groups; as well as the monitoring risk measures. The following will be evaluated:

### **QUANTITATIVE MEASURES**

**Active Investment Strategies.** Options employing active management are expected to outperform their stated asset class or style benchmark net of all management fees over a trailing five year time period; and to rank above the 50<sup>th</sup> percentile of the appropriate peer group for the same trailing five year time period. It is also expected that the risk of each option, as defined by standard deviation of returns, be commensurate with the prescribed strategy relative to the appropriate market index and/or peer group. Target Date funds will be evaluated relative to customized passive benchmarks, comprised of two or more market indices allocated in a manner reasonably consistent with the stated asset allocation of the fund. Each Target Date fund will be compared to a passive benchmark developed specifically for the fund. The fund should exhibit risk and return characteristics that are reasonably consistent with the passive benchmark. After expenses, the fund should not systematically underperform the passive benchmark, nor should its expenses exceed the category average.

**Passive Investment Strategies.** Passive Options are expected to track the performance of the index strategy that the option is designed to replicate, less management fees, with marginal tracking error. It is also expected that the risk of each passive option, as defined by standard deviation of returns, be commensurate with the appropriate market index.

It should also be noted that certain passive investment options operate in a marketplace that includes foreign markets whose exchanges close prior to those of the United States. In these instances, some fund managers may engage in a method of "Fair Value Pricing," whereby the managers adjust the pricing of securities in the Fund to reflect any information that has become available after the close of the applicable foreign exchange market. Discrepancies in performance between the applicable investment option and its performance benchmark that are due to "Fair Value Pricing" and other common index fund tracking factors (such as the timing of market closures, management fees, benchmark nuances, and others) will be taken into consideration in evaluating performance of the affected investment options and generally will not be counted as underperformance.

### **QUALITATIVE MEASURES**

The options will also be monitored on an ongoing basis for other material changes which the Committee may determine are of importance to the decision of whether or not to retain an investment option, such as personnel departures; organizational changes; or alterations in investment style, philosophy, or strategy; and adherence to stated guidelines.

**Time Periods.** The Committee acknowledges that fluctuating rates of return characterize the securities markets, particularly during short-term time-periods. Recognizing that short-term fluctuations may cause variations in an option's performance, the Committee intends to employ investment options with long-term investment strategies and will evaluate option performance from a long-term perspective. Performance over market cycles of three to five years will be weighted more heavily than performance over shorter time periods, such as one year or less.

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In addition to the qualitative and quantitative measures referenced above, the Committee will also review the investment options' risk characteristics in relation to that performance. Risk will be measured in various ways including, but not limited to:

- Standard deviation
- Downside risk or semi-variance
- Risk/return ratios such as Sharp or Treynor Ratios
- Other statistical measures such as Beta, Alpha and Variance
- The current and prospective composition of the Target Date funds (based on their glide path), and the corresponding risk and return implications relative to the benchmark and peer group constituents.

### **INVESTMENT OPTION TERMINATION AND WATCH GUIDELINES**

Generally, all investment options are expected to remain true to their stated investment objectives and to perform as well as or better than their prescribed performance benchmarks, net of fees. The Committee recognizes the long-term nature of retirement plan investing and the variability of market returns. Periodic underperformance in any of the criteria outlined in this Investment Policy will not necessitate the termination of an option; however, any underperformance will result in consideration by the Committee of the factors causing underperformance and possible courses of action that the Committee may take.

The Committee may, at any time, place any investment option that it views as having a pattern of underperformance on a watch-status. Reasons the Committee might place an option on a watch status, include but are not limited to, the following:

#### **Quantitative Measures**

##### Actively Managed Options

- Performance below the prescribed benchmark index over a trailing five year period, combined with
- Performance below the median of its peer group over a trailing five year period

##### Passively Managed Options

- Net of fee and any fair value adjustment performance tracking error relative to the respective index that is greater than 15 basis points

Target Date funds will be evaluated based on the performance of the entire suite as held within the Plan. A Target Date suite will normally be viewed as being in violation of investment policy performance criteria if over one-half of the funds in a Target Date suite held within the Plan lag this Investment Policy Statement's prescribed performance measures. The Committee may elect to deviate from this approach if it appears reasonable to do so.

#### **Qualitative Measures**

- Management team or other significant personnel turnover;
- Changes in the product's investment philosophy, process, style or risk profile;
- Excessive or rapid asset growth or decline;
- Pending regulatory investigations or material legal proceedings;
- Changes to firm ownership;
- Significant increase in management fees or expense ratio.

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An investment option may remain on watch status until the Committee decides to take further action. Committee actions include, but are not limited to, the following:

- Removing the investment option from watch status; and
- Terminating the investment option and reallocating the assets to an alternate or replacement investment option by Committee direction.

To be removed from quantitative, performance related watch status, generally, performance for the preceding five year trailing periods should be above the benchmark index or median for at least two consecutive quarters. However, barring any breakdown in process, the Committee may decide to leave an option on watch for as long as they feel it is prudent to do so.

The Committee reserves the right to terminate investment option relationships at any time, for any reason when it determines such termination is in the best interests of the Plan and its participants and beneficiaries. Upon termination, further contributions or transfers to an investment option may be frozen, or the option may be replaced with or without transferring existing assets from the replaced option. Once the decision to terminate an option and remove it from the Plan is made, asset transfer and liquidation should be handled to the best advantage of the Plan, with due consideration given to the anticipated effect on affected participants and beneficiaries.

### **INVESTMENT OVERSIGHT RESPONSIBILITY AND PROXY VOTING**

The Committee shall have overall responsibility for the selection, monitoring and termination of all investment managers. Additionally, the Committee shall be responsible for reviewing and maintaining these investment policies and guidelines.

Proxy voting rights shall be exercised in the best interest of the participants and beneficiaries of the Plan. The Committee may delegate the responsibility for promptly voting all proxies and related actions in a manner consistent with the long term interest and objectives of the Plan. The Committee shall keep records of the voting of proxies and related actions and will comply with all applicable regulatory obligations.

On behalf of the ~~County of Marin~~ County 457 Deferred Compensation Plan, this Investment Policy Statement is adopted by the Committee and effective on this date:

By: \_\_\_\_\_

Name:

Date: \_\_\_\_\_

### GLOSSARY

#### **Annualized Return**

Rate of return of the account smoothed as though the return occurred equally over twelve-month periods. When the specified time frame is for less than a year, the rate of return is projected as though the same performance continues to occur for a twelve-month period.

#### **Benchmarks**

A standard against which the performance of the portfolio can be measured, typically against a standard index, although a client manager may also set the benchmark.

#### **Duration**

The weighted maturity of a fixed-income investment's cash flows, used in the estimation of the price sensitivity of fixed-income securities for a given change in interest rates. Time periods are weighted by multiplying by the present value of its cash flow divided by the bond's price (a bond's cash flows consist of coupon payments and repayment of capital). A bond's duration will almost always be shorter than its maturity, with the exception of zero-coupon bonds, where maturity and duration are equal.

#### **Growth Style Investing**

Growth investors purchase companies that have above-average earnings growth and/or above-average sales growth rates.

#### **Investment Objectives**

The overall financial objectives of an investor. For example, whether the investor requires income or capital appreciation. The investor's objectives govern the investment strategy.

#### **Large Cap**

Large Capitalization – refers to those companies with a market capitalization categorized as Large Cap by an industry standard data provider.

#### **Liquidity**

The ability to buy or sell an asset quickly and in large volume without substantially affecting the asset's price.

#### **Market Capitalization**

The dollar value of a public company based on the total number of shares of stock available multiplied by the price per share.

#### **Mid Cap**

Mid Capitalization – refers to those companies with a market capitalization categorized as Mid Cap by an industry standard data provider.

#### **Net of Fees**

After subtraction of management fees.

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### **Peer Group**

Contemporaries of the same asset class that can be compared against one another to achieve a larger sense of how the particular portfolio is performing.

### **Portfolio**

Refers to the complete list of securities held in an investment vehicle.

### **Small Cap**

Small Capitalization – refers to those companies with a market capitalization categorized as Small Cap by an industry standard data provider.

### **Standard Deviation**

Measures the range of returns and is based on a Normal Curve. Managers with lower standard deviations than the index have historically had returns that tended to fall closer to their mean return compared to the index. Managers with higher standard deviations than the index have historically had returns that tended to be further dispersed around the mean than the index. This is another measure of volatility, but it doesn't distinguish downside performance from upside performance.

### **Value Style Investing**

Value investors rely on an examination of the underlying or unrealized value of a company as the primary criterion for deciding whether or not to buy a company's stock. Value stocks are often priced lower than growth stocks due to slower growth expectations, recent financial difficulty, or a host of other reasons.

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H Y A S G R O U P

**Marin County, California**  
**457 Deferred Compensation/OBRA Plans**  
June 30, 2023 Performance Report

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## **Section 1 | Market Overview**



## GLOBAL ECONOMIC LANDSCAPE

- Though marginally slowing, payroll growth in the United States has been surprisingly resilient and has contributed to the view that a soft-landing rather than an outright recession may be in the cards. Non-farm payrolls (averaged over the past six months) for example have consistently declined for the past two years, but at approximately 300,000 monthly gains, stand well above the estimated replacement-rate of 90,000. Other metrics such as high GDP per worker, high job openings particularly in the leisure and hospitality sectors, and public sector payrolls remaining below pre-COVID levels suggest ongoing support for the labor market.<sup>1</sup>
- Markets across much of the developed world (excluding Japan) priced in higher central bank rate expectations over the second quarter, ranging from increases of 0.30% to 0.40% for the United States and European Union to 1.75% in the United Kingdom (UK). A common foe – inflation – helps to explain these increases. Where inflation data surprised the most to the upside – the UK, followed by Australia, then Canada – there have been the largest repricing of market-implied central bank policy rates. Where inflation surprises were smallest (the US and Euro area), inflation stickiness and hawkish central bank rhetoric helped to reprice policy.<sup>2</sup>
- The balance sheet of the US consumer showed signs of continued shrinking into the second quarter of 2023. After peaking at \$2.1 trillion in mid-2021, excess household savings has since declined to \$0.4 trillion and the personal savings rate sits at 4.3% versus a long-term average of 8.9%. Revolving credit as a percentage of total income has also ticked up though it remains below longer-term levels. Consumer confidence has rebounded a bit from mid-2022 lows, though not to expansionary levels, again, creating questions about consumers' ability and willingness to continue spending.<sup>3</sup>
- After maintaining a stringent "COVID Zero" policy the Chinese economy reopened in force late last year. This transition took place in several stages, including the lifting of lockdown measures, domestic mobility normalization, and international travel and border reopening. From November 2022 to January 2023 Chinese equities rallied sharply on these reopening themes, with leadership in Apparel and Luxury Goods; Retail; Hotels and Leisure; and Travel and Transportation sectors. This rally has petered out since then, delivering a mixed signal on China's macro picture. Amid multiple uncertainties, there are several tailwinds that could support China's continued recovery, with attendant benefits for global growth. To safeguard the recovery, Beijing may enact more further easing measures, targeting housing, infrastructure and consumer spending.<sup>4</sup>

## FIXED INCOME MARKETS

- Congressional approval of the Fiscal Responsibility Act (FRA) avoided a potentially disastrous default scenario by suspending the debt limit through January 1, 2025. Immediate relief notwithstanding, the US Treasury is expected to refill the Treasury General Account by issuing T-bills, with the influx of new supply acting as a quantitative tightening mechanism by removing liquidity from the markets. Higher deficits, due in part to rising interest costs (which are expected to increase from approximately 15% of government revenues today to 20% by 2032) may make the cost of capital higher for other borrowers and alter the composition of the US bond market.<sup>5</sup>

<sup>1</sup> Source: Morgan Stanley, New Work on the Labor Market Supports a Soft Landing, June 28, 2023.

<sup>2</sup> Source: Morgan Stanley, Battered and Bruised, Bonds Ready for a Comeback, July 9, 2023.

<sup>3</sup> Source: JP Morgan, Guide to the Markets, June 30, 2023.

<sup>4</sup> Source: Morgan Stanley, Topics in Portfolio Construction, June 15, 2023.

<sup>5</sup> Source: Morgan Stanley, US Policy Pulse, Fiscal Crisis Averted, Now What? June 29, 2023.

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- ▶ Certain economic data points suggest caution may be warranted for the US high yield market. The Federal Reserve's Senior Loan Officer Opinion Survey indicates an intention among banks to raise lending standards while the US Conference Board Leading Indicator has declined for the trailing year. These statistics have tended to correlate with a weakening high yield marketplace; although its recent performance has remained temperate.<sup>6</sup>
- ▶ Historical data from the past twenty-five years indicate that intermediate- and long-duration US investment grade bonds may provide a competitive return should the economy experience a downturn. For example, the Bloomberg US Aggregate Bond Index has averaged a return of 5.8% during recessionary periods within this timeframe versus 0.8% for the Bloomberg US High Yield Corporate Index. Global bonds have also handed in competitive returns, with the Bloomberg Global Aggregate ex-USD Index returning an average of 7.9%.<sup>7</sup>

## EQUITY MARKETS

- ▶ 2023's bear market rally, during which the S&P 500 Index has risen roughly 15%, has come amid deteriorating economic data that has historically presaged a corporate profits recession. While first quarter profits were down 3% from the prior year and second quarter earnings may be down similarly, forecasts since March suggest a hockey-stick-shaped recovery, putting 2024 earnings estimates at an all-time high and in spite of some declining leading economic indicators.<sup>8</sup>
- ▶ The largest ten companies within the S&P 500 Index constituted 32% of its total weight as of June 30, 2023; the highest percentage in over twenty years. Earnings of the largest ten companies however comprise 22% of the S&P 500's total as of the same date. This divergence between stock prices and earnings drives has resulted in these largest companies trading at 145% of their longer-term average valuations versus 113% for the rest within the S&P 500 Index, indicating a divergence that may present an opportunity for active managers.<sup>9</sup>
- ▶ UK equities have a long-standing reputation for offering relatively attractive valuations; however, poor investor sentiment towards the general UK macro backdrop for much of the last five to 10 years has arguably left them even cheaper than normal. Poor sentiment and recent earnings growth notwithstanding, the UK has exhibited some of the strongest positive economic surprises and upgrades around the order of 1% to its GDP forecast, which may indicate the potential for an eventual improvement in equity market performance.<sup>10</sup>
- ▶ Mexico has been one of the most interesting international stock markets in 2023, substantially outperforming the United States as well as developed and emerging markets. The Mexican stock market has also exhibited a higher correlation with developed markets than emerging ones from 2020 through 2023. This distinct profile may be attributable to Mexico's relatively open economy, high number of regional trade agreements, and the economic tailwind of a strong US Dollar.<sup>11</sup>

## ALTERNATIVE INVESTMENTS

- ▶ The oil market has been widely forecast to tighten significantly in the second half of 2023. Yet, prices have been stubbornly range-bound. Outside some weakness in petrochemical-related demand, overall oil demand appears to be on track with prior expectations. Supply, however, has been remarkably robust. Non OPEC growth accelerated after the summer of last year and that strength has continued. In addition, the availability of discounted barrels (i.e. Russia, Venezuela, and Iran) has

<sup>6</sup> Source: Morgan Stanley, Topics in Portfolio Construction, June 15, 2023.

<sup>7</sup> Source: Morgan Stanley, Topics in Portfolio Construction, June 15, 2023.

<sup>8</sup> Source: Morgan Stanley, GIC Weekly, July 10, 2023

<sup>9</sup> Source: JP Morgan, Guide to the Markets, June 30, 2023.

<sup>10</sup> Source: Morgan Stanley, Is UK macro and market pessimism overdone? July 10, 2023.

<sup>11</sup> Source: Morgan Stanley, Mexico is Not Your Typical Emerging Market, June 28, 2023.

## 6.C

surprised on the upside. Demand growth appears likely to slow down as the post-COVID recovery tailwinds come to an end after 2023. Multi-year forecasts have wide uncertainty intervals but on current trends, and despite low investment, there appears to be little tightness on the horizon.<sup>12</sup>

- After hitting an all-time high in 2021, Initial Public Offerings (IPOs) hit their lowest level in at least twenty years in the second half of 2022. Substantial as this may be, prior market cycles show that IPO declines tend to trough between two and three years after peaking as private company operators may be looking to raise funds, indicating that an inflection point may be on the horizon.<sup>13</sup>
- Aspects of the US real estate market provide different indications of valuation and health. The capitalization rate spread (or yield advantage over US Treasury securities) of real estate started the second quarter of 2023 at 1.2%, its lowest level in over a decade, indicating only a moderate increase in expected returns over Treasuries. Vacancy rates also continue to differ by economic sector. Industrial and retail property vacancy rates for example continued to decline while office vacancies remained elevated as the working from home trend has continued.<sup>14</sup>

<sup>12</sup> Source: Morgan Stanley, The Force is Strong on the Supply Side, July 5, 2023.

<sup>13</sup> Source: Morgan Stanley, Venture Vision: Right on Cue...IPOs, June 27, 2023.

<sup>14</sup> Source: JP Morgan, Guide to the Markets, June 30, 2023.

### Disclosure:

The views and opinions expressed in this commentary are those of the portfolio manager at the time of this writing and do not necessarily represent those of Hyas Group, Morgan Stanley, its affiliates or its other employees. Of course, these views may change without notice in response to changing circumstances and market conditions. Furthermore, this commentary contains forward-looking statements and there can be no guarantee that they will come to pass. Historical data shown represents past performance and does not guarantee comparable future results. The information and statistical data contained herein have been obtained from sources that are believed to be reliable but in no way are guaranteed by Hyas Group as to accuracy or completeness.

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Indices are unmanaged. An investor cannot invest directly in an index. They are shown for illustrative purposes only and do not represent the performance of any specific investment. Index returns include the reinvestment of all dividends, but do not reflect the payment of transaction costs, advisory fees or expenses that are associated with an investment. The indices selected by Hyas Group to measure performance are representative of broad asset classes. Hyas Group retains the right to change representative indices at any time. Performance of indices may be more or less volatile than any investment product. The risk of loss in value of a specific investment is not the same as the risk of loss in a broad market index. Therefore, the historical returns of an index will not be the same as the historical returns of a particular investment selected by a client. Past performance does not guarantee future results.

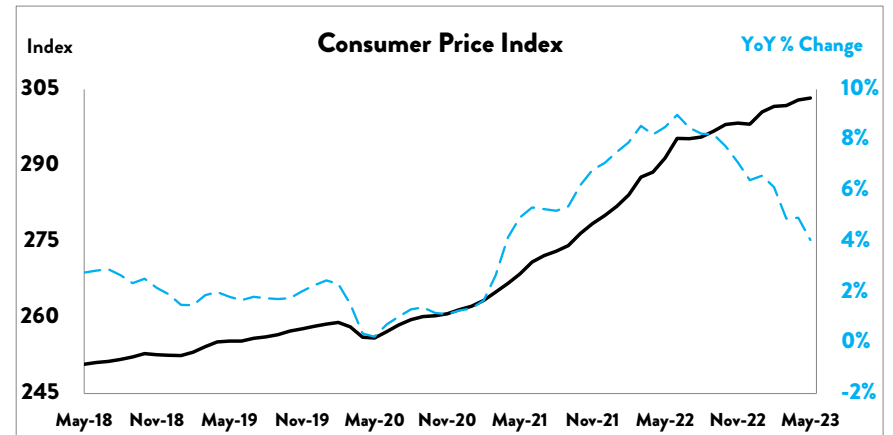
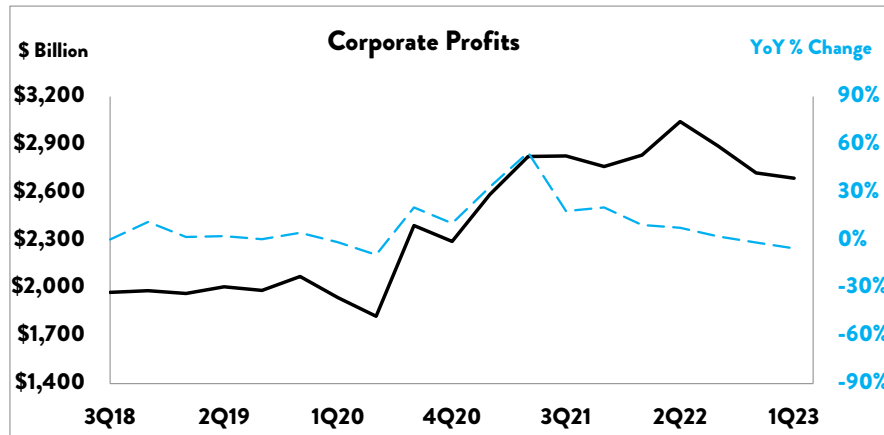
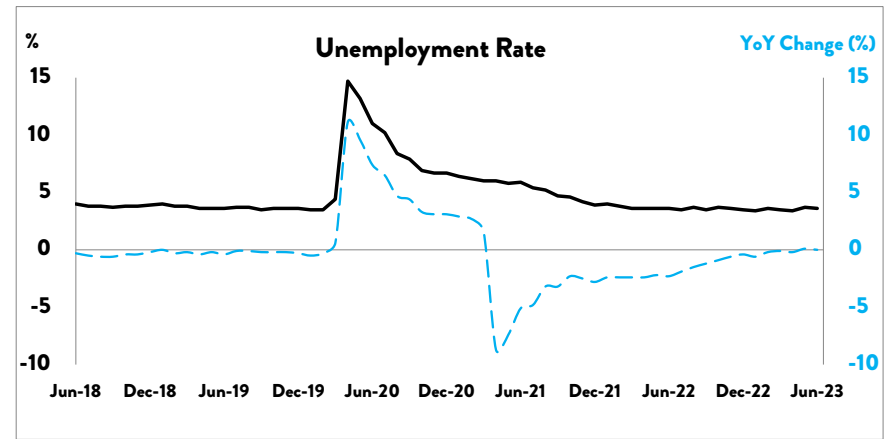
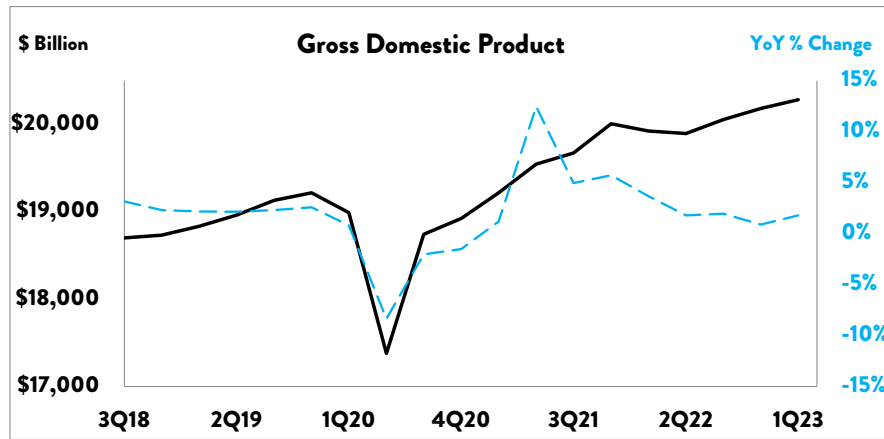
For further information please contact Tom Breaden (tbreaden@hyasgroup.com).

Hyas Group, 9755 SW Barnes Road, Suite 660, Portland, Oregon 97225; 503-634-1500

Hyas Group is a separate business unit within Morgan Stanley Institutional Investment Advisors LLC

This report is being provided for informational purposes only. The information and opinions presented in this report do not constitute investment advice and have been obtained from sources believed by Hyas Group to be reliable. Hyas Group makes no representation as to their accuracy or completeness. All opinions expressed herein are subject to change.

2Q2023 Economic Data



Key: — Economic Series      - - - Year-Over-Year Change

Labor Market Statistics (Monthly)					
Category	Recent	5-Yr High	5-Yr Low	5-Yr Avg.	Date
Jobs Added/Lost Monthly	209,000	4,505,000	-20,493,000	111,333	Jun-23
Unemployment Rate	3.6%	14.7%	3.4%	4.9%	Jun-23
Median Unemployment Length (Weeks)	6.4	22.2	4.0	11.1	Jun-23
Average Hourly Earnings	\$33.58	\$33.58	\$27.10	\$30.09	Jun-23

Source: Federal Reserve Bank of St. Louis and Bureau of Labor Statistics

Other Prices and Indexes (Monthly)					
Category	Recent	5-Yr High	5-Yr Low	% Off Peak	Date
Gas: Price per Gallon	\$3.53	\$4.84	\$1.80	-27.0%	Jun-23
Spot Oil	\$70.25	\$114.84	\$16.55	-38.8%	Jun-23
Case-Shiller Home Price Index	304.8	316.2	210.8	44.6%*	Apr-23
Medical Care CPI	547.3	557.4	484.3	13%*	May-23

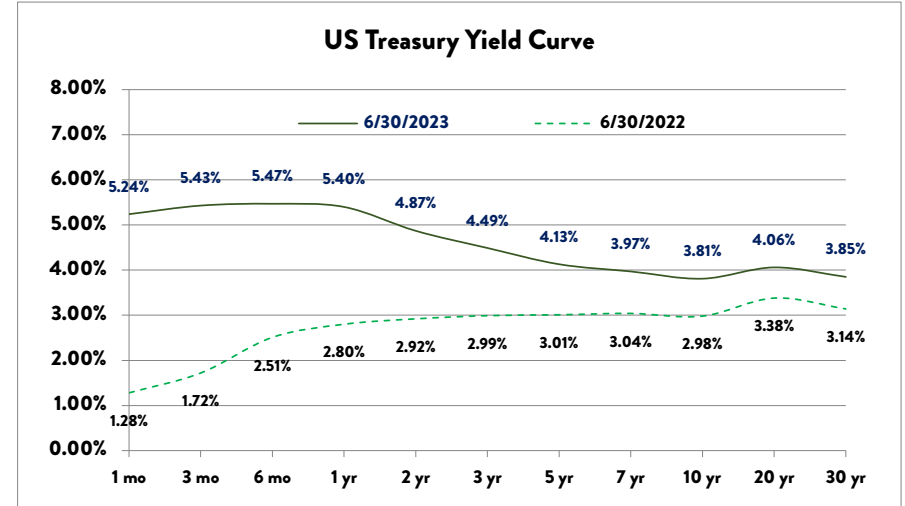
\*% Off Low

Morningstar data as of 6/30/2023

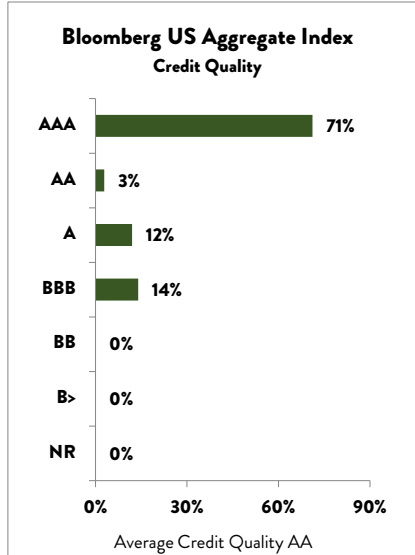
## 2Q2023 Bond Market Data

Index	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
90-Day T-Bill	1.29%	2.46%	4.22%	1.54%	1.63%	1.04%
Bloomberg US Aggregate	-0.84%	2.09%	-0.94%	-3.96%	0.77%	1.52%
Bloomberg Short US Treasury	1.05%	2.21%	3.37%	1.10%	1.55%	1.01%
Bloomberg Int. US Treasury	-1.15%	1.10%	-1.02%	-2.88%	0.82%	0.93%
Bloomberg Long US Treasury	-2.30%	3.72%	-6.82%	-12.09%	-0.88%	1.80%
Bloomberg US TIPS	-1.42%	1.87%	-1.40%	-0.12%	2.49%	2.08%
Bloomberg US Credit	-0.31%	3.13%	1.39%	-3.38%	1.65%	2.51%
Bloomberg US Mortgage-Backed	-0.64%	1.87%	-1.52%	-3.73%	0.03%	1.13%
Bloomberg US Asset-Backed	-0.12%	1.74%	1.18%	-0.62%	1.53%	1.48%
Bloomberg US 20-Yr Municipal	0.34%	3.57%	4.22%	-0.56%	2.20%	3.43%
Bloomberg US High Yield	1.75%	5.38%	9.06%	3.13%	3.36%	4.43%
Bloomberg Global	-1.53%	1.43%	-1.32%	-4.96%	-1.09%	0.20%
Bloomberg International	-2.16%	0.83%	-1.83%	-5.87%	-2.65%	-0.90%
Bloomberg Emerging Market	1.12%	3.30%	5.64%	-2.71%	1.02%	2.73%

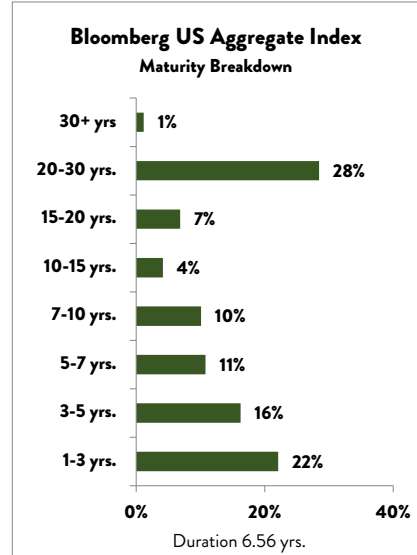
Source: Morningstar



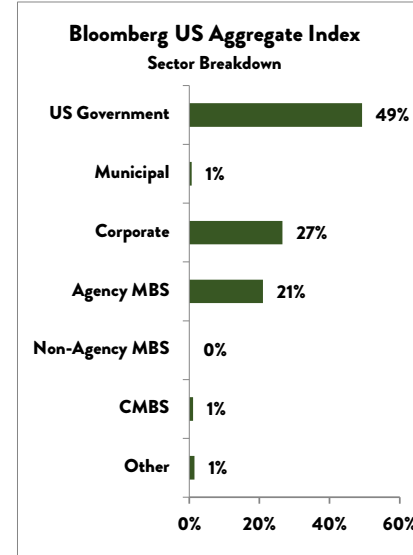
Source: Department of US Treasury



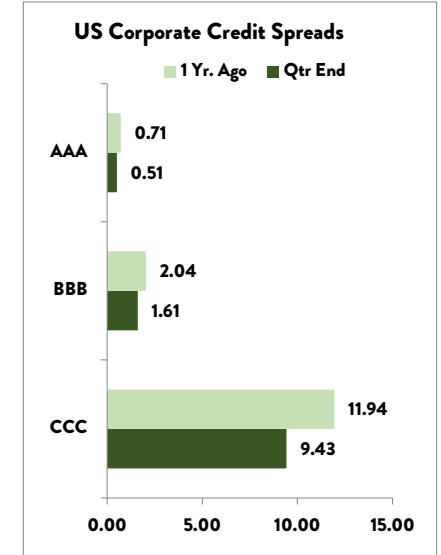
Source: Morningstar



Source: Morningstar



Source: Morningstar



Source: Federal Reserve / Bank of America

## 2Q2023 US Equity Market Data

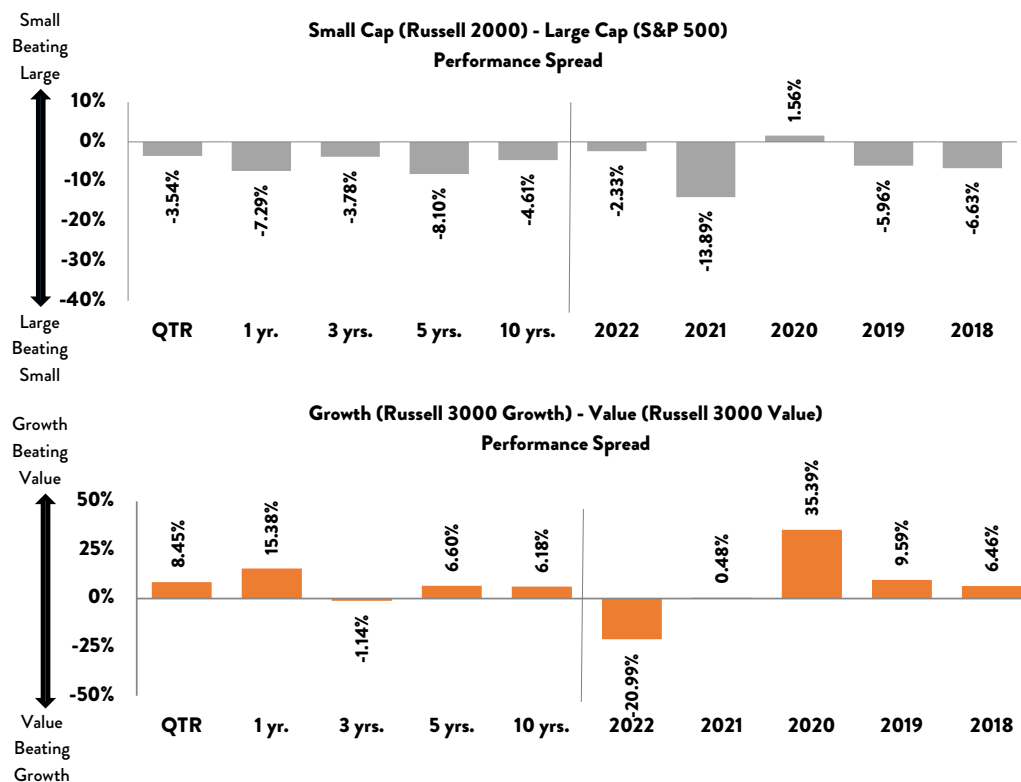
### Sectors Weights/Returns (ranked by quarter performance)

	Wgt.	Sector	QTR	YTD	1 yr.	
S&P 500 Index	28%	Information Technology	17.20%	42.77%	40.26%	
	11%	Consumer Discretionary	14.58%	33.06%	24.73%	
	8%	Communication Services	13.06%	36.24%	17.28%	
	8%	Industrials	6.49%	10.19%	25.16%	
	12%	Financials	5.33%	-0.53%	9.50%	
	2%	Materials	3.31%	7.74%	15.12%	
	13%	Health Care	2.95%	-1.48%	5.37%	
	2%	Real Estate	1.81%	3.79%	-4.13%	
	7%	Consumer Staples	0.45%	1.28%	6.60%	
	4%	Energy	-0.89%	-5.52%	18.76%	
	3%	Utilities	-2.53%	-5.69%	-3.68%	
	S&P Midcap 400 Index	Wgt.	Sector	QTR	YTD	1 yr.
		23%	Industrials	12.05%	21.62%	38.94%
10%		Information Technology	8.71%	24.61%	33.34%	
4%		Energy	6.86%	-2.18%	14.02%	
4%		Consumer Staples	4.89%	8.86%	19.13%	
9%		Health Care	4.70%	5.15%	5.05%	
15%		Consumer Discretionary	3.79%	12.09%	24.34%	
7%		Real Estate	2.10%	3.10%	-3.38%	
14%		Financials	0.94%	-6.67%	2.81%	
7%		Materials	-1.04%	6.05%	21.27%	
2%		Communication Services	-4.41%	-0.19%	0.37%	
3%		Utilities	-6.91%	-9.18%	-8.37%	
S&P Smallcap 600 Index		Wgt.	Sector	QTR	YTD	1 yr.
	14%	Information Technology	11.87%	23.17%	27.22%	
	18%	Industrials	9.36%	17.83%	29.12%	
	14%	Consumer Discretionary	3.35%	16.51%	23.79%	
	5%	Energy	3.02%	-5.70%	11.18%	
	6%	Materials	2.44%	11.63%	19.38%	
	11%	Health Care	1.73%	1.28%	-2.35%	
	8%	Real Estate	0.00%	-3.61%	-10.17%	
	5%	Consumer Staples	-0.55%	7.89%	9.73%	
	3%	Communication Services	-2.49%	8.33%	-6.17%	
	16%	Financials	-3.44%	-14.55%	-10.76%	
	2%	Utilities	-3.82%	-4.64%	-1.68%	

Source: Morningstar

### Index Performance Data

Index	QTR	YTD	1 yr.	Annualized		
				3 yrs.	5 yrs.	10 yrs.
S&P 500	8.74%	16.89%	19.59%	14.60%	12.31%	12.86%
Russell 1000 Value	4.07%	5.12%	11.54%	14.30%	8.11%	9.22%
Russell 1000 Growth	12.81%	29.02%	27.11%	13.73%	15.14%	15.74%
Russell Mid Cap	4.76%	9.01%	14.92%	12.50%	8.46%	10.32%
Russell Mid Cap Value	3.86%	5.23%	10.50%	15.04%	6.84%	9.03%
Russell Mid Cap Growth	6.23%	15.94%	23.13%	7.63%	9.71%	11.53%
Russell 2000	5.21%	8.09%	12.31%	10.82%	4.21%	8.26%
Russell 2000 Value	3.18%	2.50%	6.01%	15.43%	3.54%	7.29%
Russell 2000 Growth	7.05%	13.55%	18.53%	6.10%	4.22%	8.83%
Russell 3000	8.39%	16.17%	18.95%	13.89%	11.39%	12.34%
DJ US Select REIT	2.92%	5.77%	-0.69%	9.17%	3.28%	5.75%

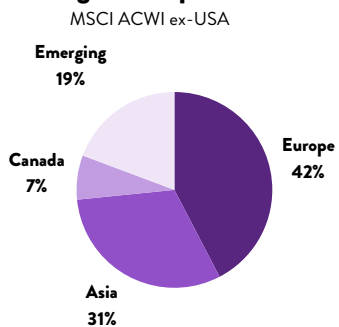


## 2Q2023 International Market Data

### Index Performance Data (net)

Index (US\$)	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
<b>MSCI ACWI ex-US</b>	<b>2.44%</b>	<b>9.47%</b>	<b>12.72%</b>	<b>7.22%</b>	<b>3.52%</b>	<b>4.75%</b>
<b>MSCI EAFE</b>	<b>2.95%</b>	<b>11.67%</b>	<b>18.77%</b>	<b>8.93%</b>	<b>4.39%</b>	<b>5.41%</b>
<b>Europe</b>	<b>2.74%</b>	<b>13.59%</b>	<b>21.81%</b>	<b>10.68%</b>	<b>5.19%</b>	<b>5.70%</b>
United Kingdom	2.19%	8.43%	13.19%	12.57%	2.83%	3.88%
Germany	2.80%	17.89%	28.37%	5.21%	1.77%	4.07%
France	3.23%	18.32%	31.74%	14.87%	6.97%	7.60%
<b>Pacific</b>	<b>3.50%</b>	<b>8.38%</b>	<b>13.69%</b>	<b>5.97%</b>	<b>3.00%</b>	<b>4.95%</b>
Japan	6.42%	13.00%	18.14%	5.70%	3.13%	5.23%
Hong Kong	-5.05%	-7.32%	-9.03%	-0.17%	-1.29%	4.11%
Australia	0.27%	3.07%	11.19%	10.52%	4.95%	4.95%
<b>Canada</b>	<b>3.69%</b>	<b>8.16%</b>	<b>6.95%</b>	<b>12.81%</b>	<b>6.36%</b>	<b>5.22%</b>
<b>MSCI EM</b>	<b>0.90%</b>	<b>4.89%</b>	<b>1.75%</b>	<b>2.32%</b>	<b>0.93%</b>	<b>2.95%</b>
<b>MSCI EM Latin America</b>	<b>14.04%</b>	<b>18.52%</b>	<b>29.84%</b>	<b>16.45%</b>	<b>4.79%</b>	<b>1.13%</b>
<b>MSCI EM Asia</b>	<b>-0.77%</b>	<b>4.00%</b>	<b>-0.90%</b>	<b>1.19%</b>	<b>1.20%</b>	<b>4.67%</b>
<b>MSCI EM Eur/Mid East</b>	<b>5.77%</b>	<b>4.47%</b>	<b>3.02%</b>	<b>-1.12%</b>	<b>-1.78%</b>	<b>-2.41%</b>
<b>MSCI ACWI Value ex-US</b>	<b>2.95%</b>	<b>8.26%</b>	<b>12.19%</b>	<b>10.42%</b>	<b>2.65%</b>	<b>3.70%</b>
<b>MSCI ACWI Growth ex-US</b>	<b>1.94%</b>	<b>10.70%</b>	<b>13.26%</b>	<b>3.96%</b>	<b>4.06%</b>	<b>5.61%</b>
<b>MSCI ACWI Sm Cap ex-US</b>	<b>2.05%</b>	<b>6.84%</b>	<b>10.93%</b>	<b>8.15%</b>	<b>2.62%</b>	<b>5.75%</b>

### Regional Exposure

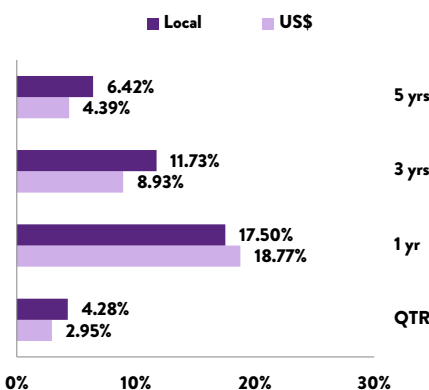


### Top 10 Countries (MSCI AC World ex-USA)

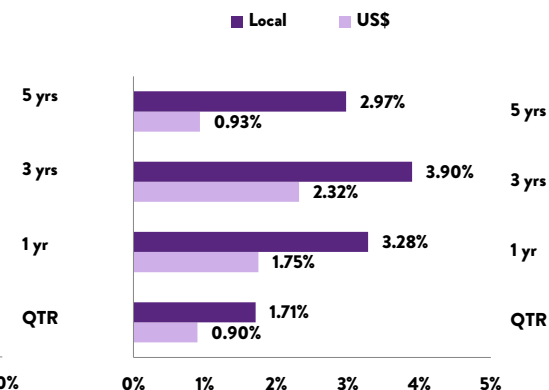
Japan	15%
UK	9%
China	8%
France	8%
Canada	8%
Switzerland	6%
Germany	5%
Australia	5%
Taiwan	4%
India	4%

Source: Morningstar

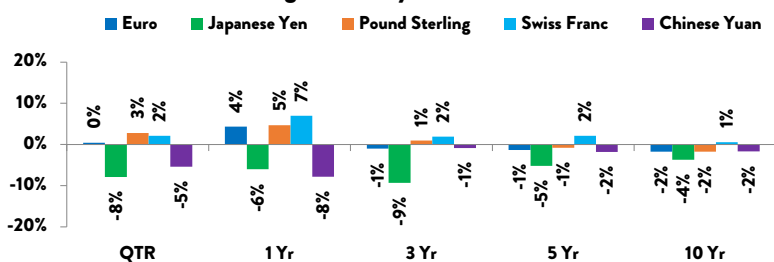
### MSCI EAFE Index Return



### MSCI Emerging Index Return



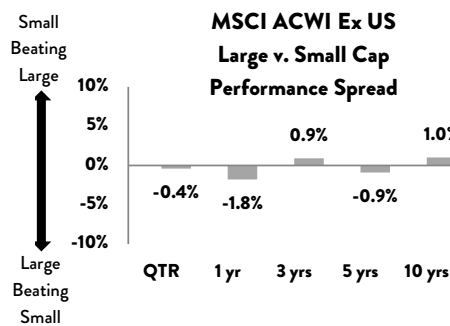
### Foreign Currency v. US\$ Returns



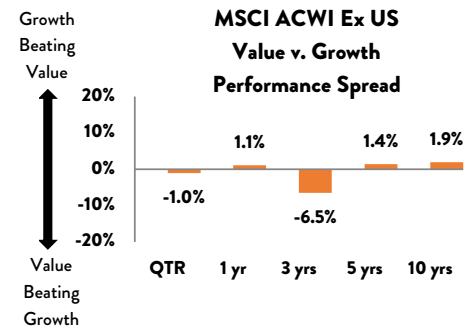
Exchange Rates	QTR	1Q23	4Q22	3Q22	2Q22	1Q22
<b>Japanese Yen</b>	144.47	132.75	131.81	144.71	135.69	121.44
<b>Euro</b>	0.92	0.92	0.93	1.02	0.96	0.90
<b>British Pound</b>	0.79	0.81	0.83	0.90	0.82	0.76
<b>Swiss Franc</b>	0.89	0.91	0.92	0.98	0.96	0.92
<b>Chinese Yuan</b>	7.25	6.87	6.90	7.11	6.70	6.34

Source: Federal Reserve Bank of St. Louis

### MSCI ACWI Ex US Large v. Small Cap Performance Spread



### MSCI ACWI Ex US Value v. Growth Performance Spread



Performance Source: Morningstar



# 6.C

## Historical Market Returns

Ranked by Performance

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD	2Q23
US Bonds 5.24%	Emerging Markets 78.51%	Small Cap 26.85%	Core Real Estate 14.96%	Emerging Markets 18.22%	Small Cap 38.82%	Large Cap 13.68%	Core Real Estate 13.95%	Small Cap 21.30%	Emerging Markets 37.28%	Core Real Estate 7.36%	Large Cap 31.49%	Small Cap 19.96%	Large Cap 28.71%	Commod. 16.09%	Large Cap 16.89%	Large Cap 8.74%
Global Bonds 4.79%	High Yield 58.21%	Mid Cap 25.48%	TIPS 13.56%	Mid Cap 17.28%	Mid Cap 34.76%	Mid Cap 13.21%	Large Cap 1.38%	High Yield 17.12%	Intl 27.19%	Cash 1.69%	Mid Cap 30.54%	Large Cap 18.40%	Commod. 27.11%	Core Real Estate 6.54%	Global Balanced 9.58%	Small Cap 5.21%
Cash 1.39%	Intl 41.45%	Emerging Markets 18.88%	US Bonds 7.84%	Intl 16.83%	Large Cap 32.39%	Core Real Estate 11.44%	US Bonds 0.55%	Mid Cap 13.79%	Large Cap 21.83%	US Bonds 0.01%	Small Cap 25.52%	Emerging Markets 18.31%	Mid Cap 22.58%	Cash 2.05%	Intl 9.47%	Mid Cap 4.76%
TIPS -2.35%	Mid Cap 40.48%	Commod. 16.83%	Global Bonds 5.64%	Small Cap 16.35%	Intl 15.29%	US Bonds 5.97%	Cash 0.03%	Large Cap 11.95%	Mid Cap 18.52%	Global Bonds -1.20%	Intl 21.51%	Mid Cap 17.10%	Core Real Estate 21.06%	High Yield -11.19%	Mid Cap 9.01%	Global Balanced 3.63%
Core Real Estate -10.70%	Small Cap 27.17%	Core Real Estate 15.26%	High Yield 4.98%	Large Cap 16.00%	Global Balanced 14.46%	Small Cap 4.89%	TIPS -1.43%	Commod. 11.76%	Global Balanced 15.87%	TIPS -1.26%	Global Balanced 18.86%	Global Balanced 13.93%	Small Cap 14.82%	TIPS -11.85%	Small Cap 8.09%	Intl 2.44%
Global Balanced -24.51%	Large Cap 26.46%	High Yield 15.12%	Large Cap 2.11%	High Yield 15.81%	Core Real Estate 12.95%	TIPS 3.64%	Global Balanced -1.45%	Emerging Markets 11.18%	Small Cap 14.65%	High Yield -2.08%	Emerging Markets 18.42%	TIPS 10.99%	Global Balanced 10.94%	US Bonds -13.01%	High Yield 5.38%	High Yield 1.75%
High Yield -26.16%	Global Balanced 20.49%	Large Cap 15.06%	Cash 0.06%	Global Balanced 11.06%	High Yield 7.44%	Global Balanced 3.17%	Mid Cap -2.43%	Core Real Estate 7.76%	High Yield 7.50%	Large Cap -4.38%	High Yield 14.32%	Intl 10.65%	Intl 7.82%	Intl -16.00%	Emerging Markets 4.89%	Cash 1.29%
Small Cap -33.79%	Commod. 18.91%	Intl 11.15%	Global Balanced -0.97%	Core Real Estate 9.76%	Cash 0.07%	High Yield 2.45%	Global Bonds -3.15%	Global Balanced 5.38%	Global Bonds 7.39%	Global Balanced -5.30%	US Bonds 8.72%	Global Bonds 9.20%	TIPS 5.96%	Global Bonds -16.25%	Cash 2.46%	Emerging Markets 0.90%
Commod. -35.65%	TIPS 11.41%	Global Balanced 9.40%	Mid Cap -1.55%	TIPS 6.98%	US Bonds -2.02%	Global Bonds 0.59%	Small Cap -4.41%	TIPS 4.68%	Core Real Estate 6.66%	Mid Cap -9.06%	TIPS 8.43%	US Bonds 7.51%	High Yield 5.28%	Global Balanced -16.40%	US Bonds 2.09%	US Bonds -0.84%
Large Cap -37.00%	Global Bonds 6.93%	US Bonds 6.54%	Small Cap -4.18%	Global Bonds 4.32%	Global Bonds -2.60%	Cash 0.04%	High Yield -4.46%	Intl 4.50%	US Bonds 3.54%	Small Cap -11.01%	Commod. 7.69%	High Yield 7.11%	Cash 0.05%	Mid Cap -17.32%	TIPS 1.87%	TIPS -1.42%
Mid Cap -41.46%	US Bonds 5.93%	TIPS 6.31%	Commod. -13.32%	US Bonds 4.21%	Emerging Markets -2.60%	Emerging Markets -2.18%	Intl -5.66%	US Bonds 2.65%	TIPS 3.01%	Commod. -11.25%	Global Bonds 6.84%	Cash 0.37%	US Bonds -1.54%	Large Cap -18.11%	Global Bonds 1.43%	Global Bonds -1.53%
Intl -45.53%	Cash 0.16%	Global Bonds 5.54%	Intl -13.71%	Cash 0.08%	TIPS -8.61%	Intl -3.86%	Emerging Markets -14.90%	Global Bonds 2.09%	Commod. 1.70%	Intl -14.20%	Core Real Estate 4.41%	Core Real Estate 0.35%	Emerging Markets -2.54%	Emerging Markets -20.09%	Core Real Estate -6.12%	Commod. -2.56%
Emerging Markets -53.33%	Core Real Estate -30.40%	Cash 0.15%	Emerging Markets -18.42%	Commod. -1.06%	Commod. -9.52%	Commod. -17.00%	Commod. -24.60%	Cash 0.25%	Cash 0.71%	Emerging Markets -14.58%	Cash 2.30%	Commod. -3.12%	Global Bonds -4.71%	Small Cap -20.44%	Commod. -7.79%	Core Real Estate -2.84%

Global Balanced is composed of 60% MSCI World Stock Index, 35% BBgBarc Global Aggregate Bond Index, and 5% US 90-Day T-Bills.

Source: Morningstar; Core Real Estate Source: NCREIF

## Section 2 | Plan Overview

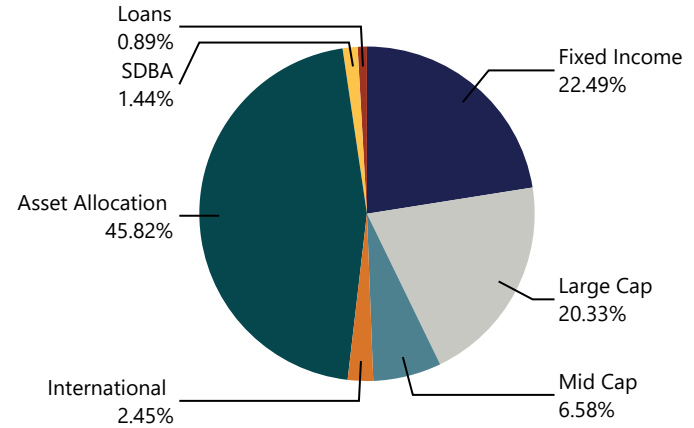
**Hyas Group Contact**

Jayson Davidson, CFA  
 Managing Principal  
 jdavidson@hyasgroup.com

**Market Value: \$346,610,451**

**Plan Notes**

Fund: None at this time.  
 Governance: IPS reviewed August 2022.  
 Vendor Mgmt: Finalize recordkeeping contract extension.



**Fund Notes**

Fund Name	Watch Status	Cause	Comments	Recommendations	Fund Assets (\$)	Allocation (%)
Schroeder US Small and Mid Cap Eq Trust 3	2Q21	Quantitative	Performance in compliance as of 2Q23	Retain watch status.	567,160	0.16
Calvert Balanced R6			Calver Balanced R6 is a Morgan Stanley affiliated fund. Hyas group is a separate business unit within Morgan Stanley Institutional Investment Advisors LLC.		29,675	0.01

## **Section 3 | County - 457 Deferred Compensation Plan Review**

## 6.C

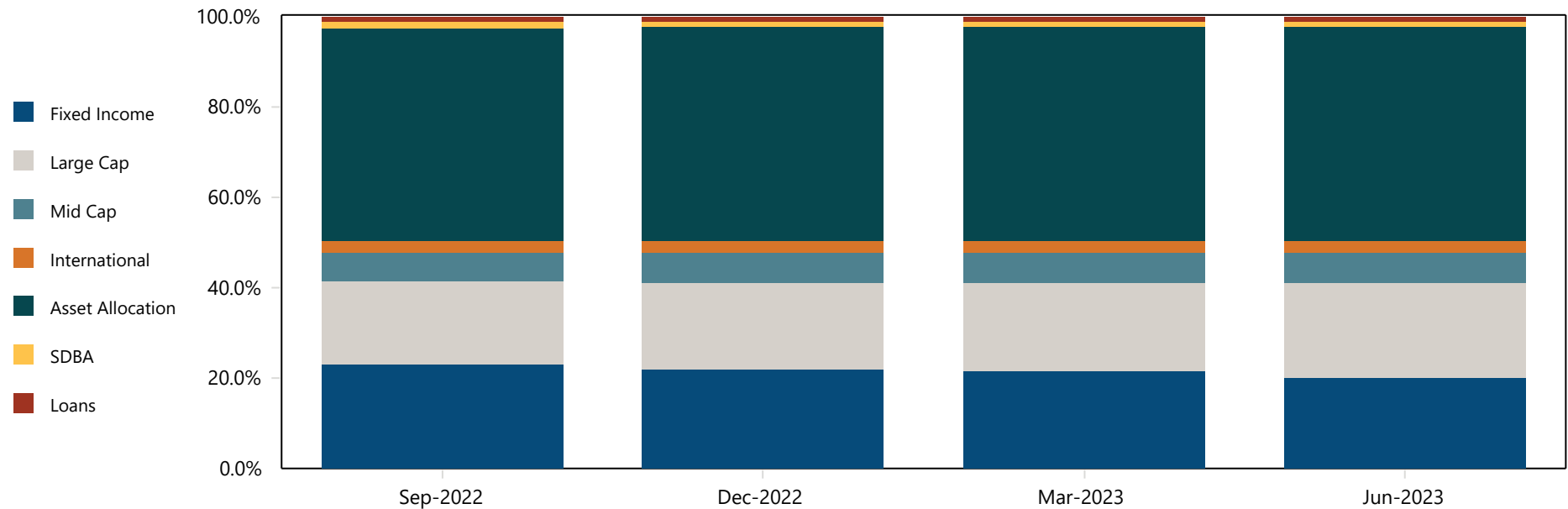
## Marin County, California | 457 Deferred Compensation Plan

## Plan Review

1 Quarter Ending June 30, 2023

	Asset-ID	End Balance \$	End Alloc %
<b>Fixed Income</b>		<b>65,048,100</b>	<b>20.12</b>
Galliard Stable Value (0.12%)		54,447,380	16.84
Metropolitan West Total Return Bond Plan	MWTSX	5,490,436	1.70
Vanguard Total Bond Market Index I	VBTIX	5,110,284	1.58
<b>Large Cap</b>		<b>67,504,264</b>	<b>20.88</b>
T. Rowe Price U.S. Equity Research I	PCCOX	34,030,034	10.53
Vanguard Institutional Index Instl	VINIX	33,474,230	10.35
<b>Mid Cap</b>		<b>21,803,598</b>	<b>6.74</b>
Schroder US Small and Mid Cap Eq Trust 3	80808j757	9,209,168	2.85
Vanguard Extended Market Index Instl	VIEIX	12,594,430	3.90
<b>International</b>		<b>8,207,906</b>	<b>2.54</b>
Hartford Intl Opp HLS IA	HIAOX	5,347,453	1.65
Vanguard Total Intl Stock Index Adm	VTIAX	2,860,454	0.88
<b>Asset Allocation</b>		<b>153,436,539</b>	<b>47.46</b>
Calvert Balanced R6	CBARX	5,310,847	1.64
Vanguard Target Retirement Income Trust II	92202V740	29,459,480	9.11
Vanguard Target Retirement 2020 Trust II	92202V716	15,151,773	4.69
Vanguard Target Retirement 2025 Trust II	92202V690	19,734,090	6.10
Vanguard Target Retirement 2030 Trust II	92202V682	23,339,894	7.22
Vanguard Target Retirement 2035 Trust II	92202V674	17,815,549	5.51
Vanguard Target Retirement 2040 Trust II	92202V666	15,962,070	4.94
Vanguard Target Retirement 2045 Trust II	92202V658	11,585,835	3.58
Vanguard Target Retirement 2050 Trust II	92202V641	7,840,707	2.43
Vanguard Target Retirement 2055 Trust II	92202V476	4,281,869	1.32
Vanguard Target Retirement 2060 Trust II	92202V195	2,801,694	0.87
Vanguard Target Retirement 2065 Trust II	92202V138	152,732	0.05
<b>SDBA</b>		<b>4,266,885</b>	<b>1.32</b>
Self-Directed Brokerage Assets		4,266,885	1.32
<b>Loans</b>		<b>3,021,282</b>	<b>0.93</b>
Participant Loans		3,021,282	0.93
<b>Total</b>		<b>323,288,575</b>	<b>100.00</b>

## Historical Asset Allocation

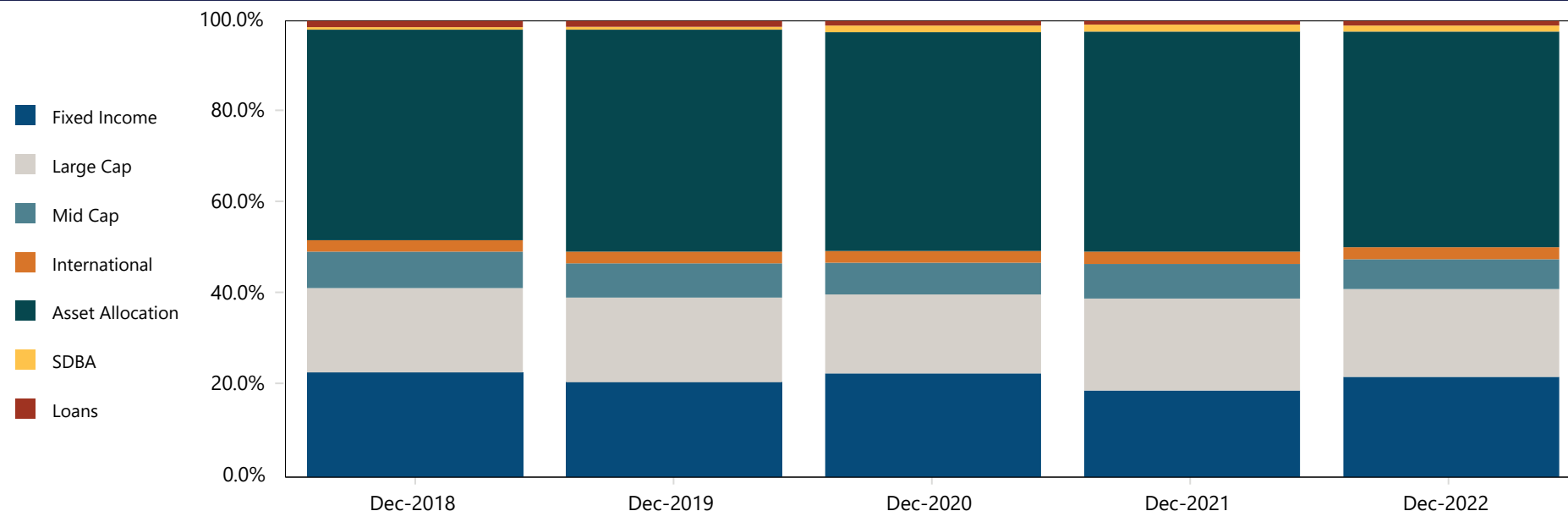


	Sep-2022		Dec-2022		Mar-2023		Jun-2023	
	Ending Value \$	Ending Value %	Ending Value \$	Ending Value %	Ending Value \$	Ending Value %	Ending Value \$	Ending Value %
Fixed Income	65,562,236	23.0	65,667,799	22.0	67,218,080	21.4	65,048,100	20.1
Large Cap	53,095,000	18.6	57,397,435	19.2	61,687,106	19.7	67,504,264	20.9
Mid Cap	18,153,770	6.4	19,690,186	6.6	20,475,348	6.5	21,803,598	6.7
International	6,751,472	2.4	7,776,121	2.6	8,225,722	2.6	8,207,906	2.5
Asset Allocation	134,690,166	47.2	141,314,371	47.3	148,328,827	47.3	153,436,539	47.5
SDBA	4,148,295	1.5	3,845,898	1.3	4,469,004	1.4	4,266,885	1.3
Loans	2,967,154	1.0	3,068,546	1.0	3,041,068	1.0	3,021,282	0.9
<b>Total</b>	<b>285,368,094</b>	<b>100.0</b>	<b>298,760,355</b>	<b>100.0</b>	<b>313,445,154</b>	<b>100.0</b>	<b>323,288,575</b>	<b>100.0</b>

## Admin Account Balance

	Sep-2022	Dec-2022	Mar-2023	Jun-2023
Admin Account \$	120,033	112,799	117,696	122,893

## Historical Asset Allocation

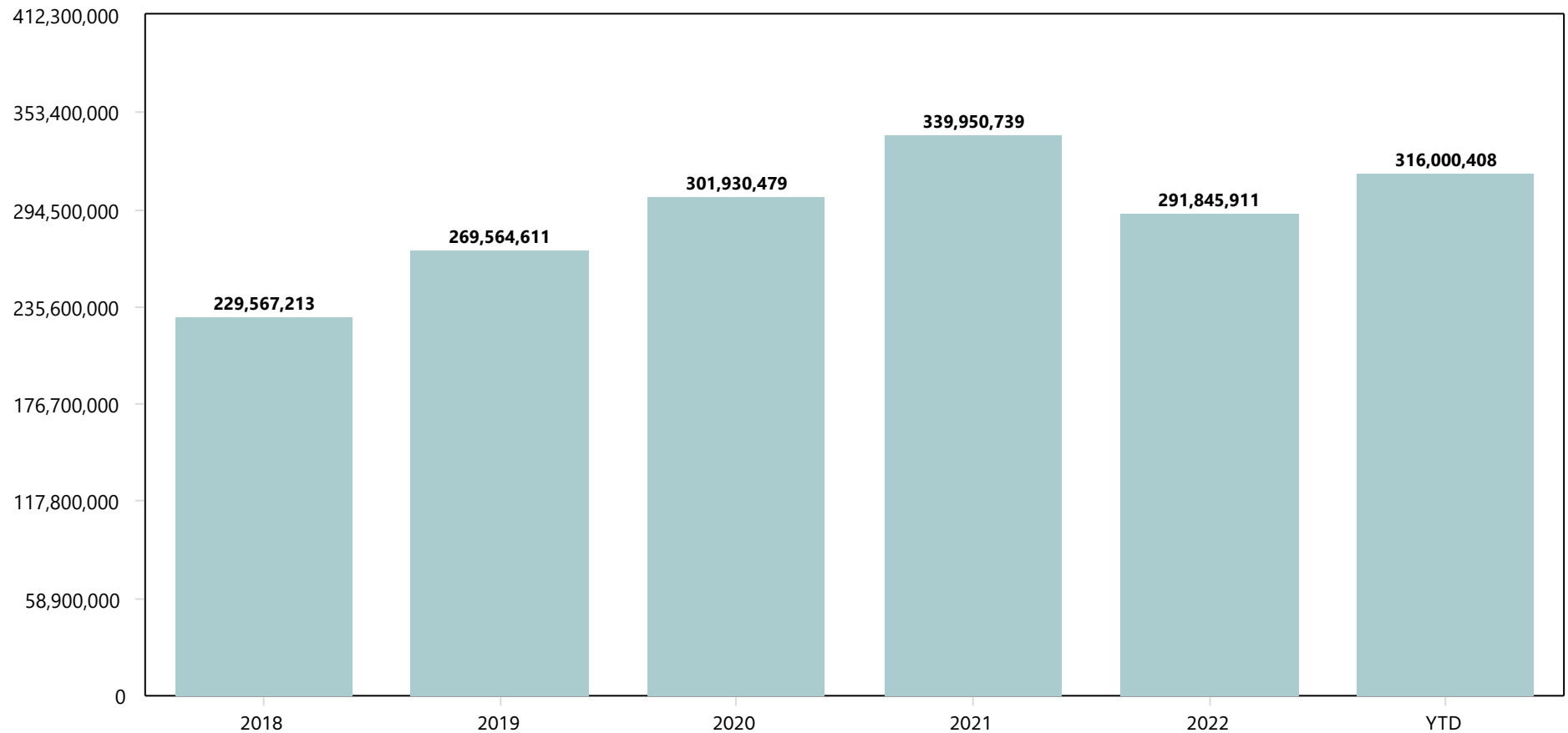


	Dec-2018		Dec-2019		Dec-2020		Dec-2021		Dec-2022	
	Ending Value \$	Ending Value %	Ending Value \$	Ending Value %	Ending Value \$	Ending Value %	Ending Value \$	Ending Value %	Ending Value \$	Ending Value %
Fixed Income	53,753,545	23.0	57,126,754	20.8	70,507,543	22.8	66,076,514	19.0	65,667,799	22.0
Large Cap	43,132,085	18.4	51,045,037	18.6	53,600,650	17.3	70,290,358	20.2	57,397,435	19.2
Mid Cap	18,731,093	8.0	20,481,431	7.5	21,437,503	6.9	26,194,204	7.5	19,690,186	6.6
International	5,951,545	2.5	7,126,825	2.6	7,939,263	2.6	9,615,819	2.8	7,776,121	2.6
Asset Allocation	107,998,945	46.2	133,784,565	48.7	148,445,520	47.9	167,773,845	48.2	141,314,371	47.3
SDBA	1,249,066	0.5	1,599,619	0.6	4,576,576	1.5	5,525,554	1.6	3,845,898	1.3
Loans	3,193,447	1.4	3,619,399	1.3	3,170,444	1.0	2,728,677	0.8	3,068,546	1.0
<b>Total</b>	<b>234,009,726</b>	<b>100.0</b>	<b>274,783,629</b>	<b>100.0</b>	<b>309,677,499</b>	<b>100.0</b>	<b>348,204,971</b>	<b>100.0</b>	<b>298,760,355</b>	<b>100.0</b>

## Admin Account Balance

	Dec-2018	Dec-2019	Dec-2020	Dec-2021	Dec-2022
Admin Account \$	-	-	77,798	108,090	112,799

## Plan Value Over Time



	2018	2019	2020	2021	2022	YTD
Beginning Market Value \$	244,039,263	229,567,213	269,564,611	301,930,479	339,950,739	291,845,911
Cash Flow (+/-) \$	(4,061,999)	(1,789,338)	(447,530)	1,802,195	(1,320,732)	(2,375,487)
Market Adjustment \$	(10,410,050)	41,786,736	32,813,398	36,218,066	(46,784,096)	26,529,984
Ending Market Value \$	229,567,213	269,564,611	301,930,479	339,950,739	291,845,911	316,000,408
Participants	2,424	2,501	2,516	2,561	2,613	2,638



## Marin County, California | 457 Deferred Compensation Plan

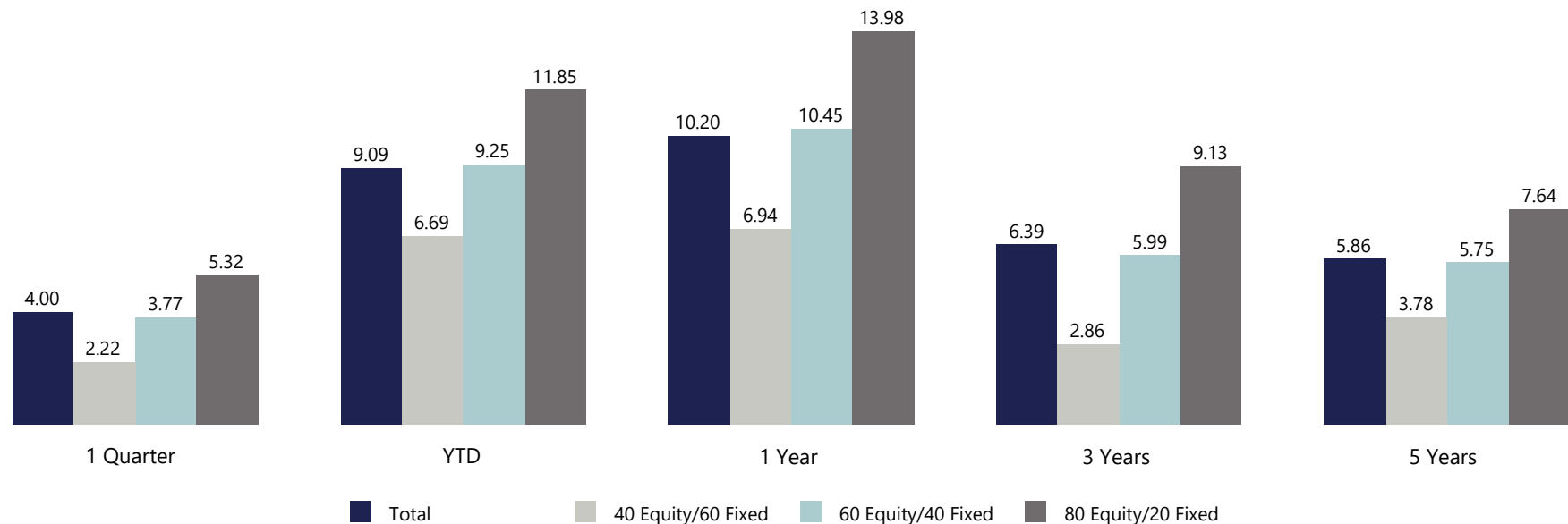
## Plan Review

As of June 30, 2023

## Cash Flow Summary

	Beg Value (%) of the Plan	Beg Value \$	Cash Flow (+/-)	Gain/Loss	End Value (%) of the Plan	End Value \$
<b>Total</b>	<b>100.00</b>	<b>305,935,083</b>	<b>(2,182,042)</b>	<b>12,247,367</b>	<b>100.00</b>	<b>316,000,408</b>
Fixed Income	21.97	67,218,080	(2,424,329)	254,349	20.58	65,048,100
Large Cap	20.16	61,687,106	66,372	5,750,787	21.36	67,504,264
Mid Cap	6.69	20,475,348	346,011	982,239	6.90	21,803,598
International	2.69	8,225,722	(227,288)	209,473	2.60	8,207,906
Asset Allocation	48.48	148,328,827	57,192	5,050,521	48.56	153,436,539

## Plan Returns



Equity Indices: Russell 3000, MSCI ACWI ex USA; Fixed Indices: US Treasury 3 Mo T-Bill, Bloomberg Global Aggregate Bond (rebalanced quarterly).

## **Section 4 | Court - 457 Deferred Compensation Plan Review**

## 6.C

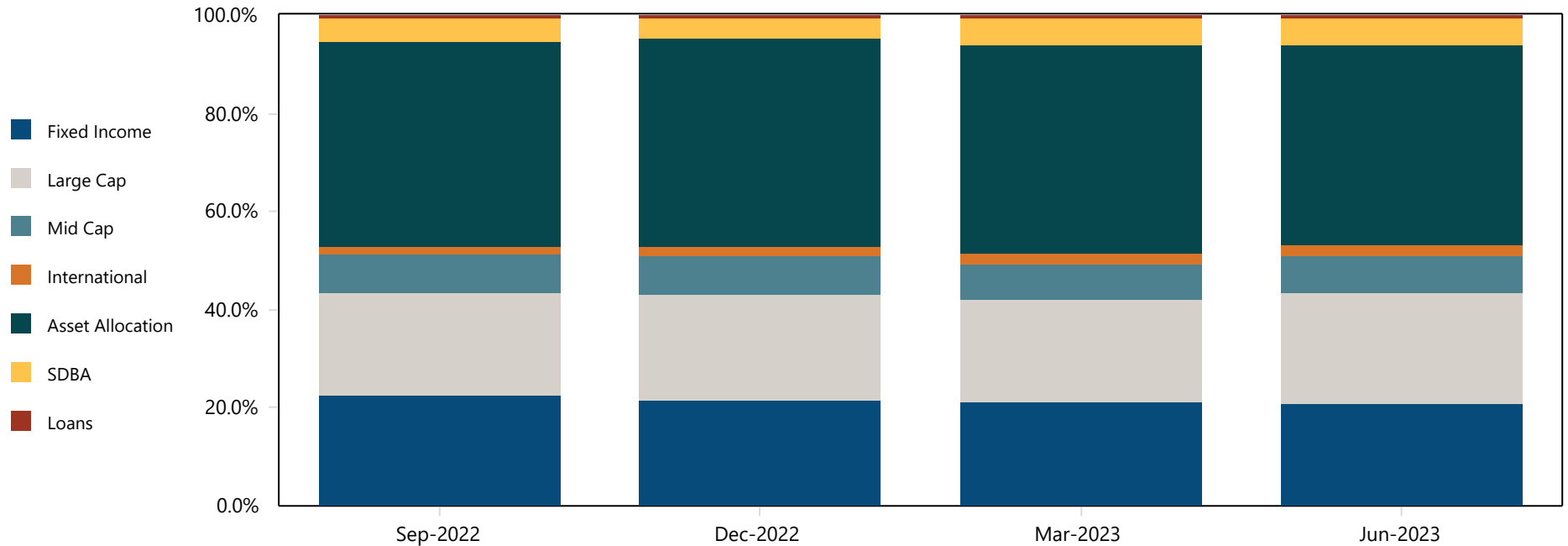
## Marin County Superior Court | 457 Deferred Compensation Plan

## Plan Review

1 Quarter Ending June 30, 2023

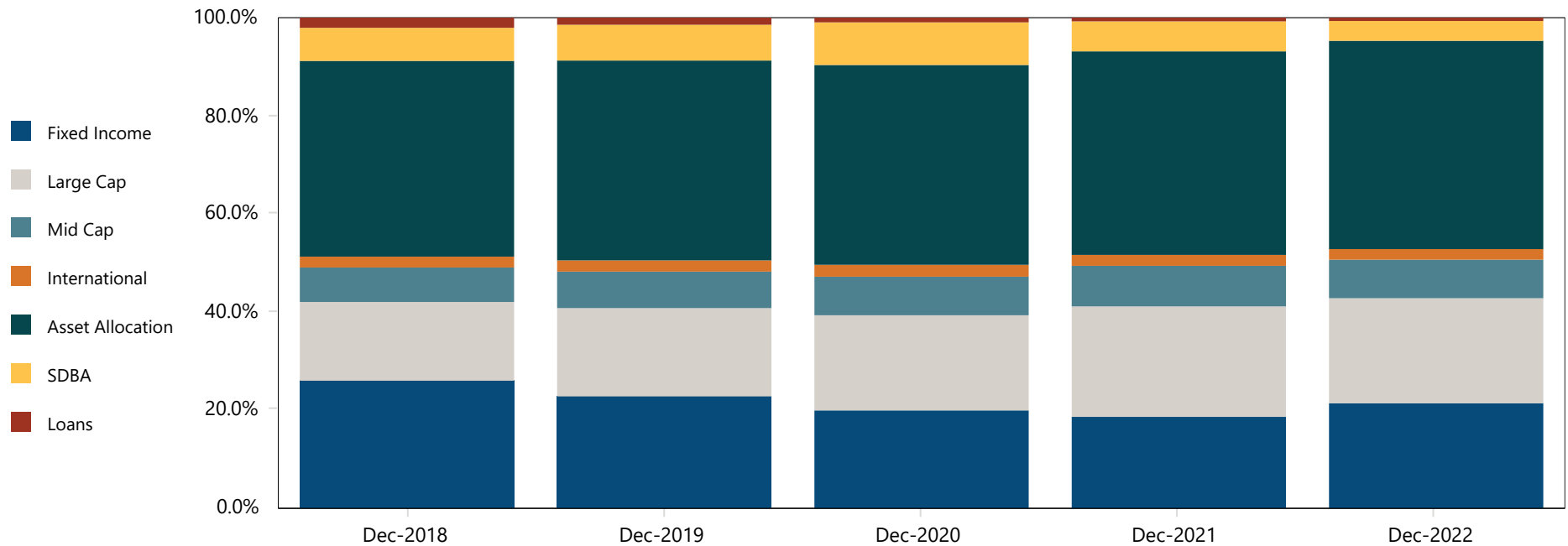
	Asset-ID	End Balance \$	End Alloc %
<b>Fixed Income</b>		<b>2,739,738</b>	<b>20.81</b>
Galliard Stable Value (0.12%)		2,370,132	18.00
Metropolitan West Total Return Bond Plan	MWTSX	244,390	1.86
Vanguard Total Bond Market Index I	VBTIX	125,216	0.95
<b>Large Cap</b>		<b>2,966,647</b>	<b>22.53</b>
T. Rowe Price U.S. Equity Research I	PCCOX	1,120,869	8.51
Vanguard Institutional Index Instl	VINIX	1,845,778	14.02
<b>Mid Cap</b>		<b>1,003,740</b>	<b>7.62</b>
Schroeder US Small and Mid Cap Eq Trust 3	80808j757	567,160	4.31
Vanguard Extended Market Index Instl	VIEIX	436,580	3.32
<b>International</b>		<b>285,246</b>	<b>2.17</b>
Hartford Intl Opp HLS IA	HIAOX	275,073	2.09
Vanguard Total Intl Stock Index Adm	VTIAX	10,173	0.08
<b>Asset Allocation</b>		<b>5,371,017</b>	<b>40.79</b>
Calvert Balanced R6	CBARX	29,675	0.23
Vanguard Target Retirement Income	VTINX	948,703	7.21
Vanguard Target Retirement 2020	VTWNX	1,104,640	8.39
Vanguard Target Retirement 2025	VTTVX	1,383,325	10.51
Vanguard Target Retirement 2030	VTHRX	757,863	5.76
Vanguard Target Retirement 2035	VTTHX	422,503	3.21
Vanguard Target Retirement 2040	VFORX	247,397	1.88
Vanguard Target Retirement 2045	VTIVX	166,400	1.26
Vanguard Target Retirement 2050	VFIFX	105,246	0.80
Vanguard Target Retirement 2055	VFFVX	82,876	0.63
Vanguard Target Retirement 2060	VTTSX	122,391	0.93
Vanguard Target Retirement 2065	VLXVX	-	0.00
<b>SDBA</b>		<b>720,731</b>	<b>5.47</b>
Self-Directed Brokerage Assets		720,731	5.47
<b>Loans</b>		<b>78,823</b>	<b>0.60</b>
Participant Loans		78,823	0.60
<b>Total</b>		<b>13,165,943</b>	<b>100.00</b>

## Historical Asset Allocation



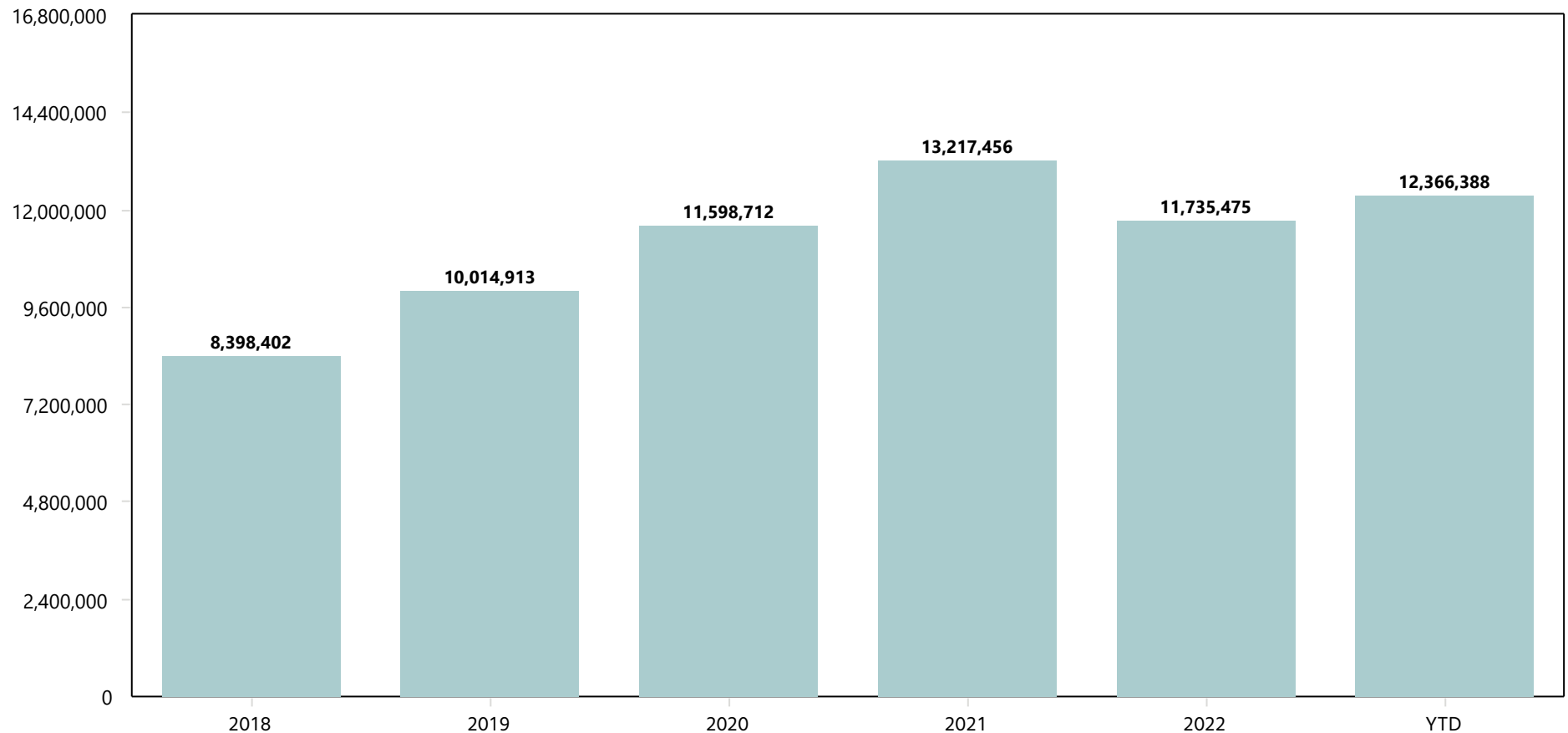
	Sep-2022		Dec-2022		Mar-2023		Jun-2023	
	Ending Value \$	Ending Value %	Ending Value \$	Ending Value %	Ending Value \$	Ending Value %	Ending Value \$	Ending Value %
Fixed Income	2,638,597	22.4	2,642,413	21.5	2,764,451	21.1	2,739,738	20.8
Large Cap	2,467,878	21.0	2,635,539	21.4	2,719,108	20.8	2,966,647	22.5
Mid Cap	902,958	7.7	966,156	7.8	967,279	7.4	1,003,740	7.6
International	230,103	2.0	264,285	2.1	278,476	2.1	285,246	2.2
Asset Allocation	4,886,445	41.5	5,227,081	42.4	5,567,574	42.5	5,371,017	40.8
SDBA	545,190	4.6	495,100	4.0	713,430	5.4	720,731	5.5
Loans	90,599	0.8	87,515	0.7	82,607	0.6	78,823	0.6
<b>Total</b>	<b>11,761,769</b>	<b>100.0</b>	<b>12,318,090</b>	<b>100.0</b>	<b>13,092,924</b>	<b>100.0</b>	<b>13,165,943</b>	<b>100.0</b>

## Historical Asset Allocation



	Dec-2018		Dec-2019		Dec-2020		Dec-2021		Dec-2022	
	Ending Value \$	Ending Value %	Ending Value \$	Ending Value %	Ending Value \$	Ending Value %	Ending Value \$	Ending Value %	Ending Value \$	Ending Value %
Fixed Income	2,395,794	26.0	2,503,042	22.8	2,564,193	20.0	2,642,832	18.6	2,642,413	21.5
Large Cap	1,477,333	16.0	1,976,051	18.0	2,483,317	19.3	3,196,233	22.5	2,635,539	21.4
Mid Cap	646,975	7.0	810,017	7.4	1,008,355	7.9	1,175,137	8.3	966,156	7.8
International	200,117	2.2	258,122	2.4	313,835	2.4	321,827	2.3	264,285	2.1
Asset Allocation	3,678,183	40.0	4,467,681	40.7	5,229,011	40.7	5,881,427	41.4	5,227,081	42.4
SDBA	617,905	6.7	797,260	7.3	1,111,069	8.7	870,906	6.1	495,100	4.0
Loans	190,420	2.1	157,423	1.4	125,145	1.0	105,959	0.7	87,515	0.7
<b>Total</b>	<b>9,206,727</b>	<b>100.0</b>	<b>10,969,596</b>	<b>100.0</b>	<b>12,834,926</b>	<b>100.0</b>	<b>14,194,320</b>	<b>100.0</b>	<b>12,318,090</b>	<b>100.0</b>

## Plan Value Over Time



	2018	2019	2020	2021	2022	YTD
Beginning Market Value \$	8,940,008	8,398,402	10,014,913	11,598,712	13,217,456	11,735,475
Cash Flow (+/-) \$	(217,655)	153,629	323,410	144,376	279,214	(389,955)
Market Adjustment \$	(323,951)	1,462,882	1,260,388	1,474,368	(1,761,195)	1,020,869
Ending Market Value \$	8,398,402	10,014,913	11,598,712	13,217,456	11,735,475	12,366,388
Participants	97	100	102	104	105	99

## 6.C

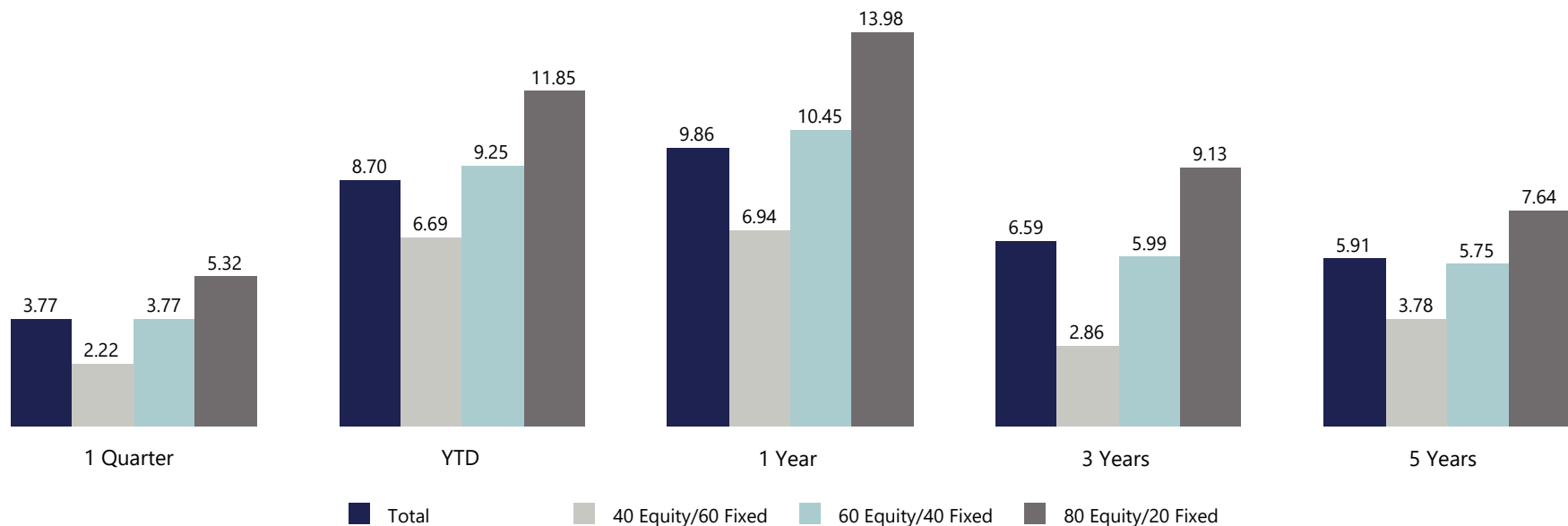
### Marin County Superior Court | 457 Deferred Compensation Plan

### Plan Review

As of June 30, 2023

Cash Flow Summary						
	Beg Value (%) of the Plan	Beg Value \$	Cash Flow (+/-)	Gain/Loss	End Value (%) of the Plan	End Value \$
<b>Total</b>	<b>100.00</b>	<b>12,296,887</b>	<b>(394,053)</b>	<b>463,554</b>	<b>100.00</b>	<b>12,366,388</b>
Fixed Income	22.48	2,764,451	(36,304)	11,591	22.15	2,739,738
Large Cap	22.11	2,719,108	(2,063)	249,602	23.99	2,966,647
Mid Cap	7.87	967,279	(3,469)	39,931	8.12	1,003,740
International	2.26	278,476	(362)	7,132	2.31	285,246
Asset Allocation	45.28	5,567,574	(351,854)	155,297	43.43	5,371,017

### Plan Returns



Equity Indices: Russell 3000, MSCI ACWI ex USA; Fixed Indices: US Treasury 3 Mo T-Bill, Bloomberg Global Aggregate Bond (rebalanced quarterly).

## **Section 5 | OBRAs - Plan Review**



## 6.C

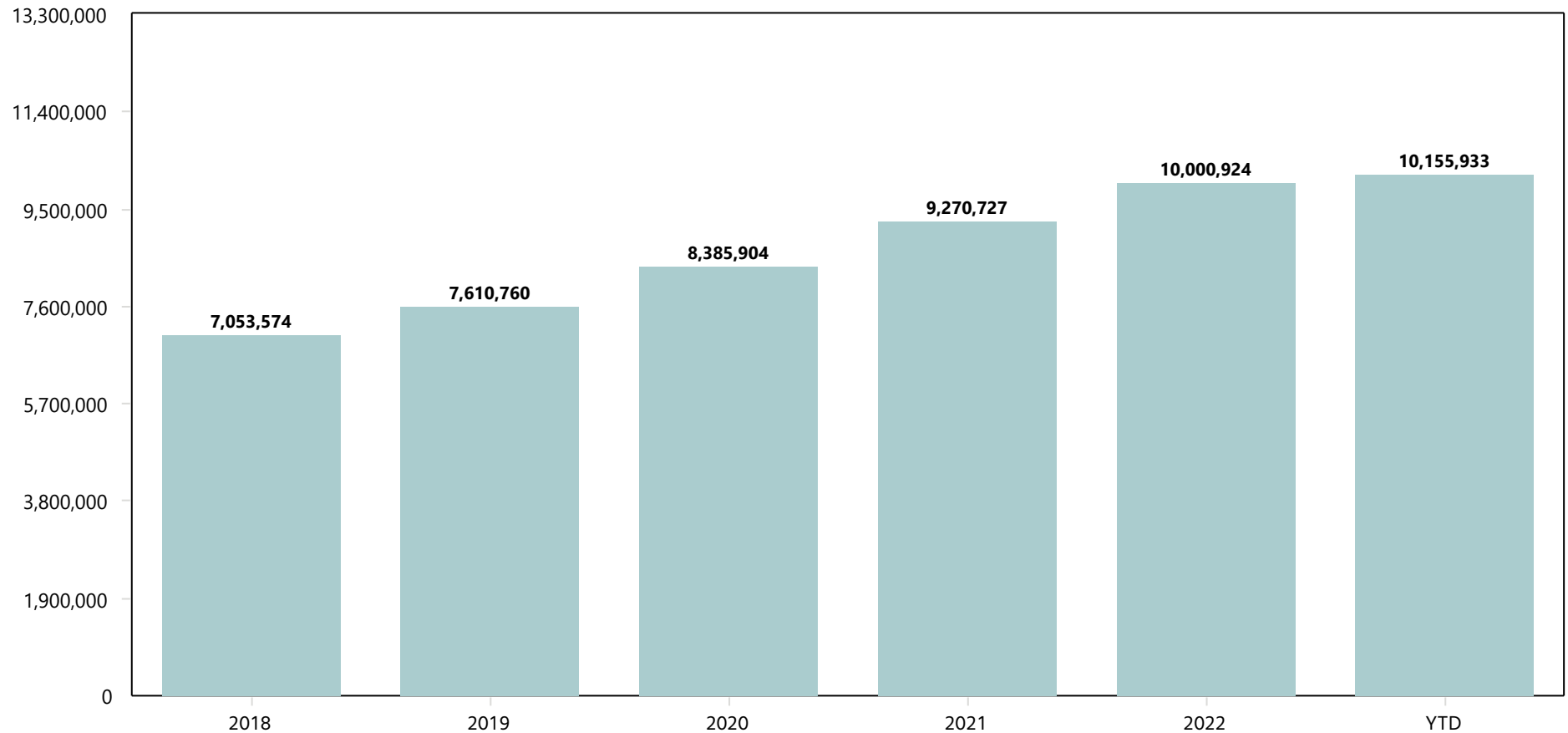
### Marin County, California | PST-OBRA

### Plan Review

1 Quarter Ending June 30, 2023

	Asset-ID	End Balance \$	End Alloc %
<b>Fixed Income</b>		<b>10,155,933</b>	<b>100.00</b>
Galliard Stable Value (0.12%) (PST - OBRA)		10,043,383	98.89
Galliard Stable Value (0.12%) (Court - OBRA)		112,550	1.11
<b>Total</b>		<b>10,155,933</b>	<b>100.00</b>

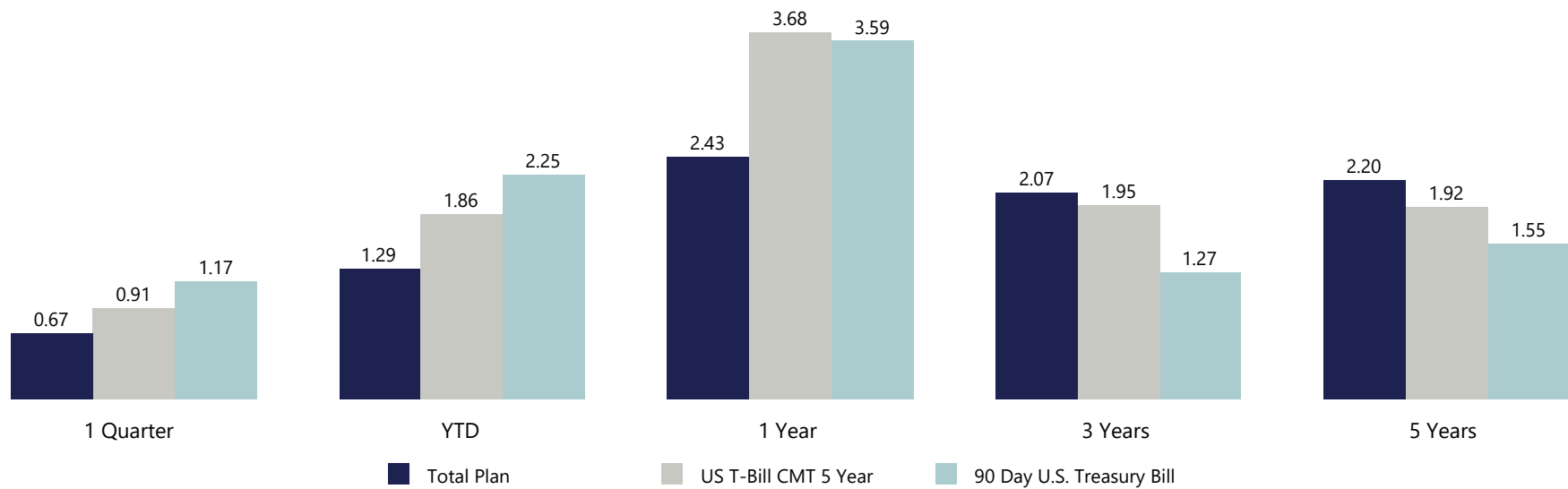
## Plan Value Over Time



	2018	2019	2020	2021	2022	YTD
Beginning Market Value \$	6,632,424	7,053,574	7,610,760	8,385,904	9,270,727	10,000,924
Cash Flow (+/-) \$	269,605	384,329	601,458	725,920	542,837	25,452
Market Adjustment \$	151,544	172,857	173,687	158,902	187,360	129,557
Ending Market Value \$	7,053,574	7,610,760	8,385,904	9,270,727	10,000,924	10,155,933
Participants	2,107	2,265	2,411	2,538	2,774	2,874

Cash Flow Summary						
	Beg Value (%) of the Plan	Beg Value \$	Cash Flow (+/-)	Gain/Loss	End Value (%) of the Plan	End Value \$
<b>Total</b>	<b>100.00</b>	<b>10,077,604</b>	<b>11,019</b>	<b>67,310</b>	<b>100.00</b>	<b>10,155,933</b>
Fixed Income	100.00	10,077,604	11,019	67,310	100.00	10,155,933

Plan Returns



## Section 6 | Fund Review

## 6.C

### Marin County, California | 457 Deferred Compensation/OBRA Plans

### Manager Scorecard

As of June 30, 2023

Fund Name	Asset-ID	Mgmt	5 Year Return Difference	5 Year Rank	On-Watch	Qualitative Factors	Quantitative Factors
Galliard Stable Value (0.12%)		Active	0.25	14	●	●	●
Metropolitan West Total Return Bond Plan	MWTSX	Active	0.12	49	●	●	●
T. Rowe Price U.S. Equity Research I	PCCOX	Active	0.40	8	●	●	●
Schroeder US Small and Mid Cap Eq Trust 3	80808j757	Active	0.63	57	●	●	●
Hartford Intl Opp HLS IA	HIAOX	Active	0.61	44	●	●	●
Calvert Balanced R6	CBARX	Active	-0.11	7	●	●	●

Quantitative failure defined as performance below the prescribed benchmark index over a trailing five-year period, combined with performance below the median of its peer group over a trailing five-year period.

## 6.C

### Marin County, California | 457 Deferred Compensation/OBRA Plans

### Manager Scorecard

As of June 30, 2023

Fund Name	Asset-ID	Mgmt	Expense Ratio	5 Year Return Difference	5 Year Rank	On-Watch	Qualitative Factors	Quantitative Factors
Vanguard Total Bond Market Index I	VBPIX	Passive	0.04	0.02	38	●	●	●
Vanguard Institutional Index Instl	VINIX	Passive	0.04	-0.03	15	●	●	●
Vanguard Extended Market Index Instl	VIEIX	Passive	0.05	0.13	77	●	●	●
Vanguard Total Intl Stock Index Adm	VTIAX	Passive	0.11	0.03	58	●	●	●
Vanguard Target Retirement Income Trust II	92202V740	Passive	0.08	-0.23	28	●	●	●
Vanguard Target Retirement 2020 Trust II	92202V716	Passive	0.08	-0.30	29	●	●	●
Vanguard Target Retirement 2025 Trust II	92202V690	Passive	0.08	-0.32	16	●	●	●
Vanguard Target Retirement 2030 Trust II	92202V682	Passive	0.08	-0.32	20	●	●	●
Vanguard Target Retirement 2035 Trust II	92202V674	Passive	0.08	-0.30	29	●	●	●
Vanguard Target Retirement 2040 Trust II	92202V666	Passive	0.08	-0.31	27	●	●	●
Vanguard Target Retirement 2045 Trust II	92202V658	Passive	0.08	-0.31	22	●	●	●
Vanguard Target Retirement 2050 Trust II	92202V641	Passive	0.08	-0.30	15	●	●	●
Vanguard Target Retirement 2055 Trust II	92202V476	Passive	0.08	-0.31	18	●	●	●
Vanguard Target Retirement 2060 Trust II	92202V195	Passive	0.08	-0.28	19	●	●	●
Vanguard Target Retirement 2065 Trust II	92202V138	Passive	0.08	-0.28	20	●	●	●

Quantitative failure defined as net of fee and any fair value adjustment performance using tracking error relative to the respective index that is greater than 15 basis points over a trailing five-year period. The 457 Plan has transitioned to the Vanguard Retirement Trust II suite. The Courts are invested in the Vanguard Target Retirement Investor suite. Only Trust II are shown.

## 6.C

## Marin County, California | 457 Deferred Compensation/OBRA Plans

## Plan Review

As of June 30, 2023

## Performance Review

	Performance (%)											
	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	2022	2021	2020	2019	2018	2017
Galliard Stable Value (0.12%)	0.67	1.29	2.40	2.07	2.17	1.90	1.98	1.83	2.22	2.41	2.12	1.81
US T-Bill CMT 5 Year	0.91	1.86	3.68	1.95	1.92	1.82	3.00	0.85	0.54	1.96	2.75	1.91
+/- Index	(0.24)	(0.57)	(1.28)	0.12	0.25	0.08	(1.02)	0.98	1.68	0.45	(0.63)	(0.10)
90 Day U.S. Treasury Bill	1.17	2.25	3.59	1.27	1.55	0.97	1.46	0.05	0.67	2.28	1.87	0.86
+/- Index	(0.50)	(0.96)	(1.19)	0.80	0.62	0.93	0.52	1.78	1.55	0.13	0.25	0.95
IM U.S. GIC/Stable Value (SA+CF) Rank	27	33	25	14	14	32	10	15	16	34	30	34
Metropolitan West Total Return Bond Plan	(1.27)	2.23	(1.36)	(4.01)	0.89	1.71	(14.69)	(1.11)	9.17	9.23	0.29	3.49
Blmbg. U.S. Aggregate Index	(0.84)	2.09	(0.94)	(3.97)	0.77	1.52	(13.01)	(1.55)	7.51	8.72	0.01	3.54
+/- Index	(0.43)	0.14	(0.42)	(0.04)	0.12	0.19	(1.68)	0.44	1.66	0.51	0.28	(0.05)
Intermediate Core-Plus Bond Rank	88	66	74	83	49	49	75	65	29	52	16	78
Vanguard Total Bond Market Index I	(0.90)	2.24	(0.89)	(4.01)	0.78	1.49	(13.15)	(1.65)	7.74	8.73	(0.01)	3.57
Blmbg. U.S. Aggregate Index	(0.84)	2.09	(0.94)	(3.97)	0.77	1.52	(13.01)	(1.55)	7.51	8.72	0.01	3.54
+/- Index	(0.06)	0.15	0.05	(0.04)	0.01	(0.03)	(0.14)	(0.10)	0.23	0.01	(0.02)	0.03
Intermediate Core Bond Rank	57	47	42	62	38	42	35	53	53	34	29	41
T. Rowe Price U.S. Equity Research I	9.96	18.95	21.47	15.35	12.70	13.25	(18.72)	28.09	19.94	32.55	(4.45)	23.85
S&P 500 Index	8.74	16.89	19.59	14.60	12.31	12.86	(18.11)	28.71	18.40	31.49	(4.38)	21.83
+/- Index	1.22	2.06	1.88	0.75	0.39	0.39	(0.61)	(0.62)	1.54	1.06	(0.07)	2.02
Large Blend Rank	10	8	11	13	8	5	64	31	26	13	26	14
Vanguard Institutional Index Instl	8.73	16.87	19.55	14.57	12.28	12.83	(18.14)	28.67	18.39	31.46	(4.42)	21.79
S&P 500 Index	8.74	16.89	19.59	14.60	12.31	12.86	(18.11)	28.71	18.40	31.49	(4.38)	21.83
+/- Index	(0.01)	(0.02)	(0.04)	(0.03)	(0.03)	(0.03)	(0.03)	(0.04)	(0.01)	(0.03)	(0.04)	(0.04)
Large Blend Rank	23	21	27	24	15	10	52	22	37	23	25	33

## 6.C

### Marin County, California | 457 Deferred Compensation/OBRA Plans

### Plan Review

As of June 30, 2023

	Performance (%)											
	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	2022	2021	2020	2019	2018	2017
Schroder US Small and Mid Cap Eq Trust 3	2.48	5.97	12.81	12.86	7.18	9.87	(12.67)	22.22	8.07	29.60	(11.10)	15.59
Russell 2500 Index	5.22	8.79	13.58	12.29	6.55	9.38	(18.37)	18.18	19.99	27.77	(10.00)	16.81
+/- Index	(2.74)	(2.82)	(0.77)	0.57	0.63	0.49	5.70	4.04	(11.92)	1.83	(1.10)	(1.22)
Mid-Cap Blend Rank	89	78	65	58	57	34	24	65	82	32	50	58
Vanguard Extended Market Index Instl	6.46	12.69	15.22	9.28	6.15	9.35	(26.46)	12.47	32.23	28.05	(9.35)	18.12
S&P Completion Index	6.40	12.57	15.00	9.16	6.02	9.23	(26.54)	12.35	32.17	27.95	(9.57)	18.11
+/- Index	0.06	0.12	0.22	0.12	0.13	0.12	0.08	0.12	0.06	0.10	0.22	0.01
Mid-Cap Blend Rank	14	14	41	90	77	50	98	96	3	43	32	33
Hartford Intl Opp HLS IA	2.56	8.17	12.36	6.89	4.12	5.65	(18.14)	7.82	20.45	26.43	(18.74)	25.25
MSCI AC World ex USA (Net)	2.44	9.47	12.72	7.22	3.52	4.75	(16.00)	7.82	10.65	21.51	(14.20)	27.19
+/- Index	0.12	(1.30)	(0.36)	(0.33)	0.60	0.90	(2.14)	0.00	9.80	4.92	(4.54)	(1.94)
Foreign Large Blend Rank	63	90	84	71	44	25	76	72	9	17	87	56
Vanguard Total Intl Stock Index Adm	2.61	9.44	12.31	7.51	3.69	5.05	(16.01)	8.62	11.28	21.51	(14.43)	27.55
Vanguard Total International Stock Index	2.53	9.12	12.51	7.61	3.66	5.09	(16.10)	8.84	11.24	21.81	(14.62)	27.41
+/- Index	0.08	0.32	(0.20)	(0.10)	0.03	(0.04)	0.09	(0.22)	0.04	(0.30)	0.19	0.14
Foreign Large Blend Rank	61	77	85	61	58	55	54	67	39	60	42	28
Calvert Balanced R6	4.25	9.25	9.61	6.90	7.96	7.71	(15.07)	14.64	15.76	24.02	(2.74)	11.52
US Balanced Index	4.91	10.87	11.09	7.08	8.08	8.50	(15.91)	15.96	15.37	22.11	(2.26)	14.26
+/- Index	(0.66)	(1.62)	(1.48)	(0.18)	(0.12)	(0.79)	0.84	(1.32)	0.39	1.91	(0.48)	(2.74)
Allocation--50% to 70% Equity Rank	21	25	34	32	7	19	51	31	20	5	9	80
Vanguard Target Retirement Income Trust II	1.36	5.69	4.54	1.74	3.49	4.17	(12.73)	5.25	10.08	13.28	(2.00)	8.60
Vanguard Target Income Composite Index (Net)	1.44	5.63	4.80	1.93	3.72	4.35	(12.44)	5.44	10.70	13.41	(1.97)	8.68
+/- Index	(0.08)	0.06	(0.26)	(0.19)	(0.23)	(0.18)	(0.29)	(0.19)	(0.62)	(0.13)	(0.03)	(0.08)
Target-Date Retirement Rank	58	41	53	48	28	24	50	64	26	43	15	49



## 6.C

## Marin County, California | 457 Deferred Compensation/OBRA Plans

## Plan Review

As of June 30, 2023

	Performance (%)											
	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	2022	2021	2020	2019	2018	2017
Vanguard Target Retirement 2020 Trust II	2.12	7.01	6.57	3.87	4.66	6.09	(14.13)	8.23	12.10	17.68	(4.19)	14.19
Vanguard Target 2020 Composite Index (Net)	2.20	6.98	6.91	4.12	4.96	6.31	(13.77)	8.43	12.85	17.87	(4.13)	14.22
+/- Index	(0.08)	0.03	(0.34)	(0.25)	(0.30)	(0.22)	(0.36)	(0.20)	(0.75)	(0.19)	(0.06)	(0.03)
Target-Date 2020 Rank	37	30	52	53	29	15	40	61	36	24	38	13
Vanguard Target Retirement 2025 Trust II	2.96	8.45	8.56	5.05	5.35	6.76	(15.44)	9.90	13.39	19.75	(5.07)	16.04
Vanguard Target 2025 Composite Index (Net)	3.04	8.41	8.97	5.32	5.66	7.00	(15.02)	10.09	14.19	19.93	(5.00)	16.08
+/- Index	(0.08)	0.04	(0.41)	(0.27)	(0.31)	(0.24)	(0.42)	(0.19)	(0.80)	(0.18)	(0.07)	(0.04)
Target-Date 2025 Rank	11	9	13	26	16	11	48	46	29	16	39	20
Vanguard Target Retirement 2030 Trust II	3.62	9.47	10.03	6.13	5.88	7.33	(16.16)	11.46	14.19	21.15	(5.79)	17.60
Vanguard Target 2030 Composite Index (Net)	3.64	9.43	10.48	6.43	6.20	7.57	(15.71)	11.66	14.98	21.34	(5.72)	17.66
+/- Index	(0.02)	0.04	(0.45)	(0.30)	(0.32)	(0.24)	(0.45)	(0.20)	(0.79)	(0.19)	(0.07)	(0.06)
Target-Date 2030 Rank	10	6	15	34	20	17	44	52	32	30	33	32
Vanguard Target Retirement 2035 Trust II	4.10	10.28	11.34	7.30	6.44	7.90	(16.52)	13.07	14.92	22.57	(6.54)	19.18
Vanguard Target 2035 Composite Index (Net)	4.13	10.24	11.77	7.59	6.74	8.14	(16.10)	13.24	15.67	22.76	(6.46)	19.25
+/- Index	(0.03)	0.04	(0.43)	(0.29)	(0.30)	(0.24)	(0.42)	(0.17)	(0.75)	(0.19)	(0.08)	(0.07)
Target-Date 2035 Rank	34	27	43	56	29	22	35	74	37	41	27	38
Vanguard Target Retirement 2040 Trust II	4.63	11.12	12.66	8.43	6.97	8.41	(16.94)	14.68	15.57	23.97	(7.30)	20.81
Vanguard Target 2040 Composite Index (Net)	4.62	11.06	13.07	8.74	7.28	8.67	(16.51)	14.84	16.31	24.19	(7.22)	20.86
+/- Index	0.01	0.06	(0.41)	(0.31)	(0.31)	(0.26)	(0.43)	(0.16)	(0.74)	(0.22)	(0.08)	(0.05)
Target-Date 2040 Rank	52	42	54	62	27	23	33	78	37	39	28	24
Vanguard Target Retirement 2045 Trust II	5.12	11.94	13.96	9.58	7.51	8.77	(17.33)	16.33	16.27	25.07	(7.86)	21.51
Vanguard Target 2045 Composite Index (Net)	5.11	11.88	14.37	9.90	7.82	9.02	(16.93)	16.45	17.02	25.37	(7.77)	21.55
+/- Index	0.01	0.06	(0.41)	(0.32)	(0.31)	(0.25)	(0.40)	(0.12)	(0.75)	(0.30)	(0.09)	(0.04)
Target-Date 2045 Rank	53	41	51	42	22	16	30	62	35	33	36	23

## 6.C

## Marin County, California | 457 Deferred Compensation/OBRA Plans

## Plan Review

As of June 30, 2023

	Performance (%)											
	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	2022	2021	2020	2019	2018	2017
Vanguard Target Retirement 2050 Trust II	5.43	12.42	14.67	9.81	7.66	8.83	(17.45)	16.60	16.42	25.05	(7.83)	21.48
Vanguard Target 2050 Composite Index (Net)	5.40	12.34	15.05	10.13	7.96	9.09	(17.07)	16.75	17.17	25.37	(7.77)	21.55
+/- Index	0.03	0.08	(0.38)	(0.32)	(0.30)	(0.26)	(0.38)	(0.15)	(0.75)	(0.32)	(0.06)	(0.07)
Target-Date 2050 Rank	40	35	44	41	15	17	28	62	34	38	28	29
Vanguard Target Retirement 2055 Trust II	5.40	12.41	14.67	9.81	7.65	8.82	(17.44)	16.59	16.41	25.07	(7.85)	21.49
Vanguard Target 2055 Composite Index (Net)	5.40	12.34	15.05	10.13	7.96	9.09	(17.07)	16.75	17.17	25.37	(7.77)	21.55
+/- Index	0.00	0.07	(0.38)	(0.32)	(0.31)	(0.27)	(0.37)	(0.16)	(0.76)	(0.30)	(0.08)	(0.06)
Target-Date 2055 Rank	47	45	50	48	18	21	25	68	37	41	32	37
Vanguard Target Retirement 2060 Trust II	5.40	12.42	14.71	9.83	7.68	8.83	(17.41)	16.56	16.50	25.09	(7.85)	21.51
Vanguard Target 2060 Composite Index (Net)	5.40	12.34	15.05	10.13	7.96	9.09	(17.07)	16.75	17.17	25.37	(7.77)	21.55
+/- Index	0.00	0.08	(0.34)	(0.30)	(0.28)	(0.26)	(0.34)	(0.19)	(0.67)	(0.28)	(0.08)	(0.04)
Target-Date 2060 Rank	49	47	49	52	19	1	24	74	37	49	29	37
Vanguard Target Retirement 2065 Trust II	5.38	12.41	14.69	9.81	7.68	-	(17.40)	16.54	16.45	25.11	(7.70)	-
Vanguard Target 2065 Composite Index (Net)	5.40	12.34	15.05	10.13	7.96	-	(17.07)	16.75	17.17	25.37	(7.77)	-
+/- Index	(0.02)	0.07	(0.36)	(0.32)	(0.28)	-	(0.33)	(0.21)	(0.72)	(0.26)	0.07	-
Target-Date 2065+ Rank	52	51	56	43	20	-	18	66	49	55	1	-

The 457 Plan has transitioned to the Vanguard Retirement Trust II suite. The Courts are invested in the Vanguard Target Retirement Investor suite. Only Trust II are shown.

## **Section 7 | County - 457 Deferred Compensation Fee Review**

## 6.C

## Marin County, California | 457 Deferred Compensation Plan

## Plan Fee Analysis

As of June 30, 2023

	Asset-ID	Market Value As of 06/30/2023 \$	Net Expense Ratio (%)	Net Estimated Expense \$
Galliard Stable Value (0.12%)		54,447,380	0.120	65,337
Metropolitan West Total Return Bond Plan	MWTSX	5,490,436	0.370	20,315
Vanguard Total Bond Market Index I	VBPIX	5,110,284	0.035	1,789
T. Rowe Price U.S. Equity Research I	PCCOX	34,030,034	0.350	119,105
Vanguard Institutional Index Instl	VINIX	33,474,230	0.035	11,716
Schroder US Small and Mid Cap Eq Trust 3	80808j757	9,209,168	0.750	69,069
Vanguard Extended Market Index Instl	VIEIX	12,594,430	0.050	6,297
Hartford Intl Opp HLS IA	HIAOX	5,347,453	0.750	40,106
Vanguard Total Intl Stock Index Adm	VTIAX	2,860,454	0.110	3,146
Calvert Balanced R6	CBARX	5,310,847	0.610	32,396
Vanguard Target Retirement Income Trust II	92202V740	29,459,480	0.075	22,095
Vanguard Target Retirement 2020 Trust II	92202V716	15,151,773	0.075	11,364
Vanguard Target Retirement 2025 Trust II	92202V690	19,734,090	0.075	14,801
Vanguard Target Retirement 2030 Trust II	92202V682	23,339,894	0.075	17,505
Vanguard Target Retirement 2035 Trust II	92202V674	17,815,549	0.075	13,362
Vanguard Target Retirement 2040 Trust II	92202V666	15,962,070	0.075	11,972
Vanguard Target Retirement 2045 Trust II	92202V658	11,585,835	0.075	8,689
Vanguard Target Retirement 2050 Trust II	92202V641	7,840,707	0.075	5,881
Vanguard Target Retirement 2055 Trust II	92202V476	4,281,869	0.075	3,211
Vanguard Target Retirement 2060 Trust II	92202V195	2,801,694	0.075	2,101
Vanguard Target Retirement 2065 Trust II	92202V138	152,732	0.075	115
<b>Total</b>		<b>316,000,408</b>	<b>0.152</b>	<b>480,370</b>

## 6.C

### Marin County, California | 457 Deferred Compensation Plan

### Plan Fee Analysis

As of June 30, 2023

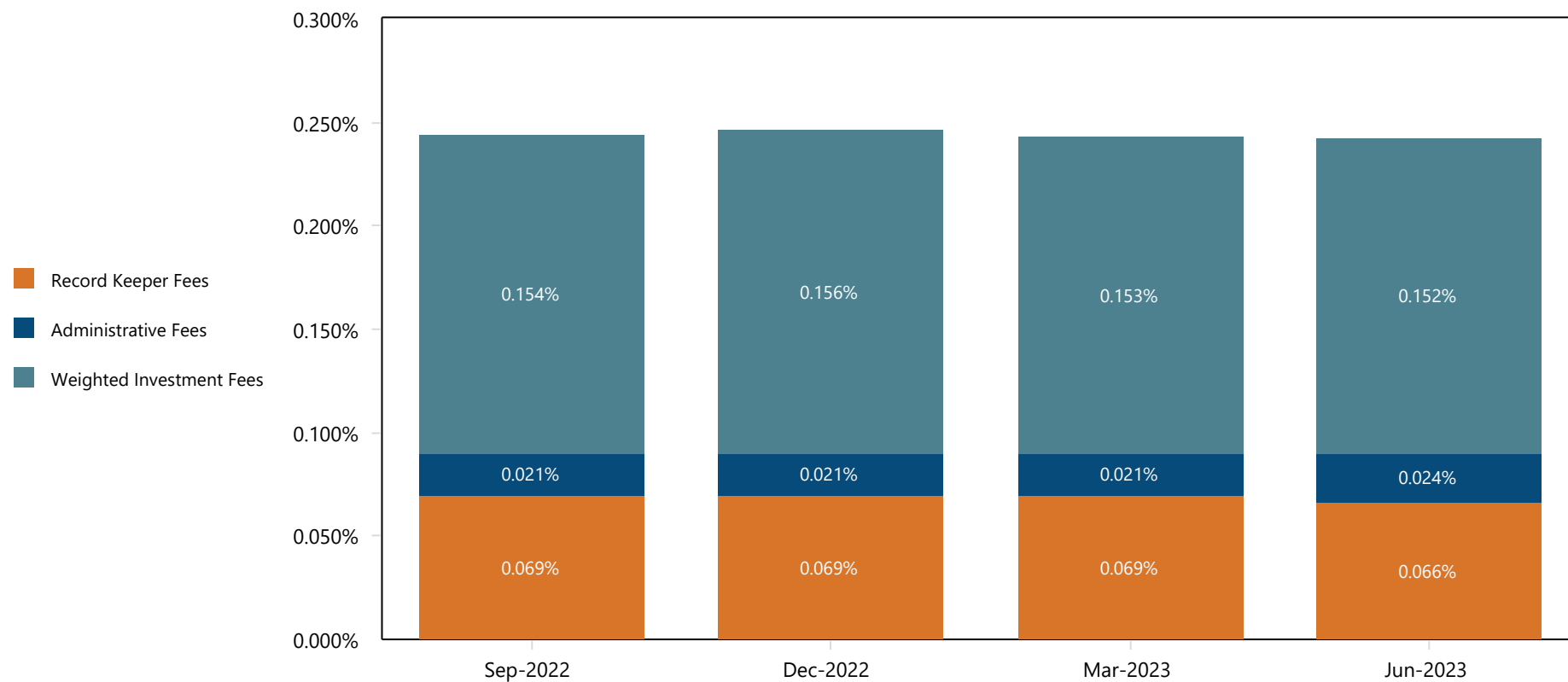
#### Plan Administration Cost (0.09%)

	Rate (%)	Annualized Charge \$	Period Charge \$	Per Part Est Charge \$
Record Keeper Fees	0.066	209,066	52,266	79
Administrative Fees	0.024	75,334	18,834	29

All participants are charged 0.09% which is credited to the admin expense account. Record Keeper Fees of 0.07% excluding loans/brokerage (calculated above as a percentage of the total plan assets) are deducted from this account. The remainder (displayed above as Administrative Fees) may be used to pay plan-related expenses.

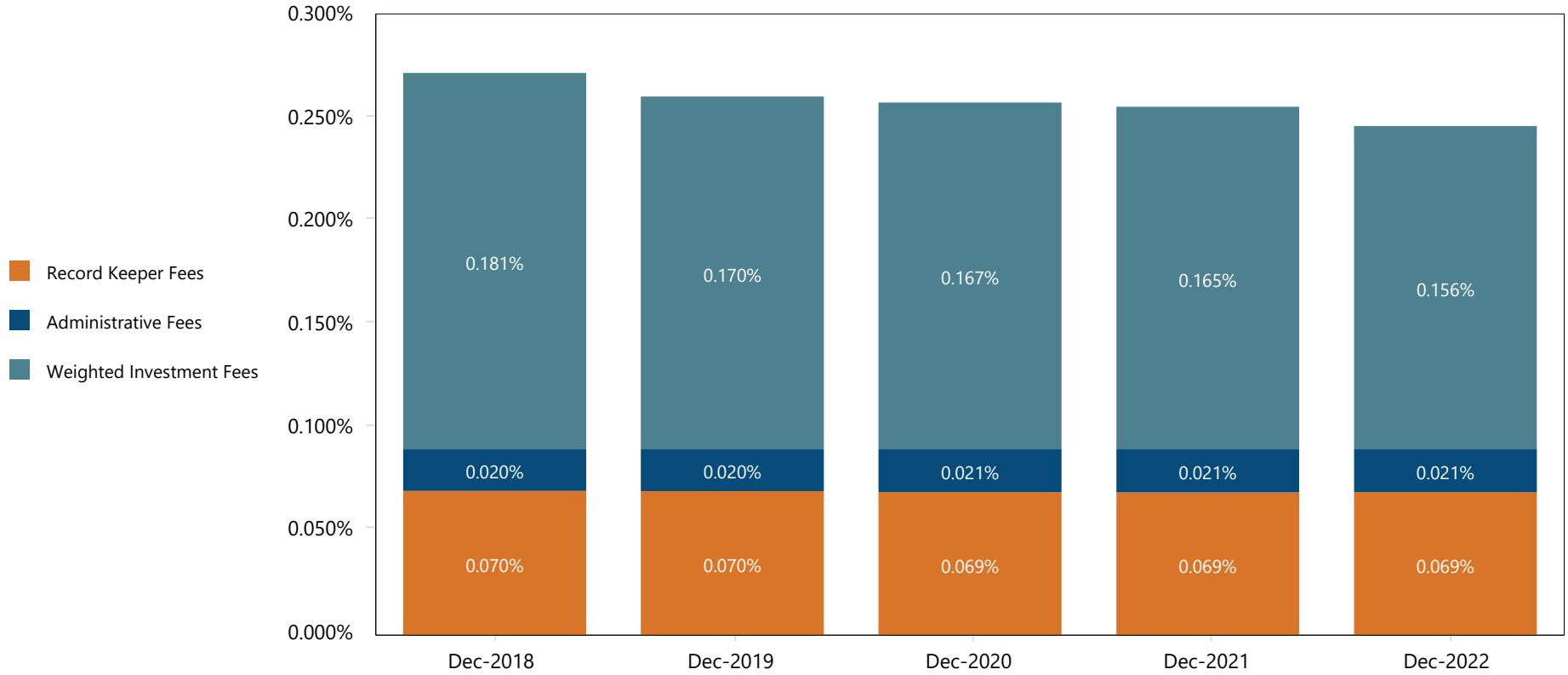
As of June 30, 2023

## Annualized Plan Cost



	Sep-2022 (%)	Dec-2022 (%)	Mar-2023 (%)	Jun-2023 (%)
<b>Total Plan Fees</b>	<b>0.244</b>	<b>0.246</b>	<b>0.243</b>	<b>0.242</b>
Record Keeper Fees	0.069	0.069	0.069	0.066
Administrative Fees	0.021	0.021	0.021	0.024
Weighted Investment Fees	0.154	0.156	0.153	0.152

Annualized Plan Cost



	Dec-2018 (%)	Dec-2019 (%)	Dec-2020 (%)	Dec-2021 (%)	Dec-2022 (%)
<b>Total Plan Fees</b>	<b>0.271</b>	<b>0.260</b>	<b>0.257</b>	<b>0.255</b>	<b>0.246</b>
Record Keeper Fees	0.070	0.070	0.069	0.069	0.069
Administrative Fees	0.020	0.020	0.021	0.021	0.021
Weighted Investment Fees	0.181	0.170	0.167	0.165	0.156

## **Section 8 | Court - 457 Deferred Compensation Fee Review**



## 6.C

## Marin County Superior Court | 457 Deferred Compensation Plan

## Plan Fee Analysis

As of June 30, 2023

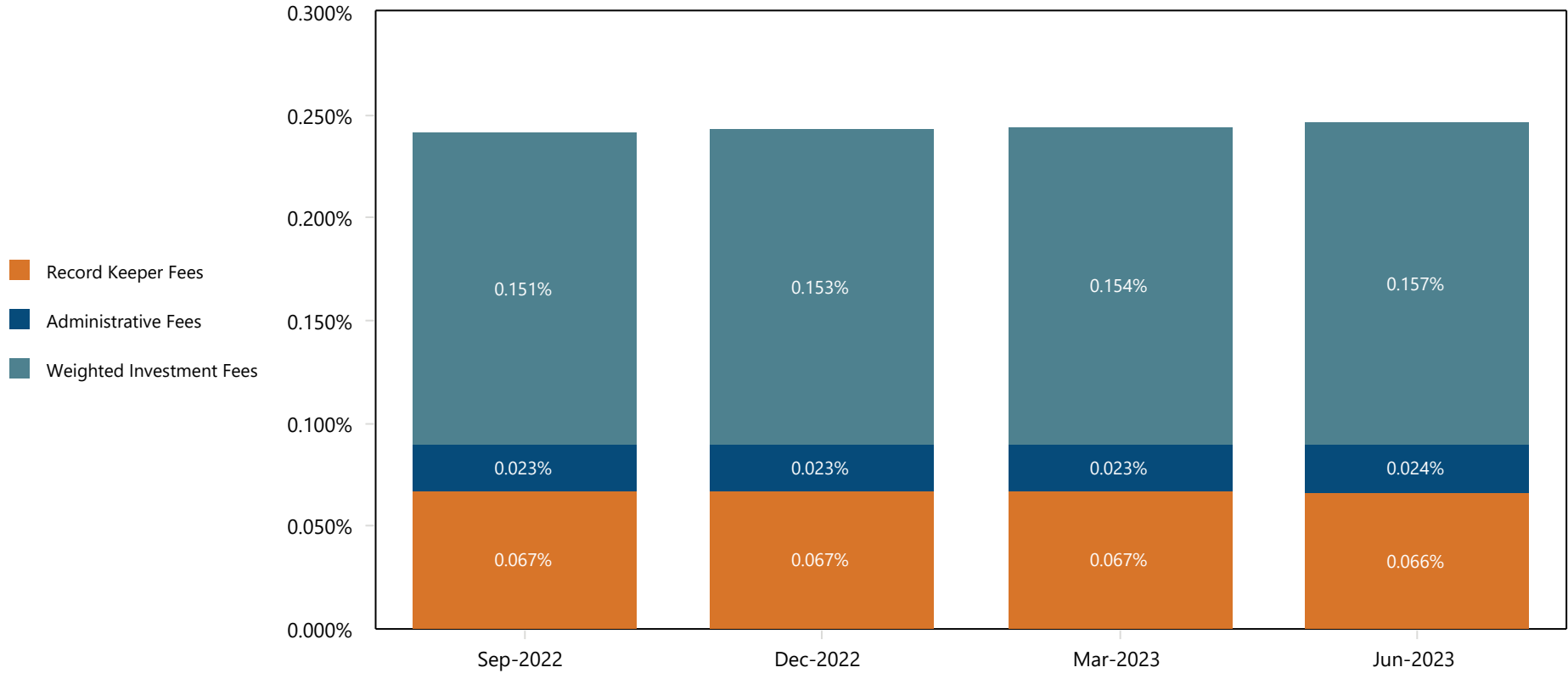
	Asset-ID	Market Value As of 06/30/2023 \$	Net Expense Ratio (%)	Net Estimated Expense \$
Galliard Stable Value (0.12%)		2,370,132	0.120	2,844
Metropolitan West Total Return Bond Plan	MWTSX	244,390	0.370	904
Vanguard Total Bond Market Index I	VBTIX	125,216	0.035	44
T. Rowe Price U.S. Equity Research I	PCCOX	1,120,869	0.350	3,923
Vanguard Institutional Index Instl	VINIX	1,845,778	0.035	646
Schroeder US Small and Mid Cap Eq Trust 3	80808j757	567,160	0.750	4,254
Vanguard Extended Market Index Instl	VIEIX	436,580	0.050	218
Hartford Intl Opp HLS IA	HIAOX	275,073	0.750	2,063
Vanguard Total Intl Stock Index Adm	VTIAX	10,173	0.110	11
Calvert Balanced R6	CBARX	29,675	0.610	181
Vanguard Target Retirement Income	VTINX	948,703	0.080	759
Vanguard Target Retirement 2020	VTWNX	1,104,640	0.080	884
Vanguard Target Retirement 2025	VTTVX	1,383,325	0.080	1,107
Vanguard Target Retirement 2030	VTHRX	757,863	0.080	606
Vanguard Target Retirement 2035	VTTTHX	422,503	0.080	338
Vanguard Target Retirement 2040	VFORX	247,397	0.080	198
Vanguard Target Retirement 2045	VTIVX	166,400	0.080	133
Vanguard Target Retirement 2050	VFIFX	105,246	0.080	84
Vanguard Target Retirement 2055	VFFVX	82,876	0.080	66
Vanguard Target Retirement 2060	VTTTSX	122,391	0.080	98
Vanguard Target Retirement 2065	VLXVX	-	0.080	-
<b>Total</b>		<b>12,366,388</b>	<b>0.157</b>	<b>19,362</b>

As of June 30, 2023

<b>Plan Administration Cost (0.09%)</b>				
	Rate (%)	Annualized Charge \$	Period Charge \$	Per Part Est Charge \$
Record Keeper Fees	0.066	8,182	2,045	83
Administrative Fees	0.024	2,948	737	30

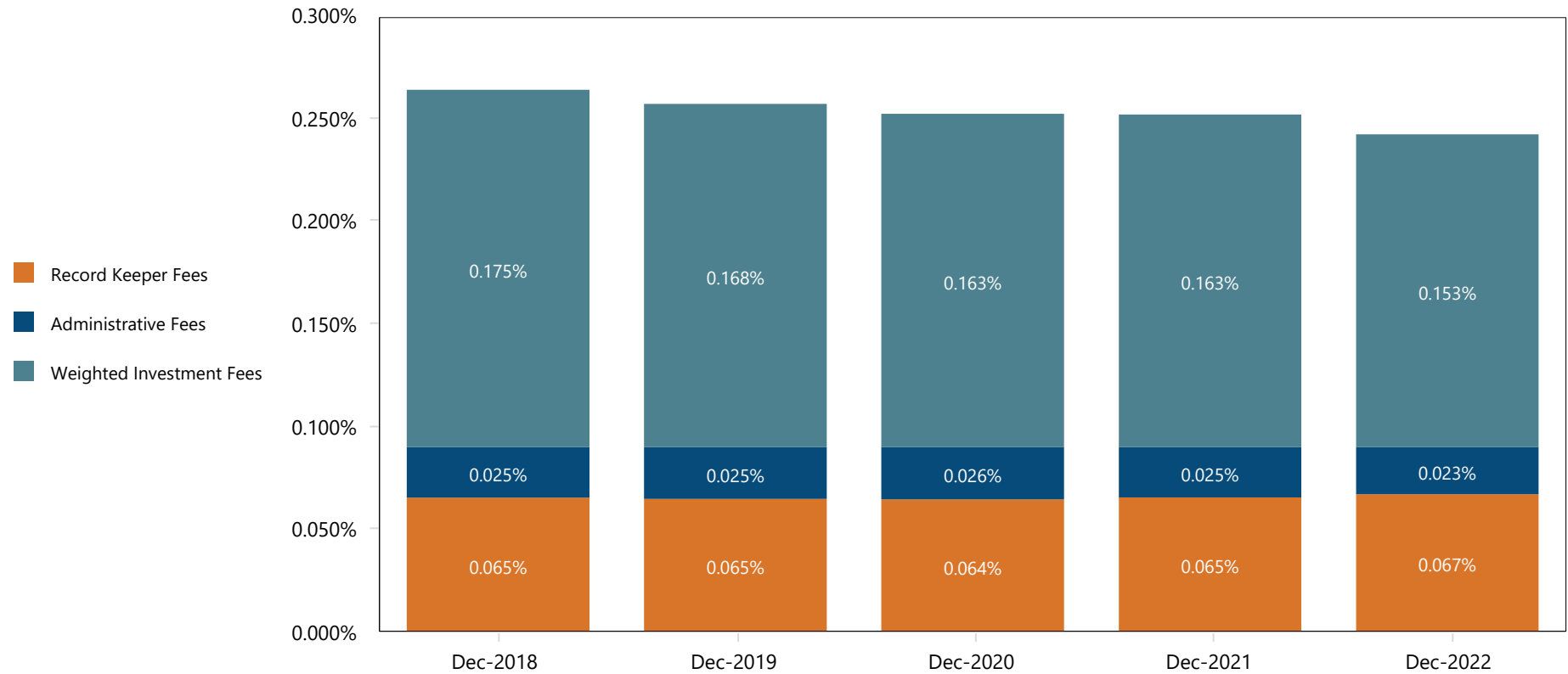
All participants are charged 0.09% which is credited to the admin expense account. Record Keeper Fees of 0.07% excluding loans/brokerage (calculated above as a percentage of the total plan assets) are deducted from this account. The remainder (displayed above as Administrative Fees) may be used to pay plan-related expenses.

Annualized Plan Cost



	Sep-2022 (%)	Dec-2022 (%)	Mar-2023 (%)	Jun-2023 (%)
<b>Total Plan Fees</b>	<b>0.241</b>	<b>0.243</b>	<b>0.244</b>	<b>0.247</b>
Record Keeper Fees	0.067	0.067	0.067	0.066
Administrative Fees	0.023	0.023	0.023	0.024
Weighted Investment Fees	0.151	0.153	0.154	0.157

## Annualized Plan Cost



	Dec-2018 (%)	Dec-2019 (%)	Dec-2020 (%)	Dec-2021 (%)	Dec-2022 (%)
<b>Total Plan Fees</b>	<b>0.265</b>	<b>0.258</b>	<b>0.253</b>	<b>0.253</b>	<b>0.243</b>
Record Keeper Fees	0.065	0.065	0.065	0.066	0.067
Administrative Fees	0.025	0.025	0.026	0.025	0.023
Weighted Investment Fees	0.175	0.168	0.163	0.163	0.153

## **Section 9 | OBRAs - Fee Review**

## 6.C

As of June 30, 2023

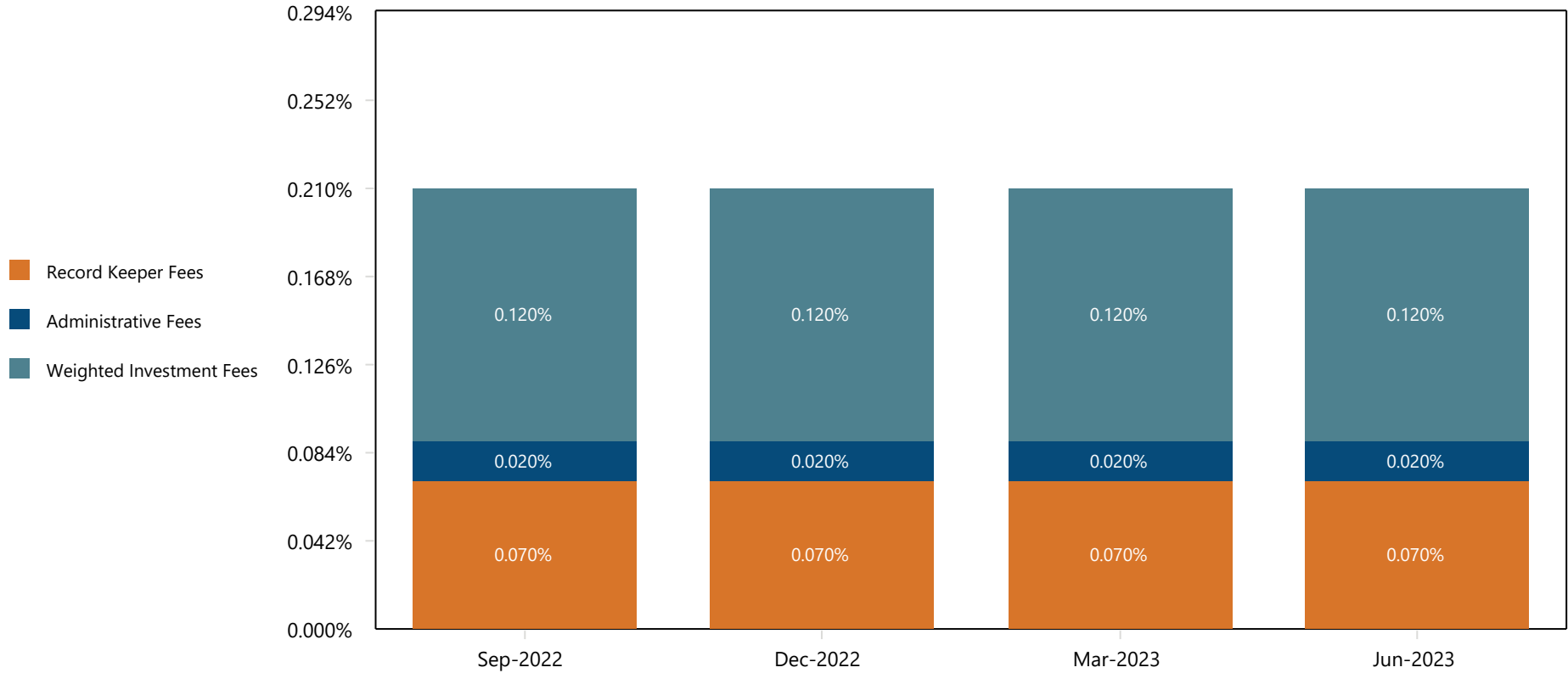
Asset-ID	Market Value As of 06/30/2023 \$	Net Expense Ratio (%)	Net Estimated Expense \$
Galliard Stable Value (0.12%) (PST - OBRA)	10,043,383	0.120	12,052
<b>Total</b>	<b>10,043,383</b>	<b>0.120</b>	<b>12,052</b>

### Plan Administration Cost (0.09%)

	Rate (%)	Annualized Charge \$	Period Charge \$	Per Part Est Charge \$
Record Keeper Fees	0.070	7,030	1,758	260
Administrative Fees	0.020	2,009	502	74

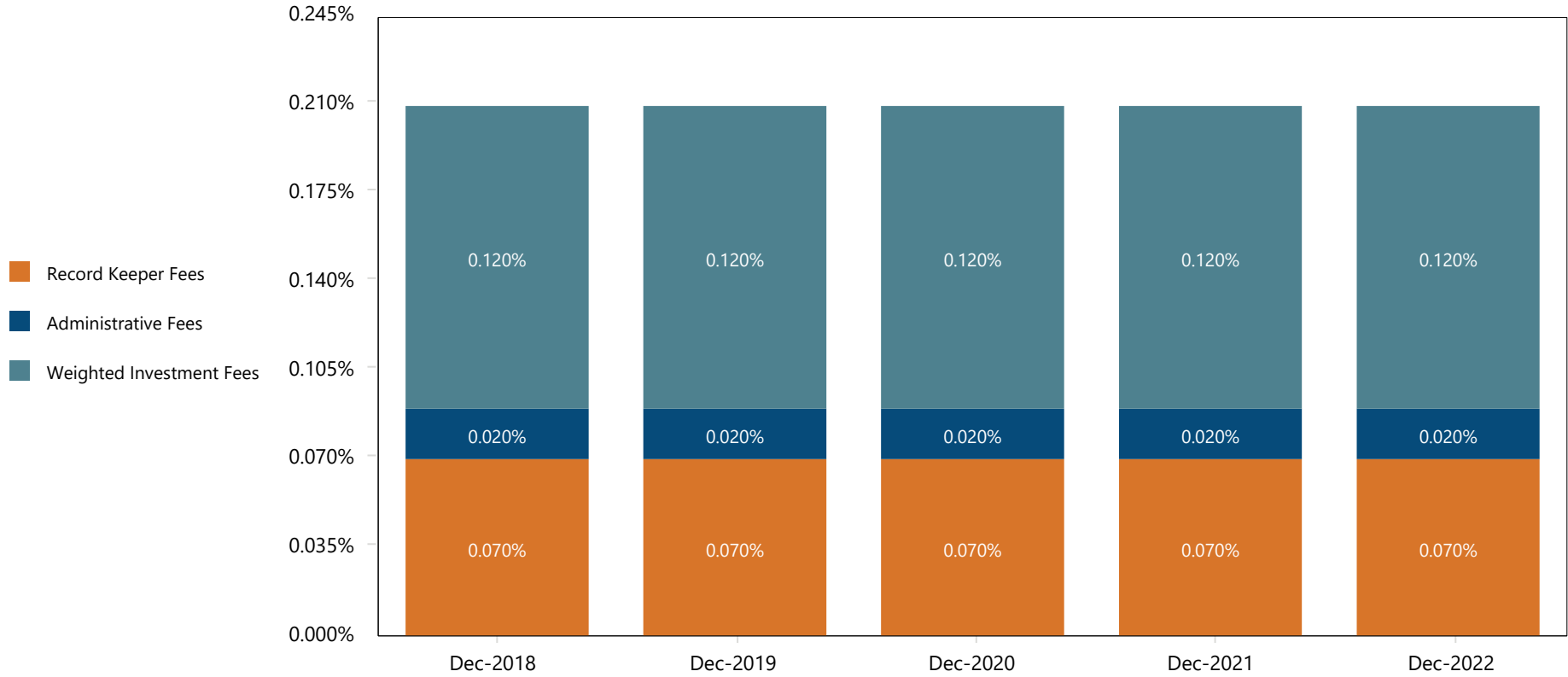
All participants are charged 0.09% which is credited to the admin expense account. Record Keeper Fees of 0.07% are deducted from this account. The remainder (displayed above as Administrative Fees) may be used to pay plan related expenses.

Annualized Plan Cost



	Sep-2022 (%)	Dec-2022 (%)	Mar-2023 (%)	Jun-2023 (%)
<b>Total Plan Fees</b>	<b>0.210</b>	<b>0.210</b>	<b>0.210</b>	<b>0.210</b>
Record Keeper Fees	0.070	0.070	0.070	0.070
Administrative Fees	0.020	0.020	0.020	0.020
Weighted Investment Fees	0.120	0.120	0.120	0.120

Annualized Plan Cost



	Dec-2018 (%)	Dec-2019 (%)	Dec-2020 (%)	Dec-2021 (%)	Dec-2022 (%)
<b>Total Plan Fees</b>	<b>0.210</b>	<b>0.210</b>	<b>0.210</b>	<b>0.210</b>	<b>0.210</b>
Record Keeper Fees	0.070	0.070	0.070	0.070	0.070
Administrative Fees	0.020	0.020	0.020	0.020	0.020
Weighted Investment Fees	0.120	0.120	0.120	0.120	0.120



As of June 30, 2023

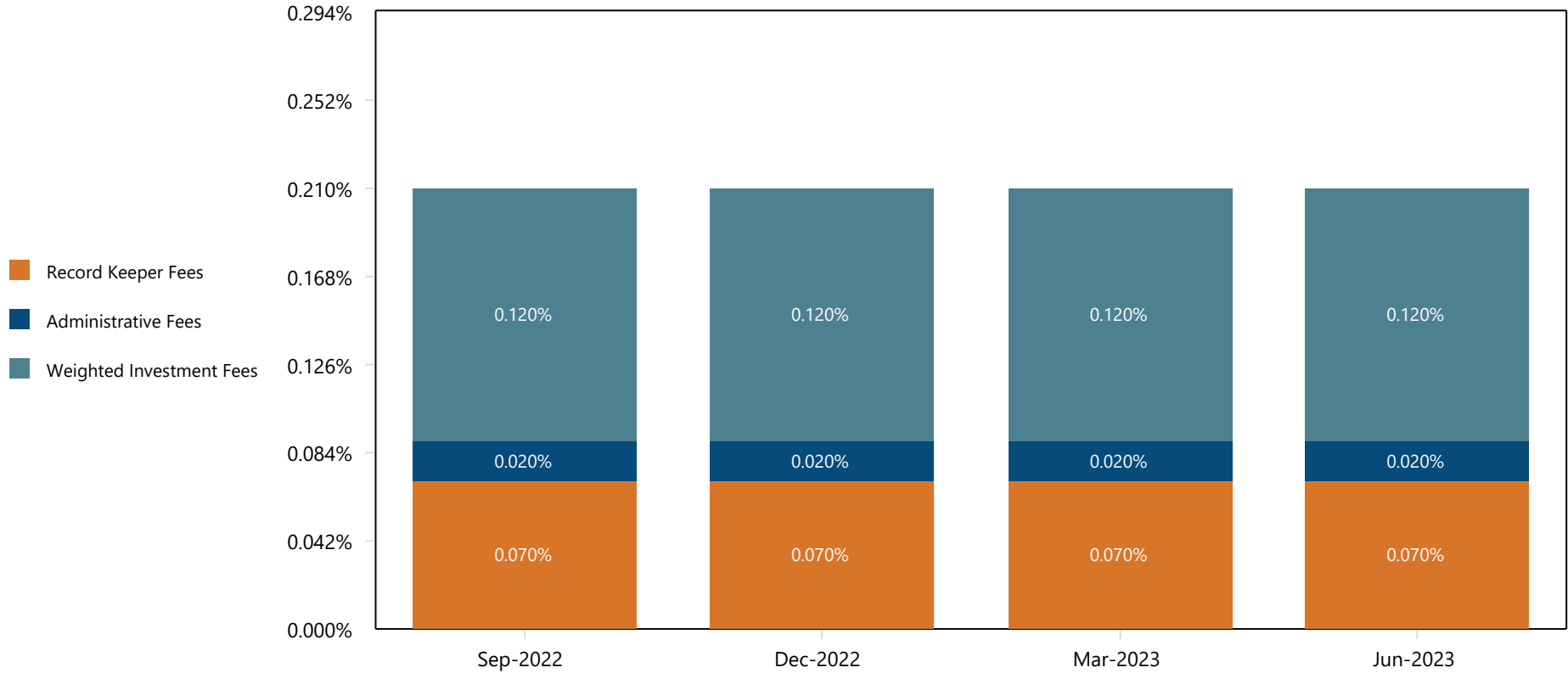
Asset-ID	Market Value As of 06/30/2023 \$	Net Expense Ratio (%)	Net Estimated Expense \$
Galliard Stable Value (0.12%) (Court - OBRA)	112,550	0.120	135
<b>Total</b>	<b>112,550</b>	<b>0.120</b>	<b>135</b>

**Plan Administration Cost (0.09%)**

	Rate (%)	Annualized Charge \$	Period Charge \$	Per Part Est Charge \$
Record Keeper Fees	0.070	79	20	-
Administrative Fees	0.020	23	6	-

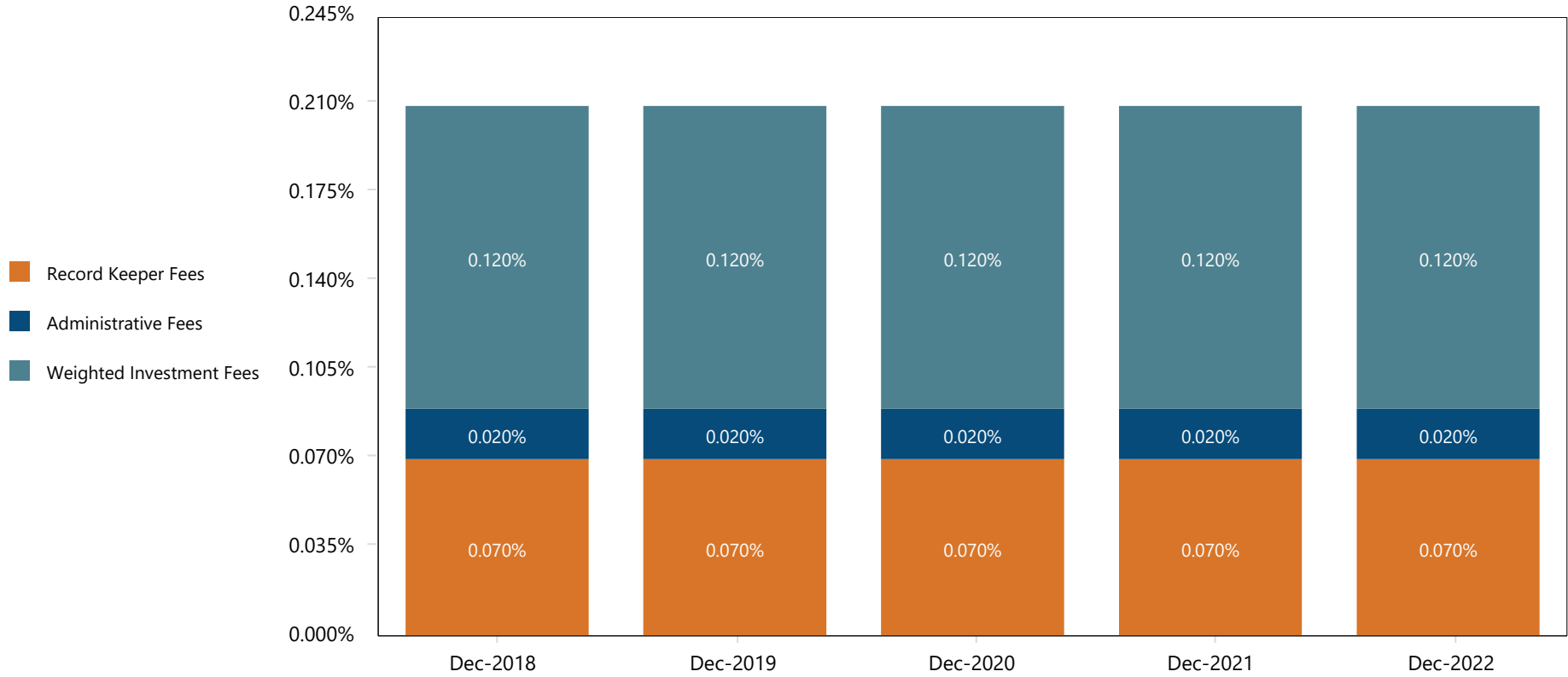
All participants are charged 0.09% which is credited to the admin expense account. Record Keeper Fees of 0.07% are deducted from this account. The remainder (displayed above as Administrative Fees) may be used to pay plan related expenses.

Annualized Plan Cost



	Sep-2022 (%)	Dec-2022 (%)	Mar-2023 (%)	Jun-2023 (%)
<b>Total Plan Fees</b>	<b>0.210</b>	<b>0.210</b>	<b>0.210</b>	<b>0.210</b>
Record Keeper Fees	0.070	0.070	0.070	0.070
Administrative Fees	0.020	0.020	0.020	0.020
Weighted Investment Fees	0.120	0.120	0.120	0.120

Annualized Plan Cost



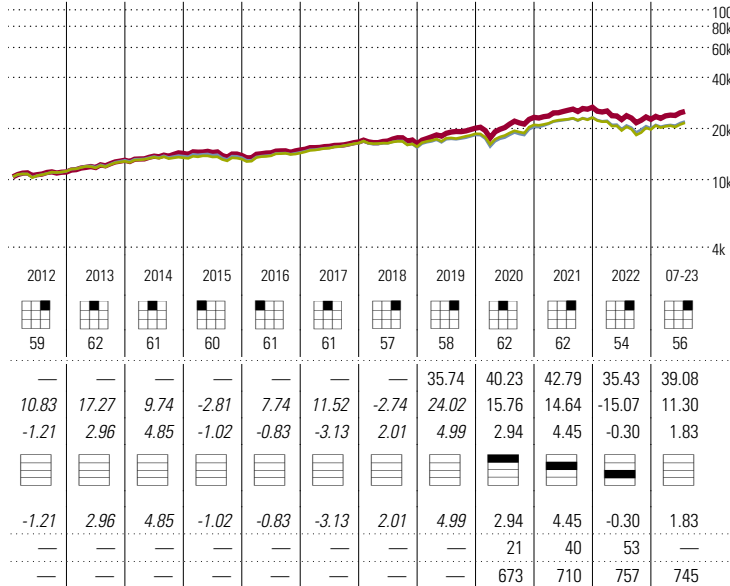
	Dec-2018 (%)	Dec-2019 (%)	Dec-2020 (%)	Dec-2021 (%)	Dec-2022 (%)
<b>Total Plan Fees</b>	<b>0.210</b>	<b>0.210</b>	<b>0.210</b>	<b>0.210</b>	<b>0.210</b>
Record Keeper Fees	0.070	0.070	0.070	0.070	0.070
Administrative Fees	0.020	0.020	0.020	0.020	0.020
Weighted Investment Fees	0.120	0.120	0.120	0.120	0.120

## Section 10 | Fund Attributions

# Calvert Balanced R6 (USD)

<b>Morningstar Medalist Rating™</b> <b>Neutral</b> 07-19-2023	<b>Analyst-Driven %</b> 100.00 <b>Data Coverage %</b> 100.00	<b>Morningstar Rating™</b> ★★★ 679 US Fund Moderate Allocation	<b>Standard Index</b> Morningstar Mod Tgt Risk TR USD	<b>Category Index</b> Morningstar Mod Tgt Risk TR USD	<b>Morningstar Cat</b> US Fund Moderate Allocation
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Performance 07-31-2023					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2021	1.81	6.43	-0.04	5.84	14.64
2022	-4.91	-10.99	-4.16	4.69	-15.07
2023	4.79	4.25	—	—	11.30
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	5.96	5.90	—	—	9.10
Std 06-30-2023	9.61	—	—	—	8.83
Total Return	5.96	5.90	7.78	7.51	9.10
+/- Std Index	0.38	1.22	2.46	1.54	—
+/- Cat Index	0.38	1.22	2.46	1.54	—
% Rank Cat	43	46	11	23	—
No. in Cat	739	679	649	485	—



7-day Yield	Subsidized	Unsubsidized
30-day SEC Yield 07-31-23	2.16	0.81

**Performance Disclosure**  
The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.  
The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.  
Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-368-2745 or visit www.calvert.com.

Fees and Expenses	
<b>Sales Charges</b>	NA
<b>Front-End Load %</b>	NA
<b>Deferred Load %</b>	NA
<b>Fund Expenses</b>	
Management Fees %	0.51
12b1 Expense %	NA
<b>Net Expense Ratio %</b>	<b>0.61</b>
<b>Gross Expense Ratio %</b>	<b>0.61</b>
Risk and Return Profile	
Morningstar Rating™	3★
Morningstar Risk	-Avg Avg Avg
Morningstar Return	Avg +Avg +Avg

Portfolio Analysis 06-30-2023			
Asset Allocation % 05-31-2023	Net %	Long %	Short %
Cash	1.89	1.89	0.00
US Stocks	53.45	53.45	0.00
Non-US Stocks	0.85	0.85	0.00
Bonds	43.40	43.40	0.00
Other/Not Clsfd	0.41	0.41	0.00
Total	100.00	100.00	0.00

Top Holdings 05-31-2023			
Share since 05-2023	Share Amount	Holdings : 61 Total Stocks, 415 Total Fixed-Income, 85% Turnover Ratio	Net Assets %
⊕	227,320	Amazon.com Inc	2.40
⊕	84,200	Visa Inc Class A	1.63
⊖	85,100	PepsiCo Inc	1.36
⊖	259,200	Coca-Cola Co	1.35
⊖	35,600	Eli Lilly and Co	1.34
⊖	16 mil	United States Treasury Notes 1.875%	1.29
⊖	123,800	Intercontinental Exchange Inc	1.15
⊖	61,200	Automatic Data Processing Inc	1.12
⊖	70,700	Analog Devices Inc	1.10
⊕	32,800	NVIDIA Corp	1.09
⊖	13 mil	United States Treasury Notes 2.75%	1.06
⊖	85,200	AbbVie Inc	1.03

Equity Style		Portfolio Statistics			
Value	Blend	Port Avg	Rel Index	Rel Cat	
High	Low	P/E Ratio TTM	33.6	2.02	1.74
High	Low	P/C Ratio TTM	22.1	1.91	1.59
High	Low	P/B Ratio TTM	5.9	2.63	1.88
High	Low	Geo Avg Mkt Cap \$mil	180609	3.74	1.39

Fixed-Income Style		Credit Quality Breakdown 06-30-2023	
Ltd	Mod	Ext	Bond %
High	Low	Avg Eff Maturity	9.25
High	Low	Avg Eff Duration	5.98
High	Low	Avg Wtd Coupon	3.99
High	Low	Avg Wtd Price	91.65
High	Low	AAA	41.36
High	Low	AA	11.87
High	Low	A	11.77
High	Low	BBB	18.38
High	Low	BB	4.63
High	Low	B	0.91
High	Low	Below B	0.26
High	Low	NR	10.82

Regional Exposure	
Stocks %	Rel Std Index
Americas	100.0
Greater Europe	0.0
Greater Asia	0.0

Sector Weightings		Stocks %	Rel Std Index
<b>Cyclical</b>		<b>27.7</b>	<b>0.71</b>
Basic Materials		2.8	0.53
Consumer Cyclical		10.7	0.98
Financial Services		11.7	0.74
Real Estate		2.5	0.37
<b>Sensitive</b>		<b>49.3</b>	<b>1.26</b>
Communication Services		7.3	1.21
Energy		1.8	0.37
Industrials		10.4	0.86
Technology		29.7	1.85
<b>Defensive</b>		<b>23.0</b>	<b>1.04</b>
Consumer Defensive		6.7	0.96
Healthcare		13.9	1.18
Utilities		2.4	0.71

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# Calvert Balanced R6 (USD)

Morningstar Medalist Rating™	Analyst-Driven %	Morningstar Rating™	Standard Index	Category Index	Morningstar Cat
Neutral	100.00	★★★	Morningstar Mod Tgt	Morningstar Mod Tgt	US Fund Moderate
07-19-2023	Data Coverage % 100.00	679 US Fund Moderate Allocation	Risk TR USD	Risk TR USD	Allocation

## Operations

Family:	Calvert Research and Management	Ticker:	CBARX	Incept:	02-01-2019
Manager:	Multiple	ISIN:	US1316185222	Type:	MF
Tenure:	10.6 Years	Minimum Initial Purchase:	\$5 mil	Total Assets:	\$1,124.97 mil
Objective:	Balanced	Min Auto Investment Plan:	\$50		
Base Currency:	USD	Purchase Constraints:	A		

**GALLIARD STABLE VALUE FUND  
AS OF 6/30/23**

**FUND FACTS**

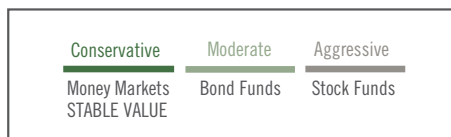
Actual Expense Ratio <sup>1</sup>	0.287%
Blended Yield (after fees) <sup>2</sup>	2.74%
Disclosed Expense Ratio <sup>1</sup>	0.287%

**GALLIARD STABLE RETURN FUND CORE  
FUND OVERVIEW AS OF 3/30/23**

**FUND FACTS**

Inception Date	October 1, 1985
Fund Assets	\$21,347,010,015
Fund Advisor	Galliard Capital Management, Inc.
Fund Trustee	SEI Trust Company
Valuation Frequency	Daily

**FUND CHARACTERISTICS**



Effective Duration	2.78 Years
Number of Investment Contract Issuers	10
Number of Underlying Issues	2,667
Market to Book Value Ratio	93.9%
Annualized Turnover <sup>3</sup> (as of 12/31/22)	57.3%

**TOP FIVE INVESTMENT CONTRACT  
ISSUERS**

Issuer	Moody's Rating	S&P Rating
Transamerica Life Ins. Co.	A1	A+
American General Life Ins. Co.	A2	A+
Prudential Ins. Co. of America	Aa3	AA-
Royal Bank of Canada	Aa1	AA-
Metropolitan Life Ins. Co.	Aa3	AA-

**FUND ALLOCATION**

	Fund (%)
Security Backed Investment Contracts	96.5
Guaranteed Investment Contracts (GICs)	0.9
Cash/Equivalents	2.7

**SECTOR ALLOCATION OF THE  
UNDERLYING FIXED INCOME PORTFOLIO**

	Fund (%)
U.S. Treasury	20.0
Other U.S. Government	5.6
Corporates	25.2
Taxable Muni/Not for Profit	4.7
Agency MBS	16.6
Non-Agency MBS	0.8
CMBS	5.8
Asset Backed Securities (ABS)	15.8
Guaranteed Investment Contracts (GICs)	0.9
Cash/Equivalents	4.6

**INVESTMENT OBJECTIVE**

The Fund seeks safety of principal and consistency of returns while attempting to maintain minimal volatility. The Fund is designed for investors seeking more income than money market funds without the price fluctuation of stock or bond funds.

**INVESTMENT STRATEGY**

The Fund's underlying fixed income strategy is managed in a conservative style that utilizes a disciplined value investing process to build a high quality portfolio with broad diversification and an emphasis on risk control. Our core investment philosophy is to build a portfolio of realizable yield through bottom-up, fundamental research, utilizing a team-based approach to portfolio management. Galliard's fixed income portfolios emphasize high quality spread sectors, diversification across sectors and issuers to reduce risk, neutral duration positioning, and a laddered portfolio structure for ample natural liquidity.

The majority of the Fund's assets will be invested in fixed income portfolios that are wrapped by stable value contracts which allow fund participants to transact at book value. The Fund will hold cash in order to maintain sufficient liquidity, and may also invest in traditional GICs. The Fund utilizes high credit quality stable value contract issuers, with an emphasis on diversification.

**INVESTMENT RISK**

The Fund's investment contracts are designed to allow for participant transactions at book value. A principal risk of the Fund is investment contract risk. This includes the risk that the issuer will default on its obligation under the contract or that another event of default may occur under the contract rendering it invalid; that the contract will lapse before a replacement contract with favorable terms can be secured; or that the occurrence of certain other events including employer-initiated events, could cause the contract to lose its book value withdrawal features. These risks may result in a loss in value to a contract holder. Other primary risks include default risk, which is the possibility that instruments the Fund holds will not meet scheduled interest and/or principal payments; interest rate risk, which includes the risk of reinvesting cash flows at lower interest rates; and liquidity risk, which includes the effect of very large unexpected withdrawals on the Fund's total value. The occurrence of any of these events could cause the Fund to lose value.

**INVESTMENT PERFORMANCE**

Annualized Performance	2Q'23 <sup>4</sup>	YTD <sup>4</sup>	1 Year	3 Year	5 Year	10 Year
Galliard Stable Value Fund (after fees) <sup>2</sup>	0.67	1.29	2.41	2.07	2.18	1.94
50% FTSE 3-Mo T-Bill + 50% ICE BofA 1-3 Yr Tsy Index <sup>5</sup>	0.34	1.68	1.93	0.14	1.26	0.87
FTSE 3-Month T-Bill <sup>6</sup>	1.25	2.39	3.75	1.33	1.57	0.98

Calendar Year Performance	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Galliard Stable Value Fund (after fees) <sup>2</sup>	1.98	1.83	2.23	2.42	2.14	1.82	1.70	1.63	1.55	1.75
50% FTSE 3-Mo T-Bill + 50% ICE BofA 1-3 Yr Tsy Index <sup>5</sup>	(1.10)	(0.25)	1.84	2.90	1.72	0.63	0.58	0.29	0.33	0.20
Citigroup 3-Month T-Bill <sup>6</sup>	1.50	0.05	0.58	2.25	1.86	0.84	0.27	0.03	0.03	0.05
Consumer Price Index <sup>6</sup>	6.45	7.04	1.36	2.29	1.67	2.11	2.07	0.73	0.76	1.51

**Past performance is not an indication of how the investment will perform in the future.**

1: Actual expense ratio is based on the Fund's most recent quarter end and may differ from "Disclosed Expense Ratio" which represents the maximum operating expenses per the Fund's Disclosure document.

2: The Fund's blended yield is the weighted average of all of the investment contracts' individual crediting rates and the yield on the cash equivalents held by the Fund as of the date reported. Performance is net of all fees and includes all income, realized and unrealized capital gains and compounding and have been rounded to the nearest basis point. The inception date of Galliard Stable Value Fund B is 12/1/98. In order to illustrate historical performance, Fund B's expenses have been applied to Galliard Stable Return Fund Core for the periods prior to 12/1/98. Galliard Stable Return Fund Core has been in existence since 1985.

3: Please refer to the Fund's Disclosure Booklet at [www.galliard.com](http://www.galliard.com) for information regarding methodology of turnover calculation.

4: Returns for periods less than one year are not annualized.

5: While it is believed that the benchmark used here represents an appropriate point of comparison for the Fund referenced above, prospective investors should be aware that the volatility of the above referenced benchmark or index may be substantially different from that of the Fund; and holdings in the Fund may differ significantly from the benchmark or index if the investment guidelines and criteria are different than the Fund.

6: Economic Indices provided for informational purposes only. Consumer Price Index as reported on 7/5/23.



## ABOUT GALLIARD

Galliard specializes in stable value and fixed income management and currently manages \$88.2 billion in assets for institutional investors. The firm is headquartered in Minneapolis.

## FOR MORE INFORMATION

Contact your plan administrator

SEI Trust Company (the “Trustee”) serves as the Trustee of the Fund and maintains ultimate fiduciary authority over the management of, and the investments made, in the Fund. The Fund is part of a Collective Investment Trust (the “Trust”) operated by the Trustee. The Trustee is a trust company organized under the laws of the Commonwealth of Pennsylvania and wholly owned subsidiary of SEI Investments Company (SEI). The Trust is not a mutual fund, as defined under the investment company act of 1940, as amended.

A collective investment trust fund (CIT) is a pooled investment vehicle that is exempt from SEC registration as an investment company under Section 3(c)(11) of the Investment Company Act of 1940 and maintained by a bank or trust company for the collective investment of qualified retirement plans. The Fund is managed by SEI Trust Company, the trustee, based on the investment advice of Galliard Capital Management. Galliard receives no management fee for its role as Investment Advisor.



# Hartford International Opp HLS IA (USD)

## Performance 07-31-2023

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2021	0.92	4.91	-1.28	3.16	7.82
2022	-8.18	-14.17	-9.77	15.11	-18.14
2023	5.47	2.56	—	—	11.16

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	11.02	5.66	4.19	5.38	5.93
Std 06-30-2023	12.36	—	4.12	5.65	5.86
Total Return	11.02	5.66	4.19	5.38	5.93

+/- Std Index	-2.40	-1.43	0.34	0.67	—
+/- Cat Index	-2.40	-1.43	0.34	0.67	—

% Rank Cat	85	82	46	26	—
No. in Cat	734	678	617	410	—

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	—	—

### Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 888-843-7824 or visit [www.hartfordfunds.com](http://www.hartfordfunds.com).

### Fees and Expenses

#### Sales Charges

Front-End Load %	NA
Deferred Load %	NA

#### Fund Expenses

Management Fees %	0.71
12b1 Expense %	NA
Net Expense Ratio %	0.75
Gross Expense Ratio %	0.75

### Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	2★	3★	4★
Morningstar Risk	-Avg	+Avg	Avg
Morningstar Return	-Avg	Avg	+Avg

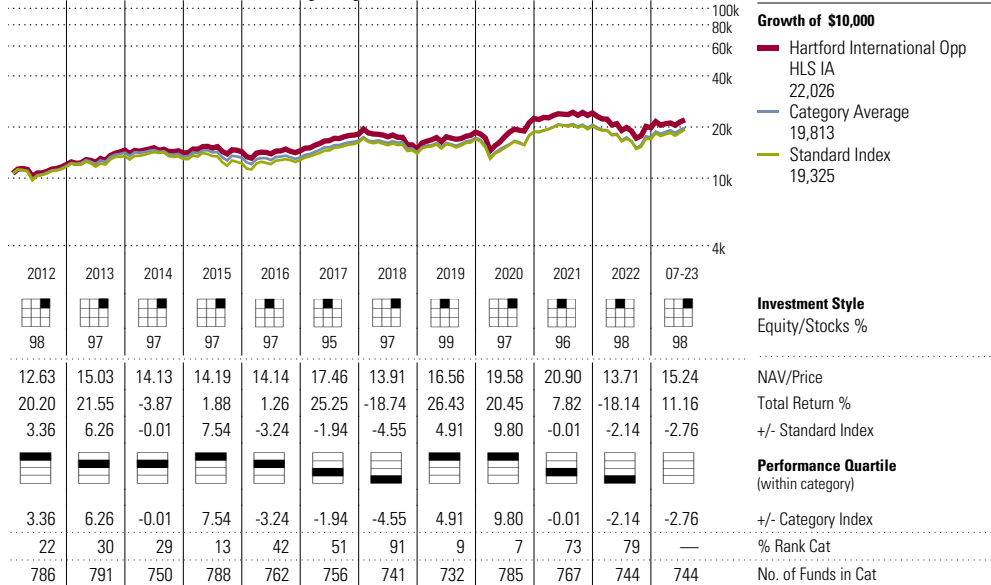
	3 Yr	5 Yr	10 Yr
Standard Deviation	17.61	18.70	15.21
Mean	5.66	4.19	5.38
Sharpe Ratio	0.30	0.22	0.35

MPT Statistics	Standard Index	Best Fit Index
	MSCI ACWI Ex USA	NR USD
Alpha	-1.35	-1.35
Beta	1.01	1.01
R-Squared	96.01	96.01
12-Month Yield	—	—
Potential Cap Gains Exp	—	1.25%

### Operations

Family:	Hartford Mutual Funds	Base Currency:	USD
Manager:	Multiple	Ticker:	HIAOX
Tenure:	16.7 Years	ISIN:	US4165286026
Objective:	Foreign Stock	Minimum Initial Purchase:	\$0

<b>Morningstar Medalist Rating™</b> Neutral 06-30-2023	<b>Analyst-Driven %</b> 100.00 Data Coverage % 100.00	<b>Morningstar Rating™</b> ★★★ 678 US Fund Foreign Large Blend	<b>Standard Index</b> MSCI ACWI Ex USA NR USD	<b>Category Index</b> MSCI ACWI Ex USA NR USD	<b>Morningstar Cat</b> US Fund Foreign Large Blend
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### Portfolio Analysis 06-30-2023

Asset Allocation %	Net %	Long %	Short %	Share Chg since 05-2023	Share Amount	Holdings :	Net Assets %
Cash	1.73	1.73	0.00			80 Total Stocks, 0 Total Fixed-Income, 91% Turnover Ratio	
US Stocks	2.89	2.89	0.00		2 mil	Taiwan Semiconductor Manufacturing	3.93
Non-US Stocks	95.38	95.38	0.00		299,058	Novartis AG Registered Shares	3.43
Bonds	0.00	0.00	0.00		518,943	Unilever PLC	3.08
Other/Not Clsd	0.00	0.00	0.00		157,601	AstraZeneca PLC	2.57
Total	100.00	100.00	0.00		3 mil	HSBC Holdings PLC	2.27

### Equity Style

Value	Blend	Growth	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	17.3	1.28	1.28		
P/C Ratio TTM	12.3	1.33	1.30		
P/B Ratio TTM	2.1	1.23	1.20		
Geo Avg Mkt Cap \$mil	67698	1.52	1.31		

### Fixed-Income Style

Ltd	Mod	Ext	High	Med	Low
Avg Eff Maturity	—	—	—	—	—
Avg Eff Duration	—	—	—	—	—
Avg Wtd Coupon	—	—	—	—	—
Avg Wtd Price	—	—	—	—	—

### Credit Quality Breakdown

	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

### Regional Exposure

	Stocks %	Rel Std Index
Americas	11.2	1.05
Greater Europe	52.1	1.15
Greater Asia	36.7	0.84

Holdings :	Net Assets %
217,100 Sony Group Corp	2.23
117,329 Siemens AG	2.23
436,891 Tencent Holdings Ltd	2.11
1 mil Iberdrola SA	2.07
120,755 Airbus SE	1.99
205,716 Alcon Inc	1.94
43,868 Linde PLC	1.91
114,000 Tokyo Electron Ltd	1.87
1 mil BAE Systems PLC	1.82
511,438 Shell PLC	1.75

### Sector Weightings

	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>35.7</b>	<b>0.85</b>
Basic Materials	6.8	0.86
Consumer Cyclical	9.6	0.82
Financial Services	18.6	0.91
Real Estate	0.7	0.31
<b>Sensitive</b>	<b>38.2</b>	<b>1.03</b>
Communication Services	3.2	0.56
Energy	5.6	1.01
Industrials	14.8	1.11
Technology	14.6	1.19
<b>Defensive</b>	<b>26.1</b>	<b>1.25</b>
Consumer Defensive	9.9	1.20
Healthcare	12.1	1.26
Utilities	4.1	1.39

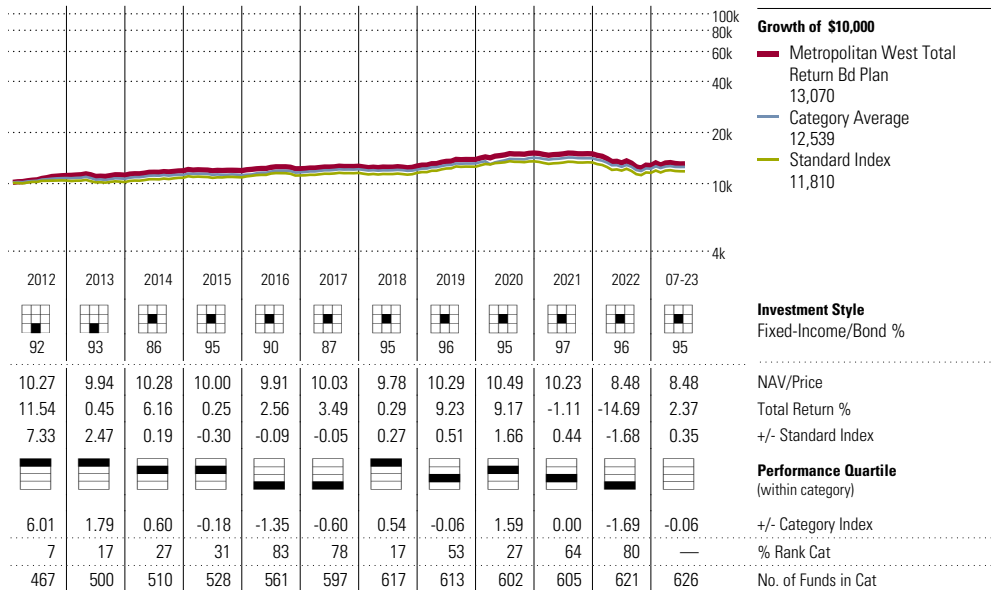
# Metropolitan West Total Return Bd Plan (USD)

<b>Morningstar Medalist Rating™</b> <b>Gold</b> 12-22-2022	<b>Analyst-Driven %</b> 100.00 <b>Data Coverage %</b> 100.00	<b>Morningstar Rating™</b> ★★★ 551 US Fund Intermediate Core-Plus Bond	<b>Standard Index</b> Bloomberg US Agg Bond TR USD	<b>Category Index</b> Bloomberg US Universal TR USD	<b>Morningstar Cat</b> US Fund Intermediate Core-Plus Bond
--	---	---	---	--	---

Performance 07-31-2023					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2021	-2.91	1.82	0.14	-0.10	-1.11
2022	-6.24	-5.71	-5.22	1.81	-14.69
2023	3.54	-1.27	—	—	2.37
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	-3.93	-4.51	0.91	1.69	2.34
Std 06-30-2023	-1.36	—	0.89	1.71	2.35
Total Return	-3.93	-4.51	0.91	1.69	2.34
+/- Std Index	-0.56	-0.05	0.16	0.19	—
+/- Cat Index	-1.53	-0.56	-0.06	-0.09	—
% Rank Cat	82	84	50	51	—
No. in Cat	619	551	519	368	—
7-day Yield 08-10-23		Subsidized	Unsubsidized	—	
30-day SEC Yield 05-31-23		0.55	—	—	
		4.39	0.00	—	

**Performance Disclosure**  
The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.  
The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.  
Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-241-4671 or visit www.mwamllc.com.

Fees and Expenses	
<b>Sales Charges</b>	NA
<b>Front-End Load %</b>	NA
<b>Deferred Load %</b>	NA
<b>Fund Expenses</b>	
Management Fees %	0.35
12b1 Expense %	NA
<b>Net Expense Ratio %</b>	<b>0.37</b>
<b>Gross Expense Ratio %</b>	<b>0.37</b>
<b>Risk and Return Profile</b>	
	3 Yr 5 Yr 10 Yr
Morningstar Rating™	2★ 3★ 3★
Morningstar Risk	+Avg Avg Avg
Morningstar Return	-Avg Avg Avg
	3 Yr 5 Yr 10 Yr
Standard Deviation	6.78 6.03 4.58
Mean	-4.51 0.91 1.69
Sharpe Ratio	-0.91 -0.11 0.15
MPT Statistics	Standard Index Best Fit Index
	Morningstar US Core Plus Bd TR USD
Alpha	0.68 0.37
Beta	1.11 1.13
R-Squared	99.05 99.10
12-Month Yield	3.97%
Potential Cap Gains Exp	-18.44%



Portfolio Analysis 06-30-2023									
<b>Asset Allocation %</b>	Net %	Long %	Short %	Share Chg since 05-2023	Share Amount	Holdings :	1 Total Stocks , 1,534 Total Fixed-Income, 426% Turnover Ratio	Net Assets %	
Cash	-14.04	6.23	20.27						
US Stocks	0.09	0.09	0.00	✱	3,841 mil	United States Treasury Notes 4%		6.16	
Non-US Stocks	0.00	0.00	0.00	✱	2,810 mil	United States Treasury Bonds 3.875%		4.43	
Bonds	113.95	113.95	0.00	✱	2,098 mil	United States Treasury Notes 4.625%		3.37	
Other/Not Clsfd	0.00	0.00	0.00	⊖	1,269 mil	United States Treasury Bonds 3.625%		1.97	
Total	100.00	120.27	20.27	⊖	1,461 mil	United States Treasury Bonds 2%		1.72	
				⊖	719 mil	Federal Home Loan Banks		1.16	
				⊖	704 mil	Federal Home Loan Banks		1.13	
				⊖	637 mil	United States Treasury Notes 3.625%		1.00	
				⊕	543 mil	United States Treasury Notes 3.375%		0.84	
				⊕	495 mil	United States Treasury Notes 1.125%		0.77	
				⊕	419 mil	United States Treasury Notes 1.25%		0.65	
				⊕	447 mil	Fnma Pass-Thru I		0.59	
				⊖	425 mil	Federal Home Loan Mortgage Corpora		0.58	
				⊖	362 mil	Federal Home Loan Mortgage Corpora		0.49	
				⊖	355 mil	Federal National Mortgage Associat		0.49	
<b>Equity Style</b>									
Value	Blend	Growth	Port Avg	Rel Index	Rel Cat				
						P/E Ratio TTM			
						P/C Ratio TTM			
						P/B Ratio TTM			
						Geo Avg Mkt Cap \$mil			
<b>Fixed-Income Style</b>									
Ltd	Mod	Ext	High	Med	Low	Avg Eff Maturity	7.76		
						Avg Eff Duration	7.13		
						Avg Wtd Coupon	3.75		
						Avg Wtd Price	90.88		
<b>Credit Quality Breakdown 06-30-2023</b>									
AAA						Bond %	55.22		
AA							6.00		
A							14.45		
BBB							15.22		
BB							3.59		
B							1.53		
Below B							3.89		
NR							0.09		
<b>Regional Exposure</b>									
Americas						Stocks %	—	Rel Std Index	—
Greater Europe							—		—
Greater Asia							—		—

Sector Weightings	Stocks %	Rel Std Index
<b>Cyclical</b>	—	—
Basic Materials	—	—
Consumer Cyclical	—	—
Financial Services	—	—
Real Estate	—	—
<b>Sensitive</b>	—	—
Communication Services	—	—
Energy	—	—
Industrials	—	—
Technology	—	—
<b>Defensive</b>	—	—
Consumer Defensive	—	—
Healthcare	—	—
Utilities	—	—

Operations			
Family:	Metropolitan West Funds	Base Currency:	USD
Manager:	Multiple	Ticker:	MWTSX
Tenure:	26.4 Years	ISIN:	US5929057645
Objective:	Corporate Bond - General	Minimum Initial Purchase:	\$25 mil
		Purchase Constraints:	A
		Incept:	07-29-2011
		Type:	MF
		Total Assets:	\$61,458.66 mil

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Share class 3 | Data as of 09.30.2020

### Fund objectives and investment policy

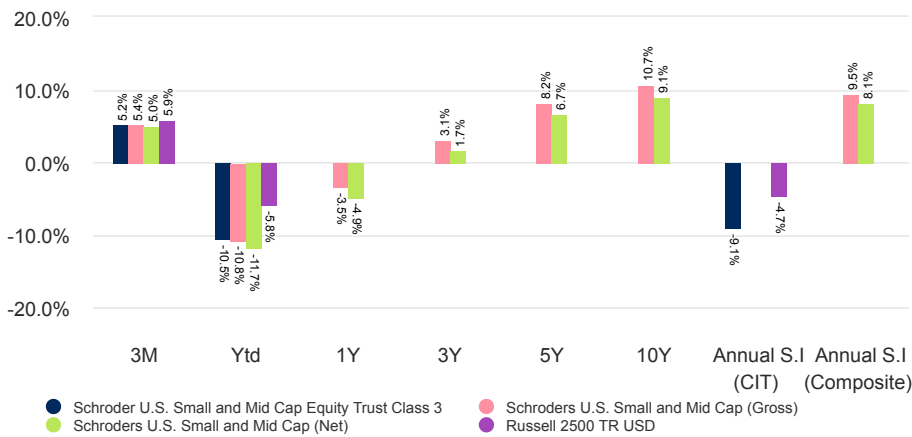
Seeks capital appreciation through a flexible core investment style. Stock selection driven by fundamental research. Portfolio construction built from stocks within three categories; (mispriced growth), capital preservation potential (Steady Eddies) and capital growth (turnarounds). The combination has historically helped reduce volatility versus benchmarks and tends to offer a level of protection in down markets versus its benchmark.

SEI Trust Company (the "Trustee") serves as the Trustee of the Schroder US Small and Mid Cap Equity Trust (the "Trust") and maintains ultimate fiduciary authority over the management of, and the investments made, in the Trust. The Trust is part of a Collective Investment Trust operated by the Trustee. The Trustee is a trust company organized under the laws of the Commonwealth of Pennsylvania and wholly owned subsidiary of SEI Investments Company (SEI). The Trust is not a mutual fund, as defined under the investment company act of 1940, as amended.

### Share class performance (%)

Average Annualized	3 months	YTD	1 year	3 years	5 years	10 years	Annual S. I. (CIT)	Annual S. I. (Composite)
<b>Share class (Net)</b>	5.21	-10.53	-	-	-	-	-9.10	-
<b>Composite (Gross)</b>	5.36	-10.76	-3.45	3.14	8.24	10.70	-	9.55
<b>Composite (Net)</b>	4.97	-11.74	-4.88	1.74	6.71	9.10	-	8.12
<b>Benchmark</b>	5.88	-5.82	-	-	-	-	-4.66	-

### Performance (%)



### Portfolio facts & statistics

Portfolio manager	Robert Kaynor
Portfolio launch date	12.16.2019
Weighted average market cap	Portfolio: 6.44 Benchmark: 3.90
Number of holdings	90
Benchmark	Russell 2500 TR USD
Composite	Schroders U.S. Small and Mid Cap
Active share (%)	91.7
Tracking error (%) (5y)	4.3
Total expense	0.75%
Return on equity	7.21
Price to book	0.42
Price to earnings	Portfolio: 24.2 Benchmark: 61.8

Please refer to <https://www.schroders.com/en/us/glossary/> for definitions.

Number of holdings and Price to earnings are based on a quarterly lag.

CIT inception: 12.16.2019; Composite inception: 12.10.2004;

Performance shown above reflects that of the Schroder US Small and Mid Cap Equity Trust, Class 3 Shares, net of fees (the "Trust"), as well as the Schroder US SMID Cap Equity Composite, both on a gross of fees, and net of fees, basis (collectively, "Representative Accounts"). Schroders has managed the Representative Accounts since December 10, 2004. Net of fees returns reflect a model fee based deduction using the highest retail management fee of 0.75%. Actual fees paid by investors of the Trust and those institutional accounts in the composite may be higher or lower than this amount. Though the investment strategy employed by the Trust is materially similar to that of the Representative Account performance, the Representative Accounts do not represent historical performance of the Trust and is not a guarantee of nor is it necessarily indicative of future performance of the Trust. Performance shown reflects past performance, which is no guarantee of future results. The principal value and investment return will fluctuate so that you may have a gain or loss when you sell your units. Performance for periods less than one year is not annualized. The performance information herein has been presented by the Trust's Investment Adviser at the request of SEI Trust Company. GIPS Compliance: Schroders claims compliance with the Global Investment Performance Standards GIPS® and has been independently verified for the periods January 1, 1996 to December 31, 2018. The performance of the Representative Accounts has been examined for the periods January 1, 2008 to December 31, 2018. Verification and performance examination reports are available upon request. Index: The Russell 2500 Index features 2,500 stocks that cover the small and mid cap market capitalizations. The Russell 2500 is a market cap weighted index that includes the smallest 2,500 companies covered in the Russell 3000 universe of United States-based listed equities. Source: Morningstar, portfolio performance net of fees unless otherwise indicated.

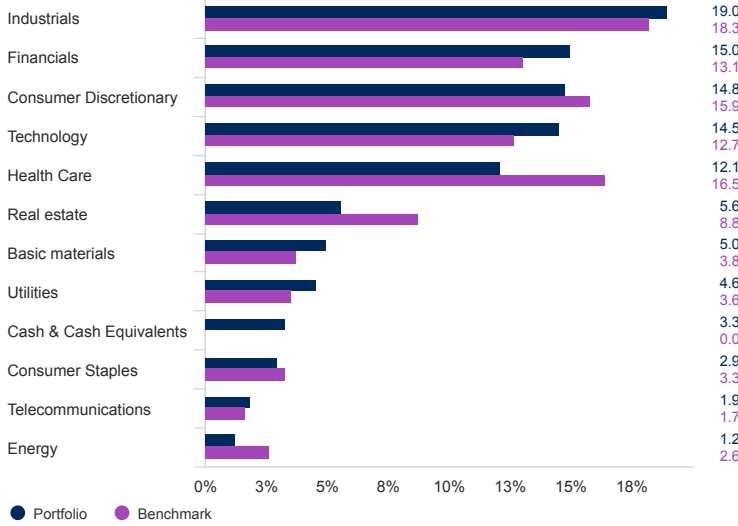
Share class 3 | Data as of 09.30.2020

### Risk considerations

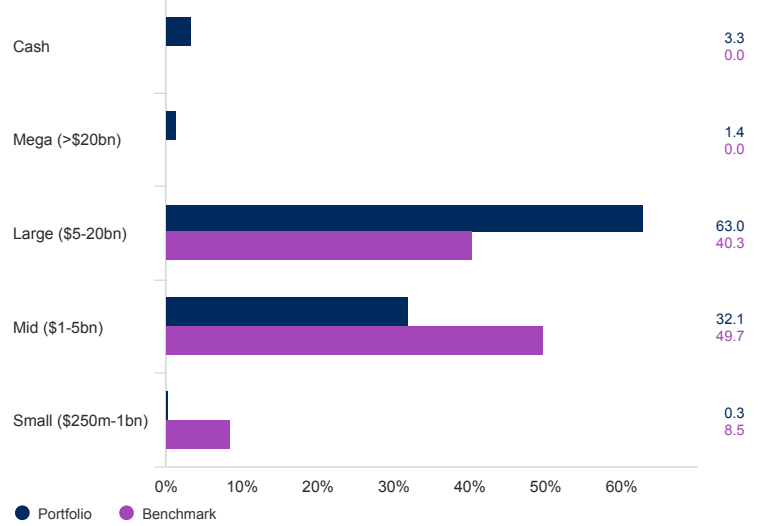
All investments involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investments in small and medium capitalization companies generally carry a greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies and less liquidity.

### Asset allocation

#### Portfolio composition (%)



#### Market capitalization (%)



#### Top 10 holdings (%)

Holding name	%
Catalent Inc	2.2
Assurant Inc	2.2
Entegris Inc	1.8
Fortune Brands Home & Security Inc	1.8
Advance Auto Parts Inc	1.8
Masimo Corp	1.7
Terminix Global Holdings Inc	1.6
PerkinElmer Inc	1.6
Pentair PLC	1.6
PTC Inc	1.6

Source: Schroders. All data and statistics as of 09.30.2020. The percentages shown in the table are the weights, by market capitalization, of stocks and allocations held in the Trust's portfolio and/or the Index. May not add to 100% due to cash allocation and/or rounding. Portfolio composition is subject to change over time. **NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE**

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# T. Rowe Price U.S. Equity Research I (USD)

**Morningstar Medalist Rating™** 10.00 **Analyst-Driven %** 100.00 **Morningstar Rating™** ★★★★★ **Standard Index** S&P 500 TR USD **Category Index** Russell 1000 TR USD **Morningstar Cat** US Fund Large Blend

**Gold** **Data Coverage %** 99.00 **1,281 US Fund** **Large Blend**

## Performance 07-31-2023

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2021	5.51	8.79	0.74	10.78	28.09
2022	-4.73	-16.45	-4.61	7.05	-18.72
2023	8.18	9.96	—	—	23.00

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	14.62	14.33	12.67	—	14.30
Std 06-30-2023	21.47	—	12.70	—	13.92
Total Return	14.62	14.33	12.67	13.07	14.30

+/- Std Index	1.61	0.61	0.47	0.41	—
+/- Cat Index	1.67	1.11	0.75	0.63	—

% Rank Cat	16	20	9	4	—
No. in Cat	1427	1281	1179	873	—

7-day Yield 08-10-23	Subsidized	Unsubsidized
30-day SEC Yield	0.00	—

## Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-638-5660 or visit [www.troweprice.com](http://www.troweprice.com).

## Fees and Expenses

### Sales Charges

Front-End Load %	NA
Deferred Load %	NA

### Fund Expenses

Management Fees %	0.33
12b1 Expense %	NA
Net Expense Ratio %	0.35
Gross Expense Ratio %	0.35

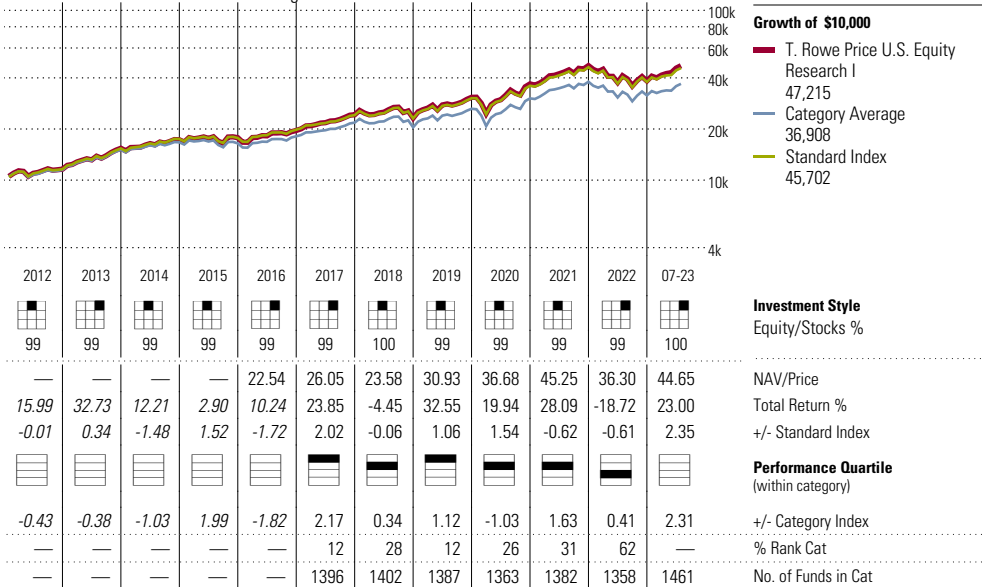
### Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	4★	5★
Morningstar Risk	+Avg	Avg	Avg
Morningstar Return	+Avg	High	High

	3 Yr	5 Yr	10 Yr
Standard Deviation	18.26	19.06	15.12
Mean	14.33	12.67	13.07
Sharpe Ratio	0.73	0.63	0.82

MPT Statistics	Standard Index	Best Fit Index S&P 500 TR USD
Alpha	0.46	0.46
Beta	1.01	1.01
R-Squared	99.62	99.62

12-Month Yield	—
Potential Cap Gains Exp	6.26%



## Portfolio Analysis 06-30-2023

Asset Allocation %	Net %	Long %	Short %	Share Chg since 03-2023	Share Amount	Holdings : 284 Total Stocks, 0 Total Fixed-Income, 45% Turnover Ratio	Net Assets %
Cash	0.12	0.40	0.28				
US Stocks	98.22	98.22	0.00				
Non-US Stocks	1.63	1.63	0.00	⊖	5 mil	Apple Inc	7.81
Bonds	0.03	0.03	0.00	⊖	3 mil	Microsoft Corp	7.14
Other/Not Clsd	0.00	0.00	0.00	⊖	979,443	NVIDIA Corp	3.38
Total	100.00	100.28	0.28	⊖	3 mil	Amazon.com Inc	3.18
				⊖	2 mil	Alphabet Inc Class C	2.19
				⊕	784,141	Meta Platforms Inc Class A	1.83
				⊕	801,744	Tesla Inc	1.71
				⊖	393,329	Eli Lilly and Co	1.50
				⊖	2 mil	Alphabet Inc Class A	1.50
				⊖	457,538	Berkshire Hathaway Inc Class B	1.27
				⊖	1 mil	Exxon Mobil Corp	1.26
				⊖	321,324	UnitedHealth Group Inc	1.26
				⊕	168,075	Broadcom Inc	1.19
				⊖	602,991	Visa Inc Class A	1.17
				⊖	906,242	JPMorgan Chase & Co	1.07

Equity Style	Value	Blend	Growth	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	23.4	1.00	1.08			
P/C Ratio TTM	17.5	1.07	1.03			
P/B Ratio TTM	4.2	1.02	0.97			
Geo Avg Mkt Cap \$mil	230943	1.01	0.88			

Fixed-Income Style	Ltd	Mod	Ext	High	Med	Low
Avg Eff Maturity	—	—	—	—	—	—
Avg Eff Duration	—	—	—	—	—	—
Avg Wtd Coupon	—	—	—	—	—	—
Avg Wtd Price	—	—	—	—	—	—

Credit Quality Breakdown	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

Regional Exposure	Stocks %	Rel Std Index
Americas	99.0	1.00
Greater Europe	1.0	1.98
Greater Asia	0.0	0.00

Sector Weightings	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>27.2</b>	<b>0.99</b>
Basic Materials	1.9	0.83
Consumer Cyclical	11.1	1.03
Financial Services	12.2	1.00
Real Estate	2.1	0.84
<b>Sensitive</b>	<b>49.3</b>	<b>0.98</b>
Communication Services	8.4	0.96
Energy	4.0	0.92
Industrials	7.4	0.89
Technology	29.6	1.03
<b>Defensive</b>	<b>23.5</b>	<b>1.06</b>
Consumer Defensive	6.8	1.03
Healthcare	14.1	1.07
Utilities	2.6	1.03

## Operations

Family:	T. Rowe Price	Base Currency:	USD	Purchase Constraints:	—
Manager:	Multiple	Ticker:	PCCOX	Incept:	11-29-2016
Tenure:	8.6 Years	ISIN:	US87282F1021	Type:	MF
Objective:	Growth	Minimum Initial Purchase:	\$500,000	Total Assets:	\$11,579.90 mil

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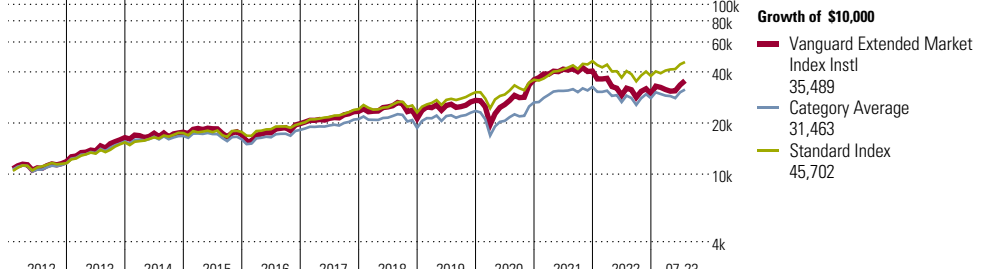


# Vanguard Extended Market Index Instl (USD)

<b>Morningstar Medalist Rating™</b> ★ Gold 08-10-2022	<b>Analyst-Driven %</b> 100.00 <b>Data Coverage %</b> 100.00	<b>Morningstar Rating™</b> ★★ 385 US Fund Mid-Cap Blend	<b>Standard Index</b> S&P 500 TR USD	<b>Category Index</b> Russell Mid Cap TR USD	<b>Morningstar Cat</b> US Fund Mid-Cap Blend
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## Performance 07-31-2023

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2021	7.79	7.12	-3.27	0.70	12.47
2022	-9.33	-20.67	-2.73	5.12	-26.46
2023	5.85	6.46	—	—	19.35
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	10.65	9.36	7.03	9.24	8.66
Std 06-30-2023	15.22	—	6.15	9.35	8.45
Total Return	10.65	9.36	7.03	9.24	8.66
+/- Std Index	-2.36	-4.36	-5.17	-3.42	—
+/- Cat Index	1.90	-2.46	-1.74	-0.89	—
% Rank Cat	20	89	68	53	—
No. in Cat	419	385	360	236	—



7-day Yield	—	
30-day SEC Yield 08-09-23	1.21	1.21

## Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 888-809-8102 or visit www.vanguard.com.

## Fees and Expenses

<b>Sales Charges</b>	
<b>Front-End Load %</b>	NA
<b>Deferred Load %</b>	NA
<b>Fund Expenses</b>	
Management Fees %	0.04
12b1 Expense %	NA
<b>Net Expense Ratio %</b>	<b>0.05</b>
<b>Gross Expense Ratio %</b>	<b>0.05</b>

## Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	385 funds	360 funds	236 funds
Morningstar Rating™	1★	2★	3★
Morningstar Risk	High	High	High
Morningstar Return	-Avg	-Avg	Avg
	3 Yr	5 Yr	10 Yr
Standard Deviation	22.20	24.23	18.97
Mean	9.36	7.03	9.24
Sharpe Ratio	0.43	0.33	0.50

MPT Statistics	Standard Index	Best Fit Index
	Morningstar US Sml	Brd Grt Ext TR USD
Alpha	-4.28	1.88
Beta	1.09	1.01
R-Squared	78.02	96.27
12-Month Yield		1.32%
Potential Cap Gains Exp		-3.83%

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	07-23
100	100	100	100	98	98	97	97	100	97	97	97
45.86	62.75	66.60	63.58	72.72	84.75	75.69	95.60	124.74	138.69	100.84	119.55
18.50	38.42	7.56	-3.24	16.15	18.12	-9.35	28.05	32.23	12.47	-26.46	19.35
2.50	6.04	-6.13	-4.62	4.19	-3.71	-4.97	-3.43	13.83	-16.24	-8.35	-1.30
1.23	3.66	-5.65	-0.80	2.35	-0.40	-0.30	-2.49	15.13	-10.12	-9.14	6.02
25	18	60	45	38	29	33	36	2	—	—	—
412	399	369	432	427	443	464	404	407	—	—	429

## Portfolio Analysis 06-30-2023

<b>Asset Allocation %</b>	Net %	Long %	Short %	Share Chg since 05-2023	Share Amount	Holdings : 3,595 Total Stocks, 0 Total Fixed-Income, 11% Turnover Ratio	Net Assets %
Cash	3.00	3.00	0.00				
US Stocks	95.75	95.75	0.00		28 mil	Uber Technologies Inc	1.36
Non-US Stocks	1.26	1.26	0.00	⊕	10 mil	Blackstone Inc	1.01
Bonds	0.00	0.00	0.00	⊕	12 mil	Marvell Technology Inc	0.79
Other/Not Clsfd	0.00	0.00	0.00	⊕	5 mil	Airbnb Inc Ordinary Shares - Class	0.79
Total	100.00	100.00	0.00	⊕	4 mil	Snowflake Inc Ordinary Shares - Cl	0.76

<b>Equity Style</b>	Value	Blend	Growth	Large	Mid	Small	
	□	□	□	□	□	□	
<b>Portfolio Statistics</b>	Port Avg	Rel Index	Rel Cat				
P/E Ratio TTM	13.8	0.59	0.88	⊕	3 mil	Workday Inc Class A	0.71
P/C Ratio TTM	11.1	0.68	0.95	⊕	2 mil	Lululemon Athletica Inc	0.68
P/B Ratio TTM	2.3	0.57	0.90	⊕	3 mil	Cheniere Energy Inc	0.57
Geo Avg Mkt Cap \$mil	6387	0.03	0.58	⊕	8 mil	Block Inc Class A	0.56
				⊖	6 mil	The Trade Desk Inc Class A	0.53
				⊕	6 mil	Apollo Global Management Inc Class	0.51
				⊕	3 mil	CrowdStrike Holdings Inc Class A	0.51
				⊕	8 mil	KKR & Co Inc Ordinary Shares	0.50
				⊖	3 mil	Ferguson PLC	0.50
				⊕	3 mil	VMware Inc Class A	0.46

<b>Fixed-Income Style</b>	Ltd	Mod	Ext	High	Mid	Low
	□	□	□	□	□	□
<b>Credit Quality Breakdown</b>	Bond %					
AAA	—					
AA	—					
A	—					
BBB	—					
BB	—					
B	—					
Below B	—					
NR	—					

<b>Regional Exposure</b>	Stocks %	Rel Std Index
Americas	99.1	1.00
Greater Europe	0.7	1.32
Greater Asia	0.2	6.78

<b>Sector Weightings</b>	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>36.2</b>	<b>1.31</b>
Basic Materials	3.7	1.63
Consumer Cyclical	12.0	1.12
Financial Services	13.7	1.12
Real Estate	6.8	2.74
<b>Sensitive</b>	<b>46.2</b>	<b>0.92</b>
Communication Services	3.9	0.45
Energy	4.3	1.01
Industrials	15.5	1.86
Technology	22.5	0.78
<b>Defensive</b>	<b>17.6</b>	<b>0.79</b>
Consumer Defensive	2.9	0.44
Healthcare	12.9	0.98
Utilities	1.8	0.72

<b>Operations</b>	Family: Vanguard	Base Currency: USD	Purchase Constraints: —
	Manager: Multiple	Ticker: VIEIX	Incept: 07-07-1997
	Tenure: 25.7 Years	ISIN: US9229088847	Type: MF
	Objective: Growth	Minimum Initial Purchase: \$5 mil	Total Assets: \$15,838.32 mil

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# Vanguard Institutional Index I (USD)

## Performance 07-31-2023

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2021	6.18	8.54	0.57	11.02	28.67
2022	-4.60	-16.11	-4.89	7.55	-18.14
2023	7.49	8.73	—	—	20.62

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	12.97	13.68	12.17	12.63	10.29
Std 06-30-2023	19.55	—	12.28	12.83	10.21
Total Return	12.97	13.68	12.17	12.63	10.29

+/- Std Index	-0.04	-0.04	-0.03	-0.03	—
+/- Cat Index	0.03	0.46	0.25	0.19	—

% Rank Cat	32	30	18	10	—
No. in Cat	1427	1281	1179	873	—

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield 08-10-23	1.44	1.44

### Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 888-809-8102 or visit [www.vanguard.com](http://www.vanguard.com).

### Fees and Expenses

#### Sales Charges

#### Front-End Load %

NA

#### Deferred Load %

NA

#### Fund Expenses

Management Fees %

0.03

12b1 Expense %

NA

Net Expense Ratio %

0.04

Gross Expense Ratio %

0.04

### Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	4★	5★
Morningstar Risk	Avg	Avg	Avg
Morningstar Return	+Avg	+Avg	High

	3 Yr	5 Yr	10 Yr
Standard Deviation	18.04	18.78	14.89
Mean	13.68	12.17	12.63
Sharpe Ratio	0.71	0.62	0.80

#### MPT Statistics

	Standard Index	Best Fit Index
Alpha	-0.03	-0.03
Beta	1.00	1.00
R-Squared	100.00	100.00

12-Month Yield

1.50%

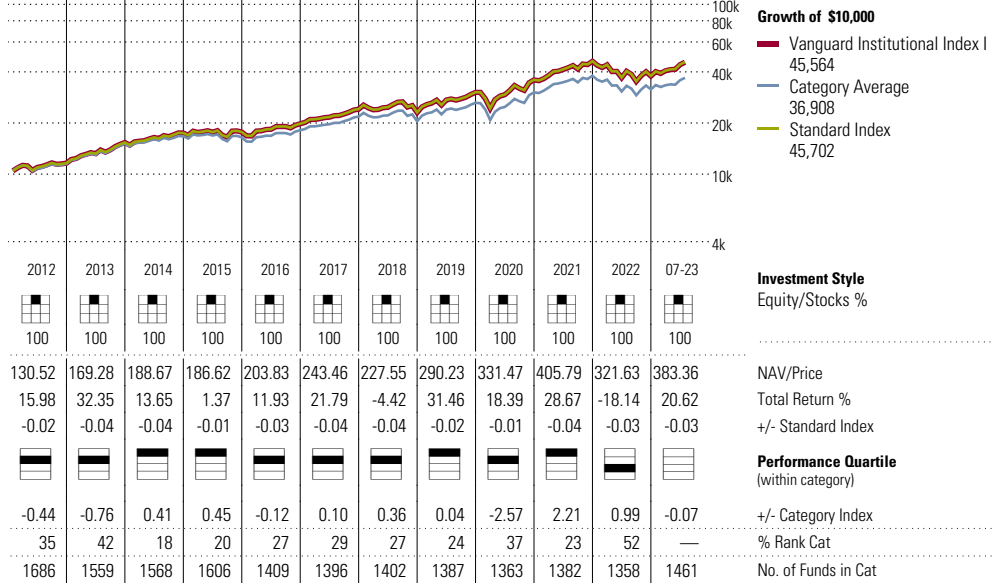
Potential Cap Gains Exp

59.50%

### Operations

Family: Vanguard  
 Manager: Multiple  
 Tenure: 22.7 Years  
 Objective: Growth and Income

Morningstar Medalist Rating™	Analyst-Driven %	Morningstar Rating™	Standard Index	Category Index	Morningstar Cat
Gold	100.00	★★★★★	S&P 500 TR USD	Russell 1000 TR USD	US Fund Large Blend
02-21-2023	Data Coverage %	1,281 US Fund			
	100.00	Large Blend			



### Portfolio Analysis 06-30-2023

Asset Allocation %	Net %	Long %	Short %	Share Chg since 05-2023	Share Amount	Holdings : 503 Total Stocks, 0 Total Fixed-Income, 3% Turnover Ratio	Net Assets %
Cash	0.20	0.20	0.00				
US Stocks	99.26	99.26	0.00				
Non-US Stocks	0.54	0.54	0.00	⊖	101 mil	Apple Inc	7.71
Bonds	0.00	0.00	0.00	⊖	51 mil	Microsoft Corp	6.80
Other/Not Clsfd	0.00	0.00	0.00	⊕	61 mil	Amazon.com Inc	3.13
Total	100.00	100.00	0.00	⊕	17 mil	NVIDIA Corp	2.81
				⊖	41 mil	Alphabet Inc Class A	1.91
				⊕	18 mil	Tesla Inc	1.89
				⊖	15 mil	Meta Platforms Inc Class A	1.71
				⊖	35 mil	Alphabet Inc Class C	1.66
				⊖	12 mil	Berkshire Hathaway Inc Class B	1.63
				⊖	6 mil	UnitedHealth Group Inc	1.20
				⊖	28 mil	Exxon Mobil Corp	1.17
				⊖	18 mil	Johnson & Johnson	1.16
				⊖	20 mil	JPMorgan Chase & Co	1.14
				⊖	11 mil	Visa Inc Class A	1.03
				⊖	5 mil	Eli Lilly and Co	0.99

### Equity Style

Value	Blend	Growth	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	22.8	0.98	1.05		
P/C Ratio TTM	16.1	0.98	0.95		
P/B Ratio TTM	4.0	0.98	0.93		
Geo Avg Mkt Cap \$mil	223342	0.97	0.85		

### Fixed-Income Style

Ltd	Mod	Ext	Avg Eff Maturity	Avg Eff Duration	Avg Wtd Coupon	Avg Wtd Price
			—	—	—	—
			—	—	—	—
			—	—	—	—

### Credit Quality Breakdown

	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

### Regional Exposure

	Stocks %	Rel Std Index
Americas	99.5	1.00
Greater Europe	0.5	0.99
Greater Asia	0.0	1.00

### Sector Weightings

	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>27.5</b>	<b>1.00</b>
Basic Materials	2.3	1.00
Consumer Cyclical	10.8	1.01
Financial Services	11.9	0.98
Real Estate	2.5	1.01
<b>Sensitive</b>	<b>49.8</b>	<b>0.99</b>
Communication Services	8.4	0.97
Energy	4.1	0.96
Industrials	8.4	1.00
Technology	28.9	1.01
<b>Defensive</b>	<b>22.7</b>	<b>1.02</b>
Consumer Defensive	6.6	1.01
Healthcare	13.5	1.02
Utilities	2.6	1.01

# Vanguard Target Retirement Income Trust II

Balanced fund (stocks and bonds)

## Fund facts

<b>Risk level</b> Low ← → High					<b>Total net assets</b>	<b>Expense ratio as of 03/31/21</b>	<b>Inception date</b>	<b>Fund number</b>
1	2	3	4	5	\$4,513 MM	0.075%	02/29/08	1471

## Investment objective

Vanguard Target Retirement Income Trust II seeks to provide current income and some capital appreciation.

## Investment strategy

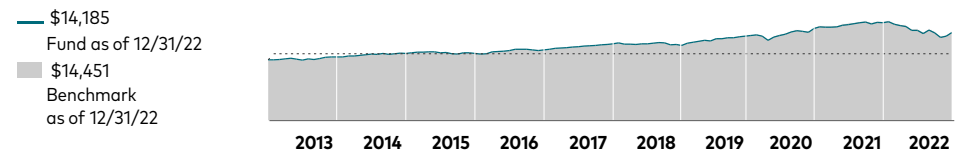
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors currently in retirement. The underlying holdings are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Institutional Total International Stock Market Index Trust II, Vanguard Total International Bond II Index Fund, and Vanguard Short-Term Inflation-Protected Securities Fund.

The trust's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; inflation-protected public obligations issued by the U.S. Treasury; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize foreign currency exposure). The trust's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks.

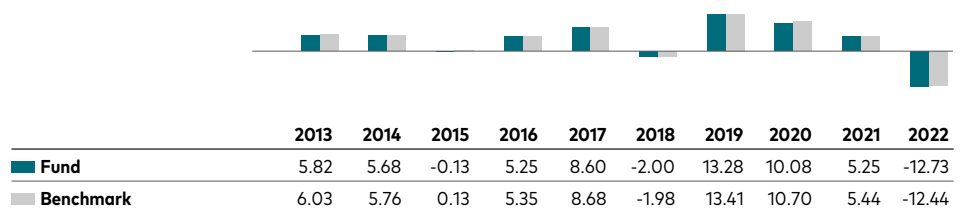
## Benchmark

Target Retirement Income Compos. Ix

## Growth of a \$10,000 investment: January 31, 2013–December 31, 2022



## Annual returns



## Total returns

	Periods ended June 30, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	1.36%	5.69%	4.54%	1.74%	3.49%	4.17%
<b>Benchmark</b>	1.44%	5.63%	4.80%	1.93%	3.72%	4.35%

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Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Target Retirement Income Compos. Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the Select Emerging Markets Index through August 23, 2006, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg U.S. Aggregate Bond Index through December 31, 2009, and the Bloomberg U.S. Aggregate Float Adjusted Index thereafter, as well as the Bloomberg U.S. Treasury Inflation-Protected Securities Index through June 2, 2013, and the Bloomberg U.S. Treasury Inflation-Protected Securities (TIPS) 0–5 Year Index thereafter; for short-term reserves, the Citigroup Three-Month Treasury Bill Index through June 2, 2013; for international bonds, the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index Hedged beginning June 3, 2013; and for U.S. stocks, the Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.



# Vanguard Target Retirement Income Trust II

Balanced fund (stocks and bonds)

### Allocation of underlying funds\*



Total Bond Market II Index	36.9%
Total Stock Market Index Plus	17.9
STerm Inf Pro Sec Idx Fund	16.7

Total Intl Bnd II	16.3
Inst Ttl Intl Stk Idx Trust II	12.2

\*Fund holdings are subject to change.

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#### Plain talk about risk

The trust is subject to several stock and bond market risks, any of which could cause an investor to lose money. However, based on the trust's current allocation between stocks and the less volatile asset class of bonds, the trust's overall level of risk should be higher than those funds that invest mostly in bonds, but lower than those investing mostly in stocks. In addition to the risks inherent in the asset classes of the underlying funds, the trust also is subject to asset allocation risk, which is the chance that the selection of underlying funds and the allocation of fund assets will cause the fund to underperform other funds with a similar investment objective.

#### Note on frequent trading restrictions

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# Vanguard Target Retirement 2020 Trust II

Balanced fund (stocks and bonds)

## Fund facts

<b>Risk level</b> Low ←————→ High 1 2 3 4 5					<b>Total net assets</b> \$6,814 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 02/29/08	<b>Fund number</b> 1474
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## Investment objective

Vanguard Target Retirement 2020 Trust II seeks to provide capital appreciation and current income consistent with its current asset allocation.

## Investment strategy

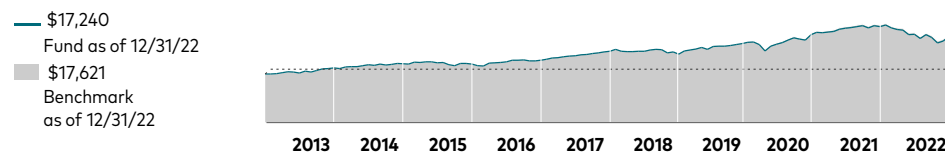
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2020 (the target year). The trust's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2020, the trust's asset allocation should resemble that of the Target Retirement Income Trust II. The underlying holdings are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Institutional Total International Stock Market Index Trust II, Vanguard Total International Bond II Index Fund, and Vanguard Short-Term Inflation-Protected Securities Fund.

The trust's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; inflation-protected public obligations issued by the U.S. Treasury; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize foreign currency exposure). The trust's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks.

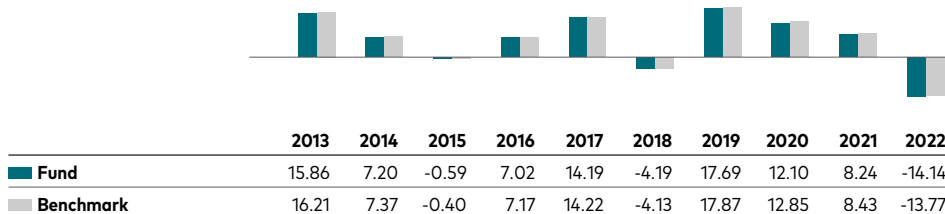
## Benchmark

Target Retirement 2020 Composite Ix

## Growth of a \$10,000 investment: January 31, 2013–December 31, 2022



## Annual returns



## Total returns

	Periods ended June 30, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	2.12%	7.01%	6.57%	3.87%	4.66%	6.09%
<b>Benchmark</b>	2.20%	6.98%	6.91%	4.12%	4.96%	6.31%

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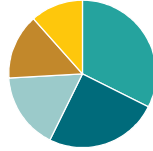
Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Target Retirement 2020 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the Select Emerging Markets Index through August 23, 2006, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg U.S. Aggregate Bond Index through December 31, 2009, and the Bloomberg U.S. Aggregate Float Adjusted Index thereafter, as well as the Bloomberg U.S. Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index; for international bonds, the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index Hedged beginning June 3, 2013; and for U.S. stocks, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

## Vanguard Target Retirement 2020 Trust II

Balanced fund (stocks and bonds)

### Allocation of underlying funds\*



Total Bond Market II Index	32.4%
Total Stock Market Index Plus	24.9
Inst Ttl Intl Stk Idx Trust II	16.8

Total Intl Bnd II	14.3
STerm Inf Pro Sec Idx Fund	11.6

\*Fund holdings are subject to change.

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# Vanguard Target Retirement 2025 Trust II

Balanced fund (stocks and bonds)

## Fund facts

<b>Risk level</b> Low ←————→ High 1 2 3 4 5					<b>Total net assets</b> \$14,602 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 02/29/08	<b>Fund number</b> 1475
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## Investment objective

Vanguard Target Retirement 2025 Trust II seeks to provide capital appreciation and current income consistent with its current asset allocation.

## Investment strategy

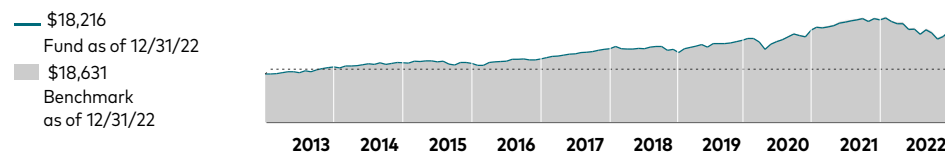
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2025 (the target year). The trust's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2025, the trust's asset allocation should resemble that of the Target Retirement Income Trust II. The underlying holdings are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Institutional Total International Stock Market Index Trust II, Vanguard Total International Bond II Index Fund, and Vanguard Short-Term Inflation-Protected Securities Fund.

The trust's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; inflation-protected public obligations issued by the U.S. Treasury; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize foreign currency exposure). The trust's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks.

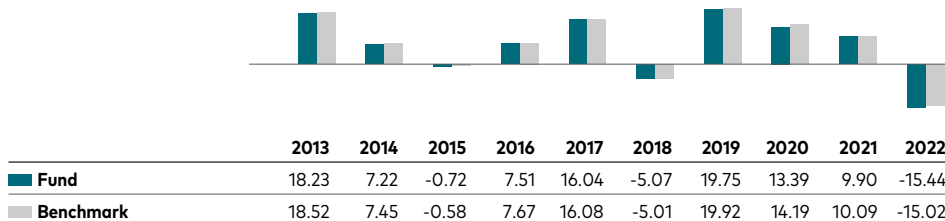
## Benchmark

Target Retirement 2025 Composite Ix

## Growth of a \$10,000 investment: January 31, 2013–December 31, 2022



## Annual returns



## Total returns

	Periods ended June 30, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	2.96%	8.45%	8.56%	5.05%	5.35%	6.76%
<b>Benchmark</b>	3.04%	8.41%	8.97%	5.32%	5.66%	7.00%

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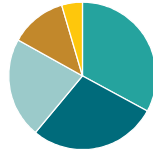
Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Target Retirement 2025 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the Select Emerging Markets Index through August 23, 2006, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg U.S. Aggregate Bond Index through December 31, 2009, and the Bloomberg U.S. Aggregate Float Adjusted Index thereafter, as well as the Bloomberg U.S. Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index; for international bonds, the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index Hedged beginning June 3, 2013; and for U.S. stocks, the Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

# Vanguard Target Retirement 2025 Trust II

Balanced fund (stocks and bonds)

**Allocation of underlying funds\***



Total Stock Market Index Plus	32.9%	Total Intl Bnd II	12.3
Total Bond Market II Index	28.1	STerm Inf Pro Sec Idx Fund	4.6
Inst Ttl Intl Stk Idx Trust II	22.1		

\*Fund holdings are subject to change.

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# Vanguard Target Retirement 2030 Trust II

Balanced fund (stocks and bonds)

## Fund facts

<b>Risk level</b> Low ←————→ High 1   2   3   4   5					<b>Total net assets</b> \$18,250 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 02/29/08	<b>Fund number</b> 1476
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## Investment objective

Vanguard Target Retirement 2030 Trust II seeks to provide capital appreciation and current income consistent with its current asset allocation.

## Investment strategy

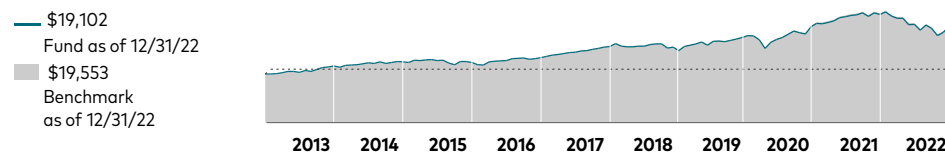
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2030 (the target year). The trust's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2030, the trust's asset allocation should resemble that of the Target Retirement Income Trust II. The underlying holdings are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Institutional Total International Stock Market Index Trust II, Vanguard Total International Bond II Index Fund, and Vanguard Short-Term Inflation-Protected Securities Fund.

The trust's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; inflation-protected public obligations issued by the U.S. Treasury; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize foreign currency exposure). The trust's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks.

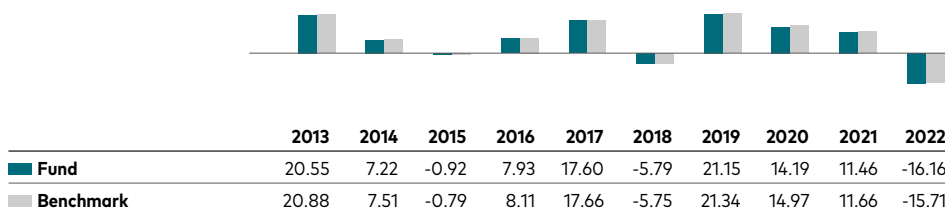
## Benchmark

Target Retirement 2030 Composite Ix

## Growth of a \$10,000 investment: January 31, 2013–December 31, 2022



## Annual returns



## Total returns

	Periods ended June 30, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	3.62%	9.47%	10.03%	6.13%	5.88%	7.33%
<b>Benchmark</b>	3.64%	9.43%	10.48%	6.43%	6.20%	7.57%

The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so investors' shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at [vanguard.com/performance](http://vanguard.com/performance). The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Target Retirement 2030 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the Select Emerging Markets Index through August 23, 2006, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg U.S. Aggregate Bond Index through December 31, 2009, and the Bloomberg U.S. Aggregate Float Adjusted Index thereafter; for international bonds, the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index Hedged beginning June 3, 2013; and for U.S. stocks, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

## Vanguard Target Retirement 2030 Trust II

Balanced fund (stocks and bonds)

### Allocation of underlying funds\*



Total Stock Market Index Plus	38.7%
Inst Ttl Intl Stk Idx Trust II	25.4

Total Bond Market II Index	25.0
Total Intl Bnd II	10.9

\*Fund holdings are subject to change.

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#### Plain talk about risk

The fund is subject to several stock and bond market risks, any of which could cause an investor to lose money. However, based on the fund's current allocation between stocks and the less volatile asset class of bonds, the fund's overall level of risk should be higher than those funds that invest mostly in bonds, but lower than those investing mostly in stocks. As the fund's allocation between underlying funds gradually changes, the fund's overall level of risk also will decline. In addition to the risks inherent in the asset classes of the underlying funds, the fund also is subject to asset allocation risk, which is the chance that the selection of underlying funds and the allocation of fund assets will cause the fund to underperform other funds with a similar investment objective. Investments in Target Retirement Trusts are subject to the risks of their underlying funds. The year in the trust name refers to the approximate year 2030 when an investor in the trust would retire and leave the workforce. The trust will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date. An investment in the Target Retirement Trust is not guaranteed at any time, including on or after the target date.

#### Note on frequent trading restrictions

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# Vanguard Target Retirement 2035 Trust II

Balanced fund (stocks and bonds)

## Fund facts

<b>Risk level</b> Low ← → High 1 2 3 4 5					<b>Total net assets</b> \$17,372 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 02/29/08	<b>Fund number</b> 1477
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## Investment objective

Vanguard Target Retirement 2035 Trust II seeks to provide capital appreciation and current income consistent with its current asset allocation.

## Investment strategy

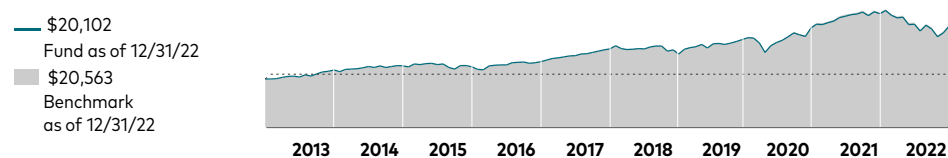
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2035 (the target year). The trust's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2035, the trust's asset allocation should resemble that of the Target Retirement Income Trust II. The underlying holdings are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Institutional Total International Stock Market Index Trust II, Vanguard Total International Bond II Index Fund, and Vanguard Short-Term Inflation-Protected Securities Fund.

The trust's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; inflation-protected public obligations issued by the U.S. Treasury; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize foreign currency exposure). The trust's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks.

## Benchmark

Target Retirement 2035 Composite Ix

## Growth of a \$10,000 investment: January 31, 2013–December 31, 2022



## Annual returns

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Fund</b>	22.93	7.22	-1.12	8.37	19.18	-6.54	22.57	14.92	13.07	-16.52
<b>Benchmark</b>	23.27	7.57	-1.02	8.55	19.25	-6.48	22.76	15.67	13.24	-16.10

## Total returns

	Periods ended June 30, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	4.10%	10.28%	11.34%	7.30%	6.44%	7.90%
<b>Benchmark</b>	4.13%	10.24%	11.77%	7.59%	6.74%	8.14%

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Target Retirement 2035 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the Select Emerging Markets Index through August 23, 2006, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg U.S. Aggregate Bond Index through December 31, 2009, and the Bloomberg U.S. Aggregate Float Adjusted Index thereafter; for international bonds, the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index Hedged beginning June 3, 2013; and for U.S. stocks, the Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.



## Vanguard Target Retirement 2035 Trust II

Balanced fund (stocks and bonds)

### Allocation of underlying funds\*



Total Stock Market Index Plus	43.4%
Inst Ttl Intl Stk Idx Trust II	28.0

Total Bond Market II Index	20.1
Total Intl Bnd II	8.5

\*Fund holdings are subject to change.

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# Vanguard Target Retirement 2040 Trust II

Balanced fund (stocks and bonds)

## Fund facts

<b>Risk level</b> Low ←————→ High 1   2   3   4   5					<b>Total net assets</b> \$16,215 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 02/29/08	<b>Fund number</b> 1478
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## Investment objective

Vanguard Target Retirement 2040 Trust II seeks to provide capital appreciation and current income consistent with its current asset allocation.

## Investment strategy

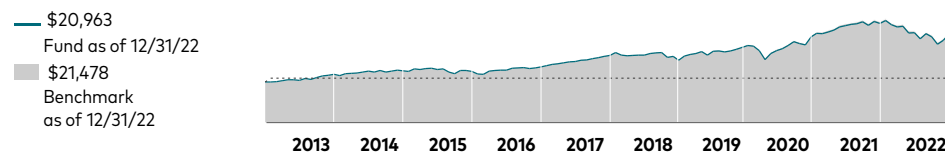
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2040 (the target year). The trust's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2040, the trust's asset allocation should resemble that of the Target Retirement Income Trust II. The underlying holdings are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Institutional Total International Stock Market Index Trust II, Vanguard Total International Bond II Index Fund, and Vanguard Short-Term Inflation-Protected Securities Fund.

The trust's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; inflation-protected public obligations issued by the U.S. Treasury; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize foreign currency exposure). The trust's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks.

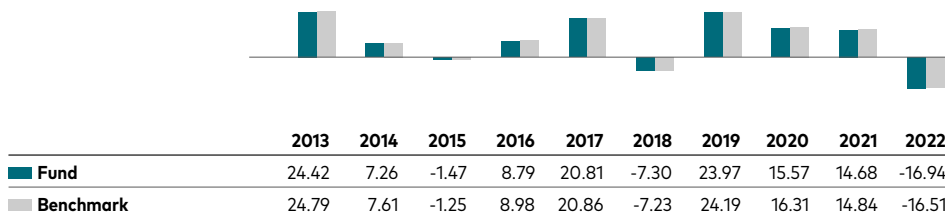
## Benchmark

Target Retirement 2040 Composite Ix

## Growth of a \$10,000 investment: January 31, 2013–December 31, 2022



## Annual returns



## Total returns

	Periods ended June 30, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	4.63%	11.12%	12.66%	8.43%	6.97%	8.41%
<b>Benchmark</b>	4.62%	11.06%	13.07%	8.74%	7.28%	8.67%

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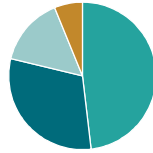
Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Target Retirement 2040 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the Select Emerging Markets Index through August 23, 2006, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg U.S. Aggregate Bond Index through December 31, 2009, and the Bloomberg U.S. Aggregate Float Adjusted Index thereafter; for international bonds, the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index Hedged beginning June 3, 2013; and for U.S. stocks, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

## Vanguard Target Retirement 2040 Trust II

Balanced fund (stocks and bonds)

### Allocation of underlying funds\*



Total Stock Market Index Plus	48.1%
Inst Ttl Intl Stk Idx Trust II	30.7%

Total Bond Market II Index	15.0
Total Intl Bnd II	6.2

\*Fund holdings are subject to change.

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#### Plain talk about risk

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#### Note on frequent trading restrictions

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# Vanguard Target Retirement 2045 Trust II

Balanced fund (stocks and bonds)

## Fund facts

Risk level					Total net assets	Expense ratio as of 03/31/21	Inception date	Fund number
Low ← → High								
1	2	3	4	5	\$14,699 MM	0.075%	02/29/08	1479

## Investment objective

Vanguard Target Retirement 2045 Trust II seeks to provide capital appreciation and current income consistent with its current asset allocation.

## Investment strategy

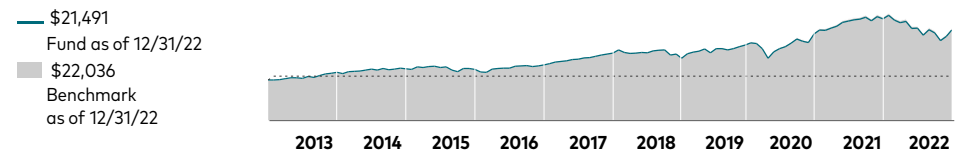
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2045 (the target year). The trust's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2045, the trust's asset allocation should resemble that of the Target Retirement Income Trust II. The underlying holdings are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Institutional Total International Stock Market Index Trust II, Vanguard Total International Bond II Index Fund, and Vanguard Short-Term Inflation-Protected Securities Fund.

The trust's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; inflation-protected public obligations issued by the U.S. Treasury; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize foreign currency exposure). The trust's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks.

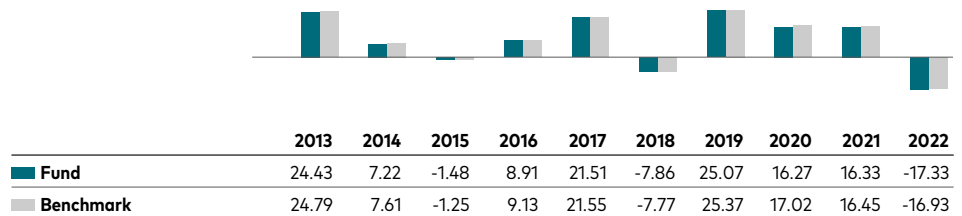
## Benchmark

Target Retirement 2045 Composite Ix

## Growth of a \$10,000 investment: January 31, 2013–December 31, 2022



## Annual returns



## Total returns

	Periods ended June 30, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	5.12%	11.94%	13.96%	9.58%	7.51%	8.77%
<b>Benchmark</b>	5.11%	11.88%	14.37%	9.90%	7.82%	9.02%

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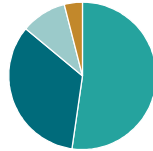
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Target Retirement 2045 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the Select Emerging Markets Index through August 23, 2006, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg U.S. Aggregate Bond Index through December 31, 2009, and the Bloomberg U.S. Aggregate Float Adjusted Index thereafter; for international bonds, the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index Hedged beginning June 3, 2013; and for U.S. stocks, the Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

## Vanguard Target Retirement 2045 Trust II

Balanced fund (stocks and bonds)

### Allocation of underlying funds\*



Total Stock Market Index Plus	52.3%
Inst Ttl Intl Stk Idx Trust II	33.7

Total Bond Market II Index	10.0
Total Intl Bnd II	4.0

\*Fund holdings are subject to change.

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#### Plain talk about risk

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# Vanguard Target Retirement 2050 Trust II

Balanced fund (stocks and bonds)

## Fund facts

<b>Risk level</b> Low ←————→ High 1 2 3 4 5					<b>Total net assets</b> \$13,257 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 02/29/08	<b>Fund number</b> 1480
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## Investment objective

Vanguard Target Retirement 2050 Trust II seeks to provide capital appreciation and current income consistent with its current asset allocation.

## Investment strategy

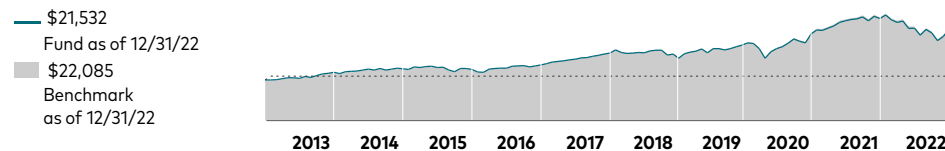
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2050 (the target year). The trust's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2050, the trust's asset allocation should resemble that of the Target Retirement Income Trust II. The underlying holdings are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Institutional Total International Stock Market Index Trust II, Vanguard Total International Bond II Index Fund, and Vanguard Short-Term Inflation-Protected Securities Fund.

The trust's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; inflation-protected public obligations issued by the U.S. Treasury; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize foreign currency exposure). The trust's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks.

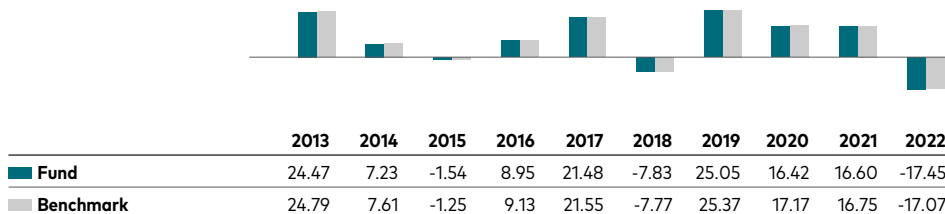
## Benchmark

Target Retirement 2050 Composite Ix

## Growth of a \$10,000 investment: January 31, 2013–December 31, 2022



## Annual returns



## Total returns

	Periods ended June 30, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	5.43%	12.42%	14.67%	9.81%	7.66%	8.83%
<b>Benchmark</b>	5.40%	12.34%	15.05%	10.13%	7.96%	9.09%

The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so investors' shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at [vanguard.com/performance](http://vanguard.com/performance). The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Target Retirement 2050 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the Select Emerging Markets Index through August 23, 2006, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg U.S. Aggregate Bond Index through December 31, 2009, and the Bloomberg U.S. Aggregate Float Adjusted Index thereafter; for international bonds, the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index Hedged beginning June 3, 2013; and for U.S. stocks, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

## Vanguard Target Retirement 2050 Trust II

Balanced fund (stocks and bonds)

### Allocation of underlying funds\*



Total Stock Market Index Plus	55.1%
Inst Ttl Intl Stk Idx Trust II	35.3

Total Bond Market II Index	6.9
Total Intl Bnd II	2.7

\*Fund holdings are subject to change.

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#### Plain talk about risk

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#### Note on frequent trading restrictions

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# Vanguard Target Retirement 2055 Trust II

Balanced fund (stocks and bonds)

## Fund facts

<b>Risk level</b> Low ← → High 1 2 3 4 5					<b>Total net assets</b> \$8,618 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 08/31/10	<b>Fund number</b> 1489
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## Investment objective

Vanguard Target Retirement 2055 Trust II seeks to provide capital appreciation and current income consistent with its current asset allocation.

## Investment strategy

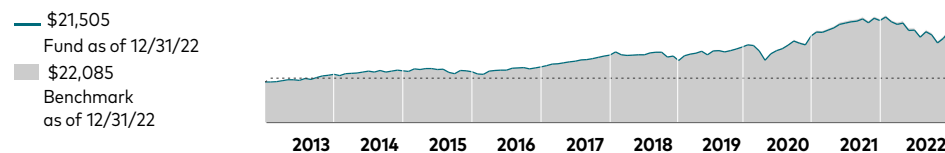
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2055 (the target year). The trust's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2055, the trust's asset allocation should resemble that of the Target Retirement Income Trust II. The underlying holdings are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Institutional Total International Stock Market Index Trust II, Vanguard Total International Bond II Index Fund, and Vanguard Short-Term Inflation-Protected Securities Fund.

The trust's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; inflation-protected public obligations issued by the U.S. Treasury; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize foreign currency exposure). The trust's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks.

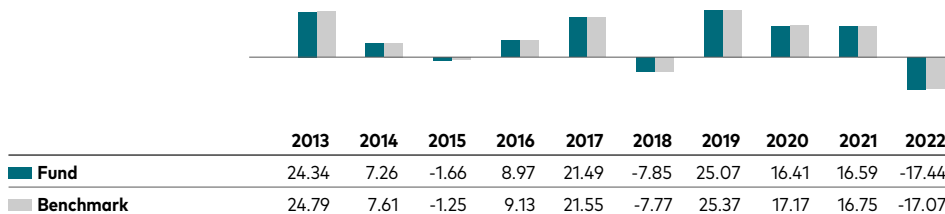
## Benchmark

Target Retirement 2055 Composite Ix

## Growth of a \$10,000 investment: January 31, 2013–December 31, 2022



## Annual returns



## Total returns

	Periods ended June 30, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	5.40%	12.41%	14.67%	9.81%	7.65%	8.82%
<b>Benchmark</b>	5.40%	12.34%	15.05%	10.13%	7.96%	9.09%

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Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Target Retirement 2055 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the MSCI Emerging Markets Index through December 15, 2010, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg U.S. Aggregate Float Adjusted Index; for international bonds, the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index Hedged beginning June 3, 2013; and for U.S. stocks, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

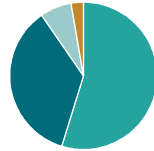


## 6.C

## Vanguard Target Retirement 2055 Trust II

Balanced fund (stocks and bonds)

### Allocation of underlying funds\*



Total Stock Market Index Plus	54.8%
Inst Ttl Intl Stk Idx Trust II	35.6

Total Bond Market II Index	6.9
Total Intl Bnd II	2.7

\*Fund holdings are subject to change.

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# Vanguard Target Retirement 2060 Trust II

Balanced fund (stocks and bonds)

## Fund facts

<b>Risk level</b> Low ←————→ High 1 2 3 4 5					<b>Total net assets</b> \$4,506 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 03/01/12	<b>Fund number</b> 1693
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## Investment objective

Vanguard Target Retirement 2060 Trust II seeks to provide capital appreciation and current income consistent with its current asset allocation.

## Investment strategy

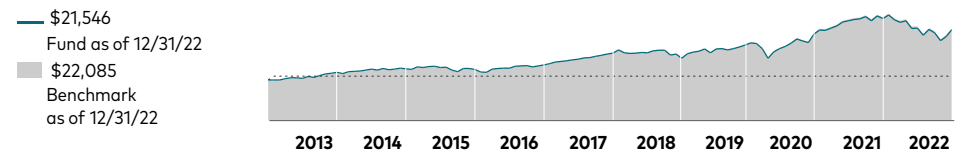
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2060 (the target year). The trust's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2060, the trust's asset allocation should resemble that of the Target Retirement Income Trust II. The underlying holdings are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Institutional Total International Stock Market Index Trust II, Vanguard Total International Bond II Index Fund, and Vanguard Short-Term Inflation-Protected Securities Fund.

The trust's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; inflation-protected public obligations issued by the U.S. Treasury; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize foreign currency exposure). The trust's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks.

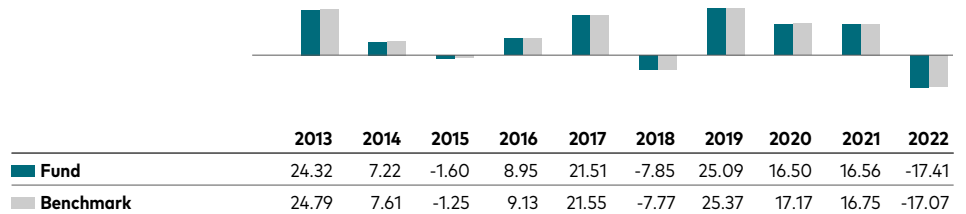
## Benchmark

Target Retirement 2060 Composite Ix

## Growth of a \$10,000 investment: January 31, 2013–December 31, 2022



## Annual returns



## Total returns

	Periods ended June 30, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	5.40%	12.42%	14.71%	9.83%	7.68%	8.83%
<b>Benchmark</b>	5.40%	12.34%	15.05%	10.13%	7.96%	9.09%

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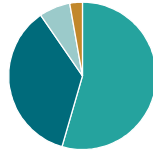
Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Target Retirement 2060 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for emerging-market stocks, the MSCI ACWI ex USA IMI Index through June 2, 2013, and the FTSE Global All Cap ex US Index thereafter; for U.S. bonds, the Bloomberg U.S. Aggregate Float Adjusted Index; for international bonds, the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index Hedged beginning June 3, 2013; and for U.S. stocks, the MSCI US Broad Market Index through June 2, 2013, and the CRSP US Total Market Index thereafter. International stock benchmark returns are adjusted for withholding taxes.

## Vanguard Target Retirement 2060 Trust II

Balanced fund (stocks and bonds)

### Allocation of underlying funds\*



Total Stock Market Index Plus	54.5%
Inst Ttl Intl Stk Idx Trust II	35.9

Total Bond Market II Index	6.8
Total Intl Bnd II	2.8

\*Fund holdings are subject to change.

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#### Plain talk about risk

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# Vanguard Target Retirement 2065 Trust II

Balanced fund (stocks and bonds)

## Fund facts

<b>Risk level</b> Low ←————→ High 1 2 3 4 5					<b>Total net assets</b> \$1,147 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 07/17/17	<b>Fund number</b> 1794
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## Investment objective

Vanguard Target Retirement 2065 Trust II seeks to provide capital appreciation and current income consistent with its current asset allocation.

## Investment strategy

The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2065 (the target year). The trust's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2065, the trust's asset allocation should resemble that of the Target Retirement Income Trust II. The underlying holdings are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Institutional Total International Stock Market Index Trust II, Vanguard Total International Bond II Index Fund, and Vanguard Short-Term Inflation-Protected Securities Fund.

The trust's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; inflation-protected public obligations issued by the U.S. Treasury; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar (but hedged by Vanguard to minimize foreign currency exposure). The trust's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks.

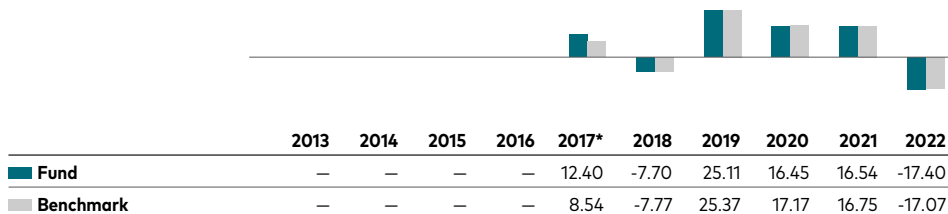
## Benchmark

Target Retirement 2065 Composite Ix

## Growth of a \$10,000 investment: July 31, 2017—December 31, 2022



## Annual returns



## Total returns

	Periods ended June 30, 2023					
	Quarter	Year to date	One year	Three years	Five years	Since inception
<b>Fund</b>	5.38%	12.41%	14.69%	9.81%	7.68%	8.61%
<b>Benchmark</b>	5.40%	12.34%	15.05%	10.13%	7.96%	-

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\* Partial return since fund started, July 17, 2017.

Target Retirement 2065 Composite Ix: Derived by applying the fund's target asset allocation to the results of the following benchmarks: the FTSE Global All Cap ex US Index for international stocks, the Bloomberg U.S. Aggregate Float Adjusted Index for U.S. bonds, the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index Hedged for international bonds, and the CRSP US Total Market Index for U.S. stocks. International stock benchmark returns are adjusted for withholding taxes.

## Vanguard Target Retirement 2065 Trust II

Balanced fund (stocks and bonds)

### Allocation of underlying funds



Total Stock Market Index Plus	54.1%	Total Bond Market II Index	6.8
Inst Ttl Intl Stk Idx Trust II	36.3	Total Intl Bnd II	2.8

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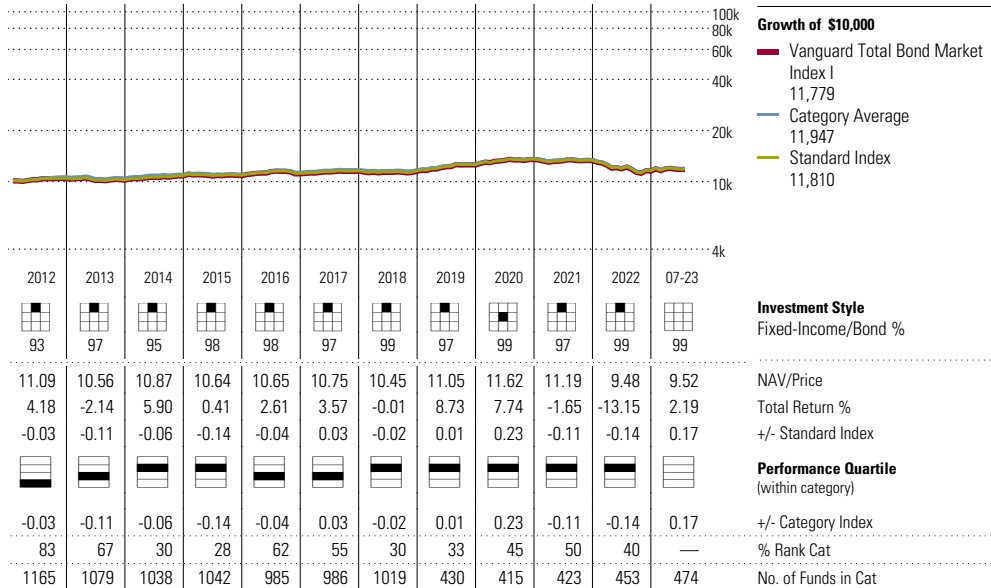
# Vanguard Total Bond Market Index I (USD)

<b>Morningstar Medalist Rating™</b> <b>Gold</b> 06-27-2023	<b>Analyst-Driven %</b> 100.00 <b>Data Coverage %</b> 100.00	<b>Morningstar Rating™</b> ★★★ 418 US Fund Intermediate Core Bond	<b>Standard Index</b> Bloomberg US Agg Bond TR USD	<b>Category Index</b> Bloomberg US Agg Bond TR USD	<b>Morningstar Cat</b> US Fund Intermediate Core Bond
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Performance 07-31-2023					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2021	-3.61	2.00	0.11	-0.08	-1.65
2022	-5.98	-4.71	-4.65	1.67	-13.15
2023	3.16	-0.90	—	—	2.19
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	-3.18	-4.52	0.77	1.47	4.22
Std 06-30-2023	-0.89	—	0.78	1.49	4.23
Total Return	-3.18	-4.52	0.77	1.47	4.22
+/- Std Index	0.19	-0.05	0.02	-0.03	—
+/- Cat Index	0.19	-0.05	0.02	-0.03	—
% Rank Cat	43	56	35	36	—
No. in Cat	469	418	381	278	—
7-day Yield		Subsidized		Unsubsidized	
30-day SEC Yield 08-09-23		4.48		4.46	

**Performance Disclosure**  
The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics. The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 888-809-8102 or visit www.vanguard.com.

Fees and Expenses	
<b>Sales Charges</b>	NA
<b>Front-End Load %</b>	NA
<b>Deferred Load %</b>	NA
<b>Fund Expenses</b>	
Management Fees %	0.03
12b1 Expense %	NA
<b>Net Expense Ratio %</b>	<b>0.04</b>
<b>Gross Expense Ratio %</b>	<b>0.04</b>
<b>Risk and Return Profile</b>	
	3 Yr 5 Yr 10 Yr
Morningstar Rating™	3★ 4★ 3★
Morningstar Risk	Avg Avg Avg
Morningstar Return	Avg Avg Avg
	3 Yr 5 Yr 10 Yr
Standard Deviation	6.12 5.53 4.38
Mean	-4.52 0.77 1.47
Sharpe Ratio	-1.02 -0.15 0.10
MPT Statistics	Standard Index Best Fit Index
	Bloomberg US Agg Bond TR USD
Alpha	-0.03 -0.03
Beta	1.00 1.00
R-Squared	99.72 99.72
12-Month Yield	2.90%
Potential Cap Gains Exp	12.16%



Portfolio Analysis 06-30-2023		Net %	Long %	Short %	Share Chg since 05-2023	Share Amount	Holdings :	Net Assets %
<b>Asset Allocation %</b>							0 Total Stocks, 14,737 Total Fixed-Income, 40% Turnover Ratio	
Cash	0.61	0.62	0.01					
US Stocks	0.00	0.00	0.00			1,932 mil	United States Treasury Notes 0.75%	0.59
Non-US Stocks	0.00	0.00	0.00			1,766 mil	United States Treasury Notes 1.375%	0.49
Bonds	99.38	99.56	0.18			1,398 mil	United States Treasury Notes 4.125%	0.48
Other/Not Clsfd	0.01	0.01	0.00			1,664 mil	United States Treasury Notes 1.875%	0.48
Total	100.00	100.19	0.19			1,526 mil	United States Treasury Notes 2.75%	0.47
						1,470 mil	United States Treasury Notes 2%	0.47
						1,536 mil	United States Treasury Notes 1.25%	0.45
						1,260 mil	United States Treasury Notes 3.5%	0.41
						1,463 mil	United States Treasury Notes 1.25%	0.40
						1,279 mil	United States Treasury Notes 2.875%	0.40
						1,452 mil	United States Treasury Notes 0.875%	0.40
						1,230 mil	United States Treasury Notes 1.5%	0.39
						1,326 mil	United States Treasury Notes 1.625%	0.38
						1,130 mil	United States Treasury Notes 4.25%	0.38
						1,130 mil	United States Treasury Notes 4.125%	0.37

Equity Style		Portfolio Statistics			Port Avg	Rel Index	Rel Cat
Value	Blend	Growth					
			P/E Ratio TTM	—	—	—	
			P/C Ratio TTM	—	—	—	
			P/B Ratio TTM	—	—	—	
			Geo Avg Mkt Cap \$mil	—	—	—	
<b>Fixed-Income Style</b>			Avg Eff Maturity	8.90			
			Avg Eff Duration	6.46			
			Avg Wtd Coupon	—			
			Avg Wtd Price	90.98			
<b>Credit Quality Breakdown 07-31-2023</b>			Bond %				
			AAA	70.68			
			AA	2.95			
			A	12.59			
			BBB	13.79			
			BB	0.00			
			B	0.00			
			Below B	0.00			
			NR	-0.01			
<b>Regional Exposure</b>			Stocks %		Rel Std Index		
			Americas	—	—		
			Greater Europe	—	—		
			Greater Asia	—	—		

Sector Weightings	Stocks %	Rel Std Index
<b>Cyclical</b>	—	—
Basic Materials	—	—
Consumer Cyclical	—	—
Financial Services	—	—
Real Estate	—	—
<b>Sensitive</b>	—	—
Communication Services	—	—
Energy	—	—
Industrials	—	—
Technology	—	—
<b>Defensive</b>	—	—
Consumer Defensive	—	—
Healthcare	—	—
Utilities	—	—

<b>Operations</b>	Family: Vanguard	Base Currency: USD	Purchase Constraints: —
	Manager: Joshua Barrickman	Ticker: VBTIX	Incept: 09-18-1995
	Tenure: 10.5 Years	ISIN: US9219375048	Type: MF
	Objective: Income	Minimum Initial Purchase: \$5 mil	Total Assets: \$94,622.88 mil

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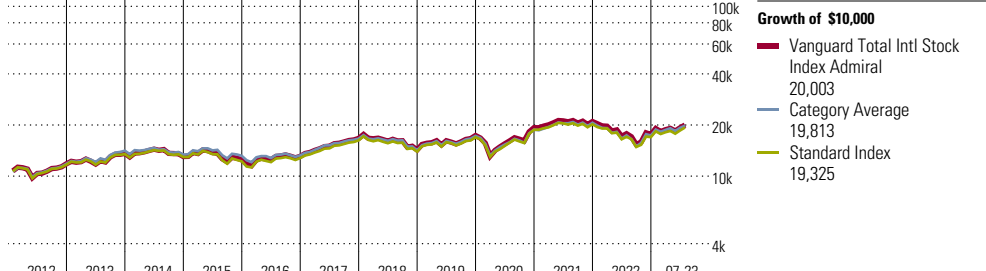


# Vanguard Total Intl Stock Index Admiral (USD)

<b>Morningstar Medalist Rating™</b> Gold 12-02-2022	<b>Analyst-Driven %</b> 100.00 Data Coverage % 100.00	<b>Morningstar Rating™</b> ★★★ 678 US Fund Foreign Large Blend	<b>Standard Index</b> MSCI ACWI Ex USA NR USD	<b>Category Index</b> MSCI ACWI Ex USA NR USD	<b>Morningstar Cat</b> US Fund Foreign Large Blend
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## Performance 07-31-2023

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2021	3.94	5.52	-3.00	2.11	8.62
2022	-6.08	-12.86	-10.51	14.67	-16.01
2023	6.66	2.61	—	—	13.66
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	12.53	7.44	3.96	4.97	4.89
Std 06-30-2023	12.31	—	3.69	5.05	4.61
Total Return	12.53	7.44	3.96	4.97	4.89
+/- Std Index	-0.89	0.35	0.11	0.26	—
+/- Cat Index	-0.89	0.35	0.11	0.26	—
% Rank Cat	73	61	53	49	—
No. in Cat	734	678	617	410	—



Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	07-23
NAV/Price	25.05	28.01	26.00	24.24	24.63	30.52	25.37	29.87	32.46	34.20	27.86	31.26
Total Return %	18.21	15.14	-4.17	-4.26	4.67	27.55	-14.43	21.51	11.28	8.62	-16.01	13.66
+/- Standard Index	1.38	-0.14	-0.31	1.40	0.18	0.36	-0.24	0.00	0.63	0.80	-0.01	-0.26
+/- Category Index	49	83	33	79	12	23	50	52	30	68	57	—
% Rank Cat	786	791	750	788	762	756	741	732	785	767	744	744

7-day Yield	—
30-day SEC Yield	—

## Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-662-7447 or visit www.vanguard.com.

## Fees and Expenses

<b>Sales Charges</b>	
<b>Front-End Load %</b>	NA
<b>Deferred Load %</b>	NA
<b>Fund Expenses</b>	
Management Fees %	0.10
12b1 Expense %	NA
<b>Net Expense Ratio %</b>	<b>0.11</b>
<b>Gross Expense Ratio %</b>	<b>0.11</b>

## Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	678 funds	617 funds	410 funds
Morningstar Rating™	3★	3★	3★
Morningstar Risk	-Avg	Avg	Avg
Morningstar Return	Avg	Avg	Avg
	3 Yr	5 Yr	10 Yr
Standard Deviation	17.52	18.15	15.01
Mean	7.44	3.96	4.97
Sharpe Ratio	0.40	0.21	0.33

MPT Statistics	Standard Index	Best Fit Index
	MSCI ACWI Ex USA	NR USD
Alpha	0.25	0.25
Beta	1.02	1.02
R-Squared	98.91	98.91

12-Month Yield	—
Potential Cap Gains Exp	-14.38%

## Portfolio Analysis 06-30-2023

Asset Allocation %	Net %	Long %	Short %	Share Chg since 05-2023	Share Amount	Holdings : 7,828 Total Stocks, 1 Total Fixed-Income, 5% Turnover Ratio	Net Assets %
Cash	2.67	2.79	0.12				
US Stocks	0.58	0.58	0.00				
Non-US Stocks	96.62	96.62	0.00	⊕	320 mil	Taiwan Semiconductor Manufacturing	1.54
Bonds	0.00	0.00	0.00	⊖	36 mil	Nestle SA	1.12
Other/Not Clsfd	0.13	0.13	0.00	⊖	5 mil	ASML Holding NV	0.99
Total	100.00	100.12	0.12	⊕	83 mil	Tencent Holdings Ltd	0.92
				⊕	63 mil	Samsung Electronics Co Ltd	0.91

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	13.1	0.97	0.97	
P/C Ratio TTM	8.7	0.95	0.92	
P/B Ratio TTM	1.6	0.92	0.90	
Geo Avg Mkt Cap \$mil	27564	0.62	0.53	

Fixed-Income Style	Avg Eff Maturity	Avg Eff Duration	Avg Wtd Coupon	Avg Wtd Price
	—	—	—	—

Credit Quality Breakdown	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

Regional Exposure	Stocks %	Rel Std Index
Americas	10.4	0.98
Greater Europe	43.6	0.96
Greater Asia	46.0	1.05

Sector Weightings	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>41.8</b>	<b>0.99</b>
Basic Materials	7.9	1.00
Consumer Cyclical	11.7	1.00
Financial Services	19.0	0.93
Real Estate	3.2	1.46
<b>Sensitive</b>	<b>38.1</b>	<b>1.03</b>
Communication Services	5.4	0.94
Energy	5.3	0.94
Industrials	14.8	1.11
Technology	12.5	1.02
<b>Defensive</b>	<b>20.2</b>	<b>0.97</b>
Consumer Defensive	7.7	0.94
Healthcare	9.3	0.97
Utilities	3.1	1.05

## Operations

Family:	Vanguard	Base Currency:	USD	Purchase Constraints:	—
Manager:	Multiple	Ticker:	VTIAX	Incept:	11-29-2010
Tenure:	15.0 Years	ISIN:	US9219098186	Type:	MF
Objective:	Foreign Stock	Minimum Initial Purchase:	\$3,000	Total Assets:	\$58,639.75 mil

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## Standardized and Tax Adjusted Returns Disclosure Statement

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end please visit <http://advisor.morningstar.com/familyinfo.asp>.

Standardized Returns assume reinvestment of dividends and capital gains. They depict performance without adjusting for the effects of taxation, but are adjusted to reflect sales charges and ongoing fund expenses.

If adjusted for taxation, the performance quoted would be significantly reduced. For variable annuities, additional expenses will be taken into account, including M&E risk charges, fund-level expenses such as management fees and operating fees, contract-level administration fees, and charges such as surrender, contract, and sales charges. The maximum redemption fee is the maximum amount a fund may charge if redeemed in a specific time period after the fund's purchase.

After-tax returns are calculated using the highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown. The after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or an IRA. After-tax returns exclude the effects of either the alternative minimum tax or phase-out of certain tax credits. Any taxes due are as of the time the distributions are made, and the taxable amount and tax character of each distribution are as specified by the fund on the dividend declaration date. Due to foreign tax credits or realized capital losses, after-tax returns may be greater than before-tax returns. After-tax returns for exchange-traded funds are based on net asset value.

### Money Market Fund Disclosures

If money market fund(s) are included in the Standardized Returns table below, each money market fund's name will be followed by a superscripted letter that links it to the applicable disclosure below:

#### **Institutional Money Market Funds (designated by an "S"):**

You could lose money by investing in the fund. Because the share price of the fund will fluctuate, when you sell your shares they may be worth more or less than what you originally paid for them. The fund may impose a fee upon sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

#### **Government Money Market Funds that have chosen to rely on the ability to impose liquidity fees and suspend redemptions (designated by an "L") and**

#### **Retail Money Market Funds (designated by an "L"):**

You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. The fund may impose a fee upon sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

#### **Government Money Market Funds that have chosen not to rely on the ability to impose liquidity fees and suspend redemptions (designated by an "N"):**

You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

#### Annualized returns 06-30-2023

Standardized Returns (%)	7-day Yield Subsidized as of date	7-day Yield Unsubsidized as of date	1Yr	5Yr	10Yr	Since Inception	Inception Date	Max Front Load %	Max Back Load %	Net Exp Ratio %	Gross Exp Ratio %	Max Redemption %
Calvert Balanced R6	—	—	9.61	—	—	8.83	02-01-2019	NA	NA	0.61	0.61	NA
Hartford International Opp HLS IA	—	—	12.36	4.12	5.65	5.86	07-02-1990	NA	NA	0.75	0.75	NA
Metropolitan West Total Return Bd Plan	—	—	-1.36	0.89	1.71	2.35	07-29-2011	NA	NA	0.37	0.37	NA
T. Rowe Price U.S. Equity Research I	—	—	21.47	12.70	—	13.92	11-29-2016	NA	NA	0.35	0.35	NA
Vanguard Extended Market Index Instl	—	—	15.22	6.15	9.35	8.45	07-07-1997	NA	NA	0.05	0.05	NA
Vanguard Institutional Index I	—	—	19.55	12.28	12.83	10.21	07-31-1990	NA	NA	0.04	0.04	NA
Vanguard Total Bond Market Index I	—	—	-0.89	0.78	1.49	4.23	09-18-1995	NA	NA	0.04	0.04	NA

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**Annualized returns 06-30-2023**

<b>Standardized Returns (%)</b>	7-day Yield Subsidized as of date	7-day Yield Unsubsidized as of date	1Yr	5Yr	10Yr	Since Inception	Inception Date	<b>Max Front Load %</b>	<b>Max Back Load %</b>	<b>Net Exp Ratio %</b>	<b>Gross Exp Ratio %</b>	<b>Max Redemption %</b>
Vanguard Total Intl Stock Index Admiral	—	—	12.31	3.69	5.05	4.61	11-29-2010	<b>NA</b>	<b>NA</b>	<b>0.11</b>	<b>0.11</b>	<b>NA</b>
<b>Bloomberg US Agg Bond TR USD</b>			<b>-0.94</b>	<b>0.77</b>	<b>1.52</b>	—	<b>01-03-1980</b>					
<b>Bloomberg US Universal TR USD</b>			<b>-0.04</b>	<b>0.98</b>	<b>1.80</b>	—	<b>12-31-1998</b>					
<b>Morningstar Mod Tgt Risk TR USD</b>			<b>8.39</b>	<b>5.19</b>	<b>6.05</b>	—	<b>02-18-2009</b>					
<b>Morningstar US Core Bd TR USD</b>			<b>-1.05</b>	—	—	—	<b>05-01-2019</b>					
<b>Morningstar US Core Plus Bd TR USD</b>			<b>-0.58</b>	—	—	—	<b>01-12-2022</b>					
<b>Morningstar US Mod Tgt Alloc NR USD</b>			<b>10.73</b>	—	—	—	<b>06-30-2020</b>					
<b>Morningstar US Sml Brd Grt Ext TR USD</b>			<b>18.31</b>	—	—	—	<b>12-21-2020</b>					
<b>MSCI ACWI Ex USA NR USD</b>			<b>12.72</b>	<b>3.52</b>	<b>4.75</b>	—	<b>01-01-2001</b>					
<b>MSCI EAFE NR USD</b>			<b>18.77</b>	<b>4.39</b>	<b>5.41</b>	—	<b>03-31-1986</b>					
<b>Russell 1000 TR USD</b>			<b>19.36</b>	<b>11.92</b>	<b>12.64</b>	—	<b>12-31-1978</b>					
<b>Russell Mid Cap TR USD</b>			<b>14.92</b>	<b>8.46</b>	<b>10.32</b>	—	<b>12-31-1978</b>					
<b>S&amp;P 500 TR USD</b>			<b>19.59</b>	<b>12.31</b>	<b>12.86</b>	—	<b>01-30-1970</b>					
<b>USTREAS T-Bill Auction Ave 3 Mon</b>			<b>4.36</b>	<b>1.68</b>	<b>1.07</b>	—	<b>02-28-1941</b>					

<b>Return after Tax (%)</b>	<b>On Distribution</b>				<b>On Distribution and Sales of Shares</b>				
	1Yr	5Yr	10Yr	Since Inception	Inception Date	1Yr	5Yr	10Yr	Since Inception
Calvert Balanced R6	8.56	—	—	7.49	02-01-2019	5.81	—	—	6.56
Hartford International Opp HLS IA	6.17	2.19	4.27	4.32	07-02-1990	9.60	2.66	3.98	4.18
Metropolitan West Total Return Bd Plan	-2.87	-0.55	0.37	0.90	07-29-2011	-0.81	0.15	0.78	1.25
T. Rowe Price U.S. Equity Research I	20.85	11.83	—	12.63	11-29-2016	12.69	9.82	—	10.80
Vanguard Extended Market Index Instl	14.77	5.76	8.88	7.66	07-07-1997	9.23	4.72	7.50	6.92
Vanguard Institutional Index I	18.66	11.34	12.01	9.48	07-31-1990	12.05	9.64	10.48	8.83
Vanguard Total Bond Market Index I	-2.02	-0.24	0.41	2.56	09-18-1995	-0.53	0.20	0.69	2.61
Vanguard Total Intl Stock Index Admiral	11.36	2.85	4.09	3.59	11-29-2010	7.66	2.68	3.68	3.29

# Mutual Fund Detail Report

## Disclosure Statement

The Mutual Fund Detail Report is supplemental sales literature, and therefore must be preceded or accompanied by the mutual fund's current prospectus or an equivalent statement. Please read this information carefully. In all cases, this disclosure statement should accompany the Mutual Fund Detail Report. Morningstar is not itself a FINRA-member firm.

All data presented is based on the most recent information available to Morningstar as of the release date and may or may not be an accurate reflection of current data for securities included in the fund's portfolio. There is no assurance that the data will remain the same.

Unless otherwise specified, the definition of "funds" used throughout this Disclosure Statement includes closed-end funds, exchange-traded funds, grantor trusts, index mutual funds, open-ended mutual funds, and unit investment trusts. It does not include exchange-traded notes or exchange-traded commodities.

Prior to 2016, Morningstar's methodology evaluated open-end mutual funds and exchange-traded funds as separate groups. Each group contained a subset of the current investments included in our current comparative analysis. In this report, historical data presented on a calendar-year basis and trailing periods ending at the most-recent month-end reflect the updated methodology.

Risk measures (such as alpha, beta, r-squared, standard deviation, mean, or Sharpe ratio) are calculated for securities or portfolios that have at least a three-year history.

Most Morningstar rankings do not include any adjustment for one-time sales charges, or loads. Morningstar does publish load-adjusted returns, and ranks such returns within a Morningstar Category in certain reports. The total returns for ETFs and fund share classes without one-time loads are equal to Morningstar's calculation of load-adjusted returns. Share classes that are subject to one-time loads relating to advice or sales commissions have their returns adjusted as part of the load-adjusted return calculation to reflect those loads.

### Comparison of Fund Types

Funds, including closed-end funds, exchange-traded funds (ETFs), money market funds, open-end funds, and unit investment trusts (UITs), have many similarities, but also many important differences. In general, publically-offered funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended. Funds pool money from their investors and manage it according to an investment strategy or objective, which can vary greatly from fund to fund. Funds have the ability to offer diversification and professional management, but also involve risk, including the loss of principal.

A closed-end fund is an investment company, which typically makes one public offering of a fixed number of shares. Thereafter, shares are traded on a secondary market. As a result, the secondary market price may be higher or lower than the closed-end fund's net asset value (NAV). If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. A closed-end mutual fund's expense ratio is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Closed-end funds may also have 12b-1 fees. Income distributions and capital gains of the closed-end fund are subject

to income tax, if held in a taxable account.

An ETF is an investment company that typically has an investment objective of striving to achieve a similar return as a particular market index. The ETF will invest in either all or a representative sample of the securities included in the index it is seeking to imitate. Like closed-end funds, an ETF can be traded on a secondary market and thus have a market price that may be higher or lower than its net asset value. If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. ETFs are not actively managed, so their value may be affected by a general decline in the U.S. market segments relating to their underlying indexes. Similarly, an imperfect match between an ETF's holdings and those of its underlying index may cause its performance to vary from that of its underlying index. The expense ratio of an ETF is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. ETFs do not have 12b-1 fees or sales loads. Capital gains from funds held in a taxable account are subject to income tax. In many, but not all cases, ETFs are generally considered to be more tax-efficient when compared to similarly invested mutual funds.

Holding company depository receipts (HOLDRs) are similar to ETFs, but they focus on narrow industry groups. HOLDRs initially own 20 stocks, which are unmanaged, and can become more concentrated due to mergers, or the disparate performance of their holdings. HOLDRs can only be bought in 100-share increments. Investors may exchange shares of a HOLDR for its underlying stocks at any time.

A money-market fund is an investment company that invests in commercial paper, banker's acceptances, repurchase agreements, government securities, certificates of deposit and other highly liquid securities, and pays money market rates of interest. Money markets are not FDIC-insured, may lose money, and are not guaranteed by a bank or other financial institution.

An open-end fund is an investment company that issues shares on a continuous basis. Shares can be purchased from the open-end mutual fund itself, or through an intermediary, but cannot be traded on a secondary market, such as the New York Stock Exchange. Investors pay the open-end mutual fund's current net asset value plus any initial sales loads. Net asset value is calculated daily, at the close of business. Open-end mutual fund shares can be redeemed, or sold back to the fund or intermediary, at their current net asset value minus any deferred sales loads or redemption fees. The expense ratio for an open-end mutual fund is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Open-end funds may also have 12b-1 fees. Income distributions and capital gains of the open-end fund are subject to income tax, if held in a taxable account.

A unit investment trust (UIT) is an investment company organized under a trust agreement between a sponsor and trustee. UITs typically purchase a fixed portfolio of securities and then sell units in the trust to investors. The major difference between a UIT and a mutual fund is that a mutual fund is actively managed, while a UIT is not. On a periodic basis, UITs usually distribute to the unit holder their pro rata share of the trust's net investment income and net realized capital gains, if any. If the trust is one that invests only in tax-free securities, then the income from the trust is also tax-free. UITs generally make one public offering of a fixed number of units. However, in some cases, the sponsor will maintain a secondary market that allows existing unit holders to sell their units and for new investors to buy units. A one-time initial sales charge is deducted from an investment made into the trust. UIT investors may also pay creation and development fees, organization costs, and/or trustee and operation expenses. UIT units may be redeemed by the sponsor at their net

asset value minus a deferred sales charge, and sold to other investors. UITs have set termination dates, at which point the underlying securities are sold and the sales proceeds are paid to the investor. Typically, a UIT investment is rolled over into successive trusts as part of a long-term strategy. A rollover fee may be charged for the exercise of rollover purchases. There are tax consequences associated with rolling over an investment from one trust to the next.

### Performance

The performance data given represents past performance and should not be considered indicative of future results. Principal value and investment return will fluctuate, so that an investor's shares, when sold, may be worth more or less than the original investment. Fund portfolio statistics change over time. Funds are not FDIC-insured, may lose value, and are not guaranteed by a bank or other financial institution.

Morningstar calculates after-tax returns using the highest applicable federal marginal income tax rate plus the investment income tax and Medicare surcharge. As of 2018, this rate is 37% plus 3.8% investment income plus 0.9% Medicare surcharge, or 41.7%. This rate changes periodically in accordance with changes in federal law.

### Pre-Inception Returns

The analysis in this report may be based, in part, on adjusted historical returns for periods prior to the inception of the share class of the fund shown in this report ("Report Share Class"). If pre-inception returns are shown, a performance stream consisting of the Report Share Class and older share class(es) is created. Morningstar adjusts pre-inception returns downward to reflect higher expenses in the Report Share Class, we do not hypothetically adjust returns upwards for lower expenses. For more information regarding calculation of pre-inception returns please see the Morningstar Extended Performance Methodology.

**When pre-inception data is presented in the report, the header at the top of the report will indicate this. In addition, the pre-inception data included in the report will appear in italics.**

While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of newer share classes of a fund, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. For example, the fee structures of a retail share class will vary from that of an institutional share class, as retail shares tend to have higher operating expenses and sales charges. These adjusted historical returns are not actual returns. The underlying investments in the share classes used to calculate the pre-performance string will likely vary from the underlying investments held in the fund after inception. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the fund itself.

### Quantitatively-Driven Content

This report may contain a Morningstar Medalist Rating™ derived quantitatively ("Quantitatively-Driven Content"), meaning it was generated in whole or in part by a series of statistical models intended to replicate Morningstar's analyst output.

Mr. Lee Davidson, Chief Analytics Officer for Morningstar, Inc. is responsible for overseeing the methodology that supports the Quantitatively-Driven Content. Mr. Davidson is guided by the Morningstar, Inc. Code of Ethics in carrying out his responsibilities. Morningstar's Research, Investment, and Analytics Group includes manager research employees of various Morningstar, Inc. subsidiaries who prepare analysis on investment products and quantitative research employees of Morningstar, Inc. or its subsidiaries who aim to help investors by providing innovative research, models, and software. In the United States, research employees are employed by Morningstar Research Services LLC, which

is registered with the U.S. Securities and Exchange Commission.

### 12b1 Expense %

A 12b-1 fee is a fee used to pay for a mutual fund's distribution costs. It is often used as a commission to brokers for selling the fund. The amount of the fee is taken from a fund's returns.

### Alpha

Alpha is a measure of the difference between a security or portfolio's actual returns and its expected performance, given its level of risk (as measured by beta.) Alpha is often seen as a measure of the value added or subtracted by a portfolio manager.

### Analyst-Driven %

The Analyst-Driven % data point displays the weighted percentage of a vehicle's pillar ratings assigned directly or indirectly by analysts. For example, if the People and Parent ratings are assigned directly or indirectly by analysts but the Process rating is assigned algorithmically, the Analyst-Driven % for an actively managed vehicle would disclose that 55% of the pillar weight was assigned by analysts and the Analyst-Driven % for a passively managed vehicle would disclose that 20% of the pillar weight was assigned by analysts.

### Asset Allocation

Asset Allocation reflects asset class weightings of the portfolio. The "Other" category includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks, or cannot be classified by Morningstar as a result of missing data. Morningstar may display asset allocation data in several ways, including tables or pie charts. In addition, Morningstar may compare the asset class breakdown of the fund against its three-year average, category average, and/or index proxy.

Asset allocations shown in tables may include a breakdown among the long, short, and net (long positions net of short) positions. These statistics summarize what the fund's managers are buying and how they are positioning the fund's portfolio. When short positions are captured in these portfolio statistics, investors get a more robust description of the fund's exposure and risk. Long positions involve buying the security outright and selling it later, with the hope the security's price rises over time. Short positions are taken with the hope of benefitting from anticipated price declines. The investor borrows the security from another investor, sells it and receives cash, and then is obligated to buy it back at some point in the future. If the price falls after the short sale, the investor will have sold high and can buy low to close the short position and lock in a profit. However, if the price of the security increases after the short sale, the investor will experience a loss buying it at a higher price than the sale price.

Most fund portfolios hold fairly conventional securities, such as long positions in equities and bonds. Morningstar may generate a colored pie chart for these portfolios. Other portfolios use other investment strategies or securities, such as short positions or derivatives, in an attempt to reduce transaction costs, enhance returns, or reduce risk. Some of these securities and strategies behave like conventional securities, while other have unique return and risk characteristics. Portfolios that incorporate investment strategies resulting in short positions or portfolio with relatively exotic derivative positions often report data to Morningstar that does not meet the parameters of the calculation underlying a pie chart's generation. Because of the nature of how these securities are reported to Morningstar, we may not always get complete portfolio information to report asset allocation. Morningstar, at its discretion, may determine if unidentified characteristics of fund holdings are material. Asset allocation and other breakdowns may be rescaled accordingly so that percentages total to 100 percent. (Morningstar used discretion to determine if

unidentified characteristics of fund holdings are material, pie charts and other breakdowns may rescale identified characteristics to 100% for more intuitive presentation.)

Note that all other portfolio statistics presented in this report are based on the long (or long rescaled) holdings of the fund only.

#### Average Effective Duration

Duration is a time measure of a bond's interest-rate sensitivity. Average effective duration is a weighted average of the duration of the fixed-income securities within a portfolio.

#### Average Effective Maturity

Average Effective Maturity is a weighted average of the maturities of all bonds in a portfolio.

#### Average Weighted Coupon

A coupon is the fixed annual percentage paid out on a bond. The average weighted coupon is the asset-weighted coupon of each bond in the portfolio.

#### Average Weighted Price

Average Weighted Price is the asset-weighted price of bonds held in a portfolio, expressed as a percentage of par (face) value. This number reveals if the portfolio favors bonds selling at prices above or below par value (premium or discount securities respectively.)

#### Best Fit Index

Alpha, beta, and R-squared statistics are presented for a broad market index and a "best fit" index. The Best Fit Index identified in this report was determined by Morningstar by calculating R-squared for the fund against approximately 100 indexes tracked by Morningstar. The index representing the highest R-squared is identified as the best fit index. The best fit index may not be the fund's benchmark, nor does it necessarily contain the types of securities that may be held by the fund or portfolio.

#### Beta

Beta is a measure of a security or portfolio's sensitivity to market movements (proxied using an index.) A beta of greater than 1 indicates more volatility than the market, and a beta of less than 1 indicates less volatility than the market.

#### Credit Quality Breakdown

Credit Quality breakdowns are shown for corporate-bond holdings in the fund's portfolio and depict the quality of bonds in the underlying portfolio. It shows the percentage of fixed-income securities that fall within each credit-quality rating as assigned by a Nationally Recognized Statistical Rating Organization (NRSRO). Bonds not rated by an NRSRO are included in the Other/Not-Classified category.

#### Data Coverage %

The Data Coverage % data point is a summary metric describing the level of data completeness used to generate the overall rating. If the pillar is assigned directly or indirectly by analysts, the pillar has complete data availability, as no model was used to estimate the pillar score. If the pillar is assigned directly by algorithm, Morningstar counts the number of data points feeding both the positive and negative models and counts whether the vehicle has strategy-specific data available. A simple percentage is calculated per pillar. The overall data coverage % is then scaled by pillar weights.

#### Deferred Load %

The back-end sales charge or deferred load is imposed when an investor redeems shares of a fund. The percentage of the load charged generally declines the longer the fund's shares are held by the investor. This charge,

coupled with 12b-1 fees, commonly serves as an alternative to a traditional front-end load.

#### Expense Ratio %

The expense ratio is the annual fee that all funds charge their shareholders. It expresses the percentage of assets deducted each fiscal year for fund expenses, including 12b-1 fees, management fees, administrative fees, operating costs, and all other asset-based costs incurred by the fund. Portfolio transaction fees, or brokerage costs, as well as front-end or deferred sales charges are not included in the expense ratio. The expense ratio, which is deducted from the fund's average net assets, is accrued on a daily basis. The gross expense ratio, in contrast to the net expense ratio, does not reflect any fee waivers in effect during the time period.

#### Front-end Load %

The initial sales charge or front-end load is a deduction made from each investment in the fund and is generally based on the amount of the investment.

#### Geometric Average Market Capitalization

Geometric Average Market Capitalization is a measure of the size of the companies in which a portfolio invests.

#### Growth of 10,000

For funds, this graph compares the growth of an investment of 10,000 (in the base currency of the fund) with that of an index and/or with that of the average for all funds in its Morningstar Category. The total returns are not adjusted to reflect sales charges or the effects of taxation but are adjusted to reflect actual ongoing fund expenses, and they assume reinvestment of dividends and capital gains. If adjusted, effects of sales charges and taxation would reduce the performance quoted. If pre-inception data is included in the analysis, it will be graphed.

The index in the Growth of 10,000 graph is an unmanaged portfolio of specified securities and cannot be invested in directly. The index does not reflect any initial or ongoing expenses. A fund's portfolio may differ significantly from the securities in the index. The index is chosen by Morningstar.

#### Management Fees %

The management fee includes the management and administrative fees listed in the Management Fees section of a fund's prospectus. Typically, these fees represent the costs shareholders paid for management and administrative services over the fund's prior fiscal year.

#### Maximum Redemption Fee %

The Maximum Redemption Fee is the maximum amount a fund may charge if redeemed in a specific time period after the fund's purchase (for example, 30, 180, or 365 days).

#### Mean

Mean is the annualized geometric return for the period shown.

#### Morningstar Medalist Rating™

The Morningstar Medalist Rating is the summary expression of Morningstar's forward-looking analysis of investment strategies as offered via specific vehicles using a rating scale of Gold, Silver, Bronze, Neutral, and Negative. The Medalist Ratings indicate which investments Morningstar believes are likely to outperform a relevant index or peer group average on a risk-adjusted basis over time. Investment products are evaluated on three key pillars (People, Parent, and Process) which, when coupled with a fee assessment, forms the basis for Morningstar's conviction in those products' investment merits and determines the Medalist Rating they're assigned. Pillar ratings take the form of Low, Below Average, Average, Above Average, and High. Pillars may be evaluated via an

analyst's qualitative assessment (either directly to a vehicle the analyst covers or indirectly when the pillar ratings of a covered vehicle are mapped to a related uncovered vehicle) or using algorithmic techniques. Vehicles are sorted by their expected performance into rating groups defined by their Morningstar Category and their active or passive status. When analysts directly cover a vehicle, they assign the three pillar ratings based on their qualitative assessment, subject to the oversight of the Analyst Rating Committee, and monitor and reevaluate them at least every 14 months. When the vehicles are covered either indirectly by analysts or by algorithm, the ratings are assigned monthly. For more detailed information about the Medalist Ratings, including their methodology, please go to <http://global.morningstar.com/managerdisclosures>.

The Morningstar Medalist Ratings are not statements of fact, nor are they credit or risk ratings. The Morningstar Medalist Rating (i) should not be used as the sole basis in evaluating an investment product, (ii) involves unknown risks and uncertainties which may cause expectations not to occur or to differ significantly from what was expected, (iii) are not guaranteed to be based on complete or accurate assumptions or models when determined algorithmically, (iv) involve the risk that the return target will not be met due to such things as unforeseen changes in changes in management, technology, economic development, interest rate development, operating and/or material costs, competitive pressure, supervisory law, exchange rate, tax rates, exchange rate changes, and/or changes in political and social conditions, and (v) should not be considered an offer or solicitation to buy or sell the investment product. A change in the fundamental factors underlying the Morningstar Medalist Rating can mean that the rating is subsequently no longer accurate.

Analysts do not have any other material conflicts of interest at the time of publication. Users wishing to obtain further information should contact their local Morningstar office or refer to the Analyst Conflicts of Interest and Other Disclosures for North America at <https://global.morningstar.com/managerdisclosures> under "Methodology Documents and Disclosures".

### Morningstar Category

Morningstar Category is assigned by placing funds into peer groups based on their underlying holdings. The underlying securities in each portfolio are the primary factor in our analysis as the investment objective and investment strategy stated in a fund's prospectus may not be sufficiently detailed for our proprietary classification methodology. Funds are placed in a category based on their portfolio statistics and compositions over the past three years. Analysis of performance and other indicative facts are also considered. If the fund is new and has no portfolio history, Morningstar estimates where it will fall before giving it a permanent category assignment. Categories may be changed based on recent changes to the portfolio.

### Morningstar Rank

Morningstar Rank is the total return percentile rank within each Morningstar Category. The highest (or most favorable) percentile rank is zero and the lowest (or least favorable) percentile rank is 100. Historical percentile ranks are based on a snapshot of a fund at the time of calculation.

### Morningstar Rating™

The Morningstar Rating™ for funds, or "star rating", is calculated for funds and separate accounts with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5%

receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. For more information about the Morningstar Rating for funds, including its methodology, please go to [global.morningstar.com/managerdisclosures](http://global.morningstar.com/managerdisclosures)

The Morningstar Return rates a fund's performance relative to other managed products in its Morningstar Category. It is an assessment of a product's excess return over a risk-free rate (the return of the 90-day Treasury Bill) in comparison with the products in its Morningstar category. In each Morningstar category, the top 10% of products earn a High Morningstar Return (High), the next 22.5% Above Average (+Avg), the middle 35% Average (Avg), the next 22.5% Below Average (-Ave), and the bottom 10% Low (Low). Morningstar Return is measured for up to three time periods (three, five, and 10 years). These separate measures are then weighted and averaged to produce an overall measure for the product. Products with less than three years of performance history are not rated.

### Morningstar Risk

Morningstar Risk evaluates a fund's downside volatility relative to that of other products in its Morningstar Category. It is an assessment of the variations in monthly returns, with an emphasis on downside variations, in comparison with the products in its Morningstar category. In each Morningstar category, the 10% of products with the lowest measured risk are described as Low Risk (Low), the next 22.5% Below Average (-Avg), the middle 35% Average (Avg), the next 22.5% Above Average (+Avg), and the top 10% High (High). Morningstar Risk is measured for up to three time periods (three, five, and 10 years). These separate measures are then weighted and averaged to produce an overall measure for the product. Products with less than three years of performance history are not rated.

### Style Analysis

The Morningstar Style Box reveals a fund's investment style as of the date noted on this report.

For equity funds, the vertical axis shows the market capitalization of the long stocks owned, and the horizontal axis shows the investment style (value, blend, or growth.) A darkened cell in the style box matrix indicates the weighted average style of the portfolio.

For portfolios holding fixed-income investments, a Fixed Income Style Box is calculated. The vertical axis shows the credit quality based on credit ratings and the horizontal axis shows interest-rate sensitivity as measured by effective duration. There are three credit categories- "High", "Medium", and "Low; and there are three interest rate sensitivity categories- "Limited", "Moderate", and "Extensive" resulting in nine possible combinations. As in the equity Style Box the combination of credit and interest rate sensitivity for a portfolio is represented by a darkened cell in the matrix.

Morningstar uses credit rating information from credit rating agencies (CRA's) that have been designated Nationally Recognized Statistical Rating Organizations (NRSRO's) by the Securities and Exchange Commission (SEC) in the United States. For a list of all NRSROs, please visit <https://www.sec.gov/ocr/ocr-learn-nrsros.html>. Additionally, Morningstar will use credit ratings from CRA's which have been recognized by foreign regulatory institutions that are deemed the equivalent of the NRSRO designation.

To determine the rating applicable to a holding and the subsequent holding weighted value of a portfolio two methods may be employed. First is a common methodology approach where if a case exists such that two rating organizations/ agencies have rated a holding, the lower rating of the two should

be applied; if three or more CRA's have rated a holding the median rating should be applied, and in cases where there are more than two ratings and a median rating cannot be determined the lower of the two middle ratings should be applied. Alternatively, if there is more than one rating available an average can be calculated from all and applied. Please Note: Morningstar, Inc. is not an NRSRO nor does it issue a credit rating on the fund. Credit ratings for any security held in a portfolio may change over time.

Morningstar uses the credit rating information to calculate a weighted-average credit quality value for the portfolio. This value is based only upon those holdings which are considered to be classified as "fixed\_income", such as government, corporate, or securitized issues. Other types of holdings such as equities and many, though not all, types of derivatives are excluded. The weighted-average credit quality value is represented by a rating symbol which corresponds to the long-term rating symbol schemas employed by most CRA's. Note that this value is not explicitly published but instead serves as an input in Style Box calculation. This symbol is then used to map to a Style Box credit quality category of "low," "medium," or "high". Funds with a "low" credit quality category are those whose weighted-average credit quality is determined to be equivalent to the commonly used High Yield classification, meaning a rating below "BBB", portfolios assigned to the "high" credit category have either a "AAA" or "AA+" average credit quality value, while "medium" are those with an average rating of "AA" inclusive to "BBB-". It is expected and intended that the majority of portfolios will be assigned a credit category of "medium".

For assignment to an interest-rate sensitivity category Morningstar uses the average effective duration of the portfolio. From this value there are three distinct methodologies employed to determine assignment to category. Portfolios which are assigned to Morningstar municipal-bond categories employ static breakpoints between categories. These breakpoints are "Limited" equal to 4.5 years or less; (ii) "Moderate" equal to 4.5 years to less than 7 years, and "Extensive" equal to more than 7 years. For portfolios assigned to Morningstar categories other than U.S. Taxable, including all domiciled outside the United States, static duration breakpoints are also used. The values differ from the municipal category values. (i) "Limited" equals less than or equal to 3.5 years, "Moderate" equals greater than 3.5 years but less than or equal to 6 years, "Extensive" is assigned to portfolios with effective durations of more than 6 years. Note: Interest-rate sensitivity for non-U.S. domiciled portfolios (excluding those in Morningstar convertible categories) may be assigned using average modified duration when average effective duration is not available.

For portfolios Morningstar classifies as U.S Taxable Fixed-Income, interest-rate sensitivity category assignment is based on the effective duration of the Morningstar Core Bond Index (MCBI). The classification assignment is dynamically determined relative to the benchmark index value. A "Limited" category will be assigned to portfolios whose average effective duration is between 25% to 75% of MCBI average effective duration, where the average effective duration is between 75% to 125% of the MCBI the portfolio will be classified as "Moderate", and those portfolios with an average effective duration value 125% or greater of the average effective duration of the MCBI will be classified as "Extensive".

### P/B Ratio TTM

The Price/Book Ratio (or P/B Ratio) for a fund is the weighted average of the P/B Ratio of the stocks in its portfolio. Book value is the total assets of a company, less total liabilities. The P/B ratio of a company is calculated by dividing the market price of its outstanding stock by the company's book value, and then adjusting for the number of shares outstanding. Stocks with negative book values are excluded from this calculation. It shows approximately how much an investor is paying for a company's assets based on historical valuations.

### P/C Ratio TTM

The Price/Cash Flow Ratio (or P/C Ratio) for a fund is the weighted average of the P/C Ratio of the stocks in its portfolio. The P/C Ratio of a stock represents the amount an investor is willing to pay for a dollar generated from a company's operations. It shows the ability of a company to generate cash and acts as a gauge of liquidity and solvency.

### P/E Ratio TTM

The Price/Earnings Ratio (or P/E Ratio) for a fund is the weighted average of the P/E Ratios of the stocks in its portfolio. The P/E Ratio of a stock is the stock's current price divided by the company's trailing 12-month earnings per share. A high P/E Ratio usually indicates the market will pay more to obtain the company's earnings because it believes in the company's abilities to increase their earnings. A low P/E Ratio indicates the market has less confidence that the company's earnings will increase, however value investors may believe such stocks have an overlooked or undervalued potential for appreciation.

### Percentile Rank in Category

Percentile Rank is a standardized way of ranking items within a peer group, in this case, funds within the same Morningstar Category. The observation with the largest numerical value is ranked zero the observation with the smallest numerical value is ranked 100. The remaining observations are placed equal distance from one another on the rating scale. Note that lower percentile ranks are generally more favorable for returns (high returns), while higher percentile ranks are generally more favorable for risk measures (low risk).

### Performance Quartile

Performance Quartile reflects a fund's Morningstar Rank.

### Potential Capital Gains Exposure

Potential Capital Gains Exposure is an estimate of the percent of a fund's assets that represent gains. It measures how much the fund's assets have appreciated, and it can be an indicator of possible future capital gains distributions. A positive potential capital gains exposure value means that the fund's holdings have generally increased in value while a negative value means that the fund has reported losses on its book.

### Quarterly Returns

Quarterly Return is calculated applying the same methodology as Total Return except it represents return through each quarter-end.

### R-Squared

R-squared is the percentage of a security or portfolio's return movements that are explained by movements in its benchmark index, showing the degree of correlation between the security or portfolio and the benchmark. This figure is helpful in assessing how likely it is that beta and alpha are statistically significant. A value of 1 indicates perfect correlation between the security or portfolio and its benchmark. The lower the R-squared value, the lower the correlation.

### Regional Exposure

The regional exposure is a display of the portfolio's assets invested in the regions shown on the report.

### Sector Weightings

Super Sectors represent Morningstar's broadest classification of equity sectors by assigning the 11 equity sectors into three classifications. The Cyclical Super Sector includes industries significantly impacted by economic shifts, and the stocks included in these sectors generally have betas greater than 1. The Defensive Super Sector generally includes industries that are relatively immune to economic cycles, and the stocks in these industries generally have betas less than 1. The Sensitive Super Sector includes industries that ebb and flow with the overall economy, but not severely so. Stocks in the Sensitive Super Sector

generally have betas that are close to 1.

### Share Change

Shares Change represents the number of shares of a stock bought or sold by a fund since the previously reported portfolio of the fund.

### Sharpe Ratio

Sharpe Ratio uses standard deviation and excess return (a measure of a security or portfolio's return in excess of the U.S. Treasury three-month Treasury Bill) to determine the reward per unit of risk.

### Standard Deviation

Standard deviation is a statistical measure of the volatility of the security or portfolio's returns. The larger the standard deviation, the greater the volatility of return.

### Standardized Returns

Standardized Return applies the methodology described in the Standardized Returns page of this report. Standardized Return is calculated through the most recent calendar-quarter end for one-year, five-year, 10-year, and/or since-inception periods, and it demonstrates the impact of sales charges (if applicable) and ongoing fund expenses. Standardized Return reflects the return an investor may have experience if the security was purchased at the beginning of the period and sold at the end, incurring transaction charges.

### Total Return

Total Return, or "Non Load-Adjusted Return", reflects performance without adjusting for sales charges (if applicable) or the effects of taxation, but it is adjusted to reflect all actual ongoing security expenses and assumes reinvestment of dividends and capital gains. It is the return an investor would have experienced if the fund was held throughout the period. If adjusted for sales charges and the effects of taxation, the performance quoted would be significantly reduced.

Total Return +/- indicates how a fund has performed relative to its peers (as measure by its Standard Index and/or Morningstar Category Index) over the time periods shown.

### Trailing Returns

Standardized Return applies the methodology described in the Standardized Returns page of this report. Standardized Return is calculated through the most recent calendar-quarter end for one-year, five-year, 10-year, and/or since-inception periods, and it demonstrates the impact of sales charges (if applicable) and ongoing fund expenses. Standardized Return reflects the return an investor may have experienced if the fund was purchased at the beginning of the period and sold at the end, incurring transaction charges.

Load-Adjusted Monthly Return is calculated applying the same methodology as Standardized Return, except that it represents return through month-end. As with Standardized Return, it reflects the impact of sales charges and ongoing fund expenses, but not taxation. If adjusted for the effects of taxation, the performance quoted would be significantly different.

Trailing Return +/- indicates how a fund has performed relative to its peers (as measure by its Standard Index and/or Morningstar Category Index) over the time periods shown.

## Investment Risk Disclosures

Morningstar makes no representation concerning the appropriateness of any

investment or investment strategy. Other types of investments or investment strategies may be more appropriate depending upon an investor's specific situation, including the investor's investment objectives, financial status, tax situation, and risk tolerance. These disclosures cannot and do not list every conceivable factor that may affect the results of any investment or investment strategy. Additional risks will arise, and an investor must be willing and able to accept those risks. You should speak with your financial professional to understand the risks and limitations on investing in any particular investment or investment strategy, including those that are shown in this report, before making investment decisions.

The performance data given represents past performance and should not be considered indicative of future results. Principal value and investment return will fluctuate, so that an investor's shares/units, when sold or redeemed, may be worth more or less than the original investment. Portfolio statistics change over time. Securities are not FDIC-insured, may lose value, and are not guaranteed by a bank or other financial institution. Portfolio statistics change over time.

The risks associated with investing are numerous and include, but are not limited to, those listed below:

International/Emerging Market Equities: Investing in international securities involves special additional risks. These risks include, but are not limited to, currency risk, political risk, and risk associated with varying accounting standards. Investing in emerging markets may accentuate these risks.

Sector Strategies: Portfolios that invest exclusively in one sector or industry involve additional risks. The lack of industry diversification subjects the investor to increased industry-specific risks.

Non-Diversified Strategies: Portfolios that invest a significant percentage of assets in a single issuer involve additional risks, including share price fluctuations, because of the increased concentration of investments.

Small Cap Equities: Portfolios that invest in stocks of small companies involve additional risks. Smaller companies typically have a higher risk of failure, and are not as well established as larger blue-chip companies. Historically, smaller-company stocks have experienced a greater degree of market volatility than the overall market average.

Mid Cap Equities: Portfolios that invest in companies with market capitalization below \$10 billion involve additional risks. The securities of these companies may be more volatile and less liquid than the securities of larger companies.

High-Yield Bonds: Portfolios that invest in lower-rated debt securities (commonly referred to as junk bonds) involve additional risks because of the lower credit quality of the securities in the portfolio. The investor should be aware of the possible higher level of volatility, and increased risk of default.

Tax-Free Municipal Bonds: The investor should note that the income from tax-free municipal bond funds may be subject to state and local taxation and the Alternative Minimum Tax.

Bonds: Bonds are subject to interest rate risk. As the prevailing level of bond interest rates rise, the value of bonds already held in a portfolio declines. Portfolios that hold bonds are subject to declines and increases in value due to general changes in interest rates.

Hedge Funds: The investor should note that hedge fund investing involves specialized risks that are dependent upon the type of strategies undertaken by the manager. This can include distressed or event-driven strategies, long/short strategies, using arbitrage (exploiting price inefficiencies), international

investing, and use of leverage, options and/or derivatives. Although the goal of hedge fund managers may be to reduce volatility and produce positive absolute return under a variety of market conditions, hedge funds may involve a high degree of risk and are suitable only for investors of substantial financial means who could bear the entire loss of their investment.

**Bank Loan/Senior Debt:** Bank loans and senior loans are impacted by the risks associated with fixed income in general, including interest rate risk and default risk. They are often non-investment grade; therefore, the risk of default is high. These securities are also relatively illiquid. Managed products that invest in bank loans/senior debt are often highly leveraged, producing a high risk of return volatility.

**Exchange Traded Notes (ETNs):** ETNs are unsecured debt obligations. Any repayment of notes is subject to the issuer's ability to repay its obligations. ETNs do not typically pay interest.

**Leveraged ETFs:** Levered investments are designed to meet multiples of the return performance of the index they track and seek to meet their fund objectives on a daily basis (or other time period stated within the Fund objective). The leverage/gearing ratio is the amount of excess return that a levered investment is designed to achieve in comparison to its index performance (i.e. 200%, 300%, -200%, or -300% or 2X, 3X, -2X, -3X). Leveraged investments are designed to meet multiples of the return performance of the index they track and seek to meet their fund objectives on a daily basis (or other time period stated within the prospectus objective). The leverage/gearing ratio is the amount of excess return that a leveraged investment is designed to achieve in comparison to its index performance (i.e. 200%, 300%, -200%, or -300% or 2X, 3X, -2X, -3X). Compounding has the ability to affect the performance of the fund to be either greater or less than the index performance multiplied by the multiple stated within the funds objective over a stated time period.

**Short Positions:** When a short position moves in an unfavorable way, the losses are theoretically unlimited. The broker may demand more collateral and a manager might have to close out a short position at an inopportune time to limit further losses.

**Long-Short:** Due to the strategies used by long-short funds, which may include but are not limited to leverage, short selling, short-term trading, and investing in derivatives, these funds may have greater risk, volatility, and expenses than those focusing on traditional investment strategies.

**Liquidity Risk:** Closed-end fund, ETF, and HOLDR trading may be halted due to market conditions, impacting an investor's ability to sell a fund.

**Market Price Risk:** The market price of ETFs, HOLDRs, and closed-end funds traded on the secondary market is subject to the forces of supply and demand and thus independent of the NAV. This can result in the market price trading at a premium or discount to the NAV, which will affect an investor's value.

**Market Risk:** The market prices of ETFs and HOLDRs can fluctuate as a result of several factors, such as security-specific factors or general investor sentiment. Therefore, investors should be aware of the prospect of market fluctuations and the impact it may have on the market price.

**Target-Date Funds:** Target-date funds typically invest in other mutual funds and are designed for investors who are planning to retire during the target date year. The fund's target date is the approximate date when investors expect to begin withdrawing their money. A target-date fund's investment objective/strategy typically becomes more conservative over time, primarily by reducing its allocation to equity mutual funds and increasing its allocations in fixed-income

mutual funds. An investor's principal value in a target-date fund is not guaranteed at any time, including at the fund's target date.

**High double- and triple-digit returns:** High double- and triple-digit returns were the result of extremely favorable market conditions, which may not continue to be the case. High returns for short time periods must not be a major factor when making investment decisions.

## Benchmark Disclosure

### Bloomberg US Agg Bond TR USD

This index is composed of the BarCap Government/Credit Index, the Mortgage-Backed Securities Index, and the Asset-Backed Securities Index. The returns we publish for the index are total returns, which includes the daily reinvestment of dividends. Bloomberg Indexes and its associated data, Copyright © 2023 Bloomberg Index Services Limited. Bloomberg® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). Bloomberg or Bloomberg's licensors own all proprietary rights in the Bloomberg Indices. Bloomberg does not approve or endorse this material or guarantee the accuracy or completeness of any information herein, nor does Bloomberg make any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, Bloomberg shall not have any liability or responsibility for injury or damages arising in connection therewith. The constituents displayed for this index are from the following proxy: iShares Core US Aggregate Bond ETF.

### Bloomberg US Universal TR USD

BarCap U.S. Universal Bond Index: The U.S. Universal Index mirrors the increasingly popular "Core Plus" choice set used by many U.S.-dollar investors. It is the union of the U.S. Aggregate Index, the U.S. High Yield Corporate Index, the 144A Index, the Eurodollar Index, the Emerging Markets Index, the non-ERISA portion of the CMBS Index, and the CMBS High Yield Index. Municipal debt, private placements, and non-dollar-denominated issues are excluded from the Universal Index. The constituents displayed for this index are from the following proxy: iShares Core Total USD Bond Market ETF.

### Morningstar Mod Tgt Risk TR USD

The Morningstar Moderate Target Risk Index represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in a static allocation appropriate for U.S. investors who seek average exposure to equity market risk and returns.

### Morningstar US Core Bd TR USD

The index measures the performance of fixed-rate, investment-grade USD-denominated securities with maturities greater than one year. It is market-capitalization weighted. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

### Morningstar US Core Plus Bd TR USD

The index measures the performance of USD-denominated investment-grade and high-yield debt securities. It is a market-capitalization weighted composite of the Morningstar US Core Bond Index and the Morningstar US High Yield Index. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria

### Morningstar US Mod Tgt Alloc NR USD

The Morningstar Target Allocation Index family consists of indexes that offer a diversified mix of stocks and bonds created for local investors to benchmark their allocation funds. Morningstar's Category classification system defines the



level of equity and bond exposure for each index. The Morningstar US Moderate Target Allocation Index seeks 60% exposure to global equity markets.

### **Morningstar US Sml Brd Grt Ext TR USD**

The index provides a comprehensive depiction of the performance and fundamental characteristics of the Small Growth segment of U.S. equity markets. It targets stocks representing the faster growing half of the U.S. small-cap market. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

### **MSCI ACWI Ex USA NR USD**

The MSCI AC World ex USA is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets. The index consists of 48 developed and emerging market country indices. The returns we publish for the index are total returns, which include reinvestment of dividends. The constituents displayed for this index are from the following proxy: iShares MSCI ACWI ex US ETF.

### **MSCI EAFE NR USD**

This Europe, Australasia, and Far East index is a market-capitalization-weighted index of 21 non-U.S., industrialized country indexes.

This disclosure applies to all MSCI indices: Certain information included herein is derived by Morningstar in part from MSCI's Index Constituents (the "Index Data"). However, MSCI has not reviewed any information contained herein and does not endorse or express any opinion such information or analysis. MSCI does not make any express or implied warranties, representations or guarantees concerning the Index Data or any information or data derived therefrom, and in no event will MSCI have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) relating to any use of this information. The constituents displayed for this index are from the following proxy: Schwab International Index Fund®.

### **Russell 1000 TR USD**

Consists of the 1000 largest companies within the Russell 3000 index, which represents approximately 98% of the investable US equity market. Also known as the Market-Oriented Index, because it represents the group of stocks from which most active money managers choose. The constituents displayed for this index are from the following proxy: iShares Russell 1000 ETF.

### **Russell Mid Cap TR USD**

Measures the performance of the 800 smallest companies in the Russell 1000 Index, which represent approximately 25% of the total market capitalization of the Russell 1000 Index. The constituents displayed for this index are from the following proxy: iShares Russell Mid-Cap ETF.

### **S&P 500 TR USD**

A market capitalization-weighted index composed of the 500 most widely held stocks whose assets and/or revenues are based in the US; it's often used as a proxy for the U.S. stock market. TR (Total Return) indexes include daily reinvestment of dividends. The constituents displayed for this index are from the following proxy: SPDR® S&P 500 ETF Trust.

### **USTREAS T-Bill Auction Ave 3 Mon**

Three-month T-bills are government-backed, short-term investments considered to be risk-free and as good as cash because the maturity is only three months. Morningstar collects yields on the T-bill on a weekly basis from the Wall Street Journal.

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### **Important Disclosures:**

The material in this Report is intended solely for the use of the persons to whom it has been delivered. This information is being provided as a part of the services you receive from your Hyas Group Consultant and does not supersede or replace your customer account statement provided by your custodian ("Custodial Statement"). Information in this Report may vary from the information in your Custodial Statement as a result of differences in accounting procedures, reporting dates, or valuation methodologies of certain securities. The market values reflected in this Report may vary slightly from the market values in your Custodial Statement. The information in this Report is as of the date(s) noted and subject to daily market fluctuation.

**Sources of Information.** Material in this Report has been obtained from sources that we believe to be reliable, but we do not guarantee its accuracy, completeness, or timeliness. The performance produced herein is calculated utilizing custodian data downloads and manually entered material. Although we take every precaution to ensure accuracy, we are not able to guarantee complete accuracy.

**No Tax or Legal Advice.** When Hyas Group, its affiliates and Hyas Group Consultants provide "investment advice" regarding a retirement or welfare benefit plan account, an individual retirement account or a Coverdell education savings account ("Retirement Account"), Hyas Group is a "fiduciary" as those terms are defined under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and/or the Internal Revenue Code of 1986 (the "Code"), as applicable. When Hyas Group provides investment education or otherwise does not provide "investment advice", Hyas Group will not be considered a "fiduciary" under ERISA and/or the Code. Tax laws are complex and subject to change. Hyas Group does not provide tax or legal advice.

**Key Asset Class Risk Disclosures.** Investing involves market risk, including possible loss of principal. Please refer to Hyas Group's Form ADV Brochure for more information about the risks associated with certain investment products. The Hyas Group's Form ADV Brochure is available upon request.

ALL MUTUAL FUND PRODUCTS AND EXCHANGE-TRADED FUNDS ARE SOLD BY PROSPECTUS, WHICH CONTAINS MORE COMPLETE INFORMATION ABOUT A FUND, ITS EXPENSES AND MATERIAL RISKS RELATED TO THAT FUND'S INVESTMENT STRATEGY.

PLEASE CONTACT YOUR HYAS GROUP CONSULTANT FOR A COPY OF A FUND'S PROSPECTUS.

PLEASE READ THE PROSPECTUS AND CONSIDER THE FUND'S INVESTMENT OBJECTIVES, RISKS, CHARGES AND EXPENSES CAREFULLY BEFORE INVESTING. THE PROSPECTUS CONTAINS THIS AND OTHER IMPORTANT INFORMATION ABOUT THE FUND.

**Performance.** Performance results illustrated herein do not reflect a deduction of any investment advisory fees charged by Hyas Group or any investment manager but do include the fund's internal expenses. Performance results are annualized for time periods greater than one year and include all cash and cash equivalents, realized and unrealized capital gains and losses, and dividends, interest, and income. The investment results depicted herein represent historical performance. As a result of recent market activity, current performance may vary from the figures shown. Past performance is not a guarantee of future results.

The underlying fund's internal expenses (also known as the expense ratio) generally covers investment management fees, marketing, and distribution fees (also known as 12b-1 fees) and other operating expenses of the fund. The expense ratios being displayed for mutual funds reflect each fund's prospectus "net" expenses as provided by Morningstar. Such "net" expenses are subject to change and may increase at any time.

To learn more about the Hyas Group advisory services, please see the Hyas Group ADV Brochure for more information. It is available from your Hyas Group Consultant.

Performance data quoted is historical. Past performance does not guarantee future results. Current performance may be higher or lower than the performance quoted. You can obtain performance data current to the most recent month-end for each fund by visiting the fund company website. The investment return and principal value of an investment will fluctuate such that an investor's shares, when redeemed, may be worth more or less than their original cost. Total

## 6.C

returns include reinvestment of dividends and capital gains and are net of all fund fees and expenses.

Performance figures are based on Net Asset Value (NAV) within a qualified retirement plan. If an individual were to purchase shares outside of a qualified plan, they would likely be subject to all, or a portion of, any applicable sales charges. These charges would lower the performance indicated above.

Each fund's performance may, from time to time, have been affected significantly by material market and economic conditions, including interest rates, market trends, and general business and economic cycles, which may or may not be repeated in the future. Also, keep in mind that any double-digit returns are highly unusual and cannot be sustained. Such returns are primarily achieved during favorable market conditions.

Indices are unmanaged. An investor cannot invest directly in an index. They are shown for illustrative purposes only and do not represent the performance of any specific investment. Index returns include the reinvestment of all dividends, but do not reflect the payment of transaction costs, advisory fees or expenses that are associated with an investment. The indices selected by Hyas Group to measure performance are representative of broad asset classes. Hyas Group retains the right to change representative indices at any time. Performance of indices may be more or less volatile than any investment product. The risk of loss in value of a specific investment is not the same as the risk of loss in a broad market index. Therefore, the historical returns of an index will not be the same as the historical returns of a particular investment a client selects. Past performance does not guarantee future results.

The "Investment Policy Statement Compliance Report" indicates funds that are on the Plan's Watch List, as based on investment monitoring criteria which is provided to Hyas Group by the plan sponsor. The plan sponsor should inform its Hyas Group Consultant of any changes to the plan's investment policy.

Fund data provided by Morningstar.

**Peer Groups.** Peer Groups are a collection of similar investment strategies that essentially group investment products that share the same investment approach. Peer Groups are used for comparison purposes to compare and illustrate a client's investment portfolio versus its peer across various quantitative metrics like performance and risk. Peer Group comparison is conceptually another form of benchmark comparison whereby the actual investment can be ranked versus its peer across various quantitative metrics. All Peer Group data are provided by Investment Metrics, LLC. The URL below provides all the definitions and methodology about the various Peer Groups <https://www.invmetrics.com/style-peer-groups>

**Peer Group Ranking Methodology.** A percentile rank denotes the value of a product in which a certain percent of observations falls within a peer group. The range of percentile rankings is between 1 and 100, where 1 represents a high statistical value and 100 represents a low statistical value. The 30th percentile, for example, is the value in which 30% of the highest observations may be found, the 65th percentile is the value in which 65% of the highest observations may be found, and so on.

Percentile rankings are calculated based on a normalized distribution ranging from 1 to 100 for all products in each peer group, where a ranking of 1 denotes a high statistical value and a ranking of 100 denotes a low statistical value. It is important to note that the same ranking methodology applies to all statistics, implying that a ranking of 1 will always mean highest value across all statistics.

For example, consider a risk/return assessment using standard deviation as a measure of risk. A percentile ranking equal to 1 for return denotes highest return, whereas a percentile ranking of 1 for standard deviation denotes highest risk among peers.

In addition, values may be used to demonstrate quartile rankings. For example, the third quartile is also known as the 75th percentile, and the median is the 50th percentile.

Hyas Group is a separate business unit within Morgan Stanley Institutional Advisors LLC.

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August 2023

### MEMORANDUM

#### RE: Upcoming Manager Changes at MetWest Total Return Bond

TCW, which operates the Metropolitan West Total Return Bond strategy, recently announced that two of its co-founders and longstanding portfolio managers, Laird Landmann and Steve Kane, will be retiring. Mr. Landmann is expected to depart at the end of 2023 and Mr. Kane at the end of 2024. Ruben Hovhannisyian (an associate manager with a background in collateralized loans) and Jerry Cudzil (co-head of global credit) will assume the responsibilities of Mr. Landmann and Mr. Kane. Fulfillment of these responsibilities is highly influential to the strategy's performance as it includes directing positioning on macroeconomic factors such as interest rates, credit risk, currency exposure, and others. The aforementioned departures come two years after that of Tad Rivelle, another longstanding manager and co-founder. Concurrently, several other experienced investment staff have been promoted to the role of senior portfolio managers to help diffuse expert input into the decision-making process. The strategy, however, will retain its structure of emphasizing top-down, macroeconomic analysis.

This transition represents part of MetWest's evolution from a more tight-knit management team to one with broader and more specialized input, which in turn may cause security-selection to become a larger contributor to its performance profile. We believe the alteration of decision-makers and the manner of channeling investment input will introduce material changes and challenges to the strategy that other, more settled, competitors are not faced with. As such, it is our recommendation to place the fund on watch and perform a manager search to review alternative options for potential replacement.

If you have any questions, please contact your Hyas Group consultant.

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## **7. Nationwide Retirement Solutions - Report to Committee**

# County of Marin

2Q2023: Board Report



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Explicit Asset Fee Report	
Your Dedicated Team	

# Administration Report



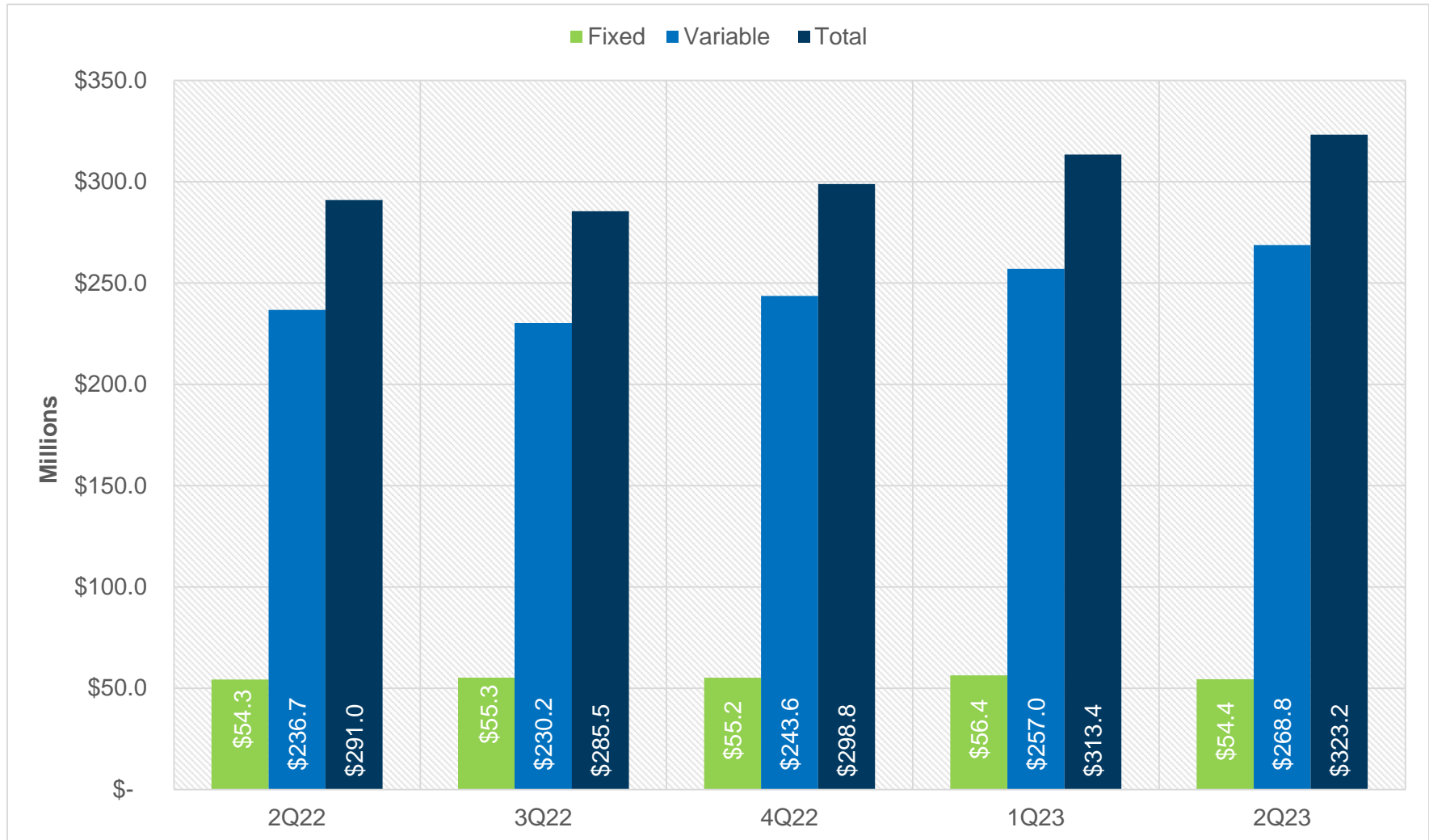
## 2Q23: County of Marin 457(b) Balance Sheet as of 06/30/23

	Marin 457	401a	OBRA	TOTAL
<b>Beginning Balance</b>	<b>\$305,935,083</b>	<b>\$4,581</b>	<b>\$9,968,126</b>	<b>\$315,907,789</b>
Contributions/Loan Payments	\$5,137,978	\$44,495	\$225,366	\$5,407,839
Interest/Dividends/Cap Gain/Reimb	\$324,321	\$0	\$0	\$324,321
Gain/Loss	\$11,923,046	\$398	\$66,570	\$11,990,014
Distributions/Loan Disbursements	(\$7,245,897)	\$0	(\$214,438)	(\$7,460,335)
Charges/Fees	(\$74,123)	(\$11)	(\$2,241)	(\$76,374)
<b>Statement Balance on 06/30/2023</b>	<b>\$316,000,408</b>	<b>\$49,464</b>	<b>\$10,043,383</b>	<b>\$326,093,254</b>
<b>Other Activity</b>				
Schwab	\$4,225,911	\$0	\$0	\$4,225,911
Outstanding Loan Balance	\$3,064,370	\$0	\$0	\$3,064,370
<b>Total Account Balance</b>	<b>\$323,290,689</b>	<b>\$49,464</b>	<b>\$10,043,383</b>	<b>\$333,383,535</b>

## 2Q23: County of Marin Superior Court Balance Sheet as of 06/30/23

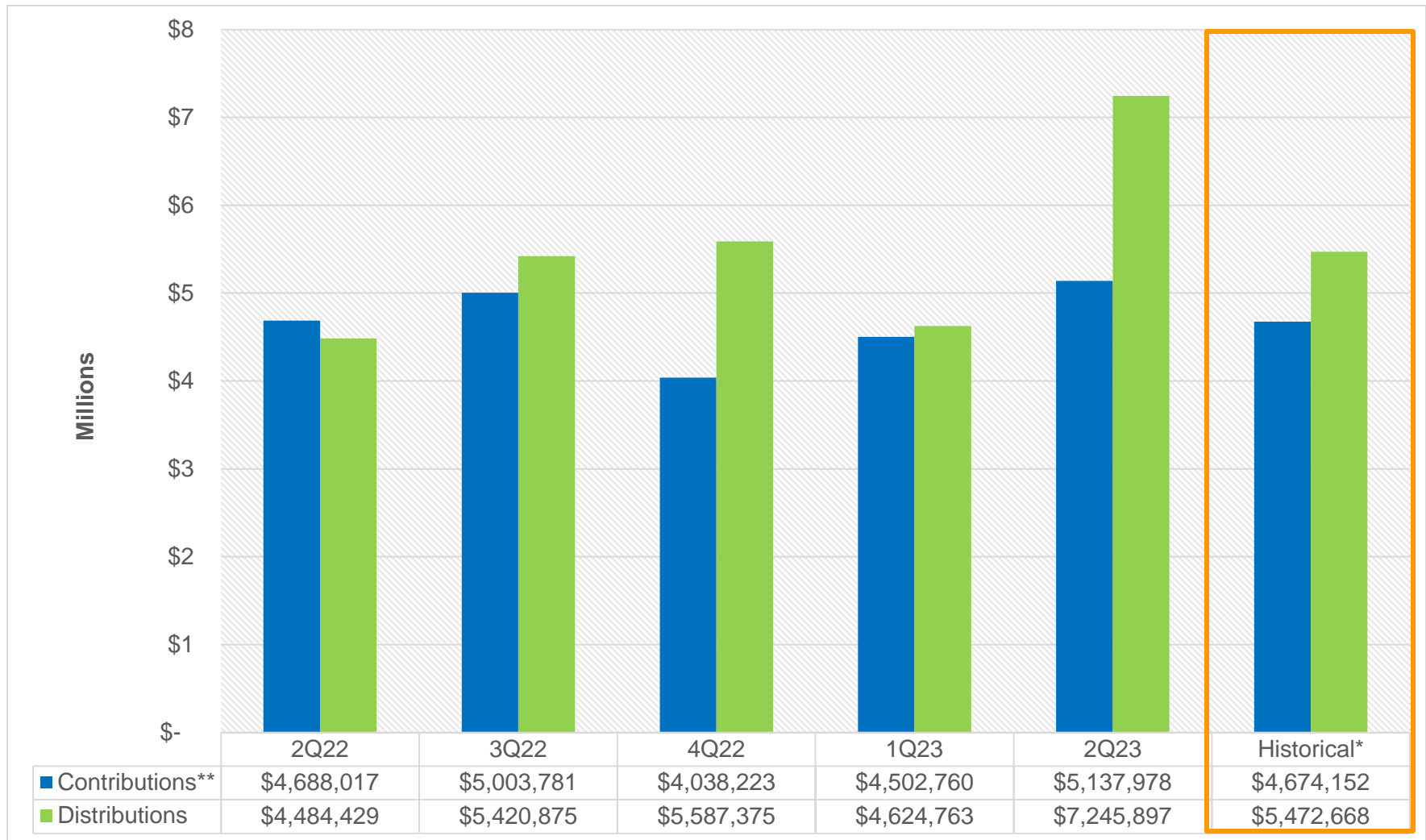
	Superior Court 457	401a	OBRA	TOTAL
<b>Beginning Balance</b>	<b>\$12,296,887</b>	<b>\$57,191</b>	<b>\$109,478</b>	<b>\$12,463,557</b>
Contributions/Loan Payments	\$143,341	\$0	\$5,522	\$148,863
Interest/Dividends/Cap Gain/Reimb	\$17,762	\$0	\$0	\$17,762
Gain/Loss	\$445,792	\$383	\$740	\$446,915
Distributions/Loan Disbursements	(\$534,389)	\$0	(\$3,165)	(\$537,554)
Charges/Fees	(\$3,005)	(\$10)	(\$25)	(\$3,040)
<b>Statement Balance on 06/30/2023</b>	<b>\$12,366,388</b>	<b>\$57,564</b>	<b>\$112,550</b>	<b>\$12,536,503</b>
<b>Other Activity</b>				
Schawb	\$727,959	\$0	\$0	\$727,959
Outstanding Loan Balance	\$85,424	\$0	\$0	\$85,424
<b>Total Account Balance</b>	<b>\$13,179,772</b>	<b>\$57,564</b>	<b>\$112,550</b>	<b>\$13,349,886</b>

## 457(b): County of Marin Asset Growth\*



\*Does not include Loans and Schwab

## 457(b): County of Marin Contributions & Distributions



\*Rolling 5 quarter average

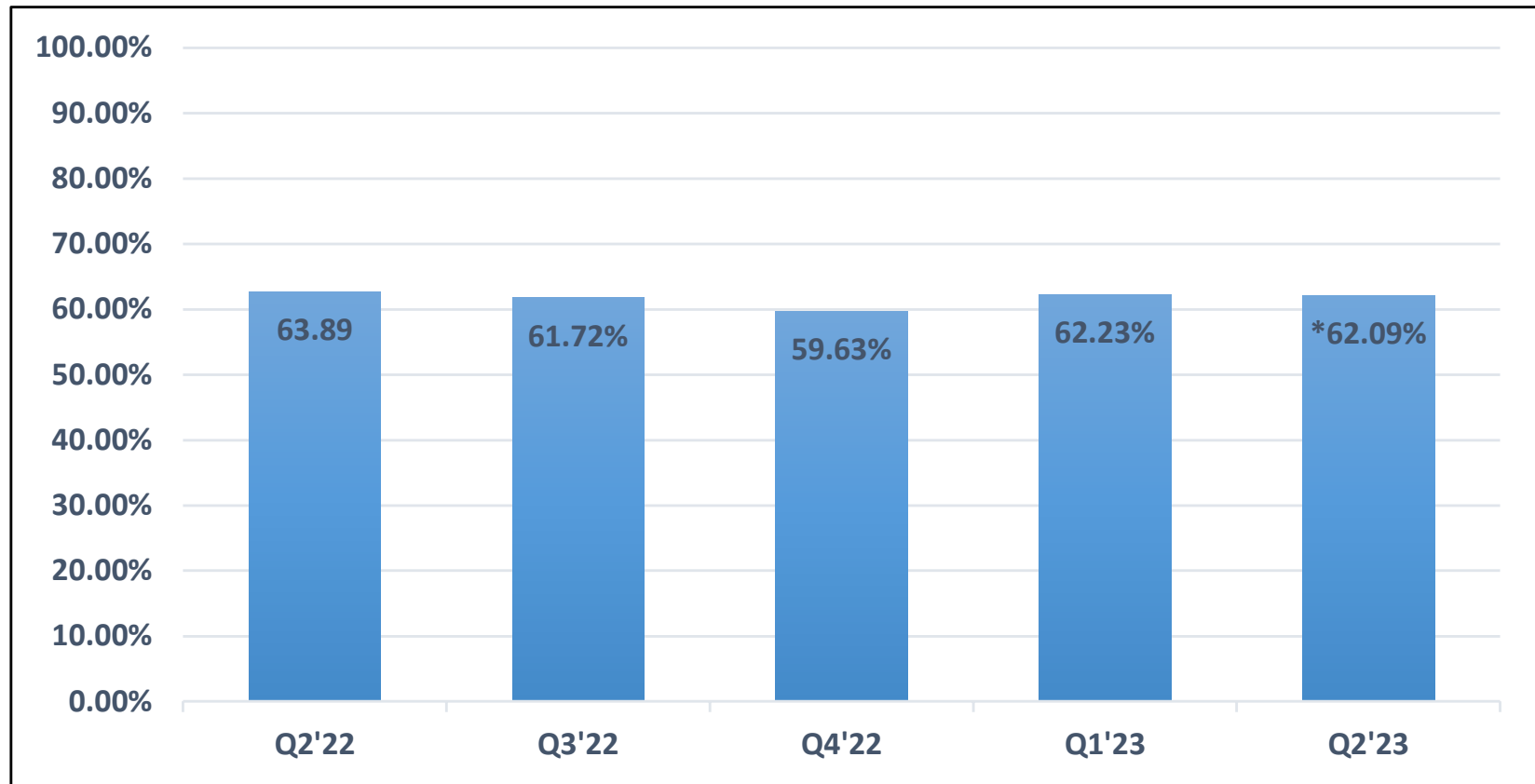
\*\*Includes loan repayments

## 457(b): County of Marin Contributions Breakdown



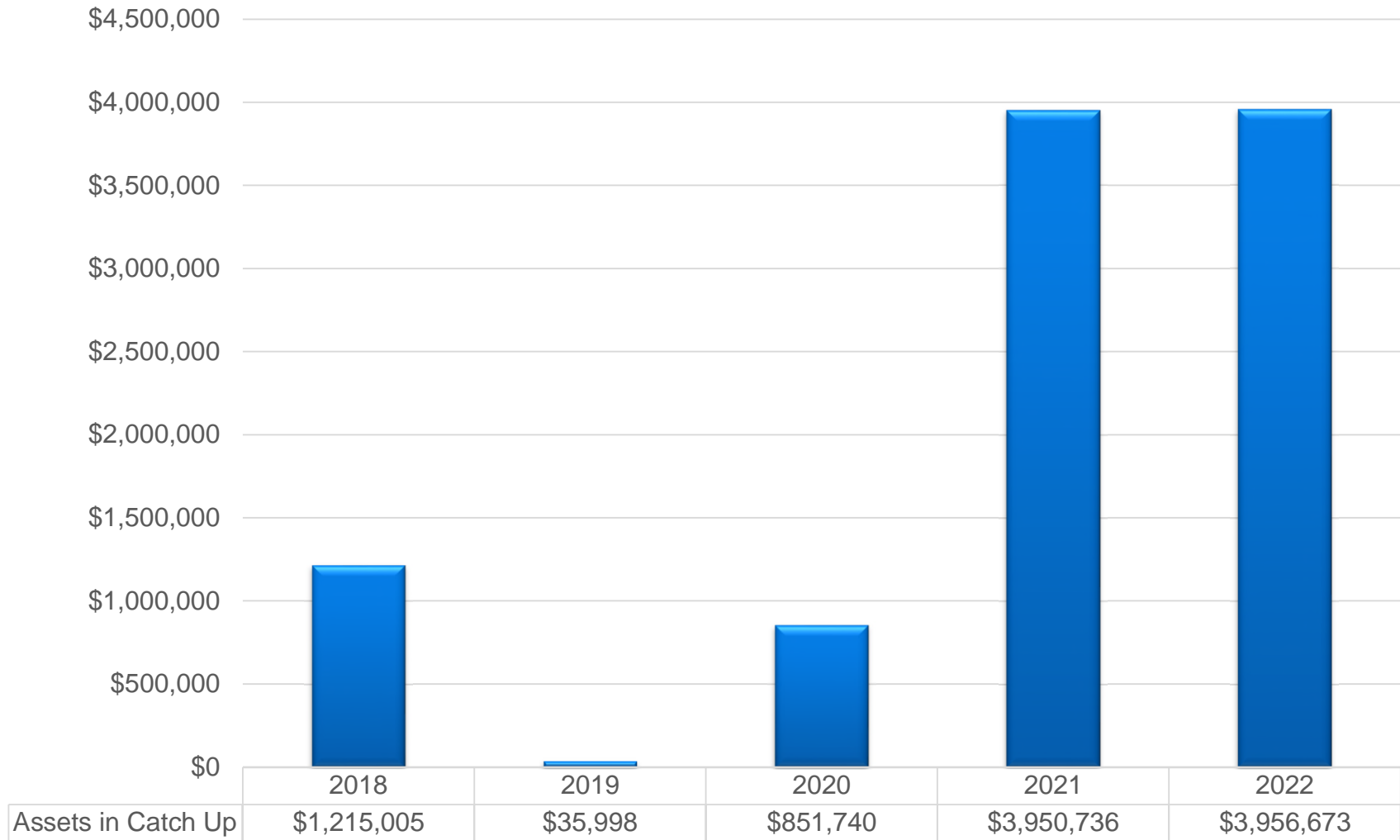
\*Does not include loan repayments

## 457(b): County of Marin Participation Rate

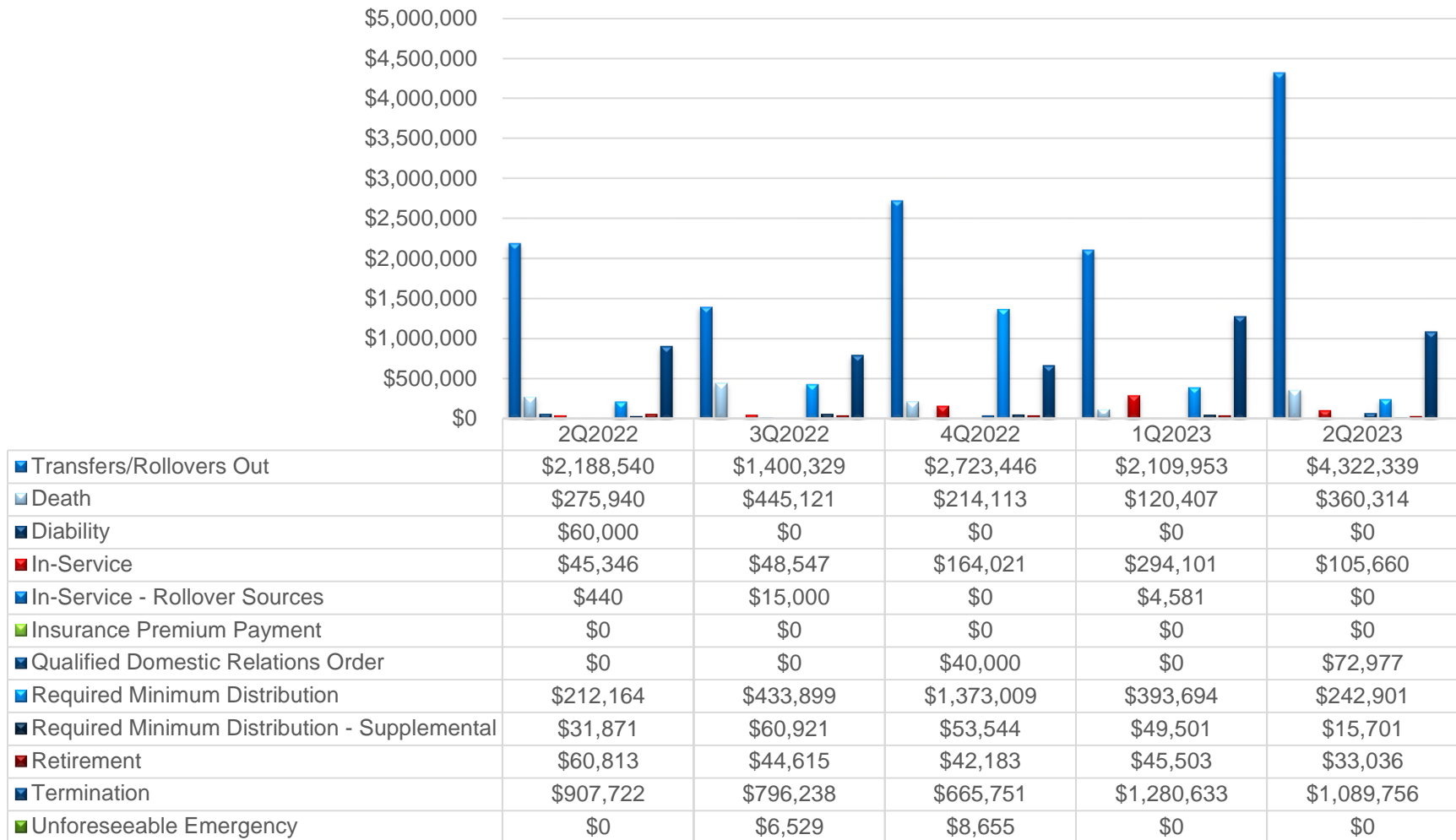


\*Eligible count = 2,155

## 457(b) County of Marin Participants in Catch Up



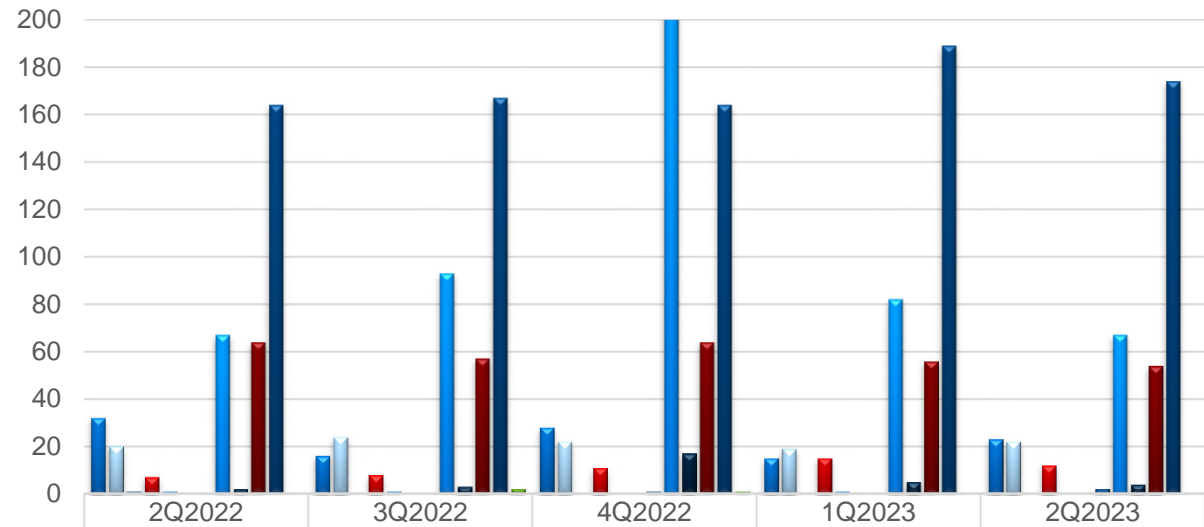
## 457(b): County of Marin Distribution Breakdown Dollar Amount\*



\*Does not include loans or internal plan to plan rollovers/transfers



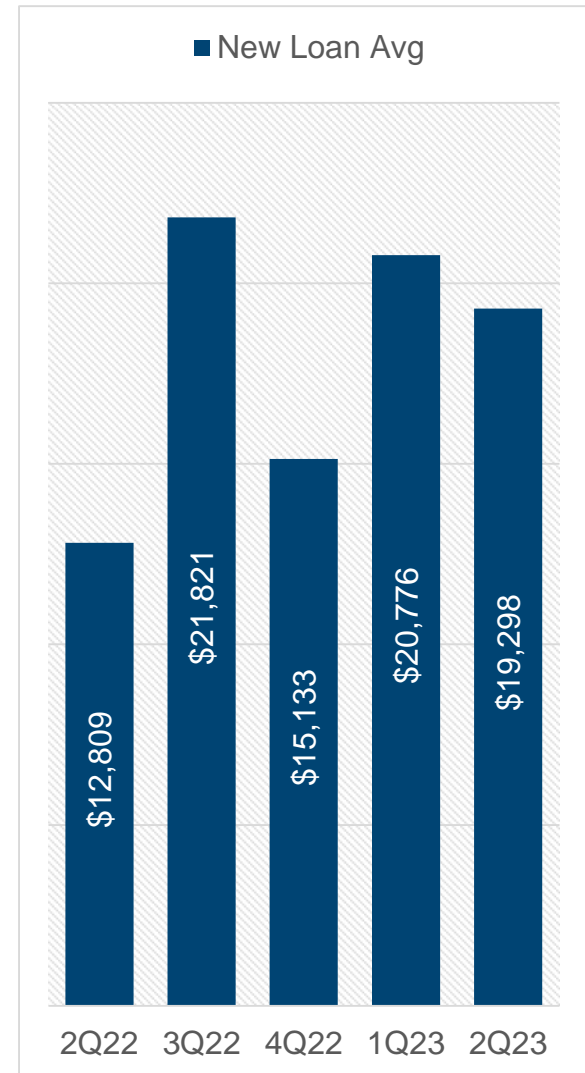
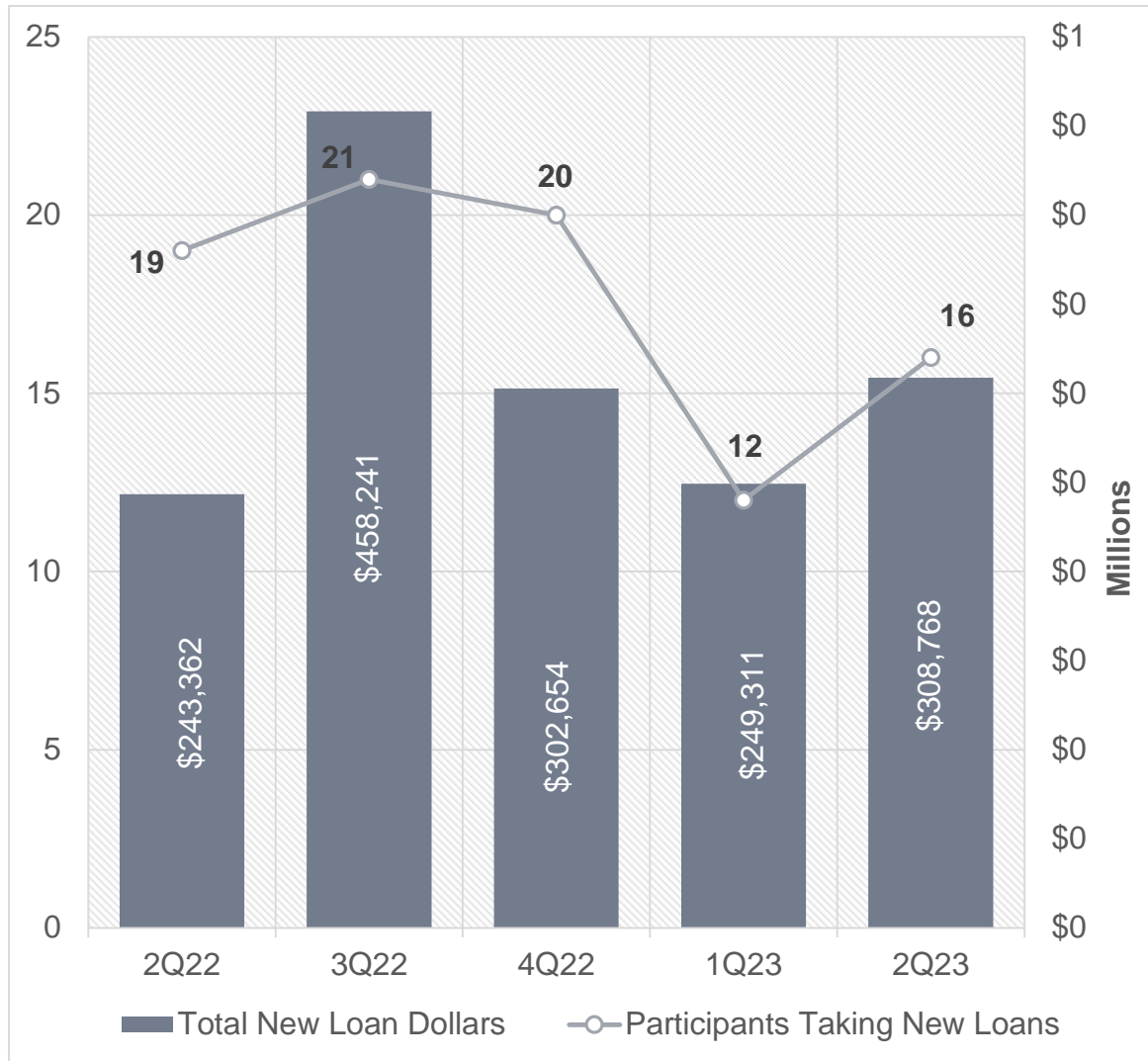
## 457(b): County of Marin Distribution Breakdown Transaction Amount\*



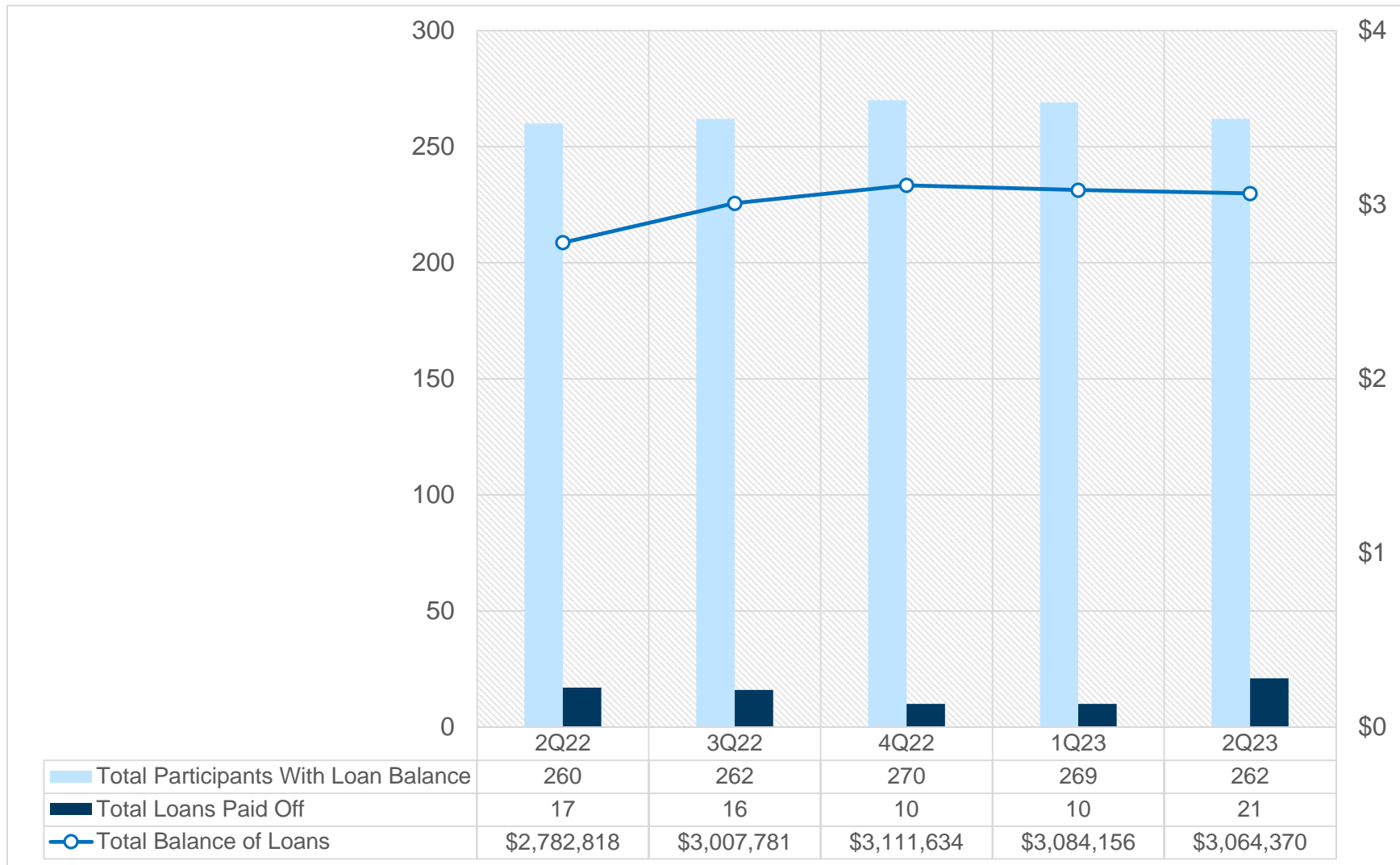
	2Q2022	3Q2022	4Q2022	1Q2023	2Q2023
Transfers/Rollovers Out	32	16	28	15	23
Death	20	24	22	19	22
Disability	1	0	0	0	0
In-Service	7	8	11	15	12
In-Service - Rollover Sources	1	1	0	1	0
Insurance Premium Payment	0	0	0	0	0
Qualified Domestic Relations Order	0	0	1	0	2
Required Minimum Distribution	67	93	206	82	67
Required Minimum Distribution - Supplemental	2	3	17	5	4
Retirement	64	57	64	56	54
Termination	164	167	164	189	174
Unforeseeable Emergency	0	2	1	0	0

\*Does not include loans or internal plan to plan rollovers/transfers

## 457 (b) County of Marin Loan Activity

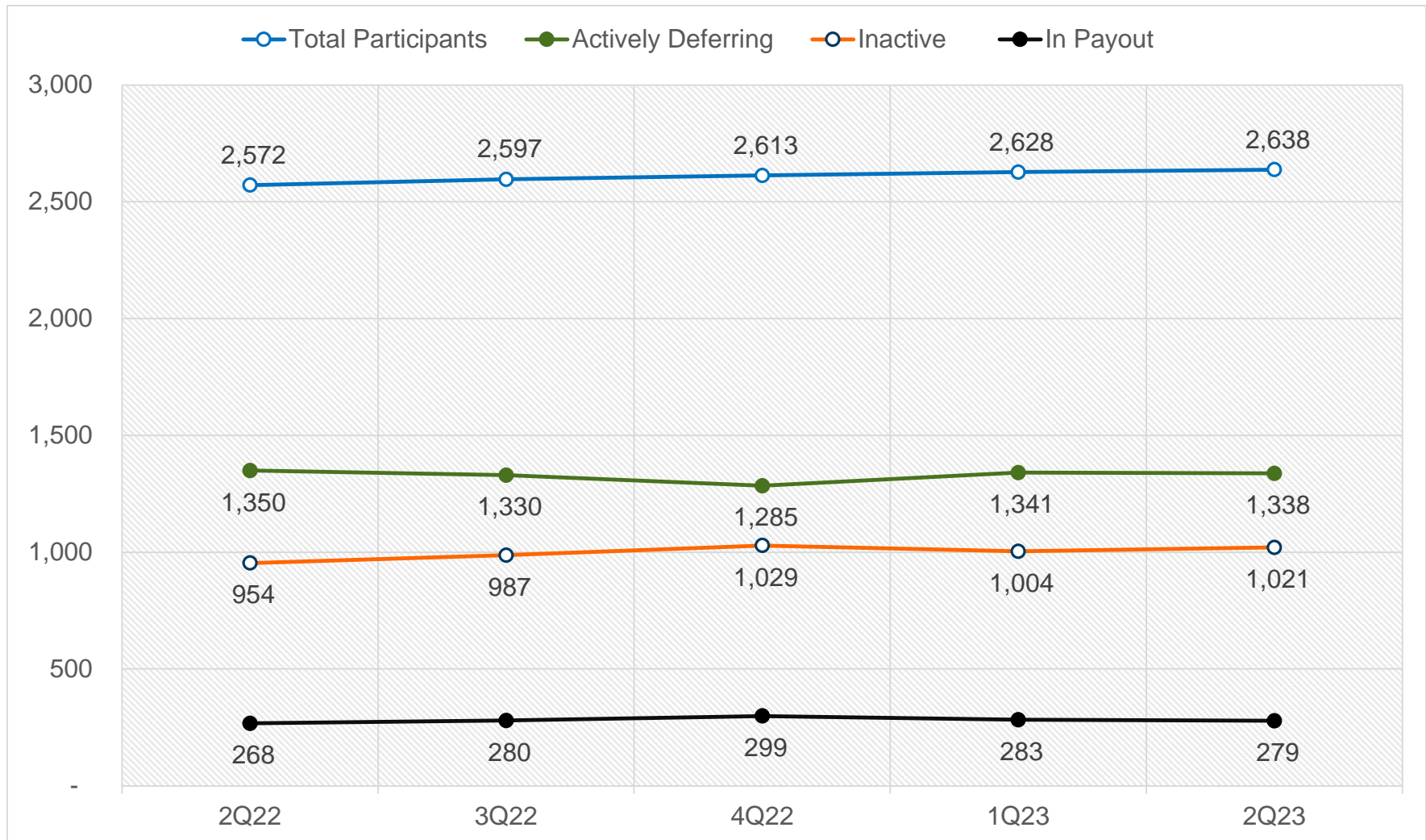


## 457(b) County of Marin Loans Activity Summary



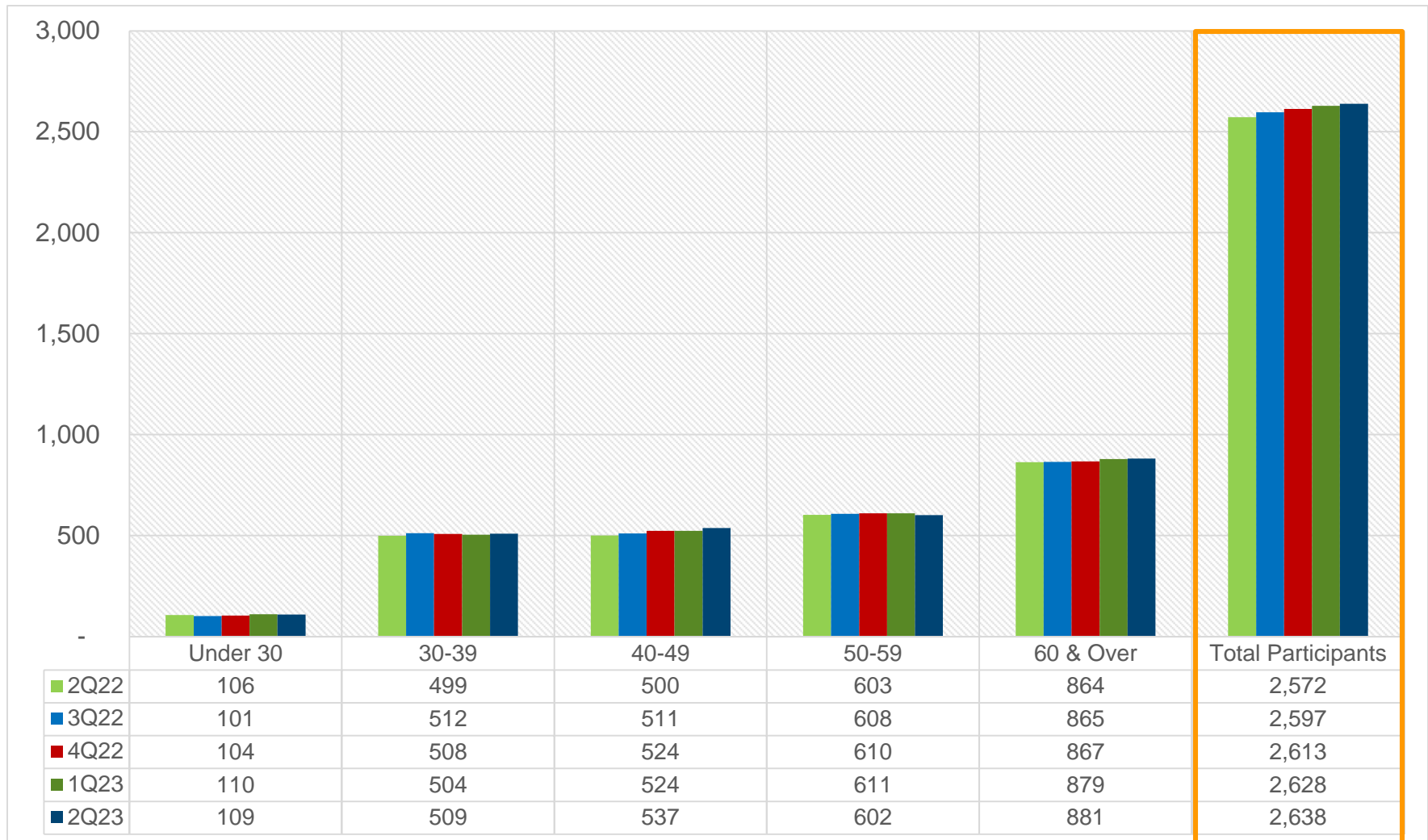
# Plan Demographics

## 457(b) County of Marin Participation Summary

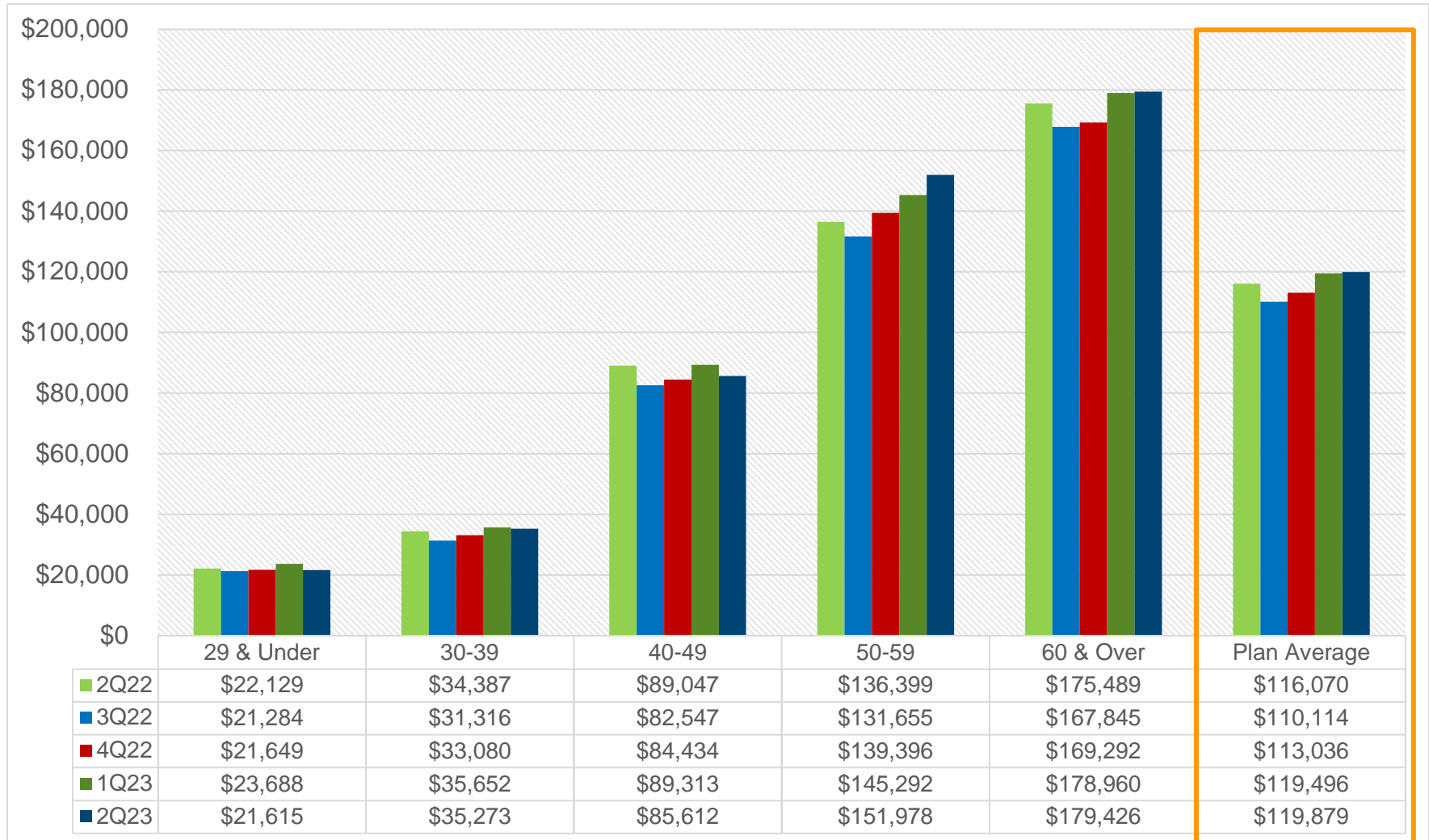


“Inactive” refers to a participant who is not contributing but not in payout

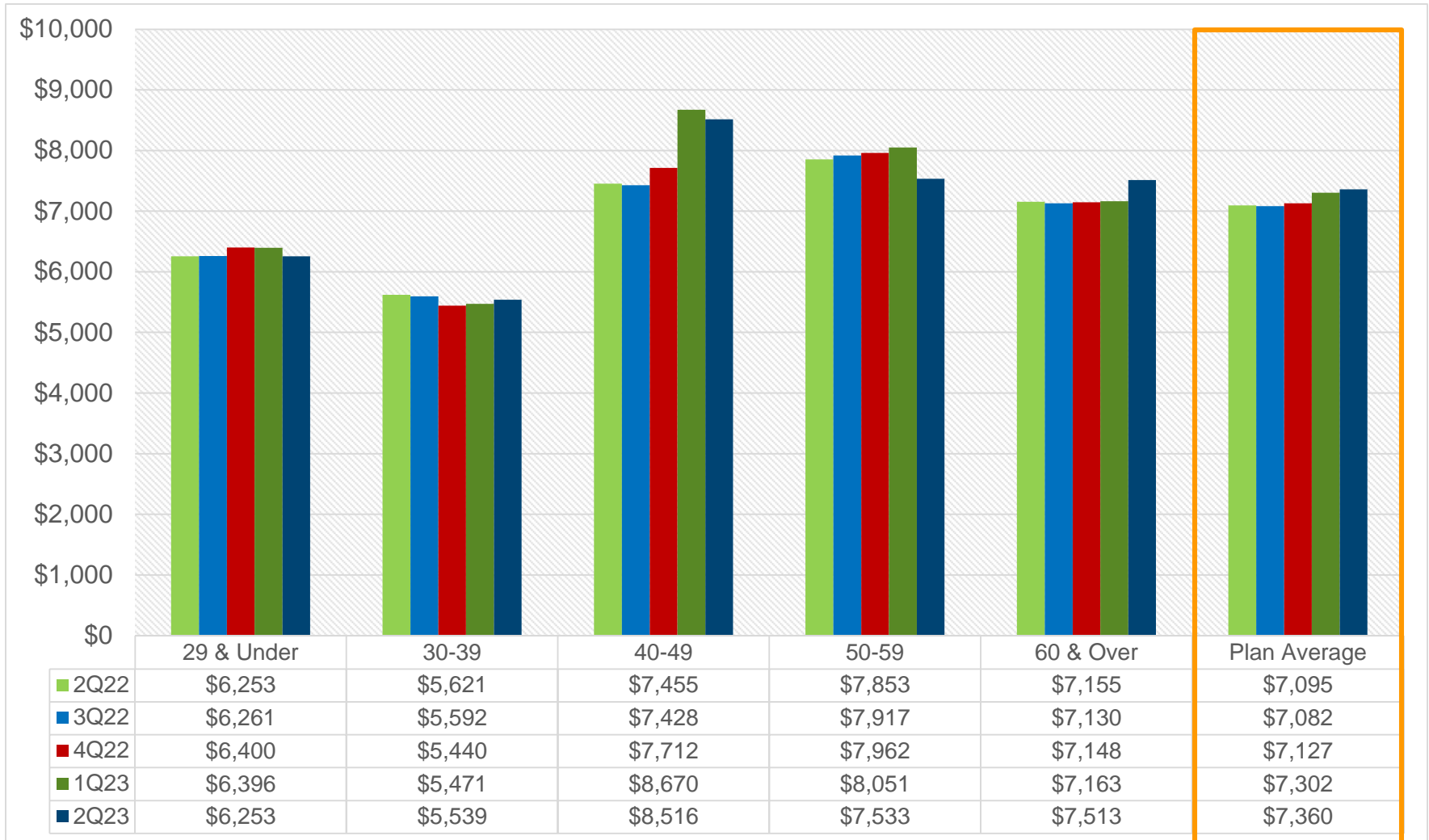
## 457(b) County of Marin Participant Count by Age Group



## 457(b) County of Marin Average Account Balance by Age Group

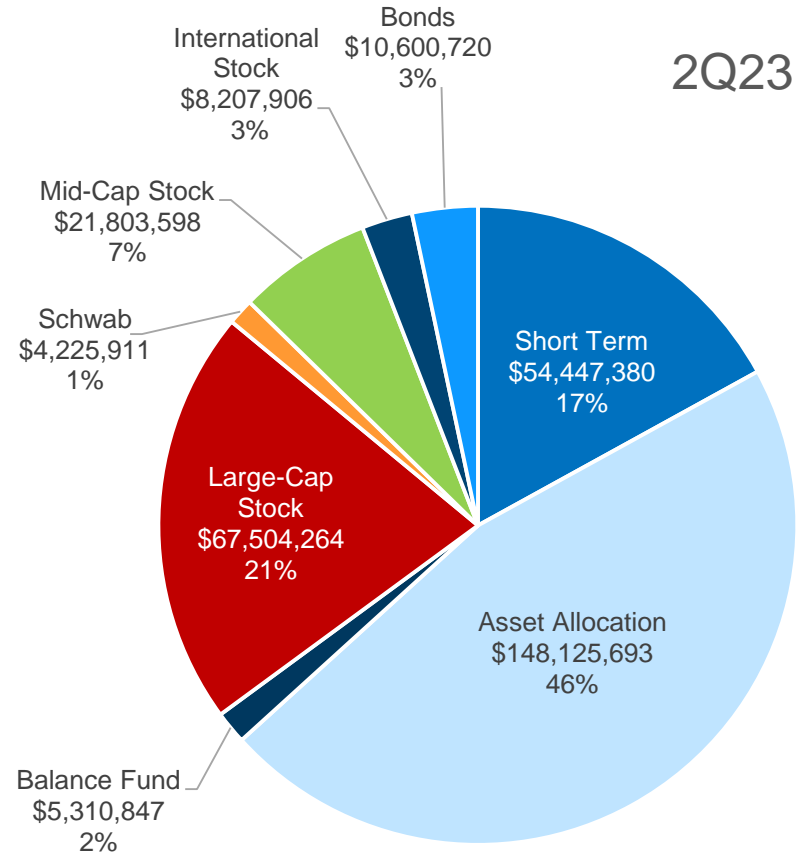
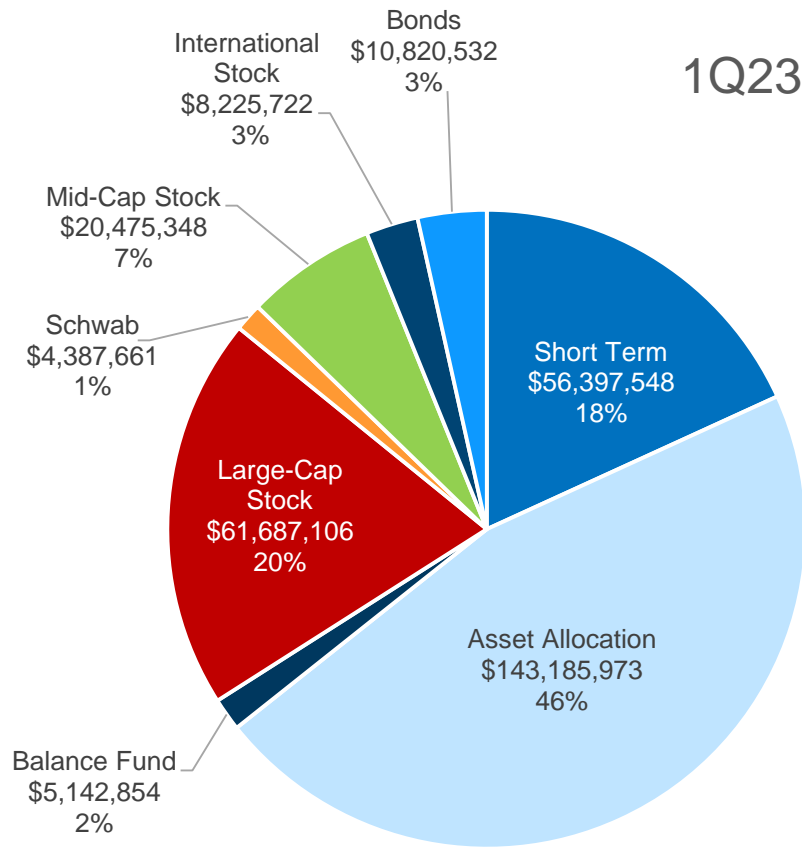


# 457(b) County of Marin Average Annualized Participant Contribution by Age Group

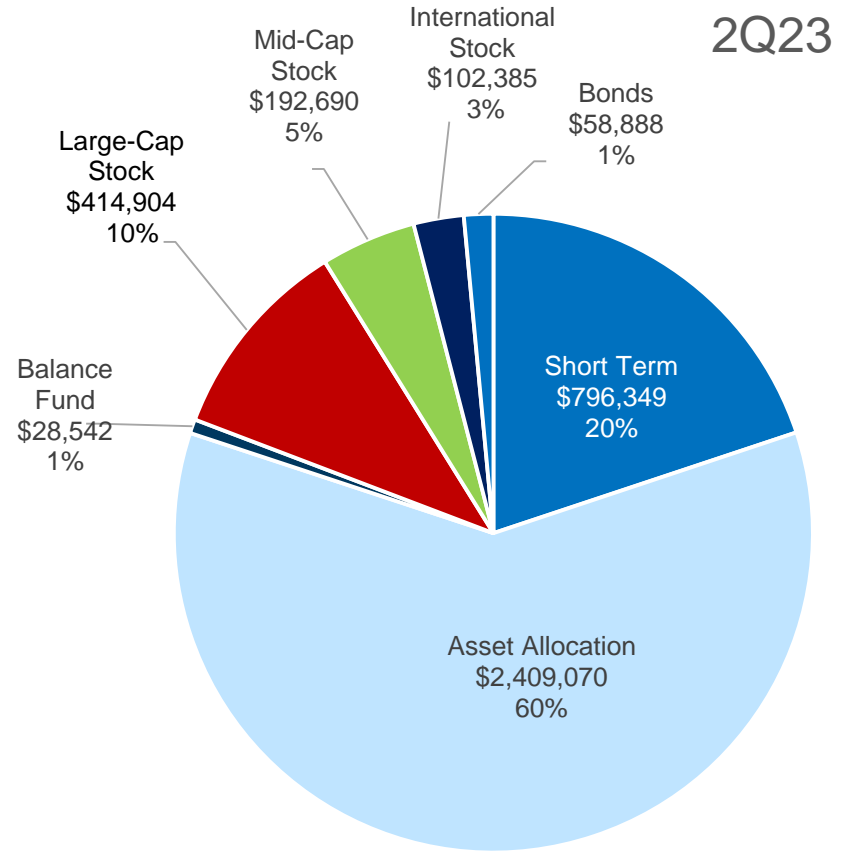
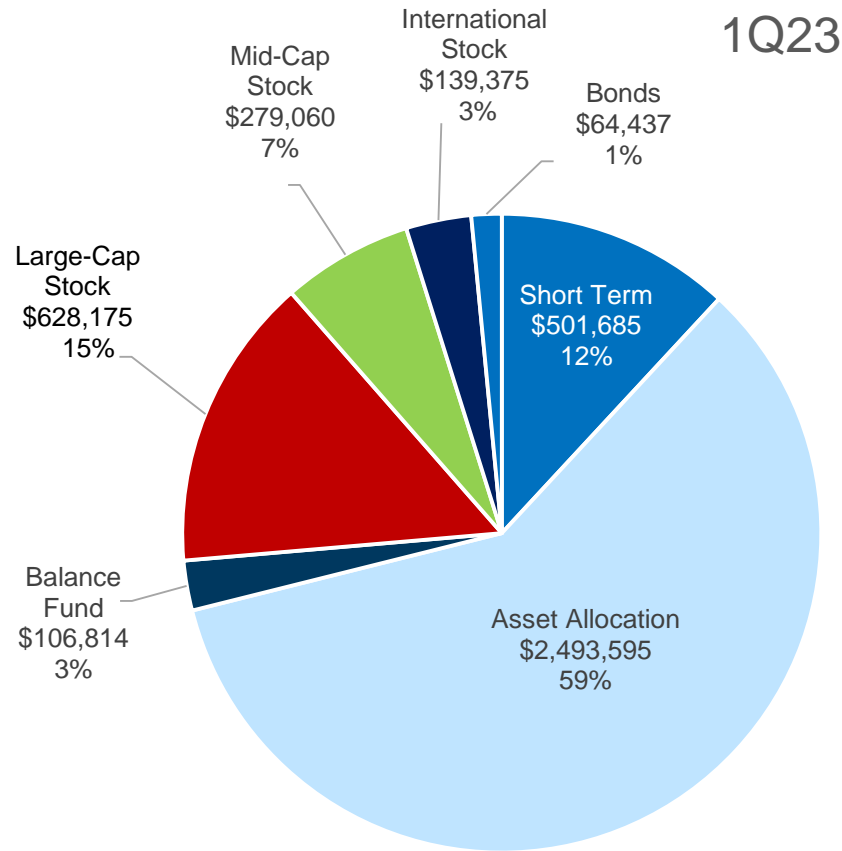




# 457(b) County of Marin Assets by Asset Class



# 457(b) County of Marin Contributions by Asset Class



## 457(b) County of Marin Roth Activity

	2Q22	3Q22	4Q22	1Q23	2Q23
<b>Roth Assets</b>	\$ 5,282,100	\$ 5,167,471	\$ 5,779,408	\$ 6,440,811	\$ 7,073,531
<b>Contribution</b>	\$ 5,082,340	\$ 4,971,302	\$ 5,560,318	\$ 6,206,839	\$ 6,815,684
<b>Total Participants Enrolled</b>	236	247	261	283	307

## 457(b) County of Marin Transfers Out YTD

Payee	Dollar Amount	# of Participants
ALLY BANK RETIREMENT SERVICES	\$148,738	1
BNY MELLON NA	\$123,700	1
CHARLES SCHWAB & CO INC	\$1,082,235	5
EDWARD JONES INVESTMENTS	\$427,266	1
EMPOWER TRUST COMPANY LLC	\$1,731	1
EQUITY TRUST COMPANY	\$243,413	1
FIDELITY MANAGEMENT TRUST COMPANY	\$2,873,252	8
FIIOC	\$29,506	2
IDAHO CENTRAL CREDIT UNION	\$6,076	2
JANNEY MONTGOMERY SCOTT LLC	\$171,564	1
LPL FINANCIAL LLC	\$105,688	2
MARIN COUNTY FEDERAL CU	\$99,567	2
MERRILL LYNCH PIERCE FENNER & SMITH INC	\$294,724	1
MORGAN STANLEY SMITH BARNEY LLC	\$346,186	2
RAYMOND JAMES & ASSOC INC	\$336,189	1
SOLERA NATIONAL BANK	\$90,000	2
TD AMERITRADE INSTITUTIONAL	\$10,882	1
UNKNOWN	\$5,364	1
VANGUARD FIDUCIARY TRUST COMPANY	\$9,371	2
VOYA INSTITUTIONAL TRUST COMPANY	\$26,841	1
<b>TOTAL</b>	<b>\$6,432,292</b>	<b>38</b>

# Retirement Readiness

## How many participants are prepared for retirement

### Online engagement

(as of 06/30/2023)

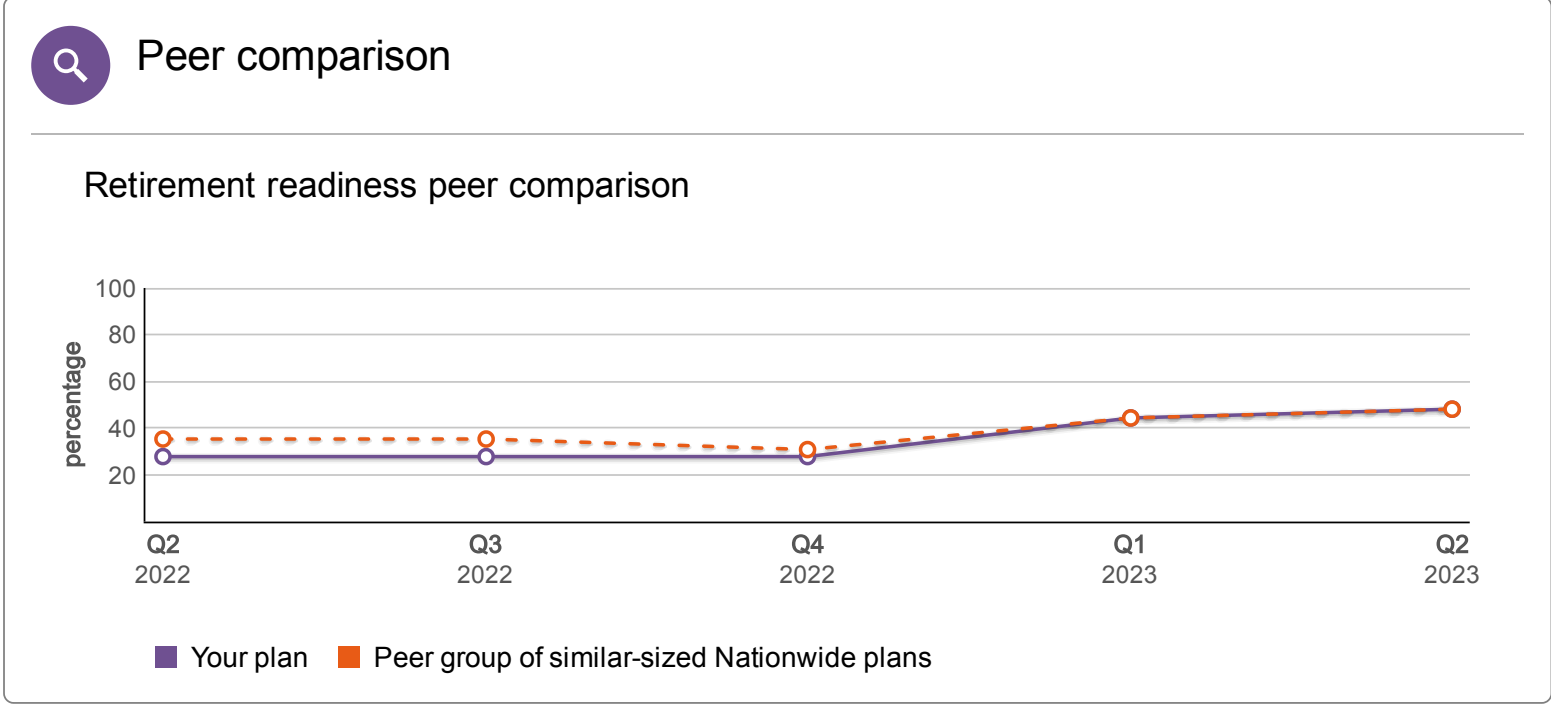
<p>TOTAL ENROLLED PARTICIPANTS</p> <p style="font-size: 24px; font-weight: bold;">2,638</p>	<p>ENROLLED PARTICIPANTS WITH AN ONLINE ACCOUNT</p> <p style="font-size: 24px; font-weight: bold;">2,082</p>
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### Retirement readiness

(as of 06/30/2023)

<p>PARTICIPANTS WITH A RETIREMENT GOAL <sup>1</sup></p> <p style="font-size: 24px; font-weight: bold;">1,342</p>	<p>PARTICIPANTS 'ON TRACK' FOR RETIREMENT <sup>2</sup></p> <div style="text-align: center; margin-top: 20px;"> <p style="font-size: 24px; font-weight: bold;">48%</p> </div>
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Participants who actively review their online account and use their retirement outlook tools are 4 times more likely to take action and save more for retirement.



NRM-17390AO

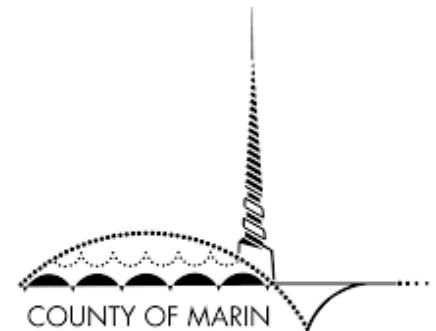
<sup>1</sup> Participants with a retirement goal from My Interactive Retirement Planner®.  
<sup>2</sup> Participants with a retirement goal from My Interactive Retirement Planner® and a retirement readiness score of "on track" (.915 or higher).

# Participant Experience

## Quarterly Onsite Activity Summary

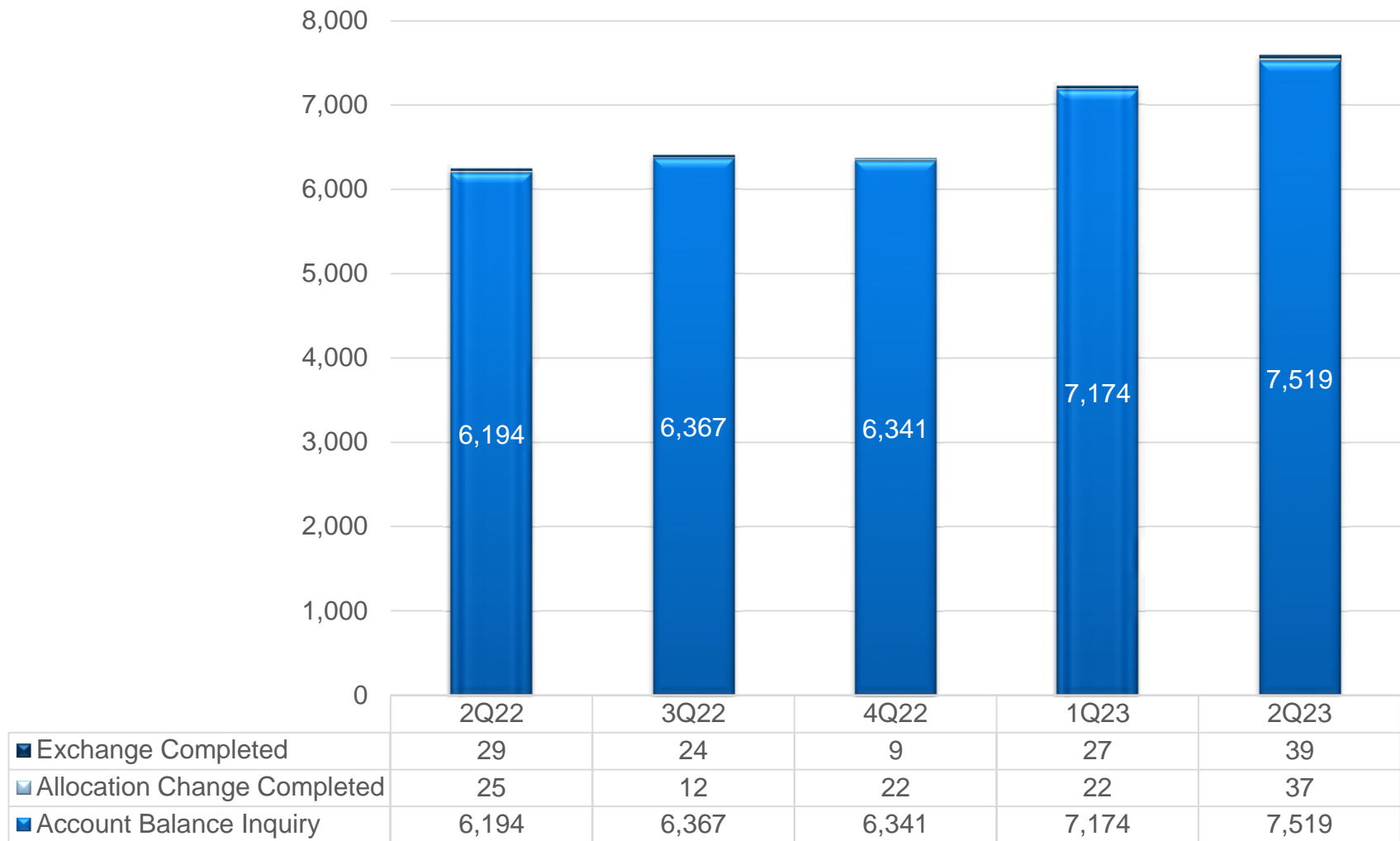
### Retirement Specialist – Lauren Ryan Qtr.2 2023 Results

- 30 on-site appointments - 2/monthly @3501 Civic Center Dr, Room 410A
- 66 Virtual Appointments
- 6 NEO Calls – Bi-Weekly
- 4 Group Webinars
- 5% of appointments are with retirees
- 60% are for new enrollments
- 35% are investment review and deferral increases
- Participants are concerned with the low interest rate with the Gallard Stable Value Fd. Requests for Roth Conversion, and a socially responsible Fund to be added to line up



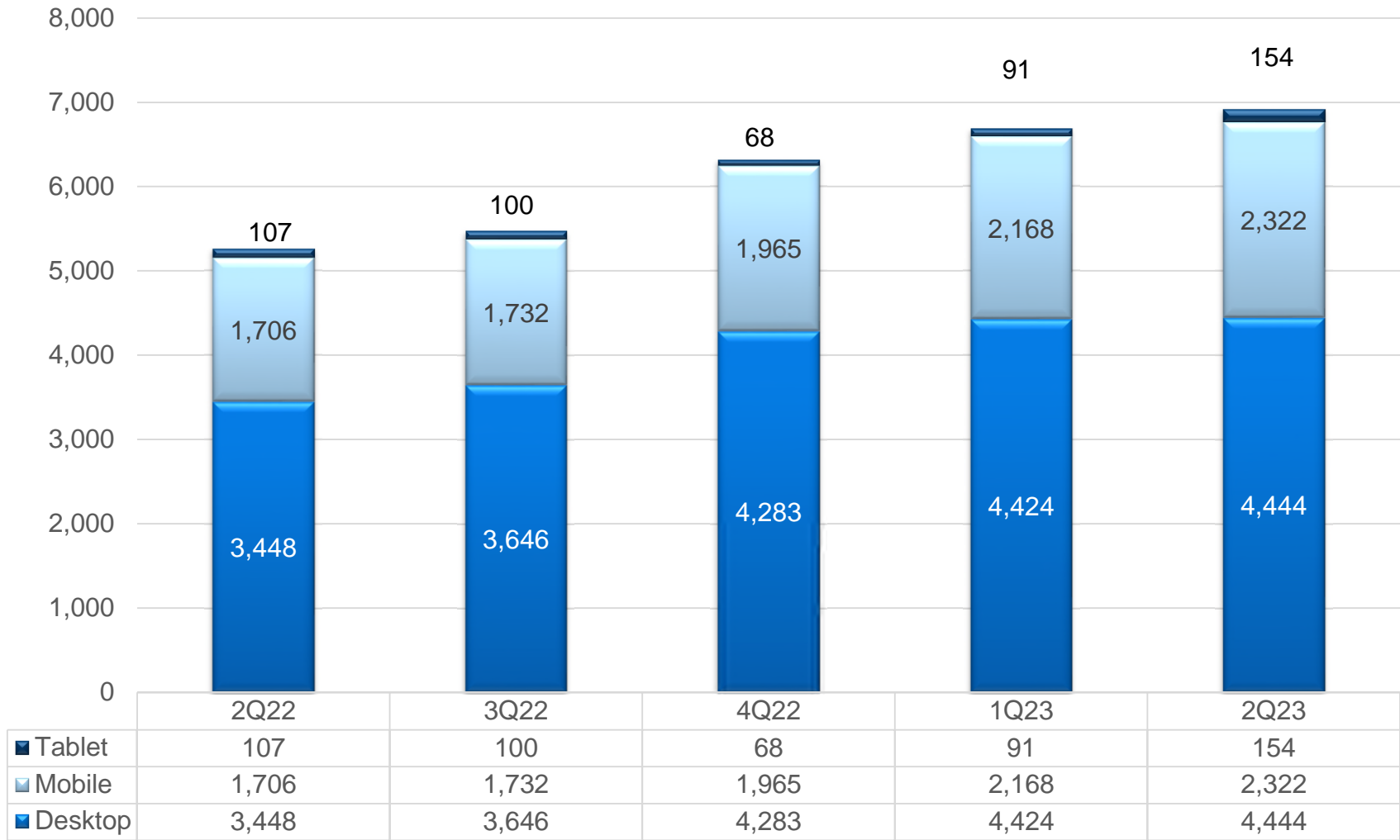


## 457(b) County of Marin Participant Website Usage

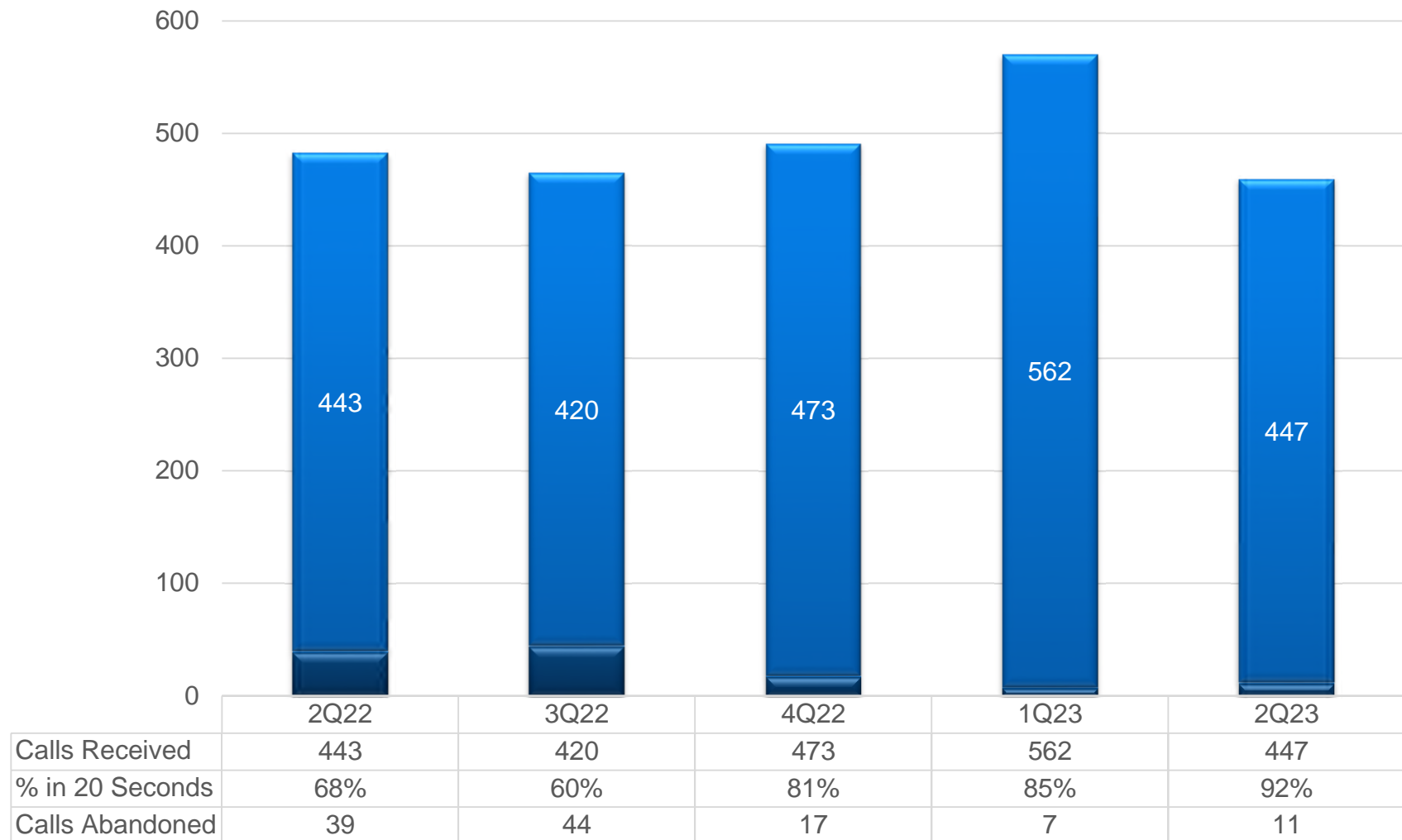


# 457(b) County of Marin Participant Website Device Usage

**App Usage**  
 1,604 Participants logged into the App in 2Q23  
 362 logins during the quarter



## 457(b) County of Marin Participant Call Center



# County of Marin Superior Court Statistics

## County of Marin 457 Superior Court Statistics

	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
Assets (millions)	\$12.18	\$11.79	\$12.32	\$13.10	\$13.18
Deferrals (YTD) (thousands)	\$101.10	\$129.52	\$85.29	\$109.69	\$104.45
Participants	104	105	105	102	99
Active Participants	42	42	38	39	36
Enrollment	2	2	4	0	0



# Addendums

# Service Level Agreements

## 7.A

Marin County

Plan Administrator: Kim Lovell

Deliverable:	Service Level Agreement:	Penalty:	Frequency:	Q2: Met/Failed	Q2: Penalty	Q2: Comments
One-on-one Meetings	Conduct 550 1/2 hour individual meetings each full contract year.	\$1,000	Annually	Met	\$0	On Track
Group Workshops	Conduct 52 on-site group seminars each full contract year. Surveys to be provided at the end of each group meeting	\$1,000	Annually	Met	\$0	Move to virtual due to COVID-19
Participant Satisfaction Surveys	Conduct Biennial participant satisfaction survey.	\$1,000	Biennial	Met	\$0	Pending Committee Direction
Quarterly Revenue Payment	Check cut within 30 business days quarterly and delivered to plan.	\$200	Quarterly	Met	\$0	Q2 Payment of \$17,668.34 sent via ACH 7/21/2023
Plan Sponsor Statements - Mail	Plan Sponsor Statements delivered within 30 Business Days after quarter end.	\$200	Quarterly	Met	\$0	7/17/2023
Participant Statements - Mail	Participant Statements issued within 20 Business Days after quarter end.	\$200	Quarterly	Met	\$0	7/17/2023
Contributions	Payroll Contributions processed within 1 Business Day of receipt IGO.	\$200	Quarterly	Met	\$0	No incidents reported
Response Time	75% of calls are answered within 20 seconds.	\$200	Quarterly	Met	\$0	91.50%
QDRO - Processing	QDROs processed within 30 Business Days of receipt IGO.	\$200	Quarterly	Met	\$0	0 Misses
Withdrawals	Withdrawals processed within 2 Business Days of receipt IGO.	\$200	Quarterly	Met	\$0	0 Misses
Withdrawals - UEs/Hardships	UEs processed within 2 Business Days of receipt IGO.	\$200	Quarterly	Met	\$0	0 Misses
Withdrawals - Rollovers/Transfers	Rollovers & Transfers processed within 5 Business Days of receipt IGO.	\$200	Quarterly	Met	\$0	0 Misses
Loans	Loan Requests processed within 3 Business Days of receipt IGO.	\$200	Quarterly	Met	\$0	0 Misses

Total Q2

\$0.00



# Explicit Asset Fee Report

## 1079 - Explicit Asset Fee Report

Accounting Group: 22  
 Plan Sponsor Name: MARIN 457/ MARIN COUNTY SUPERIOR COURT  
 Plan Name: MARIN 457/ MARIN COUNTY SUPERIOR COURT  
 Plan ID: 0041557-001/0041546-001  
 IRS Code: Summary of all plans  
 Payee: Plan Sponsor/NRS

	Plan Sponsor Fee Amount	NRS Fee Amount
April 457	\$5,143.83	\$18,005.49
April Courts	\$215.31	\$753.71
April OBRA	\$163.18	\$573.63
April Courts OBRA	\$1.80	\$6.38
SDO Adjustment	\$301.08	-\$301.08
<b>April Total</b>	<b>\$5,825.20</b>	<b>\$19,038.13</b>
May 457	\$5,254.31	\$18,390.48
May Courts	\$214.98	\$752.28
May OBRA	\$168.73	\$593.80
May Courts OBRA	\$1.89	\$6.66
SDO Adjustment	\$275.73	-\$275.73
<b>May Total</b>	<b>\$5,915.64</b>	<b>\$19,467.49</b>
June 457	\$5,261.43	\$18,417.22
June Courts	\$215.18	\$753.14
June OBRA	\$164.04	\$577.13
June Courts OBRA	\$1.84	\$6.48
SDO Adjustment	\$285.01	-\$285.01
<b>June Total</b>	<b>\$5,927.50</b>	<b>\$19,468.96</b>
<b>2Q 2023 Revenue Total</b>	<b>\$17,668.34</b>	<b>\$57,974.58</b>

Your Dedicated Team

## Your Dedicated Team

# Plan Sponsor Experience

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## 2Q | 2023 THE 457(b) PLAN FIDUCIARY ADVISOR NEWSLETTER

### **Legislation to Address Critical Issues in SECURE 2.0<sup>1</sup> Thought to be Unlikely until Year-End, Despite Retirement Industry Concerns and Lobbying Efforts**

Well-known problems with some SECURE 2.0 provisions are probably going to be addressed only in year-end legislation, some experts believe. "The likely path forward for a pension technical corrections bill is to have something ready for inclusion in an end-of-the-year package that is considered as "must pass" legislation," according to Morgan Stanley's Quarterly Washington Update: A Summary of Key Legislative and Regulatory Developments Affecting Retirement Savings, dated June 2023. The main issue within the industry pertains to Section 603 of SECURE 2.0, which mandates all catch-up contributions made to 401(a), 403(b) and 457(b) plans be made on a Roth-basis beginning in 2024. Almost 250 industry stakeholders signed a letter that was resubmitted to Congress on July 14th requesting a 2-year delay to the effective date of this provision, citing concerns regarding implementation prior to such date absent immediate guidance from Congress, the Treasury and/or the IRS, which may result in a cease to all catch-up contributions. [Read More Here<sup>2</sup> and Here<sup>3</sup>](#)

### **Efforts to Make Commingled Investment Trust (CIT) Products Available in 403(b) Plans are Still Alive**

Representative Frank Lucas, R-Oklahoma, plans to introduce legislation that would amend several federal securities laws to permit collective investment trusts to be used in 403(b) plans for the first time. SECURE 2.0 updated tax law to permit CITs into 403(b) plans, but it did not update the necessary federal securities laws to do the same. Without both changes, CITs cannot be used in 403(b) plans. CITs are similar to mutual funds and both are pooled investment vehicles, but CITs tend to have lower fees as they not subject to the same regulatory requirements as those imposed on mutual funds. [Read More Here<sup>4</sup>](#)

### **IRS Provides Relief on Required Minimum Distribution Rules That Are Impacted by SECURE 2.0 in Advance of Issuing Final Regulations**

Notice 2023-54 "provides much-needed 2023 required minimum distributions ("RMD") relief by: extending the effective date of the final RMD regulations, once issued by the IRS, (for all plan types) for another year -- now not effective before the 2024 distribution calendar year; providing rollover relief to plan sponsors and participants/IRA owners who were born in 1951 (as well as their surviving spouses) -- which includes extending the rollover period through September 30, 2023; and eliminating the need for 2023 RMD payments for beneficiaries under the combination of the 10-year rule and the 'at least as rapidly' rule" according to the Groom Law Group article published on July 10, 2023. [Read More Here<sup>5</sup>](#)

## Multiple Lawsuits Over Plans Using BlackRock's Target Date Funds (TDF) Have Been Dismissed by Different Courts

"There have been a series of cases filed against fiduciaries of 401(k) plans that offer BlackRock target date funds as investment options to plan participants. Since last August, district courts have dismissed these BlackRock complaints with prejudice, in cases against Boaz Allen Hamilton, Capital One, and Microsoft, saying the plaintiffs had failed to allege any facts about the plan fiduciaries' process for selecting and monitoring the BlackRock TDFs." [Read More Here<sup>6</sup>](#)

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<sup>1</sup> The SECURE 2.0 Act of 2022. Referred to herein as "SECURE 2.0"

<sup>2</sup> Source: June 26, 2023, Morgan Stanley Washington Update Newsletter: "A Summary of Key Legislative and Regulatory Developments Affecting Retirement Savings"

<sup>3</sup> Source: July 14, 2023, Congress Group Letter: "Retirement Roth Catch-up"

<sup>4</sup> Source: April 24, 2023, PlanSponsor: "Better Late Than Never: New Bill Would Permit CITs in 403(b)s"

<sup>5</sup> Source: July 19, 2023, Groom Law Group: "Additional Required Minimum Distribution Relief Following SECURE 2.0 Act Changes"

<sup>6</sup> Source: July 10, 2023, Faegre Drinker: "Plan Fiduciaries Continue to Defeat BlackRock Target Date Fund Class Actions"

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